

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

	Quarter Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
Revenues:				
Electric Transmission & Distribution	\$ 679	\$ 637	\$ 2,845	\$ 2,570
Natural Gas Distribution	900	902	3,301	2,863
Energy Services	815	656	3,179	2,401
Interstate Pipelines	-	-	-	186
Field Services	-	-	-	196
Other Operations	4	4	15	14
Eliminations	(26)	(15)	(114)	(124)
Total	<u>2,372</u>	<u>2,184</u>	<u>9,226</u>	<u>8,106</u>
Expenses:				
Natural gas	1,296	1,167	4,921	3,908
Operation and maintenance	528	495	1,969	1,847
Depreciation and amortization	229	213	1,013	954
Taxes other than income taxes	98	98	388	387
Total	<u>2,151</u>	<u>1,973</u>	<u>8,291</u>	<u>7,096</u>
Operating Income	<u>221</u>	<u>211</u>	<u>935</u>	<u>1,010</u>
Other Income (Expense) :				
Gain on marketable securities	90	78	163	236
Loss on indexed debt securities	(57)	(73)	(86)	(193)
Interest and other finance charges	(92)	(82)	(353)	(351)
Interest on transition and system restoration bonds	(28)	(32)	(118)	(133)
Equity in earnings of unconsolidated affiliates	67	66	308	188
Other - net	8	7	36	24
Total	<u>(12)</u>	<u>(36)</u>	<u>(50)</u>	<u>(229)</u>
Income Before Income Taxes	209	175	885	781
Income Tax Expense	<u>33</u>	<u>62</u>	<u>274</u>	<u>470</u>
Net Income	<u>\$ 176</u>	<u>\$ 113</u>	<u>\$ 611</u>	<u>\$ 311</u>

Reference is made to the Notes to the Consolidated Financial Statements contained in the Annual Report on Form 10-K 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 December 31,		Year Ended December 31,	
	2014	2013	2014	2013
Basic Earnings (Loss) Per Common Share	\$ 0.41	\$ 0.26	\$ 1.42	\$ 0.73
Diluted Earnings (Loss) Per Common Share	\$ 0.41	\$ 0.26	\$ 1.42	\$ 0.72
Dividends Declared per Common Share	\$ 0.2375	\$ 0.2075	0.9500	\$ 0.8300
Weighted Average Common Shares Outstanding (000):				
- Basic	429,796	428,694	429,634	428,466
- Diluted	431,830	431,159	431,668	430,930
 <u>Operating Income (Loss) by Segment</u>				
Electric Transmission & Distribution:				
Electric Transmission and Distribution Operations	\$ 85	\$ 87	\$ 477	\$ 474
Transition and System Restoration Bond Companies	28	32	118	133
Total Electric Transmission & Distribution	113	119	595	607
Natural Gas Distribution	103	94	287	263
Energy Services	9	1	52	13
Interstate Pipelines	-	-	-	72
Field Services	-	-	-	73
Other Operations	(4)	(3)	1	(18)
Total	\$ 221	\$ 211	\$ 935	\$ 1,010

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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)	Year Ended		% Diff Fav/(Unfav)
	December 31,			December 31,		
	2014	2013		2014	2013	
Results of Operations:						
Revenues:						
Electric transmission and distribution utility	\$ 563	\$ 529	6%	\$ 2,279	\$ 2,063	10%
Transition and system restoration bond companies	116	108	7%	566	507	12%
Total	<u>679</u>	<u>637</u>	7%	<u>2,845</u>	<u>2,570</u>	11%
Expenses:						
Operation and maintenance	344	305	(13%)	1,251	1,045	(20%)
Depreciation and amortization	80	81	1%	327	319	(3%)
Taxes other than income taxes	54	56	4%	224	225	-
Transition and system restoration bond companies	88	76	(16%)	448	374	(20%)
Total	<u>566</u>	<u>518</u>	(9%)	<u>2,250</u>	<u>1,963</u>	(15%)
Operating Income	<u>\$ 113</u>	<u>\$ 119</u>	(5%)	<u>\$ 595</u>	<u>\$ 607</u>	(2%)
Operating Income:						
Electric transmission and distribution operations	\$ 85	\$ 87	(2%)	\$ 477	\$ 474	1%
Transition and system restoration bond companies	28	32	(13%)	118	133	(11%)
Total Segment Operating Income	<u>\$ 113</u>	<u>\$ 119</u>	(5%)	<u>\$ 595</u>	<u>\$ 607</u>	(2%)
Electric Transmission & Distribution Operating Data:						
Actual MWH Delivered						
Residential	5,497,638	5,748,900	(4%)	27,497,882	27,485,119	-
Total	18,710,321	18,441,058	1%	81,839,060	79,984,965	2%
Weather (average for service area):						
Percentage of 10-year average:						
Cooling degree days	86%	84%	2%	91%	98%	(7%)
Heating degree days	99%	141%	(42%)	123%	111%	12%
Number of metered customers - end of period:						
Residential	2,033,027	1,982,699	3%	2,033,027	1,982,699	3%
Total	2,299,247	2,244,289	2%	2,299,247	2,244,289	2%
Natural Gas Distribution						
	Quarter Ended		% Diff Fav/(Unfav)	Year Ended		% Diff Fav/(Unfav)
	December 31,			December 31,		
		2014	2013		2014	2013
Results of Operations:						
Revenues						
Natural gas	\$ 900	\$ 902	-	\$ 3,301	\$ 2,863	15%
Gross Margin	529	541	2%	1,961	1,607	(22%)
Total	<u>371</u>	<u>361</u>	3%	<u>1,340</u>	<u>1,256</u>	7%
Expenses:						
Operation and maintenance	176	179	2%	700	667	(5%)
Depreciation and amortization	52	47	(11%)	201	185	(9%)
Taxes other than income taxes	40	41	2%	152	141	(8%)
Total	<u>268</u>	<u>267</u>	-	<u>1,053</u>	<u>993</u>	(6%)
Operating Income (Loss)	<u>\$ 103</u>	<u>\$ 94</u>	10%	<u>\$ 287</u>	<u>\$ 263</u>	9%
Natural Gas Distribution Operating Data:						
Throughput data in BCF						
Residential	57	64	(11%)	197	182	8%
Commercial and Industrial	71	75	(5%)	270	265	2%
Total Throughput	<u>128</u>	<u>139</u>	(8%)	<u>467</u>	<u>447</u>	4%
Weather (average for service area)						
Percentage of 10-year average:						
Heating degree days	107%	119%	(12%)	120%	110%	10%
Number of customers - end of period:						
Residential	3,124,542	3,090,966	1%	3,124,542	3,090,966	1%
Commercial and Industrial	249,272	247,100	1%	249,272	247,100	1%
Total	<u>3,373,814</u>	<u>3,338,066</u>	1%	<u>3,373,814</u>	<u>3,338,066</u>	1%

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

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

	Energy Services					
	Quarter Ended December 31,		% Diff Fav/(Unfav)	Year Ended December 31,		% Diff Fav/(Unfav)
	2014	2013		2014	2013	
Results of Operations:						
Revenues	\$ 815	\$ 656	24%	\$ 3,179	\$ 2,401	32%
Natural gas	793	643	(23%)	3,073	2,336	(32%)
Gross Margin	22	13	69%	106	65	63%
Expenses:						
Operation and maintenance	11	11	-	47	46	(2%)
Depreciation and amortization	1	1	-	5	5	-
Taxes other than income taxes	1	-	-	2	1	(100%)
Total	13	12	(8%)	54	52	(4%)
Operating Income	<u>\$ 9</u>	<u>\$ 1</u>	800%	<u>\$ 52</u>	<u>\$ 13</u>	300%
Energy Services Operating Data:						
Throughput data in BCF	168	167	1%	631	600	5%
Number of customers - end of period	17,964	17,510	3%	17,964	17,510	3%

	Other Operations					
	Quarter Ended December 31,		% Diff Fav/(Unfav)	Year Ended December 31,		% Diff Fav/(Unfav)
	2014	2013		2014	2013	
Results of Operations:						
Revenues	\$ 4	\$ 4	-	\$ 15	\$ 14	7%
Expenses	8	7	(14%)	14	32	56%
Operating Income (Loss)	<u>\$ (4)</u>	<u>\$ (3)</u>	(33%)	<u>\$ 1</u>	<u>\$ (18)</u>	106%

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

	Quarter Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
	Capital Expenditures by Segment			
Electric Transmission & Distribution	\$ 245	\$ 244	\$ 818	\$ 759
Natural Gas Distribution	147	117	525	430
Energy Services	1	-	3	3
Interstate Pipelines	-	-	-	29
Field Services	-	-	-	16
Other Operations	22	4	56	35
Total	<u>\$ 415</u>	<u>\$ 365</u>	<u>\$ 1,402</u>	<u>\$ 1,272</u>

Interest Expense Detail
(Millions of Dollars)
(Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
	Interest Expense Detail			
Amortization of Deferred Financing Cost	\$ 6	\$ 6	\$ 25	\$ 26
Capitalization of Interest Cost	(3)	(3)	(11)	(11)
Transition and System Restoration Bond Interest Expense	28	32	118	133
Other Interest Expense	89	79	339	336
Total Interest Expense	<u>\$ 120</u>	<u>\$ 114</u>	<u>\$ 471</u>	<u>\$ 484</u>

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

	December 31, 2014	December 31, 2013
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 298	\$ 208
Other current assets	2,970	2,450
Total current assets	3,268	2,658
Property, Plant and Equipment, net	10,502	9,593
Other Assets:		
Goodwill	840	840
Regulatory assets	3,527	3,726
Investment in unconsolidated affiliates	4,521	4,518
Other non-current assets	542	535
Total other assets	9,430	9,619
Total Assets	\$ 23,200	\$ 21,870
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term borrowings	\$ 53	\$ 43
Current portion of transition and system restoration bonds long-term debt	372	354
Indexed debt	152	143
Current portion of other long-term debt	271	-
Other current liabilities	2,627	2,479
Total current liabilities	3,475	3,019
Other Liabilities:		
Accumulated deferred income taxes, net	4,757	4,542
Regulatory liabilities	1,206	1,152
Other non-current liabilities	1,205	1,011
Total other liabilities	7,168	6,705
Long-term Debt:		
Transition and system restoration bonds	2,674	3,046
Other	5,335	4,771
Total long-term debt	8,009	7,817
Shareholders' Equity		
Total Liabilities and Shareholders' Equity	\$ 23,200	\$ 21,870

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

	Year Ended December 31,	
	2014	2013
Cash Flows from Operating Activities:		
Net income	\$ 611	\$ 311
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,041	984
Deferred income taxes	280	356
Write-down of natural gas inventory	8	4
Changes in net regulatory assets	22	61
Changes in other assets and liabilities	(578)	(127)
Other, net	13	24
Net Cash Provided by Operating Activities	1,397	1,613
Net Cash Used in Investing Activities	(1,384)	(1,300)
Net Cash Provided by (Used in) Financing Activities	77	(751)
Net Increase (Decrease) in Cash and Cash Equivalents	90	(438)
Cash and Cash Equivalents at Beginning of Period	208	646
Cash and Cash Equivalents at End of Period	\$ 298	\$ 208

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