FIRST QUARTER EARNINGS REVIEW AND BUSINESS UPDATE

MAY 10, 2018

PRESENTED BY:
LYNN GOOD | CHAIRMAN, PRESIDENT AND CEO
STEVE YOUNG | EXECUTIVE VP AND CFO

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 in the Appendix herein 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/.

Topics for today's call

BUILDING A SMARTER ENERGY FUTURE℠

BUSINESS UPDATE

Lynn Good, Chairman, President & CEO

- First quarter 2018 financial and operational highlights
- Update on key regulatory activity
- Progress on strategic investments

FINANCIAL UPDATE

Steve Young, Executive VP & CFO

- First quarter 2018 earnings drivers
- Economic conditions and load growth trends
- Status of tax reform proceedings in the utilities
- Update on financing plan
- Key investor considerations

First quarter 2018 update

$0.88

REPORTED DILUTED EPS
FOR 1Q 2018
COMPARED TO
$1.02 IN 1Q 2017

$1.28

ADJUSTED DILUTED EPS
FOR 1Q 2018
COMPARED TO
$1.04 IN 1Q 2017

ON TRACK

TO ACHIEVE 2018 EPS
GUIDANCE RANGE
OF $4.55 - $4.85 AND LONG-
TERM GROWTH OBJECTIVES[1]

FINANCIAL HIGHLIGHTS

- **Ongoing investments and regulatory activity driving strong growth in the electric and gas utilities**
- **Solid customer and volume growth across the jurisdictions**
- **Equity offering completed March 9**
- **S&P affirmed credit ratings with stable outlook**

OPERATIONAL HIGHLIGHTS

- **EEI names Duke Energy top safety performer for third year in a row**
- **EEI honors Duke Energy for promoting renewable energy**
- **Forbes names Duke Energy one of America's Top Employers**

(1) Based on adjusted diluted EPS

Update on our regulatory activity

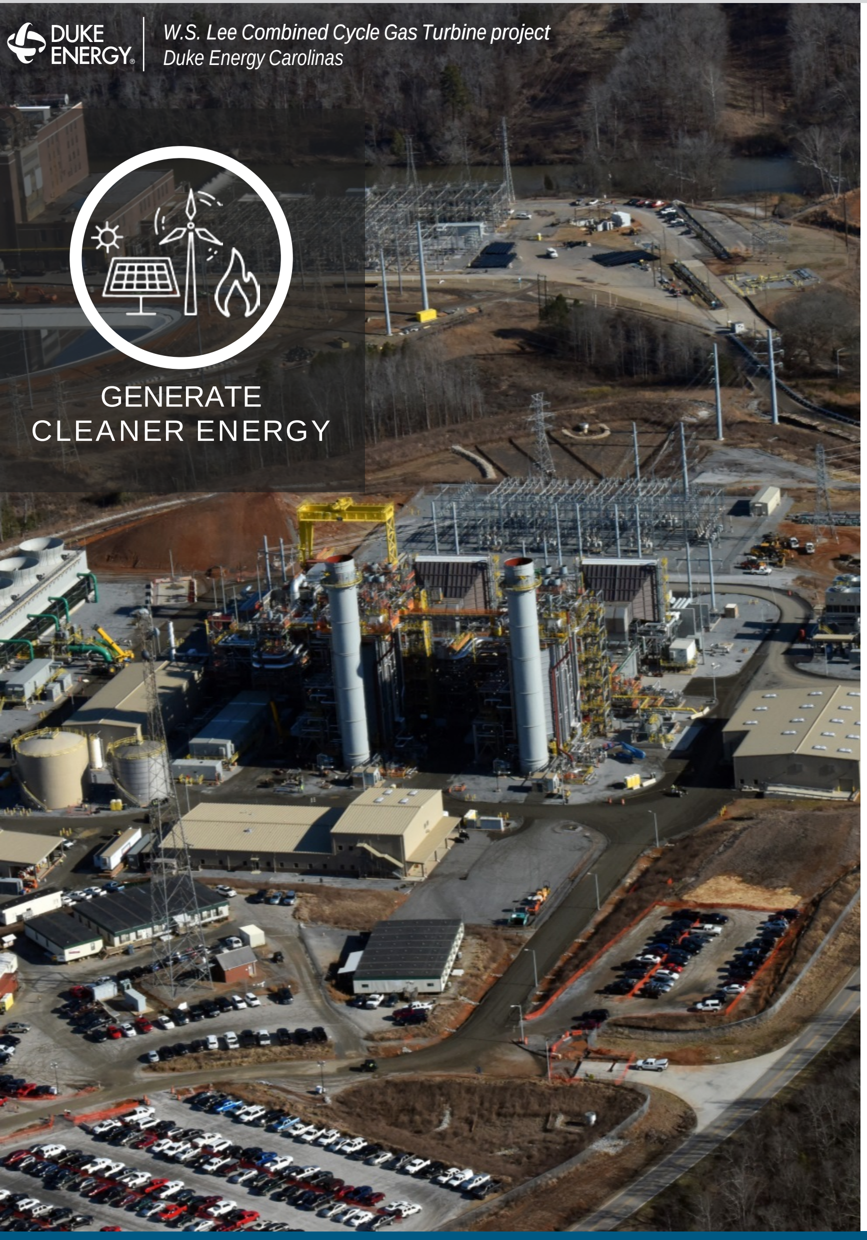
DUKE ENERGY

		STATUS UPDATE	KEY CONSIDERATIONS
	DUKE ENERGY PROGRESS NORTH CAROLINA	✓ Rate case order received Feb. 23 ✓ New rates effective March 16	• Partial settlement approved without modification • Including 9.9% ROE on 52% equity • Deferred coal ash costs amortized over 5 years, with full debt and equity return • Ongoing coal ash costs deferred with a full return(1) for consideration in future rate case
	DUKE ENERGY CAROLINAS NORTH CAROLINA	• Partial settlement filed Feb. 28(2) • Filed post-hearing brief April 27 • Expecting Commission decision late May/early June • Expecting new rates effective in June	• Partial settlement includes same ROE and capital structure as DEP-NC • Proposed modified Grid Reliability and Resiliency Rider • Proposed treatment of tax reform
	DUKE ENERGY OHIO (ELECTRIC)	• Combined electric distribution and ESP settlement filed April 13(3) • Requested new rates effective June 1	• Extends term through 2025, including Rider DCI • Escalating annual revenue caps through term • New PowerForward Rider
	DUKE ENERGY KENTUCKY (ELECTRIC)	✓ Rate case order received April 13 ✓ New rates effective May 1	• Approves Rider Environmental Surcharge Mechanism (ESM)

Constructive regulatory outcomes across our jurisdictions

(1) For GAAP purposes only recognize debt return during deferral period. Equity return recognized as customers are billed in the future
(2) Settlement is subject to the review and approval of the NCUC
(3) Settlement is subject to the review and approval of the PUCO

Advancing our efforts to generate cleaner energy



ELECTRIC UTILITIES & INFRASTRUCTURE

- W.S. Lee CCGT in service April 5 (DEC)
- Citrus County CCGT on track for 2018 CODs (DEF)
  - Filed for $200 million revenue increase under GBRA
- Western Carolinas Modernization Project on track for 2019 COD (DEP)

COMMERCIAL RENEWABLES

- 25 MW Shoreham solar (NY) COD expected Q2 – including tax equity financing

SUSTAINABILITY AND CLIMATE REPORTS RELEASED

- Climate report released March 22
  - 40% carbon reduction by 2030 is consistent with 2-degree scenario analysis
- Sustainability report released April 30

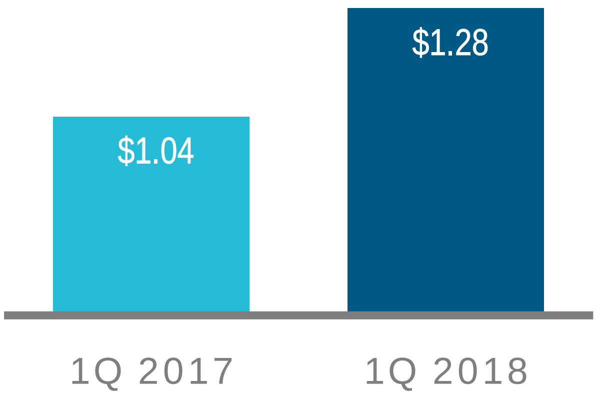
Making progress on our natural gas infrastructure investments

GAS UTILITIES & INFRASTRUCTURE

- Atlantic Coast Pipeline (ACP)
  - Completed 200 miles of tree felling through March
  - Construction on compressor stations in W.Va. and N.C. underway
  - Requested FERC approval for full construction on mainline in W.Va.
  - Awaiting Erosion and Sedimentation plan approval in Va.
  - Q4 2019 in service expected
- Sabal Trail
  - FERC certificate re-issued
  - Lateral to Citrus County CCGT in service
- Due to negotiated, long-term rate contracts, no significant impact to midstream pipeline projects from FERC NOPR related to income taxes

1Q 2018 adjusted diluted EPS summary and primary drivers

ADJUSTED DILUTED EARNINGS PER SHARE



ON TRACK

TO ACHIEVE 2018 EPS GUIDANCE RANGE OF $4.55 - $4.85 (2)

SEGMENT RESULTS VS. PRIOR YEAR QUARTER (1)

Electric Utilities & Infrastructure, +$181 M (+$0.26 per share)

- ▲ Return to normal weather (+$0.16)
- ▲ Higher retail revenues from increased volumes and pricing and riders due to increased investments
- ▲ Lower O&M due to timing of spend and lower storm expense
- ▲ Lower income tax expense, including impacts of the Tax Act
- ▼ Higher depreciation and amortization

Gas Utilities & Infrastructure, +$25 M (+$0.03 per share)

- ▲ Customer growth and increased investments

Commercial Renewables, -$5 M (-$0.01 per share)

- ▼ Lower wind resource in the current year

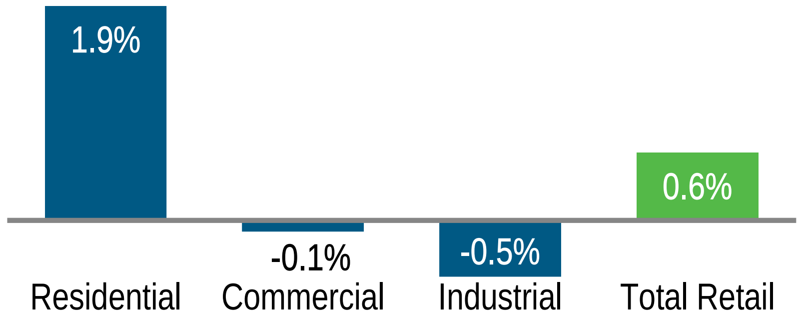
Other, -$28 M (-$0.04 per share)

- ▼ Higher interest expense
- ▼ Higher income tax expense, including impacts of the Tax Act

(1) Detailed drivers of adjusted segment income (expense) are available in the 1Q 2018 earnings release located on our Investor Relations website at www.duke-energy.com/investors/
(2) Based on adjusted diluted EPS

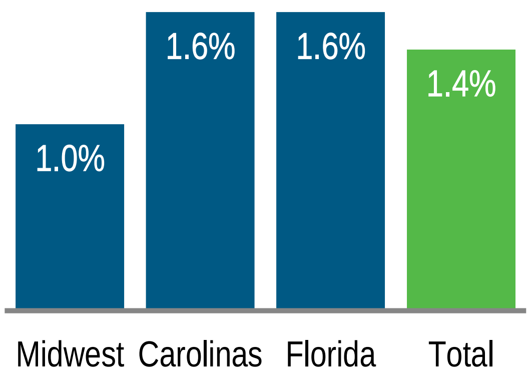
Customer growth and weather-normal electric volume trends

Rolling 12-Month Retail Electric Volume Growth

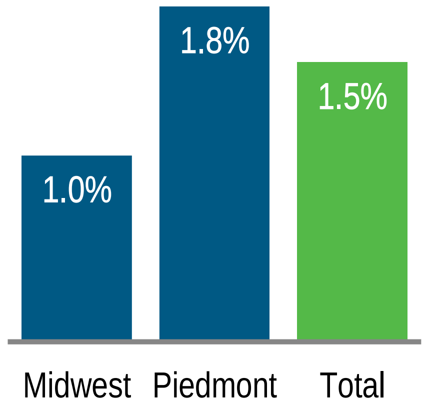


Annual Growth in Number of Residential Customers

Electric Utilities



Gas Utilities



RESIDENTIAL

- Continued population migration into the Southeast drives volume growth for electric and gas utilities
  - Positive electric usage per customer in the quarter
- Housing permits and starts continue to strengthen, especially in the single-family category

COMMERCIAL

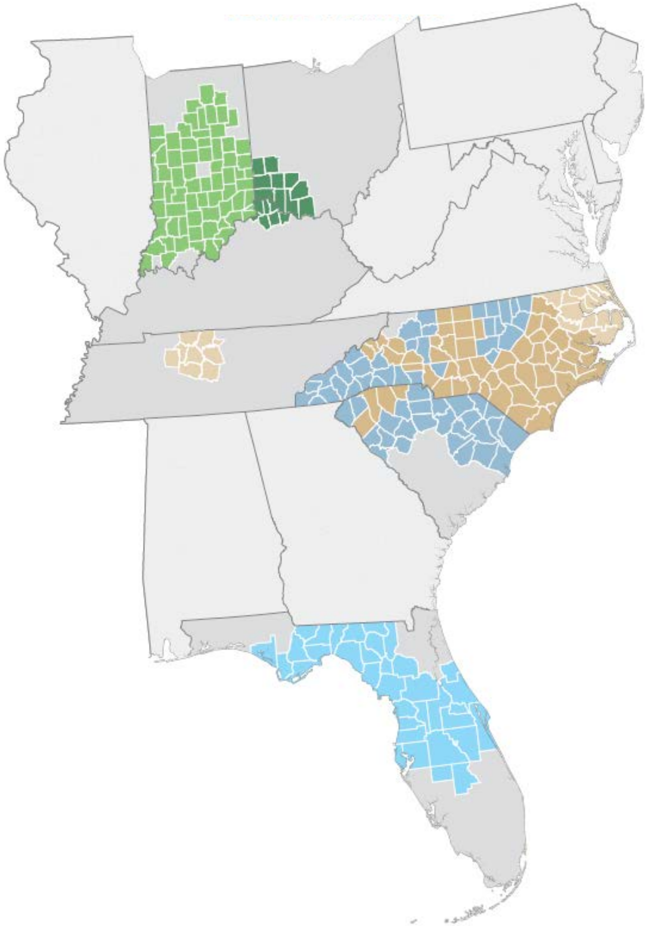
- Continued weakness in big box retail stores offset by strength in leisure and hospitality
- Small business confidence remains among the highest levels this business cycle

INDUSTRIAL

- Results impacted by production declines and temporary outage activities, partially offset by industries supporting sales to consumers
- Leading indicators remain at levels consistent with 3%+ GDP growth

Tax reform dockets proceeding across our state jurisdictions

ELECTRIC & GAS UTILITIES SERVICE TERRITORIES



MIDWEST

Indiana (Electric)	✓	Riders incorporate lower tax rate as they are filed
	•	Remaining impacts to be determined in generic docket
Ohio (Electric & Gas)	✓	Riders incorporate lower tax rate as they are filed
	•	Remaining impacts to be determined in generic docket
Kentucky (Electric & Gas)	✓	Electric resolved in rate case order April 13
	•	Gas to be determined in separate docket

SOUTHEAST

North Carolina (Electric & Gas)	✓	Riders incorporate lower tax rate as they are filed
	•	DEC proposed solution to partially offset tax reform benefits with accelerated cost recovery
	•	DEP and Piedmont proposed deferring remaining impacts until next rate case
South Carolina (Electric & Gas)	•	S.C. utilities to address in next rate case (electric) or RSA filing (gas) per Commission order
Florida (Electric)	✓	Utilizing tax change to recover Hurricane Irma costs, replenish storm reserve and accelerate depreciation of coal plants
Tennessee (Gas)	✓	Riders incorporate lower tax rate as they are filed
	•	Proposed deferring remaining impacts until next rate case

Targeting solutions that provide customer benefits, smooth rate volatility and support credit quality of the utility

Committed to the strength of the balance sheet

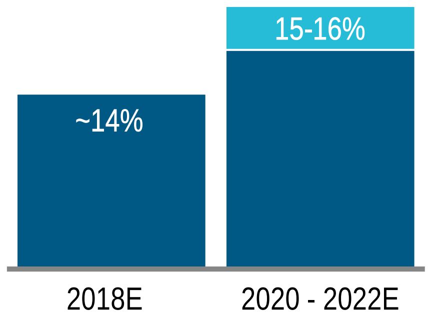
EQUITY FINANCING PLAN ON TRACK…

- $2 billion equity issuance target in 2018
  - $1.6 billion equity offering completed March 9 with forwards to be unwound in 2018, timed to cash needs
  - $50 million issued through DRIP in Q1
  - Remaining $350 million to be issued in 2018 via DRIP/ATM
- Continuing $350 million DRIP/ATM equity per year 2019-2022

PRIMARY CREDIT METRICS

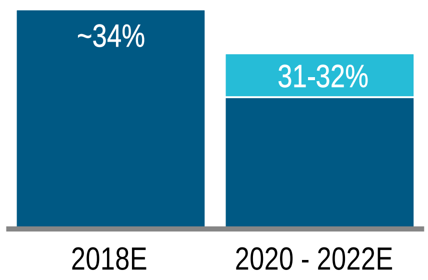
FFO/DEBT

Target: 15 - 16%



HOLDCO DEBT %

Target: Low 30%'s



…WITH ADDITIONAL SUPPORT FOR CASH FLOW AND CREDIT PROFILE

- Coal ash recovery at DEP-NC/SC and wholesale
- $1.1 billion refundable AMT credits provide FFO
  - 75% refunded in the first two years (2019 and 2020)
- Flexible capital plan with active regulatory calendar

RECENT RATING AGENCY COMMENTARY

- In March, S&P affirmed Duke Energy Corporation's current ratings and stable outlook
  - Equity financing plan and coal ash recovery in N.C. noted as credit positive

No additional equity needs expected beyond the $350 million annual DRIP/ATM programs

(1) *For a complete description of the FFO/Debt calculation see the Non-GAAP Reconciliation*

Reaffirming long-term earnings growth guidance

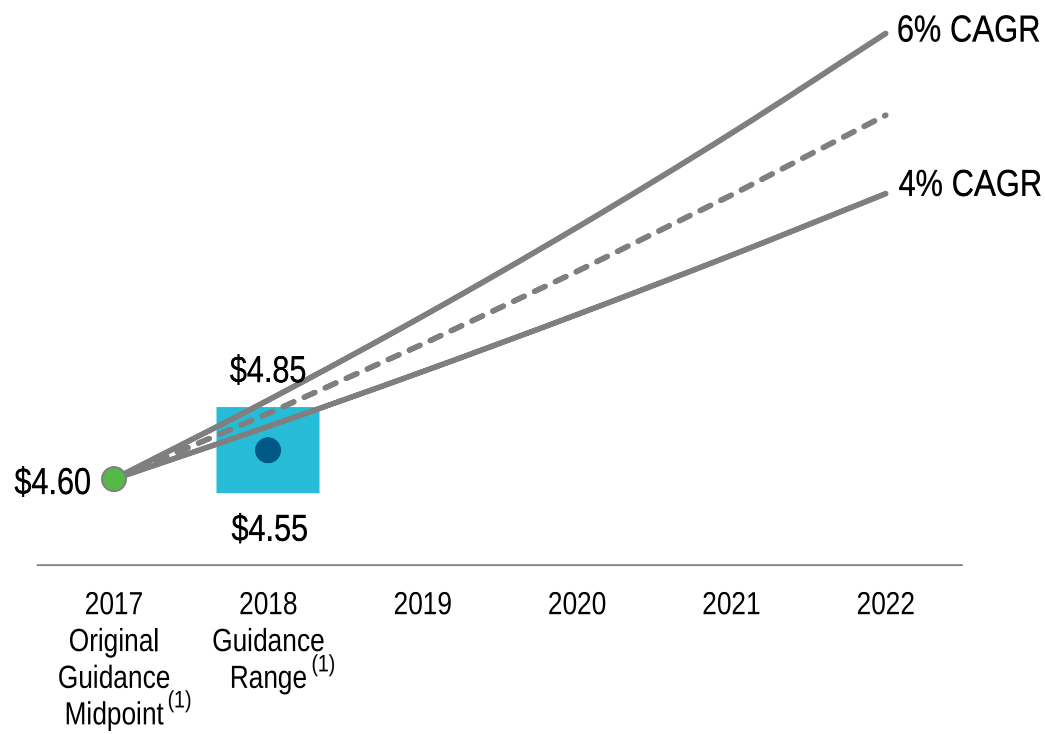
2019

EXPECT LOW END
OF THE GROWTH CAGR
RANGE OFF OF $4.60

2020 AND BEYOND

EXPECT MID TO HIGH END
OF THE GROWTH CAGR
RANGE OFF OF $4.60

REAFFIRMING LONG TERM GROWTH CAGR OF 4-6%THROUGH 2022 OFF OF MIDPOINT OF ORIGINAL 2017 GUIDANCE RANGE ($4.60)



(1) *Based on adjusted diluted EPS*

Our investor value proposition

DUK LISTED NYSE

A SOLID LONG-TERM HOLDING

4.6%

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

~8-10%

ATTRACTIVE RISK-ADJUSTED TOTAL SHAREHOLDER RETURN(3)

4-6%

HIGHLY ACHIEVABLE EPS GROWTH THROUGH 2022(4)

SUPPORTED BY THE STRENGTH OF OUR BALANCE SHEET

(1) As of May 8, 2018
(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 on adjusted diluted EPS off the midpoint of the original 2017 guidance range of $4.50-$4.70

Appendix materials

Update on key 2018 assumptions

Key 2018 adjusted earnings guidance assumptions

($ in millions)	Original 2018 Assumptions [1]	2018 YTD (thru 3/31/2018)
Adjusted segment income/(expense) [2]:		
Electric Utilities & Infrastructure	$3,304	$816
Gas Utilities & Infrastructure	$319	$158
Commercial Renewables	$117	$20
Other	($383)	($95)
Duke Energy Consolidated	$3,357	$899
Additional consolidated information:		
Interest expense	$2,067	$515
Adjusted effective tax rate	15-16%	15.7%
Debt AFUDC and capitalized interest	$152	$39
AFUDC equity	$220	$55
Capital expenditures [3][4]	$10,950	$2,272
Weighted-average shares outstanding	~714 million	~701 million

(1) Full year amounts for 2018, as disclosed on Feb. 20, 2018
(2) Adjusted net income for 2018 assumptions is based upon the midpoint of the adjusted diluted EPS guidance range of $4.55 to $4.85
(3) Includes debt AFUDC and capitalized interest
(4) 2018 YTD (thru 3/31/2018) includes ~$110 million of coal ash closure spend. 2018 assumptions include ~$700 million of projected coal ash closure spend

Key 2018 earnings sensitivities

Driver		EPS Impact
Electric Utilities & Infrastructure	1% change in earned return on equity	+/- $0.45
	$1 billion change in rate base	+/- $0.07
	1% change in Electric Utilities volumes	+/- $0.12
Gas Utilities & Infrastructure	1% change in earned return on equity	+/- $0.05
	$200 million change in rate base	+/- $0.01
	1% change in number of new customers	+/- $0.01
Consolidated	1% change in interest rates[1]	+/- $0.07

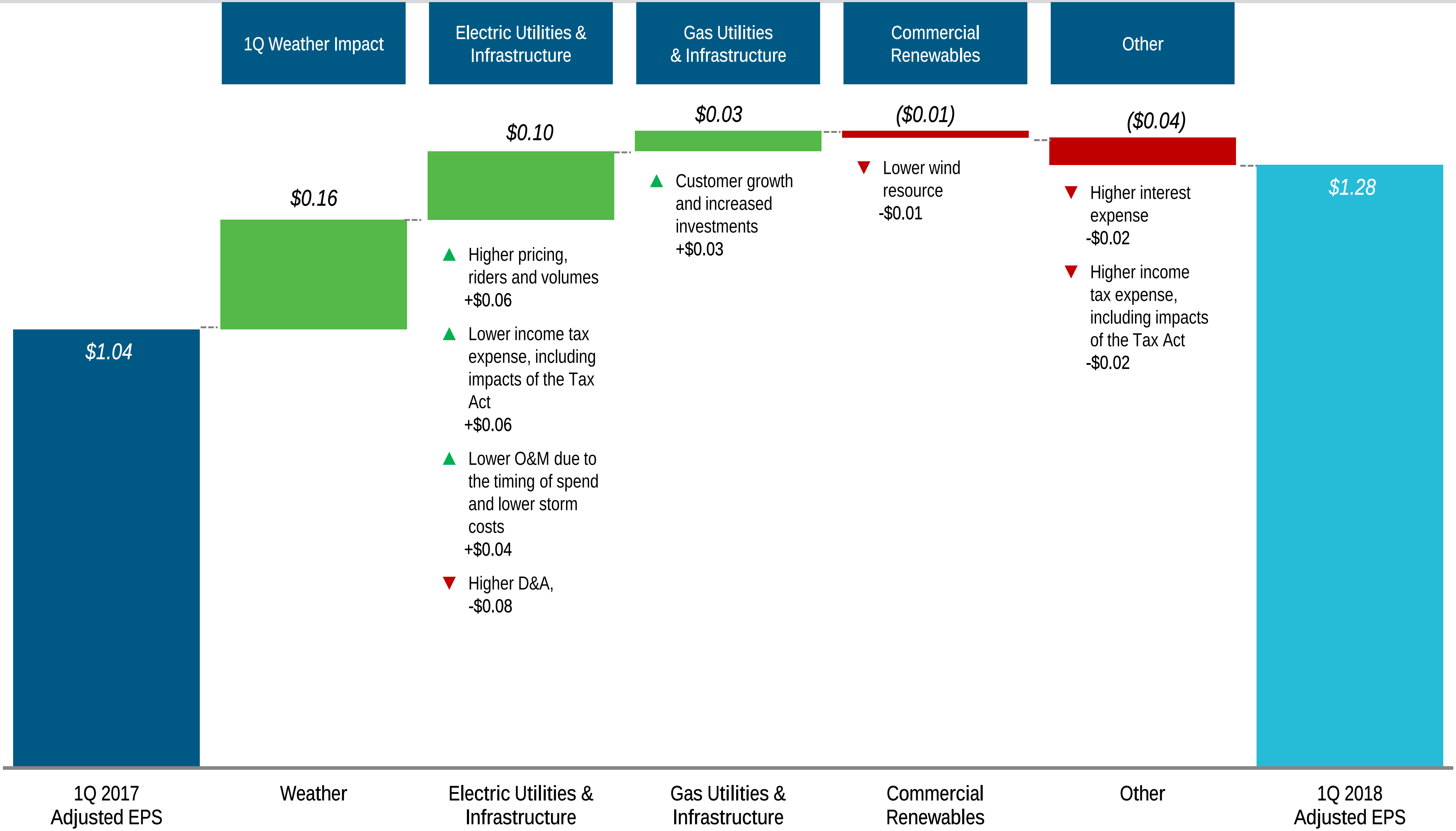
Note: EPS amounts based on forecasted 2018 share count of ~714 million shares

(1) *Based on average variable-rate debt outstanding throughout the year*

1Q 2018 supplemental data

1Q 2017 - 1Q 2018 adjusted diluted EPS waterfall

DUKE ENERGY®



Electric utilities quarterly weather impacts

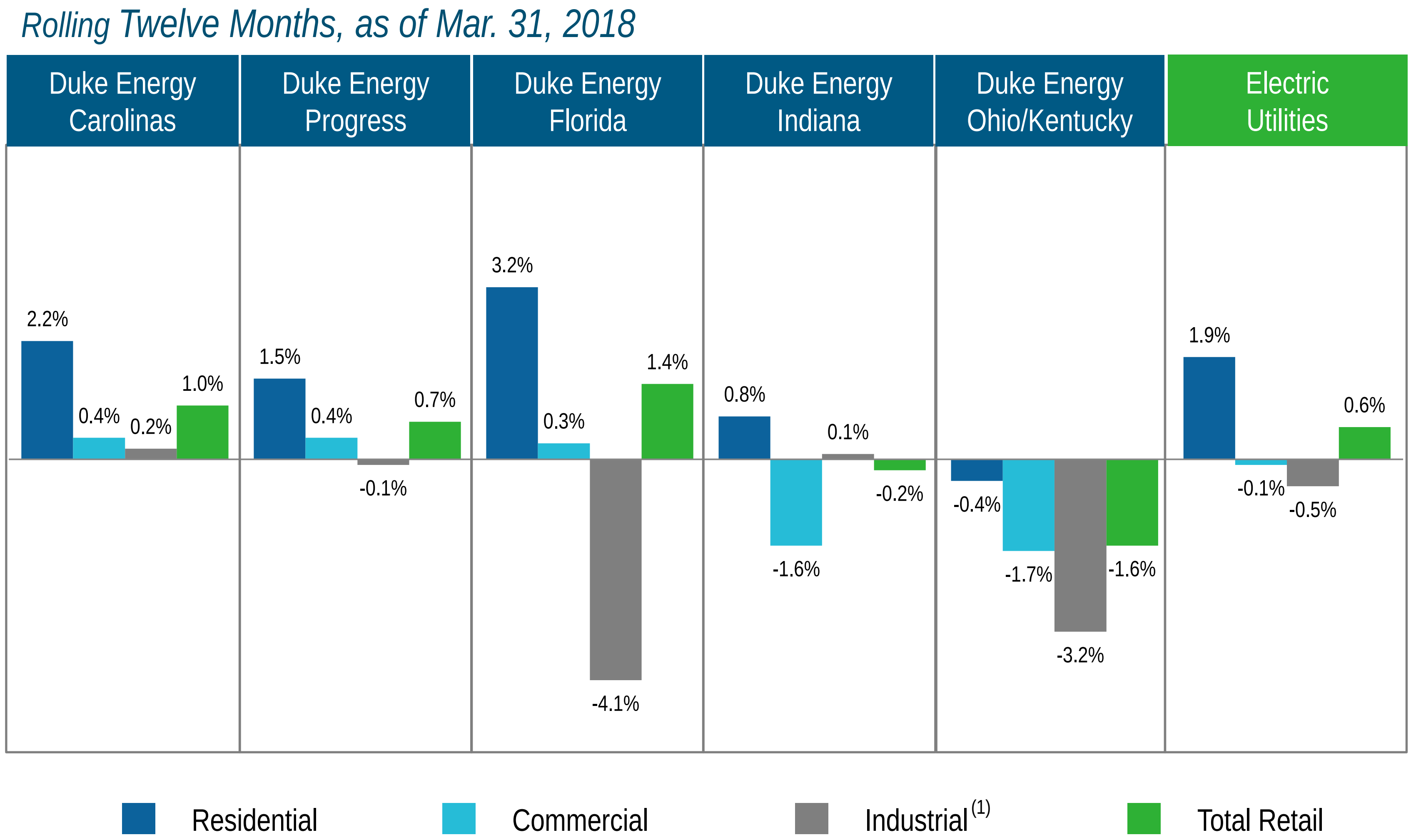
Weather segment income to normal:	2018			2017		
	Pretax impact	Weighted avg. diluted shares	EPS impact – favorable / (unfavorable)	Pretax impact	Weighted avg. shares	EPS impact – favorable / (unfavorable)
First Quarter	$13	701	$0.01	($175)	700	($0.15)
Second Quarter				($5)	700	($0.01)
Third Quarter				$20(1)	700	$0.02
Fourth Quarter				$20	700	$0.02
Year-to-Date(2)	$13	701	$0.01	($140)	700	($0.12)

1Q 2018	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,721	(1.3%)	1,614	(0.1%)	383	1.1%	2,831	2.4%	2,569	2.6%
Cooling degree days / Variance from normal	10	56.4%	23	139.2%	264	42.7%	4	22.1%	4	(0.1%)

1Q 2017	Duke Energy Carolinas		Duke Energy Progress		Duke Energy Florida		Duke Energy Indiana		Duke Energy Ohio/KY	
Heating degree days / Variance from normal	1,291	(26.2%)	1,203	(25.6%)	176	(53.6%)	2,208	(20.1%)	2,044	(20.7%)
Cooling degree days / Variance from normal	10	66.7%	10	11.1%	273	49.2%	--	(100.0%)	1	(75.0%)

(1) Includes an unfavorable ~$20 million or $0.02/share impact from Hurricane Irma.
(2) Year-to-date amounts may not foot due to differences in weighted-average shares outstanding and/or rounding.

Weather normalized volume trends, by electric jurisdiction



(1) Electric Utilities industrial results impacted by production declines at a couple of large customers, temporary outage activities and some large phosphate customers at Duke Energy Florida who have been impacted by mine closures in the face of weakness in the agriculture industry

Tax reform summary

Tax reform: regulatory activity and timeline

Riders in all jurisdictions include the lower federal income tax rate as they are updated/filed

	Status	Proposed/Approved Treatment of:		Amortization period for Unprotected EDIT	Docket
		Lower tax rate	EDIT		
FL	✓	Received Commission approval to utilize tax change to recover Hurricane Irma costs, replenish storm reserve and accelerate depreciation of coal plants		5 or 10 years, based on final approved amount	20180047-EI
NC (DEC)	Decision expected late May/early June	Proposed resolving in current rate case; Proposed offsetting revenue reduction with accelerated cost recovery		Proposed PP&E-related over 20 years, rest over 5 years	E-7, Sub 1146 M-100, Sub 148
NC (DEP)	To be determined in generic docket	Proposed addressing in next rate case or decrement rider in generic docket; Proposed offsetting revenue reduction with accelerated cost recovery		Proposed PP&E-related over 20 years, rest over 5 years	M-100, Sub 148
NC (gas)	To be determined in generic docket	Proposed addressing in next rate case		To be determined	M-100, Sub 148
SC (all)	Commission order April 23	To be addressed in next rate case or other proceeding (electric utilities) or RSA filing (gas utilities) per Commission order		To be determined	2017-381-A
IN	To be determined in generic docket	Proposed updating base rates effective Sep. 2019 to coincide with expected rate increase for coal ash recovery through ECR rider (approximately half of the impact for DEI incorporated through riders)	Proposed deferring until next rate case	Proposed 26 years	45032 S2
OH (all)	To be determined in generic docket	To be determined through generic docket (for DEO-electric, substantially all impact incorporated through riders)	To be determined through generic docket	To be determined	18-47-AU-COI
KY (elec)	✓	Incorporated into rate case order received April 13		10 years per rate order	2017-321
KY (gas)	Settlement with KIUC filed March 2	Settlement includes no adjustment as DEK is under-earning	Settlement includes refunding through a new rider until next base rate case	15 years per settlement	2018-36
TN	To be determined in generic docket	Proposed addressing in next rate case		To be determined	18-00040

Financial supplement

FFO/DEBT CALCULATION[1]

FFO (numerator)

Net cash provided by operating activities (GAAP)

(+/-) Changes in working capital

(-) Capitalized interest

(+) Coal ash ARO spend

(-) Crystal River 3 securitization

TOTAL DEBT (denominator)

Long-term debt balance

(+) Current maturities of long-term debt

(+) Notes payable and commercial paper outstanding

(-) Purchase accounting adjustments

(-) Crystal River 3 securitization

KEY ADJUSTMENTS

Coal ash ARO spend

- Treated as operating cash flow for GAAP, but deferred for future recovery for regulatory purposes
  - Akin to investing cash flow (Capital expenditure)

Crystal River 3 securitization

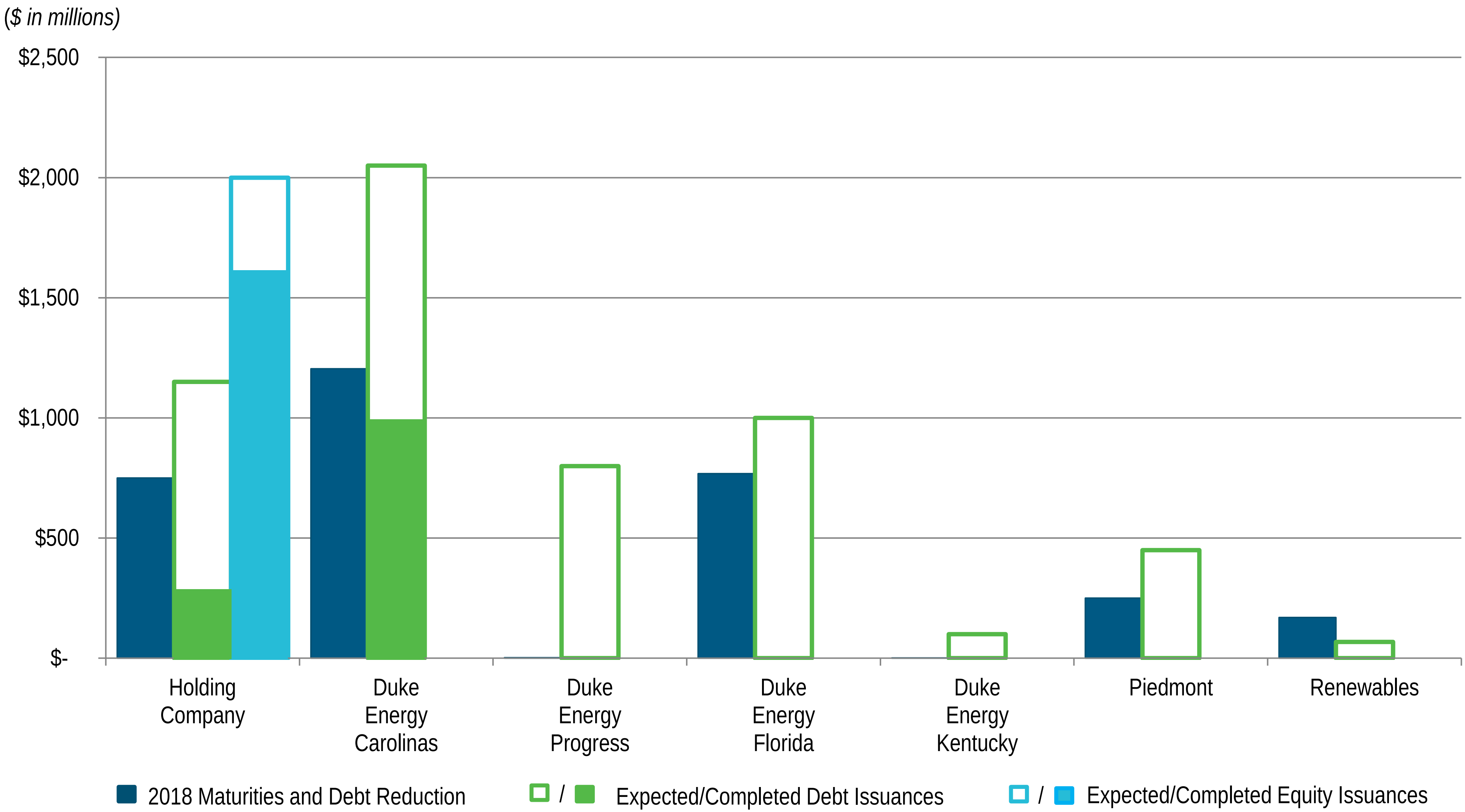
- Special purpose financing secured by charges on customer bills at Duke Energy Florida
- Adjusted from both FFO and Total Debt

Purchase accounting adjustments

- Result from prior mergers
- Not true cash liabilities of the company

(1) For a complete description of the FFO/Debt calculation see the Non-GAAP Reconciliation

2018 financing plan as of March 31, 2018 (1)(2)



(1) *Represents expected long-term debt and common equity capital raising during 2018*
(2) *There are no debt maturities or expected financings at Duke Energy Indiana or Duke Energy Ohio in 2018*

2018 long-term debt financing activity as of March 31, 2018

Amount ($ in millions)	Entity	Date Issued	Credit Ratings (M/S&P, unless otherwise noted)	Term	Type	Rate
$500	DE Carolinas	March 2018	Aa2/A	5-Year	First Mortgage Bond	Fixed – 3.05%
$500	DE Carolinas	March 2018	Aa2/A	30-Year	First Mortgage Bond	Fixed – 3.95%
$250	Holdco	March 2018	N/A[1]	7-Year	Senior Notes	Fixed – 3.95%

(1) Issuance privately placed

Liquidity summary as of March 31, 2018

($ in millions)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana	Duke Energy Ohio	Duke Energy Kentucky	Piedmont Natural Gas	Total
Master Credit Facility [1]	$ 2,650	$ 1,550	$ 1,250	$ 800	$ 600	$ 300	$ 150	$ 700	$ 8,000
Less: Notes payable and commercial paper [2]	(1,281)	(340)	(464)	-	(282)	(87)	(53)	(95)	(2,602)
Coal Ash Set-Aside	-	(250)	(250)	-	-	-	-	-	(500)
Outstanding letters of credit (LOCs)	(50)	(4)	(2)	(1)	-	-	-	(2)	(59)
Tax-exempt bonds	-	-	-	-	(81)	-	-	-	(81)
Available capacity	$ 1,319	$ 956	$ 534	$ 799	$ 237	$ 213	$ 97	$ 603	$ 4,758
Other Credit Facilities [3]	$ 1,000								$ 1,000
Less: Borrowings Under Credit Facilities	(500)								(500)
Available capacity	$ 500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500
Cash & short-term investments [4]									310
Total available liquidity									**$ 5,568**

(1) Master Credit Facility supports tax-exempt put bonds, LOCs and the Duke Energy commercial paper program of $4.85 billion
(2) Includes permanent layer of commercial paper of $625 million, which is classified as long-term debt
(3) Duke Energy's 3-year funded revolver of $1 billion
(4) Represents cash available to meet funding needs

Other information

Upcoming events

Event	Date
2018 AGA Financial Forum	May 20-21, 2018
2Q 2018 earnings call (tentative)	August 2, 2018
3Q 2018 earnings call (tentative)	November 2, 2018

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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, including those related to 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 rate case proceedings and 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 sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as 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 natural 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 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, compliance with debt covenants and conditions and general market and 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 implement our business strategy.

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.

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

Duke Energy Corporation
Non-GAAP Reconciliations
First Quarter Earnings Review & Business Update
May 10, 2018

Adjusted Diluted Earnings per Share (EPS)

The materials for Duke Energy Corporation's (Duke Energy) First Quarter Earnings Review and Business Update on May 10, 2018, include a discussion of adjusted diluted EPS for the quarters ended March 31, 2018 and 2017.

The non-GAAP financial measure, adjusted diluted EPS, represents diluted EPS from continuing operations attributable to Duke Energy Corporation common stockholders, 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 diluted 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 (Board of Directors), employees, stockholders, analysts and investors. Adjusted diluted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS attributable to Duke Energy Corporation common stockholders. Reconciliations of adjusted diluted EPS for the quarters ended March 31, 2018 and 2017, to the most directly comparable GAAP measures are included herein.

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

- Costs to Achieve Piedmont Merger represent charges that result of the Piedmont acquisition.
- Regulatory Settlements represent costs related to rate case orders, settlements or other actions of regulators.
- Sale of Retired Plant represent costs associated with selling Beckjord, a nonregulated generation facility in Ohio.
- Impairment of Equity Method Investment represents an other-than-temporary impairment of an investment in Constitution Pipeline Company, LLC.
- Impacts of the Tax Act represents an alternative minimum tax valuation allowance recognized related to the Tax Act.

Adjusted Diluted EPS Guidance

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2018, include a reference to the original 2017 adjusted diluted EPS guidance range of $4.50 - $4.70 per share with a midpoint of $4.60 per share and the forecasted 2018 adjusted diluted EPS guidance range of $4.55 - $4.85 per share. The materials also reference the long-term range of annual growth of 4% - 6% through 2022 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 (as discussed above under Adjusted Diluted 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 10, 2018, include a discussion of adjusted segment income and adjusted other net expense for the quarter ended March 31, 2018 and a discussion of forecasted adjusted segment income and forecasted adjusted net expense.

Adjusted segment income and adjusted other net expense are non-GAAP financial measures, as they represent reported segment income and other net expense adjusted for special items (as discussed above under Adjusted Diluted 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 an EPS amount is provided for a segment income driver, the per share impact is derived by taking the pretax amount of the item less income taxes based on the prior year consolidated statutory tax rate of 38 percent, except for Duke Energy Renewables, which uses an effective tax rate, divided by the Duke Energy weighted-average diluted shares outstanding for the period. Prior year consolidated statutory tax rate was used for comparability across periods presented, rather than the current year consolidated statutory tax rate which has reduced substantially as a result of the Tax Act. The most directly comparable GAAP measures for adjusted segment income and adjusted other net expense are reported segment income and other net expense, which represents segment income and other net expense from continuing operations, including any special items. A reconciliation of adjusted segment income and adjusted other net expense for the quarter ended March 31, 2018, 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 expense 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 Diluted EPS Guidance.

Adjusted Effective Tax Rate (ETR)

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2018 include a discussion of the adjusted ETR for the quarter ended March 31, 2018. The materials also include a discussion of the 2018 forecasted adjusted ETR. Adjusted ETR is a non-GAAP financial measure as the rate is calculated using a pretax earnings and income tax expense, both adjusted for the impact of special items, as discussed above under Adjusted Diluted EPS. The most directly comparable GAAP measure for adjusted ETR is reported effective tax rate. A reconciliation of the adjusted ETR for the quarter ended March 31, 2018 to the most directly comparable GAAP measure is included herein. Due to the forward-looking nature of the 2018 forecasted adjusted ETR, 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 Guidance.

Funds From Operations ("FFO") Ratios

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2018 include a reference to expected FFO to Total Debt ratios. These ratios reflect 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 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 and long-term debt associated with the CR3 Securitization), including current maturities, plus notes payable and commercial paper outstanding.

Holdco Debt Percentage

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2018 include a reference to a projected Holdco debt percentage. This percentage reflects a non-GAAP financial measure. The numerator of the Holdco debt percentage is the balance of Duke Energy Corporate debt, Progress Energy, Inc. debt, PremierNotes and the Commercial Paper attributed to the Holding Company. The denominator for the percentage is the balance of long-term debt (excluding purchase accounting adjustments and long-term debt associated with the CR3 Securitization), including current maturities, plus notes payable and commercial paper outstanding.

Available Liquidity

The materials for Duke Energy's First Quarter Earnings Review and Business Update on May 10, 2018 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 amounts unavailable for operations, and remaining availability under the master credit and other facilities. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents. A reconciliation of available liquidity as of March 31, 2018 to the most directly comparable GAAP measure is included herein.

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2018
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Items					Total Adjustments	Adjusted Earnings
		Costs to Achieve Piedmont Merger	Regulatory Settlements	Sale of Retired Plant	Impairment of Equity Method Investment	Impacts of the Tax Act		
SEGMENT INCOME								
Electric Utilities and Infrastructure	**$ 750**	$ —	$ 66 **B**	$ —	$ —	$ —	$ 66	$ 816
Gas Utilities and Infrastructure	**116**	—	—	—	42 **D**	—	42	158
Commercial Renewables	**20**	—	—	—	—	—	—	20
Total Reportable Segment Income	**886**	**—**	**66**	**—**	**42**	**—**	**108**	**994**
Other	**(266)**	13 **A**	—	82 **C**	—	76 **E**	171	(95)
Net Income Attributable to Duke Energy Corporation	**$ 620**	**$ 13**	**$ 66**	**$ 82**	**$ 42**	**$ 76**	**$ 279**	**$ 899**
EPS ATTRIBUTABLE TO DUKE ENERGY CORP, DILUTED	**$ 0.88**	**$ 0.02**	**$ 0.09**	**$ 0.12**	**$ 0.06**	**$ 0.11**	**$ 0.40**	**$ 1.28**

A - Net of $4 million tax benefit. $17 million recorded within Operating Expenses on the Condensed Consolidated Statements of Operations.

B - Net of $20 million tax benefit. $45 million recorded within Impairment Charges, $35 million within Operating Expenses and $6 million within Interest Expense on the Condensed Consolidated Statements of Operations.

C - Net of $25 million tax benefit. $107 million recorded within (Losses) Gains on Sales of Other Assets and Other, net on the Condensed Consolidated Statements of Operations.

D - Net of $13 million tax benefit. $55 million recorded within Other Income and Expenses on the Condensed Consolidated Statements of Operations.

E - $76 million AMT valuation allowance within Income Tax Expense from Continuing Operations on the Condensed Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) - 701 million

DUKE ENERGY CORPORATION
REPORTED TO ADJUSTED EARNINGS RECONCILIATION
Three Months Ended March 31, 2017
(Dollars in millions, except per-share amounts)

	Reported Earnings	Special Item: Costs to Achieve Piedmont Merger		Adjusted Earnings
SEGMENT INCOME				
Electric Utilities and Infrastructure	**$ 635**	$ —		$ 635
Gas Utilities and Infrastructure	**133**	—		133
Commercial Renewables	**25**	—		25
Total Reportable Segment Income	**793**	**—**		**793**
Other	**(77)**	10	**A**	(67)
Net Income Attributable to Duke Energy Corporation	**$ 716**	**$ 10**		**$ 726**
EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED	**$ 1.02**	**$ 0.02**		**$ 1.04**

A - Net of $6 million tax benefit. $15 million recorded within Operating Expenses and $1 million recorded within Interest Expense on the Condensed Consolidated Statements of Operations.

Weighted Average Shares, Diluted (reported and adjusted) - 700 million

DUKE ENERGY CORPORATION
ADJUSTED EFFECTIVE TAX RECONCILIATION
March 2018
(Dollars in millions)

	Three Months Ended March 31, 2018	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 803	
Costs to Achieve Piedmont Merger	17	
Regulatory Settlements	86	
Sale of Retired Plant	107	
Impairment of Equity Method Investment	55	
Impacts of the Tax Act	—	
Noncontrolling Interests	(2)	
Adjusted Pretax Income	$ 1,066	
Reported Income Tax Expense From Continuing Operations	$ 181	22.5%
Costs to Achieve Piedmont Merger	4	
Regulatory Settlements	20	
Sale of Retired Plant	25	
Impairment of Equity Method Investment	13	
Impacts of the Tax Act	$ (76)	
Adjusted Tax Expense	$ 167	15.7% *

	Three Months Ended March 31, 2017	
	Balance	**Effective Tax Rate**
Reported Income From Continuing Operations Before Income Taxes	$ 1,061	
Costs to Achieve Piedmont Merger	16	
Noncontrolling Interests	(1)	
Adjusted Pretax Income	$ 1,076	
Reported Income Tax Expense From Continuing Operations	$ 344	32.4%
Costs to Achieve Piedmont Merger	6	
Adjusted Tax Expense	$ 350	32.5% *

*Adjusted effective tax rate is a non-GAAP financial measure as the rate is calculated using pretax earnings and income tax expense, both adjusted for the impact of special items. The most directly comparable GAAP measure for adjusted effective tax rate is reported effective tax rate, which includes the impact of special items.

Duke Energy Corporation
Available Liquidity Reconciliation
As of March 31, 2018
(In millions)

Cash and Cash Equivalents	$ 421	
Less: Certain Amounts Held in Foreign Jurisdictions	(6)	
Less: Unavailable Domestic Cash	(105)	
	310	
Plus: Remaining Availability under Master Credit Facilities and other facilities	5,258	
Total Available Liquidity (a)	$ 5,568	approximately 5.6 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. The most directly comparable GAAP financial measure for available liquidity is Cash and cash equivalents.

FFO to Debt Calculation
Duke Energy Corporation
(in millions)

	Years Ended December 31,	
	2017	2016
	Actual	Actual
Cash From Operations	$ 6,634	$ 6,817
Working capital adjustment (1)	740	(394)
Capitalized Interest	(128)	(100)
CR3 securitization adjustment	(53)	(35)
Other	20	19
Funds From Operations	7,213	6,307
ARO spend	571	608
ARO spend, net of tax at 38%	354	377
FFO exc. coal ash spend (net of tax)	**$ 7,567**	**$ 6,684**
Notes payable and commercial paper	$ 2,163	$ 2,487
Current maturities of long-term debt	3,244	2,319
Long-term debt	49,035	45,576
Purchase accounting adjustments	(2,416)	(2,671)
CR3 securitization	(1,217)	(1,279)
Other	192	(125)
Total Debt	**$ 51,001**	**$ 46,307**
FFO / Debt	**15%**	**14%**
(1) Working capital detail, excluding mark-to-market		
Receivables	$ (83)	$ (372)
Inventory	268	272
Other current assets	(446)	(220)
Accounts payable	(204)	296
Taxes accrued	149	236
Other current liabilities	(424)	182
	$ (740)	$ 394