



Press release November 2, 2015

ENGIE signed two major agreements in China

In presence of the French and Chinese Heads of State, ENGIE signed two major agreements in Beijing this Monday 2nd November 2015, with Chinese energy groups, respectively China Huaneng Group and Beijing Enterprises Group. Both agreements express the ambition of ENGIE to pursue its growth through partnerships and cooperation activities with key Chinese partners, not only in China, but also abroad.

Those global agreements consider the entire energy value chain: power, natural gas and energy services, with a specific focus on efficient and innovative solutions able to take on the challenges of energy's transition to a low-carbon economy.

China Huaneng and ENGIE are leading energy companies with a strong base in their respective country, but also expanding abroad and considering each other as partners of business development. Both parties wish to further expand their scope of cooperation including development and investment in the areas of the gas value chain (LNG infrastructures, LNG supply and downstream natural gas industry chain, coal-bed methane), conventional and renewable energy resources, scientific and technological cooperation on advanced power technologies, with a view to cleaner and renewable energy, energy saving and emissions reduction.

Beijing Enterprises Group and ENGIE are willing to carry out their historical and trustful cooperation with a view to partner in China, jointly study and develop green supply and efficient management of energy for the 2022 Winter Olympic Games hosted by Beijing and the province of Hebei and energy infrastructures and services to the Beijing - Tianjin - Hebei "capital circle" region. Through this new agreement, both parties also wish to expand their LNG supply activity in the wake of the opportunities created by the opening of Chinese gas market and jointly develop energy projects in third party countries, benefiting from mutual assets and positions.

Gérard Mestrallet said: "These signings underscore ENGIE's ambition to pursue its development in China, leveraging on our strong positions in independent power production, gas value chain and energy services. We look forward to working closely with key Chinese partners, enhancing industrial cooperation and sharing business practices and lessons of experience in the industry, to address in a stronger way the challenges of the energy transition the world is facing."



About Huaneng

China Huaneng Group (CHNG) is a key energy company, mainly engaged in the following business: development, investment, construction, operation and management of power sources; production and sale of power and heat; development, investment, construction, production, and sale of businesses and products related to finance, energy transportation, renewable energy, and environmental protection; industrial investment, operation and management. As of the end of June 2015, the installed capacity of wholly-owned and holding power plants of CHNG in China and abroad reached 154,170MW.

About BEG

BEG, is the largest state-owned enterprise in Beijing funded by the City Municipal Government, having investment, operation and management in areas of urban infrastructure and public utilities as its main businesses. It serves as an investment and financing platform of the city for infrastructure, public utilities and the development of green low-carbon energy. Its business covers takeover and investment management; gas production, distribution and marketing; transport and water infrastructure; design, construction and supervision and other gas-related business; real estate (including property management); technology development; food and beverage processing and sales; trade, logistics and so forth.

Beijing Gas Group, an enterprise directly controlled by BEG, is the country's largest single city gas supplier. It ranks highest in the country in terms of pipeline network size, number of gas users, annual gas consumption and annual sales income. In 2014, natural gas supply reached 10.46 billion cubic meters, pipeline gas users inside and outside of Beijing registered 5.870.000 households.

About ENGIE in China

ENGIE has been present in China for over 40 years. In 2008, ENGIE opened its first representative office in China and started to develop relationship and cooperation with Chinese partners in the energy field such as: natural gas, LNG, gas infrastructure, energy services and engineering services, for projects in China as well as in overseas markets.

In power generation, ENGIE supports joint carbon emissions reduction projects (Clean Development Mechanisms–CDM), while its engineering teams assist in the development of the Taishan EPR and support the development of hydroelectric projects in other countries with Chinese partners.

In natural gas, ENGIE signed a worldwide partnership in 2011 with the Chinese sovereign fund CIC granting the latter a 30% share in ENGIE exploration and production activities. The Group sold 2.3 million metric tons of LNG to the China National Offshore Oil Corporation (CNOOC), with deliveries beginning in 2013, and installed the first floating regasification terminal in China. In 2012, ENGIE also began a cooperation agreement with PetroChina to explore the upstream gas potential in Qatar, then extended the agreement to gas storage in China in 2013 (development support for six sites). The Group currently assists Shanghai Gas Group, a unit of Shenergy Group, for the expansion of one of its LNG terminals.

In energy services, following the signature of agreement between ENGIE and Chongqing Gas Group, the JV SinoFrench Energy Services Co., Ltd was created in 2010, which is dedicated to the development of CHP/CCHP projects. ENGIE signed in 2014 two major cooperation agreements to develop energy projects in the large Chinese cities: the first one with Beijing Enterprises Group in Beijing and the second one with Shenergy in Shanghai. In Jan 2015, ENGIE and Sichuan Energy Investment Distributed Energy Systems created a Joint Venture for the joint development and the operation of Guangan Huixiang Innovation Park Distributed Energy Project, the first Distributed Energy Project in an industry park in Southwest China.



About ENGIE Group

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, security of supply 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 152,900 people worldwide and achieved revenues of €74.7 billion in 2014. 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).

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