

CenterPoint Energy, Inc. and Subsidiaries
 Statements of Consolidated Income
 (Millions of Dollars)
 (Unaudited)

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Revenues:				
Electric Transmission & Distribution	\$ 839	\$ 745	\$ 2,166	\$ 1,933
Natural Gas Distribution	382	381	2,401	1,961
Energy Services	604	520	2,364	1,745
Interstate Pipelines	-	-	-	186
Field Services	-	-	-	196
Other Operations	4	4	11	10
Eliminations	(22)	(10)	(88)	(109)
Total	<u>1,807</u>	<u>1,640</u>	<u>6,854</u>	<u>5,922</u>
Expenses:				
Natural gas	702	637	3,625	2,741
Operation and maintenance	493	422	1,441	1,352
Depreciation and amortization	293	248	784	741
Taxes other than income taxes	86	89	290	289
Total	<u>1,574</u>	<u>1,396</u>	<u>6,140</u>	<u>5,123</u>
Operating Income	<u>233</u>	<u>244</u>	<u>714</u>	<u>799</u>
Other Income (Expense) :				
Gain on marketable securities	31	54	73	158
Loss on indexed debt securities	(22)	(42)	(29)	(120)
Interest and other finance charges	(88)	(86)	(261)	(269)
Interest on transition and system restoration bonds	(30)	(32)	(90)	(101)
Equity in earnings of unconsolidated affiliates	79	80	241	122
Other - net	10	11	28	17
Total	<u>(20)</u>	<u>(15)</u>	<u>(38)</u>	<u>(193)</u>
Income Before Income Taxes	213	229	676	606
Income Tax Expense	<u>70</u>	<u>78</u>	<u>241</u>	<u>408</u>
Net Income	<u>\$ 143</u>	<u>\$ 151</u>	<u>\$ 435</u>	<u>\$ 198</u>

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

CenterPoint Energy, Inc. and Subsidiaries
Selected Data From Statements of Consolidated Income
(Millions of Dollars, Except Share and Per Share Amounts)
(Unaudited)

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Basic Earnings (Loss) Per Common Share	\$ 0.33	\$ 0.35	\$ 1.01	\$ 0.46
Diluted Earnings (Loss) Per Common Share	\$ 0.33	\$ 0.35	\$ 1.01	\$ 0.46
Dividends Declared per Common Share	\$ 0.2375	\$ 0.2075	0.7125	\$ 0.6225
Weighted Average Common Shares Outstanding (000):				
- Basic	429,796	428,628	429,580	428,389
- Diluted	431,573	430,867	431,357	430,624
 <u>Operating Income (Loss) by Segment</u>				
Electric Transmission & Distribution:				
Electric Transmission and Distribution Operations	\$ 202	\$ 207	\$ 392	\$ 387
Transition and System Restoration Bond Companies	30	32	90	101
Total Electric Transmission & Distribution	232	239	482	488
Natural Gas Distribution	(8)	5	184	169
Energy Services	6	2	43	12
Interstate Pipelines	-	-	-	72
Field Services	-	-	-	73
Other Operations	3	(2)	5	(15)
Total	\$ 233	\$ 244	\$ 714	\$ 799

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CenterPoint Energy, Inc. and Subsidiaries
Results of Operations by Segment
(Millions of Dollars)
(Unaudited)

	Electric Transmission & Distribution					
	Quarter Ended		% Diff Fav/(Unfav)	Nine Months Ended		% Diff Fav/(Unfav)
	September 30,			September 30,		
	2014	2013		2014	2013	
Results of Operations:						
Revenues:						
Electric transmission and distribution utility	\$ 660	\$ 600	10%	\$ 1,716	\$ 1,534	12%
Transition and system restoration bond companies	179	145	23%	450	399	13%
Total	<u>839</u>	<u>745</u>	13%	<u>2,166</u>	<u>1,933</u>	12%
Expenses:						
Operation and maintenance	319	256	(25%)	907	740	(23%)
Depreciation and amortization	83	80	(4%)	247	238	(4%)
Taxes other than income taxes	56	57	2%	170	169	(1%)
Transition and system restoration bond companies	149	113	(32%)	360	298	(21%)
Total	<u>607</u>	<u>506</u>	(20%)	<u>1,684</u>	<u>1,445</u>	(17%)
Operating Income	<u>\$ 232</u>	<u>\$ 239</u>	(3%)	<u>\$ 482</u>	<u>\$ 488</u>	(1%)
Operating Income:						
Electric transmission and distribution operations	\$ 202	\$ 207	(2%)	\$ 392	\$ 387	1%
Transition and system restoration bond companies	30	32	(6%)	90	101	(11%)
Total Segment Operating Income	<u>\$ 232</u>	<u>\$ 239</u>	(3%)	<u>\$ 482</u>	<u>\$ 488</u>	(1%)
Electric Transmission & Distribution Operating Data:						
Actual MWH Delivered						
Residential	9,736,785	9,945,256	(2%)	22,000,244	21,736,219	1%
Total	24,801,549	24,409,786	2%	63,128,739	61,543,907	3%
Weather (average for service area):						
Percentage of 10-year average:						
Cooling degree days	99%	104%	(5%)	92%	99%	(7%)
Heating degree days	0%	0%	0%	138%	92%	46%
Number of metered customers - end of period:						
Residential	2,018,858	1,973,270	2%	2,018,858	1,973,270	2%
Total	2,284,202	2,234,041	2%	2,284,202	2,234,041	2%
Natural Gas Distribution						
	Quarter Ended		% Diff Fav/(Unfav)	Nine Months Ended		% Diff Fav/(Unfav)
	September 30,			September 30,		
		2014	2013		2014	2013
Results of Operations:						
Revenues						
Natural gas	\$ 382	\$ 381	-	\$ 2,401	\$ 1,961	22%
Gross Margin	142	142	-	1,432	1,066	(34%)
Total	<u>240</u>	<u>239</u>	-	<u>969</u>	<u>895</u>	8%
Expenses:						
Operation and maintenance	169	158	(7%)	524	488	(7%)
Depreciation and amortization	52	47	(11%)	149	138	(8%)
Taxes other than income taxes	27	29	7%	112	100	(12%)
Total	<u>248</u>	<u>234</u>	(6%)	<u>785</u>	<u>726</u>	(8%)
Operating Income (Loss)	<u>\$ (8)</u>	<u>\$ 5</u>	(260%)	<u>\$ 184</u>	<u>\$ 169</u>	9%
Natural Gas Distribution Operating Data:						
Throughput data in BCF						
Residential	12	12	-	140	117	20%
Commercial and Industrial	46	49	(6%)	197	191	3%
Total Throughput	<u>58</u>	<u>61</u>	(5%)	<u>337</u>	<u>308</u>	9%
Weather (average for service area)						
Percentage of 10-year average:						
Heating degree days	106%	52%	54%	128%	105%	23%
Number of customers - end of period:						
Residential	3,077,633	3,045,701	1%	3,077,633	3,045,701	1%
Commercial and Industrial	246,789	242,587	2%	246,789	242,587	2%
Total	<u>3,324,422</u>	<u>3,288,288</u>	1%	<u>3,324,422</u>	<u>3,288,288</u>	1%

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

CenterPoint Energy, Inc. and Subsidiaries
Results of Operations by Segment
(Millions of Dollars)
(Unaudited)

	Energy Services					
	Quarter Ended September 30,		% Diff Fav/(Unfav)	Nine Months Ended September 30,		% Diff Fav/(Unfav)
	2014	2013		2014	2013	
Results of Operations:						
Revenues	\$ 604	\$ 520	16%	\$ 2,364	\$ 1,745	35%
Natural gas	582	503	(16%)	2,280	1,693	(35%)
Gross Margin	22	17	29%	84	52	62%
Expenses:						
Operation and maintenance	14	13	(8%)	36	35	(3%)
Depreciation and amortization	2	2	-	4	4	-
Taxes other than income taxes	-	-	-	1	1	-
Total	16	15	(7%)	41	40	(3%)
Operating Income	<u>\$ 6</u>	<u>\$ 2</u>	200%	<u>\$ 43</u>	<u>\$ 12</u>	258%
Energy Services Operating Data:						
Throughput data in BCF	140	134	4%	463	433	7%
Number of customers - end of period	<u>17,900</u>	<u>17,537</u>	2%	<u>17,900</u>	<u>17,537</u>	2%

	Other Operations					
	Quarter Ended September 30,		% Diff Fav/(Unfav)	Nine Months Ended September 30,		% Diff Fav/(Unfav)
	2014	2013		2014	2013	
Results of Operations:						
Revenues	\$ 4	\$ 4	-	\$ 11	\$ 10	10%
Expenses	1	6	83%	6	25	76%
Operating Income (Loss)	<u>\$ 3</u>	<u>\$ (2)</u>	250%	<u>\$ 5</u>	<u>\$ (15)</u>	133%

Capital Expenditures by Segment
(Millions of Dollars)
(Unaudited)

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
	Capital Expenditures by Segment			
Electric Transmission & Distribution	\$ 203	\$ 190	\$ 573	\$ 515
Natural Gas Distribution	148	127	378	313
Energy Services	-	-	2	3
Interstate Pipelines	-	-	-	29
Field Services	-	-	-	16
Other Operations	7	12	34	31
Total	<u>\$ 358</u>	<u>\$ 329</u>	<u>\$ 987</u>	<u>\$ 907</u>

Interest Expense Detail
(Millions of Dollars)
(Unaudited)

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
	Interest Expense Detail			
Amortization of Deferred Financing Cost	\$ 6	\$ 6	\$ 19	\$ 20
Capitalization of Interest Cost	(2)	(4)	(8)	(8)
Transition and System Restoration Bond Interest Expense	30	32	90	101
Other Interest Expense	84	84	250	257
Total Interest Expense	<u>\$ 118</u>	<u>\$ 118</u>	<u>\$ 351</u>	<u>\$ 370</u>

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

	September 30, 2014	December 31, 2013
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 230	\$ 208
Other current assets	2,346	2,450
Total current assets	2,576	2,658
Property, Plant and Equipment, net	10,205	9,593
Other Assets:		
Goodwill	840	840
Regulatory assets	3,372	3,726
Investment in unconsolidated affiliates	4,525	4,518
Other non-current assets	530	535
Total other assets	9,267	9,619
Total Assets	\$ 22,048	\$ 21,870
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term borrowings	\$ 80	\$ 43
Current portion of transition and system restoration bonds long-term debt	370	354
Indexed debt	149	143
Current portion of other long-term debt	203	-
Other current liabilities	2,206	2,479
Total current liabilities	3,008	3,019
Other Liabilities:		
Accumulated deferred income taxes, net	4,606	4,542
Regulatory liabilities	1,237	1,152
Other non-current liabilities	927	1,011
Total other liabilities	6,770	6,705
Long-term Debt:		
Transition and system restoration bonds	2,736	3,046
Other	5,061	4,771
Total long-term debt	7,797	7,817
Shareholders' Equity	4,473	4,329
Total Liabilities and Shareholders' Equity	\$ 22,048	\$ 21,870

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CenterPoint Energy, Inc. and Subsidiaries
Condensed Statements of Consolidated Cash Flows
(Millions of Dollars)
(Unaudited)

	Nine Months Ended September 30,	
	2014	2013
Cash Flows from Operating Activities:		
Net income	\$ 435	\$ 198
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	805	764
Deferred income taxes	94	356
Write-down of natural gas inventory	2	4
Changes in net regulatory assets	53	78
Changes in other assets and liabilities	(277)	(281)
Other, net	12	13
Net Cash Provided by Operating Activities	1,124	1,132
Net Cash Used in Investing Activities	(1,026)	(926)
Net Cash Used in Financing Activities	(76)	(633)
Net Increase (Decrease) in Cash and Cash Equivalents	22	(427)
Cash and Cash Equivalents at Beginning of Period	208	646
Cash and Cash Equivalents at End of Period	\$ 230	\$ 219

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