

Pau, 19 May 2020

PRESS RELEASE

Teréga goes green in 2019 for all its activities: 5% growth in revenues

"2019 was a year in line with our strategy: Transforming Teréga by 2025 to turn our business more towards the future whilst remaining true to the identity and values that have defined us for more than 75 years".

Dominique Mockly - Chief Executive Officer of Teréga

2019 overview:

In 2019, Teréga, France's leading independent operator of gas infrastructures, recorded growth of 5% and generated revenues of €500m, in line with its targets.

On 1 November 2018, the French gas market underwent a major modification. With the creation of the Trading Region France (TRF), Teréga now works in a single market area, which is interconnected, more attractive and more competitive. This led to a 27% increase in gas flows over the Teréga network in 2019.

The *transmission activity* increased by 5%, with turnover of **€339 million**, thanks to the increase in authorised revenue due to investments made and the increase in capacity subscriptions, particularly at the interface with Spain.

Revenue from the *storage activity* is up by 4.5% to **€161 million**. Profits were up thanks to the increase in authorised revenue due to investments put into service.

In 2019, Teréga invested €145 million in infrastructure modernisation, safety, and maintenance projects:

- **€101 million** for the *transmission activity*, mostly made up of development investments, with the inauguration of the gas pipeline in July 2019 at Rion-des-Landes (Landes - 40). This public utility project for the construction and operation of pipes between Rion-des-Landes and Castets secures local supply, enhances the coverage of the regional grid for delivering gas and is aimed at preparing for the injection of green gas.
- **€44 million** for the *storage activity*, which made it possible to secure supply, make facilities more reliable, and maintain the performance of injection on storage sites and withdrawal capacities to better meet the demands of its customers. In 2019, Teréga undertook a campaign to optimise the equipment on its underground storage platforms in Lussagnet (Landes - 40) et Izaute (Gers - 32), with the drilling of two additional wells.

2020 outlook:

At the time when we are announcing Teréga's profit for the 2019 financial period, France has been hit by the COVID-19 crisis. The company has adapted to this highly unusual situation by implementing a **Business Continuity Plan** to fulfil its public service obligations and intends to contribute fully to the progressive economic recovery. Thanks to the implication of the teams in the field and those working from home, Teréga ensures the **energy security of our regions**, whilst protecting all of its employees.

2019 was a year in which the French energy policy was defined and marked by changes to the pricing regulations by the CRE for the transmission and storage of gas for the period from 2020 to 2023; as well as by the announcement of the adoption of the "Climate and Energy Act" in France, setting the target of becoming carbon neutral by 2050, which is entirely consistent with the companies objectives.

In this dual institutional and sanitary context, 2020 represents a new strategic heading for Teréga in the implementation of its IMPACTS 2025 plan with the key words: **proximity, openness, efficiency** and **solidarity** with interested parties that may be in need following the current COVID-19 crisis.

In awareness of the new challenges that the energy sector faces, Teréga, a driver for energy transition, is entirely ready to build the models for the future and design innovative solutions to optimise existing resources. The collaborative **IMPULSE 2025** project, which was launched in 2019 with the ambition of deploying a multi-energy system, bears witness to these initiatives.

Teréga is convinced of the potential of **renewable energy sources** as an essential link in the future gas mix and will continue to sign contracts to connect biomethane to its network (six projects completed to date). As a partner of the **Jupiter 1000** project, the company will also continue to assist with the implementation of the first "Power-to-Gas" demonstrator in France, at Fos-sur-Mer (Bouches-du-Rhone - 13).

Also, to promote a culture of excellence and to maximise its overall efficiency, Teréga is continuing the drive undertaken since 2018 as part of its **Business Excellence** programme by transforming its professional practices and building on the expertise of its employees.

2020 shall also be the year when Teréga goes carbon neutral. A commitment made in 2016 through its **BE POSITIF** programme, which demonstrates the company's intention to become an exemplary player on the environmental level, whilst deploying a proactive policy to reduce and compensate for the footprint of its activities. This is a requirement that is fully consistent with the companies objectives to assist with moving the French economy towards being carbon neutral by 2050.

[Read the 2019 Activity and Sustainable Development Report here](#)

About Teréga

Established in South-West France, at the crossroads between major European gas flows, Teréga has shared exceptional know-how for over 75 years in the development of gas transport and storage infrastructure. Today, it continues to develop innovative solutions to overcome the major energy challenges facing France and Europe. A true accelerator of the energy transition, Teréga operates over 5,000 km of pipelines and 2 underground storage reservoirs representing 15,8% of the French gas transport network and 25,7% of national storage capacities. In 2019, the company generated revenues of €500 million and had more than 650 employees.

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