

PROGRESS ENERGY, INC.
UNAUDITED CONSOLIDATED INTERIM FINANCIAL INFORMATION

STATEMENTS OF INCOME

(In thousands except per share amounts)	Three Months Ended March 31	
	2001	2000
Operating Revenues		
Electric	\$ 1,632,048	\$ 779,908
Natural gas	138,573	72,098
Diversified businesses	137,469	25,134
Total Operating Revenues	1,908,090	877,140
Operating Expenses		
Fuel used in electric generation	369,856	160,387
Purchased power	217,548	70,259
Gas purchased for resale	109,593	43,898
Other operation and maintenance	295,097	198,227
Depreciation and amortization	313,164	132,489
Taxes other than on income	99,646	37,334
Harris Plant deferred costs, net	3,625	5,281
Diversified businesses	189,706	44,155
Total Operating Expenses	1,598,235	692,030
Operating Income	309,855	185,110
Other Income (Expense)		
Interest income	9,943	3,263
Other, net	2,923	3,553
Total Other Income (Expense)	12,866	6,816
Income before Interest Charges and Income Taxes	322,721	191,926
Interest Charges		
Long-term debt	126,443	50,072
Other interest charges	36,701	5,001
Allowance for borrowed funds used during construction	(3,479)	(4,606)
Net Interest Charges	159,665	50,467
Income before Income Taxes	163,056	141,459
Income Taxes	9,053	56,198
Net Income	\$ 154,003	\$ 85,261
Average Common Shares Outstanding		
Basic Earnings per Common Share	\$ 0.77	\$ 0.56
Diluted Earnings per Common Share	\$ 0.77	\$ 0.56
Dividends Declared per Common Share	\$ 0.530	\$ 0.515

This financial information should be read in conjunction with the Company's 2000 Annual Report to shareholders. These statements have been prepared for the purpose of providing information concerning the Company and not in connection with any sale, offer for sale, or solicitation of an offer to buy any securities.

Progress Energy, Inc.

BALANCE SHEETS

(In thousands)

March 31 December 31

2001 2000

ASSETS

Utility Plant

Electric utility plant in service	\$ 18,205,786	\$ 18,124,036
Gas utility plant in service	382,936	378,464
Accumulated depreciation	(9,551,807)	(9,350,235)
Utility plant in service, net	9,036,915	9,152,265
Held for future use	16,302	16,302
Construction work in progress	1,186,617	1,043,439
Nuclear fuel, net of amortization	257,574	224,692
Total Utility Plant, Net	10,497,408	10,436,698

Current Assets

Cash and cash equivalents	83,293	101,296
Accounts receivable	652,057	925,911
Taxes receivable	-	-
Inventory	519,914	420,985
Deferred fuel cost	98,032	217,806
Prepayments	16,594	50,040
Assets Held for Sale, net	782,763	747,745
Other current assets	183,598	192,347
Total Current Assets	2,336,251	2,656,130

Deferred Debits and Other Assets

Income taxes recoverable through future rates	213,639	208,997
Harris Plant deferred costs	41,850	44,813
Unamortized debt expense	38,971	38,771
Nuclear decommissioning trust funds	813,072	811,998
Diversified business property, net	747,173	729,662
Miscellaneous other property and investments	602,163	510,935
Goodwill, net	3,605,862	3,652,429
Other assets and deferred debits	813,619	1,000,579
Total Deferred Debits and Other Assets	6,876,349	6,998,184

Total Assets \$ 19,710,008 \$ 20,091,012

CAPITALIZATION AND LIABILITIES

Capitalization

Common stock equity	\$ 5,446,342	\$ 5,424,201
Preferred stock of subsidiary - redemption not required	92,831	92,831
Long-term debt, net	9,201,322	5,890,099
Total Capitalization	14,740,495	11,407,131

Current Liabilities

Current portion of long-term debt	202,000	184,037
Accounts payable	325,137	828,568
Taxes accrued	23,535	932
Interest accrued	120,276	121,433
Dividends declared	107,825	107,645
Short-term Obligations	868,315	3,972,674
Other current liabilities	482,911	447,370
Total Current Liabilities	2,129,999	5,662,659

Deferred Credits and Other Liabilities

Accumulated deferred income taxes	1,698,037	1,807,192
Accumulated deferred investment tax credits	242,301	261,255
Other liabilities and deferred credits	899,176	952,775
Total Deferred Credits and Other Liabilities	2,839,514	3,021,222

Total Capitalization and Liabilities \$ 19,710,008 \$ 20,091,012

SCHEDULES OF COMMON STOCK EQUITY

(In thousands)

Common stock (without par value, authorized 500,000,000, issued and outstanding 206,082,949 and 206,089,047 shares, respectively)	\$ 3,610,146	\$ 3,608,902
Unearned ESOP common stock	(119,759)	(127,211)
Accumulated other comprehensive loss	(34,991)	-
Retained earnings	1,990,946	1,942,510
Total Common Stock Equity	\$ 5,446,342	\$ 5,424,201

Progress Energy, Inc.

SUPPLEMENTAL DATA

Three Months Ended

March 31

	2001	2000 (1)
Operating Revenues (in thousands)		
Electric		
Retail	\$ 1,323,017	\$ 634,667
Wholesale	264,433	129,691
Unbilled	(61,878)	-
Miscellaneous revenue	106,464	15,550
Total Electric	1,632,036	779,908
Natural gas	138,573	72,098
Diversified businesses	137,469	25,134
Total Operating Revenues	\$ 1,908,078	\$ 877,140
Energy Sales		
Electric (millions of kWh)		
Retail		
Residential	8,722	3,928
Commercial	5,274	2,556
Industrial	4,194	3,400
Other retail	962	341
Total Retail	19,152	10,225
Unbilled	(1,168)	(65)
Wholesale	4,779	3,708
Total Electric	22,763	13,868
Natural Gas (thousands of dt)	14,845	17,344
Energy Supply (millions of kWh)		
Generated - steam		
nuclear	11,913	7,460
hydro	7,138	5,664
combustion turbines	53	176
Purchased	1,137	34
Total Energy Supply (Company Share)	3,674	1,032
Total Energy Supply (Company Share)	23,915	14,366
Detail of Income Taxes (in thousands)		
Income tax expense (credit) - current	\$ 35,206	\$ 89,837
deferred	(19,182)	(31,040)
investment tax credit	(6,971)	(2,599)
Total Income Tax Expense	\$ 9,053	\$ 56,198
FINANCIAL STATISTICS		
Ratio of earnings to fixed charges	2.73	3.85
Return on average common stock equity	13.20 %	11.31 %
Book value per common share	\$ 27.24	\$ 22.38
Capitalization ratios		
Common stock equity	36.95 %	47.55 %
Preferred stock of subsidiary- redemption not required	0.63	0.81
Long-term debt, net	62.42	51.64
Total	100.00 %	100.00 %

(1) Supplemental data does not include information related to Florida Progress for the three months ended March 31, 2000.

Progress Energy, Inc.
Reported Earnings Variance Analysis
First Quarter 2001 vs. 2000

(Per share)	CP&L (Electric)	Florida Power (Electric)	Regulated Natural Gas	Energy Ventures Business Unit	Other Diversified Businesses	Corporate	Consolidated
2000 earnings	0.56	-	0.06(E)		(0.06)(E)		0.56
Weather	-						-
Customer growth and usage	0.04						0.04
Other margin	0.04		(0.01)				0.03
Addition of FPC operations		0.36(C)		0.14	(0.01)	(0.11)(G)	0.38
O&M	0.09 (A)		(0.01)				0.08
Interest charges	(0.04)					(0.18)	(0.22)
Goodwill						(0.10)	(0.10)
Diversified businesses				0.07	0.06		0.13
Share dilution	(0.14) (B)						(0.14)(B)
Income taxes - other	0.05						0.05 (D)
Eliminations/other						(0.04)(G)	(0.04)
2001 earnings	0.60 (F)	0.36(F)	0.04	0.21	(0.01)	(0.43)	0.77

Regulated Natural Gas includes NCNG and Eastern NCNG

Energy Ventures includes Electric Fuels, Progress Energy Ventures, and Monroe Power

Other Diversified Businesses includes SRS and Progress Telecom

Corporate includes eliminations, interest expense, goodwill and intra-period tax allocations

(A) .01 related to exclusion of NCNG, .04 related to Jan 2000 ice storm

(B) Related to issuance of 46.5 million common shares in connection with FPC acquisition in Dec 2000

(C) See Table 1

(D) Income statement line items are tax-effected at the statutory rate. Differences between the statutory and effective rates are reflected in "Income taxes-other". The year-to-date variance primarily results from depreciation permanent differences.

(E) These companies were moved from a subsidiary of CP&L to Progress Energy in June 2000 with the holding company formation.

(F) Includes approximately .06 per share in CP&L and .04 per share in Florida Power related to energy marketing and trading.

(G) Includes intra-period tax allocation adjustment which will vary each quarter. These adjustments will reverse for the year 2001.

Table 1

Florida Power
Reported Earnings Variance Analysis
First Quarter 2001 vs. 2000

2000 earnings	\$	0.64
Weather		0.04
Customer growth and usage		0.02
O&M		0.02
Share dilution		(0.32)
Depreciation		(0.01)
Other taxes		(0.02)
Eliminations/other		(0.01)
2001 earnings	\$	0.36