

# Acquisition of Bord Gáis Energy's Irish supply business

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# Transaction overview

- Acquisition of Bord Gáis Energy (BGE), in partnership with Brookfield Renewables and iCON Infrastructure
- Centrica to acquire the energy supply business, the Bord Gáis brand name and the Whitegate gas-fired power station for approximately €150 million (£125 million)<sup>1</sup>
- Vertically integrated energy supply business in an adjacent market
  - incumbent gas supplier and largest dual fuel supplier in Ireland
  - business to be operated from BGE's Dublin and Cork offices, under the leadership of Eddy Collier
  - attractive opportunity, delivering value for the Group



# BGE energy supply business

- ~650,000 residential gas and electricity accounts and ~30,000 B2B accounts
- Incumbent position in residential gas supply
  - gas supply market expected to deregulate in June 2014
- Building market share in residential electricity supply
  - electricity supply market deregulated in 2011
- Committed to providing secure supplies of energy, delivering the best service at competitive prices and pioneering new technology for our customers

## Residential energy market share<sup>1</sup>

	Gas		Electricity	
	number of accounts ('000)	estimated market share	number of accounts ('000)	estimated market share
BGE	357	56%	292	15%
ESB	122	19%	1,280	63%
SSE	110	17%	380	19%

# Whitegate gas-fired power station

- Provides vertical integration to the energy supply business
- 445MW capacity, commissioned in December 2010
- Efficient and flexible generation asset
  - 57% thermal efficiency, 68% load factor in 2013
  - high merit order plant
- Single Electricity Market - generators bid in to central pool, supplemented by capacity payments
  - interconnection to the UK



# Attractive financial returns

- Attractive opportunity to deliver value and growth
  - expected to contribute around €40 million EBITDA in 2015
  - expected to be earnings accretive in first year of ownership; adding around 0.3p-0.4p of EPS in 2015
  - opportunities to deliver enhanced products and services, building on existing capabilities of the business