Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 10, 2021

Adjusted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of adjusted EPS for the quarters ended March 31, 2021 and 2020.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders. Reconciliations of adjusted EPS for the quarters ended March 31, 2021 and 2020, to the most directly comparable GAAP measure are included herein.

Special items included in the periods presented include the following items, which management believes do not reflect ongoing costs:

- Gas Pipeline Investments represents additional exit costs related to ACP.
- Severance represents the reversal of 2018 Severance costs, which were deferred as a result of a partial settlement in the Duke Energy Carolinas and the Duke Energy Progress 2019 North Carolina rate cases.

Adjusted EPS Guidance

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2021, include a reference to forecasted 2021 adjusted EPS guidance range of $5.00 to $5.30 per share and the midpoint of forecasted 2021 adjusted EPS guidance range of $5.15. The materials also reference the long-term range of annual growth of 5% - 7% through 2025 off the midpoint of 2021 adjusted EPS guidance range of $5.15. The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items (as discussed above under Adjusted EPS).

Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

Adjusted Segment Income (Loss) and Adjusted Other Net Loss

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of adjusted segment income (loss) and adjusted other net loss for the quarter ended March 31, 2021 and a discussion of 2021 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income (loss) and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income (loss) and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income (loss) and adjusted other net expense provides useful information to investors, as it provides an additional relevant comparison of a segment's or Other's performance across periods. When a per share impact is provided for a segment income (loss) driver, the after-tax driver is derived using the pretax amount of the item less income taxes based on the segment statutory tax rate of 24% for Electric Utilities and Infrastructure, 23% for Gas Utilities and Infrastructure and Other, or an effective tax rate for Commercial Renewables. The after-tax earnings drivers are divided by the Duke Energy weighted average shares outstanding for the period. The most directly comparable GAAP measures for adjusted segment income (loss) and adjusted other net loss are reported segment income (loss) and other net loss, which represents segment income (loss) and other net loss from continuing operations, including any special items. Reconciliations of adjusted segment income (loss) and adjusted other net loss for the quarter ended March 31, 2021, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income (loss) and forecasted other net loss and any related growth rates for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures are not available at this time, as the company is unable to forecast all special items, as discussed above under Adjusted EPS guidance.

Effective Tax Rate Including Impacts of Noncontrolling Interests and Preferred Dividends and Excluding Special Items

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of the effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items for the quarter ended March 31, 2021. The materials also include a discussion of the 2021 forecasted effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including impacts of noncontrolling interests and preferred dividends and excluding special items is a non-GAAP financial measure as the rate is calculated using pretax income and income tax expense, both adjusted for the impact of special items, noncontrolling interests and preferred dividends. The most directly comparable GAAP measure is reported effective tax rate, which includes the impact of special items and excludes the impacts of noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the quarter ended March 31, 2021, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including impacts of noncontrolling interests and preferred dividends and excluding special items, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.

Available Liquidity

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2021, include a discussion of Duke Energy's available liquidity balance. The available liquidity balance presented is a non-GAAP financial measure as it represents cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of March 31, 2021. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of March 31, 2021, to the most directly comparable GAAP measure is included herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2021
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item: Gas Pipeline Investments		Total Adjustments	Adjusted Earnings
SEGMENT INCOME					
Electric Utilities and Infrastructure	**$ 820**	$ —		$ —	$ 820
Gas Utilities and Infrastructure	**245**	5	**A**	5	250
Commercial Renewables	**27**	—		—	27
Total Reportable Segment Income	**1,092**	**5**		**5**	**1,097**
Other	**(139)**	—		—	(139)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 953**	**$ 5**		**$ 5**	**$ 958**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.25**	**$ 0.01**		**$ 0.01**	**$ 1.26**

Note: Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of $0.02.

A - Net of $1 million tax benefit. $6 million of exit obligations recorded within Equity in (losses) earnings of unconsolidated affiliates on the Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 769 million

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2020
(Dollars in millions, except per share amounts)

	Reported Earnings	Special Item: Severance	Total Adjustments	Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 705**	$ —	$ —	$ 705
Gas Utilities and Infrastructure	**249**	—	—	249
Commercial Renewables	**57**	—	—	57
Total Reportable Segment Income	**1,011**	**—**	**—**	**1,011**
Other	**(112)**	(75) **A**	(75)	(187)
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 899**	**$ (75)**	**$ (75)**	**$ 824**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.24**	**$ (0.10)**	**$ (0.10)**	**$ 1.14**

Note: Earnings Per Share amounts are adjusted for accumulated dividends for Series B Preferred Stock of $0.02.

A – Net of $23 million tax expense. $98 million reversal of 2018 charges recorded within Operations, maintenance and other on the Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 734 million

DUKE ENERGY CORPORATION
EFFECTIVE TAX RECONCILIATION
March 2021
(Dollars in millions)

	Three Months Ended March 31, 2021	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,025	
Exit Obligations for Gas Pipeline Investments	6	
Noncontrolling Interests	51	
Preferred Dividends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 1,043	
Reported Income Tax Expense	$ 84	8.2 %
Gas Pipeline Investments	1	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 85	8.1 %

	Three Months Ended March 31, 2020	
	Balance	**Effective Tax Rate**
Reported Income Before Income Taxes	$ 1,027	
Severance	(98)	
Noncontrolling Interests	48	
Preferred Dividends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 938	
Reported Income Tax Expense	$ 137	13.3 %
Severance	(23)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 114	12.2 %

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2021
(In millions)

Cash and Cash Equivalents	$ 379	
Less: Certain Amounts Held in Foreign Jurisdictions	(4)	
Less: Unavailable Domestic Cash	(134)	
	241	
Plus: Remaining Availability under Master Credit Facilities and other facilities	4,922	
Total Available Liquidity (a), March 31, 2021	$ 5,163	approximately 5.2 billion

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents Cash and cash equivalents, excluding certain amounts held in foreign jurisdictions and cash otherwise unavailable for operations, and remaining availability under Duke Energy's available credit facilities, including the master credit facility, as of March 31, 2021. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.