

CAPITAL MARKETS DAY

February 28, 2019



AGENDA OF THE DAY

Tab

11:00 – 12:15

2018 performance
Strategic orientation
Capital allocation & medium-term guidance

Judith HARTMANN p. 3
Isabelle KOCHER p. 27
Judith HARTMANN p. 59

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12:15 – 1:00

Buffet lunch

1:00 – 2:30

Operational plans by business line

Shankar KRISHNAMOORTHY p. 86
Paulo ALMIRANTE p. 107
Gwenaelle HUET p. 126
Franck BRUEL p. 156

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2:30 – 3:30

Q&A and closing remarks

Judith HARTMANN

EVP, Chief Financial Officer

2018 PERFORMANCE



KEY MESSAGES

NRIGS GUIDANCE ACHIEVED

**SOLID ORGANIC GROWTH
DESPITE NUCLEAR HEADWIND**

**SOUND OPERATING CASH GENERATION
AND STRONG FINANCIAL STRUCTURE**

2018 STRATEGY EXECUTION

More profitable through focused investments and cost efforts

Strong growth in client solutions driven by targeted acquisitions in services, despite retail headwinds

Acceleration in renewables 1.1 GW of wind & solar capacity added in 2018 and targeted capacity addition of 9 GW over 2019-21

Increased regulated asset base thanks to storage regulation

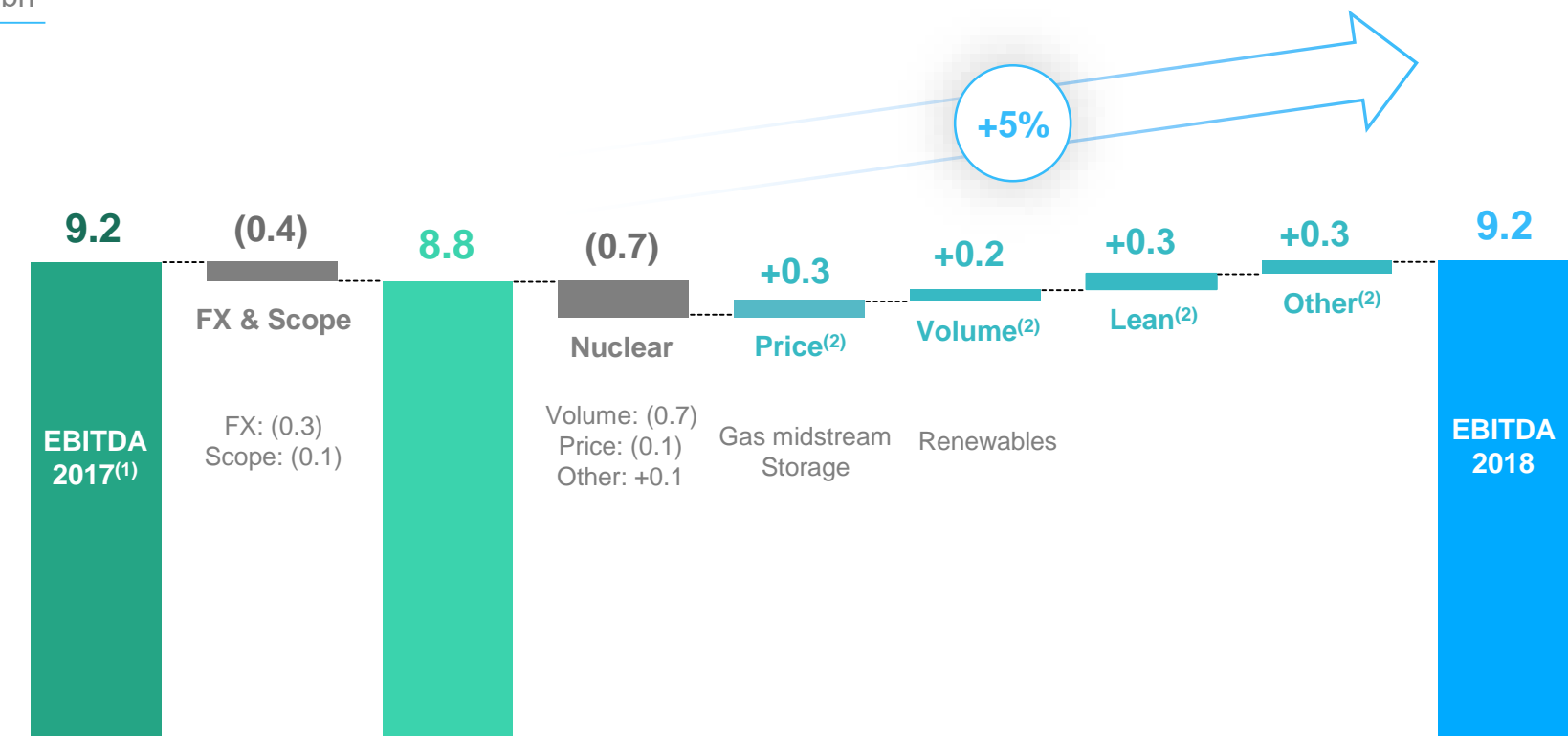
Reduced coal exposure: sale of Loy Yang B and announcement of Glow disposal

EBITDA & COI UP 5% ORGANICALLY

2018 FY RESULTS – In €bn	Actual	Δ Gross ⁽¹⁾	Δ Organic ⁽¹⁾
EBITDA	9.2	0%	+5%
COI ⁽²⁾	5.1	-1%	+5%
NRIGs ⁽³⁾	2.46	+10%	+17%
NIgs	1.0	-22%	
CFFO ⁽⁴⁾	7.3	-1.2	

SOLID ORGANIC EBITDA GROWTH

In €bn

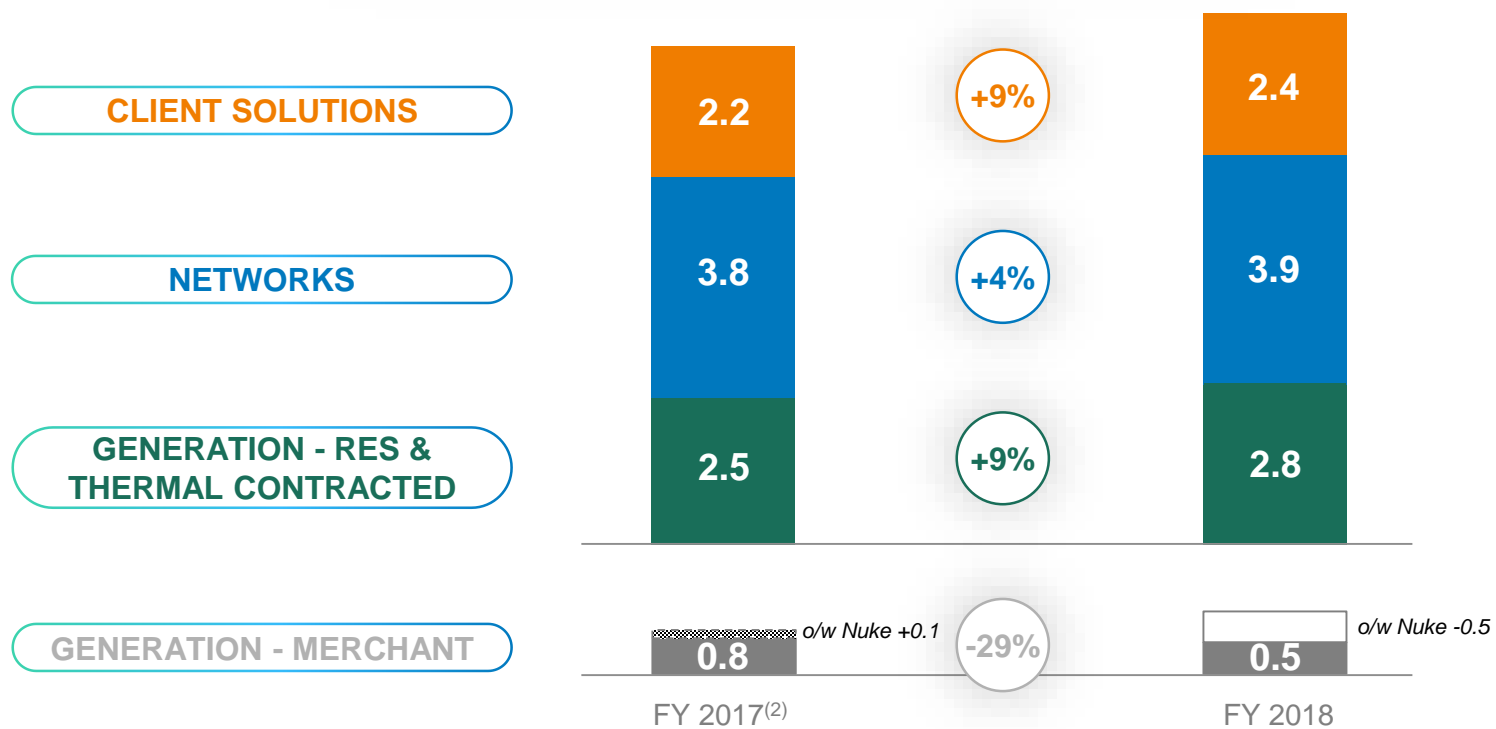


By reportable segment⁽³⁾

- NORTH AMERICA
- LATIN AMERICA
- AFRICA/ASIA
- BENELUX
- FRANCE
- EUROPE
excl. France & Benelux
- INFRASTRUCTURES
EUROPE
- GEM
- OTHER

GROWTH DRIVEN BY SERVICES, RENEWABLES & GAS STORAGE

EBITDA⁽¹⁾ - In €bn, unaudited figures



STRONG SERVICES PERFORMANCE AND NEGATIVE IMPACT IN RETAIL MARGINS



Key dynamics

Strengthening of our positions by **targeted acquisitions**

Strong increase in demand and backlog

B2C supply margin pressure

Key performance and financial indicators

B2B/B2T services

Revenues **€18.6 bn +8.5% gross**

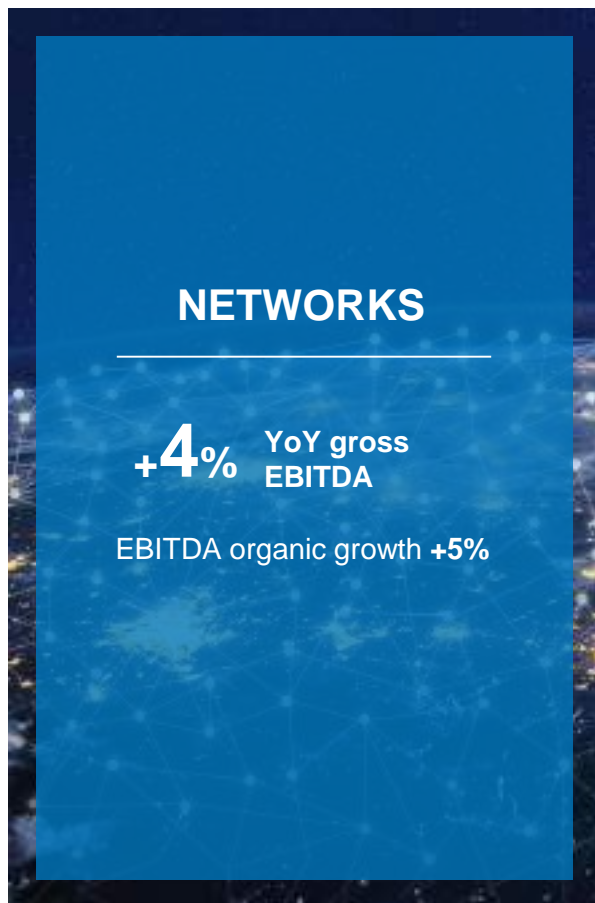
EBIT margin **+30 bps**

Installations backlog **€6.9 bn +10%**

B2C

+0.9m retail contracts (+4%)

GROWTH DRIVEN BY FRENCH STORAGE REGULATION



Key dynamics

France

Gas storage regulation

Inauguration of
Val de Saône
transport pipe

International

Gralha Azul power transmission line

concession signed
in Brazil in 2018

Key performance and financial indicators

France

+€3.6 bn of storage **RAB**
(total French RAB **+16%**)

2.5m gas smart meters
Installed by end 2018

International

Solid EBITDA organic growth
+€24%

STRONG GROWTH DRIVEN BY RENEWABLES



Key dynamics

Renewables

Financial **closing of Moray East Offshore Windfarm** (UK)
Acquisitions of **renewables developers** (USA and France)

Thermal contracted

New and extensions of **power purchase agreements** in Chile and Peru

Key performance and financial indicators

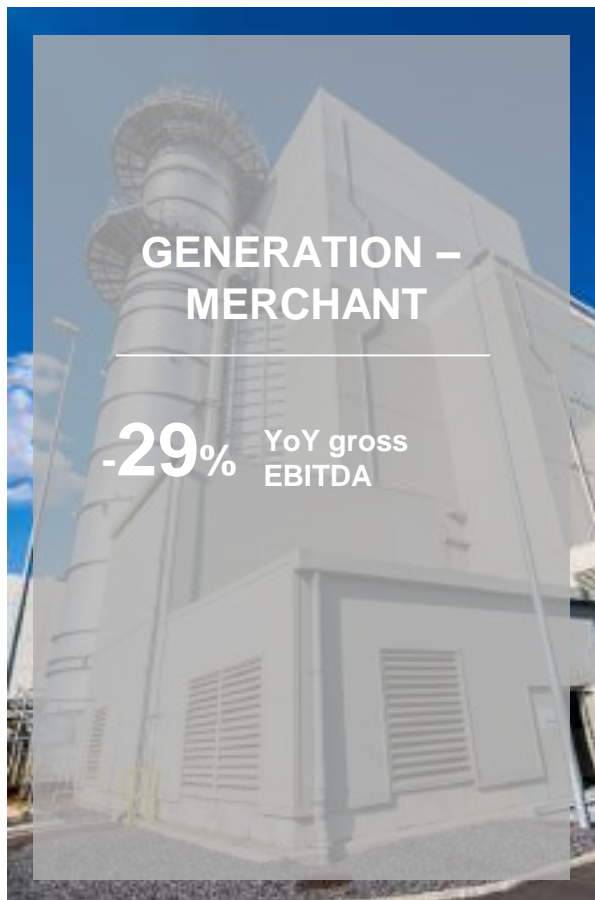
Renewables

+33% volumes hydro France
+1.1 GW capacity added in 2018

Thermal contracted

+1.3 GW commissioned

STRONG GROWTH IN ENERGY MANAGEMENT AND SPREAD GENERATION FLEET PARTLY OFFSETTING NUCLEAR HEADWINDS



Key dynamics

Significant unplanned nuclear outages

Positive portfolio effect on thermal power production

Dynamic management of optionality in the gas supply portfolio

Key performance and financial indicators

52% availability rate at Belgian nuclear plants

-€2/MWh lower achieved price on nuclear power production

FROM EBITDA TO NET INCOME

From EBITDA to NRIGs

	2018	2017 ⁽¹⁾	Δ yoy
EBITDA	€9.2bn	€9.2bn	+0.0
D&A and others	(4.1)	(4.0)	(0.1)
COI⁽²⁾	€5.1bn	€5.2bn	(0.0)
Net interest expense ⁽³⁾	(1.2)	(1.2)	(0.0)
Income tax	(0.9)	(1.1)	+0.2
Minorities & Other	(0.8)	(0.7)	(0.0)
NRIGs continued	€2.5bn	€2.2bn	+0.2
NRIGs discontinued	€(0.0)bn	€0.3bn	(0.3)
NRIGs	€2.4bn	€2.5bn	(0.1)

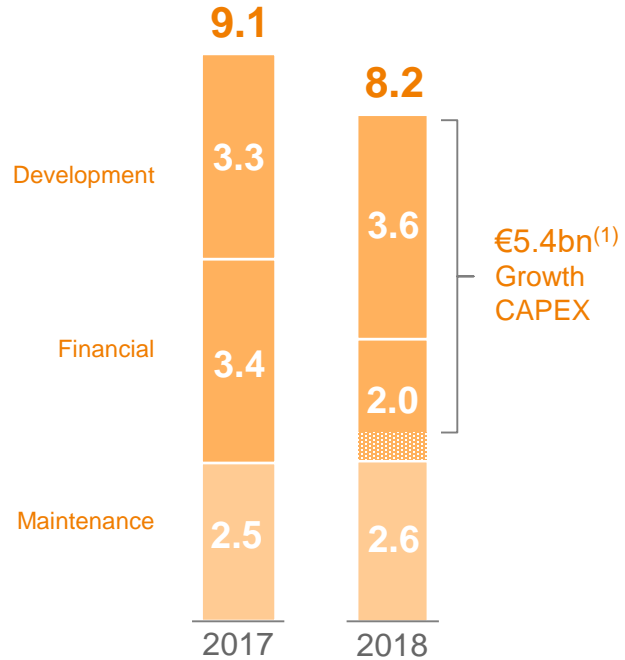
From NRIGs to NIGs

NRIGs 2018	€2.4bn
MtM below COI	(0.2)
Impairments	(1.8)
Restructuring costs	(0.2)
Capital gains	(0.3)
Others ⁽⁴⁾	+1.1
NIGs 2018	€1.0bn

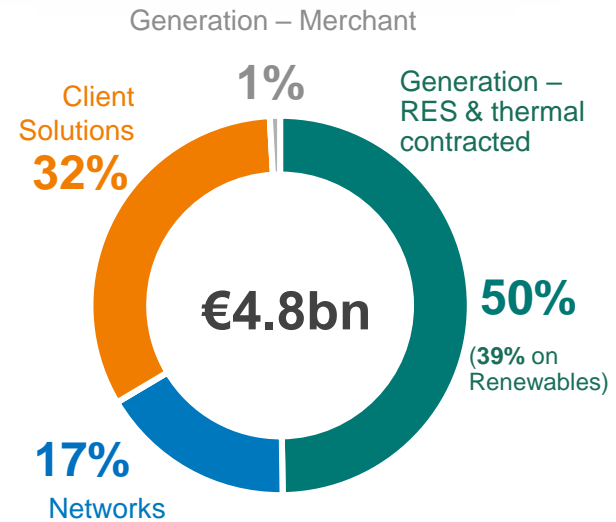
- (1) FY 2017 restated for IFRS 5, 9 and 15 treatments
 (2) After share in net income of associates
 (3) Cost of net debt + unwinding of discount on long-term provisions
 (4) Mainly coming from capital gains from E&P and LNG disposals (Group share)

€4.8BN GROWTH CAPEX IN 2018 ON CORE STRENGTHS

CAPEX by nature - In €bn



Growth CAPEX by métiers - In €bn



€4.8bn net of DBSO proceeds and excl. corporate Capex

TRANSFORMATION DRIVING HIGHER CAPITAL EFFICIENCY

ROCEp⁽¹⁾

	2015	2018
ENGIE	6.5%	7.4%
CLIENT SOLUTIONS⁽²⁾	10.4%	12.2%
GENERATION - RES & THERMAL CONTRACTED	10.3%	12.8%
NETWORKS	7.3%	7.7%

Scope impact
-€0.8bn
 2018 COI impact vs 2015

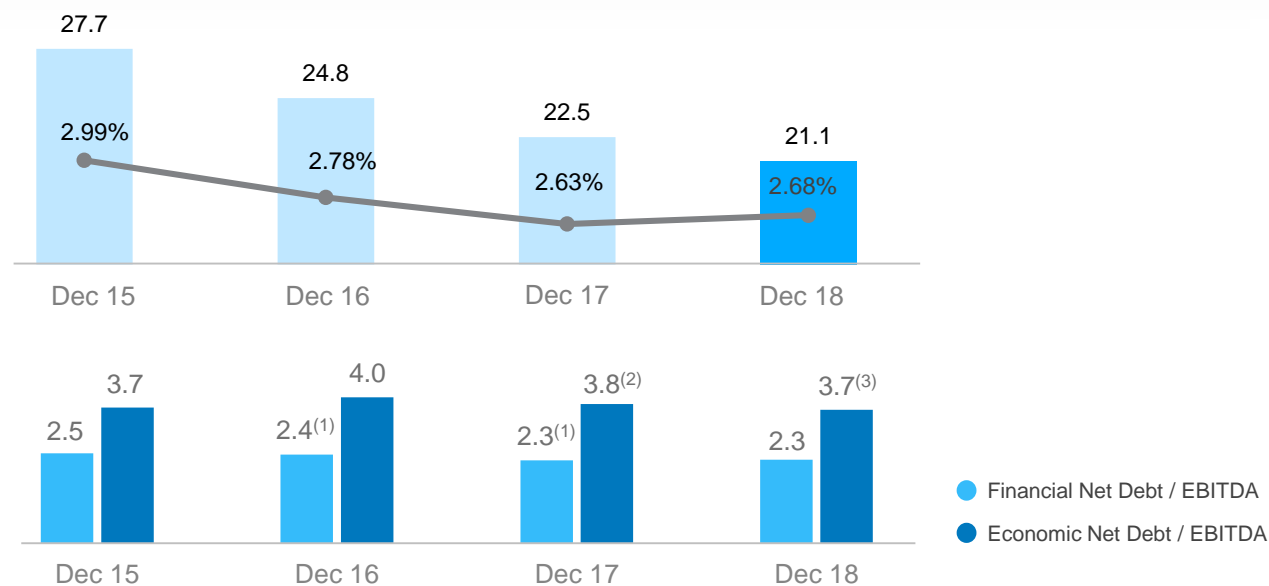
Nuclear impact
-€0.8bn
 2018 COI impact vs 2015

CAPEX 2016-18⁽³⁾
€1.0bn
 COI contribution as
 from 2019

Lean 2018
€1.3bn
 net cost savings
 at EBITDA level

STRONG FINANCIAL STRUCTURE

Financial net debt & cost of gross debt - In €bn



In 2018, **S&P** confirmed its **A-/A-2 rating** and revised its **outlook** from negative to **stable**; **Moody's** also confirmed its **A-2 rating** with **stable outlook**

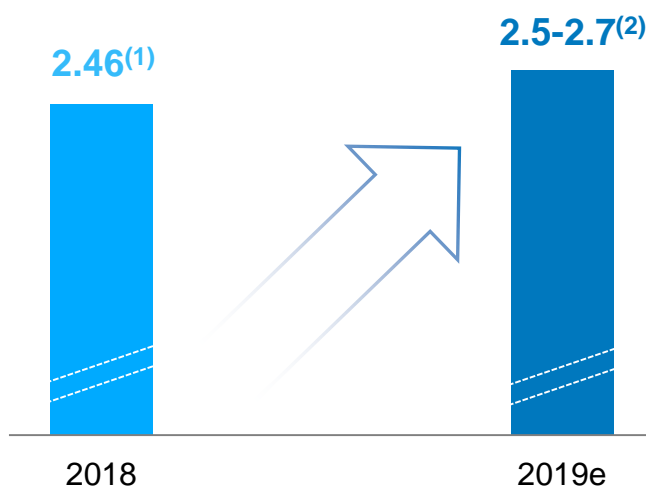
(1) Net debt pro forma E&P interco debt

(2) Figures restated for LNG midstream and upstream activities classified as discontinued operations as from March 2018 (IFRS 5)

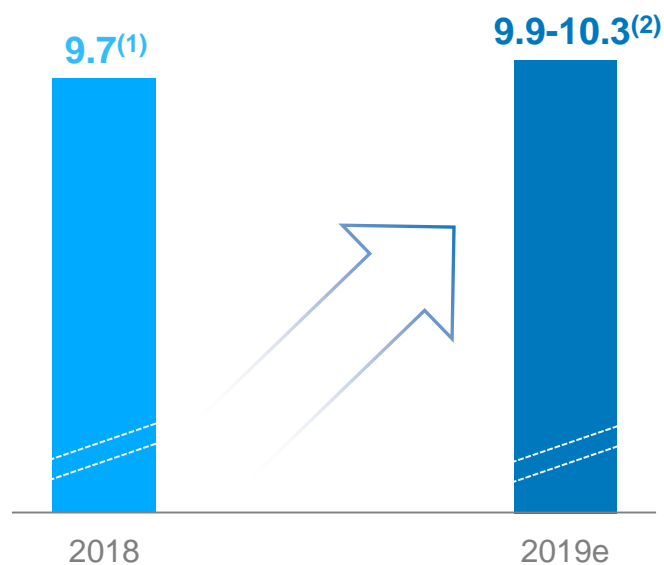
(3) Leases commitments included in economic net debt are restated in EBITDA (for ca. €0.5bn), reflecting the implementation of IFRS 16 from 2019 onwards

2019 GUIDANCE

Net recurring income
Group share - In €bn



EBITDA indication - In €bn



Dividend for 2019

65-75%

pay-out ratio on NRIGs

Leverage & rating⁽³⁾

Financial net debt / EBITDA $\leq 2.5x$
"A" category rating

(1) Without E&P and LNG contributions, restated for IFRS16 treatment (€0.5 bn at EBITDA level, negligible at NRIGs level)

(2) Main assumptions: average weather in France, full pass through of supply costs in French regulated gas tariffs, no major regulatory and macro-economic changes, market commodity prices as of 12/31/2018, average forex for 2019: €/€: 1.16; €/BRL: 4.31, no significant impacts from disposals not already announced

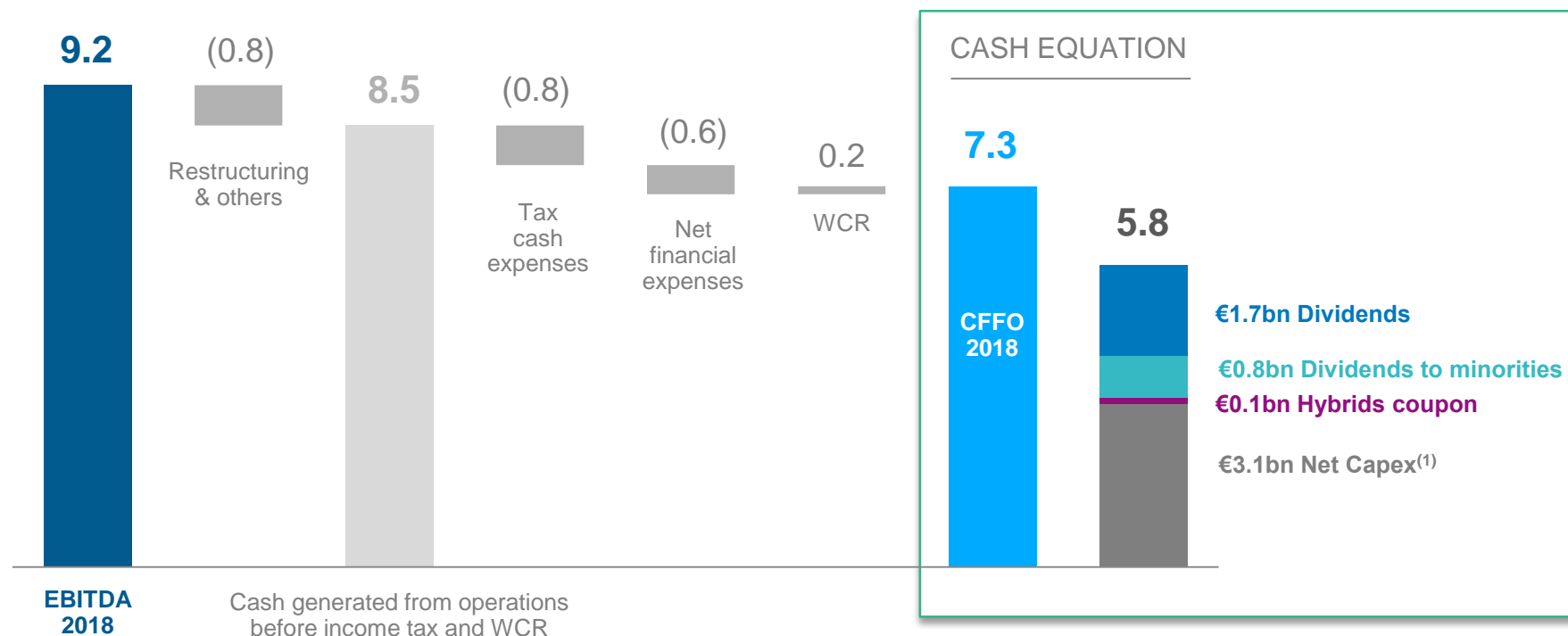
(3) The debt forecasts assume no change in the existing Belgian nuclear provision legal and regulatory framework.

ADDITIONAL MATERIAL



CASH EQUATION IN SURPLUS

In €bn



ADDITIONAL MATERIAL: 2018 PERFORMANCE

CLIENT SOLUTIONS

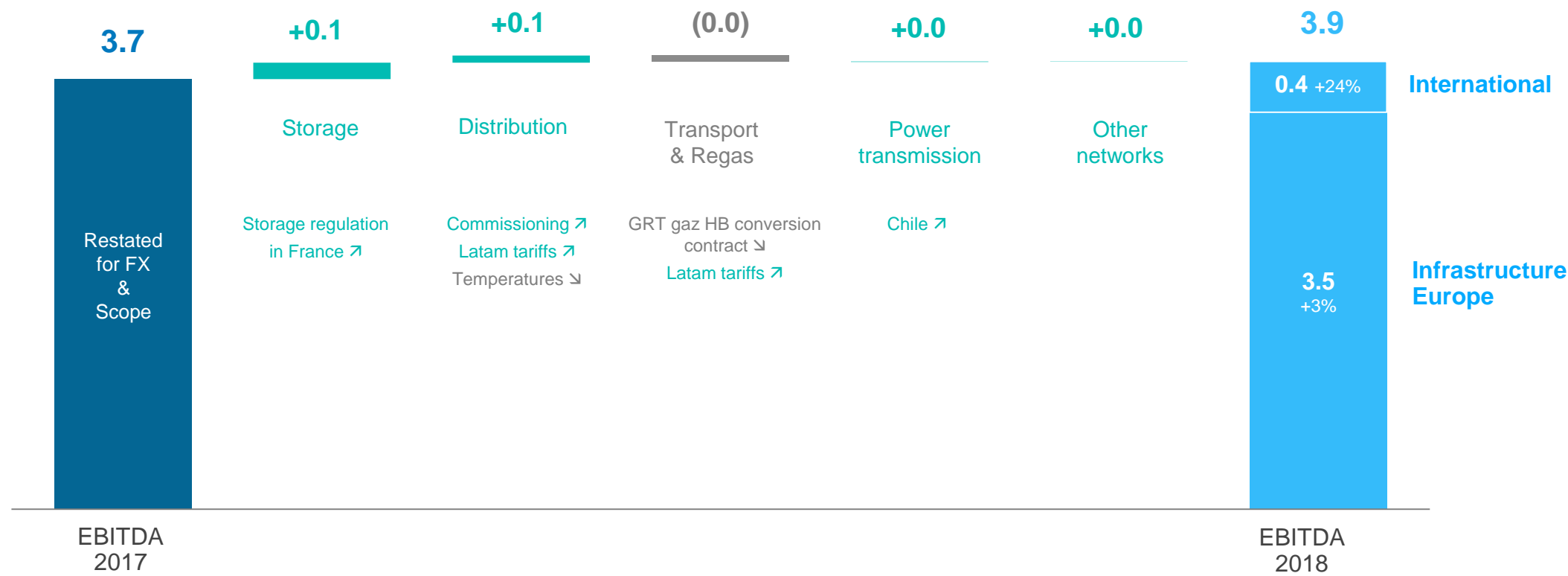
In €bn, % yoy organic



RESILIENT IN CHALLENGING CONDITIONS

NETWORKS

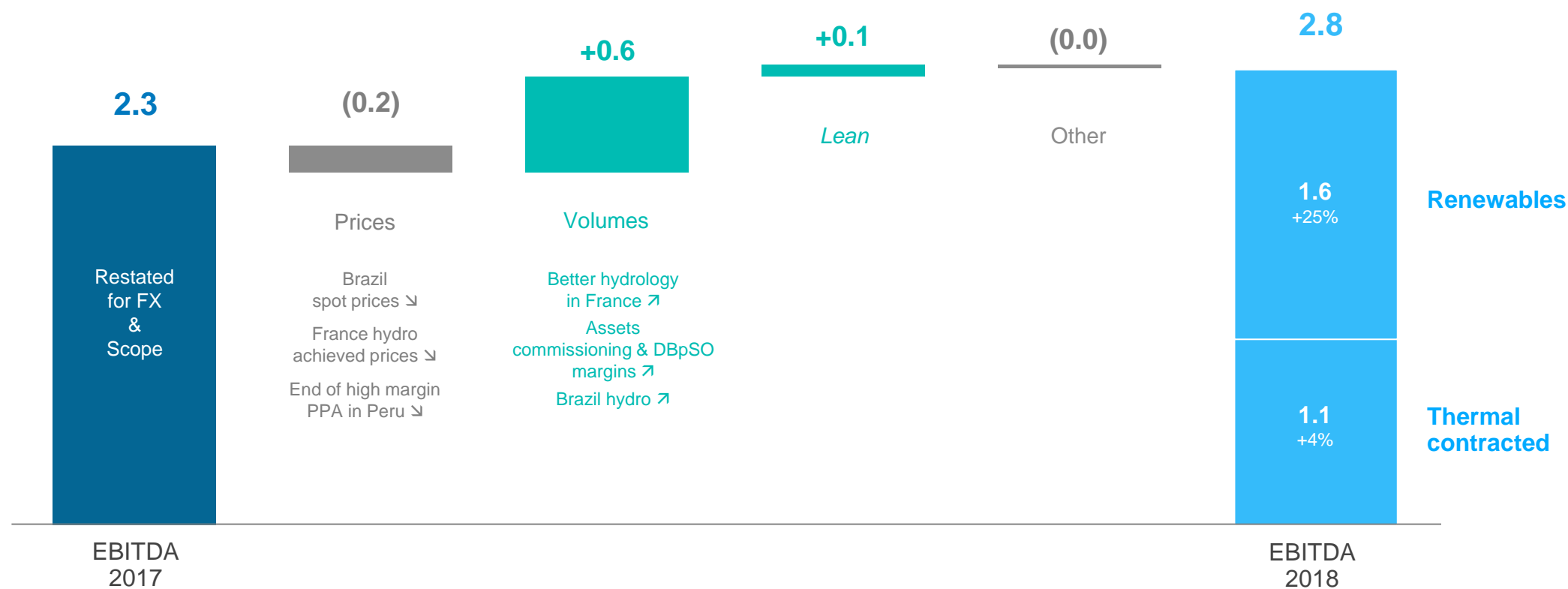
In €bn, % yoy organic



EBITDA INCREASE DESPITE ADVERSE CLIMATE EFFECTS

GENERATION - RES & THERMAL CONTRACTED

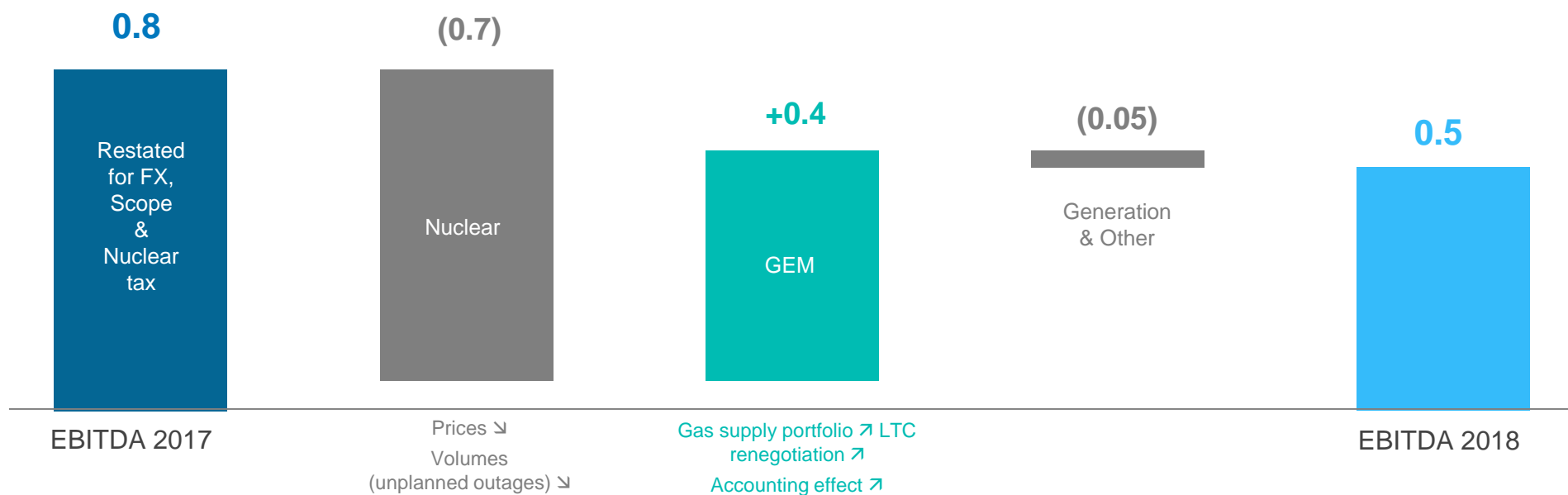
In €bn, % yoy organic



STRONG GROWTH IN ENERGY MANAGEMENT AND SPREAD GENERATION FLEET OFFSETTING NUCLEAR

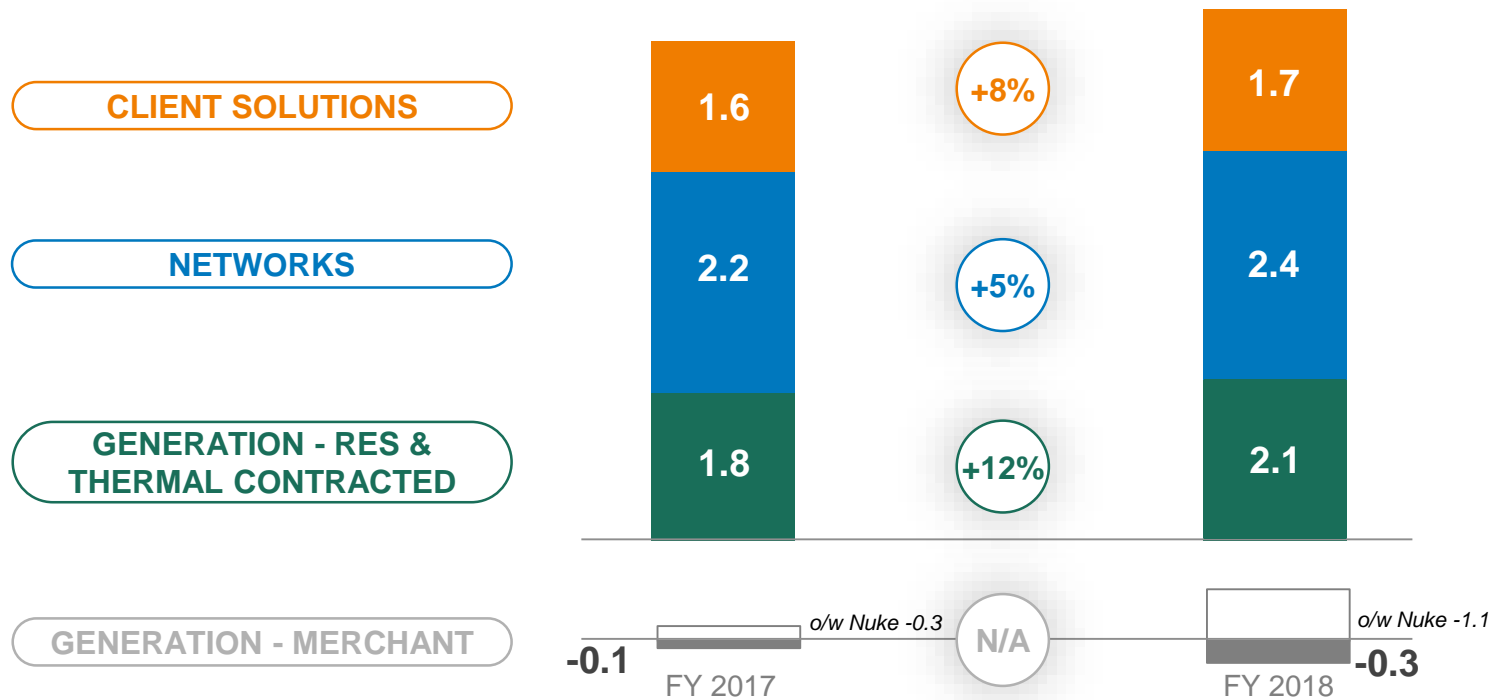
GENERATION - MERCHANT

In €bn, % yoy organic



GROWTH DRIVEN BY SERVICES, RENEWABLES & STORAGE

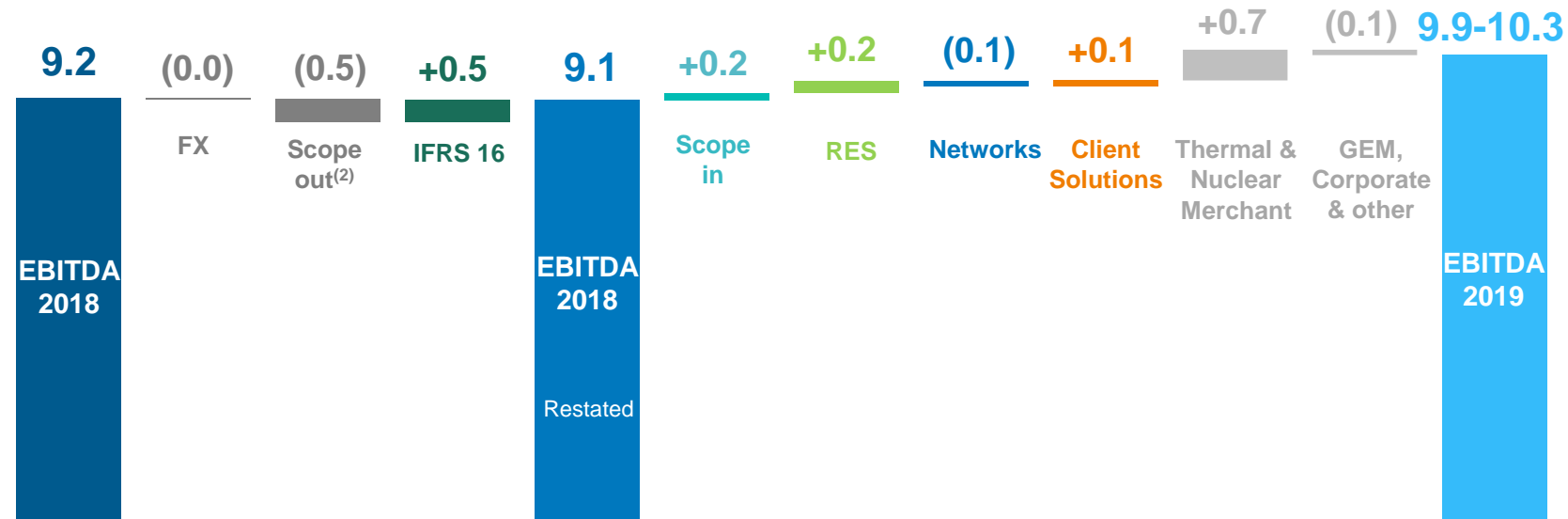
COI⁽¹⁾ - In €bn, unaudited figures



2019 EBITDA INDICATION⁽¹⁾

By business line - In €bn

By reportable segment⁽³⁾



- FRANCE
- LATIN AMERICA
- MIDDLE EAST AFRICA ASIA PACIFIC
- REST OF EUROPE
- USA & CANADA
- OTHER

(1) Main assumptions: average weather in France, full pass through of supply costs in French regulated gas tariffs, no major regulatory and macro-economic changes, market commodity prices as of 12/31/2018, average forex for 2019: €/\$. 1.16; €/BRL: 4.31, no significant impacts from disposals not already announced.

(2) Scope impact of disposals already announced

(3) Gross variations

CAPITAL MARKETS DAY

February 28, 2019



Isabelle KOCHER

Chief Executive Officer, ENGIE



STRATEGIC ORIENTATION

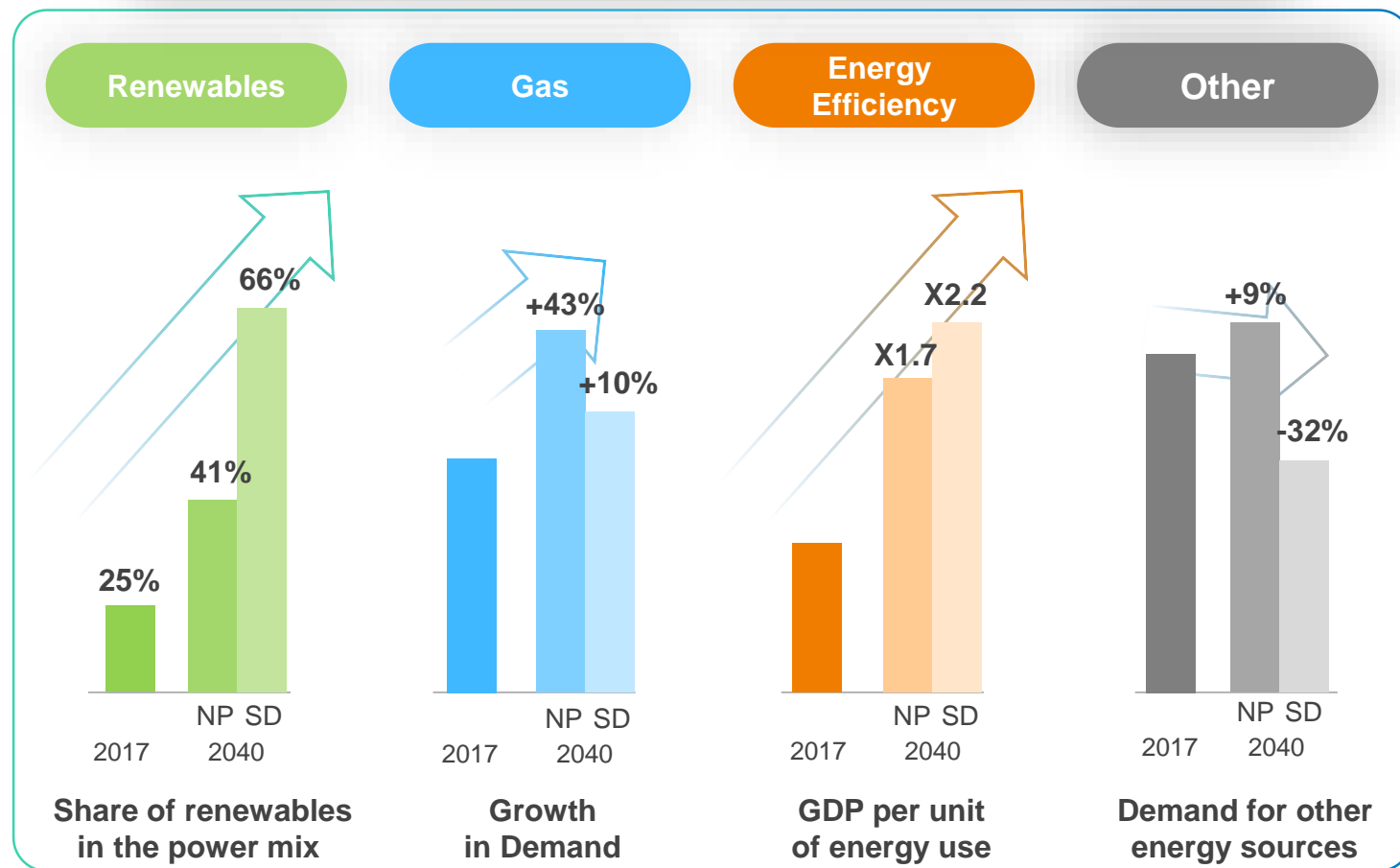


A group of five people are silhouetted against a bright sunset sky. They are holding up lit sparklers, celebrating. In the background, a large wind turbine stands tall. The overall scene is festive and celebratory, set against a backdrop of a clear, colorful sky.

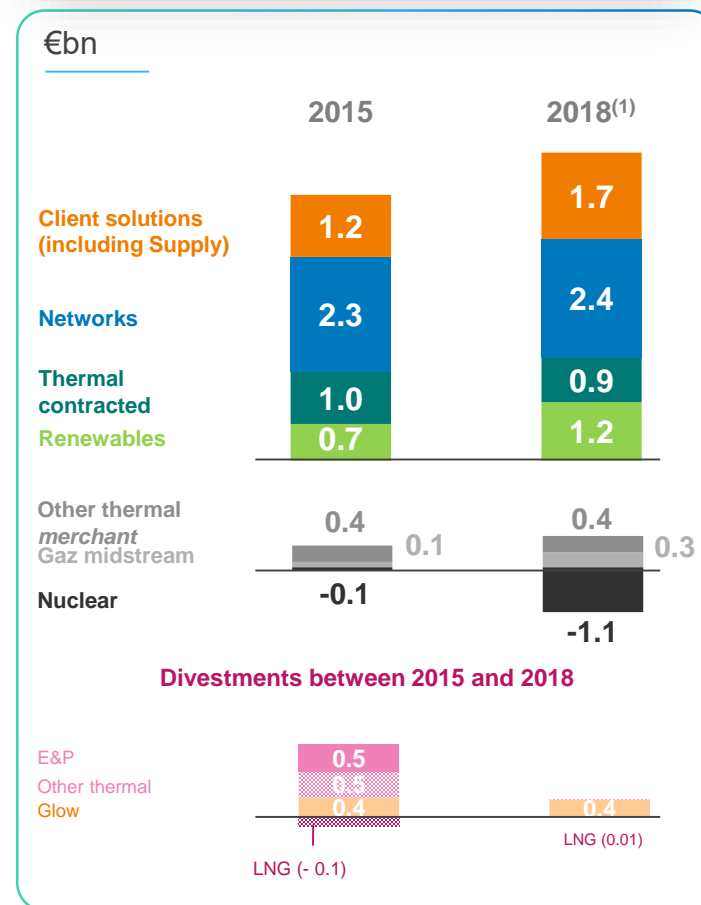
OUR STORY SO FAR

WE HAVE REFOCUSSED OUR GROUP ON THREE GROWING SEGMENTS

IEA World Energy Outlook 2018



ENGIE COI



WE ARE WELL-POSITIONED IN OUR CENTRAL AND EMERGING BUSINESSES

CENTRAL

We have built a development platform for Renewables

We have reinforced leadership in Client Solutions

We have strong Networks positioning in France & LatAm



EMERGING

Off-grid
market leader in Africa
~300k customers

Public Lighting
1.5M lighting points managed

#2 in charging points
worldwide (EV box)

#1 cooling networks
in the world

#1 in microgrids
in the world (EPS)

Green Corporate PPA
Spain, USA, Norway

Floating offshore
(Portugal and France)

Wind offshore
UK, Belgium, France

Rooftop solar
(green yellow)

#1 in biomethane
in France

Hydrogen H2 Mobility,
GRHYD power to gas project

2.5M gas smart meters
in France

WE HAVE BOOSTED OUR INTERNAL DYNAMIC AND BUILT UP OUR HUMAN CAPITAL

**DECENTRALIZED
& PURPOSE-DRIVEN
ORGANIZATION**

Training & skills
management



€100M

Invested over 3 years

Accountability



65% - 35%

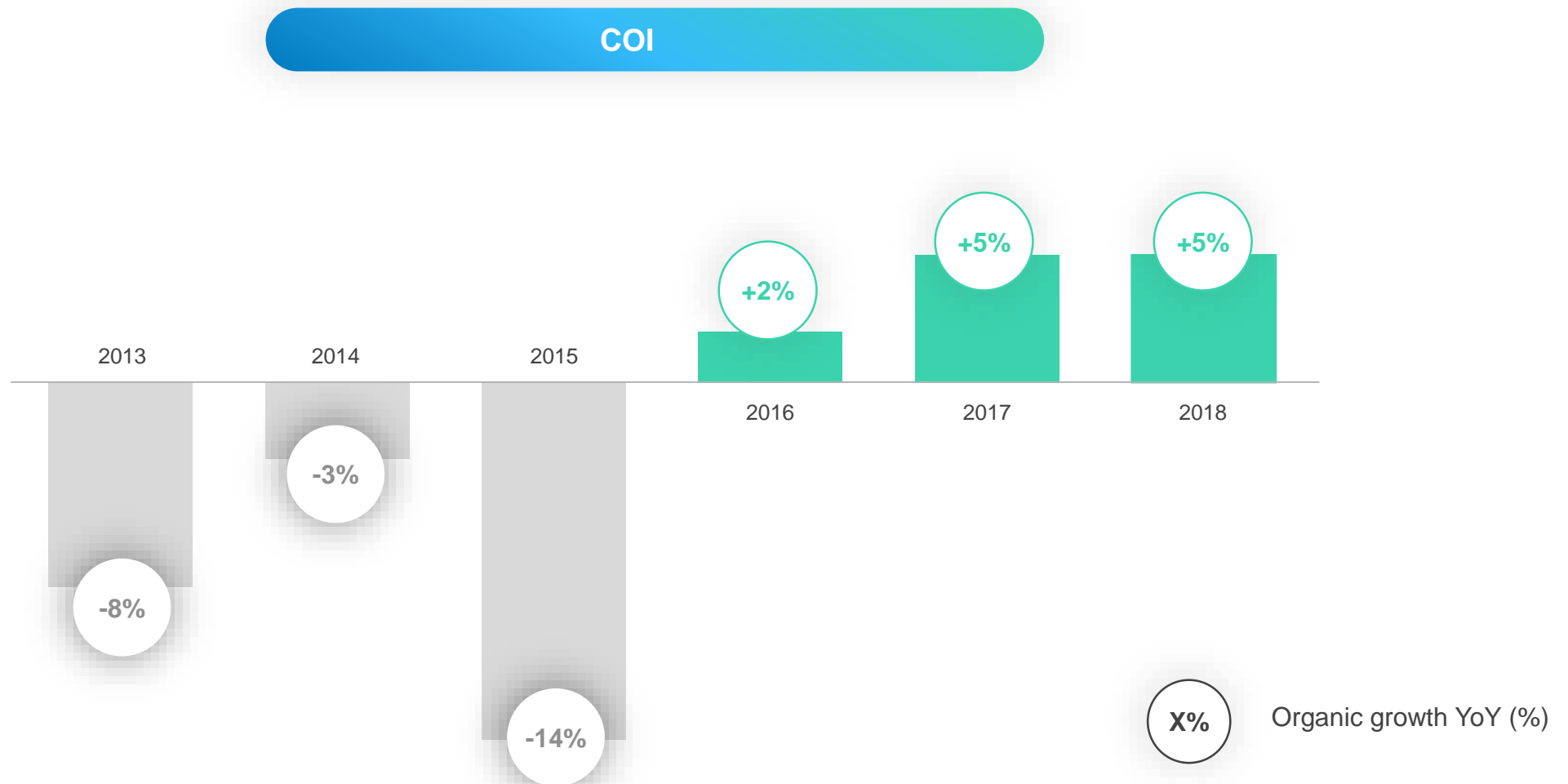
collective – individual bonuses



INCREASED

participation and engagement

WE HAVE TURNED AROUND OUR PROFIT TRAJECTORY



ENGIE IS NOW THE BENCHMARK FOR THE ENERGY TRANSITION

-56%

CO₂ emissions
from 2012 to 2018

INVESTORS



A list



DJSI index



+13 points
most 500 valuable
brands 2019

CLIENTS

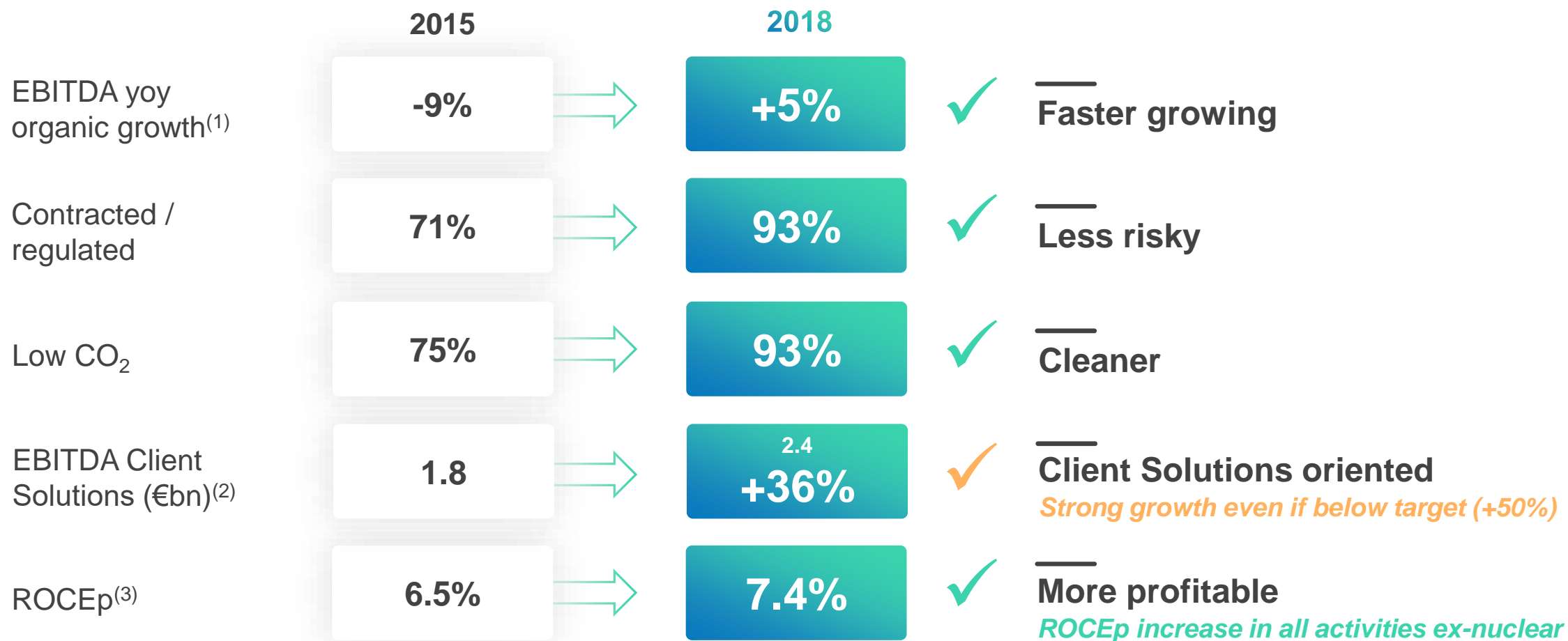


1.5 Million
Power Green offer in France

EMPLOYEES

82%
believe strongly in the products
and services ENGIE provides

WE HAVE LARGELY REACHED OUR TARGETS



An aerial photograph of a crowded beach with a large, semi-transparent blue rectangle overlaid in the center. The rectangle contains the title text in white. To the right of the text, a small boat with two people is visible on the water.

WHAT THE MARKET TELLS US

TOGETHER WITH OUR EMPLOYEES, WE ENVISIONED THE FUTURE

Over
15,000
people

70
countries

13,476
posts

16,600
reactions



**IN THE PAST, THE ENERGY TRANSITION WAS
PUSHED BY CENTRAL GOVERNMENTS...**

...A SECOND WAVE HAS STARTED...

**...PULLED BY INDUSTRIES
& LOCAL AUTHORITIES**

DECARBONIZATION AND DIGITALIZATION CONTINUE, DECENTRALIZATION ACCELERATES



DECARBONIZATION



DIGITALIZATION

Local
Authorities

Industries



DECENTRALIZATION

INDUSTRIES ARE RALLYING FOR SUSTAINABLE DEVELOPMENT

PRESSURE TO ACT IS INCREASING



NGOs denouncing the financing of fossil fuel



Philippines, US (NYC), Netherlands: oil companies called to court hearings in climate-related cases



38% of Australians changed brand preference due to CSR positioning



In France, ~30,000 students from leading universities signed "green manifesto" to decline jobs at companies with poor sustainability

COMPANIES ARE TAKING INITIATIVES



500+ companies taking SBT actions



7,000 companies sharing their data: doubling since 2010



H1 2018: +70% in France (€350M) mostly for companies



150+ companies certified

Renewable combined
heat & power plant

Investment
by ENGIE

Supply 17,500 households
with cleaner electricity

PHARMACEUTICALS: MULTI-CUSTOMER INDUSTRY SOLUTION



Cooling

Rooftop
solar

Energy
Efficiency

FILINVEST: OPPORTUNITIES IN DISTRICT COOLING, ENERGY EFFICIENCY AND SOLAR



Walmart's ambition: operating
with 100% renewable energy

150 MW Virtual
PPA

Windfarm in South
Dakota

WALMART: VIRTUAL RENEWABLES PPA



LOCAL AUTHORITIES ARE FIGHTING CLIMATE CHANGE

**PRESSURE
TO ACT
IS INCREASING**



2019:
2M+ signatures



2019: students protesting for
climate action in the EU and US



2018: Ugandan government
sued by young citizens for
inaction on climate change



2018: Gilets Jaunes

**LOCAL
AUTHORITIES
ARE TAKING
THE LEAD**



Since 2012: 10% CO₂ emission
reduction in 27 cities



2017: 12 large cities to ban
diesel by 2030



2018: 40+ cities committing
to 0 waste by 2050



2017: 30 US states heading
towards 50% RES by 2030

30% green gas by 2030

Circular
economy

Adaptation of gas
infrastructure

HAUTS-DE-FRANCE: GREEN GAS DEVELOPMENT



Investment by ENGIE
with 50 year contract

Building retrofit
program

Green power generation
& electric vehicles

OHIO STATE UNIVERSITY: INTEGRATED ENERGY EFFICIENCY SOLUTION



Cleaner source
of energy

Financing and
payment solutions

Partnership
for efficient devices

TANZANIA: BRINGING CLEAN ENERGY TO OFF-GRID VILLAGES



Zero-Carbon Transition

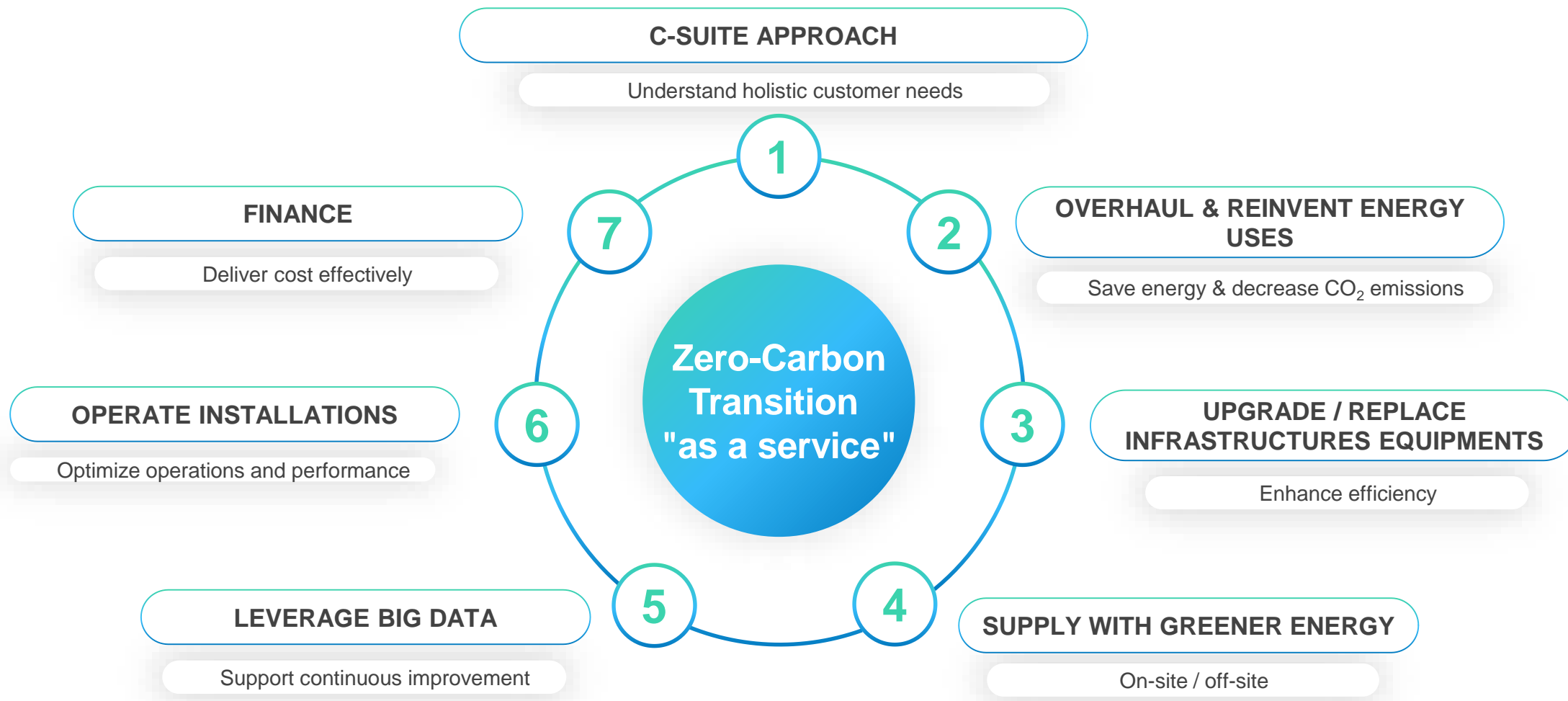
FINANCED

COST EFFECTIVE

**STRENGTHENS
CLIENTS CORE MISSION**

**“AS A SERVICE”
INTEGRATED ZERO-CARBON TRANSITION
SOLUTIONS HAVE CONSIDERABLE POTENTIAL**

HIGH ADDED VALUE OFFERS

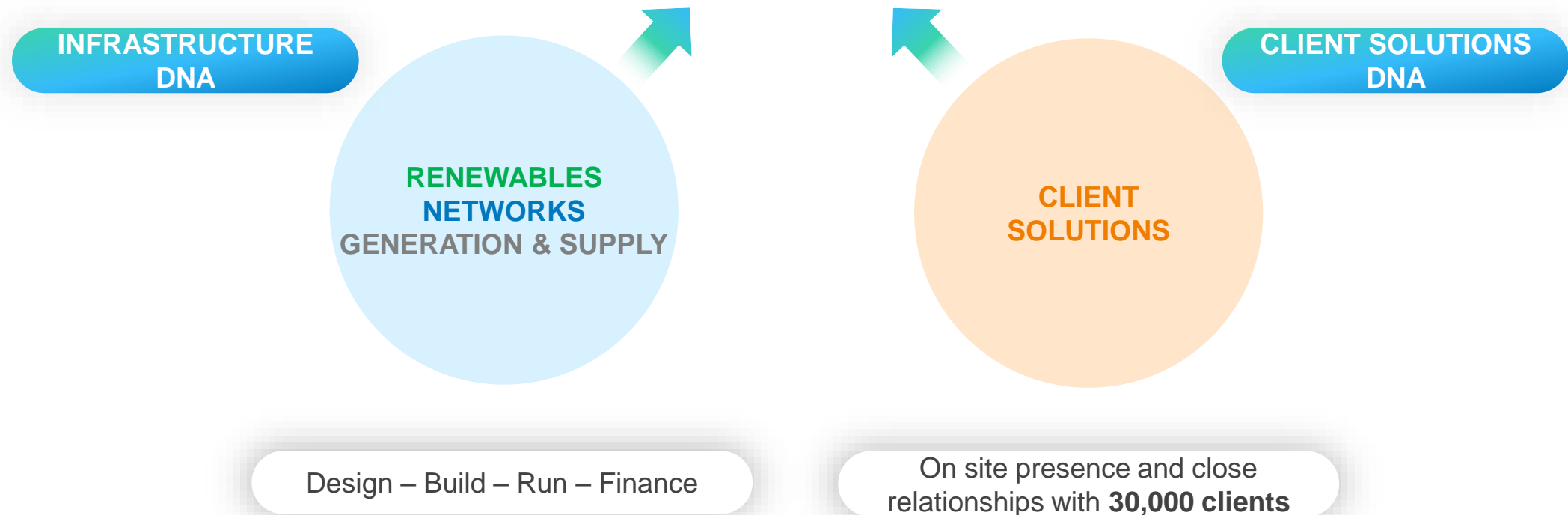


OUR AMBITION

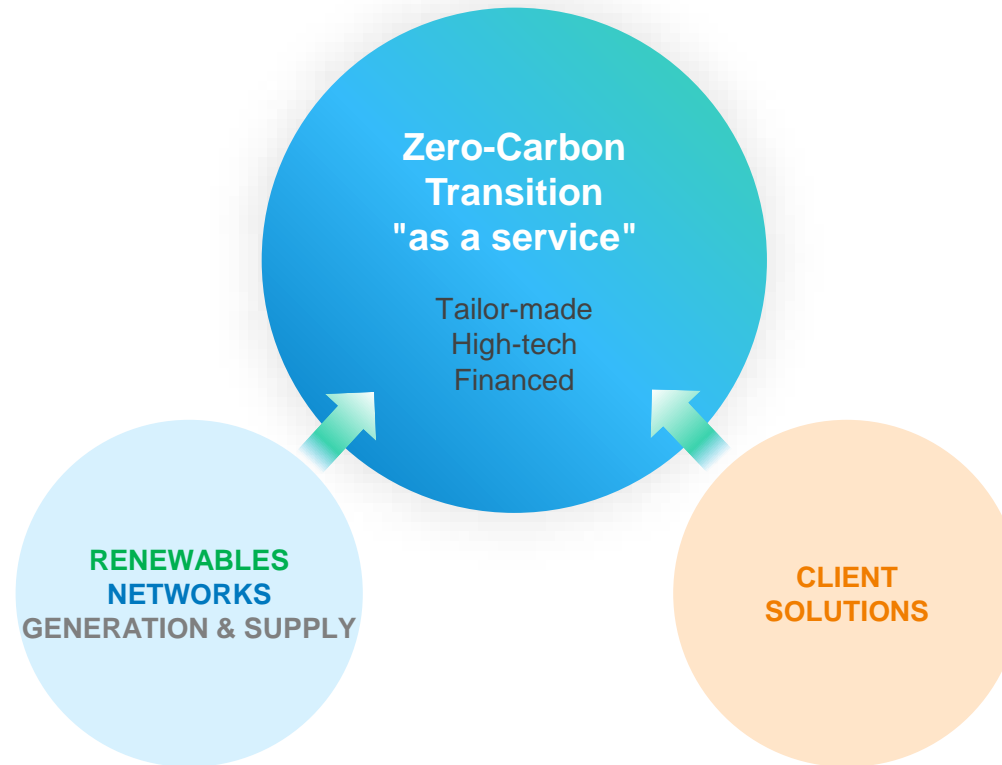
**BE THE WORLD LEADER
IN ZERO-CARBON TRANSITION
"AS A SERVICE"**



ENGIE IS BEST-POSITIONED TO BE THE WORLD LEADER IN COST-EFFICIENT ZERO-CARBON TRANSITION “AS A SERVICE”



ENGIE IS BEST-POSITIONED TO BE THE WORLD LEADER IN COST-EFFICIENT ZERO-CARBON TRANSITION “AS A SERVICE”



WE SPECIALIZE IN HIGH ADDED VALUE SOLUTIONS

RENEWABLES

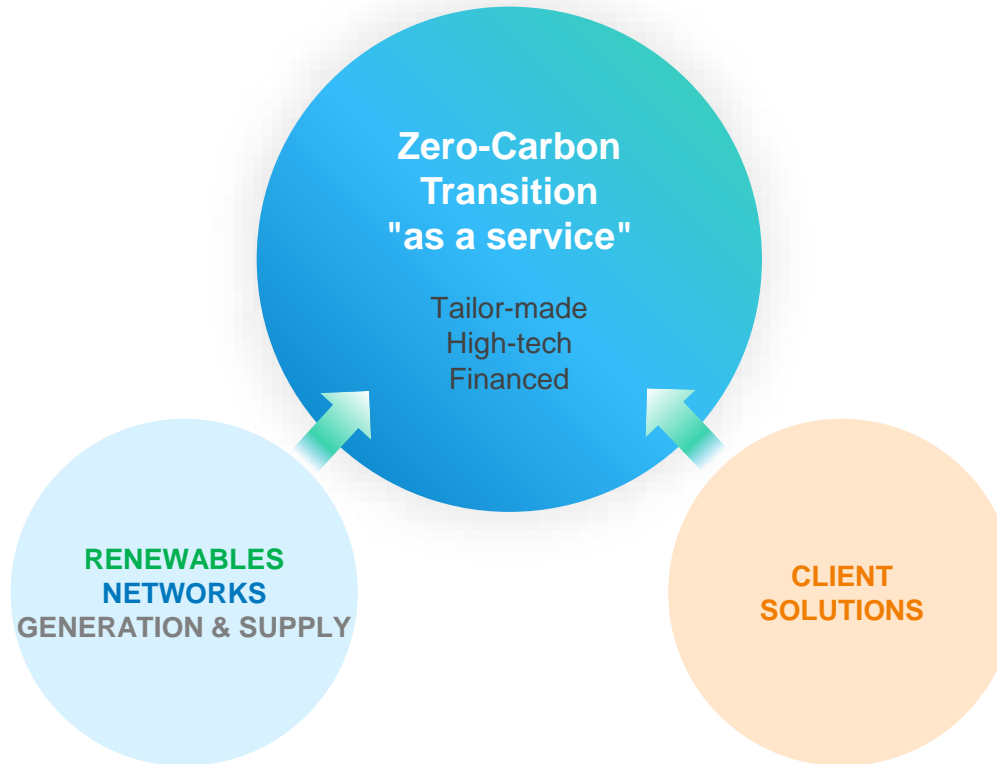
- + Sophisticated technologies, 50% new RES projects dedicated to specific clients by 2021
- Commoditized renewables

NETWORKS

- + Growth in dynamic development markets
- = Attractive returns & cash flows
- = Priority to convert gas infrastructure to green gas

GENERATION & SUPPLY

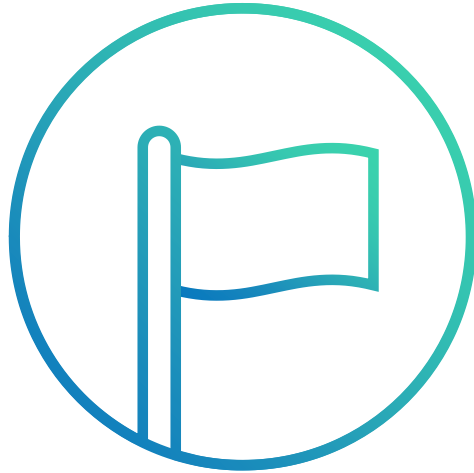
- + Back to normal operations for nuclear
- = BtoC supply limited to current country footprint
- Further reduction in thermal capacity led by continuing disposals of coal generation



CLIENT SOLUTIONS

- + Asset-based solutions a rising proportion of CS COI
- Commoditized service offer

WE FOCUS ON FEWER GEOGRAPHIES FOR GREATER IMPACT



20

countries



30

urban areas



500

Global companies

WE SIMPLIFY OUR ORGANIZATION AND REPORTING

A decentralized organization:
24 business units

4 business lines

Simplified reporting



THREE BOOSTERS TO ACCELERATE

STRATEGY DESIGN

C-suite approach to help clients build their own **tailored zero-carbon strategy**

Cost-efficient, trackable and consistent with their sustainability ambitions

DIGITAL ACCELERATION

Scale up **software content** in our solutions to differentiate us as the leading proprietary energy software provider

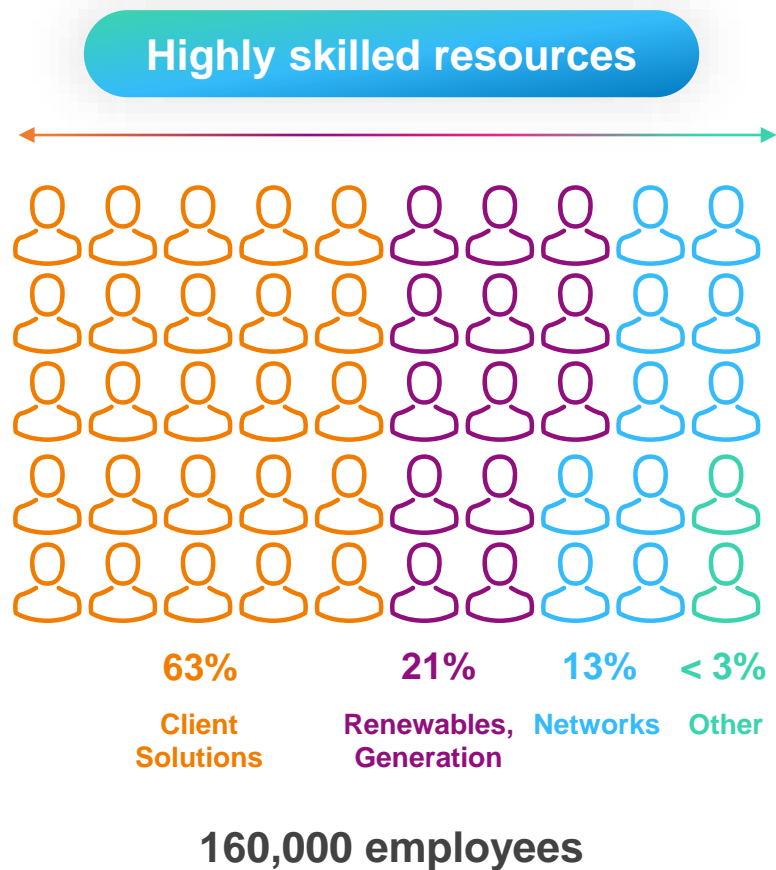
FINANCING SYNDICATION

Deployment for all asset-based activities, including DBpSO models successfully developed in RES & Thermal

- D** Development
- B** Build
- pS** partial Sell
- O** Operate



LARGE-SCALE STRATEGIC INVESTMENT IN OUR PEOPLE



10% of ENGIE's French staff will be apprentices by 2022

50% female managers by 2030

80% of employees to receive annual training by 2022

CONCLUSION

Faster Growth

7-9%
NRIGs CAGR,
2018-21

Higher Value

ROCEp increase
7.4% in 2018
↗ **Upper single digit in 2021**

Better Impact

CO₂ ↘
Energy access ↗
...
HARMONIOUS PROGRESS

CAPITAL MARKETS DAY

February 28, 2019



Judith HARTMANN

EVP, Chief Financial Officer



**CAPITAL ALLOCATION &
MEDIUM-TERM GUIDANCE**



STRATEGIC INTENT

CONTINUED LEADERSHIP
IN ENERGY TRANSITION



RENEWABLES



GAS



ENERGY
EFFICIENCY

ACCELERATE GROWTH



TARGETED
INVESTMENTS



ACTIVE PORTFOLIO
MANAGEMENT



OPTIMIZED
CAPITAL
ALLOCATION

CAPITAL ALLOCATION STRATEGY TO DRIVE GROWTH

ALIGNMENT TO ENGIE'S STRATEGY



Bias towards sophisticated solutions, conducive to profitability



Focus on core geographies to build leadership at scale



Differentiation over distinct time horizons

HIGHLY SELECTIVE INVESTMENT CRITERIA

CLEAR PERSPECTIVE ON ATTRACTIVE CHARACTERISTICS – ORGANIC AND INORGANIC

Very Attractive

Complex and innovative offers
(outcome accountability as differentiator)

Integrated offers
spanning full customer value chains

Medium to long term contracts,
providing predictability & recurrence

Customer outcome
with performance-based remuneration

Optimized financing syndication

Less Attractive

Commoditized offers
(price as primary competitive lever)

Simple offers of piecemeal services

Short-term contracts with high renewal risk

Standard fee-for-service contracts

Third party financing value leakage

REFOCUS ON CORE GEOGRAPHIES

**PRIORITIZE
20 COUNTRIES
AND
30 EMERGING
MARKET URBAN
AREAS**



ARCHETYPE 1

Acceleration of demand
for sophisticated solutions

ARCHETYPE 2

Early stage
in energy transition

ARCHETYPE 3

High growth
in energy infrastructure



**EXIT
20 COUNTRIES
IN THE NEXT
3 YEARS**

ACCELERATION OF DEMAND FOR SOPHISTICATED SOLUTIONS

ARCHETYPE 1

MARKET CHARACTERISTICS

- Moderate growth
- Well-equipped energy infrastructures
- Mature energy consumption
- Strong environmental awareness

CUSTOMER PRIORITIES

- Conversion to green energy
- Infrastructures renewal
- Increased focus on sustainability



**Western Europe, North America,
Australia and Singapore**

EARLY STAGE IN ENERGY TRANSITION

ARCHETYPE 2

MARKET CHARACTERISTICS

- Well-equipped centralized energy infrastructures
- Dynamic economic growth and energy consumption
- Heterogeneous ecological awareness

CUSTOMER PRIORITIES

- Large infrastructures
- Development of renewable energies
- Sustainability
- Modernisation of city infrastructures



**GCC, Romania, Mexico, Brazil, Chile,
Peru and Colombia**

HIGH GROWTH IN ENERGY INFRASTRUCTURE

ARCHETYPE 3

MARKET CHARACTERISTICS

- Under-equipped energy infrastructures
- Energy access challenges
- Rapid urban development

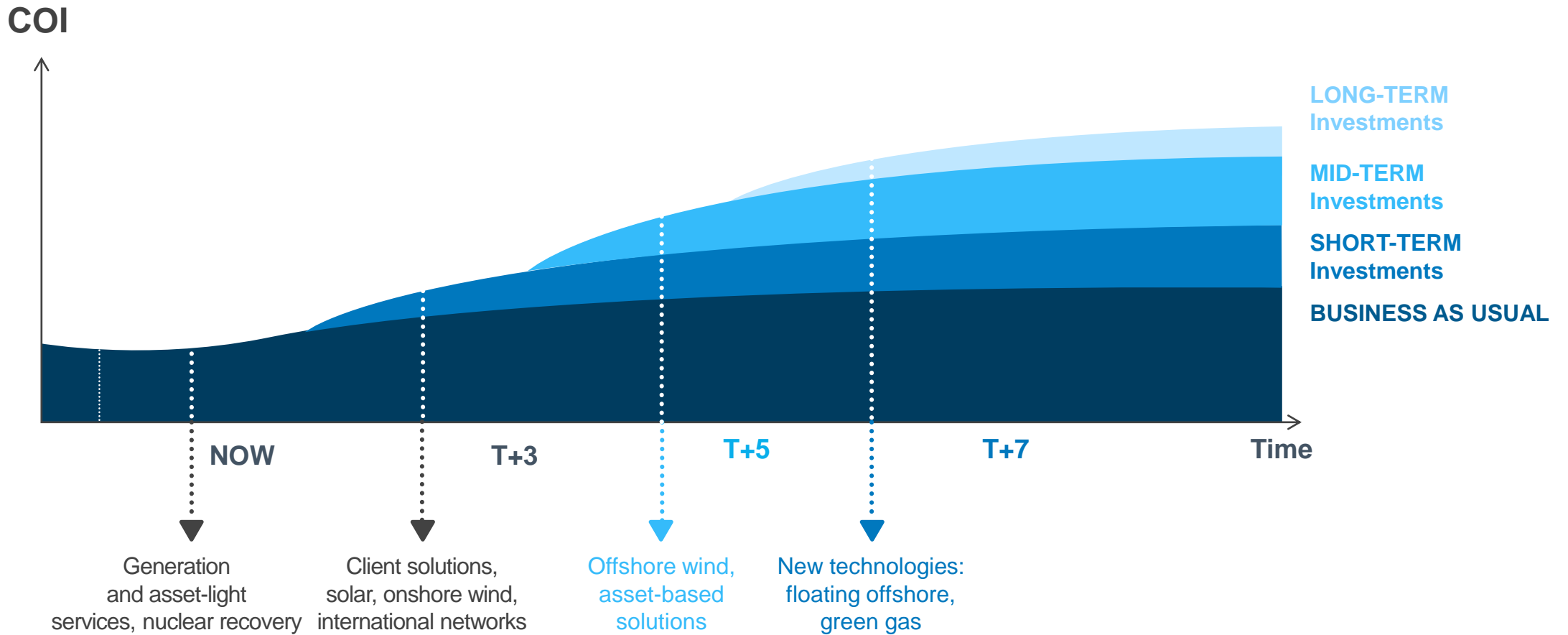
CUSTOMER PRIORITIES

- Development of renewable energies
- Solar microgrids and home systems
- Sustainable city



Urban areas in Africa, China, India and Southeast Asia

DISTINCT TIME HORIZONS FOR INVESTMENT, GROWTH AND SHAREHOLDER RETURNS



CAPITAL ALLOCATION – COMMON THEMES

**Attractive IRR profile:
target WACC +200bps /
COE + 400bps**

**Resilience
of the business case
to various sensitivities,
notably prices**

**Optimized positioning
within each segment's
value chain,
balancing risks/rewards**

CLARITY IN REPORTING

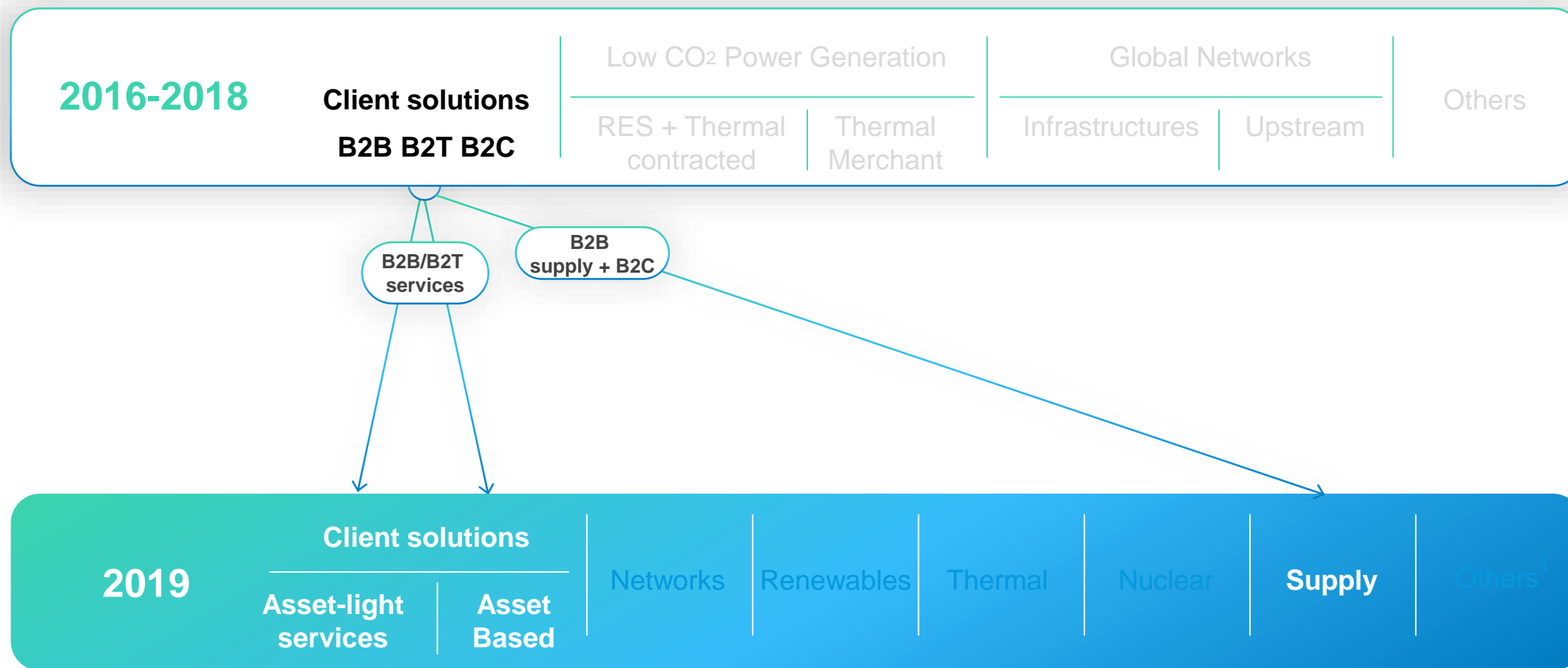
A group of five people are silhouetted against a bright, hazy night sky, celebrating with their arms raised and holding lit sparklers. To their right, the dark silhouette of a wind turbine tower and nacelle is visible against the sky. The background of the entire image is a blurred city street at night, with various lights and buildings.

NEW DETAILED REPORTING FOR FURTHER CLARITY

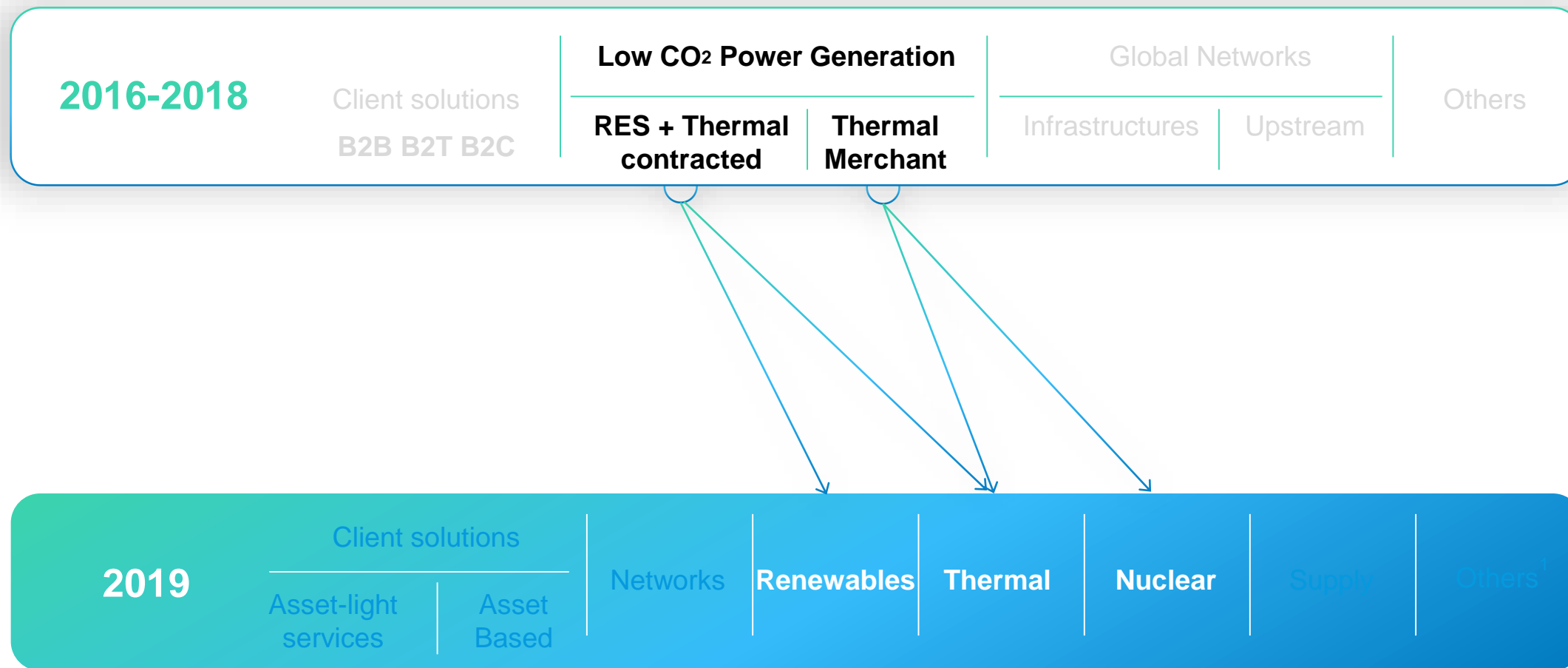
COI 2018 in €M⁽²⁾

	Client solutions		Networks	Renewables	Thermal	Nuclear	Supply	Others ⁽¹⁾	Total
	Asset-light Services	Asset Based							
France	288	260	2,016	258			210		3,033
Rest of Europe	232	33	82	76	402	(1,057)	277		46
Latin America	-		194	754	366		47		1,355
USA & Canada	10	19		12	33		18	59	151
Middle East, Asia & Africa	13	38	54	60	676		52		893
Others	29	45	-	-17	-		10	(409)	(353)
Total	566	396	2,340	1,142	1,474	(1,057)	615	(350)	5,126

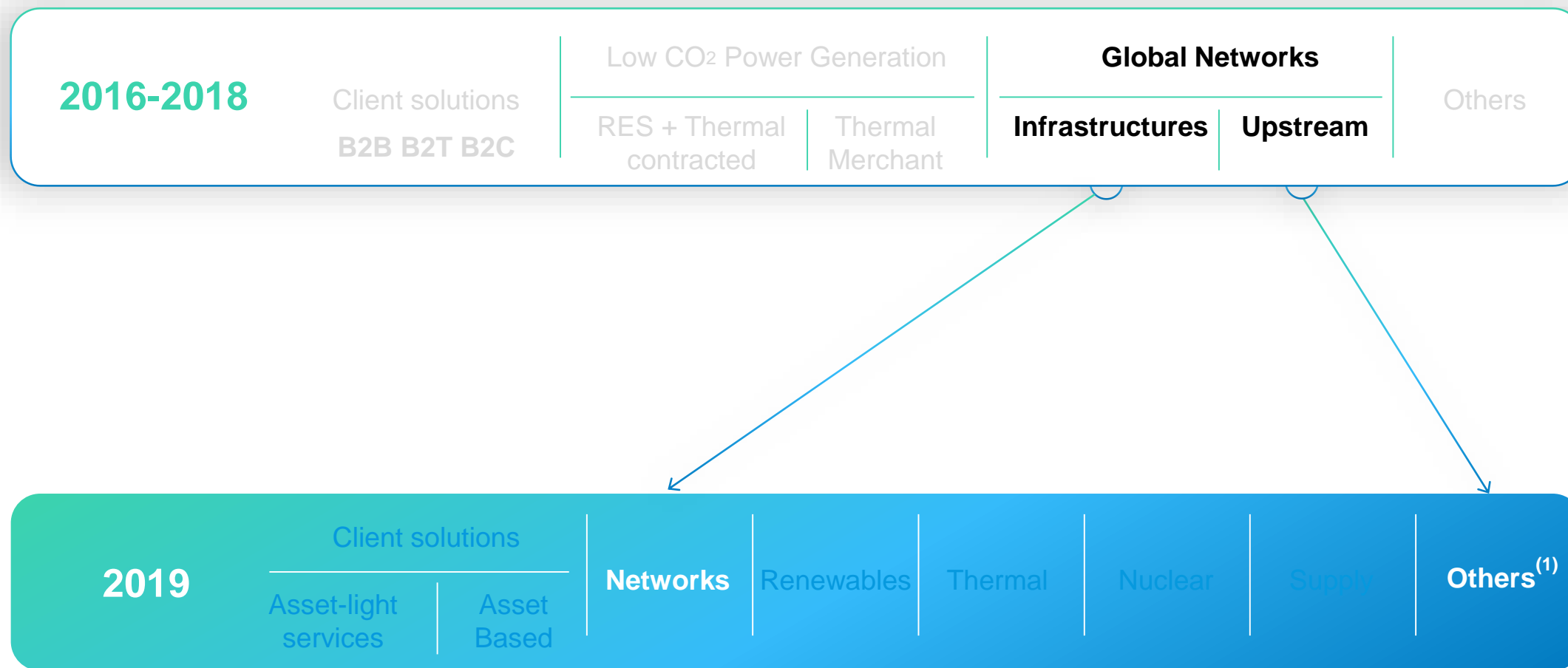
CHANGE IN REPORTING: SIMPLER AND CLEARER FORMAT



CHANGE IN REPORTING: SIMPLER AND CLEARER FORMAT



CHANGE IN REPORTING: SIMPLER AND CLEARER FORMAT





KEY EXTERNAL & OPERATIONAL ASSUMPTIONS

KEY ASSUMPTIONS – MACRO & EXOGENEOUS

FOREX

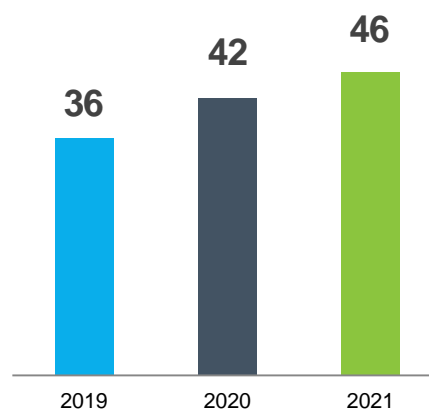
OVER 2019-2021

EUR-BRL
@ ~4.42

EUR-USD
@ ~1.20

Achieved Prices European outright

In €/MWh



Market Prices ⁽¹⁾	58	54	50
Hedged vol., %	77	62	31

Weather Conditions

Normalized conditions in France:
gas distribution and energy supply
normalized hydro production

Hydrology in Brazil to improve
by 2021

KEY ASSUMPTIONS - OPERATIONS

NETWORKS



Review of regulatory returns of our French infrastructures business in 2020-21

NUCLEAR



Belgium nuclear availability
78%/79%/93%⁽¹⁾
for 2019/2020/2021

CONSUMER



Full pass through of supply costs in French regulated gas & power tariffs

EFFECTIVE TAX RATE



30% in 2019 reducing by c. 200bps in 2021

CONTINGENCIES ON BELGIAN OPERATIONS

2020 **€0.15bn** 2021 **€0.2bn**

A group of five people are silhouetted against a bright, hazy sky at sunset or sunrise. They are holding up small, glowing objects, possibly sparklers or light sticks, in a celebratory gesture. In the background, a tall, dark structure resembling a wind turbine or a modern building spire rises against the sky. The overall scene is festive and optimistic.

MEDIUM TERM INDICATIVE EXPECTATIONS & GUIDANCE

CAPEX INDICATIVE EXPECTATIONS – 2019-2021

OPERATING CASH FLOW RISING WITHIN THE RANGE OF €6.5-8.5BN PER YEAR

CUMULATIVE CAPEX 2019-21⁽¹⁾



ASSET DISPOSALS 2019-21

~€6.0bn

CUMULATIVE €~11-12BN GROWTH CAPEX 2019-21⁽²⁾

CLIENT SOLUTIONS €4.0 - 5.0bn

NETWORKS €3.0 - 3.3bn

RENEWABLES €2.3 - 2.8bn

THERMAL & SUPPLY €1.0 - 1.2bn

PROFIT ACCELERATION: LEAN 2021 PERFORMANCE PLAN

NET COI IMPROVEMENT

€800M

BY 2021

COST REDUCTION

PROCUREMENT

Category management, pooling, insourcing, spending centralization & standardization

DIGITALIZATION

CRM, process engineering and automation, asset optimization

SHARED SERVICES CENTER

Coverage and optimization

REVENUE ENHANCEMENT

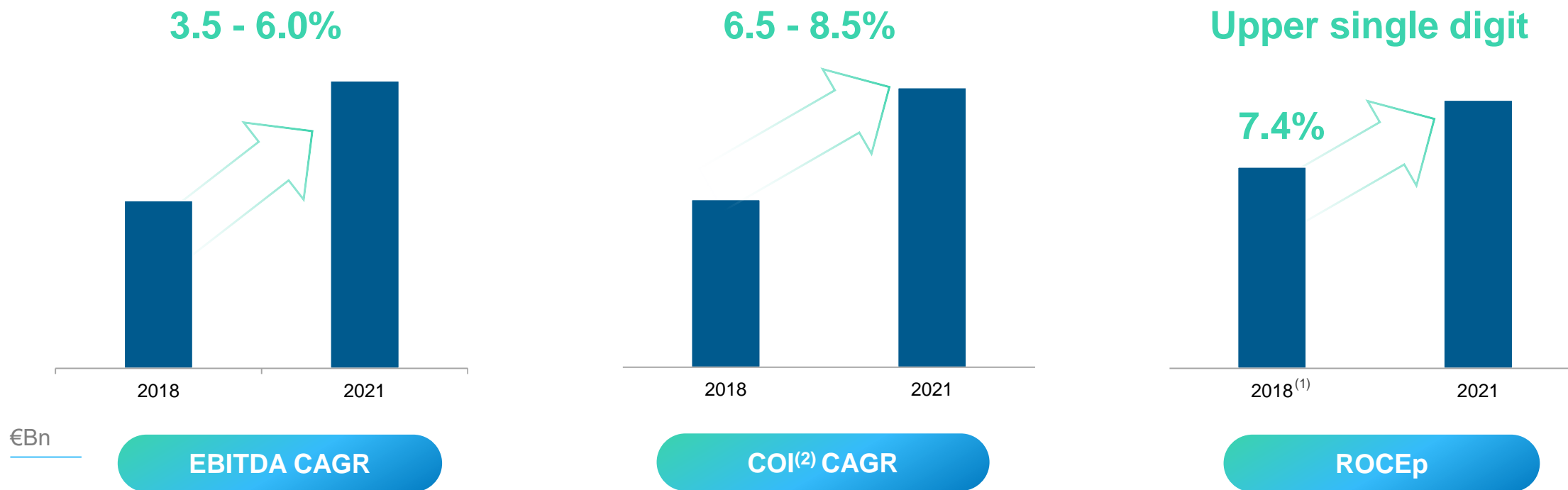
INDUSTRIAL ASSETS PERFORMANCE IMPROVEMENT

Asset and networks availability, efficiency

IMPROVED & NEW SERVICES OFFERING

INDICATIVE EBITDA, COI & RETURN EXPECTATIONS – 2018-2021

GREATER CAPITAL EFFICIENCY DRIVING OPERATING LEVERAGE

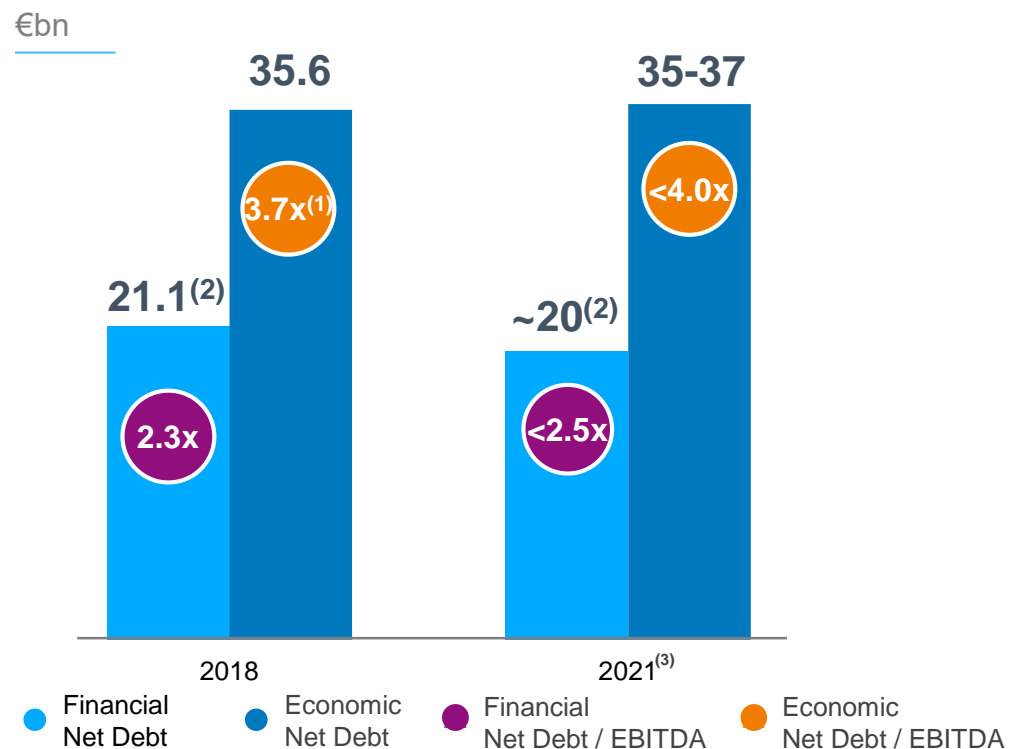


COI INDICATIVE EXPECTATIONS BY BUSINESS LINE

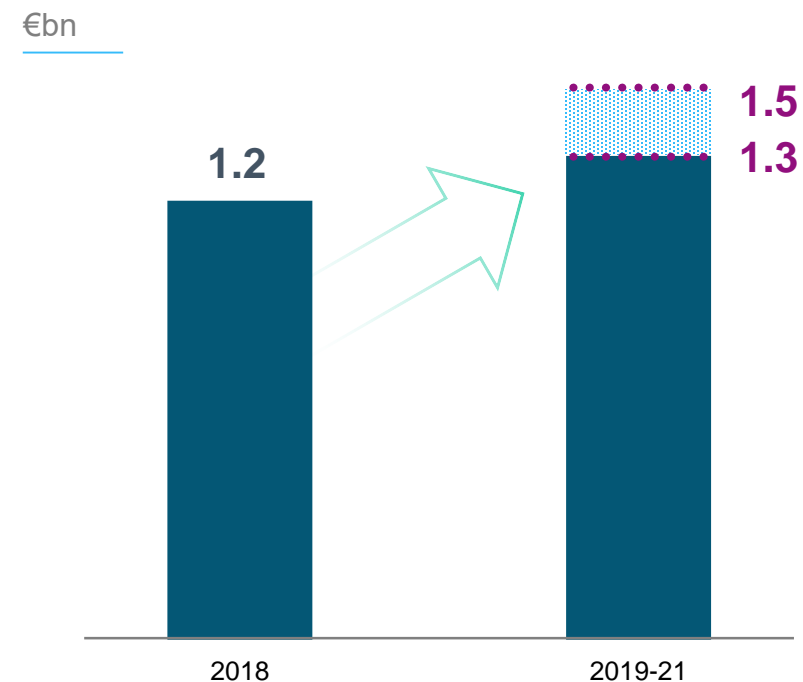
BUSINESS	18 COI (€bn)	COI CAGR 18-21	KEY DRIVERS
CLIENT SOLUTIONS	1.0	11 - 14%	<ul style="list-style-type: none"> Revenue 2018-21 CAGR of 4-7%
NETWORKS	2.3	(4)% - (1)%	<ul style="list-style-type: none"> French regulatory return review in 2020-21, international growth opportunities
RENEWABLES	1.1	8 - 11%	<ul style="list-style-type: none"> Addition of c. 9GW of capacity by 2021, increasingly client contracted
THERMAL	1.1 ⁽¹⁾	(6)% - (3)% ⁽¹⁾	<ul style="list-style-type: none"> Continue optimizing portfolio, exit from a number of assets over time
NUCLEAR	(1.1)	n.a.	<ul style="list-style-type: none"> Stem losses and COI neutrality by 2021
SUPPLY	0.6	=	<ul style="list-style-type: none"> Flat outlook

BALANCE SHEET INDICATIVE EXPECTATIONS

FINANCIAL AND ECONOMIC NET DEBT



NET INTEREST EXPENSE ⁽⁴⁾

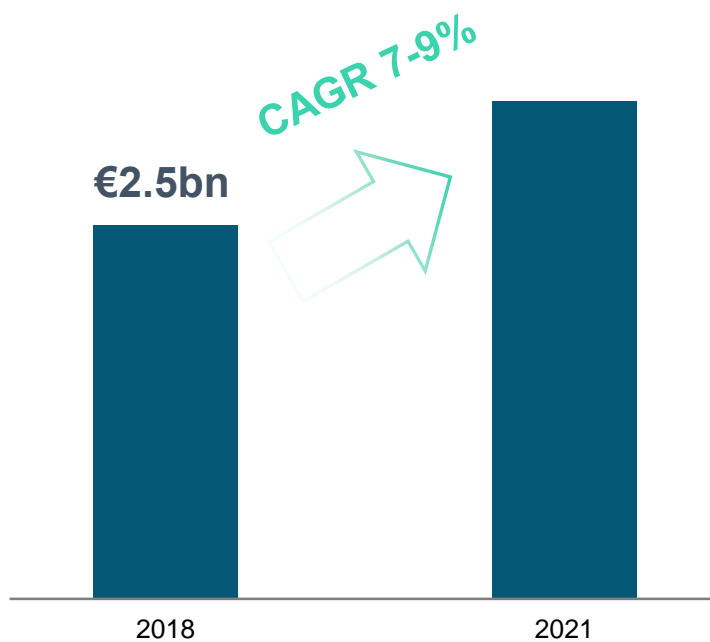


RETAIN CURRENT COMMITMENT TO "A" RATING⁽³⁾

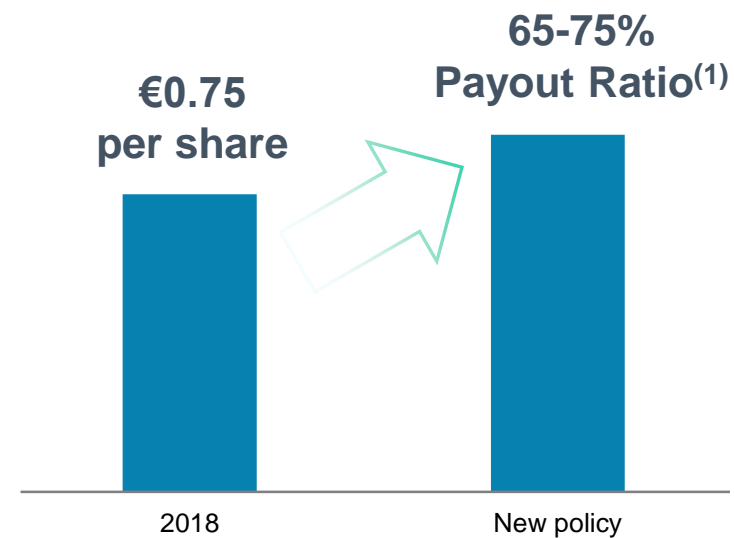
- (1) Leases commitments included in economic net debt are restated in EBITDA (for approximately €0.5bn), reflecting the implementation of IFRS 16 from 2019 onwards
- (2) Before IFRS 16 changes
- (3) Assuming no change in the nuclear provision legal and regulatory framework
- (4) Cost of net debt + unwinding of discount on long-term provisions

EARNINGS GUIDANCE, ATTRACTIVE DIVIDEND POLICY

NET RECURRING INCOME GROUP SHARE



DIVIDEND POLICY



CLOSING REMARKS

DISCIPLINED CAPITAL ALLOCATION PRINCIPLES TO DELIVER ATTRACTIVE RETURNS

**GEOGRAPHIC REFOCUS TOWARDS 20 COUNTRIES
AND 30 EMERGING MARKET URBAN AREAS**

NRIGS GROWTH OF 7-9%

ATTRACTIVE DIVIDEND POLICY: 65-75% PAYOUT RATIO⁽¹⁾

CAPITAL MARKETS DAY

February 28, 2019



Shankar KRISHNAMOORTHY

Executive Vice President



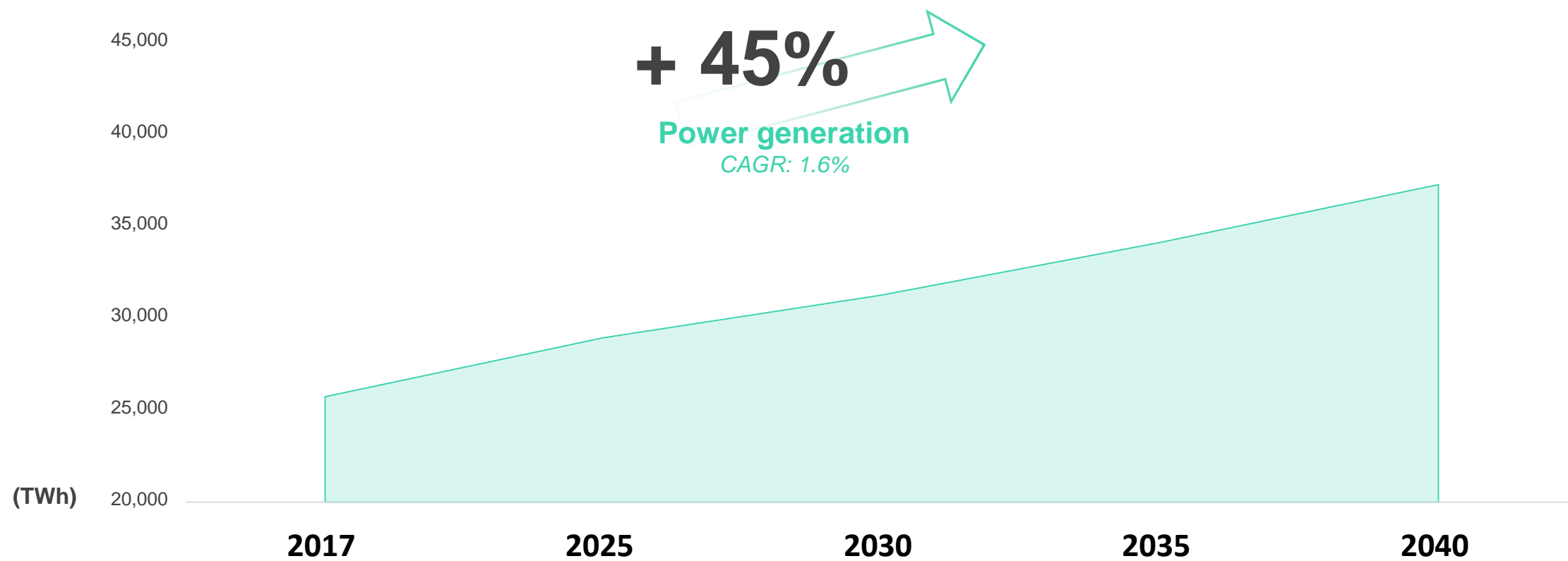
**INDUSTRY GROWTH DRIVERS
AND SEGMENTATION CRITIQUE**



An aerial photograph of a large, paved public square filled with many people walking. A large, dark blue rectangular overlay is centered on the image. Inside this overlay, a white wireframe model of a modern boat is shown moving across the water, leaving a white wake. The text 'WHERE IS THE POWER SECTOR GOING?' is written in large, white, bold, sans-serif capital letters across the middle of the blue area.

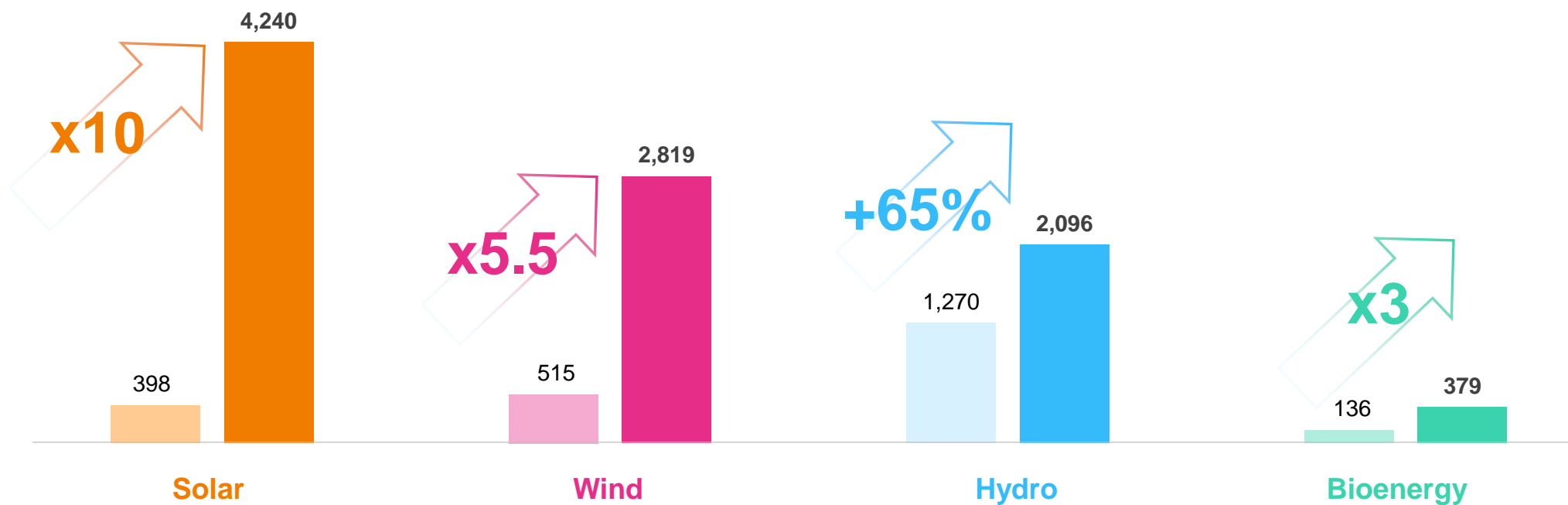
WHERE IS THE POWER SECTOR GOING?

STRONG GROWTH IN ELECTRICITY DEMAND

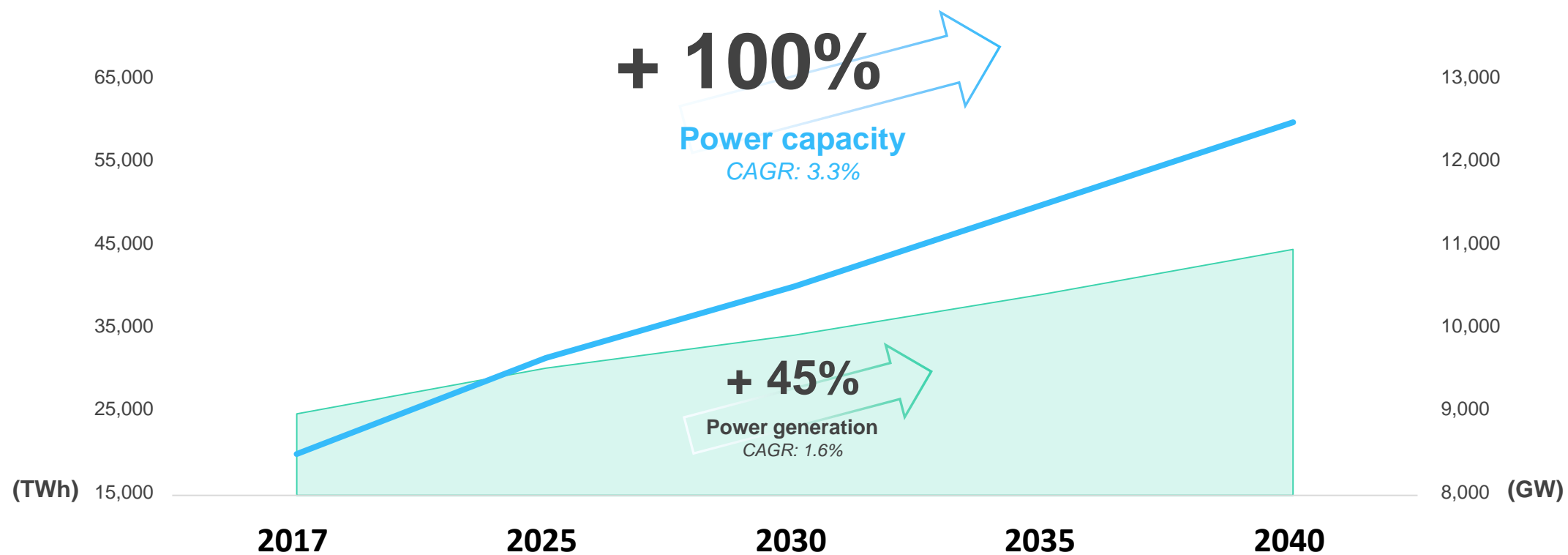


MASSIVE GREENING OF THE POWER SYSTEM COUPLED WITH A NEED TO MANAGE INTERMITTENCY

Global low-CO₂ power generation installed capacity (GW) 2017/2040



STRONGER GROWTH IN GLOBAL POWER CAPACITY




POWER SECTOR

Lower barriers to entry

Phenomenal growth

**Complex segments emerging that need
to consider more than price to be successful**

A group of five people are silhouetted against a bright, hazy sky at dusk or dawn. They are holding up sparklers, creating a celebratory atmosphere. In the background, the tall, dark silhouette of a wind turbine is visible against the sky. The overall scene is set against a blurred background of city lights at night.

WHAT'S HAPPENING ON THE CLIENT SIDE?

HIGHLY ENERGY EFFICIENT TECHNOLOGIES AVAILABLE IN VARIOUS DOMAINS

LEDs



5x

as efficient as incandescent light bulbs

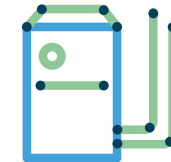
District Heating



50% more

efficient than individual heating systems

In-Home Condensation Boilers



30% more

efficient than standard ones

Air Conditioners



3x

as efficient as they were 20 years ago

District Cooling



50% more

efficient than individual units

Cogeneration Units



25% more

efficient than separate electricity plus boilers

AS-A-SERVICE MODELS FOSTER THE EARLY REPLACEMENT OF UNSUSTAINABLE ASSETS

Traditional energy efficiency solutions

Energy Audit

Lighting Retrofitting

Building Retrofitting

Retail Choice Procurement

Energy as-a-service solutions

Strategic Portfolio Guidance

Energy Performance Contract

Intelligent Building Energy Management & Automation


Large Off-Site Wind & Solar Procurement

On-Site Energy Generation & Storage DBFMO*

ON THE CLIENT SIDE

Faster phasing out of energy-consuming equipment

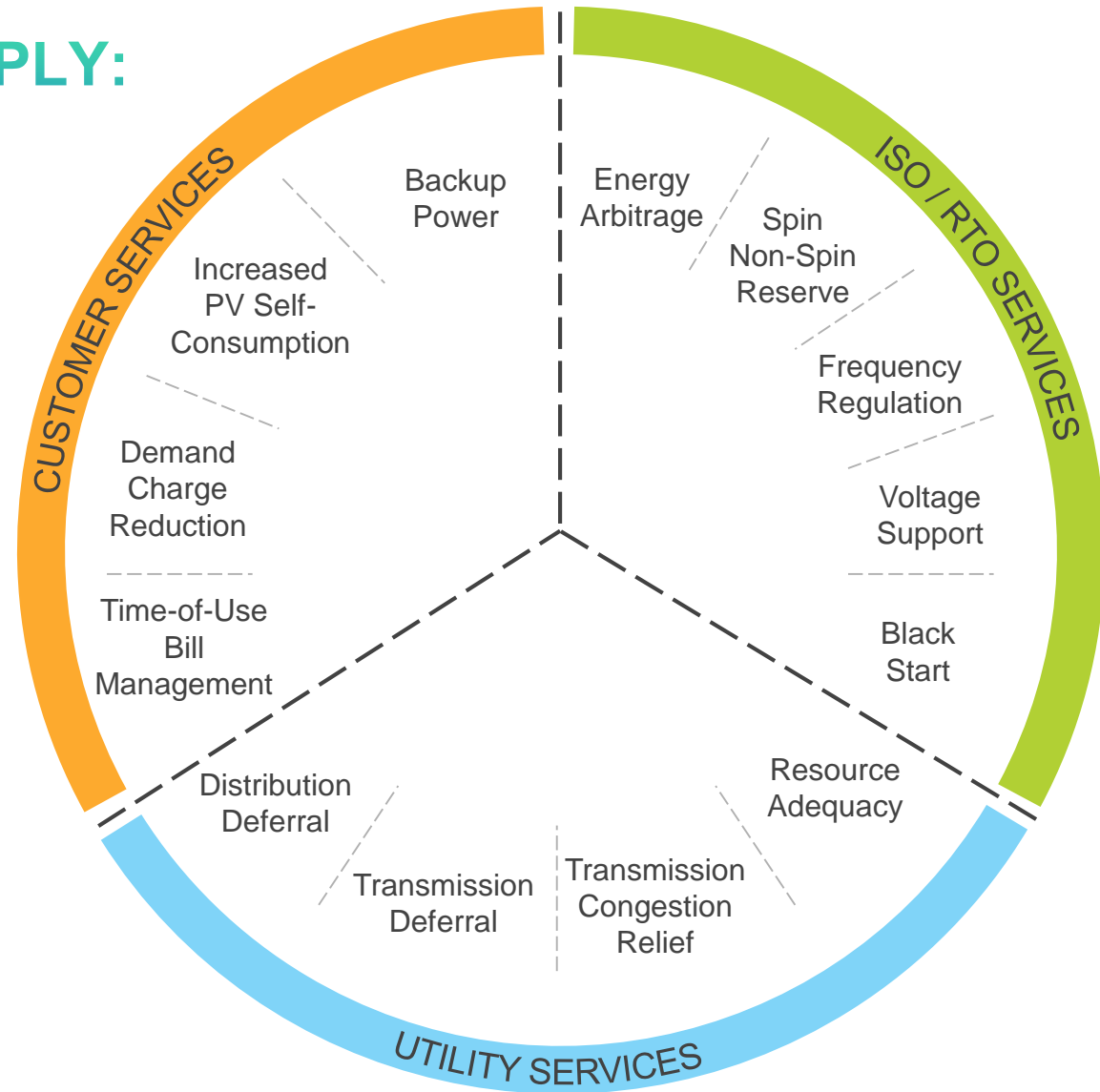
Emergence of “as a service” models



WHAT ARE THE WINNING "AS A SERVICE" BUSINESS MODELS?

ACHIEVING 24/7 GREEN SUPPLY: INTEGRATION TO CREATE NEW VALUE

**Batteries can provide
up to 13 services
to 3 stakeholder groups**



ACHIEVING 24/7 GREEN SUPPLY: THE UPSTREAM-DOWNSTREAM LINK



X10
RE100 members
between 2014 and 2018

The world's most influential companies committed to 100% renewable power

HOW TO WIN WITH “AS A SERVICE” MODELS

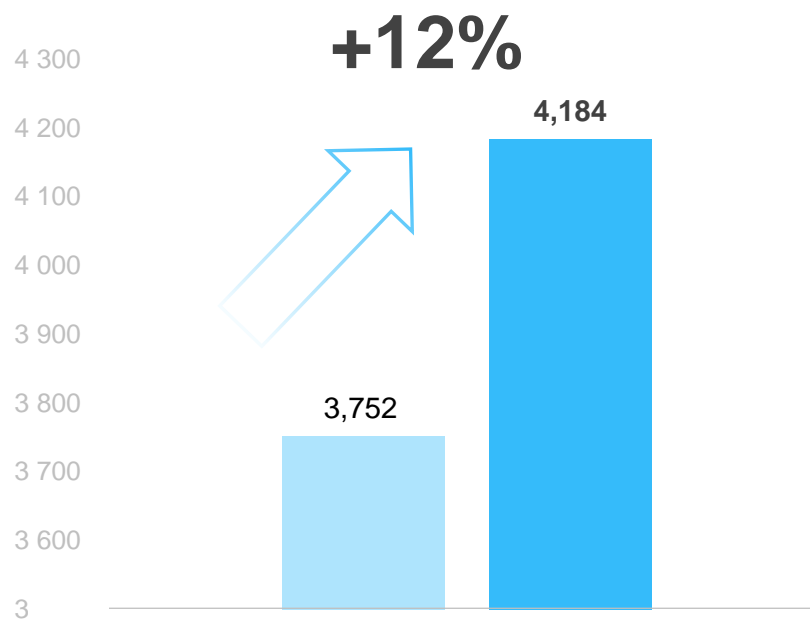
Value in being able to provide integrated solutions

Value in upstream-downstream link

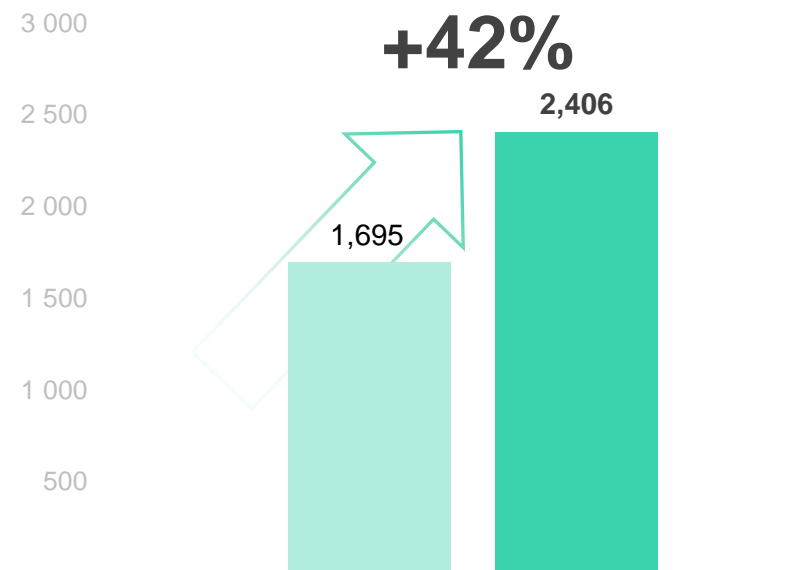
An aerial photograph of terraced rice fields, showing a central stream flowing through the terraces. The fields are a vibrant green, and the stream is a darker green. The background shows a mix of brown and green terrain, suggesting a rural or agricultural landscape. A large white text box is centered over the image, containing the question:

WILL WE MAKE OUR PLANET GREAT AGAIN WITH GAS?

GAS TO STILL FLOW IN THE PIPES



GLOBAL GAS DEMAND (BCM) 2017/2040



GLOBAL GAS POWER INSTALLED CAPACITY (GW) 2017/2040

GAS TO STILL FLOW IN THE PIPES, BUT IT WILL GET GREENER

**Global Biogas
Market in 2016**

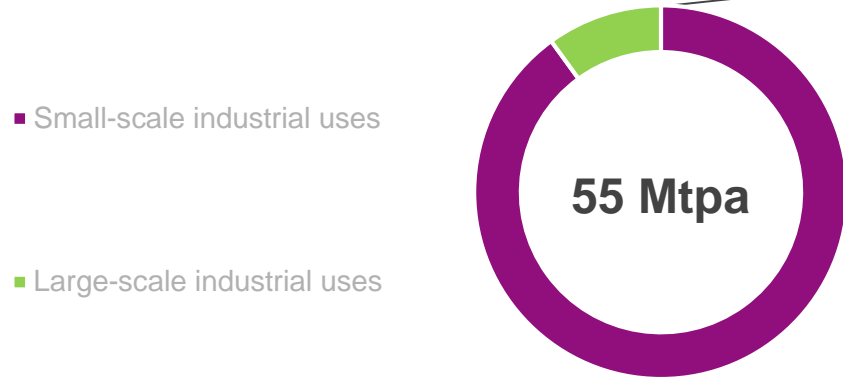
364 TWh/y

**Global Biogas Market
Potential in 2050**

7,500 TWh/y

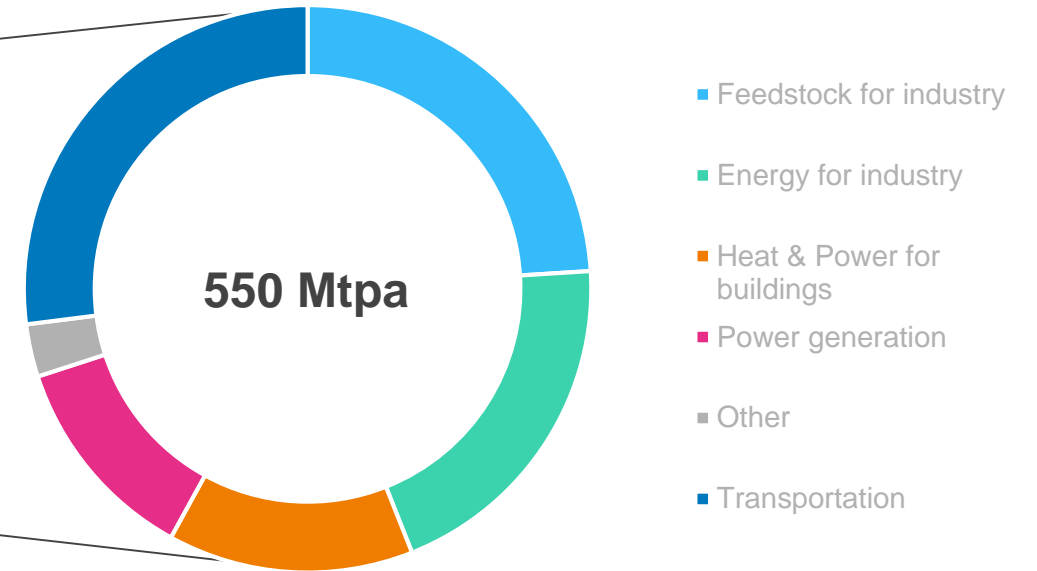
GAS TO STILL FLOW IN THE PIPES, BUT IT WILL GET GREENER

Global Hydrogen Market in 2018



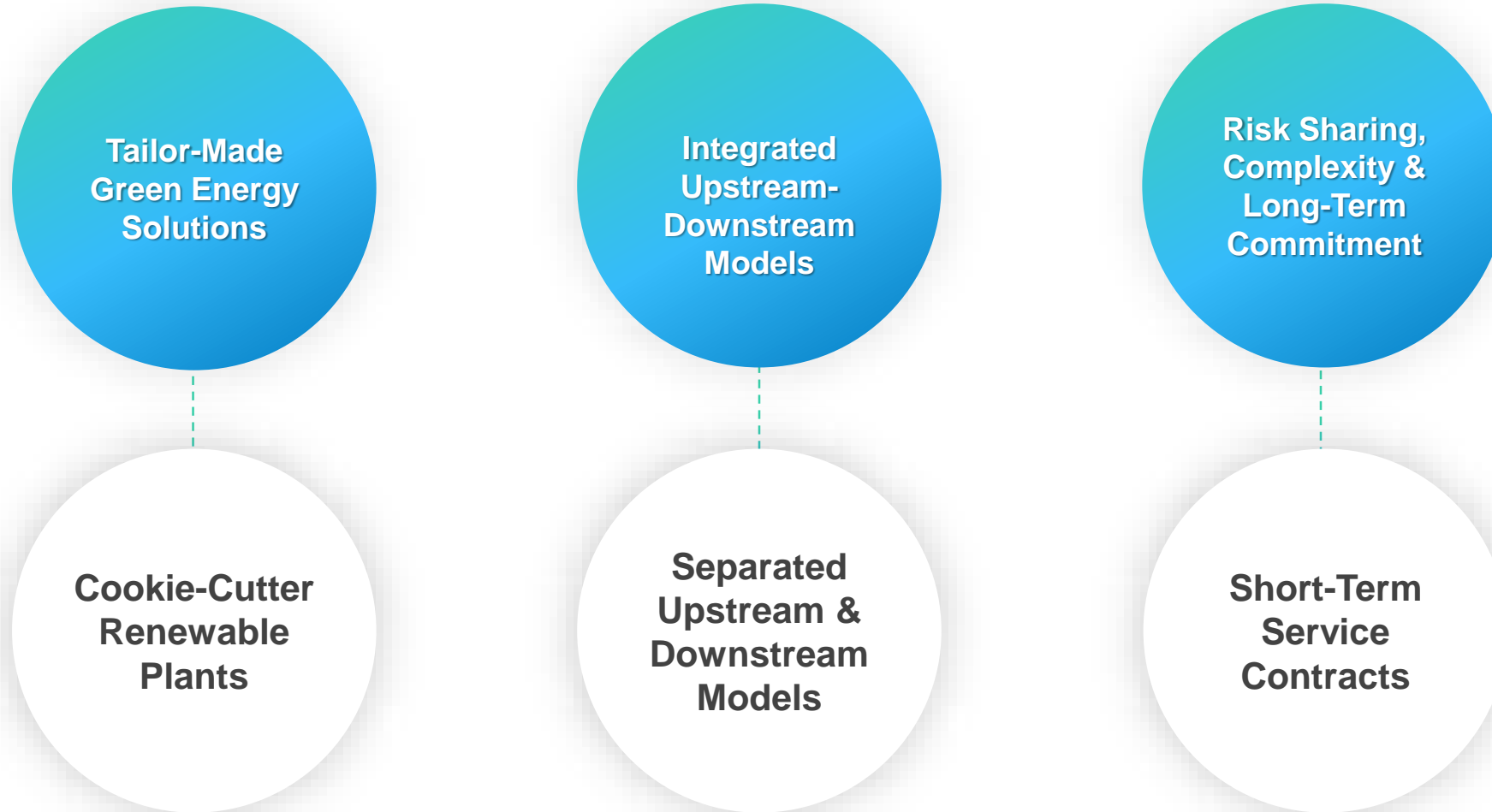
x10

Global Hydrogen Market in 2050
incl. 75% green H₂



**Greener gas to still flow in the pipes,
and will be more integrated with power**

CLOSING REMARKS - WHERE IS THE VALUE HEADING?



CAPITAL MARKETS DAY

February 28, 2019



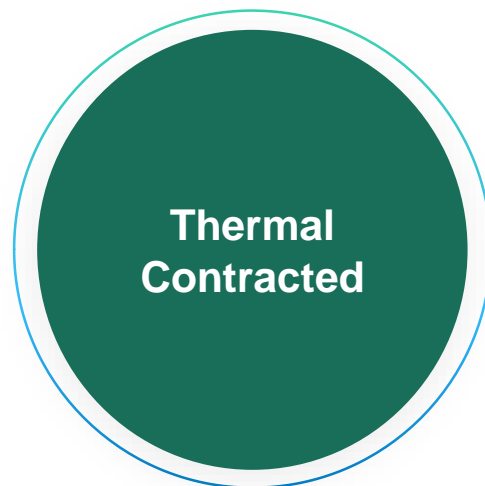
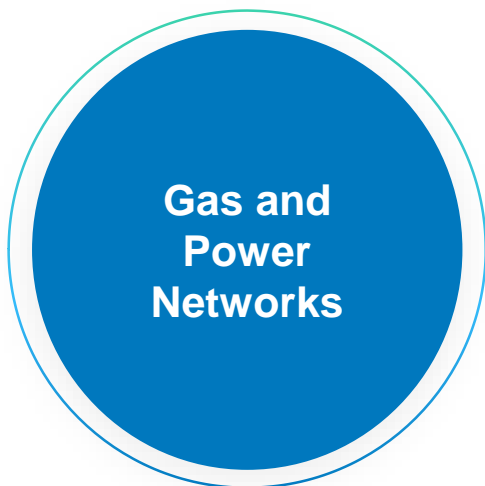
Paulo ALMIRANTE

Executive Vice President
Chief Operating Officer

**SOLID EARNINGS COMBINED
WITH OPTIONALITY VALUE**



AGENDA



An aerial photograph of a crowded beach with many people scattered across the sand. A large, semi-transparent blue rectangle is overlaid on the center of the image, containing white text. To the right of the text, a small boat with two people is visible on the water.

STRONG REGULATED NETWORKS AND CONTRACTED GENERATION

GAS AND POWER NETWORKS

A LEADING POSITION IN GAS NETWORKS IN FRANCE,
COMPLETED BY A GROWING INTERNATIONAL PRESENCE

Global Presence 2018



EUROPE
€28.7bn



LATAM
€1.3bn



OTHER
€0.1bn

RAB/CE
2018⁽¹⁾

COI 2018

€2.3bn

COI 2021

€2.0-2.2bn

NETWORKS

⊖ Attractive returns & cash flows

Zero-Carbon
Transition
"as a service"

Tailor-made
High-tech
Financed

RENEWABLES
NETWORKS
GENERATION & SUPPLY

CLIENT
SOLUTIONS

90% of RAB/CE
is located in France

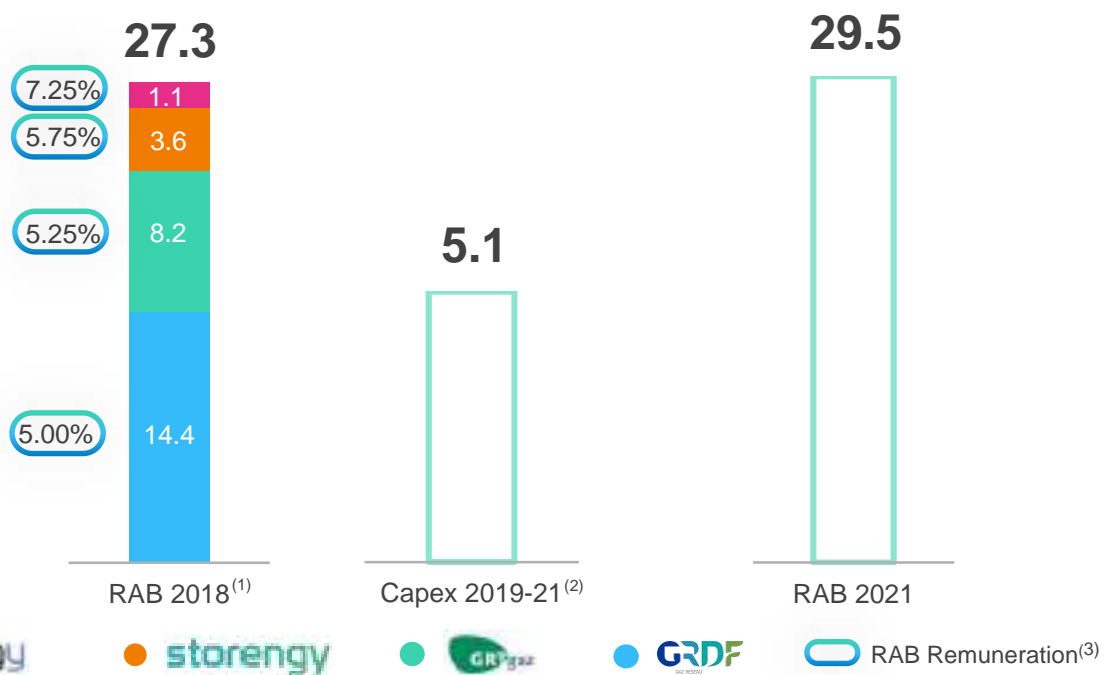
Networks accounted
for 45% of Group COI in 2018

GAS AND POWER NETWORKS

A LEADING POSITION IN GAS NETWORKS IN FRANCE, COMPLETED BY A GROWING INTERNATIONAL PRESENCE

Focus on France

€bn



New regulatory period starting in H1 2020⁽⁴⁾

Rebalance our geographic exposure

● elengy
 ● storengy
 ● GRDF
 ● GRDF
 RAB Remuneration⁽³⁾

(1) RAB 01/01/18 @ 100%
 (2) Gross Capex (growth + maintenance)
 (3) RAB Remuneration base rate (real pre-tax) w/o incentives
 (4) 2021 for Elengy

GAS AND POWER NETWORKS

INTERNATIONAL GROWTH OPPORTUNITIES LEVERAGING OUR RECOGNIZED TRACK RECORD AS AN INDUSTRY PLAYER

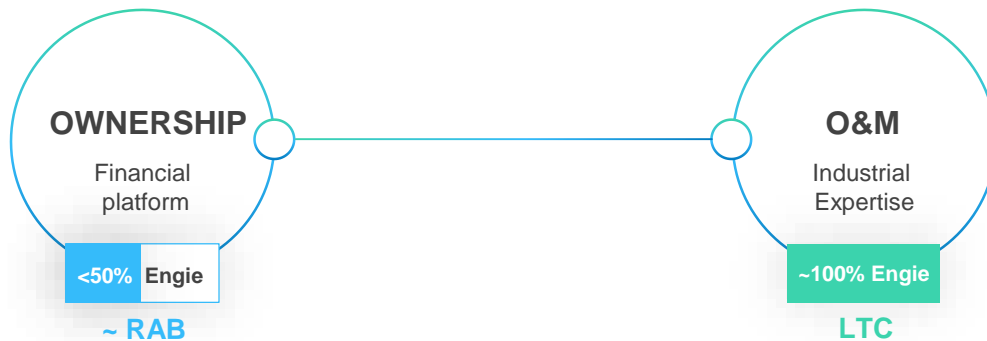
Opportunistic approach



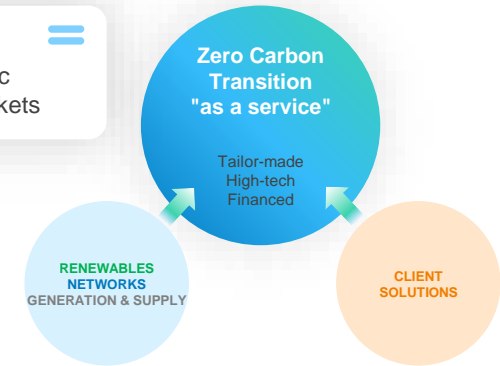
6,000 km/y | **1,000 km**
 auctions in Brazil | under construction



4,500 km
 under negotiation



NETWORKS =
 (+) Growth in dynamic development markets



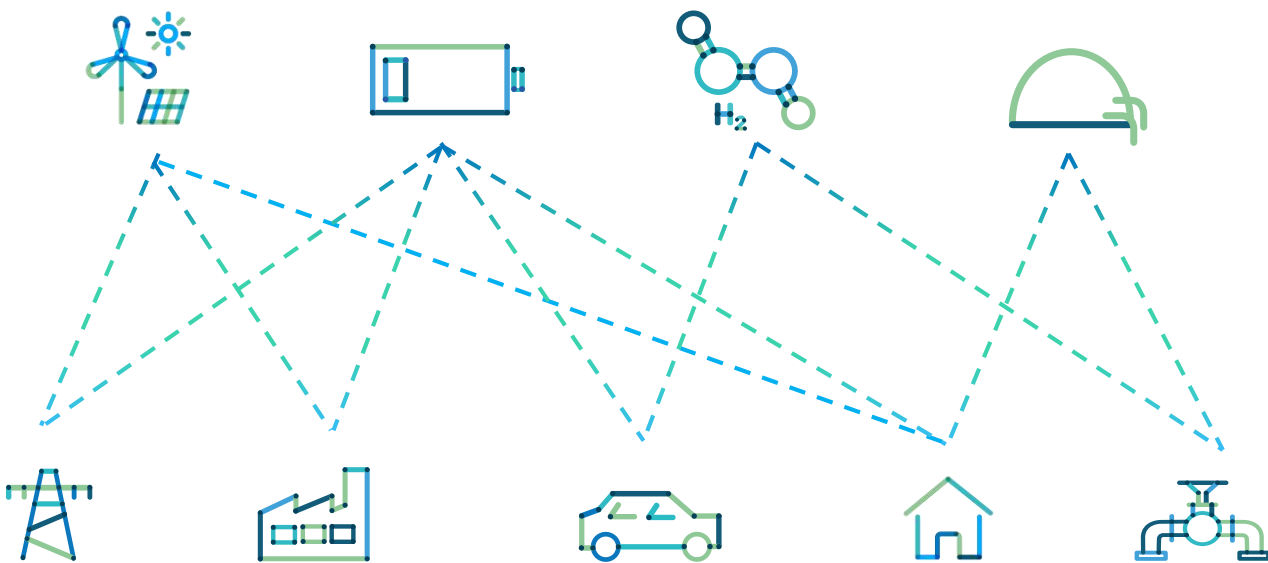
Complex projects with industrial expertise

Financial discipline is key

GAS AND POWER NETWORKS

INTERNATIONAL GROWTH OPPORTUNITIES LEVERAGING OUR RECOGNIZED TRACK RECORD AS AN INDUSTRY PLAYER

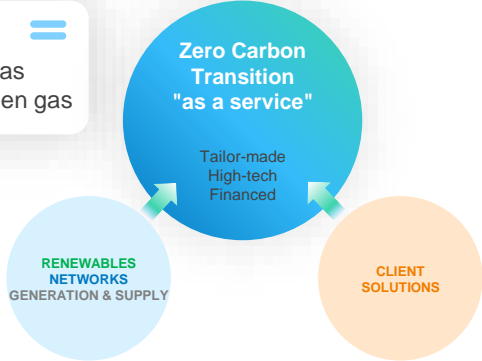
Networks in the Energy Transition



€0.3bn
Green gas related investments
in networks 2019-2021

30 MW
Grid scale storage
Operation & construction

NETWORKS
Priority to convert gas infrastructure to green gas



Power and gas networks will continue to grow

We are an industrial partner of choice

THERMAL CONTRACTED GENERATION

LIMITED PPA TERMINATION IMPACT BEFORE 2025 WHILST WE CONTINUE TO REDUCE OUR EXPOSURE TO COAL

Global presence 2018⁽¹⁾



MIDDLE EAST

30.1 GW

Gas

Coal



LATAM

1.9 GW

1.9 GW



OTHER

4.5 GW

2.3 GW

Increase performance and digitalization

COI reduction related to divestments

COI 2018⁽²⁾

€0.8bn

COI 2021

€0.5-0.6bn

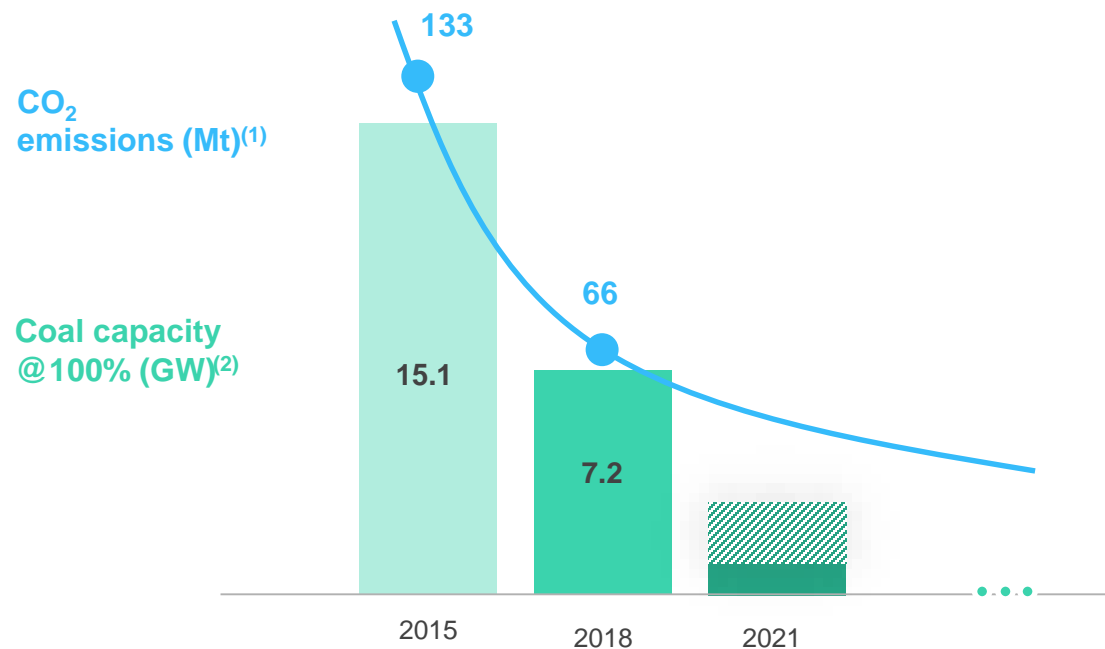
(1) Capacity 31/12/18 @ 100%

(2) Excluding Glow contribution in 2018 and after allocation of multi-Métiers BUs' corporate costs

THERMAL CONTRACTED GENERATION

LIMITED PPA TERMINATION IMPACT BEFORE 2025
WHILST WE CONTINUE TO REDUCE OUR EXPOSURE TO COAL

Coal phase out and CO₂ reduction



GENERATION & SUPPLY

⊖ Further reduction in thermal capacity led by continuing disposals of coal generation

Zero Carbon Transition
"as a service"

Tailor-made
High-tech
Financed

RENEWABLES
NETWORKS
GENERATION & SUPPLY

CLIENT
SOLUTIONS

Steep decline
in coal generation

Direct emissions projections
follow 2°C trajectory

THERMAL CONTRACTED GENERATION

OPPORTUNITIES AND NEW GROWTH DRIVERS LINKED TO ASSET-BASED SOLUTIONS

Projects under development in the Middle East

KSA



CHP1: 900 MWe
CHP2: 600 MWe
RO: 200 MIGD⁽¹⁾

QATAR



IWPP⁽²⁾: 1,500 MW

ABU DHABI



CCGT: 2,000 MW

Leading positions in the Middle East on power and water production

Investment focus on sophisticated and tailor-made solutions

THERMAL CONTRACTED GENERATION

OPPORTUNITIES AND NEW GROWTH DRIVERS LINKED TO ASSET-BASED SOLUTIONS

Long-term partnerships with energy intensive industrials in Europe

PRODUCTS

CHP

CCGT

Waste to Power

Conversion
of siderurgical gases

KEY FIGURES

14

partnerships
in 3 countries

2 GW

electrical power

1,600 t/h

steam delivery

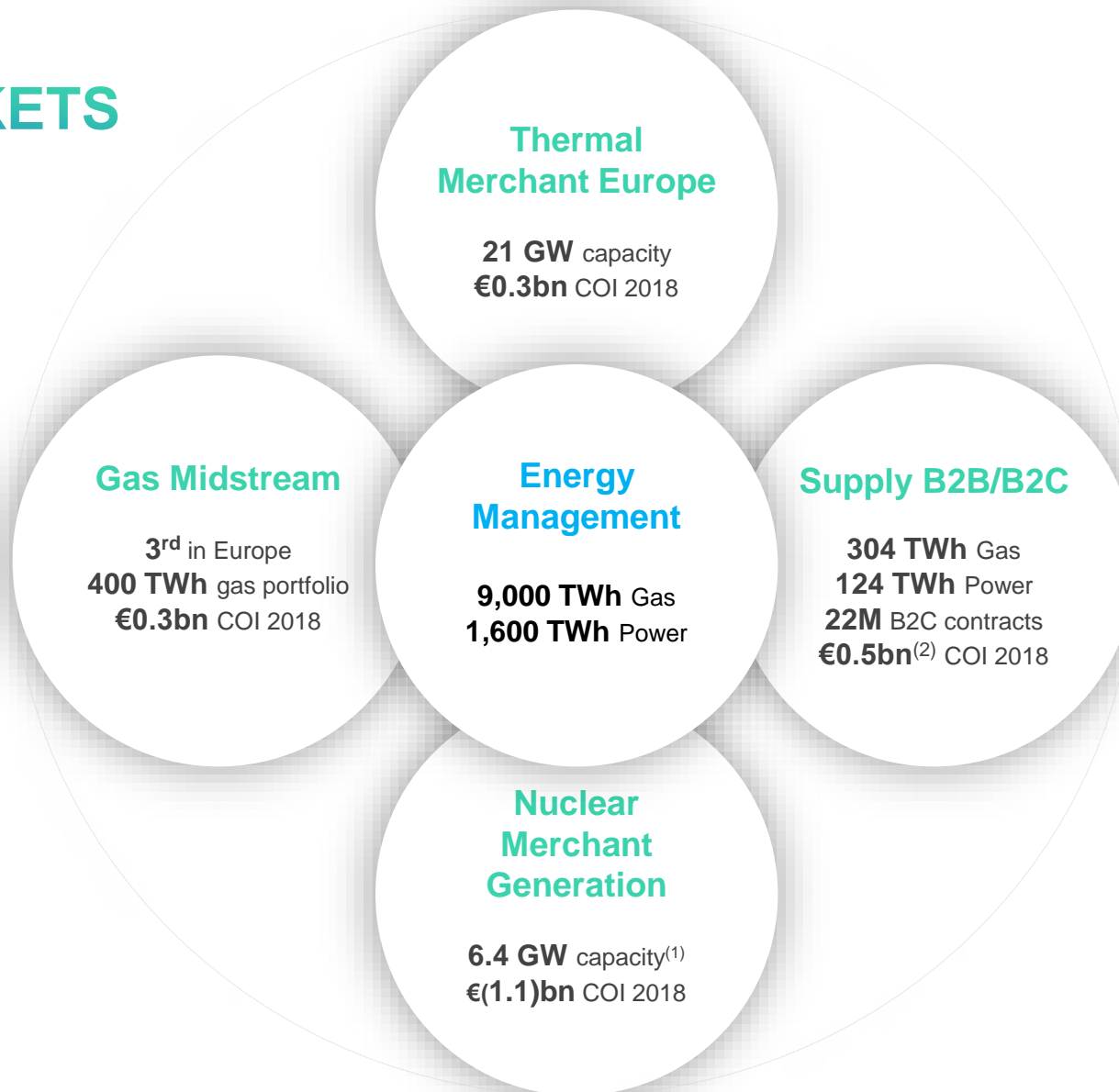
**Industrial opportunities linked
to Energy Efficiency**

**Security of supply and price
visibility “as a service”**



DELIVERING COMPETITIVE PRODUCTS FROM ENERGY MARKETS TO CUSTOMERS

ENERGY MARKETS EUROPE



ENERGY MARKETS EUROPE – NUCLEAR

AFTER SIGNIFICANT DIFFICULTIES IN 2018, WE ARE STABILIZING OUR OPERATIONS

GENERATION & SUPPLY =

⊕ Back to normal operations for nuclear

Zero Carbon Transition "as a service"

Tailor-made High-tech Financed

RENEWABLES NETWORKS GENERATION & SUPPLY

CLIENT SOLUTIONS

LTO⁽¹⁾ works will finish by 2020

Tihange 1



Doel 2

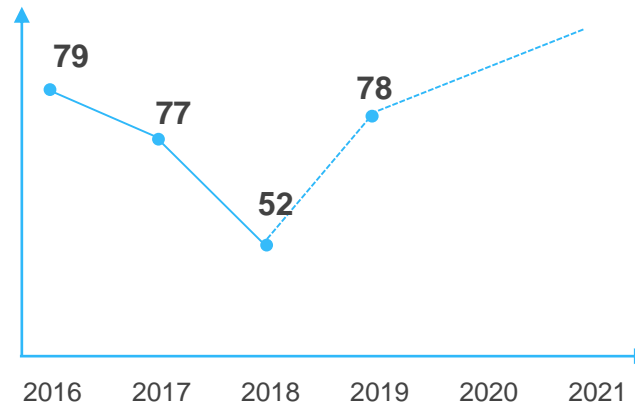


Doel 1

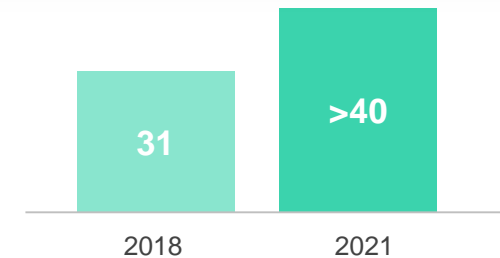


— LTO outages

Availability in Belgium (%)



Total nuclear production (TWh)



COI 2018

€(1.1)bn

Positive COI by 2021

Reinforced project management and execution capabilities

Planning adjusted following recent experience
Contingencies included in financial planning

Stabilization of operations

ENERGY MARKETS EUROPE – NUCLEAR

ANTICIPATING THE NEXT PHASES

2022-23



Doel 3 and Tihange 2
phased out

Start D&D

2025



Doel 1, Doel 2 and Tihange 1
phased out

Beyond 2025



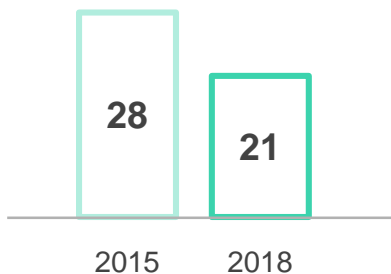
Doel 4 and Tihange 3
possibly extended

Future options for after 2025 will be defined by the Belgian authorities

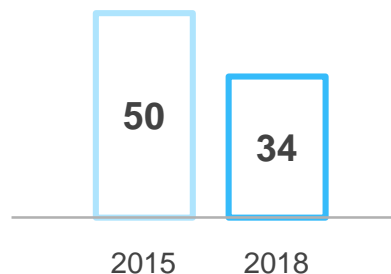
ENERGY MARKETS EUROPE – THERMAL MERCHANT

THE TRANSFORMATION OF A MERCHANT FLEET FROM A NEGATIVE CONTRIBUTION TO PROFITABILITY

Capacity GW @ 100%



Reduce carbon exposure Mt CO₂



Operational performance

-32% unplanned outages
-41% trips

Costs savings 2015-2018

€-180m O&M costs
-34% SG&A costs

COI 2015⁽¹⁾ €(0.05)bn

€0.3bn

COI 2018⁽¹⁾

A reshaped, flexible and resilient portfolio

ENERGY MARKETS EUROPE – THERMAL MERCHANT

OPPORTUNITY TO CAPTURE VALUE ON A REGULAR BASIS

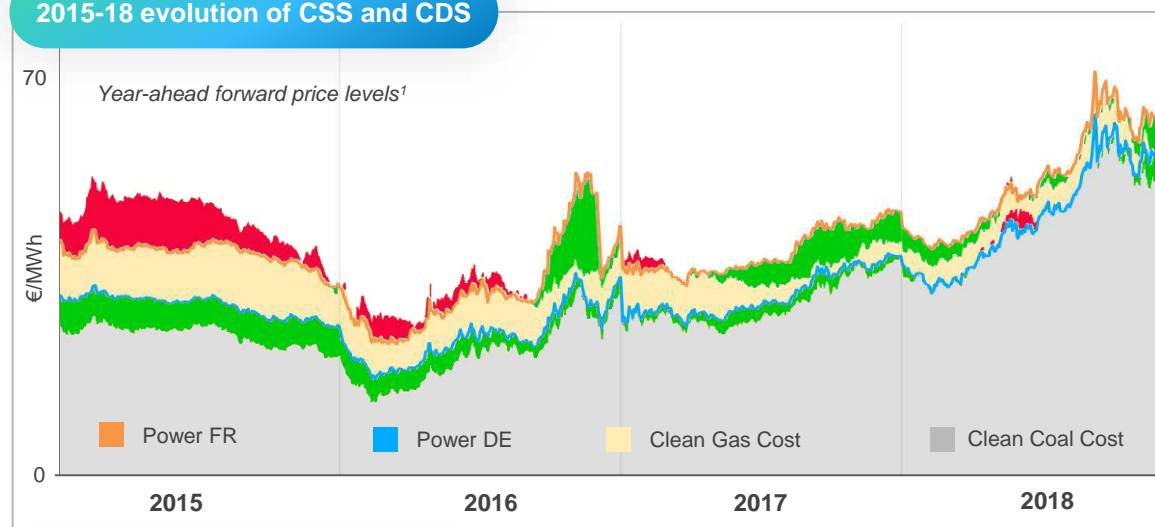
TIGHT SUPPLY DEMAND

HIGHER CO₂ PRICES

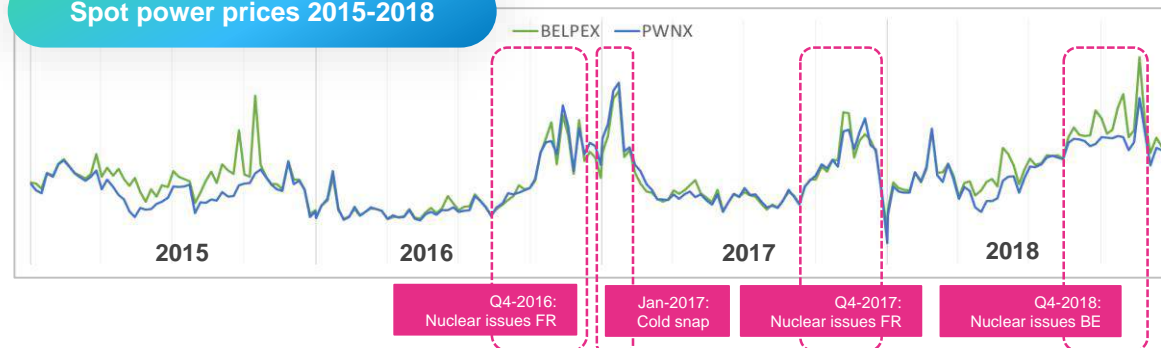
HIGHER VOLATILITY

MULTIPLE EVENTS

2015-18 evolution of CSS and CDS



Spot power prices 2015-2018



CLOSING REMARKS

**Gas and
Power
Networks**

**Thermal
Contracted**

**Energy
Markets
Europe**

DELIVERING EARNINGS STABILITY AND VISIBILITY

CAPTURING OPTIONALITY VALUE

CAPITAL MARKETS DAY

February 28, 2019



Gwenaëlle HUET

Chief Executive Officer, Business Unit France
Renewables



**DEVELOPER AND OPERATOR
OF LARGE-SCALE RENEWABLES**

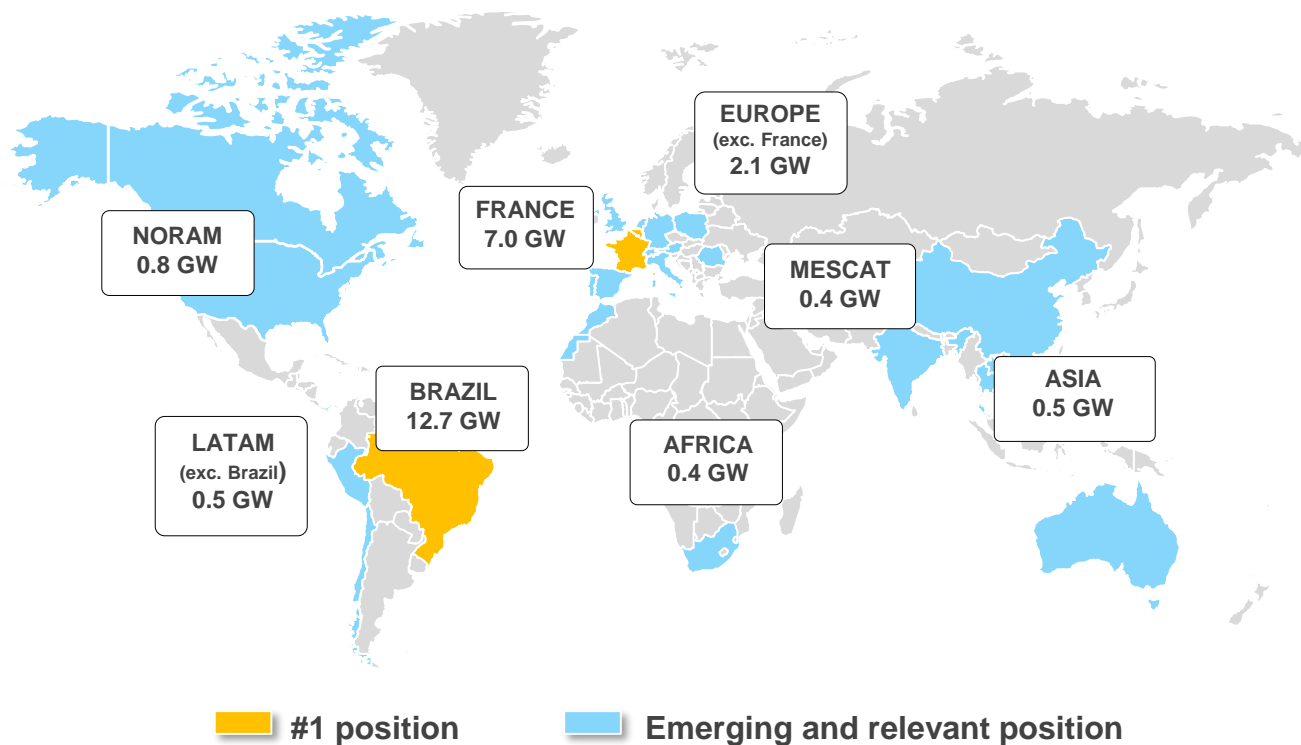


An aerial photograph of a large, paved public square filled with many people walking. A large, dark blue rectangular overlay covers the center of the image. Inside this overlay, at the bottom, is a white, multi-decked boat with a curved hull, moving across a dark blue body of water and leaving a white wake. The text 'WHAT WE HAVE ACHIEVED SO FAR' is centered in the upper half of the blue overlay in a bold, white, sans-serif font.

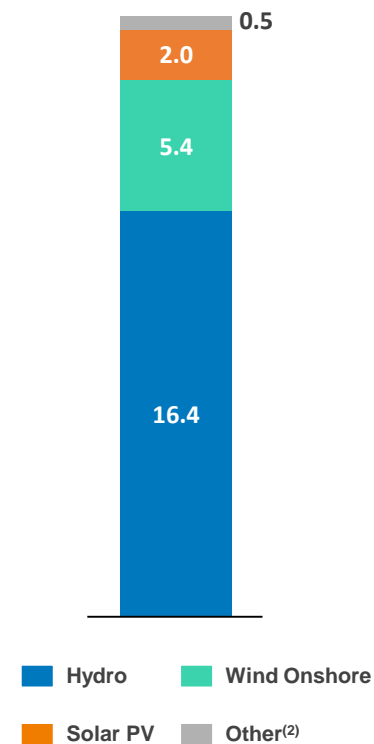
WHAT WE HAVE ACHIEVED SO FAR

ENGIE MANAGES 24.4 GW⁽¹⁾ OF MATURE RENEWABLE (RES) CAPACITIES, MAINLY IN EUROPE AND LATAM

RES installed capacities @100% as end of 2018 [GW]

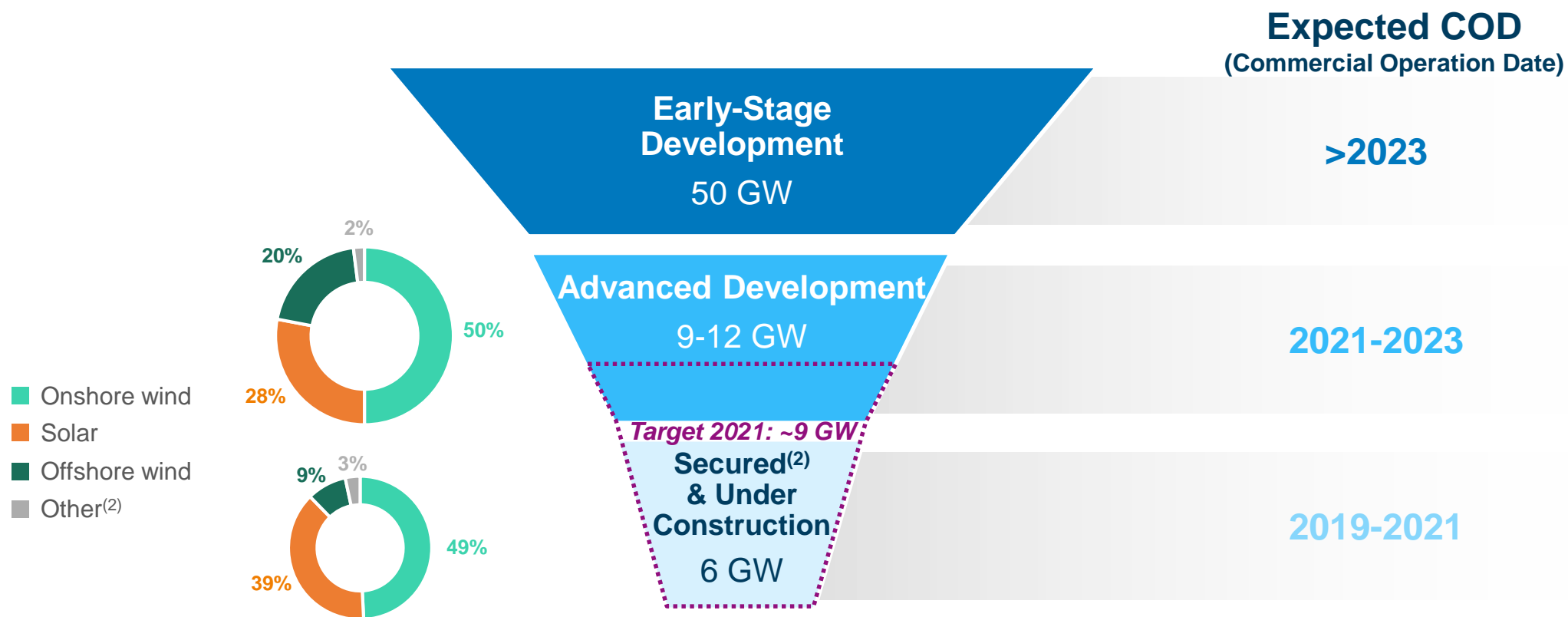


24.4 GW⁽¹⁾



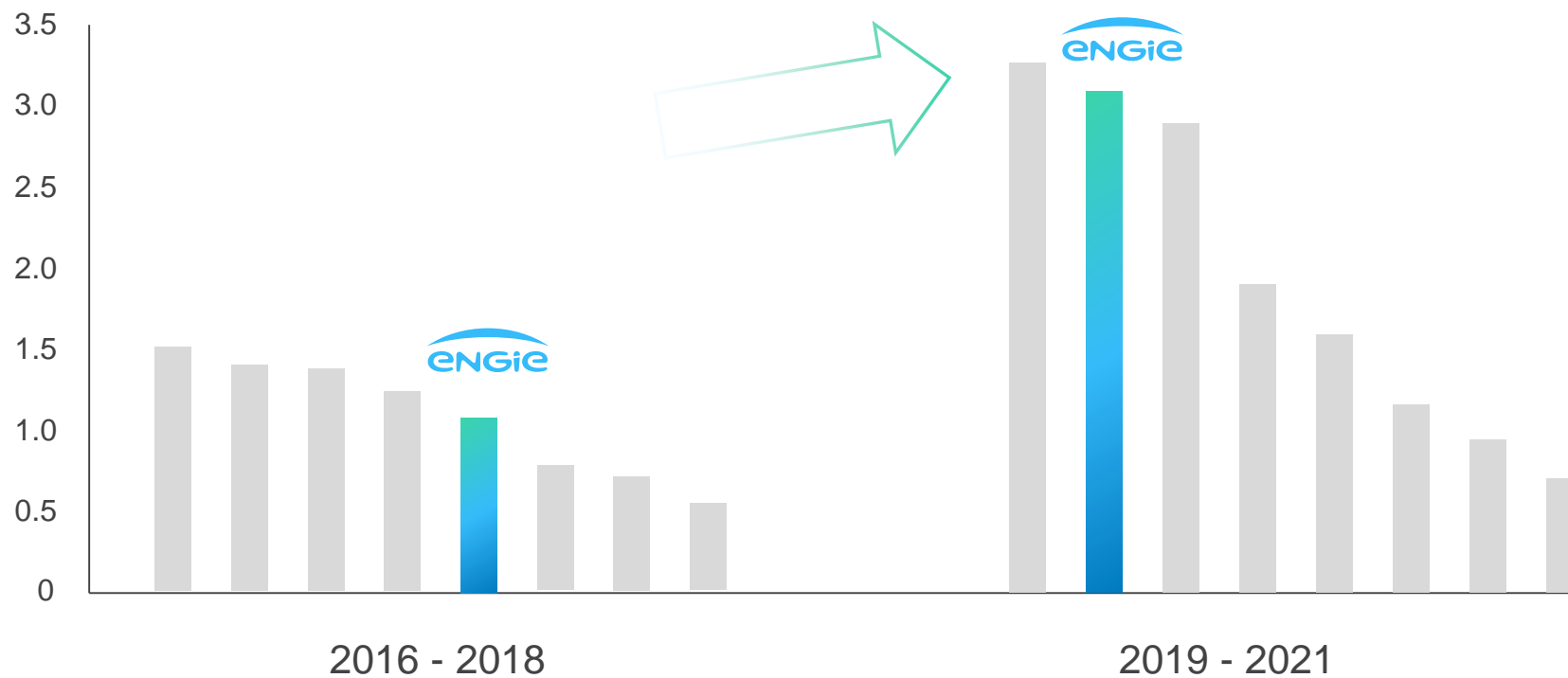
ENGIE BUILT A DEVELOPMENT MACHINE

A PIPELINE OF 15-18 GW



ENGIE BUILT A DEVELOPMENT MACHINE

Average installed RES capacity [GW/yr]
ENGIE vs. competitors (European and US RES developers)



ENGIE HAS A STRATEGIC POSITION ACROSS THE WIND AND SOLAR VALUE CHAIN



WHAT THE MARKET TELLS US

CONTINUOUS INVESTMENT IN MATURE TECHNOLOGIES AND EMERGENCE OF NEW TECHNOLOGIES

Continuous investment across geographies

€250bn/yr worldwide⁽¹⁾



50% in Europe, LATAM & US



Microgrid Market⁽²⁾:
€15.2bn today,
x2 by 2022, x3 by 2025

With more sophisticated technologies

Short Term
2021

Biomethane Geothermal
Fixed wind offshore

Middle Term
2023

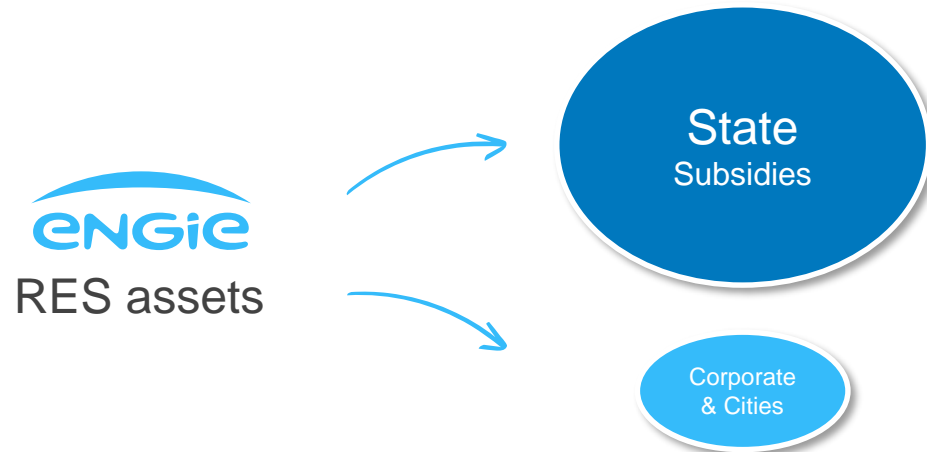
Microgrids Floating wind offshore
Grid scale storage

Long Term
>2026

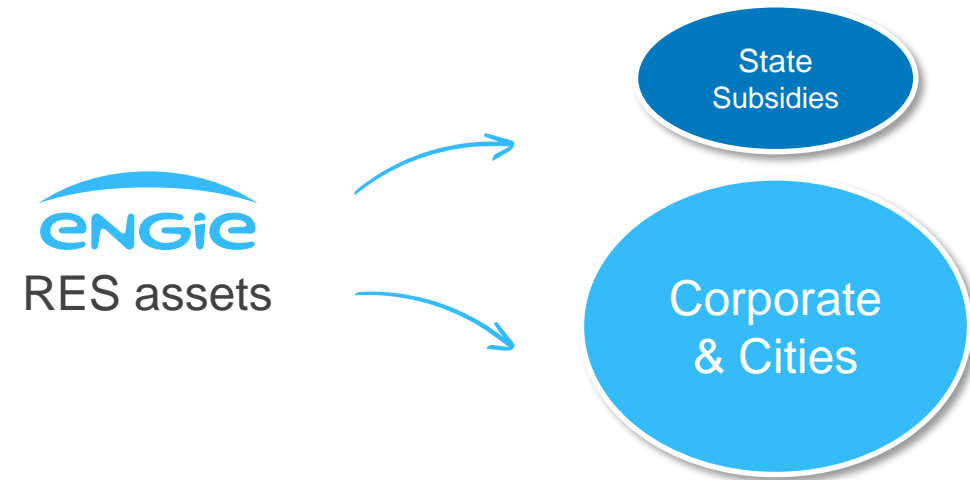
Green hydrogen

FROM MAJORITY OF SUBSIDIES FROM STATES TO MAJORITY OF PPA⁽¹⁾ WITH COMPANIES AND CITIES

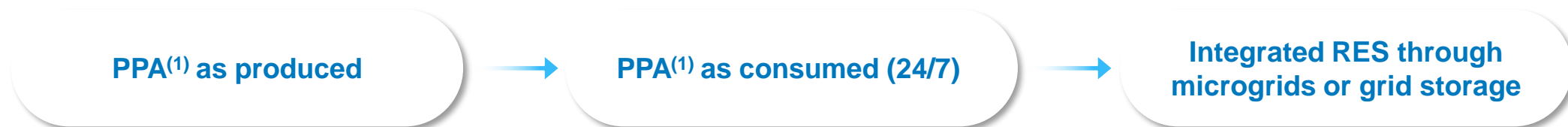
New contracts in 2018



Middle-term evolution of new contracts



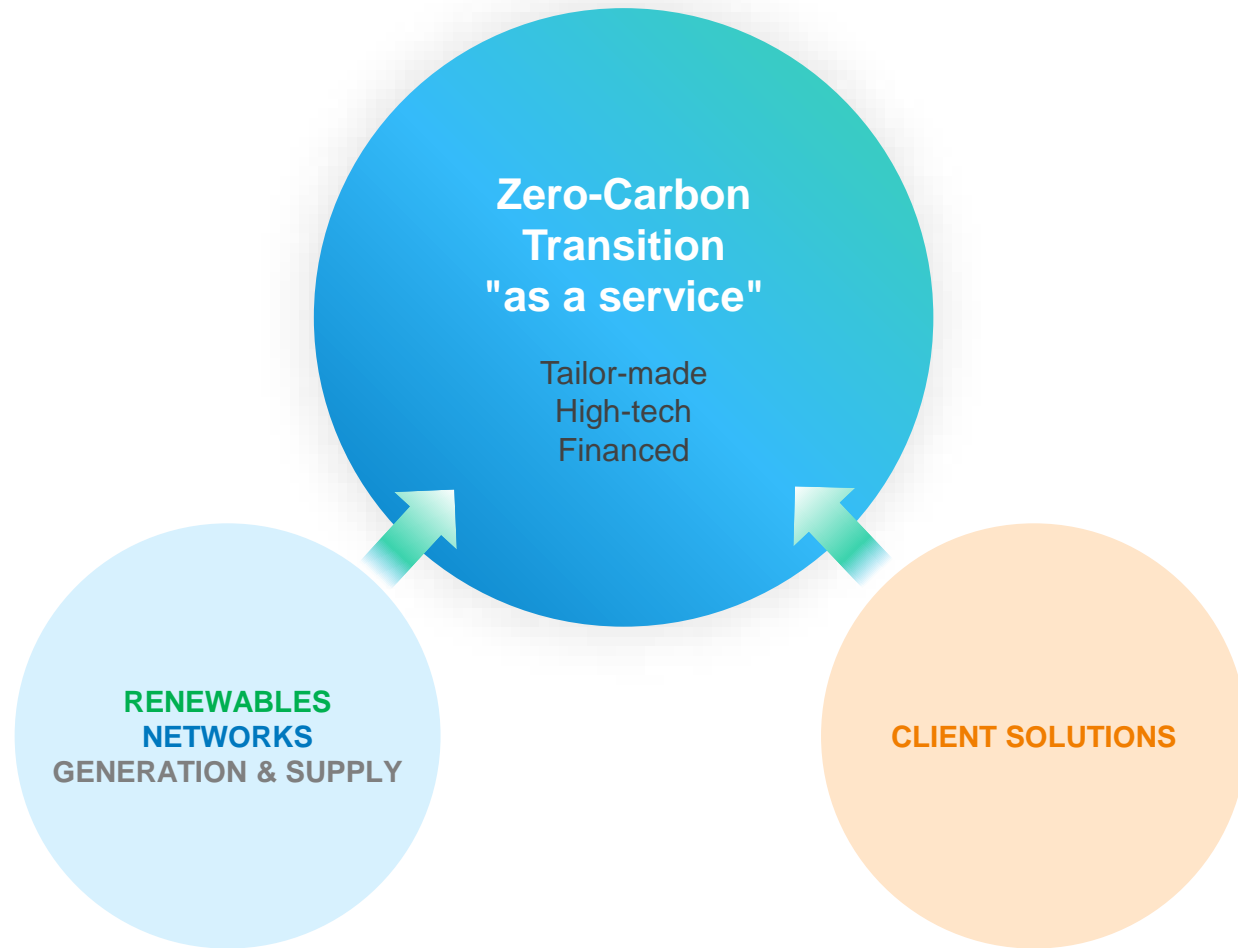
Long-term evolution: more sophisticated contracts with clients



An aerial photograph of a busy public square, likely St. Peter's Square in Rome, with many people walking. A large, dark blue rectangular overlay covers the center of the image. Inside this overlay, the text 'OUR STRATEGIC INTENTIONS' is written in large, white, bold, sans-serif capital letters. Below the text, there is a cutaway illustration of a modern, multi-decked ship's hull, showing its internal structure and deck levels. The ship is moving from right to left, leaving a white wake in the dark blue water.

OUR STRATEGIC INTENTIONS

WE SPECIALIZED IN HIGH ADDED VALUE OFFERS



RENEWABLES

+ 50% new RES projects dedicated to specific clients by 2021

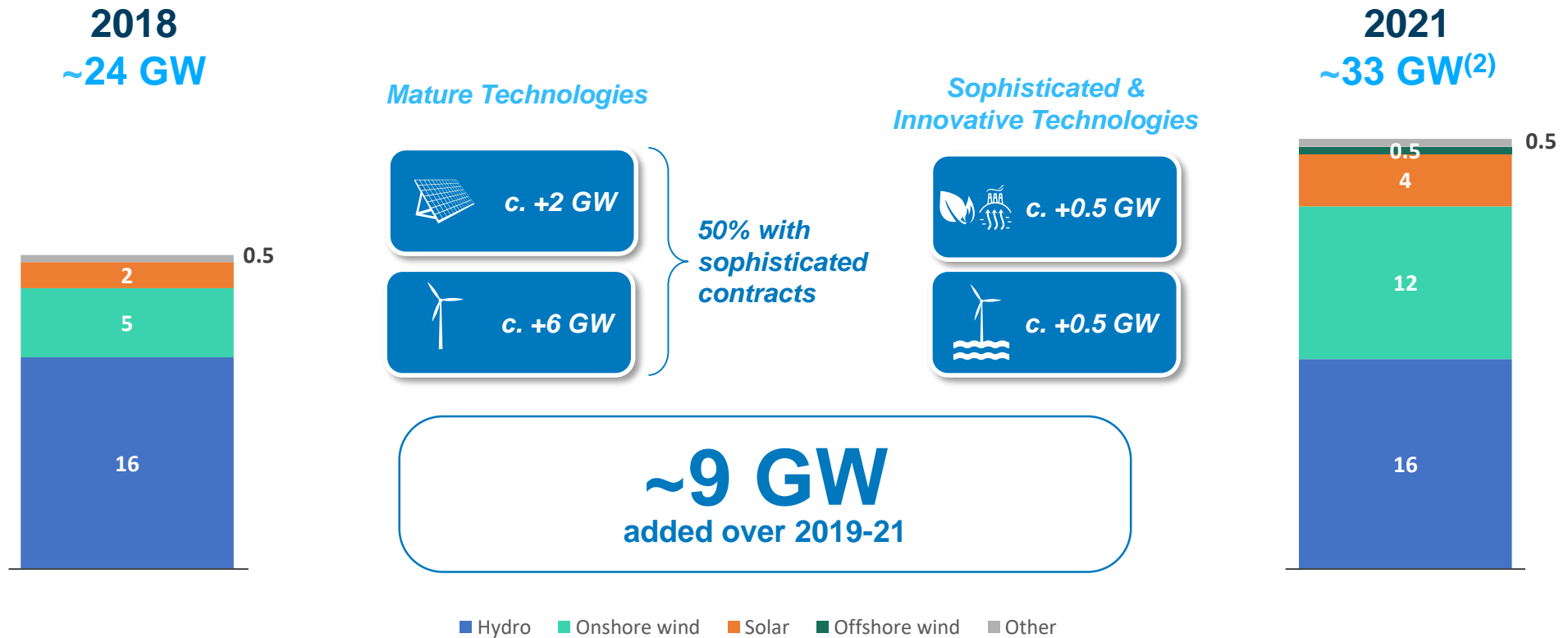
- Commoditized renewables



FASTER GROWTH

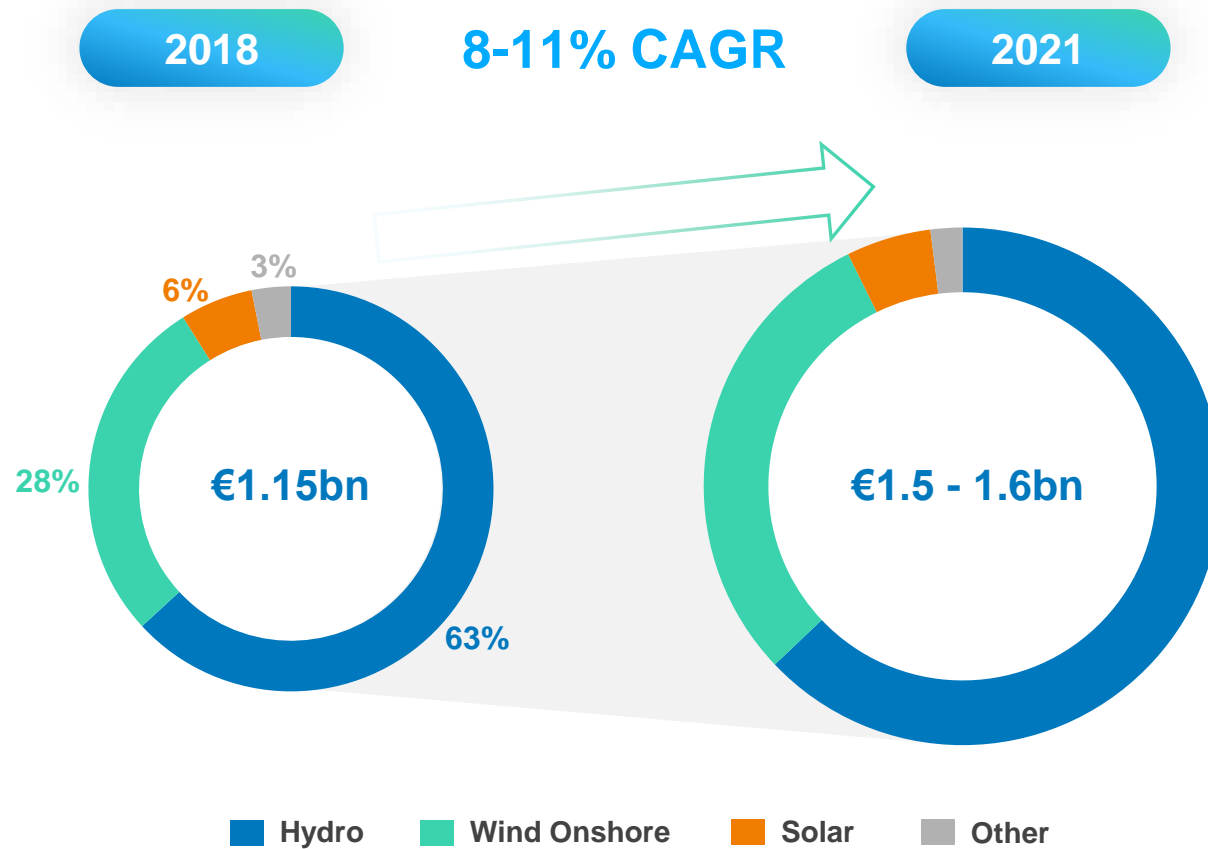
ACCELERATE WITH THE GOAL OF ~ 9 GW ADDED IN 2021

RES installed capacities⁽¹⁾ @100% [GW]



DYNAMIC EVOLUTION OF RES FINANCIAL CONTRIBUTION

COI [€bn]





HIGHER VALUE

HIGHLY SELECTIVE INVESTMENT CRITERIA

Very Attractive

- **Companies & cities PPA**
- **Innovative and sophisticated technologies**

Less Attractive

- Only commoditized renewables
- Development in countries not part of the Group's geographical priorities

INCREASE SOPHISTICATED CONTRACTS



2019-2021: Almost 50% of ENGIE's new RES projects will be dedicated to clients

After 2026: 2/3 of new capacities will be dedicated to clients

INCREASE SOPHISTICATED TECHNOLOGIES



FIXED & FLOATING OFFSHORE WIND

Fixed



Moray* (950 MW)



Seamade* (487 MW)



Treport & Noirmoutier (2 X 496 MW)

Floating



Wind Float Atlantic* (25 MW)



Eoliennes Flottantes du Golfe du Lion (25 MW)



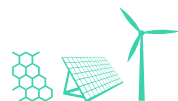
GREEN GAS



Biomethane
(market share target of 15-20%)



Large- and small-scale territorial
green H₂ projects



MICROGRIDS



Lifou
(wind, solar, biofuel & storage)



Semakau island
(microgrid-based hydrogen storage system)

SIMPLIFIED GEOGRAPHICAL PRIORITIES

Tier 1: Reinforce existing and acquire new leadership positions where the Group has density and strong links with clients

- Western Europe, North America, Brazil, Chile, Peru, Mexico

Tier 2: Other selected countries where the Group will invest both on client solutions and RES development

- India, China, Japan, Australia, Morocco, South Africa and large urban areas in line with our geographical priorities

EUROPE: c. +3.5 GW



NORAM: c. +2.5 GW



LATAM: c. +1.5 GW



Rest of the World:
c. +1.5 GW

**~9 GW
added
by 2021**

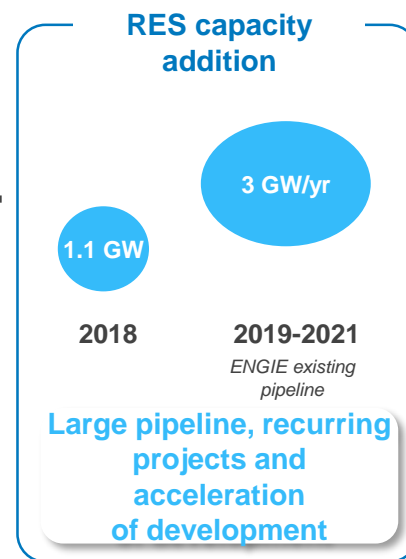
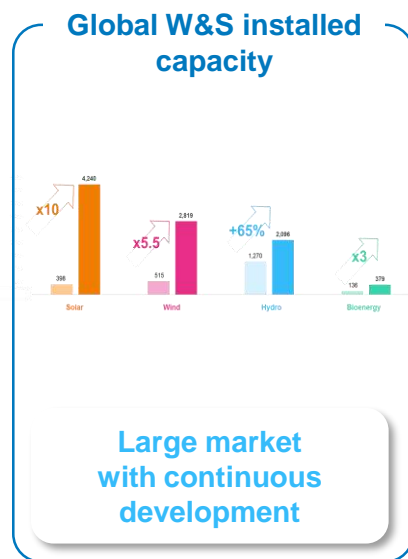
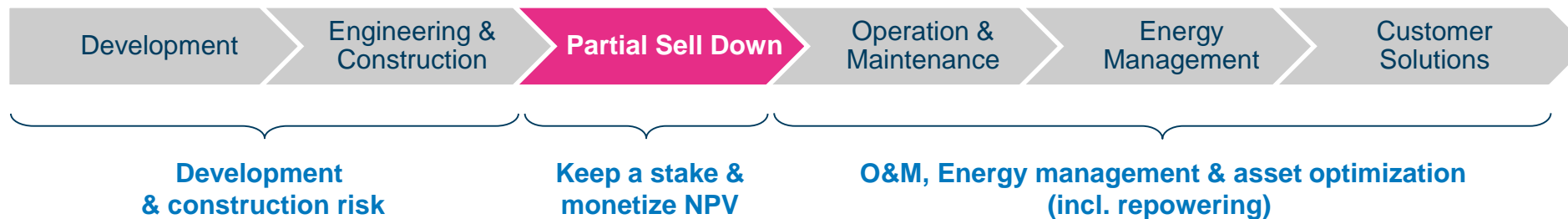
■ #1 position

■ Top 10 position

■ Emerging position

LOWER CAPITAL INTENSITY

INDUSTRIALIZATION OF DBpSO MODEL



- Win more projects
- Increase ENGIE IRR
- Share risk
- Accelerate capital rotation to fuel dynamic growth
- Keep the industrial side of the assets

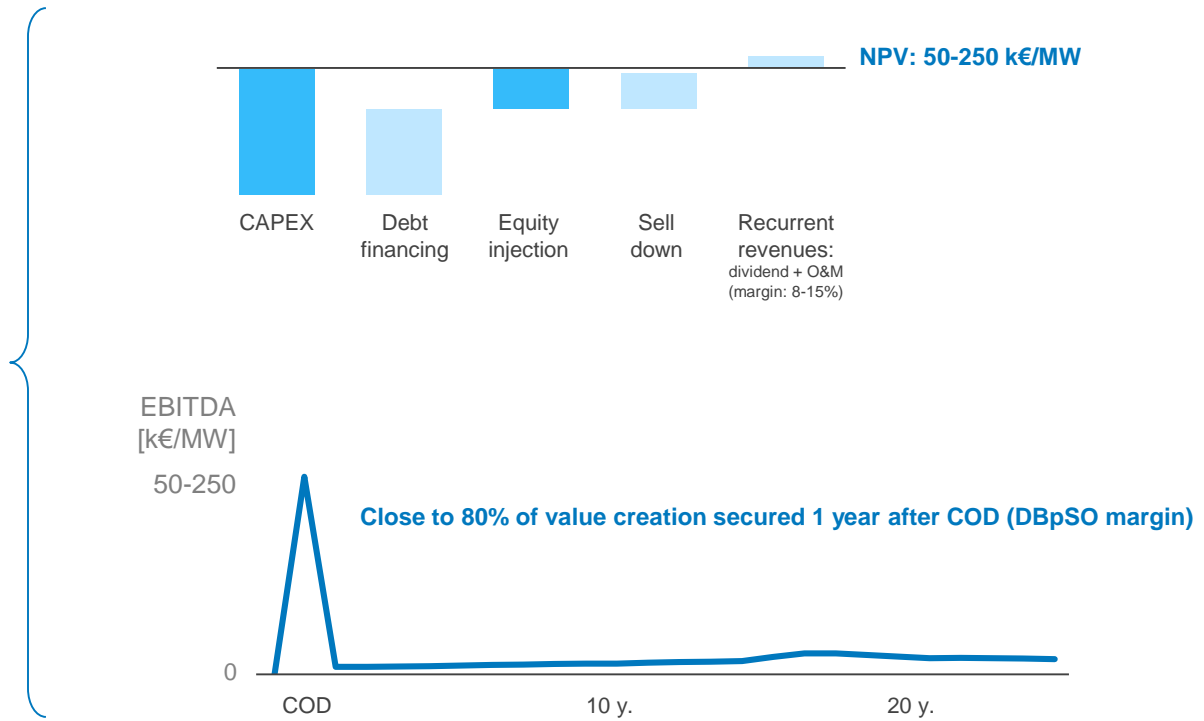
LOWER CAPITAL INTENSITY

INDUSTRIALIZATION OF DBpSO MODEL

Normative 10 MW wind onshore or solar project
(competitive tender)

with 70%-80% gearing and 80% sell-down

IRR Buy & Hold = CoE
IRR DBpSO = CoE +4%

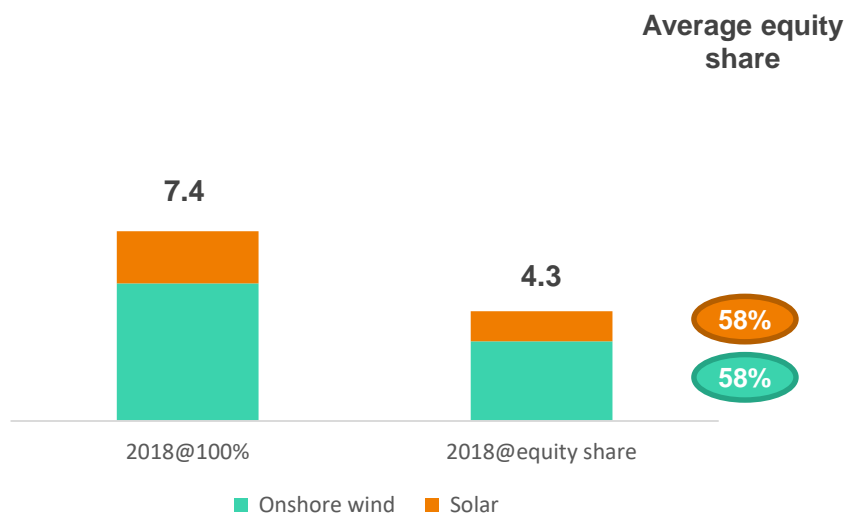


LOWER CAPITAL INTENSITY

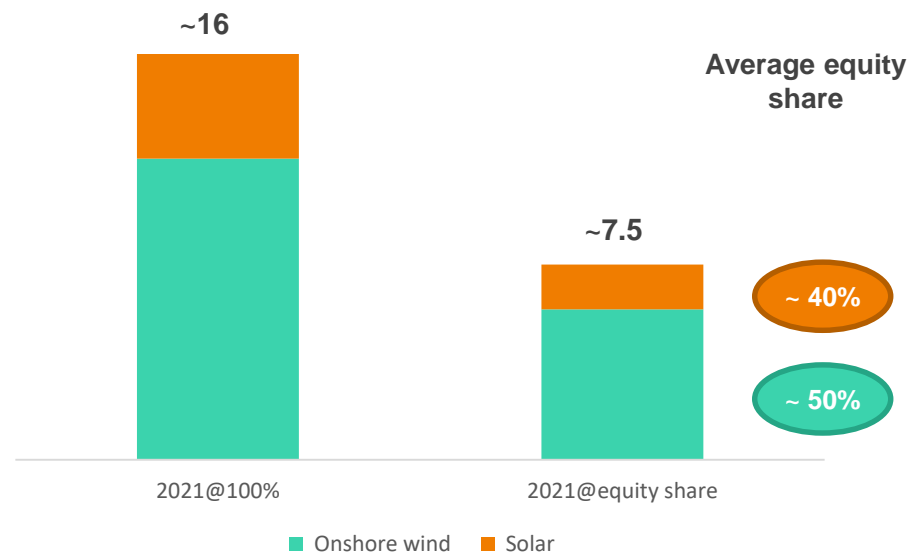
REDUCTION OF AVERAGE EQUITY SHARE

Installed W+S capacity [GW]

2018



2021

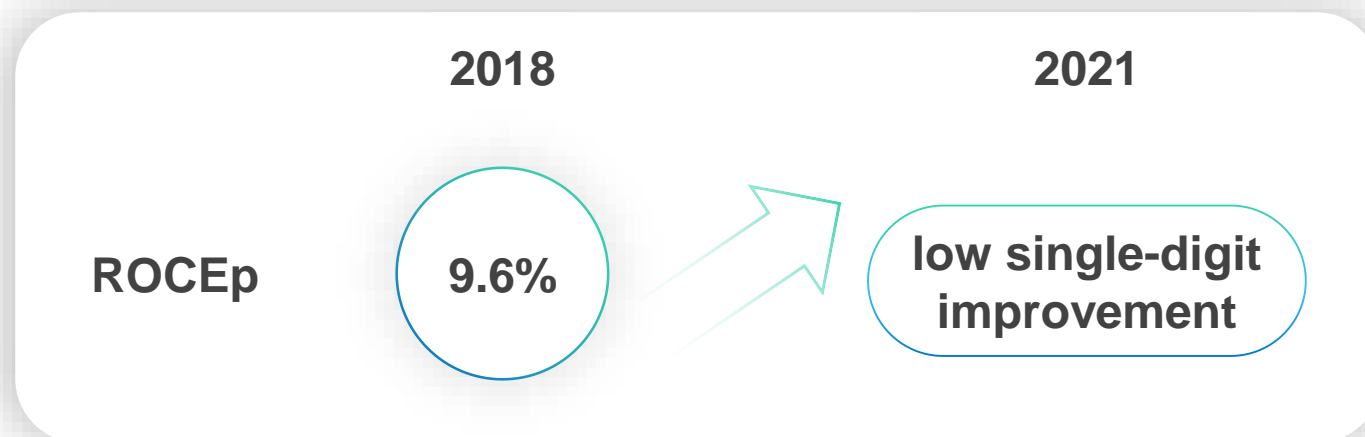


Capex W+S 2016-18: €3.7 bn
GW W+S added: 2.8 GW

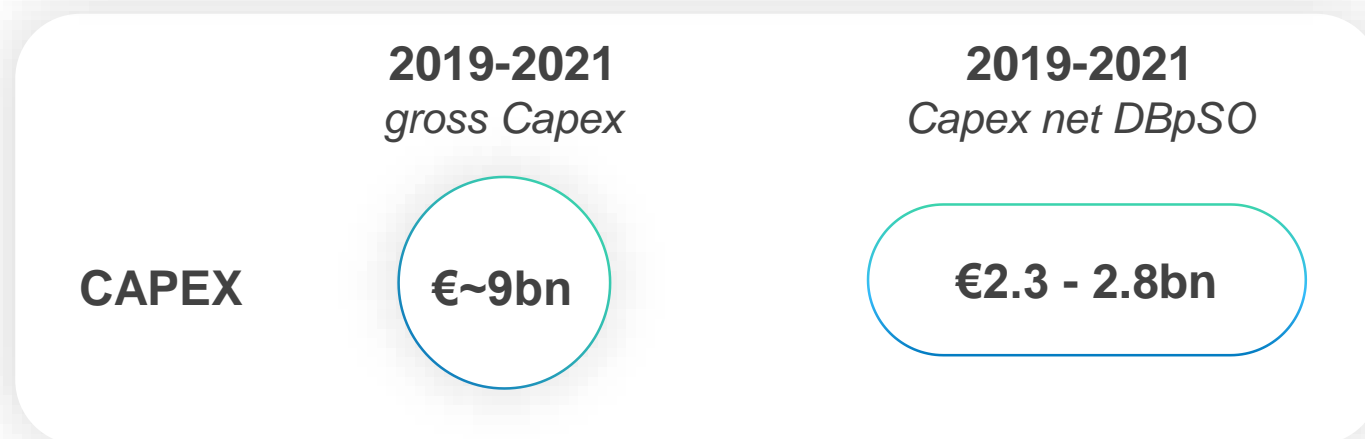
Capex W+S 2019-21: ~€1.7 bn
GW W+S added: ~8.0 GW

INCREASE VALUE CREATION WITH LESS CAPEX

Increase Value Creation



Increase Capex Optimization

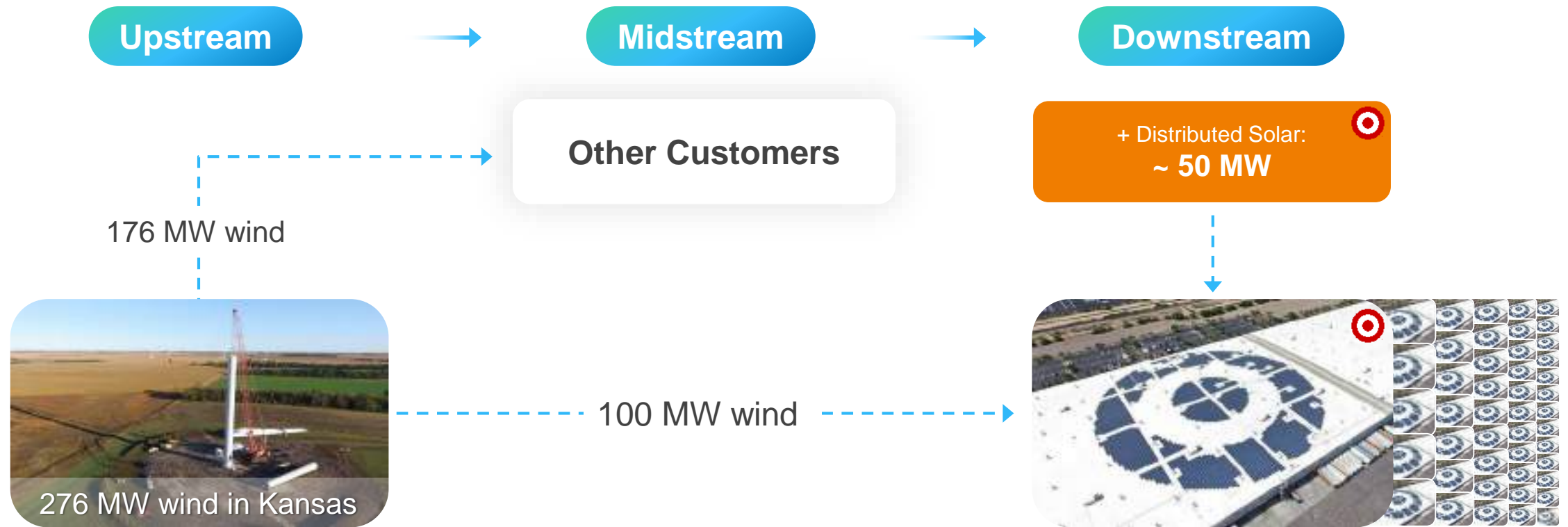




BETTER IMPACT

TOWARDS INTEGRATED ZERO-CARBON SOLUTIONS DELIVERED “AS A SERVICE”

Target (USA) 



SIGNIFICANT CONTRACTS ALREADY SIGNED



160 MW
15 y.



49 MW
15 y.



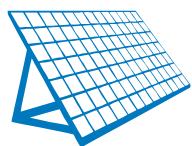
30 MW
15 y.



208 MW
25 y.



30 MW
12 y.



50 MW
15 y.



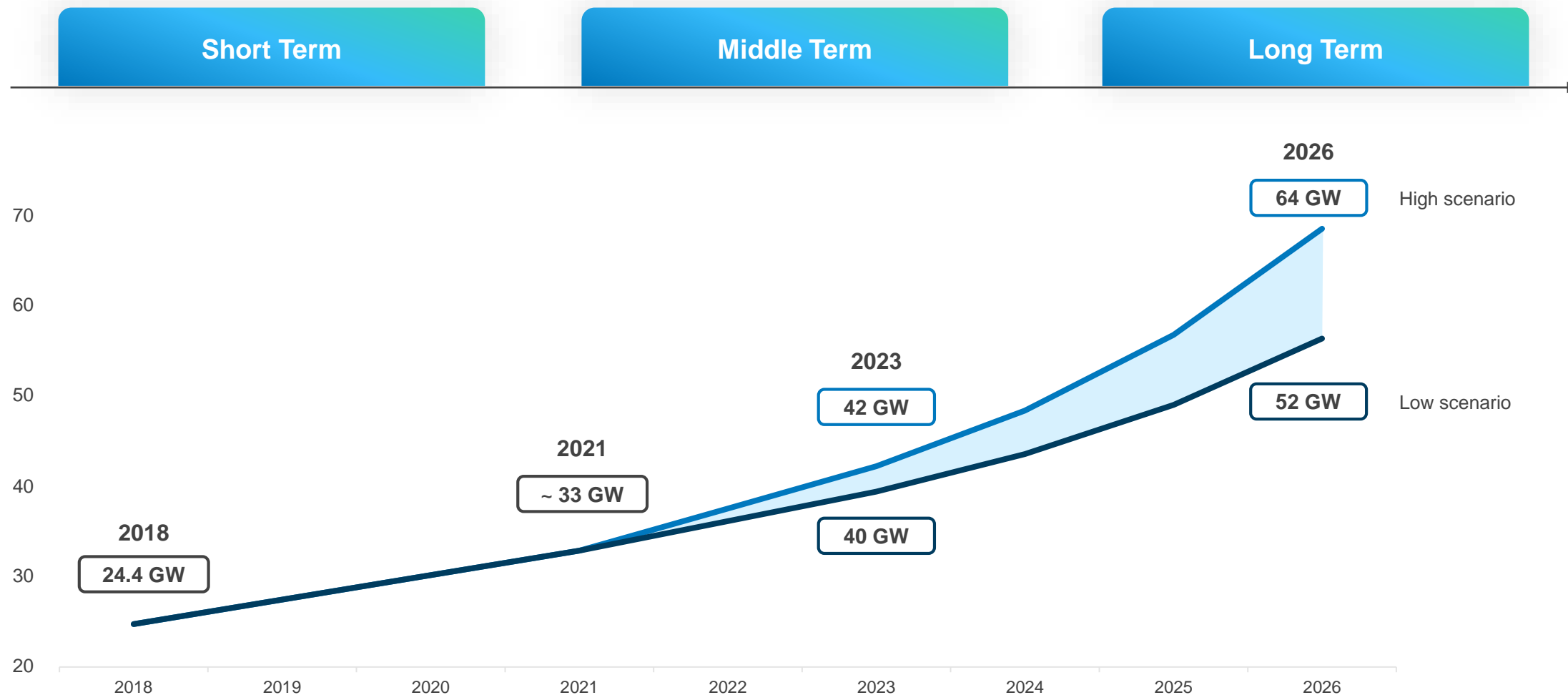
100 MW
15 y.

Our goal is to become a global leader in Corporate PPA

CONCLUSION

OUR DEVELOPMENT TIMELINE

Installed RES capacity @ 100% [GW]



CONCLUSION

Faster Growth

Goal of ~9 GW added over 2019-21

Tier 1 position in terms of development

COI CAGR 2018-21: 8-11%

COI 2021: €1.5 - 1.6bn

Higher Value

Corporate PPA Leader

- 2019-21: Almost 50% of new RES projects linked to client solutions
- Become a leader in Corporate PPA with 2/3 of new capacities dedicated to clients after 2026

Become a leader in selected sophisticated technologies

- Offshore wind
- Green gases

Growth Capex 2019-21: €2.3 - 2.8bn
ROCEp: increase in 2021 vs 2018

Better Impact

Integrated zero-carbon solutions delivered “as a service”

Better access to energy through microgrids and cost-efficient renewables

CAPITAL MARKETS DAY

February 28, 2019



Franck BRUEL

Executive Vice President, France BtoB and
Hydrogen

CLIENT SOLUTIONS PROVIDER



LEADERSHIP POSITIONS ACROSS 4 CONTINENTS



FRANCE
BELGIUM
ITALY
NETHERLANDS



UK
GCC
SWITZERLAND
SINGAPORE
CHILE
MOROCCO
SOUTH AFRICA



worldwide in **cooling**



worldwide in **heating**

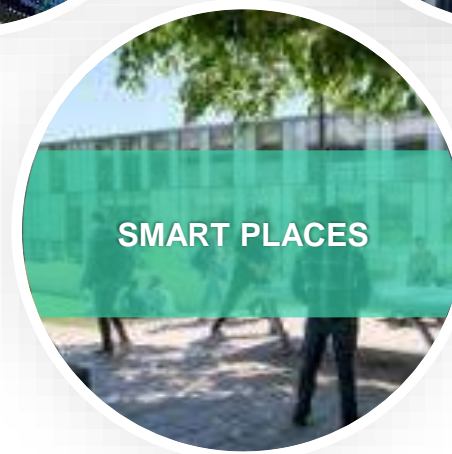


worldwide in
technical installation

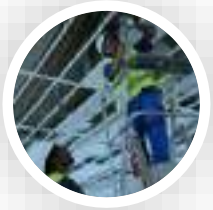


worldwide in **EV
charging stations**

THE WIDEST OFFER OF SOLUTIONS TO MAKE OUR CLIENTS' ZERO-CARBON TRANSITION POSSIBLE



UNIQUE COMBINATION OF CAPABILITIES AND CUSTOMER INTIMACY



**ELECTRICAL
ENGINEERING**



**HEATING
& COOLING**



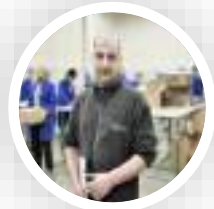
**MECHANICS
& ROBOTICS**



**RESOURCE
MANAGEMENT**



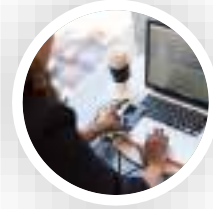
**DISTRIBUTED
ENERGY**



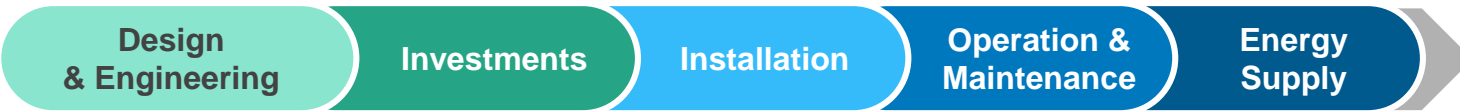
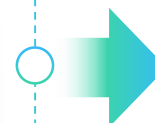
**FACILITY
MANAGEMENT**



ENGINEERING



**DATA SCIENCE
& SMART CITIES**



STRONG IN ALL CUSTOMER SEGMENTS



Cities, Public Buildings
and Infrastructures

€6.0bn



Private Services
Buildings

€4.3bn



Industries

€6.0bn



Collective Housing

€2.2bn

**2018
REVENUE⁽¹⁾**

GOOD MARKET DRIVERS AND BUSINESS CONTRIBUTION

Market Drivers

TECHNOLOGY SHARE
IN BUILDING VALUE

CARBON FOOTPRINT &
SUSTAINABILITY
AWARENESS

COMPLEXITY
OUTSOURCING

Reliable & Profitable

Remaining
portfolio duration **>8
years**

>80% Contract
renewals

**>9
months** Revenue covered
by backlog⁽¹⁾

Order intake >
yearly revenue⁽¹⁾ **~110%**

CASH
GENERATIVE
BUSINESS

HIGH
SINGLE-DIGIT
ROCE

CITIES, PUBLIC BUILDINGS AND INFRASTRUCTURES



3 MAIN CHALLENGES

+ URBANIZATION

+ FINANCIAL SQUEEZE

+ CITIZENS' SUSTAINABILITY AWARENESS

NEEDS

Public lighting

Security

Health & Education

Mobility solutions

District networks

3D modeling

Zero-carbon solutions

OPPORTUNITIES

- Design and **optimization of urban spaces** and infrastructures
- Integrated offer
- Energy **performance contracts**

Digital Differentiators



livin'

EVBOX

LONGWOOD MEDICAL CENTER DISTRICT - BOSTON

34-YEAR ENERGY CONTRACT



OUR OFFERS





PRIVATE SERVICES BUILDINGS

3 MAIN CHALLENGES

+ NEW BEHAVIORS

+ CONNECTIVITY
& COMFORT

+ COMPLEXITY
OUTSOURCING

NEEDS

Real-time asset management
& Predictive maintenance

Renovation

Competitive
green energy

Performance
commitment

3D design

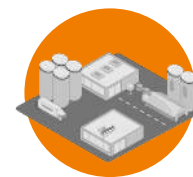
OPPORTUNITIES

- Design and **optimization of buildings** and spaces for new usages
- **Design, financing and installation** of equipment (energy, connectivity, security, air...)
- **Energy audit** and energy performance **consulting**

Digital Differentiators



INDUSTRIES



3 MAIN CHALLENGES

- + GREENING OF PROCESSES & PRODUCTS
- + CARBON FOOTPRINT
- + OUTSOURCING OF NON-CORE PROCESSES

NEEDS

Sustainable solutions

Reliability & Traceability

Predictive maintenance

Decentralized energy production

Performance contracts

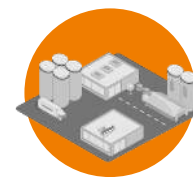
OPPORTUNITIES

- Overall approach of **industrial processes performance**
- Accompany **zero-carbon** agenda
- Offer “**as a service**” solutions instead of physical equipment

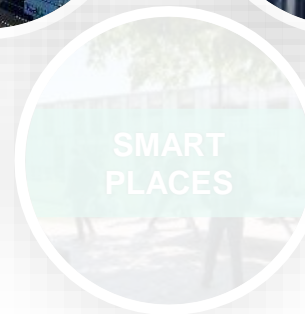
Digital Differentiators



SOITEC - GRENOBLE CLEANROOM MULTI-TECHNICAL PROCESS PERFORMANCE



OUR OFFERS



Design & Engineering

Investments

Installation

Operation & Maintenance

Energy Supply

COLLECTIVE HOUSING



3 MAIN CHALLENGES

- + COST REDUCTION
- + SOCIAL TRENDS
- + AGING POPULATION

NEEDS

Energy performance

Financing solutions

On-site renewable energy production

Consumption management

OPPORTUNITIES

- Energy audit and support on **energy performance**
- Develop new usage of energy and services to improve **quality of life**
- Integrated offers with **financing**
- Building **regeneration** solutions

Digital Differentiators

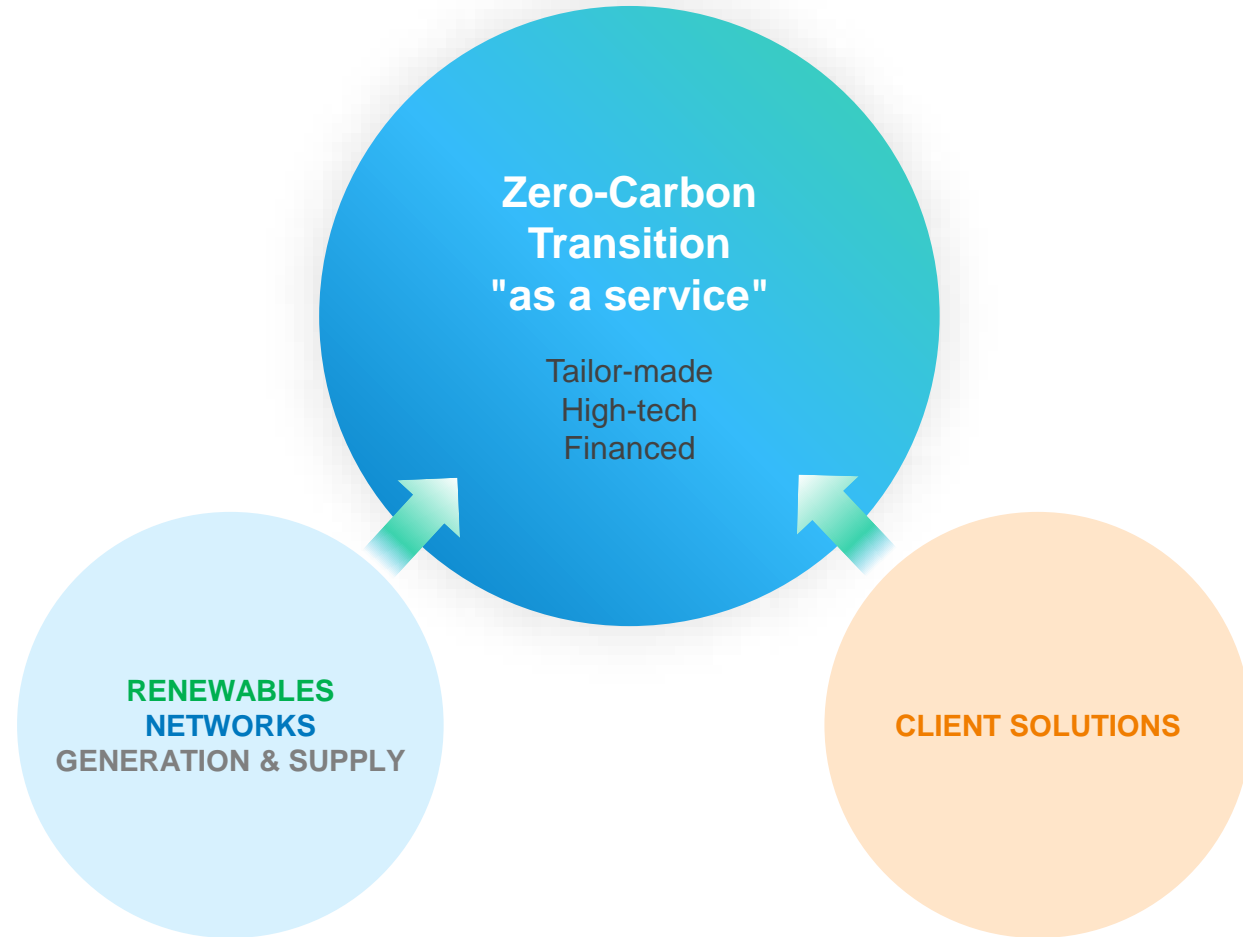





FASTER GROWTH

DEVELOPING “AS A SERVICE” SOLUTIONS

WE SPECIALIZE IN INTEGRATED, HIGH VALUE SOLUTIONS



CLIENT SOLUTIONS 

- + Asset-based solutions a rising proportion of CS COI
- Commoditized service offer

ASSET-BASED PROJECT EXAMPLE

THE BENEFIT OF FINANCING AND EQUITY SYNDICATION

Case example

CLIENT NEEDS

- Requires enhanced supply of steam, power, air
- Subject to challenging sustainability goals
- Requires external financing
- Wants total integrated solution

ENGIE Client Solutions

30% EQUITY STAKE⁽²⁾

PROJECT CO.

- Large 20-year asset
- Debt/equity @ 70/30

“AS A SERVICE” SOLUTION

Total investment cost of €100M

Project Co. Typical P&L⁽¹⁾ (equity consolidated within ENGIE)

In €M	
Steam/power/air margin	12,4
ENGIE O&M & other operational costs	(3.4)
Depreciation	(5.0)
Financing cost @ 4%	(2.3)
Tax	(0.5)
Net result	1.2

ENGIE Typical P&L⁽¹⁾

(excl. one-off development fee & DBpSO margin)

In €M	
O&M margin invoiced to Project Co.	0.2
Share of Project Co. net income	0.4
EBITDA	0.6
Tax	(0.1)
Net result	0.5

Overall project economics

Capital employed ENGIE (average)

€5.5M

ROCE

~9 to 12%

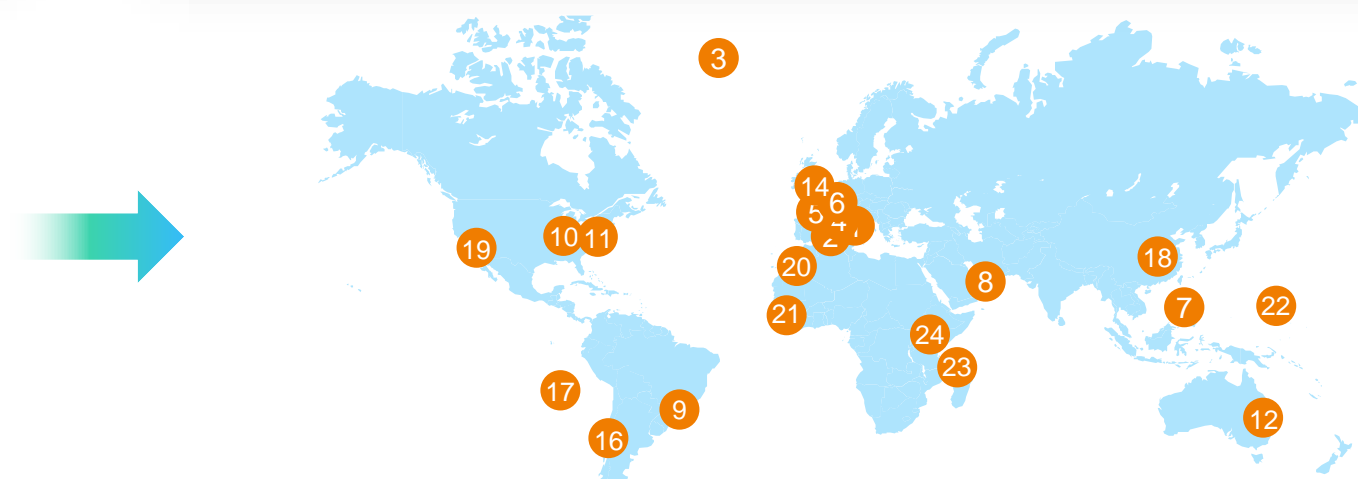
PROVEN CONCEPT AND STRONG PIPELINE

2016
Several references, mainly in Europe



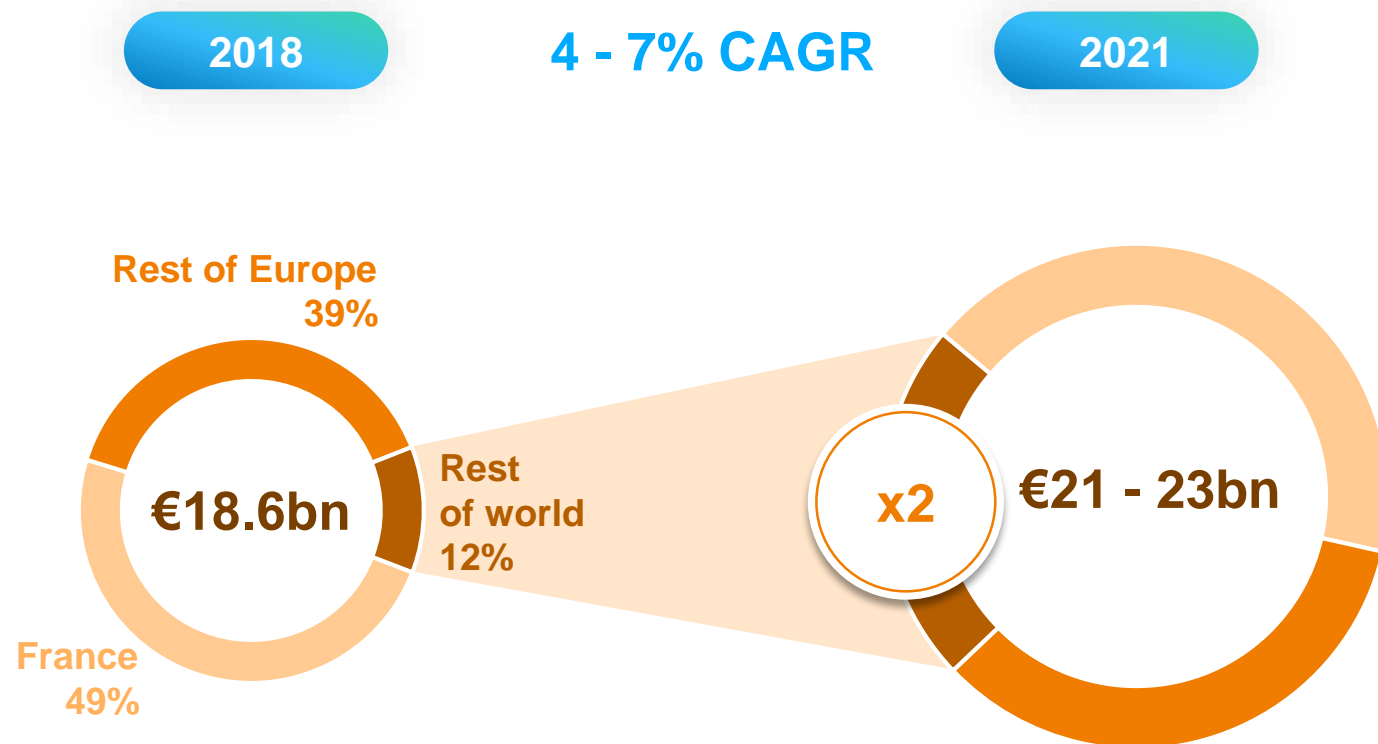
- 1 **Smart City** - North Tyneside, North East Lincolnshire, Chester
- 2 **Mobility** – Dijon Tramway, PPP
- 3 **Lighting** – Avignon Public Lighting, PPP
- 4 **DHC** – 240 DHC Networks in Europe
- 5 **Mobility** – 5.000 Charging Stations EV
- 6 **Mobility** – 140 NGV Stations in France
- 7 **Lighting** – 1M Lighting points managed, mainly in France
- 8 **DHC** – Queen Elizabeth Olympic Park DHC

2019
Worldwide references thanks to a new focus

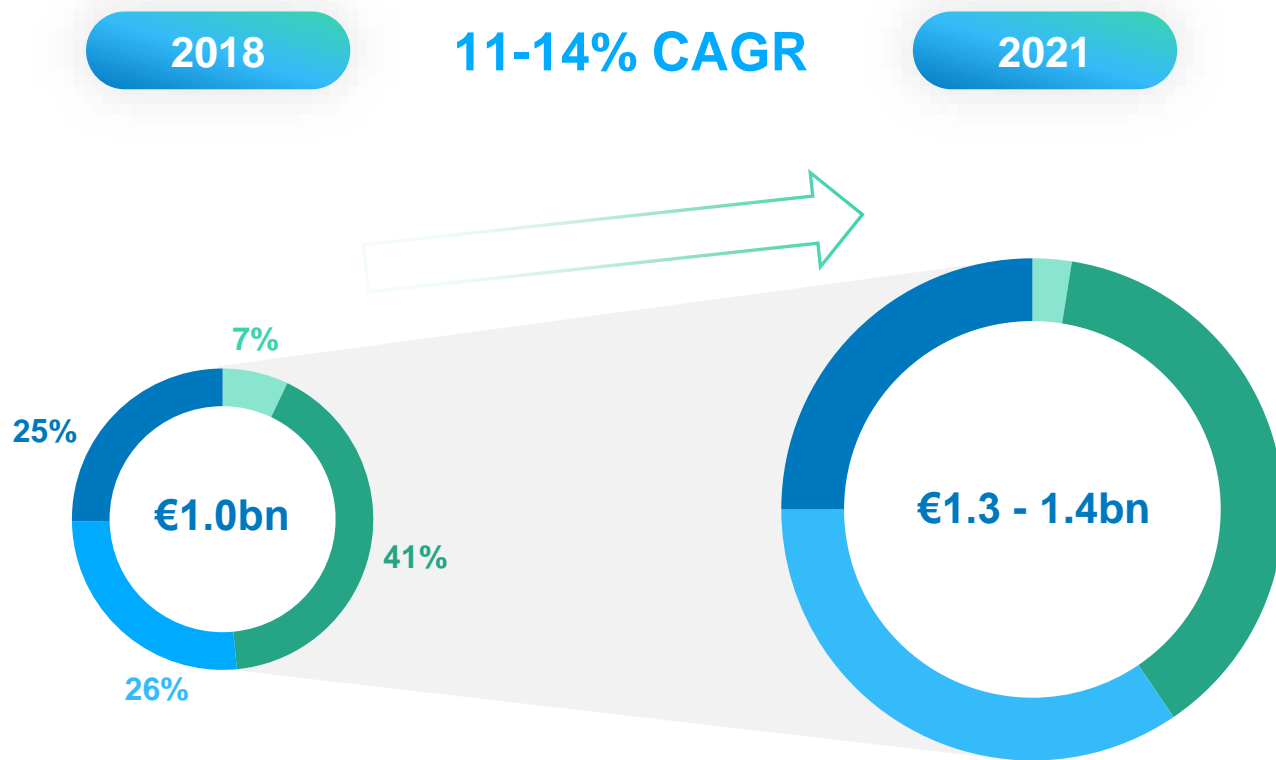


- 1 **Lighting** – Flashnet Acquisition
- 2 **DHC** – Settimo Torinese
- 3 **Microgrids** - EPS Acquisition
- 4 **Lighting** – Aubagne Contract
- 5 **Smart City** – La Baule
- 6 **DHC** – Amiens SEMOP
- 7 **DHC** – Northgate Filinvest
- 8 **DHC** – Tabreed Investment
- 9 **Mobility** – Intelligent Transportation System
- 10 **Campus** – Ohio State University
- 11 **Campus** – Longwood Energy
- 12 **Campus** – Springfield
- 13 **Mobility** – London Railway Stations Maintenance
- 14 **Campus** – Kingston University
- 15 **On-site Generation** – DSM, Novartis, Syngenta
- 16 **Mobility** – Transantiago electric buses system
- 17 **Integrated Services** – CAM Acquisition
- 18 **On-site Generation** – Unisun Investment
- 19 **Integrated Services** – Opterra Acquisition
- 20 **Integrated Services** – ECAM Acquisition
- 21 **Mobility** – TER Dakar
- 22 **Microgrids** – Palau
- 23 **Microgrids** - Comoros
- 24 **On-site Generation** – Power Corner

REVENUE GROWTH IN EUROPE, WITH ACCELERATION IN NEW GEOGRAPHIC AREAS



CLIENTS SOLUTIONS COI TO INCREASE



**HIGH ADDED
VALUE SOLUTIONS
LEADING TO HIGHER
MARGINS**

● Design & Engineering ● Investment ● Installation ● Operation & Maintenance



HIGHER VALUE

OUR KEY DIFFERENTIATORS

THREE KEY BOOSTERS OF HIGHER VALUE

FINANCING SYNDICATION

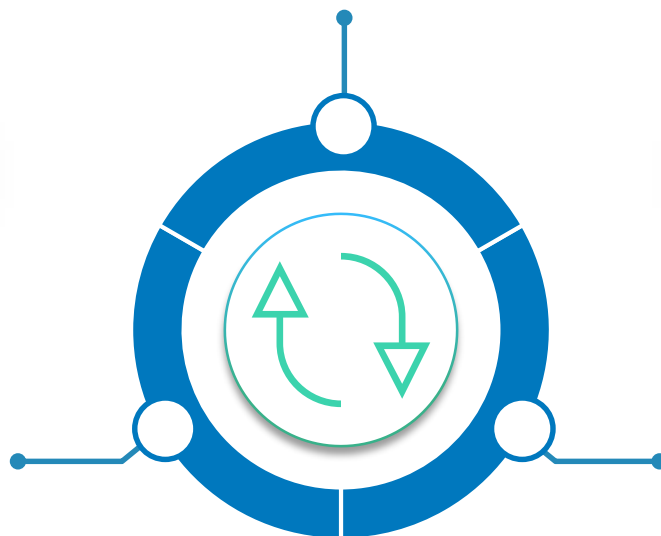
Leverage financing for “as a service” developments

- Leverage cheaper financing
- Maximize our impact and assets portfolio

STRATEGY DESIGN

Preferred and strategic relationships with C-suite, Fortune 500 and C40 cities

- Customer profiling
- C-suite engagement
- Solution architect & coordinator



DIGITAL ACCELERATION

A best-in-class software library

- Ability to upgrade our offers and design new ones
- Leverage transversal tools (platforms, etc.)



livin⁺

vertuoz
by ENGIE



FLASHNET

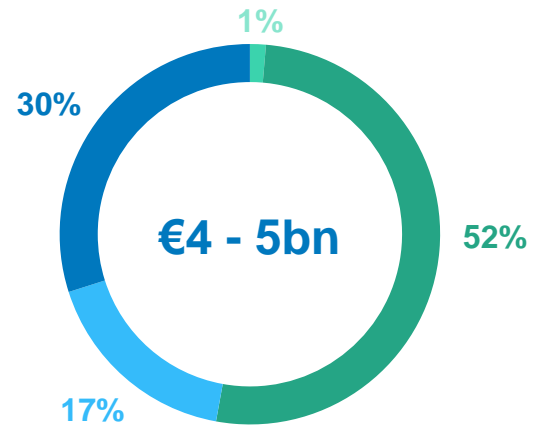
BIM
Life

RED
by ENGIE

EVBOX

>30% OF GROUP CAPEX ALLOCATED TO CLIENT SOLUTIONS

Growth CAPEX 2019 - 2021



+12% vs 2016-18 CAPEX plan

- Design & Engineering
- Investment
- Installation
- Operation & Maintenance

ROCE

HIGH
SINGLE-DIGIT
STABLE

High value creation

HIGHLY SELECTIVE INVESTMENT CRITERIA

Very Attractive

Customer intimacy enabling us to develop **tailor-made** solutions (complex & innovative)

Focus on activities leveraging **ENGIE financing capabilities** and ultimately **DBpSO** model

Long-term contracts, providing predictability & recurrence

Improve **density** in geographies and customer segment

Less Attractive

Simple offer with low-margin business

Short-term contracts

Non-secure offtake

Entering new geographies greenfield



BETTER IMPACT
TOWARDS
A ZERO-CARBON TRANSITION
& BETTER ENERGY ACCESS

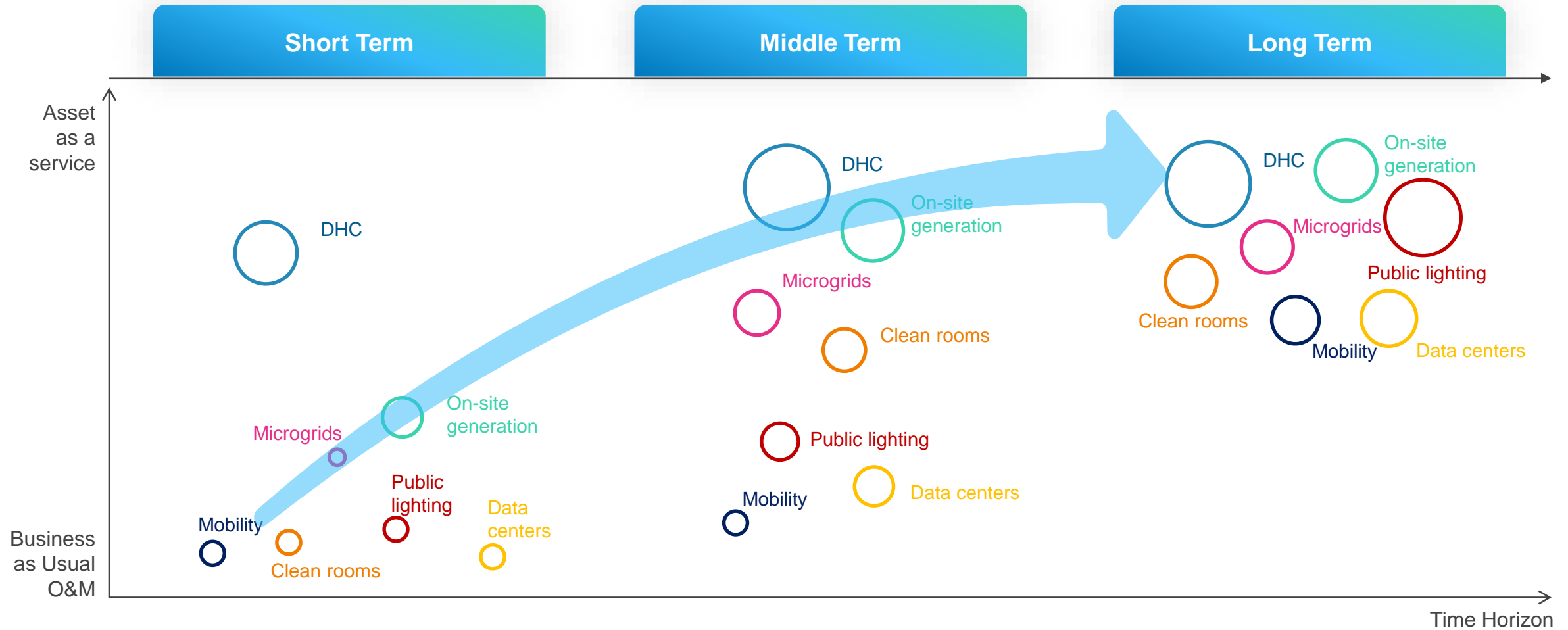
FROM RENOVATING AN ASSET... TO GREENING AN INDUSTRIAL PROCESS



An aerial photograph of terraced rice fields, showing a grid-like pattern of green terraces. A narrow path or stream runs through the center of the fields. The word "CONCLUSION" is written in large, white, bold, sans-serif capital letters across the middle of the image.

CONCLUSION

“AS A SERVICE”: A STRONG ROADMAP



CONCLUSION

Faster Growth

Develop “**as a service**”
solutions and DBpSO

COI CAGR 2018-2021:
11 - 14%

COI 2021:
€1.3 - 1.4bn

Higher Value

3 Boosters:

STRATEGY DESIGN
DIGITAL ACCELERATION
FINANCING SYNDICATION

Growth CAPEX 2019-2021:
€4 - 5bn

Increased ROCEp in 2021 vs.
2018

Better Impact

Cost-efficient
zero-carbon
transition
for our clients

DISCLAIMER

Forward-Looking statements

This communication contains forward-looking information and statements. These statements include financial projections, synergies, cost-savings and estimates, statements regarding plans, objectives, savings, expectations and benefits from the transactions and expectations with respect to future operations, products and services, and statements regarding future performance. Although the management of ENGIE believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of ENGIE securities are cautioned that forward-looking information and statements are not guarantees of future performances and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of ENGIE, that could cause actual results, developments, synergies, savings and benefits to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public filings made by ENGIE with the autorité des marchés financiers (AMF), including those listed under “facteurs de risque” (risk factors) section in the document de référence filed by ENGIE (ex GDF SUEZ) with the AMF on 28 march 2018 (under no: D.18-0207). Investors and holders of ENGIE securities should consider that the occurrence of some or all of these risks may have a material adverse effect on ENGIE.

FOR MORE INFORMATION ABOUT ENGIE

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ir@engie.com

<http://www.engie.com/en/investors-area/>

Download the new ENGIE Investor relations app!



FOR MORE INFORMATION ABOUT FY 2018 RESULTS:
<http://www.engie.com/en/investors/results/results-2018/>