

Deer Holding Corp.
Form 425
May 25, 2005

Filed by Duke Energy Corporation
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Under the Securities Exchange Act of 1934

Subject Company: Deer Holding Corp.
Commission File No. 132-02302

Investor Meeting
May 2005

Paul Anderson

Chairman and CEO
Duke Energy

Forward Looking Statements

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Additional Information and Where to Find It

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Participants in the Solicitation

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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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This document 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 included in the printed version of these slides which can be downloaded from our investor relations websites at:

www.duke-energy.com/investors/financial/gaap/
www.cinergy.com/Investors/Reports_and_Presentations/presentations.asp

Regulation G

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Duke Energy Strategic Rationale

Merger will strengthen business platforms and will increase value immediately and in the longer term

Creates immediate value

DUK board intends to increase the annual dividend 12.7% to \$1.24 per share effective September 2005

Accretive to earnings

Approximately \$400 million in gross annual synergies at a steady state

Regulated savings to be shared between customers and shareholders

Increased scale and scope of North American generation

Regulated operations with more than 25,000 MW of generating capacity

Merchant power business with combined 16,000 MW of generating capacity

Merchant power business gains fuel and market diversity

Stand-alone strength for both electric and gas operations provides portfolio flexibility

Electric operations would be in top 5 of largest in US by implied market cap

Gas operations would be the largest in US by implied market cap

As utility and merchant businesses continue to consolidate, Duke Energy will be very well positioned to participate

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Transaction Specifics

Delaware holding company Duke Energy Corporation

Consideration 100% stock

Cinergy shareholders will receive 1.56 shares of DUK for each
CIN share

Premium of 13.4% based on May 6 closing prices

Post merger, Cinergy shareholders will hold approximately 24% of Duke shares
outstanding (approximately 310 million shares)

Duke Energy's board intends to increase its annual dividend 12.7% to \$1.24 per share
effective with September 2005 dividend

The exchange ratio and dividend increase keep Cinergy's shareholders whole with
respect to their dividend

Lee

Vermillion

Hanging Rock

Washington

Fayette

Cayuga

Wabash River

Edwardsport

Gibson

Miami Wabash

Gallagher

Markland

Noblesville

Connersville

Madison

Conesville

Dick s Creek

Midwest Generation Assets

East Bend

Miami Fort

Beckjord

Wm. Zimmer

J.M. Stuart

Killen

Duke Midwest merchant generation

Cinergy unregulated generation

Cinergy regulated generation

Cinergy regulated utility service area

IN

OH

WV

KY

IL

MI

CHICAGO

INDIANAPOLIS

COLUMBUS

LOUISVILLE

CINCINNATI

Woodsdale

Henry County

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Midwest Unregulated Generation
Information

Coal

312

32

Ohio

Conesville

Coal/Oil

962

28-47

Ohio

Miami Fort

Gas

564

12

Ohio

Woodsdale

Gas

172

37

Ohio

Dick's Creek

Coal

604

14

Ohio

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Wm. Zimmer

Coal/Oil

1,107

22-46

Ohio

Beckjord

Coal

414

24

Kentucky

East Bend

Duke Energy

SO2: 1.69 NOx: 0.15

5,246

Coal

198

23

Ohio

Killen

Coal

913

33

Ohio

J.M. Stuart

Cinergy Unregulated

SO2: 0 NOx: 0.02

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3,600

Gas

620

2

Ohio

Hanging Rock #2

Gas

620

2

Ohio

Hanging Rock #1

Gas

620

2

Pennsylvania

Fayette

Gas

620

3

Ohio

Washington

Gas

640

4

Illinois

Lee (peaker)

Gas

480

5

Indiana

Vermillion (peaker)

***Emissions
(Lbs/MMBtu)***

***Fuel
Source***

***Net Capacity
(MW)***

***Age
(years)***

Location

Plant

8

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Midwest Unregulated Generation Summary

47%

80%

0%

% Coal-fired
Generation

1.69

0.17

1.69

0.15

0.02

Emissions (lbs/MMBtu):

SO₂

NO_x

18 years

29 years

3 years

Average Age
of Facilities

Combined

Cinergy

Duke Energy

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Regulatory Timeline

State regulatory approvals

File applications by June 30

Expect approvals within 9 months after filing

FERC

Filing expected in July

Expect approvals within 10 months after filing

SEC

Approval expected 4 - 6 weeks after obtaining all state
and FERC regulatory approvals

Other filings include DOJ, NRC, etc.

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Selected Investor-Owned
Electric Utility Holding Companies

For Illustration only

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Merger Cost Savings

Approximately \$400 million in annual pre-tax cost savings, before costs to achieve, by year 3

Savings are ~50% non-regulated and 50% regulated, before sharing between customers and shareholders

Costs-to-achieve largely incurred by end of year 2

~ 40% expensed

~ 60% capitalized

Rapid integration approach to achieve Day-1 readiness and accelerate savings realization

Five-Year Savings Summary
(*\$ in millions*)

~\$275

~\$350

(\$425)

(\$175)

~\$400

(\$50)

~\$425

(\$40)

~\$450

Year 1

Year 2

Year 3

Year 4

Year 5

Pre-tax savings

Costs to achieve

12

Cost Savings Distribution

**Origin of Savings before Costs to Achieve
(Year 3)**

(\$ in millions)

Total

~\$400

Corporate

~\$190

Utility

~\$80

Non-Regulated

~\$130

Workforce reductions of about 1,500, or about 50% of total savings:

Corporate and shared services

Regulated utility back-office

Non-regulated marketing, trading and operations

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Other Considerations

Initial Board of Directors 10 named by Duke, 5 named by Cinergy

Corporate headquarters Charlotte, North Carolina

Headquarter offices for PSI Plainfield, Indiana

Headquarter offices for CG&E and Union Light Heat & Power Cincinnati, Ohio

Duke Power will continue to be headquartered in Charlotte

Duke Energy Gas Transmission (DEGT) and certain commercial operations will remain in
Houston, Texas

Headquarter offices for Duke Energy Field Services Denver, Colorado

Headquarter offices for Crescent Resources Charlotte

Gas Operations

Electric Operations

Other Operations

** Includes Cinergy's gas distribution activities*

Functional Organization

Paul Anderson

Chairman

Jim Rogers

CEO

Fred Fowler

President & CEO

Leadership

to be named

Leadership

to be named

Duke Power

PSI

Merchant Generation

International

*CG&E**

Gas Pipelines

Field Services

Union Gas

Crescent

Corporate

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Total Shareholder Return

September 30, 1988 through December 31, 2004

Source: Bloomberg Financial Markets LLC

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Next Steps

Transition Committee

Anderson and Rogers to co-chair

Subcommittees with co-chairs

Begin filing for approvals

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Summary

Merger will enhance strong business platforms

Creates immediate and long-term value

Increased scale and scope provides greater portfolio flexibility

Merchant power business gains fuel and geographic diversity

12.7% increase to current Duke annual dividend

Maintains dividend neutrality for Cinergy shareholders

As utility and merchant businesses continue to consolidate, Duke Energy will be well positioned to participate

Closing is expected in summer 2006

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