



2017 INVESTOR WORKSHOP

June 20th, 2017

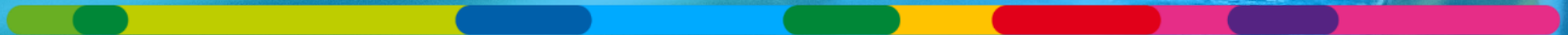


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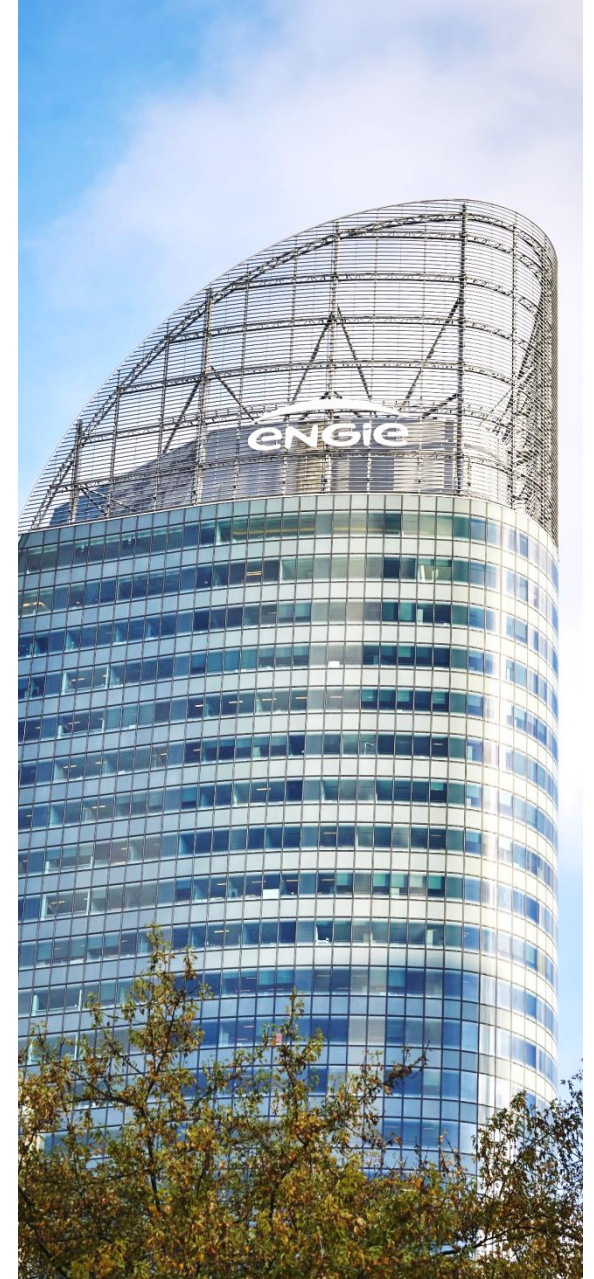
Judith HARTMANN

Executive Vice President, Chief Financial Officer



KEY MESSAGES

- Clear strategic priorities
- Transformation ahead of plan
- Guidance confirmed



TRANSFORMATION PLAN AHEAD OF SCHEDULE



CUSTOMERS AT THE HEART OF ENERGY REVOLUTION

KEY DRIVERS



Climate change



New customer mindset



New technologies



DECARBONIZATION



DECENTRALIZATION

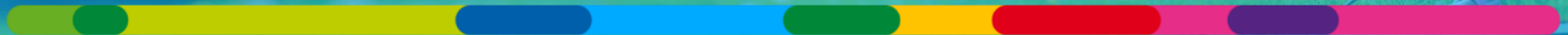


DIGITALIZATION

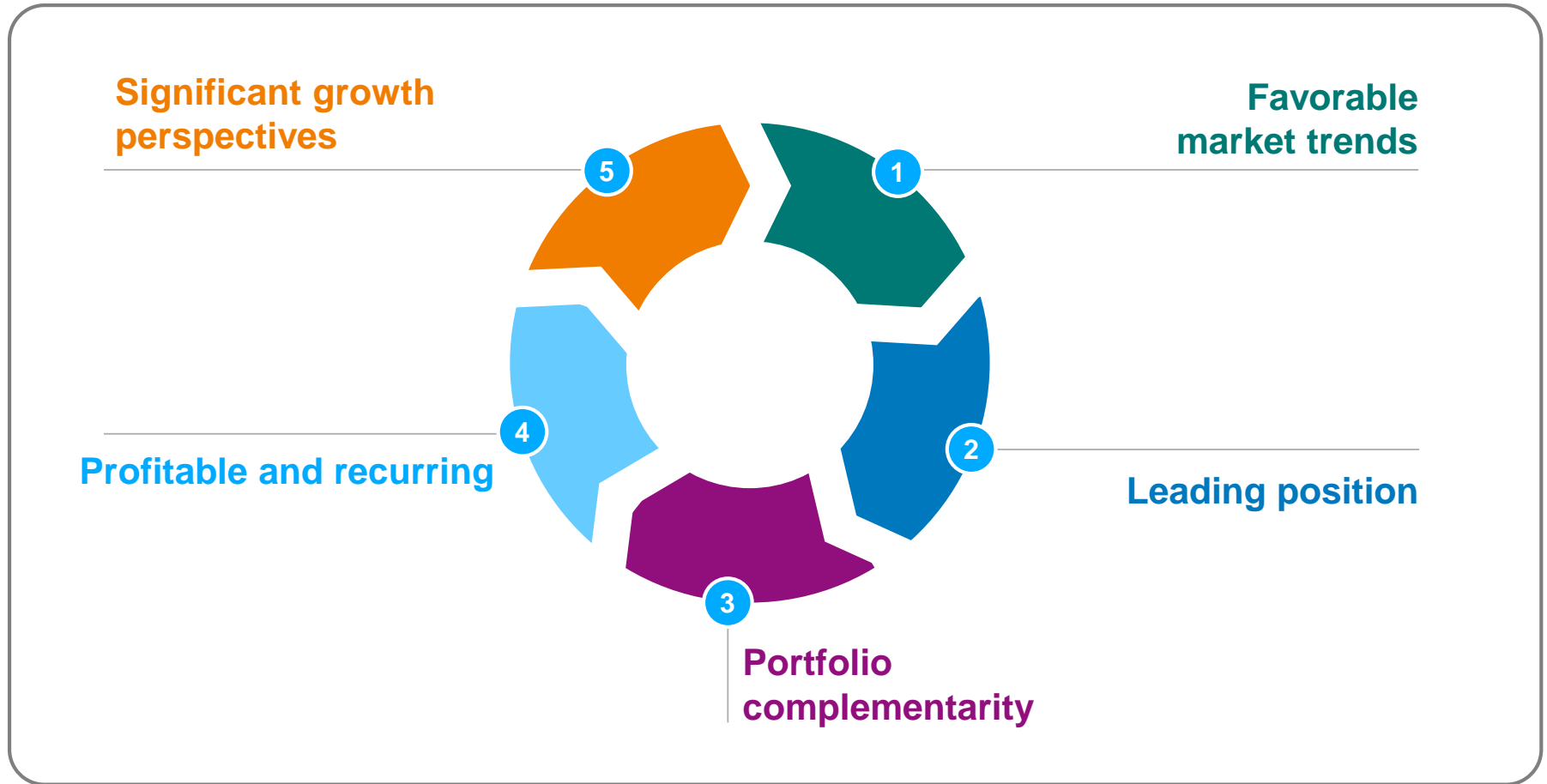
Accelerating in Customer solutions

The logo for ENGie, featuring the word "ENGie" in a white, lowercase, sans-serif font. The "i" has a dot. The logo is positioned on the left side of the slide, partially overlapping a decorative horizontal bar at the bottom.

ENGie



POSITIVE DYNAMICS





SUPPORTED BY MEGA TRENDS



ENVIRONMENTAL AWARENESS



ENERGY EFFICIENCY



Customer
centric



DRIVE FOR PRODUCTIVITY



DIGITALIZATION



UNIQUE PLATFORM AMONG PEERS

2016 figures



GBPEUR = 0.8518 (average 01/01/2016-31/12/2016 as per Thomson)





GLOBAL LEADER



B2C

- ▶ **#1** in France
- ▶ **#1** in Belgium
- ▶ 23 million contracts in 12 countries

RETAIL CUSTOMERS & SMALL BUSINESSES

Energy contracts & cross-selling services



B2B

- ▶ **#1** position in Energy services in France, Belgium, Italy and the Netherlands
- ▶ Global leader in B2B services

BUILDINGS & INDUSTRY

Energy performance solutions



LARGE INFRASTRUCTURES

Optimization of energy mix



B2T

- ▶ **#1** in DHC networks (> 250 worldwide)
- ▶ 1M lighting points
- ▶ Global leader for energy solutions in cities

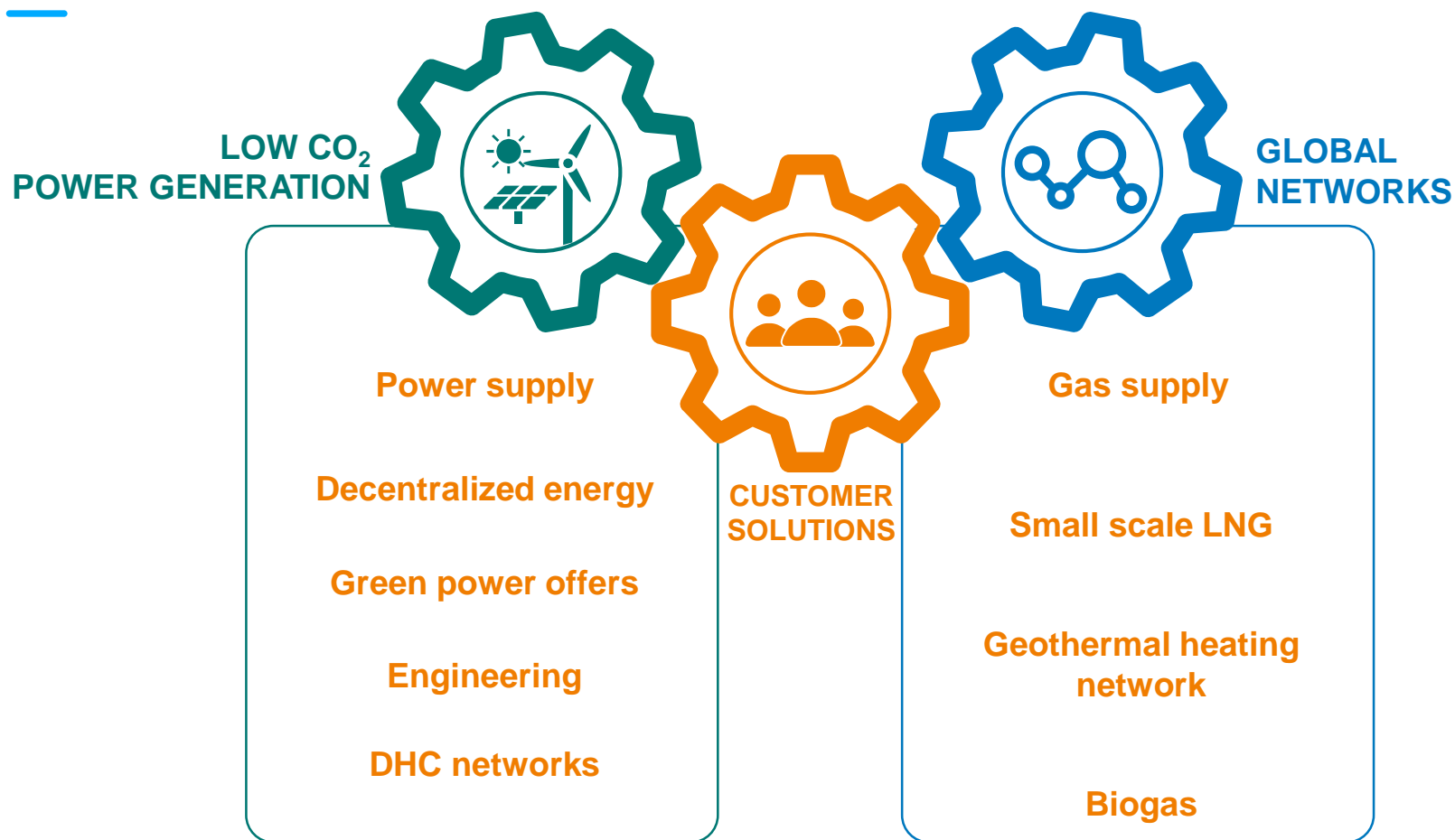
CITIES & TERRITORIES

Optimize management of territories





INTEGRAL PART OF PORTFOLIO



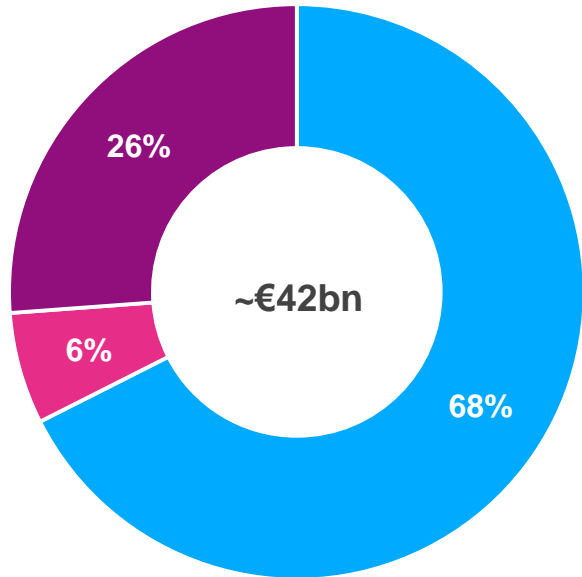
Complementarity of customer solutions activities with the rest of the Group





SIGNIFICANT SIZE

2016 REVENUES BY ACTIVITY



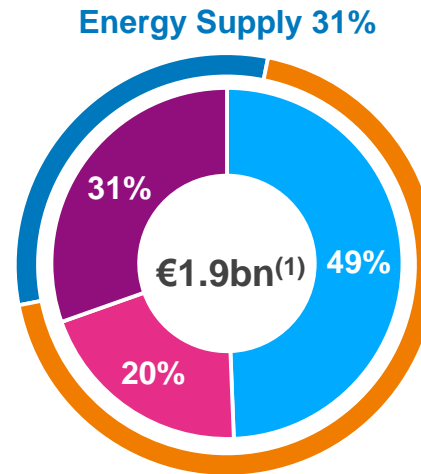
62% of total

■ B2B

■ B2T

■ B2C

2016 EBITDA BY ACTIVITY



18% of total

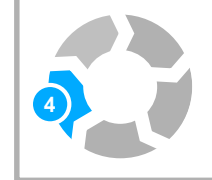
B2B	€0.9bn
Energy efficiency & integrated services	45%
Installations	27%
Engineering	8%
Energy supply	3%
Suez	15%
Other	2%

B2T	€0.4bn
District network	89%
Green mobility	7%
Solutions for cities	4%

B2C	€0.6bn
Energy supply	98%
Services	2%

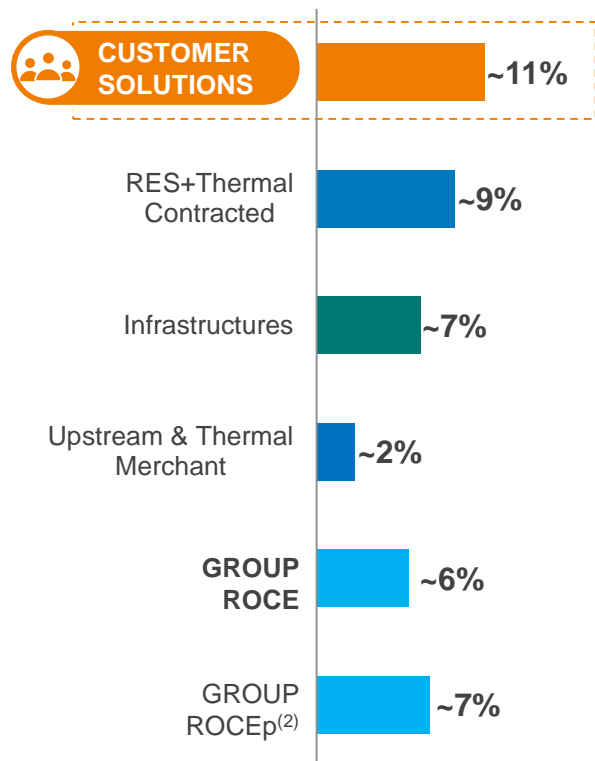
(1) Total including corporate costs



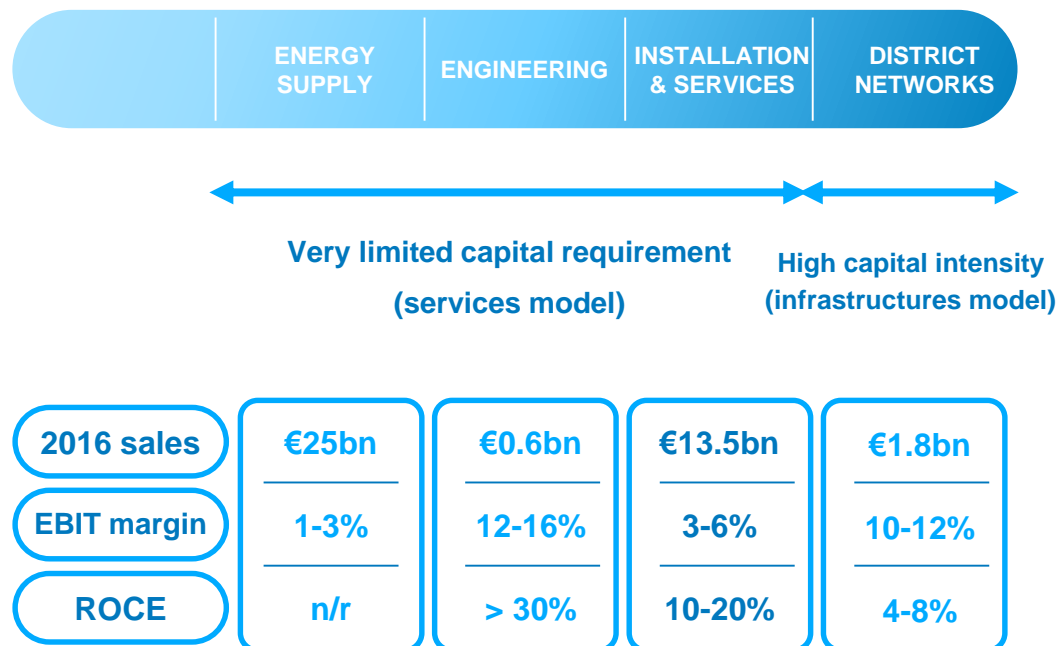


HIGH PROFITABILITY

2016 ROCE⁽¹⁾ BY MÉTIER



CUSTOMER SOLUTIONS



Unaudited figures

(1) ROCE computed on average 2016 industrial capital employed

(2) ROCEp computed on end-2016 productive industrial capital employed (excl. assets under construction)





SERVICES: RECURRING REVENUE STREAM DRIVEN BY CONTRACT DURATION AND CLIENT MIX

“ANNUITY” STREAM

Remaining portfolio duration

>8

years

>80%

Contract renewals

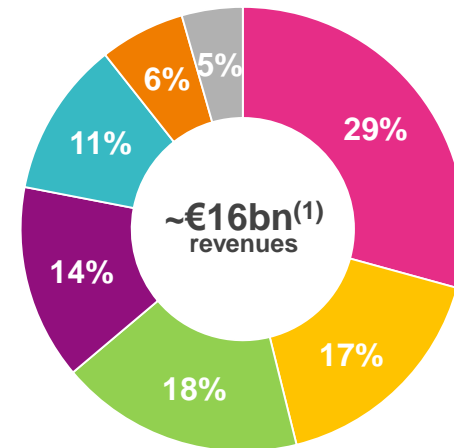
€5.7bn

installations backlog

83%

of clients < €50m

DIVERSIFIED CLIENT BASE



- Industry
- Private Tertiary
- Public Tertiary
- Infrastructures
- Public District Networks
- Collective Housing
- Other

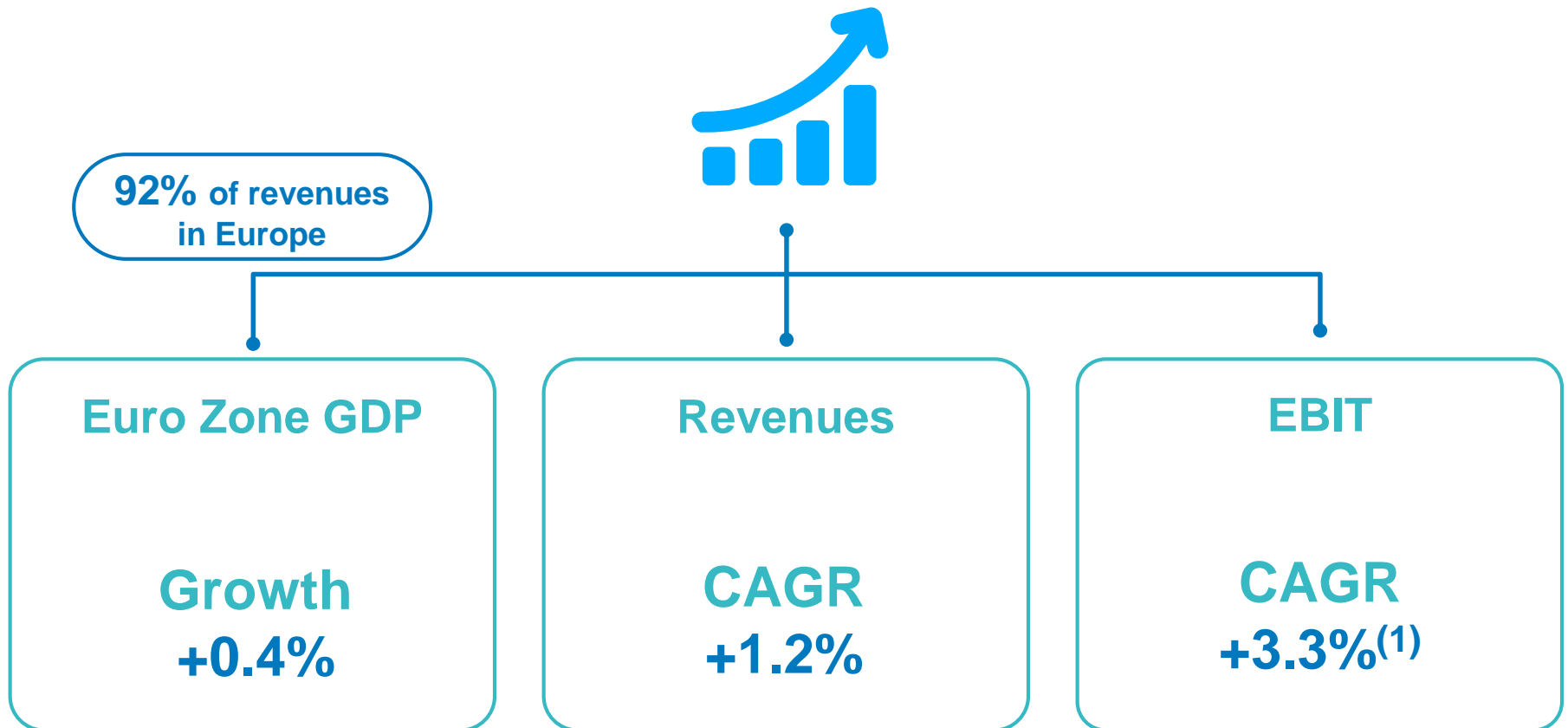
(1) Revenues in B2B and B2T services





RESILIENT THROUGH ECONOMIC CYCLES

B2B & B2T SERVICES VS. GDP GROWTH IN EURO ZONE (2008-2016)



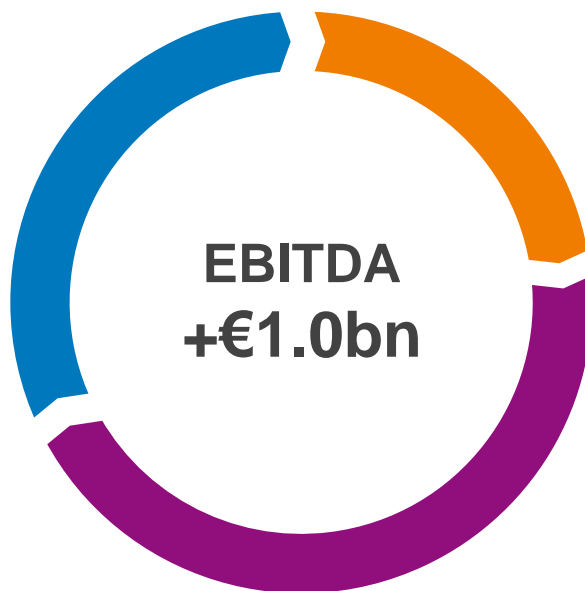
(1) Excluding climate effect



GROWTH AMBITION: +50% EBITDA BY 2018

Organic Growth

- Supportive market trends
- Key accounts approach and cross selling



M&A Contribution

- Tuck-in acquisitions
- Reach critical mass in international development

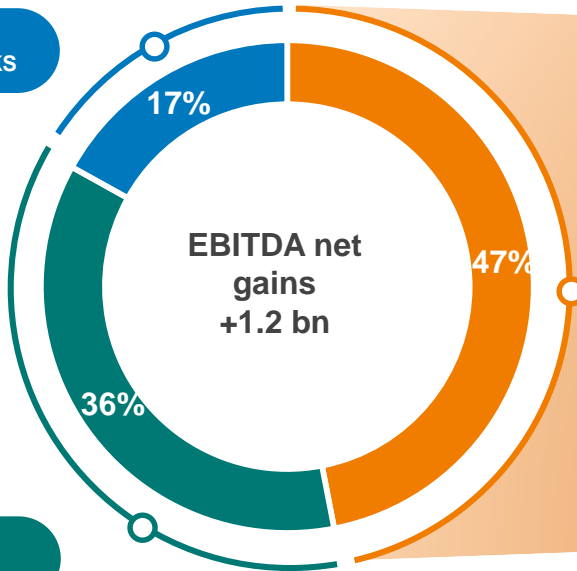
Lean Program

- Purchasing
- Organization

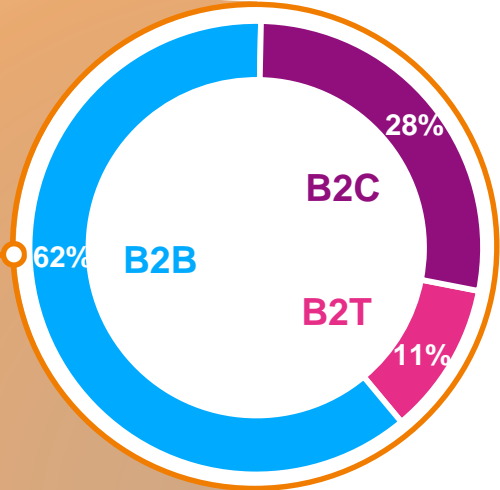


LEAN 2018

GLOBAL NETWORKS



CUSTOMER SOLUTIONS



LOW CO₂ POWER GENERATION

o/w 27% realised in 2016
o/w 80% actions identified



PURCHASE GAINS



PERSONNEL COSTS



REAL ESTATE



PERFORMANCE CULTURE



SUBCONTRACTING



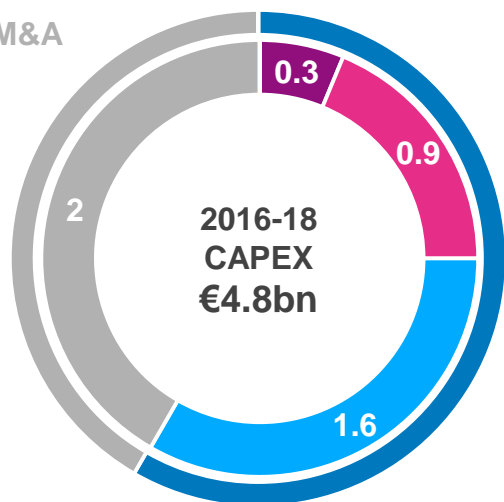


DRIVING GROWTH THROUGH INVESTMENTS

CAPEX BREAKDOWN

in €bn

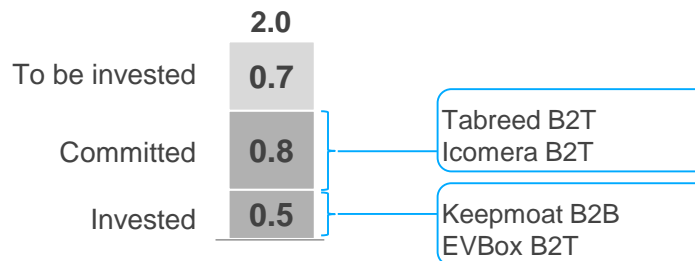
Tuck-in M&A



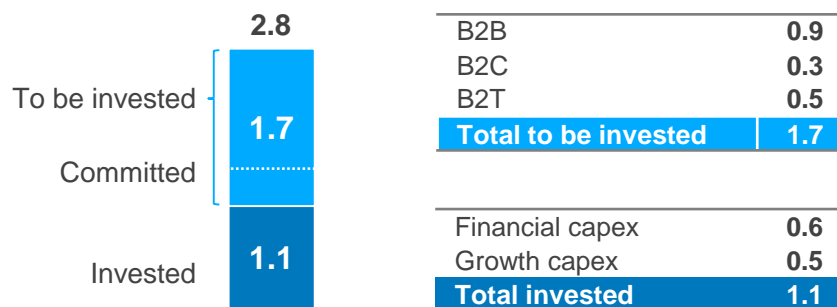
Organic Capex

B2C B2T B2B M&A

TUCK-IN M&A



Organic Capex



COI⁽¹⁾ FULL YEAR CONTRIBUTION: €0.4BN

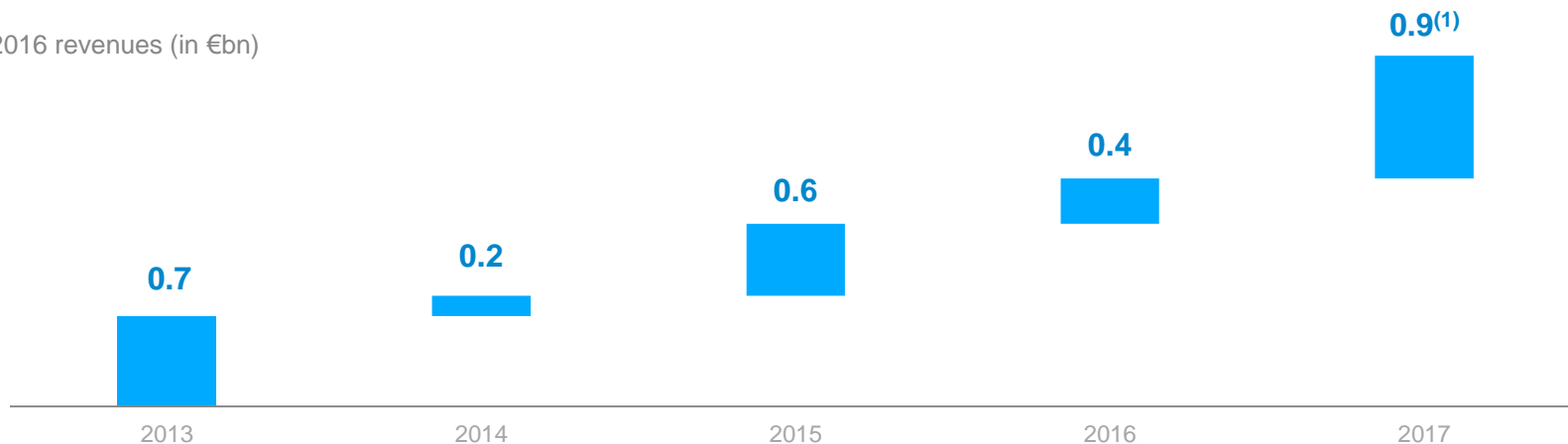
(1) Including share of net income of associates



M&A: CONSOLIDATION OPPORTUNITY IN A FRAGMENTED MARKET



Contribution to 2016 revenues (in €bn)



Number of acquisitions



Main acquisitions (revenues contribution >€100m)



33 ACQUISITIONS OVER THE LAST 5 YEARS
Average EV/EBITDA pre-synergies: ~ 9X

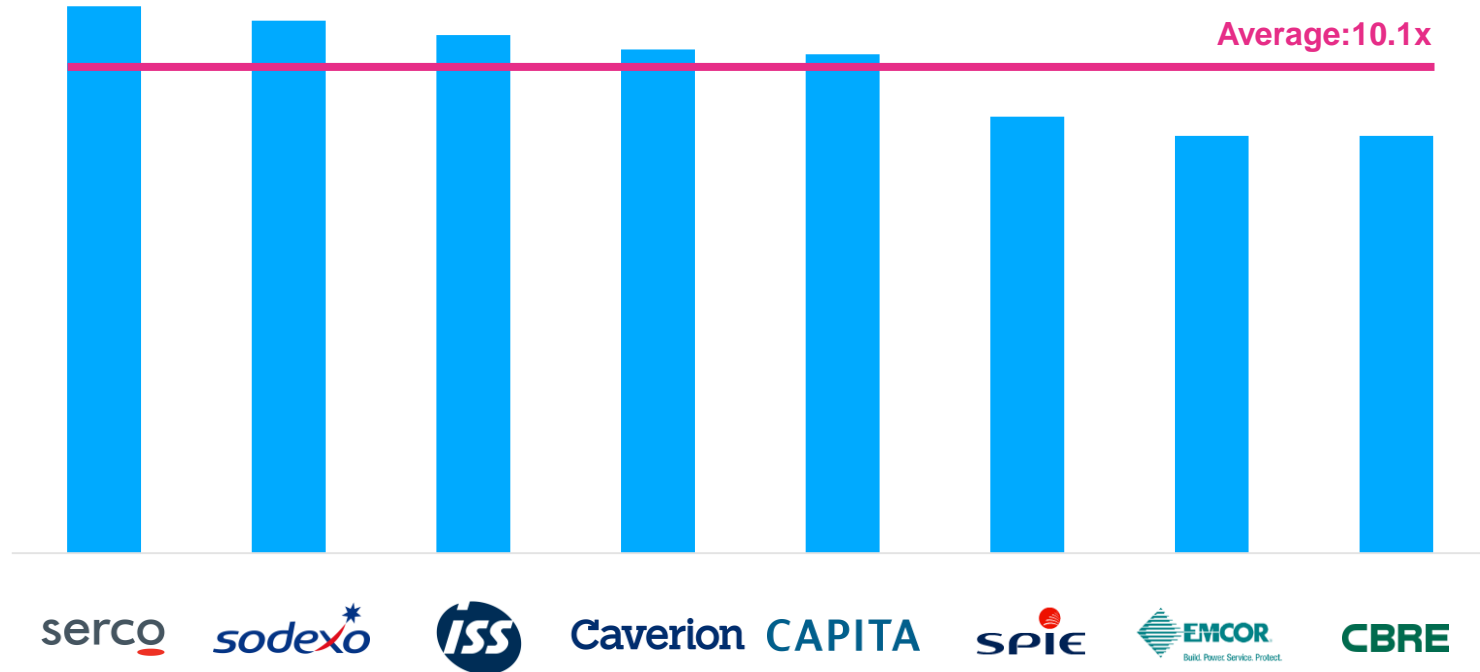
(1) Keepmoat full year contribution





B2B PEERS TRADING AT HIGH MULTIPLES

EV/EBITDA 18E

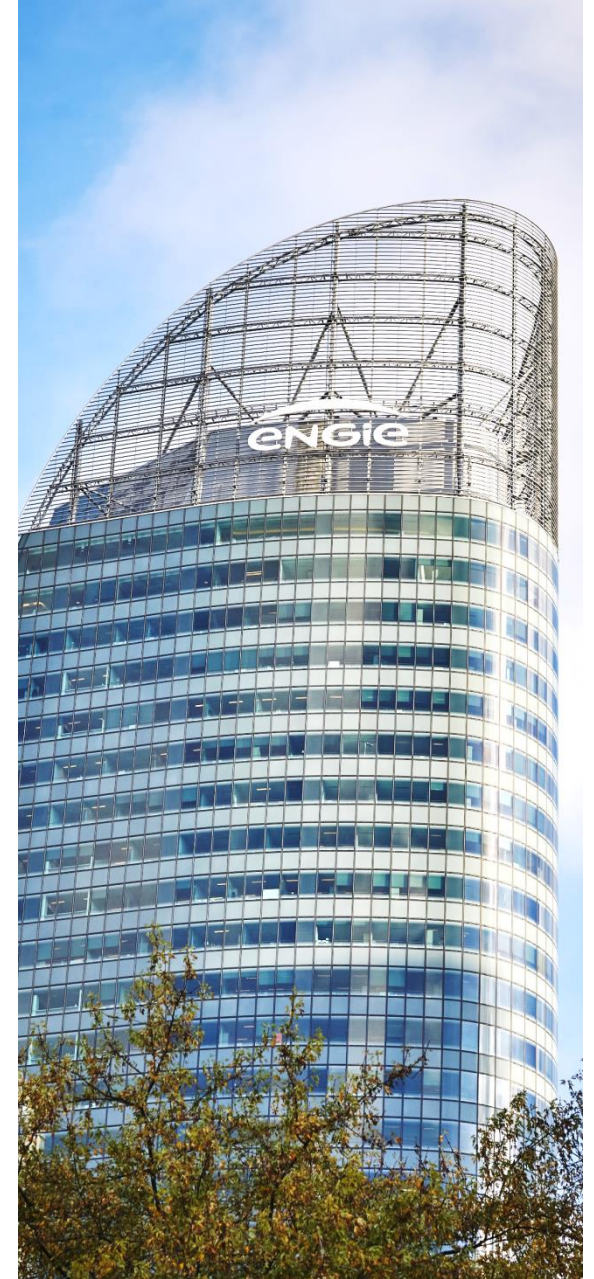


CONCLUSION

– ENGIE Customer Solutions:

- Key to strategy
- Unique positioning
- Profitable, resilient and recurring business model
- Generating growth

Key pillar of ENGIE's success



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June 20th, 2017

Claude TURBET
Managing Director, Solutions for Businesses

ENGIE



24 BUs SUPPORTED BY *METIER* LINES

Métiers lines

24 BUs



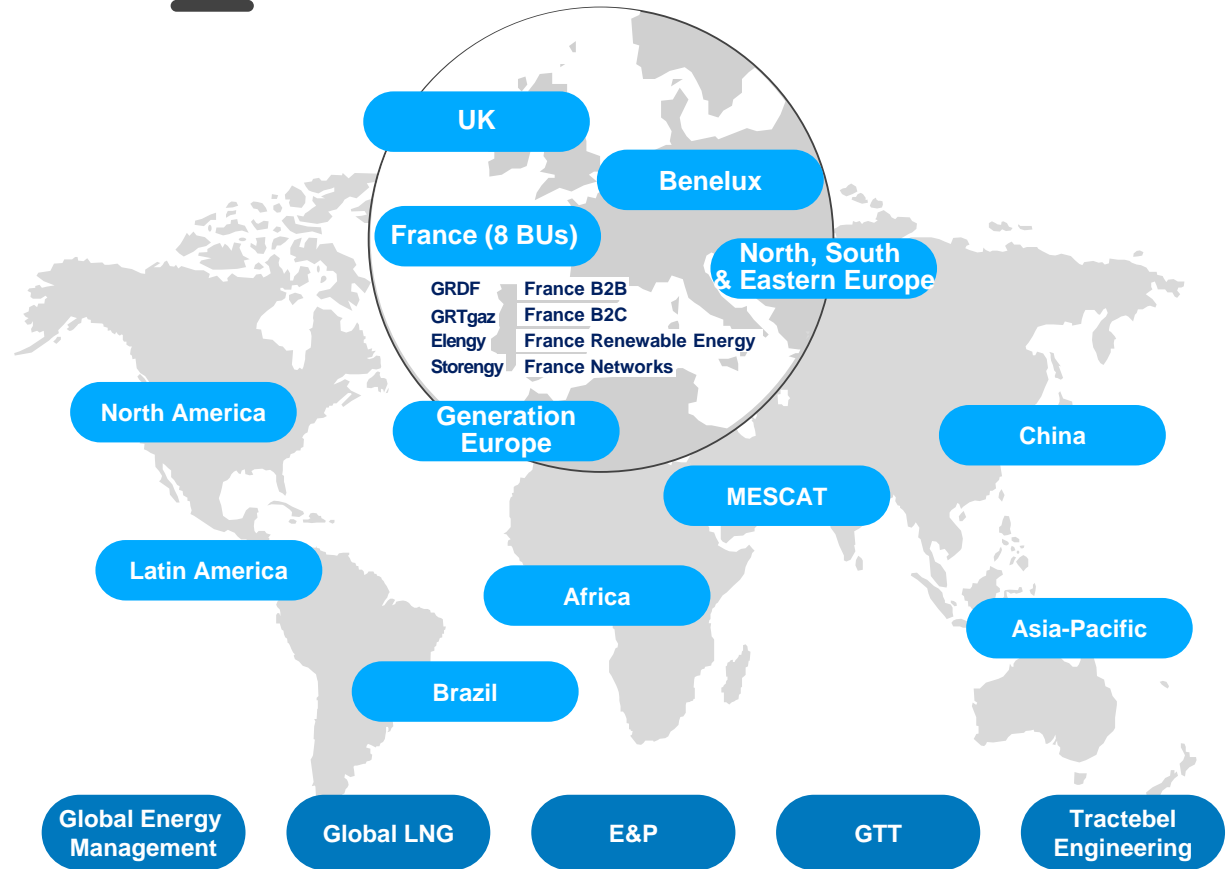
LOW CO₂ POWER GENERATION



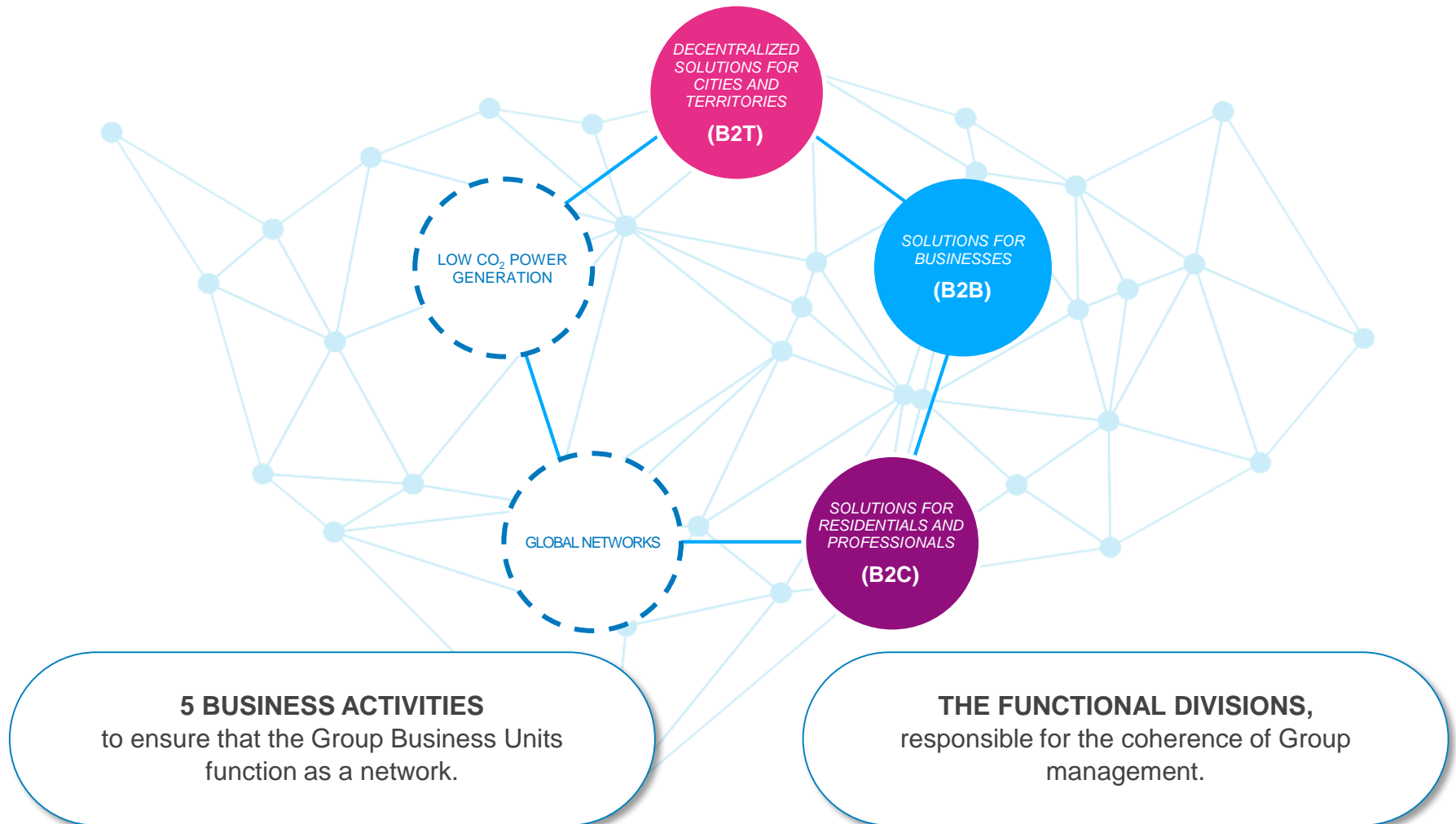
GLOBAL NETWORKS



CUSTOMER SOLUTIONS



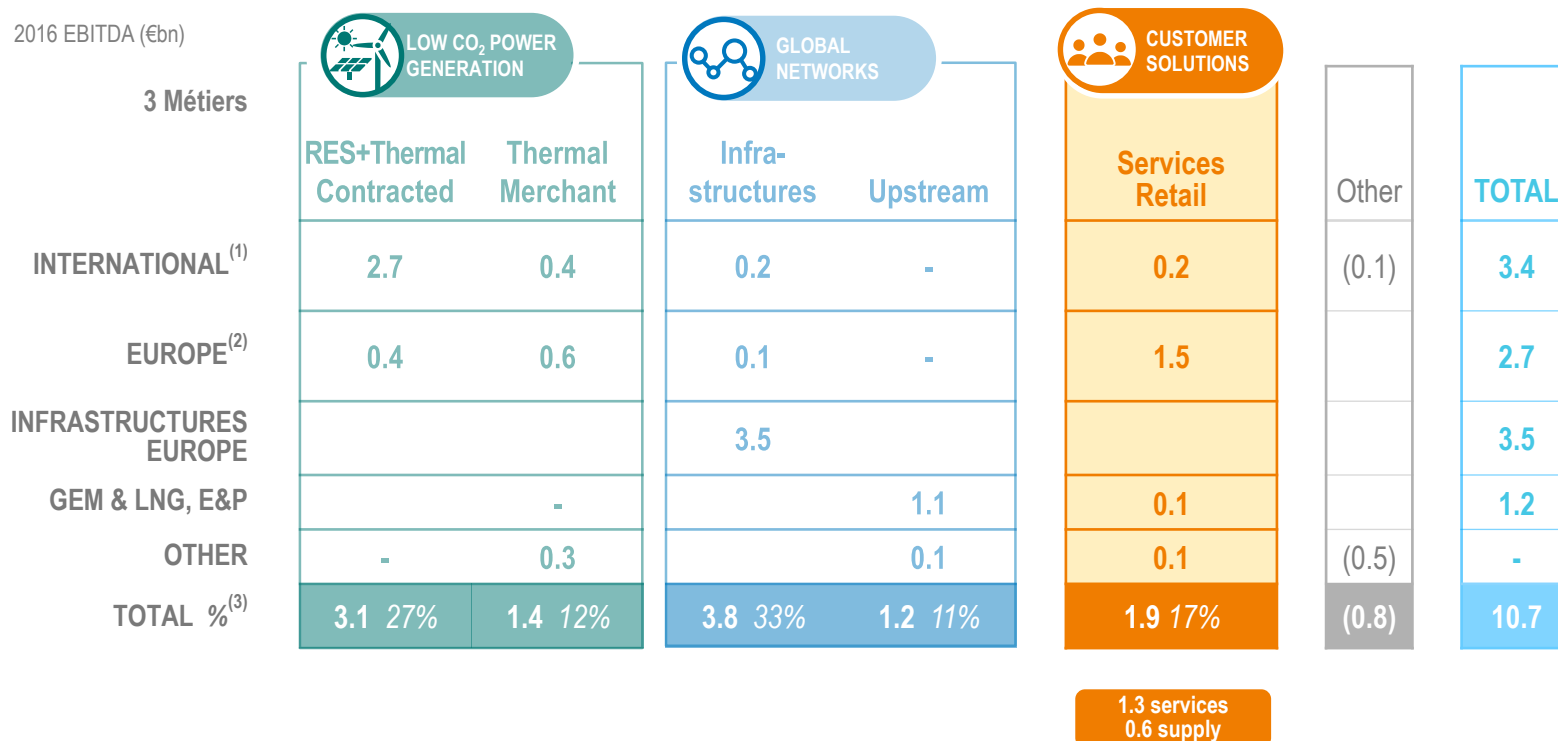
5 MÉTIERS ACCELERATING THE STRATEGIC, BUSINESS AND HUMAN TRANSFORMATION



EUROPEAN STRONGHOLDS AND GROWING INTERNATIONAL POSITIONS

In €bn

2016 EBITDA (€bn)



(1) Included segment: Noram, Latam, Africa/Asia Pacific/ME

(2) Included segment: France, Benelux, Other Europe

(3) Unaudited figures Excluding "Other"

A WIDE RANGE OF SOLUTIONS TO MEET OUR B2C CUSTOMERS' EXPECTATIONS

Customers' needs

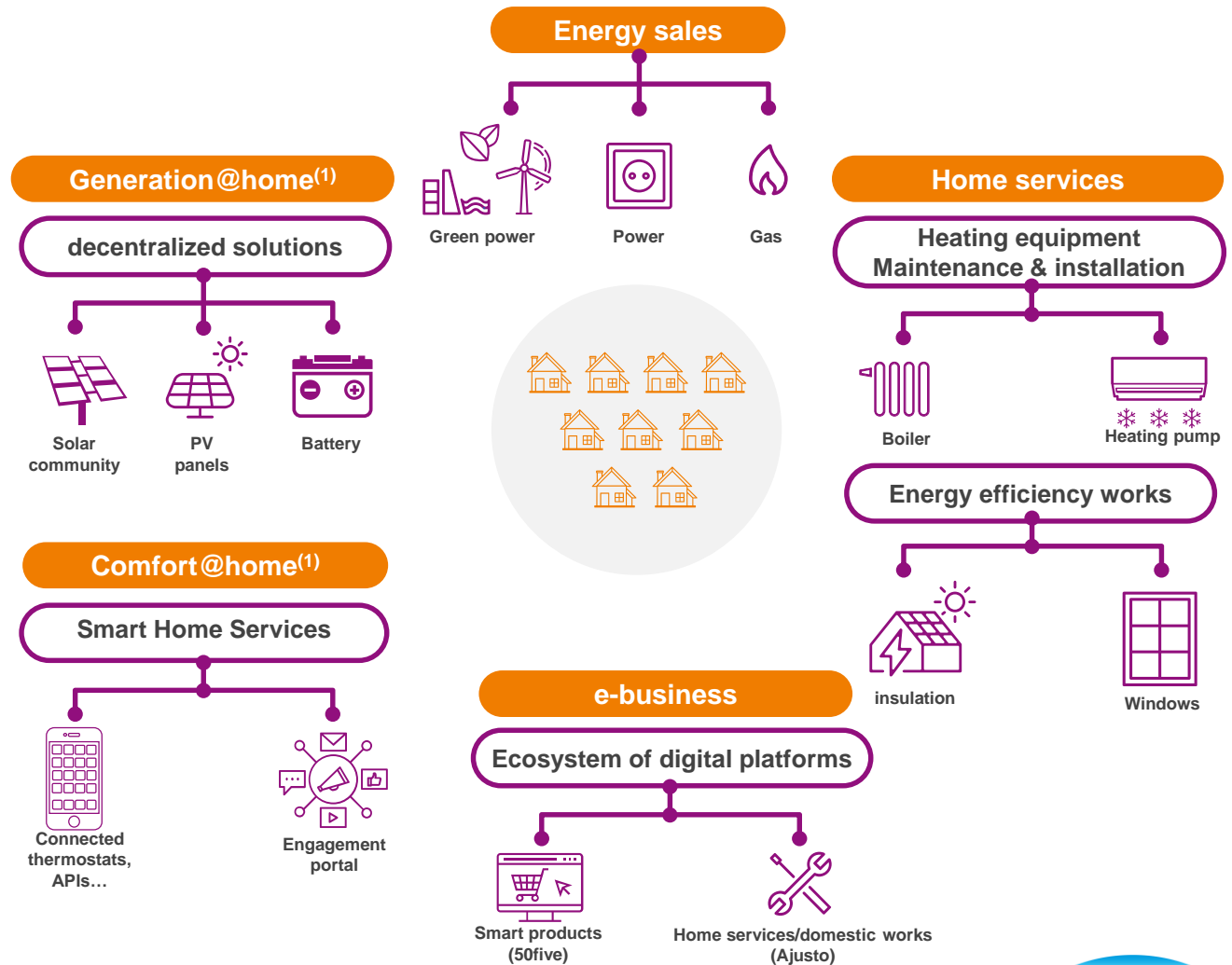
Reduce my energy bill

Steer my comfort

Limit my environmental footprint

More digitalization and connected services

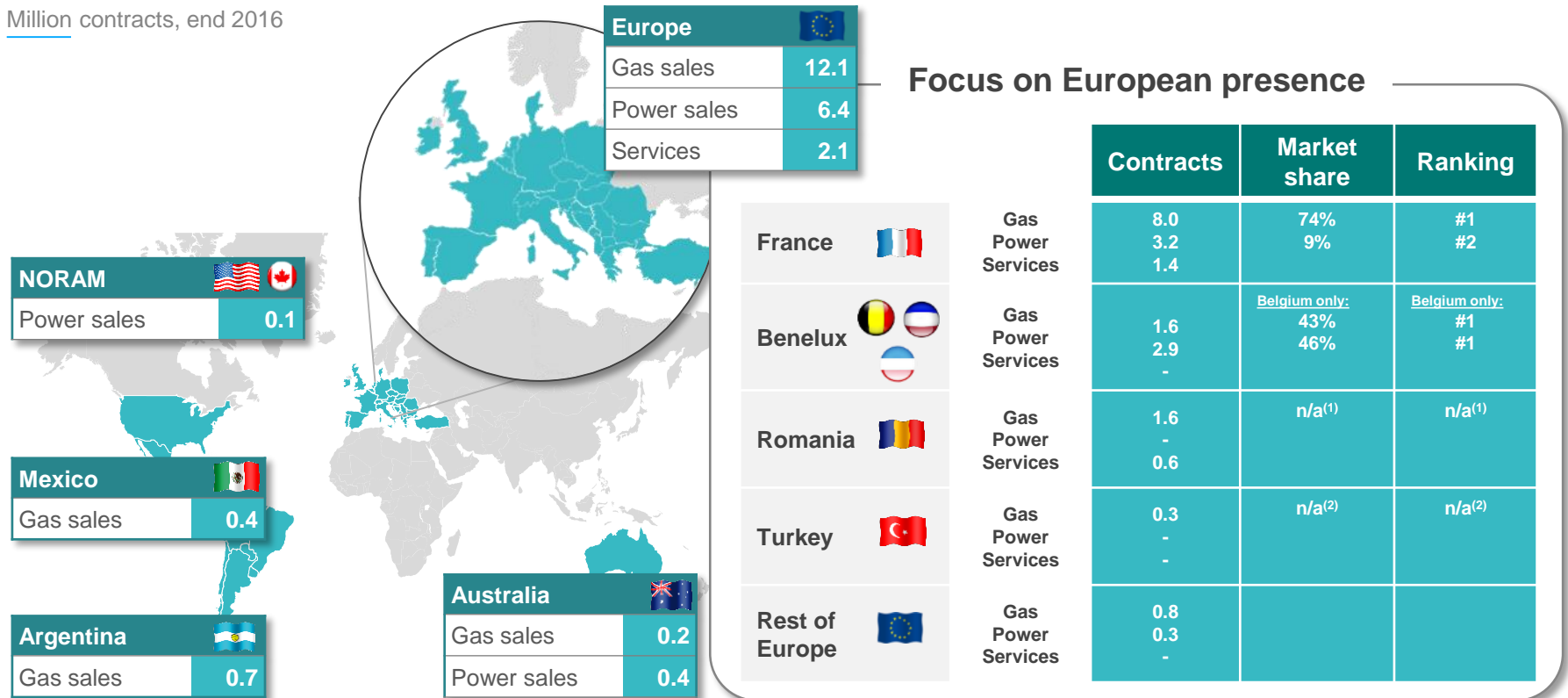
Great customer experience



(1) Key programs

A STRONG EUROPEAN FOOTPRINT

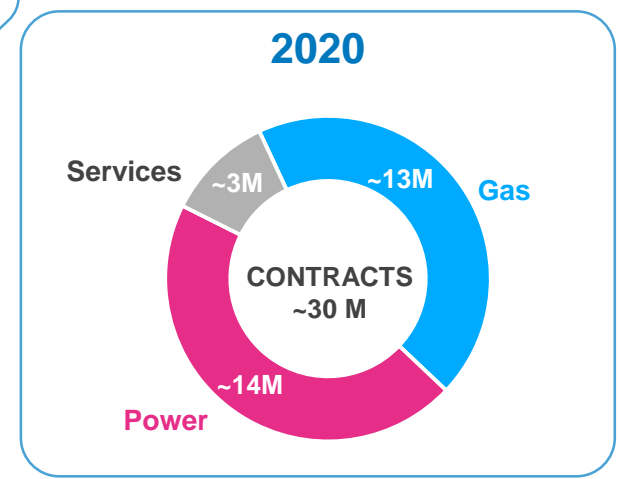
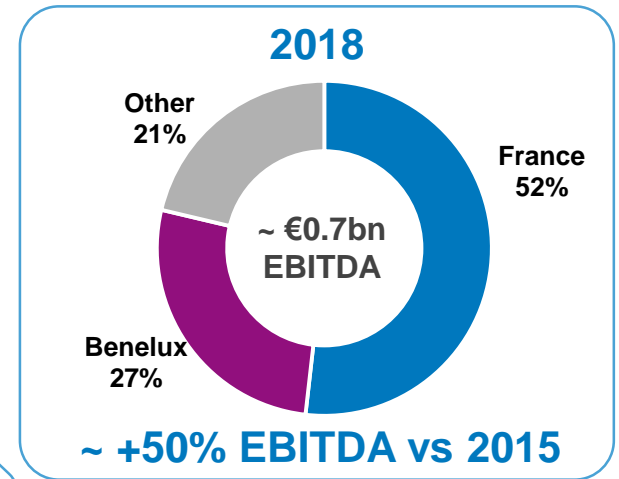
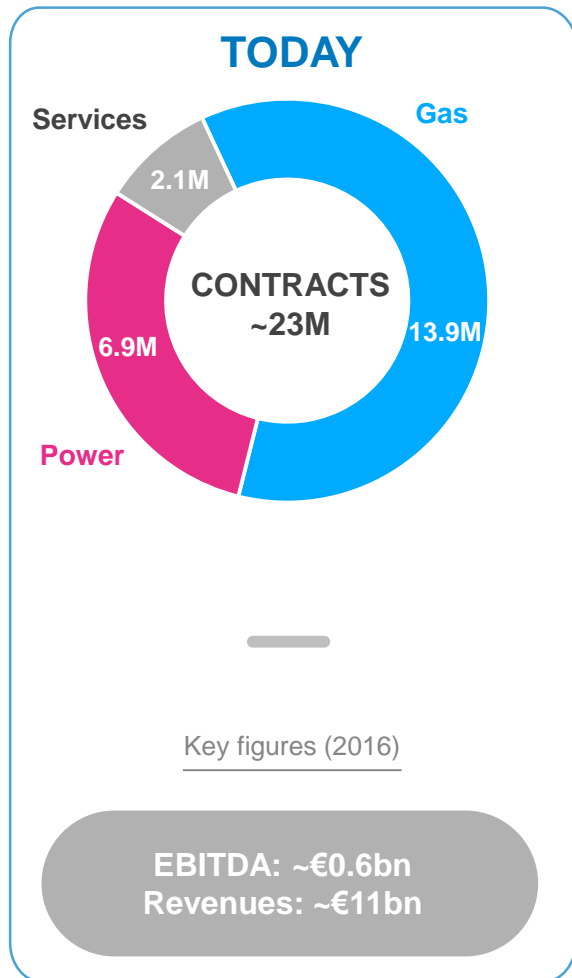
Million contracts, end 2016



~23 MILLION CONTRACTS IN 12 COUNTRIES

(1) Not relevant since Romania is a regulated captive market ; ENGIE is the most important actor in distribution and supply in the south of the country
 (2) Not relevant since Turkey is a regulated captive market ; ENGIE is the 3rd largest gas distribution player

ENGIE B2C SET TO EXPAND



B2B CUSTOMER NEEDS AND OUR OFFERS

Customers' needs

Energy efficiency

Quality
Workplace

Performance and
productivity

Flexibility

Innovation

Integrated solutions

Savings

ENERGY INFRASTRUCTURES

Be the preferred partner for the design, installation and maintenance of major infrastructures



INDUSTRY

Help our customers to maintain their competitive edge by reducing energy & operating costs, lowering carbon emissions and ensuring resilience of utility supplies



PRIVATE SECTOR

Deliver tailored and flexible services with high-quality technical services to customers – while improving their sustainability and cost efficiency



PUBLIC SECTOR

Design, develop, produce and operate solutions for comfort and safety for public bodies in education, healthcare, leisure, ...



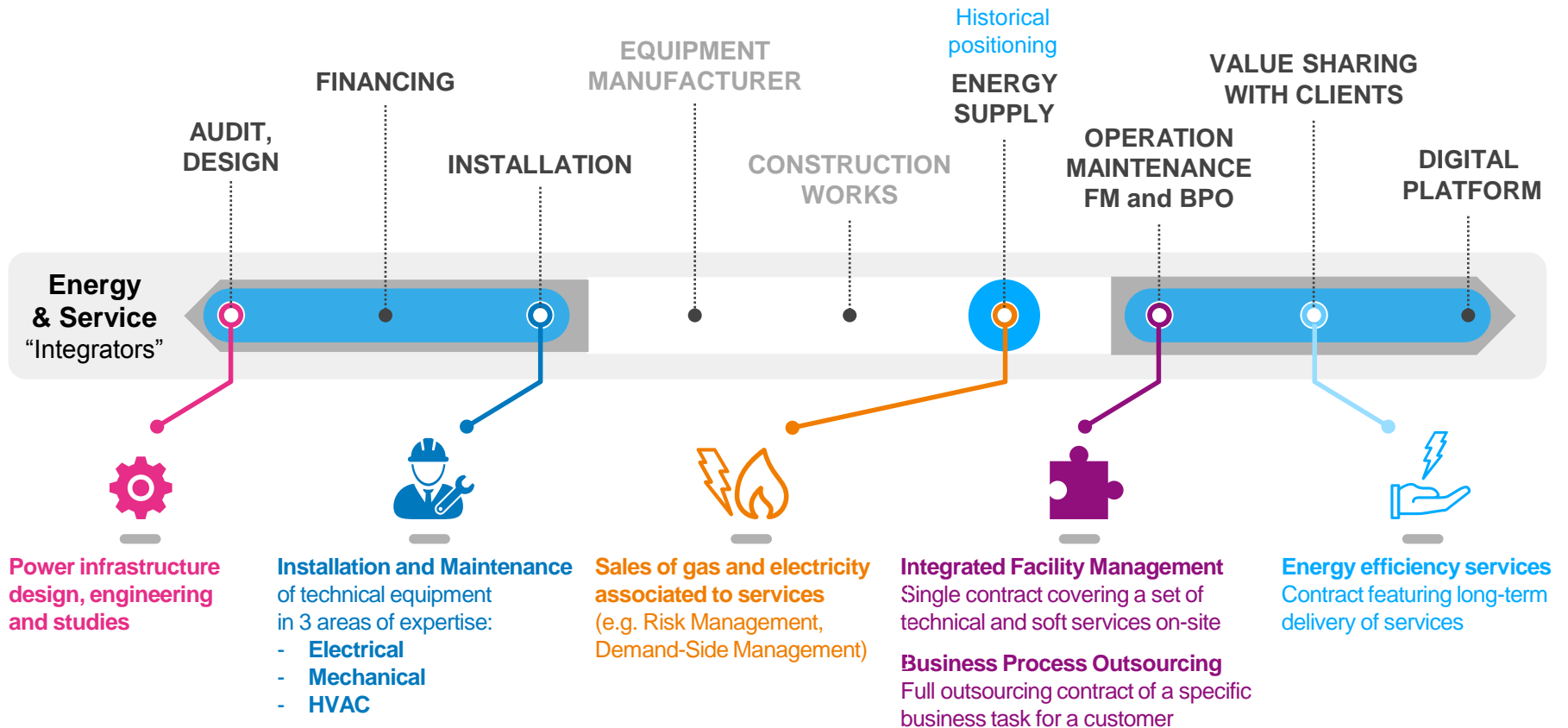
COMMUNITY HOUSING

Custom services for condominiums based on our building energy performance skills, to help them control their expenses and ensure inhabitants' comfort



UNIQUE POSITIONING ALONG THE SERVICES VALUE CHAIN

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



ENGIE positions on the value chain







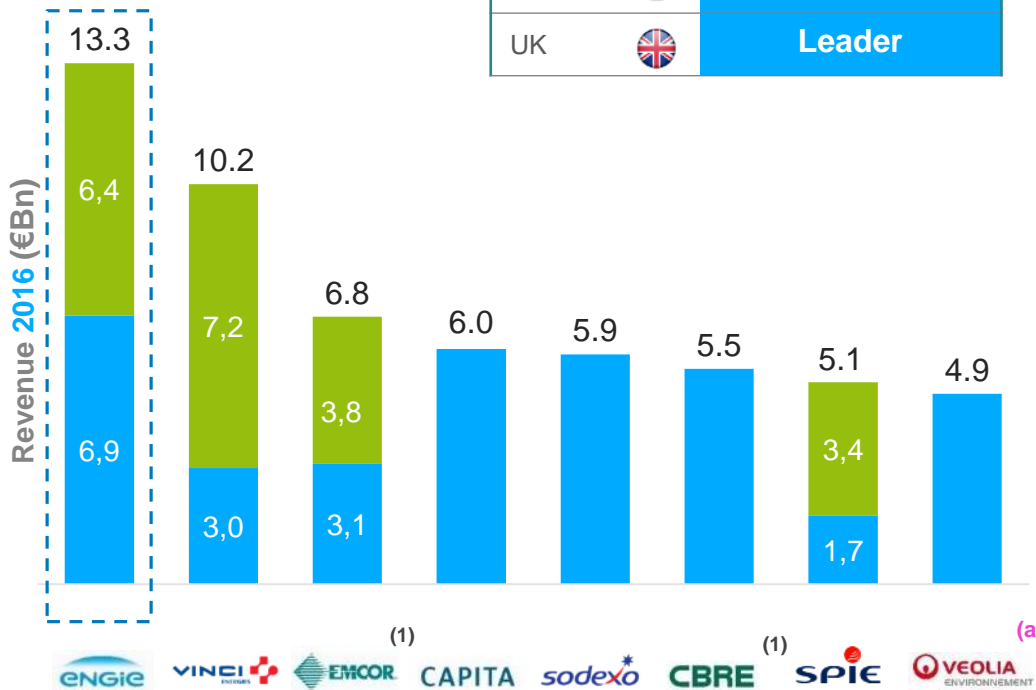
GLOBAL LEADER IN B2B SERVICES

Services activities:

- Installation
- Energy Efficiency Services
- Integrated Services
- Engineering

Position by geography

France		#1
Benelux		#1
Italy		#1
UK		Leader



Competitive Edge

Ensure
customer Intimacy

Proven
technical Expertise
(HVAC, Mechanical, Electrical, ...)

Rely on
long experience and a wide range
of references

Sustain an
entrepreneurial Culture

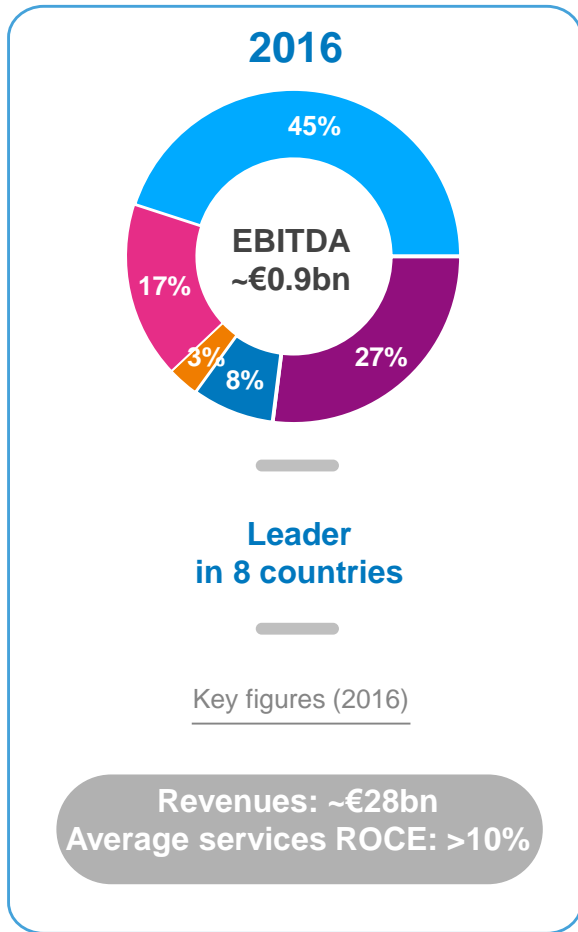
Strong Presence on-site
thanks to a dense & concentrated
territorial grid

Exchange rates:

(1) 1\$ = 0.9034210 € (a) Including heating and cooling network activities

ENGIE B2B: TOWARDS AMBITIOUS TARGETS

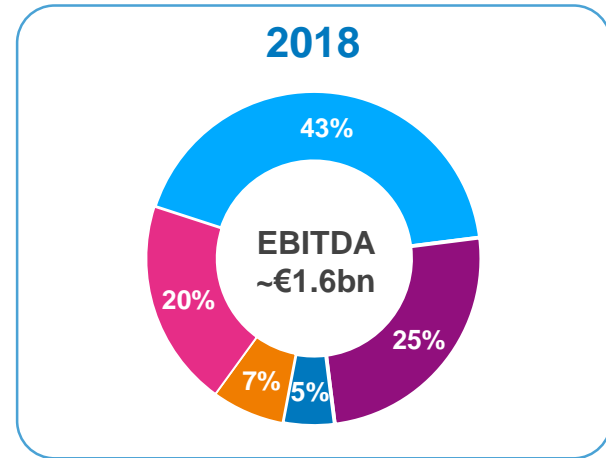
■ Energy services
 ■ Installations
 ■ Engineering
 ■ Energy sales
 ■ Suez and other



Develop integrated services for end users

Promote energy efficiency

Target selected markets outside of Europe



2020

x2
Revenues from integrated services

x2
Countries where ENGIE is leader



A PRESENCE ON ALL “VERTICALS” ANSWERING TO TRANSVERSAL CUSTOMERS NEEDS

Our customers' needs

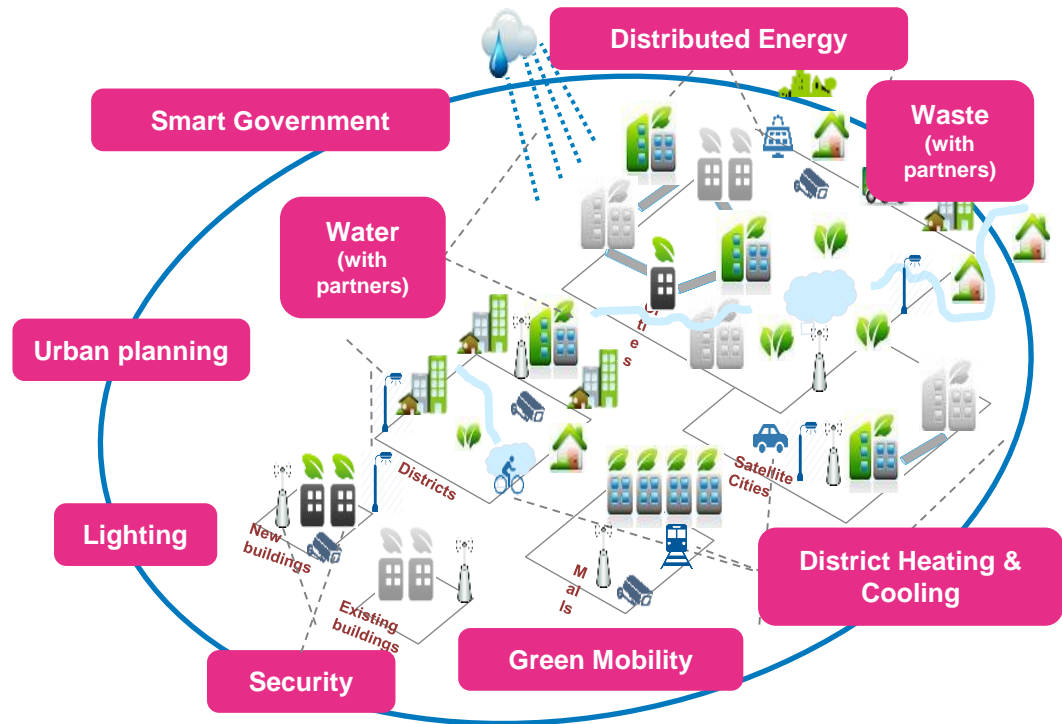
To improve
Security and Resilience

To benefit from
Fluid & Green mobility

To ensure an
Enjoyable environment

To develop the
Local attractiveness

To allow to
Reduce costs



ICT Infrastructure CityOS⁽¹⁾ Data Analytics

**CITIES & TERRITORIES:
AT THE HEART OF THE
ENERGY TRANSITION IN A
FAST CHANGING WORLD**

2% of World Area
50% of World Population
75% of World Energy Consumption
80% of World GHG

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



A COMPREHENSIVE RANGE OF SERVICES COVERING THE WHOLE VALUE CHAIN

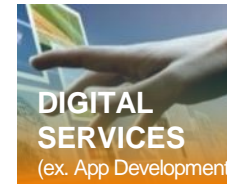
DISTRIBUTED ENERGY

- ▶ On/Off-grid distributed energy (including. μ grids, generation, storage, μ CHP), from biogas, geothermal, solar, hydro for urban/rural areas, islands...



CITIES

- ▶ Individual service through to integrated city propositions across: mobility, energy, security, public lighting, environment, waste, water, social and health, data and digital technology...



GREEN MOBILITY

- ▶ Either B2C, B2B, B2T solutions
- ▶ LNG, CNG, H2, electricity...



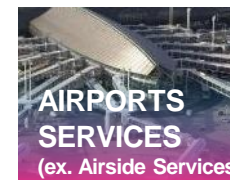
LARGE SCALE CHP & NETWORKS

- ▶ District heating, district cooling, power, cogeneration...
- ▶ Municipal networks

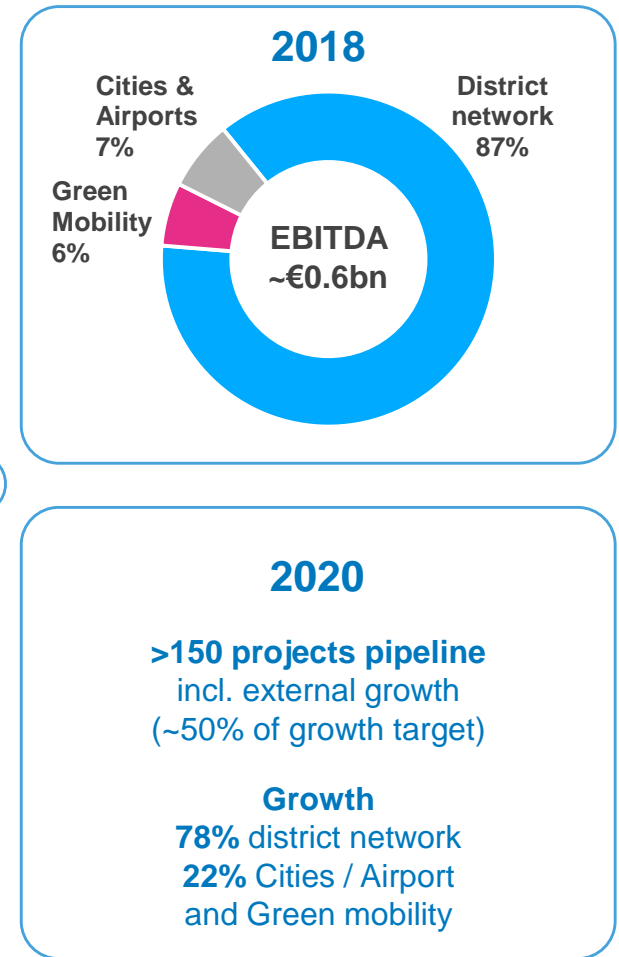
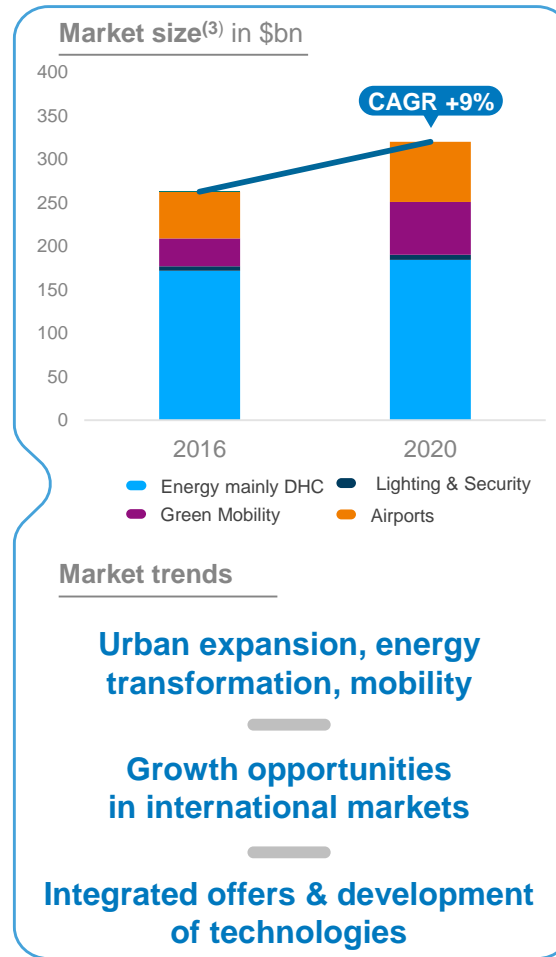
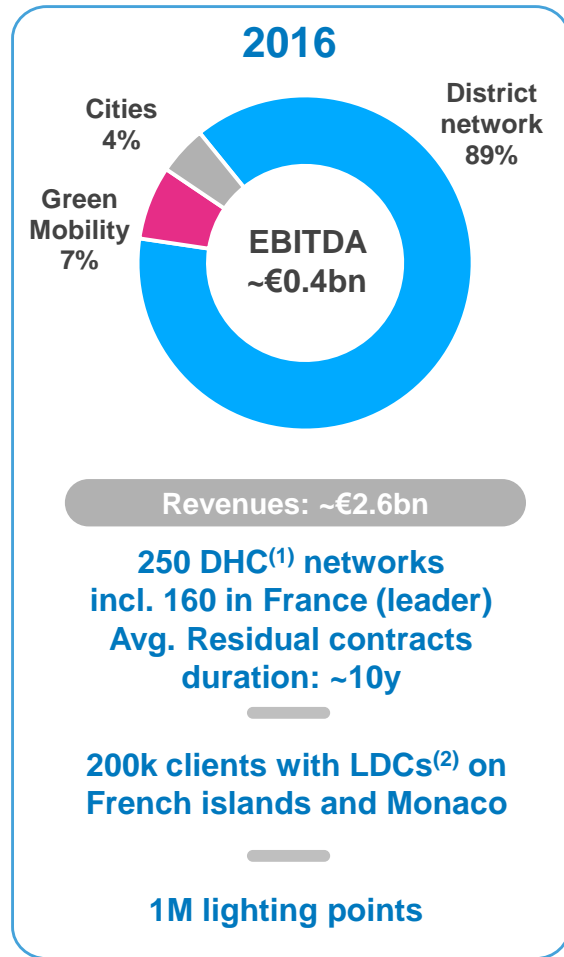


AIRPORTS

- ▶ Concession contract / PPP for Airport...



ENGIE B2T: A SOLID PLATFORM OFFERING GROWTH

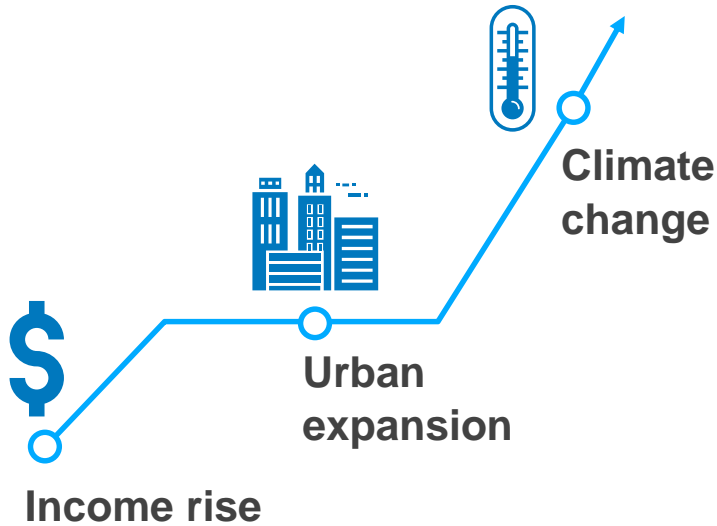


(1) District Heating & Cooling (2) Local Distribution Companies (3) sources: - Transparency Market Research 2015-2023 - Navigant Research - Ibis world (airports)

DISTRICT COOLING

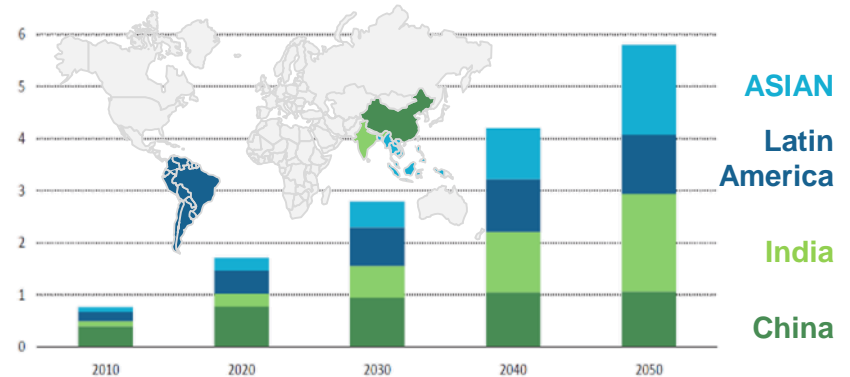
A BOOMING MARKET BY 2050

COOLING ENERGY DEMAND GROWTH FACTORS



By 2050 70% of the population will live in cities

Cooling is set to **expand 625%** by **2050** in selected regions of **Asia & Latin America**.



World final energy use for cooling in the IEA's 2°C scenario, 2010–2050⁽¹⁾

DISTRICT COOLING

A solution to answer cooling needs while respecting major energy and environmental issues

(1) Source: IEA (2014b) in Exa Joules Source: Green cooling initiative

MAKING ENGIE #1 WORLDWIDE

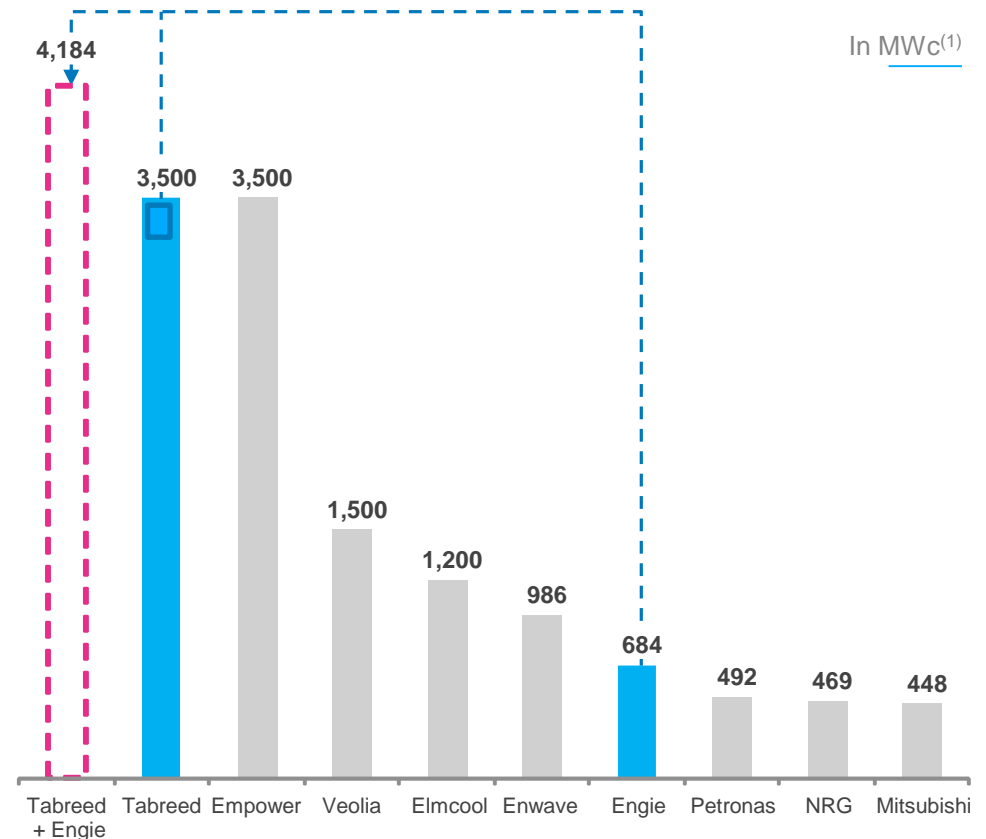
ACQUISITION OF TABREED (1/2)

A COMPELLING RATIONALE

By acquiring Tabreed, Engie will:

- Become **#1 worldwide** with dominant positions **in GCC**
- Benefit from **a second development platform to address fast-growing countries** such as India, Turkey and Egypt
- Be referenced **as an undisputable leader on worldwide tender offers**
- Realize **valuable synergies** on purchasing, technologies, operational performance and HR

ENGIE BECOMING #1 IN DC NETWORKS



Source: Emerton (2017)

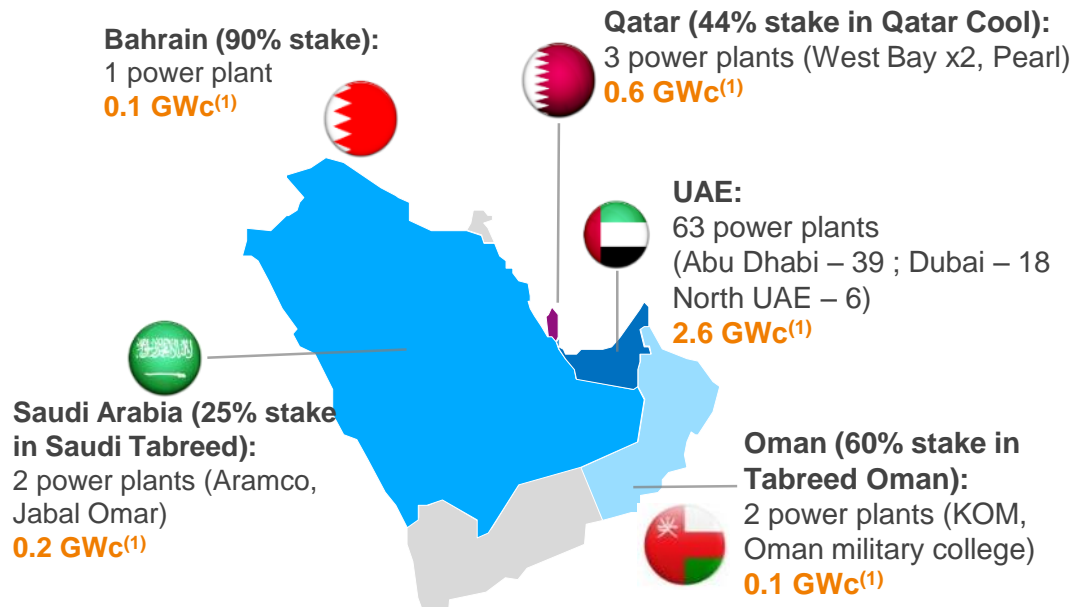
(1) Mega Watt of cooling



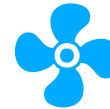
MAKING ENGIE #1 WORLDWIDE

ACQUISITION OF TABREED (2/2)

SIGNIFICANT LOCAL PRESENCE



71 District Cooling plants
~3.5 GWc installed capacity



90% EBITDA capacity-indexed



Solid off-takers
60% of revenues from government bodies



25 years contract lifetime

(1) Contracted capacity in GWatt of cooling

2017 INVESTOR WORKSHOP

June 20th, 2017

BU France B2B
Franck Bruel, CEO

ENGIE



WHAT DO WE DO

PRESENCE ON THE WHOLE VALUE CHAIN⁽¹⁾

56%

Installation



35%

Energy efficiency services



9%

Integrated services

An internal organization based on 4 entities

Cofely

Energy efficiency
Multitechnical services
Facility management
District heating networks

Ineo

Electrical solutions:
Transport
Security
Information
Telecommunications

Axima

HVAC
Refrigeration
Fire protection

Endel

Industrial Design
Maintenance
Dismantling

(1) In % of 2016 revenues



OUR CUSTOMERS

4

Market segments

Designing and offering efficient energy solutions to the key markets

Industry

Private Tertiary

Public Tertiary

Infrastructures



FAVOURABLE GLOBAL ENVIRONMENT

Renovation & energy transition

Decentralisation & decarbonisation

Digital revolution

2016 KEY FIGURES

€6.8

bn turnover

€0.4

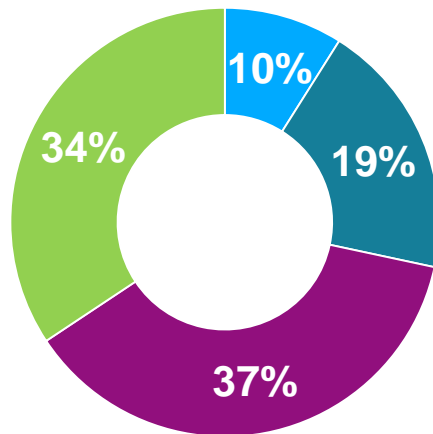
bn EBITDA

19.6%

ROCE

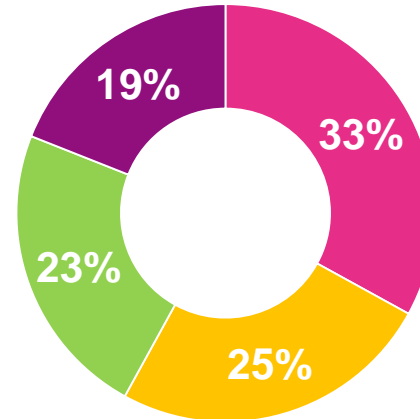
BREAKDOWN OF REVENUES

BY ENTITY



Cofely Ineo
Axima Endel

BY MARKET SEGMENT



Industry Public Tertiary
Private Tertiary Infrastructures

WHY ARE WE DIFFERENT

 4 leaders, experts in their areas




 Full range of offers

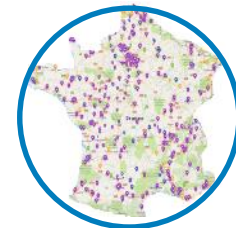


 Skilled pool of experts

40,214 employees
o/w **3,000** engineers

 Territorial network

900
local sites



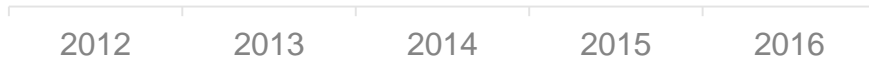
RESILIENT BUSINESS PROFILE

INSTALLATION

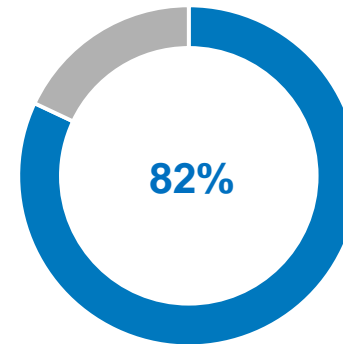
SERVICES

Consistently strong backlog⁽¹⁾ ~€4bn

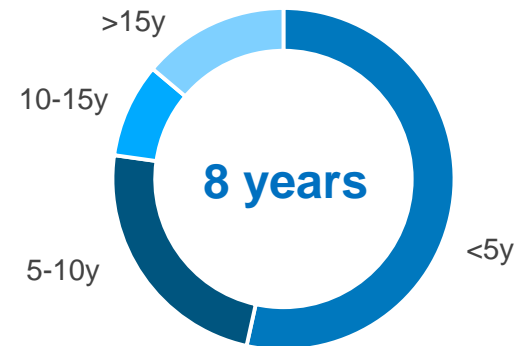
~€3bn



Rate of renewal



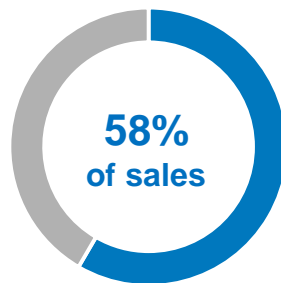
Remaining portfolio duration



Average backlog



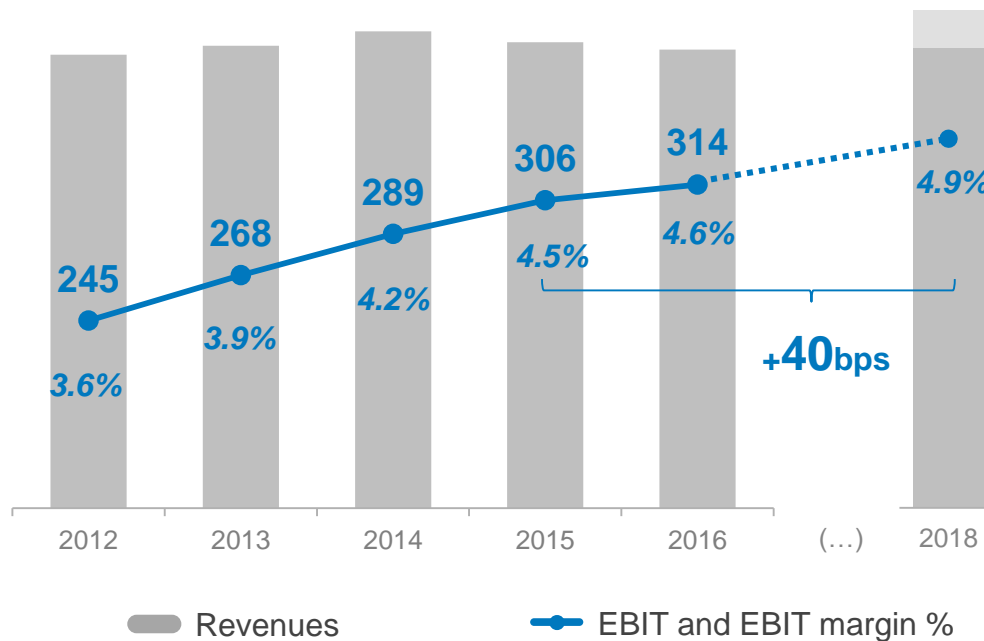
Order book (N+1)



(1) Total backlog for Ineo, Axima, Endel, including mainly installation activities

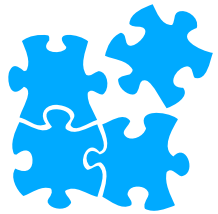
RESILIENT REVENUES AND GROWING PROFITABILITY

in €m



**EBIT margin increase by 100bps over 2012-2016
& further improvement in profitability is expected**

GROWTH DRIVERS & AMBITIONS



Complex offers

- Energy performance
- Usage performance
- Design-Build-Operate



Innovation & digital

- Cities
- Dashboarding energy optimization
- Building Information Modelling
- Cybersecurity



CUSTOMER SOLUTIONS

GROWTH AMBITION BY 2018 vs 2015



>25%
EBITDA



+40bps
EBIT margin



CASE STUDY 1: AIRBUS MULTISITES



ENGIE AXIMA, ENGIE COFELY, ENGIE INEO AND ENDEL ENGIE

- Hard FM maintenance (HVAC, power, heat, cold)
- Supply of utilities
- Fire detection
- Industrial maintenance
- New tertiary works
- Full services in the UK
- **310** people

CONTRACT PERIOD

12-year

REVENUES IN 2016

56 M€ o/w **22 M€** on Hard FM contract

CLIENTS' CHALLENGES

- Decrease energy consumption
- Secure fluids availability

ENGIE SOLUTIONS

- Centralized monitoring of a national global Energy Performance Contract
- **3 millions of m²** managed
- Total Facility Management including the multitechnical management and maintenance

CLIENTS' BENEFITS

- **16 M€** cumulated savings over 2015-2020



CASE STUDY 2: MARINE SECTOR



KEY FIGURES

100 M€ annual revenues

- o/w Cruise: €38M
- o/w Navy: €37M
- Main BU Players:
 - ENGIE Axima: €50M
 - ENDEL ENGIE: €25M
 - ENGIE Ineo: €17M
 - ENGIE Cofely: €8M

CLIENTS' CHALLENGES

Navy: maximize ship's operational availability and respect specific health and safety regulation

Commercial Marine: accelerate construction phases and reduction of global costs

ENGIE SOLUTIONS

Military Maintenance in Operational Condition for 2nd rank military Marine

HVAC "Plug-In" installation specialist for STX in France and other Shipyards in Europe

Multi-Technique maintenance for on-shore Buildings and provide utilities on boat docks

CLIENTS' BENEFITS

Capabilities to embark reliable suppliers for international contract



CASE STUDY 3: IBM



ENGIE COFELY

- **20 years of partnership** with IBM
- 1996: 1st FM contract in France with 120 persons transferred from IBM ; cost + contract fee model
- 2002: 2nd FM contract extended to Belgium and Luxembourg and security ; GMP (Guaranteed Maximum Price) model
- 2012: 3rd FM contract extended to Spain (data center) ; Fixed Price + Variable Budget model
- 2016: 4th FM contract splitting security ; guaranteed savings



ENGIE SOLUTIONS

- **Full FM contract, multi-sites**
- **Additional projects** in the context of a lead consultant/construction manager framework agreement: dynamic offices laying out, **data centers** technical installations...

REVENUES

- **28 M€** in 2016 (total for Europe), third largest client of ENGIE COFELY



CASE STUDY 4: RENOVATION OF 140 PARIS SCHOOLS



CLIENTS' CHALLENGES

Reduce energy consumption

CONTRACT

March 2016: ENGIE & Artelia won an Energy Performance Contract with the *City of Paris* for the renovation of **140 schools** & **21,000 schoolchildren**

DURATION: 15-year

REVENUES:

30 M€ for works o/w **20 M€** for ENGIE Cofely
0.8 M€/year for O&M (12 M€ total)

ENGIE SOLUTIONS

- Contribute to **reducing by 30%** the energy consumption of the buildings
- Building retrofits and deployment of some innovative digital solutions (Vertuoz pilot)
- Energy efficiency actions: insulation of facades, creation of LED lighting and installation of remote-controlled thermostatic valves

REMUNERATION

- Based on energy savings
- Savings of ~1 M€/year for the customer

2017 INVESTOR WORKSHOP

June 20th, 2017

BU France B2C
Hervé-Matthieu Ricour, CEO

ENGIE



A LEADER IN ELECTRICITY AND GAS SUPPLY IN FRANCE

LEADING ENERGY SUPPLIER IN FRANCE

GAS



8.0m
contracts

(74% market share)

ELECTRICITY



3.2m
contracts

(9% market share)

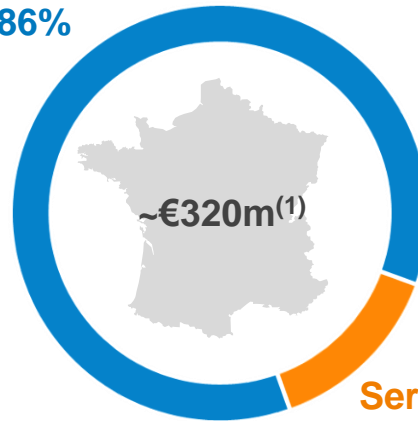
SERVICES



1.4m
contracts

2016 EBITDA

Energy sales
~86%



A GRANULAR NETWORK IN FRANCE

3,300 field technicians



> 200 local branches

(1) Average weather conditions in France, except one off and affiliates under voluntary liquidation process, proforma Solfea equity consolidated



DELIVERING SUSTAINABLE GROWTH THROUGH 4 LEVERS

1

CONSOLIDATE THE POSITION OF LEADER IN FRANCE

2

IMPROVE CROSS-SELLING
& LEVERAGE ON MULTI CHANNEL APPROACH

3

DEVELOP NEW OFFERS WITH STRONG FOCUS ON DIGITAL

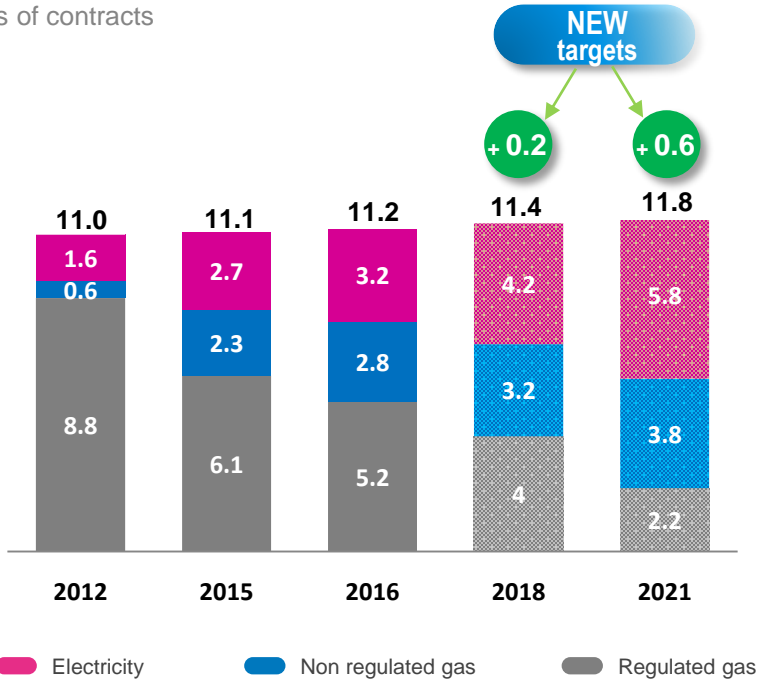
4

CONTROL COSTS AND MARGINS

CONSOLIDATE LEADERSHIP POSITION IN FRANCE

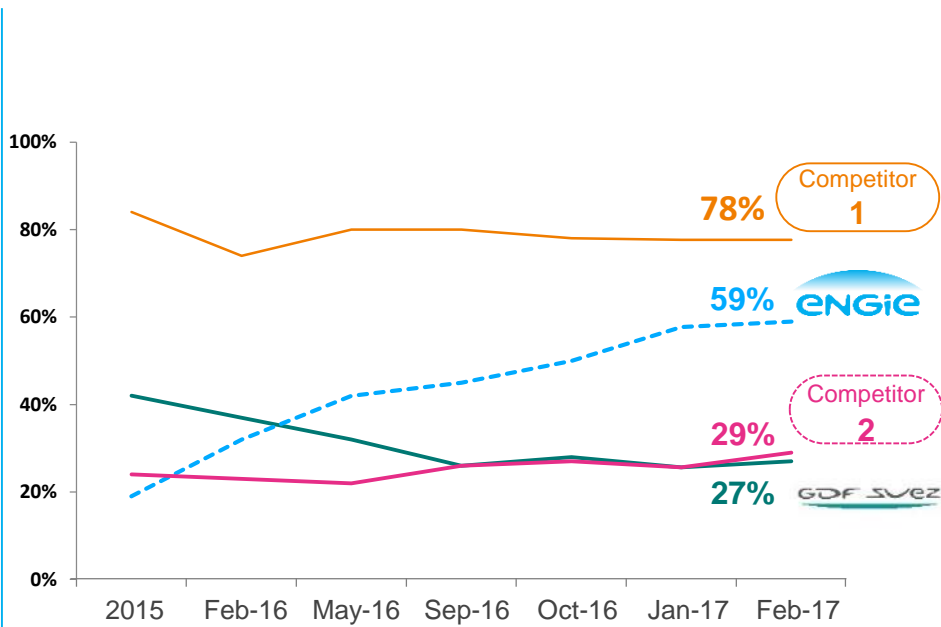
AMBITIONS TO SECURE OUR LEADERSHIP

Millions of contracts



Pioneer in energy transition & home services

BRAND RECOGNITION



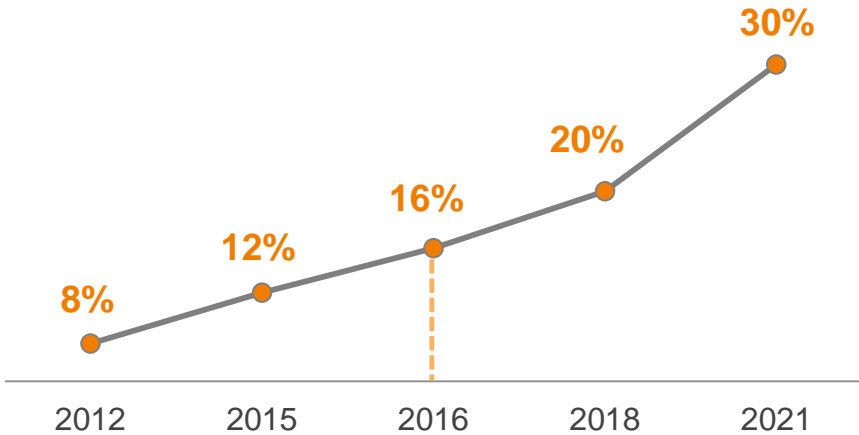
Growing reputation through media campaigns



IMPROVE CROSS-SELLING & LEVERAGE ON MULTI CHANNEL APPROACH

CROSS-SELLING OF SERVICES ON TRACK

% energy customers with one or several services contracts



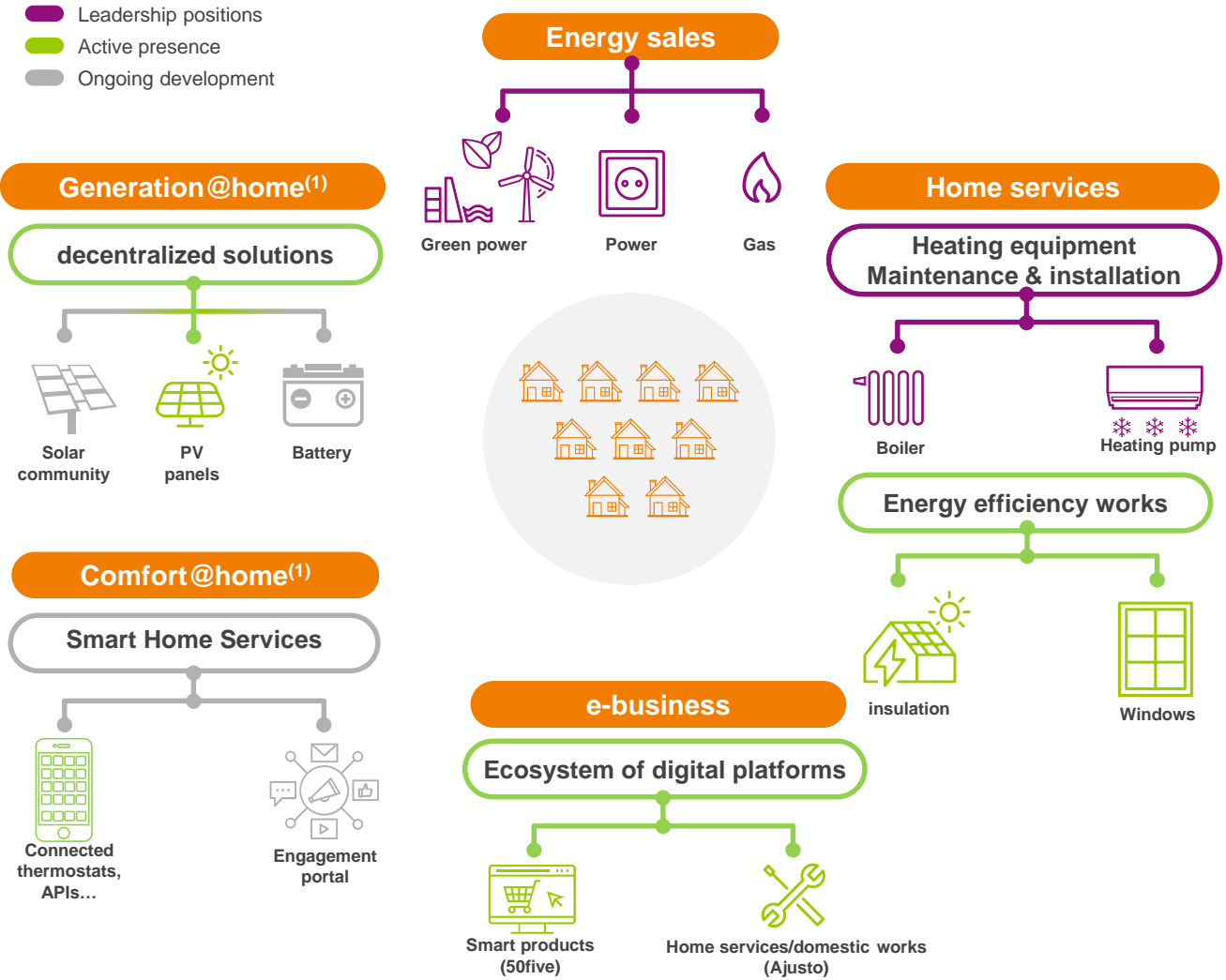
- Leader in boiler maintenance
- New offers (GENIE)
- Insurance services

MULTI CHANNEL APPROACH

	✓				✓	
	✓		✓	✓	✓	
	✓	✓	✓	✓		
	✓	✓	✓	✓	✓	✓



A WIDE RANGE OF SOLUTIONS TO MEET OUR CUSTOMERS' EXPECTATIONS



(1) Key programs



PRODUCTS LAUNCHED IN 2017

	Products	Value for customer	ENGIE's differentiation
Elec'Car	Green mobility offers	<ul style="list-style-type: none"> • -50% consumption (off peak hours) 	The only green mobility offers
Elec'Charge		<ul style="list-style-type: none"> • Charging station package 	
My Power	Electricity self consumption	<ul style="list-style-type: none"> • Self-consumption rate up to 90% • Guarantees and services 	Most competitive offer

UPDATE ON PRODUCT LAUNCHED IN 2016

	Products	Value for customer	ENGIE's differentiation	
<p>Bienchezmoi.fr</p> <p>Manouvellechaudiere.fr</p>	Digital Platforms	<ul style="list-style-type: none"> Reactive and well-qualified professionals Reactive and simple 	Increase in digital audience and synergies on lead strategies on internet	Update June 2017
"Elec Week-end" for consumers	Innovative offers	<ul style="list-style-type: none"> -30% on electricity price on week-end 	Unique offer for Linky customers	
Green Electricity plan for SOHO ⁽¹⁾	Green Electricity contracts	<ul style="list-style-type: none"> -20% consumption on 1st year Fixed price on the 2 following years 	ENGIE's electricity for SOHOs only green	All new electricity contracts are green – offer extended to residential clients

(1) SOHO: Small Office Home Office

CASE STUDY 1: DECENTRALIZED AND GREEN SOLUTIONS (1/2)

Our objective: Helping our customers (residential and professional) to become players of the energy transition

Decentralized production



« **My Power** »: Auto-consume your electricity thanks to the installation of photovoltaic panels on your house's roof



All electricity offers are green at the same price



Elec'Charge

your own fast recharge at home

Elec'Car

green electricity at half price during night time

Elec'Week-end

save on the weekend and follow your consumption

ENGIE

1st green electricity supplier in France

with **600,000** customers since launch

+10% increase in electricity sales since launch

CASE STUDY 1: DECENTRALIZED AND GREEN SOLUTIONS (2/2)

I choose the electricity sourcing...
(solar, wind, hydro)



Eget, Pyrenees



Frasnes, Belgium



Fitou, Narbonne



... and its origin
(specific geographical site)

– Growing client expectations to have more « local » energy and more traceability:

- Possibility for each client to follow, on a dedicated website, the output of the chosen production site and the local weather to understand the impact on production

**The offer perfectly illustrates decentralisation and digitalization
of the renewable energy production**

CASE STUDY 2: HOME SERVICES SOLUTIONS

Our objective: bring more comfort & tranquility to enable clients to save energy

DIGITAL TO CARRY OUR OFFERS

- **Online store:** partners' products coming along with expert advice to increase users' comfort
- **MaNouvelleChaudière:** the full digital solution to replace your boiler

EQUIPMENT

- **Thermal:** installation of systems, boilers, heat pumps, hot water tanks
- **Water:** softener, improve both your comfort and your thermal performance
- **Air:** mechanical ventilation, ensure the quality of your ventilation

EVERYDAY SERVICES



Maintenance
of your installations



Emergency service:
plumbing, locksmithing, home
appliances (GENIE)

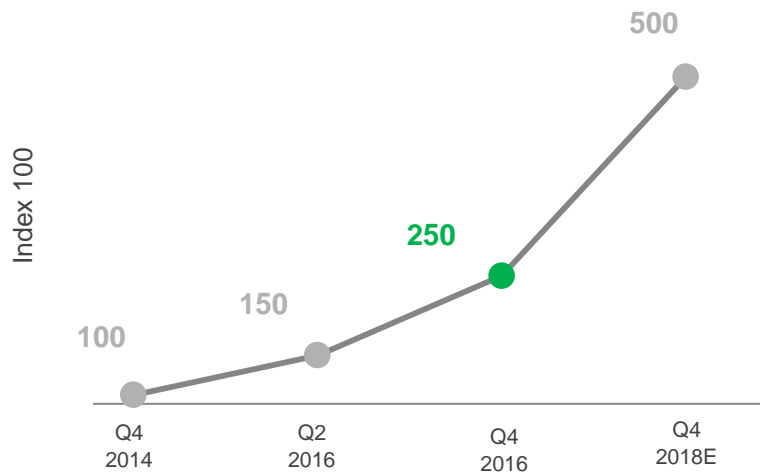


Tranquility of mind:
protection through our range
of insurance products

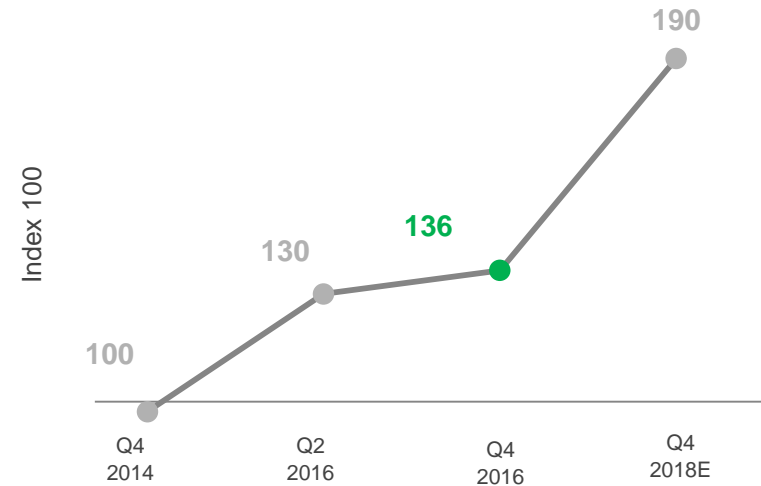
DEVELOP DIGITAL OFFER AND CUSTOMER RELATION

STRONG RESULTS IN DIGITALIZATION OF SALES AND CUSTOMER SUPPORT

Increasing sales through internet



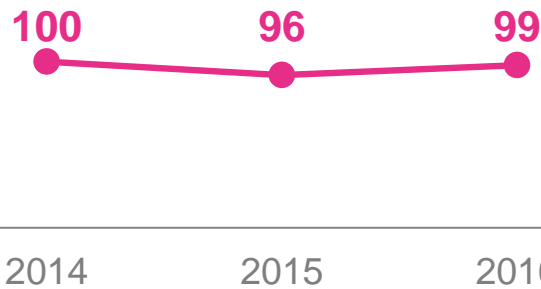
Increasing customer self-care



CONTROL COSTS AND MARGIN

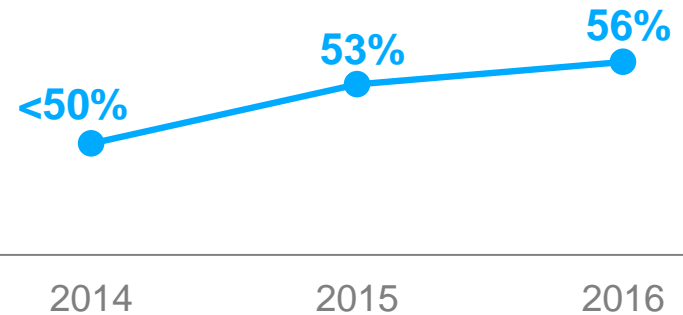
STABLE COST TO ACQUIRE (CTA)

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



INCREASING % SALES ON HIGH-VALUE CUSTOMERS

% sale on high-value customers



Lean 2018

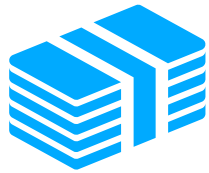
Project

- IT expenses
- Cash Collection
- Procurement
- Self care

Identified actions

>70%

OUR AMBITION IN FRANCE B2C BY 2018



EBITDA growth
+20%
vs. 2015⁽¹⁾



Grow market share
~12% electricity clients
~x2 clients in services



Development of
new offers



Consolidate leadership

Maintain
#1 position
in gas supply

Undisputed
#1 challenger
in electricity supply

Sustain
#1 position
in green electricity offers

(1) At average climate

2017 INVESTOR WORKSHOP

June 20th, 2017

BU North, South & Eastern Europe
Etienne Jacolin, CEO



ENGIE



BU NORTH, SOUTH & EASTERN EUROPE OVERVIEW

Strong positions in customer solutions

- Mostly B2B
- Selective in B2C (Italy, Romania)
- DHC networks

Low CO₂ activities

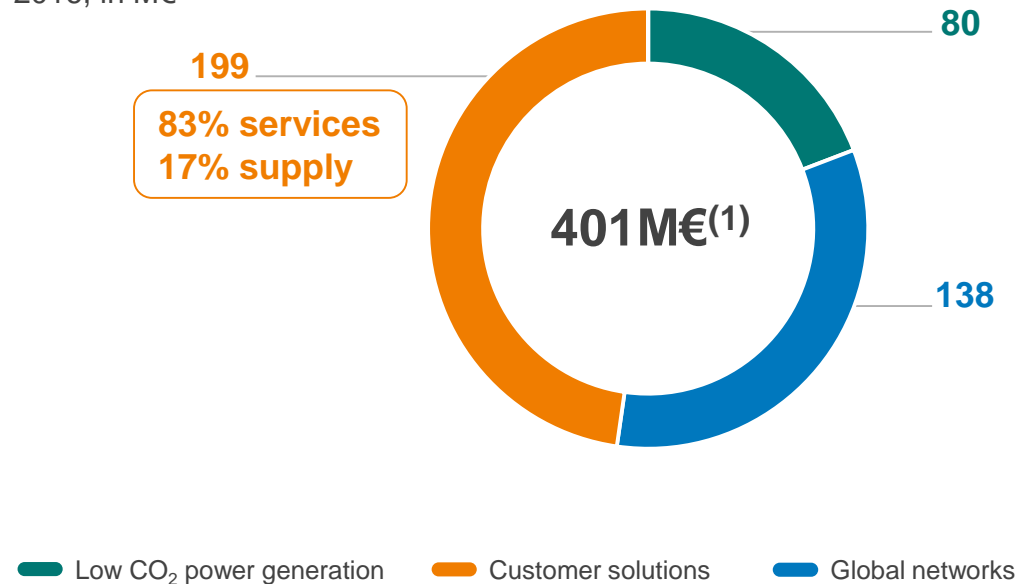
- 1.2 GW, mainly wind & hydro

Global networks

- Mainly distribution in Romania

BU EBITDA by strategic segment

2016, in M€



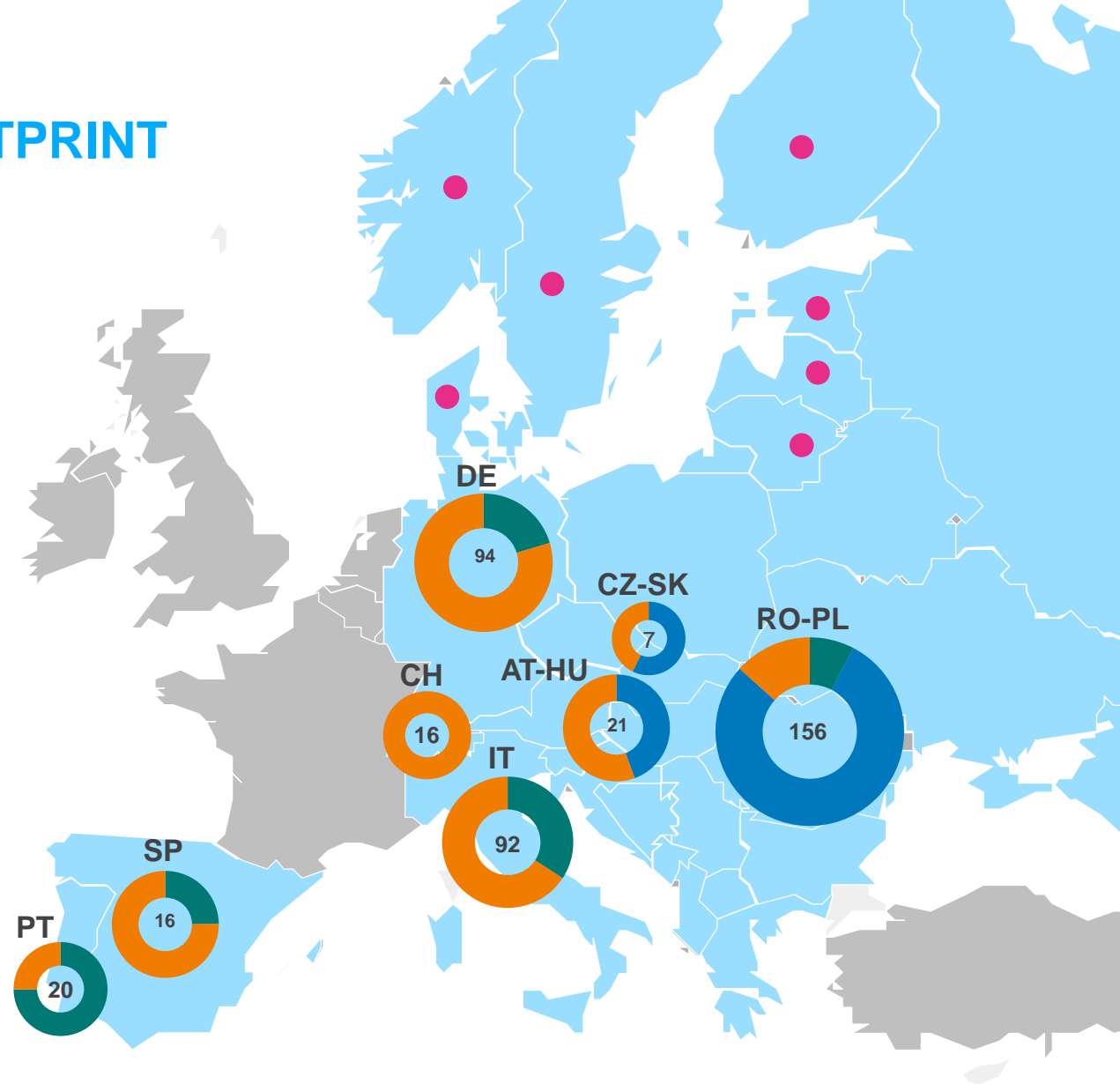
(1) including Other for €(15)m

A DIVERSIFIED FOOTPRINT

401 M€ 2016 EBITDA

- Customer solutions
- Low CO₂ power generation
- Global networks

- Country within BU
- Potential new country
- Country outside BU



POSITION OF MARKET CHALLENGER IN MOST COUNTRIES & LEADER IN ROMANIA



ZOOM ON B2X: CUSTOMER OFFERING

Existing

B2B



Installation & O&M for industry/tertiary

- Presence in all countries



Facility management



Specific offering to public administration

- Cities, hospitals, universities

B2T



DHC

- 45 DHC in portfolio
- Incl. world class references (Barcelona, Lisbon)



Public lighting

- ~75k lighting points already in portfolio (IT, SK)

B2C



Commodity sales

- 1.7 M gas contracts in Romania
- 0.7 M gas contracts & 0.1 M power contracts in Italy
- Equity participations in German Stadtwerke



Traditional home services

- RO: ~650k contracts in 2016

New areas under development



Integrated offers

with digital & energy efficiency



Development of BIM



Decentralized generation



City verticals

- Security, traffic management, air quality, 3D modeling, dashboards...



Comfort at home

(connected objects and bundled offers)



E-services

Pilot project in Bucharest (Ajusto)

B2B - REINFORCE CORE BUSINESS IN ENERGY EFFICIENCY & DECENTRALIZED SOLUTIONS

Market drivers

- **Europe remains world 1st market for energy efficiency**
 - Dynamic growth in mature markets (DE, IT)
 - Specific niches (eg. data centers)
- **Auto consumption for industrials is gaining further momentum**
 - Cogeneration, rooftop PV
- **Customers expect price, quality & transparency**

Strategy execution

- **Installation backlog represented ~60% of 2016 revenues and reached a historical level (+23% in Q1 yoy)**
- **Development of energy efficiency and decentralized solutions in installation business**
 - Datacentre of T-Systems in Biere (Germany)
 - DSM in Switzerland
- **Reinforce customer anchorage in FM and O&M**
 - Athens Opera and National Library (Stavros Niarchos)
- **Pan European tenders leveraging Group scale & expertise**

B2T - A TARGETED MARKET WITH STRONG POTENTIAL AHEAD

Market drivers

- **DHC: continuous development**
 - Efficient & sustainable energy solutions to meet urban development challenges
- **Lighting business: further potential ahead**
 - Existing regulation imposing phase-out of old lamps
 - Entry point to upsell more services

EU District Heating Market

~+5% CAGR
Over next 6 years

From 575 TWh in 2016

EU Street & Roadway Lighting Market

~+4% CAGR
Over next 6 years

From \$2.8bn in 2016

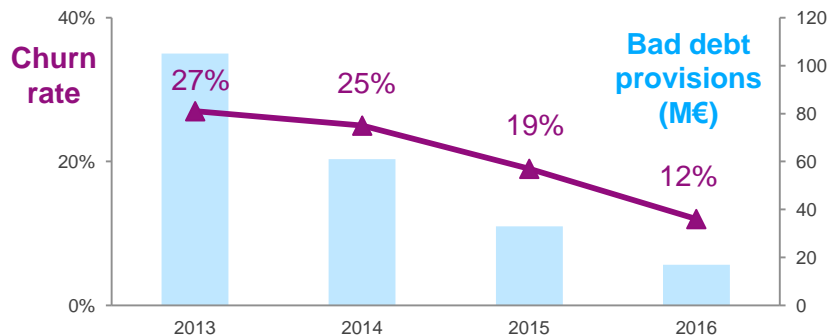
Strategy execution

- **Expand local footprint through further DHC development**
 - Greenfield developments (Aosta, Lisbon, Barcelona) & selective acquisitions
 - Taking over Stadwerke of Gera
- **Develop offering towards cities**
 - Ongoing acquisition of >150k lighting points
- **First steps in green mobility**
 - Development of CNG ongoing in Romania, LNG/CNG refueling stations in Italy,...

B2C - ZOOM ON ITALY: A RESTRUCTURED PORTFOLIO POISED FOR GROWTH

Basics are right

- **Significant improvement of business operations over 2015-2016**
 - Improvement of cash-in curve, reduction of churn rate & bad debt provisions
 - Performance enhancement: -20% in opex 2016 vs 2015
 - Upgraded IT capabilities
- **Market is promising**
 - Attractive gross margin levels
 - Upcoming liberalization phase by 2019



We are growing

- **Strong organic growth over last months**
 - From 1,500 to 10,000 contracts/month thanks to improved sales network
 - Cross selling: commodities, services (dashboards, maintenance) & appliances (boiler, thermostat,...)
- **Selective partnerships or acquisitions could be considered**

OUR AMBITION IN NORTH, SOUTH & EASTERN EUROPE BY 2018

EBITDA BREAKDOWN

- Customer solutions
- Low CO₂ power generation
- Global networks



CUSTOMER SOLUTIONS



>>50% EBITDA

GROWTH AMBITION BY 2018 vs 2015



+150bps EBIT margin
in B2B & B2T services
(from 3.5% to >5%)



Growth of client portfolio

X2 B2C power sold



CASE STUDY 1: DECENTRALISED GENERATION AND SUPPLY FOR DANONE



MILUPA / DANONE

raised the factory production of milk powder (x2). Outsourcing of the utility part of the project

CONTRACT PERIOD

10 years

INVESTMENT

20 M€

CLIENTS' CHALLENGES

reactivity, reliability, quality

ENGIE'S SOLUTION

- BOOT (Build/Own/Operate/Transfer)
- O&M contract (facility technical services) and utilities operation: steam, electricity, ice water chillers, waste water treatment, compressed air...

CLIENTS' BENEFITS

- **CAPEX savings** allowing DANONE to invest more in the core business
- **Full O&M risk transfer to ENGIE** as unique technical expert and service provider
- **Ongoing energy performance**



CASE STUDY 2: DECENTRALISED GENERATION: SISSLERFELD BIOMASS PROJECT



DSM, NOVARTIS AND SYNGENTA

- 1 Biomass boiler (37 MWth) for steam & electricity generation (7 MWe)
- 3 Gas boilers for peak and back up

CONTRACT PERIOD

- Steam sale: 20 year steam contracts
- Electricity sale: 20 year PPA to Swiss Grid (subsidized tariff scheme)

INVESTMENT

55 M€

CLIENTS' CHALLENGES

Decarbonisation
switch from fossil fuel-fired power plant to a brand new wood-fired combined heat & power plant with no extra cost

ENGIE'S SOLUTION

Design/Build/Finance/Own/
Operate/Transfer

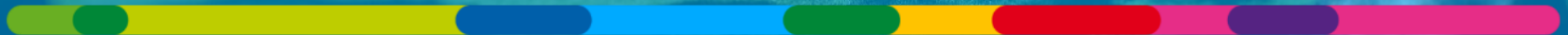
CLIENTS' BENEFITS

- **Guaranteed plant performance**
- **CO₂ reduction** of 35,000 tons per year
- **RSB Certified biomass sourcing plan**, supplied by forests within 100km radius
- **Deconsolidated solution for the client**

2017 INVESTOR WORKSHOP

June 20th, 2017

BU North America
Frank Demaille, CEO



NORAM BU Overview

Customer solutions

- Services turnover ~€0.5bn
- Electricity contracts
 - 97k for B2B
 - 95k for B2C

Low CO₂ activities

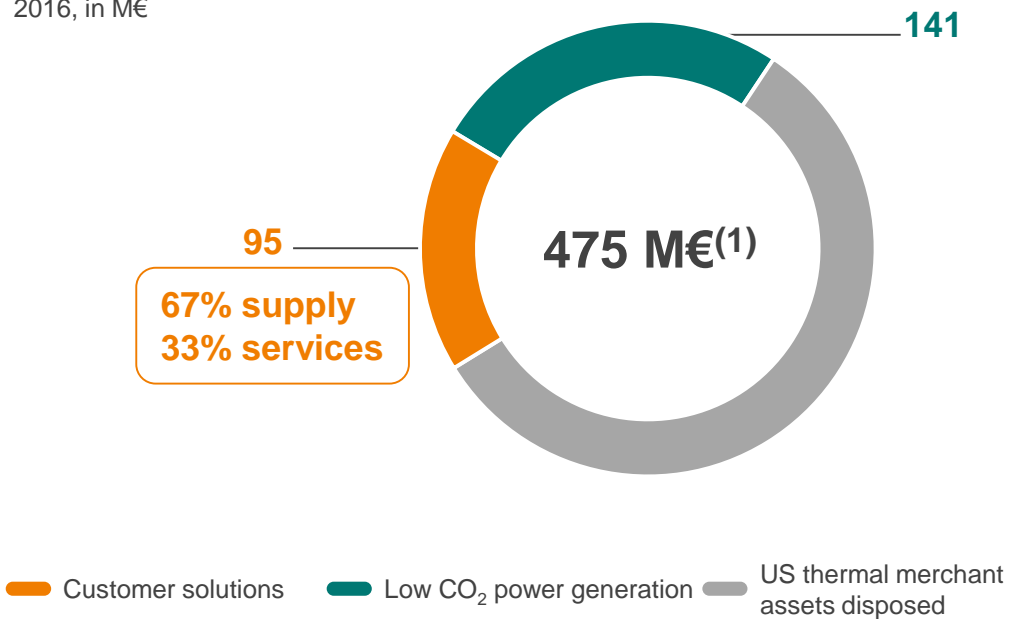
- 2.4 GW contracted gas fleet
- 800 MW renewables

3,635 employees

o/w 2,500 in customer solutions

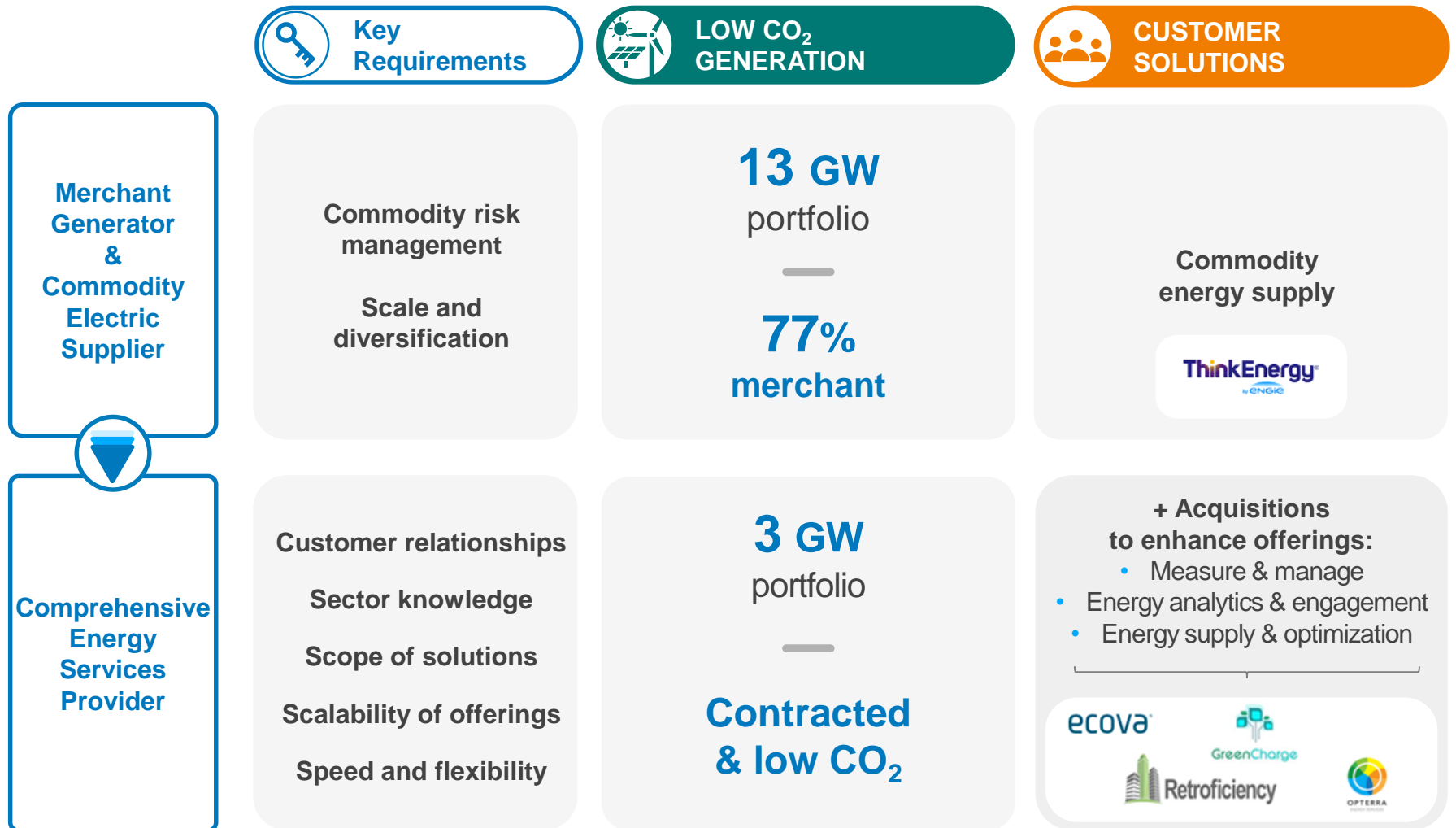
BU NORAM EBITDA by strategic segment

2016, in M€



(1) Includes the contribution from recently divested merchant assets

Transformation From a merchant generator to a solutions driven BU



FAVORABLE ENVIRONMENT FOR CUSTOMER SOLUTIONS

EXTERNAL MARKET DRIVERS

Clients seeking **low cost**, **resilient** and **green** energy

Digitalization of energy services; customers expecting immediate, **personalized** service

Interest in **“One-stop shop”**

Financial constraints hindering investment

Rapidly improving **competitiveness** of **renewable** and **storage** technologies

Rising **T&D costs**

ENGIE'S B2X SOLUTIONS

▶ **Integrated** energy solutions for low cost, sustainability and resilience

▶ **Digital platform** for customer capture and retention

▶ Focused on **outcomes**, not complexity

▶ Financing **mechanisms**

▶ **Renewables** and **storage capabilities** for on-site and off-site options

▶ **Grid services** solutions

ALREADY WELL PLACED ACROSS NORTH AMERICA IN CUSTOMER SOLUTIONS

SERVICES

Energy management, facilities operations and maintenance, and energy and water infrastructure design & construction services

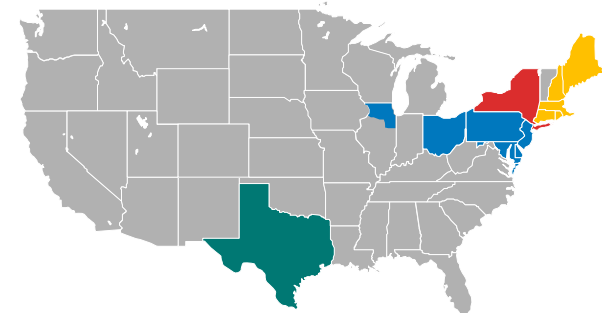
- **>1,000** public sector and commercial and industrial **energy management projects**
- **150 sites** with **energy storage** projects (electric bills cut up to 30%, grid stability)
- **>25m sq.ft.** of **buildings** managed
- Active in **8 airports** in North America
- Serving **customers that utilize >8% of the commercial electric load** in the US
- **Ecova's** energy and sustainability management portfolio of **over 700,000 sites**

All US States and selected Canadian Provinces serviced

SUPPLY

One of the largest non-residential energy suppliers in the US, serving commercial, industrial & institutional customers in 14 markets

- **#3 largest non-residential retailer in the US**
- **97,000 customer accounts** with a peak demand ranging from 50kW to >150 MW
- Energy **supply to ~50% of Fortune 100 companies**
- **Think Energy**, the retail electricity provider to residential and small business customers



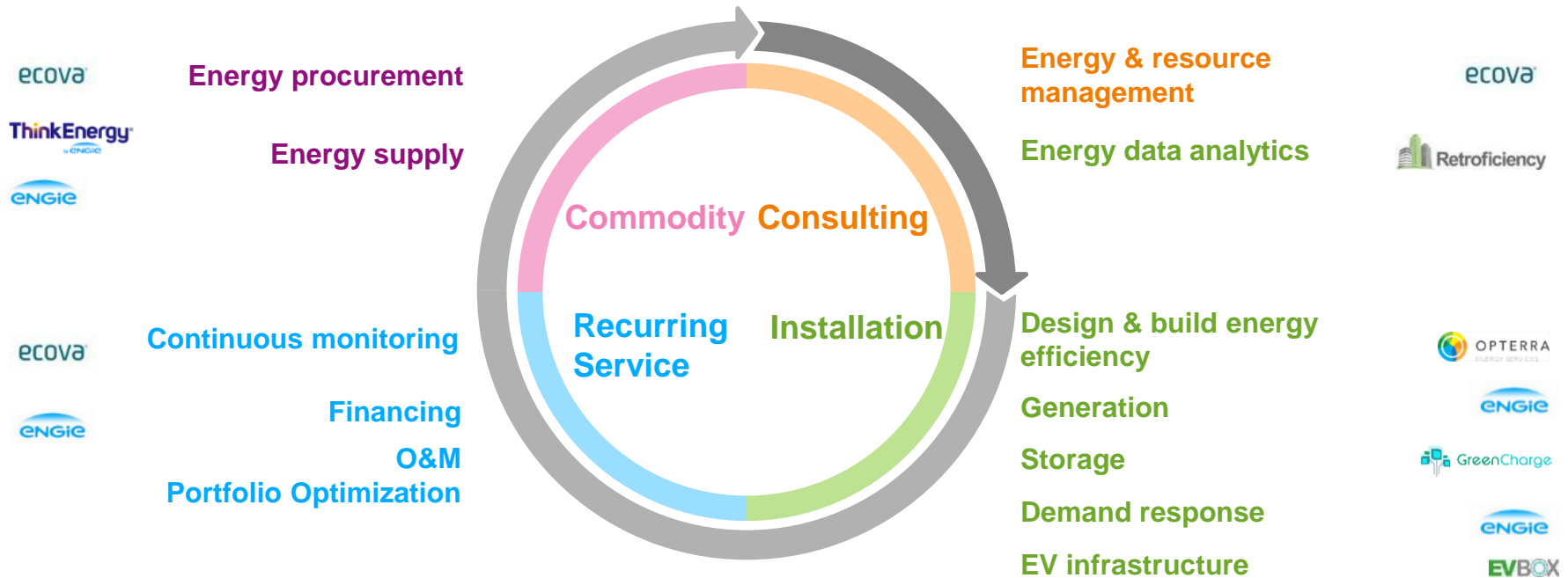
ISO-NE
ERCOT

NYISO
Regulated Solutions

PJM

ENGIE UNIQUE VALUE PROPOSITION IN A FRAGMENTED COMPETITIVE MARKET

ACTION INSIGHTS



Competitive edges

- Full range of energy solutions
- Access to best technical / financial partners
- Strong balance sheet
- Technology agnostic approach
- Commodity supply and price risk management expertise

GROWTH AMBITIONS AND PRIORITIES

B2B

Build on C&I Stronghold

- Comprehensive energy & sustainability offerings
- Decentralized energy (CHP, community solar, storage)

B2T

Grow Communities/Territories Segment

- Energy efficiency, resilient energy, smart lighting
- Energy communities; aggregation services to utilities / ISOs⁽¹⁾

Be the largest and most trusted sustainable resource provider,
who guarantees performance and integrates industry leading technologies/services

B2C

Grow Consumer Business

- Energy cost management
- Prosumer optimization; aggregation services to utilities/ISOs

Develop a leading all-digital engagement platform, associating price and quantity

Build business model around
originating and **optimizing**
energy solutions

Digitalizing our business
processes to increase flexibility
and scalability

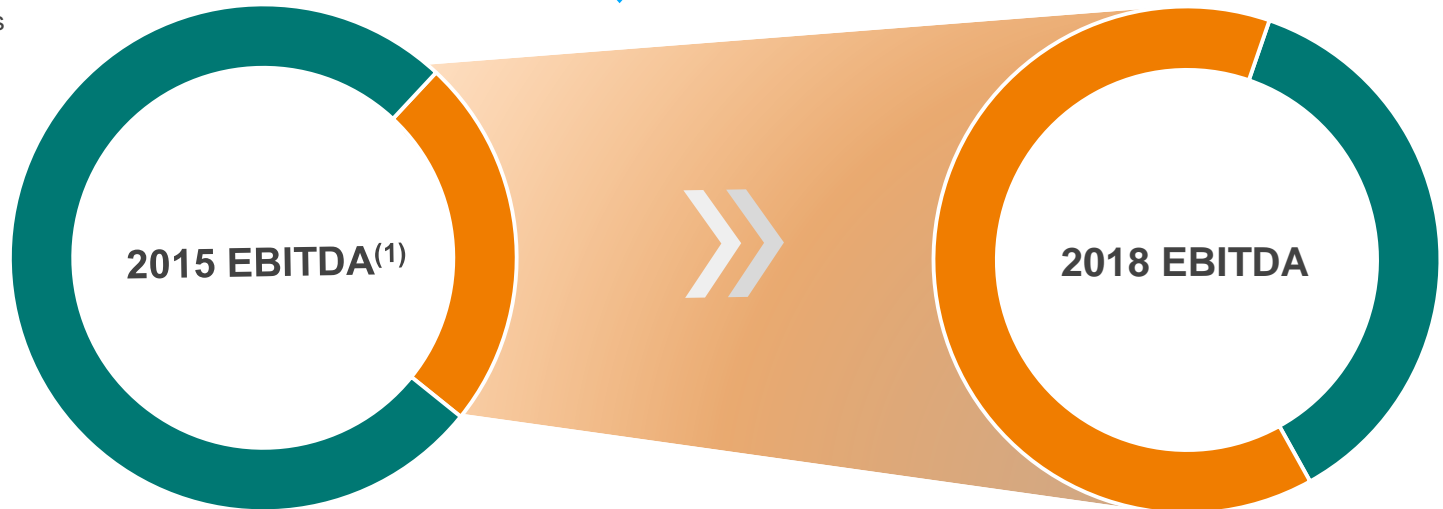
Technology consortia,
partnerships and internal
innovation to drive transformation

(1) Independent System Operators

OUR AMBITION IN NORAM BY 2018

EBITDA BREAKDOWN

- Customer solutions
- Low CO₂ power generation



CUSTOMER SOLUTIONS

GROWTH AMBITION BY 2018 vs 2015

> x2
EBITDA
customer solutions

> x2
Services revenues

x4
Number of B2C
electricity contracts

(1) Pro forma disposal of US merchant power generation assets

CASE STUDY 2: LOS ANGELES UNIFIED SCHOOL DISTRICT (LA USD)



LA USD (CALIFORNIA)

- OpTerra working with LA USD for 9 years
- Partnered with Green Charge Networks to win \$11.5m contract in 2016 on 4 sites: lighting upgrades, EMS controls, transformer upgrades, HVAC retrofits, energy storage.
- 9 sites currently under development

SCOPE

>700k students
>1,100 schools

CLIENTS' CHALLENGE

Integrated energy storage solutions within an overall energy efficiency and optimization package

ENGIE'S SOLUTION

Complimentary energy offerings from energy services and retail businesses

CLIENT'S BENEFITS

- Piloting innovative technology
- Efficient and easy contracting process
- Pre-paid "PEA" program
 - GCN owns, operates & maintains ESS
 - District invests \$300k upfront
 - \$350k savings
 - 5.5-year payback

EMS = Energy Management System
HVAC = Heating, Ventilation and Air Conditioning

PEA = Power Efficiency Agreement
ESS = Energy Storage System

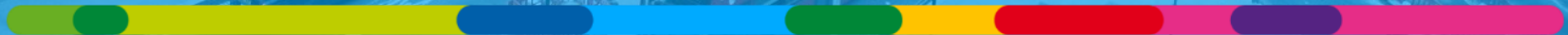
2017 INVESTOR WORKSHOP

June 20th, 2017

BU United Kingdom
Wilfrid Petrie, CEO



ENGIE



UK BU OVERVIEW

Customer solutions

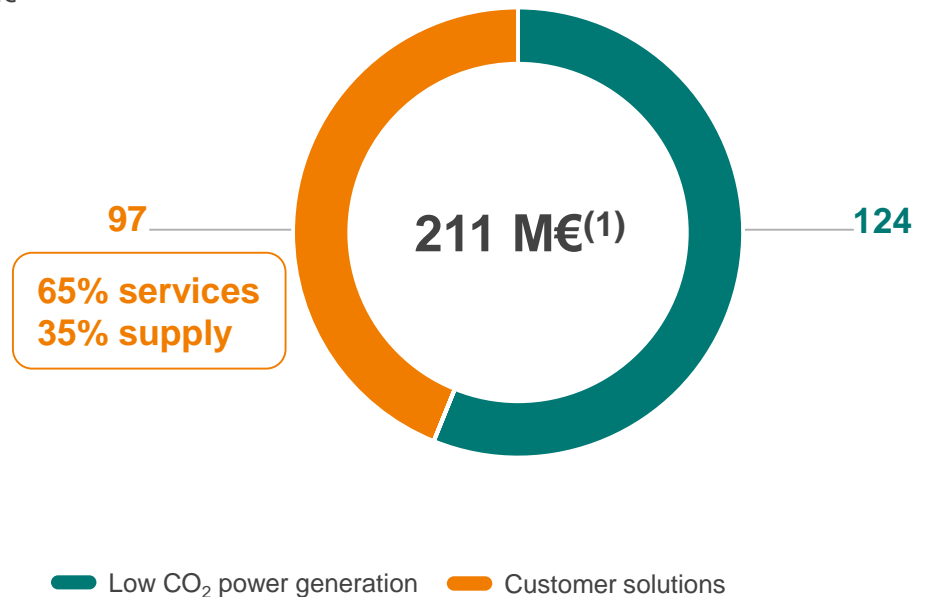
- 25 million m² of managed premises
- 32,000 business customer sites
- 170 councils served

Low CO₂ activities

- **2 GW** – UK's largest pumped storage facility (First Hydro)
- **75 MW** wind and solar portfolio
- **355 MW** of embedded generation managed for customers

BU UK EBITDA by strategic segment

2016, in M€



(1) Total includes Other €(10)m

OUR UK BUSINESS TODAY



20,000

Employees in the UK



£3.3 bn

Revenue⁽¹⁾ in 2016



4%

UK Energy Generation



N°1

Regeneration / District Energy



Top 5

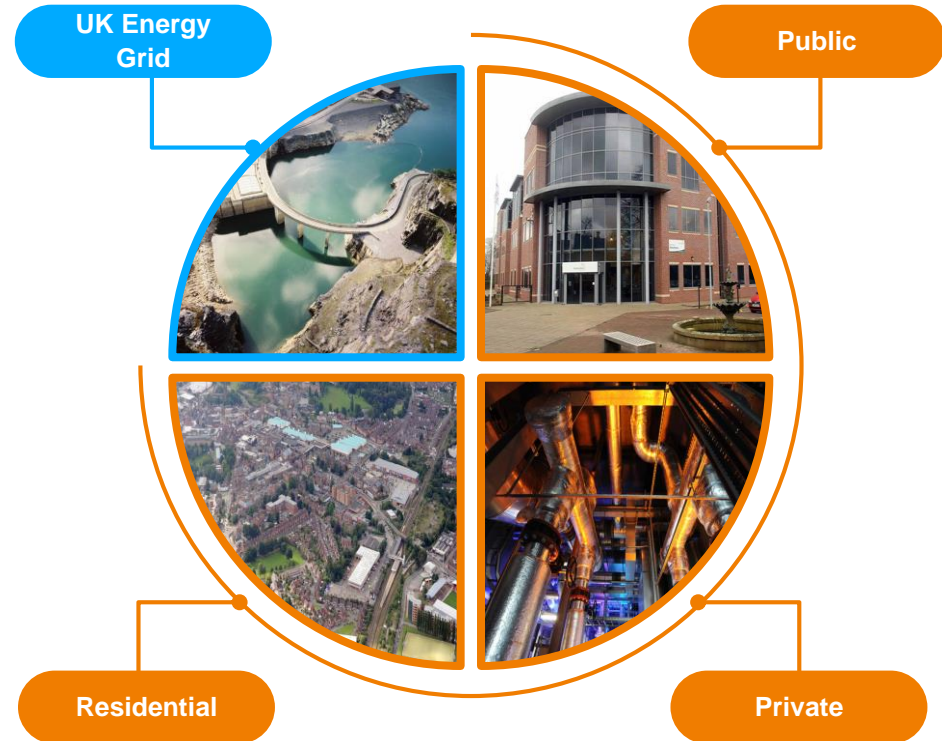
Facilities Management



Top 7

Energy Supply

KEY CUSTOMER GROUPS



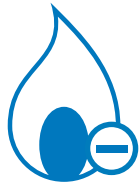
Customer Solutions

(1) 2016 Revenue pro forma Keepmoat

STRATEGY & COMPETITIVE ADVANTAGES



**Lead the way in innovative services
and sustainable energy to our chosen customers**



**There is more value
in reducing consumption
than supplying a commodity**

The UK has a business
of 35% EBITDA in energy combined
with 65% EBITDA in services



**There is more value
in providing integrated
solutions with end results**

The UK market is mature
to outsourcing
ENGIE is the player in the market
with capabilities across the value chain



**Our portfolio of customers
is balanced**

By strengthening our local government
base through the acquisition of
Keepmoat Regeneration we have
increased our resilience

ACTIVITIES IN CUSTOMER SOLUTIONS



PRIVATE

- Energy Supply
- Facilities Management
- Technical Services
- Business Services

 **£1.6 bn⁽¹⁾**
2016 revenue



PUBLIC

- Regeneration (Keepmoat)
- District Electricity, Heating & Cooling
- Facilities Management
- Smart Government

 **£1.2 bn**
2016 revenue



RESIDENTIAL

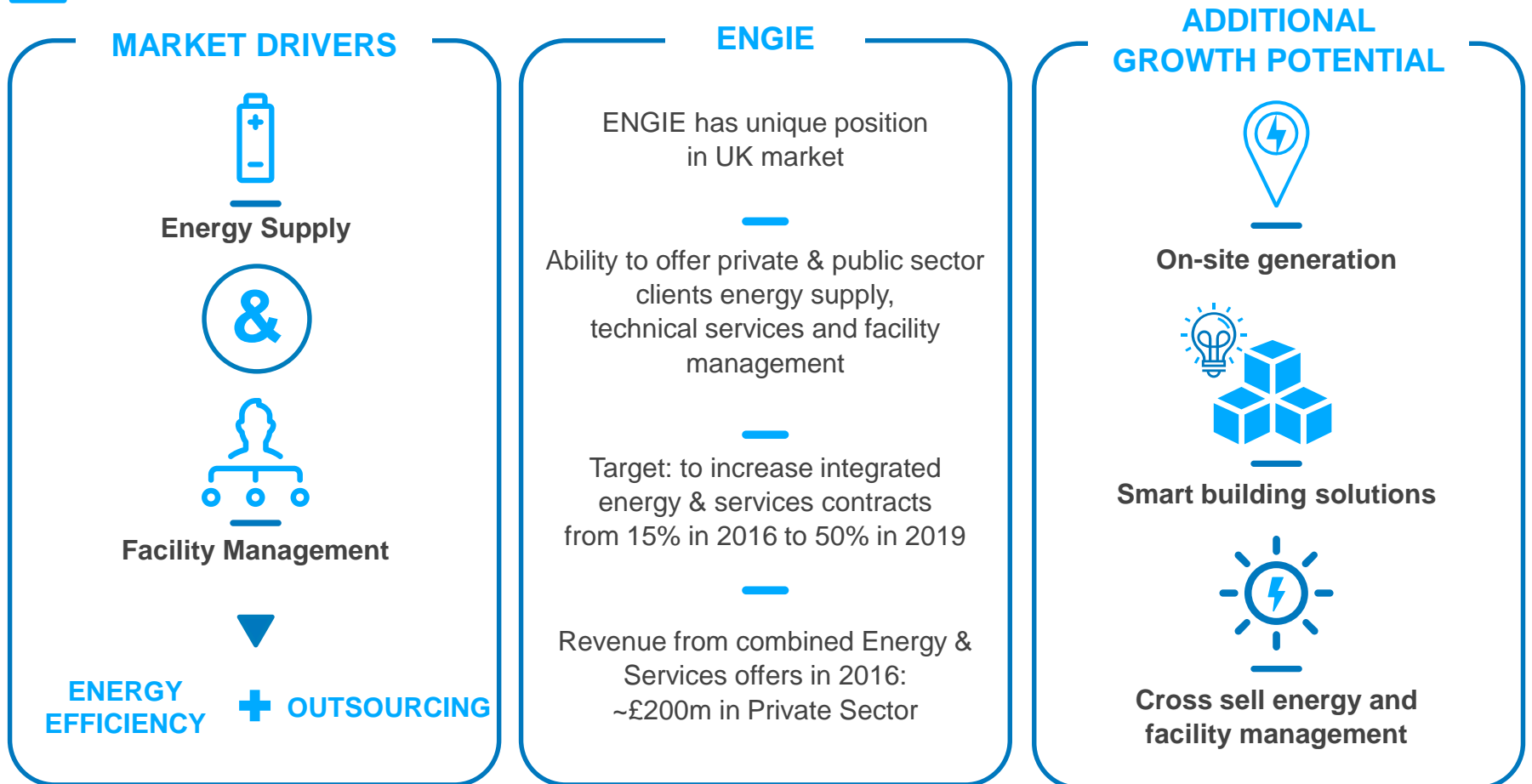
- Energy Supply
- Connected Services
- Maintenance

 **START UP**

(1) Excludes First Hydro

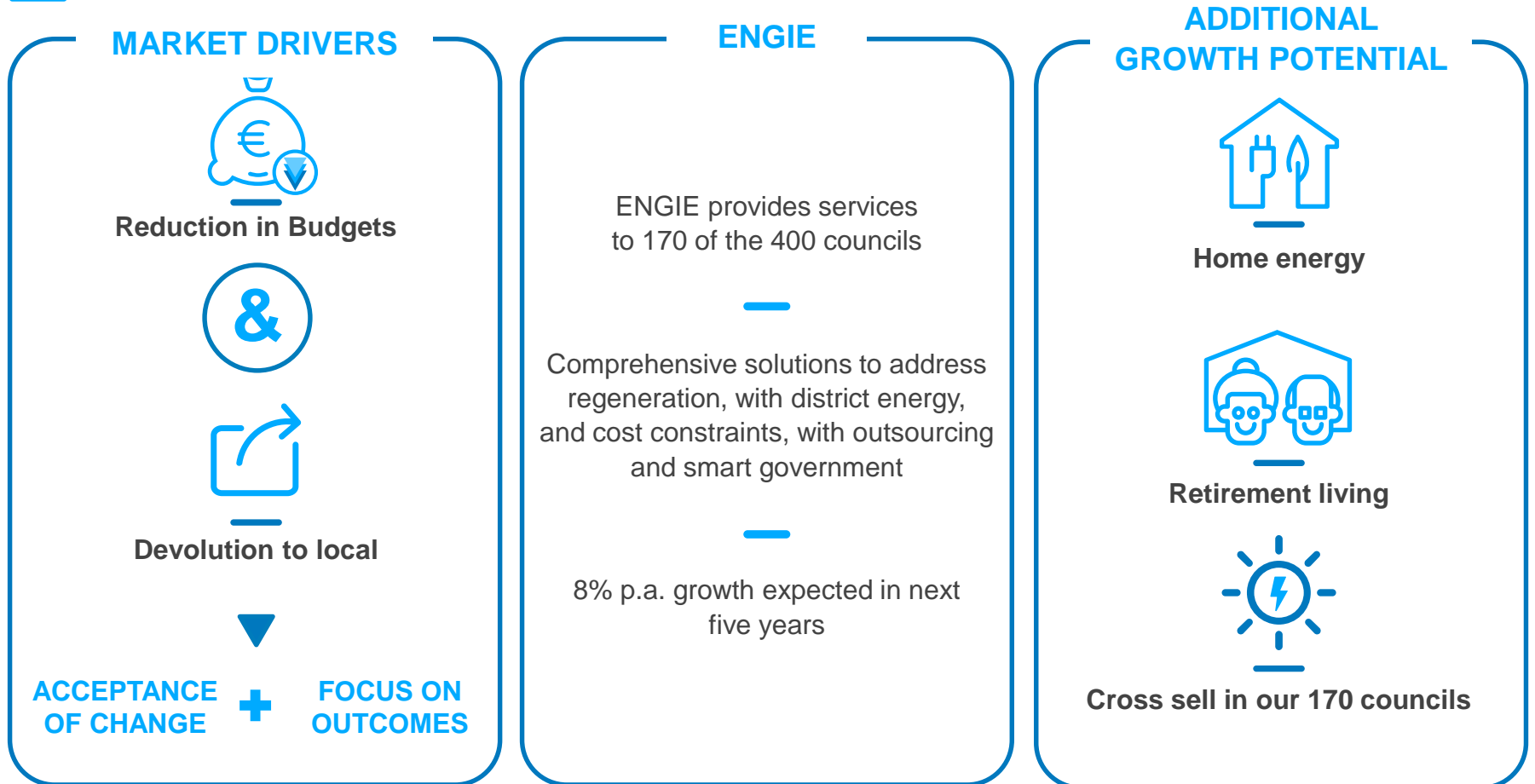


PRIVATE: CREATING MORE VALUE FROM COMBINING ENERGY & SERVICES



ENGIE uniquely positioned to offer energy & services

PUBLIC / THE PLACE: STRONG GROWTH IN A STABLE MARKET



ENGIE in the UK is a leader in regenerating places



RESIDENTIAL / HOME ENERGY: LEVERAGING EXISTING UK & GROUP EXPERTISE

MARKET DRIVERS



Customer: Fair pricing & new products



Connected: Technology advances



Community:
Direct offers from councils

ENGIE

B2C is a natural extension of our B2B energy supply activities in the UK

Key differentiator is the combination of energy & services

Not trying to create a 'Big 7' –
No legacy issues of the Big 6

ADDITIONAL GROWTH POTENTIAL



Customer: direct sales in cities,
innovative products



Connected: more connected devices,
leverage ENGIE's €1.5 bn investment
(e.g. acquisition of EV Box)



Community: white label offerings & JV
partnerships, Keepmoat Regeneration

Home energy expands our energy & services proposition for cities & communities

OUR AMBITION IN THE UK BY 2018

EBITDA BREAKDOWN

- Customer solutions
- Low CO₂ power generation



CUSTOMER SOLUTIONS



+50% EBITDA
(in local currency)

GROWTH AMBITION BY 2018 vs 2015



No 1 in Places
>£1.5bn revenue



Private: >35%
of revenue from integrated
Energy & Services



Home: 25%
of revenue from additional
services (value over growth)

CASE STUDY – PUBLIC / THE PLACE

WAKEFIELD: IMPROVING THE LIVES OF COMMUNITIES



TODAY

- Healthcare
 - ENGIE has 30-year PFI for Facilities Management at Mid-Yorkshire NHS Trust which began in 2007
 - £14m p.a , 387 staff providing 15 different services
- Local Authority
 - ENGIE awarded 10-year, £20m p.a contract by Wakefield Council in December 2016, employing 800 people
 - Facilities and energy management services across 500 council buildings and >100 schools with energy savings guaranteed
- Regeneration
 - Eco-refurbishment of 8-storey tower block (Low Cross Court)
 - Installation of 64 PV panels, insulation & new gas-fired boiler plant Security - new door entry and CCTV systems

TOMORROW

- Retirement Communities
 - Walton – Design, Build of 129 retirement dwellings Phased development with full completion in 2024
- On-site generation
 - Pinderfields hospital – Project to install a CHP (Combined Heat & Power)
- Home Energy
 - Direct sales to SMEs and residential customers

CASE STUDY – PRIVATE FORD MOTOR COMPANY: COMBINING ENERGY & SERVICES



KEY CONTRACT FEATURES

- Long-standing relationship with Ford Motor Company across **UK portfolio** of manufacturing, office and research (5 locations)
- **Energy** supply: 0.5 TWh p.a.
- **Services:** Energy data management, demand side response (DSR) and multiple energy efficiency measures and projects – including:
 - 2014: £5m Bridgend boiler modernisation
 - 2015: Full ESOS compliance, DSR audit and project works

CLIENT'S CHALLENGES

Reducing costs and increasing energy efficiency

Global Ford Motors **target of 25% reduction in energy usage** to be achieved by 2016

ENGIE'S SOLUTION

Full energy management solution with guaranteed savings over 5 year period

Team of four energy experts employed alongside Ford's own engineering team

CLIENT'S BENEFITS

25% reduction in energy usage target achieved early by 2015

Zero capital investment, immediate savings

CASE STUDY – PRIVATE BRITISH LIBRARY: ENERGY EFFICIENT, SMART BUILDINGS



KEY CONTRACT FEATURES

- St: Pancras: Largest public sector building built in modern times (**110,000m² over 14 levels & 76 plantrooms**)
- ENGIE has provided Technical Services & Energy Efficiency since 2008 (**contract extended in 2016**)
- Also storage site in Boston Spa, Yorkshire with fully automated robotic solution and low oxygen controlled environment

CLIENT'S CHALLENGES

Reducing costs and increasing energy efficiency

ENGIE'S SOLUTION

Programme of energy management solutions

New Digital Services from 2016:

- Building Information Management (BIM) retrofit implementation
- Work with Living Maps to create an 'indoor mapping' solution using augmented reality, proprietary mapping software to bring Library to life for visitors

CLIENT'S BENEFITS

23%

reduction in energy consumption from a range of energy efficiency measures

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 24 March 2017 (under no: D.17-0220). 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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