



**REPORT OF THE BOARD OF DIRECTORS ON
THE SECOND ITEM ON THE AGENDA OF THE ORDINARY MEETING**

Allocation of the net income of the year and distribution of available reserves.

Dear Shareholders,

we remind you that the dividend policy - approved by the Board of Directors on March 7, 2012 and still applied to 2014 results - provides for the payment to the Shareholders of an amount equal to at least 40% of the ordinary net income of the Group, this being the consolidated net income generated from ordinary operations. According to this policy, the dividends are paid annually, hence no interim dividends shall apply.

Given that the Group's ordinary net income for 2014 amounts to approximately Euro 2,994 million (against the Group's total net results of approximately Euro 517 million), in accordance with the aforesaid dividend policy, the Board of Directors proposes to distribute a dividend amounting to Euro 0.14 per share (for a total amount of approximately Euro 1,316.5 million), to be paid in June 2015.

Moreover, considering that Enel S.p.A.'s net income for 2014 amounts to approximately Euro 558.2 million, in order to allow the distribution of the aforesaid dividend it is envisaged that a part of the available reserve named "retained earnings" (currently amounting to approximately Euro 6,016.3 million overall) will be used in addition to Enel S.p.A.'s net income.

In light of the foregoing, given that the legal reserve already reaches the required one-fifth of the share capital threshold (as specified by Article 2430, paragraph 1, of the Italian Civil Code), we therefore submit for your approval the following

Agenda

The Shareholders' Meeting of Enel S.p.A., having examined the explanatory report of the Board of Directors,

resolves

1. to earmark Enel S.p.A.'s net income for the year 2014, amounting to Euro 558,202,514.37, as follows:
 - for distribution to the Shareholders, as dividend, Euro 0.05 for each of the 9,403,357,795 ordinary shares in circulation on June 22, 2015, the scheduled ex-dividend date, for an overall amount of Euro 470,167,889.75;
 - for "retained earnings" the remaining part equal to Euro 88,034,624.62;
2. to earmark for the distribution to the Shareholders also a part of the available reserve named "retained earnings" allocated in the financial statements of Enel S.p.A. (currently amounting to Euro 6,061,293,373.19 overall), for an amount of Euro 0.09 for each of the 9,403,357,795 ordinary shares in circulation on June 22, 2015, the scheduled ex-dividend date, for an overall amount of Euro 846,302,201.55;
3. to pay, before withholding tax, if any, an overall dividend of Euro 0.14 per ordinary share – of which Euro 0.05 as distribution of the 2014 net income and Euro 0.09 as partial distribution of the available reserve named "retained earnings" – as from June 24, 2015, with the ex-dividend date of coupon no. 23 falling on June 22, 2015 and the "record date" (*i.e.* the date of the title to the payment of the dividend, pursuant to Article 83-*terdecies* of the Consolidated Financial Act and to Article 2.6.7, paragraph 2, of the Rules of the Markets organized and managed by Borsa Italiana S.p.A.) coinciding with June 23, 2015.