Delivering our biggest upgrade in 150 years

Thames Water Annual Results 2025/26

Disclaimer

IMPORTANT: This presentation, its contents and any oral information or accompanying materials provided in connection with it (this “Presentation”) are being provided to you solely for your information in connection with Thames Water Utilities Limited and its affiliates (the “Company”) and not for any other purpose or for any other person. This Presentation may not be reproduced, redistributed, forwarded or disclosed to any other person or published, in whole or in part, for any purpose. Any reproduction, redistribution, forwarding, disclosing or publication of this document, in whole or in part, is unauthorised. Failure to comply with this directive may result in a violation of applicable laws. Neither this Presentation nor any of its contents may be used for any purpose other than for the purposes described to you above without the prior written consent of the Company. You agree, on request, to return this Presentation.

This Presentation has been made available to you on the basis that you are a person into whose possession this Presentation may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. By viewing this Presentation, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of this Presentation, including by electronic transmission and (c) that you are a person into whose possession this Presentation may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. This Presentation is provided for informational purposes only and does not constitute or form part of, and should not be construed as, (i) an offer, solicitation or invitation to subscribe for, sell or issue, underwrite or otherwise acquire or dispose of any securities, loans or other financing of the Company or any other person or entity, nor shall it, or the fact of its communication, form the basis of, or be relied upon in connection with, or act as any inducement to underwrite, arrange, sell, buy, participate in, syndicate or enter into any contract or commitment whatsoever with respect to any securities, loans or other financing of the Company (or any other person or entity), in each case in the United States or in any other jurisdiction; or (ii) any form of financial opinion, recommendation or investment advice with respect to any securities, loans or other financing of the Company (or any other person or entity) in the United States or in any other jurisdiction. This Presentation does not comprise a prospectus approved under the Prospectus Rules made under Part VI of the Financial Services and Markets Act 2000 of the United Kingdom. This document includes summary financial information and should not be considered a substitute for our full financial statements or reports. Any opinions presented herein are based on general information gathered at the time of writing and are subject to change without notice. The Company relies on information obtained from sources believed to be reliable but does not guarantee its accuracy or completeness. It should be noted that the auditors of the Company have not reviewed the information herein and the information has not been independently verified. No assurance can be or is given that the transactions in this Presentation would in fact be executed. No reliance should be placed upon the information contained in this Presentation by prospective investors, as its accuracy cannot be guaranteed. The information contained in this presentation has no regard to the specific investment objectives, financial situation or particular needs of any person.

This presentation contains statements that are forward-looking statements with respect to the financial condition, results of operations and business and business strategy of the Company. Forward-looking statements typically use words such as “believes”, “anticipates”, "expects", “intends”, “estimates”, “plans”, “targets”, “projects”, “forecasts”, “may”, “will”, “could”, “would” and “should” and words of similar import. Various known and unknown risks, uncertainties and other factors may cause the actual future results, financial situation, development, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Many of such factors involve assumptions and uncertainties that are beyond the Company’s ability to control or estimate precisely, such as changes in laws or regulations and decisions by governmental bodies or regulators, and there can be no assurance that any changes will not negatively impact the Company, its operations, its attractiveness to existing or future investors or lenders, or its ability to implement strategic objectives. None of the future projections, expectations, estimates or prospects in this Presentation should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the Presentation. This Presentation should not be relied on as a guide to future performance, and should not be relied on in making any investment decision with respect to any securities. Neither the Company nor any of its shareholders, affiliates, directors, officers or employees or any other person assumes any obligation to update any forward-looking statements or any other information contained in this presentation.

No representation or warranty, express or implied, is made or given, and no responsibility is accepted, by or on behalf of the Company or any of its shareholders, affiliates, directors, officers or employees or any other person as to the accuracy, adequacy, usefulness, completeness or fairness of the information or opinions contained in this Presentation or as to the reasonableness of any assumptions on which any of the information herein is based. The Company shall have no liability to any party for the quality, accuracy, timeliness, continued availability, or completeness of any information contained in this Presentation. The Company does not accept any liability whatsoever for any direct, indirect or consequential losses to any person in relation to the distribution or possession or reliance on this Presentation and its contents in contract, tort or otherwise.

This Presentation does not constitute an offer of any securities for sale in the United States or any other jurisdiction where it is unlawful to do so. No securities of the Company have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state of the United States or other jurisdiction and such securities may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Accordingly, this Presentation has been prepared on the basis that you are either: (i) “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act (“QIBs”) or institutional “accredited investors” as defined in Rule 501(a)(1), (2), (3), (7) or (8) under the Securities Act (“IAIs”); or (ii) outside the United States (within the meaning of Regulation S under the Securities Act (“Regulation S”) and not a U.S person. This Presentation is being sent at your request and, by accessing this Presentation, you represent to us that you are either: (i) a QIB or an IAI; or (ii) outside the United States and not a U.S. Person. Any failure to comply with this restriction may constitute a violation of U.S. securities laws.

FY26 results headlines & operational update

Chris Weston

Chief Executive Officer

A new operating model to transform Thames Water

Our operating context

- Final Determination allowance insufficient, and CMA referral
- Performance Commitments do not reflect the company situation
- Clear need to implement reforms set out by the Independent Water Commission

Turnaround, recapitalisation and an evolved regulatory framework are essential

Our transformation to date…

Infrastructure-led operating model

Enhanced oversight

Operational and capital deployment discipline and resource

A multi-AMP programme of increased investment to address asset resilience necessary to deliver sustained performance improvements

FY26 Results headlines

A future built to last

Headlines

Thames Water is changing: Momentum of transformation leading to sustained improvements, COO-led operating model, strengthened oversight, data-driven prioritisation, expanded workforce 12%

Operational discipline and resilience improved: Performance at mid-table in sector.

Delivered record investment in Y1 of AMP8: £2.7bn of capital expenditure, up 20%.

Customer affordability is a top priority

- 563,085 customers (+38%) receiving financial support at £260m, up 125%.

Financial performance. Underlying profit after tax £204m. All reinvested. No dividends paid. Net cash outflow before funding £1.1bn.

Working with our creditors, regulators and government on our recapitalisation

- Underpinned by long-term regulatory reform

Thames Water OUR BIGGEST UPGRADE IN 150 YEARS

Our biggest upgrade in 150 years

Over £20bn expenditure in AMP8 requiring material increase in resource and capability

- £2,680m capital invested in FY26 (+20% YoY)
- 100% water outputs and 40/45 waste outputs delivered
- 76% of year 2 projects in water and waste contracted
- £744m efficiencies embedded - £1.4bn to be assessed and embedded

Our Biggest Upgrade programme – FY26 investment highlights[1]

£529m

Leakage & future supplies

- Fix leaks
- Install over 1 million more smart meters over AMP8
- Use innovative tech to help locate leaks

£996m

Prevent pollution

- Replace waste pipes
- Upgrade sewage treatment works
- AI for more effective sewer cleaning reducing blockages

£434m

Protect water supplies

- Invest to improve water quality
- Carry out more than half a million quality tests every year

£410m

Digitalisation

- Data-driven modernisation
- Operational and customer experience benefits

[1] Excluding capitalised borrowing costs, adopted assets and statutory adjustments.

Case study: Emmer Green Service Reservoir

DWI notice required temporary removal of reservoir cell for statutory 10-year internal inspection

Aim

- Temporary removal of Service Reservoir cell
- New service reservoir to maintain security of supply

Benefit

- Invested £6m removing existing cell with no customer impact
- Site upgrade
- Failing legacy equipment replaced

Water

Operational improvements have mitigated impacts of challenging weather and asset failures

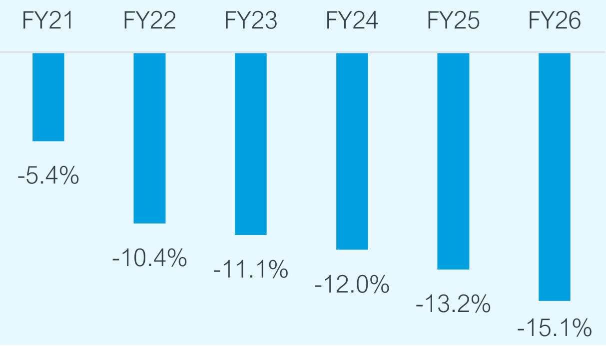
KPI

Leakage
(% reduction on 2019/20. 3-year rolling average)

15.1%

Y-o-Y

Target: 21.3%



70,000 acoustic sensors: Three times FY25

65% leak detection accuracy: Driven by AI (FY25: 35%)

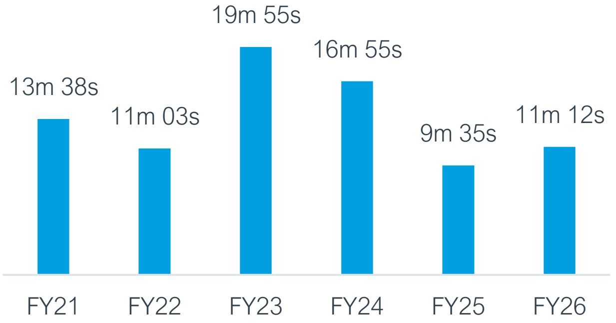
245,261 smart meter installations: Over double last year

KPI

Supply interruptions
(Average time without supply)

11m 12s

Target: 5m 0s



+38% total bursts +77% trunk mains bursts

Year recorded best ever quarter, and best ever month

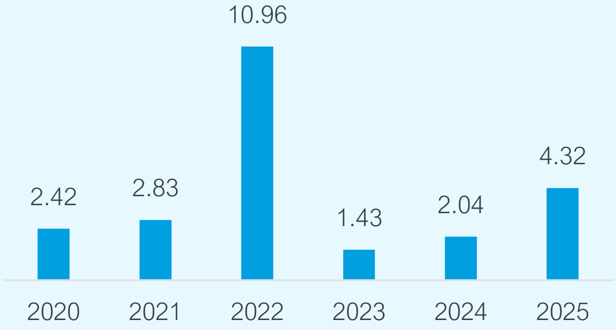
Customers in supply 99.997% of the time

KPI

Water Quality
Compliance risk index (CRI)

4.32

Target: 0.0



Single coliform at large works: CRI of 1.84, excluding this

>**176,000 statutory samples**, 436,206 tests, 141 failures

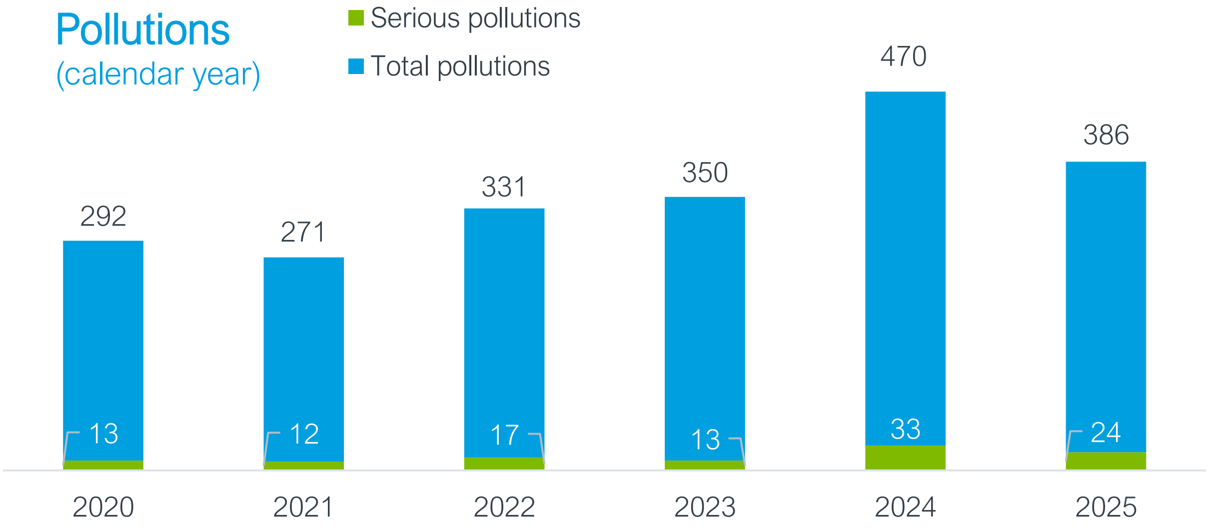
Stronger service reservoir performance

Wastewater

Good progress, driven by operational improvements, capital investment and extra frontline capacity

	Y-o-Y	FY26	FY25
KPI ★ Total Pollutions	↓	386 41% behind target	470
Serious pollutions	↓	24 Target: 0	33
Ranking for pollutions	↑	3rd / 11	6th
Internal sewer floodings	↓	894 Target met by 7%	1,173
External sewer floodings (NEW)	↓	10,950 Target met by 10%	13,267
Discharge permit compliance	↓	88.2% Target: 100%	98.7%

99.46%	Proportion of wastewater entering our system that we treat in a typical year
11 hours	Speed of response to incidents (FY25: 21 hours)
1,700 km	Length of sewers cleaned in FY26 (AMP7 average: 1,479km)



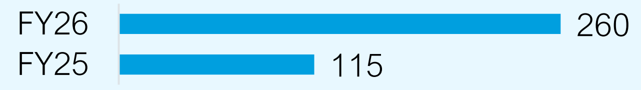
Customers

Our goal is to become the easiest water company to deal with, with comprehensive progress this year

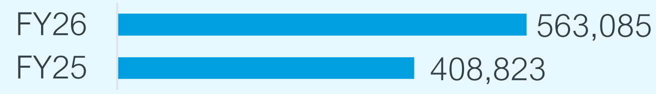
Customer support

Affordability

Support provided (£m)



Households given support

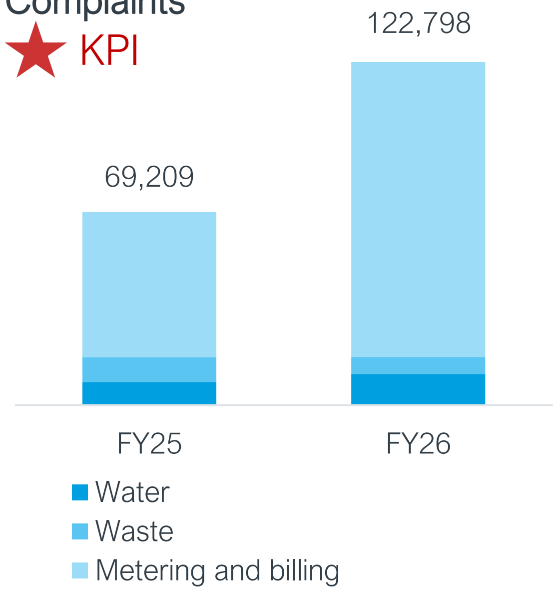


24,865 Customers auto-enrolled onto our social tariff

Customer service

Complaints

★ KPI



Our own customer satisfaction survey scores for billing have improved from 59.0 (April 2025) to 78.3 (March 2026)

33% Reduction in waste complaints

3.9 Trustpilot score (up from 1.3), higher than industry average

+1 place C-MEX improvement (16th / 17)

+40% Increased speed of response to pollutions & no water incidents


WE'RE INVESTING OVER
£7 MILLION
EVERY DAY
Thames Water
OUR BIGGEST
UPGRADE
IN 150 YEARS

Financial Performance

Steve Buck

Chief Financial Officer

FY26 Financial headlines

Strong underlying P&L performance, continued net cash outflows before funding, no dividends paid

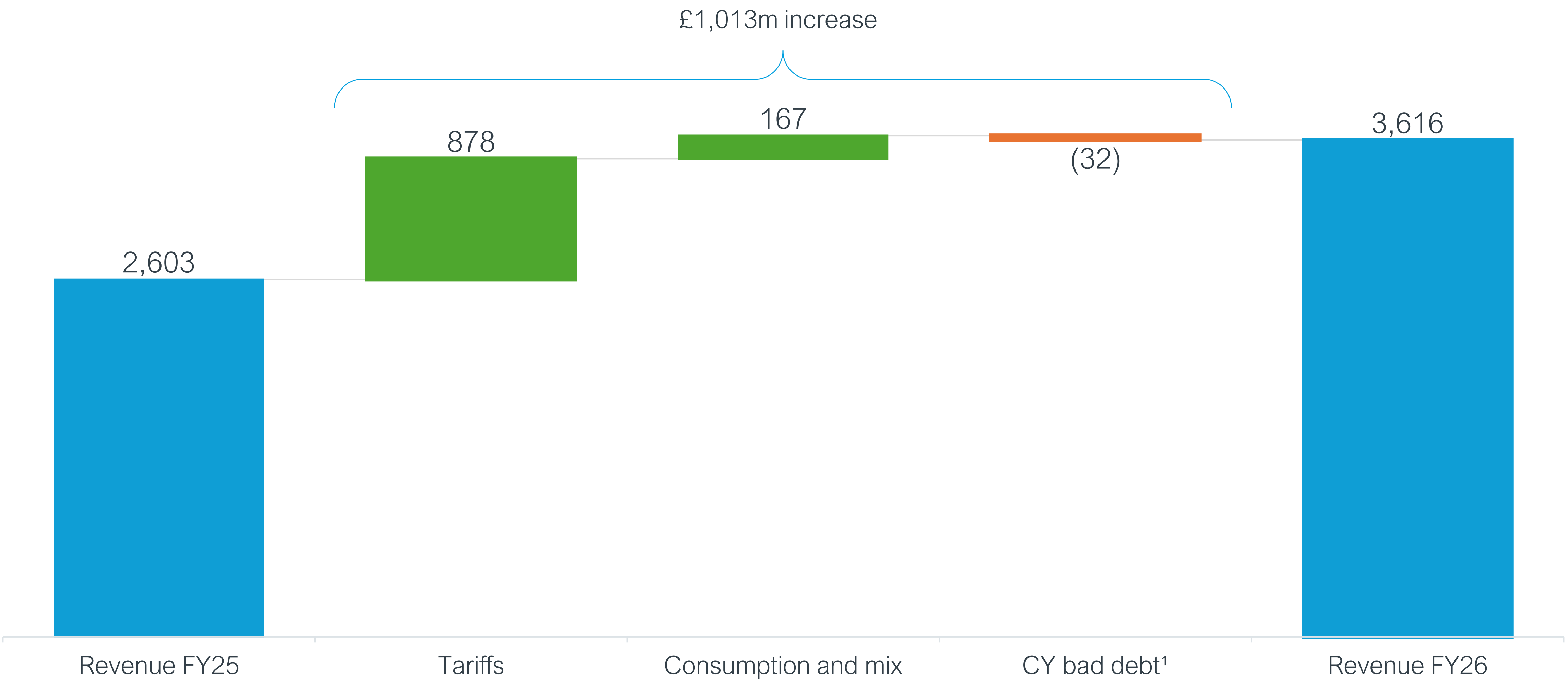
£3.6bn +39% Underlying revenue	£1.3bn +131% Underlying operating profit	£204m (FY25: £13m) Underlying profit after tax	£(1.1)bn Net cash outflow before funding[1]
£2.7bn +20% Capital investment[2]	£22.7bn +8% Stated RCV	86.1% (FY25: 84.4%) Gearing[3]	£1.0bn -38% Liquidity[4]

Dividends: £nil

Note: Underlying results exclude exceptional items and Bazalgette Tunnel Limited. [1] Total cash outflow from operating activities, investing activities excluding escrow and net interest paid. [2] Including capitalised borrowing costs, adopted assets, and statutory adjustments. [3] Ratio of covenant senior net debt to Regulatory Capital Value (RCV), adjusted to include cash and cash equivalents in TWSSI; excluding cash and cash equivalents in TWSSI, covenants gearing ratio is 87.0%. [4] As at 31 March 2026, comprising £0.5bn of cash, of which £0.2bn is held in TWSSI, plus £0.5bn of undrawn committed facilities both only available with creditor consent.

Underlying revenue (£m)

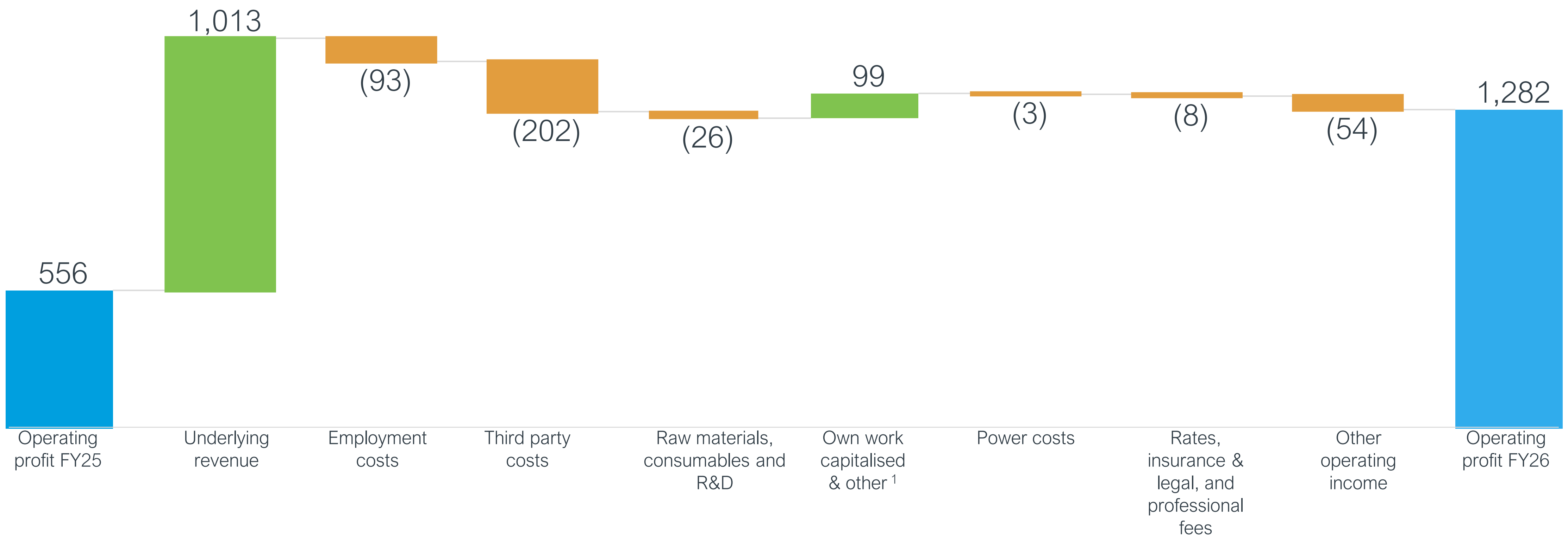
39% growth in underlying revenue largely driven by allowed tariff changes



Note: Underlying results exclude exceptional items and Bazalgette Tunnel Limited. [1] Bad debt relating to current year bills of £74m (FY25: £42m). The total bad debt charge, including the cost relating to prior year bills shown within operating expenses, was £113m (FY25: £86m).

Underlying operating profit (£m)

Increase due to allowed tariff increases, offset by higher costs to support our transformation and capital investment programmes



Note: Underlying results exclude exceptional items and Bazalgette Tunnel Limited. [1] Comprising own work capitalised (£121m), and 'other' comprising depreciation (-£27m), amortisation (£3m), impairments (-£4m), and expected credit losses on trade receivables and contract assets (£6m).

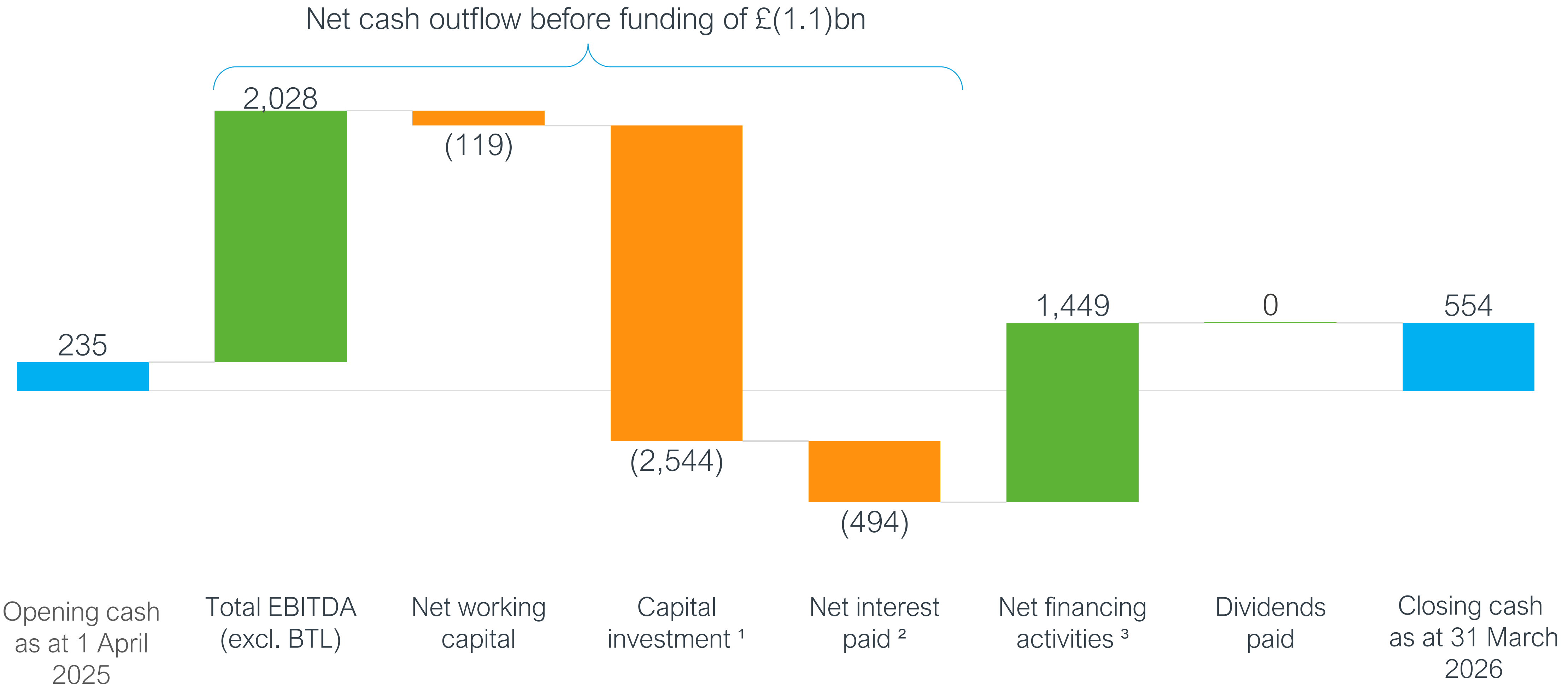
Underlying profit after tax

Stronger underlying profit after tax, driven by increase in revenue, with all profits being reinvested

(£m)	FY26	FY25	Change (£m)	Change (%)	
Underlying operating profit	1,282	556	726	131%	
Net finance expense	(685)	(414)	(271)	24%	Increased debt, higher cost of debt, addressed by restructuring
Net losses on financial instruments	(276)	(148)	(128)	87%	Accounting loss largely driven by higher expected interest and inflation rates
Underlying profit before tax	321	(6)	327		
Tax	(117)	19	(136)		Deferred tax charge largely driven by additional capital allowances claimed
Underlying profit after tax	204	13	191		

Sources and uses of cash (£m)

Profits do not cover the capex and debt costs resulting in a net cash outflow of £1.1bn before funding



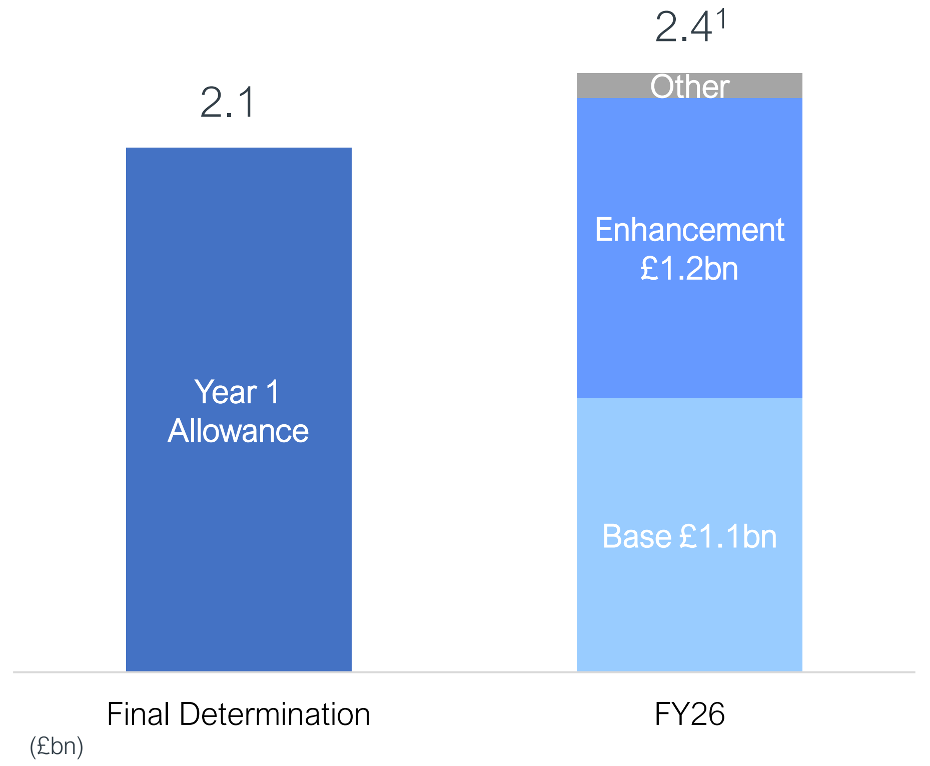
[1] Capital investment comprises cash movements on purchase of property, plant and equipment (PPE) (-£2,448m), purchase of intangible assets (-£56m), proceeds from sale of PPE (£1m), payment to escrow (-£73m) and payment from escrow (£32m). [2] Net interest paid of £494m comprises interest paid (-£609m) and interest received (£115m). [3] Net financing activities comprises new debt (net of fees) (£1,570m), repayment of borrowings and leases (-£11m), and net derivative settlements (-£111m).

Capital investment – significant scaling of spend

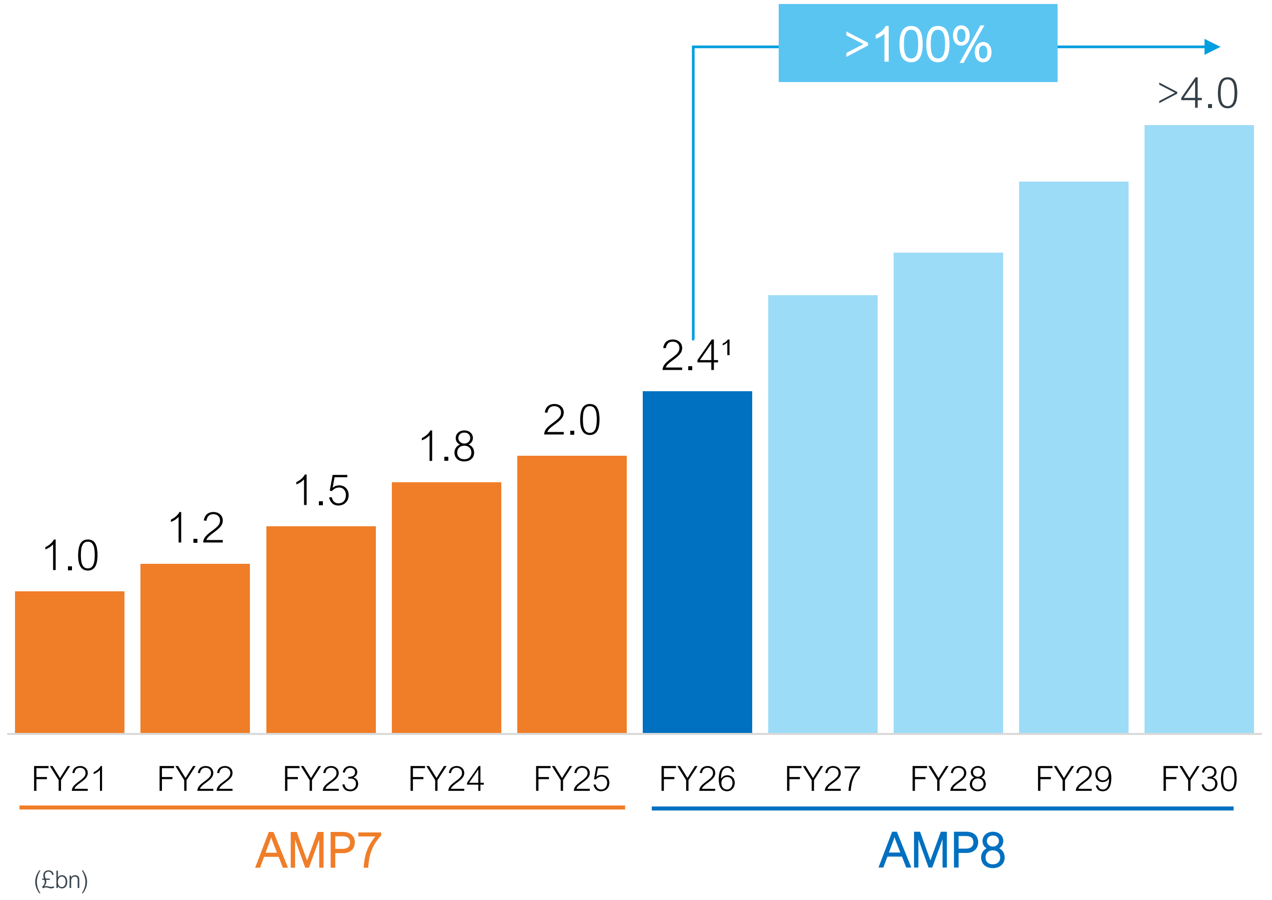
Investing above our regulatory allowance in FY26, with significant scaling of capital investment over AMP8

Investing what the company needs to deliver for customers

FY26 Capital investment of £2.4bn[1] on same basis as FD, significantly ahead of year 1 allowance



Significant increase in capital investment over AMP8 vs AMP7 required

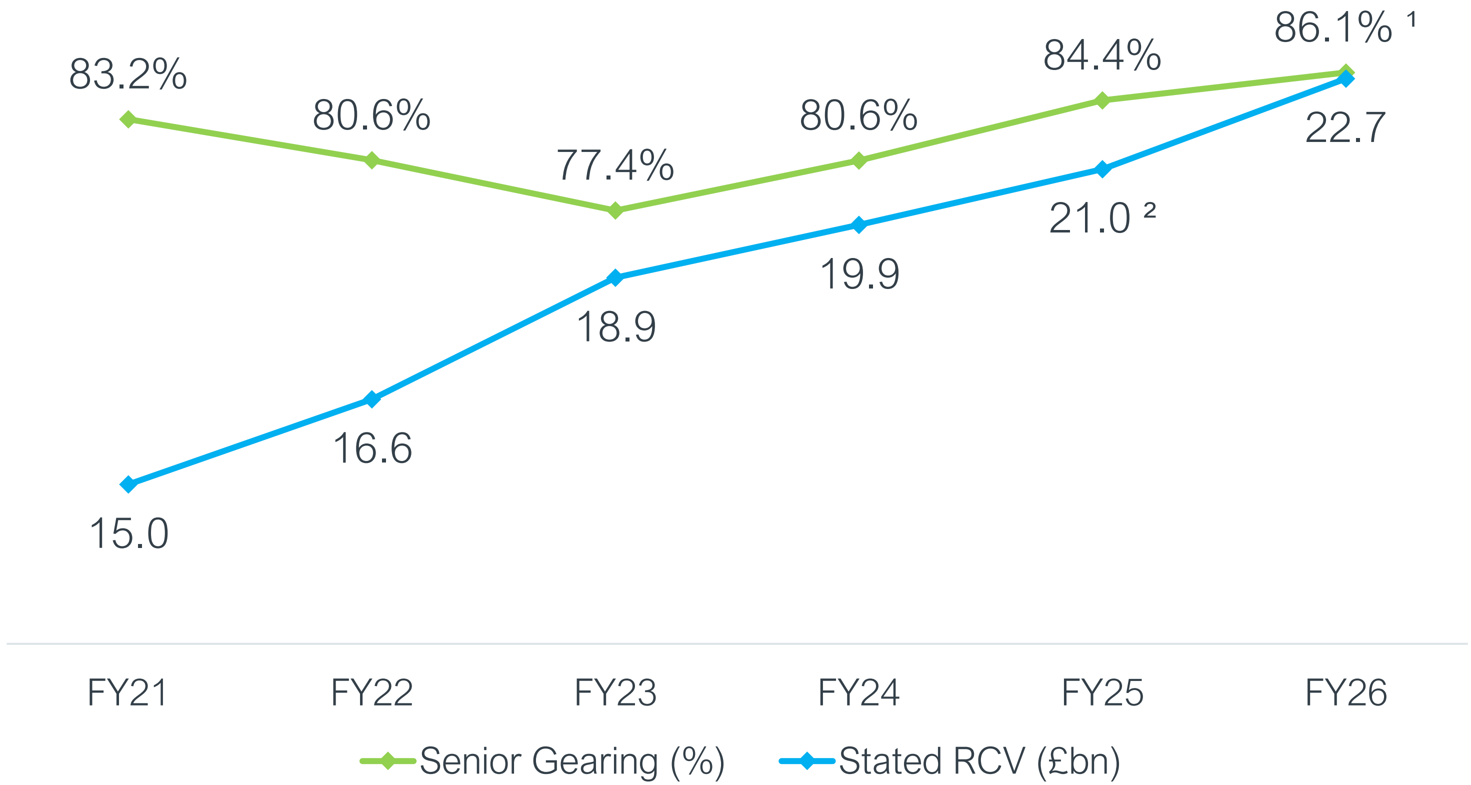


[1] £2.4bn capital investment in FY26 excludes capitalised borrowing costs, adopted assets, and statutory adjustments.

Investing in our infrastructure

Growing RCV through AMP8 investment with senior gearing reflective of increased borrowing needs

Stated RCV (£bn) and senior gearing (%)



Debt structure (£bn)³

[1] March 2026 senior gearing has been adjusted to include TWSSI cash of £197m. If TWSSI cash is excluded, senior gearing increases from 86.1% to 87.0% (covenant basis), which includes only £354.4m cash. Prior year figures reflect nil cash at TWSSI. [2] March 2025 stated RCV of £21.0bn is inclusive of the midnight adjustment (£530m) following Ofwat's updated methodology. [3] Gross debt (post swap) at 31 March 2025 and 31 March 2026, swap impact included in Class A. Leases are excluded (£87.1 million March 26; £53.2m in March 25).

Financing our investment programme

Maintaining liquidity and funding capacity to support AMP8 delivery

TWUL Group Liquidity

July 2024	Restructuring Plan 1 (stable platform)	Restructuring Plan 2
Thames Water's credit ratings downgraded to sub-investment grade	High-court sanctioned restructuring plan (RP1) including £3.0bn in new super senior funding	New capital structure and regain investment grade credit ratings

- No access to equity
- No access to debt market
- Gearing at 80%

£3 billion Super Senior Facilities available to TWUL via TWSSI

	31 March 25	31 March 26	30 June 26
Liquidity *of which*	£1.7bn	£1.0bn	£0.6bn
Cash	£0.2bn	£0.5bn[1]	£0.5bn[1]
Committed undrawn facility[2]	£1.5bn	£0.5bn[3]	£0.1bn[3]
Uncommitted facility	£1.5bn	£0.7bn	£0.7bn

- Access to equity
- Access to debt facilities
- Gearing below 60%

[1] £0.2bn of cash held at TWSSI only available to TWUL with creditor consent. [2] Undrawn committed facilities only available with creditor consent. [3] £73m is deferred until accordion fully drawn.

Summary

Chris Weston

Chief Executive Officer

In summary

A year of building momentum in delivering further progress in our transformation

Delivered widespread changes to **how we operate** at the front line allowing better management of our assets

Strong improvements to **operational and environmental outcomes** in many areas, with more work to do in others

Year 1 of our **biggest upgrade in 150 years** delivered. Capex growth needs to continue in coming years

Support for **customers** scaled up, helping manage allowed bill increases. Improved satisfaction outcomes

Solid **financial performance** with profits fully reinvested. Despite this, net cash outflows before funding

The company, creditors, regulators and government continue working towards a **market-led recapitalisation**


Thames Water
OUR BIGGEST
UPGRADE
IN 150 YEARS

Appendix

Consolidated income statement

Underlying results (£m)	FY26	FY25	Var	*% Var*
Revenue	3,616	2,603	1,013	39%
Operating expenses (excl. depreciation)	(1,623)	(1,418)	(205)	14%
Depreciation & amortisation	(807)	(779)	(28)	4%
Other Operating Income	96	150	(54)	(36)%
Operating Profit	1,282	556	726	131%
Net finance expense	(685)	(414)	(271)	65%
Net (losses)/gains on financial instruments	(276)	(148)	(128)	87%
Profit before tax	321	(6)	327	(5278)%
Tax	(117)	19	(136)	(716)%
Profit after tax	204	13	191	1469%

Exceptional items

(£m)	FY26	FY25	Var	*% Var*
Ofwat wastewater investigation	-	(104)	104	*(100)%*
Ofwat dividend investigation	-	(18)	18	*(100)%*
Restructuring	(62)	(98)	36	*(37)%*
Operating expense exceptional items	(62)	(220)	158	*(72)%*
Financial restructuring	(138)	(193)	54	*(28)%*
Reclass exceptional finance costs	*(130)*	*(87)*	*(43)*	*49%*
Reclass of exceptional items related to recognition of consent fee debt	*(8)*	*(106)*	*97*	*(92)%*
Net losses on financial instruments	(5)	(93)	88	*(95)%*
Exceptional items (excl. impairment)	(205)	(505)	300	*(59)%*
Expected credit losses on intercompany loan	(31)	(1,271)	1,240	*(98)%*
Pre-tax exceptional items	(235)	(1,776)	1,594	*(87)%*
Taxation	4	85	(81)	*(96)%*
Post-tax exceptional items	(232)	(1,691)	1,513	*(86)%*

Cash flow

(£m)	FY26	FY25	Var	% Var
Underlying EBITDA	2,089	1,335	754	*57%*
Increase in working capital	(119)	161	(281)	*(174)%*
Loss/(Gain) on sale of PPE	1	(7)	7	*110%*
Exceptional items	(62)	(220)	158	*72%*
Net cash generated by operating activities	1,909	1,270	639	*50%*
Capex (cash)	(2,503)	(2,019)	(484)	*(24)%*
Free cash flow	*(594)*	*(749)*	*155*	*21%*
Interest received	115	202	(87)	*(43)%*
Payment to escrow	(73)	-	(73)	*N/A*
Proceeds from escrow	32	-	32	*N/A*
Net cash used in investing activities	(2,429)	(1,817)	(612)	*(34)%*
New loans	1,725	1,171	554	*47%*
Repayment of loans	0	(790)	790	*100%*
Repayment of lease principal	(10)	(11)	1	*6%*
Derivative settlements	(111)	(259)	148	*57%*
Net fees	(155)	(88)	(67)	*(77)%*
Interest paid	(609)	(415)	(195)	*(47)%*
Net cash generated from financing activities	839	(391)	1,231	*314%*
Underlying net cash flow	319	(939)	1,258	*134%*
BTL	(1)	20	(20)	*(105)%*
Opening cash	235	1,154	(919)	*(80)%*
Net cash flow (total)	318	(919)	1,238	*135%*
Closing cash	554	235	320	*137%*

Finance expense

(£m)	FY26	FY25	Var	% Var
Interest expense on debt	(841)	(705)	(136)	*19%*
RPI accretion on debt	(163)	(142)	(21)	*15%*
Net interest expense on DB pension obligation	(1)	(5)	4	*(83)%*
Interest on leases	(26)	(3)	(23)	*767%*
Other finance fees & trading interest	(2)	(2)	0	*(10)%*
Gross finance expense	(1,033)	(858)	(175)	*20%*
Capitalised borrowing costs	201	187	14	*7%*
Underlying finance expense	(832)	(671)	(161)	*24%*
Exceptional debt restructuring costs	(138)	(193)	54	*(28)%*
Total finance expense	(970)	(863)	(107)	*12%*

Effective cost of interest

Period ended 31 March 2026 (£m)	FY26	FY25	Variance
Net finance expense	(685)	(414)	(271)
Interest on inter-company loans	(31)	(70)	39
Capitalised borrowing costs	(201)	(187)	(14)
Other adjustments	64	19	45
Swap accretion	(218)	(219)	1
Adjusted net finance expense including swap accretion	(1,071)	(871)	(200)
Average notional net debt[1]	(18,743)	(17,079)	(1,664)
Average effective cost of interest (annualised)	5.7%	5.1%	0.6%
Covenant cash interest	(709)	(414)	(294)
Average effective cash cost of interest (annualised)	3.8%	2.4%	1.4%

[1] Post swap; excludes intercompany net debt.

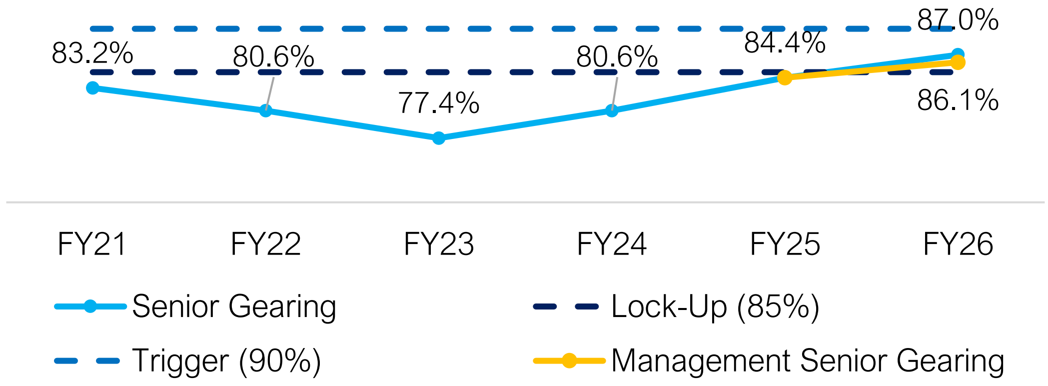
Financial covenants

Covenants and headroom

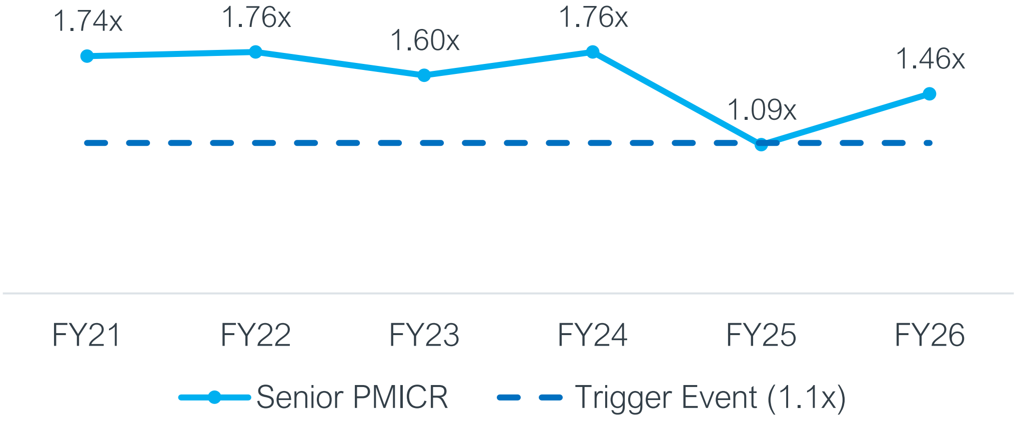
Financial Covenant Threshold (£m)	March 26	Lock-up	Trigger	EoD
Gearing – Senior	87.0%	85%	90%	95%
Gearing – Class A	74.2%	-	75%	-
	March 26	Lock-up	Trigger	EoD
PMICR – Senior	1.46x	-	1.10x	-
PMICR – Class A	1.89x	-	1.30x	1.00x
Headroom:		Lock-up	Trigger	EoD
Gearing – Senior		(455)	681	1,817
Gearing – Class A		-	191	-
		Lock-up	Trigger	EoD
PMICR – Senior		-	234	-
PMICR – Class A		-	249	488

Gearing and ratios

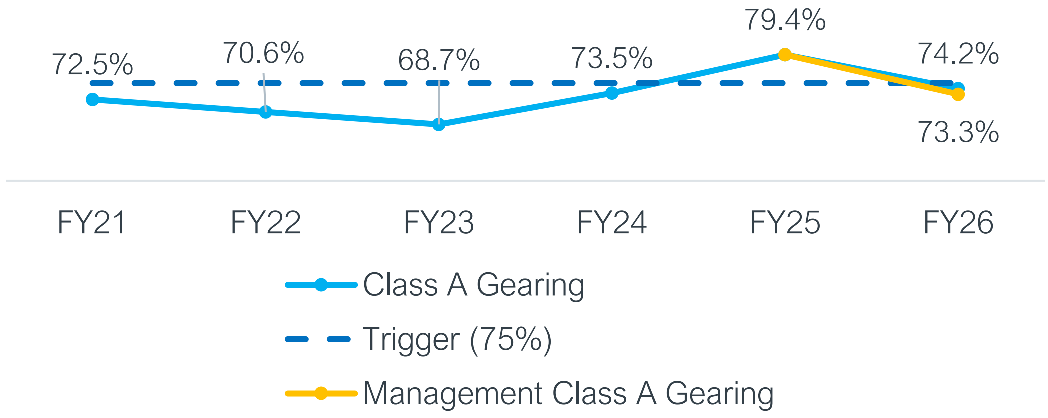
Senior Regulatory Asset Ratio [1]



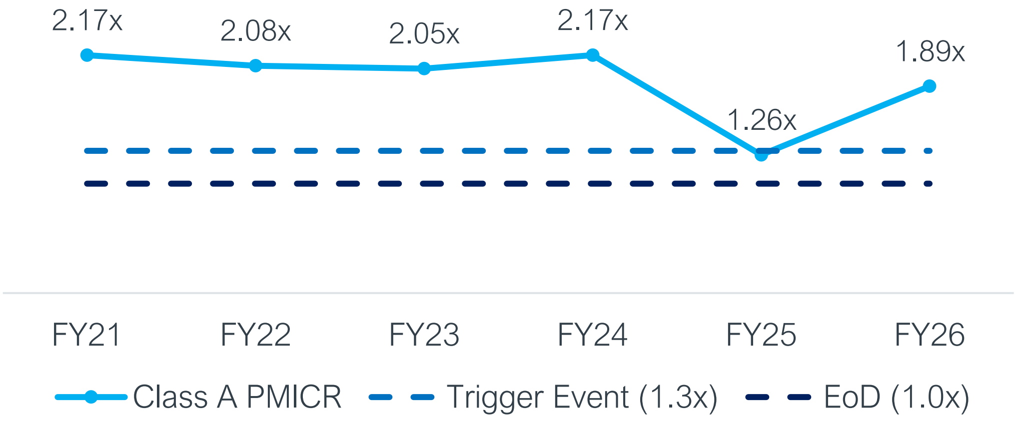
Senior Post Maintenance Interest Cover Ratio



Class A Regulatory Asset Ratio [1]



Class A Post Maintenance Interest Cover Ratio

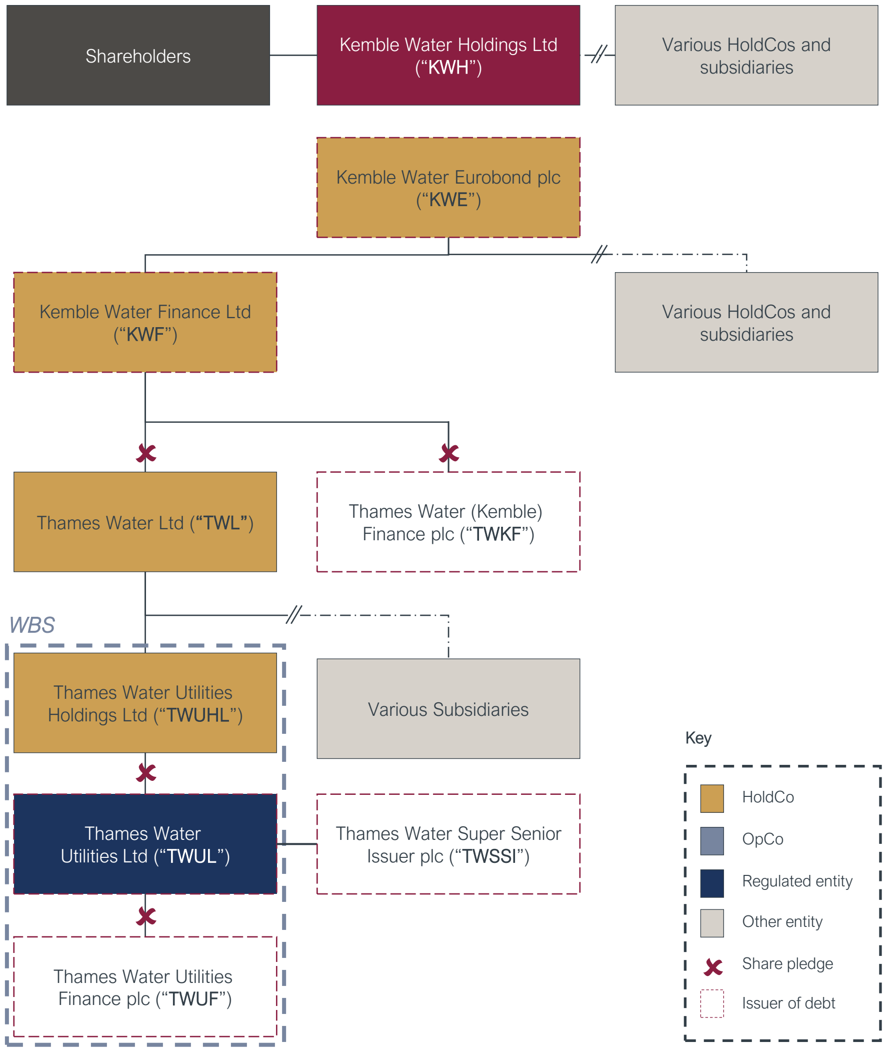


[1] Senior gearing includes March 2026 TWSSI cash of £197m. If cash is excluded, senior gearing rises from 86.1% to 87.0%.

Capital structure overview

At 31 March 2026 (£m)	TWUL	TWUF	TWSSI	Group
Secured bank loans / fee letters	(1,822)	(1,306)	-	(3,128)
Private placements	(1,267)	(412)	-	(1,679)
Bonds	(100)	(11,056)	-	(11,156)
Class A	(3,189)	(12,774)	-	(15,963)
Secured bank loans / fee letters	(545)	(200)	-	(745)
Bonds	-	(250)	-	(250)
Class B	(545)	(450)	-	(995)
Secured bank loans / fee letters	(9)	-	(281)	(95)
Bonds	(2)	-	(1,555)	(1,557)
Super Senior	(11)	-	(1,836)	(1,847)
Borrowings	(3,745)	(13,224)	(1,836)	(18,805)
Gross debt (covenant basis)[1]				(20,126)

Kemble Group corporate structure



[1] Covenants not applicable but included for comparison purposes. Delta of £1,287m between Borrowings and Gross debt due to £1,234m of accretion on index-linked swaps, £nil impact of cross-currency swaps and £87m lease liabilities.

Net debt

Capital structure (£m)	FY26	FY25	Var	% Var
Bank loans & private placements	(5,840)	(5,548)	(292)	*5%*
Bonds	(12,837)	(11,104)	(1,733)	*16%*
Borrowings	(18,677)	(16,652)	(2,025)	*12%*
Interest payable	(305)	(324)	19	*(6%)*
Total borrowings	(18,982)	(16,976)	(2,006)	*12%*
Lease liabilities	(87)	(53)	(34)	*64%*
Bank overdraft	(4)	(71)	67	*(94)%*
Gross debt	(19,073)	(17,100)	(1,973)	*12%*
Cash & cash equivalents	557	306	251	*82%*
Net debt (statutory)	(18,516)	(16,794)	(1,722)	*10%*
Interest payable	305	324	(19)	*(6%)*
Unamortised debt issuance	(156)	(87)	(69)	*79%*
Derivative liabilities (accretion & FX)	(1,234)	(1,164)	(70)	*6%*
Unamortised IFRS9 FV adjustment	7	(22)	29	*(132%)*
Unamortised IFRS9 transition adj.	21	22	(1)	*(5%)*
Bank overdraft	4	71	(67)	*(94%)*
Cash (not relevant) / relevant	(203)	(76)	(127)	*(167%)*
Net debt (covenant)	(19,772)	(17,726)	(2,047)	*12%*
Equity attributable to owners	342	283	59	*21%*

Borrowings

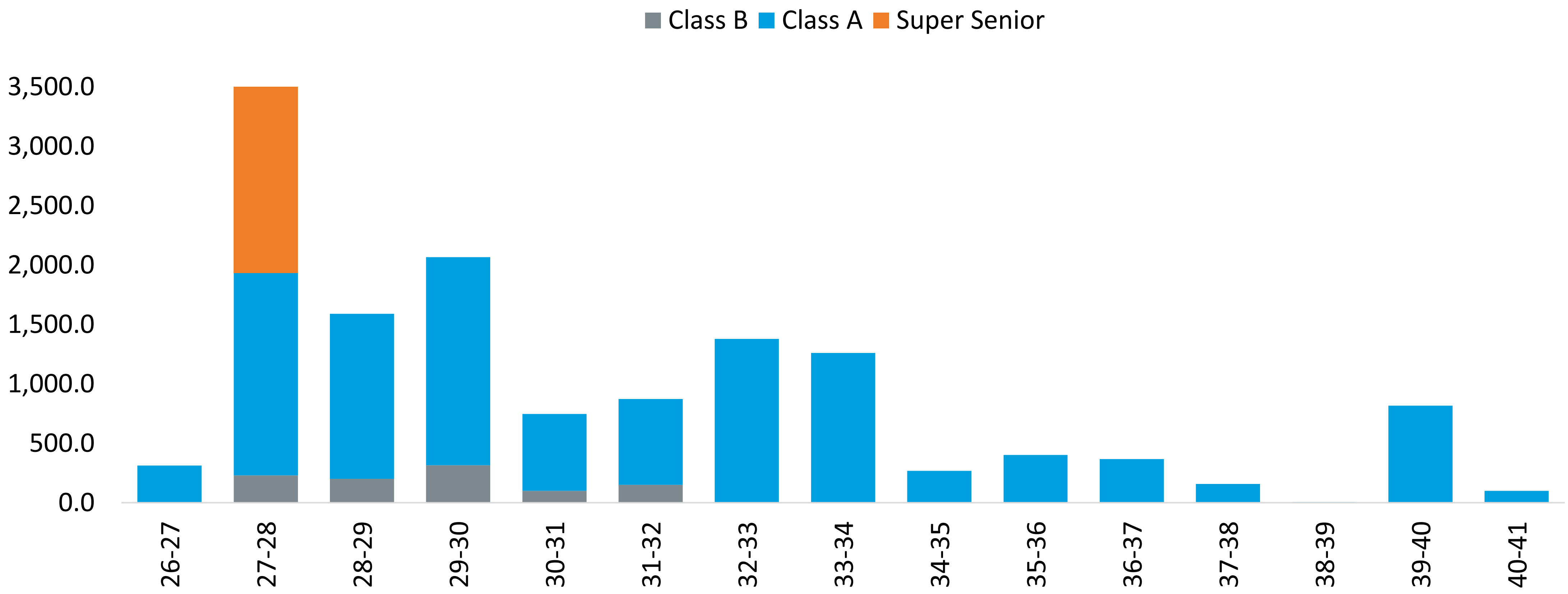
Covenant and statutory basis

As at 31 March (£m)	FY26	FY25	Variance
GBP bonds	(10,351)	(8,653)	(1,698)
Foreign currency bonds	(2,612)	(2,521)	(91)
Foreign private placements	(1,680)	(1,698)	18
GBP loans	(4,162)	(3,867)	(295)
Borrowings (covenant basis)	(18,805)	(16,739)	(2,066)
Unamortised debt issuance costs and discount	156	87	69
Unamortised IFRS 9 adjustments	(28)	-	(28)
Interest payable	(305)	(324)	19
Borrowings (statutory basis)	(18,982)	(16,976)	(2,006)
Gross debt (covenant basis)[1]	(20,126)	(17,956)	(2,170)

[1] Delta of £1,321m (FY25: £1,217m) between Borrowings (covenant basis) and Gross debt (covenant basis) due to £1,234m (FY25: £1,028m) of accretion on index-linked swaps, £nil (FY25: £136m) impact of cross-currency swaps and £87m (FY25: £53m) lease liabilities.

Debt maturity

Average debt maturity term of 11 years



[1] Excluding future accretion. [2] To 31 March 2041.

debt.investorrelations@thameswater.co.uk