



## **REPORT OF THE BOARD OF DIRECTORS ON THE SECOND ITEM OF THE ORDINARY SESSION**

### **Allocation of net income for the year**

Dear Shareholders,

We remind you that – during the approval of the Business Plan – at its meeting on March 11, 2009, the Board of Directors, among other things, resolved to adopt, beginning with the net income for the fiscal year 2009, a revision of the Company's dividend policy, providing for the payment to the Shareholders of a sum amounting to 60% of the ordinary net income of the Group, understood as the consolidated net income from ordinary business transactions. The dividends will continue to be paid in two installments during each accounting period, according to procedures similar to those that have been used by the Company since 2004, with payments thus scheduled in November as interim dividends and in June of the following year as the balance.

Taking into account that the Group's ordinary net income for 2010 amounts to euro 4,405 million (against the Group's total net income of euro 4,390 million) and that in November 2010 an interim dividend amounting to euro 0.10 per share (a total of about euro 940.3 million) was distributed, in accordance with the aforesaid dividend policy, the Board of Directors proposes to distribute a dividend balance amounting to euro 0.18 per share (a total of about euro 1,692.6 million), to be paid in June 2011.

Having stated all the foregoing, and taken into account that the legal reserve is already equal to the maximum amount of one-fifth of the share capital (as specified

by article 2430, paragraph 1, of the Civil Code), we submit for your approval the following

### **Agenda**

Having examined the illustrative report of the Board of Directors, the present Meeting of the Shareholders of Enel S.p.A.

### **resolves**

1. with regard to Enel S.p.A.'s net income for the year 2010, amounting to euro 3,116,516,050.46, to:
  - earmark for distribution to the Shareholders:
    - euro 0.10 for each of the 9,403,357,795 ordinary shares in circulation on the ex-dividend date to cover the interim dividend payable from November 25, 2010, after coupon n. 17 had gone ex-dividend on November 22, 2010, amounting to a total of euro 940,335,779.50 and
    - euro 0.18 for each of the 9,403,357,795 ordinary shares in circulation on June 20, 2011, the scheduled ex-dividend date, as the balance of the dividend, amounting to a total of euro 1,692,604,403.10;
  - earmark for “retained earnings” the remainder of the aforesaid net income, amounting to a total of euro 483,575,867.86;
2. to pay, before withholding tax, if any, the aforesaid balance of euro 0.18 per ordinary share of the 2010 dividend as from June 23, 2011, with the ex-dividend date of coupon n. 18 falling on June 20, 2011.