























**September 2009**  
**QUARTERLY HIGHLIGHTS**  
**(Unaudited)**

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<i>(In millions, except where noted)</i>				
<b>U.S. FRANCHISED ELECTRIC AND GAS</b>				
Operating Revenues	\$ 2,500	\$ 2,698	\$ 7,157	\$ 7,701
Operating Expenses	1,833	2,003	5,499	5,941
Gains on Sales of Other Assets and Other, net	8	1	21	4
Other Income and Expenses, net	41	30	94	102
EBIT	<u>\$ 716</u>	<u>\$ 726</u>	<u>\$ 1,773</u>	<u>\$ 1,866</u>
Depreciation and Amortization	\$ 339	\$ 344	\$ 980	\$ 1,009
Duke Energy Carolinas GWh sales	21,358	22,785	60,650	65,875
Duke Energy Midwest GWh sales	14,555	16,566	42,476	47,860
Net Proportional MW Capacity in Operation			26,977	27,487
<b>COMMERCIAL POWER</b>				
Operating Revenues	\$ 609	\$ 498	\$ 1,620	\$ 1,429
Operating Expenses (a)	846	614	1,695	1,219
Gains on Sales of Other Assets and Other, net	3	-	8	46
Other Income and Expenses, net	-	8	26	17
EBIT	<u>\$ (234)</u>	<u>\$ (108)</u>	<u>\$ (41)</u>	<u>\$ 273</u>
Depreciation and Amortization	\$ 51	\$ 43	\$ 155	\$ 128
Actual Plant Production, GWh	7,707	5,027	20,134	15,893
Net Proportional MW Capacity in Operation			8,141	7,550
<b>INTERNATIONAL ENERGY</b>				
Operating Revenues	\$ 293	\$ 297	\$ 819	\$ 920
Operating Expenses	208	250	594	716
Gains on Sales of Other Assets and Other, net	(1)	-	(1)	1
Other Income and Expenses, net	21	36	53	119
Expense Attributable to Noncontrolling Interests	5	6	16	17
EBIT	<u>\$ 100</u>	<u>\$ 77</u>	<u>\$ 261</u>	<u>\$ 307</u>
Depreciation and Amortization	\$ 22	\$ 22	\$ 60	\$ 64
Sales, GWh	4,870	4,379	13,805	13,541
Proportional MW Capacity in Operation			4,051	4,010
<b>OTHER</b>				
Operating Revenues	\$ 19	\$ 38	\$ 97	\$ 94
Operating Expenses	101	90	283	311
Gains on Sales of Other Assets and Other, net	3	1	4	2
Other Income and Expenses, net	8	(149)	(13)	(254)
Benefit Attributable to Noncontrolling Interests	(6)	(5)	(2)	(9)
EBIT	<u>\$ (65)</u>	<u>\$ (195)</u>	<u>\$ (193)</u>	<u>\$ (460)</u>
Depreciation and Amortization	\$ 20	\$ 23	\$ 58	\$ 62

(a) Includes non-cash impairment charges of approximately \$413 million in the third quarter of 2009, which consists primarily of a goodwill impairment charge associated with the non-regulated generation operations in the Midwest.

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(In millions, except per-share amounts)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2009	2008	2009	2008
<b>Operating Revenues</b>	\$ 3,396	\$ 3,508	\$ 9,621	\$ 10,074
<b>Operating Expenses</b>	2,964	2,933	7,999	8,116
<b>Gains on Sales of Other Assets and Other, net</b>	13	2	32	53
<b>Operating Income</b>	445	577	1,654	2,011
<b>Other Income and Expenses, net</b>	96	(55)	243	76
<b>Interest Expense</b>	190	176	560	552
<b>Income From Continuing Operations Before Income Taxes</b>	351	346	1,337	1,535
<b>Income Tax Expense from Continuing Operations</b>	244	132	600	521
<b>Income From Continuing Operations</b>	107	214	737	1,014
<b>(Loss) Income From Discontinued Operations, net of tax</b>	(1)	(1)	-	14
<b>Net Income</b>	106	213	737	1,028
<b>Less: Net (Loss) Income Attributable to Noncontrolling Interests</b>	(3)	(2)	8	(3)
<b>Net Income Attributable to Duke Energy Corporation</b>	\$ 109	\$ 215	\$ 729	\$ 1,031

**Earnings Per Share - Basic and Diluted**

Income from continuing operations attributable to Duke Energy Corporation common shareholders				
Basic	\$ 0.08	\$ 0.17	\$ 0.56	\$ 0.80
Diluted	\$ 0.08	\$ 0.17	\$ 0.56	\$ 0.80
Income from discontinued operations attributable to Duke Energy Corporation common shareholders				
Basic	\$ -	\$ -	\$ -	\$ 0.01
Diluted	\$ -	\$ -	\$ -	\$ 0.01
Net income attributable to Duke Energy Corporation common shareholders				
Basic	\$ 0.08	\$ 0.17	\$ 0.56	\$ 0.81
Diluted	\$ 0.08	\$ 0.17	\$ 0.56	\$ 0.81
Dividends per share	\$ -	\$ -	\$ 0.70	\$ 0.67
Weighted-average shares outstanding				
Basic	1,299	1,265	1,289	1,264
Diluted	1,300	1,267	1,290	1,266

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)  
(In millions)

	September 30, 2009	December 31, 2008
<b>ASSETS</b>		
Current Assets	\$ 5,815	\$ 5,273
Investments and Other Assets	10,061	10,020
Net Property, Plant and Equipment	36,425	34,036
Regulatory Assets and Deferred Debits	3,473	3,748
<b>Total Assets</b>	<b>\$ 55,774</b>	<b>\$ 53,077</b>
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities	\$ 3,718	\$ 4,345
Long-term Debt	15,406	13,250
Deferred Credits and Other Liabilities	14,905	14,331
Equity	21,745	21,151
<b>Total Liabilities and Equity</b>	<b>\$ 55,774</b>	<b>\$ 53,077</b>

**DUKE ENERGY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(In millions)

	Nine Months Ended September 30,	
	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 737	\$ 1,028
Adjustments to reconcile net income to net cash provided by operating activities	1,805	1,449
Net cash provided by operating activities	2,542	2,477
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash used in investing activities	(3,221)	(3,484)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net cash provided by financing activities	1,299	2,205
Net increase in cash and cash equivalents	620	1,198
<b>Cash and cash equivalents at beginning of period</b>	986	678
<b>Cash and cash equivalents at end of period</b>	\$ 1,606	\$ 1,876

**Duke Energy Carolinas**  
**Quarterly Highlights**  
**Supplemental Franchised Electric Information**  
**September 30, 2009**

	Quarter To Date Ended September 30			Year To Date September 30		
	2009	2008	%	2009	2008	%
			Inc.(Dec.)			Inc.(Dec.)
<b>GWH Sales</b>						
Residential	7,793	7,911	(1.5%)	21,312	21,139	0.8%
General Service	7,609	7,755	(1.9%)	20,647	20,833	(0.9%)
Industrial - Textile	986	1,237	(20.3%)	2,699	3,526	(23.5%)
Industrial - Other	4,223	4,891	(13.7%)	11,703	13,898	(15.8%)
Total Industrial	5,209	6,128	(15.0%)	14,402	17,424	(17.3%)
Other Energy Sales	72	71	1.4%	215	213	0.9%
Regular Resale	19	523	(96.3%)	193	1,341	(85.6%)
Total Regular Sales Billed	20,702	22,389	(7.5%)	56,769	60,950	(6.9%)
Special Sales	1,157	1,148	0.8%	3,949	5,324	(25.8%)
Total Electric Sales	21,859	23,537	(7.1%)	60,718	66,274	(8.4%)
Unbilled Sales	(501)	(752)	(33.3%)	(68)	(399)	(83.0%)
Total Consolidated Electric Sales - Carolinas	21,358	22,785	(6.3%)	60,650	65,875	(7.9%)
<b>Average Number of Customers</b>						
Residential	2,024,795	2,015,424	0.5%	2,022,876	2,009,610	0.7%
General Service	331,820	334,699	(0.9%)	331,258	332,160	(0.3%)
Industrial - Textile	645	671	(3.9%)	653	674	(3.1%)
Industrial - Other	6,708	6,597	1.7%	6,699	6,566	2.0%
Total Industrial	7,353	7,268	1.2%	7,352	7,240	1.5%
Other Energy Sales	14,060	13,687	2.7%	13,928	13,641	2.1%
Regular Resale	6	21	(71.4%)	8	21	(61.9%)
Total Regular Sales	2,378,034	2,371,099	0.3%	2,375,422	2,362,672	0.5%
Special Sales	26	31	(16.1%)	28	34	(17.6%)
Total Avg Number of Customers - Carolinas	2,378,060	2,371,130	0.3%	2,375,450	2,362,706	0.5%
<b>Heating and Cooling Degree Days</b>						
<b>Actual</b>						
Heating Degree Days	12	8	54.9%	1,996	1,903	4.9%
Cooling Degree Days	941	976	(3.6%)	1,480	1,521	(2.7%)
<b>Variance from Normal</b>						
Heating Degree Days	(31.8%)	(59.1%)	n/a	3.6%	(1.6%)	n/a
Cooling Degree Days	(3.9%)	2.4%	n/a	1.6%	8.3%	n/a

**Duke Energy Midwest  
Quarterly Highlights  
Supplemental Franchised Electric Information  
September 2009**

	Quarter Ended September 30,			Year To Date September 30,		
	2009	2008	% Inc.(Dec.)	2009	2008	% Inc.(Dec.)
<b>GWH Sales</b>						
Residential	4,437	4,834	(8.2%)	13,482	13,987	(3.6%)
General Service	4,808	5,024	(4.3%)	13,562	13,941	(2.7%)
Industrial	3,837	4,477	(14.3%)	10,651	13,057	(18.4%)
Other Energy Sales	42	43	(2.3%)	127	130	(2.3%)
Total Regular Electric Sales Billed	13,124	14,378	(8.7%)	37,822	41,115	(8.0%)
Special Sales	1,495	2,232	(33.0%)	4,960	6,845	(27.5%)
Total Electric Sales Billed - Midwest	14,619	16,610	(12.0%)	42,782	47,960	(10.8%)
Unbilled Sales	(64)	(44)	(45.5%)	(306)	(100)	(206.0%)
Total Electric Sales - Midwest	14,555	16,566	(12.1%)	42,476	47,860	(11.2%)
<b>Average Number of Customers</b>						
Residential	1,394,565	1,399,932	(0.4%)	1,399,683	1,404,914	(0.4%)
General Service	184,350	184,822	(0.3%)	184,420	184,798	(0.2%)
Industrial	5,502	5,569	(1.2%)	5,514	5,598	(1.5%)
Other Energy	4,123	4,014	2.7%	4,097	3,986	2.8%
Total Regular Sales	1,588,540	1,594,337	(0.4%)	1,593,714	1,599,296	(0.3%)
Special Sales	15	38	(60.5%)	18	38	(52.6%)
Total Avg Number Electric Customers - Midwest	1,588,555	1,594,375	(0.4%)	1,593,732	1,599,334	(0.4%)
<b>Heating and Cooling Degree Days*</b>						
<b>Actual</b>						
Heating Degree Days	9	1	800.0%	2,377	2,528	(6.0%)
Cooling Degree Days	527	753	(30.0%)	890	1,043	(14.7%)
<b>Variance from Normal</b>						
Heating Degree Days	(43.8%)	(93.8%)	n/a	3.2%	8.4%	n/a
Cooling Degree Days	(31.5%)	3.4%	n/a	(18.3%)	2.2%	n/a

\* Reflects HDD and CDD for Duke Energy Indiana, Duke Energy Ohio and Duke Energy Kentucky

**DUKE ENERGY CORPORATION**  
**ADJUSTED TO REPORTED EARNINGS RECONCILIATION**  
September 2008 Quarter-to-Date  
(Dollars in millions, except per-share amounts)

	Special Items (Note 1)						Total Adjustments	Reported Earnings
	Adjusted Earnings	Costs to Achieve, Cinergy Merger	Crescent Project Impairments	Emission Allowances Impairment	Economic Hedges (Mark-to- Market) *	Discontinued Operations		
<b>SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS</b>								
U.S. Franchised Electric and Gas	\$ 726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 726
Commercial Power	93	-	-	(82) E	(119) B	-	(201)	(108)
International Energy	77	-	-	-	-	-	-	77
Total reportable segment EBIT	896	-	-	(82)	(119)	-	(201)	695
Other	(70)	(11) A	(114) D	-	-	-	(125)	(195)
Total reportable segment EBIT and other EBIT	<b>\$ 826</b>	<b>\$ (11)</b>	<b>\$ (114)</b>	<b>\$ (82)</b>	<b>\$ (119)</b>	<b>\$ -</b>	<b>\$ (326)</b>	<b>\$ 500</b>
Interest Expense	(176)	-	-	-	-	-	-	(176)
Interest Income and Other	22	-	-	-	-	-	-	22
Income Taxes from Continuing Operations	(252)	4	44	30	42	-	120	(132)
Discontinued Operations, net of taxes	-	-	-	-	-	(1) C	(1)	(1)
Less: Net Income Attributable to Noncontrolling Interests	(2)	-	-	-	-	-	-	(2)
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	<b>\$ 422</b>	<b>\$ (7)</b>	<b>\$ (70)</b>	<b>\$ (52)</b>	<b>\$ (77)</b>	<b>\$ (1)</b>	<b>\$ (207)</b>	<b>\$ 215</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, BASIC</b>								
	<b>\$ 0.34</b>	<b>\$ (0.01)</b>	<b>\$ (0.06)</b>	<b>\$ (0.04)</b>	<b>\$ (0.06)</b>	<b>\$ -</b>	<b>\$ (0.17)</b>	<b>\$ 0.17</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>								
	<b>\$ 0.33</b>	<b>\$ (0.01)</b>	<b>\$ (0.05)</b>	<b>\$ (0.04)</b>	<b>\$ (0.06)</b>	<b>\$ -</b>	<b>\$ (0.16)</b>	<b>\$ 0.17</b>

Note 1 - Amounts for special items are presented net of any related noncontrolling interest.

A - \$5 million recorded in Operation, maintenance and other and \$6 million recorded in Depreciation and amortization (all Operating Expenses) on the Consolidated Statements of Operations.

B - \$45 million loss recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$74 million loss recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

C - Recorded in (Loss) Income From Discontinued Operations, net of tax on the Consolidated Statements of Operations.

D - Recorded in Equity in earnings (loss) of unconsolidated affiliates on the Consolidated Statements of Operations.

E - Recorded in Goodwill and other impairment charges within Operating Expenses on the Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,265
Diluted	1,267

\* Represents the mark-to-market impact of derivative contracts, which is recognized in earnings immediately as such derivative contracts do not qualify for hedge accounting, used in Duke Energy's hedging of a portion of the economic value of its generation assets in the Commercial Power segment. The economic value of the generation assets is subject to fluctuations in fair value due to market price volatility of the input and output commodities (e.g. coal, power) and, as such, the economic hedging involves both purchases and sales of those input and output commodities related to the generation assets. Because the operations of the generation assets are accounted for under the accrual method, management believes that excluding the impact of mark-to-market changes of the economic hedge contracts from adjusted earnings until settlement better matches the financial impacts of the hedge contract with the portion of the economic value of the underlying hedged asset. Management believes that the presentation of adjusted diluted EPS Attributable to Duke Energy Corporation provides useful information to investors, as it allows them to more accurately compare the company's performance across periods.

**DUKE ENERGY CORPORATION**  
**ADJUSTED TO REPORTED EARNINGS RECONCILIATION**  
September 2008 Year-to-Date  
(Dollars in millions, except per-share amounts)

	<u>Special Items (Note 1)</u>							Reported Earnings
	Adjusted Earnings	Costs to Achieve, Cinergy Merger	Crescent Project Impairments	Emission Allowances Impairment	Economic Hedges (Mark-to-Market) *	Discontinued Operations	Total Adjustments	
<b>SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS</b>								
U.S. Franchised Electric and Gas	\$ 1,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,866
Commercial Power	320	-	-	(82) E	35 B	-	(47)	273
International Energy	307	-	-	-	-	-	-	307
<b>Total reportable segment EBIT</b>	<b>2,493</b>	<b>-</b>	<b>-</b>	<b>(82)</b>	<b>35</b>	<b>-</b>	<b>(47)</b>	<b>2,446</b>
Other	(212)	(34) A	(214) D	-	-	-	(248)	(460)
<b>Total reportable segment and other EBIT</b>	<b>\$ 2,281</b>	<b>\$ (34)</b>	<b>\$ (214)</b>	<b>\$ (82)</b>	<b>\$ 35</b>	<b>\$ -</b>	<b>\$ (295)</b>	<b>\$ 1,986</b>
Interest Expense	(552)	-	-	-	-	-	-	(552)
Interest Income and Other	101	-	-	-	-	-	-	101
Income Taxes from Continuing Operations	(634)	13	83	30	(13)	-	113	(521)
Discontinued Operations, net of taxes	-	-	-	-	-	14 C	14	14
Less: Net Income Attributable to Noncontrolling Interests	(3)	-	-	-	-	-	-	(3)
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	<b>\$ 1,199</b>	<b>\$ (21)</b>	<b>\$ (131)</b>	<b>\$ (52)</b>	<b>\$ 22</b>	<b>\$ 14</b>	<b>\$ (168)</b>	<b>\$ 1,031</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, BASIC</b>	<b>\$ 0.95</b>	<b>\$ (0.02)</b>	<b>\$ (0.10)</b>	<b>\$ (0.04)</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ (0.14)</b>	<b>\$ 0.81</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 0.95</b>	<b>\$ (0.02)</b>	<b>\$ (0.10)</b>	<b>\$ (0.04)</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ (0.14)</b>	<b>\$ 0.81</b>

Note 1 - Amounts for special items are presented net of any related noncontrolling interest.

A - \$17 million recorded in Operation, maintenance and other and \$17 million recorded in Depreciation and amortization (all Operating Expenses) on the Consolidated Statements of Operations.

B - \$38 million loss recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$73 million gain recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

C - Recorded in (Loss) Income From Discontinued Operations, net of tax on the Consolidated Statements of Operations.

D - Recorded in Equity in earnings (loss) of unconsolidated affiliates on the Consolidated Statements of Operations.

E - Recorded in Goodwill and other impairment charges within Operating Expenses on the Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,264
Diluted	1,266

\* Represents the mark-to-market impact of derivative contracts, which is recognized in earnings immediately as such derivative contracts do not qualify for hedge accounting, used in Duke Energy's hedging of a portion of the economic value of its generation assets in the Commercial Power segment. The economic value of the generation assets is subject to fluctuations in fair value due to market price volatility of the input and output commodities (e.g. coal, power) and, as such, the economic hedging involves both purchases and sales of those input and output commodities related to the generation assets. Because the operations of the generation assets are accounted for under the accrual method, management believes that excluding the impact of mark-to-market changes of the economic hedge contracts from adjusted earnings until settlement better matches the financial impacts of the hedge contract with the portion of the economic value of the underlying hedged asset. Management believes that the presentation of adjusted diluted EPS Attributable to Duke Energy Corporation provides useful information to investors, as it allows them to more accurately compare the company's performance across periods.

**DUKE ENERGY CORPORATION**  
**ADJUSTED TO REPORTED EARNINGS RECONCILIATION**  
September 2009 Quarter-to-Date  
(Dollars in millions, except per-share amounts)

	<u>Special Items (Note 1)</u>							
	Adjusted Earnings	Costs to Achieve, Cinergy Merger	Crescent Related Guarantees and Tax Adjustments	Goodwill and Other Impairments	Economic Hedges (Mark-to-Market) *	Discontinued Operations	Total Adjustments	Reported Earnings
<b>SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS</b>								
U.S. Franchised Electric and Gas	\$ 716	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 716
Commercial Power	182	-	-	(413) D	(3) B	-	(416)	(234)
International Energy	100	-	-	-	-	-	-	100
<b>Total reportable segment EBIT</b>	<u>998</u>	<u>-</u>	<u>-</u>	<u>(413)</u>	<u>(3)</u>	<u>-</u>	<u>(416)</u>	<u>582</u>
Other	(57)	(8) A	-	-	-	-	(8)	(65)
<b>Total reportable segment and Other EBIT</b>	<u>\$ 941</u>	<u>\$ (8)</u>	<u>\$ -</u>	<u>\$ (413)</u>	<u>\$ (3)</u>	<u>\$ -</u>	<u>\$ (424)</u>	<u>\$ 517</u>
Interest Expense	(190)	-	-	-	-	-	-	(190)
Interest Income and Other	24	-	-	-	-	-	-	24
Income Taxes from Continuing Operations	(260)	3	(3)	15	1	-	16	(244)
Discontinued Operations, net of taxes	-	-	-	-	-	(1) C	(1)	(1)
Less: Net Loss Attributable to Non-controlling Interests	(3)	-	-	-	-	-	-	(3)
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	<u>\$ 518</u>	<u>\$ (5)</u>	<u>\$ (3)</u>	<u>\$ (398)</u>	<u>\$ (2)</u>	<u>\$ (1)</u>	<u>\$ (409)</u>	<u>\$ 109</u>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, BASIC</b>	<u>\$ 0.40</u>	<u>\$ (0.01)</u>	<u>\$ -</u>	<u>\$ (0.31)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0.32)</u>	<u>\$ 0.08</u>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<u>\$ 0.40</u>	<u>\$ (0.01)</u>	<u>\$ -</u>	<u>\$ (0.31)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0.32)</u>	<u>\$ 0.08</u>

Note 1 - Amounts for special items are presented net of any related noncontrolling interest.

A - \$2 million recorded in Operation, maintenance and other and \$6 million recorded in Depreciation and amortization (all Operating Expenses) on the Consolidated Statements of Operations.

B - \$6 million gain recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$9 million loss recorded within Fuel used in electric generation and purchased power-non-regulated (Operating Expenses) on the Consolidated Statements of Operations.

C - Recorded in (Loss) Income From Discontinued Operations, net of tax on the Consolidated Statements of Operations.

D - Recorded in Goodwill and other impairment charges within Operating Expenses on the Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,299
Diluted	1,300

\* Represents the mark-to-market impact of derivative contracts in the non-native portfolio, which is recognized in earnings immediately as such derivative contracts do not qualify for hedge accounting, used in Duke Energy's hedging of a portion of the economic value of its generation assets in the Commercial Power segment. The economic value of the generation assets is subject to fluctuations in fair value due to market price volatility of the input and output commodities (e.g. coal, power) and, as such, the economic hedging involves both purchases and sales of those input and output commodities related to the generation assets. Because the operations of the generation assets are accounted for under the accrual method, management believes that excluding the impact of mark-to-market changes of the economic hedge contracts from adjusted earnings until settlement better matches the financial impacts of the hedge contract with the portion of the economic value of the underlying hedged asset. Management believes that the presentation of adjusted diluted EPS Attributable to Duke Energy Corporation provides useful information to investors, as it allows them to more accurately compare the company's performance across periods.

**DUKE ENERGY CORPORATION**  
**ADJUSTED TO REPORTED EARNINGS RECONCILIATION**  
September 2009 Year-to-Date  
(Dollars in millions, except per-share amounts)

	Special Items (Note 1)						Total Adjustments	Reported Earnings
	Adjusted Earnings	Costs to Achieve, Cinergy Merger	Crescent Related Guarantees and Tax Adjustments	International Transmission Adjustment	Goodwill and Other Impairments	Economic Hedges (Mark-to-Market) *		
<b>SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS</b>								
U.S. Franchised Electric and Gas	\$ 1,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,773
Commercial Power	400	-	-	-	(413) E	(28) B	(441)	(41)
International Energy	287	-	-	(26) D	-	-	(26)	261
<b>Total reportable segment EBIT</b>	<b>2,460</b>	<b>-</b>	<b>-</b>	<b>(26)</b>	<b>(413)</b>	<b>(28)</b>	<b>(467)</b>	<b>1,993</b>
Other	(144)	(23) A	(26) C	-	-	-	(49)	(193)
<b>Total reportable segment and Other EBIT</b>	<b>\$ 2,316</b>	<b>\$ (23)</b>	<b>\$ (26)</b>	<b>\$ (26)</b>	<b>\$ (413)</b>	<b>\$ (28)</b>	<b>\$ (516)</b>	<b>\$ 1,800</b>
Interest Expense	(554)	-	-	(6)	-	-	(6)	(560)
Interest Income and Other	97	-	-	-	-	-	-	97
Income Taxes from Continuing Operations	(641)	9	(3)	10	15	10	41	(600)
Less: Net Income Attributable to Non-controlling Interests	8	-	-	-	-	-	-	8
<b>Net Income (Loss) Attributable to Duke Energy Corporation</b>	<b>\$ 1,210</b>	<b>\$ (14)</b>	<b>\$ (29)</b>	<b>\$ (22)</b>	<b>\$ (398)</b>	<b>\$ (18)</b>	<b>\$ (481)</b>	<b>\$ 729</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, BASIC</b>	<b>\$ 0.94</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.02)</b>	<b>\$ (0.31)</b>	<b>\$ (0.02)</b>	<b>\$ (0.38)</b>	<b>\$ 0.56</b>
<b>EPS ATTRIBUTABLE TO DUKE ENERGY CORPORATION, DILUTED</b>	<b>\$ 0.94</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.02)</b>	<b>\$ (0.31)</b>	<b>\$ (0.02)</b>	<b>\$ (0.38)</b>	<b>\$ 0.56</b>

Note 1 - Amounts for special items are presented net of any related noncontrolling interest.

A - \$9 million recorded in Operation, maintenance and other and \$14 million recorded in Depreciation and amortization (all Operating Expenses) on the Consolidated Statements of Operations.

B - \$5 million gain recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$33 million loss recorded within Fuel used in electric generation and purchased power-non-regulated (Operating Expenses) on the Consolidated Statements of Operations.

C - Recorded in Other income and expenses, net on the Consolidated Statements of Operations.

D - \$30 million recorded in Operation, maintenance and other, \$2 million recorded as a reduction to fuel used in electric generation and purchased power - non-regulated, and \$2 million as a reduction to Net income (loss) attributable to noncontrolling interests on the Consolidated Statements of Operations.

E - Recorded in Goodwill and other impairment charges within Operating Expenses on the Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,289
Diluted	1,290

\* Represents the mark-to-market impact of derivative contracts in the non-native portfolio, which is recognized in earnings immediately as such derivative contracts do not qualify for hedge accounting, used in Duke Energy's hedging of a portion of the economic value of its generation assets in the Commercial Power segment. The economic value of the generation assets is subject to fluctuations in fair value due to market price volatility of the input and output commodities (e.g. coal, power) and, as such, the economic hedging involves both purchases and sales of those input and output commodities related to the generation assets. Because the operations of the generation assets are accounted for under the accrual method, management believes that excluding the impact of mark-to-market changes of the economic hedge contracts from adjusted earnings until settlement better matches the financial impacts of the hedge contract with the portion of the economic value of the underlying hedged asset. Management believes that the presentation of adjusted diluted EPS Attributable to Duke Energy Corporation provides useful information to investors, as it allows them to more accurately compare the company's performance across periods.