

Duke Energy Corporation
Reg G Reconciliation
1Q04 Earnings Release

Exhibit 1: 2004 EPS compensation target

The Company's prepared remarks related to the First Quarter 2004 Earnings Review include a discussion of 2004 earnings per share (EPS) compensation targets and DENA's 2004 EBIT loss projection, which are non-GAAP financial measures as defined under SEC Regulation G. The \$1.20 EPS compensation target for 2004 is a non-GAAP financial measure as it excludes any "special items", as defined by the Company, occurring during the year. The most directly comparable GAAP measure is EPS based upon reported net income for 2004. DENA's \$300 million EBIT loss projection for 2004 is a non-GAAP financial measure as it excludes any mark-to-market (MTM) earnings and "special items", as defined by the Company, occurring during the year. The most directly comparable GAAP measure is DENA reported segment EBIT loss for 2004.

Due to the forward-looking nature of these non-GAAP financial measures, information to reconcile such non-GAAP financial measures to the most directly comparable GAAP financial measure is not available at this time as the Company is unable to project any "special items" or MTM earnings or losses for the remainder of 2004.

Exhibit 2: 1Q04 and 1Q03 Special Items

(\$ in Millions)	Pre-Tax Amount	Tax Effect	2004 EPS Impact	2003 EPS Impact
First Quarter				
Gain on sale of Australian assets	\$256	(\$18)	\$0.26	--
Net loss on sale of DENA assets, primarily southeast U.S. plants	(322)	119	(0.22)	--
Gains on sale of other assets, including Caribbean Nitrogen Co. (CNC)	14	(5)	0.01	--
Charge for intent to sell Cantarell investment	(13)	5	(0.01)	--
2003 gain on asset sales				
	16	(5)	--	\$0.01
2003 change in accounting principles				
	(256)	94	--	(\$0.18)
TOTAL EPS IMPACT			\$0.04	(\$0.17)
EPS, as reported			\$0.36	\$0.25
EPS, ongoing			\$0.32	\$0.42

Exhibit 3: Crescent Resources

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**Crescent EBIT
Full Year 2003**

(in millions)

Crescent EBIT, per presentation	\$150
Rounding	2
Less discontinued operations	<u>(18)</u>
Crescent EBIT from continuing operations	<u>\$ 134</u>