REPORT OF THE BOARD OF DIRECTORS ON
THE SECOND ITEM ON THE AGENDA

Allocation of the annual net income

Dear Shareholders,

the dividend policy contained in the 2018-2020 Strategic Plan (presented to the financial community in November 2017) provides, with specific regard to the 2018 results, for the payment to Shareholders of an amount equal to the value of whichever is higher: either 0.28 Euro per share or 70% of the net ordinary income of Enel Group referred to the same financial year, to be paid in two instalments, through payment of an interim dividend scheduled for January and payment of the balance of the dividend scheduled for July.

In light of the above, on November 6, 2018 the Board of Directors has approved, pursuant to Article 2433-*bis* of the Italian Civil Code and Article 26.3 of the Corporate Bylaws, the distribution of an interim dividend for the financial year 2018 of Euro 0.14 per share (for a total amount of Euro 1,423,335,192.44), that has been paid, gross of any withholding tax, from January 23, 2019.

Given the amount of the paid interim dividend and taking into account that the Group's ordinary net income for 2018 amounts to Euro 4,060 million (against the Group's net income of Euro 4,789 million), in accordance with the above-mentioned dividend policy, the Board of Directors proposes to distribute a balance of the dividend amounting to Euro 0.14 per share (for a total amount of Euro 1,423,335,192.44), to be paid in July 2019. Therefore, the total dividend for the financial year 2018 amounts to Euro 0.28 per share, for an amount of approximately Euro 2,846 million and a pay-out *ratio* of 70% against Enel Group's net ordinary income, which is therefore in line with the minimum amount of Euro 0.28 per share granted by the said dividend policy.

Taking also into consideration that Enel S.p.A.'s net income for 2018 amounts approximately to Euro 3,456 million, it is envisaged to earmark the remaining part, equal approximately to Euro 609 million, for the available reserve named "retained earnings" (overall currently amounting to approximately Euro 4,279 million).

In light of the foregoing, and considering that the legal reserve is already equal to the maximum amount of one-fifth of the share capital (as provided for 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 2018, amounting to Euro 3,456,161,520.41, as follows:

   - for distribution to the Shareholders:

     - Euro 0.14 for each of the 10,166,679,946 ordinary shares in circulation on the ex-dividend date, to cover the interim dividend payable from January 23, 2019, with the ex-dividend date of coupon no. 29 having fallen on January 21, 2019 and the "record date" (*i.e.* the date of the title to the payment of the dividend, pursuant to Article 83-*terdecies* of the Legislative Decree no. 58 of February 24, 1998 and to Article 2.6.6, paragraph 2, of the Rules of the Markets organized and managed by Borsa Italiana S.p.A.) falling on January 22, 2019, for an overall amount of Euro 1,423,335,192.44;

     - Euro 0.14 for each of the 10,166,679,946 ordinary shares in circulation on July 22, 2019 (*i.e.* on the scheduled ex-dividend date), as the balance of the dividend, for an overall amount of Euro 1,423,335,192.44;

   - for "retained earnings" the remaining part of the net income, for an overall amount of Euro 609,491,135.53;

2.   to pay, before withholding tax, if any, the balance of the dividend of Euro 0.14 per ordinary share as from July 24, 2019, with the ex-dividend date of coupon no. 30 falling on July 22, 2019 and the "record date" (*i.e.* the date of the title to the payment of the dividend, pursuant to Article 83-*terdecies* of the Legislative Decree no. 58 of February 24, 1998 and to Article 2.6.6, paragraph 2, of the Rules of the Markets organized and managed by Borsa Italiana S.p.A.) falling on July 23, 2019.