

national**grid**

Full Year Results

2023/24

London, 23 May 2024



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 document also references 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 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 or targets. Many of these assumptions, risks and uncertainties relate to factors that are beyond National Grid's ability to control, predict 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, as well as the future of system operation in the UK; 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, or due to counterparties being unable to deliver physical commodities; reliability of and access to IT systems, including or 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, 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; 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; 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 the sale of a stake in its UK Gas Transmission and Metering business, its strategic infrastructure projects and joint ventures and the separation and transfer of the ESO to the public sector. For further details regarding these and other assumptions, risks and uncertainties that may impact National Grid, please read the Strategic Report section and the 'Risk factors' on pages 226 to 231 of National Grid's Annual Report and Accounts for the year ended 31 March 2024, which is published today. 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. This presentation is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities. The securities mentioned herein have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. No public offering of securities is being made in the United States.

nationalgrid

Highlights

John Pettigrew
Chief Executive



The direction of the energy transition is set...

Governments all have climate targets



Fully decarbonised
Great Britain
electricity system
by **2035**



New York
100% zero-emission
electricity sector
by **2040**



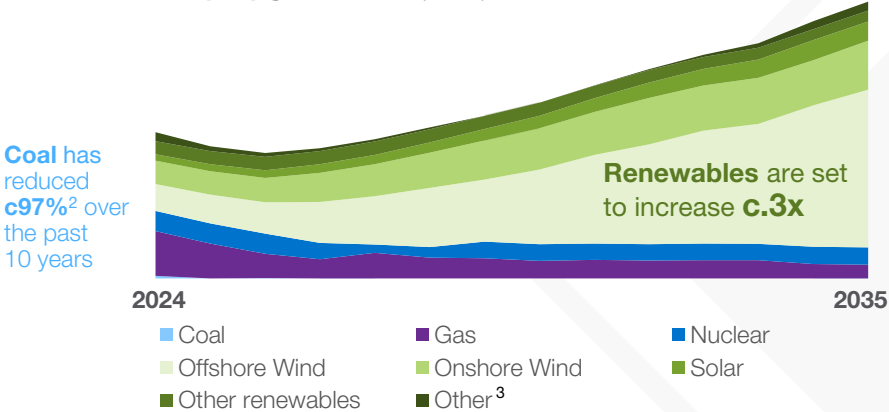
Massachusetts
50% reduction
in carbon emissions
by **2030**

Decarbonising energy across the UK and US Northeast

Great Britain and US Northeast governments setting ambitious goals to achieve it

Generation mix is evolving

Great Britain (GB) generation (TWh)¹



Governments have ambitious targets

Supply⁵ by 2035:

- Offshore Wind** 15GW ▶ up to **85GW** in GB
0GW ▶ up to **20GW** in US jurisdictions
- Onshore renewables** 30GW ▶ up to **90GW** in GB
15GW ▶ up to **60GW** in US jurisdictions
- Storage capacity** 4GW ▶ up to **25GW** in GB
1GW ▶ up to **10GW** in US jurisdictions

Demand⁵ in 2035:

- EV adoption** 4% ▶ up to **85%** in GB
2% ▶ up to **50%** in US jurisdictions
- Heat pump adoption** 1% ▶ up to **35%** in GB
1% ▶ up to **35%** in US jurisdictions
- Data centres** **c.10GW** in GB connections pipeline
c.2x increase⁶ in US jurisdictions by 2030

The US Northeast has seen increased renewables **c.60%** vs 2010⁴ ↑

1. GB generation mix (TWh) from ESO Future Energy Scenarios 2023. Excludes imports / exports
 3. Other includes Biomass, Storage and other fuel type
 5. Sources: UK FES 2023 LTW, NYISO state scenario policy case, ISO NE 2050 Transmission Study, ISO-NE Celt Report '24, NYISO Goldbook '24 and load assumptions for NY state policy scenario.

2. 2014 vs 2023
 4. Massachusetts / New York % generation mix increase in renewables from US EIA between 2010 and 2023
 6. From 2022 based on National Grid estimates, BCG, McKinsey, NYISO and ISO-NE projections

Increased clarity on investment plans




Increased visibility over last 6 months

- **Scale** of future investment
- **Delivery profile**
- **Regulatory frameworks**

Significant progress,
providing confidence to set out
plans for the next 5 years






Increased clarity on investment plans

	UK Electricity Transmission	US Regulated
Scale 	<p>17 Accelerated Strategic Transmission Investment (ASTI) projects in licence</p> <ul style="list-style-type: none"> • Mid-high teens £billions <p>“Beyond 2030” Electricity System Operator report</p> <p>RIIO-T3 business plan development</p>	<p>Downstate NY KEDNY/KEDLI rate plan</p> <ul style="list-style-type: none"> • c.\$5bn capex over 3 years <p>Upstate NY Niagara Mohawk (NiMo) upcoming rate filing</p> <p>\$4bn “Upstate Upgrade”</p> <p>Massachusetts Electric (MECO) rate filing</p> <p>Electric Sector Modernization Plan (ESMP): \$2bn over 5 years</p>
Profile 	<p>ASTI supply chain progress</p> <ul style="list-style-type: none"> • Eastern Green Links 1 & 2 contracts awarded • c.£9bn enterprise partnership model <p>Planning & consenting progress</p> <p>UK policy progress</p> <ul style="list-style-type: none"> • Updated energy National Policy Statements • Transmission Acceleration Action Plan 	<p>Supply chain progress</p> <ul style="list-style-type: none"> • Engineering contracts for \$2.9bn CLCPA¹ transmission projects <p>Good visibility of investment in electric distribution and leak prone pipe replacement programme</p>
Regulation 	<p>New Ofgem duties: growth and net zero</p> <p>Ofgem RIIO-T3 SSMC²: introduction of investability</p> <p>Ofgem strategy update: “enabling infrastructure for net zero at pace”</p>	<p>KEDNY/KEDLI</p> <ul style="list-style-type: none"> • 9.35% allowed return on equity (up 55bps) <p>NiMo rate filing</p> <p>MECO & ESMP rate filing</p> <ul style="list-style-type: none"> • Productive discussions with Regulator (DPU)




1. Climate Leadership and Community Protection Act
 2. Sector specific methodology consultation (SSMC) to be published by Ofgem

Increased clarity on investment plans

	UK Electricity Transmission	US Regulated
Scale 	<p>17 Accelerated Strategic Transmission Investment (ASTI) projects in licence</p> <ul style="list-style-type: none"> • Mid-high teens £billions <p>“Beyond 2030” Electricity System Operator report</p> <p>RIIO-T3 business plan development</p>	<p>Downstate NY KEDNY/KEDLI rate plan</p> <ul style="list-style-type: none"> • c.\$5bn capex over 3 years <p>Upstate NY Niagara Mohawk (NiMo) upcoming rate filing</p> <p>\$4bn “Upstate Upgrade”</p> <p>Massachusetts Electric (MECO) rate filing</p> <p>Electric Sector Modernization Plan (ESMP): \$2bn over 5 years</p>
Profile 	<p>ASTI supply chain progress</p> <ul style="list-style-type: none"> • Eastern Green Links 1 & 2 contracts awarded • c.£9bn enterprise partnership model <p>Planning & consenting progress</p> <p>UK policy progress</p> <ul style="list-style-type: none"> • Updated energy National Policy Statements • Transmission Acceleration Action Plan 	<p>Supply chain progress</p> <ul style="list-style-type: none"> • Engineering contracts for \$2.9bn CLCPA¹ transmission projects <p>Good visibility of investment in electric distribution and leak prone pipe replacement programme</p>
Regulation 	<p>New Ofgem duties: growth and net zero</p> <p>Ofgem RIIO-T3 SSMC²: introduction of investability</p> <p>Ofgem strategy update: “enabling infrastructure for net zero at pace”</p>	<p>KEDNY/KEDLI</p> <ul style="list-style-type: none"> • 9.35% allowed return on equity (up 55bps) <p>NiMo rate filing</p> <p>MECO & ESMP rate filing</p> <ul style="list-style-type: none"> • Productive discussions with Regulator (DPU)

1. Climate Leadership and Community Protection Act
 2. Sector specific methodology consultation (SSMC) to be published by Ofgem

Increased clarity on investment plans

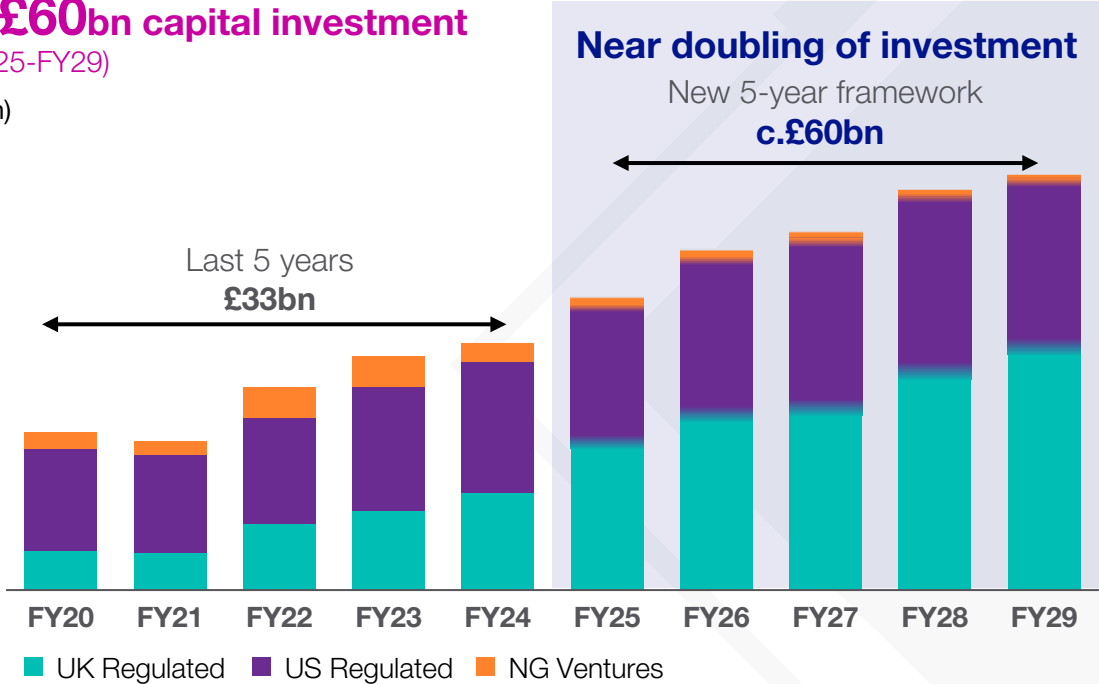
	UK Electricity Transmission	US Regulated
Scale 	<p>17 Accelerated Strategic Transmission Investment (ASTI) projects in licence</p> <ul style="list-style-type: none"> • Mid-high teens £billions <p>“Beyond 2030” Electricity System Operator report</p> <p>RIIO-T3 business plan development</p>	<p>Downstate NY KEDNY/KEDLI rate plan</p> <ul style="list-style-type: none"> • c.\$5bn capex over 3 years <p>Upstate NY Niagara Mohawk (NiMo) upcoming rate filing</p> <p>\$4bn “Upstate Upgrade”</p> <p>Massachusetts Electric (MECO) rate filing</p> <p>Electric Sector Modernization Plan (ESMP): \$2bn over 5 years</p>
Profile 	<p>ASTI supply chain progress</p> <ul style="list-style-type: none"> • Eastern Green Links 1 & 2 contracts awarded • c.£9bn enterprise partnership model <p>Planning & consenting progress</p> <p>UK policy progress</p> <ul style="list-style-type: none"> • Updated energy National Policy Statements • Transmission Acceleration Action Plan 	<p>Supply chain progress</p> <ul style="list-style-type: none"> • Engineering contracts for \$2.9bn CLCPA¹ transmission projects <p>Good visibility of investment in electric distribution and leak prone pipe replacement programme</p>
Regulation 	<p>New Ofgem duties: growth and net zero</p> <p>Ofgem RIIO-T3 SSMC²: introduction of investability</p> <p>Ofgem strategy update: “enabling infrastructure for net zero at pace”</p>	<p>KEDNY/KEDLI</p> <ul style="list-style-type: none"> • 9.35% allowed return on equity (up 55bps) <p>NiMo rate filing</p> <p>MECO & ESMP rate filing</p> <ul style="list-style-type: none"> • Productive discussions with Regulator (DPU)

1. Climate Leadership and Community Protection Act
 2. Sector specific methodology consultation (SSMC) to be published by Ofgem

Driving a significant step-up in investment & growth

c.£60bn capital investment
(FY25-FY29)

(£bn)



c.85%
Green investment
aligned to EU taxonomy

One of the
FTSE's biggest investors
in the energy transition

New 5-year financial framework

FY2025 - 2029	
Capital investment	<p>c.£60bn – c.£51bn green¹</p> <p>c.£23bn UK Electricity Transmission c.£17bn New York Regulated</p> <p>c.£8bn UK Electricity Distribution c.£11bn New England Regulated</p> <p>c.£1bn NG Ventures</p>
Group asset growth	c.10% CAGR (from a FY24 baseline) ²
Credit metrics	Committed to strong investment grade credit rating Credit metrics above current rating thresholds ³
Underlying EPS	6-8% CAGR (from a FY25 baseline) ⁴
Dividend	Aim to grow dividend per share in line with CPIH ⁵

c.£100bn
group assets by FY29²

An attractive proposition of growth and yield

1. Aligned to EU Taxonomy, directly invested into the decarbonisation of energy networks.
 2. Group asset compound annual growth rate from a FY24 baseline. Forward years based on assumed USD FX rate of 1.25; and long run UK CPIH and US CPI. Assumes sale of ESO, Grain LNG, and National Grid Renewables before 2029. Assumes remaining 20% stake in UK Gas Transmission treated as a discontinued operation and therefore does not contribute to group asset growth.
 3. Until at least the end of the RIIO-T3 period.
 4. EPS compound annual growth rate from a FY25 baseline. Forward years based on assumed USD FX rate of 1.25; long run UK CPIH, US CPI and interest rate assumptions and scrip uptake of 25%. Assumes sale of ESO, Grain LNG, and National Grid Renewables before 2029. Assumes remaining 20% stake in UK Gas Transmission treated as a discontinued operation and therefore does not contribute to underlying EPS.
 5. Aim to increase the FY25 DPS by UK CPIH following the rebase of the FY24 DPS of 58.52 pence, after taking account of the new shares issued following the Rights Issue.

Strong track record of delivery

Expertise
in large infrastructure



c.£1bn
Hinkley Connection Project



c.£1bn
London Power
Tunnels 2



c.\$4bn
New York
Upstate Upgrade



World-leading capability
in subsea cabling

7.8GW
Interconnector Portfolio

Organisation
set up to deliver



Strategic Infrastructure
new business unit



Supply chain
innovation

Exceeded cost efficiency target

£513m
Target by end of FY24:
£400m

Track record of outperformance and delivery against regulatory frameworks

High-growth pureplay networks

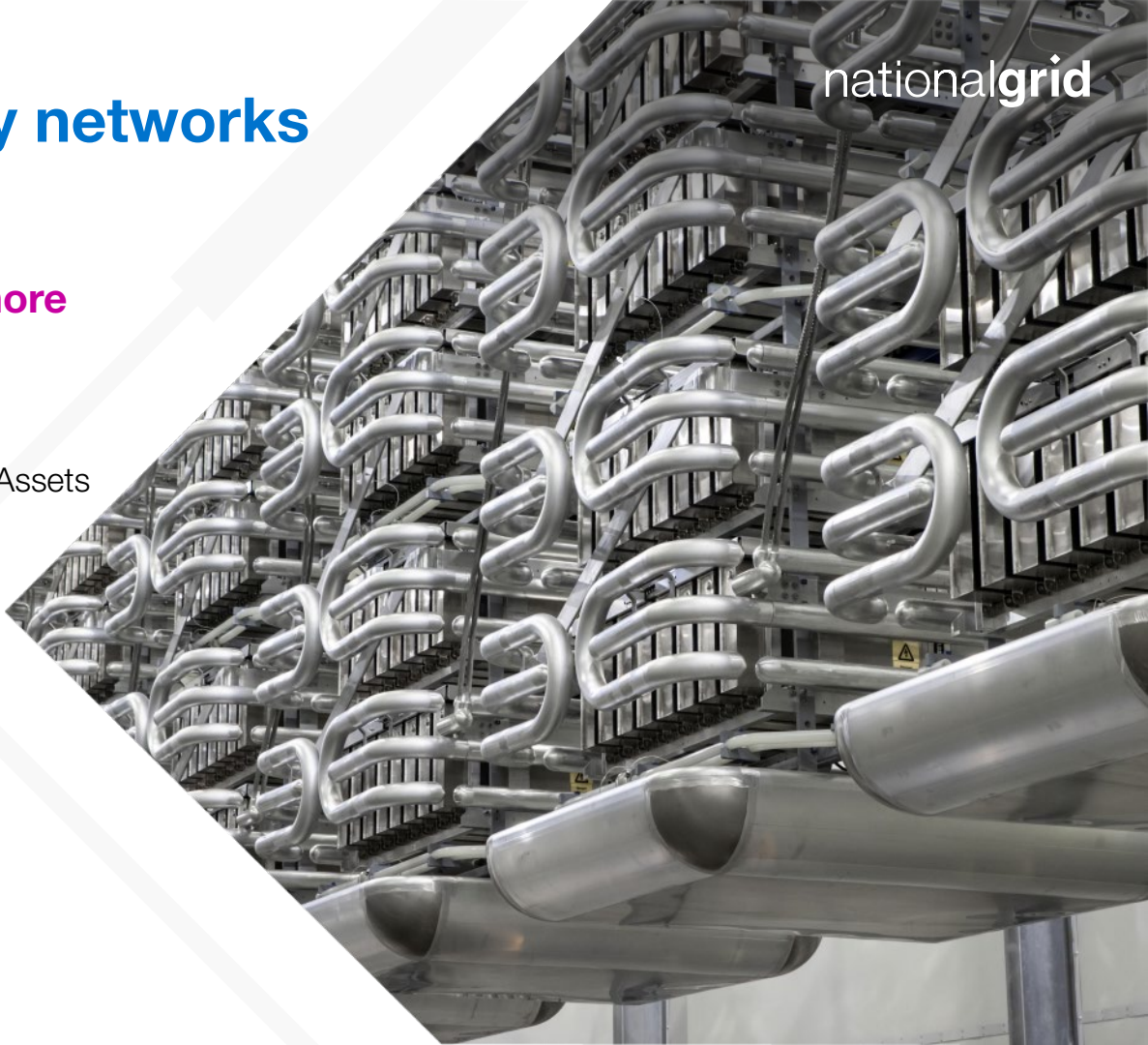
Streamlined portfolio focused on **regulated** and **competitive, onshore** and **offshore networks**

Refocused NG Ventures

- UK Interconnectors and Offshore Hybrid Assets
- US competitive electricity transmission

Crystallising value

- National Grid Renewables
- Grain LNG



Key headlines

Strong financial performance in 2024

Underlying operating profit

£4,773m ↑ 6%

FY23: **£4,518m**

Regulated networks capital investment

£7,571m ↑ 17%

FY23: **£6,462m**

Underlying EPS

78.0p ↑ 6%

FY23: **73.6p**

Asset Growth

9.7% ↓ 170bps

FY23: **11.4%**

Reliability

99.99%

FY23: **99.99%**

Safety - LTIFR

0.08

Group Target: **0.10**

Underlying results from continuing operations excluding exceptional items, remeasurements, deferrable major storm costs (when greater than \$100m), timing, the contribution from UK Gas Transmission and Metering, which are classified as a discontinued operation for accounting purposes, and the impact of deferred tax in UK regulated businesses (UK Electricity Transmission and UK Electricity Distribution).

Underlying EPS restated to reflect change in definition to remove the impact of deferred tax in UK regulated businesses (UK Electricity Transmission and UK Electricity Distribution).

Regulated networks capital investment includes capital prepayments. Comparatives have been restated.

Underlying operating profit, underlying EPS and regulated networks capital investment calculated at constant currency

Lost Time Injury Frequency Rate (LTIFR)

Operational performance highlights



UK
Electricity Transmission
47%
increase in capital investment

- ASTI
- Hinkley Connection Project
- London Power Tunnels
- 3GW connected



New York
£2.7bn
capital investment, up £291m¹

- Delivering \$4bn 'Upstate Upgrade'
- 70 transmission enhancement projects
- 206 miles of leak prone pipe replaced

Electricity System Operator sale
Expected to transfer in 2024



New England
14%
increase in capital investment¹

- \$2bn Electric Sector Modernization Plan filed
- 131 miles of leak prone pipe replaced

NG Ventures
765km
Viking Link online
– world's longest interconnector

1. At constant currency

nationalgrid

Financial Performance

Andy Agg

Chief Financial Officer



Financial performance highlights

Strong delivery in 2024

Underlying operating profit

£4,773m ↑ 6%

FY23: **£4,518m**

Underlying EPS

78.0p ↑ 6%

FY23: **73.6p**

Cost efficiency delivery

£513m

Target by end of FY24: **£400m**

Return on Equity

8.9% ↓ 210bps

FY23: **11.0%**

Dividend growth in line with policy

58.52p ↑ 5.55%

FY23: **55.44p**

Capital investment

£8,235m ↑ 11%

FY23: **£7,430m**

Underlying results from continuing operations excluding exceptional items, remeasurements, deferrable major storm costs (when greater than \$100m), timing, the contribution from UK Gas Transmission and Metering, which are classified as a discontinued operation for accounting purposes, and the impact of deferred tax in UK regulated businesses (UK Electricity Transmission and UK Electricity Distribution).

Underlying EPS restated to reflect change in definition to remove the impact of deferred tax in UK regulated businesses (UK Electricity Transmission and UK Electricity Distribution).

Capital investment includes investment in JVs and capital prepayments and no longer includes investments in NG Partners. Comparatives have been restated.

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

Return on Equity includes UK Gas Transmission and Metering for the period owned in 2022/23.

Investment driving asset growth

Capital investment¹

£8,235m ↑ **11%**

FY23: £7,430m

Regulated networks capital investment¹

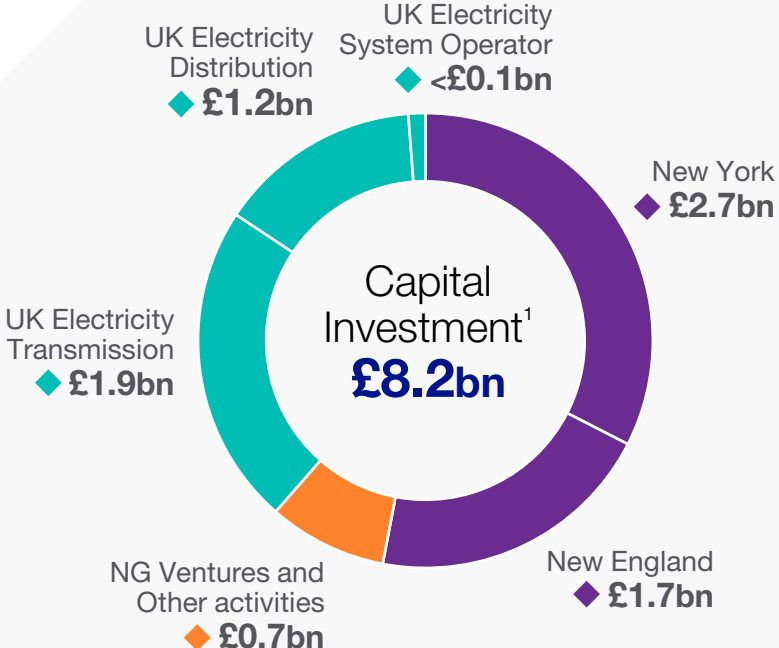
£7,571m ↑ **17%**

FY23: £6,462m

Asset growth

9.7% ↓ **170bps**

FY23: 11.4%



1. Capital investment and regulated networks capital investment at constant currency. Restated to reflect change in definition to include capital prepayments and exclude NG Partners investments.

UK Electricity Distribution

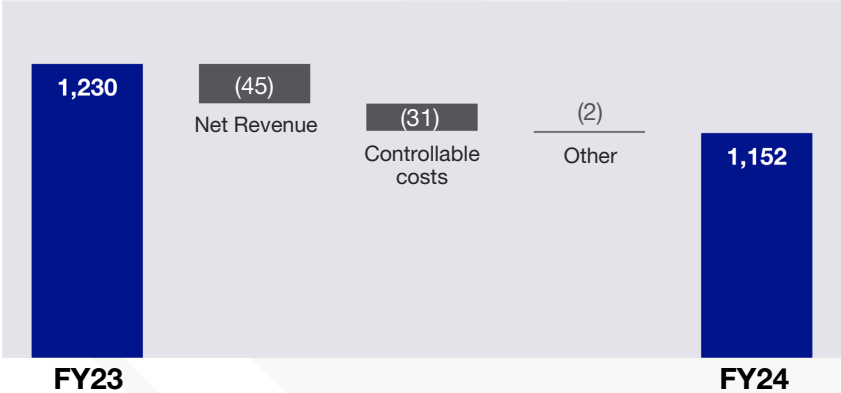
**Return on equity
Outperformance**

110bps
Outperformance

Targeted operational
outperformance:
100-125bps

Achieved
return on equity
8.5%

Underlying operating profit (£m)



- Shift from RIIO-ED1 to ED2
- Lower incentives in first year of ED2

Capital investment
£1.2bn ↑2%
FY23: **£1.2bn**

Regulated asset value
£11.5bn
FY23: **£10.8bn**

Group Synergies
£39m ↑ **£28m**
FY26 target: **£100m**

RAV growth
+6.3%

Underlying results, excluding timing, exceptional items and remeasurements.
Capital investment includes investment in JVs and capital prepayments and no longer includes investments in NG Partners. Comparatives have been restated.

UK Electricity Transmission

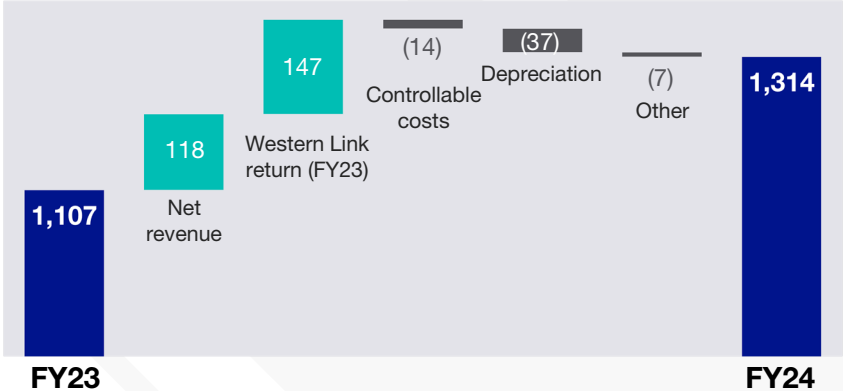
**Return on equity
Outperformance**

100bps
Outperformance

Targeted operational outperformance:
100bps

Achieved return on equity
8.0%

Underlying operating profit (£m)



- Revenues supported by indexation and higher allowed returns
- Non-recurrence of Western Link return

Capital investment
£1.9bn ↑47%
FY23: **£1.3bn**

Regulated asset value
£18.5bn
FY23: **£17.1bn**

**RAV growth
+7.7%**

Electricity System Operator

Underlying operating profit	FY24 RAV
£80m	£425m
FY23: £31m	FY23: £355m

Underlying results, excluding timing, exceptional items and remeasurements.
Capital investment includes investment in JVs and capital prepayments and no longer includes investments in NG Partners. Comparatives have been restated.

US Regulated – New York

Return on equity

96%
of our allowed
baseline return

Achieved
return on equity
8.5%

Underlying operating profit (£m)



- KEDNY/KEDLI and NiMo rate increases
- Smart Path Connect early recoveries
- Continued delivery of cost efficiency programme

Capital investment
£2.7bn ↑12%
FY23: £2.4bn

Rate base
\$20.7bn
FY23: \$18.7bn

Rate base growth
+10.8%

Underlying results from continuing operations excluding exceptional items, remeasurements, deferrable major storm costs (when greater than \$100m) and timing. Operating profit and capital investment presented at constant currency.

Capital investment includes investment in JVs and capital prepayments and no longer includes investments in NG Partners. Comparatives have been restated.

1. Principally due to higher property taxes, energy efficiency spend and pensions.

US Regulated – New England

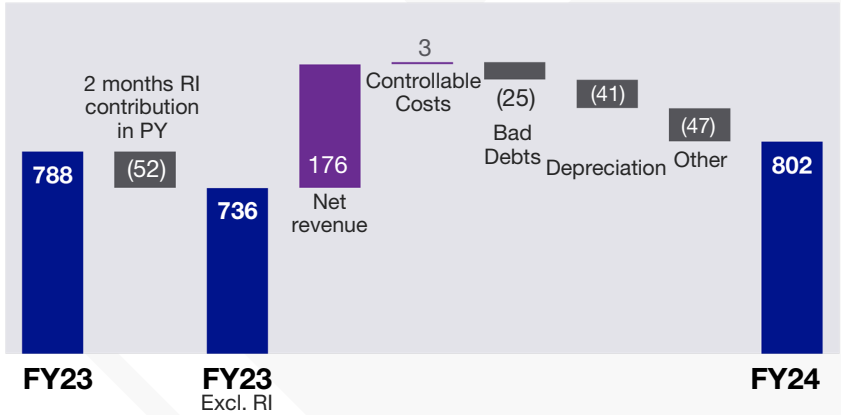
Return on equity

93%
of our allowed baseline return

Achieved return on equity

9.2%

Underlying operating profit (£m)



- Higher rates in electric and gas businesses
- Higher depreciation
- 2 months inclusion of Rhode Island business in prior year

Capital investment

£1.7bn ↑14%

FY23: **£1.5bn**

Rate base

\$11.0bn

FY23: **\$9.8bn**

Rate base growth

+12.7%

Underlying results from continuing operations excluding exceptional items, remeasurements, deferrable major storm costs (when greater than \$100m) and timing. Operating profit and capital investment presented at constant currency. Capital investment includes investment in JVs and capital prepayments and no longer includes investments in NG Partners. Comparatives have been restated.

NG Ventures

	Year ended	
	31 March 2024	31 March 2023
Operating profit (£m)		
Grain LNG	149	131
Smart Metering	13	4
Interconnectors	306	355
Business Development & Other	(14)	(15)
US Ventures	15	14
	469	489
Post tax share of JVs (£m)		
Interconnectors¹	69	164
Millennium	-	13
NG Renewables	22	16
Other	11	9
	102	202
Total NG Ventures	571	691

Operating profit and post tax share of JVs

- North Sea Link cap increase
- BritNed lower auction revenues
- Lower business interruption proceeds following IFA1 rebuild

Capital
investment

£662m

FY23: **£955m**

1. Includes BritNed and Nemo.

Operating profit, post-tax share of joint ventures and capital investment presented at constant exchange rates.

Capital investment includes investment in JVs and capital prepayments and no longer includes investments in NG Partners. Comparatives have been restated.

Other activities

	Year ended	
	31 March 2024	31 March 2023
Operating profit (£m)		
Property	30	216
Corporate & other	(151)	(179)
US Other	22	12
NG Partners	(13)	(25)
Insurance	52	7
	(60)	31

Post tax share of JVs (£m)

NG Partners	(1)	(13)
	(1)	(13)

Operating profit and post tax share of JVs

- Absence of property sales completed in the prior year as part of the St William JV disposal

Capital
investment

£2m

FY23: **£13m**

Operating profit, post-tax share of joint ventures and capital investment presented at constant exchange rates.

Underlying results, excluding timing, exceptional items and remeasurements.

Capital investment includes investment in equity contributions to JVs but excludes investments within NG Partners.

Interest, tax and earnings

Finance costs

£1.5bn

1% lower than FY23

- Lower inflation and repayment of the bridge loan facility during prior year
- Offset by higher cost of new issuances

Underlying effective tax rate¹

15.6%³

Underlying tax charge: **£515m**³

- 170 bps lower than prior year³
- Higher levels of capital expenditure qualifying for the higher capital allowance rates

Underlying earnings²

£2,879m

FY23 : **£2,694m**³

- 78.0p/share – up 6%

1. Excluding joint ventures and associates.

2. Underlying results attributable to equity shareholders.

3. Restated to remove the impact of deferred tax in the UK regulated businesses (UK Electricity Transmission and UK Electricity Distribution).

Finance costs, underlying earnings, and underlying EPS presented at constant currency.

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).

Cash flow and net debt

Cash generated
from operations¹

£7.3bn

FY23: **£6.4bn**

Net cash outflow²

£3.7bn

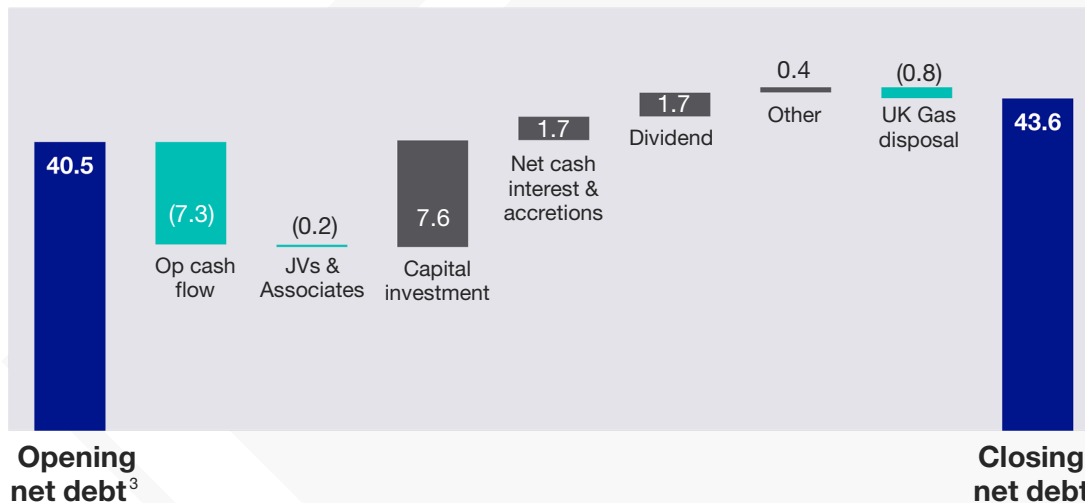
FY23: **£3.1bn**

Net debt³

£43.6bn

FY23: **£40.5bn**

Net debt (£bn)



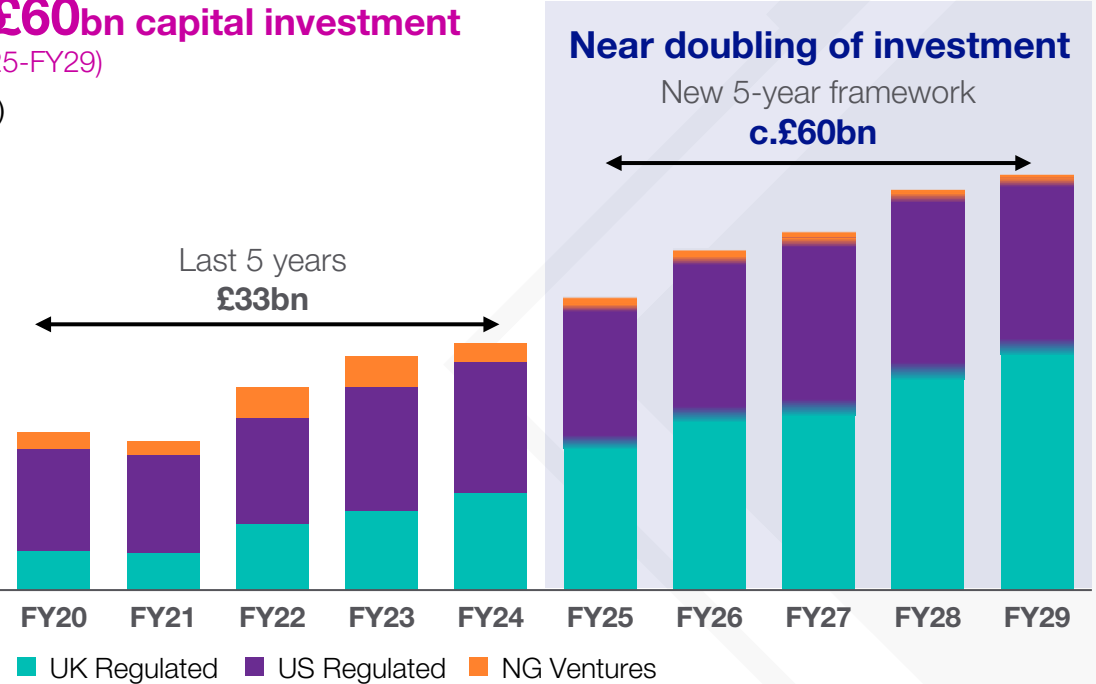
1. From continuing operations.

2. Net cashflow from continuing operations, excluding UK Gas Transmission and other investing and financing transactions with nil impact on net debt.

3. FY23 net debt presented at constant currency.

Driving a significant step-up in investment & growth

c.£60bn capital investment
(FY25-FY29)
(£bn)



c.10% group asset growth
CAGR FY25-29

c.£100bn group assets by FY29¹

c.85% Green investment
aligned to EU taxonomy

One of the **FTSE's biggest investors** in the energy transition

1. Assuming average CPIH inflation of 2.5%

A comprehensive financing plan

A strong investment grade balance sheet

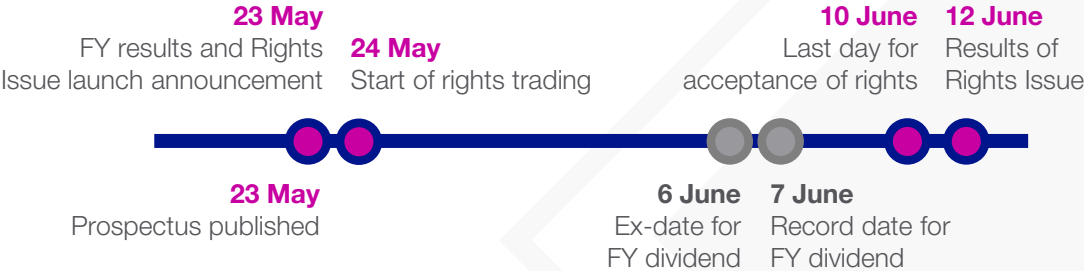
positioned to deliver an unprecedented step up in capital investment

Equity	<ul style="list-style-type: none"> • Raise of £7bn supports increased investment levels • 7 new shares for every 24 existing shares. Issue price of 645 pence.
Debt	<ul style="list-style-type: none"> • Continued issuance of senior debt across the Group • Expect to use hybrid debt later in 5 year framework to maintain balance sheet strength and investment flexibility
Credit metrics	<ul style="list-style-type: none"> • Committed to strong investment grade credit rating • Credit metrics above current rating thresholds¹: FFO/net debt >10% and RCF/net debt >7%
Portfolio	<ul style="list-style-type: none"> • Announcing sale process for Grain LNG and NG Renewables
Dividend	<ul style="list-style-type: none"> • Maintaining progressive level of total dividend and policy of aim to grow dividend per share in line with CPIH • Implies a DPS rebase from FY25² <ul style="list-style-type: none"> • Scrip dividend maintained given high asset growth

1. Until at least the end of the RII0-T3 period.

2. Aim to increase the FY25 DPS by UK CPIH following the rebase of the FY24 DPS of 58.52 pence, after taking account of the new shares issued following the Rights Issue.

Rights Issue timetable and terms



Launching a fully underwritten, £7 billion rights issue

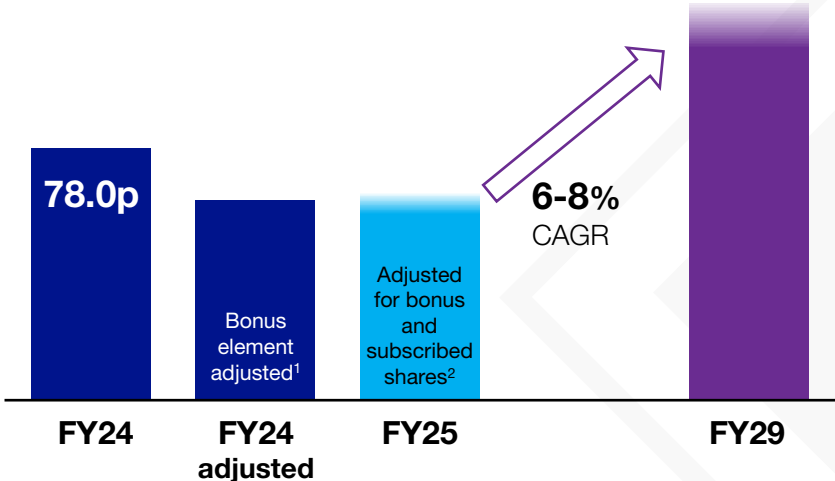
- 7 new shares for every 24 existing shares
- Issue price of 645 pence per National Grid share, 34.7% discount to the dividend adjusted theoretical ex-rights price¹
- Strong support via participation from group executive team and board directors

1. Based on the closing dividend adjusted middle-market price of 1088 pence per share, adjusted for the FY24 final dividend, on 22 May 2024

FY25 Guidance

Underlying EPS

(illustrative)



Continued strong underlying business performance across the group

- Broadly flat underlying EPS, taking into account the increased share count and reduced interest charge

from FY25...

- 6-8% underlying EPS CAGR out to FY29

1. FY24 underlying EPS adjusted by the number of bonus shares issued as part of the Rights Issue.

2. FY25 underlying EPS adjusted for the effect of the bonus shares plus the pro-rated number of fully subscribed shares once the proposed Rights Issue completes.

New 5-year financial framework

FY2025 - 2029	
Capital investment	<p>c.£60bn – c.£51bn green¹</p> <p>c.£23bn UK Electricity Transmission c.£17bn New York Regulated</p> <p>c.£8bn UK Electricity Distribution c.£11bn New England Regulated</p> <p>c.£1bn NG Ventures</p>
Group asset growth	c.10% CAGR (from a FY24 baseline) ²
Credit metrics	Committed to strong investment grade credit rating Credit metrics above current rating thresholds ³
Underlying EPS	6-8% CAGR (from a FY25 baseline) ⁴
Dividend	Aim to grow dividend per share in line with CPIH ⁵

c.£100bn
group assets by FY29²

An attractive proposition of growth and yield

1. Aligned to EU Taxonomy, directly invested into the decarbonisation of energy networks.
 2. Group asset compound annual growth rate from a FY24 baseline. Forward years based on assumed USD FX rate of 1.25; and long run UK CPIH and US CPI. Assumes sale of ESO, Grain LNG, and National Grid Renewables before 2029. Assumes remaining 20% stake in UK Gas Transmission treated as a discontinued operation and therefore does not contribute to group asset growth.
 3. Until at least the end of the RIIO-T3 period.
 4. EPS compound annual growth rate from a FY25 baseline. Forward years based on assumed USD FX rate of 1.25; long run UK CPIH, US CPI and interest rate assumptions and scrip uptake of 25%. Assumes sale of ESO, Grain LNG, and National Grid Renewables before 2029. Assumes remaining 20% stake in UK Gas Transmission treated as a discontinued operation and therefore does not contribute to underlying EPS.
 5. Aim to increase the FY25 DPS by UK CPIH following the rebase of the FY24 DPS of 58.52 pence, after taking account of the new shares issued following the Rights Issue.

nationalgrid

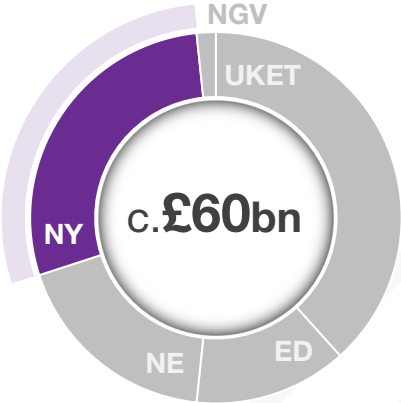
Priorities & Outlook

John Pettigrew
Chief Executive



New York

c. **£17bn**
c.60% ↑
vs prior 5 years



Growth drivers:

- 'Upstate upgrade': **>\$4bn**
 - Largest investment in over a century
- KEDNY / KEDLI 3yr plan: **c.\$5bn**

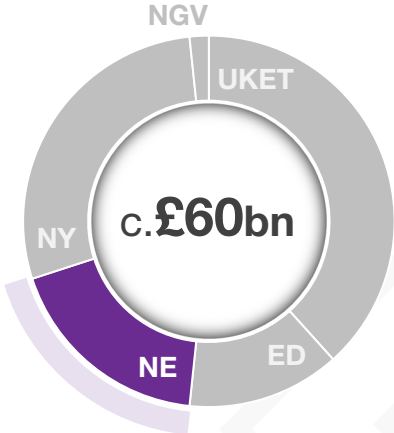
FY25 Priorities

- **KEDNY / KEDLI**
 - Focus on delivering against higher allowed returns 9.35%
- **NiMo rate case filing**
 - Significant electric transmission investment
 - Connections for EV, heat pumps and distributed generation
 - Working to progress demand-side projects – Micron microchip manufacturing
- **Clean Energy Vision**
 - Need for integrated energy planning



New England

c. **£11bn**
c. **60%** ↑
vs prior 5 years¹



FY25 Priorities

- **Massachusetts Electric** rate agreement
- Progress **ESMP** filing
- DPU order on role of local gas companies in achieving 2050 climate goals
- Continue to advocate for **Clean Energy Vision**



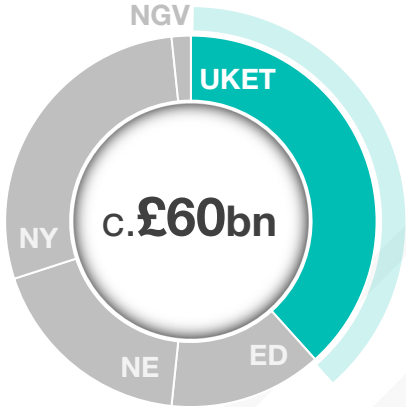
Growth drivers:

- ESMP incremental investment: **c.\$2bn**
- Continued leak prone pipe replacement
c.10-15 years remaining

1. Excluding the Narragansett Electric Company (NECO, Rhode Island) which was sold in FY23

UK – Electricity Transmission

c. **£23bn**
c.3.5x ↑
 vs prior 5 years



Growth drivers:

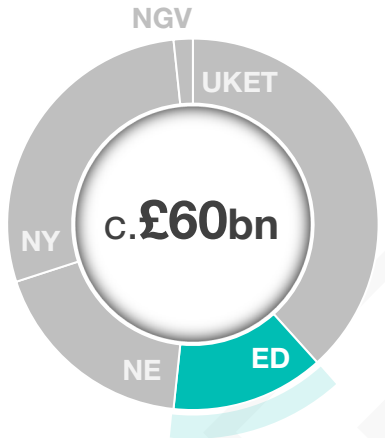
- 17 ASTI major projects
- Further renewable generation connections
- Enabling the Government’s target for a decarbonized GB power sector by 2035

FY25 Priorities

- Progress **ASTI projects**
 - Begin construction on:
 - Eastern Green Links 1 & 2
 - Four onshore projects
 - HVDC framework tender
- **RIIO-T2**
 - Connect over 4GW: Greenlink, Dogger Bank
 - Hinkley Connection Project: energise northern section
 - London Power Tunnels: commission Hurst to Crayford
- **Policy**
 - Transmission Acceleration Action Plan
 - Connections Action Plan
- **RIIO-T3 SSMD & business plan submission**

UK – Electricity Distribution

c. **£8bn**
>30% ↑
p.a. vs ED1



FY25 Priorities

- Delivering **100-125 bps** of **outperformance**
- Progress towards **£100m** of **group synergies** over 3 years
- Connections reform: plans to release **10GW** of capacity
- DSO function to aid **smarter, two-way networks** with flexibility services

Growth drivers:

- New load and connections for EVs, heat pumps, solar & battery storage
- >70% increase in network reinforcement investment
- Asset health and maintenance, IT digital and cyber



NG Ventures

Re-focused NGV

- UK Interconnectors and Offshore Hybrid Assets
- US competitive electricity transmission

Launch sale processes for
National Grid Renewables
Grain LNG



GrainLNG

nationalgrid



A new and exciting phase of growth

A significant step up in investment and growth

Acceleration of the **energy transition**

c.£60bn investment through to 2029

Pureplay networks business

**Driving long-term value growth
and shareholder returns**



nationalgrid

Q&A



By phone

Call the conference lines:

UK-Wide: +44 (0) 33 0551 0200

UK Toll Free: 0808 109 0700

Quote **“National Grid Full Year”**
when prompted by the operator



By text

use the **‘Ask a question’** tab below



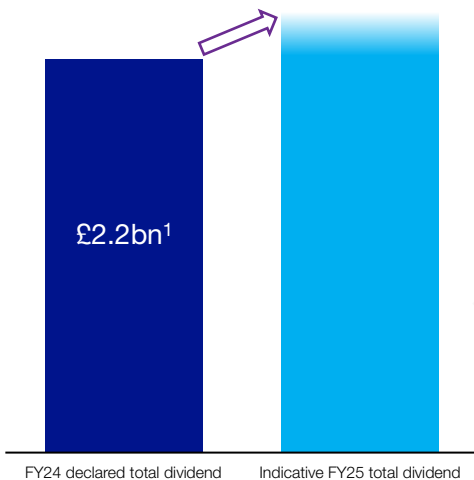
In the event we do not have time for all questions,
we will respond **by email** as soon as possible



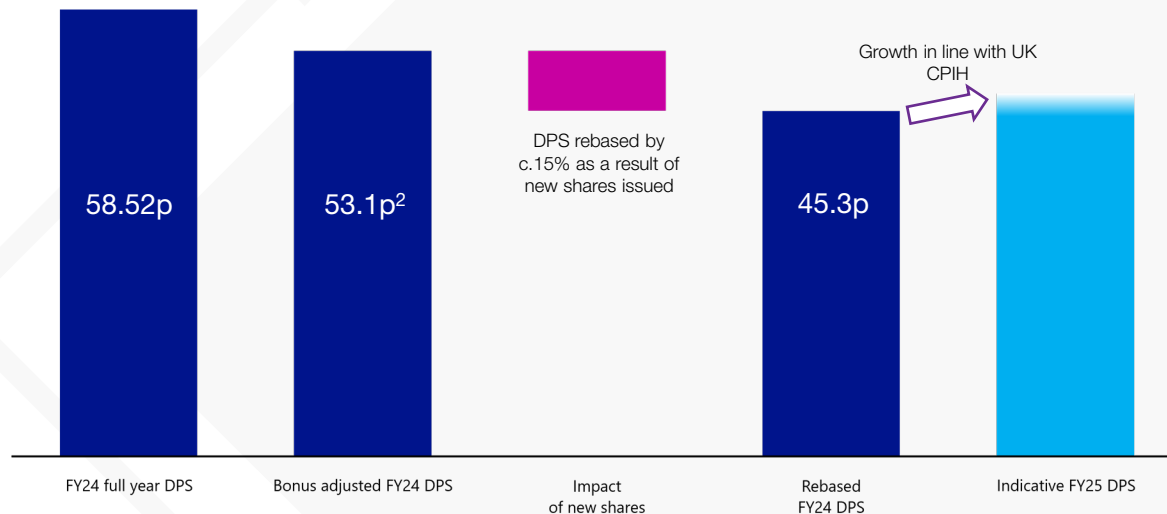
Appendices

Impact to total dividend level and DPS

Maintaining total dividend level



Aim to grow rebased dividend per share (DPS) in line with UK CPIH

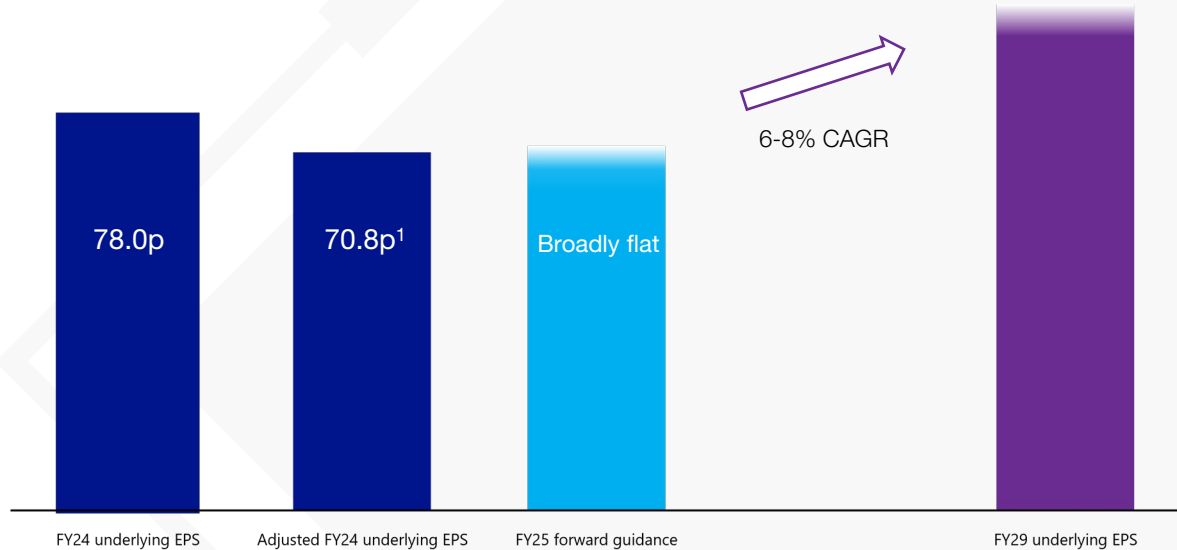


- Progressive total dividend level maintained
- Increased annually by UK CPIH and additional DPS on shares issued via the scrip dividend programme

- FY24 DPS adjusted to account for the bonus element of the Rights Issue, consistent with EPS treatment
- For FY25 aim to grow DPS in line with UK CPIH following the rebase of the FY24 DPS

Impact to underlying EPS

FY24 underlying EPS adjusted for the bonus element – base for FY25 guidance



Continued strong underlying business performance across the group

- Comparative FY24 underlying EPS will be adjusted to account for the bonus element of the Rights Issue
- For FY25, guiding to broadly in line with adjusted FY24 underlying EPS. FY25 underlying EPS will include all new shares issued (on a pro-rata basis)
- 6-8% CAGR to FY29, from an FY25 underlying EPS baseline

FY24 underlying EPS restatement and methodology notes

Explanatory notes

1. Reported FY24 underlying EPS of 78.0p
2. IFRS standard IAS33 requires adjustment for the bonus element of the Rights Issue.
3. Bonus factor x FY24 weighted average number of shares (WAV)
 - Equates to 374m “bonus shares” and a FY24 bonus-adjusted WAV of 4,066m shares
 - Results in restated underlying EPS of 70.8p
4. Subscription price of £6.45 represents a discount of 34.7% to the dividend adjusted theoretical ex-rights price

Note: estimated using closing dividend adjusted mid-market share price of £10.88 (ex-dividend) on 22 May 2024. Actual bonus element adjustment will be based on closing mid-market share price on 23 May 2024.

This calculation remains an estimate which will be finalised after the 23rd May.

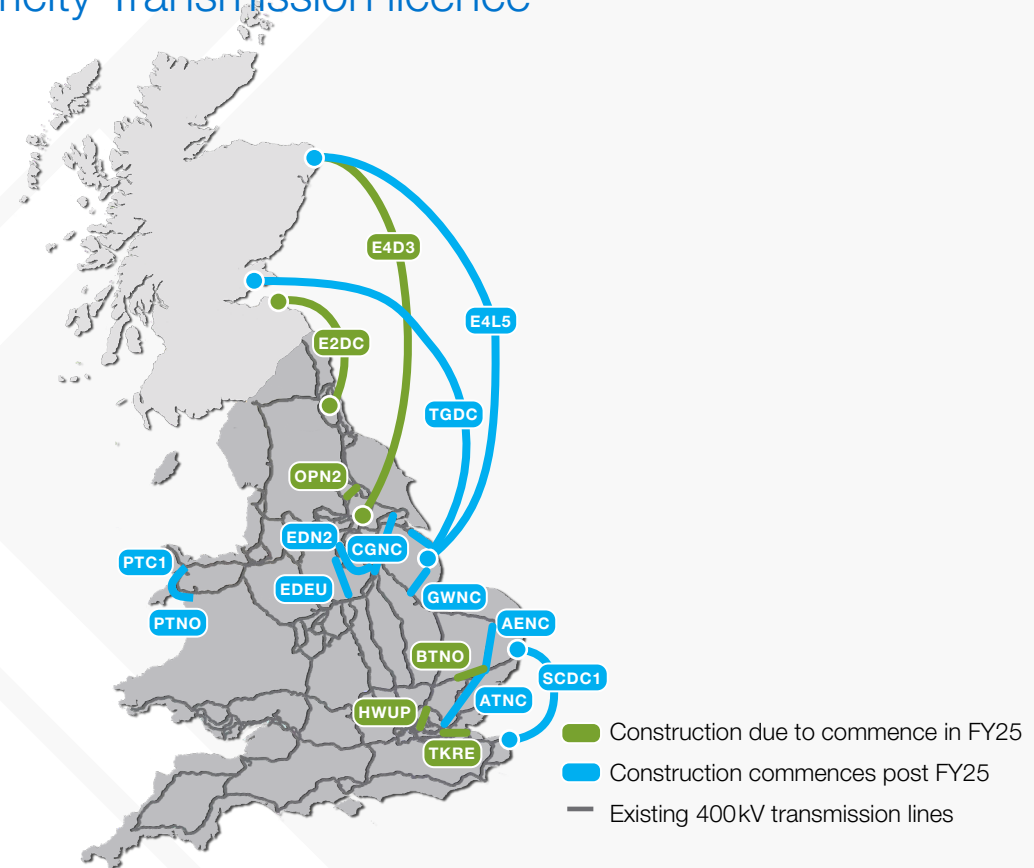
IAS33 bonus element methodology

Metric	Value	Key	Calculation
FY24 Weighted average number of shares	3,692m	A	-
Shares outstanding pre Rights Issue	3,722m	B	-
Share price (ex dividend)	£10.88	C	-
Market cap (ex dividend)	£40.5bn	D	B x C
Rights ratio	0.29 (7 for 24)	E	-
Shares issued from Rights Issue	1,085m	F	B x E
Subscription price	£6.45	G	-
Amount raised (gross proceeds)	£7,001m	H	F x G
Market cap post Rights Issue	£47.5bn	I	D + H
TERP	£9.88	J	I / (B + F)
Bonus factor	1.101x	K	C / J
FY24 WAV (restated for bonus element)	4,066m	L	A x K
Bonus shares	374m	M	L – A
FY24 earnings	£2,879m	N	-
FY24 Underlying EPS (adjusted for bonus shares)	70.8p	O	(N / L) x 100

Accelerated Strategic Transmission Investment

17 projects included within our Electricity Transmission licence

Project code	Name
E2DC	Eastern Green Link 1
E4D3	Eastern Green Link 2
E4L5	Eastern Green Link 3
TGDC	Eastern Green Link 4
SCD1	South and East Anglia (SEA) Link
OPN2	Yorkshire GREEN
BTNO	Bramford to Twinstead
AENC	Norwich to Tilbury (North)
ATNC	Norwich to Tilbury (South)
CGNC	North Humber to High Marnham
GWNC	Lincolnshire Green
EDN2	Chesterfield to Ratcliffe-on-Soar
EDEU	Brinsworth to High Marnham
HWUP	Hackney, Tottenham to Waltham Cross
TKRE	Grain to Tilbury
PTNO	Pentir to Trawsfynydd (Second Circuit)
PTC1	Pentir to Trawsfynydd (Cable Replacement)



UK Electricity Transmission operating profit

For the year ended 31 March (£m)	2024	2023
Revenue	2,735	1,987
Pass-through costs	(225)	(217)
Net revenue	2,510	1,770
Depreciation & amortisation	(521)	(484)
Regulated controllable costs	(248)	(241)
Pensions	(38)	(31)
Other costs	(26)	(19)
Total UK Electricity Transmission adjusted operating profit	1,677	995
Timing impacts	(363)	112
Total UK Electricity Transmission underlying operating profit	1,314	1,107

UK Electricity System Operator operating profit

For the year ended 31 March (£m)	2024	2023
Revenue	3,788	4,690
Pass-through costs	(2,605)	(4,152)
Net revenue	1,183	538
Depreciation & amortisation	(61)	(101)
Regulated controllable costs	(212)	(175)
Pensions	(21)	(17)
Other costs	(9)	(7)
Total UK Electricity System Operator adjusted operating profit	880	238
Timing impacts	(800)	(207)
Total UK Electricity System Operator underlying operating profit	80	31

UK Electricity Distribution operating profit

For the year ended 31 March (£m)	2024	2023
Revenue	1,795	2,045
Pass-through costs	(233)	(418)
Net revenue	1,562	1,627
Depreciation & amortisation	(223)	(223)
Regulated controllable costs	(270)	(235)
Pensions	(20)	(24)
Other costs	(56)	(54)
Total UK Electricity Distribution adjusted operating profit	993	1,091
Timing impacts	159	139
Total UK Electricity Distribution underlying operating profit	1,152	1,230

New England operating profit

For the year ended 31 March (£m)	2024	2023
Revenue	3,948	4,263
Pass-through costs	(1,653)	(2,017)
Net revenue	2,295	2,246
Depreciation & amortisation	(420)	(379)
Regulated controllable costs	(701)	(728)
Pensions	(7)	(26)
Bad debts	(79)	(55)
Other costs	(445)	(376)
Total New England adjusted operating profit	643	682
Timing & major storm impacts	159	106
Total New England underlying operating profit	802	788

At constant currency

Comparative includes Rhode Island pre disposal

New York operating profit

For the year ended 31 March (£m)	2024	2023
Revenue	6,094	6,734
Pass-through costs	(2,057)	(2,847)
Net revenue	4,037	3,887
Depreciation & amortisation	(658)	(597)
Regulated controllable costs	(1,057)	(1,108)
Pensions	(21)	(2)
Bad debts	(96)	(151)
Other costs	(1,345)	(1,315)
Total New York adjusted operating profit	860	714
Timing & major storm impacts	156	128
Total New York underlying operating profit	1,016	842

At constant currency

NGV and Other Activities operating profit

For the year ended 31 March (£m)	2024	2023
Revenue	173	231
Depreciation & amortisation	(16)	(9)
Operating costs	(68)	(40)
IFA1 operating profit	89	182

For the year ended 31 March (£m)	2024	2023
Revenue	101	101
Depreciation & amortisation	(12)	(12)
Operating costs	(16)	(16)
IFA2 operating profit	73	73

For the year ended 31 March (£m)	2024	2023
Revenue	192	136
Depreciation & amortisation	(17)	(17)
Operating costs	(27)	(19)
NSL operating profit	148	100

For the year ended 31 March (£m)	2024	2023
Revenue	9	-
Depreciation & amortisation	(5)	-
Operating costs	(8)	-
Viking operating profit	(4)	-

For the year ended 31 March (£m)	2024	2023
Revenue	336	350
Depreciation & amortisation	(33)	(55)
Operating costs	(154)	(164)
Grain LNG operating profit	149	131

For the year ended 31 March (£m)	2024	2023
Revenue	21	237
Depreciation & amortisation	(4)	(5)
Operating costs	13	(16)
Property operating profit	30	216

Exchange rates

For the year ended 31 March (£m)	2024	2023
Closing \$ / £ rate	1.26	1.23
Average \$ / £ rate	1.26	1.22

For the year ended 31 March (£m)	2023
Impact on underlying operating profit	(64)
Impact on timing and major storms	10
Impact on interest	22
Impact on JVs	(1)
Impact on underlying tax	10
Impact on tax on timing	(2)
Net impact on earnings¹	(25)

Impact on closing net debt ²	466
Impact on book value of assets ²	(335)

1. Currency impact of underlying operating profit calculated by applying the average 2023/24 rate to 2022/23 results

2. Currency impact calculated by applying the closing March 2024 rate to March 2023 balances

Adjusted results, excluding exceptional items and remeasurements

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

As at 31 March 2024 (£m)	UK			US		Total
	ESPS	NGUK PS	NGED DB	Pensions	OPEBs ¹	
Fair value of plan assets	2,368	4,327	5,087	5,320	2,631	19,733
Present value of liabilities	(1,963)	(3,942)	(4,616)	(4,912)	(2,486)	(17,919)
Net asset	405	385	471	408	145	1,814
Taxation	(101)	(96)	(118)	(107)	(38)	(460)
Net asset net of taxation	304	289	353	301	107	1,354
Discount rates	4.87%	4.87%	4.87%	5.15%	5.15%	

As at 31 March 2023 (£m)	UK			US		Total
	ESPS	NGUK PS	NGED DB	Pensions	OPEBs ¹	
Fair value of plan assets	2,654	4,523	5,401	6,060	2,608	21,246
Present value of obligations	(2,127)	(4,094)	(4,743)	(5,736)	(2,595)	(19,295)
Net asset	527	429	658	324	13	1,951
Taxation	(132)	(107)	(165)	(83)	(3)	(490)
Net asset net of taxation	395	322	493	241	10	1,461
Discount rates	4.80%	4.80%	4.80%	4.85%	4.85%	

1. OPEBs = Other post-employment benefits

Timing impacts

£m	UK Electricity Transmission	UK Electricity System Operator	UK Electricity Distribution	New York	New England	Total continuing operations
2023/2024 opening balance to (recover)/return	(207)	78	(117)	683	(384)	53
Opening balance restatement adjustment	(6)	(1)	(7)	-	-	(14)
Over/(under) recovery	363	800	(159)	(20)	(69)	915
2023/2024 closing balance to (recover)/return	150	877	(283)	663	(453)	954
2022/2023 opening balance to (recover)/return	(95)	(129)	22	632	(330)	100
Over/(under) recovery	(112)	207	(139)	51	(37)	(30)
In year disposal	-	-	-	-	(17)	(17)
2022/2023 closing balance to (recover) /return	(207)	78	(117)	683	(384)	53
Year on year timing variance	475	593	(20)	(71)	(15)	962

2023/24 opening balance restatement adjustment reflects finalisation of timing balances.

All USD balances stated using the average 2023/24 rate of \$1.2624 to £1.

2023/24 closing timing balance (continuing) as at 31 March 2024 at spot rate (\$1.2623): £954m

2022/23 closing timing balance (continuing) as at 31 March 2023 at spot rate (\$1.2337): £59m

UK Electricity Transmission

Regulated asset values ('RAV') and returns

UK Electricity Transmission	
Regulator	Ofgem
RAV	£18,462m
Base allowed real return (Assumed CoD 1.92%)	3.27% ('Vanilla' WACC)
Allowed RoE (nominal)	7.0%
Achieved RoE (nominal)	8.0%
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	£11,469m
Base allowed real return (Assumed CoD 3.1%)	4.0% ('Vanilla' WACC)
Allowed RoE (nominal)	7.4%
Achieved RoE (nominal)	8.5%
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 4 DNOs ranging from 77-79%

New York jurisdiction

Regulated asset base ('Rate base') and returns

Rate base

are reported by regulatory entity as at 31 March 2024

Returns

are those for the fiscal year ended 31 March 2024

	Long Island (KEDLI)	Downstate New York (KEDNY)	Upstate New York (NMPC Gas)	Upstate New York (NMPC Electric)
Regulator	New York PSC	New York PSC	New York PSC	New York PSC
Rate base	\$4,149m	\$6,454m	\$1,765m	\$8,317m
Base allowed return	8.8% (RoE)	8.8% (RoE)	9.0% (RoE)	9.0% (RoE)
Achieved return	9.7%	9.0%	6.0%	8.1%
Equity / debt (assumed)	48 / 52	48 / 52	48 / 52	48 / 52
Sharing factors (shareholder retention at RoE)	100% to 9.3% 50% to 9.8% 25% to 10.3% 10% above 10.3%	100% to 9.3% 50% to 9.8% 25% to 10.3% 10% above 10.3%	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 from 1 April 2020. New rates take effect from 1 April 2024	Current rates effective from 1 April 2020. New rates take effect from 1 April 2024	Current rates effective 1 July 2021	Current rates effective 1 July 2021

New England jurisdiction

Regulated asset base ('Rate base') and returns

Rate bases are reported by regulatory entity as at 31 March 2024	Massachusetts Electric¹	Massachusetts Gas²
Returns are those for the fiscal year ended 31 March 2024		
Regulator	Massachusetts DPU	Massachusetts DPU
Rate base	\$3,541m	\$4,759m
Base allowed return	9.6% (RoE)	9.7% (RoE)
Achieved return	7.6%	9.2%
Equity / debt (assumed)	54 / 46	53 / 47
Sharing factors (shareholder retention at RoE)	100% to 11.6% 25% above 11.6%	100% to 11.6% 25% above 11.6%
Last rate case filing	Effective from October 2019	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 2024

Returns

are those for the fiscal year ended 31 March 2024

	New England Power	Canadian Interconnector & other
Regulator	FERC	FERC
Rate base	\$2,646m	\$48m
Base allowed return	10.6% (RoE)	11.1% (RoE)
Achieved return	11.1%	11.1%
Equity / debt (assumed)	61 / 39	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

Value Added

For the year ended 31 March (£m)	2024	2023 (constant currency)	change
UK RAV	30,356	28,292	2,064
US rate base	25,097	22,517	2,580
NGV and other business assets	7,593	6,639	954
Other balances ¹	1,256	3,019	(1,308)
Total group regulated assets and other balances	64,302	60,467	4,290
Adjusted net debt movement	(43,584)	(40,507)	(3,077)
Dividend paid during the year			1,718
Value Added			2,931
Valued Added per share (pence)			79.4p

1. Movement related to release of deferred tax assets to settle liability associated with the disposal of NECO is excluded from Value Added calculation. Consistent with treatment of other balance movements as a result of the transaction in 2022/23

Group Return on Equity

For the year ended 31 March (£m)	2024	2023
Regulated financial performance	4,022	3,952
IFRS operating profit for non-regulated companies	467	708
Share of post tax results of joint ventures ¹	174	202
Non-controlling interest	(1)	-
Adjusted Group interest charge	(1,613)	(1,546)
Adjusted Group tax charge	(713)	(727)
Adjusted Group profit after tax for RoE	2,336	2,589
Opening rate base/RAV	50,806	55,558
Opening other	4,509	5,410
Opening goodwill	11,444	12,253
Opening capital employed	66,759	73,221
Opening net debt	(40,505)	(49,691)
Opening Equity	26,254	23,530
Group RoE	8.9%	11.0%

1. Includes £73m (2023: £12m) related to non-controlling stake in National Gas Transmission

Weighted average number of shares

For the year ended 31 March	2024	2023
Number of shares (millions):		
Current period opening shares	3,677	3,645
Scrip dividend shares (weighted issue)	10	9
Other share movements (weighted from issuance/repurchase)	5	5
Weighted average number of shares	3,692	3,659
Underlying earnings (£m)	2,879	2,727
Underlying EPS	78.0p	74.5p

Underlying results exclude timing, major storms, deferred tax in NGET and NGED, exceptional items and remeasurements
 Underlying earnings restated for change in Underlying Earnings definition to remove deferred tax in NGET and NGED

Interest cover

For the year ended 31 March (£m)	2024	2023
Interest expense (income statement)	1,723	1,680
Exclude P&L pension charge	9	11
Hybrid interest reclassified as dividend	(38)	(39)
Capitalised interest	251	249
Pensions interest adjustment	94	85
Unwinding of discounts on provisions	(102)	(88)
Adjusted interest expense	1,937	1,898
Net cash inflow from operating activities	6,939	6,343
Interest income on financial instruments	148	65
Interest paid on financial instruments	(1,627)	(1,430)
Dividends received	176	190
Working capital adjustment	49	(286)
<i>add back</i> excess employer pension contributions	27	116
<i>add back</i> Hybrid interest reclassified as dividend	38	39
<i>add back</i> Accretions	208	483
Difference in net interest expense in income statement to cash flow	(253)	(395)
Difference in current tax in income statement to cash flow	(24)	(281)
Net cash inflow from discontinued operations	-	555
Funds from operations (FFO)	5,681	5,399
Interest Cover:		
(Funds from operations + adjusted interest expense) / adjusted interest expense	3.9x	3.8x

RCF:Debt

For the year ended 31 March (£m)	2024	2023
Funds from operations (FFO)	5,681	5,399
Hybrid interest reclassified as dividend	(38)	(39)
Ordinary dividends paid to shareholders	(1,718)	(1,607)
Retained cash flow (RCF)	3,925	3,753
Borrowings	47,072	42,985
50% hybrid debt	(1,034)	(1,049)
Cash & cash equivalents	(578)	(126)
Financial and other investments	(3,084)	(1,764)
Unfunded pension obligations	266	292
Adjusted net debt (discontinued operations)	13	-
Adjusted Net Debt	42,655	40,338
RCF / adjusted net debt	9.2%	9.3%

UK Electricity Transmission net revenue

For the year ended 31 March (£m)

2024

Revenue	2,735
Net timing adjustment	(363)
Pass-through costs	(225)
Net revenue adjusted for timing	2,147



Incentives (excluding totex), Annual & Interim Pricing and pass-through costs	£m
Deferred for future recovery/(return):	
Incentives	5
Annual & Interim Pricing	(125)
Pass-through Costs	(41)
(Collection)/return of prior year deferrals	(202)
Net timing adjustment	(363)

UK Electricity Transmission operating profit

For the year ended 31 March (£m)

2024

Net revenue adjusted for timing	2,147	→	£m
Depreciation & Amortisation	(521)		Ofgem annual iteration revenue 1,844
Regulated Controllable costs, pensions and other costs	(312)		+ inflate to forecast PCFM inflation 444
Total UK Electricity Transmission operating profit adjusted for timing	1,314		Ofgem model net revenue 2,288
Timing adjustment - over/(under) recoveries	363		- Model non controllable costs (152)
Total UK Electricity Transmission operating profit: headline	1,677		+ Uplift to actual inflation 8
			+ Excluded service income and T1 MOD (2)
			Ofgem net revenue 2,142
			+ Incentives 5
			+ Other -
			Underlying Revenue 2,147

UK Electricity System Operator net revenue

For the year ended 31 March (£m)

2024

Revenue	3,788
Net timing adjustment	(800)
Pass-through costs	(2,605)
Net revenue adjusted for timing	383



Incentives (excluding totex), Annual & Interim Pricing and pass-through costs	£m
Deferred for future recovery/(return):	
Incentives	(5)
Annual & Interim Pricing	(743)
Pass-through Costs	(64)
(Collection)/return of prior year deferrals	12
Net timing adjustment	(800)

UK Electricity System Operator operating profit

For the year ended 31 March (£m)

2024

Net revenue adjusted for timing	383	→	£m
Depreciation & Amortisation	(61)		Ofgem annual iteration revenue
Regulated Controllable costs, pensions and other costs	(242)		+ inflate to forecast PCFM inflation
			Ofgem model net revenue
Total UK Electricity System Operator operating profit adjusted for timing	80		- Model non controllable costs and bad debt
Timing adjustment - over/(under) recoveries	800		+ Uplift to actual inflation
Total UK Electricity System Operator operating profit: headline	880		+ legacy MOD and ADJ
			SO net revenue excluding timing and incentives
			+ Incentives
			- Other
			Underlying Revenue

UK Electricity Distribution net revenue

For the year ended 31 March (£m)

2024

Revenue	1,795
Net timing adjustment	159
Pass-through costs	(233)
Net revenue adjusted for timing	1,721



Incentives (excluding totex), Annual & Interim Pricing and pass-through costs	£m
Deferred for future recovery/(return):	
Incentives	(9)
Annual & Interim Pricing	(51)
Cost and RPI true up	187
(Collection)/return of prior year deferrals	32
Net timing adjustment	159

Reconciliation of underlying EPS to statutory EPS

For the year ended 31 March (pence)	2024
Underlying EPS from continuing operations	78.0
Deferred tax on ET and ED	(8.2)
Timing and major storms costs	14.2
Adjusted EPS from continuing operations	84.0
Exceptional items & remeasurements after tax from continuing operations	(24.0)
Statutory EPS from continuing operations	60.0p

Underlying earnings definition changed to now exclude deferred tax in NGET & NGED

Adjusted New England US GAAP earnings

Earnings are higher year on year due to

- Rate base growth (+13%) and higher achieved return on equity to 9.2% (FY23: 8.3%, including 0.5% net one-off benefit).
- Partially offset by Inclusion of 2 months of Rhode Island contribution in FY23.

FY24



For the year ended 31 March (\$m)	2024	2023
EBIT	856	782
Pension adjustment	60	(17)
Interest	(199)	(176)
Tax	(196)	(159)
Earnings	521	430
Earnings (incl. AORB)	587	511

1. Assets outside rate base

Adjusted New York US GAAP earnings

Growth in earnings driven by

- Rate base growth of 11%
- New York achieved a RoE of 8.5%, broadly in line with the prior year and delivers 96% of allowed ROE

FY24



RoE
at 8.5%

For the year ended 31 March (\$m)

	2024	2023
EBIT	1,332	1,143
Pension adjustment	159	219
Interest	(374)	(339)
Tax	(305)	(279)
Earnings	812	744
Earnings (incl. AORB)	891	822

1. Assets outside rate base