

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-11071

**UGI CORPORATION**

(Exact name of registrant as specified in its charter)

**Pennsylvania**  
(State or other jurisdiction of  
incorporation or organization)

**23-2668356**  
(I.R.S. Employer  
Identification No.)

**500 North Gulph Road, King of Prussia, PA 19406**  
(Address of Principal Executive Offices) (Zip Code)

**(610) 337-1000**

(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Common Stock, without par value	UGI	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer   
Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

At April 30, 2026, there were 214,393,712 shares of UGI Corporation Common Stock, without par value, outstanding.

**UGI CORPORATION AND SUBSIDIARIES****TABLE OF CONTENTS**

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## GLOSSARY OF TERMS AND ABBREVIATIONS

Terms and abbreviations used in this Form 10-Q are defined below:

### **UGI Corporation and Related Entities**

***AmeriGas OLP*** - AmeriGas Propane, L.P., the principal operating subsidiary of AmeriGas Partners

***AmeriGas Partners*** - AmeriGas Partners, L.P., an indirect wholly owned subsidiary of UGI; also referred to, together with its consolidated subsidiaries, as the “Partnership”

***AmeriGas Propane*** - Reportable segment comprising AmeriGas Propane, Inc. and its subsidiaries, including AmeriGas Partners and AmeriGas OLP

***AmeriGas Propane, Inc.*** - A wholly owned second-tier subsidiary of UGI and the general partner of AmeriGas Partners

***AvantiGas*** - AvantiGas Limited, an indirect wholly owned subsidiary of UGI International, LLC

***Company*** - UGI and its consolidated subsidiaries collectively

***Electric Utility*** - UGI Utilities’ regulated electric distribution utility

***Energy Services*** - UGI Energy Services, LLC, a wholly owned subsidiary of Enterprises

***Enterprises*** - UGI Enterprises, LLC, a wholly owned subsidiary of UGI

***ESFC*** - Energy Services Funding Corporation, a wholly owned subsidiary of Energy Services

***Flaga*** - Flaga GmbH, an indirect wholly owned subsidiary of UGI International, LLC, prior to its sale in November 2025

***Gas Utility*** - UGI’s regulated natural gas businesses, inclusive of PA Gas Utility and WV Gas Utility

***Midstream & Marketing*** - Reportable segment comprising Energy Services and subsidiaries

***Mountaineer*** - Mountaineer Gas Company, a natural gas distribution company in West Virginia and a wholly owned subsidiary of Mountaintop Energy Holdings, LLC

***Mountaintop Energy Holdings, LLC*** - Parent company of Mountaineer and wholly owned subsidiary of UGI

***PA Gas Utility*** - UGI Utilities’ regulated natural gas distribution business, primarily located in Pennsylvania

***Partnership*** - AmeriGas Partners and its consolidated subsidiaries, including AmeriGas OLP; also referred to as “AmeriGas Partners”

***UGI*** - UGI Corporation or, collectively, UGI Corporation and its consolidated subsidiaries

***UGI France*** - UGI France SAS (*a Société par actions simplifiée*), an indirect wholly owned subsidiary of UGI International, LLC

***UGI International*** - Reportable segment principally comprising UGI International, LLC and its foreign operations

***UGI International, LLC*** - UGI International, LLC, a wholly owned subsidiary of Enterprises

***UGI Utilities*** - UGI Utilities, Inc., a wholly owned subsidiary of UGI comprising PA Gas Utility and Electric Utility

***UniverGas*** - UniverGas Italia S.r.l, an indirect wholly owned subsidiary of UGI International, LLC prior to its sale in June 2025

***Utilities*** - Reportable segment comprising UGI Utilities and Mountaintop Energy Holdings, LLC

***WV Gas Utility*** - Mountaineer’s regulated natural gas distribution business, located in West Virginia

**Other Terms and Abbreviations**

**2025 Annual Report** - UGI Annual Report on Form 10-K for the fiscal year ended September 30, 2025

**2025 six-month period** - Six months ended March 31, 2025

**2025 three-month period** - Three months ended March 31, 2025

**2026 six-month period** - Six months ended March 31, 2026

**2026 three-month period** - Three months ended March 31, 2026

**AmeriGas Senior Secured Revolving Credit Facility** - Revolving credit agreement entered into by AmeriGas OLP on August 2, 2024 and scheduled to expire in August 2029

**AOCI** - Accumulated Other Comprehensive Income (Loss)

**ASC** - Accounting Standards Codification

**ASC 606** - ASC 606, "Revenue from Contracts with Customers"

**ASU** - Accounting Standards Update

**Bcf** - Billions of cubic feet

**COA** - Consent Order and Agreement

**CODM** - Chief Operating Decision Maker as defined in ASC 280, "Segment Reporting"

**Common Stock** - Shares of UGI common stock

**DS** - Default service

**Exchange Act** - Securities Exchange Act of 1934, as amended

**FASB** - Financial Accounting Standards Board

**FDIC** - Federal Deposit Insurance Corporation

**FERC** - Federal Energy Regulatory Commission

**Fiscal 2024** - The fiscal year ended September 30, 2024

**Fiscal 2025** - The fiscal year ended September 30, 2025

**Fiscal 2026** - The fiscal year ending September 30, 2026

**Fiscal 2027** - The fiscal year ending September 30, 2027

**GAAP** - U.S. generally accepted accounting principles

**Gwh** - Millions of kilowatt hours

**ICE** - Intercontinental Exchange

**IREP** - Infrastructure Replacement and Expansion Plan

**IRPA** - Interest rate protection agreement

**LNG** - Liquefied natural gas

**LPG** - Liquefied petroleum gas

**MDPSC** - Maryland Public Service Commission

**MGP** - Manufactured gas plant

**NOAA** - National Oceanic and Atmospheric Administration

**NPNS** - Normal purchase and normal sale

**NTSB** - National Transportation Safety Board

**NYDEC** - New York State Department of Environmental Conservation

**NYMEX** - New York Mercantile Exchange

**OSHA** - Occupational Safety and Health Administration

**PADEP** - Pennsylvania Department of Environmental Protection

**PAPUC** - Pennsylvania Public Utility Commission

**PGA** - Purchased gas adjustment

**PGC** - Purchased gas costs

**PRP** - Potentially responsible party

**Receivables Facility** - A receivables purchase facility of Energy Services with an issuer of receivables-backed commercial paper

**Retail core-market** - Comprises firm residential, commercial and industrial customers to whom Utilities has a statutory obligation to provide service that purchase their natural gas from Utilities

**RNG** - Renewable natural gas

**ROD** - Record of Decision

**SEC** - U.S. Securities and Exchange Commission

**U.S.** - United States of America

**UGI Corporation Senior Notes** - Aggregate \$700 million convertible senior notes entered into by UGI Corporation on June 11, 2024, with a final maturity date of June 2028

**UGI Corporation 2025 Credit Agreement** - An amended and restated secured senior facilities agreement entered into by UGI Corporation in October 2024, and amended in August 2025, comprising (1) a \$475 million revolving credit facility, with a maturity date of October, 11, 2028, (2) a \$400 million term loan facility with a maturity date of October 11, 2027, and (3) a \$300 million revolving credit facility, with a maturity date of August 2026

**USD** - U.S. dollar

**WVPSC** - Public Service Commission of West Virginia

## UGI CORPORATION AND SUBSIDIARIES

## PART I FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)  
(Millions of dollars)

	March 31, 2026	September 30, 2025	March 31, 2025
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 494	\$ 335	\$ 426
Restricted cash	36	20	12
Accounts receivable (less allowances for doubtful accounts of \$56, \$42 and \$77, respectively)	1,178	714	1,183
Accrued utility revenues	91	35	101
Income taxes receivable	42	41	40
Inventories	319	385	341
Derivative instruments	58	23	47
Held for sale assets	77	9	1
Prepaid expenses and other current assets	216	204	149
Total current assets	2,511	1,766	2,300
Property, plant and equipment, (less accumulated depreciation of \$5,299, \$5,270 and \$5,062, respectively)	9,070	9,080	8,816
Goodwill	2,795	2,852	2,845
Intangible assets, net	302	328	362
Derivative instruments	14	7	26
Other assets	1,427	1,429	1,397
Total assets	\$ 16,119	\$ 15,462	\$ 15,746
<b>LIABILITIES AND EQUITY</b>			
Current liabilities:			
Current maturities of long-term debt	\$ 807	\$ 117	\$ 18
Short-term borrowings	249	486	413
Accounts payable	578	511	605
Derivative instruments	29	57	16
Held for sale liabilities	28	—	—
Other current liabilities	816	810	812
Total current liabilities	2,507	1,981	1,864
Long-term debt	5,985	6,531	6,600
Deferred income taxes	1,100	973	1,081
Derivative instruments	9	23	17
Other noncurrent liabilities	1,090	1,168	1,163
Total liabilities	10,691	10,676	10,725
Commitments and contingencies (Note 9)			
Equity:			
UGI Corporation stockholders' equity:			
UGI Common Stock, without par value (authorized — 450,000,000 shares; issued — 217,560,695, 217,033,282 and 216,345,460 shares, respectively)	1,731	1,709	1,684
Retained earnings	3,990	3,334	3,671
Accumulated other comprehensive income (loss)	(185)	(173)	(268)
Treasury stock, at cost	(117)	(93)	(75)
Total UGI Corporation stockholders' equity	5,419	4,777	5,012
Noncontrolling interests	9	9	9
Total equity	5,428	4,786	5,021
Total liabilities and equity	\$ 16,119	\$ 15,462	\$ 15,746

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(unaudited)

(Millions of dollars, except per share amounts)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
Revenues	\$ 2,685	\$ 2,666	\$ 4,768	\$ 4,696
Costs and expenses:				
Cost of sales (excluding depreciation and amortization shown below)	1,187	1,301	2,199	2,224
Operating and administrative expenses	559	546	1,079	1,043
Depreciation and amortization	138	138	278	276
Net loss (gain) on disposals of businesses	62	—	35	—
Other operating expense (income), net	(19)	(19)	(35)	(34)
	1,927	1,966	3,556	3,509
Operating income	758	700	1,212	1,187
Income (loss) from equity investees	5	3	9	6
Other non-operating income (expense), net	8	(7)	12	22
Interest expense	(111)	(102)	(222)	(204)
Income before income taxes	660	594	1,011	1,011
Income tax benefit (expense)	(140)	(115)	(194)	(157)
Net income attributable to UGI Corporation	\$ 520	\$ 479	\$ 817	\$ 854
Earnings per common share attributable to UGI Corporation stockholders:				
Basic	\$ 2.42	\$ 2.23	\$ 3.80	\$ 3.97
Diluted	\$ 2.33	\$ 2.19	\$ 3.68	\$ 3.93
Weighted-average common shares outstanding (thousands):				
Basic	214,833	214,976	214,844	214,965
Diluted	222,705	218,944	222,068	217,331

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)  
(Millions of dollars)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
Net income attributable to UGI Corporation	\$ 520	\$ 479	\$ 817	\$ 854
Other comprehensive income (loss):				
Net gains (losses) on derivative instruments (net of tax of \$(2), \$2, \$(3) and \$(3), respectively)	6	(4)	9	11
Reclassifications of net losses (gains) on derivative instruments (net of tax of \$1, \$0, \$1 and \$0, respectively)	(2)	1	(3)	(1)
Foreign currency adjustments (net of tax of \$(4), \$11, \$(4) and \$(9), respectively)	(21)	47	(18)	(25)
Benefit plans (net of tax of \$0, \$0, \$0 and \$0, respectively)	—	1	—	—
Other comprehensive income (loss)	(17)	45	(12)	(15)
Comprehensive income attributable to UGI Corporation	\$ 503	\$ 524	\$ 805	\$ 839

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)  
(Millions of dollars)

	Six Months Ended March 31,	
	2026	2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income attributable to UGI Corporation	\$ 817	\$ 854
Adjustments to reconcile net income attributable to UGI Corporation to net cash provided by operating activities:		
Depreciation and amortization	278	276
Deferred income tax expense (benefit), net	115	78
Provision for uncollectible accounts	33	33
Changes in unrealized gains and losses on derivative instruments	(139)	(107)
Net loss (gain) on disposals of businesses	35	—
Other, net	(44)	(12)
Net change in:		
Accounts receivable and accrued utility revenues	(579)	(577)
Income taxes receivable	(1)	16
Inventories	50	65
Utility deferred fuel costs, net of changes in unsettled derivatives	(37)	(1)
Accounts payable	108	113
Derivative instruments collateral deposits received (paid)	61	67
Other current assets	24	34
Other current liabilities	9	9
Net cash provided by operating activities	730	848
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Expenditures for property, plant and equipment	(391)	(357)
Net proceeds from the disposition of businesses and assets	98	13
Investments in equity method investees	(4)	(25)
Other, net	—	2
Net cash provided (used) by investing activities	(297)	(367)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends on Common Stock	(161)	(161)
Issuances of debt, net of discount and issuance costs	405	899
Repayments of long-term debt and finance leases, including redemption premiums	(253)	(942)
Short-term borrowings (repayments), net	(235)	(48)
Issuances of Common Stock	14	1
Repurchases of Common Stock	(23)	(17)
Net cash provided (used) by financing activities	(253)	(268)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(5)	(3)
Cash, cash equivalents and restricted cash increase (decrease)	\$ 175	\$ 210
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>		
Cash, cash equivalents and restricted cash at end of period	\$ 530	\$ 438
Cash, cash equivalents and restricted cash at beginning of period	355	228
Cash, cash equivalents and restricted cash increase (decrease)	\$ 175	\$ 210

See accompanying notes to condensed consolidated financial statements.

**UGI CORPORATION AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(unaudited)

(Millions of dollars, except per share amounts)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
<b>Common stock, without par value</b>				
Balance, beginning of period	\$ 1,724	\$ 1,679	\$ 1,709	\$ 1,676
Common Stock issued in connection with employee and director plans, net of tax withheld	2	1	14	1
Equity-based compensation expense	5	4	8	7
Balance, end of period	\$ 1,731	\$ 1,684	\$ 1,731	\$ 1,684
<b>Retained earnings</b>				
Balance, beginning of period	\$ 3,550	\$ 3,272	\$ 3,334	\$ 2,978
Net income attributable to UGI Corporation	520	479	817	854
Cash dividends on UGI Common Stock (\$0.375, \$0.375, \$0.75 and \$0.75, respectively)	(80)	(80)	(161)	(161)
Balance, end of period	\$ 3,990	\$ 3,671	\$ 3,990	\$ 3,671
<b>Accumulated other comprehensive income (loss)</b>				
Balance, beginning of period	\$ (168)	\$ (313)	\$ (173)	\$ (253)
Other comprehensive income (loss)	(17)	45	(12)	(15)
Balance, end of period	\$ (185)	\$ (268)	\$ (185)	\$ (268)
<b>Treasury stock</b>				
Balance, beginning of period	\$ (105)	\$ (58)	\$ (93)	\$ (56)
Repurchases of Common Stock	(11)	(17)	(23)	(17)
Reacquired Common Stock - employee and director plans	(1)	—	(1)	(2)
Balance, end of period	\$ (117)	\$ (75)	\$ (117)	\$ (75)
<b>Total UGI stockholders' equity</b>	<b>\$ 5,419</b>	<b>\$ 5,012</b>	<b>\$ 5,419</b>	<b>\$ 5,012</b>
<b>Noncontrolling interests</b>				
Balance, beginning of period	\$ 9	\$ 8	\$ 9	\$ 9
Other	—	1	—	—
Balance, end of period	\$ 9	\$ 9	\$ 9	\$ 9
<b>Total equity</b>	<b>\$ 5,428</b>	<b>\$ 5,021</b>	<b>\$ 5,428</b>	<b>\$ 5,021</b>

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

**Note 1 — Nature of Operations**

UGI is a holding company that, through subsidiaries and affiliates, distributes, stores, transports and markets energy products and related services in the U.S. and Europe. We own and operate (1) natural gas and electric distribution utilities; (2) energy marketing, midstream infrastructure, storage, natural gas gathering and processing, natural gas production, and energy services businesses; and (3) retail propane and other LPG marketing and distribution businesses.

Our Utilities segment includes UGI Utilities and Mountaineer. PA Gas Utility serves customers in eastern and central Pennsylvania and in portions of one Maryland county, and WV Gas Utility serves customers in West Virginia. Electric Utility serves customers in portions of Luzerne and Wyoming counties in northeastern Pennsylvania. PA Gas Utility is subject to regulation by the PAPUC and FERC and, with respect to its customers in Maryland, the MDPSC. WV Gas Utility is subject to regulation by the WVPSC and FERC. Electric Utility is subject to regulation by the PAPUC and FERC (see Note 5 for pending disposition of Electric Utility).

Energy Services conducts, directly and through subsidiaries and affiliates, energy marketing, including RNG, midstream transmission, LNG storage, natural gas gathering and processing, natural gas and RNG production, and energy services businesses primarily in the eastern region of the U.S., eastern Ohio, the panhandle of West Virginia and California. Energy Services and its subsidiaries' storage, LNG and portions of its midstream transmission operations are subject to regulation by the FERC.

UGI International, LLC, through its subsidiaries and affiliates, primarily conducts an LPG distribution business throughout much of Europe. The LPG business is conducted principally through our subsidiaries, UGI France, AvantiGas and, prior to the sales in June and November 2025, UniverGas and Flaga.

We conduct a domestic propane marketing and distribution business through AmeriGas Partners. AmeriGas Partners conducts its propane marketing and distribution business through its principal operating subsidiary AmeriGas OLP.

**Note 2 — Summary of Significant Accounting Policies**

The accompanying condensed consolidated financial statements and footnotes are unaudited and have been prepared in accordance with GAAP and the rules and regulations of the SEC. They include all adjustments that we consider necessary for a fair statement of the results for the interim periods presented. Such adjustments consisted only of normal recurring items unless otherwise disclosed. The September 30, 2025, Condensed Consolidated Balance Sheet was derived from audited financial statements but does not include all footnote disclosures from the annual financial statements.

These financial statements should be read in conjunction with the financial statements and related notes included in the Company's 2025 Annual Report. Due to the seasonal nature of our businesses, the results of operations for interim periods are not necessarily indicative of the results to be expected for a full year.

**Restricted Cash.** Restricted cash principally represents those cash balances in our commodity futures brokerage accounts that are restricted from withdrawal. The following table provides a reconciliation of the total cash, cash equivalents and restricted cash reported on the Condensed Consolidated Balance Sheets to the corresponding amounts reported on the Condensed Consolidated Statements of Cash Flows.

	March 31, 2026	March 31, 2025
Cash and cash equivalents	\$ 494	\$ 426
Restricted cash	36	12
Cash, cash equivalents and restricted cash	<u>\$ 530</u>	<u>\$ 438</u>

## UGI CORPORATION AND SUBSIDIARIES

**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

**Earnings Per Common Share.** Basic earnings per share attributable to UGI Corporation stockholders reflect the weighted-average number of common shares outstanding. Diluted earnings per share attributable to UGI Corporation stockholders include the effects of dilutive stock options, common stock awards, and UGI Corporation Senior Notes. Shares used in computing basic and diluted earnings per share are as follows:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
Denominator (thousands of shares):				
Weighted-average common shares outstanding — basic	214,833	214,976	214,844	214,965
Incremental shares issuable for stock options, and common stock awards(a)	1,098	757	1,063	684
UGI Corporation Senior Notes (b)	6,774	3,211	6,161	1,682
Weighted-average common shares outstanding — diluted	<u>222,705</u>	<u>218,944</u>	<u>222,068</u>	<u>217,331</u>

(a) For the three months ended March 31, 2026 and 2025, there were 4,353 and 6,121 shares, respectively, associated with outstanding stock option awards that were not included in the computation of diluted earnings per share above because their effect was antidilutive. For the six months ended March 31, 2026 and 2025, there were 5,674 and 6,915 shares, respectively, associated with outstanding stock option awards that were not included in the computation of diluted earnings per share above because their effect was antidilutive.

(b) See Note 8 for additional information on the UGI Corporation Senior Notes.

**Derivative Instruments.** Derivative instruments are reported on the Condensed Consolidated Balance Sheets at their fair values, unless the NPNS exception is elected. The accounting for changes in fair value depends upon the purpose of the derivative instrument, whether it is subject to regulatory ratemaking mechanisms or if it qualifies and is designated as a hedge for accounting purposes.

Certain of our derivative instruments qualify and are designated as cash flow hedges. For cash flow hedges, changes in the fair values of the derivative instruments are recorded in AOCI, to the extent effective at offsetting changes in the hedged item, until earnings are affected by the hedged item. We discontinue cash flow hedge accounting if occurrence of the forecasted transaction is determined to be no longer probable. Hedge accounting is also discontinued for derivatives that cease to be highly effective. We do not designate our commodity and certain foreign currency derivative instruments as hedges under GAAP. Changes in the fair values of these derivative instruments are reflected in net income. Gains and losses on substantially all of the commodity derivative instruments used by Utilities are included in regulatory assets or liabilities because it is probable such gains or losses will be recoverable from, or refundable to, customers. From time to time, we also enter into net investment hedges. Gains and losses on net investment hedges that relate to our foreign operations are included in the cumulative translation adjustment component in AOCI until such foreign net investment is substantially sold or liquidated.

Cash flows from derivative instruments, other than certain net investment hedges, are included in cash flows from operating activities on the Condensed Consolidated Statements of Cash Flows. Cash flows from net investment hedges are included in cash flows from investing activities on the Condensed Consolidated Statements of Cash Flows.

See Note 11 for a more detailed description of the derivative instruments we use, our accounting for derivatives, our objectives for using them and other information.

**Use of Estimates.** The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and costs. These estimates are based on management's knowledge of current events, historical experience and various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results may be different from these estimates and assumptions.

**Goodwill.** We do not amortize goodwill, but test it at least annually for impairment at the reporting unit level. A reporting unit is an operating segment, or one level below an operating segment (a component) if it constitutes a business for which discrete financial information is available and regularly reviewed by segment management. Components are aggregated into a single

## UGI CORPORATION AND SUBSIDIARIES

**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

reporting unit if they have similar economic characteristics. Each of our reporting units with goodwill is required to perform impairment tests annually or whenever events or circumstances indicate that the value of goodwill may be impaired.

With respect to AmeriGas Propane's Fiscal 2025 goodwill impairment test, the Company performed a quantitative assessment. Based on our evaluation, we determined that AmeriGas Propane's fair value exceeded its carrying value by more than 25%. While the Company believes that its judgments used in the quantitative assessment of AmeriGas Propane's fair value are reasonable based upon currently available facts and circumstances, if AmeriGas Propane were not able to achieve its anticipated results and/or if its discount rate were to increase, its fair value would be adversely affected, which may result in an impairment. There was \$1.1 billion of goodwill in the AmeriGas Propane reporting unit as of March 31, 2026.

The Company will continue to monitor its reporting units and related goodwill for any possible future non-cash impairment charges.

**Note 3 — Accounting Changes****Accounting Standards Not Yet Adopted**

***Interim Reporting: Narrow-Scope Improvements.*** In December 2025, the FASB issued ASU 2025-11, "Narrow-Scope Improvements (Topic 270)" which clarifies disclosure requirements and applicability for interim financial statements. This new guidance is effective for the Company for interim periods beginning October 1, 2028 (Fiscal 2029). Early adoption is permitted. The amendments in this ASU may be adopted using the prospective or retrospective methods. The Company is in the process of assessing the impact on its financial statements and determining the transition method and the period in which the new guidance will be adopted.

***Targeted Improvements to the Accounting for Internal-Use Software.*** In September 2025, the FASB issued ASU 2025-06, "Targeted Improvements to the Accounting for Internal-Use Software (Subtopic 350-40)" which, among other things, removes the prescriptive project stage requirements and allows entities to capitalize internal-use software costs when management authorizes and commits funding to the project and it is probable the software will be completed and used as intended. This new guidance is effective for the Company for annual and interim periods beginning October 1, 2028 (Fiscal 2029). Early adoption is permitted. The amendments in this ASU may be adopted using the prospective, modified, or retrospective methods. The Company is in the process of assessing the impact on its financial statements and determining the transition method and the period in which the new guidance will be adopted.

***Measurement of Credit Losses for Accounts Receivable and Contract Assets.*** In July 2025, the FASB issued ASU 2025-05, "Measurement of Credit Losses for Accounts Receivable and Contract Assets (Topic 326)" which provides a practical expedient that allows entities to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset when estimating expected credit losses for current accounts receivable and current contract assets. This new guidance is effective for the Company for annual and interim periods beginning October 1, 2026 (Fiscal 2027). Early adoption is permitted. The amendments in this ASU should be adopted using the prospective method. The Company is in the process of assessing the impact on its financial statements and the period in which the new guidance will be adopted.

***Disaggregation of Income Statement Expenses.*** In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses (Subtopic 220-40)" which requires enhanced disclosure of income statement expense categories to improve transparency and provide financial statement users with more detailed information about the nature, amount and timing of expenses impacting financial performance. This new guidance is effective for the Company for annual periods beginning October 1, 2027 (Fiscal 2028) and interim periods beginning October 1, 2028 (Fiscal 2029). Early adoption is permitted. The amendments in this ASU may be adopted using the prospective or retrospective methods. The Company is in the process of assessing the impact on its financial statements and determining the transition method and the period in which the new guidance will be adopted.

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**Improvements to Income Tax Disclosures.** In December 2023, the FASB issued ASU 2023-09, “Improvements to Income Tax Disclosures (Topic 740)” which requires entities to disclose, among other items, disaggregated information about a reporting entity’s effective tax rate reconciliation and income taxes paid. This new guidance is effective for the Company for annual periods beginning October 1, 2025 (Fiscal 2026). Early adoption is permitted. The amendments in this ASU may be adopted using the prospective or retrospective methods. This Company will adopt the new guidance effective for the year ending September 30, 2026 and provide the additional disclosures as required by the new guidance.

**Note 4 — Revenue from Contracts with Customers**

The Company recognizes revenue when control of promised goods or services is transferred to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. See Note 4 in the Company’s 2025 Annual Report for additional information on our revenues from contracts with customers.

**Revenue Disaggregation**

The following tables present our disaggregated revenues by reportable segment:

Three Months Ended March 31, 2026	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
<b>Revenues from contracts with customers:</b>							
<b>Utility:</b>							
Core Market:							
Residential	\$ 499	\$ —	\$ 499	\$ —	\$ —	\$ —	\$ —
Commercial & Industrial	206	—	206	—	—	—	—
Large delivery service	59	—	59	—	—	—	—
Off-system sales and capacity releases	57	(64)	121	—	—	—	—
Other	3	(1)	4	—	—	—	—
<b>Total Utility</b>	<b>824</b>	<b>(65)</b>	<b>889</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Non-Utility:</b>							
LPG:							
Retail	1,222	—	—	—	537	685	—
Wholesale	62	—	—	—	48	14	—
Energy Marketing	408	(160)	—	560	8	—	—
Midstream:							
Pipeline	53	—	—	53	—	—	—
Peaking	28	(65)	—	93	—	—	—
Other	9	—	—	9	—	—	—
Other	60	—	—	—	17	43	—
<b>Total Non-Utility</b>	<b>1,842</b>	<b>(225)</b>	<b>—</b>	<b>715</b>	<b>610</b>	<b>742</b>	<b>—</b>
<b>Total revenues from contracts with customers</b>	<b>2,666</b>	<b>(290)</b>	<b>889</b>	<b>715</b>	<b>610</b>	<b>742</b>	<b>—</b>
Other revenues (b)	19	—	(9)	—	11	17	—
<b>Total revenues</b>	<b>\$ 2,685</b>	<b>\$ (290)</b>	<b>\$ 880</b>	<b>\$ 715</b>	<b>\$ 621</b>	<b>\$ 759</b>	<b>\$ —</b>

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<b>Three Months Ended March 31, 2025</b>	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
<b>Revenues from contracts with customers:</b>							
<u>Utility:</u>							
Core Market:							
Residential	\$ 434	\$ —	\$ 434	\$ —	\$ —	\$ —	\$ —
Commercial & Industrial	176	—	176	—	—	—	—
Large delivery service	64	—	64	—	—	—	—
Off-system sales and capacity releases	34	(46)	80	—	—	—	—
Other	8	—	8	—	—	—	—
<b>Total Utility</b>	<b>716</b>	<b>(46)</b>	<b>762</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<u>Non-Utility:</u>							
LPG:							
Retail	1,313	—	—	—	564	749	—
Wholesale	78	—	—	—	43	35	—
Energy Marketing	370	(82)	—	437	15	—	—
Midstream:							
Pipeline	59	—	—	59	—	—	—
Peaking	23	(62)	—	85	—	—	—
Other	6	—	—	6	—	—	—
Other	68	—	—	—	19	49	—
<b>Total Non-Utility</b>	<b>1,917</b>	<b>(144)</b>	<b>—</b>	<b>587</b>	<b>641</b>	<b>833</b>	<b>—</b>
<b>Total revenues from contracts with customers</b>	<b>2,633</b>	<b>(190)</b>	<b>762</b>	<b>587</b>	<b>641</b>	<b>833</b>	<b>—</b>
Other revenues (b)	33	—	11	—	9	15	(2)
<b>Total revenues</b>	<b>\$ 2,666</b>	<b>\$ (190)</b>	<b>\$ 773</b>	<b>\$ 587</b>	<b>\$ 650</b>	<b>\$ 848</b>	<b>\$ (2)</b>

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<b>Six Months Ended March 31, 2026</b>	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
<b>Revenues from contracts with customers:</b>							
<b>Utility:</b>							
<b>Core Market:</b>							
Residential	\$ 860	\$ —	\$ 860	\$ —	\$ —	\$ —	\$ —
Commercial & Industrial	345	—	345	—	—	—	—
Large delivery service	112	—	112	—	—	—	—
Off-system sales and capacity releases	83	(84)	167	—	—	—	—
Other	8	(1)	9	—	—	—	—
<b>Total Utility</b>	<b>1,408</b>	<b>(85)</b>	<b>1,493</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Non-Utility:</b>							
<b>LPG:</b>							
Retail	2,247	—	—	—	1,036	1,211	—
Wholesale	108	—	—	—	84	24	—
Energy Marketing	692	(208)	—	879	21	—	—
<b>Midstream:</b>							
Pipeline	107	—	—	107	—	—	—
Peaking	35	(107)	—	142	—	—	—
Other	14	—	—	14	—	—	—
Other	120	—	—	—	33	87	—
<b>Total Non-Utility</b>	<b>3,323</b>	<b>(315)</b>	<b>—</b>	<b>1,142</b>	<b>1,174</b>	<b>1,322</b>	<b>—</b>
<b>Total revenues from contracts with customers</b>	<b>4,731</b>	<b>(400)</b>	<b>1,493</b>	<b>1,142</b>	<b>1,174</b>	<b>1,322</b>	<b>—</b>
Other revenues (b)	37	—	(22)	—	22	37	—
<b>Total revenues</b>	<b>\$ 4,768</b>	<b>\$ (400)</b>	<b>\$ 1,471</b>	<b>\$ 1,142</b>	<b>\$ 1,196</b>	<b>\$ 1,359</b>	<b>\$ —</b>

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Six Months Ended March 31, 2025	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
<b>Revenues from contracts with customers:</b>							
<b>Utility:</b>							
Core Market:							
Residential	\$ 710	\$ —	\$ 710	\$ —	\$ —	\$ —	\$ —
Commercial & Industrial	281	—	281	—	—	—	—
Large delivery service	116	—	116	—	—	—	—
Off-system sales and capacity releases	53	(61)	114	—	—	—	—
Other	16	—	16	—	—	—	—
<b>Total Utility</b>	<b>1,176</b>	<b>(61)</b>	<b>1,237</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Non-Utility:</b>							
LPG:							
Retail	2,384	—	—	—	1,102	1,282	—
Wholesale	150	—	—	—	93	57	—
Energy Marketing	622	(113)	—	701	34	—	—
Midstream:							
Pipeline	117	—	—	117	—	—	—
Peaking	24	(102)	—	126	—	—	—
Other	10	—	—	10	—	—	—
Other	138	—	—	—	39	99	—
<b>Total Non-Utility</b>	<b>3,445</b>	<b>(215)</b>	<b>—</b>	<b>954</b>	<b>1,268</b>	<b>1,438</b>	<b>—</b>
<b>Total revenues from contracts with customers</b>	<b>4,621</b>	<b>(276)</b>	<b>1,237</b>	<b>954</b>	<b>1,268</b>	<b>1,438</b>	<b>—</b>
Other revenues (b)	75	—	21	—	20	37	(3)
<b>Total revenues</b>	<b>\$ 4,696</b>	<b>\$ (276)</b>	<b>\$ 1,258</b>	<b>\$ 954</b>	<b>\$ 1,288</b>	<b>\$ 1,475</b>	<b>\$ (3)</b>

(a) Includes intersegment revenues principally among Midstream & Marketing and Utilities.

(b) Primarily represents (1) revenues from tank rentals at UGI International and AmeriGas Propane; (2) revenues from alternative revenue programs at Utilities, including the weather normalization adjustment rider for Gas Utility; and (3) gains and losses on commodity derivative instruments not associated with current-period transactions reflected in Corporate & Other, none of which are within the scope of ASC 606 and are accounted for in accordance with other GAAP.

**Contract Balances**

The timing of revenue recognition may differ from the timing of invoicing to customers or cash receipts. Contract assets represent our right to consideration after the performance obligations have been satisfied when such right is conditioned on something other than the passage of time. Contract assets were not material for all periods presented. Substantially all of our receivables are unconditional rights to consideration and are included in “Accounts receivable” and, in the case of Utilities, “Accrued utility revenues” on the Condensed Consolidated Balance Sheets. Amounts billed are generally due within the following month.

Contract liabilities arise when payment from a customer is received before the performance obligations have been satisfied and represent the Company’s obligations to transfer goods or services to a customer for which we have received consideration. The balances of contract liabilities were \$94, \$132 and \$99 at March 31, 2026, September 30, 2025 and March 31, 2025, respectively, and are included in “Other current liabilities” and “Other noncurrent liabilities” on the Condensed Consolidated Balance Sheets. Revenues recognized for the six months ended March 31, 2026 and 2025, from the amounts included in contract liabilities at September 30, 2025 and 2024, were \$89 and \$95, respectively.

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**Remaining Performance Obligations**

The Company excludes disclosures related to the aggregate amount of the transaction price allocated to certain performance obligations that are unsatisfied as of the end of the reporting period because these contracts have an initial expected term of one year or less, or we have a right to bill the customer in an amount that corresponds directly with the value of services provided to the customer to date. Certain contracts with customers at Midstream & Marketing and Utilities contain minimum future performance obligations through 2047 and 2053, respectively. At March 31, 2026, the Company expects to record approximately \$1.3 billion of revenues related to the minimum future performance obligations over the remaining terms of the related contracts.

**Note 5 — Dispositions****Electric Utility**

In April 2026, UGI Utilities entered into a definitive agreement to divest its Electric Utility for a sale price of \$470, subject to changes in working capital and other adjustments. The transaction includes the sale of approximately 2,700 miles of transmission and distribution lines and 14 substations in Pennsylvania's Luzerne and Wyoming counties. The Company expects to recognize a gain upon closing, which is expected in the second quarter of Fiscal 2027, subject to customary closing conditions and applicable regulatory approvals.

**Global LPG Business Transactions**

As part of the Company's ongoing global LPG business portfolio optimization efforts, the Company is strategically divesting operations in non-core markets to focus resources where it can achieve superior operational results and deliver enhanced customer value.

***UGI International.*** In February 2026, UGI International, through a wholly-owned subsidiary, completed the sale of its LPG business in Romania, subject to customary post-closing working capital adjustments. For the three months ended March 31, 2026, the Company recognized a pre-tax loss on sale of \$2.

In January 2026, UGI International, through a wholly-owned subsidiary, entered into a definitive agreement to divest its LPG distribution businesses in Czech Republic, Hungary, Poland and Slovakia. Accordingly, the assets and liabilities associated with these businesses, primarily comprised of long-lived assets and goodwill allocated to the disposal group, qualified as held for sale and were reflected as "Held for sale assets" and "Held for sale liabilities", respectively, on the Condensed Consolidated Balance Sheet at March 31, 2026. For the three months ended March 31, 2026, the Company recognized a non-cash pre-tax impairment charge of \$64 to record such assets at estimated fair value less costs to sell. The transaction is subject to customary closing conditions and is expected to be finalized by the third quarter of Fiscal 2026.

In November 2025, UGI International, through a wholly-owned subsidiary, completed the sale of Flaga, its LPG distribution business in Austria. For the three and six months ended March 31, 2026, the Company recognized pre-tax gains on the sale of \$4 and \$29, respectively.

In October 2025, UGI International, through a wholly-owned subsidiary, completed the sale of its cylinder business in the United Kingdom. For the six months ended March 31, 2026, the Company recognized a pre-tax gain on the sale of \$2.

In aggregate, the aforementioned divestitures resulted in pre-tax net losses of \$62 and \$35 for the three and six months ended March 31, 2026, respectively, which were reflected in "Net loss (gain) on disposals of businesses" on the Condensed Consolidated Statements of Income and included in the UGI International reportable segment. The Company has received or expects to receive total net cash proceeds of approximately \$130 from these divestitures.

See Note 5 in the Company's 2025 Annual Report for additional information on the Company's global LPG business transactions.

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**Note 6 — Inventories**

Inventories comprise the following:

	March 31, 2026	September 30, 2025	March 31, 2025
Non-utility LPG and natural gas	\$ 162	\$ 162	\$ 179
Gas Utility natural gas	8	67	6
Energy certificates	59	64	58
Materials, supplies and other	90	92	98
<b>Total inventories</b>	<b>\$ 319</b>	<b>\$ 385</b>	<b>\$ 341</b>

**Note 7 — Utility Regulatory Assets and Liabilities and Regulatory Matters**

For a description of the Company's regulatory assets and liabilities, other than those described below, see Note 9 in the Company's 2025 Annual Report. Other than removal costs, Utilities currently does not recover a rate of return on the regulatory assets listed below. The following regulatory assets and liabilities associated with our Utilities reportable segment are included in our Condensed Consolidated Balance Sheets:

	March 31, 2026	September 30, 2025	March 31, 2025
<b>Regulatory assets (a):</b>			
Income taxes recoverable	\$ 117	\$ 113	\$ 109
Underfunded pension plans	97	100	104
Environmental costs	25	22	25
Deferred fuel and power costs	80	39	4
Removal costs, net	31	30	29
Other	32	36	41
<b>Total regulatory assets</b>	<b>\$ 382</b>	<b>\$ 340</b>	<b>\$ 312</b>
<b>Regulatory liabilities (a):</b>			
Postretirement benefits	\$ 13	\$ 14	\$ 12
Deferred fuel and power refunds	7	4	37
State income tax benefits — distribution system repairs	50	49	45
Excess federal deferred income taxes	242	239	246
Other	11	8	16
<b>Total regulatory liabilities</b>	<b>\$ 323</b>	<b>\$ 314</b>	<b>\$ 356</b>

(a) Regulatory assets are recorded in "Prepaid expenses and other current assets" and "Other assets" on the Condensed Consolidated Balance Sheets. Regulatory liabilities are recorded in "Other current liabilities" and "Other noncurrent liabilities" on the Condensed Consolidated Balance Sheets.

**Deferred fuel and power - costs and refunds.** Utilities' tariffs contain clauses that permit recovery of all prudently incurred purchased gas and power costs through the application of PGC rates, PGA rates and DS tariffs. These clauses provide for periodic adjustments to PGC, PGA and DS rates for differences between the total amount of purchased gas and electric generation supply costs billed to customers and recoverable costs incurred. Net unbilled costs are classified as a regulatory asset and net overbillings are classified as a regulatory liability.

PA Gas Utility uses derivative instruments to reduce volatility in the cost of gas it purchases for retail core-market customers. Realized and unrealized gains or losses on natural gas derivative instruments are included in deferred fuel and power costs or refunds. Net unrealized gains (losses) on such contracts at March 31, 2026, September 30, 2025 and March 31, 2025 were \$(6), \$(5) and \$19, respectively.

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**Other Regulatory Matters**

**UGI Utilities.** On March 27, 2026, Electric Utility filed a rate request with the PAPUC to increase its annual base distribution revenues by \$17. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable electric service. Electric Utility requested that the new electric rates become effective June 1, 2026. The PAPUC entered an order on April 16, 2026, suspending the effective date for the rate increase to allow for investigation and public hearings. Unless a settlement is reached sooner, the review process is expected to last up to nine months from the date of filing. The Company cannot predict the timing or the ultimate outcome of the rate case review process.

On January 28, 2026, PA Gas Utility filed a request with the PAPUC to increase its base operating revenues for residential, commercial and industrial customers by \$99 annually. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable natural gas service. PA Gas Utility requested the new gas rates become effective March 29, 2026. The PAPUC entered an order on February 19, 2026, suspending the effective date for the rate increase to allow for investigation and public hearings. Unless a settlement is reached sooner, the review process is expected to last up to nine months from the date of filing. The Company cannot predict the timing or the ultimate outcome of the rate case review process.

On January 27, 2025, PA Gas Utility filed a request with the PAPUC to increase its base operating revenues for residential, commercial and industrial customers by \$110 annually. On September 11, 2025, the PAPUC issued a final order approving a settlement providing for a \$70 annual base distribution rate increase, effective October 28, 2025, and maintenance of the weather normalization adjustment through the end of its pilot period with modification.

**Mountaineer.** On February 3, 2026, WV Gas Utility submitted a base rate case filing with the WVPSC seeking a net revenue increase of \$27, which consisted of an increase in base rates of \$44 and a decrease in the IREP rates of \$17 annually. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable natural gas service. WV Gas Utility requested the new gas rates become effective March 5, 2026. The WVPSC entered an order on March 2, 2026, suspending the effective date for the rate increase to allow for a full review of the filing and public hearings. Unless a settlement is reached sooner, the review process is expected to last up to 270 days from the date of filing. The Company cannot predict the timing or the ultimate outcome of the rate case review process.

On July 31, 2025, WV Gas Utility submitted its 2025 IREP filing to the WVPSC requesting recovery of \$24, an increase of \$5, for costs associated with capital investments after December 31, 2022, that total \$274, including \$77 in calendar year 2026. The filing included capital investments totaling \$445 over the 2026 - 2030 period. On December 17, 2025, the WVPSC issued an order approving WV Gas Utility's request, with new rates effective January 1, 2026.

On July 31, 2024, WV Gas Utility submitted its 2024 IREP filing to the WVPSC requesting recovery of \$19, which includes \$3 of prior year under-recovery, for costs associated with capital investments after December 31, 2022, that total \$197, including \$74 in calendar year 2025. The filing included capital investments totaling \$418 over the 2025 - 2029 period. On October 28, 2024, the WVPSC issued an order approving WV Gas Utility's request, with new rates effective January 1, 2025.

**Note 8 — Debt****Significant Financing Activities**

The following significant financing activities occurred during Fiscal 2026.

**Utilities**

**UGI Utilities Senior Notes.** In July 2025, UGI Utilities entered into a note purchase agreement with a consortium of lenders. Pursuant to the note purchase agreement, in November 2025, UGI Utilities issued \$150 aggregate principal amount of 5.10% Senior Notes due November 15, 2030, and \$125 aggregate principal amount of 5.68% Senior Notes due November 15, 2035. UGI Utilities used the net proceeds from the issuance of these senior notes to (1) repay the \$100 outstanding principal balance of the 1.59% Senior Notes, due June 2026 and \$75 outstanding principal balance of the 1.64% Senior Notes, due September 2026; (2) reduce short-term borrowings; and (3) for general corporate purposes. These senior notes are unsecured and rank

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equally with UGI Utilities' existing outstanding senior debt. The note purchase agreement contains customary covenants and default provisions and requires compliance with certain financial covenants including a leverage ratio and priority debt ratio as defined in the agreement.

**Midstream & Marketing**

**Energy Services Receivables Facility.** Energy Services has a Receivables Facility with an issuer of receivables-backed commercial paper. In October 2025, the expiration date of the Receivables Facility was extended to October 2026. The Receivables Facility provides Energy Services with the ability to borrow up to \$150 of eligible receivables during the period October 17, 2025 to April 30, 2026, and up to \$75 of eligible receivables during the period May 1, 2026 to October 16, 2026, with the option to request consent for an increase of \$50. Energy Services uses the Receivables Facility to fund working capital, margin calls under commodity futures contracts, capital expenditures, dividends and for general corporate purposes.

**UGI Corporation**

**UGI Corporation Senior Notes.** The Company has \$700 aggregate principal amount of outstanding 5.00% UGI Corporation Senior Notes due June 2028. The UGI Corporation Senior Notes are convertible subject to the occurrence of certain events and circumstances.

Upon conversion, the Company will pay cash up to the aggregate principal amount of the UGI Corporation Senior Notes. For the remainder of the amount in excess of the aggregate principal amount, if applicable, the Company will have the sole right to elect the settlement method upon conversion which can be either entirely in cash, shares or in a combination of cash and shares of its common stock. The default settlement method as defined in the agreement is a combination settlement with a specified dollar amount of \$1,000 per \$1,000 principal of the UGI Corporation Senior Notes, and any incremental value settled in shares of the Company's common stock. The initial conversion rate is 36.2319 shares of the Company's common stock per \$1,000 principal amount of the UGI Corporation Senior Notes, which represents an initial conversion price of approximately \$27.60 per share of the Company's common stock. The conversion rate and conversion price will be subject to customary adjustments upon the occurrence of certain events. In addition, if certain corporate events that constitute a "Make-Whole Fundamental Change" (as defined in the indenture dated June 11, 2024) occur, then the conversion rate will, in certain circumstances, be increased for a specified period of time.

As of March 31, 2026, an early conversion condition associated with the market price of the Company's common stock was met. Accordingly, pursuant to the indenture, the UGI Corporation Senior Notes are convertible at the option of the noteholders, in whole or in part, from April 1, 2026 through June 30, 2026.

Because the Company must pay noteholders cash up to the aggregate principal amount and noteholders can convert at their sole election beginning April 1, 2026 through June 30, 2026, the Company classified the entire \$700 principal amount (net of unamortized debt issuance costs of \$10) of the UGI Corporation Senior Notes in "Current maturities of long-term debt" on the March 31, 2026 Condensed Consolidated Balance Sheet.

Whether the UGI Corporation Senior Notes will become convertible in subsequent periods after June 30, 2026 will depend on the future occurrence of early conversion conditions. If none of the conversion conditions are met in future quarters, the UGI Corporation Senior Notes will revert to classification as "Long-term debt" on the Condensed Consolidated Balance Sheet.

The Company cannot predict whether noteholders will elect to convert during the conversion period ending June 30, 2026. Whether noteholders elect to convert will depend on various factors including market conditions and the secondary market trading price of the UGI Corporation Senior Notes relative to the value of early conversion. Historically, the secondary market trading price has exhibited a premium over the value of early conversion, indicating economic value to not requesting an early conversion. The Company cannot predict if these conditions will continue. As described in the Company's 2025 Annual Report, the Company has a \$300 revolving credit facility, the borrowings of which, if any, can be used solely to fund the cash consideration in the event of conversion by noteholders. This credit facility is scheduled to expire in August 2026, and the Company has the option, subject to meeting certain conditions, to convert and extend the credit facility borrowings into a one year term loan. In addition, the Company has \$151 of unused borrowing capacity under its existing \$475 revolving credit

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facility and access to additional liquidity via subsidiaries to fund any additional cash consideration, if needed, in the event of early conversion by noteholders. To-date, no noteholders have elected to convert their notes.

For the three and six months ended March 31, 2026, the Company recognized \$10 and \$20, respectively, of interest expense, related to the UGI Corporation Senior Notes at the effective interest rate of 5.62%.

We estimate the fair value of long-term debt by using current market rates and by discounting future cash flows using rates available for similar type debt (Level 2). The estimated fair values of the UGI Corporation Senior Notes were \$983 and \$894 at March 31, 2026 and September 30, 2025, respectively.

See the Company's 2025 Annual Report for additional information on our UGI Corporation Senior Notes.

**Supplemental Cash Flow Information**

The Company regularly uses its credit facilities (other than the UGI Corporation 2025 Credit Agreement) and, in the case of Energy Services, the Receivables Facility, to support its working capital needs with borrowings of \$1,360 and repayments of \$1,595 during the six months ended March 31, 2026.

**Note 9 — Commitments and Contingencies****Environmental Matters*****UGI Utilities***

From the late 1800s through the mid-1900s, UGI Utilities and its former subsidiaries owned and operated a number of MGPs prior to the general availability of natural gas. Some constituents of coal tars and other residues of the manufactured gas process are today considered hazardous substances under the Superfund Law and may be present on the sites of former MGPs. Between 1882 and 1953, UGI Utilities owned the stock of subsidiary gas companies in Pennsylvania and elsewhere and also operated the businesses of some gas companies under agreement. By the early 1950s, UGI Utilities divested all of its utility operations other than certain gas and electric operations. Beginning in 2006 and 2008, UGI Utilities also owned and operated two acquired subsidiaries, with similar histories of owning, and in some cases operating, MGPs in Pennsylvania.

UGI Utilities is subject to a COA with the PADEP to address the remediation of specified former MGP sites in Pennsylvania, which is scheduled to terminate at the end of 2035. In accordance with the COA, UGI Utilities is required to either obtain a certain number of points per calendar year based on defined eligible environmental investigatory and/or remedial activities at the MGPs, or make expenditures for such activities in an amount equal to an annual environmental minimum expenditure threshold. The annual minimum expenditure threshold of the COA is \$5. At March 31, 2026, September 30, 2025 and March 31, 2025, our aggregate estimated accrued liabilities for environmental investigation and remediation costs related to the COA totaled \$64, \$63 and \$51, respectively.

We do not expect the costs for investigation and remediation of hazardous substances at Pennsylvania MGP sites to be material to UGI Utilities' results of operations because UGI Utilities receives ratemaking recovery of actual environmental investigation and remediation costs associated with the sites covered by the COA. This ratemaking recognition reconciles the accumulated difference between historical costs and rate recoveries with an estimate of future costs associated with the sites. As such, UGI Utilities has recorded an associated regulatory asset for these costs because recovery of these costs from customers is probable (see Note 7).

From time to time, UGI Utilities is notified of sites outside Pennsylvania on which private parties allege MGPs were formerly owned or operated by UGI Utilities or owned or operated by a former subsidiary. Such parties generally investigate the extent of environmental contamination or perform environmental remediation. Management believes that under applicable law, UGI Utilities should not be liable in those instances in which a former subsidiary owned or operated an MGP. There could be, however, significant future costs of an uncertain amount associated with environmental damage caused by MGPs outside Pennsylvania that UGI Utilities directly operated, or that were owned or operated by a former subsidiary of UGI Utilities if a court were to conclude that (1) the subsidiary's separate corporate form should be disregarded, or (2) UGI Utilities should be considered to have been an operator because of its conduct with respect to its subsidiary's MGP. Neither the undiscounted nor

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the accrued liability for environmental investigation and cleanup costs for UGI Utilities' MGP sites outside Pennsylvania were material for all periods presented.

***AmeriGas Propane***

***AmeriGas OLP Saranac Lake.*** In 2008, the NYDEC notified AmeriGas OLP that the NYDEC had placed property purportedly owned by AmeriGas OLP in Saranac Lake, New York on the New York State Registry of Inactive Hazardous Waste Disposal Sites. A site characterization study performed by the NYDEC disclosed contamination related to a former MGP. AmeriGas OLP responded to the NYDEC in 2009 to dispute the contention it was a PRP as it did not operate the MGP and appeared to only own a portion of the site. In 2017, the NYDEC communicated to AmeriGas OLP that the NYDEC had previously issued three RODs related to remediation of the site totaling approximately \$28 and requested additional information regarding AmeriGas OLP's purported ownership. AmeriGas OLP renewed its challenge to designation as a PRP and identified potential defenses. The NYDEC subsequently identified a third party PRP with respect to the site.

The NYDEC commenced implementation of the remediation plan in the spring of 2018. In Fiscal 2024, the NYDEC informed AmeriGas OLP that the remediation plan had been completed at a total cost of approximately \$19. The New York Office of the Attorney General, as counsel for the NYDEC, invited AmeriGas OLP to participate in settlement discussions. We have a settlement agreement in principle that is being finalized.

**Other Matters**

***West Reading, Pennsylvania Explosion.*** On March 24, 2023, an explosion occurred in West Reading, Pennsylvania which resulted in seven fatalities, injuries to at least ten others, and extensive property damage to buildings owned by R.M. Palmer, a local chocolate manufacturer, and neighboring structures. The NTSB and PAPUC investigated the West Reading incident. The NTSB investigative team included representatives from the Company, the local fire department and the Pipeline and Hazardous Materials Safety Administration. The Company cooperated with the investigations. In September 2023, OSHA closed their investigation of this matter, without any finding pertaining to UGI Utilities.

On December 10, 2024, the NTSB staff presented its draft findings to the NTSB Board. On April 8, 2025, the NTSB released its final report concluding that a fracture in an R.M. Palmer steam pipe created elevated underground temperatures that caused thermal degradation of a UGI Utilities service tee, resulting in a natural gas leak, and recommended UGI Utilities inventory and address risks to plastic gas assets in high-temperature environments.

On March 18, 2026, the PAPUC filed a formal complaint against UGI Utilities. The complaint alleges various pipeline safety violations and seeks civil penalties. The Company intends to vigorously defend against the allegations in the complaint. The Company does not believe the resolution of this matter will have a material adverse effect on its financial condition, results of operations, or cash flows.

The Company also has received claims as a result of the explosion and is involved in lawsuits relative to the incident. With the issuance of the final NTSB report, discovery in the litigation has begun. The Company maintains liability insurance for personal injury, property and casualty damages and believes that third-party claims associated with the explosion, in excess of the Company's deductible, are recoverable through the Company's insurance. The Company cannot predict the result of these pending or future claims and legal actions at this time.

Regarding these pending claims and legal actions, other than as disclosed above, the Company does not believe, at this early stage, that there is sufficient information available to reasonably estimate a range of loss, if any, or conclude that the final outcome of all of these matters will or will not have a material adverse effect on our financial statements.

In addition to the matters described above, there are other pending claims and legal actions arising in the normal course of our businesses. Although we cannot predict the final results of these pending claims and legal actions, including those described above, we believe, after consultation with counsel, that the final outcome of these matters will not have a material effect on our financial statements.

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**Note 10 — Fair Value Measurements****Recurring Fair Value Measurements**

The following table presents, on a gross basis, our financial assets and liabilities, including both current and noncurrent portions, that are measured at fair value on a recurring basis within the fair value hierarchy:

	Asset (Liability)			Total
	Level 1	Level 2	Level 3	
<b>March 31, 2026:</b>				
Derivative instruments:				
Assets:				
Commodity contracts	\$ 64	\$ 127	\$ —	\$ 191
Foreign currency contracts	\$ —	\$ 5	\$ —	\$ 5
Liabilities:				
Commodity contracts	\$ (86)	\$ (25)	\$ —	\$ (111)
Foreign currency contracts	\$ —	\$ (5)	\$ —	\$ (5)
Interest rate contracts	\$ —	\$ (3)	\$ —	\$ (3)
Non-qualified supplemental postretirement grantor trust investments (a)	\$ 34	\$ —	\$ —	\$ 34
<b>September 30, 2025:</b>				
Derivative instruments:				
Assets:				
Commodity contracts	\$ 85	\$ 11	\$ —	\$ 96
Foreign currency contracts	\$ —	\$ 1	\$ —	\$ 1
Liabilities:				
Commodity contracts	\$ (72)	\$ (61)	\$ —	\$ (133)
Foreign currency contracts	\$ —	\$ (19)	\$ —	\$ (19)
Interest rate contracts	\$ —	\$ (12)	\$ —	\$ (12)
Non-qualified supplemental postretirement grantor trust investments (a)	\$ 35	\$ —	\$ —	\$ 35
<b>March 31, 2025:</b>				
Derivative instruments:				
Assets:				
Commodity contracts	\$ 213	\$ 28	\$ —	\$ 241
Foreign currency contracts	\$ —	\$ 14	\$ —	\$ 14
Interest rate contracts	\$ —	\$ 1	\$ —	\$ 1
Liabilities:				
Commodity contracts	\$ (150)	\$ (9)	\$ —	\$ (159)
Foreign currency contracts	\$ —	\$ (1)	\$ —	\$ (1)
Interest rate contracts	\$ —	\$ (11)	\$ —	\$ (11)
Non-qualified supplemental postretirement grantor trust investments (a)	\$ 32	\$ —	\$ —	\$ 32

(a) Consists primarily of mutual fund investments held in grantor trusts associated with non-qualified supplemental retirement plans.

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The fair values of our Level 1 exchange-traded commodity futures and option contracts and non-exchange-traded commodity futures and forward contracts are based upon actively quoted market prices for identical assets and liabilities. Substantially all of the remaining derivative instruments are designated as Level 2. The fair values of certain non-exchange-traded commodity derivatives designated as Level 2 are based upon indicative price quotations available through brokers, industry price publications or recent market transactions and related market indicators. The fair values of our Level 2 interest rate contracts and foreign currency contracts are based upon third-party quotes or indicative values based on recent market transactions. The fair values of investments held in grantor trusts are derived from quoted market prices as substantially all of the investments in these trusts have active markets.

**Nonrecurring Fair Value Measurements**

During the quarter ended March 31, 2026, in connection with the pending disposition of the LPG distribution businesses in Czech Republic, Hungary, Poland and Slovakia, we recognized a non-cash, pre-tax impairment charge of \$64, to reduce the carrying amount of the long-lived assets included in the disposal groups to their estimated fair values. The Company determined the estimated fair value of such assets fell within Level 2 of the fair value hierarchy and was based upon the estimated sales price. See Note 5 for additional information on these transactions.

**Other Financial Instruments**

The carrying amounts of other financial instruments included in current assets and current liabilities (except for current maturities of long-term debt) approximate their fair values because of their short-term nature. We estimate the fair value of long-term debt by using current market rates and by discounting future cash flows using rates available for similar type debt (Level 2). The carrying amounts and estimated fair values of our long-term debt (including current maturities but excluding unamortized debt issuance costs) were as follows:

	March 31, 2026		September 30, 2025		March 31, 2025	
Carrying amount	\$	6,839	\$	6,701	\$	6,670
Estimated fair value	\$	6,959	\$	6,777	\$	6,642

Financial instruments other than derivative instruments, such as short-term investments and trade accounts receivable, could expose us to concentrations of credit risk. We limit credit risk from short-term investments by investing only in investment-grade commercial paper, money market mutual funds, securities guaranteed by the U.S. Government or its agencies and FDIC insured bank deposits. The credit risk arising from concentrations of trade accounts receivable is limited because we have a large customer base that extends across many different U.S. markets and a number of foreign countries. See Note 11 for information regarding concentrations of credit risk associated with our derivative instruments.

**Note 11 — Derivative Instruments and Hedging Activities**

We are exposed to certain market risks related to our ongoing business operations. Management uses derivative financial and commodity instruments, among other things, to manage: (1) commodity price risk; (2) interest rate risk; and (3) foreign currency exchange rate risk. Although we use derivative financial and commodity instruments to reduce market risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes. The use of derivative instruments is controlled by our risk management and credit policies, which govern, among other things, the derivative instruments we can use, counterparty credit limits and contract authorization limits. Although our commodity derivative instruments extend over a number of years, a significant portion of our commodity derivative instruments economically hedge commodity price risk during the next twelve months. See Note 2 for information on the accounting for our derivative instruments.

The following sections summarize the types of derivative instruments used by the Company to manage these market risks.

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**Commodity Price Risk****Regulated Utility Operations***Natural Gas*

PA Gas Utility's tariffs contain clauses that permit recovery of all prudently incurred costs of natural gas it sells to retail core-market customers, including the cost of financial instruments used to hedge purchased gas costs. As permitted and agreed to by the PAPUC pursuant to PA Gas Utility's annual PGC filings, PA Gas Utility currently uses NYMEX natural gas futures and option contracts to reduce commodity price volatility associated with a portion of the natural gas it purchases for its retail core-market customers. See Note 7 for further information on the regulatory accounting treatment for these derivative instruments.

**Non-utility Operations***LPG*

In order to manage market price risk associated with the Partnership's fixed-price programs and to reduce the effects of short-term commodity price volatility, the Partnership uses over-the-counter derivative commodity instruments, principally price swap contracts. In addition, the Partnership and our UGI International operations also use over-the-counter price swap and option contracts to reduce commodity price volatility associated with a portion of their forecasted LPG purchases.

*Natural Gas*

In order to manage market price risk relating to fixed-price sales contracts for physical natural gas, Midstream & Marketing enters into NYMEX and over-the-counter natural gas futures and over-the-counter and ICE natural gas basis swap contracts. In addition, Midstream & Marketing uses NYMEX and over-the-counter futures and options contracts to economically hedge price volatility associated with the gross margin derived from the purchase and anticipated later near-term sale of natural gas storage inventories. Outside of the financial market, Midstream & Marketing also uses ICE and over-the-counter forward physical contracts.

*Electricity*

In order to manage market price risk relating to fixed-price sales contracts for electricity, Midstream & Marketing enters into electricity futures and forward contracts.

**Interest Rate Risk**

Certain of our long-term debt agreements have interest rates that are generally indexed to short-term market interest rates. In order to fix the underlying short-term market interest rates, we may enter into pay-fixed, receive-variable interest rate swap agreements and designate such swaps as cash flow hedges.

The remainder of our long-term debt is typically issued at fixed rates of interest. As this long-term debt matures, we typically refinance such debt with new debt having interest rates reflecting then-current market conditions. In order to reduce market rate risk on the underlying benchmark rate of interest associated with near- to medium-term forecasted issuances of fixed-rate debt, from time to time we enter into IRPAs. We account for IRPAs as cash flow hedges. There were no unsettled IRPAs during any of the periods presented. At March 31, 2026, the amount of pre-tax net (gains) losses associated with interest rate hedges expected to be reclassified into earnings during the next twelve months is \$3.

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**Foreign Currency Exchange Rate Risk****Forward Foreign Currency Exchange Contracts**

In order to reduce the volatility in net income associated with our foreign operations, principally as a result of changes in the USD exchange rate to the euro and British pound sterling, we enter into forward foreign currency exchange contracts. We layer in these foreign currency exchange contracts over multi-year periods to eventually equal approximately 90% of anticipated UGI International foreign currency earnings before income taxes. Because these contracts are not designated as hedging instruments, realized and unrealized gains and losses on these contracts are recorded in “Other non-operating income (expense), net” on the Condensed Consolidated Statements of Income.

**Net Investment Hedges**

From time to time, we also enter into certain forward foreign currency exchange contracts to reduce the volatility of the USD value of a portion of our UGI International euro-denominated net investments, including anticipated foreign currency denominated dividends. We account for these foreign currency exchange contracts as net investment hedges and all changes in the fair value of these contracts are reported in the cumulative translation adjustment component in AOCI. We use the spot rate method to measure ineffectiveness of our net investment hedges.

Our euro-denominated long-term debt has also been designated as net investment hedges, representing a portion of our UGI International euro-denominated net investment. We recognized pre-tax gains (losses) associated with these net investment hedges in the cumulative translation adjustment component in AOCI of \$14 and \$(33) during the three months ended March 31, 2026 and 2025, respectively, and \$13 and \$22 during the six months ended March 31, 2026 and 2025, respectively.

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**Quantitative Disclosures Related to Derivative Instruments**

The following table summarizes by derivative type the gross notional amounts related to open derivative contracts at March 31, 2026, September 30, 2025 and March 31, 2025, and the final settlement dates of the Company's open derivative contracts as of March 31, 2026, but excluding those derivatives that qualified for the NPNS exception:

Type	Units	Settlements Extending Through	Notional Amounts (in millions)		
			March 31, 2026	September 30, 2025	March 31, 2025
<b>Commodity Price Risk:</b>					
<i>Regulated Utility Operations</i>					
PA Gas Utility NYMEX natural gas futures and option contracts	Dekatherms	February 2027	15	28	18
<i>Non-utility Operations</i>					
LPG swaps	Gallons	May 2029	393	608	414
Natural gas futures, forward, basis swap, options and pipeline contracts	Dekatherms	March 2030	220	237	266
Electricity forward and futures contracts	Kilowatt hours	January 2029	1,047	929	842
<b>Interest Rate Risk:</b>					
Interest rate swaps	Euro	June 2027	€ 200	€ 300	€ 300
Interest rate swaps	USD	September 2028	\$ 1,436	\$ 1,443	\$ 1,224
<b>Foreign Currency Exchange Rate Risk:</b>					
Forward foreign currency exchange contracts	USD	September 2028	\$ 290	\$ 500	\$ 202
Net investment hedge forward foreign exchange contracts	Euro	December 2026	€ 106	€ 106	€ 181

**Derivative Instrument Credit Risk**

We are exposed to risk of loss in the event of nonperformance by our derivative instrument counterparties. Our derivative instrument counterparties principally comprise large energy companies and major U.S. and international financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits or entering into netting agreements that allow for offsetting counterparty receivable and payable balances for certain financial transactions, as deemed appropriate.

We have concentrations of credit risk associated with derivative instruments and we evaluate the creditworthiness of our derivative counterparties on an ongoing basis. At March 31, 2026, the maximum amount of loss, based upon the gross fair values of the derivative instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was \$196. In general, many of our over-the-counter derivative instruments and all exchange contracts call for the posting of collateral by the counterparty or by the Company in the forms of letters of credit, parental guarantees or cash. At March 31, 2026, we had received cash collateral from derivative instrument counterparties totaling \$43. In addition, we may have offsetting derivative liabilities and certain accounts payable balances with certain of these counterparties, which further mitigates the previously mentioned maximum amount of losses. Certain of the Partnership's derivative contracts have credit-risk-related contingent features that may require the posting of additional collateral in the event of a downgrade of the Partnership's debt rating. At March 31, 2026, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

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**Offsetting Derivative Assets and Liabilities**

Derivative assets and liabilities are presented net by counterparty on the Condensed Consolidated Balance Sheets if the right of offset exists. We offset amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral against amounts recognized for derivative instruments executed with the same counterparty. Our derivative instruments include both those that are executed on an exchange through brokers and centrally cleared and over-the-counter transactions. Exchange contracts utilize a financial intermediary, exchange or clearinghouse to enter, execute or clear the transactions. Over-the-counter contracts are bilateral contracts that are transacted directly with a third party. Certain over-the-counter and exchange contracts contain contractual rights of offset through master netting arrangements, derivative clearing agreements and contract default provisions. In addition, the contracts are subject to conditional rights of offset through counterparty nonperformance, insolvency or other conditions.

In general, many of our over-the-counter transactions and all exchange contracts are subject to collateral requirements. Types of collateral generally include cash or letters of credit. Cash collateral paid by us to our over-the-counter derivative counterparties, if any, is reflected in the table below to offset derivative liabilities. Cash collateral received by us from our over-the-counter derivative counterparties, if any, is reflected in the table below to offset derivative assets. Certain other accounts receivable and accounts payable balances recognized on the Condensed Consolidated Balance Sheets with our derivative counterparties are not included in the table below but could reduce our net exposure to such counterparties because such balances are subject to master netting or similar arrangements.

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**Fair Value of Derivative Instruments**

The following table presents the Company's derivative assets and liabilities by type, as well as the effects of offsetting:

	March 31, 2026	September 30, 2025	March 31, 2025
<b>Derivative assets:</b>			
<b>Derivatives designated as hedging instruments:</b>			
Foreign currency contracts	\$ 4	\$ 1	\$ 12
Interest rate contracts	—	—	1
	<u>4</u>	<u>1</u>	<u>13</u>
<b>Derivatives subject to PGC and DS mechanisms:</b>			
Commodity contracts	1	3	19
<b>Derivatives not designated as hedging instruments:</b>			
Commodity contracts	190	93	222
Foreign currency contracts	1	—	2
	<u>191</u>	<u>93</u>	<u>224</u>
Total derivative assets — gross	196	97	256
Gross amounts offset in the balance sheet	(81)	(65)	(138)
Cash collateral received	(43)	(2)	(45)
Total derivative assets — net	<u>\$ 72</u>	<u>\$ 30</u>	<u>\$ 73</u>
<b>Derivative liabilities:</b>			
<b>Derivatives designated as hedging instruments:</b>			
Interest rate contracts	\$ (3)	\$ (12)	\$ (11)
<b>Derivatives subject to PGC and DS mechanisms:</b>			
Commodity contracts	(7)	(8)	—
<b>Derivatives not designated as hedging instruments:</b>			
Commodity contracts	(104)	(125)	(159)
Foreign currency contracts	(5)	(19)	(1)
	<u>(109)</u>	<u>(144)</u>	<u>(160)</u>
Total derivative liabilities — gross	(119)	(164)	(171)
Gross amounts offset in the balance sheet	81	65	138
Cash collateral pledged	—	19	—
Total derivative liabilities — net	<u>\$ (38)</u>	<u>\$ (80)</u>	<u>\$ (33)</u>

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**Effects of Derivative Instruments**

The following tables provide information on the effects of derivative instruments on the Condensed Consolidated Statements of Income and changes in AOCI:

**Three Months Ended March 31,:**

	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		Location of Gain (Loss) Reclassified from AOCI into Income
	2026	2025	2026	2025	
<b>Cash Flow Hedges:</b>					
Interest rate contracts	\$ 8	\$ (6)	\$ 3	\$ (1)	Interest expense
<b>Net Investment Hedges:</b>					
Foreign currency contracts	\$ 3	\$ (6)			
	Gain (Loss) Recognized in Income				
	2026	2025	Location of Gain (Loss) Recognized in Income		
<b>Derivatives Not Designated as Hedging Instruments:</b>					
Commodity contracts	\$ —	\$ (1)	Revenues		
Commodity contracts	199	67	Cost of sales		
Commodity contracts	(3)	—	Other operating expense (income), net		
Foreign currency contracts	6	(9)	Other non-operating income (expense), net		
Total	\$ 202	\$ 57			

**Six Months Ended March 31,:**

	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		Location of Gain (Loss) Reclassified from AOCI into Income
	2026	2025	2026	2025	
<b>Cash Flow Hedges:</b>					
Interest rate contracts	\$ 12	\$ 14	\$ 4	\$ 1	Interest expense
<b>Net Investment Hedges:</b>					
Foreign currency contracts	\$ 4	\$ 7			
	Gain (Loss) Recognized in Income				
	2026	2025	Location of Gain (Loss) Recognized in Income		
<b>Derivatives Not Designated as Hedging Instruments:</b>					
Commodity contracts	\$ —	\$ (2)	Revenues		
Commodity contracts	170	136	Cost of sales		
Commodity contracts	(3)	(1)	Other operating expense (income), net		
Foreign currency contracts	8	16	Other non-operating income (expense), net		
Total	\$ 175	\$ 149			

We are also a party to a number of other contracts that have elements of a derivative instrument. However, these contracts qualify for NPNS exception accounting because they provide for the delivery of products or services in quantities that are expected to be used in the normal course of operating our business and the price in these contracts are based on an underlying that is directly associated with the price of the product or service being purchased or sold. These contracts include, among others, binding purchase orders, contracts that provide for the purchase and delivery, or sale, of energy products, and service contracts that require the counterparty to provide commodity storage, transportation or capacity service to meet our normal sales commitments.

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**Note 12 — Accumulated Other Comprehensive Income (Loss)**

The tables below present changes in AOCI, net of tax:

<b>Three Months Ended March 31, 2026</b>	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — December 31, 2025	\$ 23	\$ (13)	\$ (178)	\$ (168)
Other comprehensive income (loss) before reclassification adjustments	—	6	(21)	(15)
Amounts reclassified from AOCI	—	(2)	—	(2)
Other comprehensive income (loss) attributable to UGI	—	4	(21)	(17)
AOCI — March 31, 2026	\$ 23	\$ (9)	\$ (199)	\$ (185)

<b>Three Months Ended March 31, 2025</b>	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — December 31, 2024	\$ 9	\$ (10)	\$ (312)	\$ (313)
Other comprehensive income (loss) before reclassification adjustments	—	(4)	47	43
Amounts reclassified from AOCI	1	1	—	2
Other comprehensive income (loss) attributable to UGI	1	(3)	47	45
AOCI — March 31, 2025	\$ 10	\$ (13)	\$ (265)	\$ (268)

<b>Six Months Ended March 31, 2026</b>	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — September 30, 2025	\$ 23	\$ (15)	\$ (181)	\$ (173)
Other comprehensive income (loss) before reclassification adjustments	—	9	(18)	(9)
Amounts reclassified from AOCI	—	(3)	—	(3)
Other comprehensive income (loss) attributable to UGI	—	6	(18)	(12)
AOCI — March 31, 2026	\$ 23	\$ (9)	\$ (199)	\$ (185)

<b>Six Months Ended March 31, 2025</b>	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — September 30, 2024	\$ 10	\$ (23)	\$ (240)	\$ (253)
Other comprehensive income (loss) before reclassification adjustments	—	11	(25)	(14)
Amounts reclassified from AOCI	—	(1)	—	(1)
Other comprehensive income (loss) attributable to UGI	—	10	(25)	(15)
AOCI — March 31, 2025	\$ 10	\$ (13)	\$ (265)	\$ (268)

**Note 13 — Segment Information**

Our operations comprise four reportable segments generally based upon products or services sold, geographic location and regulatory environment: (1) Utilities; (2) Midstream & Marketing; (3) UGI International; and (4) AmeriGas Propane.

Corporate & Other includes UGI's certain corporate and general expenses as well as interest expense that is not allocated to its reportable segments. Corporate & Other also includes certain items that are excluded from our CODM's assessment of segment performance (see below for further details on these items).

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(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

The accounting policies of our reportable segments are the same as those described in Note 2, “Summary of Significant Accounting Policies,” in the Company’s 2025 Annual Report. Our Chief Executive Officer, who serves as the CODM, measures segment profitability based on “earnings before interest expense and income taxes.” The CODM uses this financial metric by comparing current period results to budgeted and prior year results at the reportable segment level to assess the segment performance and to allocate resources between the segments.

The following tables provide information about the Company’s reportable segments and the reconciliation to corresponding consolidated amounts:

<b>Three Months Ended March 31, 2026</b>	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	\$ 2,685	\$ —	\$ 815	\$ 490	\$ 621	\$ 759	\$ —
Intersegment revenues	—	(290)	65	225	—	—	—
Cost of sales	1,187	(290)	461	512	323	311	(130)
Operating and administrative expenses (b)	559	(27)	122	36	141	259	28
Depreciation and amortization	138	—	48	22	26	41	1
Income (loss) from equity investees	5	—	—	5	—	—	—
Other segment income (loss) (c)	(35)	(30)	1	—	1	8	(15)
Earnings before interest expense and income taxes	771	(3)	250	150	132	156	86
Interest expense	(111)	3	(30)	(15)	(11)	(37)	(21)
Income tax benefit (expense)	(140)	—	(49)	(26)	(18)	(34)	(13)
Net income attributable to UGI	\$ 520	\$ —	\$ 171	\$ 109	\$ 103	\$ 85	\$ 52
Capital expenditures (including the effects of accruals)	\$ 180	\$ —	\$ 127	\$ 5	\$ 19	\$ 29	\$ —

<b>Three Months Ended March 31, 2025</b>	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	\$ 2,666	\$ —	\$ 727	\$ 443	\$ 650	\$ 848	\$ (2)
Intersegment revenues	—	(190)	46	144	—	—	—
Cost of sales	1,301	(190)	378	385	348	402	(22)
Operating and administrative expenses (b)	546	(25)	113	31	142	257	28
Depreciation and amortization	138	—	44	20	29	45	—
Income (loss) from equity investees	3	—	—	3	—	—	—
Other segment income (loss) (c)	12	(29)	3	—	12	10	16
Earnings before interest expense and income taxes	696	(4)	241	154	143	154	8
Interest expense	(102)	3	(25)	(12)	(11)	(37)	(20)
Income tax benefit (expense)	(115)	—	(50)	8	(39)	(92)	58
Net income attributable to UGI	\$ 479	\$ (1)	\$ 166	\$ 150	\$ 93	\$ 25	\$ 46
Capital expenditures (including the effects of accruals)	\$ 160	\$ —	\$ 100	\$ 27	\$ 17	\$ 16	\$ —

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(Currency in millions, except per share amounts and where indicated otherwise)

<b>Six Months Ended March 31, 2026</b>	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	\$ 4,768	\$ —	\$ 1,386	\$ 827	\$ 1,196	\$ 1,359	\$ —
Intersegment revenues	—	(400)	85	315	—	—	—
Cost of sales	2,199	(400)	742	800	614	562	(119)
Operating and administrative expenses (b)	1,079	(51)	230	71	275	503	51
Depreciation and amortization	278	—	95	43	55	85	—
Income (loss) from equity investees	9	—	—	9	—	—	—
Other segment income (loss) (c)	12	(58)	3	1	4	19	43
Earnings before interest expense and income taxes	1,233	(7)	407	238	256	228	111
Interest expense	(222)	7	(59)	(29)	(22)	(75)	(44)
Income tax benefit (expense)	(194)	—	(79)	(39)	(28)	(44)	(4)
Net income attributable to UGI	\$ 817	\$ —	\$ 269	\$ 170	\$ 206	\$ 109	\$ 63
Capital expenditures (including the effects of accruals)	\$ 371	\$ —	\$ 260	\$ 22	\$ 30	\$ 59	\$ —
<b>As of March 31, 2026</b>							
Total assets	\$ 16,119	\$ (338)	\$ 6,794	\$ 3,272	\$ 3,191	\$ 3,020	\$ 180
<b>Six Months Ended March 31, 2025</b>	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	\$ 4,696	\$ —	\$ 1,197	\$ 739	\$ 1,288	\$ 1,475	\$ (3)
Intersegment revenues	—	(276)	61	215	—	—	—
Cost of sales	2,224	(276)	582	614	722	682	(100)
Operating and administrative expenses (b)	1,043	(51)	211	60	276	493	54
Depreciation and amortization	276	—	88	40	58	90	—
Income (loss) from equity investees	6	—	—	7	(1)	—	—
Other segment income (loss) (c)	56	(54)	5	2	22	18	63
Earnings before interest expense and income taxes	1,215	(3)	382	249	253	228	106
Interest expense	(204)	3	(51)	(24)	(21)	(70)	(41)
Income tax benefit (expense)	(157)	—	(76)	14	(39)	(179)	123
Net income (loss) attributable to UGI	\$ 854	\$ —	\$ 255	\$ 239	\$ 193	\$ (21)	\$ 188
Capital expenditures (including the effects of accruals)	\$ 335	\$ —	\$ 206	\$ 59	\$ 31	\$ 39	\$ —
<b>As of March 31, 2025</b>							
Total assets	\$ 15,746	\$ (366)	\$ 6,261	\$ 3,378	\$ 3,171	\$ 3,110	\$ 192

- (a) Represents the elimination of intersegment transactions principally among Midstream & Marketing, Utilities and AmeriGas Propane.
- (b) For the Utilities reportable segment, operating and administrative expenses less revenue-related taxes (i.e., gross receipts and business occupation taxes) is considered a significant segment expense and was \$111 and \$103 for the three months ended March 31, 2026 and 2025, respectively, and \$211 and \$194 for the six months ended March 31, 2026 and 2025, respectively.
- (c) Excluding Corporate & Other, other segment items principally represent other operating and non-operating income and expenses.
- (d) Corporate & Other includes specific items attributable to our reportable segments that are not included in the segment profit measures used by our CODM. The following table presents such pre-tax gains (losses) which have been included in Corporate & Other, and the reportable segments to which they relate, for the three and six months ended March 31, 2026 and 2025:

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<b>Three Months Ended March 31, 2026</b>	Location on Income Statement	Midstream & Marketing	UGI International	AmeriGas Propane
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Cost of sales	\$ (26)	\$ 129	\$ 27
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Other operating expense (income), net	\$ —	\$ 4	\$ —
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	\$ —	\$ 11	\$ —
Net gain (loss) on disposals of businesses	Net loss (gain) on disposals of businesses	\$ —	\$ (62)	\$ —
Interest income from intersegment loan	Other operating expense (income), net	\$ —	\$ 4	\$ —

<b>Three Months Ended March 31, 2025</b>	Location on Income Statement	Midstream & Marketing	UGI International	AmeriGas Propane
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Revenues	\$ (1)	\$ —	\$ —
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Cost of sales	\$ 26	\$ (8)	\$ 3
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	\$ —	\$ (13)	\$ —
Interest income from intersegment loan	Other operating expense (income), net	\$ —	\$ 3	\$ —

<b>Six Months Ended March 31, 2026</b>	Location on Income Statement	Midstream & Marketing	UGI International	AmeriGas Propane
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Cost of sales	\$ (28)	\$ 130	\$ 17
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Other operating expense (income), net	\$ —	\$ 4	\$ —
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	\$ —	\$ 16	\$ —
Net gain (loss) on disposals of businesses	Net loss (gain) on disposals of businesses	\$ —	\$ (35)	\$ —
Interest income from intersegment loan	Other operating expense (income), net	\$ —	\$ 8	\$ —

<b>Six Months Ended March 31, 2025</b>	Location on Income Statement	Midstream & Marketing	UGI International	AmeriGas Propane
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Revenues	\$ (2)	\$ —	\$ —
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Cost of sales	\$ 85	\$ 4	\$ 10
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Other operating expense (income), net	\$ —	\$ 1	\$ —
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	\$ —	\$ 9	\$ —
Interest income from intersegment loan	Other operating expense (income), net	\$ —	\$ 3	\$ —

(Currency in millions, except per share amounts and where indicated otherwise)

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Forward-Looking Statements

Information contained in this Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements use forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," or other similar words and terms of similar meaning, although not all forward-looking statements contain such words. These statements discuss plans, strategies, events or developments that we expect or anticipate will or may occur in the future. All forward-looking statements made in this Quarterly Report on Form 10-Q rely upon the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995.

A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable. However, we caution you against relying on any forward-looking statement as these statements are subject to risks and uncertainties that may cause actual results to vary from assumed facts or bases, and the differences between actual results and assumed facts or bases can be material, depending on the circumstances. When considering forward-looking statements, you should keep in mind those factors set forth in Item 1A. Risk Factors in the Company's 2025 Annual Report and the following important factors that could affect our future results and could cause those results to differ materially from those expressed in our forward-looking statements: (1) weather conditions (including increasingly uncertain weather patterns due to climate change) resulting in reduced demand, the seasonal nature of our business, and disruptions in our operations and supply chain; (2) cost volatility and availability of energy products, including propane and other LPG, natural gas, and electricity, as well as the availability of LPG cylinders, and the capacity to transport product to our customers; (3) changes in domestic and foreign laws and regulations, including safety, health, tax, transportation, consumer protection, data privacy, accounting, trade restrictions and policies, such as tariffs and related sanctions, and environmental matters, such as regulatory responses to climate change; (4) inability to timely recover costs through utility rate proceedings; (5) increased customer conservation measures due to high energy prices and improvements in energy efficiency and technology resulting in reduced demand; (6) adverse labor relations and our ability to address existing or potential workforce shortages; (7) the impact of pending and future legal or regulatory proceedings, inquiries or investigations; (8) competitive pressures from the same and alternative energy sources; (9) failure to acquire new customers or retain current customers, thereby reducing or limiting any increase in revenues; (10) liability for environmental claims; (11) customer, counterparty, supplier, or vendor defaults; (12) liability for uninsured claims and for claims in excess of insurance coverage, including those for personal injury and property damage arising from explosions, acts of war, terrorism, natural disasters, pandemics, and other catastrophic events that may result from operating hazards and risks incidental to generating and distributing electricity and transporting, storing and distributing natural gas and LPG in all forms; (13) transmission or distribution system service interruptions; (14) political, regulatory and economic conditions in the United States, Europe and other foreign countries, including uncertainties related to the war between Russia and Ukraine, the conflict in the Middle East, the European energy crisis, the adoption and expansion of tariffs or other trade restrictions and policies, and foreign currency exchange rate fluctuations (particularly the euro); (15) credit and capital market conditions, including reduced access to capital markets and interest rate fluctuations; (16) changes in commodity market prices resulting in significantly higher cash collateral requirements; (17) impacts of our indebtedness and the restrictive covenants in our debt agreements; (18) reduced distributions from subsidiaries impacting the ability to pay dividends or service debt; (19) changes in Marcellus and Utica Shale gas production; (20) the success of our strategic initiatives and investments intended to advance our business strategy; (21) our ability to successfully integrate acquired businesses and achieve anticipated synergies; (22) the interruption, disruption, failure, malfunction, or breach of our information technology systems, and those of our third-party vendors or service providers, including due to cyber attack; (23) the inability to complete pending or future energy infrastructure projects; (24) our ability to attract, develop, retain and engage key employees; (25) uncertainties related to global pandemics; (26) the impact of a material impairment of our assets; (27) the impact of proposed or future tax legislation; (28) the impact of changes in governmental policies related to tariffs, reciprocal and retaliatory tariffs, and other tariff-related measures, trade agreements, or policies; (29) the impact of declines in the stock market or bond market, and a low interest rate environment, on our pension liability; (30) our ability to protect our intellectual property; (31) our ability to overcome supply chain issues that may result in delays or shortages in, as well as increased costs of, equipment, materials or other resources that are critical to our business operations; and (32) our ability to control operating costs and realize cost savings.

These factors, and those factors set forth in Item 1A. Risk Factors in the Company's 2025 Annual Report, are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Any forward-looking statement speaks only as of the date on which such statement is made. We undertake no obligation (and expressly

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(Currency in millions, except per share amounts and where indicated otherwise)

disclaim any obligation) to update publicly any forward-looking statement, whether as a result of new information or future events, except as required by the federal securities laws.

**ANALYSIS OF RESULTS OF OPERATIONS**

The following analyses compare the Company's results of operations for the 2026 three-month period with the 2025 three-month period and the 2026 six-month period with the 2025 six-month period. Our analysis of results of operations should be read in conjunction with the segment information included in Note 13 to Condensed Consolidated Financial Statements.

Because most of our businesses sell or distribute energy products used in large part for heating purposes, our results are significantly influenced by temperatures in our service territories, particularly during the heating-season months of October through March. Accordingly, our results of operations, after adjusting for the effects of gains and losses on derivative instruments not associated with current-period transactions as further discussed below, are significantly higher in our first and second fiscal quarters.

**Recent Developments****Electric Utility**

In April 2026, UGI Utilities entered into a definitive agreement to divest its Electric Utility for a sale price of \$470, subject to changes in working capital and other adjustments. The transaction includes the sale of approximately 2,700 miles of transmission and distribution lines and 14 substations in Pennsylvania's Luzerne and Wyoming counties. The Company expects to recognize a gain upon closing, which is expected in the second quarter of Fiscal 2027, subject to customary closing conditions and applicable regulatory approvals.

**Global LPG Business Transactions**

As part of the Company's ongoing global LPG business portfolio optimization efforts, the Company is strategically divesting operations in non-core markets to focus resources where it can achieve superior operational results and deliver enhanced customer value.

***UGI International.*** In February 2026, UGI International, through a wholly-owned subsidiary, completed the sale of its LPG business in Romania, subject to customary post-closing working capital adjustments. For the three months ended March 31, 2026, the Company recognized a pre-tax loss on sale of \$2.

In January 2026, UGI International, through a wholly-owned subsidiary, entered into a definitive agreement to divest its LPG distribution businesses in Czech Republic, Hungary, Poland and Slovakia. Accordingly, the assets and liabilities associated with these businesses, primarily comprised of long-lived assets and goodwill allocated to the disposal group, qualified as held for sale and were reflected as "Held for sale assets" and "Held for sale liabilities", respectively, on the Condensed Consolidated Balance Sheet at March 31, 2026. For the three months ended March 31, 2026, the Company recognized a non-cash pre-tax impairment charge of \$64 to record such assets at estimated fair value less costs to sell. The transaction is subject to customary closing conditions and is expected to be finalized by the third quarter of Fiscal 2026.

In November 2025, UGI International, through a wholly-owned subsidiary, completed the sale of Flaga, its LPG distribution business in Austria. For the three and six months ended March 31, 2026, the Company recognized pre-tax gains on the sale of \$4 and \$29, respectively.

In October 2025, UGI International, through a wholly-owned subsidiary, completed the sale of its cylinder business in the United Kingdom. For the six months ended March 31, 2026, the Company recognized a pre-tax gain on the sale of \$2.

See Note 5 to Condensed Consolidated Financial Statements for additional information.

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**Non-GAAP Financial Measures**

UGI management uses “adjusted net income attributable to UGI Corporation” and “adjusted diluted earnings per share,” both of which are non-GAAP financial measures, when evaluating UGI’s overall performance. Management believes that these non-GAAP measures provide meaningful information to investors about UGI’s performance because they eliminate gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions and other significant discrete items that can affect the comparison of period-over-period results.

UGI does not designate its commodity and certain foreign currency derivative instruments as hedges under GAAP. Volatility in net income (loss) attributable to UGI Corporation can occur as a result of gains and losses on such derivative instruments not associated with current-period transactions. These gains and losses result principally from recording changes in unrealized gains and losses on unsettled commodity and certain foreign currency derivative instruments and, to a much lesser extent, certain realized gains and losses on settled commodity derivative instruments that are not associated with current-period transactions. However, because these derivative instruments economically hedge anticipated future purchases or sales of energy commodities, or in the case of certain foreign currency derivatives reduce volatility in anticipated future earnings associated with our foreign operations, we expect that such gains or losses will be largely offset by gains or losses on anticipated future energy commodity transactions or mitigate volatility in anticipated future earnings. Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures.

The following tables reflect the adjustments referred to above and reconcile net income (loss) attributable to UGI Corporation, the most directly comparable GAAP measure, to adjusted net income (loss) attributable to UGI Corporation, and reconcile diluted earnings (loss) per share, the most directly comparable GAAP measure, to adjusted diluted earnings (loss) per share:

<b>Adjusted net income attributable to UGI Corporation:</b>	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
Utilities	\$ 171	\$ 166	\$ 269	\$ 255
Midstream & Marketing	109	150	170	239
UGI International	103	93	206	193
AmeriGas Propane	85	25	109	(21)
Corporate & Other (a)	52	45	63	188
<b>Net income attributable to UGI Corporation</b>	<b>520</b>	<b>479</b>	<b>817</b>	<b>854</b>
Net losses (gains) on commodity derivative instruments not associated with current-period transactions (net of tax of \$25, \$15, \$26 and \$29, respectively)	(109)	(5)	(97)	(69)
Unrealized losses (gains) on foreign currency derivative instruments (net of tax of \$4, \$(3), \$5 and \$3, respectively)	(7)	10	(11)	(6)
Net loss (gain) on disposals of businesses (net of tax of \$0, \$0, \$1 and \$0, respectively)	62	—	36	—
Total adjustments (a) (b)	(54)	5	(72)	(75)
<b>Adjusted net income attributable to UGI Corporation</b>	<b>\$ 466</b>	<b>\$ 484</b>	<b>\$ 745</b>	<b>\$ 779</b>

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	Three Months Ended March 31,		Six Months Ended March 31,	
	2026	2025	2026	2025
<b>Adjusted diluted earnings per share:</b>				
Utilities	\$ 0.77	\$ 0.76	\$ 1.21	\$ 1.17
Midstream & Marketing	0.49	0.69	0.77	1.10
UGI International	0.46	0.42	0.93	0.89
AmeriGas Propane	0.38	0.11	0.49	(0.10)
Corporate & Other (a)	0.23	0.21	0.28	0.87
<b>Diluted earnings per share</b>	<b>2.33</b>	<b>2.19</b>	<b>3.68</b>	<b>3.93</b>
Net losses (gains) on commodity derivative instruments not associated with current-period transactions	(0.49)	(0.03)	(0.44)	(0.32)
Unrealized losses (gains) on foreign currency derivative instruments	(0.03)	0.05	(0.05)	(0.03)
Net loss (gain) on disposals of businesses	0.28	—	0.16	—
Total adjustments (a)	(0.24)	0.02	(0.33)	(0.35)
<b>Adjusted diluted earnings per share</b>	<b>\$ 2.09</b>	<b>\$ 2.21</b>	<b>\$ 3.35</b>	<b>\$ 3.58</b>

(a) Corporate & Other includes certain adjustments made to our reporting segments in arriving at net income attributable to UGI Corporation. These adjustments have been excluded from the segment results to align with the measure used by our CODM in assessing segment performance and allocating resources. See Note 13 to Condensed Consolidated Financial Statements for additional information related to these adjustments, as well as other items included within Corporate & Other.

(b) Income taxes associated with pre-tax adjustments determined using statutory business unit tax rates.

**Executive Overview**
**2026 three-month period compared with 2025 three-month period**

Net income attributable to UGI Corporation for the 2026 three-month period was \$520 (equal to \$2.33 per diluted share) compared to \$479 (equal to \$2.19 per diluted share) for the 2025 three-month period. These results include net gains (losses) from changes in unrealized commodity derivative instruments and certain foreign currency derivative instruments of \$116 and \$(5) during the 2026 and 2025 three-month periods, respectively.

Net income attributable to UGI Corporation for the 2026 three-month period also includes a \$62 net loss on disposals of certain non-core assets from our LPG business at UGI International.

Adjusted net income attributable to UGI Corporation for the 2026 three-month period was \$466 (equal to \$2.09 per diluted share) compared to \$484 (equal to \$2.21 per diluted share) for the 2025 three-month period. The decrease in adjusted net income attributable to UGI Corporation during the 2026 three-month period reflects lower earnings contributions from our Midstream & Marketing segment, partially offset by higher earnings contributions from the AmeriGas Propane, UGI International and Utilities segments. During the 2026 three-month period, temperatures in our Utilities and Midstream & Marketing segments were colder than the prior-year period.

Utilities' adjusted net income attributable to UGI Corporation increased \$5 in the 2026 three-month period compared to the prior-year period, primarily attributable to higher total margin, partially offset by higher operating and administration expenses.

Midstream & Marketing's adjusted net income attributable to UGI Corporation decreased \$41 in the 2026 three-month period, primarily attributable to higher income tax expenses, reflecting lower investment tax credits in the 2026 three-month period.

UGI International's adjusted net income attributable to UGI Corporation increased \$10 in the 2026 three-month period, reflecting lower income tax expenses, partially offset by higher realized losses on foreign currency contracts.

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AmeriGas Propane's adjusted net income attributable to UGI Corporation increased \$60 in the 2026 three-month period, primarily attributable to lower income taxes.

**2026 six-month period compared with 2025 six-month period**

Net income attributable to UGI Corporation for the 2026 six-month period was \$817 (equal to \$3.68 per diluted share) compared to \$854 (equal to \$3.93 per diluted share) for the 2025 six-month period. These results include net gains from changes in unrealized commodity derivative instruments and certain foreign currency derivative instruments of \$108 and \$75 during the 2026 and 2025 six-month periods, respectively.

Net income attributable to UGI Corporation for the 2026 six-month period also includes a \$36 net loss on disposals of certain non-core assets from our LPG business at UGI International.

Adjusted net income attributable to UGI Corporation for the 2026 six-month period was \$745 (equal to \$3.35 per diluted share) compared to \$779 (equal to \$3.58 per diluted share) for the 2025 six-month period. The decrease in adjusted net income attributable to UGI Corporation for the 2026 six-month period reflects lower earnings contributions from our Midstream & Marketing segment, partially offset by higher earnings contributions from the Utilities, UGI International and AmeriGas Propane segments. In addition, the decrease in adjusted net income during the 2026 six-month period also reflects higher income tax expenses primarily related to a decrease in investment tax credits in our Midstream & Marketing segment. During the 2026 six-month period, temperatures in all of our segments, with the exception of our UGI International segment, were colder than the prior-year period.

Utilities' adjusted net income attributable to UGI Corporation increased \$14 during the 2026 six-month period. The increase was largely attributable to higher total margin, partially offset by higher operating and administrative expenses.

Midstream & Marketing's adjusted net income attributable to UGI Corporation decreased \$69 during the 2026 six-month period, primarily attributable to higher income tax expenses.

UGI International's adjusted net income attributable to UGI Corporation increased \$13 during the 2026 six-month period. The increase is mainly attributable to higher total margin and lower income tax expenses, partially offset by higher realized losses on foreign currency contracts.

AmeriGas Propane's adjusted net income attributable to UGI Corporation increased \$130 during the 2026 six-month period, primarily reflecting significantly lower income tax expenses, partially offset by higher operating and administrative expenses.

**Analysis of Segment Results****2026 Three-Month Period Compared with the 2025 Three-Month Period*****Utilities***

For the three months ended March 31,	2026	2025	Increase (Decrease)	
Revenues	\$ 880	\$ 773	\$ 107	14 %
Total margin (a)	\$ 408	\$ 385	\$ 23	6 %
Operating and administrative expenses (a)	\$ 111	\$ 103	\$ 8	8 %
Operating income	\$ 249	\$ 240	\$ 9	4 %
Earnings before interest expense and income taxes	\$ 250	\$ 241	\$ 9	4 %
Gas Utility system throughput—bcf				
Core market	53	53	—	— %
Total	129	128	1	1 %
Electric Utility distribution sales - gwh	285	279	6	2 %
Gas Utility degree days—% colder than normal (b)	7.1 %	0.3 %	—	—

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- (a) Total margin represents revenues less cost of sales and revenue-related taxes (i.e., gross receipts and business and occupation taxes) of \$11 and \$10 during the 2026 and 2025 three-month periods, respectively. For financial statement purposes, revenue-related taxes are included in “Operating and administrative expenses” on the Condensed Consolidated Statements of Income (but are excluded from operating and administrative expenses presented above).
- (b) Deviation from average heating degree days is determined on a 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for airports located within Gas Utility’s service territories.

Temperatures in Gas Utility’s service territories during the 2026 three-month period were 7.1% colder than normal and 4.1% colder than the prior-year period. Notwithstanding the colder weather, Gas Utility core market volumes and Total Gas Utility volume were comparable to the prior-year period. The increase in Electric Utility distribution sales volumes is primarily attributable to colder weather in the Electric Utility’s service territories.

Utilities revenues increased \$107 during the 2026 three-month period, primarily reflecting higher Gas Utility revenues (\$104). The increase in Gas Utility revenues was largely attributable to higher PGC and PGA rates, the increase in the PA Gas Utility base rates, effective October 2025 and higher off-system sales. These increases were partially offset by the effects of the weather normalization adjustments. The increase in Electric Utility revenues (\$3) in the 2026 three-month period is principally attributable to the higher DS rates and higher sales volumes.

Utilities cost of sales increased \$84 during the 2026 three-month period, primarily reflecting higher Gas Utility cost of sales (\$82). The increase in Gas Utility cost of sales was largely attributable to the higher PGC and PGA rates and higher cost of sales associated with off-system sales. The increase in Electric Utility cost of sales (\$2) is principally attributable to the higher DS rates and higher sales volumes.

Utilities total margin increased \$23 during the 2026 three-month period, primarily reflecting higher Gas Utility total margin (\$22). The increase in Gas Utility total margin principally reflects the increase in the PA Gas Utility base rates, effective October 2025, partially offset by the effects of the weather normalization adjustments. Electric Utility margin was comparable to the prior-year period.

Utilities operating income increased \$9 during the 2026 three-month period. This increase largely reflects the increase in total margin (\$23), partially offset by higher operating and administrative expenses (\$8) and higher depreciation expense (\$4). The higher operating and administrative expenses reflect, among other things, higher personnel expenses and higher uncollectible accounts expenses. The higher depreciation expense compared to the prior-year period reflects the effects of continued distribution system capital expenditure activity.

Utilities earnings before interest expense and income taxes increased \$9 during the 2026 three-month period, principally representing the increase in operating income (\$9).

**Midstream & Marketing**

For the three months ended March 31,	2026		2025		Increase (Decrease)		
Revenues	\$	715	\$	587	\$	128	22 %
Total margin (a)	\$	203	\$	202	\$	1	— %
Operating and administrative expenses	\$	36	\$	31	\$	5	16 %
Operating income	\$	145	\$	151	\$	(6)	(4)%
Earnings before interest expense and income taxes	\$	150	\$	154	\$	(4)	(3)%

- (a) Total margin represents revenues less cost of sales.

Average temperatures across Midstream & Marketing’s energy marketing territory during the 2026 three-month period were 8.5% colder than normal and 3.1% colder than the prior-year period.

Midstream & Marketing revenues increased \$128 during the 2026 three-month period, primarily reflecting higher revenues from natural gas marketing activities (\$115), including the effects of capacity management activities, that were primarily impacted by the colder weather.

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(Currency in millions, except per share amounts and where indicated otherwise)

Midstream & Marketing cost of sales increased \$127 during the 2026 three-month period, primarily reflecting higher natural gas costs (\$125) related to the previously mentioned natural gas marketing activities, partially offset by lower midstream cost of sales (\$7).

Midstream & Marketing total margin increased \$1 during the 2026 three-month period, as higher peaking margins were substantially offset by lower total margin from capacity management activities.

Midstream & Marketing operating income decreased \$6 during the 2026 three-month period, mainly reflecting higher operating and administrative expenses (\$5). The increase in operating and administrative expenses was primarily due to higher operating expenses related to renewable energy projects.

Midstream & Marketing earnings before interest expense and income taxes decreased \$4 during the 2026 three-month period, representing the decrease in operating income (\$6), partially offset by slightly higher income from equity investees (\$2).

**UGI International**

For the three months ended March 31,	2026	2025	Increase (Decrease)	
Revenues	\$ 621	\$ 650	\$ (29)	(4)%
Total margin (a)	\$ 298	\$ 302	\$ (4)	(1)%
Operating and administrative expenses	\$ 141	\$ 142	\$ (1)	(1)%
Operating income	\$ 136	\$ 139	\$ (3)	(2)%
Earnings before interest expense and income taxes	\$ 132	\$ 143	\$ (11)	(8)%
LPG retail gallons sold (millions)	197	213	(16)	(8)%
Degree days—% (warmer) than normal (b)	(6.0)%	(2.2)%	—	—

(a) Total margin represents revenues less cost of sales.

(b) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data at locations in our UGI International service territories.

Average temperatures during the 2026 three-month period were 6.0% warmer than normal and 4.7% warmer than the prior-year period. Total LPG retail gallons sold during the 2026 three-month period were 8% lower than the prior-year period, largely attributable to the impacts from the divestitures of certain non-core LPG businesses, lower residential volumes sold, continued structural conservation and the impact from the warmer weather.

UGI International base-currency results are translated into USD based upon exchange rates experienced during the reporting periods. The functional currency of a significant portion of our UGI International results is the euro and, to a much lesser extent, the British pound sterling. During the 2026 and 2025 three-month periods, the average unweighted euro-to-USD translation rates were approximately \$1.17 and \$1.05, respectively, and the average unweighted British pound sterling-to-USD translation rates were approximately \$1.35 and \$1.26, respectively. Fluctuations in these foreign currency exchange rates can have a significant impact on the individual financial statement components discussed below. The Company uses forward foreign currency exchange contracts entered into over multi-year periods to reduce the volatility in earnings that may result from such changes in foreign currency exchange rates. These forward foreign currency exchange contracts resulted in realized net gains (losses) of \$(5) and \$3 in the 2026 and 2025 three-month periods.

Average wholesale prices for propane and butane during the 2026 three-month period in northwest Europe were approximately 2.0% and 6.1% lower, respectively, compared with the prior-year period. UGI International revenues and cost of sales decreased \$29 and \$25, respectively, during the 2026 three-month period compared to the prior-year period. The decrease in revenues principally reflects lower LPG retail volumes sold and lower LPG prices, partially offset by the translation effects of the stronger foreign currencies (approximately \$60). The decrease in cost of sales was mainly attributable to lower LPG product costs and lower LPG retail volumes sold, partially offset by the translation effects of the stronger foreign currencies (approximately \$31).

UGI International total margin decreased \$4 during the 2026 three-month period, primarily reflecting the lower LPG retail volumes sold and the effects of lower average unit margins, substantially offset by the translation effects of the stronger foreign currencies (approximately \$30).

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(Currency in millions, except per share amounts and where indicated otherwise)

UGI International operating income decreased \$3 during the 2026 three-month period, principally reflecting the decrease in total margin (\$4). Operating and administrative expenses in the 2026 three-month period were comparable to the prior-year period as the impacts from the divestitures of certain non-core LPG businesses and lower distribution expenses were substantially offset by the translation effects of the stronger foreign currencies (approximately \$15) and, to a lesser extent, the effects of inflationary increases.

UGI International earnings before interest expense and income taxes decreased \$11 during the 2026 three-month period. This decrease largely reflects higher realized losses on foreign currency exchange contracts (\$8) entered into in order to reduce volatility in UGI International earnings resulting from the effects of changes in foreign currency exchange rates and the decrease in operating income (\$3).

**AmeriGas Propane**

For the three months ended March 31,	2026		2025		Increase (Decrease)		
Revenues	\$	759	\$	848	\$	(89)	(10)%
Total margin (a)	\$	448	\$	446	\$	2	— %
Operating and administrative expenses	\$	259	\$	257	\$	2	1 %
Operating income	\$	156	\$	154	\$	2	1 %
Earnings before interest expense and income taxes	\$	156	\$	154	\$	2	1 %
Retail gallons sold (millions)		256		269		(13)	(5)%
Degree days—% colder (warmer) than normal (b)		(2.4)%		2.8 %		—	—

(a) Total margin represents total revenues less total cost of sales.

(b) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for 344 regions in the U.S., excluding Alaska and Hawaii.

Average temperatures during the 2026 three-month period were 2.4% warmer than normal and 4.8% warmer than the prior-year period. Total retail gallons sold decreased 5% during the 2026 three-month period primarily due to the impact from the warmer weather and continuing customer attrition.

Average daily wholesale propane commodity prices during the 2026 three-month period at Mont Belvieu, Texas, one of the major supply points in the U.S., were approximately 23% lower than such prices during the 2025 three-month period. Total revenues decreased \$89 during the 2026 three-month period largely reflecting lower retail volumes sold (\$36), the effects of lower average retail propane selling prices (\$28) and lower wholesale revenues (\$21).

AmeriGas Propane total cost of sales decreased \$91 during the 2026 three-month period largely reflecting lower retail propane product costs (\$46), wholesale cost of sales (\$22) and the lower retail volumes sold (\$17).

AmeriGas Propane total margin increased \$2 in the 2026 three-month period as the higher average retail propane unit margins (\$18) and higher fee income (\$2) were substantially offset by the lower retail propane volumes sold (\$19).

AmeriGas Propane operating income increased \$2 during the 2026 three-month period as the increase in total margin (\$2) and lower depreciation and amortization expense (\$4) were partially offset by higher operating and administrative expenses (\$2) and slightly lower gains on asset sales. Operating and administrative expenses increased primarily reflecting higher compensation expenses and advertising expenses.

AmeriGas Propane earnings before interest expense and income taxes increased \$2 during the 2026 three-month period, representing the increase in operating income (\$2).

**Interest Expense and Income Taxes**

Our consolidated interest expense during the 2026 three-month period was \$111 compared to \$102 during the 2025 three-month period. The increase in interest expense reflects the effects of higher average long-term debt outstanding at Utilities, partially

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offset by lower average credit agreement borrowings at UGI International and lower average long-term debt outstanding at AmeriGas Propane during the 2026 three-month period.

The Company's effective tax rate for the 2026 three-month period was comparable to the prior-year period.

The Company's estimated annual effective tax rate is sensitive to changes in the forecasted mix of earnings across jurisdictions and to changes in the fair value of unrealized mark-to-market positions. Unrealized mark-to-market gains and losses on commodity contracts can be material and volatile, and the annual effective tax rate may change significantly in future interim periods if the fair value of these positions changes materially from current estimates.

**2026 Six-Month Period Compared with the 2025 Six-Month Period****Utilities**

For the six months ended March 31,	2026	2025	Increase (Decrease)	
Revenues	\$ 1,471	\$ 1,258	\$ 213	17 %
Total margin (a)	\$ 710	\$ 659	\$ 51	8 %
Operating and administrative expenses (a)	\$ 211	\$ 194	\$ 17	9 %
Operating income	\$ 404	\$ 378	\$ 26	7 %
Earnings before interest expense and income taxes	\$ 407	\$ 382	\$ 25	7 %
Gas Utility system throughput—bcf				
Core market	89	84	5	6 %
Total	230	226	4	2 %
Electric Utility distribution sales - gwh	535	521	14	3 %
Gas Utility degree days—% colder (warmer) than normal (b)	11.0 %	(1.1)%	—	—

(a) Total margin represents revenues less cost of sales and revenue-related taxes (i.e., gross receipts and business and occupation taxes) of \$19 and \$17 during the 2026 and 2025 six-month periods, respectively. For financial statement purposes, revenue-related taxes are included in "Operating and administrative expenses" on the Condensed Consolidated Statements of Income (but are excluded from operating and administrative expenses presented above).

(b) Deviation from average heating degree days is determined on a 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for airports located within Gas Utility's service territories.

Temperatures in Gas Utility's service territories during the 2026 six-month period were 11.0% colder than normal and 10.7% colder than the prior-year period. Gas Utility core market volumes increased 6% during the 2026 six-month period, principally reflecting the impact from the colder weather compared to the prior-year period. Total Gas Utility volume increased 2% during the 2026 six-month period, reflecting the increase in core market volumes that was partially offset by lower large firm delivery service volumes. The increase in Electric Utility distribution sales volumes is primarily attributable to the impact from the colder weather compared to the prior-year period.

Utilities revenues increased \$213 during the 2026 six-month period, primarily reflecting higher Gas Utility revenues (\$207). The increase in Gas Utility revenues was largely attributable to the increase in the PA Gas Utility base rates, effective October 2025, higher PGC and PGA rates, the higher core market volumes and higher off-system sales. These increases were partially offset by the effects of the weather normalization adjustments. The increase in Electric Utility revenues (\$6) in the 2026 six-month period is principally attributable to the higher DS rates and higher sales volumes.

Utilities cost of sales increased \$162 during the 2026 six-month period, primarily reflecting higher Gas Utility cost of sales (\$158). The increase in Gas Utility cost of sales was largely attributable to the higher PGC and PGA rates, the higher core market volumes and higher cost of sales associated with off-system sales. The increase in Electric Utility cost of sales (\$4) is principally attributable to the higher DS rates and higher sales volumes.

Utilities total margin increased \$51 during the 2026 six-month period, primarily reflecting higher Gas Utility total margin (\$49). The increase in Gas Utility total margin principally reflects the increase in the PA Gas Utility base rates, effective October 2025 and the higher core market volumes, partially offset by the effects of the weather normalization adjustments. Electric Utility margin was comparable to the prior-year period.

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Utilities operating income increased \$26 during the 2026 six-month period. This increase largely reflects the increase in total margin (\$51), partially offset by higher operating and administrative expenses (\$17) and higher depreciation expense (\$7). The higher operating and administrative expenses reflect, among other things, higher personnel expenses and higher uncollectible accounts expenses. The higher depreciation expense compared to the prior-year period reflects the effects of continued distribution system capital expenditure activity.

Utilities earnings before interest expense and income taxes increased \$25 during the 2026 six-month period, principally representing the increase in operating income (\$26).

**Midstream & Marketing**

For the six months ended March 31,	2026		2025		Increase (Decrease)		
Revenues	\$	1,142	\$	954	\$	188	20 %
Total margin (a)	\$	342	\$	340	\$	2	1 %
Operating and administrative expenses	\$	71	\$	60	\$	11	18 %
Operating income	\$	229	\$	242	\$	(13)	(5)%
Earnings before interest expense and income taxes	\$	238	\$	249	\$	(11)	(4)%

(a) Total margin represents revenues less cost of sales.

Average temperatures across Midstream & Marketing's energy marketing territory during the 2026 six-month period were 10.8% colder than normal and 8.7% colder than the prior-year period.

Midstream & Marketing revenues increased \$188 during the 2026 six-month period, primarily reflecting higher revenues from natural gas marketing activities (\$165), including the effects of capacity management activities, that were primarily impacted by the colder weather.

Midstream & Marketing cost of sales increased \$186 during the 2026 six-month period, primarily reflecting higher natural gas costs (\$175) related to the previously mentioned natural gas marketing activities.

Midstream & Marketing total margin increased \$2 during the 2026 six-month period as higher peaking margins were substantially offset by lower total margin from capacity management activities.

Midstream & Marketing operating income decreased \$13 during the 2026 six-month period, mainly reflecting higher operating and administrative expenses (\$11) and higher depreciation and amortization expense (\$3), partially offset by the higher total margin (\$2). The increase in operating and administrative expenses was primarily due to higher compensation expenses and higher operating expenses related to renewable energy.

Midstream & Marketing earnings before interest expense and income taxes during the 2026 six-month period decreased \$11 compared to the prior-year period, representing the decrease in operating income (\$13), partially offset by slightly higher income from equity investees (\$2).

**UGI International**

For the six months ended March 31,	2026		2025		Increase (Decrease)		
Revenues	\$	1,196	\$	1,288	\$	(92)	(7)%
Total margin (a)	\$	582	\$	566	\$	16	3 %
Operating and administrative expenses	\$	275	\$	276	\$	(1)	— %
Operating income	\$	263	\$	245	\$	18	7 %
Earnings before interest expense and income taxes	\$	256	\$	253	\$	3	1 %
LPG retail gallons sold (millions)		392		431		(39)	(9)%
Degree days—% (warmer) than normal (b)		(3.5)%		(2.8)%		—	—

(a) Total margin represents revenues less cost of sales.

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- (b) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data at locations in our UGI International service territories.

Average temperatures during the 2026 six-month period were 3.5% warmer than normal and 2.2% warmer than the prior-year period. Total LPG retail gallons sold during the 2026 six-month period decreased 9% compared to the prior-year period, largely attributable to the impacts from the divestitures of certain non-core LPG businesses, lower crop drying campaigns, continued structural conservation and the impact from the warmer weather, partially offset by higher residential volumes sold.

UGI International base-currency results are translated into USD based upon exchange rates experienced during the reporting periods. The functional currency of a significant portion of our UGI International results is the euro and, to a much lesser extent, the British pound sterling. During the 2026 and 2025 six-month periods, the average unweighted euro-to-USD translation rates were approximately \$1.17 and \$1.06, respectively, and the average unweighted British pound sterling-to-USD translation rates were approximately \$1.34 and \$1.27, respectively. Fluctuations in these foreign currency exchange rates can have a significant impact on the individual financial statement components discussed below. The Company uses forward foreign currency exchange contracts entered into over multi-year periods to reduce the volatility in earnings that may result from such changes in foreign currency exchange rates. These forward foreign currency exchange contracts resulted in realized net gains (losses) of \$(8) and \$7 in the 2026 and 2025 six-month periods, respectively.

Average wholesale prices for propane and butane during the 2026 six-month period in northwest Europe were approximately 15.3% and 13.7% lower, respectively, compared with the prior-year period. UGI International revenues and cost of sales decreased \$92 and \$108, respectively, during the 2026 six-month period compared to the prior-year period. The decrease in revenues was primarily attributable to the lower LPG retail volumes sold and lower LPG prices, partially offset by the translation effects of the stronger foreign currencies (approximately \$108). The decrease in cost of sales was mainly attributable to lower LPG product costs and the lower LPG retail volumes sold, partially offset by the translation effects of the stronger foreign currencies (approximately \$55).

UGI International total margin increased \$16 during the 2026 six-month period, primarily reflecting the translation effects of the stronger foreign currencies (approximately \$53) and, to a lesser extent, the effects of higher average unit margins in the 2026 six-month period, substantially offset by the lower LPG retail volumes sold.

UGI International operating income increased \$18 during the 2026 six-month period, principally reflecting the increase in total margin (\$16). Operating and administrative expenses during the 2026 six-month period were comparable to the prior-year period as the impacts from the divestitures of certain non-core LPG businesses, lower distribution expenses and lower personnel expenses were substantially offset by the translation effects of the stronger foreign currencies (approximately \$28) and, to a lesser extent, the effects of inflationary increases.

UGI International earnings before interest expense and income taxes increased \$3 during the 2026 six-month period. This increase largely reflects the \$18 increase in operating income, substantially offset by higher realized losses on foreign currency exchange contracts (\$15) entered into in order to reduce volatility in UGI International earnings resulting from the effects of changes in foreign currency exchange rates.

**AmeriGas Propane**

For the six months ended March 31,	2026		2025		Increase (Decrease)	
Revenues	\$	1,359	\$	1,475	\$	(116) (8)%
Total margin (a)	\$	797	\$	793	\$	4 1%
Operating and administrative expenses	\$	503	\$	493	\$	10 2%
Operating income	\$	228	\$	228	\$	— 0%
Earnings before interest expense and income taxes	\$	228	\$	228	\$	— 0%
Retail gallons sold (millions)		461		473		(12) (3)%
Degree days—% (warmer) than normal (b)		(0.9)%		(1.1)%		— 0%

(a) Total margin represents total revenues less total cost of sales.

(b) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for 344 regions in the U.S., excluding Alaska and Hawaii.

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Average temperatures during the 2026 six-month period were 0.9% warmer than normal and 0.4% colder than the prior-year period. Total retail gallons sold decreased 3% compared to the prior-year period as the effects of colder weather in the Eastern U.S. were more than offset by (1) the warmer weather in the Western U.S.; (2) the sale of the LPG operations in Hawaii in September 2025; and (3) continuing customer attrition.

Average daily wholesale propane commodity prices during the 2026 six-month period at Mont Belvieu, Texas, one of the major supply points in the U.S., were approximately 19% lower than such prices during the 2025 six-month period. Total revenues decreased \$116 during the 2026 six-month period primarily reflecting the effects of lower average retail propane selling prices (\$39), lower retail volumes sold (\$33) and lower wholesale revenues (\$33).

Total cost of sales decreased \$120 during the 2026 six-month period largely reflecting lower retail propane product costs (\$63), lower wholesale cost of sales (\$34) and lower retail volumes sold (\$15).

AmeriGas Propane total margin increased \$4 during the 2026 six-month period as the impact from higher average retail propane unit margins (\$25) was largely offset by the lower retail propane volumes sold (\$18) and lower fee income (\$4).

AmeriGas Propane operating income was comparable to the prior-year period as the increase in total margin (\$4) and lower depreciation and amortization expense (\$5) were substantially offset by higher operating and administrative expenses (\$10). The increase in operating and administrative expenses primarily reflects higher compensation expenses and advertising expenses.

AmeriGas Propane earnings before interest expense and income taxes was comparable to the prior-year period.

***Interest Expense and Income Taxes***

Our consolidated interest expense during the 2026 six-month period was \$222 compared to \$204 during the 2025 six-month period. The increase in interest expense principally reflects the effects of higher interest rates on long-term debt and higher average long-term debt outstanding at Utilities, partially offset by lower average long-term debt outstanding at AmeriGas Propane during the 2026 six-month period.

The increase in the Company's effective income tax rate for the 2026 six-month period primarily reflects the impacts of unrealized gains on commodity derivative instruments, partially offset by higher tax reserve releases than the prior-year period.

The Company's estimated annual effective tax rate is sensitive to changes in the forecasted mix of earnings across jurisdictions and to changes in the fair value of unrealized mark-to-market positions. Unrealized mark-to-market gains and losses on commodity contracts can be material and volatile, and the annual effective tax rate may change significantly in future interim periods if the fair value of these positions changes materially from current estimates.

**FINANCIAL CONDITION AND LIQUIDITY**

The Company expects to have sufficient liquidity, including cash on hand and available borrowing capacity, to continue to support long-term commitments and ongoing operations. Our total available liquidity balance, comprising cash and cash equivalents and available borrowing capacity on our revolving credit facilities, totaled approximately \$2.1 billion and \$1.6 billion at March 31, 2026 and September 30, 2025, respectively.

As of March 31, 2026, "Current maturities of long-term debt" on the Condensed Consolidated Balance Sheet principally comprises (1) \$100 outstanding principal balance of the UGI Utilities, 2.95% Senior Notes, due June 2026; and (2) \$700 outstanding principal balance of the UGI Corporation Senior Notes due in 2028 which became eligible for early conversion requests from April 1, 2026 through June 30, 2026. The Company cannot predict whether noteholders will elect to convert during the conversion period. To-date, no noteholders have elected to convert their notes. As of March 31, 2026, the Company had \$151 of unused borrowing capacity under its existing \$475 revolving credit facility and access to additional liquidity via subsidiaries to fund any cash consideration, if needed, in the event of early conversion by noteholders. In addition, the Company has a \$300 revolving credit facility, the borrowings of which, if any, can be used solely to fund the cash consideration in the event of conversion by noteholders. This credit facility is scheduled to expire in August 2026, and the Company has the

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option, subject to meeting certain conditions, to convert and extend the credit facility borrowings into a one year term loan. See “Significant Financing Activities” below and Note 8 to Condensed Consolidated Financial Statements for further information.

Except as disclosed, the Company does not have any senior notes or term loans maturing in the next twelve months. UGI and its subsidiaries were in compliance with all of its debt covenants as of March 31, 2026.

We depend on both internal and external sources of liquidity to provide funds for working capital and to fund capital requirements. Our short-term cash requirements not met by cash from operations are generally satisfied with borrowings under credit facilities and, in the case of Midstream & Marketing, also from a Receivables Facility. Long-term cash requirements are generally met through the issuance of long-term debt, hybrid or equity securities. We believe that each of our business units has sufficient liquidity in the forms of cash and cash equivalents on hand; cash expected to be generated from operations; credit facility and Receivables Facility borrowing capacity; and the ability to obtain long-term financing to meet anticipated contractual and projected cash commitments. Issuances of debt, hybrid and equity securities in the capital markets and additional credit facilities may not, however, be available to us on acceptable terms.

The primary sources of UGI’s cash and cash equivalents are the dividends and other cash payments made to UGI or its corporate subsidiaries by its principal business units. Our cash and cash equivalents totaled \$494 at March 31, 2026, compared with \$335 at September 30, 2025. Excluding cash and cash equivalents that reside at UGI’s operating subsidiaries, at March 31, 2026 and September 30, 2025, UGI had \$334 and \$214 of cash and cash equivalents, respectively. Such cash is available to pay dividends on UGI Common Stock and for investment purposes.

**Long-term Debt and Credit Facilities**
**Long-term Debt**

The Company’s debt outstanding at March 31, 2026 and September 30, 2025, comprises the following:

	March 31, 2026						September 30, 2025	
	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corp & Other	Eliminations (a)	Total	Total
Short-term borrowings	\$ 199	\$ —	\$ 50	\$ —	\$ —	\$ —	\$ 249	\$ 486
Long-term debt (including current maturities):								
Senior notes	\$ 2,100	\$ —	\$ 462	\$ 1,555	\$ 700	\$ —	\$ 4,817	\$ 4,724
Term loans	113	774	347	—	400	—	1,634	1,646
Other long-term debt	12	40	12	150	324	(150)	388	331
Unamortized debt issuance costs	(8)	(10)	(4)	(12)	(13)	—	(47)	(53)
Total long-term debt	\$ 2,217	\$ 804	\$ 817	\$ 1,693	\$ 1,411	\$ (150)	\$ 6,792	\$ 6,648
Total debt	\$ 2,416	\$ 804	\$ 867	\$ 1,693	\$ 1,411	\$ (150)	\$ 7,041	\$ 7,134

(a) Represents the elimination of the intersegment loan between UGI International to AmeriGas Partners.

**Significant Financing Activities**

The following significant financing activities occurred during Fiscal 2026. See Note 8 to Condensed Consolidated Financial Statements for additional information on these transactions.

**UGI Utilities Senior Notes.** In July 2025, UGI Utilities entered into a note purchase agreement with a consortium of lenders. Pursuant to the note purchase agreement, in November 2025, UGI Utilities issued \$150 aggregate principal amount of 5.10% Senior Notes due November 15, 2030, and \$125 aggregate principal amount of 5.68% Senior Notes due November 15, 2035.

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UGI Utilities used the net proceeds from the issuance of these senior notes to (1) repay the \$100 outstanding principal balance of the 1.59% Senior Notes, due June 2026 and \$75 outstanding principal balance of the 1.64% Senior Notes, due September 2026; (2) reduce short-term borrowings; and (3) for general corporate purposes.

***UGI Corporation Senior Notes.*** The Company has \$700 aggregate principal amount of outstanding 5.00% UGI Corporation Senior Notes due June 2028. The UGI Corporation Senior Notes are convertible subject to the occurrence of certain events and circumstances.

As of March 31, 2026, an early conversion condition associated with the market price of the Company's common stock was met. Accordingly, pursuant to the indenture, the UGI Corporation Senior Notes are convertible at the option of the noteholders, in whole or in part, from April 1, 2026 through June 30, 2026.

Because the Company must pay noteholders cash up to the aggregate principal amount and noteholders can convert at their sole election beginning April 1, 2026 through June 30, 2026, the Company classified the entire \$700 principal amount (net of unamortized debt issuance costs of \$10) of the UGI Corporation Senior Notes in "Current maturities of long-term debt" on the March 31, 2026 Condensed Consolidated Balance Sheet.

Whether the UGI Corporation Senior Notes will become convertible in subsequent periods after June 30, 2026 will depend on the future occurrence of early conversion conditions. If none of the conversion conditions are met in future quarters, the UGI Corporation Senior Notes will revert to classification as "Long-term debt" on the Condensed Consolidated Balance Sheet.

The Company cannot predict whether noteholders will elect to convert during the conversion period ending June 30, 2026. Whether noteholders elect to convert will depend on various factors including market conditions and the secondary market trading price of the UGI Corporation Senior Notes relative to the value of early conversion. Historically, the secondary market trading price has exhibited a premium over the value of early conversion, indicating economic value to not requesting an early conversion. The Company cannot predict if these conditions will continue. As described in the Company's 2025 Annual Report, the Company has a \$300 revolving credit facility, the borrowings of which, if any, can be used solely to fund the cash consideration in the event of conversion by noteholders. In addition, the Company has \$151 of unused borrowing capacity under its existing \$475 revolving credit facility and access to additional liquidity via subsidiaries to fund any additional cash consideration, if needed, in the event of early conversion by noteholders. To-date, no noteholders have elected to convert their notes.

***Credit Facilities***

Additional information related to the Company's credit agreements can be found in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and Note 6 to Consolidated Financial Statements in the Company's 2025 Annual Report.

**UGI CORPORATION AND SUBSIDIARIES**

(Currency in millions, except per share amounts and where indicated otherwise)

Information about the Company's principal credit agreements (excluding the Receivables Facility discussed below) as of March 31, 2026 and 2025, is presented in the table below.

	Total Capacity	Borrowings Outstanding	Letters of Credit and Guarantees Outstanding	Available Borrowing Capacity
<b>As of March 31, 2026</b>				
AmeriGas OLP (a)	\$ 269	\$ —	\$ 1	\$ 268
UGI International, LLC (b)	€ 500	€ 43	€ —	€ 457
Energy Services	\$ 300	\$ —	\$ —	\$ 300
UGI Utilities	\$ 375	\$ 126	\$ —	\$ 249
Mountaineer	\$ 150	\$ 73	\$ —	\$ 77
UGI Corporation (c)	\$ 475	\$ 324	\$ —	\$ 151
<b>As of March 31, 2025</b>				
AmeriGas OLP (a)	\$ 299	\$ —	\$ 1	\$ 298
UGI International, LLC (b)	€ 500	€ 284	€ —	€ 216
Energy Services	\$ 300	\$ —	\$ —	\$ 300
UGI Utilities	\$ 375	\$ 37	\$ —	\$ 338
Mountaineer	\$ 150	\$ 68	\$ —	\$ 82
UGI Corporation (c)	\$ 475	\$ 243	\$ —	\$ 232

(a) The maximum amount available for borrowing at any time under the AmeriGas Senior Secured Revolving Credit Facility is limited to the borrowing base valuation, as defined in the agreement.

(b) Permits UGI International, LLC or UGI International Holdings B.V. to borrow in euros or USD.

(c) Borrowings outstanding are classified as long-term debt on the balance sheet.

The average daily and peak short-term borrowings under the Company's principal credit agreements are as follows:

	For the six months ended March 31, 2026		For the six months ended March 31, 2025	
	Average	Peak	Average	Peak
AmeriGas OLP	\$ 15	\$ 57	\$ 41	\$ 85
UGI International, LLC	€ 98	€ 173	€ 135	€ 294
Energy Services	\$ —	\$ —	\$ —	\$ —
UGI Utilities	\$ 188	\$ 254	\$ 115	\$ 263
Mountaineer	\$ 90	\$ 109	\$ 101	\$ 118
UGI Corporation	\$ 269	\$ 324	\$ 251	\$ 283

**Energy Services Receivables Facility.** Energy Services has a Receivables Facility with an issuer of receivables-backed commercial paper. In October 2025, the expiration date of the Receivables Facility was extended to October 2026. The Receivables Facility provides Energy Services with the ability to borrow up to \$150 of eligible receivables during the period October 17, 2025 to April 30, 2026, and up to \$75 of eligible receivables during the period May 1, 2026 to October 16, 2026, with the option to request consent for an increase of \$50. Energy Services uses the Receivables Facility to fund working capital, margin calls under commodity futures contracts, capital expenditures, dividends and for general corporate purposes.

Under the Receivables Facility, Energy Services transfers, on an ongoing basis and without recourse, its trade accounts receivable to its wholly owned, special purpose subsidiary, ESFC, which is consolidated for financial statement purposes. ESFC, in turn, has sold and, subject to certain conditions, may from time to time sell, an undivided interest in some or all of the receivables to a major bank. Amounts sold to the bank are reflected as "Short-term borrowings" on the Condensed Consolidated Balance Sheets. ESFC was created and has been structured to isolate its assets from creditors of Energy Services and its affiliates, including UGI. Trade receivables sold to the bank remain on the Company's balance sheet and the Company reflects

**UGI CORPORATION AND SUBSIDIARIES**

(Currency in millions, except per share amounts and where indicated otherwise)

a liability equal to the amount advanced by the bank. The Company records interest expense on amounts owed to the bank. Energy Services continues to service, administer and collect trade receivables on behalf of the bank, as applicable.

At March 31, 2026, the outstanding balance of ESFC trade receivables was \$138, none of which were sold to the bank. At March 31, 2025, the outstanding balance of ESFC trade receivables was \$110, none of which was sold to the bank. During the six months ended March 31, 2026, peaks sales of receivables was \$110 and average daily amounts sold were \$8. There were no sales of receivables under the Receivables Facility during the six months ended March 31, 2025.

**Dividends and Repurchases of Common Stock**

On November 20, 2025, UGI's Board of Directors declared a cash dividend equal to \$0.375 per common share. The dividend was paid on January 1, 2026, to shareholders of record on December 15, 2025. On February 4, 2026, UGI's Board of Directors declared a cash dividend equal to \$0.375 per common share. The dividend was paid on April 1, 2026, to shareholders of record on March 16, 2026. On May 6, 2026, UGI's Board of Directors declared a quarterly dividend of \$0.375 per common share. The dividend is payable July 1, 2026, to shareholders of record on June 15, 2026.

Pursuant to the UGI share repurchase program authorized in February 2026, which allows for the repurchase of up to 8 million shares of Common Stock, during the six months ended March 31, 2026, the Company purchased 0.6 million shares of Common Stock on the open market at a total purchase price of \$23.

**Cash Flows**

Due to the seasonal nature of the Company's businesses, cash flows from operating activities are generally strongest during the second and third fiscal quarters when customers pay for natural gas, LPG, electricity and other energy products and services consumed during the peak heating season months. Conversely, operating cash flows are generally at their lowest levels during the fourth and first fiscal quarters when the Company's investment in working capital, principally inventories and accounts receivable, is generally greatest.

**Operating Activities.** Year-to-year variations in our cash flows from operating activities can be significantly affected by changes in operating working capital, especially during periods with significant changes in energy commodity prices.

Cash flow provided by operating activities was \$730 in the 2026 six-month period compared to \$848 in the 2025 six-month period. Cash flow provided by operating activities before changes in operating working capital was \$1,095 in the 2026 six-month period compared to \$1,122 in the 2025 six-month period. Cash used to fund changes in operating working capital totaled \$365 in the 2026 six-month period, as compared to the \$274 in the 2025 six-month period. The increase in cash required to fund changes in operating working capital in the 2026 six-month period reflects, among other things, a decrease in cash received for derivative instrument collateral deposits, an increase in cash used to fund changes in accounts receivable and utility deferred fuel costs largely offset by lower cash required to fund changes in inventories, accounts payable and other current liabilities.

**Investing Activities.** Investing activity cash flow is principally affected by cash expenditures for property, plant and equipment; cash paid for acquisitions of businesses and assets; investments in equity method investees; and cash activity associated with dispositions of businesses and assets.

Cash flow used by investing activities was \$297 in the 2026 six-month period compared to \$367 in the 2025 six-month period. Cash expenditures for property, plant and equipment were \$391 in the 2026 six-month period compared with \$357 in the 2025 six-month period. The increased cash expenditures for property, plant and equipment were offset by increased net proceeds from the disposal of businesses and assets in Fiscal 2026 which includes, among other things, proceeds from the sale of the LPG distribution business in Austria and the cylinder business in the United Kingdom. Investments in equity method investments during the 2026 six-month period principally reflects our continuing investments in renewable energy projects at our Midstream & Marketing segment.

**Financing Activities.** Changes in cash flow from financing activities are primarily due to issuances and repayments of long-term debt; net short-term borrowings; dividends on UGI Common Stock; and issuances and repurchases of equity instruments.

Cash flow used by financing activities was \$253 in the 2026 six-month period compared to \$268 in the 2025 six-month period. The 2026 six-month period includes, among other things, (a) the issuance by UGI Utilities of \$150 aggregate principal amount

**UGI CORPORATION AND SUBSIDIARIES**

(Currency in millions, except per share amounts and where indicated otherwise)

of 5.10% senior notes and \$125 aggregate principal amount of 5.68% senior notes (b) the repayment by UGI Utilities of the \$100 outstanding aggregate principal amount of the 1.59% Senior Notes and \$75 outstanding aggregate principal amount of the 1.64% Senior Notes (c) net repayments of short-term borrowings of \$235 and (d) the repurchase of \$23 of Common Stock.

The 2025 six-month period includes, among other things, (a) the issuance by UGI Utilities of \$50 million and \$125 million principal amount of senior notes (b) entering into the UGI Corporation 2025 Credit Agreement consisting of (1) a \$475 million revolving credit facility and (2) a \$400 million variable-rate term loan, proceeds from the UGI Corporation 2025 Credit Agreement were used to prepay all borrowings under the UGI Corporation Credit Facility Agreement due August 29, 2025 and, concurrent with such repayment, terminated the agreement, (c) the repurchase by AmeriGas Propane of the \$218 outstanding aggregate principal balance of the 5.50% Senior Notes due May 2025, and (d) net repayments of short-term borrowings of \$48.

**UTILITY REGULATORY MATTERS**

**UGI Utilities.** On March 27, 2026, Electric Utility filed a rate request with the PAPUC to increase its annual base distribution revenues by \$17. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable electric service. Electric Utility requested that the new electric rates become effective June 1, 2026. The PAPUC entered an order on April 16, 2026, suspending the effective date for the rate increase to allow for investigation and public hearings. Unless a settlement is reached sooner, the review process is expected to last up to nine months from the date of filing. The Company cannot predict the timing or the ultimate outcome of the rate case review process.

On January 28, 2026, PA Gas Utility filed a request with the PAPUC to increase its base operating revenues for residential, commercial and industrial customers by \$99 annually. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable natural gas service. PA Gas Utility requested the new gas rates become effective March 29, 2026. The PAPUC entered an order on February 19, 2026, suspending the effective date for the rate increase to allow for investigation and public hearings. Unless a settlement is reached sooner, the review process is expected to last up to nine months from the date of filing. The Company cannot predict the timing or the ultimate outcome of the rate case review process.

On January 27, 2025, PA Gas Utility filed a request with the PAPUC to increase its base operating revenues for residential, commercial and industrial customers by \$110 annually. On September 11, 2025, the PAPUC issued a final order approving a settlement providing for a \$70 annual base distribution rate increase, effective October 28, 2025, and maintenance of the weather normalization adjustment through the end of its pilot period with modification.

**Mountaineer.** On February 3, 2026, WV Gas Utility submitted a base rate case filing with the WVPSC seeking a net revenue increase of \$27, which consisted of an increase in base rates of \$44 and a decrease in the IREP rates of \$17 annually. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable natural gas service. WV Gas Utility requested the new gas rates become effective March 5, 2026. The WVPSC entered an order on March 2, 2026, suspending the effective date for the rate increase to allow for a full review of the filing and public hearings. Unless a settlement is reached sooner, the review process is expected to last up to 270 days from the date of filing. The Company cannot predict the timing or the ultimate outcome of the rate case review process.

On July 31, 2025, WV Gas Utility submitted its 2025 IREP filing to the WVPSC requesting recovery of \$24, an increase of \$5, for costs associated with capital investments after December 31, 2022, that total \$274, including \$77 in calendar year 2026. The filing included capital investments totaling \$445 over the 2026 - 2030 period. On December 17, 2025, the WVPSC issued an order approving WV Gas Utility's request, with new rates effective January 1, 2026.

On July 31, 2024, WV Gas Utility submitted its 2024 IREP filing to the WVPSC requesting recovery of \$19, which includes \$3 of prior year under-recovery, for costs associated with capital investments after December 31, 2022, that total \$197, including \$74 in calendar year 2025. The filing included capital investments totaling \$418 over the 2025 - 2029 period. On October 28, 2024, the WVPSC issued an order approving WV Gas Utility's request, with new rates effective January 1, 2025.

**UGI CORPORATION AND SUBSIDIARIES**

(Currency in millions, except per share amounts and where indicated otherwise)

**OTHER MATTERS**

**West Reading, Pennsylvania Explosion.** On March 24, 2023, an explosion occurred in West Reading, Pennsylvania which resulted in seven fatalities, injuries to at least ten others, and extensive property damage to buildings owned by R.M. Palmer, a local chocolate manufacturer, and neighboring structures. The NTSB and PAPUC investigated the West Reading incident. The NTSB investigative team included representatives from the Company, the local fire department and the Pipeline and Hazardous Materials Safety Administration. The Company cooperated with the investigations. In September 2023, OSHA closed their investigation of this matter, without any finding pertaining to UGI Utilities.

On December 10, 2024, the NTSB staff presented its draft findings to the NTSB Board. On April 8, 2025, the NTSB released its final report concluding that a fracture in an R.M. Palmer steam pipe created elevated underground temperatures that caused thermal degradation of a UGI Utilities service tee, resulting in a natural gas leak, and recommended UGI Utilities inventory and address risks to plastic gas assets in high-temperature environments.

On March 18, 2026, the PAPUC filed a formal complaint against UGI Utilities. The complaint alleges various pipeline safety violations and seeks civil penalties. The Company intends to vigorously defend against the allegations in the complaint. The Company does not believe the resolution of this matter will have a material adverse effect on its financial condition, results of operations, or cash flows.

The Company also has received claims as a result of the explosion and is involved in lawsuits relative to the incident. With the issuance of the final NTSB report, discovery in the litigation has begun. The Company maintains liability insurance for personal injury, property and casualty damages and believes that third-party claims associated with the explosion, in excess of the Company's deductible, are recoverable through the Company's insurance. The Company cannot predict the result of these pending or future claims and legal actions at this time.

Regarding these pending claims and legal actions, other than as disclosed above, the Company does not believe, at this early stage, that there is sufficient information available to reasonably estimate a range of loss, if any, or conclude that the final outcome of all of these matters will or will not have a material adverse effect on our financial statements.

In addition to the matters described above, there are other pending claims and legal actions arising in the normal course of our businesses. Although we cannot predict the final results of these pending claims and legal actions, including those described above, we believe, after consultation with counsel, that the final outcome of these matters will not have a material effect on our financial statements.

(Currency in millions, except per share amounts and where indicated otherwise)

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our primary market risk exposures are (1) commodity price risk; (2) interest rate risk; and (3) foreign currency exchange rate risk. Although we use derivative financial and commodity instruments to reduce market price risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes.

#### Commodity Price Risk

The risk associated with fluctuations in the prices the Partnership and our UGI International operations pay for LPG is principally a result of market forces reflecting changes in supply and demand for LPG and other energy commodities. Their profitability is sensitive to changes in LPG supply costs. Increases in supply costs are generally passed on to customers. The Partnership and UGI International may not, however, always be able to pass through product cost increases fully or on a timely basis, particularly when product costs rise rapidly. In order to reduce the volatility of LPG market price risk, the Partnership uses contracts for the forward purchase or sale of propane, propane fixed-price supply agreements and over-the-counter derivative commodity instruments including price swap and option contracts. Our UGI International operations use over-the-counter derivative commodity instruments and may from time to time enter into other derivative contracts, similar to those used by the Partnership, to reduce market risk associated with a portion of their LPG purchases. Over-the-counter derivative commodity instruments used to economically hedge forecasted purchases of LPG are generally settled at expiration of the contract.

Utilities' tariffs contain clauses that permit recovery of all prudently incurred costs of natural gas it sells to its retail core-market customers, including the cost of financial instruments used to hedge purchased gas costs. The recovery clauses provide for periodic adjustments for the difference between the total amounts actually billed to customers through PGC and PGA rates and the recoverable costs incurred. Because of this ratemaking mechanism, there is limited commodity price risk associated with our Utilities operations. PA Gas Utility uses derivative financial instruments, including natural gas futures and option contracts traded on the NYMEX, to reduce volatility in the cost of gas it purchases for its retail core-market customers. The cost of these derivative financial instruments, net of any associated gains or losses, is included in PA Gas Utility's PGC recovery mechanism.

In order to manage market price risk relating to substantially all of Midstream & Marketing's fixed-price sale contracts for physical natural gas, Midstream & Marketing enters into NYMEX, ICE and over-the-counter natural gas and electricity futures and option contracts, and natural gas basis swap contracts or enters into fixed-price supply arrangements. Although Midstream & Marketing's fixed-price supply arrangements mitigate most risks associated with its fixed-price sales contracts, should any of the suppliers under these arrangements fail to perform, increases, if any, in the cost of replacement natural gas would adversely impact Midstream & Marketing's results. In order to reduce this risk of supplier nonperformance, Midstream & Marketing has diversified its purchases across a number of suppliers. In order to manage market price risk relating to fixed-price sales contracts for electricity, Midstream & Marketing entered into electricity futures and forward contracts.

#### Interest Rate Risk

We have both fixed-rate and variable-rate debt. Changes in interest rates impact the cash flows of variable-rate debt but generally do not impact their fair value. Conversely, changes in interest rates impact the fair value of fixed-rate debt but do not impact their cash flows.

Our variable-rate debt at March 31, 2026, includes revolving credit facility borrowings and variable-rate term loans at UGI International, Utilities, Energy Services and UGI Corporation. These debt agreements have interest rates that are generally indexed to short-term market interest rates. We have entered into pay-fixed, receive-variable interest rate swap agreements on a significant portion of the term loans' principal balances and a significant portion of the term loans' tenor. We have designated these interest rate swaps as cash flow hedges. At March 31, 2026, combined borrowings outstanding under variable-rate debt agreements, excluding the previously mentioned effectively fixed-rate debt, totaled \$728.

Long-term debt associated with our domestic businesses is typically issued at fixed rates of interest based upon market rates for debt with similar terms and credit ratings. As these long-term debt issues mature, we may refinance such debt with new debt having interest rates reflecting then-current market conditions. In order to reduce interest rate risk associated with near- to medium-term forecasted issuances of fixed rate debt, from time to time we enter into IRPAs.

## UGI CORPORATION AND SUBSIDIARIES

(Currency in millions, except per share amounts and where indicated otherwise)

**Foreign Currency Exchange Rate Risk**

Our primary currency exchange rate risk is associated with the USD versus the euro and, to a lesser extent, the USD versus the British pound sterling. The USD value of our foreign currency denominated assets and liabilities will fluctuate with changes in the associated foreign currency exchange rates. From time to time, we use derivative instruments to hedge portions of our net investments in foreign subsidiaries, including anticipated foreign currency denominated dividends. Gains or losses on these net investment hedges remain in AOCI until such foreign operations are sold or liquidated. With respect to our net investments in our UGI International operations, a 10% decline in the value of the associated foreign currencies versus the USD would reduce their aggregate net book value at March 31, 2026, by approximately \$110, which amount would be reflected in other comprehensive income. We have designated certain euro-denominated borrowings as net investment hedges.

In order to reduce the volatility in net income associated with our foreign operations, principally as a result of changes in the USD exchange rate between the euro and British pound sterling, we enter into forward foreign currency exchange contracts. We layer in these foreign currency exchange contracts over a multi-year period to eventually equal approximately 90% of anticipated UGI International foreign currency earnings before income taxes.

**Derivative Instrument Credit Risk**

We are exposed to risk of loss in the event of nonperformance by our derivative instrument counterparties. Our derivative instrument counterparties principally comprise large energy companies and major U.S. and international financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits or entering into netting agreements that allow for offsetting counterparty receivable and payable balances for certain financial transactions, as deemed appropriate.

We have concentrations of credit risk associated with derivative instruments and we evaluate the creditworthiness of our derivative counterparties on an ongoing basis. As of March 31, 2026, the maximum amount of loss, based upon the gross fair values of the derivative instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was \$196. In general, many of our over-the-counter derivative instruments and all exchange contracts call for the posting of collateral by the counterparty or by the Company in the forms of letters of credit, parental guarantees or cash. At March 31, 2026, we received cash collateral from derivative instrument counterparties totaling \$43. In addition, we may have offsetting derivative liabilities and certain accounts payable balances with certain of these counterparties, which further mitigates the previously mentioned maximum amount of losses. Certain of the Partnership's derivative contracts have credit-risk-related contingent features that may require the posting of additional collateral in the event of a downgrade of the Partnership's debt rating. At March 31, 2026, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

The following table summarizes the fair values of unsettled market risk sensitive derivative instrument assets (liabilities) held at March 31, 2026 and changes in their fair values due to market risks. Certain of UGI Utilities' commodity derivative instruments are excluded from the table below because any associated net gains or losses are refundable to or recoverable from customers in accordance with UGI Utilities ratemaking.

	Asset (Liability)	
	Fair Value	Change in Fair Value
<b>March 31, 2026</b>		
Commodity price risk (1)	\$ 86	\$ (91)
Interest rate risk (2)	\$ (3)	\$ (7)
Foreign currency exchange rate risk (3)	\$ —	\$ (35)

(1) Change in fair value represents a 10% adverse change in the market prices of certain commodities.

(2) Change in fair value represents a 50 basis point adverse change in prevailing market interest rates.

(3) Change in fair value represents a 10% adverse change in the value of the Euro and the British pound sterling versus the USD.

**ITEM 4. CONTROLS AND PROCEDURES****(a) Evaluation of Disclosure Controls and Procedures**

The Company's disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by the Company in reports filed or submitted under the Securities Exchange Act of 1934, as amended, is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures, as of the end of the period covered by this report, were effective at the reasonable assurance level.

**(b) Change in Internal Control over Financial Reporting**

No change in the Company's internal control over financial reporting occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II OTHER INFORMATION

## ITEM 1. LEGAL PROCEEDINGS

The information set forth in Note 9 to Condensed Consolidated Financial Statements included in Item 1 of Part I of this report, is incorporated herein by reference.

## ITEM 1A. RISK FACTORS

In addition to the information presented in this report, you should carefully consider the factors discussed in Part I, “Item 1A. Risk Factors” in our 2025 Annual Report, which could materially affect our business, financial condition or future results. The risks described in our 2025 Annual Report are not the only risks facing the Company. Other unknown or unpredictable factors could also have material adverse effects on future results.

## ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table sets forth information with respect to the Company’s repurchases of its common stock during the quarter ended March 31, 2026.

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (1)
January 1, 2026 to January 31, 2026	—	\$0.00	—	5.20 million
February 1, 2026 to February 28, 2026	—	\$0.00	—	8.00 million
March 1, 2026 to March 31, 2026	300,000	\$36.75	300,000	7.70 million
Total	300,000		300,000	

(1) Common Stock is repurchased through an extension of a previous share repurchase program. In February 2026, UGI’s Board of Directors authorized the repurchase of up to 8 million shares of Common Stock over a four-year period, expiring in February 2030.

## ITEM 5. OTHER INFORMATION

During the period covered by this Quarterly Report on Form 10-Q, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

## ITEM 6. EXHIBITS

The exhibits filed as part of this report are as follows (exhibits incorporated by reference are set forth with the name of the registrant, the type of report and last date of the period for which it was filed, and the exhibit number in such filing):

Exhibit No.	Incorporation by Reference			Filing	Exhibit
	Exhibit	Registrant			
10.1	<a href="#">UGI Corporation 2021 Incentive Award Plan, Terms and Conditions for Non-Employee Directors, as amended and restated effective January 1, 2026.</a>				
31.1	<a href="#">Certification by the Chief Executive Officer relating to the Registrant’s Report on Form 10-Q for the quarter ended March 31, 2026, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>				

31.2	<a href="#">Certification by the Chief Financial Officer relating to the Registrant's Report on Form 10-Q for the quarter ended March 31, 2026, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32	<a href="#">Certification by the Chief Executive Officer and the Chief Financial Officer relating to the Registrant's Report on Form 10-Q for the quarter ended March 31, 2026, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS	Inline XBRL Instance - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

UGI CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX

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UGI CORPORATION AND SUBSIDIARIES

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 7, 2026

UGI Corporation  
(Registrant)

By: /s/ Sean P. O'Brien  
Sean P. O'Brien  
Chief Financial Officer

Date: May 7, 2026

By: /s/ Jean Felix Tematio Dontsop  
Jean Felix Tematio Dontsop  
Vice President, Chief Accounting Officer  
and Corporate Controller

**UGI CORPORATION**

**2021 INCENTIVE AWARD PLAN**

**TERMS AND CONDITIONS FOR NON-EMPLOYEE DIRECTORS**

**As Amended and Restated Effective January 1, 2026**

## UGI Corporation

### 2021 Incentive Award Plan

#### **Stock Options and Stock Units For Non-Employee Directors Terms and Conditions**

The following Terms and Conditions shall be used for purposes of administering Options and Stock Units granted to Non-Employee Directors under the UGI Corporation 2021 Incentive Award Plan (the "Plan"). The Administrator has discretion to modify or deviate from these Terms and Conditions at any time, and, in all events, the specific terms of the Award Agreement or Deferral Plan (if applicable) shall control. Capitalized terms shall have the meanings given those terms in the Plan or, if not defined in the Plan, in these Terms and Conditions.

#### 1. Definitions.

Whenever used in these Terms and Conditions for Non-Employee Directors, the following terms will have the meanings set forth below:

- (a) "Account" means the Company's bookkeeping account established pursuant to Section 3, which reflects the number of Stock Units and the amount of Dividend Equivalents credited to a Non-Employee Director.
- (b) "Deferral Plan" means the UGI Corporation 2009 Deferral Plan, as amended and/or restated from time to time.
- (c) "Retirement" means a Non-Employee Director's Separation from Service after (1) attaining age 65 with five or more years of service as an employee or Non-Employee Director with the Company or its affiliates, or (2) ten or more years of service as a Non-Employee Director or employee with the Company or its affiliates.
- (d) "Separation from Service" means the Non-Employee Director's termination of service as a non-employee director or a separation from service with the Company within the meaning of Section 409A of the Code.
- (e) "Stock Unit" means an award of a phantom unit of Common Stock, specifically a Restricted Stock Unit or Performance Unit issued under the Plan.
- (f) "Unit Value" means, at any time, the value of each Stock Unit issued under the Plan, which value shall be equal to the Fair Market Value of a share of Common Stock on such date.

#### 2. Options.

(a) *Grant of Options.* The Administrator may grant Options annually to Non-Employee Directors in the amounts set forth on the attached Exhibit A, on the date(s) specified therein. The Option exercise price will equal the Fair Market Value on the date of grant. In the case of an Option that is a Substitute Award, the exercise price per share of the Shares subject to such Option may be less than the Fair Market Value per share on the date of grant, provided that the exercise price of any Substitute Award is determined in accordance with the applicable requirements of Sections 424 and 409A of the Code. Any individual who becomes a Non-Employee Director mid-year (i.e., after the annual meeting of shareholders) shall not automatically receive an Option Award upon election to the Board.

(b) *Exercise and Vesting.* Each Option will be fully vested and immediately exercisable on the date of grant or at such times and as specified in the Award Agreement. Subject to Section 6.6 of the Plan, the term of each Option will not exceed ten years. Notwithstanding the foregoing, and unless determined otherwise by the Administrator, in the event that on the last business day of the term of an Option (other than an Incentive Stock Option) (i) the exercise of the Option is prohibited by Applicable Law, as determined by the Administrator, or (ii) Shares may not be purchased or sold by the applicable Non-Employee Director due to any Company insider trading policy (including blackout periods) or a "lock-up" agreement undertaken in connection with an issuance of securities by the Company, the term of the Option shall be extended until the date that is 30 days after the end of the legal prohibition, blackout period or lock-up agreement, as determined by the Administrator; provided, however, in no event shall the extension last beyond the ten year term of the applicable Option. Notwithstanding the foregoing, to the extent permitted under Applicable Laws, if the Non-Employee Director, prior to the end of the term of an Option, violates the non-competition, non-solicitation, confidentiality or other similar restrictive covenant provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Non-Employee Director and the Company or any of its Subsidiaries, the right of the Non-Employee Director and the Non-Employee Director's transferees to exercise any Option issued to the Non-Employee Director shall terminate immediately upon such violation, unless the Administrator otherwise determines.

(c) *Separation from Service.* Except as otherwise specified by the Administrator, each Option, to the extent that it has not previously been exercised, will terminate when the Non-Employee Director holding such Option incurs a

Separation from Service. However, if a Non-Employee Director holding an Option incurs a Separation from Service by reasons stated in (1) through (3) immediately below, the Option held by any such Non-Employee Director will thereafter be exercisable pursuant to the following terms:

(1) *Retirement.* If a Non-Employee Director's Separation from Service is on account of Retirement while serving as a Non-Employee Director of the Company, the Option held by such Non-Employee Director will continue in effect and terminate upon the expiration date of the Option.

(2) *Disability.* If a Non-Employee Director's Separation from Service is on account of disability while service as a Non-Employee Director of the Company, the Administrator shall have sole discretion to determine whether or not a Non-Employee Director is "disabled." If a Non-Employee Director is determined to be "disabled" by the Administrator, the Option held by such Non-Employee Director may be exercised at any time prior to the earlier of the expiration date of the Option or the expiration of the 36-month period following the Non-Employee Director's Separation from Service on account of disability.

(3) *Death.* If a Non-Employee Director's Separation from Service is on account of the Non-Employee Director's death while serving as a Non-Employee Director of the Company, the Option held by such Non-Employee Director may be exercised at any time prior to the earlier of the expiration date of the Option or the expiration of the 12-month period following the Non-Employee Director's death. Such Option may be exercised by the personal representative of the Non-Employee Director's estate, or the personal representative under applicable law if the Non-Employee Director dies intestate.

(d) *Payment.* An Option may be exercised, and the Option exercise price paid, in any method permitted by the Plan.

### 3. Award of Stock Units.

(a) *Annual Award of Stock Units.* Each Non-Employee Director shall receive an annual award of Stock Units in the amount set forth on the attached Exhibit A on the date(s) specified therein. Such Stock Units shall be credited to each Non-Employee Director's Account as specified in Section 3(c) below. Any individual who becomes a Non-Employee Director mid-year (i.e., after the annual meeting of shareholders) shall not automatically receive an award of Stock Units upon election to the Board. Such Stock Units are automatically deferred pursuant to the terms and conditions of the Deferral Plan. Unless the Non-Employee Director elects to receive installment payments under the Deferral Plan, all Stock Units will be distributed as a lump sum payment upon the earliest to occur of (i) the Non-Employee Director's Separation from Service; (ii) the Non-Employee Director's death; and (iii) a Change in Control, as further specified in Section 5 below and in the Deferral Plan. In the event of any conflict regarding distributions of Stock Units between these Terms and Conditions and the Deferral Plan, the Deferral Plan shall control.

(b) *Dividend Equivalents.*

(i) *Dividend Equivalent to be Credited.* From the date of grant of each Stock Unit until the Non-Employee Director's Account has been fully distributed, on each payment date for a dividend paid by the Company on its Common Stock, the Company shall credit to each Non-Employee Director's Account an amount equal to the Dividend Equivalent associated with the Stock Units held by the Non-Employee Director on the record date for the dividend.

(ii) *Conversion to Stock Units.* On the last day of each calendar year, the amount of the Dividend Equivalents credited to the Non-Employee Director's Account during that calendar year, shall be converted to a number of Stock Units, based on the Unit Value on the last day of the calendar year. Notwithstanding the foregoing, in the event of a Change in Control or in the event of the Non-Employee Director's death or Separation from Service prior to the last day of the calendar year, as soon as practicable following such event and in no event later than the date on which Stock Units are redeemed in accordance with Section 5, the Company shall convert the amount of the Dividend Equivalents credited to the Non-Employee Director's Account as of the date of the Change in Control, death or Separation from Service (the "Conversion Date") to a number of Stock Units based on the Unit Value on the Conversion Date.

(c) *Accounts.* The Company shall keep records to reflect the number of Stock Units and Dividend Equivalents credited to each Non-Employee Director hereunder. Fractional Stock Units shall accumulate in the Non-Employee Director's Account and shall be added to fractional Stock Units held in such Account to create whole Stock Units.

4. Dividend Equivalents on Stock Units Granted under the Prior Plan. Shares of Common Stock will be issued under the Plan with respect to Dividend Equivalents that are credited after the effective date of the Plan on Stock Units granted under the Prior Plan before February 1, 2021.

### 5. Events Requiring Redemption of Stock Units.

The Company shall redeem Stock Units credited to a Non-Employee Director's Account only at the times and in the manner prescribed by the terms of this Section 5.

(a) *Death.* In the event of the Non-Employee Director's death while serving as a Non-Employee Director of the Company, all Stock Units then credited to the Non-Employee Director's Account (including any interest/earnings) as of

the date of the Non-Employee Director's death, shall be distributed in a single lump sum cash payment to the Non-Employee Director's beneficiary within sixty (60) days after the Non-Employee Director's death. For the avoidance of doubt, if a Non-Employee Director elected to receive installment payments under the Deferral Plan following the Non-Employee Director's Separation from Service, and such Non-Employee Director dies after the Non-Employee Director's Separation from Service but prior to the end of the installment period, the remaining installments shall be paid in a single lump sum cash payment to such Non-Employee Director's beneficiary within sixty (60) days following the death of the Non-Employee Director.

(b) *Separation from Service.* Unless the Non-Employee Director while serving as a Non-Employee Director elects to receive distributions in installment payments under the Deferral Plan, all of the Non-Employee Director's Stock Units then credited to the Non-Employee Director's Account as of the date of the Non-Employee Director's Separation from Service, shall be distributed, in a single lump sum payment, 65% in Shares and 35% in cash, to the Non-Employee Director within sixty (60) business days after the date of the Non-Employee Director's Separation from Service. For the avoidance of doubt, if such sixty (60) day period shall cross calendar years, all such payments will be made in the succeeding calendar year.

(c) *Change in Control.* In the event of a Change in Control, the Company shall redeem all the Stock Units then credited to the Non-Employee Director's Account (including any interest/earnings). The redemption amount shall be paid in cash on the closing date of the Change in Control (except as described below). The amount paid shall equal the product of the number of Stock Units being redeemed multiplied by the Unit Value at the date of the Change in Control. However, in the event that the transaction constituting a Change in Control is not a change in control event under Section 409A, the Non-Employee Director's Stock Units shall be redeemed and paid in cash upon the Non-Employee Director's Separation from Service or death on the applicable date described in subsection (a) or (b) above (based on the aggregate Unit Value on the date of Separation from Service or death as determined by the Administrator), instead of upon the Change in Control pursuant to this subsection (c). If payment is delayed after the Change in Control, pursuant to the preceding sentence, the Administrator may provide for the Stock Units to be valued as of the date of the Change in Control and interest to be credited on the amount so determined at a market rate for the period between the Change in Control date and the payment date.

(d) *Effect on Outstanding Stock Units and Dividend Equivalents.* The provisions of this Section 5 relating to the medium of payment (i.e., payment in cash or in a combination of cash and Shares) shall apply to all outstanding Stock Units and Dividend Equivalents.

(e) *Section 409A.* Stock Units and Dividend Equivalents shall meet the requirements of Section 409A or an exemption from such requirements. If an Award is subject to Section 409A, (i) distributions shall only be made in a manner and upon an event permitted under Section 409A, (ii) payments to be made upon a Termination of Service shall only be made upon a "separation from service" under Section 409A, (iii) payments to be made upon a Change in Control shall only be made upon a "Change in Control event" under Section 409A, (iv) unless the Award Agreement specifies otherwise, each payment shall be treated as a separate payment for purposes of Section 409A, and (v) in no event shall a Non-Employee Director, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with Section 409A.

(f) *Deferral Elections.* Notwithstanding the foregoing, a Non-Employee Director may make elections regarding Stock Unit Awards upon a Non-Employee Director's Separation from Service pursuant to the terms and conditions of the Deferral Plan.

6. Specified Employees. If a Non-Employee Director becomes an employee of the Company and is deemed to be a "specified employee" under Section 409A at the time of such Non-Employee Director's cessation of service, any distribution that otherwise would be made to such Non-Employee Director with respect to a deferral of Stock Units pursuant to the Deferral Plan as a result of such cessation of service shall not be made until the date that is six (6) months after such cessation of service, except to the extent that earlier distribution would not result in such Non-Employee Director's incurring interest or additional tax under Section 409A. Notwithstanding any other provision of the Deferral Plan to the contrary, if the Non-Employee Director is a Specified Employee at the time of his or her Separation from Service (within the meaning of Section 409A), any payment to be made to a Non-Employee Director upon his or her Separation from Service shall be delayed until the earlier of (i) the first day of the seventh month following his or her Separation from Service, or (ii) upon such Non-Employee Director's death.

7. Company Policies. All Shares issued pursuant to an Option or Stock Unit shall be subject to any applicable policies implemented by the Board of the Company, as in effect from time to time.

**Exhibit A**

**Non-Employee Director Awards**

**Options:**

The number of shares based on a value determined by the Board in its discretion.

Grant Date: The date on which the Non-Employee Director is elected to the Board at an annual meeting of shareholders.

Options granted to Non-Employee Directors from 2016 through January 31, 2021, were granted under the 2013 Omnibus Incentive Compensation Plan.

**Stock Units:**

The number of units based on a value determined by the Board in its discretion.

Grant Date: The date on which the Non-Employee Director is elected to the Board at an annual meeting of shareholders.

## CERTIFICATION

I, Robert C. Flexon, certify that:

1. I have reviewed this periodic report on Form 10-Q of UGI Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2026

/s/ Robert C. Flexon

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Robert C. Flexon  
President and Chief Executive Officer of UGI Corporation

## CERTIFICATION

I, Sean P. O'Brien, certify that:

1. I have reviewed this periodic report on Form 10-Q of UGI Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2026

/s/ Sean P. O'Brien

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Sean P. O'Brien

Chief Financial Officer of UGI Corporation

**Certification by the Chief Executive Officer and Chief Financial Officer  
Relating to a Periodic Report Containing Financial Statements**

I, Robert C. Flexon, Chief Executive Officer, and I, Sean P. O'Brien, Chief Financial Officer, of UGI Corporation, a Pennsylvania corporation (the "Company"), hereby certify that to our knowledge:

- (1) The Company's periodic report on Form 10-Q for the period ended March 31, 2026 (the "Form 10-Q") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

CHIEF EXECUTIVE OFFICER

/s/ Robert C. Flexon

Robert C. Flexon

Date: May 7, 2026

CHIEF FINANCIAL OFFICER

/s/ Sean P. O'Brien

Sean P. O'Brien

Date: May 7, 2026