Press release
November 10, 2016

Resilient results as of September 30, 2016

- **Resilience of results at end September: results benefitted from nuclear volumes in Belgium, the commissioning of new assets and the impacts of the Lean 2018 performance plan, which enabled to compensate the adverse price impact on merchant activities:**
    - **slight organic decrease at Ebitda level (-2%);**
    - **strong organic growth at Current Operating Income level (close to +7%);**
    - **solid operational cash flow generation leading to a further reduction in net debt;**
- **Confirmation of the 2016 financial targets[1] on net recurring income group share (at the low end of the range), on net debt/Ebitda ratio and on dividend;**
- **Progress in the execution of the transformation plan: EUR 6.1 billion[2] of disposals already signed to date (41% of the target for end 2018), EUR 3.1 billion of growth capex invested and progress on the Lean 2018 program with EUR 0.4 billion Ebitda contribution.**

In EUR billion	**Sep, 30 2016**	Sep, 30 2015	Variation vs. 09/30/15 gross	Variation vs. 09/30/15 organic[3]
Revenue	**47.5**	53.5	–11.1%	–10.3%
Ebitda[4]	**7.7**	8.1	–5.4%	–2.0%
Current Operating Income[5]	**4.4**	4.4	+1.3%	+6.6%
Cash Flow From Operations[6]	**6.8**	7.4	–8.3%	
Net Debt	**25.8**	EUR –1.9bn vs. 12/31/15		

Revenues as of September 30, 2016 were EUR 47,514 million, down -11.1% on a gross basis and -10.3% on an organic basis. This organic decrease is mainly attributable to lower commodity prices which impacted exploration and production, retail businesses, gas midstream and LNG activities and power generation businesses and to the temperatures in France less cold over the first nine months of 2016 compared to the same period in 2015.

Group Ebitda amounted to EUR 7,689 million, down -5.4% on a reported basis and -2.0% on an organic basis compared to end of September 2015, which confirms the good performance of our activities in light of the adverse price impacts.

[1]Assuming average temperatures in France, full pass through of supply costs in French regulated gas tariffs, no significant regulatory and macro-economic changes, commodity price assumptions based on market conditions as of December 31st, 2015 for the non-hedged part of the production, and average foreign exchange rates as follows for 2016: €/$: 1.10; €/BRL: 4.59.
[2] Net debt impact.
[3] Excluding scope and forex effects.
[4] EBITDA new definition (excluding non-recurring contribution of share in net income of entities accounted for using the equity method)
[5] Including share in net income of associates
[6] Cash Flow From Operations (CFFO) = Free Cash Flow before Maintenance Capex

Ebitda for the first 9 months benefitted from the positive impact of the restart of the Doel 3, Tihange 2 and Doel 1 nuclear power plants in Belgium end December 2015, the effects of the Lean 2018 performance plan, the impact of commissioning of new assets and the tariffs increases in infrastructures.
Nevertheless, these positive items were offset by an unfavorable scope effect, an unfavorable exchange rate effect notably related to the Brazilian real, negative price impacts for merchant activities and the temperature impact in France less positive than on the first 9 months of 2015.

Organic Ebitda performance is very contrasted between the reportable segments:

- **Ebitda for the international segments, North America, Latin America and Africa/Asia** was down due to unfavorable price effects, with lower margins in the United States, Brazil, Chile, Singapore and Australia, but also due to lower performance of coal assets in Australia and positive one-off impacts in 2015 in the Middle East and Thailand. These impacts were partially offset by the good performance of gas and power sales to residential and C&I customers in the US, by the improved volumes sold in Peru, the Mayakan gas pipeline extension in Mexico and non-recurring positive effects in Indonesia.
- **Ebitda of segment Benelux** was up sharply, mainly as a result of the positive impact of the restart of the Doel 3, Tihange 2 and Doel 1 nuclear power plants at end 2015.
- **Ebitda of segment France** (customer solutions of services and energy supply, and renewable electricity production) grew slightly organically driven notably by the good performance of renewable power generation business, higher electricity volumes sold to I&C and residential customers and by a good monitoring of costs. These effects are partly compensated by the decrease in prices and volumes on gas supply to professional customers.
- **Ebitda of segment Europe excluding France and Benelux** was up sharply. This evolution is mainly driven by an improved performance of energy retail business in Italy (despite a negative temperature impact) and by the services activities in the United Kingdom ; this improvement is partly compensated by lower gas distribution tariffs in Romania.
- **Ebitda of segment Infrastructures remained stable,** the positive effects from 2015 and 2016 annual tariff revisions for Transmission and Distribution are compensated by lower volumes sold at a lower average price at Storengy (low summer/winter spreads vs. 2015).
- **Ebitda of segment Global Energy Management & Global LNG** declined compared to end of September 2015, mainly due to more important gas supply contracts renegotiations in 2015 than in 2016 and to the sharp fall in LNG trading margins, particularly with shipments from Yemen halted as from April 2015.
- **Ebitda of segment Exploration & Production** was down organically due to the fall in market prices of oil and gas and by the decrease in total hydrocarbon production by -1.0 Mboe (42.5 Mboe compared to 43.5 Mboe).
- **Ebitda of segment Other** was down organically compared to the end of September 2015 due to the positive impact of one-off items recorded in 2015 and the contraction in some engineering activities of Tractebel, despite an improved performance from thermal power generation activities.

Current operating income amounted to EUR 4,441 million up +1.3% on a gross basis and +6.6% on an organic basis compared to end of September 2015. The organic decrease recorded at Ebitda level is mainly compensated by the positive impact from the reduction of depreciation and amortization charges as a result of the impairment losses recorded at end 2015 and the impact of reclassifying the portfolio of *merchant* power generation assets in the US as assets held for sale.

As of September 30, 2016**, net debt reached EUR 25.8 billion**, down EUR 1.9 billion from year-end 2015 and stable compared to June 30, 2016 mainly thanks to a solid Cash Flow From Operations and a favorable forex impact.

ENGIE CORPORATE HEADQUARTERS
Tour T1 – 1 place Samuel de Champlain – Faubourg de l'Arche - 92930 Paris La Défense cedex – France - Tel + 33(0)1 44 22 00 00
ENGIE SA WITH CAPITAL OF €2,435,285,011 – RCS NANTERRE 542 107 651

Cash Flow From Operations (CFFO) amounted to EUR 6.8 billion for the first 9 months down EUR 0.6 billion versus last year. This evolution reflects both a resilient operational cash flow generation and unfavorable year-on-year changes in working capital requirements of EUR -0.2 billion (mainly due to margin calls and financial derivatives), albeit strongly improving compared to June 30, 2016.

At the end of September, the net debt to EBITDA ratio came out at 2.38, in line with the target of a ratio less than or equal to 2.5x. The average cost of gross debt slightly declines compared to end 2015 at 2.8%.

The Group confirms its 2016 financial targets[7]:

- a **net recurring income group share at the low end of the range announced between EUR 2.4 and 2.7 billion**. This target is based on an indicative EBITDA range of EUR 10.8 to 11.4 billion[8] (at the low end of the range);
- a **net debt/EBITDA ratio less than or equal to 2.5x and an "A" category rating**;
- a **dividend of EUR 1 per share with respect to 2016[9]**, paid in cash.

Significant events

Implementation of the strategy

- Several projects won in solar: 140 MW and 75 MW in India, 180 MW in Mexico and 40 MW in Peru
- In France, acquisition of 100% of MAÏA EOLIS which reinforces ENGIE's leadership position in wind
- Agreement on the price revision of long-term gas supply contracts with Gazprom
- In Panama, signing of a contract to supply LNG to AES power plant
- In the Paris region, inauguration by Compagnie Parisienne de Chauffage Urbain (CPCU) of the conversion of a biomass boiler plant in Saint-Ouen
- In the United States, closing of the OpTerra acquisition, which reinforces ENGIE's offer in innovative and differentiating energy services
- In South Africa, start of the construction of Kathu 100 MW solar project
- Contracts related to the supply of public electric charging : in Rotterdam and in The Hague, ENGIE installs 4,000 charging points for electric and ENGIE and Powerdale are selected to provide Luxembourg with 800 public charging station
- In Mexico, ENGIE wins a wind project for 52 MW
- In India, closing of the Meenakshi coal plant disposal to Power Corporation Limited
- In China, ENGIE and Beijing Gas Group strengthen their strategic partnership in security of supply with a delivery of 10 LNG cargoes to Beijing this winter
- In France, ENGIE offers 100% green electricity for all new contracts for both residential and small businesses customers
- ENGIE shores up its presence in Ukraine and signs an agreement on gas transmission and storage

Pave the way for the future

- Signing of a memorandum of understanding with SUSI Partners to finance grid-scale energy storage projects
- Investment in StreetLight Data, an industry-leading mobility analytics company to accelerate the development of smart cities

---

[7] Assuming average temperatures in France, full pass through of supply costs in French regulated gas tariffs, no significant regulatory and macro-economic changes, commodity price assumptions based on market conditions as of December 31st, 2015 for the non-hedged part of the production, and average foreign exchange rates as follows for 2016: €/$: 1.10; €/BRL: 4.59.

[8] Excluding significant scope impact and changes of the accounting treatment of the nuclear contribution in Belgium.

[9] An interim dividend of €0,5/share for fiscal year 2016 has been paid on October, 14, 2016.

ENGIE CORPORATE HEADQUARTERS
Tour T1 – 1 place Samuel de Champlain – Faubourg de l'Arche - 92930 Paris La Défense cedex – France - Tel + 33(0)1 44 22 00 00

- Green mobility in Europe: up to EUR 100 million of investments to promote natural gas as a fuel for trucks in Europe by 2020. Through wholly owned subsidiaries GNVert and LNGeneration, ENGIE is contributing to the development of a new "green gas" sector: Bio-LNG (Liquefied Biomethane), which can be used both to power vehicles and to generate electricity. La Poste and ENGIE partner to develop green mobility in France and Europe using alternative fuels VNG/bioVNG and hydrogen
- ENGIE acquires a 80% stake in Green Charge Networks, an industry-leading battery storage company based in California
- ENGIE creates its *Digital Factory* and announces global partnerships with C3 IoT, Kony, Thales and chooses Fjord, Accenture's design and innovation studio, to reinvent its commercialization model. Other partnerships were signed with IBM (smart cities solutions) and GE (digital)
- ENGIE and Thales selected for a EUR 225 million rail systems contract in Dakar, Senegal
- ENGIE launches its first "frequency support" service using a storage system connected to the French power grid
- ENGIE joins Michelin in investing in Symbio FCell to accelerate the development of hydrogen mobility solutions
- ENGIE invests in Heliatek, a pioneer in organic photovoltaic technology
- ENGIE acquires Siradel, the leading high-tech player in 3D modelling and a supplier of innovative urban solutions

ENGIE announced at the beginning of May 2016 **six new non-financial objectives to be achieved by 2020**:

1. A customer satisfaction score of 85% among its B2C customers;
2. A production portfolio containing 25% renewable energy[10];
3. A 20% reduction in the ratio of CO_2 emissions for each source of energy production, as compared with 2012[11];
4. 100% coverage of the Group's activities by an appropriate mechanism for dialogue and consultation with its stakeholders;
5. A workforce comprising 25% women[12];
6. A work-related accident frequency rate of less than 3[13].

ENGIE was nominated 1st utility in the "Multi and Water Utilities" sector of the Dow Jones Sustainability Index (DJSI) World ranked by rating agency RobecoSAM.

[10] Renewable energy amounted to 18% of the Group's production capacity mix in 2015
[11] The ratio of CO_2 emissions to energy produced was 443kg CO_2eq/MWheq in 2012
[12] Women made up 22% of ENGIE's workforce at the end of 2015
[13] The work-related accident frequency rate was 3.6 in 2015

ENGIE CORPORATE HEADQUARTERS
Tour T1 – 1 place Samuel de Champlain – Faubourg de l'Arche - 92930 Paris La Défense cedex – France - Tel + 33(0)1 44 22 00 00
ENGIE SA WITH CAPITAL OF €2,435,285,011 – RCS NANTERRE 542 107 651

CONTRIBUTIVE REVENUES BY REPORTABLE SEGMENT

Revenues *In millions of euros*	**Revenues Sep 30, 2016**	**Revenues Sep 30, 2015**	**Gross variation**	**Organic variation**
North America	**2 901**	**2 827**	**+ 2.6%**	**– 0.7%**
Latin America	**2 979**	**3 220**	**– 7.5%**	**– 1.0%**
Africa / Asia	**2 894**	**3 544**	**– 18.3%**	**– 20.0%**
Benelux	**6 471**	**6 446**	**+ 0.4%**	**+ 0.1%**
France	**14 206**	**14 619**	**– 2.8%**	**– 3.0%**
Europe excl. France & Benelux	**5 830**	**6 252**	**– 6.8%**	**– 0.1%**
Infrastructures Europe	**2 273**	**2 181**	**+ 4.2%**	**+ 4.3%**
GEM & GNL	**6 156**	**10 193**	**– 39.6%**	**– 39.5%**
E&P	**1 332**	**1 672**	**– 20.3%**	**– 17.4%**
Other	**2 471**	**2 512**	**– 1.6%**	**– 0.7%**
Groupe ENGIE	**47 514**	**53 467**	**–11.1%**	**– 10.3%**

Since January 1, 2016, the Group is organized into 24 Business Units (BUs), according to a geographic principle. The new reporting of the Group presents these BUs according to 10 segments, as presented above.

Group revenues decreased by -11.1% on a gross basis, with EUR +131 million scope effects (EUR -325 million for scope out effects related notably to the disposal of commercialization activities in Hungary in 2015 and the disposal of the merchant hydro generation asset portfolio in the United States in 2016 and EUR +456 million for scope in effects related to acquisitions in services including OpTerra early 2016 and Solairedirect at the end of 2015) and EUR –674 million due to exchange rate fluctuations, mainly on the Brazilian real. Revenues decreased by -10.3% on an organic basis.

Revenues for the **international** segments decreased on a gross and organic basis. This mainly reflects lower sales prices for electricity produced in Brazil and in the United States, despite higher sales in Peru and the commissioning of the Mayakan gas pipeline in Mexico.

In Europe, **Benelux** revenues are stable on a gross basis due to the restart of Doel 3, Tihange 2 and Doel 1 end of last year, whose very favorable impact is somewhat mitigated by lower sales prices for commercialization activities. In **France**, revenues are negatively impacted by less cold temperatures compared to last year and by the decrease in market shares in gas for businesses. Revenues for the segment **Europe excluding France and Benelux** also decreased on a gross basis due to unfavorable forex impacts (Sterling), disposal of retail activities in Hungary, unfavorable temperatures in Italy and lower distribution tariffs in Romania.

Revenues for **Infrastructures** increased by +4.2% on a gross basis, despite less cold temperatures compared to last year. This growth reflects the annual tariffs adjustment and the development of activities for third parties for gas distribution and transmission infrastructures in France.

Revenues for the segment **Global Energy Management and Global LNG** on the one hand, and **exploration-production** on the other hand, decreased by –39.6% and by –20.3% on a gross basis, respectively. This decrease is mainly explained by the drop in commodity prices, notably oil and gas. In exploration-production, the volumes produced slightly decreased year on year.

Revenues for the segment **Other** also decreased. This is notably explained by the closure of two coal power plants (Gelderland in the Netherlands and Rugeley in the United Kingdom).

****

The September 30, 2016 financial information presentation used during the investor conference call is available to download from the Group’s website:
http://www.engie.com/en/investors/results/2016-results/

UPCOMING EVENTS

- **March 2, 2017 at 8:00 AM :** FY 2016 results publication
- **May 12, 2017:** Shareholders meeting

ENGIE CORPORATE HEADQUARTERS
Tour T1 – 1 place Samuel de Champlain – Faubourg de l’Arche - 92930 Paris La Défense cedex – France - Tel + 33(0)1 44 22 00 00
ENGIE SA WITH CAPITAL OF €2,435,285,011 – RCS NANTERRE 542 107 651

COMPARABLE BASIS ORGANIC GROWTH ANALYSIS

in EUR million	09/30/16	09/30/15	Gross/organic variation
Revenues	**47 514**	**53 467**	**–11.1%**
Scope effect Exchange rate effect	–456	–325 –674	
Comparable basis	**47 058**	**52 468**	**–10.3%**

in EUR million	09/30/16	09/30/15	Gross/organic variation
EBITDA	**7 689**	**8 126**	**–5.4%**
Scope effect Exchange rate effect	10	–103 –167	
Comparable basis	**7 699**	**7 856**	**–2.0%**

in EUR million	09/30/16	09/30/15	Gross/organic variation
Current Operating Income including share in net income of associates	**4 441**	**4 382**	**+1.3%**
Scope effect Exchange rate effect	30	–83 –106	
Comparable basis	**4 471**	**4 193**	**+6.6%**

ENGIE CORPORATE HEADQUARTERS
Tour T1 – 1 place Samuel de Champlain – Faubourg de l'Arche - 92930 Paris La Défense cedex – France - Tel + 33(0)1 44 22 00 00
ENGIE SA WITH CAPITAL OF €2,435,285,011 – RCS NANTERRE 542 107 651

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 23, 2016 (under number D.16-0195). 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

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 154,950 people worldwide and achieved revenues of €69.9 billion in 2015. 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).

Press contacts:
Tel. France: +33 (0)1 44 22 24 35
Email: engiepress@engie.com

Investor relations contact:
Tel.: +33 (0) 1 44 22 66 29
Email: ir@engie.com

ENGIEgroup

ENGIE CORPORATE HEADQUARTERS
Tour T1 – 1 place Samuel de Champlain – Faubourg de l'Arche - 92930 Paris La Défense cedex – France - Tel + 33(0)1 44 22 00 00
ENGIE SA WITH CAPITAL OF €2,435,285,011 – RCS NANTERRE 542 107 651