

nationalgrid

# Full Year Results

## 2025/26

# Cautionary Statement

This presentation 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 (the Company) 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. This presentation also references sustainability-related targets and sustainability-related risks (including climate-related targets and climate-related risks) which differ from conventional financial risks in that they are complex, novel and tend to involve projection over long term scenarios which are subject to significant uncertainty and change. These forward-looking statements and targets are not guarantees of National Grid's future performance and are subject to assumptions, risks and uncertainties that could cause actual future results to differ materially from those expressed in or implied by such forward-looking statements and targets. Many of these assumptions, risks and uncertainties relate to factors that are beyond National Grid's ability to control or estimate precisely, such as changes in laws or regulations and decisions by governmental bodies or regulators, including those relating to current and upcoming price controls in the UK and rate cases in the US; the timing of construction and delivery by third parties of new generation projects requiring connection; breaches of, or changes in, environmental, climate change and health and safety laws or regulations, including breaches or other incidents arising from the potentially harmful nature of its activities; network failure or interruption, the inability to carry out critical non-network operations and damage to infrastructure, due to adverse weather conditions including the impact of major storms as well as the results of climate change, due to counterparties being unable to deliver physical commodities; reliability of and access to IT systems, including due to the failure of or unauthorised access to or deliberate breaches of National Grid's systems and supporting technology; failure to adequately forecast and respond to disruptions in energy supply; performance against regulatory targets and standards and against National Grid's peers with the aim of delivering stakeholder expectations regarding costs and efficiency savings, including affordability considerations, as well as against targets and standards designed to support its role in the energy transition; and customers and counterparties (including financial institutions) failing to perform their obligations to the Company. Other factors that could cause actual results to differ materially from those described in this presentation include fluctuations in exchange rates, interest rates and commodity price indices; restrictions and conditions (including filing requirements) in National Grid's borrowing and debt arrangements, funding costs and access to financing; regulatory requirements for the Company to maintain financial resources in certain parts of its business and restrictions on some subsidiaries' transactions such as paying dividends, lending or levying charges; the delayed timing of recoveries and payments in National Grid's regulated businesses, and whether aspects of its activities are contestable; the funding requirements and performance of National Grid's pension schemes and other post-retirement benefit schemes; the failure to attract, develop and retain employees with the necessary competencies, including leadership and business capabilities, and any significant disputes arising with National Grid's employees or breaches of laws or regulations by its employees; the failure to respond to market developments, including competition for onshore transmission; the threats and opportunities presented by emerging technology, including AI; the risk that global actions may not be effective in transitioning to net zero and in managing relevant ESG risks, including in particular climate, nature-related and human rights risks; the failure by the Company to respond to, or meet its own commitments as a leader in relation to, climate change development activities relating to energy transition, including the integration of distributed energy resources, which may result in the Company's failure to achieve the expected benefits of its strategic priorities; and the need to grow the Company's business to deliver its strategy, as well as incorrect or unforeseen assumptions or conclusions (including unanticipated costs and liabilities) relating to business development activity, including its strategic infrastructure projects and joint ventures. Furthermore, in preparing the ESG-related information contained in this document, National Grid has made a number of key judgements, estimations and assumptions, and the processes and issues involved are complex. The ESG data, models and methodologies used are often relatively new, are rapidly evolving and are not of the same standard as those available in the context of other financial information, nor are they subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. This means the ESG-related forward-looking statements and ESG metrics discussed in this document carry an additional degree of inherent risk and uncertainty. For further details regarding these and other assumptions, risks and uncertainties that may affect National Grid, please read the Strategic Report section and the 'Risk factors' on pages 263 to 268 of National Grid's Annual Report and Accounts for the year ended 31 March 2025, as updated by the principal risks and uncertainties statement on page 44 of the Company's half year results statement published on 6 November 2025. In addition, new factors emerge from time to time and National Grid cannot assess the potential impact of any such factor on its activities or the extent to which any factor, or combination of factors, may cause actual future results to differ materially from those contained in any forward-looking statement. Except as may be required by law or regulation, the Company undertakes no obligation to update any of its forward-looking statements, which speak only as of the date of this presentation.

# Agenda



**Zoë Yujnovich**  
Chief Executive



**Andy Agg**  
Chief Financial Officer

Executing our strategy Zoë

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Financial performance and outlook Andy

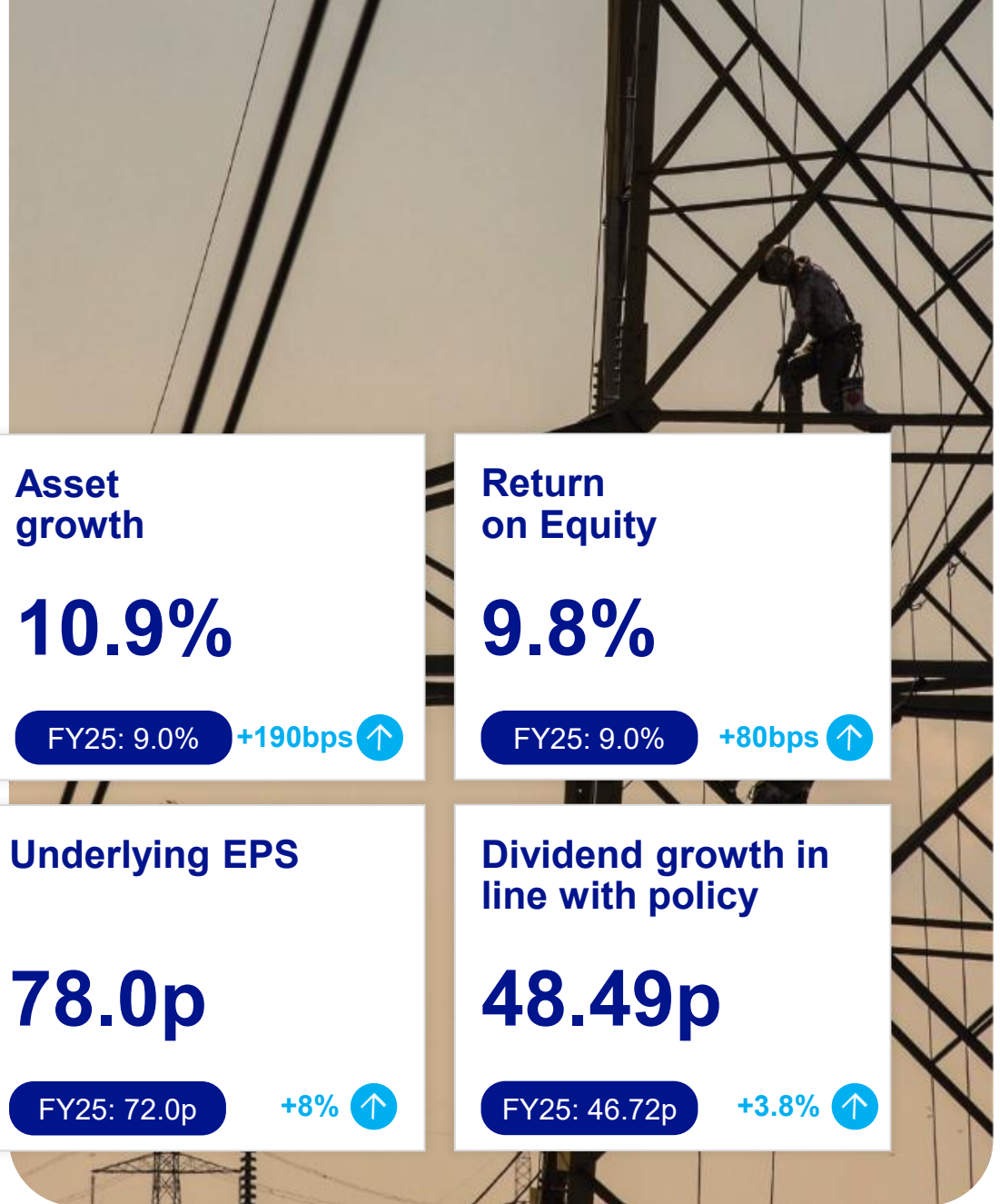
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Key messages and investment case Zoë

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Q&A Zoë & Andy

# FY26 financial performance highlights



Capital investment

**£11.6bn**

FY25: £9.5bn +21% ↑

Asset growth

**10.9%**

FY25: 9.0% +190bps ↑

Return on Equity

**9.8%**

FY25: 9.0% +80bps ↑

Underlying operating profit

**£5.7bn**

FY25: £5.2bn +9% ↑

Underlying EPS

**78.0p**

FY25: 72.0p +8% ↑

Dividend growth in line with policy

**48.49p**

FY25: 46.72p +3.8% ↑

Underlying results from continuing operations excluding exceptional items, remeasurements, deferrable major storm costs (when greater than \$100m), timing, and the impact of deferred tax in the UK regulated businesses (NGET and NGED).

Underlying operating profit, underlying EPS and capital investment prior year calculated at constant currency.

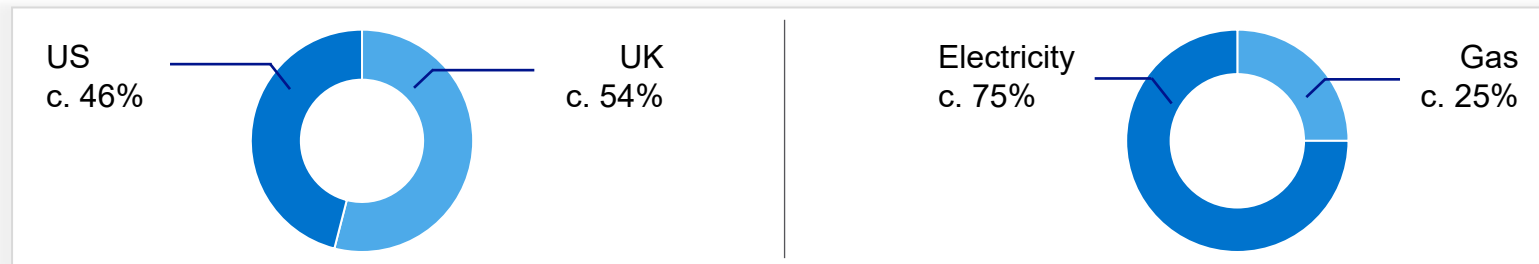
# We have clear momentum in our business

## Building on strong foundations

- ✓ High visibility on investment & growth
- ✓ Engineering excellence
- ✓ Strong regulatory capabilities
- ✓ Clear sense of purpose
- ✓ Strong balance sheet



## Uniquely advantaged portfolio<sup>1</sup>



## Clear progress in first six months

- ✓ Strengthened executive team
- ✓ Mobilised top 120+ leaders
- ✓ Initiated programme to de-risk delivery
- ✓ Streamlined governance
- ✓ Launched strategic framework

Underpins our commitment to deliver our five-year framework

Our largest-ever investment programme of at least **£70bn**

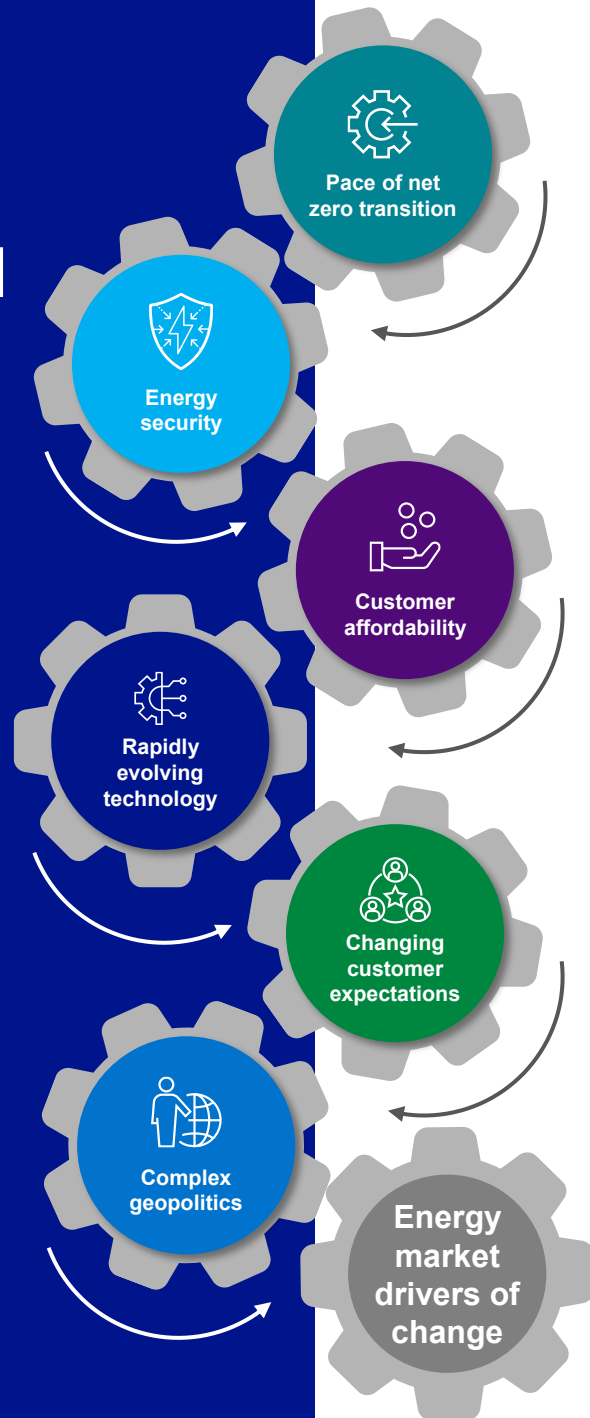
**c.10%** Group asset growth CAGR

Upgraded **c.8-10%** underlying EPS CAGR

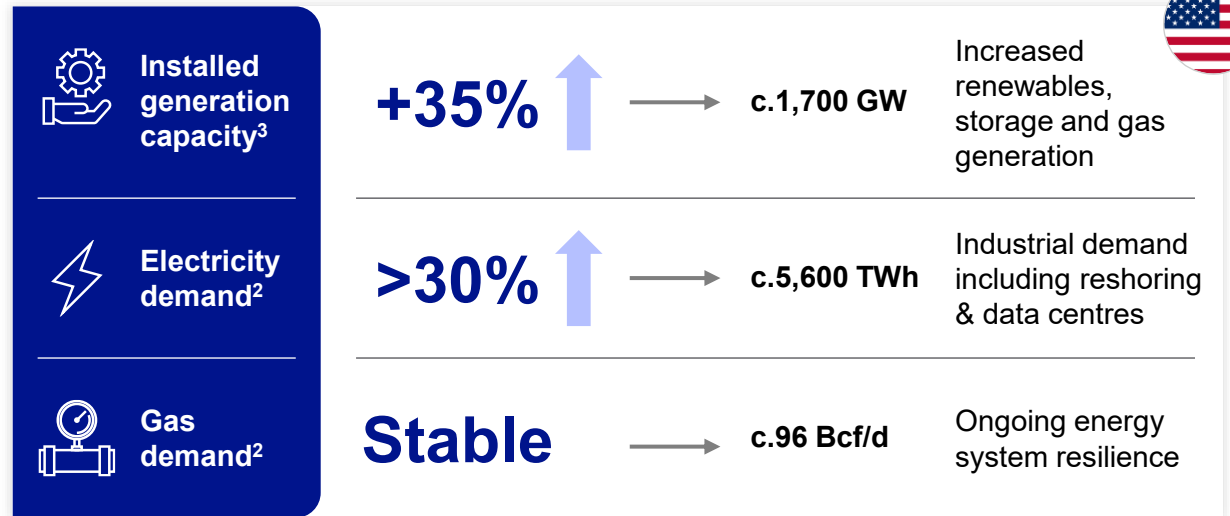
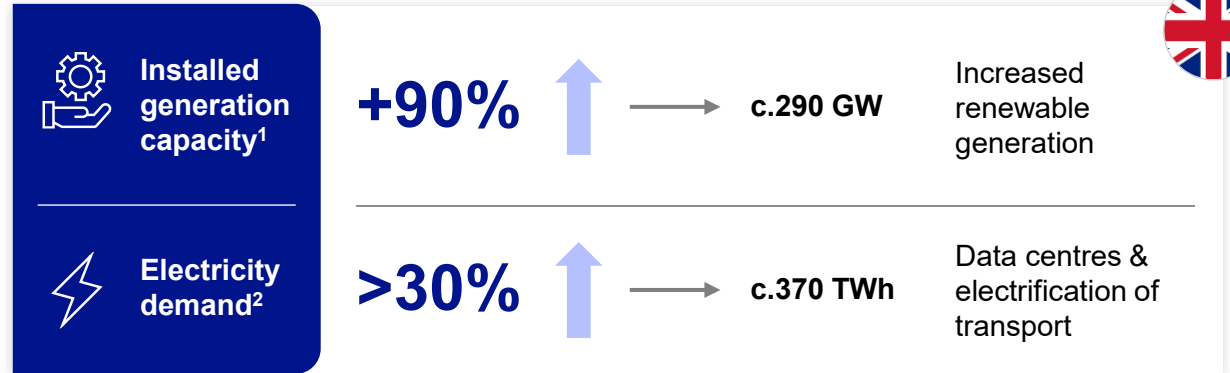
Progressive dividend

1. Splits based on proportion of group assets

We have unprecedented growth opportunities in a rapidly changing energy system



## Significant structural growth drivers by 2035



1. National Energy System Operator Future Energy Scenarios, Holistic Transition Pathway  
 2. McKinsey Global Energy Perspective 2025, Continued Momentum Scenario (gas and power demand for the entire US)  
 3. US Energy Information Administration Annual Energy Outlooks 2026, High Electricity Case

# Our refreshed strategic framework focuses our organisation

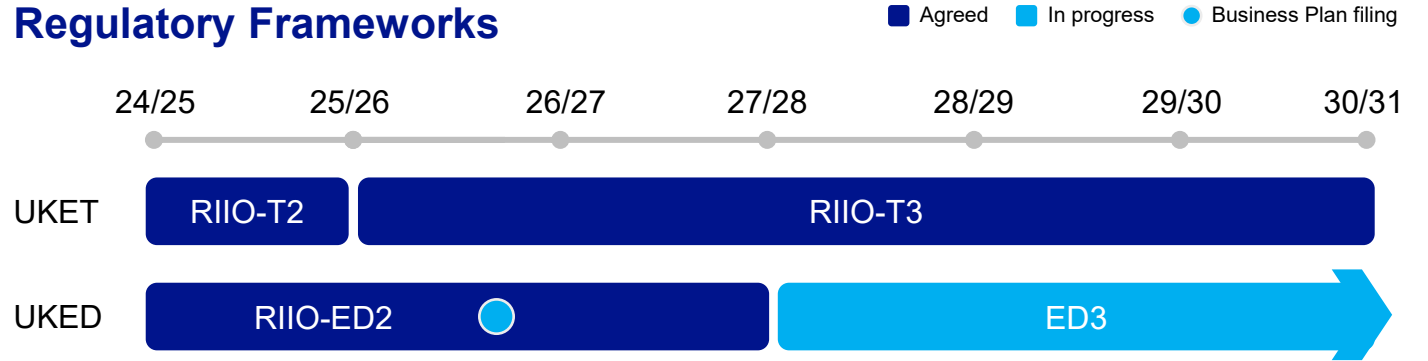




- ET service areas
- ED and ET service areas
- Substations
- Existing / Upgrading Network
- New Build
- Interconnectors

# Delivering at scale in the UK: transforming the energy system

## Regulatory Frameworks



## £41bn of UK investment FY27-31

**Electricity Transmission**  
c.£31bn

↑ **150%**  
vs prior 5-yrs

Connecting up to 35GW supply and 19GW demand

**Electricity Distribution**  
c.£9bn

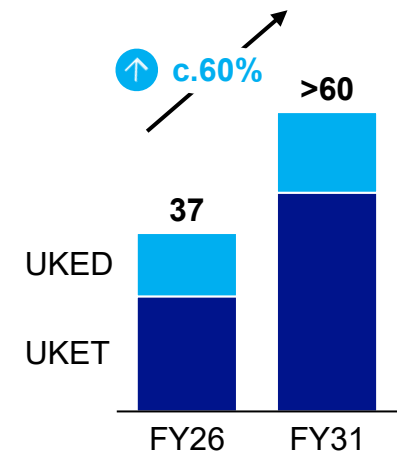
↑ **+50%**  
vs prior 5-yrs

Build smarter, multi-directional and flexible networks

**National Grid Ventures**  
c.£1bn

Maintaining our interconnector fleet

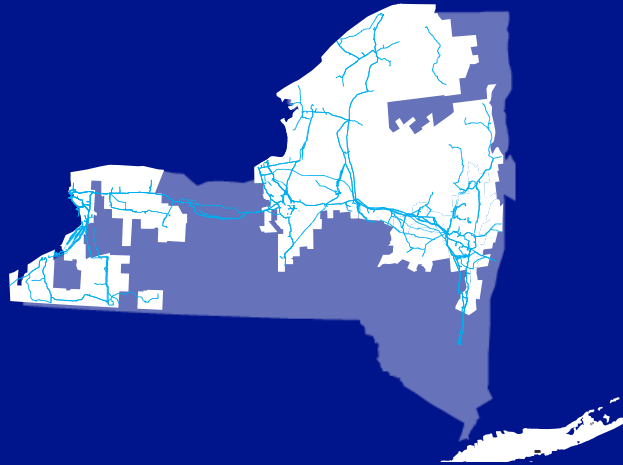
## UK RAV, £bn



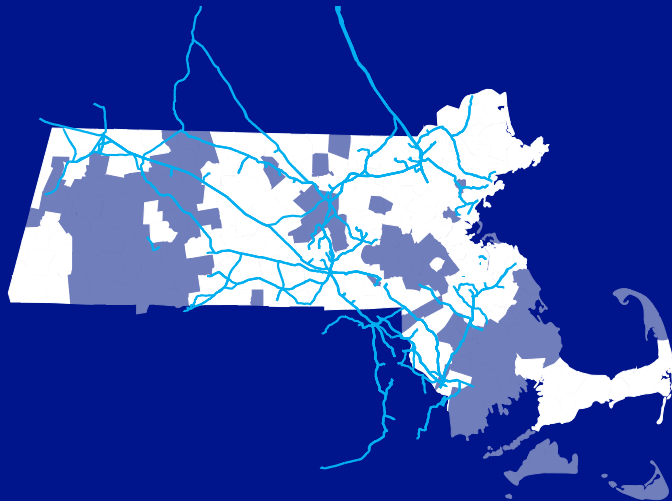


ED and GD service areas  
Electricity Transmission network

### New York



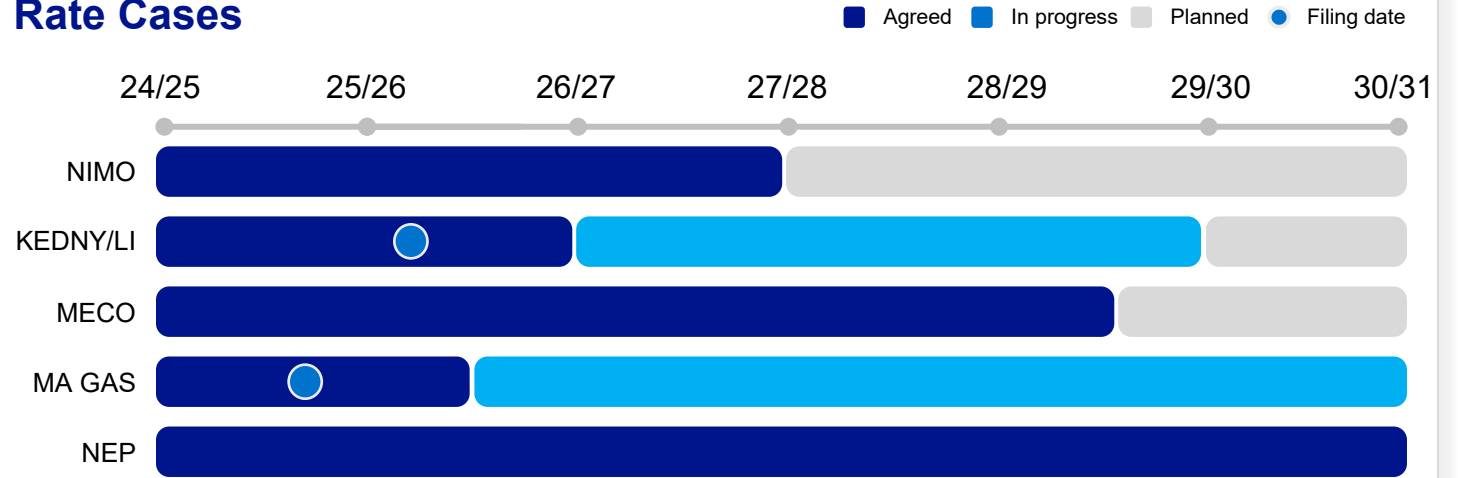
### Massachusetts



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# Deploying at scale in the US: enhancing resilience and meeting demand

## Rate Cases



## £29bn of US investment FY27-31

### New York Regulated

c.£17bn

↑ 30% vs prior 5-yrs

Investing in resilience and new demand connections

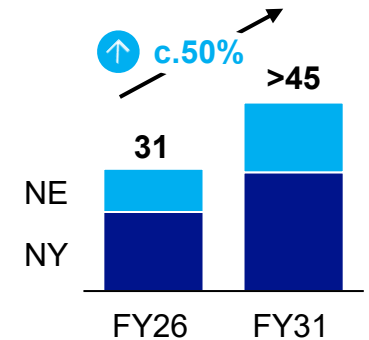
### New England Regulated

c.£12bn

↑ 50% vs prior 5-yrs

Strengthening and modernising our networks

## US Rate Base, £bn



# Building on our foundational strengths



## **Capital**

Be best-in-class in the delivery of our largest-ever capital programme

- ✓ Project delivery
- ✓ Supply chain
- ✓ Planning & consents



## **Asset**

Get the most from our transmission and distribution assets

- ✓ Network reliability
- ✓ Efficient operations
- ✓ Regulatory engagement



## **Customer**

Provide customers with consistently strong experiences

- ✓ Storm response
- ✓ Network modernisation
- ✓ Vulnerable customer support



## **Functions**

Enhance control and oversight while reducing friction

- ✓ Global expertise with local accountability
- ✓ Relentless focus on efficiency

# Sharpening performance

## Capital

### Project assurance

- AI-enabled capital control tower to enhance project planning and performance
- Centralise large project delivery across UK Electricity Transmission to capture synergies
- Optimise cost and schedule across our project portfolio
- Standardise, simplify and modularise equipment

### Capital optimisation



# Sharpening performance



## Asset



### Enhance frontline productivity

- Reduce supervisor admin to allow more field time
- Re-design work planning and scheduling processes
- Strengthen performance management
- Digital asset analytics improve resilience and drive performance
- AI-modelling to identify cost-effective interventions for assets

### Asset intelligence and optimisation

# Sharpening performance

## Customer

### Modernise customer service

- Roll-out market-leading digital customer service platform and smart meters
- Modernise customer contact centres to become 'digital first' and self-serve
- Deepen relationships with large load data centre and industrial customers
- Support connections reform in the UK and reduce time to connect

**Deepen relationships & accelerate connections**



# Sharpening performance

## Technology & Innovation



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## Deploying innovative technologies on our networks

- **GridCARE AI:** finding additional capacity to deliver faster connections for flexible load
- **Emerald AI:** making data centres flexible to increase speed-to-power
- **LineVision:** Dynamic Line Rating sensors to get more capacity out of our existing networks
  - UK DLR roll-out to save consumers up to £50m over next five years
  - Supports RII0-T3 incentive performance

## Deploying Dynamic Line Rating sensors and software

**Regulated  
networks growth**

**Explore new  
growth  
opportunities**

# Growth: delivering today, building future optionality



## Regulated networks growth

- Shape the future of policy and regulation beyond the next regulatory cycle
- Work with industry and partners to meet growing expectations of our customers



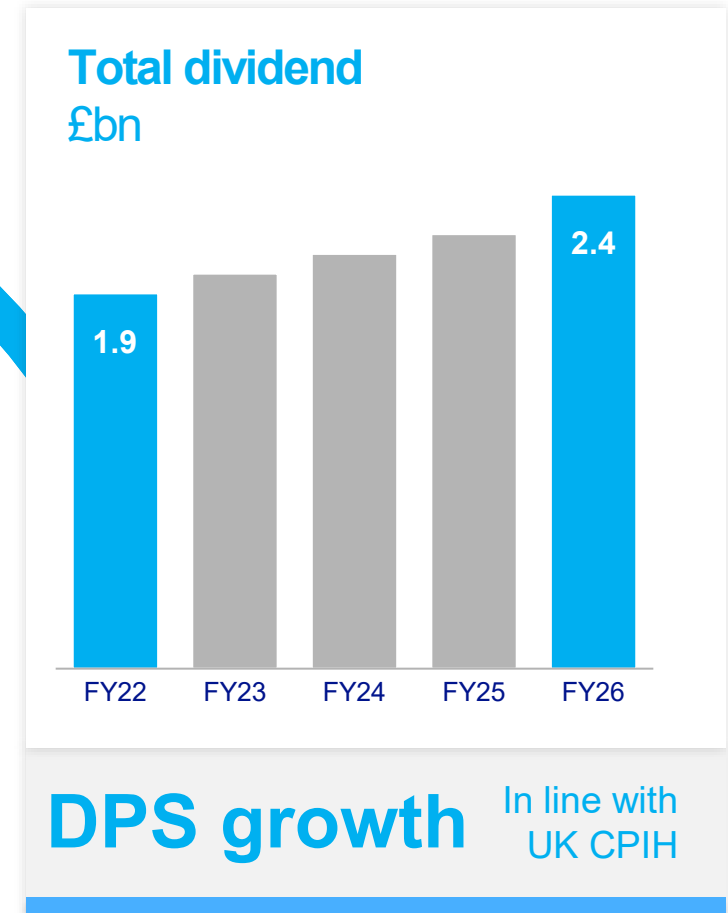
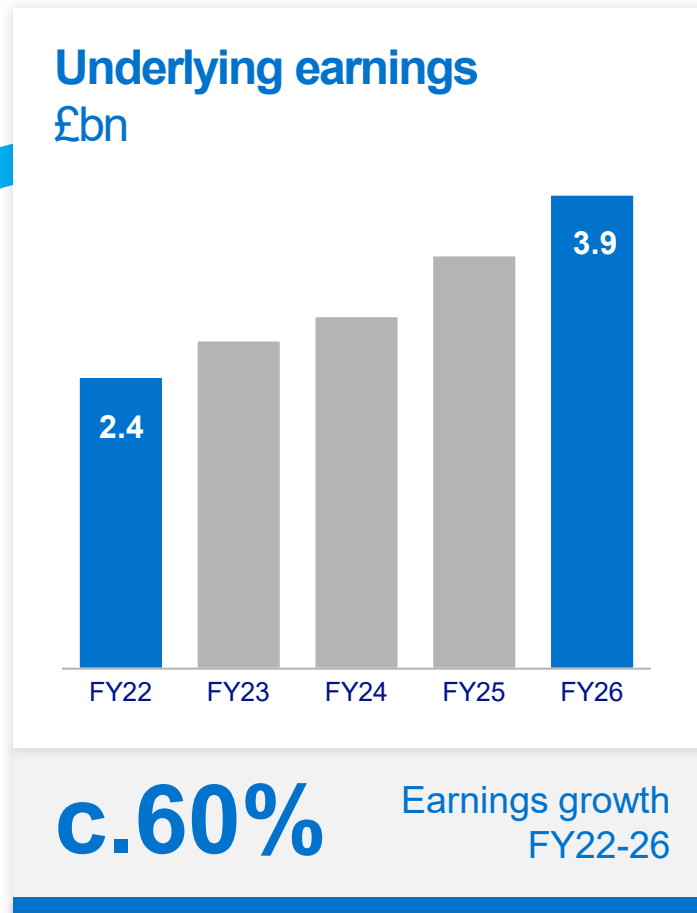
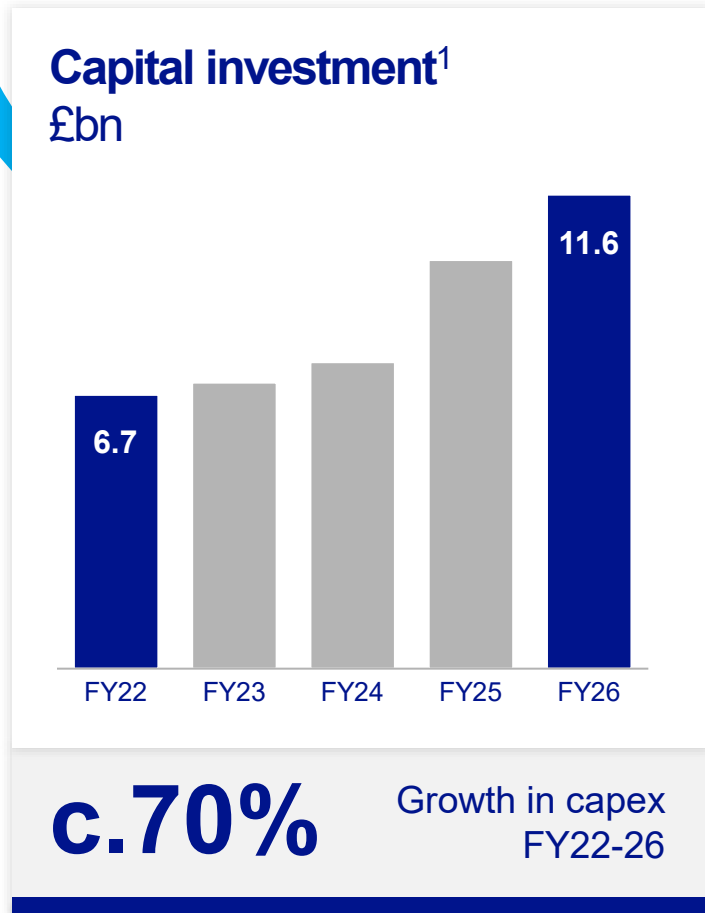
## Explore new growth opportunities through NG Ventures

- Disciplined approach to assessing new opportunities emerging from the transforming energy landscape
- Long-duration cash flows, attractive low-risk returns, and leveraging our capabilities

# Financial performance and outlook

**Andy Agg**  
Chief Financial Officer

# Consistent track record of delivering compelling financial outcomes



1. From continuing operations



# UK Electricity Transmission

- > Higher net revenue
- > Strong cost efficiency – flat controllable costs

## Return on equity

# 100bps

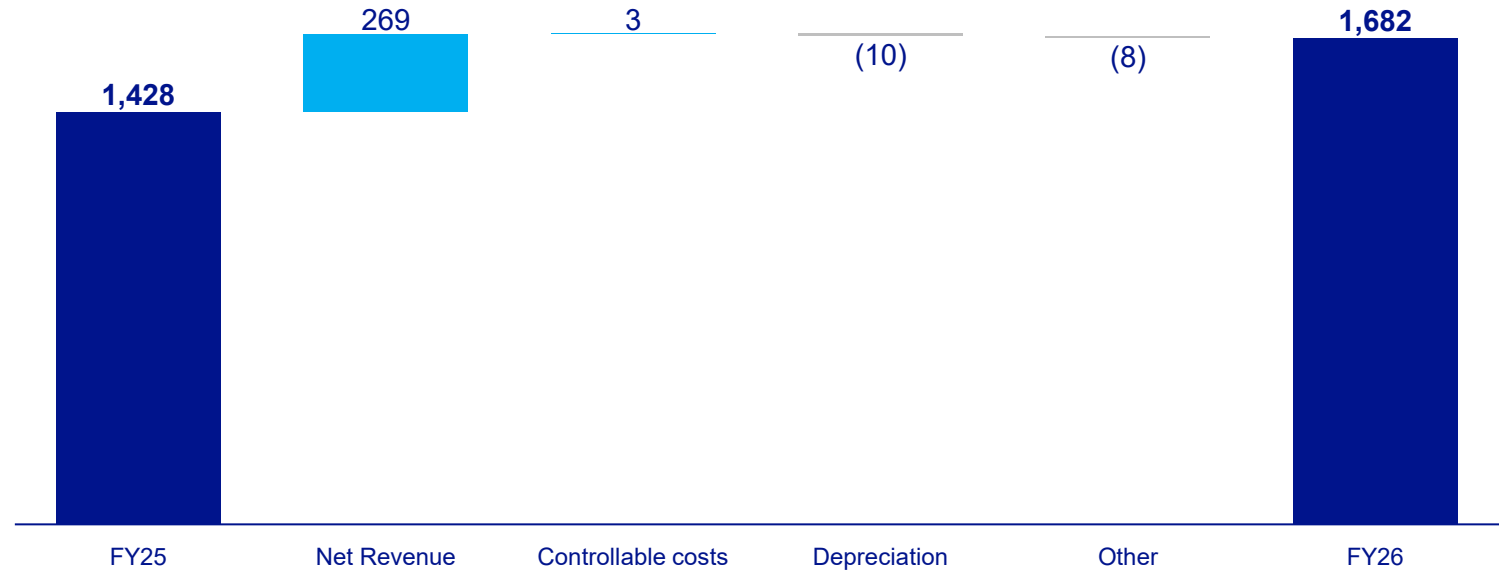
Operational outperformance

## Achieved return on equity

# 8.2%

**nationalgrid**

## Underlying Operating Profit, £m



Capital Investment ↑ +46%

# £4.4bn

FY25: £3.0bn

Regulated Asset Value ↑ +16%

# £23.8bn

FY25: £20.6bn

Underlying Operating Profit

# £1.7bn

FY25: £1.4bn



# UK Electricity Distribution

- > Higher net revenue
- > Lower storm costs
- > Increased depreciation

Return on equity

## 50bps

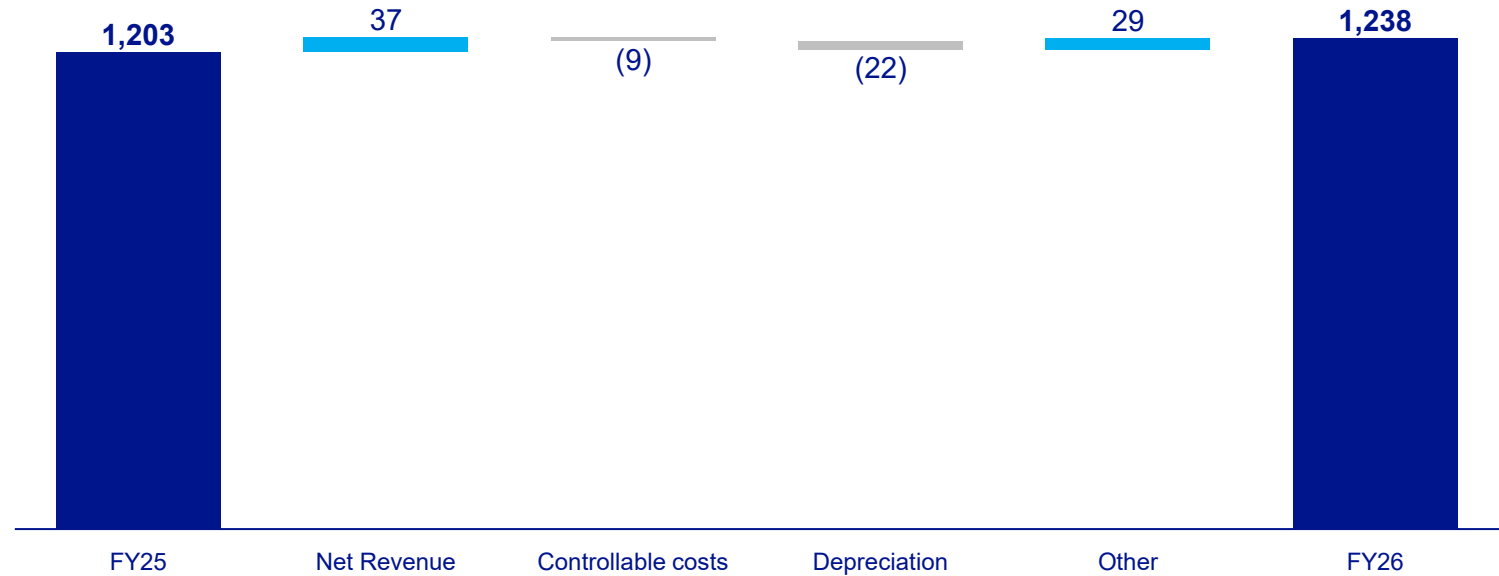
Operational outperformance

Achieved return on equity

## 8.1%

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### Underlying Operating Profit, £m



Capital Investment ↑ +13%

## £1.6bn

FY25: £1.4bn

Regulated Asset Value ↑ +7%

## £13.1bn

FY25: £12.2bn

Group Synergies Delivered

## >£100m

Achieved 6 months early



# New York Regulated

- > Net revenue reflects investment & recovery of unremunerated costs
- > Higher storm costs and property taxes
- > Increased depreciation

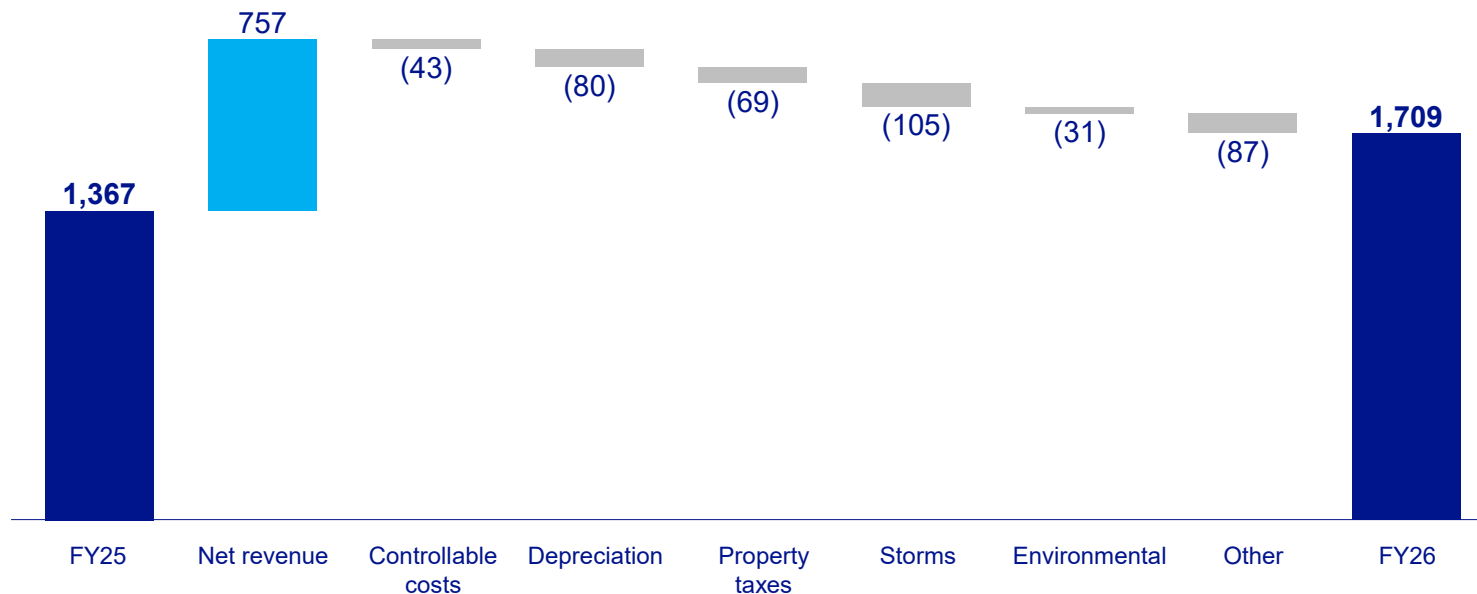
## Return on equity

**96%** of allowed return

## Achieved return on equity

**9.0%**

## Underlying Operating Profit, £m



**Capital Investment** **+11%**

**£3.4bn**

FY25: £3.1bn

**Rate Base** **+10%**

**\$25.4bn**

FY25: \$23.1bn

**Underlying Operating Profit**

**£1.7bn**

FY25: £1.4bn

Underlying operating profit and capital investment calculated at constant currency. Other includes higher year-on-year investment related expenses of £32m and environmental costs of £31m.



# New England Regulated

- > Updated rates in our electric business
- > Impact of charges from FERC ruling
- > Higher depreciation, property tax increases and capital-related opex

## Return on equity

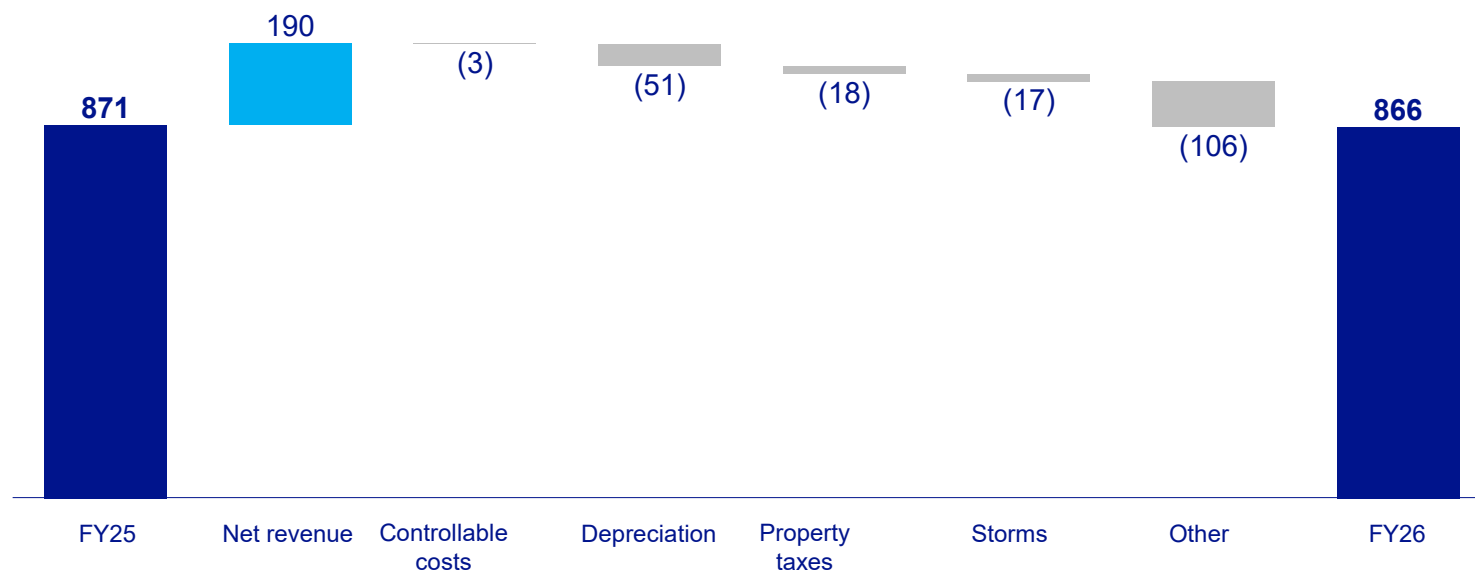
**96%** of allowed return

## Achieved return on equity<sup>1</sup>

**9.2%**

1. Excludes historic impact of charges from FERC ruling

## Underlying Operating Profit, £m



**Capital Investment** ↑ +24%

**£2.0bn**

FY25: £1.7bn

**Rate Base** ↑ +12%

**\$13.6bn**

FY25: \$12.2bn

**Underlying Operating Profit**

**£866m**

FY25: £871m

Underlying operating profit and capital investment calculated at constant currency  
Other includes higher year-on-year investment related expenses of £31m and programme expenses of £27m.

# NGV & Other activities

## Operating profit & post tax share of JVs

Lower profit following Grain LNG sale  
Higher overall interconnector contribution

## Lower capital investment

Following sale of NG Renewables and Grain LNG

## Other activities

Underlying operating loss of £142m

### NG Ventures

### Year ended

#### Operating Profit (£m)

Grain LNG

March 2026

115

March 2025

150

Interconnectors<sup>1</sup>

227

233

US Ventures<sup>1</sup>

(15)

(3)

**327**

**380**

#### Post tax share of JVs (£m)

Interconnectors<sup>2</sup>

70

49

NG Renewables

—

16

Other

4

8

#### Total NG Ventures

401

453

#### Capital investment (£m)

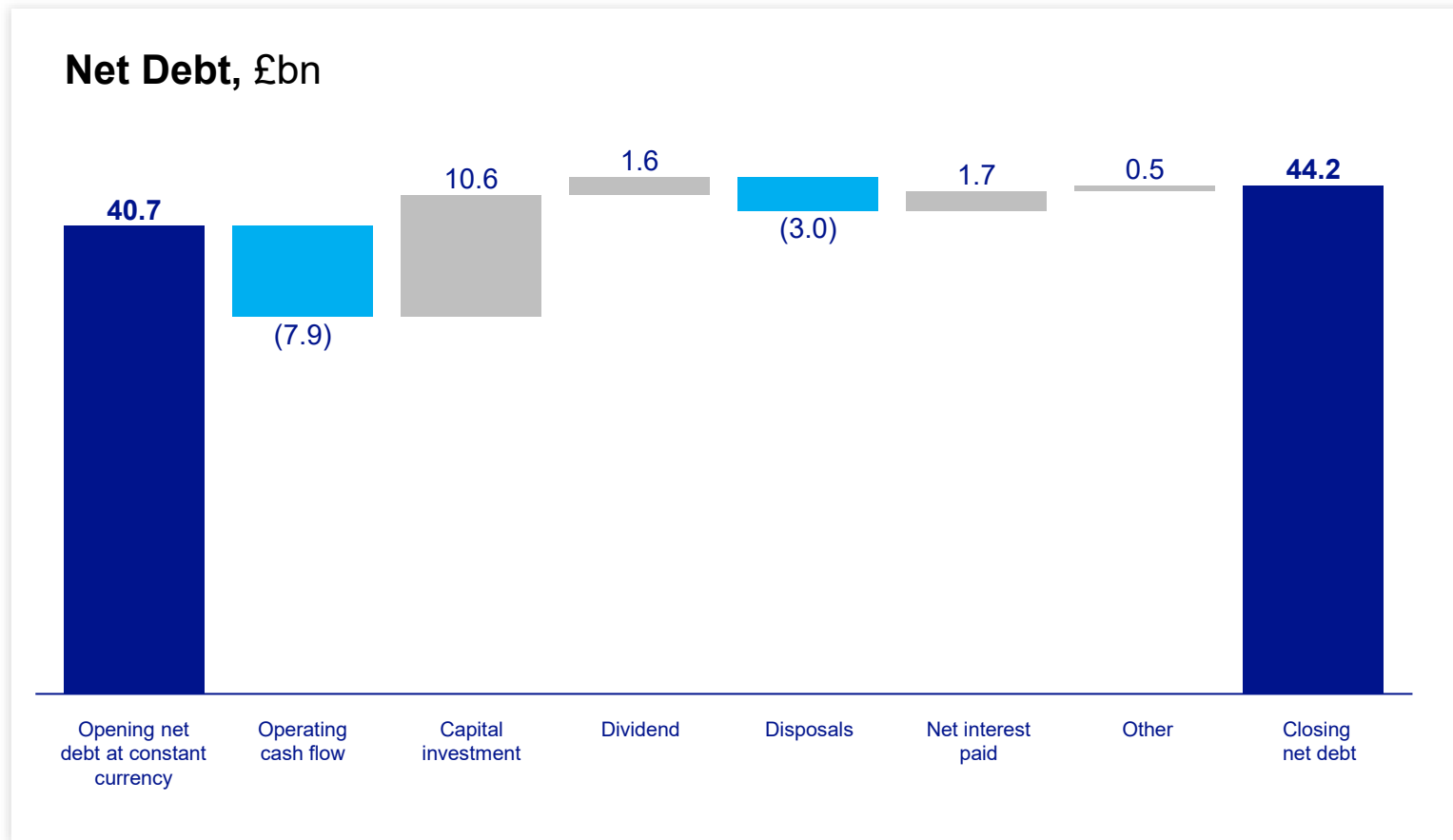
109

362

1. Includes business development costs and other activities

2. Includes BritNed and Nemo

# Cash flow and net debt



1. Net cash flow from operations, excluding other investing and financing transactions with nil impact on net debt, disposal proceeds and rights issue proceeds in the prior year.
2. FY25 net debt presented at actual currency.
3. Finance costs presented at constant currency.

**Finance costs** £1,271m **£37m lower than FY25<sup>3</sup>**

Cash generated from operations

**£7.9bn**

FY25: £7.0bn

Net cash outflow<sup>1</sup>

**£6.0bn**

FY25: £5.9bn outflow

Net debt<sup>2</sup>

**£44.2bn**

FY25: £41.4bn

# Delivering our new 5-year financial framework to FY31

**c.10%**



Group asset growth  
CAGR<sup>1</sup>

**c.8-10%**



upgraded underlying  
EPS CAGR<sup>2</sup>

**Dividend  
Policy**



aim to grow DPS in  
line with UK CPIH

**Strong  
Balance Sheet**



credit metrics above  
current thresholds

**Expect FY27 underlying EPS growth of 13-15%**

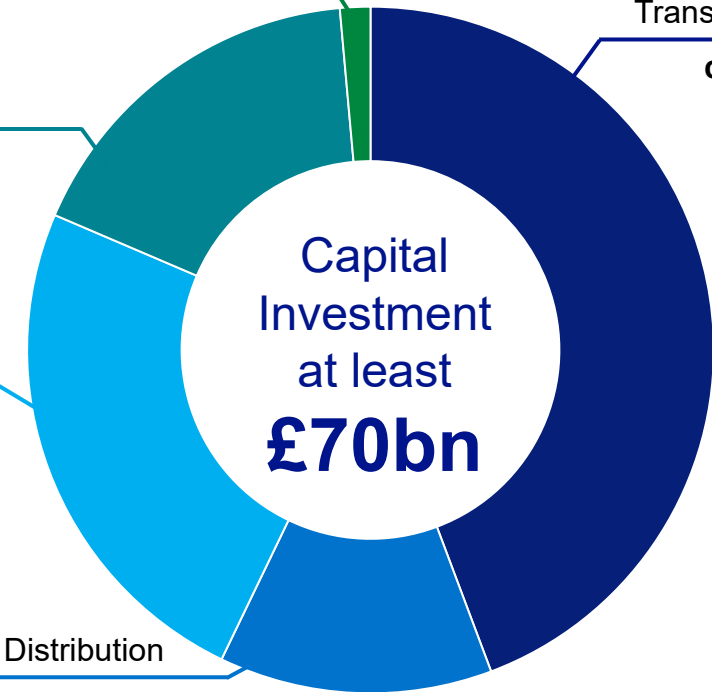
NGV  
c.£1bn

New England  
c.£12bn

New York  
c.£17bn

UK Electricity Distribution  
c.£9bn

UK Electricity  
Transmission  
c.£31bn



**c.2/3 covered by regulatory agreements**

1. Group asset compound annual growth rate (CAGR) from a FY26 base line. Forward years based on assumed USD FX rate of 1.35; and long run UK CPIH and US CPI assumptions.

2. EPS compound annual growth rate from a FY26 baseline. Forward years based on assumed USD FX rate of 1.35; long run UK CPIH and US CPI and interest rate assumptions and scrip uptake of 25%.

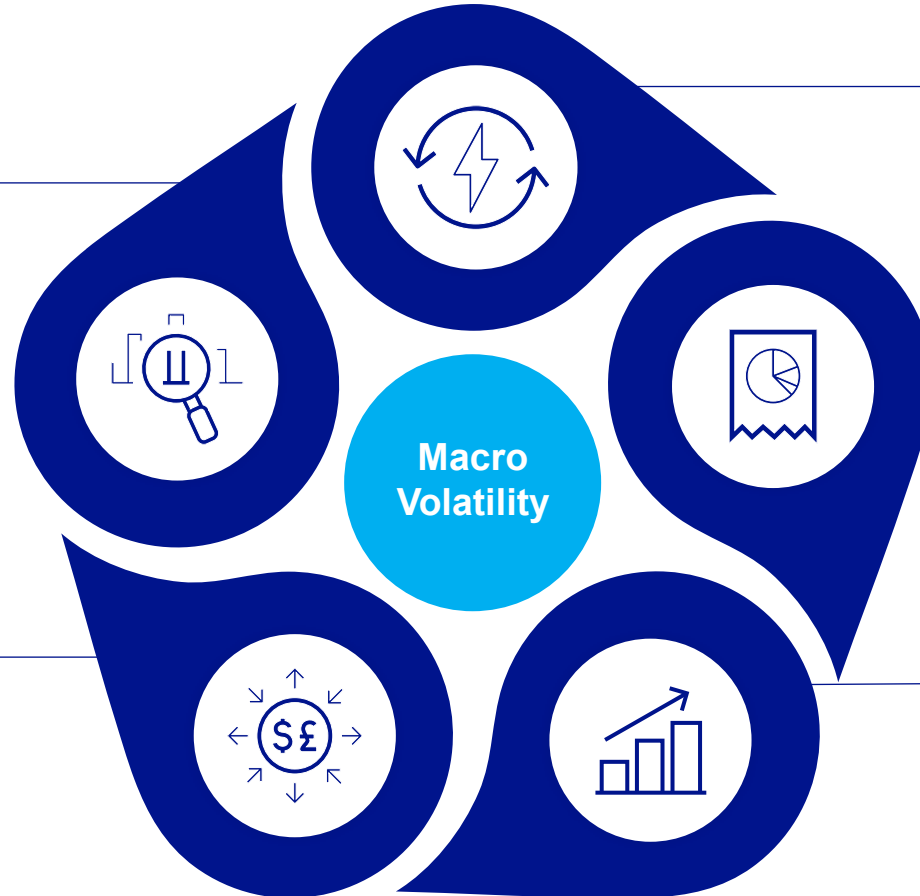
# National Grid is resilient to macro volatility

## Interest Rates

- OpCo leverage matched to regulatory frameworks
- c.80% of debt portfolio is fixed
- HoldCo debt maturities extend into 2030s

## Currency

- c.70% of US assets hedged with USD debt
- 5¢ move in \$:£ has c.1p EPS impact



## Tariffs

- US tier 1 supply chain is c.90% domestically sourced

## Commodities

- Limited exposure to wholesale energy costs
- Full recovery of energy procured for US customers

## Inflation

- UK inflation protection across regulated asset base and costs
- US revenue indexation, can pace investment, recovery of efficiently incurred costs

**Our resilience underpins our differentiated investment case**

# Key messages and investment case

**Zoë Yujnovich**

Chief Executive Officer

# Key messages

**1.** Building on strong foundations to execute our **£70bn investment**

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**2.** Sharpening our performance to **de-risk execution and drive efficiency**

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**3.** Transforming our capabilities to **strengthen for the future**



**Enhanced platform for growth**

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**Strong outcomes for all stakeholders**

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**Aiming to deliver double-digit investor returns**

# National Grid offers growth and resilience



## High visibility growth

- Unmatched visibility of investment and earnings
- Multiple growth drivers
- Critical infrastructure assets
- Long-duration cash flows and low-risk returns



c.8-10% underlying  
EPS CAGR



Progressive  
dividend



**Aiming to deliver  
double-digit  
investor returns**



## Resilient business model

- Strong regulatory capabilities
- Clear delivery track record
- Strong balance sheet
- Resilient to macro volatility

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# Appendices

# UK Electricity Transmission operating profit

For the year ended 31 March (£m)	2026	2025
Revenue	2,898	2,619
Pass-through costs	(391)	(455)
Net revenue	2,507	2,164
Depreciation & amortisation	(550)	(540)
Regulated controllable costs and pensions	(290)	(293)
Other costs	(62)	(54)
Total UK Electricity Transmission adjusted operating profit	1,605	1,277
Timing impacts	77	151
<b>Total UK Electricity Transmission underlying operating profit</b>	<b>1,682</b>	<b>1,428</b>

Adjusted results, excluding exceptional items and remeasurements

# UK Electricity Distribution operating profit

For the year ended 31 March (£m)	2026	2025
Revenue	1,937	2,424
Pass-through costs	(184)	(185)
Net revenue	1,753	2,239
Depreciation & amortisation	(271)	(249)
Regulated controllable costs	(311)	(302)
Other costs	(49)	(78)
Total UK Electricity Distribution adjusted operating profit	1,122	1,610
Timing impacts	116	(407)
<b>Total UK Electricity Distribution underlying operating profit</b>	<b>1,238</b>	<b>1,203</b>

Adjusted results, excluding exceptional items and remeasurements

# New England operating profit

For the year ended 31 March (£m)	2026	2025
Revenue	4,174	4,059
Pass-through costs	(1,451)	(1,563)
Net revenue	2,723	2,496
Depreciation & amortisation	(493)	(442)
Regulated controllable costs	(668)	(665)
Pensions	(9)	(20)
Bad debts	(84)	(59)
Other costs	(509)	(385)
Total New England adjusted operating profit	960	925
Timing & major storm impacts	(94)	(54)
<b>Total New England underlying operating profit</b>	<b>866</b>	<b>871</b>

At constant currency  
Adjusted results, excluding exceptional items and  
remeasurements

# New York operating profit

For the year ended 31 March (£m)	2026	2025
Revenue	7,618	6,307
Pass-through costs	(3,113)	(2,345)
Net revenue	4,505	3,962
Depreciation & amortisation	(769)	(689)
Regulated controllable costs	(1,032)	(989)
Pensions	(19)	(31)
Bad debts	(156)	(133)
Other costs	(1,357)	(1,155)
Total New York adjusted operating profit	1,172	965
Timing & major storm impacts	537	402
<b>Total New York underlying operating profit</b>	<b>1,709</b>	<b>1,367</b>

At constant currency  
Adjusted results, excluding exceptional items and  
remeasurements

## NGV and Property operating profit

For the year ended 31 March (£m)	2026	2025
Revenue	133	166
Depreciation & amortisation	(25)	(24)
Operating costs	(44)	(62)
<b>IFA1 operating profit</b>	<b>64</b>	<b>80</b>

For the year ended 31 March (£m)	2026	2025
Revenue	89	72
Depreciation & amortisation	(14)	(12)
Operating costs	(27)	(31)
<b>IFA2 operating profit</b>	<b>48</b>	<b>29</b>

For the year ended 31 March (£m)	2026	2025
Revenue	152	150
Depreciation & amortisation	(20)	(17)
Operating costs	(33)	(32)
<b>NSL operating profit</b>	<b>99</b>	<b>101</b>

For the year ended 31 March (£m)	2026	2025
Revenue	87	96
Depreciation & amortisation	(23)	(22)
Operating costs	(29)	(31)
<b>Viking operating profit</b>	<b>35</b>	<b>43</b>

For the year ended 31 March (£m)	2026	2025
Revenue	196	289
Depreciation & amortisation	—	(13)
Operating costs	(81)	(126)
<b>Grain LNG operating profit</b>	<b>115</b>	<b>150</b>

For the year ended 31 March (£m)	2026	2025
Revenue	44	72
Depreciation & amortisation	(7)	(3)
Operating costs	9	(15)
<b>Property operating profit</b>	<b>46</b>	<b>54</b>

Adjusted results, excluding exceptional items and remeasurements

# Exchange rates

For the year ended 31 March (£m)	2026	2025
Closing \$/£ rate	1.32	1.27
Average \$/£ rate	1.34	1.29
<b>For the year ended 31 March (£m)</b>		
		<b>2025</b>
Impact on underlying operating profit		(136)
Impact on timing and major storms		—
Impact on interest		53
Impact on JVs		(2)
Impact on tax and NCI		21
Net impact on earnings <sup>1</sup>		(64)
Impact on closing net debt <sup>2</sup>		624
Impact on book value of assets <sup>2</sup>		(348)

1. Currency impact of underlying operating profit calculated by applying the average 2025/26 rate to 2024/25 results

2. Currency impact calculated by applying the closing March 2026 rate to March 2025 balances

## Pensions & other post-employment benefit obligations (IAS 19 data)

As at 31 March 2026 (£m)	UK			US		Total
	ESPS	NGUK PS	NGED DB	Pensions	OPEBs <sup>1</sup>	
Fair value of plan assets	2,026	3,823	4,592	4,608	2,731	17,780
Present value of liabilities	(1,728)	(3,578)	(4,013)	(4,009)	(1,770)	(15,098)
Funded Status	298	245	579	599	961	<b>2,682</b>
Present value of unfunded obligations	(28)	(17)	(6)	(186)	(10)	(247)
Other post-employment liabilities	—	—	—	—	(44)	(44)
Effect of asset ceiling	—	—	—	—	(244)	(244)
Net Assets	270	228	573	413	663	<b>2,147</b>
Discount rates	6.00 %	6.00 %	6.00 %	5.60 %	5.60 %	

As at 31 March 2025 (£m)	UK			US		Total
	ESPS	NGUK PS	NGED DB	Pensions	OPEBs <sup>1</sup>	
Fair value of plan assets	2,017	3,964	4,622	5,180	2,658	18,441
Present value of liabilities	(1,765)	(3,650)	(4,060)	(4,704)	(2,269)	(16,448)
Funded Status	252	314	562	476	389	<b>1,993</b>
Effect of asset ceiling	—	—	—	—	(77)	(77)
Net asset	252	314	562	476	312	<b>1,916</b>
Discount rates	5.73%	5.73%	5.73%	5.50%	5.50%	

1. OPEBs = Other post-employment benefits

# Timing impacts

£m	UK Electricity Transmission	UK Electricity System Operator	UK Electricity Distribution	New York <sup>2</sup>	New England <sup>2</sup>	Total continuing operations
<b>2025/2026 opening balance to (recover)/return</b>	9	—	125	301	(368)	67
Opening balance restatement adjustment <sup>1</sup>	—	—	(7)	—	—	(7)
Over/(under) recovery	(77)	—	(116)	(537)	94	(636)
<b>2025/2026 closing balance to (recover)/return<sup>3</sup></b>	(68)	—	2	(236)	(274)	(576)
<b>2024/2025 opening balance to (recover)/return</b>	150	877	(283)	624	(425)	943
Opening balance restatement adjustment <sup>1</sup>	10	64	1	—	—	75
Over/(under) recovery	(151)	(479)	407	(323)	57	(489)
In year disposal	—	(462)	—	—	—	(462)
<b>2024/2025 closing balance to return/(recover)<sup>4</sup></b>	9	—	125	301	(368)	67
Year on year timing variance	74	479	(523)	(214)	37	(147)

1. 2025/26 opening balance restatement adjustment reflects finalisation of timing balances

2. All USD balances stated using the average 2025/26 rate of \$1.343 to £1

3. 2025/26 closing timing balance (continuing) as at 31 March 2026 at spot rate (\$1.323): -£584m

4. 2024/25 closing timing balance (continuing) as at 31 March 2025 at spot rate (\$1.292): £61m

# UK Electricity Transmission

## Regulated asset values ('RAV') and returns

	UK Electricity Transmission
Regulator	Ofgem
RAV	£23,847m
Base allowed real return (Assumed CoD 1.92%)	3.50% ('Vanilla' WACC)
Allowed RoE (nominal)	7.2%
Achieved RoE (nominal)	8.2%
Equity/debt (assumed)	45/55
Totex capitalisation rate (baseline)	78%
Sharing factors (shareholder retention at RoE)	33%

CoD = Cost of Debt

# UK Electricity Distribution

## Regulated asset values ('RAV') and returns

	UK Electricity Distribution
Regulator	Ofgem
RAV	£13,139m
Base allowed real return (Assumed CoD 3.1%)	4.14% ('Vanilla' WACC)
Allowed RoE (nominal)	7.6%
Achieved RoE (nominal)	8.1%
Equity/debt (assumed)	40/60
Totex capitalisation rate (baseline)	78%
Sharing factors (shareholder retention at RoE)	50%

CoD = Cost of Debt

Capitalisation rate equates to the average of the four DNOs ranging from 77–79%

# New York jurisdiction

## Regulated asset base ('Rate base') and returns

**Rate bases** are reported by regulatory entity as at 31 March 2026

**Returns** are those for the fiscal year ended 31 March 2026

	Long Island (KEDLI)	Downstate New York (KEDNY)	Upstate New York (NIMO Gas)	Upstate New York (NIMO Electric)
Regulator	New York PSC	New York PSC	New York PSC	New York PSC
Rate base	\$4,760m	\$8,025m	\$2,570m	\$10,000m
Base allowed return (RoE)	9.4%	9.4%	9.5%	9.5%
Achieved return	10.5%	9.6%	7.5%	8.3%
Equity/debt (assumed)	48/52	48/52	48/52	48/52
Sharing factors (shareholder retention at RoE)	100% to 9.9% 50% to 10.4% 25% to 10.9% 10% above 10.9%	100% to 9.9% 50% to 10.4% 25% to 10.9% 10% above 10.9%	100% to 9.5% 50% to 10.0% 25% to 10.5% 10% above 10.5%	100% to 9.5% 50% to 10.0% 25% to 10.5% 10% above 10.5%
Last rate case filing	Current rates effective 1 April 2024 <sup>1</sup>	Current rates effective 1 April 2024 <sup>1</sup>	Current rates effective 1 May 2025	Current rates effective 1 May 2025

1. April 2026 rate filing progressing through regulatory review

# New England jurisdiction

## Regulated asset base ('Rate base') and returns

**Rate bases** are reported by regulatory entity as at 31 March 2026

**Returns** are those for the fiscal year ended 31 March 2026

	Massachusetts Electric <sup>1</sup>	Massachusetts Gas <sup>2</sup>
Regulator	Massachusetts DPU	Massachusetts DPU
Rate base	\$4,399m	\$5,867m
Base allowed return (RoE)	9.4%	9.7%
Achieved return	8.0%	9.4%
Equity/debt (assumed)	53/47	53/47
Sharing factors (shareholder retention at RoE)	100% to 10.35% 25% above 10.35%	100% to 11.6% 25% above 11.6%
Last rate case filing	Effective from October 2024	Effective from October 2021

1. Includes Nantucket Electric. The rate base includes transmission assets

2. Massachusetts Gas currently comprises two separate entities: Boston Gas and Colonial Gas. Base allowed and achieved RoEs are weighted averages (using rate base)

# FERC jurisdiction

## Regulated asset base ('Rate base') and returns

**Rate bases** are reported by regulatory entity as at 31 March 2026

**Returns** are those for the fiscal year ended 31 March 2026

	New England Power	Canadian Interconnector & other
Regulator	FERC	FERC
Rate base	\$3,271m	\$75m
Base allowed return (RoE)	9.6 %	11.1 %
Achieved return	10.1 %	11.1 %
Equity/debt (assumed)	60/40	65/35
Sharing factors (shareholder retention at RoE)	100%	100%
Last rate case filing	Annual filing with over/ under adjustment	Annual filing with over/ under adjustment

# Group Return on Equity

For the year ended 31 March (£m)	2026	2025
Regulated financial performance	5,153	4,673
IFRS operating profit for non-regulated companies	231	275
Share of post tax results of joint ventures <sup>1</sup>	76	100
Non-controlling interest	(2)	(3)
Adjusted Group interest charge	(1,633)	(1,590)
Adjusted Group tax charge	(959)	(853)
<b>Adjusted Group profit after tax for RoE</b>	<b>2,866</b>	<b>2,602</b>
Opening rate base/RAV	59,071	55,326
Opening other	7,212	8,223
Opening goodwill	11,145	11,430
Opening goodwill adjustment (realisation of value over 20 years)	(4,599)	(4,441)
Opening strategic pivot (asset swap) adjustment	(3,387)	(3,450)
<b>Opening capital employed</b>	<b>69,442</b>	<b>67,088</b>
Opening net debt	(40,343)	(43,509)
Rights Issue adjustment	—	5,471
<b>Opening Equity</b>	<b>29,099</b>	<b>29,050</b>
<b>Group RoE</b>	<b>9.8%</b>	<b>9.0%</b>

1. 2025 includes £25m related to non-controlling stake in National Gas Transmission

# Weighted average number of shares

For the year ended 31 March	2026	2025
Number of shares (millions):		
Current period opening shares	4,897	3,720
Rights Issue	—	928
Scrip dividend shares (weighted issue)	43	53
Other share movements (weighted from issuance / repurchase)	6	6
<b>Weighted average number of shares</b>	<b>4,946</b>	<b>4,707</b>
Underlying earnings (£m)	3,859	3,452
Underlying EPS	78.0p	73.3p

Underlying results exclude timing, major storms, deferred tax in NGET and NGED, exceptional items and remeasurements

## Interest cover

For the year ended 31 March (£m)	2026	2025
Interest expense (income statement)	1,649	1,810
Exclude P&L pension charge	—	—
Hybrid interest reclassified as dividend	(13)	(37)
Capitalised interest	424	294
Pensions interest adjustment	12	13
Unwinding of discounts on provisions	(123)	(130)
<b>Adjusted interest expense</b>	<b>1,949</b>	<b>1,950</b>
Net cash inflow from operating activities	7,829	6,808
Interest income on financial instruments	231	332
Interest paid on financial instruments	(1,932)	(1,920)
Dividends received	105	126
Working capital adjustment	(632)	(104)
<i>add back</i> Excess employer pension contributions	16	26
<i>add back</i> Hybrid interest reclassified as dividend	13	37
<i>add back</i> Accretions	168	152
Difference in net interest expense in income statement to cash flow	14	(45)
Difference in current tax in income statement to cash flow	186	145
Current tax related to prior periods	(172)	—
<b>Funds from operations (FFO)</b>	<b>5,826</b>	<b>5,557</b>
<b>Interest Cover:</b>		
(Funds from operations + adjusted interest expense)/adjusted interest expense	4.0x	3.8x

## RCF:Debt

For the year ended 31 March (£m)	2026	2025
Funds from operations (FFO)	5,826	5,557
Hybrid interest reclassified as dividend	(13)	(37)
Ordinary dividends paid to shareholders	(1,623)	(1,529)
Retained cash flow (RCF)	4,190	3,991
Borrowings	46,755	47,539
50% hybrid debt	(328)	(814)
Cash & cash equivalents	(375)	(1,178)
Financial and other investments	(1,370)	(5,156)
Unfunded pension obligations	237	247
Adjusted Net Debt	44,919	40,638
RCF/adjusted net debt	9.3%	9.8%

# Electricity Transmission net revenue

For the year ended 31 March (£m)	2026
Revenue	2,898
Net timing adjustment	77
Pass-through costs	(391)
<b>Net revenue adjusted for timing</b>	<b>2,584</b>

Incentives (excluding totex), Annual & Interim Pricing and pass-through costs	£m
Deferred for future recovery/return:	
Incentives	—
Annual & Interim Pricing	12
Pass-through Costs	50
Return of prior year deferrals	15
<b>Net timing adjustment</b>	<b>77</b>

# UK Electricity Transmission operating profit

For the year ended 31 March (£m)	2026
Net revenue adjusted for timing	2,584
Depreciation and amortisation	(550)
Regulated controllable costs, pensions and other costs	(352)
Total UK Electricity Transmission operating profit adjusted for timing	1,682
Timing adjustment – under recoveries	(77)
<b>Total UK Electricity Transmission operating profit: headline</b>	<b>1,605</b>



	£m
Ofgem annual iteration revenue	1,928
+ Inflate to forecast pcfm inflation	611
Ofgem model net revenue	2,539
– Model non controllable costs	(104)
+ Uplift to actual inflation	33
+ Excluded service income and T1 MOD	114
Ofgem net revenue	2,583
+ Incentives	—
+ Other	1
<b>Underlying revenue</b>	<b>2,584</b>

## UK Electricity Distribution net revenue

For the year ended 31 March (£m)	2026
Revenue	1,937
Net timing adjustment	116
Pass-through costs	(184)
<b>Net revenue adjusted for timing</b>	<b>1,869</b>



Incentives (excluding totex), Annual & Interim Pricing and pass-through costs	£m
Deferred for future recovery/(return):	
Incentives	19
Annual & Interim Pricing	(43)
Cost and RPI true up	15
Return of prior year deferrals	125
<b>Net timing adjustment</b>	<b>116</b>

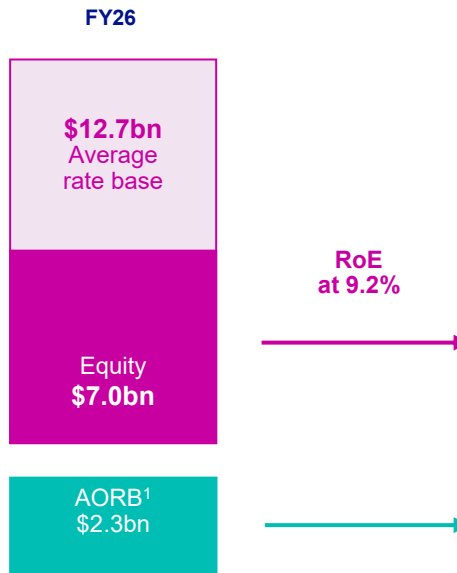
## Reconciliation of underlying EPS to statutory EPS

For the year ended 31 March (pence)	2026
Underlying EPS from continuing operations	78.0
Deferred tax on NGET and NGED	(10.1)
Timing and major storms costs	(9.4)
Adjusted EPS from continuing operations	58.5
Exceptional items & remeasurements after tax from continuing operations	7.0
<b>Statutory EPS from continuing operations</b>	<b>65.5</b>

# Adjusted New England US GAAP earnings

Earnings are higher year on year due to

- Rate base growth of +12%
- New England achieved a RoE of 9.2%, 10bps higher than the prior year and delivers 96% of allowed ROE

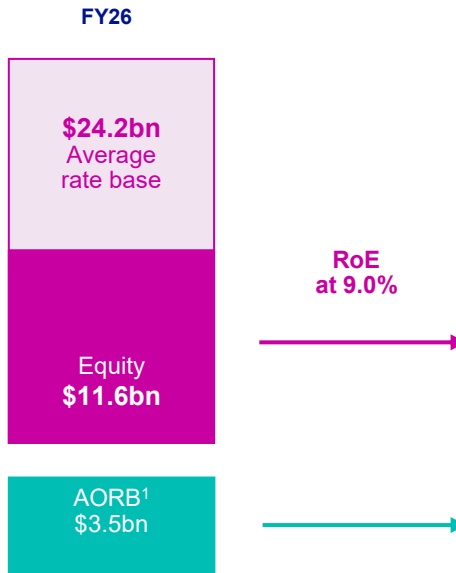


For the year ended 31 March (\$m)	2026	2025
<b>EBIT</b>	<b>1,025</b>	<b>946</b>
Pension adjustment	95	70
Interest	(241)	(219)
Tax	(240)	(218)
Earnings	639	579
<b>Earnings (incl. AORB)</b>	<b>716</b>	<b>654</b>

# Adjusted New York US GAAP earnings

## Growth in earnings driven by

- Rate base growth of +10%
- New York achieved a RoE of 9.0%, 30bps ahead of prior year and delivers 96% of allowed ROE



For the year ended 31 March (\$m)	2026	2025
<b>EBIT</b>	<b>1,736</b>	<b>1,551</b>
Pension adjustment	308	169
Interest	(588)	(459)
Tax	(404)	(351)
<b>Earnings</b>	<b>1,052</b>	<b>911</b>
<b>Earnings (incl. AORB)</b>	<b>1,205</b>	<b>1,029</b>