



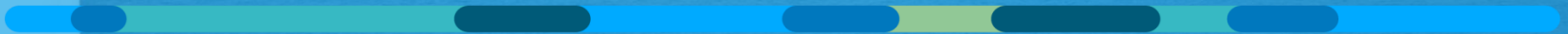
ENGIE

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# H1 2018 RESULTS

July 27<sup>th</sup>, 2018

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# AGENDA

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## Highlights

H1 2018 performance

Additional material



# KEY H1 MESSAGES

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**SOLID ORGANIC GROWTH  
DRIVEN BY RENEWABLES AND NETWORKS**



**MERCHANT: ENERGY MANAGEMENT PERFORMANCE  
MORE THAN OFFSETTING NUCLEAR OUTAGES**



**FURTHER PROGRESS IN STRATEGIC REPOSITIONING**



**FY 2018 GUIDANCE CONFIRMED<sup>(1)</sup>**

(1) Based on the assumption of a restart of nuclear units in line with current information available on REMIT

# STRONG RESULTS, EBITDA UP 6% ORGANICALLY

In €bn

H1 2018 RESULTS	Actual	Δ Gross <sup>(1)</sup>	Δ Organic <sup>(1)</sup>
<b>EBITDA</b>	<b>5.1</b>	<b>+1.3%</b>	<b>+6.2%</b>
<b>COI<sup>(2)</sup></b>	<b>3.1</b>	<b>+1.4%</b>	<b>+7.2%</b>
<b>NRIGs</b> <i>excl. E&amp;P and LNG</i>	<b>1.5</b>	<b>+11.4%</b>	<b>+18.9%</b>
<b>Net Debt</b>	<b>20.5</b>	<b>-€2.0bn</b>	

**Full year guidance confirmed<sup>(3)</sup>**

(1) H1 2017 restated for IFRS 5,9&15 treatments

(2) Including share in net income of associates

(3) Based on the assumption of a restart of nuclear units in line with current information available on REMIT

# KEY OPERATIONAL DEVELOPMENTS

**CLIENT SOLUTIONS**



B2C customer contracts worldwide  
24 million / +3.5% yoy

Backlog in installation & Engineering,  
€4.5bn / +13% YoY

**NETWORKS**



New gas storage regulation in France

1.2 million smart meters installed in France

Growth from international networks

**GENERATION - MERCHANT**

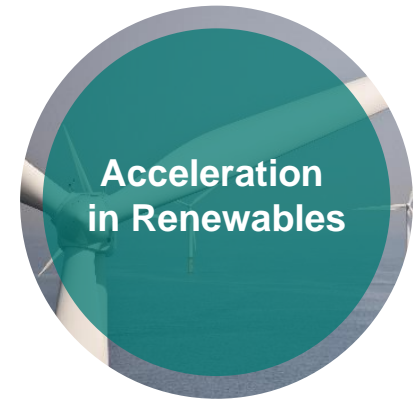


Nuclear availability

New management set up for long-term contracts

Optimization of gas assets portfolio & European gas-fired power generation fleet

**GENERATION - RES & THERMAL CONTRACTED**



Glom disposal: coal capacities further reduced, now 5% of total

Renewable pipeline: increasing, now above 9 GW

# NUCLEAR UNITS IN BELGIUM: UPDATE ON 2018 AVAILABILITY



## TECHNICAL DESCRIPTION

Doel 1

- Maintenance work linked to 10-year lifetime extension

Doel 2

Tihange 1

- Regularly scheduled maintenance activity

Doel 3

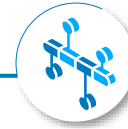
- Roof of the bunkerized building (non nuclear part) successfully repaired, unit restarted July 23<sup>th</sup>

Tihange 3

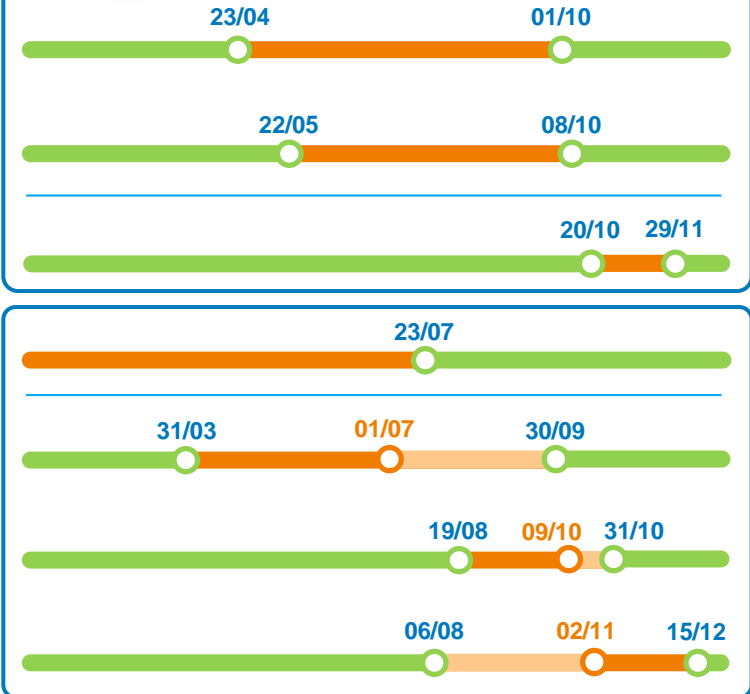
Tihange 2

- Roof repair strategy already defined, to be reviewed per nuclear safety agency AFCN

Doel 4



## CURRENT FORECAST FOR TECHNICAL AVAILABILITY



### YoY EBITDA impact [€M]

	<u>H1</u>	<u>H2</u>	<u>FY</u>	
Global impact of planned & unplanned outages	-80	-250	-330	<i>o/w -€250M not included in initial budget</i>

■ In operation   
 ■ Initial outages  
■ Additional outages<sup>(1)</sup>

(1) As announced on June 18, 2018

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# AGENDA

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Highlights

H1 2018 performance

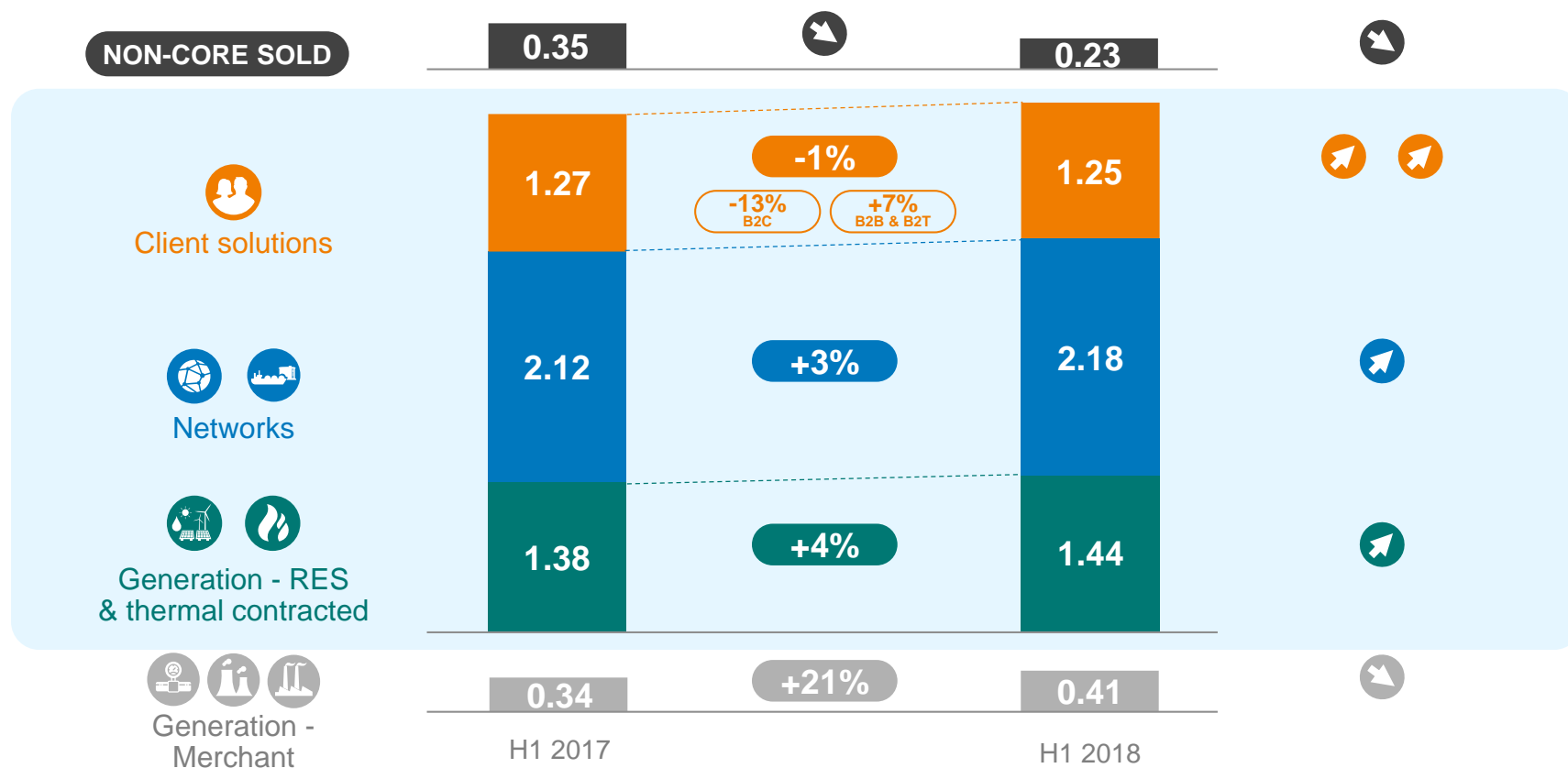
Additional material



# STRONG EBITDA PERFORMANCE

EBITDA<sup>(1)</sup>  
In €bn, unaudited figures

FY 2018  
YoY Outlook

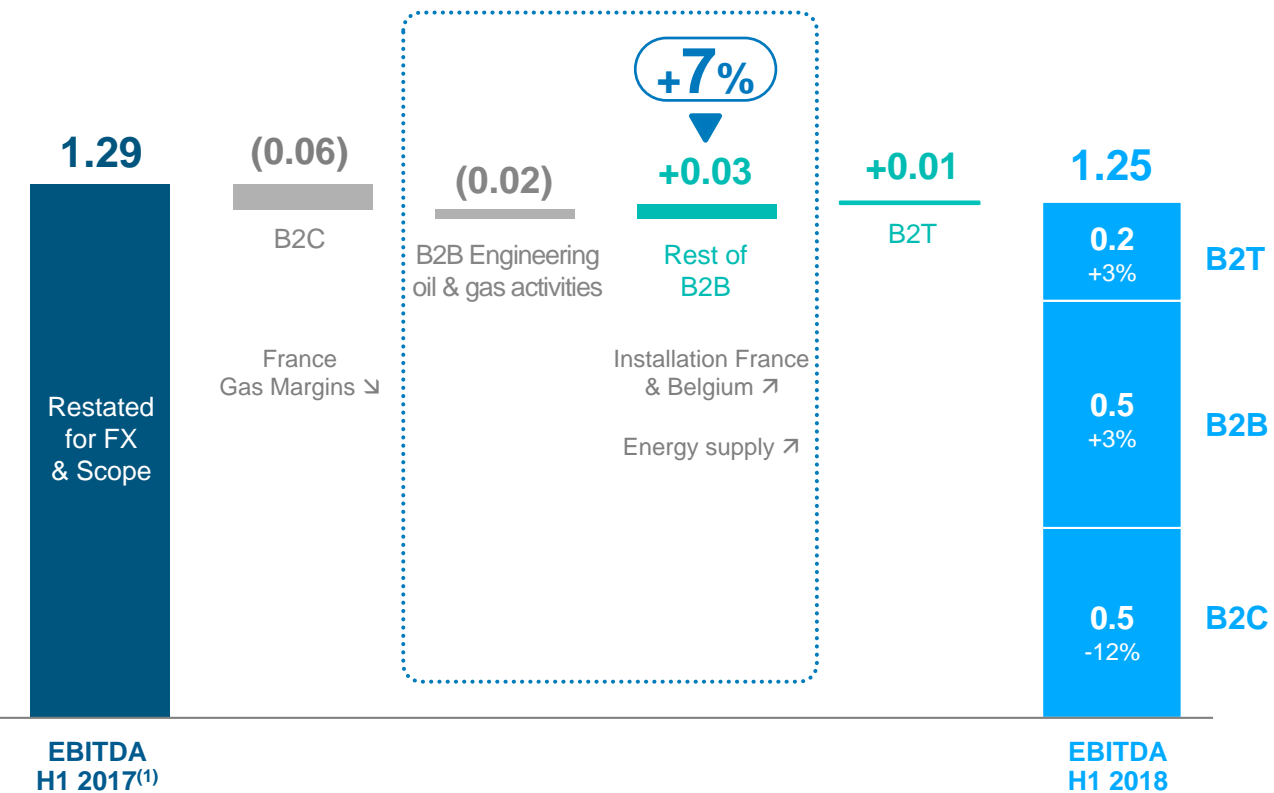


(1) Gross figures excluding unallocated corporate costs

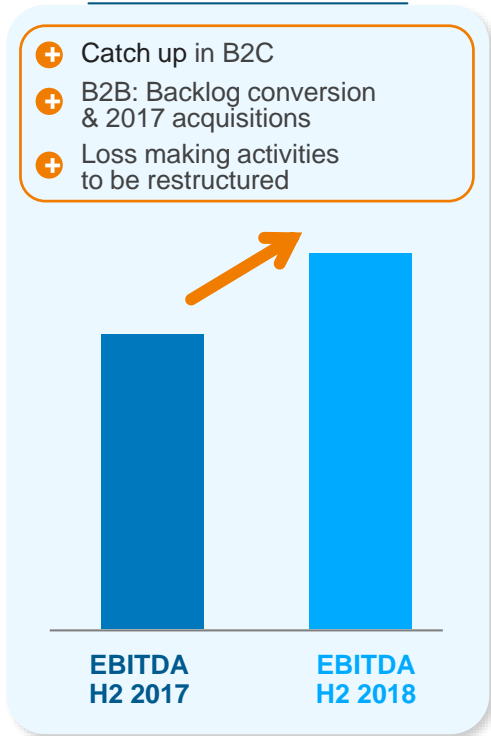


# POSITIVE DYNAMICS DESPITE TEMPORARY IMPACT IN B2C

In €bn, % yoy organic  
unaudited figures



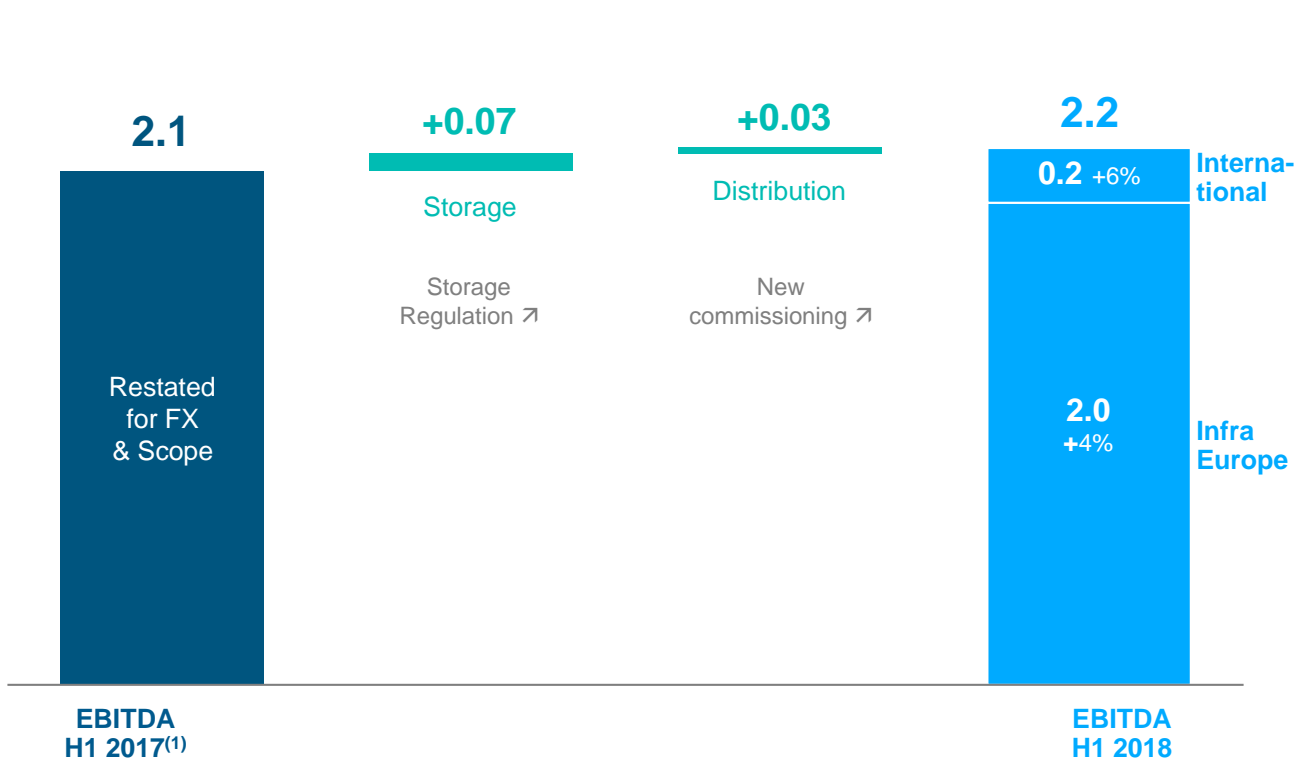
## H2 GROSS OUTLOOK



(1) H1 2017 restated for IFRS 5,9&15 treatments

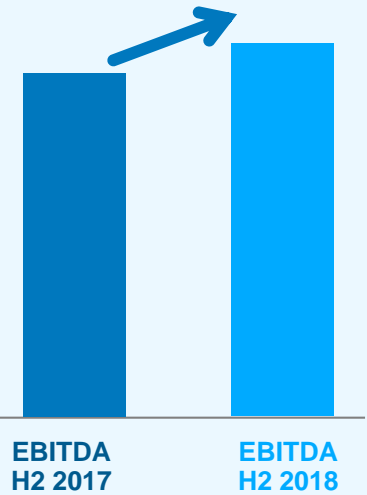
# STRONG Q2 PERFORMANCE DRIVEN BY FRENCH STORAGE

In €bn, % yoy organic  
unaudited figures



## H2 GROSS OUTLOOK

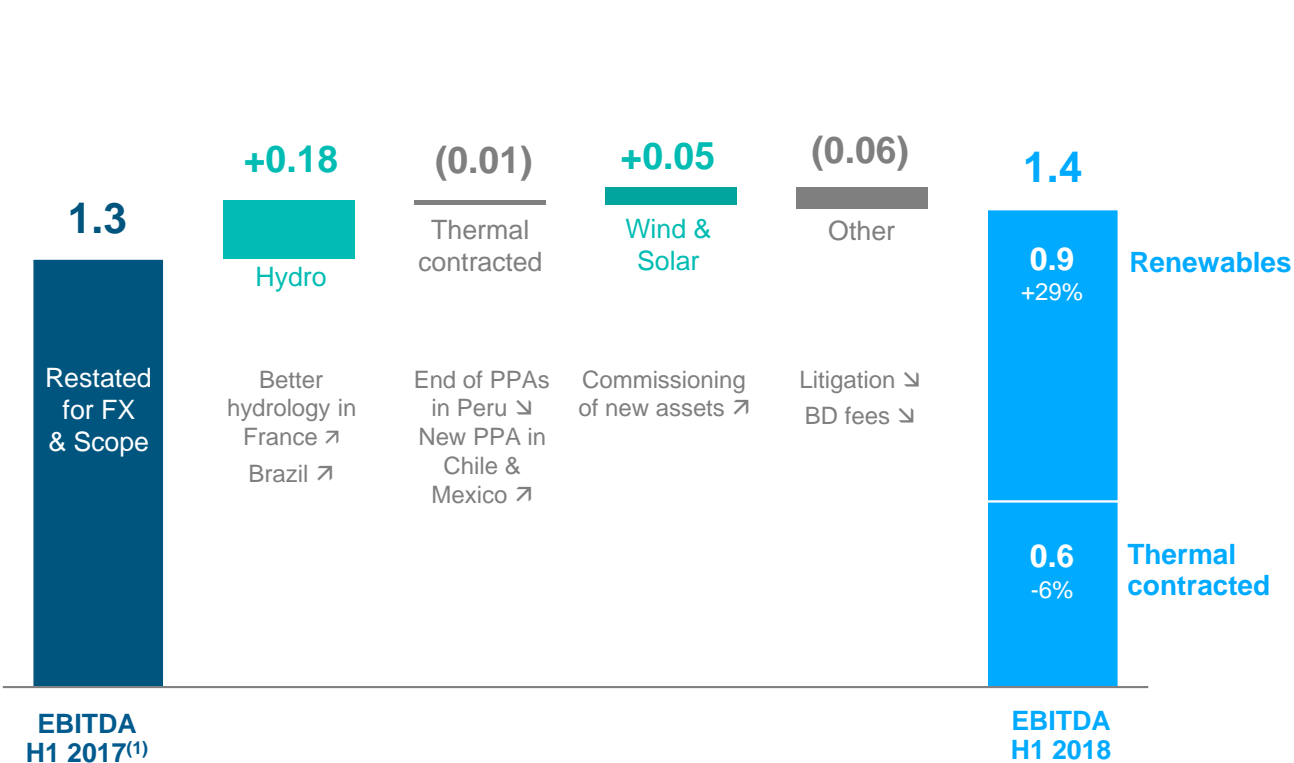
- + Storengy regulation (France)
- + Tariffs in Latam



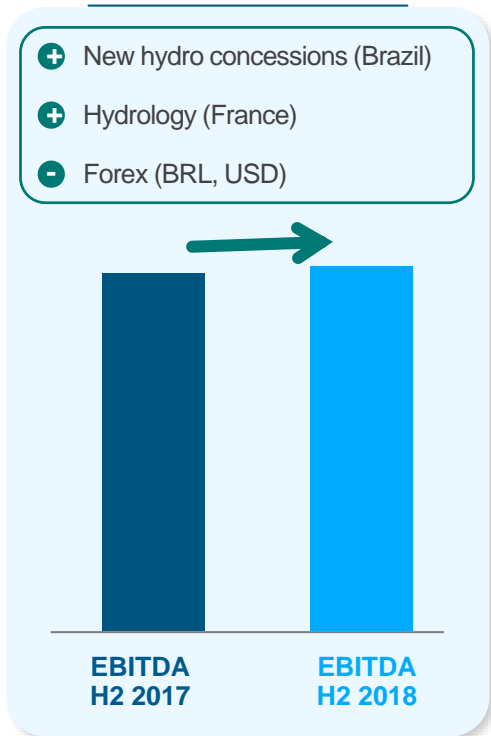
(1) H1 2017 restated for IFRS 5,9&15 treatments

# STRONG ORGANIC GROWTH IN RENEWABLES

In €bn, % yoy organic  
unaudited figures



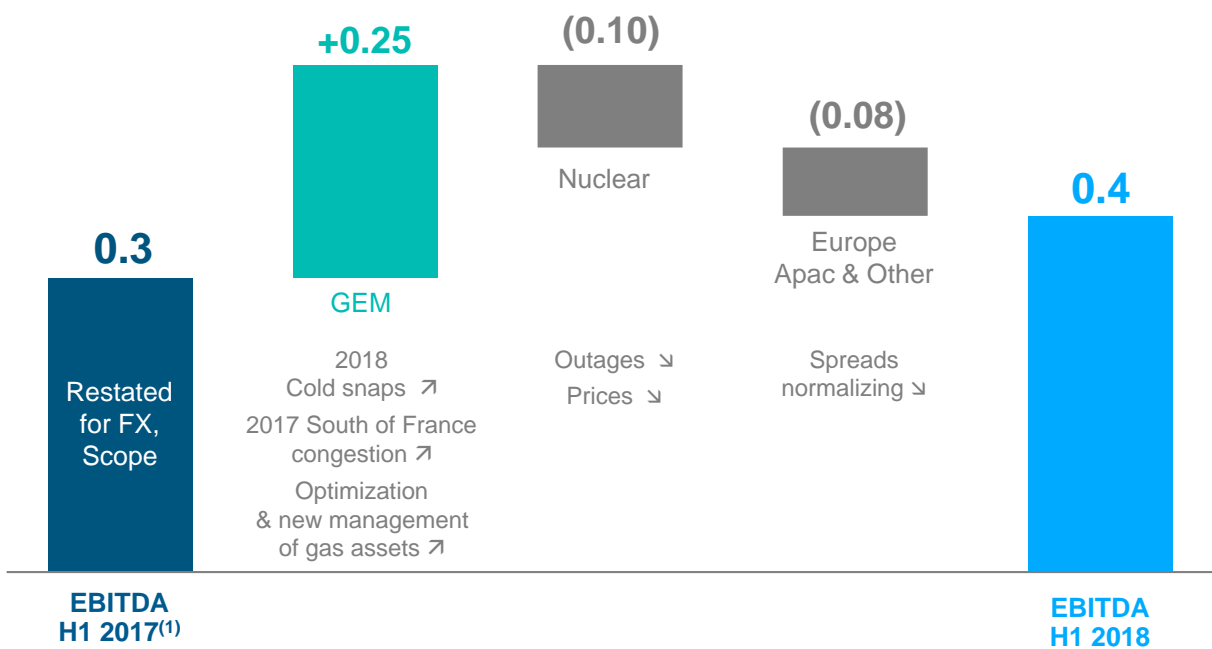
## H2 GROSS OUTLOOK



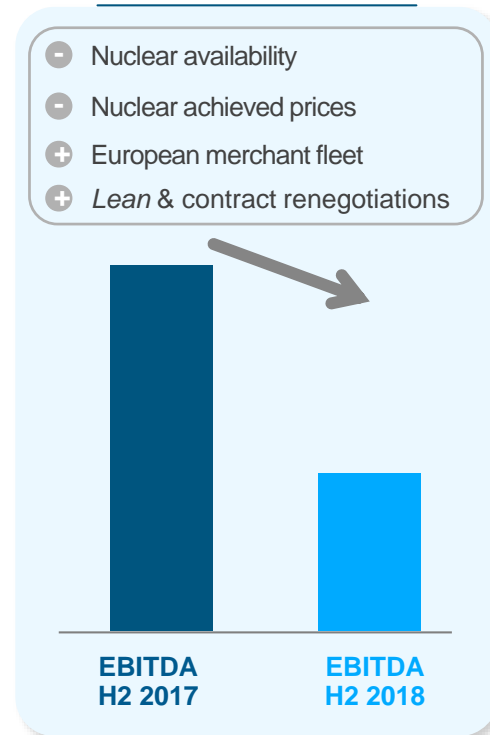
(1) H1 2017 restated for IFRS 5,9&15 treatments

# GROWTH IN ENERGY MANAGEMENT OFFSETTING NUCLEAR

In €bn, % yoy organic  
unaudited figures



## H2 GROSS OUTLOOK

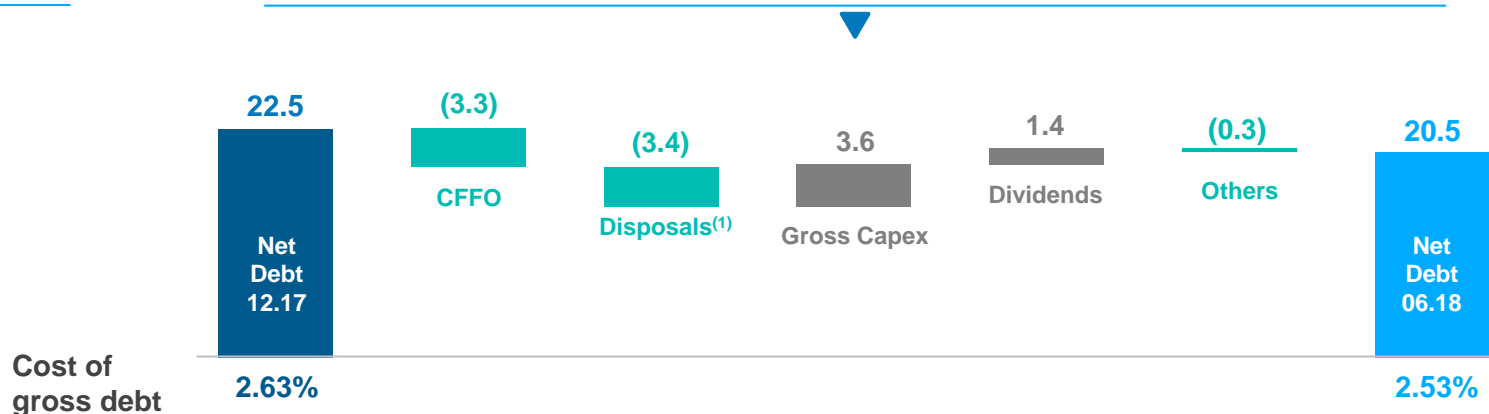


(1) H1 2017 restated for IFRS 5,9&15 treatments

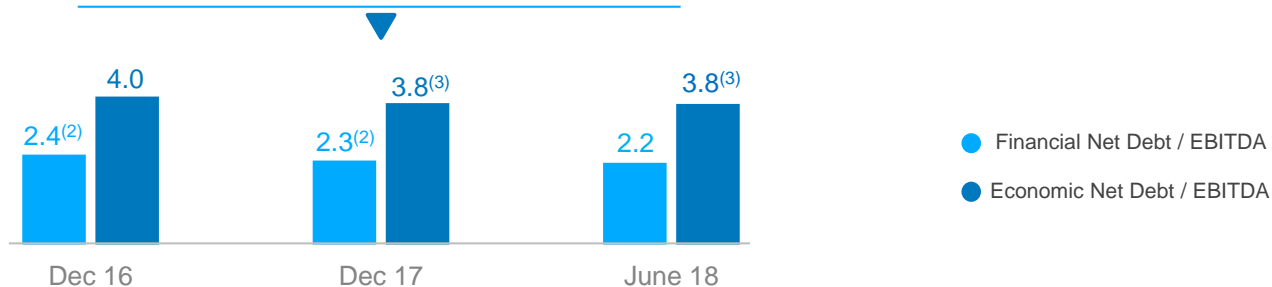
# STRONG FINANCIAL STRUCTURE

In €bn

## FURTHER DECREASE IN NET DEBT AND COST OF GROSS DEBT



## IMPROVING LEVERAGE RATIOS



In H1 2018, **S&P** confirmed its **A-/A-2 rating** and revised its **outlook** from negative to **stable**; **Moody's** also confirmed its **A-2 rating** with **stable outlook**

(1) Including perimeter effect on Glow for €0.8bn (Held for sale as per IFRS 5 treatment)

(2) Net debt pro forma E&P interco debt

(3) Figures restated for LNG midstream and upstream activities classified as discontinued operations as from March 2018 (IFRS 5)

# CONCLUSION

## KEY TAKE-AWAYS

**FY 2018 guidance confirmed<sup>(1)</sup>**

**H1 2018 highlighting strong organic performance**

**2018 interim dividend of 0.37€/share to be paid on Oct 12, 2018**

(1) Based on the assumption of a restart of nuclear units in line with current information available on REMIT

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# AGENDA

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Highlights

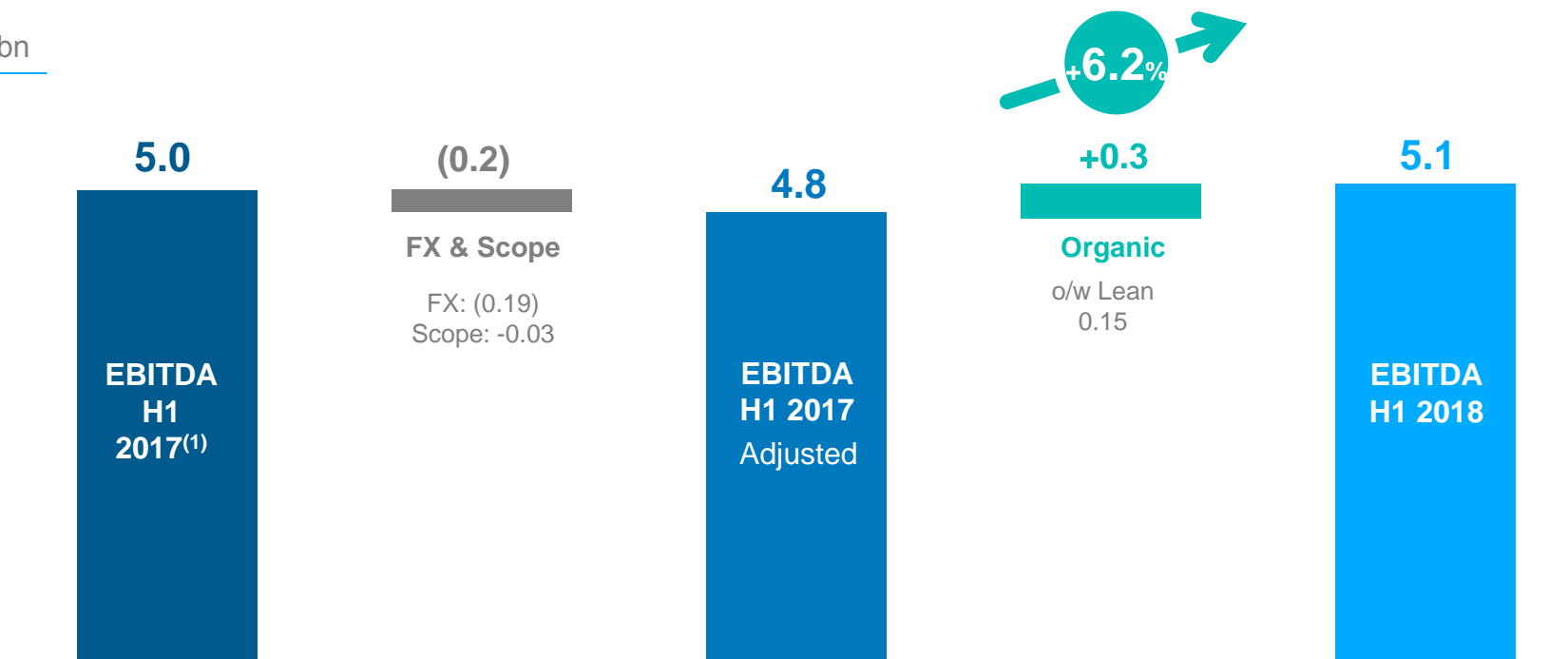
H1 2018 performance

Additional material

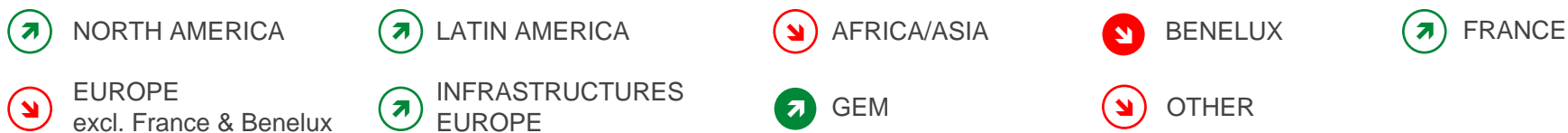


# STRONG ORGANIC EBITDA GROWTH

In €bn



## By reportable segment<sup>(2)</sup>



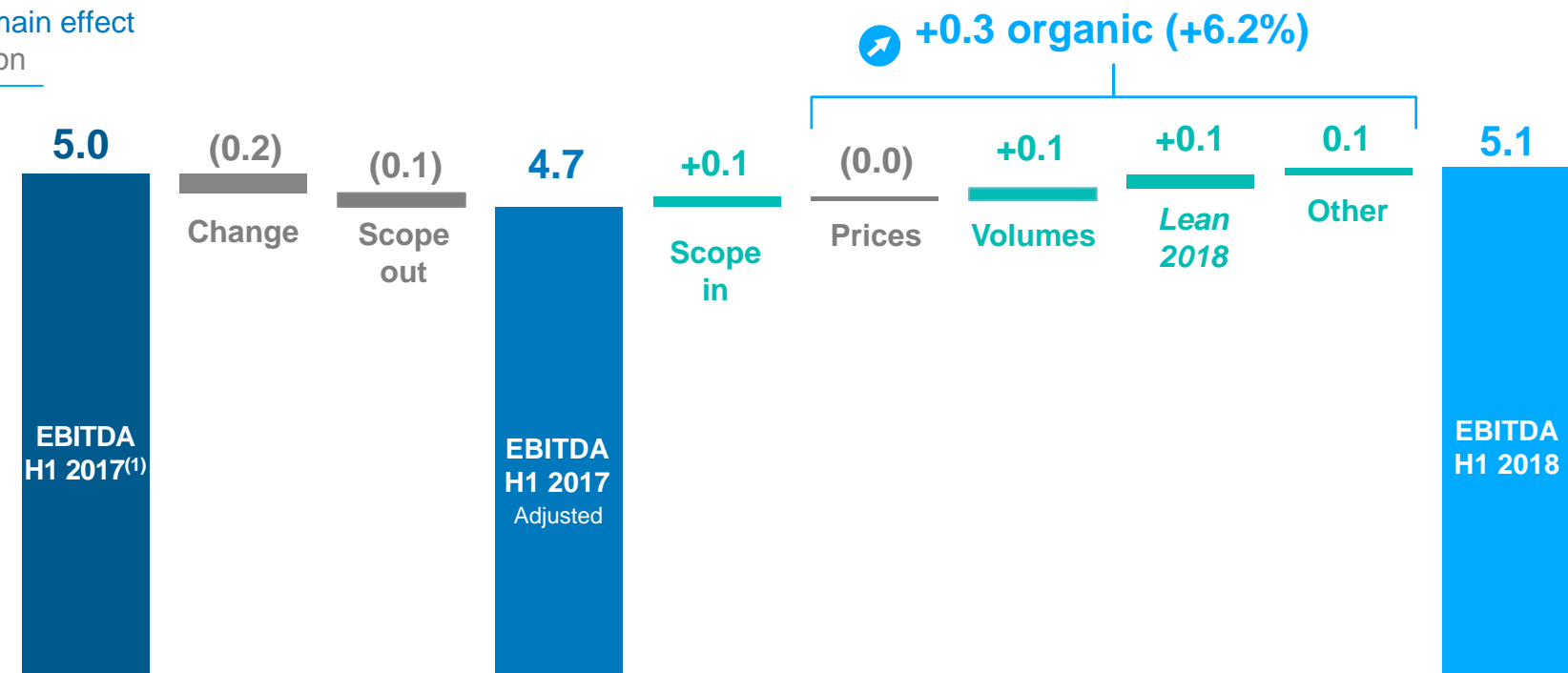
(1) H1 2017 restated for IFRS 5,9&15 treatments

(2) Organic variation



# EBITDA BRIDGE BY EFFECT

By main effect  
In €bn



## By reportable segment<sup>(2)</sup>

- ↗ NORTH AMERICA
- ↗ LATIN AMERICA
- ↘ AFRICA/ASIA
- ↘ BENELUX
- ↗ FRANCE
- ↘ EUROPE excl. France & Benelux
- ↗ INFRASTRUCTURES EUROPE
- ↗ GEM
- ↘ OTHER

(1) H1 2017 restated for IFRS 5,9&15 treatments

(2) Organic variation

# FROM EBITDA TO NET INCOME

## From EBITDA to NRIGs

	<u>H1 2018</u>	<u>H1 2017<sup>(1)</sup></u>	<u>Δ_yoy</u>
<b>EBITDA</b>	<b>€5.1bn</b>	<b>€5.0bn</b>	<b>+0.1</b>
D&A and others	(2.0)	(2.0)	(0.0)
<b>COI<sup>(2)</sup></b>	<b>€3.1bn</b>	<b>€3.0bn</b>	<b>0.0</b>
Financial result	(0.6)	(0.6)	(0.0)
Income tax	(0.6)	(0.7)	+0.1
Minorities & other	(0.4)	(0.4)	(0.0)
<b>NRIGs continued</b>	<b>€1.5bn</b>	<b>€1.3bn</b>	<b>+0.2</b>
<b>NRIGs discontinued</b>	<b>€(0.0)bn</b>	<b>€0.1bn</b>	<b>(0.1)</b>
<b>NRIGs H1 2018</b>	<b>€1.5bn</b>	<b>€1.4bn</b>	<b>0.0</b>

## From NRIGs to NIGs

<b>NRIGs H1 2018</b>	<b>€1.5bn</b>
MtM below COI	+0.5
Impairments	(0.8)
Restructuring costs	(0.1)
Change in scope	(0.1)
Others <sup>(3)</sup>	(0.1)
<b>NIGs H1 2018</b>	<b>€0.9bn</b>

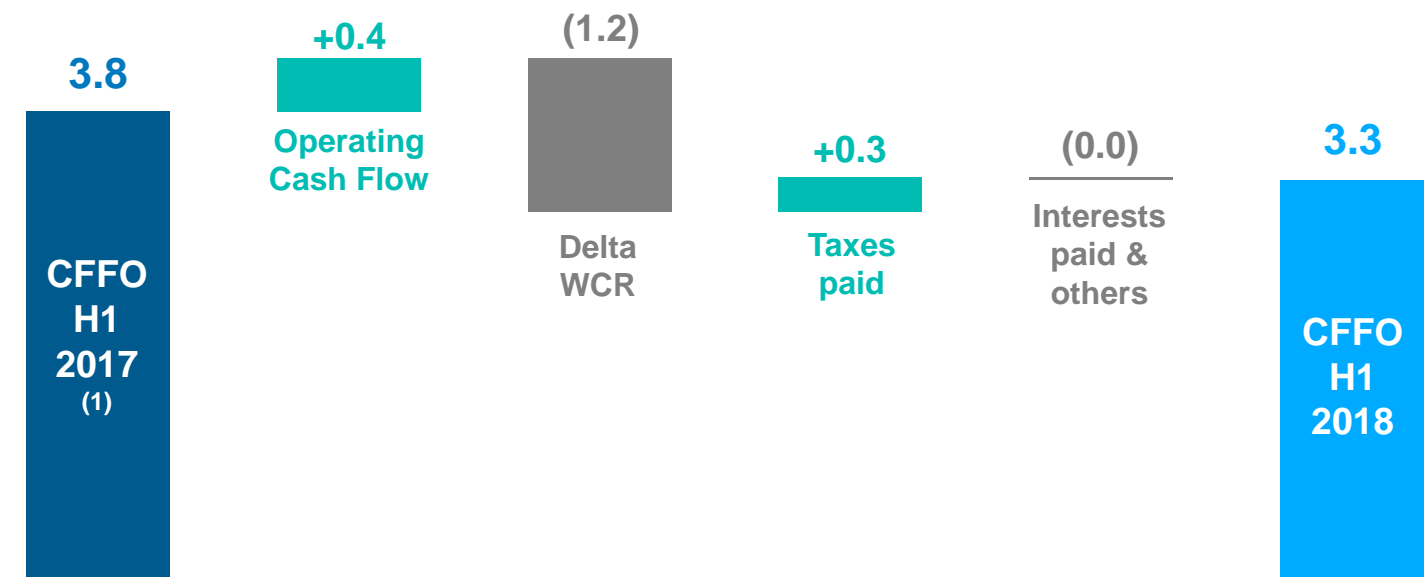
(1) H1 2017 restated for IFRS 5,9&15 treatments

(2) After share in net income of associates

(3) o/w non recurring financial results for €(0.1)bn, taxes and non controlling interest on non recurring result ( €(0.1)bn and and €(0.2)bn respectively), non recurring elements from discontinued operations for €(0.1)bn

# — CFFO: NORMALIZATION OF CHANGE IN WCR

In €bn



(1) H1 2017 restated for IFRS 5,9&15 treatments

# FURTHER PROGRESS IN ENGIE REPOSITIONING



## DISPOSALS

### GLOW

**Further reduction of coal capacities**  
1 GW out of 3.3 GW of installed capacity

**H1  
2018**

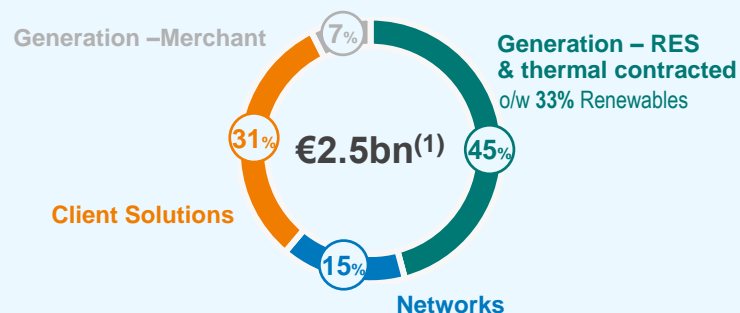
**High Multiples**

**-EV4.5bn** 10x EV/EBITDA

~ € 3.3 bn net debt reduction



## GROWTH CAPEX



### MAIN PROJECTS

NorAm (Infinity)	~0.2
Brazil – wind & solar	~0.4
France – wind & solar	~0.1
France – Gas Transport & Distribution	~0.3
B2B acquisitions (NORAM, NECST, Africa)	~0.2
B2T acquisitions (EPS, Longwood,...)	~0.2

**3  
YEAR  
PLAN**

**€16.2<sub>bn</sub>**

Announced

**€12.9<sub>bn</sub>**

Closed

**~€0.3<sub>bn</sub>**

NRIGs dilution

**€12.7<sub>bn</sub>**

Invested

**€1.9<sub>bn</sub>**

Committed

**+€0.55<sub>bn</sub>**

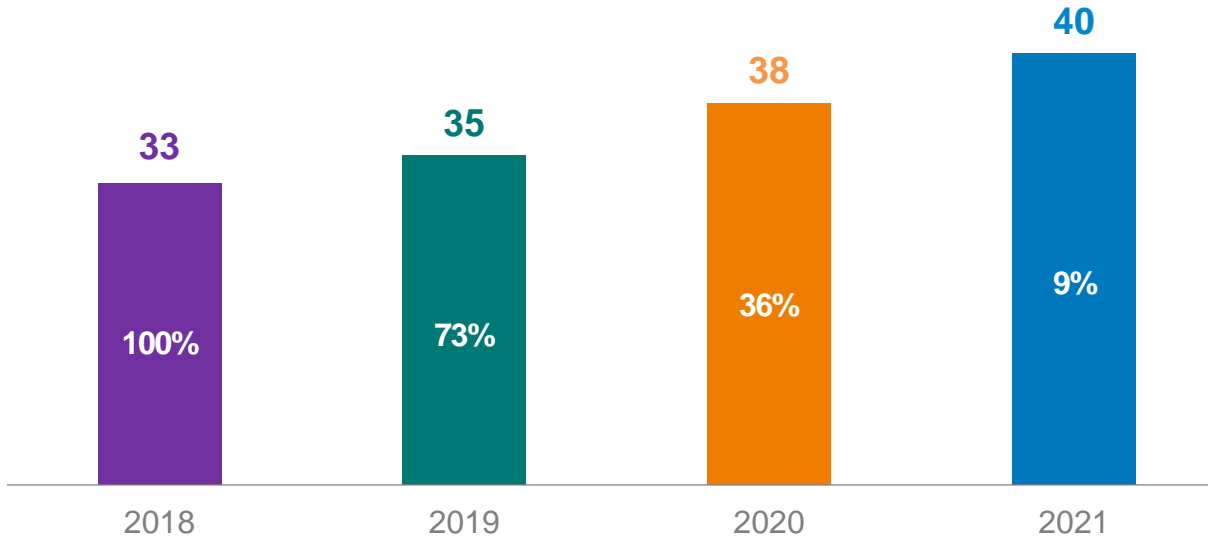
NRIGs contribution

(1) Net of DBSO proceeds

# OUTRIGHT POWER GENERATION IN EUROPE NUCLEAR & HYDRO

In €/MWh and %

## OUTRIGHT HEDGES: PRICES & HEDGED RATIOS



As of 06/30/18  
Belgium, France

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# Disclaimer

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## 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 28 March 2018 (under no: D.18-0207). 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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<http://www.engie.com/en/investors-area/>



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**FOR MORE INFORMATION ABOUT H1 2018 RESULTS:**  
<http://www.engie.com/en/investors/results/results-2018/>