

Anglian Water 2024/25 results, performance and funding update

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Cautionary statement regarding forward-looking statements

- This document contains statements that are, or may be deemed to be, 'forward-looking statements' with respect to Anglian Water's financial condition, results of operations and business and certain of Anglian Water's plans and objectives with respect to these items.
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- Nothing in this document should be regarded as a profits forecast.



View from the bridge

Mark Thurston

Chief Executive Officer



Key headlines



**Financial
resilience**



**Strategic
priorities**



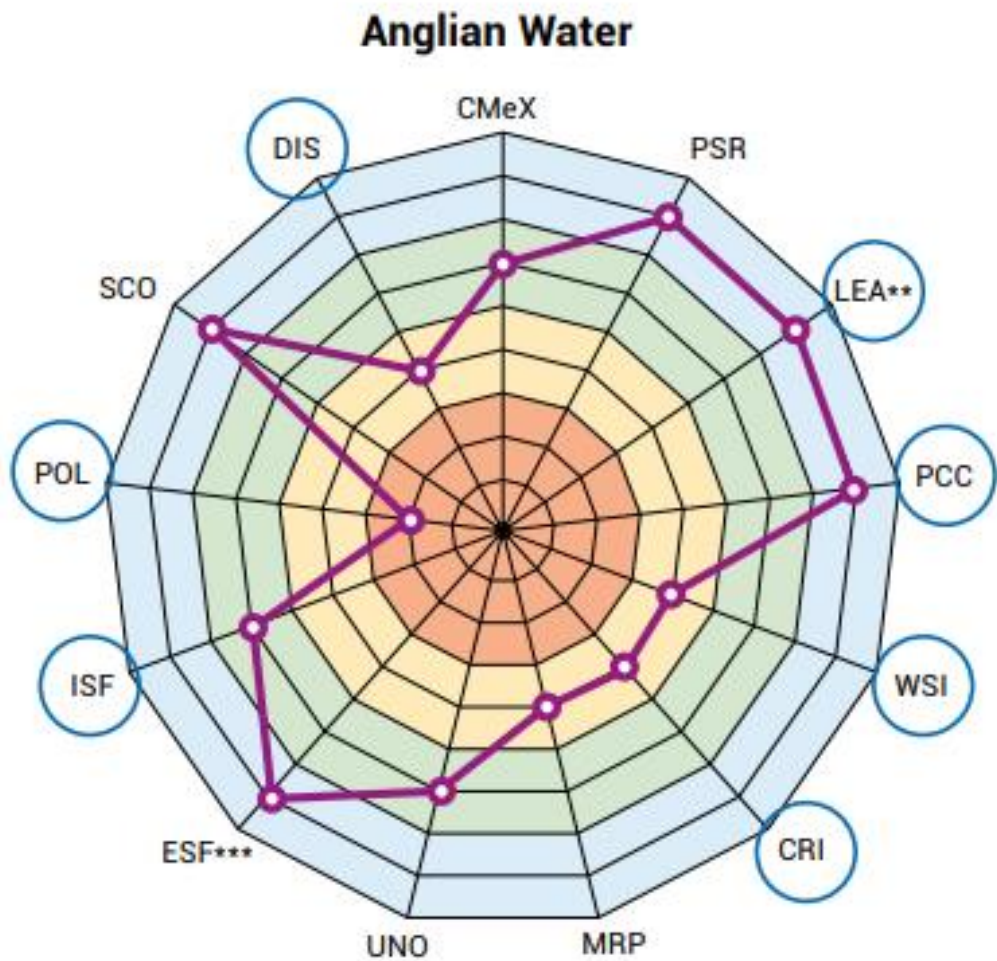
**Focus on
delivery**



**Customer
experience**



Reaching our performance ambitions



- Upper quartile or above
- Above median
- Below median
- Below lower quartile

Areas contributing to Ofwat's 'lagging' assessment for Anglian Water.

- CMex - Customer Measure of Experience
- PSR - Priority Services Register
- LEA - Leakage
- PCC - Per Capita Consumption
- WSI - Water Supply Interruptions
- CRI - Compliance Risk Index
- MRP - Mains Repairs
- UNO - Unplanned Outage
- ESF - External Sewer Flooding
- ISF - Internal Sewer Flooding
- SCO - Sewer collapses
- DIS - Discharge Compliance
- POL - Pollutions



2024/25 key financial metrics and AMP8 start

Michael Bradley
Chief Financial Officer



Key financials summary



Delivering robust financials

Revenue

2025: £1,749m | **2024:** £1,627m
Up £122m (8%)

Operating profit

2025: £497m | **2024:** £431m
Up £66m (15%)

Adjusted profit/ (loss) before tax¹

2025: £126m | **2024:** £(72)m

Operating cash flow

2025: £811m | **2024:** £767m
Up £44m (6%)

Net debt²

2025: £7,721m | **2024:** £6,977m

Dividends

2025: £0m | **2024:** £89m

RCV

2025: £11,220m | **2024:** £10,681m

Gearing

2025: 71% Senior AWS
2024: 69% Senior AWS

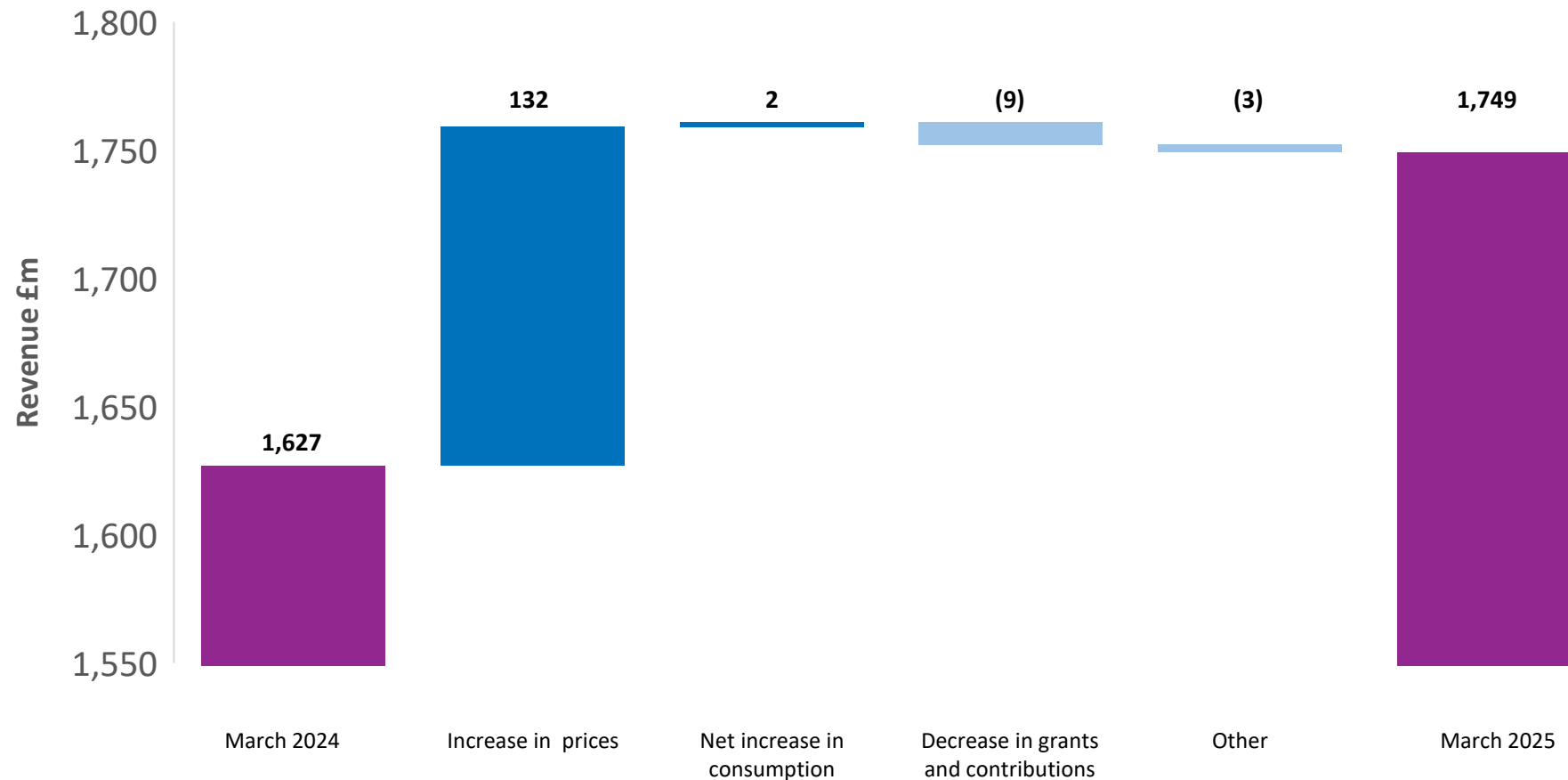
Credit ratings

Baa1/ A- / BBB

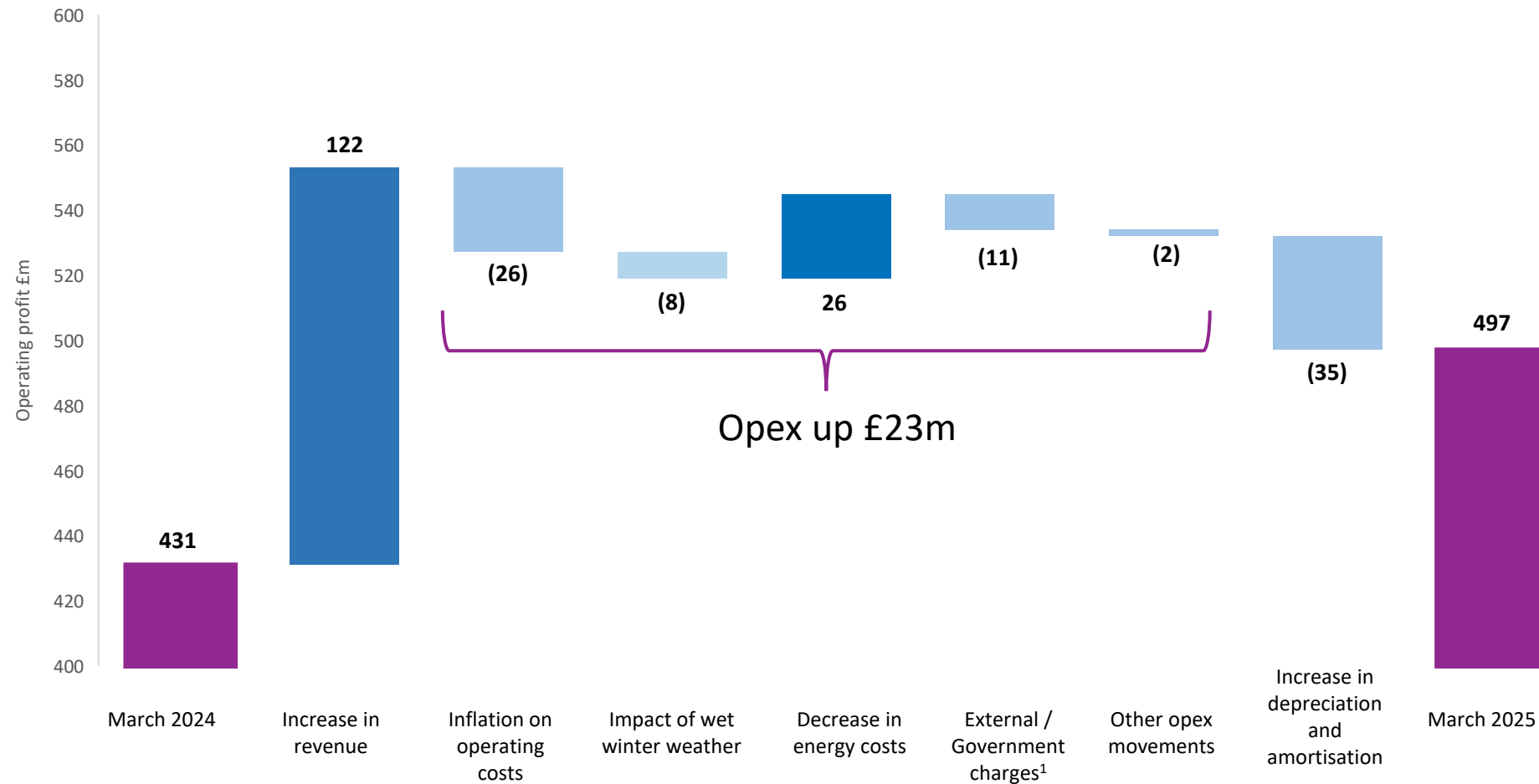
¹ Shown before profit on derivatives of £63m (2024: 205m)

² Shown on a statutory basis, excluding derivatives. Net debt on a CTA basis is £7,994m (2024: £7,344m)

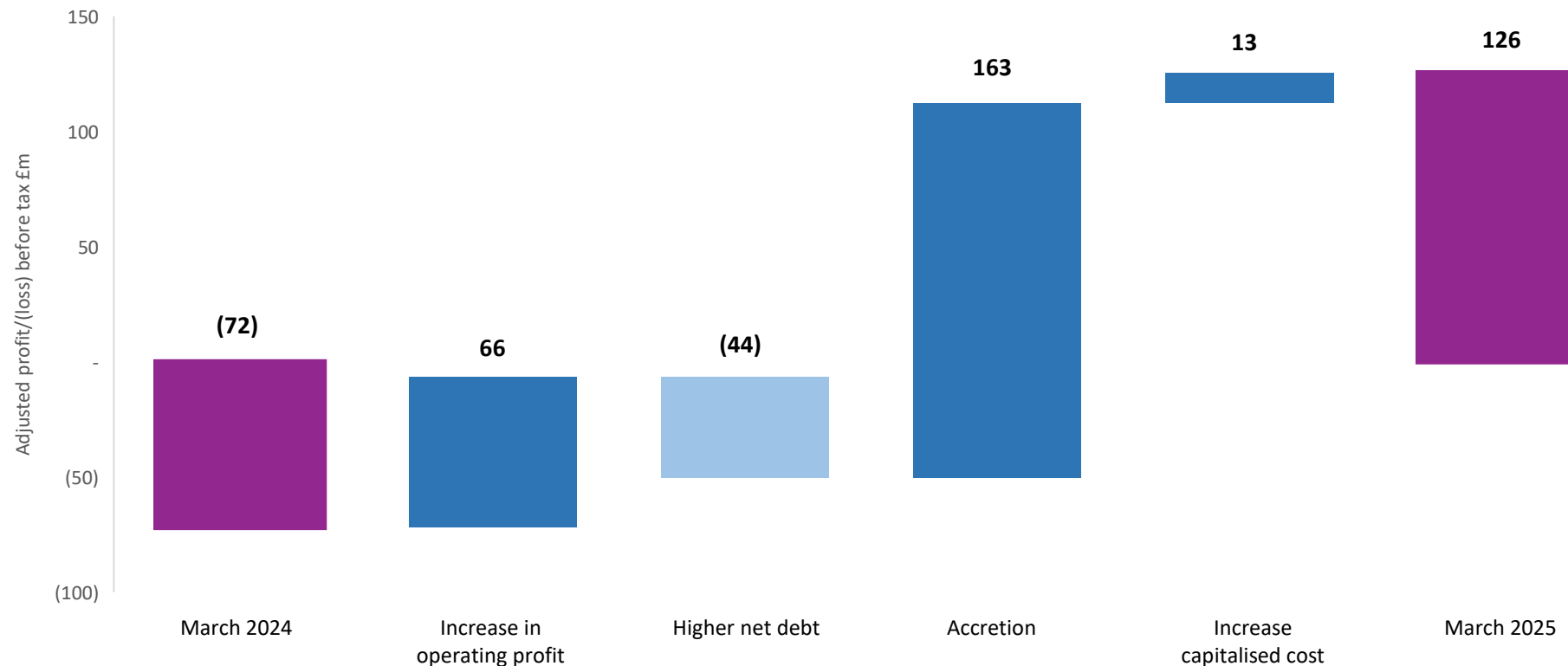
Financials — revenue breakdown



Financials — operating profit breakdown



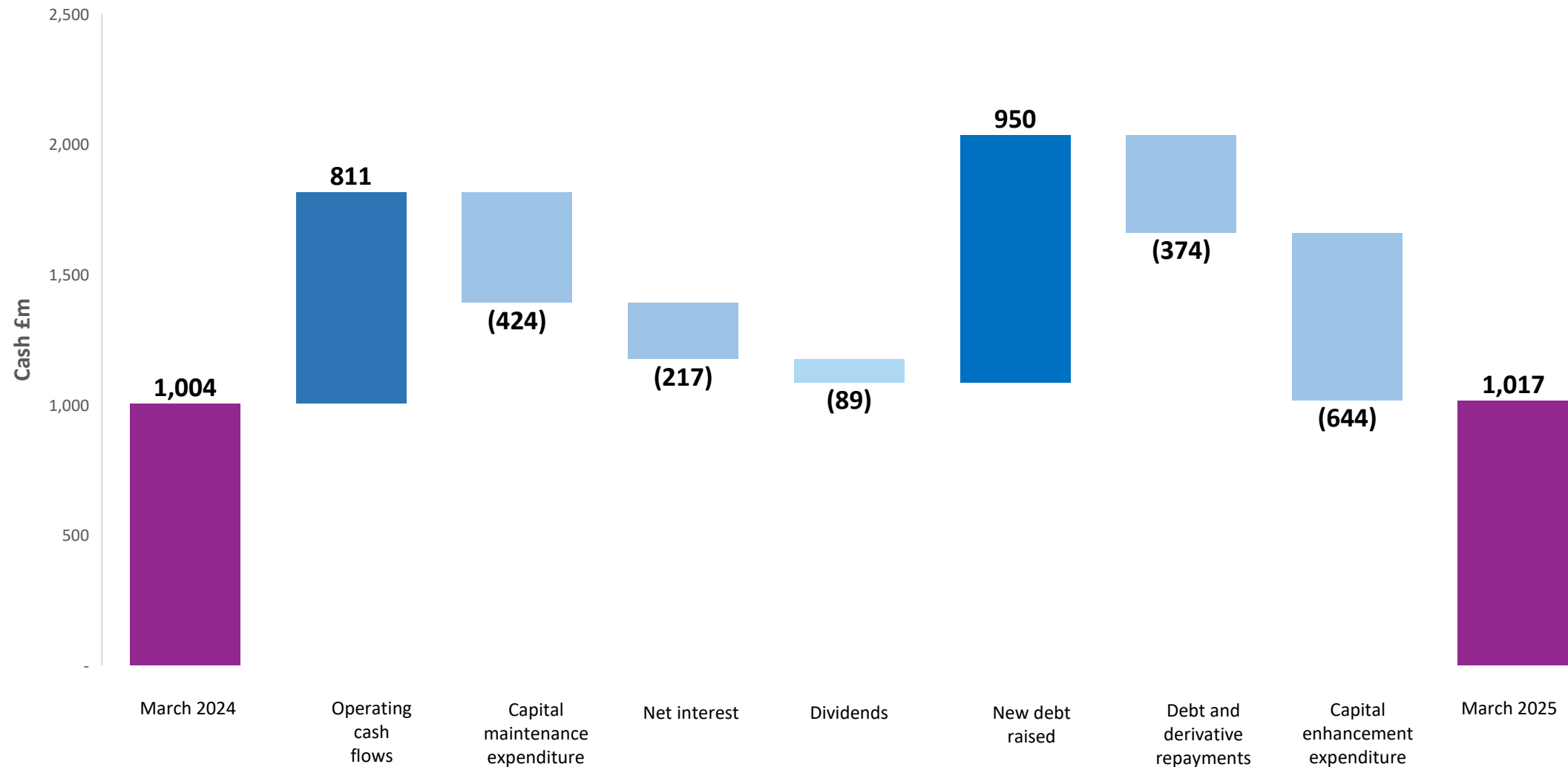
Financials — adjusted profit/(loss) before tax¹



¹ Calculated as profit/(loss) before tax excluding fair value gains on derivative financial instruments



Financials — sources and uses of cash



Strong position at start of AMP8



**Shareholder funding
backs long-term plan**

Refinancing closed

**AMP8 delivery progressing,
undistracted by CMA**

Turnaround plan on track

De-leveraging plan underway

**Significant AMP8
pre-funding in 2024/25
adds funding flexibility**



Funding update

Fraser Campbell

Group Director of Treasury,
Corporate Finance and Investor Relations



Balanced debt composition ensures natural hedge to RCV and revenues



Debt composition

Net debt¹

£7,994m

£650m increase in CTA net debt from Mar-24

RCV

£11,220m

RCV reflects AMP7 capital investment and is adjusted in line with inflationary increase

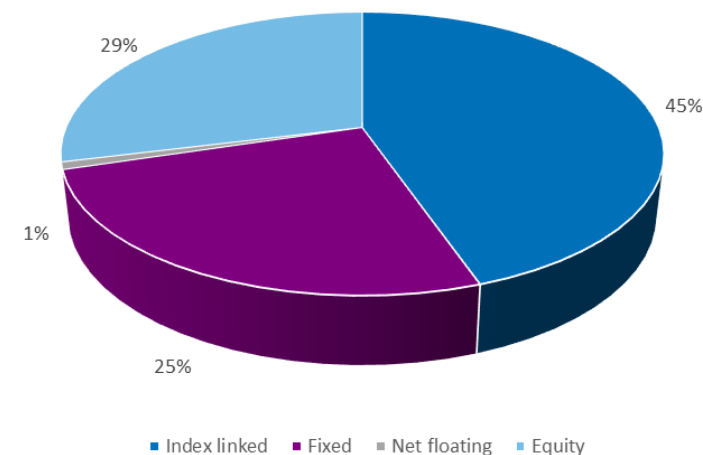
Gearing²

71%

AWS Gearing – 71%
Osprey Gearing – 80%
Aigrette Gearing – 86%

Period ended
31 March 2025

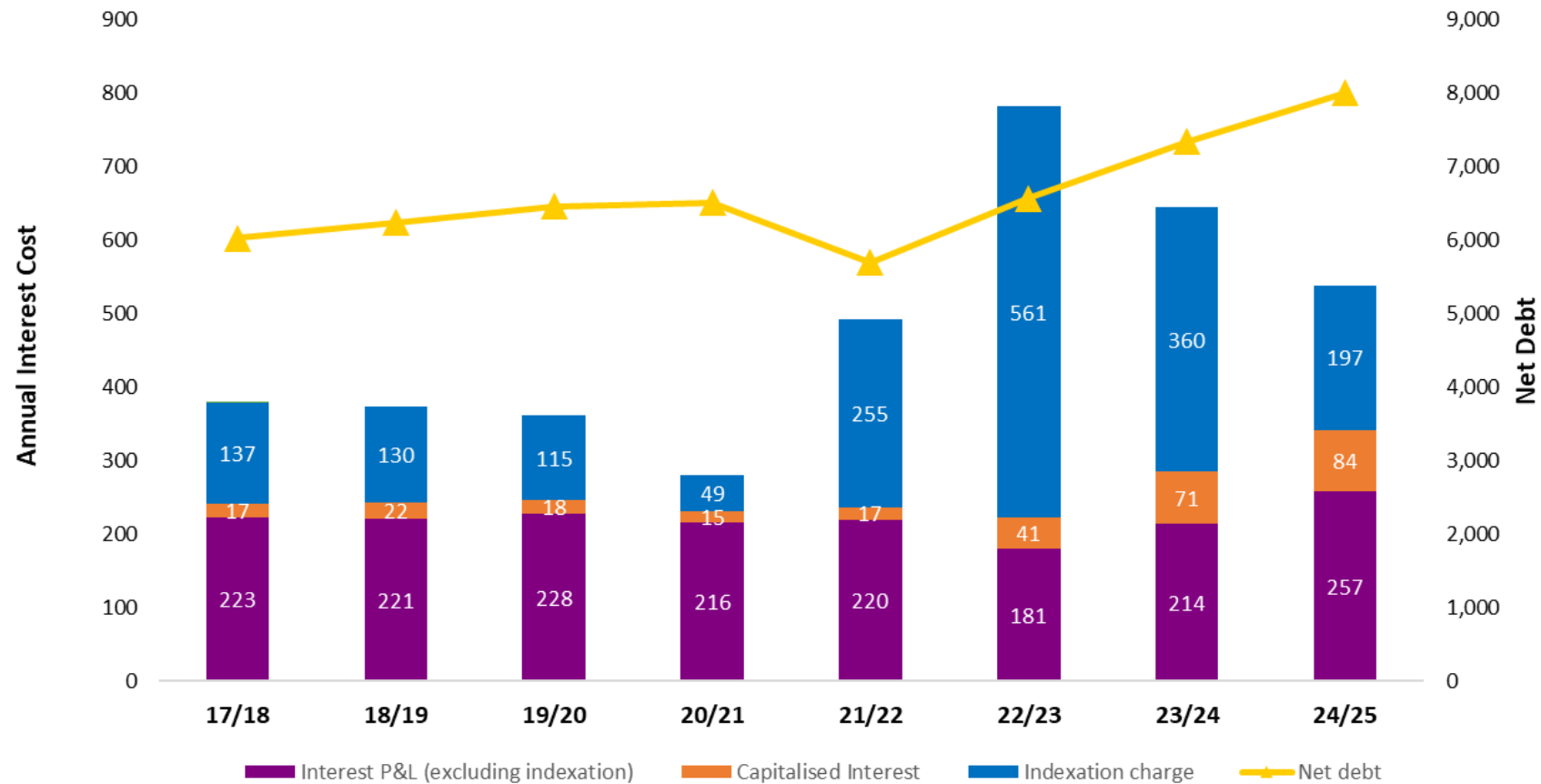
AWS funding mix (% of RCV)



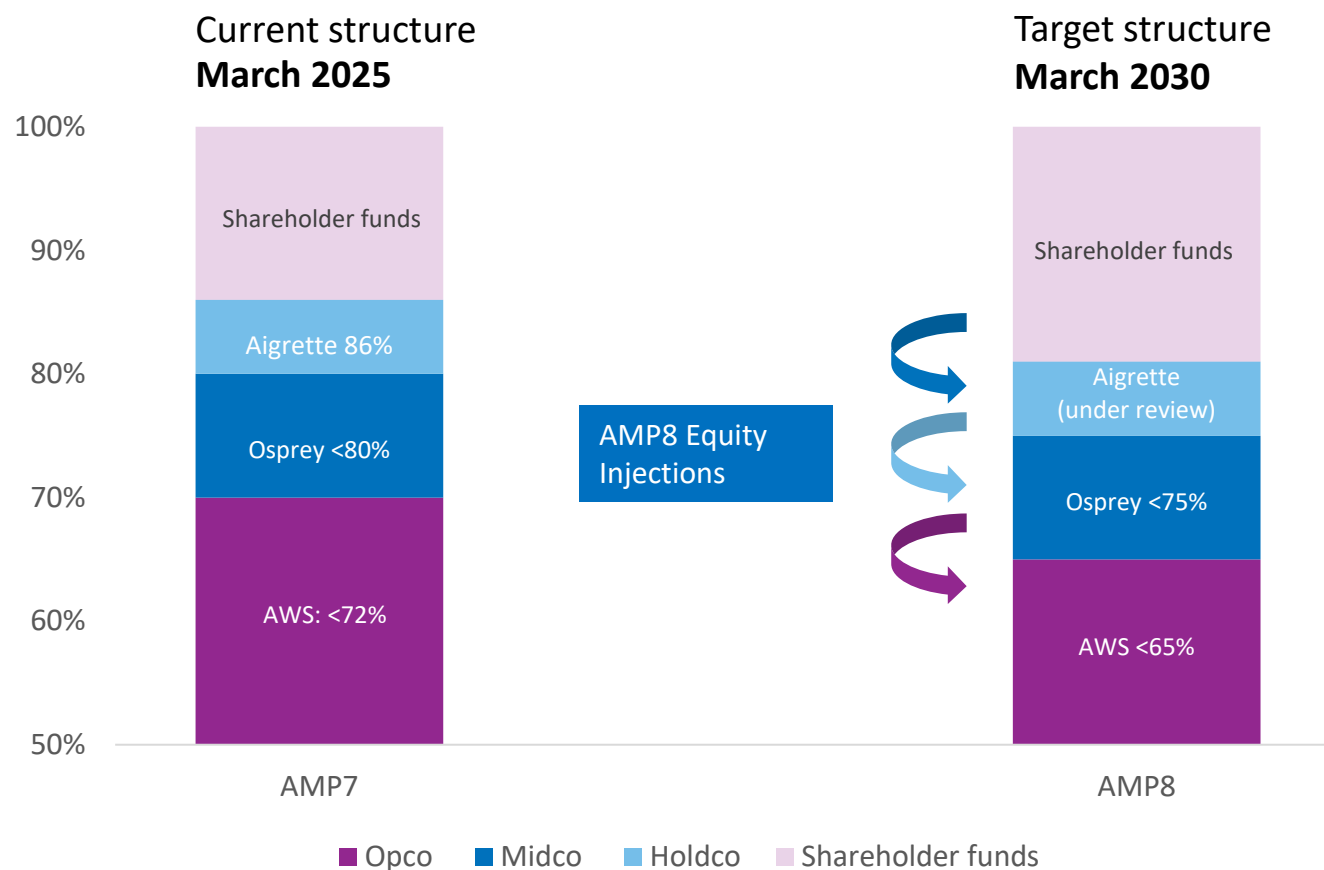
¹ Shown on a CTA basis. Net debt on a statutory IFRS basis, excluding derivatives, is £7,721m (Mar-24: £6,977m)

² Osprey and Aigrette gearing are provisional numbers, audit report signed later this week

AWS interest performance



AWG Group structure is evolving



De leveraging planned over AMP8 in AWS and Osprey to maintain strong Investment Grade credit rating metrics

Aigrette (Holdco) remains under review

- Holdco markets expected to remain shut/expensive.
- Shareholder funds contribute to refinance maturities.

Credit ratings update



Agency	Rating	Ratio	Guidance	Projected by Mar-2030
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AWS Ratios

MOODY'S	Baa1 (sta)	Net Debt / RCV	>65% to <72%	64.7%
		AICR	>1.5x to <1.7x	2.45x
FitchRatings	A- (sta)	Adj Gearing	>65% to <70%	64.8%
		Cash PMICR	>1.5x to <1.7x	2.33x
		Nominal PMICR	>1.8x to <1.9x	2.06x
S&P Global Ratings	BBB (sta)	FFO / Debt	>6% to <8%	7.8%

Osprey Ratios

FitchRatings	BBB- (neg)	Adj Gearing	>73% to <75%	74.6%
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We continue to be amongst the strongest rated water companies.

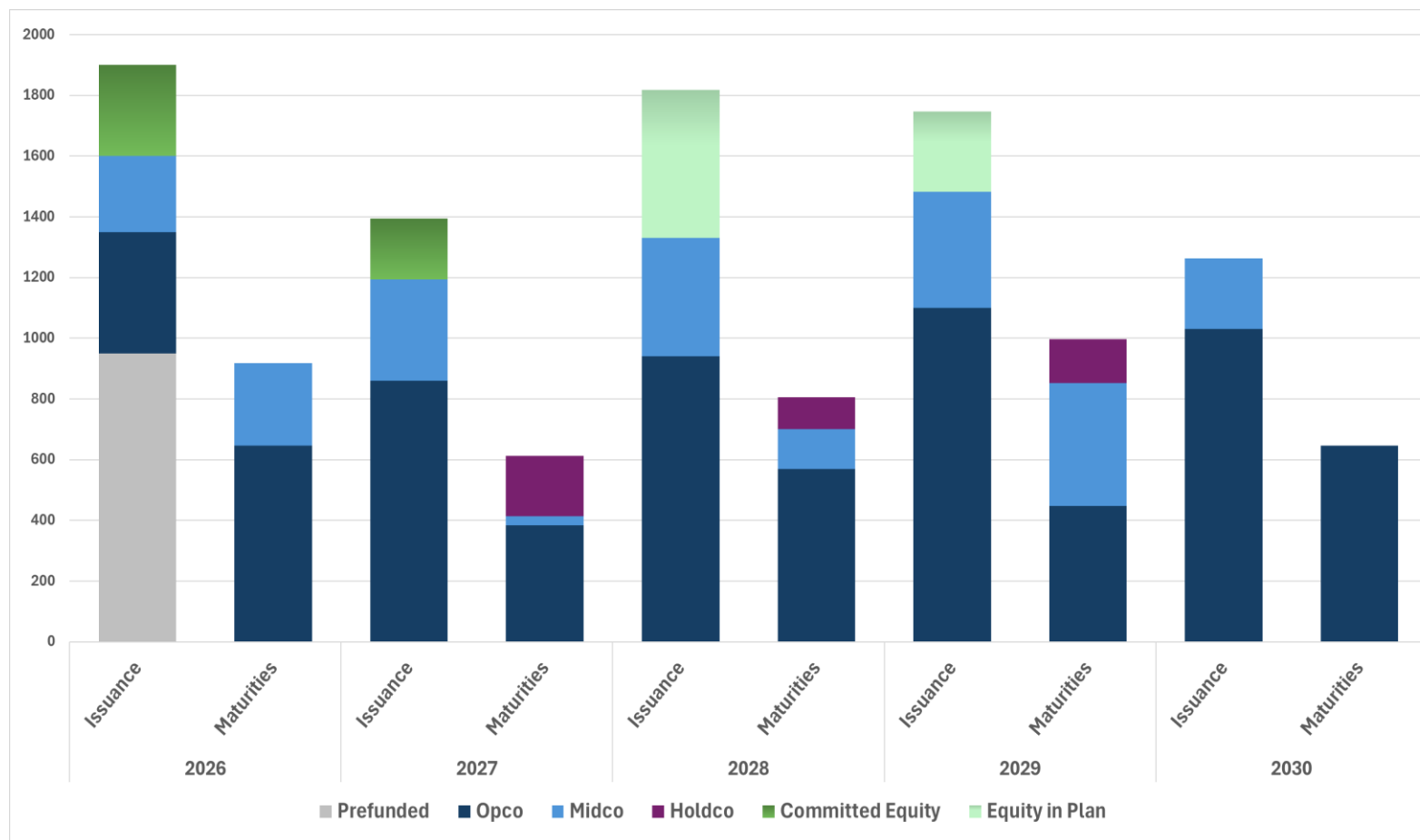
Investment grade ratings continue to be maintained at both Opco and Midco.

Our deleveraging plans target stable, strong investment grade ratings.

Significant covenant headroom remains.

We are engaged with rating agencies on the positive rating attributes of the £500m equity commitment. Moody's outlook change from negative to stable

AMP8 issuance underway – indicative funding plan



AMP8 Year 1 funding needs

- £500m shareholder equity funding commitment addresses short term Topco and Midco needs – £300m funding September 2025, £200m in March 2026
- New Midco debt funding not required until early 2026
- CY 2025 Opco debt funding complete. May choose to accelerate 2026 funding requirements early

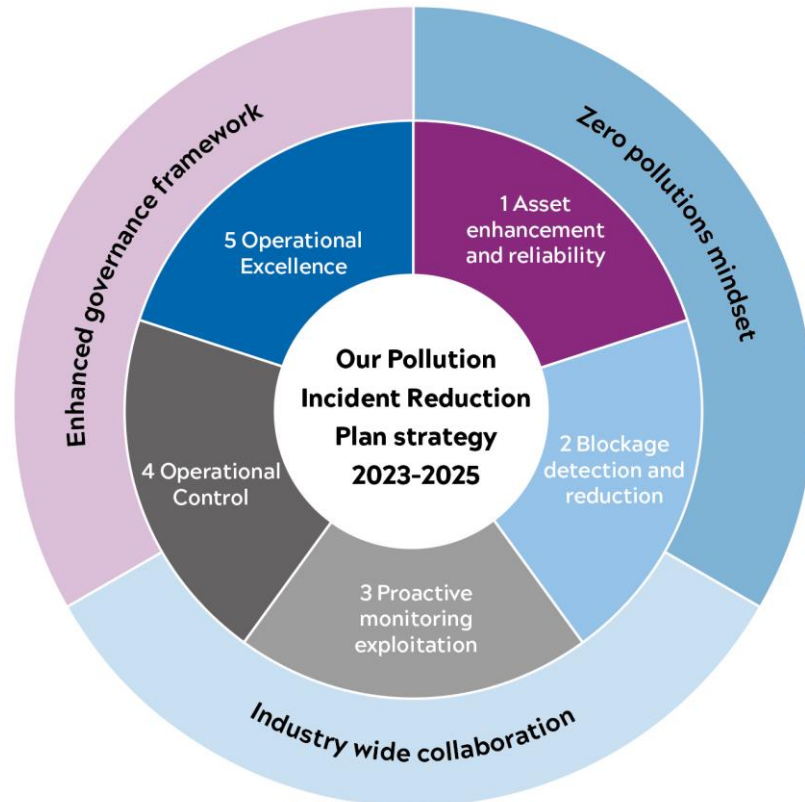
Pollutions improvement plan

Emily Timmins

Director of Water Recycling



AMP7 PIRP – investment and achievements



36% reduction in serious pollutions against a backdrop of industry deterioration

19% increase in self reporting of pollutions – expected Green metric for EPA

1,700% increase in proactive blockages cleared – **10% reduced** reactive workload

17% reduction in blockages compared to 2023

Overdrove Y5 base allocation by 20%

£100 million additional investment

Strong run into year 1 of AMP8

Despite these increments we saw total number of pollutions across AMP7 increasing in line with the industry



Our AMP8 strategy



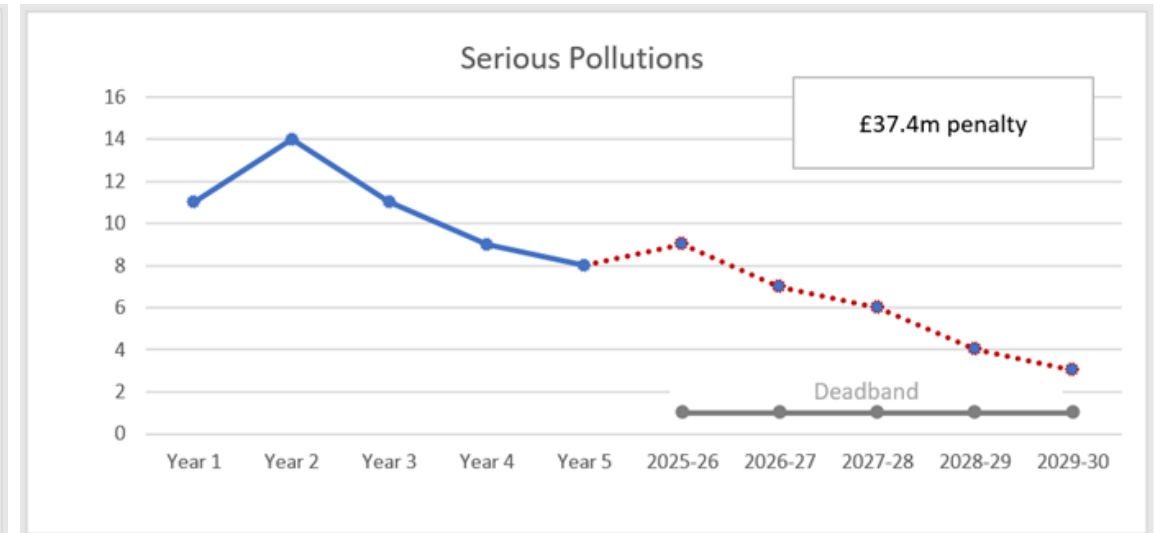
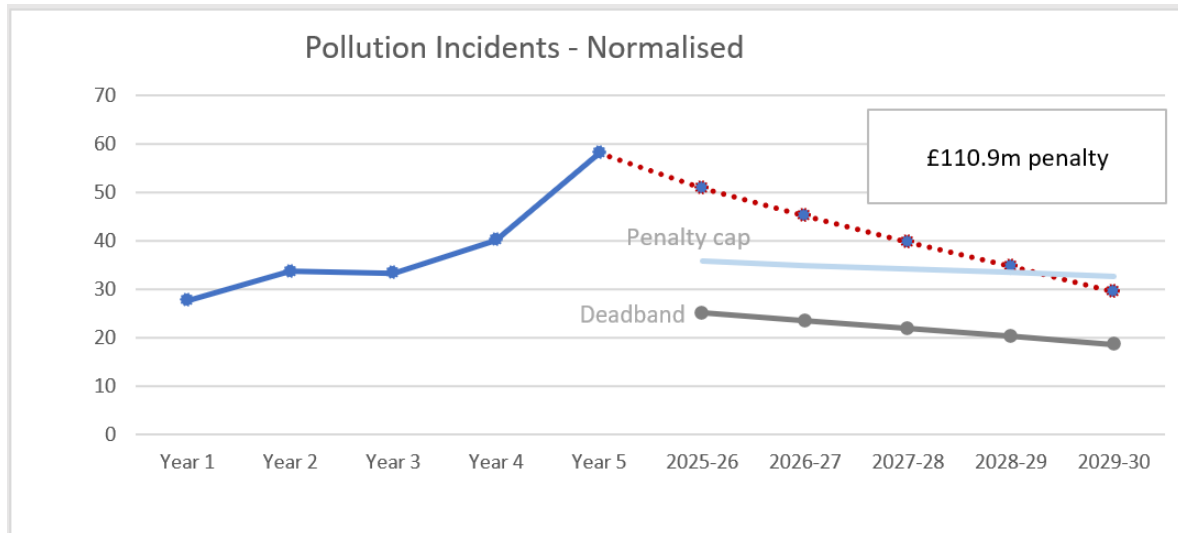
Incremental shift in how we're delivering

- Additional investment
- Data driven insight and decisions
- System led opportunities
- Step change in fast response capabilities
- Increase in boots on the ground

AMP7 Totex spend of £2.9*bn vs AMP8 allowance of £4.9*bn



Our AMP8 – trajectory



Despite this detailed work we are expected to remain in penalty across AMP8

- Likely to remain in Cap for 4/5 years
- Total Pollutions Cap has 'derisked' the penalty by c.£70 million
- Totex planning and resulting investment is above base by 50%, reducing the penalty exposure across Total and Serious Pollutions metrics by £25 million



Concluding remarks

Mark Thurston

Chief Executive Officer



Final thoughts to leave you with



**Financial
resilience**



**Strategic
priorities**



**Focus on
delivery**



**Customer
experience**





Any questions?