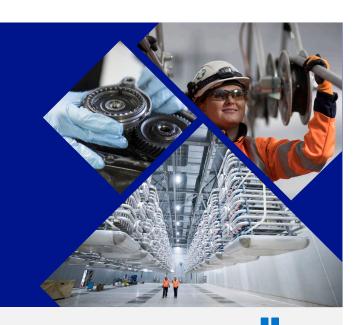
## Half Year Results

2020/21

**Investor Relations** | November 2020



## ... strong operational performance whilst managing the impact of COVID ...

"In the first half of this year we delivered strong operational performance whilst managing the impact of COVID-19 costs on our financial results. We have continued to ensure safe, reliable networks and have delivered on our investment programme through the pandemic. With the launch of our Responsible Business Charter, we have underlined our commitment to our environmental goals, whilst supporting employees and communities across our jurisdictions."

**Group financial summary** half year ended 30 September 2020

Unaudited underlying results<sup>1</sup>

Operating profit

£1.1bn #12%

(£m at actual exchange rates)

Earnings per share

17.2p \$14% 17.0p HY20: 20.0p HY20: 16.57p

Dividend per share

Capital investment

£2.6bn 16%

1. 'Underlying results' are given on an adjusted basis for our continuing operations, at actual exchange rates. This and a number of other terms and performance measures used in this document are not defined within accounting standards and may be applied differently by other organisations

## **Operational Highlights**

#### US

highlights

- · Continued positive discussions with NY PSC on new rates for **KEDNY-KEDLI**
- Progressing a way forward on addressing downstate New York gas supply constraints
- · Filed for new rates for Niagara Mohawk
- Filing for Massachusetts Gas on 13 November

#### UK

highlights

- Submitted comprehensive response to Ofgem's RIIO-2 draft determination consultation
- Good progress on major projects e.g. London Power Tunnels 2 and Hinkley Point
- On target to meet full year £100m cost efficiency target
- Near commissioning Feeder 9, our largest gas project in a decade

#### NGV

highlights

- · Construction of three interconnectors on target
- Co-operation agreement with TenneT exploring the use of multi-purpose interconnectors
- 25-year agreement signed with Qatar Petroleum at Isle of Grain LNG facility
- Rebrand of our US renewable energy business

#### Outlook

- For 2020/21, we continue to assume an impact on Group underlying operating profit of around £400 million from COVID-19. However, given regulatory mechanisms and precedents, we expect to recover a large part of this.
- · We will continue to focus on customer affordability, safety and reliability across our networks as we work with regulators on agreeing new frameworks in the US and UK.
- We will continue to place a sharp emphasis on efficiency across the business, and through our Responsible Business Charter we have underlined our commitment to our environmental goals, whilst supporting employees and communities across our jurisdictions.
- We expect asset growth towards the top end of its target range of 5-7% in the near term, assuming RPI at 3%, with capital investment for FY21 around £5 billion.

#### Financial performance segmental summary

#### **US Regulated**

Operating profit

£403m 123%

HY20: £525m

**RoE outlook vs FY20** 



#### **UK Electricity Transmission**

Operating profit

£524m ↓10%

RoE outlook vs FY20



#### **NG Ventures**

Operating profit

JVs post tax share

#### **UK Gas Transmission**

Operating profit

£108m 164%

RoE outlook vs FY20



#### Other activities

Operating loss

JVs post tax share

HY20: £12m

Note: Underlying performance from continuing operations, excluding exceptional items and remeasurements. All numbers exclude impact of timing and are presented at actual exchange rates.

#### Responsible business charter

# **Environment**

- Net Zero for scope 1 and 2 by 2050
- 20% reduction in scope 3 by 2030





- Skills development for 45,000 people by 2030
- 500,000 volunteering hours by 2030

#### **People**



- Safety and wellbeing is our top priority
- Meeting diversity challenge head-on, with new commitments

### Economy



- Commit \$250m in smarter energy technology
- Cascade our values through our supply chain



- Achieve 50% diversity in our Group Exec
- · Ensure voices of our people and all stakeholders are heard

Important notice
This document contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include information with respect to National Grid's financial condition, its results of operations and businesses, strategy, plans and objectives. Words such as 'aims', 'anticipates', 'expects', 'should', 'intends', 'plans', 'believes', 'outlook', 'seeks', 'estimates', 'targets', 'may', 'will', 'continue', 'project' and similar expressions, as well as statements in the future tense, identify forward-looking statements is does not contain sufficient information to allow for as full an understanding of the results and state of affairs of National Grid, including the principal risks and uncertainties facing National Grid, as would be provided by the full Annual Report and Accounts, including in particular the Strategic Report section and the 'Risk factors' section on pages 227 to 230 of National Grid's most recent Annual Report and Accounts for the year ended 31 March 2020 as updated by National Grid's unaudited half-year financial information for the six months ended 30 September 2020, published by National Grid's unaudited half-year financial information for the six months ended 30 September 2020, Opublished on 12 November 2020. Copies of the most recent Annual Report and Accounts are available online at www.nationalgrid.com or from Equiniti Limited. Except as may be required by law or regulation, National Grid undertakes no obligation to update any of its forward-looking statements, which speak only as of the date of this document. The content of any website references herein do not form part of this document.

#### **Further information**

#### **Nicholas Ashworth**

Director of Investor Relations +44 (0) 20 7004 3166 M +44 (0) 7814 355590 nicholas.ashworth@nationalgrid.com

#### James Flanagan

Investor Relations Manager (US) T +44 (0) 20 7004 3129 M +44 (0) 7970 778952 james.flanagan2@nationalgrid.com

#### Caroline Dawson

Investor Relations Manager +44 (0) 20 7004 3172 M +44 (0) 7789 273241 caroline.dawson@nationalgrid.com

#### Peter Kennedy

Investor Relations Manager T +44 (0) 20 7004 3169 M +44 (0) 7966 200094 peter.kennedy@nationalgrid.com

Jon Clay Investor Relations Officer +44 (0) 20 7004 3460 M +44 (0) 7899 928247 jonathan.clay@nationalgrid.com

@Grid Media



investors.nationalgrid.com

