VECTREN

Live Smart

1st Quarter 2018 Financial Review

May 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.

Dave Parker – Director, Investor Relations

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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, physical attacks, cyber attacks, or other similar occurrences could adversely affect the Company's facilities, operations, financial condition, results of operations, and reputation.

• 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.

• 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.

Cautionary Statement (Continued)

Risks Related to the Company (continued)

• 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, 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 Q1 2018 Results

Consistent Earnings Growth Continues

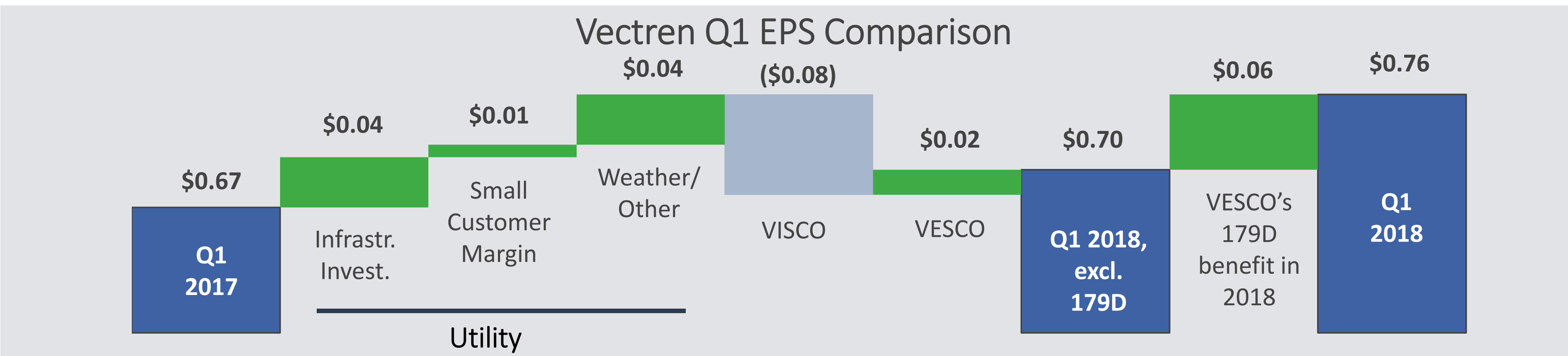
In millions, except per share amounts	3 Months Ended Mar 31	
Utility Group	$ 74.3	$ 65.9
Nonutility Group		
Infrastructure Services (VISCO)	(15.8)	(9.3)
Energy Services (VESCO)	0.6	(1.2)
Other Businesses	(0.3)	-
Nonutility Group	(15.5)	(10.5)
Corporate and Other	(0.2)	-
Earnings - Excluding 179D Benefit	**$ 58.6**	**$ 55.4**
179D Benefit (1)	**4.9**	**-**
Earnings - Reported	**$ 63.5**	**$ 55.4**
Utility Group	$ 0.89	$ 0.80
Nonutility Group	(0.19)	(0.13)
Corporate and Other	-	-
EPS - Excluding 179D Benefit	**$ 0.70**	**$ 0.67**
179D Benefit (1)	**0.06**	**-**
EPS - Reported	**$ 0.76**	**$ 0.67**
Weighted Avg Shares Outstanding	83.1	82.9

(1) Though not assured and not reflected in long-term growth rates, efforts continue to secure this benefit in the future.

2018 Q1 Results and Highlights

Infrastructure Investment Drives Q1 EPS Growth

- Vectren Q1 consolidated EPS of $0.70, excluding 179D related to 2017 benefit of $0.06 reflected in Q1 2018 results
  - Utility EPS of $0.89, up 11% or $0.09, compared to 2017
    - Infrastructure investments continue to fuel EPS growth
    - More normal weather boosted Q1 2018 EPS
  - Nonutility Q1 EPS declined $0.06, excluding VESCO's 179D benefit of $0.06
    - VISCO's 2018 results declined as expected as cold and wet conditions greatly hampered Q1 2018 construction work; weather in 2017 was very favorable
      - Seasonal Q1 loss was $0.03 per share greater than 2017 due to less tax benefit from operating loss in the quarter



2018 EPS Guidance Affirmed

On Track to Achieve 2018 EPS Expectations

	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 179D retroactive benefit of $0.06 per share for 2017 and any merger-related costs to be incurred

Vectren and CenterPoint Merger

Transaction Overview – Announced April 23, 2018

- CenterPoint Energy, Inc. and Vectren Corporation to combine: $27 billion total enterprise value
  - Cash consideration of $72 per share, plus assumed debt
  - Approximately 83.1 million shares outstanding
  - Forecasted assumed debt is approximately $2.5 billion
- Nearly $29 billion in combined assets and 7.1 million total customers at year end 2017
- Anticipated closing by Q1 2019
  - Subject to Vectren shareholder approval
  - Subject to approvals by several federal agencies and other customary closing conditions; ancillary regulatory filings to be made in IN and OH; state change of control filings are not required

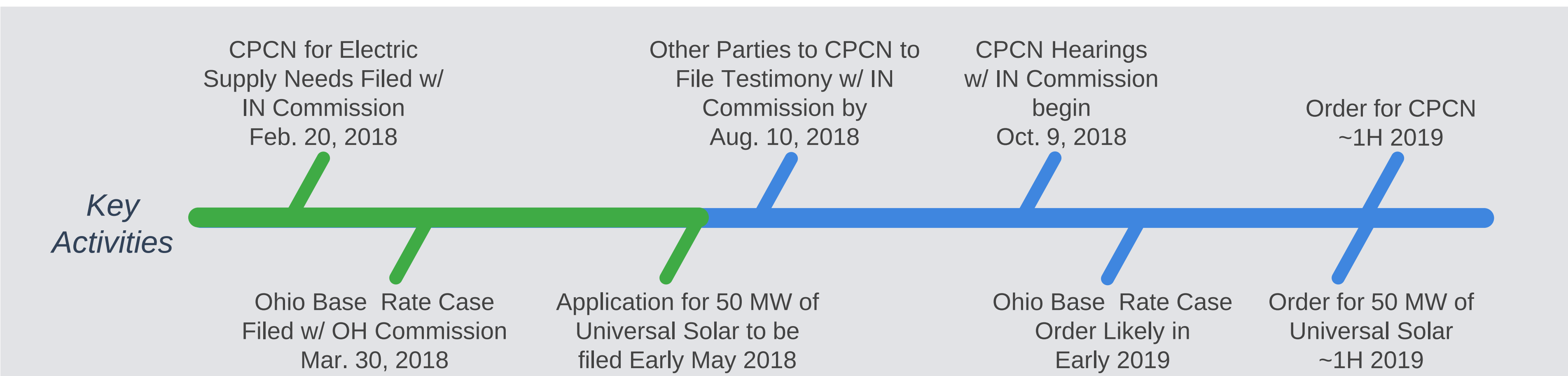
Utility Regulatory Update

Generation Plan Moving Forward; Ohio Base Rate Case Filed

- Generation Transition Plan
  - CCGT case filed, 50 MW Solar case to be filed w/ IN Comm.
  - Hearings for CCGT case to begin in October
  - First Solar chosen to build the 300-acre 50 MW solar array
- Ohio Base Rate Case - Order expected in early 2019
  - First OH base rate case in more than a decade
  - Requested ROE of 10.75%, rate base of $628M, 51% equity
  - Annual base revenue increase of $34M, primarily from roll in of DRR and deferrals; minimal impact to net income; incl's tax reform reductions; avg. residential bill increase of ~$7/mo.
  - Requested 5-yr extension of distribution replacement rider

Generation Transition Summary

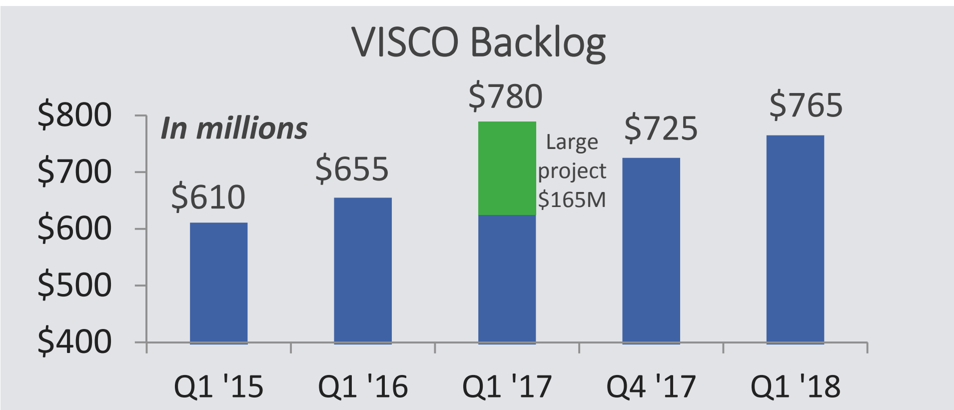
- New 800-900 MW CCGT
  - Cost of ~$900M, including new gas pipeline. Construction begins late 2019, available to serve customers in 2023
- Additional 50 MW of Universal Solar Generation
  - Cost of ~$75 million; Construction begins 1H2019, in service in 2020

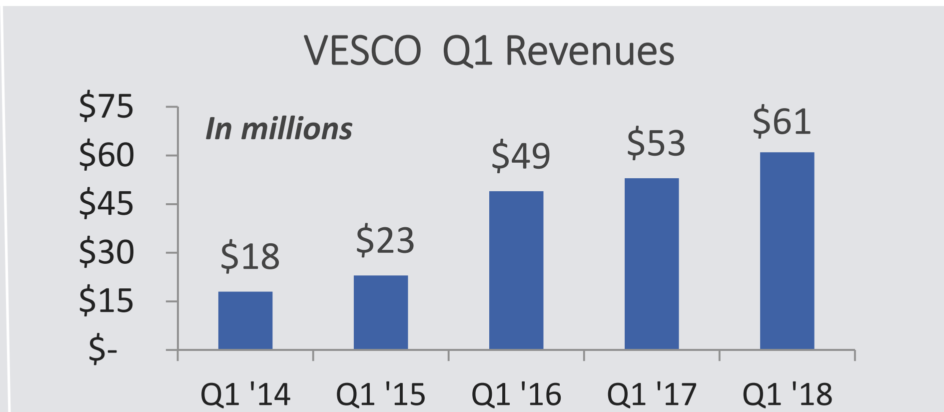


2018 Q1 Nonutility Results

Demand for Services Remains Strong

- VISCO EPS – Q1 2018 down $0.08 compared to 2017
  - Cold and wet conditions greatly hampered Q1 2018 construction work, as expected, compared to very favorable weather conditions in 2017; Outlook for full year remains on track
  - Lower tax rate reduced Q1 2018 EPS by $0.03 from 2017 (less tax benefit on quarterly loss); remainder of 2018 earnings are expected to benefit from reduced tax rate
  - Near record backlog of $765M driven by Distribution growth versus Q1 ’17; no large transmission projects in backlog
- VESCO EPS – Q1 2018 up $0.02 from 2017, excluding 179D of $0.06
  - Continued strong revenues and margins in the quarter
  - Q1 2018 new contract signings of $60M; delayed 2017 contracts now all signed
    - Sales funnel of ~$370M at 3/31/18 remains strong
  - $42M project at Hill Air Force Base signed April 2018; pushes YTD new orders over $100 million





Executing Our Plan

Delivering Excellent Results for All Stakeholders

- Consistent earnings growth driven by infrastructure investment
  - Q1 EPS as expected; 2018 EPS guidance affirmed
  - 6-8% earnings and dividend growth targets primarily driven by 10-year rate base CAGR of ~6%
- Achieve regulatory initiatives
  - Electric generation case proceeding; 50 MW solar project partnership announced
  - Ohio gas rate case filed March 30
- Deliver safe, reliable and reasonably priced energy services
  - Diversified generation portfolio reduces carbon emissions by ~60% by 2024 from 2005 levels
  - When considering the upcoming bill reduction related to tax reform, average monthly residential electric bills will remain below 2011 (last electric rate case) until 2020; average annual increase 2011-2027 is expected to be less than inflation

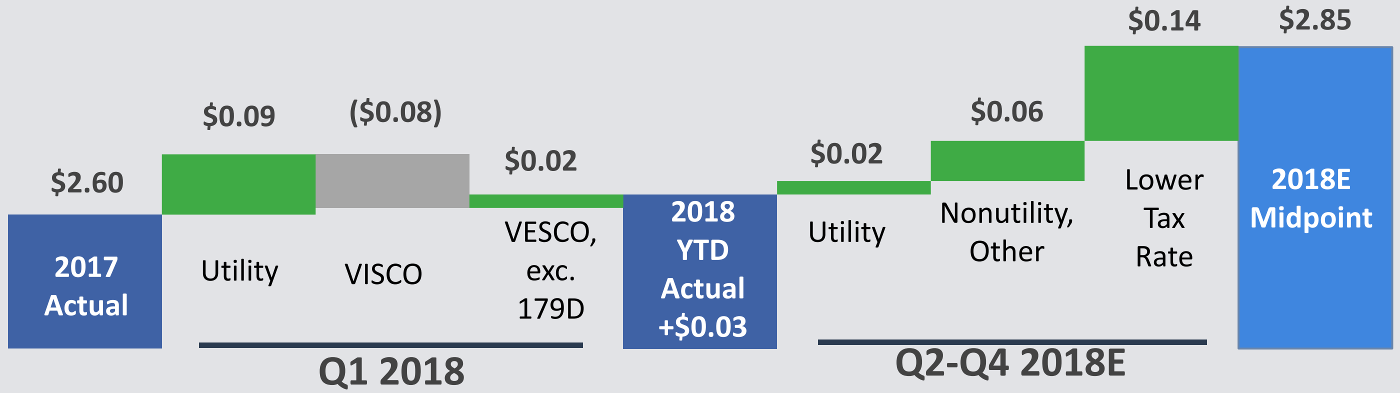
Vectren's Long-Term Outlook Remains Strong

Plan Execution

Long-Term Targets	
Consolidated EPS growth	**6-8%**
Dividend growth	**6-8%**
Consolidated payout ratio	**60-65%**
Utility EPS growth	**5-7%**

Note: Nonutility Long-term EPS growth target of approx. $0.06-0.10 per year

Vectren Q1 2018 EPS; Bridge to 2018E



EPS bridge and 2018 guidance exclude 179D retroactive benefit of $0.06 per share for 2017 and any merger-related costs to be incurred

Appendix

Regulatory Activity Planned in the Future

Indiana
Gas Utilities

- No base rate cases expected to be filed until 2020 as required at end of 7-year infrastructure plan
- Last Base Rate Case Decision:
  - South – Aug. 2007; Allowed ROE 10.15%
  - North – Feb. 2008; Allowed ROE 10.2%
- Estimated Rate Base (12/31/2017)
  - South - $0.3B
  - North - $1.3B

Indiana
Electric Utility

- No base rate cases expected to be filed until 2023 as required at end of 7-year infrastructure plan
- Last Base Rate Case Decision: May 2011; Allowed ROE: 10.4%
- Estimated Rate Base (12/31/2017): $1.4B

Other
Shared Assets & FERC

- Estimated plant balance for Utility Shared Assets (12/31/2017): $0.2B
- Estimated FERC Electric Transmission Rate Base (12/31/2017): $0.1B

Ohio
Gas Utility

- Base rate case filing made March 30, 2018; coincides with end of 5-year extension of the Distribution Replacement Rider (DRR)
- Key components of case:
  - ROE of 10.75%; rate base of $0.6B, 51% equity; cost of service review
  - Tax reform benefit returned to customers
  - Annual revenue increase request (net) of $34M, primarily from roll in of DRR and deferrals; minimal impact to net income; avg. bill increase of ~$7/mo. (resid.)
  - Extension of DRR
- Last Base Rate Case Decision: Jan. 2009; Currently allowed ROE: 10.6% (*Black box settlement)*

Note: Estimated Rate Base amounts reflect net investment since last rate case decisions

Utility

Metrics

$ in millions	3 Months Ended Mar 31 2018	3 Months Ended Mar 31 2017	Trailing 12 Months Ended Mar 31 2018 (1)	Trailing 12 Months Ended Mar 31 2017
Gross Margin	$ 276.0	$ 270.9	$ 944.4	$ 930.8
O&M - Non-Pass thru	73.4	69.9	285.8	276.5
O&M - Pass thru	21.4	15.7	58.1	52.6
Depreciation & Amortization	61.0	57.4	238.0	222.9
Other Taxes	19.2	14.4	60.6	55.6
Other Income	8.8	7.0	32.3	27.1
Interest	19.9	17.6	75.0	69.8
Income Taxes	15.6	37.0	75.0	102.1
Net Income	74.3	65.9	184.2	178.4
Earnings Per Share	**$ 0.89**	**$ 0.80**	**$ 2.22**	**$ 2.15**

Footnote:

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

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	$ 282	$ 278	$ 279	$ 293	$ 285
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	$ 31	$ 26	$ 19	$ 17	$ 10
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 Mar 31 2018	3 Months Ended Mar 31 2017	Trailing 12 Months Ended Mar 31 2018 [2]	Trailing 12 Months Ended Mar 31 2017
Gross Revenue	$ 135.3	$ 147.3	$ 984.1	$ 848.0
Gross Margin %	2.5%	5.0%	12.5%	14.0%
EBITDA [1]	$ (4.1)	$ (0.3)	$ 99.0	$ 98.2
Depreciation & Amortization	$ 10.0	$ 9.9	$ 39.7	$ 38.5
Earnings From Operations [1]	$ (12.7)	$ (9.3)	$ 62.6	$ 60.5
Interest	$ 3.1	$ 3.0	$ 13.2	$ 11.9
Net Income [1]	$ (15.8)	$ (9.3)	$ 25.8	$ 28.2
Earnings Per Share [1]	**$ (0.19)**	**$ (0.11)**	**$ 0.31**	**$ 0.34**
Ending Backlog	$ 765	$ 780		

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 3/30/18 was $505 million compared to $430 million at 3/31/17. 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 3/31/18 is $260 million compared to $350 million at 3/31/17. OH pipeline project was $165 million in 3/31/17 backlog.
  - **Total estimated backlog as of 3/31/18: $765 million compared to $780 million at 3/31/17.**

Energy Services (VESCO)

Metrics

$ in millions	3 Months Ended Mar 31 2018	3 Months Ended Mar 31 2017	Trailing 12 Months Ended Mar 31 2018 [3]	Trailing 12 Months Ended Mar 31 2017
Revenue	$ 60.6	$ 52.8	$ 289.6	$ 263.4
Gross Margin as % of Revenue	22%	23%	24%	24%
EBITDA [1]	$ (1.7)	$ (1.1)	$ 14.4	$ 12.0
Interest	$ 0.1	$ 0.3	$ 0.3	$ 1.7
179D Tax Deductions [4]	$ 4.9	$ -	$ 4.9	$ 4.8
Net Income / Loss [1]	$ 5.5	$ (1.2)	$ 17.4	$ 11.2
Earnings Per Share [1]	**$ 0.07**	**$ (0.01)**	**$ 0.21**	**$ 0.14**
EPS Excluding 179D [1]	**$ 0.01**	**$ (0.01)**	**$ 0.15**	**$ 0.08**
Ending Backlog [2]	$ 193	$ 195		
New Contracts [2]	$ 60	$ 7	$ 253	$ 223

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	$ 15.1	$ 13.3	$ 3.5	$ (5.9)	$ (8.7)
Interest	$ 1	$ 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	$ 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

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 two. Any resulting differences are attributable to results from Corporate and Other operations. 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.