

Financial statements as of September 30, 2015
of Enel SpA

Accounting prospectuses

Income statement of Enel SpA as of September 30, 2015

Euro	Notes	2015		2014	
			<i>of which with related parties</i>		<i>of which with related parties</i>
Revenues					
Revenues from services	3.a	165,269,100	165,543,737	194,693,378	194,687,645
Other revenues and income	3.b	3,084,443	2,349,521	4,105,443	3,714,000
	<i>(Subtotal)</i>	168,353,543		198,798,821	
Costs					
Purchases of consumables	4.a	1,070,152		801,938	
Leases and rentals	4.b	112,513,109	44,982,817	125,536,464	49,290,336
Personnel	4.c	113,733,823		86,927,555	
Depreciation, amortization and impairment losses	4.d	6,315,935		6,213,122	
Other operating expenses	4.e	15,397,914	72,825	13,467,341	88,479
	<i>(Subtotal)</i>	249,030,933		232,946,420	
Operating income		(80,677,390)		(34,147,599)	
Income from equity investments	5	1,545,362,247	1,545,362,247	1,818,272,847	1,818,272,847
Financial income from derivatives	6	2,733,042,814	399,269,721	1,715,576,800	321,363,910
Other financial income	6	126,261,740	115,709,975	177,177,316	152,622,507
Financial expense from derivative	6	2,461,899,727	1,888,810,253	1,493,641,439	873,828,812
Other financial expense	6	957,431,431	1,370,120	1,119,667,345	2,639,873
	<i>(Subtotal)</i>	985,335,643		1,097,718,179	
Income before tax		904,658,253		1,063,570,580	
Income taxes	7	(161,359,518)		(111,503,727)	
EARNINGS FOR THE PERIOD		1,066,017,771		1,175,074,307	

Balance sheet of Enel SpA as of September 30, 2015

Euro		Notes		
ASSETS		as of 30.09.2015		as of 31.12.2014
			<i>of which with related parties</i>	<i>of which with related parties</i>
Non-current assets	8			
Property, plant and equipment		5,863,673		7,795,187
Intangible assets		8,280,027		11,405,854
Deferred tax assets		410,758,825		382,572,824
Equity investments		38,755,868,086		38,754,068,086
Derivatives		2,477,515,892	342,175,546	1,979,171,296
Other non-current financial assets		141,854,808	104,331,524	146,490,819
Other non-current assets		445,351,976	163,767,000	466,782,285
	<i>(Total)</i>	42,245,493,287		41,748,286,351
Current assets	9			
Trade receivables		215,645,669	210,618,032	131,944,125
Tax receivables		280,318,472		624,614,245
Derivatives		297,163,865	28,271,036	280,273,785
Other current financial assets		5,165,064,056	4,868,046,722	5,040,376,082
Other current assets		314,901,999	176,591,651	243,507,371
Cash and cash equivalent		3,946,564,124		6,972,042,465
	<i>(Total)</i>	10,219,658,185		13,292,758,073
TOTAL ASSETS		52,465,151,472		55,041,044,424

Euro

Notes

LIABILITIES AND SHAREHOLDERS' EQUITY	as of 30.09.2015		as of 31.12.2014	
		<i>of which with related parties</i>		<i>of which with related parties</i>
Shareholders' equity				
Share capital	9,403,357,795		9,403,357,795	
Reserves	9,197,808,130		9,113,576,853	
Retained earnings (loss carried forward)	5,303,025,796		6,061,293,373	
Profit for the period	1,066,017,771		558,202,514	
TOTAL SHAREHOLDERS' EQUITY	10 24,970,209,492		25,136,430,535	
Non-current liabilities				
	11			
Long-term borrowings	14,489,275,811		17,287,754,222	
Post-employment and other employee benefits	295,989,750		301,792,836	
Provisions for risks and charges	16,194,318		16,242,515	
Deferred tax liabilities	329,905,627		251,979,935	
Derivatives	2,622,963,249	1,214,145,628	2,483,607,608	469,314,078
Other non-current liabilities	286,974,758	286,925,885	286,974,494	286,925,885
	<i>(Subtotal)</i>		18,041,303,513	20,628,351,610
Current liabilities				
	12			
Short-term borrowings	4,690,069,324	2,995,275,040	4,745,815,106	1,319,403,537
Current portion of long-term borrowing	3,057,820,092		2,362,593,688	
Trade payables	117,429,529	41,818,689	138,773,087	54,531,005
Derivatives	369,440,198	273,451,184	359,151,436	233,714,323
Other current financial liabilities	466,021,583	64,919,337	694,402,099	54,139,432
Other current liabilities	752,857,741	576,783,321	975,526,863	396,492,507
	<i>(Subtotal)</i>		9,453,638,467	9,276,262,279
TOTAL LIABILITIES	27,494,941,980		29,904,613,889	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	52,465,151,472		55,041,044,424	

Comments

1. Enel SpA's business

Enel SpA which operates in the electricity and gas sector, is organized under the legal form of joint stock company and has its registered office at viale Regina Margherita 137, Rome.

Enel SpA, in its role as industrial holding company, defines the strategic objectives at the Group level and that of its subsidiaries and coordinates their business operations. The activities which Enel SpA, in its role as entity that provides guidance and coordination, provides to the other companies of the Group, may be summarized as follows:

- corporate governance;
- extraordinary finance and financial planning;
- tax planning and strategy;
- risk assesment management;
- legal policies;
- guidelines pertaining to mangement training and compensation policies;
- institutional relationships;
- guidelines on the matter of accounting;
- strategic marketing.

In the context of the Group, Enel SpA performs, directly and through its subsidiary Enel Finance International NV, the function of centralized treasury (with the exception of the Endesa Group) ensuring access to the money and capital markets. Moreover, the company provides, directly and through its subsidiary Enel Insurance NV, coverage for insurance risks.

2. Reference accounting standards

This Financial Statement of Enel SpA as of September 30, 2015 was drafted in accordance with the determination and measurement criteria set forth in international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB) and the IFRIC and SIC interpretations, recognized in the European Union pursuant to EC regulation no. 1606/2002 in force as of the close of the period.

In particular, such criteria are in line with those adopted for the preparation of the Company's Annual Financial Statement as of December 31, 2014, to which reference is made for an extensive description of the same. It should be noted that the application of the accounting standards which became applicable starting on January 1, 2015 did not have any effect on this Financial Statement.

This Financial Statement is comprised of the Income Statement, the Balance Sheet (Accounting prospectuses) and explanatory notes the purpose of which is to describe the composition of the main financial statement items as well as the most significant changes that took place over the course of the first nine months of year 2015. The Financial Statement as of September 30, 2015 therefore does not contain all of the information required for the annual Financial Statement and, therefore, must be read in conjunction with the annual Financial Statement as of December 31, 2014.

The currency used for the presentation of the financial data is the Euro, the functional currency of the company, and the amounts set forth in the comments are expressed in Euro millions, except where otherwise indicated.

Under the Consob provisions issued on this matter, the Income Statement and the Balance Sheet indicate transactions with related parties, identified in accordance with international accounting standards and the relevant Consob provisions. It should be noted that such transactions are concluded in the Company's interest and are governed at market/arm's length conditions or, in other words, at conditions that would apply between two independent parties.

Information on the Income statement

Revenues

3.a Revenues from services - Euro 165 million

The "Revenues from services" are comprised as follows:

Euro millions	First nine months		
	2015	2014	2015-2014
Services			
Group companies	165	195	(30)
Third parties	-	-	-
Total revenues from sales and services	165	195	(30)

Revenues for the sale and services as of September 30, 2015 total Euro 165 millions and refer exclusively:

- 1) to services rendered to the subsidiaries in the context of its guidance and coordination function;
- 2) to the charge-back of costs of various types incurred and attributable to the subsidiaries.

With respect to the same period in the previous year, revenues from the sale and services, which are affected by the new organizational structure adopted by the Group and the Parent Company's new remuneration model, have fallen by Euro 30 million.

3.b Other revenues and income - Euro 3 million

The other revenues and income, totaling Euro 3 million, refer essentially to seconded personnel and, compared to the first nine months of 2014, have declined by Euro 1 million.

Costs

4.a Purchases of consumables - Euro 1 million

Costs for "Purchases of consumables" totaling Euro 1 million in 2015, refer to the purchase from third party suppliers of various types of consumables.

4.b Services, leases and rentals - Euro 113 million

Costs for "Services, leases and rentals" are comprised as follows.

Euro millions	First nine months		
	2015	2014	2015-2014
Services	101	111	(10)
Leases and rentals	12	15	(3)
Total services, leases and rentals	113	126	(13)

The "Services", totaling Euro 101 million, refer to services rendered by third parties in the amount of 66 Euro million (75 Euro millions in the first nine months of 2014) and by companies of the Group totaling 35 Euro million (36 Euro million in the first nine months of 2014).

In particular, the decrease in costs for services rendered by third party companies, in the amount of Euro 9 million, is attributable to the decrease in advertising, propaganda and press expenses, resulting from the new organizational structure implemented by the Group, which entailed the transfer of a portion of communication activities from the Holding to the Countries.

The decline in costs for services rendered by companies of the Group, totaling Euro 1 million, is attributable essentially to the decrease in both costs of

personnel seconded from the various companies of the Group and costs for “miscellaneous services” provided by a number of subsidiaries, in part offset by the higher costs for information technologies services supplied by the subsidiary Enel Italia Srl.

The “Leases and rentals” amount to Euro 12 million and have decreased by Euro 3 million compared to the previous period; the change is attributable essentially to the lower costs for rentals and leases of real estate properties owned by the subsidiary Enel Italia Srl.

4.c Personnel - Euro 114 million

The cost of labor totals Euro 114 million, up by Euro 27 million compared to the same period in the previous year, attributable essentially to the rise in the item “Wages and salaries” and the related social costs (Euro 4 million), as well as the rise in costs related to the Long Term Incentive plan (Euro 5 million).

It should also be noted that the average number of employees rose by 313 units as a result of the new organizational structure adopted by the Group.

Euro millions	First nine months		
	2015	2014	2015-2014
Wages and salaries	69	51	18
Social security costs	21	19	2
Post-employment benefits	5	3	2
Other costs and other incentive plans	19	14	5
Total	114	87	27

4.d Depreciation, amortization and impairment losses - Euro 6 million

The item "Depreciation, amortization and impairment losses" totaling Euro 6 million in 2015 is comprised exclusively of amortizations of properties, plants and equipment and intangible assets and is unchanged compared to the same period of the previous year.

4.e Other operating expenses - Euro 15 million

The other operating costs, totaling Euro 15 millions, show an increase of Euro 2 million attributable essentially to lower releases (Euro 5 million), compared to 2014, of the fund for litigation, in part offset by the decline (Euro 4 million) in other operating costs related to non-recurring cost items that arose in the same period the previous year.

The **operating income** is negative in the amount of Euro 81 million and, compared to the same period the previous year, has worsened by Euro 47 million attributable essentially to the joint effect of lower revenues from the supply of services rendered to the companies of the Group, greater costs of personnel and the decrease in costs for the leases and rentals.

5. Income from equity investments - Euro 1,545 million

Income from equity investments, in the amount of Euro 1,545 million, refer to dividends approved by resolution by the Shareholders' Meetings of the subsidiaries and affiliates in the amount of Euro 1,544.7 million and the other companies in which equity stakes are held in the amount of 0.7 Euro millions.

Euro millions	First nine months		
	2015	2014	2015-2014
Dividends from subsidiaries and affiliates:	1,544	1,818	(274)
Enel Produzione SpA	-	223	(223)
Enel Distribuzione SpA	1,245	1,373	(128)
Enelpower SpA	-	1	(1)
Enel Factor SpA	-	3	(3)
Enel Italia Srl	9	7	2
Enel Energia SpA	159	16	143
Enel Servizio Elettrico SpA	-	85	(85)
Enel Green Power SpA	109	109	-
Enel Iberoamérica SL	21	-	21
CESI SpA	1	1	-
Dividends from other entities:	1	-	1
Emittenti Titoli SpA	1	-	1
TOTAL PROCEEDS FROM SHAREHOLDINGS	1,545	1,818	(273)

6. Net financial income/(costs) - Euro (559) million

Net financial costs are summarized below:

Euro millions	First nine months		
	2015	2014	2015-2014
Financial income			
interest and other income from non-current financial assets	4	4	-
interest and other income from current financial assets	116	158	(42)
interest income and other income collected	6	6	-
positive exchange rate differences	4	9	(5)
Income from derivatives	2,730	1,716	1,014
<i>income from derivatives related to the Group</i>	<i>2,350</i>	<i>1,325</i>	<i>1,025</i>
<i>income from derivatives related to Enel SpA</i>	<i>380</i>	<i>391</i>	<i>(11)</i>
Total income	2,860	1,893	967
Financial costs			
interest and other costs on financial debts	(722)	(787)	65
negative exchange rate differences	(230)	(262)	32
Accretion of post-employment and other employee benefit and other funds	(4)	(7)	3
other interest paid and costs	(2)	(55)	53
write-down of financial assets	1	(9)	10

costs of derivative instruments	(2,462)	(1,494)	(968)
<i>costs of derivatives related to the Group</i>	<i>(2,361)</i>	<i>(1,336)</i>	<i>(1,025)</i>
<i>Costs of derivatives related to Enel SpA</i>	<i>(101)</i>	<i>(158)</i>	<i>57</i>
Total costs	(3,419)	(2,614)	(805)
TOTAL NET FINANCIAL INCOME/(COSTS)	(559)	(721)	162

The net financial costs, totaling Euro 559 million, reflect essentially the interest paid on the financial indebtedness (Euro 722 million) offset by net proceeds on derivative instruments hedging interest rates (Euro 43 millions) and interest earned and other income from financial assets (totaling Euro 120 million).

The decrease in net financial costs compared to the same period in the previous year, totaling Euro 162 million, was generated essentially by the lower interest on financial debts (Euro 65 million), the positive net change related to transactions in derivative instruments related to Enel SpA (Euro 46 million), and the decrease in other interest payable and costs (Euro 53 million).

7. Income taxes - Euro (161) million

The income taxes accrued as of September 30, 2015 are positive in the amount of Euro 161 million and are attributable to the balance of the economic items that are relevant for tax purposes.

Information on the Balance sheet

Assets

8. Non-current assets - Euro 42.245 million

Non-current assets rise by Euro 497 million compared to the value registered as of December 31, 2014. Such trend is essentially attributable to the rise in the item "Derivatives" (Euro 498 million) due to the valuation as of September 30, 2015 of financial derivative contracts (comprised of derivatives on interest rates in the amount of Euro 450 million and on exchange rates in the amount of Euro 2,027 million).

Set forth below are the changes in the equity investments over the course of 2015:

Euro millions	Original cost	(Write-downs) / appreciations	Other changes - IFRIC 11 and IFRS 2	Book value	Quota held %	Contributions to capital account and to cover losses	Changes in 2015				
							Original cost	(Write-downs) / Appreciations	Other changes - IFRIC 11 and IFRS 2	Book value	Quota held %
	as of 31.12.2014						as of 30.09.2015				
A) Subsidiaries											
Enel Produzione SpA	4,892	(512)	4	4,384	100.0	-	4,892	(512)	4	4,384	100.0
Enel Ingegneria e Ricerca SpA	46	(19)	1	28	100.0	-	46	(19)	1	28	100.0
Enel Distribuzione SpA	4,054	-	2	4,056	100.0	-	4,054	-	2	4,056	100.0
Enel Servizio Elettrico SpA	110	-	-	110	100.0	-	110	-	-	110	100.0
Enel Trade SpA	901	-	1	902	100.0	-	901	-	1	902	100.0
Enel Green Power SpA	3,640	-	2	3,642	68.3	-	3,640	-	2	3,642	68.3
Enel Investment Holding BV	8,498	(4,473)	-	4,025	100.0	-	8,498	(4,473)	-	4,025	100.0
Enelpower SpA	189	(159)	-	30	100.0	-	189	(159)	-	30	100.0
Enel Energia SpA	1,321	(8)	-	1,313	100.0	-	1,321	(8)	-	1,313	100.0
Enel Iberoamérica SL	18,300	-	-	18,300	100.0	-	18,300	-	-	18,300	100.0
Enel.Factor SpA	18	-	-	18	100.0	-	18	-	-	18	100.0
Enel Sole Srl	5	-	-	5	100.0	-	5	-	-	5	100.0
Enel Italia Srl	525	(41)	3	487	100.0	-	525	(41)	3	487	100.0
Enel.NewHydro Srl	70	(54)	-	16	100.0	-	70	(54)	-	16	100.0
Enel Finance International NV	1,414	-	-	1,414	100.0	-	1,414	-	-	1,414	100.0
Enel Oil & Gas SpA	-	-	-	-	-	2	2	-	-	2	100.0
Total subsidiaries	43,983	(5,266)	13	38,730		2	43,985	(5,266)	13	38,732	
C) Associates											
CEST SpA	23	-	-	23	42.7	-	23	-	-	23	42.7
Total Associates	23	-	-	23		-	23	-	-	23	
D) Other companies											
Elcogas SA	5	(5)	-	-	4.3	-	5	(5)	-	-	4.3
Emittenti Titoli SpA	1	-	-	1	10.0	-	1	-	-	1	10.0
Idrosicilia SpA	-	-	-	-	1.0	-	-	-	-	-	1.0
Total other companies	6	(5)	-	1		-	6	(5)	-	1	
TOTAL EQUITY INVESTMENTS	44,012	(5,271)	13	38,754		2	44,014	(5,271)	13	38,756	

Over the course of 2015, the value of investments in subsidiaries, associates and other companies rose, following the recapitalization of the company Enel Oil & Gas SpA which took place in January, in the amount of Euro 2 million applied by the latter to increase the item "Other reserves" of the shareholders' equity that was necessary for the same in order to meet its operating and financial requirements.

9. Current assets - Euro 10,220 million

The current assets show, compared to December 31, 2014, a decline of Euro 3,073 million attributable mainly to the decrease in available liquidity (Euro 3,025 million). Reference is made to the comments on the net financial position as regards such latter change.

Liabilities

10. Shareholders' equity - Euro 24,970 million

Shareholders' equity totals Euro 24,970 million and is down by Euro 166 million compared to December 31, 2014. Such change is attributable to the distribution of the dividend for year 2014 in the amount of Euro 0.14 per share (totaling Euro 1,316 million), as approved by the Shareholders' Meeting held on May 28, 2015, as well as the total earnings entered in the first nine months of 2015 (Euro 1,150 million).

11. Non-current liabilities - Euro 18,041 million

Non-current liabilities show, compared to December 31, 2014, a decline of Euro 2,588 million attributable mainly to the decrease in long-term borrowings (Euro 2,799 million), as a result of the redemption, in the first quarter of year 2015, of two retail debenture borrowings in the amount of Euro 2,300 million, partially offset by the increase in the item "Derivatives" (Euro 139 million) attributable to the valuation as of September 30, 2015 of the financial derivative contracts (comprised of derivatives on interest rates in the amount of Euro 568 million and on exchange rates in the amount of Euro 2,055 million).

12. Current liabilities - Euro 9,454 million

Current liabilities show, compared to December 31, 2014, an upward change of Euro 178 million attributable essentially to the increase in current portion of long-term borrowing (Euro 695 million), partially offset by the decline in "other current financial liabilities" resulting from lower interest accruals on debenture borrowing (Euro 243 million) and the decrease in the other current liabilities (Euro 222 million).

13. Net financial position - Euro 13,283 million

Set forth below is a summary of Enel SpA's net financial position as of September 30, 2015, as compared with the situation determined as of December 31, 2014, in line with the CONSOB provisions dated July 28, 2006:

Euro millions				
	as of 30.09.2015		as of 31.12.2014	
		<i>of which with related parties</i>		<i>of which with related parties</i>
Bank and post office deposits	3,947		6,972	
Liquidity	3,947		6,972	
Current financial receivables	4,901	4,723	4,693	4,018
Short-term bank debt	(16)		(3)	
Short-term portion of long-term bank debt	(3,058)		(2,363)	
Other short-term financial payables	(4,676)	(2,995)	(4,743)	(4,320)
Short-term financial debts	(7,750)		(7,109)	
Net short-term financial position	1,098		4,556	
Bonds	(14,489)		(17,288)	
Long-term borrowings	(14,489)		(17,288)	
Long-term financial position	(14,489)		(17,288)	
NET FINANCIAL POSITION as per CONSOB instructions	(13,391)		(12,732)	
Long-term financial receivables	108	104	121	117
NET FINANCIAL DEBT	(13,283)		(12,611)	

Enel SpA's net financial debt as of September 30, 2015 totals Euro 13,283 million and shows an increase of Euro 672 million.

The main transactions concluded in 2015, which impacted upon net financial debt were:

- the redemption of two retail debenture loans in the amount of Euro 2,300 million;
- the repayment of the Intercompany Short Term Deposit Agreement (short-term credit line with Enel Finance International NV) in the amount of Euro 500 million.

It should be noted that the cash, totaling Euro 3,947 million, shows, compared to December 31, 2014, a decrease totaling Euro 3,025 million, due mainly to the

reimbursement of the above-mentioned borrowings, the increase in the net short-term creditor position on intercompany bank accounts in place with the Companies of the Group totaling Euro 1,516 million, higher Cash Collateral received in the amount of Euro 1,256 million for dealings in over-the-counter derivative contracts on interest rates and exchange rates.