NextEra Energy

Stable earnings from regulated utility operations; long-term electricity demand growth supports outlook

Market Data

Ticker	NEE / NYSE
Sector	Utilities / Renewable
Market Price	$86.12
52-Week Range	$70.70 - $99.80
Market Capitalization	$179.84B
Average Daily Volume	10.47M

Valuation & Recommendation

Alpine SOTP Target Price	$83.17
Alpine Core Rating	**Neutral**
Implied 12M Total Return	-2.3% (incl. div)
Common Shares O/S	2,092M
Model Benchmark Year	2026E
Data Closing Stamp	June 22, 2026

Data Sources: Bloomberg Market Data Systems; Alpine Institutional 3-Statement Forecasting Model

Investment Thesis

We initiate coverage of NextEra Energy with a Neutral rating and a target price of $83.17. We view NextEra as one of the highest-quality utility franchises in North America, supported by a top-tier regulated utility business, an industry-leading renewable energy platform, and favorable long-term electricity demand trends. However, we believe the current share price already reflects much of this strength. While we remain constructive on the company's long-term fundamentals, we see limited risk-adjusted upside from current levels.

Our investment view is supported by three core considerations:

FPL Anchors Earnings Growth. FPL's constructive regulatory framework and rate-base expansion provide durable earnings and cash-flow growth, supporting the majority of consolidated profitability.

Eric Liu
eric.liu@alpine-asset.com

NEER Drives Long-Term Growth. NextEra Energy Resources (NEER) serves as the company's primary growth engine. A development backlog exceeding 30 GW provides visibility into future renewable capacity additions, supporting revenue growth, earnings expansion, and long-term value creation.

Valuation Reflects Fundamental Strength. NextEra's premium valuation is supported by its superior growth profile, regulatory positioning, and renewable leadership. However, we believe current market pricing already incorporates much of the expected benefit from FPL's rate-base growth, NEER's backlog conversion, and long-term electricity demand expansion, limiting upside under our base-case assumptions.

Key Catalysts

- Fed easing cycle lowers financing costs and improves renewable project economics.

- AI-driven electricity demand could accelerate renewable procurement and PPA activity beyond our base-case assumptions.

Key Risks

- Higher-for-longer interest rates may compress project-level returns and slow renewable deployment.
- Grid interconnection delays and transmission bottlenecks could postpone backlog monetization and commercial operation dates.

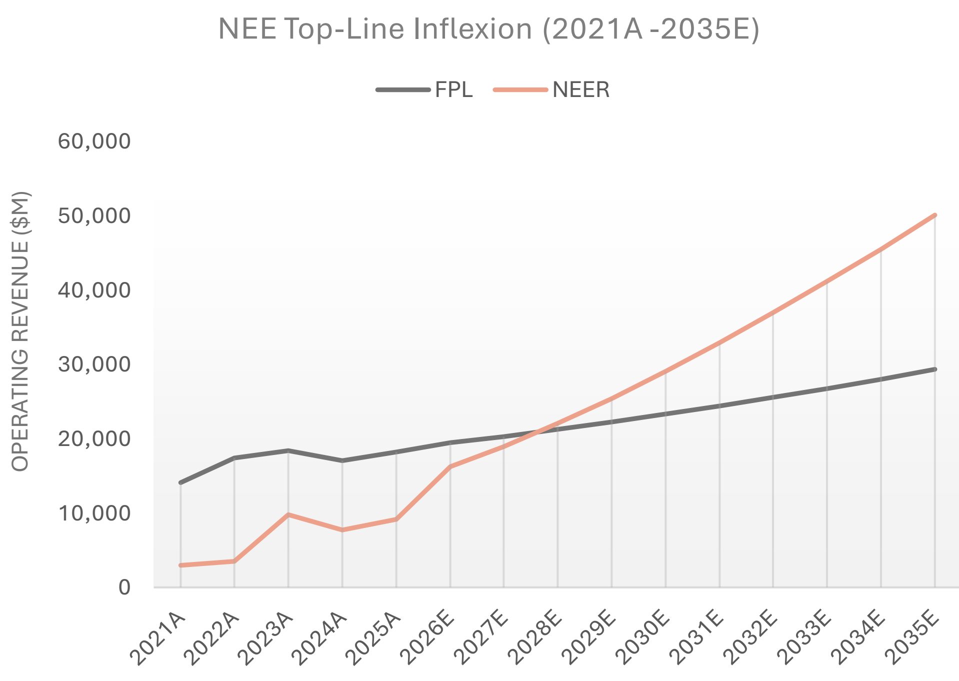
Company Overview

NextEra Energy operates through two primary business segments: Florida Power & Light (FPL), a regulated utility serving Florida customers, and NextEra Energy Resources (NEER), a competitive renewable energy developer. Given their distinct business models, growth profiles, and risk characteristics, we value the company using a Sum-of-the-Parts (SOTP) framework.

Revenue Mix Evolution

We expect NEER's contribution to consolidated revenue to increase materially over the forecast period as renewable capacity expands and backlog projects enter service. Based on our forecasts, NEER is projected to become the largest revenue contributor by 2028E. However, FPL is expected to remain the primary contributor to consolidated earnings and cash flow due to its regulated business model, predictable rate-base growth, and lower operating risk.

This distinction is central to our investment thesis. While revenue growth will increasingly be driven by NEER, enterprise value remains anchored to earnings quality, cash flow stability, and regulatory visibility. Consequently, our SOTP framework places greater emphasis on FPL's earnings power and cash generation than on revenue growth alone.



Source: Company fillings, Bloomberg, and Alpine Est.

NextEra Energy (NEE) | Consolidated Income Statement | $M

Alpine Asset Research Group   Initiation of Coverage | June 2026 | Source: NEE SEC 10-K Filings; Alpine 3-Statement Forecasting Model

	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
INCOME STATEMENT															
Operating Revenue	**17,069**	**20,956**	**28,114**	**24,753**	**27,412**	**35,720**	**39,302**	**43,321**	**47,645**	**52,418**	**57,377**	**62,541**	**67,929**	**73,563**	**79,469**
Cost of Revenue	4,527	6,389	5,459	5,029	4,944	5,980	6,433	6,886	7,384	7,925	8,467	9,008	9,550	10,092	10,635
Gross Profit	**12,542**	**14,567**	**22,655**	**19,724**	**22,468**	**29,740**	**32,869**	**36,435**	**40,261**	**44,493**	**48,910**	**53,533**	**58,379**	**63,471**	**68,834**
Operating Expenses	5,782	6,505	6,946	7,135	7,868	9,687	11,203	12,758	14,447	16,260	18,092	19,944	21,818	23,715	25,637
EBITDA	**6,760**	**8,062**	**15,709**	**12,589**	**14,600**	**20,053**	**21,666**	**23,677**	**25,813**	**28,232**	**30,819**	**33,589**	**36,561**	**39,755**	**43,197**
Depreciation & Amortization	(3,924)	(4,503)	(5,879)	(5,462)	(6,580)	(8,161)	(8,970)	(9,890)	(10,895)	(11,967)	(13,081)	(14,241)	(15,450)	(16,713)	(18,034)
EBIT	**2,836**	**3,559**	**9,830**	**7,127**	**8,020**	**11,892**	**12,696**	**13,787**	**14,918**	**16,265**	**17,738**	**19,348**	**21,111**	**23,042**	**25,163**
Interest Expense	(1,270)	(585)	(3,324)	(2,235)	(4,572)	(3,428)	(2,995)	(2,965)	(3,137)	(3,428)	(3,781)	(4,186)	(4,640)	(5,141)	(5,691)
Profit Before Tax	**1,566**	**2,974**	**6,506**	**4,892**	**3,448**	**8,464**	**9,701**	**10,822**	**11,781**	**12,837**	**13,956**	**15,161**	**16,471**	**17,901**	**19,472**
Income Tax Expense (Benefit)	(2,007)	(1,173)	(804)	(2,054)	(3,387)	(677)	(776)	(866)	(942)	(1,027)	(1,117)	(1,213)	(1,318)	(1,432)	(1,558)
Net Income (to NEE)	**3,573**	**4,147**	**7,310**	**6,946**	**6,835**	**7,787**	**8,925**	**9,956**	**10,838**	**11,810**	**12,840**	**13,948**	**15,153**	**16,469**	**17,914**

	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
MARGINS & GROWTH															
Revenue Growth YoY	—	22.8%	34.2%	(12.0%)	10.7%	30.3%	10.0%	10.2%	10.0%	10.0%	9.5%	9.0%	8.6%	8.3%	8.0%
EBITDA Growth YoY	—	19.3%	94.9%	(19.9%)	16.0%	37.3%	8.0%	9.3%	9.0%	9.4%	9.2%	9.0%	8.8%	8.7%	8.7%
Net Income Growth YoY	—	16.1%	76.3%	(5.0%)	(1.6%)	13.9%	14.6%	11.6%	8.9%	9.0%	8.7%	8.6%	8.6%	8.7%	8.8%
EBITDA Margin	**39.6%**	**38.5%**	**55.9%**	**50.9%**	**53.3%**	**56.1%**	**55.1%**	**54.7%**	**54.2%**	**53.9%**	**53.7%**	**53.7%**	**53.8%**	**54.0%**	**54.4%**
Net Profit Margin	20.9%	19.8%	26.0%	28.1%	24.9%	21.8%	22.7%	23.0%	22.7%	22.5%	22.4%	22.3%	22.3%	22.4%	22.5%
SEGMENT REVENUE BREAKDOWN															
FPL – Operating Revenue	14,102	17,408	18,365	17,019	18,262	19,470	20,329	21,272	22,265	23,308	24,405	25,555	26,761	28,026	29,351
NEER – Operating Revenue	2,967	3,548	9,749	7,734	9,150	16,249	18,973	22,049	25,380	29,109	32,973	36,986	41,167	45,537	50,117
FPL Revenue Mix %	82.6%	83.1%	65.3%	68.8%	66.6%	54.5%	51.7%	49.1%	46.7%	44.5%	42.5%	40.9%	39.4%	38.1%	36.9%
NEER Revenue Mix %	17.4%	16.9%	34.7%	31.2%	33.4%	45.5%	48.3%	50.9%	53.3%	55.5%	57.5%	59.1%	60.6%	61.9%	63.1%
SEGMENT EBITDA BREAKDOWN															
FPL EBITDA	**6,782**	**8,111**	**9,979**	**9,318**	**10,597**	**11,616**	**12,269**	**12,998**	**13,769**	**14,582**	**15,438**	**16,339**	**17,286**	**18,281**	**19,327**
FPL EBITDA Margin	48.1%	46.6%	54.3%	54.8%	58.0%	59.7%	60.4%	61.1%	61.8%	62.6%	63.3%	63.9%	64.6%	65.2%	65.8%
NEER EBITDA	**(22)**	**(49)**	**5,730**	**3,271**	**4,003**	**8,436**	**9,396**	**10,679**	**12,044**	**13,650**	**15,381**	**17,250**	**19,275**	**21,474**	**23,870**
NEER EBITDA Margin	-0.7%	-1.4%	58.8%	42.3%	43.7%	51.9%	49.5%	48.4%	47.5%	46.9%	46.6%	46.6%	46.8%	47.2%	47.6%
Consolidated EBITDA	**6,760**	**8,062**	**15,709**	**12,589**	**14,600**	**20,053**	**21,666**	**23,677**	**25,813**	**28,232**	**30,819**	**33,589**	**36,561**	**39,755**	**43,197**

Valuation & SOTP Methodology

We value NextEra Energy using a Sum-of-the-Parts (SOTP) framework that separately values Florida Power & Light (FPL) and NextEra Energy Resources (NEER) to reflect their distinct business models, growth profiles, and risk characteristics.

Our analysis produces a base-case value of $83.17 per share, modestly below the current share price of $86.12. While the difference between market value and intrinsic value is not significant enough to warrant a bearish view, we believe current valuation appropriately reflects the company's favorable fundamentals, including continued rate-base growth at FPL, backlog conversion at NEER, and long-term electricity demand tailwinds.

Accordingly, we believe investors are paying a fair price for a high-quality utility franchise, supporting our Neutral rating.

Sum-of-the-Parts Valuation Framework

We value NextEra Energy using a forward EV/EBITDA methodology, applying segment-specific multiples to our 2026E EBITDA forecasts for FPL and NEER.

Consolidated enterprise value is calculated as:

$$EV = EBITDA_{FPL} \times Multiple_{FPL} + EBITDA_{NEER} \times Multiple_{NEER}$$

This approach reflects the differing regulatory structures, earnings visibility, and capital intensity of the two operating segments.

Florida Power & Light (FPL)

Metric	Value
2026E EBITDA	$11.6B
Target EV/EBITDA	12.5x
Implied Enterprise Value	$145.2B

We apply a 12.5x forward EV/EBITDA multiple to FPL, representing a modest premium to the regulated utility peer group. We believe the premium is supported by FPL's constructive regulatory framework, above-average rate-base growth, and strong demographic tailwinds in Florida.

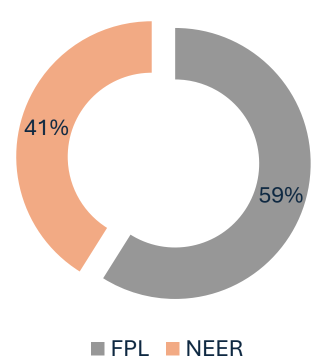
FPL operates under a favorable regulatory environment that supports an allowed ROE of approximately 10.6%–10.95%. Combined with continued population growth and infrastructure investment within its service territory, we expect FPL to deliver sustainable earnings growth and maintain its position as the primary earnings and cash-flow contributor to the consolidated enterprise.

NextEra Energy Resources (NEER)

Metric	Value
2026E EBITDA	$8.4B
Target EV/EBITDA	12.0x
Implied Enterprise Value	$101.2B

We apply a 12.0x forward EV/EBITDA multiple to NEER. While the business benefits from one of the largest renewable development platforms in North America and a development backlog exceeding 30 GW, we believe a measured valuation approach remains appropriate.

SOTP Implied EV Mix



Source: Alpine Est.

Key risks include transmission interconnection delays, supply-chain constraints, project execution that reflects both NEER's growth potential and the execution risks inherent in a large-scale renewable development platform.

Equity Value Bridge

Combining our segment valuations and adjusting for debt, cash, and noncontrolling interests results in an implied equity value range of $169.8 billion to $174.0 billion, corresponding to a target price range of $81.15 to $83.17 per share.
Under our base case, the implied value is $83.17 per share, which serves as our 12-month target price.

Relative Valuation

NextEra currently trades at a meaningful premium to the regulated utility peer group.

Company	Forward EV/EBITDA	Forward P/E
NEE	12.3x	21.6x
Peer Ave.	11.1x	16.5x

We believe these advantages justify a valuation premium relative to peers. However, current trading levels already reflect much of NextEra's superior growth profile and renewable development opportunity, leaving limited room for further multiple expansion under our base-case assumptions.

DCF Cross-Check

As a secondary valuation framework, we performed a discounted cash flow analysis using a weighted average cost of capital (WACC) of 7.9% and a long-term terminal growth rate of 2.5%.

risk, and exposure to changing power market dynamics. Accordingly, we apply a valuation range The DCF output produces valuation results broadly consistent with our SOTP framework, providing additional support for our target price range.

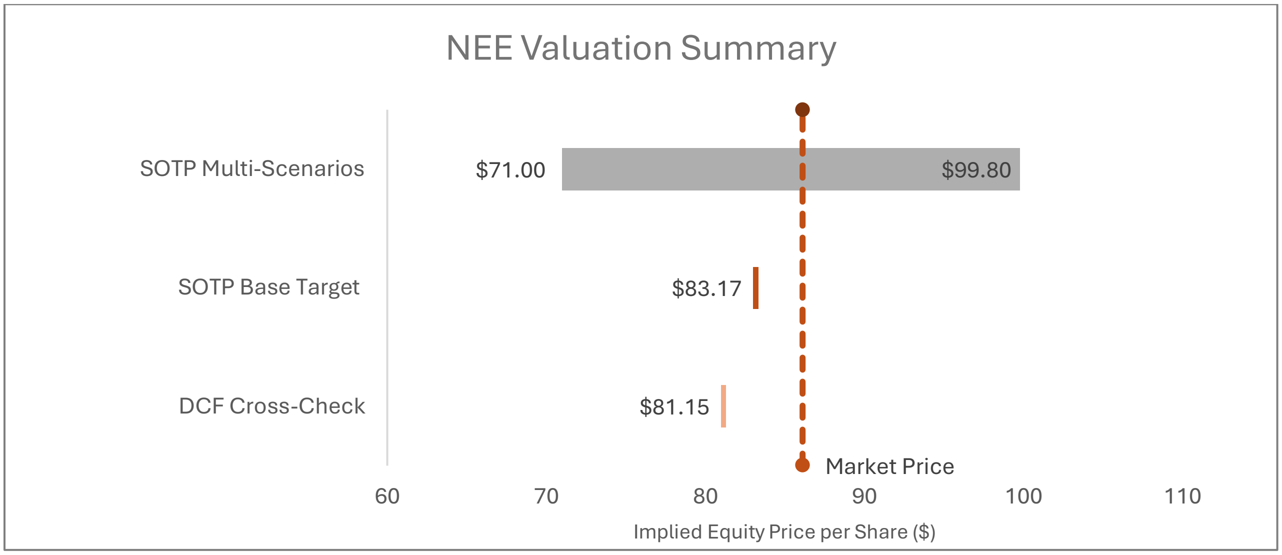
Notably, the current share price implies a terminal growth assumption materially above our long-term forecast. In our view, sustaining such growth indefinitely would require assumptions that exceed long-run economic growth expectations, supporting our view that current market expectations are broadly consistent with a favorable long-term outlook.

Sensitivity Analysis

Our valuation is most sensitive to changes in financing costs, renewable project execution, and segment valuation multiples.

Under a favorable scenario characterized by stronger renewable demand, accelerated data-center-related power procurement, and lower financing costs, our analysis indicates potential upside to approximately $99.8 per share. Under a more challenging operating environment marked by prolonged higher interest rates, project delays, or interconnection bottlenecks, our analysis suggests downside to approximately $70.7 per share.

While the range of outcomes remains wide, we believe the current share price appropriately balances both the company's attractive long-term growth opportunities and the execution risks inherent in a large-scale renewable development platform. As a result, we maintain a Neutral rating.



Source: Bloomberg Market Data Systems and Alpine Est.

NextEra Energy (NEE) | Sensitivity Analysis | Implied Share Price ($)

Alpine Asset Research Group | Base Case Target: $83.17 | Market Price: $86.12 | WACC: 7.9% | Source: Alpine SOTP & DCF Models

	Base Case (= $83.17)	Bull Case Range (≥ $99)	Above Market Price ($86.12)	Bear Case Range (≤ $72)	
DCF Sensitivity: WACC vs. Terminal Growth Rate | Implied Price per Share ($)					
WACC ↓ / TGR →	**TGR: 1.5%**	**TGR: 2.0%**	**TGR: 2.5%**	**TGR: 3.0%**	**TGR: 3.5%**
WACC: 6.5%	$89.82	$99.80	$112.28	$128.32	$149.71
WACC: 7.0%	$81.66	$89.82	$99.80	$112.28	$128.32
WACC: 7.5%	$74.85	$81.66	$89.82	$99.80	$112.28
WACC: 7.9%	$70.17	$76.12	$83.17	$91.66	$102.07
WACC: 8.5%	$64.16	$69.10	$74.85	$81.66	$89.82
WACC: 9.0%	$59.88	$64.16	$69.10	$74.85	$81.66
WACC: 9.5%	$56.14	$59.88	$64.16	$69.10	$74.85

SOTP Sensitivity: FPL EV/EBITDA Multiple vs. NEER EV/EBITDA Multiple | Implied Price per Share ($)					
FPL Mult ↓ / NEER Mult →	**NEER: 10.0x**	**NEER: 11.0x**	**NEER: 12.0x**	**NEER: 13.0x**	**NEER: 14.0x**
FPL: 10.5x	$64.00	$68.03	$72.06	$76.09	$80.13
FPL: 11.5x	$69.55	$73.58	$77.61	$81.65	$85.68
FPL: 12.5x	$75.10	$79.13	$83.17	$87.20	$91.23
FPL: 13.5x	$80.65	$84.69	$88.72	$92.75	$96.78
FPL: 14.5x	$86.21	$90.24	$94.27	$98.30	$102.34

Bear Case Decomposition: Rate Environment vs. Backlog Execution Delay | Implied Price ($)				
Rate Env ↓ / Execution →	**On Schedule**	**10% Delay**	**20% Delay**	**40% Delay**
Rates –100bp	$88.17	$84.97	$81.67	$75.17
Base Rates	$83.17	$79.97	$76.67	$70.17
Rates +100bp	$78.67	$75.47	$72.17	$65.67
Rates +200bp	$73.67	$70.47	$67.17	$60.67

Macro and Industry Drivers

Structural Demand Tailwinds Support Growth, While Execution Constraints Moderate Near-Term Upside. The utility and renewable energy sectors continue to benefit from favorable long-term structural trends, including accelerating electricity demand, corporate decarbonization initiatives, and supportive clean-energy policies. These dynamics create a constructive operating backdrop for NextEra Energy and support continued investment across both Florida Power & Light (FPL) and NextEra Energy Resources (NEER).

However, higher financing costs, transmission infrastructure constraints, and project execution challenges continue to moderate the pace at which these opportunities convert into earnings and cash flow. In our view, this balance between durable growth drivers and execution-related headwinds supports a Neutral rating and suggests that much of the favorable industry outlook is already reflected in the current share price.

Electrification and Decarbonization Support Long-Term Demand Growth. The rapid expansion of artificial intelligence infrastructure, cloud computing, and data-center development is emerging as a significant source of incremental electricity demand in the United States. At the same time, corporate sustainability commitments

continue to support renewable power procurement through long-term power purchase agreements (PPAs).

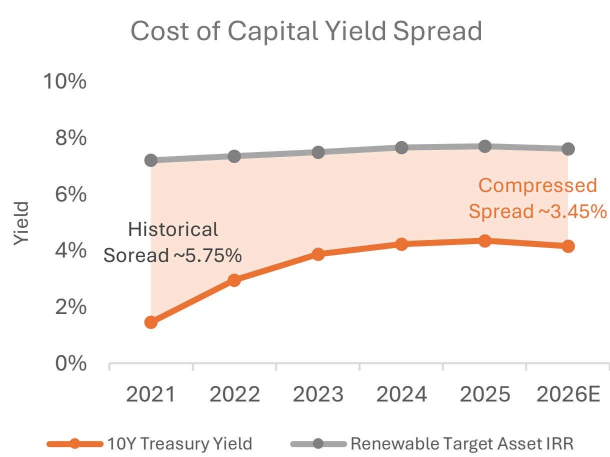
Together, these trends provide favorable demand visibility for both regulated utility investment and renewable generation development. For NextEra, the combination of growing electricity consumption and ongoing decarbonization efforts supports long-term demand for its generation, transmission, and storage assets.

Regulatory and Policy Support Enhance Growth Visibility. NextEra benefits from a favorable regulatory and policy environment across its core businesses.

At FPL, a constructive regulatory framework supports continued rate-base expansion and earnings growth through predictable capital recovery mechanisms and an allowed ROE of approximately 10.6%–10.95%.

At the federal level, clean-energy incentives, including Production Tax Credits (PTCs) and Investment Tax Credits (ITCs), continue to improve renewable project economics and support long-term industry investment. While policy support remains favorable, permitting requirements, environmental reviews, and local siting approvals can extend project timelines and create execution variability across the sector.

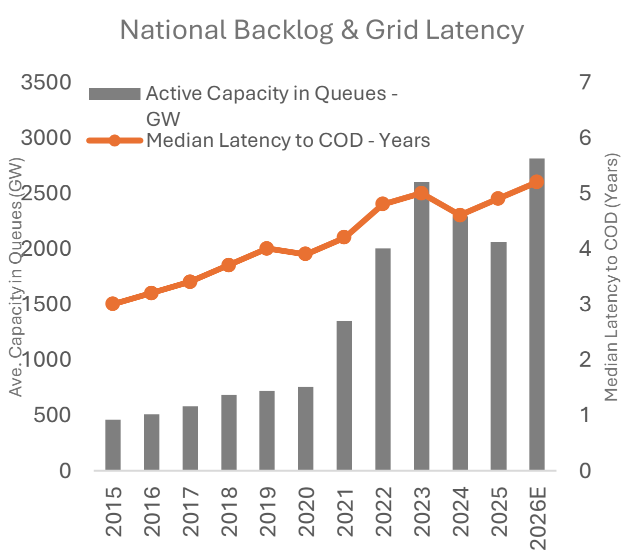
Financing Costs and Grid Constraints Remain Key Industry Challenges. Despite strong demand fundamentals, renewable energy development remains highly capital intensive and sensitive to financing conditions. Elevated interest rates increase project funding costs and may pressure returns on new investments relative to prior development cycles.



Source: Federal Reserve Bank of St. Louis (FRED)

In addition, transmission infrastructure limitations and lengthy interconnection queues continue to slow renewable project deployment across North America. Delays in securing grid access, combined with supply-chain constraints for critical equipment such as transformers and switchgear, can extend the period between capital deployment and cash flow generation.

While NextEra's scale and operational expertise position the company favorably relative to many peers, these industry-wide constraints remain important factors influencing the timing and realization of future growth.



Source: Lawrence Berkeley National Laboratory (LBNL)

Industry Implications

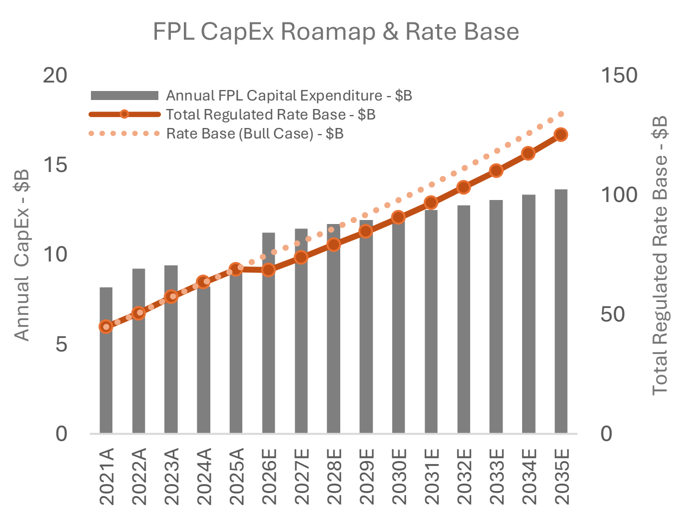
Overall, the industry outlook remains constructive. AI-driven electrification, population growth, corporate decarbonization commitments, and supportive energy policy continue to create attractive long-term opportunities for utilities and renewable energy developers.

At the same time, financing costs and infrastructure bottlenecks are likely to moderate the pace of growth realization. In our view, these offsetting forces create a balanced risk-reward profile for NextEra Energy. The company's long-term fundamentals remain attractive, but current valuation already reflects many of these favorable industry dynamics, supporting our Neutral rating.

Florida Power & Light (FPL)

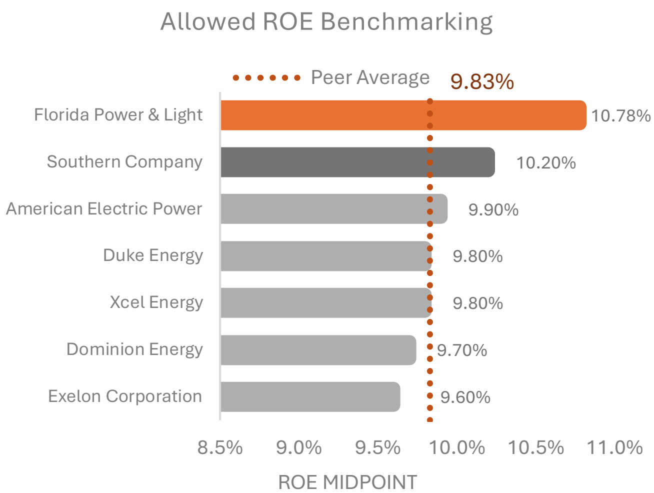
FPL Remains the Core Earnings and Cash Flow Foundation. Florida Power & Light remains the primary earnings and cash-flow contributor within NextEra Energy. Supported by a constructive regulatory framework, continued population growth, and ongoing infrastructure investment across Florida, FPL provides predictable earnings growth and capital recovery. While these characteristics justify a premium valuation relative to many regulated utility peers, we believe the current market valuation already reflects much of FPL's favorable growth profile.

Rate-Base Growth Supports Long-Term Earnings Visibility. FPL's earnings growth is primarily driven by continued rate-base expansion. We expect ongoing investment in transmission, distribution, generation, and grid modernization infrastructure to support 5%-8% annual earnings growth through 2035E.



Source: NEE SEC 10-K Filings, FPSC Disclosures & Alpine Est.

Importantly, this growth is supported by Florida's favorable demographic trends. Population growth and economic development continue to drive electricity demand across FPL's service territory, creating a supportive environment for future capital deployment.



Source: RRA Rate Case Analytics & Alpine Est.

Regulatory Framework Supports Capital Recovery. FPL benefits from one of the more constructive regulatory environments in the U.S. utility sector. The current settlement framework supports an allowed ROE range of approximately 10.6%-10.95% and provides clear mechanisms for capital recovery.

This regulatory visibility reduces earnings volatility and enhances the predictability of future cash flows, supporting FPL's role as the foundation of NextEra's consolidated valuation.

Clean Energy Investment Continues to Expand the Rate Base. FPL's "Real Zero" strategy remains an important long-term growth driver. Investments in utility-scale solar generation, battery storage, and grid modernization support both decarbonization objectives and future rate-base growth.

Because these projects are developed within a regulated framework, capital investments can be incorporated into the rate base and earn approved returns over time. As a result, environmental initiatives serve not only sustainability objectives but also support long-term earnings growth.

Key Segment Risks

Despite its stability, FPL faces several risks that may moderate future growth.

First, hurricane activity and extreme weather events can create temporary pressure on cash flows and increase capital requirements. Although regulatory recovery mechanisms generally allow cost recovery over time, timing differences may affect near-term financial performance.

Second, rising customer bills could increase regulatory scrutiny in future rate proceedings. While we view Florida's regulatory environment as constructive, affordability considerations may limit the pace of future rate increases or authorized returns.

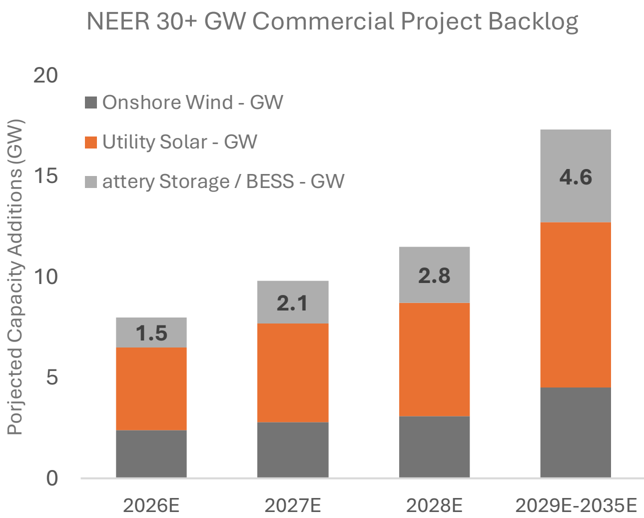
NextEra Energy Resources (NEER)

NEER Provides Long-Term Growth Visibility. NextEra Energy Resources serves as the company's primary growth platform and remains one of the largest renewable energy developers in North America. The segment's development backlog provides substantial visibility into future capacity additions and supports long-term revenue and earnings growth. However, execution timing remains influenced by industry-wide constraints, including transmission availability, interconnection timelines, and financing conditions.

Development Backlog Supports Multi-Year Growth. NEER's backlog exceeds 30 GW and represents one of the largest renewable development pipelines in the industry.

This backlog provides visibility into future commercial operation dates and supports our expectation for continued renewable capacity growth throughout the forecast period. As projects enter service, we expect incremental contributions from wind, solar, battery storage, and related infrastructure assets.

While backlog size remains a competitive advantage, the timing of monetization is influenced by permitting, construction schedules, and grid interconnection processes.

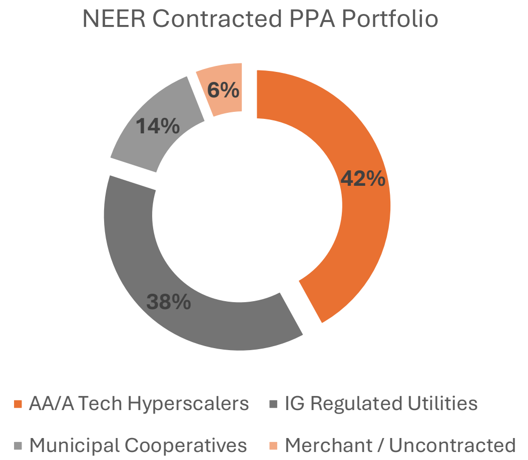


Source: NEER Commercial Booking Logs and Alpine Est.

Contracted Asset Structure Supports Cash Flow Stability. A significant portion of NEER's development portfolio is supported by long-term power purchase agreements (PPAs) and contracted revenue arrangements.

These contracts reduce exposure to short-term power price volatility and improve cash-flow visibility relative to merchant generation assets. Many contracts also include escalation mechanisms or benefit from federal tax-credit structures that help support project-level economics.

As a result, NEER's growth profile is supported by a combination of contracted revenues and favorable long-term demand trends.



Source: S&P Global Ratings Counterparty Registry & Alpine Est.

Data-Center Demand Creates Additional Growth Opportunities. The expansion of artificial intelligence infrastructure, cloud computing, and data-center development is emerging as an incremental source of electricity demand.

Large technology companies increasingly seek long-duration renewable energy contracts to support both electricity needs and sustainability objectives. Given its scale, development expertise, and geographic footprint, NEER is well positioned to participate in this demand growth through additional renewable generation and storage projects.

While we view this as a meaningful long-term opportunity, we believe current market expectations already incorporate a portion of this potential upside.

Key Segment Risks

The primary risks facing NEER relate to execution and financing.

Transmission interconnection delays, permitting requirements, and equipment procurement challenges can extend project timelines and delay revenue recognition. In addition, higher financing costs may reduce project returns and moderate the pace of future development.

While these risks do not alter our constructive long-term view of the segment, they support a measured valuation approach and reinforce our Neutral rating.

Integrated Financial Forecasts & Scenario Analysis

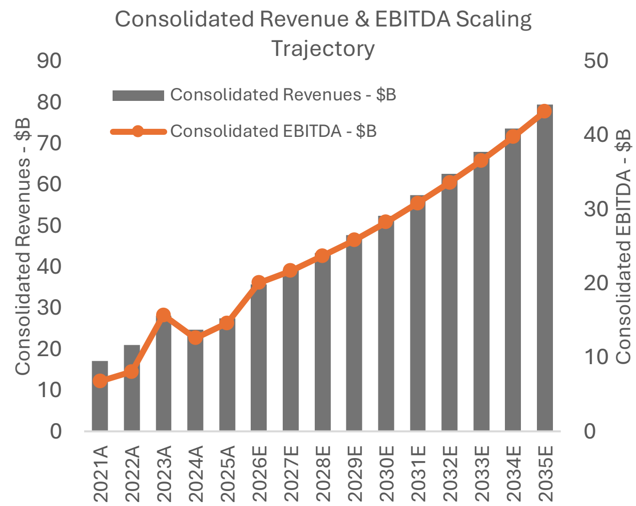
Forecasts Support Durable Growth, but Current Valuation Appears Balanced. Our financial model projects continued earnings and cash-flow growth through 2035E, supported by ongoing rate-base expansion at FPL and renewable capacity additions at NEER. While the growth outlook remains favorable, we believe the current share price already reflects much of this expected performance. As a result, our forecast supports a Neutral rating rather than a more constructive recommendation.

Consolidated Financial Outlook (2021A–2035E)

Our projections indicate a gradual shift in the company's revenue mix as renewable generation expands and backlog projects enter service. NEER is expected to drive the majority of consolidated revenue growth, while FPL remains the primary contributor to earnings and cash flow throughout the forecast period.

Key forecast observations include:

- Revenue increases from $27.4 billion in 2025A to approximately $79.5 billion by 2035E.
- EBITDA grows from $14.6 billion to $43.2 billion over the same period.
- EBITDA margins remain stable in the mid-50% range, reflecting a growing mix of contracted renewable assets and regulated utility operations.
- Net income expands from $6.8 billion in 2025A to approximately $17.9 billion by 2035E.



- *Source: NEE SEC 10-K Disclosures; Alpine 3-Statement Est.*

Taken together, the forecast suggests that NextEra can sustain above-sector earnings growth while maintaining the stability typically associated with regulated utility businesses.

Key Model Assumptions

Our forecasts are primarily driven by three variables:

FPL Rate-Base and Customer Growth

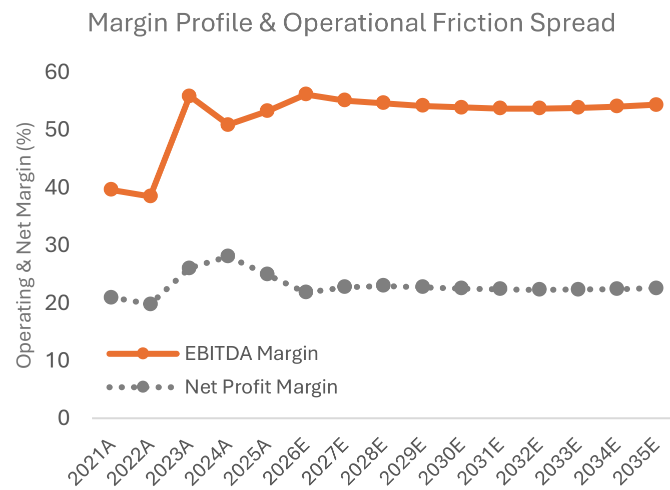
The FPL forecast assumes continued customer growth, population migration into Florida, and sustained investment in transmission, distribution, solar generation, and grid modernization. These investments support long-term rate-base expansion and drive the majority of consolidated earnings growth.

Renewable Backlog Conversion

NEER's forecast assumes steady conversion of its development backlog into operating assets. Growth is supported by long-term power purchase agreements, increasing demand for renewable generation, and continued deployment of utility-scale storage projects.

Cost Structure Evolution

The model assumes a gradual decline in fuel-related expenses as renewable generation represents a larger share of the generation portfolio. Operating efficiency improvements and scale benefits partially offset inflationary pressures, resulting in relatively stable EBITDA margins throughout the forecast horizon.



Source: Alpine Operating Efficiency Ledgers

NextEra Energy (NEE) | Cash Flow & Balance Sheet Summary | $M

Alpine Asset Research Group | Initiation of Coverage | June 2026 | Source: NEE SEC 10-K Filings; Alpine 3-Statement Forecasting Model

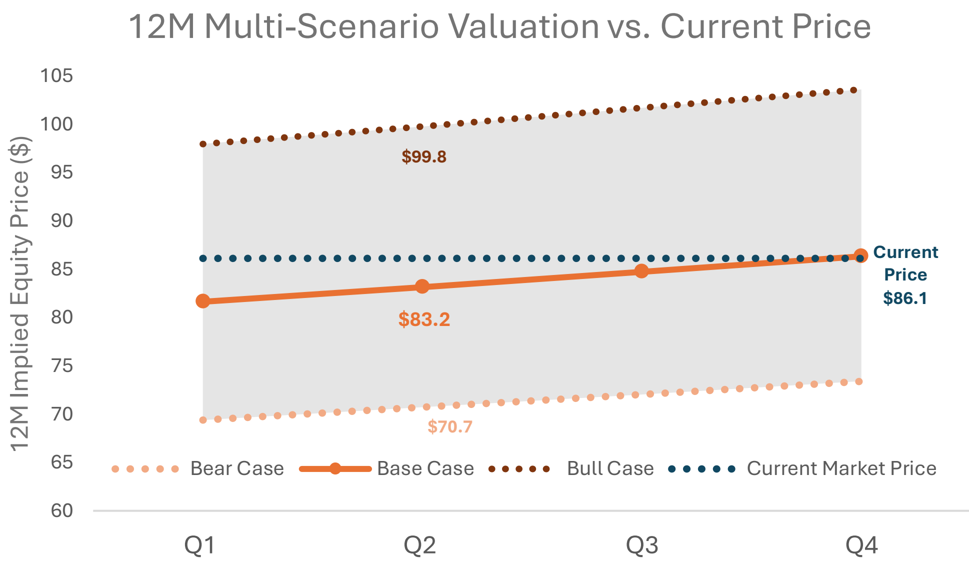
	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
CASH FLOW STATEMENT															
Cash from Operations (CFO)	**1,673**	**3,086**	**3,664**	**2,875**	**3,077**	**12,004**	**3,730**	**5,025**	**4,884**	**4,823**	**4,977**	**5,192**	**5,299**	**5,077**	**5,381**
Capital Exp.	(3,048)	(1,317)	(1,186)	(3,287)	(2,519)	(6,255)	(6,708)	(6,314)	(5,890)	(8,056)	(8,510)	(8,116)	(7,693)	(8,315)	(8,769)
Free Cash Flow (FCF)	**(1,375)**	**1,769**	**2,478**	**(412)**	**558**	**5,749**	**(2,978)**	**(1,289)**	**(1,006)**	**(3,233)**	**(3,533)**	**(2,924)**	**(2,394)**	**(3,238)**	**(3,388)**
Dividends Paid	(930)	(946)	(947)	(959)	(1,058)	(1,283)	(1,382)	(1,650)	(1,305)	(1,423)	(1,508)	(1,766)	(1,399)	(1,544)	(1,627)
FCF after Dividends	**(2,305)**	**823**	**1,531**	**(1,371)**	**(500)**	**4,466**	**(4,360)**	**(2,939)**	**(2,311)**	**(4,656)**	**(5,041)**	**(4,690)**	**(3,793)**	**(4,782)**	**(5,015)**
BALANCE SHEET HIGHLIGHTS															
Long-Term Debt	50,960	55,256	61,405	72,385	89,556	69,948	62,551	61,110	63,479	67,101	71,377	76,079	81,097	86,378	91,902
Short-Term Debt	3,867	9,710	11,806	9,948	6,063	17,044	19,381	22,812	26,943	31,798	37,327	43,533	50,431	58,047	66,413
Total Debt	**54,827**	**64,966**	**73,211**	**82,333**	**95,619**	**86,992**	**81,932**	**83,922**	**90,422**	**98,899**	**108,704**	**119,612**	**131,528**	**144,425**	**158,315**
Cash & Equi.	639	1,601	2,690	1,484	2,809	30,699	25,240	27,756	36,365	48,248	63,394	81,920	104,215	130,904	162,726
Net Debt	**54,188**	**63,365**	**70,521**	**80,849**	**92,810**	**56,293**	**56,692**	**56,166**	**54,057**	**50,651**	**45,310**	**37,692**	**27,313**	**13,521**	**(4,411)**
CREDIT & LEVERAGE METRICS															
Net Debt / EBITDA	**8.0x**	**7.9x**	**4.5x**	**6.4x**	**6.4x**	**2.8x**	**2.6x**	**2.4x**	**2.1x**	**1.8x**	**1.5x**	**1.1x**	**0.7x**	**0.3x**	**-0.1x**
CFO / CapEx Coverage	0.5x	2.3x	3.1x	0.9x	1.2x	1.9x	0.6x	0.8x	0.8x	0.6x	0.6x	0.6x	0.7x	0.6x	0.6x
Interest Coverage	5.3x	13.8x	4.7x	5.6x	3.2x	5.8x	7.2x	8.0x	8.2x	8.2x	8.2x	8.0x	7.9x	7.7x	7.6x

Scenario Analysis

To evaluate potential outcomes under varying operating environments, we developed three valuation scenarios.

Scenario	Target Price	Key Assumptions
Bull Case	$99.80	Faster AI-driven electricity demand growth, stronger renewable bookings, lower financing costs
Base Case	$83.17	Normalized backlog conversion, continued FPL rate-base growth, stable financing environment
Bear Case	$70.70	Project delays, prolonged higher interest rates, slower renewable deployment

The valuation range highlights the balance between NextEra's long-term growth opportunities and the execution risks inherent in a capital-intensive infrastructure business.



Source: Bloomberg Market Data Systems; Alpine SOTP Risk-Sensitivity Matrix

Investment Conclusion

NextEra combines one of the industry's highest-quality regulated utility franchises with one of North America's largest renewable development platforms. We expect the company to continue delivering above-sector earnings growth supported by rate-base expansion and backlog execution.

However, at current valuation levels, investors appear to be paying in advance for much of this growth. While long-term fundamentals remain attractive, we believe the current share price appropriately reflects both the opportunities and execution risks embedded in the business, supporting our Neutral rating.

While our implied 12-month total return of –2.3% sits at the favorable boundary of our Neutral range, we do not believe the magnitude of downside — absent a deterioration in fundamentals — is sufficient to warrant a Sell designation; the risk is one of limited upside, not meaningful capital loss.

Appendix & Required Analyst Disclosures

NextEra Energy (NEE) | Valuation Summary | Alpine Initiation of Coverage

Rating: NEUTRAL | Target Price: $83.1 | Market Price: $86.12 | Implied 12M Total Return: –2.3% (incl. div | June 2026

SOTP VALUATION	
FPL 2026E EBITDA ($M)	11,616
FPL EV/EBITDA Multiple	12.5x
FPL Implied EV ($B)	$145.2
NEER 2026E EBITDA ($M)	8,436
NEER EV/EBITDA Multiple	12.0x
NEER Implied EV ($B)	$101.2
Total EV ($B)	**$246.4**
(–) Net Debt ($B)	-$56.3
(–) NCI ($B)	-$16.2
Implied Equity ($B)	**$174.0**
Shares O/S (M)	2,092
Target Price (Base)	**$83.17**

DCF CROSS-CHECK	
WACC	7.9%
Terminal Growth Rate	2.5%
DCF Implied Price	$81.15
SCENARIO ANALYSIS	
Bull Case Target	**$99.80**
Base Case Target	**$83.17**
Bear Case Target	**$70.70**
Current Market Price	**$86.12**
RELATIVE VALUATION	
NEE Forward EV/EBITDA	12.3x

I. Valuation Methodology

Alpine Asset Research Group values NextEra Energy using a Sum-of-the-Parts (SOTP) framework to reflect the distinct operating characteristics of Florida Power & Light (FPL) and NextEra Energy Resources (NEER). Our valuation applies segment-specific forward EV/EBITDA multiples to 2026E EBITDA forecasts.

- **Florida Power & Light (FPL):** 12.5x forward EV/EBITDA
- **NextEra Energy Resources (NEER):** 12.0x forward EV/EBITDA

The resulting enterprise values are adjusted for consolidated net debt and noncontrolling interests to derive implied equity value and target price.

As a secondary valuation framework, we utilize a Discounted Cash Flow (DCF) analysis employing a 7.9% Weighted Average Cost of Capital (WACC) and a 2.5% terminal growth rate. The DCF serves as a reasonableness check and supports the valuation range implied by our SOTP analysis.

II. Note on Long-Term Net Debt Evolution

Our model projects a substantial decline in net debt over the outer forecast period as cash generation from regulated operations and contracted renewable assets exceeds modeled capital requirements. We view this outcome as a function of terminal-period assumptions rather than a likely capital allocation endpoint. In practice, we expect management to redeploy excess cash toward growth investments, shareholder returns, or balance-sheet optimization, resulting in leverage levels that remain broadly consistent with industry norms.

III. Key Investment Risks

Our investment thesis and valuation are subject to several key risks, including:

Financing Risk – Renewable energy development remains capital intensive and sensitive to changes in interest rates and financing conditions. Higher funding costs may reduce project-level returns and pressure valuation multiples.

Execution Risk – Delays related to transmission interconnection, permitting, construction schedules, equipment procurement, or grid infrastructure constraints may postpone project completion and revenue realization.

Regulatory Risk – Changes in regulatory policy, allowed returns on equity, rate recovery mechanisms, or environmental policy could affect earnings growth and capital recovery at FPL and NEER.

Weather and Natural Disaster Risk – Severe weather events, including hurricanes affecting Florida, may increase capital expenditures, disrupt operations, and create short-term earnings volatility.

IV. Analyst Certification

I, Eric Liu, certify that the views expressed in this research report accurately reflect my personal views regarding the subject company and securities discussed herein. I further certify that no part of my compensation was, is, or will be, directly or indirectly related to the specific recommendations, target prices, or opinions expressed in this report. Any personal investment holdings are disclosed in the Disclosures & Conflicts of Interest section.

V. Investment Rating System

Alpine Asset Research Group employs the following rating definitions:

Strong Buy: expected return greater than 15% over the next 12 months, with near-term, actionable catalysts designed to drive multiple expansion and unlock shareholder value.
Buy: expected return between +5% and +15% over the next 12 months.
Neutral: expected return between -10% and +5% over the next 12 months.
Sell: expected return between -10% and -20% over the next 12 months.
Strong Sell: expected return greater than-20% over the next 12 months

Based on our valuation analysis and expected risk-adjusted return profile, NextEra Energy is assigned a **Neutral** rating with a 12-month target price of **$83.17 per share**.

VI. Disclosures & Conflicts of Interest

Ownership Disclosure: As of June 22, 2026, the author beneficially owns approximately 54 common shares of NextEra Energy. The position represents a personal investment and has not influenced the analysis, recommendation, or target price expressed in this report. The author may buy or sell shares of NextEra Energy after publication of this report without further notice.

Compensation: The analyst has not received and does not expect to receive compensation from NextEra Energy related to the preparation of this report.

Business Relationships: The analyst responsible for this report does not serve as an officer, director, or board member of NextEra Energy and has no material business relationship with the company.

General Disclaimer: This report has been prepared for informational and educational purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase any security. The information contained herein has been obtained from sources believed to be reliable; however, no representation or warranty is made regarding its accuracy or completeness. Opinions and estimates constitute the analyst's judgment as of the publication date and are subject to change without notice. This report does not take into account the specific investment objectives, financial circumstances, or particular needs of any individual investor. Past performance is not indicative of future results.