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FOR IMMEDIATE RELEASE – January 31, 2006

**CINERGY REPORTS STRONG FOURTH QUARTER EARNINGS,  
CONTRIBUTING TO SOLID 2005 RESULTS**

***Webcast of Analyst Conference Call Scheduled Today for 9:00 a.m. EST on Cinergy.com***

CINCINNATI – Cinergy Corp. (NYSE:CIN) today reported net income for the fourth quarter of 2005 of \$190 million, or \$0.95 per share on a diluted basis, compared with net income of \$146 million, or \$0.79 per share on a diluted basis for the fourth quarter of 2004. Full year 2005 net income was \$490 million, or \$2.46 per share on a diluted basis, compared with net income of \$401 million, or \$2.18 per share on a diluted basis in 2004.

Excluding the impacts of certain adjustments described below, adjusted earnings for the fourth quarter of 2005 were \$0.77 per share, compared with \$0.71 per share for the fourth quarter of 2004. Adjusted earnings for the full year 2005 were \$2.81 per share, compared to \$2.42 per share in 2004.

“We’re very pleased to end the year on a high note,” said James E. Rogers, chairman and chief executive officer. “Strong demand growth, even in the face of rising prices, and solid performance from our commercial power and gas businesses were two important factors behind the quarter’s results. I’m also proud that we were able to maintain our 2005 ongoing operating and maintenance costs at 2004 levels.”

Other factors that led to the solid performance in 2005 include:

- Constructive regulatory recovery of the increased costs to generate and deliver reliable service to our customers;
- Strong results from our optimization group, which capitalized on rising fuel and emission allowance prices without compromising the company’s future needs; and
- Favorable weather.

Unaudited consolidated statements of income for the quarters and years ended December 31, 2005 and 2004, and unaudited consolidated balance sheets as of December 31, 2005 and December 31, 2004 can be found in Schedules 1 and 2, respectively, of this release.

### **Earnings Adjustments**

Cinergy uses adjusted earnings internally for analysis of performance and for reporting results to the Board of Directors to provide a more meaningful representation of Cinergy's fundamental earnings power. The company also uses adjusted earnings when communicating its earnings outlook to analysts and investors.

Reported earnings for the fourth quarter of 2005 were negatively impacted by (\$0.01) per share in connection with a change in accounting principle relating to certain asset retirement obligations. The quarter's earnings also reflected the benefit of \$0.24 per share resulting from the recognition of a net mark-to-market gain on gas, fuel and power contracts that hedge our gas storage and generation portfolios. These contracts, which are economic hedges, do not meet the accounting requirements to qualify for accrual accounting. Fourth quarter 2005 reported earnings were reduced by (\$0.05) per share for severance payments and certain costs incurred in connection with the proposed merger with Duke Energy announced in May 2005.

During the quarter, Cinergy completed the sale of a wholly-owned international subsidiary engaged in the generation and sale of heat and electricity, and recorded an impairment charge taken in connection with steps to monetize an investment in a North American energy service business. These investments have been presented as discontinued operations in Cinergy's consolidated statements of income. While these events did not impact the fourth quarter of 2005 results, the full year results include a net contribution of \$0.01 per share for discontinued operations.

In 2004, reported earnings were impacted in the fourth quarter by net gains from mark-to-market adjustments of \$0.06 per share and by a net contribution of \$0.02 per share for certain asset sales, impairment write-downs and other charges.

Reconciliations of the items above, which are included in reported earnings as determined in accordance with generally accepted accounting principles (GAAP) but excluded from adjusted earnings, can be found in Schedules 3 and 4 of this release.

### **Business Segment Results**

The Regulated Businesses segment reported adjusted earnings of \$0.40 per share in the fourth quarter of 2005 compared with adjusted earnings of \$0.45 per share in the same period of 2004. The decrease in earnings was primarily attributable to increased amortization of our Ohio regulatory transition charge and higher depreciation, taxes other than income taxes and financing costs. Increased retail sales partially offset the decrease.

Fourth quarter adjusted earnings from the Commercial Businesses segment were \$0.39 per share in 2005 compared with adjusted earnings of \$0.27 per share from a year earlier. The increase in earnings was primarily due to higher margins realized through price increases on existing long-term power agreements and through power and gas trading activities.

The Power Technology and Infrastructure Services segment reported an adjusted (\$0.02) per share loss for the fourth quarter of 2005, as compared to an adjusted (\$0.01) per share loss from the prior year.

Complete details of fourth quarter and full year 2005 results compared to 2004 can be found in Schedules 5 through 8 of this release.

### **Other Activities**

In the fourth quarter, the Duke/Cinergy merger was approved by state regulatory commissions in Ohio, Kentucky and South Carolina, as well as the Federal Energy Regulatory Commission. Agreements have been reached with certain intervening parties in Indiana and North Carolina, and votes by shareholders of both companies are expected in March 2006. The merger is expected to close in the first half of 2006.

In December, the Public Utilities Commission of Ohio approved the first electric distribution base rate increase for The Cincinnati Gas & Electric Co. in more than 10 years. The increase of \$51.5 million, or approximately four percent, in annual revenues took effect in January 2006.

The Kentucky Public Service Commission approved an increase of \$8.1 million in The Union Light, Heat and Power Co.'s base rates for natural gas distribution service. Approximately \$4.5 million of the approved increase reflects revenue which had already been recovered through a tracking mechanism. The KPSC also renewed the tracking mechanism for costs associated with the accelerated gas main replacement program.

PSI Energy Inc. reached a settlement with the Indiana Office of Utility Consumer Counselor and the PSI Industrial Group on the company's environmental compliance plan. The environmental construction program will further reduce PSI's power plant emissions in response to new federal environmental rules to improve air quality. PSI is seeking Indiana Utility Regulatory Commission approval of the settlement and expects a commission decision in the first half of 2006.

Cinergy Corp. has a balanced, integrated portfolio consisting of two core businesses: regulated operations and commercial businesses. Cinergy's regulated public utilities in Ohio, Indiana, and Kentucky serve 1.5 million electric customers and about 500,000 gas customers. In addition, its regulated operations own 8,100 megawatts of generation. Cinergy's competitive commercial businesses have 5,200 megawatts of generating capacity with a profitable balance of stable existing customer portfolios, new customer origination, marketing and trading, and industrial-site cogeneration. Cinergy's integrated businesses make it a Midwest leader in providing both low-cost generation and reliable electric and gas service.

### **Forward-Looking Statements**

This document includes statements that do not directly or exclusively relate to historical facts. Such statements are "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. These forward-looking statements include statements regarding benefits of the proposed mergers and restructuring transactions, integration plans and expected synergies, anticipated future financial operating performance and results, including estimates of growth. These statements are based on the current expectations of management of Duke Energy and Cinergy. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this document. For example, (1) the companies may be unable to obtain shareholder approvals required for the transaction; (2) the companies may be unable to

obtain regulatory approvals required for the transaction, or required regulatory approvals may delay the transaction or result in the imposition of conditions that could have a material adverse effect on the combined company or cause the companies to abandon the transaction; (3) conditions to the closing of the transaction may not be satisfied; (4) problems may arise in successfully integrating the businesses of the companies, which may result in the combined company not operating as effectively and efficiently as expected; (5) the combined company may be unable to achieve cost-cutting synergies or it may take longer than expected to achieve those synergies; (6) the transaction may involve unexpected costs or unexpected liabilities, or the effects of purchase accounting may be different from the companies' expectations; (7) the credit ratings of the combined company or its subsidiaries may be different from what the companies expect; (8) the businesses of the companies may suffer as a result of uncertainty surrounding the transaction; (9) the industry may be subject to future regulatory or legislative actions that could adversely affect the companies; and (10) the companies may be adversely affected by other economic, business and/or competitive factors. Additional factors that may affect the future results of Duke Energy and Cinergy are set forth in their respective filings with the Securities and Exchange Commission ("SEC"), which are available at [www.duke-energy.com/investors](http://www.duke-energy.com/investors) and [www.cinergy.com/investors](http://www.cinergy.com/investors), respectively. Duke Energy and Cinergy undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

#### **Additional Information and Where to Find It**

In connection with the proposed transaction, a registration statement of Duke Energy Holding Corp. (Registration No. 333-126318), which includes a preliminary prospectus and a preliminary joint proxy statement of Duke Energy and Cinergy, and other materials have been filed with the SEC and are publicly available. **WE URGE INVESTORS TO READ THE DEFINITIVE JOINT PROXY STATEMENT-PROSPECTUS WHEN IT BECOMES AVAILABLE AND THESE OTHER MATERIALS CAREFULLY BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT DUKE ENERGY, CINERGY, DUKE ENERGY HOLDING CORP. AND THE PROPOSED TRANSACTION.** Investors will be able to obtain free copies of the joint proxy statement-prospectus as well as other filed documents containing information about Duke Energy and Cinergy at <http://www.sec.gov>, the SEC's Web site. Free copies of Duke Energy's SEC filings are also available on Duke Energy's Web site at <http://www.duke->

[energy.com/investors/](http://www.dukeenergy.com/investors/), and free copies of Cinergy's SEC filings are also available on Cinergy's Web site at <http://www.cinergy.com>.

### **Participants in the Solicitation**

Duke Energy, Cinergy and their respective executive officers and directors may be deemed, under SEC rules, to be participants in the solicitation of proxies from Duke Energy's or Cinergy's stockholders with respect to the proposed transaction. Information regarding the officers and directors of Duke Energy is included in its definitive proxy statement for its 2005 annual meeting filed with the SEC on March 31, 2005. Information regarding the officers and directors of Cinergy is included in its definitive proxy statement for its 2005 annual meeting filed with the SEC on March 28, 2005. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, will be set forth in the registration statement and proxy statement and other materials to be filed with the SEC in connection with the proposed transaction.

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# Schedule 1

**CINERGY CORP.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**For the Periods Ended December 31, 2005 and 2004**  
**(unaudited)**

*(dollars in thousands, except per share amounts)*

	Quarter Ended		Year To Date	
	2005	2004	2005	2004
<b>Operating Revenues</b>				
Electric	\$1,118,974	\$849,260	\$4,070,972	\$3,510,525
Gas	340,013	259,090	816,781	783,316
Other	169,724	94,741	522,095	333,988
<b>Total Operating Revenues</b>	<b>1,628,711</b>	1,203,091	<b>5,409,848</b>	4,627,829
<b>Operating Expenses</b>				
Fuel, emission allowances and purchased power	466,654	307,528	1,535,088	1,233,311
Gas purchased	218,555	137,359	513,690	428,087
Costs of fuel resold	145,664	77,450	443,132	280,891
Operation and maintenance	349,670	304,333	1,348,554	1,230,618
Depreciation	129,780	124,810	510,438	453,765
Taxes other than income taxes	62,894	49,625	272,009	253,934
<b>Total Operating Expenses</b>	<b>1,373,217</b>	1,001,105	<b>4,622,911</b>	3,880,606
<b>Operating Income</b>	<b>255,494</b>	201,986	<b>786,937</b>	747,223
<b>Equity in Earnings of Unconsolidated Subsidiaries</b>	<b>8,571</b>	30,154	<b>33,777</b>	48,249
<b>Miscellaneous Income (Expense) - Net</b>	<b>16,968</b>	7,695	<b>51,001</b>	(3,577)
<b>Interest Expense</b>	<b>73,733</b>	65,659	<b>283,353</b>	275,000
<b>Preferred Dividend Requirement of Subsidiary Trust</b>	-	-	-	-
<b>Preferred Dividend Requirements of Subsidiaries</b>	<b>324</b>	858	<b>2,643</b>	3,432
<b>Income Before Taxes</b>	<b>206,976</b>	173,318	<b>585,719</b>	513,463
<b>Income Taxes</b>	<b>15,137</b>	26,860	<b>95,597</b>	103,064
<b>Income Before Discontinued Operations and Cumulative Effect of Changes in Accounting Principles</b>	<b>191,839</b>	146,458	<b>490,122</b>	410,399
Discontinued operations, net of tax	858	(32)	2,575	(9,531)
Cumulative effect of changes in accounting principles, net of tax	(3,044)	-	(3,044)	-
<b>Net Income</b>	<b>\$189,653</b>	\$146,426	<b>\$489,653</b>	\$400,868
<b>Average Common Shares Outstanding - Basic</b>	<b>199,557</b>	183,455	<b>198,199</b>	180,965
<b>Earnings Per Common Share - Basic</b>				
Income before discontinued operations and cumulative effect of changes in accounting principles	\$0.96	\$0.81	\$2.47	\$2.27
Discontinued operations, net of tax	0.00	-	0.01	(0.05)
Cumulative effect of changes in accounting principles, net of tax	(0.01)	-	(0.01)	-
Net Income	<b>\$0.95</b>	\$0.81	<b>\$2.47</b>	\$2.22
<b>Average Common Shares Outstanding - Diluted</b>	<b>200,324</b>	186,369	<b>199,172</b>	183,531
<b>Earnings Per Common Share - Diluted</b>				
Income before discontinued operations and cumulative effect of changes in accounting principles	\$0.96	\$0.79	\$2.46	\$2.23
Discontinued operations, net of tax	0.00	-	0.01	(0.05)
Cumulative effect of changes in accounting principles, net of tax	(0.01)	-	(0.01)	-
Net Income	<b>\$0.95</b>	\$0.79	<b>\$2.46</b>	\$2.18
<b>Cash Dividends Declared Per Common Share</b>	-	\$0.47	<b>\$1.92</b>	\$1.88

**Note: Prior year data has been reclassified to conform with current year presentation.**

**CINERGY CORP.**  
**CONSOLIDATED BALANCE SHEETS**

 (unaudited)  
 (in thousands)

	December 31 2005	December 31 2004
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$146,056	\$162,526
Notes receivable, current	287,502	214,513
Accounts receivable less accumulated provision for doubtful accounts of \$4,767 at December 31, 2005, and \$5,059 at December 31, 2004	1,415,209	1,036,119
Fuel, emission allowances, and supplies	589,152	442,951
Energy risk management current assets	991,252	381,146
Prepayments and other	408,975	173,203
Total current assets	3,838,146	2,410,458
<b>Property, Plant, and Equipment - at Cost</b>		
Utility plant in service	10,714,000	10,076,468
Construction work in progress	501,294	333,687
Total utility plant	11,215,294	10,410,155
Non-regulated property, plant, and equipment	4,775,570	4,549,128
Accumulated depreciation	5,477,782	5,147,556
Net property, plant, and equipment	10,513,082	9,811,727
<b>Other Assets</b>		
Regulatory assets	1,069,854	1,030,333
Investments in unconsolidated subsidiaries	479,466	513,675
Energy risk management non-current assets	306,959	138,787
Notes receivable, non-current	171,325	193,857
Other investments	128,150	125,367
Goodwill and intangible assets	169,081	118,619
Restricted funds held in trust	301,800	358,006
Other	185,062	117,870
Total other assets	2,811,697	2,596,514
<b>Assets of Discontinued Operations</b>	<b>34,215</b>	<b>163,618</b>
<b>Total Assets</b>	<b>\$17,197,140</b>	<b>\$14,982,317</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$1,922,867	\$1,344,780
Accrued taxes	219,469	217,106
Accrued interest	64,725	54,473
Notes payable and other short-term obligations	923,600	948,327
Long-term debt due within one year	352,589	219,967
Energy risk management current liabilities	1,010,585	310,741
Other	193,323	168,734
Total current liabilities	4,687,158	3,264,128
<b>Non-current Liabilities</b>		
Long-term debt	4,393,442	4,227,475
Deferred income taxes	1,523,070	1,587,557
Unamortized investment tax credits	90,852	99,723
Accrued pension and other postretirement benefit costs	729,221	688,277
Regulatory liabilities	546,047	557,419
Energy risk management non-current liabilities	338,514	127,340
Other	250,822	219,439
Total non-current liabilities	7,871,968	7,507,230
<b>Liabilities of Discontinued Operations</b>	<b>28,876</b>	<b>32,219</b>
<b>Total Liabilities</b>	<b>12,588,002</b>	<b>10,803,577</b>
<b>Cumulative Preferred Stock of Subsidiaries</b>		
Not subject to mandatory redemption	31,743	62,818
<b>Common Stock Equity</b>		
Common stock - \$0.01 par value; authorized shares - 600,000,000; issued shares - 199,707,338 at December 31, 2005 and 187,653,506 at December 31, 2004; outstanding shares - 199,565,684 at December 31, 2005 and 187,524,229 at December 31, 2004	1,997	1,877
Paid-in capital	2,982,625	2,559,715
Retained earnings	1,721,716	1,613,340
Treasury shares at cost - 141,654 at December 31, 2005, and 129,277 shares at December 31, 2004	(4,823)	(4,336)
Accumulated other comprehensive income (loss)	(124,120)	(54,674)
Total common stock equity	4,577,395	4,115,922
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$17,197,140</b>	<b>\$14,982,317</b>

Note: Prior year data has been reclassified to conform with current year presentation.

**CINERGY CORP.**  
**RECONCILIATION OF GAAP EPS TO ADJUSTED EPS - 2005**  
(unaudited)

	Q1	Q2	Q3	Q4	Total
<b>Regulated Businesses</b>					
EPS As Reported	\$ 0.39	\$ 0.24	\$ 0.46	\$ 0.36	\$ 1.45
Special Items:					
Merger and Severance Costs	-	0.03	0.02	0.04	0.09
EPS Adjusted	\$ 0.39	\$ 0.27	\$ 0.48	\$ 0.40	\$ 1.54
<b>Commercial Businesses</b>					
EPS As Reported	\$ 0.23	\$ 0.02	\$ 0.20	\$ 0.61	\$ 1.06
Discontinued Operations	(0.01)	(0.01)	0.01	-	(0.01)
Cumulative Effect of a Change in Accounting Principle	-	-	-	0.01	0.01
Special Items:					
Merger and Severance Costs	-	0.03	0.02	0.01	0.06
Mark-to-Market Effect on Asset Hedges*	0.12	0.04	0.27	(0.24)	0.19
EPS Adjusted	\$ 0.34	\$ 0.08	\$ 0.50	\$ 0.39	\$ 1.31
<b>Power Technology &amp; Infrastructure Services</b>					
EPS As Reported	\$ (0.02)	\$ (0.01)	\$ -	\$ (0.02)	\$ (0.05)
Special Items:					
Merger and Severance Costs	-	0.01	-	-	0.01
EPS Adjusted	\$ (0.02)	\$ -	\$ -	\$ (0.02)	\$ (0.04)
<b>Cinergy Corp.</b>					
EPS As Reported	\$ 0.60	\$ 0.25	\$ 0.66	\$ 0.95	\$ 2.46
Discontinued Operations	(0.01)	(0.01)	0.01	-	(0.01)
Cumulative Effect of a Change in Accounting Principle	-	-	-	0.01	0.01
Special Items	0.12	0.11	0.31	(0.19)	0.35
EPS Adjusted	\$ 0.71	\$ 0.35	\$ 0.98	\$ 0.77	\$ 2.81

\* Represents the mark-to-market impact of contracts used in Cinergy's economic hedging of its excess unregulated generation portfolio and its natural gas storage portfolio. The economic value of these portfolios is subject to market fluctuations and, as such, the hedging process involves both purchases and sales. Because these generation assets and gas storage contracts are accounted for under the accrual method of accounting, the Company believes that excluding the impact of mark-to-market changes from reported earnings better matches the contract with the settlement period of the position it is hedging. These amounts will be recognized through adjusted earnings when the contracts ultimately settle.

Approximately 75% of the remaining mark-to-market value of these contracts is expected to settle in the first quarter of 2006.

**CINERGY CORP.**  
**RECONCILIATION OF GAAP EPS TO ADJUSTED EPS - 2004**  
(unaudited)

	Q1	Q2	Q3	Q4	Total
<b>Regulated Businesses</b>					
EPS As Reported	\$ 0.44	\$ 0.19	\$ 0.32	\$ 0.45	\$ 1.40
Special Items:					
CIN-10 Implementation Costs and Other Charges	-	0.03	-	-	0.03
EPS Adjusted	\$ 0.44	\$ 0.22	\$ 0.32	\$ 0.45	\$ 1.43
<b>Commercial Businesses</b>					
EPS As Reported	\$ 0.25	\$ 0.17	\$ 0.24	\$ 0.29	\$ 0.95
Discontinued Operations	(0.01)	0.03	0.03	-	0.05
Special Items:					
CIN-10 Implementation Costs and Other Charges	-	0.01	0.01	0.04	0.06
Mark-to-Market Effect on Asset Hedges*	(0.05)	0.02	0.07	(0.06)	(0.02)
EPS Adjusted	\$ 0.19	\$ 0.23	\$ 0.35	\$ 0.27	\$ 1.04
<b>Power Technology &amp; Infrastructure Services</b>					
EPS As Reported	\$ (0.12)	\$ (0.04)	\$ (0.06)	\$ 0.05	\$ (0.17)
Special Items:					
Asset Sales, Impairment Write-downs and Other Charges - Net	0.11	0.02	0.05	(0.06)	0.12
EPS Adjusted	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.05)
<b>Cinergy Corp.</b>					
EPS As Reported	\$ 0.57	\$ 0.32	\$ 0.50	\$ 0.79	\$ 2.18
Discontinued Operations	(0.01)	0.03	0.03	-	0.05
Special Items	0.06	0.08	0.13	(0.08)	0.19
EPS Adjusted	\$ 0.62	\$ 0.43	\$ 0.66	\$ 0.71	\$ 2.42

For 2004, the Regulated and Commercial segments have each been restated from prior presentations to reflect the reclassification of PSI's off-system sales from the Commercial Businesses to the Regulated Businesses.

\* Represents the mark-to-market impact of contracts used in Cinergy's economic hedging of its excess unregulated generation portfolio and its natural gas storage portfolio. The economic value of these portfolios is subject to market fluctuations and, as such, the hedging process involves both purchases and sales. Because these generation assets and gas storage contracts are accounted for under the accrual method of accounting, the Company believes that excluding the impact of mark-to-market changes from reported earnings better matches the contract with the settlement period of the position it is hedging. These amounts will be recognized through adjusted earnings when the contracts ultimately settle. This adjustment was not reflected as a special item when 2004 results were reported.

**CINERGY CORP.**  
**BUSINESS SEGMENT SUMMARY INFORMATION**  
**For the Quarter Ended December 31**

(unaudited)

(dollars in thousands, except per share amounts)

	<u>2005</u>	<u>2004</u>
<b><u>Regulated Businesses</u></b>		
Net Income.....	\$ 72,656	\$ 84,830
Earnings Per Share - diluted.....	\$ 0.36	\$ 0.45
Operational Statistics:		
Electric Retail MWh Sales and Transportation.....	13,195,097	12,546,022
Gas Retail Mcf Sales and Transportation.....	27,659,249	26,195,228
Electric Customers (End of Period).....	1,580,299	1,566,693
Gas Customers (End of Period).....	513,723	511,123
<b><u>Commercial Businesses</u></b>		
Net Income.....	\$ 119,706	\$ 52,519
Earnings Per Share - diluted.....	\$ 0.61	\$ 0.29
Operational Statistics:		
Electricity Trading Volumes (MWhs).....	45,634,940	48,780,860
Physical and Financial Gas Trading (Bcf/d).....	34.2	53.9
<b><u>Power Technology &amp; Infrastructure Services</u></b>		
Net Income.....	\$ (2,709)	\$ 9,078
Earnings Per Share - diluted.....	\$ (0.02)	\$ 0.05

For 2004, the Regulated and Commercial segments have each been restated from prior presentations to reflect the reclassification of PSI's off-system sales from the Commercial Businesses to the Regulated Businesses.

**CINERGY CORP.**  
**BUSINESS SEGMENT EARNINGS DRIVER ANALYSIS**  
**For the Quarter Ended December 31, 2005**  
(unaudited)

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**Regulated Businesses**

<b>Earnings Per Share - diluted - 2004 (Adjusted*)</b>	<b>\$0.45</b>
Weather.....	0.02
Electric and gas sales volumes.....	0.07
Price Increases.....	0.02
Regulatory deferrals.....	0.02
Regulatory transition charge amortization.....	(0.06)
Operation and maintenance.....	(0.02)
Depreciation.....	(0.02)
Taxes other than income taxes.....	(0.05)
Financing and dilution.....	(0.04)
Other - net.....	0.01
	<hr/>
<b>Earnings Per Share - diluted - 2005 (Adjusted*)</b>	<b><u><u>\$0.40</u></u></b>

**Commercial Businesses**

<b>Earnings Per Share - diluted - 2004 (Adjusted*)</b>	<b>\$0.27</b>
Electric sales volumes.....	0.02
Price increases.....	0.10
Fuel costs.....	(0.03)
Power marketing, trading and origination .....	0.03
Gas marketing, trading and origination .....	0.02
Financing and dilution.....	(0.05)
Other - net.....	0.03
	<hr/>
<b>Earnings Per Share - diluted - 2005 (Adjusted*)</b>	<b><u><u>\$0.39</u></u></b>

**Power Technology & Infrastructure Services**

<b>Earnings Per Share - diluted - 2004 (Adjusted*)</b>	<b>(\$0.01)</b>
Results of investments.....	<u>(0.01)</u>
<b>Earnings Per Share - diluted - 2005 (Adjusted*)</b>	<b><u><u>(\$0.02)</u></u></b>

*For 2004, the Regulated and Commercial segments have each been restated from prior presentations to reflect the reclassification of PSI's off-system sales from the Commercial Businesses to the Regulated Businesses.*

\* See Schedules 3 and 4 for a reconciliation to the most comparable GAAP measure.

**CINERGY CORP.**  
**BUSINESS SEGMENT SUMMARY INFORMATION**  
**For the Year Ended December 31**

(unaudited)

(dollars in thousands, except per share amounts)

	<u>2005</u>	<u>2004</u>
<b><u>Regulated Businesses</u></b>		
Net Income.....	\$ 289,046	\$ 258,049
Earnings Per Share - diluted.....	\$ 1.45	\$ 1.40
Operational Statistics:		
Electric Retail MWh Sales and Transportation.....	54,553,124	52,655,549
Gas Retail Mcf Sales and Transportation.....	88,705,134	91,012,963
Electric Customers (End of Period).....	1,580,299	1,566,693
Gas Customers (End of Period).....	513,723	511,123
<b><u>Commercial Businesses</u></b>		
Net Income.....	\$ 209,981	\$ 173,896
Earnings Per Share - diluted.....	\$ 1.06	\$ 0.95
Operational Statistics:		
Electricity Trading Volumes (MWhs).....	196,657,188	185,148,553
Physical and Financial Gas Trading (Bcf/d).....	43.0	51.6
<b><u>Power Technology &amp; Infrastructure Services</u></b>		
Net Income.....	\$ (9,374)	\$ (31,077)
Earnings Per Share - diluted.....	\$ (0.05)	\$ (0.17)

For 2004, the Regulated and Commercial segments have each been restated from prior presentations to reflect the reclassification of PSI's off-system sales from the Commercial Businesses to the Regulated Businesses.

**CINERGY CORP.**  
**BUSINESS SEGMENT EARNINGS DRIVER ANALYSIS**  
**For the Year Ended December 31, 2005**  
(unaudited)

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**Regulated Businesses**

<b>Earnings Per Share - diluted - 2004 (Adjusted*)</b>	<b>\$1.43</b>
Weather.....	0.16
Electric and gas sales volumes.....	0.10
Price increases.....	0.25
Other margins.....	0.02
Regulatory deferrals.....	0.08
Regulatory transition charge amortization.....	(0.15)
Operation and maintenance.....	(0.07)
Depreciation.....	(0.12)
Taxes other than income taxes.....	(0.05)
Financing and dilution.....	(0.17)
Other - net.....	0.06
<b>Earnings Per Share - diluted - 2005 (Adjusted*)</b>	<b><u>\$1.54</u></b>

**Commercial Businesses**

<b>Earnings Per Share - diluted - 2004 (Adjusted*)</b>	<b>\$1.04</b>
Weather.....	0.03
Electric sales volumes.....	0.04
Price increases.....	0.20
Fuel costs.....	(0.12)
Optimization activities.....	0.28
Operation and maintenance.....	(0.03)
Power marketing, trading and origination.....	0.03
Gas marketing, trading and origination.....	(0.06)
Financing and dilution.....	(0.07)
Other - net.....	(0.03)
<b>Earnings Per Share - diluted - 2005 (Adjusted*)</b>	<b><u>\$1.31</u></b>

**Power Technology & Infrastructure Services**

<b>Earnings Per Share - diluted - 2004 (Adjusted*)</b>	<b>(\$0.05)</b>
Results of investments.....	<u>0.01</u>
<b>Earnings Per Share - diluted - 2005 (Adjusted*)</b>	<b><u>(\$0.04)</u></b>

*For 2004, the Regulated and Commercial segments have each been restated from prior presentations to reflect the reclassification of PSI's off-system sales from the Commercial Businesses to the Regulated Businesses.*

*\* See Schedules 3 and 4 for a reconciliation to the most comparable GAAP measure.*