Segment and Financial Information
Fourth Quarter 2019

Supplement to NiSource Fourth Quarter 2019 Earnings Presentation

NiSource®

Fourth Quarter 2019 Operating Earnings - Segment Results (non-GAAP)

NiSource's consolidated operating earnings (non-GAAP) for the fourth quarter of 2019 were $310.6 million, compared to $294.7 million in the comparable 2018 period. Refer to the attached schedules for the items included in 2019 and 2018 GAAP operating income but excluded from operating earnings (non-GAAP).

Operating earnings (non-GAAP) for NiSource's business segments for the three months ended December 31, 2019, are discussed below.

Gas Distribution Operations

For the fourth quarter of 2019, Gas Distribution Operations reported operating earnings of $213.9 million, compared to operating earnings of $212.4 million in the comparable 2018 period.

Net revenues for the fourth quarter of 2019 were $687.5 million, an increase of $13.8 million from the comparable 2018 period. The change in net revenues was primarily driven by:

- New rates from base rate proceedings and infrastructure replacement programs of $24.3 million.

Partially offset by:

- Lower residential, commercial and industrial usage of $8.2 million.

Operating expenses for the fourth quarter of 2019 were $473.6 million, an increase of $12.3 million from the comparable 2018 period. The change in operating expenses was primarily driven by:

- Increased depreciation of $19.3 million due to the regulatory outcome of NIPSCO's gas rate case, an increase in amortization of depreciation previously deferred as a regulatory asset resulting from Columbia of Ohio's CEP, and higher capital expenditures placed in service.

Partially offset by:

- Lower environmental costs of $8.7 million primarily due to regulatory approved deferral of Columbia of Ohio environmental expenses.

Electric Operations

For the fourth quarter of 2019, Electric Operations reported operating earnings of $84.9 million, compared to operating earnings of $83.0 million in the comparable 2018 period.

Net revenues for the fourth quarter of 2019 were $296.7 million, an increase of $13.7 million from the comparable 2018 period. The change in net revenues was primarily driven by:

- New rates from the recent rate case proceeding, incremental capital spend on infrastructure replacement programs, and electric transmission projects of $10.9 million.
- Decreased fuel handling costs of $3.7 million.

Operating expenses for the fourth quarter of 2019 were $211.8 million, an increase of $11.8 million from the comparable 2018 period. The change in operating expenses was primarily driven by:

- Increased outside service costs of $8.1 million due to higher maintenance costs.
- Increased depreciation of $2.3 million due to higher capital expenditures placed in service.

Corporate and Other Operations

For the fourth quarter of 2019, Corporate and Other Operations reported operating earnings of $11.8 million compared to an operating loss of $0.7 million in the comparable 2018 period. This change resulted primarily from unfavorable insurance reserve adjustments recorded in 2018.

Other Income (Deductions)

Other income (deductions) reduced income by $98.8 million for the fourth quarter of 2019 compared to a reduction in income of $101.6 million in the comparable 2018 period.

Income Taxes

The effective tax rate of net operating earnings was 13.5 percent compared to 22.3 percent for the same period last year. This decrease is primarily due to favorable state book-to-return adjustments recorded in 2019.

Twelve months ended December 31, 2019 Operating Earnings - Segment Results (non-GAAP)

NiSource's consolidated operating earnings (non-GAAP) for the twelve months ended December 31, 2019 were $1,046.8 million, compared to $931.2 million in the comparable 2018 period. Refer to the attached schedules for the items included in 2019 and 2018 GAAP operating income but excluded from operating earnings (non-GAAP).

Operating earnings (non-GAAP) for NiSource's business segments for the twelve months ended December 31, 2019, are discussed below.

Gas Distribution Operations

For the twelve months ended December 31, 2019, Gas Distribution Operations reported operating earnings of $632.0 million, compared to operating earnings of $565.3 million in the comparable 2018 period.

Net revenues for the twelve months ended December 31, 2019 were $2,435.6 million, an increase of $283.7 million from the comparable 2018 period. The change in net revenues was primarily driven by:

- New rates from base rate proceedings and infrastructure replacement programs of $243.2 million.
- Higher regulatory, depreciation, and tax trackers, which are offset in operating expense, of $36.2 million.
- The effects of commercial and residential customer growth of $12.8 million.

Operating expenses for the twelve months ended December 31, 2019 were $1,803.6 million, an increase of $217.0 million from the comparable 2018 period. The change in operating expenses was primarily driven by:

- Increased depreciation of $103.8 million due to the regulatory outcome of NIPSCO's gas rate case, an increase in amortization of depreciation previously deferred as a regulatory asset resulting from Columbia of Ohio's CEP, and higher capital expenditures placed in service.

- Higher employee and administrative expenses of $28.4 million driven by an increase in headcount.
- Higher regulatory, depreciation, and tax trackers, which are offset in net revenues, of $36.2 million.
- Higher property taxes of $22.2 million primarily due to increased amortization of property taxes previously deferred as a regulatory asset resulting from Columbia of Ohio's CEP, as well as higher capital expenditures placed in service.
- Higher outside services of $12.9 million primarily due to increased line location and safety-related work.
- Higher insurance expense of $9.1 million primarily driven by increased premiums.

Electric Operations

For the twelve months ended December 31, 2019, Electric Operations reported operating earnings of $401.5 million, compared to operating earnings of $369.1 million in the comparable 2018 period.

Net revenues for the twelve months ended December 31, 2019 were $1,226.7 million, an increase of $40.9 million from the comparable 2018 period. The change in net revenues was primarily driven by:

- New rates from the recent rate case proceeding, incremental capital spend on infrastructure replacement programs and electric transmission projects of $24.8 million.
- Decreased fuel handling costs of $11.0 million.
- Higher regulatory and depreciation trackers, which are offset in operating expense, of $8.4 million.
- The effects of commercial and residential customer growth of $3.9 million.

Partially offset by:

- Decreased residential, commercial and industrial customer usage of $10.8 million.

Operating expenses for the twelve months ended December 31, 2019 were $825.2 million, an increase of $8.5 million from the comparable 2018 period. The change in operating expenses was primarily driven by:

- Higher regulatory and depreciation trackers, which are offset in net revenues, of $8.4 million.
- Increased depreciation of $8.7 million due to higher capital expenditures placed in service.
- Higher outside services of $2.4 million.

Partially offset by:

- Decreased materials and supplies costs of $7.8 million, primarily related to the retirement of Bailly Generating Station Units 7 and 8 on May 31, 2018.
- Decreased employee and administrative costs of $5.0 million.

Corporate and Other Operations

For the twelve months ended December 31, 2019, Corporate and Other Operations reported operating earnings of $13.3 million compared to an operating loss of $3.2 million in the comparable 2018 period. This change resulted primarily from unrealized losses on the cash surrender value of corporate owned life insurance investments and unfavorable insurance reserve adjustments recorded in 2018.

Other Income (Deductions)

Other income (deductions) reduced income by $383.8 million for the twelve months ended December 31, 2019 compared to a reduction in income of $335.3 million in the comparable 2018 period. This variance is primarily driven by lower actuarial investment returns on pension and other postretirement benefit assets of $34.6 million and an increase in interest expense of $25.6 million driven by decreased regulatory deferrals from Columbia Gas of Ohio's CEP. These unfavorable variances were partially offset by charitable contributions of $19.5 million in 2018.

Income Taxes

The effective tax rate of net operating earnings was 17.1 percent compared to 19.7 percent for the same period last year.

NiSource Inc.

Consolidated Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

(in millions, except per share amounts)	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Twelve Months Ended December 31, 2019	Twelve Months Ended December 31, 2018
Net Revenues				
Operating Revenues	**$ 1,385.4**	$ 1,453.1	**$ 5,184.1**	$ 5,084.0
Cost of Sales (excluding depreciation and amortization)	**404.3**	499.7	**1,534.8**	1,759.4
Total Net Revenues (Non-GAAP)	**981.1**	953.4	**3,649.3**	3,324.6
Operating Expenses				
Operation and maintenance	**348.9**	360.0	**1,373.4**	1,343.0
Operation and maintenance - trackers	**64.5**	65.2	**214.9**	176.4
Depreciation and amortization	**176.7**	155.4	**693.4**	579.7
Depreciation and amortization - trackers	**5.5**	6.4	**24.0**	19.9
Other taxes	**54.3**	50.5	**222.1**	201.0
Other taxes - trackers	**20.6**	21.2	**74.7**	73.4
Total Operating Expenses	**670.5**	658.7	**2,602.5**	2,393.4
Operating Earnings	**310.6**	**294.7**	**1,046.8**	**931.2**
Other Income (Deductions)				
Interest expense, net	**(93.3)**	(88.1)	**(378.9)**	(353.3)
Other, net	**(4.9)**	(13.1)	**(3.4)**	19.9
Other, net - trackers	**(0.6)**	(0.4)	**(1.5)**	(1.9)
Total Other Deductions, Net	**(98.8)**	(101.6)	**(383.8)**	(335.3)
Operating Earnings Before Income Taxes	**211.8**	193.1	**663.0**	595.9
Income Taxes	**28.5**	43.1	**113.2**	117.6
Net Operating Earnings	**183.3**	150.0	**549.8**	478.3
Preferred dividends	**(13.7)**	(8.1)	**(55.1)**	(15.0)
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**169.6**	141.9	**494.7**	463.3
Non-GAAP Basic Net Operating Earnings Per Share	**$ 0.45**	$ 0.38	**$ 1.32**	$ 1.30
Basic Average Common Shares Outstanding	**377.2**	369.4	**374.6**	356.5

NiSource Inc.

Segment Operating Earnings (Non-GAAP) *(unaudited)*

Gas Distribution Operations *(in millions)*	**Three Months Ended December 31, 2019**	Three Months Ended December 31, 2018	**Twelve Months Ended December 31, 2019**	Twelve Months Ended December 31, 2018
Net Revenues				
Operating revenues	**$ 995.3**	$ 1,056.0	**$ 3,503.2**	$ 3,409.3
Cost of Sales (excluding depreciation and amortization)	**307.8**	382.3	**1,067.6**	1,257.4
Net Revenues (Non-GAAP)	**687.5**	673.7	**2,435.6**	2,151.9
Operating Expenses				
Operation and maintenance	**254.4**	263.2	**1,000.0**	948.0
Operation and maintenance - trackers	**54.6**	54.6	**169.3**	133.0
Depreciation and amortization	**103.2**	83.9	**401.2**	297.4
Depreciation and amortization - trackers	**0.6**	2.1	**2.0**	3.6
Other taxes	**40.2**	36.3	**156.4**	131.2
Other taxes - trackers	**20.6**	21.2	**74.7**	73.4
Total Operating Expenses	**473.6**	461.3	**1,803.6**	1,586.6
Operating Earnings (Non-GAAP)	**$ 213.9**	$ 212.4	**$ 632.0**	$ 565.3

Electric Operations *(in millions)*	**Three Months Ended December 31, 2019**	Three Months Ended December 31, 2018	**Twelve Months Ended December 31, 2019**	Twelve Months Ended December 31, 2018
Net Revenues				
Operating Revenues	**$ 393.3**	$ 400.5	**$ 1,694.0**	$ 1,687.9
Cost of Sales (excluding depreciation and amortization)	**96.6**	117.5	**467.3**	502.1
Net Revenues (Non-GAAP)	**296.7**	283.0	**1,226.7**	1,185.8
Operating Expenses				
Operation and maintenance	**121.2**	111.5	**449.4**	453.3
Operation and maintenance - trackers	**9.9**	10.6	**45.6**	43.4
Depreciation and amortization	**64.6**	62.3	**255.3**	246.6
Depreciation and amortization - trackers	**4.9**	4.3	**22.0**	16.3
Other taxes	**11.2**	11.3	**52.9**	57.1
Total Operating Expenses	**211.8**	200.0	**825.2**	816.7
Operating Earnings (Non-GAAP)	**$ 84.9**	$ 83.0	**$ 401.5**	$ 369.1

Corporate and Other Operations *(in millions)*	**Three Months Ended December 31, 2019**	Three Months Ended December 31, 2018	**Twelve Months Ended December 31, 2019**	Twelve Months Ended December 31, 2018
Operating Earnings (Loss) (Non-GAAP)	**$ 11.8**	$ (0.7)	**$ 13.3**	$ (3.2)

NiSource Inc.

Segment Volumes and Statistical Data *(unaudited)*

Gas Distribution Operations	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Twelve Months Ended December 31, 2019	Twelve Months Ended December 31, 2018
Sales and Transportation (MMDth)				
Residential	**88.4**	92.4	**274.9**	280.3
Commercial	**57.8**	57.9	**189.6**	187.6
Industrial	**136.0**	138.0	**542.5**	555.7
Off-System	**8.3**	8.1	**32.9**	30.0
Other	**—**	—	**0.3**	—
Total	**290.5**	296.4	**1,040.2**	1,053.6
Weather Adjustment	**(8.6)**	(10.1)	**(17.8)**	(18.5)
Sales and Transportation Volumes - Excluding Weather	**281.9**	286.3	**1,022.4**	1,035.1
Customers				
Residential			**3,221,178**	3,194,662
Commercial			**282,778**	281,517
Industrial			**5,982**	5,833
Other			**3**	3
Total			**3,509,941**	3,482,015
Heating Degree Days	**1,966**	2,064	**5,375**	5,562
Normal Heating Degree Days	**1,954**	2,034	**5,452**	5,610
% Colder (Warmer) than Normal	**1%**	1%	**(1)%**	(1)%

Electric Operations	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Twelve Months Ended December 31, 2019	Twelve Months Ended December 31, 2018
Sales (Gigawatt Hours)				
Residential	**740.8**	780.6	**3,369.5**	3,535.2
Commercial	**897.6**	915.6	**3,760.3**	3,844.6
Industrial	**1,940.4**	2,043.7	**8,466.1**	8,829.5
Wholesale	**0.3**	19.5	**8.2**	114.3
Other	**30.8**	29.2	**117.2**	124.4
Total	**3,609.9**	3,788.6	**15,721.3**	16,448.0
Weather Adjustment	**(3.7)**	(36.0)	**(61.0)**	(265.2)
Sales Volumes - Excluding Weather	**3,606.2**	3,752.6	**15,660.3**	16,182.8
Customers				
Residential			**415,534**	412,267
Commercial			**57,058**	56,605
Industrial			**2,256**	2,284
Wholesale			**726**	735
Other			**2**	2
Total			**475,576**	471,893
Cooling Degree Days			**962**	1,180
Normal Cooling Degree Days			**803**	806
% Warmer than Normal			**20 %**	46 %

NiSource Inc.

Schedule 1 - Reconciliation of Consolidated Net Income (Loss) Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended December 31,				Twelve Months Ended December 31,			
(in millions, except per share amounts)		**2019**		2018		**2019**		2018
GAAP Net Income (Loss) Available to Common Shareholders	**$**	**(153.0)**	$	(19.8)	**$**	**328.0**	$	(65.6)
Adjustments to Operating Income (Loss):								
Operating Revenues:								
Weather - compared to normal		**(11.8)**		(10.6)		**(24.8)**		(32.5)
Greater Lawrence Incident[1]		**—**		3.9		**—**		3.9
Operating Expenses:								
Plant retirement costs[2]		**—**		—		**—**		3.3
Greater Lawrence Incident[3]		**(54.2)**		379.0		**(233.6)**		830.6
Franchise rights impairment[4]		**209.7**		—		**209.7**		—
Goodwill impairment[5]		**204.8**		—		**204.8**		—
Loss on sale of fixed assets and impairments, net		**0.1**		0.8		**—**		1.2
Total adjustments to operating income (loss)		**348.6**		373.1		**156.1**		806.5
Other Income (Deductions):								
Greater Lawrence Incident - charitable contribution[3]		**—**		10.4		**—**		20.7
Interest rate swap settlement gain		**—**		(25.0)		**—**		(46.2)
Loss on early extinguishment of long-term debt		**—**		—		**—**		45.5
Income Taxes:								
Tax effect of above items[6]		**(90.5)**		(79.8)		**(38.2)**		(180.6)
Income taxes - discrete items[7]		**64.5**		(117.0)		**48.8**		(117.0)
Total adjustments to net income (loss)		**322.6**		161.7		**166.7**		528.9
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	**$**	**169.6**	$	141.9	**$**	**494.7**	$	463.3
Basic Average Common Shares Outstanding		**377.2**		369.4		**374.6**		356.5
GAAP Basic Earnings (Loss) Per Share	**$**	**(0.41)**	$	(0.05)	**$**	**0.88**	$	(0.18)
Adjustments to basic earnings (loss) per share		**0.86**		0.43		**0.44**		1.48
Non-GAAP Basic Net Operating Earnings Per Share	**$**	**0.45**	$	0.38	**$**	**1.32**	$	1.30

(1) Represents revenues not billed to impacted customers as a result of the Greater Lawrence Incident.
(2) Represents costs incurred associated with the retirement of Units 7 and 8 at Bailly Generating Station.
(3) Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.
(4) Represents a non-cash impairment of the Columbia of Massachusetts franchise rights as a result of recent events connected with the Greater Lawrence Incident.
(5) Represents a non-cash impairment of goodwill attributable to Columbia of Massachusetts as a result of recent events connected with the Greater Lawrence Incident.
(6) Income tax effect is calculated using the statutory tax rate by legal entity.
(7) 2019 activity represents the non-deductible goodwill impairment (see footnote 5 above), non-deductible fines and penalties and adjustments to consolidated state deferred taxes related to the Greater Lawrence Incident. 2018 activity represents adjustments to the impact of the Tax Cuts and Jobs Act of 2017 due to regulatory actions in 2018.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Income (Loss) to Operating Earnings (Loss) (Non-GAAP) *(unaudited)*

Three Months Ended December 31, 2019 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Income (Loss) (GAAP)	**$ 69.6**	**$ 85.4**	**$ (193.0)**	**$ (38.0)**
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	(11.4)	(0.4)	—	**(11.8)**
Operating Expenses:				
Greater Lawrence Incident[(1)]	(54.2)	—	—	**(54.2)**
Franchise rights impairment[(2)]	209.7	—	—	**209.7**
Goodwill impairment[(3)]	—	—	204.8	**204.8**
Loss (Gain) on sale of fixed assets and impairments, net	0.2	(0.1)	—	**0.1**
Total Adjustments to Operating Income	**144.3**	**(0.5)**	**204.8**	**348.6**
Operating Earnings (Non-GAAP)	**$ 213.9**	**$ 84.9**	**$ 11.8**	**$ 310.6**

[(1)] Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.
[(2)]Represents a non-cash impairment of the Columbia of Massachusetts franchise rights as a result of recent events connected with the Greater Lawrence Incident.
[(3)]Represents a non-cash impairment of goodwill attributable to Columbia of Massachusetts as a result of recent events connected with the Greater Lawrence Incident.

Three Months Ended December 31, 2018 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Income (Loss) (GAAP)	**$ (159.7)**	**$ 85.7**	**$ (4.4)**	**$ (78.4)**
Adjustments to Operating Income (Loss):				
Operating Revenues:				
Weather - compared to normal	(7.9)	(2.7)	—	**(10.6)**
Greater Lawrence Incident[(1)]	3.9	—	—	**3.9**
Operating Expenses:				
Greater Lawrence Incident[(2)]	375.9	—	3.1	**379.0**
Loss on sale of fixed assets and impairments, net	0.2	—	0.6	**0.8**
Total Adjustments to Operating Income (Loss)	**372.1**	**(2.7)**	**3.7**	**373.1**
Operating Earnings (Loss) (Non-GAAP)	**$ 212.4**	**$ 83.0**	**$ (0.7)**	**$ 294.7**

[(1)] Represents revenues not billed to impacted customers as a result of the Greater Lawrence Incident.
[(2)] Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.

Twelve Months Ended December 31, 2019 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Income (Loss) (GAAP)	**$ 675.4**	**$ 406.8**	**(191.5)**	**$ 890.7**
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal	(19.6)	(5.2)	—	**(24.8)**
Operating Expenses:				
Greater Lawrence Incident[(1)]	(233.6)	—	—	**(233.6)**
Franchise rights impairment[(2)]	209.7	—	—	**209.7**
Goodwill impairment[(3)]	—	—	204.8	**204.8**
Loss (Gain) on sale of fixed assets and impairments, net	0.1	(0.1)	—	**—**
Total Adjustments to Operating Income	**(43.4)**	**(5.3)**	**204.8**	**156.1**
Operating Earnings (Non-GAAP)	**$ 632.0**	**$ 401.5**	**$ 13.3**	**$ 1,046.8**

[(1)] Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.
[(2)]Represents a non-cash impairment of the Columbia of Massachusetts franchise rights as a result of recent events connected with the Greater Lawrence Incident.
[(3)]Represents a non-cash impairment of goodwill attributable to Columbia of Massachusetts as a result of recent events connected with the Greater Lawrence Incident.

NiSource Inc.

Schedule 2 - Reconciliation by Segment of Operating Income (Loss) to Operating Earnings (Loss) (Non-GAAP) *(unaudited)*

Twelve Months Ended December 31, 2018 *(in millions)*	Gas Distribution	Electric	Corporate & Other	Total
Operating Income (Loss) (GAAP)	**$ (254.1)**	**$ 386.1**	**$ (7.3)**	**$ 124.7**
Adjustments to Operating Income (Loss):				
Operating Revenues:				
Weather - compared to normal	(12.2)	(20.3)	—	**(32.5)**
Greater Lawrence Incident[1]	3.9	—	—	**3.9**
Operating Expenses:				
Plant retirement costs[2]	—	3.3	—	**3.3**
Greater Lawrence Incident[3]	827.5	—	3.1	**830.6**
Loss on sale of fixed assets and impairments, net	0.2	—	1.0	**1.2**
Total Adjustments to Operating Income (Loss)	**819.4**	**(17.0)**	**4.1**	**806.5**
Operating Earnings (Loss) (Non-GAAP)	**$ 565.3**	**$ 369.1**	**$ (3.2)**	**$ 931.2**

[1] Represents revenues not billed to impacted customers as a result of the Greater Lawrence Incident.
[2] Represents costs incurred associated with the retirement of Units 7 and 8 at Bailly Generating Station.
[3] Represents costs incurred for estimated third-party claims and related other expenses as a result of the Greater Lawrence Incident, net of insurance recoveries recorded.

NiSource Inc.

Consolidated Income Statements (GAAP)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
(in millions, except per share amounts)	**2019**	2018	**2019**	2018
Operating Revenues				
Customer revenues	**$ 1,358.7**	$ 1,436.0	**$ 5,053.4**	$ 4,991.1
Other revenues	**38.5**	25.7	**155.5**	123.4
Total Operating Revenues	**1,397.2**	1,461.7	**5,208.9**	5,114.5
Operating Expenses				
Cost of sales (excluding depreciation and amortization)	**404.3**	501.6	**1,534.8**	1,761.3
Operation and maintenance	**359.2**	804.4	**1,354.7**	2,352.9
Depreciation and amortization	**182.2**	161.8	**717.4**	599.6
Impairment of goodwill and other intangible assets	**414.5**	—	**414.5**	—
Loss on sale of fixed assets and impairments, net	**0.1**	0.8	**—**	1.2
Other taxes	**74.9**	71.5	**296.8**	274.8
Total Operating Expenses	**1,435.2**	1,540.1	**4,318.2**	4,989.8
Operating Income (Loss)	**(38.0)**	(78.4)	**890.7**	124.7
Other Income (Deductions)				
Interest expense, net	**(93.3)**	(88.1)	**(378.9)**	(353.3)
Other, net	**(5.5)**	1.1	**(5.2)**	43.5
Loss on early extinguishment of long-term debt	**—**	—	**—**	(45.5)
Total Other Deductions, Net	**(98.8)**	(87.0)	**(384.1)**	(355.3)
Income (Loss) before Income Taxes	**(136.8)**	(165.4)	**506.6**	(230.6)
Income Taxes	**2.5**	(153.7)	**123.5**	(180.0)
Net Income (Loss)	**(139.3)**	(11.7)	**383.1**	(50.6)
Preferred dividends	**(13.7)**	(8.1)	**(55.1)**	(15.0)
Net Income (Loss) Available to Common Shareholders	**(153.0)**	(19.8)	**328.0**	(65.6)
Earnings (Loss) Per Share				
Basic Earnings (Loss) Per Share	**$ (0.41)**	$ (0.05)	**$ 0.88**	$ (0.18)
Diluted Earnings (Loss) Per Share	**$ (0.41)**	$ (0.05)	**$ 0.87**	$ (0.18)
Basic Average Common Shares Outstanding	**377.2**	369.4	**374.6**	356.5
Diluted Average Common Shares	**378.3**	369.4	**376.0**	356.5

NiSource Inc.

Consolidated Balance Sheets (GAAP)

(in millions)	December 31, 2019	December 31, 2018
ASSETS		
Property, Plant and Equipment		
Utility plant	**$ 24,502.6**	$ 22,780.8
Accumulated depreciation and amortization	**(7,609.3)**	(7,257.9)
Net utility plant	**16,893.3**	15,522.9
Other property, at cost, less accumulated depreciation	**18.9**	19.6
Net Property, Plant and Equipment	**16,912.2**	15,542.5
Investments and Other Assets		
Unconsolidated affiliates	**1.3**	2.1
Other investments	**228.9**	204.0
Total Investments and Other Assets	**230.2**	206.1
Current Assets		
Cash and cash equivalents	**139.3**	112.8
Restricted cash	**9.1**	8.3
Accounts receivable (less reserve of $19.2 and $21.1, respectively)	**856.9**	1,058.5
Gas inventory	**250.9**	286.8
Materials and supplies, at average cost	**120.2**	101.0
Electric production fuel, at average cost	**53.6**	34.7
Exchange gas receivable	**48.5**	88.4
Regulatory assets	**225.7**	235.4
Prepayments and other	**149.7**	129.5
Total Current Assets	**1,853.9**	2,055.4
Other Assets		
Regulatory assets	**2,013.9**	2,002.1
Goodwill	**1,485.9**	1,690.7
Intangible assets, net	**—**	220.7
Deferred charges and other	**163.7**	86.5
Total Other Assets	**3,663.5**	4,000.0
Total Assets	**$ 22,659.8**	$ 21,804.0

NiSource Inc.
Consolidated Balance Sheets (GAAP) (continued)

(in millions, except share amounts)	**December 31, 2019**	December 31, 2018
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - $0.01 par value, 600,000,000 shares authorized; 382,135,680 and 372,363,656 shares outstanding, respectively	**$ 3.8**	$ 3.8
Preferred stock - $0.01 par value, 20,000,000 shares authorized; 440,000 and 420,000 shares outstanding, respectively	**880.0**	880.0
Treasury stock	**(99.9)**	(99.9)
Additional paid-in capital	**6,666.2**	6,403.5
Retained deficit	**(1,370.8)**	(1,399.3)
Accumulated other comprehensive loss	**(92.6)**	(37.2)
Total Stockholders' Equity	**5,986.7**	5,750.9
Long-term debt, excluding amounts due within one year	**7,856.2**	7,105.4
Total Capitalization	**13,842.9**	12,856.3
Current Liabilities		
Current portion of long-term debt	**13.4**	50.0
Short-term borrowings	**1,773.2**	1,977.2
Accounts payable	**666.0**	883.8
Customer deposits and credits	**256.4**	238.9
Taxes accrued	**231.6**	222.7
Interest accrued	**99.4**	90.7
Exchange gas payable	**59.7**	85.5
Regulatory liabilities	**160.2**	140.9
Legal and environmental	**20.1**	18.9
Accrued compensation and employee benefits	**156.3**	149.7
Claims accrued	**165.4**	114.7
Other accruals	**144.1**	63.8
Total Current Liabilities	**3,745.8**	4,036.8
Other Liabilities		
Risk management liabilities	**134.0**	46.7
Deferred income taxes	**1,485.3**	1,330.5
Deferred investment tax credits	**9.7**	11.2
Accrued insurance liabilities	**81.5**	84.4
Accrued liability for postretirement and postemployment benefits	**373.2**	389.1
Regulatory liabilities	**2,352.0**	2,519.1
Asset retirement obligations	**416.9**	352.0
Other noncurrent liabilities	**218.5**	177.9
Total Other Liabilities	**5,071.1**	4,910.9
Commitments and Contingencies	**—**	—
Total Capitalization and Liabilities	**$ 22,659.8**	$ 21,804.0

NiSource Inc.

Statements of Consolidated Cash Flows (GAAP)

Year Ended December 31, *(in millions)*	**2019**	2018
Operating Activities		
Net Income (Loss)	**$ 383.1**	$ (50.6)
Adjustments to Reconcile Net Income (Loss) to Net Cash from Operating Activities:		
Loss on early extinguishment of debt	**—**	45.5
Depreciation and amortization	**717.4**	599.6
Deferred income taxes and investment tax credits	**118.2**	(188.2)
Stock compensation expense and 401(k) profit sharing contribution	**25.9**	28.6
Impairment of goodwill and other intangible assets	**414.5**	—
Amortization of discount/premium on debt	**8.2**	7.5
AFUDC equity	**(8.0)**	(14.2)
Other adjustments	**(0.9)**	1.7
Changes in Assets and Liabilities:		
Accounts receivable	**187.8**	(186.2)
Inventories	**(2.0)**	41.4
Accounts payable	**(299.9)**	268.4
Customer deposits and credits	**16.9**	(25.4)
Taxes accrued	**7.3**	20.2
Interest accrued	**8.8**	(21.7)
Exchange gas receivable/payable	**55.5**	(21.5)
Other accruals	**105.3**	43.5
Prepayments and other current assets	**(33.6)**	(14.5)
Regulatory assets/liabilities	**(85.6)**	(53.2)
Postretirement and postemployment benefits	**(21.1)**	58.2
Deferred charges and other noncurrent assets	**(76.1)**	3.8
Other noncurrent liabilities	**61.6**	(2.8)
Net Cash Flows from Operating Activities	**1,583.3**	540.1
Investing Activities		
Capital expenditures	**(1,802.4)**	(1,818.2)
Cost of removal	**(113.2)**	(104.3)
Purchases of available-for-sale securities	**(140.4)**	(90.0)
Sales of available-for-sale securities	**132.1**	82.3
Other investing activities	**1.5**	4.1
Net Cash Flows used for Investing Activities	**(1,922.4)**	(1,926.1)
Financing Activities		
Issuance of long-term debt	**750.0**	350.0
Repayments of long-term debt and finance lease obligations	**(51.6)**	(1,046.1)
Issuance of short-term debt (maturity > 90 days)	**600.0**	950.0
Repayment of short-term debt (maturity > 90 days)	**(700.0)**	—
Change in short-term borrowings, net (maturity ≤ 90 days)	**(104.0)**	(178.5)
Issuance of common stock, net of issuance costs	**244.4**	848.2
Issuance of preferred stock, net of issuance costs	**—**	880.0
Equity costs, premiums and other debt related costs	**(17.8)**	(46.0)
Acquisition of treasury stock	**—**	(4.0)
Dividends paid - common stock	**(298.5)**	(273.3)
Dividends paid - preferred stock	**(56.1)**	(11.6)
Net Cash Flows from Financing Activities	**366.4**	1,468.7
Change in cash, cash equivalents and restricted cash	**27.3**	82.7
Cash, cash equivalents and restricted cash at beginning of period	**121.1**	38.4
Cash, Cash Equivalents and Restricted Cash at End of Period	**$ 148.4**	$ 121.1