RNS Number : 7962O
Greencoat UK Wind PLC
31 July 2026

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31/07/2026

Results analysis from Kepler Trust Intelligence

The first half of 2026 has been a positive period for UKW, supported by strong cash generation and a modest increase in NAV. Total shareholder return for H1 2026 was +9.2% (or +4.4% based on NAV), with dividends contributing to the majority of that return.

UKW's NAV increased modestly by 0.6p per share over the period, reflecting the conversion of strong operational performance into cash. Net cash generation for the period was ahead of budget at £221.6 million, resulting in dividend cover of 1.9x for the period. This derives from electricity generation of 3,003 GWh, being 4.9% above budget, as well as favourable realised power prices. Net cash generation is now on course to be towards the top end of the £350-410m guidance for 2026.

Kepler View

UKW's target dividend yields 9.8% at the current share price. The portfolio discount rate, less annual charges, implies a NAV total return of c 10.7% per annum. As with any investment there are risks that anticipated returns will not be achieved, and one specific risk for UKW shareholders is the threat of politics. That said, with an anticipated doubling of electricity demand to 2050 (NESO Future Energy Scenarios 2025), wind farms are well positioned to make a strong contribution to an increase in supply, being lower cost and emitting zero-carbon at the same time. Any UK government must in our view be careful not to frighten off private capital, which is key to delivering transformational change for voters.

UKW is projected to have c. £1bn of surplus capital available to invest over the next five years, and so the trust could be a meaningful participant in helping to meet the UK's future energy demands. At the same time, shareholders stand to benefit from any future price spikes caused by geopolitical instability, which the managers observe is becoming an increasing feature of markets. In this regard, UKW potentially offers an appealing package from a portfolio context: the prospect of attractive returns from a base-case scenario, potentially also offering a hedge to energy price rises in the future. With the shares trading on a discount to NAV of c 18% and corporate activity continuing within the sector, a further narrowing of the discount cannot be ruled out.

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