DUKE ENERGY

SPRING 2017
RETAIL INVESTOR PRESENTATION







Safe Harbor statement

This presentation includes forward-looking statements within the meaning of the federal securities laws. Actual results could differ materially from such forward-looking statements. The factors that could cause actual results to differ are discussed at the end of the presentation and in Duke Energy's SEC filings, available at www.sec.gov.

Regulation G disclosure

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available in the Appendix herein and on our Investor Relations website at www.duke-energy.com/investors/.

Our investor proposition

DUK
LISTED
NYSE

A SOLID LONG-TERM HOLDING

4.1%
DIVIDEND YIELD(1) WITH DIVIDEND GROWTH COMMITMENT(2)

~8-10%
ATTRACTIVE RISK-ADJUSTED TOTAL SHAREHOLDER RETURN(3)

4-6%
HIGHLY ACHIEVABLE EPS GROWTH THROUGH 2021(4)

SUPPORTED BY THE STRENGTH OF OUR BALANCE SHEET

(1) As of May 18, 2017
(2) 4-6% dividend growth subject to approval by the Board of Directors
(3) Total shareholder return proposition at a constant P/E ratio
(4) Based upon the midpoint of the 2017 adjusted diluted EPS guidance range of $4.50-$4.70 per share most recently affirmed in the First Quarter 2017 Earnings Review and Business Update on May 9, 2017

Duke Energy – A large scale, highly regulated energy infrastructure company

HEADQUARTERED IN CHARLOTTE, NC

DUK
LISTED
NYSE

A FORTUNE 125 COMPANY

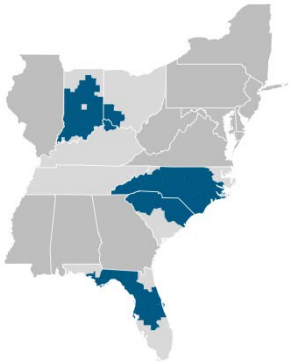
$58 B
MARKET CAP
(AS OF 5/18/2017)

$133 B
TOTAL ASSETS
(AS OF 12/31/2016)

29 K
EMPLOYEES
(AS OF 12/31/2016)

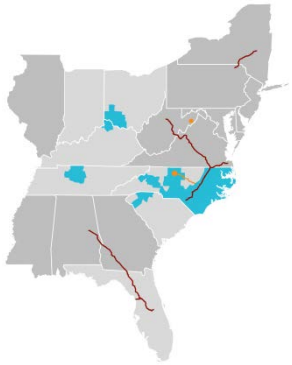
49 GWs
TOTAL GENERATING CAPACITY
(AS OF 12/31/2016)

ELECTRIC UTILITIES & INFRASTRUCTURE



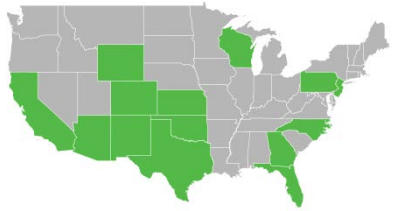
- Operating in six constructive jurisdictions, with attractive allowed ROE's, serving 7.5 million retail customers
- Below average customer rates (1)
- Balanced generation portfolio
- Industry-leading safety performance, as recognized by EEI

GAS UTILITIES & INFRASTRUCTURE



- Five state local distribution companies serving 1.6 million customers
- Strong earnings trajectory driven by customer growth, system integrity improvements, and continued expansion of natural gas infrastructure
- Significant investments in midstream natural gas pipelines and storage facilities

COMMERCIAL RENEWABLES

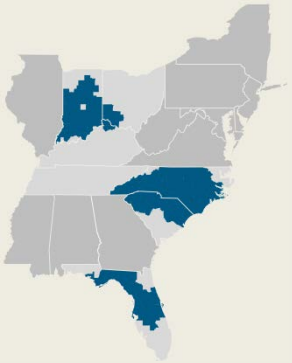


- Invested more than $5 billion over the past 10 years
- Approximately 2,900 MWs of wind and solar on-line
- Long-term Power Purchase Agreements with creditworthy counterparties

(1) *Source: EEI Typical Bills and Average Rates Report, Summer 2016*

Complementary businesses with strong growth opportunities

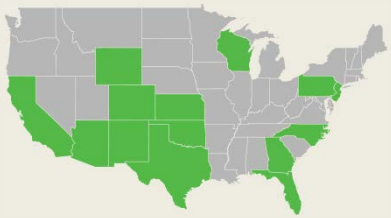
ELECTRIC UTILITIES & INFRASTRUCTURE



GAS UTILITIES & INFRASTRUCTURE

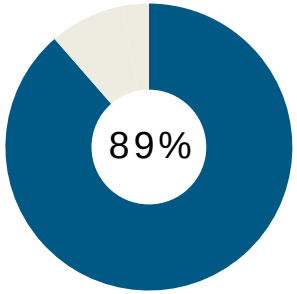


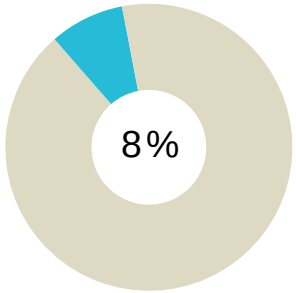
COMMERCIAL RENEWABLES

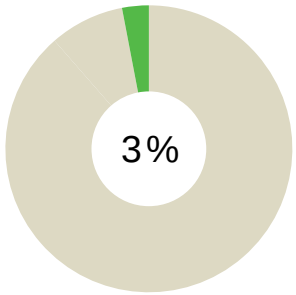


Map credit: SNL

2017 ADJUSTED EPS CONTRIBUTION[(1)]







2017-2021 GROWTH CAPITAL

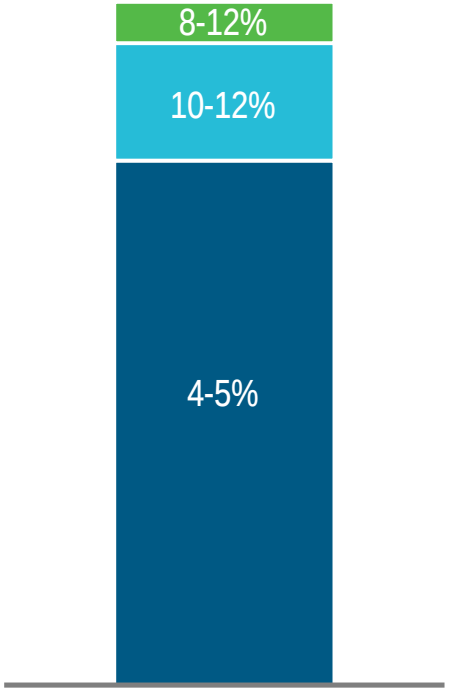
$30 B

$6 B

$1 B

2017 – 2021 ADJUSTED EPS CAGR[(1)]

Consolidated 4-6%



Electric Utilities & Infrastructure

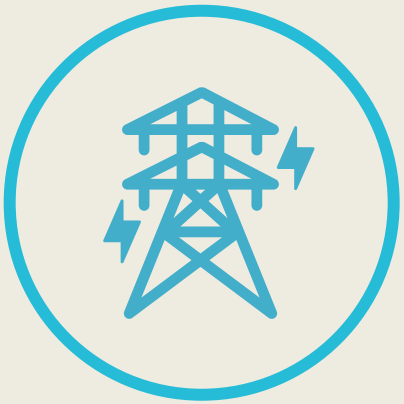
Gas Utilities & Infrastructure

Commercial Renewables

(1) *Based upon the midpoint of the 2017 adjusted diluted EPS guidance range of $4.50-$4.70 per share most recently affirmed in the First Quarter 2017 Earnings Review and Business Update on May 9, 2017; consolidated growth rate includes the impact of Other*

Advancing our strategic vision

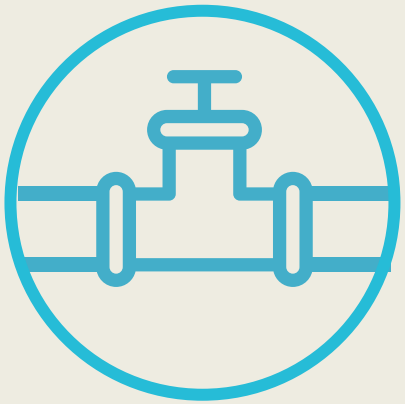
TRANSFORM THE
CUSTOMER EXPERIENCE



MODERNIZE THE
ENERGY GRID



GENERATE
CLEANER ENERGY



EXPAND NATURAL GAS
INFRASTRUCTURE

STAKEHOLDER
ENGAGEMENT

Building a smarter energy future

MODERNIZE THE
ENERGY GRID

$10 B

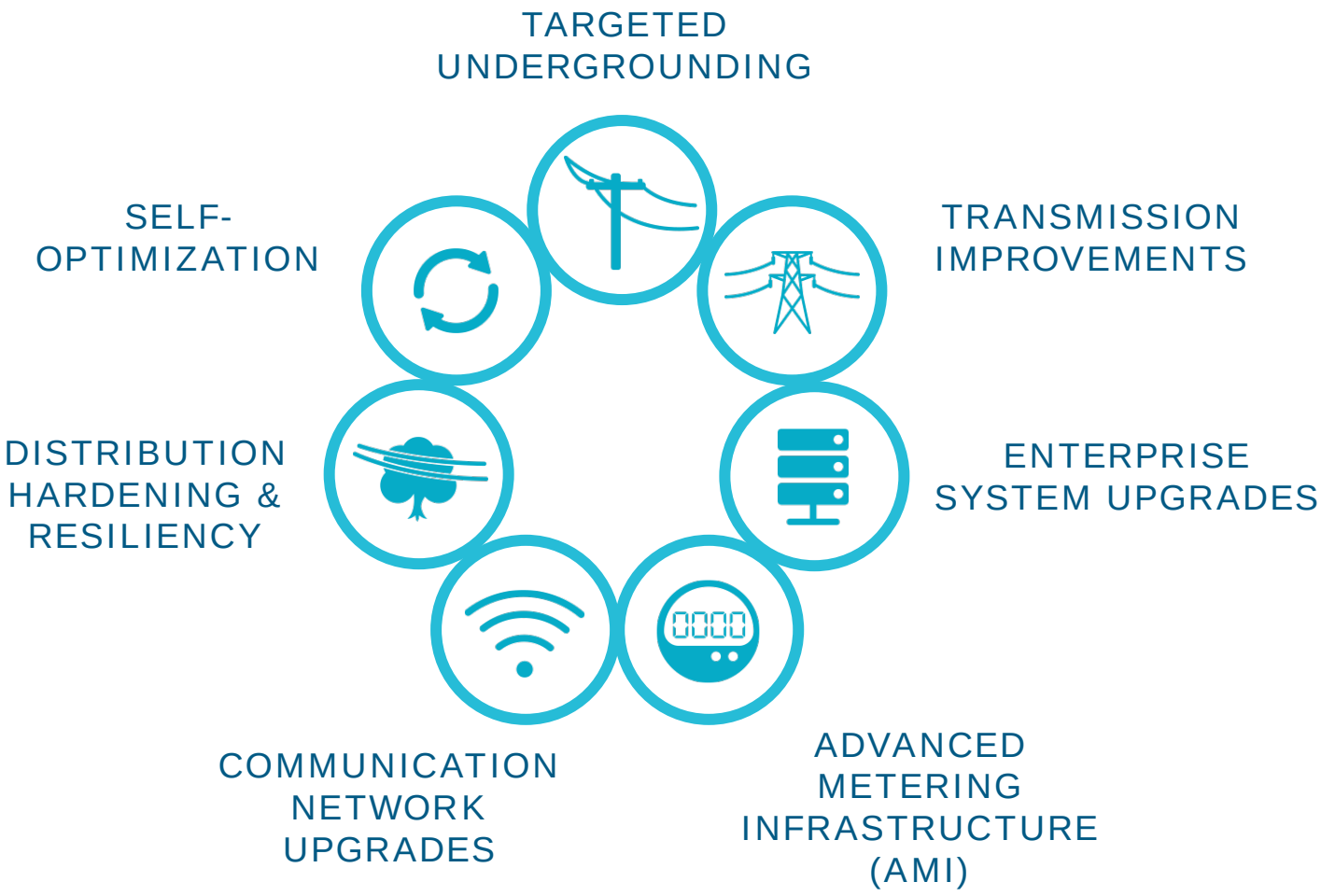
OF GRID INVESTMENTS
OVER 5 YEARS

#1

DUKE'S T&D SYSTEM IS
LARGEST IN THE U.S.
WITH OVER 300K LINE MILES

50% ⬇

REDUCTION IN OUTAGE
FREQUENCY AND DURATION
OVER NEXT 10 YEARS

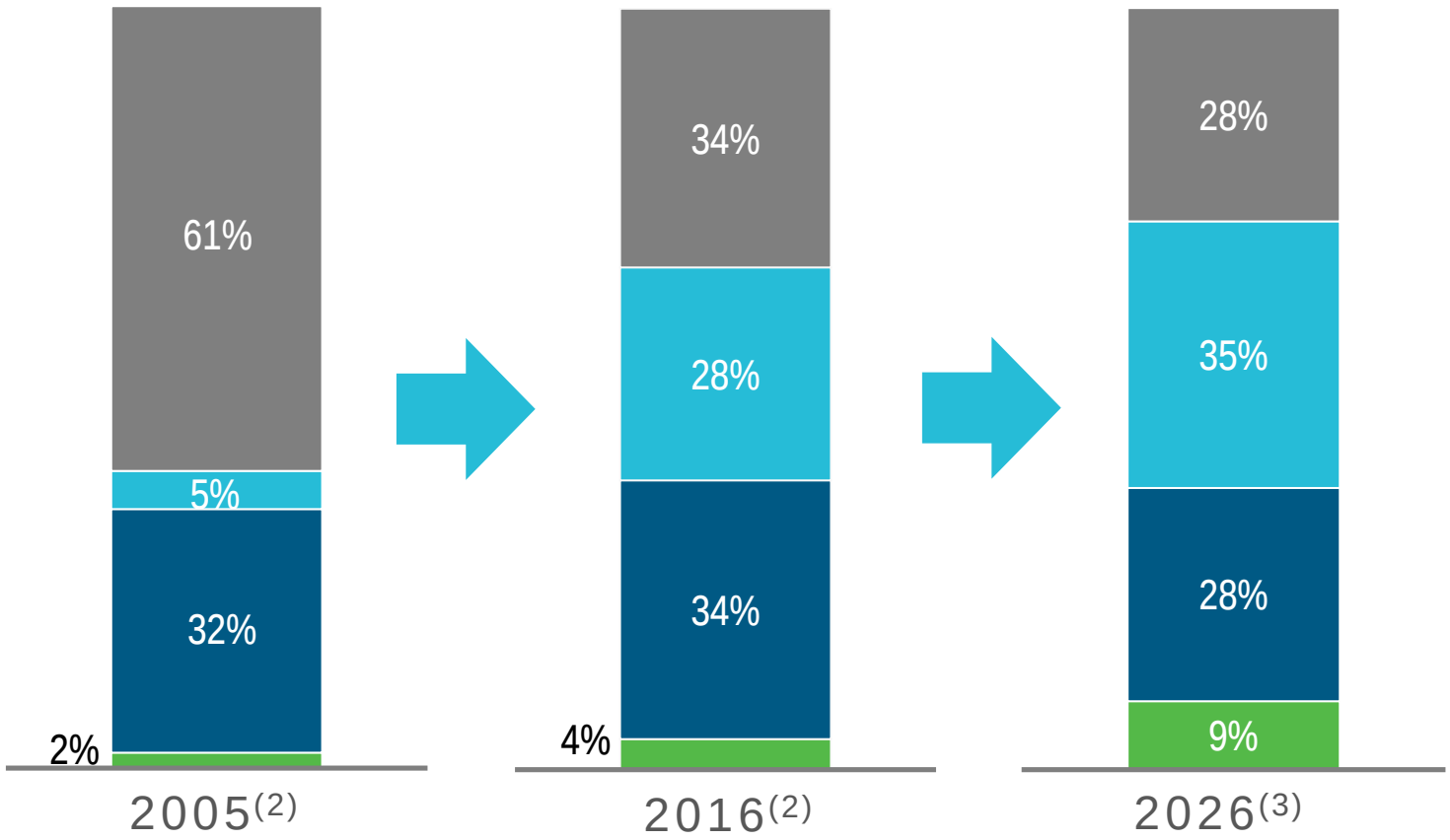


Our generation investments result in significantly reduced emissions

GENERATE
CLEANER ENERGY

40%
CO_2 REDUCTION
BY 2030(1)
FROM 2005 LEVELS

FUEL DIVERSITY
(MWh OUTPUT)



Coal / Oil
Natural Gas
Nuclear
Hydro, Wind & Solar

(1) *2030 carbon reduction will be influenced by customer demand, generation mix, weather, fuel availability and prices*
(2) *2005 and 2016 data based on Duke's ownership share of U.S. generation assets as of Dec. 31, 2016*
(3) *2026 estimate does not reflect the EPA Clean Power Plan*

Scale and expertise from a decade of commercial renewables growth

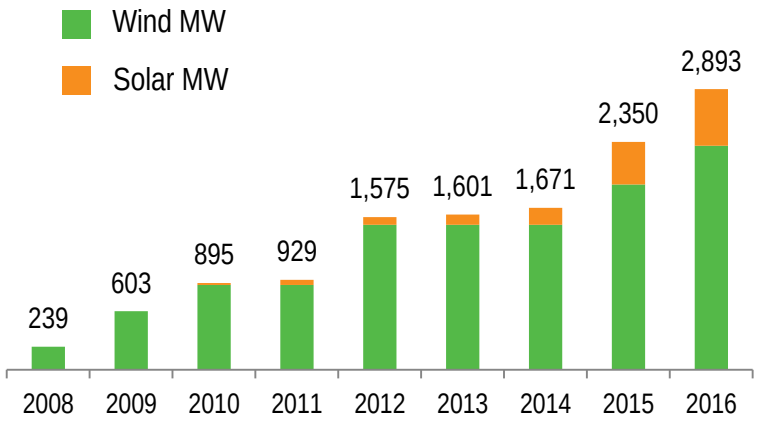
GENERATE
CLEANER ENERGY

$1 B
COMMERCIAL RENEWABLES INVESTMENTS OVER 5 YEARS(3)

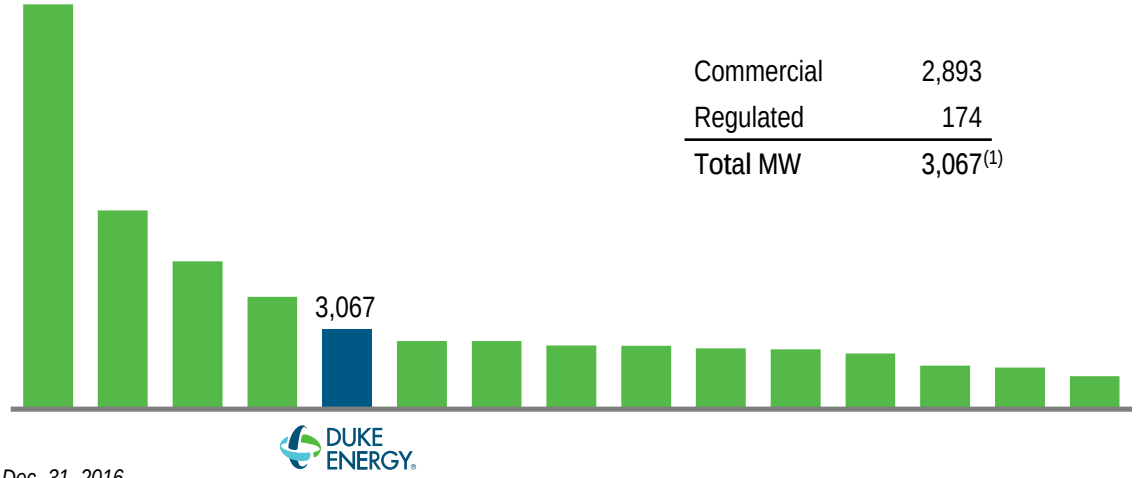
1,000 MW
OF WIND PROJECTS PTC QUALIFIED FOR FUTURE INVESTMENT

BUILDING SCALE SINCE ENTERING COMMERCIAL RENEWABLES SPACE IN 2007…

- Invested more than $5 billion over the past 10 years
- Long-term power purchase agreements with creditworthy counterparties
- Emerging focus in our regulated electric utilities



…TO BECOME A TOP FIVE RENEWABLES COMPANY IN THE U.S. (2)



Commercial	2,893
Regulated	174
Total MW	3,067(1)

(1) *In service as of Dec. 31, 2016*
(2) *Source: SNL Energy; top 15 owners by MW capacity*
(3) *As originally discussed on the Fourth Quarter 2016 Earnings Review and Business Update on Feb. 16, 2017*

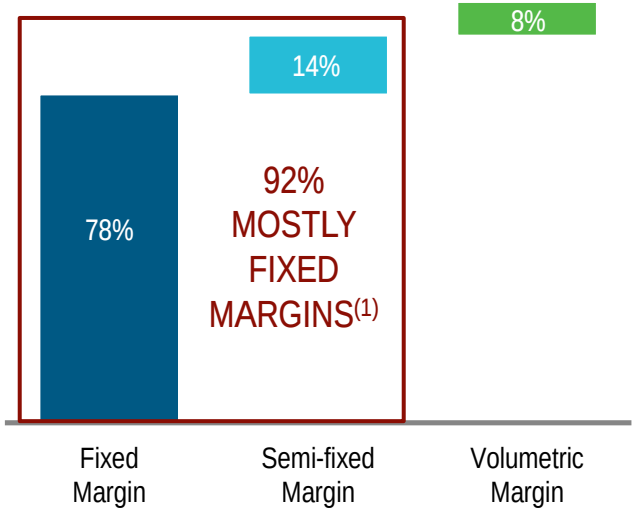
Expanding natural gas infrastructure with LDCs and midstream growth

EXPAND NATURAL GAS INFRASTRUCTURE

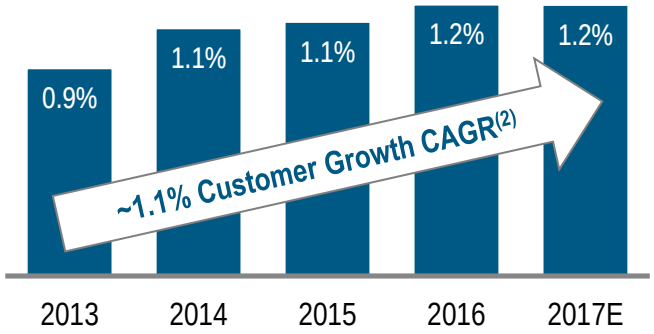
#2

DUKE'S USE OF NATURAL GAS ACROSS ITS LDC AND ELECTRIC BUSINESSES RANKS SECOND IN THE U.S.

LOW VOLUMETRIC EXPOSURE DUE TO MOSTLY FIXED MARGINS...



...WITH EARNINGS DRIVEN BY INVESTMENT AND STRONG CUSTOMER GROWTH



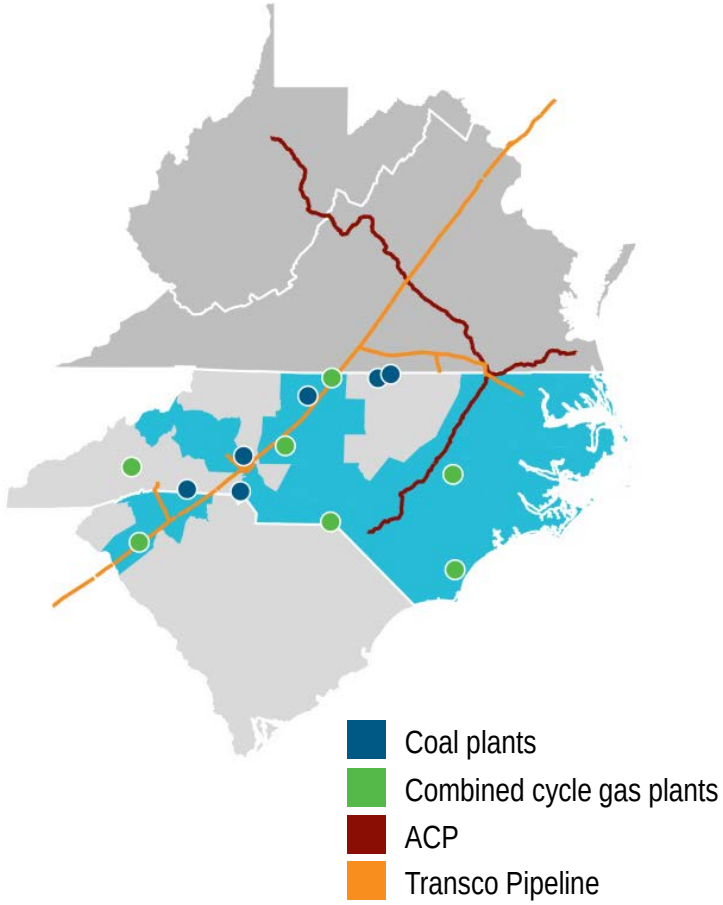
Map credit: SNL

(1) As of Oct. 31, 2016

(2) Piedmont CAGR: 1.5%, Midwest LDC CAGR: 0.5%

ATLANTIC COAST PIPELINE TO BRING SIGNIFICANT GAS SUPPLY TO UNDERSERVED EASTERN CAROLINAS

- Additional power generation potential
- LDC expansion for Piedmont Natural Gas



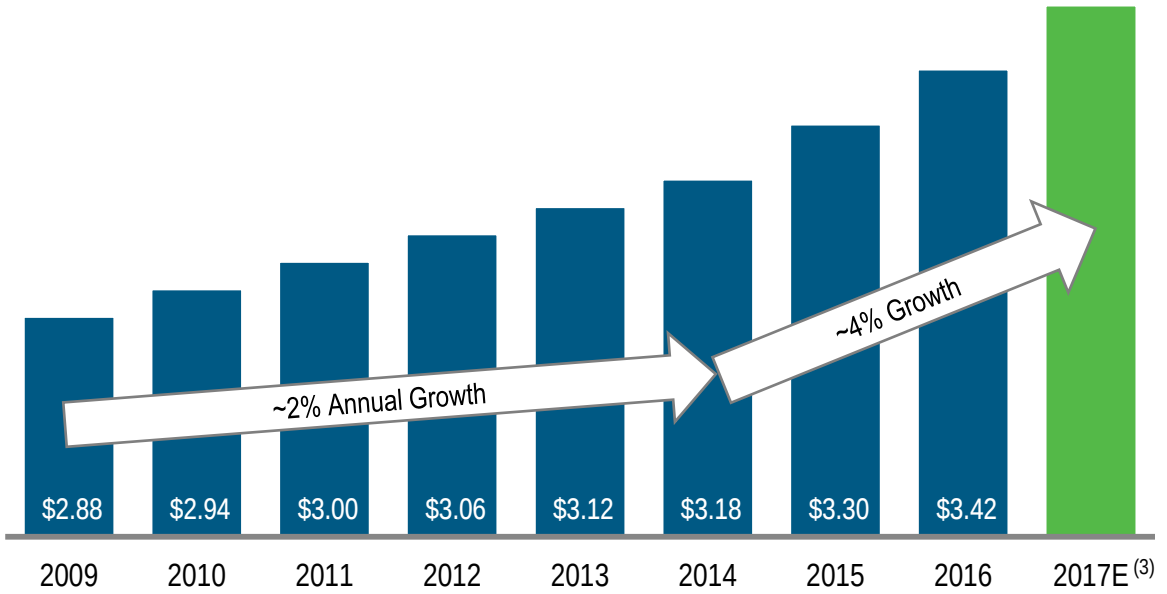
91 years of consecutive quarterly cash dividends paid

70 - 75%
EXPECTED PAYOUT RATIO THROUGH 2021(1)

4 - 6%
ANNUAL DIVIDEND GROWTH

~75%
OF TSR ACHIEVED THROUGH DIVIDEND REINVESTMENT OVER LAST 20 YEARS

DUK ANNUALIZED DIVIDEND PER SHARE(2)



(1) Based on adjusted diluted EPS; as originally discussed on the Fourth Quarter 2016 Earnings Review and Business Update on Feb. 16, 2017
(2) Reflects annualized Q4 dividend per share for each year and have been adjusted for the 1-for-3 reverse stock split
(3) Subject to approval by the Board of Directors.

Our investor proposition

DUK
LISTED
NYSE

A SOLID LONG-TERM HOLDING

4.1%
DIVIDEND YIELD(1) WITH DIVIDEND GROWTH COMMITMENT(2)

~8-10%
ATTRACTIVE RISK-ADJUSTED TOTAL SHAREHOLDER RETURN(3)

4-6%
HIGHLY ACHIEVABLE EPS GROWTH THROUGH 2021(4)

SUPPORTED BY THE STRENGTH OF OUR BALANCE SHEET

(1) As of May 18, 2017
(2) 4-6% dividend growth subject to approval by the Board of Directors
(3) Total shareholder return proposition at a constant P/E ratio
(4) Based upon the midpoint of the 2017 adjusted diluted EPS guidance range of $4.50-$4.70 per share most recently affirmed in the First Quarter 2017 Earnings Review and Business Update on May 9, 2017



For additional information on Duke Energy, please visit: www.duke-energy.com/investors

Safe Harbor statement

Safe Harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: state, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements or climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; the extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; the ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through the regulatory process; the costs of decommissioning Crystal River Unit 3 and other nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; costs and effects of legal and administrative proceedings, settlements, investigations and claims; industrial, commercial and residential growth or decline in service territories or customer bases resulting from variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, including self-generation and distributed generation technologies; federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy's service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; advancements in technology; additional competition in electric and gas markets and continued industry consolidation; the influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; the ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; the ability to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business; operational interruptions to our gas distribution and transmission activities; the availability of adequate interstate pipeline transportation capacity and natural gas supply; the impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, and other catastrophic events such as fires, explosions, pandemic health events or other similar occurrences; the inherent risks associated with the operation and potential construction of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third party service providers; the timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; the results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations and general economic conditions; the credit ratings may be different from what the company and its subsidiaries expect; declines in the market prices of equity and fixed income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans, and nuclear decommissioning trust funds; construction and development risks associated with the completion of Duke Energy and its subsidiaries' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules, and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner or at all; changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; the ability to control operation and maintenance costs; the level of creditworthiness of counterparties to transactions; employee workforce factors, including the potential inability to attract and retain key personnel; the ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); the performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; substantial revision to the U.S. tax code, such as changes to the corporate tax rate or a material change in the deductibility of interest; the impact of potential goodwill impairments; the ability to successfully complete future merger, acquisition or divestiture plans; and the ability to successfully integrate the natural gas businesses following the acquisition of Piedmont Natural Gas Company, Inc. and realize anticipated benefits.

Additional risks and uncertainties are identified and discussed in Duke Energy's and its subsidiaries' reports filed with the SEC and available at the SEC's website at www.sec.gov. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made; Duke Energy expressly disclaims an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Duke Energy Corporation
Non-GAAP Reconciliations
Spring 2017 Retail Investor Presentation
May 19, 2017

Adjusted Diluted EPS Outlook

The materials for Duke Energy Corporation's (Duke Energy) Spring 2017 Retail Investor Presentation on May 19, 2017, include a reference to the forecasted 2017 adjusted diluted EPS outlook range of $4.50 - $4.70 per share. The materials also reference the long-term range of annual growth of 4% - 6% through 2021 in adjusted diluted EPS (on a compound annual growth rate (CAGR) basis). Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations attributable to Duke Energy Corporation shareholders, adjusted for the per-share impact of special items. Special items represent certain charges and credits which Management believes are not indicative of Duke Energy's ongoing performance. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations attributable to Duke Energy Corporation common shareholders. 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.

Business Mix Percentages

The materials for Duke Energy's Spring 2017 Retail Investor Presentation on May 19, 2017 reference each segment's 2017 projected adjusted segment income as a percentage of the total 2017 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's segments are comprised of Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables.

Adjusted segment income is a non-GAAP financial measure as it represents reported segment income adjusted for the per-share impact of special items. Special items represent certain charges and credits which Management believes are not indicative of Duke Energy's ongoing performance. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations attributable to Duke Energy Corporation common shareholders. Due to the forward-looking nature of any forecasted adjusted segment income and any related growth rates for future periods, information to reconcile this non-GAAP financial measure 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 Diluted EPS Outlook).

Dividend Payout Ratio

The materials for Duke Energy's Spring 2017 Retail Investor Presentation on May 19, 2017 include discussion of Duke Energy's forecasted dividend payout ratio of 70% - 75% through 2021 based upon adjusted diluted EPS. This payout ratio is a non-GAAP financial measure as it is based upon forecasted diluted EPS from continuing operations attributable to Duke Energy Corporation shareholders, adjusted for the per-share impact of special items. Special items represent certain charges and credits which Management believes are not indicative of Duke Energy's ongoing performance. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations attributable to Duke Energy Corporation common shareholders. 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 Diluted EPS Outlook.