



Press Release
February 25, 2026

ENGIE announces the acquisition of UK Power Networks, UK's best-in-class electricity distribution network

ENGIE today announces the signing of an agreement to acquire 100% of UK Power Networks (UKPN), the best-in-class electricity distributor in the UK, for an equity value¹ of £10.5 billion. This acquisition marks a major milestone in ENGIE's ambition to become the best energy transition utility, by strengthening its position in regulated electricity networks. It will also bolster the Group's presence in the UK, which will become its second-largest country of activity.

The enterprise value¹ of the company (at 100%) stands at £15.8 billion, corresponding, for the regulated activities, to a multiple of c.1.5x the estimated Regulated Asset Value (RAV) as of end-March 2026 and an estimated 2027 EBITDA multiple of c.10x, including the additional contribution of unregulated assets.

UK Power Networks, the best-in-class electricity distribution network in the UK

With 71 TWh of electricity delivered each year to 8.5 million customers and supported by 6,500 employees, UKPN is a leading electricity distribution operator in the UK. It operates three distribution licenses² covering London, the South East and East of England, representing a network of around 192,000 km, three-quarters of which is underground. The company has a track record of outstanding operational performance (ranking number one by the regulator over the 2015-2023 period among UK's DNOs) and one of the highest customer satisfaction levels in the sector, within a stable and transparent regulatory framework that provides visibility to investors. UKPN will play a key role in supporting the expected growth in electricity demand in the UK and meeting the major electrification needs required to achieve the country's carbon-neutrality ambitions.

UKPN's RAV amounted to £9.2 billion at end-March 2025 and is expected to reach £10.5 billion at the end of the current price control period in March 2028.

An excellent strategic fit for ENGIE, fully consistent with its capital allocation policy

By its outstanding quality and its significant size, this acquisition is an essential step in rebalancing its infrastructure activities toward regulated electricity networks and strengthens its footprint in one of its key countries. Through this acquisition, ENGIE's rebalancing is largely achieved in one move, minimizing execution risk and providing strong visibility to capital allocation in the upcoming years. This transaction will enhance both ENGIE's growth profile and its risk profile via a higher share of regulated and predictable revenues and cash flows.

¹ At locked box date, i.e. end-March 2025

² London Power, South Eastern Power and Eastern Power



It will also reinforce ENGIE's position across the electricity value chain, complementing its leading roles in upstream renewables and flexible electricity and storage, and in downstream energy management and customer supply.

This transaction is expected to have an immediate positive impact on the Group's results (see the 2026–2028 outlook in the 2025 results press release published today) and to be accretive from the first full year following completion of the acquisition, while preserving ENGIE's credit rating and supporting its attractive dividend policy.

Financing of the transaction and timeline

ENGIE plans to finance this acquisition through a mix of debt and hybrid issuance for c.€5 billion, and a disposal program of c.€4 billion by 2028. The Group also intends to raise up to €3 billion equity through an accelerated book building (ABB) to support its long term commitment to a strong investment grade rating. Post acquisition, ENGIE will retain significant flexibility in its capital spend and assets portfolio to roll out its organic growth plans notably in renewables and networks and deliver solid returns to shareholders, without further equity support in the next years.

Completion of the transaction is expected in mid-2026, subject to certain regulatory approvals, which are customary for this type of transaction. The transaction is also conditional on approval by the independent shareholders of the Hong-Kong listed parent companies of the sellers.

The combined effect of the acquisition and the expected progress of the disposal plan over the year should generate a net increase of around €17 to €19 billion of the Group's capital employed at end-2026. Given the chosen financing arrangements, this transaction is expected to lead to an increase in the Group's net financial debt of between €13 and €15 billion by the end of 2026.

Catherine MacGregor, ENGIE CEO, said: *“The acquisition of UKPN represents a decisive step in strengthening ENGIE's position as the best energy transition utility. It is fully aligned with our ambition to become a key player in regulated electricity network infrastructures, which are essential for energy security, demand electrification and greater system flexibility. This transaction will both enhance the Group's growth trajectory and reduce our risk profile, providing more visibility on future earnings. It also enables us to reinforce our position in the United Kingdom, a key country with a stable regulatory framework and clear decarbonation targets. We are proud to join forces with UKPN's talented teams as we embark on this new chapter together.»*

Basil Scarsella, UK Power Networks CEO, said: *“This transaction marks an important milestone in the history of UKPN and for all its employees. By joining ENGIE, we continue to be part of a global energy leader with the financial strength, industrial capabilities and long-term vision to support our next phase of development as UKPN embarks on a period of significant investment in our network to enable economic growth in London, the South East and East of England. It will reinforce our ability to serve our 8.5 million customers with the highest standards of safety, customer service, and reliability. We share ENGIE's strategic ambition and values and are excited to embark on this new chapter together, ensuring a smooth transition for our teams and continued excellent service for the communities we serve.”*

For this transaction, ENGIE was advised by Bank of America, BNP Paribas and Rothschild & Co as financial advisors.

The Group will present tomorrow, Thursday 26 February 2026, in London, its 2025 results, its 2026–2028 outlook and the details of the acquisition of UKPN during a conference that will be broadcast on its website at 10:00 a.m. CET (9:00 a.m. UK time).



Important notice

This press release does not constitute or form any part of an offer to sell, exchange or purchase, or solicitation of an offer to buy or exchange, any securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The distribution of this press release may, in certain states or jurisdictions, be restricted by local legislations. Persons into whose possession this press release comes are required to inform themselves about and to observe any such potential local restrictions. There will be no public offering of securities in the United States, and no such securities will be registered under the U.S. Securities Act of 1933 (the “Securities Act”). Any such securities would be offered and sold in reliance upon an exemption from registration under the Securities Act.

About ENGIE

ENGIE is a major player in the energy transition, whose purpose is to accelerate the transition towards a carbon-neutral economy. With more than 90,000 employees in 30 countries, the Group covers the entire energy value chain, from production to infrastructures and sales. ENGIE combines complementary activities: renewable electricity and green gas production, flexibility assets (notably batteries), gas and electricity transmission and distribution networks, local energy infrastructures (heating and cooling networks) and the supply of energy to individuals, local authorities and businesses. Every year, ENGIE invests on average €12 billion per year to drive forward the energy transition and achieve its net-zero carbon goal by 2045.

Turnover in 2025: €71.9 billion. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main financial indices (CAC 40, Euronext 100, FTSE Euro 100, MSCI Europe) and non-financial indices (DJSI World, Euronext Vigeo Eiris - Europe 120 / France 20, MSCI EMU ESG screened, MSCI EUROPE ESG Universal Select, Stoxx Europe 600 ESG-X).

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