

ENGIE financial information as of March 31, 2019

2019 full year guidance confirmed

Further progress made in strategy implementation

Group results as of March 31, 2019 are in line with management's 2019 phasing expectations, except for climate effect.

The first quarter was impacted by above-average winter temperatures in France and, as expected, lower nuclear power production in Belgium. Excluding the negative temperature effect in France, the current operating income¹ would have grown on an organic basis.

Client Solutions results were atypical, driven by **timing effect and selected recent renewals**, driving a slower start than last year. As a reminder, the fourth quarter usually accounts for a very important part of the annual profits of these activities.

Renewables and Thermal activities delivered organic² growth, led by positive momentum in new Power Purchase Agreements (PPA).

Most of the first quarter headwinds are expected to reverse by year end, notably in Nuclear (with the restart of three additional Belgian production units since January) and in Client Solutions, driving 2019 full year profit growth weighted towards the second half.

Thus, ENGIE confirms its 2019 guidance³ for the net recurring income Group share (in a range of EUR 2.5 billion to EUR 2.7 billion), for the net financial debt / EBITDA ratio (equal or below 2.5x) and for the dividend (based on a pay-out ratio on net recurring income Group share of 65% to 75% with an intention to target the upper end of this range).

Key figures as of March 31, 2019⁴

In EUR billion	03/31/2019	03/31/2018 ⁵	Δ 2019/18 gross	Δ 2019/18 organic ²
Revenues	18.8	17.5	+ 7.2%	+ 4.4%
EBITDA	3.1	3.3	- 4.8%	- 3.9%
Current operating income¹	2.0	2.2	- 5.7%	- 4.3%
Cash flow from operations⁶	0.1	1.6	EUR - 1.6 bn	
Net financial debt	23.2	23.3	EUR - 0.1 bn vs. 12/31/2018	

Upon the presentation of the 2018 first quarter financial information, Isabelle Kocher, ENGIE's CEO, stated: *"Our forecast trajectory for growth and profitability is consistent with our annual and medium-term plans, notwithstanding the unfavourable temperature and prior year comparative effects on the first quarter. Our positive results in Renewables demonstrate real growth momentum and our central role in accelerating our customers' zero-carbon transition. We are building a long-term growth platform on the basis of a portfolio of solutions that will meet the economic and climate challenges of the future. During this quarter, our strategic transformation continued with the disposal of our coal assets in Asia-Pacific, Germany and The Netherlands, the investment in Transportadora Asociada de Gas S.A. (TAG) for Networks as well as the partnership in Renewables with Tokyo Gas in Mexico."*

N.B. Footnotes are on page 10.



Management expects back-ended growth in 2019. This trend improvement is expected to be driven by **normalizing exogenous factors** (led by the easing of temperature-related headwinds assuming reversion to norms in France for the rest of 2019) and by **solid underlying business performance across the main activities of the Group**:

- **Client Solutions** results are expected **to progressively improve over the year**:
 - Prior year comparables will ease and contract phasing effects are expected to subside ;
 - Increasing order backlog and contributions from tuck-in acquisitions will deliver greater impact ;
 - Performance plan will continue to address market dynamics and to improve competitiveness.
- **Networks** are expected to benefit from a positive trend in international activities.
- **Renewables** are expected to be enhanced by new DBpSO⁷ margins to be recorded mainly in the second semester as in 2018 and by improving hydrology in France and in Brazil as well as by solar contribution in Brazil.
- **Thermal** is expected to profit from organic PPA growth in Latin America and from the dynamic management of optionality in our gas portfolio.
- **Nuclear** is expected to deliver significantly better results, based upon a continuing operational ramp-up and higher hedged prices.

Consistent with its recently announced strategy, ENGIE continued its development to be the leader of the zero-carbon transition.

In **Networks**, ENGIE announced in early April that the consortium in which it holds a majority stake won the competitive bidding conducted by Petrobras for the sale of a 90% shareholding in TAG, the largest gas transmission network owner in Brazil. TAG has a portfolio of long-term contracts providing an attractive earnings stream and rebalancing ENGIE's geographic exposure in Networks activities. Further insights into TAG's operations and its financial impacts on ENGIE's medium-term guidance will be provided shortly after the closing of the transaction.

In **Renewables**, 0.9 GW of wind and solar capacity was added in this first quarter, confirming a marked acceleration after the commissioning of 1.1 GW for the whole year 2018. The new joint-venture in Mexico with Tokyo Gas demonstrates our ability to deploy our DBpSO⁷ model and attract strong partners to accelerate the development of our portfolio

In **Thermal**, ENGIE continued to execute its strategy of carbon footprint reduction. ENGIE closed the disposal of its 69.1% stake in Glow in Thailand and Laos (3.2 GW of generation capacity, of which 1.0 GW is coal), ending its participation in coal in Asia-Pacific. ENGIE also announced the disposal of its German and Dutch coal assets (capacity of 2.3 GW), reducing coal to below 4% of its global power generation capacities.

Cash flow from operations⁶ decreased significantly due to timing effects from commodity related margin calls, notwithstanding broadly stable operating cash flow. Management expects a substantial improvement of the cash flow from operations⁶ for the full year 2019.

Net financial debt remains stable in comparison with end of 2018⁵, as gross Capex was offset by disposal proceeds.

The **Group's robust financial structure has been reaffirmed** by S&P which confirmed its A- long-term rating in April and maintained its outlook stable. In May, Moody's announced that the enactment of the *Loi PACTE* would likely lead to the removal of the one notch uplift for government support currently factored into ENGIE's rating.

Analysis of financial data as of March 31, 2019

Revenues of EUR 18.8 billion

Revenues were EUR 18.8 billion, up 7.2% on a gross basis and 4.4% on an organic basis.

Reported revenue growth includes a positive foreign exchange effect, mainly due to the appreciation of the US dollar partly offset by the depreciation of the Brazilian real against the euro, and to an aggregate positive scope effect. Changes to the scope of consolidation included various acquisitions in Client Solutions (primarily in the US with Syscon, Socore, Longwood, Unity and Donelly, in Latin America with CAM and in France with Eras and EPS), partly offset by the sales of the business Supply activities in Germany at the end of 2018 and of the stake in Glowin Thailand and Laos in March 2019.

Organic revenue growth was primarily driven by favorable market conditions for Global Energy Management (GEM) activities, by Thermal in Europe, wide ranging momentum in Latin America (dynamic energy allocation and commissioning of new wind and solar farms in Brazil, higher gas distribution tariffs in Mexico and PPA portfolio growth in Chile) and growth in Client Solutions in France. This growth was partly offset by lower hydroelectric power generation in France (- 25% versus an exceptional first quarter in 2018) and by lower revenues from French gas Networks activities (less storage purchase/sale operations and unfavorable temperature effect impacting distribution volumes).

More details on the evolution of the contributive revenues by reportable segment and by business line are available on pages 12 and 13.

EBITDA of EUR 3.1 billion

EBITDA was EUR 3.1 billion, down 4.8% on a reported basis and down 3.9% on an organic basis. Excluding the negative temperature effect in France, EBITDA would have been stable on an organic basis.

Reported EBITDA decrease includes a positive foreign exchange effect mainly due to the appreciation of the US dollar partly offset by the depreciation of the Brazilian real against the euro, and a aggregate negative scope effect. This scope effect stems chiefly from the sale of the Loy Yang B coal-fired power plant in Australia in January 2018 and from the sale of the stake in Glow, partly offset by various acquisitions in Renewables and Client Solutions.

Organic EBITDA decrease was mainly driven by the negative temperature effect weighing on Supply activities in France and in Australia and on Networks activities in France. Headwinds also included the lower availability and volumes of Belgian nuclear units, lower hydroelectric power generation in France, lower margins in Client Solutions and French Supply activities and several one-offs. This decrease was partly offset by dynamic energy allocation and the commissioning of new wind and solar farms in Brazil, by the new French gas storage regulation and by the strong performance of the GEM activities. This decrease was recorded versus a very challenging prior year comparable, led by exceptional hydro power production, colder than average temperatures in France and several positive one-offs.

Organic EBITDA performance varied across segments:

- **France** reported a slight organic EBITDA decrease. For France excluding Networks, the organic EBITDA decrease was driven primarily by lower gas sales volumes due to a negative temperature effect, by



margins pressures in retail activities and by a lower hydroelectric power generation. For Networks activities, the negative temperature effect weighed on gas distribution volumes and profits. These negative effects were partially offset by the new French gas storage regulation as well as by tariff increases for gas distribution (+ 2% as of July 2018) and transport (+ 3% as of April 2018).

- **Rest of Europe** showed a sharp organic EBITDA reduction. This reduction is mainly due to the negative volume effects on Belgian Nuclear activities, to a positive one-off in Belgian Supply in 2018 and to the suspension of the capacity remuneration mechanism in the United Kingdom since October 2018. These items were partly offset by the tariff increase for gas distribution in Romania and by the dynamic management of optionality in our gas Thermal activities.
- **Latin America** delivered strong organic EBITDA growth. This growth was driven primarily by the dynamic energy allocation and the commissioning of new wind and solar farms in Brazil, by the ramp up of our long-term PPA portfolio in Chile and by tariff increases in gas distribution activities in Mexico. These elements were partially offset by positive one-offs recorded in the first quarter of 2018 for Networks activities in Mexico.
- **USA & Canada** reported a significant organic EBITDA decrease. This deterioration is mainly due to the impact on Thermal activities of less favorable weather conditions than in 2018, to margins pressure on business Supply activities, and to negative one-offs in Client Solutions activities.
- **Middle East, Asia & Africa** reported a sharp organic EBITDA increase, driven mainly by power generation activities in the Middle East, which benefit from improved assets availability, and by positive one-offs recorded in the first quarter of 2019. This positive evolution was partly offset by a negative temperature effect weighing on Supply activities in Australia.
- The **Others segment** reported strong organic EBITDA growth. This growth is mainly due to the strong performance of the GEM activities, fueled by growth in international activities and gas contracts renegotiation. This growth is partly offset by a decline in margins at Tractebel Engineering and by lower contributions from Suez and from GTT.

Organic EBITDA performance also varied across the Group's business lines:

- **Client Solutions** reported a sharp organic EBITDA decrease notwithstanding continued growth in revenue and order backlog. This decrease was mainly due to phasing and selected contract renewal effects, to a slowdown in engineering activity and to an increase in development costs across Latin America, Europe and US to lay foundations for growth in new businesses.
- **Networks** showed a slight organic EBITDA reduction, mainly driven by negative temperature effects in France on gas distribution volumes and by positive one-offs recorded in the first quarter of 2018 in Mexico. These negative items were partly offset by the new French gas storage regulation.
- **Renewables** delivered strong organic EBITDA growth. This was primarily driven by a dynamic energy allocation and the commissioning of new wind and solar farms in Brazil, partly offset by a lower hydroelectric power generation in France (- 25% year-on-year).

- **Thermal** reported a slight organic EBITDA increase, mainly due to growth in our long-term PPA portfolio in Latin America.
- **Nuclear** showed a significant organic EBITDA decrease, mainly attributable to negative volume effects due to the lower availability of the Belgian nuclear units.
- **Supply** organic EBITDA reduced sharply, primarily driven by negative temperature effects in France and Australia and by margins pressures on French retail.
- **The Other business line** contributed favourably to organic EBITDA, mainly due to the strong performance of the GEM activities fueled by growth in international activities and gas contracts renegotiation and to the contribution of the *Lean* performance plan at Corporate level.

Current operating income¹ of EUR 2.0 billion

Current operating income including share of net income of entities accounted for using the equity method amounted to EUR 2.0 billion, down 5.7% on a reported basis and down 4.3% on an organic basis, in line with EBITDA growth. Current operating income¹ has benefited from the IFRS 5 treatment related to Glow disposal announced in June 2018.

Excluding the negative temperature effect in France, current operating income¹ would have been up 1% on an organic basis.

Detailed figures for 2018⁵ and 2019 as well as for the 2019 outlook at current operating income¹ level are presented in the table below:

In EUR million	03/31/2019	03/31/2018 ⁵	2019 Outlook
Client Solutions	201	244	mid to high single digit growth
Networks	931	979	down mid-single digit
Renewables	330	308	low teens growth
Thermal	406	383	reduction of c. 20%
Nuclear	- 167	- 116	2018 losses cut by two thirds
Supply	331	428	down by upper teens
Others	5	- 65	low teens growth

Net financial debt at EUR 23.2 billion

Net financial debt stood at EUR 23.2 billion, down EUR 0.1 billion compared with December 31, 2018⁵. This positive variation is mainly due to (i) cash flow from operations (EUR 0.1 billion), (ii) the impacts of the portfolio rotation program (EUR 2.7 billion, mainly related to the completion of the disposal of the stake of Glow). These items were almost entirely offset by (i) gross capital expenditure over the period (EUR 2.2 billion⁸), (ii) dividends paid to non-controlling interests (EUR 0.2 billion) and (iii) other elements (EUR 0.3 billion), mainly linked to foreign exchange rates and IFRS 16 new rights of use.



Cash flow from operations⁶ amounted to EUR 0.1 billion, down EUR 1.6 billion. The decrease stems chiefly from temporary working capital requirement variations (EUR -1.3 billion) caused by margin calls on derivatives and mark-to-market of financial derivatives variation. The operating cash flow remained broadly stable.

At the end of March 2019, **net financial debt to EBITDA ratio** amounted to 2.4x, stable compared with December 31, 2018⁵ and below the target of less than or equal to 2.5x. The average cost of gross debt was 2.86%, up 18 bps compared with December 31, 2018.

Net economic debt⁹ to **EBITDA ratio** stood at 3.7x, stable compared with December 31, 2018⁵.

2019 financial targets³ and dividend policy

ENGIE confirms its financial anticipations for 2019³:

- a **net recurring income, Group share (NRIGs) between EUR 2.5 and EUR 2.7 billion**. This guidance is based on an indicative range for EBITDA of EUR 9.9 to 10.3 billion,
- a net financial debt / EBITDA ratio below or equal to 2.5x,
- an 'A' category credit rating.

ENGIE also confirms its **new medium-term dividend policy, in the range of 65% to 75% NRIGs payout ratio**. For the fiscal year 2019, ENGIE is aiming for a dividend at the upper end of this range.

Significant operational milestones since January 2019

Client Solutions

In Europe, the Group continued to develop its nuclear maintenance business with the acquisition by its subsidiary ENDEL of SUEZ's specialized subsidiary, ex-SRA SAVAC.

In the Middle-East and in line with the Group's strategy to reinforce its local presence in integrated client solutions for a zero-carbon transition, ENGIE, which already owned 50% of Cofely BESIX Facility Management (CBFM), acquired the share that BESIX held (50%) and became the only shareholder of CBFM, which will be rebranded ENGIE Cofely. CBFM is a major client solutions and energy services provider, with 2,000 employees operating in the United Arab Emirates, in Qatar (with its partner Mannai) and in Oman (with its partner Daud) on many landmark sites such as the Dubai Mall, Abu Dhabi's Zayed University and the Qatar Foundation.

ENGIE also continued its investments in innovative decentralized technologies, with the inauguration of its first PowerCorner mini-grid in Zambia, confirming its progress in off-grid renewable energy solutions to improve electricity access in Africa. This mini-grid provides energy to households and local businesses and supports public services such as the Rural Health Centre and two schools.

The Group also won landmark contracts with cities and local authorities. For example, in India, Tabreed, the leading United Arab Emirates-based international cooling systems provider, 40% owned by ENGIE, has signed



a 30-year concession agreement to build, own and operate a district cooling system (DC), during the length of the contract, in Amaravati – the future capital of Andhra Pradesh.

Networks

In Brazil, ENGIE announced that the consortium in which it holds a majority stake has won the competitive bidding process conducted by Petrobras for the sale of a 90% shareholding in TAG with a final and binding offer amounting to USD 8.6bn. TAG is the largest gas transmission network owner in Brazil, a priority country within ENGIE's recently announced strategic framework, with an asset base providing an attractive and stable regulated profit stream to ENGIE. TAG assets consists of 4,500 kilometers of gas pipelines in Brazil, which represents 47% of the country's entire gas infrastructure. The winning offer for the 90% equity stake in TAG was made by a consortium composed of ENGIE S.A, ENGIE Brasil Energia and la Caisse de dépôt et placement du Québec (CDPQ). Petrobras will maintain a 10% equity stake in TAG. In addition to its ownership, ENGIE will be the industrial partner for TAG, managing the asset after the closing of the transaction and taking 100% of the operations and maintenance after the third year.

Renewables

In France, Futures Energies Investissements Holding (FEIH) company, jointly owned by ENGIE and Crédit Agricole Assurances at 50% each, reached 1.5 GW of solar and wind installed power capacity by the beginning of 2019. Established in 2013, FEIH has continuously invested in wind and solar power generation through a solid partnership. All the farms are operated by ENGIE Green, ENGIE's dedicated renewable energy entity in France.

In offshore wind power, the Eoliennes en Mer Dieppe - Le Tréport project obtained the necessary prefectural authorizations, enabling it to prepare the farm's construction (foundations, electricity substation, cables between the wind turbines, etc.) and to proceed with the calls to tender for subcontractors to manufacture and install the components. In addition, in the framework of the competitive bidding process for offshore wind turbines off the coast of Dunkerque, ENGIE and EDPR announce the addition of E.ON to the Dunkerque Eoliennes en Mer consortium: with this arrival, the consortium now brings together three European champions of renewable energies, enriching the industrial excellence of its offer.

Besides, ENGIE and farmers joined forces to develop the biomethane sector in France by signing three partnerships at the 2019 Paris International Agricultural Show: biomethane is an energy of the future and a fully-fledged opportunity for farmers to diversify their income. In addition, ENGIE acquired Vol-V Biomasse, which operates along the entire biomethane value chain (origination, development, construction monitoring and operation), and became France's leading biomethane producer.

In Europe, ENGIE strengthened its presence on the renewable energy market in Spain with the launch of Phoenix, a new project developed in cooperation with Mirova and Forestalia. Phoenix aims to develop 10 wind farms in Aragon for a total capacity of 342 MW. ENGIE will participate as equity investor and as energy manager selling the electricity produced to the wholesale market and hedging in forward market.

In Mexico, ENGIE and Tokyo Gas Co., Ltd. announced their intention to invest in Heolios EnTG, a 50/50 joint-venture company to develop renewable energy projects. Heolios EnTG will develop, finance, construct, own, operate and maintain six renewable energy projects in Mexico: two of the plants are onshore wind while the remaining four are solar photovoltaic, totaling 899 MW, enough to power 1.3 million Mexican households. The



projects were granted 15-year PPA through Mexican power auctions. One of the power plants, Tres Mesas 3, is a 50 MW wind power facility that entered into commercial operation in March 2019, ahead of schedule. The remaining plants are currently in various stages of construction and will start commercial operation in 2019 and 2020.

ENGIE also commissioned the Kathu thermodynamic solar power plant, one of South Africa's largest renewable energy projects. This thermodynamic concentrated solar power plant has a capacity of 100 MW and allows, via a molten salt storage system, to store 4.5 hours of autonomy.

Thermal

ENGIE announced the completion of the sale of its entire stake in Glow in Asia-Pacific, and thus ceased its coal-fired power plant operations in the region, in compliance with its strategy of reducing its carbon footprint. Glow is an independent energy producer that is listed on Thailand's stock exchange, owning and operating production facilities in Thailand and Laos (3.2 GW total power generation capacity made up of 1.0 GW of coal, 2.0 GW of gas and 0.2 GW of renewable energy) and employing 800 people.

ENGIE also announced the signing for the sale of its shares in coal-fired power plants in the Netherlands and in Germany. The assets sold represent a total installed capacity of 2,3 MW. This sale is subject to customary conditions, with closing expected during the second semester 2019. After this sale, coal will represent 4% of ENGIE's global power generation capacities, down from 13% at the end of 2015 when the Group announced that it would gradually close or dispose of its coal assets and no longer build any new coal plants. In the past 3 years, ENGIE has reduced its coal-based electricity generation capacity by approximately 75%.

Supply

In order to provide solutions adapted to the needs of retail consumers, ENGIE took over *tiko* through a capital increase. As a pioneer in the development of intelligent energy management systems for the residential market focused on the control of domestic energy consumption, this Swiss startup offers solutions for managing a wide range of electrical equipment in private homes.

Other Group events

- **January 18, 2019: On January 17, ENGIE issued its first corporate hybrid green bond of 2019, for an amount of €1 billion.** With a total of €7.25 billion of green bonds issued since 2014, ENGIE strengthens its position amongst the biggest issuers of corporate green bonds. As a leader in the energy transition, ENGIE has made it a priority to support the development of sustainable finance, notably the green bond market.
- **January 29, 2019: ENGIE scores CDP's A list for climate change.** For the third year in a row, ENGIE has been highlighted as a global leader on Corporate Climate action by environmental impact non-profit organization, Carbon Disclosure Project (CDP), achieving a score of 'A', the highest in the CDP Climate Change Assessment. ENGIE has been recognized for its actions to cut emissions, mitigate climate risks and contribute to the development of a low-carbon economy. At the end of 2017, ENGIE reduced its direct CO₂ emissions by 26% compared to 2016 and reduced its ratio of emissions from energy production by 18% compared to 2012, bringing the Group significantly closer to its reduction target of - 20% in 2020.



- **January 30, 2019: ENGIE joins the employee shareholding index, Euronext FAS IAS.** This index gathers the most advanced listed companies for employee shareholding. Companies included in this index meet the following conditions: at least 3% of the capital is owned by employees, a minimum of 15% of the overall workforce should own shares in the company and a minimum of 25% of the workforce in France should own shares in the company. Since the Group's most recent employee shareholding offer (Link 2018), finalized on August 2, 2018, 4% of ENGIE's capital and 4.7% of voting rights are held by its employees, either directly or indirectly through company mutual funds.
- **March 13, 2019: A streamlined Board of Directors following the General Meeting to be held on 17 May 2019.** The terms of Ann-Kristin Achleitner, Edmond Alphandéry, Aldo Cardoso, Patrice Durand, Catherine Guillouard, Barbara Kux, Mari-Noëlle Jégo-Laveissière, Françoise Malrieu and Marie-José Nadeau will expire at the end of this meeting. Taking into consideration the willingness of some Board members not to seek another term and the end of the independent status of other members, it is proposed to renew, for a period of four years, the terms of office of independent Board members Françoise Malrieu and Marie-José Nadeau, together with the terms of office of Board members who are proposed by the French State Patrice Durand and Mari-Noëlle Jégo-Laveissière. After the General Meeting, if these proposed resolutions are accepted and following the designation of the Board member representing the French State, the Board of Directors will consist of 14 members. Resulting from the merger between Gaz de France and SUEZ, the size of the ENGIE's Board of Directors is currently larger than what is generally observed in CAC 40 companies. This reduction meets expectation regularly expressed by shareholders.
- **April 10, 2019: ENGIE reinforces its organization to deliver its strategy: "zero-carbon transition as a service".** This evolution aims to accelerate the execution of the strategy and the delivery of integrated zero-carbon solutions "as a service", turnkey, tailor-made and co-financed. The resulting proposed organizational changes (creation of four Global Business Lines – GBL – and of ENGIE Impact) are the subject of a consultation process with the relevant employee representative bodies and will therefore take effect at the end of this process in July 2019. The GBLs (Customer Solutions, Gas and Power Networks, Renewables and Thermal) will support the local teams and transversal performance and will be led by an Executive Vice President, member of the Executive Committee, assisted by a Managing Director. Their missions would be: to propose the cross-BU strategy for their activity; to prioritize the allocation of resources (Capex) between the different Business Units; to identify and lead the main transversal digital and excellence programs; to identify and setup the global partnerships; and to support, measure and report the performance of the activities at a global level. ENGIE Impact will be implemented as a managerial entity dedicated to reinforcing access to top decision-makers and will be built on the consulting expertise of existing ENGIE entities such as Tractebel and ENGIE Insight. ENGIE Impact will structure integrated and cross-BU solutions to address the zero-carbon transition challenges of large companies and local authorities. ENGIE Impact will rely on data and analytics-based insights to develop tailored consulting missions, with an initial focus on the Americas and Western Europe.



The presentation of the Group's first quarter 2019 financial information used during the investor conference call is available to download from ENGIE's website: <https://www.engie.com/en/investors/results/2019-results/>

UPCOMING EVENTS

May 17, 2019:	Ordinary General Meeting
May 23, 2019:	Payment ¹⁰ of the dividend balance of EUR 0.38 per share for fiscal year 2018 and of an exceptional dividend of EUR 0.37 per share
July 30, 2019:	H1 2019 results publication

Footnotes

¹ Including share in net income of entities accounted for using the equity method.

² Organic variation = gross variation without scope and foreign exchange impacts.

³ These targets and this indication assume average weather conditions in France, full pass through of supply costs in French regulated gas tariffs, no significant accounting changes except for IFRS 16, no major regulatory and macro-economic changes, commodity price assumptions based on market conditions as of December 31, 2018 for the non-hedged part of the production, average foreign exchange rates as follows for 2019 : EUR/USD: 1.16; EUR/BRL: 4.42, and without significant impacts from disposals not announced as of February 28, 2019.

⁴ Variations vs. Q1 2018.

⁵ 2018 figures restated for IFRS 16.

⁶ Cash flow from operations = Free Cash Flow before maintenance Capex.

⁷ DBpSO = Develop, Build, partial Sell & Operate.

⁸ Net of DBpSO proceeds.

⁹ Net economic debt amounted to EUR 35.7 billion at the end of March 2019 (compared with EUR 35.7 billion at the end of December 2018); it includes in particular nuclear provisions and post-employment benefits.

¹⁰ Dividends submitted to shareholders' approval at the Ordinary General Meeting on May 17, 2019.



Important notice

The figures presented here are those customarily used and communicated to the markets by ENGIE. This message includes forward-looking information and statements. Such statements include financial projections and estimates, the assumptions on which they are based, as well as statements about projects, objectives and expectations regarding future operations, profits, or services, or future performance. Although ENGIE management believes that these forward-looking statements are reasonable, investors and ENGIE shareholders should be aware that such forward-looking information and statements are subject to many risks and uncertainties that are generally difficult to predict and beyond the control of ENGIE, and may cause results and developments to differ significantly from those expressed, implied or predicted in the forward-looking statements or information. Such risks include those explained or identified in the public documents filed by ENGIE with the French Financial Markets Authority (AMF), including those listed in the "Risk Factors" section of the ENGIE (ex GDF SUEZ) reference document filed with the AMF on March 20, 2019 (under number D.19-0177). Investors and ENGIE shareholders should note that if some or all of these risks are realized they may have a significant unfavorable impact on ENGIE.

About ENGIE

Our Group is a global reference in low-carbon energy and services. In response to the urgency of climate change, our ambition is to become the world leader in the zero-carbon transition "as a service" for our customers, in particular global companies and local authorities. We rely on our key activities (renewable energy, gas, services) to offer competitive turnkey solutions.

With our 160,000 employees, our customers, partners and stakeholders, we are a community of Imaginative Builders, committed every day to more harmonious progress.

Turnover in 2018: EUR 60.6 billion. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main financial indices (CAC 40, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe) and non-financial indices (DJSI World, DJSI Europe and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).

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APPENDIX: CONTRIBUTIVE REVENUES BY REPORTABLE SEGMENT AND BY BUSINESS LINE

- Contributive revenues by reportable segment:

Revenues <i>In EUR million</i>	March 31, 2019	March 31, 2018 ⁵	Gross variation	Organic ² variation
France	7,430	7,583	- 2.0%	- 3.4%
Rest of Europe	5,376	5,152	+ 4.3%	+ 5.3%
Latin America	1,326	1,053	+ 26.0%	+ 22.3%
USA & Canada	1,192	840	+ 41.9%	+ 10.2%
Middle East, Africa & Asia	911	919	- 0.8%	+ 0.4%
Others	2,558	1,976	+ 29.4%	+ 20.9%
ENGIE Group	18,793	17,523	+ 7.2%	+ 4.4%

Revenues for **France** decreased by 2.0% on a gross basis and by 3.4% on an organic basis.

For France excluding Networks, revenues decreased by 0.4% on a gross basis and by 1.1% on an organic basis. The lower gross decrease than the organic decrease is explained by the acquisition of several companies in the Client Solutions activities. The organic decrease is mainly due to the lower hydroelectric power generation (resulting from low hydrology in the first quarter of 2019 compared to exceptional hydrology in the first quarter of 2018) and by lower gas sales volumes (due to a negative temperature effect and to a reduction of the customer base in retail gas supply). This decrease is partially offset by an increase in Client Solutions activities (installations, construction and energy efficiency).

For the Networks activities, revenues decreased by 6.9% on a gross basis and by 9.7% on an organic basis. Gas storage was down due to the reduction in purchase/sale operations in the first quarter of 2019 as a result of the new regulatory framework implemented in 2018. To a lesser extent, gas transport activities also saw its revenues decline with the end of the North-South subscriptions, partially offset by a tariff increase on April 1, 2018 (+ 3%). The gas distribution activities were adversely affected by an unfavorable temperature effect of 10 TWh, partially offset by the tariff increase on July 1, 2018 (+ 2%).

Revenues for **Rest of Europe** were up 4.3% on a gross basis and 5.3% on an organic basis.

Revenue growth was driven mainly by Thermal activities (benefiting from favorable price effects, partially offset by the suspension of the capacity remuneration mechanism in the United Kingdom since October 1, 2018, resulting in the non-recognition of the corresponding revenues) and by Supply activities in the Benelux countries (fueled by positive pricing effects, but partially offset by the sale of the BtoB Supply activities in Germany at the end of 2018), and to a lesser extent by Client Solutions activities in the Benelux countries, Italy and Switzerland (coming mainly from tuck-in acquisitions), as well as by Networks activities (in Romania in particular, thanks to a tariff increase partially offset by a negative temperature effect).

Revenues for **Latin America** increased by 26.0% on a gross basis and by 22.3% on an organic basis.

Gross growth includes the positive impact of the integration of a service company (CAM) acquired at the end of 2018 and a globally unfavorable exchange rate effect, the depreciation of the Brazilian real (- 7%) being partially offset by the appreciation of the US dollar (+ 8%). In Brazil, organic growth was mainly due to dynamic energy allocation and the commercial commissioning of new wind and solar farms. In Mexico, revenue

benefited from the tariff increases in gas distribution activities. In Chile, the business was positively impacted by the ramp up of long-term PPA.

Revenues for **USA & Canada** were up 41.9% on a gross basis and 10.2% on an organic basis.

They benefited from a positive exchange rate effect due to the appreciation of the US dollar and positive scope effects due to the contribution of acquisitions in Client Solutions (Donnelly, Unity, Systecon) and in power Supply activities (Plymouth Rock) in the USA. The organic growth was mainly due to a positive price effect in the power Supply activities in the USA.

Revenues for **Middle East, Africa & Asia** were down 0.8% on a gross basis and up 0.4% on an organic basis. This gross decrease is mainly due to the negative scope effects of the disposals of Glow in March 2019 and the Loy Yang B coal-fired power plant in January 2018, which were offset by acquisitions in Client Solutions in Africa, Australia and the Middle East (Cofely BESIX) as well as by positive currency effects mainly linked to the appreciation of the US dollar.

Revenues for the **Others segment** increased by 29.4% on a gross basis and by 20.9% on an organic basis. This increase is mainly due to the GEM activities fueled by growth in international activities and gas contracts renegotiation.

- Contributive revenues by business line:

Revenues <i>In EUR million</i>	March 31, 2019	March 31, 2018 ⁵	Gross variation	Organic ² variation
Clients Solutions	5,031	4,653	+ 8,1%	+2,2%
Networks	2,058	2,183	- 5,7%	- 7,3%
Renewables	856	913	- 6,3%	- 4,3%
Thermal	1,630	1,445	+ 12,8%	+ 13,1%
Nuclear	83	121	- 31,3%	- 31,3%
Supply	7,029	6,715	+ 4,7%	+ 3,4%
Others	2,106	1,492	+ 41,2%	+ 31,2%
ENGIE Group	18,793	17,523	+ 7.2%	+ 4.4%

APPENDIX: COMPARABLE BASIS ORGANIC GROWTH ANALYSIS

<i>In EUR million</i>	March 31, 2019	March 31, 2018 ⁵	Gross/organic ² variation
Revenues	18,793	17,523	+ 7.2%
Scope effect	- 421	- 10	
Exchange rate effect		+ 80	
Comparable basis	18,372	17,594	+ 4.4%

<i>In EUR million</i>	March 31, 2019	March 31, 2018 ⁵	Gross/organic ² variation
EBITDA	3,118	3,274	- 4.8%
Scope effect	- 11	- 54	
Exchange rate effect		+ 13	
Comparable basis	3,107	3,233	- 3.9%

<i>In EUR million</i>	March 31, 2019	March 31, 2018 ⁵	Gross/organic ² variation
Current operating income¹	2,037	2,160	- 5.7%
Scope effect	0	- 40	
Exchange rate effect		+ 8	
Comparable basis	2,037	2,128	- 4.3%