



Barclays CEO Energy Power Conference Webcast  
September 5, 2018

**Eric Beaumont (Barclays) – Director of Research**

Good morning, everyone. Happy to have you here. A little housekeeping, at the end of Bill's presentation, there will be a Q&A. Someone will be walking around with a microphone, so please wait until you have a microphone to ask the question. But otherwise, this morning, we're happy to have Bill Rogers, Executive Vice President and CFO of CenterPoint Energy, here. Bill?

**Bill Rogers – EVP & CFO**

Eric, thank you very much, and good Wednesday morning to everyone. If you were watching tennis last night, it was a late night. The Rafael Nadal match went on almost five hours and ended at 2 AM. So, here we are on Wednesday, and before we begin, I would like to direct your attention to the cautionary statements on slides 2 and 3, the forward-looking statements on the use of non-GAAP financial measures in this presentation. This cautionary statement on the forward-looking statements provides, among other things, that we cannot guarantee forward-looking financial results.

Let me begin by saying we appreciate your interest in CenterPoint Energy. Our company's vision is to lead the nation in delivering energy, service and value. We have a history of success due to our simple strategy of operate, serve and grow. These three elements keep us focused on safely and reliably maintaining and operating more than \$20 billion in assets, making sure our customers receive the benefits of our investments and product offerings, and creating growth opportunities for our employees and our investors. We achieve this through



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making the right investments in energy systems delivery process and introducing new technologies and our commitment to employees and communities.

During this presentation, I will discuss how CenterPoint's high-quality assets and diversified cash flows are complemented with our pending merger with Vectren. We anticipate the merger will create a stronger, more stable utility platform that is better positioned to serve the needs of a growing customer base. The pending merger with Vectren advances our vision and strongly supports the elements in our strategy.

This is an overview of CenterPoint's rate-regulated business and energy services business. CenterPoint's Houston Electric serves over 2.4 million customers in a 5,000-square-mile territory in and around the Houston metropolitan area. We have historically enjoyed and projected to continue to enjoy a strong customer growth for all three classes of our customers.

This growth requires continued investment by CenterPoint to help ensure our system has a safe, reliable capacity for our customers. Through the use of technology, we have introduced a number of advancements in the business over the decade including but not limited to smart meters throughout our service territory, intelligent grid circuits, predictive analytics on our grid, power alert service for our customers, and the use of drone surveys to monitor our system.

Our rate-regulated natural gas distribution delivers gas to over 3.5 million customers in six states. This business also requires significant investment to support infrastructure



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replacement, and we have advanced our detection capabilities through the use of Picarro leak detection technology.

Finally, our nonutility energy services business delivers competitive natural gas supply to approximately 31,000 commercial and industrial customers throughout the United States. This business delivered 1.2 trillion cubic feet of natural gas in 2017, making it one of the largest customer-facing natural gas businesses.

This slide details our timeline for the pending Vectren merger. On April 23, we announced the merger whereby we'd acquire all outstanding shares of Vectren for \$72 in cash. Last week, Vectren shareholders voted to approve the merger, and therefore, the remaining milestones are the FERC order, and the completion of the filings in both Indiana and Ohio. You'll note on the slide that Indiana is expected to have hearings with respect to the filing on October 17.

This slide is a post-merger view whereby we will add over 1 million gas customers to our existing 3.5 million customers and 145,000 electric utility customers in a vertically integrated electric business in Southwest Indiana. Our non-regulated portfolio also grows with the addition of Vectren's infrastructure services and energy service divisions which they call VISCO and VESCO. Both companies complemented our existing offerings and provide additional customer-interfacing opportunities for consistent visible cash flows.



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We expect the combined company will realize additional utility earnings by investing capital to meet the needs of more than 7 million customers. The growth and increased offerings for customers positions us as a customer-centric, energy delivery company for our future.

We believe this merger reduces business risk by increasing our size, scale, and business diversity; creating opportunities for operating efficiencies, increasing the percentage of utility earnings to our total earnings and providing enhanced certainty of consolidated cash flows and earnings.

We posted this combined view of rate base in our second quarter earnings call, which will translate into a combined rate base growth of approximately 7.6% a year over the five-year forward-looking period. The rate base growth is the driver of our utility earnings growth in the future and is a key component to our future earnings profile.

This slide is our business profile based upon combining the two companies in 2017. We expect an increase in the percentage of income from utilities and in addition to the enhanced visibility created by this utility investment, revenues at Vectren's infrastructure business or VISCO, are primarily long-term infrastructure replacement plans within the gas utility sector. As referenced earlier, the combination of these elements provides us greater visibility and enhanced certainty of consolidated earnings and cash flows.

The following slide is our plan of financing for the acquisition of the Vectren stock. In August, we issued \$800 million of perpetual preferred stock with a dividend yield of 6-1/8%.



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This offering of preferred received 50% equity credit from all three rating agencies. So, we are pleased that this offering was well received by both the investment community and the credit rating agencies.

With this issuance completed, we anticipate the remaining financing to fund the Vectren acquisition will be \$2.1 billion in equity and equity content securities which we intend to complete before the merger closes. And then the final amount will be \$3.1 billion of debt financing out of our holding company and cash on hand at our holding company. Finally, with the acquisition of Vectren stock we will expect to assume \$2.5 billion of Vectren debt.

This slide addresses our credit ratings and is how we sized the equity that we anticipate issuing to fund the acquisition of Vectren shares. The plan of financing is based upon our objective to achieve consolidated 15% adjusted FFO to debt metrics as measured by the rating agencies and their adjustments and to do this by 2020.

As a management team, we view our credit quality as a strategic priority with a target credit rating of BBB or better for all debt securities issued by CenterPoint Energy to include its current and future subsidiaries. We have demonstrated this commitment to credit quality through our historically strong FFO to debt metrics, a lower amount of holding company debt, and a lower business risk profile.

Going forward, we intend to reduce our holding company debt, restructure CERC to improve the CERC business risk profile, I'll comment on that shortly, and execute a balanced



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approach to permanent financing and by balance we mean appropriate mix of equity and debt to invest in our rate base.

I mentioned this just a moment ago, but yesterday morning we disclosed on a Form 8-K that we had completed the internal spin of our Enable common units and interest in Enable's general partner from CERC to our wholly owned subsidiary, CenterPoint Midstream. CenterPoint Midstream now has all of those investments in Enable with the exception of the \$363 million 10% preferred investment which is at the holding company.

Concurrent with the spend, CenterPoint Midstream borrowed \$900 million from CenterPoint Energy, Inc. It would be our intent to refinance this with external borrowings in the future. At this time, we do not intend for CenterPoint Midstream's borrowings to either be rated by the agencies or to be publicly registered debt. We're also pleased that Moody's recognized the spend yesterday; and last evening published an upgrade for CERC at Baa1 – CERC was previously at Baa2 – and placed CERC on positive outlook.

In summary, CenterPoint has had a history of success with our simple strategy of operate, serve and grow. The pending merger with Vectren fits well with the strategy and reduces our business risk by increasing our geographic and business line diversity, as well as improving the certainty of our earnings and cash flow.

With those opening comments, I'll be pleased to take any questions that you might have. And again, thank you for your interest in CenterPoint Energy.

**Question & Answer Sections****Question:**

It seems appetite was pretty strong in the market for the preferred offering. I'm wondering, I guess, probably not relevant to the deal since you've laid out pretty clearly how that's going to be funded. But how do you – can you talk about how you see that space going forward when you mentioned a balanced approach to permanent financing, how you see that playing into, I guess, your financing needs going forward specifically the preferred and hybrid market?

**Bill Rogers**

Certainly. The financing that I reviewed to include the 800 million of preferred is the acquisition financing for the outstanding common shares of Vectren. And, it's approximately \$6 billion. On a going-forward basis, I mentioned we have a combined growth rate and rate base of 7.6% over the five-year planning horizon. That will require some equity capital. What we have said in the past is that we view our investment in Enable as a source of funds if we were to sell those down gradually over a long period of time.

The reason we view it as a source of funds is if we sell some of our Enable units, that allows us to pay down debt, and therefore, we are incurring less debt. In the event that we do not sell Enable units to fund a rate-based investment, then we will have a modest amount of common equity needs and we would consider alternative securities such as preferred or

converts. But it would need to have high equity content from a credit rating agency perspective.

**Eric Beaumont**

Any other questions?

**Question**

During the presentation, I think you said that you intend to reduce Holdco debt. Is that on a consolidated basis or is that reducing Holdco debt and replacing it with debt in other boxes with the corporation?

**Bill Rogers**

Great question. So, just to repeat to it for everyone, the question is, when I say reduce holding company debt, is that reducing total debt or just reducing at the holding company? And it is the latter. We would expect, as we grow our investment in rate base at CenterPoint Energy, that we would be borrowing on the margin every year but at our utility level. And the cash dividends from our various utilities and from CenterPoint midstream are a source of funds to reduce holding company debt at CenterPoint Energy Inc.

**Question**

With the actions that you took yesterday, I guess maybe the first question, as we think about CERC now, should we primarily think about that as kind of a holding company for the LDCs, and will that capital structure reflect at CERC what your capital structures need to be at the individual LDC levels? Does that make sense?

**Bill Rogers**





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Absolutely. So, CERC today now holds all of CenterPoint's gas LDCs. And CERC is the financing vehicle to allocate funds to those LDCs. In addition to holding the LDCs, CERC also owns our CenterPoint Energy Services business. CenterPoint Energy Services is a borrower within the CERC money pool and is at times a net lender into the CERC money pool. So, we would expect that to continue to be the case. And over the longer-term horizon, we will take a hard look as to how we might bring in some of the Vectren gas utilities into CERC as well. With respect to the capital structure and how we size that at CERC, the weighted average capital structure against rate base is approximately 50% equity so that's what we'll be targeting.

**Question**

And then last one for me, I appreciate you taking all the questions. With generation assets coming in, once you close Vectren, is – are those core assets – are there any non-core assets? Would you consider any asset sales as you kind of look to move forward?

**Bill Rogers**

Right. So, Vectren's Southern Indiana Gas and Electric Company has approximately 1,200 megawatts of generation assets today. They have an integrated resource plan to replace certain coal units with a combined cycle gas plant in the future. Those are core to that business as a vertically integrated utility. And at this time, we are not taking a look at selling any of our investments other than what I mentioned earlier as potentially selling a small percentage of our investments in Enable Midstream.

**Question**

Thank you. You mentioned the ability to put debt at CNP Midstream. What's the appropriate level of leverage or total debt there given the potential for sales in Enable going forward?

**Bill Rogers**

Right. So, I'll just repeat the question for everybody. With respect to the debt at CNP Midstream, how do we think about leverage? That entity's purpose is to own the investments in Enable Midstream, so it receives the distributions from Enable, would then service debt and make a dividend to the holding company. Currently, the annual distributions that we received from Enable are approximately \$300 million. And we take a view that we could leverage against that cash flow 3 to 4 times. So, we have a \$900 million intercompany note. That would be 3 times that cash flow and potentially we could increase that to 4 times.

**Question**

Yeah, thank you. And then, just on the – did the ArcLight sale changed your views on potentially how you would have to monetize Enable just given the discounted price set?

**Bill Rogers**

You're referring to a large investor that sold through a block trade, some of its units in Enable a few weeks ago, and fairly healthy discount to the market price as close. I think I would say that that confirmed our views that in 2018 selling in the Midstream MLP units, whether it be a secondary, primary offering, requires a deeper discount relative to block trades or other common stock offerings in the market as a whole. So it confirms that view.

**Question**



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Does the CNP Midstream internal spin give you strategic flexibility in the future or change the tax implications at all of the potential sale or disposal or anything?

**Bill Rogers**

The spin of CenterPoint Midstream neither enhances nor impedes what we might do with our Enable units over the course of time. What it does for us is to provide the debt that we had otherwise internally ascribed to that investment now into a separate subsidiary. So better performance measurement and get CERC where we want it to be as primarily a gas LDC company.

**Question**

Hey, good morning. When you think about the senior notes that you're going to issue for the Vectren acquisition, what is the timing we should think about for that issuance?

**Bill Rogers**

For the equity in the acquisition financing?

**Question**

For the senior notes.

**Bill Rogers**

I got it. Okay. So, the question was what's the timing to complete the financing associated with our acquisition of the Vectren common shares. I'll begin by saying we intend to complete all the financing in advance of the acquisition and we think we're on track for acquiring the Vectren common shares in the first quarter 2019. We would intend for the equity



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and equity content securities to be issued in advance of any senior debt financing by the holding company. This will be the final call for questions. I don't see any.

Thank you very much for your interest in CenterPoint Energy. We want to thank Barclays for a long relationship both on the research side - we recognize they're not currently publishing, so they can't give any investment advice with respect to our securities. But we thank them for the relationship both on the research side over a long period of time, as well as on the investment banking side.



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CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission & distribution, natural gas distribution and energy services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma and Texas. The company also owns 54.0 percent of the common units representing limited partner interests in Enable Midstream Partners, a publicly traded master limited partnership it jointly controls with OGE Energy Corp. Enable Midstream Partners owns, operates and develops natural gas and crude oil infrastructure assets. With more than 8,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 150 years. For more information, go to [www.CenterPointEnergy.com](http://www.CenterPointEnergy.com).

This document includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based upon assumptions of management which are believed to be reasonable at the time made and are subject to significant risks and uncertainties. Actual events and results may differ materially from those expressed or implied by these forward-looking statements. Any statements in this document regarding future earnings, and future financial performance and results of operations, including, but not limited to earnings guidance, targeted dividend growth rate and any other statements that are not historical facts are forward-looking statements. Each forward-looking statement contained in this document speaks only as of the date of this release.

*Risks Related to CenterPoint Energy*

Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) the performance of Enable Midstream Partners, LP (Enable), the amount of cash distributions CenterPoint Energy receives from Enable, Enable's ability to redeem the Series A Preferred Units in certain circumstances and the value of CenterPoint Energy's interest in Enable, and factors that may have a material impact on such performance, cash distributions and value, including factors such as: (A) competitive conditions in the midstream industry, and actions taken by Enable's customers and competitors, including the extent and timing of the entry of additional competition in the markets served by Enable; (B) the timing and extent of changes in the supply of natural gas and associated commodity prices, particularly prices of natural gas and natural gas liquids (NGLs), the competitive effects of the available pipeline capacity in the regions served by Enable, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable's interstate pipelines; (C) the demand



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for crude oil, natural gas, NGLs and transportation and storage services; (D) environmental and other governmental regulations, including the availability of drilling permits and the regulation of hydraulic fracturing; (E) recording of non-cash goodwill, long-lived asset or other than temporary impairment charges by or related to Enable; (F) changes in tax status; (G) access to debt and equity capital; and (H) the availability and prices of raw materials and services for current and future construction projects; (2) industrial, commercial and residential growth in CenterPoint Energy's service territories and changes in market demand, including the demand for CenterPoint Energy's non-rate regulated products and services and effects of energy efficiency measures and demographic patterns; (3) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment; (4) future economic conditions in regional and national markets and their effect on sales, prices and costs; (5) weather variations and other natural phenomena, including the impact of severe weather events on operations and capital; (6) state and federal legislative and regulatory actions or developments affecting various aspects of CenterPoint Energy's and Enable's businesses, including, among others, energy deregulation or re-regulation, pipeline integrity and safety and changes in regulation and legislation pertaining to trade, health care, finance and actions regarding the rates charged by our regulated businesses; (7) CenterPoint Energy's expected timing, likelihood and benefits of completion of CenterPoint Energy's pending merger with Vectren Corporation (Vectren), including the timing, receipt and terms and conditions of any required approvals by Vectren's shareholders and governmental and regulatory agencies that could reduce anticipated benefits or cause the parties to delay or abandon the pending transactions, as well as the ability to successfully integrate the businesses and realize anticipated benefits, the possibility that long-term financing for the pending transactions may not be put in place before the closing of the pending transactions and the risk that the credit ratings of the combined company or its subsidiaries may be different from what CenterPoint Energy expects; (8) tax legislation, including the effects of the comprehensive tax reform legislation informally referred to as the Tax Cuts and Jobs Act (which includes any potential changes to interest deductibility) and uncertainties involving state commissions' and local municipalities' regulatory requirements and determinations regarding the treatment of excess deferred income taxes and CenterPoint Energy's rates; (9) CenterPoint Energy's ability to mitigate weather impacts through normalization or rate mechanisms, and the effectiveness of such mechanisms; (10) the timing and extent of changes in commodity prices, particularly natural gas, and the effects of geographic and seasonal commodity price differentials; (11) actions by credit rating agencies, including any potential downgrades to credit ratings; (12) changes in interest rates and their impact on CenterPoint Energy's costs of borrowing and the valuation of its pension benefit obligation; (13) problems with regulatory approval, construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or in cost overruns that cannot be recouped in rates;



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(14) local, state and federal legislative and regulatory actions or developments relating to the environment, including those related to global climate change; (15) the impact of unplanned facility outages; (16) any direct or indirect effects on CenterPoint Energy's or Enable's facilities, operations and financial condition resulting from terrorism, cyber-attacks, data security breaches or other attempts to disrupt CenterPoint Energy's businesses or the businesses of third parties, or other catastrophic events such as fires, earthquakes, explosions, leaks, floods, droughts, hurricanes, pandemic health events or other occurrences; (17) CenterPoint Energy's ability to invest planned capital and the timely recovery of CenterPoint Energy's investment in capital; (18) CenterPoint Energy's ability to control operation and maintenance costs; (19) the sufficiency of CenterPoint Energy's insurance coverage, including availability, cost, coverage and terms and ability to recover claims; (20) the investment performance of CenterPoint Energy's pension and postretirement benefit plans; (21) commercial bank and financial market conditions, CenterPoint Energy's access to capital, the cost of such capital, and the results of CenterPoint Energy's financing and refinancing efforts, including availability of funds in the debt capital markets; (22) changes in rates of inflation; (23) inability of various counterparties to meet their obligations to CenterPoint Energy; (24) non-payment for CenterPoint Energy's services due to financial distress of its customers; (25) the extent and effectiveness of CenterPoint Energy's risk management and hedging activities, including but not limited to, its financial and weather hedges and commodity risk management activities; (26) timely and appropriate regulatory actions, which include actions allowing securitization, for any future hurricanes or natural disasters or other recovery of costs, including costs associated with Hurricane Harvey; (27) CenterPoint Energy's or Enable's potential business strategies and strategic initiatives, including restructurings, joint ventures and acquisitions or dispositions of assets or businesses (including a reduction of interests in Enable, if any, whether through CenterPoint Energy's decision to sell all or a portion of the Enable common units it owns in the public equity markets or otherwise, subject to certain limitations), which CenterPoint Energy cannot assure will be completed or will have the anticipated benefits to us or Enable; (28) acquisition and merger activities involving CenterPoint Energy or its competitors, including the ability to successfully complete merger, acquisition or divestiture plans; (29) CenterPoint Energy's or Enable's ability to recruit, effectively transition and retain management and key employees and maintain good labor relations; (30) the outcome of litigation; (31) the ability of retail electric providers (REPs), including REP affiliates of NRG and Vistra Energy Corp., formerly known as TCEH Corp., to satisfy their obligations to CenterPoint Energy and its subsidiaries; (31) the ability of GenOn Energy, Inc. (formerly known as RRI Energy, Inc., Reliant Energy and RRI), a wholly-owned subsidiary of NRG Energy, Inc. (NRG), and its subsidiaries, currently the subject of bankruptcy proceedings, to satisfy their obligations to CenterPoint Energy, including indemnity obligations; (33) changes in technology, particularly with respect to efficient battery storage or the emergence or growth of

new, developing or alternative sources of generation; (34) the timing and outcome of any audits, disputes and other proceedings related to taxes; (35) the effective tax rates; (36) the effect of changes in and application of accounting standards and pronouncements; and (37) other factors discussed in CenterPoint Energy's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, CenterPoint Energy's Quarterly Report on Form 10-Q for the quarters ended March 31, 2018, and June 30, 2018, and other reports CenterPoint Energy or its subsidiaries may file from time to time with the Securities and Exchange Commission.

#### *Risks Related to the Merger*

Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) the risk that Vectren may be unable to obtain shareholder approval for the proposed transactions, (2) the risk that CenterPoint Energy or Vectren may be unable to obtain governmental and regulatory approvals required for the proposed transactions, or that required governmental and regulatory approvals or agreements with other parties interested therein may delay the proposed transactions or may be subject to or impose adverse conditions or costs, (3) the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transactions or could otherwise cause the failure of the proposed transactions to close, (4) the risk that a condition to the closing of the proposed transactions or the committed financing may not be satisfied, (5) the failure to obtain, or to obtain on favorable terms, any equity, debt or other financing necessary to complete or permanently finance the proposed transactions and the costs of such financing, (6) the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the proposed transactions, (7) the receipt of an unsolicited offer from another party to acquire assets or capital stock of Vectren that could interfere with the proposed transactions, (8) the timing to consummate the proposed transactions, (9) the costs incurred to consummate the proposed transactions, (10) the possibility that the expected cost savings, synergies or other value creation from the proposed transactions will not be realized, or will not be realized within the expected time period, (11) the risk that the companies may not realize fair values from properties that may be required to be sold in connection with the merger, (12) the credit ratings of the companies following the proposed transactions, (13) disruption from the proposed transactions making it more difficult to maintain relationships with customers, employees, regulators or suppliers, and (14) the diversion of management time and attention on the proposed transactions.

#### **Use of Non-GAAP Financial Measures by CenterPoint Energy in Providing Guidance**





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In addition to presenting its financial results in accordance with generally accepted accounting principles (GAAP), including presentation of net income and diluted earnings per share, CenterPoint Energy also provides guidance based on adjusted net income and adjusted diluted earnings per share, which are non-GAAP financial measures. Additional Non-GAAP financial measures used by the Company include utility earnings per share and core operating income. Generally, a non-GAAP financial measure is a numerical measure of a company's historical or future financial performance that excludes or includes amounts that are not normally excluded or included in the most directly comparable GAAP financial measure. CenterPoint Energy's adjusted net income and adjusted diluted earnings per share calculation excludes from net income and diluted earnings per share, respectively, the impact of ZENS and related securities, mark-to-market gains or losses resulting from the company's Energy Services business and adjustments for impairment charges. The Company's utility earnings per share calculation includes all earnings except those related to Midstream Investments (but includes the Enable Series A Preferred Units). The Company's core operating income calculation excludes the transition and system restoration bonds from the Electric Transmission and Distribution business segment, the mark-to-market gains or losses resulting from the Company's Energy Services business and income from the Other Operations business segment. CenterPoint Energy is unable to present a quantitative reconciliation of forward looking adjusted net income and adjusted diluted earnings per share because changes in the value of ZENS and related securities and mark-to-market gains or losses resulting from the company's Energy Services business are not estimable.

CenterPoint Energy's management evaluates CenterPoint Energy's financial performance in part based on adjusted net income, adjusted diluted earnings per share, utility earnings per share and core operating income. CenterPoint Energy's management believes that presenting these non-GAAP financial measures enhances an investor's understanding of CenterPoint Energy's overall financial performance by providing them with an additional meaningful and relevant comparison of current and anticipated future results across periods. The adjustments made in these non-GAAP financial measures exclude items that CenterPoint Energy's management believes does not most accurately reflect the Company's fundamental business performance. These excluded items are reflected in the reconciliation tables of this release, where applicable. CenterPoint Energy's adjusted net income, adjusted diluted earnings per share, utility earnings per share and core operating income non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, net income and diluted earnings per share, which respectively are the most directly comparable GAAP



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financial measures. These non-GAAP financial measures also may be different than non-GAAP financial measures used by other companies.

### **Additional Information and Where to Find It**

This communication may be deemed to be solicitation material in respect of the merger of Vectren into CenterPoint Energy. In connection with the pending transactions, Vectren filed a definitive proxy statement with the SEC on July 16, 2018, which was mailed or otherwise provided to its shareholders. **INVESTORS ARE URGED TO READ THE PROXY STATEMENT AND THESE OTHER MATERIALS FILED WITH THE SEC CAREFULLY BEFORE MAKING ANY VOTING OR INVESTMENT DECISION BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE PENDING MERGER.** Investors can obtain free copies of the proxy statement and other documents filed by Vectren with the SEC at <http://www.sec.gov>, the SEC's website, or from Vectren's website (<http://www.vectren.com>) under the tab, "Investors" and then under the heading "SEC Filings." Security holders may also read and copy any reports, statements and other information filed by Vectren with the SEC, at the SEC public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 or visit the SEC's website for further information on its public reference room.

### **Participants in the Solicitation**

CenterPoint Energy, Vectren and certain of their respective directors, executive officers and other persons may be deemed to be participants in the solicitation of proxies from Vectren's shareholders with respect to the pending transactions. Information regarding the directors and executive officers of CenterPoint Energy is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 15, 2018, and information regarding the directors and executive officers of Vectren is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 22, 2018. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, is set forth in the proxy statement and other materials filed with the SEC in connection with the pending transactions.



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