



Press release December 16, 2016

## ENGIE inaugurates Jirau in Brazil, the Group's largest hydropower project in the world

On December 16<sup>th</sup>, the Jirau Hydropower Plant (HPP), located on the Madeira River, in the State of Rondônia, in Northern Brazil, is inaugurated in presence of Gérard Mestrallet, chairman of ENGIE. This plant is the fourth largest power plant in the country and the largest hydroelectric project of the Group worldwide. Operating with a total of 50 turbines, it has a total capacity of 3,750 MW and will produce the equivalent of the consumption of more than 10 million homes.

Jirau HPP is managed by Energia Sustentável do Brasil, in which ENGIE has a participation of 40%, the other shareholders being Eletrobras Eletrosul (20%), Eletrobras Chesf (20%) and Mizha Participações S.A. (20%) – a subsidiary of Mitsui & CO., LTD. The total investment in the project is around USD 5.3 billion and it took 90 months to be completed. The concession contract, with a 35 years' term, will supply enough energy to assure industrial growth, thus complying with the demands of the market in the coming few years. 70% of the output of the plant is already contracted through long term contracts, while the remaining output is being sold to industrial clients.

The project is certified by the United Nations for the commercialization of carbon credits according to the Clean Development Mechanism. It will allow a reduction of 6 million tons of CO<sub>2</sub> emissions annually, which would have been emitted by other sources.

The construction of the plant has generated more than 60,000 direct and indirect jobs mainly through local employment. In addition, the project develops an extensive social-environmental program, consisting of 34 programs with an investment of USD 390 million, which have contributed to the economic, environmental and social development of the region. Since 2010, there have been over 140 actions in favor of the improvement in the quality of life of thousands of families living in the surrounding areas.

In order to meet the Resettlement Program of Affected Populations, a new city – "Nova Mutum Paraná" –, was also built, with 1,600 houses in an area of two million square meters and a capacity to receive up to 6,000 inhabitants. Donated in January 2011 to the Municipal City Hall of Porto Velho, it offers total infrastructure to inhabitants: schools of elementary and high education, day-care and health centers, integrated unit of public



security military police, civil police and fire department, service for mobile telephony and internet 3G, sewage system, electric energy, areas of leisure and landscape, in addition to a shopping mall, bus station, among other conveniences.

Jirau HPP enables the Group to maintain its leadership in private power generation in Brazil. The completion of Jirau demonstrates the business, financial, engineering and socio-environmental capabilities of the teams for such large projects. With a presence in the country for 20 years, mainly via renewable energy generation and services activities, ENGIE intends to grow further in distributed generation and helping transforming cities to become smarter, safer and more sustainable.

ENGIE is the largest private power producer in the country, operating an installed capacity of 10,212 MW in 28 power plants all over Brazil, which stands for about 6% of the country's capacity. The Group has 90% of its installed capacity in the country coming from clean, renewable sources and with low emissions of greenhouse gases, a status that has been reinforced by the construction of new wind farms in the Northeast and by one of the largest hydropower plants in Brazil, Jirau. The Group is also present in the solar distributed generation market and offers services related to power, engineering and integration of systems working on the development of telecommunication and security systems, public lighting and urban mobility for smart cities, infrastructures and the oil & gas industry. With 3,000 employees, ENGIE had a turnover of around 2 billion USD in the country in 2015.

## About ENGIE

ENGIE develops its businesses (power, natural gas, energy services) around a model based on responsible growth to take on the major challenges of energy's transition to a low-carbon economy: access to sustainable energy, climate-change mitigation and adaptation and the rational use of resources. The Group provides individuals, cities and businesses with highly efficient and innovative solutions largely based on its expertise in four key sectors: renewable energy, energy efficiency, liquefied natural gas and digital technology. ENGIE employs 154,950 people worldwide and achieved revenues of €69.9 billion in 2015. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main international indices: CAC 40, BEL 20, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, DJSI World, DJSI Europe and Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20). To know more, visit www.engie.com.

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