HALF-YEAR FINANCIAL REPORT AT JUNE 30, 2009

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The Enel structure

Corporate
Enel SpA

Sales

Enel Servizio Elettrico
Enel Energia
Vallenergie

Generation and Energy Management

Enel Produzione
Enel Trade
Enel Trade Hungary
Enel Trade Romania
Nuove Energie
Hydro Dolomiti Enel
Enel Stoccaggi

Engineering and Innovation

Enel Ingegneria e Innovazione

Infrastructure and Networks

Enel Distribuzione
Enel Rete Gas
Enel Sole
Deval

Iberia and Latin America

Endesa

International

Slovenské elektrárne
Enel Maritza East 3
Enel Operations Bulgaria
Enel Distributie Muntenia
Enel Distributie Banat
Enel Distributie Dobrogea
Enel Productie (*formerly Global Power Investment*)
Enel Energie
Enel Energie Muntenia
Enel Romania
Enel Servicii Comune
RusEnergoSbyt
SeverEnergia
OGK-5
Enel Rus
Enel France
Enelco
Marcinelle Energie

Renewable Energy

Enel Green Power
Enel.si
Enel Latin America [1]
Enel Unión Fenosa Renovables
Blue Line
Enel North America
Enel Green Power Bulgaria (*formerly Enel Maritza East 4*)
Enel Erelis
International Wind Power
Wind Parks of Thrace
International Wind Parks of Thrace
Hydro Constructional
International Wind Parks of Crete
International Wind Parks of Rhodes
International Wind Parks of Achaia
Glafkos Hydroelectric Station

Services and Other Activities

Enel Servizi
Sfera
Enelpower
Enel.NewHydro
Enel.Factor
Enel.Re

(1) As from January 1, 2009, includes the results of Enel Latin America LLC, Inelec and Americas Generation Corporation (since October 30, 2008 Enel Panama and Enel Panama Holding have been merged into the latter).

In September 2008, a new organizational structure was implemented with the creation of the "Renewable Energy" Division alongside the existing Divisions in the organization implemented in December 2007 and operational since January 1, 2008, which had involved the establishment of the new "Iberia and Latin America" and "Engineering and Innovation" Divisions alongside the "Sales", "Generation and Energy Management", "Infrastructure and Networks" and "International" Divisions and the "Parent Company" and "Services and Other Activities" areas.

The Sales Division operates in the end-user market for electrical power and gas in Italy, developing an integrated package of products and services for the various customer segments and ensuring that commercial services meet quality standards.
The Generation and Energy Management Division is responsible for generating power at competitive costs while safeguarding the environment.
The Engineering and Innovation Division is charged with managing the engineering processes associated with the development and construction of generation facilities on behalf of the Group, ensuring achievement of the quality, temporal and financial objectives set for it. In addition, it is responsible for coordinating and supplementing Group research activities, ensuring the scouting, development and leveraging of innovation opportunities in all Group business areas, with a special focus on the development of major environmental initiatives.
The International Division's mission is to support Enel's international growth strategy, consolidate the management and integration of foreign operations (with the exception of the Spanish, Portuguese and Latin American markets and the renewables operations included in the Renewable Energy Division), seeking out opportunities for acquisitions in the electricity and gas markets.
The Renewable Energy Division has the mission of developing and managing operations for the generation of electricity from renewable resources, ensuring their integration within the Group in line with Enel's strategies.

The activities of the operational Divisions are supported by the "Parent Company" and "Services and Other Activities" areas, which aim to leverage Group synergies and optimize the management of services supporting Enel's core business.

In the half-year financial report at June 30, 2009, the results of the Divisions have therefore been presented in accordance with the current structure, while the figures for the two periods of 2008 presented for comparative purposes have been reallocated to the Divisions on the basis of the new organizational structure in effect since September 2008.

Accordingly, compared with June 30, 2008, the figures for the Renewable Energy Division have been taken from:
> the Generation and Energy Management Division for non-schedulable hydroelectric plants, geothermal and solar plants, and wind plants;
> the Iberia and Latin America Division for Enel Latin America, Inelec, Americas Generation Corporation and Enel Unión Fenosa Renovables;
> the International Division for International Wind Parks of Thrace, Wind Parks of Thrace, International Wind Power, International Wind Parks of Crete, Hydro Constructional, Enel Green Power Bulgaria (formerly Enel Maritza East 4), Blue Line, Enel North America, and Enel Erelis;
> the Sales Division for Enel.si.

Corporate boards

Board of Directors

Chairman

Piero Gnudi

Chief Executive Officer and General Manager

Fulvio Conti

Directors

Giulio Ballio
Lorenzo Codogno
Renzo Costi
Augusto Fantozzi
Alessandro Luciano
Fernando Napolitano
Gianfranco Tosi

Secretary

Claudio Sartorelli

Board of Auditors

Chairman

Franco Fontana

Auditors

Carlo Conte
Gennaro Mariconda

Alternate auditors

Giancarlo Giordano
Paolo Sbordoni

Independent auditors

KPMG SpA

Powers

Board of Directors

The Board is vested by the by-laws with the broadest powers for the ordinary and extraordinary management of the Company, and specifically has the power to carry out all the actions it deems advisable to implement and attain the corporate purpose.

Chairman of the Board of Directors

The Chairman is vested by the by-laws with the powers to represent the Company legally and to sign on its behalf, presides over Shareholders' Meetings, convenes and presides over the Board of Directors, and ascertains that the Board's resolutions are carried out. Pursuant to a Board resolution of June 18, 2008, the Chairman has been vested with a number of additional non-executive powers.

Chief Executive Officer

The Chief Executive Officer is also vested by the by-laws with the powers to represent the Company legally and to sign on its behalf, and in addition is vested by a Board resolution of June 18, 2008 with all powers for managing the Company, with the exception of those that are otherwise assigned by law or the by-laws or that the aforesaid resolution reserves for the Board of Directors.

Summary of results

The figures in this half-year financial report concerning the 2nd Quarters of 2008 and 2009 have not undergone a full or limited audit.

The figures below refer to a number of different performance indicators from those obtained directly from the interim consolidated financial statements. The criteria used for their construction are discussed in a specific section of this report.

Performance and financial position

2nd Quarter		Millions of euro	1st Half	
2009	2008 (1)		**2009**	2008 (1)
13,341	14,242	Revenues	28,457	29,324
4,089	3,948	Gross operating margin	7,939	7,322
2,839	2,847	Operating income	5,579	5,027
1,850	1,993	Net income before minority interests	3,974	3,119
1,616	1,792	Group net income	3,524	2,739
0.17	0.29	Group net income per share in circulation at period-end (euro)	0.38	0.44
		Net capital employed	96,601	76,262 (2)
		Net financial debt	55,764	49,967 (2)
		Shareholders' equity (including minority interests)	40,837	26,295 (2)
		Group shareholders' equity per share in circulation at period-end	3.17	3.30 (2)
		Cash flows from operating activities	2,614	3,785
		Capital expenditure on tangible and intangible assets	2,590	2,547

(1) The figures have been adjusted for comparative purposes only, to take account of the effects of the completion, at December 31, 2008, of the purchase price allocation of the Endesa acquisition, as well as the effects of the classification of the performance of gas distribution activities in Italy under discontinued operations.
(2) At December 31, 2008.

Revenues in the 1st Half of 2009 amounted to €28,457 million, a decrease of €867 million or 3.0% compared with 1st Half of 2008. The decline is largely attributable to the decrease in revenues from domestic electricity sales, essentially due to a fall in volumes sold, partially offset by the increase in revenues from electricity sales abroad. The latter reflected both the different period of consolidation of OGK-5, Enel Distributie Muntenia and Enel Energie Muntenia and the deconsolidation of Viesgo. In addition, revenues in the 1st Half of 2009 include the capital gain recognized on the sale of Enel Linee Alta Tensione (€308 million).

The *gross operating margin* totaled €7,939 million in the 1st Half of 2009, up €617 million or 8.4%. Taking account of the gain on the sale of Enel Linee Alta Tensione and the loss recognized in the 1st Half of 2008 on the disposal of Viesgo, the change is mainly attributable to the improvement in the margins of the generation companies, including both traditional generators and those using renewables.

Operating income in the 1st Half of 2009 totaled €5,579 million, an increase of 11.0% on the €5,027 million posted in the 1st Half of 2008, in line with developments in the gross operating margin.

Group net income was €3,524 million in the 1st Half of 2009, compared with €2,739 million in the same period of 2008 (up 28.7%). This result reflects the strong performance of operations and the decline in net financial expense, including the income generated by the early exercise of the put option granted by Enel to Acciona on 25.01% of Endesa share capital. These positive effects were partially offset by the recognition in the 1st Half of 2008 of the net benefit from the adjustment of deferred taxation as a result of the realignment (with payment of a specific one-off tax) of the difference between the value of the property, plant and equipment of certain Italian companies as calculated for statutory reporting purposes and their value for tax purposes (Law 244/07) and the effect of the increase in the corporate income tax rate (IRES) introduced with Decree Law 112/08 (ratified with Law 133/08).

Net capital employed, including net assets held for sale amounting to €2,050 million, amounted to €96,601 million at June 30, 2009, and was financed by shareholders' equity of €40,837 million and net financial debt of €55,764 million. At June 30, 2009, the debt/equity ratio was 1.37, compared with 1.90 at the end of 2008.

Net financial debt, excluding debt in respect of assets held for sale totaling €637 million at June 30, 2009 (€795 million at December 31, 2008), amounted to €55,764 million, up by €5,797 million compared with the €49,967 million posted at the end of 2008. The change reflects the acquisition of 25.01% of Endesa (and the effects of the full consolidation of Endesa's debt), the effects of which were partially offset by the completion of the capital increase by Enel SpA and the sale of Enel Linee Alta Tensione and a number of renewables generation plants of Endesa to Acciona.

Capital expenditure in the 1st Half of 2009 totaled €2,590 million (of which €2,508 million in respect of property, plant and equipment), an increase of €43 million on the 1st Half of 2008.

Results by Division

Millions of euro	2nd Quarter					
	Revenues		Gross operating margin		Operating income	
	2009	2008	**2009**	2008	**2009**	2008
Sales	4,615	4,692	44	103	(64)	17
Generation and Energy Management	4,024	4,957	959	1,085	784	890
Engineering and Innovation	182	231	10	1	9	-
Infrastructure and Networks	1,913	1,583	1,121	1,028	911	807
Iberia and Latin America	3,420	4,263	1,245	1,184	753	765
International	1,251	1,048	317	275	139	163
Renewable Energy	448	469	327	280	269	236
Parent Company	173	173	18	(29)	16	(30)
Services and Other Activities	259	287	54	25	28	3
Eliminations and adjustments	(2,944)	(3,461)	(6)	(4)	(6)	(4)
Total	**13,341**	**14,242**	**4,089**	**3,948**	**2,839**	**2,847**

Millions of euro	1st Half					
	Revenues		Gross operating margin		Operating income	
	2009	2008	**2009**	2008	**2009**	2008
Sales	10,613	11,065	160	295	(9)	154
Generation and Energy Management	9,294	10,325	1,877	1,633	1,533	1,246
Engineering and Innovation	457	540	13	5	12	4
Infrastructure and Networks	3,471	3,146	2,016	1,926	1,596	1,504
Iberia and Latin America	7,149	8,180	2,416	2,332	1,462	1,332
International	2,649	1,965	698	547	392	337
Renewable Energy	863	852	620	521	507	433
Parent Company	356	337	54	(21)	50	(24)
Services and Other Activities	509	553	89	81	40	38
Eliminations and adjustments	(6,904)	(7,639)	(4)	3	(4)	3
Total	**28,457**	**29,324**	**7,939**	**7,322**	**5,579**	**5,027**

	Employees (no.)	
	at June 30, 2009	at Dec. 31, 2008
Sales	4,003	4,170
Generation and Energy Management	6,656	6,829
Engineering and Innovation	1,140	1,020
Infrastructure and Networks (1)	21,141	21,683
Iberia and Latin America (2)	26,787	17,827
International (3)	16,312	16,865
Renewable Energy	2,693	2,432
Parent Company	716	749
Services and Other Activities	4,301	4,406
Total	**83,749**	**75,981**

(1) Of which 1,231 and 1,289 in units classified as "Held for sale" at June 30, 2009 and December 31, 2008, respectively.
(2) Of which 51 and 124 in units classified as "Held for sale" at June 30, 2009 and December 31, 2008, respectively.
(3) Of which 158 in units classified as "Held for sale" at June 30, 2009.

Operating data

2nd Quarter							1st Half					
Italy	Abroad	**Total**	Italy	Abroad	**Total**		Italy	Abroad	**Total**	Italy	Abroad	**Total**
2009			2008				**2009**			2008		
21.6	37.6	**59.2**	23.4	35.2	**58.6**	Net electricity generated by Enel (TWh)	42.3	80.1	**122.4**	46.4	70.1	**116.5**
57.9	30.1	**88.0**	63.5	33.0	**96.5**	Electricity transported on the Enel distribution network (TWh) (1)	118.1	61.8	**179.9**	128.7	67.3	**196.0**
30.7	32.6	**63.3**	32.6	32.8	**65.4**	Electricity sold by Enel (TWh) (2)	64.3	66.7	**131.0**	68.9	66.9	**135.8**
0.8	0.6	**1.4**	1.1	0.5	**1.6**	Gas sales to end users (billions of cubic meters)	2.9	1.2	**4.1**	3.3	1.2	**4.5**
0.4	0.1	**0.5**	0.6	0.3	**0.9**	Gas transported (billions of cubic meters)	2.1	0.2	**2.3**	2.1	0.4	**2.5**
						Employees at period-end (no.) (3)	39,594	44,155	**83,749**	40,327	35,654	**75,981** (4)

(1) The figures for the 2nd Quarter of 2008 and the 1st Half of 2008 have been updated to reflect a more accurate calculation of quantities transported.
(2) Excluding sales to resellers.
(3) Of which 1,440 and 1,413 in units classified as "Held for sale" at June 30, 2009 and December 31, 2008, respectively.
(4) At December 31, 2008.

Net electricity generated by Enel in the 1st Half of 2009 rose by 5.9 TWh or 5.1% as a result of greater output abroad (up 10.0 TWh, which reflects 14.5 TWh from the different period of consolidation of OGK-5, partially offset by a decrease in generation by the Iberia and Latin America Division, partly as a result of the deconsolidation of Viesgo), partially countered by a decline in generation in Italy (down 4.1 TWh).

Electricity transported on the Enel distribution network came to 179.9 TWh, down 16.1 TWh or 8.2%, largely attributable to the trend in electricity demand in the main markets in which Enel operates.

Electricity sold by Enel fell by 4.8 TWh or 3.5%, with total sales of 131.0 TWh. The decline is attributable to the economic slowdown both in the domestic and international markets, which more than offset the positive effect of 2.2 TWh associated with the different period of consolidation of Enel Distributie Muntenia and Enel Energie Muntenia.

Gas sales to end users came to 4.1 billion cubic meters in the 1st Half of 2009, with a decrease concentrated in Italy (down 0.4 billion cubic meters), while volumes sold abroad were virtually unchanged.

At June 30, 2009, Enel Group employees numbered 83,749 (75,981 at December 31, 2008). The change reflects the expansion of the scope of consolidation (which added 9,133 employees), essentially attributable to the change in the method of consolidating Endesa (from proportionate to full, line-by-line), and the net balance between new hires and terminations (with a net decrease of 1,365).
At June 30, 2009, the number of employees with Group companies headquartered abroad totaled 44,155.

Significant events in the 1st Half of 2009

Acquisition of 20% of the generation assets of Electricity Supply Board (ESB)

On January 8, 2009, following approval from Irish and Community regulators, Endesa completed the acquisition for €440 million of KJWB (now Endesa Ireland), the Irish company to which 20% of the generation assets of the Electricity Supply Board (ESB) had been transferred. The assets acquired have a total capacity of 1,068 MW at four operational plants and 300 MW at two plants still under construction. They account for about 16% of Ireland's total installed capacity.

Agreement with Acegas-Eps and Tei to build interconnection lines between Italy and Slovenia

On February 5, 2009, Acegas-Eps, Enel and Tei signed the memorandum of association of Adria Link, in which the three partners have equal shares. The company will build and operate electricity interconnection infrastructure between Italy and Slovenia, in line with the provisions of the "Scajola Decree", which, in transposing Regulation (EC) 1228/2003, aims to stimulate trade in energy with the EU countries, thereby enabling the achievement of efficiencies in the use of power stations at the European level and thereby lowering generation costs and sales prices. In this context, Adria Link intends to develop two interconnection projects that involve the construction of two underground power lines, which will connect, respectively, the Zaule electricity station in the province of Trieste with the Dekani station in Slovenia and the Redipuglia station in the province of Gorizia with the Vrtojba station in Slovenia. The new lines will increase net transfer capacity by about 250 MW. The planned investment will come to about €31 million, part of which devoted to reducing the impact of the infrastructure on the environment and the landscape.

Acquisition of 25.01% of Endesa

On February 20, 2009, Enel signed an agreement for the acquisition of the 25.01% of Endesa owned directly and indirectly by Acciona. The agreement, which was subject to a number of suspensory conditions, also involved the early exercise

of the put option by Acciona (the original exercise date was March 2010), and envisages the transfer to Acciona from Endesa of certain operational wind and hydro assets. On the same date, the Board of Directors of Endesa also approved the distribution of a dividend of €6.2 billion. Enel's share (67.05%) was approximately €4.2 billion, that of Acciona (25.01%) about €1.5 billion and that of minority interests (7.94%) about €0.5 billion. At the same meeting, the Board concurrently approved the sale to Acciona, in line with the above agreement, of certain generation assets in Spain and Portugal, totaling 2,105 MW, of which 1,423 MW from alternative renewable resources and 682 MW of conventional hydro assets.
On June 25, 2009, Enel and Acciona, after the conditions governing the agreement of February 20, 2009 had been met, implemented the accord with the transfer to Enel Energy Europe (EEE) of the 25.01% of Endesa held directly and indirectly by Acciona. Following the transaction, Enel, through EEE, now holds a 92.06% stake in Endesa, giving it full control of the company.
EEE paid Acciona €9,627 million in cash for the transfer. The amount was determined by subtracting the Endesa dividends received by Acciona after February 20, 2009 (€1,561 million) from the value of the holding established on the basis of the criteria set out in the contract between Enel and Acciona on March 26, 2007 and incorporated in the agreement of February 20, 2009 (€11,107 million) and adding interest accrued as from that date (€81 million) and applied to the share of the debt taken on by Acciona to acquire the 25.01% stake in Endesa.
On the same date, again as part of the agreement of February 20, 2009, Endesa also sold Acciona a number of plants operating in Spain and Portugal – with a number of changes in the plants involved compared with the original plan – with a total capacity of 1,946 MW (of which 679 MW from conventional hydroelectric power and 1,267 MW from other renewable resources). The price for the assets was €2,634 million. The parties also agreed for Endesa to sell Acciona other plants – mainly wind facilities – with a total capacity of 133 MW for a price of €183 million, as soon as the related regulatory and technical authorization procedures are completed.

To help finance the purchase, Enel contracted a loan of €8,000 million agreed in April 2009 as an increase in the syndicated credit line with an original amount of €35 billion, the terms of which included the option of increasing (up to a maximum of €8.5 billion) the C tranche (equal to €10 billion falling due in 2012) in the event of the exercise of the put option by Acciona in 2010. Of the total amount of the €8 billion loan, agreed with a pool of 12 banks, slightly less than 70% has a maturity of five years (€5.5 billion due in 2014) and the remaining portion has a maturity of seven years (€2.5 billion due in 2016).
The €8 billion credit line comprises two contracts:

- a "facility C increase" raising the C tranche by a total of €8 billion falling due in 2012, and
- a "rollover" agreement, in the amount of €8 billion, intended to replace and renew the "facility C increase" as from 2012 with two new tranches, the first totaling €5.5 billion falling due in 2014 and the second amounting to €2.5 billion falling due in 2016.

Enel-EDF agreement for the development of nuclear power in Italy

On February 24, 2009, within the framework of the Italy-France Protocol of Understanding for energy cooperation, Enel and EDF signed a Memorandum of Understanding (MoU) that establishes the foundations for the joint development of nuclear energy in Italy by the two companies. When the legislative and technical work for the return of nuclear power in Italy is completed, Enel and EDF have undertaken to develop, build and operate at least four generation units based on European Pressurized Reactor (EPR) technology, the first of which is being built at Flamanville in Normandy, a project in which Enel is participating with 12.5% share. The goal is for the first Italian unit to enter commercial service no later than 2020. With the MoU, Enel and EDF have agreed to form a joint venture, each with 50%, that will be responsible for the development of the feasibility studies for the construction of the EPR units. Subsequently, once the studies have been completed and the necessary investment decisions are taken, individual companies will be formed to build, own and operate each of the EPR units. They will feature:

- a majority stake for Enel in ownership of the plants and electricity withdrawal rights;
- Enel leadership in plant operation;
- opening of ownership to third parties, with Enel and EDF retaining majority control.

The Enel-EDF agreement has a term of five years, with the possibility of extension.
On the same date, in a second MoU Enel expressed its interest in participating in an extension of the previous nuclear power accord with EDF for the construction
of another five EPR units in France, beginning with the facility that the French Government recently approved for Penly.

Sale of Enel Linee Alta Tensione (ELAT)

In implementation of the sale agreement of December 19, 2008, between Enel SpA, Enel Distribuzione and Terna, on April 1, 2009, Enel Distribuzione sold Terna the entire share capital of Enel Linee Alta Tensione (ELAT), the company to which Enel Distribuzione transferred a business unit consisting of high voltage lines and the related legal relationships effective as of January 1, 2009.
The contributed business unit consists of an 18,583 km network of high voltage power lines, as well as the related assets and liabilities. The purchase price of €1,152 million was paid in full at the time of closing and will be subject to a adjustment based on changes in the shareholders' equity of ELAT between the reference date of the disposal balance sheet and the date of sale.
The closing of the transaction occurred once all the conditions of the agreement were met, in particular, receipt of clearance from the antitrust authorities, inclusion of the power lines in the National Transmission Network by the competent authorities and adoption of a measure by which the Authority for Electricity and Gas granted rate revenues for the business unit to ELAT.

Agreement with Australian Government for the development of carbon capture and storage technology

On April 22, 2009, within the framework of the Italy-Australia cooperation agreement for the development of technologies for carbon dioxide capture and storage, Enel and the Australian Government signed a Memorandum of Understanding that provides for the participation of Enel as a founding partner in the Global Carbon Capture and Storage Institute (GCCSI). The GCCSI is an organization founded at the initiative of the Australian Government, which funds the operation with a budget of around 100 million Australian dollars a year (55 million US dollars).
The goal of the institute is to mobilize public and private resources to promote CCS technology at the commercial and regulatory levels and foster public acceptance. The most immediate commitment is to accelerate the creation of over 20 pilot projects. Membership in the GCCSI will enable Enel to gather information on projects that are being developed outside Europe, to participate in the network of technological and industrial alliances that will be formed within the organization, to be constantly updated on CCS regulatory processes around the world, and to participate in the communication initiatives for the public around the world. In particular, the network of contacts offered by the Australian institute could also foster the development of CCS activities in China, an area of great interest to Enel.

Dividend distribution

On April 29, 2009, the Ordinary Shareholders' Meeting of Enel approved the Board of Directors' proposal for a dividend of €0.49 per share for 2008 as a whole and the distribution of a total of €0.29 per share as the balance (of which €0.24 as the distribution of remaining net income from 2008 and €0.05 as partial distribution of the available reserve denominated "retained earnings"), taking account of the interim dividend of €0.20 already paid in November 2008.
The balance of €0.29 per share was paid as from June 25, 2009.

Enel SpA capital increase

The Enel Extraordinary Shareholders' Meeting of April 29, 2009, authorized the Board of Directors to carry out a paid divisible capital increase of a maximum total amount, share premium included, of €8 billion. Such authorization can be exercised in one or more installments, no later than December 31, 2009, through the issue of ordinary shares with a par value of €1, each bearing dividend rights as from January 1, 2009, to be offered in pre-emption to the Company's shareholders.
Under the authorization, the Board of Directors has the power to establish the procedures, terms and conditions of the increase, including, *inter alia*, the determination of: (i) the exact amount of the share capital increase, (ii) the subscription price of the shares (including the premium), taking account of

developments in the Enel share price and market conditions prior to the rights issue and market practice for similar transactions, and (iii) the number of new shares to be issued and the related pre-emption ratio.
On May 6, 2009, the Board of Directors voted – in execution of the authorization of the Extraordinary Shareholders' Meeting of April 29, 2009 – to carry out a paid divisible capital increase of a maximum total amount, premium included, of €8 billion by way of the issue of ordinary shares with a par value of €1 each bearing dividend rights as from January 1, 2009. The shares have the same characteristics of the shares already in circulation and were offered in pre-emption to parties who were shareholders of the Company as of the start date of the rights offering in proportion to the number of shares they hold.
On May 28, 2009, the Board of Directors determined the final terms and conditions for the rights offering, setting the subscription price at €2.48 per share – of which €1.48 represents the share premium – and the option ratio at 13 new shares for every 25 existing shares. The offering therefore involved the issuance of a maximum of 3,216,938,192 new shares, entailing a capital increase of €3,216,938,192, while the overall proceeds of the operation – share premium included – totaled €7,978,006,716.16.
The Ministry for the Economy and Finance, as a shareholder of the Company, notified Enel of its intention to participate, directly or indirectly, in the capital increase, subject to a final evaluation to be conducted in light of the definitive terms of the offering. On March 25, 2009, the Company shareholder Cassa Depositi e Prestiti SpA announced the unanimous decision of its Board of Directors to exercise both the rights granted directly to it and the rights granted to the Ministry (subject to the transfer of the Ministry's rights to Cassa Depositi e Prestiti).
On May 28, 2009, Mediobanca, JP Morgan and Banca IMI as Joint Global Coordinators and Joint Bookrunners, Bank of America–Merrill Lynch, Credit Suisse, Goldman Sachs, Morgan Stanley, Unicredit as Co-Bookrunners, 13 banks as Senior Co-Lead Managers1 and 13 banks as Co-Lead Managers2 signed an underwriting agreement with Enel under whose provisions they undertook to subscribe the capital increase, for a total amount of up to €5.5 billion, that is, the entire portion of the capital increase which is not expected to be subscribed, net of the direct and indirect portion pertaining to the Ministry. Enel was assisted by Lazard as financial advisor for the transaction.
As part of the underwriting agreement, consistent with market practice, Enel agreed to a lock-up clause continuing until the 180th day after the closing of the offering. In particular, Enel agreed not to issue or offer shares directly or via the issuance of convertible securities, warrants or other financial instruments that grant the right to acquire, exchange for, or be converted into Enel shares. Consistent with market practice, the lock-up commitment shall not apply, inter alia: (i) to the issuance or subscription of the shares involved in the offer, or (ii) to the issuance of Enel shares or to the granting of option rights to Company or Group executives and employees under any existing stock option plans.
In view of the above commitments by the Ministry for the Economy and Finance, Cassa Depositi e Prestiti SpA and the banks, the Company expected the capital increase to be fully subscribed.

During the offer period, which started on June 1 and ended on June 19, 2009, a total of 6,160,693,425 rights were exercised. As a result, 3,203,560,581 newly issued Enel ordinary shares were subscribed altogether, equal to 99.58% of the 3,216,938,192 shares offered, for aggregate proceeds to Enel of €7,944,830,240.88. At the end of the offer period, total unexercised rights amounted to 25,726,175,

granting the right to subscribe 13,377,611 newly issued Enel ordinary shares, for a total value of €33,176,475.28. The unexercised rights were offered on the Italian Stock Exchange through Mediobanca and purchased in their entirety, pursuant to Article 2441, paragraph 3, of the Italian Civil Code, at the session of June 26, 2009, for a total price of €13,120,349.
Upon the conclusion of the capital increase, on July 9, 2009, Cassa Depositi e Prestiti SpA, which had exercised both the rights granted directly to it and the rights granted to the Ministry for the Economy and Finance (following the transfer of the Ministry's rights to Cassa Depositi e Prestiti), subscribed 1,005,095,936 newly issued Enel ordinary shares – equal to about 31.24% of the offered shares and about 10.69% of the new share capital of the Company – for a total of €2,492,637,921.28. Therefore, following the full subscription of the Enel capital increase and the settlement of the transaction, Cassa Depositi e Prestiti now holds about 17.36% of Enel's share capital, while the Ministry retains a direct shareholding equal to about 13.88%.

Agreement with Eurus Energy Europe for the development of wind projects in Calabria

On April 30, 2009, Enel Green Power has signed an agreement with Eurus Energy Europe, a joint venture between Tokyo Electric Power Company and Toyota Tsusho Corporation, to acquire the rights to 50% of wind power projects with an installed capacity of up to 400 MW, of which 100 MW are at an advanced stage of the authorization process. The wind power projects are being developed at sites with high wind power potential in Calabria.

Agreement with SoWiTec for the development of wind projects in Chile

On May 8, 2009, Enel Latin America signed a cooperation agreement with SoWiTec Energias Renovables de Chile, a subsidiary of the German company SoWiTec International, for the development in Chile of a number of wind projects with a total installed capacity of up to 850 MW. With the agreement, Enel will have exclusive access to a range of projects that SoWiTec is developing and will be entitled to acquire the projects once they have received all necessary authorizations. The projects have a preliminary installed capacity of between 60 and 150 MW and are located in the northern electrical system (SING) and the central electrical system (SIC), in areas with good wind power potential.

Disposal of the gas distribution network

As regards the sale of the assets and liabilities pertaining to the gas distribution network in Italy, on March 10, 2009, following completion of due diligence work, the Group received two offers from investors. Following examination of the offers and additional analysis and discussions with the bidders, Enel decided to grant

one of them exclusive negotiating rights until May 8, 2009, subsequently extended first to May 12, 2009 and then to May 28, 2009.
On May 29, 2009, following approval by the Board of Directors of Enel SpA, an agreement was reached between Enel and F2i SGR SpA ("F2i") and AXA Private Equity for the disposal of 80% of the share capital of Enel Rete Gas SpA to a vehicle in which F2i will hold 75% of the capital and Axa Private Equity 25%. The price for the 80% stake in Enel Rete Gas is €480 million and implies an enterprise value (including debt and other liabilities) essentially in line with the regulatory asset base (RAB). The transaction structure provides for Enel Rete Gas to distribute dividends and reserves to Enel Distribuzione in the amount of about €245 million before the closing, of which €17 million were paid in the 1st Half of 2009. The terms of the agreement establish that the price for the sale will be paid in two installments of €240 million each, both financed in the amount of €170 million with own funds and a vendor loan granted by Enel to the bidders in the amount of €70 million, bearing an annual interest rate of 8.25% and maturing in 2017. Payment of the first installment will take place at closing, whereas the second installment, bearing interest at Euribor + 100 basis points, is scheduled to be paid by December 28, 2009. The price is also subject to adjustment on the basis of (i) the RAB of Enel Rete Gas as determined by the Authority for Electricity and Gas on the basis of 2009 rates and (ii) the company's net financial position at closing. Enel Distribuzione will have a call option on the 80% of the share capital of Enel Rete Gas, from 2014 (when the five-year lock-up period that applies to both Enel Distribuzione and the bidders expires) until 2018, at a strike price that takes into account the fair market value of the stake. At the end of the lock-up period, the parties will assess the possibility of seeking a listing for Enel Rete Gas.
Completion of the transaction, envisaged for the 3rd Quarter of 2009, is subject to approval by the Antitrust Authority, approval of the distribution and metering rates for 2009 by the Authority for Electricity and Gas and to the signing of a loan agreement for up to €1,025 million between Enel Rete Gas and a pool of banks, which have already committed to the transaction. The financing will be used to repay bank and intercompany debt foreseen at closing, support the capital expenditure plans of Enel Rete Gas and its working capital requirements and pay dividends.

Award of offshore exploration license in Egypt

On May 13, 2009, Enel announced that it had been awarded a license to explore an area off the Nile Delta in a joint venture with Total. The license was obtained in the International Bid Round 2008 organized by the Egyptian state-owned company EGAS. Total will hold 90% of the joint venture and will operate the project, while Enel will hold the remaining 10%. The license regards the El Burullus block, which covers 2,516 square kilometers. It is about 70 kilometers from the coast in waters ranging from 100 to 1,600 meters deep. The contract provides for an initial four-year exploration period, during which the partners will acquire geophysical data (3D seismic prospecting) and drill a number of wells. Thanks to an agreement signed between the Italian and Egyptian governments, Enel has begun a new phase of cooperation with the Egyptian Energy and Electricity Ministry and with EEHC, the Egyptian electricity company, in the field of energy efficiency and electricity generation using renewables.

Enel-Eni-Gazprom agreement on SeverEnergia

On May 15, 2009, Eni and Enel signed an agreement with Gazprom for the sale to the latter of 51% of SeverEnergia, the company that wholly owns Arcticgaz, Urengoil and Neftegaztechnologia, which hold licenses for the exploration and production of hydrocarbons, with gas and oil reserves estimated at about 5 billion barrels of oil-equivalent. Following the transaction, the stake currently held by Enel in SeverEnergia will decline from 40% to 19.6%, while that of Eni will be reduced from 60% to 29.4%.

The parties have agreed to start gas production in June 2011 from the Samburskoye field and to reach an output of at least 150,000 barrels of oil-equivalent per day within two years of starting production. The parties have also agreed to cooperate on seeking the renewal and updating of the licenses and defining the details of the development plans for the fields.

Gazprom will pay about $1.5 billion for 51% of SeverEnergia, to be settled in two installments in 2009 and 2010. The share due to Enel comes to about $600 million, while that of Eni amounts to about $900 million.

On June 5, 2009, the parties signed the share purchase agreement. The transaction is scheduled to close in the 3rd Quarter of 2009, subject to completion of authorization procedures.

Reference scenario

Enel and the financial markets

In early 2009 share prices on the world's main stock markets declined as they continued to be affected by the repercussions of the financial crisis, which had deepened beginning in September 2008. The collapse of numerous financial institutions in 2008 caused confidence to fall, drying up liquidity on the money markets and, as a result, heightening the level of risk aversion. In parallel, the steep fall in global demand triggered a fall in oil prices and darkened the prospects for the recovery of the world economy. This environment had an adverse impact on share prices, which in the first part of the period fell sharply under the impact of:

> the financial and economic crisis, worsened by the market deterioration in current and forecast corporate profits;
> an increase in the premium for equity risk associated with the situation of uncertainty;
> the reluctance of investors to expose themselves to financial risk.

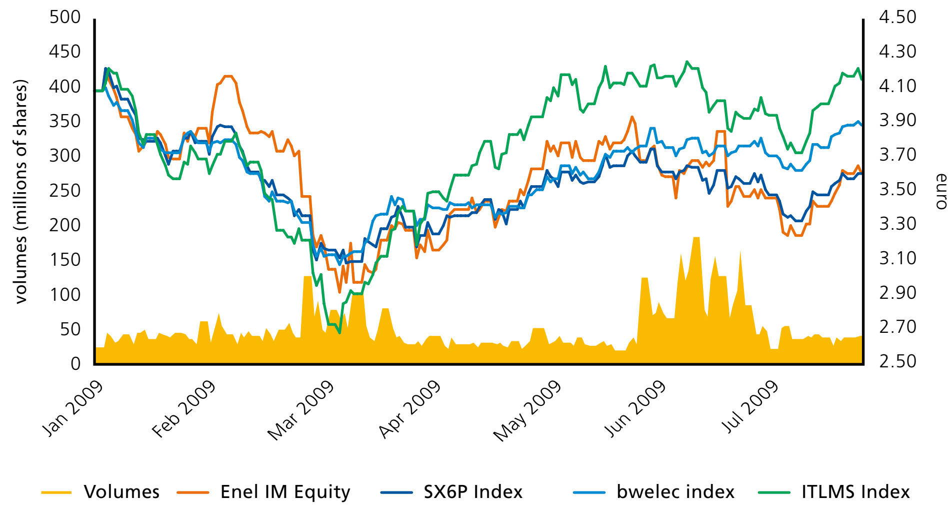
After reaching a low in March 2009, stock prices began to recover in response to the improvement in conditions on international financial markets. Signs of economic recovery, linked to the easing of recessionary conditions, and an improvement in the financial position of major banks helped buoy stock prices, interrupting the downward trend.
In Italy, after dropping sharply in the early part of the year in conjunction with the continuing crisis, the benchmark index for the Italian market (FTSE Italia All Share) regained ground, with the rising trend becoming most apparent in July. For the period as a whole it rose 1.5%.
The international situation also affected the performance of utilities stocks. After the steep decline posted in early 2009, the benchmark index for the sector (DJ STOXX Utilities) turned upwards, accelerating in July. The loss since the start of the year was about 12%. This downward trend reflected a decline in the demand for electricity and commodity prices, which had an impact on energy prices at the European level, developments which are historically correlated with the performance of the sector.
Against this background and after hitting a low in mid-March, the Enel share price recovered. Between the start of the year and the end of July, the stock slipped by 12%, broadly in line with the performance of the industry and the Group's main peers. Alongside the macroeconomic factors driving uncertainty, the stock price was also affected by the successful capital increase in the final part of the period.
Following the capital increase, which involved the issue of 3,216,938,192 shares at a price of €2.48 per share, Enel share capital as of the date of preparation of this

financial report came to €9,403,357,795. According to the shareholders register and other available information, other than the Ministry for the Economy and Finance (with 13.88%) and its subsidiary Cassa Depositi e Prestiti SpA (with 17.36%), no shareholders hold more than 2% of the Company. The size of the Enel shareholdings controlled by the Ministry for the Economy and Finance and by Cassa Depositi e Prestiti SpA has been calculated on the basis of the subscribed and paid-up share capital of the Company as reported in the Company Register as at July 9, 2009 following the completion of the paid capital increase. On June 25, 2009, shareholders were paid the balance of the 2008 dividend in the amount of €0.29 per share, which together with the interim dividend paid on November 27, 2008, of €0.20 per share, brought the total return of the stock to more than 7.8% (calculated on the basis of the average price for 2008), one of the highest in the industry.

For further information we invite you to visit the Investor Relations section of our corporate website (http://www.enel.it), which contains financial data, presentations, on-line updates on the share price; information on corporate bodies and the regulations of shareholders' meetings; as well as periodic updates on corporate governance issues.

We have also created contact centers for individual investors (which can be reached by phone at +39 06 8305 4000 or by e-mail at azionisti.retail@enel.com) and for institutional investors (phone: +39 06 8305 7975 or e-mail: investor.relations@enel.com).

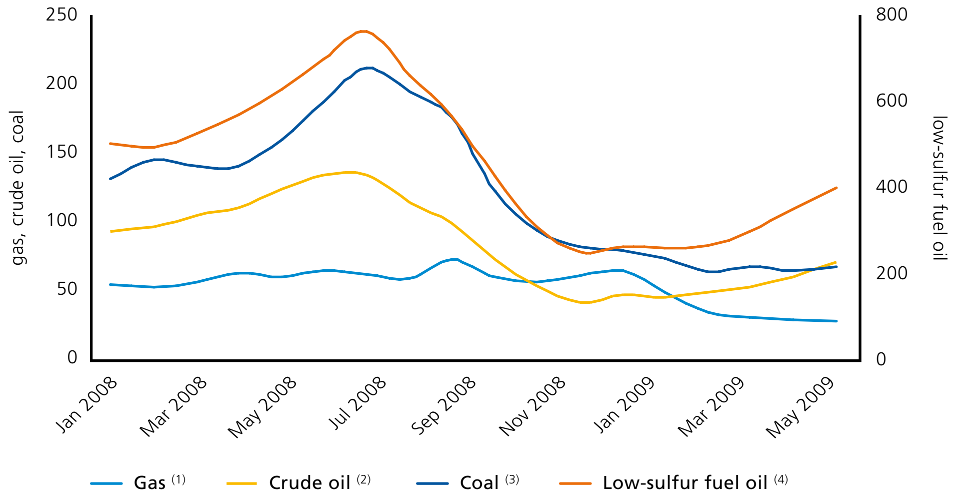
Performance of Enel share price and of the MIB 30, S&P/MIB and FTSE Electricity E300 indices (daily trading volume/listed price) – January 2009 to July 28, 2009



Developments in the main market indicators

The following charts report developments in the main market indicators in the two reference periods.

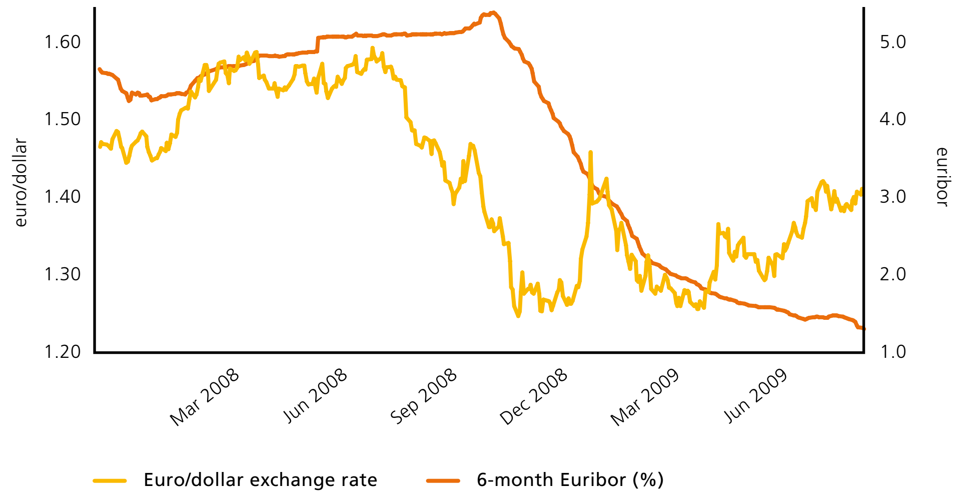
Fuel prices (from January 1, 2008 to June 30, 2009)



(1) Belgium Zeebrugge index (GB pence/therm).
(2) Brent index ($/bbl).
(3) API#2 index ($/t CIF ARA).
(4) Platt's CIF Med index ($/t).

Prices in the fuel market followed a general declining trend over the two periods under the review, mainly attributable to the economic slowdown in all the main international markets. More specifically, crude oil prices fell by 51.6%, with the average Brent price declining from $109.1 a barrel in the 1st Half of 2008 to $52.8 a barrel in the 1st Half of 2009. In the 1st Half of 2009, the average price of coal came to $68.0 a metric ton, a fall of 54.5% compared with the 1st Half of 2008 ($149.5 per ton). The average price of natural gas (Belgium Zeebrugge index) went from 51.5 pence/therm to 37.8 pence/therm, down 26.6%. Finally, the average price of low-sulfur fuel oil decreased by 46.7%, from $565.8 a metric ton in the 1st Half of 2008 to $301.6 a ton in the 1st Half of 2009.

Money market (from January 1, 2008 to June 30, 2009)



Developments in the money markets in the 1st Half of 2009 and the 1st Half of 2008 traced a non-linear pattern, mainly attributable to the financial crisis. The euro/dollar exchange rate went from an average of 1.53 in the 1st Half of 2008 to an average of 1.33, a depreciation of 13.1%. As a result of major changes by the leading European banks, 6-month Euribor plummeted from 4.71% in the 1st Half of 2008 to 1.81% in the 1st Half of 2009 as rates dropped steeply in the final quarter of 2008 and the first of 2009.

Italy

The electricity market

DOMESTIC ELECTRICITY GENERATION AND DEMAND

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			**2009**	2008	Variazioni	
				Gross electricity generation:				
47,976	61,241	(13,265)	-21.7%	- thermal	104,513	131,460	(26,947)	-20.5%
17,121	14,070	3,051	21.7%	- hydroelectric	28,888	22,121	6,767	30.6%
3,319	2,714	605	22.3%	- geothermal and other resources	6,702	5,629	1,073	19.1%
68,416	**78,025**	**(9,609)**	**-12.3%**	**Total gross electricity generation**	**140,103**	**159,210**	**(19,107)**	**-12.0%**
(2,619)	(2,834)	215	7.6%	Auxiliary services consumption	(5,391)	(5,979)	588	9.8%
65,797	**75,191**	**(9,394)**	**-12.5%**	**Net electricity generation**	**134,712**	**153,231**	**(18,519)**	**-12.1%**
11,348	10,273	1,075	10.5%	Net electricity imports	23,918	20,773	3,145	15.1%
77,145	**85,464**	**(8,319)**	**-9.7%**	**Electricity delivered to the network**	**158,630**	**174,004**	**(15,374)**	**-8.8%**
(1,479)	(1,942)	463	23.8%	Consumption for pumping	(2,947)	(3,752)	805	21.5%
75,666	**83,522**	**(7,856)**	**-9.4%**	**Electricity demand**	**155,683**	**170,252**	**(14,569)**	**-8.6%**

Source: Terna - Rete Elettrica Nazionale (monthly report – June 2009). The volumes for 2008 have been adjusted to the final figures for domestic electricity demand published by Terna on July 16, 2009.

Domestic *electricity demand* declined by 8.6% in the 1st Half of 2009 compared with the same period of 2008, reaching 155.7 TWh. Of the total, 84.6% was met by net domestic generation for consumption (87.8% in the 1st Half of 2008) and 15.4% by net imports (12.2% in the 1st Half of 2008). The bulk of the reduction came in the 2nd Quarter of 2009, when demand fell by 9.4% (-7.9 TWh).

Net electricity imports in the 1st Half of 2009 rose by 3.1 TWh (1.1 TWh in the 2nd Quarter), as a result of differences between the two periods in developments in electricity prices in the other European countries compared with those in the domestic market.

Gross electricity generation fell by 12.0% or 19.1 TWh in the 1st Half of 2009, largely attributable to a sharp decline in thermal generation (down 26.9 TWh), partially offset by an increase in hydro generation (up 6.8 TWh) thanks to favorable water conditions. A similar pattern was registered in gross generation in the 2nd Quarter of 2009, which declined by 12.3% (down 9.6 TWh).

The gas market

DOMESTIC GAS DEMAND

2nd Quarter				Billions of m^3	1st Half			
2009	2008	Change			**2009**	2008	Change	
3.0	3.6	(0.6)	-16.7%	Residential and commercial	17.8	17.3	0.5	2.9%
4.0	4.8	(0.8)	-16.7%	Industrial	8.4	10.3	(1.9)	-18.4%
5.9	8.0	(2.1)	-26.3%	Thermal generation	12.9	17.0	(4.1)	-24.1%
0.4	0.6	(0.2)	-33.3%	Other (1)	1.0	<1.2	(0.2)	-16.7%
13.3	**17.0**	**(3.7)**	**-21.8%**	**Total**	**40.1**	**45.8**	**(5.7)**	**-12.4%**

(1) Includes other consumption and losses.

Source: Enel, based on data from the Ministry for Economic Development and Snam Rete Gas.

Demand for natural gas in Italy decreased sharply in the 1st Half of 2009 (down 5.7 billion cubic meters), mainly due to the slowdown in the domestic economy on the heels of the financial crisis, with a consequent reduction in consumption for thermal generation and industrial production. These effects were only partially offset by increased consumption for residential and commercial use, which was largely attributable to cooler weather in the 1st Quarter of 2009.

Regulatory and rate issues

Climate and energy package

On June 25, 2009, the directives constituting the climate and energy package, containing measures concerning European energy policy to counter climate change, went into effect. The package, known as the "20/20/20 Plan" aims to reduce emissions of greenhouse gases by 20% below 1990 levels by 2020 and to increase the share of renewables in energy use to 20% by 2020.

Specifically, Directive 2009/29 provides for the review of the emissions trading scheme with:

> the establishment of emissions caps at the EU level and the consequent elimination of national allocation plans;

> the introduction of auctions to allocate allowances (with exceptions for high-efficiency co-generation, sectors particularly exposed to international competition, countries with issues associated with the level of interconnection and dependence on single fossil fuels);

> restrictions on the use of credits from the clean development mechanism.

Directive 2009/28 establishes the targets for the individual member states for the development of renewable energy resources with:

> the delegation of the task of establishing industry targets to the member states;
> the introduction of cooperation mechanisms between the member states and trading mechanisms for guarantees of origin in the broadest sense;
> limited possibility for virtual trading with non-EU countries.

Finally, Directive 2009/31 introduces measures for the development of carbon capture and storage (CSS) techniques with:

> feasibility studies (availability of appropriate sites, technical and financial feasibility of transport infrastructure, technical and financial feasibility of retrofitting CO_2 capture structures) and, if the findings are positive, anything required to prevent the creation of spaces for the installation of CSS infrastructure for all plants with an installed capacity of up to 300 MW authorized after the entry into force of the Directive;
> the establishment of obligations and liabilities for the operators of geological storage sites;
> the creation of mechanisms to finance demonstration projects.

Proposed directive on industrial emissions

On December 21, 2007, the European Commission published a proposal for a directive concerning "industrial emissions (integrated pollution prevention and control)", which is intended to recast the provisions of seven separate directives, including Directive 96/61/EC – the IPPC Directive (Integrated Pollution Prevention and Control) – concerning the limitation of emissions of a number of pollutants coming from large combustion plants and waste incineration. The goals of the proposed directive include:

> the establishment, beginning in 2016, of binding emission ceilings based on those that are associated with the best available technologies, as described in the best available technologies reference documents (BREFs), thereby significantly limiting the flexibility left to the member states to take account of the technology being used, the geographical location of the plants, and actual local environmental conditions;
> the extension of its field of application to combustion plants with a thermal output of 20 MW or more, compared with the 50 MW threshold of the IPPC Directive.

On June 25, 2009, the European Union's Environment Council reached a political agreement on the proposed Directive, in view of the future adoption of a common position by the Council (modifying the text proposed by the European Commission). It will then be sent to the European Parliament for a second reading no sooner than the autumn, with final adoption likely in early 2010.
The Council's text is less stringent than that initially proposed by the Commission, introducing a transitional period for imposing the new ceilings on existing plants and applying exemptions for plants required to operate under certain conditions (spikes in demand or emergencies). The Council also opposes extending its field of application to combustion plants with an output of less than 50 MW.

Long-term electricity import contracts

Enel has a contract for the import of electricity with Atel (on the Swiss border, expiring on December 31, 2011). The power imported under the contract with Atel is sold to the Single Buyer at a set price and is used to supply the enhanced protection market.

For 2009, with a decree of December 11, 2008, the Minister for Economic Development confirmed the capacity reserve on the Italian-Swiss border for performing the contract, and set a price of €78/MWh for the 1st Quarter of 2009 for sales to the Single Buyer. In addition, the measure established the procedure for updating the sales price, introducing a calculation method based on quarterly indexing of the Single National Price (SNP). For the 2nd Quarter of 2009, the sales price, calculated using this mechanism, was set at €65.87/MWh, while the 3rd Quarter price will be €48.45/MWh.

Sales

"Social rates" decree

Following the interministerial decree of December 28, 2007, defining the standards for applying the offset for expenditures on electricity for residential customers experiencing financial hardship and for those who use "life-saving" electronic medical equipment, the Authority for Electricity and Gas (hereinafter called "Authority"), with Resolution ARG/elt no. 117/08, defined the procedures for applying the new rates with the inclusion of an offsetting rate component in electricity bills. The offset granted (for customers experiencing financial hardship from €60 to €135 for 2008 and from €58 to €130 for 2009) is funded by the new A_S rate component.

As regards the supply of natural gas, Article 3 of the "anti-crisis" decree provided for the introduction, starting from January 1, 2009, of an offset for expenditures by households experiencing financial hardship. The offset, which differs by climate zone and number of household members, is gauged so as to reduce expenditure (net of taxes) by about 15%.

With Resolution ARG/gas no. 88/09, the Authority for Electricity and Gas defined the offsetting procedures, calling for the inclusion of an offsetting rate component in electricity bills for residential customers who have entered into a direct natural gas supply contract, while for those who use centralized heating systems and that do not have a direct supply contract, the bonus will be paid via a bank transfer made out to the beneficiary. The offset granted (from €25 to €160 for families of up to four members; from €40 to €230 for families with more than four members) is funded through the new Gs rate component.

Electricity

Liberalization of electricity sales

Following the auctions to award safeguard services for the 2009-2010 period, out of a total of twelve areas up for bid, Enel Energia, in addition to the areas in the Centre and the South already served in 2008 (with the exception of Tuscany, Umbria and Marche), was awarded the concessions for Piedmont, Valle d'Aosta, Liguria and Lombardy, served by another operator in 2008. The average premium bid by Enel Energia in the eight areas it won was about €21.5/MWh.

For 2009, the Authority also introduced a number of changes safeguarding the transport contract between distributors and safeguard suppliers. Specifically, it introduced the principle of hedging distributors' receivables against possible breaches of transport contracts by the companies providing safeguard services (Resolution ARG/elt no. 143/08) and an obligation for winners of the safeguard service auctions to make payment of at least 90% of the sum of the amounts requested by distribution companies in their geographical areas (Resolution ARG/elt no. 146/08).

Rates and rate updates

With Resolutions ARG/elt no. 190/08 and no. 191/08, the Authority set the enhanced protection service rates for the 1st Quarter of 2009, reducing final rates for residential customers (consumption of 2,700 kWh and committed capacity of 3 kW) to about €171.5/MWh, about 5.1% less than the previous quarter. More specifically, the Authority lowered the PED component for sourcing and dispatching costs by about €15/MWh to €97.27/MWh. The Authority also introduced the PPE component covering imbalances in the equalization system for 2008, set at €5.25/MWh, while maintaining the UC1 component, which was reduced to €1.5/MWh, covering the residual equalization deficit for 2006 and 2007. In order to accelerate recovery of equalization receivables by the sales companies serving the enhanced protection market, Resolution no. 190/08 established that the PPE component shall be withheld directly from the latter as an advance on the final payments by the Electricity Equalization Fund.

With Resolutions ARG/elt no. 35/09 and no. 36/09, the Authority set the rates for the enhanced protection service for the 2nd Quarter of 2009, producing a final rate for the average residential customer of about €168/MWh, a reduction of 2% compared with the 1st Quarter of 2009. More specifically, the PED was reduced by about €3.8/MWh to €93.45/MWh.

The Authority also adjusted the $DISP_{BT}$ component from the previous quarter, raising rate revenues covering selling costs for enhanced safeguard suppliers. This step was taken in response to information acquired from operators showing that writedowns of receivables were greater than those reflected in rates in 2008. Payment of the higher rate revenues to the companies operating the enhanced protection service will take place for 2008 through the compensation mechanism envisaged in Resolution ARG/elt no. 25/08 to correct any imbalances between revenues from the RCV component (coverage of sales costs) and actual costs. For 2009, the revenues will be channeled directly through the RCV component, increased as from April 1, 2009, to take account of greater charges in respect of writedowns of receivables.

With Resolution ARG/elt no. 34/09, the Authority directed Terna to take rapid action to determine load profiling adjustments for 2007, establishing the invoicing procedures. The Authority also postponed the load profiling adjustment for 2008 from May 31 to September 30, 2009.

With Resolutions ARG/elt no. 78/09 and no. 80/09, the Authority set the rates for the enhanced protection service for the 3rd Quarter of 2009, producing a final rate for the average residential customer of about €166/MWh, a reduction of 1% compared with the previous quarter. More specifically, the PED was reduced by about €3/MWh to €90.5/MWh, while the A3 component, intended to encourage the use of renewable resources and the like in electricity generation, was increased by €1/MWh to about €8/MWh.

Rules for the sale of CIP 6 electricity by the Electricity Services Operator (ESO)

The decree of the Minister for Economic Development of November 25, 2008 established the procedures for assigning CIP 6 electricity to the market for 2009, setting a price for the 1st Quarter of €78/MWh and leaving unchanged the formula for updating the price during the year. The total quantity to be assigned declined to 4,300 MW, of which 20% to the Single Buyer for supplying customers in the enhanced protection market. For the 2nd Quarter of 2009, the price, as updated using the above formula, was set at €65.87/MWh, while the 3rd Quarter price will be €48.45/MWh.

Inquiries and fact-finding investigations

With Resolution VIS no. 68/08, the Authority initiated a fact-finding investigation of a number of potential irregularities in the application of safeguard service regulations. This investigation is in response, in particular, to a number of reports by Exergia (which was awarded the contract for the northern areas for the period May-December 2008) to the Authority concerning alleged failures by Enel to fulfill its obligations concerning the transmission of customer information and the assignment of withdrawal points. Exergia is also suing Enel Distribuzione and Enel Servizio Elettrico before the Rome courts for damages. With Resolution VIS no. 35/09, the Authority published the results of its investigation, acknowledging Enel Distribuzione's impartiality towards those providing safeguard services and indicating the timing and number of the irregularities discovered.
This resolution has not yet led to the opening of a formal investigation.
On October 2, 2008, the Competition Authority began proceedings for abuse of dominant position (A/410) against Enel Distribuzione, Enel Servizio Elettrico and Enel SpA. The Competition Authority is claiming that the two Group companies involved in safeguard services from July 2007 to April 2008 blocked the entrance of a competitor (Exergia) into this market. According to Exergia, the information provided by the Enel companies was incorrect, incomplete and, in a number of cases, provided late. Exergia is also alleging that Enel Distribuzione demanded payment of amounts that were not actually due; for this reason, Exergia did not pay transport fees for services regularly provided by the distributor in the meantime.
In order to complete the proceedings as soon as possible , the parties submitted commitments consisting of a series of measures aimed at stimulating competition in the retail market (universal, free pre-check service offered by Enel Distribuzione) and to make more efficient customer management for safeguard services possible.
On June 25, 2009, the Competition Authority authorized the publication of the commitments, requiring a market test. The market test, begun on July 1 with the publication of the commitments on the Competition Authority's website, will be completed by July 31, 2009 and will precede the final decision that the Competition Authority will make on the commitments submitted. If accepted and made mandatory, this will lead to the closing of the procedure without a finding of any infraction.
On December 23, 2008, the Competition Authority opened proceedings (IP/49) for failure to comply with its ruling of September 4, 2008 (PS/91). The Competition Authority claims that Enel Energia has continued the actions for which it was sanctioned in the PS/91 proceeding. Specifically, in November and December 2008 the Authority received complaints from consumers alleging the activation of connections that they had not requested, some of which by telephone. On May 14, 2009, the Competition Authority closed the proceeding, imposing a €50,000 fine on Enel Energia.
On January 22, 2009 the Competition Authority closed proceeding PS/491 without imposing any sanctions on Enel Energia, which had been charged with allegedly failing to read and check metering equipment and issuing estimated invoices for electricity that did not correspond with actual consumption.
On March 26, 2009, the Lazio Regional Administrative Court partially granted the appeal lodged by Enel SpA and Enel Energia against the ruling of the Competition Authority at the conclusion of proceeding PS/91, considering that advertising is not in itself a commercial practice but rather is an integral part of the broader practice of selling Enel Energia products. The partial grant of the appeal resulted in the voidance of two fines (each of €100,000) levied by the Competition Authority on Enel SpA and Enel Energia.

Integrated Code for the sale of gas (TIVG) – Resolution ARG/gas no. 164/08

Within the TIVG, the Authority introduced new arrangements for protecting end users in the natural gas market. Among other things, the provisions of the measure guarantee the supply prices set by the Authority for residential customers only and, starting from October 1, 2009, will remove protections for non-residential customers with consumption in excess of 200,000 cubic meters a year that have not yet switched to the free market; they will be removed by October 1, 2010 for other non-residential customers.
The resolution also modifies the criteria for calculating the components for remunerating the costs of procuring raw materials (CCI) and retail sales (QVD). The Authority modified a number of the factors contained in the formula for updating the CCI. Nevertheless, the CCI has remained unchanged following this modification. The Authority increased the QVD from €39.40 to €43 for each customer served. In addition, the Authority modified the structure of the component, changing it from a variable amount – based on cubic meters of gas consumed – to an almost fixed amount that is the same for every customer, regardless of volume consumed. While the new approach better reflects sales costs, which are virtually independent of volume consumed, it also increases the costs incurred by low-volume customers. To compensate the higher costs for these customers, the resolution introduces a component in the distribution rate that offsets the value of the QVD component.

Rates and rate updates

As provided for in Article 3, paragraph 8, of Decree Law 185/08, in order to ensure that rates decline in line with the decrease in the prices of petroleum products, the Authority for Electricity and Gas eliminated the invariance thresholds to which updates in supply prices are linked (Resolution ARG/gas no. 192/08). With the same measure, the Authority updated natural gas prices for the 1st Quarter of 2009, setting a price of 79.33 eurocents/m^3.
With Resolution ARG/gas no. 40/09, the Authority updated the supply prices for natural gas for the 2nd Quarter of 2009, setting a price of 73.41 eurocents/m^3, a reduction of 7.5% on the previous quarter. The increase in the component covering transport and storage costs partially offset the impact of the steep drop in the raw materials component.
In the 1st Half of 2009, the decrease in the raw materials component with respect to the 4th Quarter of 2008 came to 18.8% and is attributable to the fall in the international prices of petroleum products as from the 2nd Half of 2008.
With Resolution ARG/gas no. 82/09 the Authority updated the supply prices for natural gas for the 3rd Quarter of 2009, setting a price of 68.32 eurocents/m^3, a reduction of 7.7% on the previous quarter. In particular, the component covering raw material costs was reduced by about 24%.

Generation and Energy Management

"Anti-crisis" law

Law 2/2009 (the "anti-crisis" law) ratifying Decree Law 185/08 of November 29, 2008, introduces new provisions governing the wholesale electricity market and end-user rates. More specifically, Article 3 of the law establishes that the Authority shall adopt measures to adjust electricity and gas prices to reflect the current decline in oil prices and gives the Authority the power to propose that the government adopt mechanisms to foster competition in areas where market irregularities are detected. In addition, Article 3 also sets out guidelines for the possible introduction of a new system for the formation of exchange prices based on the payment to generators of the price offered by each plant, rather than the price set by the marginal plant as envisaged under the current system.

Pursuant to Article 3, paragraph 8, of Law 2/2009, on February 27, 2009, the Authority submitted to the government PAS no. 3/09, with which it proposes the provision of virtual capacity (Virtual Power Plant) by a number of operators to promote competition in Sicily and Sardinia. More specifically, as regards Enel Produzione, the PAS suggests the sale of 1,840 MW in Sicily and 450 MW in Sardinia.

Consistent with the path of reform set out in Article 3 of the measure, on April 29, 2009 the Ministry for Economic Development issued a decree containing instructions and deadlines for crafting the new market rules. Specifically, the decree:

> requires that the Intraday Electricity Market be up and running by October 31, 2009 and that measures be adopted to promote the development of the Forward Energy Market managed by the Electricity Market Operator;
> establishes that the reform of the Ancillary Services Market be completed by January 1, 2010;
> postpones the adoption of the new system for setting prices in the Day-Ahead Market until April 1, 2012, with annual assessments on the status of the market adjustment process to be performed by the Ministry for Economic Development starting in 2010.

Article 3 of Decree 78 of July 1, 2009 addresses energy issues. Among other things, it requires those who in the 2007-2008 gas year delivered on the domestic transport network a share greater than 40% of the total natural gas intended for the domestic market to offer, at a price set by the Ministry for Economic Development at the recommendation of the Authority, a quantity of gas equal to 5 billion cubic meters for the 2009-2010 gas year. This price will be set with reference to the average prices in major European markets and to the structure of provisioning costs of gas incurred by the seller. In addition, the decree requires the Authority to introduce degressive elements in gas transport rates, effective as from the start of the next regulatory period, and the use of storage services even for industrial end users and thermoelectric plants.

"Ancillary Services Market" (ASM)

At the end of 2008, the Authority introduced a number of changes to the rules governing ancillary services for 2009.

With Resolution ARG/elt no. 203/08, the Authority eliminated the possibility for Terna to submit supplementary bids, reduced the imbalancing deductible for consumption units and provided for their participation in the adjustment market.

With Resolution ARG/elt no. 206/08, the Authority established an incentive system for Terna with regard to provisioning on the ASM with a view to limiting costs for end users. The system is based on provisioning volumes, with a minimum efficiency objective for 2009 equal to the volume of electricity sourced in 2008. A reduction of 2009 volumes of up to 5% with respect to the minimum efficiency objective will trigger a bonus of up to €20 million. Greater reductions, up to 13%, will be rewarded with up to €20 million in additional bonuses. Conversely, the system provides for penalties if the target level is exceeded. Penalty is equal to zero for overshoots of up to 5%, while overshoots of between 5% and 15% are subject to a maximum penalty of €5 million.

With Resolution ARG/elt no. 52/09, pursuant to Article 3, paragraph 11, of Law 2/09, the Authority revised the rules governing plants essential to the security of the electrical system that will be applied as from January 1, 2010. Terna must identify essential plants and their groups to be subject to the new rules governing binding bids on the Day-Ahead Market/Adjustment Market and ASM. Owners of these plants may be exempt from administrative requirements by entering into forward contracts. Enel Produzione challenged Resolution ARG/elt no. 52/09.
On June 23, 2009, the Council of State held a hearing on Resolution ARG/elt no. 97/08, involving the appeal by the Authority and Terna of the Regional Administrative Court decision handed down in February 2009. In its extract published on June 25, the Council of State:
> fully denied the Authority's appeal;
> partly denied Terna's appeal and ordered an investigation into the issue of the damages awarded by the lower court to Enel Produzione, most likely to determine the amount, letting stand the finding of Terna's liability.

In light of the Council of State's decision, the full text of which has yet to be published, Resolution ARG/elt no. 97/08 has been definitively repealed.

Green certificates charges for 2003 and 2004

With Resolution ARG/elt no. 26/09, the Authority recognized the costs incurred by Enel Produzione in respect of the requirement under Article 11 of Legislative Decree 79/99 for the first three months of 2004, calculated with regard to electricity generated from non-renewable resources and delivered to the regulated market in the first three months of 2003, in the amount of more than €20 million.
The Council of State hearing of the appeal lodged by the Authority concerning Enel Produzione's payment of the green certificate charges for 2003 is pending.
In addition, a Council of State hearing date concerning Enel Produzione's appeal of Resolution 101/05 relating to 2002 green certificate charges for pumping stations has yet to be scheduled.

Inquiries and fact-finding investigations

With Resolution VIS no. 3/09, the Authority for Electricity and Gas initiated an inquiry to assess price formation developments in the final months of 2008 in the electricity market, with specific reference to Sicily. With Resolution VIS no. 15/09, the deadline for completing the inquiry was extended to April 30, 2009 and to date the findings are still pending.

Emissions trading

In the 1st Half of 2009, the emissions produced by Enel Produzione amounted to 17.2 million metric tons. Considering allowances assigned under the national allocation plan, calculated on a pro rata basis for the period in the amount of 18.3 million metric tons, at June 30, 2009 there was no deficit.

Obligation to offer imported gas at the Virtual Trading Point (VTP)

The decree of the Minister for Economic Development of March 19, 2008 established the sales procedures for importers on the regulated market for gas produced outside of the European Union. With Resolution ARG/gas no. 112/08, the Authority for Electricity and Gas established the bid procedures on the Virtual Trading Point (VTP) for gas subject to supply obligations for the months in the period from November 2008 to March 2009 and for annual lots. Resolution ARG/gas no. 24/09 confirmed the bid procedures for the months from April 2009 to September 2009. Enel's share offered at the VTP for the 2008-2009 gas year is about 6 million cubic meters. The auction procedure for winter lots (equal to 3.5 million cubic meters) was completed on October 13, 2008, with the allocation of all lots offered. None of the summer lots was allocated at the March 24, 2009 auction as the prices bid were below the minimum sales price set by Enel Trade.

Infrastructure and Networks

Functional and accounting unbundling

On September 23, 2008, with Resolution ARG/com no. 132/08, the Authority published the guidelines for the definition of compliance plans, which must be prepared by the independent directors of companies required to adopt functional separation. In compliance with the unbundling requirements, on April 16, 2009 the functional separation of Enel Distribuzione got under way. Specifically, the new members of the Board of Directors of Enel Distribuzione were selected, satisfaction of the independence requirements for certain directors was verified and the governance rules and the organizational and management structures were established. By December 31, 2009, all the steps necessary to achieve the functional separation of Enel Distribuzione should be completed.

Energy efficiency

With Resolution EEN no. 36/08, the Authority for Electricity and Gas updated the rate contribution for Energy Efficiency Certificates for 2009, currently equal to €100/toe, setting a new contribution of €88.92/toe on the basis of a mechanism inversely linked to developments in the average annual level of residential rates for electricity and gas and the price of diesel fuel for vehicles. The update will reduce or increase the contribution if there was an average increase or decrease in the previous year, respectively.

Resolution EEN no. 2/09 of March 4, 2009 redetermined the specific energy savings objectives for 2009 for obligated distributors. Enel's obligation is 1.74 Mtoe, 54% of the total obligation, a 45% increase over 2008, in line with the increase in national objectives.

Enel Rete Gas achieved 100% of the specific energy savings objectives for 2008 set by Resolution EEN no. 1/08, while Enel Distribuzione reached 90% of its target. The mechanism contains sanctions for distributors that apply only if they fall below 60% of the target amount. However, the distributor is required to offset the missing portion (0.1 Mtoe) by the end of the following year.

Electricity

Distribution rates

With Resolution ARG/elt no. 188/08 of December 19, 2008, the Authority for Electricity and Gas updated transmission, distribution and metering rates for 2009. The average unit distribution and metering rate was raised by 2.6% compared with 2008. The change was made using new criteria established with the start of the 2008-2011 regulatory period, which call for an X-factor of 1.9%, applied only to the rate component covering operating costs and the depreciation and return-on-capital components updated using the deflator for gross fixed investment and new investment. In the previous regulatory period, the X-factor, equal to 3.5%, had been applied to the operating costs and depreciation components, while the change to take account of new investment was applied only to the return-on-capital component.

With Resolution ARG/elt no. 31/09 of March 18, 2009, the Authority defined the procedures for transferring (as from April 1, 2009) revenues in respect of the high-voltage power lines sold to Terna from distribution rates to transmission rates. Specifically, the measure provides for the transfer of revenues covering direct costs, leaving with Enel Distribuzione the revenues from extra efficiency gains achieved in the past and retained through the profit sharing mechanism. The Authority quantified, on a preliminary and pro-forma basis, the revenues for covering costs directly pertaining to the lines at €129 million for 2008.

Inquiries and fact-finding investigations

With Resolution no. 237/06 the Authority initiated a formal inquiry (later extended with Resolution no. 314/07) into Enel Distribuzione for failing to meet the obligation of making at least one attempt per year to read the meters of customers with committed capacities of up to 30 kW, as required by Resolution no. 200/99. With Resolution VIS no. 22/09, following the completion of the inquiry during which Enel demonstrated the fulfillment of all commitments undertaken with end users with a view to eliminating or reducing sanctions for the alleged violations, the Authority levied a fine of €2 million on Enel Distribuzione.

Gas

Distribution rates

With Resolution ARG/gas no. 159/08, the Authority defined the methodology for determining gas rates for the new 2009-2012 regulatory period. The rate component covering operating costs (which is subject to an X-factor of 3.2%) is determined on the basis of unit values in relation to the size of the company and the density of its customer base, while the component covering capital costs is determined on the basis of the balance sheet of the individual companies.
In order to determine the regulatory asset base (RAB), the revalued historic cost criterion was extended to all rate areas, replacing the parametric approach used in the previous regulatory period. In the absence of detailed cost data for acquisitions before 2004, the asset values are recognized in the balance sheet.
With Resolution no. ARG/gas no. 79/09, the Authority published the new mandatory distribution rates in force from July 1, 2009, spread over six rate areas, rather than the more than 2,000 areas used previously. The reference rates will be published in a separate resolution by December 31, 2009, following the results of the fact-finding investigation carried out by the Authority to verify the information submitted by distributors. There will be an equalization of the difference between the revenues obtained by applying the reference rates for all of 2009, and the revenues resulting from the application of the old rates for the 1st Half of 2009 and the new, mandatory rates for the 2nd Half of 2009.

Natural gas distribution concessions

As provided by Art. 23 of Decree Law 273/2005, the transition period, introduced by the Letta Decree for concessions not granted through tender or, in any case, granted for a period not to exceed 12 years starting from December 31, 2000, is set to expire on December 31, 2009. At this point, approximately 50% of Enel's concessions will expire on that date.
Under Decree Law 159/07, ratified with Law 222/2007, and the bill approved by Parliament on July, 9, 2009, containing "measures for the development and international expansion of enterprises and concerning energy", the Ministry for Economic Development, along with the Ministry for Regional Affairs, after

consultation with the Authority and the State-Regions unified conference, must prepare the service contract and the model call for tender containing the criteria for evaluating bids for awarding the gas distribution service contract, in addition to setting the minimum geographical areas covered by the tenders.

Resolution no. 40/04 – safety of gas installations

Resolution ARG/gas no. 32/09 postponed the entry into force (originally scheduled for April 1, 2009) of Title III of Resolution no. 40/04 concerning inspections of modified or reactivated gas installations, pending definition of the new rules governing such plants introduced by the Ministry for Economic Development (Ministerial Decree no. 37/08).

Inquiries and fact-finding investigations

With Resolution VIS no. 110/08 of December 12, 2008, the Authority alleged that in 2007 Enel Rete Gas had violated its obligation to arrive at sites requiring service within 60 minutes of receiving the service call for at least 90% of the calls received concerning 2 plants (Fraconalto and Casaleggio Boiro). Enel Rete Gas responded to the request for information made by the Authority in the course of disputing the violation. The results of the Authority's inquiry have yet to be released.

Renewable Energy

Support of electricity generation from renewables

On February 5, 2009, the Electricity Services Operator (ESO) notified operators of the reference price for green certificates for 2009: €88.66/MWh, equal to the difference between the initial reference price (set at €180/MWh in the 2008 Finance Act) and the annual average sales price for electricity in 2008, defined by the Authority in Resolution ARG/elt no. 10/09.
In addition, the ESO also announced the guaranteed withdrawal price (up to June 2009) for green certificates issued for generation in 2006, 2007 and 2008 (with the exception of those regarding co-generation plants connected with distance heating) at €98/MWh. This corresponds to the weighted average price in green certificate trading on the market run by the Electricity Market Operator in 2006-2008.

Hydroelectric and geothermal rent

With Resolution ARG/elt no. 63/09, the Authority set the level of the fixed costs for seven geothermal plants owned by Enel Green Power and ordered the Electricity Equalization Fund to determine the portion of the hydroelectric and geothermal rent for the year 2001 to be repaid to the company since actual fixed costs exceeded the average estimated costs by €3.4 million.

Regulatory and rate issues

Iberia and Latin America

Spain

Resolutions of the Ministry of Industry of April 19 and May 29, 2007

With regard to the Resolution of the Ministry of Industry of April 19, 2007, as amended, concerning virtual power plant auctions to be held, first, on a quarterly basis and then on a half-yearly basis, on March 24, 2009, the seventh auction was held for a total virtual capacity of 2,230 MWs (six-month equivalent MW) divided into 1,700 MWs of base-load power (with a strike price of €22/MWh) and 530 MWs of peak-load power (with a strike price of €29/MWh) with delivery as from April 2009. Endesa participated in the auctions with a 50% share of the total power to be awarded. A total of 1,260 MWs were awarded.

With regard to the Ministry of Industry resolution of May 29, 2007, concerning CESUR auctions (*Compra de Electricidad para el Suministro de Ultimo Recurso*), on March 26, 2009, the eighth auction was held. Twenty-one operators were awarded quarterly supplies as from the 2nd Quarter of 2009 for a total of 2,400 MW at a price of €36.58/MWh for base-load power and 450 MW at €38.22/MWh for peak-load power. As regards the purchase obligations of distributors for the eighth auction, Endesa was assigned 38% of the electricity auctioned. The ninth auction was held on June 25, 2009. Twenty-nine operators were awarded quarterly supplies as from the 3rd Quarter of 2009 for a total of 4,800 MW at a price of €42/MWh for base-load power and 670 MW at €47.60/MWh for peak-load power. Thirty operators were awarded quarterly supplies as from the 4th Quarter of 2009 for a total of 5,000 MW at a price of €45.67/MWh for base-load power and 670 MW at €51.31/MWh for peak-load power. As to the purchase obligations of suppliers of last resorts (*Comercializadores de Ultimo Recurso* - CUR) for the ninth auction, Endesa Energia XXI must purchase 41%, 46%, 41% and 33%, respectively, of the energy auctioned for each product.

Ministerial Order 3789/08

On December 29, 2008, the Ministry of Industry published Ministerial Order 3789/08 concerning mandatory forward trading for distributors in the 1st Half of 2009. As from January 1, 2009, a number of distributors, including Endesa, participated in weekly auctions for the purchase of electricity on the forward market (OMIP).

Ministerial Order 3801/08

On December 31, 2008, the Government published Ministerial Order 3801/08 setting electricity rates for 2009 and amending a number of important aspects of the Spanish electricity market. In January 2009, the average increase in final rates was 3.4% for low-voltage customers and 3.8% for high-voltage customers; access rates rose by an average of 38.9%.

The Ministerial Order also made a number of changes, including:

> a change in the structure of the social rate, with the elimination of its progressive nature. The free 12.5 kWh/month of power has been eliminated, as has the surcharge on consumption over 500 kWh/month;

> the abolition of the G4 high-voltage rate for major users, with a transition

period in which the price paid at the end of 2008 will be raised by 5% per month beginning in January 2009 until the entry into force of the TUR (*Tarifa de Ultimo Recurso*), scheduled for July 1, 2009;
> the updating of rates, bonuses and upper and lower limits for plants powered by renewables pursuant to Royal Decree 661/2007.

Ministerial Order 1723/09

On June 29, 2009 Ministerial Order 1723/09 was published, setting the access rates to be applied starting July 1, 2009. The average increase came to 15.2% for low-voltage rates and 28.3% for medium/high-voltage rates.

CNE Board meeting of March 17, 2009

During the ordinary session of the CNE Board meeting, the Authority amended the Resolution of July 3, 2008 concerning the list of main and dominant operators in the Spanish electricity market, granting the appeal lodged by Acciona and Enel. Following the amendment, Enel (as a foreign operator in Spain) is no longer a main and dominant operator in the free market and, unlike Endesa, is not subject to the three conditions regarding the:
> possible requirement to participate in virtual power plant auctions;
> prohibition on the purchase of electricity outside the Iberian market (Mibel);
> limits on operation under the special regime.

Ruling of the *Tribunal Supremo* of January 28, 2009

The third section for administrative litigation of the *Tribunal Supremo* voided the seventh temporary provision of Royal Decree 1634/2006 that provided for the suspension of capacity payments for nuclear power plants. The decision essentially grants the appeal lodged by Endesa in February 2007.

Royal Decree 485/2009

With Royal Decree 485/2009 of April 3, 2009, the government reformed the Spanish electricity system, with the definitive abolition of the integral rate. As from July 1, 2009, the Ministry will set, on an at least half-yearly basis, the so-called *Tarifa de Ultimo Recurso* (TUR) for low-voltage customers with a contractual power supply of up to 10 kW (about 60% of low-voltage consumption in 2008) served by a supplier of last resort. The Royal Decree also designates five companies, including Endesa, with sufficient resources to act as the supplier of last resort (the other four are Iberdrola, Unión Fenosa, Hidrocantabrico and E.ON).
The algorithms used to calculate the TUR were defined in Ministerial Order 1659/09 of June 22, 2009 (please see next section).
In order to ensure the security and continuity of supply, the suppliers of last resort will also serve customers not eligible for the TUR who are temporarily without a valid supply contract. The price will be set by the Ministry for Industry and will evolve over time in order to give the customer an incentive to find a supplier.

Ministerial Order 1659/09

Ministerial Order 1659/09 was published on June 23, 2009 and establishes the mechanism for switching rate-based customers to the supplier of last resort regime and defines the process for calculating the structure of the *Tarifa de Ultimo Recurso* (TUR).
Starting July 1, 2009, rate-based service will no longer be provided by distributors, but by the CURs (*Comercializadores de Ultimo Recurso*) envisaged by Royal Decree 485/2009.

The TUR includes electricity generation, access and selling costs. The estimated electricity generation cost is calculated quarterly, based on the forward prices of the CESUR and OMIP auctions. The formula takes into account a risk premium, capacity payments and grid losses.
Based on the above calculation method, the Ministry, with its Resolution of June 29, 2009, set the TUR for the 2nd Half of 2009 at a rate 2% higher than the comparable integral rate in effect through June 2009. The TUR – without hourly discrimination – is equal to about €135/MWh.

Resolutions of the *Comisión Nacional de la Competencia* (CNC) of April 6, 2009

The Spanish antitrust authority, CNC, issued four resolutions fining Endesa, Iberdrola, Unión Fenosa and Viesgo for abuse of a dominant position in the electricity distribution market for having denied the British company Centrica information on delivery points it needs to compete in the market.
In determining the size of the fine, the CNC took into consideration the fact that distribution companies Endesa, Iberdrola and Unión Fenosa also engaged in discriminatory conduct, denying Centrica access to information that was transmitted to their own sales organizations. Out of the total fine of €35.8 million, Endesa was fined €15.3 million. Endesa has announced that it will appeal the decision.

Ministerial Orders 1721/09 and 1722/09

On June 29, 2009, Ministerial Orders 1721/09 and 1722/09 were published. They regulate the deduction of CO_2 emission rights granted without charge for 2007, 2008 and the 1st Half of 2009. The deduction applies to all power plants covered by the country's ordinary regime, whether or not they receive free emission rights. The amount of the reduction was calculated based on the market prices per metric ton of CO_2, the number of rights granted, the amount of electricity generated and the plants' emission factors.

Royal Decree Law 6/2009

On May 7, 2009, Royal Decree Law 6/2009 was published, containing a variety of measures concerning the electricity sector, including:

- the definition of a solution to the system deficit issue, with the creation of a securitized fund guaranteed by the State to which receivables in respect of the coverage of the deficit recognized and not securitized prior to December 31, 2008, and those that will be produced subsequently until December 31, 2012 can be transferred; the measure also establishes that future access rate adjustments will be calibrated to ensure, as from 2013, sufficient system revenues to cover all costs of regulated activities, ending the creation of ex ante deficits;
- the introduction of a social measure – the "bono social" – which provides for a discount for certain customer categories, the financing of which will be borne entirely by generation companies (Endesa will contribute with a share of 36.77%);
- the elimination of the CO_2 deduction (under Decree Law 11/2007) as from July 1, 2009;
- the allocation to nuclear power operators of charges in respect of the second part of the nuclear fuel cycle (handling of radioactive wastes and spent fuel);
- the gradual transfer of excess costs for extra-peninsular generation to the State budget (between 2009 and 2012).

Resolution of the Ministry of Industry of May 22, 2009

In accordance with Order ITC/913/2006 of March 30, 2006, the Ministry issued the Resolution of May 22, 2009, published on June 2, 2009, approving the rules for payment settlement and guarantees for the island and extra-peninsular system. This allows the system operator to make monthly payment of the amounts owed. The publication of these rules was necessary to ensure that the remuneration for power plants in the island and extra-peninsular system is determined in accordance with the requirements contained in Order ITC/913/2006 (which defines the methodology for calculating the cost of fuel and the procedure for dispatching and settling electricity) and Order ITC/914/2006 of March 30, 2006 (which defines the methodology for calculating the remuneration of the capacity guaranteed by plants operating under the ordinary system). Starting from March 2006, suspended payments must be made by the system operator by the end of the month in which the Resolution takes effect (June 3, 2009).

Resolution of the Ministry of Industry of May 28, 2009

The Ministry authorized application of joint assignment of capacity for Franco-Spanish interconnection starting from June 1, 2009. Specifically:

- explicit auctions will be held annually, monthly, daily and intra-daily;
- bids will be arranged in decreasing order; those accepted will be measured at the marginal price;
- in the event of curtailment, those assigned capacity will receive compensation at the market price (with a cap).

Ministerial Order 1549/09

On June 10, 2009, the Ministry of Industry published Ministerial Order 1549/09, setting out the rules for identifying financial instruments to hedge price differences between Spain and Portugal for use in cross-border transactions on the intra-regional Mibel market.
Under the order, an auction mechanism for assigning contracts for differences will be introduced alongside the market-splitting mechanism for managing interconnections in place since July 2007. Specifically, there will be three types of contracts that will be assigned based on ascending auction mechanisms, the initial price for which will set at a sufficiently low amount to ensure adequate competitive pressure.

Comisión Nacional de la Competencia (CNC) Proceeding S/159/09 of June 24, 2009 (CUR Migration)

On June 24, 2009, the Investigative Unit of the Spanish antitrust authority, CNC, opened a proceeding against the distribution companies Endesa, Iberdrola, Hidrocantabrico, Unión Fenosa and E.ON for allegedly engaging in anti-competitive practices in supplying electricity to end users. These practices allegedly involved distributors temporarily suspending computerized access to the information required for end users to switch sales company.
On July 1, 2009, the CNC approved the adoption of precautionary measures intended to restore computerized access to information and to guarantee that customer migration will be routinely carried out for independent sales companies providers. The CNC has up to 18 months to initiate the process for adopting a resolution.

Resolution of the Ministry of Industry of June 26, 2009

On June 29, 2009, Ministry Resolution of June 26, 2009 was published, establishing the conditions for applying the "bono social". Starting July 1, 2009, the following residential customers who are natural persons who have a TUR withdrawal point will be entitled to the "bono social":

- customers with a contractual power supply of up to 3 kW will automatically be eligible;
- customers who are 60 years or more of age who receive a minimal pension, those from large families (as defined by Law 40/2003) and customers belonging to families whose members are all unemployed are eligible upon submission of documents proving status.

Ministerial Order 1785/09

On July 4, 2009, Ministerial Order 1785/09 was published. The order sets the date for termination of operation at the Garoña nuclear power plant as July 6, 2013, authorizing its operation until that time. The Ministry therefore renewed the license to operate the plant for four years (the previous license expired on July 5, 2009), that is, two years beyond the plant's useful life (40 years), despite that fact that the Spanish nuclear safety board (Consejo de Seguridad Nuclear - CSN) published a report on June 5 that came out in favor of renewing the license for 10 years, as requested by NUCLENOR (the company that owns the plant, controlled 50% by Endesa) on July 3, 2006.

Emissions trading

In the 1st Half of 2009, Endesa produced emissions totaling around 14.7 million metric tons. Allowances assigned under the national allocation plan, calculated on a pro rata basis for the same period, amounted to 12.8 million metric tons. The deficit of 1.9 million metric tons as at June 30, 2009 is covered by CER and EUA credits as provided by Community and national regulations (maximum deficit coverage with CERs equal to 42%).

Argentina

Rate updates

Following the rate increases introduced in 2008 and despite the fact that the regulator, ENRE, established a number of exceptions to the increase for certain categories of customer, in the early months of 2009 there were a number of protests by consumers affected by the rate hike. The Defensor del Pueblo has come to the defense of some consumers in the federal courts: as a precautionary measure in respect of the administrative litigation, on January 28, 2009, a judge ordered the three distribution companies Edenor, Edesur and Edelap to refrain from cutting off non-paying customers. On May 12, 2009, ENRE exempted residential customers and social and cultural entities in the region of Buenos Aires from the increase in electricity rates, established with Resolution ENRE no. 628/08 for consumption in excess of 1,000 KWh per two-month period, provided that they lack water or gas supplies.

Integral Rate Revision

Despite the start of the procedure for the integral rate revision (RTI) of the distribution companies Edenor, Edesur and Edelap (which was initially scheduled to take effect in February 2009), on February 20, 2009 the government decided to freeze the process, which, according to the agreements reached with Edenor, Edesur and Edelap in 2008, was supposed to have set new distribution rates for a 5-year rate period.

Distribution

On June 2, 2009, ENRE temporarily suspended its approval of the distribution of dividends by Edesur for 65.5 million pesos (about €15 million), based on the concession agreement under which the approval of the regulator is required for the redistribution of profits and for company investment plans.

Brazil

Rate updates

As part of the second distribution rate revision cycle conducted by the Brazilian regulator, ANEEL, following the consultation carried out in the early part of the year, on March 15, 2009, the rate revision for the distribution company Ampla came into force, with an average increase of 0.82% for end users (-1.23% for low-voltage customers, between -1.05% and +5.04% for high-voltage customers) and an increase of 2% of the distribution component. This revision recognizes all the investments made during the previous rate period (2003-2008). A considerable reduction in commercial losses pertaining to the grid are expected during this second regulatory period.

On April 22, 2009 ANEEL approved the annual revision and the final periodic revision of the final rates for Coelce, leading to a 6.06% increase in the distribution component and a final increase of 10.89% for low-voltage customers and an average increase of 12.11% for high-voltage customers. These are significant increases, due, for the generation component, to the effects of the electricity auctions which caused thermal energy to have a greater weight in the country's production mix.

Cross-border trading

On February 17, 2009, the regulator, ANEEL, authorized the interconnection company CIEN (90% controlled by Endesa), which manages the interconnection between Brazil and Argentina, to receive compensation for transporting electricity exported by Brazil to Argentina and Uruguay for 9 months in 2009. The transport of electricity will be authorized provided that it does not compromise the security of the Brazilian interconnected system.

Chile

Update of nodal prices

On January 21, 2009, the Comisión Nacional de Energía (CNE) updated electricity rates. The update, with retroactive effect as from January 19, 2009, is the result of a new indexation mechanism for the nodal price and of the recent approval (Decree 320 of the Ministry for the Economy) of the new sub-transmission rates. End-user rates decreased by an average of 1.6% on the SIC market (the largest of the four markets into which the country is divided) and increased by an average of 13.6% on the SING market (the second largest in terms of installed capacity). In mid-May 2009, a temporary increase in the final rates was approved, calculated using the formula contained in the October 2008 rate decree. On June 16, 2009, the Ministry for Energy and Mineral Resources approved the definitive nodal price for the May-October 2009 period, reducing the price at the Alto Jahue node (which is used in determining the value of electricity generated by Endesa Chile) from $104/MWh for the previous half-year period to $100.01/MWh (-3.8%).

Update of distribution rates

On January 9, 2009, the Ministry for the Economy issued Decree 320, which set sub-transmission rates applicable to Endesa through Chilectra. This regulation, which reduces the VAD (*Valor Agregado de Distribución*) for sub-transmission, will be reviewed in 2010.

On April 8, 2009, the Ministry for the Economy approved Decree 385 of 2008 which sets the distribution rates valid from November 2008 to November 2012 (effective retroactively), reducing the VAD for Chilectra by 16%.

Colombia

Regulatory agenda for 2009

On January 29, 2009, the Colombian regulator, CREG, published the regulatory agenda for 2009, setting out three main areas of action. The first, and most important, regards energy policy issues, the market architecture and competitive auction mechanisms, interconnection with Panama (the implementation of which was recently the object of an agreement to develop a coordinated regulatory framework) and rural electrification projects. The second area focuses on the regulator's activity in the gas sector, with a number of specific projects concerning distribution and pricing. The third area regards liquefied gas.

Remuneration of transmission services

On March 3, 2009, CREG published the new method for calculating remuneration for transmission services. The main change regards the asset base to be remunerated. From now on, it will only comprise assets actually used to build, operate and maintain the infrastructure, eliminating remuneration for plants that are no longer available or are no longer actually used to provide transmission services.

Organized Market

On May 26, 2009, CREG adopted Resolution 069 of 2009, containing the proposed Organized Market (Mercado Organizado - MOR) regulation. The Organized Market envisages auctions for electricity to be sold to end users.

Peru

Rate updates

As part of the determination of electricity rates for supplies to customers on the regulated market for the period May 2009-April 2010, on April 15, 2009, the regulator Osinergmin approved increases in final prices of between 4.2% and 6.8% for residential users and between 4.3% and 7.6% for industrial customers. However, in line with an announcement on April 15, Osinergmin subsequently carried out new calculations to incorporate, into the final end-user prices, the prices resulting from the auction between generators and distributors for the supply of customers on the regulated market.

Once in possession of all the necessary price indices, at the end of April 2009 Osinergmin announced the size of the overall rate adjustment in force as from May 1, 2009. Although the price "precio en barra" has remained essentially unchanged at $41.70/MWh (with an offset between the amount of the capacity component and the reduction of the energy component), the final rates increased as the result of a new rate component provided for under Emergency Decree 049: for residential customers, the increases vary between 1.7% and 3.5% (2.8% on average); for commercial and industrial customers, the average increase is 1% (with a maximum of 3.1%).

Finally, in June 2009, Osinergmin ordered a reduction in the final residential rates (between -0.5% and -1.5%), due to a slight decline in the VAD and the favorable trend in exchange rates and in the prices of certain raw materials.

Extraordinary measures

To implement Emergency Decree 049, enacted by the government in December 2008 and in effect through December 2011, an "ideal marginal cost" mechanism was introduced in the case of congestion in the electricity grid and in the network for the transport of gas from the Camisea field. A $100/MWh cap on generation costs was imposed by the Ministry for Energy and Mineral Resources. Ancillary costs incurred by generators will be reimbursed in full, based on monthly calculations made by Osinergmin.

Auction rules

In March 2009, Supreme Decree 020-2009 was approved, modifying the rules for auctioning electricity supply contracts. The primary changes relate to the standards used in preparing the rules for individual auctions, as well as the procedures and conditions to be followed by generators in submitting bids.

Liberalization of the retail market

Through the "*Reglamento de Usuarios Libres de Electricidad*", approved in April 2009, the Ministry for Energy and Mineral Resources modified the criteria for identifying free-market customers. The threshold, initially set at 1 MW, was increased to 2.5 MW. It therefore provides that all customers that consume in excess of the latter threshold are deemed free-market customers. A new category of customers (between 0.2 and 2.5 MW), which can choose between the two systems, was also introduced.

International

France

TARTAM

A law of January 21, 2008, amending Articles 66 et seq. of the program law of July 13, 2005, allows residential users, depending on their situation, to opt for regulated rates for new connections installed prior to July 1, 2010 or to return to regulated sales prices until June 30, 2010. On August 4, 2008, the French Parliament adopted a law by which the return rate system for large-scale consumers has been extended to June 30, 2010.

The European Commission (DG Comp) believed that a return rate system, at least the "yellow" and "green" formulas, that apply to industrial customers that thus enjoy a lower-than-market energy price, could constitute state aid and, on June 13, 2007, opened a proceeding against France. As a result of the aforementioned law, which extended the duration of the TARTAM rules, the European Commission expanded the formal investigation process.

In October 2008 the Commission de Régulation de l'Energie (CRE) announced that revenues to compensate suppliers for the impact of the TARTAM would not be sufficient. As a result, the law of December 30, 2008 raised the maximum contribution for hydroelectric and nuclear plants (mainly EDF) to €3/MWh.

In accordance with applicable law, Enel France submitted its request to CRE for compensation for costs associated with supplying energy to TARTAM customers in 2008. CRE will announce its decision concerning the amount of compensation owed by October 15, 2009.

On April 24, 2009, the "Champsaur Committee", empanelled in 2008 to develop a proposal for the post-TARTAM period, published its recommendations, which counsel the elimination of regulated rates for industrial customers and a revision of rates for small consumers, for whom full reversibility from the free market was introduced. In the generation sector, the document recommends that EDF provide other suppliers with base-load electricity (with explicit exclusion of new-generation nuclear plants, in which Enel holds a stake) to be determined on the basis of the expected customer portfolio in France. This power would be sold at a regulated price that would enable coverage of operating and plant maintenance costs. The mechanism for regulated access to nuclear output was preferred over a tax on nuclear generation as it is more stable, more compatible with the development of competition in the energy sector and more acceptable to the operators who testified before the Committee.
The Minister of Industry announced on June 3, 2009 that an interministerial commission would be formed in the autumn to formulate concrete proposals.

Rate updates

On June 5, 2009, following the consultation in the 1st Quarter of 2009, the Ministries for Energy and for the Economy accepted CRE's proposal for determining a new network rate that would extend regulation based on the regulatory asset base, with the change to enter into force on August 1st. The expected increases for the first year are 3% for distribution and 2% for transport. In the next three years, the transmission rate will be increased by the CPI (Consumer Price Index) plus 0.4% and the distribution rate by the CPI plus 1.3%. The rate will be in effect for four years and envisages that the losses will remain on the market.

Slovakia

Must-run plants

Under the system for compensation of the costs of operating two thermal plants that, in compliance with the "general economic interest" clause, are required by law to guarantee availability of capacity and electricity, Slovenské elektrárne (SE) submitted a proposal to URSO concerning costs forecast for 2008 for the ENO plant (Nováky). The EVO plant (Vojany) is no longer considered a must-run facility as from 2008. ENO compensation is calculated using a RPI–x method on a three-year basis by way of a decision of URSO. In October 2008, URSO published the rate for ENO (€32.472/MWh for 2009).
In addition, in 2008 SE received the remainder of the system costs reimbursement for 2005. Finally, URSO also agreed to recognize the 2006 revaluation of the assets of ENO and EVO by €30 million, to be compensated in 2009-2010.

New market rules

On July 4, 2007, the Slovakian government approved a decision concerning the new market rules as a consequence of the liberalization on July 1, 2007. In particular, the measure calls for the application, beginning on January 1, 2008, of a surcharge equal to the rate component paid by end users to cover the system services (about €10/MWh in 2008) on the electricity generated in Slovakia and exported (the export fee).
The URSO Regulatory Council Export decided to eliminate the impact of the export fee as from April 1, 2009 (URSO Decision 0304/2009/E of March 23, 2009). SE had requested the elimination of this rule from the above market rules and from the provisions of Decree 2/2008, where it is still present.

Economic interest law

With Decision 12/2009/E, URSO defined the prices and volumes of electricity sales to residential customers and small enterprises for SE (equal to €60.2802/MWh and €79.1675/MWh for 2009, respectively). SE has appealed the decision. On April 28, 2009, URSO published Decision 0001/2010/E establishing the prices and volumes for 2010 (€57.90/MWh for volumes up to 6 TWh).

Emissions trading

In the 1st Half of 2009, Slovenské elektrárne produced about 1.8 million metric tons of emissions, while the allowances assigned by the allocation plan on a pro rata basis for the same period amounted to about 2.7 million metric tons.

Romania

Rate issues

Distribution rates are established with a system that regulates rates for end users while safeguarding the profits of distributors, covering distribution costs within the limits of a price cap. For the second regulatory period (2008-2012), WACC has been set at 10% and the efficiency factor is calculated on the basis of the arithmetic average achieved in the 2005-2007 period. Capital expenditure will be remunerated on a monthly basis in relation to investments entering service.
On December 22, 2008, the distribution rates for 2009 were published in line with the new methodology. At the end of December 2008, the final regional rates for residential and non-residential customers, transmission and ancillary services were also published. The rates remain unchanged at June 2009.

Sales to end users

Following the full liberalization of the final market, which took effect on July 1, 2007, in line with the European schedule for the process, the calculation method for sales prices for customers on the regulated market (to whom the Enel companies in Romania made 87% of their sales in 2008) remained to be updated. As a result, the regulated margin of 2.5% on the purchase cost of electricity supplied to these customers was kept in place for 2009. The prices and volumes of the energy portfolios for customers on the regulated market are determined by the regulator ANRE with a view to obtaining a uniform national end-user rate. At the end of December 2008 ANRE assigned the energy portfolios, with the related purchase prices, for each sales company for 2009.

Russia

Opening the market

As part of the gradual opening of the market established by the Russian government, in January 2009 the limit of the volume of electricity to be sold on the free market at 30% of 2007 volumes was exceeded. The threshold is consistent with the provisions of government Decree 207 of April 7, 2007, which ordered the progressive liberalization of the market for 100% of volumes by 2011, excluding those regarding residential customers. Starting July 1, 2009, 50% of the non-residential volumes will be sold at free-market prices.

Capacity market

The volumes of capacity freely sold are in line with the electricity liberalization thresholds. Therefore, currently 30% of capacity (excluding volumes intended for residential customers) was freely sold in the transitional capacity market (in force through the end of 2010). Right now, capacity can be sold at free-market prices using bilateral contracts or on the exchange for trading in forward capacity contracts and electricity (the Arena exchange began trading for 2009 at the end of December 2008).

To be able to participate in these sales, generators must first take part in the annual auction for the selection of capacity (KOM) that was held at the start of December 2008 for the year 2009. In addition, each month the Administrator of Trading System (ATS) publishes the reference prices for capacity buyers (resellers and large-scale consumers) that have not entered into bilateral capacity purchase agreements; for the January-May 2009 period, these prices were an average of around 156 rubles/kW/month (net of seasonal coefficients) for the European zone. The level of these prices represents the cap on prices that form on the market.

Decree 476 of 2008, which set the transitional market rules, calls for the Ministry of Energy to draft rules for the long-term capacity market (starting in 2011). These rules are currently being discussed by the competent bodies. Approval, scheduled for June 2009, has not yet been granted.

In addition, at the end of May 2009 the Market Council proposed modifying the standard for capacity contracts (by virtue of which private investors signed commitments to invest in new capacity, following the acquisition of the generation companies from RAO UES; for OGK-5 these investments pertain to OGK-5's two new combined-cycle plants Nevinnomysskaya-GRES and Sredneuralskaya-GRES, for a total of about 800 MW). The proposal calls for strengthening the power to ensure that the commitments are respected, but guarantees a multi-year capacity payment (7 years) for units built under the contract. The Market Council approved the contract standards on June 23; however, a final consultation with generators is required, which should be completed by the end of July 2009.

On March 3, 2009, the Federal Tariff Service (FTS) approved Resolution 32-e/1 (replacing Resolution 219-e/4 of October 17, 2006) on the application of the coefficients for the calculation of capacity penalties in the event of failure to maintain committed generation capacity. The coefficients differ in relation to the size of the capacity shortfall and are applied to both free prices and capacity rates.

Price caps in the electricity market

As from January 9, 2008, unregulated prices on the wholesale spot market are subject to a price cap that excludes the highest bids from the calculation of the marginal price. The measure was renewed at the start of 2009, albeit in a less stringent form (the mechanism is applicable if the average daily price exceeds the maximum level for two consecutive days in the same month of 2008, corrected for increases in fuel cost indices), and was then extended through July 1, 2009 with subsequent decisions of the Market Council.

Rate updates

On November 6, 2008, the FTS approved the six-monthly regulated rates for the wholesale gas market applied by Gazprom for 2009, with an expected average increase that was in line with government forecasts. In the wake of the economic crisis, the government decided that it would be advisable to implement a more gradual increase in gas prices. On December 24, 2008, the FTS approved the rates for 2009, providing for a quarterly (rather than six-monthly) adjustment of rates. The increase for the 1st Quarter of 2009 is 5% and the average increase for 2009 as a whole, compared with 2008, is about 16%. The increase for the 2nd Quarter of 2009 is 7% over that of the 1st Quarter.

Antitrust updates

On March 27, 2009, the FAS (the Russian antitrust authority) published its decision of March 12, 2009 on the violation by Rusenergosbyt, Rusenergosbyt M, the City of Moscow, and the South and South-East prefectures of Moscow of the competition law with regard to the pilot project for a new system of delivering electricity to residential customers in the eastern and south-eastern zones of Moscow. The investigation was opened following the appeal of RAO Eastern Energy Systems (a shareholder of Mosenergosbyt, which is the Guarantee Supplier for the areas of Moscow in which Rusenergosbyt M took over supply). The ruling was suspended upon appeal by Rusenergosbyt. In May 2009, the two companies reached an agreement to put an end to the problem of double-billing in the towns involved.

On February 3, 2009, FAS held a hearing with industry experts (representatives of the companies and institutions involved) on problems relating to the development of competition in the gas market. FAS plans to promote the adoption of more effective rules for the gas market, with transparent conditions for accessing the transport network being the first step.

Greece

Network Code

A number of important amendments to the Network Code took effect January 1, 2009, including:

> determination of a new method for calculating the System Marginal Price (SMP) by the Network Operator;
> modification of the mechanism for distributing the transmission costs borne by the users of the systems which initially distributed the total costs between the end users (85%) and generators (15%). Starting from January 1, 2009, the transmission cost is borne entirely by the customers for a net benefit to generators.

Renewable Energy

Spain

Royal Decree 1578/08

As provided for in Royal Decree 1578/08 and following the first *convocatoria* for the definition of remuneration for photovoltaic plants for the 1st Quarter of 2009, on February 19, 2009, the Ministry for Industry set the feed-in rates for the second *convocatoria*, to be applied as from the 2nd Quarter of 2009. The rates for installations integrated into existing structures remained unchanged (€340/MWh for plants with a capacity of up to 20 kW and €320/MWh for those over 20 kW), while the feed-in price for ground installations was reduced from €320/MWh to €307.2/MWh.

On April 24, 2009 the Ministry published the results of the second *convocatoria*. Based on the registration applications received, the rate that will apply starting from the 3rd Quarter of 2009 are as follows: for installations integrated into existing structures, the rates are €340/MWh for plants with a capacity of up to 20 kW and €320/MWh for those over 20 kW (unchanged from the previous period) and €299.1/MWh for ground installations.

In July 1, 2009, the Ministry published the results of the third *convocatoria*. Based on the registrations received, the rate that will apply starting from the 4th

Quarter of 2009 are as follows: for installations integrated into existing structures, the rates are €340/MWh for plants with a capacity of up to 20 kW and €320/MWh for those over 20 kW (unchanged from the previous period) and €290.1/MWh for ground installations.

Royal Decree Law 6/2009

Royal Decree Law 6/2009 introduces a new administrative registry in which special-regime installations (excluding photovoltaic plants) must enroll to receive the remuneration provided for by Royal Decree 661/2007. Under this law:

> the registry will remain open until all of the installed capacity targets set out in the law are achieved;
> the installations will be enrolled based on the date of receipt of the application until the capacity target for each technology is achieved;
> where enrolled capacity exceeds the target, the remuneration system under Royal Decree 661/2007 will lapse and a new system must be established by Royal Decree.

Argentina

Renewables incentive measures

In May 2009, two important measures were introduced in Argentina to encourage electricity generation from renewable resources.
On May 15, 2009, Decree 562/2009 was approved, introducing mechanisms such as tax incentives, accelerated depreciation and subsidized rates to promote the generation of electricity from renewable resources. On May 22, 2009, the government announced the GENREN (*Generación Renovable*) program, based on which ENARSA (the state energy company) will hold a tender for 1,000 MW generated from renewable resources, with the possibility of a 15-year supply contract.

Brazil

Renewables incentive measure

On February 10, 2009, the Ministry for Energy and Mineral Resources published, for consultation, *Portaria* no. 52 concerning the regulation of a wind power auction to be held in the 2nd Half of 2009, which will lead to 20-year contracts for generation as from January 2012 (*Contratos de Energia de Reserva* - CER).
Portaria no. 147 of March 30, 2009 established that the wind power auction would be held by the regulator, ANEEL, on November 25, 2009. The deadline for registering participating projects is June 29, 2009. Finally, on May 28, 2009, the Ministry for Energy and Mineral Resources, through Portaria no. 211, set out the qualifications for eligible projects and described the characteristics of the 20-year contracts to be awarded via auction.
On April 13, 2009, the *Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais* (IBAMA) published Instrução Normativa no. 7, establishing that coal-fired plants and fuel-oil plants must prepare a plan to reduce CO_2 emissions (reforestation programs, generation using renewable resources and energy efficiency programs) in order to receive environmental authorization
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France

Renewables support law

On June 17, 2009, the French National Assembly approved the "Grenelle de l'Environnement" law which sets a target of meeting 23% of total energy requirements using renewable resources by 2020. The goal is to expand wind power capacity to 25,000 MW by that date. On-shore wind power generation currently benefits from a sales rate of €86/MWh. No debate over the targets is expected when the measure goes to the Senate.

Bulgaria

Renewables incentives law

The law governing renewable and alternative energy resources and biofuels introduced incentives based on specific guaranteed feed-in rates for the various energy sources and power purchasing agreements of 15 years for wind power and of up to 25 years for solar power with Natsionalna Elektricheska Kompania (NEK). At the end of March 2009 the rates for wind plants were announced: about €97/MWh for the first 2,250 hours of generation (+1.6% on the previous year) and about €88/MWh (+2.4% on the previous year) for subsequent hours.

Slovakia

Renewable energy and cogeneration support law

On June 19, 2009, Parliament approved the renewable energy and cogeneration support law, which envisages feed-in rates guaranteed for 15 years. The rate amounts will be set by decree of the Slovakian regulator, URSO. Eligible energy generated by biomass co-firing plants is limited to the first 10 MW.

USA

Renewables support law

The United States does not have a rate incentive mechanism for renewables at the federal level. To date, 30 states have adopted a system mandating shares of energy generated from such sources (Renewable Portfolio Standard - RPS), accompanied by transferable certificates validating compliance with the requirements. In order to ensure compliance, suppliers hold auctions for long-term contracts (10-15 years) for the purchase of certified electricity. Congress is continuing to discuss a bill establishing a mandatory federal-level RPS mechanism to support renewables. In recent months, the discussion on RPS and lowering CO_2 emissions has been swept up in the broader debate over the energy and climate bill (HR 2454) before the House Energy Committee which approved it on May 21, 2009. On June 26, 2009, the House approved the final version of the bill which has been sent to the Senate for final approval, expected in September this year.

Recovery Plan

On February 17, 2009, President Obama signed the $787 billion stimulus bill approved by Congress on February 12, 2009.

Among other measures, the plan appropriates about $60 billion for the energy sector, of which $11 billion for infrastructure development projects for electricity grids, which among other benefits would reduce congestion costs. The plan approved by the House and the Senate also establishes specific incentive mechanisms for renewables, including an Investment Tax Credit (ITC) and the extension of the Production Tax Credit to 2012 for wind power and 2013 for geothermal, incremental hydroelectric and biomass power.

Romania

Renewable energy law

In 2005 a quantitative requirement was introduced for electricity suppliers, made more flexible by a system of transferable certificates (one certificate per MWh), which can be traded bilaterally or on a dedicated market.
November 2008 saw the approval of a new law to support power generation from renewable energy resources. The new legislation strengthens the existing mechanisms in place to support renewables (green certificates). More specifically, it guarantees the 15-year duration for green certificates for approved renewable energy plants, grants two certificates for each MWh produced by wind plants and increases the maximum value of the certificates (in a range from €27 to €55/MWh).

Greece

Investment incentive law

On March 6, 2009, a number of amendments to the investment incentive law were introduced, among other things eliminating the option of grants for photovoltaic plants with an installed capacity of over 2 MW. Applications submitted to the competent authorities prior to the entry into force of the law are excluded.

Renewables support law

Within the Greek incentive system for generation with renewables (based on Law 2368/2006), which envisages a feed-in mechanism with annually-updated guaranteed rates that vary by source, a new regime for photovoltaic generation has been introduced (Law 3734/2009), with the specification of new rates guaranteed for 20 years, assigned on the basis of the date the plant entered service. Photovoltaic projects for which the contracts were signed before the entry into force of the new law can elect to adopt the new rates.
In June 2009, the government adopted a series of measures targeted at encouraging the use of residential photovoltaic systems. Specifically, systems of up to 10 KW installed on roofs of buildings in the peninsular system will benefit from a rate of €550/MWh, guaranteed for 20 years and indexed to 25% of inflation. There are also tax incentives and exemptions applicable to the sale of electricity generated by these systems.

Overview of the Group's performance and financial position

Definition of performance indicators

In order to present the results of the Group and analyze its financial structure, Enel has prepared separate reclassified schedules that differ from those envisaged under the IFRS-EU adopted by the Group and presented in the condensed interim consolidated financial statements. These reclassified schedules contain different performance indicators from those obtained directly from the condensed interim consolidated financial statements, which management feels are useful in monitoring Group performance and representative of the financial performance of the Group's business.
In accordance with recommendation CESR/05-178b published on November 3, 2005, the criteria used to calculate these indicators are described below.

Gross operating margin: an operating performance indicator, calculated as "Operating income" plus "Depreciation, amortization and impairment losses".

Net non-current assets: calculated as the difference between "Non-current assets" and "Non-current liabilities" with the exception of:
> "Deferred tax assets";
> "Financial receivables in respect of the Spanish electrical system deficit", "Other securities designated at fair value through profit or loss" and other items reported under "Other financial receivables";
> "Long-term loans";
> "Post-employment and other employee benefits";
> "Provisions for risks and charges";
> "Deferred tax liabilities".

Net current assets: calculated as the difference between "Current assets" and "Current liabilities" with the exception of:
> "Receivables for factoring advances", "Long-term financial receivables (short-term portion), "Other securities" and other items reported under "Current financial assets";
> "Cash and cash equivalents";
> "Short-term loans" and the "Current portion of long-term loans".

Net assets held for sale: calculated as the algebraic sum of "Assets held for sale" and "Liabilities held for sale".

Net capital employed: calculated as the algebraic sum of "Net non-current assets" and "Net current assets", provisions not previously considered, "Deferred tax liabilities" and "Deferred tax assets", as well as "Net assets held for sale".

Net financial debt: a financial structure indicator, determined by "Long-term loans", the current portion of such loans and "Short-term loans" less "Cash and cash equivalents", "Current financial assets" and "Non-current financial assets" not previously considered in other balance sheet indicators. More generally, the net financial debt of the Enel Group is calculated in conformity with paragraph 127 of Recommendation CESR/05-054b implementing Regulation (EC) no. 809/2004 and in line with the Consob instructions of 26 July 2007, net of financial receivables and long-term securities.

Main changes in the scope of consolidation

In the two periods examined here, the scope of consolidation changed as a result of the following main transactions:

> acquisition, on March 5, 2008, of 85% of Enel Productie (formerly Global Power Investment), a Romanian company active in the generation of electricity;

> acquisition, on April 25, 2008, of 50% of Electrica Muntenia Sud (now Enel Distributie Muntenia and Enel Energie Muntenia) and the concurrent subscription of a capital increase approved by the company's shareholders. Following the operation, Enel holds 64.4% of the company. As from the conclusion of the changes in the company's governance arrangements needed to define control on June 4, 2008, the company is consolidated on a line-by-line basis, taking account of the shareholding covered by the put option granted to Electrica at the time of the sale, equal to 23.6%;

> acquisition, on May 19, 2008, of 100% of International Wind Parks of Crete and Hydro Constructional, which operate in Greece in the generation of electricity from renewables;

> conclusion, on May 28, 2008, of the changes in the governance arrangements of OGK-5, which gave Enel full control as from that date. Enel, acting through the subsidiary Enel Investment Holding, had acquired 59.80% of the Russian company in a series of purchases, of which 22.65% in the public tender completed on March 6, 2008, before selling a minority stake of 4.1% on June 25, 2008. As from May 28, 2008, the company is consolidated on a line-by-line basis;

> disposal, on June 26, of the assets specified in the agreements signed between Enel and Acciona on March 26, 2007, and between Enel, Acciona and E.ON on April 2, 2007 and March 18, 2008, consisting of:
  - the assets and liabilities held directly or indirectly by Endesa in Italy, France, Poland and Turkey, as well as a number of other assets in Spain (hereinafter "Endesa Europa");
  - the assets and liabilities in respect of Enel's equity investments in Enel Viesgo Generación, Enel Viesgo Servicios and Electra de Viesgo Distribución and the equity investments held by them;

> acquisition, on June 30, 2008, of 80% of Marcinelle Energie, which is building a combined-cycle gas turbine plant in Belgium. The company is consolidated taking account of the put option on 20% granted to Duferco at the time of the sale;

- disposal, on July 25, 2008, of 51% of Hydro Dolomiti Enel (HDE), a company established by Enel Produzione on May 12, 2008, for the development, together with other partners, of hydroelectric power in the Autonomous Province of Trento. Taking account of the governance structure provided for by the agreement, Enel will exercise a dominant influence over HDE until approval of the financial statements for the 2010 financial year and will therefore consolidate the company on a line-by-line basis until that time;
- acquisition on January 9, 2009, of 100% of KJWB (now Endesa Ireland), which operates in Ireland in the electricity generation sector. As it is controlled by Endesa, the company was consolidated on a proportionate basis until June 25, 2009;
- disposal, on April 1, 2009, of the entire share capital of Enel Linee Alta Tensione (ELAT), the company to which Enel Distribuzione transferred, with effect from January 1, 2009, a business unit consisting of high-voltage power lines and the related legal relationships;
- acquisition, between April 22 and June 23, 2009 of 100% of International Wind Parks of Rhodes, Glafkos Hydroelectric Station and International Wind Parks of Achaia, which operate in Greece in the generation of electricity from renewables;
- acquisition, on June 25, 2009, by Enel, acting through its subsidiary Enel Energy Europe, of the 25.01% of Endesa held, directly and indirectly, by Acciona. Following the acquisition, Enel holds 92.06% of Endesa and exercises full control over the company. As a result, as from that date, Endesa is consolidated in the Enel Group on a full, line-by-line basis rather than proportionately, with separate reporting of the minority interest of 7.94%.

Following the completion on June 25, 2009, of the disposal to Acciona of certain renewable energy assets of Endesa, the item “Net assets held for sale” in the reclassified balance sheet at June 30, 2009 includes the assets and liabilities of the Endesa renewable energy assets, which although they were included among operations to be sold had not yet been transferred to Acciona as of June 30, 2009 pending completion of authorization requirements. The same item also comprises the net assets in respect of the gas distribution network, whose disposal is expected to be completed in the 2nd Half of 2009, and the net assets of SeverEnergia following the agreement with Gazprom on May 15, 2009, with which Gazprom confirmed its commitment to acquire 51% of SeverEnergia. “Net assets held for sale” also include certain other assets held by Endesa, which, in the light of decisions taken by management, meet the requirements under IFRS 5 for their classification among assets and liabilities held for sale.

In the reclassified income statement, income or loss, net of the related tax effect, attributable to the gas distribution network, which is essentially attributable to Enel Rete Gas, is reported under “discontinued operations” for the 1st Half of 2009 and the same period of 2008, as it represents a major operational segment in Italy. The results of the discontinued operations reported in the reclassified income statement for the 1st Half of 2008 also included the assets of Endesa Europa until their sale to E.ON on June 26, 2008, as those net assets were acquired for the sole purpose of their resale.

Final allocation of the purchase price of the net assets of Endesa

As from October 5, 2007, following the acquisition through a public tender of 42.08% of Endesa, the latter was consolidated on a proportionate basis, taking account of the previous holding in the company (24.97%). The consolidation of

Endesa at June 30, 2008, was carried out in accordance with IFRS 3 and, as permitted under that standard, the recognition of the business combination with the Endesa Group in the consolidated interim financial statements was carried out on a provisional basis. Completion of the allocation of the purchase price, which came in the last quarter of 2008 within the time limit envisaged by IFRS 3, gave rise to changes in the previously recognized amounts as a result of the definitive determination of the fair value of the assets acquired and the liabilities assumed. For comparative purposes only, the overall results recognized and the cash flow amounts for the 1st Half of 2008 have been restated to take account of these changes.

Group performance

2nd Quarter				Millions of euro	1st Half			
2009	2008	Change			**2009**	2008	Change	
13,341	14,242	(901)	-6.3%	Total revenues	28,457	29,324	(867)	-3.0%
9,097	10,532	(1,435)	-13.6%	Total costs	20,105	22,078	(1,973)	-8.9%
(155)	238	(393)	-	Net income/(charges) from commodity risk management	(413)	76	(489)	-
4,089	3,948	141	3.6%	GROSS OPERATING MARGIN	7,939	7,322	617	8.4%
1,250	1,101	149	13.5%	Depreciation, amortization and impairment losses	2,360	2,295	65	2.8%
2,839	2,847	(8)	-0.3%	OPERATING INCOME	5,579	5,027	552	11.0%
547	422	125	29.6%	Financial income	2,141	1,176	965	82.1%
1,072	1,112	(40)	-3.6%	Financial expense	2,350	2,606	(256)	-9.8%
(525)	(690)	165	-23.9%	TOTAL FINANCIAL INCOME/(EXPENSE)	(209)	(1,430)	1,221	-85.4%
12	4	8	-	Share of gains/(losses) on investments accounted for using the equity method	21	27	(6)	-22.2%
2,326	2,161	165	7.6%	INCOME BEFORE TAXES	5,391	3,624	1,767	48.8%
526	284	242	85.2%	Income taxes	1,333	740	593	80.1%
1,800	1,877	(77)	-4.1%	Net income from continuing operations	4,058	2,884	1,174	40.7%
50	116	(66)	-56.9%	Net income from discontinued operations	(84)	235	(319)	-
1,850	**1,993**	**(143)**	**-7.2%**	**NET INCOME (Group and minority interests)**	**3,974**	**3,119**	**855**	**27.4%**
(234)	(201)	(33)	16.4%	Minority interests	(450)	(380)	(70)	18.4%
1,616	**1,792**	**(176)**	**-9.8%**	**GROUP NET INCOME**	**3,524**	**2,739**	**785**	**28.7%**

Revenues

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
11,693	12,611	(918)	Electricity sales and transport and contributions from the Electricity Equalization Fund and similar bodies	24,518	25,877	(1,359)
429	622	(193)	Gas sold and transported to end users	1,673	1,692	(19)
308	-	308	Gains on disposal of assets	308	-	308
911	1,009	(98)	Other services, sales and revenues	1,958	1,755	203
13,341	**14,242**	**(901)**	**Total**	**28,457**	**29,324**	**(867)**

Revenues from **electricity sales and transport and contributions from the Electricity Equalization Fund and similar bodies** in the 2nd Quarter of 2009 amounted to €11,693 million, down €918 million or 7.3% from the same period of the previous year. This decrease is connected primarily with the following factors:

> a total decline of €694 million in revenues from the sale of electricity due to lower quantities sold and to the decrease in average unit prices on the Power Exchange, the effects of which were partially offset by the increase in revenues from sales to the Single Buyer related, essentially, to two-way contracts with the Italian generation companies;

> a €240 million decline in revenues abroad from electricity and equivalent contributions related mainly to the reduction in Endesa revenues, essentially in Spain and Portugal, due to lower quantities sold, despite higher average sales prices on the Spanish free market.

Revenues for electricity sales and transport and contributions from the Electricity Equalization Fund and similar bodies in the 1st Half of 2009 amounted to €24,518 million, down €1,359 million or 5.3% from the same period of the previous year. The decline was essentially due to the following factors:

> a total decline of €983 million in revenues from the sale of electricity due to the lower quantities sold and to the decrease in average unit prices on the Power Exchange, the effects of which were only partially offset by the increase in sales to the Single Buyer related, essentially, to two-way contracts with the Italian generation companies;

> a €668 million reduction in revenues on electricity sales and transport to the Italian enhanced protection and safeguard markets for end-users due to the decline in total quantities sold;

> a €259 million increase in revenues abroad on sales of electricity and equivalent contributions, which mainly reflects the different consolidation period for OGK-5 and Electrica Muntenia Sud (now Enel Distributie Muntenia and Enel Energie Muntenia) for the two periods under review (€323 million and €196 million, respectively), as well as the €263 million increase in revenues on international electricity trading. These effects were only partially offset by the effect of the revenues achieved in the 1st Half of 2008 by the Viesgo Group (€605 million), which was sold to E.ON at the end of June 2008.

Revenues from **gas sold and transported to end users** fell €193 million in the 2nd Quarter of 2009, a drop of 31.0%. This decline was essentially due to the lower revenues on the domestic market, which was largely attributable to the reduction in quantities sold.

Revenues from gas sold and transported in the 1st Half of 2009 amounted to €1,673 million, down €19 million or 1.1% from the same period of the previous year due to the decline in revenues on the Spanish market, which was only partially offset by the increase in revenues on the domestic market as a consequence of the increase in average sales prices, the effects of which were, in turn, partially offset by a decline in volumes sold.

Gains on the disposal of assets totaled €308 million for the 1st Half of 2009 and related entirely to the gain on the sale of 100% of Enel Linee Alta Tensione to Terna on April 1, 2009.

Other services, sales and revenues came to €911 million for the 2nd Quarter of 2009 (€1,009 million for the same period of the previous year), for a decline of €98 million or 9.7%. This decrease was largely connected with the following factors:

> a €77 million decrease in the sale of fuels for trading. The change is connected with the €50 million decrease in sales on the domestic market and the €27

million total decline in revenues on fuel trading for the Spanish companies. The latter reflected the effect of the recognition of trading revenues for the Viesgo Group in the 2nd Quarter of 2008 in the amount of €58 million, which was partially offset by the €31 million increase in revenues posted by Endesa in the 2nd Quarter of 2009;

> a €24 million decline in electricity and gas connection fees.

Other services, sales and revenues came to €1,958 million in the 1st Half of 2009, up €203 million or 11.6% from the same period of the prior year, due to the €357 million increase in revenues on the sale of assets (related mainly to the sale of green certificates in Italy), which was partially offset by the €160 million decline in revenues on the sale of fuels for trading. This latter development is attributable to the €58 million decrease in sales on the domestic market, as well as the €102 million total decline in revenues on fuel trading by the Spanish firms, which reflected the effect of the recognition of trading revenues for the Viesgo Group in the 1st Half of 2008 in the amount of €119 million, which was partially offset by the €17 million increase in revenues posted by Endesa in the 1st Half of 2009.

Costs

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
4,780	5,694	(914)	Electricity purchases	10,359	11,890	(1,531)
1,195	1,628	(433)	Consumption of fuel for electricity generation	2,640	3,205	(565)
305	651	(346)	Fuel for trading and natural gas for sale to end users	1,076	1,537	(461)
310	181	129	Materials	544	337	207
1,053	959	94	Personnel	2,026	1,901	125
1,572	1,143	429	Services, leases and rentals	3,187	2,810	377
258	585	(327)	Other operating expenses	904	956	(52)
(376)	(309)	(67)	Capitalized costs	(631)	(558)	(73)
9,097	**10,532**	**(1,435)**	**Total**	**20,105**	**22,078**	**(1,973)**

Costs for **electricity purchases** declined by €914 million in the 2nd Quarter of 2009 (€1,531 million for the 1st Half of 2009), a 16.1% reduction (12.9% for the half-year period), due to a decrease in purchases for domestic sales and to a decline in costs on the Spanish market resulting from a reduction in quantities purchased.

Costs for the **consumption of fuel for electricity generation** came to €1,195 million in the 2nd Quarter of 2009 (€2,640 million for the 1st Half of 2009), down €433 million or 26.6% from the same period of the previous year (€565 million for the half-year period). This decline reflects the lower quantities consumed on the domestic market, with lower thermal power generation, as well as the reduction in consumption costs on the Spanish market due to the decrease in thermal power generation and lower unit prices.
These trends were partially offset by the change in the scope of consolidation for the two periods under review related to the foreign generation companies.

Costs for the purchase of **fuel for trading and natural gas for sale to end users** came to €305 million for the 2nd Quarter (€1,076 million for the 1st Half), down €346 million or 53.1% compared with the same period of the previous year (€461 million or 30.0% for the 1st Half). These changes are essentially attributable to lower purchases of gas for sale to end users on the domestic market and to a decline in trading on the Spanish market, due in part to the contribution of the Viesgo Group, the figures of which were limited to 2008 as a result of the sale of the Group.

Costs for **materials** came to €310 million for the 2nd Quarter of 2009 (€544 million for the half-year period), an increase of €129 million or 71.3% from the same period of 2008 (€207 million or 61.4% for the 1st Half of the year), attributable mainly to the foreign firms.

Personnel costs for the 2nd Quarter of 2009 totaled €1,053 million, an increase of €94 million or 9.8%. For the 1st Half of 2009, these costs totaled €2,026 million, up €125 million or 6.6% over the same period in the previous year. Excluding the effects of the change in the consolidation period for a number of foreign companies and the increase in costs for early retirement incentives, personnel costs for the 1st Half of 2009 increased by €101 million (+5.6%), whereas the average workforce shrank by 2.2%. The change for the period is mainly the effect of salary increases taking effect as from January 1, 2009 following the renewal of the Italian collective bargaining agreement, as well as of the increase in withholdings due as from January 1, 2009.

Costs for **services, leases and rentals** came to €1,572 million for the 2nd Quarter of 2009, up €429 million or 37.5% over the same period of 2008, while the figure for the 1st Half of the year reached €3,187 million, up €377 million or 13.4% over the year-earlier period, due mainly to the increase in electrical system services and to the increase in maintenance and repair costs.

In the 2nd Quarter of 2009, **other operating expenses** amounted to €258 million, down €327 million from the corresponding period of the previous year (-55.9%). This change reflects the recognition, in the 2nd Quarter of 2008, of the €109 million loss on the sale to E.ON of Enel's assets related to the Viesgo Group at the end of June 2008. For the first six months of 2009, other operating costs totaled €904 million, a decline of €52 million or 5.4%, due essentially to lower charges for CO_2 emissions and the effects of the recognition in the 1st Half of 2008 of the loss on the sale of assets mentioned above. These effects were partially offset by the increase in costs for the purchase of green certificates (€305 million).

Capitalized costs increased by €67 million or 21.7% in the 2nd Quarter of 2009 and by €73 million or 13.1% in the 1st Half of 2009, attributable mainly to the foreign companies.

Net income/(charges) from commodity risk management showed net charges of €155 million for the 2nd Quarter of 2009 (compared with net income of €238 million for the same period of 2008) and net charges of €413 million for the first six months of 2009 (compared with net income of €76 million for the 1st Half of 2008). More specifically, net charges for the 2nd Quarter of 2009 are essentially related to the net unrealized charge from the fair value measurement of outstanding derivative contracts at the end of the period (€154 million). For the 1st Half of 2009, the net charges from commodity risk management in the amount of €413 million were related to the net unrealized charges in respect of changes in fair value in the amount of €267 million and net realized charges during the period in the amount of €146 million.

Depreciation, amortization and impairment losses increased by €149 million or 13.5% year-on-year in the 2nd Quarter of 2009 and by €65 million or 2.8% in the 1st Half of the year. This change essentially reflects the increase in depreciation and amortization (up €115 million for the 2nd Quarter and €187 million for the 1st Half) following the amendment of the list of renewable energy assets to be sold to Acciona. The 1st Half of 2008 includes the €168 million adjustment to the net assets of the Viesgo Group, sold to E.ON, to their estimated value based on the appraisal conducted at the end of the 1st Half of 2008 by the investment banks.

Operating income for the 2nd Quarter of 2009 came to €2,839 million, down €8 million or 0.3% from the same period of the previous year. For the 1st Half, the figure came to €5,579 million, an increase of €552 million or 11.0%, including the gain on the sale of the equity investment in Enel Linee Alta Tensione in the amount of €308 million.

Net financial expense decreased by a total of €165 million or 23.9% in the 2nd Quarter of 2009 and by €1,221 million or 85.4% in the 1st Half of the year. In particular, the change in financial income for the half-year period (up €965 million) is mainly due to the €970 million associated with the early exercise of the put option granted to Acciona on its 25.01% stake held directly and indirectly in Endesa. The decrease in financial expense (€256 million) reflects both the decline in interest rates in the 1st Half of 2009 compared with the same period of the previous year due to the international financial crisis and the reduction in Enel's average net debt, even though this was accompanied by a reduction in its credit rating.

In the 2nd Quarter of 2009, the **share of gains/(losses) on investments accounted for using the equity method** showed a net gain of €12 million, up €8 million over the same period of the previous year. For the 1st Half of 2009, the net gain came to €21 million, down €6 million compared to the first six months of 2008, which included the equity valuation of OGK-5 prior to its consolidation.

Income taxes for the 2nd Quarter of 2009 came to €526 million, equal to 22.6% of taxable income, compared with 13.1% in the same period of 2008. The tax charge for the 1st Half of 2009 came to an estimated €1,333 million, equal to 24.7% of taxable income, compared with 20.4% in the 1st Half of 2008.
This trend was essentially due to the recognition in the 1st Half of 2009 of partially or fully tax-exempt revenues, as well as to the adjustment in the 2nd Quarter of 2008 of deferred taxes related to the realignment, through payment of a one-off gains tax, of the differences between the statutory and tax values of the property, plant and equipment of a number of Italian companies (Law 244/07) and to the introduction of the IRES surtax for the energy and hydrocarbon industries (Decree Law 112/08, ratified with Law 133/08).

Analysis of the Group's financial position

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Net non-current assets:			
- property, plant and equipment and intangible assets	91,691	71,726	19,965
- goodwill	19,986	16,039	3,947
- equity investments accounted for using the equity method	592	397	195
- other net non-current assets/(liabilities)	(3,515)	(3,160)	(355)
Total	**108,754**	**85,002**	**23,752**
Net current assets:			
- trade receivables	13,197	12,378	819
- inventories	2,625	2,182	443
- net receivables due from Electricity Equalization Fund and similar bodies	(803)	(805)	2
- other net current assets/(liabilities)	(4,870)	(4,524)	(346)
- trade payables	(10,483)	(10,600)	117
Total	**(334)**	**(1,369)**	**1,035**
Gross capital employed	**108,420**	**83,633**	**24,787**
Sundry provisions:			
- post-employment and other employee benefits	(3,184)	(2,910)	(274)
- provisions for risks and charges and net deferred taxes	(10,686)	(7,921)	(2,764)
Total	**(13,869)**	**(10,831)**	**(3,038)**
Net assets held for sale	**2,050**	**3,460**	**(1,410)**
Net capital employed	**96,601**	**76,262**	**20,339**
Total shareholders' equity	**40,837**	**26,295**	**14,542**
Net financial debt	**55,764**	**49,967**	**5,797**

Property, plant and equipment and intangible assets totaled €91,691 million at June 30, 2009 (including investment property), an increase of €19,965 million. The rise was due mainly to the change in the method of consolidation for Endesa from proportionate to full line-by-line following acquisition of complete control of the company with the purchase of a 25.01% equity interest (€17,626 million), as well as to investments for the period in the amount of €2,590 million, exchange rate differences (€973 million), and the change in the Endesa renewable energy classified as held for sale as at December 31, 2008, in accordance with the agreement of February 20, 2009, and the sale to Acciona of nearly all of these assets on June 25, 2009. These effects were partially offset by the depreciation, amortization and impairment losses on those assets in the amount of €2,144 million.

Goodwill amounted to €19,986 million, an increase of €3,947 million. This change mainly reflects the provisional recognition, in the 1st Half of 2009, of the goodwill related to the 25.01% equity interest in Endesa and the effects of the aforementioned sale of renewable energy assets to Acciona, for a total of €4,052 million. The increase also reflects the goodwill provisionally recognized by Endesa on the acquisition of a 100% interest in KJWB (now Endesa Ireland), an Irish company to which 20% of the power generation assets of the Electricity Supply

Board had previously been transferred (€205 million), as well as the net effects of the adjustments for exchange rate differences for the period (€181 million).
At the end of the 1st Half of 2009, the purchase price allocation was completed for OGK-5, Electrica Muntenia Sud (now Enel Distributie Muntenia and Enel Energie Muntenia), Marcinelle Energie, Enel Erelis, Hydro Constructional, and International Wind Parks of Crete. The residual goodwill, where recognized, is therefore to be considered definitive. Conversely, the goodwill resulting from the acquisitions completed during the first six months of 2009 is to be considered provisional pending conclusion of the analysis required for more accurate allocation to the assets acquired and/or liabilities assumed.
Equity investments accounted for using the equity method came to €592 million, up €195 million over the previous year due essentially to the line-by-line consolidation of Endesa following the acquisition of the 25.01% stake in the company (€107 million), as well as to the reclassification from assets held for sale of the equity investments no longer included among the Endesa renewable energy assets sold to Acciona following the amendment of the list of such assets (€74 million).
The balance of *other net non-current assets and liabilities* as at June 30, 2009, showed a net liability of €3,515 million, increasing by €355 million from December 31, 2008. The change can be attributed to the following factors:

> a €498 million reduction in non-current financial assets due essentially to the decline in assets related to derivative instruments (€560 million), partially offset by the increase in the value of investments in other companies measured at fair value (€86 million);
> a €1,296 million increase in non-current liabilities related mainly to the increase in deferred operating liabilities due essentially to the full consolidation of Endesa;
> a €783 million decrease in non-current financial liabilities due largely to the €970 million gain recognized in the income statement resulting from the early exercise of the put option granted to Acciona in the contract of March 26, 2007, on the 25.01% that company held directly and indirectly in Endesa, which was involved in the acquisition of June 25, 2009. This effect was partially offset by the €187 million increase in liabilities connected with derivative instruments;
> a €656 million increase in non-current assets due essentially to the €558 million increase in Endesa assets in respect of the Electricity Equalization Fund and similar bodies related largely to the aforementioned line-by-line consolidation.

Net current assets came to a negative €334 million at June 30, 2009. The corresponding figure at December 31, 2008, was a negative €1,369 million.
This change is due primarily to the following factors:

> a €819 million increase in *trade receivables*. This change includes the €1,752 million increase in Endesa's trade receivables due mainly to the full consolidation of the company. This effect was partially offset by the decline in trade receivables on the domestic markets related mainly to the lower quantities sold;
> a €443 million increase in *inventories* due mostly to the higher value of Endesa's fuel inventories;
> an increase of €346 million in *other current liabilities less related assets*. This change is due to the following factors:
  – a €17 million increase in net income tax liabilities. The rise is essentially due to the recognition of taxes for the period in the amount of €1,705 million, which was almost entirely offset by the payment of taxes in the amount of €1,682 million;

- – a €416 million increase in other net non-financial liabilities, €194 million of which due to the greater net tax liabilities;
- – a €87 million decrease in other net financial liabilities, €22 million of which related to derivative financial instruments;

> a €117 million decrease in *trade payables*. In particular, the €1,636 million increase in Endesa's trade payables, related mainly to the full consolidation of the company, was more than offset by the decline in payables related essentially to the lower quantities of electricity purchased on the domestic market during the period.

Sundry provisions amounted to €13,869 million, up €3,038 million compared with the same period of the previous year. This change is connected primarily with the following factors:

> a €1,682 million increase in net deferred taxes related mainly to the deferred taxes resulting from the change in consolidation for Endesa during the period;

> a €1,082 million increase in provisions for risks and charges, which was largely affected by the aforementioned change in consolidation method.

Net assets held for sale totaled €2,050 million at June 30, 2009, including €504 million for the Endesa net assets held for sale in connection with the renewable energy assets that, following completion of the authorization process, will be transferred to Acciona (€152 million), as well as the renewable energy assets in Greece (€257 million) and other assets (€95 million). This item also includes €931 million for the net assets related to the gas distribution network – essentially Enel Rete Gas – as well as €615 million for the net assets in respect of the equity investment currently held in SeverEnergia.
The €3,460 million balance at December 31, 2008, included €1,594 million for the net renewable energy assets of Endesa to be transferred to Acciona based on the scope of the transfer established on that date, as well as €1,021 million for the net assets of the gas distribution network and €845 million for the net assets of the high-voltage electricity distribution network (ELAT), which were sold to Terna on April 1, 2009.

Net capital employed came to €96,601 million as at June 30, 2009, and was funded by shareholders' equity attributable to the Group and minority interests in the amount of €40,837 million and net financial debt of €55,764 million. With regard to the latter figure, the debt-to-equity ratio at June 30, 2009, came to 1.37 (compared with 1.90 at December 31, 2008).

Analysis of the financial structure

Net financial debt

Net financial debt and changes in the period are detailed in the table below:

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Long-term debt:			
- bank loans	28,908	29,392	(484)
- bonds	22,327	20,248	2,079
- preference shares	1,457	973	484
- other loans	589	432	157
Long-term debt	*53,281*	*51,045*	*2,236*
Long-term financial receivables and securities	(4,802)	(2,891)	(1,911)
Net long-term debt	**48,479**	**48,154**	**325**
Short-term debt:			
Bank loans:			
- short-term portion of long-term debt	3,635	590	3,045
- drawings on revolving credit lines	18	14	4
- other short-term bank debt	1,436	1,564	(128)
Short-term bank debt	*5,089*	*2,168*	*2,921*
Bonds (short-term portion)	1,378	2,364	(986)
Other loans (short-term portion)	259	156	103
Commercial paper	6,154	3,792	2,362
Other short-term financial payables	76	97	(21)
Other short-term debt	*7,867*	*6,409*	*1,458*
Long-term financial receivables (short-term portion)	(868)	(524)	(344)
Factoring receivables	(296)	(367)	71
Other short-term financial receivables	(1,040)	(694)	(346)
Cash and cash equivalents	(3,467)	(5,179)	1,712
Cash and cash equivalents and short-term financial receivables	*(5,671)*	*(6,764)*	*1,093*
Net short-term financial debt	**7,285**	**1,813**	**5,472**
NET FINANCIAL DEBT	**55,764**	**49,967**	**5,797**
Financial debt of "Assets held for sale"	***637***	***795***	***(158)***

Net financial debt was equal to €55,764 million at June 30, 2009, a €5,797 million increase over December 31, 2008. The increase reflects the acquisition of the 25.01% interest in Endesa in the amount of €9,627 million (as well as the effects of the full consolidation of Endesa's debt), which was offset by the sale of Enel Linee Alta Tensione to Terna in the amount of €1,152 million, the finalization of the Enel SpA capital increase in the amount of €7,958 million (taking account of the receipts from option rights), and the sale of a number of hydroelectric and other renewable energy plants by Endesa to Acciona in the amount of €1,766 million. Net long-term financial debt increased by €325 million as the result of the increase in long-term debt in the amount of €2,236 million and the increase in long-term financial receivables and securities of €1,911 million.
In particular, bank loans, totaling €28,908 million, reflect the following:

> the €8,000 million (nominal value; the effect on net financial debt comes to

€7,743 million) use of the 2009 Credit Agreement to finance the acquisition of the additional 25.01% stake in Endesa;

> the reclassification of the tranche of the €35 billion syndicated line of credit coming due in April 2010 in the amount of €10,866 million as at December 31, 2008. As at June 30, 2009, this tranche totaled €2,506 million after voluntary and mandatory repayments during the 1st Half of the year;

> the partial repayment, in the amount of €1,973 million, of the five-year €5 billion syndicated revolving line of credit established in November 2005.

Net short-term financial debt, in the amount of €7,285 million at June 30, 2009, increased by €5,472 million from the end of 2008, €2,921 million of which related to short-term bank debt, €1,458 million to other loans, and €1,093 million to the decline in cash and cash equivalents and short-term financial receivables.
In particular, other short-term loans in the amount of €7,867 million include the issues of commercial paper by Enel Finance International, Endesa Internacional BV, and Endesa Capital SA in the amount of €6,154 million, as well as the bonds maturing within one year in the amount of €1,378 million, some €820 million of which related to the bond issues by the Endesa Group and about €430 million to bonds issued by Enel SpA.
Net financial debt of assets held for sale at June 30, 2009 came to €637 million (€795 million at December 31, 2009) and included €499 million related to the Italian gas distribution network, €97 million related to the upstream gas business in Russia, and €41 million related to the Endesa renewable energy assets held for sale.

Cash flows

Millions of euro	1st Half		
	2009	2008	Change
Cash and cash equivalents at the beginning of the period	5,211	1,463	3,748
- *of which discontinued operations*	*1*	*1*	-
Cash flows from operating activities	2,614	3,785	(1,171)
- *of which discontinued operations*	*32*	*46*	*(14)*
Cash flows from investing activities	(9,161)	2,242	(11,403)
- *of which discontinued operations*	(32)	(46)	14
Cash flows from financing activities	4,706	(98)	4,804
- *of which discontinued operations*	-	-	-
Effect of exchange rate changes on cash and cash equivalents	115	2	113
Cash and cash equivalents at the end of the period (1) (2)	3,485	7,394	(3,909)
- *of which discontinued operations*	*1*	*1*	-

(1) Of which short-term securities equal to €57 million at June 30, 2009 (€87 million at June 30, 2008).
(2) Of which cash and cash equivalents pertaining to assets held for sale in the amount of €18 million at June 30, 2009 (€32 million at June 30, 2008).

Cash flows from operating activities in the 1st Half of 2009 were positive at €2,614 million, down €1,171 million from the same period in the previous year. The greater uses connected with the change in net current assets, due essentially to the €1,560 million increase in tax payments, was only partially offset by the improvement in the gross operating margin, which in the 1st Half of 2008 included the effects of the Endesa assets acquired for the sole purpose of being resold.

Cash flows from investing activities for the 1st Half of 2009 absorbed cash in the amount of €9,161 million, whereas such activities generated liquidity totaling €2,242 million in the first six months of 2008.
In particular, investments in property, plant and equipment and in intangible

assets, totaling €2,701 million, declined by €506 million from the corresponding period of the previous year. This reduction was essentially due to the investments made in the 1st Half of 2008 associated with the Endesa and Enel generation assets that were sold to E.ON.
Investments in entities or business units, net of cash and cash equivalents acquired in the amount of €566 million, totaled €9,394 million. This essentially includes €9,067 million related to the purchase of the 25.01% stake in Endesa (net of the €560 million in cash at the date of acquisition), as well as the €295 million payment for Endesa's acquisition of KJWH (now Endesa Ireland), an Irish company to which 20% of the generation assets of the Electricity Supply Board (ESB) had been transferred. Investments in entities for the 1st Half of 2008, net of the cash and cash equivalents acquired in the amount of €499 million, came to €1,190 million and essentially included €815 million in respect of the OGK-5 acquisition and €334 million for the purchase of a 64.4% stake in Electrica Muntenia Sud (now Enel Distributie Muntenia and Enel Energie Muntenia).
In the 1st Half of 2009, sales of entities and business units generated cash flows of €2,918 million, €1,766 million of which related to the sale of Endesa's renewable energy assets to Acciona and €1,152 million of which for the sale of Enel Linee Alta Tensione (ELAT) to Terna. The first six months of 2008 included the effects of the sale to E.ON of Endesa Europa (€5,880 million) and Viesgo (€702 million).

Cash flows from financing activities generated €4,706 million in liquidity, whereas such activities absorbed cash of €98 million for the first six months of 2008. Cash flows for the period under review essentially reflect the increase in capital and reserves of Enel totaling €7,958 million, taking account of the €2,047 million dividend payment.

In the 1st Half of 2009, the €4,706 million in cash flows generated by financing activities and the €2,614 million generated by operating activities went toward covering the €9,161 million in cash needed for investing activities. The difference is reflected in the decrease in cash and cash equivalents, which came to €3,485 million at June 30, 2009, compared with €5,211 million at the end of 2008. This decline also reflects the positive effect of exchange rate fluctuations in the amount of €115 million.

Results by Division

The results presented in this report reflect the organizational structure launched in September 2008, which saw the establishment of the "Renewable Energy" Division alongside the existing Divisions in the organization implemented in December 2007 and operational since January 1, 2008.
This structure was considered by management in assessing Group performance. Accordingly, in the half-year financial report at June 30, 2009, the results of the Divisions are presented on the basis of the existing organizational structure and, for the purposes of comparison, the figures for the 1st Half of 2008 for the Renewable Energy Division have been drawn from:

> the Generation and Energy Management Division for non-schedulable hydroelectric plants, geothermal and solar plants, and wind plants;
> the Iberia and Latin America Division for Enel Latin America, Inelec, Americas Generation Corporation and Enel Unión Fenosa Renovables;
> the International Division for International Wind Parks of Thrace, Wind Parks of Thrace, International Wind Power, International Wind Parks of Crete, Hydro Constructional, Enel Green Power Bulgaria (formerly Enel Maritza East 4), Blue Line, Enel North America, and Enel Erelis;
> the Sales Division for Enel.si.

Results by Division for the 2nd Quarter of 2009 and 2008

2ND QUARTER OF 2009 (1)

Millions of euro	Sales	GEM	Eng. & Innov.	Infra. & Networks	Iberia & Latin America	Int'l	Renewable Energy	Parent Company	Services and Other Activities	Eliminations and adjustments	Total
Revenues from third parties	4,524	2,768	58	847	3,417	1,208	413	88	28	(10)	13,341
Revenues from other segments	91	1,256	124	1,066	3	43	35	85	231	(2,934)	-
Total revenues	**4,615**	**4,024**	**182**	**1,913**	**3,420**	**1,251**	**448**	**173**	**259**	**(2,944)**	**13,341**
Net income/(charges) from commodity risk management	(282)	262	-	-	(185)	12	37	1	-	-	**(155)**
Gross operating margin	**44**	**959**	**10**	**1,121**	**1,245**	**317**	**327**	**18**	**54**	**(6)**	**4,089**
Depreciation, amortization and impairment losses	108	175	1	210	492	178	58	2	26	-	**1,250**
Operating income	**(64)**	**784**	**9**	**911**	**753**	**139**	**269**	**16**	**28**	**(6)**	**2,839**
Net financial income/(expense) and income/(expense) from equity investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	**(513)**
Income taxes	-	-	-	-	-	-	-	-	-	-	**526**
Net income from continuing operations	-	-	-	-	-	-	-	-	-	-	**1,800**
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-	**50**
Net income (Group and minority interests)	-	-	-	-	-	-	-	-	-	-	**1,850**

2ND QUARTER OF 2008 (1)

Millions of euro	Sales	GEM	Eng. & Innov.	Infra. & Networks	Iberia & Latin America	Int'l	Renewable Energy	Parent Company	Services and Other Activities	Eliminations and adjustments	Total
Revenues from third parties	4,664	3,211	22	486	4,261	987	421	95	88	7	14,242
Revenues from other segments	28	1,746	209	1,097	2	61	48	78	199	(3,468)	-
Total revenues	**4,692**	**4,957**	**231**	**1,583**	**4,263**	**1,048**	**469**	**173**	**287**	**(3,461)**	**14,242**
Net income/(charges) from commodity risk management	99	180	-	-	17	(39)	(19)	-	-	-	**238**
Gross operating margin	**103**	**1,085**	**1**	**1,028**	**1,184**	**275**	**280**	**(29)**	**25**	**(4)**	**3,948**
Depreciation, amortization and impairment losses	86	195	1	221	419	112	44	1	22	-	**1,101**
Operating income	**17**	**890**	**0**	**807**	**765**	**163**	**236**	**(30)**	**3**	**(4)**	**2,847**
Net financial income/(expense) and income/(expense) from equity investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	**(686)**
Income taxes	-	-	-	-	-	-	-	-	-	-	**285**
Net income from continuing operations	-	-	-	-	-	-	-	-	-	-	**1,876**
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-	**116**
Net income (Group and minority interests)	-	-	-	-	-	-	-	-	-	-	**1,992**

(1) Segment revenues in the above table include both revenues from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.

Results by Division for the 1st Half of 2009 and 2008

1ST HALF OF 2009 (1)

Millions of euro	Sales	GEM	Eng. & Innov..	Infra. & Networks	Iberia & Latin America	Int'l	Renewable Energy	Parent Company	Services and Other Activities	Eliminations and adjustments	**Total**
Revenues from third parties	10,485	6,027	105	1,117	7,146	2,556	794	191	57	(21)	**28,457**
Revenues from other segments	128	3,267	352	2,354	3	93	69	165	452	(6,883)	-
Total revenues	**10,613**	**9,294**	**457**	**3,471**	**7,149**	**2,649**	**863**	**356**	**509**	**(6,904)**	**28,457**
Net income/(charges) from commodity risk management	(378)	427	-	-	(522)	13	46	1	-	-	**(413)**
Gross operating margin	**160**	**1,877**	**13**	**2,016**	**2,416**	**698**	**620**	**54**	**89**	**(4)**	**7,939**
Depreciation, amortization and impairment losses	169	344	1	420	954	306	113	4	49	-	**2,360**
Operating income	**(9)**	**1,533**	**12**	**1,596**	**1,462**	**392**	**507**	**50**	**40**	**(4)**	**5,579**
Net financial income/(expense) and income/(expense) from equity investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	**(188)**
Income taxes	-	-	-	-	-	-	-	-	-	-	**1,333**
Net income from continuing operations	-	-	-	-	-	-	-	-	-	-	**4,058**
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-	**(84)**
Net income (Group and minority interests)	-	-	-	-	-	-	-	-	-	-	**3,974**
Operating assets	**7,843**	**14,393**	**330**	**18,551** (2)	**79,730** (4)	**12,783** (6)	**6,015**	**1,167**	**1,710**	**(5,256)**	**137,266**
Operating liabilities	**5,366**	**3,630**	**337**	**5,815** (3)	**14,843** (5)	**4,956** (7)	**648**	**2,040**	**1,545**	**(5,430)**	**33,750**
Capital expenditure	**26**	**376**	-	**520**	**894**	**417**	**326**	-	**31**	-	**2,590**

(1) Segment revenues in the above table include both revenues from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.
(2) Of which €1,670 million regarding units classified as "Held for sale".
(3) Of which €195 million regarding units classified as "Held for sale".
(4) Of which €544 million regarding units classified as "Held for sale".
(5) Of which €44 million regarding units classified as "Held for sale".
(6) Of which €861 million regarding units classified as "Held for sale".
(7) Of which €32 million regarding units classified as "Held for sale".

1ST HALF OF 2008 (1)

Millions of euro	Sales	GEM	Eng. & Innov.	Infra. & Networks	Iberia e America Latina	Int'l	Renewable Energy	Parent Company	Services and Other Activities	Eliminations and adjustments	**Total**
Revenues from third parties	10,986	6,355	26	831	8,175	1,844	777	187	162	(19)	**29,324**
Revenues from other segments	79	3,970	514	2,315	5	121	75	150	391	(7,620)	-
Total revenues	**11,065**	**10,325**	**540**	**3,146**	**8,180**	**1,965**	**852**	**337**	**553**	**(7,639)**	**29,324**
Net income/(charges) from commodity risk management	167	(24)	-	-	17	(54)	(30)	-	-	-	**76**
Gross operating margin	**295**	**1,633**	**5**	**1,926**	**2,332**	**547**	**521**	**(21)**	**81**	**3**	**7,322**
Depreciation, amortization and impairment losses	141	387	1	422	1,000	210	88	3	43	-	**2,295**
Operating income	**154**	**1,246**	**4**	**1,504**	**1,332**	**337**	**433**	**(24)**	**38**	**3**	**5,027**
Net financial income/(expense) and income/(expense) from equity investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	**(1,403)**
Income taxes	-	-	-	-	-	-	-	-	-	-	**740**
Net income from continuing operations	-	-	-	-	-	-	-	-	-	-	**2,884**
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-	**235**
Net income (Group and minority interests)	-	-	-	-	-	-	-	-	-	-	**3,119**
Operating assets (2)	**8,105**	**15,357**	**217**	**19,773** (3)	**53,201** (5)	**12,562**	**5,593**	**1,233**	**1,883**	**(5,714)**	**112,210**
Operating liabilities (2)	**6,127**	**4,468**	**474**	**6,023** (4)	**9,255** (6)	**5,098**	**691**	**1,351**	**1,658**	**(5,150)**	**29,995**
Capital expenditure	**22**	**417**	**-**	**625**	**896**	**190**	**364**	**5**	**28**	**-**	**2,547**

(1) Segment revenues in the above table include both revenues from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.
(2) At December 31, 2008.
(3) Of which €2,871 million regarding units classified as "Held for sale".
(4) Of which €324 million regarding units classified as "Held for sale".
(5) Of which €2,368 million regarding units classified as "Held for sale".
(6) Of which €36 million regarding units classified as "Held for sale".

The following table reconciles consolidated assets and liabilities and the segment figures.

Millions of euro

	at June 30, 2009	at Dec. 31, 2008
Total assets	**159,514**	**133,207**
Financial assets, cash and cash equivalents	13,504	13,251
Tax assets	8,744	7,746
Division assets	**137,266**	**112,210**
- *of which:*		
Sales	7,843	8,105
Generation and Energy Management	14,393	15,357
Engineering and Innovation	330	217
Infrastructure and Networks (1)	18,551	19,773
Iberia and Latin America (2)	79,730	53,201
International (3)	12,783	12,562
Renewable Energy	6,015	5,593
Parent Company	1,167	1,233
Services and Other Activities	1,710	1,883
Eliminations and adjustments	(5,256)	(5,714)
Total liabilities	**118,677**	**106,912**
Loans and other financial liabilities	71,377	66,079
Tax liabilities	13,550	10,838
Division liabilities	**33,750**	**29,995**
- *of which:*		
Sales	5,366	6,127
Generation and Energy Management	3,630	4,468
Engineering and Innovation	337	474
Infrastructure and Networks (4)	5,815	6,023
Iberia and Latin America (5)	14,843	9,255
International (6)	4,956	5,098
Renewable Energy	648	691
Parent Company	2,040	1,351
Services and Other Activities	1,545	1,658
Eliminations and adjustments	(5,430)	(5,150)

(1) Of which €1,670 million regarding units classified as "Held for sale" (€2,871 million at December 31, 2008).
(2) Of which €544 million regarding units classified as "Held for sale" (€2,368 million at December 31, 2008).
(3) Of which €861 million regarding units classified as "Held for sale".
(4) Of which €195 million regarding units classified as "Held for sale" (€324 million at December 31, 2008).
(5) Of which €44 million regarding units classified as "Held for sale" (€36 million at December 31, 2008).
(6) Of which €32 million regarding units classified as "Held for sale".

Sales

The Sales Division is responsible for commercial activities, with the objective of developing an integrated package of electricity and gas products and services for end users. The activities are carried out by:

> Enel Servizio Elettrico and Vallenergie (the operations of the latter are limited to the Valle d'Aosta region) for the sale of electricity on the enhanced protection market;

> Enel Energia for the sale of electricity on the free and safeguard markets and the sale of natural gas to end users.

Operations

ELECTRICITY SALES

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			**2009**	2008	Change	
				Free market:				
7,654	7,249	405	5.6%	- mass-market customers	16,264	13,625	2,639	19.4%
6,044	6,248	(204)	-3.3%	- business customers (1)	11,543	12,134	(591)	-4.9%
13,698	13,497	201	1.5%	Total free market (2)	27,807	25,759	2,048	8.0%
17,003	19,091	(2,088)	-10.9%	Enhanced protection and safeguard markets (3)	36,473	43,148	(6,675)	-15.5%
30,701	**32,588**	**(1,887)**	**-5.8%**	**Total**	**64,280**	**68,907**	**(4,627)**	**-6.7%**

(1) Supplies to large customers and energy-intensive users (annual consumption greater than 1 GWh).
(2) Includes 2,823 million kWh of sales on the safeguard market in the 1st Half of 2009 (1,024 million kWh in the 1st Half of 2008) and 1,286 million kWh in the 2nd Quarter of 2009 (1,024 million kWh in the 2nd Quarter of 2008).
(3) Includes 4,996 million kWh of sales on the safeguard market in the 1st Half of 2008 and 1,088 million kWh in the 2nd Quarter of 2008.

Electricity sold in the 1st Half of 2009 came to 64.3 TWh (30.7 TWh in the 2nd Quarter), a decline of 4.6 TWh (1.9 TWh in the 2nd Quarter of 2009) compared with the same period of the previous year due mainly to the slowdown in the domestic economy, which had an impact on energy consumption for industrial purposes. In particular, the 6.7 TWh decline in sales on the regulated markets (2.1 TWh in the 2nd Quarter of 2009) was partially offset by an increase in quantities distributed on the free market.

NATURAL GAS SALES

2nd Quarter				Millions of m^3	1st Half			
2009	2008	Change			**2009**	2008	Change	
375	393	(18)	-4.6%	Mass-market customers (1)	1,960	1,843	117	6.3%
398	660	(262)	-39.7%	Business customers	980	1,442	(462)	-32.0%
773	**1,053**	**(280)**	**-26.6%**	**Total**	**2,940**	**3,285**	**(345)**	**-10.5%**

(1) Includes residential customers and microbusinesses.

Gas sales for the 1st Half of 2009 totaled 2,940 million cubic meters (773 million cubic meters in the 2nd Quarter of 2009), a decline of 345 million cubic meters (280 million for the 2nd Quarter of 2009) from the same period of the previous year. This decrease was the net effect of declining sales volumes to business customers and an increase in volumes to mass-market customers.

Performance

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
4,615	4,692	(77)	Revenues	10,613	11,065	(452)
(282)	99	(381)	Net income/(charges) from commodity risk management	(378)	167	(545)
44	*103*	*(59)*	*Gross operating margin*	*160*	*295*	*(135)*
(64)	17	(81)	Operating income	(9)	154	(163)
			Operating assets	7,843	8,105 (1)	(262)
			Operating liabilities	5,366	6,127 (1)	(761)
			Employees at period-end (no.)	4,003	4,170 (1)	(167)
			Capital expenditure	26	22	4

(1) At December 31, 2008.

Performance in the 2nd Quarter

Revenues for the 2nd Quarter of 2009 came to €4,615 million, a decrease of €77 million or 1.6% from the same period of 2008, due to the following main factors:

> a €410 million decline in revenues on the regulated electricity markets, which mainly reflects the decline in volumes sold (down 2.1 TWh);

> a €129 million decline in revenues on the natural gas market due essentially to the lower volumes sold;

> a €462 million increase in revenues from electricity sales on the free market due mainly to the increase in volumes sold.

The *gross operating margin* for the 2nd Quarter of 2009 totaled €44 million, a decrease of €59 million from the same period of 2008. This decrease is due primarily to the following factors:

> a €25 million decrease in the margin on the free market despite the higher volumes sold, which reflects the negative effect of commodity risk management;

> a €20 million decrease in the margin on the sale of natural gas to end users;

> a €10 million decline in the margin on the sale of electricity on the regulated markets due mainly to the net negative effect of prior-year items recognized in the two periods in question related to electricity sales and transport;

> a €4 million increase in other operating costs.

Operating income for the 2nd Quarter of 2009, after depreciation, amortization and impairment losses in the amount of €22 million related to the increase in impairment of trade receivables, was a negative €64 million, declining by €81 million from the 2nd Quarter of 2008.

Performance in the 1st Half

Revenues for the 1st Half of 2009 came to €10,613 million, a decrease of €452 million from the same period of 2008 (-4.1%), due to the following factors:

> a €1,074 million decline in revenues on the regulated energy markets, which mainly reflects the decline in volumes sold (down 6.7 TWh);

> a €19 million increase in revenues on the natural gas market due mainly to the increase in average sales price, the effects of which were partially offset by the decline in volumes sold;

> a €603 million increase in revenues from electricity sales on the free market due essentially to the increase in volumes sold.

Gross operating margin for the 1st Half of 2009 totaled €160 million, a decrease of €135 million from the same period of 2008. This decrease is due primarily to the following factors:

> a €60 million decline in the margin on the sale of electricity on the regulated markets due mainly to the €28 million decline in the sales margin connected with the lower quantities sold, as well as to the net negative effect of prior-year items recognized in the two periods in question related to electricity sales and transport in the amount of €15 million;

> a €49 million decrease in the margin on the free market, despite the higher volumes sold, which reflects the negative effect of commodity risk management;

> a €16 million decrease in the margin on the sale of natural gas to end users;

> a €10 million increase in other operating costs related essentially to the increase in commercial costs for customer management.

Operating income for the 1st Half of 2009, after depreciation, amortization and impairment losses in the amount of €169 million (€141 million for the same period of 2008), came to a negative €9 million, declining by €163 million from the 1st Half of 2008. The increase in depreciation, amortization and impairment losses was related mainly to the increase in impairment for doubtful trade receivables.

Capital expenditure

Capital expenditure came to €26 million, up €4 million over the 1st Half of 2008, and primarily concerns investments in intangible assets.

Generation and Energy Management

The Generation and Energy Management Division operates in the field of electricity generation and energy products. The main activities of the Division are as follows:

> the generation and sale of electricity:
  - schedulable hydroelectric and thermal power plants throughout Italy through Enel Produzione and Hydro Dolomiti Enel (the latter limited to the Province of Trento);
  - trading on international and domestic markets, primarily through Enel Trade, Enel Trade Hungary, and Enel Trade Romania.

> the supply and sale of energy products through Enel Trade:
  - provisioning for all of the Group's needs;
  - the sale of natural gas to distributors.

> the development of natural gas storage projects, through Enel Stoccaggi, and regasification plants, through Nuove Energie.

Operations

NET ELECTRICITY GENERATION

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			**2009**	2008	Change	
10,539	14,281	(3,742)	-26.2%	Thermal	22,964	30,996	(8,032)	-25.9%
7,590	5,994	1,596	26.6%	Hydroelectric	13,003	9,876	3,127	31.7%
18,129	**20,275**	**(2,146)**	**-10.6%**	**Total net generation**	**35,967**	**40,872**	**(4,905)**	**-12.0%**

In the 1st Half of 2009, net electricity generation totaled 35,967 million kWh, a decrease of 12.0% from the same period of 2008. A similar trend was seen in the 2nd Quarter of 2009, with net power generation of 18,129 million kWh, a decline of 10.6% from the 2nd Quarter of 2008. During the periods under review, the growth in hydroelectric power generation (3,127 million kWh for the 1st Half and 1,596 million kWh in the 2nd Quarter), which was aided by the greater water availability in 2009, was more than offset by the decline in thermal power generation (8,032 million kWh in the 1st Half and 3,742 million kWh in the 2nd Quarter).

CONTRIBUTION TO GROSS THERMAL GENERATION

2nd Quarter						Millions of kWh	1st Half					
2009		2008		Change			**2009**		2008		Change	
362	3.2%	472	3.1%	(110)	-23.3%	High-sulfur fuel oil (S>0.25%)	1,067	4.3%	1,268	3.8%	(201)	-15.9%
198	1.7%	380	2.5%	(182)	-47.9%	Low-sulfur fuel oil (S<0.25%)	1,129	4.6%	1,552	4.7%	(423)	-27.3%
560	*4.9%*	*852*	*5.6%*	*(292)*	*-34.3%*	*Total fuel oil*	*2,196*	*8.9%*	*2,820*	*8.5%*	*(624)*	*-22.1%*
3,749	33.1%	7,239	47.7%	(3,490)	-48.2%	Natural gas	8,199	33.2%	14,887	45.1%	(6,688)	-44.9%
6,925	61.0%	7,019	46.2%	(94)	-1.3%	Coal	14,040	56.9%	15,135	45.9%	(1,095)	-7.2%
110	1.0%	82	0.5%	28	34.1%	Other fuels	238	1.0%	161	0.5%	77	47.8%
11,344	**100.0%**	**15,192**	**100.0%**	**(3,848)**	**-25.3%**	**Total**	**24,673**	**100.0%**	**33,003**	**100.0%**	**(8,330)**	**-25.2%**

Gross thermal generation for the 1st Half of 2009 declined by 25.2% compared with the same period of 2008, in line with the trend in the 1st Quarter of 2009. This decline, which was seen in all types of fuel and generation technologies, was the result of the significant reduction in electricity demand connected with the economic slowdown, in conjunction with a variety of other factors, such as the increase in hydroelectric generation (supported by greater water availability), the increase in imported electricity and the natural gas supply crisis of January 2009.
The most significant reduction was seen in generation from natural gas (down 44.9% in the 1st Half of 2009) and was due mainly to the reduced operations of the combined-cycle plants, which were also affected by January's gas emergency.
The decline in coal-fired generation (down 7.2% for the 1st Half of 2009) was concentrated in the 1st Quarter of 2009, which was affected by the maintenance shutdown of unit 3 of the La Spezia plant until mid-March. These effects were then partially offset in the 2nd Quarter of 2009 by the return to operations for this unit and by the growing contribution of the new unit 4 of the Torrevaldaliga Nord plant.
Finally, fuel-oil generation also declined, despite being boosted in the early part of the period by the gas emergency and by fuel price developments that made the use of this raw material more competitive.

Performance

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
4,024	4,957	(933)	Revenues	9,294	10,325	(1,031)
262	180	82	Net income/(charges) from commodity risk management	427	(24)	451
959	*1,085*	*(126)*	*Gross operating margin*	*1,877*	*1,633*	*244*
784	890	(106)	Operating income	1,533	1,246	287
			Operating assets	14,393	15,357 (1)	(964)
			Operating liabilities	3,630	4,468 (1)	(838)
			Employees at period-end (no.)	6,656	6,829 (1)	(173)
			Capital expenditure	376	417	(41)

(1) At December 31, 2008.

Performance in the 2nd Quarter

Revenues came to €4,024 million for the 2nd Quarter of 2009, down €933 million or 18.8% from the same period of 2008 due mainly to the following factors:

> a €757 million decrease in revenues from electricity sales on the Power Exchange due mainly to a decline in average sales prices, as well as to the decline in quantities sold (down 1.3 TWh);

> a €235 million decline in revenues from electricity sales related to the reduction in revenues from electricity sales on the free market by the Sales Division (down €341 million) due to the decrease in average sales prices, which more than offset the increase in volumes sold (+0.2 TWh). This decline in revenues was partially offset by an increase in revenues from electricity sales to domestic resellers (up €106 million);

> a €208 million decline in revenues from the sale of fuel for trading resulting from the €194 million decrease in natural gas sales and the €14 million decline in sales of other fuels;

> a €102 million increase in revenues due to growth in trading on the international energy markets (+1.5 TWh);
> a €62 million increase in revenues from the sale of green certificates to the Electricity Services Operator (ESO);
> gains in the amount of €78 million related to the settlement with Eni concerning the connection fees Enel SpA paid to Snam SpA during the period 1991-1999 and adjustment payments related to corrections of metering documents for the Montalto di Castro thermal power plant (concerning a number of months in 2004, 2006 and 2007) and for the Treviso city-gate (concerning the period January-September 2003).

The *gross operating margin* came to €959 million, down €126 million or 11.6% from the €1,085 million posted in the 2nd Quarter of 2008. This decrease was essentially related to the €295 million decline in the fair value of derivatives for commodity risk management, which was partially offset by the increase in the margin on gas trading and the generation margin, as well as the settlement agreement with Eni mentioned above.

Operating income came to €784 million, down €106 million or 11.9% from the 2nd Quarter of 2008. This performance was due primarily to the decline in the gross operating margin, which was partially offset by a €20 million decrease in depreciation and impairment losses.

Performance in the 1st Half

Revenues for the 1st Half of 2009 came to €9,294 million, down €1,031 million (-10.0%) from the same period of 2008, due mainly to the following factors:
> a €1,207 million decrease in revenues from electricity sales on the Power Exchange related mainly to a decline in quantities sold (-4.8 TWh), as well as to the decline in average sales prices;
> a €409 million decline in revenues from electricity sales related to the reduction in volumes sold (-2.2 TWh) on the free market by the Sales Division (€626 million), which was partially offset by an increase in revenues from electricity sales to domestic resellers (up €217 million);
> a €166 million decline in revenues from the sale of fuel for trading resulting from the €133 million decrease in natural gas sales and the €33 million decline in sales of other fuels;
> a €263 million increase in revenues due to growth in trading on the international electricity markets (+3.1 TWh);
> a €374 million increase in revenues from the sale of green certificates to the Electricity Service Operator;
> gains in the amount of €78 million related to the aforementioned settlement with Eni related to past items.

The *gross operating margin* for the 1st Half of 2009 came to €1,877 million, up €244 million or 14.9% from the €1,633 million posted for the same period of 2008. This increase was essentially due to the rise in the generation margin and the margin on gas trading, as well as to the effect of the settlement with Eni as mentioned above. These effects were partially offset by the change in fair value of the derivatives for commodity risk management (a negative €139 million).

Operating income came to €1,533 million, an increase of €287 million (+23.0%) over the 1st Half of 2008, due to lower depreciation and impairment losses in the amount of €43 million, primarily related to completion of the depreciation of a number of plants, as well as to the increase in the useful life of the Hydro Dolomiti Enel plants following the extension of the related concession.

Capital expenditure

Capital expenditure came to €376 million, €360 million of which for generation plants. The main investments for the 1st Half of 2009 concerned the continuation of projects on thermal plants in the amount of €300 million (including the coal conversion of the Torrevaldaliga Nord plant for €185 million and logistics for coal transport and the refurbishing of particulate collectors at the Brindisi plant totaling €28 million), the refurbishing and repowering of the schedulable hydroelectric plants in the amount of €45 million, and projects involving alternative-energy plants, related to the Archimede Project, in the amount of €15 million.

Engineering and Innovation

The mission of the Engineering and Innovation Division is to serve the Group by managing the engineering processes related to the development and construction of power plants, ensuring achievement of the quality, temporal and financial objectives set for it. The Division also coordinated and supplements the Group's research activities, ensuring the scouting, development and leveraging of innovation opportunities in all Group business areas, with a special focus on the development of major environmental initiatives.

Performance

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
182	231	(49)	Revenues	457	540	(83)
10	*1*	*9*	*Gross operating margin*	*13*	*5*	*8*
9	-	9	Operating income	12	4	8
			Operating assets	330	217 (1)	113
			Operating liabilities	337	474 (1)	(137)
			Employees at period-end (no.)	1,140	1,020 (1)	120

(1) At December 31, 2008.

Performance in the 2nd Quarter

Revenues for the 2nd Quarter of 2009 came to €182 million, down €49 million (-21.2%) from the same period of the prior year. This decline was essentially due to the following:

> a €30 million decline in business with E.ON España (formerly Enel Viesgo Generación) for the development of the Escatrón, Algeciras and Puente Nuevo thermal power plants in Spain, as a number of activities have been completed;

> a €35 million decline in business with the Generation and Energy Management Division, related mainly to the coal conversion of the Torrevaldaliga Nord plant;

> a €9 million increase in business with the companies of the International Division, related mainly to the construction of combined-cycle plants in Marcinelle (€6 million), Livadia (€5 million), and Nevinnomysskaya (€6 million). These factors were partially offset by the decline in business with Enel Maritza East 3 related to the modernization of the coal plant.

The *gross operating margin* totaled €10 million in the 2nd Quarter of 2009, an increase of €9 million due to the difference in margins on business conducted during the two periods in question, which was due in part to more efficient management of the activities conducted by the Division following its corporate reorganization.

Operating income totaled €9 million in the 2nd Quarter of 2009, in line with developments in the gross operating margin.

Performance in the 1st Half

Revenues for the 1st Half of 2009 came to €457 million, down €83 million or 15.4% from the same period of the prior year. This decline was essentially due to the following:

> a €85 million decline in business with E.ON España (formerly Enel Viesgo Generación) for the development of the Escatrón, Algeciras and Puente Nuevo

thermal power plants in Spain, as a number of activities have been completed;

> a €26 million decline in business with the Generation and Energy Management Division, related mainly to the coal conversion of the Torrevaldaliga Nord plant;

> a €21 million increase in business with the companies of the International Division, related mainly to the construction of combined-cycle plants in Marcinelle (€12 million), Livadia (€7 million), and Nevinnomysskaya (€8 million).

These factors were partially offset by the decline in business with Enel Maritza East 3 related to the modernization of the coal plant.

The *gross operating margin* totaled €13 million in the 1st Half of 2009, an increase of €8 million due to the difference in margins on business conducted during the two periods in question, which was due in part to more efficient management of the activities conducted by the Division following its corporate reorganization.

Operating income totaled €12 million in the 1st Half of 2009, in line with developments in the gross operating margin.

Infrastructure and Networks

The Infrastructure and Networks Division is responsible for operating the electricity and gas distribution networks.

The activities are essentially carried out by:

> Enel Distribuzione and Deval (the latter's operations are limited to the Valle d'Aosta region) for the distribution of electricity;

> Avisio Energia for the distribution of natural gas;

> Enel Sole for public and artistic lighting.

Following the disposal of the assets related to the gas distribution network in Italy, the assets and liabilities of Enel Rete Gas have been classified under "Net assets held for sale", while as at December 31, 2008 this item also included the assets and liabilities of Enel Linee Alta Tensione, which was sold on April 1, 2009. Finally, given that they concern a significant business unit in Italy, the income figures related to the gas distribution network have been classified as discontinued operations for the two periods being compared.

Operations

TRANSPORT OF ELECTRICITY AND NATURAL GAS

2nd Quarter					1st Half			
2009	2008	Change			**2009**	2008	Change	
57,928	63,499	(5,571)	-8.8%	**Electricity transported on Enel's distribution network** (millions of kWh) (1)	118,084	128,726	(10,642)	-8.3%
				Gas transported (millions of cubic meters)				
298	423	(125)	-29.6%	For Enel Group companies	1,655	1,713	(58)	-3.4%
146	132	14	10.6%	For third parties	416	338	78	23.1%
444	**555**	**(111)**	**-20.0%**	**Total gas transported** (2)	**2,071**	**2,051**	**20**	**1.0%**

(1) The figures for the 1st Half and 2nd Quarter of 2008 reflect a more detailed calculation of quantities transported.
(2) Includes discontinued operations (2,058 million cubic meters in the 1st Half of 2009, 2,039 million cubic meters in the 1st Half of 2008, 442 million cubic meters in the 2nd Quarter of 2009, and 552 million cubic meters in the 2nd Quarter of 2008).

Developments in energy transported on the Enel network in Italy for the 2nd Quarter and the 1st Half of 2009 reflects the trend of Italian demand for energy, which was significantly affected by the slowdown in the country's economy.

Gas transported, which was essentially unchanged in the 1st Half of 2009 as a whole (+1.0%), posted a 20.0% decline in the 2nd Quarter, which almost entirely offset the increase in the 1st Quarter of 2009, which was characterized by colder average temperatures than in the 1st Quarter of 2008.

Performance

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
1,913	1,583	330	Revenues	3,471	3,146	325
1,121	*1,028*	*93*	*Gross operating margin*	*2,016*	*1,926*	*90*
911	807	104	Operating income	1,596	1,504	92
			Operating assets (1)	18,551	19,773 (4)	(1,222)
			Operating liabilities (2)	5,815	6,023 (4)	(208)
			Employees at period-end (no.) (3)	21,141	21,683 (4)	(542)
			Capital expenditure	520	625	(105)

(1) Of which €1,670 million at June 30, 2009 (€2,871 million at December 31, 2008) regarding units classified as "Held for sale".
(2) Of which €195 million at June 30, 2009 (€324 million at December 31, 2008) regarding units classified as "Held for sale".
(3) Of which 1,231 at June 30, 2009 (1,289 at December 31, 2008) in units classified as "Held for sale".
(4) At December 31, 2008.

Performance in the 2nd Quarter

Revenues for the 2nd Quarter of 2009 came to €1,913 million, up €330 million or 20.8% over the same period of 2008. This change reflects the €308 million gain on the sale of Enel Linee Alta Tensione, the company to which the high-voltage electricity distribution network was transferred on January 1, 2009, as well as the following:

> a €24 million increase in revenues from the transport of electricity. The effect of the decline in electricity distribution to end users (down 5.6 TWh in the 2nd Quarter) was more than offset by the increase in average transport prices (including equalization mechanisms) after rates were updated for the new 2008-2011 regulatory period;
> the recognition, in the 2nd Quarter of 2009, of the €17 million increase in service-continuity bonuses in application of Resolution ARG/gas no. 79/09, which amended Resolution no. 333/07 of the Authority for Electricity and Gas;
> the €40 million decrease in connection fees as a result of a decline in power demand, essentially related to low-voltage connections.

The *gross operating margin* totaled €1,121 million, up €93 million or 9.0% due to:

> recognition of the €308 million gain on the sale of Enel Linee Alta Tensione;
> a €34 million increase in service quality bonuses, which was partially offset by a €2 million decline in the margin on white certificates;
> a €25 million increase in the margin on electricity transport, which was more than offset by the €37 million negative impact of the disposal of Enel Linee Alta Tensione;
> an increase of €7 million in operating overheads;
> the €40 million decrease in connection fees as mentioned above in the section on revenues;
> the recognition in the 2nd Quarter of 2009 of €80 million in expenses for early retirement incentives, which were not included in the same period of 2008;
> a €108 million reduction in positive prior-period items related to the purchase of electricity from the Single Buyer following the alignment by Terna and Enel Distribuzione of withdrawal points on the high-voltage networks (Resolution no. 177/07).

Operating income, after depreciation, amortization and impairment losses in the amount of €210 million (€221 million for the 2nd Quarter of 2008), came to €911 million, an increase of €104 million (+12.9%) over the same period of 2008.

Performance in the 1st Half

Revenues for the 1st Half of 2009 came to €3,471 million, up €325 million (+10.3%) over the same period of 2008 due mainly to the aforementioned gain on the sale of Enel Linee Alta Tensione, as well as the following:

> a €34 million increase in revenues from the transport of electricity due to the increase in average transport prices (including equalization mechanisms) after rates were updated for the new 2008-2011 regulatory period, while the volume of electricity distributed to end users fell by 10.6 TWh;
> a €17 million increase in service-continuity bonuses following the changes to Resolution no. 333/07 of the Authority for Electricity and Gas;
> the €50 million decrease in connection fees as a result of a decline in power demand, which was essentially related to low-voltage connections.

The *gross operating margin* totaled €2,016 million, up €90 million or 4.7% due to:

> the recognition of the €308 million gain on the sale of Enel Linee Alta Tensione as mentioned above;
> a €45 million increase in the margin on electricity transport, which was partially offset by the €37 million negative impact of the disposal of Enel Linee Alta Tensione;
> a €34 million increase in service quality bonuses, which was partially offset by a €10 million decline in the margin on white certificates;
> an increase of €34 million in operating overheads;
> a €50 million decline in connection fees, as mentioned above in the section on revenues;
> recognition, in the 1st Half of 2009, of €80 million in expenses for early retirement incentives, which were not included in the same period of 2008;
> a €86 million reduction in positive prior-period items related to the purchase of electricity from the Single Buyer following the alignment by Terna and Enel Distribuzione of withdrawal points on the high-voltage networks (Resolution no. 177/07).

Operating income, after depreciation, amortization and impairment losses in the amount of €420 million (€422 million for the 1st Half of 2008), came to €1,596 million, an increase of €92 million (+6.1%) over the same period of 2008.

Capital expenditure

Capital expenditure for the 1st Half of 2009 totaled €520 million, a €105 million decrease compared with the same period of the previous year, due mainly to the work done on the low and medium-voltage grids in order to improve service quality.

Iberia and Latin America

The Iberia and Latin America Division focuses on developing Enel's presence and coordinating its operations in the electricity and gas markets of Spain, Portugal and Latin America, formulating growth strategies in the related regional markets. In 2009, the figures for this Division reflect those for Endesa alone, whereas in 2008 they included the performance data of Enel Viesgo Generación, Enel Viesgo Servicios, Electra de Viesgo Distribución and the equity investments of these companies, all of which were sold to E.ON in June 2008.

Operations

NET ELECTRICITY GENERATION

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			**2009**	2008	Change	
10,454	11,858	(1,404)	-11.8%	Thermal	22,640	26,105	(3,465)	-13.3%
3,113	4,413	(1,300)	-29.5%	Nuclear	7,684	9,472	(1,788)	-18.9%
8,245	7,675	570	7.4%	Hydroelectric	15,739	13,938	1,801	12.9%
455	460	(5)	-1.1%	Wind	1,052	963	89	9.2%
43	40	3	7.5%	Other resources	89	81	8	9.9%
22,310	**24,446**	**(2,136)**	**-8.7%**	**Total net generation**	**47,204**	**50,559**	**(3,355)**	**-6.6%**

Net generation for the 1st Half of 2009 came to 47,204 million kWh (22,310 million kWh for the 2nd Quarter of 2009), for a decrease of 3,355 million kWh (down 2,136 million kWh for the 2nd Quarter of 2009) from the same period of 2008 due to the 2,029 million kWh decline in production for Endesa (down 1,485 million kWh in the 2nd Quarter of 2009), as well as to the reduction of 1,326 million kWh due to the sale of Enel Viesgo Generación (down 651 million kWh in the 2nd Quarter of 2009).

In the 1st Half of 2009, 3,891 million kWh (2,718 million kWh in the 2nd Quarter of 2009) of the decline in Endesa production came on the Iberian peninsula, where the increase in hydroelectric power generation (due to greater water availability) only partially offset the decline in thermal power generation, which was affected by the decline in market demand for electricity (down 6.4%), and in nuclear power generation, which was related to the unavailability of the Ascó II plant and the scheduled shutdown of the Ascó I, Garoña, Trillo, Almaraz and Vandellós plants. This was partially offset by the 1,608 million kWh increase in power generation in Latin America (up 1,221 million kWh in the 2nd Quarter of 2009) due mainly to the greater water availability in Argentina, Chile and Colombia, as well as by the 254 million kWh increase in the other European countries (up 12 million kWh in the 2nd Quarter of 2009), 248 million kWh of which was related to the thermal power plants in Ireland acquired in January 2009.

CONTRIBUTION TO GROSS THERMAL GENERATION

2nd Quarter						Millions of kWh	1st Half					
2009		2008		Change			**2009**		2008		Change	
1,438	10.2%	1,620	9.5%	(182)	-11.2%	High-sulfur fuel oil (S>0.25%)	2,661	8.4%	2,997	8.0%	(336)	-11.2%
166	1.2%	196	1.1%	(30)	-15.3%	Low-sulfur fuel oil (S<0.25%)	430	1.4%	246	0.7%	184	74.8%
1,604	*11.4%*	*1,816*	*10.6%*	*(212)*	*-11.7%*	*Total fuel oil*	*3,091*	*9.8%*	*3,243*	*8.7%*	*(152)*	*-4.7%*
4,624	32.8%	5,852	34.2%	(1,228)	-21.0%	Natural gas	9,925	31.5%	10,245	27.4%	(320)	-3.1%
3,474	24.7%	3,452	20.1%	22	0.6%	Coal	8,442	26.7%	11,355	30.4%	(2,913)	-25.7%
3,134	22.2%	4,592	26.8%	(1,458)	-31.8%	Nuclear fuel	7,877	25.0%	9,869	26.4%	(1,992)	-20.2%
1,250	8.9%	1,428	8.3%	(178)	-12.5%	Other fuels	2,213	7.0%	2,668	7.1%	(455)	-17.1%
14,086	**100.0%**	**17,140**	**100.0%**	**(3,054)**	**-17.8%**	**Total**	**31,548**	**100.0%**	**37,380**	**100.0%**	**(5,832)**	**-15.6%**

Gross thermal power generation posted a 5,832 million kWh decline compared with the 1st Half of 2008, 4,889 million kWh of which related to the decline in Endesa output (mainly in coal and nuclear generation) and 943 million kWh to the change in the scope of consolidation related to Enel Viesgo Generación.

ELECTRICITY SALES

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			**2009**	2008	Change	
				Free market:				
9,427	7,373	2,054	27.9%	- Iberian peninsula	18,389	14,460	3,929	27.2%
1,189	967	222	23.0%	- Latin America	2,312	1,978	334	16.9%
10,616	8,340	2,276	27.3%	Total free market	20,701	16,438	4,263	25.9%
				Regulated market:				
7,893	11,853	(3,960)	-33.4%	- Iberian peninsula	16,430	24,952	(8,522)	-34.2%
6,518	6,658	(140)	-2.1%	- Latin America	13,424	13,482	(58)	-0.4%
14,411	18,511	(4,100)	-22.1%	Total regulated market	29,854	38,434	(8,580)	-22.3%
25,027	**26,851**	**(1,824)**	**-6.8%**	**Total**	**50,555**	**54,872**	**(4,317)**	**-7.9%**
17,320	*19,226*	*(1,906)*	*-9.9%*	*- of which Iberian peninsula*	*34,819*	*39,412*	*(4,593)*	*-11.7%*
7,707	*7,625*	*82*	*1.1%*	*- of which Latin America*	*15,736*	*15,460*	*276*	*1.8%*

Electricity sale to end users for the Iberia and Latin America Division for the 1st Half of 2009 totaled 50,555 million kWh, a decrease of 4,317 million kWh from the same period of 2008, 2,444 million kWh of which related to the change in the scope of consolidation connected with Electra de Viesgo Distribución and Viesgo Energía.

The 1,873 million kWh decline in total sales by Endesa is the net effect of the 6,567 million kWh decline on the regulated market and the 4,694 million kWh increase on the free market. In addition to the decline in market demand, this development is due to the partial deregulation of electricity rates in Spain.

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
3,420	4,263	(843)	Revenues	7,149	8,180	(1,031)
(185)	17	(202)	Net income/(charges) from commodity risk management	(522)	17	(539)
1,245	*1,184*	*61*	*Gross operating margin*	*2,416*	*2,332*	*84*
753	765	(12)	Operating income	1,462	1,332	130
			Operating assets (1)	79,730	53,201 (4)	26,529
			Operating liabilities (2)	14,843	9,255 (4)	5,588
			Employees at period-end (no.) (3)	26,787	17,827 (4)	8,960
			Capital expenditure	894	896	(2)

(1) Of which €544 million at June 30, 2009 (€2,368 million at December 31, 2008) regarding units classified as "Held for sale".
(2) Of which €44 million at June 30, 2009 (€36 million at December 31, 2008) regarding units classified as "Held for sale".
(3) Of 51 in units classified as "Held for sale" (124 at December 31, 2008).
(4) At December 31, 2008.

Performance in the 2nd Quarter

The table below shows performance by geographical area.

Millions of euro	Revenues			Gross operating margin			Operating income		
	2009	2008	Change	**2009**	2008	Change	**2009**	2008	Change
Europe	2,047	2,778	(731)	703	741	(38)	370	473	(103)
Latin America	1,373	1,485	(112)	542	443	99	383	292	91
Total	**3,420**	**4,263**	**(843)**	**1,245**	**1,184**	**61**	**753**	**765**	**(12)**

Revenues for the 2nd Quarter of 2009 declined by €843 million or 19.8% due to the following factors:

> a €731 decline in revenues in Europe, €428 million of which related to the change in the scope of consolidation when the Viesgo Group was sold to E.ON in June 2008 and with €303 million being related to the decline in Endesa revenues. The latter is essentially related to the decline in revenues from power generation related mainly to the smaller volumes generated, which was partially offset by the increase in revenues from electricity sales and distribution related primarily to the increase in sales prices, which more than offset the reduction in quantities sold;

> a €112 million decline in revenues by Endesa in Latin America related mainly to power generation, which was partially offset by the increase in revenues from electricity sales and distribution.

The *gross operating margin* reached €1,245 million for an increase of €61 million or 5.2% over the 2nd Quarter of 2008. Of particular note was the following:

> the €99 million increase in the gross operating margin in Latin America due essentially to power generation;

> the €38 million decline in the gross operating margin in Europe due to the €114 drop in the gross operating margin for Endesa, which was partially offset by the deconsolidation of the Viesgo companies in the amount of €76 million, which reflects the €109 million loss on the sale to E.ON in the 2nd Quarter of 2008.

Operating income for the 2nd Quarter of 2009 totaled €753 million, down €12 million from the same period of 2008. In addition to the change in gross operating margin, this performance reflects the €73 million increase in depreciation, amortization and impairment losses, €161 million of which related to Endesa, which was partially offset by the €88 million decline in the same aggregate due to the deconsolidation of the Viesgo Group.

Performance in the 1st Half

The table below shows performance by geographical area.

Millions of euro	Revenues			Gross operating margin			Operating income		
	2009	2008	Change	**2009**	2008	Change	**2009**	2008	Change
Europe	4,406	5,344	(938)	1,379	1,446	(67)	728	752	(24)
Latin America	2,743	2,836	(93)	1,037	886	151	734	580	154
Total	**7,149**	**8,180**	**(1,031)**	**2,416**	**2,332**	**84**	**1,462**	**1,332**	**130**

Revenues for the 1st Half of 2009 declined by €1,031 million or 12.6% due to the following:

> a €938 decline in revenues in Europe, €795 million of which related to the change in the scope of consolidation when the Viesgo Group was sold to E.ON in June 2008 and with €143 million being related to the decline in Endesa revenues. The latter is essentially related to the €445 million decline in revenues from power generation related mainly to the lower volumes generated, which was partially offset by the €302 million increase in revenues from electricity sales and distribution related primarily to the increase in sales prices, which more than offset the reduction in quantities sold;

> a €93 million decline in revenues by Endesa in Latin America related mainly to power generation (€187 million), which was partially offset by the increase in revenues from electricity sales and distribution.

The *gross operating margin* reached €2,416 million, an increase of €84 million or 3.6% over the 1st Half of 2008. Of particular note was the following:

> the €151 million increase in the gross operating margin in Latin America due essentially to power generation (which rose by €157 million), thanks to favorable water availability in a number of countries;

> the €67 million decline in the gross operating margin in Europe, attributable to a decline of €102 million in the contribution of Endesa, which was partially offset by the deconsolidation of the Viesgo companies in the amount of €35 million, including the loss on the sale to E.ON.

Operating income for the 1st Half of 2009 totaled €1,462 million, up €130 million over the same period of 2008. In addition to the change in the gross operating margin, this performance reflects the €46 million decrease in depreciation, amortization and impairment losses due to €277 million decline for the deconsolidation of the Viesgo Group (€168 million of which related to the adjustment, in the 1st Quarter of 2008, to the value of the net assets that were then sold to E.ON). This was partially offset, in the amount of €231 million, by the contribution from Endesa (essentially related to the depreciation and amortization on the assets classified as “held for sale” in 2008 and that are no longer to be sold to Acciona following the agreement of February 20, 2009).

Capital expenditure

Capital expenditure came to €894 million, down €2 million from the same period of the previous year. In particular, investments in the 1st Half of 2009 included €396 million related to generation plants, including the following: in Spain and Portugal, the construction of combined-cycle plants (Besós 5, Elecgas, Ca's Tresorer, and Granadilla 2) and gas-fired plants (Ibiza, Mahon, and Ceuta), and the construction and development of a number of wind farms; in Latin America, among others, the completion of the Quintero combined-cycle plant (with regasification terminal) and the construction of the Bocamina II coal-fired plant and the Canela II wind farm.

Investments in the electricity network, in the amount of €384 million (€239 million in Europe), concerned the expansion of the distribution network, as well as work to enhance the service quality and operating efficiency of the electrical system.

International

The mission of the International Division is to support Enel's strategies for international growth, as well as to manage and integrate the foreign businesses not included in the Iberia and Latin America Division, monitoring and developing business opportunities that should present themselves on the electricity and fuel markets.

The chief geographical areas of operation for this Division are:

> central Europe, where the Division is active in energy sales in France (Enel France), in power generation in Slovakia (Slovenské elektrárne), and thermal plant development in Belgium (Marcinelle Energie);

> south-eastern Europe, with power generation and technical support activities in Bulgaria (Enel Maritza East 3 and Enel Operations Bulgaria), the development of generation capacity in Romania (Enel Productie), electricity distribution, sales and support activities in Romania (Enel Distributie Banat, Enel Distributie Dobrogea, Enel Energie, Enel Distributie Muntenia, Enel Energie Muntenia, Enel Romania and Enel Servicii Comune) and the development of thermal plants in Greece (Enelco);

> Russia, with upstream activities in the gas industry (SeverEnergia), energy trading and sales (RusEnergoSbyt), power generation and sales (OGK-5) and supports (Enel Rus) in the Russian Federation.

As at June 30, 2009, following the agreement with Gazprom in the 1st Half of 2009, the assets and liabilities of SeverEnergia were classified under "Net assets held for sale".

Operations

NET ELECTRICITY GENERATION

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			**2009**	2008	Change	
9,030	4,544	4,486	98.7%	Thermal	20,273	6,267	14,006	-
3,062	3,515	(453)	-12.9%	Nuclear	6,643	7,820	(1,177)	-15.1%
1,374	1,185	189	15.9%	Hydroelectric	2,404	2,311	93	4.0%
13,466	**9,244**	**4,222**	**45.7%**	**Total net generation**	**29,320**	**16,398**	**12,922**	**78.8%**

Net generation abroad in the 1st Half of 2009 totaled 29,320 million kWh, an increase of 12,922 million kWh over the 1st Half of 2008 due to the different period of consolidation for OGK-5 (14,501 million kWh), which was partially offset by the decrease in production for Slovenské elektrárne (1,325 million kWh, primarily from nuclear power as a result of the shutdown of the EBO V1 plant at the end of 2008) and Enel Maritza East 3 (254 million kWh) as a result of lower demand on the Bulgarian market.

The performance for the 2nd Quarter of 2009 is in line with that of the 1st Half.

CONTRIBUTION TO GROSS THERMAL GENERATION

2nd Quarter						Millions of kWh	1st Half					
2009		2008		Change			2009		2008		Change	
42	0.3%	12	0.1%	30	-	High-sulfur fuel oil (S>0.25%)	83	0.3%	12	0.1%	71	-
4,028	30.9%	1,287	14.7%	2,741	-	Natural gas	9,009	31.1%	1,287	8.3%	7,722	-
5,655	43.4%	3,676	41.8%	1,979	53.8%	Coal	12,714	43.9%	5,684	36.8%	7,030	-
3,306	25.4%	3,811	43.4%	(505)	-13.3%	Nuclear fuel	7,161	24.7%	8,465	54.8%	(1,304)	-15.4%
13,031	**100.0%**	**8,786**	**100.0%**	**4,245**	**48.3%**	**Total**	**28,967**	**100.0%**	**15,448**	**100.0%**	**13,519**	**87.5%**

Gross thermal generation reflects the different period of consolidation for OGK-5, which, in the 1st Half of 2009, generated 15,388 million kWh more power compared with the same period of the previous year (of which 7,722 million kWh from natural gas and 7,595 million kWh from coal) and 5,082 million kWh more in the 2nd Quarter of 2009 (of which 2,741 million kWh from natural gas and 2,311 million kWh from coal).

ELECTRICITY SALES

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			2009	2008	Change	
				Free market:				
255	196	59	30.1%	- Romania	561	348	213	61.2%
661	190	471	247.9%	- France	1,628	501	1,127	225.0%
846	667	179	26.8%	- Russia	1,573	1,361	212	15.6%
1,762	1,053	709	67.3%	Total free market	3,762	2,210	1,552	70.2%
				Regulated market:				
2,029	1,319	710	53.8%	- Romania	4,396	2,458	1,938	78.8%
3,786	3,537	249	7.0%	- Russia	7,977	7,369	608	8.3%
5,815	4,856	959	19.7%	Total regulated market	12,373	9,827	2,546	25.9%
7,577	**5,909**	**1,668**	**28.2%**	**Total**	**16,135**	**12,037**	**4,098**	**34.0%**
2,284	*1,515*	*769*	*50.8%*	*- of which Romania*	*4,957*	*2,806*	*2,151*	*76.7%*
661	*190*	*471*	*247.9%*	*- of which France*	*1,628*	*501*	*1,127*	*225.0%*
4,632	*4,204*	*428*	*10.2%*	*- of which Russia*	*9,550*	*8,730*	*820*	*9.4%*

Electricity sales by the International Division for the 1st Half of 2009 increased by 4,098 million kWh (up 1,668 million kWh for the 2nd Quarter of 2009), of which 2,161 million kWh (751 million kWh for the 2nd Quarter of 2009) related to the different consolidation period for Enel Energie Muntenia, 1,127 million kWh (471 million kWh for the 2nd Quarter of 2009) to the increase in sales by Enel France, and 820 million kWh (428 million kWh for the 2nd Quarter of 2009) to the increase in sales in Russia, mainly following the expansion of operations to new regions in eastern Russia.

Performance

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
1,251	1,048	203	Revenues	2,649	1,965	684
12	(39)	51	Net income/(charges) from commodity risk management	13	(54)	67
317	*275*	*42*	*Gross operating margin*	*698*	*547*	*151*
139	163	(24)	Operating income	392	337	55
			Operating assets (1)	12,783	12,562 (4)	221
			Operating liabilities (2)	4,956	5,098 (4)	(142)
			Employees at period-end (no.) (3)	16,312	16,865 (4)	(553)
			Capital expenditure	417	190	227

(1) Of which €861 million at June 30, 2009, regarding units classified as "Held for sale".
(2) Of which €32 million at June 30, 2009, regarding units classified as "Held for sale".
(3) Of which 158 at June 30, 2009, in units classified as "Held for sale".
(4) At December 31, 2008.

Performance in the 2nd Quarter

The table below shows performance by geographical area.

Millions of euro	Revenues			Gross operating margin			Operating income		
	2009	2008	Change	**2009**	2008	Change	**2009**	2008	Change
Central Europe	610	613	(3)	221	214	7	136	128	8
South-eastern Europe	266	203	63	64	53	11	28	35	(7)
Russia	375	232	143	32	8	24	(25)	-	(25)
Total	**1,251**	**1,048**	**203**	**317**	**275**	**42**	**139**	**163**	**(24)**

Revenues for the 2nd Quarter of 2009 grew by €203 million or 19.4%, going from €1,048 million to €1,251 million. This performance was due to the following:

> the €143 million increase in revenues in Russia related mainly to the different period of consolidation for OGK-5 (€125 million);
> the €63 million increase in south-eastern Europe due essentially to the different period of consolidation for Enel Distributie Muntenia and Enel Energie Muntenia in the amount of €65 million;
> the €3 million decrease in revenues in central Europe, with a decrease in Slovakia in the amount of €14 million (essentially due to the decline in generation, which offset the increase in average sales prices) being partially offset by the €11 million increase in revenues from electricity sales by Enel France.

The *gross operating margin* reached €317 million, an increase of €42 million or 15.3% over the 2nd Quarter of 2008. This increase is due to the following factors:

> €24 million in Russia, the effect of the different consolidation period for OGK-5 (€29 million), which was partially offset by a decline in margins for the other Russian companies;
> €11 million in south-eastern Europe due to the different consolidation period for Enel Distributie Muntenia and Enel Energie Muntenia in the amount of €6 million, as well as the improved margins in Bulgaria, which more than offset the lower margins for the other Romanian firms;
> €7 million in central Europe, €12 million of which related to Slovenské

elektrárne (related mainly to the electricity margin), which was partially offset by the €5 million decline in the margin for Enel France.

Operating income for the 2nd Quarter of 2009 came to €139 million, for a decrease of €24 million or 14.7% compared with the 2nd Quarter of 2008, reflecting greater depreciation and impairment losses in the amount of €66 million, €54 million of which was attributable to the change in the scope of consolidation.

Performance in the 1st Half

The table below shows performance by geographical area.

Millions of euro	Revenues			Gross operating margin			Operating income		
	2009	2008	Change	**2009**	2008	Change	**2009**	2008	Change
Central Europe	1,290	1,184	106	499	450	49	331	286	45
South-eastern Europe	575	380	195	116	90	26	53	55	(2)
Russia	784	401	383	83	7	76	8	(4)	12
Total	**2,649**	**1,965**	**684**	**698**	**547**	**151**	**392**	**337**	**55**

Revenues for the 1st Half of 2009 grew by €684 million (+34.8%), going from €1,965 million to €2,649 million. This performance was due to the following:

> the €383 million increase in revenues in Russia related mainly to the different period of consolidation for OGK-5 (€358 million) and to the increase in revenues for RusEnergoSbyt for the greater quantities sold;

> the €195 million increase in revenues in south-eastern Europe due to the different consolidation period for Enel Distributie Muntenia and Enel Energie Muntenia in the amount of €200 million and the €16 million increase in revenues for Enel Maritza East 3 as a result of the increase in prices on the Bulgarian market. These positive effects were partially offset by a €22 million decline in revenues for the other Romanian companies, due essentially to the reduction in electricity distribution rates (which were adversely impacted by the change in the exchange rate), which more than offset the greater quantities transported;

> the €106 million increase in revenues in central Europe, primarily in Slovakia in the amount of €58 million (essentially due to the increase in average sales prices, which reflects Slovakia's entrance into the euro area), as well as to the €48 million increase in revenues from electricity sales by Enel France (related mainly to electricity sales following the agreement with EDF, with average sales prices also rising).

The *gross operating margin* reached €698 million for an increase of €151 million or 27.6% over the 1st Half of 2008. This increase is due to the following factors:

> €76 million in Russia, primarily the effect of the different consolidation period for OGK-5 (€82 million), which was partially offset by a decline in margins for the other Russian companies;

> €49 million in central Europe, €33 million of which related to Slovenské elektrárne (related mainly to the electricity margin, which benefited from a significant increase in sales prices) and €16 million to Enel France;

> €26 million in south-eastern Europe, due essentially to the different consolidation period for Enel Distributie Muntenia and Enel Energie Muntenia in the amount of €20 million and to the €16 million improvement in the margin in Bulgaria due to the increase in sales prices and the start of operations at a new unit of the Maritza plant.

Operating income for the 1st Half of 2009 came to €392 million, an increase of €55 million or 16.3% over the same period of 2008, including a €96 million increase in depreciation, amortization and impairment losses, of which €78 million related to the change in the scope of consolidation.

Capital expenditure

Capital expenditure came to €417 million, up €227 million from the same period of the previous year. Of the total rise, €177 million regards greater investments in power generation plants (which totaled €316 million in the 1st Half of 2009) related mainly to the consolidation of OGK-5 and Marcinelle Energie.

Renewable Energy

The Renewable Energy Division's mission is to develop and manage power generation from renewable sources, ensuring the integration of this business within the Group in line with Enel's strategies. The geographical areas of operation for this Division are:

> Italy, with power generation using non-schedulable hydroelectric plants, as well as geothermal, wind and solar plants (Enel Green Power) and systems and franchising activities (Enel.si);

> the rest of Europe, with power generation from renewable sources (Enel Unión Fenosa Renovables in Spain; International Wind Parks of Thrace, Wind Parks of Thrace, International Windpower, International Wind Parks of Crete, Hydro Constructional, International Wind Parks of Rhodes, International Wind Parks of Achaia, and Glafkos Hydroelectric Station in Greece; Enel Green Power in Bulgaria; Blue Line in Romania; and Enel Erelis in France);

> the Americas, with power generation from renewable resources (Enel North America and Enel Latin America BV, which, as of January 1, 2009, includes the results of Enel Latin America LLC, Inelec, and Americas Generation Corporation).

Operations

NET ELECTRICITY GENERATION

2nd Quarter				Millions of kWh	1st Half			
2009	2008	Change			**2009**	2008	Change	
				Italy:				
2,112	1,695	417	24.6%	Hydroelectric	3,618	2,637	981	37.2%
1,250	1,304	(54)	-4.1%	Geothermal	2,477	2,655	(178)	-6.7%
94	127	(33)	-26.0%	Wind	241	273	(32)	-11.7%
1	1	-	-	Other resources	1	1	-	-
3,457	**3,127**	**330**	**10.6%**	**Total net generation in Italy**	**6,337**	**5,566**	**771**	**13.9%**
				International:				
1,191	1,019	172	16.9%	Hydroelectric	2,339	2,189	150	6.9%
42	11	31	-	Geothermal	48	26	22	84.6%
478	371	107	28.8%	Wind	1,042	764	278	36.4%
72	77	(5)	-6.5%	Other resources	154	157	(3)	-1.9%
1,783	**1,478**	**305**	**20.6%**	**Total net generation abroad**	**3,583**	**3,136**	**447**	**14.3%**
5,240	**4,605**	**635**	**13.8%**	**TOTAL**	**9,920**	**8,702**	**1,218**	**14.0%**

Net power generation by the Division in the 1st Half of 2009 increased by 1,218 million kWh or 14.0% to reach 9,920 million kWh. Of this increase, 771 million kWh can be attributed to the increase in power generation in Italy, where hydroelectric output benefited from greater water availability. This was partially offset by the decline in geothermal power generation due essentially to the shutdown of one plant for scheduled maintenance. Power generation abroad increased by 447 million kWh due essentially to the increase in wind power, which reflects the start of operations at the Smoky Hills II (285 million kWh) and NeWind (54 million kWh) wind farms. This was partially offset by the shutdown of a number of plants for maintenance. Also of note was the increase in hydroelectric power generation, particularly in Latin America, due to the increased water availability in the Republic of Panama.

Performance

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
448	469	(21)	Revenues	863	852	11
37	(19)	56	Net income/(charges) from commodity risk management	46	(30)	76
327	*280*	*47*	*Gross operating margin*	*620*	*521*	*99*
269	236	33	Operating income	507	433	74
			Operating assets	6,015	5,593 (1)	422
			Operating liabilities	648	691 (1)	(43)
			Employees at year-end (no.)	2,693	2,432 (1)	261
			Capital expenditure	326	364	(38)

(1) At December 31, 2008.

Performance in the 2nd Quarter

The table below shows performance by geographical area.

Millions of euro	Revenues			Gross operating margin			Operating income		
	2009	2008	Change	**2009**	2008	Change	**2009**	2008	Change
Italy	313	357	(44)	235	227	8	204	201	3
Europe	25	25	-	15	14	1	7	10	(3)
Americas	110	87	23	77	39	38	58	25	33
Total	**448**	**469**	**(21)**	**327**	**280**	**47**	**269**	**236**	**33**

Revenues declined by €21 million or 4.5%, going from €469 million to €448 million. The fall is attributable to the €44 million decline in revenues in Italy, due essentially to the following:

> a €15 million decline in electricity sales related mainly to lower revenues on the Power Exchange in the amount of €67 million and to lower revenues from small plants (Legislative Decree 387/03 and Law 293/04) in the amount of €13 million. These effects were partially offset by the increase in revenues on bilateral contracts (€41 million) and subsidized CIP 6 energy (€25 million);

> a €23 million decline in revenues by Enel.si due essentially to the completion of a number of projects aimed at obtaining white certificates;

> a €17 million decrease in the sale of green certificates;

> recognition in the 2nd Quarter of 2009 of hydroelectric rent in the amount of €4 million following Resolution ARG/ELT no. 63/09.

The decline was partially offset by an increase of €23 million in revenues in the Americas, essentially due to an increase in volumes sold and the contribution of the tax partnership mechanism used for a number of companies in North America.

The *gross operating margin* reached €327 million, an increase of €47 million or 16.8% over the 2nd Quarter of 2008 due to the following:

> the €38 million increase in margin in the Americas related essentially to the energy margin and to gains resulting from the tax partnership mechanism in North America;

> the €8 million improvement in margin on the Italian market due to the

improvement in commodity risk management (€56 million) and increased operating efficiency, which was partially offset by the aforementioned decline in revenues;
> the €1 million improvement in margins achieved in the other European countries related mainly to the French wind farms.

Operating income came to €269 million, an increase of €33 million over the 2nd Quarter of 2008 including greater depreciation, amortization and impairment losses in the amount of €14 million.

Performance in the 1st Half

The table below shows performance by geographical area.

Millions of euro	Revenues			Gross operating margin			Operating income		
	2009	2008	Change	**2009**	2008	Change	**2009**	2008	Change
Italy	626	618	8	470	383	87	409	331	78
Europe	56	52	4	36	33	3	19	22	(3)
Americas	181	182	(1)	114	105	9	79	80	(1)
Total	**863**	**852**	**11**	**620**	**521**	**99**	**507**	**433**	**74**

Revenues grew by €11 million or 1.3%, going from €852 million to €863 million. Of this change, €8 million is related to the increase in revenues in Italy and €4 million to the increase in revenues in Europe, related mainly to the Greek wind farms, offset by a decline of €1 million in revenues in the Americas.
As regard Italian operations, the change in revenues is essentially due to the following:
> a €16 million increase in electricity sales related mainly to greater revenues on two-way contracts in the amount of €83 million and the increase in revenues for subsidized CIP 6 electricity (€8 million), which was partially offset by a decrease of €58 million in revenues on the Power Exchange and one of €17 million from small plants (Legislative Decree 387/03 and Law 293/04);
> a €20 million increase in the sale of green certificates and other contributions;
> recognition of the aforementioned hydroelectric rent based on Resolution ARG/ELT no. 63/09 in the amount of €4 million;
> a €38 million decline in revenues by Enel.si due essentially to the completion of a number of projects aimed at obtaining white certificates.

The *gross operating margin* reached €620 million, an increase of €99 million or 19.0% over the 1st Half of 2008, attributable to the following:
> the €87 million improvement on the Italian market, where the impact on the margin of the above developments was accompanied by an improvement in commodity risk management (€76 million) and increased operating efficiency;
> the €9 million increase in the margin in the Americas;
> the improved margin in the rest of Europe in the amount of €3 million, €2 million of which related to Enel Unión Fenosa Renovables.

Operating income came to €507 million, an increase of €74 million over the 1st Half of 2008 including greater depreciation, amortization and impairment losses in the amount of €25 million related mainly to the start of operations at new plants.

Capital expenditure

Capital expenditure came to €326 million, down €38 million compared with the same period of the previous year.
Of the total investments made during the 1st Half of 2009, €112 million were in Italy (€110 million in the 1st Half of 2008) and €214 million abroad (€254 million in the 1st Half of 2008). They mainly concerned work on power plants (€302 million), €168 million of which related to alternative energy (mainly wind), as well as €72 million for geothermal and €62 million for hydroelectric power plants.

Parent Company, Services and Other Activities

2nd Quarter			Millions of euro	1st Half		
2009	2008	Change		**2009**	2008	Change
			Parent Company			
173	173	-	Revenues	356	337	19
18	*(29)*	*47*	*Gross operating margin*	*54*	*(21)*	*75*
16	(30)	46	Operating income	50	(24)	74
			Operating assets	1,167	1,233 (1)	(66)
			Operating liabilities	2,040	1,351 (1)	689
			Employees at period-end (no.)	716	749 (1)	(33)
			Capital expenditure	-	5	(5)
			Services and Other Activities			
259	287	(28)	Revenues	509	553	(44)
54	*25*	*29*	*Gross operating margin*	*89*	*81*	*8*
28	3	25	Operating income	40	38	2
			Operating assets	1,710	1,883 (1)	(173)
			Operating liabilities	1,545	1,658 (1)	(113)
			Employees at period-end (no.)	4,301	4,406 (1)	(105)
			Capital expenditure	31	28	3

(1) At December 31, 2008.

Parent Company

In its capacity as an industrial holding company, Enel SpA defines strategic targets for the Group and coordinates activities of subsidiaries.
In addition, Enel SpA manages central treasury operations and insurance risk coverage, providing assistance and guidelines on organization, personnel management and labor relations, accounting, administrative, fiscal, legal, and corporate matters. Enel also currently holds a contract with Atel for the import of electricity on the Swiss border.

Performance in the 2nd Quarter

Revenues for the 2nd Quarter of 2009 totaled €173 million, unchanged from the same period of the previous year, as the increase in revenues on the services provided to the other companies of the Group was entirely offset by the decline in revenues from the sale of electricity to the Single Buyer as a result of lower average sales prices.

The *gross operating margin* for the 2nd Quarter of 2009 came to €18 million, an improvement of €47 million due primarily to the reversal of €15 million in provisions for risks and charges in order to take account of the updated assessment of disputes that arose in prior periods, as well as to increased operating efficiency.

Operating income came to €16 million, an increase of €46 million over the 2nd Quarter of 2008 including greater depreciation, amortization and impairment losses in the amount of €1 million.

Performance in the 1st Half

Revenues for the 1st Half of 2009 came to €356 million, up €19 million or 5.6% over the same period of the prior year due mainly to the following:

> a €19 million increase in revenues on services provided to other companies of the Group related to management fees and other staff services;

> a €5 million increase in revenues from the sale of electricity to the Single Buyer due to the increase in average sales price, while quantities sold remained essentially unchanged.

The *gross operating margin* for the 1st Half of 2009 came to €54 million, an improvement of €75 million due primarily to the €21 million increase in the electricity margin, which benefited from the different mix of sales and provisioning, as well as from the effects (€15 million) of the aforementioned reversal of provisions for risks and charges to the income statement and from improvements in operating efficiency.

Operating income came to €50 million, an increase of €74 million over the 1st Half of 2008 including greater depreciation, amortization and impairment losses in the amount of €1 million.

Services and Other Activities

The primary purpose of the Services and Other Activities area is to provide competitive services to the companies of the Group, such as real estate and facility management services, IT services, personnel training and administration, general administrative services, and factoring and insurance services.

Performance in the 2nd Quarter

Revenues for the Services and Other Activities area in the 2nd Quarter of 2009 came to €259 million, compared with €287 million for the same period of 2008. The €28 million decrease (-9.8%) essentially reflects the lower gains on the sale of investment property (€5 million) and lower revenues on technical and IT services to other companies of the Group (€16 million).

The *gross operating margin* for the 2nd Quarter of 2009 came to €54 million, an improvement of €29 million or 116.0% over the same period of the previous year due essentially to an adjustment based on a revised estimate of the liabilities previously recognized for early retirement incentives (€20 million), which offset the lower gains on the sale of investment property.

Operating income for the 2nd Quarter of 2009 came to €28 million, an increase of €25 million over the 2nd Quarter of 2008 including greater depreciation, amortization and impairment losses in the amount of €4 million.

Performance in the 1st Half

Revenues for the Services and Other Activities area in the 1st Half of 2009 came to €509 million, compared with €553 million for the same period of 2008. The €44 million decrease (-8.0%) essentially reflects the lower gains on the sale of investment property (€20 million) and lower revenues on technical and IT services (€19 million) following the conclusion of a number of IT development projects, mainly for the Sales Division.

The *gross operating margin* for the 1st Half of 2009 came to €89 million, an improvement of €8 million or 9.9% over the same period of the previous year, due essentially to the aforementioned adjustment to the liabilities previously recognized for early retirement incentives, which offset the lower gains on the sale of investment property.

Operating income for the 1st Half of 2009 came to €40 million, an increase of €2 million over the 1st Half of 2008, including greater depreciation, amortization and impairment losses in the amount of €6 million due to the start of operations of non-current assets and new capital expenditure, mainly for the modernization of the corporate LAN, the IP telephony and Unix project, and the purchase of SAP licenses.

Main risks and uncertainties

Market liberalization and regulatory developments

The energy markets in which the Group operates are currently undergoing gradual liberalization, which is being implemented using different approaches and timetables from country to country.
As a result of these processes, the Group is exposed to increasing competition from new entrants and the development of organized markets.
The business risks generated by the natural participation of the Group in such markets have been addressed by integrating along the value chain, with a greater drive for technological innovation, diversification and geographical expansion.
More specifically, the initiatives taken have increased the customer base in the free market, with the aim of integrating downstream into final markets, optimizing the generation mix, improving the competitiveness of plants through cost leadership, seeking out new high-potential markets and developing renewable energy resources with ambitious investment plans in a variety of countries.
The Group often operates in regulated markets, and changes in the rules governing operations in such markets, and the associated instructions and requirements with which the Group must comply, can impact our operations and performance.
In order to mitigate the risks that such factors can engender, Enel has forged closer relationships with local governments and regulatory bodies, adopting a transparent, collaborative and proactive approach in tackling and eliminating sources of instability in regulatory arrangements.
No changes in the regulatory framework that might significantly modify the structure of the markets in which the Group operates are expected for the 2nd Half of 2009.

CO_2 emissions

In addition to being one of the factors with the largest potential impact on Group operations, emissions of carbon dioxide (CO_2) are also one of the greatest challenges facing the Group in safeguarding the environment.
Community legislation governing the emissions trading scheme imposes costs for the electricity industry, costs that could rise substantially in the future. In this context, the instability of the emissions allowance market accentuates the difficulties

of managing and monitoring the situation. In order to mitigate the risk factors associated with CO_2 regulations, the Group monitors the development and implementation of EU and Italian legislation, diversifies its generation mix towards the use of low-carbon technologies and resources, with a focus on renewables and nuclear power, develops strategies to acquire allowances at competitive prices and, above all, enhances the environmental performance of its generation plants, increasing their energy efficiency.
Obtaining emissions allowances for the 2nd Half of 2009 does not present any significant risks.

Commodity prices and supply continuity

As part of its ordinary operations, Enel is exposed to changes in the prices of fuel and electricity, which can have a significant impact on its results.
To mitigate this exposure, the Group has developed a strategy of stabilizing margins by contracting for supplies of fuel and the delivery of electricity to end users in advance.
The Group has also implemented a formal procedure that provides for the measurement of the residual commodity risk, the specification of a ceiling for maximum acceptable risk and the implementation of a hedging strategy using derivatives.
For a more detailed examination of management of commodity risk and the derivatives portfolio, please see note 2 of the notes to the condensed interim consolidated financial statements.
In order to limit the risk of interruptions in fuel supplies, the Group has diversified fuel sources, using suppliers from different geographical areas and encouraging the construction of transportation and storage infrastructure.
Thanks to these strategies, the Group has been able to mitigate the effect of the crisis, which has depressed energy and commodity prices, and has minimized the potential impact of these variables on performance in the 2nd Half of the year.

Credit risk

In its commercial and financial activities, the Group is exposed to the risk that its counterparties might not be able to discharge all or part of their obligations, whether these involve payment for goods already delivered and services rendered or payment of the expected cash flows under financial derivatives contracts.
In order to minimize such risks, the Group assesses the creditworthiness of the counterparties to which it plans to maintain its largest exposures on the basis of information supplied by independent providers and internal rating models.
This process provides for the attribution of an exposure limit for each counterparty, the request for appropriate guarantees for exposures exceeding such limits and periodic monitoring of the exposures.
For certain segments of its customer portfolio, the Group also enters into insurance contracts with leading credit insurance companies.

Liquidity risk

Liquidity risk is managed (with the exception of Endesa SA and its subsidiaries) by the Group Treasury unit at Enel SpA, which ensures adequate coverage of cash needs (using lines of credit and issues of bonds and commercial paper) and appropriate management of any excess liquidity.
During the 1st Half of 2009 the effects of the financial crisis began to abate, giving Enel maximum flexibility in selecting the treasury instruments used to manage liquidity shortfalls and surpluses. At the same time, the medium/long-term segment of the market has also begun a slow but steady return to pre-crisis levels. Against this background, Enel continued to have access to the bank credit and commercial paper markets without encountering any tightening of the conditions offered by counterparties for access to the capital market. Of particular significance was the full success of the €8 billion capital increase completed at the start of July with the full placement of the shares offered for subscription.
A new deterioration in the credit market could nevertheless increase liquidity risk for Enel, although to prevent such a situation from arising Enel adopts careful financial planning strategies and funding policies. In any event, a variety of options are under study to strengthen the financial structure of the Group even further.

Rating risk

The possibility of accessing the capital market and other sources of financing, and the related costs, depend, among other factors, on the rating assigned to the Group. Following the success of the capital increase carried out by the Parent Company, Enel's rating was recently confirmed at "A-" (Standard & Poor's) and "A2" (Moody's), and both agencies removed the negative credit watch that had been issued in early 2009 following the announcement of Enel's plan to acquire 25.01% of Endesa. S&P also changed its outlook from "negative" to "stable". Any reduction in the rating could lead to a tightening of conditions for access the capital market and increase finance costs, with a negative impact on the performance and financial situation of the Group.

Exchange rate and interest rate risk

The Enel Group is exposed to exchange rate risk associated with cash flows in respect of the purchase or sale of fuel or electricity on international markets, cash flows in respect of investments or other items in foreign currency and, to a marginal extent, debt denominated in currencies other than the functional currency of the respective countries.
The main exchange rate exposure of the Enel Group is in respect of the US dollar. During the year, management of exchange rate risk was pursued through compliance with internal risk management policies, encountering no difficulties in accessing the derivatives market.
Interest rate risk management is aimed at balancing the structure of the debt, reducing the amount of debt exposed to interest rate fluctuations and minimizing borrowing costs over time, limiting the volatility of results. The main source of the exposure to this category of risk for the Enel Group is floating-rate debt.

In order to accomplish these goals, the Enel Group uses a variety of derivative instruments, notably interest rate swaps and interest rate options.
Enel has implemented management policies to optimize the Group's overall financial position, ensure the optimal allocation of financial resources and control financial risks.
Under these policies, management of interest rate risk, as with exchange rate risk, is exclusively aimed at minimizing risks, with careful selection of financial counterparties and monitoring of the related exposures and ratings.
More detailed information is provided in note 2 to the condensed interim consolidated financial statements.

Other risks

Breakdowns or accidents that temporarily interrupt operations at Enel's plants represent an additional risk associated with the Group's business. In order to mitigate such risks, the Group adopts a range of prevention and protection strategies, including preventive and predictive maintenance techniques and technology surveys to identify and control risks and implement international best practices. Any residual risk is managed using specific insurance policies to protect corporate assets and provide liability coverage in the event of harm caused to third parties by accidents, including pollution, that may occur in the production and distribution of electricity and gas.
As part of its strategy of maintaining and developing its cost leadership in the markets in which it has generation operations, the Group is involved in numerous projects for the development, improvement and reconversion of its plants. These projects are exposed to the risks commonly associated with construction activities, which the Group mitigates by requiring its suppliers to provide specific guarantees and, where possible, obtaining insurance coverage against all phases of construction risk.

Outlook

In the 1st Half of 2009 demand for electricity fell across the board in the main countries in which the Group operates as a consequence of the global economic crisis. In this environment, which is forecast to continue in the 2nd Half of the year, Enel expects to maintain an adequate level of profitability, thanks to a generation mix that is well balanced both by type of generation technology and by geographical area, to the hedging strategy for generation margins covering all of 2009 and to the efficiency and cost reduction programs under way.

The capital increase completed on July, 9 by the Parent Company, together with measures to improve operating cash flow and portfolio optimization initiatives, will help ensure the Group's financial stability.

All of the measures taken will enable the Group to improve its performance compared with the previous year.

Related parties

As the main operator in the field of generation, transport and distribution of electricity in Italy, Enel provides services to a number of State-controlled companies. In the current regulatory framework, Enel concludes transactions with Terna – Rete Elettrica Nazionale (Terna), the Single Buyer, the Electricity Services Operator, and the Market Operator (each of which is controlled either directly or indirectly by the Ministry for the Economy and Finance).
Fees for the transport of electricity payable to Terna and certain charges paid to the Market Operator are determined by the Authority for Electricity and Gas.
Transactions relating to purchases and sales of electricity concluded with the Market Operator on the Power Exchange and with the Single Buyer are settled at market prices.
Companies of the Sales Division acquire electricity from the Single Buyer and settle the contracts for differences related to the allocation of CIP 6 energy with the Electricity Services Operator, in addition to paying Terna fees for the use of the national transmission network. Companies that are a part of the Generation and Energy Management Division, in addition to paying fees for the use of the national transmission network to Terna, carry out electricity transactions with the Market Operator on the Power Exchange and sell electricity to the Single Buyer. The company of the Renewable Energy Division that operates in Italy sells electricity to the Market Operator on the Power Exchange.
Enel also acquires fuel for generation and gas for distribution and sale from Eni, a company controlled by the Ministry for the Economy and Finance. All transactions with related parties are concluded on normal market terms and conditions.
For more detailed information on transactions with related parties, please see note 34 to the condensed interim consolidated financial statements.

Research and development

For the Enel Group, technological innovation is one of the keys to ensuring business sustainability and growth in all the countries in which Enel has a presence. The challenging targets that have been set both globally and within Europe specifically (with Europe's 20/20/20 target, i.e. 20% of energy from renewable sources, 20% improvement in efficiency and 20% reduction in CO_2 emissions by 2020) will require significant innovation both in the energy industry and in transportation. The goal of Enel's energy research is to develop and implement innovative systems that enable us to generate the power needed to meet the needs of the countries in which we operate, while respecting the environment and cutting costs. In particular, the Enel Group is focusing its efforts on developing innovative, industrial solutions in the areas of zero-emission thermal power generation, new technologies for renewable energy, and energy efficiency, as well as in distributed power generation, the intelligent management of distribution networks, and the electricity-powered mobility.
The expected development cost of these projects is around €650 million over the next five years. Research spending incurred during the 1st Half of 2009 reached some €13 million (€12.7 million for the 1st Half of 2008), while capital expenditure rose significantly from €7.7 million to €29 million. The main projects concern the following:

> **Zero-emission thermal power generation – CO_2 capture and sequestration (CCS):**
  - **Post-combustion capture**: in conjunction with studies to optimize the selection of sorbents, being conducted in the lab, construction has also begun on a pilot system at the Federico II plant in Brindisi. This pilot plant will become operational in 2010 and is one of the first of its scale in either Europe or the rest of the world. It will enable the capture of 10,000 Nm^3/h of CO_2 and will serve to optimize the capture process in preparation for the expected scale-up for the construction of a large-scale demonstration plant, which may be located at the new Enel coal plant in Porto Tolle. Enel's demonstration project has been added to the list of mature, promising projects in the EU. The system will become operational by the end of 2015 and will provide both the capturing of the plant's CO_2 emissions and their compression, transport and geological storage in a saline aquifer.
  - **Oxygenated coal combustion**: Enel is also strongly committed to experimental research in the field of oxycombustion. At our experimental Livorno plant, Enel is conducting oxycombustion tests at normal atmospheric pressure, while at the experimental Gioia del Colle plant, Enel, in collaboration with ITEA and ENEA, is testing pressurized oxycombustion, which is showing great promise in enhancing the overall efficiency of CCS-equipped plants. In this area, the detailed engineering is nearly complete for the construction of a

48 MW pilot system at the Federico II plant in Brindisi. Construction may begin as soon as the authorization process is complete.
- **Geological sequestration of carbon dioxide**: to ensure the feasibility of an industrial-scale solution to CO_2 emissions reduction, Enel's research staff have focused on every ring in the CCS value chain, including the final storage stage. Preliminary assessments were made of the storage potential of off-shore areas in upper Lazio and the upper and lower Adriatic.
- **Hydrogen**: construction and start-up are complete for the new Fusina demonstration hydrogen plant. The 16 MW plant, which can be powered using pure hydrogen (from the Marghera petrochemical complex) or various mixes of hydrogen and methane, is the first of its kind in the world.

> **Renewable energy power generation**:
- **Thermal solar**: construction has begun on "Project Archimede", which involves the construction of a thermal solar facility based on linear parabolic collectors, generating around 5 MW of electricity, using an innovative molten salt technology developed by ENEA. With this innovative technology (it is the first demonstration plant in the world), it will be possible to boost the efficiency of the plant, thereby providing greater output.
- **Innovative photovoltaic**: Enel has developed a major solar laboratory in Catania, equipped with cutting-edge technology. The facility will be used to verify the possibility of the large-scale application of innovative photovoltaic systems and will contribute to the development of new technologies with higher conversion efficiencies and lower costs.
- **Innovative geothermal**: Enel is building a prototype 500 kWe circuit to study a high-performance cycle at the Livorno Experimental Site.
- **Biomass and refuse-derived fuel (RDF)**: monitoring work began at unit 4 of the Fusina plant, which is fueled with a mixture of RDF (5%) and coal (95%). This activity will make it possible to study the behavior of a traditional power station when it is fueled with biomass for the generation of renewable energy. Enel has also completed the "Energy Farm" project, whose purpose is to demonstrate both proven and innovative technologies for the conversion of various types of biomass into electrical and thermal energy and for the production of bio-fuels.

> **Distributed generation**: in the area of distributed power generation, work is continuing on ADDRESS, a major international research project on smart grids being coordinated by Enel Distribuzione. The 25 members of the ADDRESS consortium (including businesses, universities and research centers in 11 countries) have prepared a draft of the new grid architecture to be developed. The project seeks to develop prototypes and technologies for the home and for the grid that will make it possible to aggregate thousands of users, forecast their energy needs, and locally manage energy flows and interactions. The goal is to create, by 2012, a power grid that will enable intelligent use of energy, developing both technologies and models of operation and conduct that will overcome social, cultural and economic barriers and increase customer awareness of their energy consumption, while promoting active participation in energy demand.

> **Containment of emissions and residues**: work continued on developing technologies for the containment of emissions. Specifically:
- for mercury, experimental work was conducted on the pilot circuit of La Spezia and the first testing was made of a process of electrocatalytic oxidization on a small-scale plant at Livorno. Laboratory testing of the absorption of mercury in a DeSOx system was also begun;

- a study was begun to develop an integrated method for assessing the contribution of coal-fired plants to the concentration of atmospheric particulates in the surrounding areas;
- to enhance the environmental performance of geothermal plants, a revised process for the lowering of the chloric acid content of superheated steam by means of the dry injection of sodium bicarbonate was successfully completed.

Enel also launched a project to promote the environmental and technical exploitation of residues of the clean-coal combustion process with their complete reuse in products for the construction industry.

> **Efficiency gains**: Enel is an active participant in international projects (e.g. COMTES 700) to develop optimized components for high-efficiency coal plants. In a few years, technological advances will make it possible to raise the operating temperature (up to 700 °C) and pressure of coal-fired plants, enabling the construction of plants with an efficiency of more than 50%.

Human resources and organization

Organization

In the first six months of 2009, Enel continued working to consolidate the new organization of the Group following the creation of the Renewable Energy Division and the reorganization of the Sales and the Infrastructure and Networks Divisions.
As part of this process:
> the organization, processes and procedures for the new Renewable Energy Division have been redesigned in line with the Enel "Integration Handbook" of 2008;
> the organization and processes of the Sales Division have been redesigned in order to clearly separate the processes of the free market from those of the enhanced protection market and to achieve greater efficiency in the organization and processes of the various sales lines;
> work has continued towards achieving the functional separation of the distribution activities of the Infrastructure and Networks Division in line with unbundling regulations.

In order to enhance risk management at the Group level, the Group Risk Management function has been created, reporting directly to the CEO, with the mission of ensuring the implementation and management of the risk management process for the Group as concerns all financial, operational, business and other risks. As a result, the related activities previously handled by the Finance unit have been reorganized and placed under the Administration, Planning and Control unit, which has been renamed Administration, Finance and Control.
In the 1st Half of 2009, the Upstream Gas unit was also created, reporting directly to the CEO, with the mission of developing and managing the upstream gas segment for the Group.
With specific regard to international operations, work continues on the integration and rationalization of the businesses acquired, particularly in Slovakia and Romania, while in Russia a new organizational structure for OGK-5 has been defined.
In terms of the integration efforts, the Global Enel project has begun, envisaging the creation of a new corporate *intranet* in order to promote the sharing of projects, culture and best practices within the Group, thereby enhancing the sense of belonging and of involvement in company strategies.
Finally, Project Zenith is continuing throughout the Group as the framework for the operating excellence programs. In the first six months of 2009, in the current climate of great macroeconomic uncertainty and so as to make another leap forward in process excellence, the project entered a new phase which has led to the definition of new actions and to the extension of the project to all of the

Group's new businesses, for a potential improvement of some €2.7 billion over the period 2009-2011. In addition, a series of projects were begun specifically for the testing and creation of innovative knowledge management platforms in order to support the development of skills and the dissemination of best practices.

Development and training

During the 1st Half of 2009, development and training efforts focused on three key areas: the post-survey phase of the second Climate Survey; evaluation processes; and the talent management system.

As concerns the Climate Survey, the 1st Half of 2009 marked the move from the survey phase, which came to an end in December 2008, to diagnosis and, after developing support tools and initiatives, to the beginning of the action phase. During these six months, particular emphasis was placed on analyzing and disseminating the data by Division and for the Group as a whole. A highly detailed communication plan was prepared, which used a variety of means (brochures, videos, articles in the house organ, meetings, and so on) to provide the 53,000 participants with a report on the main issues of company life as seen from the composite corporate picture for 2008.
A database has also been prepared containing the data concerning the more than 600 units into which the survey was organized, accompanied by an online reporting tool providing varying levels of access to the various unit heads. By the end of the summer, numerous training meetings will be held with the unit heads in order to ensure the local-level planning of the resulting improvement plans that are to be carried out during the 2nd Half of the year.
With regard to the evaluation processes, both the feedback phase of the 2008 performance review for all Enel managers and executives (some 4,200 people) and the "360° feedback" process for the Group's first and second-line managers (about 120 people) were held during the first six months of 2009.
The primary purpose of both of these processes was to assess the performance of Enel's leadership model, which was introduced in 2007 as one of the main responses to the outcome of the company's first climate study in 2006.
In the 2nd Half of the year, before beginning the next wave of evaluations, activities to assess the 2008 experience are to be carried out in order to fine-tune the newly introduced evaluation system. These activities are to both the Personnel unit and the line staff.
Although based on the same approach, the coming evaluations will continue to use different tools based on the target population, and specifically: online orientation and assessment for university graduates after two-years of service with the company; "360° feedback" for the first and second-line managers and for the new additions to the level one talent pool (TP1); and performance reviews for the intermediate segments of the population.
Within Enel, the performance review process has typically targeting executives and management. Beginning in 2008, testing of this process began with the office staff of the Sales Division (some 4,000 people) and, beginning at the end of 2009, it is expected to be extended to other segments of office workers, in part in response to the issues that have emerged from the 2008 climate study.
During the period, training initiatives were designed and begun for the various population segments aimed at developing the areas for improvement that emerged from the performance reviews. During the 2nd Half of the year,

hundreds of managers will be taking part in one of the ten modules created.
Finally, with regard to the recently introduced talent management system, during the 1st Half of the year, the 2009 members of the level one and two talent pools (TP1 and TP2) were selected, and both coaching (using external executive coaches) and mentoring (with the direct involvement of the first-line managers) began for the members of the 2008 level one talent pool. These activities have been carried out on a voluntary basis and have involved 60% of the potential target population.
The second edition of the Leadership for Energy Executives Program, a training course for TP1 developed together with Harvard Business School, was also held.
During the 2nd Half of the year, the additional initiatives for the talent management system are to be carried out. In particular, the new members of TP1 are to be involved in the year-end 360° feedback process and in the new coaching and mentoring programs. The Leadership for Energy Managers Program, the two-week training program for TP2, will also begin.
In addition to the above, division training activities continued, aimed at integrating the international firms and facilitating process and organizational change.

Hiring

During the first six months of 2009, the efforts of the Hiring and University Relations unit focused mainly on the hiring of secondary-school and university graduates for the various professional positions within the company and on further strengthening Enel's image as an "employer of choice". Recruiting took advantage of a variety of channels, including, first and foremost, the company's website, followed by the network of universities and schools with which the company has specific partnership arrangements.
In line with the efforts of the last few years, once again in the 1st Half of 2009 we placed a great deal of emphasis on the hiring of young people. On the whole, 437 people were hired, of whom 68% were young people; 13% of the total were recent university graduates (with 43% of these being female) and about 55% were young graduates of vocational secondary schools.
Most of the new hires of technical and operations staff were for Infrastructure and Networks Division positions throughout Italy. Other functions connected with the company's core business (Energy Management, Power Generation, Renewable Energy, Engineering and Systems, the Marketing and Operations areas of the Sales Division) were also strengthened, as were a number of corporate areas (governance in particular).
Through the agreements with business schools and universities, both foreign and domestic, 70 interns were taken on, both in operations and in corporate functions. Of these, around 10% were young people from outside of Italy.
At the same time, efforts were made to further strengthen the Enel brand in high-value segments of the labor market, both by developing partnerships with prestigious Italian universities (Politecnico di Milano, Bocconi, Luiss) and promoting employer branding initiatives, such as job meetings, on-campus presentations, and targeted recruiting events.
On April 7, 2009, Enel was, together with a very exclusive group of other firms, named a "top employer" in Italy. This prestigious recognition is given by Corporate Research Foundation, an independent international organization that operates in the areas of corporate culture, human resources and corporate

strategies for success and which uses international standards to certify the best organizations in terms of effective human resources management.
During the 2nd Half of 2009, we expect to complete the hiring projects that began during the first part of the year, particularly aimed at strengthening Engineering and Systems Development, the Nuclear area, and the Renewable Energy Division, while at the same time continuing with the hiring of technical and operations staff for the Sales and Generation and Energy Management Divisions and promoting the Enel name with the leading Italian and European universities.

Compensation and incentive systems

Compensation policy in 2009 took full account of the features of the Italian and global economic landscape. In such context, actions were taken on a highly selective basis and with the goal of maintaining, for a limited number of managerial positions, proper competitive positioning compared to the market benchmarks.
Essentially in line with 2008, short-term incentives also continued to be based primarily on management by objectives (MBO), involving about 94% of upper management and about 17% of middle management, as well as a specially designed system of incentives for all sales-related employees.

Workplace safety and the environment

Work continued in 2009 on the adoption of the health and safety system for workers in all Enel Group divisions and companies, which is aimed at rationalizing processes through a preventive, proactive approach designed to achieve constant improvement in issues concerning employee health and safety. In this way, responsibilities, processes, procedures and resources are well defined within the corporate structure, so as to achieve company policies that comply with applicable health and safety standards.
By defining various production units, the company's organization includes the relevant functional hierarchy and the managers responsible for applying the relevant laws and regulations (i.e. employer, senior manager and function head). At the same time, the Prevention and Protection Service was established with its own manager. Where necessary, a physician has also been appointed to oversee health and related issues.
During the 1st Half of 2009, and in line with previous years, we reaffirmed our commitment to providing ongoing safety training, which is essential to promoting a culture of safety within the organization.
Significant investment was made again in the first six months of 2009 to ensure employee health and safety, which included a significant training and development component.
In the 1st Half of 2009, work continued in relation to the "Integrated 9-point Safety Improvement Plan" that began in 2008. This project defines nine areas for improvement that can have the greatest impact on raising Enel's safety standards. It is based on a approach that seeks to promote global safety awareness, in all areas and at all levels, and which includes the direct involvement of senior management.
Initiatives and events related to workplace health and safety included the Safety

Walks (consisting of visits to workplaces with a view to promoting the preventative aspects of safety), Safety Communities and Safety Days. In events of a more general nature, too, such as the Cascades of the various Divisions, aspects of safety played an important role, thereby confirming the care the company has for its employees.

In 2009, revision of the special section "F" is expected to be completed with the addition of new crimes to supplement Model 231/01, which has been in effect since 2002.

In April 2009, training began for workers' health officers in accordance with Legislative Decree 81/08. The training program, involving some 500 workers' health officers, has also been discussed with the trade unions as concerns the duration and organization of the courses and the issues to be addressed.

During the first six months of 2009, 2 fatal accidents involving employees of the Enel Group were recorded:(1) an automobile accident in Italy and an accident during underwater work in Slovakia. The frequency rate in Enel went from 3.91 in 2008 to 3.66 for the 1st Half of 2009, while the severity rate fell from 0.16 to 0.14 in the same period. As regards workers in companies subcontracted by Enel, there were 12 fatal accidents during the 1st Half of 2009, 7 of which for Endesa. As concerns this Spanish firm, a global process of integrating company policies has begun, which includes, in particular, a process of alignment with Enel's safety standards. Despite these low accident rates, Enel continues to place a great deal of attention on safety issues in pursuit of the goal of "zero accidents", not only for our own employees but also for those of the organizations that work for Enel.

(1) The accident figures reported here are calculated in conformity with the "ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases". The figures regard a population of 81,573 workers and do not include the employees of companies consolidated on a proportionate basis. The calculation of days lost as a result of accidents regards calendar days and counting begins on the day following that of the accident.

Labor relations

Electricity area

At the Group level, the 1st Half of 2009 saw an initial important success in discussions with the Italian trade unions with the renewal, on March 11, of the provisions governing union leave, which had expired on December 31, 2008, and were extended to March 31. Under the new agreement, for the period 2009-2012, a ratio was introduced based on the number of active employees in order to determine the total number of hours, which includes a significant, progressive reduction in total hours and in the percentage of those eligible, including the company-level trade union representatives. As concerns the latter, the agreement of November 5, 2008, concerning the payment of expenses has also been supplemented. In March, there was also the signing of the national agreement for efficiency improvements to ARCA and approval of a series of changes to the by-laws. Also of particular importance was the signing on April 27, by Enel, CGIL, CISL, UIL, and the industry federations, of the Social Responsibility Protocol and of the Industrial, Environmental and Employment Policy Observatory. These two documents complete the discussion of the principles of sustainable development and, with inclusion of the Observatory, represent an important pillar of the union-company relationship concerning the industrial, environmental and employment strategies that Enel intends to pursue.

With regard to the second-level negotiations, on April 30, the amount to be paid based on 2008 company profits was determined for May. As concerns unit productivity/quality, all of the Divisions completed their reporting on the 2008 targets, and the results of the various units and related bonuses to be paid in July have been presented to the trade unions.

As concerns the national collective bargaining agreement, on June 30, Filcem, Flaei and Uilcem presented separate contract platforms for the first time. Negotiations for contract renewal, which are to take place in the 2nd Half of 2009, are expected to be challenging, given the complex labor relations landscape that has arisen in Italy following the agreement of January 22 to revise contract organization and inter-union agreement of April 15, both without the participation of CGIL and the formal notice of withdrawal by the three trade unions from the Enel agreement regarding the strike of November 1991, which was received on June 11.

During the first six months of the year, numerous meetings were held with the Italian national and local trade unions concerning the reorganization of the company's Divisions. For the Infrastructure and Networks Division in particular, the national discussion of the effects of the organization of the power grid following LV/MV/HV integration reached a conclusion. As such, discussion began at the regional level, with the talks being completed in June. The start of operations for the new organization has been set for July 1.

In April, following the creation of the Renewable Energy Division, the Generation and Energy Management Division concluded talks with the national trade union secretariats concerning the new organization of the hydroelectric power units of the generation business area. The procedures pursuant to Article 47 of Law 428/1990 as amended for transferring the Bolzano operations of Enel Produzione SpA to the newly established Newco Srl have also begun. For the Sales Division, trade union talks concerning its reorganization were concluded on June 5, with a significant rationalization aimed at further developing its position of leadership in the Italian electricity market.

With regard to the Renewable Energy Division, following the establishment of Enel Green Power in December 2008 with the transfer of the related business unit from Enel Produzione, talks concerning the new organizational structure were concluded on March 2, after which meetings were held with the regional union offices concerning the related effects on personnel.

The Engineering and Innovation Division concluded talks with the national trade union secretariats, which began in 2008, concerning the new organization of the Division and then began discussion with the regional offices regarding the related effects on personnel. The project has begun to establish a company comprising the Engineering and Innovation Division. Accordingly, the procedures pursuant to Article 47 of Law 428/1990 for the transfer of this business unit from Enel Produzione to the new company effective as of April 1 have begun.

In March, within the scope of the Human Resources Administration unit, Enel Servizi began the human resources transformation (HRT) program aimed at altering the model of operations for the Personnel Service Center (PSC) so as to rationalize company processes, focus resources on higher value activities, and achieve important goals of a purely operational/functional nature. In April, as concerns the Information & Communication Technology unit, a new organizational structure was defined for the Demand & Delivery Management office for Infrastructure and Networks aimed at taking advantage of the organizational changes of the Infrastructure and Networks Division.

In June, with regard to transnational Information and Consultation, Enel's European Works Council, established by way of the agreement of December 5, 2008, began operations with its first meeting with Group management following approval of the 2008 financial report and the 2009-2013 business plan.

Gas industry

In the 1st Half of 2009, work continued for the bilateral commissions and the working groups established concerning the "deferred commitments" (healthcare, on-call work) as established in conjunction with renewal of the financial section of the 2008-2009 national collective bargaining agreement for the gas and water industries of January 15, 2008. During the same period, as concerns the Gas area of the Infrastructure and Networks Division, regional talks continued regarding verification of the employee categories within Enel Rete Gas, and talks began regarding a new system for organizing on-call work. Finally, the trade unions were informed of the status of negotiations concerning the sale of Enel Rete Gas.
In June, the agreement concerning the 2008 performance bonus was signed.
The Sales Division began a performance evaluation which is expected to be completed by October 2009, following which a meeting may be held with the trade unions in order to establish the terms and conditions for extension of the electrical-industry contract to all Enel Energia employees on a gas-industry contract beginning in January 2010 on an appropriately gradual basis.

Staffing levels

As at June 30, 2009, the Enel Group employed a total of 83,749 people (75,981 at December 31, 2008).
During the 1st Half of the year, the Group's workforce increased by 7,768 employees, which reflects the full consolidation of Endesa (8,814 employees), the net balance of changes in the scope of consolidation (+319 employees), and the net balance of new hires and terminations for the entire Group (-1,365 employees).
Terminations of employment referred mainly to incentive-based early retirements.
At June 30, 2009, the number of employees of the Group's foreign operations was 44,155.

Changes in the total number of employees compared with December 31, 2008, are summarized in the table below.

Employees at Dec. 31, 2008		**75,981**
Changes in the scope of consolidation:		
- Acquisitions	351	
- Sales	(32)	
- Full consolidation of Endesa	8,814	
		9,133
Hirings		2,191
Terminations of employment		(3,556)
Employees at June 30, 2009 (1)		**83,749**

(1) Includes 1,440 in units classified as "Held for sale".

Condensed interim consolidated financial statements

Consolidated financial statements

Consolidated Income Statement

Millions of euro	Notes	1st Half			
		2009		2008 restated	
			of which with related parties		*of which with related parties*
Revenues					
Revenues from sales and services	5.a	27,498	*4,721*	28,729	*5,388*
Other revenues	5.b	959	*36*	595	
	[Subtotal]	*28,457*	*4,757*	*29,324*	*5,388*
Costs					
Raw materials and consumables	6.a	14,506	*7,029*	16,922	*8,785*
Services	6.b	3,300	*383*	2,857	*360*
Personnel	6.c	2,026		1,901	
Depreciation, amortization and impairment losses	6.d	2,360		2,295	
Other operating expenses	6.e	904	*242*	956	*65*
Capitalized costs	6.f	(631)		(558)	
	[Subtotal]	*22,465*	*7,654*	*24,373*	*9,230*
Net income/(charges) from commodity risk management	7	**(413)**	***18***	**76**	***(6)***
Operating income		**5,579**		**5,027**	
Financial income	8	2,141	*10*	1,176	*10*
Financial expense	8	2,350		2,606	
Share of income/(expense) from equity investments accounted for using the equity method	9	21		27	
Income before taxes		**5,391**		**3,624**	
Income taxes	10	1,333		740	
Income from continuing operations		**4,058**		**2,884**	
Income from discontinued operations	11	**(84)**	-	**235**	***(42)***
Net income for the period (shareholders of the Parent Company and minority interests)		**3,974**		**3,119**	
Attributable to minority interests		450		380	
Attributable to shareholders of the Parent Company		3,524		2,739	
Earnings per share attributable to shareholders of the Parent Company (euro)		*0.56*		*0.44*	
Diluted earnings per share attributable to shareholders of the Parent Company (euro) (1)		*0.56*		*0.44*	
Earnings per share attributable to shareholders of the Parent Company from continuing operations		*0.57*		*0.40*	
Diluted earnings per share attributable to shareholders of the Parent Company from continuing operations (1)		*0.57*		*0.40*	
Earnings per share attributable to shareholders of the Parent Company from discontinued operations		*(0.01)*		*0.04*	
Diluted earnings per share attributable to shareholders of the Parent Company from discontinued operations (1)		*(0.01)*		*0.04*	

(1) Calculated on the basis of the average number of ordinary shares in the period, taking account of the shares issued on July 3, 2009 following the Enel SpA capital increase (6,275,778,997 in the 1st Half of 2009 and 6,185,503,033 in the 1st Half of 2008) adjusted for the diluting effect of outstanding stock options (0 in the 1st Half of 2009 and 1 million in the 1st Half of 2008).
Earnings per share and diluted earnings per share, calculated taking account of options exercised to date, have not changed with respect to those calculated using the above methodology.

Millions of euro	1st Half	
	2009	2008 restated
Net income for the period (shareholders of the Parent Company and minority interests)	**3,974**	**3,119**
Other components of comprehensive income:		
Effective portion of change in the fair value of cash flow hedges	(531)	254
Change in the fair value of financial investments available for sale	106	(29)
Exchange rate differences	674	(473)
Income/(Loss) recognized directly in equity	**249**	**(248)**
COMPREHENSIVE INCOME FOR THE PERIOD	**4,223**	**2,871**
Attributable to:		
- shareholders of the Parent Company	3,338	2,708
- minority interests	885	163

Consolidated Balance Sheet

Millions of euro	Notes				
ASSETS		**at June 30, 2009**		at Dec. 31, 2008	
			of which with related parties		*of which with related parties*
Non-current assets					
Property, plant and equipment	12	76,560		61,524	
Investment property		479		462	
Intangible assets	13	34,638		25,779	
Deferred tax assets	14	6,610		5,881	
Equity investments accounted for using the equity method	15	592		397	
Non-current financial assets	16	5,751		4,338	
Other non-current assets	17	2,593		1,937	
	[Total]	**127,223**		**100,318**	
Current assets					
Inventories	18	2,625		2,182	
Trade receivables	19	13,197	*1,570*	12,378	*2,045*
Tax receivables	20	2,050		1,239	
Current financial assets	21	3,644		3,255	
Cash and cash equivalents	22	3,410		5,106	
Other current assets	23	4,101	*17*	3,478	
	[Total]	29,027		**27,638**	
Assets held for sale	24	**3,264**		**5,251**	
TOTAL ASSETS		**159,514**		**133,207**	

Millions of euro	Notes				
LIABILITIES AND SHAREHOLDERS' EQUITY		**at June 30, 2009**		at Dec. 31, 2008	
			of which with related parties		*of which with related parties*
Equity attributable to the shareholders of the Parent Company	25				
Share capital		9,390		6,186	
Other reserves		7,764		3,329	
Retained earnings (losses carried forward)		9,089		6,827	
Net income for the period (1)		3,524		4,056	
	[Total]	**29,767**		**20,398**	
Equity attributable to minority interests		11,070		5,897	
Total shareholders' equity		**40,837**		**26,295**	
Non-current liabilities					
Long-term loans	26	53,281		51,045	
Post-employment and other employee benefits		3,184		2,910	
Provisions for risks and charges	27	8,004		6,922	
Deferred tax liabilities	14	9,291		6,880	
Non-current financial liabilities	28	2,330		3,113	
Other non-current liabilities	29	4,727		3,431	
	[Total]	**80,817**		**74,301**	
Current liabilities					
Short-term loans	30	7,684		5,467	
Current portion of long-term loans	26	5,272		3,110	
Trade payables		10,483	*2,685*	10,600	*3,765*
Income tax payable		2,837		1,991	
Current financial liabilities	31	2,151		2,454	
Other current liabilities	32	8,219	*2*	7,198	*8*
	[Total]	**36,646**		**30,820**	
Liabilities held for sale	33	**1,214**		**1,791**	
Total liabilities		**118,677**		**106,912**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**159,514**		**133,207**	

(1) Net income is reported net of interim dividend equal to €1,237 million for 2008.

Statement of Changes in Consolidated Shareholders' Equity

Millions of euro	Share capital and reserves attributable to the shareholders of the Parent Company										
	Share capital	Share premium reserve	Legal reserve	Other reserves	Retained earnings	Translation of financial statements in currencies other than euro	Reserve from measurement of financial instruments	Net income for the period	Equity attributable to the shareholders of the Parent Company	Equity attributable to minority interests	Total shareholders' equity
at January 1, 2008 restated	**6,184**	**651**	**1,453**	**2,250**	**5,942**	**(99)**	**493**	**2,679**	**19,553**	**7,080**	**26,633**
Exercise of stock options	2	7	-	-	-	-	-	-	9	-	9
Charge for stock option plans for the period	-	-	-	3	-	-	-	-	3	-	3
Dividends	-	-	-	-	(1,794)	-	-	-	(1,794)	(210)	(2,004)
Allocation of net income from the previous year	-	-	-	-	2,679	-	-	(2,679)	-	-	-
Put options granted to minority shareholders	-	-	-	(12)	-	-	-	-	(12)	-	(12)
Change in scope of consolidation	-	-	-	-	-	-	(33)	-	(33)	158	125
Comprehensive income for the period	-	-	-	-	-	(255)	224	2,739	2,708	163	2,871
of which:											
Income/(loss) recognized directly in equity	-	-	-	-	-	*(255)*	*224*		*(31)*	*(217)*	*(248)*
Net income/(loss) for the period	-	-	-	-	-	-	-	*2,739*	*2,739*	*380*	*3,119*
at June 30, 2008 restated	**6,186**	**658**	**1,453**	**2,241**	**6,827**	**(354)**	**684**	**2,739**	**20,434**	**7,191**	**27,625**
at January 1, 2009	**6,186**	**662**	**1,453**	**2,255**	**6,827**	**(1,247)**	**206**	**4,056**	**20,398**	**5,897**	**26,295**
Charge for stock option plans for the period	-	-	-	2	-	-	-	-	2	-	2
Dividends	-	-	-	-	(1,794)	-	-	-	(1,794)	(253)	(2,047)
Allocation of net income from the previous year	-	-	-	-	4,056	-	-	(4,056)	-	-	-
Capital increases	3,204	4,754	-	(135)	-	-	-	-	7,823	-	7,823
Change in scope of consolidation	-	-	-	-	-	-	-	-	-	4,541	4,541
Comprehensive income for the period	-	-	-	-	-	292	(478)	3,524	3,338	885	4,223
of which:											
Income/(loss) recognized directly in equity	-	-	-	-	-	*292*	*(478)*	-	*(186)*	*435*	*249*
Net income/(loss) for the period	-	-	-	-	-	-	-	*3,524*	*3,524*	*450*	*3,974*
at June 30, 2009	**9,390**	**5,416**	**1,453**	**2,122**	**9,089**	**(955)**	**(272)**	**3,524**	**29,767**	**11,070**	**40,837**

Millions of euro	Notes	1st Half			
		2009		2008	
			of which with related parties		*of which with related parties*
Income for the period (shareholders of the Parent Company and minority interests)		**3,974**		**3,119**	
Adjustments for:					
Amortization and impairment losses of intangible assets		245		199	
Depreciation and impairment losses of property, plant and equipment		2,101		1,813	
Exchange rate gains and losses (including cash and cash equivalents)		95		(365)	
Provisions		355		412	
Financial (income)/expense		895		1,425	
Income taxes		1,303		857	
(Gains)/Losses and other non-monetary items		(1,318)		370	
Cash flow from operating activities before changes in net current assets		*7,650*		*7,830*	
Increase/(Decrease) in provisions		(591)		(654)	
(Increase)/Decrease in inventories		(37)		(319)	
(Increase)/Decrease in trade receivables		510	*475*	(903)	*301*
(Increase)/Decrease in financial and non-financial assets/liabilities		(143)	*(23)*	30	*(94)*
Increase/(Decrease) in trade payables		(1,840)	*(1,080)*	(804)	*(701)*
Interest income and other financial income collected		526	*10*	595	*10*
Interest expense and other financial expense paid		(1,766)		(1,855)	
Income taxes paid		(1,695)		(135)	
Cash flows from operating activities (a)		**2,614**		**3,785**	
- of which discontinued operations		***32***		***46***	
Investments in property, plant and equipment		(2,614)		(3,070)	
Investments in intangible assets		(87)		(137)	
Investments in entities (or business units) less cash and cash equivalents acquired		(9,394)		(1,190)	
Disposals of entities (or business units) less cash and cash equivalents sold		2,918		6,582	
(Increase)/Decrease in other investing activities		16		57	
Cash flows from investing/disinvesting activities (b)		**(9,161)**		**2,242**	
- of which discontinued operations		***(32)***		***(46)***	
Financial debt (new long-term borrowing)	26	10,678		1,937	
Financial debt (repayments and other changes)		(11,886)		(40)	
Dividends paid	25	(2,047)		(2,004)	
Increase in share capital and reserves	25	7,958		9	
Capital increases paid by interests		3			
Cash flows from financing activities (c)		**4,706**		**(98)**	
- of which discontinued operations		-		-	
Impact of exchange rate fluctuations on cash and cash equivalents (d)		**115**		**2**	
Increase/(Decrease) in cash and cash equivalents (a+b+c+d)		**(1,726)**		**5,931**	
- of which discontinued operations		-		-	
Cash and cash equivalents at the beginning of the year		5,211		1,463	
- of which discontinued operations		*1*		*1*	
Cash and cash equivalents at the end of the year (1) (2)		3,485		7,394	
- of which discontinued operations		*1*		*1*	

(1) Of which short-term securities equal to €57 million at June 30, 2009 (€87 million at June 30, 2008).
(2) Of which cash and cash equivalents pertaining to assets held for sale in the amount of €18 million at June 30, 2009 (€32 million at June 30, 2008).

Notes to the financial statements

1. Accounting policies and measurement criteria

Enel SpA, which operates in the energy utility sector, has its registered office in Rome, Italy. The consolidated financial report for the period ended June 30, 2009 comprises the financial statements of the Company, its subsidiaries and joint ventures ("the Group") and the Group's holdings in associated companies. A list of the subsidiaries, associated companies and joint ventures included in the scope of consolidation is reported in the annex.
These financial statements were approved for publication by the Board on July 30, 2009.

Compliance with IFRS/IAS

The consolidated interim financial report of the Group at and for the six months ended at June 30, 2009 has been prepared pursuant to Article 154-ter, paragraph 2, of Legislative Decree 58 of 24 February 1998 as amended by Legislative Decree 195 of 6 November 2007, as well as Article 81 of the Consob Issuers Regulation as amended.
The condensed interim consolidated financial statements for the six months ended at June 30, 2009 included in the half-year financial report have been prepared in compliance with the international accounting standards (IFRS/IAS) issued by the International Accounting Standards Board (IASB) recognized in the European Union pursuant to Regulation (EC) no. 1606/2002 and in effect as of the close of the period, as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC) in effect at the same date. Hereinafter, these standards and interpretations are referred to as the "IFRS-EU".
More specifically, the financial statements have been prepared in compliance with IAS 34 - Interim Financial Reporting and consist of the consolidated income statement, the statement of comprehensive income, the consolidated balance sheet, the statement of changes in consolidated shareholders' equity, the consolidated statement of cash flows, and the related notes. The Enel Group has adopted the half-year as the reference interim period for the purposes of applying IAS 34 and the definition of interim financial report specified therein. In addition, the condensed consolidated interim financial statements at March 31, 2009, were prepared in conformity with IAS 34 in the context of the capital increase.
The accounting standards adopted, the recognition and measurement criteria, and the consolidation criteria and methods used for the condensed interim consolidated financial statements at June 30 2009 are the same as those adopted for the consolidated financial statements at December 31, 2008 (please see that report for more information), with the exception of the differences discussed below. These condensed interim consolidated financial statements may therefore not include all the information required to be reported in the annual financial statements and must be read together with the financial statements for the period ended December 31, 2008.
In addition to the accounting standards adopted in the preparation of the financial statements at December 31, 2008, the following accounting standards and interpretations that took effect as from January 1, 2009, are relevant to the Group.

> "Amendments to IAS 1 - Presentation of financial statements": this introduces a new method of presentation of financial statements, with a particular impact on the presentation of income statement data for the period through

"comprehensive income", which provides for reporting of both profit and loss for the period and of profit and loss recognized as a change in equity ("other comprehensive income"). The standard gives companies the options of presenting this information in one "statement of comprehensive income", or in two separate statements presented together:

– one statement ("income statement"), which shows the components of profit and loss for the period; and
– a second statement ("statement of comprehensive income") which, starting with the net income (loss) for the period, includes gains and losses recognized directly in equity (OCI - other comprehensive income).

The Enel Group has elected to present two separate statements. The Revised IAS 1 also eliminated the option of disclosing changes in shareholders' equity items and transactions with owners in the notes to the financial statements and rather requires this information to be presented in a separate statement.

> "Amendments to IAS 23 - Borrowing costs": this eliminates the option which allowed the expensing of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset and requires their capitalization, as part of the cost of that asset. The application of the standard on a prospective basis did not have a material impact for the Group.
> "IFRS 8 - Operating segments": the standard replaces IAS 14 and essentially requires the adoption of the management approach in determining and reporting segment profit or loss, i.e. using the methodologies adopted by management in internal reporting in order to assess performance and allocate resources among segments. The application of the standard on a prospective basis did not have a material impact for the Group.
> "Amendment to IFRS 2 - Share-based payment: vesting conditions and cancellations": the standard sets out the accounting treatment to be used in respect of "non-vesting conditions" that may apply to a share-based payment. Furthermore, the new standard extends the IFRS 2 rules governing cancellation of stock option plans by an entity to include cases in which the entity did not itself decide the cancellation or settlement during the vesting period. The retrospective application of the amendments did not have an impact for the Group.
> "IFRIC 13 - Customer loyalty programs": the interpretation governs the accounting treatment of the obligation to provide prizes to customers as part of customer loyalty programs and establishes that the fair value of the obligations to provide the awards must be accounted for separately from revenues from sales and deferred until the obligation to the customer is extinguished. The retrospective application of the interpretation did not have a material impact for the Group.
> "IFRIC 14 – IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction": the interpretation provides guidance for the application of the rules contained in IAS 19 relating to the "asset ceiling". It also defines the effects of a minimum funding requirement on liabilities and/or assets held in relation to a defined benefit plan or other long-term benefits (contractually or legally established minimum amount of assets required to service the plan). The application of the interpretation on a prospective basis did not have a material impact for the Group.

Following the changes to presentation requirements (IAS 1 - Presentation of financial statements), the classification criteria for non-current and current financial assets and liabilities were clarified, specifying that financial assets and liabilities designated as at fair value through profit or loss with a maturity of more than 12 months that are held for operational hedging purposes and that the company intends to hold for at least 12 months as from the reporting date shall be classified as non-current. The retrospective application of this change involved the consistent reclassification, with regard to the comparative figures for December 31, 2008, of derivatives measured at fair value through profit or loss with the above characteristics from current to non-current.

Joint ventures

Investments in joint ventures, in which the Enel Group exercises joint control with other entities, are consolidated on a proportionate basis, recognizing, line-by-line, assets, liabilities, revenues and costs in proportion to the Group's stake in the venture from the date on which joint control began until the date on which such control ceases. In determining whether a situation of joint control exists, potential exercisable or convertible voting rights are also considered.
The following table reports the main financial aggregates for joint ventures included in these condensed interim consolidated financial statements:

Millions of euro	Enel Unión Fenosa Renovables	RusEnergoSbyt	SeverEnergia (1)
Percentage consolidation	50.0%	49.5%	40.0%
Non-current assets	598	19	-
Current assets	97	38	-
Assets held for sale	-	-	884
Non-current liabilities	462	4	-
Current liabilities	149	33	-
Liabilities held for sale	-	-	269
Operating revenues	44	351	-
Operating costs	27	347	17

(1) At June 30, 2009, the venture's assets and liabilities were reclassified under "Assets held for sale" and "Liabilities held for sale" following the agreement with Gazprom of May 15, 2009.

Following the acquisition of 25.01% of Endesa, as at June 30, 2009, the latter is consolidated on a full, line-by-line basis, as joint control with Acciona has ceased. However, until the date of that transaction, the income statement figures for Endesa are included in these financial statements on a proportionate basis (67.05%).

2. Risk management

Market risk

As part of its operations, Enel is exposed to different market risks, notably the risk of changes in interest rates, exchange rates and commodity prices.
To contain this exposure within the limits set at the start of the year as part of its risk management policies, Enel enters into derivative contracts using instruments available on the market.
Enel also engages in a marginal amount of proprietary trading in order to maintain a presence in the Group's reference energy commodity markets. These operations consist in taking on limited exposures in energy commodities (oil products, gas, coal and electricity in the main European countries) using financial derivatives and physical contracts traded on regulated and OTC markets, exploiting opportunities in arbitrage transactions and on the basis of expected market developments. These operations are conducted within the framework of formal governance rules that establish strict risk limits set at the Group level. Compliance with the limits is verified daily by a unit that is independent of those undertaking the transactions. The risk limits for Enel's proprietary trading are set in terms of Value at Risk over a 1-day time horizon and a confidence level of 95%; the sum of the limits set for 2009 is equal to about €16 million. Transactions that qualify for hedge accounting are designated as hedging transactions, while those that do not qualify for hedge accounting are classified as trading transactions.
Fair value is determined using the official prices for instruments traded on regulated markets. The fair value of instruments not listed on regulated markets is determined using valuation methods appropriate for each type of financial instrument and market data as of the close of the period (such as interest rates, exchange rates, commodity prices, volatility), discounting expected future cash flows on the basis of the market yield curve at the balance sheet date, and translating amounts in currencies other than the euro using period-end exchange rates provided by the European Central Bank. Where possible, contracts relating to commodities are measured using market prices related to the same instruments on both regulated and other markets.
The financial assets and liabilities associated with derivative instruments are classified as:

- cash flow hedge derivatives, related to hedging the risk of changes in interest rates and exchange rates associated with a number of long-term loans, the risk of changes in the prices of coal and oil commodities, the exchange risk associated with provisioning of fuels priced in foreign currencies (mainly US dollars) and marginally to the hedging of revenues from the sale of electricity (two-way contracts for differences and other energy derivatives);
- fair value hedge derivatives, related to hedging the exposure to changes in the fair value of an asset, liability or firm commitment attributable to a particular risk;
- trading derivatives, related to hedging interest and exchange rate risk and commodity risk but which do not qualify for recognition under IAS 39 as hedges of specific assets, liabilities, commitments or future transactions as well as proprietary trading activities.

The notional value of a derivative is the contractual amount on the basis of which differences are exchanged. This amount can be expressed as a value or a quantity (for example tons, converted into euro by multiplying the notional amount by the agreed price). Amounts denominated in currencies other than the euro are converted into euro at the exchange rate prevailing at the closing date for the period.

Interest rate risk

Interest rate risk management is aimed at balancing the structure of the debt, reducing the amount of debt exposed to interest rate fluctuations and sterilizing borrowing costs over time, limiting the volatility of results.
Interest rate swaps are used to reduce the amount of debt exposed to changes in interest rates and to reduce the volatility of borrowing costs. In an interest rate swap, Enel enters into an agreement with a counterparty to exchange at specified intervals floating-rate interest flows for fixed-rate interest flows (agreed between the parties), both of which are calculated on the basis of a notional principal amount.
Interest rate options are used to reduce the impact of potential increases in interest rates on its floating-rate debt. Such contracts are normally used when the fixed interest rate that can be obtained in an interest rate swap is considered too high with respect to Enel's expectations for future interest rate developments. In addition, interest rate options are also considered appropriate in periods of uncertainty about future interest rate developments, in order to benefit from any decreases in interest rates. In such cases, Enel normally uses zero-cost collars, which do not require the payment of a premium.
All these contracts are agreed with a notional amount and expiry date lower than or equal to that of the underlying financial liability, so that any change in the fair value and/or expected future cash flows is offset by a corresponding change in the fair value and/or the expected future cash flows of the underlying position.
Accordingly, the fair value of the financial derivatives generally reflects the estimated amount that Enel would have to pay or receive in order to terminate the contracts at the balance-sheet date.
The amount of floating-rate debt that is not hedged against interest rate risk is the main risk factor that could impact the income statement in the event of an increase in market interest rates.
At June 30, 2009, 72% of net financial debt was floating rate (66% at December 31, 2008). Taking account of cash flow hedges of interest rates considered effective pursuant to the IFRS-EU, 47% of the debt was exposed to interest rate risk at June 30, 2009 (45% at December 31, 2008). Including interest rate derivatives treated as hedges for management purposes but ineligible for hedge accounting, the residual exposure of net financial debt to interest rate risk would be 45% (42% at December 31, 2008).
Consequently, an increase of 1 basis point in market interest rates would have a negative impact on the income statement in terms of higher interest expense on the portion of debt not hedged against interest rate risk of about €3 million (€2 million at December 31, 2008). Conversely, an equivalent decline in market interest rates would have a positive impact on the income statement in terms of lower interest expense on the portion of debt not hedged against interest rate risk of about €3 million (€2 million at December 31, 2008).
As regards the potential impact on shareholders' equity of a change in market interest rates, if market interest rates had been 1 basis point higher at June 30, 2009, all other variables being equal, shareholders' equity would have been about €6 million higher as a result of the increase in the fair value of CFH derivatives on interest rates (and therefore of the related equity reserve). If interest rates have been 1 basis point lower at that date, all other variables being equal,

shareholders' equity would have been €6 million lower as a result of the decrease in the fair value of CFH derivatives on interest rates.

Exchange rate risk

Exchange rate risk is mainly generated with the following transaction categories:

> debt denominated in currencies other than the functional currency of the respective countries entered into by the holding company or the individual subsidiaries;
> cash flows in respect of the purchase or sale of fuel or electricity on international markets;
> cash flows in respect of investments in foreign currency, dividends from unconsolidated foreign companies or the purchase or sale of equity investments.

In order to reduce the exchange rate risk on these exposures, Enel uses foreign exchange forward and option contracts in order to hedge cash flows in currencies other than the functional currencies of the various Group entities. Enel also uses cross currency interest rate swaps (normally at long term) to stabilize cash flows on bonds paying interest in foreign currency. The buy and sell amounts in such contracts are notional values. Any foreign exchange options, negotiated on unregulated markets, give Enel the right or the obligation to acquire or sell specified amounts of foreign currency at a specified exchange rate at the end of a given period of time, normally not exceeding one year. The maturity of forward contracts does not normally exceed twelve months.
The Group also seeks to balance inward and outward cash flows in respect of assets and liabilities denominated in foreign currency.

An analysis of the Group's financial debt shows that 19% of medium- and long-term debt is denominated in currencies other than the euro. Taking account of exchange rate hedges and the portion of debt denominated in the functional currency of the country in which the Group company holding the debt position operates, the proportion of unhedged debt denominated in currencies other than the euro decreases to about 3%, a proportion that is felt would not have a significant impact on the income statement in the event of a change in market exchange rates.
As regards the potential impact on shareholders' equity of a change in market exchange rates, at June 30, 2009, assuming a 10% depreciation of the euro against the other currencies, all other variables being equal, shareholders' equity would have been about €823 million higher (€891 million at December 31, 2008) as a result of the increase in the fair value of CFH derivatives on exchange rates (and therefore of the related equity reserve). Conversely, assuming a 10% appreciation of the euro against the other currencies, all other variables being equal, shareholders' equity would have been €688 million lower (€732 million at December 31, 2008) as a result of the decrease in the fair value of CFH derivatives on exchange rates.

Commodity risk

Various types of derivatives are used to reduce the exposure to fluctuations in energy commodity prices and as part of proprietary trading activities.
The exposure to the risk of changes in commodity prices is associated with the purchase of fuel for power plants and the purchase and sale of gas under indexed contracts as well as the purchase and sale of electricity at variable prices

(indexed bilateral contracts and sales on Power Exchange).
The exposures on indexed contracts are quantified by breaking down the contracts that generate exposure into the underlying risk factors.
As regards electricity sold on the Italian Power Exchange, Enel uses two-way contracts for differences, under which differences are paid to the counterparty if the Single National Price (SNP) exceeds the strike price and to Enel in the opposite case.
The residual exposure in respect of sales on the Power Exchange not hedged through two-way contracts for differences is quantified and managed on the basis of an estimation of generation costs in Italy. The residual positions thus determined are aggregated on the basis of uniform risk factors that can be hedged in the market.

Credit risk

Enel manages credit risk by operating solely with counterparties considered solvent by the market, i.e. those with high credit standing, and does not have any concentration of credit risk.
The credit risk in respect of the financial derivatives portfolio is considered negligible since transactions are conducted solely with leading Italian and international banks, diversifying the exposure among different institutions.
The Group constantly monitors the credit ratings of these institutions, which must not fall below certain levels specified in the related risk management policies, carefully analyzing the risk for each new counterparty.
As part of activities related to purchasing fuels for thermal generation and the sale and distribution of electricity, the distribution of gas and the sale of gas to eligible customers, Enel grants trade credit to external counterparties.
The counterparties selected are carefully monitored through the assessment of the related credit risk and the pledge of suitable guarantees and/or security deposits to ensure adequate protection from default risk.
Enel considers the economic impact in future years of any default by counterparties in its derivatives positions open at the balance-sheet date to be immaterial, given the high credit standing of such counterparties, the nature of the instruments (under which only differential flows are exchanged), and the risk diversification achieved by breaking down positions among the various counterparties.

Liquidity risk

Liquidity risk is managed (with the exception of Endesa SA and its subsidiaries) by the Group Treasury unit at Enel SpA, which ensures adequate coverage of cash needs (using lines of credit and issues of bonds and commercial paper) and appropriate management of any excess liquidity. Endesa also has a liquidity policy that envisages the use of committed lines of credit in amounts sufficient to cover cash needs over a time horizon determined on the basis of an analysis of the situation and expectations in the capital market.
At June 30, 2009, the Enel Group had committed lines of credit amounting to €35.6 billion, of which €23.4 billion had been drawn: the amount includes drawings on the original €35 billion line of credit opened to finance the public tender offer for Endesa, which was increased by €8 billion following the acquisition of the stake in Endesa held by Acciona, subsequently reduced to €18.3 billion and was fully drawn at June 30, 2009. At the same date Enel had uncommitted lines of credit amounting to €2.5 billion, of which €1.1 billion had been drawn.
In addition, Enel Finance International has an outstanding commercial paper

program with a maximum amount of €4 billion, of which about €0.5 billion were available at June 30, 2009. Endesa Internacional BV (now Endesa Latinoamérica) also has an outstanding commercial paper program with a maximum amount of €2 billion, of which about €0.4 billion were available at June 30, 2009. Finally, Endesa Capital SA has an outstanding domestic commercial paper program ("*pagarés*") with a maximum amount of €2 billion, of which about €1.0 billion were available at June 30, 2009.

3. Main changes in the scope of consolidation

In the two periods examined here, the scope of consolidation changed as a result of the following main transactions:

> acquisition, on March 5, 2008, of 85% of Enel Productie (formerly Global Power Investment), a Romanian company active in the generation of electricity;

> acquisition, on April 25, 2008, of 50% of Electrica Muntenia Sud (today Enel Distributie Muntenia and Enel Energie Muntenia) and the concurrent subscription of a capital increase approved by the company's shareholders. Following the operation, Enel holds 64.4% of the company. As from the conclusion of the changes in the company's governance arrangements needed to define control on June 4, 2008, the company is consolidated on a line-by-line basis, taking account of the shareholding subject to the put option granted to Electrica at the time of the sale, equal to 23.6%;

> acquisition, on May 19, 2008, of 100% of International Wind Parks of Crete and Hydro Constructional, which operate in Greece in the generation of electricity from renewables;

> conclusion, on May 28, 2008, of the changes in the governance arrangements of OGK-5, which gave Enel full control as from that date. Enel, acting through the subsidiary Enel Investment Holding, had acquired 59.80% of the Russian company in a series of purchases, of which 22.65% in the public tender completed on March 6, 2008, before selling a minority stake of 4.1% on June 25, 2008. As from May 28, 2008, the company is consolidated on a line-by-line basis;

> disposal, on June 26, 2008, of the assets specified in the agreements signed between Enel and Acciona on March 26, 2007, and between Enel, Acciona and E.ON on April 2, 2007 and March 18, 2008, consisting of:
  - the assets and liabilities held directly or indirectly by Endesa in Italy, France, Poland and Turkey, as well as a number of other assets in Spain (hereinafter "Endesa Europa");
  - the assets and liabilities in respect of Enel's equity investments in Enel Viesgo Generación, Enel Viesgo Servicios and Electra de Viesgo Distribución and the equity investments held by them;

> acquisition, on June 30, 2008, of 80% of Marcinelle Energie, which is building a combined-cycle gas turbine plant in Belgium. The company is consolidated taking account of the put option on 20% granted to Duferco at the time of the sale;

> disposal, on July 25, 2008, of 51% of Hydro Dolomiti Enel (HDE), a company established by Enel Produzione on May 12, 2008, for the development, together with other partners, of hydroelectric power in the Autonomous Province of Trento. Taking account of the governance structure provided for by the agreement, Enel will exercise a dominant influence over HDE until approval of the financial statements for the 2010 financial year and will therefore consolidate the company on a line-by-line basis until that time;

> acquisition on January 9, 2009, of 100% of KJWB (now Endesa Ireland), which operates in Ireland in the electricity generation sector. As it is controlled by Endesa, the company was consolidated on a proportionate basis until June 25, 2009;

> disposal, on April 1, 2009, of the entire share capital of Enel Linee Alta Tensione (ELAT), the company to which Enel Distribuzione transferred, with

effect from January 1, 2009, a business unit consisting of high-voltage power lines and the related legal relationships;
> acquisition, between April 22 and June 23, 2009 of 100% of International Wind Parks of Rhodes, Glafkos Hydroelectric Station and International Wind Parks of Achaia, which operate in Greece in the generation of electricity from renewables;
> acquisition, on June 25, 2009, by Enel, acting through its subsidiary Enel Energy Europe, of the 25.01% of Endesa held, directly and indirectly, by Acciona. Following the acquisition, Enel holds 92.06% of Endesa and exercises full control over the company. As a result, as from that date, Endesa is consolidated in the Enel Group on a full, line-by-line basis rather than proportionately, with separate reporting of the minority interest of 7.94%.

For the purpose of accounting for the terms of the agreement of March 26, 2007, between Enel and Acciona and following achievement of joint control of Endesa, the assets and liabilities in respect of renewable energy operations held by Endesa and due to be transferred to Acciona were classified as “Assets held for sale” and “Liabilities held for sale” in the consolidated balance sheet at December 31, 2008.
On June 25, 2009, Endesa also sold Acciona certain of the assets indicated above, partially modifying the assets involved compared with those specified in the agreement of March 26, 2007. The transaction involved a number of plants with a total capacity of 1,946 MW (of which 679 MW from conventional hydroelectric power and 1,267 MW from other renewable resources). The price for the assets was €2,634 million. The parties also agreed for Endesa to sell Acciona other plants – mainly wind facilities – with a total capacity of 133 MW for a price of €183 million as soon as the related regulatory and technical authorization procedures are completed.
In the consolidated balance sheet at June 30, 2009, the items “Assets held for sale” and “Liabilities held for sale” include therefore the assets and liabilities of the Endesa renewable energy assets, which, although they were included among operations to be sold, had not yet been transferred to Acciona as of June 30, 2009, pending completion of authorization requirements. The same line items also comprise the assets and liabilities in respect of the gas distribution network, whose disposal is expected to be completed in the 2nd Half of 2009, and the assets and liabilities of SeverEnergia following the agreement with Gazprom on May 15, 2009, with which Gazprom confirmed its commitment to acquire 51% of SeverEnergia. Assets and liabilities held for sale also include certain other assets held by Endesa, which in the light of decisions taken by management meet the requirements under IFRS 5 for their classification among assets and liabilities held for sale.

In the consolidated income statement, income or loss, net of the related tax effect, attributable to the gas distribution network, which is essentially attributable to Enel Rete Gas, is reported under “discontinued operations” for the 1st Half of 2009, as it represents a major operational segment in Italy. The parties reached agreement on a consensus valuation of the assets and liabilities involved in the sale. As a result of the valuation, the value of the assets was adjusted. Specifically, the balance sheet and income statement effects of the adjustment, equal to €136 million, were recognized in “Assets held for sale“ and “Income from discontinued operations” respectively.
The results of the discontinued operations reported for comparative purposes in the consolidated income statement include, in addition to the Italian gas

distribution activities, the assets of Endesa Europa until their sale to E.ON on June 26, 2008, as those net assets were acquired for the sole purpose of their resale.

Compared with the results presented in the condensed interim consolidated financial statements at June 30, 2008, the income statement figures and the cash flow amounts have been restated for comparative purposes only to take account of the completion at December 31, 2008, of the allocation of the purchase price for the acquisition of 67.05% of Endesa. The following table reports the consolidated income statement at June 30, 2008, as it would have been presented had the determination of the fair value of the assets acquired and the liabilities assumed been completed by the date of approval of the condensed interim consolidated financial statements at June 30, 2008, with effect from the acquisition date.

CONSOLIDATED INCOME STATEMENT

Millions of euro	1st Half 2008	Adjustments	Performance with final fair values (2) 1st Half 2008
Operating income	**5,285**	**(222)** (1)	**5,063**
Income before taxes	**3,866**	**(222)**	**3,644**
Income taxes	819	(68)	751
Income from continuing operations	**3,047**	**(154)**	**2,893**
Income from discontinued operations	**226**	**-**	**226**
Net income for the period (shareholders of the Parent Company and minority interests)	**3,273**	**(154)**	**3,119**
Attributable to minority interests	422	(42)	380
Attributable to shareholders of the Parent Company	2,851	(112)	2,739

(1) Regards change in depreciation and amortization following adjustments to the value of the property, plant and equipment and intangible assets of Endesa.
(2) Excludes the effect of the classification of the performance figures for the Italian gas distribution network under discontinued operations (please see note 11).

The following section reports the effects of the completion, in the 1st Half of 2009, of the purchase price allocation process in accordance with IFRS 3 for the acquisitions of control completed in the previous twelve months. Note that the changes in the balance sheet figures as a result of the allocation of the purchase price do not affect the comparability of the data for the two periods and so the comparative balances for the previous periods have not been restated.

Final allocation of the purchase price to the assets acquired and liabilities assumed of International Wind Parks of Crete and Hydro Constructional

DETERMINATION OF GOODWILL FOR INTERNATIONAL WIND PARKS OF CRETE AND HYDRO CONSTRUCTIONAL

Millions of euro	
Net assets acquired before allocation	7
Fair value adjustments:	
- property, plant and equipment	1
- intangible assets	4
- net deferred tax liabilities	(1)
Net assets acquired after allocation	**11**
Value of the transaction (1)	22
Goodwill	**13**
Badwill	**(2)**

(1) Including incidental expenses.

BALANCE SHEET OF INTERNATIONAL WIND PARKS OF CRETE AND HYDRO CONSTRUCTIONAL AT THE ACQUISITION DATE

Millions of euro	Carrying amount prior to May 19, 2008	Adjustments for fair value measurement	Carrying amount recognized at May 19, 2008
Property, plant and equipment	17	1	18
Intangible assets	-	4	4
Inventories, trade receivables and other receivables	1	-	1
Total assets	**18**	**5**	**23**
Shareholders' equity	**7**	**4**	**11**
Financial debt	8	-	8
Trade payables and other payables	1	-	1
Other current and non-current liabilities	2	1	3
Total liabilities and shareholders' equity	**18**	**5**	**23**

The definitive allocation of the purchase price to the assets acquired and the liabilities assumed was completed after the preparation of the consolidated financial statements at December 31, 2008.

Final allocation of purchase price to the assets acquired and liabilities assumed of OGK-5

DETERMINATION OF GOODWILL FOR OGK-5

Millions of euro	
Net assets acquired before allocation	780
Fair value adjustments:	
- property, plant and equipment	953
- net deferred tax liabilities	(261)
- minorities and sundry provisions	(396)
- other minor items	34
Net assets acquired after allocation	**1,110**
Value of the transaction (1)	2,466
Goodwill	**1,356**

(1) Including incidental expenses.

OGK-5 BALANCE SHEET AT THE DATE OF ACQUISITION

Millions of euro	Carrying amount prior to May 28, 2008	Adjustments for fair value measurement	Carrying amount recognized at May 28, 2008
Property, plant and equipment	1,449	953	2,402
Intangible assets	2	-	2
Inventories, trade receivables and other receivables	150	(6)	144
Cash and cash equivalents	3	-	3
Other current and non-current assets	139	39	178
Total assets	**1,743**	**986**	**2,729**
Shareholders' equity	**780**	**330**	**1,110**
Trade payables	31	-	31
Long and short-term debt	135	(1)	134
Other current and non-current liabilities	192	261	453
Minorities and sundry provisions	605	396	1,001
Total liabilities and shareholders' equity	**1,743**	**986**	**2,729**

The definitive allocation of the purchase price to the assets acquired and the liabilities assumed was completed after the preparation of the consolidated financial statements at December 31, 2008.

Final allocation of purchase price to the assets acquired and liabilities assumed of Electrica Muntenia Sud

DETERMINATION OF GOODWILL FOR ELECTRICA MUNTENIA SUD

Millions of euro	
Net assets acquired before allocation	599
Fair value adjustments:	
- intangible assets	331
- deferred income for plant grants	115
- net deferred tax liabilities	(72)
- minorities and sundry provisions	(45)
Net assets acquired after allocation	**928**
Value of the transaction (1)	1,221
Goodwill	**293**

(1) Including incidental expenses.

ELECTRICA MUNTENIA SUD BALANCE SHEET AT THE DATE OF ACQUISITION

Millions of euro	Carrying amount prior to June 4, 2008	Adjustments for fair value measurement	Carrying amount recognized at June 4, 2008
Property, plant and equipment	374	-	374
Intangible assets	1	331	332
Inventories, trade receivables and other receivables	74	-	74
Cash and cash equivalents	493	-	493
Other current and non-current assets	2	-	2
Total assets	**944**	**331**	**1,275**
Shareholders' equity	**599**	**329**	**928**
Trade payables	59	-	59
Long and short-term debt	5	-	5
Other current and non-current liabilities	175	(43)	132
Minorities and sundry provisions	106	45	151
Total liabilities and shareholders' equity	**944**	**331**	**1,275**

The definitive allocation of the purchase price to the assets acquired and the liabilities assumed was completed after the preparation of the consolidated financial statements at December 31, 2008.

Final allocation of purchase price to the assets acquired and liabilities assumed of Marcinelle Energie

DETERMINATION OF GOODWILL FOR MARCINELLE ENERGIE

Millions of euro	
Net assets acquired before allocation	3
Fair value adjustments:	
- intangible assets	45
- net deferred tax liabilities	(15)
Net assets acquired after allocation	**33**
Value of the transaction (1)	66
Goodwill	**33**

(1) Including incidental expenses.

MARCINELLE ENERGIE BALANCE SHEET AT THE DATE OF ACQUISITION

Millions of euro	Carrying amount prior to June 30, 2008	Adjustments for fair value measurement	Carrying amount recognized at June 30, 2008
Property, plant and equipment	2	-	2
Intangible assets	-	45	45
Cash and cash equivalents	3	-	3
Total assets	**5**	**45**	**50**
Shareholders' equity	**3**	**30**	**33**
Trade payables	2	-	2
Other current and non-current liabilities	-	15	15
Total liabilities and shareholders' equity	**5**	**45**	**50**

The definitive allocation of the purchase price to the assets acquired and the liabilities assumed was completed after the preparation of the consolidated financial statements at December 31, 2008.

Business combinations carried out in the 1st Half of 2009

As regards the acquisitions carried out in the 1st Half of 2009, the difference between the cost of the investments and the assets acquired net of the liabilities assumed was initially recognized on a provisional basis under "Goodwill" pending completion of the purchase price allocation process.

ACQUISITION OF 25.01% OF ENDESA

Millions of euro	
Property, plant and equipment	13,171
Intangible assets	4,455
Trade receivables and inventories	1,702
Cash and cash equivalents	560
Other current and non-current assets	4,694
Total assets	**24,582**
Financial debt	6,686
Trade payables	1,575
Financial liabilities and other current and non-current liabilities	5,383
Employee benefits, sundry provisions and minorities	5,758
Total liabilities	**19,402**
Total net assets acquired	**5,180**
Goodwill	4,508
Value of the transaction (1)	**9,688**
CASH FLOW IMPACT AT JUNE 30, 2009	**9,627**

(1) Including incidental expenses.

With regard to the acquisition of 25.01% of Endesa, the provisional recognition of the difference between the purchase price and the value of the assets acquired and liabilities assumed was carried out on the basis of the values of such assets and liabilities as determined in the final allocation of the price of the acquisition of 67.05% of Endesa. If the acquisition of the 25.01% stake had occurred on January 1, 2009, it is estimated that the revenues and net income attributable to shareholders of the Parent Company for the 1st Half of 2009 would have been €31,969 million and €3,768 million, respectively.

ACQUISITION OF KJWB (NOW ENDESA IRELAND)

Millions of euro	
Property, plant and equipment	101
Intangible assets	1
Trade receivables and inventories	10
Other current and non-current assets	13
Total assets	**125**
Trade payables	1
Financial liabilities and other current and non-current liabilities	25
Minorities and sundry provisions	9
Total liabilities	**35**
Total net assets acquired	**90**
Goodwill	205
Value of the transaction (1)	**295**
CASH FLOW IMPACT AT JUNE 30, 2009	**295**

(1) Including incidental expenses.

The contribution of Endesa Ireland to Group operating income was €19 million.

4. Segment information

The results presented in this report reflect the organizational structure launched in September 2008, which saw the establishment of the "Renewable Energy" Division, alongside the existing Divisions in the organization implemented in December 2007 and operational since January 1, 2008. This organization was considered by management in assessing Group performance for the two periods under review.

The results of the Divisions have therefore been presented in accordance with the current structure and for the purposes of providing comparable figures, the figures for the 1st Half of 2008 have been reallocated to the "Renewable Energy" Division, the figures for which have been taken from:

- the Generation and Energy Management Division for non-schedulable hydroelectric plants, geothermal and solar plants, and wind plants;
- the Iberia and Latin America Division for Enel Latin America, Inelec, Americas Generation Corporation and Enel Unión Fenosa Renovables;
- the International Division for International Wind Parks of Thrace, Wind Parks of Thrace, International Wind Power, International Wind Parks of Crete, Hydro Constructional, Enel Green Power Bulgaria (formerly Enel Maritza East 4), Blue Line, Enel North America, and Enel Erelis;
- the Sales Division for Enel.si.

1ST HALF OF 2009 (1)

Millions of euro	Sales	GEM	Eng. & Innov.	Infra. & Networks	Iberia & Latin America	Int'l	Renewable Energy	Parent Company	Services and Other Activities	Eliminations and adjustments	Total
Revenues from third parties	10,485	6,027	105	1,117	7,146	2,556	794	191	57	(21)	**28,457**
Revenues from other segments	128	3,267	352	2,354	3	93	69	165	452	(6,883)	-
Total revenues	**10,613**	**9,294**	**457**	**3,471**	**7,149**	**2,649**	**863**	**356**	**509**	**(6,904)**	**28,457**
Net income/(charges) from commodity risk management	(378)	427	-	-	(522)	13	46	1	-	-	**(413)**
Operating income	**(9)**	**1,533**	**12**	**1,596**	**1,462**	**392**	**507**	**50**	**40**	**(4)**	**5,579**
Net financial income/ (expense) and income/ (expense) from equity investments accounted for using equity method	-	-	-	-	-	-	-	-	-	-	**(188)**
Income taxes	-	-	-	-	-	-	-	-	-	-	**1,333**
Net income from continuing operations	-	-	-	-	-	-	-	-	-	-	**4,058**
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-	**(84)**
Net income (Group and minority interests)	-	-	-	-	-	-	-	-	-	-	**3,974**
Operating assets	**7,843**	**14,393**	**330**	**18,551** (2)	**79,730** (4)	**12,783** (6)	**6,015**	**1,167**	**1,710**	**(5,256)**	**137,266**
Operating liabilities	**5,366**	**3,630**	**337**	**5,815** (3)	**14,843** (5)	**4,956** (7)	**648**	**2,040**	**1,545**	**(5,430)**	**33,750**
Capital expenditure	**26**	**376**	-	**520**	**894**	**417**	**326**	-	**31**	-	**2,590**

(1) Segment revenues include both revenues from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.
(2) Of which €1,670 million regarding units classified as "Held for sale".
(3) Of which €195 million regarding units classified as "Held for sale".
(4) Of which €544 million regarding units classified as "Held for sale".
(5) Of which €44 million regarding units classified as "Held for sale".
(6) Of which €861 million regarding units classified as "Held for sale".
(7) Of which €32 million regarding units classified as "Held for sale".

1ST HALF OF 2008 [1]

Millions of euro	Sales	GEM	Eng. & Innov.	Infra. & Networks	Iberia & Latin America	Int'l	Renewable Energy	Parent Company	Services and Other Activities	Eliminations and adjustments	**Total**
Revenues from third parties	10,986	6,355	26	831	8,175	1,844	777	187	162	(19)	**29,324**
Revenues from other segments	79	3,970	514	2,315	5	121	75	150	391	(7,620)	-
Total revenues	**11,065**	**10,325**	**540**	**3,146**	**8,180**	**1,965**	**852**	**337**	**553**	**(7,639)**	**29,324**
Net income/(charges) from commodity risk management	167	(24)	-	-	17	(54)	(30)	-	-	-	**76**
Operating income	**154**	**1,246**	**4**	**1,504**	**1,332**	**337**	**433**	**(24)**	**38**	**3**	**5,027**
Net financial income/(expense) and income/(expense) from equity investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	**(1,403)**
Income taxes	-	-	-	-	-	-	-	-	-	-	**740**
Net income from continuing operations	-	-	-	-	-	-	-	-	-	-	**2,884**
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-	**235**
Net income (Group and minority interests)	-	-	-	-	-	-	-	-	-	-	**3,119**
Operating assets [2]	**8,105**	**15,357**	**217**	**19,773** [3]	**53,201** [5]	**12,562**	**5,593**	**1,233**	**1,883**	**(5,714)**	**112,210**
Operating liabilities [2]	**6,127**	**4,468**	**474**	**6,023** [4]	**9,255** [6]	**5,098**	**691**	**1,351**	**1,658**	**(5,150)**	**29,995**
Capital expenditure	**22**	**417**	**-**	**625**	**896**	**190**	**364**	**5**	**28**	**-**	**2,547**

(1) Segment revenues include both revenues from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.
(2) At December 31, 2008.
(3) Of which €2,871 million regarding units classified as "Held for sale".
(4) Of which €324 million regarding units classified as "Held for sale".
(5) Of which €2,368 million regarding units classified as "Held for sale".
(6) Of which €36 million regarding units classified as "Held for sale".

The following table reconciles segment assets and liabilities and the consolidated figures.

Millions of euro

	at June 30, 2009	at Dec. 31, 2008
Total assets	**159,514**	**133,207**
Financial assets, cash and cash equivalents	13,504	13,251
Tax assets	8,744	7,746
Segment assets	**137,266**	**112,210**
- *of which*:		
Sales	7,843	8,105
Generation and Energy Management	14,393	15,357
Engineering and Innovation	330	217
Infrastructure and Networks (1)	18,551	19,773
Iberia and Latin America (2)	79,730	53,201
International (3)	12,783	12,562
Renewable Energy	6,015	5,593
Parent Company	1,167	1,233
Services and Other Activities	1,710	1,883
Eliminations and adjustments	(5,256)	(5,714)
Total liabilities	**118,677**	**106,912**
Loans and other financial liabilities	71,377	66,079
Tax liabilities	13,550	10,838
Segment liabilities	**33,750**	**29,995**
- *of which:*		
Sales	5,366	6,127
Generation and Energy Management	3,630	4,468
Engineering and Innovation	337	474
Infrastructure and Networks (4)	5,815	6,023
Iberia and Latin America (5)	14,843	9,255
International (6)	4,956	5,098
Renewable Energy	648	691
Parent Company	2,040	1,351
Services and Other Activities	1,545	1,658
Eliminations and adjustments	(5,430)	(5,150)

(1) Of which €1,670 million regarding units classified as "Held for sale" (€2,871 million at December 31, 2008).
(2) Of which €544 million regarding units classified as "Held for sale" (€2,368 million at December 31, 2008).
(3) Of which €861 million regarding units classified as "Held for sale".
(4) Of which €195 million regarding units classified as "Held for sale" (€324 million at December 31, 2008).
(5) Of which €44 million regarding units classified as "Held for sale" (€36 million at December 31, 2008).
(6) Of which €32 million regarding units classified as "Held for sale".

Information on the Consolidated Income Statement

Revenues

5.a Revenues from sales and services – *€27,498 million*

Millions of euro	1st Half		
	2009	2008	Change
Revenues from the sale and transport of electricity and contributions from Electricity Equalization Fund and similar bodies	24,518	25,877	(1,359)
Revenues from the sale and transport of natural gas to end users	1,673	1,692	(19)
Revenues from fuel sales	92	241	(149)
Connection fees for the electricity and gas networks	318	354	(36)
Revenues for contract work in progress	151	9	142
Other sales and services	746	556	190
Total	**27,498**	**28,729**	**(1,231)**

"Revenues from the sale and transport of electricity and contributions from Electricity Equalization Fund and similar bodies" primarily include €8,789 million in revenues from the transport and sale of electricity on domestic final markets (€9,265 million in the 1st Half of 2008), €4,443 million in revenues from the sale of electricity on the Power Exchange and to other domestic resellers (€5,488 million in the 1st Half of 2008), €10,763 million in revenues from the transport and sale of electricity abroad (€9,964 million in the 1st Half of 2008).

"Revenues from the sale and transport of natural gas to end users" came to €1,673 million in the 1st Half of 2009 and include €1,171 million in revenues from the sale of natural gas in Italy (€1,169 million in the 1st Half of 2008), €139 million in revenues from the transport of natural gas in Italy (€121 million in the 1st Half of 2008), in addition to sales and transport of natural gas abroad amounting to €363 million (€402 million in he 1st Half of 2008).

"Revenues from fuel sales" came to €92 million, and include in the 1st Half of 2009 €25 million for the sale of natural gas (€196 million in the 1st Half of 2008), and €67 million for the sale of other fuels (€45 million in the 1st Half of 2008).

"Revenues for contract work in progress" refer to engineering and construction work for third parties.

The table below gives a breakdown of revenues from sales and services by geographical area:

Millions of euro	1st Half	
	2009	2008
Italy	16,042	17,383
Europe	6,797	8,238
Americas	4,198	2,978
Middle East	1	10
Other	460	120
Total	**27,498**	**28,729**

5.b Other revenues – *€959 million*

Millions of euro	1st Half		
	2009	2008	Change
Reimbursement of stranded cost for Nigerian gas	72	75	(3)
Grants	125	88	37
Sundry reimbursements	77	64	13
Gains on disposal of assets	308	-	308
Gains on sale of property, plant and equipment and intangible assets	1	19	(18)
Service continuity bonuses	17	-	17
Other revenues	359	349	10
Total	**959**	**595**	**364**

"Gains on disposals of assets" realized in the 1st Half of 2009 are entirely accounted for by the sale on April 1 of 100% of Enel Linee Alta Tensione (ELAT), the company to which Enel Distribuzione transferred the business unit represented by the high-voltage power lines and the related legal relationships, with effect from January 1, 2009.

Costs

6.a Raw materials and consumables – *€14,506 million*

Millions of euro	1st Half		
	2009	2008	Change
Electricity	10,359	11,890	(1,531)
Fuel and gas	3,603	4,695	(1,092)
Materials	544	337	207
Total	**14,506**	**16,922**	**(2,416)**
- of which capitalized	*323*	*244*	*79*

Electricity purchases include €3,576 million in purchases from the Single Buyer (€3,943 million in the 1st Half of 2008), €2,308 million in purchases from the Electricity Market Operator (€3,056 million in the 1st Half of 2008) and €155 million in purchases abroad (€165 million in the 1st Half of 2008).
Purchases of fuel and gas include €1,942 million in natural gas purchases and €1,661 million in the purchase of other fuels.

6.b Services – *€3,300 million*

Millions of euro	1st Half		
	2009	2008	Change
Electricity and gas wheeling	1,363	1,266	97
Maintenance and repairs	451	347	104
Telephone and postal	145	153	(8)
Communication services	45	75	(30)
IT services	62	76	(14)
Leases and rentals	257	236	21
Other	977	704	273
Total	**3,300**	**2,857**	**443**

6.c Personnel – *€2,026 million*

Millions of euro	1st Half		
	2009	2008	Change
Wages and salaries	1,447	1,390	57
Social security contributions	382	349	33
Post-employment benefits	56	50	6
Other costs	141	112	29
Total	**2,026**	**1,901**	**125**
- of which capitalized	*308*	*314*	*(6)*

Personnel costs rose by €125 million in the 1st Half of 2009, while the average workforce expanded by 3.0%. The figure largely reflects the change in the scope of consolidation between the two periods under review, as well as the cost associated with the wage adjustments consequent upon the renewal of the collective bargaining agreement for the electricity industry in Italy. In particular, costs in respect of termination benefits recognized in the 1st Half of 2009 amounted to €62 million.

6.d Depreciation, amortization and impairment losses – *€2,360 million*

Millions of euro	1st Half		
	2009	2008	Change
Depreciation	1,911	1,772	139
Amortization	230	182	48
Impairment losses	219	341	(122)
Total	**2,360**	**2,295**	**65**

"Depreciation" totaled €1,911 million in the 1st Half of 2009 and included depreciation on renewables assets classified as "held for sale" at December 31, 2008, and subsequently excluded from the agreement of February 20, 2009, with Acciona.

"Impairment losses" in the 1st Half of 2009 include writedowns of trade receivables for €197 million (€162 million in the 1st Half of 2008). In the 1st Half of 2008, impairment losses amounting to €168 million regarded the adjustment of the net assets of the Viesgo Group, sold to E.ON, to the estimated value of the assets as determined by the investment banks at the end of the 1st Quarter of 2008.

6.e Other operating expenses – *€904 million*

Millions of euro	1st Half		
	2009	2008	Change
Provisions for risks and charges	42	43	(1)
Purchase of green certificates	308	3	305
Taxes and duties	264	174	90
Losses on disposal of assets	-	109	(109)
Other	290	627	(337)
Total	**904**	**956**	**(52)**

"Losses on disposal of assets" include in the 1st Half of 2008 the loss from the sale of Enel's Viesgo assets to E.ON.

6.f Capitalized costs – *€(631) million*

This item includes €308 million in personnel costs and €323 million in materials costs (€314 million and €244 million, respectively, in the 1st Half of 2008).

Net income/(charges) from commodity risk management

7. Net income/(charges) from commodity risk management – *€(413) million*

Net charges from commodity risk management reflect €267 million in net unrealized charges on open positions in commodity derivatives at June 30, 2009 and €146 million in net realized charges on positions closed during the period.

Millions of euro	1st Half		
	2009	2008	Change
Income			
Unrealized on contracts for differences	14	-	14
Unrealized on other contracts	402	792	(390)
Total unrealized income	416	792	(376)
Total realized income	117	197	(80)
Total income	**533**	**989**	**(456)**
Charges			
Unrealized on contracts outstanding at the end of the period	(683)	(841)	158
Realized on contracts for differences	(52)	(22)	(30)
Realized on other contracts	(211)	(50)	(161)
Total realized charges	(263)	(72)	(191)
Total charges	**(946)**	**(913)**	**(33)**
NET INCOME/(CHARGES) FROM COMMODITY RISK MANAGEMENT	**(413)**	**76**	**(489)**
- of which trading/non IFRS-IAS hedge derivatives	*(403)*	*99*	*(502)*
- of which ineffective portion of CFH	*-*	*-*	*-*

8. Financial income/(expense) – *€(209) million*

Millions of euro	1st Half		
	2009	2008	Change
Interest and other income from financial assets (current and non-current):			
- interest income at effective rate on non-current securities and receivables	73	41	32
- financial income on non-current securities at fair value through profit or loss	1	-	1
- interest income at effective rate on short-term financial investments	52	61	(9)
Total interest and other income from financial assets (current and non-current)	**126**	**102**	**24**
Foreign exchange gains	**390**	**529**	**(139)**
Income from derivative instruments:			
- income from cash flow hedge derivatives	215	57	158
- income from derivatives at fair value through profit or loss	1,077	296	781
- income from fair value hedge derivatives	65	1	64
Total income from derivative instruments	**1,357**	**354**	**1,003**
Income from equity investments	**34**	**19**	**15**
Other income	**234**	**172**	**62**
TOTAL FINANCIAL INCOME	**2,141**	**1,176**	**965**

Financial income totaled €2,141 million, an increase of €965 million over the 1st Half of 2008.
Financial income from derivatives in the 1st Half of 2009 include the positive effect of €970 million generated by the early exercise of the put option granted to Acciona in the contract of March 26, 2007. The option was exercised with the acquisition by Enel of the 25.01% of Endesa held, directly and indirectly, by Acciona.

Millions of euro	1st Half		
	2009	2008	Change
Interest and other charges on financial debt (current and non-current)			
- interest expense on bank loans	362	614	(252)
- interest expense on bonds	665	908	(243)
- interest expense on other loans	92	117	(25)
- other charges on financial debt	2	3	(1)
Total interest expense and other charges on financial debt (current and non-current)	**1,121**	**1,642**	**(521)**
Foreign exchange losses	**485**	**162**	**322**
Expense on derivative instruments:			
- expense on cash flow hedge derivatives	156	360	(204)
- expense on derivatives at fair value through profit or loss	166	119	47
- expense on fair value hedge derivatives	26	52	(26)
Total expense on derivative instruments	**348**	**531**	**(183)**
Accretion of post-employment and other employee benefits	**91**	**63**	**28**
Accretion of other provisions	**132**	**129**	**3**
Charges on equity investments	**14**	**1**	**13**
Other charges	**159**	**77**	**82**
TOTAL FINANCIAL EXPENSE	**2,350**	**2,606**	**(256)**

Financial expense totaled €2,350 million, a decrease of €256 million on the 1st Half of 2008, essentially attributable to the decrease in expense on financial debt (associated both with the sharp decline in interest rates and the reduction in Enel's average financial debt) and a reduction in charges for derivatives, partially offset by an increase in charges in respect of exchange rate differences.
Financial expense in respect of derivatives came to €348 million, of which €294 million in realized charges (€116 million in the 1st Half of 2008) and €54 million in unrealized charges (€415 million in the 1st Half of 2008).

9. Share of income/(expense) from equity investments accounted for using the equity method – *€21 million*

Income from equity investments accounted for using the equity method in the 1st Half of 2009 amounted to €21 million, a decrease of €6 million on the 1st Half of 2008, when the item reflected the effects of the valuation of OGK-5 using the equity method.

10. Income taxes – *€1,333 million*

Millions of euro	1st Half		
	2009	2008	Change
Current taxes	1,690	1,440	250
Specific tax on gains from realignment	15	632	(617)
Adjustments for income taxes related to prior years	(111)	(14)	(97)
Deferred tax liabilities	(268)	(495)	227
Deferred tax assets	7	(823)	830
Total	**1,333**	**740**	**593**

The tax liability amounted to €1,333 million, equal to 24.7% of taxable income, compared with 20.4% in the 1st Half of 2008.
The result for the period primarily reflects the effects of the recognition, in the 1st Half of the year, of revenues that are fully or partially tax exempt as well as the effects of the adjustment in the 2nd Quarter of 2008 of deferred taxation following the introduction of the IRES surtax for the energy and hydrocarbon industries (Decree Law 112/08, ratified with Law 133/08), and the realignment, with the payment of a one-off gains tax, of the differences between the statutory and tax values of property, plant and equipment of a number of Italian companies (Law 244/07). The overall effect on taxes in the 1st Half of 2008 of these new regulatory provisions was a positive €651 million.
Income taxes of the Group's foreign companies came to an estimated €288 million (€434 million in the 1st Half of 2008).

11. Discontinued operations – *€(84) million*

The item comprises the income, net of the related tax effect, attributable to the assets and liabilities of Enel Rete Gas, given the current status of the disposal, as the assets constitute an important business segment in the Italian market. In the 1st Half of 2008, the item included the performance figures for Endesa Europa until its sale to E.ON on June 26, 2008, as those operations had been acquired for the sole purpose of their resale.

Millions of euro	1st Half		
	2009	2008	Change
Enel Rete Gas:			
Revenues	166	154	12
Costs	129	119	10
Operating income	37	35	2
Net financial expense	(15)	(15)	-
Income taxes	30	(11)	41
Impairment	(136)	-	(136)
Net income of Enel Rete Gas	(84)	9	(93)
Net income from assets acquired for resale	-	226	(226)
NET INCOME FROM DISCONTINUED OPERATIONS	**(84)**	**235**	**(319)**

Information on the Consolidated Balance Sheet

Assets

Non-current assets

12. Property, plant and equipment – *€76,560 million*

The breakdown of property, plant and equipment at June 30, 2009 is as follows:

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Land	401	338	63
Buildings	4,919	4,892	27
Plant and machinery	43,949	36,950	6,999
Industrial and commercial equipment	18,069	11,428	6,641
Mineral assets	-	105	(105)
Other assets	448	407	41
Leased assets	308	297	11
Leasehold improvements	64	61	3
Assets under construction and advances	8,401	7,046	1,355
Total	**76,560**	**61,524**	**15,037**

In addition to depreciation of €1,897 million, the change during the period relates mainly to capital expenditure (€2,508 million), positive exchange rate changes in the period (€531 million) and the change in the scope of consolidation (totaling €13,412 million, of which €13,153 million associated with the full, line-by-line consolidation of Endesa).

The decrease in "Mineral assets" is entirely attributable to the classification of the assets and liabilities of SeverEnergia under assets held for sale.

Capital expenditure in the 1st Half of 2009 came to €2,508 million, an increase of €91 million over the 1st Half of 2008. The table below summarizes capital expenditure in the 1st Half of 2009 by category:

Millions of euro	1st Half	
	2009	2008
Power plants:		
- thermal	837	718
- hydroelectric	128	86
- geothermal	72	87
- nuclear	130	91
- alternative energy resources	207	228
Total power plants	**1,374**	**1,210**
Electricity distribution network	938	1,059
Gas distribution network	26	10
Land, buildings and other assets and equipment	170	138
TOTAL (1)	**2,508**	**2,417**

(1) Does not include €106 million of capital investment carried out in the 1st Half of 2009 (€653 million in the 1st Half of 2008) in respect of assets classified as "held for sale".

Capital expenditure on power plants totaled €1,374 million, an increase of €164 million over the previous period. It largely regards projects in Europe and Latin America for the construction of new plants and the transformation of existing power plants, including safety and environmental upgrading.
Investments in the electricity distribution network amounted to €938 million, a decrease of €121 million on the 1st Half of 2008, mainly attributable to a reduction in investments in Italy.

13. Intangible assets – *€34,638 million*

The breakdown in intangible assets at June 30, 2009 was as follows:

Millions of euro			
	at June 30, 2009	at Dec. 31, 2008	Change
Development costs	39	32	7
Industrial patents and intellectual property rights	430	329	101
Concessions, licenses, trademarks and similar rights	13,382	8,113	5,269
Mineral assets	-	609	(609)
Other assets	516	359	157
Assets under development and advances	285	298	(13)
Goodwill	19,986	16,039	3,947
Total	**34,638**	**25,779**	**8,859**

"Concessions, licenses, trademarks and similar rights" include costs incurred by the gas companies and the electricity distribution companies to build up their customer base, as well as licenses to build generation plants. The increase for the period essentially regards the change in the consolidation method used for Endesa, the reclassification of certain "assets held for sale" in respect of the Endesa renewables assets excluded from the agreement reached on February 20,

2009, as well as the increase due to the finalization in the 1st Half of this year of the allocation of the purchase price for a number of acquisitions carried out in 2008.
"Mineral assets" refer to the probable and possible reserves of fuel and the exploration potential and were reclassified in the period to "Assets held for sale" following the agreement with Gazprom for the sale of 51% of SeverEnergia.
"Goodwill" came to €19,986 million at June 30, 2009, an increase of €3,947 million for the period. This change is mainly attributable to the recognition of provisional goodwill related to the acquisition of the 25.01% of Endesa (€4,508 million), net of the adjustment (€456 million) of the definitive goodwill recognized at December 31, 2008 to take account of the effects of the sale on June 25, 2009 of renewable energy assets to Acciona. The change for the period also reflects the provisional recognition of the goodwill related to the acquisitions of International Wind Parks of Rhodes, International Wind Parks of Achaia and Glafkos Hydroelectric Station and Endesa Ireland. These effects were partially offset by the completion of the allocation of the purchase price for OGK-5, Electrica Muntenia Sud, Marcinelle Energie, International Wind Parks of Crete and Hydro Constructional – for which the value of any goodwill recognized can therefore be considered final – and the reclassification to "Assets held for sale" of the goodwill recognized in respect of SeverEnergia.
Other changes essentially regard adjustments at period-end exchange rates.

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Endesa	16,655	12,116	4,539
OGK-5	1,142	1,355	(213)
Slovenské elektrárne	697	697	-
Enel Energia	579	579	-
Enel Energie Muntenia & Enel Distributie Muntenia (formerly Electrica Muntenia Sud)	252	614	(362)
Enel Latin America (includes Americas Generation Corporation and Inelec)	244	62	182
International Wind Parks of Thrace, Wind Parks of Thrace, International Wind Parks of Crete, International Wind Parks of Rhodes, International Wind Parks of Achaia and Glafkos Hydroelectric Station	98	37	61
Enel Unión Fenosa Renovables	90	87	3
Enel North America	81	82	(1)
RusEnergoSbyt	42	44	(2)
Marcinelle Energie	33	63	(30)
Nuove Energie	26	26	-
Enel Erelis	25	28	(3)
Enel Maritza East 3	13	13	-
Wisco	5	5	-
Enel Operations Bulgaria	2	2	-
Portoscuso Energia	1	1	-
Blue Line	1	1	-
Americas Generation Corporation (1)	-	95	(95)
Inelec (1)	-	89	(89)
SeverEnergia	-	43	(43)
Total	**19,986**	**16,039**	**3,947**

(1) The associated goodwill is included in that of the Enel Latin America Group as from January 1, 2009.

As to the estimated recoverable value of goodwill recognized definitively in the consolidated financial statements at December 31, 2008, the Group did not recognize any impairment loss in the absence of any new indications that there has been a decline.

14. Deferred tax assets and liabilities – *€6,610 million and €9,291 million*

Below is a detail of changes in deferred tax assets and liabilities by type of timing difference and calculated based on the tax rates established by applicable regulations. The table also reports the amount of deferred tax assets that, where allowed, can be offset against deferred tax liabilities.

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Deferred tax assets:			
- differences in the value of intangible assets, property, plant and equipment	1,251	1,249	2
- accruals to provisions for risks and charges and impairment losses with deferred deductibility	2,508	2,069	439
- tax losses carried forward	116	87	29
- measurement of financial instruments	1,189	1,152	37
- other items	1,546	1,324	222
Total	**6,610**	**5,881**	**729**
Deferred tax liabilities:			
- differences in non-current and financial assets	1,193	959	234
- tax-deferred gains	2	1	1
- allocation of excess costs to assets	6,457	4,379	2,078
- measurement of financial instruments	830	955	(125)
- other items	809	586	223
Total	**9,291**	**6,880**	**2,411**
Offsettable net deferred tax assets	**2,544**	**2,274**	**270**
Non-offsettable deferred tax assets	**2,553**	**1,990**	**563**
Non-offsettable deferred tax liabilities	**7,778**	**5,263**	**2,515**

Deferred tax assets at June 30, 2009 amounted to €6,610 million, an increase of €729 million compared with December 31, 2008. The change is attributable largely to the change in the consolidation method used with Endesa.

It should also be noted that no deferred tax assets were recorded in relation to prior tax losses in the amount of €1,594 million because, on the basis of current estimates of future taxable income, it is not certain that such assets could be recovered. More specifically, the losses are attributable to the holding companies located in the Netherlands and Luxembourg (€754 million) and to Endesa Group companies (€693 million).

Deferred tax liabilities, which totaled €9,291 million at June 30, 2009, include the deferred tax liabilities related primarily to the part of the cost incurred and allocated to assets recognized in respect of acquisitions in the various years, and to the differences between depreciation charged for tax purposes and depreciation based on the estimated useful lives of assets.

15. Equity investments accounted for using the equity method – *€592 million*

Equity investments in associated companies accounted for using the equity method are as follows:

Millions of euro		% holding	Acquisitions/ Disposals	Income effect	Other changes		% holding
	at Dec. 31, 2008					at June 30, 2009	
LaGeo	91	36.2	-	5	(15)	81	36.2
CESI	10	25.9	-	1		11	25.9
Idrosicilia	9	40.0	-	-		9	40.0
Other	287	-	8	15	181	491	
Total	**397**		**8**	**21**	**166**	**592**	

The change during the period in "equity investments accounted for using the equity method" primarily reflects the joint impact, equal to €181 million, of the change in the consolidation method used for Endesa and the reclassification from "Assets held for sale" of a number of equity investments that following the partial amendment of the list of assets involved in the sale to Acciona were excluded from the agreement signed on February 20, 2009.

16. Non-current financial assets – *€5,751 million*

Millions of euro	at June 30, 2009	at Dec. 31, 2008	Change
Equity investments in other companies	572	486	86
Other securities designated at fair value through profit or loss	96	56	40
Derivatives	316	877	(561)
Advances for acquisition of equity investments	40	76	(36)
Other receivables:			
- financial receivables for the Spanish electrical system deficit	3,261	1,882	1,379
- other financial receivables	1,466	961	505
Total other receivables	**4,727**	**2,843**	**1,884**
TOTAL	**5,751**	**4,338**	**1,413**

The following table provides a breakdown of "equity investments in other companies" by the major companies.

Millions of euro		% holding		% holding	
	at June 30, 2009		at Dec. 31, 2008		Change
Terna	244	5.12	240	5.12	4
Bayan Resources	124	10.00	21	10.00	103
Red Electrica de España	42	1.00	33	1.00	9
Echelon	18	7.36	18	7.36	-
Tri Alpha Energy	8	4.02	7	4.96	1
Other	136		167	-	(31)
Total	**572**		**486**		**86**

"Other securities designated at fair value through profit or loss" mainly consist of investments in bonds and long-term deposits.

The following table shows the notional amounts and the fair value of derivative contracts by type.

Millions of euro	Notional value		Fair value		
	at June 30, 2009	at Dec. 31, 2008	**at June 30, 2009**	at Dec. 31, 2008	Change
Cash flow hedge derivatives:					
- interest rates	2,021	2,195	10	12	(2)
- exchange rates	3,306	4,608	247	834	(587)
- commodities	83	-	15	-	15
Total	5,410	6,803	272	846	(574)
Fair value hedge derivatives:					
- interest rates	87	145	7	8	(1)
- exchange rates	22	177	1	9	(8)
Total	109	322	8	17	(9)
Trading derivatives:					
- interest rates	75	50	9	6	3
- exchange rates	216	161	6	8	(2)
- commodities	114	-	21	-	21
Total	405	211	36	14	22
TOTAL	**5,924**	**7,336**	**316**	**877**	**(561)**

The decrease in the fair value of derivatives on exchange rates is mostly the result of reduction in the fair value of a number of cross currency interest rate swaps caused in part by the decline in interest rates on items denominated in British pounds and US dollars during the course of the 1st Half of 2009 and in part by the depreciation of the dollar against the euro.

Commodity derivatives regard:

- derivatives on energy with a fair value of €11 million classified as cash flow hedges;
- derivatives on fuels with a fair value of €4 million classified as cash flow hedges;
- derivatives held by Endesa with a fair value of €21 million.

"Advances for acquisitions of equity investments" refer to advance payments or deposits made for the acquisition of Electrica Muntenia Sud (€40 million). This figure will be reviewed as part of the adjustment of the acquisition price, which currently cannot be reasonably determined, expected in the 2nd Half of 2009.

"Financial receivables for the Spanish electrical system deficit" refer to the long-term portion of the deficit financed by Endesa. The deficit is created in Spain's regulated market when rate revenues are not sufficient to cover the costs of the system itself. The main operators in the market are required to finance the difference, and the resulting interest-bearing receivable is reimbursed over a period of time established by the Spanish regulator. Of the total, €1,074 million is attributable to the change in the consolidation method used for Endesa from proportionate to line-by-line.

The table below reports the carrying amount and the fair value of long-term financial receivables and securities (€5,670 million), including the portion due within twelve months (€868 million included under other short-term financial receivables).

Millions of euro	Carrying amount	Fair value	Carrying amount	Fair value
	at June 30, 2009		at Dec. 31, 2008	
Long-term financial receivables and securities	5,670	5,670	3,415	3,415
Total	**5,670**	**5,670**	**3,415**	**3,415**

17. Other non-current assets – *€2,593 million*

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Receivables due from Electricity Equalization Fund and similar bodies	1,918	1,360	558
Receivables from State Decommissioning Fund	475	439	36
Other long-term receivables:			
- net assets of employee benefit programs	138	95	43
- other receivables	62	43	19
Total other long-term receivables	200	138	62
TOTAL	**2,593**	**1,937**	**656**

The change in "Receivables from Electricity Equalization Fund and similar bodies" essentially refers to the increase in long-term receivables in respect of the reimbursement of increased costs incurred by Endesa for generation in extra-peninsular areas (the Balearic and Canary Islands) equal to €1,832 million at June 30, 2009 (€1,275 million at December 31, 2008). The change in the period includes €604 million in respect of the effects of changing the method used to consolidate Endesa from proportionate to full, line-by-line consolidation.

Current assets

18. Inventories – *€2,625 million*

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Raw materials, consumables and supplies:			
- fuel	1,729	1,515	214
- materials, equipment and other inventories	801	562	239
Total	**2,530**	**2,077**	**453**
Buildings available for sale	91	94	(3)
Advances	4	11	(7)
TOTAL	**2,625**	**2,182**	**443**

Raw materials, consumables and supplies consist of fuel inventories to cover the requirements of the generation companies and trading activities, as well as materials and equipment for plant operation, maintenance and construction. The increase is due primarily to the change in the consolidation method used with Endesa. The buildings available for sale are related to remaining units from the Group's real estate portfolio and are primarily civil buildings. The decrease reflects sales made during the period.

19. Trade receivables – *€13,197 million*

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Customers:			
- sale and transport of electricity	11,282	10,166	1,116
- distribution and sale of natural gas	1,235	1,499	(264)
- other activities	635	661	(26)
Total	**13,152**	**12,326**	**826**
Trade receivables due from associates	9	14	(5)
Receivables for contract work in progress	36	38	(2)
TOTAL	**13,197**	**12,378**	**819**

Trade receivables from customers are recognized net of allowances for doubtful accounts, which at the end of the period came to €788 million, compared with an opening balance of €726 million. The table below shows the changes in these allowances during period.

Millions of euro

Total at Jan. 1, 2009	**726**
Accruals	196
Utilization	(110)
Other changes	(24)
Total at June 30, 2009	**788**

20. Tax receivables – *€2,050 million*

Tax receivables at June 30, 2009 amounted to €2,050 million (€1,239 million at December 31, 2008) and are mainly made up of income tax credits of €1,191 million (€362 million at December 31, 2008), indirect tax credits of €377 million (€332 million at December 31, 2008) and credits of €155 million for other taxes and tax surcharges (€254 million at December 31, 2008).

21. Current financial assets – *€3,644 million*

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Receivables for factoring advances	296	367	(71)
Derivative contracts	1,299	1,484	(185)
Other securities	57	73	(16)
Short-term portion of long-term financial receivables	868	524	344
Other	1,124	807	317
Total	**3,644**	**3,255**	**389**

The following table reports the notional values and the fair values of the derivative contracts, grouped by hedge type and designation.

Millions of euro	Notional value		Fair value		
	at June 30, 2009	at Dec. 31, 2008	at June 30, 2009	at Dec. 31, 2008	Change
Cash flow hedge derivatives:					
- interest rates	10	369	-	1	(1)
- exchange rates	968	1,661	61	168	(107)
- commodities	309	4	35	2	33
Total	1,287	2,034	96	171	(75)
Fair value hedge derivatives:					
- interest rates	40	102	-	2	(2)
Total	40	102	-	2	(2)
Trading derivatives					
- interest rates	-	582	-	3	(3)
- exchange rates	963	2,394	53	127	(74)
- commodities	16,062	12,832	1,150	1,181	(31)
Total	17,025	15,808	1,203	1,311	(108)
TOTAL	**18,352**	**17,944**	**1,299**	**1,484**	**(185)**

The substantial decline in interest-rate derivatives used in cash flow hedges and the elimination of trading derivatives on interest rates is almost entirely attributable to the closure of the positions held by Endesa.
The reduction in the amount of exchange rate derivatives classified as cash flow hedges and trading derivatives is attributable to the expiry of part of the contracts hedging the exchange rate risk associated with commodity prices.
Commodity derivatives include:

> derivatives held by Endesa with a fair value of €5 million classified as cash flow hedges;

> two-way contracts for differences, classified as cash flow hedges, with a fair value of €7 million;
> other commodity derivatives, classified as cash flow hedges, with a fair value of €23 million;
> commodity derivatives on fuels, with a fair value of €509 million;
> two-way contracts for differences, with a fair value of €68 million;
> trading transactions on energy and other commodities, with a fair value of €573 million.

The "short-term portion of long-term financial receivables" essentially includes the portion of the financial receivables relating to the deficit of the Spanish electrical system that Endesa had financed in the amount of €839 million (€502 million at December 31, 2008).

22. Cash and cash equivalents – *€3,410 million*

Cash and cash equivalents are not restricted by any encumbrances, apart from €220 million primarily in respect of deposits pledged to secure transactions.

23. Other current assets – *€4,101 million*

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Receivables due from Electricity Equalization Fund and similar bodies	2,491	1,850	641
Receivables due from employees	41	28	13
Receivables due from others	1,299	1,353	(54)
Accrued operating income and prepaid expenses	270	247	23
Total	**4,101**	**3,478**	**623**

"Receivables from Electricity Equalization Fund and similar bodies" include the receivables related to the Italian system in the amount of €1,076 million deriving essentially from the application of the equalization mechanisms to the purchase of electricity (€964 million at December 31, 2008) and to the Spanish system in the amount of €1,415 million (€886 million at December 31, 2008), €208 million of which (€136 million at December 31, 2008) related to receivables from similar bodies concerning the reimbursement of the greater costs incurred by Endesa in the generation of electricity in extra-peninsular areas.

Including the portion of receivables classified as "long-term" (€1,918 million), operating receivables due from the Electricity Equalization Fund and similar bodies at June 30, 2009, amounted to €4,409 million (€3,210 million at December 31, 2008), partially offset by payables of €3,294 million (€2,655 million at December 31, 2008).

Assets held for sale

24. Assets held for sale – *€3,264 million*

At June 30, 2009, the item mainly comprised:

> assets in respect of the Italian gas distribution network, essentially related to Enel Rete Gas;

> the assets in respect of renewable energy operations held by Endesa that are included in the agreement of February 20, 2009, but which had not yet been transferred to Acciona pending completion of authorization procedures;

> the assets connected with SeverEnergia covered by the agreement reached with Gazprom;

> certain assets held by Endesa in Greece, which, in the light of decisions taken by management, meet the requirements under IFRS 5 for their classification among assets held for sale.

At December 31, 2008 the item also included the assets in respect of renewable energy operations of Endesa covered by the agreement of March 26, 2007, as well as the assets related to the business units for high-voltage electricity distribution lines and gas distribution.

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Property, plant and equipment	2,079	4,061	(1,982)
Intangible assets	774	684	90
Goodwill	42	51	(9)
Deferred tax assets	65	63	2
Other non-current assets	112	139	(27)
Inventories	18	13	5
Trade receivables	27	50	(23)
Cash and cash equivalents	18	32	(14)
Other current assets	129	158	(29)
Total	**3,264**	**5,251**	**(1,987)**

Equity

25. Equity attributable to the shareholders of the Parent Company – *€29,767 million*

In execution of the authorization granted by the Extraordinary Shareholders' Meeting of Enel SpA on April 29, 2009, pursuant to Article 2443 of the Italian Civil Code, the Enel SpA Board of Directors voted to carry out a paid divisible capital increase of a maximum total amount, premium included, of €8 billion by way of the issue of 3,216,938,192 ordinary shares with a par value of €1.00 and the same characteristics of the shares already in circulation. The shares were offered in pre-emption to parties who were shareholders of the Company as of the start date of the rights offering at a price of €2.48 per share, of which €1.48 represents the share premium, with an option ratio of 13 new shares for every 25 existing shares.

During the offer period, which started on June 1 and ended on June 19, 2009, a total of 6,160,693,425 rights were exercised. As a result, 3,203,560,581 newly issued Enel ordinary shares were subscribed altogether, equal to 99.58% of the shares offered, for a total of €7,945 million.

At the end of the offer period, total unexercised rights amounted to 25,726,175, granting the right to subscribe 13,377,611 newly issued ordinary shares, for a total price of €33 million. These unexercised rights were offered on the Italian Stock Exchange, pursuant to Article 2441, paragraph 3, of the Italian Civil Code, and on June 26, 2009, they were all sold at a unit price of €0.51 for a total of €13 million. The related 13,377,611 ordinary shares were issued on July 3, 2009.

Share capital – *€9,390 million*

Share capital at June 30, 2009, considering the partial subscription of the capital increase at that date (99.58%) and as no options were exercised as part of stock option plans during the 1st Half of 2009, consisted of 9,389,980,184 ordinary shares of €1.00 each (6,186,419,603 at December 31, 2008).

Based on the shareholders' register and other available information, no shareholders held more than 2% of the total share capital, apart from the Ministry for the Economy and Finance, which holds 13.88%, and its subsidiary Cassa Depositi e Prestiti SpA, which holds 17.36%. The Enel stake held by the Ministry for the Economy and Finance and Cassa Depositi e Prestiti is calculated on the basis of the Company's subscribed and paid-up share capital as reported in the Company Register as at July 9, 2009, following the completion of the paid capital increase.

Other reserves – *€7,764 million*

Share premium reserve – *€5,416 million*

The change for the period reflects the capital increase.

Legal reserve – *€1,453 million*

Other reserves – *€2,122 million*

In addition to charges for stock options, the change during the period regards the transaction costs associated with the capital increase, equal to €186 million, net of the connected tax effect of €51 million.

Foreign currency translation reserve – *€(955) million*

The change in this aggregate for the period is attributable to the net depreciation of the functional currency against the foreign currencies used by subsidiaries.

Reserve from measurement of financial instruments – *€(272) million*

The reserve encompasses net charges recognized directly in equity resulting from the measurement of cash flow hedges as well as unrealized gains from the fair value measurement of financial assets.

The table below shows the changes in gains and losses recognized directly in equity, including minority interests.

Millions of euro	at Dec. 31, 2008	Gains/(Losses) recognized in equity for the period	Released to income statement	Change in scope of consolidation	at June 30, 2009
Reserve for fair value of cash flow hedging, effective portion	(278)	(745)	144	(62)	(941)
Reserve for fair value of financial investments available for sale	125	105	-	(1)	229
Reserve for foreign exchange differences	(2,016)	674	-	(153)	(1,495)
Tax effect	237	147	(76)	20	328
Total gains/(losses) recognized in equity	**(1,932)**	**181**	**68**	**(195)**	**(1,878)**

26. Long-term loans (including the portion falling due within 12 months) – *€58,553 million*

This aggregate includes long-term payables related to bonds, bank loans, and other loans in euro and other currencies, including the portion falling due within twelve months.

The following table shows long-term debt and repayment schedules at June 30, 2009, grouped by loan and interest rate type.

Millions of euro	Maturing	Balance	Nominal value	Balance	Current portion	Portion falling due at more than 12 months	Maturing in				
		at June 30, 2009		at Dec. 31, 2008			2nd Half 2010	2011	2012	2013	Beyond
Bonds:											
- listed, fixed rate	2009 - 2097	12,669	12,763	13,787	535	12,134	134	1,012	1,137	1,810	8,041
- listed, floating rate	2009 - 2037	5,704	5,744	3,720	495	5,209	239	508	908	67	3,487
- unlisted, fixed rate	2009 - 2037	2,948	2,911	2,843	1	2,947	-	35	183	790	1,939
- unlisted, floating rate	2009 - 2032	2,384	2,384	2,262	347	2,037	53	56	58	59	1,811
Total		**23,705**	**23,802**	**22,612**	**1,378**	**22,327**	**426**	**1,611**	**2,286**	**2,726**	**15,278**
Bank loans:											
- fixed rate	2009 - 2046	618	624	470	213	405	33	90	86	33	163
- floating rate	2009 - 2035	27,386	27,709	24,676	3,269	24,117	437	2,776	8,974	640	11,290
- use of revolving credit lines	2009 - 2012	4,539	4,539	4,836	153	4,386	1,980	220	2,186	-	-
Total		**32,543**	**32,872**	**29,982**	**3,635**	**28,908**	**2,450**	**3,086**	**11,246**	**673**	**11,453**
Preference shares:											
- fixed rate		-	-	-	-	-	-	-	-	-	-
- floating rate (1)	2013	1,457	1,500	973	-	1,457	-	-	-	-	1,457
Total		**1,457**	**1,500**	**973**	-	**1,457**	-	-	-	-	**1,457**
Non-bank loans:											
- fixed rate	2009 - 2029	568	568	431	194	374	42	61	40	36	195
- floating rate	2009 - 2028	280	280	157	65	215	24	24	19	26	122
Total		**848**	**848**	**588**	**259**	**589**	**66**	**85**	**59**	**62**	**317**
TOTAL		**58,553**	**59,022**	**54,155**	**5,272**	**53,281**	**2,942**	**4,782**	**13,591**	**3,461**	**28,505**

(1) The preference shares issued by Endesa Capital Finance LLC are perpetual, with an option for early redemption at par as from 2013.

The balance for bonds is stated net of €356 million relating to the unlisted floating-rate “Special series of bonds reserved for employees 1994-2019” held and by the Parent Company in portfolio and €30 million in bonds issued by Enel SpA held by Enel.Re.

The table below reports long-term financial debt by currency and interest rate.

LONG-TERM FINANCIAL DEBT BY CURRENCY AND INTEREST RATE

Millions of euro	Balance	Nominal value	Balance	Current average interest rate	Current effective interest rate
	at June 30, 2009		at Dec. 31, 2008	at June 30, 2009	
Euro	**47,600**	**48,049**	**45,344**	**2.61%**	**2.80%**
US dollar	5,605	5,605	5,237	6.25%	6.68%
Pound sterling	1,791	1,809	1,480	6.02%	6.16%
Japanese yen	147	148	158	3.25%	3.29%
Brazilian real	1,035	1,035	508	11.71%	11.71%
Colombian peso	1,130	1,130	615	7.09%	7.09%
Russian ruble	114	114	121	7.50%	7.50%
Other currencies	1,131	1,132	692		
Total non-euro currencies	**10,953**	**10,973**	**8,811**		
TOTAL	**58,553**	**59,022**	**54,155**		

CHANGE IN THE NOMINAL VALUE OF LONG-TERM DEBT

Millions of euro	Nominal value	Repayments	Change in own bonds	Change in scope of consolidation	New financing	Exchange rate differences	Nominal value
	at Dec. 31, 2008						at June 30, 2009
Bonds	22,693	(1,485)	35	2,127	202	230	23,802
Bank loans	30,055	(10,926)	-	3,310	10,342	91	32,872
Preference shares	1,006	-	-	494	-	-	1,500
Other loans	588	(63)	-	194	134	(5)	848
Total financial debt	**54,342**	**(12,474)**	**35**	**6,125**	**10,678**	**316**	**59,022**

Compared with December 31, 2008, the nominal value of long-term debt at June 30, 2009, increased by €4,680 million, which is the net effect of €12,474 million repayments and redemptions, €10,678 million in new financing, €6,125 million arising from changes in the scope of consolidation, €35 million due to changes in own bonds held and €316 million in exchange rate losses. The main repayments and redemptions for the period concerned bonds in the amount of €1,485 million, the repayment of maturing bank loans in the amount of €10,926 million, as well as non-bank loans in the amount of €63 million.

More specifically, the main bonds maturing in the 1st Half of 2009 included:
> €500 million (consolidated until maturity in the amount of €335 million) related to a fixed-rate bond issued by Endesa SA maturing in February 2009;
> €305 million (consolidated until maturity in the amount of €204 million) related to a fixed-rate bond issued by International Endesa BV, maturing in February 2009;
> $400 million (consolidated until maturity in the amount of €203 million) related to a fixed-rate bond issued by Endesa Chile maturing in April 2009;
> $350 million (consolidated until maturity in the amount of €175 million) related to a fixed-rate bond issued by International Endesa BV maturing in April 2009;
> €700 million (consolidated until maturity in the amount of €469 million) related to a fixed-rate bond issued by International Endesa BV maturing in June 2009.

Repayments of bank loans made during the period were the following:

- €8,360 million in respect of contractual and voluntary repayments of the tranche falling due in 2010 of the syndicated line of credit, with an original amount of €35 billion, following the extraordinary corporate transactions. The main such transactions regarded the payment by Endesa of the dividend generated by the sale of assets to E.ON (mandatory contractual repayment of €1,904 million), the sale of the high-voltage network to Terna (cancellation of €570 million) and the Enel SpA capital increase (cancellation of €5,886 million);
- €566 million related to other bank loans of Group companies maturing in 2009;
- €27 million related to reduced drawings on the committed lines of credit by Slovenské elektrárne.

In addition, the revolving 5-year credit line of €5 billion (which is renewable for a further two years) granted in November 2005 to Enel SpA was drawn in the amount of €1,800 million at June 30, 2009 (€3,773 million at December 31, 2008).

The main financing transactions of 1st Half of 2009 include:

- the use, on June 25, 2009, by Enel SpA and Enel Finance International of €8,000 million of the Credit Agreement 2009 to finance the acquisition of the 25.01% of Endesa held by Acciona;
- the issue by Enel SpA of a new tranche of the bond placed privately with leading Italian insurance companies in the amount of €97 million maturing in 2027;
- drawings by Endesa on two facilities in the total amount of €3,280 million.

More specifically, following the agreement for Enel's acquisition of 25.01% of Endesa dated February 20, 2009, Enel contracted a loan of €8,000 million as an increase in the syndicated credit line with an original amount of €35 billion. The terms of the original credit line included the option of increasing (up to a maximum of €8.5 billion) the 60-month tranche (equal to €10 billion falling due in 2012) in the event of the exercise of the put option by Acciona in 2010. In consideration of the fact that the exercise of the put option was brought forward to 2009, Enel had to obtain the agreement of two-thirds of the banks participating in the original syndication in order to have recourse to that contractual option.

The €8 billion credit line, which was signed on April 16, 2009, comprises two contracts:

- a "facility C increase" raising the 60-month tranche by a total of €8 billion falling due in 2012; and
- a "rollover" agreement, in the amount of €8 billion, intended to replace the "facility C increase", and containing a commitment from the financial institutions involved to renew the facility C increase as from 2012, with two new tranches, the first totaling €5.5 billion falling due in 2014 and the second amounting to €2.5 billion falling due in 2016.

Accordingly, at June 30, 2009, the Credit Facility had the following maturity schedule:

- €2,506 million maturing in April 2010;
- €7,828 million maturing in April 2012;
- €5,500 million maturing in April 2014;
- €2,500 million maturing in April 2016.

Other financing agreements signed in 2009 include:

- on April 23, 2009, Endesa obtained an extension until January 2012 of the €1,280 million loan originally scheduled to fall due in June 2010;

- on May 4, 2009, Endesa obtained a loan totaling €2,000 million from a pool of more than 20 banks;
- on April 23, 2009, Enel Distribuzione agreed a framework loan contract with Cassa Depositi e Prestiti that will use EIB funding in the amount of €800 million, guaranteed by Enel; at June 30, 2009, the financing had not been drawn.

In addition, the change in the nominal value of long-term debt reflects the change to full consolidation of Endesa in the amount of €6,125 million.

The following table compares the carrying amount and the fair value of long-term debt, including the portion falling due within twelve months, broken down by category. For instruments traded on regulated markets, the fair value is given by official prices. For instruments not traded on a regulated market the fair value is determined using appropriate valuation models for each category of financial instrument and market data and credit spreads for the closing date of the period.

Millions of euro	Carrying amount	Fair value	Carrying amount	Fair value
	at June 30, 2009		at Dec. 31, 2008	
Bonds:				
- fixed rate	15,617	16,388	16,630	16,537
- floating rate	8,088	8,154	5,982	5,668
Total	**23,705**	**24,542**	**22,612**	**22,205**
Bank loans:				
- fixed rate	618	526	470	427
- floating rate	31,925	31,588	29,512	28,857
Total	**32,543**	**32,114**	**29,982**	**29,284**
Preference shares:				
- fixed rate	-	-	-	-
- floating rate	1,457	1,500	973	1,006
Total	**1,457**	**1,500**	**973**	**1,006**
Non-bank loans:				
- fixed rate	568	540	431	409
- floating rate	280	266	157	149
Total	**848**	**806**	**588**	**558**
TOTAL	**58,553**	**58,962**	**54,155**	**53,053**

The following tables show changes in the long-term loans for the period, distinguishing current from non-current portions.

LONG-TERM LOANS (EXCLUDING CURRENT PORTION)

Millions of euro	Carrying amount		
	at June 30, 2009	at Dec. 31, 2008	Change
Bonds:			
- fixed rate	15,081	14,851	230
- floating rate	7,246	5,397	1,849
Total	**22,327**	**20,248**	**2,079**
Bank loans:			
- fixed rate	405	392	13
- floating rate	28,503	29,000	(497)
Total	**28,908**	**29,392**	**(484)**
Preference shares:			
- fixed rate	-	-	-
- floating rate	1,457	973	484
Total	**1,457**	**973**	**484**
Non-bank loans:			
- fixed rate	374	299	75
- floating rate	215	133	82
Total	**589**	**432**	**157**
TOTAL	**53,281**	**51,045**	**2,236**

CURRENT PORTION OF LONG-TERM LOANS

Millions of euro	Carrying amount		
	at June 30, 2009	at Dec. 31, 2008	Change
Bonds:			
- fixed rate	536	1,779	(1,243)
- floating rate	842	585	257
Total	**1,378**	**2,364**	**(986)**
Bank loans:			
- fixed rate	213	78	135
- floating rate	3,422	512	2,910
Total	**3,635**	**590**	**3,045**
Non-bank loans:			
- fixed rate	194	132	62
- floating rate	65	24	41
Total	**259**	**156**	**103**
TOTAL	**5,272**	**3,110**	**2,162**

At June 30, 2009, 72% of net financial debt paid floating interest rates (66% at December 31, 2008). Taking account of cash flow hedges for interest rate risk considered effective under the provisions of the IFRS-EU, exposure to interest rate risk at June 30, 2009, was 47% (45% at December 31, 2008). If account is also taken of interest rate derivatives used as hedges but which do not qualify for hedge accounting, the residual exposure of net financial debt to interest rate risk falls 45% (42% at December 31, 2008).

The Group's main long-term financial debts are governed by covenants, containing undertakings by the borrowers (Enel SpA, Endesa and the other Group companies) and in some cases Enel SpA as guarantor, that are commonly adopted in international business practice. The main covenants governing Enel's debt regard the bond issues carried out within the framework of the Global Medium-Term Notes program, loans granted by the European Investment Bank (EIB), the €5 billion revolving line of credit, the Credit Agreement 2007 and the Credit Agreement 2009. As of the reporting date, the covenants had been easily met.

The commitments in respect of the bond issues in the Global Medium-Term Notes program can be summarized as follows:

- negative pledge clauses under which the issuer may not establish or maintain (except under statutory requirement) mortgages, liens or other encumbrances on all or part of its assets to secure any listed bond or bond for which listing is planned unless the same guarantee is extended equally or pro rata to the bonds in question;
- pari passu clauses, under which the securities constitute a direct, unconditional and unsecured obligation of the issuer and are issued without preferential rights among them and have at least the same seniority as other present and future bonds of the issuer;
- specification of default events, whose occurrence (e.g. insolvency, failure to pay principle or interest, initiation of liquidation proceedings, etc.) constitutes a default; under cross-default clauses, the occurrence of a default event in respect of any financial liability (above a threshold level) issued by the issuer or "significant" subsidiaries (i.e. consolidated companies whose gross revenues or total assets are at least 10% of gross consolidated revenues or total consolidated assets) constitutes a default in respect of the liability in question, which becomes immediately repayable;
- early redemption clauses in the event of new tax requirements, which permit early redemption at par of all outstanding bonds.

The main covenants governing the loans granted by the EIB can be summarized as follows:

- negative pledge clauses, under which the issuer undertakes not to establish or grant to third parties additional guarantees or privileges with respect to those already established in the individual contracts by the company or subsidiaries of the Enel Group, unless an equivalent guarantee is extended equally or pro rata to the loans in question;
- clauses that require the guarantor (whether Enel SpA or banks acceptable to the EIB) to maintain its rating above a specified grade; in the case of guarantees provided by Enel SpA, the Group's equity may not fall below a specified level;
- material changes clauses, under which the occurrence of a specified event (mergers, spin-offs, disposal or transfer of business units, changes in company control structure, etc.) gives rise to the consequent adjustment of the contract, without which the loan shall become repayable immediately without payment of any commission;
- requirements to report periodically to the EIB;
- requirements for insurance coverage and maintenance of property, possession

and use of the works, plant and machinery financed by the loan over the entire term of the agreement;
> contract termination clauses, under which the occurrence of a specified event (serious inaccuracies in documentation presented in support of the contract, failure to repay at maturity, suspension of payments, insolvency, special administration, disposal of assets to creditors, dissolution, liquidation, total or partial disposal of assets, declaration of bankruptcy or composition with creditors or receivership, substantial decrease in equity, etc.) triggers immediate repayment.

The main covenants for the Credit Agreement 2007, the Credit Agreement 2009 and the €5 billion revolving line of credit are substantially similar and can be summarized as follows:
> negative pledge clauses under which the borrower (and its significant subsidiaries) may not establish or maintain (with the exception of permitted guarantees) mortgages, liens or other encumbrances on all or part of its assets to secure any present or future financial liability;
> pari passu clauses, under which the payment undertakings constitute a direct, unconditional and unsecured obligation of the borrower and bear no preferential rights among them and have at least the same seniority as other present and future loans;
> change of control clause, which is triggered in the event that (i) control of Enel is acquired by one or more parties other than the Italian state or (ii) Enel or any of its subsidiaries transfer a substantial portion of the Group's assets to parties outside the Group such that the financial reliability of the Group is significantly compromised. The occurrence of one of the two circumstances may give rise to (a) the renegotiation of the terms and conditions of the financing or (b) compulsory early repayment of the financing by the borrower;
> specification of default events, whose occurrence (e.g. failure to make payment, breach of contract, false statements, insolvency or declaration of insolvency by the borrower or its significant subsidiaries, business closure, government intervention or nationalization, administrative proceeding with potential negative impact, illegal conduct, nationalization and government expropriation or compulsory acquisition of the borrower or one of its significant subsidiaries) constitutes a default. Unless remedied within a specified period of time, such default will trigger an obligation to make immediate repayment of the loan under an acceleration clause, under cross-default clauses; the occurrence of a default event in respect of any financial liability (above a threshold level) of the issuer or "significant" subsidiaries (i.e. consolidated companies whose gross revenues or total assets are equal to a specified percentage (10% for the €35 billion syndicated credit line and 15% for the €5 billion revolving credit line) of gross consolidated revenues or total consolidated assets) constitutes a default in respect of the liability in question, which becomes immediately repayable;
> periodic reporting requirements.

The Credit Agreement 2007 and the Credit Agreement 2009 also provide for the following covenants:
> mandatory early repayment clauses, under which the occurrence of a specified event (e.g. the issue of instruments on the capital market, new bank loans, stock issues or asset disposals) obliges the borrower to repay the related funds in advance at specific declining percentages based on the extent to which the line of credit has been drawn;

> a gearing clause, under which, at the end of each measurement period (half yearly), Enel's consolidated net financial debt shall not exceed 6 times annual consolidated EBITDA;
> a "subsidiary financial indebtedness" clause, under which the net aggregate amount of the financial debt of Enel's subsidiaries (with the exception of the debt of "permitted subsidiaries") must not exceed 20% of gross consolidated assets.

For the Credit Agreement 2009 only, as from 2012, at the end of each measurement period (half yearly): (i) the gearing clause requires that Enel's net financial debt shall not exceed 4.5 times annual consolidated EBITDA; and (ii) the ratio of annual consolidated EBITDA to net consolidated interest expense shall not be less than 4.

Endesa's main long-term loans also contain covenants commonly adopted in international business practice.

The main covenants on Endesa's debt regard loans granted by the EIB, bond issues carried out under the Global Medium-Term Notes program, project financing, and loans to Enersis and Endesa Chile.

The main covenants governing the loans granted by the EIB can be summarized as follows:

> clauses that require the rating to be kept above a specified grade;
> clauses requiring prior authorization by the EIB in the case of the transfer of Endesa assets (where the related gross revenues or total assets are equal to at least 10% of gross revenues or 7% of total consolidated assets).

The undertakings in respect of the bond issues carried out by Endesa Capital SA under the Global Medium-Term Notes program can be summarized as follows:

> cross-default clauses under which debt repayment would be accelerated in the case of failure to make payment (above a specified amount) on any financial liability of Endesa SA or Endesa Capital SA that is listed or could be listed on a regulated market;
> negative pledge clauses under which the issuer may not establish mortgages, liens or other encumbrances on all or part of its assets to secure any financial liability that is listed or could be listed on a regulated market (of which at least 50% initially held by foreign parties outside the Kingdom of Spain), unless an equivalent guarantee is extended equally or pro rata to the bonds in question;
> pari passu clauses, under which the securities and guarantees have at least the same seniority as all other present and future unsecured and unsubordinated securities issued by Endesa Capital or Endesa SA.

Finally, the main loans granted to Endesa, International Endesa BV and Endesa Capital do not contain cross-default clauses regarding the debt of subsidiaries in Latin America.

Undertakings in respect of project financing granted to subsidiaries regarding renewables and other subsidiaries in Latin America contain covenants commonly adopted in international business practice. The main commitments regard clauses pledging all the assets assigned to the projects in favor of the creditors.

A significant portion of the debt of Enersis and Endesa Chile (both controlled indirectly by Endesa) is subject to cross-default clauses under which the occurrence of a default event (failure to make payment or breach of other obligations) in respect of any financial liability of a subsidiary of Enersis or Endesa Chile constitutes a default in respect of the liability in question, which becomes immediately repayable.

Many of these agreements also contain cross-acceleration clauses that are triggered by specific circumstances, certain government actions, insolvency, or judicial expropriation of assets.

In addition to the foregoing, the May 4, 2009 loan provides for a change of control clause that will be activated if Enel's stake in Endesa should fall below 51% of Endesa's share capital.

The following table reports the net financial position at June 30, 2009 and at December 31, 2008, respectively, pursuant to Consob instructions of July 28, 2006, reconciled to the net financial debt.

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Cash and cash equivalents on hand	5	10	(5)
Bank and post office deposits	3,405	5,096	(1,691)
Securities	57	73	(16)
Liquidity	**3,467**	**5,179**	**(1,712)**
Short-term financial receivables	1,040	694	346
Factoring receivables	296	367	(71)
Short-term portion of long-term financial receivables	868	524	344
Current financial receivables	**2,204**	**1,585**	**619**
Short-term bank debt	(1,436)	(1,564)	128
Commercial paper	(6,154)	(3,792)	(2,362)
Short-term portion of long-term bank debt	(3,635)	(590)	(3,045)
Drawings on revolving credit lines	(18)	(14)	(4)
Bonds (short-term portion)	(1,378)	(2,364)	986
Other loans (short-term portion)	(259)	(156)	(103)
Other short-term financial payables	(76)	(97)	21
Total short-term financial debt	**(12,956)**	**(8,577)**	**(4,379)**
Net short-term financial position	**(7,285)**	**(1,813)**	**(5,472)**
Debt to banks and financing entities	(28,908)	(29,392)	484
Bonds	(22,327)	(20,248)	(2,079)
Preference shares	(1,457)	(973)	(484)
Other loans	(589)	(432)	(157)
Net long-term financial position	**(53,281)**	**(51,045)**	**(2,236)**
NET FINANCIAL POSITION as per Consob communication	**(60,566)**	**(52,858)**	**(7,708)**
Long-term financial receivables and securities	**4,802**	**2,891**	**1,911**
NET FINANCIAL DEBT	**(55,764)**	**(49,967)**	**(5,797)**

27. Provisions for risks and charges – *€8,004 million*

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Provision for litigation, risks and other charges:			
- nuclear decommissioning	3,030	2,883	147
- non-nuclear plant retirement and site restoration	447	402	45
- litigation	711	654	57
- CO_2 emission charges	36	10	26
- other	1,924	1,818	106
Total	**6,148**	**5,767**	**381**
Provision for early-retirement incentives	1,856	1,155	701
TOTAL	**8,004**	**6,922**	**1,082**

Provisions for risks and charges amounted to €8,004 million at June 30, 2009, with a short-term component equal to €1,263 million (€1,030 million at December 31, 2008).

At June 30, 2009 , the provision for "*nuclear decommissioning*" primarily regards the V1 and V2 plants at Jasklovske Bohunice and the EMO 1 and 2 plants at Mochovce for €2,697 million (€2,696 million at December 31, 2008) and includes the provision for the disposal of nuclear waste amounting to €253 million (€271 million at December 31, 2008), the provision for the disposal of spent nuclear fuel in the amount of €1,570 million (€1,547 million at December 31, 2008), and a provision for retiring nuclear power plants in the amount of €874 million (€878 million at December 31, 2008). The provision also includes the charges attributable to Endesa amounting to €333 million (€187 million at December 31, 2008) that will be incurred at the moment of decommissioning by Enresa, a public company charged with the task under Royal Decree 1349/03 and Law 24/05. The changes in provisions also reflect €29 million in reversals to income of provisions for early-retirement incentives.

28. Non-current financial liabilities – *€2,330 million*

At June 30, 2009, this item amounted to €2,330 million and was entirely accounted for by derivatives. At December 31, 2008, the item also included the fair value measurement of the put option granted to Acciona on all of the shares it holds directly or indirectly in Endesa (25.01% of share capital) as per the agreement with Enel of March 26, 2007, which was exercised in advance during the period, with the consequent zeroing of the account.

As regards derivative contracts, the retrospective application of the changes to presentation requirements (IAS 1) involved the reclassification to that item of current financial liabilities associated with operational hedge contracts expiring at more than 12 months and which are expected to be held for at least 12 months as from the reporting date.

The following table reports the notional and fair values of those contracts.

Millions of euro	Notional		Fair value		
	at June 30, 2009	at Dec. 31, 2008	**at June 30, 2009**	at Dec. 31, 2008	Change
Cash flow hedge derivatives:					
- interest rates	13,614	11,569	723	483	240
- exchange rates	3,981	2,542	1,030	1,027	3
- commodities	244	422	53	118	(65)
Total	17,839	14,533	1,806	1,628	178
Fair value hedge derivatives:					
- interest rates	21	14	1	1	-
- exchange rates	498	173	36	9	27
Total	519	187	37	10	27
Trading derivatives:					
- interest rates	931	991	75	63	12
- exchange rates	308	261	8	10	(2)
- commodities	678	175	404	432	(28)
Total	1,917	1,427	487	505	(18)
TOTAL	**20,275**	**16,147**	**2,330**	**2,143**	**187**

Interest rate derivatives at June 30, 2009 were essentially composed of hedges on a number of long-term floating-rate loans. The decline in the fair value of these positions was attributable to the decrease in market interest rates during the 1st Half of 2009. Exchange rate derivatives were mainly composed of exchange rate hedges (towards the euro) on a number of long-term loans in foreign currencies using cross currency interest rate swaps.
Commodity derivates are mainly related to:

> cash flow hedge derivatives on coal and other oil commodities, with a fair value of €53 million;

> derivatives embedded in contracts for the purchase and sale of electricity in Slovakia, with a fair value of €385 million;

> derivatives held by Endesa, with a fair value of €19 million.

29. Other non-current liabilities – *€4,727 million*

Millions of euro			
	at June 30, 2009	at Dec. 31, 2008	Change
Deferred operating liabilities	4,648	3,373	1,275
Other items	79	58	21
Total	**4,727**	**3,431**	**1,296**

Deferred operating liabilities regard deferred income in respect of revenues from fees for connection to the electricity and gas networks and grants received for specific assets. The change in the item is mainly attributable to the change in the method used to consolidate Endesa.

Current liabilities

30. Short-term loans – *€7,684 million*

At June 30, 2009, short-term loans amounted to €7,684 million, an increase €2,217 million on December 31, 2008, as detailed below.

Millions of euro	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	at June 30, 2009		at Dec. 31, 2008		Change	
Short-term amounts due to banks	1,454	1,454	1,578	1,578	(124)	(124)
Commercial paper	6,154	6,154	3,792	3,792	2,362	2,362
Other short-term financial payables	76	76	97	97	(21)	(21)
Short-term financial debt	**7,684**	**7,684**	**5,467**	**5,467**	**2,217**	**2,217**

Short-term amounts due to banks, in the amount of €1,454 million, include a €500 million draw on committed lines of credit obtained by Enel SpA in October 2008. The payables represented by commercial paper relate to issues outstanding at the end of June 2009 in the context of the €4,000 million program launched in November 2005 by Enel Finance International and guaranteed by Enel SpA, as well as the €2,000 million program of Endesa International BV (now Endesa Latinoamérica) and the €2,000 million Pagarés program of Endesa Capital SA. At June 30, 2009, issues under these programs amounted to €6,154 million, of which €3,503 million for Enel Finance International, €1,605 million for Endesa Internacional BV (today Endesa Latinoamérica), and €1,046 million for Endesa Capital SA. The nominal value of the commercial paper is €6,174 million and is denominated in euro (€5,917 million), pound sterling (the equivalent of €10 million), US dollars (the equivalent of €139 million), Japanese yen (the equivalent of €59 million) and Swiss francs (the equivalent of €49 million). The exchange rate risk in respect of currencies other than the euro is fully hedged by currency swaps.

31. Current financial liabilities – *€2,151 million*

Millions of euro	**at June 30, 2009**	at Dec. 31, 2008	Change
Deferred financial liabilities	586	705	(119)
Derivative contracts	1,509	1,716	(207)
Other items	56	33	23
Total	**2,151**	**2,454**	**(303)**

As regards derivative contracts, the retrospective application of the changes to presentation requirements (IAS 1) involved the reclassification from that item to non-current financial liabilities of liabilities associated with operational hedge contracts expiring at more than 12 months and which are expected to be held for at least 12 months as from the reporting date.

The following table shows the notional value and fair value of the derivative contracts.

Millions of euro	Notional		Fair value		
	at June 30, 2009	at Dec. 31, 2008	**at June 30, 2009**	at Dec. 31, 2008	Change
Cash flow hedge derivatives:					
- interest rates	706	844	3	3	-
- exchange rates	536	171	27	8	19
- commodities	629	1,377	217	247	(30)
Total	**1,871**	**2,392**	**247**	**258**	**(11)**
Fair value hedge derivatives:					
- interest rates	450	270	27	22	5
- exchange rates	-	214	-	41	(41)
Total	**450**	**484**	**27**	**63**	**(36)**
Trading derivatives:					
- interest rates	282	765	19	34	(15)
- exchange rates	1,381	1,106	67	51	16
- commodities	5,904	6,570	1,149	1,310	(161)
Total	**7,567**	**8,441**	**1,235**	**1,395**	**(160)**
TOTAL	**9,888**	**11,317**	**1,509**	**1,716**	**(207)**

Trading derivatives on interest rates essentially include transactions entered into for hedging purposes, but which do not qualify for hedge accounting as defined by applicable accounting standards. The decrease in the amount of these positions is due mainly to the expiration of the positions held by Endesa.
Trading derivatives on exchange rates essentially include derivatives transactions used to hedge the exchange rate risk in respect of commodity prices. Even though the transactions were carried out for hedging purposes, they do not meet the requirements to qualify for hedge accounting.
Commodity derivatives refer to:

> cash flow hedges on coal and other oil commodities with a fair value of €217 million;
> commodity derivatives on fuels, with a fair value of €391 million;
> trading transactions in energy and other commodities, with a fair value of €653 million;
> embedded derivatives related to energy sale contracts in Slovakia, with a fair value of €105 million.

32. Other current liabilities – *€8,219 million*

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Payables due to customers	1,671	1,539	132
Payables due to the Electricity Equalization Fund and similar bodies	3,294	2,655	639
Payables due to employees	532	379	153
Other tax payables	1,141	965	176
Social security payables	187	178	9
Other	1,394	1,482	(88)
Total	**8,219**	**7,198**	**1,021**

"Payables due to customers" include €716 million (€715 million at December 31, 2008) in security deposits related to amounts received from customers as part of electricity and gas supply contracts. Following the finalization of the contract, deposits for electricity sales, the use of which is not restricted in any way, are classified as current liabilities given that the company does not have an unconditional right to defer repayment beyond twelve months.
"Payables due to the Electricity Equalization Fund and similar bodies" include current payables due in respect of the application of equalization mechanisms in the purchase of electricity in Italian market amounting to €2,777 million (€2,093 million at December 31, 2008) and current payables in respect of the Spanish electrical system amounting to €517 million (€562 million at December 31, 2008).
The item "Other" includes the estimated liability relating to the put options held by the minority shareholders of Enel Distributie Muntenia and Enel Energie Muntenia (a total €390 million) and Marcinelle Energie (€29 million).

33. Liabilities held for sale – *€1,214 million*

At June 30, 2009, the item mainly included:

> the liabilities in respect of the Italian gas distribution network, essentially related to Enel Rete Gas;

> the liabilities in respect of renewable energy operations held by Endesa that are included in the agreement of February 20, 2009, but which had not yet been transferred to Acciona pending completion of authorization procedures;

> the liabilities connected with SeverEnergia covered by the agreement reached with Gazprom;

> certain liabilities held by Endesa in Greece, which in the light of decisions taken by management meet the requirements under IFRS 5 for their classification among liabilities held for sale.

At December 31, 2008, the item also comprised the liabilities in respect of renewable energy operations held by Endesa under the agreement of March 26, 2007, as well as the liabilities related to the business units for high-voltage electricity distribution lines and gas distribution.

Millions of euro

	at June 30, 2009	at Dec. 31, 2008	Change
Long-term loans	9	334	(325)
Post-employment and other employee benefits	22	24	(2)
Provisions for risks and charges	10	24	(14)
Deferred tax liabilities	239	448	(209)
Other non-current liabilities	99	132	(33)
Short-term loans	649	515	134
Trade payables	79	244	(165)
Other current liabilities	107	70	37
Total	**1,214**	**1,791**	**(577)**

34. Related parties

As the main operator in the field of generation, transport and distribution of electricity in Italy, Enel provides services to a number of State-controlled companies. In the current regulatory framework, Enel concludes transactions with Terna - Rete Elettrica Nazionale (Terna), the Single Buyer, the Electricity Services Operator, and the Market Operator (each of which is controlled either directly or indirectly by the Ministry for the Economy and Finance).
Fees for the transport of electricity payable to Terna and certain charges paid to the Market Operator are determined by the Authority for Electricity and Gas. Transactions relating to purchases and sales of electricity concluded with the Market Operator on the Power Exchange and with the Single Buyer are settled at market prices.
Companies of the Sales Division acquire electricity from the Single Buyer and settle the contracts for differences related to the allocation of CIP 6 energy with the Electricity Services Operator, in addition to paying Terna fees for the use of the national transmission network. Companies that are a part of the Generation and Energy Management Division, in addition to paying fees for the use of the national transmission network to Terna, carry out electricity transactions with the Market Operator on the Power Exchange and sell electricity to the Single Buyer. The company of the Renewable Energy Division that operates in Italy sells electricity to the Market Operator on the Power Exchange.
Enel also acquires fuel for generation and gas for distribution and sale from Eni, a company controlled by the Ministry for the Economy and Finance. All transactions with related parties are concluded on normal market terms and conditions.

The following table summarizes the relationships:

Millions of euro	Balance sheet Receivables	Balance sheet Payables	Income statement Costs	Income statement Revenues
	at June 30, 2009		1st Half 2009	
In respect of continuing operations				
Single Buyer	343	1,036	3,579	593
Market Operator	729	670	2,583	2,616
Terna	344	492	905	586
Electricity Services Operator	138	282	27	422
Eni	2	115	475	555
Poste Italiane	-	68	82	2
Other	4	5	-	5
In respect of assets held for sale	-	-	-	-
Total	**1,560**	**2,668**	**7,651**	**4,779**

The following table shows transactions with associated companies outstanding at June 30, 2009 and carried out during the year, respectively.

Millions of euro	Balance sheet Receivables	Balance sheet Payables	Income statement Costs	Income statement Revenues
	at June 30, 2009		1st Half 2009	
CESI	1	11	1	1
LaGeo	8	-	-	-
Other companies	18	8	3	6
Total	**27**	**19**	**4**	**7**

In compliance with the Enel Group's rules of corporate governance, transactions with related parties are carried out in accordance with criteria of procedural and substantive propriety.
With a view to assuring substantive propriety – in order to ensure fairness in transactions with related parties and to account for the special nature, value or other characteristics of a given transaction – the Board of Directors may ask independent experts to value the assets involved in the transaction and provide financial, legal or technical advice.

35. Contractual commitments and guarantees

The commitments entered into by the Enel Group and the guarantees given to third parties are shown below.

Millions of euro

	at June 30, 2009
Guarantees given:	
- sureties and other guarantees granted to third parties	2,301
Commitments to suppliers for:	
- electricity purchases	46,041
- fuel purchases	52,436
- various supplies	4,111
- tenders	1,299
- other	2,023
Total	105,910
TOTAL	**108,211**

Guarantees granted to third parties amounted to €2,301 million and include €674 million in commitments relating to the sale of real estate assets, in connection with the regulations that govern the termination of leases and the related payments, for a period of six years and six months from July 2004. The value of such guarantees is reduced annually by a specified amount.
Commitments for electricity amounted to €46,041 million at June 30, 2009, of which €18,534 million refer to the period July 1, 2009-2013, €9,428 million to the period 2014-2018, €9,117 million to the period 2019-2023 and the remaining €8,962 million beyond 2023.
Commitments for the purchase of fuels are determined with reference to the parameters and exchange rates applicable at the end of the period (given that fuel prices vary and are mainly set in foreign currencies). The total at June 30, 2009 was €52,436 million, of which €21,500 million refer to the period July 1, 2009-2013, €19,382 million to the period 2014-2018, €8,417 million to the period 2019-2023 and the remaining €3,137 million beyond 2023.
Various supply commitments include €297 million in respect of those under the cooperation agreement with EDF of November 30, 2007 for the construction of the Flamanville nuclear plant. The amount represents Enel's share of 12.5%, of the cost of construction of the plant, which is scheduled to begin in 2012.

36. Contingent liabilities and assets

Compared with the financial statements at December 31, 2008, which the reader is invited to consult, the following main changes have occurred in contingent assets and liabilities.

> With regard to the dispute involving the Porto Tolle thermoelectric plant, following the appeal of the decision of the Court of Adria issued on March 31, 2006 convicting former directors and employees of Enel for a number of incidents of air pollution caused by emissions from the plant, on March 12, 2009, the Court of Appeal of Venice partially reversed the lower court decision. It found that the former directors had not committed a crime and that there was no environmental damage and therefore ordered recovery of the provisional award already paid (about €2.5 million).

> With regard to criminal proceedings against former top managers of Enelpower and other individuals for alleged offences to the detriment of Enelpower and payments made by contractors to receive certain contracts, on April 27, 2009, the investigating magistrate issued plea-bargained rulings for some of the defendants, while the former directors were ordered to stand trial. The case will be heard on January 12, 2010.

> With regard to the suit brought by Albania BEG Ambient seeking damages from Enel and Enelpower for "actions and omissions committed in bad faith" by the defendants and for breach of a collaboration agreement signed by Enelpower and the company's Italian subsidiary in February 2000 concerning the construction of a power station in Albania, the ruling awarding Albania BEG Ambient non-contractual damages of about €25 million, in addition to contractual damages to be determined in accordance with the procedure to be set out in the full ruling, was appealed by the deadline provided for under local law and, pending appeal, it remains ineffective. An analogous claim for damages of about €120 million had already been lodged by BEG SpA, without success, in a proceeding before the Arbitration Chamber of Rome, which denied the claim. The arbitration ruling was appealed as void by BEG SpA in December 2003. On April 7, 2009, the Rome Court of Appeal denied the appeal.

> As to the Inepar suit seeking damages that Enelpower was alleged to have caused by breaching an agreement concerning a number of projects to be pursued in Brazil, the Arbitration Chamber denied all the claims brought by Inepar Energia and Inepar Industria e Construçoes and Enelpower's counterclaim. The Chamber also found Inepar Energia and Inepar Industria e Construçoes jointly liable to Enelpower for its legal expenses in the amount of $800 thousand.

> On April 30, 2009, Enel.Factor received a notice with which the special administrator of Finmek SpA – a company with which Enel.Factor had a factoring relationship involving the assignment of claims in respect of a contract for the supply of remote-readable digital meters to Enel Distribuzione SpA – summoned the company to appear at a hearing scheduled for November 9, 2009, before the Court of Padua to ascertain the unenforceability, revocation and/or inoperativeness of the assignments of claims carried out in the twelve months preceding the initiation of special administration. Alternatively, Finmek requests that the Court establish its right to obtain from Enel.Factor payment of the amounts received by Enel Distribuzione subsequent to the date of the order initiating the special administration procedure.

> With regard to the resolution issued by the Spanish Ministry of Industry on September 18, 2008, in February 2009 Endesa Distribución Eléctrica was fined about €18.6 million for the violations (four major, two minor) under Law 25/1964. The company has appealed the penalties imposed.
> In March 2009, Josel SL informed Endesa Distribución Eléctrica of its intention to withdraw from the contract for the sale of several buildings, due to changes in their zoning status and demanded return of the price paid (about €85.2 million), plus interest. On April 3, 2009, Endesa Distribución Eléctrica gave notice that it opposes this request.
> With regard to the €10 million fine imposed by the "Generalitat de Catalunya" for service interruptions in Barcelona on July 23, 2007, on April 8, 2009, the Supreme Court of Catalonia granted Endesa Distribución Eléctrica's request for suspension.
> In a resolution dated April 2, 2009, the Comisión Nacional de Competencia fined Endesa Distribución Eléctrica €15.3 million for abuse of a dominant position intended to prevent Centrica Energía SL from accessing "SIPS" (the supply point information system, created with Royal Decree 1535/2002). The ruling was appealed before the national judge on May 18, 2009. On May 27, 2009, the Comisión Nacional de Competencia suspended the penalty pending the final resolution.
> On May 11, 2009, with a decree of Ministry of Industry, Endesa Generación, as the operator responsible for the Asco I nuclear power plant, was sanctioned for four major and two minor violations involving for the release of radioactive particles at the Asco I nuclear power plant. The total fine came to €15 million. The ruling was appealed before the Minister for Economic Activity and a decision is still pending. At the same time, the Director General for energy policy and mines levied fines totaling €90,000 for minor violations concerning the same incident. These fines have also been appealed and a ruling is pending.
> On May 19, 2009, the town of Granadilla de Abona fined Endesa €72 million for allegedly building a power plant (Ciclo Combinado 2) without having obtained all the necessary permits. However, the government of the Canary Islands is taking steps to enable completion of the plant with all required permits. Endesa has lodged an appeal with the courts against the action of Granadilla.

37. Subsequent events

Enel – Ministry for the Environment voluntary agreement

On July 7, 2009, within the framework of the "Pact for the Environment" promoted by the Italian Government and 11 Italian companies, Enel and the Ministry for the Environment signed a voluntary agreement with which Enel undertakes to implement effective, measurable programs with a view to achieving national and Community targets for reducing greenhouse gas emissions, energy efficiency and the development of renewable energy resources. More specifically, Enel has agreed to increase the installed capacity of renewables plants from its level of 2,597 MW (excluding major hydroelectric plants) in 2008 by an additional 4,100 MW by 2020. In the thermal power sector, Enel has undertaken to replace its old low-efficiency fuel oil plants (which have an efficiency of 38%) with new clean-coal plants (with an efficiency of 45%). Enel has also agreed to increase the use of biomass and fuels from waste to generate electricity in its power stations from 137.5 thousand metric tons in 2008 to 300 thousand metric tons in 2013. Enel intends to strengthen its commitment to promoting energy efficiency among end users: in public lighting (including the use of LED technology); in the distribution network with the development of "smart grids"; in cooperative initiatives with industrial customers to conduct energy audits to optimize their consumption. By 2013, such actions are expected to create savings of some 100 thousand tons of oil equivalent, with savings rising to 300 thousand tons in 2020.

The Ministry for the Environment and the Government have agreed:

> to identify, in compliance with applicable regulations, possible measures to accelerate the authorization procedures for which they are responsible in order to enable rapid implementation of the Enel initiatives envisaged in the agreement;
> to support the projects in which Enel is participating as part of activities to promote the involvement of Italian companies in European environmental research and innovation programs;
> to promote the reuse of existing industrial sites, fostering investments with a substantial positive environmental impact.

Acquisition of wind facility in Greece

On July 13, 2009, Enel Green Power acquired a new wind facility with a capacity of about 18.9 MW from a local developer at Lithos-Achaia, in Greece. The new plant raises the installed capacity in the country to more than 127 MW.

Project to leverage non-core real estate assets

On July 16, 2009, Enel's Board of Directors approved a plan to create a fund to be endowed with the Group's non-core real estate assets, engaging Fimit SGR to organize and manage the fund. The value of the property to be transferred to the fund is about €190 million. The fund will be set up by the end of the year with the transfer of an initial tranche of properties (amounting to about 70% of the total portfolio value) and the entire transaction is expected to be concluded by March 2011. Enel will participate in both the Advisory Committee and the General Meeting of unit holders, thereby maintaining a major governance role. Fimit SGR will immediately begin to divest the real estate assets, generating revenues for Enel in proportion to its holding in the fund and thereby leveraging the value of the assets more effectively.

38. Stock incentive plans

Between 2000 and 2008, Enel has implemented stock incentive plans (stock option plans and restricted share units plans) each year in order to give the Enel Group – in line with international business practice and the leading Italian listed companies – a means for fostering management motivation and loyalty, strengthening a sense of corporate team spirit in our key personnel, and ensuring their enduring and constant effort to create value, thus creating a convergence of interests between shareholders and management.

Stock option plans

The following table summarizes developments over the 1st Half of 2009 in the Enel stock option plans still in place at June 30, 2009, detailing the main assumptions used in calculating their fair value.

DEVELOPMENTS IN STOCK OPTION PLANS

Number of options	2004 plan	2007 plan	2008 plan	Total
Options granted at December 31, 2007	38,527,550	27,920,000	-	**66,447,550**
Options exercised at December 31, 2007	25,177,615	-	-	**25,177,615**
Options lapsed at December 31, 2007	2,065,200	147,000	-	**2,212,200**
Options outstanding at December 31, 2007	11,284,735	27,773,000	-	**39,057,735**
Options granted in 2008	-	-	8,019,779	**8,019,779**
Options exercised in 2008	1,260,200	-	-	**1,260,200**
Options lapsed in 2008	47,600	613,166	-	**660,766**
Options outstanding at December 31, 2008	9,976,935	27,159,834	8,019,779	**45,156,548**
Options lapsed in the 1st Half of 2009	-	36,000	-	**36,000**
Options outstanding at June 30, 2009	9,976,935	27,123,834	8,019,779	**45,120,548**
- of which vested at June 30, 2009	*9,976,935*	-	-	***9,976,935***
Fair value at grant date (euro)	0.18	0.29	0.17	
Volatility	17%	13%	21%	
Option expiry	Dec. 2009	Dec. 2013	Dec. 2014	

A discussion of the key features of the above stock option plans is provided in the report on operations in the separate financial statements of Enel SpA at December 31, 2008 and in the report on operations in the consolidated financial statements of the Enel Group at December 31, 2008.

Restricted share units plans

The following table summarizes developments over the 1st Half of 2009 in the restricted share units plan adopted by Enel in 2008.

Number of RSU	**2008 plan**
RSU granted in 2008	1,766,675
RSU outstanding at December 31, 2008	1,766,675
of which vested at December 31, 2008	-
RSU lapsed in the 1st Half of 2009	7,148
RSU outstanding at June 30, 2009	1,759,527
of which vested at June 30, 2009	-
Fair value at the grant date (euro)	3.16
Fair value at June 30, 2009 (euro)	2.98
Expiry of the restricted share units	December 2014

A discussion of the key features of the above restricted share units plan is provided in the report on operations in the separate financial statements of Enel SpA at December 31, 2008, and in the report on operations in the consolidated financial statements of the Enel Group at December 31, 2008.

Declaration of the Chief Executive Officer and the manager responsible for the preparation of the company's financial reports

Declaration of the Chief Executive Officer and the manager responsible for the preparation of the company’s financial reports related to the condensed interim consolidated financial statements of the Enel Group at June 30, 2009, pursuant to the provisions of Article 154-bis, paragraph 5, of Legislative Decree 58 of February 24, 1998 and Article 81-ter of Consob Regulation no. 11971 of May 14, 1999

1. The undersigned Fulvio Conti and Luigi Ferraris, in their respective capacities as Chief Executive Officer and manager responsible for the preparation of the financial reports of Enel SpA, hereby certify, taking account of the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of February 24, 1998:
   a. the appropriateness with respect to the characteristics of the Enel Group and
   b. the effective adoption

   of the administrative and accounting procedures for the preparation of the condensed interim consolidated financial statements of the Enel Group in the period between January 1, 2009 and June 30, 2009.

2. In this regard, we report that:
   a. the appropriateness of the administrative and accounting procedures used in the preparation of the condensed interim consolidated financial statements of the Enel Group has been verified in an assessment of the internal control system. The assessment was carried out on the basis of the guidelines set out in the "Internal Controls - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
   b. the assessment of the internal control system did not identify any material issues.

3. In addition, we certify that:
   3.1 the condensed interim consolidated financial statements of the Enel Group at June 30, 2009:
   a. have been prepared in compliance with the international accounting standards recognized in the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
   b. correspond to the information in the books and other accounting records;
   c. provide a true and fair representation of the performance and financial position of the issuer and the companies included in the scope of consolidation;

   3.2 the interim report on operations contains a reliable analysis of the major events that occurred during the first six months of the year and their impact on the condensed half-year financial statements, together with a description of the main risks and uncertainties to be faced in the remaining six months of the year. The interim report on operations also contains a reliable analysis of the information on significant transactions with related parties.

Rome, July 30, 2009

Fulvio Conti	Luigi Ferraris
Chief Executive Officer of Enel SpA	*Manager responsible for the preparation of the financial reports of Enel SpA*

Attachments

Subsidiaries, associates and other significant equity investments of the Enel Group at June 30, 2009

In compliance with Consob Notice no. DEM/6064293 of July 28, 2006, a list of subsidiaries and associates of Enel SpA at June 30, 2009, pursuant to Article 2359 of the Italian Civil Code, and of other significant equity investments is provided below. Enel has full title to all investments.
The following information is included for each company: name, registered office, activity, share capital, currency of account, Group companies that have a stake in the company and their respective ownership share, and the Group's ownership share.

Subsidiaries consolidated on a line-by-line basis at June 30, 2009 (1)

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Parent company:								
Enel SpA	**Rome**	**Italy**	**Holding company**	**9,389,980,184**	**EUR**	**-**	**-**	**-**
Subsidiaries:								
Amiagas Srl	Carrara	Italy	Gas sales	50,000	EUR	Enel Energia SpA	100.00%	100.00%
Avisio Energia SpA	Trento	Italy	Gas distribution	6,500,000	EUR	Hydro Dolomiti Enel Srl	100.00%	49.00%
Blue Energy Srl	Tulcea	Romania	Electricity generation from renewable resources	1,000	RON	Enel Green Power International BV Blue Line Impex Srl	1.00% 99.00%	100.00%
Blue Line Impex Srl	Sat Rusu de Sus Nuseni	Romania	Electricity generation from renewable resources	500,000	RON	Enel Green Power International BV	100.00%	100.00%
Co.Im. Gas SpA	Santa Maria a Colle (LU)	Italy	Management of gas distribution plant and gas sales	1,479,000	EUR	Enel Rete Gas SpA	100.00%	99.88%
Concert Srl	Rome	Italy	Product, plant and equipment certification	10,000	EUR	Enel Produzione SpA	51.00%	51.00%
Consorzio Sviluppo Solare	Rome	Italy	-	100,000	EUR	Enel Produzione SpA Enel.si - Servizi integrati Srl	30.00% 70.00%	100.00%
Deval SpA	Aosta	Italy	Electricity distribution and sales in Valle d'Aosta	37,500,000	EUR	Enel SpA	51.00%	51.00%
Electrogroup Srl	Baia Mare	Romania	Electricity generation from renewable resources	200	RON	Blue Line Impex Srl	100.00%	100.00%
Endesa SA (1)	Madrid	Spain	Holding company	1,270,502,540.4	EUR	Enel Energy Europe SL	92.06%	92.06%
Enel Albania Shpk	Tirana	Albania	Construction, operation and maintenance of plants. Electricity generation and trading	73,230,000	ALL	Enel Investment Holding BV	100.00%	100.00%
Enel Capital Srl	Rome	Italy	Holding company	8,500,000	EUR	Enel SpA	100.00%	100.00%
Enel Comercializadora de Gas SA	Madrid	Spain	Electricity and gas sales	61,000	EUR	Enel Trade SpA	100.00%	100.00%
Enel Distributie Banat SA	Timisoara	Romania	Electricity distribution	382,158,580	RON	Enel Distribuzione SpA	51.00%	51.00%
Enel Distributie Dobrogea SA	Costanza	Romania	Electricity distribution	280,285,560	RON	Enel Distribuzione SpA	51.00%	51.00%
Enel Distributie Muntenia SA (formerly Electrica Muntenia Sud SA)	Bucharest	Romania	Electricity distribution	271,635,250	RON	Enel SpA	64.43%	64.43%
Enel Distribuzione SpA	Rome	Italy	Electricity distribution	2,600,000,000	EUR	Enel SpA	100.00%	100.00%
Enel Energia SpA	Rome	Italy	Electricity and gas sales	302,039	EUR	Enel SpA	100.00%	100.00%
Enel Energie Muntenia SA (formerly Electrica Furnizare Sud SA)	Bucharest	Romania	Electricity sales	37,004,350	RON	Enel SpA	64.43%	64.43%
Enel Energie SA	Bucharest	Romania	Electricity sales	140,000,000	RON	Enel Distribuzione SpA	51.00%	51.00%
Enel Energy Europe SL	Madrid	Spain	Holding company	500,000,000	EUR	Enel SpA	100.00%	100.00%
Enel Erelis Sas	Lyon	France	Electricity generation from renewable resources	7,544,497.53	EUR	Enel France Sas	100.00%	100.00%
Enel ESN Energo LLC	St. Petersburg	Russian Federation	Operation and maintenance of generation plants	2,700,000	RUB	Enel ESN Management BV	100.00%	75.00%
Enel ESN Management BV	Amsterdam	Netherlands	Holding company	18,000	EUR	Enel Produzione SpA	75.00%	75.00%
Enel Finance International SA	Luxembourg	Luxembourg	Finance	1,391,900,230	EUR	Enel SpA	100.00%	100.00%
Enel France Sas	Paris	France	Holding company	34,937,000	EUR	Enel Investment Holding BV	100.00%	100.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Enel Green Power Bulgaria EAD (formerly Enel Maritza East 4 Bulgaria EAD)	Sofia	Bulgaria	Construction, operation and maintenance of plants	50,000	BGN	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Holding SA (formerly Enel Green Power International SA)	Luxembourg	Luxembourg	Holding company in the sector of electricity generation from renewable resources	211,650,000	EUR	Enel Produzione SpA Enel Investment Holding BV	67.11% 32.89%	100.00%
Enel Green Power International BV	Amsterdam	Netherlands	Holding company	244,532,298	EUR	Enel Green Power SpA	100.00%	100.00%
Enel Green Power SpA	Rome	Italy	Electricity generation from renewable resources	600,000,000	EUR	Enel SpA	100.00%	100.00%
Enel Ingegneria e Innovazione SpA	Rome	Italy	Analysis, design, construction and maintenance of engineering works	30,000,000	EUR	Enel SpA	100.00%	100.00%
Enel Investment Holding BV	Amsterdam	Netherlands	Holding company	1,593,050,000	EUR	Enel SpA	100.00%	100.00%
Enel Ireland Finance Ltd	Dublin	Ireland	Finance	1,000,000	EUR	Enel Finance International SA	100.00%	100.00%
Enel Latin America BV(1)	Amsterdam	Netherlands	Electricity generation from renewable resources	244,450,298	EUR	Enel Green Power International BV	100.00%	100.00%
Enel M@p Srl	Rome	Italy	Metering, remote control and connectivity services via power line communication	100,000	EUR	Enel Distribuzione SpA	100.00%	100.00%
Enel Maritza East 3 AD	Sofia	Bulgaria	Electricity generation	265,943,600	BGN	Maritza East III Power Holding BV	73.00%	73.00%
Enel North America Inc. (1)	Wilmington (Delaware)	U.S.A.	Electricity generation from renewable resources	50	USD	Enel Green Power International BV	100.00%	100.00%
Enel Operations Bulgaria AD	Galabovo	Bulgaria	Management and maintenance of power plants	50,000	BGN	Maritza O&M Holding Netherlands BV	73.00%	73.00%
Enel Productie Srl (formerly Global Power Investment Srl)	Bucharest	Romania	Electricity generation	910,200	RON	Enel Investment Holding BV	100.00%	100.00%
Enel Produzione SpA	Rome	Italy	Electricity generation	1,800,000,000	EUR	Enel SpA	100.00%	100.00%
Enel Rete Gas SpA	Milan	Italy	Gas distribution	54,139,160	EUR	Enel Distribuzione SpA	99.88%	99.88%
Enel Romania Srl (formerly Enel Servicii Srl)	Judetul Ilfov	Romania	Business services	200,000	RON	Enel SpA Enel Distribuzione SpA	80.00% 20.00%	100.00%
Enel Rus LLC	Moscow	Russian Federation	Electricity services	350,000	RUB	Enel Investment Holding BV	100.00%	100.00%
Enel Service UK Ltd	London	United Kingdom	Energy services	100	GBP	Enel Trade SpA	100.00%	100.00%
Enel Servicii Comune SA	Bucharest	Romania	Energy services	33,000,000	RON	Enel Distributie Banat SA Enel Distributie Dobrogea SA	50.00% 50.00%	51.00%
Enel Servizi Srl	Rome	Italy	Personnel administration activities, information technology and business services	50,000,000	EUR	Enel SpA	100.00%	100.00%
Enel Servizio Elettrico SpA	Rome	Italy	Electricity sales	10,000,000	EUR	Enel SpA	100.00%	100.00%
Enel Sole Srl	Rome	Italy	Public lighting systems	4,600,000	EUR	Enel SpA	100.00%	100.00%
Enel Trade Hungary Kft	Budapest	Hungary	Electricity sourcing and trading	50,000,000	HUF	Enel Trade SpA	100.00%	100.00%
Enel Trade Romania Srl	Bucharest	Romania	Electricity sourcing and trading	2,000,200	RON	Enel Trade SpA	100.00%	100.00%
Enel Trade SpA	Rome	Italy	Fuel trading and logistics - Electricity sales	90,885,000	EUR	Enel SpA	100.00%	100.00%
Enel Trading Rus BV	Amsterdam	Netherlands	Holding company	18,000	EUR	Enel SpA	100.00%	100.00%
Enel.Factor SpA	Rome	Italy	Factoring	12,500,000	EUR	Enel SpA	100.00%	100.00%
Enel.NewHydro Srl	Rome	Italy	Engineering and water systems	1,000,000	EUR	Enel SpA	100.00%	100.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Enel.Re Ltd	Dublin	Ireland	Reinsurance	3,000,000	EUR	Enel Investment Holding BV	100.00%	100.00%
Enel.si - Servizi integrati Srl	Rome	Italy	Plant engineering and energy services	5,000,000	EUR	Enel Green Power SpA	100.00%	100.00%
Enelco SA	Athens	Greece	Plant construction, operation and maintenance	36,961,629	EUR	Enel Investment Holding BV	75.00%	75.00%
Enelpower SpA	Milan	Italy	Engineering and construction	2,000,000	EUR	Enel SpA	100.00%	100.00%
Enelpower Contractor and Development Saudi Arabia Ltd	Riyadh	Saudi Arabia	Construction, operation and maintenance of plants	5,000,000	SAR	Enelpower SpA	51.00%	51.00%
Enelpower UK Ltd	London	United Kingdom	Electrical engineering	1,000	GBP	Enelpower SpA	100.00%	100.00%
Energoslužby AS	Trnava	Slovakia	Business services	33,194	EUR	Slovenské elektrárne AS	100.00%	66.00%
Geotermica Nicaraguense SA	Managua	Nicaragua	Electricity generation from renewable resources	50,000	NIO	Enel Green Power SpA	60.00%	60.00%
Glafkos Hydroelectric Station SA	Maroussi	Greece	Construction, operation and maintenance of plants, electricity trading and services	4,690,000	EUR	Enel Green Power International BV	100.00%	100.00%
G.P. Gas Srl	Milan	Italy	Gas sales	10,400	EUR	Enel Rete Gas SpA	100.00%	99.88%
Hydro Constructional SA	Maroussi	Greece	Electrical engineering, energy trading and energy services	4,230,000	EUR	Enel Green Power International BV	100.00%	100.00%
Hydro Dolomiti Enel Srl	Trento	Italy	Electricity generation, purchases and sales	3,000,000	EUR	Enel Produzione SpA	49.00%	49.00%
Hydrogen Park -Marghera per l'idrogeno Scrl	Venice	Italy	Development of studies and projects for the use of hydrogen	245,000	EUR	Enel Produzione SpA	55.10%	55.10%
International Wind Parks of Achaia SA	Maroussi	Greece	Electricity generation from renewable resources	6,121,000	EUR	Enel Green Power International BV	100.00%	100.00%
International Wind Parks of Crete SA	Maroussi	Greece	Construction, operation and maintenance of plants, electricity trading and services	3,093,000	EUR	Enel Green Power International BV	100.00%	100.00%
International Wind Parks of Rhodes SA	Maroussi	Greece	Construction, operation and maintenance of plants, electricity trading and services	5,070,000	EUR	Enel Green Power International BV	100.00%	100.00%
International Wind Parks of Thrace SA	Maroussi	Greece	Electricity generation from renewable resources	13,957,500	EUR	Enel Green Power International BV	100.00%	100.00%
International Wind Power SA	Maroussi	Greece	Electricity generation from renewable resources	6,615,300	EUR	Enel Green Power International BV	100.00%	100.00%
Latin America Energy Holding BV	Amsterdam	Netherlands	Holding company	18,000	EUR	Enel Investment Holding BV	100.00%	100.00%
Linea Albania-Italia Shpk	Tirana	Albania	Construction, maintenance and operation of merchant lines	27,460,000	ALL	Enel Investment Holding BV	100.00%	100.00%
Marcinelle Energie SA	Charleroi	Belgium	Electricity generation, transport, sales and trading	3,061,500	EUR	Enel Investment Holding BV	80.00%	80.00%
Maritza East III Power Holding BV	Amsterdam	Netherlands	Holding company	100,000,000	EUR	Enel Produzione SpA	100.00%	100.00%
Maritza O&M Holding Netherlands BV	Amsterdam	Netherlands	Holding company	40,000	EUR	Enel Produzione SpA	100.00%	100.00%
Maya Energy BV	Amsterdam	Netherlands	Holding company	18,000	EUR	Latin America Energy Holding BV	100.00%	100.00%
Nuove Energie Srl	Porto Empedocle	Italy	Construction and management of LNG regasification infrastructure	4,100,000	EUR	Enel Trade SpA	90.00%	90.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Ochrana a bezpečnosť SE AS	Mochovce	Slovakia	Security services	33,193.92	EUR	Slovenské elektrárne AS	100.00%	66.00%
OGK-5 OJSC	Yekaterinburg	Russian Federation	Electricity generation from renewable resources	35,371,898,370	RUB	Enel Investment Holding BV	55.86%	55.86%
OGK-5 Finance LLC	Moscow	Russian Federation	Finance	10,000,000	RUB	OGK-5 OJSC	100.00%	55.86%
Parc Eolien de Beauséjour Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de Bouville Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de Coulonges-Thouarsais Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de la Chapelle Gaudin Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de la Grande Epine Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de la Parigodière Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de la Terre aux Saints Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de la Vallière Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de la Vigne de Foix Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de Noirterre Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de Pouille L'Hermenault Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien des Ramiers Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien de Thire Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Parc Eolien du Mesnil Sasu	Lyon	France	Electricity generation from renewable resources	37,000	EUR	Enel Erelis Sas	100.00%	100.00%
Portoscuso Energia Srl	Rome	Italy	Electricity generation from renewable resources	10,000	EUR	Enel Green Power SpA	100.00%	100.00%
Pragma Energy SA	Lugano	Switzerland	Coal trading	4,000,000	CHF	Enel Investment Holding BV	100.00%	100.00%
Prof-Energo LLC	Sredneuralsk	Russian Federation	Energy services	10,000	RUB	Sanatorium-Preventorium Energetik OJSC	100.00%	55.86%
Reti Gas Scrl	Milan	Italy	Construction of gas distribution networks	11,000	EUR	Enel Rete Gas SpA	95.00%	94.89%
Sanatorium-Preventorium Energetik OJSC	Nevinnomyssk	Russian Federation	Energy services	10,571,300	RUB	OGK-5 OJSC OGK-5 Finance LLC	99.99% 0.01%	55.86%
SE Predaj sro	Bratislava	Slovakia	Electricity supply	5,000	EUR	Slovenské elektrárne AS	100.00%	66.00%
Sfera - Società per la formazione e le risorse aziendali Srl	Rome	Italy	Human resources and training	2,000,000	EUR	Enel Servizi Srl	100.00%	100.00%
SLAP BV	Amsterdam	Netherlands	Holding company	18,000	EUR	Latin America Energy Holding BV	100.00%	100.00%
Slovenské elektrárne AS	Bratislava	Slovakia	Electricity generation	1,269,295,724.66	EUR	Enel Produzione SpA	66.00%	66.00%
Slovenské elektrárne Finance BV	Rotterdam	Netherlands	Finance	18,200	EUR	Slovenské elektrárne AS	100.00%	66.00%
Société Armoricaine d'Energie Eolienne Sarl	Lyon	France	Electricity generation from renewable resources	1,000	EUR	Enel Erelis Sas	100.00%	100.00%
Société du Parc Eolien du Chemin de la Ligue Snc	Meyzieu	France	Electricity generation from renewable resources	1,000	EUR	Enel Erelis Sas	100.00%	100.00%
Société du Parc Eolien du Mazet Saint Voy Sarl	Mese	France	Electricity generation from renewable resources	4,000	EUR	Enel Erelis Sas	100.00%	100.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Société du Parc Eolien Grandes Terres Est Eurl	Lyon	France	Electricity generation from renewable resources	1,000	EUR	Enel France Sas	100.00%	100.00%
Société du Parc Eolien Grandes Terres Ouest Eurl	Lyon	France	Electricity generation from renewable resources	1,000	EUR	Enel Erelis Sas	100.00%	100.00%
Teploprogress OJSC	Sredneuralsk	Russian Federation	Electricity sales	128,000,000	RUB	OGK-5 Finance LLC	60.00%	33.52%
Vallenergie SpA	Aosta	Italy	Electricity sales	1,700,000	EUR	Enel SpA	51.00%	51.00%
VERNE sro	Bratislava	Slovakia	Factoring	6,638.78	EUR	Slovenské elektrárne AS	100.00%	66.00%
Vyzkont sro	Trnava	Slovakia	Radioactive waste storage	200,000	SKK	Slovenské elektrárne AS	51.00%	33.66%
Water & Industrial Services Company SpA	Monza	Italy	Sewage treatment	15,615,000	EUR	Enel.NewHydro Srl	51.00%	51.00%
Wind Parks of Thrace SA	Maroussi	Greece	Electricity generation from renewable resources	13,537,200	EUR	Enel Green Power International BV	100.00%	100.00%

(1) The companies held by Endesa SA, Enel North America Inc. and Enel Latin America BV fully consolidated on a line-by-line basis are listed separately.

Endesa companies consolidated on a full, line-by-line basis at June 30, 2009

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Parent company:								
Endesa SA	Madrid	Spain	Holding company	1,270,502,540.4	EUR	Enel Energy Europe SL	92.06%	92.06%
Subsidiaries:								
Aguas Santiago Poniente SA	Santiago	Chile	Services	5,586,660,769	CLP	Inmobiliaria Manso de Velasco Ltda Sociedad Agrícola Pastos Verdes Ltda	25.82% 53.06%	44.02%
Aguilon 20 SA	Zaragoza	Spain	Electricity generation from renewable resources	60,400	EUR	Endesa Cogeneración Y Renovables SA	50.99%	46.94%
Aiolikh Sidrokastroy SA	Athens	Greece	Electricity generation from renewable resources	3,360,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Aioliki Androu Tsirovlidi SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Aioliki Androu Xirokampi SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Aioliki Evias Chelona SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Aioliki Evias Diakoftis SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Aioliki Evias Pounta SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Aioliki Evias Pyrgos SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Aioliki Martinou SA	Athens	Greece	Electricity generation from renewable resources	300,000	EUR	Delta Energiaki SA	100.00%	41.44%
Aioliki Samothrakis SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Almussafes Servicios Energéticos SL	Barcelona	Spain	Management and maintenance of power plants	3,010	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Ampla Energía e Serviços SA	Rio de Janeiro	Brazil	Electricity generation, transmission and distribution	998,200,000	BRL	Enersis SA Chilectra SA Chilectra Inversud SA Endesa Brasil SA	13.68% 10.34% 21.02% 46.89%	51.30%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Ampla Investimentos e Serviços SA	Rio de Janeiro	Brazil	Electricity generation, transmission and distribution	120,000,000	BRL	Enersis SA Chilectra SA Chilectra Inversud SA Endesa Brasil SA	13.68% 10.34% 21.02% 46.89%	51.30%
Ananeosimes Pigesboriou Aigaiou SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA	100.00%	36.83%
Andorra Desarrollo SA	Teruel	Spain	Regional development	901,500	EUR	Endesa Generación SA	100.00%	92.06%
Apamea 2000 SL	Madrid	Spain	Services	3,000	EUR	Endesa SA	100.00%	92.06%
Aragonesa de Actividades Energéticas SA	Teruel	Spain	Electricity generation	60,100	EUR	Endesa Generación SA	100.00%	92.06%
Argyri Energiaki SA	Athens	Greece	Electricity generation from renewable resources	3,000,000	EUR	Delta Energiaki SA	100.00%	41.44%
Asin Carbono USA INC	Wilmington (Delaware)	U.S.A.	Electricity generation from renewable resources	-		Endesa Carbono USA SL	100.00%	75.95%
Bioaise SA	Bogotá D.C.	Colombia	Electricity generation and sales	1,955,000,000	COP	Endesa Cogeneración Y Renovables SA	95.00%	87.46%
Biowatt - Recursos Energéticos Lda	Porto	Portugal	Marketing of projects for electricity generation from renewable resources	4,000	EUR	Finerge - Gestao de Projectos Energéticos SA	51.00%	46.95%
Bolonia Real Estate SL	Madrid	Spain	Real estate	3,008	EUR	Endesa SA	100.00%	92.06%
Cam Brasil Multiservicios Ltda	Rio de Janeiro	Brazil	Purchase and resale of electrical products	14,327,826	BRL	Compañía Americana de Multiservicios de Chile Ltda	100.00%	55.81%
Caminhos de Santiago	Valença	Portugal	Electricity generation from renewable resources	50,000	EUR	Eevm - Empreendimentos Eólicos Vale do Minho SA	84.99%	29.34%
Carboex SA	Madrid	Spain	Fuel supply	24,040,480	EUR	Endesa Generación SA	100.00%	92.06%
Carbones de Berga SA	Barcelona	Spain	Mining	649,080	EUR	Minas Y Ferrocarril de Utrillas SA	100.00%	92.06%
Carvemagere - Manutençao e Energias Renováveis Lda	Barcelos	Portugal	Cogeneration of electricity and heat	85,000	EUR	Finerge - Gestao de Projectos Energéticos SA	65.00%	59.84%
Centrais Elétricas Cachoeira Dourada SA	Goiania	Brazil	Electricity generation and sales	289,000,000	BRL	Endesa Brasil SA	99.61%	54.08%
Central Dock Sud SA	Buenos Aires	Argentina	Electricity generation, transmission and distribution	468,186,000	ARS	Sociedad Inversora Dock Sud SA	76.16%	40.06%
Central Eólica Canela SA	Santiago	Chile	Electricity generation from renewable resources	11,280,760,000	CLP	Endesa Eco SA	75.00%	25.10%
Central Geradora Termelétrica Fortaleza SA	Caucaia	Brazil	Thermal generation plants	93,000,000	BRL	Endesa Brasil SA	100.00%	54.29%
Chilectra Inversud SA	Santiago	Chile	Holding company	892,012,110.92	USD	Chilectra SA	100.00%	55.30%
Chilectra SA	Santiago	Chile	Holding company	2,364,494	CLP	Inmobiliaria Manso de Velasco Ltda Enersis SA	0.01% 99.08%	55.30%
Chinango SAC	Lima	Peru	Electricity generation, sale and transmission	294,249,298	PEN	Edegel SA	80.00%	13.66%
Comercializadora Eléctrica de Cádiz SA	Cádiz	Spain	Electricity generation and sales	600,000	EUR	Suministradora Eléctrica de Cádiz SA	100.00%	30.84%
Companhia Energética do Ceará SA	Fortaleza	Brazil	Electricity generation, transmission and distribution	433,000,000	BRL	Endesa Brasil SA Investluz SA	2.27% 56.59%	31.96%
Compañía Americana de Multiservicios de Argentina Ltda	Capital Federal	Argentina	Services	1,000,000	ARS	Compañía Americana de Multiservicios de Chile Ltda Inmobiliaria Manso de Velasco Ltda	95.00% 5.00%	55.81%
Compañía Americana de Multiservicios de Chile Ltda	Santiago	Chile	Services	2,572,038,000	CLP	Enersis SA Synapsis Soluciones Y Servicios It Ltda	99.99% 0.01%	55.81%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Compañía Americana de Multiservicios de Colombia Ltda	Bogotá D.C.	Colombia	Services	1,615,500,000	COP	Compañía Americana de Multiservicios de Chile Ltda	100.00%	55.81%
Compañía Americana de Multiservicios Del Perú Ltda	Lima	Peru	Services	5,220,000	PEN	Compañía Americana de Multiservicios de Chile Ltda	100.00%	55.81%
Compañía de Interconexión Energética SA	Rio de Janeiro	Brazil	Electricity generation, transmission and distribution	285,000,000	BRL	Endesa Brasil SA	100.00%	54.29%
Compañía de Transmisión Del Mercosur SA	Capital Federal	Argentina	Electricity generation, transmission and distribution	14,175,999	ARS	Compañía de Interconexión Energética SA	100.00%	54.29%
Compañía Distribuidora Y Comercializadora de Energía SA	Bogotá D.C.	Colombia	Electricity distribution and sales	13,209,330,000	COP	Enersis SA Chilectra SA Endesa Latinoamérica SA	12.47% 9.35% 26.66%	27.06%
Compañía Eléctrica San Isidro SA	Santiago	Chile	Electricity generation, transmission and distribution	28,679	CLP	Empresa Nacional de Electricidad SA	100.00%	33.47%
Compañía Eléctrica Tarapacá SA	Santiago	Chile	Electricity generation, transmission and distribution	49,772,000,000	CLP	Empresa Nacional de Electricidad SA Endesa Inversiones Generales SA	99.94% 0.06%	33.47%
Compañía Peruana de Electricidad SA	Lima	Peru	Holding company	98,538,403	PEN	Enersis SA Chilectra SA Endesa Latinoamérica SA	0.10% 50.90% 49.00%	55.81%
Compostilla Re. SA	Luxembourg	Luxembourg	Reinsurance	12,000,000	EUR	Endesa SA	100.00%	92.06%
Constructora Y Proyectos Los Maitenes SA	Santiago	Chile	Engineering and construction	3,110,050,000	CLP	Inmobiliaria Manso de Velasco Ltda	55.00%	30.69%
Courenses	Paredes de Coura	Portugal	Electricity generation from renewable resources	50,000	EUR	Eevm - Empreendimentos Eólicos Vale do Minho SA	84.99%	29.34%
Cte - Central Termica do Estuário Lda	Porto	Portugal	Cogeneration of electricity and heat	564,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Delta Energiaki SA	Athens	Greece	Electricity generation from renewable resources	15,000,000	EUR	Endesa Hellas Power Generation and Supplies SA	90.00%	41.44%
Desaladora de Carboneras U.T.E.	Carboneras (Almeria)	Spain	Construction and management of a desalinization plant	6,010	EUR	Endesa Generación SA	75.00%	69.05%
Distribuidora de Energía Eléctrica Del Bages SA	Barcelona	Spain	Electricity distribution and sales	108,240	EUR	Hidroeléctrica de Catalunya SL Endesa Red SA	45.00% 55.00%	92.06%
Distribuidora Eléctrica del Puerto de La Cruz SA	Tenerife	Spain	Electricity purchasing, transmission and distribution	12,621,210	EUR	Endesa Red SA	100.00%	92.06%
Distrilec Inversora SA	Capital Federal	Argentina	Holding company	505	ARS	Enersis SA Chilectra SA Empresa Nacional de Electricidad SA	27.19% 23.42% 0.89%	28.74%
Edegel SA	Lima	Peru	Electricity generation, distribution and sales	2,064,301,735	PEN	Generandes Perú SA Generalima SA	54.20% 29.40%	17.07%
Eed - Empreendimentos Eólicos do Douro SA	Porto	Portugal	Electricity generation from renewable resources	50,000	EUR	Finerge - Gestao de Projectos Energéticos SA	85.00%	78.25%
Eléctrica de La Franja SL	Barcelona	Spain	Electricity generation	3,010	EUR	Endesa Distribución Eléctrica SL	100.00%	92.06%
Ellinki Fotovoltaiki SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA	100.00%	36.83%
Emgesa SA E.S.P.	Bogotá D.C.	Colombia	Electricity generation and sales	1,100,000,000,000	COP	Empresa Nacional de Electricidad SA Endesa Latinoamérica SA	26.88% 21.61%	16.23%
Empreendimento Eólico da Raia Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Empreendimento Eólico de Rego Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	51.00%	46.95%
Empreendimentos Eólicos de Pracana Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Empreendimentos Eólicos de Viade Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	80.00%	73.65%
Empresa Carbonífera del Sur SA	Madrid	Spain	Mining	18,030,000	EUR	Endesa Generación SA	100.00%	92.06%
Empresa de Distribución Eléctrica de Lima Norte SA	Lima	Peru	Electricity distribution and sales	738,563,900	PEN	Generalima SA Inversiones Distrilima SA	24.00% 60.00%	77.33%
Empresa de Energía Cundinamarca SA ESP	Bogotá D.C.	Colombia	Electricity distribution and sales	39,700,000,000	COP	Distribuidora Eléctrica de Cundinamarca SA ESP	82.34%	10.92%
Empresa de Ingeniería Ingendesa SA	Santiago	Chile	Engineering services	2,037,887,609	CLP	Empresa Nacional de Electricidad SA Endesa Inversiones Generales SA	98.75% 1.25%	33.47%
Empresa Distribuidora Sur SA	Capital Federal	Argentina	Electricity distribution and sales	898,858,000	ARS	Enersis SA Chilectra SA Endesa Latinoamérica SA Distrilec Inversora SA	16.02% 20.85% 6.22% 56.36%	55.50%
Empresa Eléctrica Cabo Blanco SA	Lima	Peru	Holding company	46,508,170	PEN	Endesa Latinoamérica SA	80.00%	73.65%
Empresa Eléctrica de Colina Ltda	Santiago	Chile	Electricity generation, transmission and distribution	85,000,000	CLP	Chilectra SA	100.00%	55.30%
Empresa Eléctrica de Piura SA	Lima	Peru	Electricity generation	73,982,594	PEN	Empresa Eléctrica Cabo Blanco SA	60.00%	44.19%
Empresa Eléctrica Pangue SA	Santiago	Chile	Electricity generation, transmission and distribution	69,014	CLP	Empresa Nacional de Electricidad SA Endesa Inversiones Generales SA Endesa Latinoamérica SA	94.98% 0.01% 5.01%	33.47%
Empresa Eléctrica Pehuenche SA	Santiago	Chile	Electricity generation, transmission and distribution	157,972,199,000	CLP	Empresa Nacional de Electricidad SA	92.65%	31.01%
Empresa Nacional de Electricidad SA	Santiago	Chile	Electricity generation, transmission and distribution	979,157,000,000	CLP	Enersis SA	59.98%	33.47%
Endesa Argentina SA	Capital Federal	Argentina	Holding company	514,260,000	ARS	Empresa Nacional de Electricidad SA Endesa Inversiones Generales SA	99.66% 0.34%	33.47%
Endesa Brasil SA	Rio de Janeiro	Brazil	Holding company	916,800,000	BRL	Enersis SA Chilectra SA Chilectra Inversud SA Endesa Latinoamérica SA Empresa Nacional de Electricidad SA Edegel SA	21.46% 4.53% 4.23% 27.71% 35.29% 4.07%	54.29%
Endesa Capital Finance L.L.C.	Delaware	U.S.A.	Finance	100	USD	International Endesa BV	100.00%	92.06%
Endesa Capital SA	Madrid	Spain	Finance	60,200	EUR	Endesa SA	100.00%	92.06%
Endesa Carbono SL	Madrid	Spain	Sales of emissions rights	17,200	EUR	Endesa SA	82.50%	75.95%
Endesa Carbono USA LLC	Virginia	U.S.A.	-	20,000	USD	Endesa Carbono SL	100.00%	75.95%
Endesa Cemsa SA	Capital Federal	Argentina	Electricity sales	14,010,000	ARS	Endesa Latinoamérica SA Endesa Argentina SA	55.00% 45.00%	33.47%
Endesa Cogeneración Y Renovables SA	Seville	Spain	Cogeneration of electricity and heat and generation from renewable resources	127,674,800	EUR	Endesa Generación SA	100.00%	92.06%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Endesa Costanera SA	Capital Federal	Argentina	Electricity generation and sales	146,990,000	ARS	Empresa Nacional de Electricidad SA Endesa Argentina SA Southern Cone Power Argentina SA	12.33% 51.93% 5.50%	23.35%
Endesa Desarrollo SL	Madrid	Spain	Holding company	3,000	EUR	Endesa SA	100.00%	92.06%
Endesa Distribución Eléctrica SL	Barcelona	Spain	Electricity distribution	1,204,540,060	EUR	Endesa Red SA	100.00%	92.06%
Endesa Eco SA	Santiago	Chile	Studies and projects in the renewable resources field	580,000,000	CLP	Empresa Nacional de Electricidad SA Endesa Inversiones Generales SA	99.99% 0.01%	33.47%
Endesa Energía XXI SL	Madrid	Spain	Marketing and electricity services	500,000	EUR	Endesa Energía SA	100.00%	92.06%
Endesa Energía SA	Madrid	Spain	Energy product marketing	12,981,860	EUR	Endesa SA	100.00%	92.06%
Endesa Financiación Filiales SA	Madrid	Spain	Finance	4,621,003,000	EUR	Endesa SA	100.00%	92.06%
Endesa Gas Distribución SAU	Madrid	Spain	Gas distribution	14,610,970	EUR	Endesa Gas SAU	100.00%	92.06%
Endesa Gas Transportista SLU	Zaragoza	Spain	Regasification and gas storage	5,445,000	EUR	Endesa Gas SAU	100.00%	92.06%
Endesa Gas SAU	Zaragoza	Spain	Gas production, transmission and distribution	45,261,350	EUR	Endesa Red SA	100.00%	92.06%
Endesa Generación II SA	Seville	Spain	Electricity generation	63,107	EUR	Endesa SA	100.00%	92.06%
Endesa Generación Portugal SA	Paço D'Arcos - Oieiras	Portugal	Electricity generation	50,000	EUR	Endesa Cogeneración Y Renovables SA Endesa Generación SA Finerge - Gestao de Projectos Energéticos SA Endesa Energía SA Energías de Aragón II SL	0.20% 99.20% 0.20% 0.20% 0.20%	92.06%
Endesa Generación SA	Seville	Spain	Electricity generation and sales	1,945,329,830	EUR	Endesa SA	100.00%	92.06%
Endesa Hellas Power Generation and Supplies Société Anonyme	Moschato (Attica)	Greece	Electricity generation	4,961.51	EUR	Endesa Desarrollo SL	50.01%	46.04%
Endesa Ingeniería SLU	Seville	Spain	Engineering and consulting services	1,000,000	EUR	Endesa Red SA	100.00%	92.06%
Endesa Ireland Limited	Dublin	Ireland	Electricity generation, transmission and distribution	999,990	EUR	Endesa SA	100.00%	92.06%
Endesa Latinoamérica SA	Madrid	Spain	Holding company	1,500,000,000	EUR	Endesa SA	100.00%	92.06%
Endesa Inversiones Generales SA	Santiago	Chile	Holding company	952.05	CLP	Empresa Nacional de Electricidad SA Empresa Eléctrica Pehuenche SA	99.51% 0.49%	33.47%
Endesa Network Factory SL	Madrid	Spain	New technologies	23,149,170	EUR	Endesa Servicios SL	100.00%	92.06%
Endesa North América Inc.	New York (New York)	U.S.A.	Representative office	1	USD	Endesa Desarrollo SL	100.00%	92.06%
Endesa Operaciones Y Servicios Comerciales SL	Barcelona	Spain	Services	10,138,580	EUR	Endesa Red SA	100.00%	92.06%
Endesa Participadas SA	Madrid	Spain	Holding company	327,706,460	EUR	Endesa SA	100.00%	92.06%
Endesa Power Trading Ltd	London	United Kingdom	Trading	1,000	GBP	Endesa SA	100.00%	92.06%
Endesa Red SA	Barcelona	Spain	Electricity distribution	729,555,911.85	EUR	Endesa SA	100.00%	92.06%
Endesa Servicios SL	Madrid	Spain	Services	89,999,790	EUR	Endesa SA	100.00%	92.06%
Endesa Trading SA	Madrid	Spain	Trading	800,000	EUR	Endesa Desarrollo SL	100.00%	92.06%
Endesa XXI Comercializaçao de Energia SA	Oporto	Portugal	Electricity generation and sales	250,000	EUR	Endesa Energía SA	100.00%	92.06%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
EN.DY Energiaki SA	Athens	Greece	Electricity generation from renewable resources	2,400,000	EUR	Delta Energiaki SA	100.00%	41.44%
Enercampo - Produçao de Energia Lda	Porto	Portugal	Cogeneration of electricity and heat	249,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Energética Mataró SA	Barcelona	Spain	Construction and management of a plant for the disposal of industrial waste	1,502,400	EUR	Endesa Cogeneración Y Renovables SA	85.00%	78.25%
Energías de Aragón I SL	Zaragoza	Spain	Electricity transmission, distribution and sales	3,200,000	EUR	Endesa Generación SA	100.00%	92.06%
Energías de Aragón II SL	Zaragoza	Spain	Electricity generation	18,500,000	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Energías de Graus SL	Barcelona	Spain	Hydroelectric plants	1,298,160	EUR	Endesa Cogeneración Y Renovables SA	66.67%	61.38%
Energías de La Mancha SA	Villarta de San Juan (Ciudad Real)	Spain	Biomass	279,500	EUR	Endesa Cogeneración Y Renovables SA	68.42%	62.99%
Enerlousado Lda	Porto	Portugal	Combined-cycle generation plant	5,000	EUR	TP - Sociedade Térmica Portuguesa SA Finerge - Gestao de Projectos Energéticos SA	50.00% 50.00%	46.03%
Enernisa - Produçao de Energia Lda	Porto	Portugal	Cogeneration of electricity and heat	249,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Enersis SA	Santiago	Chile	Electricity generation and distribution	2,415,284,412,000,000	CLP	Endesa Latinoamérica SA	60.62%	55.81%
Enerviz - Produçao de Energia de Vizela Lda	Porto	Portugal	Cogeneration of electricity and heat	673,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Eol Verde Energia Eólica SA	Porto	Portugal	Water treatment and distribution	50,000	EUR	Finerge - Gestao de Projectos Energéticos SA	75.00%	69.05%
Eolcinf - Produçao de Energia Eólica Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	51.00%	46.95%
Eolflor - Produçao de Energia Eólica Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	51.00%	46.95%
Eólica de la Cuenca Central Asturiana SL	Asturias	Spain	Wind plant development	30,000	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Eólica Del Noroeste SL	La Coruña	Spain	Wind plant development	36,100	EUR	Endesa Cogeneración Y Renovables SA	51.00%	46.95%
Eólica Valle Del Ebro SA	Zaragoza	Spain	Electricity generation from renewable resources	5,559,340	EUR	Endesa Cogeneración Y Renovables SA	50.50%	46.49%
Eólicas de Agaete SL	Las Palmas de Gran Canaria	Spain	Electricity generation from renewable resources	240,400	EUR	Endesa Cogeneración Y Renovables SA	80.00%	73.65%
Eólicas de Fuencaliente SA	Las Palmas de Gran Canaria	Spain	Electricity generation from renewable resources	216,360	EUR	Endesa Cogeneración Y Renovables SA	55.00%	50.63%
Eólicas de Tirajana AIE	Las Palmas de Gran Canaria	Spain	Electricity generation from renewable resources	-		Endesa Cogeneración Y Renovables SA	60.00%	55.24%
Eólicas do Marao - Produçao de Energia Lda	Porto	Portugal	Electricity generation from renewable resources	25,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Eólicos Touriñán SA	La Coruña	Spain	Electricity generation from renewable resources	601,000	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Epresa Energía SA	Cadiz	Spain	Electricity generation and distribution	300,506	EUR	Electricidad de Puerto Real SA	100.00%	46.03%
Explotaciones Eólicas de Escucha SA	Zaragoza	Spain	Electricity generation from renewable resources	3,305,000	EUR	Endesa Cogeneración Y Renovables SA	70.00%	64.44%
Explotaciones Eólicas El Puerto SA	Teruel	Spain	Electricity generation from renewable resources	3,230,000	EUR	Endesa Cogeneración Y Renovables SA	73.60%	67.76%
Explotaciones Eólicas Saso Plano SA	Zaragoza	Spain	Electricity generation from renewable resources	5,488,500	EUR	Endesa Cogeneración Y Renovables SA	70.00%	64.44%
Explotaciones Eólicas Sierra Costera SA	Zaragoza	Spain	Electricity generation from renewable resources	8,046,800	EUR	Endesa Cogeneración Y Renovables SA	90.00%	82.85%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Explotaciones Eólicas Sierra La Virgen SA	Zaragoza	Spain	Electricity generation from renewable resources	4,200,000	EUR	Endesa Cogeneración Y Renovables SA	90.00%	82.85%
Fermicaise SA de CV	Distrito Federal	Mexico	Cogeneration of electricity and heat	7,667,000	MXN	Endesa Cogeneración Y Renovables SA	99.99%	92.05%
Finerge - Gestao de Projectos Energéticos SA	Porto	Portugal	Cogeneration of electricity and heat and generation from renewable resources	750,000	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Fisterra Eólica SL	La Coruña	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Foivos Energiaki SA	Athens	Greece	Electricity generation from renewable resources	2,075,004	EUR	Delta Energiaki SA	100.00%	41.44%
Gas Aragón SA	Zaragoza	Spain	Gas distribution	5,889,920	EUR	Endesa Gas SAU	60.67%	55.85%
Gas Y Electricidad Generación SAU	Palma de Mallorca	Spain	Electricity generation	213,775,700	EUR	Endesa Generación SA	100.00%	92.06%
Gasificadora Regional Canaria SA	Las Palmas de Gran Canaria	Spain	Gas distribution	121,200	EUR	Endesa Gas SAU	65.00%	59.84%
Generalima SA	Lima	Peru	Holding company	1,402,940,000	PEN	Endesa Latinoamérica SA	100.00%	92.06%
Generandes Perú SA	Lima	Peru	Holding company	873,000,000	PEN	Empresa Nacional de Electricidad SA	61.00%	20.42%
Gesa Gas SAU	Palma de Mallorca	Spain	Gas distribution	17,128,500	EUR	Endesa Gas SAU	100.00%	92.06%
Green Energy	N.A.	Bulgaria	Electricity generation from renewable resources	2,556.48	BGN	Endesa Hellas Power Generation and Supplies SA	80.00%	36.83%
Gresaise SA de CV	Distrito Federal	Mexico	Cogeneration of electricity and heat	7,647,000	MXN	Endesa Cogeneración Y Renovables SA	99.99%	92.05%
Guadarranque Solar 1 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 2 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 3 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 4 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Generación II SA	100.00%	92.06%
Guadarranque Solar 6 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 7 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 8 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 9 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 10 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 11 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 12 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 13 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 14 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 15 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 16 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 17 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Guadarranque Solar 18 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Guadarranque Solar 19 SL Unipersonal	Seville	Spain	Electricity generation from renewable resources	3,006	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Hidroeléctrica de Catalunya SL	Barcelona	Spain	Electricity transmission and distribution	126,210	EUR	Endesa Red SA	100.00%	92.06%
Hidroeléctrica El Chocón SA	Capital Federal	Argentina	Electricity generation and sales	298,584,050	ARS	Empresa Nacional de Electricidad SA Endesa Argentina SA Hidroinvest SA	2.48% 6.19% 59.00%	22.65%
Hidroflamicell SL	Barcelona	Spain	Electricity distribution and sales	78,120	EUR	Hidroeléctrica de Catalunya SL	75.00%	69.05%
Hidroinvest SA	Capital Federal	Argentina	Holding company	55,312,093	ARS	Empresa Nacional de Electricidad SA Endesa Argentina SA	41.94% 54.16%	32.17%
Hispano Generación de Energía Solar SL	Jerez de Los Caballeros (Badajoz)	Spain	Photovoltaic plants	3,500	EUR	Endesa Cogeneración Y Renovables SA	51.00%	46.95%
Hydria Energiaki SA	Athens	Greece	Electricity generation from renewable resources	300,000	EUR	Delta Energiaki SA Hydrohoos Energiaki SA	99.00% 1.00%	41.44%
Hydrohoos Energiaki	Athens	Greece	Electricity generation from renewable resources	1,000,000	EUR	Delta Energiaki SA	100.00%	41.44%
Ingendesa do Brasil Ltda	Rio de Janeiro	Brazil	Design, engineering and consulting	500,000	BRL	Empresa Nacional de Electricidad SA Empresa de Ingeniería Ingendesa SA	1.00% 99.00%	33.47%
Inmobiliaria Manso de Velasco Ltda	Santiago	Chile	Engineering and construction	19,790	CLP	Enersis SA	100.00%	55.81%
International Endesa BV	N.A.	Netherlands	Holding company	15,882,308	EUR	Endesa SA	100.00%	92.06%
Inversiones Codensa SA	Bogotá D.C.	Colombia	Electricity transmission and distribution	10,000,000	COP	Compañía Distribuidora Y Comercializadora de Energía SA Inversora Codensa Ltda U	94.50% 5.20%	26.97%
Inversiones Distrilima SA	Lima	Peru	Holding company	394,150,505	PEN	Enersis SA Chilectra SA Endesa Latinoamerica SA Compañía Peruana de Electricidad SA	30.14% 0.51% 30.49% 25.00%	48.07%
Inversiones Endesa Norte SA	Santiago	Chile	Investments in energy projects	68,064.27	CLP	Empresa Nacional de Electricidad SA	100.00%	33.47%
Inversora Codensa Ltda U	Bogotá D.C.	Colombia	Electricity transmission and distribution	5,000,000	COP	Compañía Distribuidora Y Comercializadora de Energía SA	100.00%	27.06%
Investluz SA	Fortaleza	Brazil	Holding company	965,000,000	BRL	Endesa Brasil SA Ampla Investimentos e Serviços SA	63.57% 36.43%	54.29%
Italaise SA de CV	Distrito Federal	Mexico	Cogeneration of electricity and heat	7,481,000	MXN	Endesa Cogeneración Y Renovables SA	99.99%	92.05%
Joint Venture Solar-Voulgarakis	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Ellinki Fotovoltaiki SA	70.00%	25.87%
Luz Andes Ltda	Santiago	Chile	Electricity and fuel transmission, distribution and sales	1	CLP	Chilectra SA Synapsis Soluciones Y Servicios It Ltda	99.90% 0.10%	55.30%
Mataró Tractament Térmic Eficient SA	Barcelona	Spain	Environmental studies	1,878,000	EUR	Energética Mataró SA	80.00%	62.60%
Melgacenses	Melgaço	Portugal	Electricity generation from renewable resources	50,000	EUR	Eevm - Empreendimentos Eólicos Vale do Minho SA	84.99%	29.34%
Metka Aiolika Platanoy SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Micase SA de CV	Distrito Federal	Mexico	Cogeneration of electricity and heat	47,132,000	MXN	Endesa Cogeneración Y Renovables SA	51.00%	46.95%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Minas de Estercuel SA	Madrid	Spain	Mineral deposits	93,160	EUR	Minas Gargallo SL	99.65%	91.66%
Minas Gargallo SL	Madrid	Spain	Mineral deposits	150,000	EUR	Endesa Generación SA	99.91%	91.98%
Minas Y Ferrocarril de Utrillas SA	Barcelona	Spain	Mineral deposits	3,850,320	EUR	Endesa Generación SA	100.00%	92.06%
Monte Santo	Monção	Portugal	Electricity generation from renewable resources	50,000	EUR	Eevm - Empreendimentos Eólicos Vale do Minho SA	84.99%	29.34%
Myhs Kastaniotiko SA	Athens	Greece	Electricity generation from renewable resources	2,300,000	EUR	Endesa Hellas Power Generation and Supplies SA Delta Energiaki SA	45.90% 54.10%	46.04%
Myhs Peloponnisou SA	Athens	Greece	Electricity generation from renewable resources	2,050,000	EUR	Delta Energiaki SA	100.00%	41.44%
Myhs Pougakia SA	Athens	Greece	Electricity generation from renewable resources	1,000,000	EUR	Endesa Hellas Power Generation and Supplies SA Delta Energiaki SA	51.00% 49.00%	46.04%
Mytilhnaios Aiolikh Energeiakh Ellados SA	Athens	Greece	Electricity generation from renewable resources	4,167,000	EUR	Endesa Hellas Power Generation and Supplies Société Anonyme	80.00%	36.83%
Mytilhnaios Aioliki Neapoleos SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA Endesa Hellas Power Generation and Supplies Société Anonyme	99.00% 1.00%	36.83%
Nubia 2000 SL	Madrid	Spain	Electricity generation	3,000	EUR	Endesa SA	100.00%	92.06%
Nueva Compañía de Distribución Eléctrica 4 SL	Madrid	Spain	Electricity generation	3,000	EUR	Endesa SA	100.00%	92.06%
Nueva Marina Real Estate SL	Madrid	Spain	Real estate	3,200	EUR	Endesa SA	60.00%	55.24%
Paravento SL	Lugo	Spain	Electricity generation from renewable resources	3,010	EUR	Endesa Cogeneración Y Renovables SA	90.00%	82.85%
Parque Eólico Carretera de Arinaga SA	Las Palmas de Gran Canaria	Spain	Electricity generation from renewable resources	1,007,000	EUR	Endesa Cogeneración Y Renovables SA	80.00%	73.65%
Parque Eólico de Aragón AIE	Zaragoza	Spain	Electricity generation from renewable resources	601,000	EUR	Endesa Cogeneración Y Renovables SA	80.00%	73.65%
Parque Eólico de Barbanza SA	La Coruña	Spain	Electricity generation from renewable resources	3,606,000	EUR	Endesa Cogeneración Y Renovables SA	63.43%	58.39%
Parque Eólico de Enix SA	Seville	Spain	Electricity generation from renewable resources	3,005,100	EUR	Endesa Cogeneración Y Renovables SA	95.00%	87.46%
Parque Eólico de Gevancas SA	Porto	Portugal	Electricity generation from renewable resources	50,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Parque Eólico de Manique Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Parque Eólico de Santa Lucía SA	Las Palmas de Gran Canaria	Spain	Electricity generation from renewable resources	901,500	EUR	Endesa Cogeneración Y Renovables SA	65.67%	60.46%
Parque Eólico do Alto da Vaca Lda	Porto	Portugal	Electricity generation from renewable resources	125,000	EUR	Finerge - Gestao de Projectos Energéticos SA	65.00%	59.84%
Parque Eólico do Outeiro Ltda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Parque Eólico do Vale do Abade Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	51.00%	46.95%
Parque Eólico Dos Fiéis Lda	Porto	Portugal	Electricity generation from renewable resources	100,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Parque Eólico Finca de Mogán SA	Las Palmas de Gran Canaria	Spain	Construction and management of wind plants	3,810,340	EUR	Endesa Cogeneración Y Renovables SA	90.00%	82.85%
Parque Eólico Montes de Las Navas SA	Madrid	Spain	Construction and management of wind plants	6,540,000	EUR	Endesa Cogeneración Y Renovables SA	55.50%	51.09%
Parque Eólico Punta de Teno SA	Tenerife	Spain	Electricity generation from renewable resources	528,880	EUR	Endesa Cogeneración Y Renovables SA	52.00%	47.87%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Parque Eólico Serra da Capucha SA	Porto	Portugal	Electricity generation from renewable resources	50,000	EUR	TP - Sociedade Térmica Portuguesa SA Finerge - Gestao de Projectos Energéticos SA	50.00% 50.00%	46.03%
Pereda Power SL	La Pereda	Spain	Development of generation activities	5,000	EUR	Endesa Generación II SA	70.00%	64.44%
Planta Eólica Europea SA	Seville	Spain	Electricity generation from renewable resources	1,198,530	EUR	Endesa Cogeneración Y Renovables SA	56.12%	51.66%
Productor Regional de Energia Renovable I SA	Valladolid	Spain	Development and construction of wind plants	60,500	EUR	Endesa Cogeneración Y Renovables SA	75.00%	69.05%
Productor Regional de Energía Renovable II SA	Valladolid	Spain	Development and construction of wind plants	60,500	EUR	Endesa Cogeneración Y Renovables SA	75.00%	69.05%
Propaise	Bogotá D.C.	Colombia	Electricity purchasing, generation and sales	1,875,000,000	COP	Endesa Cogeneración Y Renovables SA	94.99%	87.45%
Proyectos Eólicos Valencianos SA	Valencia	Spain	Electricity generation	2,300,000	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Sealve - Sociedade Eléctrica de Alvaiázere SA	Porto	Portugal	Electricity generation from renewable resources	50,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Sere - Sociedade Exploradora de Recursos Eléctricos Lda	Porto	Portugal	Electricity generation	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	100.00%	92.06%
Sisconer - Exploraçao de Sistemas de Conversao de Energia Lda	Porto	Portugal	Electricity generation from renewable resources	5,000	EUR	Finerge - Gestao de Projectos Energéticos SA	55.00%	50.63%
Sociedad Agrícola de Cameros Ltda	Santiago	Chile	Financial investment	5,738,046,495	CLP	Inmobiliaria Manso de Velasco Ltda	57.50%	32.09%
Sociedad Agrícola Pastos Verdes Ltda	Santiago	Chile	Financial investment	37,029,389,730	CLP	Inmobiliaria Manso de Velasco Ltda	55.00%	30.69%
Sociedad Concesionaria Túnel El Melón SA	Santiago	Chile	Engineering	7,804	CLP	Empresa Nacional e Electricidad SA Endesa Inversiones Generales SA	99.99% 0.01%	33.47%
Sociedad Inversora Dock Sud SA	Capital Federal	Argentina	Holding company	241,500,000	ARS	Endesa Latinoamerica SA	57.14%	52.60%
Southern Cone Power Argentina SA	Capital Federal	Argentina	Holding company	19,870,000	ARS	Empresa Nacional de Electricidad SA Endesa Inversiones Generales SA	98.03% 1.97%	33.47%
Spider Energeiakh SA	Athens	Greece	Electricity generation from renewable resources	250,000	EUR	Mytilhnaios Aiolikh Energeiakh Ellados SA	100.00%	36.83%
Suministro de Luz Y Fuerza SL	Torroella de Montgri (Girona)	Spain	Electricity distribution	2,800,000	EUR	Hidroeléctrica de Catalunya SL	60.00%	55.24%
Synapsis Argentina Ltda	Buenos Aires	Argentina	IT services	466,129	ARS	Enersis SA Synapsis Soluciones Y Servicios It Ltda	5.00% 95.00%	55.81%
Synapsis Brasil Ltda	Rio de Janeiro	Brazil	IT services	4,241,890	BRL	Synapsis Argentina Ltda Synapsis Soluciones Y Servicios It Ltda	99.95% 0.05%	55.81%
Synapsis Colombia Ltda	Bogotá D.C.	Colombia	IT services	238	COP	Enersis SA Synapsis Brasil Ltda Synapsis Argentina Ltda Synapsis Soluciones Y Servicios It Ltda	0.20% 2.40% 2.50% 94.90%	55.81%
Synapsis Perú Ltda	Lima	Peru	IT and telecommunications services and projects	1	PEN	Compañía Americana de Multiservicios de Chile Ltda Synapsis Soluciones Y Servicios It Ltda	0.20% 99.80%	55.81%
Synapsis Soluciones Y Servicios It Ltda	Santiago	Chile	IT services	3,943,579,923	CLP	Enersis SA Chilectra SA	99.99% 0.01%	55.81%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Teneguía Gestión Financiera SL	Tenerife	Spain	Finance	20,000,000	EUR	Endesa Financiación Filiales SA	100.00%	92.06%
Teneguía Gestión Financiera 1 SL	Tenerife	Spain	Finance	1,567,000,000	EUR	Endesa Financiación Filiales SA Teneguía Gestión Financiera SL	94.45% 5.55%	92.06%
Thessaliki Energiaki SA	Athens	Greece	Electricity generation from renewable resources	1,150,000	EUR	Delta Energiaki SA	100.00%	41.44%
Transportadora de Energía SA	Capital Federal	Argentina	Electricity generation, transmission and distribution	55,512,000	ARS	Compañía de Interconexión Energética SA	100.00%	54.29%
Transportes Y Distribuciones Eléctricas SA	Olot (Girona)	Spain	Electricity transmission	72,120	EUR	Endesa Distribución Eléctrica SL	73.33%	67.51%
Unelco Cogeneraciones Sanitarias Del Archipiélago SA	Las Palmas de Gran Canaria	Spain	Cogeneration of electricity and heat	1,202,020	EUR	Endesa Cogeneración Y Renovables SA	100.00%	92.06%
Unión Eléctrica de Canarias Generación SAU	Las Palmas de Gran Canaria	Spain	Electricity generation	190,171,520	EUR	Endesa Generación SA	100.00%	92.06%
YHS PEPONIA S SA	Athens	Greece	Electricity generation from renewable resources	200,000	EUR	Delta Energiaki SA	62.50%	25.90%

Subsidiaries held by Enel North America Inc. consolidated on a line-by-line basis at June 30, 2009 (1)

Company name	Registered office	Country	Share capital (2)	Currency	Held by (3)	% holding	Group % holding
			at June 30, 2009				
Parent company:							
Enel North America Inc.	Wilmington (Delaware)	U.S.A.	50	USD	Enel Green Power International BV	100.00%	100.00%
Subsidiaries:							
Agassiz Beach LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Aquenergy Systems Inc.	Greenville (South Carolina)	U.S.A.	10,500	USD	Consolidated Hydro Southeast Inc.	100.00%	100.00%
Asotin Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Autumn Hills LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Aziscohos Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Barnet Hydro Company	Burlington (Vermont)	U.S.A.	-		Sweetwater Hydroelectric Inc.	100.00%	100.00%
Beaver Falls Water Power Company	Philadelphia (Pennsylvania)	U.S.A.	-		Beaver Valley Holdings Ltd.	67.50%	67.50%
Beaver Valley Holdings Ltd.	Philadelphia (Pennsylvania)	U.S.A.	2	USD	Hydro Development Group Inc.	100.00%	100.00%
Beaver Valley Power Company	Philadelphia (Pennsylvania)	U.S.A.	30	USD	Hydro Development Group Inc.	100.00%	100.00%
Black River Hydro Assoc.	New York (New York)	U.S.A.	-		(Cataldo) Hydro Power Associates	75.00%	75.00%
Boott Field LLC	Wilmington (Delaware)	U.S.A.	-		Boott Hydropower Inc.	100.00%	100.00%
Boott Hydropower Inc.	Boston (Massachusetts)	U.S.A.	-		Boott Sheldon Holdings LLC	100.00%	100.00%
Boott Sheldon Holdings LLC	Wilmington (Delaware)	U.S.A.	-		Hydro Finance Holding Company Inc.	100.00%	100.00%
BP Hydro Associates	Boise (Idaho)	U.S.A.	-		Chi Idaho Inc. Chi Magic Valley Inc.	68.00% 32.00%	100.00%
BP Hydro Finance Partnership	Salt Lake City (Utah)	U.S.A.	-		BP Hydro Associates Fulcrum Inc.	75.92% 24.08%	100.00%
Bypass Limited	Boise (Idaho)	U.S.A.	-		El Dorado Hydro	100.00%	100.00%
Bypass Power Company	Los Angeles (California)	U.S.A.	-		Chi West Inc.	100.00%	100.00%
Canastota Wind Power LLC	Wilmington (Delaware)	U.S.A.	-		Essex Company	100.00%	100.00%
Castle Rock Ridge Limited Partnership	Wilmington (Delaware)	U.S.A.	100	USD	Enel Alberta Wind Inc.	100.00%	100.00%
(Cataldo) Hydro Power Associates	New York (New York)	U.S.A.	-		Hydro Development Group Inc. Chi Black River Inc.	50.00% 50.00%	100.00%
Chi Acquisitions Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Chi Acquisitions II Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Finance LLC	100.00%	100.00%
Chi Black River Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Finance LLC	100.00%	100.00%
Chi Canada Inc.	Montreal (Québec)	Canada	1,757,364	CAD	Chi Finance LLC	100.00%	100.00%
Chi Dexter Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Finance LLC	100.00%	100.00%
Chi Finance LLC	Wilmington (Delaware)	U.S.A.	-		Enel North America Inc.	100.00%	100.00%
Chi Highfalls Inc.	Wilmington (Delaware)	U.S.A.	-		Chi Finance LLC	100.00%	100.00%
Chi Hydroelectric Company Inc.	St. John (Newfoundland)	Canada	6,834,448	CAD	Chi Canada Inc.	100.00%	100.00%
Chi Idaho Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions Inc.	100.00%	100.00%
Chi Magic Valley Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions Inc.	100.00%	100.00%
Chi Minnesota Wind LLC	Wilmington (Delaware)	U.S.A.	-		Chi Finance LLC	100.00%	100.00%
Chi Mountain States Operations Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions Inc.	100.00%	100.00%
Chi Operations Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Chi Power Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Chi Power Marketing Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Chi S. F. LP	Montreal (Québec)	Canada	-		Chi Hydroelectric Company Inc.	100.00%	100.00%
Chi Universal Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Chi West Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions Inc.	100.00%	100.00%

Company name	Registered office	Country	Share capital (2)	Currency	Held by (3)	% holding	Group % holding
			at June 30, 2009				
Chi Western Operations Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions Inc.	100.00%	100.00%
Coneross Power Corporation Inc.	Greenville (South Carolina)	U.S.A.	110,000	USD	Aquenergy Systems Inc.	100.00%	100.00%
Consolidated Hydro Mountain States Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions Inc.	100.00%	100.00%
Consolidated Hydro New Hampshire Inc.	Wilmington (Delaware)	U.S.A.	130	USD	Chi Universal Inc.	100.00%	100.00%
Consolidated Hydro New York Inc.	Wilmington (Delaware)	U.S.A.	200	USD	Enel North America Inc.	100.00%	100.00%
Consolidated Hydro Southeast Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions II Inc. Gauley River Power Partners LP	95.00% 5.00%	100.00%
Consolidated Pumped Storage Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	80.00%	80.00%
Copenhagen Associates	New York (New York)	U.S.A.	-		Hydro Development Group Inc. Chi Dexter Inc.	50.00% 49.00%	99.00%
Crosby Drive Investments Inc.	Boston (Massachusetts)	U.S.A.	-		Asotin Hydro Company Inc.	100.00%	100.00%
El Dorado Hydro	Los Angeles (California)	U.S.A.	-		Olympe Inc. Motherlode Hydro Inc.	82.50% 17.50%	100.00%
Enel Alberta Wind Inc.	Calgary	Canada	16,251,021	CAD	Chi Canada Inc.	100.00%	100.00%
Enel Cove Fort LLC	Wilmington (Delaware)	U.S.A.	-		Enel Geothermal LLC	100.00%	100.00%
Enel Cove Fort II LLC	Wilmington (Delaware)	U.S.A.	-		Enel Geothermal LLC	100.00%	100.00%
Enel Geothermal LLC	Wilmington (Delaware)	U.S.A.	-		Essex Company	100.00%	100.00%
Enel Kansas LLC	Wilmington (Delaware)	U.S.A.	-		Enel North America Inc.	100.00%	100.00%
Enel Nevkan Inc.	Wilmington (Delaware)	U.S.A.	-		Enel North America Inc.	100.00%	100.00%
Enel Salt Wells LLC	Wilmington (Delaware)	U.S.A.	-		Enel Geothermal LLC	100.00%	100.00%
Enel Smoky LLC	Wilmington (Delaware)	U.S.A.	-		Enel Kansas LLC	100.00%	100.00%
Enel Stillwater LLC	Wilmington (Delaware)	U.S.A.	-		Enel Geothermal LLC	100.00%	100.00%
Enel Surprise Valley LLC	Wilmington (Delaware)	U.S.A.	-		Enel Geothermal LLC	100.00%	100.00%
Enel Texkan Inc.	Wilmington (Delaware)	U.S.A.	-		Chi Power Inc.	100.00%	100.00%
Enel Washington DC LLC	Wilmington (Delaware)	U.S.A.	-		Chi Acquisitions Inc.	100.00%	100.00%
Essex Company	Boston (Massachusetts)	U.S.A.	-		Enel North America Inc.	100.00%	100.00%
Florence Hills LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Fulcrum Inc.	Boise (Idaho)	U.S.A.	1,002.50	USD	Consolidated Hydro Mountain States Inc.	100.00%	100.00%
Gauley Hydro LLC	Wilmington (Delaware)	U.S.A.	-		Essex Company	100.00%	100.00%
Gauley River Management Corporation	Willison (Vermont)	U.S.A.	-		Chi Finance LLC	100.00%	100.00%
Gauley River Power Partners LP	Willison (Vermont)	U.S.A.	-		Gauley River Management Corporation	100.00%	100.00%
Hadley Ridge LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Highfalls Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	-		Chi Finance LLC	100.00%	100.00%
Hope Creek LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Hosiery Mills Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions Inc.	100.00%	100.00%
Hydrodev Inc.	Montreal (Québec)	Canada	7,587,320	CAD	Chi Canada Inc.	100.00%	100.00%
Hydrodev Limited Partnership	Montreal (Québec)	Canada	-		Chi Canada Inc. Hydrodev Inc.	48.90% 0.10%	49.00%
Hydro Development Group Inc.	Albany (New York)	U.S.A.	12.25	USD	Chi Acquisitions II Inc.	100.00%	100.00%
Hydro Energies Corporation	Willison (Vermont)	U.S.A.	5,000	USD	Chi Finance LLC	100.00%	100.00%
Hydro Finance Holding Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Jack River LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Jessica Mills LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Julia Hills LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Kings River Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Finance LLC	100.00%	100.00%
Kinneytown Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
LaChute Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%

Company name	Registered office	Country	Share capital (2)	Currency	Held by (3)	% holding	Group % holding
			at June 30, 2009				
Lawrence Hydroelectric Associates LP	Boston (Massachusetts)	U.S.A.	-		Essex Company Crosby Drive Investments Inc.	92.50% 7.50%	100.00%
Littleville Power Company Inc.	Boston (Massachusetts)	U.S.A.	-		Hydro Development Group Inc.	100.00%	100.00%
Lower Saranac Corporation	New York (New York)	U.S.A.	2	USD	Twin Saranac Holdings LLC	100.00%	100.00%
Lower Saranac Hydro Partners	Wilmington (Delaware)	U.S.A.	-		Lower Saranac Corporation	100.00%	100.00%
Mascoma Hydro Corporation	Concord (New Hampshire)	U.S.A.	-		Chi Acquisitions II Inc.	100.00%	100.00%
Metro Wind LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Mill Shoals Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Finance LLC	100.00%	100.00%
Minnewawa Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Enel North America Inc.	100.00%	100.00%
Missisquoi Associates	Los Angeles (California)	U.S.A.	-		Sheldon Vermont Hydro Company Inc. Sheldon Springs Hydro Associates LP	1.00% 99.00%	100.00%
Motherlode Hydro Inc.	Los Angeles (California)	U.S.A.	-		Chi West Inc.	100.00%	100.00%
Nevkan Renewables LLC	Wilmington (Delaware)	U.S.A.	-		Enel Nevkan Inc.	100.00%	100.00%
Newbury Hydro Company	Burlington (Vermont)	U.S.A.	-		Sweetwater Hydroelectric Inc.	100.00%	100.00%
NeWind Group Inc.	St. John (Newfoundland)	Canada	578,192	CAD	Chi Canada Inc.	100.00%	100.00%
Northwest Hydro Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi West Inc.	100.00%	100.00%
Notch Butte Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Finance LLC	100.00%	100.00%
O&M Cogeneration Inc.	Montreal (Québec)	Canada	15	CAD	Hydrodev Inc.	66.66%	66.66%
Olympe Inc.	Los Angeles (California)	U.S.A.	-		Chi West Inc.	100.00%	100.00%
Ottauquechee Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Finance LLC	100.00%	100.00%
Pelzer Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Consolidated Hydro Southeast Inc.	100.00%	100.00%
Pyrites Associates	New York (New York)	U.S.A.	-		Hydro Development Group Inc. Chi Dexter Inc.	50.00% 50.00%	100.00%
Rock Creek Limited Partnership	Los Angeles (California)	U.S.A.	-		El Dorado Hydro	100.00%	100.00%
Ruthton Ridge LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
SE Hazelton A. LP	Los Angeles (California)	U.S.A.	-		Bypass Limited	100.00%	100.00%
Sheldon Springs Hydro Associates LP	Wilmington (Delaware)	U.S.A.	-		Sheldon Vermont Hydro Company Inc.	100.00%	100.00%
Sheldon Vermont Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	-		Boott Sheldon Holdings LLC	100.00%	100.00%
Slate Creek Hydro Associates LP	Los Angeles (California)	U.S.A.	-		Slate Creek Hydro Company Inc.	100.00%	100.00%
Slate Creek Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Acquisitions II Inc.	100.00%	100.00%
Smoky Hills Wind Farm LLC	Topeka (Kansas)	U.S.A.	-		Texkan Wind LLC	100.00%	100.00%
Smoky Hills Wind Project II LLC	Topeka (Kansas)	U.S.A.	-		Nevkan Renewables LLC	100.00%	100.00%
Snyder Wind Farm LLC	Dallas (Texas)	U.S.A.	-		Texkan Wind LLC	100.00%	100.00%
Soliloquoy Ridge LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Somersworth Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	100	USD	Chi Universal Inc.	100.00%	100.00%
Southwest Transmission LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Spartan Hills LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
St.-Felicien Cogeneration	Montreal (Québec)	Canada	-		Gestion Cogeneration Inc.	50.00%	50.00%
Summit Energy Storage Inc.	Wilmington (Delaware)	U.S.A.	8,200	USD	Enel North America Inc.	75.00%	75.00%
Sun River LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Sweetwater Hydroelectric Inc.	Concord (New Hampshire)	U.S.A.	250	USD	Chi Acquisitions II Inc.	100.00%	100.00%
Texkan Wind LLC	Wilmington (Delaware)	U.S.A.	-		Enel Texkan Inc.	100.00%	100.00%
TKO Power Inc.	Los Angeles (California)	U.S.A.	-		Chi West Inc.	100.00%	100.00%
Triton Power Company	New York (New York)	U.S.A.	-		Chi Highfalls Inc. Highfalls Hydro Company Inc.	2.00% 98.00%	100.00%
Tsar Nicholas LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%
Twin Falls Hydro Associates	Seattle (Washington)	U.S.A.	-		Twin Falls Hydro Company Inc.	51.00%	51.00%
Twin Falls Hydro Company Inc.	Wilmington (Delaware)	U.S.A.	10	USD	Twin Saranac Holdings LLC	100.00%	100.00%
Twin Lake Hills LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%

Company name	Registered office	Country	Share capital (2)	Currency	Held by (3)	% holding	Group % holding
			at June 30, 2009				
Twin Saranac Holdings LLC	Wilmington (Delaware)	U.S.A.	-		Enel North America Inc.	100.00%	100.00%
Western New York Wind Corporation	Albany (New York)	U.S.A.	300	USD	Enel North America Inc.	100.00%	100.00%
Willimantic Power Corporation	Hartford (Connecticut)	U.S.A.	-		Chi Acquisitions Inc.	100.00%	100.00%
Winter's Spawn LLC	Minneapolis (Minnesota)	U.S.A.	-		Chi Minnesota Wind LLC	49.00%	49.00%

(1) All the companies are engaged in electricity generation from renewable resources.
(2) In many cases, the subsidiaries are formed as entities that do not require the payment of share capital.
(3) For companies in which the holding is less than 50% Enel North America Inc. holds preference shares that enable it to determine the financial and operational policies of the company and therefore to exercise a dominant influence.

Subsidiaries held by Enel Latin America BV consolidated on a line-by-line basis at June 30, 2009 (1)

Company name	Registered office	Country	Share capital (2)	Currency	Held by (3)	% holding	Group % holding
			at June 30, 2009				
Parent company:							
Enel Latin America BV	**Amsterdam**	**Netherlands**	**244,450,298**	**EUR**	**Enel Green Power International BV**	**100.00%**	**100.00%**
Subsidiaries:							
Alvorada Energia SA	Rio de Janeiro	Brazil	17,117,415.92	BRL	Enel Brasil Participações Ltda	100.00%	100.00%
Americas Generation Corporation	Panama	Panama	3,000	USD	Enel Latin America BV	100.00%	100.00%
Apiacàs Energia SA	Rio de Janeiro	Brazil	21,216,846.33	BRL	Enel Brasil Participações Ltda	100.00%	100.00%
Central American Power Services Inc.	Wilmington (Delaware)	U.S.A.	1	USD	Enel Latin America BV	100.00%	100.00%
Conexión Energetica Centroamericana El Salvador SA de CV	San Salvador	El Salvador	7,950,600	SVC	Grupo EGI SA de CV Enel Latin America BV	40.86% 59.14%	100.00%
Empresa Eléctrica Panguipulli SA	Santiago	Chile	14,053,147	CLP	Energía Alerce Ltda Enel Chile Ltda	0.01% 99.99%	100.00%
Empresa Eléctrica Puyehue SA	Santiago	Chile	11,169,752,000	CLP	Energía Alerce Ltda Enel Chile Ltda	0.10% 99.90%	100.00%
Empresa Nacional de Geotermia SA	Santiago	Chile	-		Enel Chile Ltda	51.00%	51.00%
Enel Brasil Participações Ltda	Rio de Janeiro	Brazil	419,400,000	BRL	Enel Green Power International BV Enel Latin America BV	0.01% 99.99%	100.00%
Enel Chile Ltda	Santiago	Chile	15,414,240,752	CLP	Hydromac Energy BV Energía Alerce Ltda	0.01% 99.99%	100.00%
Enel de Costa Rica SA	San José	Costa Rica	35,000,000	CRC	Enel Latin America BV	100.00%	100.00%
Enel Fortuna SA	Panama	Panama	309,457,729	USD	Americas Generation Corporation	50.06%	50.06%
Enel Guatemala SA	Guatemala	Guatemala	5,000	GTQ	Enel Green Power International BV Enel Latin America BV	2.00% 98.00%	100.00%
Enelpower do Brasil Ltda	Rio de Janeiro	Brazil	1,242,000	BRL	Enel Latin America BV Enel Brasil Participações Ltda	0.01% 99.99%	100.00%
Energía Alerce Ltda	Santiago	Chile	1,000,000	CLP	Enel Green Power International BV Hydromac Energy BV	0.10% 99.90%	100.00%
Energía Global Operaciones SA	San José	Costa Rica	10,000	CRC	Enel de Costa Rica SA	100.00%	100.00%
Energía Global de Mexico (ENERMEX) SA de CV	Mexico City	Mexico	50,000	MXN	Enel Latin America LLC	99.00%	99.00%
Energía Nueva Energía Limpia Mexico Srl de CV	Mexico City	Mexico	5,339,650	MXN	Enel Latin America BV Enel Guatemala SA	99.99% 0.01%	100.00%
Generadora de Occidente Ltda	Guatemala	Guatemala	16,261,697.33	GTQ	Enel Latin America BV Enel Guatemala SA	99.00% 1.00%	100.00%
Generadora Montecristo SA	Guatemala	Guatemala	5,000	GTQ	Enel Latin America BV Enel Guatemala SA	99.00% 1.00%	100.00%
Geotermica del Norte SA	Santiago	Chile	-		Enel Chile Ltda	51.00%	51.00%
Grupo EGI SA de CV	San Salvador	El Salvador	3,448,800	SVC	Enel Green Power International BV Enel Latin America BV	0.01% 99.99%	100.00%
Hidroelectricidad del Pacifico Srl de CV	Mexico City	Mexico	30,890,636	MXN	Impulsora Nacional de Electricidad Srl de CV	99.99%	99.99%
Hidromac Energy BV	Amsterdam	Netherlands	18,000	EUR	Enel Latin America LLC	100.00%	100.00%
Impulsora Nacional de Electricidad Srl de CV	Mexico City	Mexico	308,628,665	MXN	Enel Green Power International BV Enel Latin America BV	0.01% 99.99%	100.00%
Inversiones Eólicas La Esperanza SA	San José	Costa Rica	100,000	CRC	Enel de Costa Rica SA	51.00%	51.00%
Isamu Ikeda Energia SA	Rio de Janeiro	Brazil	82,974,475.77	BRL	Enel Brasil Participações Ltda	100.00%	100.00%

Company name	Registered office	Country	Share capital (2)	Currency	Held by (3)	% holding	Group % holding
			at June 30, 2009				
Mexicana de Hidroelectricidad Mexhidro Srl de CV	Mexico City	Mexico	181,727,301	MXN	Impulsora Nacional de Electricidad Srl de CV	99.99%	99.99%
Molinos de Viento del Arenal SA	San José	Costa Rica	9,709,200	USD	Enel de Costa Rica SA	49.00%	49.00%
Operacion Y Mantenimiento Tierras Morenas SA	San José	Costa Rica	30,000	CRC	Enel de Costa Rica SA	85.00%	85.00%
P.H. Chucas SA	San José	Costa Rica	100,000	CRC	Enel de Costa Rica SA Inversiones Eólicas La Esperanza SA	28.57% 71.43%	100.00%
P.H. Don Pedro SA	San José	Costa Rica	100,001	CRC	Enel de Costa Rica SA	33.44%	33.44%
P.H. Guacimo SA	San José	Costa Rica	50,000	CRC	Enel de Costa Rica SA	40.00%	40.00%
P.H. Rio Volcan SA	San José	Costa Rica	100,001	CRC	Enel de Costa Rica SA	34.32%	34.32%
Primavera Energia SA	Rio de Janeiro	Brazil	29,556,575.78	BRL	Enel Brasil Participações Ltda	100.00%	100.00%
Proveedora de Electricidad de Occidente Srl de CV	Mexico City	Mexico	89,707,135	MXN	Impulsora Nacional de Electricidad Srl de CV	99.99%	99.99%
Renovables de Guatemala SA	Guatemala	Guatemala	5,000	GTQ	Enel Latin America BV Enel Guatemala SA	98.00% 2.00%	100.00%
Quatiara Energia SA	Rio de Janeiro	Brazil	12,148,511.80	BRL	Enel Brasil Participações Ltda	100.00%	100.00%
Socibe Energia SA	Rio de Janeiro	Brazil	33,969,032.25	BRL	Enel Brasil Participações Ltda	100.00%	100.00%
Tecnoguat SA	Guatemala	Guatemala	30,948,000	GTQ	Enel Latin America BV	75.00%	75.00%
Vale Energética SA	Rio de Janeiro	Brazil	18,589,343.63	BRL	Enel Brasil Participações Ltda	100.00%	100.00%

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(3) For companies in which the holding is less than 50% Enel Latin America BV holds preference shares that enable it to determine the financial and operational policies of the company and therefore to exercise a dominant influence.

Companies consolidated on a proportionate basis at June 30, 2009

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Proportionate:								
Endesa SA	**Madrid**	**Spain**	**Holding company**	**1,270,502,540.4**	**EUR**	**Enel Energy Europe SL**	**92.06%**	**92.06%**
Subsidiaries:								
Asociación Nuclear Ascó-Vandellós II AIE	Tarragona	Spain	Maintenance and operation of generation plants	19,232,400	EUR	Endesa Generación SA	85.41%	78.63%
Atacama Finance Co.	N.A.	Cayman Islands	Holding company	6,300,000	USD	Inversiones Gas Atacama Holding Ltda Gas Atacama SA	99.90% 0.10%	16.74%
Atelgen - Produção de Energia Ace	Barcelos	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	51.00%	23.48%
Campos - Recursos Energéticos Ace	Barroselas	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	95.00%	43.73%
Carbopego - Abastecimientos e Combustiveis SA	Abrantes	Portugal	Fuel supply	50,000	EUR	Endesa Generación SA	50.00%	46.03%
Centrales Hidroeléctricas de Aysén SA	Santiago	Chile	Design	20,000,000,000	CLP	Empresa Nacional de Electricidad SA	51.00%	17.07%
Cogeneració J. Vilaseca A.I.E	Barcelona	Spain	Combined-cycle generation plant	721,210	EUR	Endesa Cogeneración Y Renovables SA	40.00%	36.82%
Colina - Produção de Energia Eléctrica Lda	Lisbon	Portugal	Electricity generation	5,486.78	EUR	Parque Eolico do Moinho do Céu SA PP - Co-geração SA	90.00% 10.00%	46.03%
Companhia Térmica do Beato Ace	Lisbon	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	65.00%	29.92%
Companhia Térmica do Serrado Ace	Paços de Brandão	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	51.00%	23.48%
Companhia Térmica Hectare Ace	Alcochete	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	60.00%	27.62%
Companhia Térmica Lusol Ace	Barreiro	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	95.00%	43.73%
Companhia Térmica Oliveira Ferreira Ace	Riba de Ave	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	95.00%	43.73%
Companhia Térmica Ponte da Pedra Ace	Maia	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	95.00%	43.73%
Companhia Térmica Ribeira Velha Ace	S. Paio de Oleiros	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA PP - Co-geração SA	51.00% 49.00%	46.03%
Companhia Térmica Tagol Lda	Algés	Portugal	Electricity generation	5,000	EUR	TP - Sociedade Térmica Portuguesa SA	95.00%	43.73%
Concentrasolar SL	Seville	Spain	Photovoltaic plants	10,000	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Confirel AIE	Girona	Spain	Cogeneration of electricity and heat	30,050	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Consorcio Ara-Ingendesa Ltda	Santiago	Chile	Design and consulting services	1,000,000	CLP	Empresa de Ingeniería Ingendesa SA	50.00%	16.74%
Consorcio Eólico Marino Cabo de Trafalgar SL	Cádiz	Spain	Wind plants	200,000	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Consorcio Ingendesa-Minmetal Ltda	Santiago	Chile	Engineering services	2,000,000	CLP	Empresa de Ingeniería Ingendesa SA	50.00%	16.74%
Distribución Y Comercialización de Gas Extremadura Dicogexsa SA	Badajoz	Spain	Gas distribution	21,632,400	EUR	Endesa Gas SAU	47.00%	43.27%
Distribuidora Eléctrica de Cundinamarca SA ESP	Bogotá D.C.	Colombia	Electricity distribution and sales	1,000,000	COP	Compañía Distribuidora Y Comercializadora de Energía SA	49.00%	13.26%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Distribuidora Regional de Gas SA	Medina del Campo (Valladolid)	Spain	Gas distribution and sales	3,606,000	EUR	Endesa Gas SAu	50.00%	46.03%
Eevm - Empreendimentos Eólicos Vale do Minho SA	Porto	Portugal	Electricity generation from renewable resources	200,000	EUR	Eol Verde Energia Eólica SA	50.00%	34.52%
Elecgas SA	Santarem	Portugal	Combined-cycle electricity generation	50,000	EUR	Endesa Generación de Portugal	50.00%	46.03%
Eléctrica de Lijar SL	Cádiz	Spain	Electricity transmission and distribution	1,081,820	EUR	Endesa Red SA	50.00%	46.03%
Electricidad de Puerto Real SA	Cádiz	Spain	Electricity distribution and supply	6,611,110	EUR	Endesa Distribución Eléctrica SL	50.00%	46.03%
Empreendimentos Eólicos da Serra do Sicó SA	Porto	Portugal	Electricity generation from renewable resources	50,000	EUR	TP - Sociedade Térmica Portuguesa SA	52.38%	24.11%
Empreendimentos Eólicos de Alvadia Lda	Porto	Portugal	Electricity generation from renewable resources	1,150,000	EUR	Finerge - Gestao de Projectos Energéticos SA	48.00%	44.19%
Empreendimientos Eólicos Cerveirenses SA	Vila Nova de Cerveira	Portugal	Electricity generation from renewable resources	50,000	EUR	Eevm - Empreendimentos Eólicos Vale do Minho SA	84.99%	29.34%
Empreendimentos Eólicos da Espiga	Caminha	Portugal	Electricity generation from renewable resources	50,000	EUR	Eevm - Empreendimentos Eólicos Vale do Minho SA	100.00%	34.52%
Endesa Ingeniería SL - Laxtron Energías Renovables SL U.T.E.	Las Palmas de Gran Canaria	Spain	Engineering and consulting services	3,100	EUR	Endesa Ingeniería SLU	50.00%	46.03%
Enercor - Produção de Energia Ace	Montijo	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	70.00%	32.22%
Energética de Rosselló AIE	Barcelona	Spain	Cogeneration of electricity and heat	3,606,060	EUR	Endesa Cogeneración Y Renovables SA	27.00%	24.86%
Energex Co.	N.A.	Cayman Islands	Holding company	10,000	USD	Gas Atacama Chile SA	100.00%	16.73%
Energías Alternativas Del Sur SL	Las Palmas de Gran Canaria	Spain	Electricity generation from renewable resources	601,010	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Energie Electrique de Tahaddart SA	Tanger	Morocco	Combined-cycle generation plant	750,400,000	DAM	Endesa Desarrollo SL	32.00%	29.46%
Eólicas de La Patagonia SA	Buenos Aires	Argentina	Electricity generation from renewable resources	480,930	ARS	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Eólicas de Tenerife AIE	Santa Cruz de Tenerife	Spain	Electricity generation from renewable resources	420,710	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Ercasa Cogeneración SA	Zaragoza	Spain	Cogeneration of electricity and heat	601,000	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Erfei AIE	Tarragona	Spain	Cogeneration of electricity and heat	720,000	EUR	Endesa Cogeneración Y Renovables SA	42.00%	38.67%
Eurohueco Cogeneración AIE	Barcelona	Spain	Cogeneration of electricity and heat	2,606,000	EUR	Endesa Cogeneración Y Renovables SA	30.00%	27.62%
Explotaciones Eólicas de Aldehuelas SL	Soria	Spain	Electricity generation from renewable resources	480,800	EUR	Endesa Cogeneración Y Renovables SA	47.50%	43.73%
Fábrica do Arco - Recursos Energéticos SA	Santo Tirso	Portugal	Electricity generation	500,000	EUR	Finerge - Gestao de Projectos Energéticos SA	50.00%	46.03%
Gas Atacama Chile SA	Santiago	Chile	Electricity generation	185,025,186	USD	Gas Atacama SA Inversiones Endesa Norte SA	99.90% 0.05%	16.73%
Gas Atacama SA	Santiago	Chile	Holding company	291,484,088	USD	Inversiones Gas Atacama Holding Ltda	100.00%	16.74%
Gas Extremadura Transportista SL	Badajoz	Spain	Gas transport and storage	5,000,000	EUR	Endesa Gas Transportista SLU	40.00%	36.82%
Gasoducto Atacama Argentina SA	Santiago	Chile	Natural gas transport	208,173,125	USD	Gas Atacama SA Inversione Endesa Norte SA Energex Co.	57.23% 0.03% 42.71%	16.73%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Gasoducto Atacama Argentina SA Sucursal Argentina	Buenos Aires	Argentina	Natural gas transport	-		Gasoducto Atacama Argentina SA	100.00%	16.73%
Gasoducto Taltal SA	Santiago	Chile	Natural gas transport	15,946,040,000,000	CLP	Gas Atacama Chile SA Gasoducto Atacama Argentina SA	99.88% 0.12%	16.73%
Hídricas de Viseu SA	Maia	Portugal	Hydroelectric plants	986,000	EUR	Endesa Cogeneratión Y Renovables SA TP - Sociedade Térmica Portuguesa SA	33.00% 67.00%	92.06%
Hidroaysén Transmisión SA	Santiago	Chile	Electricity generation from renewable resources	50,000	USD	Centrales Hidroeléctricas de Aysén SA Empresa Nacional de Electricidad SA	99.00% 0.51%	33.31%
Hidroribeira - Emp. Hidricos e Eólicos Lda	Paço de Arcos	Portugal	Electricity generation from renewable resources	7,481.96	EUR	Parco Eolico do Moinho do Ceu	100.00%	46.03%
Hispano-Helliniki Aioliki Trikorfa SA	Athens	Greece	Electricity generation and trading	60,000	EUR	Spider Energeiakh SA	50.00%	18.42%
Infraestructuras de Aldehuelas SA	Soria	Spain	Construction, operation and maintenance of electrical stations	425,000	EUR	Explotaciones Eólicas de Aldehuelas SL	60.82%	26.60%
Iniciativas de Gas SL	Madrid	Spain	Natural gas and related services	1,300,010	EUR	Endesa Generación SA	40.00%	36.82%
Inversiones Gas Atacama Holding Ltda	Santiago	Chile	Natural gas transport	68,064.27	CLP	Inversiones Endesa Norte SA	50.00%	16.74%
Makrinoros Société Anonyme	Athens	Greece	Electricity generation and trading	60,000	EUR	Spider Energeiakh SA	50.00%	18.42%
Medidas Ambientales SL	Medina de Pomar (Burgos)	Spain	Environmental studies	60,100	EUR	Nuclenor SA	50.00%	23.02%
Nuclenor SA	Burgos	Spain	Nuclear plant	102,000,000	EUR	Endesa Generación SA	50.00%	46.03%
Parque Eólico A. Capelada AIE	La Coruña	Spain	Electricity generation from renewable resources	5,857,700	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Parque Eólico do Moinho do Céu SA	Porto	Portugal	Electricity generation from renewable resources	50,000	EUR	TP - Sociedade Térmica Portuguesa SA	100.00%	46.03%
Pegop - Energía Eléctrica SA	Abrantes	Portugal	Electricity generation	50,000	EUR	Endesa Generación SA	50.00%	46.03%
Planta de Regasificación de Sagunto SA	Madrid	Spain	Sale of gas and fuel	1,500,000	EUR	Iniciativas de Gas SL	50.00%	18.41%
PP - Co-Geração SA	S. Paio de Oleiros	Portugal	Cogeneration of electricity and heat	50,000	EUR	TP - Sociedade Térmica Portuguesa SA	100.00%	46.03%
Printerel SL	Barcelona	Spain	Construction and management of a cogeneration plant	270,450	EUR	Endesa Cogeneración Y Renovables SA	39.00%	35.90%
Progas	Santiago	Chile	Gas distribution	1,319,000,000	CLP	Gas Atacama Chile SA Gas Atacama SA	99.90% 0.10%	16.74%
Sacme SA	Capital Federal	Argentina	Monitoring of electricity system	12	ARS	Empresa Distribuidora Sur SA	50.00%	27.75%
Salto de San Rafael SL	Seville	Spain	Hydroelectric plants	461,410	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Sociedad Consorcio Ingendesa-Ara Limitada	Santiago	Chile	Engineering services	1,000,000	CLP	Empresa de Ingeniería Ingendesa SA	50.00%	16.74%
Sociedad Eólica Los Lances SA	Seville	Spain	Electricity generation from renewable resources	2,404,040	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Sodesa - Comercializaçao de Energia Electrica SA	Porto	Portugal	Electricity distribution and services	750,000	EUR	Endesa Energía SA	50.00%	46.03%
Soternix - Produção de Energia Ace	Barcelos	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	51.00%	23.48%
Suministradora Eléctrica de Cádiz SA	Cádiz	Spain	Electricity distribution and supply	12,020,000	EUR	Endesa Distribución Eléctrica SL	33.50%	30.84%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Tejo Energía Produçao e Distribuçao de Energia Electrica SA	Paço D'Arcos	Portugal	Electricity generation, transmission and distribution	5,025,000	EUR	Endesa Generación SA	38.89%	35.80%
Toledo Pv A.E.I.E	Madrid	Spain	Photovoltaic plants	26,890	EUR	Endesa Cogeneración Y Renovables SA	33.33%	30.68%
TP - Sociedade Térmica Portuguesa SA	Lisbon	Portugal	Cogeneration of electricity and heat	7,500,000	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Transmisora Eléctrica de Quillota Ltda	Santiago	Chile	Electricity transmission and distribution	3,867	CLP	Compañía Eléctrica San Isidro SA	50.00%	16.74%
Transportista Regional de Gas SA	Medina del Campo (Valladolid)	Spain	Natural gas transport	748,260	EUR	Endesa Gas Transportista SLU	50.00%	46.03%
Ute Biogas Garraf	Barcelona	Spain	Electricity generation with biogas	3,010	EUR	Endesa Cogeneración Y Renovables SA	50.00%	46.03%
Ute Hospital Juan Ramón Jimenez	Madrid	Spain	Solar generation	6,000	EUR	Endesa Energía SA	50.00%	46.03%
Ventominho Energías Renovaveis SA	Esposende	Spain	Electricity generation from renewable resources	50,000	EUR	Eevm - Empreendimentos Eólicos Vale do Minho SA	84.99%	29.34%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Parent company:								
Enel Unión Fenosa Renovables SA	Madrid	Spain	Electricity generation from renewable resources	32,505,000	EUR	Enel Green Power International BV	50.00%	50.00%
Subsidiaries:								
Aridos Energías Especiales SL	Villalbilla	Spain	Electricity generation from renewable resources	600,000	EUR	Enel Unión Fenosa Renovables SA	41.05%	20.53%
Azucarera Energías SA	Madrid	Spain	Electricity generation from renewable resources	570,600	EUR	Enel Unión Fenosa Renovables SA	40.00%	20.00%
Barbao SA	Madrid	Spain	Electricity generation from renewable resources	284,878.74	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Boiro Energía SA	Boiro	Spain	Electricity generation from renewable resources	601,010	EUR	Enel Unión Fenosa Renovables SA	40.00%	20.00%
Cogeneración Del Noroeste SL	Santiago de Compostela	Spain	Electricity generation from renewable resources	3,606,000	EUR	Enel Unión Fenosa Renovables SA	40.00%	20.00%
Depuración Destilación Reciclaje SL	Boiro	Spain	Electricity generation from renewable resources	600,000	EUR	Enel Unión Fenosa Renovables SA	40.00%	20.00%
Energía Termosolar de los Monegros SL	Zaragoza	Spain	Electricity generation from renewable resources	400,000	EUR	Enel Unión Fenosa Renovables SA	80.00%	40.00%
Energías Ambientales de Somozas SA	La Coruña	Spain	Electricity generation from renewable resources	1,250,000	EUR	Enel Unión Fenosa Renovables SA	19.40%	9.70%
Energías Ambientales Easa SA	La Coruña	Spain	Electricity generation from renewable resources	15,491,460	EUR	Enel Unión Fenosa Renovables SA	33.34%	16.67%
Energías Especiales Alcoholeras SA	Madrid	Spain	Electricity generation from renewable resources	232,002	EUR	Enel Unión Fenosa Renovables Sa	82.33%	41.17%
Energías Especiales De Andalucía SL	Seville	Spain	Electricity generation from renewable resources	20,000	EUR	Eufer Renovables Ibéricas 2004 Sa	100.00%	50.00%
Energías Especiales de Belmonte SA	Madrid	Spain	Electricity generation from renewable resources	120,400	EUR	Enel Unión Fenosa Renovables SA	50.16%	25.08%
Energías Especiales De Careon SA	La Coruña	Spain	Electricity generation from renewable resources	270,450	EUR	Enel Unión Fenosa Renovables SA	77.00%	38.50%
Energías Especiales de Extremadura SL	Badajoz	Spain	Electricity generation from renewable resources	6,000	EUR	Enel Unión Fenosa Renovables SA	88.34%	44.17%
Energías Especiales de Pena Armada SA	Madrid	Spain	Electricity generation from renewable resources	963,300	EUR	Enel Unión Fenosa Renovables SA	80.00%	40.00%
Energías Especiales Del Alto Ulla SA	Madrid	Spain	Electricity generation from renewable resources	1,722,600	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Energías Especiales Del Bierzo SA	Torre del Bierzo	Spain	Electricity generation from renewable resources	1,635,000	EUR	Enel Unión Fenosa Renovables SA	50.00%	25.00%
Energías Especiales Del Noroeste SA	Madrid	Spain	Electricity generation from renewable resources	6,812,040	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Energías Especiales Montes Castellanos SL	Madrid	Spain	Electricity generation from renewable resources	6,241,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Energías Especiales Valencianas SL	Valencia	Spain	Electricity generation from renewable resources	60,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Energías Renovables Montes de San Sebastián SL	Madrid	Spain	Electricity generation from renewable resources	1,305,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Eólica Del Cordal de Montouto SL	Madrid	Spain	Electricity generation from renewable resources	160,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Eólica el Molar SL	Fuente Alamo	Spain	Electricity generation from renewable resources	1,235,300	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Eólica Galaico Asturianas SA	La Coruña	Spain	Electricity generation from renewable resources	64,999	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Eufer Operación (formerly Eufer Comercializadora SL)	Madrid	Spain	Electricity generation from renewable resources	60,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Eufer Renovables Ibéricas 2004 SA	Madrid	Spain	Electricity generation from renewable resources	15,653,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Gallega de Cogeneración SA	Santiago de Compostela	Spain	Electricity generation from renewable resources	1,803,000	EUR	Enel Unión Fenosa Renovables SA	40.00%	20.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Martinez y Lanza SA	Bajo Leon	Spain	Electricity generation from renewable resources	60,101.21	EUR	Enel Unión Fenosa Renovables SA	80.00%	40.00%
Parque Eólico Cabo Villano SL	Madrid	Spain	Electricity generation from renewable resources	490,799.44	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Parque Eólico Corullón SL	Madrid	Spain	Electricity generation from renewable resources	60,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Parque Eólico de Barbanza SA	Santiago de Compostela	Spain	Electricity generation from renewable resources	3,606,000	EUR	Enel Unión Fenosa Renovables SA	11.57%	5.79%
Parque Eólico de Malpica SA	La Coruña	Spain	Electricity generation from renewable resources	950,000	EUR	Enel Unión Fenosa Renovables SA	35.42%	17.71%
Parque Eólico de Padul	Madrid	Spain	Electricity generation from renewable resources	240,000	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Parque Eólico de San Andrés SA	La Coruña	Spain	Electricity generation from renewable resources	552,920	EUR	Enel Unión Fenosa Renovables SA	82.00%	41.00%
Parque Eólico Montes de Las Navas SA	Madrid	Spain	Electricity generation from renewable resources	6,540,000	EUR	Enel Unión Fenosa Renovables SA	20.00%	10.00%
Parque Eólico Sierra del Merengue SL	Cáceres	Spain	Electricity generation from renewable resources	30,000	EUR	Enel Unión Fenosa Renovables SA	50.00%	25.00%
Prius Enerólica SL	Madrid	Spain	Electricity generation from renewable resources	3,600	EUR	Enel Unión Fenosa Renovables SA	100.00%	50.00%
Promociones Energéticas del Bierzo SL	Ponferrada	Spain	Electricity generation from renewable resources	12,020	EUR	Enel Unión Fenosa Renovables SA	50.00%	25.00%
Proyectos Universitarios de Energías Renovables SL	Alicante	Spain	Electricity generation from renewable resources	180,000	EUR	Enel Unión Fenosa Renovables SA	33.33%	16.67%
Sistemas Energéticos Mañón Ortigueira SA	Ortigueira	Spain	Electricity generation from renewable resources	4,507,500	EUR	Enel Unión Fenosa Renovables SA	96.00%	48.00%
Ufefys SL	Aranjuez	Spain	Electricity generation from renewable resources	2,373,950	EUR	Enel Unión Fenosa Renovables SA	40.00%	20.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Parent company:								
Artic Russia BV	**Amsterdam**	**Netherlands**	**Holding company**	**100,000**	**EUR**	**Enel Investment Holding BV**	**40.00%**	**40.00%**
Subsidiaries:								
Arcticgaz OAO	Novyi Urengoi	Russian Federation	Mining	2,400,000	RUB	SeverEnergia	100.00%	40.00%
Neftegaztekhnologiya OAO	Novyi Urengoi	Russian Federation	Mining	500,000	RUB	SeverEnergia	100.00%	40.00%
SeverEnergia	Moscow	Russian Federation	Holding company	1,000,000	RUB	Artic Russia BV	100.00%	40.00%
Urengoil ZAO	Molodezhniy	Russian Federation	Mining	119,750,280	RUB	SeverEnergia	100.00%	40.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Parent company:								
Res Holdings BV	**Amsterdam**	**Netherlands**	**Holding company**	**18,000**	**EUR**	**Enel Investment Holding BV**	**49.50%**	**49.50%**
Subsidiaries:								
Lipetskenergosbyt LLC	Lipetskaya oblast	Russian Federation	Electricity sales	7,500	RUB	Res Holdings BV	75.00%	37.13%
Rusenergosbyt LLC	Moscow	Russian Federation	Electricity trading	2,760,000	RUB	Res Holdings BV	100.00%	49.50%
Rusenergosbyt C LLC	Khanty-Mansiyskiy	Russian Federation	Electricity sales	5,100	RUB	Res Holdings BV	51.00%	25.25%
Rusenergosbyt M LLC	Moscow	Russian Federation	Electricity sales	7,500	RUB	Res Holdings BV	75.00%	37.13%
Rusenergosbyt Siberia LLC	Krasnoyarskiy kray	Russian Federation	Electricity sales	5,000	RUB	Res Holdings BV	50.00%	24.75%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Adria Link Srl	Gorizia	Italy	Design, construction and operation of merchant lines	150.000	EUR	Enel Produzione SpA	33.33%	33.33%
Enel Stoccaggi Srl	Rome	Italy	Construction and operation of storage fields. Storage of natural gas	1,030,000	EUR	Enel Trade SpA	51.00%	51.00%

Associated companies accounted for using the equity method at June 30, 2009

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Aes Distribuidores Salvadoreños Ltda de CV	San Salvador	El Salvador	Electricity generation from renewable resources	200,000	SVC	Grupo EGI SA de CV	20.00%	20.00%
Aes Distribuidores Salvadoreños Y Compania S. en C. de CV	San Salvador	El Salvador	Electricity generation from renewable resources	200,000	SVC	Grupo EGI SA de CV	20.00%	20.00%
Alpe Adria Energia SpA	Udine	Italy	Engineering, construction and management of interconnection power lines	450,000	EUR	Enel Produzione SpA	40.50%	40.50%
CESI - Centro Elettrotecnico Sperimentale Italiano Giacinto Motta SpA	Milan	Italy	Research and testing	8,550,000	EUR	Enel SpA	25.92%	25.92%
Chladiace veže Bohunice spol. sro	Bohunice	Slovakia	Engineering and construction	16,598	EUR	Slovenské elektrárne AS	35.00%	23.10%
Compagnia Porto di Civitavecchia SpA	Rome	Italy	Harbor construction	20,516,000	EUR	Enel Produzione SpA	25.00%	25.00%
Eneco Energia Ecologica Srl	Predazzo (TN)	Italy	Area heating networks	1,716,586	EUR	Avisio Energia SpA	25.73%	12.61%
Energías de Villarrubia SL	Barcelona	Spain	Electricity generation from renewable resources	3,010	EUR	Enel Unión Fenosa Renovables SA	20.00%	10.00%
Energy North Company OJSC	Tarko-Sale	Russian Federation	Electricity generation and sales	460,004,000	RUB	OGK-5 OJSC	43.48%	24.29%
Enerlasa SA	Madrid	Spain	Electricity generation from renewable resources	1,021,700	EUR	Enel Unión Fenosa Renovables SA	45.00%	22.50%
Hipotecaria de Santa Ana Ltda de CV	San Salvador	El Salvador	Electricity generation from renewable resources	100,000	SVC	Grupo EGI SA de CV	20.00%	20.00%
Idrosicilia SpA	Milan	Italy	Water sector	22,520,000	EUR	Enel SpA	40.00%	40.00%
International Eolian of Grammatiko SA	Maroussi	Greece	Electricity generation from renewable resources	184,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Korinthia SA	Maroussi	Greece	Electricity generation from renewable resources	318,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 1 SA	Maroussi	Greece	Electricity generation from renewable resources	89,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 2 SA	Maroussi	Greece	Electricity generation from renewable resources	96,500	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 3 SA	Maroussi	Greece	Electricity generation from renewable resources	89,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 4 SA	Maroussi	Greece	Electricity generation from renewable resources	93,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 5 SA	Maroussi	Greece	Electricity generation from renewable resources	96,500	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 6 SA	Maroussi	Greece	Electricity generation from renewable resources	91,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 7 SA	Maroussi	Greece	Electricity generation from renewable resources	89,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Peloponnisos 8 SA	Maroussi	Greece	Electricity generation from renewable resources	89,000	EUR	Enel Green Power International BV	30.00%	30.00%
International Eolian of Skopelos SA	Maroussi	Greece	Electricity generation from renewable resources	134,500	EUR	Enel Green Power International BV	30.00%	30.00%
LaGeo SA de CV	Ahuachapan	El Salvador	Electricity generation from renewable resources	2,562,826,700	SVC	Enel Produzione SpA	36.20%	36.20%
Reaktortest sro	Trnava	Slovakia	Nuclear power research	66,389	EUR	Slovenské elektrárne AS	49.00%	32.34%
SIET - Società Informazioni Esperienze Termoidrauliche SpA	Piacenza	Italy	Studies, design and research in thermal generation	697,820	EUR	Enel.NewHydro Srl	41.55%	41.55%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Sotavento Galicia SA	Santiago de Compostela	Spain	Electricity generation from renewable resources	601,000	EUR	Enel Unión Fenosa Renovables SA	18.00%	9.00%
Star Lake Hydro Partnership	St. John (Newfoundland)	Canada	Electricity generation from renewable resources	-		Chi Hydroelectric Company Inc.	49.00%	49.00%
Thracian Eolian 1 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 2 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 3 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 4 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 5 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 6 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 7 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 8 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Thracian Eolian 9 SA	Maroussi	Greece	Electricity generation from renewable resources	79,500	EUR	Enel Green Power International BV	30.00%	30.00%
Tirmadrid SA	Valdemingómez	Spain	Electricity generation from renewable resources	16,828,000	EUR	Enel Unión Fenosa Renovables SA	18.64%	9.32%
Trade Wind Energy LLC	Topeka (Kansas)	U.S.A.	Electricity generation from renewable resources	-		Enel Kansas LLC	45.00%	45.00%
Ústav jaderného výzkumu Řež AS	Řež	Czech Republic	Nuclear power research and development	524,139,000	CZK	Slovenské elektrárne AS	27.77%	18.33%
Wind Parks of Anatoli-Prinia SA	Maroussi	Greece	Electricity generation from renewable resources	166,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Bolibas SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Distomos SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Drimonakia SA	Maroussi	Greece	Electricity generation from renewable resources	217,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Folia SA	Maroussi	Greece	Electricity generation from renewable resources	86,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Gagari SA	Maroussi	Greece	Electricity generation from renewable resources	84,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Goraki SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Gourles SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Grammatikaki SA	Maroussi	Greece	Electricity generation from renewable resources	127,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Kafoutsi SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Kathara SA	Maroussi	Greece	Electricity generation from renewable resources	193,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Kerasia SA	Maroussi	Greece	Electricity generation from renewable resources	175,250	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Korfovouni SA	Maroussi	Greece	Electricity generation from renewable resources	147,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Korinthia SA	Maroussi	Greece	Electricity generation from renewable resources	300,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Makriakkoma SA	Maroussi	Greece	Electricity generation from renewable resources	167,500	EUR	Enel Green Power International BV	30.00%	30.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Wind Parks of Megavouni SA	Maroussi	Greece	Electricity generation from renewable resources	149,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Milia SA	Maroussi	Greece	Electricity generation from renewable resources	336,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Mirovigli SA	Maroussi	Greece	Electricity generation from renewable resources	70,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Mitika SA	Maroussi	Greece	Electricity generation from renewable resources	178,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Organi SA	Maroussi	Greece	Electricity generation from renewable resources	241,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Paliopirgos SA	Maroussi	Greece	Electricity generation from renewable resources	143,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Pelagia SA	Maroussi	Greece	Electricity generation from renewable resources	203,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Petalo SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Platanos SA	Maroussi	Greece	Electricity generation from renewable resources	136,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Politis SA	Maroussi	Greece	Electricity generation from renewable resources	118,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Sagias SA	Maroussi	Greece	Electricity generation from renewable resources	187,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Skoubi SA	Maroussi	Greece	Electricity generation from renewable resources	91,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Spilia SA	Maroussi	Greece	Electricity generation from renewable resources	201,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Stroboulas SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Triforko SA	Maroussi	Greece	Electricity generation from renewable resources	119,500	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Vitalio SA	Maroussi	Greece	Electricity generation from renewable resources	93,000	EUR	Enel Green Power International BV	30.00%	30.00%
Wind Parks of Vourlas SA	Maroussi	Greece	Electricity generation from renewable resources	97,000	EUR	Enel Green Power International BV	30.00%	30.00%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Endesa SA:								
Aplicaçoes Hidroelectricas da Beira Alta Ltda	Lisbon	Portugal	Hydroelectric plants	399,000	EUR	Endesa Cogeneración Y Renovables SA	35.71%	32.87%
Calizas Elycar SL	Huesca	Spain	Combined-cycle generation plant	1,803,000	EUR	Endesa Cogeneración Y Renovables SA	25.00%	23.02%
Central Hidráulica Güejar-Sierra SL	Seville	Spain	Management of hydroelectric plants	364,210	EUR	Endesa Cogeneración Y Renovables SA	33.30%	30.66%
Central Hidroeléctrica Casillas SA	Seville	Spain	Management of hydroelectric plants	301,000	EUR	Endesa Cogeneración Y Renovables SA	49.00%	45.11%
Central Térmica de Anllares AIE	Madrid	Spain	Management of thermal plants	595,000	EUR	Endesa Generación SA	33.33%	30.68%
Centrales Nucleares Almaraz-Trillo AIE	Madrid	Spain	Management of nuclear plants	-		Endesa Generación SA Nuclenor SA	23.54% 0.70%	22.32%
Cogeneración El Salto SL	Zaragoza	Spain	Cogeneration of electricity and heat	36,000	EUR	Endesa Cogeneración Y Renovables SA	20.00%	18.41%
Cogeneración Hostalrich AIE	Girona	Spain	Cogeneration of electricity and heat	781,300	EUR	Endesa Cogeneración Y Renovables SA	33.00%	30.38%
Cogeneración Lipsa SL	Barcelona	Spain	Cogeneration of electricity and heat	720,000	EUR	Endesa Cogeneración Y Renovables SA	20.00%	18.41%
Compañía Eólica Tierras Altas SA	Soria	Spain	Wind plants	13,222,000	EUR	Endesa Cogeneración Y Renovables SA	35.63%	32.80%
Compañía Transportista de Gas de Canarias SA	Las Palmas de Gran Canaria	Spain	Natural gas transport	1,907,000	EUR	Unión Eléctrica de Canarias Generación SAU	47.18%	43.43%
Consorcio Ara-Ingendesa Sener Ltda	Santiago	Chile	Design and consulting services	1,000,000	CLP	Empresa de Ingeniería Ingendesa SA	33.33%	11.16%
Corelcat AIE	Lleida	Spain	Cogeneration of electricity and heat	60,100	EUR	Endesa Cogeneración Y Renovables SA	45.00%	41.43%
Corporación Eólica de Zaragoza SL	Zaragoza	Spain	Electricity generation from renewable resources	2,524,200	EUR	Endesa Cogeneración Y Renovables SA	25.00%	23.02%
Detelca U.T.E.	Las Palmas de Gran Canaria	Spain	Engineering and construction	6,000	EUR	Endesa Participadas SA	24.90%	22.92%
Elcogas SA	Madrid	Spain	Electricity generation	38,162,420	EUR	Endesa Generación SA	40.87%	37.62%
Eléctrica de Jafre SA	Girona	Spain	Electricity distribution and sales	165,880	EUR	Hidroeléctrica de Catalunya SL	47.46%	43.69%
Electron Watt SA	Athens	Greece	Electricity generation from renewable resources	60,000	EUR	Delta Energiaki SA	10.00%	4.14%
Energía de La Loma SA	Villanueva del Arzobispo (Jaen)	Spain	Biomass	4,450,000	EUR	Endesa Cogeneración Y Renovables SA	40.00%	36.82%
Ensafeca Holding Empresarial SL	Barcelona	Spain	Telecommunications services	23,164,000	EUR	Endesa Participadas SA	32.43%	29.86%
Eólica Del Principado SAU	Oviedo	Spain	Electricity generation from renewable resources	90,000	EUR	Endesa Cogeneración Y Renovables SA	40.00%	36.82%
Eólicas de Fuerteventura AIE	Fuerteventura - Las Palmas	Spain	Electricity generation from renewable resources	-		Endesa Cogeneración Y Renovables SA	40.00%	36.82%
Eólicas de Lanzarote SL	Las Palmas de Gran Canaria	Spain	Electricity generation and distribution	1,758,000	EUR	Endesa Cogeneración Y Renovables SA	40.00%	36.82%
Ercetesa SA	Zaragoza	Spain	Cogeneration of electricity and heat	294,490	EUR	Endesa Cogeneración Y Renovables SA	35.00%	32.22%
Erecosalz SL	Zaragoza	Spain	Cogeneration of electricity and heat	18,000	EUR	Endesa Cogeneración Y Renovables SA	33.00%	30.38%
Feneralt - Produção de Energia Ace	Barcelos	Portugal	Electricity generation	-		TP - Sociedade Térmica Portuguesa SA	25.00%	11.51%
Foraneto SL	Barcelona	Spain	Cogeneration of electricity and heat	60,100	EUR	Endesa Cogeneración Y Renovables SA	25.00%	23.02%
Forel SL	Barcelona	Spain	Cogeneration of electricity and heat	6,010	EUR	Endesa Cogeneración Y Renovables SA	40.00%	36.82%
Forsean SL	Barcelona	Spain	Cogeneration of electricity and heat	60,100	EUR	Endesa Cogeneración Y Renovables SA	30.00%	27.62%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Fthiotiki Energiaki SA	Athens	Greece	Electricity generation from renewable resources	360,000	EUR	Delta Energiaki SA	35.00%	14.50%
Garofeica SA	Barcelona	Spain	Cogeneration of electricity and heat	721,200	EUR	Endesa Cogeneración Y Renovables SA	27.00%	24.86%
Gnl Chile SA	Santiago	Chile	Design and LNG supply	2,223,053,110,000	CLP	Empresa Nacional de Electricidad SA	33.33%	11.16%
Gnl Quintero SA	Santiago	Chile	Design and LNG supply	1,255,000	CLP	Empresa Nacional de Electricidad SA	20.00%	6.69%
Gorona del Viento El Hierro SA	Valverde de El Hierro	Spain	Development and maintenance of El Hierro generation plant	23,937,000	EUR	Unión Eléctrica de Canarias Generación SAu.	30.00%	27.62%
Hidroeléctrica de Ourol SL	Lugo	Spain	Electricity generation from renewable resources	1,608,000	EUR	Endesa Cogeneración Y Renovables SA	30.00%	27.62%
Hidroeléctrica del Piedra SL	Zaragoza	Spain	Electricity generation and sales	160,470	EUR	Endesa Cogeneración Y Renovables SA	25.00%	23.02%
Inversiones Electrogas SA	Santiago	Chile	Holding company	10,004,000,000	CLP	Empresa Nacional de Electricidad SA	42.50%	14.23%
Ionia Energiaki SA	Athens	Greece	Electricity generation from renewable resources	1,100,000	EUR	Delta Energiaki SA	49.00%	20.30%
Konecta Chile SA	Santiago	Chile	IT services	1,000,000	CLP	Synapsis Soluciones Y Servicios It Ltda	26.20%	14.62%
Kromschroeder SA	L'Hospitalet de Llobregat (Barcelona)	Spain	Services	657,000	EUR	Endesa Gas SAu.	27.93%	25.71%
Minicentrales Del Canal Imperial-Gallur SL	Zaragoza	Spain	Hydroelectric plants	1,820,000	EUR	Endesa Cogeneración Y Renovables SA	36.50%	33.60%
Myhs Thermorema SA	Athens	Greece	Electricity generation from renewable resources	800,000	EUR	Delta Energiaki SA	40.00%	16.57%
Neinver Bolonia SL	Madrid	Spain	-	6,000	EUR	Bolonia Real Estate SL	45.00%	41.43%
Oxagesa AIE	Teruel	Spain	Cogeneration of electricity and heat	6,000	EUR	Endesa Cogeneración Y Renovables SA	33.33%	30.68%
Parc Eolic Els Aligars SL	Barcelona	Spain	Electricity generation from renewable resources	1,313,100	EUR	Endesa Cogeneración Y Renovables SA	30.00%	27.62%
Parc Eolic La Tossa-La Mola D'en Pascual SL	Barcelona	Spain	Electricity generation from renewable resources	1,183,100	EUR	Endesa Cogeneración Y Renovables SA	30.00%	27.62%
Parque Eólico Sierra del Madero SA	Soria	Spain	Electricity generation from renewable resources	7,194,250	EUR	Endesa Cogeneración Y Renovables SA	48.00%	44.19%
Powercer - Sociedade de Cogeraçao de Vialonga SA	Loures	Portugal	Cogeneration of electricity and heat	50,000	EUR	Finerge - Gestao de Projectos Energéticos SA	30.00%	27.62%
Productora de Energías SA	Barcelona	Spain	Hydroelectric plants	60,100	EUR	Endesa Cogeneración Y Renovables SA	30.00%	27.62%
Proyecto Almería Mediterraneo SA	Madrid	Spain	Water desalinization and supply	601,000	EUR	Endesa SA	45.00%	41.43%
Puignerel AIE	Barcelona	Spain	Cogeneration of electricity and heat	11,299,000	EUR	Endesa Cogeneración Y Renovables SA	25.00%	23.02%
Regasificadora del Noroeste SA	Mugardos (La Coruña)	Spain	Regasification and transport of natural gas	47,478,520	EUR	Endesa Generación SA	21.00%	19.33%
Rofeica d'Energía SA	Barcelona	Spain	Cogeneration of electricity and heat	1,983,300	EUR	Endesa Cogeneración Y Renovables SA	27.00%	24.86%
Sadiel Tecnologías de La Información SA	Seville	Spain	IT services	663,520	EUR	Endesa Servicios SL	37.50%	34.52%
Santo Rostro Cogeneración SA	Seville	Spain	Cogeneration of electricity and heat	207,000	EUR	Endesa Cogeneración Y Renovables SA	45.00%	41.43%
Sati Cogeneración AIE	Barcelona	Spain	Cogeneration of electricity and heat	64,910	EUR	Endesa Cogeneración Y Renovables SA	27.50%	25.32%
Serra do Moncoso Cambas SL	La Coruña	Spain	Electricity generation from renewable resources	429,687,500	EUR	Eólicos Touriñán SA	49.00%	45.11%
Sistemas Energéticos La Muela SA	Zaragoza	Spain	Electricity generation from renewable resources	3,065,100	EUR	Endesa Cogeneración Y Renovables SA	30.00%	27.62%

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Sistemas Energéticos Más Garullo SA	Zaragoza	Spain	Electricity generation from renewable resources	1,503,410	EUR	Endesa Cogeneración Y Renovables SA	27.00%	24.86%
Sistemas Sec SA	Santiago	Chile	Communications and signaling systems	1,992,421,000	CLP	Compañía Americana de Multiservicios de Chile Ltda	49.00%	27.35%
Sociedad Eólica de Andalucía SA	Seville	Spain	Electricity generation	4,507,580	EUR	Endesa Cogeneración Y Renovables SA	46.67%	42.96%
Tecnatom SA	Madrid	Spain	Electricity generation and services	4,025,700	EUR	Endesa Generación SA	45.00%	41.43%
Termoeléctrica José de San Martín SA	Buenos Aires	Argentina	Construction and management of a combined-cycle plant	500,000	ARS	Endesa Costanera SA Central Dock Sud SA Hidroeléctrica El Chocón SA	5.51% 5.32% 15.35%	6.11%
Termoeléctrica Manuel Belgrano SA	Buenos Aires	Argentina	Construction and management of a combined-cycle plant	500,000	ARS	Endesa Costanera SA Central Dock Sud SA Hidroeléctrica El Chocón SA	5.51% 5.32% 15.35%	6.11%
Termotec Energía AIE	Valencia	Spain	Cogeneration of electricity and heat	481,000	EUR	Endesa Cogeneración Y Renovables SA	45.00%	41.43%
Tirme SA	Palma de Mallorca	Spain	Waste treatment and disposal	7,662,750	EUR	Endesa Cogeneración Y Renovables SA	40.00%	36.82%
Urgell Energía SA	Lleida	Spain	Cogeneration of electricity and heat	601,000	EUR	Endesa Cogeneración Y Renovables SA	27.00%	24.86%
Yacylec SA	Capital Federal	Argentina	Electricity transmission	20,000,000	ARS	Endesa Latinoamérica SA	22.22%	20.46%
Yedesa-Cogeneración SA	Almería	Spain	Cogeneration of electricity and heat	234,000	EUR	Endesa Cogeneración Y Renovables SA	40.00%	36.82%

Other significant equity investments at June 30, 2009

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Agrupación Acefhat, AIE	Barcelona	Spain	Design and services	793,340	EUR	Endesa Distribución Eléctrica SL	16.67%	11.18%
Companhia Térmica Mundo Têxtil, Ace	Caldas de Vizela	Portugal	Electricity generation	1,003,476	EUR	TP - Sociedade Térmica Portuguesa SA	10.00%	3.35%
Co.Fa.S.E. Srl	Canazei (TN)	Italy	Cogeneration of electricity and heat	25,500	EUR	Avisio Energia SpA	14.00%	6.86%
Diseño de Sistemas en Silicio SA	Castellon	Spain	Photovoltaic systems	565,430	EUR	Endesa Network Factory SL	14.39%	9.65%
Electrogas SA	Santiago	Chile	Holding company	10,038,000,000	CLP	Empresa Nacional de Electricidad SA	0.02%	24.37%
						Inversiones Electrogas SA	99.95%	
Empresa Propietaria de La Red SA	Panama	Panama	Electricity transmission and distribution	50,625,000	USD	Endesa Latinoamérica SA	11.11%	10.23%
Endesa Ingeniería SL - Vestas Eólica SA U.T.E.	Barcelona	Spain	Engineering and consulting services	3,000	EUR	Endesa Ingeniería SLU	19.27%	12.92%
Eneop-Eólicas de Portugal SA	Lisbon	Portugal	Electricity generation from renewable resources	5,000,000	EUR	TP - Sociedade Térmica Portuguesa SA	9.80%	6.57%
						Finerge - Gestao de Projectos Energéticos SA	9.80%	
Energotel AS	Bratislava	Slovakia	Management of fiber optic network	66,000,000	SKK	Slovenské elektrárne AS	16.67%	11.00%
Euskaltel SA	Derio (Vizcaya)	Spain	IT services	325,200,000	EUR	Endesa Participadas SA	10.00%	6.71%
Fibrel, AIE	Girona	Spain	Cogeneration of electricity and heat	2,400,000	EUR	Endesa Cogeneración Y Renovables SA	10.00%	6.71%
Galsi SpA	Milan	Italy	Engineering in energy and infrastructure sector	34,838,000	EUR	Enel Produzione SpA	15.61%	15.61%
Green Fuel Corporacion SA	Cantabria	Spain	Biodiesel development, construction and operation	121,000	EUR	Endesa Cogeneración y Renovables SA	16.51%	16.99%
						Endesa Generación SA	8.83%	
Groberel AIE	Girona	Spain	Hydroelectric plants	-		Endesa Cogeneración Y Renovables SA	12.00%	8.05%
Hisane, AIE	Tarragona	Spain	Cogeneration of electricity and heat	1,200	EUR	Endesa Cogeneración Y Renovables SA	10.00%	6.71%
International Multimedia University Srl	Rome	Italy	Distance training	24,000	EUR	Sfera - Società per la formazione e le risorse aziendali Srl	13.04%	13.04%
Minicentrales del Canal de Las Bárdenas, AIE	Zaragoza	Spain	Hydroelectric plants	1,202,000	EUR	Endesa Cogeneración Y Renovables SA	15.00%	10.06%
Miranda Plataforma Logística SA	Miranda de Ebro (Burgos)	Spain	Regional development	1,200,000	EUR	Nuclenor SA	33.33%	11.06%
Papeleira Portuguesa	Sao Paio de Oleiros	Portugal	Paper manufacturing	916,229	EUR	TP - Sociedade Termica Portuguesa SA	13.16%	4.41%
Silicio Energía SA	Campanillas (Málaga)	Spain	Silicon extraction plants	69,000,000	EUR	Endesa Cogeneración Y Renovables SA	17.00%	11.40%
Sociedad de Fomento Industrial de Extremadura SA	Badajoz	Spain	Regional development	155,453,460	EUR	Endesa SA	42.00%	28.16%
Sociedad Para El Estudio Y La Promoción del Gasoducto Argelia Europa Via España SA	Madrid	Spain	Development and design	28,500,000	EUR	Endesa Generación SA	12.00%	8.05%
Sotavento Galicia SA	La Coruña	Spain	Electricity generation from renewable resources	601,000	EUR	Endesa Cogeneración Y Renovables SA	18.00%	12.07%
Tirmadrid SA	Madrid	Spain	Waste treatment and disposal	16,828,000	EUR	Endesa Cogeneración Y Renovables SA	15.00%	10.06%
Tractament Y Revalorització de Residus Del Maresme SA	Barcelona	Spain	Waste treatment and disposal	3,606,060	EUR	Endesa Cogeneración Y Renovables SA	10.00%	6.71%

Companies in liquidation or held for sale at June 30, 2009

Company name	Registered office	Country	Activity	Share capital	Currency	Held by	% holding	Group % holding
				at June 30, 2009				
Climare Scrl (*in liquidation*)	Genoa	Italy	-	30,600	EUR	Enel Distribuzione SpA	66.66%	66.66%
Desaladora de La Costa del Sol SA (*in liquidation*)	Malaga	Spain	-	5,889,920	EUR	Endesa Participadas SA	51.02%	34.21%
Desarrollo Tecnológico Nuclear SL (*in liquidation*)	Madrid	Spain	-	3,650	EUR	Endesa Generación SA	46.35%	31.08%
Endesa Marketplace SA (*in liquidation*)	Madrid	Spain	-	6,743,800	EUR	Enersis SA Endesa Servicios SL	15.00% 63.00%	31.70%
Enel Latin America LLC (*in liquidation*)	Wilmington (Delaware)	U.S.A.	-	-	-	Enel Latin America BV	100,00%	100,00%
Q-Channel SpA (*in liquidation*)	Rome	Italy	-	1,607,141	EUR	Enel Servizi Srl	24.00%	24.00%

Reports

Report of the Independent Auditors

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(Translation from the Italian original which remains the definitive version)

Review report

To the shareholders of
Enel S.p.A.

1 We have reviewed the condensed interim consolidated financial statements comprising the balance sheet, income statement, statement of comprehensive income, statement of changes in shareholders' equity, statement of cash flows and notes thereto of the Enel Group as at and for the six months ended 30 June 2009. The parent's directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting", endorsed by the European Union. Our responsibility is to prepare this report based on our review.

2 We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. The review consisted primarily of the collection of information relating to the captions of the condensed interim consolidated financial statements and the consistency of application of the accounting policies through discussions with parent's directors and analytical procedures applied to the financial data presented in such condensed interim consolidated financial statements. The review excluded such audit procedures as tests of controls and verification or validation of assets and liabilities and is significantly less than an audit performed in accordance with generally accepted auditing standards. As a consequence, contrary to our report on the annual consolidated financial statements, we do not express an audit opinion on the condensed interim consolidated financial statements.

The condensed interim consolidated financial statements present the corresponding figures included in the annual consolidated and condensed interim consolidated financial statements of the previous year for comparative purposes. The corresponding figures have been reclassified in order to reflect the changes to the financial statements schedules introduced by IAS 1 (revised 2007). As disclosed in the notes, the directors have restated the corresponding figures included in the prior year condensed interim consolidated financial statements. We reviewed such financial statements and issued our report thereon on 26 August 2008. We have examined the methods used to restate the corresponding figures and related disclosures for the purposes of our report on the condensed interim consolidated financial statements at 30 June 2009. Reference should be made to the report dated 10 April 2009 for our opinion on the prior year annual consolidated financial statements, which included the related corresponding figures.

3 Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Enel Group as at and for the six months ended 30 June 2009 have not been prepared, in all material respects, in conformity with IAS 34, "Interim Financial Reporting", endorsed by the European Union.

Rome, 27 August 2009

KPMG S.p.A.

(signed on the original)

Stefano Bandini
Director of Audit

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