



Stronger as One

Special Duke Energy Shareholders Meeting • August 23, 2011





Safe Harbor

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. These forward-looking statements are identified by terms and phrases such as "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," and similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results to be materially different from the results predicted. Factors that could cause actual results to differ materially from those indicated in any forward-looking statement include, but are not limited to: State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, as well as rulings that affect cost and investment recovery or have an impact on rate structures; costs and effects of legal and administrative proceedings, settlements, investigations and claims; industrial, commercial and residential growth or decline in Duke Energy Corporation's (Duke Energy) service territories, customer base or customer usage patterns; additional competition in electric markets and continued industry consolidation; political and regulatory uncertainty in other countries in which Duke Energy conducts business; the influence of weather and other natural phenomena on Duke Energy operations, including the economic, operational and other effects of storms, hurricanes, droughts and tornadoes; the impact on the Duke Energy's facilities and business from a terrorist attack; the inherent risks associated with the operation and potential construction of nuclear facilities, including environmental, health, safety, regulatory and financial risks; the timing and extent of changes in commodity prices, interest rates and foreign currency exchange rates; unscheduled generation outages, unusual maintenance or repairs and electric transmission system constraints; the performance of electric generation facilities and of projects undertaken by Duke Energy's non-regulated businesses; the results of financing efforts, including Duke Energy's ability to obtain financing on favorable terms, which can be affected by various factors, including Duke Energy's credit ratings and general economic conditions; declines in the market prices of equity securities and resultant cash funding requirements for Duke Energy's defined benefit pension plans; the level of creditworthiness of counterparties to Duke Energy's transactions; employee workforce factors, including the potential inability to attract and retain key personnel; growth in opportunities for Duke Energy's business units, including the timing and success of efforts to develop domestic and international power and other projects; construction and development risks associated with the completion of Duke Energy's capital investment projects in existing and new generation facilities, 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 ratepayers in a timely manner or at all; the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; the expected timing and likelihood of completion of the proposed merger with Progress Energy, Inc. (Progress Energy), including the timing, receipt and terms and conditions of any required governmental and regulatory approvals of the proposed merger that could reduce anticipated benefits or cause the parties to abandon the merger, the diversion of management's time and attention from Duke Energy's ongoing business during this time period, the ability to maintain relationships with customers, employees or suppliers as well as the ability to successfully integrate the businesses and realize cost savings and any other synergies and the risk that the credit ratings of the combined company or its subsidiaries may be different from what the companies expect; the risk that the proposed merger with Progress Energy is terminated prior to completion and results in significant transaction costs to Duke Energy; and the ability to successfully complete merger, acquisition or divestiture plans. These risks, as well as other risks associated with the merger, are more fully discussed in the joint proxy statement/prospectus that is included in the Registration Statement on Form S-4 that was filed with the SEC in connection with the merger. Additional risks and uncertainties are identified and discussed in Progress Energy's and Duke Energy's 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 Duke Energy has described. Duke Energy undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



Safe Harbor (Cont'd)

REG 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 on our Investor Relations website at www.duke-energy.com/investors/.

ADDITIONAL INFORMATION ON THE MERGER AND WHERE TO FIND IT

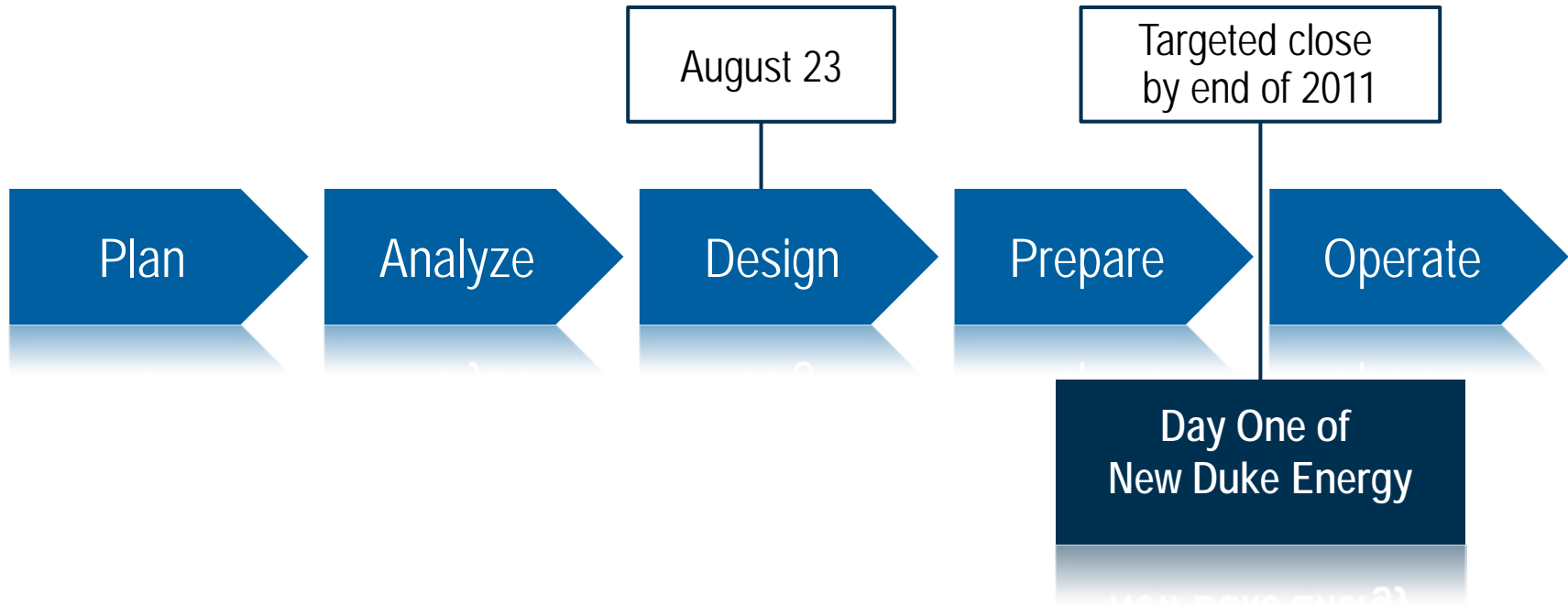
In connection with the proposed merger between Duke Energy and Progress Energy, Duke Energy filed with the SEC a Registration Statement on Form S-4 that includes a joint proxy statement of Duke Energy and Progress Energy and that also constitutes a prospectus of Duke Energy. The Registration Statement was declared effective by the SEC on July 7, 2011. Duke Energy and Progress Energy mailed the definitive joint proxy statement/prospectus to their respective shareholders on or about July 11, 2011. Duke Energy and Progress Energy urge investors and shareholders to read the Registration Statement, including the joint proxy statement/prospectus that is a part of the Registration Statement, as well as other relevant documents filed with the SEC, because they contain important information. You may obtain copies of all documents filed with the SEC regarding this transaction, free of charge, at the SEC's website (www.sec.gov). You may also obtain these documents, free of charge, from Duke Energy's website (www.duke-energy.com) under the heading "Investors" and then under the heading "Financials/SEC Filings." You may also obtain these documents, free of charge, from Progress Energy's website (www.progress-energy.com) under the tab "Our Company" by clicking on "Investor Relations," then by clicking on "Corporate Profile" and then by clicking on "SEC Filings."



Status of Merger Filings (As of August 23, 2011)

Stakeholder	Progress on Key Milestones	Approved
Shareholder	<ul style="list-style-type: none"> Shareholder meetings and votes August 23 	<input type="checkbox"/>
Department of Justice	<ul style="list-style-type: none"> Met obligations of Hart-Scott-Rodino Act 	Waiting Period Expired
Federal Communications Commission	<ul style="list-style-type: none"> Received approval of filings associated with certain radio licenses 	<input checked="" type="checkbox"/>
Federal Energy Regulatory Commission	<ul style="list-style-type: none"> Expect ruling or extension of review by October 3 	<input type="checkbox"/>
Nuclear Regulatory Commission	<ul style="list-style-type: none"> Filed for indirect transfer of Progress Energy licenses 	<input type="checkbox"/>
North Carolina	<ul style="list-style-type: none"> Hearing scheduled for September 20 	<input type="checkbox"/>
South Carolina	<ul style="list-style-type: none"> Awaiting procedural schedule 	<input type="checkbox"/>
Kentucky	<ul style="list-style-type: none"> Received conditional approval 	<input type="checkbox"/>

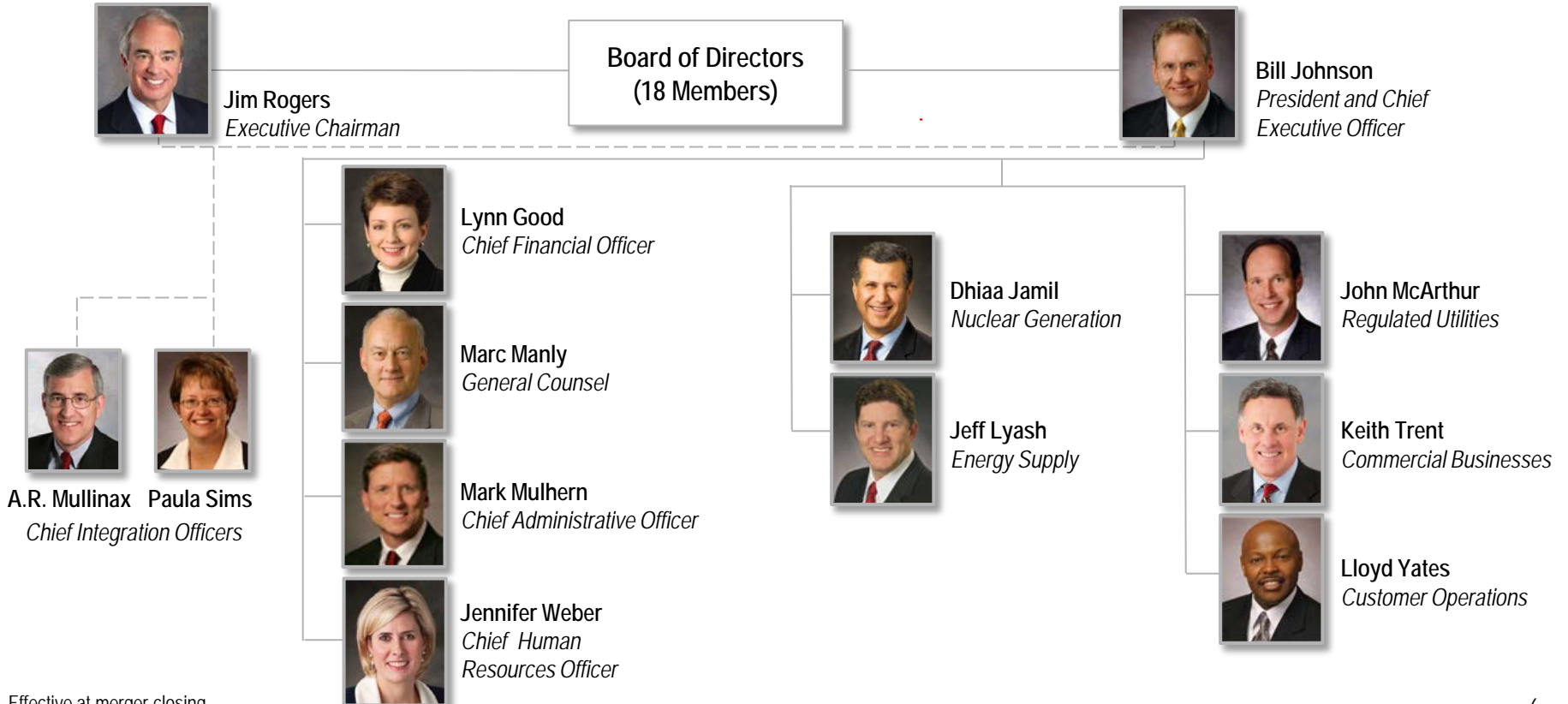
Advancing Merger Integration Planning



Best Practices Will Create New Efficiencies and Productivity Gains



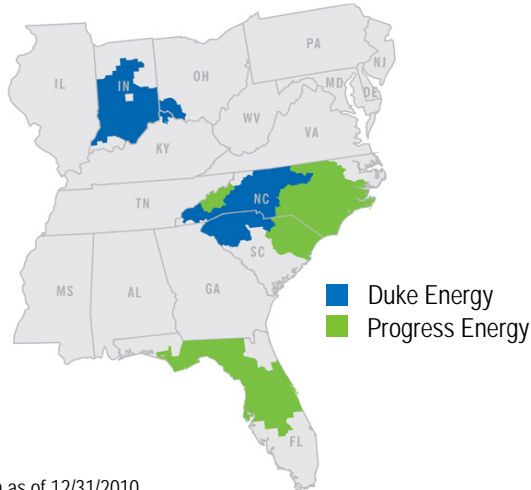
Highly Experienced Leadership Team



Creating the Largest U.S. Utility

- The combined company will create the largest U.S. utility, with unmatched scale and scope

Diverse Service Territories



Combined Statistics

	Duke Energy	Progress Energy	Combined	Rank
Enterprise Value	\$40.2 B	\$25.1 B	\$65.3 B	#1
Market Cap.	\$23.7 B	\$12.8 B	\$36.5 B	#1
Electric Customers	4.0 M	3.1 M	7.1 M	#1
Generation Capacity	35.4 GW ¹	21.8 GW	57.2 GW ¹	#1
Total Assets	\$59 B	\$33 B	\$92 B ²	#1
Rate Base	\$22 B	\$17 B	\$39 B	#1

Source: Data as of 12/31/2010

¹ Excludes purchased power. Duke Energy and combined amounts exclude approximately 4 GW of Duke Energy International assets

² Total assets are a summation of the two stand-alone companies and do not include any purchase accounting adjustments from this transaction

Our Objective ... Becoming the Nation's Best Utility

Our Mission

- Safely deliver reliable and increasingly clean electricity, 24/7
- Maintain competitive customer rates compared to national and regional averages
- Provide exceptional customer service
- Generate fair and competitive investor returns



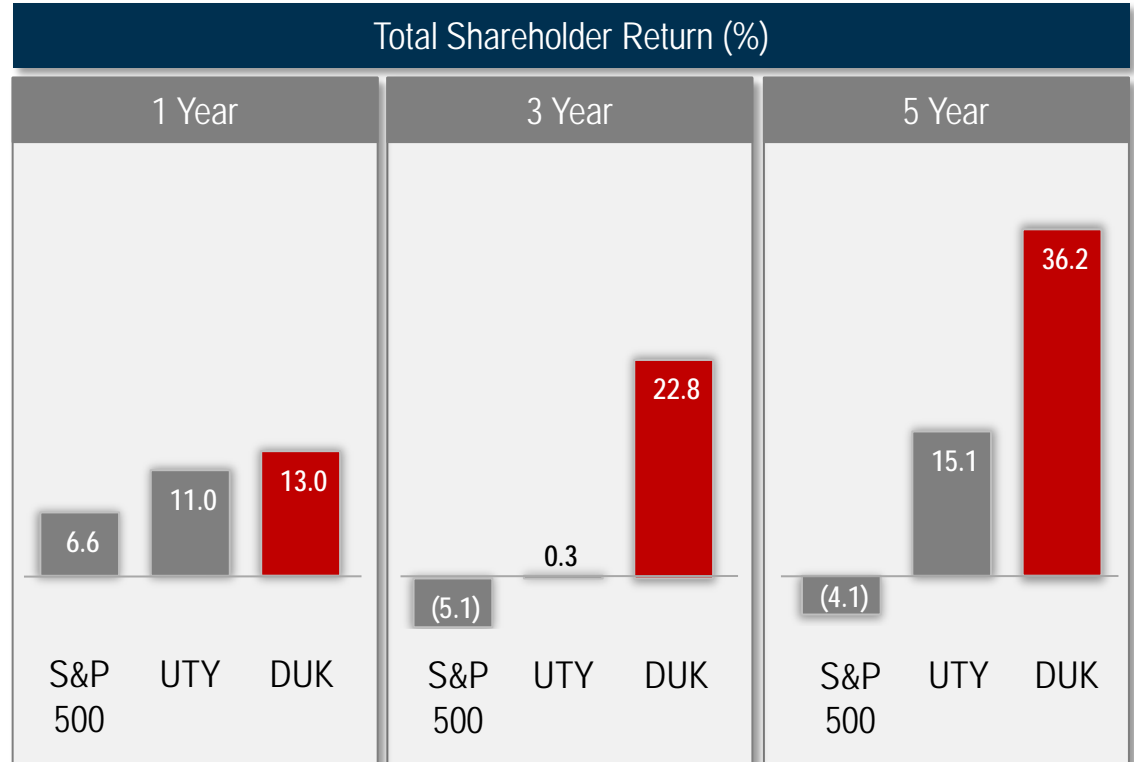
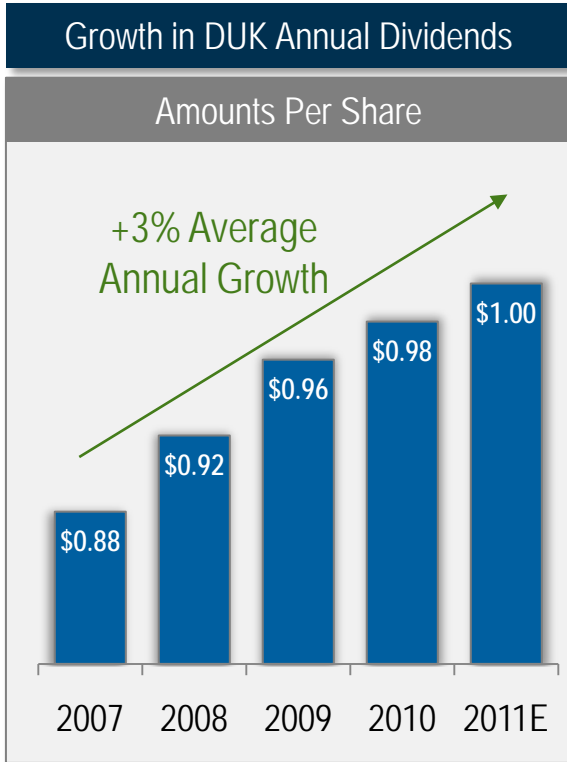


Customer Benefits from the Merger

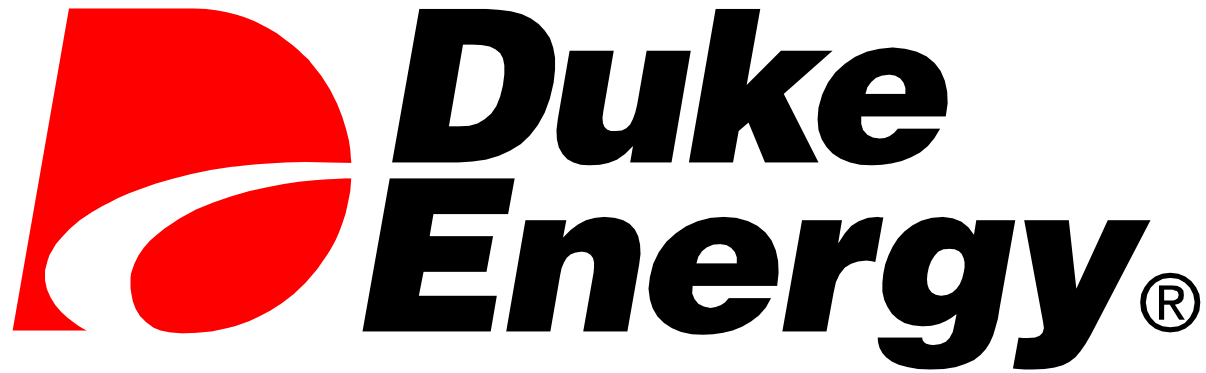
- Customers in the Carolinas will benefit from significant fuel and joint dispatch savings
 - Cumulative savings of approximately \$700 million over first five years
- Over time, Duke Energy customers will benefit from cost savings resulting from the integration of corporate and other functions
 - Information technology systems
 - Supply chain functions
 - Generation operations
 - Corporate and administrative programs
 - Inventory management



Attractive Shareholder Value Track Record



Source: Bloomberg as of 8/19/2011



Duke Energy Corporation
Non-GAAP Reconciliations
Special Shareholders Meeting
August 23, 2011

2011 Forecasted Adjusted Segment EBIT Business Mix

The prepared comments for Duke Energy's Special Shareholders meeting on August 23, 2011, include a discussion of Duke Energy's 2011 forecasted business mix by segment, based upon Duke Energy's forecasted 2011 adjusted segment EBIT. Additionally, the materials include a discussion of the pro-forma 2011 forecasted business mix by segment for the combined company, based upon Duke Energy's forecasted 2011 adjusted segment EBIT and Progress Energy Inc.'s ("Progress Energy") forecasted 2011 adjusted EBIT (which is based on the midpoint of Progress Energy's forecasted 2011 ongoing EPS range of \$3.00 - \$3.20). Progress Energy's management's use of ongoing earnings per share to evaluate the operations of Progress Energy and to establish goals for management and employees is discussed further below.

The primary performance measure used by Duke Energy's management to evaluate segment performance is segment EBIT from continuing operations, which at the segment level represents all profits from continuing operations (both operating and non-operating), including any equity in earnings of unconsolidated affiliates, before deducting interest and taxes, and is net of the income attributable to non-controlling interests. Management believes segment EBIT from continuing operations, which is the GAAP measure used to report segment results, is a good indicator of each segment's operating performance as it represents the results of Duke Energy's ownership interests in continuing operations without regard to financing methods or capital structures. Duke Energy also uses adjusted segment EBIT as a measure of historical and anticipated future segment performance. When used for future periods, adjusted segment EBIT may also include any amounts that may be reported as discontinued operations or extraordinary items.

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, although it is reasonably possible such charges and credits could recur. 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 or regulatory accounting, used in Duke Energy's hedging of a portion of the economic value of certain 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 segment EBIT provides useful information to investors, as it provides them an additional relevant comparison of a segment's performance across periods. The most directly comparable GAAP measure for adjusted segment EBIT is reported segment EBIT, which represents segment results from continuing operations, including any special items. Due to the forward-looking nature of this non-GAAP financial measure for 2011 and 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 special items for future periods.

Progress Energy, Inc.
Non-GAAP Financial Measures
Special Shareholders Meeting
August 23, 2011

Ongoing Earnings Per Share

Progress Energy's management uses ongoing earnings per share to evaluate the operations of the company and to establish goals for management and employees. Management believes this non-GAAP measure is appropriate for understanding the business and assessing our potential future performance, because excluded items are limited to those that we believe are not representative of our fundamental core earnings. Ongoing earnings as discussed in the prepared comments for Duke Energy's Special Shareholders Meeting on August 23, 2011, may not be comparable to similarly titled measures used by other companies.

The ongoing earnings guidance excludes the impact, if any, from discontinued operations, the effects of certain identified gains and charges and any merger and integration costs from the proposed strategic combination with Duke Energy Corporation. Progress Energy is not able to provide a corresponding GAAP equivalent for the 2011 ongoing earnings guidance due to the uncertain nature and amount of these adjustments.