

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): AUGUST 6, 2004

CENTERPOINT ENERGY, INC.
(Exact name of registrant as specified in its charter)

TEXAS
(State or other jurisdiction
of incorporation)

1-31447
(Commission File Number)

74-0694415
(IRS Employer
Identification No.)

1111 LOUISIANA
HOUSTON, TEXAS
(Address of principal executive offices)

77002
(Zip Code)

Registrant's telephone number, including area code: (713) 207-1111

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

The exhibit listed below is furnished pursuant to Item 12 of this Form 8-K.

(c) Exhibits.

- 99.1 Press Release issued August 6, 2004 regarding CenterPoint Energy, Inc.'s second quarter 2004 earnings.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On August 6, 2004, CenterPoint Energy, Inc. ("CenterPoint Energy") reported second quarter 2004 earnings. For additional information regarding CenterPoint Energy's second quarter 2004 earnings, please refer to CenterPoint Energy's press release attached to this report as Exhibit 99.1 (the "Press Release"), which Press Release is incorporated by reference herein. The information in the Press Release is being furnished, not filed, pursuant to Item 12. Accordingly, the information in the Press Release will not be incorporated by reference into any registration statement filed by CenterPoint Energy under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTERPOINT ENERGY, INC.

Date: August 6, 2004

By: /s/ James S. Brian

James S. Brian
Senior Vice President and
Chief Accounting Officer

EXHIBIT INDEX

EXHIBIT
NUMBER

EXHIBIT DESCRIPTION

99.1

Press Release issued August 6, 2004 regarding CenterPoint
Energy, Inc.'s second quarter 2004 earnings

[CENTERPOINT ENERGY LOGO]

For more information contact
MEDIA:
LETICIA LOWE
Phone 713.207.7702
INVESTORS:
MARIANNE PAULSEN
Phone 713.207.6500

FOR IMMEDIATE RELEASE

PAGE 1 OF 5

CENTERPOINT ENERGY REPORTS SOLID SECOND QUARTER 2004 EARNINGS

HOUSTON - AUGUST 6, 2004 - CenterPoint Energy, Inc. (NYSE: CNP) today reported net income of \$58 million, or \$0.19 per diluted share, for the second quarter of 2004 compared to income from continuing operations of \$83 million, or \$0.27 per diluted share, for the second quarter of 2003.

Net income for the second quarter of 2003 was \$63 million, or \$0.21 per diluted share including a loss of \$20 million (\$0.06 per diluted share) from discontinued operations related primarily to the sale of the company's energy management services business.

"Although milder weather significantly impacted our quarterly results compared to last year, I am pleased with the progress we're making in our core business operations" said David McClanahan, president and chief executive officer of CenterPoint Energy. "Texas Genco, for which we recently announced a buyer, had a solid quarter due to increased wholesale electricity prices. With the prospective sale of this business, we are executing our strategy of de-leveraging the company with the proceeds from the monetization of our generation assets and focusing on our energy delivery businesses."

For the six months ended June 30, 2004, net income was \$131 million, or \$0.42 per diluted share. For the six months ended June 30, 2003, income from continuing operations before cumulative effect of accounting change was \$164 million, or \$0.54 per diluted share, and net income was \$232 million, or \$0.76 per diluted share. During the first six months of 2003, the company recorded a benefit of \$80 million relating to the implementation of Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations" and a \$13 million loss from discontinued operations.

SECOND QUARTER 2004 HIGHLIGHTS

Results for the second quarter of 2004 do not include any revenues related to Excess Cost over Market (ECOM) which was discontinued as of December 31, 2003, in accordance with the Texas electric restructuring law. In the second quarter of 2003, ECOM revenues amounted to \$101 million. Results for the second quarter of 2004 include an improvement in operating income from Texas Genco of \$69 million when compared to the second quarter of 2003. As a result of the pending sale of the company's 81 percent interest in Texas Genco, the electric generation segment will be reclassified as discontinued operations in the third quarter of 2004.

-more-

The core business operations of the company are electric transmission & distribution, natural gas distribution and pipelines and gathering. Core business operations results for the second quarter of 2004 compared to the same period of 2003 benefited from:

- o continued customer growth, with the addition of over 96,000 metered electric and gas customers
- o a decrease in interest expense of \$19 million
- o the reversal of \$23 million, including \$8 million in interest, of the \$117 million reserve recorded in the fourth quarter of 2003 related to the final fuel reconciliation of the formerly integrated electric utility

Core business operations results for the second quarter of 2004 compared to the same period of 2003 were negatively impacted by:

- o milder weather in 2004, impacting the quarter by \$16 million
- o higher net transmission costs of \$5 million

On March 31, 2004, the company filed its true-up application with the Public Utility Commission of Texas (PUC) marking one of the final steps in the implementation of the Texas electric restructuring law. In this application the company is seeking to recover a total true-up balance of \$3.7 billion, excluding interest, in accordance with the Texas electric restructuring law enacted in 1999. A hearing on the merits, presided over by the Texas Public Utility Commissioners, began on June 21st and concluded on July 7th. Various parties in the proceeding disputed the amounts the company is seeking and proposed complete or partial disallowance of its request. The company anticipates a decision from the PUC addressing issues other than interest in late August 2004 and a decision addressing the interest issue after a hearing scheduled for September 8, 2004.

SALE OF TEXAS GENCO

On July 21, 2004, CenterPoint Energy and Texas Genco announced a definitive agreement for GC Power Acquisition LLC, a newly formed entity owned in equal parts by affiliates of The Blackstone Group, Hellman & Friedman LLC, Kohlberg Kravis Roberts & Co. L.P. and Texas Pacific Group, to acquire Texas Genco for approximately \$3.65 billion in cash. The transaction, subject to customary regulatory approvals, will be accomplished in two steps. The first step, expected to be completed in the fourth quarter of 2004, involves Texas Genco's purchase of the 19 percent of its shares owned by the public for \$47 per share, followed by GC Power Acquisition's purchase of a Texas Genco unit that will be formed to own its coal, lignite and gas-fired generation plants. In the second step of the transaction, expected to take place in the first quarter of 2005 following receipt of

-more-

For more information contact
MEDIA:
LETICIA LOWE
Phone 713.207.7702
INVESTORS:
MARIANNE PAULSEN
Phone 713.207.6500

approval by the Nuclear Regulatory Commission, GC Power Acquisition will complete the acquisition of Texas Genco, the principal remaining asset of which will then be Texas Genco's interest in the South Texas Project nuclear facility. Total cash proceeds to CenterPoint Energy from both steps of the transaction will be approximately \$2.9 billion, or \$45.25 per share for its 81 percent interest in Texas Genco.

In connection with the transaction, Texas Genco entered into a master power purchase and sale agreement under which it has sold forward a substantial quantity of its remaining available baseload capacity through 2008. Texas Genco's obligations under the power purchase agreement will continue regardless of whether the transaction is completed.

As a result of this definitive agreement, Texas Genco will be reclassified as discontinued operations in the third quarter of 2004 and the company will record an after-tax loss of approximately \$250 million related to the sale.

OPERATING INCOME BY SEGMENT DETAILED

ELECTRIC TRANSMISSION & DISTRIBUTION

The electric transmission & distribution segment reported operating income of \$127 million in the second quarter of 2004, consisting of \$118 million for the regulated transmission and distribution utility (TDU) and \$9 million for the transition bond company, which is an amount sufficient to pay interest on the transition bonds. Operating income for the same period of 2003 totaled \$235 million, consisting of \$124 million for the TDU, \$10 million for the transition bond company and \$101 million of non-cash income associated with ECOM. ECOM is recoverable under the Texas electric restructuring law and is included in the company's true-up application filed with the PUC in March 2004. ECOM is the difference between the market prices received in 2002 and 2003 by its affiliated power generation company in the PUC mandated auctions and the projections for the same periods made previously by the PUC. Beginning in 2004, there is no ECOM contribution to earnings.

The TDU continues to benefit from solid customer growth as over 51,000 metered customers were added since June 2003. However, milder weather (\$14 million) more than offset this growth. Higher operation and maintenance expenses related to increased transmission payments to transmission providers were more than offset by a \$15 million reversal of an \$87 million reserve related to the final fuel reconciliation of the formerly integrated electric utility recorded in the fourth quarter of 2003.

-more-

For more information contact
MEDIA:
LETICIA LOWE
Phone 713.207.7702
INVESTORS:
MARIANNE PAULSEN
Phone 713.207.6500

Operating income for the six months ended June 30, 2004, was \$212 million, consisting of \$193 million for the TDU and \$19 million for the transition bond company. Operating income for the same period of 2003 totaled \$440 million, consisting of \$187 million for the TDU, \$20 million for the transition bond company and \$233 million of non-cash income associated with ECOM.

ELECTRIC GENERATION

Texas Genco reported operating income of \$119 million for the second quarter of 2004 compared to \$50 million for the same period of 2003 due primarily to higher prices for baseload products. Operation and maintenance expenses for the second quarter of 2004 were lower than the prior year resulting primarily from lower expenses associated with planned and unplanned outages.

Operating income for the six months ended June 30, 2004, was \$210 million compared to \$33 million for the same period of 2003.

NATURAL GAS DISTRIBUTION

The natural gas distribution segment reported operating income of \$23 million for the second quarter of 2004 compared to \$21 million for the same period of 2003. Continued customer growth, with the addition of approximately 45,000 customers since June 2003, and higher revenues from rate increases were partially offset by milder weather (\$2 million) and reduced contribution from the company's competitive commercial and industrial sales business.

Operating income for the six months ended June 30, 2004, was \$139 million, compared to \$151 million for the same period of 2003.

PIPELINES AND GATHERING

The pipelines and gathering segment reported operating income of \$42 million for both the second quarters of 2003 and 2004. Increased transportation and gas gathering margins were offset by higher operation and maintenance expenses primarily related to pipeline integrity expenditures.

Operating income for the six months ended June 30, 2004, was \$87 million compared to \$85 million for the same period of 2003.

-more-

[CENTERPOINT ENERGY LOGO]

For more information contact
MEDIA:
LETICIA LOWE
Phone 713.207.7702
INVESTORS:
MARIANNE PAULSEN
Phone 713.207.6500

FOR IMMEDIATE RELEASE

PAGE 5 OF 5

OTHER OPERATIONS

The company's other operations reported an operating loss of \$3 million for the second quarter of 2004 compared to an operating loss of \$2 million for the same period of 2003.

The operating loss for the six months ended June 30, 2004, was \$5 million compared to an operating loss of \$2 million for the same period of 2003.

WEBCAST OF EARNINGS CONFERENCE CALL

The managements of CenterPoint Energy and Texas Genco will host an earnings conference call on Friday, August 6, 2004, at 10:30 a.m. Central time. Interested parties may listen to a live, audio broadcast of the conference call at www.CenterPointEnergy.com/investors/events, or at www.txgenco.com/investor.html. A replay of the call can be accessed approximately two hours after the completion of the call, and will be archived on CenterPoint Energy's 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 and sales, interstate pipeline and gathering operations, and more than 14,000 megawatts of power generation in Texas, of which approximately 2,500 megawatts are currently in mothball status. The company serves nearly five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. Assets total over \$21 billion. With more than 11,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 130 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 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 impact of future regulatory and legislative decisions, successful consummation and timing of the sale of Texas Genco, 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 commodity prices, particularly natural gas, the impact of unplanned facility outages and other factors discussed in CenterPoint Energy's and its subsidiaries' Form 10-Ks for the period ended December 31, 2003, Form 10-Qs for the period ended March 31, 2004 and other filings with the Securities and Exchange Commission.

- ### -

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

	Quarter Ended June 30,		Six months Ended June 30,	
	2004	2003	2004	2003
Revenues:				
Electric Transmission & Distribution	\$ 374,003	\$ 481,772	\$ 703,153	\$ 929,175
Electric Generation	552,718	578,511	991,847	937,098
Natural Gas Distribution	1,244,985	970,576	3,376,317	3,015,327
Pipelines and Gathering	113,397	121,716	215,800	230,824
Other Operations	2,891	9,322	5,780	18,252
Eliminations	(46,817)	(70,997)	(92,533)	(139,608)
Total	2,241,177	2,090,900	5,200,364	4,991,068
Expenses:				
Fuel and cost of gas sold	1,264,655	1,080,857	3,206,913	2,940,003
Purchased power	18,098	22,974	26,368	34,968
Operation and maintenance	391,373	393,085	801,985	805,961
Depreciation and amortization	160,681	157,263	317,268	309,544
Taxes other than income taxes	98,297	90,691	204,542	193,535
Total	1,933,104	1,744,870	4,557,076	4,284,011
Operating Income	308,073	346,030	643,288	707,057
Other Income (Expense):				
Gain (loss) on Time Warner investment	15,581	113,178	(8,872)	64,704
Gain (loss) on indexed debt securities	(17,891)	(98,253)	9,123	(55,550)
Interest and other finance charges	(200,803)	(219,150)	(395,555)	(447,194)
Interest on transition bonds	(9,547)	(9,836)	(19,221)	(19,684)
Other - net	15,731	1,629	17,555	4,788
Total	(196,929)	(212,432)	(396,970)	(452,936)
Income from Continuing Operations Before				
Income Taxes, Minority Interest and				
Cumulative Effect of Accounting Change	111,144	133,598	246,318	254,121
Income Tax Expense	(38,243)	(44,346)	(88,240)	(85,455)
Minority Interest	(15,249)	(6,295)	(26,839)	(4,229)
Income from Continuing Operations Before				
Cumulative Effect of Accounting Change	57,652	82,957	131,239	164,437
Discontinued Operations:				
Loss from Other Operations, net of tax	--	(403)	--	(865)
Loss on Disposal of Other Operations, net of tax	--	(19,331)	--	(11,989)
Total	--	(19,734)	--	(12,854)
Cumulative Effect of Accounting Change, net of				
minority interest and tax	--	--	--	80,072
Net Income	\$ 57,652	\$ 63,223	\$ 131,239	\$ 231,655

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
(Thousands of Dollars, Except Per Share Amounts)
(Unaudited)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
Basic Earnings Per Common Share:				
Income from Continuing Operations before Cumulative Effect of Accounting Change	\$ 0.19	\$ 0.27	\$ 0.43	\$ 0.54
Discontinued Operations:				
Loss from Other Operations, net of tax	--	--	--	--
Loss on Disposal of Other Operations, net of tax	--	(0.06)	--	(0.04)
Cumulative Effect of Accounting Change, net of minority interest and tax	--	--	--	0.27
Net Income	\$ 0.19	\$ 0.21	\$ 0.43	\$ 0.77
Diluted Earnings Per Common Share:				
Income from Continuing Operations before Cumulative Effect of Accounting Change	\$ 0.19	\$ 0.27	\$ 0.42	\$ 0.54
Discontinued Operations:				
Loss from Other Operations, net of tax	--	--	--	--
Loss on Disposal of Other Operations, net of tax	--	(0.06)	--	(0.04)
Cumulative Effect of Accounting Change, net of minority interest and tax	--	--	--	0.26
Net Income	\$ 0.19	\$ 0.21	\$ 0.42	\$ 0.76
Dividends Declared per Common Share	\$ 0.10	\$ 0.20(1)	\$ 0.20	\$ 0.30(1)
Weighted Average Common Shares Outstanding (000):				
- Basic	307,250	304,046	306,631	302,373
- Diluted	309,638	306,104	308,977	304,149
OPERATING INCOME (LOSS) BY SEGMENT				
Electric Transmission & Distribution:				
Transmission & Distribution Operations	\$ 117,822	\$ 123,541	\$ 193,107	\$ 187,435
Transition Bond Company	9,498	9,775	19,106	19,519
ECOM True-up	--	101,318	--	233,281
Total Electric Transmission & Distribution	127,320	234,634	212,213	440,235
Electric Generation	119,027	50,044	209,619	32,928
Natural Gas Distribution	22,774	20,951	139,385	150,512
Pipelines and Gathering	42,237	42,355	87,093	85,249
Other Operations	(3,285)	(1,954)	(5,022)	(1,867)
Total	\$ 308,073	\$ 346,030	\$ 643,288	\$ 707,057

(1) Includes a dividend declared on June 18, 2003 payable on September 10, 2003.

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)

ELECTRIC TRANSMISSION & DISTRIBUTION

	Quarter Ended June 30,		% Diff Fav/(Unfav)	Six Months Ended June 30,		% Diff Fav/(Unfav)
	2004	2003		2004	2003	
	RESULTS OF OPERATIONS:					
Revenues:						
Electric revenues	\$ 356	\$ 364	(2%)	\$ 670	\$ 666	1%
ECOM revenues	--	101	--	--	233	--
Transition bond revenues	18	17	6%	33	30	10%
Total Revenues	374	482	(22%)	703	929	(24%)
Expenses:						
Operation and maintenance	124	126	2%	256	259	1%
Depreciation and amortization	63	61	(3%)	123	123	--
Taxes other than income taxes	51	53	4%	98	97	(1%)
Transition bond expenses	9	7	(29%)	14	10	(40%)
Total	247	247	--	491	489	--
Operating Income	\$ 127	\$ 235	(46%)	\$ 212	\$ 440	(52%)

	Quarter Ended June 30,		% Diff Fav/(Unfav)	Six Months Ended June 30,		% Diff Fav/(Unfav)
	2004	2003		2004	2003	
	ELECTRIC TRANSMISSION & DISTRIBUTION OPERATING DATA:					
ACTUAL MWH DELIVERED						
Residential	5,800,958	6,490,357	(11%)	10,202,783	11,048,552	(8%)
Total	18,545,202	19,086,163	(3%)	34,065,288	33,874,139	1%
WEATHER (AVERAGE FOR SERVICE AREA):						
Percentage of normal:						
Cooling degree days	100%	118%	(18%)	100%	110%	(10%)
Heating degree days	100%	71%	29%	86%	111%	(25%)
AVERAGE NUMBER OF METERED CUSTOMERS:						
Residential	1,634,202	1,585,815	3%	1,628,074	1,581,465	3%
Commercial and Industrial	222,644	221,620	--	221,688	221,364	--
Total	1,856,846	1,807,435	3%	1,849,762	1,802,829	3%

ELECTRIC GENERATION

	Quarter Ended June 30,		% Diff Fav/(Unfav)	Six Months Ended June 30,		% Diff Fav/(Unfav)
	2004	2003		2004	2003	
	RESULTS OF OPERATIONS:					
Revenues	\$ 553	\$ 578	(4%)	\$ 992	\$ 937	6%
Expenses:						
Fuel	264	349	24%	451	557	19%
Purchased power	18	23	22%	26	35	26%
Operation and maintenance	99	105	6%	200	211	5%
Depreciation and amortization	41	39	(5%)	81	78	(4%)
Taxes other than income taxes	12	12	--	24	23	(4%)
Total	434	528	18%	782	904	13%
Operating Income	\$ 119	\$ 50	138%	\$ 210	\$ 33	536%
ELECTRIC GENERATION OPERATING DATA:						
Sales (MWH)	11,962,375	12,517,492	(4%)	22,683,153	21,793,836	4%
Generation (MWH)	11,542,226	12,077,631	(4%)	21,691,416	21,072,384	3%

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)

NATURAL GAS DISTRIBUTION

	Quarter Ended June 30,		% Diff Fav/(Unfav)	Six Months Ended June 30,		% Diff Fav/(Unfav)
	2004	2003		2004	2003	
	-----	-----		-----	-----	
RESULTS OF OPERATIONS:						
Revenues	\$ 1,245	\$ 971	28%	\$ 3,376	\$ 3,015	12%
Expenses:						
Natural gas	1,027	761	(35%)	2,817	2,455	(15%)
Operation and maintenance	133	137	3%	283	284	--
Depreciation and amortization	35	34	(3%)	70	67	(4%)
Taxes other than income taxes	27	18	(50%)	67	58	(16%)
Total	1,222	950	(29%)	3,237	2,864	(13%)
Operating Income	\$ 23	\$ 21	10%	\$ 139	\$ 151	(8%)
NATURAL GAS DISTRIBUTION OPERATING DATA:						
THROUGHPUT DATA IN BCF						
Residential	21	20	5%	106	114	(7%)
Commercial and Industrial	49	39	26%	132	128	3%
Non-rate regulated Commercial and Industrial	167	116	44%	306	245	25%
Elimination	(63)	(25)	(152%)	(73)	(40)	(83%)
Total Throughput	174	150	16%	471	447	5%
WEATHER (AVERAGE FOR SERVICE AREA)						
Percentage of normal:						
Heating degree days	92%	89%	3%	96%	104%	(8%)
AVERAGE NUMBER OF CUSTOMERS:						
Residential	2,789,897	2,746,489	2%	2,798,979	2,758,274	1%
Commercial and Industrial	245,511	245,059	--	247,788	246,413	1%
Non-rate regulated Commercial and Industrial	6,265	5,317	18%	6,228	5,245	19%
Total	3,041,673	2,996,865	1%	3,052,995	3,009,932	1%

PIPELINES AND GATHERING

	Quarter Ended June 30,		% Diff Fav/(Unfav)	Six Months Ended June 30,		% Diff Fav/(Unfav)
	2004	2003		2004	2003	
	-----	-----		-----	-----	
RESULTS OF OPERATIONS:						
Revenues	\$ 113	\$ 122	(7%)	\$ 216	\$ 231	(6%)
Expenses:						
Natural gas	18	35	49%	28	56	50%
Operation and maintenance	37	30	(23%)	70	60	(17%)
Depreciation and amortization	11	11	--	22	21	(5%)
Taxes other than income taxes	5	4	(25%)	9	9	--
Total	71	80	11%	129	146	12%
Operating Income	\$ 42	\$ 42	--	\$ 87	\$ 85	2%
PIPELINES AND GATHERING OPERATING DATA:						
THROUGHPUT DATA IN BCF						
Natural Gas Sales	4	4	--	7	8	(13%)
Transportation	207	203	2%	477	471	1%
Gathering	79	74	7%	154	146	5%
Elimination	(3)	(2)	(50%)	(5)	(4)	(25%)
Total Throughput	287	279	3%	633	621	2%

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)

	OTHER OPERATIONS					
	Quarter Ended June 30,			Six Months Ended June 30,		
	2004	2003	% Diff Fav/(Unfav)	2004	2003	% Diff Fav/(Unfav)
	-----	-----	-----	-----	-----	-----
RESULTS OF OPERATIONS:						
Revenues	\$ 3	\$ 9	(67%)	\$ 6	\$ 18	(67%)
Expenses	6	11	45%	11	20	45%
	---	---		---	---	
Operating Loss	\$ (3)	\$ (2)	(50%)	\$ (5)	\$ (2)	(150%)
	===	===		===	===	

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

	Quarter Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
	-----	-----	-----	-----
CAPITAL EXPENDITURES BY SEGMENT				
Electric Transmission & Distribution	\$ 52	\$ 58	\$ 94	\$105
Electric Generation	13	33	37	78
Natural Gas Distribution	43	52	80	82
Pipelines and Gathering	9	8	24	29
Other Operations	7	7	12	7
	---	---	---	---
Total	\$124	\$158	\$247	\$301
	===	===	===	===

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

	June 30, 2004	December 31, 2003
	-----	-----
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 280,912	\$ 131,480
Other current assets	1,749,199	2,141,225
	-----	-----
Total current assets	2,030,111	2,272,705
	-----	-----
PROPERTY, PLANT AND EQUIPMENT, NET	11,795,502	11,811,536
	-----	-----
OTHER ASSETS:		
Goodwill, net	1,740,510	1,740,510
Regulatory assets	4,959,059	4,930,793
Other non-current assets	627,182	621,120
	-----	-----
Total other assets	7,326,751	7,292,423
	-----	-----
TOTAL ASSETS	\$21,152,364	\$21,376,664
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of transition bond long-term debt	\$ 43,099	\$ 41,189
Short-term borrowings and current portion of other long-term debt	164,669	184,234
Other current liabilities	2,167,188	2,292,913
	-----	-----
Total current liabilities	2,374,956	2,518,336
	-----	-----
OTHER LIABILITIES:		
Accumulated deferred income taxes, net and investment tax credit	3,272,231	3,222,308
Regulatory liabilities	1,254,318	1,358,030
Other non-current liabilities	1,584,134	1,555,459
	-----	-----
Total other liabilities	6,110,683	6,135,797
	-----	-----
LONG-TERM DEBT:		
Transition bond	659,773	675,665
Other	9,941,314	10,107,399
	-----	-----
Total long-term debt	10,601,087	10,783,064
	-----	-----
MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES	198,131	178,910
	-----	-----
SHAREHOLDERS' EQUITY	1,867,507	1,760,557
	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$21,152,364	\$21,376,664
	=====	=====

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

	Six Months Ended June 30,	
	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 131,239	\$ 231,655
Discontinued operations, net of tax	--	12,854
Cumulative effect of accounting change, net	--	(80,072)
	-----	-----
Income from continuing operations and cumulative effect of accounting change	131,239	164,437
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:		
Depreciation and amortization	376,260	390,142
Deferred income taxes and investment tax credit	41,817	147,589
Changes in net regulatory assets and liabilities	(157,728)	(357,740)
Changes in other assets and liabilities	280,280	(119,792)
Other, net	18,492	17,534
	-----	-----
NET CASH PROVIDED BY OPERATING ACTIVITIES	690,360	242,170
NET CASH USED IN INVESTING ACTIVITIES	(256,677)	(299,274)
NET CASH USED IN FINANCING ACTIVITIES	(284,251)	(210,632)
NET CASH PROVIDED BY DISCONTINUED OPERATIONS	--	13,619
	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	149,432	(254,117)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	131,480	304,281
	-----	-----
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 280,912	\$ 50,164
	=====	=====

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