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5 May 2016

RESULTS OF PLACING

Centrica plc (the “**Company**” or “**Centrica**”) announces the successful completion of the placing of ordinary shares announced earlier today (the “**Placing**”).

A total of 350 million new ordinary shares in the Company (“**Placing Shares**”) have been placed by Goldman Sachs International and UBS Limited (the “**Bookrunners**”) at a price of 200 pence per Placing Share, raising total gross proceeds of approximately £700 million for the Company. The Placing Shares being issued represent approximately 7 per cent of the issued ordinary share capital of Centrica prior to the Placing.

The Placing Shares will, when issued, be credited as fully paid and rank *pari passu* in all respects with the existing ordinary shares of 6¹⁴/₈₁ pence in the capital of the Company, including in respect of the right to receive all dividends and other distributions declared, made or paid after the date of issue.

Applications have been made for the admission of the Placing Shares to the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange plc (“**Admission**”). It is expected that Admission will become effective at 8.00 a.m. on 9 May 2016. The Placing is conditional upon, amongst other things, Admission becoming effective and upon the placing agreement not being terminated in accordance with its terms.

Following Admission, the total number of shares in issue in the Company will be 5,478,545,946. Centrica currently holds 53,000,565 shares as treasury shares, and, therefore, following Admission, the total number of voting shares in the Centrica in issue will be 5,425,545,381.

Goldman Sachs International and UBS Limited are acting as Joint Bookrunners and Corporate Brokers in respect of the Placing.

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IMPORTANT NOTICE

Notes to Editors

About the Company

Centrica plc is an international energy and services company. Everything we do is focused on satisfying the changing needs of our customers. Our focus areas for long-term growth are energy supply, services, connected home, distributed energy & power and energy marketing & trading.

We supply energy and energy-related services to around 28 million customer accounts in the UK, Ireland and North America, through strong brands such as British Gas, Direct Energy and Bord Gáis Energy, supported by around 12,000 engineers and technicians.

We are developing new and innovative products and services for customers globally. Our Connected Home business has developed products such as the Hive smart thermostat and Boiler IQ.

Through our Distributed Energy & Power business we are developing integrated energy solutions for commercial and industrial customers, including flexible generation, energy management systems, and battery storage.

Our Energy Marketing & Trading business operates in LNG trading, optimisation and route to market and risk-management services for customers.

We also own Exploration & Production assets and in 2015 produced 79mmboe of gas and oil in the UK, Netherlands, Norway, Canada and Trinidad & Tobago. We are targeting a reduction in this level of production to within a 40-50mmboe range, focused on the North Sea and East Irish Sea. We also own around 3GW of gas-fired power generation capacity in the UK, have a 20% interest in the UK nuclear fleet, with our share of capacity equating to 1.8GW, and own a 50% interest in a 270MW offshore wind farm, Lincs, which we have announced we intend to dispose of. In addition, we own the UK's largest gas storage facility, Rough, located in the southern North Sea.

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Persons needing advice should consult an independent financial adviser.

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Each of Goldman Sachs International and UBS Limited, which are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting for the Company in connection with the Placing and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing or any other matter referred to in this Announcement.

The distribution of this Announcement and the placing of the Placing Shares as set out in this Announcement in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Bookrunners that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Bookrunners to inform themselves about, and to observe, such restrictions.

In connection with any offering of the Placing Shares, each of the Bookrunners and any of their respective affiliates may take up a portion of the securities in the offering as a principal position and in that capacity may retain, purchase or sell for their own account such securities. In addition each of the Bookrunners or their respective affiliates may enter into financing arrangements and swaps with investors in connection with which each of the Bookrunners (or their respective affiliates) may from time to time acquire, hold or dispose of shares. The Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Any indication in this Announcement of the price at which ordinary shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

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Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

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