



CenterPoint Energy to sell \$400 million of convertible senior notes

HOUSTON - May 12, 2003 - CenterPoint Energy, Inc. (NYSE: CNP) today announced that it intends to sell through a private offering \$400 million of convertible notes due 2023. The company will grant to the initial purchasers an option to purchase up to an additional \$60 million of convertible notes. The net proceeds from this offering will be used to repay a portion of the outstanding indebtedness under the company's existing \$3.80 billion credit facility.

The convertible notes will be senior unsecured obligations of the company and will be convertible into CenterPoint Energy common stock under certain conditions at a conversion price representing a to-be-determined premium to current market price. It is expected that the convertible notes will be interest bearing at a rate to be determined and will bear contingent interest under certain circumstances. The interest rate and other terms will be provided upon pricing of such securities.

The convertible notes and the underlying common stock issuable upon conversion have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This news release does not constitute an offer to sell, or the solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering would be unlawful.

For more information contact:

Media: Leticia Lowe, 713.207.7702

Investors: Marianne Paulsen, 713.207.6500