# Creating value through the energy transition

## Preliminary results for the year ended 31 December 2024

20 February 2025


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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 Interim Results announcement.

# Operational delivery and growing confidence

Chris O’Shea
Group Chief Executive

# Strong 2024 performance...

- **Strong operational** and **financial performance** in a more normal market; delivering profitability two years ahead of schedule
- **Investment programme continues to accelerate**, generating attractive returns
- Pathway to £1.6bn run-rate EBITDA[1] by end of 2028
- Financial resilience and operating performance **unlocking balance sheet capacity to support investment and shareholder returns**
- **Full year dividend increase** of 13% to 4.5p. **2025 DPS increase** by 22% to 5.5p
- **Further £500m share buyback extension** to be completed by around the end of this year depending on market conditions; ~£800m remaining on programme

**£1.6bn**
2023: £2.8bn
Adjusted operating profit

**19.0p**
2023: 33.4p
Adjusted basic EPS

**4.5p**
2023: 4.0p
Dividend per share

**£0.7bn**
2023: £0.8bn
Cash returned to shareholders

1. EBITDA including Centrica's share of EBITDA from joint ventures and associates.

# ... with strong strategic progress

**Continuously improving** to increase **efficiency**, reduce costs and **enhance customer satisfaction**


**Innovating** to deliver **compelling customer propositions** and **optimisation optionality**

**Investing** to **make Centrica more predictable, with strong returns** across our integrated business

# Financial resilience driving value creation

Russell O'Brien
Group Chief Financial Officer



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# Strong financial performance

| | | |
| --- | --- | --- |
| £2.3bn | 2023: £3.5bn | Adjusted EBITDA[1] |
| £1.6bn | 2023: £2.8bn | Adjusted operating profit |
| 19.0p | 2023: 33.4p | Adjusted basic EPS |
| 4.5p | 2023: 4.0p | Full year dividend per share |
| £0.6bn | 2023: £0.4bn | Capital expenditure |
| £1.0bn | 2023: £2.2bn | Free cash flow |
| £2.9bn | 2023: £2.7bn | Adjusted net cash |
| £0.7bn | 2023: £0.8bn | Cash returned to shareholders |

1. Adjusted EBITDA including Centrica's share of EBITDA from joint ventures and associates.

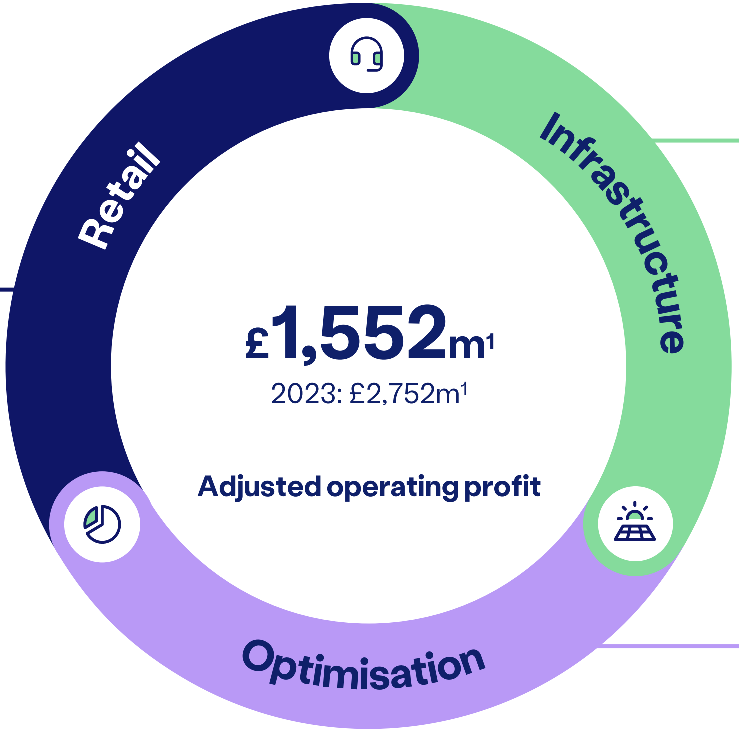
# Delivery across all segments

## Retail

**£427m**

2023: £799m

British Gas · Bord Gáis Energy · HIVE · phJones · DYNO-ROD




## Infrastructure

**£789m**

2023: £1,083m

Spirit Energy · centrica energy storage+ · centrica Nuclear

## Optimisation

**£380m**

2023: £878m

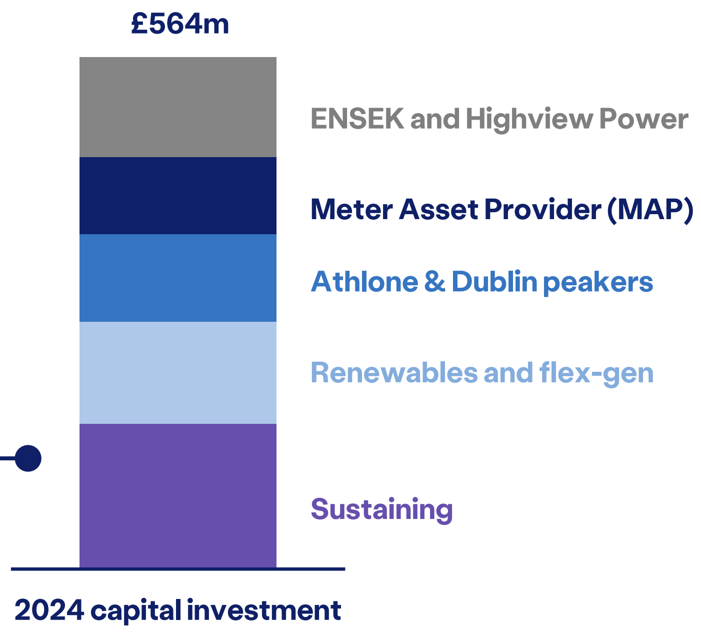
centrica Energy · centrica Business Solutions

1. Total adjusted operating profit also includes £(44)m of colleague profit share and Group consolidation adjustment (2023: £(8)m).

Note - Segmental adjusted operating profit split included on slide 32.

# Cash generation supports growing capital investment

| Year ended 31 December (£m) | 2024 |
|---|---|
| Adjusted EBITDA (excl. share of associates) | 1,792 |
| Dividends received | 355 |
| **Adjusted EBITDA plus dividends received** | **2,147** |
| Tax | (636) |
| Working capital | 124 |
| Decommissioning spend | (80) |
| Capex[1] | (564) |
| Other | (2) |
| **Free cash flow** | **989** |




1. Capital expenditure (including small acquisitions).



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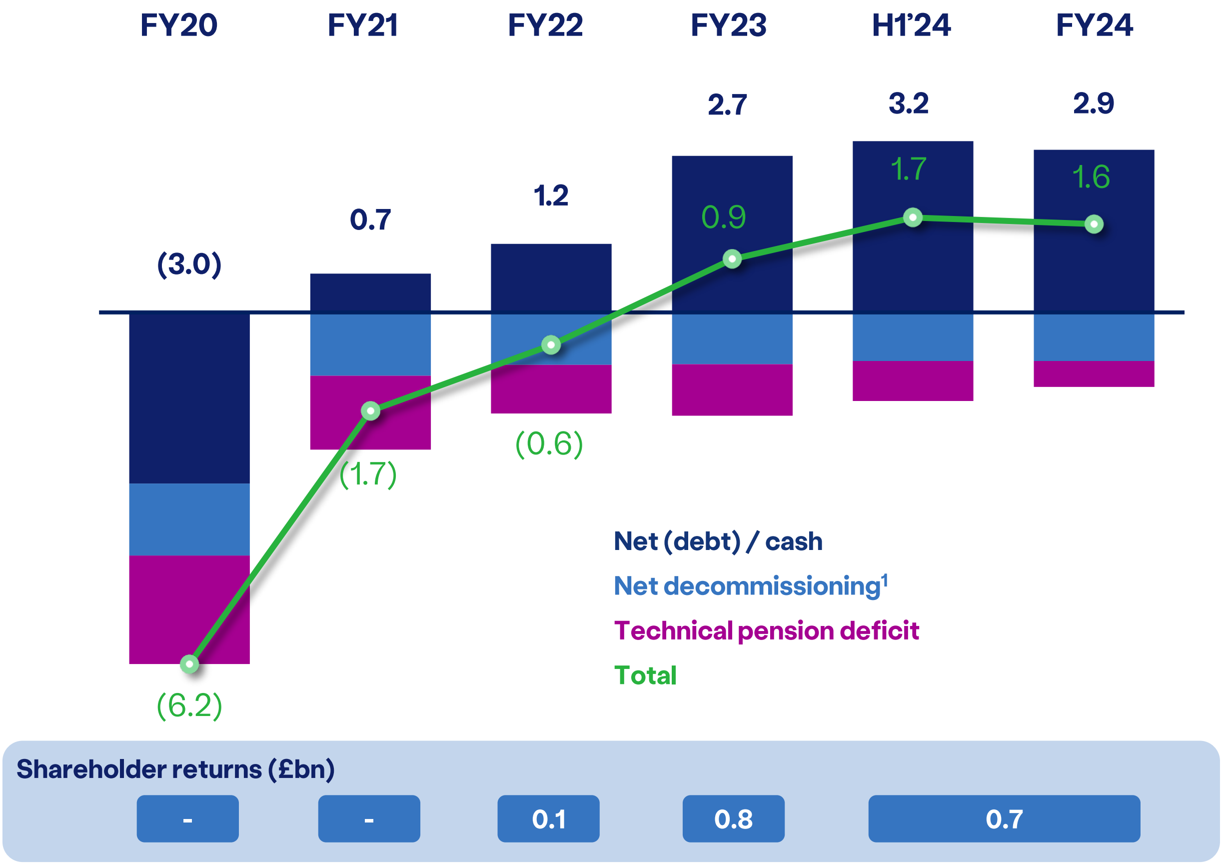
# Closing net cash remains strong

Adjusted net cash and other liabilities (£bn)




**Supporting long-term liabilities and shareholder returns**

- Closing net cash of £2.9bn after £1.5bn of shareholder returns since 2023
- Long-term decommissioning liability
  - £1.5bn today (gross), (£0.9bn net)
  - ~£0.5bn due to mature 2025-2028
- Pension deficit reduced to £450m[2]
  - Payments of ~£140m p.a to 2027

1. Net of deferred tax asset.
2. See appendix slide 36 for more details.



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# Relentless focus on value creation

**01**
**Maximise sustainable earnings**

**02**
**Maintain a strong balance sheet**

**03**
**Progressive dividend**

**04**
**Invest for value**

**05**
**Return surplus capital**

**Consistent application of our financial framework**

# Near term financial outlook...

## Retail & Optimisation adjusted operating profit for 2025/2026

**~£0.8bn** equivalent to **~£1bn EBITDA**

| | |
| --- | --- |
| Business Energy Supply and Bord Gáis Energy | ~£100m-£200m |
| Centrica Energy | ~£250m-£350m |
| British Gas Services & Solutions | ~£100m-£200m |
| British Gas Residential Energy Supply | ~£150m-£250m |

To be reached in 2026

+

## Nuclear, Spirit Energy and Centrica Energy Storage+

**~£0.65bn - £0.85bn**

Adjusted 2025 EBITDA[1]

1. EBITDA including Centrica's share of EBITDA from joint ventures and associates. Equates to ~£0.25bn-£0.4bn of adjusted operating profit, including £50m-£100m operating loss from CES+ in 2025 given low seasonal spreads.



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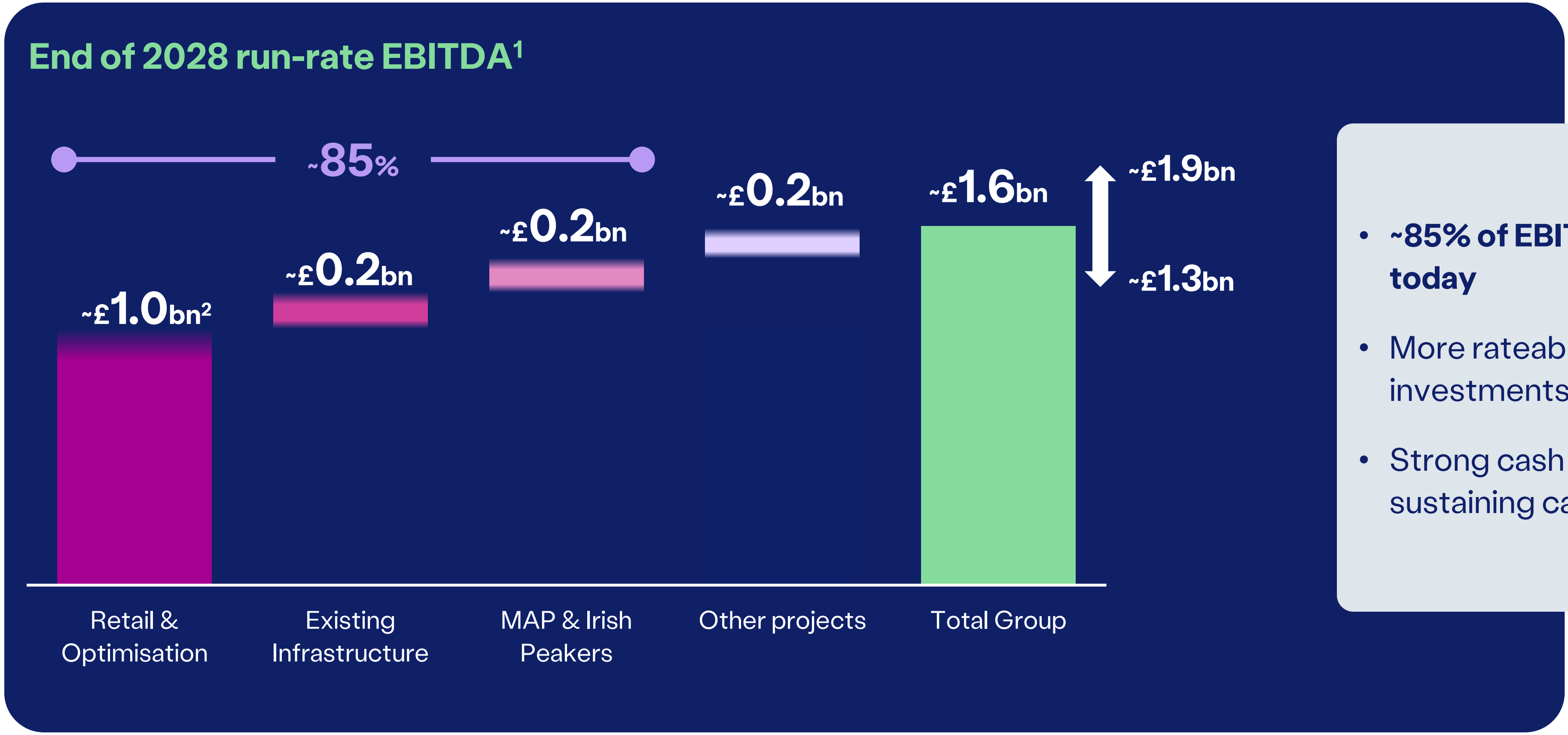
# ...gives us confidence in future delivery

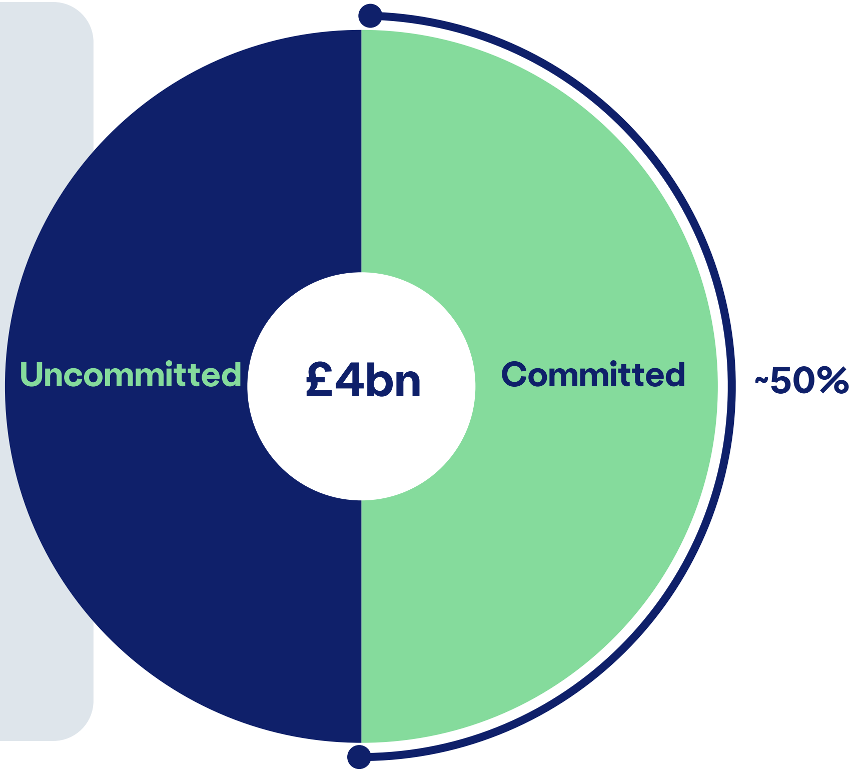



- **~85% of EBITDA from activities underway today**
- More rateable earnings profile from new investments
- Strong cash conversion, including lower sustaining capital requirements

1. EBITDA including Centrica's share of EBITDA from joint ventures and associates.
2. Equivalent to ~£800m of Retail & Optimisation Adjusted Operating Profit.

# Attractive returns with half of our investment programme locked in

- **Attractive returns** remain our **core focus**
- **£2.0bn capex committed** by 2028
  - MAP roll-out, **up to ~£0.9bn** by the end of 2028
  - ENSEK acquisition provides long-term optionality
  - Athlone and Dublin peakers COD[1] later this year
  - Sustaining capital requirements of £100m-£200m p.a.
- £2.0bn uncommitted investment contingent on returns
  - Significant opportunity set remains under review
  - Subject to **strict investment hurdles**




1. Commercial operations date.



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# Balance sheet resilience increasing

| | |
|---|---|
| Investment grade balance sheet | Moody's: **Baa2** stable outlook<br>S&P Global Ratings: **BBB** stable outlook |
| FFO[1]/Adj. net debt ratio | >50% (S&P) |
| Reserve | £1.0bn |
| Committed liquidity[2] | ~£5bn |

**Long-term liabilities reducing**

**Increasing exposure to rateable earnings**

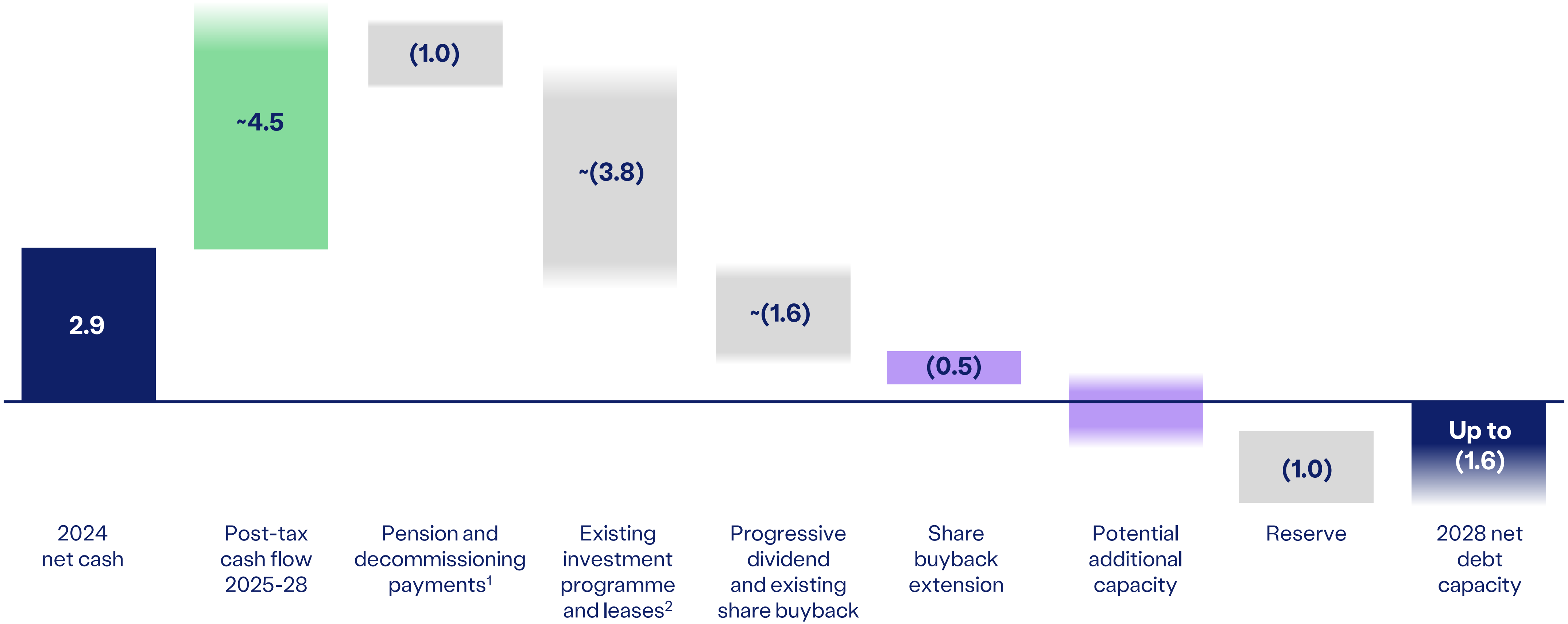
**Improving cash conversion**

**Strengthened liquidity position**

1. Funds from operations.
2. Total gross committed facilities, including credit lines and committed Letter of Credit facilities.

# Greater financial flexibility

**Illustrative balance sheet evolution end-2024 to end-2028 (£bn)**




1. Gross payments.
2. Total investment plan of £4bn less £0.6bn invested during 2024, and long-term leases.
Note – Chart not to scale.



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# Relentless focus on value creation

### 01 Maximise sustainable earnings

Targeting £1.6bn end-2028 run-rate EBITDA

~85% from existing operations and in-flight projects

### 02 Maintain a strong balance sheet

Solid BBB / Baa2 credit metrics

£1 billion reserve

### 03 Progressive dividend

2025 dividend increase to 5.5p per share

Accelerating towards 2x earnings cover by 2028

### 04 Investing for value

£4bn investment programme across 2024-28

Attractive returns above cost of capital

### 05 Return surplus capital

£500m share buyback extension to be completed by around the end of the year

Total share buyback programme now £2.0bn

# *Delivering against our strategy*

Chris O'Shea
Group Chief Executive




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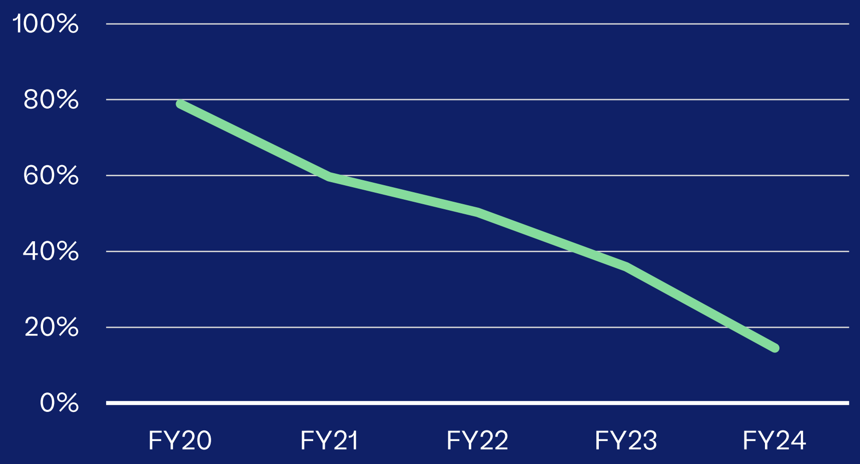
# Creating options around the future energy system

## Existing Infrastructure portfolio has been converted to cash

Reinvestment rate[1] (%)




Our strategy is to **create shareholder value** by **delivering the energy needed today** and **the energy security, efficiency and decarbonisation solutions of the future**

## Key elements of our investment strategy

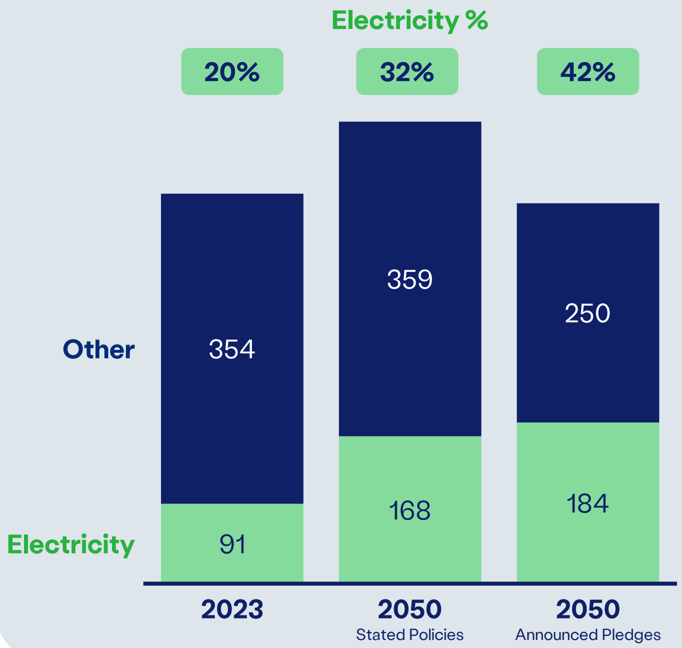
- **Attractive returns**
- **Industrial logic**
- **Portfolio benefit**
- **Strategic alignment**

1. Capex divided by depreciation and amortisation. Consists of Spirit Energy and Centrica Energy Storage+.

# The energy system is evolving

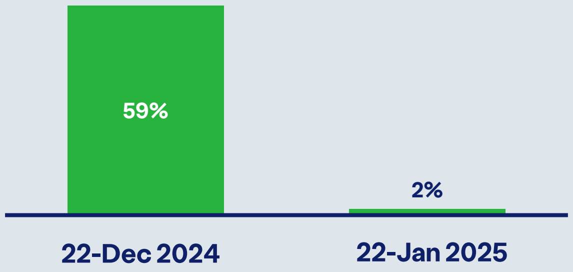
## More electrified…

Global final energy consumption[1] (EJ)

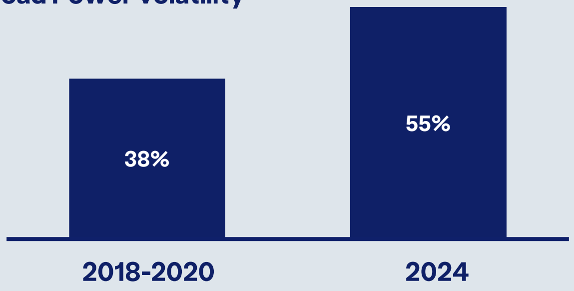



## …More intermittent…

UK wind share of generation output %




Baseload Power volatility[2]




## …More bespoke consumer propositions

**Greater home energy management engagement**
Demand side response, has the potential to displace ~9GW of peak UK demand in 2050[3]

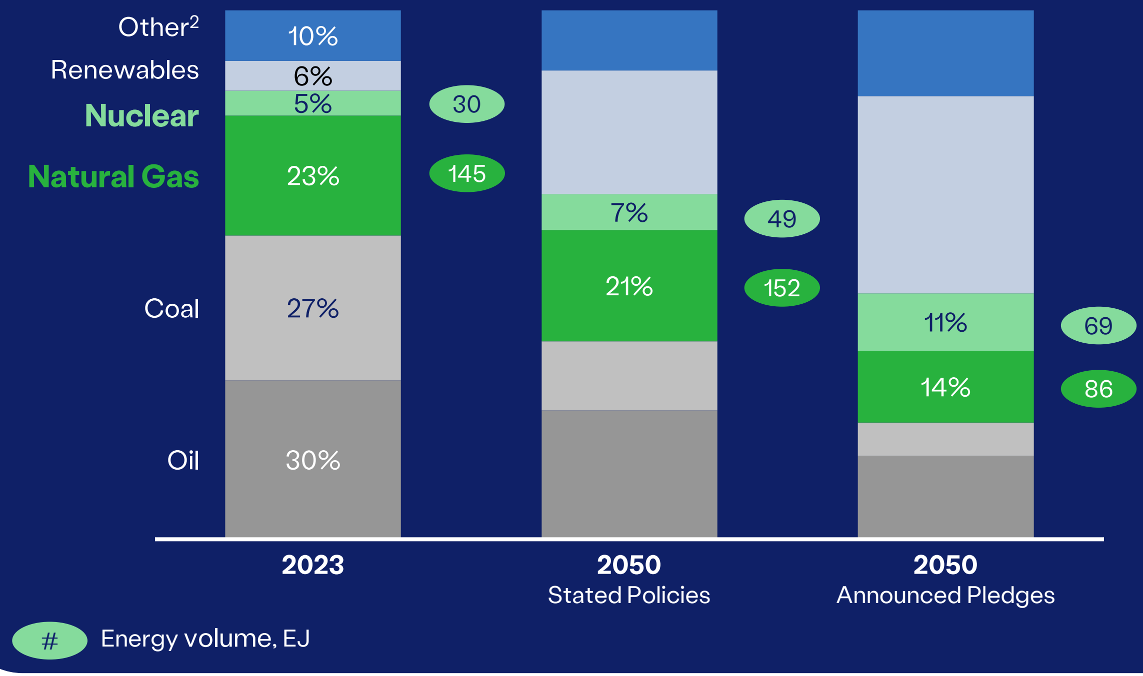
**Powered through the roll-out of smart technology**

1. International Energy Agency (2024) World Energy Outlook 2024. EJ – exajoules.
2. Yearly average of 60-day rolling average volatility, UK Baseload Month Ahead prices.
3. National Grid FES.

# Nuclear and natural gas remain vital

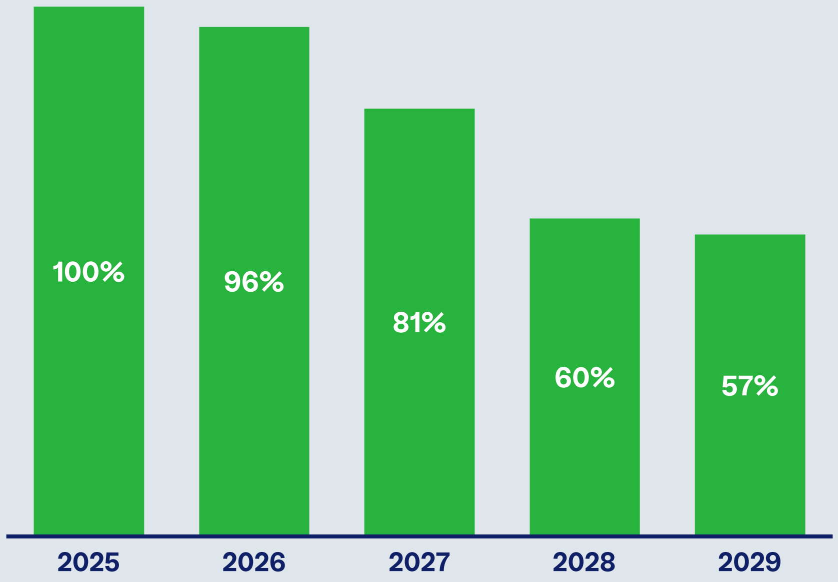
## Global energy mix will evolve as reliance on coal and oil reduces

**Global primary energy mix[1] (%)**




## De-risking our LNG portfolio

**Sabine Pass hedged[3] (%)**






1. International Energy Agency (2024) World Energy Outlook 2024.
2. Includes bioenergy and biomass.
3. Share of Sabine Pass cargoes hedged, including from deals such as Petrobras, which will also hedge other Centrica LNG long-term deals.

# Our significant role in the Irish power market


### Whitegate

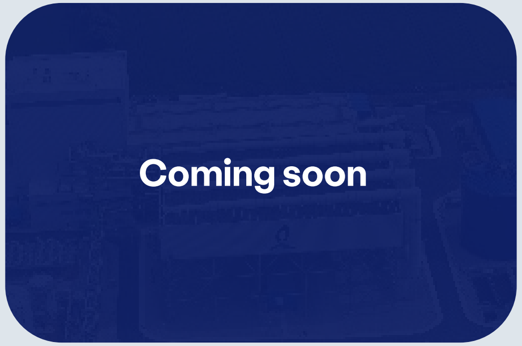
**445MW CCGT**

- New 5-year capacity contract: €149k/MW p.a from Oct-2028

### Dublin & Athlone

**2 x 100MW reciprocating engines**

- COD[1] in second half of 2025
- 10-year capacity contract: €158k/MW p.a. from COD[1]




### Galway

**334MW OCGT**

- 10-year capacity contract: €214k/MW p.a. from COD[1]

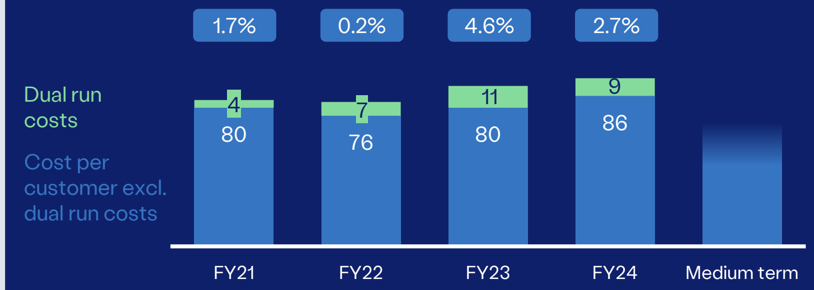
**Growing to 1GW of flexible generation, supporting Ireland's energy security and facilitating the rollout of intermittent renewable generation**

1. Commercial operations date.

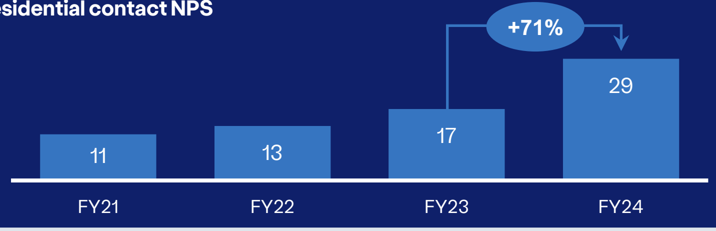
# Positioned to capture growing value from integrated energy propositions

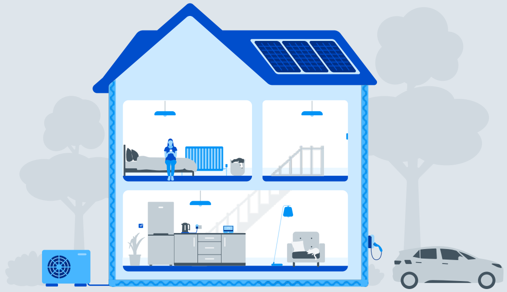
## Continued investment in the British Gas Energy customer leading to greater satisfaction

**Cost per customer[1] (£) & Residential AOP[2] Margin (%)**



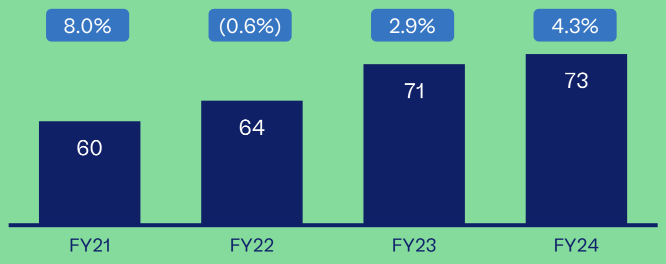

**Residential contact NPS**



## Strong operations in British Gas Services & Solutions provides the platform for commercial innovation

**Engineer NPS & AOP[2] Margin (%)**




**Improving operational performance**

**+24%** vs FY23
Services contract sales

**+39%** vs FY23
On-demand jobs[3] growth

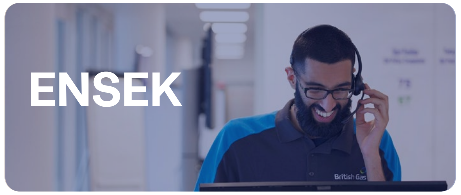
**4%**
Reschedule rates remain low



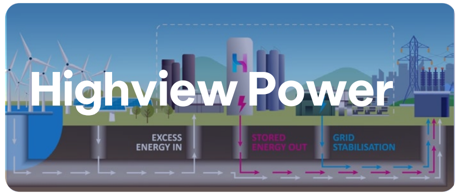
1. Excluding bad debt. Residential only.
2. AOP – Adjusted operating profit.
3. On-demand jobs are defined as Services & Repair one-off demand repairs, home improvements and maintenance.

# Investments aligned to our energy market outlook

| Attractive returns | Industrial logic | Portfolio benefit | Strategic alignment |
|---|---|---|---|







1. MNZ – Morecambe Net Zero

# Summary


## Chris O'Shea
## Group Chief Executive

# Creating value through the energy transition

- Strong 2024 performance gives us **confidence in future delivery**
  - Improved operations providing the platform for growth
  - 2025 outlook remains unchanged
- We are building a portfolio with **flexibility and future optionality**, unlocking further value via our **integrated model**
  - Pathway to deliver £1.6bn end-2028 run-rate EBITDA[1]
- Growing resilience and balance sheet strength **supports additional capital returns**
  - Intention to raise 2025 DPS by 22% to 5.5p
  - Buyback extended by further £500m, total programme now £2.0bn = ~25% of issued share capital[2]


1. EBITDA including Centrica's share of EBITDA from joint ventures and associates.
2. Based on remaining amount of share repurchases being completed at the current share price of 136p.



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# Appendix




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# Group financials

| Year ended 31 December (£m) | 2024 | 2023 |
|---|---|---|
| Adjusted revenue[1] | 24,636 | 33,374 |
| Adjusted gross margin | 3,808 | 5,217 |
| Adjusted operating costs | (2,512) | (2,674) |
| Adjusted EBITDA[2] | 2,305 | 3,500 |
| Adjusted operating profit[3] | 1,552 | 2,752 |
| Net finance income/(cost) | 44 | (39) |
| Adjusted tax charge (incl. JV and associate tax) | (671) | (912) |
| Adjusted effective tax rate | 39% | 33% |
| Adjusted earnings | 984 | 1,859 |
| **Adjusted EPS** | **19.0p** | **33.4p** |



1. Total Group revenue included in business performance.
2. Includes Centrica's share of associate EBITDA of £513m (2023: £415m).
3. Includes share of profits from JVs and associates, net of interest and taxation of £256m in 2024 and £209m in 2023.

# Revenue

| Year ended 31 December (£m) | 2024 | 2023 |
|---|---|---|
| British Gas Services & Solutions | 1,563 | 1,597 |
| British Gas Energy | 12,065 | 17,742 |
| Bord Gáis Energy | 1,271 | 1,815 |
| Centrica Business Solutions | 2,551 | 3,522 |
| Centrica Energy | 6,128 | 7,732 |
| Upstream | 2,628 | 2,935 |
| **Gross segment revenue included in business performance** | **26,206** | **35,343** |
| Inter-segment revenue | (1,570) | (1,969) |
| **Total Group revenue included in business performance** | **24,636** | **33,374** |

# Adjusted Gross Margin

| Year ended 31 December (£m) | 2024 | 2023 |
|---|---|---|
| British Gas Services & Solutions | 633 | 616 |
| British Gas Energy | 1,521 | 2,141 |
| Bord Gáis Energy | 207 | 139 |
| Centrica Business Solutions | 258 | 309 |
| Centrica Energy | 536 | 1,016 |
| Nuclear | 109 | 349 |
| Spirit Energy | 521 | 302 |
| Centrica Energy Storage+ | 51 | 348 |
| Profit share and other | (9) | (3) |
| MAP consolidation adjustment | (19) | – |
| **Group adjusted gross margin** | **3,808** | **5,217** |

# Adjusted EBITDA

| Year ended 31 December (£m) | 2024 | 2023 |
|---|---|---|
| British Gas Services & Solutions | 110 | 101 |
| British Gas Energy | 339 | 808 |
| *Residential Energy Supply* | *310* | *782* |
| *Small Business Energy Supply* | *29* | *26* |
| Bord Gáis Energy | 79 | 21 |
| Centrica Business Solutions | 97 | 141 |
| *Business Energy Supply* | *119* | *176* |
| *Services & Assets* | *(22)* | *(35)* |
| Centrica Energy | 346 | 822 |
| Nuclear [1] | 610 | 742 |
| Spirit Energy | 707 | 506 |
| Centrica Energy Storage+ | 17 | 322 |
| Colleague profit share and other | 19 | 37 |
| MAP consolidation adjustment | (19) | – |
| **Adjusted EBITDA** | **2,305** | **3,500** |

1. Includes Centrica's share of associate EBITDA of £513m (2023: £415m).



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# Operating Profit

| Year ended 31 December (£m) | 2024 | 2023 |
|---|---|---|
| British Gas Services & Solutions | 67 | 47 |
| British Gas Energy | 297 | 751 |
| *Residential Energy Supply* | *269* | *726* |
| *Small Business Energy Supply* | *28* | *25* |
| Bord Gáis Energy | 63 | 1 |
| Centrica Business Solutions | 73 | 104 |
| *Business Energy Supply* | *108* | *159* |
| *Services & Assets* | *(35)* | *(55)* |
| Centrica Energy | 307 | 774 |
| Nuclear | 353 | 536 |
| Spirit Energy | 434 | 235 |
| Centrica Energy Storage+ | 2 | 312 |
| Colleague profit share | (25) | (8) |
| MAP consolidation adjustment | (19) | – |
| **Adjusted operating profit [1]** | **1,552** | **2,752** |
| Re-measurements – UK energy supply | 1,975 | 506 |
| Re-measurements – Infrastructure (incl. share of associates), Centrica Energy and Bord Gáis Energy | (1,554) | 3,066 |
| Onerous energy supply and LNG contracts movement | (142) | 833 |
| Impairment of power assets | (75) | (563) |
| Legacy contract costs | (53) | – |
| Impairment of gas storage asset | – | (82) |
| **Statutory operating profit** | **1,703** | **6,512** |

1. Adjusted operating profit includes share of profits from JVs and associates, net of interest and taxation, of £256m in 2024 (2023: £209m).

# Capital Expenditure and Net Investment

| Year ended 31 December (£m) | 2024 | 2023 |
|---|---|---|
| British Gas Services & Solutions | (22) | (50) |
| British Gas Energy | (187) | – |
| Bord Gáis Energy | (103) | (72) |
| Centrica Business Solutions | (160) | (114) |
| Centrica Energy | (40) | (47) |
| Nuclear | – | – |
| Spirit Energy | (31) | (75) |
| Centrica Energy Storage+ | (11) | (26) |
| Other [1] | (10) | (31) |
| **Total capital expenditure[2]** | **(564)** | **(415)** |
| Net Disposals | 4 | 55 |
| **Total Group net investment** | **(560)** | **(360)** |



1. Includes £19m (2023: £nil) MAP consolidation adjustment.
2. Capital expenditure (including small acquisitions).

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# Free cash flow

| Year ended 31 December (£m) | 2024 | 2023 |
|---|---|---|
| British Gas Services & Solutions | 102 | 64 |
| British Gas Energy | (303) | 302 |
| Bord Gáis Energy | (35) | (146) |
| Centrica Business Solutions | (3) | 220 |
| Centrica Energy | 649 | 1,354 |
| Nuclear | 478 | 618 |
| Spirit Energy | 586 | 365 |
| Centrica Energy Storage+ | 151 | 253 |
| Other | – | (20) |
| **Segmental free cash flow excluding tax** | **1,625** | **3,010** |
| Taxes paid | (636) | (803) |
| **Total free cash flow** | **989** | **2,207** |

# Closing Adjusted Net Cash

| Year ended 31 December (£m) | 2024 | 2023 |
| --- | --- | --- |
| Adjusted EBITDA[1] | 1,792 | 3,085 |
| Dividends received | 355 | 220 |
| **Adjusted EBITDA plus dividends received** | **2,147** | **3,305** |
| Tax | (636) | (803) |
| Working capital | 124 | 244 |
| Decommissioning spend | (80) | (173) |
| Capital expenditure [2] | (564) | (415) |
| Net disposals | 4 | 55 |
| Exceptional cash flows | (6) | (6) |
| **Free cash flow** | **989** | **2,207** |

| Year ended 31 December (£m) | 2024 | 2023 |
| --- | --- | --- |
| **Free cash flow** | **989** | **2,207** |
| Net interest | 34 | (19) |
| Pension deficit payments | (176) | (180) |
| Movements in margin cash [3] | 131 | 585 |
| Share buyback programme | (499) | (613) |
| Dividends - Centrica shareholders | (219) | (186) |
| Dividends – Spirit Energy minority shareholder | – | (17) |
| Other cash flows affecting net debt [4] | (76) | 6 |
| **Adjusted cash flow affecting net cash** | **184** | 1,783 |
| | | |
| **Opening adjusted net cash (as at 1 January)** | **2,744** | **1,199** |
| Adjusted cash flow movements | 184 | 1,783 |
| Non-cash movements [5] | (70) | (238) |
| **Closing adjusted net cash** | **2,858** | **2,744** |

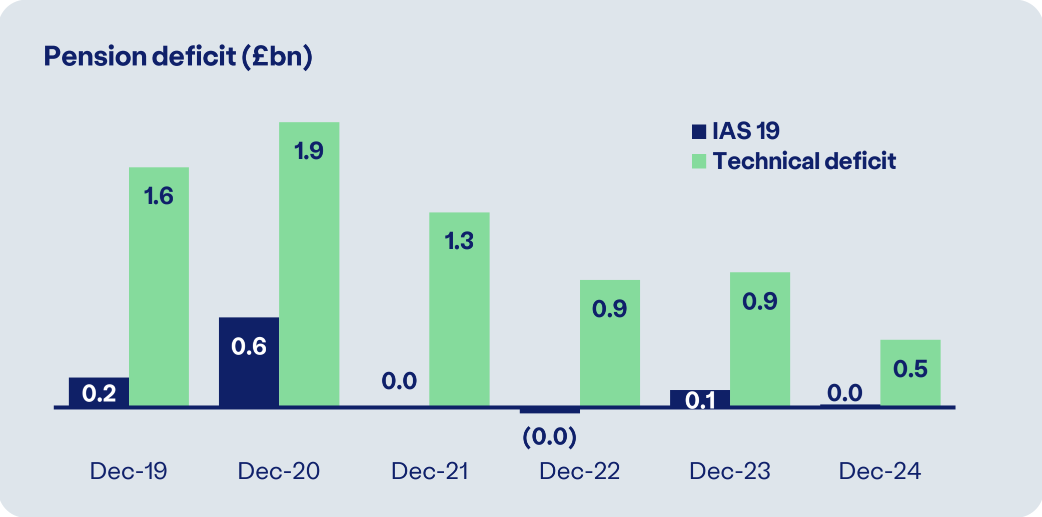
1. Excludes Centrica's share of associate EBITDA of £513m (2023: £415m).
2. Capital expenditure (including small acquisitions).
3. As at 31 December 2024, margin cash posted was £105m (2023: £240m).

4. 2024 other cash flows affecting net cash includes £68m (2023 £nil) relating to exceptional financing costs in relation to debt repurchase and refinancing activities.
5. 2024 non-cash movements includes £(55)m relating to new leases and the re-measurements of existing leases (2023: £(158)m).

# Pension update

- Triennial pension funding deficit of £504m agreed at 31 March 2024. On a roll-forward basis, using the same methodology and consequent assumptions, the Technical Provisions deficit at 31 December 2024 was ~£450m
- Cash contributions of ~£140m p.a. agreed through to 2027
- IAS 19 net pension deficit of £21m

| | IAS 19 | Scheme Funding (Technical Provisions) |
|---|---|---|
| Main purpose | Group's balance sheet | Determines cash funding to schemes |
| Regulations | IFRS standards | Pensions legislation |
| Frequency | Semi-annual | At least every three years |
| **Assumptions used** | | |
| Determined by | Centrica | Centrica and Trustees agree |
| Overall basis | Best-estimate | Prudent approach |
| Discount rate | AA corporate bonds | Reflects schemes' investment strategy |



# Infrastructure notes

| | 2025 hedging | | | 2026 hedging | |
|---|---|---|---|---|---|
| | Volume hedged | Average hedged price | Total estimated production / generation | Volume hedged | Average hedged price |
| **Spirit Energy** | 513mmth | 111p/th | ~695 to 720mmth | 273mmth | 89p/th |
| **Nuclear** | 5.5TWh | £89/MWh | ~7.0 to 8.0TWh | 1.8TWh | £76/MWh |

| | Infrastructure (Nuclear, Spirit Energy and Centrica Energy Storage+) | |
|---|---|---|
| | Adjusted EBITDA including share of associates EBITDA | Adjusted operating profit |
| **2025[1]** | ~£650m to £850m | ~£250m to £400m |

1. In 2025 Centrica Energy Storage+ is expected to make an adjusted operating loss of ~£(50)m-£(100)m.

# MAP cash flow

## Modelling a single meter (illustration)

| | MAP | | | | Group consolidation (£) | | |
|---|---|---|---|---|---|---|---|
| | Capex[1] | Revenue / EBITDA[2] | Depreciation | Free cash flow (pre-tax) | EBITDA adjustment | Capex adjustment | Depreciation adjustment |
| **Year of install[3]** | ~£(240) | - | - | ~£(240) | ~£(40) | ~£40 | - |
| **Year 1+** | - | ~£25 | ~£(16) | ~£25 | - | - | ~£3 |



1. Includes intra-group costs incurred in the year of installation that are eliminated upon consolidation.
2. Excludes the impact of run cash opex.
3. Assuming end of year install.

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