

News Release**Eversource Energy Reports Second Quarter 2016 Results**

(HARTFORD, Conn. and BOSTON, Mass. – July 28, 2016) Eversource Energy (NYSE: ES) today reported earnings of \$203.6 million, or \$0.64 per share, in the second quarter of 2016, compared with earnings of \$207.5 million, or \$0.65 per share, in the second quarter of 2015. In the first half of 2016, Eversource Energy earned \$447.8 million, or \$1.41 per share, compared with earnings of \$460.8 million, or \$1.45 per share, in the first half of 2015.

“We have completed a very solid first half of 2016 that was consistent with both this year’s projected earnings of \$2.90 to \$3.05 per share and our 5 to 7 percent long-term EPS growth rate,” said James J. Judge, Eversource Energy president and chief executive officer. “We also are progressing with development of the long-term solutions that New England requires to make its energy sources cleaner, more reliable and cost competitive.”

Electric Transmission

Eversource Energy’s transmission segment earned \$92.5 million in the second quarter of 2016 and \$178.2 million in the first half of 2016, compared with earnings of \$80.4 million in the second quarter of 2015 and \$147 million in the first half of 2015. The improved results were primarily due to an increased level of investment in Eversource Energy’s transmission system, as well as the absence in 2016 of a first-quarter 2015 charge related to an order issued by the Federal Energy Regulatory Commission concerning the return on equity allowed New England transmission owners.

Electric Distribution and Generation

Eversource Energy’s electric distribution and generation segment earned \$102.8 million in the second quarter of 2016 and \$211.3 million in the first half of 2016, compared with earnings of \$120.9 million in the second quarter of 2015 and \$251.4 million in the first half of 2015. The lower year-to-date results primarily reflect the absence in 2016 of the benefits associated with resolving several regulatory issues at NSTAR Electric in the first quarter of 2015. Lower results in both the second quarter and first half of 2016, compared with the same periods of 2015, are attributable in part to lower retail sales, as well as higher depreciation and property tax expense due to an increased level of investment in Eversource Energy’s electricity delivery systems.

The second-quarter earnings of Eversource Energy's electric utility subsidiaries are noted below in millions, net of preferred dividends:

	2016	2015
CL&P	\$81.5	\$77.4
NSTAR Electric	\$67.7	\$81.5
PSNH	\$31.3	\$28.0
WMECO	\$13.3	\$14.2

The first-half earnings of Eversource Energy's electric utility subsidiaries are noted below in millions, net of preferred dividends:

	2016	2015
CL&P	\$167.1	\$145.2
NSTAR Electric	\$121.7	\$164.5
PSNH	\$67.3	\$60.0
WMECO	\$30.1	\$27.4

Natural Gas Distribution

Eversource Energy's natural gas distribution segment earned \$8 million in the second quarter of 2016 and \$58.9 million in the first half of 2016, compared with earnings of \$5.3 million in the second quarter of 2015 and \$61 million in the first half of 2015. Improved second quarter results were due primarily to increased retail revenues, while lower six-month results in 2016 were due to the impact on firm sales of a much milder winter in 2016. Firm natural gas sales fell 15.1 percent in the first half of 2016, compared with the first half of 2015, due to milder winter weather, though firm sales were up by 6.3 percent in the second quarter of 2016, compared with the same period of 2015.

Parent and other companies

Eversource Energy parent and other companies earned \$0.3 million in the second quarter of 2016 and had a net loss of \$0.6 million in the first half of 2016, compared with earnings of \$0.9 million in the second quarter of 2015 and \$1.4 million in the first half of 2015.

The following table reconciles 2016 and 2015 second quarter and first six months earnings per share:

		Second Quarter	First Six Months
2015	Reported EPS	\$0.65	\$1.45
	Higher transmission earnings in 2016	\$0.04	\$0.10
	Higher/(lower) retail electric revenues in 2016	\$0.01	(\$0.04)
	Higher/(lower) firm natural gas sales in 2016	\$0.01	(\$0.03)
	Higher non-tracked O&M in 2016	(\$0.01)	(\$0.01)
	Higher property tax, depreciation, and amortization expense in 2016	(\$0.02)	(\$0.04)
	Other, inc. higher effective tax rate, higher interest	(\$0.04)	(\$0.02)
2016	Reported EPS	\$0.64	\$1.41

Financial results for the second quarter and first half of 2016 and 2015 are noted below:

Three months ended:

<i>(in millions, except EPS)</i>	June 30, 2016	June 30, 2015	Increase/ (Decrease)	2016 EPS ¹
Electric Distribution/Generation	\$102.8	\$120.9	(\$18.1)	\$0.32
Natural Gas Distribution	\$8.0	\$5.3	\$2.7	\$0.03
Electric Transmission	\$92.5	\$80.4	\$12.1	\$0.29
Eversource Parent and Other Companies	\$0.3	\$0.9	(\$0.6)	-
Reported Earnings	\$203.6	\$207.5	(\$3.9)	\$0.64

Six months ended:

<i>(in millions, except EPS)</i>	June 30, 2016	June 30, 2015	Increase/ (Decrease)	2016 EPS ¹
Electric Distribution/Generation	\$211.3	\$251.4	(\$40.1)	\$0.66
Natural Gas Distribution	\$58.9	\$61.0	(\$2.1)	\$0.19
Electric Transmission	\$178.2	\$147.0	\$31.2	\$0.56
Eversource Parent and Other Companies	(\$0.6)	\$1.4	(\$2.0)	-
Reported Earnings	\$447.8	\$460.8	(\$13.0)	\$1.41

Retail sales data:

Three months ended:	June 30, 2016	June 30, 2015	% Change
Electric Distribution (Gwh)			
Traditional	6,605	6,671	(1.0%)
Decoupled	5,798	5,848	(0.8%)
Total Electric Distribution	12,403	12,519	(0.9%)
Natural Gas Distribution (mmcf)			
Traditional	8,315	7,823	6.3%
Decoupled and Special Contracts	9,521	8,958	6.3%
Total Natural Gas Distribution	17,836	16,781	6.3%

Six months ended:	June 30, 2016	June 30, 2015	% Change
Electric Distribution (Gwh)			
Traditional	13,601	14,172	(4.0%)
Decoupled	12,022	12,796	(6.0%)
Total Electric Distribution	25,623	26,968	(5.0%)
Natural Gas Distribution (mmcf)			
Traditional	26,300	30,906	(14.9%)
Decoupled and Special Contracts	30,884	36,447	(15.3%)
Total Natural Gas Distribution	57,184	67,353	(15.1%)

Eversource Energy has approximately 317 million common shares outstanding. It operates New England's largest energy delivery system, serving approximately 3.6 million customers in Connecticut, Massachusetts and New Hampshire.

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Note: Eversource Energy will webcast a conference call with senior management on July 29, 2016, beginning at 9 a.m. Eastern Time. The webcast can be accessed through Eversource's website at www.eversource.com.

¹ All per share amounts in this news release are reported on a diluted basis. The only common equity securities that are publicly traded are common shares of Eversource Energy. The earnings and EPS of each business do not represent a direct legal interest in the assets and liabilities allocated to such business, but rather represent a direct interest in Eversource Energy's assets and liabilities as a whole. EPS by business is a non-GAAP (not determined

using generally accepted accounting principles) measure that is calculated by dividing the net income or loss attributable to controlling interests of each business by the weighted average diluted Eversource parent common shares outstanding for the period. Management uses this non-GAAP financial measure to evaluate earnings results, provide details of earnings results by business, and more fully compare and explain our second quarter and first half 2016 and 2015 results. Management believes that this measurement is useful to investors to evaluate the actual and projected financial performance and contribution of Eversource Energy's businesses. Non-GAAP financial measures should not be considered as alternatives to Eversource consolidated net income attributable to controlling interests or EPS determined in accordance with GAAP as indicators of Eversource Energy's operating performance.

This news release includes statements concerning Eversource Energy's expectations, beliefs, plans, objectives, goals, strategies, assumptions of future events, future financial performance or growth and other statements that are not historical facts. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, readers can identify these forward-looking statements through the use of words or phrases such as "estimate," "expect," "anticipate," "intend," "plan," "project," "believe," "forecast," "should," "could" and other similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in the forward-looking statements. Factors that may cause actual results to differ materially from those included in the forward-looking statements include, but are not limited to, cyber breaches, acts of war or terrorism, or grid disturbances; actions or inaction of local, state and federal regulatory, public policy and taxing bodies; changes in business conditions, which could include disruptive technology related to Eversource's current or future business model; changes in economic conditions, including impact on interest rates, tax policies, and customer demand and payment ability; fluctuations in weather patterns; changes in laws, regulations or regulatory policy; changes in levels or timing of capital expenditures; disruptions in the capital markets or other events that make Eversource's access to necessary capital more difficult or costly; developments in legal or public policy doctrines; technological developments; changes in accounting standards and financial reporting regulations; actions of rating agencies; and other presently unknown or unforeseen factors.

Other risk factors are detailed in Eversource's reports filed with the Securities and Exchange Commission (SEC) and updated as necessary, and are available on the SEC's website at www.sec.gov. All such factors are difficult to predict and contain uncertainties that may materially affect Eversource Energy's actual results. You should not place undue reliance on the forward-looking statements; each speaks only as of the date on which such statement is made, and Eversource Energy undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events.

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EVERSOURCE ENERGY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Thousands of Dollars)	June 30, 2016	December 31, 2015
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 38,726	\$ 23,947
Receivables, Net	806,340	775,480
Unbilled Revenues	203,824	202,647
Taxes Receivable	103,926	305,359
Fuel, Materials, Supplies and Inventory	292,547	336,476
Regulatory Assets	863,360	845,843
Prepayments and Other Current Assets	106,561	129,034
Total Current Assets	<u>2,415,284</u>	<u>2,618,786</u>
Property, Plant and Equipment, Net	<u>20,448,475</u>	<u>19,892,441</u>
Deferred Debits and Other Assets:		
Regulatory Assets	3,661,578	3,737,960
Goodwill	3,519,401	3,519,401
Marketable Securities	518,750	516,478
Other Long-Term Assets	319,175	295,243
Total Deferred Debits and Other Assets	<u>8,018,904</u>	<u>8,069,082</u>
Total Assets	<u>\$ 30,882,663</u>	<u>\$ 30,580,309</u>
LIABILITIES AND CAPITALIZATION		
Current Liabilities:		
Notes Payable	\$ 767,000	\$ 1,160,953
Long-Term Debt - Current Portion	178,883	228,883
Accounts Payable	631,566	813,646
Obligations to Third Party Suppliers	133,943	128,564
Regulatory Liabilities	119,413	107,759
Other Current Liabilities	472,964	549,985
Total Current Liabilities	<u>2,303,769</u>	<u>2,989,790</u>
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	5,398,926	5,147,678
Regulatory Liabilities	527,678	513,595
Derivative Liabilities	381,572	337,102
Accrued Pension, SERP and PBOP	1,294,548	1,407,288
Other Long-Term Liabilities	875,270	871,499
Total Deferred Credits and Other Liabilities	<u>8,477,994</u>	<u>8,277,162</u>
Capitalization:		
Long-Term Debt	<u>9,435,924</u>	<u>8,805,574</u>
Noncontrolling Interest - Preferred Stock of Subsidiaries	<u>155,568</u>	<u>155,568</u>
Equity:		
Common Shareholders' Equity:		
Common Shares	1,669,392	1,669,313
Capital Surplus, Paid In	6,252,514	6,262,368
Retained Earnings	2,962,843	2,797,355
Accumulated Other Comprehensive Loss	(65,364)	(66,844)
Treasury Stock	(309,977)	(309,977)
Common Shareholders' Equity	<u>10,509,408</u>	<u>10,352,215</u>
Total Capitalization	<u>20,100,900</u>	<u>19,313,357</u>
Total Liabilities and Capitalization	<u>\$ 30,882,663</u>	<u>\$ 30,580,309</u>

The data contained in this report is preliminary and is unaudited. This report is being submitted for the sole purpose of providing information to present shareholders about Eversource Energy and Subsidiaries and is not a representation, prospectus, or intended for use in connection with any purchase or sale of securities.

EVERSOURCE ENERGY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(Thousands of Dollars, Except Share Information)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Operating Revenues	\$ 1,767,184	\$ 1,817,061	\$ 3,822,819	\$ 4,330,491
Operating Expenses:				
Purchased Power, Fuel and Transmission	581,260	685,118	1,336,119	1,847,167
Operations and Maintenance	320,714	316,641	640,850	650,024
Depreciation	176,507	163,668	350,492	327,505
Amortization of Regulatory (Liabilities)/Assets, Net	(8,716)	(1,166)	12,281	59,438
Energy Efficiency Programs	119,667	101,850	256,842	248,452
Taxes Other Than Income Taxes	154,330	138,935	314,277	288,415
Total Operating Expenses	1,343,762	1,405,046	2,910,861	3,421,001
Operating Income	423,422	412,015	911,958	909,490
Interest Expense	100,492	92,259	198,703	187,102
Other Income, Net	8,038	12,899	10,049	18,626
Income Before Income Tax Expense	330,968	332,655	723,304	741,014
Income Tax Expense	125,439	123,268	271,742	276,494
Net Income	205,529	209,387	451,562	464,520
Net Income Attributable to Noncontrolling Interests	1,880	1,880	3,759	3,759
Net Income Attributable to Common Shareholders	\$ 203,649	\$ 207,507	\$ 447,803	\$ 460,761
Basic and Diluted Earnings Per Common Share	\$ 0.64	\$ 0.65	\$ 1.41	\$ 1.45
Dividends Declared Per Common Share	\$ 0.45	\$ 0.42	\$ 0.89	\$ 0.84
Weighted Average Common Shares Outstanding:				
Basic	317,785,495	317,613,166	317,651,319	317,352,004
Diluted	318,476,699	318,559,568	318,478,876	318,525,378

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EVERSOURCE ENERGY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Thousands of Dollars)	For the Six Months Ended June 30,	
	2016	2015
Operating Activities:		
Net Income	\$ 451,562	\$ 464,520
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	350,492	327,505
Deferred Income Taxes	250,851	176,800
Pension, SERP and PBOP Expense	22,659	48,432
Pension and PBOP Contributions	(65,929)	(31,032)
Regulatory Underrecoveries, Net	(5,768)	(73,547)
Amortization of Regulatory Assets, Net	12,281	59,438
Other	(10,808)	(38,521)
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	(76,751)	(123,984)
Fuel, Materials, Supplies and Inventory	43,930	60,044
Taxes Receivable/Accrued, Net	230,075	214,577
Accounts Payable	(151,996)	(228,176)
Other Current Assets and Liabilities, Net	(72,160)	9,226
Net Cash Flows Provided by Operating Activities	<u>978,438</u>	<u>865,282</u>
Investing Activities:		
Investments in Property, Plant and Equipment	(869,168)	(740,379)
Proceeds from Sales of Marketable Securities	327,581	427,990
Purchases of Marketable Securities	(322,244)	(408,242)
Other Investing Activities	(2,991)	4,821
Net Cash Flows Used in Investing Activities	<u>(866,822)</u>	<u>(715,810)</u>
Financing Activities:		
Cash Dividends on Common Shares	(282,314)	(264,936)
Cash Dividends on Preferred Stock	(3,759)	(3,759)
Decrease in Notes Payable	(393,953)	(449,375)
Issuance of Long-Term Debt	800,000	750,000
Retirements of Long-Term Debt	(200,000)	(166,577)
Other Financing Activities	(16,811)	(17,059)
Net Cash Flows Used in Financing Activities	<u>(96,837)</u>	<u>(151,706)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	14,779	(2,234)
Cash and Cash Equivalents - Beginning of Period	23,947	38,703
Cash and Cash Equivalents - End of Period	<u>\$ 38,726</u>	<u>\$ 36,469</u>

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