

Annual General Meeting

11 May 2012



Sir Roger Carr

Chairman



- Good performance during a period of unprecedented world events
 - Fukushima and Arab Spring
 - Economic weakness & Eurozone debt crisis
- Regulatory uncertainty and high UK upstream tax rates

- Operating profit of £2.4bn
- Earnings up 3%; Earnings per share of 25.8p
- Total tax charge of £891m; 40% effective tax rate
- Full year dividend up 8% to 15.4p/share

- £3.3bn free cash flow in 2011
- £1.3bn net profit
- £1.5bn organic investment programme
- 25% of cash flow to taxation
- 20% dividend growth over 2 years

- Securing the right framework for investment
- Building on North Sea acquisitions
- Working through retail market reforms
- Building trust in the sector

- Good performance in challenging market conditions
- Delivering investment for growth
- Delivering for our customers
- Delivering for our shareholders

Sam Laidlaw

Chief Executive



- Safety remains our first priority
- LTI rate down 42% to 0.25 per 100k hours worked
- Emissions down 28% to 7.9 million tonnes of CO₂
- Stronger customer and process safety procedures

Strategic priorities unchanged

Annual General
Meeting
May 11 2012

- 1 Grow British Gas
- 2 Deliver value from our growing upstream business
- 3 Build an integrated North American business
- 4 Drive superior financial returns

1 Grow British Gas

- Improved delivery for customers
- 4 star rating from Consumer focus
- First to reduce prices in 2012
- Services growth
- Further progress in new markets

1 Grow British Gas

- Building trust with customers
 - tariffs simplified
 - clearer bills
 - price comparison table
- Reducing cost base
 - £500m programme
 - Sharpens competitive position and enables investment in growth

② Deliver value from our growing upstream business

- Strong asset performance
- Deploying distinctive capabilities
 - North Sea gas reserve additions
 - First gas at Ensign
- Norwegian acquisitions increase reserves by 40%
- New strategic relationships with Qatargas and Statoil

2 Deliver value from our growing upstream business

Annual General Meeting
May 11 2012

- Significant investment required in the UK
 - Gas development & storage
 - Wind
 - New nuclear
- Future investment decisions lie ahead
- Stable fiscal and regulatory regime critical

③ Build an integrated North American business

- Good progress towards doubling profit
- Increased scale in residential and business energy
- Building platform for growth in services
- Improved performance upstream

④ Drive superior financial returns

- Strong returns from existing assets
- Disciplined approach to investment
- Healthy balance sheet
- Balanced business model

- Robust performance in challenging conditions
- Good progress against strategic priorities
- Centrica well positioned for further growth