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 June 30, 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	**23-2668356**
(State or other jurisdiction of incorporation or organization)	**(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 July 31, 2026, there were 214,494,967 shares of UGI Corporation Common Stock, without par value, outstanding.

UGI CORPORATION AND SUBSIDIARIES

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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 nine-month period - Nine months ended June 30, 2025

2025 three-month period - Three months ended June 30, 2025

2026 nine-month period - Nine months ended June 30, 2026

2026 three-month period - Three months ended June 30, 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

Fiscal 2028 - The fiscal year ending September 30, 2028

Fiscal 2029 - The fiscal year ending September 30, 2029

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)

	June 30, 2026	September 30, 2025	June 30, 2025
ASSETS			
Current assets:			
Cash and cash equivalents	$ 476	$ 335	$ 350
Restricted cash	47	20	20
Accounts receivable (less allowances for doubtful accounts of $54, $42 and $73, respectively)	768	714	825
Accrued utility revenues	27	35	39
Income taxes receivable	42	41	44
Inventories	352	385	359
Derivative instruments	33	23	8
Held for sale assets	351	9	15
Prepaid expenses and other current assets	178	204	139
Total current assets	2,274	1,766	1,799
Property, plant and equipment, net (less accumulated depreciation of $5,253, $5,270 and $5,220, respectively)	8,864	9,080	8,934
Goodwill	2,780	2,852	2,888
Intangible assets, net	289	328	343
Derivative instruments	10	7	8
Other assets	1,414	1,429	1,390
Total assets	$ 15,631	$ 15,462	$ 15,362
LIABILITIES AND EQUITY			
Current liabilities:			
Current maturities of long-term debt	$ 18	$ 117	$ 905
Short-term borrowings	336	486	366
Accounts payable	433	511	484
Derivative instruments	32	57	43
Held for sale liabilities	104	—	—
Other current liabilities	657	810	754
Total current liabilities	1,580	1,981	2,552
Long-term debt	6,695	6,531	5,683
Deferred income taxes	1,048	973	1,015
Derivative instruments	11	23	39
Other noncurrent liabilities	1,075	1,168	1,189
Total liabilities	10,409	10,676	10,478
Commitments and contingencies (Note 9)			
Equity:			
UGI Corporation stockholders' equity:			
UGI Common Stock, without par value (authorized — 450,000,000 shares; issued — 217,706,132, 217,033,282 and 216,929,085 shares, respectively)	1,736	1,709	1,703
Retained earnings	3,777	3,334	3,428
Accumulated other comprehensive income (loss)	(182)	(173)	(181)
Treasury stock, at cost	(118)	(93)	(76)
Total UGI Corporation stockholders' equity	5,213	4,777	4,874
Noncontrolling interests	9	9	10
Total equity	5,222	4,786	4,884
Total liabilities and equity	$ 15,631	$ 15,462	$ 15,362

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 June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Revenues	$ 1,331	$ 1,394	$ 6,099	$ 6,090
Costs and expenses:				
Cost of sales (excluding depreciation and amortization shown below)	758	837	2,957	3,061
Operating and administrative expenses	491	481	1,570	1,524
Depreciation and amortization	138	140	416	416
Net loss (gain) on disposals of businesses	7	54	42	54
Other operating expense (income), net	(19)	(25)	(54)	(59)
	1,375	1,487	4,931	4,996
Operating income (loss)	(44)	(93)	1,168	1,094
Income (loss) from equity investees	(1)	—	8	6
Loss on extinguishments of debt	(15)	(10)	(15)	(10)
Other non-operating income (expense), net	8	(24)	20	(2)
Interest expense	(109)	(101)	(331)	(305)
Income (loss) before income taxes	(161)	(228)	850	783
Income tax benefit (expense)	28	65	(166)	(92)
Net income (loss) attributable to UGI Corporation	$ (133)	$ (163)	$ 684	$ 691
Earnings (loss) per common share attributable to UGI Corporation stockholders:				
Basic	$ (0.62)	$ (0.76)	$ 3.18	$ 3.22
Diluted	$ (0.62)	$ (0.76)	$ 3.08	$ 3.16
Weighted-average common shares outstanding (thousands):				
Basic	214,690	214,813	214,789	214,896
Diluted	214,690	214,813	221,787	218,423

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 June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Net income (loss) attributable to UGI Corporation	$ (133)	$ (163)	$ 684	$ 691
Other comprehensive income (loss):				
Net gains (losses) on derivative instruments (net of tax of $(3), $0, $(6) and $(3), respectively)	7	(2)	16	9
Reclassifications of net losses (gains) on derivative instruments (net of tax of $0, $1, $1 and $1, respectively)	(1)	(1)	(4)	(2)
Foreign currency adjustments (net of tax of $(4), $24, $(8) and $15, respectively)	(2)	89	(20)	64
Benefit plans (net of tax of $0, $0, $0 and $0, respectively)	(1)	1	(1)	1
Other comprehensive income (loss)	3	87	(9)	72
Comprehensive income (loss) attributable to UGI Corporation	$ (130)	$ (76)	$ 675	$ 763

See accompanying notes to condensed consolidated financial statements.

UGI CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(Millions of dollars)

	Nine Months Ended June 30, 2026	Nine Months Ended June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income attributable to UGI Corporation	$ 684	$ 691
Adjustments to reconcile net income attributable to UGI Corporation to net cash provided by operating activities:		
Depreciation and amortization	416	416
Deferred income tax expense (benefit), net	95	16
Provision for uncollectible accounts	43	41
Changes in unrealized gains and losses on derivative instruments	(55)	30
Net loss (gain) on disposals of businesses	42	54
Loss on extinguishments of debt	15	10
Loss (income) from equity investees	(8)	(6)
Other, net	(26)	(14)
Net change in:		
Accounts receivable and accrued utility revenues	(143)	(137)
Income taxes receivable	(1)	12
Inventories	10	58
Utility deferred fuel costs, net of changes in unsettled derivatives	(31)	(23)
Accounts payable	(15)	(29)
Derivative instruments collateral deposits received (paid)	18	4
Other current assets	53	57
Other current liabilities	(125)	(43)
Net cash provided by operating activities	972	1,137
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property, plant and equipment	(617)	(579)
Net proceeds from the disposition of businesses and assets	152	107
Investments in equity method investees	(4)	(26)
Settlements of net investment hedges	—	(4)
Other, net	—	3
Net cash provided (used) by investing activities	(469)	(499)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends on Common Stock	(241)	(241)
Issuances of debt, net of discount and issuance costs	1,277	1,553
Repayments of long-term debt and finance leases, including redemption premiums	(1,205)	(1,707)
Short-term borrowings (repayments), net	(149)	(108)
Issuances of Common Stock	15	15
Repurchases of Common Stock	(23)	(17)
Net cash provided (used) by financing activities	(326)	(505)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(9)	9
Cash, cash equivalents and restricted cash increase (decrease)	$ 168	$ 142
CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Cash, cash equivalents and restricted cash at end of period	$ 523	$ 370
Cash, cash equivalents and restricted cash at beginning of period	355	228
Cash, cash equivalents and restricted cash increase (decrease)	$ 168	$ 142

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 June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Common stock, without par value				
Balance, beginning of period	$ 1,731	$ 1,684	$ 1,709	$ 1,676
Common Stock issued in connection with employee and director plans, net of tax withheld	1	14	15	15
Equity-based compensation expense	4	5	12	12
Balance, end of period	$ 1,736	$ 1,703	$ 1,736	$ 1,703
Retained earnings				
Balance, beginning of period	$ 3,990	$ 3,671	$ 3,334	$ 2,978
Net income (loss) attributable to UGI Corporation	(133)	(163)	684	691
Cash dividends on UGI Common Stock ($0.375, $0.375, $1.13 and $1.13, respectively)	(80)	(80)	(241)	(241)
Balance, end of period	$ 3,777	$ 3,428	$ 3,777	$ 3,428
Accumulated other comprehensive income (loss)				
Balance, beginning of period	$ (185)	$ (268)	$ (173)	$ (253)
Other comprehensive income (loss)	3	87	(9)	72
Balance, end of period	$ (182)	$ (181)	$ (182)	$ (181)
Treasury stock				
Balance, beginning of period	$ (117)	$ (75)	$ (93)	$ (56)
Repurchases of Common Stock	—	—	(23)	(17)
Reacquired Common Stock - employee and director plans	(1)	(1)	(2)	(3)
Balance, end of period	$ (118)	$ (76)	$ (118)	$ (76)
Total UGI stockholders' equity	$ 5,213	$ 4,874	$ 5,213	$ 4,874
Noncontrolling interests				
Balance, beginning of period	$ 9	$ 9	$ 9	$ 9
Other	—	1	—	1
Balance, end of period	$ 9	$ 10	$ 9	$ 10
Total equity	$ 5,222	$ 4,884	$ 5,222	$ 4,884

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.

	June 30, 2026	June 30, 2025
Cash and cash equivalents	$ 476	$ 350
Restricted cash	47	20
Cash, cash equivalents and restricted cash	$ 523	$ 370

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 June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Denominator (thousands of shares):				
Weighted-average common shares outstanding — basic	214,690	214,813	214,789	214,896
Incremental shares issuable for stock options, and common stock awards(a)	—	—	1,048	746
UGI Corporation Senior Notes (a) (b)	—	—	5,950	2,781
Weighted-average common shares outstanding — diluted	214,690	214,813	221,787	218,423

(a) For the three months ended June 30, 2026 and 2025, 6,546 and 5,853 shares, respectively, have been excluded from the computation of diluted earnings per share as such incremental shares would be antidilutive due to the net losses for the periods. For the nine months ended June 30, 2026 and 2025, there were 5,555 and 5,212 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 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 June 30, 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

Environmental Credits and Environmental Credit Obligations. In May 2026, the FASB issued ASU 2026-02, "Environmental Credits and Environmental Credit Obligations (Topic 818)" which provides authoritative guidance for the recognition, measurement, presentation, and disclosure of environmental credits and environmental credit obligations. 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 should be applied using the modified retrospective 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.

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.

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. The 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.

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Currency in millions, except per share amounts and where indicated otherwise)

Revenue Disaggregation

The following tables present our disaggregated revenues by reportable segment:

Three Months Ended June 30, 2026	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
Revenues from contracts with customers:							
Utility:							
Core Market:							
Residential	$ 169	$ —	$ 169	$ —	$ —	$ —	$ —
Commercial & Industrial	65	—	65	—	—	—	—
Large delivery service	39	—	39	—	—	—	—
Off-system sales and capacity releases	10	(2)	12	—	—	—	—
Other	11	(1)	12	—	—	—	—
Total Utility	294	(3)	297	—	—	—	—
Non-Utility:							
LPG:							
Retail	679	—	—	—	362	317	—
Wholesale	41	—	—	—	40	1	—
Energy Marketing	171	(19)	—	182	8	—	—
Midstream:							
Pipeline	52	—	—	52	—	—	—
Peaking	2	(6)	—	8	—	—	—
Other	6	—	—	6	—	—	—
Other	54	—	—	—	16	38	—
Total Non-Utility	1,005	(25)	—	248	426	356	—
Total revenues from contracts with customers	1,299	(28)	297	248	426	356	—
Other revenues (b)	32	—	5	1	10	16	—
Total revenues	$ 1,331	$ (28)	$ 302	$ 249	$ 436	$ 372	$ —

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Currency in millions, except per share amounts and where indicated otherwise)

Three Months Ended June 30, 2025	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
Revenues from contracts with customers:							
Utility:							
Core Market:							
Residential	$ 151	$ —	$ 151	$ —	$ —	$ —	$ —
Commercial & Industrial	61	—	61	—	—	—	—
Large delivery service	40	—	40	—	—	—	—
Off-system sales and capacity releases	13	(11)	24	—	—	—	—
Other	7	(1)	8	—	—	—	—
Total Utility	272	(12)	284	—	—	—	—
Non-Utility:							
LPG:							
Retail	724	—	—	—	360	364	—
Wholesale	44	—	—	—	34	10	—
Energy Marketing	198	(27)	—	213	12	—	—
Midstream:							
Pipeline	53	—	—	53	—	—	—
Peaking	1	(5)	—	6	—	—	—
Other	6	—	—	6	—	—	—
Other	62	—	—	—	21	41	—
Total Non-Utility	1,088	(32)	—	278	427	415	—
Total revenues from contracts with customers	1,360	(44)	284	278	427	415	—
Other revenues (b)	34	—	3	—	10	19	2
Total revenues	$ 1,394	$ (44)	$ 287	$ 278	$ 437	$ 434	$ 2

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Currency in millions, except per share amounts and where indicated otherwise)

Nine Months Ended June 30, 2026	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
Revenues from contracts with customers:							
Utility:							
Core Market:							
Residential	$ 1,029	$ —	$ 1,029	$ —	$ —	$ —	$ —
Commercial & Industrial	410	—	410	—	—	—	—
Large delivery service	151	—	151	—	—	—	—
Off-system sales and capacity releases	93	(86)	179	—	—	—	—
Other	19	(2)	21	—	—	—	—
Total Utility	1,702	(88)	1,790	—	—	—	—
Non-Utility:							
LPG:							
Retail	2,926	—	—	—	1,398	1,528	—
Wholesale	149	—	—	—	124	25	—
Energy Marketing	863	(227)	—	1,061	29	—	—
Midstream:							
Pipeline	159	—	—	159	—	—	—
Peaking	37	(113)	—	150	—	—	—
Other	20	—	—	20	—	—	—
Other	174	—	—	—	49	125	—
Total Non-Utility	4,328	(340)	—	1,390	1,600	1,678	—
Total revenues from contracts with customers	6,030	(428)	1,790	1,390	1,600	1,678	—
Other revenues (b)	69	—	(17)	1	32	53	—
Total revenues	$ 6,099	$ (428)	$ 1,773	$ 1,391	$ 1,632	$ 1,731	$ —

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Currency in millions, except per share amounts and where indicated otherwise)

Nine Months Ended June 30, 2025	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
Revenues from contracts with customers:							
Utility:							
Core Market:							
Residential	$ 861	$ —	$ 861	$ —	$ —	$ —	$ —
Commercial & Industrial	342	—	342	—	—	—	—
Large delivery service	156	—	156	—	—	—	—
Off-system sales and capacity releases	66	(72)	138	—	—	—	—
Other	23	(1)	24	—	—	—	—
Total Utility	1,448	(73)	1,521	—	—	—	—
Non-Utility:							
LPG:							
Retail	3,108	—	—	—	1,462	1,646	—
Wholesale	194	—	—	—	127	67	—
Energy Marketing	820	(140)	—	914	46	—	—
Midstream:							
Pipeline	170	—	—	170	—	—	—
Peaking	25	(107)	—	132	—	—	—
Other	16	—	—	16	—	—	—
Other	200	—	—	—	60	140	—
Total Non-Utility	4,533	(247)	—	1,232	1,695	1,853	—
Total revenues from contracts with customers	5,981	(320)	1,521	1,232	1,695	1,853	—
Other revenues (b)	109	—	24	—	30	56	(1)
Total revenues	$ 6,090	$ (320)	$ 1,545	$ 1,232	$ 1,725	$ 1,909	$ (1)

(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 $100, $132 and $110 at June 30, 2026, September 30, 2025 and June 30, 2025, respectively, and are included in “Other current liabilities” and “Other noncurrent liabilities” on the Condensed Consolidated Balance Sheets. Revenues recognized for the nine months ended June 30, 2026 and 2025, from the amounts included in contract liabilities at September 30, 2025 and 2024, were $92 and $99, respectively.

Notes to Condensed Consolidated Financial Statements
(unaudited)
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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 June 30, 2026, the Company expects to record approximately $1.2 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. At June 30, 2026, the Electric Utility's assets and liabilities were classified as held for sale and included in "Held for sale assets" and "Held for sale liabilities", respectively, on the Condensed Consolidated Balance Sheet. 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.

The major classes of assets and liabilities of the Electric Utility business which are held for sale at June 30, 2026 are as follows:

Held for sale assets:	
Property, plant and equipment, net	$ 284
Other current and noncurrent assets	64
Total held for sale assets	$ 348
Held for sale liabilities:	
Deferred income tax liabilities	$ 48
Regulatory liabilities	28
Other current and noncurrent liabilities	28
Total held for sale liabilities	$ 104

Global LPG Business Transactions

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

UGI International. 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. The sale was completed in May 2026, subject to customary post-closing working capital adjustments. During the second quarter of Fiscal 2026, the Company classified the assets and liabilities associated with these businesses, primarily comprised of long-lived assets and goodwill allocated to the disposal group, as held for sale and recognized a non-cash, pre-tax impairment charge of $64 to record such assets at estimated fair value less costs to sell. During the third quarter of Fiscal 2026, in conjunction with the completion of the sale, the Company recognized an incremental loss on disposal of $7, resulting in a total loss of $71 for the nine months ended June 30, 2026.

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Currency in millions, except per share amounts and where indicated otherwise)

In February 2026, UGI International, through a wholly-owned subsidiary, completed the sale of its LPG business in Romania. For the nine months ended June 30, 2026, the Company recognized a pre-tax loss on sale of $2.

In November 2025, UGI International, through a wholly-owned subsidiary, completed the sale of Flaga, its LPG distribution business in Austria. For the nine months ended June 30, 2026, the Company recognized a pre-tax gain on the sale of $29.

In October 2025, UGI International, through a wholly-owned subsidiary, completed the sale of its cylinder business in the United Kingdom. For the nine months ended June 30, 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 $7 and $42 for the three and nine months ended June 30, 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 $145 from these divestitures.

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

Note 6 — Inventories

Inventories comprise the following:

	June 30, 2026	September 30, 2025	June 30, 2025
Non-utility LPG and natural gas	$ 160	$ 162	$ 159
Gas Utility natural gas	35	67	38
Energy certificates	57	64	64
Materials, supplies and other	100	92	98
Total inventories	$ 352	$ 385	$ 359

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

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:

	June 30, 2026	September 30, 2025	June 30, 2025
Regulatory assets (a):			
Income taxes recoverable	$ 114	$ 113	$ 111
Underfunded pension plans	96	100	102
Environmental costs	25	22	27
Deferred fuel and power costs	71	39	15
Removal costs, net	29	30	29
Other	32	36	35
Total regulatory assets	$ 367	$ 340	$ 319
Regulatory liabilities (a):			
Postretirement benefits	$ 13	$ 14	$ 12
Deferred fuel and power refunds	5	4	10
State income tax benefits — distribution system repairs	50	49	45
Excess federal deferred income taxes	237	239	243
Other	10	8	13
Total regulatory liabilities	$ 315	$ 314	$ 323

(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 underbilled 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 June 30, 2026, September 30, 2025 and June 30, 2025 were $(5), $(5) and $1, respectively.

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. On July 6, 2026, a joint petition for approval of settlement of all issues was filed with the PAPUC. It provided for a $65 annual base distribution rate increase, through a phased approach, with an increase of $40 effective October 1, 2026 and an additional increase of $25 effective October 1, 2027. It also provided for maintenance of the weather normalization adjustment through the end of the second pilot period with modification. In accordance with the terms of the joint petition, PA Gas Utility will not be permitted to file a general rate increase request prior to January 15, 2029. On July 31, 2026, the presiding PAPUC administrative law judges recommended that the settlement be approved without modification. The joint petition remains subject to receipt of a final order of the PAPUC approving the settlement. 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, 2026, WV Gas Utility submitted its 2026 IREP filing to the WVPSC requesting recovery of $14, an increase of $9, for costs associated with capital investments after September 30, 2025, that total $180, including $83 in calendar year 2027. The filing included capital investments totaling $475 over the 2027 - 2031 period. An order from the WVPSC is expected in December with new rates effective January 1, 2027.

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.

AmeriGas Propane

AmeriGas Partners Senior Notes. In May 2026, AmeriGas Partners and AmeriGas Finance Corp. issued $500 aggregate principal amount of 6.875% Senior Notes due June 2031. The net proceeds from the issuance of the 6.875% Senior Notes, together with cash on hand and a $300 equity contribution from UGI, funded through a dividend from UGI International, LLC, were used to (1) repay in full the $512 outstanding principal balance of the 5.750% Senior Notes, due May 2027, pursuant to a tender offer and notice of redemption, plus tender and make-whole premiums and accrued and unpaid interest; (2) repurchase $175 aggregate principal amount of the 9.375% Senior Notes, due June 2028, pursuant to a tender offer, plus tender premiums and accrued and unpaid interest, resulting in $318 aggregate principal amount of 9.375% Senior Notes outstanding as of June 30, 2026; (3) repay in full the $150 outstanding borrowings of the intercompany loan with UGI International, plus accrued and unpaid interest; and (4) pay related fees and expenses. The 6.875% Senior Notes rank equally with AmeriGas Partners’ existing and future senior unsecured indebtedness and contain customary covenants and default provisions.

UGI International

UGI International Senior Notes. In May 2026, UGI International, LLC issued €300 aggregate principal amount of 5.00% Senior Notes due June 2031. The net proceeds from the issuance of the 5.00% Senior Notes, together with the $150 intercompany loan repayment received from AmeriGas Partners, were used to (1) prepay €70 aggregate principal amount of the Term Loan, due March 2028, plus accrued and unpaid interest, resulting in €230 aggregate principal amount of the Term Loan outstanding as of June 30, 2026; (2) pay related fees and expenses; (3) reduce short-term borrowings; and (4) fund general corporate purposes. The 5.00% Senior Notes rank equally with UGI International's existing and future senior unsecured indebtedness, including borrowings under the Credit Facilities Agreement, and contain customary covenants and default provisions. We have designated the UGI International 5.00% Senior Notes as a net investment hedge.

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 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.

In June 2026, UGI Utilities repaid the $100 outstanding principal balance of the 2.95% Senior Notes due June 2026 upon maturity.

Midstream & Marketing

Energy Services Term Loan Credit Agreement. In June 2026, Energy Services entered into the fourth amendment to the Energy Services Term Loan Credit Agreement. The Energy Services Term Loan Credit Agreement, as amended, provides, among other items, that the applicable margin shall be 2.00% per annum for Term SOFR loans and 1.00% per annum for base rate loans. All other significant terms of the term loan credit agreement remain unchanged.

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. As of June 30, 2026, none of the events permitting the noteholders to convert their notes early existed. Accordingly, the UGI Corporation Senior Notes are classified as "Long-term debt" on the Condensed Consolidated Balance Sheet. For the three and nine months ended June 30, 2026 and 2025, the Company recognized $10 and $30, respectively, in both periods, of interest expense, including amortization of debt issuance costs, related to the UGI Corporation Senior Notes at the effective interest rate of 5.68% for all periods.

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 $944 and $894 at June 30, 2026 and September 30, 2025, respectively.

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

Loss on Extinguishments of Debt

In conjunction with the amendment to the Energy Services Term Loan Credit Agreement and the early repayments of AmeriGas Partners' Senior Notes, during the third quarter of Fiscal 2026, the Company recognized a pre-tax loss of $15, primarily comprising tender and make whole premiums and the write-off of unamortized debt issuance costs.

During the third quarter of Fiscal 2025, pursuant to a tender offer and notice of redemption, AmeriGas Partners repaid in full all AmeriGas Partners' 5.875% Senior Notes having an aggregate principal balance of $664. During the third quarter of Fiscal 2025, the Company recognized a pre-tax loss of $10, primarily related to AmeriGas Propane, comprising tender and make whole premiums and the write-off of unamortized debt issuance costs.

Losses in connection with early repayment of debt are reflected in "Loss on extinguishments of debt" on the Condensed Consolidated Statements of Income.

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 $1,809 and repayments of $1,958 during the nine months ended June 30, 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 June 30, 2026, September 30, 2025 and June 30, 2025, our aggregate estimated accrued liabilities for environmental investigation and remediation costs related to the COA totaled $66, $63 and $53, 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 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 is vigorously defending 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.

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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.

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)			
	Level 1	Level 2	Level 3	Total
June 30, 2026:				
Derivative instruments:				
Assets:				
Commodity contracts	$ 58	$ 35	$ —	$ 93
Foreign currency contracts	$ —	$ 14	$ —	$ 14
Interest rate contracts	$ —	$ 5	$ —	$ 5
Liabilities:				
Commodity contracts	$ (83)	$ (22)	$ —	$ (105)
Foreign currency contracts	$ —	$ (4)	$ —	$ (4)
Interest rate contracts	$ —	$ (2)	$ —	$ (2)
Non-qualified supplemental postretirement grantor trust investments (a)	$ 37	$ —	$ —	$ 37
September 30, 2025:				
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
June 30, 2025:				
Derivative instruments:				
Assets:				
Commodity contracts	$ 100	$ 13	$ —	$ 113
Interest rate contracts	$ —	$ 1	$ —	$ 1
Liabilities:				
Commodity contracts	$ (103)	$ (55)	$ —	$ (158)
Foreign currency contracts	$ —	$ (25)	$ —	$ (25)
Interest rate contracts	$ —	$ (14)	$ —	$ (14)
Non-qualified supplemental postretirement grantor trust investments (a)	$ 34	$ —	$ —	$ 34

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

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

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 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:

	June 30, 2026	September 30, 2025	June 30, 2025
Carrying amount	$ 6,768	$ 6,701	$ 6,644
Estimated fair value	$ 6,880	$ 6,777	$ 6,743

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.

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 June 30, 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 not material.

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 $13 and $(68) during the three months ended June 30, 2026 and 2025, respectively, and $26 and $(46) during the nine months ended June 30, 2026 and 2025, respectively.

Quantitative Disclosures Related to Derivative Instruments

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

			Notional Amounts (in millions)		
Type	Units	Settlements Extending Through	June 30, 2026	September 30, 2025	June 30, 2025
Commodity Price Risk:					
Regulated Utility Operations					
PA Gas Utility NYMEX natural gas futures and option contracts	Dekatherms	February 2027	12	28	15
Non-utility Operations					
LPG swaps	Gallons	May 2029	401	608	536
Natural gas futures, forward, basis swap, options and pipeline contracts	Dekatherms	March 2030	212	237	241
Electricity forward and futures contracts	Kilowatt hours	December 2029	999	929	791
Interest Rate Risk:					
Interest rate swaps	Euro	June 2027	€ 200	€ 300	€ 300
Interest rate swaps	USD	September 2028	$ 1,585	$ 1,443	$ 1,446
Foreign Currency Exchange Rate Risk:					
Forward foreign currency exchange contracts	USD	September 2029	$ 468	$ 500	$ 440
Net investment hedge forward foreign exchange contracts	Euro	December 2026	€ 106	€ 106	€ 106

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 June 30, 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 $112. 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 June 30, 2026, we had received cash collateral from derivative instrument counterparties totaling $1. 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 June 30, 2026, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

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.

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

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:

	June 30, 2026	September 30, 2025	June 30, 2025
Derivative assets:			
Derivatives designated as hedging instruments:			
Foreign currency contracts	$ 6	$ 1	$ —
Interest rate contracts	5	—	1
	11	1	1
Derivatives subject to PGC and DS mechanisms:			
Commodity contracts	—	3	3
Derivatives not designated as hedging instruments:			
Commodity contracts	93	93	110
Foreign currency contracts	8	—	—
	101	93	110
Total derivative assets — gross	112	97	114
Gross amounts offset in the balance sheet	(68)	(65)	(77)
Cash collateral received	(1)	(2)	(21)
Total derivative assets — net	$ 43	$ 30	$ 16
Derivative liabilities:			
Derivatives designated as hedging instruments:			
Interest rate contracts	$ (2)	$ (12)	$ (14)
Derivatives subject to PGC and DS mechanisms:			
Commodity contracts	(5)	(8)	(2)
Derivatives not designated as hedging instruments:			
Commodity contracts	(100)	(125)	(156)
Foreign currency contracts	(4)	(19)	(25)
	(104)	(144)	(181)
Total derivative liabilities — gross	(111)	(164)	(197)
Gross amounts offset in the balance sheet	68	65	77
Cash collateral pledged	—	19	38
Total derivative liabilities — net	$ (43)	$ (80)	$ (82)

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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 June 30,:

	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		Location of Gain (Loss) Reclassified from AOCI into Income
Cash Flow Hedges:	2026	2025	2026	2025	
Interest rate contracts	$ 10	$ (2)	$ 1	$ 2	Interest expense
Net Investment Hedges:					
Foreign currency contracts	$ 1	$ (17)			

	Gain (Loss) Recognized in Income		
Derivatives Not Designated as Hedging Instruments:	2026	2025	Location of Gain (Loss) Recognized in Income
Commodity contracts	$ —	$ 1	Revenues
Commodity contracts	(86)	(122)	Cost of sales
Commodity contracts	2	(1)	Other operating expense (income), net
Foreign currency contracts	6	(26)	Other non-operating income (expense), net
Total	$ (78)	$ (148)	

Nine Months Ended June 30,:

	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		Location of Gain (Loss) Reclassified from AOCI into Income
Cash Flow Hedges:	2026	2025	2026	2025	
Interest rate contracts	$ 22	$ 12	$ 5	$ 3	Interest expense
Net Investment Hedges:					
Foreign currency contracts	$ 5	$ (10)			

	Gain (Loss) Recognized in Income		
Derivatives Not Designated as Hedging Instruments:	2026	2025	Location of Gain (Loss) Recognized in Income
Commodity contracts	$ —	$ (1)	Revenues
Commodity contracts	84	14	Cost of sales
Commodity contracts	(1)	(2)	Other operating expense (income), net
Foreign currency contracts	14	(10)	Other non-operating income (expense), net
Total	$ 97	$ 1	

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:

Three Months Ended June 30, 2026	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — March 31, 2026	$ 23	$ (9)	$ (199)	$ (185)
Other comprehensive income (loss) before reclassification adjustments	—	7	(2)	5
Amounts reclassified from AOCI	(1)	(1)	—	(2)
Other comprehensive income (loss) attributable to UGI	(1)	6	(2)	3
AOCI — June 30, 2026	$ 22	$ (3)	$ (201)	$ (182)

Three Months Ended June 30, 2025	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — March 31, 2025	$ 10	$ (13)	$ (265)	$ (268)
Other comprehensive income (loss) before reclassification adjustments	—	(2)	89	87
Amounts reclassified from AOCI	1	(1)	—	—
Other comprehensive income (loss) attributable to UGI	1	(3)	89	87
AOCI — June 30, 2025	$ 11	$ (16)	$ (176)	$ (181)

Nine Months Ended June 30, 2026	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — September 30, 2025	$ 23	$ (15)	$ (181)	$ (173)
Other comprehensive income (loss) before reclassification adjustments	—	16	(20)	(4)
Amounts reclassified from AOCI	(1)	(4)	—	(5)
Other comprehensive income (loss) attributable to UGI	(1)	12	(20)	(9)
AOCI — June 30, 2026	$ 22	$ (3)	$ (201)	$ (182)

Nine Months Ended June 30, 2025	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — September 30, 2024	$ 10	$ (23)	$ (240)	$ (253)
Other comprehensive income (loss) before reclassification adjustments	—	9	64	73
Amounts reclassified from AOCI	1	(2)	—	(1)
Other comprehensive income (loss) attributable to UGI	1	7	64	72
AOCI — June 30, 2025	$ 11	$ (16)	$ (176)	$ (181)

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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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:

Three Months Ended June 30, 2026	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	$ 1,331	$ —	$ 299	$ 224	$ 436	$ 372	$ —
Intersegment revenues	—	(28)	3	25	—	—	—
Cost of sales	758	(28)	117	159	250	171	89
Operating and administrative expenses (b)	491	(25)	100	40	126	220	30
Depreciation and amortization	138	—	47	22	27	42	—
Income (loss) from equity investees	(1)	—	—	(1)	—	—	—
Other segment income (loss) (c)	5	(28)	2	3	8	8	12
Earnings (loss) before interest expense and income taxes	(52)	(3)	40	30	41	(53)	(107)
Interest expense	(109)	3	(29)	(15)	(11)	(35)	(22)
Income tax benefit (expense)	28	—	(2)	(3)	(12)	26	19
Net income (loss) attributable to UGI	$ (133)	$ —	$ 9	$ 12	$ 18	$ (62)	$ (110)
Capital expenditures (including the effects of accruals)	$ 219	$ —	$ 150	$ 16	$ 26	$ 27	$ —

Three Months Ended June 30, 2025	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	$ 1,394	$ —	$ 275	$ 246	$ 437	$ 434	$ 2
Intersegment revenues	—	(44)	12	32	—	—	—
Cost of sales	837	(44)	115	201	245	207	113
Operating and administrative expenses (b)	481	(24)	100	32	129	220	24
Depreciation and amortization	140	—	44	20	31	45	—
Other segment income (loss) (c)	(63)	(28)	2	2	11	10	(60)
Earnings (loss) before interest expense and income taxes	(127)	(4)	30	27	43	(28)	(195)
Interest expense	(101)	5	(24)	(11)	(13)	(36)	(22)
Income tax benefit (expense)	65	—	(1)	3	6	101	(44)
Net income (loss) attributable to UGI	$ (163)	$ 1	$ 5	$ 19	$ 36	$ 37	$ (261)
Capital expenditures (including the effects of accruals)	$ 220	$ —	$ 146	$ 30	$ 24	$ 20	$ —

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Nine Months Ended June 30, 2026	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	$ 6,099	$ —	$ 1,685	$ 1,051	$ 1,632	$ 1,731	$ —
Intersegment revenues	—	(428)	88	340	—	—	—
Cost of sales	2,957	(428)	859	959	864	733	(30)
Operating and administrative expenses (b)	1,570	(76)	330	111	401	723	81
Depreciation and amortization	416	—	142	65	82	127	—
Income (loss) from equity investees	8	—	—	8	—	—	—
Other segment income (loss) (c)	17	(86)	5	4	12	27	55
Earnings before interest expense and income taxes	1,181	(10)	447	268	297	175	4
Interest expense	(331)	10	(88)	(44)	(33)	(110)	(66)
Income tax benefit (expense)	(166)	—	(81)	(42)	(40)	(18)	15
Net income (loss) attributable to UGI	$ 684	$ —	$ 278	$ 182	$ 224	$ 47	$ (47)
Capital expenditures (including the effects of accruals)	$ 590	$ —	$ 410	$ 38	$ 56	$ 86	$ —
As of June 30, 2026							
Total assets	$ 15,631	$ (169)	$ 6,742	$ 3,222	$ 2,833	$ 2,821	$ 182

Nine Months Ended June 30, 2025	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (d)
Revenues from external customers	$ 6,090	$ —	$ 1,472	$ 985	$ 1,725	$ 1,909	$ (1)
Intersegment revenues	—	(320)	73	247	—	—	—
Cost of sales	3,061	(320)	697	815	967	889	13
Operating and administrative expenses (b)	1,524	(75)	311	92	405	713	78
Depreciation and amortization	416	—	132	60	89	135	—
Income (loss) from equity investees	6	—	—	7	(1)	—	—
Other segment income (loss) (c)	(7)	(82)	7	4	33	28	3
Earnings (loss) before interest expense and income taxes	1,088	(7)	412	276	296	200	(89)
Interest expense	(305)	8	(75)	(35)	(34)	(106)	(63)
Income tax benefit (expense)	(92)	—	(77)	17	(33)	(78)	79
Net income (loss) attributable to UGI	$ 691	$ 1	$ 260	$ 258	$ 229	$ 16	$ (73)
Capital expenditures (including the effects of accruals)	$ 555	$ —	$ 352	$ 89	$ 55	$ 59	$ —
As of June 30, 2025							
Total assets	$ 15,362	$ (381)	$ 6,228	$ 3,188	$ 3,191	$ 2,964	$ 172

(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 $96 and $96 for the three months ended June 30, 2026 and 2025, respectively, and $307 and $290 for the nine months ended June 30, 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 nine months ended June 30, 2026 and 2025:

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Currency in millions, except per share amounts and where indicated otherwise)

Three Months Ended June 30, 2026	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	$ —	$ (76)	$ (13)
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Other operating expense (income), net	$ —	$ (2)	$ —
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	$ —	$ 7	$ —
Loss on extinguishments of debt	Loss on extinguishments of debt	$ (2)	$ —	$ (13)
Net gain (loss) on disposals of businesses	Net loss (gain) on disposals of businesses	$ —	$ (7)	$ —
Restructuring costs	Operating and administrative expenses	$ —	$ —	$ (2)
Interest income from intersegment loan	Other operating expense (income), net	$ —	$ 2	$ —

Three Months Ended June 30, 2025	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	$ (59)	$ (50)	$ (3)
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	$ —	$ (25)	$ —
Loss on extinguishments of debt	Loss on extinguishments of debt	$ —	$ —	$ (9)
Net gain (loss) on disposals of businesses	Net loss (gain) on disposals of businesses	$ —	$ (54)	$ —
Interest income from intersegment loan	Other operating expense (income), net	$ —	$ 5	$ —

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Currency in millions, except per share amounts and where indicated otherwise)

Nine Months Ended June 30, 2026	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)	$ 54	$ 4
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Other operating expense (income), net	$ —	$ 2	$ —
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	$ —	$ 23	$ —
Loss on extinguishments of debt	Loss on extinguishments of debt	$ (2)	$ —	$ (13)
Net gain (loss) on disposals of businesses	Net loss (gain) on disposals of businesses	$ —	$ (42)	$ —
Restructuring costs	Operating and administrative expenses	$ —	$ —	$ (2)
Interest income from intersegment loan	Other operating expense (income), net	$ —	$ 10	$ —

Nine Months Ended June 30, 2025	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	$ (46)	$ 7
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	$ —	$ (16)	$ —
Loss on extinguishments of debt	Loss on extinguishments of debt	$ —	$ —	$ (9)
Net gain (loss) on disposals of businesses	Net loss (gain) on disposals of businesses	$ —	$ (54)	$ —
Interest income from intersegment loan	Other operating expense (income), net	$ —	$ 8	$ —

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 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 nine-month period with the 2025 nine-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. At June 30, 2026, the Electric Utility's assets and liabilities were classified as held for sale and included in "Held for sale assets" and "Held for sale liabilities", respectively, on the Condensed Consolidated Balance Sheet. 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 global LPG business portfolio optimization efforts, the Company has strategically divested operations in non-core markets to focus resources where it can achieve superior operational results and deliver enhanced customer value.

UGI International. 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. The sale was completed in May 2026, subject to customary post-closing working capital adjustments. During the second quarter of Fiscal 2026, the Company classified the assets and liabilities associated with these businesses, primarily comprised of long-lived assets and goodwill allocated to the disposal group, as held for sale and recognized a non-cash, pre-tax impairment charge of $64 to record such assets at estimated fair value less costs to sell. During the third quarter of Fiscal 2026, in conjunction with the completion of the sale, the Company recognized an incremental loss on disposal of $7, resulting in a total loss of $71 for the nine months ended June 30, 2026.

In February 2026, UGI International, through a wholly-owned subsidiary, completed the sale of its LPG business in Romania. For the nine months ended June 30, 2026, the Company recognized a pre-tax loss on sale of $2.

In November 2025, UGI International, through a wholly-owned subsidiary, completed the sale of Flaga, its LPG distribution business in Austria. For the nine months ended June 30, 2026, the Company recognized a pre-tax gain on the sale of $29.

In October 2025, UGI International, through a wholly-owned subsidiary, completed the sale of its cylinder business in the United Kingdom. For the nine months ended June 30, 2026, the Company recognized a pre-tax gain on the sale of $2.

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

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

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:

Adjusted net income (loss) attributable to UGI Corporation:	Three Months Ended June 30,		Nine Months Ended June 30,	
	2026	2025	2026	2025
Utilities	$ 9	$ 5	$ 278	$ 260
Midstream & Marketing	12	19	182	258
UGI International	18	36	224	229
AmeriGas Propane	(62)	37	47	16
Corporate & Other (a)	(110)	(260)	(47)	(72)
Net income (loss) attributable to UGI Corporation	(133)	(163)	684	691
Net losses (gains) on commodity derivative instruments not associated with current-period transactions (net of tax of $(15), $(31), $11 and $(2), respectively)	76	81	(21)	12
Unrealized losses (gains) on foreign currency derivative instruments (net of tax of $1, $(7), $6 and $(4), respectively)	(6)	18	(17)	12
Loss on extinguishments of debt (net of tax of $(4), $(2) $(4) and $(2), respectively)	11	8	11	8
Restructuring costs (net of tax of $(2), $0, $(2) and $0, respectively)	4	—	4	—
Net loss (gain) on disposals of businesses (net of tax of $(2), $(1), $(1) and $(1), respectively)	5	53	41	53
Total adjustments (a) (b)	90	160	18	85
Adjusted net income (loss) attributable to UGI Corporation	$ (43)	$ (3)	$ 702	$ 776

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

	Three Months Ended June 30,		Nine Months Ended June 30,	
Adjusted diluted earnings (loss) per share:	2026	2025	2026	2025
Utilities	$ 0.04	$ 0.02	$ 1.26	$ 1.19
Midstream & Marketing	0.06	0.09	0.82	1.18
UGI International	0.08	0.17	1.01	1.05
AmeriGas Propane	(0.29)	0.17	0.21	0.07
Corporate & Other (a)	(0.51)	(1.21)	(0.22)	(0.33)
Earnings (loss) per share - diluted	(0.62)	(0.76)	3.08	3.16
Net losses (gains) on commodity derivative instruments not associated with current-period transactions	0.36	0.38	(0.08)	0.06
Unrealized losses (gains) on foreign currency derivative instruments	(0.03)	0.08	(0.08)	0.05
Loss on extinguishments of debt	0.05	0.04	0.05	0.04
Restructuring costs	0.02	—	0.02	—
Net loss (gain) on disposals of businesses	0.02	0.25	0.18	0.24
Total adjustments (a)	0.42	0.75	0.09	0.39
Adjusted diluted earnings (loss) per share	$ (0.20)	$ (0.01)	$ 3.17	$ 3.55

(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 loss attributable to UGI Corporation for the 2026 three-month period was $133 (equal to $0.62 loss per diluted share) compared to $163 (equal to $0.76 loss per diluted share) for the 2025 three-month period. These results include net losses from changes in unrealized commodity derivative instruments and certain foreign currency derivative instruments of $70 and $99 during the 2026 and 2025 three-month periods, respectively.

Net loss attributable to UGI Corporation for the 2026 three-month period also includes (1) a loss on extinguishments of debt of $11, primarily at AmeriGas Propane; (2) a $5 net loss on disposals of certain non-core assets from our LPG business at UGI International; and (3) restructuring costs of $4 largely attributable to a reduction in workforce and related costs.

Net loss attributable to UGI Corporation for the 2025 three-month period also includes (1) a $53 loss on disposals of certain non-core assets from our global LPG business; and (2) a loss on extinguishments of debt of $8, primarily at AmeriGas Propane.

Adjusted net loss attributable to UGI Corporation for the 2026 three-month period was $43 (equal to $0.20 loss per diluted share) compared to $3 (equal to $0.01 loss per diluted share) for the 2025 three-month period. The increase in adjusted net loss attributable to UGI Corporation during the 2026 three-month period reflects lower earnings contributions from our AmeriGas Propane, UGI International and Midstream & Marketing segments, partially offset by higher earnings contributions from the Utilities segment. During the 2026 three-month period, temperatures in our Utilities segment were colder than the prior-year period.

Utilities’ adjusted net income attributable to UGI Corporation increased $4 in the 2026 three-month period compared to the prior-year period, primarily attributable to higher total margin.

Midstream & Marketing's adjusted net income attributable to UGI Corporation decreased $7 in the 2026 three-month period, primarily attributable to higher income tax expenses, reflecting lower investment tax credits in the 2026 three-month period, partially offset by higher total margin.

UGI International's adjusted net income attributable to UGI Corporation decreased $18 in the 2026 three-month period, reflecting higher income tax expenses and, to a lesser extent, lower total margin.

AmeriGas Propane's adjusted net income attributable to UGI Corporation decreased $99, from adjusted net income in the 2025 three-month period to an adjusted net loss in the 2026 three-month period. The decrease principally reflects a lower income tax benefit in the current period; the segment's earnings before interest expense and income taxes declined $25 over the same period, with the balance of the change attributable to income taxes.

2026 nine-month period compared with 2025 nine-month period

Net income attributable to UGI Corporation for the 2026 nine-month period was $684 (equal to $3.08 per diluted share) compared to $691 (equal to $3.16 per diluted share) for the 2025 nine-month period. These results include net gains (losses) from changes in unrealized commodity derivative instruments and certain foreign currency derivative instruments of $38 and $(24) during the 2026 and 2025 nine-month periods, respectively.

Net income attributable to UGI Corporation for the 2026 nine-month period also includes (1) a $41 net loss on disposals of certain non-core assets from our LPG business at UGI International; (2) a loss on extinguishments of debt of $11, primarily at AmeriGas Propane; and (3) restructuring costs of $4 largely attributable to a reduction in workforce and related costs.

Net income attributable to UGI Corporation for the 2025 nine-month period also includes (1) a $53 loss on disposals of certain non-core assets from our global LPG business; and (2) a loss on extinguishments of debt of $8, primarily at AmeriGas Propane.

Adjusted net income attributable to UGI Corporation for the 2026 nine-month period was $702 (equal to $3.17 per diluted share) compared to $776 (equal to $3.55 per diluted share) for the 2025 nine-month period. The decrease in adjusted net income attributable to UGI Corporation for the 2026 nine-month period reflects lower earnings contributions from our Midstream & Marketing and UGI International segments, partially offset by higher earnings contributions from the AmeriGas Propane and Utilities segments. In addition, the decrease in adjusted net income during the 2026 nine-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 nine-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 $18 during the 2026 nine-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 $76 during the 2026 nine-month period, primarily attributable to higher income tax expenses and higher operating and administrative expenses, partially offset by higher total margin.

UGI International's adjusted net income attributable to UGI Corporation decreased $5 during the 2026 nine-month period. The decrease is mainly attributable to higher realized losses on foreign currency contracts, partially offset by higher total margin.

AmeriGas Propane's adjusted net income attributable to UGI Corporation increased $31 during the 2026 nine-month period, primarily reflecting significantly lower income tax expenses. This increase was achieved despite a $25 decline in earnings before interest expense and income taxes, and reflects lower total margin and higher operating and administrative expenses.

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

Analysis of Segment Results

2026 Three-Month Period Compared with the 2025 Three-Month Period

Utilities

For the three months ended June 30,	2026		2025		Increase (Decrease)		
Revenues	$	302	$	287	$	15	5 %
Total margin (a)	$	181	$	168	$	13	8 %
Operating and administrative expenses (a)	$	96	$	96	$	—	— %
Operating income	$	39	$	29	$	10	34 %
Earnings before interest expense and income taxes	$	40	$	30	$	10	33 %
Gas Utility system throughput—bcf							
Core market		12		12		—	— %
Total		73		82		(9)	(11)%
Electric Utility distribution sales - gwh		215		216		(1)	— %
Gas Utility degree days—% (warmer) than normal (b)		(4.1)%		(8.9)%		—	—

(a) Total margin represents revenues less cost of sales and revenue-related taxes (i.e., gross receipts and business and occupation taxes) of $4 each during the 2026 and 2025 three-month periods. 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 4.1% warmer than normal and 5.6% colder than the prior-year period. Notwithstanding the colder weather, Gas Utility core market volumes were comparable to the prior-year period. Total Gas Utility volume decreased 11% during the 2026 three-month period, reflecting lower large firm delivery service volumes. Electric Utility distribution sales volumes were comparable to the prior-year period.

Utilities revenues increased $15 during the 2026 three-month period, primarily reflecting higher Gas Utility revenues ($14). The increase in Gas Utility revenues was largely attributable to the increase in the PA Gas Utility base rates, effective October 2025, and higher PGC and PGA rates, largely offset by lower off-system sales. Electric Utility revenues were comparable to the prior-year period.

Utilities cost of sales increased $2 during the 2026 three-month period, reflecting higher Gas Utility cost of sales ($2). The increase in Gas Utility cost of sales was largely attributable to the higher PGC and PGA rates, substantially offset by lower cost of sales associated with off-system sales. Electric Utility cost of sales was comparable to the prior-year period.

Utilities total margin increased $13 during the 2026 three-month period, primarily reflecting higher Gas Utility total margin ($11). The increase in Gas Utility total margin principally reflects the increase in the PA Gas Utility base rates, effective October 2025. Electric Utility margin was comparable to the prior-year period.

Utilities operating income increased $10 during the 2026 three-month period. This increase largely reflects the increase in total margin ($13), partially offset by higher depreciation expense ($3). 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 $10 during the 2026 three-month period, principally representing the increase in operating income ($10).

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

Midstream & Marketing

For the three months ended June 30,	2026	2025	Increase (Decrease)	
Revenues	$ 249	$ 278	$ (29)	(10)%
Total margin (a)	$ 90	$ 77	$ 13	17 %
Operating and administrative expenses	$ 40	$ 32	$ 8	25 %
Operating income	$ 31	$ 27	$ 4	15 %
Earnings before interest expense and income taxes	$ 30	$ 27	$ 3	11 %

(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 10.2% warmer than normal and 4.6% warmer than the prior-year period.

Midstream & Marketing revenues decreased $29 during the 2026 three-month period, primarily reflecting lower revenues from natural gas marketing activities ($36), including the effects of capacity management activities, partially offset by higher revenues from renewable energy ($5).

Midstream & Marketing cost of sales decreased $42 during the 2026 three-month period, primarily reflecting lower natural gas costs ($47) related to the previously mentioned natural gas marketing activities, partially offset by higher cost of sales from renewable energy ($4).

Midstream & Marketing total margin increased $13 during the 2026 three-month period, principally reflecting higher total margin from capacity management activities.

Midstream & Marketing operating income increased $4 during the 2026 three-month period, mainly reflecting higher total margin ($13), substantially offset by higher operating and administrative expenses ($8). 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 increased $3 during the 2026 three-month period, primarily representing the increase in operating income ($4).

UGI International

For the three months ended June 30,	2026	2025	Increase (Decrease)	
Revenues	$ 436	$ 437	$ (1)	— %
Total margin (a)	$ 186	$ 192	$ (6)	(3)%
Operating and administrative expenses	$ 126	$ 129	$ (3)	(2)%
Operating income	$ 41	$ 43	$ (2)	(5)%
Earnings before interest expense and income taxes	$ 41	$ 43	$ (2)	(5)%
LPG retail gallons sold (millions)	125	139	(14)	(10)%
Degree days—% (warmer) than normal (b)	(23.1)%	(20.8)%	—	—

(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 23.1% warmer than normal and 2.2% warmer than the prior-year period. Total LPG retail gallons sold during the 2026 three-month period were 10% lower than the prior-year period, largely attributable to the impacts from the divestitures of certain non-core LPG businesses, 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 $1.16 and $1.13, respectively, and the average unweighted British pound sterling-to-USD translation rates were approximately $1.34 and $1.34, 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 did not have a material impact on either of the three-month periods.

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

Average wholesale prices for propane and butane during the 2026 three-month period in northwest Europe were approximately 31.6% and 46.5% higher, respectively, compared with the prior-year period. UGI International revenues decreased $1 and cost of sales increased $5 during the 2026 three-month period compared to the prior-year period. The decrease in revenues principally reflects lower LPG retail volumes sold, substantially offset by higher LPG prices and, to a lesser extent, the translation effects of the stronger foreign currencies (approximately $12). The increase in cost of sales was mainly attributable to higher LPG product costs and, to a lesser extent, the translation effects of the stronger foreign currencies (approximately $7), largely offset by lower LPG retail volumes sold.

UGI International total margin decreased $6 during the 2026 three-month period, primarily reflecting the lower LPG retail volumes sold, largely offset by the effects of higher average unit margins and the translation effects of the stronger foreign currencies (approximately $5).

UGI International operating income decreased $2 during the 2026 three-month period, principally reflecting the decrease in total margin ($6), partially offset by slightly lower operating and administrative expenses ($3). The lower operating and administrative expenses in the 2026 three-month period primarily reflect the impacts from the divestitures of certain non-core LPG businesses and lower personnel expenses, substantially offset by the translation effects of the stronger foreign currencies (approximately $3) and the effects of inflationary increases.

UGI International earnings before interest expense and income taxes decreased $2 during the 2026 three-month period, reflecting the lower operating income ($2).

AmeriGas Propane

For the three months ended June 30,	2026	2025	Increase (Decrease)	
Revenues	$ 372	$ 434	$ (62)	(14)%
Total margin (a)	$ 201	$ 227	$ (26)	(11)%
Operating and administrative expenses	$ 220	$ 220	$ —	— %
Operating loss	$ (53)	$ (28)	$ (25)	(89)%
Loss before interest expense and income taxes	$ (53)	$ (28)	$ (25)	(89)%
Retail gallons sold (millions)	124	138	(14)	(10)%
Degree days—% colder (warmer) than normal (b)	1.9 %	(0.1)%	—	—

(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 1.9% colder than normal and comparable to the prior-year period. Total retail gallons sold decreased 10% during the 2026 three-month period primarily reflecting continuing customer attrition and the sale of our LPG operations in Hawaii. While weather during the 2026 three-month period was comparable to the prior-year period, the timing of warmer weather early in the quarter reduced volumes and total margin relative to the prior-year period.

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 4% higher than such prices during the 2025 three-month period. Total revenues decreased $62 during the 2026 three-month period largely reflecting lower retail volumes sold ($37), the effects of lower average retail propane selling prices ($10) and lower wholesale revenues ($9).

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

AmeriGas Propane total cost of sales decreased $36 during the 2026 three-month period largely reflecting lower retail volumes sold ($18), lower wholesale cost of sales ($9) and lower retail propane product costs ($8).

AmeriGas Propane total margin decreased $26 during the 2026 three-month period primarily reflecting the lower retail propane volumes sold ($19) and lower retail unit margins, together with lower fee income ($5).

AmeriGas Propane operating loss increased $25 during the 2026 three-month period, primarily representing the decrease in total margin ($26). Operating and administrative expenses were comparable to the prior-year period as higher compensation expenses were substantially offset by lower vehicle expenses.

AmeriGas Propane loss before interest expense and income taxes increased $25 during the 2026 three-month period, representing the increase in operating loss ($25).

Interest Expense and Income Taxes

Our consolidated interest expense during the 2026 three-month period was $109 compared to $101 during the 2025 three-month period. The increase in interest expense reflects the effects of higher interest rates on long-term debt, higher average long-term debt outstanding at UGI International and higher average short-term borrowings at Utilities. These increases were partially offset by lower average long-term debt outstanding at AmeriGas Propane and lower average short-term borrowings at UGI International.

The increase in the Company’s effective income tax rate for the 2026 three-month period primarily reflects the impacts of (1) lower tax reserve releases compared to the prior-year period; and (2) higher unrealized gains on commodity derivative instruments.

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 Nine-Month Period Compared with the 2025 Nine-Month Period

Utilities

For the nine months ended June 30,	2026	2025	Increase (Decrease)	
Revenues	$ 1,773	$ 1,545	$ 228	15 %
Total margin (a)	$ 891	$ 827	$ 64	8 %
Operating and administrative expenses (a)	$ 307	$ 290	$ 17	6 %
Operating income	$ 443	$ 407	$ 36	9 %
Earnings before interest expense and income taxes	$ 447	$ 412	$ 35	8 %
Gas Utility system throughput—bcf				
Core market	101	96	5	5 %
Total	303	308	(5)	(2)%
Electric Utility distribution sales - gwh	750	737	13	2 %
Gas Utility degree days—% colder (warmer) than normal (b)	9.3 %	(1.9)%	—	—

(a) Total margin represents revenues less cost of sales and revenue-related taxes (i.e., gross receipts and business and occupation taxes) of $23 and $21 during the 2026 and 2025 nine-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 nine-month period were 9.3% colder than normal and 10.2% colder than the prior-year period. Gas Utility core market volumes increased 5% during the 2026 nine-month period, principally

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

reflecting the impact from the colder weather compared to the prior-year period. Total Gas Utility volume decreased 2% during the 2026 nine-month period, reflecting lower large firm delivery service volumes, partially offset by the increase in core market 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 $228 during the 2026 nine-month period, primarily reflecting higher Gas Utility revenues ($221). 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 ($7) in the 2026 nine-month period is principally attributable to the higher DS rates and higher sales volumes.

Utilities cost of sales increased $164 during the 2026 nine-month period, primarily reflecting higher Gas Utility cost of sales ($160). The increase in Gas Utility cost of sales was largely attributable to the higher PGC and PGA rates, higher cost of sales associated with off-system sales and the higher core market volumes. 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 $64 during the 2026 nine-month period, primarily reflecting higher Gas Utility total margin ($61). 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.

Utilities operating income increased $36 during the 2026 nine-month period. This increase largely reflects the increase in total margin ($64), partially offset by higher operating and administrative expenses ($17) and higher depreciation expense ($10). 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 $35 during the 2026 nine-month period, principally representing the increase in operating income ($36).

Midstream & Marketing

For the nine months ended June 30,	2026	2025	Increase (Decrease)	
Revenues	$ 1,391	$ 1,232	$ 159	13 %
Total margin (a)	$ 432	$ 417	$ 15	4 %
Operating and administrative expenses	$ 111	$ 92	$ 19	21 %
Operating income	$ 260	$ 269	$ (9)	(3)%
Earnings before interest expense and income taxes	$ 268	$ 276	$ (8)	(3)%

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

Average temperatures across Midstream & Marketing's energy marketing territory during the 2026 nine-month period were 8.1% colder than normal and 7.1% colder than the prior-year period.

Midstream & Marketing revenues increased $159 during the 2026 nine-month period, primarily reflecting (1) higher revenues from natural gas marketing activities ($129), including the effects of capacity management activities, that were primarily impacted by the colder weather; (2) higher revenues from renewable energy ($9); and (3) higher midstream revenues ($8), mainly from higher peaking activities.

Midstream & Marketing cost of sales increased $144 during the 2026 nine-month period, primarily reflecting higher natural gas costs ($127) related to the previously mentioned natural gas marketing activities and higher cost of sales from renewable energy ($9).

Midstream & Marketing total margin increased $15 during the 2026 nine-month period, principally reflecting higher midstream margins, mainly from higher peaking activities.

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

Midstream & Marketing operating income decreased $9 during the 2026 nine-month period, mainly reflecting higher operating and administrative expenses ($19) and higher depreciation and amortization expense ($5), partially offset by the higher total margin ($15). 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 during the 2026 nine-month period decreased $8 compared to the prior-year period, representing the lower operating income ($9).

UGI International

For the nine months ended June 30,	2026	2025	Increase (Decrease)	
Revenues	$ 1,632	$ 1,725	$ (93)	(5)%
Total margin (a)	$ 768	$ 758	$ 10	1 %
Operating and administrative expenses	$ 401	$ 405	$ (4)	(1)%
Operating income	$ 304	$ 288	$ 16	6 %
Earnings before interest expense and income taxes	$ 297	$ 296	$ 1	— %
LPG retail gallons sold (millions)	517	570	(53)	(9)%
Degree days—% (warmer) than normal (b)	(6.6)%	(5.6)%	—	—

(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 nine-month period were 6.6% warmer than normal and 2.3% warmer than the prior-year period. Total LPG retail gallons sold during the 2026 nine-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.

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 nine-month periods, the average unweighted euro-to-USD translation rates were approximately $1.17 and $1.08, respectively, and the average unweighted British pound sterling-to-USD translation rates were approximately $1.34 and $1.29, 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 nine-month periods, respectively.

Average wholesale prices for propane and butane during the 2026 nine-month period in northwest Europe were approximately 2.4% lower and 1.5% higher, respectively, compared with the prior-year period. UGI International revenues and cost of sales decreased $93 and $103, respectively, during the 2026 nine-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, largely offset by the translation effects of the stronger foreign currencies (approximately $120). The decrease in cost of sales was mainly attributable to lower LPG retail volumes sold and lower LPG product costs, partially offset by the translation effects of the stronger foreign currencies (approximately $62).

UGI International total margin increased $10 during the 2026 nine-month period, primarily reflecting the translation effects of the stronger foreign currencies (approximately $59) and, to a lesser extent, the effects of higher average unit margins in the 2026 nine-month period, substantially offset by the lower LPG retail volumes sold.

UGI International operating income increased $16 during the 2026 nine-month period, principally reflecting the increase in total margin ($10) and lower depreciation and amortization expenses ($7). Operating and administrative expenses during the 2026 nine-month period were slightly lower than the prior-year period as the impacts from the divestitures of certain non-core LPG businesses and lower personnel expenses were substantially offset by the translation effects of the stronger foreign currencies (approximately $32) and, to a lesser extent, the effects of inflationary increases.

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

UGI International earnings before interest expense and income taxes increased $1 during the 2026 nine-month period. This increase largely reflects the $16 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 nine months ended June 30,		2026		2025		Increase (Decrease)	
Revenues	$	1,731	$	1,909	$	(178)	(9)%
Total margin (a)	$	998	$	1,020	$	(22)	(2)%
Operating and administrative expenses	$	723	$	713	$	10	1 %
Operating income	$	175	$	200	$	(25)	(13)%
Earnings before interest expense and income taxes	$	175	$	200	$	(25)	(13)%
Retail gallons sold (millions)		585		611		(26)	(4)%
Degree days—% (warmer) than normal (b)		(1.4)%		(1.1)%		—	—

(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 nine-month period were 1.4% warmer than normal and comparable to the prior-year period. Total retail gallons sold decreased 4% 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 nine-month period at Mont Belvieu, Texas, one of the major supply points in the U.S., were approximately 12% lower than such prices during the 2025 nine-month period. Total revenues decreased $178 during the 2026 nine-month period primarily reflecting the effects of lower retail volumes sold ($70), lower average retail propane selling prices ($48) and lower wholesale revenues ($42).

Total cost of sales decreased $156 during the 2026 nine-month period largely reflecting lower retail propane product costs ($71), lower wholesale cost of sales ($43) and lower retail volumes sold ($33).

AmeriGas Propane total margin decreased $22 during the 2026 nine-month period reflecting the lower retail propane volumes sold ($37) and lower fee income ($9), largely offset by the impact from higher average retail propane unit margins ($23).

AmeriGas Propane operating income decreased $25 during the 2026 nine-month period, primarily reflecting the lower total margin ($22) and higher operating and administrative expenses ($10), partially offset by lower depreciation and amortization expense ($8). The higher operating and administrative expenses primarily reflects higher advertising and professional-services spending in support of customer retention and growth initiatives, together with higher compensation expenses reflecting annual merit adjustments, partially offset by lower vehicle expenses.

AmeriGas Propane earnings before interest expense and income taxes decreased $25 during the 2026 nine-month period, representing the lower operating income ($25).

Interest Expense and Income Taxes

Our consolidated interest expense during the 2026 nine-month period was $331 compared to $305 during the 2025 nine-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 and UGI International. These increases were partially offset by lower average long-term debt outstanding at AmeriGas Propane and lower average short-term borrowings at UGI International.

The increase in the Company’s effective income tax rate for the 2026 nine-month period primarily reflects the impacts of (1) lower tax reserve releases compared to the prior-year period and (2) higher unrealized gains on commodity derivative instruments.

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

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 $1.9 billion and $1.6 billion at June 30, 2026 and September 30, 2025, respectively. 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 June 30, 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 $476 at June 30, 2026, compared with $335 at September 30, 2025. Excluding cash and cash equivalents that reside at UGI's operating subsidiaries, at June 30, 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 June 30, 2026 and September 30, 2025, comprises the following:

	June 30, 2026						September 30, 2025
	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corp & Other	Total	Total
Short-term borrowings	$ 336	$ —	$ —	$ —	$ —	$ 336	$ 486
Long-term debt (including current maturities):							
Senior notes	$ 2,000	$ —	$ 800	$ 1,368	$ 700	$ 4,868	$ 4,724
Term loans	112	772	263	—	400	1,547	1,646
Other long-term debt	12	40	12	—	289	353	331
Unamortized debt issuance costs	(7)	(9)	(10)	(17)	(12)	(55)	(53)
Total long-term debt	$ 2,117	$ 803	$ 1,065	$ 1,351	$ 1,377	$ 6,713	$ 6,648
Total debt	$ 2,453	$ 803	$ 1,065	$ 1,351	$ 1,377	$ 7,049	$ 7,134

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.

AmeriGas Partners Senior Notes. In May 2026, AmeriGas Partners and AmeriGas Finance Corp. issued $500 aggregate principal amount of 6.875% Senior Notes due June 2031. The net proceeds from the issuance of the 6.875% Senior Notes, together with cash on hand and a $300 equity contribution from UGI, funded through a dividend from UGI International, LLC, were used to (1) repay in full the $512 outstanding principal balance of the 5.750% Senior Notes, due May 2027, pursuant to a tender offer and notice of redemption, plus tender and make-whole premiums and accrued and unpaid interest; (2) repurchase $175 aggregate principal amount of the 9.375% Senior Notes, due June 2028, pursuant to a tender offer, plus tender premiums and accrued and unpaid interest, resulting in $318 aggregate principal amount of 9.375% Senior Notes outstanding as of June 30, 2026; (3) repay in full the $150 outstanding borrowings of the intercompany loan with UGI International, plus accrued and unpaid interest; and (4) pay related fees and expenses.

UGI International Senior Notes. In May 2026, UGI International, LLC issued €300 aggregate principal amount of 5.00% Senior Notes due June 2031.The net proceeds from the issuance of the 5.00% Senior Notes, together with the $150 intercompany loan repayment received from AmeriGas Partners, were used to (1) prepay €70 aggregate principal amount of the Term Loan, due March 2028, plus accrued and unpaid interest, resulting in €230 aggregate principal amount of the Term Loan outstanding as of June 30, 2026; (2) pay related fees and expenses; (3) reduce short-term borrowings; and (4) fund general corporate purposes.

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.

In June 2026, UGI Utilities repaid the $100 outstanding principal balance of the 2.95% Senior Notes due June 2026 upon maturity.

Energy Services Term Loan Credit Agreement. In June 2026, Energy Services entered into the fourth amendment to the Energy Services Term Loan Credit Agreement. The Energy Services Term Loan Credit Agreement, as amended, provides, among other items, that the applicable margin shall be 2.00% per annum for Term SOFR loans and 1.00% per annum for base rate loans. All other significant terms of the term loan credit agreement remain unchanged.

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.

(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 June 30, 2026 and 2025, is presented in the table below.

	Total Capacity	Borrowings Outstanding	Letters of Credit and Guarantees Outstanding	Available Borrowing Capacity
As of June 30, 2026				
AmeriGas OLP (a)	$ 169	$ —	$ 1	$ 168
UGI International, LLC (b)	€ 500	€ —	€ —	€ 500
Energy Services	$ 300	$ —	$ —	$ 300
UGI Utilities	$ 375	$ 244	$ —	$ 131
Mountaineer	$ 150	$ 92	$ —	$ 58
UGI Corporation (c)	$ 475	$ 289	$ —	$ 186
As of June 30, 2025				
AmeriGas OLP (a)	$ 170	$ 34	$ 1	$ 135
UGI International, LLC (b)	€ 500	€ 220	€ —	€ 280
Energy Services	$ 300	$ —	$ —	$ 300
UGI Utilities	$ 375	$ 44	$ —	$ 331
Mountaineer	$ 150	$ 16	$ —	$ 134
UGI Corporation (c)	$ 475	$ 196	$ —	$ 279

(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 nine months ended June 30, 2026		For the nine months ended June 30, 2025	
	Average	Peak	Average	Peak
AmeriGas OLP	$ 10	$ 57	$ 34	$ 129
UGI International, LLC	€ 85	€ 232	€ 166	€ 277
Energy Services	$ —	$ —	$ —	$ —
UGI Utilities	$ 154	$ 254	$ 78	$ 263
Mountaineer	$ 84	$ 109	$ 80	$ 118
UGI Corporation	$ 289	$ 339	$ 238	$ 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 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 June 30, 2026, the outstanding balance of ESFC trade receivables was $65, none of which were sold to the bank. At June 30, 2025, the outstanding balance of ESFC trade receivables was $58, $13 of which were sold to the bank. During the nine months ended June 30, 2026, peaks sales of receivables was $110 and average daily amounts sold were $5. During the nine months ended June 30, 2025, peaks sales of receivables was $13 and average daily amounts sold were not material.

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 was paid on July 1, 2026, to shareholders of record on June 15, 2026. On August 5, 2026, UGI's Board of Directors declared a cash dividend equal to $0.375 per common share. The dividend is payable October 1, 2026, to shareholders of record on September 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 nine months ended June 30, 2026, the Company purchased 0.6 million shares of Common Stock on the open market at a total purchase price of $23. The Company did not repurchase any shares of Common Stock during the third quarter of Fiscal 2026.

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 $972 in the 2026 nine-month period compared to $1,137 in the 2025 nine-month period. Cash flow provided by operating activities before changes in operating working capital was $1,206 in the 2026 nine-month period compared to $1,238 in the 2025 nine-month period. Cash used to fund changes in operating working capital totaled $234 in the 2026 nine-month period, as compared to the $101 in the 2025 nine-month period. The increase in cash required to fund changes in operating working capital in the 2026 nine-month period reflects, among other things, an increase in cash used to fund changes in other current liabilities, offset by lower cash required to fund changes in inventories, accounts payable and other current assets and an increase in derivative instrument collateral deposits received.

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 $469 in the 2026 nine-month period compared to $499 in the 2025 nine-month period. Cash expenditures for property, plant and equipment were $617 in the 2026 nine-month period compared with $579 in the 2025 nine-month period. These increases were more than offset by (1) higher cash proceeds from the disposals of certain non-core assets from our LPG business at UGI International in Fiscal 2026; and (2) lower expenditures on our investments in equity method investments during the 2026 nine-month period 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 $326 in the 2026 nine-month period compared to $505 in the 2025 nine-month period. Both periods include $241 each of dividends on Common Stock. The 2026 nine-month period includes, among other things, (1) the issuance by UGI Utilities of $275 aggregate principal amount of new senior notes; (2) the repayment by UGI Utilities of $275 outstanding aggregate principal amount of its senior notes; (3) the repayment by AmeriGas Propane of $687 aggregate principal amount of its senior notes; (4) the issuance by AmeriGas Propane of $500 principal amount of new senior notes; (5) the issuance by UGI International of $345 aggregate principal amount of new senior notes; (6) a partial repayment by UGI International of $81 outstanding principal amount of its term loan; (7) net repayments of short-term borrowings of $149 and (8) the repurchase of $23 of Common Stock.

The 2025 nine-month period includes, among other things, (1) the issuance by UGI Utilities of $175 principal amount of new senior notes; (2) entering into the UGI Corporation 2025 Credit Agreement consisting of (a) a $475 revolving credit facility and (b) a $400 variable-rate term loan, proceeds from the UGI Corporation 2025 Credit Agreement were used to repay all borrowings under the UGI Corporation Credit Facility Agreement; (3) the repayment by AmeriGas Propane of the $218 outstanding aggregate principal amount of its senior notes; (4) the issuance by Mountaineer of $70 principal amount of new senior notes; (5) the issuance by AmeriGas Propane of $550 principal amount of new senior notes; and (6) the repayment by AmeriGas Propane of the $664 outstanding aggregate principal amount of its senior notes.

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. On July 6, 2026, a joint petition for approval of settlement of all issues was filed with the PAPUC. It provided for a $65 annual base distribution rate increase, through a phased approach, with an increase of $40 effective October 1, 2026 and an additional increase of $25 effective October 1, 2027. It also provided for maintenance of the weather normalization adjustment through the end of the second pilot period with modification. In accordance with the terms of the joint petition, PA Gas Utility will not be permitted to file a general rate increase request prior to January 15, 2029. On July 31, 2026, the presiding PAPUC administrative law judges recommended that the settlement be approved without modification. The joint petition remains subject to receipt of a final order of the PAPUC approving the settlement. 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, 2026, WV Gas Utility submitted its 2026 IREP filing to the WVPSC requesting recovery of $14, an increase of $9, for costs associated with capital investments after September 30, 2025, that total $180, including $83 in calendar year 2027. The filing included capital investments totaling $475 over the 2027 - 2031 period. An order from the WVPSC is expected in December with new rates effective January 1, 2027.

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.

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 is vigorously defending 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.

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 June 30, 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 June 30, 2026, combined borrowings outstanding under variable-rate debt agreements, excluding the previously mentioned effectively fixed-rate debt, totaled $769.

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.

(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 June 30, 2026, by approximately $70, 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 June 30, 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 $112. 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 June 30, 2026, we received cash collateral from derivative instrument counterparties totaling $1. 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 June 30, 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 June 30, 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
June 30, 2026		
Commodity price risk (1)	$ (7)	$ (77)
Interest rate risk (2)	$ 3	$ (4)
Foreign currency exchange rate risk (3)	$ 10	$ (56)

(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 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):

		Incorporation by Reference		
Exhibit No.	Exhibit	Registrant	Filing	Exhibit
4.1	Indenture, dated as of May 20, 2026, between AmeriGas Partners, L.P. and AmeriGas Finance Corp., as the issuers, and U.S. Bank Trust Company, National Association, as trustee (including the form of 2031 Notes).	UGI	Form 8-K (5/20/26)	4.1
4.2	Indenture, dated as of May 21, 2026, by and among UGI International, the guarantors named therein, U.S. Bank Trust Company, National Association, as trustee, U.S. Bank Europe DAC, as registrar and transfer agent, and U.S. Bank Europe DAC, UK Branch, as paying agent (including the form of Notes).	UGI	Form 8-K (5/21/26)	4.1
10.1	Fourth Amendment to Credit Agreement, dated June 30, 2026, by and among UGI Energy Services, LLC, the guarantors party thereto, the lenders party thereto, HSBC Bank USA, N.A., as administrative agent, and HSBC Bank USA, N.A. as the 2026 Refinancing Term Lender.	UGI	Form 8-K (6/30/26)	10.1
31.1	Certification by the Chief Executive Officer relating to the Registrant's Report on Form 10-Q for the quarter ended June 30, 2026, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			
31.2	Certification by the Chief Financial Officer relating to the Registrant's Report on Form 10-Q for the quarter ended June 30, 2026, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			
32	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 June 30, 2026, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.			
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

31.1	Certification by the Chief Executive Officer relating to the Registrant's Report on Form 10-Q for the quarter ended June 30, 2026, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer relating to the Registrant's Report on Form 10-Q for the quarter ended June 30, 2026, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	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 June 30, 2026, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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

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.

		UGI Corporation (Registrant)
Date: August 6, 2026	By:	/s/ Sean P. O'Brien Sean P. O'Brien Chief Financial Officer
Date: August 6, 2026	By:	/s/ Jean Felix Tematio Dontsop Jean Felix Tematio Dontsop Vice President, Chief Accounting Officer and Corporate Controller

EXHIBIT 31.1

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: August 6, 2026

/s/ Robert C. Flexon

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

EXHIBIT 31.2

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: August 6, 2026

/s/ Sean P. O'Brien

Sean P. O'Brien
Chief Financial Officer of UGI Corporation

EXHIBIT 32

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 June 30, 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	CHIEF FINANCIAL OFFICER
/s/ Robert C. Flexon	/s/ Sean P. O’Brien
Robert C. Flexon	Sean P. O’Brien
Date: August 6, 2026	Date: August 6, 2026