Powering resilient growth

Preliminary results for the year ended 31 March 2026

Content

SSE plc: Preliminary Results

for the year ended 31 March 2026

28 May 2026

Highlights

- Record year delivering £3.6bn capital investment, as construction programme gains momentum
- Financial results towards the upper end of guidance, reflecting strong operational performance
- Resilient business mix means no immediate impact from macro volatility on performance outlook
- Delivery of fully-funded £33bn investment plan to 2030 well under way
- Earnings targets of between 168 – 193 pence for 2026/27 (adjusted for equity issuance) and between 225 – 250 pence for 2029/30 remain unchanged
- Recommend a final dividend of 47.3 pence, resulting in a full year dividend of 68.7 pence, a 7% increase on the prior year, reflecting the strategic progress made

Martin Pibworth, Chief Executive, said:

"This year has demonstrated the strength and resilience of SSE's integrated model. We met all our financial and operational targets and delivery of our fully-funded £33bn investment plan to 2030 – focusing on Networks, Renewables and Flexibility – is well under way. That investment is central to long-term value creation. It is reducing the UK's exposure to volatile global energy markets and providing more stable, predictable returns through the energy transition, while supporting economic growth and cutting bills for consumers.

"By operating our business efficiently and optimally, while accelerating electrification and building energy infrastructure to unlock homegrown renewables, we are strengthening energy security and lowering system costs over time. With record levels of capital investment in line with our plan and strong momentum across the Group, we are well placed to deliver sustainable growth and value creation for our shareholders while helping to build a more affordable and secure energy system for the UK."

Financial Summary	Adjusted			Reported		
	Mar 2026	Mar 2025[1]	%	Mar 2026	Mar 2025	%
Operating profit (£m)	2,237	2,419	(8)%	1,889	1,962	(4)%
Profit before tax (£m)	2,025	2,145	(6)%	1,837	1,851	(1)%
Earnings per share (p)	153.5	161.3	(5)%	105.5	108.2	(2)%
Investment & capital expenditure (£m)	3,586	2,910	+23%	4,781	3,837	+25%
Net Debt and Hybrid Capital (£bn)[2]	10.1	10.1	-	8.6	9.5	(9)%

[1] Comparative financial information has been restated, please see note 2.3 to the Summary Financial Statements
[2] Reported net debt excludes equity accounted hybrid capital, see Alternative Performance Measures section

Financial performance

- **Adjusted Earnings Per Share of 153.5p, towards the upper end of guidance** and reflecting continued strong operational performance during a period of macro-economic uncertainty.
- **Regulated Networks contributed around 40% of adjusted operating profits**, including:
  - **Increasing investment and associated allowed revenues in SSEN Transmission**, with adjusted operating profit around 75% higher than prior year.
  - **Distribution operating profits around 54% lower than prior year as expected** given the non-recurring inflation adjustment in the prior year.

- **Capacity additions delivered by SSE Renewables** were partially offset by less favourable weather conditions throughout the course of the year combined with lower hedged prices as expected, with adjusted operating profits around 4% higher than the prior year.
- **Operating profits across the Flexibility businesses were lower as expected**, as market conditions, outages and lower volumes meant that adjusted operating profits were around 15% down on prior year.Reported operating profit of £1,889m reflects a net £(157.7)m re-measurement charge, £(84.7)m group restructuring costs and £(77.9)m net asset impairments.
- **Adjusted taxation rate decreased** to 9.6%, reflecting tax relief on increasing investment programme.
- **Adjusted capital investment increased by over 20% to £3.6bn**, predominantly in SSEN Transmission.
- Adjusted net debt and hybrid capital at £10.1bn, in line with expectations given increasing investment, with 3.3x net debt / EBITDA
- Recommend a final dividend of 47.3 pence, taking full year dividend to 68.7 pence or 7% increase on prior year.

Strategic delivery

Networks

- Construction under way on five of the 11 major Transmission projects, representing around one third of transmission investment plan spend.
- Around 75% of major transmission consents have now been received, with remainder in progress.
- Transmission supply chain fully secured and delivering on projects under construction, as employee base continues to grow with >20% increase over the year.
- Distribution RIIO-ED3 business plan under development, due for submission in December 2026, setting the foundation for decades of expected growth.

Renewables

- Construction progressing at Dogger Bank with turbine installation stage at Phase A completed in February 2026, and strong installation progress on Phase B with 20 turbines installed to date.
- Success in UK Allocation Round 7 for 1.4GW Berwick Bank Phase B project, with the remaining 2.7GW of capacity expected to be eligible for the accelerated Allocation Round 8 auction later this calendar year.
- 150MW Ferrybridge Battery Energy Storage System entered full operation in March 2026.

Flexibility

- Final investment decision taken at the 170MW Platin Power Station in Ireland, underpinned by an attractive capacity market contract.

Financial outlook

- SSE's increasing exposure to regulated, index-linked earnings provides embedded financial resilience in periods of significant macro-economic, political or regulatory uncertainty.
- Accordingly, the Group reiterates adjusted EPS expectations for both 2026/27 of between 168 – 193 pence (adjusted for equity issuance and increased number of shares) and 2029/30 of between 225 – 250 pence.
- Full year 2026/27 capex is expected to significantly increase to over £5bn, with net debt continuing to be comfortably within the Group's recently reaffirmed strong investment grade credit ratings.

Key Performance Indicators

Financial Performance	Adjusted Mar 2026	Adjusted Mar 2025[1]	Reported Mar 2026	Reported Mar 2025[1]
EBITDA £m	**3,207.9**	**3,349.3**	**2,768.2**	**2,738.3**
Operating profit £m	**2,236.6**	**2,419.2**	**1,888.9**	**1,962.2**
Profit before tax £m	**2,024.8**	**2,144.5**	**1,837.3**	**1,850.9**
Earnings per share (EPS) pence	**153.5**	**161.3**	**105.5**	**108.2**
Full year dividend per share (DPS) pence	**68.7**	**64.2**	**68.7**	**64.2**
Investment and capital expenditure £m	**3,585.6**	**2,910.4**	**4,780.7**	**3,837.0**
Net debt and hybrid capital £bn	**10.1**	**10.1**	**8.6**	**9.5**
SSEN Transmission RAV - £bn (100% basis)			9.0	7.2
SSEN Distribution RAV - £bn			6.6	5.7
SSE Total Electricity Networks RAV - £bn (100% basis)			**15.6**	**12.9**

1 Comparative financial information has been restated, please see note 2.3 to the Summary Financial Statements

Performance against 2030 Goals	Mar 2026	Mar 2025
Cut carbon intensity by 80%		
- Scope 1 GHG intensity (gCO2e/kWh)	194	218
Increase renewable energy output fivefold		
- Renewable generation output (TWh)[1]	14.5	13.3
Enable low-carbon generation and demand		
- Renewables connected in SSEN Transmission network area (GW)[2]	10.8	10.6
Champion a fair and just energy transition		
- Contribution to GDP UK and Ireland (£bn / €bn)[3]	9.66/1.36	7.88/0.95
- Jobs supported in UK and Ireland[3]	83,360/4,990	62,000/5,190

1 Includes pumped storage, battery energy storage systems, biomass and constrained-off wind in GB.
2 Prior period comparators restated to reflect data refinement. Transmission and Distribution connected capacity within the SSEN Transmission network area, includes pumped storage and battery storage.
3 Direct, indirect and induced Gross Value Added and jobs supported, from third-party analysis

Safety Performance	Mar 2026	Mar 2025
Total Recordable Injury Rate per 100k hours (SSE & contract partners)	0.17	0.16

Investor Timetable

2026 Annual Report and Sustainability Report published on sse.com	12 June 2026
AGM and Q1 Trading Statement	16 July 2026
Final ex-dividend date	23 July 2026
Record date	24 July 2026
Scrip reference pricing days	23 – 29 July 2026
Scrip reference price confirmed and released via RNS	30 July 2026
Final date for receipt of scrip elections	20 August 2026
Final dividend payment date	17 September 2026
Trading Update	Around 30 September 2026
Interim results for the six months ended 30 September 2026	18 November 2026

Contacts

Investors	SSE Investor Relations	ir@sse.com	Michael Livingston	+44 (0)345 0760 530
Media	SSE Media	media@sse.com	Ross Easton	+44 (0)7425 797 706
	MHP		James McFarlane	+44 (0)7854 142 665

Group Financial Review

Financial performance for the year ended 31 March 2026

In order to present the financial results and performance of the Group in a consistent and meaningful way, we apply a number of adjusted accounting measures throughout this financial report. The definitions we use for adjusted measures are explained in the Alternative Performance Measures section.

Key Financial Metrics (£m)	Adjusted		Reported	
	Mar 2026	Mar 2025[1]	Mar 2026	Mar 2025[1]
Networks operating profit				
- SSEN Transmission	562.6	322.5	750.1	430.0
- SSEN Distribution	335.3	736.0	296.9	736.0
	897.9	**1,058.5**	**1,047.0**	**1,166.0**
Renewables operating profit				
- SSE Renewables	1,076.4	1,038.8	725.3	617.6
	1,076.4	**1,038.8**	**725.3**	**617.6**
Flexibility operating profit				
- SSE Thermal[1]	195.4	211.4	243.0	195.3
- Energy Customer Solutions[1]	136.9	192.1	136.2	189.2
- SSE Energy Markets	43.2	30.0	(145.8)	(42.9)
	375.5	**433.5**	**233.4**	**341.6**
- Corporate unallocated	(113.2)	(111.6)	(116.8)	(163.0)
Total operating profit	**2,236.6**	**2,419.2**	**1,888.9**	**1,962.2**
Net finance costs	(211.8)	(274.7)	(51.6)	(111.3)
Profit before tax	**2,024.8**	**2,144.5**	**1,837.3**	**1,850.9**
Tax charge	(193.4)	(297.9)	(425.7)	(518.0)
Effective tax rate (%)	*9.6*	*13.9*	*24.3*	*29.4*
Profit after tax	**1,831.4**	**1,846.6**	**1,411.6**	**1,332.9**
Less: hybrid equity coupon payments	(72.9)	(73.7)	(72.9)	(73.7)
Less: profits attributable to non-controlling interests	-	-	(130.0)	(69.8)
Profit after tax attributable to ordinary shareholders	**1,758.5**	**1,772.9**	**1,208.7**	**1,189.4**
Earnings Per Share (pence)	**153.5**	**161.3**	**105.5**	**108.2**
Weighted avg. number of shares for EPS (million)	1,145.4	1,099.2	1,145.4	1,099.2
Shares in issue at 31 March (million)[2]	1,212.2	1,106.3	1,212.2	1,106.3

1 Comparative financial information has been restated, please see note 2.3 to the Summary Financial Statements
2 Excludes Treasury shares of 3.3m in March 2026 and 4.9m in March 2025

Segmental EBITDA results are included in note 6 to the Summary Financial Statements. For detailed Business Unit financial performance commentary, please refer to the Business Operating Review.

Group operating profit

The Group delivered strong operating performance over the course of the year. This included an increased profit contribution from SSEN Transmission which grew by around 75% on the prior year reflecting the strong growth in investment across the transmission network. Elsewhere within Networks, profitability in SSEN

Distribution was significantly lower as expected given the previous year included a large non-recurring inflation adjustment to revenues.

For Renewables, profitability increased by around 4% reflecting increased output from new capacity partially offset by mixed weather conditions and lower hedged prices.

Across Flexibility, SSE Thermal saw modestly lower profits than prior year which reflected market conditions and outage programmes across the fleet. And Energy Customer Solutions profits decreased, reflecting both lower wind related revenues combined with lower volumes sold.

Reported operating profit, in addition to the movements above, includes both the net re-measurement on forward energy derivatives which are unrelated to underlying operating performance, as well as items which are excluded from adjusted results on the basis they are materially non-recurring, uncontrollable or exceptional. Reported operating profit decreased by 4% compared to the prior year, reflecting a lower net asset impairment charge partially offset by a higher net-remeasurement charge on forward energy derivatives and group restructuring charges. These movements include an increase in profitability of SSEN Transmission, which is fully consolidated within reported metrics.

Net finance costs

Our adjusted net finance costs – which exclude coupons on hybrid bonds classified as equity – were lower this year. The year-on-year increase in the cost of debt, as lower cost maturing debt has been replaced by more expensive newly issued debt, has been more than offset by an increase in capitalised interest resulting from increased capital expenditure activity in the year.

Reported net finance costs, which excludes our share of interest in Joint Ventures and Associates, were £(51.6)m compared to £(111.3)m in the previous period reflecting the increased capitalisation as noted.

Taxation

SSE is one of the UK's biggest taxpayers, and in the Total Tax Contribution survey published in November 2025 was ranked 16th out of the 100 Group of Companies in 2025 in terms of taxes borne (those which represent a cost to the company, and which are reflected in its financial results).

We consider being a responsible taxpayer to be a core element of our social contract with the societies in which we operate and we seek to pay the right amount of tax, in the right place, at the right time. While we have an obligation to shareholders, customers and other stakeholders to efficiently manage our total tax liability, we do not seek to use the tax system in a way it is not meant to operate or use tax havens to reduce tax liabilities.

SSE was the first FTSE 100 company to be Fair Tax Mark accredited and we have now been accredited for 11 years.

In December 2025, we published our "Talking Tax 2025: fair tax for a clean energy transition" report. We did this because building trust with stakeholders on issues relating to tax is important to the long-term sustainability of the business. We won PwC's Building Public Trust Award for Tax Reporting in the FTSE 350 for the fourth consecutive year in November 2025 for the quality of our tax reporting.

In the year, SSE paid £424.9m of profit taxes, property taxes, environmental taxes and employment taxes in the UK, compared with £592.1m in the previous year. The decrease in total taxes paid was primarily due to less corporation tax being paid on UK profits. This was because of higher capital allowances on the Group's record level of capital expenditure. In addition, less Electricity Generator Levy was paid due to lower electricity generation prices.

As with other key financial indicators, our focus is on adjusted profit before tax and, in line with that, we believe that the adjusted current tax charge on that profit is the tax measure that best reflects underlying performance. SSE's adjusted current tax rate, based on adjusted profit before tax, was 9.6%, compared with 13.9% in

2024/25 on the same basis. The decrease in rate is primarily due to higher UK capital allowances under full expensing on the Group's capital investment programme.

Profit after tax and Earnings Per Share

Adjusted profit after tax was (0.8)% lower relative to the prior year, reflecting the movements in adjusted operating profit, partly offset by the lower adjusted current tax rate and lower adjusted net finance costs.

Reported profit after tax reflects the movements in reported operating profit and net finance costs outlined above in addition to a reported current tax rate of 24.3%. The higher reported current tax rate reflects an increase in deferred tax arising as a result of differences in accounting and tax bases that give rise to potential future accounting credits or charges. Within the reported tax charge, deferred tax increased by 15% on prior year, mainly due to the increase in our capital investment programme.

Reflecting the movements above, and the increased number of shares following the November 2025 equity issuance, adjusted Earnings Per Share was (5)% lower relative to the prior year at 153.5 pence with reported Earnings Per Share decreasing by (2)% to 105.5 pence.

Final dividend

Dividend per Share (pence)	Mar 2026	Mar 2025
Interim Dividend	21.4	21.2
Final Dividend recommended	47.3	43.0
Full Year Dividend	**68.7**	**64.2**

We believe that dividends should be sustainable and based on earnings performance, while also enabling the longer-term growth prospects of our assets and operations. To that end, the dividend plan to 2029/30 is designed to balance income to shareholders with the appropriate funding for a transformational growth plan that will ultimately create greater value and total return for shareholders over the long term.

In line with that dividend plan and reflecting the strategic progress made to deliver sustainable earnings growth, we have announced a final dividend of 47.3 pence for payment on 17 September 2026. This amounts to a 2025/26 full year dividend of 68.7 pence, representing an increase of 7% on the prior year.

Capital expenditure programme

Adjusted Investment and Capex Summary	Mar 2026 Share %	Mar 2026 £m	Mar 2025[1] £m
SSEN Transmission (net of 25% non-controlling interest)	48%	1,717.6	953.5
SSEN Distribution	24%	851.8	635.8
Regulated electricity networks total	**72%**	**2,569.4**	**1,589.3**
SSE Renewables	21%	739.0	1,001.8
SSE Thermal	5%	197.5	183.8
Energy Customer Solutions	1%	34.8	80.0
SSE Energy Markets	-	10.2	8.7
Corporate unallocated	1%	34.7	46.8
Adjusted investment and capital expenditure	**100%**	**3,585.6**	**2,910.4**

1 Comparative financial information has been restated, please see note 2.3 to the Summary Financial Statements

During the year ended 31 March 2026, adjusted investment, capital and acquisitions expenditure totalled £3,585.6m, compared to £2,910.4m in the prior year. The increased investment was driven mainly by our regulated electricity networks divisions, with lower overall deployment of capital across the other businesses, and no acquisitions expenditure.

Further detail on the capital expenditure in the year can be found in the Business Unit Operating Review.

Financial Outlook

Financial outlook for 2026/27

SSE's unique mix of assets across Networks, Renewables and Flexibility has been carefully selected to provide a diverse and resilient business mix that will perform in periods of significant macro-economic, political or regulatory uncertainty. With increasing investment into assets underpinned by regulated and index-linked earnings, our financial resilience is expected to grow as the long-term strategic investment plan is delivered.

Given this resilience, we confirm the individual performance expectations for each Business Unit for the 2026/27 financial year as follows:

- **SSEN Transmission** – It is expected that adjusted operating profit will be significantly higher than 2025/26, reflecting increased allowed revenue generated by continued acceleration of investment.
- **SSEN Distribution** – We anticipate that adjusted operating profit will be at similar levels to 2025/26.
- **SSE Renewables** – The business is expected to deliver similar levels of adjusted operating profit as 2025/26 as increases in capacity offset lower merchant power prices.
- **SSE Thermal** – It is expected that adjusted operating profit will be significantly higher than 2025/26, reflecting the step up in contracted Capacity Market payments.
- **Energy Customer Solutions** – We anticipate that the adjusted operating profit for these businesses will be lower than 2025/26 reflecting the continued unwind of wind related income.

These expectations remain subject to normal weather conditions, current market conditions and plant availability.

Given the strong strategic progress made in the year, and after considering the impact of current and forecast market conditions, we continue to reiterate our 168 – 193 pence adjusted Earnings Per Share guidance range (being the original 175 – 200p target, adjusted for the dilutive impact of the £2bn equity raise completed in November 2025 resulting in an increased number of shares).

With capital expenditure and investment continuing to ramp up in line with the long term investment plan, full year capex is expected to significantly increase to over £5bn, in line with the phasing of the £33bn investment plan announced in November 2025, with net debt continuing to be comfortably within our recently reaffirmed strong investment grade credit ratings.

Outlook to 2029/30

Transformational five-year investment programme

In November 2025, we announced a transformational £33bn five-year investment plan to 2029/30, significantly increasing exposure to UK electricity Networks and driving long-term value creation with attractive regulatory asset value and earnings growth.

This plan represents a trebling of investment over the five-year period, with around 80% or £27bn to be invested in regulated UK electricity Networks and around 20% or £6bn selectively in Renewables and system Flexibility projects:

- **SSEN Transmission (~67% or ~£22bn)** delivering the RIIO-T3 investment programme which is critical to connecting renewables and alleviating existing constraints within the electricity transmission network. This investment, together with that from our 25% partner, is expected to increase gross RAV to around £30bn by the end of 2029/30 representing an ~30% CAGR.
- **SSEN Distribution (~15% or ~£5bn)** delivering the remaining RIIO-ED2 investment programme in addition to anticipated strategic investment in ED3. This investment is expected to increase gross RAV to between £9 – 10bn by the end of 2029/30 representing a ~10% CAGR.

- **SSE Renewables (~12% or ~£4bn)** delivering its existing construction programme together with highly disciplined investment into exciting growth options. This focus on financial discipline and selective growth is expected to result in a targeted ~9GW of installed capacity by the end of 2029/30.
- **SSE Thermal and other businesses (~6% or ~£2bn)** predominantly focused on flexible generation technologies and serving key customers.

The investment plan includes around £3bn of currently uncommitted capex across the SSE Renewables and SSE Thermal businesses. In allocating this capital, we continue to apply strict returns criteria for new energy projects to ensure attractive shareholder returns whilst ensuring strategic alignment with our clean electricity focus.

Industry-leading capital growth

The record programme of investment outlined above is expected to deliver industry-leading capital growth. In the Networks businesses, gross RAV is expected to more than treble to around £40bn and, with selective and disciplined investment, Renewables installed capacity is set to almost double to around 9GW by the end of the plan. This material capital growth will create significant long-term value for shareholders whilst unlocking wider economic benefits for society.

Resilient funding strategy

This programme is backed by a comprehensive funding strategy that maintains our strong balance sheet alongside a continued commitment to strong investment grade credit ratings with net debt / EBITDA expected to remain below 4.5x throughout the course of the plan. In addition to expected operational cashflow generation an increase in adjusted net debt and hybrid capital and a £2bn equity placing which was completed in November 2025, around £2bn of targeted asset rotations are expected across the portfolio, aligned with investment needs across the five-year plan.

Outlook to 2029/30

Investments made in Networks and selective Renewables and system Flexibility projects are expected to drive a significant uplift in earnings, with an adjusted Earnings Per Share CAGR of between 10-13% from 2025/26 delivering 225 – 250 pence in 2029/30. This growth is underpinned by ~80% of EBITDA being index linked in 2029/30, due to the upweighting in Networks investment, providing consistent, predictable and highly visible earnings as the business grows materially.

A sustainable and progressive dividend policy

We are also committed to continuing our existing sustainable and progressive dividend policy to 2029/30. This policy targets annual dividend per share growth of between 5 – 10% from an unaltered 64.2 pence 2024/25 baseline. We have continued to retain the existing scrip dividend option for shareholders whilst also restricting earnings dilution from the scrip by capping take-up at 25% through a share buyback if necessary.

Supplemental Financial Information

Exceptional items and certain re-measurements

Exceptional items

We recognised an exceptional charge within continuing operations of £162.6m before tax in the current period. £84.7m of this relates to Group restructuring costs (including £21.8m of asset impairments) with a further £77.9m charge for UK onshore wind projects affected by grid connection delays, partially offset by valuation uplifts across Gas Storage and Triton Power.

Exceptional items	£m
Group restructuring charges	84.7
Net asset impairments	77.9
Total exceptional charge	**162.6**

Further detail on exceptional items can be found within note 7 and the definition of exceptional items can be found in note 4.2 of the Summary Financial Statements.

Group-wide operating model and efficiency review

During 2025, in line with SSE's commitment to capital and operational discipline, we commenced an Operating Model and Efficiency Review, intended to ensure that SSE has the right structures, resourcing and accountabilities to maximise the growth opportunities ahead.

This review is now largely complete, with the exception of the ongoing SSEN Distribution transformative change programme. Actions taken as a result of this review are expected to deliver recurring efficiency and cost control savings across the Group.

Certain re-measurements

Certain re-measurements within continuing operations	£m
Operating derivatives (including share from jointly controlled entities net of tax)	(168.1)
Commodity stocks held at fair value	10.4
Financing derivatives	17.9
Total net re-measurement charge	**(139.8)**

Operating derivatives

SSE enters into forward purchase contracts (for power, gas and other commodities) to meet the future demands of the energy supply businesses and to optimise the value of its generation assets. Some of these contracts are determined to be derivative financial instruments under IFRS 9 and as such are required to be recorded at their fair value as at the date of the financial statements.

We report the change in the fair value of these forward energy derivatives separately as this mark-to-market movement does not reflect the realised operating performance of the businesses in the year. The underlying value of these contracts is recognised as the relevant commodity is delivered, which for the majority of the position at 31 March 2026 is expected to be within the next 18 months.

The change in the operating derivative mark-to-market valuation was an £(168.1)m negative movement from the start of the period, reflecting a £(152.0)m negative movement on fully consolidated operating derivatives including affiliate and commercial Contracts for Difference (CfDs) combined with a £(16.1)m negative share of movement on derivatives in jointly controlled entities, net of tax.

As in prior years, the reported result does not include re-measurement of 'own use' hedging agreements which do not meet the definition of a derivative financial instrument under IFRS 9.

Commodity stocks held at fair value

Gas inventory purchased for secondary trading opportunities is held at fair value with reference to the forward month market price. Given the low level of gas storage held at year end, combined with trading churn, the book value of commodity stocks were broadly in line with fair value.

Financing derivatives

In addition to the movements above, a positive movement of £17.9m was recognised on financing derivatives in the year, including mark-to-market movements on cross-currency swaps and floating rate swaps that are classed as hedges under IAS 39. These hedges ensure that any fair value movement in net debt is predominantly offset by a movement in the derivative position. The positive movement was primarily driven by Sterling weakness on cross-currency swap contracts.

These re-measurements are presented separately as they do not represent underlying business performance in the year. The result on financing derivatives will be recognised in adjusted profit before tax when the derivatives are settled.

Hedging position

Our long-established approach to hedging looks to generally reduce broad exposure to commodity price variation in advance of delivery. We continue to monitor market developments and conditions and periodically alter our hedging approach in response to changes in exposure profile.

SSE Renewables

Energy output hedges are progressively established through the forward sale of either:

- **Electricity** – where market depth and liquidity allow;
- **Gas and carbon equivalents** – recognising that spark spread exposures remain; or
- **Gas equivalents only** – recognising that carbon and spark spread exposures remain.

This approach reflects that certain energy products have lower available forward market depth and liquidity. Whilst some basis risk or commodity exposure will remain, it facilitates the reduction of SSE Renewables' overall exposure to potentially volatile spot market outcomes.

The table below notes both the proportion and prices for those hedges in place at 31 March 2026.

GB offshore wind, onshore wind and hydro	2025/26	2026/27	2027/28	2028/29
Total energy output volumes hedged - TWh	**11.8**	**10.5**	**11.6**	**2.4**
- Hedge in electricity - TWh	6.2	8.4	4.2	0.2
- Electricity hedge price - £MWh	£87	£76	£70	£73
- Hedge in gas and carbon - TWh	-	2.1	4.9	-
- Gas and carbon hedge price - £MWh	-	£67	£81	-
- Hedge in Gas – TWh	5.6	-	2.5	2.2
- Gas hedge price – £MWh	£78	-	£53	£45

Note: where gas and carbon trades have been used as a proxy for electricity, a constant 1MWh:69.444 th and 1MWh:0.3815 te/MWh conversion ratio between commodities has been applied. These same ratios have been used to convert underlying commodity prices into electricity £MWh and therefore no assumptions have been made on either spark or carbon.

The table above excludes any volumes and income under separate contracts such as CfDs, Renewables Obligation Certificates (ROCs) and Balancing Mechanism activity. No hedging activity is undertaken for assets in early-stage construction, with hedging activity gradually built up over the construction period as greater certainty over operational dates is received.

Our established approach seeks to minimise the volumetric downside risk for renewable energy output by targeting a hedge of less than 100% of its anticipated wind energy output for the coming 12 months. The targeted hedge percentage is reviewed and adjusted as necessary to reflect any changes in market and wind capture insights. Forward hedges for both wind and hydro are progressively established over a 36-month period, although the extent of hedging activity will depend on the available market depth and liquidity.

Target hedge levels are achieved through the forward sale of either electricity or a combination of gas or carbon equivalents as outlined above. Any non-electricity forward contracts will be converted into electricity hedges ahead of delivery, which may lead to increases or decreases in the average hedge price achieved.

SSE Thermal

Hedging for the flexible thermal fleet is by its nature dynamic, changing as market values vary with a constant process of re-optimisation to accrue future value for SSE Thermal assets. At negative spark spreads this hedge volume is therefore likely to be very low; and at higher prices the hedge will be much larger.

At all times the thermal portfolio offers the wider Group protection from price spikes, renewables shortfall or asset availability issues and therefore provides material risk management value to the Company.

SSE Energy Markets

This business provides the route to market and manages the execution for all of SSE's commodity trading outlined above (spark spread, power, gas and carbon). This includes monitoring market conditions and liquidity and reporting net Group exposures. The business operates under strict position limits and VAR controls.

There is some scope for position-taking to permit this business to manage around shape and liquidity and providing market insight whilst taking optimisation opportunities. This is contained within a total daily Value at Risk (VAR) limit of £9m.

Financial management and balance sheet

Key metrics	Mar 2026 £m	Mar 2025[1] £m
Net Debt / EBITDA[2]	**3.3**	**3.1**
Adjusted net debt and hybrid capital (£m)	**10,095.0**	**10,066.7**
Average debt maturity (years)[3]	5.7	5.6
Average cost of debt at period end (including all hybrid coupon payments)	4.1%	4.0%
Adjusted net finance costs	**211.8**	**274.7**

1 Comparative financial information restated, please see note 2.3 to the Summary Financial Statements.
2 Net debt represents the Group adjusted net debt and hybrid capital. EBITDA represents the full year Group adjusted EBITDA, less £157.4m at March 2026 for the proportion of adjusted EBITDA from equity-accounted Joint Ventures relating to project financed debt.
3 The average debt maturity assumes Hybrids are refinanced on their first call date

Principal sources of debt funding	Mar 2026	Mar 2025
Bonds	56%	60%
Hybrid debt and equity securities	24%	16%
European investment bank loans	6%	4%
US private placement	7%	7%
Short-term funding	4%	10%
Index-linked debt	3%	3%
% of which has been secured at a fixed rate	**92%**	**91%**

Rating Agency	Rating	Criteria	Date of Issue
Moody's	Baa1 'stable outlook'	'Low teens' Retained Cash Flow/Net Debt	13 February 2026
Standard and Poor's	BBB+ 'stable outlook'	About 18% Funds from Operations/Net Debt	13 November 2025
Fitch	BBB+ 'stable outlook'		23 February 2026

Maintaining a strong balance sheet

A key objective of our long-term approach to balancing capital investment, debt issuance and securing value and proceeds from disposals is to maintain a strong net debt/EBITDA ratio. We calculate this ratio based on a methodology that best reflects our activities and commercial structure, in particular to securing value and protecting our balance sheet through prudent risk sharing by using Joint Ventures and non-recourse project financing.

We have the capacity (if required) to exceed a 4.5x net debt/EBITDA ratio, whilst remaining above the equivalent ratios required for a strong investment grade credit rating. Reflecting the strength of the Group's balance sheet, the net debt / EBITDA ratio at 31 March 2026 was 3.3x and it is expected that this ratio will trend upwards as our significant investment programme is delivered.

Adjusted net debt and hybrid capital

SSE's adjusted net debt and hybrid capital was £10.1bn at 31 March 2026 which is consistent with the £10.1bn at 31 March 2025. Cash inflows from the £2bn equity placing in November 2025 and strong operating cashflows have been offset by our capital investment programme, dividend and interest payments.

Debt summary

SSE plc together with its subsidiary, Scottish Hydro Electric Transmission (SHET) plc, issued £2.5bn of new long-term debt and hybrid capital in the year to March 2026 whilst also continuing to roll short-term Commercial Paper at similar levels to March 2025. The debt issues include:

- In June 2025, SSE plc issued €1.3bn (£1.1bn) dual tranche equity accounted hybrid bonds being a €800m (£0.7bn) hybrid bond at 4.00% and a €500m (£0.4bn) hybrid bond at 4.50%, both of which remain denominated in Euro.
- In September 2025 Scottish Hydro Electric Transmission plc issued a €750m (£647m) eight-year Eurobond maturing November 2033 with a coupon of 3.375% and an all-in GBP cost of 5.20% once swapped back to Sterling.
- In September 2025 Scottish Hydro Electric Transmission plc raised €100m (£86m) by increasing the size of its existing Eurobond repayable on September 2032, with a coupon of 3.375% and an all-in GBP cost of 5.06% once swapped back to Sterling.
- In October 2025 Scottish Hydro Electric Transmission plc executed a £250m 5-year term loan with a 1-year extension option at a cost of SONIA +75bps.
- In February 2026 Scottish Hydro Electric Transmission plc issued a1.5bn NOK (£113m) 10-year private placement maturing 11 February 2036 with a coupon of 4.98% and an all-in GBP cost of SONIA +125bps once swapped back to Sterling
- On 27 March 2026, SSE plc executed a €400m (£346m) 2-year Floating Rate Note at a cost of EURIBOR + 47bps which has been swapped to Sterling at a cost of SONIA +75bps. Proceeds from the Floating Rate Note were received on 7 April 2026.

Over the next 12 months there is £1.2bn of medium- to long-term debt and £0.5bn of short-term debt maturing. SSE had access to £6.5bn (gross of the Minority Interest in SHET plc) of committed bank facilities at 31 March 2026.

Hybrid bonds summary

Hybrid bonds are a core part of our capital structure, helping to diversify the investor base, supporting credit ratings and providers of senior debt, as their 50% equity treatment by the rating agencies is positive for credit metrics. A summary of SSE's hybrid bonds as at 31 March 2026 can be found below:

Issued	Hybrid Bond Value[1]	All-in rate[2]	First Call Date	Accounting Classification
July 2020	£600m	3.74%	Apr 2026	Equity
July 2020	€500m (£453m)	3.68%	Jul 2027	Equity
April 2022	€1bn (£831m)	4.00%	Apr 2028	Equity
June 2025	€800m (£679m)	4.00%	Sep 2030	Equity
June 2025	€500m (£425m)	4.50%	Jun 2033	Equity

1 Sterling equivalents shown reflect the fixed exchange rate on date of receipt of proceeds and is not subsequently revalued.
2 All-in rate reflects coupon on bonds plus any cost of swap into sterling which currently only applies to July 2020 Hybrid.

A table detailing coupon payments on existing hybrids is shown below:

Hybrid coupon payments	2025/26		2026/27		2027/28	
	HYa	FYa	HYe	FYe	HYe	FYe
Total equity hybrid coupon (cash accounted)[1]	**£73m**	**£73m**	**£127m**	**£127m**	**£97m**	**£97m**

1 Coupon payments on €2.8bn of hybrid bonds remain denominated in Euros and are therefore subject to foreign exchange adjustments.

Summarising cash and cash equivalents

At 31 March 2026, we had cash and cash equivalents of £1.5bn, which is higher than the £1.1bn at March 2025 due to timing of new debt issues and the £2bn equity raise which has resulted in a higher surplus cash position being held during the second half of the financial year.

Cash collateral is only required for forward commodity contracts traded through commodity exchanges, with the level of cash collateral either provided or received depending on the volume of trading through the exchanges, the periods being traded and the associated price volatility.

At 31 March 2026 the collateral balance and other deposits were a net liability (i.e. collateral received) of £246m (2025: £63m net liability). The collateral movement in the current year reflects an increase in the variation margin on 'in the money' positions due to higher commodity prices partially offset by increase in initial margins following an increase in volatility.

Short-term funding

We had £6.5bn (gross of the Minority Interest in SHET plc) of committed bank facilities in place at 31 March 2026 to ensure the Group has sufficient liquidity to allow day-to-day operations and investment programmes to continue in the event of disruption to Capital Markets preventing the issuance of new debt for a period of time. The below table sets out the facilities that have been entered as at 31 March 2026:

Date	Issuer	Debt type	Term	Value
Oct 24	SSE plc	Syndicated Revolving Credit Facility with 15 Relationship Banks	2030	£1.5bn
Oct 24	SHET plc	Syndicated Revolving Credit Facility with 15 Relationship Banks	2030	£1.5bn
Dec 25	SHET plc	Bank facility guaranteed by National Wealth Fund	2029	£1.0bn
Dec 25	SHET plc	Export Credit Facility guaranteed by EKN	2029	£0.5bn
Mar 26	SHET plc	Export Credit Facility guaranteed by SACE	2030	£0.5bn

In addition to the facilities set out in the table above, SSE plc signed a commitment letter on 31 March 2026 which gives us the right to enter a £1.5bn committed facility between 31 March 2026 and 30 June 2026.

The revolving credit facilities can also be utilised to cover short-term funding requirements. There were no drawings on any of the committed facilities at 31 March 2026. Both the Syndicated Revolving Credit Facilities have one-year extension options and are classified as sustainability linked with interest rate and fees paid dependant on various ESG-related metrics being achieved.

Maintaining a prudent treasury policy

Our treasury policy is designed to maintain a prudent and flexible funding position. Cash from operations is first used to finance regulatory and maintenance capital expenditure and then dividend payments, with investment and capital expenditure for growth financed by a combination of cash from operations, bank borrowings, and bond issuance.

SSE borrows as required on different interest bases with financial instruments being used to achieve the desired out-turn interest rate profile. At 31 March 2026, 92% of borrowings were at fixed rates.

Borrowings are mainly in Sterling and Euros to reflect the underlying currency denomination of assets and cash flows within SSE. All other foreign currency borrowings are swapped back into either Sterling or Euros. Transactional foreign exchange risk arises in respect of procurement contracts, fuel and carbon purchasing, commodity hedging and energy portfolio management operations, and long-term service agreements for plant. Our policy is to hedge any material transactional foreign exchange risks using forward currency purchases and/or financial instruments. Translational foreign exchange risk arises in respect of overseas investments; hedging in respect of such exposures is considered on a case-by-case basis.

Operating a Scrip Dividend Scheme

As part of the Group's dividend plan to 2029/30, take-up from the Scrip Dividend Scheme is capped at 25%. This cap is implemented by means of a share repurchase programme, or 'buyback', following payment of the final dividend. The scale of any share repurchase programme would be determined by subscription to the Scrip Dividend Scheme across the full year, taking into account the interim and final dividend elections.

Overall Scrip Dividend take-up for the 2024/25 financial year was 9.7%, and therefore no buyback was required.

Joint Venture and associate non-recourse project financing

SSE's financial results include contributions from equity interests in Joint Ventures ("JVs") and associates, all of which are equity accounted. The details of the most significant of these are included in the table below. This table also highlights the non-recourse project finance debt within each Joint Venture, in proportion to SSE's equity ownership. The total proportion of external non-recourse project finance debt was around £3.8bn at 31 March 2026.

JVs and associates[1]	Asset type	SSE holding	Proportional non-recourse external debt	SSE Shareholder loans
Marchwood Power	920MW CCGT	50%	No external debt	No loans outstanding
Seabank Power	1,234MW CCGT	50%	No external debt	No loans outstanding
Slough Multifuel	55MW energy-from-waste	50%	No external debt	£173m
Triton Power Holdings	1,200MW CCGT / 140MW OCGT	50%	No external debt	No loans outstanding
Beatrice Offshore Windfarm	588MW offshore wind farm	40%	£512m	Project financed
Dogger Bank A Wind Farm	1,200MW offshore wind farm	40%	£974m	£313m
Dogger Bank B Wind Farm	1,200MW offshore wind farm	40%	£1,002m	£16m
Dogger Bank C Wind Farm	1,200MW offshore wind farm	40%	£931m	Project financed
Ossian Offshore Windfarm	ScotWind seabed	40%	No external debt	No loans outstanding
Seagreen Wind Energy	1,075MW offshore wind farm	49%	£386m	£972m[2]
Seagreen 1A	Offshore wind farm extension	49%	No external debt	£33m
Clyde Windfarm	522MW onshore wind farm	50.1%	No external debt	£127m
Dunmaglass Wind Farm	94MW onshore wind farm	50.1%	No external debt	£47m
Stronelairg Wind Farm	228MW onshore wind farm	50.1%	No external debt	£89m
Cloosh Valley Wind Farm	105MW onshore wind farm	25%	No external debt	£23m
Neos Networks	Private telecoms network	50%	No external debt	£87m

1 Greater Gabbard, a 504MW offshore wind farm, is proportionally consolidated and reported as a Joint Operation with no loans outstanding.
2 For accounting purposes, £324m of the £972m of SSE shareholder loans advanced to Seagreen Wind Energy are classified as equity.

Pensions

Contributing to employees' pension schemes – IAS 19	Mar 2026 £m	Mar 2025 £m
Net pension scheme asset recognised before deferred tax	**459.8**	**501.8**
Employer cash contributions Scottish Hydro Electric scheme	0.9	0.9
Employer cash contributions SSE Southern scheme	25.6	25.5
Deficit repair contribution included above	16.0	15.5

In the year to 31 March 2026, the Group's pension surplus decreased by £42.0m, from £501.8m to £459.8m, primarily due to actuarial loss of £80.7m offset by the contributions to the schemes.

The SSE Southern scheme's surplus decreased by £52.6m in the year due primarily to a £78.6m actuarial loss, offset by contributions to the scheme of £25.6m. The Scottish Hydro Electric scheme is partially insured against volatility in its pensioner members through the purchase of 'buy-in' contracts meaning a significant portion of scheme liabilities are protected from volatility. During the year the Scottish Hydro Electric scheme's surplus increased by £10.6m.

Additional information on employee pension schemes can be found in note 15 to the summary financial statements.

Sustainability and Safety Summary

Performance against 2030 Goals	Mar 2026	Mar 2025
Cut carbon intensity by 80%		
- Scope 1 GHG intensity (gCO2e/kWh)	194	218
Increase renewable energy output fivefold		
- Renewable generation output (TWh)[1]	14.5	13.3
Enable low-carbon generation and demand		
- Renewables connected in SSEN Transmission network area (GW)[2]	10.8	10.6
Champion a fair and just energy transition		
- Contribution to GDP UK/Ireland (£bn / €bn)[3]	9.66/1.36	7.88/0.95
- Jobs supported in UK and Ireland[2]	83,360/4,990	62,000/5,190

1 Includes pumped storage, battery energy storage systems, biomass and constrained-off wind in GB.
2 Prior period comparators restated to reflect data refinement. Transmission and distribution connected capacity within the SSEN Transmission Network area, includes pumped storage and battery storage.
3 Direct, indirect and induced Gross Value Added and jobs supported, from third-party analysis.

Safety Performance	Mar 2026	Mar 2025
Total Recordable Injury Rate per 100k hours worked (SSE and contractors)	0.17	0.16

Measuring performance against SSE's 2030 Goals

SSE's sustainability strategy supports the five year investment plan, underpinning the transition to net zero and driving long-term value creation. SSE's four 2030 Goals, directly linked to the UN Sustainable Development Goals, ensure it tackles the challenge of climate change in a way that is fair and just for workers and communities.

Cut carbon intensity by 80%: SSE's scope 1 GHG intensity of electricity generated in 2025/26 was 194gCO2e/kWh, compared to 218gCO2e/kWh last year, and the lowest SSE has recorded. This reflects increased renewables output from new assets alongside lower thermal generation due to maintenance outages. While SSE's carbon intensity has reduced by 37% since 2017/18, as outlined last year, in the context of the current market and policy environment, SSE's carbon intensity goal is on target but with risk.

Renewable Output goal: Output during the year increased to 14.5TWh primarily driven by increased capacity from initial commissioning of Dogger Bank A and Yellow River which was partially offset by mixed weather conditions particularly in hydro. As outlined in the previous year, given the challenging market and policy environment, SSE is unlikely to meet its ambitious goal of 50TWh of renewable generation output by 2030.

Enable low-carbon generation goal: As of 31 March 2026, SSE's north of Scotland Transmission network had 10.8GW of installed renewable capacity connected, having surpassed its RIIO-T2 target of 10GW by 2024. The slight increase in renewable capacity connected since last year reflects an increase in large embedded renewable generation schemes at the distribution level.

Champion a fair and just energy transition: SSE continued with its strategy to share value with society through the energy transition. In 2025/26, SSE contributed £10.84bn to UK and Ireland GDP – up from £8.68bn last year and our highest contribution since 2018/19 (adjusted for current prices). We also supported 88,350 jobs across the UK and Ireland, up significantly from 67,190 in 2024/25. 2024/25 was a record year for community investment, with nearly £25m awarded through SSE's community funds, supporting over 300 local communities.

Safety performance: SSE's combined employee and contractor TRIR remained steady at 0.17, compared to 0.16 the previous year. Over 14,000 employees and contract partners have completed immersive safety training since it was introduced in 2022, supporting stronger safety behaviours.

Business Operating Review

SSEN Transmission

SSEN Transmission operates one of the fastest growing regulated electricity networks in Europe. It owns, operates and develops the high voltage electricity transmission system in the north of Scotland and its islands and is owned 75% by SSE plc and 25% by Ontario Teachers' Pension Plan Board. All references to performance indicators relate to 100% of the business unless otherwise stated.

Key Performance Indicators	March 26	March 25
Adjusted operating profit[1] - £m	562.6	322.5
Reported operating profit - £m	750.1	430.0
Adjusted investment and capital expenditure[1] - £m	1,717.6	953.5
Gross Regulated Asset Value (RAV) - £m[2]	8,955	7,171
SSE Share Regulated Asset Value (RAV)[1,2] - £m	6,716	5,378
Renewable Capacity connected within SSEN Transmission area – GW[3]	10.8	10.6

1 Excludes 25% minority interest
2 Estimated and subject to outturn of annual regulatory process
3 Prior period comparator restated to reflect data refinement. Transmission and distribution connected capacity within the SSEN Transmission Network area, includes pumped storage and battery storage.

Financial performance

Adjusted operating profit, which is presented net of the business's 25% non-controlling interest, increased by 74% to £562.6m from £322.5m in the prior year. Revenue growth is driven by allowances agreed with the regulator to fund increasing investment, a proportion of which is returned in the corresponding financial year. This investment has been funded by SSEN Transmission and its shareholders and is quoted before debt interest and tax payments are deducted. In addition, the prior year included a one-off negative timing adjustment relating to tax relief.

Reported operating profit increased to £750.1m compared to £430.0m as a result of the movements above but reflecting that non-controlling interests are fully consolidated for all profit metrics under IFRS.

Net capex totalled £1,717.6m, an increase of 80% on the comparative year, supporting the UK's grid upgrade, and included £219m on the Orkney link project where major substation progress has been made, and £212m on the Argyll and Kintyre upgrade where substation and overhead line work has progressed. Capex of £137m was invested at the Eastern Green Link 2 (EGL2) project where Peterhead converter station work has advanced and the manufacturing of the submarine cable is under way. Remaining capex was delivered primarily across the other large capital projects.

Operational delivery

SSEN Transmission continues to deliver sector-leading operational performance, securing the full reward through Ofgem's 'Energy Not Supplied' incentive, the third year the business has achieved this throughout the RIIO-T2 price control, underpinning its goal of zero interruptions to homes and businesses.

Delivery of the capital investment programme has continued at pace during the year. With progress on the 11 major projects detailed below, other progress in the year included the Kergord to Gremista 132kV connection and Gremista Grid Supply Point, which was completed in April 2026. Full energisation will follow completion of SSEN Distribution's 'Shetland Standby Project', anticipated later in 2026.

The East Coast 400kV upgrade between Kintore and Kincardine also continues to make good progress. Several sections will be replaced with higher capacity conductors than initially planned, with completion and full energisation of this programme now expected in 2027.

In March 2026, SSEN Transmission confirmed its acceptance of Ofgem's Final Determination for the RIIO-T3 period, which commenced on 1 April 2026, recognising it as an investable and deliverable settlement overall.

Delivering on key consents

Our 11 major projects, six of which are onshore and five offshore, continue to make good progress.

SSEN Transmission is sensitive to the views of the communities hosting its major projects, which is why, based on one of the largest public consultation exercises Scotland has ever seen, substations have been relocated and routes have been altered. The business is also providing new community benefit funding – projected to be over £100m – alongside supporting the delivery of 1,000 new homes.

With all regulatory approvals of need secured and supply chain frameworks for delivery in place, securing all necessary planning consents remains a top priority. Of the 34 major consents required, 25 have been secured. These includes five substation sites, two overhead lines and two marine licence consents achieved during 2025/26.

All outstanding consent decisions are expected within the next 12 months. This includes four substation consents that have been appealed to the Scottish Government following refusal by local Planning Authorities, decisions that went against the independent expert advice of Planning Authority planning officers.

Cambushinnie substation was previously approved by Perth and Kinross Council, but following legal challenge that decision was rescinded. The Cambushinnie consent is expected to be re-determined by Perth and Kinross Council this Summer.

Delivering on construction

Timely delivery on all 11 major projects remains a priority - including those which are classed as ASTI projects. These remain on track to be delivered in line with their regulatory licence output dates – starting with EGL2 in 2029.

In Argyll, the first steel lattice tower on the 9km Creag Dhubh-Inveraray overhead line has been erected, with all earthworks and the main substation buildings at Creag Dhubh also complete ahead of the electrical installation works.

The Orkney link has also made strong progress, with major earthworks and steelworks complete at Dounreay and Finstown substations.

Early construction works have progressed on the Skye Reinforcement.

The EGL2 project, the first subsea link to be jointly delivered with National Grid Electricity Transmission, marked 18 months in construction in March 2026, with significant progress at both the Peterhead and Wren Hall sites.

Following receipt of its marine licence in November 2025, the Spittal-Peterhead HVDC link became the fifth major project to enter construction.

On the Eastern Green Link 3 (EGL3) project, contracts have been signed with key supply chain partners including Hitachi Energy for the HVDC convertor stations and NKT for manufacture and installation of the 690km cable.

Longer-term opportunities

In summer 2026, NESO is expected to update its second transition Centralised Strategic Network Plan (tCSNP), Beyond 2030. This is expected to identify and progress further onshore reinforcements and subsea links for delivery during the next decade.

SSEN Distribution

SSEN Distribution, operating under licence as Southern Electric Power Distribution plc (SEPD) and Scottish Hydro Electric Power Distribution plc (SHEPD), serves around 4m homes and businesses across two licence areas in central southern England and the north of Scotland.

Key Performance Indicators	Mar 26	Mar 25
Adjusted operating profit - £m	335.3	736.0
Reported operating profit - £m	296.9	736.0
Adjusted investment and capital expenditure - £m	851.8	635.8
Regulated Asset Value (RAV) - £m	6,611	5,737
Customer Satisfaction score	9.05/10	8.81/10
Customer Minutes Lost (SHEPD) average per customer	79	69
Customer Minutes Lost (SEPD) average per customer	54	51
Customer Interruptions (SHEPD) per 100 customers	71	59
Customer Interruptions (SEPD) per 100 customers	47	42

RAV, Customer minutes lost and Customer interruptions figures estimated and subject to outturn of annual regulatory process

Financial performance

Adjusted operating profit decreased by 54% to £335.3m compared to £736.0m in the prior year. This large decrease was expected and driven by a non-recurring timing effect in the prior year predominantly for cost inflation from 2022 to 2024, which significantly increased prior year allowed revenues.

Reported operating profit decreased to £296.9m compared to £736.0m in the prior year, reflecting the movements above in addition to £(38.4)m of exceptional restructuring costs.

Capex investment of £851.8m increased by 34% compared with the prior year, reflecting the continued delivery aligning with the RIIO-ED2 investment plan. In the north, £288m was invested, including commencement of major subsea cable works at Loch A'Choire and Skye-Uist, pole-mounted transformer replacements, and other network reinforcement work. In the south, £520m of investment supported pole- mounted transformer replacements and key network reinforcement schemes at Iver (West London), Fleet–Aldershot (Hampshire) and Bramley–Thatcham (near Reading).

Operational delivery

SSEN Distribution has completed the third year of the RIIO-ED2 price control period, which runs to March 2028 and includes £3.6bn of baseline expenditure (2020/21 prices), while more than £157m in additional funding has been secured through Uncertainty Mechanisms so far.

Overall customer satisfaction scores have increased compared with 2024/25 to a reward position in 2025/26 with a score of 9.05/10. This represents SSEN Distribution's strongest performance since Ofgem introduced the Broad Measure Incentive in 2015. Improvements in Time to Connect and Time to Quote also exceeded Ofgem targets. However, storms in the north of Scotland affected Customer Interruptions and Customer Minutes Lost.

Storm Floris was the most significant summer storm the business has ever faced and was classed as a Category Two exceptional event, affecting almost 85,000 customers. Power was restored to 98% of customers within 48 hours. October's Storm Amy was an exceptional '1-in-20' event, making it the third-most damaging named storm in the north of Scotland on record. Supplies were restored within six days, a day earlier than Storm Eowyn in January 2025, despite Amy causing around 100 more faults.

SSEN Distribution gained £1m in reward through the Consumer Vulnerability Incentive. Almost 400,000 tailored Power Cut Plans have been sent to customers and – in an industry first – the business has delivered the first of 20,000 home battery packs to medically-dependent Priority Services customers most in need.

The business's Distribution System Operator function earned an over £5m return through Ofgem's DSO Incentive in 2024/25, up from £2m the previous year, reflecting better stakeholder feedback and panel assessment.

Strategic progress

SSEN Distribution continues to make strong progress against its RIIO-ED2 plan while laying the foundations for ED3. The capital delivery programme has accelerated, including completion of a £38m project to install and energise five new subsea cables connecting Scotland's islands.

A new £950m framework has been established to support long-term subsea upgrades, complementing £1.4bn of existing Capital Delivery agreements for on-land infrastructure. These are enabling major upgrades such as £155m in Southampton, £100m in Swindon and £20m in south-west Dorset.

More than £150m of additional funding has been secured in 2025/26 through Uncertainty Mechanisms, including £77m for the Hebrides and Orkney (HOWSUM) re-opener to support economic growth and increase capacity. A further £80m relates to subsea infrastructure and cyber security. Ofgem is assessing an additional ~£770m of UM requests, including ~£725m in Load-Related Expenditure to support network development through the remainder of ED2 and early ED3 mobilisation.

Connections remain a priority, with ramped offers giving a proportion of requested capacity to customers to help manage increasing demand over time. The business continues to support NESO's Connections Reform programme, meeting all deadlines and guiding customers through the process. For domestic customers seeking to connect, a new 'self-serve' tool has already generated initial cost estimates in as little as two minutes for 2,928 customers, while the advent of smartphone video surveys is further improving customer experience.

SSEN Distribution plays a leading role in developing the Electricity Networks Sector Growth Plan, which focuses on maximising the benefits to the wider economy of ongoing electrification and decarbonisation, through the creation of more sustainable UK-based supply chains and new skilled jobs.

RIIO-ED3 Price Control

Strategic Development Plans, now published for the entirety of SSEN Distribution's licence areas, underpin long-term planning to 2050 and will inform the ED3 business plan, which is due for submission in December 2026. A period of extensive engagement is currently under way as the ED3 plan is formed.

Ofgem's Sector Specific Methodology Decision sets out the important role for DNOs in enabling the benefits of increased electrification and supporting economic growth, through a combination of increased network investment supported by flexibility. It further outlines a number of financial considerations which will require detailed assessment, development and decision, including potential adjustments to the Totex Incentive Mechanism (TIM) and options to reduce gearing to address inflation impacts, alongside confirmation of the "enhanced coordinator" role for DNOs in the rollout of low-carbon technologies.

Through ED3 and beyond, SSEN Distribution is facing into a multi-decade growth opportunity. To optimise the business for delivery, work continues on a transformative change programme that is taking cost out of the business and putting it into the systems, tools and processes needed to excel over the long term.

SSE Renewables

SSE Renewables is a leading developer and operator of renewable energy generation, focusing on onshore and offshore wind, hydro and battery storage across the UK and Ireland, and in carefully selected international markets.

Key Performance Indicators	Mar 26	Mar 25
Adjusted operating profit - £m	1,076.4	1,038.8
Reported operating profit - £m	725.3	617.6
Adjusted investment & capital expenditure – £m	739.0	1,001.8
Generation capacity – MW[1]		
Onshore wind capacity – MW	2,570	2,454
Offshore wind capacity – MW	1,014	1,014
Conventional hydro capacity – MW	1,164	1,164
Pumped storage capacity – MW	300	300
Solar & Battery capacity - MW	231	50
Total renewable generation capacity (inc. storage) – MW[2]	**5,279**	**4,982**
Contracted capacity[3]	3,293	3,189
Generation output – GWh (including compensated constraints)		
Onshore wind output – GWh[4]	6,813	6,012
Offshore wind output – GWh[4]	4,573	3,878
Conventional hydro output – GWh	2,795	2,946
Pumped storage output – GWh	280	324
Solar & Battery output - GWh	46	46
Total renewable generation (inc. storage) – GWh[5]	**14,507**	**13,206**

1. Capacity and output based on 100% of wholly owned sites and share of Joint Ventures.
2. Total renewable generation capacity is increased by 297MW. This principally reflects 101MW from Yellow River wind farm, Littleton solar farm 31MW and Ferrybridge BESS 150MW.
3. Contracted capacity includes sites with a CfD, RESS contract, eligible for ROCs, or contracted under REFIT (CfD contracts may be still to commence).
4. Onshore wind output includes 1.7TWh of compensated constrained-off generation in 2025/26 and 1.3TWh in 2024/25; Offshore wind output includes 1.4TWh of compensated constrained-off generation in 2025/26 and 1.7TWh in 2024/25.
5. Biomass capacity of 15MW and output of 78GWh in 2025/26 and 69GWh 2024/25 is excluded, with the associated operating profit or loss reported within SSE Thermal.

Financial performance

Adjusted operating profit increased by 4% to £1,076.4m from £1,038.8m in the prior year. Earnings reflected higher output delivered into a lower hedged price environment, with 2025/26 hedge prices around 20% lower than the prior year. Output was supported by generation from initial commissioning at Dogger Bank A (1.2GW, SSE share 40%) and the delivery of Yellow River (101MW), partially offset by mixed weather conditions particularly in hydro.

Reported operating profit increased by 17% to £725.3m from £617.6m in the prior year. This reflects the above and other movements including restructuring costs associated with the Group’s Operating Model and Efficiency Review and a non-cash impairment of £155.8m relating to Aberarder (50MW) and Strathy South (208MW) onshore wind farms in Scotland, reflecting construction programmes impacted by delayed grid access.

Capex of £739.0m was invested during the period, including £157m of equity for Dogger Bank. Meanwhile £146m was invested in onshore wind in Scotland and Ireland. £48m of capex was delivered in Southern Europe, with progress made at onshore wind projects across Spain and Italy. On Battery Energy Storage System (BESS) projects, £96m was incurred in progressing the delivery of Derrymeen, Ferrybridge, Fiddlers Ferry and Monk Fryston.

Operational delivery
Onshore wind volumes increased by 13% from 6.0TWh to 6.8TWh, reflecting increased capacity including the addition of Yellow River. This was partially offset by variable weather conditions and increased levels of system-driven curtailment in Ireland alongside planned and unplanned maintenance including an ongoing outage at Hadyard Hill.

In offshore wind, output increased by 18% from 3.9TWh to 4.6TWh driven by ongoing turbine commissioning work at Dogger Bank A. Hydro production decreased by 5% from 2.9TWh to 2.8TWh reflecting mixed precipitation across the year.

In the GB T-4 Capacity Market auction (2029/30 delivery year) SSE Renewables secured one-year agreements for 935MW of de-rated capacity across hydro (925MW) including 137MW for Sloy hydro scheme and 10MW of onshore wind at a clearing price of £27.10/kW.

In Ireland's T-4 auction, a one-year agreement for 20MW of de-rated onshore wind capacity for delivery year 2029/30 was secured at a clearing price of €135.5/kW.

Strategic progress
SSE Renewables continues to progress the delivery of Dogger Bank wind farm (3.6GW, SSE share 40%). Following the completion of turbine installation at Dogger Bank A in February 2026, commissioning continues and is expected to be substantially complete by the end of calendar year 2026. Turbine installation is progressing strongly at Dogger Bank B (1.2GW, SSE share 40%) with the installation run-rate far exceeding that achieved on the first phase, resulting in 20 turbines currently installed and first power achieved in early March. On Dogger Bank C (1.2GW, SSE share 40%) installation of transition pieces was completed in November 2025, marking the successful installation of foundations across all three phases. When fully complete Dogger Bank will be capable of producing 6% of UK current demand, delivering substantial value for consumers from this nationally significant infrastructure.

Berwick Bank wind farm, consented in July 2025 for up to 4.1GW of offshore capacity, represents the potential of further critical infrastructure delivery by SSE for the UK, contributing to long-term energy security and clean power targets. If built to its full potential capacity, Berwick Bank could become the world's largest offshore wind farm on completion. In January 2026, Berwick Bank B secured a valuable route to market via a 20-year contract for 1.4GW of offshore capacity at a competitive strike price for consumers of £89.49/MWh through CfD Allocation Round 7. A final investment decision is expected in 2027.

The UK's intention to run Allocation Round 8 in the second half of 2026 is a positive step for the energy transition. As with AR7, ambition on capacity will be critical to sustaining offshore delivery and value for consumers. In April 2026, further information on the offshore planning consent application for Arklow Bank Wind Park 2 (800MW) was submitted to Ireland's statutory planning body and a determination is anticipated by the end of the year. In May 2026, North Falls (up to 900MW, SSE share 50%) was granted development consent for its offshore array.

Onshore wind construction at Aberarder and Strathy South in Scotland has been impacted by delayed grid access, resulting in the reported non-cash impairment. Construction continues at the RESS4-contracted Drumnahough wind farm in Ireland (58MW, SSE share 50%).

In England, Ferrybridge BESS (150MW) and Littleton solar (31MW) entered commercial operations in March 2026. Battery installation continues at the Monk Fryston (320MW) and Fiddlers Ferry (150MW) BESS projects. In Northern Ireland, following a final investment decision in December 2025, construction has started on the Derrymeen BESS (100MW) project.

In Southern Europe, Jubera wind farm (64MW) in Spain entered commercial operations in May 2026 and construction of a further 72MW of onshore wind capacity is under way at sites in Spain and Italy.

In hydro, repowering of Lochay power station (45MW) to extend its useful life by at least 40 years continues. The first of the two new turbine generating units is currently being installed and is expected to be commissioned later this year. The Coire Glas pumped storage hydro project (1.4GW) has progressed to the Project Assessment stage of Ofgem's Cap and Floor scheme for long-duration electricity storage, with the minded-to decision on successful projects expected in summer 2026.

SSE Thermal

SSE Thermal owns and operates conventional flexible thermal generation in GB and Ireland and gas storage in GB. It is developing options for lower carbon power generation and hydrogen storage, while maintaining its existing flexible and efficient fleet which continues to play a critical role in the transition to net zero.

Key Performance Indicators	Mar 26	Mar 25[1]
Adjusted operating profit - £m	195.4	211.4
Reported operating profit - £m	243.0	195.3
Adjusted investment and capital expenditure - £m	197.5	183.8
Generation capacity[2] – MW		
Gas-fired generation capacity – MW	6,210	6,210
Energy from waste capacity & Biomass – MW	43	43
Total thermal generation capacity – MW	**6,253**	**6,253**
Generation output[3] – GWh		
Gas-fired output – GWh	14,829.9[4]	17,641.6
Energy from waste & Biomass output – GWh	186.2	182.4
Total thermal generation – GWh	**15,016.1**	**17,824.0**

Gas storage levels	Mar 26	Mar 25
Gas storage level at year end – mTh	33.1	79.3
Gas storage level at year end – %	18	47

1 2025/26 reporting merges SSE Thermal and Gas Storage segments. Comparative performance has been restated.
2 Capacity is wholly owned and share of joint ventures, and reflects Transmission Entry Capacity.
3 Output is based on SSE 100% share of wholly owned sites and 100% share of Marchwood PPAs due to the contractual arrangement.
4 Gas -fired output includes 56GWh Oil-fired output

Financial performance

The net adjusted operating profit for SSE Thermal fell slightly to £195.4m compared to £211.4m in the prior year. This decrease was largely driven by lower market performance, due to lower plant availability and periods of low volatility.

Reported operating profitability increased to £243.0m compared to £195.3m in the prior year. This reflects the movements above including restructuring costs associated with the Group's Operating Model and Efficiency Review, non-cash impairment reversals of £48.5m relating to operational Gas Storage assets and £29.4m relating to the carrying value of the Group's investment in Triton Power.

Operational delivery

SSE Thermal's overriding objective is to maintain commercial availability of its existing fleet and develop investment options to support security of supply into the 2030s and beyond. Flexible power stations continue to secure value through a diversified stack of revenues, including the Capacity Market, intrinsic forward spark spread, the Balancing Mechanism and other ancillary contracts.

SSE applies rigorous commercial discipline through any auctions and remains confident that the value of SSE Thermal assets will be realised through this approach. Keadby 1 Power Station secured a provisional Capacity Market agreement for 686MW de-rated electricity generation capacity, running from 1 October 2029 to 30 September 2030. Agreements were not taken for Peterhead, Medway, Burghfield and Chickerell power stations due to the non-commerciality of the clearing price. These assets remain contracted to 30 September 2029, with options to secure agreements in future auctions. SSE Thermal assets in Ireland secured agreements for 543MW of de-rated capacity, valued at a total of around €288m, including a five-year agreement for Great Island.

SSE Thermal delivered a successful summer outage programme across the flexible generation fleet. However, unplanned outages at Keadby 2, Medway and Great Island impacted availability outside of the summer period.

SSE Thermal's gas storage assets remain an important risk management tool for the Group's generation portfolio, with fast-cycle assets an important part of a resilient energy system. Favourable summer/winter spreads enabled injection and withdrawal in the first half of the year. Cavern Eight at Atwick returned to service at the beginning of October 2025, delivering additional value.

Strategic progress

Construction is under way at the 300MW Tarbert Next Generation power station, targeting full commercial operation from October 2027. The station has secured €335m of revenues through a 10-year capacity agreement. Final investment decision was taken on Platin, a 170MW power station in County Meath, in July 2025, and preparatory works are under way with full site mobilisation expected in the coming months, targeting full commercial operation from October 2028. This project is also underpinned by a 10-year capacity agreement, with a total value of around €250m. An amendment to the planning consent was since secured to enable Platin to run on natural gas as well as sustainable biofuels. A further 10-year capacity agreement was secured to support this at a value of around €20m.

SSE Thermal has developed shovel-ready programmes to extend the lives of its existing, wholly-owned CCGTs in GB. Subject to securing multi-year Capacity Market agreements, these investments would help ensure that existing generation assets remain ready to respond to system need, providing the enduring flexibility which is critical to enabling a renewables-led system.

In the UK, further detail is pending on the mechanisms to procure new-build dispatchable capacity, including the Hydrogen to Power Business Model, any adaptations to the Capacity Market and further allocation of Dispatchable Power Agreements for CCS projects. These options could support investment in SSE Thermal's flexible generation pipeline, including Keadby Next Generation and Ferrybridge Next Generation, Keadby CCS and Peterhead CCS. For Peterhead CCS, SSE is continuing to work with Scottish Cluster partners and UK Government to agree a programme of funded development work.

During the course of 2025, SSE reviewed its hydrogen development strategy and, in response to material policy delays to the roll-out of low-carbon hydrogen, took the decision to pause its standalone hydrogen production projects. Near-term efforts are focused on enabling hydrogen in the Humber region, and SSE Thermal's role as an offtaker or low-carbon hydrogen for future hydrogen-to-power projects.

Energy Customer Solutions

Energy Customer Solutions delivers a range of energy products and services to the non-domestic market in GB and both the domestic and non-domestic markets in the island of Ireland. It creates routes to market including Corporate Power Purchase Agreements and green supply contracts and offers energy solutions and distributed energy products that stabilise costs, provide speed to power and reduce carbon emissions.

Key Performance Indicators[1]	Mar 26	Mar 25
Adjusted operating profit – £m	136.9	192.1
Reported operating profit - £m	136.2	189.2
Adjusted investment and capital expenditure – £m	34.8	80.0
Aged debt (60 days past due) – £m	289.8	298.6
Bad debt expense £m	27.3	42.5
Electricity and Gas sold		
Electricity Sold – Airtricity - GWh	10,577	6,704
Electricity Sold – Business Energy - GWh	8,394	9,840
Gas Sold – Airtricity - mtherms	232	237
Gas Sold – Business Energy - mtherms	85	120
Customer numbers		
All Ireland energy market customers – Airtricity - m	0.72	0.77
Energy customers' accounts – Business Energy - m	0.24	0.31

1 Segmental reporting for SSE Airtricity and Business Energy have been merged for 2025/26. Comparative performance has been restated.

Financial performance

Adjusted operating profit declined by 29% to £136.9m from £192.1m in the prior year primarily driven by lower wind related revenues and lower supply volumes. This was partially offset by improved debt performance and operational efficiencies. The year saw lower customer numbers, reflecting tighter market competition and a decision to focus on stabilisation of the new billing system in GB.

Reported operating profit decreased to £136.2m compared to £189.2m in the previous year, reflecting the movements above.

Operational delivery

In the last 12 months an acceleration in the development of data centres has created opportunities for Energy Customer Solutions (ECS). In Ireland, where the data centre sector is well established, energy sold to the data centre sector increased by 4TWh to 6TWh, taking the total power supplied to domestic and non-domestic customers on the island to 10.6TWh. SSE Airtricity now supplies around 80% of the energy to data centres in Ireland.

In GB, where data centre build-out is less advanced, the focus has been on building strategic relationships with key market players, for example through the delivery of a private network solution to a Microsoft data centre development in South Wales and the expansion of network capacity to Europe's largest data centre conurbation in Slough.

ECS's supply businesses have faced difficult market conditions over the last year. SSE Airtricity saw modest customer losses after reluctantly deciding to increase tariffs by an average of 9.5% from October (4% Northern Ireland), balanced with customer support initiatives. Business Energy saw a reduction in customer numbers due to market competition and the knock-on impact of previously paused sales.

Energy affordability remains a key concern in both GB and Ireland with governments implementing policy measures to support customers. ECS continues to engage with governments and other stakeholders to influence policy direction, as well as providing a range of supports to customers.

ECS has supported customers to electrify and decarbonise their homes and businesses in the last year. Notable achievements include installing solar panels on 400 homes of medically vulnerable people in Ireland at no cost; and in GB, an agreement with Transport for London to partner on delivery of solar developments that will partially power the London Underground, with potential for future expansion.

Strategic progress

The growing data centre sector will be an area of focus for ECS over the coming year both in Ireland, where a long-awaited Large Energy Users policy has essentially lifted a de facto moratorium on new facilities, and in GB, where strong growth of the sector is expected in the UK Government's AI Growth Zones.

Energy Customer Solutions is exploring 'speed to power' opportunities with data centre hyperscalers and large data centre developers that face challenges securing grid connections, including bridging solutions, private networks and behind-the-meter generation.

SSE's existing and future pipeline of assets across SSE Renewables and SSE Thermal, as well as existing relationships held by ECS, are strategic strengths as the sector looks for partners to help develop large-scale energy solutions.

With global energy cost volatility potentially continuing, SSE Airtricity and SSE Business Energy are prepared for some challenges first few months of the financial year. Experience of previous global energy volatility has informed planning, and engagement with governments and regulators continues to help shape consumer support measures. ECS seeks to support all customers, particularly those that are vulnerable, and will continue to offer tariff options that provide customers with choices to suit their circumstances.

SSE Energy Markets

SSE Energy Markets optimises all of SSE's market-based assets by trading across key commodity markets – power, gas and carbon –and managing associated market risks to secure and enhance long-term value.

Key Performance Indicators	Mar 26	Mar 25
Adjusted operating profit - £m	43.2	30.0
Reported operating loss - £m	(145.8)	(42.9)

Financial performance

Adjusted operating profit increased by 44% to £43.2m from £30.0m in the prior year. In addition to this relatively low level of baseline operating earnings, SSE Energy Markets' trading activities also drive significant value for the energy-exposed businesses. The increase in profitability is mainly driven by optimisation trading on commodity positions and an increase in volume and margin achieved on green certificate sales.

Reported operating loss increased to £(145.8)m compared to a loss of £(42.9)m in the prior year. Despite favourable movements noted above, reported operating results include a higher value of net remeasurement losses on forward commodity derivatives relative to the previous year. These IFRS 9 re-measurements exclude any re-measurement of 'own use' contracts and are unrelated to underlying operating performance.

Operational delivery

SSE Energy Markets has remained central to managing market volatility, mitigating risk and maximising value for the Group's market based Business Units. Operating as a single centre of excellence across all trading periods, it secures value for SSE's asset portfolio, which continues to be reported within individual Business Units.

Strategic progress

The business has continued to focus on optimisation activities and position taking, all within SSE's strict position limit and Value at Risk (VAR) controls, while also contracting third party Power Purchase Agreements and wider route to market services.

At the full-year, SSE Energy Markets held 2.9GW of CfD-backed route-to-market contracts, of which 2.4GW were third party including 15-year agreements with two low-carbon solar farms. It also added 1.3GW of Combined Heat and Power (CHP) and Open Cycle Gas Turbine (OCGT) sites from Triton Power to its portfolio this year. The business continues to originate contracts and execute structured products to optimise the SSE portfolio.

Trading activity in European power and gas markets continued to grow steadily, deepening insight into the global energy complex. This capability is increasingly important as the Group develops, constructs and operates assets in carefully selected international markets. SSE Energy Markets will continue to add value to the Group by providing a long-term view on market fundamentals to inform SSE's strategic and investment decision making.

Immediate priorities for the business include the commencement of third-party, large-scale battery energy storage systems (BESS) contracts in 2026, and development of systematic trading functionality, using deep analytics to maximise value for the Group's portfolio.

Alternative Performance Measures

When assessing, discussing, measuring and reporting the Group's financial performance, management refer to measures used for internal performance management. These measures are not defined or specified under International Financial Reporting Standards ("IFRS") and as such are considered to be Alternative Performance Measures ("APMs").

By their nature, APMs are not uniformly applied by all preparers including other participants in the Group's industry. Accordingly, APMs used by the Group may not be comparable to other companies within the Group's industry.

PURPOSE

APMs are used by management to aid comparison and assess historical performance against internal performance benchmarks and across reporting periods. These measures provide an ongoing and consistent basis to assess performance by excluding items that are materially non-recurring, uncontrollable or exceptional. These measures can be classified in terms of their key financial characteristics:

- **Profit measures** allow management to assess and benchmark underlying business performance during the year. They are primarily used by operational management to measure operating profit contribution and by the Board to monitor performance against business plan. The Group has six profit measures, of which Adjusted Operating Profit and Adjusted Profit Before Tax are the main focus of management through the financial year and Adjusted Earnings Per Share is the main focus of management on an annual basis. In order to derive Adjusted Earnings Per Share, the Group has defined Adjusted Operating Profit, Adjusted Net Finance Costs, and Adjusted Current Tax Charge as components of the Adjusted Earnings Per Share calculation. Adjusted EBITDA is used by management as a proxy for cash derived from ordinary operations of the Group.
- **Capital measures** allow management to track and assess the progress of the Group's significant capital investments and projects against their approved investment cases, including the expected timing of their operational deployment and to provide a measure of progress against the Group's strategic objectives.
- **Debt measures** allow management to record and monitor both operating cash generation and the Group's ongoing financing and liquidity position.

During the year the Group refined its Adjusted Net Debt and Hybrid Capital measure by removing a proportionate share of SSE plc's external debt invested in subsidiaries with a non-controlling interest, along with any related net finance costs from its Adjusted Net Finance Costs, Adjusted Profit Before Tax and Adjusted Earnings Per Share measures. There have been no other changes to the way the Group calculates its APMs in the current year.

The following section explains the key APMs applied by the Group and referred to in these Summary Financial Statements:

PROFIT MEASURES

Group APM	**Purpose**	**Closest equivalent IFRS measure**	**Adjustments to reconcile to primary financial statements**
Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation)	Measure which acts as proxy for cash generated from operating activities	Operating profit	• Movement on operating and joint venture operating derivatives ("certain re-measurements") • Exceptional items • Adjustments to Gas Production decommissioning provision • Share of joint ventures and associates' interest and tax • Depreciation and amortisation before exceptional charges (including depreciation expense on fair value uplifts) • Share of joint ventures and associates' depreciation and amortisation • Operating profit attributable to non-controlling interest holders • Depreciation and amortisation attributable to non-controlling interest holders • Release of deferred income
Adjusted Operating Profit	Measure of the underlying business performance excluding material non-recurring and exceptional items	Operating profit	• Movement on operating and joint venture operating derivatives ("certain re-measurements") • Exceptional items • Adjustments to Gas Production decommissioning provision • Depreciation expense on fair value uplifts • Share of joint ventures and associates' interest and tax • Operating profit attributable to non-controlling interest holders

Adjusted Profit Before Tax	Measure of the underlying business performance excluding material non-recurring and exceptional items, before tax	Profit before tax	• Movement on operating and financing derivatives ("certain re-measurements") • Exceptional items • Adjustments to Gas Production decommissioning provision • Profit before tax attributable to non-controlling interest holders • Depreciation expense on fair value uplifts • Share of joint ventures and associates' tax
Adjusted Net Finance Costs	Used to monitor the underlying cost of Group financing	Net finance costs	• Exceptional items • Movement on financing derivatives • Share of joint ventures and associates' interest • Net financing costs attributable to non-controlling interest holders
Adjusted Current Tax Charge	Measure of the current year tax charge excluding deferred and exceptional elements	Tax charge	• Share of joint ventures and associates' tax • Non-controlling share of current tax including tax on net finance costs attributable to non-controlling interest holders • Deferred tax including share of joint ventures, associates and non-controlling interests • Tax on exceptional items and "certain re-measurements"
Adjusted Earnings Per Share	Measure of earnings available to ordinary shareholders on an adjusted basis	Earnings per share	• Exceptional items • Adjustments to Gas Production decommissioning provision • Movements on operating and financing derivatives ("certain re-measurements") • Depreciation expense on fair value uplifts • Deferred tax including share of joint ventures, associates and non-controlling interests • Net finance costs attributable to non-controlling interest holders

RATIONALE FOR ADJUSTMENTS TO PROFIT MEASURES

1. Movement on operating and financing derivatives ("certain re-measurements")

This adjustment can be designated between operating and financing derivatives.

Operating derivatives

The Group's SSE Energy Markets function enters forward commitments or options to buy or sell power, gas and other commodities. These contracts are used to:

- meet the future demand requirements of Energy Customer Solutions, or
- optimise the value of generation from SSE Renewables and SSE Thermal generation assets; or
- conduct trading activities within the value at risk limits set out by the Energy Markets Risk Committee.

Certain of these contracts (predominantly purchase contracts) are determined to be derivative financial instruments under IFRS 9 and as such are required to be recorded at their fair value. Changes in the fair value of those commodity contracts designated as IFRS 9 financial instruments are recognised in the income statement (as part of "certain re-measurements").

The Group presents these fair value movements separately, as they introduce volatility that does not reflect the underlying performance of its operating segments. The underlying value of these contracts is recognised as the relevant commodity is delivered, typically within the subsequent 12 to 24 months.

Conversely, commodity contracts that do not meet the definition of a financial instrument under IFRS 9 (predominately sales contracts) are accounted for as "own use" contracts and are consequently not recorded until the commodity is delivered and the contract is settled.

Additionally, gas inventory purchased by the Group's Gas Storage business for secondary trading opportunities is also held at fair value with gains and losses on re-measurement recognised as part of "certain re-measurements" in the income statement.

Finally, the mark-to-market valuation movements on SSE Renewables' contracts for difference ("CfDs") that are not designated as government grants and are measured as Level 3 fair value financial instruments are also included within "certain re-measurements".

Financing derivatives

Financing derivatives include all fair value and cash flow interest rate hedges, non-hedge accounted (mark-to-market) interest rate derivatives, cash flow foreign exchange hedges and non-hedge accounted foreign exchange contracts entered to manage the Group's banking, liquidity and risk management exposures relating to interest rate and foreign exchange.

Changes in the fair value of the non-hedge account financing derivatives are recognised in the income statement (within "certain re-measurements"). These forward contracts are presented separately as this mark-to-market movement does not reflect the underlying performance of the Group's operations.

Presentation

The re-measurements arising from both operating and financing derivatives, together with their associated tax effects, are disclosed separately to aid transparency and provide a clearer understanding of the Group's underlying performance.

2. Exceptional items

Exceptional charges or credits, and the tax effects thereof, are considered unusual by nature or scale and of such significance that separate disclosure is required for the underlying performance of the Group to be properly understood. Further explanation for the classification of an item as exceptional is included in note 4.2.

3. Adjustments to Gas Production decommissioning provision

The Group retains an obligation for 60% of the decommissioning liabilities of its former Gas Production business which was disposed in October 2021. The revaluation adjustments relating to these decommissioning liabilities are accounted for through the Group's consolidated income statement and are removed from the Group's adjusted profit measures as the revaluation of the provision is not considered to be part of the Group's core continuing operations.

4. Share of joint ventures and associates' interest and tax

The Group's reported operating profit includes its share of post-tax results from equity-accounted joint ventures and associates. For internal performance management and for consistency, SSE excludes its share of associated interest and tax from its Adjusted Operating Profit. On adoption of IFRS 18 the Group's share of joint venture interest and tax will no longer be reported within operating profit. It is expected that the Group's APM reconciliations will be amended to maintain consistent reporting of Adjusted Profit Measures.

5. Share of joint ventures and associates' depreciation and amortisation

For management purposes, the Group considers Adjusted EBITDA ("earnings before interest, tax, depreciation and amortisation") based on a sum-of-the-parts derived metric which includes a share of the EBITDA from equity accounted investments. While this is not equal to adjusted cash generated from operating activities, it is considered useful by management in assessing a proxy for such a measure, given the complexity of the Group structure and the range of investment structures utilised. For the purpose of calculating the Net Debt to EBITDA metric, Adjusted EBITDA is further refined to remove the proportion of adjusted EBITDA from equity-accounted joint ventures relating to off-balance sheet debt (see note 6.3).

6. Depreciation expense on fair value uplifts

When SSE reduces its ownership interest in a subsidiary through a part disposal that results in the loss of control, the retained interest is initially re measured at fair value. This can give rise to fair value uplifts on the underlying assets. These uplifts are recognised as non cash exceptional gains in the year of the transaction. The associated depreciation or amortisation arising from these one-off uplifts is excluded from the Group's Adjusted Profit Measures, as it does not reflect the ongoing underlying performance of the business.

7. Release of deferred income

The Group deducts the release of deferred income in the year from its Adjusted EBITDA metric as it principally relates to customer contributions against depreciating assets. As the metric adds back depreciation, the income release is also deducted.

8. Deferred tax

The Group adjusts for deferred tax when arriving at adjusted profit after tax, Adjusted Earnings Per Share and its adjusted effective rate of tax. Deferred tax arises as a result of differences in accounting and tax bases that give rise to potential future accounting credits or charges. As the Group remains committed to its ongoing capital programme, the liabilities associated are not expected to reverse and accordingly the Group excludes these from its Adjusted Profit Measures.

9. Results attributable to non-controlling interest holders

Certain Group subsidiaries, including SSEN Transmission, are controlled but not wholly owned by the Group. The share of profit, depreciation, amortisation, net finance costs, and tax attributable to non-controlling interests is excluded from Adjusted Profit Measures to reflect only the results attributable to the Group's ordinary shareholders. For consistency with the refinement to the Group's adjusted debt measure, a proportionate share of net finance costs relating to non-controlling interests is removed, to better represent the Group's underlying economic interest. This refinement represents a change to the derivation of the Adjusted Net Finance Costs measure reported in the 31 March 2026 financial statements. The impact of this change applied in the year ended 31 March 2026 has been to decrease Adjusted Net Finance Costs from £219.8m to £211.8m (2025: £281.0m to £274.7m); increase Adjusted Profit Before Tax from £2,016.8m to £2,024.8m (2025: £2,138.2m to £2,144.5m); and increase Adjusted Earnings per Share from 153.0p to 153.5p (2025: 160.9p to 161.3p).

March 2026

(£m)	Reported	Movement on derivatives	Exceptional items	Reported before exceptional items and certain re-measurements	Adjustments to Gas Production decommissioning provision	Joint venture interest and tax	Depreciation on expense on FV uplifts	Deferred tax	Results attributable to non-controlling interests	Adjusted
Operating profit	**1,888.9**	**157.7**	**162.6**	**2,209.2**	**(12.6)**	**206.9**	**20.3**	**-**	**(187.2)**	**2,236.6**
Net finance (costs)/income	**(51.6)**	**(17.9)**	**-**	**(69.5)**	**-**	**(155.7)**	**-**	**-**	**13.4**	**(211.8)**
Profit before taxation	**1,837.3**	**139.8**	**162.6**	**2,139.7**	**(12.6)**	**51.2**	**20.3**	**-**	**(173.8)**	**2,024.8**
Taxation	**(425.7)**	**(16.9)**	**(39.6)**	**(482.2)**	**-**	**(51.2)**	**-**	**354.2**	**(14.2)**	**(193.4)**
Profit after taxation	**1,411.6**	**122.9**	**123.0**	**1,657.5**	**(12.6)**	**-**	**20.3**	**354.2**	**(188.0)**	**1,831.4**
Attributable to other equity holders	**(202.9)**	**1.9**	**-**	**(201.0)**	**-**	**-**	**-**	**(64.5)**	**192.6**	**(72.9)**
Profit attributable to ordinary shareholders	**1,208.7**	**124.8**	**123.0**	**1,456.5**	**(12.6)**	**-**	**20.3**	**289.7**	**4.6**	**1,758.5**
Number of shares for EPS	**1,145.4**									**1,145.4**
Earnings per share (pence)	**105.5**									**153.5**

EBITDA

Adjusted operating profit £m	Share of joint ventures and associates' depreciation and amortisation £m	Depreciation expense on FV uplifts £m	Release of deferred income £m	Depreciation, impairment and amortisation before exceptional charges £m	Depreciation, impairment and amortisation (before exceptional items) attributable to non-controlling interests £m	Adjusted EBITDA £m
2,236.6	**173.0**	**(20.3)**	**(13.1)**	**879.3**	**(47.6)**	**3,207.9**

March 2025 (*restated)

(£m)	Reported	Movement on derivatives	Exceptional items	Reported before exceptional items and certain re-measurements	Adjustments to Gas Production decommissioning provision	Joint venture interest and tax	Depreciation on expense on FV uplifts	Deferred tax	Results attributable to non-controlling interests	Adjusted
Operating profit	1,962.2	78.5	309.7	2,350.4	(17.9)	173.3	20.1	-	(106.7)	2,419.2
Net finance (costs)/income	(111.3)	(12.8)	(0.3)	(124.4)	-	(164.3)	-	-	14.0	(274.7)
Profit before taxation	1,850.9	65.7	309.4	2,226.0	(17.9)	9.0	20.1	-	(92.7)	2,144.5
Taxation	(518.0)	(4.0)	(29.7)	(551.7)	-	(9.0)	-	276.6	(13.8)	(297.9)
Profit after taxation	1,332.9	61.7	279.7	1,674.3	(17.9)	-	20.1	276.6	(106.5)	1,846.6
Attributable to other equity holders	(143.5)	-	-	(143.5)	-	-	-	(41.5)	111.3	(73.7)
Profit attributable to ordinary shareholders	1,189.4	61.7	279.7	1,530.8	(17.9)	-	20.1	235.1	4.8	1,772.9
Number of shares for EPS	1,099.2									1,099.2
Earnings per share (pence)	108.2									161.3

*The comparative has been restated. See note 2.3.4.

EBITDA

Adjusted operating profit £m	Share of joint ventures and associates' depreciation and amortisation £m	Depreciation expense on FV uplifts £m	Release of deferred income £m	Depreciation, impairment and amortisation before exceptional charges £m	Depreciation, impairment and amortisation (before exceptional items) attributable to non-controlling interests £m	Adjusted EBITDA £m
2,419.2	226.0	(20.1)	(14.1)	776.1	(37.8)	3,349.3

DEBT MEASURE

Group APM	Purpose	Closest equivalent IFRS measure	Adjustments to reconcile to primary financial statements
Adjusted Net Debt and Hybrid Capital	Measure of the capital owed to investors and lenders	Unadjusted net debt	• Cash held and posted as collateral and other deposits • Lease obligations • Borrowings and cash attributable to non-controlling interest holders • Hybrid equity

RATIONALE FOR ADJUSTMENTS TO DEBT MEASURE

10. Cash held and posted as collateral and other deposits

Cash held and posted as collateral refers to cash balances received from and deposited with counterparties including trading exchanges. Collateral balances mostly represent initial and variation margin, required as part of the management of the Group's exposures on commodity contracts, that will be received on maturity of the related trades. Deposits with a maturity of more than three months are also included in this adjustment. The Group includes this adjustment to better reflect the cash resources to which it has access, which in turn better reflects the Group's funding position.

11. Lease obligations

SSE's reported loans and borrowings include lease obligations recognised under IFRS 16 "Leases". The Group excludes these liabilities from Adjusted Net Debt and Hybrid Capital to better reflect the Group's underlying funding position with its primary sources of capital.

12. Borrowings and cash attributable to non-controlling interest holders

Certain Group subsidiaries, including SSEN Transmission, are controlled but not wholly owned by the Group. The share of external debt and cash attributable to non-controlling interests is excluded from Adjusted Net Debt and Hybrid Capital so that the debt metric reflects only amounts proportionately attributable to the Group's ordinary shareholders.

Additionally, where external funding is raised by SSE plc and used to fund investment in subsidiaries whose non-controlling interest holders do not contribute capital on a proportionate basis, such as SSEN Transmission, the Group has removed a proportionate share of external debt and related net finance costs to better represent the Group's underlying economic interest. This refinement represents a change to the Group's Adjusted Net Debt and Hybrid Capital measure presented in the 31 March 2026 financial statements. The impact of the change has been to decrease the Group's Adjusted Net Debt and Hybrid Capital measure from £10,345.0m to £10,095.0m (2025: £10,186.7m to £10,066.7m).

13. Hybrid equity

The characteristics of certain hybrid capital securities mean that they qualify for recognition as equity rather than debt under applicable accounting standards. Consequently, their coupon payments are presented within equity rather than within finance costs and are not included in SSE's Adjusted Profit Before Tax measure. To present total funding provided from sources other than ordinary shareholders, SSE presents its adjusted net debt measure inclusive of hybrid capital to better reflect the Group's funding position.

	March 2026 £m	March 2025 £m (restated*)
Unadjusted net debt	**(8,578.3)**	(9,513.9)
Cash (held) and posted as collateral and other deposits	**(246.0)**	(63.3)
Lease obligations	**456.7**	455.0
Borrowings and cash attributable to non-controlling interest holders	**1,258.4**	937.9
Adjusted Net Debt	**(7,109.2)**	(8,184.3)
Hybrid equity	**(2,985.8)**	(1,882.4)
Adjusted Net Debt and Hybrid Capital	**(10,095.0)**	(10,066.7)

*The comparative has been restated. See note 2.3.4.

CAPITAL MEASURES

Group APM	Purpose	Closest equivalent IFRS measure	Adjustments to reconcile to primary financial statements
Adjusted Investment and Capital Expenditure	Measures the Group's underlying investment in capital assets, excluding non-cash or third-party funded additions	Capital additions to intangible assets and property, plant and equipment	• Joint ventures and associates' additions funding • Allowances and certificates • Customer or third party funded additions • Lease asset additions • Capital expenditure attributable to non-controlling interests • Additions acquired through business combinations
Adjusted Investment, Capital and Acquisition Expenditure	Expands the above measure to include acquisition related cash consideration, providing a broader view of total investment growth	Capital additions to intangible assets and property, plant and equipment	• Joint ventures and associates' additions funding • Allowances and certificates • Customer or third party funded additions • Lease asset additions • Capital expenditure attributable to non-controlling interests • Additions acquired through business combinations • Acquisition cash consideration

RATIONALE FOR ADJUSTMENTS TO CAPITAL MEASURES

14. Joint ventures and associates' additions funding

Joint ventures and associates' additions included in the Group's capital measures represent the direct loan or equity funding provided by the Group to joint venture and associate arrangements in relation to capital expenditure projects. This has been included to better reflect the Group's use of directly funded equity accounted vehicles to grow the Group's asset base. Asset additions funded by project finance raised within the Group's joint ventures and associates are not included in this adjustment.

15. Allowances and certificates

Allowances and certificates consist of purchased carbon emissions allowances and generated or purchased renewable source of generation certificates such as renewable obligations certificates ("ROCs"). Additions of allowances and certificates in the year are not included in the Group's "capital expenditure and investment" APM to better reflect the Group's investment in enduring operational assets.

16. Customer or third party funded additions

Customer or third party funded additions represents additions to the Group's electricity and other networks that are financed by cash provided by third parties. Given these are directly funded by customers or third parties, these additions have been excluded to better reflect the Group's underlying investment position.

17. Lease asset additions

Additions of right of use assets under the Group's IFRS 16 compliant policies for lease contracts are excluded from the Group's adjusted capital measures as they do not represent directly funded capital investment. This is consistent with the treatment of lease obligations explained at 11, above.

18. Capital expenditure attributable to non-controlling interests

The Group's structure includes controlled but non-wholly owned subsidiaries which are consolidated within the financial statements under relevant IFRS. The Group has removed the share of capital additions attributable to these equity holders from its Adjusted Investment and Capital Expenditure and Adjusted Investment, Capital and Acquisition Expenditure measures. This is consistent with the adjustments noted elsewhere related to these non-controlling interests.

19. Additions through business combinations

Where the Group acquires an early-stage development company, which is classified as the acquisition of an asset, or group of assets and not the acquisition of a business, the acquisition is treated as an addition to intangible assets or property, plant and equipment and is included within Adjusted Investment and Capital Expenditure. Where the Group acquires an established business or interest in an equity-accounted joint venture requiring a fair value assessment in line with the principles of IFRS 3 "Business Combinations", the fair value of acquired consolidated tangible or intangible assets is excluded from the Group's Adjusted Investment and Capital Expenditure, as they are not direct capital expenditure by the Group. However, the fair valuation of consideration paid for the business or investment is included in the Group's Adjusted Investment, Capital and Acquisition Expenditure measure.

During the current and prior year there were no significant acquisitions.

20. Cash consideration in relation to business combinations

The Group has outlined a significant investment programme which will partly be achieved through the acquisition of businesses with development opportunities for the Group. The cash consideration paid for these entities is included within the Group's Adjusted Investment, Capital and Acquisition Expenditure measure as it provides stakeholders an accurate basis of cash investment into the Group's total development pipeline and is consistent with the reporting of the Group's projected capital investment expectations.

During the current and prior year there were no significant acquisitions.

	March 2026	March 2025
	£m	£m
Capital additions to intangible assets	**797.2**	1,045.5
Capital additions to property, plant and equipment	**3,983.5**	2,791.5
Capital additions to intangible assets and property, plant and equipment	**4,780.7**	3,837.0
Joint ventures and associates' additions	**189.0**	288.0
Allowances and certificates	**(500.6)**	(603.7)
Customer or third party funded additions	**(215.7)**	(163.4)
Lease asset additions	**(93.3)**	(126.7)
Capital expenditure attributable to non-controlling interests	**(574.5)**	(320.8)
Adjusted Investment and Capital Expenditure	**3,585.6**	2,910.4
Adjusted Investment, Capital and Acquisition Expenditure	**3,585.6**	2,910.4

Summary Financial Statements

Consolidated Income Statement

for the year ended 31 March 2026

		2026			2025		
	Note	**Before exceptional items and certain re-measure ments £m**	**Exceptional items and certain re-measure-ments (note 7) £m**	**Total £m**	Before exceptional items and certain re-measure-ments £m	Exceptional items and certain re-measure-ments (note 7) £m	Total £m
Revenue	6	**10,186.5**	**-**	**10,186.5**	10,131.9	-	10,131.9
Cost of sales		**(6,270.7)**	**(141.6)**	**(6,412.3)**	(6,210.9)	(57.4)	(6,268.3)
Gross profit/(loss)		**3,915.8**	**(141.6)**	**3,774.2**	3,921.0	(57.4)	3,863.6
Operating costs		**(1,818.6)**	**(162.6)**	**(1,981.2)**	(1,742.0)	(309.7)	(2,051.7)
Debt impairment charges		**(29.4)**	**-**	**(29.4)**	(47.1)	-	(47.1)
Other operating income		**37.3**	**-**	**37.3**	107.5	-	107.5
Operating profit/(loss) before joint ventures and associates		**2,105.1**	**(304.2)**	**1,800.9**	2,239.4	(367.1)	1,872.3
Joint ventures and associates:							
Share of operating profit		**311.0**	**-**	**311.0**	284.3	-	284.3
Share of interest		**(155.7)**	**-**	**(155.7)**	(164.3)	-	(164.3)
Share of movement in derivatives		**-**	**(21.4)**	**(21.4)**	-	(28.1)	(28.1)
Share of tax		**(51.2)**	**5.3**	**(45.9)**	(9.0)	7.0	(2.0)
Share of profit/(loss) on joint ventures and associates		**104.1**	**(16.1)**	**88.0**	111.0	(21.1)	89.9
Operating profit/(loss)	6	**2,209.2**	**(320.3)**	**1,888.9**	2,350.4	(388.2)	1,962.2
Finance income	8	**240.9**	**17.9**	**258.8**	194.8	13.1	207.9
Finance costs	8	**(310.4)**	**-**	**(310.4)**	(319.2)	-	(319.2)
Profit/(loss) before taxation		**2,139.7**	**(302.4)**	**1,837.3**	2,226.0	(375.1)	1,850.9
Taxation	9	**(482.2)**	**56.5**	**(425.7)**	(551.7)	33.7	(518.0)
Profit/(loss) for the year		**1,657.5**	**(245.9)**	**1,411.6**	1,674.3	(341.4)	1,332.9
Attributable to:							
Ordinary shareholders of the parent		**1,456.5**	**(247.8)**	**1,208.7**	1,530.8	(341.4)	1,189.4
Non-controlling interests		**128.1**	**1.9**	**130.0**	69.8	-	69.8
Other equity holders		**72.9**	**-**	**72.9**	73.7	-	73.7
Earnings per share							
Basic (pence)	11			**105.5**			108.2
Diluted (pence)	11			**105.4**			108.1
Dividends							
Interim dividend paid per share (pence)	10			**21.4**			21.2
Proposed final dividend per share (pence)	10			**47.3**			43.0
				68.7			64.2

The accompanying notes are an integral part of the financial information in this announcement.

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2026

	2026 £m	2025 £m
Profit for the year	**1,411.6**	1,332.9
Other comprehensive income:		
Items that will be reclassified subsequently to profit or loss:		
Net (losses)/gains on cash flow hedges	**(14.2)**	48.1
Transferred to assets and liabilities on cash flow hedges	**3.2**	10.0
Taxation on cashflow hedges	**3.8**	(11.3)
	(7.2)	46.8
Share of other comprehensive loss of joint ventures and associates, net of taxation	**(35.0)**	(16.7)
Exchange difference on translation of foreign operations	**64.4**	(42.9)
(Loss)/ gain on net investment hedge	**(87.5)**	36.0
	(65.3)	23.2
Items that will not be reclassified to profit or loss:		
Actuarial (loss)/gain on retirement benefit schemes, net of taxation	**(60.6)**	39.6
Share of other comprehensive (loss)/income of joint ventures and associates, net of taxation	**(15.8)**	15.8
Gains/(losses) on revaluation of investments in equity instruments, net of taxation	**0.1**	(0.3)
	(76.3)	55.1
Other comprehensive (loss)/gain, net of taxation	**(141.6)**	78.3
Total comprehensive income for the year	**1,270.0**	1,411.2
Attributable to:		
Ordinary shareholders of the parent	**1,074.3**	1,263.6
Non-controlling interests	**122.8**	73.9
Other equity holders	**72.9**	73.7
	1,270.0	1,411.2

The accompanying notes are an integral part of the financial information in this announcement.

Consolidated Balance Sheet

as at 31 March 2026

	Note	**2026 £m**	2025 £m
Assets			(restated*)
Property, plant and equipment		**22,022.3**	18,824.1
Goodwill and other intangible assets		**2,249.1**	2,170.5
Equity investments in joint ventures and associates		**1,945.1**	1,987.3
Loans to joint ventures and associates		**1,621.2**	1,510.3
Other investments		**7.6**	8.8
Other non-current assets		**604.0**	447.7
Derivative financial assets		**193.9**	63.5
Retirement benefit assets	15	**459.8**	501.8
Non-current assets		**29,103.0**	25,514.0
Intangible assets		**527.3**	392.7
Inventories		**434.2**	462.9
Trade and other receivables		**3,030.3**	2,695.4
Current tax asset		**18.2**	29.7
Cash and cash equivalents		**1,542.9**	1,090.5
Derivative financial assets		**651.4**	178.4
Assets held for sale	12	**46.3**	-
Current assets		**6,250.6**	4,849.6
Total assets		**35,353.6**	30,363.6
Liabilities			
Loans and other borrowings	13	**1,204.4**	1,964.0
Trade and other payables		**3,286.9**	2,708.2
Current tax liabilities		**17.8**	-
Financial guarantee liabilities		**2.4**	2.4
Provisions		**59.6**	80.5
Derivative financial liabilities		**641.1**	126.3
Liabilities directly associated with the assets held for sale	12	**3.0**	-
Current liabilities		**5,215.2**	4,881.4
Loans and other borrowings	13	**8,916.8**	8,640.4
Deferred tax liabilities		**2,141.5**	1,844.5
Trade and other payables		**1,658.7**	1,437.6
Financial guarantee liabilities		**19.0**	23.1
Provisions		**711.9**	676.1
Derivative financial liabilities		**289.2**	167.7
Non-current liabilities		**13,737.1**	12,789.4
Total liabilities		**18,952.3**	17,670.8
Net assets		**16,401.3**	12,692.8
Equity			
Share capital	14	**607.7**	555.6
Share premium		**2,738.9**	812.6
Capital redemption reserve		**52.6**	52.6
Hedge reserve		**397.0**	432.7
Translation reserve		**(31.0)**	(8.6)
Retained earnings		**8,898.7**	8,336.7
Equity attributable to ordinary shareholders of the parent		**12,663.9**	10,181.6
Hybrid equity	14	**2,985.8**	1,882.4
Attributable to non-controlling interests		**751.6**	628.8
Total equity		**16,401.3**	12,692.8

*The comparative has been restated. See note 2.3.2 and 2.3.3.

The accompanying notes are an integral part of the financial information in this announcement.

Consolidated Statement of Changes in Equity

for the year ended 31 March 2026

	Share capital £m	Share premium £m	Capital redemption reserve £m	Hedge reserve £m	Translation reserve £m	Retained earnings £m	Total attributable to ordinary shareholders £m	Hybrid equity £m	Total equity before non-controlling interests £m	Non-controlling interests £m	Total equity £m
At 1 April 2025	**555.6**	**812.6**	**52.6**	**432.7**	**(8.6)**	**8,336.7**	**10,181.6**	**1,882.4**	**12,064.0**	**628.8**	**12,692.8**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**1,208.7**	**1,208.7**	**72.9**	**1,281.6**	**130.0**	**1,411.6**
Other comprehensive loss	**-**	**-**	**-**	**(35.7)**	**(22.4)**	**(76.3)**	**(134.4)**	**-**	**(134.4)**	**(7.2)**	**(141.6)**
Total comprehensive income for the year	**-**	**-**	**-**	**(35.7)**	**(22.4)**	**1,132.4**	**1,074.3**	**72.9**	**1,147.2**	**122.8**	**1,270.0**
Dividends to shareholders	**-**	**-**	**-**	**-**	**-**	**(734.1)**	**(734.1)**	**-**	**(734.1)**	**-**	**(734.1)**
Scrip dividend related share issue	**3.2**	**(3.2)**	**-**	**-**	**-**	**133.0**	**133.0**	**-**	**133.0**	**-**	**133.0**
Issue of shares net of costs	**48.9**	**1,929.5**	**-**	**-**	**-**	**-**	**1,978.4**	**-**	**1,978.4**	**-**	**1,978.4**
Issue of treasury shares	**-**	**-**	**-**	**-**	**-**	**17.4**	**17.4**	**-**	**17.4**	**-**	**17.4**
Distributions to Hybrid equity holders	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(72.9)**	**(72.9)**	**-**	**(72.9)**
Issue of Hybrid equity	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,103.4**	**1,103.4**	**-**	**1,103.4**
Credit in respect of employee share awards	**-**	**-**	**-**	**-**	**-**	**38.7**	**38.7**	**-**	**38.7**	**-**	**38.7**
Investment in own shares	**-**	**-**	**-**	**-**	**-**	**(25.4)**	**(25.4)**	**-**	**(25.4)**	**-**	**(25.4)**
At 31 March 2026	**607.7**	**2,738.9**	**52.6**	**397.0**	**(31.0)**	**8,898.7**	**12,663.9**	**2,985.8**	**15,649.7**	**751.6**	**16,401.3**

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

	Share capital £m	Share premium £m	Capital redemption reserve £m	Hedge reserve £m	Translation reserve £m	Retained earnings £m	Total attributable to ordinary shareholders £m	Hybrid equity £m	Total equity before non-controlling interests £m	Non-controlling interests £m	Total equity £m
At 1 April 2024	548.1	820.1	52.6	407.6	(2.6)	7,540.0	9,365.8	1,882.4	11,248.2	554.9	11,803.1
Profit for the year	-	-	-	-	-	1,189.4	1,189.4	73.7	1,263.1	69.8	1,332.9
Other comprehensive income/(loss)	-	-	-	25.1	(6.0)	55.1	74.2	-	74.2	4.1	78.3
Total comprehensive income for the year	-	-	-	25.1	(6.0)	1,244.5	1,263.6	73.7	1,337.3	73.9	1,411.2
Dividends to shareholders	-	-	-	-	-	(671.0)	(671.0)	-	(671.0)	-	(671.0)
Scrip dividend related share issue	7.5	(7.5)	-	-	-	268.9	268.9	-	268.9	-	268.9
Issue of treasury shares	-	-	-	-	-	17.8	17.8	-	17.8	-	17.8
Distributions to Hybrid equity holders	-	-	-	-	-	-	-	(73.7)	(73.7)	-	(73.7)
Share buyback	-	-	-	-	-	(71.7)	(71.7)	-	(71.7)	-	(71.7)
Credit in respect of employee share awards	-	-	-	-	-	22.3	22.3	-	22.3	-	22.3
Investment in own shares	-	-	-	-	-	(14.1)	(14.1)	-	(14.1)	-	(14.1)
At 31 March 2025	555.6	812.6	52.6	432.7	(8.6)	8,336.7	10,181.6	1,882.4	12,064.0	628.8	12,692.8

Consolidated Cash Flow Statement

for the year ended 31 March 2026

	Note	2026 £m	2025 £m (restated*)
Operating profit	6	**1,888.9**	1,962.2
Less share of profit of joint ventures and associates		**(88.0)**	(89.9)
Operating profit before jointly controlled entities and associates		**1,800.9**	1,872.3
Pension service charges less contributions paid		**(9.3)**	(6.7)
Movement on operating derivatives		**149.8**	60.1
Depreciation, amortisation, write downs and impairments		**979.0**	1,057.1
Charge in respect of employee share awards		**29.6**	22.3
Profit on disposal of assets and businesses		**(7.3)**	(47.9)
(Credit)/charge in respect of provisions		**(8.8)**	6.4
Credit in respect of financial guarantees		**(1.7)**	(1.9)
Release of deferred income		**(13.1)**	(14.1)
Cash generated from operations before working capital movements		**2,919.1**	2,947.6
Decrease/(increase) in inventories		**17.9**	(109.5)
(Increase)/decrease in receivables		**(0.1)**	2.6
Increase/(decrease) in payables		**474.8**	(196.0)
Decrease in provisions		**(36.8)**	(23.7)
Cash generated from operations		**3,374.9**	2,621.0
Dividends received from investments		**184.1**	200.6
Interest paid		**(243.3)**	(260.1)
Interest received		**180.8**	155.9
Taxes paid		**(61.3)**	(240.6)
Net cash from operating activities		**3,435.2**	2,476.8
Purchase of property, plant and equipment	6	**(4,147.0)**	(2,689.2)
Purchase of intangible assets	6	**(296.6)**	(441.8)
Receipt of government grant income	6	**41.7**	55.7
Deferred income received		**0.3**	20.2
Proceeds from disposals		**7.8**	25.2
Purchases of businesses, joint ventures and subsidiaries		**(22.7)**	-
Loans and equity provided to joint ventures and associates		**(288.3)**	(408.3)
Loans and equity repaid by joint ventures		**79.4**	121.7
Decrease/(increase) in other investments		**1.3**	(1.9)
Net cash used in investing activities		**(4,624.1)**	(3,318.4)
Proceeds from issue of share capital, net of costs	14	**1,995.8**	17.8
Dividends paid to company's equity holders	10	**(601.1)**	(402.1)
Share buybacks		**-**	(71.7)
Hybrid equity dividend payments	14	**(72.9)**	(73.7)
Employee share awards share purchase	14	**(25.4)**	(14.1)
Issue of Hybrid instruments	14	**1,103.4**	-
New borrowings		**1,595.3**	2,592.2
Repayment of borrowings		**(2,357.0)**	(1,162.2)
Settlement of cashflow hedges		**3.2**	10.0
Net cash from financing activities		**1,641.3**	896.2
Net increase in cash and cash equivalents		**452.4**	54.6
Cash and cash equivalents at the start of year		**1,090.5**	1,035.9
Net increase in cash and cash equivalents		**452.4**	54.6
Cash and cash equivalents at the end of year		**1,542.9**	1,090.5

* The comparative has been restated. See note 2.3.5.

The accompanying notes are an integral part of the financial information in this announcement.

Notes to the Summary Financial Statements

for the year ended 31 March 2026

1. FINANCIAL INFORMATION

The financial information set out in this announcement does not constitute the Group's consolidated financial statements for the years ended 31 March 2026 or 2025 but is derived from those accounts. Consolidated financial statements for the year ended 31 March 2025 were delivered to the Registrar of Companies, and those for the year ended 31 March 2026 will be delivered in due course. The auditors have reported on the consolidated financial statements for each of the years ended 31 March 2025 and 31 March 2026 and their reports were (i) unqualified; (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. This preliminary announcement was authorised by the Board on 27 May 2026.

2. BASIS OF PREPARATION AND PRESENTATION

2.1 Basis of preparation

The financial information set out in this announcement has been extracted from the consolidated financial statements of SSE plc for the year ended 31 March 2026. These consolidated financial statements were prepared on the historical cost basis except for certain gas inventory, derivative financial instruments, financial instruments designated at fair value through profit or loss or other comprehensive income on initial recognition, assets of the Group pension schemes, all of which are measured at their fair value, and liabilities of the Group's pension schemes which are measured using the projected unit credit method, in conformity with the requirements of the Companies Act 2006 and in accordance with UK-adopted International Accounting Standards ("IAS"). This consolidated financial information has been prepared on the basis of accounting policies consistent with those applied in the consolidated financial statements for the year ended 31 March 2026 unless expressly stated otherwise.

The Directors consider that the Group has adequate resources to continue in operational existence for the period to 31 December 2027. The consolidated financial statements are therefore prepared on a going concern basis with the basis for that conclusion explained in the consolidated financial statements at note A6.3.

The Summary Financial Statements are presented in pounds Sterling and all values are rounded to the nearest million to one decimal place (£m), unless otherwise stated.

2.2 Basis of presentation

The Group applies the use of adjusted accounting measures or Alternative Performance Measures ("APMs") throughout these statements. These measures enable the Directors to present the underlying performance of the Group and its segments to the users of the statements in a consistent and meaningful manner. The adjustments applied and certain terms such as Adjusted Operating Profit, Adjusted Earnings Per Share, Adjusted EBITDA, Adjusted Investment and Capital Expenditure, Adjusted Investment, Capital and Acquisition Expenditure and Adjusted Net Debt and Hybrid Capital that are not defined under IFRS and are explained in more detail in note 4.

2.3 Changes to presentation and prior year adjustments

The prior year comparatives at 31 March 2025 have been restated as follows:

2.3.1 Segments

In accordance with the requirements of IFRS 8 "Operating Segments" the Group aligns its segmental disclosures with its internal reporting to the Group Executive Committee (the Chief Operating Decision Maker). The reporting of these operating segments is used to assess operating performance and to make decisions on how to allocate capital. During the year to 31 March 2026, reporting to the Group Executive Committee was amended so that SSE Thermal includes Gas Storage; Energy Customer Solutions includes SSE Business Energy and SSE Airtricity; and Corporate unallocated includes the loss on the Group's joint venture investment in Neos Networks Limited. The segmental results reported within these financial statements have been restated from 1 April 2024 (note 6), which had no impact on the consolidated results of the Group in all periods presented.

2.3.2 Capital prepayments

Due to the long-term nature of capital projects within the Group, a greater proportion of prepayments to suppliers to secure materials and production capacity in advance are extending beyond 12 months. Under the Group's previous accounting policy, all capital prepayments were shown as current assets. However, the Group has elected to amend its accounting policy for disclosure of capital prepayments to split prepayments between current and non-current maturity. In accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" the balance sheet for the year ended 31 March 2025 has been restated to present £247.8m of capital prepayments as non-current assets (2026 equivalent: £372.0m). This change in policy had no impact on net assets, the income statement, statement of cashflows or Alternative Performance Measures of the Group at any reporting date.

2.3.3 Deferred income

A prior period adjustment has been made to restate deferred income split between current and non-current maturity following incorrect classification at 31 March 2025. Deferred income due after more than one year has increased from £1,247.9m to £1,437.6m (2026 equivalent: from £1,468.6m to £1,658.7m) within non-current "Trade and other payables"; and current "Trade and other payables" has decreased from £2,897.9m to £2,708.2m at 31 March 2025 (2026 equivalent: £3,477.0m to £3,286.9m). This adjustment has no impact on retained earnings, net assets or the consolidated Alternative Performance Measures of the Group, at any reporting date.

2. BASIS OF PREPARATION AND PRESENTATION (CONTINUED)

2.3.4 Alternative Performance Measures – adjustment for net debt and cash attributable to non-controlling interests and related net finance costs

Where external funding is raised by SSE plc and used to fund investment in subsidiaries whose non-controlling interest holders do not contribute capital on a proportionate basis, such as SSEN Transmission, the Group has removed a proportionate share of external debt and related net finance costs to better represent the Group's underlying economic interest. This refinement represents a change to the derivation of the adjusted debt measure applied in the 31 March 2026 financial statements and comparatives at 31 March 2025 have been restated accordingly. This adjustment has no impact on reported net assets, income statement or statement of cashflows of the Group, at any reporting date. The restatement results in a decrease of Adjusted Net Debt and Hybrid Capital by £120.0m from £10,186.7m to £10,066.7m, a decrease in Adjusted Net Finance Costs from £281.0m to £274.7m, an increase in Adjusted Profit Before Tax from £2,138.2m to £2,144.5m and an increase in Adjusted Earnings per Share by 0.4 pence from 160.9 pence to 161.3 pence.

There have been no other changes to the Group's APMs in the current year.

2.3.5 Cash flow statement

A prior year restatement has been made to present interest paid of £260.1m (2026 equivalent: £243.3m) and interest received of £155.9m (2026 equivalent: £180.8m) gross (previously presented net) in the cash flow statement in accordance with the requirements of IAS 7 "Statement of Cash Flows". This restatement had no impact on net cash from operating activities in the cash flow statement, retained earnings, net assets or the consolidated Alternative Performance Measures of the Group, at any reporting date.

3. NEW ACCOUNTING POLICIES AND REPORTING CHANGES

The basis of consolidation and principal accounting policies applied in the preparation of these Summary Financial Statements are set out below and included within A1 Accompanying Information to the Group's consolidated financial statements.

3.1 New standards, amendments and interpretations effective or adopted by the Group

During the year ended 31 March 2026, the Group adopted the Lack of Exchangeability amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates". Adoption of the amendment had no impact on the financial statements.

There were no other standards, amendments to standards or interpretations relevant to the Group's operations which were adopted during the year.

3.2 New standards, amendments and interpretations issued, but not yet adopted by the Group

Following adoption of IFRS 9 on 1 April 2019, the Group elected to continue to apply IAS 39 for hedge accounting. From 1 April 2026, the Group will adopt the hedge accounting requirements of IFRS 9 to align its hedge accounting more closely with the Group's risk management objectives. In the period to 31 March 2026, the Group assessed its existing IAS 39 hedging relationships and concluded that those relationships continue to meet the IFRS 9 hedge accounting criteria. These hedging relationships will be designated as continuing hedges upon adoption of IFRS 9.

The Group will apply the prospective basis of adoption as permitted by IFRS 9, whereby comparative information is not restated. The impact on the income statement is immaterial.

The Group has elected to apply the cost of hedging approach, under which certain elements of the fair value of hedging instruments (such as forward points and currency basis spread) are recognised in other comprehensive income rather than profit or loss. These amounts will be accumulated in a cost of hedge equity reserve within equity and subsequently reclassified to profit or loss in the period the hedged item affects profit or loss. On adoption, the cost of hedge reserve will be £23.5m. There is no impact on total equity as a result of this reclassification.

IFRS 18 "Presentation and Disclosure in Financial Statements" was issued in April 2024 and will be effective for accounting periods beginning on or after 1 January 2027 (1 April 2027 for the Group). The standard replaces IAS 1 "Presentation of Financial Statements". The new standard does not amend the principles of recognition and measurement and so will not impact the financial results of the Group. However, it will impact the presentation of the consolidated financial statements, in particular the consolidated income statement.

The Group is continuing to assess the full impact of adoption of the standard. However, it is expected that the consolidated income statement will be amended to include the new subtotals prescribed in the standard, and the share of profit recognised from equity accounted investments will be classified within investing activities instead of operating activities. It is expected that certain notes to the consolidated financial statements will also be amended to comply with aggregation and disaggregation principles.

Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" in relation to the classification and measurement of financial instruments have been issued. An additional amendment has also been made to both standards in relation to contracts referencing nature-dependent electricity. These amendments will be effective from 1 January 2026 (1 April 2026 for the Group). The amendments will not have a material impact on the Group's consolidated financial statements.

4. ADJUSTED ACCOUNTING MEASURES

The Group applies the use of adjusted accounting measures or Alternative Performance Measures ("APMs") throughout the Annual Report and Financial Statements. These measures enable the Directors to present the underlying performance of the Group and its segments to the users of the statements in a consistent and meaningful manner. The adjustments applied and certain terms such as Adjusted Operating Profit; Adjusted Earnings Per Share; Adjusted EBITDA; Adjusted Investment and Capital Expenditure; Adjusted Investment, Capital and Acquisition Expenditure; and Adjusted Net Debt and Hybrid Capital are not defined under IFRS and are explained in more detail below. In addition, the section Alternative Performance Measures at page 30 provides further context and explanation of these terms.

4.1 Adjusted measures

The Directors assess the performance of the Group and its reportable segments based on adjusted measures. These measures are used for internal performance management and are believed to be appropriate for explaining underlying performance to users of the accounts. These measures are also deemed to be the most useful for ordinary shareholders of the Company and for other stakeholders.

The performance of the reportable segments is reported based on adjusted profit before interest and tax (Adjusted Operating Profit). This is reconciled to reported profit before interest and tax by adding back exceptional items and certain re-measurements (see note 4.2 below), depreciation expense on fair value uplifts, the share of operating profit attributable to non-controlling interests, adjustments to the Gas Production decommissioning provision and after the removal of interest and taxation on profits from equity-accounted joint ventures and associates.

The performance of the Group is reported based on Adjusted Profit Before Tax which excludes exceptional items and certain re-measurements (see note 4.2 below), depreciation expense on fair value uplifts, the share of profit before tax attributable to non-controlling interests, adjustments to the Gas Production decommissioning provision and taxation on profits from equity-accounted joint ventures and associates.

The Group also uses adjusted earnings before interest, taxation, depreciation and amortisation ("Adjusted EBITDA") as an alternative operating performance measure which acts as a management proxy for cash generated from operating activities. This does not take into account the rights and obligations that SSE has in relation to its equity-accounted joint ventures and associates. This measure excludes exceptional items and certain re-measurements (see note 4.2 below), the depreciation charged on fair value uplifts, the share of EBITDA attributable to non-controlling interests, adjustments to the Gas Production decommissioning provision, depreciation and amortisation from equity-accounted joint ventures and associates and interest and taxation on profits from equity-accounted joint ventures and associates. For the purpose of calculating the Net Debt to EBITDA metric, Adjusted EBITDA is further adjusted to remove the proportion of adjusted EBITDA from equity-accounted joint ventures relating to off-balance sheet debt (see note 6.3).

The Group's key performance measure is Adjusted Earnings Per Share ("Adjusted EPS"), which is based on basic earnings per share before exceptional items and certain re-measurements (see note 4.2 below), depreciation on fair value uplifts, adjustments to the Gas Production decommissioning provision, the removal of the interest on external debt invested in subsidiaries with a non-controlling interest and after the removal of deferred taxation and certain other taxation items. Deferred taxation is excluded from the Group's Adjusted EPS because of the Group's significant ongoing capital investment programme, which means that the deferred tax is unlikely to reverse. Adjusted profit after tax is presented on a basis consistent with Adjusted EPS except for the non-inclusion of payments to holders of hybrid equity.

The Summary Financial Statements also include an Adjusted Net Debt and Hybrid Capital measure. This presents financing information on the basis used for internal liquidity risk management. This measure excludes obligations due under lease arrangements, the share of net debt attributable to non-controlling interests (including debt held at SSE plc level, which is a change in the current year), and includes cash held and posted as collateral on commodity trading exchanges, and other deposits with a maturity of more than three months. The measure represents the capital owed to investors, lenders and equity holders other than the ordinary shareholders. As with Adjusted Earnings Per Share, this measure is considered to be of relevance to the ordinary shareholders of the Group as well as other stakeholders and interested parties. The impact of the change to the definition of debt attributable to non-controlling interest holders has been to increase the adjustment for these items at 31 March 2025 from £817.9m to £937.9m and therefore reduce the Adjusted Net Debt and Hybrid Capital by £120.0m from £10,186.7m to £10,066.7m.

Finally, the financial statements include an Adjusted Investment and Capital Expenditure and an Adjusted Investment, Capital and Acquisition Expenditure measure. These metrics represent the capital invested by the Group in projects that are anticipated to provide a return on investment over future years, or which otherwise support Group operations and are consistent with internally applied metrics. They therefore include capital additions to property, plant and equipment and intangible assets and the Group's direct funding of joint venture and associates' capital projects. The Group has considered it appropriate to report these values both internally and externally in this manner due to its use of equity-accounted investment vehicles to grow the Group's asset base and to highlight where the Group is providing funding to the vehicle through either loans or equity. The Group does not include project funded capital additions in these metrics, nor does it include other capital invested in joint ventures and associates. In addition, the Group excludes additions to its property, plant and equipment funded by customer contributions, lease additions and additions to intangible assets associated with allowances and certificates. The Group also excludes the share of investment and capital expenditure attributable to non-controlling interests in controlled but not wholly owned subsidiaries. The Adjusted Investment, Capital and Acquisition Expenditure measure also includes cash consideration paid by the Group for business combinations which contribute to growth of the Group's capital asset base and are considered to be relevant to the Group's strategic objectives. As with Adjusted Earnings Per Share, these measures are considered to be of relevance to management and to the ordinary shareholders of the Group as well as to other stakeholders and interested parties.

Reconciliations from reported measures to adjusted measures along with further description of the rationale for those adjustments are included in the Alternative Performance Measures section at pages 30 to 36 before the Summary Financial Statements.

4. ADJUSTED ACCOUNTING MEASURES (CONTINUED)

4.2 Exceptional items and certain re-measurements

Exceptional items are those charges or credits that are considered unusual by nature and/or scale and of such significance that separate disclosure is required for the financial statements to be properly understood. The trigger points for recognition of items as exceptional items will tend to be non-recurring, although exceptional charges (or credits) may impact the same asset class or segment over time.

Examples of items that may be considered exceptional include material asset, investment or business impairment charges; reversals of historic exceptional impairments; business restructuring and reorganisation costs relating to strategic change initiatives; significant realised gains or losses on disposal; unrealised fair value adjustments on acquisition or disposals; and provisions in relation to significant disputes and claims.

The Group operates a policy framework for establishing whether items should be considered exceptional. This framework, which is reviewed annually, is based on the materiality of the item, by reference to the Group's key performance measure of Adjusted Earnings Per Share. This framework estimates that any qualifying item greater than £40.0m (2025: £40.0m) will be considered exceptional, with the exception of any strategic restructuring or transformational activities or discontinued operations, which will be considered on a case-by-case basis. The only further exception to this threshold is for gains or losses on disposal, or divestment of early-stage international or offshore wind farm development projects within SSE Renewables, which are considered non-exceptional in line with the Group's strategy to generate recurring gains from developer divestments. Where a qualifying gain arises on a non-cash transaction, the gain is still treated as exceptional.

Certain re-measurements are re-measurements arising on certain commodity, interest rate and currency contracts which are accounted for as held for trading or as fair value hedges in accordance with the Group's policy for such financial instruments; re-measurements on stocks of commodities held at the balance sheet date; or movements in fair valuation of contracts for difference not designated as government grants. The amount recorded in the adjusted results for these contracts is the amount settled in the year as disclosed in note 16.

This excludes commodity contracts not treated as financial instruments under IFRS 9 where the contracts are held for the Group's own use requirements. The fair value of these contracts is not recorded and the value associated with the contract is not recognised until the underlying commodity is delivered.

The impact of changes in corporation tax rates on deferred tax balances is also included within certain re-measurements.

4.3 Other additional disclosures

As permitted by IAS 1 "Presentation of Financial Statements", the Group's income statement discloses additional information in respect of joint ventures and associates, exceptional items and certain re-measurements to aid understanding of the Group's financial performance and to present results clearly and consistently.

5. ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies, management is required to make judgements and estimates that will have a significant effect on the amounts recognised in the financial statements. Changes in the assumptions underlying the estimates could result in a significant impact to the financial statements. The Group's key accounting judgement and estimation areas are noted below, with the most significant and material financial judgement areas that are specifically considered by the Audit Committee highlighted separately.

The Group has made no changes to its material accounting judgements and identified no new areas of estimation uncertainty during the year.

5.1 Significant financial judgements and estimation uncertainties

The preparation of the Group's Summary Financial Statements has specifically considered the following significant financial judgements, some of which are also areas of estimation uncertainty as noted below.

i) Impairment testing and valuation of certain non-current assets – financial judgement and estimation uncertainty

The Group reviews the carrying amounts of its goodwill, other intangible assets, specific property, plant and equipment and investment assets to determine whether any impairments or reversal of impairments to the carrying value of those assets requires to be recorded. Where an indicator of impairment or impairment reversal exists, the recoverable amount of those assets is reassessed by reference to either value in use or fair value less cost to sell assessments. As well as its goodwill balances, the specific assets under review in the year ended 31 March 2026 are intangible development assets in Southern Europe and Japan; specific property, plant and equipment assets related to Gas Storage; specific onshore Renewables assets; and the Group's thermal power station at Great Island in Ireland. In addition, the Group performed impairment reviews over the carrying value of its equity investments in the Dogger Bank Wind Farm joint ventures; Neos Networks Limited; and Triton Power Holdings Limited.

In conducting its reviews, the Group makes judgements and estimates determining both the level of cash generating unit ("CGU") at which common assets such as goodwill are assessed against, as well as the estimates and assumptions behind the calculation of recoverable amount of the respective assets or CGUs.

5. ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTINUED)

5.1 Significant financial judgements and estimation uncertainties (continued)

i) Impairment testing and valuation of certain non-current assets – financial judgement and estimation uncertainty (continued)

Changes to the estimates and assumptions on factors such as regulation and legislation changes (including relevant climate change related regulation), power, gas, carbon and other commodity prices, volatility of gas prices, plant running regimes and load factors, discount rates and other inputs could impact the assessed recoverable value of assets and CGUs and consequently impact the Group's income statement and balance sheet.

Further detail of the calculation basis and key assumptions used in the impairment reviews, impairment test results and the sensitivity of these assessments to key assumptions is disclosed at note 15 in the Group's consolidated financial statements.

ii) Retirement benefit obligations – estimation uncertainty

The Group sets its assumptions in relation to the cost of providing post-retirement benefits after consultation with qualified actuaries. While these assumptions are believed to be appropriate, a change in these assumptions would impact the level of the retirement benefit obligation recorded and the cost to the Group of administering the schemes.

Further detail of the calculation basis and key assumptions used, the resulting movements in obligations, and the sensitivity of key assumptions to the obligation is disclosed at note 23 in the Group's consolidated financial statements.

iii) Revenue recognition – Customers unbilled supply of energy – estimation uncertainty

Revenue from energy supply activities undertaken by the Group's Energy Customer Solutions businesses includes an estimate of the value of electricity or gas supplied to customers between the date of the last meter reading and the year end. This estimation comprises both billed revenue and unbilled revenue and is calculated based on applying the tariffs and contract rates applicable to customers against aggregated estimated customer consumption, taking account of various factors including tariffs, consumption patterns, customer mix, metering data, operational issues relating to the billings process and externally notified aggregated volumes supplied to customers from national settlements bodies.

This unbilled estimation is subject to an internal corroboration process which compares calculated unbilled volumes to a theoretical "perfect billing" benchmark measure of unbilled volumes (in GWh and millions of therms) derived from historical consumption patterns and aggregated metering data used in industry reconciliation processes. Unbilled revenue is compared to billings in the period between the balance sheet date and the finalisation of the financial statements which has provided evidence of post report date billings and hence support to the accrual recognised.

Given the requirement of management to apply judgement, the estimated revenue accrual remains a significant estimate made by management in preparing the financial statements. A change in the assumptions underpinning the unbilled calculation would have an impact on the amount of revenue recognised in any given period.

iv) Valuation of other receivables – financial judgement and estimation uncertainty

The Group holds a £100m loan note due from OVO Group Limited ("Ovo") following the disposal of SSE Energy Services on 15 January 2020. The loan is repayable in full by 31 December 2029, carries interest at 13.25% and is presented cumulative of accrued interest payments, discounted at 13.25%. At 31 March 2026, the carrying value (net of expected credit loss provision of £2.0m (2025: £1.8m)) is £220.0m (2025: £193.5m).

The Group has assessed recoverability of the loan note receivable and has recognised a provision for expected credit loss in accordance with the requirements of IFRS 9. The Group has taken appropriate steps to assess all available information in respect of the recoverability of the loan note. Procedures included reviewing recent financial information of Ovo and discussions with Ovo management. While the carrying value is considered to be appropriate, changes in economic conditions could lead to a change in the expected credit loss incurred by the Group in future periods. On 11 May 2026, subsequent to the balance sheet date, E.On announced the acquisition of Ovo's Retail business, subject to regulatory approval. Completion of the acquisition would result in the principal and accumulated interest becoming repayable in full. While considered a non-adjusting post balance sheet event in terms of classification, the Group has considered the transaction as part of its recoverability assessment. No changes to the recoverable value were made following announcement of the transaction.

v) Impact of climate change and the transition to net zero – financial judgement and estimation uncertainty

Climate change and the transition to net zero have been considered in the preparation of these financial statements. Where relevant, assumptions have been applied that are consistent to a Paris-aligned 1.5^{o}C net zero pathway by 2050. The Group has a clearly articulated strategy to lead the UK's transition to clean power and aligns its investment plans and business activities to that strategy. These plans continue to be supported by the Group's Sustainability Financing Framework, with ten green bonds outstanding at 31 March 2026 and £2bn of export credit agency-backed facilities in place, which are classified as "Green Loans" when drawn.

The nature and timing of future climate-related regulation, market developments and technological change are inherently uncertain and could have a material impact on the carrying values of the Group's assets and liabilities. In preparing these Summary Financial Statements, the Group has considered the potential impacts of climate change and the transition to net zero in the application of accounting judgements and estimates, including the following areas:

5. ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTINUED)

5.1 Significant financial judgements and estimation uncertainties (continued)

v) Impact of climate change and the transition to net zero – financial judgement and estimation uncertainty (continued)

Valuation of property, plant and equipment, and impairment assessment of goodwill
The Group's view is that flexible generation capacity, including the Group's fleet of CCGT power stations, will continue to play an essential role in maintaining the security of supply during the transition to clean power, supporting a system with increasing levels of intermittent renewable generation. Accordingly, the Group has not shortened the useful economic lives of its gas-fired-CCGTs fleet, reflecting their expected role as flexible back-up capacity over the transition period.

A significant increase in renewable generation capacity in the Group's core markets in the UK and Ireland could, in the longer term, result in periods of oversupply of electricity, potentially placing downward pressure on achievable power prices for renewable generation assets. The Group has not assessed that this constitutes an indicator of impairment at 31 March 2026, as the Group's baseline investment case models assume a centrally approved volume of new build capacity consistent with system requirements and policy objectives over the lives of the Group's existing assets. In accordance with IAS 36 "Impairment of Assets", the Group performs an annual impairment test of the goodwill balances associated with its wind generation portfolio. As part of this, sensitivities to key assumptions, including power prices, have been considered. A sensitivity analysis assuming a 10% reduction in power prices, which could arise in a market with significant new build renewable capacity, indicated that significant headroom remains relative to the carrying value of the Group's wind generating assets.

Valuation of decommissioning provisions
The Group recognises decommissioning provisions in respect of its Renewable and Thermal generation assets and retained 60% share of the decommissioning obligations relating to its disposed Gas Production business. The Group considered the impacts of climate change and the transition to clean power in estimating these provisions. Given the essential back-up role thermal generation assets are expected to play during the transition period, no change to accelerate decommissioning timelines has been assumed at 31 March 2026. Similarly, the Group does not expect changes in weather patterns or increased levels of new wind generation capacity to bring forward the decommissioning of the Group's wind farm portfolio.

The discounted share of the Gas Production provision is £191.1m (2025: £201.6m). At 31 March 2026, the impact of discounting of this retained provision is £106.5m (2025: £80.8m), which is expected to be recognised across the period to 31 March 2044. If the decommissioning activity was accelerated due to changes in legislation, the costs of unwinding the discounting of the provision would be recognised earlier.

Defined benefit scheme assets
The Group holds defined benefit pension scheme assets at 31 March 2026 which could be impacted by climate-related risks. The trustees of the schemes have a long-term investment strategy that seeks to reduce investment risk as and when appropriate and takes into consideration the impact of climate-related risk.

Going Concern and viability statement
The implications of near-term climate-related risks have been considered in the Group's Going Concern assessment and viability statement assessment.

5.2 Accounting judgements and estimation uncertainties – changes from prior year

There were no changes to accounting judgements and estimation uncertainties during the year.

5.3 Other areas of estimation uncertainty

Decommissioning costs
The calculation of the Group's decommissioning provisions involves the estimation of quantum and timing of cash flows to settle the obligation. The Group engages independent valuation experts to estimate the cost of decommissioning its Renewable, Thermal and Gas Storage assets every three years based on current technology and prices. The last independent assessment for the majority of the Group's Renewable and Thermal generation assets was performed in the prior year to 31 March 2025. The last formal assessment for Gas Storage assets was performed in the year to 31 March 2026. Retained decommissioning costs in relation to the disposed Gas Production business are periodically agreed with the field operators and reflect the latest expected economic production lives of the fields.

The dates for settlement of future decommissioning costs are uncertain, particularly for the disposed Gas Production business where reassessment of gas and liquids reserves and fluctuations in commodity prices can lengthen or shorten the field life.

Further detail on the assumptions applied, including expected decommissioning dates, and movement in decommissioning costs during the year are disclosed at note 20 in the Group's consolidated financial statements.

6. SEGMENTAL INFORMATION

IFRS 8 requires operating segments to be identified based on the Group's internal reporting to its Chief Operating Decision Maker to assess operating performance and to make decisions on how to allocate capital. The Group's Chief Operating Decision Maker has been identified as the Group Executive Committee. The changes to the Group's segments in the year are explained in note 2.3.1 and reflect how operating performance is reported to the Group Executive Committee for SSE Thermal (previously reported as SSE Thermal and Gas Storage) and Energy Customer Solutions (previously reported as SSE Business Energy and SSE Airtricity). Comparative information has been re-presented to reflect the change to these segments. The Group's Corporate unallocated segment is the Group's residual corporate central costs which are not allocated to individual segments and includes the contribution from its Enerveo business and the Group's joint venture investment in Neos Networks Limited – neither of which are reported separately to the Group Executive Committee.

The types of products and services from which each reportable segment derives its revenues are:

Business Area	Reported Segments	Description
Transmission	SSEN Transmission	The economically regulated high voltage transmission of electricity from generating plant in the North of Scotland to the distribution network or to interconnected transmission networks. Revenue earned from constructing, maintaining and renovating the transmission network is determined in accordance with the regulatory licence, based on an Ofgem approved revenue model and is recognised as charged to National Grid. The revenue earned from other transmission services such as generator plant connections is recognised in line with delivery of that service over the expected contractual period and at the contracted rate. On 25 November 2022 the Group sold a 25.0% non-controlling interest in this business to the Ontario Teachers' Pension Plan.
Distribution	SSEN Distribution	The economically regulated lower voltage distribution of electricity to customer premises in the North of Scotland and the South of England. Revenue earned from delivery of electricity supply to customers is recognised based on the volume of electricity distributed to those customers and the set customer tariff. The revenue earned from other distribution services such as domestic customer connections is recognised in line with delivery of that service over the expected contractual period and at the contracted rate.
Renewables	SSE Renewables	The generation of electricity from renewable sources, such as onshore and offshore wind farms and run of river and pumped storage hydro assets primarily in the UK and Ireland, and the optimisation and trading of Battery Energy Storage Systems capacity. This segment also includes the development of wind assets in Japan and The Netherlands; solar assets in Poland; and the development of wind, solar and battery opportunities in the UK and Southern European markets including Spain, Italy, France and Greece. Revenue from physical generation of electricity in Great Britain is sold to SSE Energy Markets and in Ireland is sold to the Airtricity business in Energy Customer Solutions and is recognised as generated, based on the contracted or market price at the time of delivery. Revenue from national support schemes (such as Renewable Obligation Certificates or the Capacity Market in Great Britain or REFIT in Ireland) may either be recognised in line with electricity being physically generated or over the contractual period, depending on the underlying performance obligation.
SSE Thermal	SSE Thermal	The generation of electricity from flexible generation plants including CCGTs in the UK and Ireland and the Group's interests in multifuel assets in the UK. Revenue from physical generation of electricity in Great Britain and Ireland is sold to SSE Energy Markets and is recognised as generated, based on the contract or spot price at the time of delivery. Revenue from support schemes (such as Capacity Market) and ancillary generation services may either be recognised in line with electricity being physically generated or over the contractual period, depending on the underlying performance obligation. The operation of Gas Storage facilities in Great Britain, which utilise capacity to optimise trading opportunity associated with the assets. Contribution arising from trading activities is recognised as realised based on executed trades or the withdrawal of gas from caverns. Following the change in segmental reporting noted at note 2.3.1, SSE Thermal comprises the Group's Thermal Generation and Gas Storage activities which were previously reported separately.

6. SEGMENTAL INFORMATION (CONTINUED)

Business Area	Reported Segments	Description
Energy Customer Solutions	Energy Customer Solutions	The supply of electricity and gas to business customers in Great Britain and the supply of electricity, gas and energy related services to residential and business customers in the Republic of Ireland and Northern Ireland. Activities also include low carbon solutions activity; behind-the-meter funded solar and battery solutions; equity investment in the Source EV joint venture; private electric networks and heat network activities. Revenue earned from the supply of energy is recognised in line with the volume delivered to the customer, based on actual and estimated volumes, and reflecting the applicable customer tariff after deductions or discounts and revenue earned from energy related services may either be recognised over the expected contractual period or following performance of the service, depending on the underlying performance obligation. Following the change in segmental reporting noted at note 2.3.1, Energy Customer Solutions comprises the Group's SSE Business Energy and SSE Airtricity activities which were previously reported separately.
SSE Energy Markets	SSE Energy Markets	The provision of a route to market for the Group's Renewable and Thermal generation businesses and commodity procurement for the Group's energy supply businesses and proprietary trading in line with the Group's stated hedging and risk management policies. Revenue from physical sales of electricity, gas and other commodities is recognised as supplied to either the national settlements body or the customer, based on either the spot price at the time of delivery or trade price where that trade is eligible for "own use" designation. The sale of commodity optimisation trades is presented net in cost of sales alongside purchase commodity optimisation trades.

The internal measure of profit reported to the Group Executive Committee is Adjusted Profit Before Interest and Tax or Adjusted Operating Profit which is arrived at before exceptional items, the impact of financial instruments measured under IFRS 9, share of profits attributable to non-controlling interests, adjustments to the Gas Production decommissioning provision, the impact of depreciation on fair value uplifts and after the removal of taxation and interest on profits from joint ventures and associates.

Analysis of revenue, operating profit, capital expenditure and earnings before interest, taxation, depreciation and amortisation ("EBITDA") by segment is provided on the following pages. Revenue and profit before taxation arise primarily from operations within the UK and Ireland.

6. SEGMENTAL INFORMATION (CONTINUED)

6.1 Revenue by segment

	Reported revenue 2026 £m	**Inter-segment revenue (i) 2026 £m**	**Segment revenue 2026 £m**	Reported revenue 2025 (restated(ii)) £m	Inter-segment revenue(i) 2025 (restated(ii)) £m	Segment revenue 2025 (restated(ii)) £m
SSEN Transmission	**1,210.3**	**-**	**1,210.3**	807.0	-	807.0
SSEN Distribution	**1,116.5**	**38.6**	**1,155.1**	1,513.6	66.9	1,580.5
SSE Renewables	**412.0**	**1,167.6**	**1,579.6**	354.9	1,243.8	1,598.7
SSE Thermal(ii)	**669.8**	**4,417.9**	**5,087.7**	650.6	4,556.7	5,207.3
Energy Customer Solutions (ii)	**4,704.7**	**196.5**	**4,901.2**	4,601.5	239.3	4,840.8
SSE Energy Markets:						
Gross trading	**18,732.1**	**5,729.1**	**24,461.2**	16,542.4	6,074.6	22,617.0
Optimisation trades	**(16,797.0)**	**(192.8)**	**(16,989.8)**	(14,547.0)	36.8	(14,510.2)
SSE Energy Markets	**1,935.1**	**5,536.3**	**7,471.4**	1,995.4	6,111.4	8,106.8
Corporate unallocated	**138.1**	**347.4**	**485.5**	208.9	294.5	503.4
Total SSE Group	**10,186.5**	**11,704.3**	**21,890.8**	10,131.9	12,512.6	22,644.5

(i) *Significant inter-segment revenue is derived from the sale of power and stored gas from SSE Renewables and SSE Thermal to SSE Energy Markets; use of system income received by SSEN Distribution from Energy Customer Solutions; Energy Customer Solutions provides internal heat and light power supplies to other Group companies; SSE Energy Markets provides power, gas and other commodities to Energy Customer Solutions; and Corporate unallocated provides corporate and infrastructure services to all segments as well as third parties. All are provided at arm's length.*

(ii) *The comparative segment revenue has been restated to combine Gas Storage (2025: £17.6m) and SSE Thermal (2025: £633.0m) into SSE Thermal (2025: £650.6m) and SSE Business Energy (2025: £2,692.4m) and SSE Airtricity (2025: £1,909.1m) into Energy Customer Solutions (2025: £4,601.5m).*

Revenue by geographical location is as follows:

	2026 £m	2025 £m
UK	**7,942.9**	8,490.3
Ireland	**2,237.8**	1,641.6
Southern Europe	**5.8**	-
	10,186.5	10,131.9

6. SEGMENTAL INFORMATION (CONTINUED)

6.2 Operating profit/(loss) by segment

2026	Adjusted operating profit/ (loss) reported to the Board £m	Depreciation expense on fair value uplifts £m	Joint venture/ associate share of interest and tax £m	Adjustments to Gas Production decommissioning provision £m	Non-controlling interests £m	Before exceptional items and certain re-measurements £m	Exceptional items and certain re-measurements £m	Total £m
SSEN Transmission	**562.6**	**-**	**-**	**-**	**187.5**	**750.1**	**-**	**750.1**
SSEN Distribution	**335.3**	**-**	**-**	**-**	**-**	**335.3**	**(38.4)**	**296.9**
SSE Renewables	**1,076.4**	**(19.6)**	**(187.9)**	**-**	**(0.3)**	**868.6**	**(143.3)**	**725.3**
SSE Thermal	**195.4**	**(0.7)**	**(19.2)**	**-**	**-**	**175.5**	**67.5**	**243.0**
Energy Customer Solutions	**136.9**	**-**	**0.7**	**-**	**-**	**137.6**	**(1.4)**	**136.2**
SSE Energy Markets	**43.2**	**-**	**-**	**-**	**-**	**43.2**	**(189.0)**	**(145.8)**
Corporate unallocated	**(113.2)**	**-**	**(0.5)**	**12.6**	**-**	**(101.1)**	**(15.7)**	**(116.8)**
Total SSE Group	**2,236.6**	**(20.3)**	**(206.9)**	**12.6**	**187.2**	**2,209.2**	**(320.3)**	**1,888.9**

2025 (restated(i))	Adjusted operating profit/(loss) reported to the Board £m	Depreciation expense on fair value uplifts £m	Joint venture/ associate share of interest and tax £m	Adjustments to Gas Production decommissioning provision £m	Non-controlling interests £m	Before exceptional items and certain re-measurements £m	Exceptional items and certain re-measurements £m	Total £m
SSEN Transmission	322.5	-	-	-	107.5	430.0	-	430.0
SSEN Distribution	736.0	-	-	-	-	736.0	-	736.0
SSE Renewables	1,038.8	(19.7)	(155.3)	-	(0.8)	863.0	(245.4)	617.6
SSE Thermal(i)	211.4	(0.4)	(6.0)	-	-	205.0	(9.7)	195.3
Energy Customer Solutions(i)	192.1	-	(0.9)	-	-	191.2	(2.0)	189.2
SSE Energy Markets	30.0	-	-	-	-	30.0	(72.9)	(42.9)
Corporate unallocated(i)	(111.6)	-	(11.1)	17.9	-	(104.8)	(58.2)	(163.0)
Total SSE Group	2,419.2	(20.1)	(173.3)	17.9	106.7	2,350.4	(388.2)	1,962.2

(i) The comparative operating profit/(loss) by segment information has been restated to aggregate the adjusted operating result of Gas Storage (2025: £37.1m loss) and SSE Thermal (2025: £248.5m) into SSE Thermal (2025: £211.4m), SSE Business Energy (2025: £32.7m) and SSE Airtricity (2025: £159.4m) into Energy Customer Solutions (2025: £192.1m) and Neos Networks (2025: £22.2m loss) into Corporate unallocated. The reported operating profit by segment has been similarly restated to aggregate Gas Storage (2025: £45.5m loss) and SSE Thermal (2025: £240.8m) into SSE Thermal (2025: £195.3m), SSE Business Energy (2025: £32.2m) and SSE Airtricity (2025: £157.0m) into Energy Customer Solutions (2025: £189.2m) and Neos Networks (2025: £33.3m loss) into Corporate unallocated.

6. SEGMENTAL INFORMATION (CONTINUED)

6.3 Earnings before interest, taxation, depreciation and amortisation ('EBITDA')

2026

	Adjusted operating profit/(loss) reported to the Board (note 6.2) £m	Depreciation expense on fair value uplifts £m	Depreciation/ impairment/ amortisation before exceptional charges £m	Joint venture/ associate share of depreciation and amortisation £m	Release of deferred income £m	Share of non-controlling interest depreciation and amortisation £m	Adjusted EBITDA £m
SSEN Transmission	**562.6**	**-**	**190.3**	**-**	**(2.4)**	**(47.6)**	**702.9**
SSEN Distribution	**335.3**	**-**	**236.1**	**-**	**(9.3)**	**-**	**562.1**
SSE Renewables	**1,076.4**	**(19.6)**	**216.1**	**137.0**	**(0.1)**	**-**	**1,409.8**
SSE Thermal	**195.4**	**(0.7)**	**89.0**	**34.8**	**-**	**-**	**318.5**
Energy Customer Solutions	**136.9**	**-**	**39.1**	**1.2**	**(0.8)**	**-**	**176.4**
SSE Energy Markets	**43.2**	**-**	**9.2**	**-**	**-**	**-**	**52.4**
Corporate unallocated	**(113.2)**	**-**	**99.5**	**-**	**(0.5)**	**-**	**(14.2)**
Total SSE Group	**2,236.6**	**(20.3)**	**879.3**	**173.0**	**(13.1)**	**(47.6)**	**3,207.9**

Note that the Group's Net Debt to EBITDA metric is derived after removing the proportionate EBITDA from Beatrice, Seagreen and Dogger Bank A debt-financed joint ventures. This adjustment is £157.4m (2025: £153.3m) resulting in EBITDA for inclusion in the Net Debt to EBITDA metric of £3,050.5m (2025: £3,196.0m).

For 31 March 2026 the £879.3m (2025: £776.1m) combined depreciation, impairment and amortisation charges included non-exceptional impairments net of reversals totalling £12.7m (2025: £20.7m).

2025 (restated(i))

	Adjusted operating profit/(loss) reported to the Board (note 6.2) £m	Depreciation expense on fair value uplifts £m	Depreciation/ impairment/ amortisation before exceptional charges £m	Joint venture/ associate share of depreciation and amortisation £m	Release of deferred income £m	Share of non-controlling interest depreciation and amortisation £m	Adjusted EBITDA £m
SSEN Transmission	322.5	-	151.1	-	(2.3)	(37.8)	433.5
SSEN Distribution	736.0	-	214.2	-	(10.8)	-	939.4
SSE Renewables	1,038.8	(19.7)	202.7	132.5	-	-	1,354.3
SSE Thermal(i)	211.4	(0.4)	90.4	42.9	-	-	344.3
Energy Customer Solutions(i)	192.1	-	32.2	1.3	(0.5)	-	225.1
SSE Energy Markets	30.0	-	6.8	-	-	-	36.8
Corporate unallocated(i)	(111.6)	-	78.7	49.3	(0.5)	-	15.9
Total SSE Group	2,419.2	(20.1)	776.1	226.0	(14.1)	(37.8)	3,349.3

(i) The comparatives have been restated to combine the adjusted EBITDA of Gas Storage (2025: £36.3m loss) and SSE Thermal (2025: £380.6m) into SSE Thermal (2025: £344.3m); SSE Business Energy (2025: £58.2m) and SSE Airtricity (2025: £166.9m) into Energy Customers Solutions (2025: £225.1m); and Neos Networks (2025: £27.1m) and Corporate unallocated (2025: £11.2m (loss)) into Corporate unallocated (2025: £15.9m).

6. SEGMENTAL INFORMATION (CONTINUED)

6.4 Capital and investment expenditure by segment

	Capital additions to intangible assets 2026 £m	**Capital additions to property, plant and equipment 2026 £m**	Capital additions to intangible assets 2025 £m (restated(i))	Capital additions to property, plant and equipment 2025 £m (restated(i))
SSEN Transmission	**31.1**	**2,272.9**	20.3	1,253.8
SSEN Distribution	**39.8**	**1,012.3**	35.8	743.9
SSE Renewables	**165.0**	**408.0**	291.3	545.8
SSE Thermal(i)	**43.7**	**186.0**	56.9	139.3
Energy Customer Solutions(i)	**27.9**	**11.5**	36.0	33.5
SSE Energy Markets	**484.5**	**-**	585.1	-
Corporate unallocated	**5.2**	**92.8**	20.1	75.2
Total SSE Group	**797.2**	**3,983.5**	1,045.5	2,791.5
Increase in prepayments related to capital expenditure	**-**	**468.1**	-	254.9
Government funded additions	**-**	**41.7**	-	55.7
Decrease/(increase) in trade payables related to capital expenditure	**-**	**3.8**	-	(122.8)
Customer or third party funded additions	**-**	**(215.7)**	-	(163.4)
Lease asset additions	**-**	**(93.3)**	-	(126.7)
Less non-cash items:				
Allowances and certificates	**(235.9)**	**-**	(335.7)	-
Property, plant and equipment	**-**	**(41.1)**		
Net cash outflow	**561.3**	**4,147.0**	709.8	2,689.2

(i) The comparatives have been restated to aggregate capital additions to intangible assets of SSE Business Energy (2025: £28.9m) and SSE Airtricity (2025: £7.1m) into Energy Customer Solutions (2025: £36.0m) and capital additions to property, plant and equipment of Gas Storage (2025: £0.7m) and SSE Thermal (2025: £138.6m) into SSE Thermal (2025: £139.3m).

Capital additions do not include assets acquired in acquisitions, assets acquired under leases or assets constructed that the Group were reimbursed by way of a government grant. During the year the Group received reimbursements totalling £41.7m (2025: £55.7m) from government bodies relating to construction of a temporary generation plant at the Group's Tarbert site, which have been presented separately on the cashflow statement. Capital additions to intangible assets includes the cash purchase of emissions allowances and certificates (2026: £264.7m; 2025: £268.0m). These purchases are presented in the cash flow statement within operating activities as they relate to the obligation to surrender the allowances and certificates in line with operating volumes of emissions. Other non-cash additions comprise self-generated renewable obligation certificates and asset additions from the acquisition of a further 50% equity interest in Lenalea Wind Farm DAC, since the acquisition is shown separately in the cashflow statement.

6. SEGMENTAL INFORMATION (CONTINUED)

6.4 Capital and investment expenditure by segment (continued)

	2026							
	Capital additions to intangible assets £m	Capital additions to property, plant and equipment £m	Capital investment relating to joint ventures and associates (i) £m	Allowances and certificates (ii) £m	Customer funded additions (iii) £m	Lease asset additions (iv) £m	Share of non-controlling interests (v) £m	Adjusted Investment and Capital Expenditure £m
SSEN Transmission	**31.1**	**2,272.9**	**-**	**-**	**-**	**(13.9)**	**(572.5)**	**1,717.6**
SSEN Distribution	**39.8**	**1,012.3**	**-**	**-**	**(199.9)**	**(0.4)**	**-**	**851.8**
SSE Renewables	**165.0**	**408.0**	**183.5**	**-**	**-**	**(15.5)**	**(2.0)**	**739.0**
SSE Thermal	**43.7**	**186.0**	**-**	**(16.7)**	**(15.3)**	**(0.2)**	**-**	**197.5**
Energy Customer Solutions	**27.9**	**11.5**	**5.5**	**(9.6)**	**(0.5)**	**-**	**-**	**34.8**
SSE Energy Markets	**484.5**	**-**	**-**	**(474.3)**	**-**	**-**	**-**	**10.2**
Corporate unallocated	**5.2**	**92.8**	**-**	**-**	**-**	**(63.3)**	**-**	**34.7**
Total SSE Group	**797.2**	**3,983.5**	**189.0**	**(500.6)**	**(215.7)**	**(93.3)**	**(574.5)**	**3,585.6**

(i) Represents equity or debt funding provided to joint ventures or associates in relation to capital expenditure projects.
(ii) Allowances and certificates consist of purchased carbon emissions allowances and generated or purchased renewable obligations certificates and are not included in the Group's Capital Expenditure and Investment alternative performance measure.
(iii) Represents removal of additions to electricity and other networks funded by customer or third party contributions.
(iv) Represents removal of additions in respect of right of use assets recognised on the commencement date of a lease arrangement.
(v) Represents the share of capital additions attributable to non-controlling interests.

6. SEGMENTAL INFORMATION (CONTINUED)

6.4 Capital and investment expenditure by segment (continued)

	2025 (restated(i))							
	Capital additions to intangible assets £m	Capital additions to property, plant and equipment £m	Capital investment relating to joint ventures and associates £m	Allowances and certificates £m	Customer funded additions £m	Lease asset additions £m	Share of non-controlling interests £m	Adjusted Investment and Capital Expenditure £m
SSEN Transmission	20.3	1,253.8	-	-	-	(2.8)	(317.8)	953.5
SSEN Distribution	35.8	743.9	-	-	(143.3)	(0.6)	-	635.8
SSE Renewables	291.3	545.8	227.8	-	-	(60.1)	(3.0)	1,001.8
SSE Thermal(i)	56.9	139.3	31.3	(27.3)	(16.2)	(0.2)	-	183.8
Energy Customer Solutions(i)	36.0	33.5	15.1	-	(3.9)	(0.7)	-	80.0
SSE Energy Markets	585.1	-	-	(576.4)	-	-	-	8.7
Corporate unallocated	20.1	75.2	13.8	-	-	(62.3)	-	46.8
Total SSE Group	1,045.5	2,791.5	288.0	(603.7)	(163.4)	(126.7)	(320.8)	2,910.4

(i) The comparatives have been restated, as noted above for the capital additions to intangible assets and capital additions to property plant and equipment.

7. EXCEPTIONAL ITEMS AND CERTAIN RE-MEASUREMENTS

	2026 £m	2025 £m
Exceptional items		
Asset impairments and reversals	**(99.7)**	(293.6)
Provisions for restructuring and other liabilities	**(62.9)**	(16.1)
Net gains on disposals of businesses and other assets	**-**	0.3
Total exceptional items	**(162.6)**	(309.4)
Certain re-measurements		
Movement on operating derivatives (note 16)	**(152.0)**	(49.0)
Movement in fair value of commodity stocks	**10.4**	(8.4)
Movement on financing derivatives (note 16)	**17.9**	12.8
Share of movement on derivatives in jointly controlled entities (net of tax)	**(16.1)**	(21.1)
Total certain re-measurements	**(139.8)**	(65.7)
Exceptional items and certain re-measurements before taxation	**(302.4)**	(375.1)
Taxation		
Taxation on other exceptional items	**39.6**	29.7
Taxation on certain re-measurements	**16.9**	4.0
Total taxation on exceptional items and certain re-measurements	**56.5**	33.7
Total exceptional items and certain re-measurements after taxation	**(245.9)**	(341.4)

Exceptional items and certain re-measurements are disclosed across the following categories within the income statement:

	2026 £m	2025 £m
Cost of sales:		
Movement on operating derivatives (note 16)	**(152.0)**	(49.0)
Movement in fair value of commodity stocks	**10.4**	(8.4)
	(141.6)	(57.4)
Operating costs:		
Asset impairments and reversals	**(99.7)**	(293.6)
Exceptional restructuring provisions and other liabilities	**(62.9)**	(16.1)
	(162.6)	(309.7)
Joint ventures and associates:		
Share of movement on derivatives in jointly controlled entities (net of tax)	**(16.1)**	(21.1)
Operating loss	**(320.3)**	(388.2)
Finance income		
Movement on financing derivatives (note 16)	**17.9**	12.8
Interest income on deferred consideration receipt	**-**	0.3
	17.9	13.1
Loss before tax	**(302.4)**	(375.1)

7.1 Exceptional items

7.1.1 Exceptional items in the year ended 31 March 2026

In the year to 31 March 2026, the Group recognised a pre-tax exceptional charge of £162.6m (2025: £309.4m), which is primarily due to exceptional pre-tax impairment charges totalling £155.8m relating the Group's onshore windfarms at Strathy South (£96.0m) and Aberarder (£59.8m); and exceptional Group restructuring costs of £84.7m (including £21.8m of asset impairments). These exceptional costs are partially offset by exceptional pre-tax impairment reversals totalling £77.9m relating to the Group's gas storage assets (£48.5m) and joint venture investment in Triton Power Holdings Limited ("Triton") (£29.4m).

7. EXCEPTIONAL ITEMS AND CERTAIN RE-MEASUREMENTS (CONTINUED)

7.1 Exceptional items (continued)

7.1.1 Exceptional items in the year ended 31 March 2026 (continued)

The net exceptional (charges)/credits recognised can be summarised as follows:

	Intangible assets £m	Property, plant and equipment £m	Joint venture investments £m	Other assets/ (liabilities) £m	Net (charges) and credits £m
Renewables – impairment charges (i)	-	(155.8)	-	-	**(155.8)**
Gas Storage – impairment reversal (ii)	-	48.5	-	-	**48.5**
Triton Power 50% joint venture – investment impairment reversal (iii)	-	-	29.4	-	**29.4**
Restructuring costs (iv)	(4.2)	-	(17.6)	(62.9)	**(84.7)**
Total exceptional items	(4.2)	(107.3)	11.8	(62.9)	**(162.6)**

i) Renewables – impairment charges

The Group performed formal impairment reviews over the carrying value of its mid-construction onshore windfarm developments at Strathy South and Aberarder following grid connection delays notified during the year. As a result of these assessments, the Group recognised exceptional impairment charges of £96.0m to Strathy South and £59.8m to the carrying value of Aberarder.

ii) Gas Storage – impairment reversal

At 31 March 2026, the Group performed a formal impairment review of the carrying value of its operational Gas Storage assets due to global commodity market volatility in the period prior to the Group's balance sheet date. As a result of the assessment, the Group recognised an exceptional impairment reversal of £48.5m to the carrying value of the Group's Gas Storage assets.

iii) Triton Power 50% joint venture – investment impairment reversal

The Group recognised an impairment reversal of £29.4m against the carrying value of the Group's investment in Triton Power Holdings Limited, following updates to projected running schedules and future market price assumptions.

iv) Restructuring costs

During the year the Group continued its Group Operating Model and Efficiency Review and related restructuring programmes, resulting in the recognition of exceptional restructuring costs totalling £84.7m. Costs recognised during the year included the impairment of £21.8m of standalone hydrogen production development projects and joint venture investments in SSE Thermal; consultancy fees of £22.0m; £20.9m of IT customisation and integration charges and £20.0m of redundancy costs. While the wider Group Operating Model and Efficiency Review is now largely complete, the Group will continue to incur exceptional restructuring costs related to the ongoing transformation of SSEN Distribution, which is expected to continue into the 31 March 2028 financial year.

7.1.2 Exceptional items in the year ended 31 March 2025

i) Southern Europe goodwill and development assets – impairment charge

The Group recognised a pre-tax impairment charge of £249.5m against the carrying value of its Southern Europe goodwill and intangible assets, offset by the release of a deferred tax liability of £23.2m.

ii) Restructuring costs

Costs of £46.7m in relation to the Group Operating Model and Efficiency Review were recognised during the year ended 31 March 2025. The costs included the impairment of £19.8m of goodwill associated with The Energy Solutions Group Limited; the impairment of £11.1m of stranded IT assets; and £13.8m of redundancy costs.

In addition, the Group recognised further exceptional charges of £13.5m in relation to the ongoing disposal of its non-core Enerveo subsidiary.

iii) Other credits

The Group recognised a final exceptional credit of £0.3m relating to the unwind of discounting on deferred consideration recognised on the part disposal of SSE Slough Multifuel Limited in the year ending 31 March 2021.

7.1.3 Taxation

The Group has separately recognised the tax effect of the exceptional items summarised above.

7. EXCEPTIONAL ITEMS AND CERTAIN RE-MEASUREMENTS (CONTINUED)

7.2 Certain re-measurements

The Group, through its SSE Energy Markets business, enters into forward commodity purchase (and sales) contracts to

- meet the future demand requirements of its Energy Customer Solutions businesses,
- optimise the value of its SSE Renewables and SSE Thermal power generation assets, or
- conduct trading subject to the value at risk limits set out by the Energy Markets Risk Committee.

Certain of these contracts (predominately power, gas and other commodity purchase contracts) are determined to be derivative financial instruments under IFRS 9 "Financial Instruments" and therefore are required to be recorded at their fair value. Conversely, commodity contracts that are not financial instruments under IFRS 9 (predominately electricity sales contracts) are accounted for as "own use" contracts and are not recorded at fair value. Inventory held by the SSE Thermal business for optimisation and trading purposes is measured at fair value, with changes in value recognised within "certain re-measurements". In addition, the mark-to-market valuation movements on the Group's CfDs entered into by SSE Renewables that are not designated as government grants, and which are measured as Level 3 fair value financial instruments, are also included within "certain re-measurements".

Changes in the fair value of those commodity contracts designated as financial instruments and trading inventory are therefore reflected in the income statement. The Group recognises the change in the fair value of these forward contracts and trading inventory separately as "certain re-measurements", as the Group does not believe this mark-to-market movement is relevant to the underlying performance of its businesses.

At 31 March 2026, changes in commodity prices and in SSE's contractual positions have resulted in a net mark-to-market re-measurement on commodity contracts designated as financial instruments, contracts for difference contracts and trading inventory of £141.6m (loss) (2025: £57.4m (loss)). The net IFRS 9 position on operating derivatives at 31 March 2026 is a liability of £158.9m (2025: £3.9m liability).

The mark-to-market loss in the year has resulted in a deferred tax credit of £18.5m (2025: £9.3m credit), which has been reported separately as part of certain re-measurements. In addition, the Group has recognised gains of £17.9m (2025: £12.8m gain) on the re-measurement of certain interest rate and foreign exchange contracts through the income statement.

The following mark-to-market losses/gains were recorded in the statement of other comprehensive income:

- £14.2m of losses (2025: £48.1m gain) on the re-measurement of cash flow hedge accounted contracts, and
- £35.0m of losses (2025: £16.7m loss) on the equity share of the re-measurement of cash flow hedge accounted contracts in joint ventures

The re-measurements arising from IFRS 9 together with the associated deferred tax are disclosed separately to aid understanding of the underlying performance of the Group.

8. FINANCE INCOME AND COSTS

	2026			2025		
	Before exceptional items and certain re-measurements £m	**Exceptional items and certain re-measurements £m**	**Total £m**	Before exceptional items and certain re-measurements £m	Exceptional items and certain re-measurements £m	Total £m
Finance income:						
Interest income from short term deposits	**46.9**	**-**	**46.9**	24.8	-	24.8
Interest on pension scheme assets (i)	**29.4**	**-**	**29.4**	20.7	-	20.7
Other interest receivable:						
Joint ventures and associates	**119.4**	**-**	**119.4**	118.8	-	118.8
Other receivable	**45.2**	**-**	**45.2**	30.5	0.3	30.8
	164.6	**-**	**164.6**	149.3	0.3	149.6
Total finance income	**240.9**	**-**	**240.9**	194.8	0.3	195.1
Finance costs:						
Bank loans and overdrafts	**(69.7)**	**-**	**(69.7)**	(61.1)	-	(61.1)
Other loans and charges	**(362.7)**	**-**	**(362.7)**	(309.9)	-	(309.9)
Notional interest arising on discounted provisions	**(34.3)**	**-**	**(34.3)**	(27.2)	-	(27.2)
Foreign exchange translation of monetary assets and liabilities	**(4.4)**	**-**	**(4.4)**	(0.2)	-	(0.2)
Lease charges	**(24.1)**	**-**	**(24.1)**	(26.9)	-	(26.9)
Less: interest capitalised (ii)	**184.8**	**-**	**184.8**	106.1	-	106.1
Total finance costs	**(310.4)**	**-**	**(310.4)**	(319.2)	-	(319.2)
Changes in fair value of financing derivative assets or liabilities at fair value through profit or loss	**-**	**17.9**	**17.9**	-	12.8	12.8
Net finance costs	**(69.5)**	**17.9**	**(51.6)**	(124.4)	13.1	(111.3)
Presented as:						
Finance income	**240.9**	**17.9**	**258.8**	194.8	13.1	207.9
Finance costs	**(310.4)**	**-**	**(310.4)**	(319.2)	-	(319.2)
Net finance costs	**(69.5)**	**17.9**	**(51.6)**	(124.4)	13.1	(111.3)

(i) The interest income on net pension assets for the year ended 31 March 2026 of £29.4m (2025: £20.7m) represents the interest earned on the Group's net retirement benefits assets.
(ii) The capitalisation rate applied in determining the amount of borrowing costs to capitalise in the year was 4.29% (2025: 4.12%).

Adjusted Net Finance Costs are arrived at after the following adjustments:

	2026 £m	2025 £m (restated*)
Net finance costs	**(51.6)**	(111.3)
(Add)/less:		
Share of interest from joint ventures and associates	**(155.7)**	(164.3)
Movement on financing derivatives (note 16)	**(17.9)**	(12.8)
Exceptional item	**-**	(0.3)
Share of net finance cost attributable to non-controlling interests	**13.4**	14.0
Adjusted Net Finance Costs	**(211.8)**	(274.7)
Notional interest arising on discounted provisions	**34.3**	27.2
Lease charges	**24.1**	26.9
Hybrid coupon payment (note 14)	**(72.9)**	(73.7)
Finance costs incurred by non-controlled interests on debt instruments provided by SSE plc	**(8.0)**	(6.3)
Adjusted Net Finance Costs for interest cover calculations	**(234.3)**	(300.6)

*The comparatives have been restated. See note 2.3.4.

9. TAXATION

Analysis of charge recognised in the income statement

	2026			2025		
	Before exceptional items and certain re-measure-ments	**Exceptional items and certain re-measure-ments**	**Total**	Before exceptional items and certain re-measure-ments	Exceptional items and certain re-measure-ments	Total
	£m	**£m**	**£m**	£m	£m	£m
Current tax						
Corporation tax	**141.8**	**(33.2)**	**108.6**	247.3	(5.3)	242.0
Adjustments in respect of previous years	**(11.2)**	**-**	**(11.2)**	(8.3)	-	(8.3)
Total current tax	**130.6**	**(33.2)**	**97.4**	239.0	(5.3)	233.7
Deferred tax						
Current year	**345.3**	**(23.3)**	**322.0**	293.6	(28.4)	265.2
Adjustments in respect of previous years	**6.3**	**-**	**6.3**	19.1	-	19.1
Total deferred tax	**351.6**	**(23.3)**	**328.3**	312.7	(28.4)	284.3
Total taxation charge/(credit)	**482.2**	**(56.5)**	**425.7**	551.7	(33.7)	518.0

Adjusted Current Tax Charge

The Adjusted Current Tax Charge and the adjusted effective rate of tax, which are presented in order to best represent underlying performance by making similar adjustments to the adjusted profit before tax measure, are arrived at after the following adjustments:

	2026 £m	**2026 %**	2025 £m (restated*)	2025 %
Group tax charge and effective rate	**425.7**	**24.3**	518.0	29.4
Add: reported deferred tax charge and effective rate	**(328.3)**	**(18.8)**	(284.3)	(16.1)
Reported current tax charge and effective rate	**97.4**	**5.5**	233.7	13.3
Effect of adjusting items		**(0.7)**		(2.4)
Reported current tax charge and effective rate on adjusted basis	**97.4**	**4.8**	233.7	10.9
Add:				
Share of current tax from joint ventures and associates	**48.6**	**2.5**	45.1	2.2
Current tax credit on exceptional items	**33.2**	**1.6**	5.3	0.2
Share of current tax attributable to non-controlling interests	**14.2**	**0.7**	13.8	0.6
Adjusted Current Tax Charge and effective rate	**193.4**	**9.6**	297.9	13.9

*The comparatives have been restated. See note 2.3.4.

10. DIVIDENDS

10.1 Ordinary dividends

	2026 Total £m	**Settled via scrip £m**	**Pence per ordinary share**	2025 Total £m	Settled via scrip £m	Pence per ordinary share
Interim – year ended 31 March 2026	**258.3**	**107.7**	**21.4**	-	-	-
Final – year ended 31 March 2025	**475.8**	**25.3**	**43.0**	-	-	-
Interim – year ended 31 March 2025	**-**	**-**	**-**	233.7	43.4	21.2
Final – year ended 31 March 2024	**-**	**-**	**-**	437.3	225.5	40.0
	734.1	**133.0**		671.0	268.9	

The final dividend of 43.0p per ordinary share declared in respect of the financial year ended 31 March 2025 (2024: 40.0p) was approved at the Annual General Meeting on 17 July 2025 and was paid to shareholders on 18 September 2025. Shareholders were able to elect to receive ordinary shares credited as fully paid instead of the cash dividend under the terms of the Company's scrip dividend scheme.

The scrip dividend scheme allows investors the option to receive ordinary shares for every cash dividend entitlement where offered. Where the scrip take-up exceeds 25% of the full year dividend in any given year, the Group's policy is to repurchase shares to reduce the dilutive effects to a maximum of 25%. This policy is expected to be extended for the years to 31 March 2030 subject to shareholder approval at the Group's 2026 Annual General Meeting. The scrip dividend take-up for the prior financial year was 9.7%, which was below the 25.0% required by the share buyback programme, therefore no share buybacks occurred during the current year. In the year ended 31 March 2025 3.8m shares were repurchased for total consideration of £71.7m (including stamp duty and commission).

An interim dividend of 21.4p per ordinary share (2025: 21.2p) was declared and paid on 30 January 2026 to those shareholders on the SSE plc share register on 5 December 2025. Shareholders were able to elect to receive ordinary shares credited as fully paid instead of the interim cash dividend under the terms of the Company's scrip dividend scheme.

10. DIVIDENDS (CONTINUED)

10.1 Ordinary dividends (continued)

The proposed final dividend of 47.3p per ordinary share based on the number of issued ordinary shares at 31 March 2026 is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these Summary Financial Statements. Based on shares in issue at 31 March 2026, this would equate to a final dividend of £574.9m.

11. EARNINGS PER SHARE

11.1 Basic earnings per share

The calculation of basic earnings per ordinary share at 31 March 2026 is based on the net profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the year ended 31 March 2026.

11.2 Adjusted Earnings Per Share

Adjusted Earnings Per Share has been calculated by excluding the charge for deferred tax, retained Gas Production decommissioning costs, the depreciation charged on fair value uplifts, the share of profit attributable to non-controlling interests and the impact of exceptional items and certain re-measurements (note 7).

	2026 Earnings £m	**2026 Earnings per share pence**	2025 Earnings £m (restated*)	2025 Earnings per share pence (restated*)
Basic earnings attributable to ordinary shareholders used to calculate Adjusted EPS	**1,208.7**	**105.5**	1,189.4	108.2
Exceptional items and certain re-measurements attributable to ordinary shareholders	**247.8**	**21.6**	341.4	31.1
Basic excluding exceptional items and certain re-measurements	**1,456.5**	**127.1**	1,530.8	139.3
Adjusted for:				
Decommissioning Gas Production	**(12.6)**	**(1.1)**	(17.9)	(1.6)
Depreciation charge on fair value uplifts	**20.3**	**1.8**	20.1	1.8
Deferred tax (note 9)	**351.6**	**30.7**	312.7	28.4
Deferred tax from share of joint ventures and associates	**2.6**	**0.2**	(36.1)	(3.2)
Deferred tax on non-controlling interest	**(64.5)**	**(5.7)**	(41.5)	(3.8)
Interest attributable to non-controlling interest holders, net of tax	**4.6**	**0.5**	4.8	0.4
Adjusted	**1,758.5**	**153.5**	1,772.9	161.3
Basic	**1,208.7**	**105.5**	1,189.4	108.2
Dilutive effect of outstanding share options	**-**	**(0.1)**	-	(0.1)
Diluted	**1,208.7**	**105.4**	1,189.4	108.1

The weighted average number of shares used in each calculation is as follows:

	31 March 2026 Number of shares (millions)	31 March 2025 Number of shares (millions)
For basic and Adjusted Earnings Per Share	**1,145.4**	1,099.2
Effect of exercise of share options	**1.8**	1.1
For diluted earnings per share	**1,147.2**	1,100.3

11.3 Dividend cover

The Group's adjusted dividend cover metric is calculated by comparing Adjusted Earnings Per Share to the projected dividend per share payable to ordinary shareholders.

	2026 Earnings per share (pence)	**2026 Dividend per share (pence)**	**2026 Dividend Cover (times)**	2025 Earnings per share (pence)	2025 Dividend per share (pence)	2025 Dividend cover (times)
Reported earnings per share	**105.5**	**68.7**	**1.54**	108.2	64.2	1.69
Adjusted Earnings Per Share (restated*)	**153.5**	**68.7**	**2.23**	161.3	64.2	2.51

*The comparatives have been restated see note 2.3.4.

12. ACQUISITIONS AND DISPOSALS

12.1 Acquisitions

12.1.1 Current year acquisitions

There have been no significant acquisitions in the current year.

12.1.2 Prior year acquisitions

During the year ended 31 March 2025, the Group made small asset acquisitions (of special purpose vehicles as opposed to businesses) for cash consideration of £17.1m.

12.2 Disposals

12.2.1 Current and prior year disposals

There have been no significant disposals in the current and prior year.

12.3 Held for sale assets and liabilities

During the year ended 31 March 2026, the Group commenced a process to divest its renewable platform in France and a solar development asset in Greece. The Group has assessed that these divestments meet the held for sale IFRS 5 definition and accordingly the below associated assets and liabilities are presented as held for sale:

	31 March 2026 £m
Property, plant and equipment	34.1
Intangible assets	8.3
Inventories	0.4
Trade and other receivables	3.5
Total assets	**46.3**
Trade and other payables	(0.2)
Provisions	(1.3)
Loans and other borrowings	(1.5)
Total liabilities	**(3.0)**
Net assets	**43.3**

The aggregate pre-tax profit contribution of the held for sale businesses in the year to 31 March 2026 was a profit of £1.0m. There are no accumulated gains or losses recognised in other comprehensive income related to assets and liabilities held for sale.

13. SOURCES OF FINANCE

13.1 Capital management

The Group's objective is to maintain a strong balance sheet and credit rating to support continued access to capital markets and fund its investment programme, underpinning delivery of the Group's strategy and long term value creation. The Group monitors its capital structure using key financial metrics including, Adjusted Net Debt and Hybrid Capital together with credit metrics consistent with those used by external rating agencies.

At 31 March 2026, the Group's long term credit rating was BBB+ stable outlook for Standard and Poor's; Baa1 stable outlook for Moody's; and BBB+ stable outlook with Fitch, which is now provided on a solicited basis.

The maintenance of a medium-term corporate model is a key control in monitoring the development of the Group's capital structure and enables detailed scenario and sensitivity analysis. Key ratios derived from this analysis underpin regular reporting to the Board and include the ratios used by the rating agencies in assessing the Group's credit ratings.

The Group's debt requirements are principally met through bond issuances in Sterling and Euros, private placements and medium-term bank loans. Details of debt issued by the Group and maturity profile are included in note 21.3 to the Group's consolidated financial statements. The Group's capital structure is supported by a range of financial instruments, including bonds, private placements, hybrid capital, equity issuances and short-term funding through its commercial paper programme. Under SSE plc's articles of association, the borrowings of the Company are limited so as to ensure that the aggregate amount of all borrowings by the Group outstanding at any time is not more than three times the capital and reserves of the Group. SSE's Adjusted Net Debt and Hybrid Capital remained stable at £10.1bn at 31 March 2026 (2025: £10.1bn (restated - see note 2.3.4)).

The Group seeks to balance returns to shareholders through dividends and long-term capital investment for growth, while maintaining a disciplined approach to capital management within the prevailing economic environment.

On 14 November 2025 the Group issued 97.9m ordinary shares at a placement price of £20.50 per share, resulting in net proceeds of £1,978.4m (see note 14.1).

13. SOURCES OF FINANCE (CONTINUED)

13.1 Capital management (continued)

The Group's capital comprises:

	2026 £m	2025 £m (restated*)
Total borrowings (excluding lease obligations)	**9,664.5**	10,149.4
Less: Cash and cash equivalents	**(1,542.9)**	(1,090.5)
Net debt (excluding Hybrid equity)	**8,121.6**	9,058.9
Hybrid equity	**2,985.8**	1,882.4
Borrowings and cash attributable to non-controlling interests	**(1,258.4)**	(937.9)
Cash held and posted as collateral and other deposits	**246.0**	63.3
Adjusted Net Debt and Hybrid Capital	**10,095.0**	10,066.7
Equity attributable to shareholders of the parent	**12,663.9**	10,181.6
Total capital excluding lease obligations	**22,758.9**	20,248.3

*The comparatives have been restated. See note 2.3.4.

The adjustment related to the non-controlling interest share of Scottish Hydro Electric Transmission plc external net debt and related SSE plc external debt is £1,258.4m at 31 March 2026 (2025: £937.9m restated) and relates to 25% of external loans of £5,073.7m (2025: £3,758.8m restated) net of cash and cash equivalents of £40.2m (2025: £7.3m). This adjustment was increased from £817.9m to £937.9m at 31 March 2025, reflecting the change of definition referred to at note 2.3.4.

13.2 Loans and other borrowings

	2026 £m	2025 £m (restated*)
Current		
Short-term loans	**1,124.6**	1,895.5
Lease obligations	**79.8**	68.5
	1,204.4	1,964.0
Non-current		
Loans	**8,539.9**	8,253.9
Lease obligations	**376.9**	386.5
	8,916.8	8,640.4
Total loans and borrowings	**10,121.2**	10,604.4
Cash and cash equivalents	**(1,542.9)**	(1,090.5)
Unadjusted net debt	**8,578.3**	9,513.9
Add/(less):		
Hybrid equity (note 14)	**2,985.8**	1,882.4
Borrowings and cash attributable to non-controlling interest holders	**(1,258.4)**	(937.9)
Lease obligations	**(456.7)**	(455.0)
Cash held and posted as collateral and other deposits	**246.0**	63.3
Adjusted Net Debt and Hybrid Capital	**10,095.0**	10,066.7

*The comparatives have been restated. See note 2.3.4.

13.2.1 Borrowing facilities

The Group maintains a diversified portfolio of funding sources, including committed bank facilities, bond issuances, a €1.5bn commercial paper programme and private placements to support its liquidity requirements and investment programme. At 31 March 2026, £501.2m of the Group's €1.5bn commercial paper programme was outstanding (2025: £890.5m).

At 31 March 2026, the Group had access to a total of £5.0bn of committed facilities (2025: £3.0bn), comprising revolving credit facilities and other committed arrangements. During the year, Scottish Hydro Electric Transmission plc agreed £2.0bn of new ECA and National Wealth Fund guaranteed facilities. As at 31 March 2026 there were no drawings on the revolving credit facilities (2025: Scottish Hydro Electric Transmission plc utilisation £340m and SSE plc utilisation £nil) or the new ECA and National Wealth Fund facilities.

The committed facilities are in place to ensure the Group has sufficient liquidity headroom when making significant capital investment. The £1.5bn revolving credit facility for SSE plc is in place to provide back-up to the commercial paper programme and support the Group's capital expenditure plans. The £3.5bn Scottish Hydro Electric Transmission plc facilities are in place to support the capital expenditure and working capital during a period of significant capital growth for the business.

On 31 March 2026, SSE plc signed an additional commitment letter which allows SSE plc to enter a £1.5bn committed facility between 31 March 2026 and 30 June 2026.

The revolving credit facilities include sustainability-linked features which may or may not adjust the interest margin applicable. The rate of interest is calculated annually, subject to fulfilling certain ESG KPIs and applied prospectively. At 31 March 2026, these features had no impact on the carrying value of the borrowings.

13. SOURCES OF FINANCE (CONTINUED)

13.2.1 Borrowing facilities (continued)

Under the terms of its revolving credit and private placement borrowing facilities, the Group is subject to the following financial covenants:

- **Interest Cover Ratio**: The Group shall procure that the ratio of Operating Profit to Net Interest Payable for any relevant period is not less than 2.5 to 1.
- **Net debt to Regulatory Asset Value**: Scottish Hydro Electric Transmission plc shall procure that the consolidated net debt to Regulatory Asset Value does not at any time exceed 0.80 to 1.00 as assessed by their financial statements.

The Group and Scottish Hydro Electric Transmission plc complied with all covenants throughout the year.

During the year to 31 March 2026, SSE plc issued a total of £1.6bn of new borrowings, including £1.1bn of dual-tranche equity accounted hybrid bonds (see note 14.2) and £0.5bn of commercial paper rolled at maturity. Scottish Hydro Electric Transmission plc issued a total of £1.1bn of new external debt instruments across four issuances. A total of £2.2bn of instruments matured in the period, including £1.0bn of SSE plc Eurobonds, £0.9bn of SSE plc commercial paper and £0.3bn of Scottish Hydro Electric Transmission plc debt instruments.

On 7 April 2026, subsequent to the balance sheet date, SSE plc issued a €400m (£346m) two-year floating rate note.

The weighted average incremental borrowing rate applied to lease liabilities during the year was 5.12% (2025: 4.95%). Incremental borrowing rates applied to individual lease additions in the year ranged between 3.75% to 7.34% (2025: 3.85% to 7.46%).

13.3 Reconciliation of net increase in cash and cash equivalents to movement in Adjusted Net Debt and Hybrid Capital

	2026 £m	2025 £m (restated*)
Increase in cash and cash equivalents	**452.4**	54.6
(Less)/add:		
New borrowing proceeds	**(1,595.3)**	(2,592.2)
New Hybrid equity proceeds	**(1,103.4)**	-
Repayment of borrowings	**2,294.2**	1,055.3
Non-cash movement on borrowings	**(214.0)**	113.7
Increase in borrowings and cash attributable to non-controlling interest holders	**320.5**	252.7
(Increase)/decrease in cash held and posted as collateral and other deposits	**(182.7)**	289.9
Increase in Adjusted Net Debt and Hybrid Capital	**(28.3)**	(826.0)

*The comparatives have been restated. See note 2.3.4.

14. EQUITY

14.1 Share capital

	Number (millions)	£m
Allotted, called up and fully paid:		
At 1 April 2025	**1,111.2**	555.6
Issue of shares	**104.3**	52.1
At 31 March 2026	**1,215.5**	607.7

The Company has one class of ordinary share which carries no right to fixed income. The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

On 14 November 2025 the Group issued 97.9m ordinary shares at a placement price of £20.50 per share, resulting in gross proceeds of £2,007.3m. Transaction costs, which were directly attributable to the issuance, have been deducted from share premium in line with IAS 32 and therefore the Group recognised net proceeds of £1,978.4m from this share issuance.

Shareholders were able to elect to receive ordinary shares in place of the final dividend of 43.0p per ordinary share (in relation to year ended 31 March 2025) and the interim dividend of 21.4p (in relation to the current year) under the terms of the Company's scrip dividend scheme. This resulted in the issue of 1.4m and 5.0m new fully paid ordinary shares respectively (2025: 12.2m and 2.8m). In addition, the Company issued 1.4m (2025: 1.7m) shares during the year to satisfy awards to employees under certain employee share schemes (all of which were settled by shares held in Treasury) for a consideration of £17.4m (2025: £17.8m).

The scrip dividend take-up for the prior financial year was 9.7%, which was below the 25.0% required by the share buyback programme, therefore no share buybacks occurred during the current year. In the year ended 31 March 2025 3.8m shares were repurchased for total consideration of £71.7m (including stamp duty and commission).

Of the 1,215.5m shares in issue, 3.3m are held as treasury shares. These shares will be held by SSE plc and used to satisfy awards to employees under certain employee share schemes.

14. EQUITY (CONTINUED)

14.1 Share capital (continued)

During the year, on behalf of the Company, the employee share trust purchased 1.0m shares for a total consideration of £25.4m (2025: 0.8m shares, consideration of £14.1m) to be held in trust for the benefit of employee share schemes. At 31 March 2026, the trust held 6.1m shares (2025: 6.7m) which had a market value of £159.5m (2025: £107.1m).

14.2 Hybrid Equity

	2026 **£m**	2025 £m
GBP 600m 3.74% perpetual subordinated capital securities (i)	**598.0**	598.0
EUR 500m 3.125% perpetual subordinated capital securities (i)	**453.0**	453.0
EUR 1,000m 4.00% perpetual subordinated capital securities (ii)	**831.4**	831.4
EUR 800m 4.00% perpetual subordinated capital securities (iii)	**678.9**	-
EUR 500m 4.50% perpetual subordinated capital securities (iii)	**424.5**	-
	2,985.8	1,882.4

(i) 2 July 2020 £600m and €500m Hybrid Capital Bonds

The hybrid capital bonds issued in July 2020 have no fixed redemption date, but the Company may, at its sole discretion, redeem all but not part of the capital securities at their principal amount. The date for the first potential discretionary redemption of the £600m hybrid bond is 14 April 2026 and then every 5 years thereafter. The date for the first potential discretionary redemption of the €500m hybrid capital bond is 14 July 2027 and then every 5 years thereafter. For the £600m hybrid the discretionary coupon payments are made annually on 14 April and for the €500m hybrid the coupon payments are made annually on 14 July.

(ii) 12 April 2022 €1,000m Hybrid Capital Bonds

The hybrid capital bond issued in April 2022 has no fixed redemption date, but the Company may, at its sole discretion, redeem all but not part of the capital securities at their principal amount. The date for the first potential discretionary redemption is 21 April 2028 and then every 5 years thereafter. The discretionary hybrid coupon payments are made annually on 22 April.

(iii) 2 June 2025 €800m and €500m Hybrid Capital Bonds

The hybrid capital bonds issued in June 2025 have no fixed redemption dates, but the Company may, at its sole discretion, redeem all but not part of the capital securities at their principal amount. The date for the first potential redemption for the €800m hybrid capital bond is 19 September 2030, and for the €500m bond is 19 June 2033, then every five years thereafter. The discretionary hybrid coupon payments are made annually on 19 September and 19 June respectively.

Coupon payments

In relation to the £600m hybrid equity bond a discretionary coupon payment of £22.4m (2025: £22.4m) was made on 14 April 2025, for the €500m hybrid equity bond a discretionary coupon payment of £16.5m (2025: £16.5m) was made on 14 July 2025 and for the €1bn hybrid equity bond a discretionary payment of £34.0m was paid on 22 April 2025 (2025: £34.8m). The first discretionary coupon payment on the new hybrid equity bonds will occur on 19 June 2026 for the €500m hybrid equity bond and 19 September 2026 for the €800m hybrid equity bond.

The coupon payments in the year to 31 March 2026 consequently totalled £72.9m (2025: £73.7m).

The Company has the option to defer coupon payments on the bonds on any relevant payment date, as long as a dividend on the ordinary shares has not been declared. Deferred coupons shall be satisfied only on redemption; or on a dividend payment on ordinary shares, both of which occur at the sole option of the Company. Interest will accrue on any deferred coupon.

14.3 Equity attributable to non-controlling interests

This relates to equity attributable to non-wholly owned but controlled subsidiaries which are consolidated within the financial statements of the Group. At 31 March 2026 the amount attributable to non-controlling interests is £751.6m (2025: £628.8m), which relates to Scottish Hydro Electric Transmission of £713.4m (2025: £589.6m) and SSE Pacifico £38.2m (2025: £39.2m). The profit attributable to non-controlling interests for the year ended 31 March 2026 is £130.0m (2025: £69.8m), which relates to Scottish Hydro Electric Transmission £130.3m (2025: £70.6m) and SSE Pacifico £0.3m loss (2025: £0.8m loss). The comparative has been restated. See note 2.3.4.

15. RETIREMENT BENEFIT OBLIGATIONS

15.1 Valuation of combined pension schemes

	Quoted £m	**Unquoted £m**	**Value at 31 March 2026 £m**	Quoted £m	Unquoted £m	Value at 31 March 2025 £m
Equities	**148.7**	**-**	**148.7**	173.2	-	173.2
Government bonds	**998.3**	**-**	**998.3**	1,180.6	-	1,180.6
Insurance contracts	**-**	**432.4**	**432.4**	-	454.4	454.4
Other investments	**1,138.5**	**-**	**1,138.5**	942.1	-	942.1
Total fair value of plan assets	**2,285.5**	**432.4**	**2,717.9**	2,295.9	454.4	2,750.3
Present value of defined benefit obligation			**(2,258.1)**			(2,248.5)
Surplus in the schemes			**459.8**			501.8
Deferred tax thereon (i)			**(115.0)**			(125.5)
Net pension asset			**344.8**			376.3

(i) Deferred tax rate of 25% (2025: 25%) applied to net pension surplus position.

	Balance sheet presentation 2026 £m	Balance sheet presentation 2025 £m
Retirement benefit asset	**459.8**	501.8
Pension asset	**459.8**	501.8

Movements in the combined defined benefit assets and obligations during the year:

	2026 Assets £m	**2026 Obligations £m**	**2026 Total £m**	2025 Assets £m	2025 Obligations £m	2025 Total £m
At 1 April	**2,750.3**	**(2,248.5)**	**501.8**	3,015.2	(2,593.6)	421.6
Included in income statement						
Current service cost	**-**	**(14.4)**	**(14.4)**	-	(15.0)	(15.0)
Past service cost	**-**	**(1.4)**	**(1.4)**	-	(4.7)	(4.7)
Interest income/(cost)	**154.0**	**(124.6)**	**29.4**	141.3	(120.6)	20.7
	154.0	**(140.4)**	**13.6**	141.3	(140.3)	1.0
Included in other comprehensive income						
Actuarial (loss)/gain arising from:						
Demographic assumptions	**-**	**(11.2)**	**(11.2)**	-	20.9	20.9
Financial assumptions	**-**	**46.5**	**46.5**	-	288.5	288.5
Experience assumptions	**-**	**(82.2)**	**(82.2)**	-	1.9	1.9
Return on plan assets excluding interest income	**(33.8)**	**-**	**(33.8)**	(258.5)	-	(258.5)
	(33.8)	**(46.9)**	**(80.7)**	(258.5)	311.3	52.8
Other						
Contributions paid by the employer	**26.5**	**-**	**26.5**	26.4	-	26.4
Scheme participant's contributions	**0.1**	**(0.1)**	**-**	0.1	(0.1)	-
Benefits paid	**(179.2)**	**177.8**	**(1.4)**	(174.2)	174.2	-
	(152.6)	**177.7**	**25.1**	(147.7)	174.1	26.4
Balance at 31 March	**2,717.9**	**(2,258.1)**	**459.8**	2,750.3	(2,248.5)	501.8

Charges/(credits) recognised:

	2026 £m	2025 £m
Service costs (charged to operating profit)	**15.8**	19.7
(Credited)/charged to finance costs:		
Interest from pension scheme assets	**(154.0)**	(141.3)
Interest on pension scheme liabilities	**124.6**	120.6
	(29.4)	(20.7)

16. FINANCIAL RISK MANAGEMENT

16.1 Financial risk management

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's policies for risk management are established to identify the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Exposure to commodity, currency and interest rate risks arise in the normal course of the Group's business and derivative financial instruments are entered into to manage exposure to these risks.

SSE has a Group wide Risk Committee reporting to the Group Executive Committee, which is responsible for reviewing the risks and exposures across the Group by overseeing the controls and strategies employed to manage these risks and by ensuring and promoting an effective system of internal control. In addition, the Group has two dedicated Energy Market risk committees reporting to the Group Executive Committee and Board respectively, with the Group Executive Sub-committee chaired by the Chief Executive Officer (the "Group Energy Markets Exposures Risk Committee") and the Board Sub-committee chaired by Non-Executive Director Tony Cocker (the "Energy Markets Risk Committee (EMRC)"). These Committees oversee the Group's management of its energy market exposures, including its approach to hedging.

During the year ended 31 March 2026, the Group continued to be exposed to the economic conditions impacting the primary commodities to which it is exposed (power, gas and carbon). The Group's approach to hedging, and the diversity of its energy portfolios (across Wind, Hydro, Thermal and Customers) has provided certain mitigation of these exposures.

Exposure to the commodity, currency and interest rate risks noted arise in the normal course of the Group's business and derivative financial instruments are entered into to manage exposure to these risks. The objectives and policies for holding or issuing financial instruments and similar contracts, and the strategies for achieving those objectives that have been followed during the year are explained within A6 Accompanying Information to the Group's consolidated financial statements.

The net movement reflected in the income statement can be summarised as follows:

	2026 £m	2025 £m
Operating derivatives		
Total result on operating derivatives (i)	**(24.5)**	92.9
Less: amounts settled (ii)	**(127.5)**	(141.9)
Movement in unrealised derivatives	**(152.0)**	(49.0)
Financing derivatives (and hedged items)		
Total result on financing derivatives (i)	**(113.2)**	63.6
Less: amounts settled (ii)	**131.1**	(50.8)
Movement in unrealised derivatives	**17.9**	12.8
Financial guarantee liabilities		
Total result on financial guarantee liabilities (iii)	**1.7**	1.9
Net income statement impact	**(132.4)**	(34.3)

(i) Total result on derivatives in the income statement represents the total amounts credited (or charged) to the income statement in respect of operating and financial derivatives.
(ii) Amounts settled in the year represent the result on derivatives transacted which have matured or been delivered and have been included within the total result on derivatives.
(iii) Total result on financial guarantee liabilities in the income statement represents the total amounts credited or (charged) to the income statement in respect of the unwind of the financial liabilities and recognition of new or expiring contracts.

16.2 Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from unadjusted quoted market prices for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

16.2 Fair value hierarchy (continued)

	2026				2025			
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
	£m	**£m**	**£m**	**£m**	£m	£m	£m	£m
Financial assets								
Energy derivatives	**460.3**	**213.1**	**11.6**	**685.0**	71.5	80.9	5.8	158.2
Interest rate derivatives	**-**	**116.8**	**-**	**116.8**	-	68.9	-	68.9
Foreign exchange derivatives	**-**	**43.5**	**-**	**43.5**	-	14.8	-	14.8
Unquoted equity investments	**-**	**-**	**7.6**	**7.6**	-	-	8.8	8.8
	460.3	**373.4**	**19.2**	**852.9**	71.5	164.6	14.6	250.7
Financial liabilities								
Energy derivatives	**-**	**(787.8)**	**(56.1)**	**(843.9)**	-	(80.8)	(81.3)	(162.1)
Interest rate derivatives	**-**	**(49.2)**	**-**	**(49.2)**	-	(107.8)	-	(107.8)
Foreign exchange derivatives	**-**	**(37.2)**	**-**	**(37.2)**	-	(24.1)	-	(24.1)
Loans and borrowings *	**-**	**(15.7)**	**-**	**(15.7)**	-	88.6	-	88.6
	-	**(889.9)**	**(56.1)**	**(946.0)**	-	(124.1)	(81.3)	(205.4)

* At 31 March 2025, the £88.6m relates to fair value hedges that are in place against the Group's loans and borrowings and has been included in the table above within financial liabilities, as it is presented in loans and borrowings liabilities in the balance sheet.

There were no significant transfers out of Level 1 into Level 2 and out of Level 2 into Level 1 during the current and prior year. There were no significant transfers out of Level 2 into Level 3 or out of Level 3 into Level 2 during the current and prior year.

17. CAPITAL COMMITMENTS

	2026	2025
	£m	£m
Capital expenditure:		
Contracted for but not provided	**7,627.5**	4,438.3

Contracted for but not provided capital commitments include the fixed contracted costs of the Group's major capital projects. In practice contractual variations may arise on the final settlement of these contractual costs. The increase from the prior year relates primarily to Transmission projects.

18. RELATED PARTY TRANSACTIONS

The following transactions took place during the year between the Group and entities which are related to the Group, but which are not members of the Group. Related parties are defined as those in which the Group has control, joint control or significant influence over.

	2026				2025			
	Sale of goods and services	**Purchase of goods and services**	**Amounts owed from**	**Amounts owed to**	Sale of goods and services	Purchase of goods and services	Amounts owed from	Amounts owed to
	£m	**£m**	**£m**	**£m**	£m	£m	£m	£m
Joint arrangements:								
Marchwood Power Limited	**179.9**	**(100.8)**	**-**	**-**	111.2	(116.1)	-	(5.0)
Clyde Windfarm (Scotland) Limited	**2.9**	**(202.5)**	**0.8**	**(64.7)**	5.6	(187.6)	0.1	(51.6)
Beatrice Offshore Windfarm Limited	**6.9**	**(75.1)**	**0.6**	**(11.9)**	6.3	(86.1)	1.2	(7.1)
Stronelairg Wind Farm Limited	**1.3**	**(91.9)**	**-**	**(29.2)**	2.6	(88.4)	0.1	(25.1)
Triton Power Holdings Limited	**-**	**(30.3)**	**-**	**(5.4)**	-	-	-	-
Dunmaglass Wind Farm Limited	**0.6**	**(37.5)**	**-**	**(11.2)**	1.2	(32.6)	-	(9.0)
Neos Networks Limited	**4.0**	**(25.5)**	**2.3**	**(5.3)**	6.8	(28.2)	2.1	(4.0)
Seagreen Wind Energy Limited	**48.8**	**(167.6)**	**7.9**	**(20.8)**	54.6	(171.5)	13.6	(16.8)
Doggerbank A, B, C and D	**45.6**	**(21.6)**	**61.1**	**(1.5)**	47.7	(2.8)	36.5	(1.0)
Greater Gabbard Offshore Winds Limited	**7.1**	**(172.9)**	**0.5**	**(62.0)**	7.5	(134.7)	0.6	(50.6)
Other joint arrangements	**21.4**	**(49.8)**	**3.4**	**(5.1)**	23.9	(37.4)	12.5	(3.7)

The transactions with Marchwood Power Limited relate to the contracts for the provision of energy or the tolling of energy under power purchase arrangements.

The amounts outstanding are trading balances, are unsecured and will be settled in cash.

Disclaimer

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