

Reconciliation of Consolidated income (loss) available to common shareholders and diluted earnings (loss) per share (GAAP) to guidance basis income and guidance basis diluted earnings per share (Non-GAAP)

	Quarter Ended December 31, 2020									
	Utility Operations		Midstream Investments		Corporate and Other ⁽⁶⁾		CES ⁽¹⁾ & CIS ⁽²⁾ (Disc. Operations)		Consolidated	
	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾
Consolidated income (loss) available to common shareholders and diluted EPS	\$ 119	\$ 0.21	\$ 49	\$ 0.09	\$ (17)	\$ (0.03)	\$ —	\$ —	\$ 151	\$ 0.27
ZENS-related mark-to-market (gains) losses:										
Marketable securities (net of taxes of \$8) ⁽⁴⁾⁽⁵⁾	—	—	—	—	(27)	(0.05)	—	—	(27)	(0.05)
Indexed debt securities (net of taxes of \$8) ⁽⁴⁾	—	—	—	—	27	0.05	—	—	27	0.05
Impacts associated with the Vectren merger (net of taxes of \$0)⁽⁴⁾	(2)	—	—	—	—	—	—	—	(2)	—
Severance costs (net of taxes of \$1)⁽⁴⁾	2	—	—	—	—	—	—	—	2	—
Impacts associated with BREC activities (net of taxes of \$0, \$0)⁽⁴⁾	1	—	—	—	1	—	—	—	2	—
Impacts associated with Series C preferred stock										
Preferred stock dividend requirement and amortization of beneficial conversion feature	—	—	—	—	19	0.04	—	—	19	0.04
Impact of increased share count on EPS if issued as common stock	—	(0.01)	—	(0.01)	—	—	—	—	—	(0.02)
Total Series C preferred stock impacts	—	(0.01)	—	(0.01)	19	0.04	—	—	19	0.02
Corporate and Other Allocation	13	0.02	(9)	(0.01)	(3)	(0.01)	(1)	—	—	—
Exclusion of Discontinued Operations ⁽⁷⁾	—	—	—	—	—	—	1	—	1	—
Consolidated on a guidance basis	<u>\$ 133</u>	<u>\$ 0.22</u>	<u>\$ 40</u>	<u>\$ 0.07</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 173</u>	<u>\$ 0.29</u>

(1) Energy Services segment

(2) Infrastructure Services segment

(3) Quarterly diluted EPS on both a GAAP and guidance basis are based on the weighted average number of shares of common stock outstanding during the quarter, and the sum of the quarters may not equal year-to-date diluted EPS

(4) Taxes are computed based on the impact removing such item would have on tax expense

(5) Comprised of common stock of AT&T Inc. and Charter Communications, Inc.

(6) Corporate and Other, plus income allocated to preferred shareholders

(7) Results related to discontinued operations are excluded from the company's guidance basis results

Quarter Ended
December 31, 2019

	Utility Operations		Midstream Investments		Corporate and Other ⁽⁶⁾		CES ⁽¹⁾ & CIS ⁽²⁾ (Disc. Operations)		Consolidated	
	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾	Dollars in millions	Diluted EPS ⁽³⁾
Consolidated income (loss) available to common shareholders and diluted EPS	\$ 197	\$ 0.39	\$ 7	\$ 0.01	\$ (96)	\$ (0.19)	\$ 20	\$ 0.04	\$ 128	\$ 0.25
Timing effects impacting CES ⁽¹⁾:										
Mark-to-market (gains) losses (net of taxes of \$2) ⁽⁴⁾	—	—	—	—	—	—	6	0.01	6	0.01
ZENS-related mark-to-market (gains) losses:										
Marketable securities (net of taxes of \$16) ⁽⁴⁾⁽⁵⁾	—	—	—	—	(60)	(0.12)	—	—	(60)	(0.12)
Indexed debt securities (net of taxes of \$16) ⁽⁴⁾	—	—	—	—	60	0.12	—	—	60	0.12
Impacts associated with the Vectren merger (net of taxes of \$5, (\$4), \$0)⁽⁴⁾	(4)	(0.01)	—	—	17	0.04	4	—	17	0.03
Losses on impairment (net of taxes of \$11, \$3)⁽⁴⁾	—	—	35	0.07	—	—	45	0.09	80	0.16
Corporate and Other Allocation	(48)	(0.10)	(6)	(0.01)	79	0.15	(25)	(0.04)	—	—
Exclusion of Discontinued Operations ⁽⁷⁾	—	—	—	—	—	—	(50)	(0.10)	(50)	(0.10)
Consolidated on a guidance basis	<u>\$ 145</u>	<u>\$ 0.28</u>	<u>\$ 36</u>	<u>\$ 0.07</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 181</u>	<u>\$ 0.35</u>

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CenterPoint Energy, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Millions of Dollars)
(Unaudited)

	December 31, 2020	December 31, 2019
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 147	\$ 241
Current assets held for sale	—	1,002
Other current assets	2,773	2,694
Total current assets	<u>2,920</u>	<u>3,937</u>
Property, Plant and Equipment, net	<u>22,362</u>	<u>20,624</u>
Other Assets:		
Goodwill	4,697	4,882
Regulatory assets	2,094	2,117
Investment in unconsolidated affiliates	783	2,408
Preferred units – unconsolidated affiliate	363	363
Non-current assets held for sale	—	962
Other non-current assets	252	236
Total other assets	<u>8,189</u>	<u>10,968</u>
Total Assets	<u>\$ 33,471</u>	<u>\$ 35,529</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term borrowings	\$ 24	\$ —
Current portion of securitization bonds long-term debt	211	231
Indexed debt, net	15	19
Current portion of other long-term debt	1,669	618
Current liabilities held for sale	—	455
Other current liabilities	2,906	2,655
Total current liabilities	<u>4,825</u>	<u>3,978</u>
Other Liabilities:		
Deferred income taxes, net	3,603	3,928
Regulatory liabilities	3,448	3,474
Non-current liabilities held for sale	—	43
Other non-current liabilities	1,726	1,503
Total other liabilities	<u>8,777</u>	<u>8,948</u>
Long-term Debt:		
Securitization bonds	536	746
Other	10,985	13,498
Total long-term debt	<u>11,521</u>	<u>14,244</u>
Shareholders' Equity	<u>8,348</u>	<u>8,359</u>
Total Liabilities and Shareholders' Equity	<u>\$ 33,471</u>	<u>\$ 35,529</u>

Reference is made to the Combined Notes to the Consolidated Financial Statements
contained in the Annual Report on Form 10-K
of CenterPoint Energy, Inc.