



Press release
2 March, 2017

ENGIE Becomes UK's Leading Provider Of Regeneration Services For Local Authorities

ENGIE today announces that it has signed an agreement to acquire the regeneration business of Keepmoat, the UK's leading provider of regeneration services for local authorities. Keepmoat specializes in the design, refurbishment and upgrade of buildings and places, helping to transform communities and strengthen local economies. This acquisition, valued at £330 million (around €390 million), is in line with ENGIE's strategy to be leader of the energy transition in the world, notably by developing integrated and innovative solutions for its clients.

Keepmoat's expertise in delivering building refurbishment and energy efficiency measures, is closely aligned with ENGIE's focus in the UK on energy and facilities management. The combined capabilities will enable the business to support local government in meeting challenging budgetary and emissions targets and addressing the wider needs of their communities. This transaction will enable ENGIE to offer a complementary range of services to its clients: local governments, cities and businesses.

The Keepmoat regeneration business has an annual turnover of approximately £800 million (around €930 million) and employs 2,500 staff across the UK. It has built strong partnerships over the last 30 years and has long-term relationships with more than 170 local councils and many of the largest housing associations. The business currently has a £1 billion order book and a £9 billion pipeline of regeneration opportunities across the UK.

Isabelle Kocher, ENGIE CEO, said: *"The acquisition of Keepmoat is closely aligned with ENGIE's strategy and is a major step in our development in the United Kingdom. It will help the Group to accelerate its growth in customers solutions, one of its strategic priorities, and to expand our offers to cities, complementing the energy and facility management solutions that we already provide in the country. Today, buildings account for approximately 30% of UK carbon emissions and we are convinced that with the addition of Keepmoat's renovation expertise, we will be better able to support local authorities and cities in their transition to a lower carbon future."*



Alongside the repair and refurbishment of homes and buildings, the regeneration business has extensive capabilities in creating zero carbon new homes, retrofitting high-rise residential accommodation and supporting the cost reduction and energy efficiency targets of community regeneration projects, such as insulation and heating solutions to on-site generation and energy consultation services.

Completion of the transaction is conditional on anti-trust clearance and is expected to take place in a few months. Dave Sheridan, CEO of Keepmoat, will join ENGIE at completion together with the entire regeneration division's infrastructure and employees¹.

About ENGIE

ENGIE develops its businesses (power, natural gas, energy services) around a model based on responsible growth to take on the major challenges of energy's transition to a low-carbon economy: access to sustainable energy, climate-change mitigation and adaptation and the rational use of resources. The Group provides individuals, cities and businesses with highly efficient and innovative solutions largely based on its expertise in four key sectors: renewable energy, energy efficiency, liquefied natural gas and digital technology. ENGIE employs 153,090 people worldwide and achieved revenues of €66.6 billion in 2016. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main international indices: CAC 40, BEL 20, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, DJSI World, DJSI Europe and Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20).

In the UK, ENGIE employs 17,000 people across three main activities: services, energy solutions and energy infrastructure. ENGIE is using its capabilities to lead the UK's transition towards a more secure and sustainable future, through a strategy based on investment in critical energy infrastructure, integration of its energy expertise with its broad services offer, and innovation in customer-led solutions and technologies. The business has well-established and diverse operations that span power generation as one of the UK's largest independent power producers; providing power and gas to thousands of UK businesses; and delivering services to more than 14,000 customer sites across the public and private sector.

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¹ Keepmoat has been owned by TDR and Sun Capital since 2014. Following the sale, they will continue to own the Keepmoat Homes business, which constructs new homes for private individuals.