

than the adoption of accounting standards IAS 32 and IAS 39 on 1 April 2005, subsequent to which derivative financial instruments have been recorded at the fair value and remeasurements in those fair values have been recorded in the income statement to the extent that hedge accounting was not effective or has not been applied. Prior to 31 March 2005, derivative financial instruments were not recorded as assets or liabilities in the balance sheet and changes in the fair values of those instruments were not recognised in the income statement.

The selected financial data incorporates businesses acquired in the period from the date of their acquisitions, principally KeySpan Corporation acquired in August 2007, our Rhode Island gas distribution operations acquired in August 2006 and UK wireless operations acquired in August 2004. The selected financial data for continuing operations excludes businesses discontinued during the periods presented, principally our former UK and US wireless operations and our former electricity interconnector business in Australia, disposed of in April and August 2007 and four gas distribution networks in the UK disposed of in June 2005. Also excluded from continuing operations are discontinued operations acquired with KeySpan Corporation, principally the Ravenswood generation station.

#### Exchange rates

The following table sets forth the history of the exchange rates of one pound sterling to US dollars for the periods indicated and as at 15 June 2008.

as at 15 June 2008:

	High	Low
June 2008*	1.9758*	1.9467*
May 2008	1.9818	1.9451
April 2008	1.9994	1.9627
March 2008	2.0311	1.9823
February 2008	1.9923	1.9405
January 2008	1.9895	1.9515
December 2007	2.0658	1.9774
		Average**
2007/08		2.01
2006/07		1.91
2005/06		1.78
2004/05		1.85
2003/04		1.70
2002/03		1.55

\* For the period to 13 June 2008.

\*\* The average for each period is calculated by using the average of the exchange rates on the last day of each month during the period.

#### Risk factors

The information set forth under the heading [“Risk factors”](#) on pages 95 to 97 of the Company’s Annual Report and Accounts 2007/08 contained in Exhibit 15.1 is incorporated herein by reference.

#### Item 4. Information on the Company

*National Grid plc was incorporated on 11 July 2000.* The Company is registered in England and Wales, with its registered office at 1-3 Strand, London WC2N 5EH (telephone +44 20 7004 3000). The Company’s agent in the United States is Lawrence J. Reilly, Executive Vice President and General Counsel, National Grid USA, 25 Research Drive, Westborough, MA 01582.