

Company profile



COMPANY PROFILE

Enel is Italy's largest power company, and Europe's second listed utility by installed capacity. It is an integrated player which produces, distributes and sells electricity and gas. Further to the acquisition of the Spanish utility Endesa, Enel has now a presence in 23 countries with approximately 95,400 MW of net installed capacity and serves 60.5 million power and gas customers. Listed on the Milan stock exchange since 1999, Enel has the largest number of shareholders of any Italian company, at some 1.2 million retail and institutional investors in 2008. Enel is also the second-largest Italian operator in the natural gas market, with approximately 2.7 million customers and a 10% market share in terms of volumes.

BUSINESS OVERVIEW

The company has some 82,500 employees and operates a wide range of hydroelectric, thermoelectric, nuclear, geothermal, wind-power, photovoltaic and biomass power stations. In 2008, Enel posted revenues of 61.2 billion euros (+40% compared with 2007), EBITDA of 14.3 billion euros (+45.5%) and net income of 5.3 billion euros (+35.2%).

Enel was the first utility in the world to replace its Italian customers' traditional electromechanical meters with modern electronic devices that make it possible to take meter readings in real time and manage contractual relationships remotely. This innovation has enabled Enel to implement time-of-use electricity charges, which offer customer savings for evening and weekend electricity use, an initiative that has attracted interest from many utilities around the world.

GLOBAL PRESENCE

After having completed its international expansion, Enel is now actively engaged in consolidating the acquired assets and further integrating its businesses.

With over 34,000 MW in plants using renewable energy resources (hydro, geothermal, wind, solar and biomass) in Europe and the Americas, Enel is a world leader in the sector. Further, Enel is strongly committed to the development of renewable energy sources and to the development of new environmental friendly technologies through several projects both in Italy and internationally.

In September 17th 2008 Enel established Enel Green Power, the Group's Company dedicated to developing and managing worldwide energy generation from renewable sources, operating over 4,500 MW in plants relying on hydro, wind, geothermal, solar and biomass sources in Europe and the Americas.

Enel has a presence in Brazil, Bulgaria, Canada, Chile, Costa Rica, El Salvador, France, Greece, Guatemala, Italy, Mexico, Panama, Romania, Russia, Slovakia, Spain and the United States. Through Endesa, Enel has further strengthened its presence in Spain also adding a presence in Argentina, Colombia, Ireland, Morocco, Peru and Portugal.

In **Spain**, Enel owns 92.06% of the share capital of Endesa. Furthermore, Enel Green Power runs operations in Spain with Enel Union Fenosa Renovables, a company active in the wind, mini-hydro and cogeneration technologies.

Enel, through Enel Green Power, is one of the largest renewable independent operators



in the **Americas** with Enel North America and Enel Latin America, two companies that have over 1,400 MW of installed capacity.

In **North America** the company has 788 MW of hydroelectric, wind, biomass and geothermal power generation and is developing around 1,000 MW of new wind power. In March 2007, Enel through its subsidiary Enel North America, announced the acquisition of AMP Resources. The acquisition includes one operating and four advanced stage geothermal development projects expected to add approximately 150 MW of capacity over the next four years to Enel's North American operations, as well as access to a number of future opportunities.

In **Latin America** Enel Latin America operates 667 MW of hydroelectric and wind power plants.

Through Endesa, the Enel Group operates in Latin America around 16 GW installed capacity from fossil fuels, large hydro and renewables, of which 4.5 GW in Argentina, 1.1 GW in Brazil, 0.5 GW in Central America, 5.4 GW in Chile, 2.9 GW in Colombia and 1.6 GW in Peru.

In **France**, Enel is present today in the French nuclear sector via a 12.5% stake in the new generation European Pressurized Reactor (EPR), whose first plant (1,600 MW) is currently being constructed at Flamanville, in Normandy. In the same country, Enel is also present in the renewables sector through Enel Green Power's French subsidiary Erelis with 28 MW of operational wind turbines and a pipeline of around 500 MW. Enel also owns 5% of the French power stock exchange Powernext and is one of the main operators in power trade with over 1,000 GWh exchanged in 2008.

In **Bulgaria**, Enel owns one of the country's largest power plants, Maritza East III. The lignite-fired facility has a capacity of 748 MW.

In **Slovakia**, Enel owns 66% of Slovenské elektrárne (SE), the largest electricity generator in the country, and the second-largest in Central and Eastern Europe, with a generation capacity of 5,295 MW, a mix of nuclear, thermal and hydro assets.

In **Romania**, already in 2005 Enel acquired 51% of two electricity distribution companies: Enel Distribuție Banat and Enel Distribuție Dobrogea, which supply 1.5 million customers. Further to the acquisition of Electrica Muntenia Sud, finalized on June 5th 2008, the electricity distribution company operating in the Bucharest area, Enel doubled its presence in Romania, reaching about 2.6 million customers.

In **Russia**, Enel has acquired from the ESN Group 49.5% of RusEnergSbyt, the most important Russian trader, providing electricity to major industrial customers. On April, 4th 2007, Enel acquired through SeverEnergia (former Enineftegaz, a consortium 40% Enel - 60% Eni) a group of promising gas fields including 100% of OAO Articgaz, 100% of ZAO Urengoil, 100% of OAO Neftegaztehnologiya. Currently, Enel owns 55.8% of JCS Fifth Generation Company of the Wholesale Electricity Market ("OGK-5"). OGK-5 has four thermoelectric power plants for about 8,200 MW. The plants are positioned in the highest growth rate areas of the country. Therefore, today Enel is a vertically integrated operator from upstream to generation and sale of electricity.

SHAREHOLDING STRUCTURE

The offering to Enel's shareholders of rights to subscribe newly-issued ordinary shares of the Company has been successfully closed on July 3rd 2009. The two most important shareholders are the Italian Economy Ministry with 13.88% of the Company and Cassa



Depositi e Prestiti with 17.36%, thus leaving a free-float of some 68.76% (figures from July 9th 2009).

Thanks to its Code of Ethics, Sustainability Report, its environmental protection policy and the adoption of international best practices for transparency and corporate governance, Enel's shareholders include leading international investment funds, insurance companies and pension funds, ethical funds, along with over a million of Italian retail investors.

(Unless otherwise indicated, this report relies on data from June 30th 2009, including Endesa fully consolidated and net of assets under transfer in Spain and in Italy).