

Centrica plc – Five-Year Group Income Statement

Statutory results for the year, 2021 to 2025 | £m unless stated | Source: Centrica Annual Report and Accounts 2021–2025

£m, year ended 31 December	2021	2022	2023	2024	2025
Continuing operations					
Group revenue	14,744	22,889	25,645	19,113	18,693
Insurance revenue (separately reported from 2022; included in Group revenue in 2021)	–	852	813	800	799
Total Group revenue	14,744	23,741	26,458	19,913	19,492
Cost of sales (including insurance service expenses)	(12,681)	(13,212)	(10,660)	(11,764)	(11,913)
Re-measurement and settlement of derivative energy contracts	(434)	(8,484)	(6,175)	(4,062)	(4,748)
Gross profit	1,629	2,045	9,623	4,087	2,831
Operating costs before exceptional items and credit losses (incl. insurance service costs)	(1,703)	(1,872)	(2,072)	(2,139)	(2,060)
Credit losses on financial assets	(116)	(351)	(602)	(373)	(418)
Exceptional items within operating costs	1,247	(155)	(645)	(128)	(405)
Operating costs	(572)	(2,378)	(3,319)	(2,640)	(2,883)
Share of profits/(losses) of joint ventures and associates, net of interest and tax	(103)	93	208	256	158
Group operating profit/(loss)	954	(240)	6,512	1,703	106
Net finance (cost)/income	(187)	(143)	(39)	(24)	6
Profit/(loss) before taxation	767	(383)	6,473	1,679	112
Taxation on profit/(loss)	(218)	(253)	(2,433)	(314)	(163)
Profit/(loss) from continuing operations after tax	549	(636)	4,040	1,365	(51)
Discontinued operations (disposal of Direct Energy, 2021)	624	–	–	–	–
Profit/(loss) for the year	1,173	(636)	4,040	1,365	(51)
Attributable to:					
Owners of the parent	1,210	(782)	3,929	1,332	(72)
Non-controlling interests	(37)	146	111	33	21
Per ordinary share (pence)					
Basic EPS – continuing and discontinued operations	20.7	(13.3)	70.6	25.7	(1.5)
Diluted EPS – continuing and discontinued operations	20.5	(13.3)	69.4	25.1	(1.5)
Basic EPS – continuing operations	10.0	(13.3)	70.6	25.7	(1.5)
Dividend per share – interim paid	–	1.00	1.33	1.50	1.83
Dividend per share – final proposed	–	2.00	2.67	3.00	3.67
Total dividend per share (interim + final)	–	3.00	4.00	4.50	5.50

Figures in brackets are negative. “–” = nil. Insurance lines are combined into revenue, cost of sales and operating costs lines for comparability across all five years (IFRS 17 presentation from 2022). 2021 is shown as reported, including profit from discontinued operations.

Business Performance vs Exceptional Items

How each year's statutory result splits between underlying ("business performance") and exceptional items / certain re-measurements | £m

£m, year ended 31 December	2021	2022	2023	2024	2025
A. Business performance (underlying)					
Total Group revenue	18,300	33,637	33,374	24,636	22,365
Gross profit	2,870	5,439	5,217	3,808	3,134
Operating costs	(1,819)	(2,223)	(2,674)	(2,512)	(2,478)
Share of joint ventures and associates	(103)	92	209	256	158
Adjusted Group operating profit	948	3,308	2,752	1,552	814
Net finance (cost)/income	(187)	(143)	(39)	44	6
Profit before taxation	761	3,165	2,713	1,596	820
Taxation	(454)	(1,046)	(838)	(553)	(265)
Profit after tax – business performance	307	2,119	1,875	1,043	555
Owners of the parent	237	2,050	1,859	984	534
Non-controlling interests	70	69	16	59	21
B. Exceptional items and certain re-measurements					
Revenue (re-measurement of energy contracts)	(3,556)	(9,896)	(6,916)	(4,723)	(2,873)
Gross profit	(1,241)	(3,394)	4,406	279	(303)
Operating costs (exceptional items)	1,247	(155)	(645)	(128)	(405)
Share of joint ventures and associates	–	1	(1)	–	–
Exceptional effect on operating profit	6	(3,548)	3,760	151	(708)
Net finance cost	–	–	–	(68)	–
Taxation	236	793	(1,595)	239	102
Discontinued operations	624	–	–	–	–
Exceptional effect on profit for the year	866	(2,755)	2,165	322	(606)
C. Statutory result (A + B)					
Group operating profit/(loss)	954	(240)	6,512	1,703	106
Profit/(loss) for the year	1,173	(636)	4,040	1,365	(51)

Business performance excludes exceptional items (impairments, restructuring, disposals) and certain re-measurements (mainly fair-value movements on energy contracts and the onerous energy supply contract provision). A + B reconciles exactly to the statutory figures on page 1.

Five-Year Group Balance Sheet – Summary and Assets

Financial position at 31 December, 2021 to 2025 | £m | Liabilities are shown as positive amounts | Source: Centrica Annual Report and Accounts

£m, as at 31 December	2021	2022	2023	2024	2025
<i>Summary: assets, liabilities and equity</i>					
Non-current assets	7,201	8,350	5,300	4,589	4,908
Current assets	19,885	20,688	16,066	14,144	10,507
Total assets	27,086	29,038	21,366	18,733	15,415
Current liabilities	17,976	21,711	11,136	8,902	7,234
Non-current liabilities	6,360	6,047	5,997	5,019	4,685
Total liabilities	24,336	27,758	17,133	13,921	11,919
Net assets (total assets less total liabilities)	2,750	1,280	4,233	4,812	3,496
Shareholders' equity (owners of the parent)	2,365	1,017	3,877	4,422	3,085
Non-controlling interests	385	263	356	390	411
Total equity (equals net assets)	2,750	1,280	4,233	4,812	3,496

£m, as at 31 December	2021	2022	2023	2024	2025
<i>Non-current assets – detail</i>					
Property, plant and equipment	1,985	1,748	1,846	1,859	1,488
Interests in joint ventures and associates	1,628	1,580	903	794	1,171
Goodwill and other intangible assets	1,161	1,116	745	796	822
Deferred tax assets	823	1,709	456	339	659
Derivative financial instruments	1,005	1,393	899	267	276
Other (receivables, retirement benefit assets, investments, securities)	599	804	451	534	492
Total non-current assets	7,201	8,350	5,300	4,589	4,908
<i>Current assets – detail</i>					
Trade and other receivables, and contract-related assets	5,881	8,450	5,409	5,204	4,675
Inventories	644	1,269	1,079	904	339
Derivative financial instruments	6,545	6,034	2,373	1,309	600
Cash and cash equivalents	5,060	4,842	6,443	6,338	4,307
Other (intangibles, current tax assets, securities)	83	93	762	389	348
Assets of disposal groups held for sale	1,672	–	–	–	238
Total current assets	19,885	20,688	16,066	14,144	10,507

Five-Year Group Balance Sheet – Liabilities and Equity

Financial position at 31 December, 2021 to 2025 | £m | Liabilities are shown as positive amounts

£m, as at 31 December	2021	2022	2023	2024	2025
Current liabilities (due within one year)					
Trade and other payables, and contract-related liabilities (incl. insurance contract liabilities)	7,513	10,176	7,165	6,567	5,703
Derivative financial instruments	4,929	8,841	2,391	932	693
Bank overdrafts, loans and other borrowings	1,204	1,009	1,002	854	232
Provisions for other liabilities and charges	2,769	1,213	279	368	318
Current tax liabilities	333	472	299	181	113
Liabilities of disposal groups held for sale	1,228	–	–	–	175
Total current liabilities	17,976	21,711	11,136	8,902	7,234
Non-current liabilities (due after one year)					
Bank loans and other borrowings	3,439	3,008	3,101	2,658	2,624
Provisions for other liabilities and charges	1,454	1,446	1,469	1,493	1,271
Derivative financial instruments	1,080	1,310	615	455	343
Retirement benefit obligations	231	110	181	150	307
Deferred tax liabilities	36	8	424	88	2
Trade and other payables, and contract-related liabilities	120	165	207	175	138
Total non-current liabilities	6,360	6,047	5,997	5,019	4,685
Total liabilities	24,336	27,758	17,133	13,921	11,919
Net assets	2,750	1,280	4,233	4,812	3,496
Shareholders' equity					
Share capital	363	365	365	344	313
Share premium	2,377	2,394	2,394	2,394	2,394
Retained earnings	377	(466)	3,274	3,979	2,977
Other equity (hedging, translation and other reserves)	(752)	(1,276)	(2,156)	(2,295)	(2,599)
Total shareholders' equity (owners of the parent)	2,365	1,017	3,877	4,422	3,085
Non-controlling interests	385	263	356	390	411
Total equity	2,750	1,280	4,233	4,812	3,496

Accounting identity: total assets = total liabilities + total equity (for example 2025: 15,415 = 11,919 + 3,496). Disposal-group lines relate to businesses being sold (2021: Direct Energy; 2025: assets and liabilities held for sale).

Five-Year Group Cash Flow Statement – Key Highlights

Operating profit, operating, investing and financing cash flows, capital expenditure and depreciation & amortisation, 2021 to 2025 | £m | Source: Centrica Annual Report and Accounts

£m, year ended 31 December	2021	2022	2023	2024	2025
<i>Profit and non-cash charge</i>					
Group operating profit/(loss) (including joint ventures and associates)	954	(240)	6,512	1,703	106
Depreciation and amortisation	768	669	518	473	428
<i>Cash flows by activity</i>					
Net cash flow from operating activities	1,611	1,314	2,752	1,149	695
Net cash flow from investing activities	2,263	(566)	115	493	(690)
Net cash flow from financing activities	(938)	(917)	(1,414)	(1,548)	(1,397)
Net increase/(decrease) in cash and cash equivalents	2,936	(169)	1,453	94	(1,392)
<i>Capital expenditure</i>					
Capital expenditure (purchase of property, plant and equipment and intangible assets)	(420)	(371)	(335)	(416)	(554)
<i>Cash reconciliation</i>					
Cash and cash equivalents (net of overdrafts) at 1 January	1,393	4,328	4,242	5,629	5,693
Net increase/(decrease) in cash	2,936	(169)	1,453	94	(1,392)
Effect of foreign exchange rate changes	(1)	83	(66)	(30)	(29)
Cash and cash equivalents (net of overdrafts) at 31 December	4,328	4,242	5,629	5,693	4,272
<i>Derived measures (calculated by preparer)</i>					
Free cash flow (operating cash flow less capital expenditure)	1,191	943	2,417	733	141
Cash conversion (operating cash flow / operating profit)	1.69x	n/m	0.42x	0.67x	6.56x
Capital expenditure as % of depreciation and amortisation	55%	55%	65%	88%	129%

Operating cash flow is after tax, operating interest and exceptional payments. 2021 investing cash flow includes £2,588m from discontinued operations (Direct Energy disposal); continuing investing cash flow was £(325)m. "n/m" = not meaningful (operating profit negative). Free cash flow and the other derived measures are simple calculations, not company-reported measures.

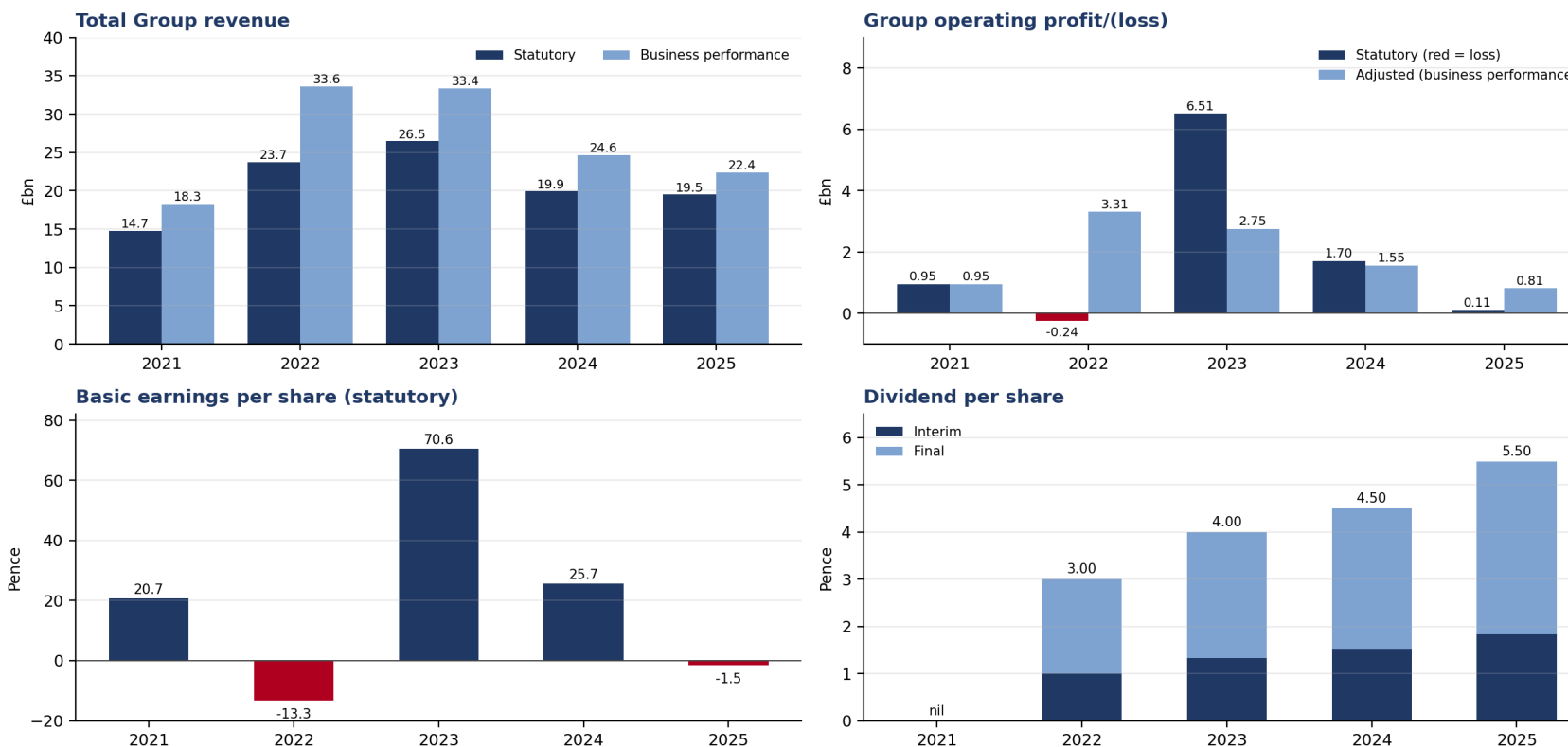
Five-Year Group Cash Flow Statement – Detail

How operating profit becomes operating cash flow, and what makes up investing and financing cash flows | £m

£m, year ended 31 December	2021	2022	2023	2024	2025
Operating activities					
Group operating profit/(loss) (including joint ventures and associates)	954	(240)	6,512	1,703	106
Deduct/add back results of joint ventures and associates	103	(93)	(208)	(256)	(158)
Add back: depreciation and amortisation	768	669	518	473	428
Add back/(deduct): impairments, write-downs and write-backs	(1,183)	(99)	669	98	519
Other non-cash items (provisions, pension contributions, unrealised re-measurements, disposals, share schemes)	939	2,361	(4,154)	41	65
Operating cash flow before working capital	1,581	2,598	3,337	2,059	960
Movement in working capital (inventories, receivables, payables)	246	(656)	244	(252)	164
Taxes paid	(140)	(574)	(803)	(636)	(375)
Operating interest paid and exceptional payments	(76)	(54)	(26)	(22)	(54)
Net cash flow from operating activities	1,611	1,314	2,752	1,149	695
Investing activities					
Capital expenditure (purchase of property, plant, equipment and intangibles)	(420)	(371)	(335)	(416)	(554)
Purchase and sale of businesses (net)	56	104	21	(88)	97
Sale of property, plant, equipment and intangibles	36	11	–	–	12
Investments in joint ventures and associates	2	(18)	(9)	–	(609)
Dividends received from joint ventures and associates	2	60	220	355	135
Interest received	2	46	267	317	227
Securities and other investments (net)	(3)	(398)	(49)	325	2
Discontinued investing activities (2021: Direct Energy)	2,588	–	–	–	–
Net cash flow from investing activities	2,263	(566)	115	493	(690)
Financing activities					
Equity dividends paid	–	(59)	(186)	(219)	(237)
Share buybacks and own shares (net)	–	(48)	(607)	(507)	(836)
Cash inflow from borrowings	–	1,220	930	483	13
Repayment of borrowings and capital element of leases	(706)	(1,585)	(1,248)	(1,022)	(156)
Financing interest paid	(233)	(172)	(286)	(283)	(181)
Distributions to non-controlling interests and other	1	(273)	(17)	–	–
Net cash flow from financing activities	(938)	(917)	(1,414)	(1,548)	(1,397)

Income Statement Trends

Revenue, operating profit and shareholder returns, 2021 to 2025

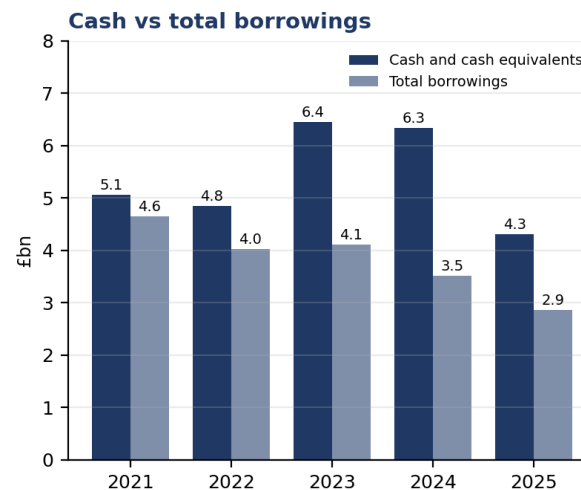
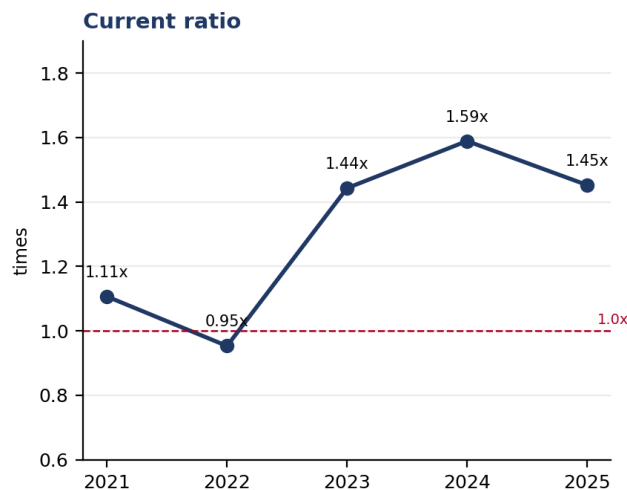
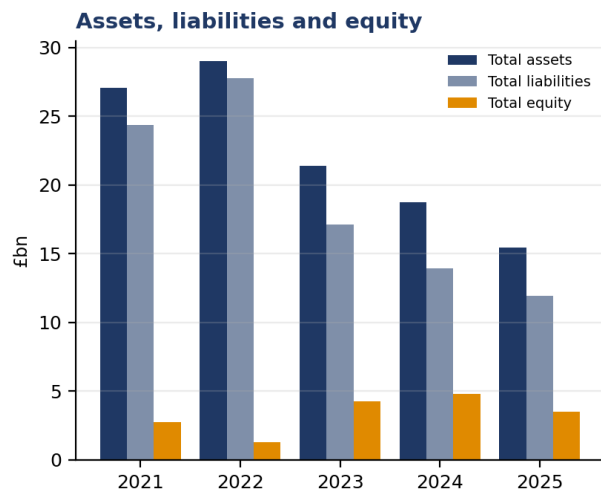


Key observations

- **Statutory revenue peaked in 2023 and has since fallen** as energy prices came down from their 2022–23 highs: total Group revenue rose from £14.7bn (2021) to £26.5bn (2023), then declined to £19.5bn (2025).
- **Statutory profit is far more volatile than underlying profit.** Large non-cash re-measurements and exceptional items drove statutory operating profit from a £240m loss (2022) to £6.5bn (2023) and back to £106m (2025), while adjusted operating profit moved more smoothly (£3.3bn, £2.8bn, £1.6bn, £0.8bn from 2022 to 2025).
- **Underlying earnings have declined each year since 2022**, but the dividend per share has risen every year since it was reinstated (3.00p in 2022 to 5.50p in 2025).

Balance Sheet Trends and Ratios

Liquidity, leverage and equity, 2021 to 2025 (year-end balances)



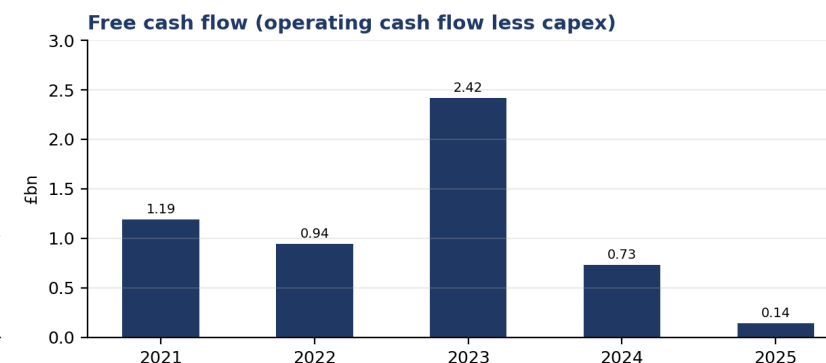
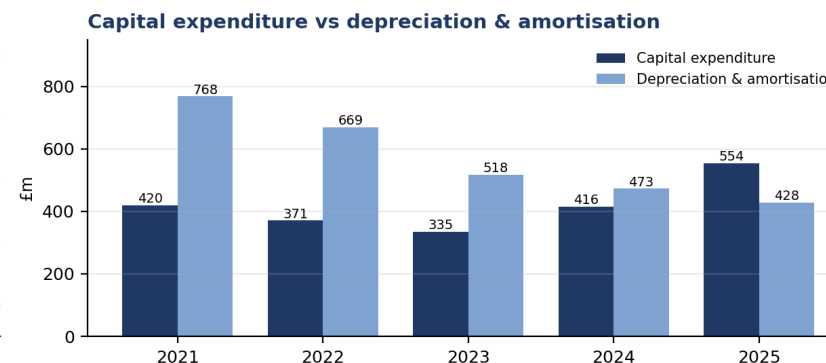
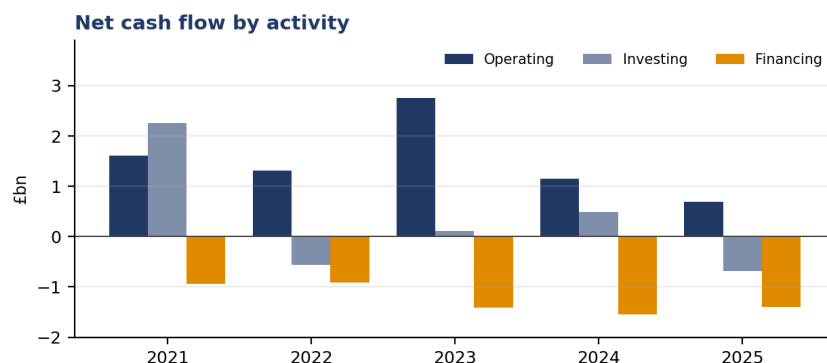
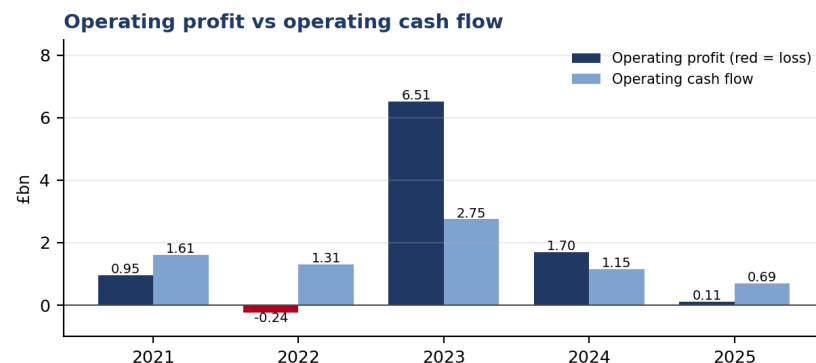
Ratio	2021	2022	2023	2024	2025
Current ratio (current assets / current liabilities)	1.11x	0.95x	1.44x	1.59x	1.45x
Working capital (current assets less current liabilities), £m	1,909	(1,023)	4,930	5,242	3,273
Equity ratio (total equity / total assets)	10.2%	4.4%	19.8%	25.7%	22.7%
Total liabilities / total equity	8.85x	21.69x	4.05x	2.89x	3.41x
Total borrowings / total equity	1.69x	3.14x	0.97x	0.73x	0.82x
Total borrowings, £m (current + non-current)	4,643	4,017	4,103	3,512	2,856

Key observations

- **The balance sheet shrank sharply after 2022.** Total assets fell from £29.0bn (2022) to £15.4bn (2025), largely reflecting much lower derivative balances and trade receivables; current liabilities fell by a similar amount.
- **Liquidity improved from 2022.** The current ratio was below 1.0x in 2022 (working capital deficit of £1.0bn) and has been above 1.4x since 2023. Total equity recovered from £1.3bn (2022) to £4.8bn (2024) before easing to £3.5bn in 2025, after the loss for the year, a lower share capital (£365m in 2023 to £313m) and more negative other equity reserves.
- **Total borrowings are down from £4.6bn (2021) to £2.9bn (2025),** and cash exceeded total borrowings in every year shown.

Cash Flow Trends

Operating cash generation, investment and financing, 2021 to 2025



Key observations

- **Operating cash flow was positive every year** (£695m to £2,752m), peaking in 2023 and falling to £695m in 2025. It differs widely from statutory operating profit because of non-cash re-measurements, impairments, provisions and working capital: in 2023 operating profit was £6,512m but operating cash flow was £2,752m, while in 2025 operating profit was only £106m against operating cash flow of £695m.
- **Capital expenditure has risen** from £335m (2023) to £554m (2025) and in 2025 exceeded depreciation and amortisation (£428m) for the first time in the five years; in 2021–2024 it was between 55% and 88% of D&A.
- **Investing and financing flows reflect corporate actions.** 2021 investing cash flow was boosted by £2,588m of disposal proceeds; 2025 includes £609m invested in joint ventures and associates. Financing was an outflow every year, and in 2025 included £827m of share buybacks and £237m of dividends.

Key Ratios and Growth

Calculated from the reported income statement

Ratio	2021	2022	2023	2024	2025
Growth (year-on-year)					
Total Group revenue growth (statutory)	n/a	61.0%	11.4%	(24.7%)	(2.1%)
Adjusted operating profit growth	n/a	248.9%	(16.8%)	(43.6%)	(47.6%)
Statutory margins (% of total Group revenue)					
Gross margin	11.0%	8.6%	36.4%	20.5%	14.5%
Operating margin	6.5%	(1.0%)	24.6%	8.6%	0.5%
Net profit margin (profit for the year)	8.0%	(2.7%)	15.3%	6.9%	(0.3%)
Business performance margins (% of business performance revenue)					
Gross margin	15.7%	16.2%	15.6%	15.5%	14.0%
Adjusted operating margin	5.2%	9.8%	8.2%	6.3%	3.6%
Net profit margin	1.7%	6.3%	5.6%	4.2%	2.5%
Other					
Operating costs before exceptionals as % of total revenue	11.6%	7.9%	7.8%	10.7%	10.6%
Effective tax rate (business performance)	59.7%	33.0%	30.9%	34.6%	32.3%

Basis of preparation

- Source: Centrica plc Annual Report and Accounts 2021, 2022, 2023, 2024 and 2025 (Group Income Statement, Balance Sheet and Cash Flow Statement). Each year uses the most recently reported figures: 2025 and 2024 from the 2025 report; 2023 from the 2024 report; 2022 from the 2023 report (re-presented for IFRS 17 insurance contracts); 2021 from the 2022 report.
- IFRS 17 (from 2023 reports, applied to 2022 comparatives) shows insurance revenue and insurance service costs separately. For 2021 these amounts sit within Group revenue, cost of sales and operating costs, so the insurance lines are combined into those lines here to keep all five years comparable. Totals (gross profit, operating profit, profit for the year) are unaffected.
- 2021 profit includes £624m from discontinued operations (profit on disposal of Direct Energy). Operating, pre-tax and continuing profit figures exclude it. Effective tax rate is shown on a business performance basis because statutory pre-tax profit was negative in 2022 and close to nil in 2025.
- Balance sheet: year-end positions from the Group Balance Sheet in the same reports. Liabilities are shown as positive amounts (the reports show them in brackets). Smaller lines are grouped into "Other" or combined (for example goodwill with other intangibles; insurance contract liabilities with trade and other payables from 2022) so the five years are comparable. Every subtotal reconciles to the reported totals.
- Cash flow statement: from the Group Cash Flow Statement in the same reports. Depreciation and amortisation for 2021 is the separately disclosed figure in the 2022 report (the 2021 report combined it with impairments). Operating cash flow is as reported, after tax paid, operating interest and exceptional payments. Smaller lines are combined (for example purchases and sales of businesses; share buybacks and own shares) and every subtotal reconciles to the reported totals and to the change in cash.
- Ratios and derived measures are calculated by the preparer from the reported figures and are not themselves reported by the company.