Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 9, 2023

Adjusted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 9, 2023, include a discussion of adjusted EPS for the quarters ended March 31, 2023 and 2022.

The non-GAAP financial measure, adjusted EPS, represents basic EPS from continuing operations 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, 2023 and 2022, to the most directly comparable GAAP measure are included herein.

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

- Regulatory matters represents the net impact of charges related to the 2022 Indiana Supreme Court ruling on coal ash

Adjusted EPS Guidance

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2023, include a reference to forecasted 2023 adjusted EPS guidance range of $5.55 to $5.75 per share. The materials also reference the long-term range of annual growth of 5% - 7% through 2027 off the midpoint of 2023 adjusted EPS guidance range of $5.65. Forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS from continuing operations available to Duke Energy Corporation common stockholders, 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 and Adjusted Other Net Loss

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2023, include a discussion of adjusted segment income and adjusted other net loss for the quarter ended March 31, 2023 and a discussion of 2023 forecasted adjusted segment income and forecasted adjusted other net loss.

Adjusted segment income and adjusted other net loss are non-GAAP financial measures, as they represent reported segment income and other net loss adjusted for special items (as discussed above under Adjusted EPS). Management believes the presentation of adjusted segment income 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 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. 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 and adjusted other net loss are reported segment income and other net loss, which represents segment income and other net loss from continuing operations, including any special items. A reconciliation of adjusted segment income and adjusted other net loss for the quarter ended March 31, 2023, to the most directly comparable GAAP measures is included herein. Due to the forward-looking nature of any forecasted adjusted segment income 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 Noncontrolling Interests and Preferred Dividends and Excluding Special Items

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2023, include a discussion of the effective tax rate including noncontrolling interests and preferred dividends and excluding special items for the quarter ended March 31, 2023. The materials also include a discussion of the 2023 forecasted effective tax rate including noncontrolling interests and preferred dividends and excluding special items. Effective tax rate including 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 noncontrolling interests and preferred dividends. A reconciliation of this non-GAAP financial measure for the quarter ended March 31, 2023, to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the forecasted effective tax rates including 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 9, 2023, 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, and the remaining availability under Duke Energy's available credit facilities, including the master credit facility as of March 31, 2023. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents. A reconciliation of available liquidity as of March 31, 2023, to the most directly comparable GAAP measure is included herein.

Funds From Operations (FFO) Ratio

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 9, 2023 include a reference to the expected FFO to Total Debt ratio. This ratio reflects non-GAAP financial measures. The numerator of the FFO to Total Debt ratio is calculated principally by using net cash provided by operating activities on a GAAP basis, adjusted for changes in working capital, ARO spend, depreciation and amortization of operating leases, long-term portion of deferred fuel, operating activities allocated to the Duke Energy Indiana minority interest and reduced for capitalized interest (including any AFUDC interest). The denominator for the FFO to Total Debt ratio is calculated principally by using the balance of long-term debt (excluding purchase accounting adjustments, long-term debt allocated to the Duke Energy Indiana minority interest, and long-term debt associated with the CR3 and Duke Energy Carolinas and Duke Energy Progress Storm Securitizations), including current maturities, operating lease liabilities, plus notes payable, commercial paper outstanding, underfunded pension liability, and adjustments to hybrid debt and preferred stock issuances based on how credit rating agencies view the instruments. 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, as discussed above under Adjusted EPS Guidance.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2023
(Dollars in millions, except per share amounts)

	Reported Earnings	Discontinued Operations		Total Adjustments	Adjusted Earnings
SEGMENT INCOME					
Electric Utilities and Infrastructure	**$ 791**	$ —		$ —	$ 791
Gas Utilities and Infrastructure	**287**	—		—	287
Total Reportable Segment Income	**1,078**	**—**		**—**	**1,078**
Other	**(168)**	—		—	(168)
Discontinued Operations	**(145)**	145	**A**	145	—
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 765**	**$ 145**		**$ 145**	**$ 910**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.01**	**$ 0.19**		**$ 0.19**	**$ 1.20**

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

A – Recorded in Loss from Discontinued Operations, net of tax, and Net Loss Attributable to Noncontrolling Interests on the Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 770 million

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2022
(Dollars in millions, except per share amounts)

		Special Item			
	Reported Earnings	Regulatory Matters	Discontinued Operations	Total Adjustments	Adjusted Earnings
SEGMENT INCOME					
Electric Utilities and Infrastructure	**$ 723**	$ 173 **A**	$ —	$ 173	$ 896
Gas Utilities and Infrastructure	**254**		—	—	254
Total Reportable Segment Income	**977**	**173**	**—**	**173**	**1,150**
Other	**(171)**	—	—	—	(171)
Discontinued Operations	**12**	—	$ (12) **B**	(12)	—
Net Income Available to Duke Energy Corporation Common Stockholders	**$ 818**	**$ 173**	**$ (12)**	**$ 161**	**$ 979**
EPS AVAILABLE TO DUKE ENERGY CORPORATION COMMON STOCKHOLDERS	**$ 1.08**	**$ 0.23**	**$ (0.02)**	**$ 0.21**	**$ 1.29**

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

A – Net of $62 million tax benefit. $211 million recorded within Impairment of assets and other charges and $46 million within Regulated electric (Operating revenues) related to the Duke Energy Indiana Supreme Court ruling on the Condensed Consolidated Statements of Operations. $22 million recorded within Noncontrolling Interests related to the same Duke Energy Indiana Supreme Court ruling.

B – Recorded in Loss from Discontinued Operations, net of tax, and Net Loss Attributable to Noncontrolling Interests on the Condensed Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) – 770 million

DUKE ENERGY CORPORATION
EFFECTIVE TAX RECONCILIATION
March 2023
(Dollars in millions)

	Three Months Ended March 31, 2023	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 1,125	
Noncontrolling Interests	(25)	
Preferred Dividends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 1,061	
Reported Income Tax Expense From Continuing Operations	$ 155	13.8 %
Noncontrolling Interest Portion of Income Taxes[(a)]	(4)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 151	14.2%

	Three Months Ended March 31, 2022	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 860	
Regulatory Matters	257	
Noncontrolling Interests	(14)	
Preferred Dividends	(39)	
Pretax Income Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 1,064	
Reported Income Tax Expense From Continuing Operations	$ 25	2.9 %
Regulatory Matters	62	
Noncontrolling Interest Portion of Income Taxes[(a)]	$ (2)	
Tax Expense Including Noncontrolling Interests and Preferred Dividends and Excluding Special Items	$ 85	8.0%

(a) Income tax related to non-pass-through entities for tax purposes.

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2023
(In millions)

Cash and Cash Equivalents	$ 462	
Less: Certain Amounts Held in Foreign Jurisdictions	(7)	
Less: Unavailable Domestic Cash	(152)	
	303	
Plus: Remaining Availability under Master Credit Facilities and other facilities	5,428	
Total Available Liquidity [(a)]	$ 5,731	approximately $5.7 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, 2023. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.