

Duke Energy Corporation
Non-GAAP Reconciliations
September 2, 2008 Lehman Brothers CEO Energy/Power Conference Presentation

Adjusted Segment EBIT for 2008

The materials for Duke Energy's September 2, 2008 Lehman Brothers CEO Energy/Power Conference presentation includes a discussion of adjusted segment EBIT for the year-to-date period ended June 30, 2008. The materials also include a statement that Duke Energy expects the Midwest gas-fired generation assets (a component of the Commercial Power segment) to be EBIT positive, on an adjusted basis, by 2009. Adjusted segment EBIT is a non-GAAP financial measure as it represents reported segment EBIT adjusted for the impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. Mark-to-market adjustments reflect the mark-to-market impact of derivative contracts, which is recognized in GAAP 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. The most directly comparable GAAP measures for adjusted segment EBIT is reported segment EBIT, which represents segment results from continuing operations, including any special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Due to the forward-looking nature of forecasted adjusted segment EBIT for future periods, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time as management is unable to project special items or mark-to-market adjustments for future periods. Reconciliations of adjusted segment EBIT to reported segment EBIT for the quarters ended March 31, 2008 and 2007, the quarters and year-to-date periods ended June 30, 2008 and 2007, and for the year ended December 31, 2007 are included below.

Anticipated Adjusted Diluted EPS Growth Rates through 2012

The materials for Duke Energy's September 2, 2008 Lehman Brothers CEO Energy/Power Conference presentation include a discussion of the forecasted range of growth of 5-7% in adjusted diluted EPS through 2012 (on a compound annual growth rate ("CAGR") basis). These growth percentages are based on adjusted diluted EPS amounts for future periods. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations, adjusted for the per-share impact of

special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. Mark-to-market adjustments reflect the mark-to-market impact of derivative contracts, which is recognized in GAAP 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 (as discussed above under "Adjusted Segment EBIT for 2008"). The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations, which includes the impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Due to the forward-looking nature of this non-GAAP financial measure, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project special items or mark-to-market adjustments for future periods.

Adjusted Diluted Earnings per Share ("EPS")

The materials for Duke Energy's September 2, 2008 Lehman Brothers CEO Energy/Power Conference presentation include a discussion of adjusted diluted EPS for the quarters ended March 31, 2008 and 2007, the quarters and year-to-date periods ended June 30, 2008 and 2007, and the year ended December 31, 2007. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations, adjusted for the per-share impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. Mark-to-market adjustments reflect the mark-to-market impact of derivative contracts, which is recognized in GAAP 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 (as discussed above under "Adjusted Segment EBIT for 2008"). The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations, which includes the impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Reconciliations of adjusted diluted EPS for the quarters ended March 31, 2008 and 2007, the quarters and year-to-date periods ended June 30, 2008 and 2007, and for the year ended December 31, 2007 to the most directly comparable GAAP measures are included below.

2008 Employee Earnings per Share ('EPS') Incentive Target Measure

The materials for Duke Energy's September 2, 2008 Lehman Brothers CEO Energy/Power Conference presentation include a reference to Duke Energy's 2008 employee EPS incentive target of \$1.27. The EPS measure used for employee incentive bonuses is primarily based on adjusted diluted EPS. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations, adjusted for the per-share impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. Mark-to-market adjustments reflect the mark-to-market impact of derivative contracts, which is recognized in GAAP 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 (as discussed above under "Adjusted Segment EBIT for 2008"). The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations, which includes the impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Due to the forward-looking nature of this non-GAAP financial measure, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project special items or mark-to-market adjustments for 2008.

DUKE ENERGY CORPORATION
ADJUSTED TO REPORTED EARNINGS RECONCILIATION
 March 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	Economic Hedges (Mark-to-Market) *	Discontinued Operations	Total Adjustments	
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS						
U.S. Franchised Electric and Gas	\$ 637	\$ -	\$ -	\$ -	\$ -	\$ 637
Commercial Power	99	-	47 B	-	47	146
International Energy	114	-	-	-	-	114
Crescent	2	-	-	-	-	2
Total reportable segment EBIT	852	-	47	-	47	899
Other	(67)	(11) A	-	-	(11)	(78)
Total reportable segment and Other EBIT	\$ 785	\$ (11)	\$ 47	\$ -	\$ 36	\$ 821
Interest Expense	(182)	-	-	-	-	(182)
Interest Income and Other	46	-	-	-	-	46
Income Taxes from Continuing Operations	(209)	4	(17)	-	(13)	(222)
Discontinued Operations, net of taxes	-	-	-	2 C	2	2
Net Income	\$ 440	\$ (7)	\$ 30	\$ 2	\$ 25	\$ 465
EARNINGS PER SHARE, BASIC	\$ 0.35	\$ (0.01)	\$ 0.03	\$ -	\$ 0.02	\$ 0.37
EARNINGS PER SHARE, DILUTED	\$ 0.35	\$ (0.01)	\$ 0.03	\$ -	\$ 0.02	\$ 0.37

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

A - Recorded in Operation, maintenance and other (Operating Expenses) on the Consolidated Statements of Operations.

B - \$7 million loss recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$54 million gain recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

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

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,263
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 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
June 2007 Quarter-to-Date
(Dollars in millions, except per-share amounts)

	Special Items (Note 1)						Reported Earnings
	Adjusted Earnings	Costs to Achieve, Cinergy Merger	IT Severance Costs	Economic Hedges (Mark-to-Market) *	Discontinued Operations	Total Adjustments	
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS							
U.S. Franchised Electric and Gas	\$ 452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 452
Commercial Power	42	-	-	22 B	-	22	64
International Energy	97	-	-	-	-	-	97
Crescent	17	-	-	-	-	-	17
Total reportable segment EBIT	608	-	-	22	-	22	630
Other	(42)	(12) A	(12) A	-	-	(24)	(66)
Total reportable segment EBIT and other EBIT	\$ 566	\$ (12)	\$ (12)	\$ 22	\$ -	\$ (2)	\$ 564
Interest Expense	(159)	-	-	-	-	-	(159)
Interest Income and Other	46	-	-	-	-	-	46
Income Taxes from Continuing Operations	(152)	4	4	(8)	-	-	(152)
Discontinued Operations, net of taxes	-	-	-	-	(6) C	(6)	(6)
Net Income	\$ 301	\$ (8)	\$ (8)	\$ 14	\$ (6)	\$ (8)	\$ 293
EARNINGS PER SHARE, BASIC	\$ 0.24	\$ -	\$ (0.01)	\$ 0.01	\$ (0.01)	\$ (0.01)	\$ 0.23
EARNINGS PER SHARE, DILUTED	\$ 0.24	\$ -	\$ (0.01)	\$ 0.01	\$ (0.01)	\$ (0.01)	\$ 0.23

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

A - Recorded in Operation, maintenance and other (Operating Expenses) on the Consolidated Statements of Operations.

B - \$5 million loss recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$27 million gain recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

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

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,260
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 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
June 2008 Quarter-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	Economic Hedges (Mark-to-Market) *	Discontinued Operations	Total Adjustments	
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS							
U.S. Franchised Electric and Gas	\$ 503	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 503
Commercial Power	128	-	-	107 B	-	107	235
International Energy	116	-	-	-	-	-	116
Crescent	(8)	-	(100) D	-	-	(100)	(108)
Total reportable segment EBIT	<u>739</u>	<u>-</u>	<u>(100)</u>	<u>107</u>	<u>-</u>	<u>7</u>	<u>746</u>
Other	(69)	(12) A	-	-	-	(12)	(81)
Total reportable segment and Other EBIT	<u>\$ 670</u>	<u>\$ (12)</u>	<u>\$ (100)</u>	<u>\$ 107</u>	<u>\$ -</u>	<u>\$ (5)</u>	<u>\$ 665</u>
Interest Expense	(194)	-	-	-	-	-	(194)
Interest Income and Other	34	-	-	-	-	-	34
Income Taxes from Continuing Operations	(173)	5	39	(38)	-	6	(167)
Discontinued Operations, net of taxes	-	-	-	-	13 C	13	13
Net Income	<u>\$ 337</u>	<u>\$ (7)</u>	<u>\$ (61)</u>	<u>\$ 69</u>	<u>\$ 13</u>	<u>\$ 14</u>	<u>\$ 351</u>
EARNINGS PER SHARE, BASIC	<u>\$ 0.27</u>	<u>\$ -</u>	<u>\$ (0.05)</u>	<u>\$ 0.05</u>	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ 0.28</u>
EARNINGS PER SHARE, DILUTED	<u>\$ 0.27</u>	<u>\$ -</u>	<u>\$ (0.05)</u>	<u>\$ 0.05</u>	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ 0.28</u>

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

A - \$6 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 - \$20 million gain recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$87 million gain recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

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

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

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,264
Diluted	1,268

* 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 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
June 2007 Year-to-Date
(Dollars in millions, except per-share amounts)

	Special Items (Note 1)						Total Adjustments	Reported Earnings
	Adjusted Earnings	Convertible Debt Costs, Gas Spin-off	Costs to Achieve, Cinergy Merger	IT Severance Costs	Economic Hedges (Mark-to- Market) *	Discontinued Operations		
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS								
U.S. Franchised Electric and Gas	\$ 1,026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,026
Commercial Power	81	-	-	-	(4) B	-	(4)	77
International Energy	191	-	-	-	-	-	-	191
Crescent	19	-	-	-	-	-	-	19
Total reportable segment EBIT	1,317	-	-	-	(4)	-	(4)	1,313
Other	(94)	(21) D	(23) A	(12) A	-	-	(56)	(150)
Total reportable segment EBIT and other EBIT	\$ 1,223	\$ (21)	\$ (23)	\$ (12)	\$ (4)	\$ -	\$ (60)	\$ 1,163
Interest Expense	(322)	-	-	-	-	-	-	(322)
Interest Income and Other	86	-	-	-	-	-	-	86
Income Taxes from Continuing Operations	(305)	-	8	4	2	-	14	(291)
Discontinued Operations, net of taxes	-	-	-	-	-	14 C	14	14
Net Income	\$ 682	\$ (21)	\$ (15)	\$ (8)	\$ (2)	\$ 14	\$ (32)	\$ 650
EARNINGS PER SHARE, BASIC								
	\$ 0.55	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ -	\$ 0.01	\$ (0.03)	\$ 0.52
EARNINGS PER SHARE, DILUTED								
	\$ 0.54	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ -	\$ 0.01	\$ (0.03)	\$ 0.51

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

A - Recorded in Operation, maintenance and other (Operating Expenses) on the Consolidated Statements of Operations.

B - \$49 million loss recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$45 million gain recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

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

D - Recorded in Other income and expenses, net (Other Income and Expenses, net) on the Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,259
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 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
June 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	Economic Hedges (Mark-to-Market) *	Discontinued Operations	Total Adjustments	
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS							
U.S. Franchised Electric and Gas	\$ 1,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,140
Commercial Power	227	-	-	154 B	-	154	381
International Energy	230	-	-	-	-	-	230
Crescent	(6)	-	(100) D	-	-	(100)	(106)
Total reportable segment EBIT	<u>1,591</u>	<u>-</u>	<u>(100)</u>	<u>154</u>	<u>-</u>	<u>54</u>	<u>1,645</u>
Other	(136)	(23) A	-	-	-	(23)	(159)
Total reportable segment and Other EBIT	<u>\$ 1,455</u>	<u>\$ (23)</u>	<u>\$ (100)</u>	<u>\$ 154</u>	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ 1,486</u>
Interest Expense	(376)	-	-	-	-	-	(376)
Interest Income and Other	80	-	-	-	-	-	80
Income Taxes from Continuing Operations	(382)	9	39	(55)	-	(7)	(389)
Discontinued Operations, net of taxes	-	-	-	-	15 C	15	15
Net Income	<u>\$ 777</u>	<u>\$ (14)</u>	<u>\$ (61)</u>	<u>\$ 99</u>	<u>\$ 15</u>	<u>\$ 39</u>	<u>\$ 816</u>
EARNINGS PER SHARE, BASIC	<u>\$ 0.61</u>	<u>\$ (0.01)</u>	<u>\$ (0.05)</u>	<u>\$ 0.08</u>	<u>\$ 0.02</u>	<u>\$ 0.04</u>	<u>\$ 0.65</u>
EARNINGS PER SHARE, DILUTED	<u>\$ 0.61</u>	<u>\$ (0.01)</u>	<u>\$ (0.05)</u>	<u>\$ 0.08</u>	<u>\$ 0.01</u>	<u>\$ 0.03</u>	<u>\$ 0.64</u>

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

A - \$12 million recorded in Operation, maintenance and other and \$11 million recorded in Depreciation and amortization (all Operating Expenses) on the Consolidated Statements of Operations.

B - \$9 million gain recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$145 million gain recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

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

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

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,264
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 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
December 2007 Year-to-date
(Dollars in millions, except per-share amounts)

Special Items (Note 1)

	Adjusted Earnings	Convertible Debt Costs, Gas Spin-off	Costs to Achieve, Cinergy Merger	IT Severance Costs	Settlement Reserve Adjustment	Economic Hedges (Mark-to-Market)*	Discontinued Operations	Total Adjustments	Reported Earnings
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS									
U.S. Franchised Electric and Gas	\$ 2,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,305
Commercial Power	265	-	-	-	-	13 B	-	13	278
International Energy	388	-	-	-	-	-	-	-	388
Crescent	38	-	-	-	-	-	-	-	38
Total reportable segment EBIT	2,996	-	-	-	-	13	-	13	3,009
Other	(235)	(21) D	(54) A	(12) A	24 A	-	-	(63)	(298)
Total reportable segment EBIT and other EBIT	\$ 2,761	\$ (21)	\$ (54)	\$ (12)	\$ 24	\$ 13	\$ -	\$ (50)	\$ 2,711
Interest Expense	(685)	-	-	-	-	-	-	-	(685)
Interest Income and Other	208	-	-	-	-	-	-	-	208
Income Taxes from Continuing Operations	(721)	-	19	4	(9)	(5)	-	9	(712)
Discontinued Operations, net of taxes	-	-	-	-	-	-	(22) C	(22)	(22)
Net Income	\$ 1,563	\$ (21)	\$ (35)	\$ (8)	\$ 15	\$ 8	\$ (22)	\$ (63)	\$ 1,500
EARNINGS PER SHARE, BASIC	\$ 1.24	\$ (0.02)	\$ (0.03)	\$ -	\$ 0.01	\$ 0.01	\$ (0.02)	\$ (0.05)	\$ 1.19
EARNINGS PER SHARE, DILUTED	\$ 1.23	\$ (0.02)	\$ (0.03)	\$ -	\$ 0.01	\$ 0.01	\$ (0.02)	\$ (0.05)	\$ 1.18

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

A - Recorded in Operation, maintenance and other (Operating Expenses) on the Consolidated Statements of Operations.

B - \$54 million loss recorded within Non-regulated electric, natural gas, and other (Operating Revenues) and \$67 million gain recorded within Fuel used in electric generation and purchased power (Operating Expenses) on the Consolidated Statements of Operations.

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

D - Recorded in Other income and expenses, net (Other Income and Expenses, net) on the Consolidated Statements of Operations.

Weighted Average Shares (reported and adjusted) - in millions

Basic	1,260
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 provides useful information to investors, as it allows them to more accurately compare the company's performance across periods.