



FINANCIAL INFORMATION AS OF SEPTEMBER 30, 2016



TRANSFORMATION PLAN ONGOING & RESILIENT 9M FIGURES

- **Group transformation well on-track**
- **Resilient 9M 2016 figures**
 - Slight organic decrease at EBITDA level (-2% yoy)
 - Strong organic growth at COI level (+7% yoy)
 - Solid operational cash flow generation
 - Net debt further reduced
- **2016 guidance confirmed, towards low end of range for NRIs**

SOLID MOMENTUM ON TRANSFORMATION PLAN



Redesign
and simplify
the portfolio



Pave the way
for the future



Improve
efficiency



Adapt
the group

UPDATE ON OPERATIONS



LOW CO₂ POWER GENERATION

- ENR:
0.2 GW⁽¹⁾ of solar tenders won worldwide in Q3 2016
- Coal exposure:
Reduction of 6.7 GW⁽¹⁾ YTD (ca. -40% vs end 2015)
- CCGTs in France:
Strong increase of load factors



GLOBAL NETWORKS

- Infrastructures in France:
Ongoing public consultation for transmission & LNG terminals
- LNG :
New contract to supply 10 cargoes to Beijing gas for winter
- Entering gas storage and transmission market in Ukraine



CUSTOMER SOLUTIONS

- B2C:
 - France power: acceleration of customer acquisition (3m reached)
 - Launch of a 100% green power offer
- B2B:
 - Doubling of power sales yoy
 - New FM contracts with Wakefield council
- B2T:
 - Acquisition of Siradel (3D modeling)
 - New contract with city of Newcastle (energy transition) and with the Boston regional airport (HVAC)

- Nuclear:
Outages in Belgium and France

- Gas storage in France

- B2B:
 - Services: subdued momentum in Benelux (mainly oil & gas)
 - Further decrease in gas sales yoy

(1) At 100%

9M RESULTS IN LINE WITH EXPECTATIONS

In €bn	Sep. 30, 2016	Sep. 30, 2015	Δ gross	Δ organic
REVENUES	47.4	53.5	-11.1%	-10.3%
EBITDA ⁽¹⁾	7.7	8.1	-5.4%	-2.0 %
COI including share in net income of associates	4.4	4.4	+1.3%	+6.6%

In €bn	Sep. 30, 2016	Sep. 30, 2015
CFFO ⁽²⁾	6.8	7.4
GROSS CAPEX	4.7	4.6
NET DEBT	25.8	27.7 as of end 2015
NET DEBT/EBITDA ⁽³⁾	2.38x	2.46x as of end 2015
RATING ⁽⁴⁾	A- / A2	A / A1

(1) 9M 2015 EBITDA has been restated in order to exclude non-recurring contribution of share in net income of entities accounted for using equity method

(2) Cash Flow From Operations (CFFO) = Free Cash Flow before Maintenance Capex

(3) Based on last 12 months EBITDA

(4) S&P / Moody's LT ratings

TRANSFORMATION PLAN ON TRACK

REDESIGN
&
SIMPLIFY
THE PORTFOLIO

GROWTH
CAPEX



€3.1bn invested
vs €2.1bn at end H1
Focus on core strengths

PORTFOLIO
ROTATION



€6.1bn signed
vs €5.8bn at end H1
Reduce exposure to coal & merchant assets

IMPROVE
AGILITY &
EFFICIENCY

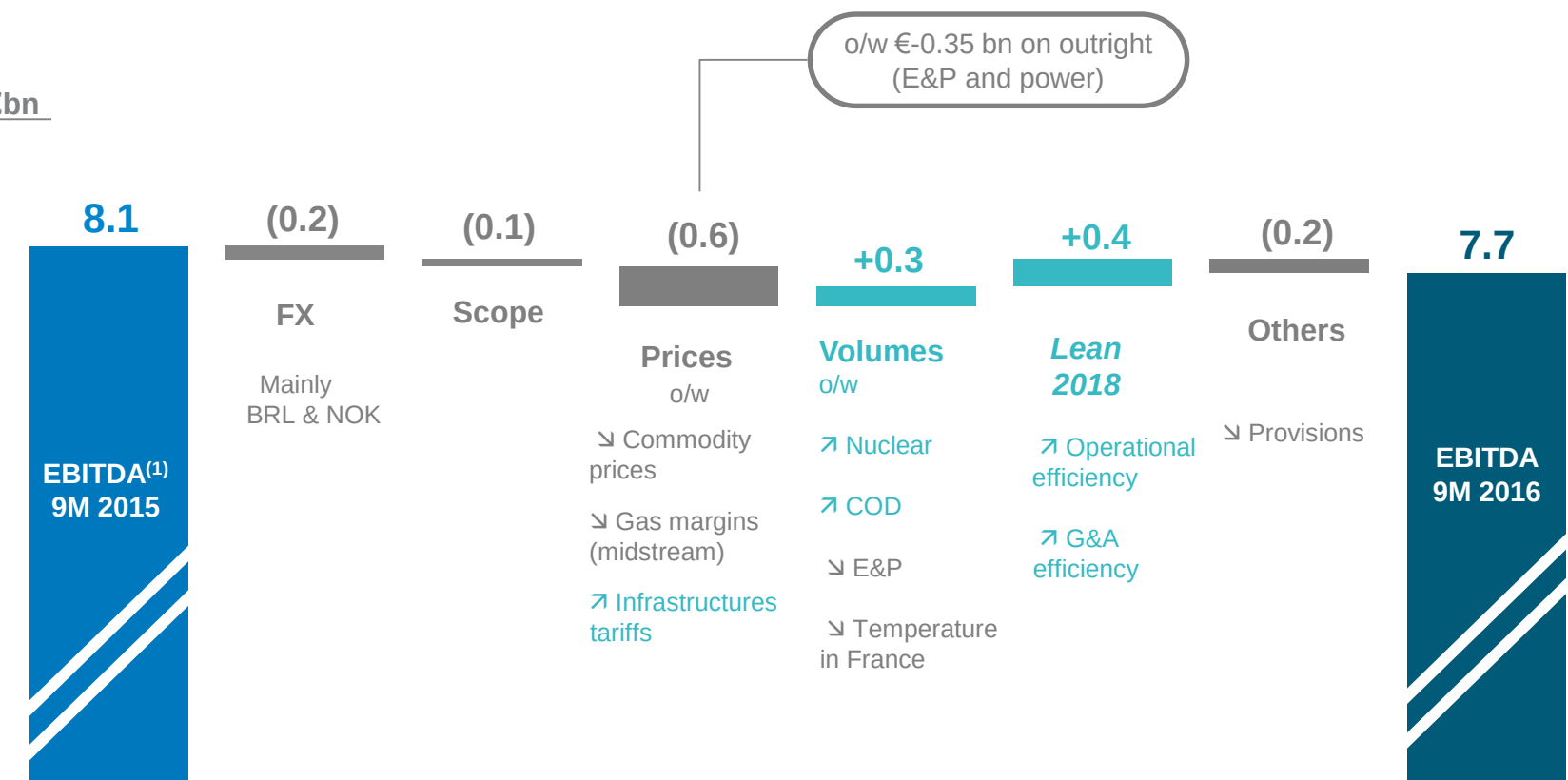
LEAN 2018



€0.4bn achieved
vs €0.2bn at end H1
Promote internal transformation

EBITDA EVOLUTION IN LINE WITH FULL YEAR INDICATION

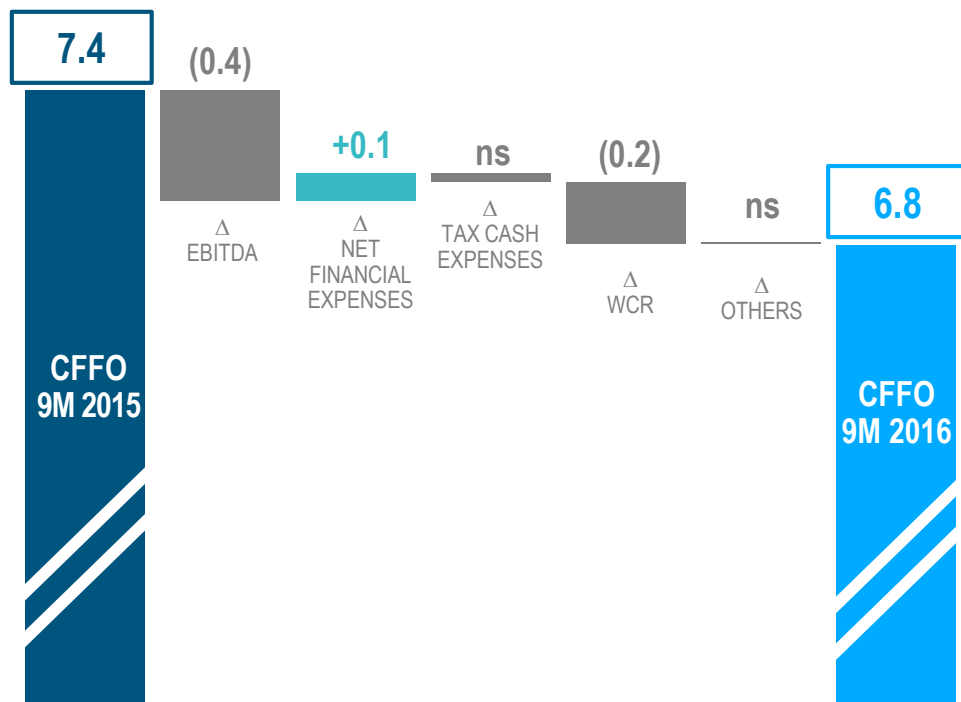
In €bn



(1) 9M 2015 EBITDA has been restated in order to exclude non-recurring contribution of share in net income of entities accounted for using equity method

SOLID CASH FLOW GENERATION LEADING TO FURTHER NET DEBT REDUCTION

In €bn



CASH EQUATION



Cash sources

5.1



Cash uses

€3.3bn Net CAPEX⁽¹⁾

€0.4bn Dividends to minorities

€0.15bn Hybrids coupon

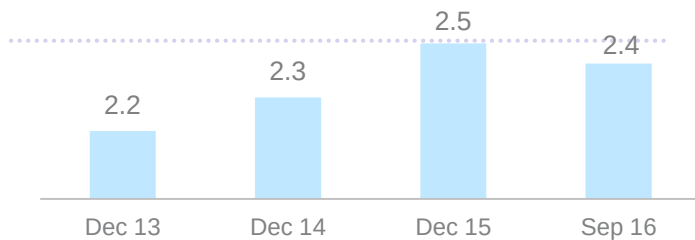
€1.25bn Dividends

(1) Net CAPEX = gross CAPEX – disposals; cash and net debt scope

STRONG FINANCIAL STRUCTURE

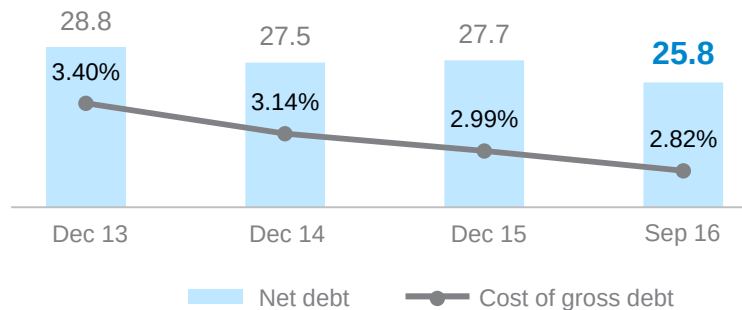
- **Operational cash flow generation remains solid**
 - Year-on-year CFFO impacted by decrease of EBITDA (€-0.4bn) and change in WCR (€-0.2bn)
- **Net debt further reduced by €2.0bn vs end 2015**
- **Average net debt maturity: 9.1 years**
- **Continuous decrease in average cost of gross debt**

NET DEBT/EBITDA $\leq 2.5x$



FURTHER DECREASE IN NET DEBT & COST OF GROSS DEBT

in €bn



2016 FULL YEAR OUTLOOK ON NRIs

What has changed since initial guidance?

DOWNSIDES

- Nuclear outages
- LNG prices & volumes / No Yemen restart
- French C&I gas supply / Services to oil & gas sector in Benelux
- Storage in France

UPSIDES

- EUR/BRL
- E&P production full year 57mboe
- Timing of disposals

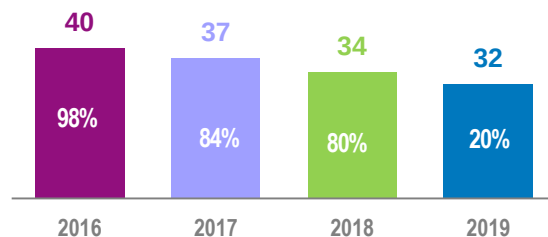
NRIs guidance 2016 confirmed towards the low end of the range

Hedges

prices
and
volumes

OUTRIGHT POWER EUROPE (NUCLEAR & HYDRO)

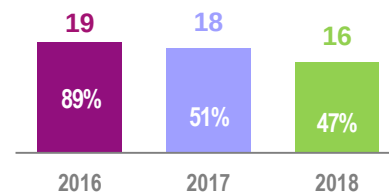
in €/MWh



As of 09/30/2016

OUTRIGHT GAS EUROPE (E&P)

in €/MWh



As of 09/30/2016

CONCLUSION

- Group transformation well on track
- Resilient figures at end September 2016
- Confirmation of 2016 financial targets⁽¹⁾
 - Low end of Net Recurring Income Group share guidance, i.e. €2.4-2.7bn, based on low end of EBITDA indication, i.e. €10.8-11.4bn⁽²⁾
 - Net debt/EBITDA $\leq 2.5x$ and “A” category rating
 - Dividend: €1/share payable in cash

(1) Assuming average temperature in France, full pass through of supply costs in French regulated gas tariffs, no significant regulatory and macro economic changes, commodity prices assumptions based on market conditions as of December 31, 2015 for the non-hedged part of the production, and average foreign exchange rates as follow for 2016: €/€: 1,10 ; €/BRL: 4,59

(2) Assuming no significant scope out impact and assuming no change in the accounting treatment of the nuclear contribution in Belgium

DISCLAIMER

Forward-Looking statements

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FOR MORE INFORMATION ABOUT ENGIE

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