

# ***Transforming Centrica***

**Preliminary results for the year ended  
31 December 2025**

19 February 2026



***centrica***

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All adjusted figures are before exceptional items and certain re-measurements. Adjusted operating profit includes share of joint ventures and associates after interest and taxation. A reconciliation of different operating profit measures is provided in the Group Financial Review in the Results announcement.



**Chris O'Shea**  
**Group Chief Executive**



**Sizewell B nuclear power station**

# Laying the foundations for the next five years

- **Operations remain strong in 2025** - resilient result despite external headwinds
- **Dividend increased by 22% to 5.5p and £2bn share buyback completed**
  - 25% reduction in shares outstanding at 136 pence average price – significant value created
- **Significant investment programme progress** - transforming our infrastructure portfolio
  - Focus on **regulated and contracted earnings** and recycling capital from non-core assets
  - **Deep organic growth pipeline**; potential for material opportunities to mature this year
- **Building a fundamentally stronger, higher quality Centrica**
  - **Targeting £1.7bn end-2028 EBITDA and £2bn EBITDA in 2030**
  - Supported by **transformation programme**

**11.2p**

2024: 19.0p

Adjusted basic EPS

**5.5p**

2024: 4.5p

Dividend per share

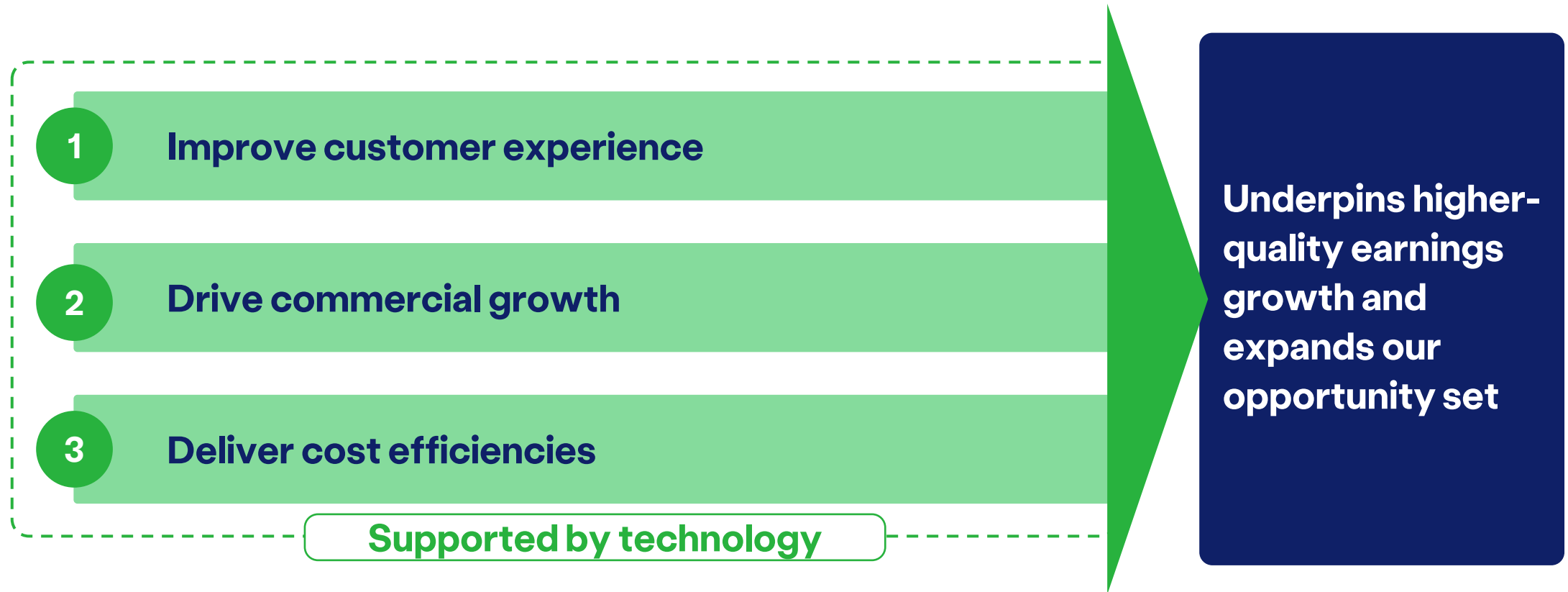
**£1.1 billion**

Capital returned to shareholders in 2025

**>70%**

2025 capital deployed to regulated/contracted assets

# ***Transformation programme underway***







**Russell O'Brien**  
**Group Chief Financial Officer**



**Grain LNG terminal**

# ***Simplifying our reporting***

## **Simplifying Centrica**

### **Old**

British Gas Energy

British Gas Services  
& Solutions

Bord Gáis Energy

Centrica Business  
Solutions

Centrica Energy

Infrastructure

### **New**

#### **Retail**

Home  
Home Energy Supply  
Home Services

Business

#### **Optimisation**

Centrica  
Energy

#### **Infrastructure**

Power

Gas

Customer Assets

# Financial headlines

**£1.4bn**

2024: £2.3bn

Adjusted EBITDA

**£0.8bn**

2024: £1.6bn

Adjusted operating profit

**11.2p**

2024: 19.0p

Adjusted basic EPS

**5.5p**

2024: 4.5p

Full year dividend per share

**£(0.2)bn**

2024: £1.0bn inflow

Free cash flow

**£1.2bn**

2024: £0.6bn

Capital expenditure

**£1.1bn**

2024: £0.7bn

Cash returned to shareholders

**£1.5bn**

2024: £2.9bn

Adjusted net cash



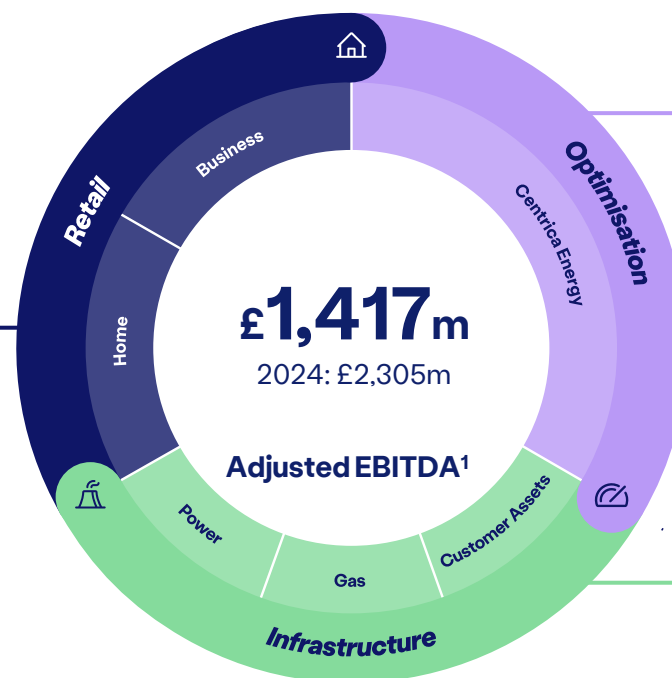
# EBITDA

## Retail

£574m

2024: £611m

- Home Services in range one-year ahead of schedule, supported by strong customer retention and cost discipline
- Strong Business Energy Supply performance
- UK Home Energy Supply down year-on-year



## Optimisation

£196m

2024: £381m

- Solid delivery in LNG and RETO
- Market conditions remained challenging in Gas and Power Trading

## Infrastructure

£728m

2024: £1,357m

- Lower commodity prices and Q4 outages in Nuclear and Spirit Energy
- Rough loss at low end of indicated range, strong growth in MAP
- Disposed of merchant exposure, acquired regulated exposure

1. See slides 32 and 37 for further breakdown.

# Stronger operational foundation in Retail

## ✓ Customer growth across all Retail businesses

- Total customers +134k YoY
- UK Home energy supply customers +8% over past five years
- Only consistently profitable large supplier over past five years

## ✓ Improved NPS, reduced customer complaints

## ✓ UK Home Services EBITDA +48% YoY

- AOP margin of 6.8%, +2.5ppts YoY
- Contract customer retention 87%, +6ppt since 2020
- Warranty delivery partnerships a significant new growth driver – predictable and repeatable earnings

» Forward looking focus on customer lifetime value

## Operational improvements well embedded

### Home Services

#### Reschedule rates

15%

4%

2020

2025

#### Engineer jobs per day

3.8

4.7

2020

2025

### Home Energy Supply

#### UK residential customers on Ignition (m)

0

7.5

2020

2025

#### Touchpoint NPS

9

33

2020

2025

# Regulated UK Home Energy Supply returns

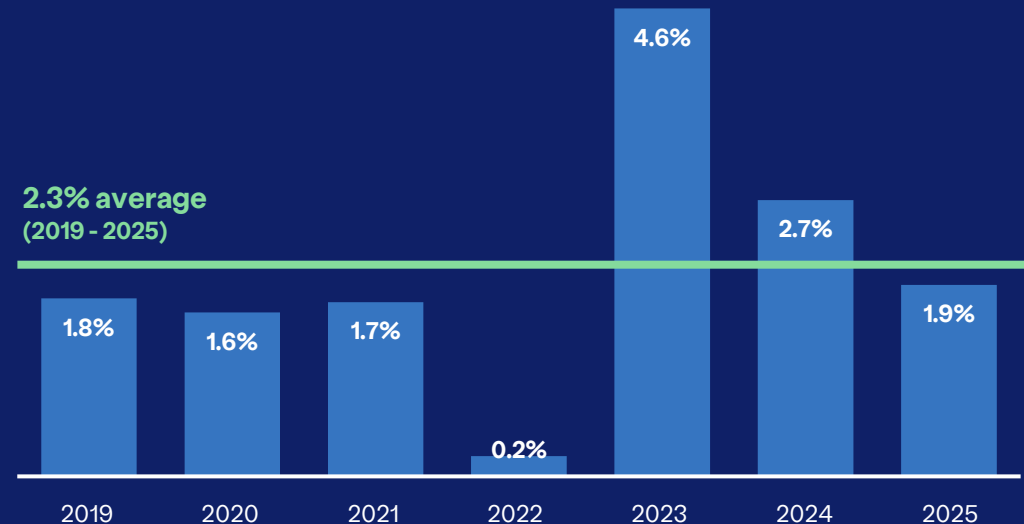
## Price cap supports stable earnings over time

- Price cap allows cost recoveries in future periods
- Revenues and costs do not always match reporting periods, but align over time
- Bad debt cost socialised

## Resilient underlying 2025 performance

- £80m headwind from **warmer than normal weather**
- Offset by regulatory reconciliations and other cost phasing
- Bad debt charge increased to £277m, 3% of revenue
- **Portfolio mix evolving** as customers move to fixed tariffs

## UK Residential energy supply EBIT margin during price cap era

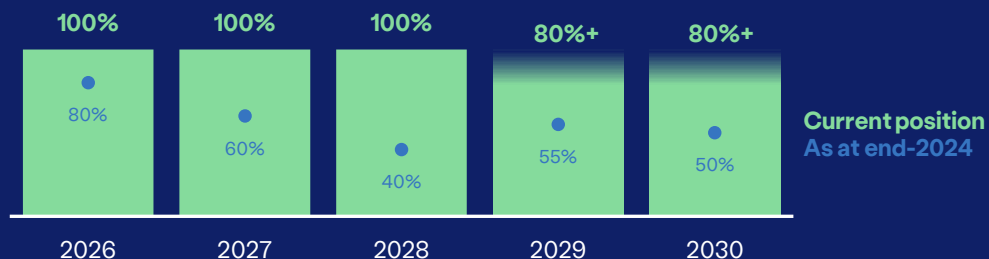


# Centrica Energy protecting value in a challenging market

## Solid performance in RETO<sup>1</sup> and LNG

- Continuing to build our RETO portfolio
  - 19.5GW assets under management +17% YoY
  - Streamlined contracting process supporting growth
  - Further growth opportunities from structural system imbalances
- LNG strategy focused on expected gas over-supply 2027+
  - Portfolio hedged until end of decade, retaining physical optionality

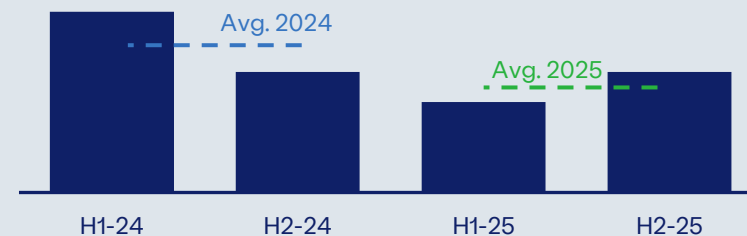
### LNG fully hedged to 2028



## Challenging Gas and Power Trading environment

- Profitable, but pro-active reduction in capital deployed through 2025
  - Fewer opportunities to capture value
  - Structural European gas market changes persist
  - Improvement seen in gas markets across H2-2025
- Strong risk management capability for the Group

### Lower value at risk in 2025

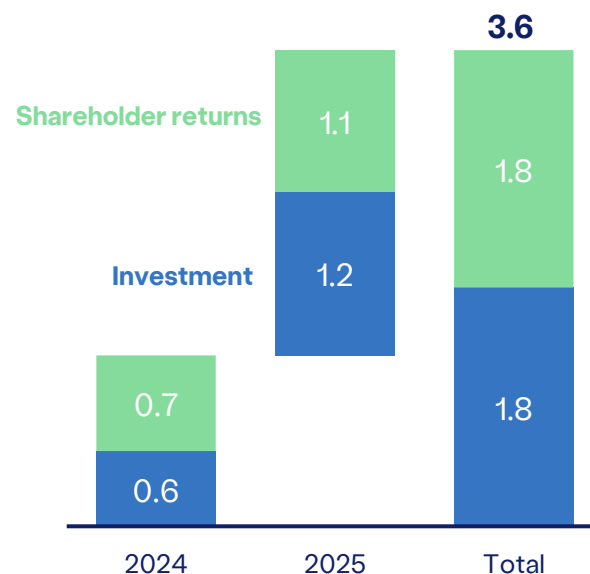


# Significant step up in investment and shareholder returns

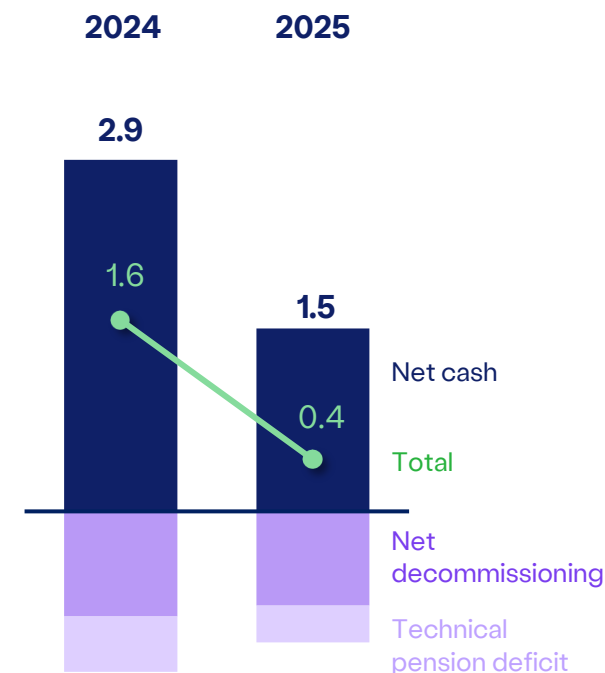
## Year ended 31 December (£m) 2025

Adjusted EBITDA	1,417
Less share of JV/associates' EBITDA	(322)
Adjusted EBITDA (excl. share of JV/associates)	1,095
Dividends received from associates	135
Tax paid	(375)
Working capital	183
Decommissioning	(71)
Investment <sup>1</sup>	(1,227)
Divestment	131
Other	(38)
<b>Free cash flow</b>	<b>(167)</b>

## £3.6bn capital invested and returned to shareholders since 2024



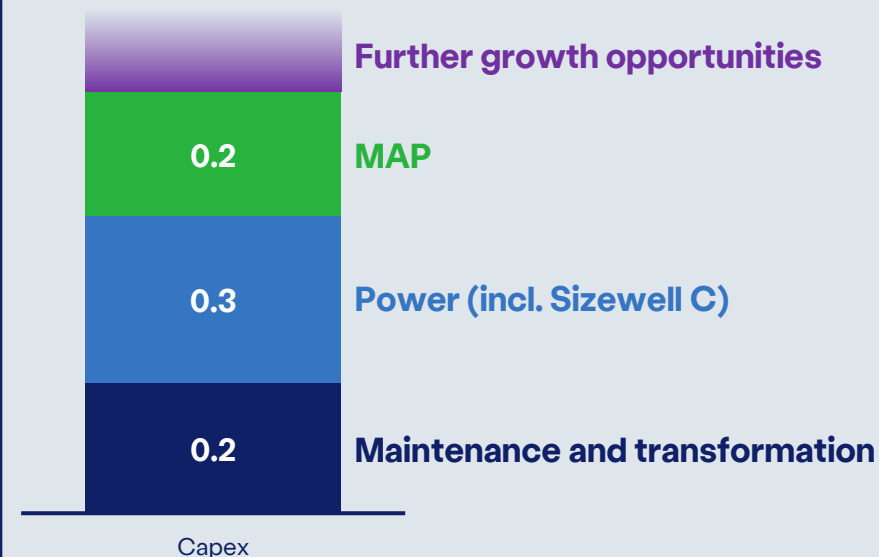
## Adjusted net cash and other liabilities (£bn)



# 2026 financial outlook

- Retail EBITDA within £500m-£800m guidance range
  - Modest growth in UK Home Services
- Optimisation expected to deliver EBITDA of around £250m
  - Below £300m-£400m guidance range
- Infrastructure EBITDA expected to be between £500m-£650m
  - MAP, Sizewell C and Grain LNG ~£175m
  - Rough expected to be around break-even
- Net interest expense ~£100m
- Structural reduction in effective tax rate

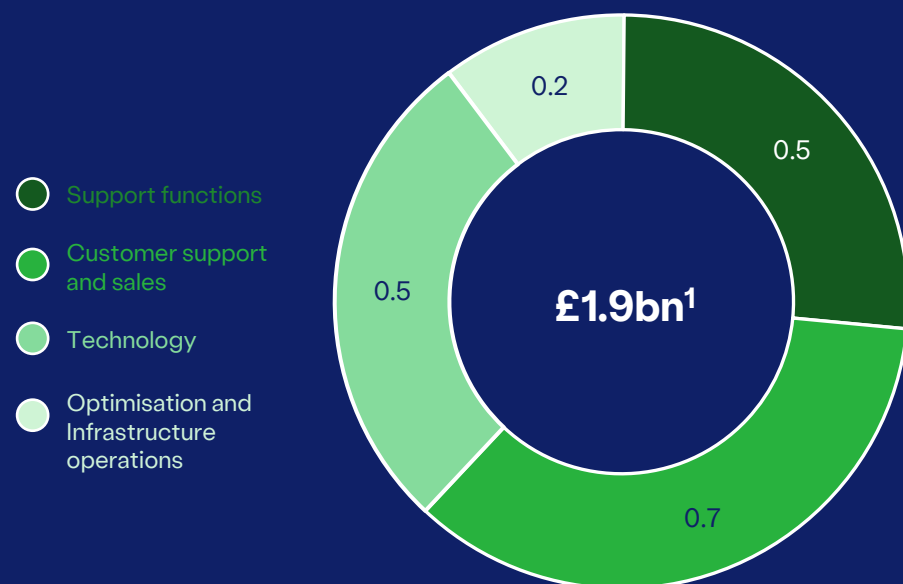
## 2026 capex of at least £0.7bn





# ***Transformation presents a significant opportunity...***

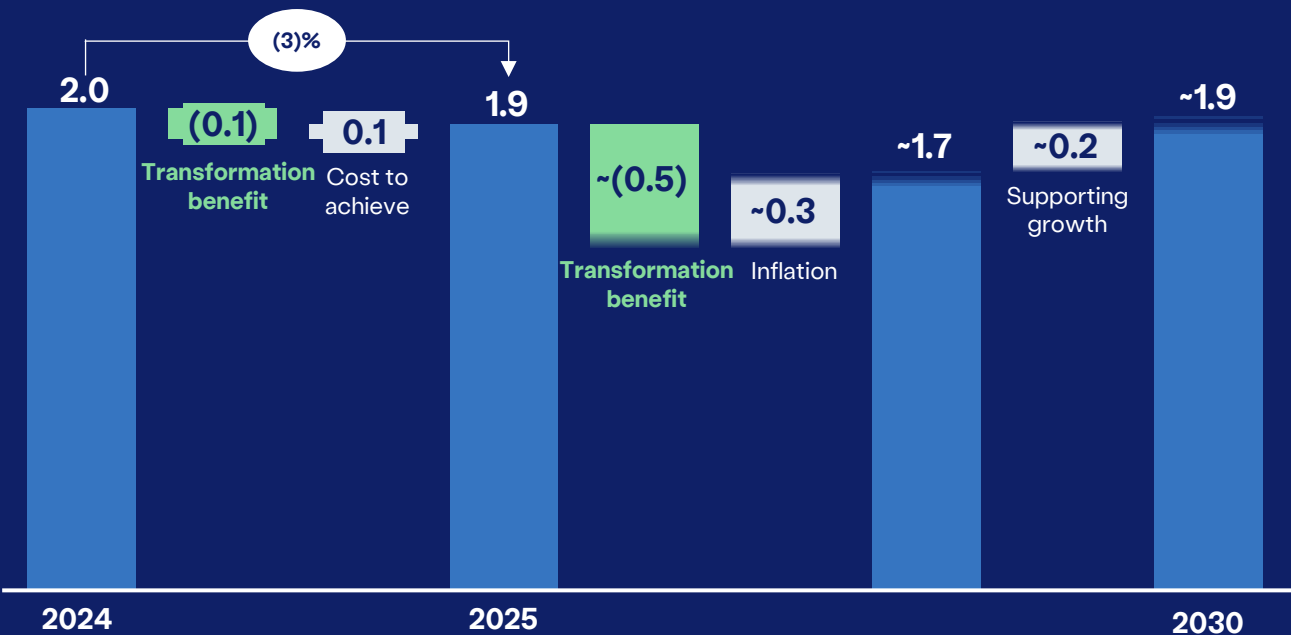
## 2025 operating costs



- £1.9bn addressable operating costs are key focus area
- Support functions and technology cost ~£1bn p.a.
  - Opportunity to streamline activities and technology stack
- Significant customer support costs
  - Outsourced resources ~50% of customer facing personnel

# ...supporting growth on a flat cost base

## Operating costs<sup>1</sup> (£bn)



- Underlying cost reduction of £0.1bn delivered in 2025
- Further £0.5bn reduction targeted 2026-30
  - Offset by inflation and costs to support further growth
- Earnings benefit builds over time
  - Cost to achieve £0.6bn: £0.4bn opex, £0.2bn capex
  - Cost to achieve included within business performance – not an exceptional item
- Additional revenue and margin opportunities

# ***We remain focused on value creation***

01 Maximise sustainable earnings	02 Maintain a strong balance sheet	03 Progressive dividend	04 Investing for value	05 Return surplus capital
<p>No change to medium-term Retail and Optimisation guidance ranges</p> <hr/> <p>£1.7 billion end-2028 EBITDA; £2.0 billion 2030 EBITDA</p>	<p>Solid BBB / Baa2 credit metrics</p> <hr/> <p>Strong and diversified sources of liquidity</p>	<p>FY25 DPS of 5.5p +22% YoY</p> <hr/> <p>2x earnings cover in 2028</p>	<p>£1.2 billion investment in 2025 in strategically aligned assets</p> <hr/> <p>Deep organic and inorganic investment pipeline</p>	<p>£2.0 billion returned over ~3 years delivering significant value</p> <hr/> <p>Maintain capital discipline - balance sheet capacity kept under constant review</p>



**Chris O'Shea**  
**Group Chief Executive**



# Structural trends are driving a once in a lifetime investment cycle...

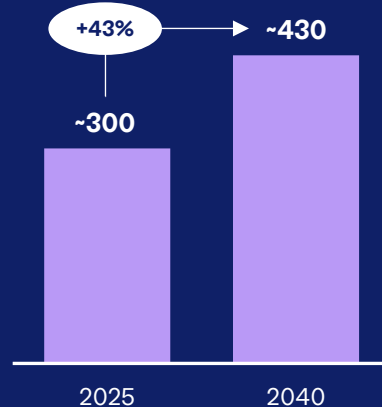
Growing electrification

Growing intermittency

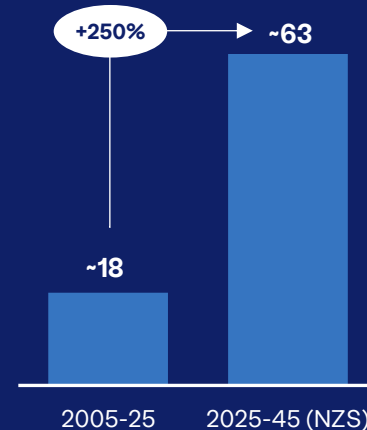
Growing consumer engagement

**Growing intermittent generation increases the need for dispatchable generation - thermal generation expected to stay higher for longer**

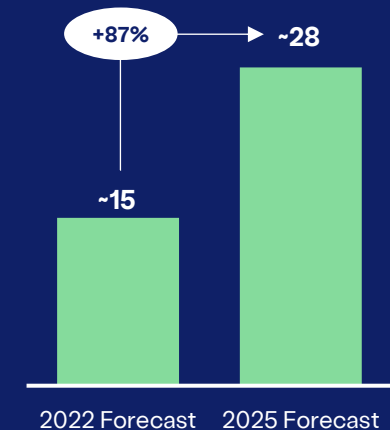
GB electricity demand<sup>1</sup>  
(TWh)



UK Energy Industry Annualised Investment<sup>2</sup>  
(£bn, real 2024)



GB CCGT generation<sup>1</sup> 2040  
(TWh)



# ***...and we are now well positioned to take advantage***

## **We have created a strong platform for growth...**

- Simplified portfolio
- Strong balance sheet
- Transformed operational foundation
- Enhanced development and operational capabilities

## **... and have further opportunities for improvement**

- Commerciality in face of rapidly evolving competitive environment
- Fragmented technology stack impacting efficiency

**Leading capabilities and experience**



**Transformation programme benefits**



**Our long-term growth platform**



# ***Transformation programme addressing focus areas...***

## **Driving operational excellence and commercial innovation**

### **Customer service transformation**

- Simplifying customer journeys, eliminating system failure and improving app & website user experience
- Reduce contact by 30% and redistribute 40% to digital channels

**£50m-£100m  
cost savings**

**Improve customer  
experience, reduce  
cost to serve**

### **Efficient business support operations**

- Around 5% of support function headcount removed during 2025
- Streamlined structure and technology to consolidate core process delivery

**£100m-£150m  
cost savings**

**Reduce cost  
to serve**

### **Data-led commercial growth**

- Single Customer Lifetime Value view across Retail
- £20m boiler install profit improvement driven by advanced profitability analysis and job prioritisation

**£50m-£100m  
EBITDA improvement**

**Improve customer  
retention and  
acquisition**

# *...and a step change in investment...*

## Sizewell C

- 12%+ IRR
- Inflation-protected, regulated returns
- Productive capital from day one
- Long-term optimisation opportunities

**£0.5bn**  
Net Investment



**~£8bn**  
RAB at commissioning

## Grain LNG

- 9% IRR
- Highly contracted
- Land development opportunities

% contracted

**100%**  
to 2029

**>50%**  
to 2045



**Growing Value**  
as UK import needs increase

## MAP

- Building small asset capabilities
- Internal & 3<sup>rd</sup> party growth opportunities

## Irish Peakers

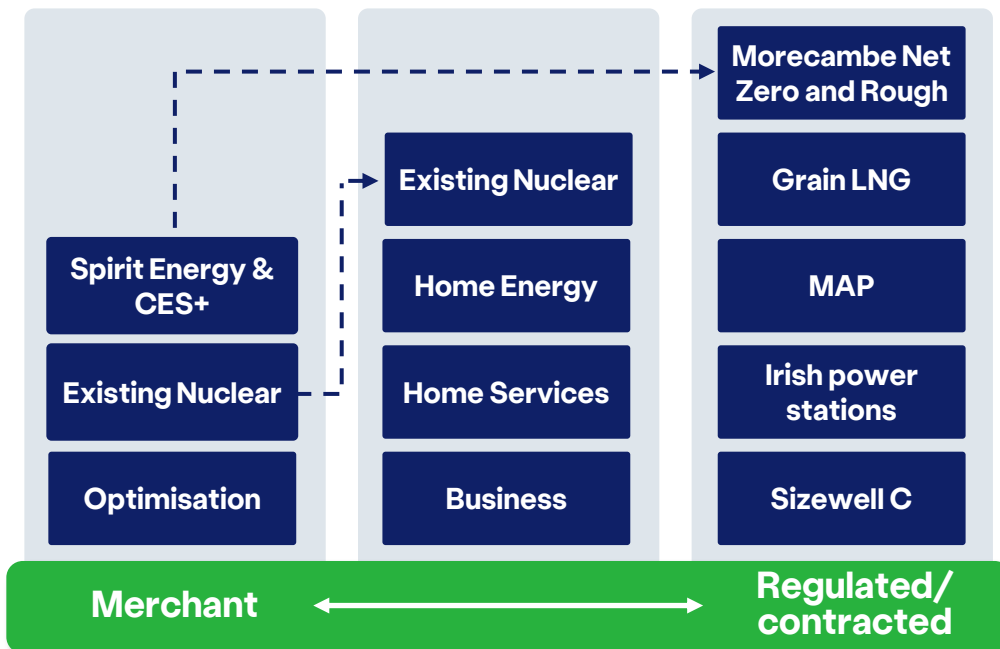
- COD delayed to mid-2026
- Rebuilding development capabilities

## Non-core asset disposals

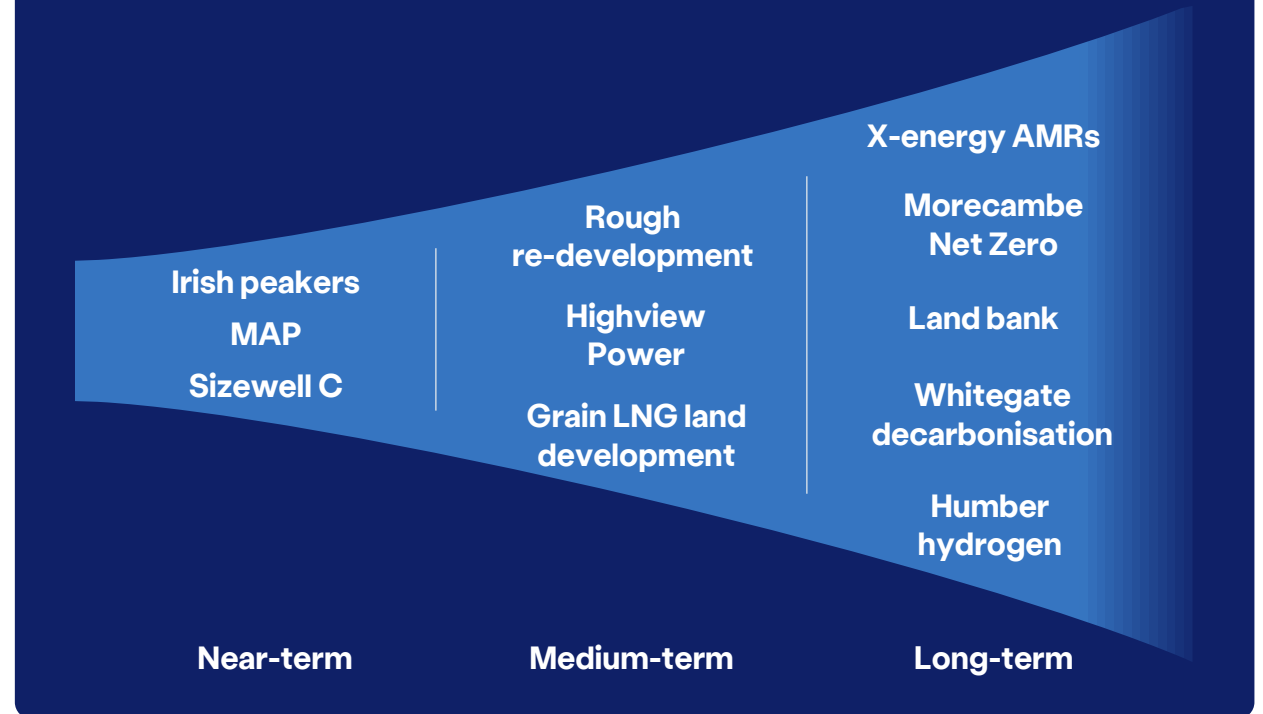
- Spirit Energy
- European energy solutions businesses and Panoramic Power

# *... means Centrica will look fundamentally different*

Shifting our business towards more stable earnings...



... and building a deep organic growth investment pipeline



# ***Further investment opportunities supported by deep market insight***

Aligned to our investment strategy

Attractive returns



Portfolio benefit



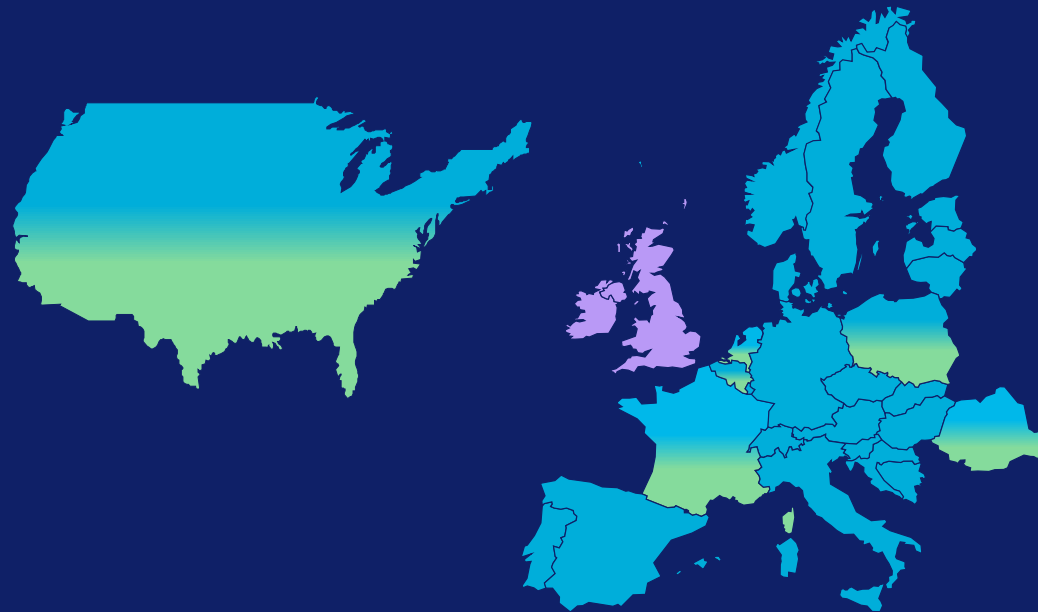
Industrial logic



Strategic alignment



UK and Ireland remains the core - drawing on CE capabilities and experience when assessing broader options



Global LNG presence

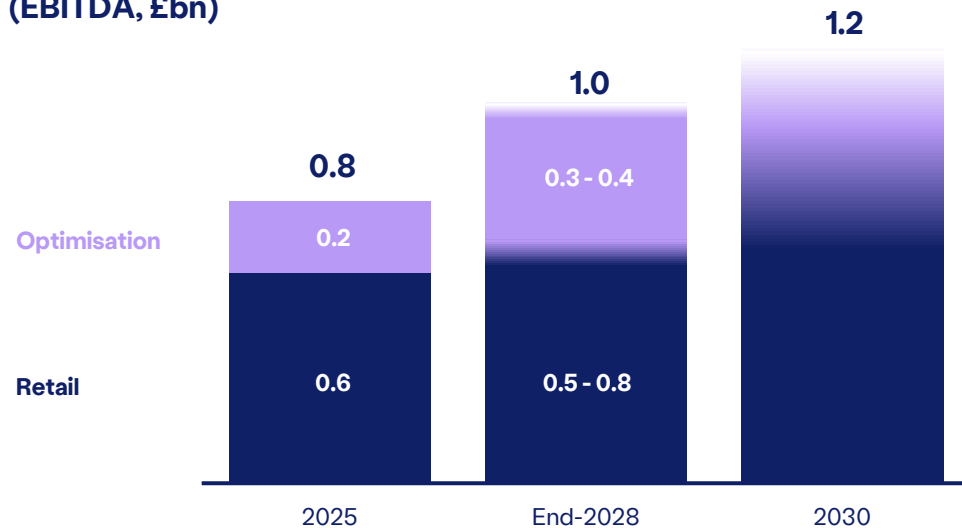
 Fully integrated

 Gas / Power trading

 LNG trading

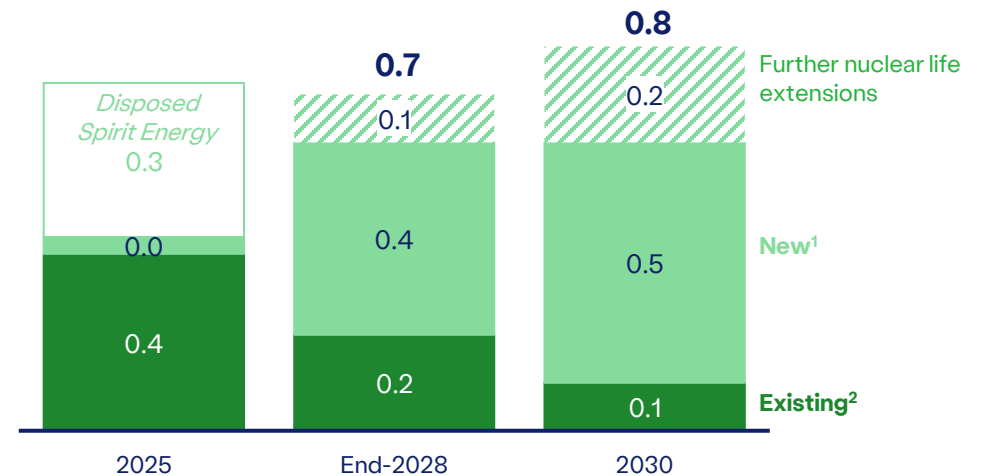
# Retail and Optimisation growing from 2025, Infrastructure pivoting

## Growing Retail & Optimisation (EBITDA, £bn)



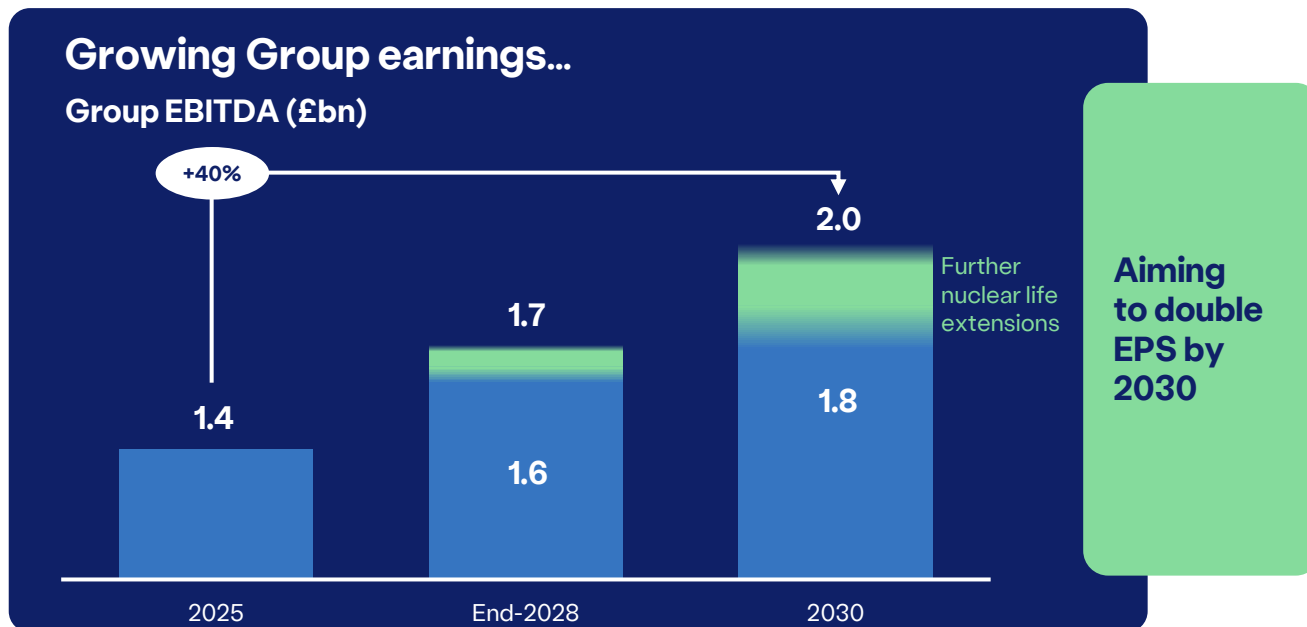
- Retail mid-point grows supported by transformation programme
- Optimisation growth supported by expanding capabilities; downside protected

## Higher quality Infrastructure (EBITDA, £bn)

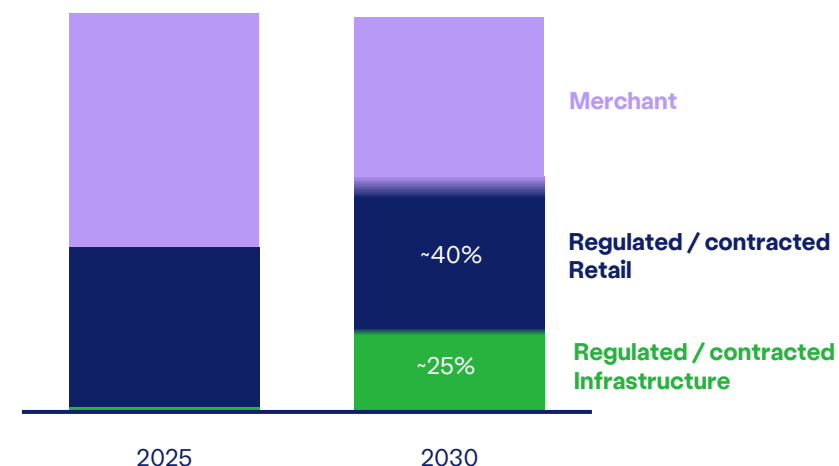


- Predictable growth in MAP and Sizewell C
- Spirit Energy and existing Nuclear move towards end of life
  - Potential for further Nuclear life extensions

# ***EBITDA increasingly underpinned by contracted and regulated earnings***



**...with around two-thirds from regulated and contracted by the end of the decade**



- Range +/- £0.3bn – should reduce as rateable Infrastructure portfolio grows
- Structurally lower effective tax rate over time
- £3bn (~75%) of 2024-28 investment programme committed - expect to continue investing at £0.6-£0.8bn p.a. beyond 2028



# Creating a fundamentally stronger and higher quality Centrica

- **Operations remain strong in 2025** - resilient result despite external headwinds
- **Dividend increased by 22% to 5.5p and £2bn share buyback completed**
  - 25% reduction in shares outstanding at 136 pence average price – significant value created
- **Significant investment programme progress** - transforming our infrastructure portfolio
  - Focus on **regulated and contracted earnings** and recycling capital from non-core assets
  - **Deep organic growth pipeline**; potential for material opportunities to mature this year
- **Building a fundamentally stronger, higher quality Centrica**
  - **Targeting £1.7bn end-2028 EBITDA and £2.0bn EBITDA in 2030**
  - Supported by **transformation programme**

£1.7bn

End-2028  
Adj. EBITDA

£2.0bn

2030  
Adj. EBITDA

~40%

2025  
Regulated / Contracted  
Earnings

~65%

2030  
Regulated / Contracted  
Earnings

# Appendix



# Group Financials

Year ended 31 December (£m)	2025	2024
Adjusted revenue <sup>1</sup>	22,365	24,636
Adjusted gross margin	3,134	3,808
Adjusted operating costs	(2,478)	(2,512)
Adjusted EBITDA <sup>2</sup>	1,417	2,305
Adjusted operating profit <sup>3</sup>	814	1,552
Net finance income	6	44
Adjusted tax charge (incl. JV and associate tax)	(322)	(671)
Adjusted effective tax rate	37%	39%
Adjusted earnings	534	984
<b>Adjusted basic EPS</b>	<b>11.2p</b>	<b>19.0p</b>

# Revenue

Year ended 31 December (£m)	2025	2024
Retail	16,507	17,124
Optimisation	6,052	6,537
Infrastructure	2,004	2,912
<b>Gross segment revenue included in business performance</b>	<b>24,563</b>	<b>26,573</b>
Inter-segment revenue	(2,198)	(1,937)
<b>Total Group revenue included in business performance</b>	<b>22,365</b>	<b>24,636</b>

# Adjusted Gross Margin

Year ended 31 December (£m)	2025	2024
Retail	2,441	2,518
Optimisation	434	583
Infrastructure	332	735
Colleague profit share	(12)	(9)
MAP consolidation adjustment	(61)	(19)
<b>Group adjusted gross margin</b>	<b>3,134</b>	<b>3,808</b>

# Adjusted EBITDA

Year ended 31 December (£m)	2025	2024
Retail	574	611
Optimisation	196	381
Infrastructure	728	1,357
Colleague profit share	(34)	(25)
MAP consolidation adjustment	(47)	(19)
<b>Adjusted EBITDA</b>	<b>1,417</b>	<b>2,305</b>
Less: Share of joint ventures and associates' EBITDA	(322)	(513)
<b>Adjusted EBITDA Excluding share of EBITDA from joint ventures and associates</b>	<b>1,095</b>	<b>1,792</b>



# Adjusted Operating Profit

Year ended 31 December (£m)	2025	2024
Retail	424	458
Optimisation	155	339
Infrastructure	314	799
Colleague profit share	(34)	(25)
MAP consolidation adjustment	(45)	(19)
<b>Adjusted operating profit <sup>1</sup></b>	<b>814</b>	<b>1,552</b>
Re-measurements – Retail (Energy Supply)	(755)	2,151
Re-measurements – Infrastructure and Optimisation	410	(1,730)
Onerous energy supply and LNG contracts provision movement	42	(142)
Impairment of power assets	(264)	(75)
Impairment of gas field assets	(244)	–
Gain on disposal of interest in the Cygnus gas field	80	-
Legacy contract costs	23	(53)
<b>Statutory operating profit</b>	<b>106</b>	<b>1,703</b>

1. Includes share of profits relating to JVs and associates, net of interest and taxation of £158m in 2025 (2024: £256m).

# Capital Expenditure and Net Investment

Year ended 31 December (£m)	2025	2024
Retail	(68)	(126)
Optimisation	(28)	(39)
Infrastructure	(1,134)	(388)
<i>Of which: Sizewell C</i>	<i>(387)</i>	-
<i>Of which: Grain LNG</i>	<i>(208)</i>	-
<i>Of which: MAP</i>	<i>(271)</i>	<i>(104)</i>
MAP consolidation adjustment <sup>1</sup>	47	19
Other	(44)	(30)
<b>Capital expenditure</b>	<b>(1,227)</b>	<b>(564)</b>
Net disposals	131	4
<b>Group net investment</b>	<b>(1,096)</b>	<b>(560)</b>

# Free Cash Flow

Year ended 31 December (£m)	2025	2024
Retail	30	9
Optimisation	374	713
Infrastructure	(196)	903
<b>Segmental free cash flow excluding tax</b>	<b>208</b>	<b>1,625</b>
Taxes paid	(375)	(636)
<b>Total free cash flow</b>	<b>(167)</b>	<b>989</b>

# Closing Adjusted Net Cash

Year ended 31 December (£m)	2025	2024
<b>Adjusted EBITDA</b>	<b>1,417</b>	<b>2,305</b>
Less share of associates' EBITDA	(322)	(513)
<b>Adjusted EBITDA (excl. share of associates)</b>	<b>1,095</b>	<b>1,792</b>
Dividends received	135	355
Tax	(375)	(636)
Working capital	183	124
Decommissioning spend	(71)	(80)
Investment <sup>1</sup>	(1,227)	(564)
Divestment	131	4
Exceptional cash flows	(38)	(6)
<b>Free cash flow</b>	<b>(167)</b>	<b>989</b>

Year ended 31 December (£m)	2025	2024
<b>Free cash flow</b>	<b>(167)</b>	<b>989</b>
Net interest	46	34
Pension deficit payment	(150)	(176)
Movements in margin cash	51	131
Share buyback programme	(827)	(499)
Dividends - Centrica shareholders	(237)	(219)
Other financing cash flow affecting net debt <sup>2</sup>	(9)	(76)
<b>Adjusted cash flow affecting net cash</b>	<b>(1,293)</b>	<b>184</b>

<b>Opening adjusted net cash (as at 1 January)</b>	<b>2,858</b>	<b>2,744</b>
Adjusted cash flow movements	(1,293)	184
Non-cash movements <sup>3</sup>	(78)	(70)
<b>Closing adjusted net cash</b>	<b>1,487</b>	<b>2,858</b>

# Adjusted EBITDA - segmentation update

	Previous basis	New basis			
Year ended 31 December 2025 (£m)	Total	Retail	Optimisation	Infrastructure	Other
British Gas Services & Solutions	169	169	-	-	-
British Gas Energy	309	284	-	25	-
Bord Gáis Energy	79	35	6	38	-
Centrica Business Solutions	82	86	-	(4)	-
Centrica Energy	190	-	190	-	-
Nuclear, Spirit, CES+, Grain LNG	669	-	-	669	-
Other (Colleague profit share and MAP consolidation adjustment)	(81)	-	-	-	(81)
<b>Total</b>	<b>1,417</b>	<b>574</b>	<b>196</b>	<b>728</b>	<b>(81)</b>

Year ended 31 December 2024 (£m)	Total	Retail	Optimisation	Infrastructure	Other
British Gas Services & Solutions	114	114	-	-	-
British Gas Energy	364	362	-	2	-
Bord Gáis Energy	79	10	33	36	-
Centrica Business Solutions	109	125	-	(16)	-
Centrica Energy	348	-	348	-	-
Nuclear, Spirit and CES+	1,335	-	-	1,335	-
Other (Colleague profit share and MAP consolidation adjustment)	(44)	-	-	-	(44)
<b>Total</b>	<b>2,305</b>	<b>611</b>	<b>381</b>	<b>1,357</b>	<b>(44)</b>

# Adjusted AOP - segmentation update

	Previous basis	New basis			
Year ended 31 December 2025 (£m)	Total	Retail	Optimisation	Infrastructure	Other
British Gas Services & Solutions	114	114	-	-	-
British Gas Energy	229	221	-	8	-
Bord Gáis Energy	62	25	5	32	-
Centrica Business Solutions	47	64	-	(17)	-
Centrica Energy	150	-	150	-	-
Nuclear, Spirit, CES+, Grain LNG	291	-	-	291	-
Other (Colleague profit share and MAP consolidation adjustment)	(79)	-	-	-	(79)
<b>Total</b>	<b>814</b>	<b>424</b>	<b>155</b>	<b>314</b>	<b>(79)</b>

Year ended 31 December 2024 (£m)	Total	Retail	Optimisation	Infrastructure	Other
British Gas Services & Solutions	67	67	-	-	-
British Gas Energy	297	297	-	-	-
Bord Gáis Energy	63	2	32	29	-
Centrica Business Solutions	73	92	-	(19)	-
Centrica Energy	307	-	307	-	-
Nuclear, Spirit and CES+	789	-	-	789	-
Other (Colleague profit share and MAP consolidation adjustment)	(44)	-	-	-	(44)
<b>Total</b>	<b>1,552</b>	<b>458</b>	<b>339</b>	<b>799</b>	<b>(44)</b>

# Infrastructure notes

	2026			2027	
	Volume hedged	Average hedged price	Total full year estimated production / generation	Volume hedged	Average hedged price
<b>Spirit Energy</b>	137mmth	120p/th	~405 to 430mmth <sup>1</sup>	83mmth	86p/th
<b>Nuclear</b>	4.8TWh	£76/MWh	~6.5 to 7.5TWh	1.8 TWh	£73/MWh

1. Includes ~170-180mmths relating to assets held for sale.