



2016 INVESTOR WORKSHOP

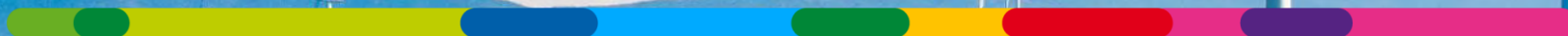
June 28th, 2016



Strategic context

June 28th, 2016

Isabelle KOCHER
Chief Executive Officer



AGENDA FOR THE DAY

11:00 – 12:00 Strategic context
Financials Isabelle Kocher
Judith Hartmann

12:00 – 13:00 Cocktail Lunch

13:00 – 15:30 Focus on Métiers & Technology EVPs / BU CEOs

15:30 – 16:45 Q&A

16:45 – 17:00 Closing Remarks Isabelle Kocher

KEY MESSAGES



Opportunities arising
from the energy
revolution



ENGIE
today



ENGIE Stance &
Transformation Plan



ENGIE
tomorrow

KEY MESSAGES

Opportunities arising from the energy revolution



ENGIE today



ENGIE Stance & Transformation Plan



ENGIE tomorrow



ENGIE today

ENGIE TODAY



LOW CO₂ POWER GENERATION

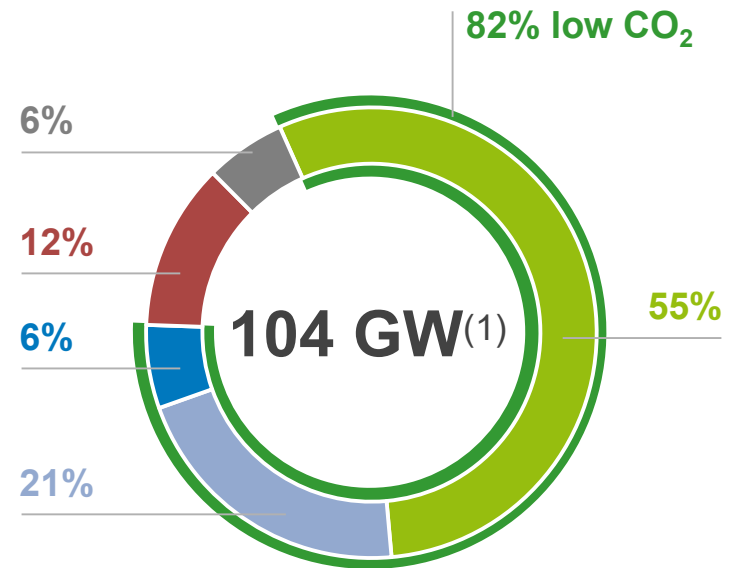
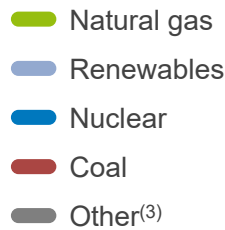
World leader in IPP

104 GW⁽¹⁾ installed

>80% low CO₂

21% renewables⁽²⁾

Capacity breakdown



(1) 31/12/2015 figures at 100% - Pro forma announced disposals (US and coal Indonesia/India)
(2) Excluding pumped storage for hydro capacity
(3) Including pumped storage for hydro capacity

GLOBAL NETWORKS

European leader
in gas infrastructures

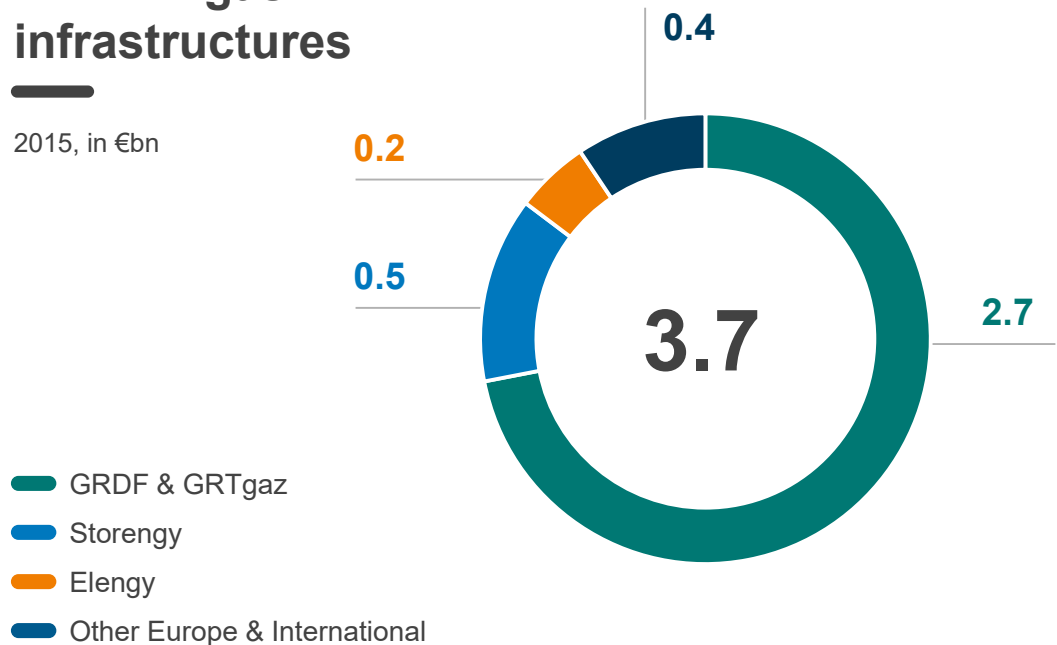
€23bn RAB in France

12bcm storage capacity

Expertise in power T&D

EBITDA gas infrastructures

2015, in €bn



CUSTOMER SOLUTIONS

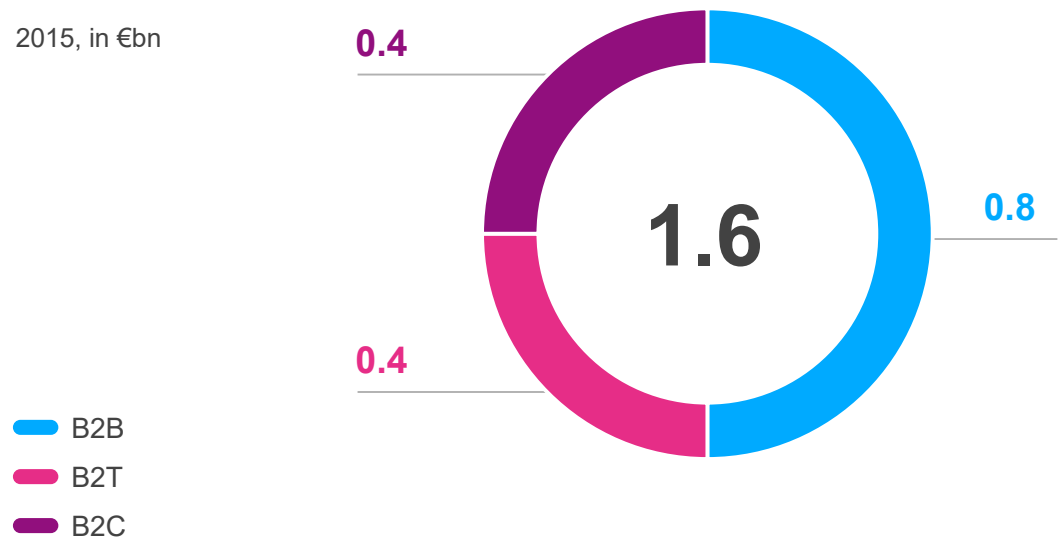
21m customers
in Europe

Global leader in energy
solutions for cities

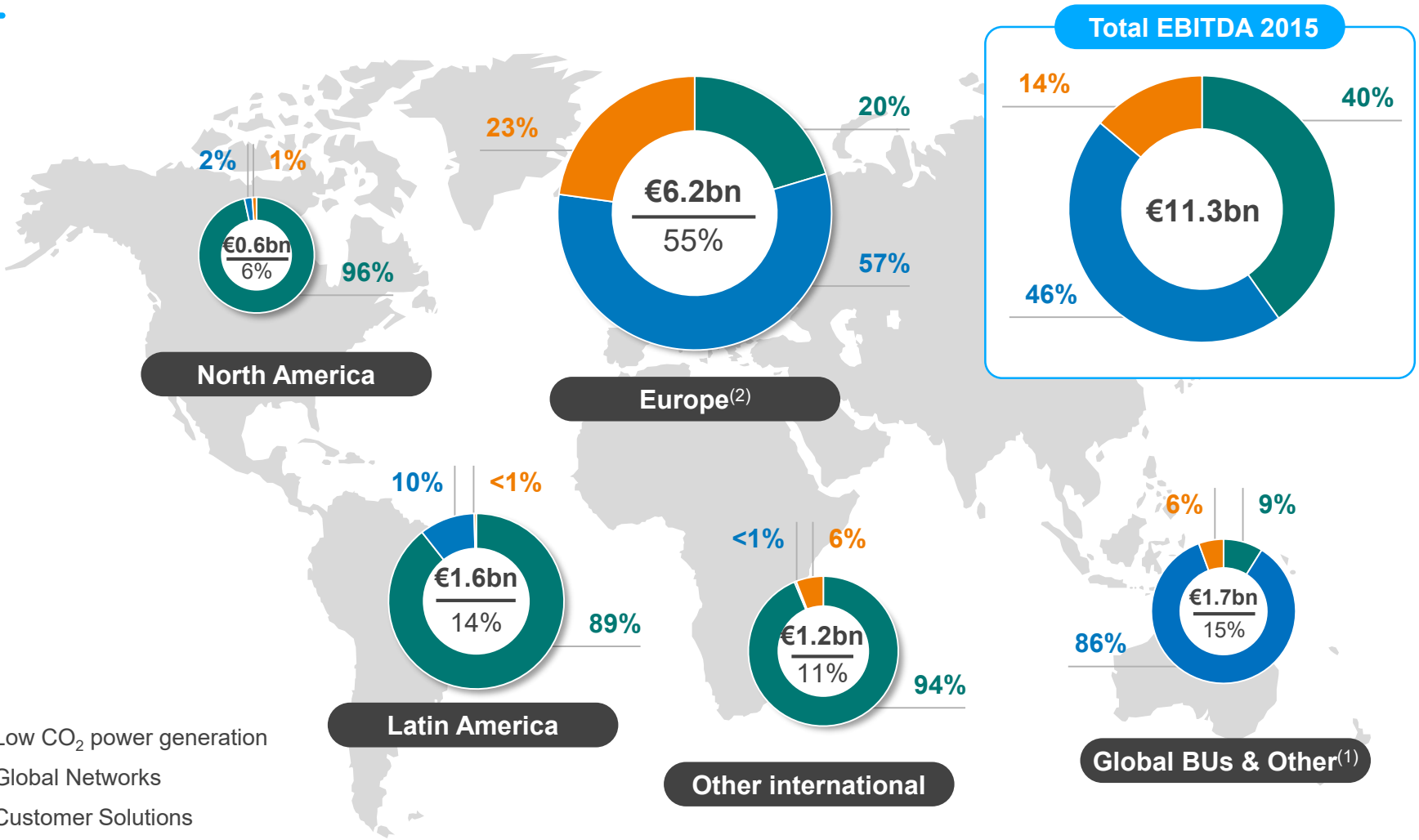
+250 DHC networks
worldwide

EBITDA by type of business

2015, in €bn



A GLOBAL AND DIVERSIFIED FOOTPRINT

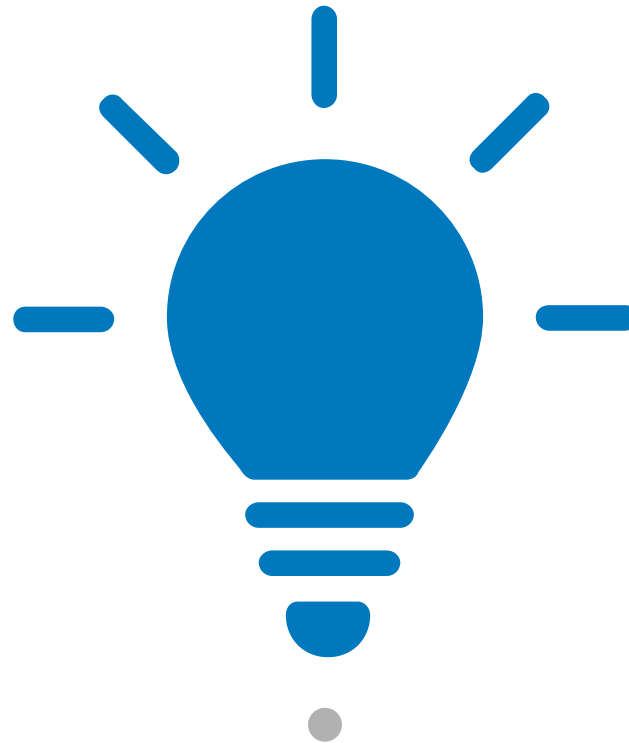
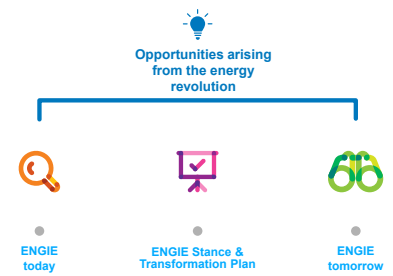


(1) Other includes Tractebel Engineering, GTT and others

(2) Includes Generation Europe



KEY MESSAGES



Opportunities arising from the energy revolution

OPPORTUNITIES ARISING FROM A REVOLUTION

KEY DRIVERS



Climate change



New mindset



New technologies



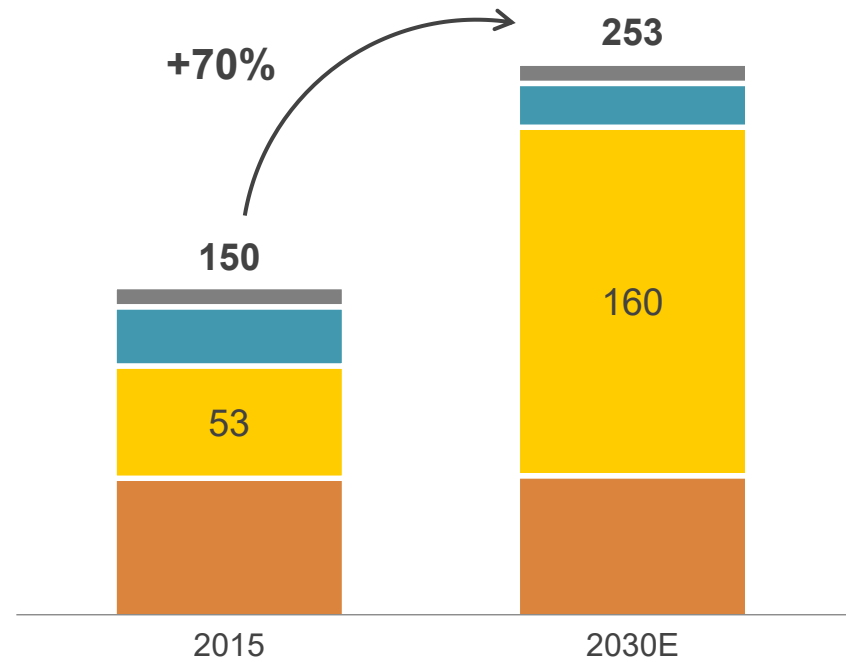
A MASSIVE DEVELOPMENT OF RENEWABLES



Worldwide renewables annual additional capacity +70% by 2030

In GW

- Other
- Biomass
- Solar PV
- Wind



Source: WEO 2015, New Policies scenarios

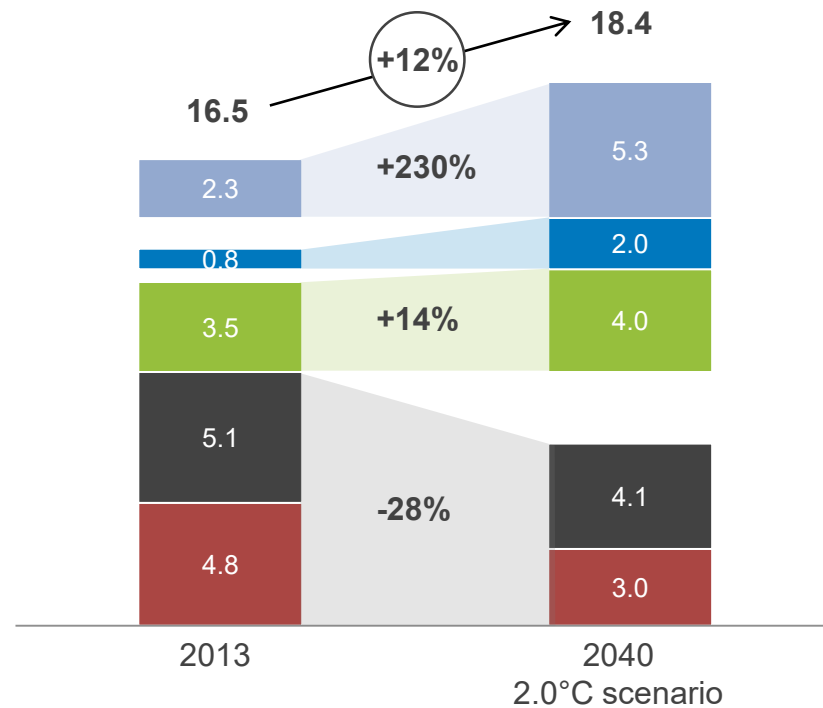
NATURAL GAS TO REMAIN A KEY CONTRIBUTOR TO GLOBAL ENERGY MIX



Energy demand by 2040

In Tcm

- Renewables
- Nuclear
- Gas
- Oil
- Coal



Source: IEA

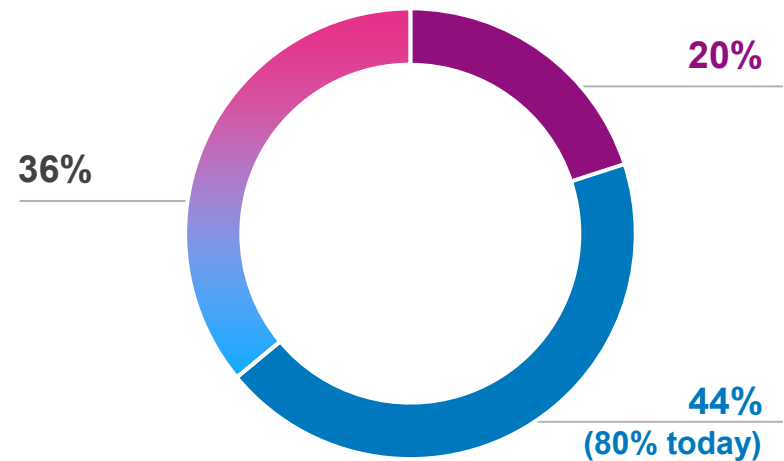
EMERGENCE OF NEW BUSINESS OPPORTUNITIES



Decentralized solutions to more than double by 2030

IEA Scenario "Energy for all" 2030

- B2C, Off-grid Solutions
- Centralized power generation
- B2T & B2B Microgrids

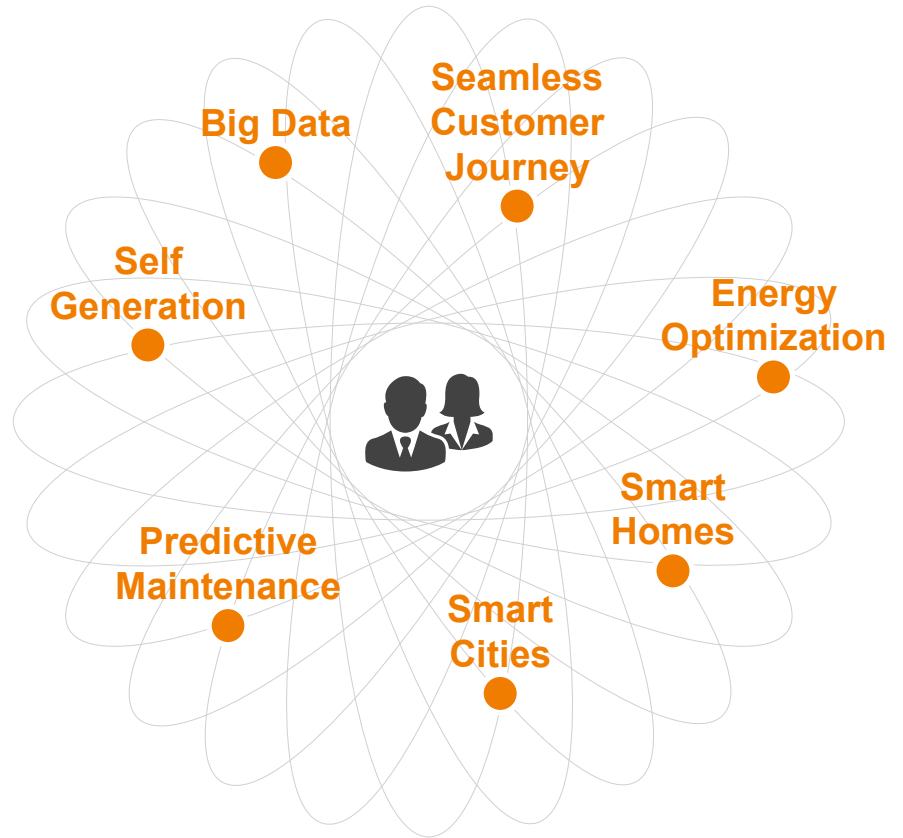


Source: IEA, Energy for All, 2011; MIT 2015

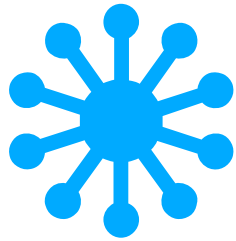
DIGITAL TO ACCELERATE INNOVATION



Digital disrupts energy systems and improves customer offers



ENGIE COMPETITIVE ADVANTAGES



**Unique expertise
in centralized
and decentralized
energy solutions**



**Global reach
with local anchorage**



Pioneer's DNA

KEY MESSAGES

Opportunities arising from the energy revolution



ENGIE today



ENGIE Stance & Transformation Plan



ENGIE tomorrow



ENGIE Stance & Transformation Plan

CLEAR STANCE LEADING TO A DEEP TRANSFORMATION

FORERUNNER IN THE NEW ENERGY WORLD



Strategic consistency



Innovation



Internal transformation



Redesign and simplify the portfolio



Pave the way for the future



Improve efficiency



Adapt the group

FOCUS ON EXECUTING THE TRANSFORMATION PLAN

3 CLEAR DIRECTIONS FOR 2018 TARGETS



**LOWER EXPOSURE
TO COMMODITY PRICES**

CONTRACTED / REGULATED⁽¹⁾
EBITDA >85%

DOWNSTREAM

CUSTOMER SOLUTIONS
EBITDA TO GROW BY >50%

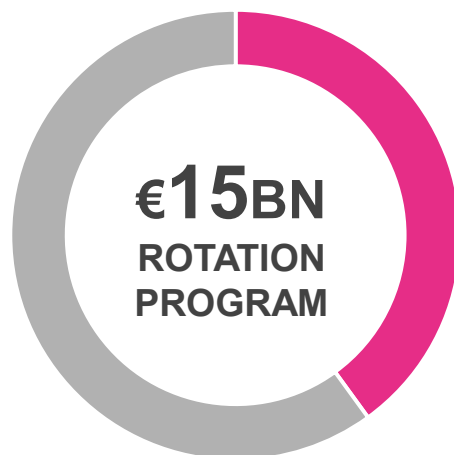
**PRIORITY TO
LOWEST CO₂ OPTIONS**

CO₂ LIGHT ACTIVITIES⁽²⁾
EBITDA >90%

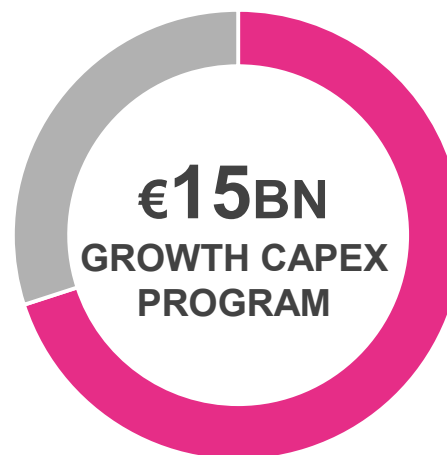
(1) Excludes merchant power generation, E&P and LNG supply & sales

(2) Low CO₂ power generation, gas infrastructures & LNG, downstream

3 CLEAR DIRECTIONS FOR 2018 ACTIONS TRIGGERED



40% already announced
Average P/E₂₀₁₅ >33x



€10.5BN already committed
focused on core strengths

€15BN GROWTH CAPEX PROGRAM FOCUSED ON CORE STRENGTHS



GROWTH ENGINES PROFITABILITY

VALUE CREATION LEVERS

**LOW CO₂
POWER
GENERATION**

RES+Thermal contracted
ROCE 2015
10%

- Pipeline by 2021 (~11 GW renewables, ~7 GW gas)
- Acquisitions of Solairedirect, Maia Eolis
- Creation of ENGIE Solar
- Terrawatt initiative

**GLOBAL
NETWORKS**

Infrastructure
ROCE 2015
7%

- ~€5bn Capex 2016-18 in French regulated networks
- ~€1bn Capex 2016-18 in gas infrastructure outside of France
- Seizing new opportunities (Green gas, green mobility)

**CUSTOMER
SOLUTIONS**

Services & supply
ROCE 2015
11%

- Building a leading platform in the US: acquisition of Green Charge Networks, Opterra, Ecova
- International expansion
- Engie brand: key asset and already promising
- B2T: continuous growth in heating cooling networks. Digital solutions offering opportunities



TARGET: UNLOCK FUTURE GROWTH DRIVERS



2016-2018 CAPEX PLAN

PROVEN INNOVATION



**LOW CO₂ POWER
GENERATION**



**GLOBAL
NETWORKS**



**CUSTOMER
SOLUTIONS**



Demand side management



Decentralized generation



Green mobility



**Connected buildings platform
(Vertuoz)**

TARGET: UNLOCK FUTURE GROWTH DRIVERS



+3-5
years

POTENTIAL GAME CHANGERS

>5
years



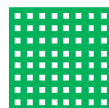
Large scale green gas



Hydrogen

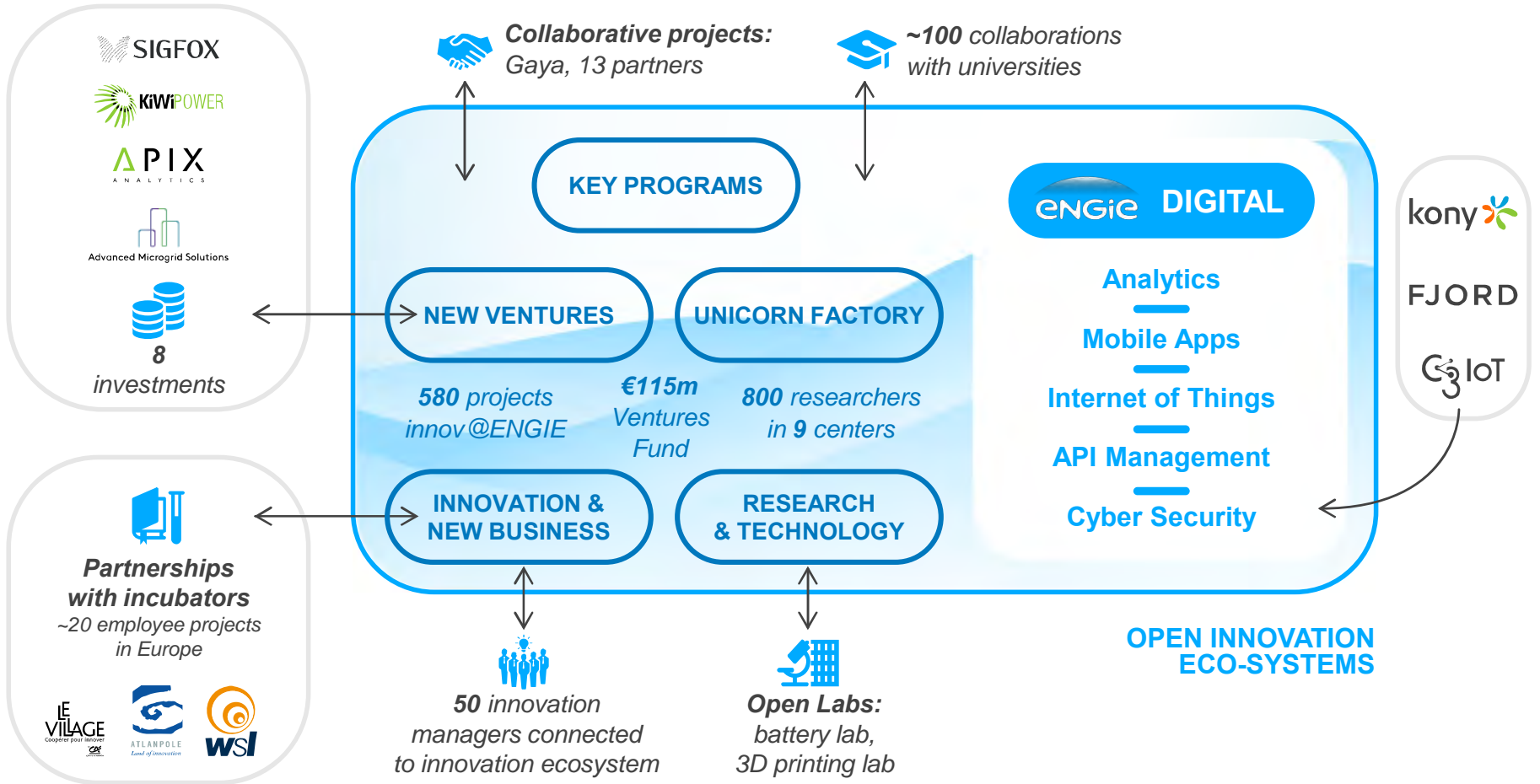


Low cost energy storage



Autonomous micro-grids

€1.5BN SPENDING TO LEAD THROUGH TECHNOLOGY: LAUNCH OF ENGIE TECH



A CONTINUOUS IMPROVEMENT PROCESS



TARGETS

ACTIONS TRIGGERED



LEANER ORGANIZATION

Suppression of the 5 business lines corporate layers



OPERATIONAL EFFICIENCY

Lower O&M costs through renewable asset performance management platform



REAL ESTATE RATIONALIZATION WORLDWIDE

Regrouping businesses & rent renegotiations



PURCHASING EFFORTS

Rationalizing the portfolio of suppliers

LEAN 2018 PROGRESSING WELL
EBITDA IMPACT TARGETED: €0.5BN BY END 2016, €1BN BY 2018



INTERNAL TRANSFORMATION TO BUILD AN AGILE GROUP



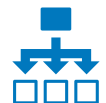
TARGETS



HIGHLY CONNECTED ORGANIZATION



A COMMON PURPOSE



DECENTRALIZED LEADERSHIP



SIMPLE & COLLABORATIVE ENVIRONMENT



ATTRACT TALENTS

ACTIONS TRIGGERED

24 BUs anchored locally focused on stakeholders

ENGIE 50 and new Executive Committee

Empowerment of BUs

100,000 Yammer users deployed in 6 months
New collaborative model

Brand recognition higher than ex-GDF SUEZ
LinkedIn Top Attractors: 1st among industrial companies

NEW ORGANIZATION IN PLACE



Métiers lines

24 BUs



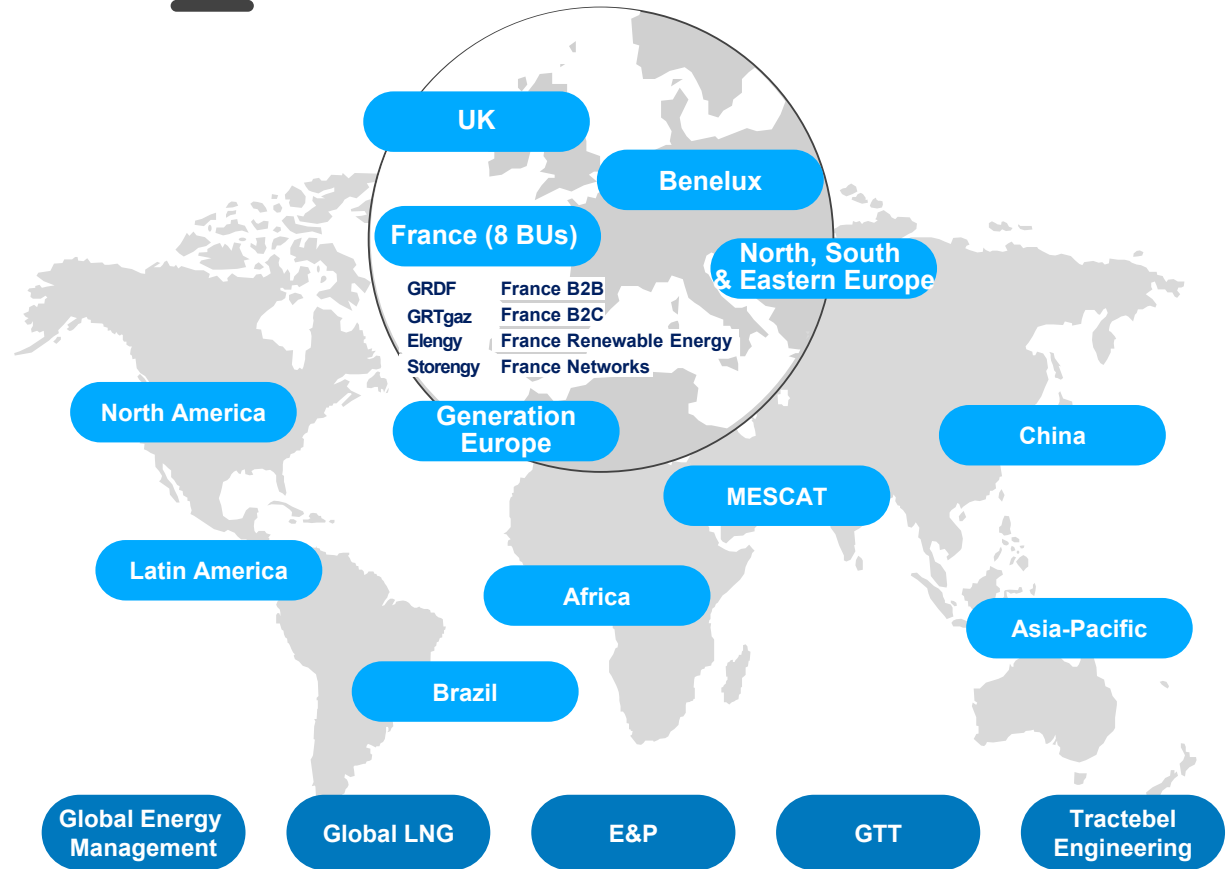
LOW CO₂ POWER GENERATION



GLOBAL NETWORKS



CUSTOMER SOLUTIONS



KEY MESSAGES

Opportunities arising from the energy revolution



ENGIE today



ENGIE Stance & Transformation Plan

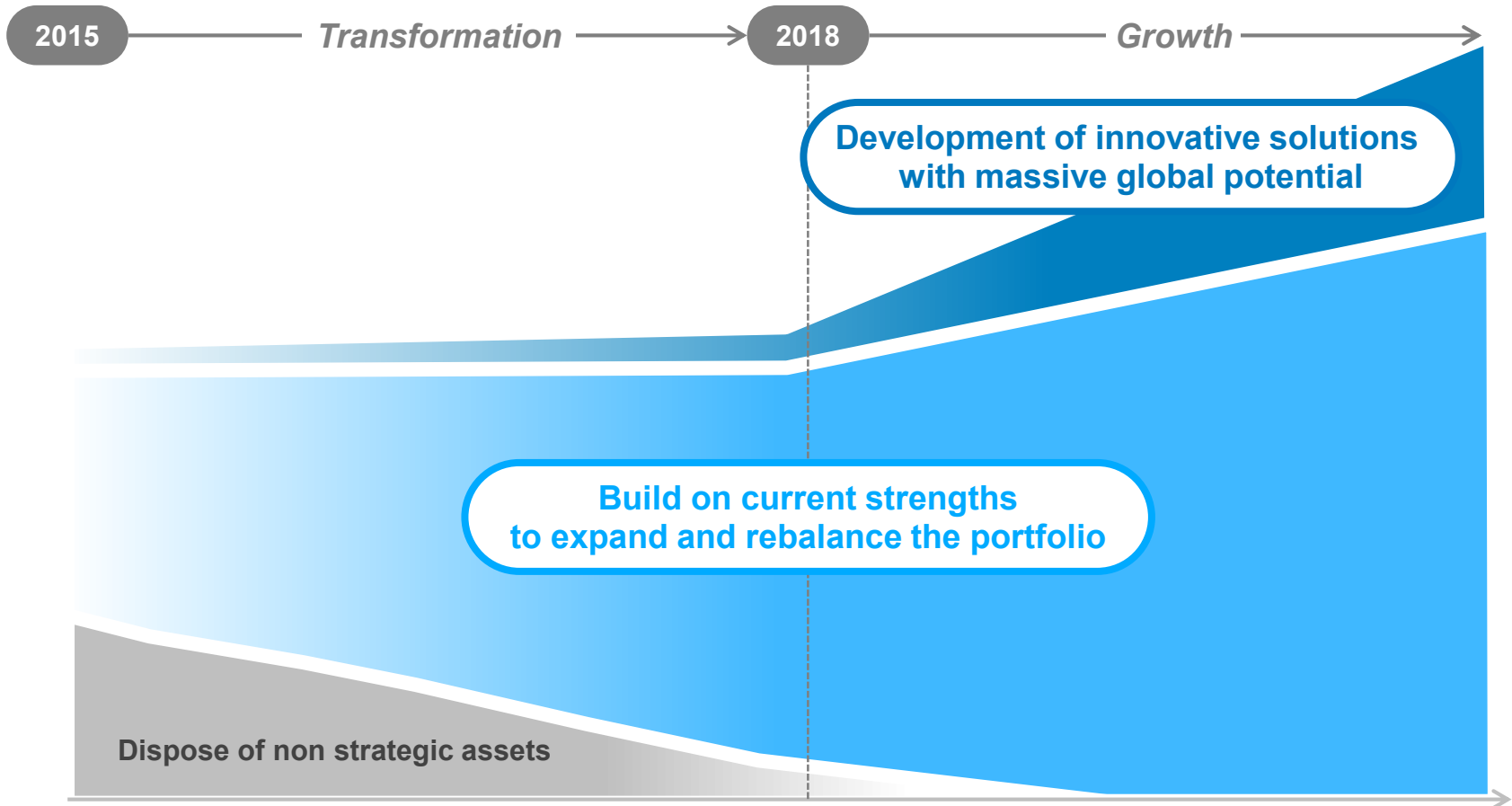


ENGIE tomorrow

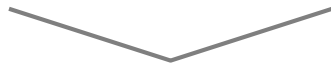


ENGIE
tomorrow

A VISION OF ENGIE FOR 2018 AND BEYOND



BUILD ON CURRENT STRENGTHS TO EXPAND AND REBALANCE THE PORTFOLIO



LOW CO₂ POWER GENERATION

- Commissioning of new projects, notably solar and wind
- Renewable development platforms

GLOBAL NETWORKS

- Growth in RAB through investments and new regulation for storage
- Opportunities for international gas and power infrastructures

CUSTOMER SOLUTIONS

- Margin improvement and cross sales
- Volume growth across all segments
- Tuck-in acquisitions
- Acceleration of international deployment



DEVELOPMENT OF INNOVATIVE SOLUTIONS WITH MASSIVE GLOBAL POTENTIAL



Techno & digital command



Local anchorage and global presence



Open platforms with partners



Customer centricity



ECONOMIES OF SCALE



AGILITY



INCREASED CUSTOMER VALUE



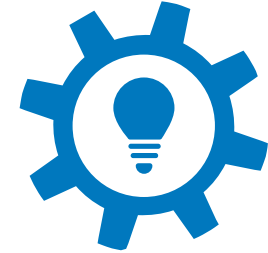
ATTRACTIVE PROPOSITION TO SHAREHOLDER



**Business derisking
& return improvement**



**Visibility on sustainable
dividend policy**



**Development of global
innovative solutions**

3 value creation drivers

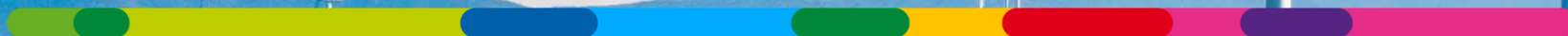
Finance: executing the transformation plan

Investor workshop

June 28th, 2016

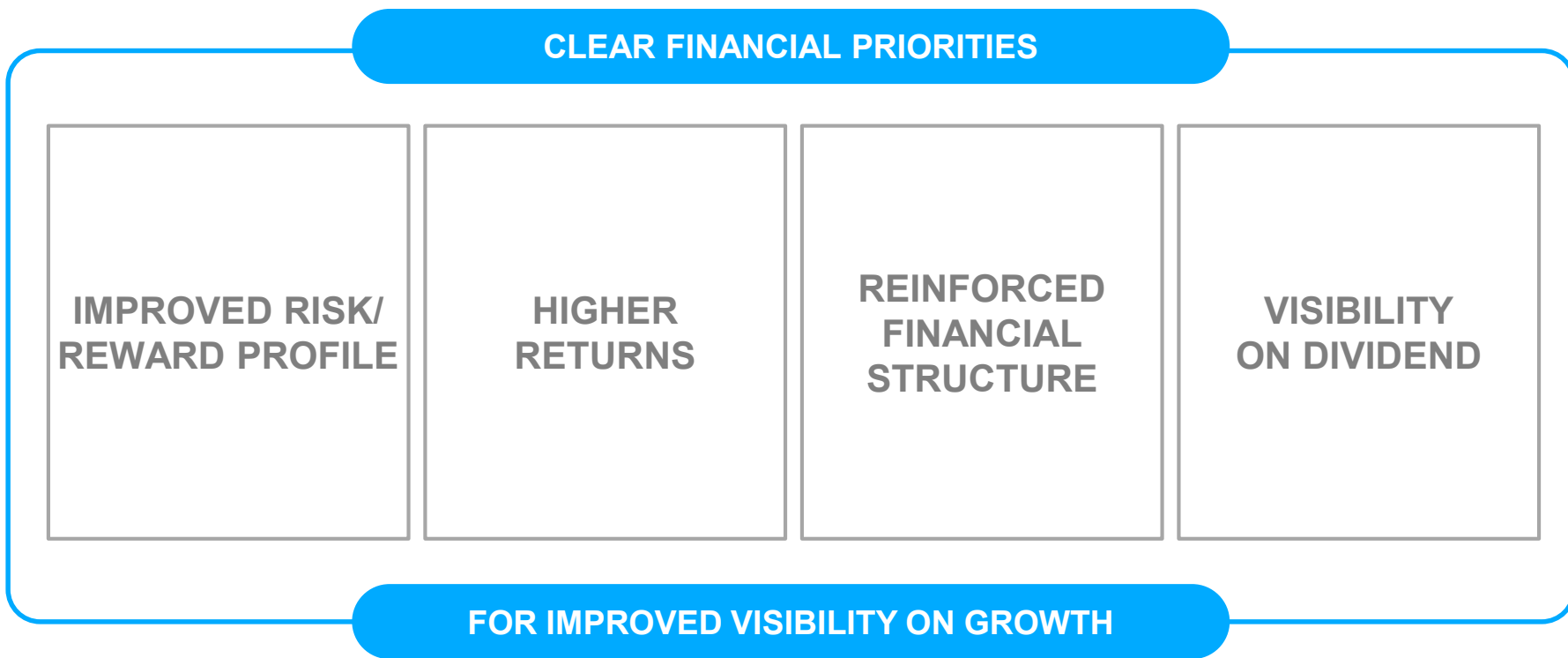
Judith HARTMANN

Executive Vice President, Chief Financial Officer



INVESTMENT PROPOSAL

—



CONFIDENCE IN EXECUTION



AGENDA

SIMPLER & LEANER ORGANIZATION

Decentralized and customer oriented

Agile - shortened decision cycle

Improved visibility on risk reward profiles

CREATING VALUE THROUGH THE TRANSFORMATION

Lean 2018 improving profitability

Portfolio rotation speeding up strategic shift

Focused reinvestments in high profitability areas

ENGIE POST 2018

Improved risk/reward profile

Higher returns

Reinforced financial structure

Visibility on dividend

ORGANIZED FOR SUCCESS

LOCAL AND DECENTRALIZED

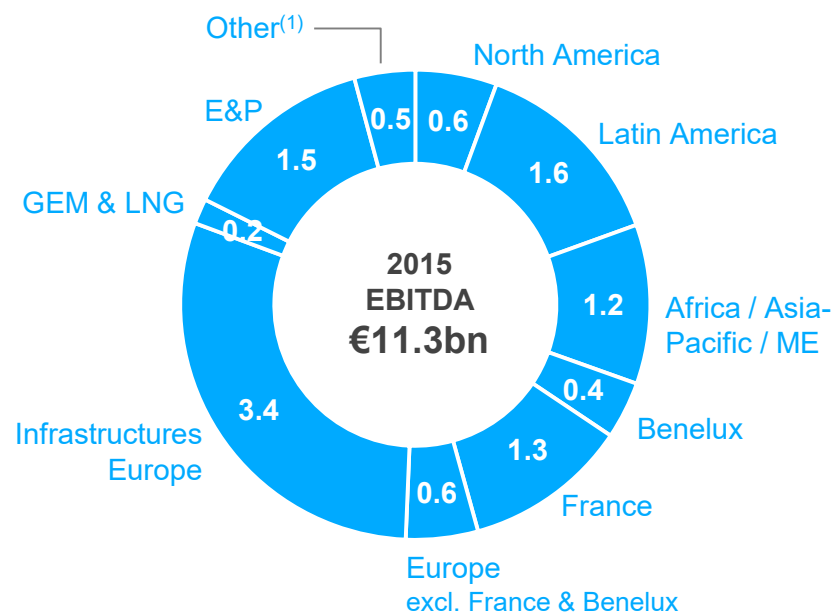
Customer oriented

Agile - shortened decision cycle

Clear accountability

Management incentives aligned

24 BUS
10 REPORTING SEGMENTS



Unaudited figures (1) Generation Europe, Tractebel Engineering, GTT, other (incl. NewCorp)

IMPROVED VISIBILITY ON RISK/REWARD PROFILES

2015 EBITDA
in €bn

3 Métiers

10 Segments



	LOW CO ₂ POWER GENERATION		GLOBAL NETWORKS		CUSTOMER SOLUTIONS		Other	TOTAL
	RES+Thermal Contracted	Thermal Merchant	Infra-structures	Upstream	Services Retail			
North America, Latin America Africa/Asia Pacific/ME	~2.6	~0.7	0.2	-	0.1		(0.1)	3.4
France, Benelux Other Europe excl. France, Benelux	~0.5	~0.3	0.2	-	1.4		(0.1)	2.3
Infrastructures Europe			3.4					3.4
GEM & LNG, E&P		~0.2		~1.5				1.7
Other	-	0.5		0.1	0.1		(0.2)	0.5
Total %⁽¹⁾	~3.1 26%	~1.6 14%	3.7 32%	~1.6 14%	1.6 14%		(0.4)	11.3

**o/w ~1.2
renewables**

**1.2 services
0.4 retail**

STRONG PLATFORMS (2015 EBITDA)

- ~65% of generation contracted or renewables
 - ~€1.2bn renewables, ~€1.9bn thermal contracted
- ~32% / ~€3.7bn on infrastructures
- ~14% / ~€1.6bn on customer solutions

Unaudited figures
(1) % excluding "Other"



AGENDA

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ENGIE POST 2018

Improved risk/reward profile

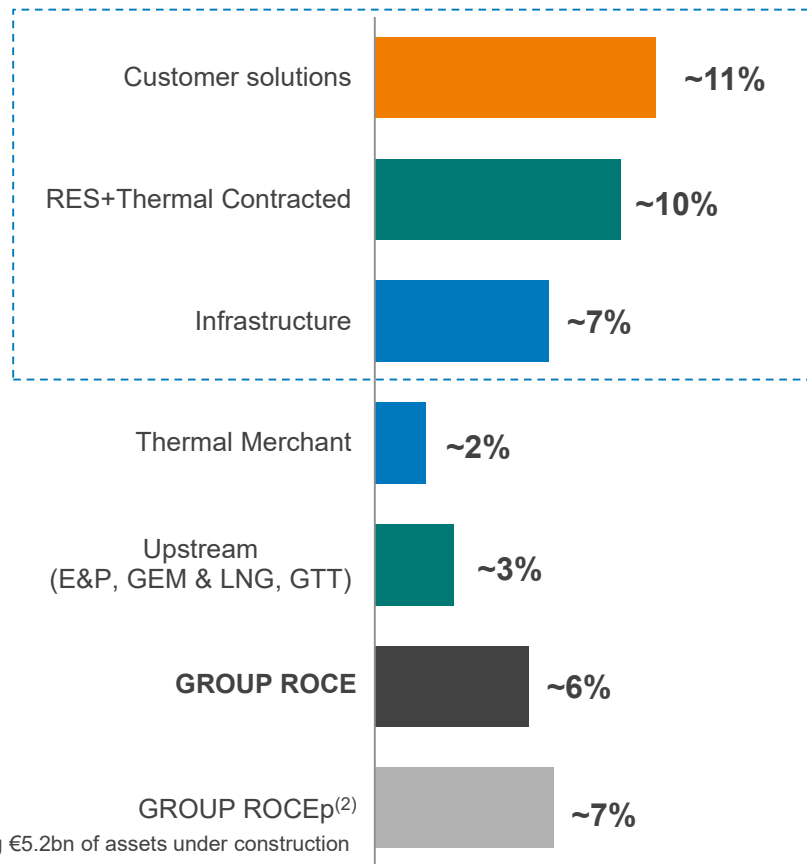
Higher returns

Reinforced financial structure

Visibility on dividend

FOCUS ON PROFITABILITY

2015 ROCE⁽¹⁾ BY MÉTIER



IMPROVE RETURNS WITH 3 LEVERS

Lean 2018

Portfolio rotation to exit activities with lower returns

Investment in higher return activities, building on core competencies

Unaudited figures

(1) ROCE computed on average 2015 industrial capital employed

(2) ROCE_p computed on end-2015 productive industrial capital employed (excl. assets under construction)



LEAN 2018: INCREASING OUR EFFORTS ON EFFICIENCY

PERFORM 2015 SOLID TRACK RECORD

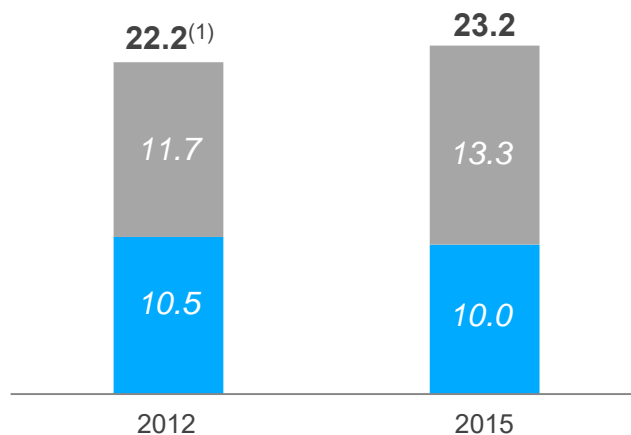
Cost base decrease
in energy activities
& corporate

Profitable growth
in services

LEAN 2018 INCREASE EFFORTS

~+50% compared
to Perform 2015
(yearly basis)

Addressable cost base in €bn (unaudited)



■ **Services**
+20% EBITDA growth in 3 years
+80 bps EBIT margin improvement
(5.3% in 2015)

■ **Energy & Corporate**
-5% in 3 years

Net EBITDA impact on opex after inflation in €bn



Cultural transformation

- Simplification
- Continuous improvement

(1) Pro forma SUEZ equity consolidated, not adjusted for IFRS 10/11

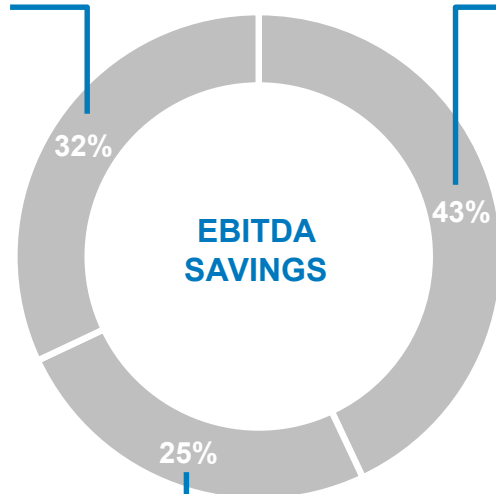
LEAN 2018: ALIGNING COST BASE WITH STRATEGY

INTENSITY OF SAVINGS TAILORED TO BUSINESS DYNAMICS

Radical changes
in market environment

HIGH

- E&P
- GEM
- LNG
- Generation EU
- Corporate



Significant step-up
to improve competitiveness

MEDIUM

- Benelux
- France B2C
- France renewables
- Other Europe
- North America
- Latin America
- MESCAT

- France Infrastructures
- France B2B, France Networks
- Africa, China,
- UK
- GTT, Tractebel

Continuously managed
and controlled growth

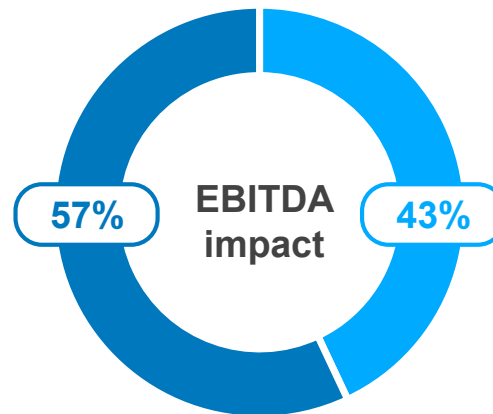
MODERATE



LEAN 2018 BY LEVER: SIGNIFICANT CONTRIBUTION FROM SUPPORT FUNCTIONS

Operations

- **Lower O&M costs**
...predictive maintenance (digital), 15% reduction in 5 years for renewables in France (operational efficiency)
- **Restructuring low-margin service activities**
...€80m potential by 2018
- **Mothballing, closing of lower-performing power plants**



of which **Procurement ~45%**

- **Use global scale of the Group** in key categories
... gas turbines 2015 negotiation: template for wind turbines and solar panels negotiations...€60m potential by 2018
- **Addressable spend with world-class internal suppliers: 3 → 6% by 2018** ...€60m potential by 2018
- **Centralize indirect procurement** via shared service center... €80m potential by 2018
- **Develop sourcing in best cost countries** ...>€40m potential by 2018

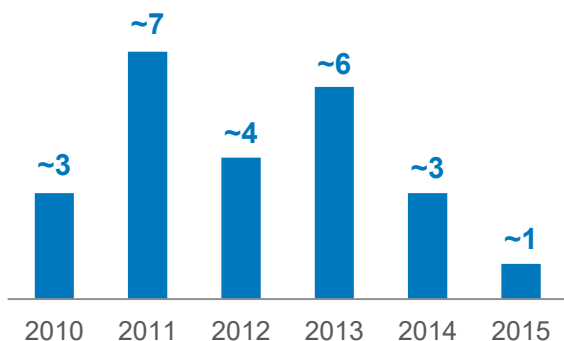
G&A

- **Transformation plans** for each support function
- **Real estate rationalization**
... >€30m potential by 2018: dynamic offices, regrouping businesses, rent renegotiations
- **Expansion of Global Business Support**
- **Drastic cut in consulting**
...>€40m potential by 2018

€15BN ROTATION PROGRAM WELL ON TRACK

PROVEN TRACK RECORD

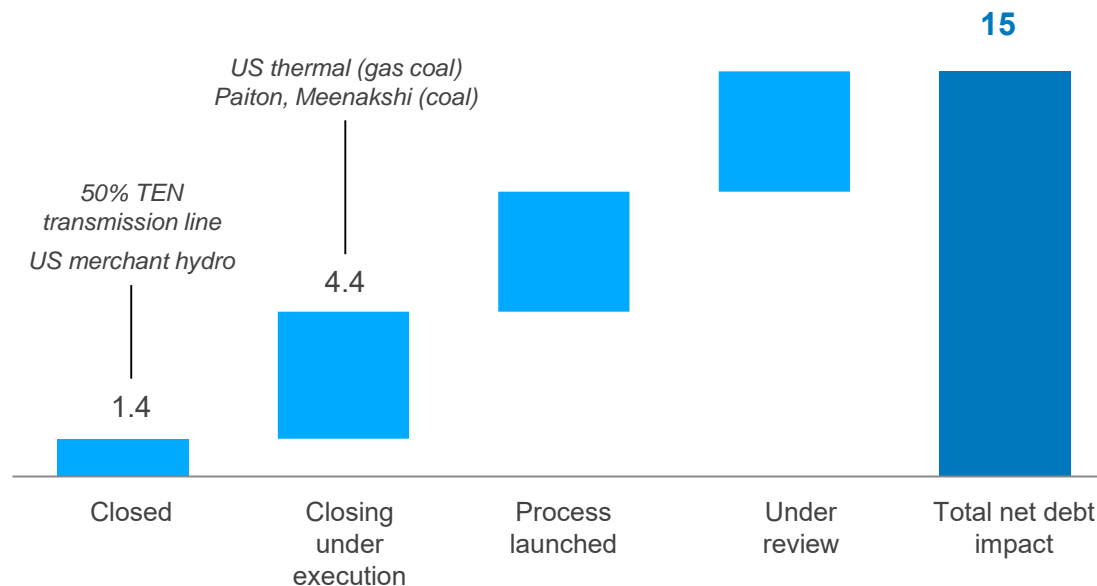
In €bn



Positive impact on net debt:
~€24bn since 2010

ALREADY ~40% ANNOUNCED

In €bn



Strategic & financial criteria

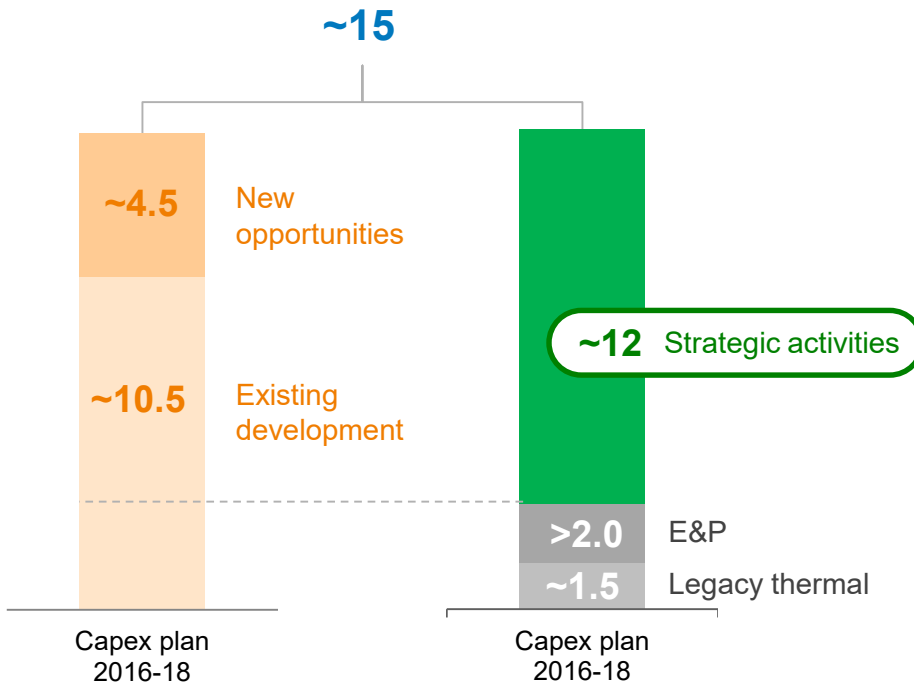
- Coal, merchant and non-core assets
- Rigorous review: by business, by geography, asset by asset
- Full or minority stake disposals

Unaudited figures ; excluding SUEZ as from 2011

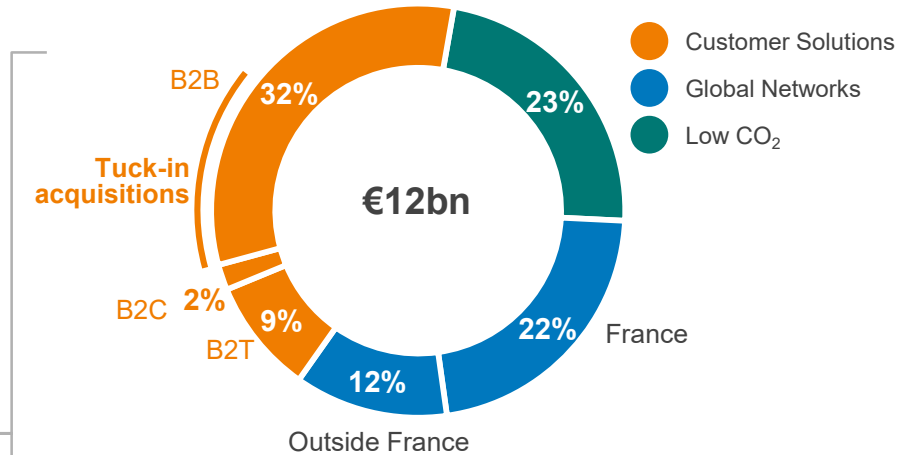
€12bn GROWTH CAPEX ON STRATEGIC ACTIVITIES

EXECUTING THE GROWTH PLAN

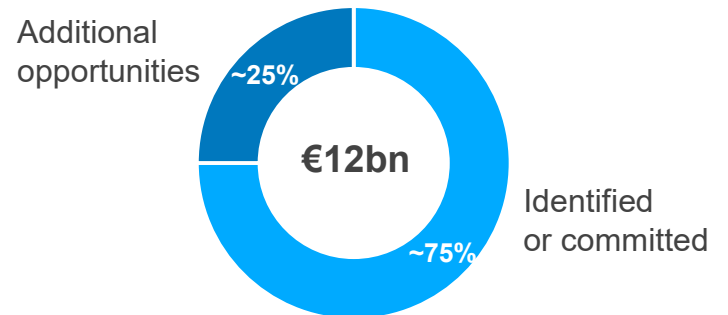
As of 12/31/2015
In €bn



FOCUSED INVESTMENTS

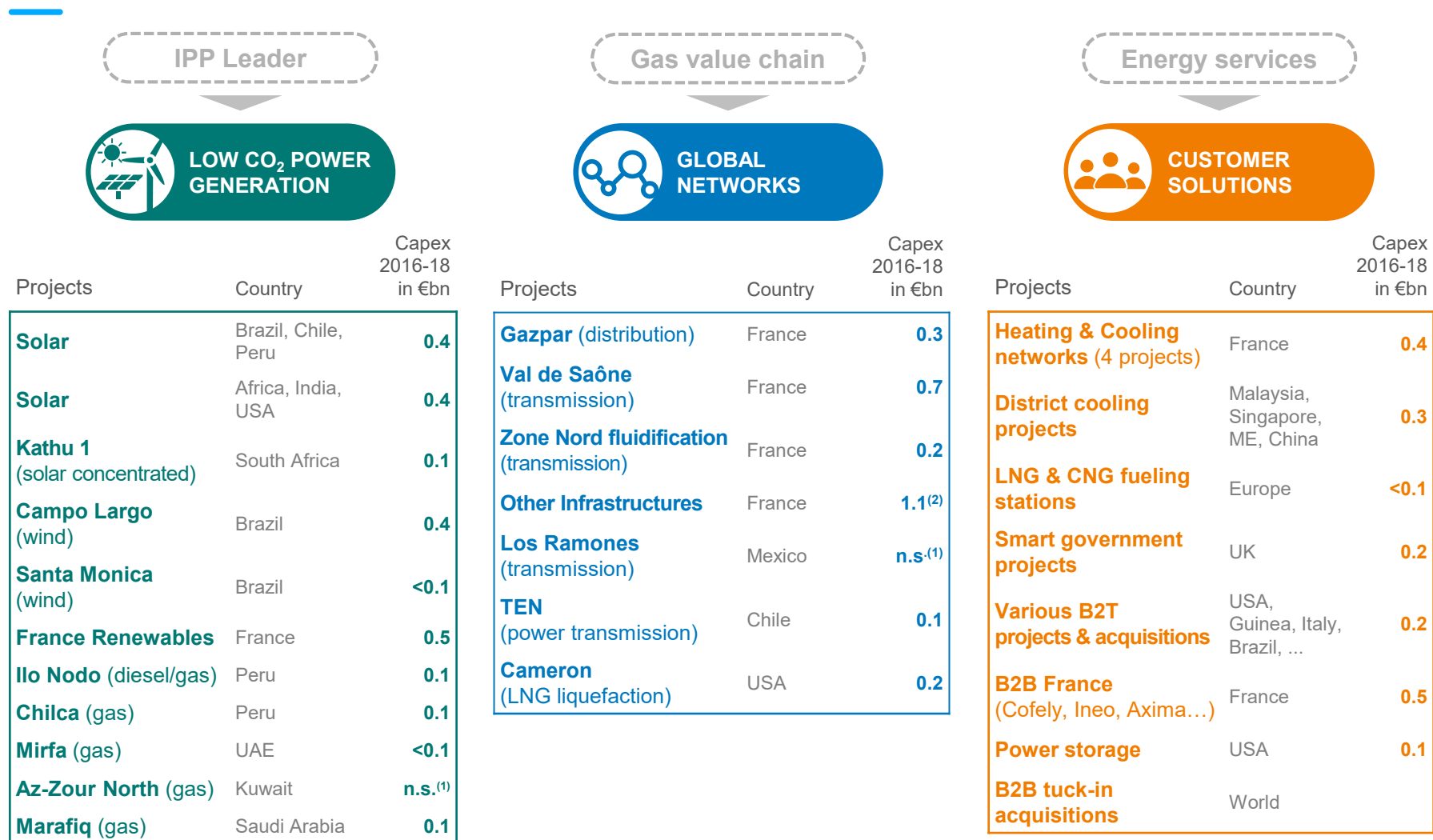


INVESTMENTS LARGELY IDENTIFIED⁽¹⁾



(1) As of May, 31, 2016

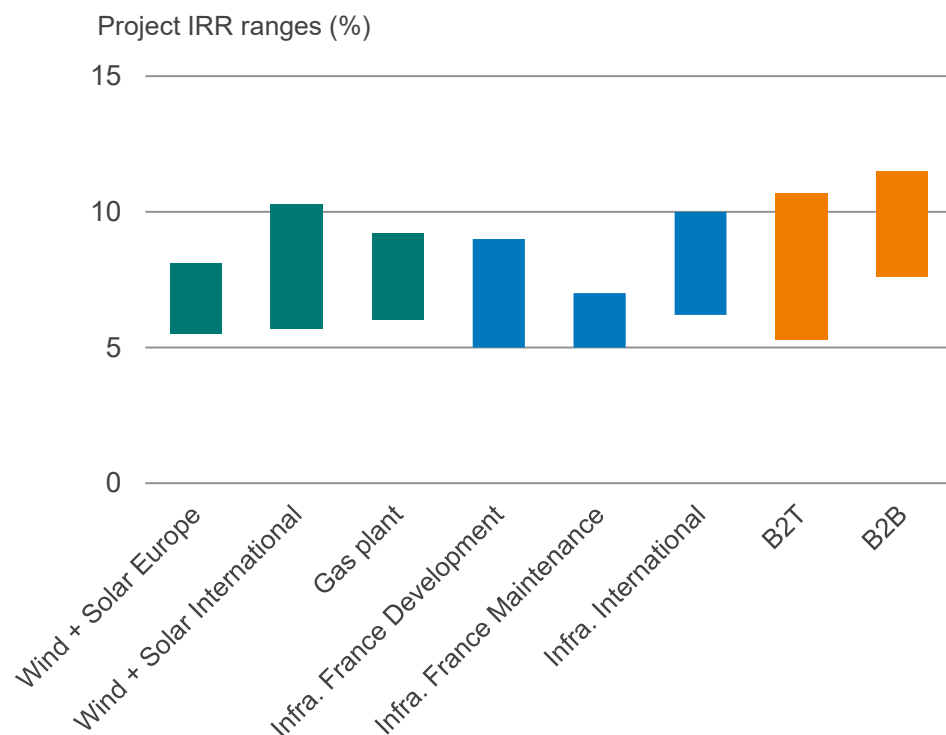
LARGE PIPELINE OF ONGOING PROJECTS



(1) COD 2016, no additional capex (2) Excluding maintenance capex of €2.9bn

INVESTMENT APPROACH FOCUSED ON VALUE CREATION

CURRENT PIPELINE OF PROJECTS

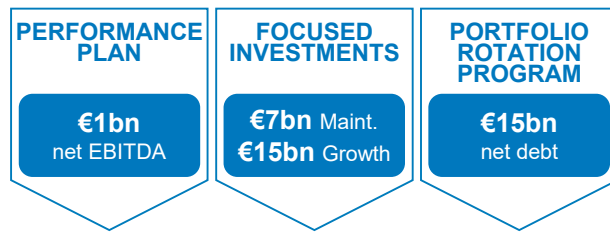


INVESTMENT CRITERIA

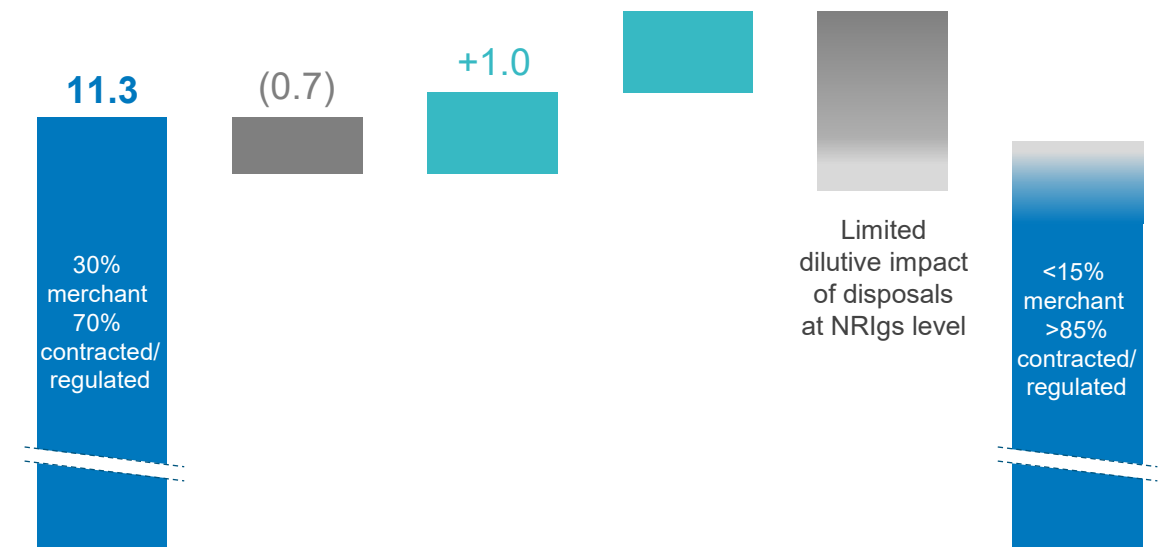
- **Returns**
Project IRR > Project WACC + 200bps
- **Accretion**
NRIGs >0 as of COD+2
FCF >0 as of COD+1
- **Contracted / Regulated**
- **Joint ventures**
...to limit risks and equity check

EXECUTING 3 TRANSFORMATIVE PROGRAMS TO IMPROVE COMPANY PROFILE

By main effect
In €bn



+0.9/+1.1



2015 EBITDA Prices E&P (oil, gas) Outright power Net Opex COD Scope out & others **2018 EBITDA**

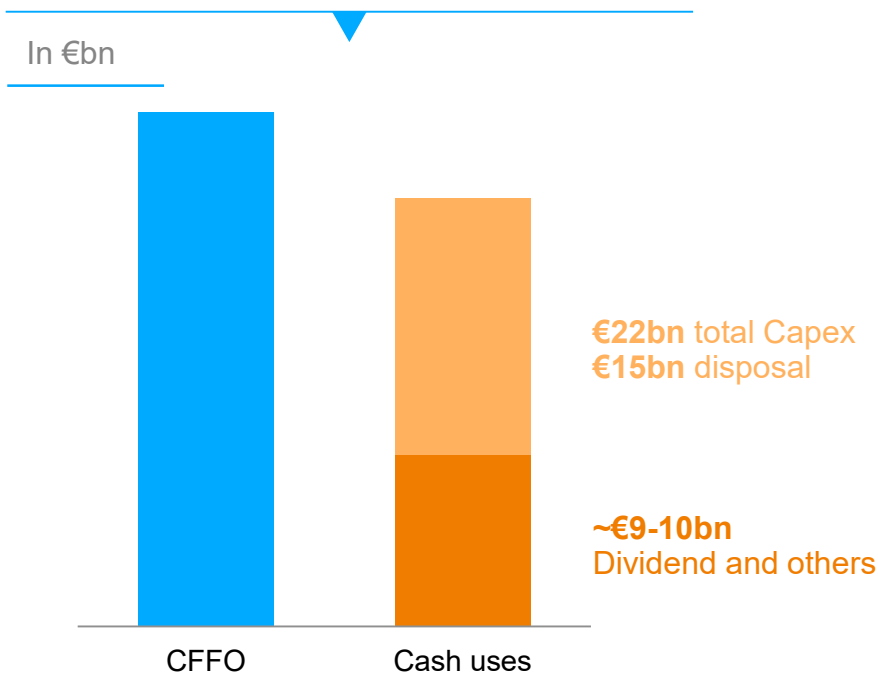
CLEAR MEDIUM-TERM OBJECTIVES

- Lower merchant exposure
- Lower CO₂ emissions
- Closer to customer
- Support solid capital structure and reduce net debt



CASH EQUATION DURING TRANSFORMATION PHASE

2016-18 CASH EQUATION



VISIBILITY ON DIVIDEND

2016
€1/share dividend

2017-18
€0.7/share dividend in cash

STRENGTHEN FINANCIAL STRUCTURE

NET DEBT REDUCTION



AGENDA

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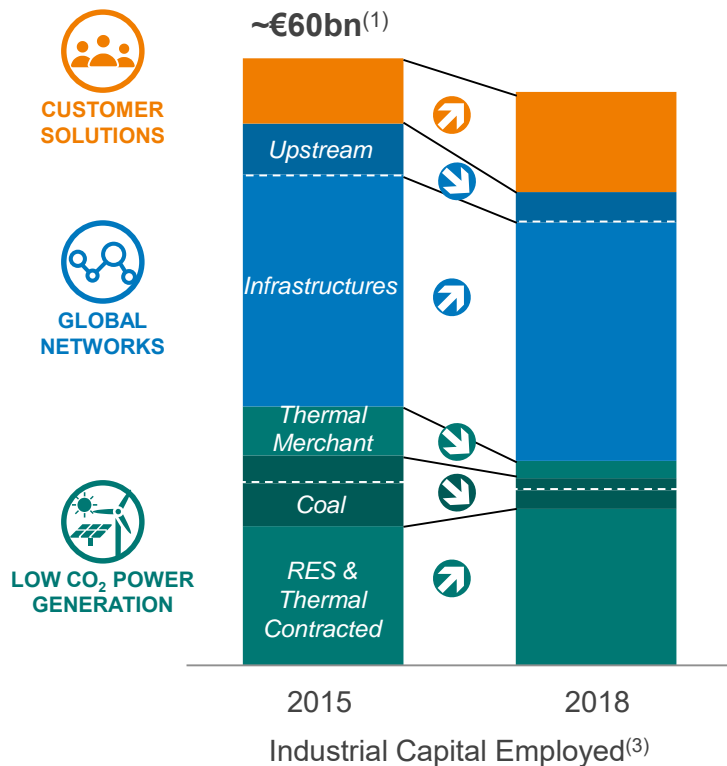
Higher returns

Reinforced financial structure

Visibility on dividend

CAPITAL ALLOCATION TO IMPROVE RISK & GROWTH PROFILE AND ACCELERATE TRANSFORMATION

ACTIVE CAPITAL ALLOCATION



GROWTH SUPPORTED BY TRENDS

>2018 EBITDA CAGR

Mid/high single digit

Low single digit⁽²⁾

Mid single digit⁽²⁾

GROUP
post 2018

MEDIUM-TERM DRIVERS

- Energy efficiency
- Decentralized and integrated customer solutions
- Global needs for energy infrastructures
- Renewable capacity
 - Massive solar development
 - Decentralized generation
- Accompany renewables development with gas

EBITDA: mid single digit⁽²⁾ CAGR

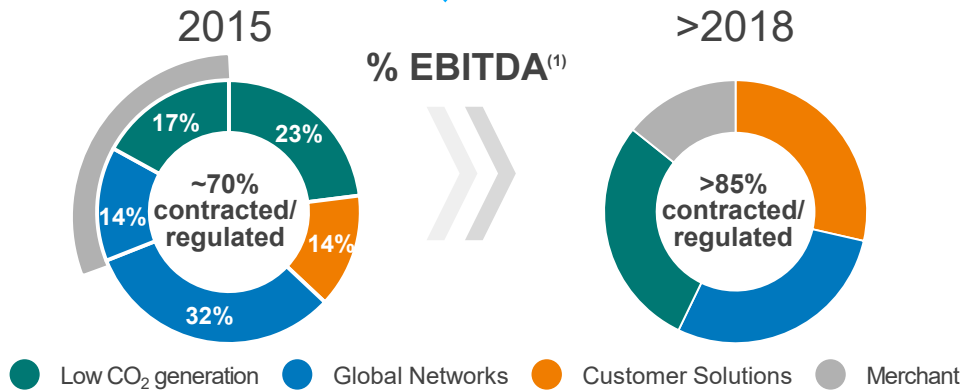
CAPEX: €5-6bn yearly

(1) Including classification of US merchant assets as held for sale as of end 2015, breakdown unaudited (2) Excluding merchant activities (3) Breakdown excluding others

CONCLUSION

A STRONGER FINANCIAL PROFILE: LOWER RISK / HIGHER GROWTH VISIBILITY

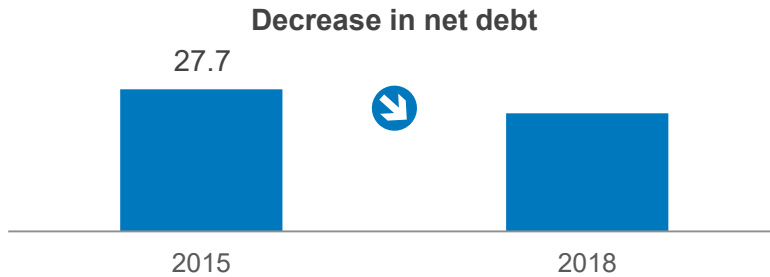
IMPROVED RISK REWARD PROFILE



INCREASED RETURNS (ROCE)



REINFORCED FINANCIAL STRUCTURE



HIGH VISIBILITY ON DIVIDEND

2016: €1/share dividend

2017-18: €0.7/share dividend in cash

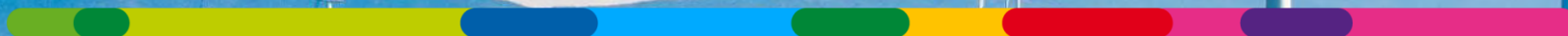
(1) Excluding Others

Customer Solutions

Investor workshop

June 28th, 2016

Jérôme TOLOT
Executive Vice President



LEADER IN CUSTOMER SOLUTIONS

B2B

BUILDINGS & INDUSTRY

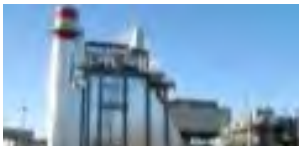
Offer the energy performance solution most adapted to the needs of each client



Improve energy performance for industrial clients



Design, install and maintain the most complex systems (eg data centers)



Bring energy utilities that are essential to industry and to large tertiary sites



Offer a panel of Facility Management services, complementing the energy efficiency solutions

LARGE INFRASTRUCTURES

Contribute to the development of large infrastructures optimizing the energy mix



Contribute to the evolution of mature energies (nuclear, oil & gas,...)



Design, build and maintain renewable energies



Adapt large transport and distribution infrastructures



Deploy telecommunications infrastructures highly available and secure

B2T

CITIES & TERRITORIES

Optimize management of territories



Install and operate local urban infrastructures (heating / cooling networks, mobility, lighting...)



Design and implement outsourcing solutions to improve performance of public services (Business Process Outsourcing - BPO)



Make the city more connected to offer new services to citizens (smart cities)

B2C

RETAIL CUSTOMERS & SMALL BUSINESSES

Offer energy contracts & increasing cross-selling services



Supply electricity & gas



Offer digital energy efficiency solutions



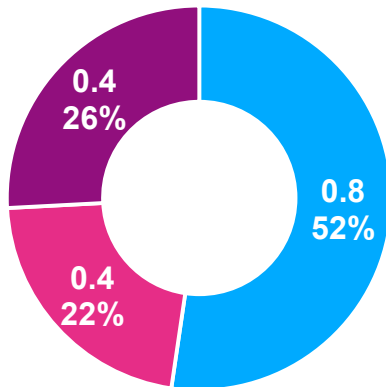
Propose innovative value added services

- Boiler & heat pumps maintenance
- Installation & Financing
- Home emergency
- Insurance
- Water softening

FINANCIAL OVERVIEW

EBITDA BY BUSINESS

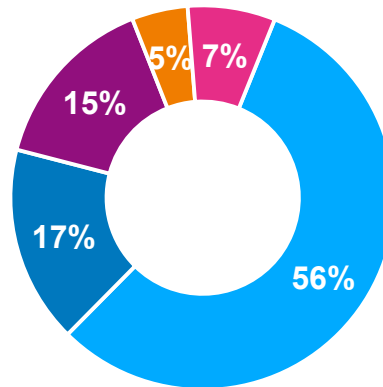
EBITDA 2015
€1.6bn



■ B2B ■ B2T ■ B2C

EBITDA BY GEOGRAPHY

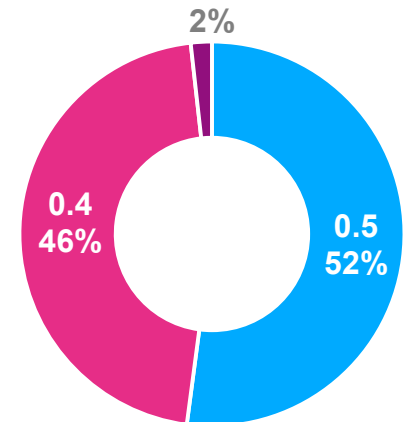
EBITDA 2015
€1.6bn



■ France ■ Benelux ■ Europe other
■ APAC ■ Other

CAPEX BY BUSINESS

CAPEX 2015
€0.9bn

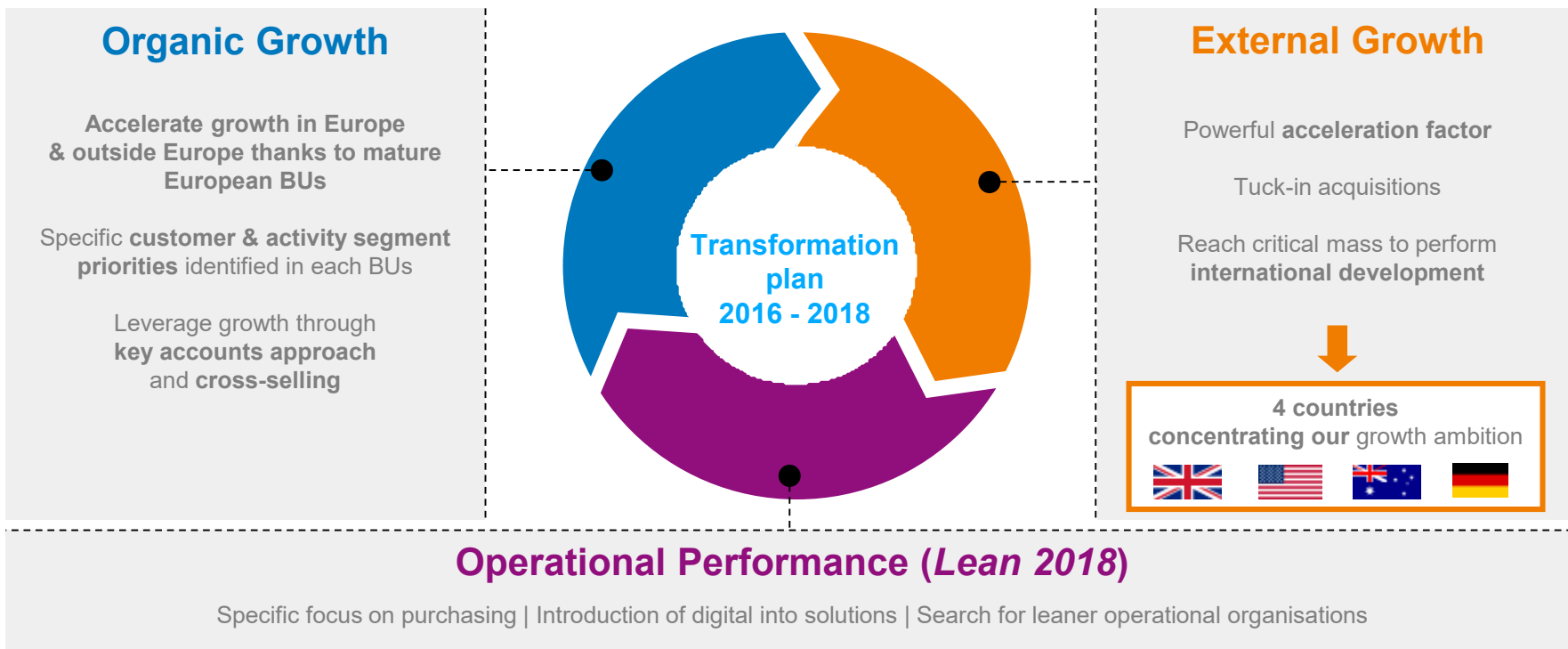


■ B2B ■ B2T ■ B2C



MULTIPLE GROWTH DRIVERS

3 MAJOR DEVELOPMENT BRICKS



Target of >50% EBITDA growth by 2018

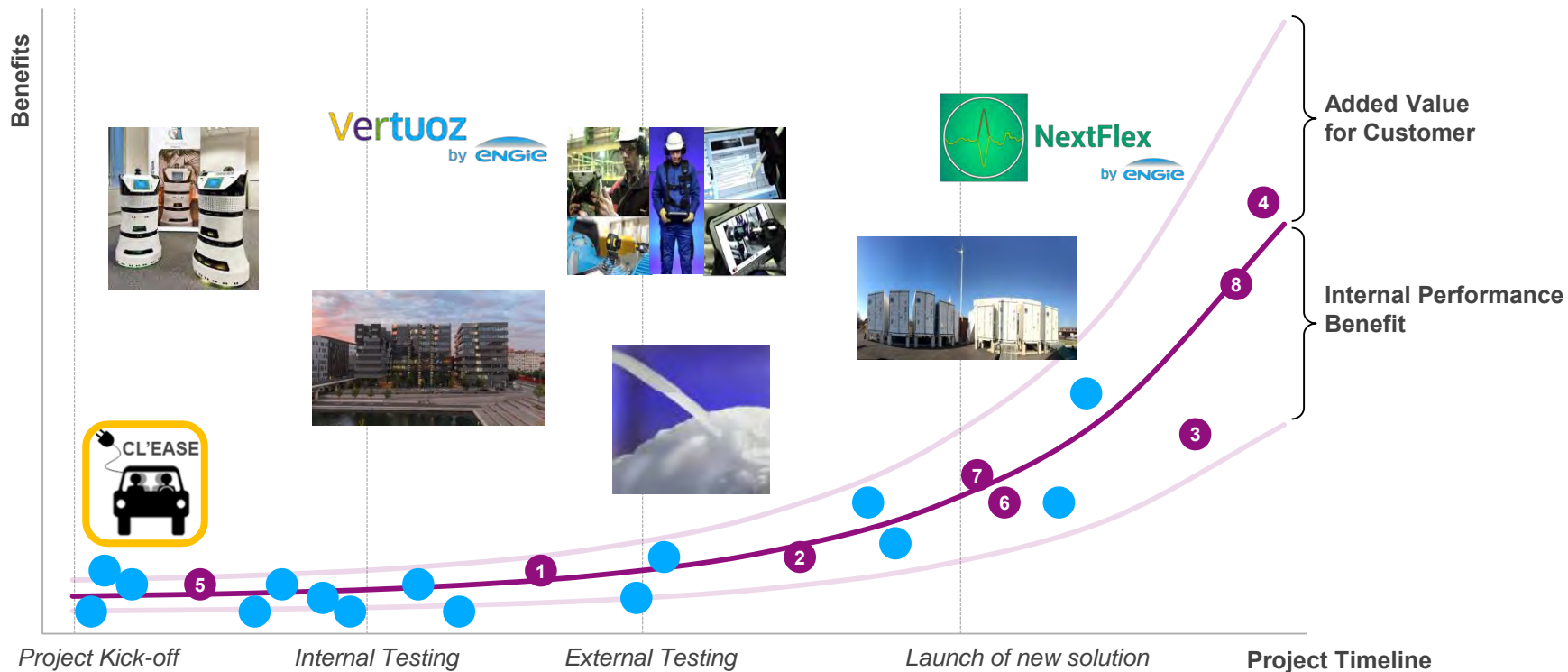
Top line organic growth

Margins improvement

Tuck-in acquisitions



DIGITAL AT THE CORE OF EMERGING PROJECTS



- 1 **Diya One** (Cofely): indoor air purifying robot (QAI)
 - 2 **Coulis de glaces** (Axima): innovative solution for cold storage
 - 3 **Operateur Connecté** (Endel): digital tool for on-site technicians
 - 4 **Grid Pow'ER** (Ineo): renewable storage & smart grids
 - 5 **CL'ease** (Ineo): green urban shared mobility
 - 6 **Nextflex** (E&C): load shedding
 - 7 **Hikari** (Axima): green & smart building (Bepos)
 - 8 **Vertuoz** (E&C / Cofely): digital service platform
- ... and also: Nialm, BIM, Smart Impulse, Effigaz, Black Pellets, DC Virtual One, Continuité 3D, MicroCoge, Please

FOCUS ON B2B

B2B IN A NUTSHELL

Integrated product offering

Diversified customer base

UNIQUE POSITIONING

Presence along the B2B services value chain

Leader in the B2B services space

GROWTH PLATFORM

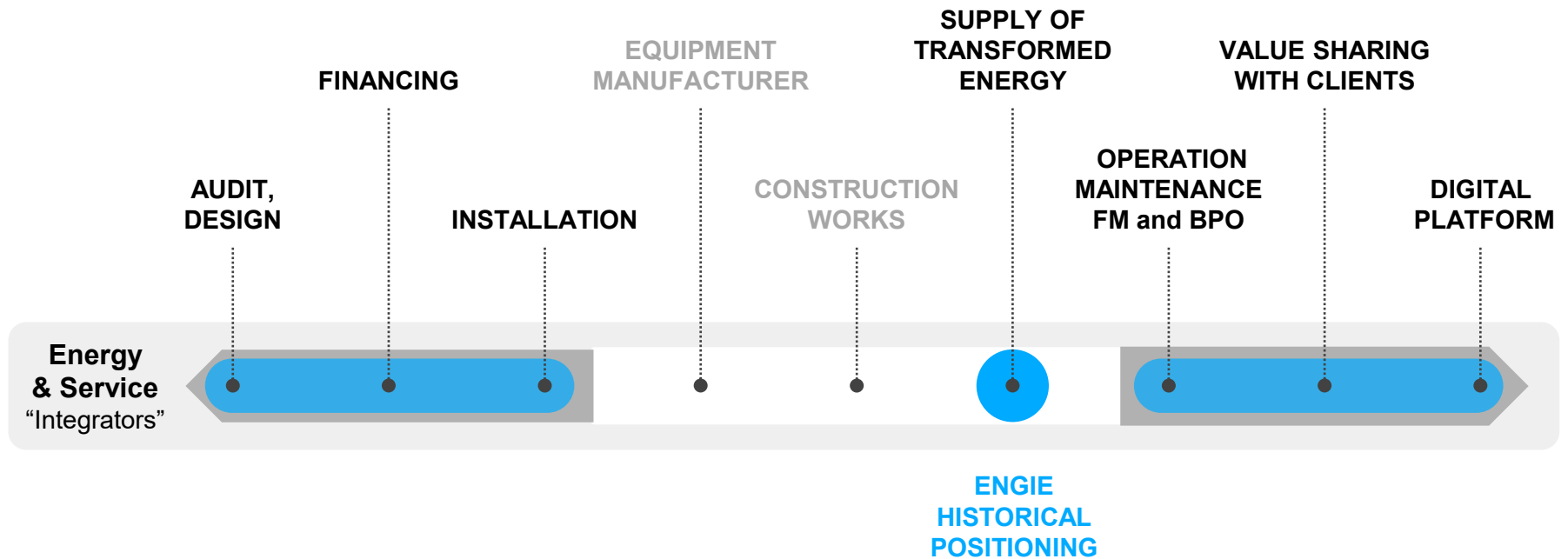
Leadership positions in Europe & international footprint

Successful external growth dynamics

Continued growth in financial performance

PRESENCE ALONG THE B2B SERVICES VALUE CHAIN

ENGIE has leveraged upon its historical positioning, to expand along the value chain

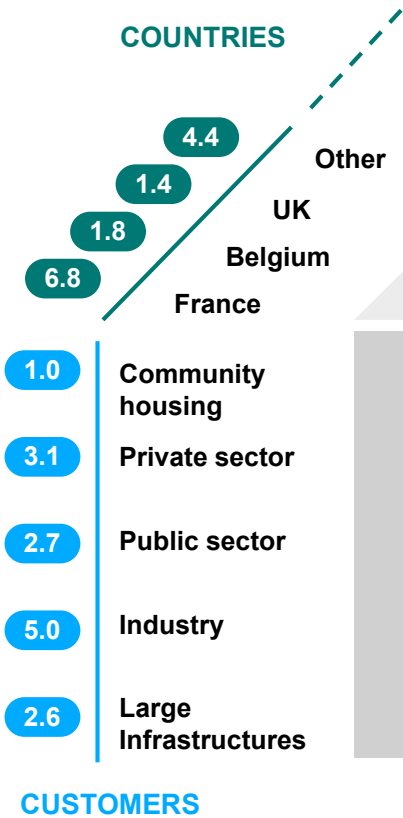


 **ENGIE POSITIONS ON THE VALUE CHAIN**

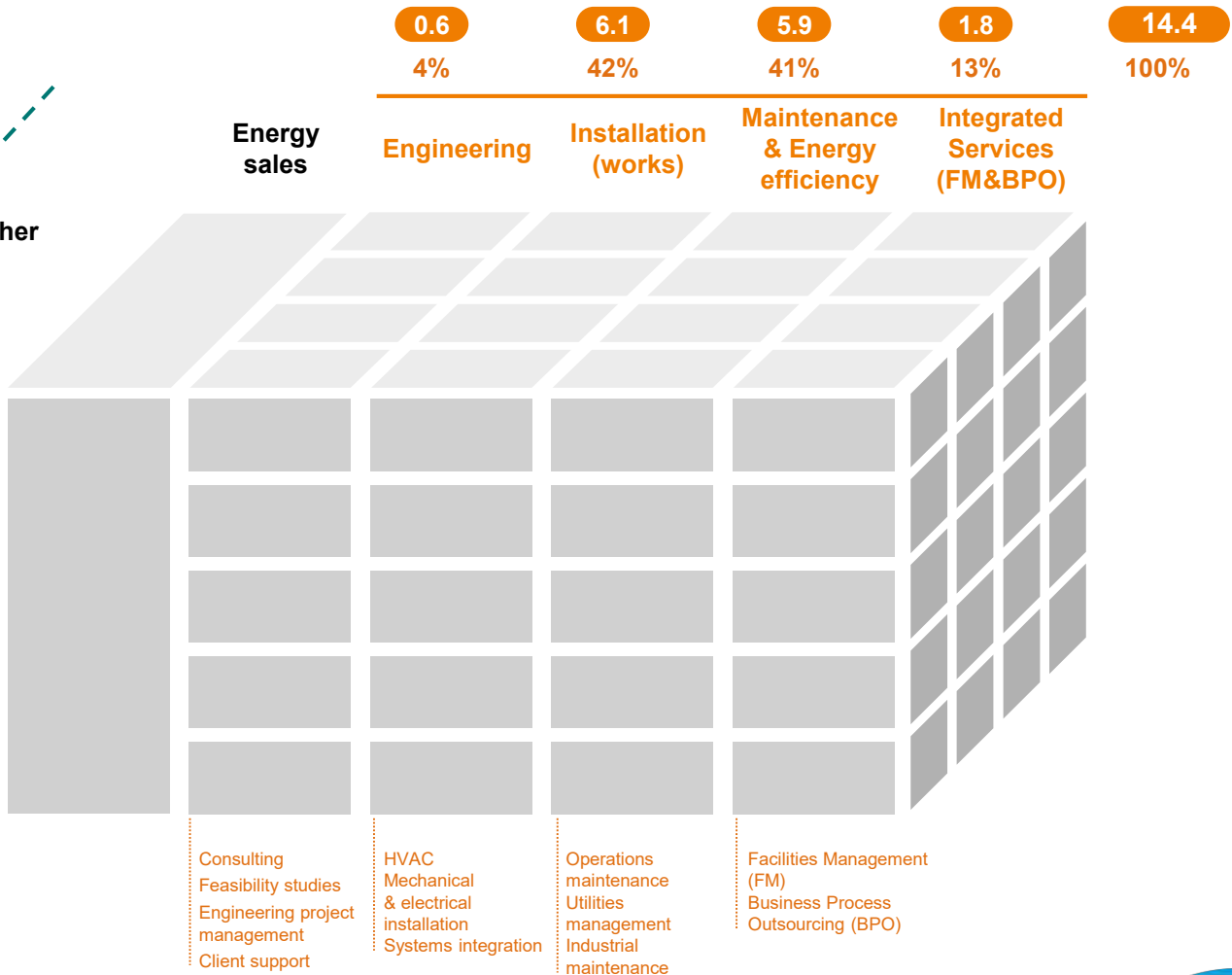


B2B - INTEGRATED PRODUCT OFFERING & DIVERSIFIED CUSTOMER BASE

2015 revenues (€bn)

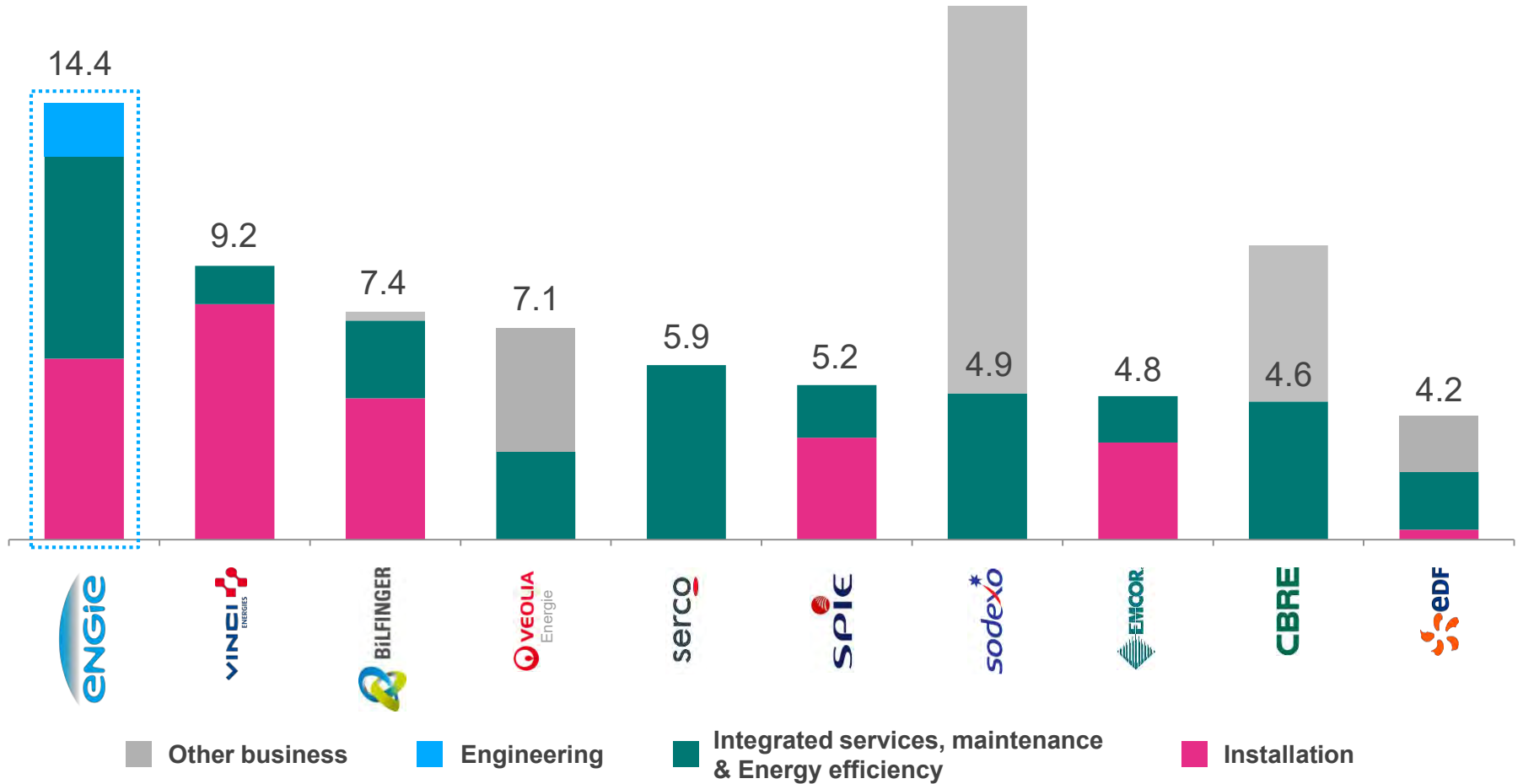


SERVICES ACTIVITIES

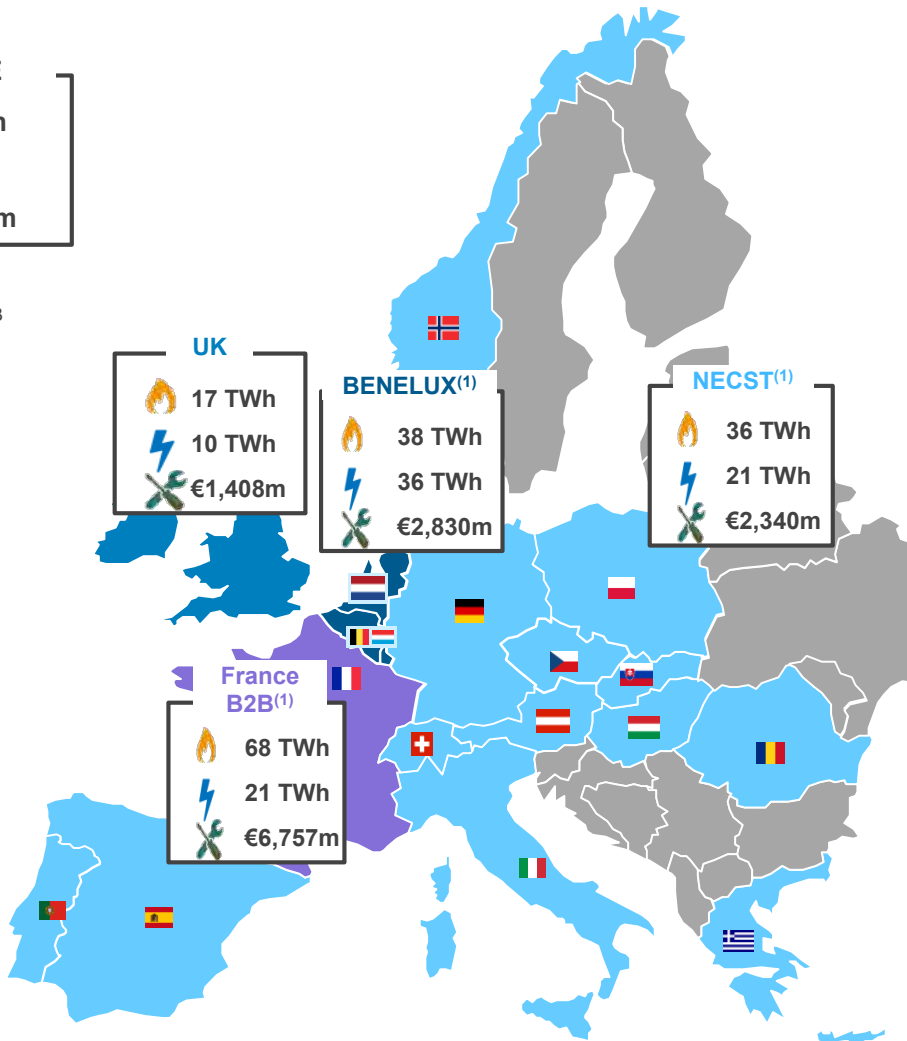
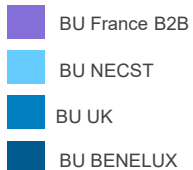
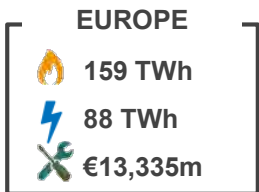


LEADER IN THE B2B SERVICES SPACE

Revenues in €bn



LEADERSHIP POSITIONS IN EUROPE PROVIDE A SOLID GROWTH PLATFORM

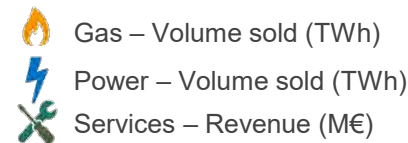


Growth ambitions



Leadership positions in B2B energy services

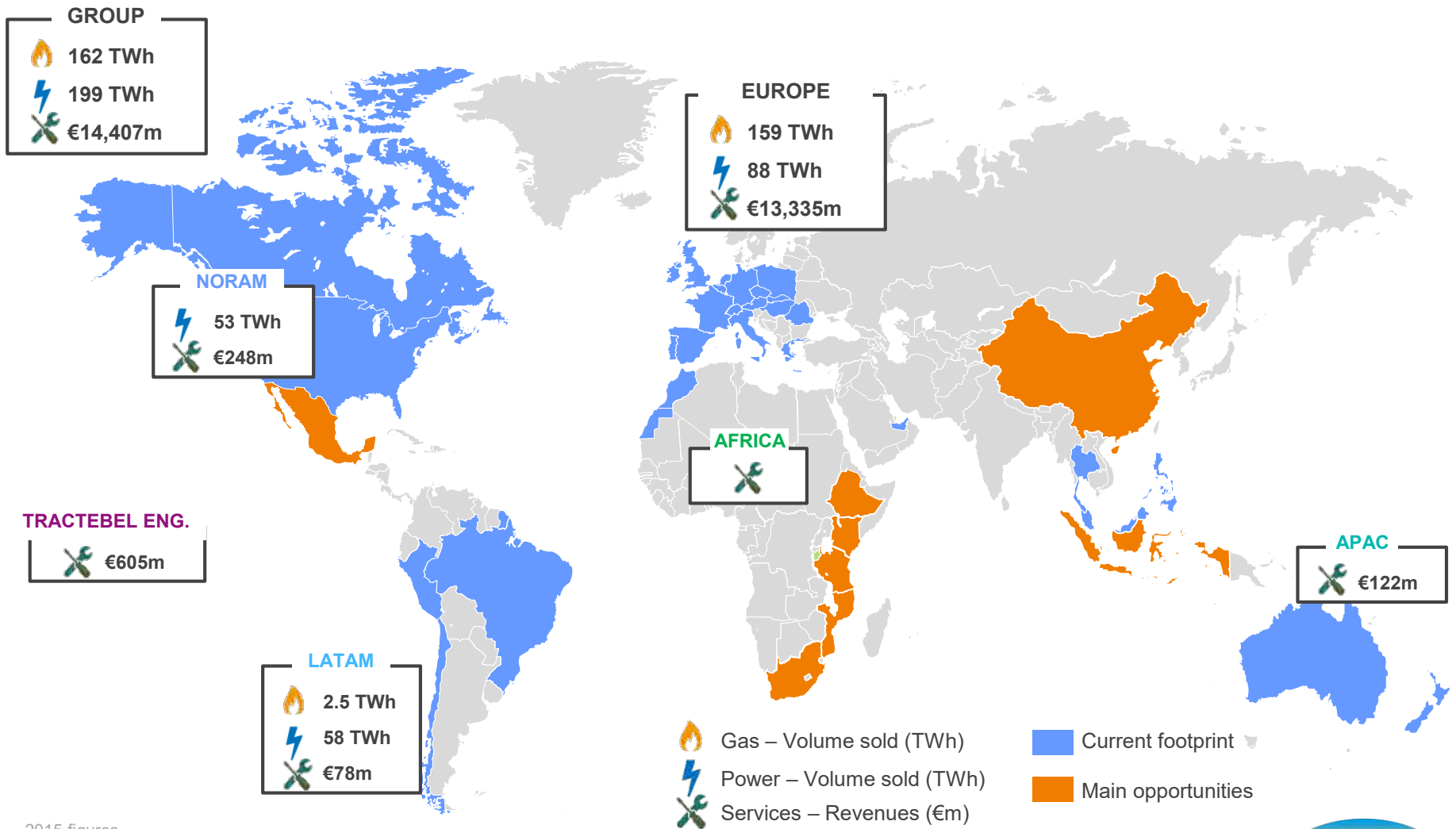
#1 in France
 #1 in Belgium
 #1 in the Netherlands
 #1 in Italy



2015 figures
 (1) Including GEM (Global Energy Management) figures



INTERNATIONAL FOOTPRINT WITH GROWTH AMBITIONS



2015 figures

SUCCESSFUL EXTERNAL GROWTH DYNAMICS

MAIN ACQUISITIONS IN B2B SERVICES OVER 2013-2015⁽¹⁾

SERVICES

Networks & industrial utilities

- 2015 Energia del Sur (Chili)
- 2014 HGS (Germany)
- 2013 E.On Sverige AB (Poland)
- 2013 SESAS (France)

Services integration & Energy performance

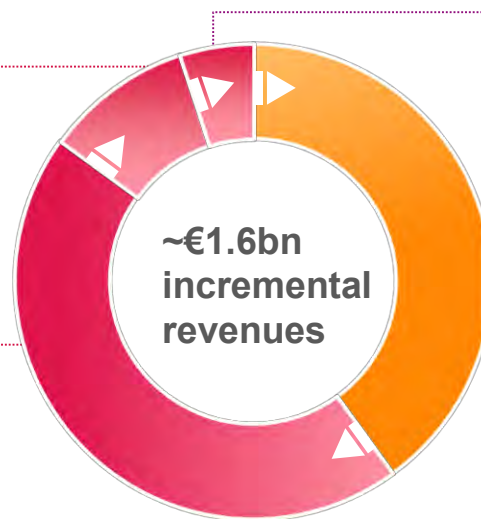
- 2015 OpTerra (USA)
- 2015 IMA (Chili)
- 2015 Seva Energy AG (Germany)
- 2015 & 2013 TSC Group (Australia/NZ)
- 2014 Lend Lease (UK)
- 2014 SMP Pte Ltd (Singapore)
- 2014 Keppel FMO (Singapore)
- 2014 Manaï (Qatar)
- 2014 Ecova (USA)
- 2013 Trilogy Building Services (Australia)
- 2013 ATES Systems of Buildings (Netherlands)
- 2013 EMAC (Brazil)
- 2013 Balfour Beatty Workplace (UK)

ENGINEERING

- 2014 Lahmeyer (International)

INSTALLATION & MAINTENANCE

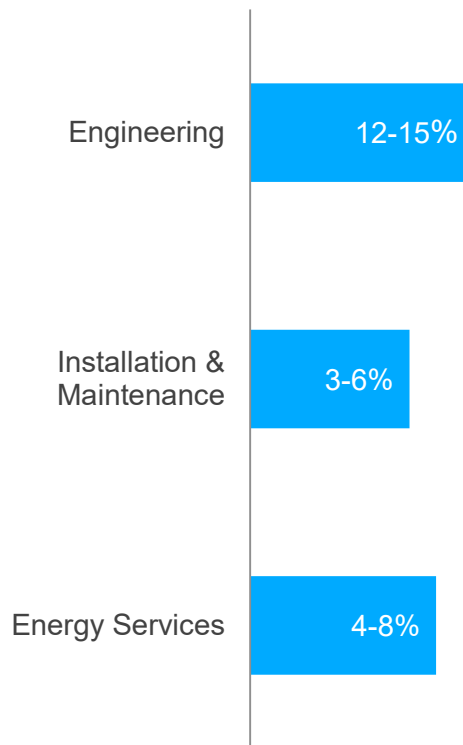
- 2015 Promat Sécurité (France)
- 2015 Vandewalle (Belgium)
- 2015 Nexilis (Crudelli) (France/Monaco)
- 2015 Cyberprotect (France)
- 2014 Ercom (France)
- 2014 Commande (Switzerland)



(1) Including OpTerra acquisition (closed early 2016)

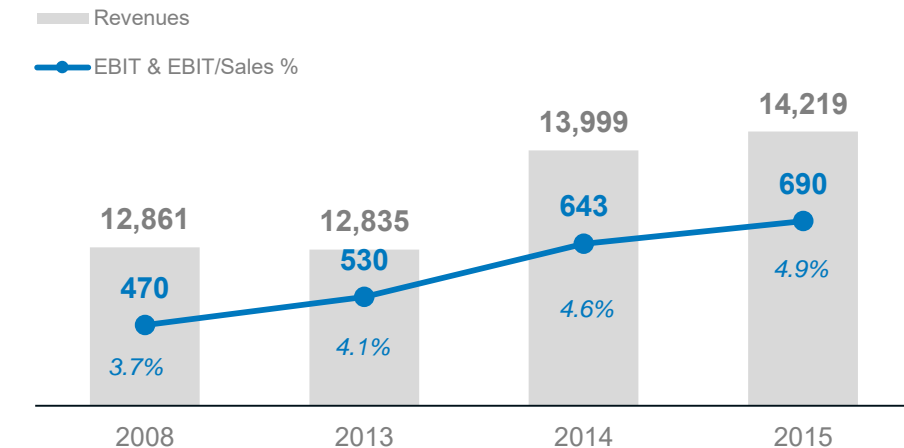
CONTINUED GROWTH IN FINANCIAL PERFORMANCE

Typical EBIT margins by activity



Growth & profitability of B2B services activity

in €m



**EBIT growth 5.6%
(CAGR 2008-15)**

**ROCE 2015
~15%**

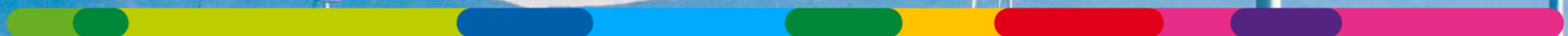
ENGIE's Strategy for Cities & Regions

Investor workshop

June 28th, 2016

Olivier BIANCARELLI

Director Decentralized Solutions for Cities and Territories (B2T)



B2T KEY MESSAGES

In a decentralising world, ENGIE decided to make B2T customers one of its priorities

ENGIE has a broad range of capabilities to address Cities & Regions needs

Leveraging on existing successes, ENGIE is accelerating worldwide

FOR ENGIE, B2T INCLUDES...



Cities



Airports



Industrial Areas



Railway Stations



Campuses



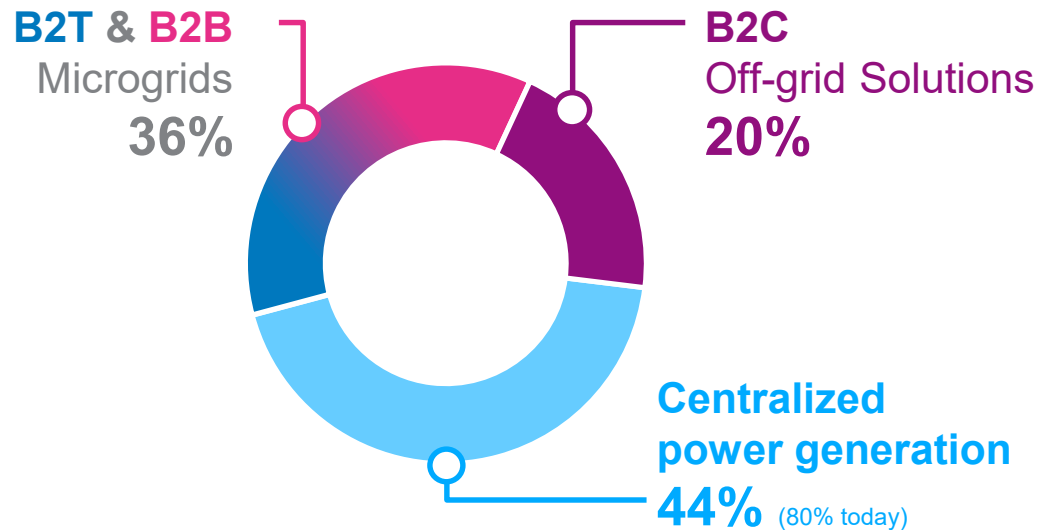
Military Bases

But also islands, ports...

CITIES & REGIONS: AT THE HEART OF THE ENERGY TRANSITION IN A FAST-CHANGING WORLD

IEA Scenario “Energy for all” 2030

Cities



2 % of World Area

50 % of World Population

75 % of World Energy Consumption

80 % of World GHG



Source: IEA, Energy for All, 2011; MIT 2015

A PRESENCE IN ALL “VERTICALS” RESPONDING ACROSS CUSTOMER NEED

Our customers' needs

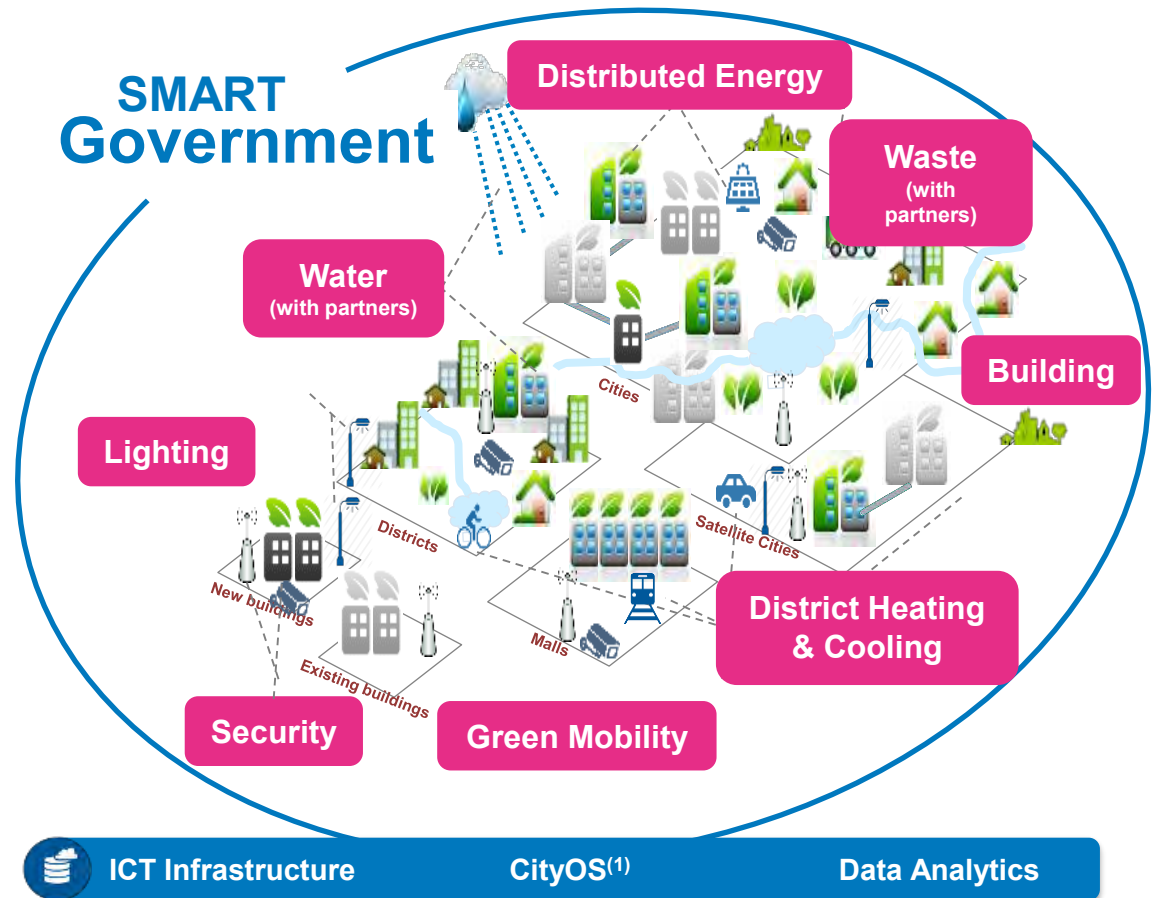
To improve
Security and Resilience

To benefit from
Fluid & Green mobility

To ensure an
Enjoyable environment

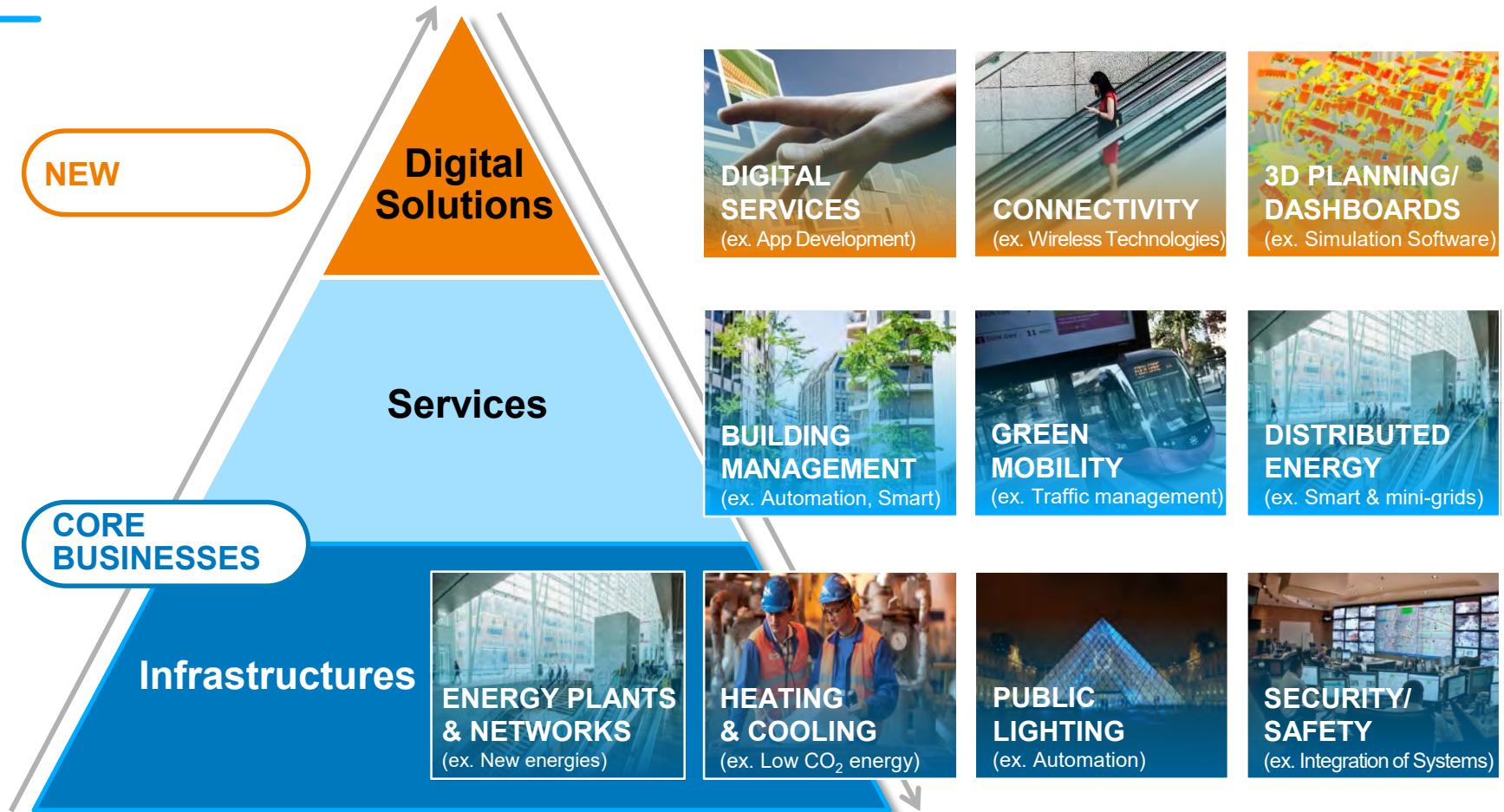
To develop the
Local attractiveness

To reduce
Costs



(1) Includes city management tools such as dashboards to enable city stakeholders to make informed decisions

ENGIE POSITIONING: FROM INFRASTRUCTURE TO DIGITAL SOLUTIONS (WITH RELATED TECHNOLOGIES)



The combination of (A) ENGIE's traditional businesses in infrastructures and services combined with (B) new solutions and (C) a strong knowledge of local authorities provides a unique competitive position

ENGIE ALREADY HAS DEEP EXPERIENCE IN WORKING WITH CITIES & REGIONS

North Tyneside, North East Lincolnshire, Chester (UK)

- Business Outsourcing Services
- Performance Contracts

Dijon (France)

- Tramway PPP

Avignon (France)

- Public Lighting PPP

France

- 140+ NGV Stations

Europe

- More than 240 Heating & Cooling Networks
- 5000+ EV Charging Stations
- Public Lighting: more than 1M lighting points managed

Brussels (Belgium)

- Mobil2040: mobility study

Antwerpen (Belgium)

- Design, Construction of public spaces

Greater Madrid (Spain)

- Public Lighting PPP

Québec (Canada)

- Real-time passenger information system for transportation authority

Casablanca (Morocco)

- Centralized process for electricity, drinking water, wastewater, public lighting (30 years contracts)

Tanger/Kenitra

- Train line signalisation

Tucunduba River in Belém (Brasil)

- Hydrological Risk Management

Rio de Janeiro (Brazil)

- Video Protection system and related communication networks

Namibia

- Hydrological Risk Management

Astana (Kazakhstan)

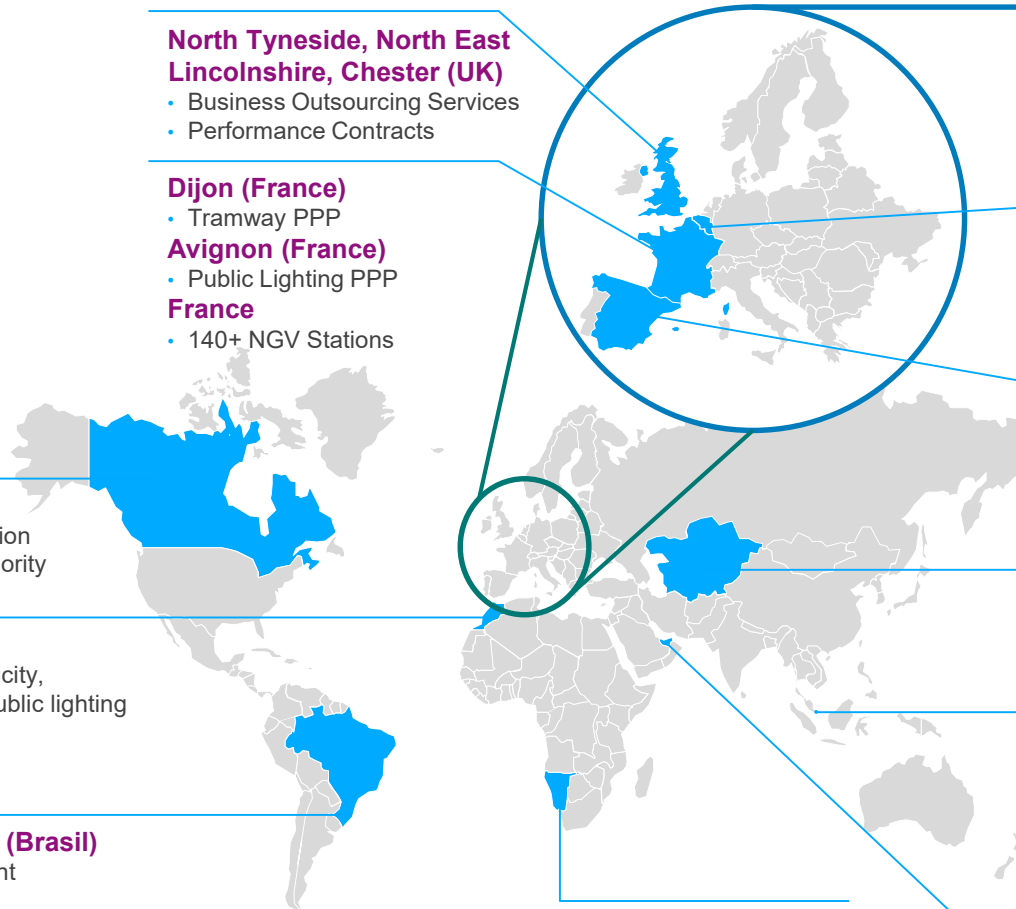
- Urban Planning
- 3D Demonstration

Singapore

- Singapore Micro Grid Pilot

Dubai (UAE)

- Energy Management Systems



WORLDWIDE, ENGIE BUS ARE ACCELERATING TO ACHIEVE OUR GROWTH TARGET: +40% EBITDA BY 2018

- DISTRIBUTED ENERGY
- CITIES OF TOMORROW
- GREEN MOBILITY
- LARGE SCALE DHP & NETWORKS

Non exhaustive

North America

- Montreal Eco Area
- Shortlisted for a big DHC opportunity in the US
- Investment in Streetlight Data (analysis of flows of people throughout a region)
- Community Solar Project
- Micro-grids Projects

Latin America

- Cuenca (Ecuador) Tramway (with consortium)

Brazil

- City of Niterói: Traffic Management system
- Rooftop PV Development & Micro-grid pilot

UK

- Newcastle & North Tyneside Data Management
- London Olympic Park Digital Development
- Leeds District Energy
- Leeds Mobility Scheme

Africa - Focus on rural projects

- Shortlisted for the Dakar Train Line
- Distributed Energy Projects with Orange
- Power Corner: Energy Access Project in Tanzania (PV + mini-grid)

Europe

- H2020 Bid with Nantes, Helsinki and Hamburg
- Data Platform Opportunity in Spain
- Pan-European LNG Stations

France

- Alata (Corsica) Photovoltaic Farm
- Distributed Solutions for Islands
- Toulouse Smart ZAE
- Montpellier Eurêka Smart Area
- Courbevoie Dashboard
- Mulhouse 3D Simulator
- Competitive Dialogue for the Dijon Smart City Project
- Gas Mobility Investment in Ile de France

China

- Chengdu Co-Heat & Power

Asia-Pacific

- Singapore Energy Community App
- Makassar "Safe City" MoU
- IoT Network Operator Due Dil.
- Due Diligence in DHC Business
- Singapore Micro Grid Pilot (REIDS)

Turkey & Middle East

- Jeddah: Development Partnership
- Qatar: shortlisted for the Internal Security forces camp Tender
- Ismit: City of Tomorrow Study

ENGIE's Strategy for Cities & Regions Focus UK

Investor workshop

June 28th, 2016

WILFRID PETRIE

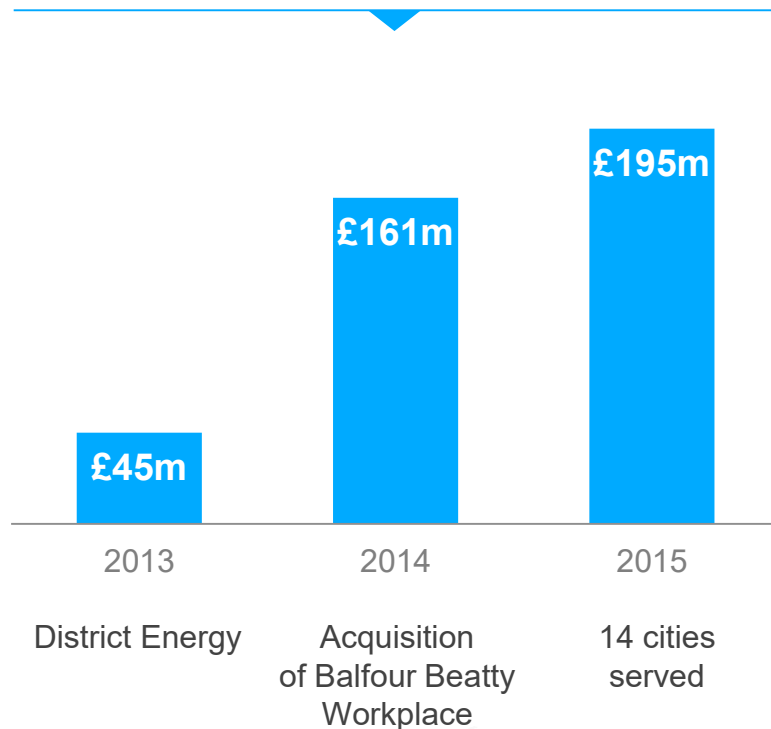
Chief Executive Officer of UK & Ireland



CITIES & COMMUNITIES: ENGIE'S REVENUE IN THE UK

ENGIE in the UK has significantly increased its presence in this market

TURNOVER



MAJOR CITIES REFERENCES



SOME EXAMPLES OF WORKING WITH LOCAL AUTHORITIES

LONDON LEGACY DEVELOPMENT CORP

- District Energy signed in 2007 with 40 year concession (value in excess of £1bn t/o)
- Investment of £100m in heating & cooling supply
- Total facility management including venue management for Queen Elizabeth Olympic Park
- Community Interest Company



NORTH EAST LINCOLNSHIRE COUNCIL

- 12 year, £260m Regeneration partnership signed in 2010
- Highways and transport, development, building control, regeneration, housing, architectural services, asset management and energy efficiency
- £170m of 3rd party investment and guaranteed £30m+ savings



NORTH TYNESIDE COUNCIL

- 10 year, £278m Business Services partnership signed in 2012
- Customer Services, Revenues & Benefits, Finance, HR, Payroll IT services & procurement
- £34m of guaranteed savings and a £90m growth target for the partnership



CESHIRE WEST & CHESTER COUNCIL

- 10 year, £200m joint venture signed in 2015
- Digital, telephony, face to face customer services, building maintenance, cleaning and business support
- Channel shift plan to move 50% of current telephone calls to the Council on-line through investment in ICT
- OJEU includes a wider range of services offer in North West



COMPETITIVE ADVANTAGES

- Providing solutions to the needs of Cities required to **integrate energy & services offers**
 - The complexity resulting from this integration requires skills few competitors have
 - ENGIE has a breadth few others have
- The partnerships we have developed put us in a **tier 1 position** with a greater **customer intimacy** than any other single service provider could have
 - We have aligned ourselves to our customers needs

Each of the single services require a **high degree of expertise...**



District Energy



Facilities Management



Smart Government



Energy Supply

HOW DO WE DRIVE PROFITABILITY FURTHER?

LEAN 2018

GREATER EFFICIENCY IN BACK OFFICES

- ENGIE's shared services is partially integrated with the Councils to drive greater economy of scale
- We are using robotic process automation to increase efficiency
 - 2016 National Customer Satisfaction Award: ENGIE has implemented robotics to serve North Tyneside

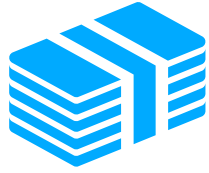
GREATER BUYING POWER

- Group-wide category management procurement programme
- A digital / web enabled platform supported by Coupa

THE ORGANISATION IS STREAMLINED FOR GREATER EFFICIENCY

- Our target operating model, resulting from combining our UK businesses has reduced the number of management layers
- Reduction in operational units results in savings in audit and legal fees, IT platforms and general overhead reductions

OUR AMBITION IN THE UK IN THE NEXT 3 YEARS



Revenue
x2

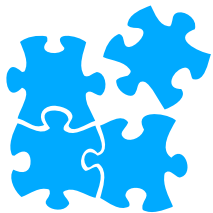


Number of Cities served
+50%



Increased capability in
Green Mobility

*Compressed Natural Gas
and Electrical Vehicles*



Further **Integration of Services**

Energy + Smart Government + Infrastructure + FM

- 3 new JV / ESCOs with services and energy integrated
 - ENGIE will supply energy to residents in our Partnership Cities
- 50% of our contracts have Smart Government services with digital capabilities
- We will expand into housing refurbishment and property management

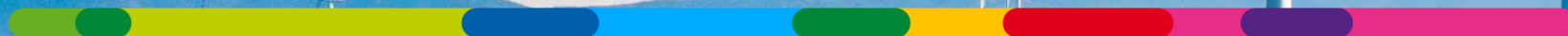
Focus on B2C

Investor workshop

June 28th, 2016

HERVE-MATTHIEU RICOUR

Chief Executive Officer B2C France



AGENDA

STRONG INTERNATIONAL PRESENCE

- 23 million contracts in gas, power, services
- 12 countries

PRIORITIES

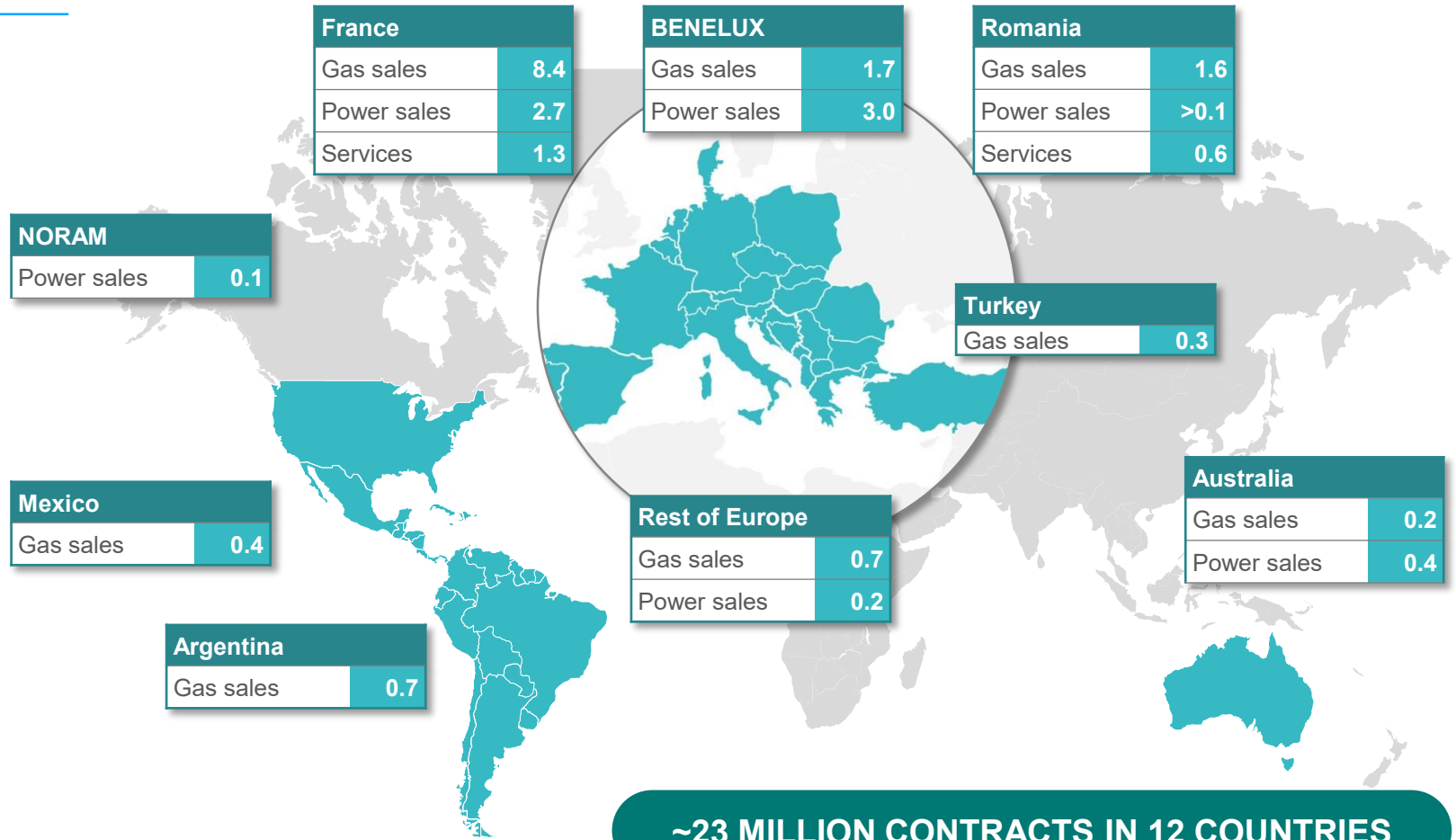
- Boost the growth of existing portfolios
- Develop & test integrated offers
- Develop decentralized generation solutions in emerging countries
- Enhance operational and commercial performance by reducing costs

FRANCE: A MAJOR CONTRIBUTOR

- Promising brand
- Growth
- Extensive product portfolio
- Sales optimization
- Increasing digitalized customer experience
- Contribution to the Group transformation effort

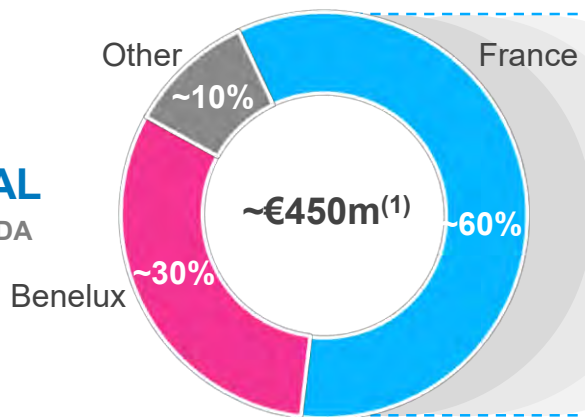
STRONG INTERNATIONAL B2C PRESENCE

Million contracts, end 2015

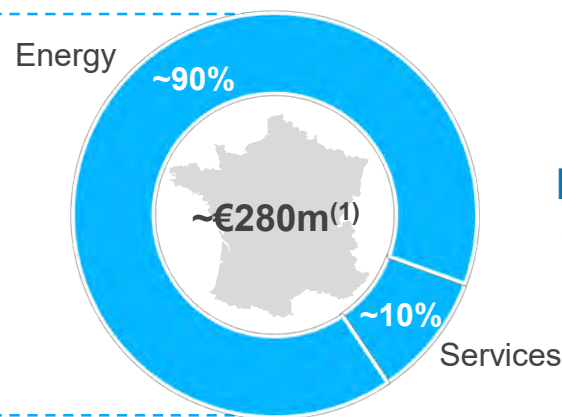


FRANCE: A MAJOR CONTRIBUTOR

B2C GLOBAL
2015 EBITDA



B2C FRANCE
2015 EBITDA



COMPETITIVE ADVANTAGES

- **Largest unregulated customer base in France**
→ Opportunities for upsell
- **Local on-field presence everywhere in France (> 200 sales agencies)**
→ Cross-selling synergies
- **Outstanding leader brand recognition**
→ Support to sales and retention
- **Leverage on Group stronghold**
→ Foster innovation
- **Strong presence and efficiency on all types of sales channels**
→ Growth lever

(1) Average weather conditions in France, proforma Solfea equity consolidated



FOCUS ON FRANCE B2C

—

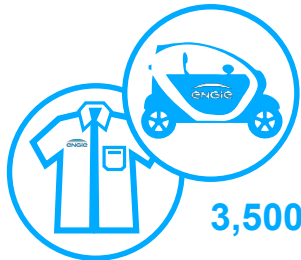


ENGIE BRAND: KEY ASSET & ALREADY PROMISING BRAND RECOGNITIONS

ENGIE brand is now everywhere



Website (1.5m unique visitors/month) and bills



18,000 cars (all businesses)

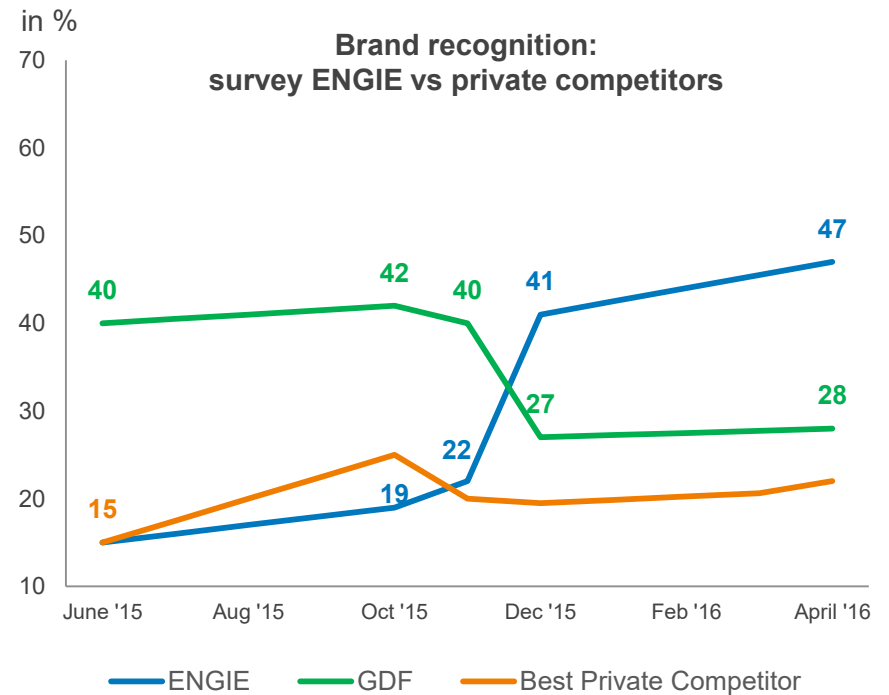
3,500 technicians on the field

Public marketing material



Marketing from TV to leaflets at home

... with a growing reputation ...



... and already a better than ever recognition for our electricity brand

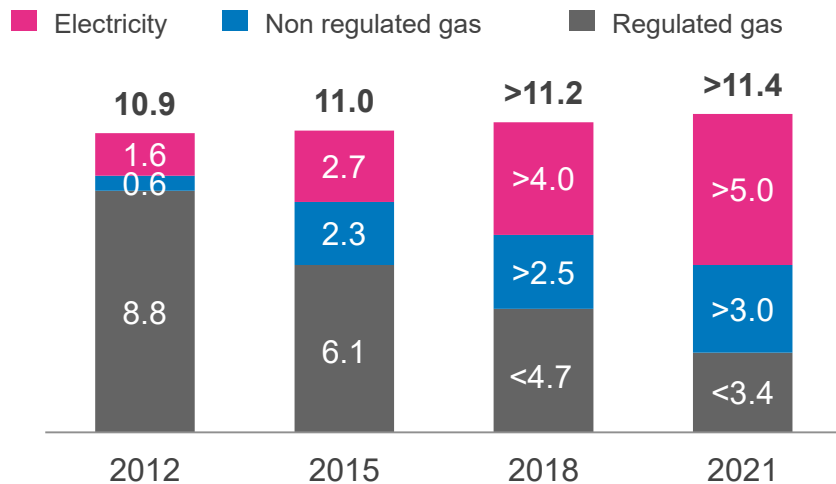


GROWTH: A PORTFOLIO OF CUSTOMERS GROWING BOTH IN ENERGY AND IN SERVICES

Increasing new energy contracts

- Strong momentum in the French market for switching to non regulated tariffs
- 2016 pivotal year with more unregulated contracts than regulated

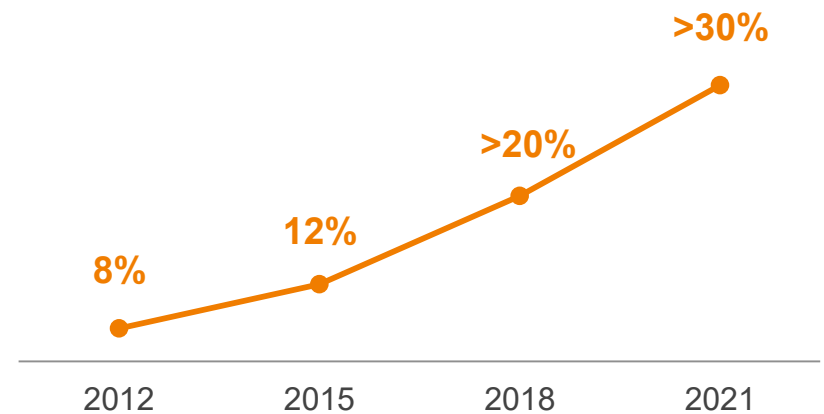
million energy contracts



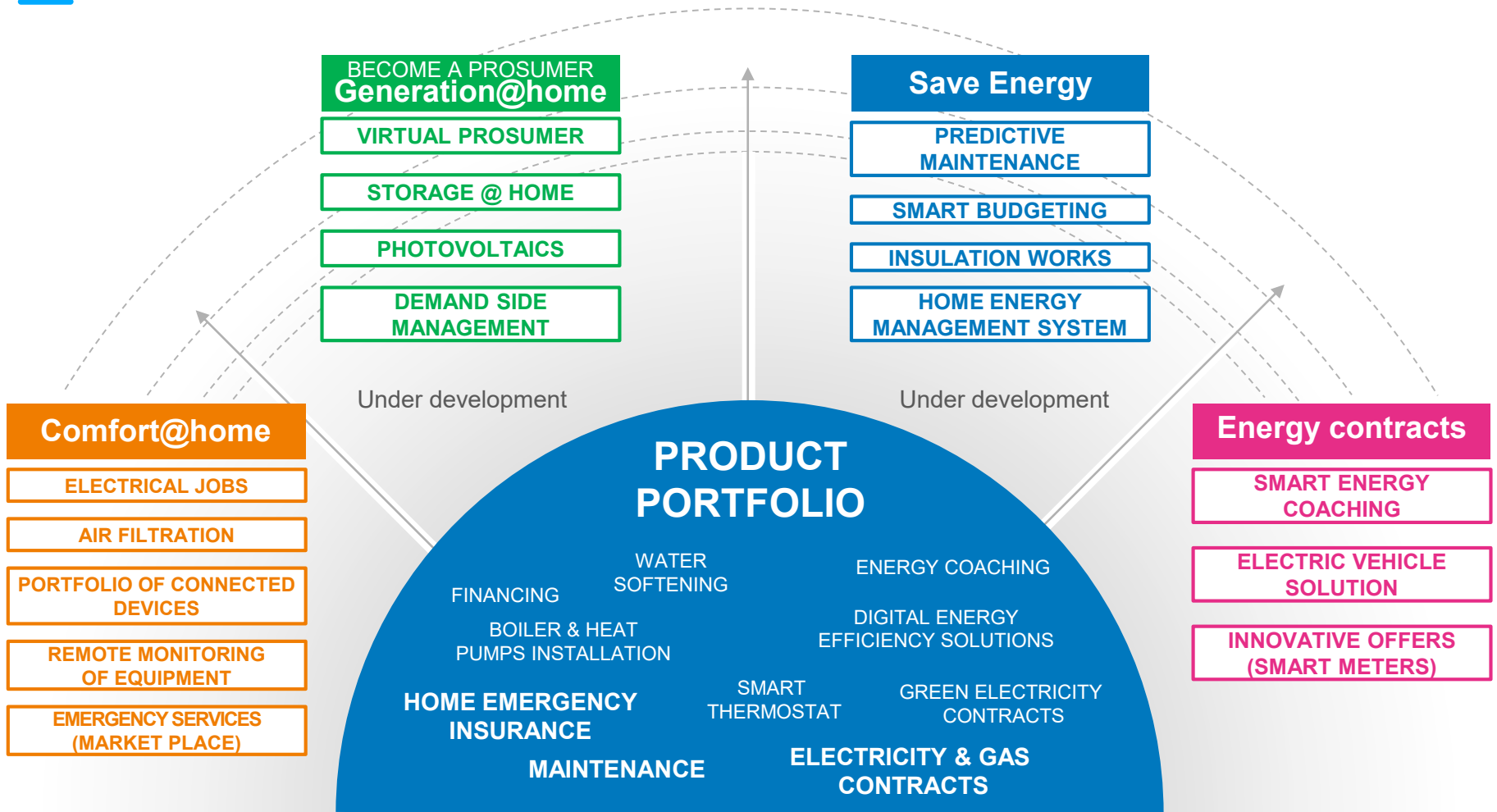
Increasing services cross-selling

- Accelerate deployment of innovative / value added energy solutions
- Cross selling opportunities

% energy customers with one or several services contracts



PRODUCTS: EXTENSIVE PORTFOLIO ALREADY



PRODUCTS: EXAMPLES OF RECENT PRODUCT LAUNCHES

	Products	Launch date	Value for customer	ENGIE's differentiation
"ELEC WEEK-END" FOR CONSUMERS	Innovative offers	June 2015	-30% on electricity price in WE Based on smart metering	Unique offer in France for Linky customers
NETATMO & NEST	Smart thermostat	2015 & 2016	Smart thermostats	The only energy company in France advocating both solutions
GREEN ELECTRICITY PLAN FOR SOHO⁽¹⁾	Green Electricity contracts	June 2016	-20% consumption on 1 st year Fixed price on the 2 following years Green certificate	ENGIE's electricity for SOHOs only green
WATER SOFTENING	Equipment purchase one shot or monthly fee	June 2016	Savings on gas consumption Comfort Maintenance & support included	All-in-one offer, everywhere in France

(1) SOHO: Small Office Home Office



STRONG PRESENCE AND EFFICIENCY IN ALL TYPES OF SALES CHANNELS

—



SALES: WE ARE DECREASING CTA WHILE INCREASING % OF SALES ON HIGH VALUE CUSTOMERS

Decreasing Cost To Aquire (CTA)

Unitary acquisition cost
(Index 100, average on all channels)

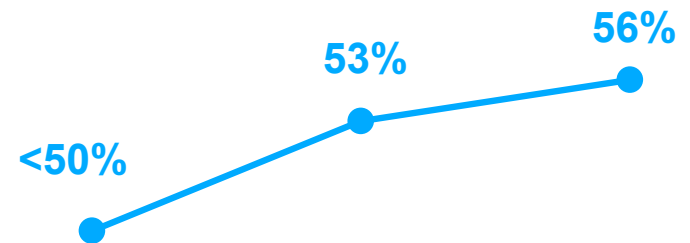


2014 2015 Jan-Apr 16

- Lower CTA due to better targeting and optimized sale process

Increasing % sales on high-value customers

% sale on high-value customers

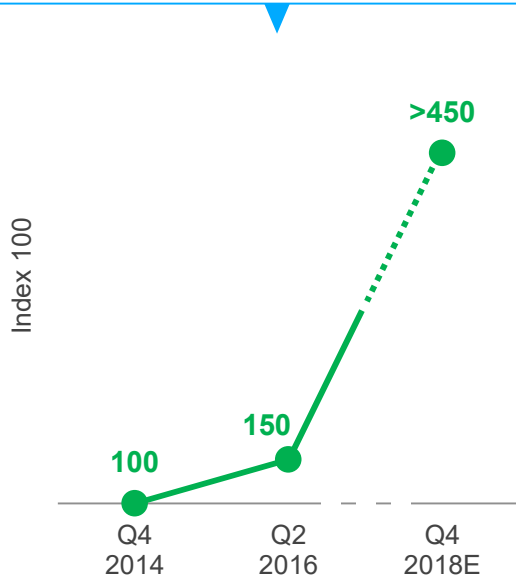


2014 2015 Jan-Apr 16

- % of high value customer acquisition higher than market average, and growing

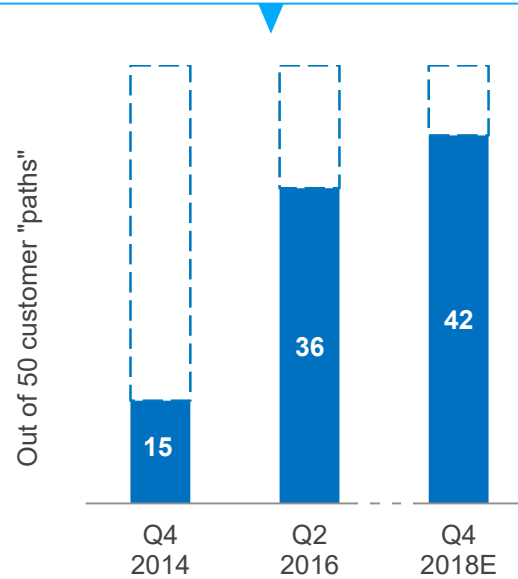
WEB: ALREADY SIGNIFICANT RESULTS IN DIGITALISATION OF SALES AND CUSTOMER SUPPORT AND LOTS OF GROWTH AHEAD

Increasing sales through internet



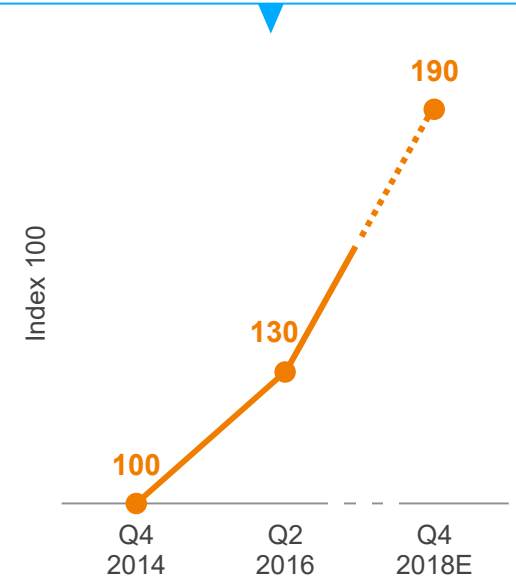
- Ongoing progress in the digitalization of sales
- Substantial increase expected

Increasing digitalized customer experience



- Interaction with customers to be increasingly digitally channelled

Increasing customer self-care



- Ongoing digitalization of the customer experience with increasing self-care

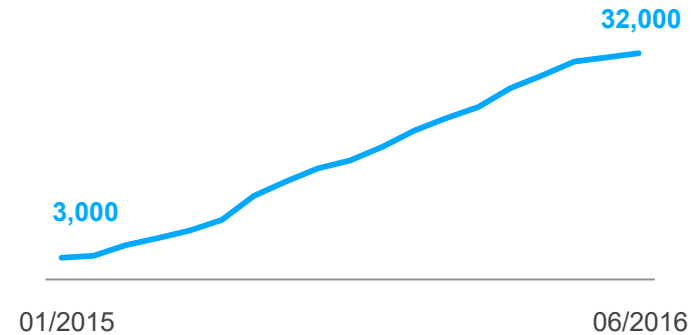


WEB EXAMPLE: HAPP-E, OUR DIGITAL NATIVE BRAND



- 10% discount vs. incumbent on power consumptions
- 100% online service: subscription, customer account, customer relations, invoicing ...
- With flash electronic signature, become a customer within 5' anytime of the day (24/7)
- For customers relocating and not relocating
- ROI based customer acquisition

From 3,000 to 32,000 customers over 18 months



44% high value customers (≥ 9 kVA)
Low cost structure

Other web initiatives

WWW.MANOUELLECHAUDIERE.FR
(2016)

« STATUS OF MY SWITCH »
(2016)

LEAN 2018: INCREASING EFFICIENCIES

Costs: *Lean 2018* & operational efficiency

BU transformation plan launched in 2015

38 major initiatives

60% of 2018 target already covered by identified & launched actions

60%

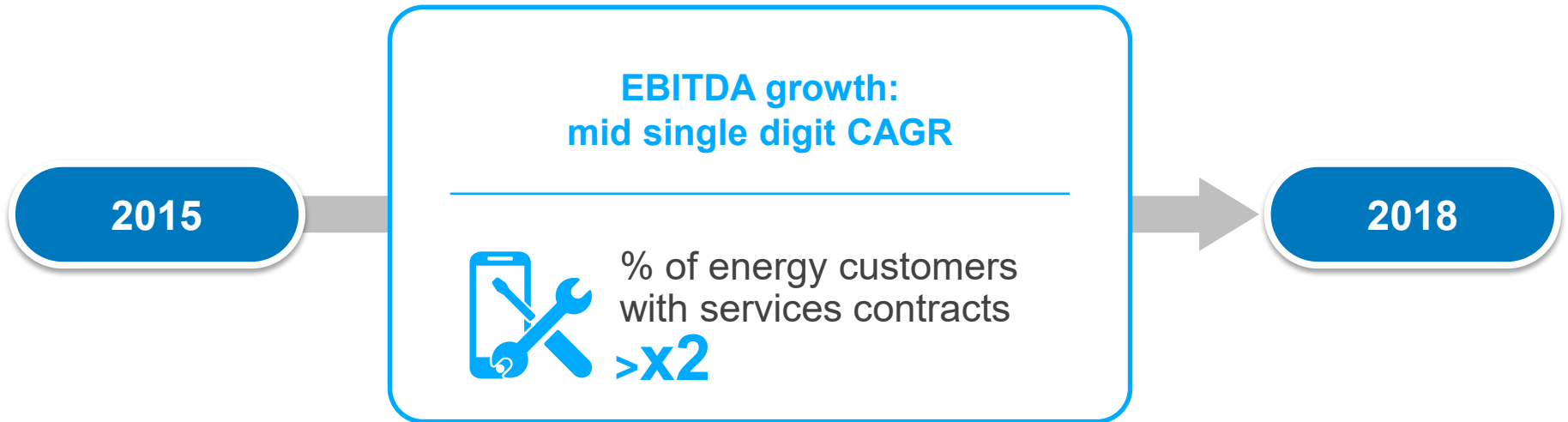
- Adapt the organisation to the increased digital impact
- Reduce IT and G&A expenses
- Stop loss making activities

Decrease our cost to serve

Increase our energy margin

Increase the share of services in our turnover and the COI margin rate

B2C FRANCE CONTRIBUTION TO THE GROUP TRANSFORMATION EFFORT



Increasing number of products in both supply and services

Sales of energy more and more digitalized

Increasing customer brand loyalty with local services and quality of experience

GLOBAL NETWORKS FOCUS ON GAS INFRASTRUCTURES

Investor workshop

June 28th, 2016

Sandra LAGUMINA

Executive Vice President in charge of French gas infrastructures, GTT and China

ENGIE



GLOBAL NETWORKS, FOCUS ON GAS INFRASTRUCTURES

**GLOBAL
NETWORKS
STRENGTHS**

**VALUE CREATION
DRIVERS AND KEY
COMPETITIVE
ADVANTAGES**

**GLOBAL
NETWORKS
PAVE THE WAY
FOR NEW ENERGY
SYSTEMS**

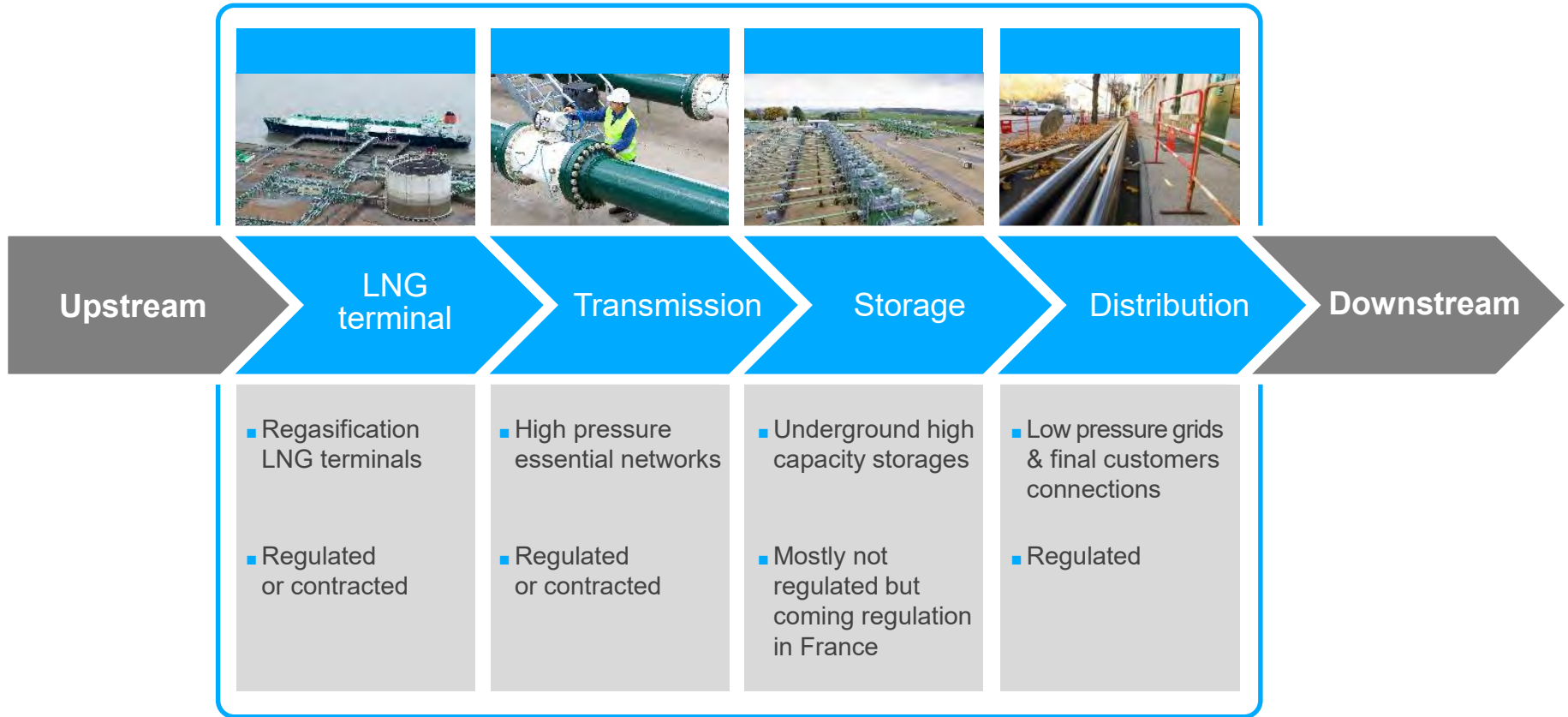
GLOBAL NETWORKS, FOCUS ON GAS INFRASTRUCTURES

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INFRASTRUCTURES IN THE GAS VALUE CHAIN



Long term assets at the heart of gas value chain

ENGIE INTERNATIONAL FOOTPRINT



A WORLDWIDE PRESENCE

LATIN AMERICA

Mexico



- 3rd private gas transmission company, with over 1,000 km of pipelines
- 2nd natural gas distribution company, 420,000 customers and 10,000 km grid
 - ▶ Los Ramones : Build, Own, Operate
291 km project with USD capacity payment-based, 25y transportation services agreement / COD May 2016

Peru



- 230 km transmission pipelines

Chile



- 3rd player with 2,340 km of pipelines

Argentina



- 700,000 customers
- 12,000 km distribution grid



ASIA

Thailand



- 300 industrial customers
- 240 km distribution grid

EUROPE excluding France

Romania



- 1.6 million customers
- 19,000 km distribution grid
- Remuneration model: regulatory WACC + incentives ; price cap with yearly volume correction

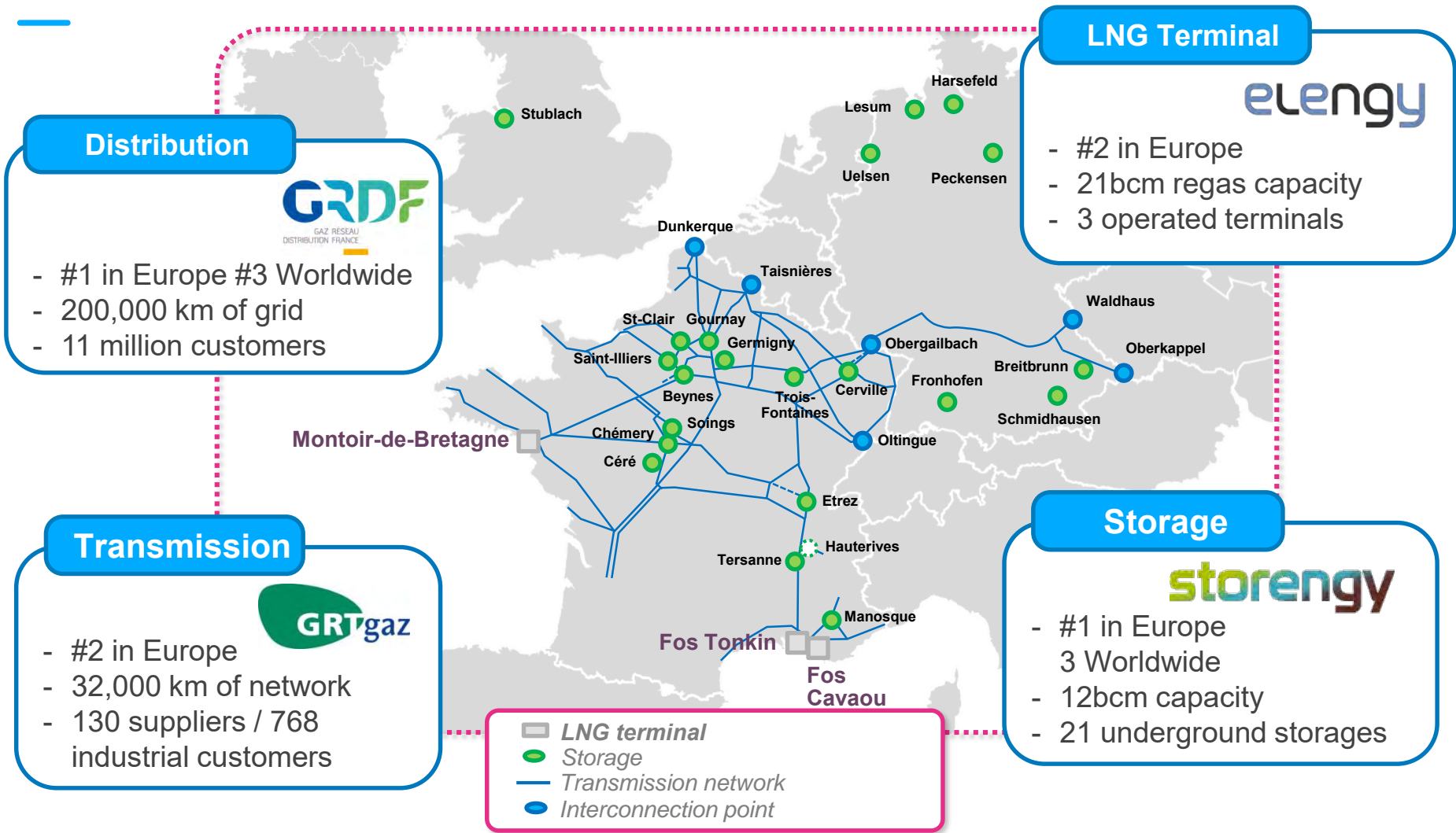
Turkey



- 300,000 customers
- 2,400 km distribution grid
- Remuneration: price cap model, license until 2033

Selected presence in key countries and new geographies of development such as China, Indonesia and Morocco

FRANCE: A STRATEGIC STRONGHOLD



Distribution



- #1 in Europe #3 Worldwide
- 200,000 km of grid
- 11 million customers

LNG Terminal



- #2 in Europe
- 21bcm regas capacity
- 3 operated terminals

Transmission



- #2 in Europe
- 32,000 km of network
- 130 suppliers / 768 industrial customers

Storage



- #1 in Europe
- 3 Worldwide
- 12bcm capacity
- 21 underground storages

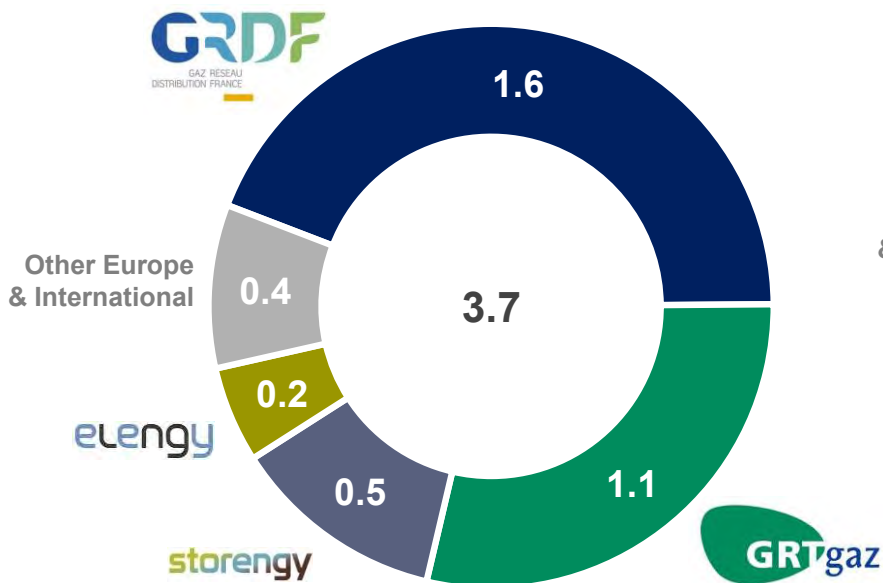
- LNG terminal
- Storage
- Transmission network
- Interconnection point

GLOBAL NETWORKS STRENGTHS

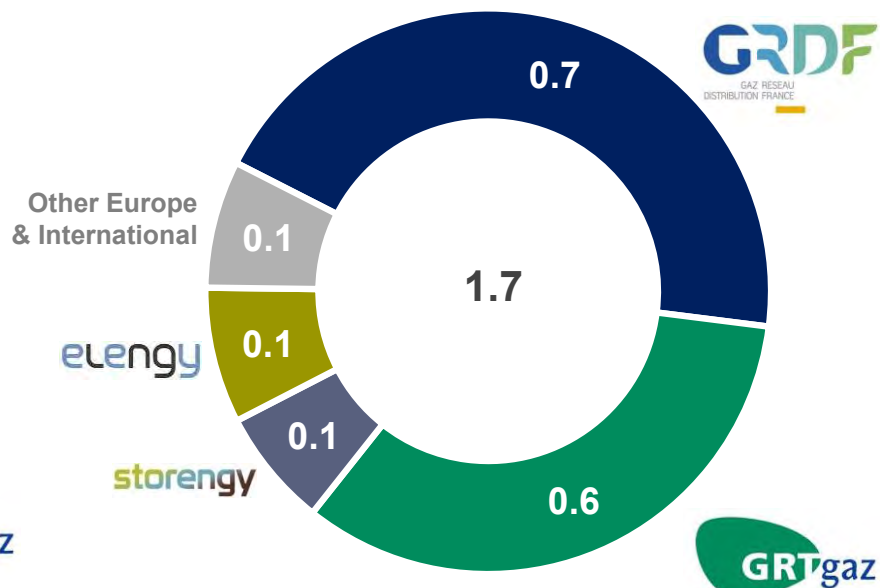
KEY FINANCIAL STRENGTHS

SUPPORTING GROUP'S PERFORMANCE

EBITDA 2015 (IN €BN)



CAPEX 2015 (IN €BN)



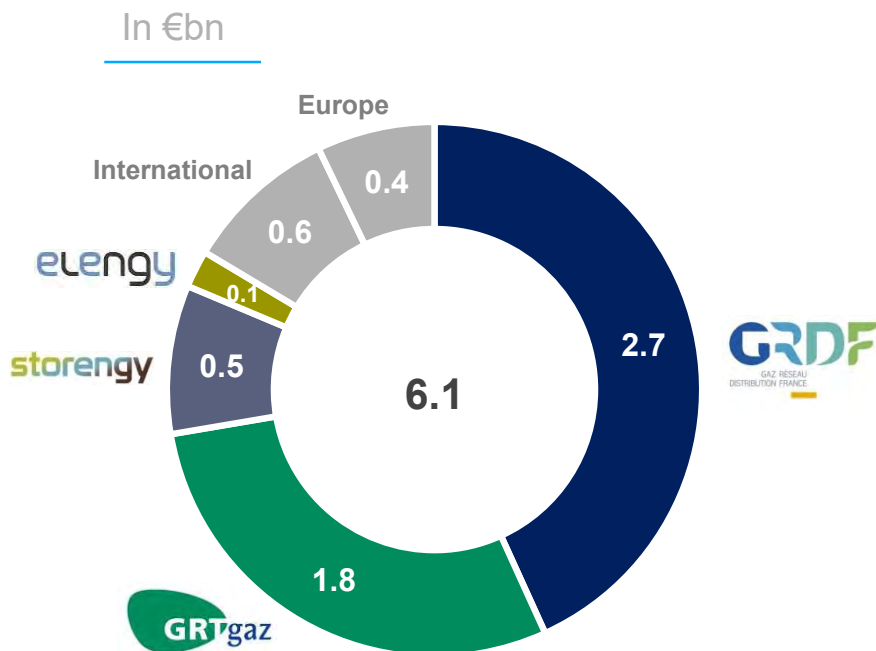
CAPITAL EMPLOYED

Gas infrastructures account for **35%** of Group Capital employed

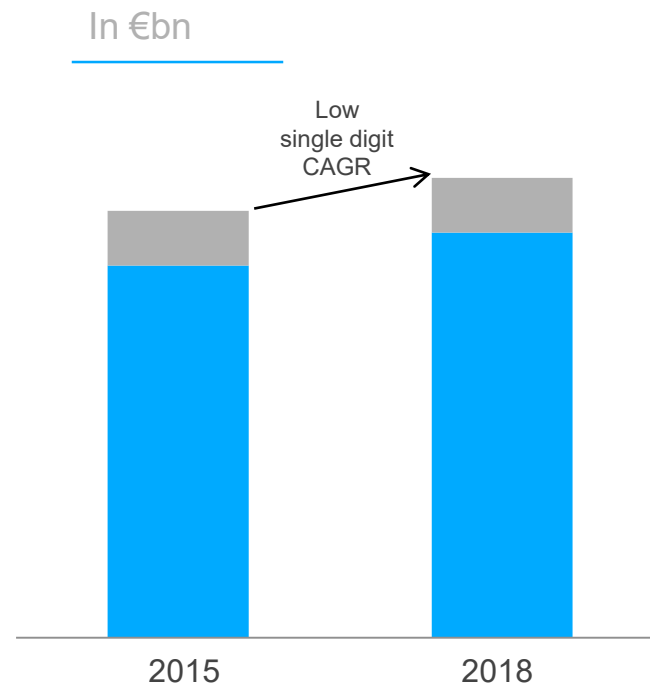


SECURE AND ATTRACTIVE FINANCIAL OUTLOOK

INFRASTRUCTURES CAPEX 2016-2018



EBITDA



- Other Europe & International
- Infrastructures Europe

(1) Assuming unchanged regulation



GLOBAL NETWORKS, FOCUS ON GAS INFRASTRUCTURES

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STRENGTHS

VALUE CREATION
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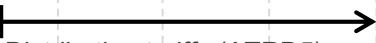

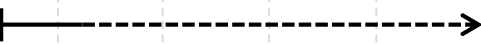

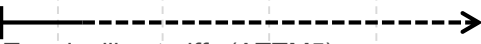


GLOBAL
NETWORKS
PAVE THE WAY
FOR NEW ENERGY
SYSTEMS

ROBUST, TRANSPARENT AND ATTRACTIVE REGULATORY FRAMEWORK IN FRANCE



Over the years, French gas BUs developed a deep and recognized knowledge of the regulatory system and built a stable and reliable dialogue with the French regulator

FRANCE: A STABLE REGULATION SYSTEM

	2016	2017	2018	2019	2020	2021	RAB remuneration (real pre-tax)	Average 2015 regulated asset base (in €bn)
 Distribution (200,000 km gas pipelines 11m clients)		 Distribution tariffs (ATRD5)					5.0% ⁽¹⁾ + incentives of 200 bps over 20 yrs for Gazpar	14.5
 Transmission (32,000 km gas pipelines)		 Transmission tariffs (ATRT6)					6.5% ⁽²⁾ + incentives up to 300 bps over 10yrs	7.6
 LNG terminals (regas capacity of 21 bcm/yr)		 Terminalling tariffs (ATTM5)					8.5% ⁽²⁾ + incentives 125 bps	1.2
 Gas storage (storage capacity of 12,2 bcm 21 sites of which 14 in France)		 Storage regulated revenue in France (ATS1): negotiating the first regulatory framework with the ERC						

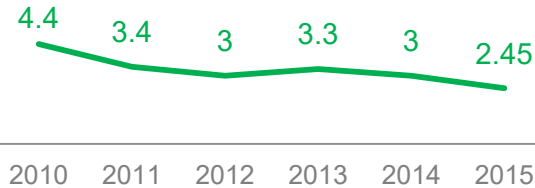
(1) Starting July 1st, 2016
 (2) Current remuneration rate

VALUE CREATION ACROSS INFRASTRUCTURES IN FRANCE: CONCRETE EXAMPLES

Safety first

- A united goal towards zero incidents

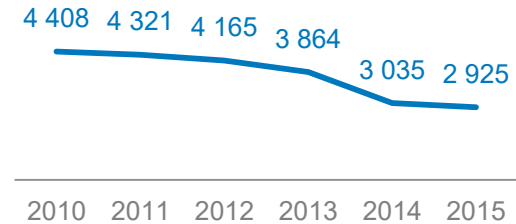
INFRASTRUCTURES FRANCE
EVOLUTION OF FREQUENCY RATE



Environmental awarness

- A strong effort to mitigate any potential risks

THIRD PARTIES DAMAGES TO GRDF GRID

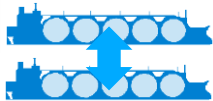


Industrial dynamism

- Ability to rapidly adapt existing infrastructures to demand evolution and seize new opportunities

SHIFTING ELENGY REGAS FACILITIES INTO LNG HUBS WITH NEW SERVICES

SHIP-TO-SHIP



LNG TRUCKS



Clients and stakeholders satisfaction improvement

- **GRTgaz:** relevant stakeholders survey = 90% satisfied (2014)
- **GRDF:** constant clients satisfaction growth from 79% (2010) to 93% (2015)

Leveraging our competencies to expand beyond our core business

GEOHERMAL DEVELOPMENTS
BASED ON GAS UNDERGROUND
STORAGE COMPETENCIES



GLOBAL NETWORKS, FOCUS ON GAS INFRASTRUCTURES

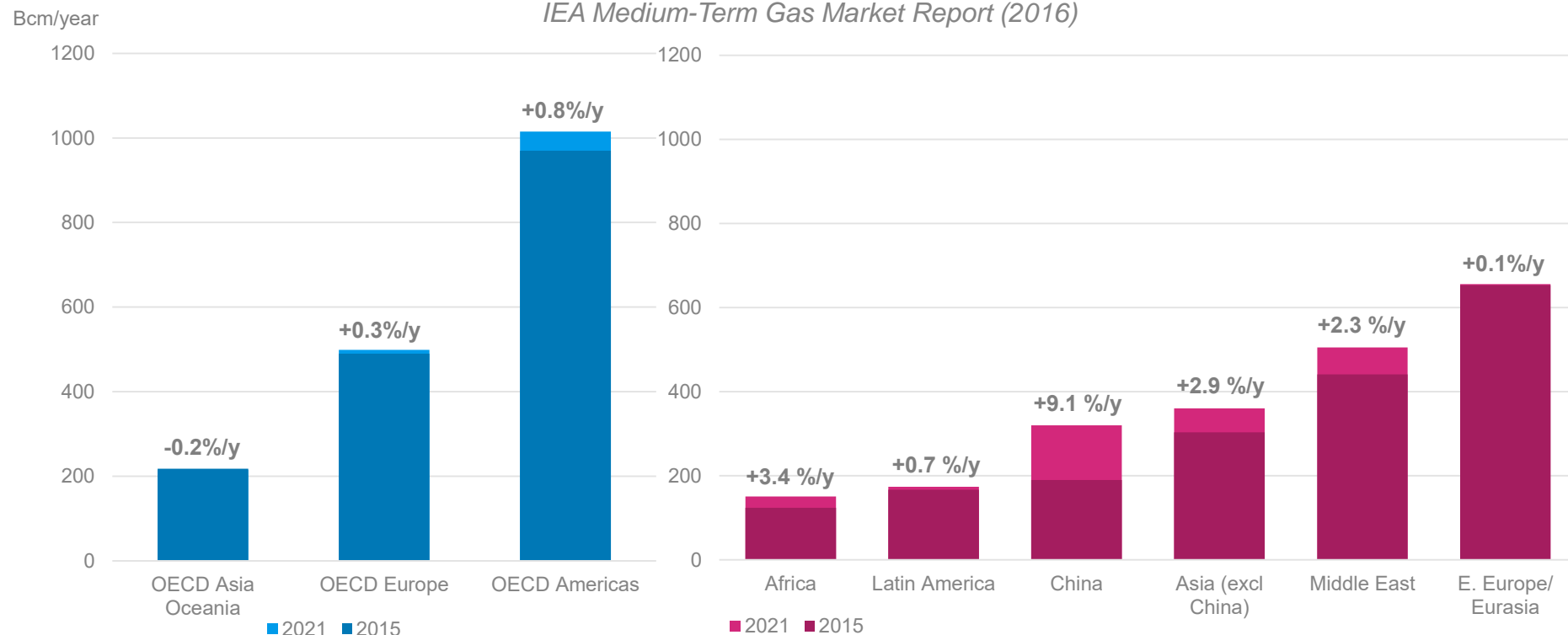
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A MAJOR ROLE FOR GAS IN THE FUTURE ENERGY MIX

World gas demand: +341bcm in 2021
 IEA Medium-Term Gas Market Report (2016)



Steady gas demand in OECD countries comforting positions

High gas demand growth in non-OECD countries offering new opportunities especially in Asia and China

GOING GREEN: NEW TRENDS CREATING NEW OPPORTUNITIES

GREEN GAS

- 350 biomethane-to-grid plants in operation in Europe of which 20 in France - 10% in 2030 legal target
- Worldwide potential of 850bcm/y (IEA)



ENERGY EFFICIENCY & NEW USES

- Gas heat pumps, solar-gas solutions, hybrid heat pumps, smart thermostat, natural gas fuel cell already commercialized
- Small scale LNG development



GREEN MOBILITY

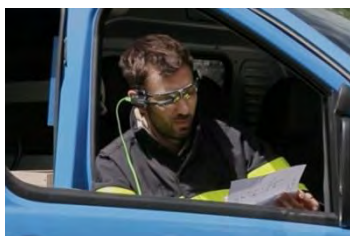
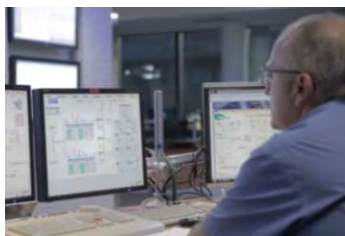
- (Bio)CNG for light to medium duty vehicles
- (Bio)LNG for long-haul trucks and vessels



DIGITALIZATION: A FOOTSTEP FOR REVOLUTION

DIGITALIZATION

- Smart gas grids including SCADA & remote command & control to reduce costs and losses
- Augmented reality, big data & smart apps are transforming professional practices from operations to final consumers of natural gas



GAZPAR

TOWARD SMART AND OPTIMIZED ENERGY CONSUMPTION MANAGEMENT

- Pilot phase for 2016 of 150,000 smart meters. General roll-out for 11 million customers to be achieved by 2022
- Net investment €1bn
- Incentive regulation with an attractive WACC 7%: 200bps incentive if roll out matching schedule and costs

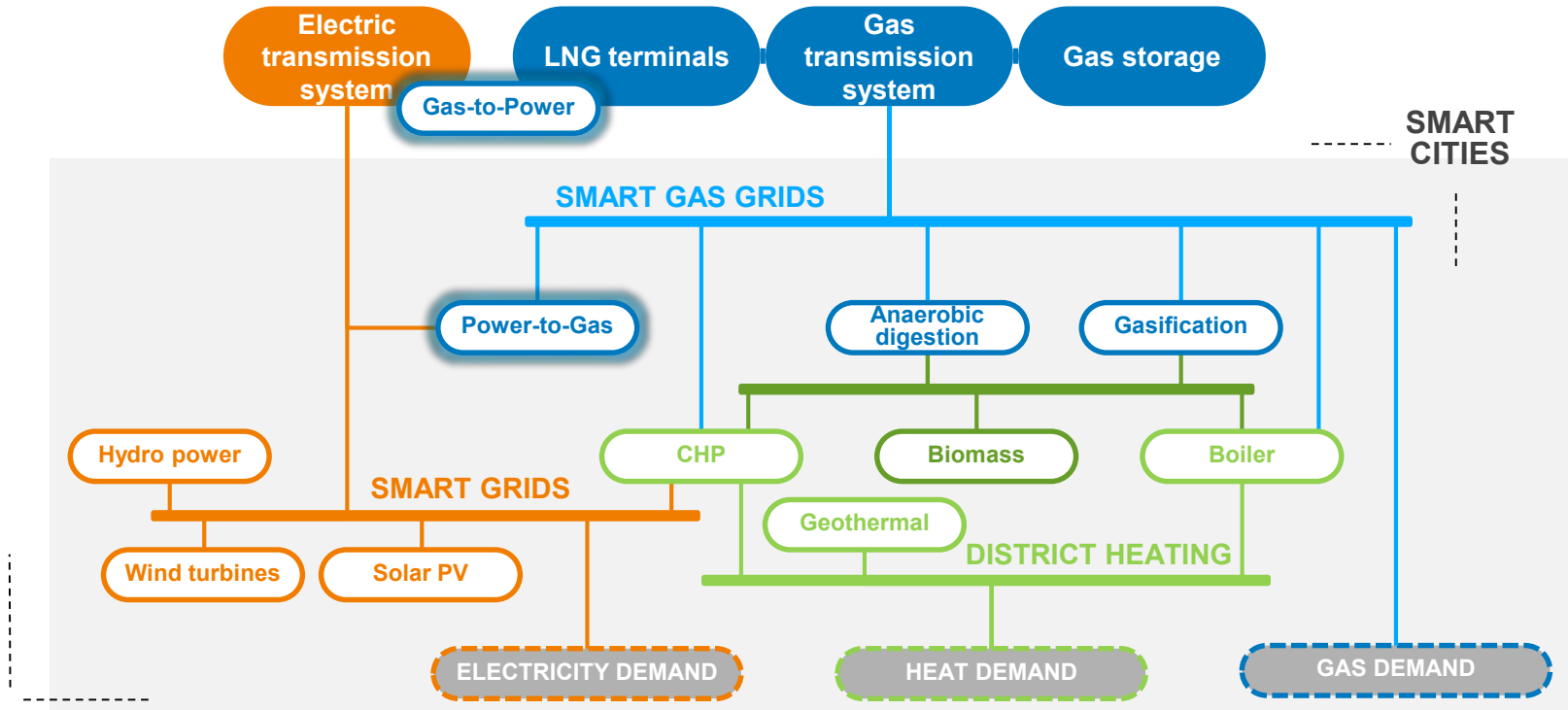


Gazpar®

Design: Emmanuel Cairo

GAS INFRASTRUCTURES ARE THE CORNERSTONE OF THE ENERGY REVOLUTION

(Toward global networks / flexi-complementarity)



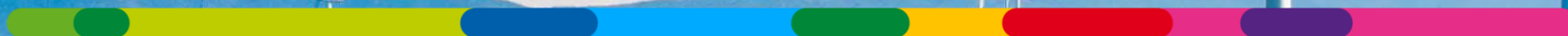
- Natural gas infrastructures deliver high storage and transmission capacities for smart energy systems
- Power-to-gas development opens new systemic optimization
- Natural gas infrastructures are critical for RES back-up & energy storage solutions

Low CO₂ Power Generation in Energy Transition

Investor workshop

June 28th, 2016

Shankar KRISHNAMOORTHY
Managing Director – Centralised Generation



AGENDA

**IPP LEADER
POISED FOR
GROWTH IN
RENEWABLES
MARKET**

**GAS &
RENEWABLES
AT THE CORE
OF ENGIE
AMBITIONS**

**A COMMITMENT
TO OPERATIONAL
EXCELLENCE**

AGENDA

**IPP LEADER
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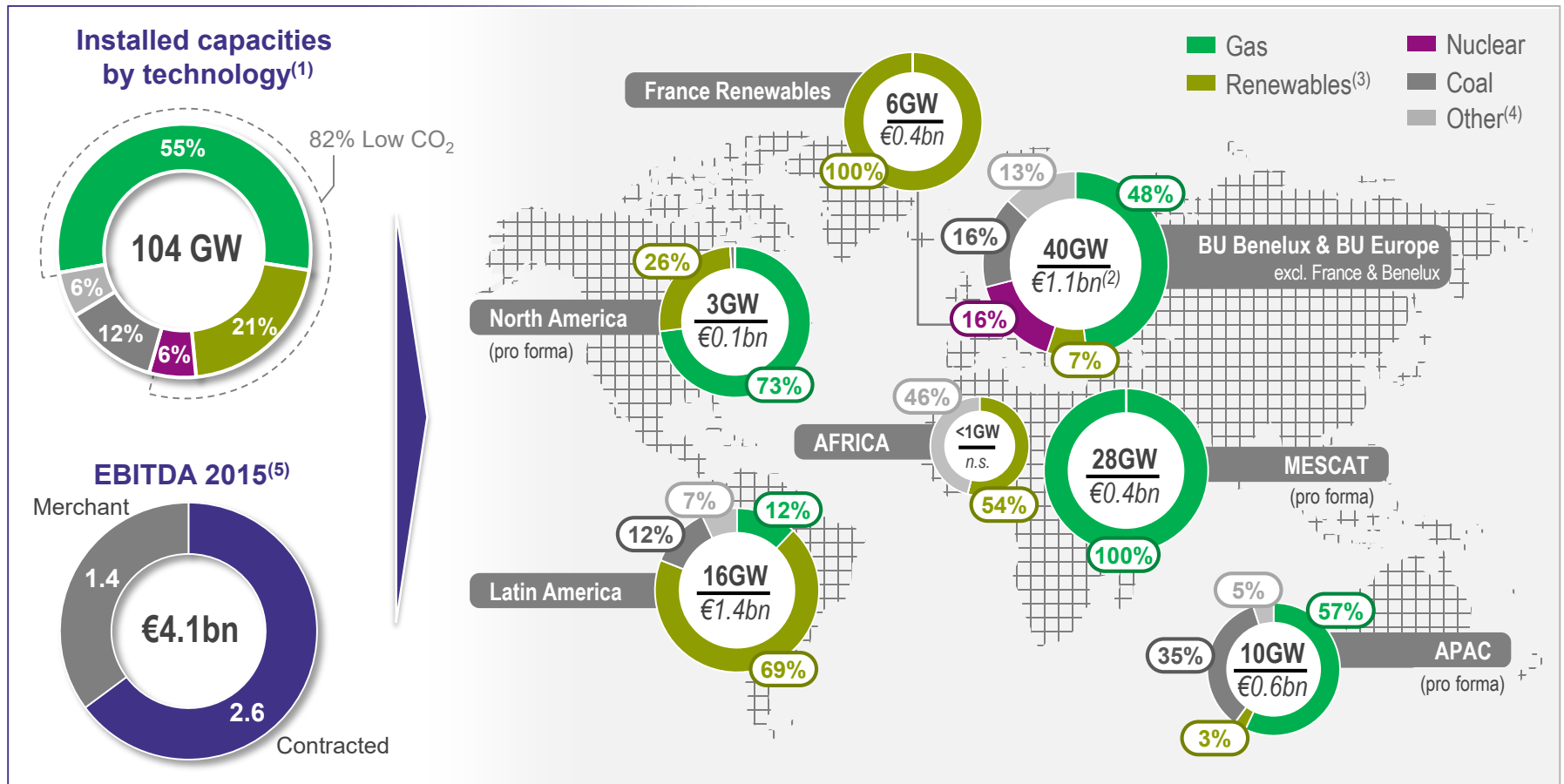
**GAS &
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ENGIE LOW CO2 POWER GENERATION TODAY

GLOBAL MAJOR WITH A LOW CO₂ AND HIGHLY CONTRACTED ASSET PORTFOLIO

INSTALLED CAPACITIES ⁽¹⁾ & EBITDA 2015



(1) 31/12/2015 figures at 100% – pro forma announced disposals (US & coal Indonesia / India)
 (2) Including EBITDA for Global Energy Management
 (3) Excluding pumped storage for hydro capacity
 (4) Including pumped storage for hydro capacity
 (5) Pro forma announced disposals (US & coal Indonesia / India), corresponding to €4.7bn prior to adjustment.



COMPETITIVE ADVANTAGES

Strong teams across geographies with proven experience

**Partnerships, adaptation to markets, technologies,
competitive landscapes**

Contracted business model with stable contributions

**Integration of ideas, talent, skills
via acquisitions such as Solairedirect**

Long term renewables player including GW-scale solar base

LEADERSHIP POSITIONS IN FAST GROWING MARKETS

	TRACTEBEL ENERGIA BRAZIL	MIDDLE EAST	GLOW THAILAND
LEADING POSITIONS	<ul style="list-style-type: none"> 1st IPP with 9 GW⁽¹⁾: 80% hydro, 15% thermal 	<ul style="list-style-type: none"> 1st IPP in GCC with 26 GW⁽¹⁾: 100% gas 	<ul style="list-style-type: none"> Leading cogenerator with 2 GW (plus 1.5 GW IPP)⁽¹⁾, mostly thermal
CONTRACTED BUSINESS MODEL	<ul style="list-style-type: none"> Fully contracted under LT PPAs with DisCos⁽²⁾ (30y) and C&I customers (5y avg, recurring contracts) Inflation indexation 15y remaining duration for DisCos PPAs 	<ul style="list-style-type: none"> 15 to 40y PPAs with state-owned offtakers Mostly dollarized 15y remaining duration 	<ul style="list-style-type: none"> 25y PPAs with state-owned offtaker (IPP) and 15-20y PPAs with industrial customers (mainly blue chip petrochem) 13y remaining duration
COMPETITIVE ADVANTAGES	<ul style="list-style-type: none"> Complementary energy sources AAA local funding incl. BNDES⁽³⁾ Low cost operator No currency mismatch 	<ul style="list-style-type: none"> Experience in competitive bids >30 equity partners Project financing of Bn\$+ deals 	<ul style="list-style-type: none"> Bundling of energy products & services Low cost financing (project finance & corporate bonds)
EBITDA 2015	~€0.8bn	~€0.3bn	~€0.5bn
ROCE 2015	~13%	~25%	~11%

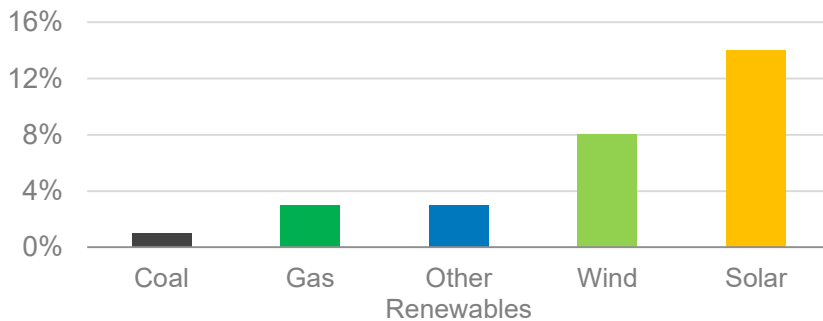
Demonstrated competitiveness and operational excellence helping build and sustain leadership positions in several key markets

(1) 12/31/2015 figures at 100% - installed capacities; (2) Distribution companies; (3) Brazilian Development Bank

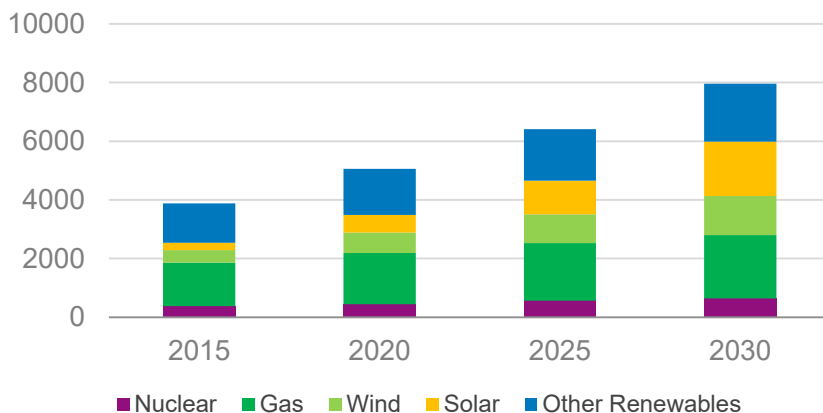
SUPPORTIVE GLOBAL MARKET TRENDS FOR RENEWABLES

GLOBAL ENERGY CAPACITY FORECAST

Additional capacity 2015-2030
(CAGR by technology)



Additional capacity in low CO₂ technologies
(GW, cumulative)



Sources: Bloomberg New Energy Finance, IEA, ENGIE

RENEWABLES AMBITIONS

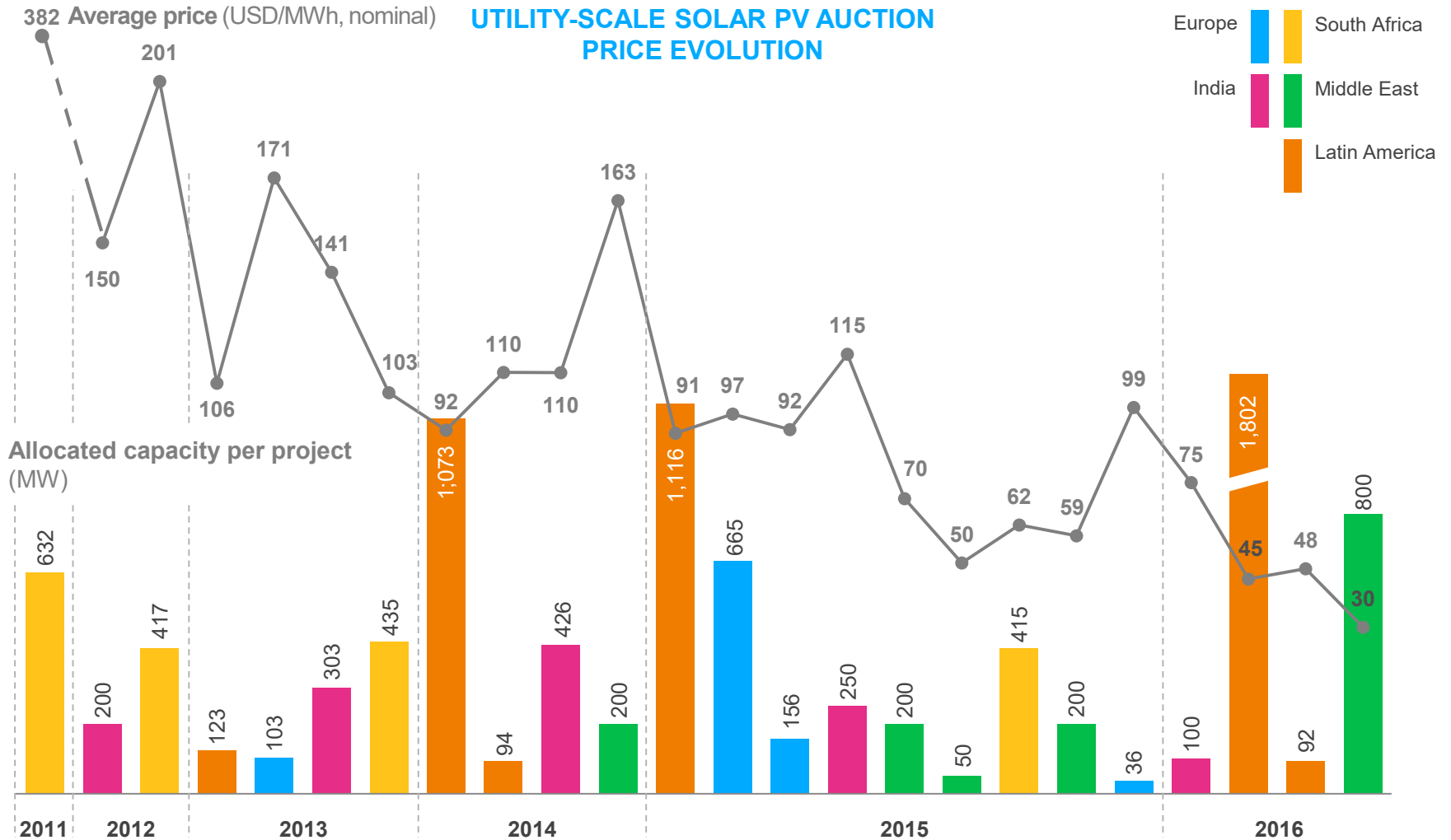
Country	Technology	Ambition
China	Solar	100 GW by 2020
	Non-fossil fuels	15% by 2020 (share of primary energy consumption)
India	Solar	100 GW by 2022
	Wind	60 GW by 2022
USA	Coal retirement	20 GW by 2022
Morocco	Renewables	32% by 2020, 52% by 2030
Saudi Arabia	Solar	9.5 GW by 2023
	Gas	70% of energy mix (from 50%)

RENEWABLES DEVELOPMENT DRIVERS

- Reduced LCOE⁽¹⁾
- Ease, simplicity, and speed of implementation
- Supply chain without traditional limits in manufacturing
- CO₂ reduction
- Strengthened regulation

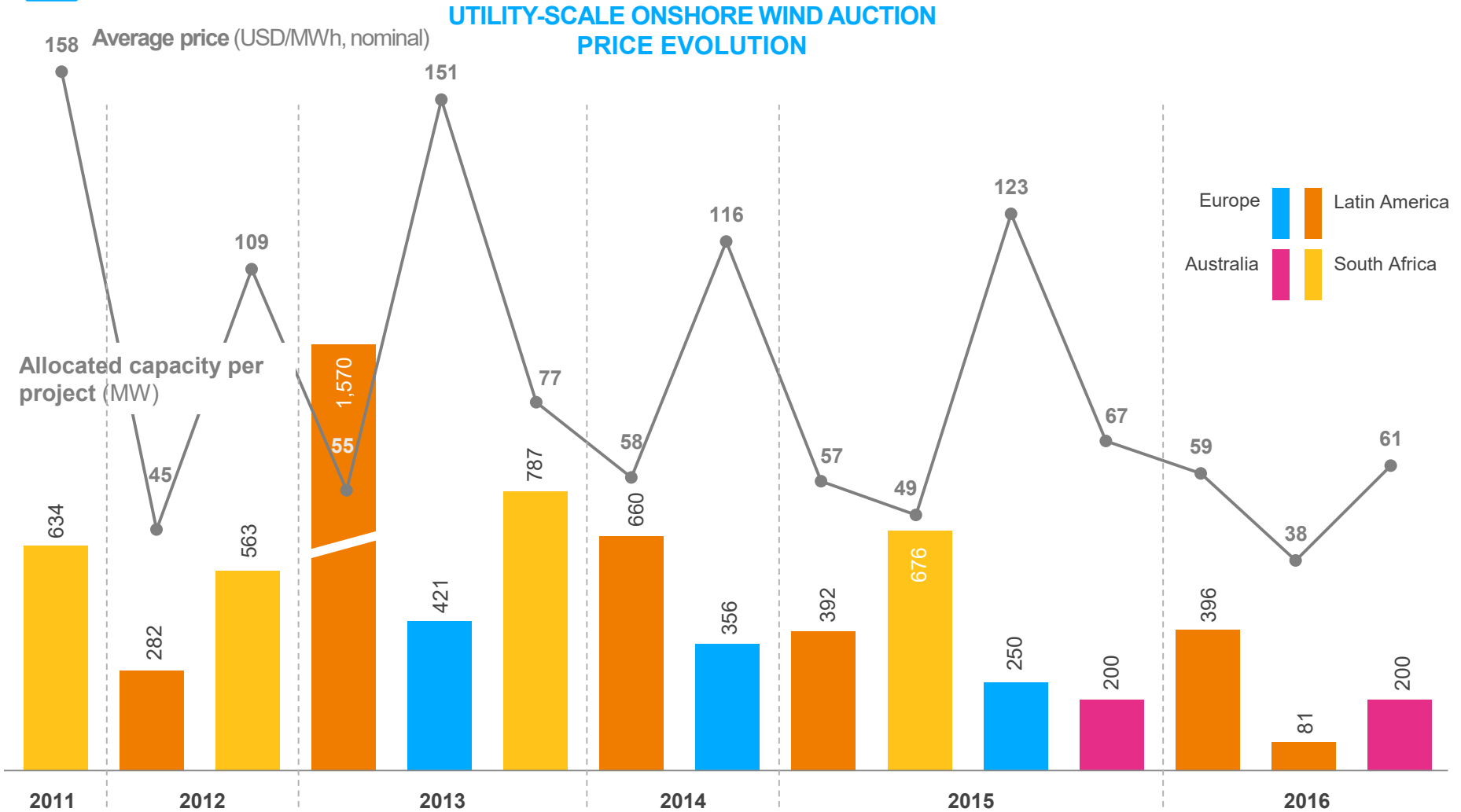
(1) Levelized Cost Of Energy

MASSIVE REDUCTION IN SOLAR LCOE⁽¹⁾



Source: Bloomberg New Energy Finance, ENGIE
 (1) Levelized Cost Of Energy

REDUCING TARIFFS FOR ONSHORE WIND



Source: Bloomberg New Energy Finance, ENGIE Low CO2 Power Generation Market Intelligence



AGENDA

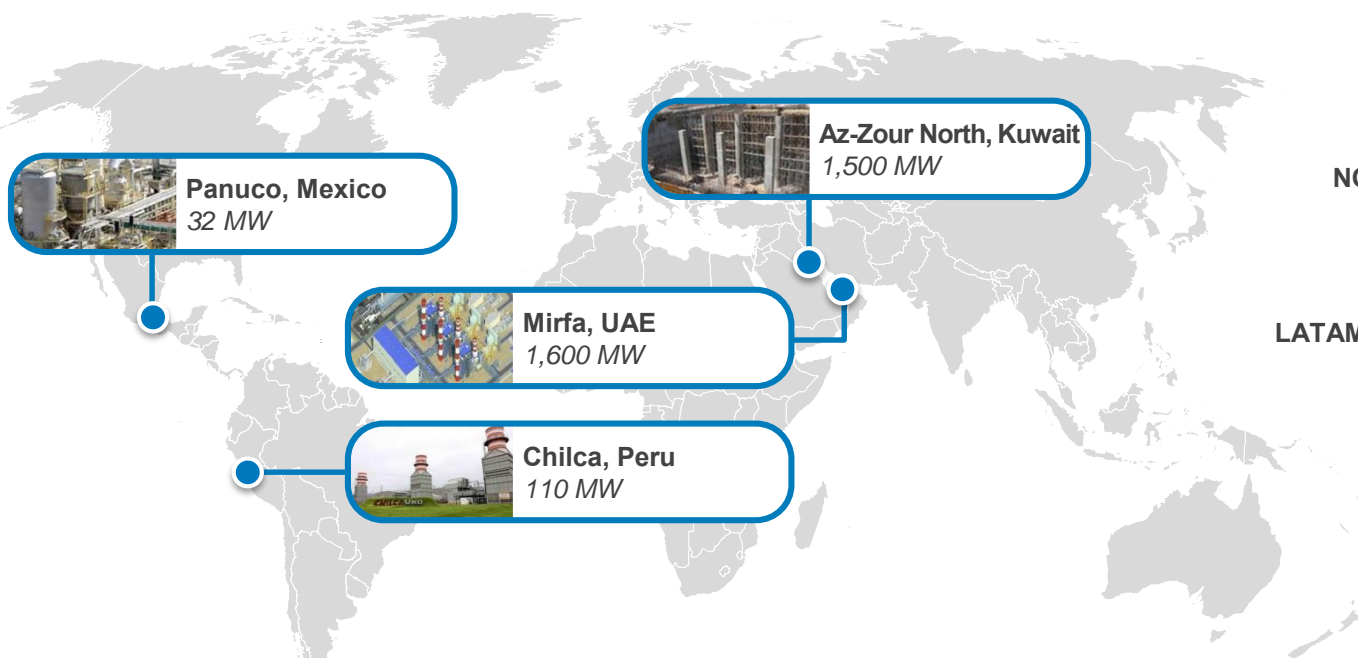
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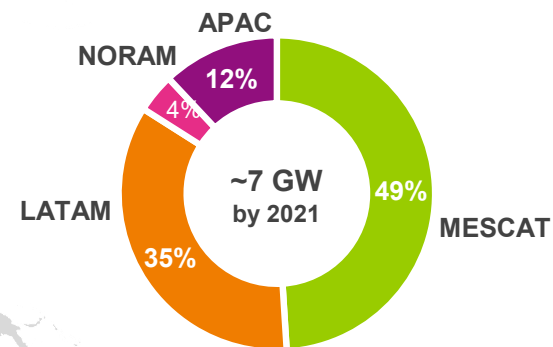
GAS CAPACITIES WILL CONTINUE TO BE A CORNERSTONE

GAS-FIRED PROJECTS UNDER CONSTRUCTION (TOTAL PROJECT CAPACITY, 100%)



DEVELOPMENT PIPELINE

(in GW, at 100%)



MAINTAIN LEADING POSITIONS

OPPORTUNISTIC TUCK-IN ACQUISITIONS

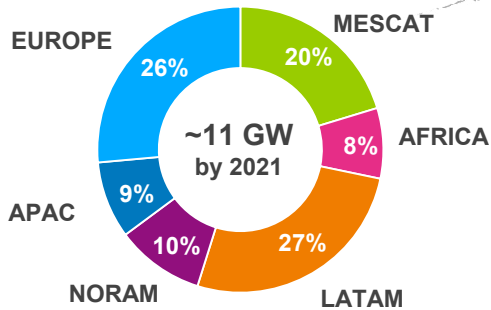
FOCUS ON GREENFIELD DEVELOPMENT

DEVELOP GLOBAL O&M SERVICES BUSINESS

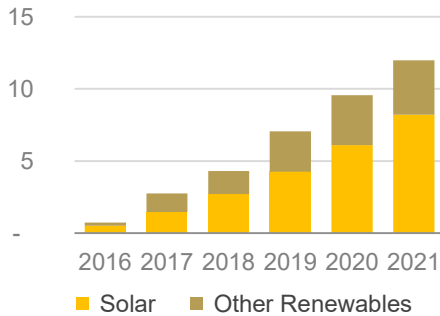
RENEWABLES CAPACITIES TO GROW SIGNIFICANTLY

RENEWABLE PIPELINE

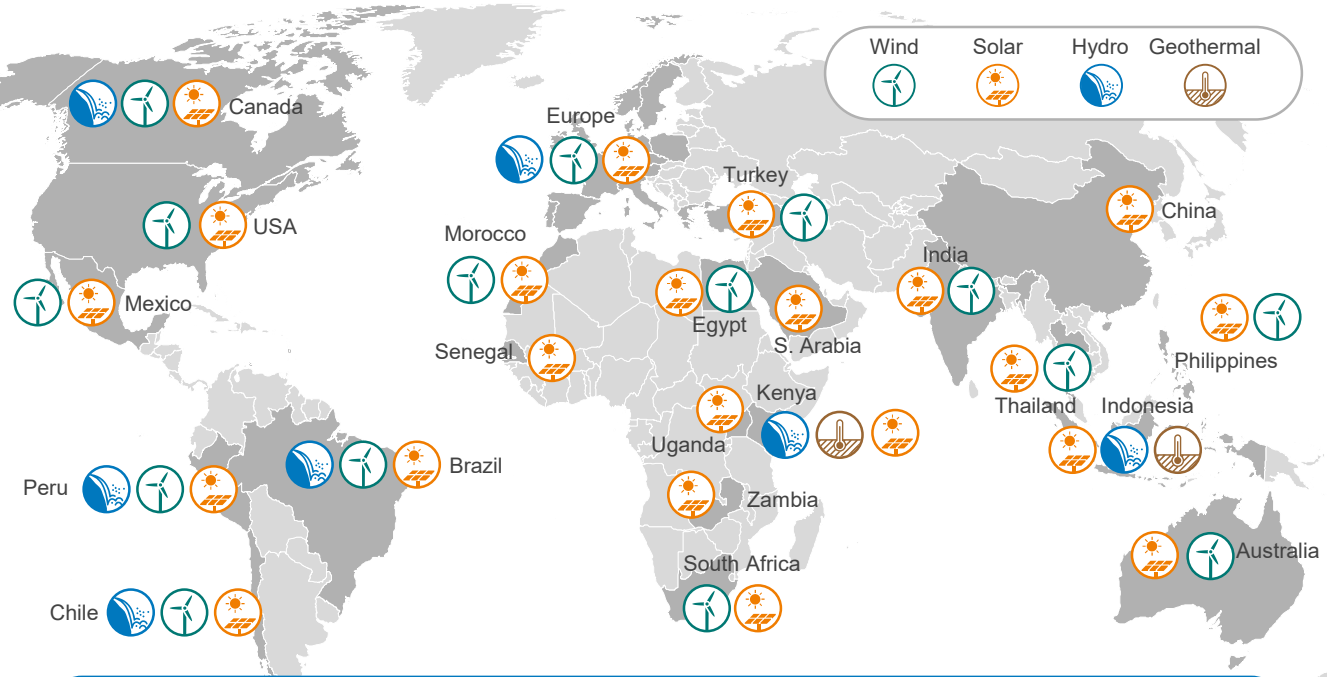
in GW, at 100%, by region



in GW, at 100%, cumulative



MAIN OPPORTUNITIES



1.4 GW under construction

Accelerate solar and onshore wind in fast growing markets

Pursue selected opportunities in offshore wind, hydro and geothermal

A SIGNIFICANT STEP IN SOLAR: KATHU 1

- South Africa
- COD expected by end of 2018
- 100 MW Concentrated Solar Power (Parabolic trough technology)
- 20 Year PPA with state – owned ESKOM
- Partners: Pension fund, Private equity, Investment bank, local community
- Total Invest Cost: €820m
- ENGIE equity stake: 48.5%
- Rate of return > COE + 4%
- Present all along the Value Chain:



SOLAIREDIRECT ACQUISITION – ENGIE SOLAR PLATFORM

Rapid scaling up of ENGIE Solar via SolaireDirect

Infusion of new ideas, skills and ways of working

Develop

- Focus on solar competitive bids in select countries while exploring B2X aggregation

Build

- Industrialize design, procurement, construction
- Drive down procurement costs through economies of scale
- Capture margins via EPC of solar plants

Sell/Share

- Attract yield seeking investors to farm down equity

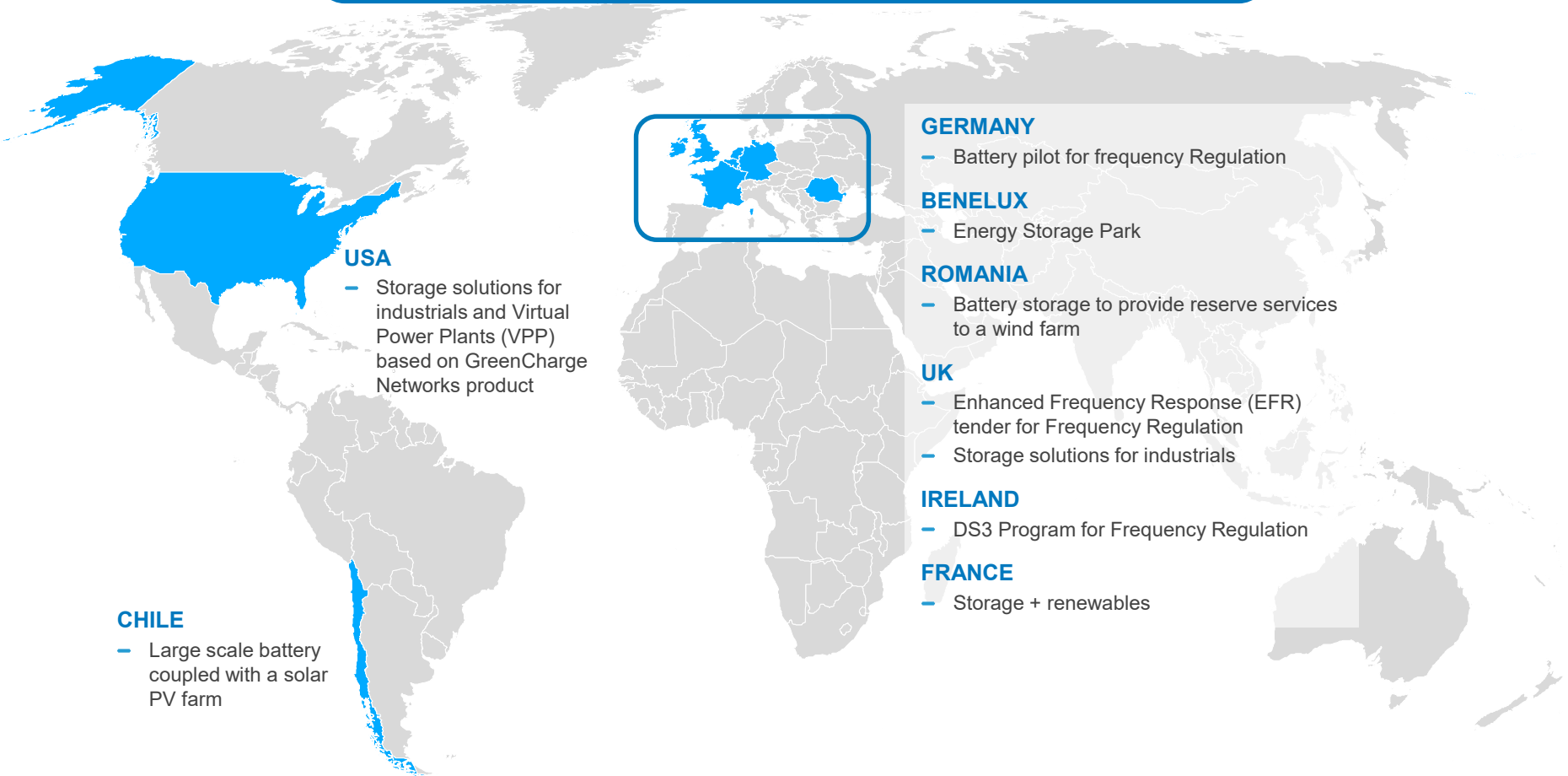
Operate

- Leverage best practices to operate plants across growing portfolio

ENGIE Solar created to harness complimentary strengths of ENGIE's Business Units and SolaireDirect

GRID SCALE STORAGE (BATTERIES, HYDROGEN, COMPRESSED AIR) WILL BE A KEY DIFFERENTIATOR FOR ENGIE

AMBITION 1 GW / 2 GWH STORAGE BY 2025



AGENDA

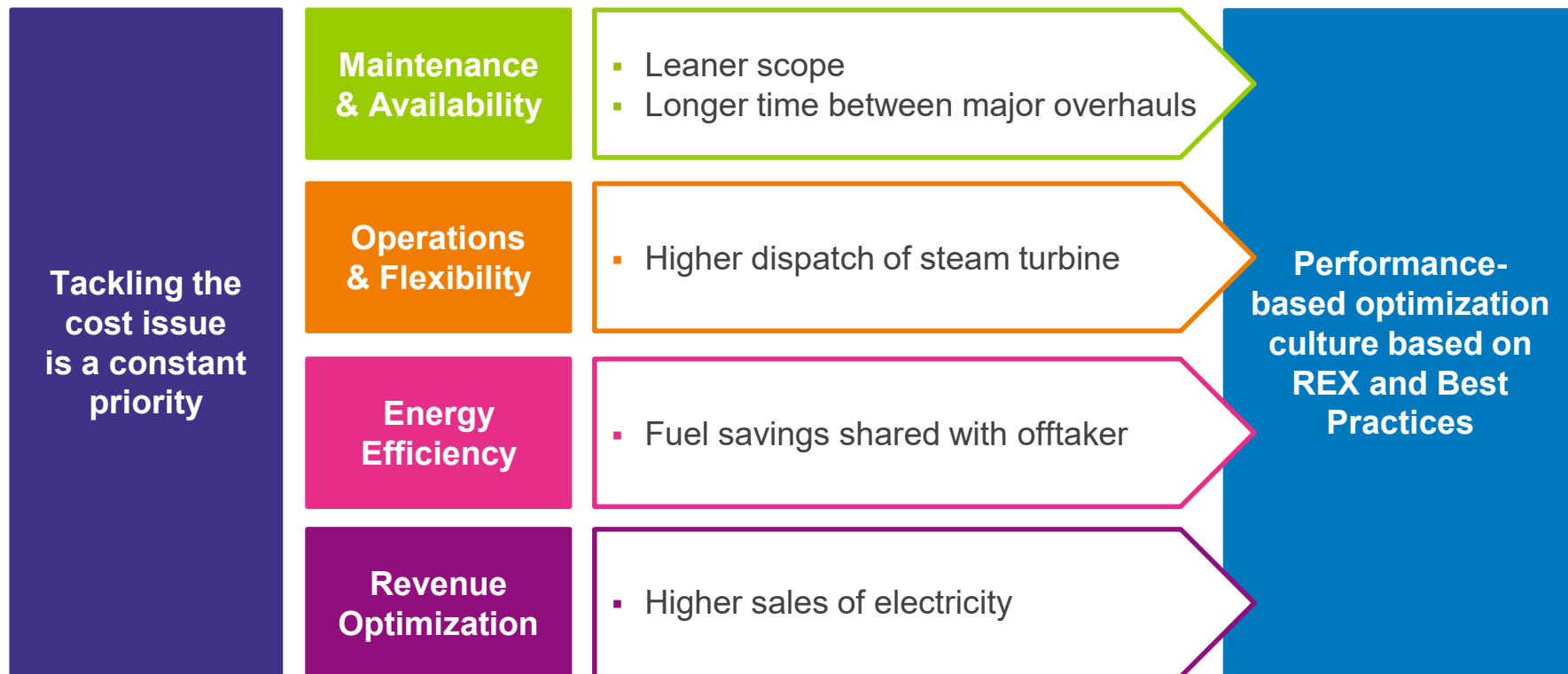
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A COMMITMENT
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OPERATIONAL EXCELLENCE & COST OPTIMISATION

“BUSINESS AS USUAL” AND SPECIAL INITIATIVES



Potential net savings from one Middle East asset 2016-18:
US\$ 16+7=23m

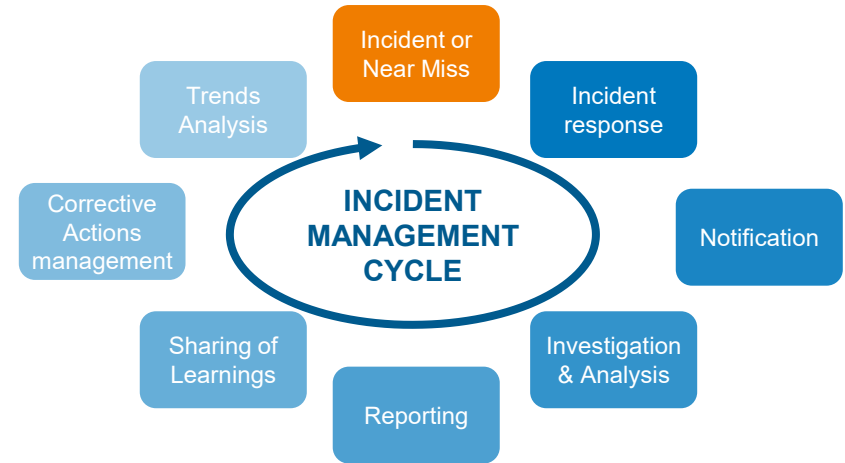
DRIVE TOWARDS BIG DATA AND DIGITAL

REDUCTION OF UNPLANNED OUTAGES

- Digital capture of operating data across portfolio
 - More sensors > Increased granularity > Greater control
- Improved precision to determine operational changes
 - Historical data > Known future reduction of performance
 - Finer detail > **New** signals > **Earlier** warnings
- Cloud based storage
 - Mobile apps > Real-time observations anywhere
 - Improved cooperation > Efficiency of action
 - Improved allocation and mobilization of spares

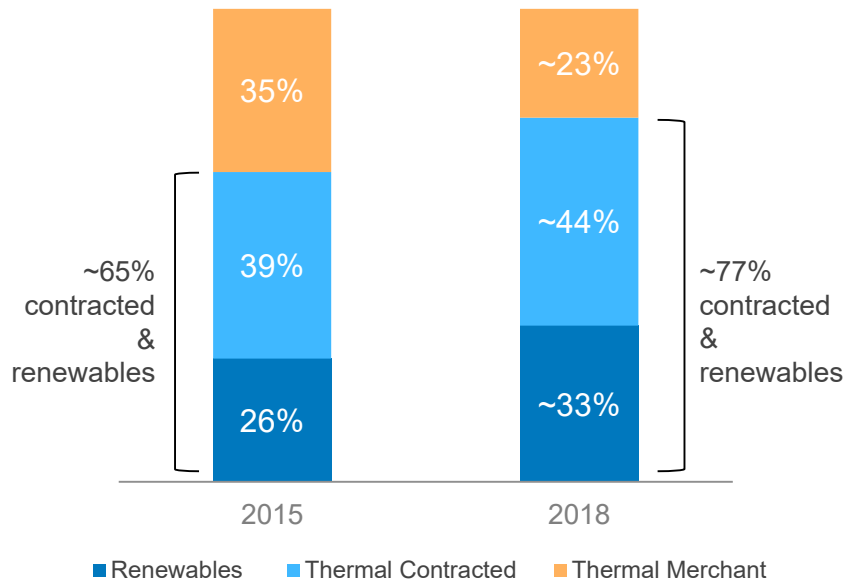
IMPACTS

- Reduction of intrusive maintenance
- Enhancement of reliability and availability
- Reduction in insurance premiums and operating costs



CONCLUSION

RENEWABLES & THERMAL CONTRACTED EBITDA SET TO INCREASE



KEY GROWTH DRIVERS

- A major, global, low CO₂ player, with competitive advantages across technologies and regions
- Positioned to capture strong growth in renewables worldwide
- Solairedirect integration strengthens ENGIE competitive advantages
- Launch of ENGIE Solar
- Commitment to operational excellence and cost control reinforced by digital

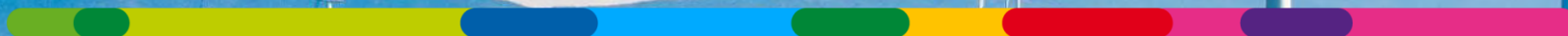
BU France Renewables

Investor workshop

June 28th, 2016

Gwenaëlle HUET

Chief Executive Officer France Renewable Energy



AGENDA

**VISION:
A KEY PLAYER
IN A FAST GROWING
MARKET**

**PREPARING
FOR THE FUTURE**

OUR OBJECTIVES

ENGIE RENEWABLE ENERGIES IN FRANCE

4 MAIN TECHNOLOGIES



Entities

Capacity built⁽¹⁾



3,470 MW



770 MW



250 MW

Futures Energies



570 MW



450 MW

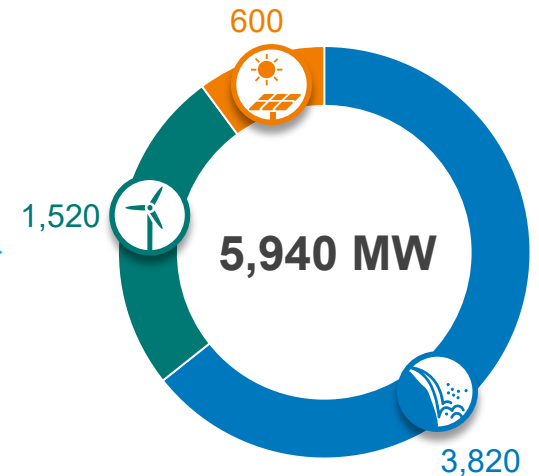


440 MW



1,000 MW to come

Turnover > €900m
EBITDA > €365m
2,500 employees



(1) At 100%, end 2015

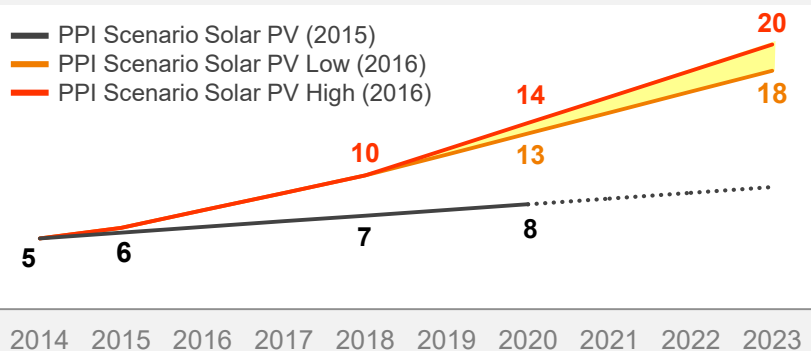


FRENCH MARKET LED BY ACCELERATION IN SOLAR, STABLE GROWTH IN WIND, AND OPPORTUNITIES IN HYDRO



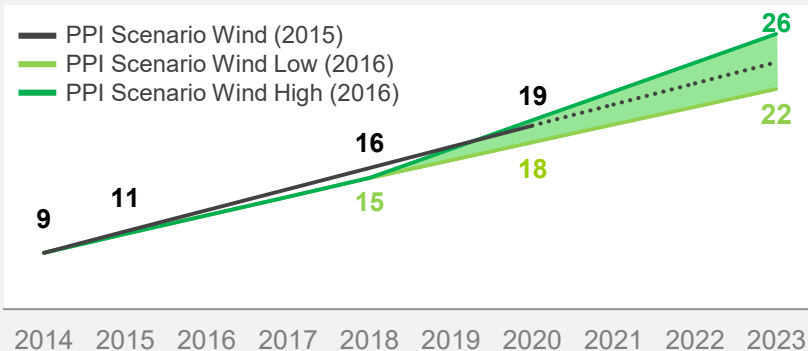
PPI⁽¹⁾ Solar PV 2016 vs. 2015

(GW)



PPI⁽¹⁾ Wind 2016 vs. 2015

(GW)



- European Commission has challenged the French State asking them to open the hydro market, giving us new opportunities.

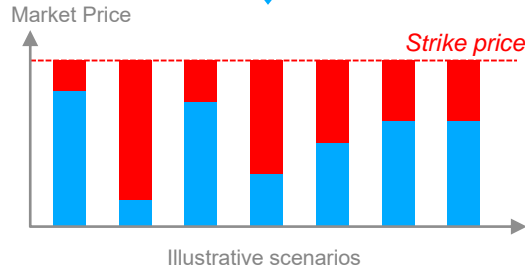
(1) PPI: Programmation Pluriannuelle des Investissements (multi-annual investment plan)

ROBUST SUPPORT FOR WIND AND SOLAR

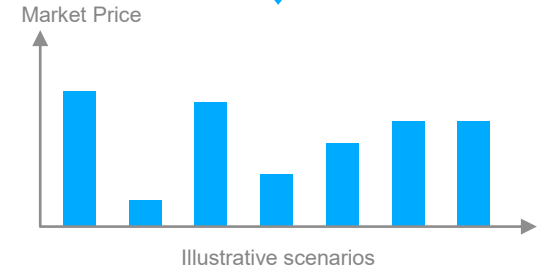
FEED-IN TARIFF



FEED-IN PREMIUM



MERCHANT



Onshore Wind
(until 12/31/2018)



Offshore Wind



Tenders:
Onshore Wind
(after 12/31/2018)



Tenders: Utility-Scale Solar PV⁽¹⁾



Tenders: Small Hydro⁽¹⁾

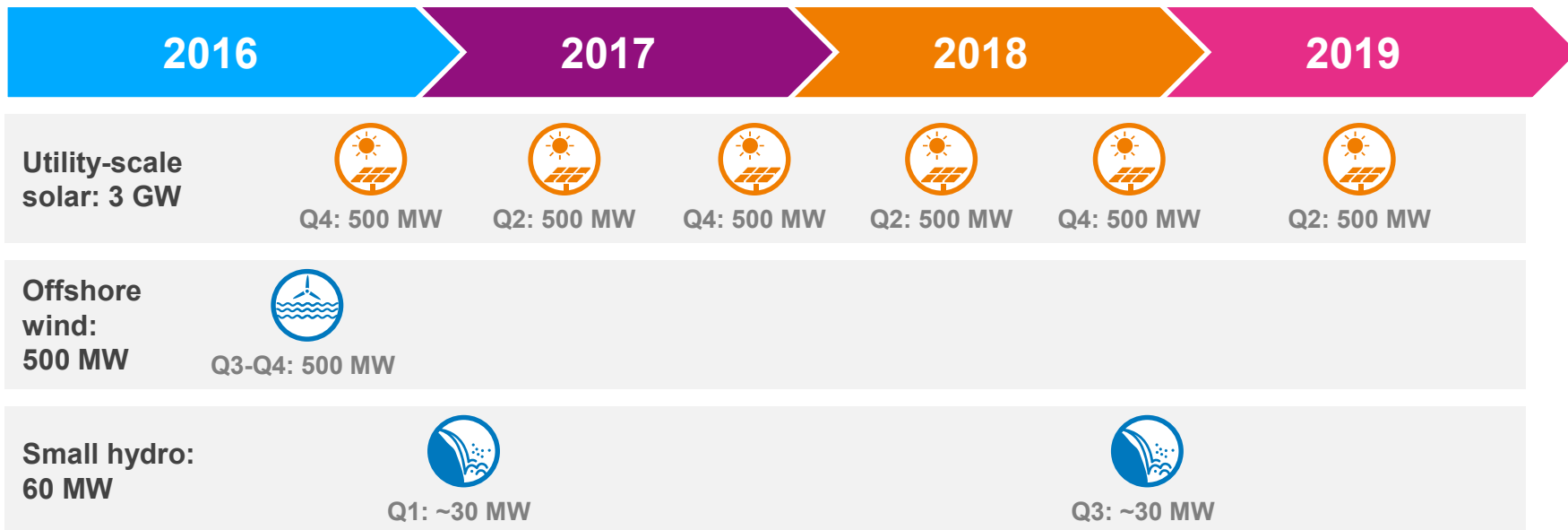


Large Hydro

(1) Feed-in premium for projects > 500 kW

VISIBILITY ON FUTURE DEVELOPMENTS

Tenders calendar



Look-back on last solar tender (end 2015)

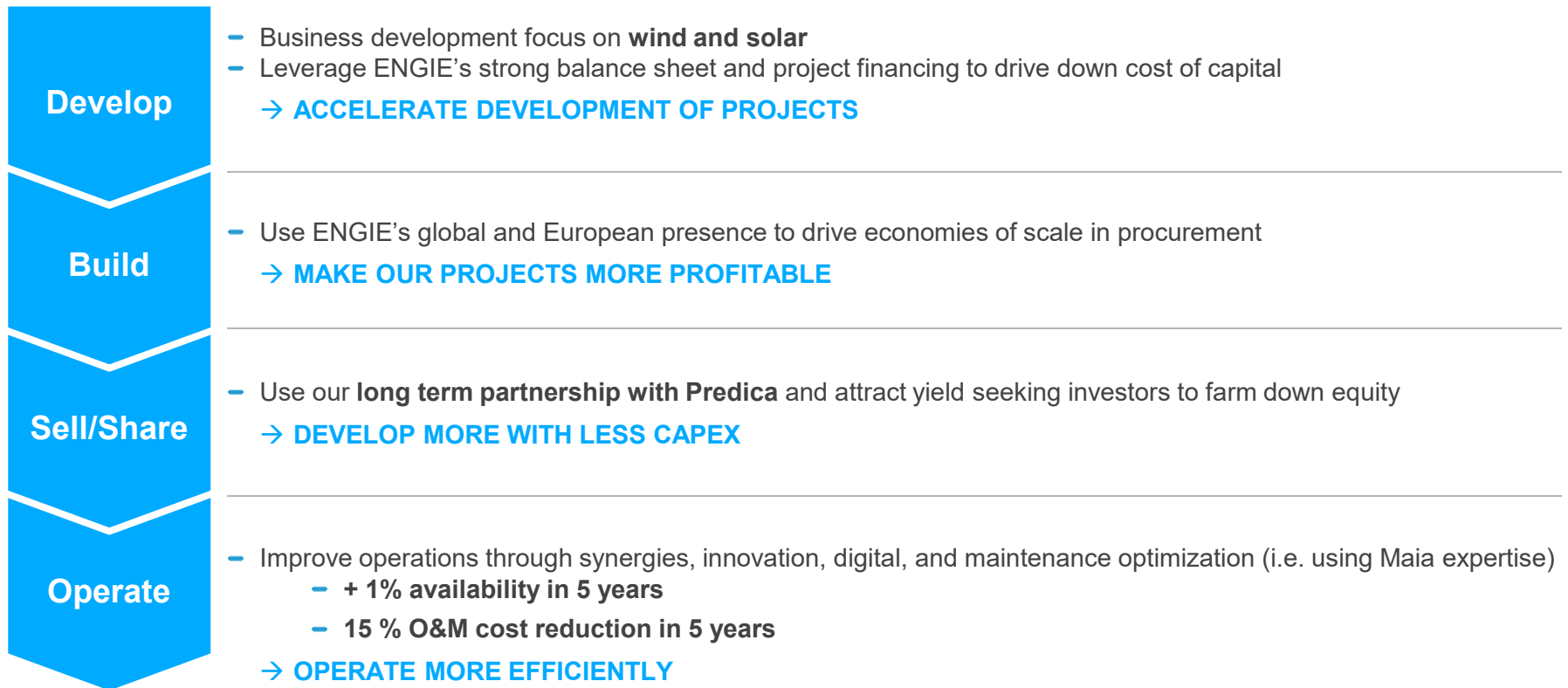
- ENGIE 1st in terms of capacity won
market share: 20%
- ENGIE shows its capacity to innovate:
R&D storage systems

What is expected for next solar tenders

- Category dedicated to carports
(65 MW per tender)
- Category dedicated to innovative projects
(75 MW in 2017 and 75 MW in 2018)
- Specific market features will need capacity
to be agile and flexible

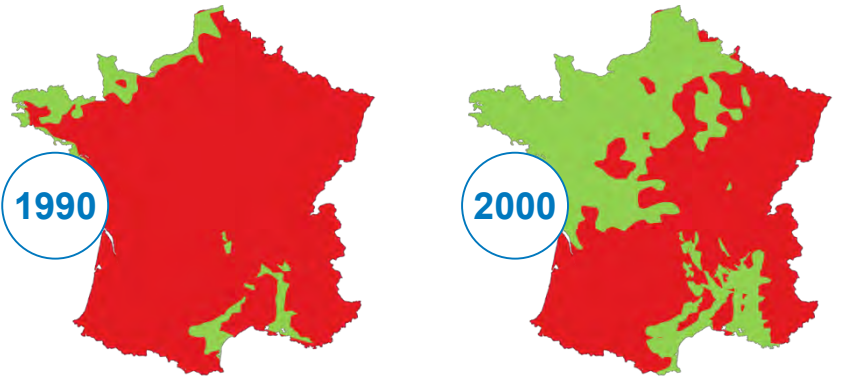
DBSO BUSINESS MODEL TO CREATE VALUE

STRATEGY: BE AN INDUSTRIAL, VISIBLE & INNOVATIVE LEADER ON RENEWABLES IN FRANCE

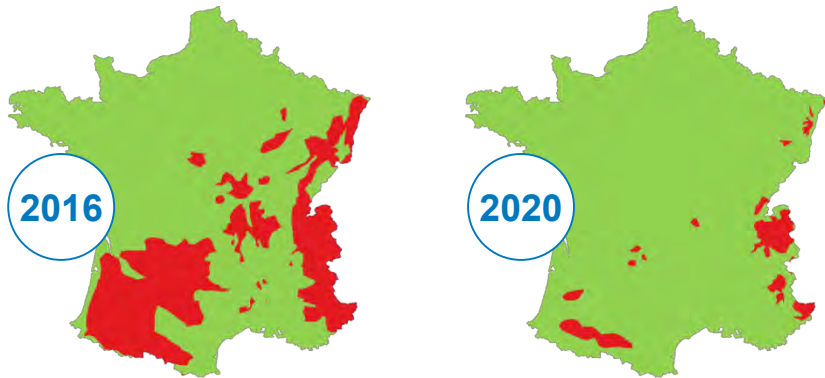


NEW TECHNOLOGIES OPENING NEW TERRITORIES

WIND



wind potential technical feasibility



● No potential to install windfarms ● Potential areas to install windfarms

SOLAR

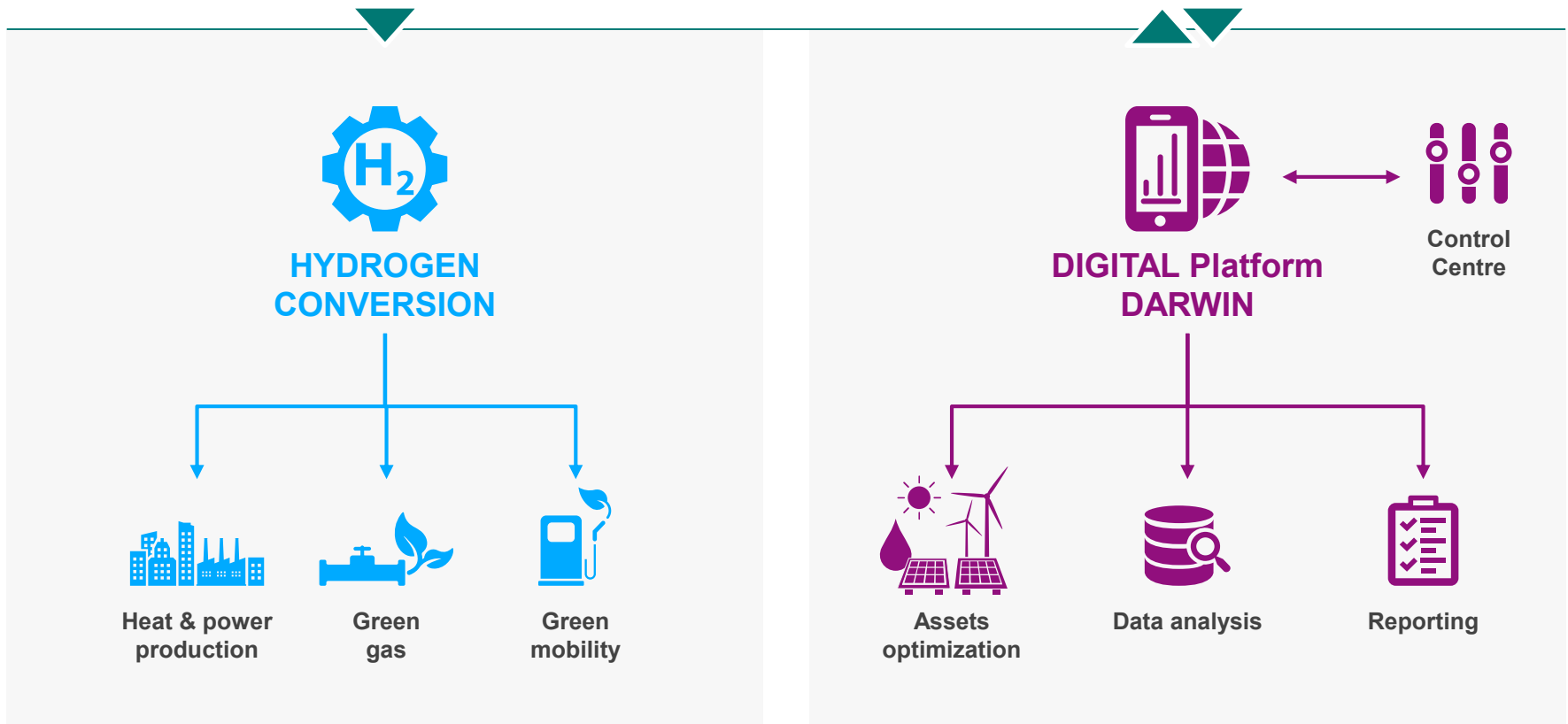
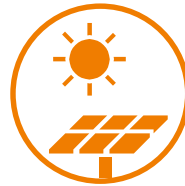
- Solar PV carports at Montpellier airport & Rivesaltes



Photo credit : Hélimage



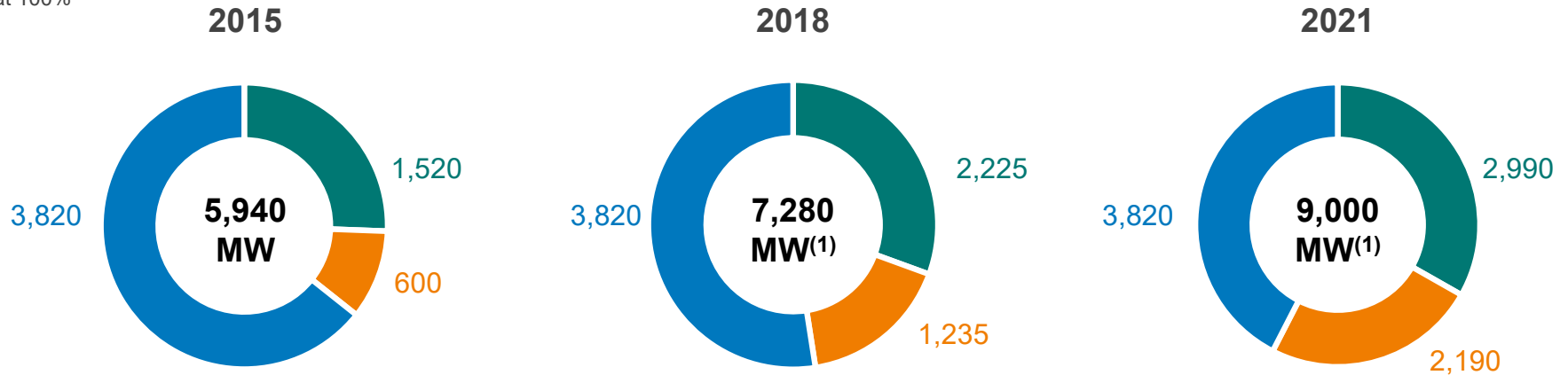
PAVE THE WAY THROUGH PLATFORMS



— OUR OBJECTIVES

REINFORCE OUR LEADERSHIP AND GROW FASTER THAN THE MARKET

Capacities built, at 100%



FROM ~6 GW in 2015 to ~9 GW in 2021 | Less merchant | More regulated

Strong acceleration in solar



+ 1.6 GW in 2021⁽²⁾
(vs. 2015)

Stable and ambitious growth in wind



+ 1.5 GW in 2021⁽²⁾
(vs. 2015)

Opportunities in hydro



ENGIE's ambition is to **reinforce its leader position among alternative producers**

(1) Assuming constant scope for hydro concessions; (2) Capacities to be built and operated, at 100%

ENGIE Tech

Investor workshop

June 28th, 2016

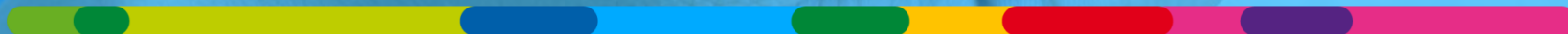
Yves LE GELARD

Executive Vice President, Chief Digital Officer

Thierry LEPERCQ

Executive Vice President in charge of Research & Technologies and Innovation

ENGIE



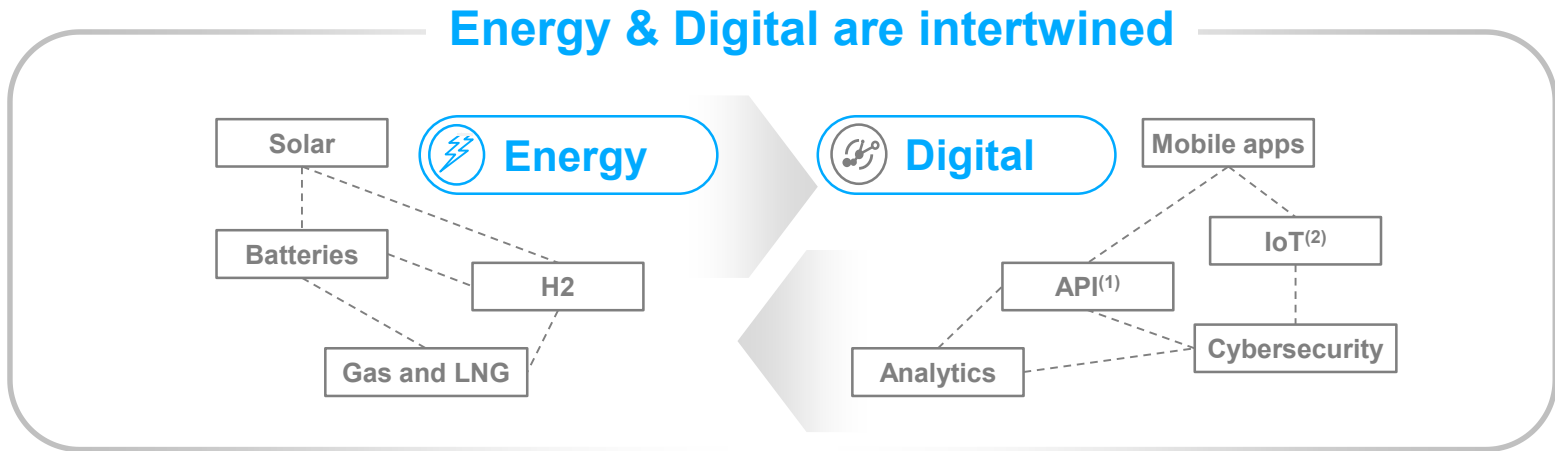
AGENDA

WHY TECHNOLOGY,
NOW?

ENGIE TECH
AN ENTREPRENEURIAL
VENTURE WITH
MASSIVE AMBITIONS



THE ENGIE TECH STORY



Energy & Digital are key for competitiveness

Need of mass scale business models: Unicorns

TECHNOLOGY LEADERSHIP IS A MUST HAVE

(1) Application Programming Interface (2) Internet of Things

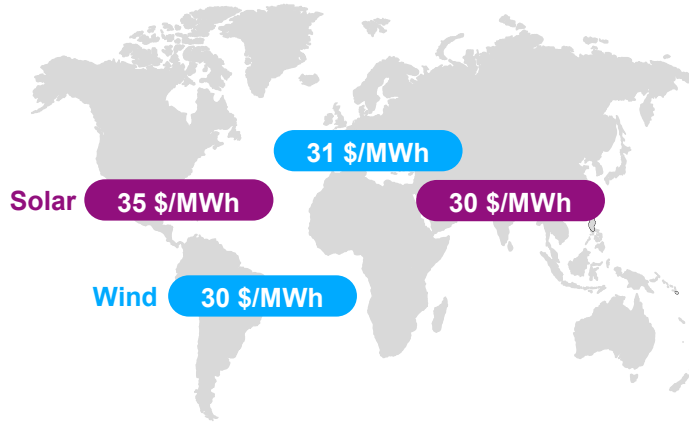
AGENDA

WHY TECHNOLOGY,
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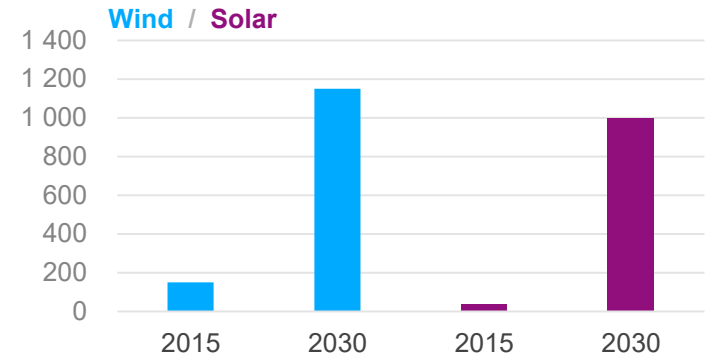
ENGIE TECH
AN ENTREPRENEURIAL
VENTURE WITH
MASSIVE AMBITIONS

DISRUPTIVE TECHNOLOGIES

ENERGY TRANSITION

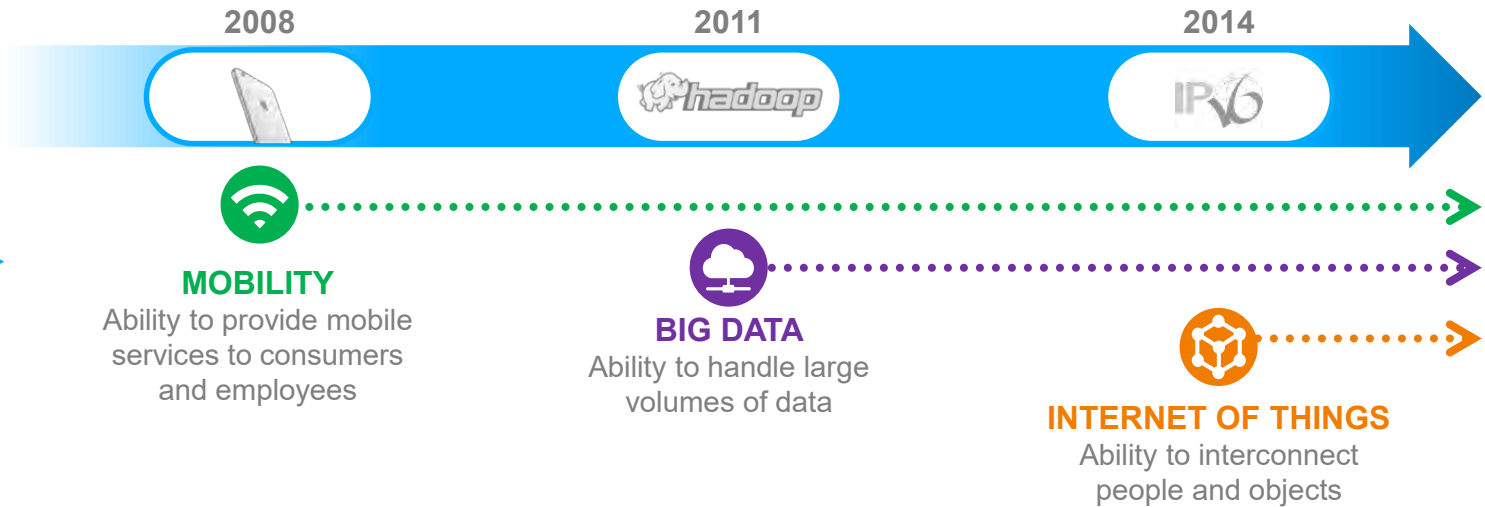


GW development

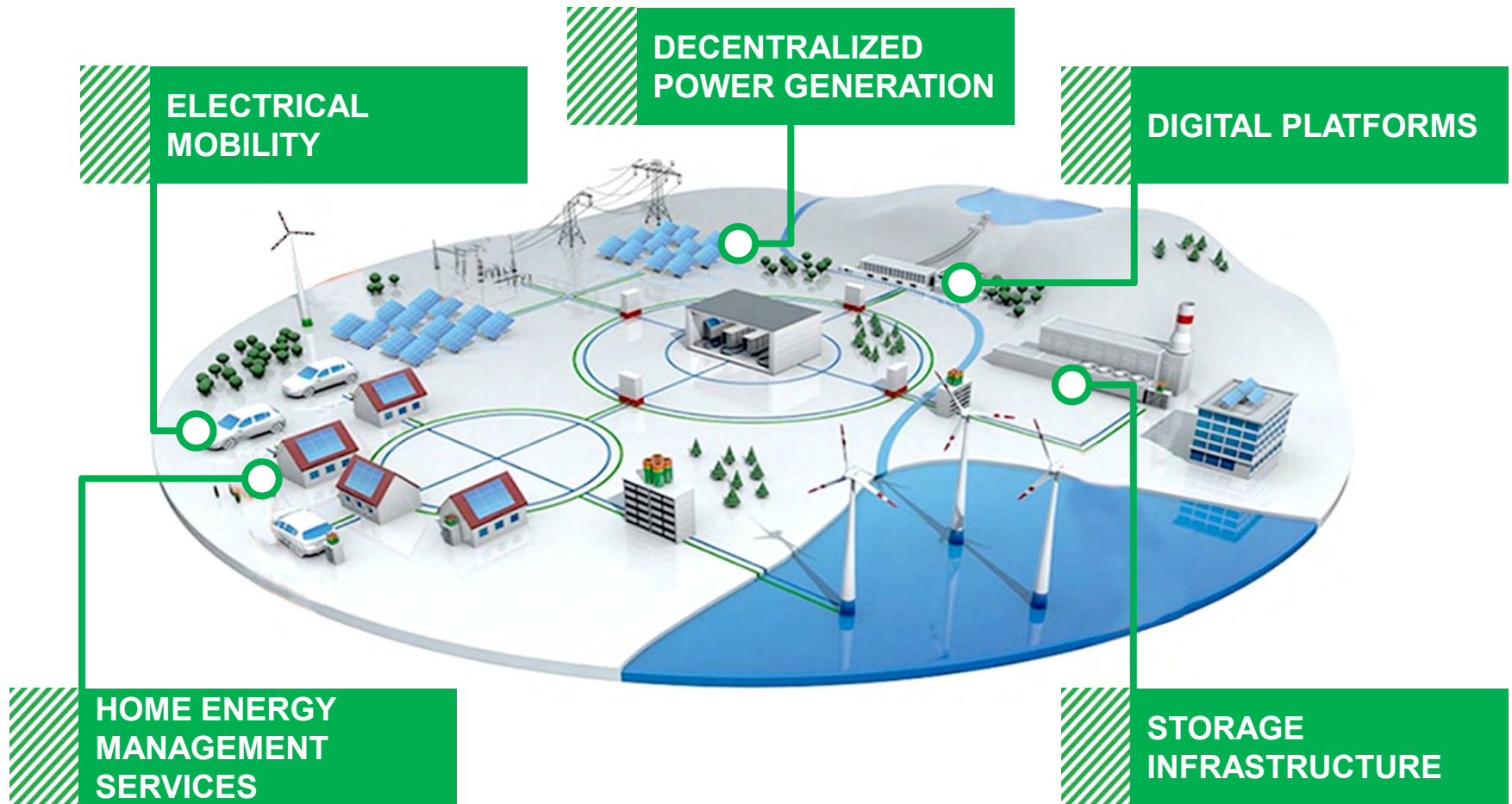


Source: Energy Research Institute National Development and Reform Commission (China)

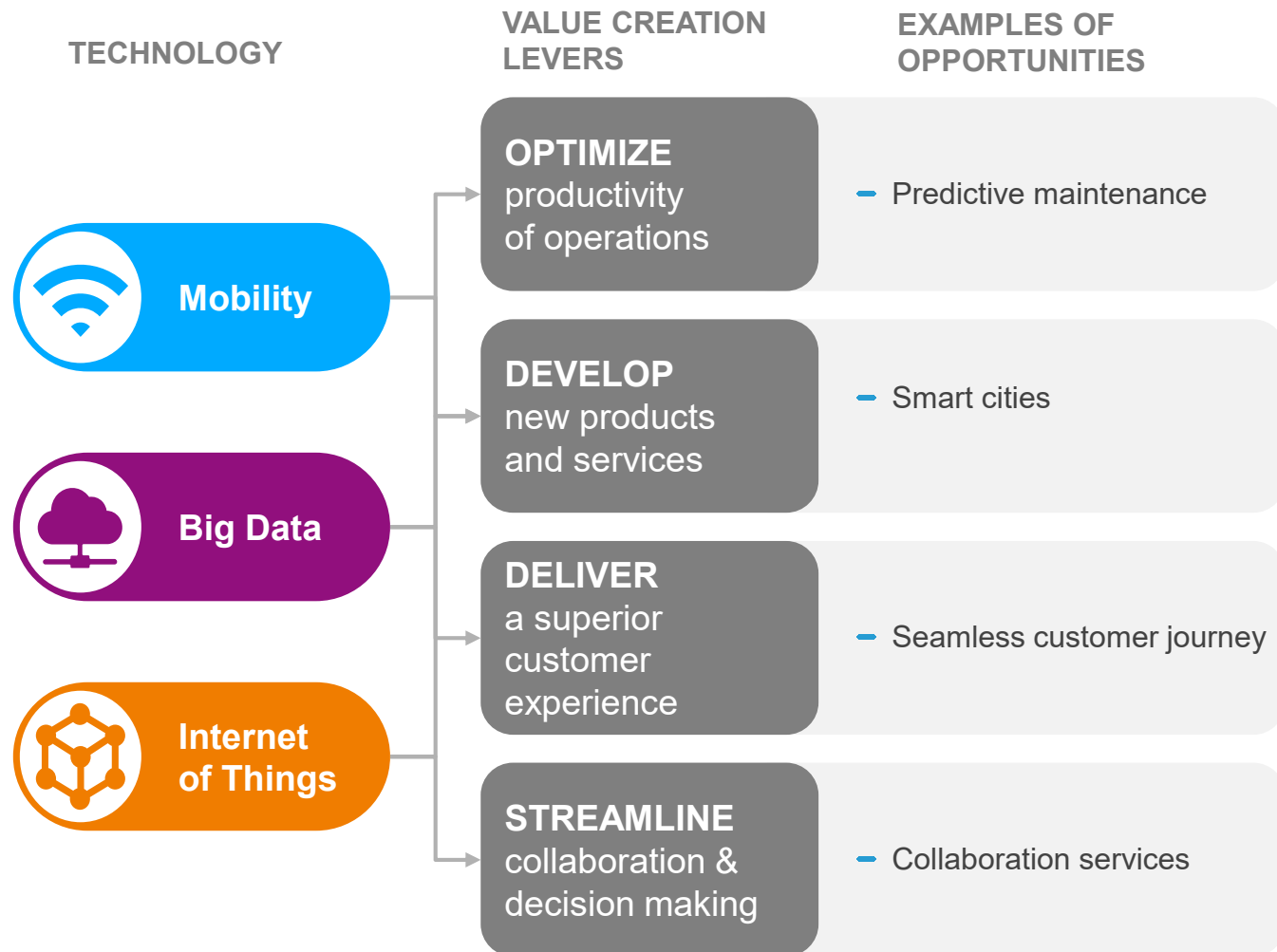
DIGITAL ERA



NEW ENERGY TECHNOLOGIES FUNDAMENTALLY CHANGE ENERGY SYSTEMS



DIGITAL BRINGS 4 MASSIVE VALUE CREATION LEVERS TO ENGIE



NEW ENTRANTS ARE MOVING INTO ENERGY WHILE GIANTS ARE REINVENTING THEMSELVES THROUGH TECHNOLOGIES

Google

Redefining energy services through digital appliances and platforms

Tesla

Changing the mobility and home energy paradigms through electric mobility and storage

Total

Engineering a massive shift from oil to solar power and battery storage

OPPORTUNITY TO REINVENT A GLOBAL LEADERSHIP THROUGH TECHNOLOGY

In the past, access to technology was not the major driver of differentiation

Today, access to a new technology and/or business model is the differentiating factor

REPOSITIONING FROM...



TECHNOLOGY INTEGRATOR

“assembling accessible technologies off-the-shelf”

...TO



TECHNOLOGY SOLUTIONS FRONTRUNNER

“developing tailor-made technologies to provide customer solutions”

STRONG TECHNOLOGY EXPERTISE through its **ENGIE LABS NETWORK** and **PARTNERS**

A **HIGH PERFORMANCE INNOVATION** process featuring call for projects, incubation and venture capital

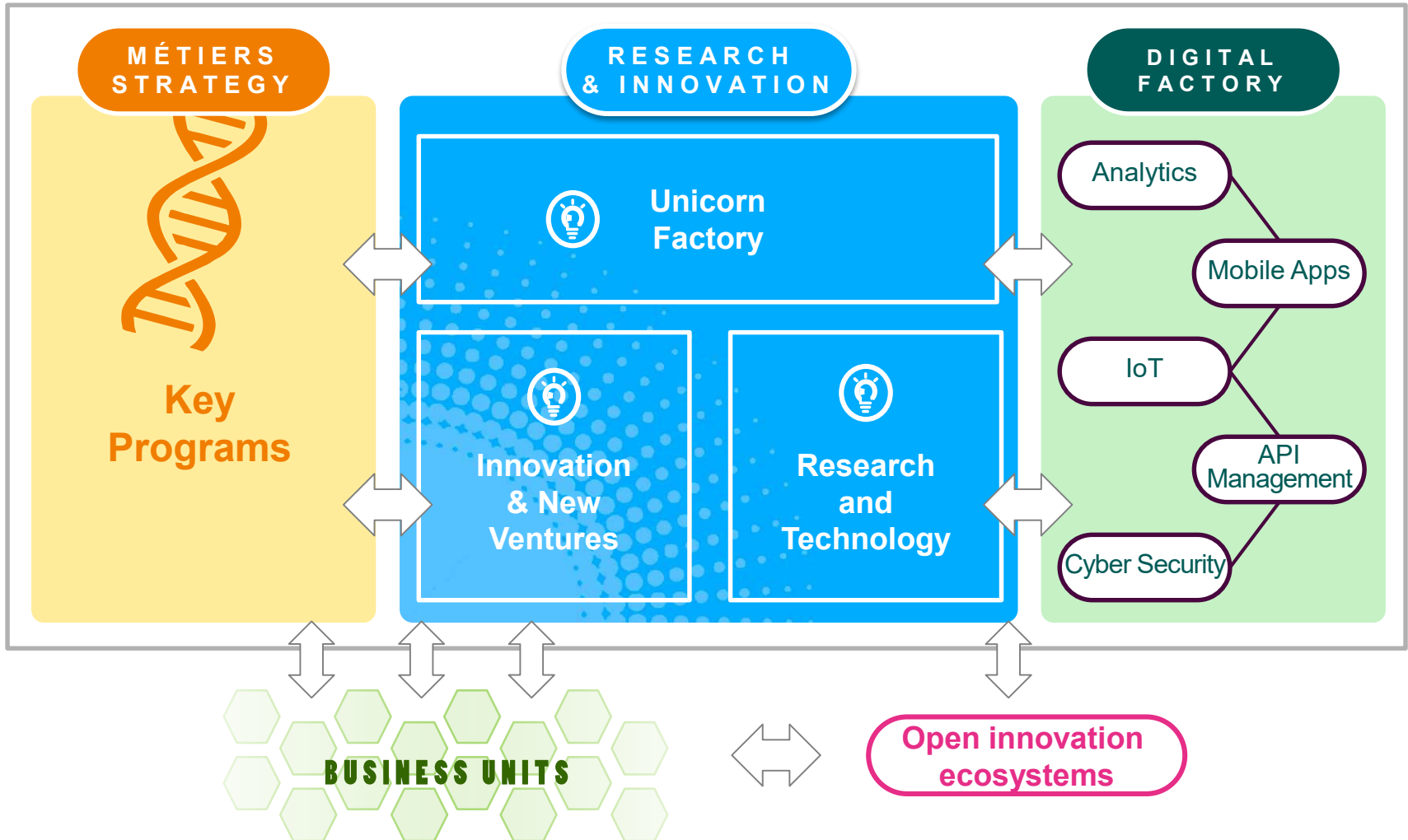
A **MASSIVE DIGITAL FACTORY** implemented with global partners

AGENDA

WHY TECHNOLOGY,
NOW?

ENGIE TECH
AN ENTREPRENEURIAL
VENTURE WITH
MASSIVE AMBITIONS

ENGIE TECH: HOW TO LEAD THROUGH TECHNOLOGY



INNOVATION: VALUE-GENERATING STARTUPS & INCUBATORS



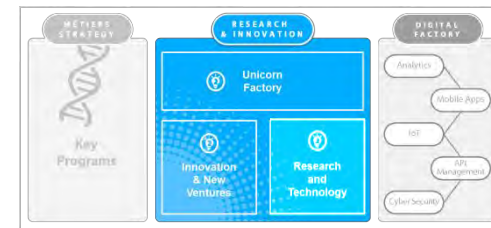
Our **€115 million ENGIE New Ventures** fund is dedicated to investing in businesses, developing innovative solutions that will transform our activities in the domain of the energy transition



We work with **external incubators** who provide the premises, an ecosystem and coaching for both startups and our own project owners



RESEARCH & TECHNOLOGIES



We connect ourselves worldwide to local ecosystems through a network of ENGIE Labs: Geographical labs fully devoted to R&D and services in energy technologies

THEMATIC LABS

SMART HOME LAB

Connected devices, new electrical and thermal appliances, DSM at home, ...

BATTERIES LAB

Anticipate market developments in energy storage

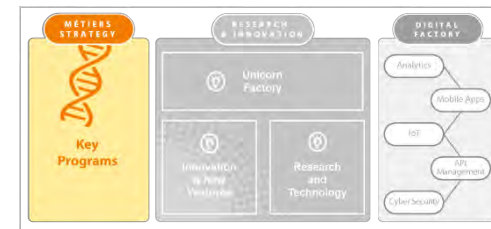
HYDROGEN LAB

A new lab in development

PILOT PROJECTS

- Biomass gasification
- Decentralized Energy System for Islands
- Low temperature, Heat recovery
- City dashboard and 3D modelling
- Small LNG, LNG Lift
- Internet of things, Low energy sensors

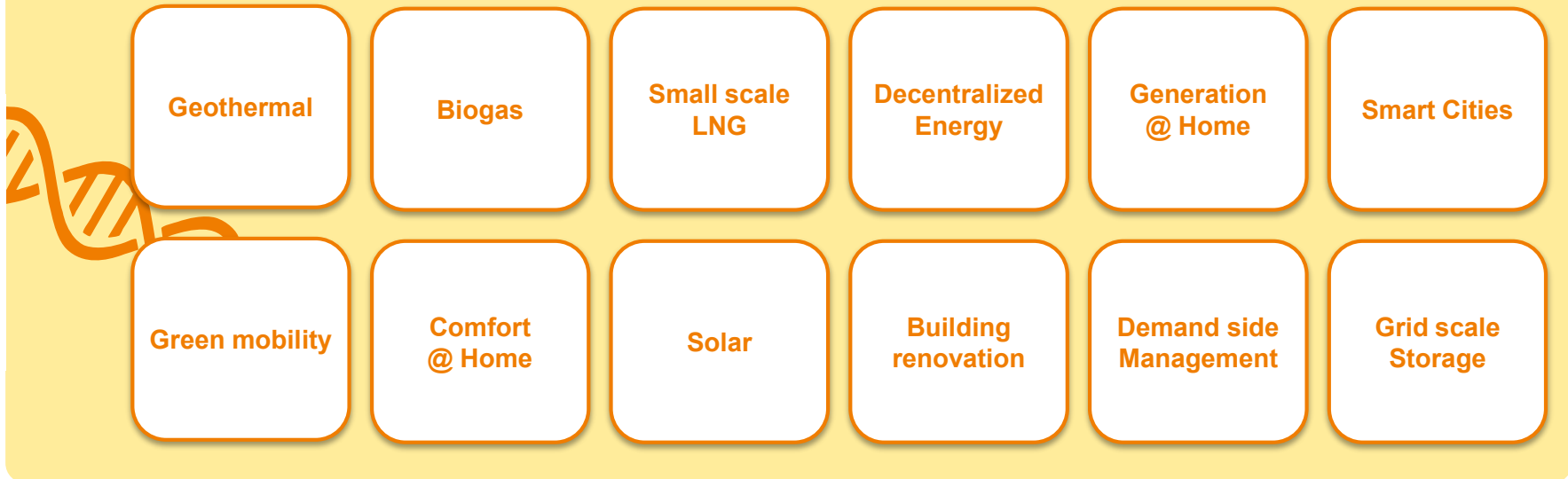
KEY PROGRAMS BUILDING ON DIGITAL SOLUTIONS



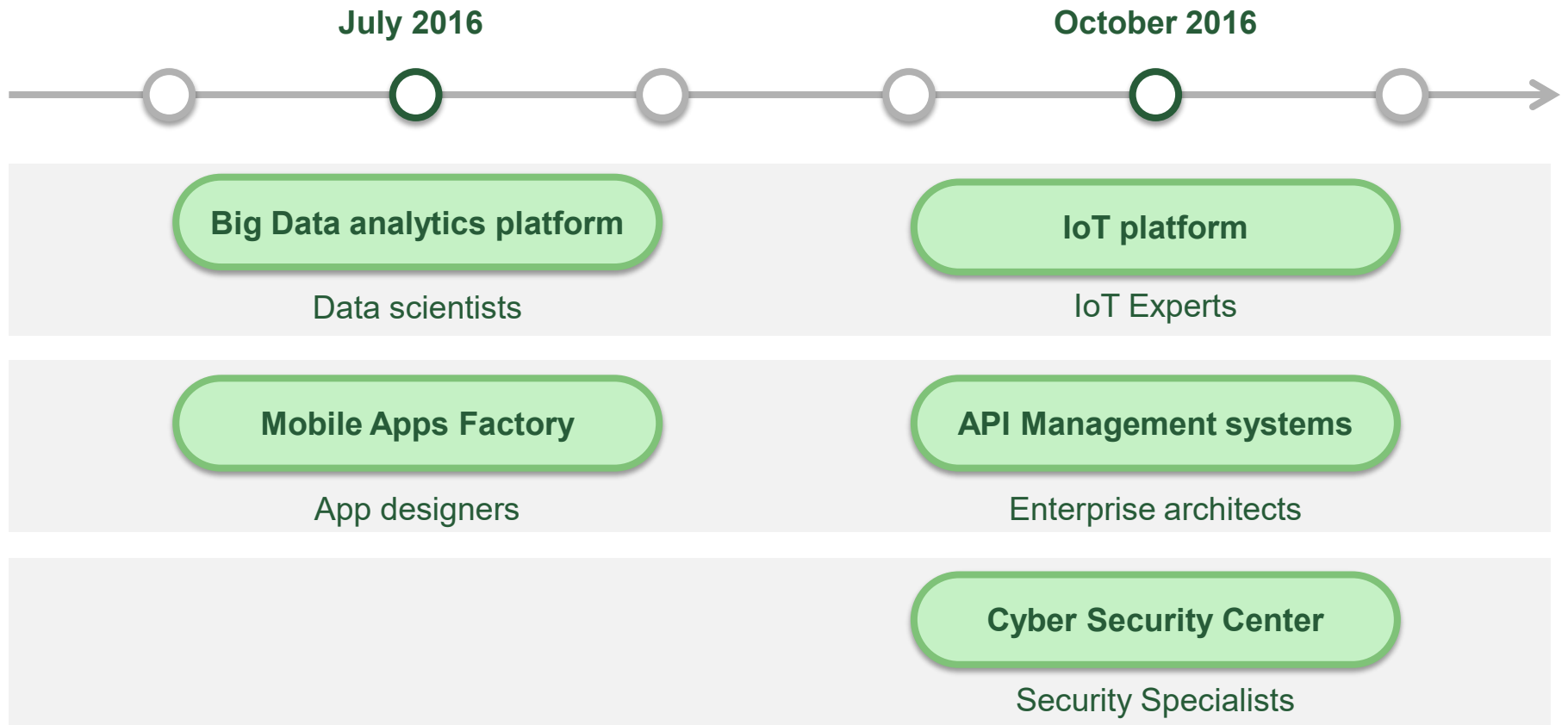
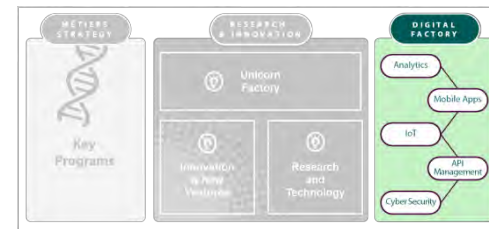
– **Focus areas to boost development** of offers for our customers across Business to Territories, Business to Business and Business to Customers

– Organization in **worldwide transversal** Programs with **mixed teams** of Business Developers, Innovation, Research & Technologies, Digital, Engineering

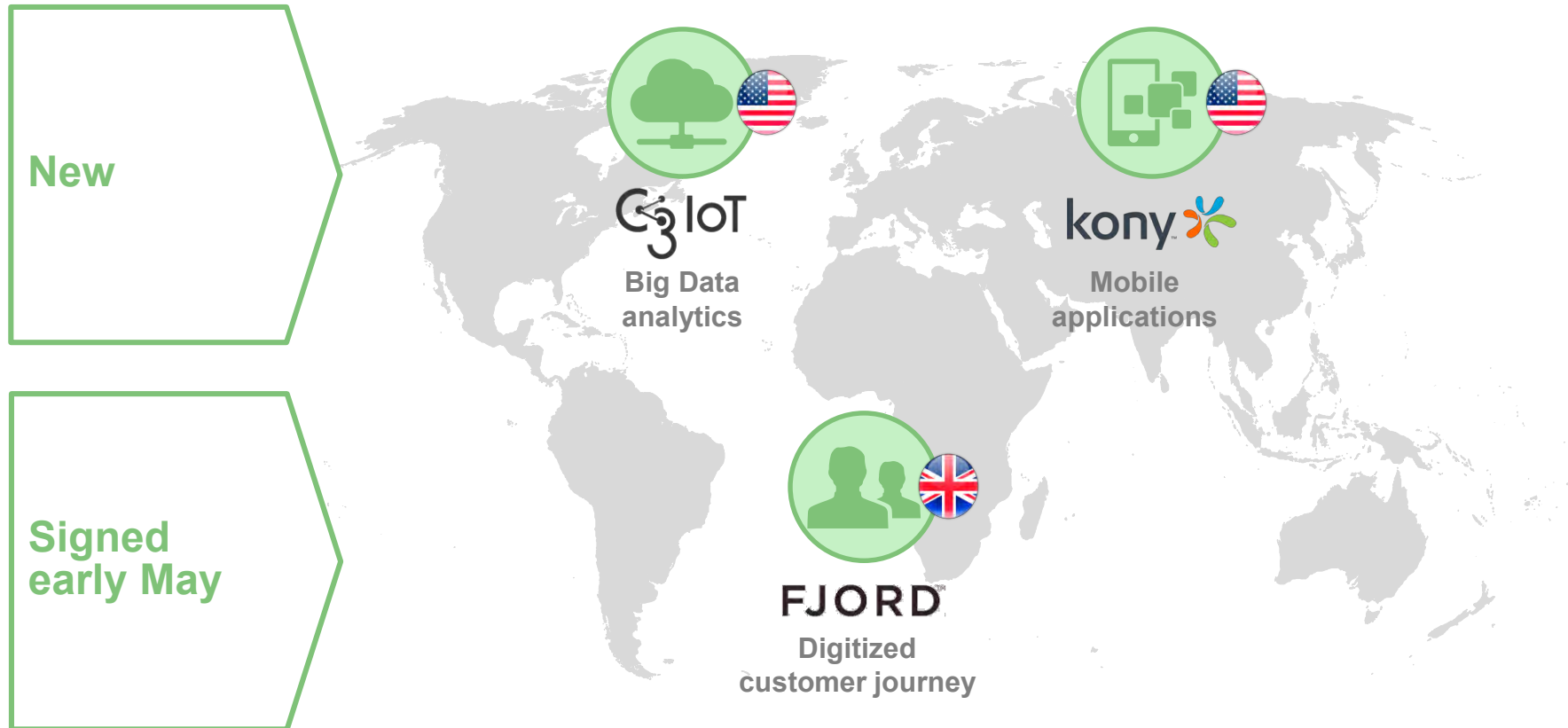
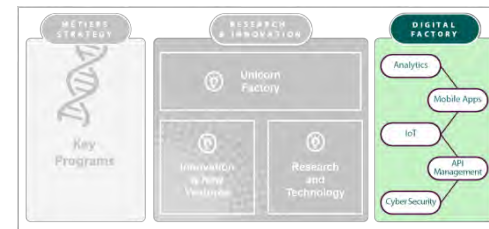
Key Programs



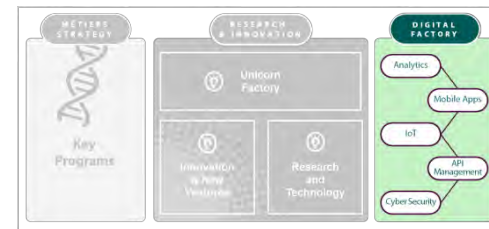
ENGIE DIGITAL FACTORY STARTING NOW



WORLDWIDE PARTNERSHIPS TO SUPPORT DIGITAL TRANSFORMATION



NUMEROUS DIGITAL PROJECTS ALREADY LAUNCHED

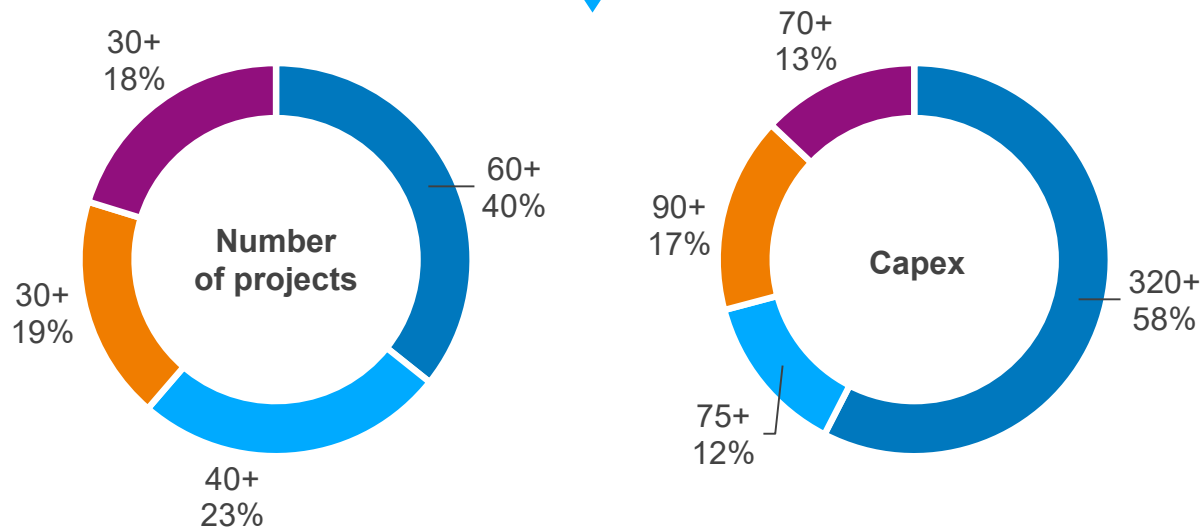


160+ projects identified

>€500m CAPEX

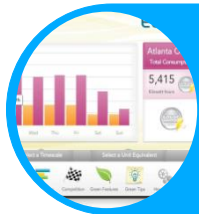
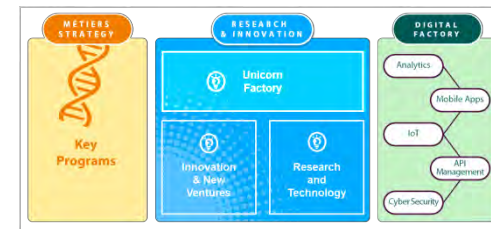
25 projects >€5m

Projects per category



- Customer experience
- Industrial assets performance
- Performance of functional function
- Collaborator efficiency

... SOWING THE SEEDS FOR POTENTIAL UNICORNS



ECOVA 2.0
Digital Energy Platform



HOMNI
Home Energy Management Systems



POWERCORNER
MiniGrid Power Systems

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 23 March 2016 (under no: D.16-0195). 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

Ticker: ENGI



+33 1 44 22 66 29



ir@engie.com



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