

Duke Energy Corporation
Non-GAAP Reconciliations
Bank of America Merrill Lynch Power & Gas Leaders Conference
September 23, 2009

Forecasted Adjusted Segment EBIT for 2009

The materials for Duke Energy's Bank of America Merrill Lynch Power & Gas Leaders Conference presentation on September 23, 2009 include the aggregate contribution of Duke Energy's regulated and nonregulated businesses as a percentage of forecasted adjusted total segment EBIT for 2009. Adjusted total segment EBIT is a non-GAAP financial measure as it represents reported total segment EBIT adjusted for the impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. Mark-to-market adjustments reflect the mark-to-market impact of derivative contracts, which is recognized in GAAP earnings immediately as such derivative contracts do not qualify for hedge accounting or regulatory accounting, used in Duke Energy's hedging of a portion of the economic value of certain of its generation assets in the Commercial Power segment. The economic value of the generation assets is subject to fluctuations in fair value due to market price volatility of the input and output commodities (e.g., coal, power) and, as such, the economic hedging involves both purchases and sales of those input and output commodities related to the generation assets. Because the operations of the generation assets are accounted for under the accrual method, management believes that excluding the impact of mark-to-market changes of the economic hedge contracts from adjusted earnings until settlement better matches the financial impacts of the hedge contract with the portion of the economic value of the underlying hedged asset. The most directly comparable GAAP measure for adjusted total segment EBIT is reported total segment EBIT, which represents segment results from continuing operations, including any special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Due to the forward-looking nature of this non-GAAP financial measure for 2009, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project special items or mark-to-market adjustments for future periods.