

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): JULY 29, 2003

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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

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ITEM 5. OTHER EVENTS.

ANNOUNCEMENT OF SECOND QUARTER 2003 RESULTS

On July 29, 2003, CenterPoint Energy, Inc. ("CenterPoint Energy") reported second quarter 2003 earnings. For additional information regarding CenterPoint Energy's second quarter 2003 earnings, please refer to CenterPoint Energy's press release attached to this report as Exhibit 99.1 (the "Press Release"), which Press Release, other than (i) the quotations therein from CenterPoint Energy's president and chief executive officer, (ii) the information therein under the caption "2003 Outlook" and (iii) the information therein in the first two paragraphs under the caption "Webcast of Earnings Conference Call" (collectively, the "Excluded Information"), is incorporated by reference herein.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following exhibit is filed herewith:

99.1 Press Release issued July 29, 2003 regarding CenterPoint Energy's second quarter 2003 earnings.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

The information incorporated by reference in Item 5 of this report and the Excluded Information is incorporated by reference herein. The Excluded Information is being furnished, not filed, pursuant to Item 12. Accordingly, the Excluded Information 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. The furnishing of the information in this report is not intended to, and does not, constitute a determination or admission by CenterPoint Energy, that the information in this report is material or complete, or that investors should consider this information before making an investment decision with respect to any security of CenterPoint Energy or any of its affiliates.

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: July 29, 2003

By: /s/ JAMES S. BRIAN

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James S. Brian  
Senior Vice President and  
Chief Accounting Officer

EXHIBIT INDEX

| EXHIBIT<br>NUMBER<br>----- | EXHIBIT DESCRIPTION<br>-----   |
|----------------------------|--|
| 99.1                       | Press Release issued July 29, 2003 regarding CenterPoint Energy's second quarter 2003 earnings |

(CENTERPOINT ENERGY LETTERHEAD)

FOR IMMEDIATE RELEASE

Page 1 of 5

CENTERPOINT ENERGY REPORTS SOLID  
SECOND QUARTER 2003 OPERATING RESULTS  
OPERATING IMPROVEMENTS ACROSS ALL BUSINESS SEGMENTS  
MITIGATE HIGHER INTEREST COSTS

HOUSTON - JULY 29, 2003 - CenterPoint Energy, Inc. (NYSE: CNP) today reported income from continuing operations of \$83 million, or \$0.27 per diluted share for the quarter ended June 30, 2003. This compares to income from continuing operations of \$86 million, or \$0.29 per diluted share for the second quarter of 2002. 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, compared to \$231 million, or \$0.78 per diluted share for the same period of 2002.

CenterPoint Energy's net income for the second quarter of 2003 was \$63 million, or \$0.21 per diluted share, compared to \$236 million, or \$0.79 per diluted share, for the same period of 2002. During the second quarter of 2003, the company recorded a loss of \$20 million from discontinued operations primarily related to the company's planned sale of its energy management services business. During the second quarter of 2002, the company recorded income from discontinued operations of \$150 million primarily related to Reliant Resources, Inc.'s (RRI) results. As previously reported, the company distributed its investment in RRI to CenterPoint Energy shareholders on September 30, 2002, and RRI's historical results are reported as discontinued operations.

Net income for the six months ended June 30, 2003 was \$232 million, or \$0.76 per diluted share compared to \$267 million, or \$0.90 per diluted share for the first six months of 2002. During the first six months of 2003, the company recorded a benefit of \$80 million relating to the implementation of SFAS No. 143, "Accounting for Asset Retirement Obligations" and a \$13 million loss from discontinued operations. The first six months of 2002 included income from discontinued operations of \$36 million primarily related to RRI.

"I'm very pleased with the financial results of the second quarter, especially in light of much higher interest costs this year," said David McClanahan, president and chief executive officer of CenterPoint Energy. "Each of our business segments reported improved operating performance even after taking into account a significant increase in pension and insurance costs. I'm very proud of what our employees have accomplished and their continued focus on what we do best -- delivering electricity and natural gas safely and reliably.

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"In addition, we have made substantial progress in improving our financial stability and liquidity," said McClanahan. "We continued to access the capital markets during the second quarter, and so far this year we have raised over \$3 billion. We used these proceeds to pre-fund maturing debt, to refinance higher coupon debt, to pay down the company's bank facility and enhance our liquidity."

#### SECOND QUARTER HIGHLIGHTS

The company's operating performance and cash flow for the second quarter of 2003 compared to the same period of 2002 were affected by:

- o continued customer growth with the addition of almost 90,000 metered electric and gas customers since June of 2002, or an annualized 2 percent growth
- o increased revenues of \$9 million from rate increases in the natural gas distribution operations
- o improved operating income for our subsidiary, Texas Genco Holdings, Inc. (NYSE:TGN) of \$79 million
- o a reduction in capital expenditures of approximately \$81 million
- o an increase in interest expense of \$75 million
- o higher pension and insurance expenses of \$18 million

Other significant events during the second quarter include:

- o raising nearly \$1.5 billion by accessing the capital markets
- o reducing the company's credit facility by approximately \$1 billion, which eliminated all warrants associated with the credit facility and eliminated a second potential dividend restriction
- o completing the company's exit from Latin America

#### OPERATING INCOME BY SEGMENT DETAILED

##### ELECTRIC TRANSMISSION & DISTRIBUTION

The electric transmission & distribution segment reported operating income of \$235 million in the second quarter of 2003 consisting of \$134 million for the regulated electric transmission & distribution utility and non-cash operating income of \$101 million associated with generation-related regulatory assets, or ECOM, as described below. For the second quarter of 2002, operating income was \$275 million, consisting of \$105 million for the regulated electric transmission & distribution utility and non-cash operating income of \$170 million associated with ECOM.

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The regulated electric transmission & distribution utility continues to benefit from solid customer growth. Revenues increased from the addition of over 51,000 metered customers since June 2002 as well as the positive impact of weather. Operating expenses declined from the comparable period of 2002. Higher benefit and insurance expenses were more than offset by reduced staffing levels, the non-recurrence of certain expenses related to the transition to the deregulated market in 2002 and process improvements.

Under the Texas electric restructuring law, a regulated utility may recover, in its 2004 stranded cost true-up proceeding, the difference between market prices received by its affiliated power generation company and the prices used in the ECOM model established by the Texas PUC. During 2002 and 2003, this difference, referred to as ECOM, produces non-cash income and is recorded as a regulatory asset. The reduction in ECOM of \$69 million from 2002 to 2003 resulted primarily from an increase in capacity auction prices at Texas Genco.

Operating income for the six months ended June 30, 2003 was \$440 million, consisting of \$207 million for the regulated electric transmission & distribution utility and non-cash operating income of \$233 million for ECOM. This compares to \$528 million for the same period of 2002 consisting of \$217 million for the regulated electric transmission & distribution utility and non-cash operating income of \$311 million for ECOM.

#### ELECTRIC GENERATION

Texas Genco owns 14,175 MW of electric generation in Texas and sells capacity, energy, and ancillary services in the Texas electric market, primarily through capacity auctions. It reported operating income of \$50 million for the second quarter of 2003 compared to an operating loss of \$29 million for the same period of 2002.

Wholesale electricity prices were much higher in 2003 due to substantially higher natural gas prices which led to increased capacity auction revenues for Texas Genco's baseload products. Operating expenses increased in the quarter due to higher natural gas and purchased power costs and increased operation and maintenance expenses, partially offset by reduced taxes other than income taxes. Operation and maintenance expenses increased due to outage costs associated with baseload generation units, including \$4 million related to an unplanned outage at Unit 1 of Texas Genco's 30.8 percent interest in the South Texas Project Electric Generating Station (STP) nuclear facility. In addition, higher pension, employee benefit and technical support costs contributed to the increase in operation and maintenance expenses. Texas Genco estimates that the added cost of replacement energy associated with the STP Unit 1 outage negatively impacted gross margin by approximately \$20 million for the quarter.

Operating income for the six months ended June 30, 2003 was \$33 million, compared to an operating loss of \$81 million for the same period of 2002.

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NATURAL GAS DISTRIBUTION

The natural gas distribution segment reported operating income of \$21 million for the second quarter of 2003 compared to the prior year's second quarter operating income of \$11 million.

The increase in operating income in the natural gas distribution segment resulted from continued customer growth, higher revenues from rate increases implemented late last year and improved margins from our commercial and industrial sales. These improvements more than offset increased expenses associated with higher pension, employee benefit and insurance expenses. The costs associated with a receivables facility, which was modified in November 2002, reduced operating income by \$3 million, whereas prior to the amendment, these costs were included in interest expense.

Operating income for the six months ended June 30, 2003 was \$151 million, compared to \$118 million for the same period of 2002.

PIPELINES AND GATHERING

The pipelines and gathering segment reported operating income of \$42 million in the second quarter of 2003 compared to \$39 million for the same period of 2002. The operating improvement was primarily related to improved revenues in the gas gathering operations. The segment continues to produce consistent operating income and stable cash flows.

Operating income for the six months ended June 30, 2003 was \$85 million, compared to \$76 million for the same period of 2002.

OTHER OPERATIONS

The company's other operations reported an operating loss for the second quarter of 2003 of \$2 million compared to an operating loss of \$7 million for the same period of 2002. The operating loss for the six months ended June 30, 2003 was \$2 million, compared to no operating income for the same period of 2002.

DISCONTINUED OPERATIONS

During the second quarter of 2003, the company sold its remaining investment in Argentina, a 90 percent interest in Edese, an electric utility distribution company. Through this sale, the company completed its strategy of exiting Latin America. In addition, the company is negotiating to sell CenterPoint Energy Management Services, Inc. (CEMS), which provides district cooling to businesses in the downtown Houston area. In the second quarter of 2003, the company recorded a \$3 million loss in discontinued operations related to exiting Latin America and a \$16 million impairment related to CEMS.

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In the second quarter of 2002, the company reported income from discontinued operations of \$150 million primarily related to RRI's results.

#### 2003 OUTLOOK

CenterPoint Energy confirms its 2003 earnings guidance of \$0.85 to \$1.00 per diluted share from continuing operations. This reflects the company's outlook for continued solid operational performance by its business segments.

#### WEBCAST OF EARNINGS CONFERENCE CALL

CenterPoint Energy's management will host an earnings conference call on Tuesday July 29, 2003, 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](http://www.CenterPointEnergy.com/investors/events). 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.

The management of Texas Genco, the company's 81 percent owned subsidiary, will host an earnings conference call on Tuesday July 29, 2003, at 9:00 a.m. Central time. Interested parties may listen to a live, audio broadcast of the conference call at [www.txgenco.com/investor.html](http://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 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 and sales, interstate pipeline and gathering operations, and more than 14,000 megawatts of power generation in Texas. The company serves nearly five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Missouri, Oklahoma, and Texas. Assets total approximately \$20 billion. CenterPoint Energy became the new holding company for the regulated operations of the former Reliant Energy, Incorporated in August 2002. With more than 11,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 130 years.

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This news release includes forward-looking statements. Actual events and results may differ materially from those projected. Factors that could affect actual results include the timing and impact of future regulatory and legislative 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 commodity prices, particularly natural gas and other factors discussed in CenterPoint Energy's and its subsidiaries' filings with the Securities and Exchange Commission.

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

| Quarter<br>Ended June<br>30, Six<br>Months<br>Ended June<br>30, -----<br>-----<br>-----<br>-----<br>----- 2003<br>2002 2003<br>2002 -----<br>-----<br>----- |       |  |
|---|-------|--|
| - Revenues:   |       |  |
| Electric  |       |  |
| Transmission  |       |  |
| &   |       |  |
| Distribution  |       |  |
| \$ 481,772  | \$    |  |
| 528,350   | \$    |  |
| 929,175   | \$    |  |
| 1,096,403   |       |  |
| Electric  |       |  |
| Generation  |       |  |
| 578,511   |       |  |
| 413,648   |       |  |
| 937,098   |       |  |
| 739,295   |       |  |
| Natural Gas   |       |  |
| Distribution  |       |  |
| 970,576   |       |  |
| 796,722   |       |  |
| 3,015,327   |       |  |
| 1,976,595   |       |  |
| Pipelines   |       |  |
| and   |       |  |
| Gathering   |       |  |
| 121,716   |       |  |
| 102,408   |       |  |
| 230,824   |       |  |
| 194,351   |       |  |
| Other   |       |  |
| Operations  |       |  |
| 9,322   | 6,955 |  |
| 18,252  |       |  |
| 13,946  |       |  |
| Eliminations  |       |  |
| (70,997)  |       |  |
| (49,659)  |       |  |
| (139,608)   |       |  |
| (144,776)   | -     |  |
| -----   |       |  |
| -----   |       |  |
| -----   |       |  |
| ----- Total   |       |  |
| 2,090,900   |       |  |
| 1,798,424   |       |  |
| 4,991,068   |       |  |
| 3,875,814   | -     |  |
| -----   |       |  |
| -----   |       |  |
| -----   |       |  |
| -----   |       |  |
| -----   |       |  |
| -----   |       |  |
| -----   |       |  |
| Expenses:   |       |  |
| Fuel and  |       |  |
| cost of gas   |       |  |

sold  
 1,080,857  
 862,058  
 2,940,003  
 1,904,620  
 Purchased  
 power  
 22,974  
 4,258  
 34,968  
 52,624  
 Operation  
 and  
 maintenance  
 393,085  
 372,505  
 805,961  
 760,467  
 Depreciation  
 and  
 amortization  
 157,263  
 151,072  
 309,544  
 299,481  
 Taxes other  
 than income  
 taxes  
 90,691  
 119,134  
 193,535  
 217,285 ---  
 -----  
 -----  
 -----  
 --- Total  
 1,744,870  
 1,509,027  
 4,284,011  
 3,234,477 -  
 -----  
 -----  
 -----  
 -----  
 -----  
 Operating  
 Income  
 346,030  
 289,397  
 707,057  
 641,337 ---  
 -----  
 -----  
 -----  
 --- Other  
 Income  
 (Expense) :  
 Gain (loss)  
 on AOL Time  
 Warner  
 investment  
 113,178  
 (230,214)  
 64,704  
 (447,811)  
 Gain (loss)  
 on indexed  
 debt  
 securities  
 (98,253)  
 218,723  
 (55,550)  
 421,956  
 Interest  
 (215,087)  
 (139,847)  
 (439,081)  
 (257,599)  
 Distribution

on trust  
preferred  
securities  
(13,899)  
(13,850)  
(27,797)  
(27,749)  
Other - net  
1,629 7,664  
4,788  
14,788 ----  
-----  
-----  
-----

--- Total  
(212,432)  
(157,524)  
(452,936)  
(296,415) -  
-----  
-----  
-----  
-----

-----  
Income from  
Continuing  
Operations  
Before  
Income  
Taxes,  
Minority  
Interest  
and  
Cumulative  
Effect of  
Accounting  
Change  
133,598  
131,873  
254,121  
344,922  
Income Tax  
Expense  
(44,346)  
(45,744)  
(85,455)  
(113,914)  
Minority  
Interest  
(6,295) (7)  
(4,229) 4 -  
-----  
-----  
-----  
-----

-----  
Income from  
Continuing  
Operations  
Before  
Cumulative  
Effect of  
Accounting  
Change  
82,957  
86,122  
164,437  
231,012  
Discontinued  
Operations:  
Income from  
Reliant  
Resources,  
net of tax  
-- 147,849  
-- 34,450  
Income  
(loss) from  
Other  
Operations,

net of tax  
 (403) 1,674  
 (865) 1,788  
 Loss on  
 disposal of  
 Other  
 Operations,  
 net of tax  
 (19,331) --  
 (11,989) --  
 -----  
 - - - - -  
 -----  
 -----  
 -----  
 Total  
 (19,734)  
 149,523  
 (12,854)  
 36,238 ----  
 -----  
 -----  
 -----  
 -----  
 ---  
 Cumulative  
 Effect of  
 Accounting  
 Change, net  
 of minority  
 interest  
 and tax --  
 -- 80,072 -  
 - - - - -  
 -----  
 -----  
 -----  
 -----  
 Net Income  
 Attributable  
 to Common  
 Shareholders  
 \$ 63,223 \$  
 235,645 \$  
 231,655 \$  
 267,250  
 =====  
 =====  
 =====  
 =====

Reference is made to the Notes to the Consolidated Financial Statements  
 contained in the Current Report on Form 8-K of CenterPoint Energy, Inc. dated  
 May 12, 2003.

CenterPoint Energy, Inc. and Subsidiaries  
Selected Data From Statements of Consolidated Income  
(Thousands of Dollars, Except Per Share Amounts)  
(Unaudited)

Quarter  
Ended Six  
Months Ended  
June 30,  
June 30, ---  
-----  
-----  
-----  
-----  
-----  
-----  
-----

2003 2002  
2003 2002 --  
-----  
-----  
-----

Basic  
Earnings Per  
Common  
Share:

Income from  
Continuing  
Operations  
before  
Cumulative  
Effect of  
Accounting  
Change \$  
0.27 \$ 0.29  
\$ 0.54 \$  
0.78

Discontinued  
Operations:  
Income from  
Reliant  
Resources,  
net of tax -  
- 0.49 --

0.11 Income  
(Loss) from  
Other  
Operations,  
net of tax -  
- 0.01 --

0.01 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  
Attributable  
to Common  
Shareholders  
\$ 0.21 \$  
0.79 \$ 0.77  
\$ 0.90  
=====

=====  
=====  
=====

Diluted  
Earnings Per  
Common  
Share:  
Income from  
Continuing  
Operations  
before  
Cumulative  
Effect of  
Accounting  
Change \$  
0.27 \$ 0.29  
\$ 0.54 \$  
0.78

Discontinued  
Operations:  
Income from  
Reliant  
Resources,  
net of tax -  
- 0.49 --  
0.11 Income  
(Loss) from  
Other  
Operations,  
net of tax -  
- 0.01 --  
0.01 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  
Attributable  
to Common  
Shareholders  
\$ 0.21 \$  
0.79 \$ 0.76  
\$ 0.90

=====  
=====  
=====

Dividends  
Declared per  
Common Share  
\$ 0.20(1) \$  
0.375 \$  
0.30(1) \$  
0.75  
Weighted  
Average  
Common  
Shares  
Outstanding  
(000): -  
Basic  
304,046  
297,696  
302,373  
296,963 -  
Diluted  
306,104

298,471  
 304,149  
 297,934  
 OPERATING  
 INCOME  
 (LOSS) BY  
 SEGMENT  
 Electric  
 Transmission  
 &  
 Distribution:  
 Transmission  
 &  
 Distribution  
 Operations \$  
 133,316 \$  
 105,028 \$  
 206,954 \$  
 217,598 ECOM  
 True-up  
 101,318  
 169,777  
 233,281  
 310,785 ----  
 -----  
 -----  
 -----  
 Total  
 Electric  
 Transmission  
 &  
 Distribution  
 234,634  
 274,805  
 440,235  
 528,383  
 Electric  
 Generation  
 50,044  
 (29,122)  
 32,928  
 (80,878)  
 Natural Gas  
 Distribution  
 20,951  
 11,223  
 150,512  
 117,695  
 Pipelines  
 and  
 Gathering  
 42,355  
 38,988  
 85,249  
 75,926 Other  
 Operations  
 (1,954)  
 (6,497)  
 (1,867) 211  
 -----  
 -----  
 -----  
 Total \$  
 346,030 \$  
 289,397 \$  
 707,057 \$  
 641,337  
 =====  
 =====  
 =====  
 =====

(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 Current Report on Form 8-K of CenterPoint Energy, Inc. dated  
 May 12, 2003.





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

ELECTRIC  
TRANSMISSION  
&  
DISTRIBUTION

-----  
-----  
-----  
-----  
-----  
-----  
-----  
-----  
--- Quarter  
Ended June  
30, Six  
Months  
Ended June  
30, -----  
-----  
----- %  
Diff -----  
-----  
----- %  
Diff 2003  
2002  
Fav/(Unfav)  
2003 2002  
Fav/(Unfav)  
-----  
-----  
- -----  
- -----  
- -----  
-----  
-----

-----  
RESULTS OF  
OPERATIONS:  
Operating  
Revenues:  
Electric  
revenues \$  
381 \$ 358  
6% \$ 696 \$  
785 (11%)  
ECOM true-  
up 101 170  
(41%) 233  
311 (25%) -  
-----  
-----  
-----  
-----  
-----  
Total  
Revenues  
482 528  
(9%) 929  
1,096 (15%)  
-----  
-----  
-----  
-----  
Operating  
Expenses:  
Fuel and  
purchased  
power --  
(4) (100%)  
-- 56 100%  
Operation  
and  
maintenance  
126 130 3%  
259 270 4%

Depreciation  
 and  
 amortization  
 68 66 (3%)  
 133 130  
 (2%) Taxes  
 other than  
 income 53  
 61 13% 97  
 112 13% ---  
 -----  
 -----  
 -----  
 -----  
 Total 247  
 253 2% 489  
 568 14% ---  
 -----  
 -----  
 -----  
 -----  
 Operating  
 Income \$  
 235 \$ 275  
 (15%) \$ 440  
 \$ 528 (17%)  
 =====  
 =====  
 =====  
 =====

ELECTRIC  
 TRANSMISSION  
 &  
 DISTRIBUTION

Quarter  
 Ended June  
 30, Six  
 Months  
 Ended June  
 30,  
 OPERATING  
 DATA: -----  
 -----  
 -----  
 -----

ACTUAL MWH  
 DELIVERED  
 2003 2002  
 2003 2002 -  
 -----  
 -----  
 -----

Residential  
 6,490,357  
 6,295,795  
 3%  
 11,048,552  
 10,769,260  
 3% WEATHER  
 (AVERAGE  
 FOR SERVICE  
 AREA):  
 Percentage  
 of normal:  
 Cooling  
 degree days  
 118% 108%  
 10% 110%  
 108% 2%  
 Heating  
 degree days  
 n/a n/a n/a  
 111% 100%  
 11% AVERAGE  
 NUMBER OF  
 METERED  
 CUSTOMERS:

Residential  
1,585,815  
1,539,193  
3%  
1,581,465  
1,535,499  
3%  
Commercial  
and  
Industrial  
221,620  
211,770 5%  
221,364  
211,527 5%  
-----  
-----  
-----  
-----  
Total  
1,807,435  
1,750,963  
3%  
1,802,829  
1,747,026  
3%  
=====

ELECTRIC  
GENERATION

-----  
-----  
-----  
-----  
-----  
-----  
--- Quarter  
Ended June  
30, Six  
Months  
Ended June  
30, -----  
-----  
----- %  
Diff -----  
-----  
----- %  
Diff 2003  
2002  
Fav/(Unfav)  
2003 2002  
Fav/(Unfav)  
-----  
-----  
-----  
-----  
-----  
-----  
-----

RESULTS OF  
OPERATIONS:  
Operating  
Revenues:  
Energy  
revenues \$  
378 \$ 307  
23% \$ 602 \$  
547 10%  
Capacity  
and other  
revenues  
200 107 87%  
335 192 74%  
-----  
-----  
-----

Total 578  
 414 40% 937  
 739 27% ---  
 -----  
 -----  
 -----  
 -----  
 -----  
 Operating  
 Expenses:  
 Fuel and  
 purchased  
 power 372  
 299 (24%)  
 592 528  
 (12%)  
 Operation  
 and  
 maintenance  
 105 79  
 (33%) 211  
 174 (21%)  
 Depreciation  
 and  
 amortization  
 39 39 -- 78  
 79 1% Taxes  
 other than  
 income 12  
 26 54% 23  
 39 41% ----  
 -----  
 -----  
 -----  
 -----  
 -----  
 Total 528  
 443 (19%)  
 904 820  
 (10%) -----  
 -----  
 -----  
 -----  
 -----  
 Operating  
 Income  
 (Loss) \$ 50  
 \$ (29) 272%  
 \$ 33 \$ (81)  
 141%  
 =====  
 =====  
 =====  
 =====  
 PHYSICAL  
 ELECTRIC  
 GENERATION  
 POWER SALES  
 (MWH)  
 12,517,490  
 14,643,805  
 (15%)  
 21,793,836  
 26,447,104  
 (18%)

Reference is made to the Notes to the Consolidated Financial Statements  
 contained in the Current Report on Form 8-K of CenterPoint Energy, Inc. dated  
 May 12, 2003.

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

NATURAL GAS  
 DISTRIBUTION

-----  
 -----  
 -----  
 -----

-- Quarter  
 Ended June  
 30, Six  
 Months Ended  
 June 30, ----

----- % Diff  
 ----- %

Diff 2003  
 2002  
 Fav/(Unfav)  
 2003 2002  
 Fav/(Unfav) -

-----  
 -----  
 -----  
 -----

---- RESULTS  
 OF

OPERATIONS:  
 Operating  
 Revenues \$  
 971 \$ 797 22%  
 \$ 3,015 \$  
 1,977 53% ---

-----  
 -----

- Operating  
 Expenses:  
 Natural gas  
 761 604 (26%)  
 2,455 1,488  
 (65%)

Operation and  
 maintenance  
 137 125 (10%)  
 284 256 (11%)  
 Depreciation  
 and  
 amortization  
 34 32 (6%) 67  
 62 (8%) Taxes  
 other than  
 income 18 25  
 28% 58 53  
 (9%) -----

-----  
 -----

Total 950 786  
 (21%) 2,864  
 1,859 (54%) -

-----  
 -----

--- Operating  
 Income \$ 21 \$  
 11 91% \$ 151  
 \$ 118 28%

=====  
 =====  
 =====

=====  
 NATURAL GAS  
 DISTRIBUTION  
 OPERATING  
 DATA:  
 THROUGHPUT  
 DATA IN BCF  
 Residential  
 and  
 Commercial 36  
 49 (27%) 192  
 181 6%  
 Industrial 12  
 13 (8%) 24 24  
 --  
 Transportation  
 11 13 (15%)  
 26 28 (7%)  
 Non-rate  
 regulated  
 commercial  
 and  
 industrial  
 111 96 16%  
 245 217 13% -  
 -----  
 -----  
 -----

--- Total  
 Throughput  
 170 171 (1%)  
 487 450 8%  
 =====  
 =====  
 =====

WEATHER  
 (AVERAGE FOR  
 SERVICE AREA)  
 Percentage of  
 normal:  
 Heating  
 degree days  
 89% 114%  
 (25%) 104%  
 99% 5%

AVERAGE  
 NUMBER OF  
 CUSTOMERS:  
 Residential  
 2,746,489  
 2,720,237 1%  
 2,758,274  
 2,722,974 1%  
 Commercial  
 and  
 Industrial  
 250,086  
 249,131 --  
 251,366  
 249,670 1% --  
 -----  
 -----  
 -----

-- Total  
 2,996,575  
 2,969,368 1%  
 3,009,640  
 2,972,644 1%  
 =====  
 =====  
 =====

PIPELINES AND  
 GATHERING ---  
 -----  
 -----  
 -----

Quarter Ended  
 June 30, Six  
 Months Ended  
 June 30, ----

----- % Diff

----- %

Diff 2003  
 2002  
 Fav/(Unfav)  
 2003 2002  
 Fav/(Unfav) -

-----  
 -----  
 -----  
 -----  
 -----  
 ----- RESULTS  
 OF  
 OPERATIONS:  
 Operating  
 Revenues \$  
 122 \$ 102 20%  
 \$ 231 \$ 194  
 19% -----  
 -----

-----  
 Operating  
 Expenses:  
 Natural gas  
 35 10 (250%)  
 56 17 (229%)  
 Operation and  
 maintenance  
 30 38 21% 60  
 72 17%  
 Depreciation  
 and  
 amortization  
 11 10 (10%)  
 21 20 (5%)  
 Taxes other  
 than income 4  
 5 20% 9 9 --

-----  
 ----- Total 80  
 63 (27%) 146  
 118 (24%) ---  
 -----

-----  
 - Operating  
 Income \$ 42 \$  
 39 8% \$ 85 \$  
 76 12%

=====  
 =====  
 =====  
 =====

PIPELINES AND  
 GATHERING  
 OPERATING  
 DATA:

THROUGHPUT  
 DATA IN BCF  
 Natural Gas  
 Sales 4 5  
 (20%) 8 10  
 (20%)  
 Transportation  
 203 205 (1%)  
 471 443 6%  
 Gathering 74  
 70 6% 146 141



4%  
Elimination  
(2) (1)  
(100%) (4)  
(1) (300%) --  
-----  
-----  
-----  
-- Total  
Throughput  
279 279 --  
621 593 5%  
=====  
=====  
=====  
=====

Reference is made to the Notes to the Consolidated Financial Statements  
contained in the Current Report on Form 8-K of CenterPoint Energy, Inc. dated  
May 12, 2003.

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, -----

----- %  
 Diff -----

-----

% Diff  
 2003 2002  
 Fav/(Unfav)  
 2003 2002  
 Fav/(Unfav)

-----  
 -----  
 -----  
 -----  
 -----  
 -----

RESULTS OF  
 OPERATIONS:

Operating  
 Revenues \$  
 9 \$ 7 29%  
 \$ 18 \$ 14  
 29%

Operating  
 Expenses  
 11 14 21%  
 20 14  
 (43%) -----

-----  
 -----  
 -----

Operating  
 Loss \$ (2)  
 \$ (7) 71%  
 \$ (2) \$ --  
 --

=====  
 =====  
 =====  
 =====