VECTREN
Live Smart

2nd Quarter 2018 Financial Review

August 2, 2018

Management Representatives

Carl Chapman
Chairman, President & CEO

Susan Hardwick
Exec. Vice President & CFO

Ron Christian
Exec. Vice President & Chief Legal and External Affairs Officer

Dave Parker
Director, Investor Relations

Cautionary Statement

All statements other than statements of historical fact are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Such statements are based on management's beliefs, as well as assumptions made by and information currently available to management and include such words as "believe", "anticipate", "endeavor", "estimate", "expect", "objective", "projection", "forecast", "goal", "likely", and similar expressions intended to identify forward-looking statements.

Vectren cautions readers that the assumptions forming the basis for forward-looking statements include many factors that are beyond Vectren's ability to control or estimate precisely and actual results could differ materially from those contained in this document. Forward-looking statements speak only as of the date on which our statement is made, and we assume no duty to update them. More detailed information about these factors is set forth in Vectren's filings with the Securities and Exchange Commission, including Vectren's 2017 annual report on Form 10-K filed on February 21, 2018.

Vectren also uses non-GAAP measures to describe its financial results. More information can be found in the Appendix related to the use of such measures.

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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:

- The risk that the Company may be unable to obtain shareholder approval for the proposed transaction,
- The risk that CenterPoint or the Company may be unable to obtain governmental and regulatory approvals required for the proposed transaction, or that required governmental and regulatory approvals or agreements with other parties interested therein may delay the proposed transaction or may be subject to or impose adverse conditions or costs.
- The occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transaction or could otherwise cause the failure of the proposed transaction to close.
- The risk that a condition to the closing of the proposed transaction or the committed financing may not be satisfied.
- The failure to obtain, or to obtain on favorable terms, any equity, debt or other financing necessary to complete or permanently finance the proposed transaction and the costs of such financing.
- The outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the proposed transaction.
- The receipt of an unsolicited offer from another party to acquire assets or capital stock of the Company that could interfere with the proposed transaction.
- The timing to consummate the proposed transaction.
- The costs incurred to consummate the proposed transaction.
- The possibility that the expected cost savings, synergies or other value creation from the proposed transaction will not be realized, or will not be realized within the expected time period.
- The risk that the companies may not realize fair values from properties that may be required to be sold in connection with the merger.
- The credit ratings of the companies following the proposed transaction.
- Disruption from the proposed transaction making it more difficult to maintain relationships with customers, employees, regulators or suppliers.
- The diversion of management time and attention on the proposed transaction.

Cautionary Statement (Continued)

Risks Related to the Company

Important factors related to the Company, its affiliates, and its and their operations that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to:

- Factors affecting utility operations such as unfavorable or unusual weather conditions; catastrophic weather-related damage; unusual maintenance or repairs; unanticipated changes to coal and natural gas costs; unanticipated changes to gas transportation and storage costs, or availability due to higher demand, shortages, transportation problems or other developments; environmental or pipeline incidents; transmission or distribution incidents; unanticipated changes to electric energy supply costs, or availability due to demand, shortages, transmission problems or other developments; or electric transmission or gas pipeline system constraints.
- New or proposed legislation, litigation and government regulation or other actions, such as changes in, rescission of or additions to tax laws or rates, pipeline safety regulation and environmental laws and regulations, including laws governing air emissions, carbon, waste water discharges and the handling and disposal of coal combustion residuals that could impact the continued operation, and/or cost recovery of generation plant costs and related assets. Compliance with respect to these regulations could substantially change the operation and nature of the Company’s utility operations.
- Catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, terrorist acts, or physical attacks could adversely affect the Company's facilities, operations, financial condition, results of operations, and reputation.
- Cyber attacks or similar occurrences may adversely affect the Company's facilities, operations, corporate reputation, financial condition, and results of operations.
- Approval and timely recovery of new capital investments related to the electric generation transition plan, discussed further herein, including timely approval to build and own generation, ability to meet capacity requirements, ability to procure resources needed to build new generation at a reasonable cost, ability to appropriately estimate costs of new generation, the effects of construction delays and cost overruns, ability to fully recover the investments made in retiring portions of the current generation fleet, scarcity of resources and labor, and workforce retention, development and training.
- Increased competition in the energy industry, including the effects of industry restructuring, unbundling, and other sources of energy.
- Regulatory factors such as uncertainty surrounding the composition of state regulatory commissions, adverse regulatory changes, unanticipated changes in rate-setting policies or procedures, recovery of investments and costs made under regulation, interpretation of regulatory-related legislation by the IURC and/or PUCO and appellate courts that review decisions issued by the agencies, and the frequency and timing of rate increases.
- Financial, regulatory or accounting principles or policies imposed by the Financial Accounting Standards Board; the Securities and Exchange Commission; the Federal Energy Regulatory Commission; state public utility commissions; state entities which regulate electric and natural gas transmission and distribution, natural gas gathering and processing, electric power supply; and similar entities with regulatory oversight.
- Economic conditions including the effects of inflation, commodity prices, and monetary fluctuations.
- Economic conditions, including increased potential for lower levels of economic activity; uncertainty regarding energy prices and the capital and commodity markets; volatile changes in the demand for natural gas, electricity, and other nonutility products and services; economic impacts of changes in business strategy on both gas and electric large customers; lower residential and commercial customer counts; variance from normal population growth and changes in customer mix; higher operating expenses; and reductions in the value of investments.
- Volatile natural gas and coal commodity prices and the potential impact on customer consumption, uncollectible accounts expense, unaccounted for gas and interest expense.
- Volatile oil prices and the potential impact on customer consumption and price of other fuel commodities.
- Direct or indirect effects on the Company’s business, financial condition, liquidity and results of operations resulting from changes in credit ratings, changes in interest rates, and/or changes in market perceptions of the utility industry and other energy-related industries.
- The performance of projects undertaken by the Company’s nonutility businesses and the success of efforts to realize value from, invest in and develop new opportunities, including but not limited to, the Company’s Infrastructure Services, Energy Services, and remaining ProLiance Holdings assets.

Cautionary Statement (Continued)

Risks Related to the Company (continued)

- Factors affecting Infrastructure Services, including the level of success in bidding contracts; fluctuations in volume and mix of contracted work; mix of projects received under blanket contracts; unanticipated cost increases in completion of the contracted work; funding requirements associated with multiemployer pension and benefit plans; changes in legislation and regulations impacting the industries in which the customers served operate; the effects of weather; failure to properly estimate the cost to construct projects; the ability to attract and retain qualified employees in a fast growing market where skills are critical; cancellation and/or reductions in the scope of projects by customers; credit worthiness of customers; ability to obtain materials and equipment required to perform services; and changing market conditions, including changes in the market prices of oil and natural gas that would affect the demand for infrastructure construction.
- Factors affecting Energy Services, including unanticipated cost increases in completion of the contracted work; changes in legislation and regulations impacting the industries in which the customers served operate; changes in economic influences impacting customers served; failure to properly estimate the cost to construct projects; risks associated with projects owned or operated; failure to appropriately design, construct, or operate projects; the ability to attract and retain qualified employees; cancellation and/or reductions in the scope of projects by customers; changes in the timing of being awarded projects; credit worthiness of customers; lower energy prices negatively impacting the economics of performance contracting business; and changing market conditions.
- Employee or contractor workforce factors including changes in key executives, key business personnel, collective bargaining agreements with union employees, aging workforce issues, work stoppages, or pandemic illness.
- Risks associated with material business transactions such as acquisitions and divestitures, including, without limitation, legal and regulatory delays; the related time and costs of implementing such transactions; integrating operations as part of these transactions; and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions.
- Costs, fines, penalties and other effects of legal and administrative proceedings, settlements, investigations, claims, including, but not limited to, such matters involving compliance with federal and state laws and interpretations of these laws.

Consolidated Q2 and YTD 2018 Results

Consistent Earnings Growth Continues

In millions, except per share amounts	3 Months Ended Jun 30 2018	3 Months Ended Jun 30 2017	6 Months Ended Jun 30 2018	6 Months Ended Jun 30 2017
Utility Group	$ 25.5	$ 25.5	$ 99.8	$ 91.4
Nonutility Group				
Infrastructure Services (VISCO)	19.7	11.4	3.9	2.1
Energy Services (VESCO)	2.2	1.1	2.8	-
Other Businesses	(0.2)	(0.3)	(0.5)	(0.4)
Nonutility Group	21.7	12.2	6.2	1.7
Corporate and Other	(0.5)	(0.1)	(0.7)	(0.2)
Earnings - Excluding Reconciling Items and 179D	**$ 46.7**	**$ 37.6**	**$ 105.3**	**$ 92.9**
ProLiance Investment Impairment Charge	**(13.1)**	**-**	**(13.1)**	**-**
Merger-Related Costs	**(11.4)**	**-**	**(11.4)**	**-**
179D Benefit (2)	**-**	**-**	**4.9**	**-**
Earnings - Reported	**$ 22.2**	**$ 37.6**	**$ 85.7**	**$ 92.9**
Utility Group	$ 0.31	$ 0.31	$ 1.20	$ 1.10
Nonutility Group	0.26	0.15	0.07	0.02
Corporate and Other	(0.01)	-	(0.01)	-
EPS - Excluding Reconciling Items and 179D(1)	**$ 0.56**	**$ 0.45**	**$ 1.27**	**$ 1.12**
ProLiance Investment Impairment Charge	**(0.16)**	**-**	**(0.16)**	**-**
Merger-Related Costs	**(0.14)**	**-**	**(0.14)**	**-**
179D Benefit (2)	**-**	**-**	**0.06**	**-**
EPS - Reported (1)	**$ 0.27**	**$ 0.45**	**$ 1.03**	**$ 1.12**
Weighted Avg Shares Outstanding	83.1	82.9	83.1	82.9

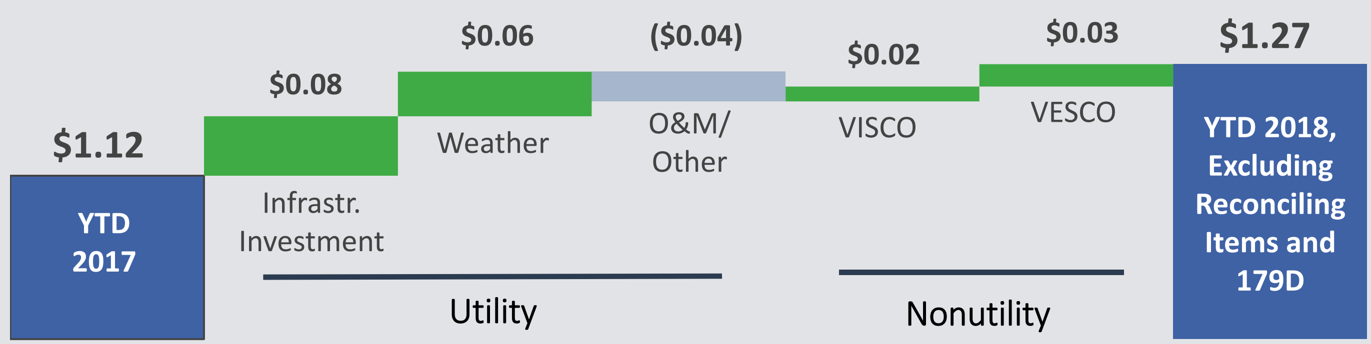
1) *EPS is calculated on a consolidated basis*
2) *179D EPS benefit is excluded from 2018 EPS guidance and YTD EPS since the 179D tax benefit has not yet been extended beyond 2017 projects*

2018 YTD Results and Highlights

Infrastructure Investment Continues to Drive Utility EPS Growth

- Vectren Consolidated Q2 EPS of $0.56 up $0.11 in 2018, YTD EPS of $1.27 up $0.15 vs. 2017 YTD
  - YTD Utility EPS of $1.20, up $0.10 vs. 2017 YTD; Infrastructure investments continue to fuel EPS growth
    - 2018 YTD O&M increase primarily reflects the timing of power plant outages and periods of very cold weather in Q1 2018
  - Nonutility EPS YTD improved $0.05 vs. 2017 driven by strong demand for services
    - Q2 2018 EPS improved $0.11 from 2017 to $0.26
- In July, executed a two-year, $300M term loan at the Utility to fund a $100M maturity on Aug. 1st and for general utility purposes, primarily to support cap ex plan

Vectren YTD EPS Comparison



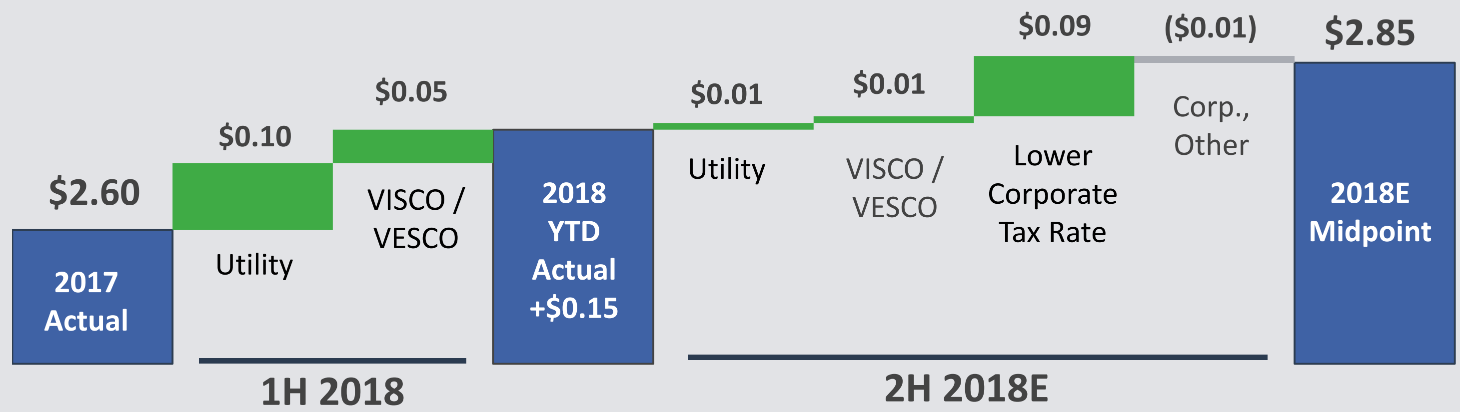
Executing Our Plan

2018 EPS Guidance Affirmed

	2018 EPS Guidance	2017 Actual
Utility	$2.20 - $2.25	$2.12
Nonutility/Corp	$0.60 - $0.65 (1)	$0.48
Consolidated	**$2.80 - $2.90 (1)**	**$2.60**

1) *Guidance excludes merger-related costs to be incurred in 2018, ProLiance investment impairment charge of $0.16 per share and 179D retroactive benefit of $0.06 per share for 2017 projects*

Vectren 1H 2018 EPS; Bridge to 2018E (1)



Vectren and CenterPoint Merger

Transaction Update

- Subject to receipt of remaining approvals, continue to anticipate that the closing of the merger will occur no later than Q1 of 2019
  - Informational filings were made in mid June in both IN and OH
    - State change of control filings are not required
    - Indiana hearing scheduled for October 17
    - A hearing is not currently expected in OH
  - FERC merger filing made in June; no parties have intervened in the proceeding
  - **Receipt of early termination of the waiting period under the Hart Scott Rodino Act**
  - **Receipt of FCC final approvals for the transfer of control of the company's subsidiaries which hold radio licenses**
  - Final proxy filed on July 16 (no SEC review)
  - Special Vectren shareholder meeting to vote on matters relating to the proposed merger is scheduled for August 28, 2018
  - Integration teams formed and work is underway
    - Supported by PWC's strategic consulting team, Strategy&
  - Seven shareholder lawsuits have been filed challenging the adequacy of the disclosures made in Vectren's proxy statement in connection with the merger

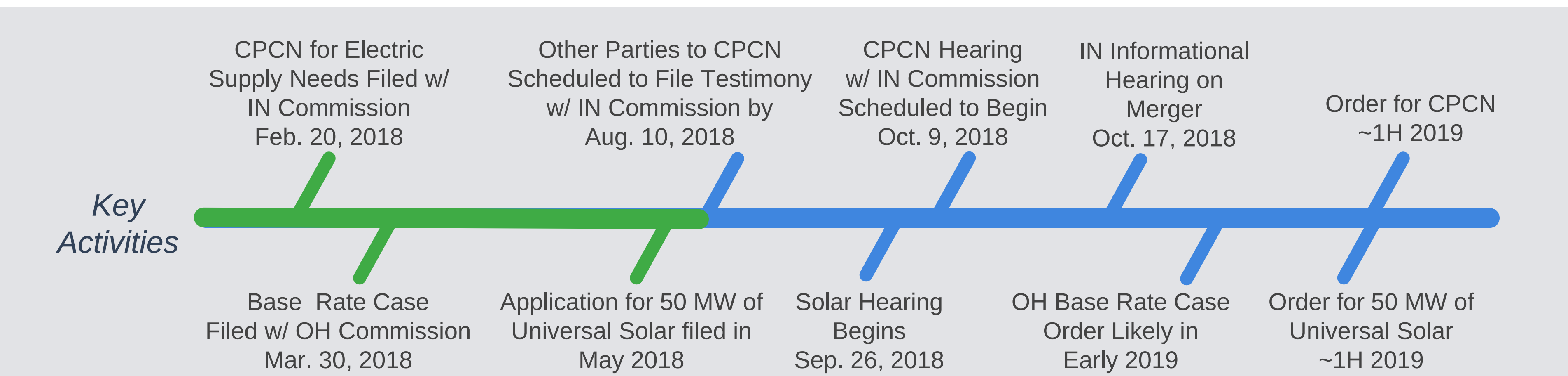
Utility Regulatory Update

Generation Plan Moving Forward; Ohio Base Rate Case Filed

- **Generation Transition Plan – Orders expected 1H 2019**
  - CPCN case filed w/ IN Comm. in February 2018
    - Field hearing completed on July 11
    - Intervenors scheduled to file testimony by August 10
    - Hearing scheduled to begin October 9
  - 50 MW Solar case filed w/ IN Comm. in May 2018; First Solar to build the 300-acre, 50 MW solar array
    - Hearing to begin September 26
- **Ohio Rate Case - Staff report Q3 2018; Final order early 2019**
- **Impact of IN Supreme Court opinion - lowered cap ex in pending Gas TDSIC by $6M; total through 2020 ~$40M**

Generation Transition Summary

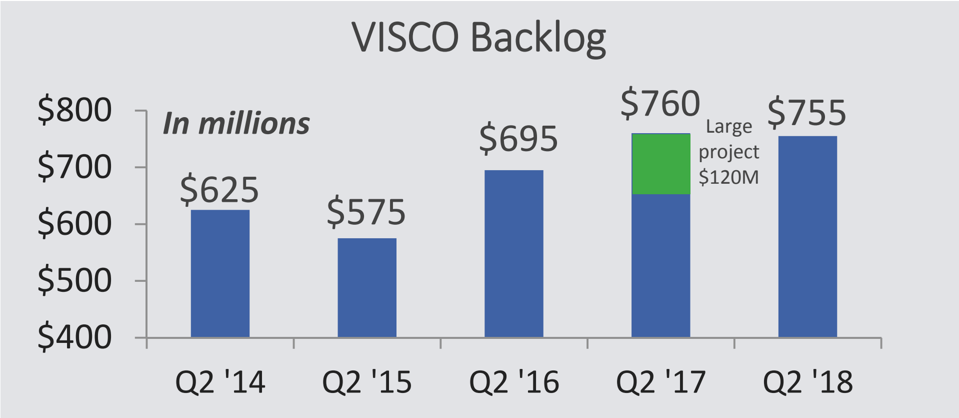
- New 800-900 MW CCGT
  - Cost of ~$900M, including new gas pipeline. Construction begins late 2019, available to serve customers in 2023
- Additional 50 MW of Universal Solar Generation
  - Cost of ~$75 million; Construction begins 1H2019, in service in 2020
- $95M of environmental upgrades at F.B. Culley Unit 3, a 270 MW coal-fired unit

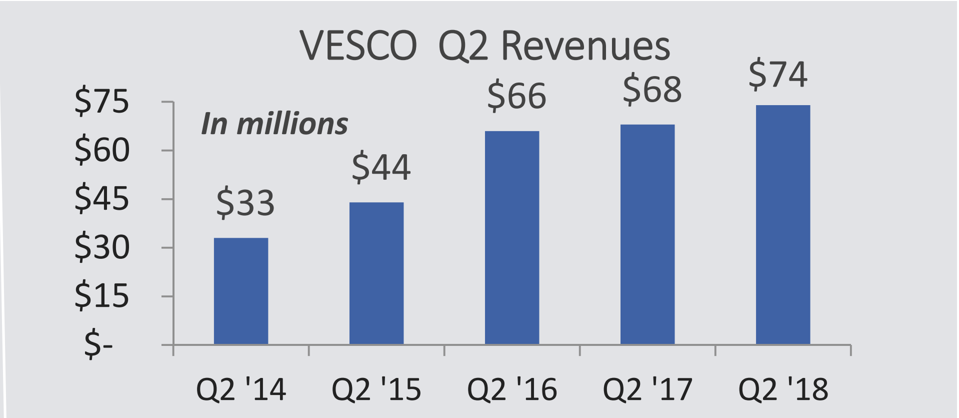


2018 Q2 Nonutility Results

Demand for Services Remains Strong

- VISCO EPS – Q2 2018 up $0.10 compared to 2017
  - Improved Q2 results were driven by continued strong demand for pipe construction work
  - Lower corporate tax rate added ~$0.05 to Q2 2018 EPS vs. 2017, offsetting the $0.03 unfavorable impact in Q1 2018 resulting from seasonal losses; remainder of 2018 earnings are expected to benefit from reduced tax rate
  - Backlog remains strong at $755M; no large transmission projects yet in backlog
  - Strong project bidding activity; over $1 billion in pending bids on 20+ transmission projects
- VESCO EPS – Q2 2018 up $0.02 from 2017
  - Continued strong revenues and margins in the quarter
  - Q2 2018 new contract signings of $69M vs. $47M in 2017
    - Sales funnel of $305M at 6/30/18 remains strong





Appendix

Use of Non-GAAP Performance Measures and Per Share Measures

Contribution to Vectren's EPS

Per share earnings contributions of the Utility Group, Nonutility Group, and Corporate and Other are presented and are non-GAAP measures. Such per share amounts are based on the earnings contribution of each group included in the Company's consolidated results divided by the Company's basic average shares outstanding during the period. The earnings per share of the groups do not represent a direct legal interest in the assets and liabilities allocated to the groups; instead they represent a direct equity interest in the Company's assets and liabilities as a whole. These non-GAAP measures are used by management to evaluate the performance of individual businesses. In addition, other items giving rise to period over period variances, such as weather, may be presented on an after tax and per share basis. These amounts are calculated at a statutory tax rate divided by the Company's basic average shares outstanding during the period. Accordingly, management believes these measures are useful to investors in understanding each business' contribution to consolidated earnings per share and in analyzing consolidated period to period changes and the potential for earnings per share contributions in future periods. Per share amounts of the Utility Group and the Nonutility Group are reconciled to the GAAP financial measure of basic EPS by combining the GAAP earnings per share of Utility Group, Nonutility Group, and Corporate and Other. The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP.

Reconciliation GAAP to non-GAAP Net Income and EPS

Results Excluding Reconciling Items

This presentation contains non-GAAP financial measures that exclude reconciling items in 2018, involving merger-related costs and the equity investment impairment charge. Management uses net income and earnings per share (EPS), excluding reconciling items activity, to evaluate its results. Management believes analyzing underlying and ongoing business trends is aided by the removal of these reconciling items and the rationale for using such non-GAAP measures is that the Company would not expect these items to be indicative of ongoing operations. Management believes this presentation provides the best representation of the overall results and certain components of the financial statements for ongoing operations. A material limitation associated with the use of these measures is that measures excluding reconciling items does not include all activity recognized in accordance with GAAP. Management compensates for this limitation by prominently displaying a reconciliation of these non-GAAP performance measures to their closest GAAP performance measures. This display also provides financial statement users the option of analyzing results as management does or by analyzing GAAP results.

	Three Months Ended June 30, 2018				Six Months Ended June 30, 2018			
(In millions, except EPS)	GAAP Measure	Merger-Related Costs	Equity Investment Impairment Charge	Non-GAAP Measure	GAAP Measure	Merger-Related Costs	Equity Investment Impairment Charge	Non-GAAP Measure
Net Income and EPS by Segment								
Consolidated								
Net Income	$ 22.2	$ 11.4	$ 13.1	$ 46.7	$ 85.7	$ 11.4	$ 13.1	$ 110.2
Basic EPS	$ 0.27	$ 0.14	$ 0.16	$ 0.56	$ 1.03	$ 0.14	$ 0.16	$ 1.33
Nonutility Group								
Net Income	$ 8.6	$ —	$ 13.1	$ 21.7	$ (2.0)	$ —	$ 13.1	$ 11.1
Basic EPS	$ 0.10	$ —	$ 0.16	$ 0.26	$ (0.02)	$ —	$ 0.16	$ 0.13
Corp & Other								
Net Income	$ (11.9)	$ 11.4	$ —	$ (0.5)	$ (12.1)	$ 11.4	$ —	$ (0.7)
Basic EPS	$ (0.14)	$ 0.14	$ —	$ (0.01)	$ (0.15)	$ 0.14	$ —	$ (0.01)

Smart Energy Future – 10-Year CapEx Plan Overview

Expected Utility EPS CAGR of 5-7% Driven by 10-Year Investment Plans for Gas & Electric Businesses of $6.5 Billion

Gas Infrastructure:
~$3.8 billion of CapEx (‘18-’27)

Electric Grid Modernization:
~$1.1 billion of CapEx (’18-’27)

Generation Transition:
~$1.3 billion of CapEx (‘18-’27)

$ in millions		Forecast					5-Yr Total	10-Yr Total
Utility Cap Ex	2017A	2018E	2019E	2020E	2021E	2022E	**2018E-2022E**	**2018E-2027E**
Gas Utilities	$ 391	$ 365	$ 335	$ 340	$ 395	$ 410	**$ 1,845**	**$ 3,815**
Electric Utility	105	180	220	180	300	450	**1,330**	**2,350**
Utility Shared Assets & Other	58	45	40	40	40	65	**230**	**385**
Utility Consolidated	$ 554	$ 590	$ 595	$ 560	$ 735	$ 925	**$ 3,405**	**$ 6,550**
CapEx Recovered via Mechanisms/Deferral							**75%**	**75%**
Summary of Electric Investments (incl. in table above)								
Electric Grid Modernization							**$ 560**	**$ 1,100**
Generation Transition							**770**	**1,250**
Total Electric							**$ 1,330**	**$ 2,350**

		Forecast				
Utility Rate Base - Year-end*	2017A	2018E	2019E	2020E	2021E	2022E
Gas Utilities	$ 2,225	$ 2,475	$ 2,675	$ 2,875	$ 3,100	$ 3,325
Electric Utility	1,525	1,600	1,700	1,725	1,775	1,800
Utility Shared Assets & Other	200	225	250	250	250	300
Utility Consolidated	$ 3,950	$ 4,300	$ 4,625	$ 4,850	$ 5,125	$ 5,425

*Estimated year-end rate base amounts assuming normal retirements and Cap Ex forecast in table above; subject to standard Commission review and approval

Utility

Metrics

$ in millions	3 Months Ended Jun 30 2018	3 Months Ended Jun 30 2017	6 Months Ended Jun 30 2018	6 Months Ended Jun 30 2017	Trailing 12 Months Ended Jun 30 2018 [1]	Trailing 12 Months Ended Jun 30 2017
Gross Margin [2]	$ 203.3	$ 205.1	$ 479.2	$ 475.9	$ 942.6	$ 935.3
O&M - Non-Pass thru	74.2	73.0	147.6	142.9	285.9	280.0
O&M - Pass thru	13.2	10.2	34.6	25.9	61.1	52.1
Depreciation & Amortization	61.9	57.9	122.9	115.3	242.1	226.8
Other Taxes	14.8	13.1	33.9	27.5	62.3	55.6
Other Income	9.7	6.6	18.5	13.7	34.2	27.7
Interest	20.1	17.6	40.0	35.2	77.4	69.9
Income Taxes [2]	3.3	14.4	18.9	51.4	63.9	101.0
Net Income	25.5	25.5	99.8	91.4	184.1	177.6
Earnings Per Share	**$ 0.31**	**$ 0.31**	**$ 1.20**	**$ 1.10**	**$ 2.22**	**$ 2.14**

Footnote:

1) Q4 2017 results exclude benefit from revaluation of deferred income taxes and charge related to funding of Vectren Foundation

2) Gross Margin and Income Taxes in 2018 reflect lower corporate tax rate

Utility

Metrics

$ in millions	2018E (1) Guidance Midpoint	2017 (2)	2016	2015	2014	2013
Gross Margin	$ 932	$ 939	$ 928	$ 901	$ 899	$ 868
O&M - Non-Pass thru	287	281	279	278	292	282
O&M - Pass thru	68	52	56	60	62	48
Depreciation & Amortization	247	235	219	209	203	196
Other Taxes	65	56	58	57	60	57
Interest	83	73	70	66	67	65
Other Income	40	30	27	18	16	7
Income Taxes	37	96	99	88	83	85
Net Income	185	176	174	161	148	142
Earnings Per Share	**$ 2.23**	**$ 2.12**	**$ 2.10**	**$ 1.95**	**$ 1.80**	**$ 1.72**

Footnotes:
1) 2018 guidance reflects the lower corporate income tax rate
2) 2017 results exclude benefit from revaluation of deferred income taxes and charge related to funding of Vectren Foundation

- Long-term customer growth expectations: Gas, 0.5-1.0%; Electric, 0.5%
- Continue to control costs through continuous improvement efforts
  - Targeting long-term CAGR of <1% for non-pass-thru O&M
  - Some annual variability, including planned electric generation maintenance and performance-based compensation

Infrastructure Services (VISCO)

Metrics

$ in millions	3 Months Ended Jun 30 2018	3 Months Ended Jun 30 2017	6 Months Ended Jun 30 2018	6 Months Ended Jun 30 2017	Trailing 12 Months Ended Jun 30 2018 [2]	Trailing 12 Months Ended Jun 30 2017
Gross Revenue	$ 279.4	$ 277.5	$ 414.7	$ 424.8	$ 986.0	$ 936.4
Gross Margin %	15.5%	13.5%	18.0%	10.5%	13.5%	14.0%
EBITDA [1]	38.9	31.7	34.7	31.4	106.1	110.2
Depreciation & Amortization	10.0	9.9	19.9	19.8	39.8	39.0
Earnings From Operations [1]	27.9	22.3	15.2	13.1	68.1	72.3
Interest	3.3	3.3	6.4	6.4	13.2	12.2
Net Income [1]	19.7	11.4	3.9	2.1	34.2	35.4
Earnings Per Share [1]	**$ 0.24**	**$ 0.14**	**$ 0.05**	**$ 0.03**	**$ 0.41**	**$ 0.43**
Ending Backlog	$ 755	$ 760				

Footnotes:

1) After allocations

2) Q4 2017 results exclude benefit from revaluation of deferred income taxes and charge related to funding of Vectren Foundation

Infrastructure Services (VISCO)

Metrics (5)

$ in millions	2018E (4) Guidance Midpoint	2017 (3)	2016	2015	2014	2013	2012	2011 (5)	2010
Gross Revenue	$ 1,005	$996.1	$813.3	$843.3	$779.0	$783.5	$663.6	$421.3	$235.6
Gross Margin %	13.5%	13.0%	14.0%	14.5%	17.5%	18.0%	18.0%	14.0%	9.0%
EBITDA (1)	115	102.8	93.6	109.2	118.6	122.0	98.2	47.9	17.8
Depreciation & Amortization (2)	40	39.7	38.2	44.5	36.2	28.8	20.7	14.9	8.8
Earnings From Operations (1)	76	66.0	56.2	67.1	82.6	92.8	77.8	36.6	9.7
Interest	12	13.1	12.5	15.3	10.2	9.9	7.4	7.2	3.2
Net Income (1)	45	32.3	25.0	29.7	43.1	49.0	40.5	14.9	3.1
Earnings Per Share (1,4)	**$ 0.54**	**$ 0.39**	**$ 0.30**	**$ 0.36**	**$ 0.52**	**$ 0.60**	**$ 0.49**	**$ 0.18**	**$ 0.04**
Ending Backlog		$ 725	$ 725	$ 665	$ 625	$ 535	$ 380	N/A	N/A
Blanket		*480*	*435*	*475*	*500*	*460*	*280*		
Bid		*245*	*290*	*190*	*125*	*75*	*100*		

Footnotes:

1) After allocations

2) Lower D&A beginning in 2016 due to adjustments of depreciable lives; lower D&A is being reflected in bidding

3) 2017 results exclude benefit from revaluation of deferred income taxes and charge related to funding of Vectren Foundation

4) 2018 guidance reflects $0.09 of expected EPS benefit due to lower corporate income tax rate

5) Acquired Minnesota Limited, Inc. March 31, 2011; multi-year metrics provided to show impact of MLI acquisition

Infrastructure Services (VISCO)

Estimated Backlog

- **General Description of Types of Customer Contracts for Infrastructure Services**
  - Infrastructure Services operates primarily under two types of contracts – blanket contracts and bid contracts. Blanket contracts are ones which a customer is not committed to specific volumes of services, but where we have been or expect to be chosen to perform work needed by a customer in a given time frame (typically awarded on a yearly basis). Bid contracts are ones which a customer will commit to a specific service to be performed for a specific price, whether in total for a project or on a per unit basis (e.g., per dig or per foot).
- **General Description of Backlog for Infrastructure Services**
  - For blanket work, backlog represents an estimate of the amount of gross revenue that we expect to realize from work to be performed in the next 12 months on existing contracts or contracts we reasonably expect to be renewed or awarded based upon recent history or discussions with customers.
  - For bid work, backlog represents the value remaining on contracts awarded or that we reasonably expect to be awarded, but are not yet completed.
  - While there is a reasonable basis to estimate backlog, there can be no assurance as to our customers' eventual demand for our services each year or, therefore, the accuracy of our estimate of backlog.
- **Backlog for Infrastructure Services estimated as follows:**
  - For blanket work, estimated backlog as of 6/30/18 was $555 million compared to $420 million at 6/30/17. The estimate of the amount of gross revenue that we expect to realize from work to be performed in the next 12 months is multiplied by 80% to factor in such unknowns as weather and potential budgetary restrictions of customers.
  - For bid work, estimated backlog as of 6/30/18 is $200 million compared to $340 million at 6/30/17. OH pipeline project was $120 million in 6/30/17 backlog
  - **Total estimated backlog as of 6/30/18: $755 million compared to $760 million at 6/30/17.**

Energy Services (VESCO)

Metrics

$ in millions	3 Months Ended Jun 30 2018	3 Months Ended Jun 30 2017	6 Months Ended Jun 30 2018	6 Months Ended Jun 30 2017	Trailing 12 Months Ended Jun 30 2018 [3]	Trailing 12 Months Ended Jun 30 2017
Revenue	$ 73.7	$ 67.8	$ 134.4	$ 120.7	$ 295.6	$ 265.4
Gross Margin as % of Revenue	22%	23%	22%	23%	24%	24%
EBITDA [1]	3.6	2.5	1.9	1.4	15.6	10.9
Interest	0.2	0.1	0.3	0.4	0.4	1.3
179D Tax Deductions [4]	-	-	4.9	-	4.9	4.1
Net Income / Loss [1]	2.2	1.1	7.7	-	18.4	10.0
Earnings Per Share [1]	**$ 0.03**	**$ 0.01**	**$ 0.09**	**$ -**	**$ 0.22**	**$ 0.12**
EPS Excluding 179D [1]	**$ 0.03**	**$ 0.01**	**$ 0.03**	**$ -**	**$ 0.16**	**$ 0.07**
Ending Backlog [2]	$ 195	$ 181				
New Contracts [2]	$ 69	$ 47	$ 129	$ 54	$ 276	$ 232

Footnotes:
1) After allocations
2) Represents signed construction contracts; does not include multi-year O&M agreements
3) Q4 2017 results exclude benefit from revaluation of deferred income taxes and charge related to funding of Vectren Foundation
4) 179D tax law expired in 2016, but in Feb. '18 was retroactively extended one year thru 2017; 2018E EPS at VVC level, net of related expenses, benefits $4.9M or $0.06 per share from the extension; excluded from 2018 guidance metrics

Energy Services (VESCO)

Metrics

$ in millions	2018E (5) Guidance Midpoint	2017 (4)	2016	2015	2014	2013
Revenue	$ 330	$ 281.8	$ 260.0	$ 199.9	$ 129.8	$ 91.3
Gross Margin as % of Revenue	22%	24%	24%	22%	24%	27%
EBITDA (1)	16.0	15.1	13.3	3.5	(5.9)	(8.7)
Interest	1.0	0.5	1.8	1.2	1.2	0.5
179D Tax Deductions (2)	-	-	5.5	6.1	3.7	6.4
Net Income / (Loss) (1)	10.0	10.7	12.5	7.3	(3.2)	1.0
Earnings Per Share (1,5)	**$ 0.12**	**$ 0.13**	**$ 0.15**	**$ 0.09**	**$ (0.04)**	**$ 0.01**
Ending Backlog (3)	$ 175	$ 180	$ 234	$ 226	$ 144	$ 72
New Contracts (3)	$ 300	$ 201	$ 239	$ 258	$ 189	$ 86

Footnotes:
1) After allocations
2) 179D tax law expired in 2016, but in Feb. '18 was retroactively extended one year thru 2017; 2018E EPS at VVC level, net of related expenses, benefits $4.9M or $0.06 per share from the extension; excluded from 2018 guidance metrics
3) Represents signed construction contracts; does not include multi-year O&M agreements
4) 2017 results exclude benefit from revaluation of deferred income taxes and charge related to funding of Vectren Foundation
5) 2018 guidance reflects $0.02 of expected EPS benefit due to lower corporate income tax rate