

SSE PLC

17:38 19 Jul 2018

SSE weak as it loses more customers, sees profit hit as warm weather reduces domestic gas demand

SSE plc (LON:SSE) saw its shares fall on Thursday as the UK's second-largest energy supplier revealed that it lost 320,000 customer accounts in the first quarter, and also saw a profit hit as warm weather reduced domestic gas demand.

In a trading update released ahead of today's annual general meeting, the FTSE 100-listed firm said its total customer accounts fell to 7.45m as of 30 June 2018, down from 7.77m a year earlier.

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The group also said that unusually warm weather and persistently high gas prices knocked around £80m off its adjusted operating profit in the first quarter.

It noted that the temperature in the UK across the 3 months to 30 June 2018 was 1.5 degrees centigrade warmer than the thirty-year average, which led to average domestic gas demand around 10% lower than plan.

Meanwhile, SSE pointed out, poorer than average wind conditions in the first-quarter resulted in output from onshore and offshore wind farms being around 15% lower than plan.

SSE's chief executive, Alistair Phillips-Davies said: "This new financial year has so far been characterised by lower than expected output of renewable energy and persistently high gas prices, but looking ahead, we are very focused on fulfilling our obligations to energy customers and delivering on our key priorities.

"Those priorities include successful delivery of our plans to invest around £1.7bn in this financial year, and we are pleased with the progress of key projects, including the installation of the first two turbines at the Beatrice offshore wind farm."

In early morning trading, SSE shares were 2.8% lower at 1,345.5p.

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Price: 1122p

Market Cap: £11585.9M

1 Year Share Price Graph



Share Information

Code: SSE

Listing: LSE

52 week High Low
1,405.00p 997.80p

Sector: Utilities

Website: www.sse.com

Company Synopsis:

SSE PLC, formerly Scottish and Southern Energy PLC, is a holding company. The company is involved in the generation, transmission, distribution and supply of electricity; the production, storage, distribution and supply of gas, and the provision of other energy-related services.

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