



CenterPoint Energy Reports Third Quarter 2010 Earnings

HOUSTON, Oct 28, 2010 /PRNewswire via COMTEX News Network/ -- CenterPoint Energy, Inc. (NYSE: CNP) today reported net income of \$123 million, or \$0.29 per diluted share, for the third quarter of 2010 compared to \$114 million, or \$0.31 per diluted share, for the same period of 2009. Operating income for the third quarter of 2010 was \$327 million compared to \$287 million for the same period of 2009.

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(Logo: <http://www.newscom.com/cgi-bin/prnh/20020930/CNPLOGO>)

"I am pleased with the overall results from our business units this quarter," said David M. McClanahan, president and chief executive officer of CenterPoint Energy. "Our regulated electric and natural gas utilities performed well and we continue to see the benefits of the significant investments we have made in our field services and pipeline businesses."

For the nine months ended September 30, 2010, net income was \$318 million, or \$0.78 per diluted share, compared to \$267 million, or \$0.74 per diluted share, for the same period of 2009. Operating income for the nine months ended September 30, 2010, was \$947 million compared to \$825 million for the same period of 2009.

OPERATING INCOME BY SEGMENT

Electric Transmission & Distribution

The electric transmission & distribution segment reported operating income of \$212 million for the third quarter of 2010, consisting of \$178 million from the regulated electric transmission & distribution utility operations (TDU) and \$34 million related to transition and system restoration bonds. Operating income for the third quarter of 2009 was \$218 million, consisting of \$187 million from the TDU and \$31 million related to transition bonds. Operating income for the TDU increased from growth of nearly 21,000 metered customers since September 2009, but was more than offset by reduced revenues associated with the credit to customers' bills reflecting the benefit of deferred taxes associated with Hurricane Ike storm restoration costs, and increased operation and maintenance expenses.

Operating income for the nine months ended September 30, 2010, was \$477 million, consisting of \$371 million from the TDU and \$106 million related to transition and system restoration bonds. Operating income for the same period of 2009 was \$450 million, consisting of \$353 million from the TDU and \$97 million related to transition bonds.

Natural Gas Distribution

The natural gas distribution segment reported an operating loss of \$4 million for the third quarter of 2010 compared to an operating loss of \$15 million for the same period of 2009. Operating results benefited from rate increases and rate design changes, and higher system throughput, partially offset by higher operation and maintenance expenses. Due to seasonal impacts, this segment typically reports a loss in the third quarter.

Operating income for the nine months ended September 30, 2010, was \$145 million compared to \$105 million for the same period of 2009.

Interstate Pipelines

The interstate pipelines segment reported operating income of \$68 million for the third quarter of 2010 compared to \$64 million for the same period of 2009. Operating income increased due to higher revenue from firm contracts associated with Phase IV of the Carthage to Perryville pipeline and for deliveries to gas-fired power generators, as well as lower operation and maintenance expenses, partially offset by reduced revenues from ancillary services.

In addition to operating income, this segment recorded equity income of \$8 million for the third quarter of 2010 primarily from its 50 percent interest in the Southeast Supply Header (SESH) compared to an equity loss of \$5 million for the third quarter of 2009, which included a non-cash charge of \$11 million to reflect SESH's discontinued use of regulatory accounting.

Operating income for the nine months ended September 30, 2010, was \$207 million compared to \$194 million for the same period of 2009. In addition to operating income, this segment recorded equity income of \$15 million for the nine months ended September 30, 2010, primarily from its 50 percent interest in SESH compared to \$2 million for the nine months ended September 30, 2009, which included non-cash charges of \$16 million to reflect SESH's discontinued use of regulatory accounting.

Field Services

The field services segment reported operating income of \$40 million for the third quarter of 2010 compared to \$23 million for the same period of 2009. Revenue growth from higher gathering volumes was partially offset by increased operation and maintenance expenses primarily related to facility expansions.

In addition to operating income, this business had equity income of \$3 million in the third quarter of 2010 compared to \$2 million in the third quarter of 2009 from its 50 percent interest in a gas processing plant.

Operating income for the nine months ended September 30, 2010, was \$94 million compared to \$72 million for the same period of 2009. Equity income from the jointly-owned gas processing plant was \$8 million for the nine months ended September 30, 2010, compared to \$6 million for the same period of 2009.

Competitive Natural Gas Sales and Services

The competitive natural gas sales and services segment reported operating income of \$7 million for the third quarter of 2010 compared to an operating loss of \$8 million for the same period of 2009. Operating income for the third quarter of 2010 included gains of \$19 million resulting from mark-to-market accounting for derivatives associated with certain forward natural gas purchases and sales used to lock in economic margins compared to charges of \$6 million for the same period of 2009. The third quarter of 2010 also included a \$6 million write-down of natural gas inventory to the lower of average cost or market.

Operating income for the nine months ended September 30, 2010, was \$16 million compared to no operating income for the same period of 2009. Operating income for the nine months ended September 30, 2010, included gains of \$14 million resulting from mark-to-market accounting compared to charges of \$22 million for the same period of 2009. Each of the nine months ended September 30, 2010 and 2009, also included \$6 million in inventory write-downs.

DIVIDEND DECLARATION

On October 21, 2010, CenterPoint Energy's board of directors declared a regular quarterly cash dividend of \$0.195 per share of common stock payable on December 10, 2010, to shareholders of record as of the close of business on November 16, 2010.

OUTLOOK REAFFIRMED FOR 2010

CenterPoint Energy reaffirmed its 2010 earnings guidance of \$1.02 to \$1.12 per diluted share. This guidance takes into consideration performance to date, equity issuances and various economic and operational assumptions related to the business segments in which the company operates. The company has made certain assumptions regarding the timing and cost of financing activities and the impact to earnings of various regulatory proceedings. In providing this guidance, the company has not included the impact of any changes in accounting standards, any impact from significant acquisitions or divestitures, any impact to income from the change in value of Time Warner stocks and the related ZENS securities, the timing effects of mark-to-market or inventory accounting in the company's competitive natural gas sales and services business, or the outcome of the TDU's true-up appeal. The company has also excluded increased taxes recorded in the first quarter of 2010 as a result of recent health care legislation. For the impact of these factors on the company's earnings for the three months and nine months ended September 30, 2010, see the reconciliation below.

FILING OF FORM 10-Q FOR CENTERPOINT ENERGY, INC.

Today, CenterPoint Energy, Inc. filed with the Securities and Exchange Commission (SEC) its Quarterly Report on Form 10-Q for the period ended September 30, 2010. A copy of that report is available on the company's Web site, www.CenterPointEnergy.com, under the Investors section. Other filings the company makes with the SEC and other documents relating to its corporate governance can also be found on that site.

WEBCAST OF EARNINGS CONFERENCE CALL

CenterPoint Energy's management will host an earnings conference call on Thursday, October 28, 2010, at 10:30 a.m. Central time or 11:30 a.m. Eastern time. Interested parties may listen to a live audio broadcast of the conference call at www.CenterPointEnergy.com. A replay of the call can be accessed approximately two hours after the completion of the call and will be archived on the Web site for at least one year.

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution, competitive natural gas sales and services, interstate pipelines, and field services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma and Texas. Assets total over \$19 billion. With about 8,800 employees, CenterPoint Energy and its predecessor companies have been in business for more than 135 years. For more information, visit the Web site at www.CenterPointEnergy.com.

This news release includes forward-looking statements. Actual events and results may differ materially from those projected. The statements in this news release regarding the company's earnings outlook for 2010 and future financial performance and results of operations, and other statements that are not historical facts are forward-looking statements. Factors that could affect actual results include the timing and outcome of the appeal from the true-up proceedings, the timing and impact of future regulatory, legislative, and IRS decisions, effects of competition, weather variations, changes in CenterPoint Energy's or its subsidiaries' business plans, financial market conditions, the timing and extent of changes in natural gas and natural gas liquids prices, the impact of unplanned facility outages, and other factors discussed in CenterPoint Energy's and its subsidiaries' Forms 10-K for the fiscal year ended December 31, 2009, CenterPoint Energy's and its subsidiaries' Forms 10-Q for the periods ended March 31, 2010, and June 30, 2010, CenterPoint Energy's Form 10-Q for the period ended September 30, 2010, and other filings with the SEC.

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CenterPoint Energy, Inc. and Subsidiaries

Reconciliation of reported Net Income and diluted EPS to the basis used in providing annual earnings guidance

	Quarter Ended September 30, 2010 -----	
	Net Income	EPS
	-----	---
	(in millions)	
As reported	\$123	\$0.29
Timing effects impacting CES(1):		
Mark-to-market (gains) losses - natural gas derivative contracts	(12)	(0.03)
Natural gas inventory write- downs	4	0.01
ZENS-related mark-to- market (gains) losses:		
Marketable securities(2)	(12)	(0.03)
Indexed debt securities	3	0.01
Tax impact of federal health care legislation	-	-
	---	---
Per the basis used in providing annual earnings guidance	\$106	\$0.25
	====	=====

	Nine Months Ended September 30, 2010 -----	
	Net Income	EPS
	-----	---
	(in millions)	
As reported	\$318	\$0.78
Timing effects impacting CES(1):		
Mark-to-market (gains) losses - natural gas derivative contracts	(9)	(0.02)
Natural gas inventory write- downs	4	0.01
ZENS-related mark-to- market (gains) losses:		

Marketable securities(2)	(23)	(0.06)
Indexed debt securities	-	-
Tax impact of federal health care legislation	21	0.05
	---	---
Per the basis used in providing annual earnings guidance	\$311	\$0.76
	====	=====

- (1) Competitive natural gas sales and services
(2) Time Warner Inc., Time Warner Cable Inc. and AOL Inc.

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

	Quarter Ended September 30, -----	
	2009	2010
	----	----
Revenues:		
Electric Transmission & Distribution	\$608	\$655
Natural Gas Distribution	402	398
Competitive Natural Gas Sales and Services	399	647
Interstate Pipelines	153	170
Field Services	63	94
Other Operations	3	3
Eliminations	(52)	(59)
Total	1,576	1,908
	-----	-----
Expenses:		
Natural gas	582	808
Operation and maintenance	415	444
Depreciation and amortization	208	243
Taxes other than income taxes	84	86
Total	1,289	1,581
	-----	-----
Operating Income	287	327
	---	---
Other Income (Expense) :		
Gain on marketable securities	47	19
Loss on indexed debt securities	(30)	(5)
Interest and other finance charges	(126)	(121)
Interest on transition and system restoration bonds	(32)	(34)
Equity in earnings (losses) of unconsolidated affiliates	(3)	10
Other - net	9	3
Total	(135)	(128)
	----	----
Income Before Income Taxes	152	199
Income Tax Expense	(38)	(76)
	---	---
Net Income	\$114	\$123
	====	=====

Nine Months Ended
September 30,

2009 2010

Revenues:		
Electric Transmission & Distribution	\$1,541	\$1,699

Natural Gas Distribution	2,341	2,400
Competitive Natural Gas Sales and Services	1,596	2,059
Interstate Pipelines	461	456
Field Services	176	242
Other Operations	9	9
Eliminations	(142)	(178)
Total	5,982	6,687
	-----	-----
Expenses:		
Natural gas	3,081	3,521
Operation and maintenance	1,226	1,268
Depreciation and amortization	562	660
Taxes other than income taxes	288	291
Total	5,157	5,740
	-----	-----
Operating Income	825	947
	---	---
Other Income (Expense) :		
Gain on marketable securities	68	35
Loss on indexed debt securities	(54)	-
Interest and other finance charges	(384)	(364)
Interest on transition and system restoration bonds	(98)	(106)
Equity in earnings (losses) of unconsolidated affiliates	8	22
Other - net	31	7
	---	---
Total	(429)	(406)
	-----	-----
Income Before Income Taxes	396	541
Income Tax Expense	(129)	(223)
	-----	-----
Net Income	\$267	\$318
	====	====

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,	
	2009	2010
	-----	-----
Basic Earnings Per Common Share	\$0.31	\$0.29
	=====	=====
Diluted Earnings Per Common Share	\$0.31	\$0.29
	=====	=====
Dividends Declared per Common Share	\$0.190	\$0.195
Weighted Average Common Shares Outstanding (000):		
- Basic	369,512	422,178
- Diluted	371,742	424,968

Operating Income (Loss) by Segment

Electric Transmission & Distribution:		
Electric Transmission and Distribution Operations	\$187	\$178
Transition and System Restoration Bond Companies	31	34
Total Electric Transmission &		

Distribution	218	212
Natural Gas Distribution	(15)	(4)
Competitive Natural Gas Sales and Services	(8)	7
Interstate Pipelines	64	68
Field Services	23	40
Other Operations	5	4
Total	\$287	\$327
	====	====

	Nine Months Ended September 30, -----	
	2009	2010
	----	----
Basic Earnings Per Common Share	\$0.75	\$0.79
	=====	=====
Diluted Earnings Per Common Share	\$0.74	\$0.78
	=====	=====
Dividends Declared per Common Share	\$0.57	\$0.585
Weighted Average Common Shares Outstanding (000):		
- Basic	356,570	404,957
- Diluted	358,745	407,728

Operating Income (Loss) by Segment

Electric Transmission & Distribution:		
Electric Transmission and Distribution Operations	\$353	\$371
Transition and System Restoration Bond Companies	97	106
Total Electric Transmission & Distribution	450	477
Natural Gas Distribution	105	145
Competitive Natural Gas Sales and Services	-	16
Interstate Pipelines	194	207
Field Services	72	94
Other Operations	4	8
Total	\$825	\$947
	=====	=====

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)

	Electric Transmission & Distribution -----		
	Quarter Ended September 30, -----		% Diff
	2009	2010	Fav/ (Unfav)
	----	----	-----
Results of Operations:			
Revenues:			
Electric transmission and distribution utility	\$503	\$520	3%
Transition and system restoration bond companies	105	135	29%
	---	---	---
Total	608	655	8%
	---	---	---
Expenses:			
Operation and maintenance	194	215	(11%)
Depreciation and amortization	70	75	(7%)
Taxes other than			

income taxes	52	52	-
Transition and system restoration bond companies	74	101	(36%)

Total	390	443	(14%)
	---	---	
Operating Income	\$218	\$212	(3%)
	====	====	

Operating Income:			
Electric transmission and distribution operations	\$187	\$178	(5%)
Transition and system restoration bond companies	31	34	10%

Total Segment Operating Income	\$218	\$212	(3%)
	====	====	

Electric Transmission & Distribution Operating Data:			
Actual MWH Delivered			
Residential	9,242,635	9,262,154	-
Total	22,963,434	23,342,324	2%

Weather (average for service area):			
Percentage of 10-year average:			
Cooling degree days	107%	109%	
Heating degree days	0%	0%	

Number of metered customers -end of period:			
Residential	1,849,158	1,868,421	1%
Total	2,094,847	2,115,595	1%

Electric Transmission & Distribution

	Nine Months Ended September 30,		% Diff Fav/ (Unfav)
	2009	2010	
	----	----	-----
Results of Operations:			
Revenues:			
Electric transmission and distribution utility	\$1,281	\$1,355	6%
Transition and system restoration bond companies	260	344	32%
	---	---	
Total	1,541	1,699	10%
	-----	-----	
Expenses:			
Operation and maintenance	563	609	(8%)
Depreciation and amortization	207	219	(6%)
Taxes other than income taxes	158	156	1%
Transition and system restoration bond companies	163	238	(46%)
	---	---	
Total	1,091	1,222	(12%)
	-----	-----	
Operating Income	\$450	\$477	6%
	====	====	

Operating Income:			
Electric transmission and distribution operations	\$353	\$371	5%
Transition and system restoration bond			

companies	97	106	9%
	---	---	
Total Segment			
Operating Income	\$450	\$477	6%
	====	====	

Electric
Transmission &
Distribution
Operating Data:

Actual MWH Delivered			
Residential	20,040,598	21,499,427	7%
Total	57,946,697	59,952,416	3%

Weather (average
for service
area):

Percentage of 10-year average:			
Cooling degree days	108%	104%	
Heating degree days	89%	160%	

Number of metered
customers -end
of period:

Residential	1,849,158	1,868,421	1%
Total	2,094,847	2,115,595	1%

Natural Gas Distribution

	Quarter Ended September 30,		% Diff

	2009	2010	Fav/ (Unfav)
	----	----	-----
Results of Operations:			
Revenues	\$402	\$398	(1%)
	----	----	
Expenses:			
Natural gas	198	180	9%
Operation and maintenance	157	160	(2%)
Depreciation and amortization	40	40	-
Taxes other than income taxes	22	22	-
Total	417	402	4%
Operating Income (Loss)	\$(15)	\$(4)	73%
	====	===	

Natural Gas Distribution

Operating Data:			
Throughput data in BCF			
Residential	13	13	-
Commercial and Industrial	41	46	12%
Total Throughput	54	59	9%
	===	===	

Weather (average for
service area)

Percentage of 10-year average:			
Heating degree days	58%	97%	

Number of customers -end
of period:

Residential	2,954,095	2,969,452	1%
Commercial and Industrial	241,036	242,032	-
Total	3,195,131	3,211,484	1%
	=====	=====	

Natural Gas Distribution

	Nine Months Ended September 30,		% Diff

	2009	2010	Fav/(Unfav)
	----	----	-----
Results of Operations:			
Revenues	\$2,341	\$2,400	3%
	-----	-----	

Expenses:			
Natural gas	1,538	1,563	(2%)
Operation and maintenance	478	471	1%
Depreciation and amortization	121	124	(2%)
Taxes other than income taxes	99	97	2%
Total	2,236	2,255	(1%)
Operating Income (Loss)	\$105	\$145	38%
	====	====	

Natural Gas Distribution Operating Data:			
Throughput data in BCF			
Residential	111	125	13%
Commercial and Industrial	164	182	11%
Total Throughput	275	307	12%
	===	===	

Weather (average for service area)			
Percentage of 10-year average:			
Heating degree days	102%	110%	

Number of customers - end of period:			
Residential	2,954,095	2,969,452	1%
Commercial and Industrial	241,036	242,032	-
Total	3,195,131	3,211,484	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)

Competitive Natural Gas Sales and Services			

	Quarter Ended September 30,		% Diff

	2009	2010	Fav/ (Unfav)
	----	----	-----
Results of Operations:			
Revenues	\$399	\$647	62%
	----	----	
Expenses:			
Natural gas	396	629	(59%)
Operation and maintenance	10	10	-
Depreciation and amortization	1	1	-
Taxes other than income taxes	-	-	-
Total	407	640	(57%)
Operating Income (Loss)	\$(8)	\$7	188%
	===	===	
Competitive Natural Gas Sales and Services Operating Data:			
Throughput data in BCF			
	115	135	17%
	===	===	
Number of customers - end of period			
	10,934	11,883	9%
	=====	=====	

Competitive Natural Gas Sales and Services			

	Nine Months Ended September 30,		% Diff

	2009	2010	Fav/ (Unfav)
	----	----	-----

Results of Operations:			
Revenues	\$1,596	\$2,059	29%
	-----	-----	
Expenses:			
Natural gas	1,562	2,009	(29%)
Operation and maintenance	30	29	3%
Depreciation and amortization	3	3	-
Taxes other than income taxes	1	2	(100%)
Total	1,596	2,043	(28%)
Operating Income (Loss)	\$-	\$16	-
	===	===	

Competitive Natural Gas Sales and Services Operating Data:			
Throughput data in BCF	370	404	9%
	===	===	
Number of customers -end of period			
	10,934	11,883	9%
	=====	=====	

Interstate Pipelines

	Quarter Ended		
	September 30,		% Diff

			Fav/ (Unfav)
	2009	2010	
	----	----	-----
Results of Operations:			
Revenues	\$153	\$170	11%
	----	----	
Expenses:			
Natural gas	22	38	(73%)
Operation and maintenance	47	42	11%
Depreciation and amortization	12	13	(8%)
Taxes other than income taxes	8	9	(13%)
Total	89	102	(15%)
Operating Income	\$64	\$68	6%
	===	===	

Pipelines Operating Data:			
Throughput data in BCF Transportation	378	422	12%

Interstate Pipelines

	Nine Months Ended		
	September 30,		% Diff

			Fav/ (Unfav)
	2009	2010	
	----	----	-----
Results of Operations:			
Revenues	\$461	\$456	(1%)
	----	----	
Expenses:			
Natural gas	85	72	15%
Operation and maintenance	123	112	9%
Depreciation and amortization	36	39	(8%)
Taxes other than income taxes	23	26	(13%)
Total	267	249	7%
Operating Income	\$194	\$207	7%
	=====	=====	

Pipelines Operating Data:			
Throughput data in BCF Transportation	1,235	1,260	2%

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

Field Services

	Quarter Ended September 30,		% Diff
	2009	2010 Fav/(Unfav)	
Results of Operations:			
Revenues	\$63	\$94	49%
Expenses:			
Natural gas	18	19	(6%)
Operation and maintenance	17	29	(71%)
Depreciation and amortization	4	6	(50%)
Taxes other than income taxes	1	-	-
Total	40	54	(35%)
Operating Income	\$23	\$40	74%
	===	===	

Field Services Operating Data:			
Throughput data in BCF			
Gathering	106	180	70%
	===	===	

	Field Services Nine Months Ended September 30,		% Diff
	2009	2010 Fav/(Unfav)	
Results of Operations:			
Revenues	\$176	\$242	38%
Expenses:			
Natural gas	36	53	(47%)
Operation and maintenance	54	75	(39%)
Depreciation and amortization	11	17	(55%)
Taxes other than income taxes	3	3	-
Total	104	148	(42%)
Operating Income	\$72	\$94	31%
	===	===	

Field Services Operating Data:			
Throughput data in BCF			
Gathering	312	464	49%
	===	===	

	Other Operations Quarter Ended September 30,		% Diff
	2009	2010 Fav/(Unfav)	
Results of Operations:			
Revenues	\$3	\$3	-
Expenses	(2)	(1)	(50%)
Operating Income	\$5	\$4	(20%)
	===	===	

	Other Operations Nine Months Ended September 30,		% Diff
	2009	2010 Fav/(Unfav)	
Results of Operations:			
Revenues	\$9	\$9	-
Expenses	5	1	80%
Operating Income	\$4	\$8	100%
	===	===	

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

Quarter Ended September 30,	
2009	2010

	----	----
Capital Expenditures by Segment		
Electric Transmission & Distribution	\$99	\$121
Hurricane Ike	8	-
	---	---
Total Electric Transmission & Distribution	107	121
Natural Gas Distribution	44	54
Competitive Natural Gas Sales and Services	1	1
Interstate Pipelines	44	31
Field Services	113	131
Other Operations	9	8
Total	\$318	\$346
	====	====

	Nine Months Ended	
	September 30,	

	2009	2010
	----	----
Capital Expenditures by Segment		
Electric Transmission & Distribution	\$288	\$317
Hurricane Ike	26	-
	---	---
Total Electric Transmission & Distribution	314	317
Natural Gas Distribution	121	128
Competitive Natural Gas Sales and Services	2	2
Interstate Pipelines	118	71
Field Services	217	472
Other Operations	18	15
Total	\$790	\$1,005
	====	=====

(Millions of Dollars)
(Unaudited)

	Quarter Ended	
	September 30,	

	2009	2010
	----	----
Interest Expense Detail		
Amortization of Deferred Financing Cost	\$9	\$6
Capitalization of Interest Cost	(1)	(2)
Transition and System Restoration Bond Interest Expense	32	34
Other Interest Expense	118	117
Total Interest Expense	\$158	\$155
	====	====

	Nine Months Ended	
	September 30,	

	2009	2010
	----	----
Interest Expense Detail		
Amortization of Deferred Financing Cost	\$27	\$18
Capitalization of Interest Cost	(4)	(5)
Transition and System Restoration Bond Interest Expense	98	106
Other Interest Expense	361	351
Total Interest Expense	\$482	\$470
	====	====

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
Condensed Consolidated Balance Sheets
(Millions of Dollars)
(Unaudited)

	December 31, September 30,	
	2009 2010	
	----	----
ASSETS		
Current Assets:		
Cash and cash equivalents	\$740	\$99

Other current assets	2,164	2,044
Total current assets	2,904	2,143
	-----	-----
Property, Plant and Equipment, net	10,788	11,420
	-----	-----
Other Assets:		
Goodwill	1,696	1,696
Regulatory assets	3,677	3,444
Other non-current assets	708	696
Total other assets	6,081	5,836
Total Assets	\$19,773	\$19,399
	=====	=====

LIABILITIES AND
SHAREHOLDERS' EQUITY

Current Liabilities:		
Short-term borrowings	\$55	\$73
Current portion of transition and system restoration bonds long- term debt	241	283
Current portion of indexed debt	121	125
Current portion of other long-term debt	541	570
Other current liabilities	2,080	1,830
Total current liabilities	3,038	2,881
	-----	-----
Other Liabilities:		
Accumulated deferred income taxes, net and investment tax credit	2,792	2,850
Regulatory liabilities	921	978
Other non-current liabilities	1,264	1,294
Total other liabilities	4,977	5,122
	-----	-----
Long-term Debt:		
Transition and system restoration bonds	2,805	2,522
Other	6,314	5,745
Total long-term debt	9,119	8,267
	-----	-----
Shareholders' Equity	2,639	3,129
Total Liabilities and Shareholders' Equity	\$19,773	\$19,399
	=====	=====

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
Condensed Statements of Consolidated Cash Flows
(Millions of Dollars)
(Unaudited)

	Nine Months Ended September 30,	
	-----	-----
	2009	2010
	----	----
Cash Flows from Operating Activities:		
Net income	\$267	\$318
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	591	681
Deferred income taxes	250	112
Write-down of natural gas inventory	6	6
Changes in net regulatory assets	19	23
Changes in other assets and liabilities	296	(170)
Other, net	8	13

Net Cash Provided by Operating Activities	1,437	983
Net Cash Used in Investing Activities	(582)	(1,014)
Net Cash Used in Financing Activities	(961)	(610)
	----	----
Net Decrease in Cash and Cash Equivalents	(106)	(641)
Cash and Cash Equivalents at Beginning of Period	167	740
Cash and Cash Equivalents at End of Period	\$61	\$99
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Reference is made to the Notes to the Consolidated Financial Statements contained in the Quarterly Report on Form 10-Q of CenterPoint Energy, Inc.

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