

Half-Year Financial Report at June 30, 2017



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Interim report on operations

Our mission

MISSION 2025

OPEN ENERGY TO MORE PEOPLE.

We will use and extend our global reach and scale to connect more people to secure and sustainable energy, with a special focus on Latin America and Africa.

OPEN ENERGY TO NEW TECHNOLOGIES.

We will lead development and deployment of technologies to generate and distribute energy more sustainably, with a special focus on renewables and smart grids.

OPEN UP NEW WAYS OF MANAGING ENERGY FOR PEOPLE.

We will develop more services built around people's needs to help them use and manage energy more efficiently, with a focus on smart meters and digitisation.

OPEN UP ENERGY TO NEW USES.

We will develop new services that use energy to tackle global challenges, with a focus on connectivity and e-mobility.

OPEN UP TO MORE PARTNERSHIPS.

We will unite a network of collaborators in research, technology, product development, and marketing to build new solutions together.



Enel organizational model

On April 8, 2016, the Enel Group adopted a new organizational structure, partly in relation to the integration of Enel Green Power. More specifically, the main organizational changes include:

- > the reorganization of the Group's geographical presence, with a focus on the countries that represent new business opportunities around the world and in which the Group's presence was established through Enel Green Power. The Group has therefore shifted from a matrix of four geographical areas to one with six such areas. The structure retains the Country "Italy" and the areas "Iberia" and "Latin America", while the Eastern Europe area has been expanded into the "Europe and North Africa" area. Two new geographical areas have also been created: "North and Central America" and "Sub-Saharan Africa and Asia". These six areas will continue to maintain a presence and integrate businesses at the local level, seeking to foster the development of all segments of the value chain. At the geographical level, in countries in which the Group operates in both the conventional and renewable generation businesses, the position of Country Manager will be unified;
- > the convergence of the entire hydroelectric business within the Renewable Energy business line;
- > the integrated management of dispatching of all renewable and thermal generation plants by Energy Management at the Country level in accordance with the guidelines established by the Global Trading Division.

More specifically, the new Enel Group structure is organized, like the previous one, into a matrix that comprises:

- > *Global Business Lines* (Global Thermal Generation and Trading, Global Infrastructure and Networks, Renewable Energy), which are responsible for managing and developing assets, optimizing their performance and the return on capital employed in the various geographical areas in which the Group operates. The divisions are also tasked with improving the efficiency of the processes they manage and sharing best practices at the global level. The Group can benefit from a centralized industrial vision of projects in the various business areas. Each project will be assessed not only on the basis of its financial return, but also on the basis of the best technologies available at the Group level. On September 12, 2016, following the positive experience of Enel OpEn Fiber in Italy, Enel created a new global business unit within the Global Infrastructure and Networks Global Business Line, responsible for managing this new strategic line of business in Italy and around the world. The new business unit, Global Fiber Optic Infrastructures, has the mission of developing strategies and business models for the development of fiber optic infrastructure by the Group at the global level;
- > *Geographical Areas* (Italy, Iberia, Latin America, Europe and North Africa, North and Central America, Sub-Saharan Africa and Asia), which are responsible for managing relationships with institutional bodies and regulatory authorities, as well as selling electricity and gas, in each of the countries in which the Group is present, while also providing staff and other service support to the divisions;

The following functions provide support to Enel's business operations:

- > *Global service functions* (Procurement and ICT), which are responsible for managing information and communication technology activities and procurement at the Group level;
- > *Holding company functions* (Administration, Finance and Control, Human Resources and Organization, Communication, Legal and Corporate Affairs, Audit, European Union Affairs, and Innovation and Sustainability), which are responsible for managing governance processes at the Group level.

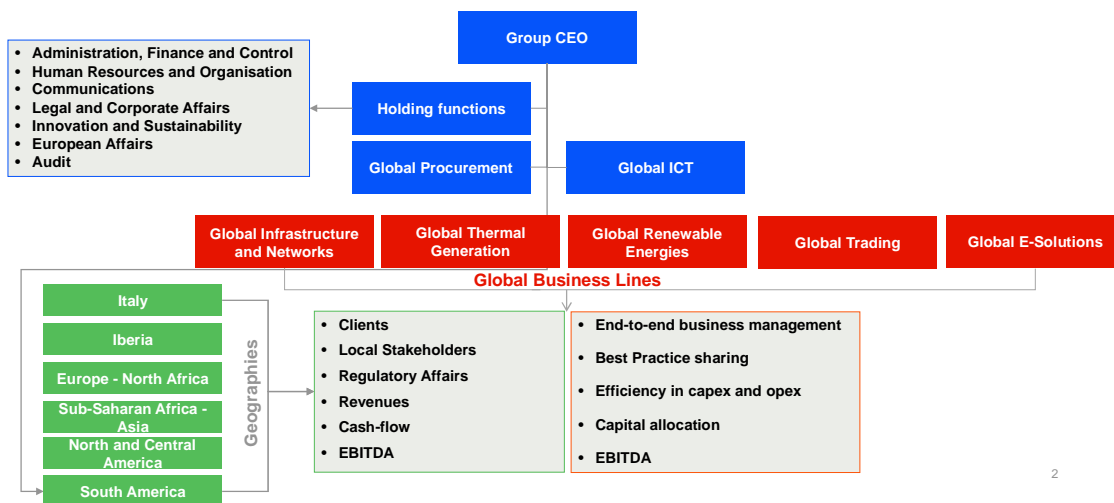
The new organizational structure modified the structure of reporting, the analysis of the Group's performance and financial position and, accordingly, **the representation of consolidated results as from September 30, 2016.**

Consequently, in this interim report on operations, the results by business segment are discussed on the basis of the new organizational arrangements and taking account of the provision of IFRS 8 with regard to the "management approach". Similarly, the figures for the 2nd Quarter of 2016 have been restated appropriately for comparative purposes.

As announced on the occasion of Capital Markets Day in November 2016, on April 28, 2017 a new Global Business Line, called “E-Solutions”, was introduced. It is intended to foster greater customer focus and digitization as accelerators of value within the 2017-2019 Strategic Plan. The new business line will focus on advanced digital solutions in areas such as energy efficiency, “smart alerts”, optical fiber, illumination, mini-grid products, distributed generation, demand response services, electric vehicles, charging facilities, integrated mobility, smart applications, services for the home and families and financial services.

From conception to technological development, testing and marketing, sales and after-sales activities, Global E-Solutions will manage a broad portfolio over the entire life cycle, deploying its expertise and best practices to conduct targeted scouting to find new technologies and develop business models and new revenue streams to enter new fields.

In the coming months, the new organization will gradually be implemented in the Group’s Countries, with appropriate adjustment of segment reporting.



Corporate boards

Board of Directors

Chairman

Patrizia Grieco

Chief Executive Officer and General Manager

Francesco Starace

Directors

Alfredo Antoniozzi

Alberto Bianchi

Cesare Calari

Paola Girdinio

Alberto Pera

Anna Chiara Svelto

Angelo Taraborrelli

Secretary

Silvia Alessandra Fappani

Board of Auditors

Chairman

Sergio Duca

Auditors

Romina Guglielmetti

Roberto Mazzei

Alternate auditors

Michela Barbiero

Alfonso Tono

Franco Luciano Tutino

Independent auditors

EY SpA

Powers

Board of Directors

The Board is vested by the bylaws 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 bylaws with the powers to represent the Company 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 May 5, 2017, 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 bylaws with the powers to represent the Company and to sign on its behalf, and in addition is vested by a Board resolution of May 5, 2017 with all powers for managing the Company, with the exception of those that are otherwise assigned by law or the bylaws 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 Quarter of 2017, which are compared with the corresponding figures for the 2nd Quarter of 2016, have not undergone a full or limited audit.

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 the schedules 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.

As regards those indicators, on December 3, 2015, CONSOB issued Communication no. 92543/15, which gives force to the Guidelines issued on October 5, 2015, by the European Securities and Markets Authority (ESMA) concerning the presentation of alternative performance measures in regulated information disclosed or prospectuses published as from July 3, 2016. These Guidelines, which update the previous CESR Recommendation (CESR/05-178b), are intended to promote the usefulness and transparency of alternative performance indicators included in regulated information or prospectuses within the scope of application of Directive 2003/71/EC in order to improve their comparability, reliability and comprehensibility.

Accordingly, in line with the regulations cited above, the criteria used to construct these indicators are as follows:

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

Ordinary gross operating margin: this is calculated by correcting the "gross operating margin" for all items generated by non-recurring transactions, such as acquisitions or disposals of firms (for example, capital gains and losses), with the exception of those in the renewables development segment, in line with the new "Build, Sell and Operate" business model launched in the 4th Quarter of 2016, in which the income from the disposal of projects in that sector is the result of an ordinary activity for the Group.

Ordinary operating income: this is calculated by correcting "operating income" for the effects of the non-recurring transactions referred to with regard to the gross operating margin, as well as significant impairment losses on assets following impairment testing or classification under "assets held for sale".

Group ordinary net income: this is defined as "Group net income" generated by Enel's core business and is equal to "Group net income" less the effects on net income (including the impact of any tax effects or non-controlling interests) of the items referred to in the comments on "ordinary operating income".

Net non-current assets: calculated as the difference between "Non-current assets" and "Non-current liabilities" with the exception of:

- > "Deferred tax assets";
- > "Securities held to maturity", "Financial investments in funds or portfolio management products measured at fair value through profit or loss" and "Other financial receivables" included in "Other non-current financial assets";
- > "Long-term borrowings";
- > "Employee benefits";

- > "Provisions for risks and charges (non-current portion)";
- > "Deferred tax liabilities".

Net current assets: calculated as the difference between "Current assets" and "Current liabilities" with the exception of:

- > "Current portion of long-term financial receivables", "Factoring receivables", "Securities held to maturity", "Cash collateral" and "Other financial receivables" included in "Other current financial assets";
- > "Cash and cash equivalents";
- > "Short-term borrowings" and the "Current portion of long-term borrowings";
- > "Provisions for risks and charges (current portion)";
- > "Other financial payables" included in "Other current liabilities".

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 for risks and charges", "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 borrowings" and "Short-term borrowings and the current portion of long-term borrowings", taking account of "Short-term financial payables" included in "Other current liabilities";
- > net of "Cash and cash equivalents";
- > net of the "Current portion of long-term financial receivables", "Factoring receivables", "Cash collateral" and "Other financial receivables" included in "Other current financial assets";
- > net of "Securities held to maturity", "Securities available for sale", "Financial investments in funds or portfolio management products measured at fair value through profit or loss" and "Other financial receivables" included in "Other non-current financial assets".

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 July 26, 2007, net of financial receivables and long-term securities.

Performance and financial position

2nd Quarter	Millions of euro		1st Half	
2017	2016		2017	2016
16,949	16,278	Revenue	36,315	34,150
3,764	4,036	Gross operating margin	7,678	8,053
2,329	2,540	Operating income	4,854	5,210
1,189	1,287	Group net income and net income attributable to non-controlling interests	2,493	2,592
864	895	Group net income	1,847	1,834
		Group net income per share in circulation at period-end (euro)	0.18	0.19
		Net capital employed	90,594	90,128 ⁽¹⁾
		Net financial debt	38,826	37,553 ⁽¹⁾
		Shareholders' equity (including non-controlling interests)	51,768	52,575 ⁽¹⁾
		Group shareholders' equity per share in circulation at period-end (euro)	3.42	3.56 ⁽¹⁾
		Cash flows from operating activities	4,036	4,196
		Capital expenditure on tangible and intangible assets ⁽²⁾	3,465	3,465

(1) At December 31, 2016.

(2) Does not include €249 million regarding units classified as "held for sale" at June 30, 2016.

Revenue in the 1st Half of 2017 amounted to €36,315 million, an increase of €2,165 million (+6.3%) compared with the 1st Half of 2016. The increase, which partly reflected the effect of developments in exchange rates (€595 million, mainly in Latin America), is largely attributable to an increase in revenue from the sale of electricity to end users, the transport of electricity, greater electricity trading and the sale of fuels. These factors were partly offset by a decrease in sales on the wholesale market and the impact of the change in the scope of consolidation (€767 million), mainly reflecting the net balance between the effects of the disposal of Slovenské elektrárne (€1,068 million) and the loss of control of EGPNA REP (€149 million) and the acquisition of CELG-D (€596 million). Revenue for the 1st Half of 2017 includes the gain on the sale of the interest in the Chilean company Electrogas in the amount of €146 million, while in the 1st Half of 2016 it included the gain of €124 million on the sale of Hydro Dolomiti Enel.

Millions of euro	1st Half			
	2017	2016 restated	Change	
Italy	18,677	17,605	1,072	6.1%
Iberia	9,960	9,171	789	8.6%
Latin America	6,513	5,105	1,408	27.6%
Europe and North Africa	1,157	2,304	(1,147)	-49.8%
North and Central America	365	462	(97)	-21.0%
Sub-Saharan Africa and Asia	46	9	37	-
Other, eliminations and adjustments	(403)	(506)	103	20.4%
Total	36,315	34,150	2,165	6.3%

The **gross operating margin** amounted to €7,678 million, a decrease of €375 million (-4.7%) compared with the 1st Half of 2016. More specifically, bearing in mind that the negative impact of the change in the scope of consolidation (€258 million) was almost entirely offset by the positive effect of the depreciation of the euro against the other currencies (with a net impact of €208 million) and the increase in the gains on disposal noted above (€22 million), the change is mainly attributable to the decline in the margin in Iberia, mainly reflecting the effects of the drought on the margin from

generation and on the cost of provisioning raw materials, which more than offset the improvement in performance in Italy, especially in the retail market.

Millions of euro		1st Half		
	2017	2016 restated	Change	
Italy	3,667	3,679	(12)	-0.3%
Iberia	1,596	1,973	(377)	-19.1%
Latin America	2,058	1,730	328	19.0%
Europe and North Africa	277	421	(144)	-34.2%
North and Central America	218	327	(109)	-33.3%
Sub-Saharan Africa and Asia	28	1	27	-
Other	(166)	(78)	(88)	-
Total	7,678	8,053	(375)	-4.7%

The **ordinary gross operating margin** amounted to €7,532 a million, a decrease of €397 million compared with the 1st Half of 2016 (-5.0%). Extraordinary items in the first six months of 2017, which are not included in the ordinary gross operating margin, are the same as those discussed under revenue.

Millions of euro		1st Half		
	2017	2016 restated	Change	
Italy	3,667	3,555	112	3.2%
Iberia	1,596	1,973	(377)	-19.1%
Latin America	1,912	1,730	182	10.5%
Europe and North Africa	277	421	(144)	-34.2%
North and Central America	218	327	(109)	-33.3%
Sub-Saharan Africa and Asia	28	1	27	-
Other	(166)	(78)	(88)	-
Total	7,532	7,929	(397)	-5.0%

Operating income amounted to €4,854 million, a decrease of €356 million (-6.8%) compared with the same period of 2016, taking account of a reduction of €19 million in depreciation, amortization and impairment losses.

Millions of euro		1st Half		
	2017	2016 restated	Change	
Italy	2,549	2,582	(33)	-1.3%
Iberia	789	1,094	(305)	-27.9%
Latin America	1,387	1,247	140	11.2%
Europe and North Africa	172	239	(67)	-28.0%
North and Central America	123	199	(76)	-38.2%
Sub-Saharan Africa and Asia	7	(2)	9	-
Other	(173)	(149)	(24)	-16.1%
Total	4,854	5,210	(356)	-6.8%

Ordinary operating income, which in addition to the items excluded from ordinary gross operating margin does not include impairment recognized in the 1st Half of 2016 on upstream gas assets in the amount of €39 million, amounted to €4,708 million, a decrease of €417 million (-8.1%) compared with the same period of 2016.

Millions of euro	1st Half			
	2017	2016 restated	Change	
Italy	2,549	2,458	91	3.7%
Iberia	789	1,094	(305)	-27.9%
Latin America	1,241	1,247	(6)	-0.5%
Europe and North Africa	172	239	(67)	-28.0%
North and Central America	123	199	(76)	-38.2%
Sub-Saharan Africa and Asia	7	(2)	9	-
Other	(173)	(110)	(63)	-57.3%
Total	4,708	5,125	(417)	-8.1%

Group net income in the 1st Half of 2017 amounted to €1,847 million, virtually unchanged on the €1,834 million posted in the same period of the previous year. More specifically, Group net income benefitted from a reduction in financial expense, taxes and income pertaining to non-controlling interests, thanks in part to the merger of Enel Green Power. These factors were offset by the developments in operating income noted above.

Group ordinary net income in the 1st Half of 2017 amounted to €1,809 million (€1,742 million in the 1st Half of 2016), an increase of €67 million compared with the same period of 2016. The following table provides a reconciliation of Group net income and Group ordinary net income, reporting the ordinary items and their respective impacts on net income, excluding the associated tax effects and non-controlling interests.

Millions of euro	1st Half 2017
Group net income	1,847
Gain on disposal of Electrogas	(38)
Group ordinary net income	1,809

Net capital employed amounted to €90,594 million at June 30, 2017 (€90,128 million at December 31, 2016), including net assets held for sale amounting to €68 million, largely connected with a number of wind projects in Greece (the Kafireas project) for which the sale agreement has already been signed and fulfilment of a number of conditions is pending. It was financed by shareholders' equity attributable to the shareholders of the Parent Company and non-controlling interests of €51,768 million and net financial debt of €38,826 million. At June 30, 2017, the debt/equity ratio was 0.75 (0.71 at December 31, 2016).

Net financial debt, excluding debt attributable to assets held for sale, amounted to €38,826 million, an increase of €1,273 million on the €37,553 million registered at December 31, 2016, reflecting the adverse effect of borrowing for investments in the period and the payment of dividends.

Capital expenditure amounted to €3,465 million in the 1st Half of 2017, unchanged compared with the same period of 2016. Investment essentially regarded greater activity involving renewable generation plants in Latin America, Europe and North Africa and North and Central America. In addition, expenditure also involved an increase in work on the

distribution grid, again in Latin America (following the acquisition of CELG-D), only partly offset by a decrease in investment in conventional generation plants.

Millions of euro	1st Half			
	2017	2016 restated	Change	
Italy	740	738	2	0.3%
Iberia	350	408	(58)	-14.2%
Latin America	1,381	1,265	116	9.2%
Europe and North Africa	153	88 ⁽¹⁾	65	73.9%
North and Central America	813	748	65	8.7%
Sub-Saharan Africa and Asia	21	201	(180)	-89.6%
Other, eliminations and adjustments	7	17	(10)	-58.8%
Total	3,465	3,465	-	-

(1) Does not include €249 million regarding units classified as “held for sale”.

Operations

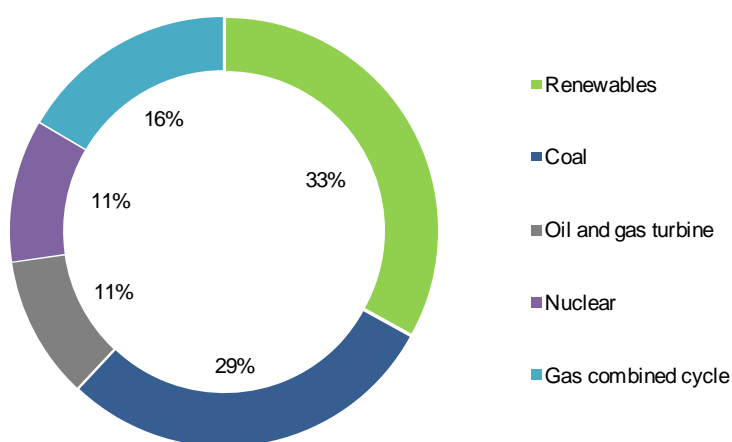
2nd Quarter						1st Half					
Italy	Abroad	Total	Italy	Abroad	Total	Italy	Abroad	Total	Italy	Abroad	Total
2017			2016			2017			2016		
13.2	44.7	57.9	14.9	47.3	62.2	27.4	93.8	121.2	29.6	98.6	128.2
Net electricity generated by Enel (TWh)											
54.4	54.2	108.6	53.9	49.9	103.8	110.3	107.4	217.7	110.0	99.9	209.9
Electricity transported on the Enel distribution network (TWh) ⁽¹⁾											
23.4	43.9	67.3	21.7	41.3	63.0	49.4	89.2	138.6	45.9	85.1	131.0
Electricity sold by Enel (TWh)											
0.7	1.3	2.0	0.6	1.3	1.9	2.9	3.3	6.2	2.6	3.1	5.7
Gas sales to end users (billions of m ³)											
Employees at period-end (no.) ⁽²⁾						31,632	31,124	62,756	31,956	30,124	62,080

(1) Excluding sales to resellers.

(2) At December 31, 2016.

Net electricity generated by Enel in the 1st Half of 2017 decreased by 7.0 TWh, down 5.5%. The change is due to the reduction in amounts generated abroad (-4.8 TWh) and in Italy (-2.2 TWh). As regards the technology mix, nuclear generation fell substantially (-6.0 TWh), essentially due the change in the scope of consolidation with the disposal of Slovenské elektrárne. That decrease was only partly offset by an increase in conventional thermal generation (+4.4 TWh) connected with greater use of coal-fired and combined-cycle plants in Spain. Hydroelectric generation declined by 4.7 TWh, mainly due to the deconsolidation of Slovenské elektrárne and a deterioration in water conditions in all of the countries in which the Group operates, especially Italy and Spain.

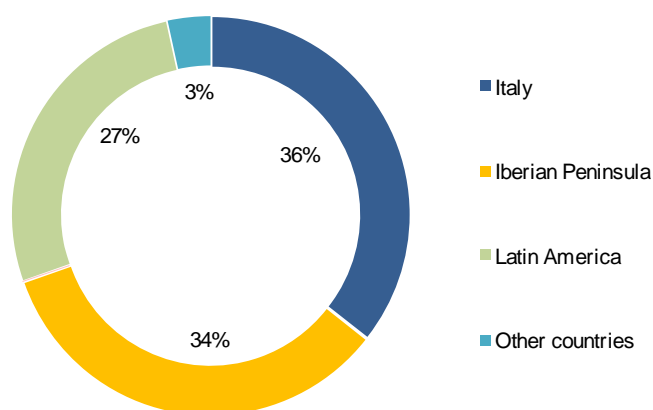
Net electricity generation by source (1st Half of 2017)



Electricity transported on the Enel distribution network in the 1st Half of 2017 amounted to 217.7 TWh, an increase of 7.8 TWh (+3.7%), mainly reflecting the consolidation of CELG-D (5.5 TWh), as well as the general increase in electricity demand in other countries, notably Spain.

Electricity sold by Enel in the 1st Half of 2017 rose by 7.6 TWh (+5.8%), reflecting the consolidation of CELG-D as from February 2017 (+5.3 TWh), which more than offset the deconsolidation of Slovenské elektrárne and Enel France (a total of 3.2 TWh), as well as greater sales in Italy (+3.5 TWh) thanks to an expansionary commercial policy in the “business” segment, and an increase in amounts sold abroad (+2.0 TWh).

Electricity sold by geographical area (1st Half of 2017)



Gas sales in the 1st Half of 2017 amounted to 6.2 billion cubic meters, up 0.5 billion cubic meters compared with the same period of the previous year.

At June 30, 2017, Enel Group **employees** numbered 62,756, of whom 49.6% employed in Group companies headquartered abroad. The change (+675) is mainly attributable to the net balance of new hires and terminations and changes in the scope of consolidation (+1,937) due to the acquisitions of CELG-D in Brazil and Demand Energy in North America.

No.	at June 30, 2017	at Dec. 31, 2016
Italy	29,448	29,321
Iberia	9,799	9,695
Latin America	14,186	12,979
Europe and North Africa	5,761	5,858
North and Central America	988	891
Sub-Saharan Africa and Asia	196	185
Other	2,378	3,151
Total	62,756	62,080

Overview of the Group's operations, performance and financial position

Main changes in the scope of consolidation

For a detailed examination of the acquisitions and disposals made during the period, please see note 2 of the explanatory notes to the condensed interim consolidated financial statements.

Group performance

2nd Quarter				Millions of euro	1st Half			
2017	2016	Change			2017	2016	Change	
16,949	16,278	671	4.1%	Total revenue	36,315	34,150	2,165	6.3%
13,213	12,208	1,005	8.2%	Total costs	28,915	25,983	2,932	11.3%
28	(34)	62	-	Net income/(expense) from commodity contracts measured at fair value	278	(114)	392	-
3,764	4,036	(272)	-6.7%	Gross operating margin	7,678	8,053	(375)	-4.7%
1,435	1,496	(61)	-4.1%	Depreciation, amortization and impairment losses	2,824	2,843	(19)	-0.7%
2,329	2,540	(211)	-8.3%	Operating income	4,854	5,210	(356)	-6.8%
1,122	949	173	18.2%	Financial income	1,691	2,541	(850)	-33.5%
1,856	1,624	232	14.3%	Financial expense	3,089	4,068	(979)	-24.1%
(734)	(675)	(59)	-8.7%	Total net financial income/(expense)	(1,398)	(1,527)	129	8.4%
42	17	25	-	Share of income/(losses) from equity investments accounted for using the equity method	81	52	29	55.8%
1,637	1,882	(245)	-13.0%	Income before taxes	3,537	3,735	(198)	-5.3%
448	595	(147)	-24.7%	Income taxes	1,044	1,143	(99)	-8.7%
1,189	1,287	(98)	-7.6%	Net income from continuing operations	2,493	2,592	(99)	-3.8%
-	-	-	-	Net income from discontinued operations	-	-	-	-
1,189	1,287	(98)	-7.6%	Net income (Group and non-controlling interests)	2,493	2,592	(99)	-3.8%
864	895	(31)	-3.5%	Net income attributable to shareholders of Parent Company	1,847	1,834	13	0.7%
325	392	(67)	-17.1%	Net income attributable to non-controlling interests	646	758	(112)	-14.8%

Revenue

2nd Quarter		Millions of euro				1st Half		
2017	2016	Change				2017	2016	Change
10,277	10,099	178	1.8%	Sale of electricity		21,438	20,577	861 4.2%
2,277	2,379	(102)	-4.3%	Transport of electricity		4,883	4,687	196 4.2%
187	139	48	34.5%	Fees from network operators		332	259	73 28.2%
460	271	189	69.7%	Transfers from institutional market operators		903	530	373 70.4%
725	641	84	13.1%	Sale of gas		2,280	2,149	131 6.1%
82	85	(3)	-3.5%	Transport of gas		321	320	1 0.3%
9	8	1	12.5%	Gains on disposal of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale		160	174	(14) -8.0%
-	4	(4)	-	Gains from remeasurement at fair value after changes in control		-	4	(4) -
8	3	5	-	Gain on the disposal of property, plant and equipment and intangible assets		9	20	(11) -55.0%
2,924	2,649	275	10.4%	Other services, sales and revenue		5,989	5,430	559 10.3%
16,949	16,278	671	4.1%	Total		36,315	34,150	2,165 6.3%

In the 1st Half of 2017 revenue from the **sale of electricity** amounted to €21,438 million (€10,277 million in the 2nd Quarter of 2017), up €861 million (+€178 million in the 2nd Quarter of 2017) compared with the year-earlier period, reflecting:

- > an increase of €1,421 million in revenue from electricity sales to end users, mainly due to a rise in average sales prices accompanied by an increase in quantities sold and the favorable impact of exchange rate changes in Latin America. As regards the changes in the scope of consolidation, the acquisition of CELG-D had an impact of €448 million on revenue in the 1st Half of 2017, while the disposal of Slovenské elektrárne had one of €300 million on revenue in the 1st Half of 2016;
- > a reduction of €1,266 million in wholesale electricity sales, largely attributable to the deconsolidation of Slovenské elektrárne (€754 million) and a reduction in sales mainly registered in Italy;
- > an increase of €704 million in revenue from electricity trading, essentially reflecting the increase in volumes handled against a background of rising prices on international markets.

Revenue from the **transport of electricity** amounted to €4,883 million (€2,277 million in the 2nd Quarter of 2017), an increase of €196 million (-€102 million in the 2nd Quarter of 2017) mainly reflecting an increase in volumes distributed on the free market to end users in Italy.

Revenue from **transfers from institutional market operators** totaled €903 million in the 1st Half of 2017 (€460 million in the 2nd Quarter of 2017), up €373 million (+€189 million in the 2nd Quarter of 2017) compared with the same period of the previous year. The increase reflected the higher cost of fuels for generation in the extra-peninsular area in Spain for which the Group is entitled to reimbursement.

Revenue from the **sale of gas** in the 1st Half of 2017 amounted to €2,280 million, an increase of €131 million (+6.1%), while in the 2nd Quarter of 2017 it amounted to €725 million, an increase €84 million (+13.1%) compared with the same period of the previous year, reflecting higher average unit sales prices.

Revenue from the **transport of gas** in the 1st Half of 2017 amounted to €321 million (€82 million in the 2nd Quarter of 2017), broadly in line with revenue posted in the same period of the previous year.

Gains on the disposal of entities in the 1st Half of 2017 amounted to €160 million (€174 million in the 1st Half of 2016), mainly attributable to the gain of €146 million on the disposal of Electrogas in Chile, in which the Group had a stake of 42.5%. In the 1st Half of 2016, the item mainly regarded the gains of €124 million on the disposal of Hydro Dolomiti Enel and €19 million on the disposal of Compostilla Re, as well as the positive price adjustment of €30 million in respect of the disposal of ENEOP (which took place in 2015).

Revenue from **other services, sales and revenue** amounted to €5,989 million in the 1st Half of 2017 (€5,430 million in the year-earlier period), while in the 2nd Quarter of 2017 it totaled €2,924 million (€2,649 million in the year-earlier period), an increase of €559 million compared with the 1st Half of 2016 and one of €275 million in the 2nd Quarter of 2017.

The increase with respect to the 1st Half of 2016 is mainly due to:

- > an increase of €488 million in revenue from the sale of fuels, notably natural gas;
- > an increase in engineering work on grid infrastructure operated under concession arrangements that fall within the scope of IFRIC 12 (impacted by the change in the scope of consolidation associated with the acquisition of CELG-D) in the amount of €170 million;
- > a decrease of €51 million in revenue from tax partnerships, reflecting the loss of control over EGPNA REP following changes in governance arrangements for that company that led to its deconsolidation at the end of 2016;
- > a decrease of €41 million in fees for connections to the electricity and gas networks.

Costs

2nd Quarter		Millions of euro			1st Half		
2017	2016	Change			2017	2016	Change
4,390	4,133	257	6.2%	Electricity purchases	9,740	8,692	1,048 12.1%
1,256	991	265	26.7%	Consumption of fuel for electricity generation	2,619	2,061	558 27.1%
2,222	1,981	241	12.2%	Fuel for trading and gas for sale to end users	5,367	4,693	674 14.4%
284	262	22	8.4%	Materials	523	507	16 3.2%
1,107	1,154	(47)	-4.1%	Personnel	2,280	2,232	48 2.2%
3,643	3,632	11	0.3%	Services, leases and rentals	7,601	7,402	199 2.7%
676	478	198	41.4%	Other operating expenses	1,457	1,117	340 30.4%
(365)	(423)	58	-13.7%	Capitalized costs	(672)	(721)	49 -6.8%
13,213	12,208	1,005	8.2%	Total	28,915	25,983	2,932 11.3%

Costs for **electricity purchases** in the 1st Half of 2017 amounted to €9,740 million, an increase of €1,048 million compared with the same period of the previous year (up €257 million in the 2nd Quarter of 2017) or 12.1% (6.2% in the 2nd Quarter of 2017). In both periods under review, the rise reflected the impact of an increase in purchases through bilateral contracts (€3,656 million in the 1st Half and €1,688 million in the 2nd Quarter of 2017), an increase in purchases on electricity exchanges (€1,048 million in the 1st Half and €415 million in the 2nd Quarter of 2017) and in spot purchases on domestic and foreign electricity markets (€251 million).

Costs for the **consumption of fuel for electricity generation** for 1st Half of 2017 amounted to €2,619 million, an increase of €558 million (+27.1%) on the same period of the previous year. In the 2nd Quarter of 2017, they totaled €1,256 million, an increase of 265 million (+26.7%). The increase for the 1st Half was mainly attributable to the expansion of thermal electricity generation and a substantial rise in unit prices, which more than offset the impact of the change in the scope of consolidation associated with Slovenské elektrárne.

Costs for the purchase of **fuel for trading and gas for sale to end users** amounted to €5,367 million in the 1st Half of 2017 (€2,222 million in the 2nd Quarter of 2017), an increase of €674 million (+€241 million in the 2nd Quarter of 2017) compared with the same period of 2016. The change mainly reflects the increase in intermediation on the markets for those commodities as a result of greater demand from end users, especially with regard to natural gas.

Costs for **materials** in the 1st Half of 2017 totaled €523 million, an increase of €16 million (+3.2%), mainly due to the rise in costs incurred to cope with the increase in services and work on the grid infrastructure in Brazil in the 1st Half of 2017.

Personnel costs in the 1st Half of 2017 amounted to €2,280 million, an increase of €48 million (+2.2%). In the 2nd Quarter of 2017, costs amounted to €1,107 million, a decrease of €47 million (-4.1%) compared with the year-earlier period.

The change essentially reflects:

- > the recognition of greater early retirement incentives in the 1st Quarter of 2017, all of which was attributable to the provision recognized in CELG-D amounting to €45 million in order to enhance efficiency;
- > the effect of changes in exchange rates, which increased costs by €25 million;
- > an increase in average unit costs, especially in Latin America, which raised costs by €76 million;
- > the change in the scope of consolidation, mainly regarding Slovenské elektrárne and CELG-D, which reduced costs by €33 million;

- > a decline in the average workforce compared with the same period of 2016 (-4,440 employees), with an impact of €65 million.

The Enel Group workforce at June 30, 2017 numbered 62,756 (62,080 at December 31, 2016). Compared with December 31, 2016, the Group workforce expanded by 676 despite the negative effect of the balance between new hires and terminations during the period, thanks to the change in the scope of consolidation (+1,942), which mainly reflected the acquisition of CELG-D in Brazil and Demand Energy in North America.

The overall change compared with December 31, 2016 breaks down as follows:

Balance at December 31, 2016	62,080
Hirings	975
Terminations	(2,241)
Change in scope of consolidation	1,942
Balance at June 30, 2017	62,756

Costs for **services, leases and rentals** in the 1st Half of 2017 amounted to €7,601 million, an increase of €199 million compared with the 1st Half of 2016, while in the 2nd Quarter of 2017 they amounted to €3,643 million, an increase of €11 million compared with same period of 2016. The change reflects:

- > an increase of €190 million in wheeling costs as a result of greater electricity purchases to meet demand;
- > an increase in costs for maintenance and repairs, mainly in respect of engineering works on grid infrastructure within the scope of IFRIC 12;
- > an increase in IT services (€6 million), essentially attributable to system support and maintenance of hardware and software.

Other operating expenses in the 1st Half of 2017 amounted to €1,457 million, an increase of €340 million compared with the same period of 2016, while in the 2nd Quarter of 2017 they amounted to €676 million, an increase of €198 million compared with the year-earlier period. The change in the six months mainly reflects an increase of €233 million in charges for energy efficiency certificates, an increase in costs for fines levied in Argentina for failure to achieve quality standards in the delivery of electricity and an increase in taxes connected with the electricity business in Spain, partly reflecting the increase in nuclear generation.

Net income/(expense) from commodity contracts measured at fair value showed net income of €278 million in the 1st Half of 2017 (net income of €114 million in the 1st Half of 2016) and net income of €28 million in the 2nd Quarter of 2017 (net expense of €34 million in the same period of the previous year). More specifically, the net income for the 1st Half of 2017 was essentially attributable to net realized income in the period totaling €3,768 million, partly offset by net unrealized expense from the fair value measurement of derivatives positions open at June 30, 2017, in the amount of €3,490 million.

Depreciation, amortization and impairment losses in the 1st Half of 2017 amounted to €2,824 million, a decrease of €19 million; in the 2nd Quarter of 2017 they amounted to €1,435 million, down €61 million. The decline is mainly attributable to:

- > a decrease of €40 million in depreciation of property, plant and equipment, which in addition to reflecting the deconsolidation of Slovenské elektrarne is also attributable to the extension of the useful lives of certain renewables generation plants;

- > a decrease in impairment losses of €90 million, reflecting the adjustment in the 1st Half of 2016 to estimated realizable value of assets classified as held for sale;
- > an increase of €60 million in amortization of intangible assets, which in addition to the consolidation of CELG-D also reflects changes in the exchange rates of the main currencies of Latin America against the euro;
- > an increase of €51 million in impairment losses on trade receivables, mainly in Brazil and Argentina.

Operating income in the 1st Half of 2017 amounted to €4,854 million, a decrease of €356 million (-6.8%), while in the 2nd Quarter of 2017 it totaled €2,329 million, down €211 million compared with the same period of the previous year (-8.3%).

Net financial expense declined by €129 million in the 1st Half of 2017 and €59 million in the 2nd Quarter.

More specifically, this was attributable to:

- > an increase of €276 million in net exchange gains, which was more than offset by an increase of €330 million in net charges on derivatives;
- > a decrease of €73 million in net interest expense (net of capitalized interest), mainly connected with a reduction in finance charges on bonds;
- > a decrease in €82 million in charges for the accretion of employee benefits and provisions for risks and charges, essentially regarding early termination incentives, the provision for nuclear decommissioning following the deconsolidation of Slovenské elektrárne and prior-year fines levied in Argentina following regulatory changes;
- > other regulatory items in Brazil and default interest.

The **share of income/(losses) from equity investments accounted for using the equity method** in the 1st Half of 2017 showed net income of €81 million (€42 million in the 2nd Quarter of 2017), mainly in respect of RusEnergobyt and EGPNA REP.

Income taxes for the 1st Half of 2017 amounted to €1,044 million, equal to 29.5% of taxable income, compared with 30.6% in the 1st Half of 2016, while the tax charge for the 2nd Quarter of 2017 was an estimated €448 million. The decline in the effective tax rate in the 1st Half of 2017 compared with the same period of 2016 is attributable to a reduction in tax rates, especially in Italy, partly offset by an increase in tax rates in Chile and Peru. In addition, taxes in the 1st Half of 2016 were also affected by the reduction in the taxation of the capital gain recognized in Italy – which was essentially tax exempt – on the sale of Hydro Dolomiti Enel, compared with the tax charge (of about €41 million) in respect of the capital gain on the sale of Electrogas in the 1st Half of 2016..

Analysis of the Group's financial position

Net capital employed and associated funding

Millions of euro

	at June 30, 2017	at Dec. 31, 2016	Change	
Net non-current assets:				
- property, plant and equipment and intangible assets	92,218	92,318	(100)	-0.1%
- goodwill	13,542	13,556	(14)	-0.1%
- equity investments accounted for using the equity method	1,583	1,558	25	1.6%
- other net non-current assets/(liabilities)	(970)	(802)	(168)	-20.9%
Total net non-current assets	106,373	106,630	(257)	-0.2%
Net current assets:				
- trade receivables	12,218	13,506	(1,288)	-9.5%
- inventories	2,744	2,564	180	7.0%
- net receivables due from institutional market operators	(3,598)	(3,592)	(6)	-0.2%
- other net current assets/(liabilities)	(5,439)	(5,201)	(238)	-4.6%
- trade payables	(11,060)	(12,688)	1,628	12.8%
Total net current assets	(5,135)	(5,411)	276	5.1%
Gross capital employed	101,238	101,219	19	-
Provisions:				
- employee benefits	(2,595)	(2,585)	(10)	-0.4%
- provisions for risks and charges and net deferred taxes	(8,117)	(8,517)	400	4.7%
Total provisions	(10,712)	(11,102)	390	3.5%
Net assets held for sale	68	11	57	-
Net capital employed	90,594	90,128	466	0.5%
Total shareholders' equity	51,768	52,575	(807)	-1.5%
Net financial debt	38,826	37,553	1,273	3.4%

Property, plant and equipment and intangible assets (including investment property) amounted to €92,218 million at June 30, 2017, a decrease of €100 million. The change mainly reflects the impact of translating financial statements denominated in foreign currencies (a loss of €2,651 million, mainly attributable to Chile, Brazil, Colombia and North America) and depreciation and impairment losses totaling €2,439 million, as well as the reclassification under assets held for sale of the Kafireas wind projects in Greece. These factors were offset by capital expenditure of €3,465 million and the change in the scope of consolidation, which produced an increase of €1,819 million from the acquisition of CELG-D (whose assets include concession rights for electricity distribution in the region of Goiás) and a number of other smaller companies.

Goodwill amounted to €13,542 million, a decrease of €14 million compared with December 31, 2016, mainly due to the negative effects of the adjustment at current exchange rates of goodwill denominated in currencies other than the euro, only partly offset by the recognition of goodwill on a number of minor acquisitions during the period (Demand Energy, Tynemouth Energy Storage, Más Energía and Enel Green Power Sannio).

Equity investments accounted for using the equity method amounted to €1,583 million, an increase of €25 million compared with the end of the previous year, essentially reflecting the net income pertaining to the Group of companies

accounted for using the equity method, net of the distribution of dividends and the disposal of the Chilean company Electrogas.

Other net non-current liabilities totaled €970 million at June 30, 2017, an increase of €168 million compared with December 31, 2016 (net liabilities of €802 million). The change is largely attributable to the decrease (€305 million) in the net value of financial derivatives, which reflected fluctuations in the 1st Half in hedges of interest rates and exchange rates. These effects were partly offset by the change in the scope of consolidation with regard to CELG-D, mainly involving financial assets in respect of service concession arrangements and security deposits.

Net current assets were a negative €5,135 million at June 30, 2017, compared with a negative €5,411 million at December 31, 2016. The change of €276 million is attributable to the following factors:

- > a decrease of €1,288 million in *trade receivables*;
- > an increase of €180 million in *inventories*;
- > a decrease of €6 million in *net receivables from institutional market operators*, mainly associated with the rate components of the Italian electrical system covering costs generated by the system itself;
- > a decrease of €238 million in *other current liabilities net of associated assets*. The change reflects:
 - an increase in net income tax liabilities (€565 million) associated with the recognition of taxes for the period (net of tax payments made);
 - an increase of €348 million in net current financial liabilities, mainly attributable to changes in the fair value of commodity derivatives;
 - a decrease of €477 million in net other current liabilities, reflecting an increase in prepaid expenses (€190 million) and a decrease in liabilities for the purchase of equity investments (regarding the payment of the put option that enabled the acquisition of an additional 13.6% of Enel Distributie Muntenia and Enel Energie Muntenia for €401 million), partly offset by an increase in other liabilities (€110 million) and an increase in payables due to customers for reimbursements (€109 million);
- > a decrease of €1,628 million in *trade payables*.

Provisions amounted to €10,712 million, a decrease of €390 million compared with December 31, 2016. This reflected:

- > an increase of €200 million in provisions for risks and charges, almost entirely attributable to the change in the scope of consolidation following the acquisition of CELG-D;
- > an increase of €200 million in net deferred taxes, which include the change in the scope of consolidation in respect of CELG-D (€140 million);
- > a decline of €10 million in provisions for employee benefits.

Net assets held for sale amounted to €68 million at June 30, 2017, essentially comprising the reclassification of the Kafireas wind farm under "assets held for sale". At December 31, 2016 this item only included minor items.

Net capital employed at June 30, 2017 amounted to €90,594 million and was funded by shareholders' equity attributable to the shareholders of the Parent Company and non-controlling interests in the amount of €51,768 million and net financial debt of €38,826 million. At June 30, 2017, the debt/equity ratio was 0.75 (0.71 at December 31, 2016).

Analysis of the Group's financial structure

Net financial debt

The *net financial debt* of the Enel Group and changes in the period are detailed in the table below:

Millions of euro				
	at June 30, 2017	at Dec. 31, 2016	Change	
Long-term debt:				
- bank borrowings	8,242	7,446	796	10.7%
- bonds	33,190	32,401	789	2.4%
- other borrowings	1,491	1,489	2	0.1%
<i>Long-term debt</i>	<i>42,923</i>	<i>41,336</i>	<i>1,587</i>	<i>3.8%</i>
Long-term financial receivables and securities	(2,516)	(2,621)	105	4.0%
Net long-term debt	40,407	38,715	1,692	4.4%
Short-term debt				
Bank borrowings:				
- short-term portion of long-term bank borrowings	846	749	97	13.0%
- other short-term bank borrowings	371	909	(538)	-59.2%
<i>Short-term bank borrowings</i>	<i>1,217</i>	<i>1,658</i>	<i>(441)</i>	<i>-26.6%</i>
Bonds (short-term portion)	6,434	3,446	2,988	86.7%
Other borrowings (short-term portion)	269	189	80	42.3%
Commercial paper	1,631	3,059	(1,428)	-46.7%
Cash collateral on derivatives and other financing	893	1,286	(393)	-30.6%
Other short-term financial payables ⁽¹⁾	130	414	(284)	-68.6%
<i>Other short-term debt</i>	<i>9,357</i>	<i>8,394</i>	<i>963</i>	<i>11.5%</i>
Long-term financial receivables (short-term portion)	(1,054)	(767)	(287)	-37.4%
Factoring receivables	(90)	(128)	38	29.7%
Financial receivables - cash collateral	(1,829)	(1,082)	(747)	-69.0%
Other short-term financial receivables	(609)	(911)	302	33.2%
Cash and cash equivalents with banks and short term securities	(8,573)	(8,326)	(247)	-3.0%
<i>Cash and cash equivalents and short-term financial receivables</i>	<i>(12,155)</i>	<i>(11,214)</i>	<i>(941)</i>	<i>-8.4%</i>
Net short-term debt	(1,581)	(1,162)	(419)	-36.1%
NET FINANCIAL DEBT	38,826	37,553	1,273	3.4%
Net financial debt of “Assets held for sale”	(40)	-	(40)	-

(1) Includes current financial payables included in Other current financial liabilities.

Net financial debt amounted to €38,826 million at June 30, 2017, an increase of €1,273 million compared with December 31, 2016.

Net long-term debt increased by €1,692 million, due to the combined effect of a decrease of €105 million in long-term financial receivables and an increase of €1,587 million in gross long-term debt.

With regard to the latter:

- > bank borrowings amounted to €8,242 million, an increase of €796 million;
- > bonds amounted to €33,190 million, an increase of €789 million on the end of 2016, due mainly to:
 - the issue of new bonds in the 1st Half of 2017, including the following bonds issued by Enel Finance International: a Green Bond issued in January 2017 amounting to €1,250 million, a bond denominated in Swiss francs issued in

March 2017 amounting to the equivalent of €206 million and a multi-tranche bond issued in May 2017 amounted to a total of \$5,000 million, the equivalent of €4,382 million;

- the reclassification to short term of bonds maturing in the following 12 months, of which the main issue regards three bonds issued by Enel SpA in the total amount of €3,591 million and two bonds issued by Enel Finance International in the total amount of €602 million;
- exchange gains of €1,064 million (including current portion).

Net short-term debt showed a net creditor position of €1,581 million at June 30, 2017, an increase of €419 million on the end of 2016, the result of an increase in cash and cash equivalents and short-term financial receivables in the amount of €941 million and a decrease in short-term bank borrowings in the amount of €441 million, only partly offset by an increase of €963 million in other short-term debt.

Other short-term debt, totaling €9,357 million, includes commercial paper issued by Enel Finance International and International Endesa BV amounting to €1,631 million and bonds maturing within 12 months amounting to €6,434 million. Finally, cash collateral paid to counterparties in over-the-counter derivatives transactions on interest rates, exchange rates and commodities totaled €1,829 million, while cash collateral received from such counterparties amounted to €893 million.

Cash and cash equivalents and short-term financial receivables amounted to €12,155 million, an increase of €941 million on the end of 2016, mainly due to the increase in cash with banks and short-term securities in the amount of €247 million and the increase in receivables for cash collateral paid to counterparties in over-the-counter derivatives transactions on interest rates, exchange rates and commodities in the amount of €747 million. Finally, the increase of €287 million in the current portion of long-term financial receivables was offset by the decrease of €302 million in other short-term financial receivables.

Cash flows

Millions of euro		1st Half		
		2017	2016	Change
Cash and cash equivalents at the beginning of the period	(1)	8,326	10,790	(2,464)
Cash flows from operating activities		4,036	4,196	(160)
Cash flows from investing/disinvesting activities		(4,014)	(3,290)	(724)
Cash flows from financing activities		435	(6,237)	6,672
Effect of exchange rate changes on cash and cash equivalents		(170)	119	(289)
Cash and cash equivalents at the end of the period	(2)	8,613	5,578	3,035

(1) Of which cash and cash equivalents equal to €8,290 million at January 1, 2017 (€10,639 million at January 1, 2016), short-term securities equal to €36 million at January 1, 2017 (€1 million at January 1, 2016) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €150 million at January 1, 2016.

(2) Of which cash and cash equivalents equal to €8,513 million at June 30, 2017 (€5,515 million at June 30, 2016), short-term securities equal to €60 million at June 30, 2017 (€30 million at June 30, 2016) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €40 million at June 30, 2017 (€33 million at June 30, 2016).

Cash flows from operating activities in the 1st Half of 2017 were a positive €4,036 million, a decrease of €160 million compared with the same period of the previous year, reflecting the increased use of cash in connection with the change in net current assets and the deterioration in the gross operating margin

Cash flows from investing/disinvesting activities in the 1st Half of 2017 absorbed funds in the amount of €4,014 million, while in the first six months of 2016 they had absorbed liquidity totaling €3,290 million.

More specifically, cash requirements in respect of investments in property, plant and equipment and in intangible assets in the 1st Half of 2017 amounted to €3,465 million, down €249 million compared with the same period of 2016, mainly reflecting the impact of a decline in investments in renewables generation.

In the 1st Half of 2017, investments in entities (or business units) less cash and cash equivalents acquired amounted to €723 million and were mainly accounted for by the acquisition of CELG-D, an electricity distribution company operating in the Brazilian state of Goiás.

Disposals of entities and business units, net of cash and cash equivalents sold, generated cash flows of €19 million. They mainly included the disposal of a number of smaller companies operating in renewable generation in Spain. In the 1st Half of 2016, the item amounted to €406 million and included the disposal of Hydro Dolomiti Enel, which operates in the generation of hydroelectric power in Italy, as well as the disposal of a number of minor companies in North America. Cash flows generated by other investing/disinvesting activities in the 1st Half of 2017 were a positive €155 million, essentially attributable to the disposal of Electrogas.

Cash flows from financing activities generated liquidity in the amount of €435 million, while in the first six months of 2016 they showed cash used of €6,237 million. The flow in the 1st Half of 2017 is essentially associated with the increase in net financial debt (the net balance of repayments and new borrowing) in the amount of €2,497 million and the payment of dividends totaling €1,656 million.

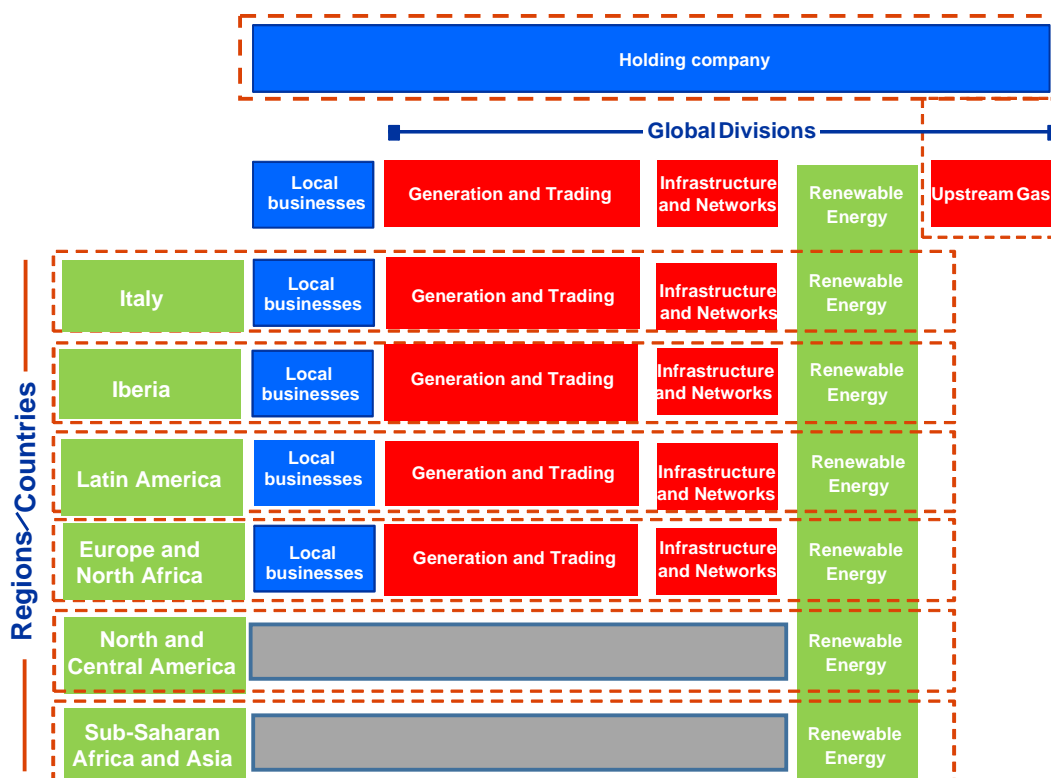
In the 1st Half of 2017, cash flows from operating activities in the amount of €4,036 million and from financing activities in the amount of €435 million more than covered the cash needs for investing activities totaling €4,014 million. The difference is reflected in the increase in cash and cash equivalents, which at June 30, 2017 amounted to €8,613 million, compared with €8,326 million at the end of 2016. This change also reflects the effect of adverse developments in the exchange rates of the various local currencies against the euro, equal to €170 million.

Results by business area

The representation of performance by business area presented here is based on the approach used by management in monitoring Group performance for the two periods under review, taking account of the operational model adopted by the Group as described above.

Taking account of the provisions of IFRS 8 regarding the management approach, the new organization modified the structure of reporting, as well as the representation and analysis of Group performance and financial position as from September 30, 2016. More specifically, performance by business area reported in this Half-Year Financial Report was determined by designating the Regions and Countries perspective as the primary reporting segment. In addition, account was also taken of the possibilities for the simplification of disclosures associated with the materiality thresholds also established under IFRS 8 and, therefore, the item “Other, eliminations and adjustments” includes not only the effects from the elimination of intersegment transactions, but also the figures for the Parent Company, Enel SpA, and the Upstream Gas Division.

The following chart outlines these organizational arrangements.



The main changes in the organizational model, which remains based on an matrix structure of divisions, include the integration of the various companies belonging to the Enel Green Power Group in the various divisions by geographical area, functionally including the large hydro activities that are still formally operated by the thermal generation companies, and a definition of the geographical areas (Italy, Iberia, Europe and North Africa, Latin America, North and Central America, Sub-Saharan Africa and Asia, Central/Parent Company). The new business structure is also broken down as follows: Thermal Generation and Trading, Infrastructure and Networks, Renewables, Retail, Services and Parent Company.

For this reason, the figures for the 1st Half of 2016 have been reclassified appropriately to ensure full comparability.

Results by business area for the 2nd Quarter of 2017 and 2016

2nd Quarter of 2017 ⁽¹⁾

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Revenue from third parties	8,210	4,742	3,266	508	186	25	12	16,949
Revenue from transactions with other segments	174	8	-	7	2	-	(191)	-
Total revenue	8,384	4,750	3,266	515	188	25	(179)	16,949
Net income/(expense) from commodity contracts measured at fair value	38	(16)	(5)	-	-	-	11	28
Gross operating margin	1,708	902	971	133	105	16	(71)	3,764
Depreciation, amortization and impairment losses	575	391	359	52	44	11	3	1,435
Operating income	1,133	511	612	81	61	5	(74)	2,329

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

2nd Quarter of 2016 restated ⁽¹⁾

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Revenue from third parties	7,988	4,374	2,601	1,034	218	6	57	16,278
Revenue from transactions with other segments	235	29	(9)	57	-	-	(312)	-
Total revenue	8,223	4,403	2,592	1,091	218	6	(255)	16,278
Net income/(expense) from commodity contracts measured at fair value	(73)	41	(2)	(9)	-	-	9	(34)
Gross operating margin	1,732	1,130	881	183	147	3	(40)	4,036
Depreciation, amortization and impairment losses	560	445	251	113	67	2	58	1,496
Operating income	1,172	685	630	70	80	1	(98)	2,540

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

Results by business area for the 1st Half of 2017 and 2016

1st Half of 2017 ⁽¹⁾

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Revenue from third parties	18,317	9,939	6,497	1,139	362	46	15	36,315
Revenue from transactions with other segments	360	21	16	18	3	-	(418)	-
Total revenue	18,677	9,960	6,513	1,157	365	46	(403)	36,315
Net income/(expense) from commodity contracts measured at fair value	339	(48)	2	-	-	-	(15)	278
Gross operating margin	3,667	1,596	2,058	277	218	28	(166)	7,678
Depreciation, amortization and impairment losses	1,118	807	671	105	95	21	7	2,824
Operating income	2,549	789	1,387	172	123	7	(173)	4,854
Capital expenditure	740	350	1,381	153	813	21	7	3,465

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

1st Half of 2016 restated ⁽¹⁾

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Revenue from third parties	17,197	9,139	5,088	2,187	461	9	69	34,150
Revenue from transactions with other segments	408	32	17	117	1	-	(575)	-
Total revenue	17,605	9,171	5,105	2,304	462	9	(506)	34,150
Net income/(expense) from commodity contracts measured at fair value	(107)	(1)	-	(8)	-	-	2	(114)
Gross operating margin	3,679	1,973	1,730	421	327	1	(78)	8,053
Depreciation, amortization and impairment losses	1,097	879	483	182	128	3	71	2,843
Operating income	2,582	1,094	1,247	239	199	(2)	(149)	5,210
Capital expenditure	738	408	1,265	88 ⁽²⁾	748	201	17	3,465

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

(2) Does not include €249 million regarding units classified as "held for sale".

In addition to the foregoing, the Group monitors performance at the Global Division level, classifying results by business line. The following table presents the gross operating margin for the two periods under review, offering visibility of performance not only from a region/country perspective but also by division/business line.

Gross operating margin

Millions of euro	Local businesses						Global Divisions												Other			Total		
	End-user markets			Services			Generation and Trading			Infrastructure and Networks			Renewables											
	2017	2016 restated	Change	2017	2016 restated	Change	2017	2016 restated	Change	2017	2016 restated	Change	2017	2016 restated	Change	2017	2016 restated	Change	2017	2016 restated	Change	2017	2016 restated	Change
Italy	1,117	997	120	39	48	(9)	150	255	(105)	1,798	1,778	20	563	601	(38)	-	-	-	3,667	3,679	(12)			
Iberia	277	419	(142)	34	(14)	48	226	376	(150)	923	951	(28)	136	241	(105)	-	-	-	1,596	1,973	(377)			
Latin America	-	-	-	(38)	(54)	16	413	251	162	858	692	166	825	841	(16)	-	-	-	2,058	1,730	328			
<i>Argentina</i>	-	-	-	-	-	-	<i>41</i>	<i>40</i>	<i>1</i>	<i>86</i>	<i>101</i>	<i>(15)</i>	<i>16</i>	<i>15</i>	<i>1</i>	-	-	-	<i>143</i>	<i>156</i>	<i>(13)</i>			
<i>Brazil</i>	-	-	-	<i>(16)</i>	<i>(17)</i>	<i>1</i>	<i>70</i>	<i>36</i>	<i>34</i>	<i>298</i>	<i>185</i>	<i>113</i>	<i>105</i>	<i>92</i>	<i>13</i>	-	-	-	<i>457</i>	<i>296</i>	<i>161</i>			
<i>Chile</i>	-	-	-	<i>(22)</i>	<i>(37)</i>	<i>15</i>	<i>212</i>	<i>96</i>	<i>116</i>	<i>129</i>	<i>113</i>	<i>16</i>	<i>346</i>	<i>360</i>	<i>(14)</i>	-	-	-	<i>665</i>	<i>532</i>	<i>133</i>			
<i>Colombia</i>	-	-	-	-	-	-	<i>21</i>	<i>4</i>	<i>17</i>	<i>239</i>	<i>192</i>	<i>47</i>	<i>287</i>	<i>300</i>	<i>(13)</i>	-	-	-	<i>547</i>	<i>496</i>	<i>51</i>			
<i>Peru</i>	-	-	-	-	-	-	<i>69</i>	<i>75</i>	<i>(6)</i>	<i>106</i>	<i>101</i>	<i>5</i>	<i>67</i>	<i>71</i>	<i>(4)</i>	-	-	-	<i>242</i>	<i>247</i>	<i>(5)</i>			
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>4</i>	<i>3</i>	<i>1</i>	-	-	-	<i>4</i>	<i>3</i>	<i>1</i>			
Europe and North Africa	(25)	21	(46)	1	1	-	141	231	(90)	78	102	(24)	82	66	16	-	-	-	277	421	(144)			
<i>Romania</i>	<i>(25)</i>	<i>20</i>	<i>(45)</i>	<i>1</i>	<i>1</i>	-	<i>1</i>	-	<i>1</i>	<i>78</i>	<i>102</i>	<i>(24)</i>	<i>59</i>	<i>41</i>	<i>18</i>	-	-	-	<i>114</i>	<i>164</i>	<i>(50)</i>			
<i>Russia</i>	-	-	-	-	-	-	<i>140</i>	<i>78</i>	<i>62</i>	-	-	-	-	-	-	-	-	-	<i>140</i>	<i>78</i>	<i>62</i>			
<i>Slovakia</i>	-	<i>1</i>	<i>(1)</i>	-	-	-	-	<i>156</i>	<i>(156)</i>	-	-	-	-	-	-	-	-	-	-	<i>157</i>	<i>(157)</i>			
<i>Other</i>	-	-	-	-	-	-	-	<i>(3)</i>	<i>3</i>	-	-	-	<i>23</i>	<i>25</i>	<i>(2)</i>	-	-	-	<i>23</i>	<i>22</i>	<i>1</i>			
North and Central America	-	-	-	-	-	-	-	-	-	-	-	-	218	327	(109)	-	-	-	218	327	(109)			
<i>United States and Canada</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>93</i>	<i>235</i>	<i>(142)</i>	-	-	-	<i>93</i>	<i>235</i>	<i>(142)</i>			
<i>Mexico</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>49</i>	<i>36</i>	<i>13</i>	-	-	-	<i>49</i>	<i>36</i>	<i>13</i>			
<i>Panama</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>54</i>	<i>46</i>	<i>8</i>	-	-	-	<i>54</i>	<i>46</i>	<i>8</i>			
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>22</i>	<i>10</i>	<i>12</i>	-	-	-	<i>22</i>	<i>10</i>	<i>12</i>			
Sub-Saharan Africa and Asia	-	-	-	-	-	-	-	-	-	-	-	-	28	1	27	-	-	-	28	1	27			
<i>South Africa</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>24</i>	<i>(4)</i>	<i>28</i>	-	-	-	<i>24</i>	<i>(4)</i>	<i>28</i>			
<i>India</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>5</i>	<i>5</i>	-	-	-	-	<i>5</i>	<i>5</i>	-			
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	<i>(1)</i>	-	<i>(1)</i>	-	-	-	<i>(1)</i>	-	<i>(1)</i>			
Other	-	-	-	(1)	-	(1)	(1)	(14)	13	(5)	2	(7)	(43)	(45)	2	(116)	(21)	(95)	(166)	(78)	(88)			
Total	1,369	1,437	(114)	35	(19)	70	929	1,099	(98)	3,652	3,525	269	1,809	2,032	(305)	(116)	(21)	(95)	7,678	8,053	(375)			

Italy

Operations

Net electricity generation

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
7,149	7,966	(817)	-10.3%	Thermal	16,166	17,291	(1,125)	-6.5%
4,290	5,137	(847)	-16.5%	Hydroelectric	7,657	8,571	(914)	-10.7%
1,432	1,457	(25)	-1.7%	Geothermal	2,883	2,935	(52)	-1.8%
242	330	(88)	-26.7%	Wind	594	765	(171)	-22.4%
42	33	9	27.3%	Other sources	72	49	23	46.9%
13,155	14,923	(1,768)	-11.8%	Total net generation	27,372	29,611	(2,239)	-7.6%

In the 1st Half of 2017, net electricity generation amounted to 27,372 million kWh (13,155 million kWh in the 2nd Quarter of 2017), a decline of 7.6% (-11.8% in the 2nd Quarter compared with the same period of 2016) equal to 2,239 million kWh. The change between the two periods essentially reflects the decrease in thermal generation (down 1,125 million kWh), resulting from a more favorable price scenario for other operators' combined-cycle plants, and the decline in hydroelectric generation (down 914 million kWh) due to poorer water conditions compared with the same period of the prior year. Similar, though more pronounced, developments in net electricity generation were seen in the 2nd Quarter of 2017.

Contribution to gross thermal generation

2nd Quarter														Millions of kWh				1st Half			
2017		2016 restated		Change				2017		2016 restated		Change									
4	0.1%	17	0.2%	(13)	-76.5%	Fuel oil		7	-	45	0.2%	(38)	-84.4%								
1,614	20.8%	1,668	19.3%	(54)	-3.2%	Natural gas		3,832	21.9%	3,563	19.1%	269	7.5%								
6,004	77.4%	6,797	78.8%	(793)	-11.7%	Coal		13,347	76.2%	14,815	79.2%	(1,468)	-9.9%								
134	1.7%	149	1.7%	(15)	-10.1%	Other fuels		324	1.9%	275	1.5%	49	17.8%								
7,756	100.0%	8,631	100.0%	(875)	-10.1%	Total		17,510	100.0%	18,698	100.0%	(1,188)	-6.4%								

Gross thermal generation in the 1st Half of 2017 totaled 17,510 million kWh (7,756 million kWh in the 2nd Quarter of 2017), a decrease of 1,188 million kWh (-6.4%) compared with the 1st Half of 2016 (-10.1% in the 2nd Quarter of 2017). This decrease mainly regarded the use of coal, only partly set off by the increased use of natural gas.

Transport of electricity

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
54,442	53,902	540	1.0%	Electricity transported on Enel's distribution network ⁽¹⁾	110,337	110,025	312	0.3%

(1) The figure for 2016 reflects a more accurate calculation of quantities transported.

Electricity transported on Enel's network in the 1st Half of 2017 increased by 312 million kWh (+0.3%), going from 110,025 million kWh in the 1st Half of 2016 to 110,337 million kWh in the 1st Half of 2017.

In the 2nd Quarter 2017 electricity transported totaled 54,442 million kWh, an increase of 540 million kWh (+1.0%) over the same period of 2016.

Electricity sales

2nd Quarter				Millions of kWh		1st Half			
2017	2016 restated	Change				2017	2016 restated	Change	
Free market:									
6,731	6,107	624	10.2%	- mass-market customers		13,788	12,828	960	7.5%
6,764	4,853	1,911	39.4%	- business customers ⁽¹⁾		13,445	9,296	4,149	44.6%
334	509	(175)	-34.4%	- safeguard-market customers		757	1,142	(385)	-33.7%
13,829	11,469	2,360	20.6%	Total free market		27,990	23,266	4,724	20.3%
Regulated market:									
9,550	10,216	(666)	-6.5%	- enhanced protection market customers		21,370	22,626	(1,256)	-5.6%
23,379	21,685	1,694	7.8%	TOTAL		49,360	45,892	3,468	7.6%

(1) Supplies to large customers and energy-intensive users (with annual consumption greater than 1 GWh).

Energy sold in the 1st Half of 2017 came to 49,360 million kWh, a total increase of 3,468 million kWh compared with the same period of 2016. This trend reflects the greater volumes sold on the free market due to a substantial increase in business customers as a result of new commercial policies.

Similar developments in electricity sales were seen in the 2nd Quarter of 2017.

Gas sales

2nd Quarter				Millions of m ³		1st Half			
2017	2016 restated	Change				2017	2016 restated	Change	
321	273	48	17.6%	Mass-market customers ⁽¹⁾		1,765	1,643	122	7.4%
349	345	4	1.2%	Business customers		1,121	984	137	13.9%
670	618	52	8.4%	Total		2,886	2,627	259	9.9%

(1) Includes residential customers and microbusinesses.

Gas sales in the 1st Half of 2017 totaled 2,886 million cubic meters, an increase of 259 million cubic meters compared with the same period of the previous year, essentially attributable to sales to both categories of customers.

Similar developments in gas sales were reported in the 2nd Quarter of 2017.

Performance

2nd Quarter		Millions of euro			1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
8,384	8,223	161	2.0%	Revenue	18,677	17,605	1,072	6.1%
1,708	1,732	(24)	-1.4%	Gross operating margin	3,667	3,679	12	-0.3%
1,133	1,172	(39)	-3.3%	Operating income	2,549	2,582	(33)	-1.3%
				Capital expenditure	740	738	2	0.3%

The following tables break down performance by type of business in the 2nd Quarter and in the 1st Half of 2017.

Performance in the 2nd Quarter

Revenue

Millions of euro		2nd Quarter		
		2017	2016 restated	Change
Generation and Trading		4,085	4,162	(77)
Infrastructure and Networks		1,929	1,799	130
Renewables		470	464	6
End-user markets		3,425	3,260	165
Services		289	308	(19)
Eliminations and adjustments		(1,814)	(1,770)	(44)
Total		8,384	8,223	161

Revenue in the 2nd Quarter of 2017 amounted to €8,384 million, an increase of €161 million on 2016 (+2.0%), as a result of the following main factors:

- > a decrease of €77 million in revenue from **Generation and Trading** (-1.9%) compared with the same period of 2016. This decrease is mainly attributable to:
 - a €617 million decline in revenue from the sale of electricity essentially related to lower volumes generated. More specifically, the change is mainly attributable to the reduction in revenue from electricity sales to other national resellers (down €452 million) and lower sales on the Power Exchange (down €153 million);
 - an increase of €262 million in revenue from trading on international energy markets due essentially to an increase in quantities handled (+6.9 TWh);
 - an increase of €209 million in revenue from the sale of fuels on domestic and international markets;
 - a €44 million increase in revenue from fees provided for by Authority for Electricity, Gas and the Water System regulations;
 - a €22 million increase in gains on extraordinary transactions as a result of the recognition in the 2nd Quarter of 2016 of the price adjustment on the sale of the equity investment in Hydro Dolomiti Enel;
- > an increase of €6 million in revenue from **Renewables** generation (+1.3%);
- > a €130 million rise in revenue from **Infrastructure and Networks** operations (+7.2%), mainly attributable to:

- the increase in transfers from the Energy & Environmental Services Fund for white certificates (in the amount of €133 million) due to the increase in volumes purchased and in the per-unit transfer;
 - an increase of €10 million in rate revenue, mainly reflecting the rise in transmission rates, only partly offset by the reduction in distribution rates;
- > a €165 million increase in revenue from **End-user markets** (+5.1%), essentially reflecting an increase of €145 million in revenue on the free market for electricity owing to higher volumes sold (+2.3 TWh), the rise of €21 million in revenue on the regulated market due to the positive impact of the equalization mechanism for covering generation costs, which more than offset the decline in volumes sold and the number of customers served.

Gross operating margin

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Generation and Trading	(6)	59	(65)	-
Infrastructure and Networks	935	889	46	5.2%
Renewables	283	320	(37)	-11.6%
End-user markets	476	437	39	8.9%
Services	20	27	(7)	-25.9%
Total	1,708	1,732	(24)	-1.4%

The **gross operating margin** in the 2nd Quarter of 2017 totaled €1,708 million, a decrease of €24 million (-1.4%) compared with €1,732 million in the 2nd Quarter of 2016. The decrease is essentially attributable to:

- > the €65 million decrease in the margin from **Generation and Trading**. Net of the effect of the price adjustment on the sale of Hydro Dolomiti Enel, as described in the section on revenue, the decrease would have been €87 million owing mainly to the lower margin on generation, which mostly reflects the significant recourse to electricity purchased at higher prices on the spot market to correct imbalances with respect to the planned programming;
- > an increase of €46 million in the margin from **Infrastructure and Networks** (+5.2%), largely due to lower operating costs and the positive effect of prior-period items relating to costs recognized in previous periods;
- > an increase of €39 million in the margin from **End-user markets** (+8.9%), mainly attributable to a rise in the margin on the regulated market for electricity (up €21 million);
- > a decrease of €37 million in the margin from **Renewables** generation as a result of lower volumes produced.

Operating income

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Generation and Trading	(66)	1	(67)	-
Infrastructure and Networks	625	636	(11)	-1.7%
Renewables	215	251	(36)	-14.3%
End-user markets	351	268	83	31.0%
Services	8	16	(8)	-50.0%
Total	1,133	1,172	(39)	-3.3%

Operating income totaled €1,133 million, a decrease of €39 million (-3.3%) on the €1,172 million posted for the same period of 2016, including a decrease of €15 million in depreciation, amortization and impairment.

Performance in the 1st Half

Revenue

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	9,360	9,160	200	2.2%
Infrastructure and Networks	3,792	3,558	234	6.6%
Renewables	941	920	21	2.3%
End-user markets	8,073	7,445	628	8.4%
Services	545	526	19	3.6%
Eliminations and adjustments	(4,034)	(4,004)	(30)	-0.7%
Total	18,677	17,605	1,072	6.1%

Revenue in the 1st Half of 2017 amounted to €18,677 million, an increase of €1,072 million on the 1st Half of 2016 (+6.1%), as a result of the following main factors:

- > an increase of €200 million in revenue from **Generation and Trading** (+2.2%) compared with the same period of 2016.
This increase is mainly attributable to:
 - a €706 million rise in revenue from trading on international energy markets due essentially to an increase in quantities handled (+19.0 TWh) in an environment of rising prices;
 - an increase of €483 million in revenue from the sale of fuels on domestic and international markets;
 - a €44 million increase in revenue from fees provided for by Authority for Electricity, Gas and the Water System regulations for transactions on the Power Exchange;
 - a €927 million decline in revenue from the sale of electricity, essentially related to the decrease in quantities generated. More specifically, the change is mainly attributable to the reduction in revenue from electricity sales to other national resellers, only partly offset by increased sales on the Power Exchange;
 - a €124 million decrease in gains on extraordinary transactions, attributable to the gain recognized on the sale of the equity investment in Hydro Dolomiti Enel in the 1st Half of 2016;
- > a €234 million rise in revenue from **Infrastructure and Networks** operations (+6.6%), mainly attributable to:
 - the increase in transfers from the Energy & Environmental Services Fund for white certificates (in the amount of €229 million) due to the increase in volumes purchased and in the per-unit transfer;
 - an increase of €13 million in rate revenue, mainly reflecting the rise in transmission rates, only partly offset by the reduction distribution rates. Another factor was an increase in revenue paid by the Authority for Electricity, Gas and the Water System (the Authority) following the publication in the 1st Quarter of 2017 of reference rates for 2016 (€14 million);
 - a decrease of €23 million in connection fees;
- > a €628 million increase in revenue from **End-user markets** (+8.4%) for electricity, essentially reflecting:

- an increase of €400 million in revenue on the free market for electricity owing to higher volumes sold (+4.7 TWh) mainly to business customers;
- the rise of €186 million in revenue on the regulated market for electricity as a result of the increase in the equalization mechanisms for covering generation costs. The increase in the average purchase cost of electricity in the 1st Half 2017 had a positive effect through the equalization mechanism, compared with the same period of 2016 when it had a negative effect. This more than offset the decline in volumes sold and the number of customers served;
- an increase of €43 million in revenue from the sale of natural gas to end users, largely due to increased volumes;
- > an increase of €21 million in revenue from **Renewables** generation (+2.3%), essentially due to an increase in average sales prices;

Gross operating margin

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	150	255	(105)	-41.2%
Infrastructure and Networks	1,798	1,778	20	1.1%
Renewables	563	601	(38)	-6.3%
End-user markets	1,117	997	120	12.0%
Services	39	48	(9)	-18.8%
Total	3,667	3,679	(12)	-0.3%

The **gross operating margin** in the 1st Half of 2017 totaled €3,667 million, a decrease of €12 million (-0.3%) compared with €3,679 million in the 1st Half of 2016. The increase in essentially attributable to:

- > the €105 million decrease in the margin from **Generation and Trading**, mainly owing to the recognition, in the 1st Half 2016, of the gain on the disposal noted above;
- > a decrease of €38 million in the margin on generation from **Renewables** despite an increase in average sales prices, mainly reflecting a reduction in volumes generated;
- > an increase of €20 million in the margin from **Infrastructure and Networks** (+1.1%), largely due to:
 - a €5 million decrease in the margin on the transport of electricity, primarily reflecting the reduction in rates noted earlier and the abolition of the grant to cover the risk to distributors of the uncollectibility of costs. These factors were only partly offset by the positive effect of prior-year items (€29 million) mentioned under revenue and the amounts released to settle transport costs recognized in previous periods;
 - a decrease of €8 million in the margin on white certificates;
 - a €43 million reduction in operating costs;
- > an increase of €120 million in the margin from **End-user markets** (+12.0%), mainly attributable to:
 - an increase of €73 million in the margin on the free market for electricity and gas (€101 million of which attributable to the margin on gas) due to the increase in quantities sold for both commodities;
 - an increase of €23 million in the margin on the regulated electricity market, mostly due to the effect of the equalization mechanism for covering generation costs.

Operating income

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	32	137	(105)	-76.6%
Infrastructure and Networks	1,226	1,276	(50)	-3.9%
Renewables	428	463	(35)	-7.6%
End-user markets	847	682	165	24.2%
Services	16	24	(8)	-33.3%
Total	2,549	2,582	(33)	-1.3%

Operating income totaled €2,549 million, a decrease of €33 million (-1.3%) on the €2,582 million posted for the same period of 2016, including the effect of an increase of €21 million in depreciation, amortization and impairment.

Capital expenditure

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	22	32	(10)	-31.2%
Infrastructure and Networks	573	566	7	1.2%
Renewables	91	116	(25)	-21.6%
End-user markets	43	11	32	-
Services	11	13	(2)	-15.4%
Total	740	738	2	0.3%

Capital expenditure in the 1st Half of 2017 amounted to €740 million, up €2 million on the year-earlier period. The change reflected:

- > a €10 million decrease in investment in **Generation and Trading**, mainly owing to reduced investment in thermal plants;
- > an increase in investment in **Infrastructure and Networks** operations equal to €7 million, mainly for digital meter replacement work, only partly offset by investment in service quality activities brought forward in the 1st Half of 2016;
- > a €25 million reduction in investment in **Renewables**;
- > a decrease of €2 million in investment in **Services** activities;
- > an increase of €32 million in investment in **End-user markets**, largely on software and innovative projects for retail markets.

Iberia

Operations

Net electricity generation

2nd Quarter				Millions of kWh		1st Half		
2017	2016 restated	Change				2017	2016 restated	Change
10,358	6,046	4,312	71.3%	Thermal		19,676	12,615	7,061 56.0%
5,912	6,382	(470)	-7.4%	Nuclear		13,096	12,842	254 2.0%
1,628	2,700	(1,072)	-39.7%	Hydroelectric		3,140	5,085	(1,945) -38.2%
793	806	(13)	-1.6%	Wind		1,753	2,015	(262) -13.0%
8	42	(34)	-81.0%	Other sources		13	91	(78) -85.7%
18,699	15,976	2,723	17.0%	Total net generation		37,678	32,648	5,030 15.4%

Net electricity generation in Iberia in the 1st Half of 2017 amounted to 37,678 million kWh, an increase of 5,030 million kWh compared with the same period of 2016. The change is due mainly to an increase in thermal generation, partly as a result of the severe drought that sharply restricted hydroelectric generation and partly due to the stoppage at some of the French nuclear power plants that reduced the flow of imports.

In the 2nd Quarter of 2017, net electricity generation totaled 18,699 million kWh, an increase of 2,723 million kWh compared with the same period of 2016.

Contribution to gross thermal generation

2nd Quarter				Millions of kWh		1st Half			
2017	2016 restated	Change				2017	2016 restated	Change	
1,648 9.7%	1,499 11.5%	149	9.9%	Fuel oil		3,171 9.3%	3,044 11.4%	127	4.2%
2,443 14.4%	901 6.9%	1,542	-	Natural gas		3,516 10.4%	1,622 6.1%	1,894	116.8%
5,783 34.2%	3,068 23.6%	2,715	88.5%	Coal		11,814 34.8%	6,883 25.8%	4,931	71.6%
6,158 36.4%	6,635 51.0%	(477)	-7.2%	Nuclear fuel		13,613 40.1%	13,344 50.0%	269	2.0%
883 5.3%	912 7.0%	(29)	-3.2%	Other fuels		1,845 5.4%	1,774 6.7%	71	4.0%
16,915 100.0%	13,015 100.0%	3,900	30.0%	Total		33,959 100.0%	26,667 100.0%	7,292	27.3%

Gross thermal production in the 1st Half of 2017 came to 33,959 million kWh (16,915 million kWh in the 2nd Quarter of 2017), up 7,292 million kWh on the same period of the previous year (+3,900 million kWh in the 2nd Quarter of 2017). The increase regard almost all types of fuel, especially coal.

Transport of electricity

2nd Quarter				Millions of kWh		1st Half		
2017	2016 restated	Change				2017	2016 restated	Change
27,639	26,498	1,141	4.3%	Electricity transported on Enel's distribution network ⁽¹⁾		54,940	52,873	2,066 3.8%

(1) The figure for 2016 reflects a more accurate measurement of amounts transported

Electricity transported in the 1st Half of 2017 totaled 54,940 million kWh (27,639 million kWh in the 2nd Quarter of 2017), an increase of 2,066 million kWh (+1,141 million kWh in the 2nd Quarter of 2017) due largely to the acquisition of Eléctrica del Ebro in July 2016.

Electricity sales

2nd Quarter				Millions of kWh		1st Half			
2017	2016 restated	Change				2017	2016 restated	Change	
20,433	18,825	1,608	8.5%	Free market		40,368	38,492	1,876	4.9%
3,087	3,182	(95)	-3.0%	Regulated market		6,788	7,192	(404)	-5.6%
23,520	22,007	1,513	6.9%	Electricity sold by Enel		47,156	45,684	1,472	3.1%

Electricity sales to end users in the 1st Half of 2017 equaled 47,156 million kWh (23,520 million kWh in the 2nd Quarter of 2017), an increase of 1,472 million kWh compared with the same period of 2016 (+1,513 million kWh in the 2nd Quarter of 2017). This change reflects the growing number of regulated marketed customers switching to the free market in an environment of rising domestic demand (up 1.1%).

Performance

2nd Quarter				Millions of euro		1st Half			
2017	2016 restated	Change				2017	2016 restated	Change	
4,750	4,403	347	7.9%	Revenue		9,960	9,171	789	8.6%
902	1,130	(228)	-20.2%	Gross operating margin		1,596	1,973	(377)	-19.1%
511	685	(174)	-25.4%	Operating income		789	1,094	(305)	-27.9%
				Capital expenditure		350	408	(58)	-14.2%

The following tables break down performance by type of business in the 2nd Quarter and in the 1st Half of 2017.

Performance in the 2nd Quarter

Revenue

Millions of euro		2nd Quarter			
		2017	2016 restated	Change	
Generation and Trading		1,641	973	668	68.7%
Infrastructure and Networks		641	667	(26)	-3.9%
Renewables		137	222	(85)	-38.3%
End-user markets		3,696	3,103	593	19.1%
Services		112	78	34	43.6%
Eliminations and adjustments		(1,477)	(640)	(837)	-
Total		4,750	4,403	347	7.9%

Revenue in the 2nd Quarter of 2017 rose by €347 million due to:

- > the increase of €668 million in revenue from **Generation and Trading**, mainly associated with the increase in quantities sold and in sales prices. It should be noted that a good portion of this revenue was from division companies that sell electricity and so is also reflected in an analogous entry in eliminations;
- > the increase in revenue of €593 million from **End-user markets**, essentially due to the rise in average sale prices;
- > the decrease in revenue from **Renewables** activities largely due to the price adjustment of €30 million on the sale of ENEOP and to the decline in revenue as a result of lower quantities sold;
- > the decrease in revenue from **Infrastructure and Networks** operations, mostly as a result of lower connection fees, which was only partly offset by the effects of the acquisition of Eléctrica del Ebro in July 2016.

Gross operating margin

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Generation and Trading	134	252	(118)	-46.8%
Infrastructure and Networks	477	473	4	0.8%
Renewables	85	117	(32)	-27.4%
End-user markets	188	286	(98)	-34.3%
Services	18	2	16	-
Total	902	1,130	(228)	-20.2%

The **gross operating margin** amounted to €902 million, down €228 million (-20.2%) compared with the same period of 2016, as a result of:

- > a reduction of €118 million in the gross operating margin from **Generation and Trading**, largely reflecting higher environmental taxes on generation, particularly nuclear generation in the Catalonia region;
- > the decrease in the margin on **Renewables** activities, mainly attributable to the drought that caused a drop in volumes generated and to the €30 million price adjustment on the sale of ENEOP noted above;
- > a €98 million decline in the margin on **End-user markets**, essentially due to the increase in costs for the provisioning of electricity and gas as a result of the price trends of both in the Spanish market.

Operating income

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Generation and Trading	(24)	133	(157)	-
Infrastructure and Networks	321	273	48	17.6%
Renewables	52	21	31	-
End-user markets	147	258	(111)	-43.0%
Services	15	-	15	-
Total	511	685	(174)	-25.4%

Operating income in the 2nd Quarter of 2017 totaled €511 million, including €391 million in depreciation, amortization and impairment losses (€445 million in the 2nd Quarter of 2016), a decrease of €174 million compared with the same period of

2016. The decline in depreciation is primarily the result of extending the useful life of schedulable hydroelectric plants and wind and solar plants between the 2nd Half of 2016 and the 1st Half of 2017.

Performance in the 1st Half

Revenue

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	2,938	2,033	905	44.5%
Infrastructure and Networks	1,265	1,288	(23)	-1.8%
Renewables	290	401	(111)	-27.7%
End-user markets	7,941	6,654	1,287	19.3%
Services	222	133	89	66.9%
Eliminations and adjustments	(2,696)	(1,338)	(1,358)	-
Total	9,960	9,171	789	8.6%

Revenue in the 1st Half of 2017 rose by €789 million as a result of:

- > the increase of €905 million in revenue from **Generation and Trading**, mainly associated with a €1,330 million increase in revenue from the sale of electricity by the generation companies, including nuclear generation, owing to greater quantities sold in an environment of rising average prices, although trading activities partially reduced (€425 million) the increase due to prices. Much of this revenue was generated with division companies that sell electricity and so is also reflected in an analogous entry of the opposite sign under “eliminations and adjustments”;
- > an increase in revenue of €1,287 million from **End-user markets**, essentially due to the rise in average sale prices and quantities sold on both electricity and gas markets;
- > the €23 million decrease in revenue from **Infrastructure and Networks** operations, mostly reflecting the decline in connection fees, which was only partly offset by the effects of the acquisition of Eléctrica del Ebro in July 2016 and the consequent increase in volumes transported;
- > the decrease in revenue from **Renewables** activities largely due to the decline in quantities generated and the effect of the price adjustment of €30 million recognized in the 1st Half of 2016 on the sale of ENEOP in 2015.

Gross operating margin

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	226	376	(150)	-39.9%
Infrastructure and Networks	923	951	(28)	-2.9%
Renewables	136	241	(105)	-43.6%
End-user markets	277	419	(142)	-33.9%
Services	34	(14)	48	-
Total	1,596	1,973	(377)	-19.1%

The **gross operating margin** amounted to €1,596 million, a decrease of €377 million compared with the same period of 2016, due to:

- > a reduction of €150 million in the gross operating margin from **Generation and Trading**, largely reflecting an increase of €116 million in environmental taxes on generation, particularly in the Catalonia region, compared with the 1st Half of 2016;
- > a €28 million decrease in the margin on **Infrastructure and Networks** operations, due primarily to the reduction in connection fees described above;
- > the decrease in the margin on **Renewables** activities, mainly attributable to the drought that caused a drop in volumes generated and to the €30 million price adjustment on the sale of ENEOP noted above;
- > a decline of about €142 million in the margin on **End-user markets**, essentially due to the increase in costs for the provisioning of electricity and gas as a result of the price trends of both in the Spanish market.

Operating income

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	(89)	70	(159)	-
Infrastructure and Networks	597	566	31	5.5%
Renewables	58	110	(52)	-47.3%
End-user markets	198	366	(168)	-45.9%
Services	25	(18)	43	-
Total	789	1,094	(305)	-27.9%

Operating income in the 1st Half of 2017 totaled €789 million, including €807 million in depreciation, amortization and impairment losses (€879 million in the 1st Half of 2016), a decrease of €305 million compared with the same period of 2016. The decline in depreciation is primarily the result of extending the useful life of schedulable hydroelectric plants and wind and solar plants between the 2nd Half of 2016 and the 1st Half of 2017.

Capital expenditure

Millions of euro	1st Half			
	2017	2016 restated	Change	
Generation and Trading	74	121	(47)	-38.8%
Infrastructure and Networks	236	239	(3)	-1.3%
Renewables	15	25	(10)	-40.0%
End-user markets	19	20	(1)	-5.0%
Services	6	3	3	-
Total	350	408	(58)	-14.2%

Capital expenditure amounted to €350 million, down €58 million compared with the same period of 2016. In the 1st Half of 2017 capital expenditure mainly concerned work on the distribution network (€236 million), substations and transformers, as well as work on lines and the replacement of metering equipment. The €58 million decline compared with the same period of 2016 is attributable to Generation and Trading, mainly for reduced investment in the Litoral and Asco II nuclear power plants.

Latin America

Operations

Net electricity generation

2nd Quarter				Millions of kWh		1st Half			
2017	2016 restated	Change				2017	2016 restated	Change	
6,842	6,307	535	8.5%	Thermal		13,895	13,446	449	3.3%
6,977	8,449	(1,472)	17.4%	Hydroelectric		15,558	15,959	(401)	-2.5%
739	592	147	24.8%	Wind		1,397	1,049	348	33.2%
259	154	105	68.2%	Other sources		548	274	274	-
14,817	15,502	(685)	-4.4%	Total net generation		31,398	30,728	670	2.2%
3,624	3,310	314	9.5%	- of which Argentina		7,779	6,748	1,031	15.3%
1,282	1,406	(124)	-8.8%	- of which Brazil		2,942	2,684	258	9.6%
4,650	4,782	(132)	-2.8%	- of which Chile		9,747	9,729	18	0.2%
3,663	3,923	(260)	-6.6%	- of which Colombia		7,443	7,175	268	3.7%
1,556	2,035	(479)	23.5%	- of which Peru		3,409	4,301	(892)	-20.7%
42	46	(4)	-8.7%	- of which other countries		78	91	(13)	-14.3%

Net electricity generation in the 1st Half of 2017 totaled 31,398 million kWh, an increase of 670 million kWh over the same period of 2016 attributable mainly to an increase in thermal power generation which was particularly concentrated in Argentina following plant downtime for maintenance on the South Dock and Costanera plants in the 1st Half of 2016. Wind and solar power generation also increased due in part to the start of operations of new plants, particularly in Chile, but this increase was almost entirely offset by a reduction in hydroelectric generation as a result of adverse weather conditions in the area compared with the year-earlier period, especially in Peru, which in the 1st Half of 2017 suffered from a number of floods along the coast as a result of El Niño, which led to the shut-down of a number of plants.

In the 2nd Quarter of 2017, net electricity generation amounted to 14,817 million kWh, a decrease of 685 million kWh from the same period of 2016. This decrease was due to a significant reduction in hydroelectric generation, especially in Peru, following the flood damage that occurred at the end of March 2017.

Contribution to gross thermal generation

2nd Quarter						Millions of kWh	1st Half					
2017		2016 restated		Change			2017		2016 restated		Change	
294	4.0%	483	7.2%	(189)	-39.1%	Fuel oil	646	4.3%	1,007	7.2%	(361)	-35.8%
5,507	74.4%	4,174	62.4%	1,333	31.9%	Natural gas	11,431	76.7%	9,265	65.8%	2,166	23.4%
1,311	17.7%	611	9.1%	700	-	Coal	2,439	16.4%	2,061	14.6%	378	18.3%
287	3.9%	1,425	21.3%	(1,138)	-79.9%	Other fuels	396	2.6%	1,738	12.4%	(1,342)	-77.2%
7,399	100.0%	6,693	100.0%	706	10.5%	Total	14,912	100.0%	14,071	100.0%	841	6.0%

Gross thermal generation in the 1st Half of 2017 totaled 14,912 million kWh, an increase of 841 million kWh compared with the same period of the previous year. This increase was essentially due to the greater use of coal and, above all, natural gas in Argentina, Chile and Brazil. Developments in the 2nd Quarter of 2017 were similar.

Transport of electricity

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
22,914	19,839	3,075	15.5%	Electricity transported on Enel's distribution network	44,855	39,676	5,179	13.1%
4,455	4,850	(395)	-8.1%	- of which Argentina	9,090	9,551	(461)	-4.8%
8,991	5,730	3,261	56.9%	- of which Brazil	16,850	11,574	5,276	45.6%
4,073	4,012	61	1.5%	- of which Chile	8,074	7,875	199	2.5%
3,411	3,323	88	2.6%	- of which Colombia	6,783	6,744	39	0.6%
1,984	1,924	60	3.1%	- of which Peru	4,058	3,932	126	3.2%

(1) The figure for 2016 reflects a more accurate measurement of amounts transported.

Energy transported in the 1st Half of 2017 totaled 44,855 million kWh (22,914 million kWh in the 2nd Quarter of 2017) for an increase of 5,179 million kWh (up 3,075 million kWh for the 2nd Quarter of 2017), particularly in Brazil following the acquisition of CELG-D, which operates in the Goiás region (up 5,510 million kWh).

Electricity sales

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
1,584	1,487	97	6.5%	Free market	3,264	3,092	172	5.6%
16,449	14,510	1,939	13.4%	Regulated market	33,999	29,318	4,681	16.0%
18,033	15,997	2,036	12.7%	Total	37,263	32,410	4,853	15.0%
3,778	4,155	(377)	-9.1%	- of which Argentina	7,643	8,121	(478)	-5.9%
7,000	4,853	2,147	44.2%	- of which Brazil	14,987	10,135	4,852	47.9%
3,250	3,259	(9)	-0.3%	- of which Chile	6,577	6,569	8	0.1%
2,335	2,050	285	13.9%	- of which Colombia	4,629	4,126	503	12.2%
1,670	1,680	(10)	-0.6%	- of which Peru	3,427	3,459	(32)	-0.9%

Electricity sales in the 1st Half of 2017 totaled 37,263 million kWh (18,033 million kWh in the 2nd Quarter of 2017), an increase of 4,853 million kWh (up 2,036 million kWh in the 2nd Quarter of 2017). As mentioned above, this increase is mainly attributable to the acquisition of CELG-D (5,319 million kWh).

Performance

2nd Quarter				Millions of euro	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
3,266	2,592	674	26.0%	Revenue	6,513	5,105	1,408	27.6%
971	881	90	10.2%	Gross operating margin	2,058	1,730	328	19.0%
612	630	(18)	-2.9%	Operating income	1,387	1,247	140	11.2%
				Capital expenditure	1,381	1,265	116	9.2%

The following tables shows a breakdown of performance by country in the 2nd Quarter and 1st Half of 2017.

Performance in the 2nd Quarter

Revenue

Millions of euro		2nd Quarter			
		2017	2016 restated	Change	
Argentina		374	331	43	13.0%
Brazil		1,183	592	591	-
Chile		870	870	-	-
Colombia		527	495	32	6.5%
Peru		308	301	7	2.3%
Other countries		4	3	1	33.3%
Total		3,266	2,592	674	26.0%

Revenue in the 2nd Quarter of 2017 posted an increase of €674 million, primarily attributable to:

- > an increase of €43 million in revenue in Argentina due essentially to rate reform, the effects of which were only partially offset by the strengthening of the euro against the Argentine peso;
- > an increase of €591 million in revenue in Brazil due to the acquisition of CELG Distribuição SA, the revenue of which totaled €390 million in the 2nd Quarter of 2017, and to the strengthening of the Brazilian real against the euro;
- > an increase of €32 million in revenue in Colombia, particularly as a result of the strengthening of the Colombian peso against the euro.

Revenue in Peru was essentially stable for the two periods under review given that the negative effects of the March 2017 flood were more than offset by the positive trend in exchange rates.

Gross operating margin

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Argentina	77	98	(21)	-21.4%
Brazil	269	147	122	83.0%
Chile	227	258	(31)	-12.0%
Colombia	276	261	15	5.7%
Peru	120	116	4	3.4%
Other countries	2	1	1	-
Total	971	881	90	10.2%

The **gross operating margin** amounted to €971 million, an increase of €90 million (+10.2%) compared with the same period of 2016, reflecting:

- > a decrease of €21 million in gross operating margin in Argentina due mainly to the change in regulatory mechanism that characterized the two quarters under review and to the increase in provisioning costs;
- > a decrease of €31 million in gross operating margin in Chile following a reduction in margins on sales both in distribution and in generation due in part to increasing costs on fuel provisioning;
- > an increase of €122 million in the margin in Brazil, which reflects greater margins on sales by the Brazilian distribution companies, which was amplified by favorable exchange rate developments. Another factor was the change in the scope of consolidation with the acquisition of Celg Distribuição SA;
- > an increase of €15 million in the margin in Colombia, where the improved margins on distribution and favorable exchange rates were only partially offset by lower margins on power generation as a result of declining average sales prices.

The gross operating margin in Peru was essentially stable for the two periods under review, given that the negative effects of the March 2017 flood in terms of the reduction in the availability of generation capacity were more than offset by the positive trend in exchange rates.

Operating income

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Argentina	49	80	(31)	-38.8%
Brazil	113	54	59	-
Chile	141	187	(46)	-24.6%
Colombia	234	225	9	4.0%
Peru	73	84	(11)	-13.1%
Other countries	2	-	2	-
Total	612	630	(18)	-2.9%

Operating income for the 2nd Quarter of 2017 totaled €612 million, including €359 million in depreciation, amortization and impairment losses (€251 million in the 2nd Quarter of 2016), a decrease of €18 million from the same period of 2016. The increase in depreciation, amortization and impairment losses reflects the change in the scope of consolidation with the addition of CELG-D and the change in exchange rates.

Performance in the 1st Half

Revenue

Millions of euro	1st Half			
	2017	2016 restated	Change	
Argentina	739	595	144	24.2%
Brazil	2,178	1,112	1,066	95.9%
Chile	1,891	1,730	161	9.3%
Colombia	1,070	1,038	32	3.1%
Peru	629	625	4	0.6%
Other countries	6	5	1	20.0%
Total	6,513	5,105	1,408	27.6%

Revenue in the 1st Half of 2017 posted an increase of €1,408 million, primarily attributable to:

- > an increase of €144 million in revenue in Argentina due essentially to rate reform in the 2nd Half of 2016 and in early 2017 which increased average sales prices, the effects of which were only partially offset by the strengthening of the euro against the Argentine peso;
- > an increase of €1,066 million in revenue in Brazil due to the acquisition of CELG-D (€596 million) as well as to the significant strengthening of the Brazilian real against the euro (€252 million), an increase in the construction of plants served under concessions mechanisms and falling within the scope of application of IFRIC 12, and a number of regulatory changes that had a positive impact on rates;
- > an increase of €161 million in revenue in Chile due essentially to the gain recognized on the sale of Electrogas (€146 million) and to positive currency effects in the amount of €121 million. These factors were partially offset by a reduction in quantities generated and sold on the free market;
- > an increase of €32 million in revenue in Colombia due mainly to the weakening of the euro against the local currency (€97 million), the effects of which were partially offset by the decline in unit prices on the power exchange.

Finally, revenue in Peru was essentially stable for the two periods under review given that the negative effects of the March 2017 flood in terms of the reduction in the availability of generation capacity were more than offset by the positive trend in exchange rates.

Gross operating margin

Millions of euro	1st Half			
	2017	2016 restated	Change	
Argentina	143	156	(13)	-8.3%
Brazil	457	296	161	54.4%
Chile	665	532	133	25.0%
Colombia	547	496	51	10.3%
Peru	242	247	(5)	-2.0%
Other countries	4	3	1	33.3%
Total	2,058	1,730	328	19.0%

The **gross operating margin** amounted to €2,058 million, an increase of €328 million (+19.0%) compared with the same period of 2016, reflecting:

- > a decrease of €13 million in the gross operating margin in Argentina due mainly to the increase in electricity provisioning costs for CAMMESA and a number of fines resulting from the new rates system implemented during the period, which more than offset the aforementioned increase in revenue;
- > an increase of €133 million in gross operating margin in Chile, which mainly reflects the capital gain mentioned above;
- > an increase of €51 million in margins in Colombia due essentially to the weakening of the euro against the Colombian peso (€50 million);
- > an increase of €161 million in the margin in Brazil, which reflects greater margins on sales by the Brazilian distribution companies, which was further amplified by favorable developments in exchange rates (in the amount of €63 million). Another factor was the change in the scope of consolidation with the acquisition of CELG-D (€29 million).

Operating income

Millions of euro	1st Half			
	2017	2016 restated	Change	
Argentina	91	124	(33)	-26.6%
Brazil	176	121	55	45.5%
Chile	497	391	106	27.1%
Colombia	459	426	33	7.7%
Peru	161	184	(23)	-12.5%
Other countries	3	1	2	-
Total	1,387	1,247	140	11.2%

Operating income for the 1st Half of 2017 totaled €1,387 million, including €671 million in depreciation, amortization and impairment losses (€483 million in the 1st Half of 2016), an increase of €140 million over the same period of 2016. The increase in depreciation, amortization and impairment losses (totaling €188 million) was mainly due to the changes in exchange rates, the change in the scope of consolidation with the acquisition of CELG-D (€34 million) and an increase in net writedowns of trade receivables in Brazil and Argentina in the amount of €41 million.

Capital expenditure

Millions of euro	1st Half			
	2017	2016 restated	Change	
Argentina	81	97	(16)	-16.5%
Brazil	770	493	277	56.2%
Chile	207	481	(274)	-57.0%
Colombia	110	101	9	8.9%
Peru	213	91	122	-
Other countries	-	2	(2)	-
Total	1,381	1,265	116	9.2%

Capital expenditure came to €1,381 million, up €116 million over the same period of the previous year. In particular, the increase for the 1st Half of 2017 is attributable to work on the distribution network in Brazil following the acquisition of CELG-D (€100 million) and to capital expenditure in Peru in the amount of €121 million to construct wind and solar plants that will begin operations in late 2017 and early 2018.

Conversely, capital expenditure decreased in Chile in the area of renewable energy following the completion of activities related to production capacity that went online in 2016.

Europe and North Africa

Operations

Net electricity generation

2nd Quarter					1st Half			
Millions of kWh								
2017	2016 restated	Change			2017	2016 restated	Change	
8,212	9,482	(1,270)	-13.4%	Thermal	18,325	20,288	(1,963)	-9.7%
-	2,457	(2,457)	-	Nuclear	-	6,244	(6,244)	-
4	484	(480)	-	Hydroelectric	18	1,097	(1,079)	-98.4%
365	339	26	7.7%	Wind	901	864	37	4.3%
48	49	(1)	-2.0%	Other sources	75	76	(1)	-1.3%
8,629	12,811	(4,182)	-32.6%	Total net generation	19,319	28,569	(9,250)	-32.4%
8,212	9,037	(825)	-9.1%	- of which Russia	18,325	19,108	(783)	-4.1%
-	3,327	(3,327)	-	- of which Slovakia	-	8,146	(8,146)	-
-	53	(53)	-	- of which Belgium	-	352	(352)	-
417	394	23	5.8%	- of which other countries	994	963	31	3.2%

In the 1st Half of 2017, net electricity generation amounted to 19,319 million kWh, a decrease of 9,250 million kWh from the same period of 2016.

This change was mainly due to the change in the scope of consolidation with the sale of Slovenské elektrárne (in July 2016) and of Marcinelle Energie (in November 2016). Another factor was the decline in power generation in Russia due mainly to a decrease in production at the gas-fired plants (down 775 million kWh), the effects of which were only partially offset by the upward trend at the combined-cycle plants.

Contribution to gross thermal generation

2nd Quarter						1st Half					
Millions of kWh											
2017		2016 restated		Change		2017		2016 restated		Change	
4,197	48.3%	4,672	36.7%	(475)	-10.2%	9,845	50.8%	10,671	37.7%	(826)	-7.7%
4,487	51.7%	5,396	42.5%	(909)	-16.8%	9,521	49.2%	10,871	38.5%	(1,350)	-12.4%
-	-	2,661	20.9%	(2,661)	-	-	-	6,727	23.8%	(6,727)	(1)
8,684	100.0%	12,729	100.0%	(4,045)	-31.8%	Total	19,366	28,269	100.0%	(8,903)	-31.5%

Gross thermal generation for the 1st Half of 2017 posted a decrease of 8,903 million kWh to 19,366 million kWh. In addition to the aforementioned changes in the scope of consolidation, this decrease for the period reflects an increased use of combined-cycle plants in Russia at the expense of gas-fired plants (which were also affected in the 1st Half of 2016 by temporary downtime at the Nevinnomisskaya plant) and coal-fired plants.

Transport of electricity

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
3,598	3,498	100	2.9%	Electricity transported on Enel's distribution network	7,528	7,278	250	3.4%

Electricity transported, which was concentrated entirely in Romania, posted an increase of 250 million kWh (+3.4%), going from 7,278 million kWh to 7,528 million kWh during the 1st Half of 2017. This increase was mainly the result of new grid connections, which reflects the development of the country's power grid in both the residential and business segments.

Electricity sales

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
1,364	2,214	(850)	-38.4%	Free market	2,631	4,564	(1,933)	-42.4%
1,012	1,140	(128)	-11.2%	Regulated market	2,222	2,482	(260)	-10.5%
2,376	3,354	(978)	-29.2%	Total	4,853	7,046	(2,193)	-31.1%
2,376	1,744	632	36.2%	- of which Romania	4,853	3,756	1,097	29.2%
-	597	(597)	-	- of which France	-	1,241	(1,241)	-
-	1,013	(1,013)	-	- of which Slovakia	-	2,049	(2,049)	-

Electricity sales in the 1st Half of 2017 decreased by 2,193 million kWh, going from 7,046 million kWh to 4,853 million kWh. This decrease, which was partially offset by increased sales in Romania, reflects:

- > the change in the scope of consolidation following the sale of Slovenské elektrárne (in July 2016) and of Enel France (in December 2016);
- > increased sales of electricity in Romania, where, due to the effect for the gradual market liberalization, sales on the free market surpassed those on the regulated market.

The same performance was also seen in the 2nd Quarter of 2017.

Performance

2nd Quarter				Millions of euro	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
515	1,091	(576)	-52.8%	Revenue	1,157	2,304	(1,147)	-49.8%
133	183	(50)	-27.3%	Gross operating margin	277	421	(144)	-34.2%
81	70	11	15.7%	Operating income	172	239	(67)	-28.0%
Capital expenditure					153	88 ⁽¹⁾	65	73.9%

(1) Does not include €249 million regarding units classified as "held for sale".

The following tables shows a breakdown of performance by country in the 2nd Quarter and 1st Half of 2017.

Performance in the 2nd Quarter

Revenue

Millions of euro		2nd Quarter		
	2017	2016 restated	Change	
Romania	250	236	14	5.9%
Russia	243	212	31	14.6%
Slovakia	-	568	(568)	-
Other countries	22	75	(53)	-70.7%
Total	515	1,091	(576)	-52.8%

Revenue in the 2nd Quarter of 2017 totaled €515 million, down €576 million (-52.8%) compared with the same period of the previous year. The performance was related to the following factors:

- > the change in the scope of consolidation related to Slovenské elektrárne (€568 million), Marcinelle Energie (€19 million), and Enel France (€31 million);
- > the increase of €14 million in revenue in Romania related to the increase in volumes transported and sold, which more than offset the reduction in distribution rates;
- > the increase of €31 million in revenue in Russia related mainly to the strengthening of the ruble against the euro (€48 million) and the increase in unit prices, which more than offset the decrease in output.

Gross operating margin

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Romania	71	84	(13)	-15.5%
Russia	50	41	9	22.0%
Slovakia	-	48	(48)	-
Other countries	12	10	2	20.0%
Total	133	183	(50)	-27.3%

The **gross operating margin** amounted to €133 million, a decrease of €50 million compared with the 2nd Quarter of 2016.

This change was mainly due to:

- > the change in the scope of consolidation related to Slovenské elektrárne (€48 million);
- > the decrease of €13 million in the gross operating margin in Romania, which reflected the increase in costs for the provisioning of electricity;
- > the increase of €9 million in the gross operating margin in Russia due mainly to rising prices and to a number of efficiency measures (especially in terms of personnel expense), as well as to the positive currency effects noted above.

Operating income

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
Romania	38	52	(14)	-26.9%
Russia	36	28	8	28.6%
Slovakia	-	(15)	15	-
Other countries	7	5	2	40.0%
Total	81	70	11	15.7%

Operating income for the 2nd Quarter of 2017 totaled €81 million, up €11 million from the same period of 2016. This increase particularly reflects the deconsolidation of Slovenské elektrárne (in the 2nd Half of 2016 there was an operating loss of €15 million) and an €8 million increase in the margin posted in Russia. Conversely, operating income in Romania decreased due to the effects described above.

Performance in the 1st Half

Revenue

Millions of euro	1st Half			
	2017	2016 restated	Change	
Romania	554	513	41	8.0%
Russia	557	425	132	31.1%
Slovakia	-	1,172	(1,172)	-
Other countries	46	194	(148)	-76.3%
Total	1,157	2,304	(1,147)	-49.8%

Revenue in the 1st Half of 2017 totaled €1,157 million, down €1,147 million (-49.8%) compared with the same period of the previous year. The performance was related to the following factors:

- > the €1,172 million decrease in revenue in Slovakia due to deconsolidation following the sale at the end of July 2016;
- > the increase of €132 million in revenue in Russia related mainly to the strengthening of the ruble against the euro (€110 million) and the increase in unit prices, which more than offset the decrease in production;
- > the increase of €41 million in revenue in Romania related to the increase in volumes transported and sold, which more than offset the reduction in distribution rates;
- > a decrease in revenue in other countries following the deconsolidation of Marcinelle Energie and Enel France, the effects of which totaled €148 million.

Gross operating margin

Millions of euro	1st Half			
	2017	2016 restated	Change	
Romania	114	164	(50)	-30.5%
Russia	140	78	62	79.5%
Slovakia	-	157	(157)	-%
Other countries	23	22	1	4.5%
Total	277	421	(144)	-34.2%

The **gross operating margin** amounted to €277 million, a decrease of €144 million compared with the 1st Half of 2017. This performance was mainly due to:

- > the change in the scope of consolidation related to Slovenské elektrárne (€157 million);
- > the decrease of €50 million in the gross operating margin in Romania, which reflects the increase in costs for the provisioning of electricity;
- > an increase of €62 million in the gross operating margin in Russia due mainly to the strengthening of the ruble against the dollar, as well as to efficiency measures implemented and a decrease in margins caused by downtime at a number of plants in the 1st Half of 2016.

Operating income

Millions of euro	1st Half			
	2017	2016 restated	Change	
Romania	46	102	(56)	-54.9%
Russia	111	55	56	-
Slovakia	-	70	(70)	-
Other countries	15	12	3	25.0%
Total	172	239	(67)	-28.0%

Operating income for the 1st Half of 2017 totaled €172 million, a decrease of €67 million. More specifically, the increase of €56 million by Enel Russia was offset by a decrease of €56 million in operating income in Romania and a €70 million reduction due to the change in the scope of consolidation related to Slovenské elektrárne.

Capital expenditure

Millions of euro	1st Half			
	2017	2016 restated	Change	
Romania	52	49	3	6.1%
Russia	53	35	18	51.4%
Other countries	48	4	44	-
Total	153	88 ⁽¹⁾	65	73.9%

(1) Does not include €249 million regarding units classified as "held for sale".

Capital expenditure came to €153 million, up €65 million over the same period of the previous year. The change is due to:

- > an €18 million increase in Russia due mainly to extraordinary plant maintenance;
- > an increase of €44 million in other countries related to the Kafireas wind project in Greece (€31 million) and to expenditure at the geothermal plant in Germany (€13 million).

North and Central America

Operations

Net electricity generation

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
526	697	(171)	-24.5%	Hydroelectric	1,187	1,540	(353)	-22.9%
-	91	(91)	-	Geothermal	-	208	(208)	-
1,605	2,076	(471)	-22.7%	Wind	3,454	4,672	(1,218)	-26.1%
60	17	43	-	Other sources	75	32	43	-
2,191	2,881	(690)	-24.0%	Total net generation	4,716	6,452	(1,736)	-26.9%
1,293	2,165	(872)	-40.3%	- of which United States and Canada	2,611	4,756	(2,145)	-45.1%
416	318	98	30.8%	- of which Mexico	1,020	782	238	30.4%
280	320	(40)	-12.5%	- of which Panama	730	758	(28)	-3.7%
202	78	124	-	- of which other countries	355	156	199	127.6%

In the 1st Half of 2017, net electricity generation amounted to 4,716 million kWh, a decrease of 1,736 million kWh from the same period of 2016. This reduction is mainly attributable to the decrease in power generation in the United States and Canada (down 2,145 million kWh) due mainly to the deconsolidation (following loss of control) of the EGPNA REP plants effective as of November 30, 2016. This was only partially offset by an increase in wind power generated in Mexico (up 244 million kWh) following the start of operations at the Vientos del Altiplano and Palo Alto plants and the increase in quantities generated in Costa Rica and Guatemala.

Similar performance was posted in the 2nd Quarter of 2017.

Performance

2nd Quarter				Millions of euro	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
188	218	(30)	-13.8%	Revenue	365	462	(97)	-21.0%
105	147	(42)	-28.6%	Gross operating margin	218	327	(109)	-33.3%
61	80	(19)	-23.8%	Operating income	123	199	(76)	-38.2%
				Capital expenditure	813	748	65	8.7%

The tables below show the performance by geographic area in the 2nd Quarter and 1st Half of 2017.

Performance in the 2nd Quarter

Revenue

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
United States and Canada	94	152	(58)	-38.2%
Mexico	32	23	9	39.1%
Panama	43	34	9	26.5%
Other countries	19	9	10	-
Total	188	218	(30)	-13.8%

Revenue in the 2nd Quarter of 2017 totaled €188 million, down €30 million (-13.8%) compared with the same period of the previous year. The change is due to:

- > a reduction of €58 million in revenue in North America due to the deconsolidation of EGPNA REP (as from November 30, 2016) and a decrease in tax partnership revenue;
- > an increase of €9 million in revenue in Mexico due to an increase in the generation of wind power;
- > an increase of €9 million in revenue in Panama due to an increase in the sale of solar power.

Gross operating margin

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
United States and Canada	46	107	(61)	-57.0%
Mexico	22	16	6	37.5%
Panama	25	20	5	25.0%
Other countries	12	4	8	-
Total	105	147	(42)	-28.6%

The **gross operating margin** for the 2nd Quarter of 2017 totaled €105 million, declining by €42 million (-28.6%) from the same period in 2016. This decrease is mainly attributable to the 2nd Quarter performance of revenue.

Operating income

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
United States and Canada	23	55	(32)	-58.2%
Mexico	12	7	5	71.4%
Panama	22	17	5	29.4%
Other countries	4	1	3	-
Total	61	80	(19)	-23.8%

Operating income totaled €61 million, a decline of €19 million due to declining margins, which were only partially offset by a decrease of €23 million in depreciation, amortization and impairment losses.

Performance in the 1st Half

Revenue

Millions of euro	1st Half			
	2017	2016 restated	Change	
United States and Canada	179	322	(143)	-44.4%
Mexico	70	50	20	40.0%
Panama	81	69	12	17.4%
Other countries	35	21	14	66.7%
Total	365	462	(97)	-21.0%

Revenue in the 1st Half of 2017 totaled €365 million, down €97 million (-21.0%) compared with the same period of the previous year. The performance was related to the following factors:

- > a reduction of €143 million in revenue in the United States and Canada, €149 million of which was related to the deconsolidation of EGPNA REP (on November 30, 2016);
- > an increase of €20 million in revenue in Mexico due mainly to the volumes generated at the new Vientos del Altiplano and Palo Alto wind farms;
- > an increase of €12 million in revenue in Panama due essentially to currency effects and the change in unit prices;
- > an increase of €14 million in revenue in other countries, mainly in Costa Rica.

Gross operating margin

Millions of euro	1st Half			
	2017	2016 restated	Change	
United States and Canada	93	235	(142)	-60.4%
Mexico	49	36	13	36.1%
Panama	54	46	8	17.4%
Other countries	22	10	12	-
Total	218	327	(109)	-33.3%

The **gross operating margin** in the 1st Half of 2017 totaled €218 million, a decrease of €109 million (-33.3%) compared with the 1st Half of 2016. As mentioned above in relation to revenue, this decrease is mainly attributable to the decrease of €142 million in margins in the United States and Canada, which was only partially offset by increasing margins in the other nations.

Operating income

Millions of euro	1st Half			
	2017	2016 restated	Change	
United States and Canada	44	137	(93)	-67.9%
Mexico	25	17	8	47.1%
Panama	48	40	8	20.0%
Other countries	6	5	1	20.0%
Total	123	199	(76)	-38.2%

Operating income in the 1st Half of 2017 totaled €123 million, decreasing by €76 million due to the reduction in the gross operating margin, given that depreciation, amortization and impairment losses also decreased by €33 million, essentially as a result of the aforementioned deconsolidation of EGPNA REP.

Capital expenditure

Millions of euro	1st Half			
	2017	2016 restated	Change	
United States and Canada	595	600	(5)	-0.8%
Mexico	188	83	105	-
Panama	7	27	(20)	-74.1%
Other countries	23	38	(15)	-39.5%
Total	813	748	65	8.7%

Capital expenditure in the 1st Half of 2017 totaled €813 million, an increase of €65 million compared with the same period of the previous year due to an increase in expenditure for wind farms in Mexico.

Sub-Saharan Africa and Asia

Operations

Net electricity generation

2nd Quarter				Millions of kWh	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
252	117	135	-	Wind	395	161	234	-
129	4	125	-	Other sources	287	9	278	-
381	121	260	-	Total	682	170	512	-
272	4	268	-	- of which South Africa	518	9	509	-
109	117	(8)	-6.8%	- of which India	164	161	3	1.9%

Net electricity generation totaled 682 million kWh in the 1st Half of 2017 (381 million kWh in the 2nd Quarter of 2017), an increase of 512 million kWh over the same period of 2016 (260 million kWh in the 2nd Quarter of 2017). This increase is mainly attributable to the increase in wind output (up 234 million kWh) and solar output (up 278 million kWh) in South Africa following the start of operations at a number of for certain plants.

Performance

2nd Quarter				Millions of euro	1st Half			
2017	2016 restated	Change			2017	2016 restated	Change	
25	6	19	-	Revenue	46	9	37	-
16	3	13	-	Gross operating margin	28	1	27	-
5	1	4	-	Operating income	7	(2)	9	-
				Capital expenditure	21	201	(180)	-89.6%

The table below shows performance by geographic area in the 2nd Quarter and 1st Half of 2017.

Performance in the 2nd Quarter

Revenue

Millions of euro		2nd Quarter		
		2017	2016 restated	Change
South Africa		20	-	20
India		5	6	(1)
Total		25	6	19

Revenue in the 2nd Quarter of 2017 totaled €25 million, increasing €19 million from the same period of the previous year, having benefitted from wind and solar power generation at South African plants that entered service as from the 2nd Half of 2016 (Sublunary, Nojoli, Pulida, Adams 2, Electra, Gibson Bay and Tobivox).

Gross operating margin

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
South Africa	12	(1)	13	-
India	5	4	1	25.0%
Other countries	(1)	-	(1)	-
Total	16	3	13	-

The **gross operating margin** for the 2nd Quarter of 2017 totaled €16 million, an increase of €13 million compared with the same period of 2016 as a result of the factors described above in relation to revenue.

Operating income

Millions of euro	2nd Quarter			
	2017	2016 restated	Change	
South Africa	3	(1)	4	-
India	3	2	1	50.0%
Other countries	(1)	-	(1)	-
Total	5	1	4	-

Operating income totaled €5 million, an increase of €4 million taking account of a decrease of €9 million in depreciation, amortization and impairment losses.

Performance in the 1st Half

Revenue

Millions of euro	1st Half			
	2017	2016 restated	Change	
South Africa	38	1	37	-
India	8	8	-	-
Total	46	9	37	-

Revenue in the 1st Half of 2017 totaled €46 million, up €37 million compared with the same period of the previous year. This increase was due to the start of operations and increase in production for various South African plants.

Gross operating margin

Millions of euro	1st Half			
	2017	2016 restated	Change	
South Africa	24	(4)	28	-
India	5	5	-	-
Other countries	(1)	-	(1)	-
Total	28	1	27	-

The **gross operating margin** reached €28 million in the 1st Half of 2017 for an increase of €27 million over the same period of 2016. This change reflects the factors described above in relation to revenue.

Operating income

Millions of euro	1st Half			
	2017	2016 restated	Change	
South Africa	7	(4)	11	-
India	1	2	(1)	-50.0%
Other countries	(1)	-	(1)	-
Total	7	(2)	9	-

Operating income for the 1st Half of 2017 totaled €7 million, an increase of €9 million, taking account of an increase of €18 million in depreciation, amortization and impairment losses, due mainly to the start of operations of six plants in South Africa during 2016.

Capital expenditure

Millions of euro	1st Half			
	2017	2016 restated	Change	
South Africa	19	201	(182)	-90.5%
India	1	-	1	-
Other countries	1	-	1	-
Total	21	201	(180)	-89.6%

Capital expenditure in the 1st Half of 2017 totaled €21 million, a decrease of €180 million compared with the same period of the previous year. The figure mainly concerns photovoltaic plants in South Africa, whereas the new projects in India are still at the pre-execution stage.

Other, eliminations and adjustments

Performance

2nd Quarter		Millions of euro			1st Half		
2017	2016 restated	Change			2017	2016 restated	Change
54	234	(180)	-76.9%	Revenue (net of eliminations)	154	413	(259) -62.7%
(71)	(40)	(31)	-77.5%	Gross operating margin	(166)	(78)	(88) -
(74)	(98)	24	-24.5%	Operating income	(173)	(149)	(24) -16.1%
				Capital expenditure	7	17	(10) -58.8%

Performance in the 2nd Quarter

Revenue net of eliminations in the 2nd Quarter of 2017 totaled €54 million, a decrease of €180 million compared with the same period of the previous year (-76.9%) due to a number of transfers of activities as described below in relation to the 1st Half of the year.

The **gross operating margin** for the 2nd Quarter of 2017 came to a negative €71 million, a deterioration of €31 million from the same period of 2016. This was mainly attributable to a reduction in management fees on services provided to other divisions of the Group.

The **operating loss** of €74 million is an improvement of €24 million over the figure posted for the 2nd Quarter of 2016, with depreciation, amortization and impairment losses of €55 million, in line with the performance described below in relation to the half-year figures.

Performance in the 1st Half

Revenue net of eliminations in the 1st Half of 2017 came to €154 million, a decrease of €259 million (-62.7%) compared with the same period of 2016. The decrease is essentially attributable to the following factors:

- > a decrease in engineering revenue following the incorporation of Enel Ingegneria & Ricerca into Enel Produzione, with the transfer of the related flows to the Italy segment in the amount of €72 million;
- > a decrease of €90 million in revenue from IT services following the transfer of the Information Technology unit from Enel Iberoamérica to Endesa and the consequent inclusion of the figures in the Iberia segment;
- > a €50 million reduction in management fees on services provided to other divisions of the Group;
- > the capital gain of €19 million recognized in the 1st Half of 2016 on the disposal of Compostilla Re.

The **gross operating margin** for the 1st Half of 2017, a negative €166 million, deteriorated by €88 million due essentially to the reduction in revenue of the Parent Company and recognition of the capital gain on the sale of Compostilla Re.

The **operating loss** for the 1st Half of 2017 amounted to €173 million, an improvement of €24 million over the same period of the previous year and takes account of a decrease in depreciation, amortization and impairment losses in the amount of €64 million, due mainly to adjustments in the 1st Half of 2016 in the estimated realizable value of assets being developed in the

upstream gas segment in Algeria (Isarene permit) and to the transfer of Enel Iberoamérica software and hardware operations to Endesa.

Capital expenditure

Capital expenditure for the 1st Half of 2017 totaled €7 million, a decrease of €10 million compared with the 1st Half of 2016.

Significant events in the 1st Half of 2017

Renewables loan agreement in Brazil

On January 4, 2017, the Enel Group and the Brazilian Development Bank (“BNDES”), the main financing agency for development in Brazil, signed a 20-year term loan agreement worth around R\$373 million (about €109 million) that will cover part of the investment required to build the recently inaugurated 102 MW Apiacás hydropower facility, which is located in the state of Mato Grosso in Brazil's Central-West Region. Under the terms of the loan agreement, the first instalment of R\$293 million (about €85 million) was disbursed after the signing, whereas the second instalment of R\$80 million (about €24 million) will be disbursed in early 2017, subject to the fulfilment of conditions customary for this type of transaction. The loan bears an interest rate based on the TJLP (Taxa de Juros de Longo Prazo), the long-term interest rate reviewed quarterly by the Brazilian Central Bank. The TJLP currently stands at 7.5%, below the current interbank rate in Brazil of 13.63%. The TJLP is used as base rate for loans granted by BNDES to private companies whose projects are deemed eligible for federal funding.

Issue of first Green Bond

On January 9, 2017, Enel Finance International (“EFI”) successfully placed (with settlement of the issue on January 16) on the European market its first Green Bond for institutional investors, backed by a guarantee issued by Enel SpA. The issue totals €1,250 million and provides for repayment in a single instalment at maturity on September 16, 2024, as well as the payment of a fixed-rate coupon of 1%, payable annually in arrears in September, as from September 2017. The issue price was set at 99.001% and the effective yield to maturity is equal to 1.137%. The Green Bond is listed on the regulated markets of the Irish and Luxembourg Stock Exchanges. The transaction received subscriptions in an amount of about €3 billion, with considerable interest from Social Responsible Investors (“SRI”), enabling Enel to further diversify its investor base. The net proceeds raised in the issue – carried out under the medium-term note program of Enel and EFI (the Euro Medium Term Notes - EMTN program) – will be used to finance the Enel Group's eligible green projects identified and/or to be identified in accordance with the Green Bond Principles 2016 published by the International Capital Market Association (ICMA). More specifically, the categories of projects that qualify as eligible green projects include, for example, the development, construction and repowering of renewable power plants, the development of transmission and distribution networks, and the implementation of smart grids and smart meters in the geographic areas in which the Group operates.

The operation was led by a syndicate of banks comprising Banca IMI, BofA Merrill Lynch, Crédit Agricole CIB, Citi, Deutsche Bank, HSBC, J.P. Morgan, Mizuho Securities, Natixis, SMBC Nikko and UniCredit as joint-bookrunners.

Acquisition of Demand Energy

On January 11, 2017, Enel Green Power North America (“EGPNA”) acquired a 100% stake in Demand Energy Networks (“Demand Energy”), a US-based company specialized in intelligent software and energy storage systems. Enel will work with Demand Energy, which has established itself as a leader in the New York City storage market, delivering value to commercial and industrial customers, to expand deployment of the company's Distributed Energy Network Optimization System (DEN.OSTM), an intelligent software controls platform that enables real-time optimization of energy management and revolutionizes the way electricity is generated, stored and consumed.

Collaboration agreement with Saudi Electricity Company

On January 11, 2017, Enel SpA and Saudi Arabian utility Saudi Electricity Company ("SEC") signed a framework agreement for cooperation in the power distribution sector which will involve the two companies in working together to develop long-term strategic knowledge sharing regarding the latest network technologies. Under the agreement, which has a duration of three years but could be extended if both parties agree, Enel and SEC will enhance the exchange of information, best practices and experiences in the distribution sector. More specifically, the two companies will share best practices and benchmarks to take distribution networks' performance in areas like operation, efficiency and security to best-in-class levels, while also introducing a technology roadmap aimed at digitizing distribution grids and improving energy efficiency at customer premises. Enel and SEC will also jointly evaluate further areas of collaboration in the power distribution sector.

Agreement with Dubai Electricity and Water Authority

On January 14, 2017, Enel SpA and Dubai Electricity and Water Authority ("DEWA"), Dubai's public service infrastructure company, signed a memorandum of understanding (MoU) for cooperation in smart grids and network digitization. The MoU, which has a duration of three years and could be extended by mutual agreement, seeks to build partnership relations between Enel and DEWA to facilitate the achievement of common strategic objectives and the exchange of information, experience and studies in the areas outlined by the MoU, including the analysis of key performance indicators in smart grid management as well as network digitization and security. Enel and DEWA will cooperate in research activities in the areas covered by the MoU and will share Enel's experience in distribution automation, renewable energy integration, smart meters and smart cities, with special reference to the role played by Enel in Expo Milano 2015, as well as DEWA's efforts in the field of smart grids. The parties will also evaluate cooperation opportunities in network technologies for Expo 2020 Dubai, given Enel's experience in building a fully-electric smart city for Expo Milano 2015 and DEWA's contribution to the development of network infrastructure and related technologies for Expo 2020.

Agreement with Aton Storage

On February 7, 2017, Enel SpA and Aton Storage, one of the leading Italian companies in the development and manufacture of innovative storage systems, signed an agreement to collaborate on initiatives in renewable electricity storage services. The aim of the accord is to enrich and strengthen the range of products offered to end users with innovative, high performance solutions that contribute to energy efficiency. Storage solutions play a key role in the development of renewable energy and electric mobility, sectors in which Enel is a world leader.

The battery developed by Aton was included among the new technologies that Enel presented during the Formula and event held in Marrakech on November 12, 2016, and the Capital Markets Day in London on November 22, 2016.

Enel Green Power participates in construction of hospital in Uganda

On February 10, 2017, Enel Green Power participated in the project of Emergency and the architect Renzo Piano for the construction of a pediatric surgery hospital in Entebbe, Uganda, which will become the new center of pediatric excellence in Africa. The hospital will also be a training center for young doctors and nurses from Uganda and neighboring countries, making a significant contribution to improving health standards in the area.

Enel Green Power will provide 2,600 thin-film photovoltaic modules manufactured at the 3Sun factory in Catania, for a total of 289.24 kWp (kilowatt peak), giving the new facility energy autonomy and sustainability.

Acquisition of Brazilian distributor CELG-D finalized

On February 14, 2017, The Enel subsidiary Enel Brasil finalized the acquisition of about 94.8% of the share capital of Celg Distribuição (“CELG-D”), a power distribution company that operates in the Brazilian state of Goiás, for a total of R\$2.187 billion. The original agreement provided for the remaining shares of CELG to be offered to the company’s current and retired employees through a process that in May enabled the purchase of the shares not bought by those employees.

The acquisition of CELG-D expanded Enel’s presence in the Brazilian distribution sector, increasing Enel’s Brazilian customer base from 7 million to 10 million, making Enel Brasil the second largest power distributor in the country.

Enel invests in green start-ups in Hawaii

On February 28, 2017, Enel, acting through its US renewable energy subsidiary Enel Green Power North America (“EGP NA”) became a global partner and strategic advisor of Energy Excelsator, a leading American incubator for clean energy start-ups based in Hawaii.

By joining Energy Excelsator, a non-profit organization whose mission is to solve the challenges of world energy systems through innovation, Enel will access its portfolio of start-ups advise in the selection of projects to be supported by the incubator.

Hawaii, which has a high penetration of renewable energy sources, will enable Enel to expand its network of innovators to open energy up to new uses, new technologies and new people.

Power purchase agreement in Zambia

On April 4, 2017, Enel Green Power signed a 25-year power purchase agreement with Zambia’s state-owned utility ZESCO for the 34 MW Ngonye photovoltaic plant won in June following the first round tender of the Scaling Solar program, which was launched by state-owned investment holding company Industrial Development Corporation Limited (“IDC”). Ngonye is located in the Lusaka South Multi-Facility Economic Zone in southern Zambia, and the award of the capacity to Enel marked the Group’s entry into Zambia’s renewable energy market. Enel will be investing approximately \$40 million in the construction of the new photovoltaic plant, which is expected to generate around 70 GWh per year. Ngonye will be owned by a special purpose vehicle in which Enel Green Power will hold 80% and IDC will have a 20% minority stake.

Acquisition of a photovoltaic project in Australia

On April 10, 2017, Enel, acting through a joint venture between the subsidiary Enel Green Power and Dutch Infrastructure Fund (“DIF”), closed an agreement to acquire Bungala Solar One, the first 137.5 MW phase of the 275 MW Bungala Solar photovoltaic project, which is currently the largest ready-to-build solar PV project in Australia, from an Australian developer.

The acquisition of Bungala Solar Two, the second phase of the project, is expected to close in the 3rd Quarter of 2017. The Bungala Solar project is located near Port Augusta in South Australia. The joint venture’s total investment in the 275 MW project is around \$315 million, including project construction, with Enel contributing around \$157 million. The total investment will be financed through a mix of equity and project finance with a consortium of local and international banks. The project already holds a long-term power purchase agreement with Origin Energy, a major Australian utility. Construction at Bungala Solar One is expected to begin by mid-2017, followed by Bungala Solar Two, whose construction will start by the end of this year. The overall 275 MW project will be fully operational by the 3rd Quarter of 2018.

Acquisition of an additional stake in E-Distributie Muntenia and Enel Energie Muntenia

On April 10, 2017, Enel Investment Holding ("EIH") finalised the acquisition from SAPE (the Romanian state-owned holding company that owns state shareholdings) of around 13.6% of the share capital of E-Distributie Muntenia and Enel Energie Muntenia for a total of about €400 million. Following the transaction, EIH had increased its interest in the two companies to about 78% of their share capital, from the 64.4% held previously. The acquisition was a consequence of SAPE exercising a put option in November 2012. With the exercise of the put option, SAPE had asked for a price of about €520 million, an amount which was contested by EIH. After failing to reach an agreement on the price for the equity interests, in 2014 SAPE began an arbitration proceeding before the International Chamber of Commerce in Paris, in which it lodged a claim for the above price and about €60 million in interest. In its ruling of February 3, 2017, the Arbitral Tribunal set the purchase price for the equity interests involved in the put option at about €400 million, reducing the amount requested by SAPE by more than €100 million and dismissing the claim for interest.

Board approves bond issue

On April 12, 2017, the Board of Directors of Enel authorized the issue by December 31, 2018 of one or more bonds to be placed with institutional investors up to a maximum value of €7 billion as part of the strategy to refinance the Group's maturing consolidated debt. The issues may be carried out by the Dutch subsidiary Enel Finance International (backed by a parent company guarantee) or directly by Enel depending on the existing market opportunities. The Board also charged the Chief Executive Officer with establishing the amounts, currencies, timing and characteristics of the individual issues, taking account of developments in market conditions, with the power to apply for a listing of the issues on one or more regulated markets in the European Union or on multilateral trading facilities. With a view to increasing diversification, the issues may be offered to institutional investors within or outside the European Union, including through private placements.

Acquisition of Tynemouth Energy Storage

On May 16, 2017, Enel purchased the Tynemouth stand-alone battery energy storage system project located in Newcastle in the United Kingdom by acquiring 100% of Tynemouth Energy Storage Limited from the European energy project developer and operator Element Power. The ready-to-build project will use lithium-ion batteries with a capacity of 25 MW (12.5 MWh) and is expected to be completed in early 2018. Enel's overall investment in the project, including construction, is expected to total about €20 million.

Tynemouth is supported by a four-year Enhanced Frequency Response (EFR) contract with National Grid awarded to the project in last year's EFR tender to provide grid balancing services. After four years, the project will participate in ancillary services and capacity market tenders.

Award of wind capacity in Spain

On May 17, 2017, Enel Green Power España ("EGPE") was awarded 540 MW of wind power capacity in a tender for 3,000 MW of renewable energy launched by the Spanish Government to help the country achieve its target of supplying 20% of energy consumption from renewables by 2020. The Enel Group will invest about €600 million in the construction of the wind capacity, which is part of the investment envisaged in its current Strategic Plan. The plants, which are expected to enter service by 2019, will sell their power in the Spanish wholesale market, while the Spanish Government will provide incentives, in terms of yearly capacity payments, to guarantee a constant return over the 25-year lifetimes of

the plants. The wind farms will be located in the regions of Aragona, Andalusia, Castile and León, and Galicia, areas which enjoy high levels of wind resources. Once up and running, the wind facilities will generate about 1,750 GWh per year,

Enel Finance International issues \$5 billion bond

As part of the refinancing program approved by the Board in April, on May 23, 2017, Enel Finance International, an Enel Group finance subsidiary, launched a multi-tranche bond issue offered on the US and international markets for institutional investors for a total of \$5 billion, the equivalent of about €4.5 billion. The issue was oversubscribed around 3.5 times, attracting orders exceeding \$17 billion.

Tax partnership agreement for Rock Creek wind farm

On May 29, 2017, Enel Green Power North America (“EGPNA”), the Enel Group renewable energy company operating in the United States signed a tax equity agreement worth about \$365 million with Bank of America Merrill Lynch and J.P. Morgan for the 300 MW Rock Creek wind farm located in Missouri. Under the agreement, the investors will contribute the agreed amount to the wind farm’s owner in exchange for 100% of the “Class B” equity interest in the project. This interest will allow the two investors to obtain, under certain conditions set by US tax laws, a percentage of the tax benefits that will be attributed to the Rock Creek wind project. In turn, EGPNA, through Rock Creek Holding, will retain 100% ownership of the “Class A” interests and therefore management control of the project. The agreement secures the funding commitment by the two investors, and the closing of the funding is expected to occur upon completion of construction and start of commercial operation of the farm. The tax equity accord will be supported by a parent company guarantee from Enel SpA.

Memorandum of understanding with Rosseti for the development of smart grids

On June 1, 2017, Enel and Rosseti, the national operator of power grids in Russia, signed a memorandum of understanding for cooperation in innovative smart grid solutions. The two-year agreement seeks to build a partnership between Enel and Rosseti by promoting the exchange of information and the sharing of best practices and technological solutions in the areas of work outlined in the memorandum such as smart metering and grid digitisation. Enel and Rosseti will exchange know-how in the construction, modernisation, and maintenance of grid infrastructure to improve and enhance its efficiency, reliability and safety, including the possible implementation of a joint pilot project for the creation of a smart cluster using Enel’s cutting-edge smart grid platform.

Acquisition of Amec Foster Wheeler Power

On June 5, 2017, Enel Green Power has completed the acquisition of 100% of Amec Foster Wheeler Power from Amec Foster Wheeler Italiana, owner of two wind farms in Campania with a total installed capacity of 54.5 MW. The two plants, in operation since 2006 and 2008, are located in the municipalities of Vallesaccarda (22.5 MW) and Scampitella (32 MW), in the province of Avellino, and generate about 90 GWh per year.

With the transaction, Enel Green Power and Amec Foster Wheeler Italiana closed a preliminary sale agreement signed in December 2016. Enel Green Power paid about €21 million.

Award of wind capacity in Russia

On June 14, 2017, Enel Russia was awarded two wind projects with a total capacity of 291 MW within the framework of the 2017 Russian government tender for the construction of 1.9 GW of wind capacity in the country. The two projects will be developed and built by Enel Green Power with an overall investment of about €405 million. The two plants will sell their energy in the Russian wholesale market and will be supported by capacity payment agreements with the Russian government. The Azov wind farm, which is expected to enter service by 2020, is located in the Rostov region, in southern Russia, and will have an installed capacity of 90 MW, generating around 300 GWh. The Murmansk wind farm, located in the northwestern Russian region of the same name, is expected to enter service by 2021 and will boast an installed capacity of 201 MW, generating around 730 GWh per year.

Merger of Enel South America into Enel

On June 16, 2017, plan for the merger of Enel South America into Enel was filed with the Company Register of Rome. The transaction is part of the Group's corporate structure simplification process, one of the main pillars of Enel's 2017-2019 Strategic Plan. In particular, the transaction will enable Enel to benefit from the direct management of the equity stakes in the two Latin-American sub-holdings Enel Américas and Enel Chile, thereby shortening the corporate chain of control.

As the merger is subject to a simplified procedure with no share swap, Enel will not increase its share capital nor assign shares to replace the equity interest held in Enel South America.

Agreement to acquire EnerNOC

On June 22, 2017, the Enel Group, acting through Enel Green Power North America, signed an agreement to purchase 100% of EnerNOC for a total of about \$250 million. EnerNOC is a US-based leading provider of smart energy management services. The acquisition of EnerNOC, which is expected to close in the 3rd Quarter of 2017, will make the Enel Group a global leader in demand-response services while bringing EnerNOC's energy management services to Enel's commercial and industrial customers, reflecting the strategic focus on technologies and services for customers. Through the acquisition, Enel will gain more than 8,000 customers, 14,000 sites under management and a total of 6 GW of demand-response capacity.

Implementation of the smart meter

One of the most important challenges facing Enel is the implementation of the new-generation meter in the countries where the Group is present with distribution companies. On June 26, 2017, Enel kicked off Open Meter in Italy, the plan to replace 32 million first-generation meters installed beginning in 2001. In Spain, more than 11 million devices will have been installed by the end of 2017. In Romania, 290,000 will be installed on the three Enel networks by the end of the year. The new smart meter offers considerable benefits to customers and distributors alike, representing the first essential step towards a smart digital grid.

One of the largest challenges facing this innovative tool is the regulatory framework in the various countries, which will require ongoing dialogue to overcome.

Reference scenario

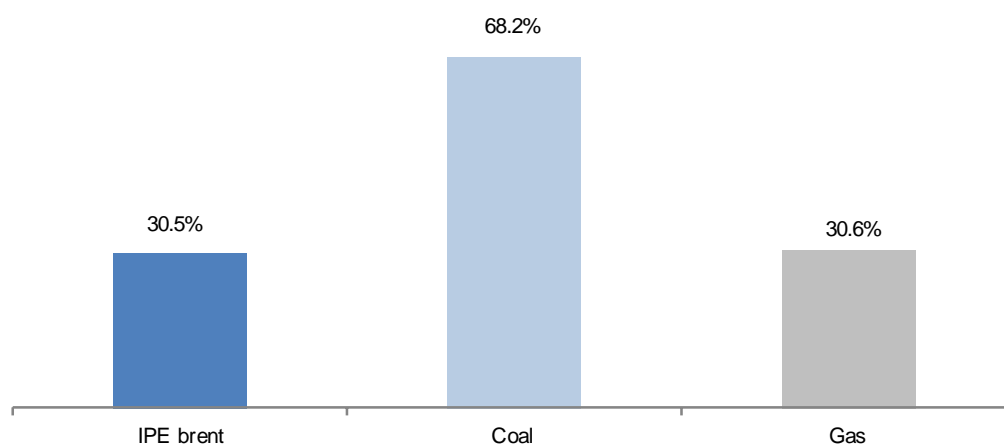
Developments in the main market indicators

Market indicators	1st Half	
	2017	2016
Average IPE Brent oil price (\$/bbl)	51.8	39.7
Average price of coal (\$/t CIF ARA) ⁽¹⁾	78.9	46.9
Average price of gas (€/MWh) ⁽²⁾	17.0	13.0
Average price of CO ₂ (€/ton)	4.9	5.7
Average dollar/euro exchange rate	1,08	1.12
Six-month Euribor (average for the period)	-0.247%	-0.007%

(1) API#2 index.

(2) TTF index.

Change in average fuel prices in the 1st Half of 2017 compared with the 1st Half of 2016



Consumer price indices (CPI)

	1st Half		
	2017	2016	Change
Italy	1.49	-0.27	1.76
Spain	2.43	-0.80	3.23
Russia	4.32	7.80	-3.48
Slovakia	0.91	-0.61	1.52
Argentina	28.11	33.04	-4.93
Brazil	4.31	9.65	-5.34
Chile	2.62	4.43	-1.81
Colombia	4.71	7.94	-3.23
Peru	3.33	4.03	-0.70

Exchange rates

	1st Half		
	2017	2016	Change
Euro/US dollar	1.08	1.12	-3.1%
Euro/British pound	0.86	0.78	9.4%
Euro/Swiss franc	1.08	1.10	-1.4%
US dollar/Japanese yen	112.36	111.59	0.7%
US dollar/Canadian dollar	1.33	1.33	0.3%
US dollar/Australian dollar	1.33	1.36	-2.8%
US dollar/Russian ruble	57.97	70.16	-21.0%
US dollar/Argentine peso	15.71	14.35	8.6%
US dollar/Brazilian real	3.18	3.70	-16.2%
US dollar/Chilean peso	659.99	689.03	-4.4%
US dollar/Colombian peso	2,923.62	3,120.85	-6.7%
US dollar/Peruvian nuevo sol	2,923.62	3,122.41	-6.8%
US dollar/Mexican peso	19.43	18.07	7.0%
US dollar/Turkish lira	3.64	2.92	19.7%
US dollar/Indian rupee	65.70	67.21	-2.3%
US dollar/South African rand	13.21	15.41	-16.6%

Economic and energy conditions in the 1st Half of 2017

Economic developments

The first six months of 2016 were characterized by signs of recovery on a global scale, although the growth cycle is slowed by structural factors such as productivity, and the sustainability of budgets called upon to finance investments, for which government policy will be decisive factor. The period was the scene of intense central bank activity, which played a leading role in the economy, confirming the divergence between the Fed, which continued its cycle of quarterly rate increases, and the European Central Bank ("ECB"), which maintained its support for the European economy recovery, as did the central banks of the main South American economies, which are seeking to stimulate the economy, while the Mexican central bank undertook a series of rate increases to control inflationary pressures. Considerable volatility also affected the overall macroeconomic environment, reflecting political events such as the elections in France, the Netherlands and the United Kingdom, the impact of a potential revision of US trade policy by the Trump administration and the scandal rocking the Brazilian political class.

The economic expansion is strengthening in Europe, as borne out by the data for the 1st Quarter, which showed euro-area GDP growing by 0.6% on the previous quarter. The labor market also posted gains, buoying consumption, while investment – and industry in general – continued to reap the benefits of favorable lending conditions. The ECB continued to adopt an accommodative stance in the belief that it was still necessary to ensure that inflation converges towards the target of 2%. Inflation levels have been affected by a degree of variability in recent months, peaking in April at 1.9%, compared with an average of around 1.5%. This reflected oil prices and increases prompted by the Easter holidays: against this background, in addition to holding firm on official interest rates, the ECB also elected to continue its asset purchases under the quantitative easing program at a pace of €60 billion a month until December.

In Italy, growth continues at a moderate pace: in the 1st Quarter GDP expanded by 1.2% thanks to the contribution of services, which offset a slight contraction in manufacturing and other industrial activity at the start of the year. The improvement in global economic conditions also boosted exports. The labor market also showed signs of improvement in employment conditions, with the unemployment rate, while remaining high, declining from its level at the end of 2016 to close to 11%. Prices in the 1st Half rose more rapidly than in 2016, with inflation registering a peak in April (+1.9%) before turning down as a result of the moderation in the prices of energy and food products, with the average rate for the first six months estimated at just under 1.5%. Credit to the private sector has been buoyed by good lending conditions, while developments in lending to firms and credit policies differ from sector to sector and by firm size. The Italian banking system has addressed the shaky condition of a number of banks, increasing the confidence of foreign investors and reducing the systemic risk of the banking industry.

The Spanish economy has benefited from the growth in exports and the improvement in the labor market, although the increase in inflation in the 1st Half, which averaged 2.4%, has affected private consumption.

In the political realm, while the elections in the Netherlands and especially in France had a positive impact on stability, which had been threatened by the emergence of strong nationalist movements, in the United Kingdom the result of the election increased uncertainty. On March 29, 2017 the British Prime Minister Theresa May officially invoked Article 50, but in the general election the Conservatives lost ground, increasing the uncertainty surrounding the process of leaving the European Union, which could have an impact on investment and the financial market.

In the United States, the period began with weaker-than-expected growth in the 1st Quarter, at 2%. Nevertheless, the indicators of growth in industry and manufacturing offered positive signs, with industrial production in May increasing by 2.6%, accompanied by growth in consumption and a stable recovery in the real estate market. In this environment, the Fed decided to continue its round of interest rate increases: following the rise in December 2016, it raised its target rate by 25 basis points in March and June, bringing its key rate to 1.25%, despite the fact that recent inflation data (which declined to 1.7% in May) had triggered doubts about the central bank's willingness to stick to its policy stance. The Fed

attributed the decline in inflation to non-structural events connected with the prices of food products and technology services, which are expected to abate in the medium term, but continued to see all of the factors for solid economic growth.

The economic situation in Russia was also positive, continuing the improvement registered at the end of 2016. Growth in the 1st Quarter of 2017 came to +0.5% compared with the same period of the previous year, driven primarily by exports and investments, while domestic demand remained weak. The steep decline in inflation in the 1st Half, to 4.1% in April and May, in line with the central bank's target, created flexibility for a monetary stimulus to support the economic recovery. The ruble also appreciated in 2017, rising to its highest level since 2015.

In Latin America, macroeconomic conditions varied. In Argentina, the economy began to grow again in the 1st Quarter at a faster-than-expected pace (+0.3% compared with the previous year), driven by exports and developments in domestic consumption. Indicators also suggest that the positive performance continued in the 2nd Quarter, thanks to the industrial sector and agriculture, while consumption was affected by persistently high inflation, although the latter did decline during the entire 1st Half of the year, falling from more than 35% to near 25%. The Brazilian economy also showed signs of recovery, with GDP contracting by just 0.4%, a sharp improvement on the average of -3.6% for 2016. Inflation fell to 4%, enabling the central bank to lower rates in support of growth. Nevertheless, the imminent recovery after two years of recession is threatened by the corruption scandal that has embroiled Brazil's political leadership since April, undermining the economic outlook, with the current uncertainty potentially affecting investment, delaying essential reforms in key areas, such as pensions, and shaking the currency. The situation in Chile was different in the 1st Quarter, with a sharp slowdown in economic activity, which expanded by only 0.3% as a result of the adverse impact of the poor performance of the mineral sector, which was hit by 43 days of strikes at the Escondida mine, and of the high level of unemployment, which weighs on private consumption. Preliminary figures for the 2nd Quarter point to a slight rebound thanks to the recovery in the mineral sector, which in April expanded by 15% compared with March, but overall conditions suggest that performance in the 2nd Quarter was also weak, prompting the central bank to cut rates by a further 25 basis points in May to 2.5%. In Peru, the effects of the "coastal El Niño" slowed the economy in the 1st Quarter, with flooding impacting both the industrial and energy sectors, causing inflation to jump from 3.2% in February to 4% in March. Official data for the 1st Quarter show GDP growing by 2.1%, a substantial deceleration compared with 2016. Although the impact of the flooding should subside in the coming months, the recent scandal involving the Government and the country's main construction companies could have an adverse impact on investment. Colombia also has experienced a slowdown in growth in 2017: in the 1st Quarter the economy expanded by just 1.1%, reflecting the contraction in the oil and minerals industries. Monetary policy was torn between the need to stimulate growth, the reason for which interest rates were cut by 100 basis points in the 1st Half, and the desire to keep inflation within the target range (2%-4%) despite continuing inflationary pressures, partly related to the increase in regulated prices.

By contrast, Mexico displayed considerable resilience in the wake of the shocks to the financial sector, and the price level, resulting from the challenges of managing trade relations with the United States engendered by the policies of the new Trump administration. In the 1st Quarter, the economy expanded by 2.8% over the same period of 2016, the fastest pace since the 3rd Quarter of 2015, buoyed by consumption and a sound labor market, as well as growth of 6.5% in the primary sector. Monetary policy played a central role in the first six months of the year, adopting a highly restrictive stance, in contrast to the rest of Latin America, in order to contain prices pressures. Inflation reached a peak of 6.2% in May but at the moment has not dragged on the performance of domestic consumption.

International commodity prices

Following the sharp recovery at the end of 2016 in conjunction with the decision of OPEC, together with a number of non-OPEC countries, to cut output by a total of 1.8 million barrels a day in the first six months of 2017, extended in May for another nine months, Brent prices were unsteady, fluctuating by 13 dollars a barrel between a high of \$56 in February and a low of \$43 in recent days.

The average price for the first six months of 2017 was about \$52, about 33% higher than in the same period of 2016.

As regards coal, after the peak of around \$95 a metric ton registered in the final part of 2016, the 1st Half of 2017 was characterized by volatility that saw prices gradually decline to about \$80 a ton following the Chinese government's measures to stem the rise in domestic production. In the Atlantic basin, demand recovered slightly, reflecting the poorer performance of renewables, hydro in particular, and extraordinary maintenance on nuclear plants in France.

Following the sharp rise in gas prices in the last part of the year as a result of the substantial and unexpected reduction in the contribution of French nuclear power plants, which was translated into an increase in demand for gas and coal for use in conventional thermal generation, in the early months of 2017 a wave of cold weather sweeping through much of Europe and the continuing problems with French nuclear plants drove natural gas prices higher.

In subsequent months, the return to more normal weather conditions and the easing of the problems with French nuclear output caused prices to decline, although they did spike upwards on a number of occasions in April.

Electricity and natural gas markets

Developments in electricity demand

2nd Quarter			GWh	1st Half		
2017	2016	Change		2017	2016	Change
75,539	73,906	2.2%	Italy	154,505	152,395	1.4%
60,676	59,884	1.3%	Spain	149,588	148,368	0.8%
183,547	175,043	4.9%	Russia	399,902	385,941	3.6%
7,161	7,151	0.1%	Slovakia	15,454	15,082	2.5%
32,873	34,501	-4.7%	Argentina	68,682	70,118	-2.0%
138,376	140,484	-1.5%	Brazil	288,985	285,835	1.1%
18,109	18,267	-0.9%	Chile	36,216	36,780	-1.5%
16,455	16,336	0.7%	Colombia	32,670	32,942	-0.8%
11,869	11,872	-	Peru	23,974	23,959	0.1%

Source: national TSOs.

In the 1st Half of 2017, electricity demand in Italy rose by 1.4% on the same period of 2016, while in Spain it rose by 0.8% compared with the year-earlier period.

In Eastern Europe, demand growth was very strong in both Russia (+3.6%) and Slovakia (+2.5%), consistent with the growth in GDP in these countries in the 1st Half of 2017.

In Latin America, demand in Brazil expanded by 1.1%, in line with the modest recovery in GDP and the increase in residential consumption in the 1st Half of 2017. By contrast, demand in Peru rose by just 0.1%, reflecting weather conditions that impacted the industrial and manufacturing sectors. In Argentina, demand contracted by 2%, responding in part to an increase in regulated prices. Chile and Colombia saw demand contract by 1.5% and 0.8%, respectively, in line with developments in GDP in the 1st Half of 2017, which saw growth weaken compared with the same period of 2016.

Electricity prices

	Average baseload price H1 2017 (€/MWh)	Change in average baseload price H1 2017 - H1 2016	Average peakload price H1 2017 (€/MWh)	Change in average peakload price H1 2017 - H1 2016
Italy	51.2	38.2%	57.4	40.4%
Spain	51.2	70.2%	56.1	56.5%
Russia	17.4	24.9%	20.2	23.2%
Slovakia	40.0	45.4%	52.6	49.3%
Brazil	56.4	170.8%	133.3	335.1%
Chile	61.4	7.0%	126.9	1.2%
Colombia	30.1	-75.3%	60.4	-75.0%

Natural gas demand

2nd Quarter				Millions of m ³		1st Half		
2017	2016	Change				2017	2016	Change
12,658	11,424	1,234	10.8%	Italy		36,792	33,740	3,052
6,242	5,999	243	4.1%	Spain		14,542	13,657	885

Gas demand in the 1st Half of 2017 increased by 2.9%, mainly due to a rise demand for thermal generation and distribution plants.

Consumption increased in both Italy and Spain compared with the same period of 2016, reflecting the cold snap in January.

Italy

Domestic electricity generation and demand

2nd Quarter			Millions of kWh			1st Half			
2017	2016	Change				2017	2016	Change	
Net electricity generation:									
43,820	38,117	5,703	15.0%	- thermal		95,349	85,046	10,303	12.1%
11,218	13,603	(2,385)	-17.5%	- hydroelectric		18,753	21,509	(2,756)	-12.8%
3,257	4,426	(1,169)	-26.4%	- wind		8,568	10,291	(1,723)	-16.7%
1,469	1,464	5	0.3%	- geothermal		2,928	2,952	(24)	-0.8%
8,461	7,304	1,157	15.8%	- photovoltaic		13,053	11,281	1,772	15.7%
68,225	64,914	3,311	5.1%	Total net electricity generation		138,651	131,079	7,572	5.8%
8,113	9,626	(1,513)	-15.7%	Net electricity imports		17,319	22,556	(5,237)	-23.2%
76,338	74,540	1,798	2.4%	Electricity delivered to the network		155,970	153,635	2,335	1.5%
(799)	(634)	(165)	-26.0%	Consumption for pumping		(1,465)	(1,240)	(225)	-18.1%
75,539	73,906	1,633	2.2%	Electricity demand		154,505	152,395	2,110	1.4%

Data estimated by Enel.

Electricity demand in Italy in the 1st Half of 2017 increased by 1.4% on the same period of 2016, to 154.5 TWh (75.5 TWh in the 2nd Quarter of 2017). Of total electricity demand, 88.8% was met by net domestic electricity generation for consumption (85.2% in the 1st Half of 2016) with the remaining 11.2% being met by net electricity imports (14.8% in the 1st Half of 2016).

Net electricity imports in the 1st Half of 2017 decreased by 5.2 TWh on the 1st Half of 2016. Developments in the 2nd Quarter of 2017 were similar, although the decline was less pronounced (-1.5 TWh).

Net electricity generation in the 1st Half of 2017 rose by 5.8% (7.6 TWh), to 138.7 TWh (68.2 TWh in the 2nd Quarter of 2017). More specifically, the increase in thermal generation (+10.3 TWh) was only partly offset by a decline in hydroelectric generation (-2.8 TWh) and in wind generation (-1.7 TWh). A similar pattern was recorded in the 2nd Quarter of 2017.

Domestic natural gas demand

2nd Quarter				Millions of m ³	1st Half			
2017	2016	Change			2017	2016	Change	
3,971	3,857	114	3.0%	Residential and civil	17,542	16,914	628	3.7%
3,270	3,106	164	5.3%	Industry and services	6,849	6,441	408	6.3%
5,178	4,206	972	23.1%	Thermal generation	11,612	9,619	1,993	20.7%
239	255	(16)	-6.3%	Other ⁽¹⁾	789	766	23	3.0%
12,658	11,424	1,234	10.8%	Total	36,792	33,740	3,052	9.0%

1) Includes other consumption and losses.

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

The demand for natural gas in Italy in the 1st Half of 2017 amounted to 36,792 million cubic meters, an increase of 9.0% on the same period of 2016. The rise reflected a sharp increase in demand for thermal generation, which expanded by 20.7% compared with the first six months of 2016.

Spain

Electricity generation and demand in the peninsular market

2nd Quarter				Millions of kWh	1st Half			
2017	2016	Change			2017	2016	Change	
58,262	59,753	(1,491)	-2.5%	Net electricity generation	122,529	124,060	(1,531)	-1.2%
(740)	(1,269)	529	41.7%	Consumption for pumping	(2,069)	(3,473)	1,404	40.4%
3,361	1,421	1,940	-	Net electricity exports ⁽¹⁾	4,588	3,113	1,475	47.4%
60,883	59,905	978	1.6%	Electricity demand	125,048	123,700	1,348	1.1%

(1) Includes the balance of trade with the extra-peninsular system.

Source: Red Eléctrica de España (*Estadística diaria* – June 2017 report and *Estadística diaria* – June 2016 for peninsular system). The volumes reported for the 1st Half of 2017 are updated to July 3, 2017.

Electricity demand in the peninsular market in the 1st Half of 2017 was in line with the same period of 2016 (+1.6% in the 2nd Quarter of 2017), standing at 125.0 TWh (60.9 TWh in the 2nd Quarter of 2017). Demand was entirely met by net domestic electricity generation for consumption.

Net electricity exports in the 1st Half of 2017 decreased from their level in the same period of 2016, reflecting the greater imports needed to meet domestic demand. A similar pattern was registered in the 2nd Quarter of 2017.

Net electricity generation in the 1st Half of 2017 totaled 122.5 TWh (58.3 TWh in the 2nd Quarter of 2017), a decrease of 1.2% (-1.5 TWh). Similar developments were recorded in the 2nd Quarter of 2017, with net output falling by 2.5%.

Electricity generation and demand in the extra-peninsular market

2nd Quarter				Millions of kWh	1st Half			
2017	2016	Change			2017	2016	Change	
3,509	3,307	202	6.1%	Net electricity generation	6,807	6,510	297	4.6%
246	317	(71)	-22.4%	Net electricity imports	486	609	(123)	-20.2%
3,755	3,624	131	3.6%	Electricity demand	7,293	7,119	174	2.4%

Source: Red Eléctrica de España (*Estadística diaria* – June 2017 report and *Estadística diaria* – June 2016 for extrapeninsular system). The volumes reported for the 1st Half of 2017 are updated to July 3, 2017.

Electricity demand in the extra-peninsular market in the 1st Half of 2017 rose by 2.4% compared with the 1st Half of 2016, to 7.3 TWh (3.8 TWh, +3.6% in the 2nd Quarter of 2017). Of total demand, 93.3% was met by net generation in the extra-peninsular market, with net imports accounting for the remaining 6.7%.

Net electricity imports in the 1st Half of 2017 amounted to 0.5 TWh (0.2 TWh in the 2nd Quarter of 2017) and were entirely accounted for by trade with the Iberian Peninsula.

Net electricity generation in the 1st Half of 2017 rose by 4.6% compared with the same period of the previous year, mainly attributable to the increase in demand in the extra-peninsular market. Developments were similar in the 2nd Quarter of 2017.

Regulatory and rate issues

Compared with the consolidated financial statements at December 31, 2016, which readers are invited to consult for a more detailed discussion of developments, the following section reports the main changes in the period with regard to regulatory and rate issues in the countries in which Enel operates.

The European regulatory framework

On May 31, the European Commission issued a Communication entitled “Europe on the Move: an agenda for a socially fair transition towards clean, competitive and interconnected mobility for all”. The document focuses on measures to modernise road transport through 2025. The Communication was accompanied by an initial series of legislative measures, including a proposal to modify the regulatory framework for road charges in order to implement “smart” tolling, i.e. road users pay on the basis of distance travelled (rather than time), which better reflects actual use, emissions and pollution.

The Commission will publish other legislative initiatives between the 4th Quarter of this year and the 1st Quarter of 2018, including a revision of the rules governing post 2020-2021 CO₂ emissions for automobiles and vans and EU regulations on clean vehicles to promote the effective use of public tenders to encourage the creation of markets for innovative low-emission products.

The Italian regulatory framework

Generation

Electricity

With Resolution 300/2017/R/eel, the Authority for Electricity, Gas and the Water System (the Authority) established the criteria for enabling consumption and production units not already approved (including those using with unschedulable renewable resources and distributed generation) to participate in the Ancillary Services Market (MSD) through pilot projects. The Authority approved the regulations for a special pilot project prepared by Terna to allow consumption units to participate in the MSD with Resolution 372/2017/R/eel.

In Resolution 419/2017/R/eel the Authority modified the methodology for measuring imbalances. Specifically, it introduced the macro-zonal non-arbitrage price starting July 1, 2017 and changed the process for calculating the aggregate imbalance for the zone starting September 1, 2017, making it possible, from that date, to restore the single-pricing mechanism for measuring the actual imbalances of all unapproved units.

As to the proceeding initiated by the Competition Authority in 2016 against Enel SpA and Enel Produzione SpA for alleged abuse of dominant position in the ancillary services market in the area of Brindisi (A498A), on February 13, 2017 the companies, while maintaining that they acted in full compliance with the competition laws, presented a set of behavioral commitments, but only to enable the inquiry to be concluded quickly. Specifically, these commitments consist in the introduction of a cap on the overall annual revenue of the Brindisi plant for years 2017-2019, net of the variable costs reimbursable pursuant to Resolution 111/06. After the market test was conducted, the Competition Authority, on May 5, 2017, announced that it had concluded the proceeding without finding a violation and without imposing a sanction, accepting and making mandatory the commitments presented by the two companies.

As to the proceeding initiated by the Authority with Resolution 342/2016/E/eel to assess potential abuses in the wholesale electricity market pursuant to Regulation (EU) 1227/2011 (REMIT), the Authority, with Resolution 314/2017/R/eel, granted Enel Produzione's request for admission to the cost reimbursement system for the Brindisi Sud plant for 2017, thereby concluding the proceeding. Resolution 314/2017/R/eel also provides, in relation to the commitments assumed by Enel Produzione in proceeding A498A before the Competition Authority, that any amounts exceeding the remuneration limits proposed for the plant for the two years 2018-2019 be repaid to Terna.

Gas

Transport, storage and regasification

As to gas transport rates for the 2010-2013 period, with Decision no. 494/17, the Milan Regional Administrative Court partly affirmed the appeal filed by Enel Trade for the enforcement of the Court's Decision no. 995/13 (affirmed by the Council of State). Given the partial nature of the affirmation, both Enel Trade and the Authority (by interlocutory appeal) filed appeals to the Council of State, before which the matter is pending.

With regard to gas transport rates for the 2014-2017 period, the appeal filed by Enel Trade against the resolutions establishing the rate criteria and the approval of the relative payments, which essentially brought up again the same issues raised in relation to the gas transport rates for the previous period, are still pending before the Milan Regional Administrative Court.

Distribution

Electricity

Distribution and metering

With Resolutions 188/2017/R/eel and 199/2017/R/eel, the Authority approved the definitive reference rates for 2016, which represent the level of revenue recognized for each operator on the basis of actual balance-sheet data for 2015. With Resolutions 286/2017/R/eel and 287/2017/R/eel, the Authority approved the provisional reference rates for electricity distribution and metering for 2017 on the basis of preliminary balance-sheet data for 2016.

With regard to second-generation (2G) smart metering systems, in its Resolution 222/2017/R/eel the Authority approved e-distribuzione SpA's plan for placing the meters in service during the 2017-2031 period, designating January 1, 2017 as the start date, and established the standard cost based on which the efficiency incentives will be calculated.

With Resolution 229/2017/R/eel, the Authority provided guidelines on the initial configuration of the 2G meters and established some of the disclosure obligations.

With Resolution 289/2017/R/eel, the Authority initiated the process of assessing the possibility of further development of the functional characteristics of the low-voltage 2G electricity meters (as indicated in Resolution 87/2016/R/eel) for a potential "version 2.1" of the meter, including a back-up channel for communication between the meter and the customer.

As regards service quality and the resilience of the distribution and transmission networks, the Authority, with Resolution 127/2017/R/eel, revised the criteria for recognizing automatic indemnities paid by network operators in the event of protracted service disruptions, establishing a new ground for appeal by the companies due to force majeure. This resolution has been challenged by e-distribuzione before the Lombardy Regional Administrative Court.

With regard to the regulatory provisions for Simple Production and Consumption Systems (SSPC) and Closed Distribution Systems (SDC), with Resolution 276/2017/R/eel the Authority supplemented the guidelines set out in the "Milleproroghe 2016" decree-law limiting the variable portions of general system costs to power drawn from public networks only.

Concerning the issue of payment delinquency, Resolution 376/2017/R/com reinstated the indemnity measures provided for under the code on delinquency in the electric power sector (TIMOE) and charged distributors in the event of their failure to comply with schedules for service suspensions and disruptions at supply points that had been previously overturned by the Lombardy Regional Administrative Court at the appeal of e-distribuzione.

The rules on transport service (the “Grid Code”, or CADE, issued with Resolution 268/2015/R/eel) required that traders provide to distributors guarantees covering the risk of insolvency with respect to the transport fees included in the general system charges in consideration of the fact that distributors, who operate via concession, are required to pay these fees to the GSE and CSEA regardless of whether they actually receive the payments from their traders.

Milan Regional Administrative Court Decisions nos. 237, 238, 243 and 244 of 2017 voided the obligation imposed on traders to provide these guarantees, even to cover charges not collected from the final customer on the assumption that the Authority lacks the power to impose obligations on traders that are not imposed on them in the transport contracts. With Resolution 79/2017/R/eel the Authority decided to appeal the decisions, asking for stays in the meantime, in which e-distribuzione appeared in support. Furthermore, in enforcement of these decisions, the Authority issued Resolution 109/2017/R/eel calling for a consultation to be held on the introduction of compensation measures (to be applied retroactively to when the CADE entered force) for operators relating to uncollected system charges and establishing transitional rules for guarantees, setting them proportional to “a value that represents the best estimate of the general charges usually collected by operators”. The implementation of the resolution was suspended by the Council of State in interlocutory proceedings; the decision of the Milan Regional Administrative Court on the merits of the appeals filed by a number of sellers is pending.

Energy efficiency – White certificates

The interministerial decree of January 11, 2017 set the new energy efficiency targets for 2017-2020 and the new guidelines for the functioning of the Energy Efficiency Certificate (TEE or white certificates) mechanism.

In order to avoid the risk of providing too many incentives or recognizing incentives when no savings are effectively achieved, the decree provided for: i) the elimination of the multiple coefficient of saving (τ) (that is, it eliminates the old system of allocating all the certificates, even those for savings not yet generated, in the first 5 years of the project's life, identified as its useful life); ii) the reduction of the technical life of projects (that is, it reduces the period in which it is assumed that the project will generate savings used to quantify the certificates to be allocated).

As to the distributor's performance of its obligation, it was provided that the quota exceeding the minimum obligation of 60% must be covered by the end of the following year (and not within the subsequent two years as previously allowed). The decree also provided to distributors the option to meet their obligation (by delivering the relative certificates to the Energy Services Operator - GSE) in two different sessions in the same year (May 31st and November 30th) in place of the sole date of May 31st under the old guidelines.

With Resolution 435/2017/R/efr the Authority approved the revised rules for calculating the rate subsidy for electricity and gas distributors starting 2017.

More specifically, the methods for determining the “reference” rate subsidy (previously called “provisional”), set ex ante as the average of the definitive rate subsidy levels in the preceding two years, and the underlying parameters for calculating the “definitive” rate subsidy were revised.

The Authority also envisaged an advance payment of the rate subsidy by the end of the November 30th session.

With respect to the criteria for distributing the rate subsidy, the Authority provided that starting in 2017 the accruals principle would replace the cash principle so that the definitive rate subsidy for the reference obligation year is applied to residual quotas for the year that are discharged in the subsequent year.

Sales

Electricity

On May 11, 2017, the Competition Authority, in response to reports by AIGET and Green Network SpA, initiated a proceeding against Enel SpA, Enel Energia SpA and Servizio Elettrico Nazionale SpA for alleged abuse of dominant position on the retail electricity market for residential and non-residential end users connected to the low voltage grid (Proceeding A511). Analogous proceedings were also begun against other operators. Unless extended, the proceeding is expected to conclude by June 30, 2018.

In 2017 the Authority continued to develop and implement the Integrated Information System (SII). This system was established under Law 129/2010 and is designed to manage the flow of information between gas and electricity market operators, based upon a central database of withdrawal points.

Through a number of measures, the Authority lent further impetus to the development of the SII as a central hub for the exchange of information among all system operators, thereby facilitating the management of certain processes. More specifically, with Resolutions 229/2017/R/eel and 248/2017/R/eel, accompanied by a massive campaign to replace standard meters with 2G meters, established the new services for transmitting data from the distributor to the SII and from the SII to sellers. Moreover, the process was begun to centralize the transmission of metering data.

With regard to the appeal lodged by e-distribuzione, Servizio Elettrico Nazionale and Enel Energia, and rejected by the Regional Administrative Court, regarding the provisions of Resolution 296/2015/R/com on the obligation for the separation of brands and communication policies, the three companies appealed the rulings before the Council of State. In December 2016 the Council of State suspended the effects of the resolution with regard solely to the obligation for the separation of information channels, physical premises and personnel by January 1, 2017 for sales on the enhanced protection and free markets. The hearing on the merits of the appeal by Servizio Elettrico Nazionale and Enel Energia was held on April 13, 2017 and the parties are awaiting publication of the decisions.

Gas

With regard to the definition of the component covering natural gas supply rates, the Authority confirmed the current procedures with full indexing to the spot prices reported on the Dutch Title Transfer Facility (TTF), pending the development of greater liquidity in the Italian wholesale markets until September 30, 2018 or in any event until the end of the protection market system as decided by the legislature, if sooner.

Similar to what it did in the electricity sector, in 2017 the Authority stepped up work to centralize the management of information flows within the SII. More specifically, Resolution 434/2017/R/gas began the process for centralizing the transmission of metering data.

Renewables

With the Ministry for Economic Development decree of February 14, 2017, the Ministry provided for the energy requirements of the minor islands that are not interconnected to be gradually covered using renewable resources. The decree envisages remuneration for energy generated by plants fueled by renewable resources related to the cost of the fossil fuel avoided and implementation of pilot projects that integrate renewable resources in the islands' electricity system.

Iberia

Spain

Energy efficiency

Order IET/258/2017 of March 17, 2017 entailed a contribution by Endesa to the National Energy Efficiency Fund of €29.3 million, corresponding to its 2017 energy savings obligations.

Fee for the use of continental water for the generation of electricity

On June 10, 2017, the Official State Gazette (BOE) published Royal Decree Law 10/2017 adopting urgent measures to mitigate the effects of the drought in certain catchment basins, amending the current Water Law. More specifically, the royal decree law modifies the fee for the use of continental waters for the generation of electricity, which went from 22% to 25.5%, establishing a lower percentage for installations up to 50 MW to offset the increase in withdrawal.

Social discount

The Ministry of Energy, Tourism and the Digital Agenda initiated debate on a draft royal decree on protecting vulnerable consumers, the social discount and the conditions for suspending it for consumers that use power equal to or less than 10 kW. In particular, it identifies three categories of consumers based on income level measured using the Spanish Public Income Indicator of Multiple Effects (IPREM), fixing different percentage discounts based on category.

Renewables

In the 1st Half of 2017, the rules and procedures for a technology neutral auction for 3,000 MW of renewable energy were issued. The auction was held on May 17th. Enel Green Power España was awarded a specific remuneration system to develop 540 MW of wind power with COD before the end of 2019. Enel Green Power was allocated the third-highest capacity amount through the auction.

The auction was open to the competition of all types of renewable technologies. However almost all the capacity awarded was wind capacity.

The auction result serves to protect the internal rate of return of projects in low market price scenarios. However, if the markets prices are above the protection level, the projects are authorized to capture this income.

Since there was a strong offering of wind and solar capacity at very competitive levels, the government has decided to hold a second auction in July 2017, although all the adjustments to the rules were made in June 2017. This new auction will only be open to wind and solar power services. The auction will allocate 2,000 MW, although more capacity could be assigned in a private agreement.

Europe and North Africa

Russia

Capacity market and capacity payments

On December 30, 2016, the Russian Authority Antitrust (FAS) published the rates in effect for 2017 for must-run generation plants. With its decision of January 9, 2017 it also set the 2017 rates for the Trading System Administrator (down 2.5% from 2016) and for the System Operator (confirming the previous year's rates).

On March 3, 2017, the Ministry of the Economy published the new methodology for setting the yield rate on long-term bonds in order to calculate capacity mechanism prices, resulting in a rate of 10.21% (it had been 8.9%).

On June 16, 2017, the government issued a decree establishing the rules for the new capacity auctions in Crimea. The winning bidder of the auctions, set to conclude on August 1, 2017, will be awarded a 15-year capacity contract at the price established during the tender process (with a monthly cap of about 2 million rubles).

On June 19, 2017, the government published its general plan for developing the electricity industry through 2035. It consists of non-binding guidelines that will be updated every three years. The plan includes numerous data, including the long-term demand and supply projections, expected capacity and necessary adjustments, grid infrastructure, and proposals for containing the environmental impact.

Gas market

On June 20, 2017, Antitrust Authority Decision no. 776/17 on the new floor and ceiling prices for industrial customers was published. Prices rose by 3.9% over the 2015-2016 period.

Romania

Suspension of the universal service market

On June 8, 2017, ANRE approved the suspension of the market for the provision of electricity for universal service customers (residential and small businesses). The suspension, in effect until August 10, was made necessary due to the small number of bids received in the auctions held for the 3rd Quarter of 2017. As a result of this decision, the supplier of last resort must purchase electricity on other competitive markets.

2017 binomial tariff

With Decision no. 71 of January 26, 2017, ANRE approved the timetable for introducing the binomial tariff for transmission and distribution services. It will be applied for the first time in customer invoices in January 2018. Under the system, transmission costs are included in the distribution tariff.

Smart metering

On March 10, 2017, ANRE published a consultation of the smart meter installation plan, proposing, among other things, to postpone the current deadlines and reduce the installation target for 2020 from 80% to 30%.

Renewables

The order for the temporary modification of the green certificates system set out in EGO no. 57/2013 temporarily suspended the sale (from July 1, 2013 to March 31, 2017) of part of the certificates due to renewables generators (1 green certificate/MWh for wind and mini-hydro and 2 green certificates/MWh for photovoltaic).

The order of April 2017, EGO no. 24/2017, amended the regulations, introducing new thresholds for the value of the green certificates and at the same time narrowing the scope for the use of bilateral contracts for the sale of those certificates. Trading in the suspended green certificates will take place between 2018 and 2030.

Turkey

Renewables

As from February 24, 2017, the authority has allowed the acquisition of pre-authorized projects by foreign companies, which had previously only been possible for fully authorized projects.

On May 13, 2017, new auction rules were introduced that permit the submission of negative bids, with consequent remuneration at a discount to market prices.

On May 27, 2017, an amendment to the rules governing the electric market was approved. The change permits pre-authorized operators to free themselves of their pre-authorization obligations by July 27, 2017.

Latin America

Argentina

Rate revision and other regulatory developments in Argentina in 2017

On February 2, 2017, Resolution no. 19/2017 was published by the *Secretaría de Energía Eléctrica* ("SEE"). It sets out the guidelines for defining the rate remuneration for existing generation plants. Resolution no. 19/2017 establishes remuneration based on capacity by technology and scale. In addition, for thermal units it also provides for the possibility of undertaking commitments to ensure plant availability for additional remuneration. The generation company can declare its availability for each period (summer and winter), the amount of capacity guaranteed by each generation unit for a period of three years, differentiating supply by season. The only exception for 2017 is that the declaration of guaranteed availability and the seasonal winter planning document (in force from 1 May to 31 October 2017) will be authorized jointly given the time taken to implement the new legislation. The generation company will sign a commitment contract with CAMMESA, which can then transfer it on the basis of a request of the SEE. The remuneration established for each generation unit will be proportionate to actual compliance with the contractual terms, with the value calculated at the minimum price. Conversely, thermal generators will be able to offer additional capacity availability for bimonthly periods that can be subcontracted at maximum prices.

The remuneration established by Resolution no. 19/2017 is denominated in US dollars and is converted at the exchange rate published by Argentina's central bank on the last day before the termination of each period set by CAMMESA.

In the renewables sector, the new legislation postpones achievement of the target of meeting 8% of national electricity demand with power generated from renewable resources to December 31, 2017, and establishes a series of phases for achieving 20% in 2025, setting intermediate targets of 12%, 16% and 18% for 2019, 2021 and 2023 respectively. Law no. 27191 creates a trust fund (FODER) to finance works, grant tax benefits to renewable energy projects and establish grants at the national, provincial and municipal levels until 2025. Large customers (with capacity requirements of more than 300 kW) will have to individually meet the above goals, stipulating in the associated contracts that the price shall not exceed \$113/MWh, and establishing penalties for those who do not meet these targets.

In February 2017 the new rate rules and mechanisms were approved.

On February 1, 2017, ENRE published *Resolución* no. 64, which closed the RTI process and established the annual remuneration paid to Edesur SA totaling 14,539,836,941 Argentine pesos (about €830 million).

Under the new rate system, the *Ministerio de Energía y Minería* limited increases in the *Valor Agregado de Distribución* (VAD) with specific instructions to ENRE. The new value for this rate component took effect on February 1, 2017, but invoicing of the amount is initially limited to a maximum of 42% of the total. Invoicing of the full amount will only be possible as from February 1, 2018, with an intermediate step in November 2017 where the 42% limit is raised in part. The rules also establish that ENRE shall pay Edesur and Edenor the portion already accrued and not invoiced between February 1, 2017 and February 1, 2018 in 48 installments as from February 1, 2018, which will be incorporated in the value of the VAD to be invoiced subsequently.

The new rules also provide for updating the rates of distribution companies on the basis of inflation and criteria for service quality and regulation of supply.

Brazil

Rate revision for Enel Distribución Río SA (formerly Ampla)

On March 14, 2017, Enel Distribución Río SA signed a new concession agreement (sixth revision) following public hearings nos. 095 and 058. At the hearings, the parties involved discussed the regulation and application of the rate

mechanism by the distribution companies, leading to the approval of the amendments discussed, which were to be incorporated in the concession agreement in accordance with Decree no. 2194/2016.

Rate revision for Enel Distribución Ceará SA (formerly Coelce)

On April 20, 2017, ANEEL endorsed the rate revision for Enel Distribución Ceará SA with Resolution no. 2.223.

Renewables

In April 2017, the Ministry of Energy, following up on the measures already take to reduce market over-contracting, published a resolution defining the mechanism for the auction to void contracts signed in the past within the context of reserve auctions. The auction is scheduled to take place on August 31, 2017. A second auction for the reallocation of terminating hydroelectric plant concessions is expected to take place by the end of September and will involve the assignment of about 3 GW of existing capacity.

In April 2017, a resolution introduced an indemnity mechanism for costs incurred by hydroelectric plants as a result of foregone generation due to the forced entry of thermal generation plants that are theoretically outside the merit order curve.

Chile

Renewables

On March 30, 2017 Resolution no. 154 was published. It establishes the terms and conditions for the application of the Mechanism for Open Access to the system, legislating articles 79 and 80 of the General Electrical Service Act. The resolution, which anticipates the rules in the Transmission Act, includes, for the first time in Chilean law, a mechanism that permits the reservation of technical capacity for future projects in both private and public transmission systems. In April 2017, the Ministry of Public Assets published a ministerial order modifying the conditions for concessions for use of public lands for the development of renewables projects. More specifically, the maximum period for the entry into service of the plant has been extended (from 3 to 10 years) and the cost of the concession has been reduced considerably (eliminating payment of a double tariff and lowering the values of the associated guarantees).

Peru

Emergency response to flooding in March 2017

Supreme Decree no. 007-2017-EM, issued in response to the heavy rains that fell in March 2017 in Peru and the damage produced by the consequent flooding, approved immediate measures to secure the supply of electricity to customers of the public power service at the national level. These included a suspension of service quality standards and the declaration of a 30-day state of emergency in the SEIN.

Supreme Decree no. 008-2017-EM also responded to the flooding emergency with an authorization protocol for electricity imports.

Mexico

Renewables

In March 2017 the Authority published regulations governing distributed generation that will permit individual customers to generate electricity for self-consumption and sell any surplus through the grid. The rules, which follow the market reform, are intended to encourage the development of small-scale generation systems.

In May 2017, the rules for the third long-term auction were published, including capacity and cumulative energy and permitting the signing of 15-year contracts and 20-year “*Energia Limpia*” certificates. The submission of bids and completion of the auction process is scheduled for November 2017.

Sub-Saharan Africa and Asia

India

Renewables

Starting April 1, 2017, the federal Generation Based Incentive (GBI), which required the Indian Renewable Energy Development Agency Limited (IREDA) to pay a premium above the state-level preferred feed-in tariffs on production by wind plants, is no longer in force.

On May 4, 2017, the Ministry of New and Renewable Energy (MNRE) approved the procedures for the second competitive auction of a further 1,000 MW of wind power capacity to enable distribution companies of “non-windy states” to satisfy their Renewable Portfolio Obligations (RPO). The winning bidders will be awarded a 25-year fixed-price power purchase agreement (PPA) with Solar Energy Corporation India (SECI), a government-owned company whose mandate is no longer limited to solar power, but has been expanded to encompass the entire renewables sector. SECI will in turn sell the energy through power sales agreements to the state distribution companies. The request for selection was published on May 31 and the auction is scheduled to be held on July 14, 2017.

More generally, the use of auctions to develop wind power is replacing the previous incentives system based on state-level feed-in tariffs. Solar energy is being developed using competitive auctions held at the national level, through the Jawaharlal Nehru National Solar Mission (JNNSM) program, carried out primarily by SECI, and state-level auctions managed directly by the distribution companies.

On May 18, 2017, the government announced the new tax rates for goods and services under the Good and Service Tax (GST) reform, which simplifies India’s system of indirect taxes; the new rates take effect July 1, 2017. The new rate applied on most of the components needed to build renewable power plants is 5%, giving rise to a slight overall increase since the components were previously tax exempt.

South Africa

Renewables

At the end of March 2017 the public consultation on the draft revision published in November 2016 by the South African Department of Energy (DOE) was concluded. This draft was a revision of the Integrated Energy Plan (IEP) and the Integrated Resource Plan (IRP), the long-term plans incorporating the development strategy for the country’s energy and electricity sectors through 2050. The final documents are expected to be published in the 1st Half of 2018, which is later than had been initially planned.

NERSA, the national electricity regulator, is in the process of revising the rules on the use of the national grid by third parties (wheeling), on the issue of generation permits and on distributed generation. It has not yet been announced when these processes will be completed.

Main risks and uncertainties

Due to the nature of its business, the Group is exposed to a variety of risks, notably market risks, credit risk, liquidity risk, industrial and environmental risks and regulatory risk. In order to mitigate its exposure to these risks, the Group conducts specific analysis, measurement, monitoring and management activities, as described in this section.

See also the “Reference scenario” section for an analysis of the factors that represent some of the underlying bases for these risks.

Risks connected with 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, optimized the generation mix, improved the competitiveness of plants through cost leadership, sought out new high-potential markets and developed renewable energy resources with appropriate investment plans in a variety of countries.

The Group operates in regulated markets and sectors, 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 government and regulatory bodies, adopting a transparent, collaborative and proactive approach in tackling and eliminating sources of instability in regulatory arrangements.

Risks connected with CO₂ emissions

In addition to being one of the factors with the largest potential impact on Group operations, emissions of carbon dioxide (CO₂) are also one of the greatest challenges facing the Group in safeguarding the environment.

EU 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 CO₂ regulations, the Group monitors the development and implementation of EU and Italian legislation, diversifies its generation mix towards the use of clean energy resources such as renewables, develops strategies to acquire allowances at competitive prices and, above all, enhances the environmental performance of its generation plants, increasing their energy efficiency.

Market risks

As part of its operations, Enel is exposed to a variety of market risks, notably the risk of changes in interest rates, exchange rates and commodity prices.

To maintain this risk within the range set out annually in the Group's risk management policies, Enel uses derivatives obtained in the market.

Risks connected with commodity prices and supply continuity

Given the nature of its business, 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 or wholesalers 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. 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. Various types of derivatives are used to reduce the exposure to fluctuations in energy commodity prices and as part of proprietary trading activities.

Thanks to these strategies, the Group was able to limit the effects of the crisis and the international situation, minimizing the potential impact of these factors on the results for the 2nd Half of 2017.

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 spot electricity market).

The exposures in respect of indexed contracts are quantified by breaking down the contracts that generate exposure into the underlying risk factors.

As regards electricity sold by the Group, Enel uses fixed-price contracts in the form of bilateral physical contracts and financial contracts (e.g. contracts for differences, VPP contracts, etc.) in which differences are paid to the counterparty if the market electricity price exceeds the strike price and to Enel in the opposite case.

The residual exposure in respect of the sale of energy on the spot market not hedged with such contracts is aggregated on the basis of uniform risk factors that can be hedged in the market. The hedging instruments used by the Group are largely plain vanilla derivatives (specifically, forwards, swaps, commodity options, futures, contracts for differences). Enel also engages in proprietary trading in order to maintain a presence in the Group's reference energy commodity markets. These operations consist in taking on exposures in energy commodities (oil products, gas, coal, CO₂ certificates and electricity in the main European countries) using financial derivatives and physical contracts traded on regulated and over-the-counter markets, exploiting profit opportunities through arbitrage transactions carried out on the basis of expected market developments. These operations are conducted within the framework of formal governance rules that establish strict risk limits. Compliance with the limits is verified daily by units that are 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 Group limit for 2017 is equal to €10.5 million.

Exchange rate risk

The 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 debt denominated in currencies other than the currency of account of the respective countries. In addition the consolidated financial statements are exposed to translation risk, which is generated by the conversion of the subsidiaries' account balances denominated in currencies other than the euro.

In order to minimize risks of a financial and transactional nature associated with fluctuations in the exchange rate, the Group normally uses a variety of over-the-counter (OTC) derivatives such as currency forwards, cross currency interest rate swaps and currency options.

During the 1st Half of 2017, management of exchange rate risk was pursued through compliance with risk management policies, which call for hedging of significant exposures, encountering no difficulties in accessing the derivatives market. An analysis of the Group's financial debt shows that 47% of long-term gross debt (44% at December 31, 2016) 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 decreases to about 15.3% (18% at December 31, 2016), an exposure that is felt would not have a significant impact on the income statement in the event of a change in market exchange rates.

With regard to debt denominated in currencies other than the euro, the main exchange rate exposure is in respect of the US dollar. In that regard, at June 30, 2017, assuming a 10% appreciation of the euro against the dollar, all other variables being equal, shareholders' equity would have been €2,393 million lower (€1,783 million at December 31, 2016) as a result of the decrease in the net fair value of CFH derivatives on exchange rates. Conversely, assuming a 10% depreciation of the euro against the dollar, all other variables being equal, shareholders' equity would have been €2,093 million higher (€2,184 million at December 31, 2016) as a result of the increase in the net fair value of CFH derivatives on exchange rates.

Interest rate risk

The main source of exposure to interest rate risk for Enel comes from the fluctuation in the costs associated with its floating-rate debt.

The Group's financial risk management policy seeks to maintain the risk profile established within the framework of the formal risk governance procedures of the Group, curbing borrowing costs over time and limiting the volatility of results. This goal is pursued both at the source of the exposure to the risk, through the strategic diversification of the nature of our financial assets and liabilities and by altering the risk profile of the exposure through the use of derivatives on over-the-counter markets, such as interest rate swaps, interest rate options and swaptions.

In the event the Company has planned a bond issue for which it wants to establish the cost in advance, it may enter into derivatives prior to the origination of the bond (pre-hedge transactions).

At June 30, 2017, 28% of gross financial debt was floating rate (33% at December 31, 2016). Taking into account the hedge accounting of interest rates considered effective pursuant to the IFRS-EU, 24% of the debt was exposed to interest rate risk at June 30, 2017 (28% at December 31, 2016).

If interest rates had been 25 basis points higher at June 30, 2017, all other variables being equal, shareholders' equity would have been €177 million higher (€188 million at December 31, 2016) as a result of the increase in the fair value of CFH derivatives on interest rates. Conversely, if interest rates had been 25 basis points lower at that date, all other variables being equal, shareholders' equity would have been €177 million lower (€188 million at December 31, 2016) as a result of the decrease in the fair value of CFH derivatives on interest rates.

An equivalent increase (decrease) in interest rates, all other variables being equal, would have a negative (positive) impact on the income statement in terms of higher (lower) annual interest expense on the portion of gross debt not hedged against interest rate risk of about €25 million (€22 million at December 31, 2016).

Credit risk

The Group's commercial, commodity and financial operations expose it to credit risk, i.e. how the possibility that an unexpected change in the creditworthiness of a counterparty has an effect on the creditor position, in terms of insolvency (default risk) or changes in its market value (spread risk).

Beginning in the last few years, with the instability and uncertainty of the financial markets and the global economic crisis, average payment times have increased for the system as a whole. In order to pursue the minimization of credit risk, the Group's general policy calls for the application of uniform criteria in all the main divisions/countries/business

lines for measuring credit exposures in order to promptly identify any deterioration in credit quality – determining any mitigation actions to implement – and to enable the consolidation and monitoring of exposures at the Group level. The management and control of credit exposures is performed at the region/country/business line level by different organizational units, thereby ensuring the necessary segregation between risk management and control activities. The Parent Company monitors the consolidated exposure.

As regards credit risk in respect of commodities transactions, Enel uses a uniform counterparty assessment system across the Group, which has also been implemented at the local level. Portfolio limits for credit risk defined by the competent units of the region/country/business line involved are also applied and monitored.

As to credit risk in respect of open positions in financial transactions, including those involving derivatives, risk is minimized by selecting counterparties with high credit ratings from among the leading Italian and international financial institutions, portfolio diversification, entering into margin agreements for the exchange of cash collateral, or applying netting criteria. Also in this case credit risk is assessed using an internal rating system. Finally, operating limits on credit risk in respect of financial counterparties, approved by the Group Risk Committee, were applied and monitored in the 1st Half of 2017, for both the individual regions/countries/global business lines and at the consolidated level.

As a further protection against credit risk, for a number of years the Group has carried out non-recourse assignments of receivables mainly for specific segments of the commercial portfolio and, to a lesser extent, invoiced receivables and receivables to be invoiced of companies operating in other segments of the electricity industry than sales.

All of the above transactions are considered as non-recourse transactions for accounting purposes and therefore involved the full derecognition of the corresponding assigned assets from the balance sheet, as the risks and rewards associated with them have been transferred.

Liquidity risk

The Group is exposed to liquidity risk in the course of its financial management, since should it have difficulty in accessing new funds or in liquidating assets, it could incur additional costs in meeting its obligations or find itself temporarily insolvent, putting its business continuity at risk.

The goals of liquidity risk management are to maintain an adequate level of liquidity at the Group level, drawing on a range of sources of financing and maintaining a balanced profile of debt maturity. To ensure the efficient management of its liquidity, the Group's Treasury operations are centralized at the Parent Company, meeting liquidity requirements primarily through cash flows generated by ordinary operations and managing any excess liquidity as appropriate. Underscoring the Enel Group's continued capacity to access the credit market despite the persistent strains in the financial markets, the Group carried out bond issues with institutional and retail investors totaling €6,105 million in the 1st Half of 2017.

At June 30, 2017, the Enel Group had a total of about €8.6 billion in cash or cash equivalents, as well as available committed credit lines of €13.1 billion.

Committed credit lines amounted to €14 billion (€0.8 billion drawn), while uncommitted credit lines totaled €616 million (€242 million drawn). In addition, the Group has outstanding commercial paper programs totaling €9.4 billion (€1.6 billion drawn).

Rating risk

Credit ratings, which are assigned by rating agencies, impact the possibility of a company to access the various sources of financing and the associated cost of that financing. Any reduction in the rating could limit access to the capital market and increase finance costs, with a negative impact on the performance and financial situation of the company.

At June 30, 2017, Enel's ratings were: (i) "BBB" for Standard & Poor's with a positive outlook; (ii) "BBB+", for Fitch with a stable outlook; and (iii) "Baa2", with a stable outlook for Moody's.

Country risk

By now, more than 50% of Enel Group revenue is generated outside of Italy. The considerable international expansion of the Group, which now has operations in many countries, including those in Latin America and Russia, has required Enel to consider and assess the country risk associated with its business. In developing a global vision of this risk, the assessment takes account of macroeconomic and financial conditions, socio-political and regulatory stability and the country's energy context. In order to manage the risks associated with these environments, Enel has developed a country risk measurement model, which on the basis of the assessment of the individual aspects (macroeconomic/financial, socio-political/regulatory and energy), generates a composite rating associated with each country relevant to the Group's business.

Following the positive signals that emerged towards the end of 2016, the global economy continued to grow in the 1st Half of 2017, buoyed by expectations of a strengthening of global demand. The confidence of economic agents, supported by expansionary fiscal policies in the United States and China, should sustain the recovery in the short term. Oil prices, which have risen in response to production cuts, and the general rise in commodity prices have helped the exporting economies and produced a temporary increase in prices pending a structural increase (especially for many European countries) in inflation, which would enable the gradual absorption of the liquidity injected into the economy. Thanks to the more stringent regulation introduced following the financial crisis, the banking system is generally sounder and can help the economic recovery by transmitting monetary policy impulses. The medium term remains clouded by risks associated primarily with the uncertainty of economic policies around the world. In particular, the recent trend towards protectionist positions cannot be ignored, as their implementation could harm trade and capital movements between countries and thereby hinder the efficient allocation of capital, slowing global growth. Nevertheless, the 1st Half of 2017 saw major steps forward in mitigating country risk, at least in Europe. The recent elections in the Netherlands and France underscored a renewed confidence in the European Union, which could be translated into greater economic confidence, lending greater impetus to the recovery in the short term. Another risk factor to keep under observation is the restrictive monetary stance of the Fed, which has increased its reference rate a number of times since the start of 2017 and could accelerate a credit squeeze at the global level, thereby damaging the weaker economies characterized by stagnant growth and low inflation. Other factors that contribute to raising the general level of risk are not specifically economic but do impact the economies of individual countries and the global economic system by threatening the smooth operation of trade and capital movements. These include geopolitical tensions, terrorism and climate disasters such as the flooding in Peru, which severely impacted economic growth in that country in the 1st Quarter del 2017.

Environmental 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 recourse to 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 during 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.

With regard to nuclear power generation, Enel operates in Slovakia through the subsidiary Slovenské elektrárne and in Spain through Endesa. In relation to its nuclear activities, the Group is exposed to operational risk and may face additional costs because of, inter alia, accidents, safety violations, acts of terrorism, natural disasters, equipment malfunctions, malfunctions in the storage, movement, transport and treatment of nuclear substances and materials. In those countries where Enel has nuclear operations, there are specific laws requiring insurance coverage for strict liability for nuclear events attributable to third parties and which impose a ceiling on the nuclear operator's financial exposure. Other mitigating measures have been taken in accordance with best international practices.

Outlook

During the 1st Half of 2017, significant progress was made toward achieving each of the objectives in the Group's 2017-2019 Strategic Plan, updated in November 2016.

From an operational standpoint, despite the challenges posed by poor resource availability on a global scale and the exceptional situation in the Iberian Peninsula, the diversification of the Group's activities made it possible to achieve solid results during the period.

For the remainder of 2017, in line with the Plan targets, the Group expects:

- > the acceleration of investments in digitization, continuing the installation of second-generation smart meters in Italy and completing the installation of smart meters in the Iberian Peninsula. The roll-out of the optical fiber network undertaken by OpEn Fiber will also be accelerated, with more than 1.7 million homes being cabled by the end of the year;
- > a contribution from the customer focus strategy on a global scale, following the first phase of investments in the back-office and customer-experience platforms
- > additional progress in operational efficiency, supported by digitization, with the aim of achieving a cash-cost of €11.2 billion by the end of the year;
- > a major contribution from industrial growth, focused on networks and renewables, with the acceleration of renewables, with planned additions to capacity amounting to about 2 GW in the 2nd Half of the year;
- > the second phase of corporate simplification at the individual country level, especially in Latin America;
- > additional progress in active portfolio management, with additional planned disposals, investments in bolt-on acquisitions and expected reductions in non-controlling interests.

The progress for each of these key pillars, the expected normalization of operating performance and an acceleration in the contribution of investments in renewables enable us to confirm the financial targets for 2017 as a whole.

Related parties

For a detailed discussion of transactions with related parties, please see note 26 to the condensed half-year consolidated financial statements.

Condensed interim consolidated financial statements

Consolidated Income Statement

Millions of euro	Notes	1st Half	
		2017	2016
		<i>of which with related parties</i>	<i>of which with related parties</i>
Revenue			
Revenue from sales and services	4	35,358	33,172
Other revenue and income	4	957	978
	<i>[Subtotal]</i>	36,315	34,150
Costs			
Electricity, gas and fuel purchases	5	17,615	15,325
Services and other materials	5	8,235	8,030
Personnel	5	2,280	2,232
Depreciation, amortization and impairment losses	5	2,824	2,843
Other operating expenses	5	1,457	1,117
Capitalized costs	5	(672)	(721)
	<i>[Subtotal]</i>	31,739	28,826
Net income/(expense) from commodity contracts measured at fair value	6	278	(114)
Operating income		4,854	5,210
Financial income from derivatives	7	645	1,193
Other financial income	8	1,046	1,348
Financial expense from derivatives	7	1,173	2,051
Other financial expense	8	1,916	2,017
Share of income/(losses) of equity investments accounted for using the equity method	15	81	52
Income before taxes		3,537	3,735
Income taxes	9	1,044	1,143
Net income from continuing operations		2,493	2,592
Net income from discontinued operations		-	-
Net income for the period (shareholders of the Parent Company and non-controlling interests)		2,493	2,592
Attributable to shareholders of the Parent Company		1,847	1,834
Attributable to non-controlling interests		646	758
<i>Basic earnings/(loss) per share attributable to shareholders of the Parent Company (euro)</i>	10	<i>0.18</i>	<i>0.19</i>
<i>Diluted earnings/(loss) per share attributable to shareholders of the Parent Company (euro)</i>	10	<i>0.18</i>	<i>0.19</i>
<i>Basic earnings/(loss) per share from continuing operations attributable to shareholders of the Parent Company (euro)</i>	10	<i>0.18</i>	<i>0.19</i>
<i>Diluted earnings/(loss) per share from continuing operations attributable to shareholders of the Parent Company (euro)</i>	10	<i>0.18</i>	<i>0.19</i>

Statement of Consolidated Comprehensive Income

Millions of euro	Notes	1st Half	
		2017	2016
Net income for the period		2,493	2,592
Other comprehensive income recyclable to profit or loss			
Effective portion of change in the fair value of cash flow hedges		(31)	(516)
Share of the other comprehensive income of equity investments accounted for using the equity method		(1)	(28)
Change in the fair value of financial assets available for sale		10	28
Exchange rate differences		(1,797)	1,116
Other comprehensive income not recyclable to profit or loss			
Remeasurement of net defined benefit liabilities/(assets)		-	-
Total other comprehensive income/(loss) for the period	22	(1,819)	600
Total comprehensive income/(loss) for the period		674	3,192
Attributable to:			
- shareholders of the Parent Company		872	1,820
- non-controlling interests		(198)	1,372

Consolidated Balance Sheet

Millions of euro

Notes

ASSETS		at June 30, 2017		at Dec. 31, 2016	
			<i>of which with related parties</i>		<i>of which with related parties</i>
Non-current assets					
Property, plant and equipment	11	75,417		76,265	
Investment property		123		124	
Intangible assets	12	16,678		15,929	
Goodwill	13	13,542		13,556	
Deferred tax assets	14	6,437		6,665	
Equity investments accounted for using the equity method	15	1,583		1,558	
Derivatives	16	1,201		1,609	
Other non-current financial assets	17	3,783		3,892	
Other non-current assets		971		706	
	<i>[Total]</i>	119,735		120,304	
Current assets					
Inventories		2,744		2,564	
Trade receivables	18	12,218	812	13,506	958
Tax receivables		1,077		879	
Derivatives	16	2,270	9	3,945	18
Other current financial assets		3,708	10	3,053	135
Other current assets	19	3,066	259	3,044	109
Cash and cash equivalents		8,513		8,290	
	<i>[Total]</i>	33,596		35,281	
Assets classified as held for sale	21	141		11	
TOTAL ASSETS		153,472		155,596	

LIABILITIES AND SHAREHOLDERS' EQUITY		at June 30, 2017		at Dec. 31, 2016	
			<i>of which with related parties</i>		<i>of which with related parties</i>
Equity attributable to the shareholders of the Parent Company					
Share capital		10,167		10,167	
Other reserves		4,177		5,152	
Retained earnings (loss carried forward)		20,423		19,484	
	<i>[Total]</i>	34,767		34,803	
Non-controlling interests		17,001		17,772	
Total shareholders' equity	22	51,768		52,575	
Non-current liabilities					
Long-term borrowings	20	42,923	1,027	41,336	1,072
Employee benefits		2,595		2,585	
Provisions for risks and charges (non-current portion)	23	4,931		4,981	
Deferred tax liabilities	14	8,340		8,768	
Derivatives	16	2,429		2,532	
Other non-current liabilities		1,980	83	1,856	23
	<i>[Total]</i>	63,198		62,058	
Current liabilities					
Short-term borrowings	20	3,025		5,372	
Current portion of long-term borrowings	20	7,549	89	4,384	89
Provisions for risks and charges (current portion)	23	1,283		1,433	
Trade payables		11,060	3,202	12,688	2,921
Income tax payable		830		359	
Derivatives	16	2,059	7	3,322	11
Other current financial liabilities		841	1	1,264	
Other current liabilities		11,786	8	12,141	28
	<i>[Total]</i>	38,433		40,963	
Liabilities included in disposal groups classified as held for sale	21	73		-	
Total liabilities		101,704		103,021	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		153,472		155,596	

Statement of Changes in Consolidated Shareholders' Equity (note 22)

Share capital and reserves attributable to the shareholders of the Parent Company

Millions of euro	Share capital	Share premium reserve	Legal reserve	Other reserves	Reserve from translation of financial statements in currencies other than euro	Reserve from measurement of cash flow hedge financial instruments	Reserve from measurement of financial instruments AFS	Reserve from equity investments accounted for using the equity method	Reserve from remeasurement of net liabilities/(assets) of defined benefit plans	Reserve from disposal of equity interests without loss of control	Reserve from acquisitions of non-controlling interests	Retained earnings and loss carried forward	Equity attributable to the shareholders of the Parent Company	Non-controlling interests	Total shareholders' equity
At January 12016	9,403	5,292	1,881	2,262	(1,956)	(1,341)	130	(54)	(551)	(2,115)	(196)	19,621	32,376	19,375	51,751
Distributions of dividends	-	-	-	-	-	-	-	-	-	-	-	(1,627)	(1,627)	(586)	(2,213)
Allocation of net income for the previous year	-	-	153	-	-	-	-	-	-	-	-	(153)	-	-	-
Capital increase for non-proportional demerger of Enel Green Power	764	2,198	-	-	119	(31)	-	-	1	-	(974)	(12)	2,065	(2,106)	(41)
Transactions in non-controlling interests	-	-	-	-	-	-	-	-	-	7	-	-	7	(45)	(38)
Comprehensive income for the period	-	-	-	-	519	(546)	27	(14)	-	-	-	1,834	1,820	1,372	3,192
of which: - other comprehensive income/(loss) for the period	-	-	-	-	519	(546)	27	(14)	-	-	-	-	(14)	614	600
- net income/(loss) for the period	-	-	-	-	-	-	-	-	-	-	-	1,834	1,834	758	2,592
At June 30, 2016	10,167	7,490	2,034	2,262	(1,318)	(1,918)	157	(68)	(550)	(2,108)	(1,170)	19,663	34,641	18,010	52,651
At January 1, 2017	10,167	7,489	2,034	2,262	(1,005)	(1,448)	106	(12)	(706)	(2,398)	(1,170)	19,484	34,803	17,772	52,575
Distributions of dividends	-	-	-	-	-	-	-	-	-	-	-	(908)	(908)	(570)	(1,478)
Change in scope of consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	(3)	(3)
Comprehensive income for the period	-	-	-	-	(962)	(21)	10	(2)	-	-	-	1,847	872	(198)	674
of which: - other comprehensive income/(loss) for the period	-	-	-	-	(962)	(21)	10	(2)	-	-	-	-	(975)	(844)	(1,819)
- net income/(loss) for the period	-	-	-	-	-	-	-	-	-	-	-	1,847	1,847	646	2,493
At June 30, 2017	10,167	7,489	2,034	2,262	(1,967)	(1,469)	116	(14)	(706)	(2,398)	(1,170)	20,423	34,767	17,001	51,768

Consolidated Statement of Cash Flows

Millions of euro	Notes	1st Half	
		2017	2016
		of which with related parties	of which with related parties
Income before taxes for the year		3,537	3,735
Adjustments for:			
Depreciation, amortization and impairment losses	5	2,824	2,843
Financial (income)/expense	7-8	1,398	1,527
Net income of equity investments accounting for using the equity method	15	(81)	(52)
Changes in net working capital:		(1,212)	(589)
- inventories		(185)	143
- trade receivables		331	262
- trade payables		(1,882)	(374)
- other assets/liabilities		524	108
Accruals to provisions		130	344
Utilization of provisions		(535)	(611)
Interest income and other financial income collected		779	810
Interest expense and other financial expense paid		(1,970)	(2,218)
Net (income)/expense from measurement of commodity contracts		53	(295)
Income taxes paid		(739)	(1,123)
(Gains)/Losses on disposals		(148)	(175)
Cash flows from operating activities (A)		4,036	4,196
Investments in property, plant and equipment	11	(3,057)	(3,431)
Investments in intangible assets	12	(408)	(283)
Investments in entities (or business units) less cash and cash equivalents acquired	2	(723)	-
Disposals of entities (or business units) less cash and cash equivalents sold		19	406
(Increase)/Decrease in other investing activities		155	18
Cash flows from investing/disinvesting activities (B)		(4,014)	(3,290)
Financial debt (new long-term borrowing)	20	7,641	1,309
Financial debt (repayments and other net changes)	20	(5,144)	(5,146)
Transactions in non-controlling interests		(406)	(213)
Dividends and interim dividends paid		(1,656)	(2,187)
Cash flows from financing activities (C)		435	(6,237)
Impact of exchange rate fluctuations on cash and cash equivalents (D)		(170)	119
Increase/(Decrease) in cash and cash equivalents (A+B+C+D)		287	(5,212)
Cash and cash equivalents at beginning of the period ⁽¹⁾		8,326	10,790
Cash and cash equivalents at the end of the period ⁽²⁾		8,613	5,578

(1) Of which cash and cash equivalents equal to €8,290 million at January 1, 2017 (€10,639 million at January 1, 2016), short-term securities equal to €36 million at January 1, 2017 (€1 million at January 1, 2016) and cash equivalents pertaining to "Assets held for sale" equal to €150 million at January 1, 2016.

(2) Of which cash and cash equivalents equal to €8,513 million at June 30, 2017 (€5,515 million at June 30, 2016), short-term securities equal to €60 million at June 30, 2017 (€30 million at June 30, 2016) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €40 million at June 30, 2017 (€33 million at June 30, 2016).

Explanatory notes

1. Accounting policies and measurement criteria

Enel SpA, which operates in the energy utility sector, has its registered office in Viale Regina Margherita 137, Rome, Italy. The consolidated Half-Year Financial Report for the period ended June 30, 2017 comprises the financial statements of the Company and its subsidiaries and the Group's holdings in associated companies and joint ventures, as well as its share of the assets, liabilities, costs and revenue of joint operations ("the Group"). A list of the subsidiaries, associated companies, joint ventures and joint operations included in the scope of consolidation is reported in the annex.

For a discussion of the main activities of the Group, please see the interim report on operations.

This Half-Year Financial Report was approved for publication by the Board on July 27, 2017.

Compliance with IFRS/IAS

The Half-Year Financial Report of the Group at and for the six months ended at June 30, 2017 has been prepared pursuant to Article 154-*ter* of Legislative Decree 58 of February 24, 1998 as amended by Legislative Decree 195 of November 6, 2007 and Article 81 of the Issuers Regulation as amended.

The condensed interim consolidated financial statements for the six months ended at June 30, 2017 included in the Half-Year Financial Report have been prepared in compliance with the international accounting standards (*International Financial Reporting Standards - IFRS/International Accounting Standards - IAS*) issued by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), recognized by the European Union pursuant to Regulation (EC) no. 1606/2002 and in effect at the same date. All of these standards and interpretations are hereinafter referred to as "IFRS-EU".

More specifically, the financial statements have been drafted in compliance with "IAS 34 - Interim financial reporting" and consist of the consolidated income statement, the statement of consolidated comprehensive income, the consolidated balance sheet, the statement of changes in consolidated 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.

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, 2017 are the same as those adopted for the consolidated financial statements at December 31, 2016 (please see the related report for more information).

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, 2016.

Use of estimates

Preparing the condensed interim consolidated financial statements requires management to make estimates and assumptions that impact the value of revenue, costs, assets and liabilities and the related disclosures concerning contingent assets and liabilities at the balance sheet date. Changes in the conditions underlying the assumptions and judgments could have a substantial impact on future results. In the preparation of these condensed interim consolidated financial statements, the use of estimates regarded the same cases involved in the estimation process performed for the Annual Report.

For a more extensive description of the Group's key valuation processes, please see the section "Use of estimates" in note 2 to the consolidated financial statements at December 31, 2016.

During the period, the Group completed a study, conducted with the support of technical advisors, to assess the operating performance of its solar and wind plants, to analyze past data on the duration and frequency of maintenance activity prompted by technical issues and to examine the environmental and weather conditions to which the Group's plants are exposed. The findings of the analysis offered reasonable grounds for lengthening the economic or technical lives of certain components of solar and wind generation plants from those forecast in previous years.

Accordingly, as from January 1, 2017, the Group lengthened the useful lives of those components on the basis of the study findings, taking due account of any legal constraints in certain jurisdictions in which the Group operates that could effectively impact the right to use those assets for their entire economic or technical lives.

More specifically, those changes involved the extension of the useful life of turbines and generators and other mechanical and electrical machinery in wind generation plants to 30 years, as well as the extension of the useful lives of mechanical and electrical machinery in solar generation plants, although in this case the lives did not exceed the range of values already adopted by the Group.

These changes in depreciation rates reduced the depreciation recognized in the interim consolidated financial statements by an estimated €24 million.

In addition, following a number of specific technical analyses conducted internally of hydroelectric assets in Spain and Chile, the Group also decided there were grounds for extending the economic/technical lives of certain components of schedulable hydroelectric plants. In this case as well, although the new values for those useful lives fell within the range of values already adopted by the Group, the increase in the average life reduced depreciation for the period by €45 million.

Expected impact of the application of the new standards IFRS 9 and IFRS 15

In compliance with the Public Statement "European Common Enforcement Priorities for 2016 financial statements" published by the ESMA on October 28, 2016, the following discusses the likely impact of the application as from January 1, 2018 of "IFRS 9 – Financial instruments" and "IFRS 15 – Revenue from contracts with customers".

- > "IFRS 9 - Financial instruments"; the final version was issued on July 24, 2014, replacing the existing "IAS 39 - Financial instruments: recognition and measurement" and supersedes all previous versions of the new standard. The final version of IFRS 9 incorporates the results of the three phases of the project to replace IAS 39 concerning classification and measurement, impairment and hedge accounting.

As regards the classification of financial instruments, IFRS 9 provides for a single approach for all types of financial asset, including those containing embedded derivatives, under which financial assets are classified in their entirety, without the application of complex subdivision methods.

In order to determine how financial assets should be classified and measured, consideration must be given to the business model used to manage its financial assets and the characteristics of the contractual cash flows. In this regard, a business model is the manner in which an entity manages its financial assets in order to generate cash flows, i.e. collecting contractual cash flows, selling the financial assets or both.

Financial assets are measured at amortized cost if they are held in a business model whose objective is to collect contractual cash flows and are measured at fair value through other comprehensive income (FVTOCI) if they are held with the objective of both collecting contractual cash flows and selling the assets. This category enables the recognition of interest calculated using the amortized cost method through profit or loss and the fair value of the financial asset through OCI.

Financial assets at fair value through profit or loss (FVTPL) is now a residual category that comprises financial instruments that are not held under one of the two business models indicated above, including those held for trading and those managed on the basis of their fair value.

As regards the classification and measurement of financial liabilities, IFRS 9 maintains the accounting treatment envisaged in IAS 39, making limited amendments, for which most of such liabilities are measured at amortized cost. It is still permitted to designate a financial liability as at fair value through profit or loss if certain requirements are met. The standard introduces new provisions for financial liabilities designated as fair value through profit or loss, under which in certain circumstances the portion of changes in fair value due to own credit risk shall be recognized through OCI rather than profit or loss. This part of the standard may be applied early, without having to apply the entire standard.

Since during the financial crisis the impairment approach based on “incurred credit losses” had displayed clear limitations connected with the deferral of the recognition of credit losses until the occurrence of a trigger event, the standard proposes a new model that gives users of financial statements more information on “expected credit losses”.

In essence the model provides for:

- a) the application of a single approach for all financial assets;
- b) the recognition of expected credit losses on an ongoing basis and the updating of the amount of such losses at the end of each reporting period, with a view to reflecting changes in the credit risk of the financial instrument;
- c) the measurement of expected losses on the basis of reasonable information, obtainable without undue cost, about past events, current conditions and forecasts of future conditions;
- d) an improvement of disclosures on expected losses and credit risk.

IFRS 9 also introduces a new approach to hedge accounting, with the aim of aligning hedge accounting more closely with risk management, establishing a more principle-based approach.

The new hedge accounting approach will enable entities to reflect their risk management activities in the financial statements, extending the criteria for eligibility as hedged items to the risk components of non-financial elements, to net positions, to layer components and to aggregate exposures (i.e., a combination of a non-derivative exposure and a derivative). The most significant changes regarding hedging instruments compared with the hedge accounting approach used in IAS 39 involve the possibility of deferring the time value of an option, the forward element of forward contracts and currency basis spreads (i.e. “hedging costs”) in OCI up until the time in which the hedged element impacts profit or loss. IFRS 9 also eliminates the requirement for testing effectiveness under which the results of the retrospective test needed to fall within a range of 80%-125%, allowing entities to rebalance the hedging relationship if risk management objectives have not changed.

Finally, IFRS 9 does not replace the provisions of IAS 39 concerning portfolio fair value hedge accounting for interest rate risk (“macro hedge accounting”) as that phase of the IAS 39 replacement project has been separated and is still under discussion. In April 2014, the IASB published a *Discussion Paper Accounting for Dynamic Risk management: a Portfolio Revaluation Approach to Macro Hedging*.

In 2016 a transition project involving the three areas of application of the new standard was begun. During the 1st Half of 2017, planning activity continued with specific assessments and gap analysis, compared with IAS 39, for each of the three streams discussed below:

- a) “Classification and Measurement”: an initial assessment was conducted of the current procedures for classifying financial instruments compared with the new policies provided for under IFRS 9 (i.e. SPPI test and business model). In addition, a number of contracts were identified that could be measured at fair value, as the contractual cash flows were not composed solely of payments of principal and interest, and of minority interests in unlisted companies which under IAS 39 were accounted for on a cost basis and could be measured at fair value in the circumstances specified in the standard. During the 2nd Half of 2017, analysis will continue of the valuation models for such financial assets.
- b) “Impairment”: impaired financial assets were identified and analyzed. Trade receivables, which represent the majority of the Group’s credit exposure, underwent specific analysis by cluster, broken down by Country, Global Business Line and the applicable legislative and regulatory framework in order to identify the most appropriate

valuation model to define expected credit losses. In most cases, the analyses led to the identification of an impairment model based on the simplified approach provided for in the standard for that type of receivable, for which the basic assumptions were identified: work on completing the definition of the reference inputs is still under way.

- c) "Hedge Accounting": a review and analysis of existing hedge relationships was conducted, aggregating them in uniform clusters and identifying the new hedge accounting strategies set out in the new standard for each of them, with a view to ensure greater consistency with the risk management activities performed by the Group. During the 2nd Half of 2017, definition of the new hedge accounting model will continue.

- > "IFRS 15 - Revenue from contracts with customers", issued in May 2014, including "Amendments of IFRS 15: effective date of IFRS 15", issued in September 2015. The new standard will replace "IAS 11 - Construction contracts", "IAS 18 - Revenue", "IFRIC 13 - Customer loyalty programmes", "IFRIC 15 - Agreements for the construction of real estate", IFRIC 18 - Transfers of assets from customers" and "SIC 31 - Revenue - Barter transactions involving advertising services" and will apply to all contracts with customers, with a number of exceptions (for example, lease and insurance contracts, financial instruments, etc.). The new standard establishes a general framework for the recognition and measurement of revenue based on the following fundamental principle: the recognition of revenue in a manner that faithfully depicts the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The fundamental principle will be applied on the basis of five key phases (steps): the entity must identify the contract with the customer (step 1); it must identify the performance obligations in the contract, recognizing separable goods or services as separate obligations (step 2); the entity must then determine the transaction price, which is represented by the consideration that it expects to obtain (step 3); the entity must then allocate the transaction price to the individual obligations identified in the contract on the basis of the individual price of each separable good or service (step 4); revenue is recognized when (or if) each individual performance obligation is satisfied through the transfer of the good or service to the customer, i.e. when the customer obtains control of the good or service (step 5). IFRS 15 also provides for a series of notes to ensure complete disclosure concerning the nature, amount, timing and degree of uncertainty of the revenue and cash flows associated with contracts with customers. During the 1st Half of 2017, the work begun in 2016 to identify the potential impact of the standard on the Group's consolidated financial statements continued. In an initial phase of the project, we identified the relevant revenue streams for the Group. In the subsequent phase, the main countries in which the Group operates began to analyze selected contracts representing the clusters into which the portfolio of contracts had previously been classified. On the basis of that assessment, the most significant aspects that we feel will be affected by the new provisions of IFRS 15 regard: (i) identification of contractual obligations; (ii) contracts with multiple contractual obligations; (iii) contracts with variable consideration and associated timing; (iv) contracts in which a third party is involved in supplying goods/services to customers, distinguishing cases in which the Group (or the counterparty) is acting on its own behalf or as an agent; (v) the capitalization of contract acquisition costs; and (vi) disclosures required under the standard. Additional analysis has begun on the main cases identified, in order to estimate the effects of the application of the new standard. On the basis of the analyses conducted as of the date of approval of the Half-Year Financial Report, which will continue in the 2nd Half of the year, the areas involved essentially regard: i) the capitalization of the value of certain sales commissions paid to agents; ii) the possible representation of certain types of revenue in other items of the income statement with no impact on operating income and net income.

During the 2nd Half of the year, analysis work will continue in order to assess the possible impact of the application of IFRS 15 and IFRS 9, and to identify the approaches for representing the effects upon first-time adoption of the new standards, taking due account of the available options and the ongoing evolution of the guidance concerning their adoption.

Seasonality

The turnover and performance of the Group could be impacted, albeit slightly, by developments in weather conditions. More specifically, in warmer periods of the year, gas sales decline, while during periods in which factories are closed for holidays, electricity sales decline. Similarly, hydroelectric generation performance is particularly high during the winter and early spring given the more favorable seasonable water conditions. In view of the slight financial impact of these variations, further mitigated by the fact that the Group's operations are spread across both hemispheres and, therefore, the impact of weather-related factors tends to be uniform throughout the year, no additional disclosure (required under IAS 34.21) for developments in the 12 months ended June 30, 2017 is provided.

Restatement of comparative disclosures

As from the close of the period at September 30, 2016, the new organizational model of the Enel Group can be considered fully operational. The adoption of the model was first announced in the 2nd Quarter of 2016, at the time of the presentation of the new organizational structure.

The main changes in the organizational model include the integration of the various companies belonging to the Enel Green Power Group in the various Divisions by geographical area, functionally including the large hydro activities that are still formally operated by the thermal generation companies, and a new definition of the geographical areas (Italy, Iberia, Europe and North Africa, Latin America, North and Central America, Sub-Saharan Africa and Asia, Central/Parent Company). The new business structure is also broken down as follows: Thermal Generation and Trading, Infrastructure and Networks, Renewables, Retail, Services and Parent Company. Accordingly, the new matrix structure is organized into the following Divisions (Global Thermal Generation, Global Infrastructure and Networks, Renewable Energy and Global Trading) and Regions and Countries (Italy, Iberia, Europe and North Africa, Latin America, North and Central America, Sub-Saharan Africa and Asia), and will, from this year, also represent the basis of planning, reporting and assessment of the financial performance of the Group, both internally by top management and in relations with the financial community.

In view of these developments, it has also become necessary to review disclosures under "IFRS 8 - Operating segments", as reported in note 3 below, which have also been supplemented with restated comparative figures to ensure full comparability.

In addition, the structure of "cash flow from operating activities" in the consolidated statement of cash flows, which has maintained its overall value unchanged, underwent structural modifications in order to improve the presentation of events, which involved the restatement of certain items for the 1st Half of 2016 in order to improve comparability.

2. Main changes in the scope of consolidation

At June 30, 2017, the scope of consolidation had changed with respect to that at June 30, 2016, and December 31, 2016, as a result of the following main transactions:

2016

- > Disposal, completed in early March 2016, of **Compostilla Re**, which at December 31, 2015 had been classified as “held for sale”. The sale price was €101 million (the company also held liquid assets of about €111 million) and generated a gain of about €19 million;
- > disposal, on May 1, 2016, of 65% of **Drift Sand Wind Project**, a company operating in the wind generation sector in the United States;
- > disposal, completed on July 13, 2016, of **Enel Longanesi**, which held the Italian assets (composed of 21 applications for on-shore and off-shore exploration permits and exploration permits) in the upstream gas sector;
- > disposal, on July 28, 2016, of 50% of **Slovak Power Holding (“SPH”)**, which in turn holds 66% of **Slovenské elektrárne (“SE”)**;
- > acquisition of control, on October 1, 2016, of **Distribuidora Eléctrica de Cundinamarca (“DEC”)**, previously accounted for using the equity method, through the merger of DEC into Codensa (which had already held 49%);
- > loss of control, on November 21, 2016, following changes in governance arrangements and the disposal of an interest of 1%, for €12 million, of **EGPNA Renewable Energy Partners (“EGPNA REP”)**, a developer of renewables generation projects in the United States. As from that date it has been accounted for using the equity method;
- > disposal, on November 30, 2016, of 100% of **Enel France**, a thermal generation company in France;
- > loss of control, on December 20, 2016, of **Enel OpEn Fiber** (now OpEn Fiber - OF) following a capital increase by Enel and CDP Equity (“CDPE”), after which Enel and CDPE hold an equal stake in OF, which as from that date has therefore been accounted for using the equity method;
- > disposal, on December 28, 2016, of the **Cimarrón and Lindahl** wind farms to the EGPNA REP joint venture, the starting point of a new industrial growth strategy founded on a less capital-intensive “Build, Sell and Operate” approach intended to accelerate the development of project pipelines at the global level;
- > disposal, on December 30, 2016, of 100% of **Marcinelle Energie**, a thermal generation company in Belgium. The sales price is subject to customer price adjustments that include an earn-out clause.

2017

- > Acquisition, on January 10, 2017, of 100% of **Demand Energy Networks**, a company headquartered in the United States specializing in software solutions and smart electricity storage systems;
- > acquisition, on February 10, 2017, of 100% of **Más Energía**, a Mexican company operating in the renewable energy sector;
- > acquisition, on February 14, 2017, and May 4, 2017, of 94.84% and 5.04% respectively (for a total of 99.88%) of **CELG Distribuição (CELG-D)**, an electricity distribution company operating in the Brazilian state of Goiás.
- > acquisition, on May 16, 2017, of 100% of **Tynemouth Energy Storage**, a British company operating in the electricity storage sector;
- > acquisition, on June 4, 2017, of 100% of **Amec Foster Wheeler Power (now Enel Green Power Sannio)**, a company that owns two wind plants in the province of Avellino.

Other changes

In addition to the above changes in the scope of consolidation, the following transactions, which although they do not represent transactions involving the acquisition or loss of control, gave rise to a change in the interest held by the Group in the investees:

- > disposal, on February 29, 2016, of the remaining interest in **Hydro Dolomiti Enel**, a company operating in the hydroelectric generation sector in Italy;
- > on March 31, 2016, the non-proportional demerger of **Enel Green Power** took effect, following which – with a capital increase by Enel SpA as part of the demerger – the Group increased its stake in the company from 68.29% to 100%, with the consequent reduction of non-controlling interests;
- > on May 3, 2016, Enel Green Power acquired the remaining 40% of **Maicor Wind**, a company operating in the wind generation sector in Italy, thus becoming its sole shareholder.
- > on July 27, 2016, Enel Green Power International, a wholly-owned subsidiary of Enel, sold 60% of **Enel Green Power España** to Endesa Generación, a wholly-owned subsidiary of Endesa, which as it already held the other 40% of EGPE became its sole shareholder. In the consolidated financial statements, the transaction produced a decrease in the interest pertaining to the Group (from 88.04% to 70.10%) in the results of Enel Green Power España as from the time the operation took effect;
- > merger, on December 1, 2016, into **Enel Américas** of Endesa Américas and Chilectra Américas, companies created with the demerger of Enersis, Endesa Chile and Chilectra. As the combined effect of exchange ratios between shares and the exercise of the right of withdrawal by some shareholders of the companies involved in the transaction, the percentage interest in the companies held directly or indirectly by Enel Américas changed.

Acquisition of CELG-D

On February 14, 2017, Enel Brasil finalized the acquisition of 94.84% of CELG Distribuição (“CELG-D”), an electricity distribution company operating in the Brazilian state of Goiás under a concession valid until 2045. The original transaction provide for the remaining interest in CELG-D to be offered to current and retired employees using a procedure under which Enel Brasil guaranteed the acquisition of any shares not purchased by those employees and retirees. The procedure closed in May 4, 2017 and enabled the Group to acquire an additional 5.04% of CELG-D, giving it a total holding of 99.88%.

During the 1st Half of the year, the Company performed a preliminary allocation of the purchase price, determining the provisional fair value of the assets and liabilities acquired.

The main adjustments of the carrying amount essentially regarded the recognition of intangible assets (in particular, those in respect of concession rights) and the associated tax effects, taking account of the impact of the reverse merger of CELG-D into Enel Investimentos. In view of the characteristics of the concession arrangements under which it operates, the distribution activity performed by the company falls within the scope of application of IFRIC 12.

Determination of goodwill

Millions of euro	
Net assets acquired before allocation ⁽¹⁾:	(278)
Adjustments to allocate purchase price:	
- intangible assets	1,153
- deferred tax liabilities	(117)
- employee benefit obligations	(40)
- other adjustments	(27)
- non-controlling interests	(1)
Net assets acquired after allocation	690
Purchase price for 94.84%	665
Purchase price for additional 5.04%	25
Cost of the acquisition	690
Goodwill	-

⁽¹⁾ Net assets in proportion to Enel's stake of 99.88%.

Accordingly, the accounts at the acquisition date were updated as follows:

Accounts of CELG-D as at the acquisition date

Millions of euro	Carrying amount before February 14, 2017	Adjustments for purchase price allocation	Carrying amount as at February 14, 2017
Property, plant and equipment	13	-	13
Intangible assets	572	1,153	1,725
Deferred tax assets	23	-	23
Other non-current assets	318	(5)	313
Trade receivables	238	1	239
Inventories	7	-	7
Other current assets	132	(6)	126
Cash and cash equivalents	9	-	9
Borrowings	(326)	9	(317)
Employee benefits	(43)	(40)	(83)
Deferred tax liabilities	(23)	(117)	(140)
Other non-current liabilities	(161)	(11)	(172)
Provisions for risks and charges	(216)	-	(216)
Trade payables	(446)	(4)	(450)
Other current liabilities	(375)	(11)	(386)
Non-controlling interests	-	(1)	(1)
Net assets acquired	(278)	968	690

CELG-D contributed €596 million in revenue and a negative €15 million in operating income to results for the 1st Half of 2017.

Other minor acquisitions

Determination of goodwill

Millions of euro	Demand Energy Networks	Más Energía	Tynemouth Energy Storage	Amec Foster Wheeler Power (now Enel Green Power Sannio)
Property, plant and equipment	-	-	2	49
Intangible assets	30	-	-	-
Cash and cash equivalents	15	-	-	8
Trade receivables	-	-	-	1
Other current assets	-	-	-	4
Medium/long-term borrowings	-	-	-	(29)
Trade payables	(2)	-	-	(1)
Other current liabilities	(14)	-	-	(17)
Net assets acquired	29	-	2	15
Cost of the acquisition	38	10	5	21
<i>(of which paid in cash)</i>	30	10	4	21
Goodwill	9	10	3	6

The provisional allocation of the purchase price has been completed for Demand Energy, while for the other minor acquisitions the Group will identify the fair value of the assets acquired and the liabilities assumed within 12 months of the acquisition date. This process was begun immediately after the acquisition.

3. Segment information

The representation of performance and financial position by business area presented here is based on the approach used by management in monitoring Group performance for the two periods being compared. For more information on the developments in performance and financial position that characterized the two half-years under review, please see the appropriate section of this Half-Year Financial Report.

Performance by business area

1st Half of 2017 ⁽¹⁾

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Revenue from third parties	18,317	9,939	6,497	1,139	362	46	15	36,315
Revenue from transactions with other segments	360	21	16	18	3	-	(418)	-
Total revenue	18,677	9,960	6,513	1,157	365	46	(403)	36,315
Total costs	15,349	8,316	4,457	880	147	18	(252)	28,915
Net income/(expense) from commodity contracts measured at fair value	339	(48)	2	-	-	-	(15)	278
Depreciation and amortization	869	764	579	99	95	20	7	2,433
Impairment losses	250	170	92	21	-	-	-	533
Reversals of impairment	(1)	(127)	-	(15)	-	1	-	(142)
Operating income	2,549	789	1,387	172	123	7	(173)	4,854
Capital expenditure	740	350	1,381	153	813	21	7	3,465

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

1st Half of 2016 restated ⁽¹⁾

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Revenue from third parties	17,197	9,139	5,088	2,187	461	9	69	34,150
Revenue from transactions with other segments	408	32	17	117	1	-	(575)	-
Total revenue	17,605	9,171	5,105	2,304	462	9	(506)	34,150
Total costs	13,819	7,197	3,375	1,875	135	8	(426)	25,983
Net income/(expense) from commodity contracts measured at fair value	(107)	(1)	-	(8)	-	-	2	(114)
Depreciation and amortization	850	825	447	143	120	3	25	2,413
Impairment losses	247	177	38	47	8	-	45	562
Reversals of impairment	-	(123)	(2)	(8)	-	-	1	(132)
Operating income	2,582	1,094	1,247	239	199	(2)	(149)	5,210
Capital expenditure	738	408	1,265	88 ⁽²⁾	748	201	17	3,465

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

(2) Does not include €249 million regarding units classified as "held for sale".

Financial position by business area

At June 30, 2017

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Property, plant and equipment	25,955	23,846	16,751	3,056	5,105	758	(9)	75,462
Intangible assets	1,283	15,638	11,890	751	641	114	(45)	30,272
Trade receivables	8,152	2,230	1,941	294	191	25	(615)	12,218
Other	3,532	1,565	811	206	35	4	(168)	5,985
Operating assets	38,922 ⁽¹⁾	43,279	31,393	4,307 ⁽²⁾	5,972	901	(837)	123,937
Trade payables	6,178	2,120	2,332	309	652	22	(553)	11,060
Sundry provisions	3,048	3,788	1,278	110	25	16	544	8,809
Other	6,971	2,781	2,041	346	187	63	107	12,496
Operating liabilities	16,197	8,689	5,651	765 ⁽³⁾	864	101	98	32,365

(1) Of which €4 million regarding units classified as "held for sale".

(2) Of which €97 million regarding units classified as "held for sale".

(3) Of which €59 million regarding units classified as "held for sale".

At December 31, 2016

Millions of euro	Italy	Iberia	Latin America	Europe and North Africa	North and Central America	Sub-Saharan Africa and Asia	Other, eliminations and adjustments	Total
Property, plant and equipment	25,981	24,174	17,411	3,048	4,831	780	46	76,271
Intangible assets	1,314	15,671	11,045	743	633	113	(34)	29,485
Trade receivables	9,429	2,243	1,835	317	111	18	(447)	13,506
Other	3,409	1,461	515	179	41	2	(134)	5,473
Operating assets	40,133 ⁽¹⁾	43,549	30,806	4,287	5,616 ⁽²⁾	913	(569)	124,735
Trade payables	7,606	2,155	2,433	374	493	23	(396)	12,688
Sundry provisions	3,077	4,096	1,039	127	25	18	617	8,999
Other	7,125	3,042	1,850	305	210	54	340	12,926
Operating liabilities	17,808	9,293	5,322	806	728	95	561	34,613

(1) Of which €4 million regarding units classified as "held for sale".

(2) Of which €2 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, 2017	at Dec. 31, 2016
Total assets	153,472	155,596
Equity investments accounted for using the equity method	1,583	1,558
Non-current financial assets	3,783	3,892
Long-term tax receivables included in "Other non-current assets"	293	301
Current financial assets	3,708	3,053
Derivatives	3,471	5,554
Cash and cash equivalents	8,513	8,290
Deferred tax assets	6,437	6,665
Tax receivables	1,077	879
Long-term tax receivables included in "Other current assets"	630	664
Financial and tax assets of "Assets held for sale"	40	5
Segment assets	123,937	124,735
Total liabilities	101,704	103,021
Long-term borrowings	42,923	41,336
Short-term borrowings	3,025	5,372
Current portion of long-term borrowings	7,549	4,384
Current financial liabilities	841	1,264
Derivatives	4,488	5,854
Deferred tax liabilities	8,340	8,768
Income tax payable	830	359
Other tax payables	1,329	1,071
Financial and tax liabilities included in disposal groups classified as "Liabilities held for sale"	14	-
Segment liabilities	32,365	34,613

Revenue

4. Revenue – €36,315 million

Millions of euro	1st Half			
	2017	2016	Change	
Revenue from the sale of electricity	21,438	20,577	861	4.2%
Revenue from the transport of electricity	4,883	4,687	196	4.2%
Fees from network operators	332	259	73	28.2%
Transfers from institutional market operators	903	530	373	70.4%
Revenue from the sale of gas	2,280	2,149	131	6.1%
Revenue from the transport of gas	321	320	1	0.3%
Revenue from fuel sales	3,847	3,359	488	14.5%
Connection fees to electricity and gas networks	366	408	(42)	-10.3%
Revenue from construction contracts	312	151	161	-
Revenue from the sale of environmental certificates	(25)	6	(31)	-
Revenue from other sales and services	701	726	(25)	-3.4%
Total revenue from sales and services	35,358	33,172	2,186	6.6%
Cost contributions and other fees	37	19	18	94.7%
Grants for environmental certificates	456	410	46	11.2%
Sundry reimbursements	122	117	5	4.3%
Gains on disposal of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale	160	174	(14)	-8.0%
Remeasurement at fair value after changes in control	-	4	(4)	-
Gains on the disposal of property, plant and equipment and intangible assets	9	20	(11)	-55.0%
Other income	173	234	(61)	-26.1%
Total other revenue and income	957	978	(21)	-2.1%
TOTAL REVENUE	36,315	34,150	2,165	6.3%

In the 1st Half of 2017, “revenue from the sale of electricity” came to €21,438 million (€20,577 million in the 1st Half of 2016), including €15,404 million in revenue from electricity sales to end users (€13,983 million in the 1st Half of 2016), €4,350 million in revenue from wholesale electricity sales, not including fees from network operators (€5,616 million in the 1st Half of 2016), and €1,683 million in revenue from the trading of electricity (€978 million in the 1st Half of 2016).

The change is attributable to:

an increase of €1,421 million in revenue from the sale of electricity to end users, mainly thanks to the recovery in average sales prices together with an increase in quantities sold and exchange rate effects, which were most favorable in Latin America. As regards the change in the scope of consolidation, the acquisition of CELG-D had an impact of €448 million on revenue in the 1st Half of 2017, while the disposal of Slovenské elektrárne had an impact of €300 million on revenue in the 1st Half of 2016;

- > a decrease of €1,266 million in revenue from sales on the wholesale market, essentially reflecting the deconsolidation of Slovenské elektrárne (€754 million) and the reduction in sales, mainly in Italy;
- > an increase of €705 million in revenue from electricity trading, essentially due to the increase in volumes handled.

“Revenue from the transport of electricity” in the 1st Half of 2017 amounted to €4,883 million (€4,687 million in the 1st Half of 2016) and included the transport of electricity for end users in the amount of €2,614 million (€2,388 million in the same period of 2016) and the transport of electricity for other operators totaling €2,268 million (€2,299 million in the 1st Half of 2016). The increase is mainly attributable to an increase in volumes distributed on the free market to end users in Italy.

Revenue from “transfers from institutional market operators” amounted to €903 million in the 1st Half of 2017, up €373 million on the same period of 2016. The change reflects €213 million associated with the higher cost of fuels for generation in Spain and €165 million attributable to the change in the green certificate mechanism in Italy.

“Revenue from the sale of gas” amounted to €2,280 million and includes sales to end users in Italy of €1,138 million (€1,133 million in the 1st Half of 2016) and to end users abroad in the amount of €1,142 million (€1,016 million in the 1st Half of 2016). The increase of €131 million mainly reflects the increase in sales in the Iberian Peninsula (€106 million), which is attributable to the increase in volumes handled and higher average unit prices than those in 2016.

“Revenue from fuel sales” amounted to €3,847 million, and in the 1st Half of 2017 included sales of natural gas amounting to €3,818 million (€3,330 million in the 1st Half of 2016) and sales of other fuels totaling €29 million (€29 million in the 1st Half of 2016). The increase in the period is essentially due to the increase in volumes handled by Enel Global Trading in international markets.

“Revenue from construction contracts” increased by €161 million. The change on the same period of 2016 mainly reflects an increase in engineering work for grid infrastructure operated under concession arrangements falling within the scope of IFRIC 12 (which was also affected by the change in the scope of consolidation associated with the acquisition of CELG-D).

“Gains on the disposal of entities” in the 1st Half of 2017 amounted to €160 million (€174 million in the 1st Half of 2016) and mainly concerned (€146 million) the gain on the sale of the Chilean company Electrogas, in which the Group held a stake of 42.5%. In the 1st Half of 2016, the item mainly reflected the gain of €124 million on the disposal of Hydro Dolomiti Enel and of €19 million on the disposal of Compostilla Re, as well as a positive price adjustment of €30 million on the disposal of ENEOP.

“Other income” amounted to €173 million in the 1st Half of 2017, a decrease of €61 million compared with the same period of the previous year. The decline is largely attributable to a decrease in income from the Argentine generation and distribution companies following rate reforms.

Costs

5. Costs – €31,739 million

Millions of euro	1st Half			
	2017	2016	Change	
Electricity	9,740	8,692	1,048	12.1%
Fuel and gas	7,875	6,633	1,242	18.7%
Total purchases of electricity, fuel, and gas	17,615	15,325	2,290	14.9%
Wheeling	4,933	4,743	190	4.0%
Leases and rentals	245	268	(23)	-8.6%
Other services	2,534	2,513	21	0.8%
Raw materials	523	506	17	3.4%
Total services and other materials	8,235	8,030	205	2.6%
Personnel	2,280	2,232	48	2.2%
Depreciation	2,034	2,074	(40)	-1.9%
Amortization	399	339	60	17.7%
Impairment losses and reversals	391	430	(39)	-9.1%
Total depreciation, amortization and impairment losses	2,824	2,843	(19)	-0.7%
Charges for environmental certificates	597	404	193	47.8%
Other operating expenses	860	713	147	20.6%
Total other operating expenses	1,457	1,117	340	30.4%
Capitalized materials costs	(192)	(170)	(22)	-12.9%
Capitalized personnel costs	(325)	(307)	(18)	5.9%
Other capitalized costs	(155)	(244)	89	-36.5%
Total capitalized costs	(672)	(721)	49	-6.8%
TOTAL COSTS	31,739	28,826	2,913	10.1%

“Electricity” purchases in the 1st Half of 2017 amounted to €9,740 million (€8,692 million in the 1st Half of 2016) and included purchases from the Single Buyer in the amount of €1,537 million (€1,367 million in the 1st Half of 2016) and from the Energy Markets Operator in the amount of €1,171 million (€705 million in the 1st Half of 2016). The increase reflects the rise in purchases through bilateral contracts (€3,656 million, an increase of €606 million), an increase of €1,048 million in purchases on electricity exchanges (especially the Italian exchange), as well as spot purchases on foreign and domestic markets in the amount of €251 million.

“Fuel and gas” purchases amounted to €7,875 million in the 1st Half of 2017 and comprise purchases of natural gas in the amount of €6,205 million (€5,327 million in the 1st Half of 2016) and of other fuels in the amount of €1,670 million (€1,306 million in the 1st Half of 2016). The increase in the period reflects the rise in demand for thermal generation and a substantial increase in unit prices, which more than offset the change in the scope of consolidation associated with Slovenské elektrárne.

Costs for “services and other materials” in the 1st Half of 2017 rose by €205 million on the 1st Half of 2016, mainly due to an increase of €190 million in wheeling costs and higher costs for services and infrastructure work on grid infrastructure in Brazil in the 1st Half of 2017.

“Personnel” costs in the 1st Half of 2017 amounted to €2,280 million, up €48 million (+2.2%).

The rise mainly reflects:

- > the recognition in the 1st Quarter of 2017 of an increase in early termination incentives, entirely attributable to the provision of €45 million recognized by CELG-D to increase efficiency;
- > exchange rate effects of €25 million;
- > an increase in average unit costs, especially in Latin America, which increased costs by €76 million;
- > the change in the scope of consolidation, mainly regarding Slovenské elektrárne and CELG-D, which reduced costs by €33 million;
- > the effect of a decline in the average workforce compared with the same period of 2016 (-4,440), with an impact of €65 million.

At June 30, 2017, Enel Group employees numbered 62,756 (62,080 at December 31, 2016). Compared with December 31, 2016, the Group's workforce increased by 676 during the 1st Half of the year, despite the negative effect of the balance between new hires and termination in the period. This reflected the change in the scope of consolidation (+1,942), mainly associated with the acquisition of CELG-D in Brazil and Enel Green Power Sannio in Italy. The changes can be broken down geographically as follows: 17% of the new hires were in Italy, with the remaining 83% being distributed across other countries. About 22% of terminations were in Italy, facilitated by application of Article 4 of Law 92/2012 concerning early retirement, while the remaining 78% were abroad, notably in Spain.

"Depreciation, amortization, and impairment losses" in the 1st Half of 2017 amounted to €2,824 million, a decline of €19 million (€2,843 million in the 1st Half of 2016).

The decrease mainly reflect the reduction in impairment losses on trade receivables (€51 million), mainly abroad. This contraction was only partly offset by an increase in amortization of intangibles (mainly due to changes in exchange rates and the consolidation of CELG-D), while depreciation declined, above all because of the deconsolidation of Slovenské elektrárne and the change in the useful lives of certain categories of renewables plants.

Impairment losses for the 1st Half of 2017 (net of associated reversals) decreased by €39 million as shown below:

Millions of euro	1st Half			
	2017	2016	Change	
Impairment losses:				
- property, plant and equipment	(1)	9	(10)	-
- intangible assets	-	-	-	-
- trade receivables	509	473	36	7.6%
- assets held for sale	-	79	(79)	-
- other assets	25	1	24	-
Total impairment losses	533	562	(29)	-5.2%
Reversals:				
- property, plant and equipment	(2)	(1)	(1)	-
- trade receivables	(138)	(129)	(9)	-7.0%
- other assets	(2)	(2)	-	-
Total reversals	(142)	(132)	(10)	-7.6%
TOTAL IMPAIRMENT LOSSES AND REVERSALS	391	430	(39)	-9.1%

The change in impairment losses mainly reflected the effect of the recognition in the 1st Half of 2016 of the adjustment of €39 million in the estimated disposal value (based on negotiations with the counterparty involved) of the upstream gas assets being developed in Algeria (Isarene permit), which were classified as held for sale as at June 30, 2016.

“Other operating expenses” in the 1st Half of 2017 amounted to €1,457 million, an increase of €340 million compared with the same period of the previous year. This reflected the increase in charges for white certificates (up €233 million on the 1st Half of 2016), an increase in costs in respect of fines levied in Argentina for failure to achieve quality standards in the delivery of electricity, and an increase in costs for taxes connected with the electrical business in Spain, partly attributable to the rise in nuclear generation.

6. Net income/(expense) from commodity contracts measured at fair value – €278 million

Net income on commodity contracts measured at fair value came to €278 million, the net effect of €3,768 million in net income realized on positions closed during the period and €3,490 million in net charges from the measurement at fair value of positions open at June 30, 2016..

Millions of euro	1st Half			
	2017	2016	Change	
Income:				
- unrealized on positions open at the end of the period	727	740	(13)	-1.8%
- realized on positions closed during the period	3,041	4,185	(1,144)	-27.3%
Total income	3,768	4,925	(1,157)	-23.5%
Expense:				
- unrealized on positions open at the end of the period	(587)	(620)	33	5.3%
- realized on contracts closed during the period	(2,903)	(4,419)	1,516	34.3%
Total expense	(3,490)	(5,039)	1,549	30.7%
NET INCOME/(EXPENSE) FROM COMMODITY CONTRACTS MEASURED AT FAIR VALUE	278	(114)	392	-

7. Net financial income/(expense) from derivatives – €(528) million

Millions of euro	1st Half			
	2017	2016	Change	
Income:				
- income from cash flow hedge derivatives	133	118	15	12.7%
- income from derivatives at fair value through profit or loss	499	1,062	(563)	-53.0%
- income from fair value hedge derivatives	13	13	-	-
Total income	645	1,193	(548)	-45.9%
Expense:				
- expense on cash flow hedge derivatives	(898)	(884)	(14)	-1.6%
- expense on derivatives at fair value through profit or loss	(259)	(1,164)	905	77.7%
- expense on fair value hedge derivatives	(16)	(3)	(13)	-
Total expense	(1,173)	(2,051)	878	42.8%
FINANCIAL INCOME/(EXPENSE) FROM DERIVATIVES	(528)	(858)	330	38.5%

Net expense on cash flow hedge derivatives totaled €765 million and essentially concerned exchange rates, whereas derivatives at fair value through profit or loss resulted in net income of €240 million.

Fair value hedge derivatives generated net expense of €3 million.

8. Other financial income/(expense) – €(870) million

Millions of euro	1st Half			
	2017	2016	Change	
Interest and other income from financial assets	93	110	(17)	-15.5%
Exchange gains	851	1,088	(237)	-21.8%
Income from equity investments	1	8	(7)	-87.5%
Other income	101	142	(41)	-28.9%
Total financial income	1,046	1,348	(302)	-22.4%
Interest and other charges on financial debt	(1,266)	(1,408)	142	10.1%
Exchange losses	(356)	(317)	(39)	-12.3%
Accretion of post-employment and other employee benefits	(41)	(94)	53	56.4%
Accretion of other provisions	(123)	(152)	29	19.1%
Expense on equity investments	-	-	-	-
Other expenses	(130)	(46)	(84)	-
Total financial expense	(1,916)	(2,017)	101	5.0%
TOTAL NET FINANCIAL INCOME/(EXPENSE)	(870)	(669)	(201)	-30.0%

Financial income amounted to €1,046 million, a decrease of €302 million on the year-earlier period. The decline is mainly attributable to:

- > a decrease of €237 million in exchange gains;
- > a decrease of €41 million in other income, essentially attributable to the decline in interest and other income on financial assets in respect of the government concession arrangements of the Brazilian companies in the amount of €18 million and a reduction in default interests of €8 million;
- > a decrease of €17 million in interest and other income from financial assets, largely connected with a decline in interest on financial investments and short-term securities.

Financial expense amounted to €1,916 million, a decrease of €101 million on the 1st Half of 2016. This change can be attributed to the following factors:

- > a decrease of €142 million in interest and other expense on financial debt, notably on bonds (€100 million), due to the lower average level of debt and the lower cost of debt resulting in part from a number of liability management actions;
- > a decrease of €53 million in the accretion expense on employee benefits, mainly related to the early retirement incentive provision;
- > a decrease of €29 million in the accretion expense for other provisions, mainly due to the reduction of €41 million in charges for accretion of the nuclear decommissioning provision following the deconsolidation of Slovenské elektrarne. This was partly offset by the increase of €13 million in accretion charges for other provisions for risks and charges, largely due to the accretion of provisions for prior-period fines under litigation levied by Argentine authorities;
- > an increases of €39 million in exchange losses;
- > an increase of €84 million in other financial expense, essentially due to a reduction in capitalized interest and certain financial charges of a regulatory nature recognized in Brazil.

9. Income taxes – €1,044 million

Millions of euro	1st Half			
	2017	2016	Change	
Current taxes	1,049	688	361	52.5%
Adjustments for income tax relating to prior years	(18)	(39)	21	53.8%
Deferred tax liabilities	(96)	(74)	(22)	-29.7%
Deferred tax assets	109	568	(459)	-80.8%
Total	1,044	1,143	(99)	-8.7%

Income taxes for the 1st Half of 2017 amounted to €1,044 million.

Income taxes declined by about 99 million, and are therefore broadly in line with the same period of the previous year taking account of the decline in income before tax. More specifically, the reduction in tax rates in Italy was partly offset by an increase in tax rates in Chile and Peru. In addition, taxes were increased by €41 million in the 1st Half of 2017 due to the difference between the taxation of the gain (of €146 million) on the disposal of the Chilean company Electrogas and the smaller tax liability on the gain (of €124 million) recognized in Italy in the 1st Half of 2016 on the disposal of Hydro Dolomiti Enel, which was virtually tax exempt.

10. Basic and diluted earnings per share

Both metrics are calculated on the basis of the average number of ordinary shares in the period, equal in the 1st Half of 2017 to 10,166,679,946 shares. The calculation takes due account of the fact that as from March 31, 2016, the number of shares rose by 763,322,151 as a result of the partial, non-proportional demerger of Enel Green Power to Enel SpA.

Millions of euro	1st Half			
	2017	2016	Change	
Net income from continuing operations attributable to shareholders of the Parent Company (millions of euro)	1,847	1,834	13	0.7%
Net income from discontinued operations attributable to shareholders of the Parent Company (millions of euro)	-	-	-	-
Net income attributable to shareholders of the Parent Company (millions of euro)	1,847	1,834	13	0.7%
Average number of ordinary shares	10,166,679,946	9,785,018,870	381,661,076	3.9%
Dilutive effect of stock options	-	-	-	-
Basic and diluted earnings per share (euro)	0.18	0.19	(0.01)	-5.3%
Basic and diluted earnings from continuing operations per share (euro)	0.18	0.19	(0.01)	-5.3%
Basic and diluted earnings from discontinued operations per share (euro)	-	-	-	-

No events have occurred from the end of the period under review to the publication of these condensed interim consolidated financial statements that would have changed the actual or potential number of ordinary shares outstanding at period-end.

11. Property, plant and equipment – €75,417 million

Changes in property, plant and equipment during the 1st Half of 2017 were as follows:

Millions of euro	
Total at December 31, 2016	76,265
Capital expenditure	3,057
Exchange rate differences	(1,872)
Changes in the scope of consolidation	63
Depreciation	(2,030)
Impairment losses and reversals	3
Disposals and other changes	(69)
Total at June 30, 2017	75,417

Capital expenditure for the 1st Half of 2017 totaled €3,057 million, down €126 million from the 1st Half of 2016. The table below summarizes investments made during the 1st Half of 2017 by type of plant:

Millions of euro	1st Half	
	2017	2016
Power plants:		
- thermal	161	278
- hydroelectric	156	217
- geothermal	113	132
- nuclear	41	52
- alternative energy resources	1,450	1,403
Total power plants	1,921	2,082
Electricity distribution networks	1,282	1,084
Land, buildings, and other goods and equipment	(146)	17
TOTAL	3,057	3,183

Capital expenditure on power plants totaled €1,921 million, decreasing by €161 million compared with the same period of the previous year, due essentially to a decrease in investment in thermal and hydroelectric plants, mainly by the Latin America country. Capital expenditure on the distribution network totaled €1,282 million, an increase of €198 million compared with the 1st Half of 2016, due essentially to the acquisition of CELG-D by the Latin America country.

“Changes in the scope of consolidation” essentially concern the acquisition of Amec Foster Wheeler (now Enel Green Power Sannio) for €49 million and CELG-D for €13 million.

“Impairment losses and reversals” on property, plant and equipment amounted to €3 million and mainly concerned a number of renewables generation plants.

“Disposals and other changes” were a negative €69 million and include the effect of the reclassification of the assets of the Kafireas wind farm as “held for sale” in the amount of €41 million.

In addition, thanks to an insurance policy covering losses caused by natural events, the impact of the strong rains and flooding of rivers that occurred in the 1st Quarter of 2017 in Peru was no significant, despite the shut-down of a number of generation plants in the areas affected.

12. Intangible assets – €16,678 million

Changes in intangible assets during the 1st Half of 2017 were as follows:

Millions of euro

Total at December 31, 2016	15,929
Capital expenditure	408
Exchange rate differences	(850)
Change in the scope of consolidation	1,755
Amortization	(406)
Other changes	(158)
Total at June 30, 2017	16,678

Changes in intangible assets for the period, an overall increase of €749 million, essentially reflected changes in the scope of consolidation in the amount of €1,755 million during the 1st Half of the year as a result of the acquisition of CELG-D, as well as capital expenditure of €408 million. These factors were partially offset by exchange rate losses of €850 million and amortization for the period in the amount of €406 million. Other changes, which were a negative €158 million, include the impact of the reclassification of €52 million in respect of Greek companies (the Kafireas project) held for sale.

13. Goodwill – €13,542 million

Changes in goodwill during the 1st Half of 2017 were as follows:

Millions of euro

Total at December 31, 2016	13,556
Exchange rate differences	(37)
Change in the scope of consolidation	35
Other changes	(12)
Total at June 30, 2017	13,542

The balance of goodwill decreased as a result of exchange rate differences of €37 million, only partly offset by the recognition of goodwill in respect of a number of smaller acquisitions in the amount of €28 million, the details of which are discussed in note 2 above.

Goodwill breaks down as follows:

Millions of euro	at June 30, 2017	at Dec. 31, 2016	Change	
Endesa	8,763	8,764	(1)	-
Latin America	3,286	3,285	1	-
Enel Green Power Group ⁽¹⁾	486	504	(18)	-3.6%
Enel Energia	580	579	1	0.2%
Enel Distributie Muntenia	361	361	-	-
Enel Energie Muntenia	63	63	-	-
Tynemouth Energy Storage Limited	3	-	3	-
Total	13,542	13,556	(14)	-0.1%

(1) Includes Enel Green Power España, Enel Green Power Latin America, Enel Green Power North America, Enel Green Power Hellas, Enel Green Power Romania, Enel Green Power Bulgaria and Enel Green Power Italia.

The CGUs to which goodwill has been allocated are tested for impairment annually or when circumstances indicate that the carrying amount might not be recoverable. The test was conducted at December 31, 2016 on the basis of the cash flows set out in the 2017-2020 business plan prepared by management, which are discounted using specific discount rates. The key assumptions used in determining the value in use of the individual CGUs and the sensitivity analyses are reported in the consolidated financial statements at December 31, 2016.

At June 30, 2017 the key assumptions used in determining value in use continued to be sustainable. No indicators of impairment were found.

14. Deferred tax assets and liabilities – €6,437 million and €8,340 million

Millions of euro	at June 30, 2017	at Dec. 31, 2016	Change	
Deferred tax assets	6,437	6,665	(228)	-3.4%
Deferred tax liabilities	8,340	8,768	(428)	-4.9%
of which:				
Non-offsettable deferred tax assets	3,441	3,426	15	0.4%
Non-offsettable deferred tax liabilities	3,814	3,741	73	2.0%
Excess net deferred tax liabilities after any offsetting	1,530	1,788	(258)	-14.4%

Changes in deferred tax assets and liabilities for the period can mainly be attributed to: changes in the value of financial derivatives (partly recognized in equity for cash flow hedge derivatives); the effect of exchange rate changes during the period, which resulted in an increase in net deferred tax liabilities; and a number of accruals to and releases from provisions for risks with deferred deductibility.

Other factors include the change in the scope of consolidation, associated with the acquisition of CELG-D, specifically the recognition of deferred taxes on part of the amounts recognized during the purchase price allocation process for the company.

15. Equity investments accounted for using the equity method – €1,583 million

The table below shows the changes in the main investments in associated companies accounted for using the equity method:

Millions of euro	% holding		Income effect	Change in scope of consolidation	Dividends	Reclassification to "assets held for sale"	Other changes	% holding	
	at Dec. 31, 2016							at June 30, 2017	
Joint ventures									
EGPNA Renewable Energy Partners	420	50.0%	51	-	-	-	(37)	434	50.0%
OpEn Fiber	355	50.0%	(2)	-	-	-	-	353	50.0%
Slovak Power Holding	156	50.0%	(5)	-	-	-	5	156	50.0%
Enel F2i Solare Italy (formerly Ultor)	164	50.0%	(5)	-	-	-	10	169	50.0%
Tejo Energia Produção e Distribuição de Energia Eléctrica	71	43.8%	4	-	-	-	(1)	74	43.8%
RusEnergSbyt	71	49.5%	27	-	(39)	-	(8)	51	49.5%
Energie Electrique de Tahaddart	31	32.0%	3	-	(6)	-	-	28	32.0%
Drift Sand Wind Project LLC	17	35.0%	4	-	-	-	7	28	50.0%
Electrogas	17	42.5%	-	(17)	-	-	-	-	-
Transmisora Eléctrica de Quillota	12	50.0%	-	-	-	-	(1)	11	50.0%
Centrales Hidroeléctricas de Aysén	9	51.0%	(3)	-	-	-	3	9	51.0%
PowerCrop	2	50.0%	(2)	-	-	-	15	15	50.0%
Associates									
Elica 2	45	30.0%	-	-	-	-	4	49	30.0%
CESI	42	42.7%	5	-	(1)	-	11	57	42.7%
Tecnatom	34	45.0%	(4)	-	-	-	-	30	45.0%
Suministradora Eléctrica de Cádiz	17	33.5%	1	-	(7)	-	4	15	33.5%
Compañía Eólica Tierras Altas	13	35.6%	-	-	-	-	-	13	37.5%
Other	82		7	-	-	-	2	91	-
Total	1,558		81	(17)	(53)	-	14	1,583	

Changes for the period reflect the net income pertaining to the Group of the companies accounted for using the equity method, only partly affected by the negative impact of "changes in the scope of consolidation", which essentially concerned the disposal of Electrogas.

16. Derivatives

Millions of euro	Non-current		Current	
	at June 30, 2017	at Dec. 31, 2016	at June 30, 2017	at Dec. 31, 2016
Derivative financial assets	1,201	1,609	2,270	3,945
Derivative financial liabilities	2,429	2,532	2,059	3,322

For more information on these derivatives, please see notes 24.1 *et seq.*

17. Other non-current financial assets – €3,783 million

Millions of euro	at June 30, 2017	at Dec. 31, 2016	Change	
Equity investments in other companies measured at fair value	163	146	17	11.6%
Equity investments in other companies	44	50	(6)	-12.0%
Receivables and securities included in net financial debt (see note 24.1)	2,516	2,621	(105)	-4.0%
Service concession arrangements	1,018	1,022	(4)	-0.4%
Non-current prepaid financial expense	42	53	(11)	-20.8%
Total	3,783	3,892	(109)	-2.8%

“Equity investments in other companies measured at fair value” amounted to €163 million and essentially comprise the investment in Bayan Resources in the amount of €153 million (€139 million at December 31, 2016).

“Equity investments in other companies” include equity investments whose the market value is not readily measurable. Accordingly, as no sale is planned for them, they are carried at cost and adjusted for any impairment.

“Service concession arrangements” regard amounts due from the grantor for the construction and/or improvement of infrastructure used to provide public services on a concession basis and recognized in application of IFRIC 12. At June 30, the value of these assets had declined slightly compared with December 31, 2016.

18. Trade receivables – €12,218 million

Trade receivables are recognized net of allowances for doubtful accounts, which totaled €2,151 million at the end of the period, compared with an opening balance of €2,027 million. The table below reports changes in these allowances.

Millions of euro	
Total at December 31, 2016	2,027
Accruals	439
Reversals	(68)
Use	(260)
Other changes	13
Total at June 30, 2017	2,151

Other changes essentially reflect changes in exchange rates.

19. Other current financial assets – €3,708 million

Millions of euro

	at June 30, 2017	at Dec. 31, 2016	Change	
Current financial assets included in debt	3,642	2,924	718	24.6%
Other	66	129	(63)	-48.8%
Total	3,708	3,053	655	21.5%

20. Net financial position and long-term financial receivables and securities – €38,826 million

The following table reconstructs the “Net financial position and long-term financial receivables and securities” from the items reported in the consolidated balance sheet.

Millions of euro

	Notes	at June 30, 2017	at Dec. 31, 2016	Change	
Long-term borrowings	20.1	42,923	41,336	1,587	3.8%
Short-term borrowings	20.2	3,025	5,372	(2,347)	-43.7%
Other short-term debt ⁽¹⁾		-	296	(296)	-
Current portion of long-term borrowings	20.1	7,549	4,384	3,165	72.2%
Non-current financial assets included in debt	20.3	(2,516)	(2,621)	105	4.0%
Current financial assets included in debt	20.4	(3,642)	(2,924)	(718)	-24.6%
Cash and cash equivalents	20.5	(8,513)	(8,290)	(223)	-2.7%
Total		38,826	37,553	1,273	3.4%

(1) Includes current financial payables included in Other current financial liabilities.

Pursuant to the CONSOB instructions of July 28, 2006, the following table reports the net financial position at June 30, 2017, and December 31, 2016, reconciled with net financial debt as prepared in accordance with the procedures of the Enel Group.

Millions of euro

	at June 30, 2017	at Dec. 31, 2016	Change	
Cash and cash equivalents on hand	198	298	(100)	-33.6%
Bank and post office deposits	8,190	7,777	413	5.3%
Other investments of liquidity	125	215	(90)	-41.9%
Securities	60	36	24	66.7%
Liquidity	8,573	8,326	247	3.0%
Short-term financial receivables	2,438	1,993	445	22.3%
Factoring receivables	90	128	(38)	-29.7%
Current portion of long-term financial receivables	1,054	767	287	37.4%
Current financial receivables	3,582	2,888	694	24.0%
Bank debt	(371)	(909)	538	59.2%
Commercial paper	(1,631)	(3,059)	1,428	46.7%
Current portion of long-term bank borrowings	(846)	(749)	(97)	-13.0%
Bonds issued (current portion)	(6,434)	(3,446)	(2,988)	-86.7%
Other borrowings (current portion)	(269)	(189)	(80)	-42.3%
Other short-term financial payables ⁽¹⁾	(1,023)	(1,700)	677	39.8%
Total current financial debt	(10,574)	(10,052)	(522)	-5.2%
Net current financial position	1,581	1,162	419	36.1%
Debt to banks and financing entities	(8,242)	(7,446)	(796)	-10.7%
Bonds	(33,190)	(32,401)	(789)	-2.4%
Other borrowings	(1,491)	(1,489)	(2)	-0.1%
Non-current financial position	(42,923)	(41,336)	(1,587)	-3.8%
NET FINANCIAL POSITION as per CONSOB instructions	(41,342)	(40,174)	(1,168)	-2.9%
Long-term financial receivables and securities	2,516	2,621	(105)	-4.0%
NET FINANCIAL DEBT	(38,826)	(37,553)	(1,273)	-3.4%

(1) Includes current financial payables included in Other current financial liabilities.

20.1 Long-term borrowings (including the portion falling due within 12 months) – €50,472 million

The item reports long-term debt in respect of bonds, bank borrowings and other borrowings in euro and other currencies, including the portion falling due within 12 months.

Millions of euro	at June 30, 2017			at Dec. 31, 2016	Change
	Total	Current portion	Portion falling due in more than 12 months		
Bonds	39,624	6,434	33,190	35,847	3,777
Bank borrowings	9,088	846	8,242	8,195	893
Other borrowings	1,760	269	1,491	1,678	82
Total	50,472	7,549	42,923	45,720	4,752

The following table reports a breakdown of bonds outstanding at June 30, 2017.

		Carrying amount	Fair value	Current portion	Portion falling due in more than 12 months	Carrying amount	Fair value
Millions of euro	Maturing	at June 30, 2017				at Dec. 31, 2016	
Bonds:							
- listed, fixed rate	2017-2097	26,107	30,786	4,419	21,688	25,770	30,332
- listed, floating rate	2017-2031	2,878	3,212	635	2,243	3,320	3,673
- unlisted, fixed rate	2017-2047	9,542	10,351	1,314	8,228	5,619	6,240
- unlisted, floating rate	2017-2032	1,097	1,079	66	1,031	1,138	1,132
Total bonds		39,624	45,428	6,434	33,190	35,847	41,377

The balance for bonds is reported net of €852 million in respect of the unlisted floating-rate “Special series of bonds reserved for employees 1994-2019”, which the parent company, Enel SpA, holds in its portfolio.

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	Carrying amount	Nominal value	Carrying amount	Current average interest rate	Current effective interest rate
	at June 30, 2017		at Dec. 31, 2016	at June 30, 2017	
Euro	26,750	27,317	25,546	3.43%	3.83%
US dollar	13,609	13,763	9,879	5.34%	5.63%
Pound sterling	4,828	4,879	4,955	6.08%	6.24%
Colombian peso	1,677	1,677	1,872	8.43%	8.43%
Brazilian real	1,130	1,165	1,088	11.29%	11.71%
Swiss franc	735	737	539	2.37%	2.42%
Chilean peso/UF	455	466	490	7.77%	7.87%
Peruvian sol	394	394	437	6.29%	6.29%
Russian ruble	266	266	295	11.52%	11.52%
Japanese yen	246	247	255	2.42%	2.46%
Other currencies	382	394	364		
Total non-euro currencies	23,722	23,988	20,174		
TOTAL	50,472	51,305	45,720		

Change in the nominal value of long-term debt

Millions of euro		Repayments and redemptions	Change in own bonds	Change in scope of consolidation	New issues	Exchange rate differences	
	at Dec. 31, 2016						at June 30, 2017
Bonds	36,562	(1,233)	(10)	-	6,105	(1,064)	40,360
Borrowings	9,928	(567)	-	349	1,536	(301)	10,945
Total	46,490	(1,800)	(10)	349	7,641	(1,365)	51,305

Compared with December 31, 2016, the nominal value of long-term debt increased by a total of €4,815 million, which is the net effect of €1,800 million in repayments and redemptions, €7,641 million in new financing, €349 million from changes in the scope of consolidation, €10 million due to changes in own bonds held, and €1,365 million in exchange rate gains.

Note that the change in the scope of consolidation, which had an impact of €349 million, mainly regards the increase in debt resulting from the acquisition of CELG-D.

The main repayments made in the 1st Half of 2017 concerned:

- > bonds in the amount of €1,233 million, including:
 - €908 million in respect of a fixed-rate bond issued by Enel SpA, which matured in June 2017;
 - the equivalent of €272 million in respect of the bonds issued by companies in South America;
- > borrowings in the amount of €567 million, including:
 - €132 million in respect of subsidized bank borrowings of e-distribuzione, Enel Green Power and Enel Produzione;
 - the equivalent of €175 million in respect of bank and non-bank borrowings of the South American companies;
 - €100 million in respect of bank and non-bank borrowings of Endesa.

The main issues made in the 1st Half of 2017 concerned:

- > 1,250 million in respect of a fixed-rate Green Bond, maturing in 2024, issued by Enel Finance International in January 2017;
- > 225 million Swiss francs (equivalent to €206 million) in respect of fixed-rate bond, maturing in 2024, issued by Enel Finance International in March 2017;
- > 5,000 million US dollars (equivalent to €4,382 million) in respect of fixed-rate multi-tranche bond issued by Enel Finance International in May 2017, structured as follows:
 - 2,000 million US dollars (equivalent to €1,753 million) maturing in 2022;
 - 2,000 million US dollars (equivalent to €1,753 million) maturing in 2027;
 - 1,000 million US dollars (equivalent to €876 million) maturing in 2047.
- > issues of local bonds by Codensa equivalent to €166 million;
- > borrowings of €1,536 million, including:
 - €600 million in respect of bank borrowings by Enel SpA;
 - €300 million in respect of loans granted to Endesa by the European Investment Bank;
 - the equivalent of €170 million in bank borrowings by Enel Green Power Brasile;
 - €281 million in drawings on credit lines by Endesa.

The main financing contracts finalized the 1st Half of 2017 include:

- > the agreement by Enel SpA of a bank loan and a bilateral revolving line of credit with a total value of €550 million, falling due in 2021, replacing an existing line of credit in the same amount falling due in 2018;

- > the agreement by Enel SpA of a bank loan with a total value of €150 million falling due in 2020, which was entirely drawn at June 30, 2017;
- > the renegotiation, with the extension of the due date to 2020, of the main lines of credit of Endesa, for a total amount of €1,985 million, of which €281 million were drawn at June 30, 2017.

The Group's main long-term financial liabilities are governed by covenants containing undertakings by the borrowers (Enel, Enel Finance International, Endesa and the other Group companies) and in some cases Enel as guarantor that are commonly adopted in international business practice. For a more detailed description, please see the 2016 Annual Report. In the 1st Half of 2017, Enel Finance International issued two new bond, both guaranteed by Enel: (i) a Green Bond, issued as part of the Euro Medium Term Notes (EMTN) program, with the funds raised to be used to finance the Group's eligible green projects; and (ii) a Yankee bond, a multi-tranche bond issued in the US market for institutional investors. As of June 30, 2017, none of the above covenants had been breached.

20.2 Short-term borrowings – €3,025 million

At June 30, 2017, short-term borrowings totaled €3,025 million, a decrease of €2,347 million with respect to December 31, 2016, as detailed below.

Millions of euro

	at June 30, 2017	at Dec. 31, 2016	Change
Short-term bank borrowings	371	909	(538)
Commercial paper	1,631	3,059	(1,428)
Cash collateral and other liabilities in respect of derivatives	893	1,286	(393)
Other short-term borrowings ⁽¹⁾	130	118	12
Short-term borrowings	3,025	5,372	(2,347)

(1) Does not include current financial payables included in Other current financial liabilities.

Commercial paper amounting to €1,631 million includes €430 million in issues made under the €6,000 million program launched in November 2005 by Enel Finance International (guaranteed by Enel SpA), which was renewed in April 2010, and €1,201 million under the International Endesa program within the scope of a program totaling €3,000 million.

20.3 Non-current financial assets included in debt - €2,516 million

Millions of euro

	at June 30, 2017	at Dec. 31, 2016	Change
Securities available for sale	405	440	(35)
Financial receivables in respect of Spanish electrical system deficit	11	15	(4)
Other financial receivables	2,100	2,166	(66)
Total	2,516	2,621	(105)

20.4 Current financial assets included in debt – €3,642 million

Millions of euro

	at June 30, 2017	at Dec. 31, 2016	Change	
Current portion of long-term financial receivables	1,054	767	287	37.4%
Receivables for factoring	90	128	(38)	-29.7%
Securities measured at fair value through profit or loss	1	1	-	-
Securities available for sale	59	35	24	68.6%
Financial receivables and cash collateral	1,829	1,082	747	69.0%
Other	609	911	(302)	-33.2%
Total	3,642	2,924	718	24.6%

The “current portion of long-term financial receivables” is essentially accounted for by the short-term component of the financial receivable in respect of the deficit of the Spanish electrical system in the amount of €503 million (€258 million at December 31, 2016). The change for the period essentially reflects new receivables accrued in the 1st Half of 2017, which were more than offset by collections in the period.

21. Assets and liabilities held for sale – €68 million

The following table reports the composition of the two items at June 30, 2017, and December 31, 2016.

Millions of euro

	Assets held for sale			Liabilities held for sale		
	at June 30, 2017	at December 31, 2016	Change	at June 30, 2017	at December 31, 2016	Change
Enel Ingegneria e Innovazione	-	5		-	-	-
Enel Produzione	4	4		-	-	-
Enel Green Power	137	2	135	73	-	73
Total	141	11	130	73	-	73

The change for the period regards the reclassification of the project companies associated with the Kafireas wind farm as available for sale.

Through the renewable energy subsidiary Enel Green Power Hellas SA ("EGPH"), Enel Green Power SpA ("EGP") began the construction of the Kafireas wind farm in the southern part of the island of Evia in Greece.

More specifically, on June 12, 2017 EGP, EGP, the CCP Credit Acquisition Luxoco Sarl fund and CSCP III Acquisition Luxos Sarl (jointly called “Centerbridge”) signed a joint venture agreement (JVA) governing the terms and management by EGP and Centerbridge of the HoldCo that will be established to hold EGP's 100% interest in the projects associated with the Kafireas wind farm.

The effectiveness of the operation is subject to meeting a number of conditions, including the formation of HoldCo and receipt of authorization for the transaction from the antitrust authorities.

22. Shareholders' equity – €51,768 million

22.1 Equity attributable to the shareholders of the Parent Company – €34,767 million

Share capital – €10,167 million

As at June 30, 2017, the fully subscribed and paid-up share capital of Enel SpA totaled €10,166,679,946, represented by the same number of ordinary shares with a par value of €1.00 each.

The share capital is unchanged compared with the amount reported at December 31, 2016.

At June 30, 2017, based on the shareholders register and the notices submitted to CONSOB and received by the Company pursuant to Article 120 of Legislative Decree 58 of February 24, 1998, as well as other available information, the only shareholders with interests of greater than 3% in the Company's share capital were the Ministry for the Economy and Finance (with a 23.59% stake) and BlackRock Inc. (with a 4.99% stake held through subsidiaries at June 28, 2017, for asset management purposes).

On May 4, 2017, the Enel SpA shareholders approved a dividend of €0.9 per share for a total of €915 million, which will be paid to shareholders in July 2017. That amount represents the balance of the interim dividend approved in November 2016 of an additional €0.9 per share, which was paid, less any withholdings as required by law, as from began on January 25, 2017, with an ex coupon date of January 23, 2017.

Other reserves – €4,177 million

Share premium reserve – €7,489 million

Pursuant to Article 2431 of the Italian Civil Code, the share premium reserve contains, in the case of the issue of shares at a price above par, the difference between the issue price of the shares and their par value, including those resulting from conversion from bonds. The reserve, which is a capital reserve, may not be distributed until the legal reserve has reached the threshold established under Article 2430 of the Italian Civil Code. The reserve was unchanged during the period.

Legal reserve – €2,034 million

The legal reserve is formed of the part of net income that, pursuant to Article 2430 of the Civil Code, cannot be distributed as dividends.

Other reserves – €2,262 million

These include €2,215 million related to the remaining portion of the value adjustments carried out when Enel was transformed from a public entity to a joint-stock company.

Pursuant to Article 47 of the Uniform Income Tax Code, this amount does not constitute taxable income when distributed.

Reserve from translation of financial statements in currencies other than euro – €(1,967) million

The €962 million increase in the negative balance for the period was due to the net appreciation of the functional currency against the other currencies used by the subsidiaries.

Reserve from measurement of cash flow hedge financial instruments – €(1,469) million

This includes the net charges recognized in equity from the measurement of cash flow hedge derivatives.

Reserve from measurement of financial instruments available for sale – €116 million

This includes net unrealized income from the measurement at fair value of financial assets.

Reserve from equity investments accounted for using the equity method – €(14) million

The reserve reports the share of comprehensive income to be recognized directly in equity of companies accounted for using the equity method.

Reserve from remeasurement of net liabilities/(assets) of defined benefit plans – €(706) million

The reserve includes all actuarial gains and losses, net of tax effects, in respect of the employee benefit obligation. There were no changes during the interim period in the actuarial assumptions already used for the 2016 financial statements and, accordingly, no actuarial gains or losses were recognized in the statement of comprehensive income.

Reserve from disposal of equity interests without loss of control – €(2,398) million

This includes the realized gains and losses, including transaction costs, resulting from the sale of minority interests to third parties without loss of control.

Reserve from acquisitions of non-controlling interests – €(1,170) million

This reserve primarily reports the excess of purchase prices over net book equity acquired following the acquisition from third parties of additional interests in companies already controlled in Latin America (in previous years it reported this excess in respect of the acquisition of additional stakes in Ampla Energia e Serviços, Ampla Investimentos e Serviços, Eléctrica Cabo Blanco, Coelce, Generandes Perú, Enersis and Endesa Latinoamérica). The reserve was unchanged during the period.

Retained earnings - €20,423 million

The reserve reports earnings from previous years that have not been distributed or allocated to other reserves.

The table below shows the changes in gains and losses recognized directly in other comprehensive income, including non-controlling interests.

Millions of euro						
	Change					
	Gains/(losses) recognized in equity for the period	Released to income statement	Income taxes	Total	Of which shareholders of the Parent Company	Of which non- controlling interests
Reserve from translation of financial statements in currencies other than euro	(1,797)	-	-	(1,797)	(962)	(835)
Reserve from measurement of cash flow hedge derivatives	(7)	(98)	74	(31)	(21)	(10)
Reserve from measurement of financial assets available for sale	8	-	2	10	10	-
Share of OCI of equity investments accounted for using the equity method	(4)	4	(1)	(1)	(2)	1
Remeasurement of liabilities/(assets) of defined benefit plans	-	-	-	-	-	-
Total gains/(losses) recognized in equity	(1,800)	(94)	75	(1,819)	(975)	(844)

22.2 Non-controlling interests – €17,001 million

The following table reports the composition of non-controlling interests by main Group sub-holding.

Millions of euro	Non-controlling interests		Net income attributable to non-controlling interests	
	at June 30, 2017	at December 31, 2016	at June 30, 2017	at June 30, 2016
Endesa Group	6,921	6,958	174	223
Enel Latinoamérica Group	8,543	9,233	410	425
Enel Investment Holding Group	1,009	1,011	36	29
Slovenské elektrárne Group	-	-	-	3
Enel Green Power Group	528	570	26	78
Total	17,001	17,772	646	758

The decrease in the amounts attributable to non-controlling interests for the 1st Half of 2017 mainly reflects exchange rate effects and dividends of the Enel Latinoamérica Group.

23. Provisions for risks and charges – €6,214 million

Millions of euro	Non-current	Current	Total provisions for risks and charges
At December 31, 2016	4,981	1,433	6,414
Accruals	109	207	316
Utilization	(144)	(255)	(399)
Reversal	(134)	(138)	(272)
Unwinding of discount	44	82	126
Translation adjustments	(68)	(25)	(93)
Change in scope of consolidation	206	10	216
Other	(63)	(31)	(94)
At June 30, 2017	4,931	1,283	6,214

At June 30, 2017, this aggregate included, among others: the nuclear decommissioning provision related to the Spanish plants in the amount of €450 million (€473 million at December 31, 2016); the plant retirement and site-restoration provision in the amount of €858 million (€789 million at December 31, 2016); the early retirement incentive provision in the amount of €2,099 million (€2,342 million at December 31, 2016); and the litigation provision in the amount of €855 million (€734 million at December 31, 2016).

In particular, the change in the early retirement incentive provision was essentially due to utilizations in Spain and Italy related to the employee early retirement incentive plans established in previous periods. The change in the provision for environmental certificates essentially concerns the accruals in Italy for emissions allowances.

The change in the scope of consolidation is entirely attributable to the acquisition of CELG-D.

24. Risk management

For a more complete discussion of the hedging instruments used by the Group to manage the various risks associated with its business, please see the consolidated financial statements at December 31, 2016. The following sub-sections report the balances for derivatives instruments, grouped by the item of the consolidated balance sheet that contain them.

24.1 Derivatives contracts classified under non-current assets – €1,201 million

Con riferimento ai contratti derivati classificati tra le attività non correnti, nella tabella che segue è riportato il fair value dei contratti stessi, suddivisi per tipologia di rischio e per designazione.

Millions of euro			
	at June 30, 2017	at Dec. 31, 2016	Change
Cash flow hedge derivatives:			
- interest rates	2	3	(1)
- exchange rates	1,149	1,531	(382)
- commodities	11	18	(7)
Total cash flow hedge derivatives	1,162	1,552	(390)
Fair value hedge derivatives:			
- interest rates	29	36	(7)
- exchange rates	-	-	-
Total fair value hedge derivatives	29	36	(7)
Trading derivatives:			
- interest rates	3	3	-
- exchange rates	-	7	(7)
- commodities	7	11	(4)
Total trading derivatives	10	21	(11)
TOTAL	1,201	1,609	(408)

Cash flow hedge derivatives on exchange rates essentially concern the hedging of exchange rate risk on bond issues in a foreign currency using cross currency interest rate swaps. The decrease in their fair value is mainly due to the performance of the euro against the other leading currencies during the 1st Half of 2017.

Cash flow hedge derivatives on interest rates decreased by €1 million and fair value hedge derivatives decreased by €7 million. Both of these changes reflect the decline in the short end of the yield curve during the 1st Half of 2017.

Cash flow hedge derivatives on commodities regard the hedging of purchases of coal by generation companies with a fair value of €2 million, derivatives on gas and oil commodities in the amount of €6 million and derivatives on CO₂ in the amount of €3 million. The fair value of trading derivatives on commodities regards gas and oil hedges in the total amount of €3 million and energy derivatives in the amount of €4 million.

24.2 Derivatives contracts classified under current assets – €2,270 million

The table below reports the fair value of derivative contracts classified under current assets, broken down by type of risk and designation.

Millions of euro

	at June 30, 2017	at Dec. 31, 2016	Change
Cash flow hedge derivatives:			
- interest rates	-	-	-
- exchange rates	238	464	(226)
- commodities	159	453	(294)
Total cash flow hedge derivatives	397	917	(520)
Fair value hedge derivatives:			
- interest rates	1	1	-
- exchange rates	1	-	1
Total fair value hedge derivatives	2	1	1
Trading derivatives:			
- interest rates	-	-	-
- exchange rates	69	70	(1)
- commodities	1,802	2,957	(1,155)
Total trading derivatives	1,871	3,027	(1,156)
TOTAL	2,270	3,945	(1,675)

Cash flow hedge derivatives and trading derivatives on exchange rates essentially regard hedges of the exchange rate risk on bonds denominated in foreign currencies, with the remainder associated with hedges of the price of energy commodities and investment projects. The changes in the fair value of these derivatives are associated with normal operations.

The fair value of derivatives on cash flow hedge commodities regards hedges of coal for a total of €118 million and gas, oil and energy derivatives in the amount of €41 million.

Trading derivatives on commodities concern the hedging of gas and oil commodities with a fair value of €821 million, energy commodities in the amount of €660 million and CO₂ and coal in the amount of €321 million. These figures also include transactions that were undertaken for hedging purposes but which do not meet the requirements for hedge accounting.

24.3 Derivatives contracts classified under non-current liabilities – €2,429 million

The following table shows the fair value of the cash flow hedge, fair value hedge, and trading derivatives.

Millions of euro			
	at June 30, 2017	at Dec. 31, 2016	Change
Cash flow hedge derivatives:			
- interest rates	518	695	(177)
- exchange rates	1,869	1,764	105
- commodities	12	36	(24)
Total cash flow hedge derivatives	2,399	2,495	(96)
Fair value hedge derivatives:			
- exchange rates	13	15	(2)
Total fair value hedge derivatives	13	15	(2)
Trading derivatives:			
- interest rates	11	13	(2)
- exchange rates	3	5	(2)
- commodities	3	4	(1)
Total trading derivatives	17	22	(5)
TOTAL	2,429	2,532	(103)

The improvement in the fair value of cash flow hedge derivatives on interest rates was due mainly to the rise in the long end of the yield curve during the 1st Half of 2017 and to the early termination of a number of interest rate swaps. Cash flow hedge derivatives on exchange rates essentially regard transactions to hedge bonds denominated in currencies other than the euro through cross currency interest rate swaps. The deterioration in their fair value with respect to December 31, 2016, is mainly due to developments in the exchange rate of the euro against the other leading currencies and to new hedges of bonds denominated in Swiss francs and US dollars during the 1st Half of 2017. Trading derivatives on exchange rates essentially include transactions entered into for hedging purposes that do not qualify for hedge accounting.

Cash flow hedge derivatives on commodities include the hedging of gas and oil in the amount of €5 million, and energy hedging in the amount €7 million. The fair value of trading derivatives regards energy hedges in the amount of €3 million.

24.4 Derivative contracts classified under current liabilities – €2,059 million

Nella tabella che segue è riportato il fair value dei “Contratti derivati”.

Millions of euro			
	at June 30, 2017	at Dec. 31, 2016	Change
Cash flow hedge derivatives:			
- interest rates	-	1	(1)
- exchange rates	63	88	(25)
- commodities	149	216	(67)
Total cash flow hedge derivatives	212	305	(93)
Fair value hedge derivatives:			
- exchange rates	-	1	(1)
Total fair value hedge derivatives	-	1	(1)
Trading derivatives:			
- interest rates	65	73	(8)
- exchange rates	39	62	(23)
- commodities	1,743	2,881	(1,138)
Total trading derivatives	1,847	3,016	(1,169)
TOTAL	2,059	3,322	(1,263)

Cash flow hedge derivatives on exchange rates essentially regard hedges of exchange rate risk on investment projects, with the remainder involving bond issues denominated in foreign currencies and the prices of energy commodities. The change in the fair value of cash flow hedge derivatives is due to normal operations and the natural expiry of existing hedge transactions.

Trading derivatives on exchange rates essentially include transactions entered into for hedging purposes that do not qualify for hedge accounting.

Cash flow hedge derivatives on commodities include hedges of gas and oil commodities with a fair value of €88 million and CO₂ and energy transactions in the amount of €61 million. Commodity derivatives classified as trading instruments include derivatives related to fuels and other commodities with a fair value of €758 million, energy transactions for a fair value of €689 million and transactions on coal and CO₂ with a total fair value of €296 million.

25. Assets and liabilities measured at fair value

In compliance with the disclosure requirements under paragraph 15B (k) of IAS 34, the Group determines fair value in conformity with IFRS 13 any time that treatment is required by an international accounting standard.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction, between market participants, at the measurement date (i.e. an exit price).

The best proxy for fair value is market price, i.e. the current publically available price that is effectively quoted on a liquid and active market.

The fair value of assets and liabilities is classified in a three-level hierarchy, defined as follows on the basis of the inputs and valuation techniques used to measure the fair value:

- > Level 1, where the fair value is determined on basis of quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- > Level 2, where the fair value is determined on basis of inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- > Level 3, where the fair value is determined on the basis of unobservable inputs.

There were no changes in the levels of the fair value hierarchy used for the purposes of measuring financial instruments compared with the most recent annual report (as indicated in notes 45 and 46 of the consolidated financial statements at December 31, 2016). The methods used in measuring Level 2 and 3 fair values are consistent with those used in the most recent annual report. For a more extensive discussion of the Group's most important valuation processes, please see the section "Use of estimates" in note 1 of the 2016 Annual Report.

26. Related parties

As an operator in the field of generation, distribution, transport and sale of electricity and the sale of natural gas, Enel carries out transactions with a number of companies directly or indirectly controlled by the Italian State, the Group's controlling shareholder.

The table below summarizes the main types of transactions carried out with such counterparties.

Related party	Relationship	Nature of main transactions
Single Buyer	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Purchase of electricity for the enhanced protection market
Cassa Depositi e Prestiti Group	Directly controlled by the Ministry for the Economy and Finance	Sale of electricity on the Ancillary Services Market (Terna) Sale of electricity transport services (Eni Group) Purchase of transport, dispatching and metering services (Terna) Purchase of postal services (Poste Italiane) Purchase of fuels for generation plants and natural gas storage and distribution services (Eni Group)
ESO - Energy Services Operator	Fully controlled (directly) by the Ministry for the Economy and Finance	Sale of subsidized electricity Payment of A3 component for renewable resource incentives
EMO - Energy Markets Operator	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Sale of electricity on the Power Exchange (EMO) Purchase of electricity on the Power Exchange for pumping and plant planning (EMO)
Leonardo Group	Directly controlled by the Ministry for the Economy and Finance	Purchase of IT services and supply of goods

Finally, Enel also maintains relationships with the pension funds FOPEN and FONDENEL, as well as Enel Cuore, an Enel non-profit company devoted to providing social and healthcare assistance.

All transactions with related parties were carried out on normal market terms and conditions, which in some cases are determined by the Authority for Electricity, Gas and the Water System.

The following tables summarize transactions with related parties, associated companies and joint arrangements carried out in the 1st Half of 2017 and 2016 and outstanding at June 30, 2017 and December 31, 2016.

Millions of euro

	Acquirente Unico	GME	Cassa Depositi e Prestiti Group	GSE	Other	Key management personnel	Total 1st Half 2017	Associates and joint arrangements	Overall total 1st Half 2017	Total in financial statements	% of total
Income statement											
Revenue from sales and services	1	854	1,401	243	50	-	2,549	60	2,609	35,358	7.4%
Other revenue and income	-	-	25	-	3	-	28	3	31	957	3.2%
Other financial income	-	-	-	-	-	-	-	2	2	1,046	0.2%
Electricity, gas and fuel purchases	1,537	1,171	768	-	-	-	3,476	207	3,683	17,615	20.9%
Services and other materials	-	38	1,157	2	90	-	1,287	51	1,338	8,235	16.2%
Other operating expenses	2	129	4	-	-	-	135	-	135	1,457	9.3%
Net income/(expense) from commodity risk management	-	-	12	-	-	-	12	(4)	8	278	2.9%
Other financial expense	-	-	-	1	-	-	1	12	13	1,916	0.7%
Balance sheet											
Trade receivables	-	181	392	29	57	-	659	153	812	12,218	6.6%
Other current financial assets	-	-	-	-	8	-	8	2	10	3,708	0.3%
Other current assets	-	23	16	211	1	-	251	8	259	3,066	8.4%
Derivative assets	-	-	-	-	-	-	-	9	9	2,270	0.4%
Other non-current liabilities	-	-	-	-	46	-	46	37	83	1,980	4.2%
Long-term borrowings	-	-	1,027	-	-	-	1,027	-	1,027	42,923	2.4%
Current financial debt	-	-	-	-	-	-	-	-	-	3,025	-
Trade payables	440	92	431	2,093	9	-	3,065	137	3,202	11,060	29.0%
Current financial liabilities	-	-	1	-	-	-	1	-	1	841	0.1%
Other current liabilities	-	-	5	-	-	-	5	3	8	11,786	0.1%
Current derivative liabilities	-	-	-	-	-	-	-	7	7	2,059	0.3%
Current portion of long-term borrowings	-	-	89	-	-	-	89	-	89	7,549	1.2%
Other information											
Guarantees given	-	280	294	-	86	-	660	-	660		
Guarantees received	-	-	261	-	26	-	287	-	287		
Commitments	-	-	62	-	17	-	79	-	79		

Millions of euro

	Acquirente Unico	GME	Cassa Depositi e Prestiti Group	GSE	Other	Key management personnel	Total 1st Half 2016	Associates and joint arrangements	Overall total 1st Half 2016	Total in financial statements	% of total
Income statement											
Revenue from sales and services	23	596	1,544	95	65	-	2,323	42	2,365	33,172	7.1%
Other revenue	-	-	-	175	2	-	177	-	177	978	18.1%
Other financial income	-	-	9	-	-	-	9	4	13	1,348	1.0%
Electricity, gas and fuel purchases	1,367	705	593	1	-	-	2,666	68	2,734	15,325	17.8%
Services and other materials	-	32	1,132	2	20	-	1,186	49	1,235	8,030	15.4%
Other operating expenses	1	125	-	-	-	-	126	-	126	1,117	11.3%
Net income/(expense) from commodity risk management	-	-	2	-	-	-	2	-	2	(114)	-1.8%
Other financial expense	-	-	10	1	-	-	11	14	25	2,017	1.2%
Balance sheet											
Trade receivables	8	301	477	27	57	-	870	88	958	13,506	7.1%
Other current financial assets	-	-	-	9	-	-	9	126	135	3,053	4.4%
Other current assets	-	-	15	92	1	-	108	1	109	3,044	3.6%
Derivative assets	-	-	-	-	-	-	-	18	18	3,945	0.5%
Other non-current liabilities	-	-	-	-	6	-	6	17	23	1,856	1.2%
Long-term borrowings	-	-	1,072	-	-	-	1,072	-	1,072	41,336	2.6%
Trade payables	638	372	490	1,239	18	-	2,757	164	2,921	12,688	23.0%
Other current liabilities	-	-	3	-	21	-	24	4	28	12,141	0.2%
Current derivative liabilities	-	-	-	-	-	-	-	11	11	3,322	0.3%
Current portion of long-term borrowings	-	-	89	-	-	-	89	-	89	4,384	2.0%
Other information											
Guarantees given	-	280	262	-	80	-	622	-	622		
Guarantees received	-	-	261	-	32	-	293	-	293		
Commitments	-	-	72	-	9	-	81	-	81		

27. 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, 2017	at Dec. 31, 2016	Change
Guarantees given:			
- sureties and other guarantees granted to third parties	9,955	8,123	1,832
Commitments to suppliers for:			
- electricity purchases	80,706	63,407	17,299
- fuel purchases	44,022	47,305	(3,283)
- various supplies	1,336	1,309	27
- tenders	2,181	1,846	335
- other	3,319	3,751	(432)
Total	131,564	117,618	13,946
TOTAL	141,519	125,741	15,778

Commitments for electricity amounted to €80,706 million at June 30, 2017, of which €23,430 million refer to the period July 1, 2017-2021, €16,321 million to the period 2022-2026, €22,365 million to the period 2027-2031 and the remaining €18,590 million beyond 2031.

Commitments for the purchase of fuels are determined with reference to the contractual 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, 2017 amounted to €44,022 million, of which €25,224 million refer to the period July 1, 2017-2021, €11,045 million to the period 2022-2026, €6,434 million to the period 2027-2031 and the remaining €1,319 million beyond 2031.

28. Contingent liabilities and assets

Compared with the consolidated financial statements at December 31, 2016, which the reader is invited to consult for more information, the following main changes have occurred in contingent assets and liabilities, which are not recognized in the financial statements as they do not meet the requirements provided for in IAS 37.

Porto Tolle thermal plant – Air pollution – Criminal proceedings against Enel directors and employees

With regard to the request filed by the Public Prosecutor's Office of Rovigo asking that a number of directors, former directors, officers, former officers and employees of Enel and Enel Produzione be remanded for trial on the charge of willful omission to take precautionary actions to prevent a disaster in respect of the alleged emissions from the Porto Tolle plant, followed on January 18, 2017 with the acquittal of all defendants on the grounds that "no crime was committed", on June 9, 2017, the Prosecutor's Office appealed the acquittal of the three former chief executive officers on the charge of willful commission of a disaster to the Court of Cassation.

Brindisi Sud thermal generation plant – Criminal proceedings against Enel employees

With regard to the Brindisi Sud plant, criminal proceedings were brought before the Court of Vibo Valentia against a number of employees of Enel Produzione for the offense of illegal waste disposal in connection with alleged violations concerning the disposal of waste from the Brindisi plant. Enel Produzione was not cited as a liable party for civil damages. The proceeding before the court has been adjourned until September 21, 2017.

Out-of-court disputes and litigation connected with the blackout of September 28, 2003

With regard to litigation connected with the blackout of September 28, 2003, at June 30, 2017 pending cases numbered about 8,500. In addition, in view of the rulings in Enel's favor by both the courts of appeal and the Court of Cassation, the flow of new claims has come to a halt. With regard to the proceeding of October 2013 brought by Enel against the insurer Cattolica asking for the quantification and payment of amounts due from Cattolica, in a ruling of July 12, 2017 the court decided on the basis of the preliminary briefs to adjourn the suit until November 25, 2019 for a decision.

BEG litigation

Proceedings undertaken by Albania BEG Ambient Shpk to obtain enforcement of the ruling of the District Court of Tirana of March 24, 2009

France

The next procedural hearing has been scheduled for September 13, 2017 and the hearing for oral arguments is set for December 18, 2017.

State of New York

The suit is pending and the next hearing of arguments is scheduled for October 17, 2017.

The Netherlands

Following the appeal filed by Enel and Enelpower against the decision of September 18, 2014 with which the Hague Court issued precautionary ruling in the amount of €425 million, in a ruling of February 9, 2016, the Hague Court of Appeal upheld the appeals, ordering the revocation of the preliminary injunctions subject to the pledging of a guarantee by Enel of €440 million and a counter-guarantee by Albania BEG Ambient Shpk of about €50 million. Enel's guarantee was issued on March 30, 2016. Albania BEG Ambient Shpk did not issue its counter-guarantee. On April 4, 2016, Albania BEG Ambient Shpk appealed the ruling of February 9, 2016 before the Court of Cassation in the Netherlands,

which in a ruling of June 23, 2017, denied the appeal of Albania BEG Ambient Shpk, definitively deciding the revocation of the preliminary injunctions.

With regard to the trial phase before the Hague Court of Appeal, the hearing is expected to be held between the end of 2017 and early 2018.

As regards the appeal filed by Albania BEG Ambient Shpk against the decision of the Court of Amsterdam of August 26, 2016, that proceeding remains suspended. The suspension was originally ordered pending the ruling of the Dutch Court of Cassation, which was then issued on June 23, 2017.

Violations of Legislative Decree 231/2001

With regard to the ruling of March 29, 2017, by the trial court, which acquitted e-distribuzione SpA “for not having committed the act” in respect of alleged violations of Legislative Decree 231/2001 concerning the administrative liability of legal persons, the full text of the decision was filed on June 26, 2017.

In addition, on July 14, 2017, Enel Green Power SpA received notice of charges brought before the Court of Ancona for alleged violation of Legislative Decree 231/2001 concerning the administrative liability of legal persons. The proceeding was begun for the alleged commission by an agent of the company, in the company’s interest, of the offence of destruction of a natural habitat in a protected area, which is governed by Legislative Decree 231/2001. The next hearing is scheduled for November 9, 2017.

SAPE (formerly Electrica) arbitration proceedings – Romania

On April 20, 2016, SAPE submitted a further request for arbitration before the International Chamber of Commerce in Paris in respect of Enel SpA and Enel Investment Holding BV concerning the failure to distribute dividends (plus interest). In September 2016, SAPE modified its arbitration claims, suing Enel Energie Muntenia and E-Distributie Muntenia as well and revising its monetary claim to about €56 million, plus unspecified interest. On May 22, 2017, SAPE again modified its claim, quantifying it in the amount of about €110 million plus interest. The proceeding is in a preliminary phase.

Gabčíkovo dispute – Slovakia

With regard to the request for arbitration lodged by Slovenské elektrárne (“SE”) with the Vienna International Arbitral Centre (VIAC) under the VEG Indemnity Agreement, the arbitration court rejected the objection that it did not have jurisdiction and the arbitration proceeding continued to examine the merits of the case, with a ruling on the amount involved being deferred to any subsequent proceeding. On June 30, 2017, the arbitration court issued its ruling denying the request of SE.

CIS and Interporto Campano

With regard to the agreement reached on January 20, 2017 by Enel Green Power (“EGP”), CIS and Interporto Campano to settle all claims involved in the disputes involving the parties, in April 2017 an accord modifying the original January 2017 settlement was signed. In the amended agreement, the parties agreed to restore the Interporto rent and further reduce the lease payments in respect of CIS’s leasehold estate. This change had no financial impact for EGP.

Precautionary administrative proceeding – Chucas arbitration

With regard to the arbitration proceeding brought by Chucas before the Cámara Costarricense-Norteamericana de Comercio (AMCHAM CICA) seeking reimbursement of the additional costs incurred to build the plant and as a result of the delays in completing the project, the proceeding is under way and the setting of the date of the final hearing is pending.

However, with regard to the dispute before the International Chamber of Commerce in Paris, in their most recent filing of March 10, 2017 FCC Construcción América SA and FCC Construcción SA (FCC) requested a ruling that the contract had been terminated without cause and asked for damages of about \$27 million. In a brief filed in May 2017, Chucas, in

addition to asking for the plaintiff's claims to be denied, filed a counter-claim to obtain confirmation of termination of contract for non-performance, asking for damages of at least \$38 million. The hearing has been set for the first week of February 2018.

29. Subsequent events

Electricity storage agreement with Amber Kinetics

On July 6, 2017, Enel signed a two-year agreement with Amber Kinetics, the US-based start-up born out of an initiative of professors and researchers from UC Berkeley, with the aim of assessing the start-up's innovative flywheel storage technology, which is an electro-mechanical system consisting of a large rotating mass able to store energy. Under the terms of the agreement, Enel will study and test the technology and identify mass business applications for the integration of the technology with the grid. Upon completion of a three-month test phase involving two synchronised flywheel units at one of Amber Kinetics' test sites in California, Enel will evaluate the possibility of utilizing the 40 kW/160 kWh model of the technology in a pilot project at one of its thermal power plants.

The 5,000 lb (approximately 2,267 kg) steel flywheel system is charged by converting the electricity from the power plant to which is coupled or from a power grid into the kinetic energy of the spinning wheel, which can rotate for up to four hours on a single charge. At times of peak power demand, the flywheel turns a generator – automatically or through a control system – converting its kinetic energy back into electricity that is delivered to the grid.

Agreement to identify energy access startups in Africa

On July 10, 2017, Enel Green Power and the Swiss company Seedstars World signed a cooperation agreement establishing the Africa Energy Track challenge, a competition aimed at identifying innovative startups in the field of electricity access in Africa within the framework of the Seedstars World startup competition. The project's goal is to promote technology and entrepreneurship in Sub-Saharan rural areas by bringing innovative energy solutions focused on electric mobility, storage, distributed generation and energy efficiency, thereby helping to tackle the UN Sustainable Development Goals (SDGs), especially SDG7 – ensuring affordable and clean energy for all.

Agreement with Cisco for digitization and innovative services

On July 12, 2017, Enel and Cisco signed a memorandum of understanding for developing innovative digital solutions in the energy sector. The aim is to fully leverage the potential of telecommunications technology, IT security and the Internet of Things to create new services and a smart grid that is even more secure, intelligent and reliable to serve Italy's needs. This goal can also be achieved thanks to a specialist training program enabling not only Enel employees but also numerous students and industry professionals to update their skills and acquire the necessary knowledge for managing, monitoring and protecting a grid in which digital technology and traditional electrical technology are ever more interconnected.

Early redemption of bonds

As part of its liability management program, the Company decided to exercise the early redemption option on a bond denominated in US dollars with a nominal value of €1,750 million, issued by Enel Finance International with an original maturity in 2019.

The transaction was carried out on the basis of the make-whole call option provided for in the original contract, which allows the issuer to repay the loan early at a settlement price calculated on the present value of principal and interest payments, discounted at a rate increased by 30 basis points. The operation, which was notified to the banks involved on July 12, 2017, provides for liquidation of the amounts due on August 2, 2017.

Award of renewables capacity in Spain

On July 26, 2017, Enel Green Power España was awarded 339 MW of solar power capacity in Spain in a renewable energy tender. The plants, whose construction will require an investment of about €270 million, will sell their electricity on the Spanish pool market, with incentives from the Spanish Government in the form of annual capacity payments to guarantee a steady return over the 25-year lives of the facilities. The photovoltaic plants are expected to enter service by 2019 and will be located in the regions of Murcia and Badajoz. Once up and running, the plants will generate approximately 640 GWh per year.

Declaration of the Chief Executive Officer and the officer responsible for the preparation of the corporate financial documentation regarding the condensed interim consolidated financial statements of the Enel Group at June 30, 2017, 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 11971 of May 14, 1999

1. The undersigned Francesco Starace and Alberto De Paoli, in their respective capacities as Chief Executive Officer and officer 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, 2017 and June 30, 2017.
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 for financial reporting. 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 for financial reporting 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, 2017:
 - 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 interim consolidated 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 27, 2017

Francesco Starace
Chief Executive Officer of Enel SpA

Alberto De Paoli
Officer 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, 2017

In compliance with CONSOB Notice DEM/6064293 of July 28, 2006, a list of subsidiaries and associates of Enel SpA at June 30, 2017, 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, country, share capital, currency in which share capital is denominated, activity, method of consolidation, Group companies that have a stake in the company and their respective ownership share, and the Group's ownership share.

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Parent company									
Enel SpA	Rome	Italy	10,166,679,946.00	EUR	Holding company	Holding			100.00
Subsidiaries									
(Cataldo) Hydro Power Associates	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Equity	Pyrites Hydro LLC Hydro Development Group Acquisition LLC	50.00 50.00	50.00
"Società di sviluppo, realizzazione e gestione del gasdotto Algeria-Italia via Sardegna SpA" in breve Galsi SpA"	Milan	Italy	37,419,179.00	EUR	Energy and infrastructure engineering	-	Enel Produzione SpA	17.65	17.65
3-101-665717 SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	PH Chucas SA	100.00	62.48
3SUN Srl	Catania	Italy	35,205,984.00	EUR	Development, design, construction and operation of solar panel manufacturing plants	Line-by-line	Enel Green Power SpA	100.00	100.00
Adams Solar Pv Project Two (Rt) Pty Ltd	Johannesburg	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00	60.00
Adria Link Srl	Gorizia	Italy	500,000.00	EUR	Design, construction and operation of merchant lines	Equity	Enel Produzione SpA	33.33	33.33
Agassiz Beach LLC	Minnesota (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Agatos Green Power Trino	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Solar Energy Srl	80.00	80.00
Agrupación Acefhat AIE	Barcelona	Spain	793,340.00	EUR	Design and services	-	Endesa Distribución Eléctrica SL	16.67	11.69
Aguilon 20 SA	Zaragoza	Spain	2,682,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	51.00	35.75
Albany Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Almeyda Solar SpA	Santiago	Chile	1,736,965,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	100.00	100.00
Almussafes Servicios Energéticos SL	Valencia	Spain	3,010.00	EUR	Management and maintenance of power plants	Line-by-line	Enel Green Power España SL	100.00	70.10
Alpe Adria Energia Srl	Udine	Italy	450,000.00	EUR	Design, construction and operation of merchant lines	Line-by-line	Enel Produzione SpA	100.00	100.00
Altomonte Fv Srl	Rome	Italy	5,100,000.00	EUR	Electricity generation from renewable resources	Equity	Enel F2i Solare Italia SpA	100.00	50.00
Alvorada Energia SA	Rio de Janeiro	Brazil	17,117,415.92	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Ampla Energia E Serviços SA	Rio De Janeiro	Brazil	129,823.00	BRL	Electricity generation, transmission and distribution	Line-by-line	Enel Brasil SA Enel Américas SA	46.89 52.75	51.50
Annandale Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Apiacás Energia SA	Rio de Janeiro	Brazil	21,216,846.33	BRL	Electricity generation	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Aquenergy Systems LLC	Greenville (South Carolina)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Aragonesa De Actividades Energéticas SA	Teruel	Spain	60,100.00	EUR	Electricity generation	Line-by-line	Endesa Red SA	100.00	70.10
Asociación Nuclear Ascó-Vandellós II AIE	Tarragona	Spain	19,232,400.00	EUR	Management and maintenance of power plants	Proportional	Endesa Generación SA	85.41	59.87
Athonet Smartgrid Srl	Bolzano	Italy	14,285.71	EUR	Research, development and design	Equity	Enel Italia Srl	30.00	30.00
Atwater Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Aurora Distributed Solar LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Solar Holdings LLC	51.00	51.00
Aurora Land Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00	100.00
Aurora Solar Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Autumn Hills LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Avikiran Solar India Private Limited	Haryana	India	100,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00	76.56
Aysén Energía SA	Santiago	Chile	4,900,100.00	CLP	Electricity	Equity	Centrales Hidroeléctricas De Aysén SA	99.00	18.45
							Enel Generación Chile SA	0.51	
Aysén Transmisión SA	Santiago	Chile	22,368,000.00	CLP	Electricity generation and sale	Equity	Enel Generación Chile SA	0.51	18.45
							Centrales Hidroeléctricas De Aysén SA	99.00	
Barnet Hydro Company LLC	Burlington (Vermont)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	10.00	100.00
							Sweetwater Hydroelectric LLC	90.00	
Beaver Falls Water Power Company	Philadelphia (Pennsylvania)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Beaver Valley Holdings LLC	67.50	67.50
Beaver Valley Holdings LLC	Philadelphia (Pennsylvania)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Beaver Valley Power Company LLC	Philadelphia (Pennsylvania)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Bioenergy Casei Gerola Srl	Rome	Italy	100,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Black River Hydro Assoc	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Equity	(Cataldo) Hydro Power Associates	75.00	62.50
							Enel Green Power North America Inc	25.00	
BLP Energy Private Limited	New Delhi	India	50,000,000.00	INR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Development Srl	76.56	76.56
BLP Vayu (Project 1) Private Limited	Haryana	India	7,500,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00	76.56
BLP Vayu (Project 2) Private Limited	Haryana	India	45,000,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00	76.56
BLP Wind Project (Amberi) Private Limited	New Delhi	India	5,000,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00	76.56
Blue Energy Srl	Tulcea	Romania	1,000.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	1.00	100.00
							Enel Green Power Romania Srl	99.00	
Boiro Energia SA	Boiro	Spain	601,010.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00	28.04
Boott Hydropower LLC	Boston (Massachusetts)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Bp Hydro Associates	Boise (Idaho)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	32.00	100.00
							Chi Idaho LLC	68.00	
Bp Hydro Finance Partnership	Salt Lake City (Utah)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Bp Hydro Associates	75.92	100.00
							Enel Green Power North America Inc	24.08	
Braila Power SA	Sat Chiscani, Comuna Chiscani	Romania	1,900,000.00	RON	Electricity generation	Equity	Enel Investment Holding BV	29.93	29.93
Buffalo Dunes Wind Project LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGPNA Development Holdings LLC	75.00	75.00
Bungala One Operations Holding Pty Ltd	Sydney, New South Wales	Australia	100.00	AUD	Electricity generation from renewable resources	Equity	Enel Green Power Bungala Pty Ltd	50.00	50.00
Bungala One Operations Holding Trust	Sidney	Australia	-	AUD	Electricity generation from renewable resources	Equity	Enel Green Power Bungala Trust	50.00	50.00
Bungala One Property Holding Pty Ltd	Sydney, New South Wales	Australia	100.00	AUD	Electricity generation from renewable resources	Equity	Enel Green Power Bungala Pty Ltd	50.00	50.00
Bungala One Prop_Hold_Trust	Sidney	Australia	-	AUD	Electricity generation from renewable resources	Equity	ENEL Green Power Bungala Trust	50.00	50.00
Bungala One Prop_Trust	Sidney	Australia	-	AUD	Electricity generation from renewable resources	Equity	Bungala One Property Holding Trust	50.00	50.00
Bungala Two Operations Holding Pty LTD	Sydney	Australia	-	AUD	Electricity generation from renewable resources	Equity	Enel Green Power Bungala Pty Ltd	50.00	50.00
Bungala Two Property Holding Pty LTD	Sydney	Australia	-	AUD	Electricity generation from renewable resources	Equity	Enel Green Power Bungala Pty Ltd	50.00	50.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Business Venture Investments 1468 (Pty) Ltd	Lombardy East	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
Bypass Limited LLC	Boise (Idaho)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Canastota Wind Power LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Caney River Wind Project LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Rocky Caney Wind LLC	100.00	100.00
Carbopego - Abastecimientos E Combustíveis SA	Abrantes	Portugal	50,000.00	EUR	Fuel supply	Equity	Endesa Generación SA Endesa Generación Portugal SA	49.99 0.01	35.05
Carodex (Pty) Ltd	Houghton	South Africa	116.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	98.49	98.49
Castle Rock Ridge Limited Partnership	Calgary	Canada	-	CAD	Electricity generation from renewable resources	Line-by-line	Enel Alberta Wind Inc Enel Green Power Canada Inc	0.10 99.90	100.00
CELG DISTRIBUIÇÃO SA – CELG D.	Goiânia, Goiás	Brazil	3,475,679,362.52	BRL	Prospecting and development of hydrocarbon fields	Line-by-line	Enel Investimentos SA	99.88	51.49
Central Costanera SA	Buenos Aires	Argentina	701,988,378.00	ARS	Electricity generation and sale	Line-by-line	Enel Generación Chile SA Enel Argentina SA	2.30 73.38	39.16
Central Dock Sud SA	Buenos Aires	Argentina	35,595,178,229.00	ARS	Electricity generation, transmission and distribution	Line-by-line	Inversora Dock Sud SA	69.99	20.85
Central Eólica Canela SA	Santiago	Chile	12,284,740,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Gas Atacama Chile SA	75.00	27.61
Central Geradora Termelétrica Fortaleza SA	Caucaia	Brazil	151,940,000.00	BRL	Thermal generation plants	Line-by-line	Enel Brasil SA	100.00	51.56
Central Hidráulica Güejar-Sierra SL	Seville	Spain	364,210.00	EUR	Operation of hydro-electric plants	Equity	Enel Green Power España SL	33.30	23.34
Central Térmica De Anllares AIE	Madrid	Spain	595,000.00	EUR	Operation of thermal plants	Equity	Endesa Generación SA	33.33	23.36
Central Vuelta de Obligado SA	Buenos Aires	Argentina	500,000.00	ARS	Electrical facilities construction	Equity	Central Costanera SA Central Dock Sud SA Enel Generación El Chocón SA	1.30 6.40 33.20	9.80
Centrales Hidroeléctricas De Aysén SA	Santiago	Chile	158,975,665,182.00	CLP	Design	Equity	Enel Generación Chile SA	51.00	18.54
Centrales Nucleares Almaraz-Trillo AIE	Madrid	Spain	-	EUR	Management of nuclear plants	Equity	Endesa Generación SA Nucleor SA	23.57 0.69	16.76
Centrum Pre Vedu a Vyskum Sro	Kalná nad Hronom Mochovce 6	Slovakia	6,639.00	EUR	Research and development on natural sciences and engineering	Equity	Slovenské Elektrárne AS	100.00	33.00
CESI - Centro Elettrotecnico Sperimentale Italiano Giacinto Motta SpA	Milan	Italy	8,550,000.00	EUR	Testing, inspection and certification services, engineering and consulting services	Equity	Enel SpA	42.70	42.70
Champagne Storage LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Cherokee Falls Hydroelectric Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chi Black River LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chi Idaho LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chi Minnesota Wind LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chi Operations Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chi Power Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chi Power Marketing Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chi West LLC	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Chinango SAC	Lima	Peru	294,249,298.00	PEN	Electricity generation trading and transmission	Line-by-line	Enel Generación Perú SAA	80.00	34.64

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Chisago Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Chisholm View II Holding LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	-	Enel Kansas LLC	100.00	100.00
Chisholm View Wind Project II LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chisholm View II Holding LLC	100.00	51.00
Chisholm View Wind Project LLC	Oklahoma City	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Wind Holdings LLC	100.00	50.00
Cimarron Bend Assets LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	Enel Kansas LLC	1.00	50.00
							Cimarron Bend Wind Project I LLC	49.00	
							Cimarron Bend Wind Project II LLC	49.00	
							Cimarron Bend Wind Project III LLC	1.00	
Cimarron Bend Wind Holdings I LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	Cimarron Bend Wind Holdings LLC	100.00	50.00
Cimarron Bend Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA Preferred Wind Holdings LLC	100.00	50.00
Cimarron Bend Wind Project I LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Cimarron Bend Wind Holdings I LLC	100.00	50.00
Cimarron Bend Wind Project II LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	Cimarron Bend Wind Holdings I LLC	100.00	50.00
Cimarron Bend Wind Project III LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00	100.00
Codensa SA ESP	Bogotá	Colombia	13,514,515,800.00	COP	Electricity distribution and sale	Line-by-line	Enel Américas SA	48.41	25.08
Cogeneración El Salto SL	Zaragoza	Spain	36,060.73	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	20.00	14.02
Comercializadora Eléctrica de Cadiz SA	Cadiz	Spain	600,000.00	EUR	Electricity distribution	Equity	Endesa Red SA	33.50	23.48
Compagnia Porto Di Civitavecchia SpA	Rome	Italy	22,372,000.00	EUR	Construction of port infrastructure	Equity	Enel Produzione SpA	25.00	25.00
Companhia Energética Do Ceará SA	Fortaleza	Brazil	442,950,000.00	BRL	Electricity generation, transmission and distribution	Line-by-line	Enel Américas SA	15.18	38.22
							Enel Brasil SA	58.87	
Compañía De Transmisión Del Mercosur Ltda	Buenos Aires	Argentina	14,012,000.00	ARS	Electricity generation, transmission and distribution	Line-by-line	Enel CIEN SA	99.90	51.56
							Enel Iberia Srl	0.10	
Compañía Energética Veracruz SAC	Lima	Peru	2,886,000.00	PEN	Hydroelectric project	Line-by-line	Generalima SA	100.00	51.80
Compañía Eólica Tierras Altas SA	Soria	Spain	13,222,000.00	EUR	Wind plants	Equity	Enel Green Power España SL	37.51	26.29
Concert Srl	Rome	Italy	10,000.00	EUR	Product, plant and equipment certification	Line-by-line	Enel Produzione SpA	100.00	100.00
Coneross Power Corporation Inc	Greenville (South Carolina)	USA	110,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Consolidated Hydro New Hampshire LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Global	Enel Green Power North America Inc	100.00	100.00
Consolidated Hydro New York LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings, LLC	100.00	50.00
Consolidated Hydro Southeast LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Consolidated Pumped Storage Inc	Wilmington (Delaware)	USA	550,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	81.82	81.82
Consorcio Eólico Marino Cabo De Trafalgar SL (in liquidazione)	Cadiz	Spain	200,000.00	EUR	Wind plants	Equity	Enel Green Power España SL	50.00	35.05
Construction Lab Ltd	Airport City	Israel	10,000.00	EUR	Legal services	Line-by-line	Enel.Newhydro Srl	50.00	50.00
Copenhagen Hydro LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Corporación Eólica De Zaragoza SL	Zaragoza	Spain	1,021,600.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	25.00	17.53
Danax Energy (Pty) Ltd	Houghton	South Africa	100.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
De Rock1 Srl	Bucharest	Romania	5,629,000.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	0.00	100.00
							Enel Green Power Romania Srl	100.00	

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Demand Energy Networks Inc	Washington	USA	-	USD	On-demand software	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Depuración Destilación Reciclaje SL	Boiro	Spain	600,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00	28.04
Desarrollo de Fuerzas Renovables Srl de Cv	Mexico City	Mexico	33,101,350.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.99	100.00
							Energía Nueva Energía Limpia México Srl de Cv	0.01	
Diego de Almagro Matriz SpA	Santiago	Chile	351,604,338.00	CLP	Electricity generation from renewable resources	Line-by-line	Empresa Electrica Panguipulli SA	100.00	100.00
Dietrich Drop LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Distribuidora de Energía Eléctrica Del Bages SA	Barcelona	Spain	108,240.00	EUR	Electricity distribution and sale	Line-by-line	Hidroeléctrica De Catalunya SL	45.00	70.10
							Endesa Red SA	55.00	
Distribuidora Eléctrica Del Puerto De La Cruz SA	Tenerife	Spain	12,621,210.00	EUR	Electricity purchase, transmission and distribution	Line-by-line	Endesa Red SA	100.00	70.10
Distrilec Inversora SA	Buenos Aires	Argentina	497,610,000.00	ARS	Holding company	Line-by-line	Enel Américas SA	51.50	26.68
Dodge Center Distributed Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Dominica Energía Limpia Srl de Cv	Colonia Guadalupe Inn	Mexico	279,282.24	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA	0.04	100.00
							Enel Green Power México Srl de Cv	99.96	
Drift Sand Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	50.00	50.00
Drift Sand Wind Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	Drift Sand Wind Holdings LLC	100.00	50.00
E - DISTRIBUTIE Banat SA	Timisoara	Romania	382,158,580.00	RON	Electricity distribution	Line-by-line	Enel Investment Holding BV	51.00	51.00
E - DISTRIBUTIE Dobrogea SA	Costanza	Romania	280,285,560.00	RON	Electricity distribution	Line-by-line	Enel Investment Holding BV	51.00	51.00
Eastwood Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
E-Distributie Muntenia SA	Bucharest	Romania	271,635,250.00	RON	Electricity distribution	Line-by-line	Enel Investment Holding BV	78.00	78.00
e-distribuzione SpA	Rome	Italy	2,600,000,000.00	EUR	Electricity distribution	Line-by-line	Enel SpA	100.00	100.00
EGP BioEnergy Srl	Rome	Italy	1,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Puglia Srl	100.00	100.00
EGP Bungala One Op_Trust	Sidney	Australia	-	AUD	Electricity generation from renewable resources	Equity	Enel Green Power Spa	100.00	100.00
EGP Energy Storage Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Egg Geronimo Holding Company Inc	Wilmington (Delaware)	USA	1,000.00	USD	Holding company	Line-by-line	Enel Green Power North America Inc	100.00	100.00
EGP Salt Wells Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
EGP San Leandro Microgrid I LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Egg Solar 1 LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Solar Holdings LLC	100.00	50.00
EGP Stillwater Solar LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	Enel Stillwater LLC	100.00	50.00
EGP Stillwater Solar PV II LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
EGP Timber Hills Project LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Padoma Wind Power LLC	100.00	100.00
EGPNA Development Holdings LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Development LLC	100.00	100.00
EGPNA Hydro Holdings LLC	Delaware	USA	-	USD	Holding company	Line-by-line	Enel Green Power North America Inc	100.00	100.00
EGPNA Preferred Holdings II LLC	USA	USA	-	USD	Holding company	Line-by-line	Enel Green Power North America Inc	100.00	100.00
EGPNA Renewable Energy Partners LLC	Delaware	USA	-	USD	Joint venture	Equity	EGPNA REP Holdings LLC	50.00	50.00
EGPNA REP Holdings LLC	Delaware	USA	-	USD	Holding company	Line-by-line	Enel Green Power North America Inc	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
EGPNA REP Hydro Holdings LLC	Delaware	USA	-	USD	Holding company	Equity	EGPNA Renewable Energy Partners LLC	100.00	50.00
EGPNA REP Solar Holdings LLC	Delaware	USA	-	USD	Holding company	Equity	EGPNA Renewable Energy Partners LLC	100.00	50.00
EGPNA REP Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA Renewable Energy Partners LLC	100.00	50.00
EGPNA Wind Holdings 1 LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Wind Holdings LLC	100.00	50.00
El Dorado Hydro LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Elcogas SA	Puertollano	Spain	809,690.40	EUR	Electricity generation	Equity	Enel SpA	4.32	33.05
							Endesa Generación SA	40.99	
Elcomex Solar Energy Srl	Costanza	Romania	4,590,000.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	0.00	100.00
							Enel Green Power Romania Srl	100.00	
Eleogas SA	Santarem (Pego)	Portugal	50,000.00	EUR	Electricity generation from renewable resources	Equity	Endesa Generación Portugal SA	50.00	35.05
Electra Capital (RF) Pty Ltd	Johannesburg	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00	60.00
Eléctrica Cabo Blanco SA	Lima	Peru	46,508,170.00	PEN	Holding company	Line-by-line	Enel Américas SA	80.00	51.80
							Generalima SA	20.00	
Eléctrica De Jafre SA	Girona	Spain	165,876.00	EUR	Electricity distribution and sale	Equity	Endesa Red SA	52.54	70.10
							Hidroeléctrica De Catalunya SL	47.46	
Eléctrica De Lijar SL	Cadiz	Spain	1,081,820.00	EUR	Electricity transmission and distribution	Equity	Endesa Red SA	50.00	35.05
Eléctrica del Ebro SA (Sociedad Unipersonal)	Tarragona	Spain	500,000.00	EUR	Electricity distribution	Line-by-line	Endesa Red SA	100.00	70.10
Electricidad De Puerto Real SA	Cadiz	Spain	6,611,130.00	EUR	Electricity distribution and sale	Equity	Endesa Red SA	50.00	35.05
Elk Creek Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Emgesa Panama SA	Panama	Panama	10,000.00	USD	Electricity trading	Line-by-line	Emgesa SA ESP	100.00	25.11
Emgesa SA ESP	Bogotá	Colombia	655,222,310,000.00	COP	Electricity generation and sale	Line-by-line	Enel Américas SA	48.48	25.11
Emittenti Titoli SpA	Milan	Italy	5,200,000.00	EUR	-	-	Enel SpA	10.00	10.00
Empresa Carbonífera Del Sur SA	Madrid	Spain	18,030,000.00	EUR	Mining	Line-by-line	Endesa Generación SA	100.00	70.10
Empresa de Transmisión Chena SA	Santiago de Chile	Chile	250,428,941.00	CLP	Electricity transmission	Line-by-line	Enel Distribución Chile SA	99.90	60.07
							Empresa Eléctrica De Colina Ltda	0.10	
Empresa Distribuidora Sur SA	Buenos Aires	Argentina	898,590,000.00	ARS	Electricity distribution and sale	Line-by-line	Distriec Inversora SA	56.36	37.34
							Enel Argentina SA	43.10	
Empresa Eléctrica De Colina Ltda	Santiago	Chile	82,222,000.00	CLP	Electricity generation, transmission and distribution	Line-by-line	Luz Andes Ltda	0.00	60.07
							Enel Distribución Chile SA	100.00	
Empresa Electrica Panguipulli SA	Santiago	Chile	48,038,937.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	99.99	100.00
							Enel Green Power Latin America Ltda	0.01	
Empresa Eléctrica Pehuenche SA	Santiago	Chile	175,774,920,733.00	CLP	Electricity generation, transmission and distribution	Line-by-line	Enel Generación Chile SA	92.65	33.69
Empresa Nacional De Geotermia SA	Santiago	Chile	12,647,752,517.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	51.00	51.00
Empresa Propietaria De La Red SA	Panama	Panama	58,500,000.00	USD	Electricity transmission and distribution	-	Enel Iberia Srl	11.11	11.11
Endesa Capital SA	Madrid	Spain	60,200.00	EUR	Finance company	Line-by-line	Endesa SA	100.00	70.10
Endesa Comercialização de Energia SA	Oporto	Portugal	250,000.00	EUR	Electricity generation and sale	Line-by-line	Endesa Energia SA	100.00	70.10
Endesa Distribución Eléctrica SL	Barcelona	Spain	1,204,540,060.00	EUR	Electricity distribution	Line-by-line	Endesa Red SA	100.00	70.10
Endesa Energia SA	Madrid	Spain	12,981,860.00	EUR	Marketing of energy products	Line-by-line	Endesa SA	100.00	70.10

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Endesa Energía XXI SL	Madrid	Spain	2,000,000.00	EUR	Marketing and energy-related services	Line-by-line	Endesa Energía SA	100.00	70.10
Endesa Financiación Filiales SA	Madrid	Spain	4,621,003,006.00	EUR	Finance company	Line-by-line	Endesa SA	100.00	70.10
Endesa Generación II SA	Seville	Spain	63,107.00	EUR	Electricity generation	Line-by-line	Endesa SA	100.00	70.10
Endesa Generación Nuclear SA	Seville	Spain	60,000.00	EUR	Subholding company in the nuclear sector	Line-by-line	Endesa Generación SA	100.00	70.10
Endesa Generación Portugal SA	Paço D'arcos-Oleiras	Portugal	50,000.00	EUR	Electricity generation	Line-by-line	Endesa Generación SA Endesa Energía SA Enel Green Power España SL Energías De Aragón II SL	99.20 0.20 0.40 0.20	70.10
Endesa Generación SA	Seville	Spain	1,940,379,737.02	EUR	Electricity generation and sale	Line-by-line	Endesa SA	100.00	70.10
Endesa Ingeniería SLU	Seville	Spain	1,000,000.00	EUR	Consulting and engineering services	Line-by-line	Endesa Red SA	100.00	70.10
Endesa Medios Y Sistemas SL (Sociedad Unipersonal)	Madrid	Spain	89,999,790.00	EUR	Services	Line-by-line	Endesa SA	100.00	70.10
Endesa Operaciones Y Servicios Comerciales SL	Barcelona	Spain	10,138,580.00	EUR	Services	Line-by-line	Endesa Energía SA	100.00	70.10
Endesa Power Trading Ltd	London	United Kingdom	2.00	GBP	Trading	Line-by-line	Endesa SA	100.00	70.10
Endesa Red SA	Barcelona	Spain	719,901,728.28	EUR	Electricity distribution	Line-by-line	Endesa SA	100.00	70.10
Endesa SA	Madrid	Spain	1,270,502,540.40	EUR	Holding company	Line-by-line	Enel Iberia Srl	70.10	70.10
Enel Alberta Wind Inc	Calgary	Canada	16,251,021.00	CAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Canada Inc.	100.00	100.00
Enel Américas SA	Santiago	Chile	3,575,339,011,549.00	CLP	Holding company - Electricity generation and distribution	Line-by-line	Enel South America Srl	51.80	51.80
Enel Argentina SA	Buenos Aires	Argentina	514,530,000.00	ARS	Holding company	Line-by-line	Gas Atacama Chile SA Enel Américas SA	0.34 99.66	51.75
Enel Bella Energy Storage LLC	Wilmington (Delaware)	USA	-	USD	Energy storage holding-renewable resources	Line-by-line	EGP Energy Storage Holdings LLC	100.00	100.00
Enel Brasil SA	Rio De Janeiro	Brazil	3,873,826,029.98	BRL	Holding company	Line-by-line	Enel Generación Perú SAA Enel Américas SA	2.86 95.25	51.56
Enel Chile SA	Santiago de Chile	Chile	2,229,108,974,538.00	CLP	Holding company- Electricity generation and distribution	Line-by-line	Enel South America Srl	60.32	60.62
Enel CIEN SA	Rio De Janeiro	Brazil	285,050,000.00	BRL	Electricity generation, transmission and distribution	Line-by-line	Enel Brasil SA	100.00	51.56
Enel Cove Fort II LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Enel Cove Fort LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	Enel Geothermal LLC	100.00	50.00
Enel Distribución Chile SA	Santiago	Chile	230,137,980,270.00	CLP	Holding company. Electricity distribution	Line-by-line	Gas Atacama Chile SA Enel Chile SA	0.00 99.09	60.07
Enel Distribución Perú SAA	Lima	Peru	638,560,000.00	PEN	Electricity distribution and sale	Line-by-line	Inversiones Distritilima SA Enel Américas SA	51.68 24.00	39.21
Enel Energia SpA	Rome	Italy	302,039.00	EUR	Electricity sale	Line-by-line	Enel SpA	100.00	100.00
Enel Energia SA de CV	Mexico City	Mexico	10,000.10	MXN	Electricity generation from renewable resources	Line-by-line	Energia Nueva de Igua Srl de CV Enel Green Power México Srl de Cv	1.00 99.00	100.00
Enel Energie Muntenia SA	Bucharest	Romania	37,004,350.00	RON	Electricity sale	Line-by-line	Enel Investment Holding BV	78.00	78.00
Enel Energie SA	Bucharest	Romania	140,000,000.00	RON	Electricity sale	Line-by-line	Enel Investment Holding BV	51.00	51.00
Enel Energy South Africa	Gauteng	South Africa	100.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel eS Srl	Via Porlezza, 12, 20123 Milan	Italy	50.00	EUR	Holding company	Line-by-line	Enel SpA	100.00	100.00
Enel F2i Solare Italia SpA	Rome	Italy	5,100,000.00	EUR	Electricity generation	Equity	Marte Srl	50.00	50.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Finance International NV	Amsterdam	The Netherlands	1,478,810,371.00	EUR	Holding company	Line-by-line	Enel SpA	100.00	100.00
Enel Fortuna SA	Panama	Panama	100,000,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	50.06	50.06
Enel Generación Chile SA	Santiago	Chile	552,777,320,871.00	CLP	Electricity generation, transmission and distribution	Line-by-line	Enel Chile SA	59.98	36.36
Enel Generación El Chocón SA	Buenos Aires	Argentina	298,584,050.00	ARS	Electricity generation and sale	Line-by-line	Hidroinvest SA Enel Argentina SA	59.00 8.67	34.02
Enel Generación Perú SAA	Lima	Peru	2,302,143,514.88	PEN	Electricity generation, distribution and sale	Line-by-line	Generandes Perú SA Enel Américas SA	54.20 29.40	43.31
Enel Generación Piura SA	Lima	Peru	73,982,594.00	PEN	Electricity generation	Line-by-line	Electrica Cabo Blanco SA Generalima SA	60.00 36.50	49.99
Enel Generación, SA de CV	Mexico City	Mexico	100.00	USD	Activities of generator in accordance with the Industry Electric Law holder of one or more generation permits in power plants or as a holder of a market par*	Line-by-line	Energia Nueva de Iguaú Srl de CV Enel Green Power México Srl de Cv	1.00 99.00	100.00
Enel Geothermal LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA Renewable Energy Partners LLC	100.00	50.00
Enel GP Newfoundland and Labrador Inc	Newfoundland	Canada	1,000.00	CAD	Electricity generation from renewable resources	Equity	EGPNA REP Wind Holdings LLC	100.00	50.00
Enel Green Power Africa Srl	Viale Regina Margherita 125, 00198 Rome	Italy	10,000.00	EUR	Electricity generation	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Argentina SA	Buenos Aires	Argentina	100,000.00	ARS	Electricity generation from renewable resources	Line-by-line	Enel Green Power Latin America Ltda Enel Green Power SpA	5.00 95.00	100.00
Enel Green Power Australia Pty Ltd	Sydney, New South Wales	Australia	100.00	AUD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Australia Trust	Sidney	Australia	-	AUD	Electricity generation from renewable resources	Global	Enel Green Power Spa	100.00	100.00
Enel Green Power Boa Vista Eólica SA	Niterói - Rio de Janeiro	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.00 1.00	100.00
Enel Green Power Bom Jesus da Lapa Solar SA	Brasilia	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Brasil Participações Ltda	Rio de Janeiro	Brazil	4,024,724,678.00	BRL	Holding company	Line-by-line	Enel Green Power SpA Enel Green Power Latin America Ltda	99.99 0.01	100.00
Enel Green Power Bulgaria EAD	Sofia	Bulgaria	35,231,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Bungala Pty Ltd	Sydney, New South Wales	Australia	100.00	AUD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Australia Pty Ltd	100.00	100.00
Enel Green Power Bungala Trust	Sidney	Australia	-	AUD	Electricity generation from renewable resources	Global	ENEL Green Power Australia Pty Ltd	50.00	50.00
Enel Green Power Cabeça de Boi SA	Rio de Janeiro	Brazil	76,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Cachoeira Dourada SA	Goiania	Brazil	289,340,000.00	BRL	Electricity generation and sale	Line-by-line	Enel Brasil SA	99.75	51.43
Enel Green Power Calabria Srl	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Canada Inc	Montreal (Quebec)	Canada	85,681,857.00	CAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Enel Green Power Chile Ltda	Santiago	Chile	842,086,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Latin America Ltda Hydromac Energy Srl	99.99 0.01	100.00
Enel Green Power Colombia SAS	Bogotá	Colombia	300,000,000.00	COP	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Costa Rica	San José	Costa Rica	27,500,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Cristal Eólica SA	Rio de Janeiro	Brazil	144,640,892.85	BRL	Electricity generation and sale from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	1.00 99.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Critalândia I Eólica SA	Brasília	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Critalândia II Eólica SA	Brasília	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Damascena Eólica SA	Rio de Janeiro	Brazil	70,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.00 1.00	100.00
Enel Green Power del Sur SpA (ex Parque Eólico Renaiico SpA)	Santiago	Chile	353,605,313.37	USD	Electricity generation and transmission	Line-by-line	Enel Green Power Latin America Ltda Enel Green Power Chile Ltda	0.00 100.00	100.00
Enel Green Power Delfina A Eólica SA	Rio de Janeiro	Brazil	70,379,344.85	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Delfina B Eólica SA	Rio de Janeiro	Brazil	23,054,973.26	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Delfina C Eólica SA	Rio de Janeiro	Brazil	7,298,322.77	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Delfina D Eólica SA	Rio de Janeiro	Brazil	24,624,368.53	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Delfina E Eólica SA	Rio de Janeiro	Brazil	24,623,467.93	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Desenvolvimento Ltda	Rio de Janeiro	Brazil	13,900,297.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Latin America Ltda Enel Green Power Brasil Participações Ltda	0.01 99.99	100.00
Enel Green Power Development Srl	Rome	Italy	20,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Dois Riachos Eólica SA	Rio de Janeiro	Brazil	135,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Ecuador SA	Quito	Ecuador	26,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA Enel Green Power Latin America Ltda	99.00 1.00	100.00
Enel Green Power Egypt SAE	Cairo	Egypt	250,000.00	EGP	Management of activities associated with participation in tenders called by the SEC for the development of smart metering and grid automation	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Emiliana Eólica SA	Rio de Janeiro	Brazil	177,500,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	1.00 99.00	100.00
Enel Green Power España SL	Madrid	Spain	11,152.74	EUR	Electricity generation from renewable resources	Line-by-line	Endesa Generación SA	100.00	70.10
Enel Green Power Esperança Eólica SA	Rio de Janeiro	Brazil	135,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.00 1.00	100.00
Enel Green Power Fazenda SA	Rio de Janeiro	Brazil	62,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Finale Emilia Srl	Rome	Italy	10,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	70.00	70.00
Enel Green Power Germany GmbH	Munich	Germany	25,000.00	EUR	Electricity generation and sale from renewable and not renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Granadilla SL	Tenerife	Spain	3,012.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	65.00	45.57
Enel Green Power Guatemala SA	Guatemala	Guatemala	100,000.00	GTQ	Holding company	Line-by-line	Enel Green Power Latin America Ltda Enel Green Power SpA	2.00 98.00	100.00
Enel Green Power Hellas SA	Maroussi	Greece	7,852,850.00	EUR	Holding company, Energy services	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Hellas Supply AS	Maroussi	Greece	600,000.00	EUR	Electricity generation, supply and trading from renewable and not renewable resources, storage and related services	Line-by-line	Enel Green Power Hellas SA	100.00	100.00
Enel Green Power Horizonte MP Solar SA	Brasília	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.99	99.99

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ituverava Norte Solar SA	Rio de Janeiro	Brazil	1,639,346.69	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Ituverava Solar SA	Rio de Janeiro	Brazil	1,639,346.69	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Ituverava sul Solar SA	Rio de Janeiro	Brazil	8,513,128.89	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Joana Eólica SA	Rio de Janeiro	Brazil	165,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda	1.00	100.00
							Enel Green Power Brasil Participações Ltda	99.00	
Enel Green Power Kenya Limited	Hakika House, Bishops Road, Nairobi, Kenya	Kenya	100,000.00	KES	Electricity generation, trading and transmission	Line-by-line	Enel Green Power SpA	99.00	100.00
							Enel Green Power RSA (Pty) Ltd	1.00	
Enel Green Power Latin America Ltda	Santiago	Chile	827,205,371.00	USD	Holding company	Line-by-line	Enel Green Power SpA	0.10	100.00
							Hydromac Energy Srl	99.90	
Enel Green Power Maniçoba Eólica SA	Rio de Janeiro	Brazil	70,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda	1.00	100.00
							Enel Green Power Brasil Participações Ltda	99.00	
Enel Green Power México Srl de Cv	Mexico City	Mexico	2,399,774,165.00	MXN	Holding company	Line-by-line	Enel Green Power SpA + Enel Green Power Latin America Ltda	99.99 0.01	100.00
Enel Green Power Modelo I Eólica SA	Rio de Janeiro	Brazil	175,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00	99.51
							Enel Brasil SA	1.00	
Enel Green Power Modelo II Eólica SA	Rio de Janeiro	Brazil	150,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Brasil SA	1.00	99.51
							Enel Green Power Brasil Participações Ltda	99.00	
Enel Green Power Morocco SARL AU	Marocco	Morocco	1,000,000.00	MAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Morro do Chapéau I Eólica SA	Niterói - Rio de Janeiro	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00	99.00
Enel Green Power Morro do Chapéau II Eólica SA	Niterói - Rio de Janeiro	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00	99.00
Enel Green Power Mourão SA	Rio de Janeiro	Brazil	8,513,128.89	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90	99.90
Enel Green Power Namibia (Pty) Ltd	Windhoek,	Namibia	100.00	NAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power North America Development LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power North America Inc	Wilmington (Delaware)	USA	50.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Nova Lapa Solar SA	Brasília	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Nova Olinda B Solar SA	Brasília	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Nova Olinda C Solar SA	Brasília	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Nova Olinda Norte Solar SA	Brasília	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Nova Olinda Sul Solar SA	Brasília	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Panama SA	Panama	Panama	3,000.00	USD	Holding company	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Paranapanema SA	Rio de Janeiro	Brazil	1,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Enel Green Power Partecipazioni Speciali Srl	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Pau Ferro Eólica SA	Rio de Janeiro	Brazil	178,670,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda	1.00	100.00
							Enel Green Power Brasil Participações Ltda	99.00	
Enel Green Power Pedra do Gerônimo Eólica SA	Rio de Janeiro	Brazil	230,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda	1.00	100.00
							Enel Green Power Brasil Participações Ltda	99.00	

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Perú SA	Lima	Peru	93,855,088.00	PEN	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA Empresa Eléctrica Panguipulli SA	99.90 0.01	99.91
Enel Green Power Primavera Eólica SA	Rio de Janeiro	Brazil	144,640,892.85	BRL	Electricity generation and sale from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	1.00 99.00	100.00
Enel Green Power Puglia Srl	Rome	Italy	1,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power RA SAE	Room No. 2224, 22nd Floor, North Tower, Nile City	Egypt	15,000,000.00	EGP	Design, operation and maintenance of electricity generation plants of all kinds and their distribution networks	Line-by-line	Enel Green Power Egypt SAE	100.00	100.00
Enel Green Power Romania Srl	Sat Rusu De Sus Nuseni	Romania	2,430,631,000.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power RSA (Pty) Ltd	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Development Srl	100.00	100.00
Enel Green Power RSA 2 (Pty) Ltd	Johannesburg	South Africa	120.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
Enel Green Power Salto Apiacás SA	Niterói (Rio de Janeiro)	Brazil	14,412,120.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.00 1.00	100.00
Enel Green Power San Gillio Srl	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Equity	Altomonte Fv Srl	80.00	40.00
Enel Green Power Sannio	Rome	Italy	750,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power São Abraão Eólica SA	Niterói - Rio de Janeiro	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00	99.00
Enel Green Power SAO Judas Eólica SA	Rio de Janeiro	Brazil	144,640,892.85	BRL	Electricity generation and sale from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	1.00 99.00	100.00
Enel Green Power SHU SAE	Floor No. 22, North Tower, Nile City Towers	Egypt	15,000,000.00	EGP	Design, operation and maintenance of electricity generation plants of all kinds and their distribution networks	Line-by-line	Enel Green Power Egypt SAE	100.00	100.00
Enel Green Power Singapore Pte Ltd	Singapore	Singapore	50,000.00	SGD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Solar Energy Srl	Rome	Italy	10,000.00	EUR	Analysis, design, construction and maintenance of photovoltaic plants (holding company)	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power SpA	Rome	Italy	272,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel SpA	100.00	100.00
Enel Green Power Strambino Solar Srl	Turin	Italy	250,000.00	EUR	Electricity generation from renewable resources	Equity	Altomonte Fv Srl	60.00	30.00
Enel Green Power Tacaíó Eólica SA	Rio de Janeiro	Brazil	125,765,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	1.00 99.00	100.00
Enel Green Power Tefnut SAE	Room No. 2220, 22nd Floor, North Tower, Nile City	Egypt	15,000,000.00	EGP	Design, operation and maintenance of electricity generation plants of all kinds and their distribution networks	Line-by-line	Enel Green Power Egypt SAE	100.00	100.00
Enel Green Power Turkey Enerji Yatırımları Anonim Şirketi	Istanbul	Turkey	61,654,658.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Uruguay SA	Oficina 1508	Uruguay	400,000.00	UYU	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Enel Green Power Villaresi Srl	Rome	Italy	1,200,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	51.00	51.00
Enel Iberia Srl	Madrid	Spain	336,142,500.00	EUR	Holding company	Line-by-line	Enel SpA	100.00	100.00
Enel Insurance NV	Amsterdam	The Netherlands	60,000.00	EUR	Holding company	Line-by-line	Enel Investment Holding BV	100.00	100.00
Enel Investimentos SA	Niterói - Rio de Janeiro	Brazil	2,268,678,819.00	BRL	Holding company	Line-by-line	Enel Brasil SA	100.00	51.56
Enel Investment Holding BV	Amsterdam	The Netherlands	1,593,050,000.00	EUR	Holding company	Line-by-line	Enel SpA	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Italia Srl	Rome	Italy	50,000,000.00	EUR	Personnel administration activities, information technology and business services	Line-by-line	Enel SpA	100.00	100.00
Enel Kansas LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Enel M@P Srl	Rome	Italy	100,000.00	EUR	Metering, remote control and connectivity services via power line communication	Line-by-line	e-distribuzione SpA	100.00	100.00
Enel Minnesota Holdings LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Egp Geronimo Holding Company Inc	100.00	100.00
Enel Nevkan Inc	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Enel Oil & Gas España SL	Ribera del Loira 60 - 28042 Madrid	Spain	33,000.00	EUR	Prospecting and development of hydrocarbon fields	Line-by-line	Enel Oil & Gas SpA	100.00	100.00
Enel Oil & Gas SpA	Rome	Italy	200,000,000.00	EUR	Upstream gas- natural gas extraction	Line-by-line	Enel Trade SpA	100.00	100.00
Enel Productie Srl	Bucharest	Romania	20,210,200.00	RON	Electricity generation	Line-by-line	Enel Investment Holding BV	100.00	100.00
Enel Produzione SpA	Rome	Italy	1,800,000,000.00	EUR	Electricity generation	Line-by-line	Enel SpA	100.00	100.00
Enel Romania SA	Judetul Ilfov	Romania	200,000.00	RON	Business services	Line-by-line	Enel Investment Holding BV	100.00	100.00
Enel Rus Wind Generation LLC	Moscow	Russian Federation	350,000.00	RUB	Energy services	Line-by-line	Enel Green Power Partecipazioni Speciali Srl Enel Investment Holding BV	1.00 99.00	100.00
Enel Russia PJSC	Ekaterinburg	Russian Federation	35,371,898,370.00	RUB	Electricity generation	Line-by-line	Enel Investment Holding BV	56.43	56.43
Enel Salt Wells LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	Enel Geothermal LLC	100.00	50.00
Enel Saudi Arabia Limited	Al Khobar	Saudi Arabia	5,000,000.00	SAR	Management of activities associated with participation in tenders called by the SEC for the development of smart metering and grid automation	Line-by-line	e-distribuzione SpA	60.00	60.00
Enel Servicii Comune SA	Bucharest	Romania	33,000,000.00	RON	Energy services	Line-by-line	E - DISTRIBUTIE Banat SA E - DISTRIBUTIE Dobrogea SA	50.00 50.00	51.00
Enel Sole Srl	Rome	Italy	4,600,000.00	EUR	Public lighting system	Line-by-line	Enel SpA	100.00	100.00
Enel Soluções Energéticas Ltda	São Domingos - Niterói - RJ	Brazil	5,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	0.01 99.99	100.00
Enel Soluções SA	Rio De Janeiro	Brazil	1,000,000.00	BRL	Electricity	Line-by-line	Enel Brasil SA Central Geradora Termelétrica Fortaleza SA	99.99 0.01	51.56
Enel South America Srl	Rome	Italy	10,000.00	EUR	Holding company	Line-by-line	Enel SpA	100.00	100.00
Enel Stillwater LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	Enel Geothermal LLC	100.00	50.00
Enel Surprise Valley LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Enel Texkan Inc	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Power Inc	100.00	100.00
Enel Trade d.o.o.	Zagreb	Croatia	2,240,000.00	HRK	Electricity trading	Line-by-line	Enel Trade SpA	100.00	100.00
Enel Trade Romania Srl	Bucharest	Romania	21,250,000.00	RON	Electricity sourcing and trading	Line-by-line	Enel Trade SpA	100.00	100.00
Enel Trade Serbia D.o.o.	Beograd	Serbia	300,000.00	EUR	Electricity trading	Line-by-line	Enel Trade SpA	100.00	100.00
Enel Trade SpA	Rome	Italy	90,885,000.00	EUR	Fuel trading and logistics - Electricity trading	Line-by-line	Enel SpA	100.00	100.00
Enel Trading Argentina SRL	Buenos Aires	Argentina	14,010,014.00	ARS	Electricity trading	Line-by-line	Enel Américas SA Enel Argentina SA	55.00 45.00	51.78
Enel Trading North America LLC	USA	USA	10,000,000.00	USD	Electricity trading	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Enel Factor SpA	Rome	Italy	12,500,000.00	EUR	Factoring	Line-by-line	Enel SpA	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel.Newhydro Srl	Rome	Italy	1,000,000.00	EUR	Engineering and water systems	Line-by-line	Enel SpA	100.00	100.00
Enel.si Srl	Rome	Italy	5,000,000.00	EUR	Plant engineering and energy services	Line-by-line	Enel Energia SpA	100.00	100.00
Enelco SA	Athen	Greece	60,108.80	EUR	Plant construction, operation and maintenance	Line-by-line	Enel Investment Holding BV	75.00	75.00
Enelpower Contractor And Development Saudi Arabia Ltd	Riyadh	Arabia rabia	5,000,000.00	SAR	Plant construction, operation and maintenance	Line-by-line	Enelpower Spa	51.00	51.00
Enelpower Do Brasil Ltda	Rio de Janeiro	Brazil	1,242,000.00	BRL	Electrical engineering	Line-by-line	Enel Green Power Brasil Participações Ltda	99.99	100.00
							Enel Green Power Latin America Ltda	0.01	
Enelpower Spa	Milan	Italy	2,000,000.00	EUR	Engineering and construction	Line-by-line	Enel SpA	100.00	100.00
Energética De Roselló AIE	Barcelona	Spain	3,606,060.00	EUR	Cogeneration of electricity and heat	Equity	Enel Green Power España SL	27.00	18.93
Energética Monzón SAC	Lima	Peru	6,462,000.00	PEN	Electricity generation from renewable resources	Line-by-line	Empresa Electrica Panguipulli SA	0.00	99.90
							Enel Green Power Perú SA	99.99	
Energía Eléctrica Del Ebro SA (Sociedad Unipersonal)	Tarragona	Spain	96,160.00	EUR	Electricity distribution	Line-by-line	Eléctrica del Ebro SA (Sociedad Unipersonal)	100.00	70.10
Energia Eolica Srl	Rome	Italy	4,840,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Energia Global De Mexico (Enemex) SA De Cv	Mexico City	Mexico	50,000.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	99.00	99.00
Energia Global Operaciones SA	San José	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	100.00	100.00
Energía Limpia de Amistad, S. de RL de CV	Mexico City	Mexico	296,822.00	MXN	Electricity generation from renewable resources	Line-by-line	Hidroelectricidad Del Pacifico Srl de Cv	0.01	100.00
							Enel Green Power México Srl de Cv	99.99	
Energía Limpia de Palo Alto, S. de RL de CV	Mexico City	Mexico	650,857,596.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.99	100.00
							Hidroelectricidad Del Pacifico Srl de Cv	0.01	
Energia Marina SpA	Santiago	Chile	2,404,240,000.00	CLP	Electricity generation from renewable resources	Equity	Enel Green Power Chile Ltda	25.00	25.00
Energia Nueva de Iguu Srl de CV	Mexico City	Mexico	51,879,307.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.90	99.91
							Energia Nueva Energia Limpia Mexico Srl de Cv	0.01	
Energia Nueva Energia Limpia Mexico Srl de Cv	Mexico City	Mexico	5,339,650.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	99.96	100.00
							Enel Green Power Guatemala SA	0.04	
Energías Alternativas Del Sur SL	Las Palmas De Gran Canaria	Spain	5,589,393.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	54.95	38.52
Energías De Aragón I SL	Zaragoza	Spain	3,200,000.00	EUR	Electricity transmission and distribution	Line-by-line	Endesa Red SA	100.00	70.10
Energías De Aragón II SL	Zaragoza	Spain	18,500,000.00	EUR	Electricity generation	Line-by-line	Enel Green Power España SL	100.00	70.10
Energías De Graus SL	Barcelona	Spain	1,298,160.00	EUR	Hydroelectric plants	Line-by-line	Enel Green Power España SL	66.67	46.74
Energías Especiales De Careon SA	La Coruña	Spain	270,450.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	77.00	53.98
Energías Especiales De Pena Armada SA	Madrid	Spain	963,300.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	80.00	56.08
Energías Especiales Del Alto Ulla SA	Madrid	Spain	1,722,600.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00	70.10
Energías Especiales Del Bierzo SA	Torre Del Bierzo	Spain	1,635,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	50.00	35.05
Energías Renovables La Mata SAPI de CV	Mexico City DF	Mexico	656,615,400.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.99	100.00
							Energia Nueva de Iguu Srl de CV	0.01	

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Energie Electrique De Tahaddart SA	Tangiers	Morocco	750,400,000.00	MAD	Combined-cycle generation plants	Equity	Endesa Generación SA	32.00	22.43
Energotel AS	Bratislava	Slovakia	2,191,200.00	EUR	Operation of optical fiber network	Equity	Slovenské Elektrárne AS	20.00	6.60
ENergy Hydro Piave Srl	Soverzene	Italy	800,000.00	EUR	Electricity purchases, transmission and distribution	Line-by-line	Enel Produzione SpA	51.00	51.00
Enerlive Srl	Rome	Italy	6,520,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Maicor Wind Srl	100.00	100.00
Eólica Del Noroeste SL	La Coruña	Spain	36,100.00	EUR	Wind plant development	Line-by-line	Enel Green Power España SL	51.00	35.75
Eólica Del Principado SAU	Oviedo	Spain	60,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00	28.04
Eólica Fazenda Nova - Geração E Comercialização de Energia SA	Rio Grande Do Norte	Brazil	1,839,000.00	BRL	Wind plants	Line-by-line	Enel Brasil SA	99.95	51.53
Eólica Valle Del Ebro SA	Zaragoza	Spain	5,559,340.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	50.50	35.40
Eólica Zopiloapan SAPI de Cv	Mexico City	Mexico	1,877,201.54	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv Enel Green Power Partecipazioni Speciali Srl	56.98 39.50	96.48
Eólicas De Agaete SL	Las Palmas De Gran Canaria	Spain	240,400.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	80.00	56.08
Eólicas De Fuencaliente SA	Las Palmas De Gran Canaria	Spain	216,360.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	55.00	38.56
Eólicas De Fuerteventura AIE	Fuerteventura - Las Palmas	Spain	-	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00	28.04
Eólicas De La Patagonia SA	Buenos Aires	Argentina	480,930.00	ARS	Electricity generation from renewable resources	-	Enel Green Power España SL	50.00	35.05
Eólicas De Lanzarote SL	Las Palmas De Gran Canaria	Spain	1,758,000.00	EUR	Electricity generation and distribution	Equity	Enel Green Power España SL	40.00	28.04
Eólicas De Tenerife AIE	Santa Cruz De Tenerife	Spain	420,708.40	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	50.00	35.05
Eólicas De Tirajana AIE	Las Palmas De Gran Canaria	Spain	-	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	60.00	42.06
Epresa Energia SA	Cadiz	Spain	2,500,000.00	EUR	Electricity distribution	Equity	Endesa Red SA	50.00	35.05
Erdwärme Oberland GmbH	Monaco	Germany	154,011.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	83.77	83.77
Erecoalz SL	Zaragoza	Spain	18,030.36	EUR	Electricity generation from renewable resources	-	Enel Green Power España SL	33.00	23.13
Essex Company LLC	Boston (Massachusetts)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGPNA REP Hydro Holdings LLC	100.00	50.00
Estrellada SA	Montevideo	Uruguay	448,000.00	UYU	Electricity generation from renewable resources	Line-by-line	Enel Green Power Uruguay SA	100.00	100.00
Explotaciones Eólicas De Escucha SA	Zaragoza	Spain	3,505,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	70.00	49.07
Explotaciones Eólicas El Puerto SA	Teruel	Spain	3,230,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	73.60	51.59
Explotaciones Eólicas Saso Plano SA	Zaragoza	Spain	5,488,500.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	65.00	45.57
Explotaciones Eólicas Sierra Costera SA	Zaragoza	Spain	8,046,800.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	90.00	63.09
Explotaciones Eólicas Sierra La Virgen SA	Zaragoza	Spain	4,200,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	90.00	63.09
Florence Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Fowler Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Fuentes Renovables de Guatemala SA	Guatemala	Guatemala	5,000.00	GTQ	Electricity generation from renewable resources	Line-by-line	Renovables De Guatemala SA Enel Green Power Guatemala SA	40.00 60.00	100.00
Fulcrum LLC	Boise (Idaho)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Garob Wind Farm (Pty) Ltd	Gauteng	South Africa	100.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Gas Atacama Chile SA	Santiago de Chile	Chile	589,318,016,243.00	CLP	Electricity generation	Line-by-line	Enel Generación Chile SA	97.37	37.00
							Enel Chile SA	2.63	
Gas Y Electricidad Generación SAU	Palma De Mallorca	Spain	213,775,700.00	EUR	Electricity generation	Line-by-line	Endesa Generación SA	100.00	70.10
Gasoducto Atacama Argentina SA	Santiago	Chile	208,173,124.00	USD	Natural gas transport	Line-by-line	Gas Atacama Chile SA	99.97	37.00
							Enel Chile SA	0.03	
Gasoducto Atacama Argentina SA Sucursal Argentina	Buenos Aires	Argentina	-	ARS	Natural gas transport	Line-by-line	Gasoducto Atacama Argentina SA	100.00	36.82
Gauley Hydro LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Gauley River Management Corporation	Willison (Vermont)	USA	1.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Gauley River Power Partners LLC	Willison (Vermont)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Generadora De Occidente Ltda	Guatemala	Guatemala	16,261,697.33	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	99.00	100.00
							Enel Green Power Guatemala SA	1.00	
Generadora Eolica Alto Pacora SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Generadora Estrella Solar SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Generadora Fotovoltaica Chiriquí SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Generadora Montecristo SA	Guatemala	Guatemala	3,820,000.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	99.99	100.00
							Enel Green Power Guatemala SA	0.01	
Generadora Solar Caldera SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Generadora Solar Tolé SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Generalima SA	Lima	Peru	146,534,335.00	PEN	Holding company	Line-by-line	Enel Américas SA	100.00	51.80
Generandes Perú SA	Lima	Peru	853,429,020.00	PEN	Holding company	Line-by-line	Enel Américas SA	100.00	51.80
Geotermica Del Norte SA	Santiago	Chile	307,837,019,702.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	83.65	83.65
Gibson Bay Wind Farm (RF) Proprietary Limited	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00	60.00
Gnl Chile SA	Santiago	Chile	3,026,160.00	USD	Design and LNG supply	Equity	Enel Generación Chile SA	33.33	12.12
Goodwell Wind Project LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	Origin Goodwell Holdings LLC	100.00	50.00
Goodyear Lake Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Gorona Del Viento El Hierro SA	Valverde De El Hierro	Spain	30,936,736.00	EUR	Development and maintenance of El Hierro generation plant	Equity	Unión Eléctrica De Canarias Generación SAU	23.21	16.27
Guadarranque Solar 4 SL Unipersonal	Seville	Spain	3,006.00	EUR	Electricity generation from renewable resources	Line-by-line	Endesa Generación II SA	100.00	70.10
GV Energie Rigenerabili ITAL-RO Srl	Bucharest	Romania	1,145,400.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	0.00	100.00
							Enel Green Power Romania Srl	100.00	
Hadley Ridge LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Hastings Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Hidroeléctrica De Catalunya SL	Barcelona	Spain	126,210.00	EUR	Electricity transmission and distribution	Line-by-line	Endesa Red SA	100.00	70.10
Hidroeléctrica De Ourol SL	Lugo	Spain	1,608,200.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	30.00	21.03
Hidroeléctrica DonRafael SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00	65.00
Hidroelectricidad Del Pacifico Srl de Cv	Mexico City	Mexico	30,890,736.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.99	99.99
Hidroflamicell SL	Barcelona	Spain	78,120.00	EUR	Electricity distribution and sale	Line-by-line	Hidroeléctrica De Catalunya SL	75.00	52.58
Hidroinvest SA	Buenos Aires	Argentina	55,312,093.00	ARS	Holding company	Line-by-line	Enel Argentina SA	54.15	50.06

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
							Enel Américas SA	41.94	
Hidromondego - Hidroeléctrica do Mondego Lda	Lisbona	Portugal	3,000.00	EUR	Hydroelectric power	Line-by-line	Endesa Generación Portugal SA	10.00	70.10
							Endesa Generación SA	90.00	
High Shoals LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Highfalls Hydro Company Inc	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Hispano Generación de Energía Solar SL	Jerez de los Caballeros (Badajoz)	Spain	3,500.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	51.00	35.75
Hope Creek LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Hydro Development Group Acquisition LLC	Albany (New York)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Hydro Energies Corporation	Williston (Vermont)	USA	5,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Hydrogen Park-Marghera Per L'idrogeno Srl	Venice	Italy	245,000.00	EUR	Development of studies and projects for the use of hydrogen	Line-by-line	Enel Produzione SpA	60.00	60.00
Hydromac Energy Srl	Rome	Italy	18,000.00	EUR	Holding company	Line-by-line	Enel Green Power SpA	100.00	100.00
I-EM Srl	Turin	Italy	28,571.43	EUR	Design and development	Equity	Enel Italia Srl	30.00	30.00
Ingendesa Do Brasil Ltda	Rio De Janeiro	Brazil	500,000.00	BRL	Design, engineering and consulting	Line-by-line	Enel Generación Chile SA	1.00	36.81
							Gas Atacama Chile SA	99.00	
Inkolan Informacion y Coordinacion de obras AIE	Bilbao	Spain	84,140.00	EUR	Information on infrastructure of Inkolan associates	Equity	Endesa Distribución Eléctrica SL	12.50	8.76
International Endesa BV	Amsterdam	The Netherlands	15,428,520.00	EUR	Holding company	Line-by-line	Endesa SA	100.00	70.10
International Multimedia University Srl (in fallimento)	Rome	Italy	24,000.00	EUR	Long-distance learning	-	Enel Italia Srl	13.04	13.04
Inversiones Distrilima SA	Lima	Peru	714,233,174.00	PEN	Holding company	Line-by-line	Enel Américas SA	100.00	51.80
Inversora Codensa Sas	Bogotá	Colombia	5,000,000.00	COP	Electricity transmission and distribution	Line-by-line	Codensa SA ESP	100.00	25.07
Inversora Dock Sud SA	Buenos Aires	Argentina	241,490,000.00	ARS	Holding company	Line-by-line	Enel Américas SA	57.14	29.60
Isamu Ikeda Energia SA	Rio de Janeiro	Brazil	61,474,475.77	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Italgest Energy (Pty) Ltd	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
Jack River LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Jessica Mills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Julia Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Kalenta SA	Maroussi	Greece	4,359,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Solar Energy Srl	100.00	100.00
Kavacik Eolico Enerji Elektrik Üretim ve Ticaret Anonim Şirketi	Istanbul	Turkey	9,000,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatirimlari Anonim Şirketi	100.00	100.00
Kelley's Falls LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Kings River Hydro Company Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Kinneytown Hydro Company Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Kirkareli Eolico Enerji Elektrik Üretim ve Ticaret Anonim Şirketi	Istanbul	Turkey	5,250,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatirimlari Anonim Şirketi	100.00	100.00
Kongul Enerji Sanayi ve Ticaret Anonim Şirketi	Istanbul	Turkey	125,000,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatirimlari Anonim Şirketi	100.00	100.00
Kromschroeder SA	L'Hospitalet De Llobregat (Barcelona)	Spain	627,126.00	EUR	Services	Equity	Endesa Red SA	29.26	20.51
La Pereda Co2 AIE	Oviedo	Spain	224,286.00	EUR	Services	Equity	Endesa Generación SA	33.33	23.36

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
LaChute Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Lake Emily Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Lake Pulaski Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Lawrence Creek Solar LLC	Minnesota	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Lindahl Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGPNA Preferred Wind Holdings LLC	100.00	50.00
Lindahl Wind Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	Lindahl Wind Holdings LLC	100.00	50.00
Little Elk Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00	100.00
Little Elk Wind Project LLC	Oklahoma City	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Little Elk Wind Holdings LLC	100.00	100.00
Littleville Power Company Inc	Boston (Massachusetts)	USA	1.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Llano Sánchez Solar Power One SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Llano Sánchez Solar Power Cuatro SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Llano Sánchez Solar Power Tres SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Lower Saranac Hydro Partners LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Lower Saranac Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Lower Valley LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Global	Enel Green Power North America Inc	100.00	100.00
Lowline Rapids LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Luz Andes Ltda	Santiago	Chile	1,224,348.00	CLP	Electricity transmission and distribution	Line-by-line	Enel Distribución Chile SA Enel Chile SA	99.90 0.10	60.07
Maicor Wind Srl	Rome	Italy	20,850,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Marte Srl	Rome	Italy	5,100,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Más Energía, S. de RL de CV	Mexico City	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv Hidroelectricidad Del Pacífico Srl de Cv	99.00 1.00	100.00
Mascoma Hydro Corporation	Concord (New Hampshire)	USA	1.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Mason Mountain Wind Project LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Padoma Wind Power LLC	100.00	100.00
Matrigenix (Proprietary) Limited	Houghton	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
Medidas Ambientales SL	Medina De Pomar (Burgos)	Spain	60,100.00	EUR	Environmental studies	Equity	Nuclear SA	50.00	17.53
Metro Wind LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Mexicana de Hidroelectricidad Mexhidro Srl de Cv	Mexico City	Mexico	181,728,901.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.99	99.99
Mibgas SA	Madrid	Spain	3,000,000.00	EUR	Gas market operator	-	Endesa SA	1.35	0.95
Mill Shoals Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Minas De Estercuel SA (in liquidazione)	Madrid	Spain	93,160.00	EUR	Mineral deposits	Line-by-line	Minas Gargallo SL (in liquidazione)	99.65	69.79
Minas Gargallo SL (in liquidazione)	Madrid	Spain	150,000.00	EUR	Mineral deposits	Line-by-line	Endesa Generación SA	99.91	70.04
Minicentrales Del Canal De Las Bardenas AIE	Zaragoza	Spain	1,202,000.00	EUR	Hydroelectric plants	-	Enel Green Power España SL	15.00	10.52
Minicentrales Del Canal Imperial-Gallur SL	Zaragoza	Spain	1,820,000.00	EUR	Hydroelectric plants	Equity	Enel Green Power España SL	36.50	25.59
Mira Energy (Pty) Ltd	Houghton	South Africa	100.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Missisquoi Associates LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings, LLC	100.00	50.00
Montrose Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Nevkan Renewables LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Nevkan Inc	100.00	100.00
Newbury Hydro Company LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	Enel Green Power North America Inc	100.00	100.00
Ngonye Power Company Limited	Lusaka	Zambia	10,000.00	ZMW	Electricity sale	Line-by-line	Enel Green Power Africa Srl	80.00	80.00
Nojoli Wind Farm (RF) Pty Ltd	Johannesburg	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00	60.00
North Canal Waterworks	Boston (Massachusetts)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Northwest Hydro LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi West LLC	100.00	100.00
Notch Butte Hydro Company Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Nudenor SA	Burgos	Spain	102,000,000.00	EUR	Nuclear plant	Equity	Endesa Generación SA	50.00	35.05
Nueva Marina Real Estate SL	Madrid	Spain	3,200.00	EUR	Real estate	Line-by-line	Endesa Medios Y Sistemas SL (Sociedad Unipersonal)	60.00	42.06
Nuove Energie Srl	Porto Empedocle	Italy	5,204,028.73	EUR	Construction and management of LNG regasification infrastructure	Line-by-line	Enel Trade SpA	100.00	100.00
Nxuba Wind Farm (Pty) Ltd	Gauteng	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA 2 (Pty) Ltd	100.00	100.00
Ochrana A Bezpečnost Se AS	Mochovce	Slovakia	33,193.92	EUR	Security services	Equity	Slovenské Elektrárne AS	100.00	33.00
OGK-5 Finance LLC	Moscow	Russian Federation	10,000,000.00	RUB	Financial company	Line-by-line	Enel Russia PJSC	100.00	56.43
Open Fiber SpA	Milan	Italy	250,000,000.00	EUR	Installation of electronic plant (including maintenance and repairs)	Equity	Enel SpA	50.00	50.00
Origin Goodwell Holdings LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA Wind Holdings 1 LLC	100.00	50.00
Origin Wind Energy LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	Origin Goodwell Holdings LLC	100.00	50.00
Osage Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	50.00	50.00
Osage Wind LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Osage Wind Holdings LLC	100.00	50.00
Ottawaquechee Hydro Company Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Ovacik Eoliko Enerji Elektrik Üretim ve Ticaret Anonim Şirketi	Istanbul	Turkey	11,250,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatırımları Anonim Şirketi	100.00	100.00
Oxagesa AIE	Teruel	Spain	6,010.00	EUR	Cogeneration of electricity and heat	Equity	Enel Green Power España SL	33.33	23.36
Oyster Bay Wind Farm (Pty) Ltd	Cape Town	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
P.E. Cote SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00	65.00
P.V. Huacas SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00	65.00
Padoma Wind Power LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Palo Alto Farms Wind Project LLC	Dallas	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00	100.00
Paravento SL	Lugo	Spain	3,006.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	90.00	63.09
Parc Eolic La Tossa-La Mola D'en Pascual SL	Madrid	Spain	1,183,100.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	30.00	21.03
Parc Eolic Los Aligars SL	Madrid	Spain	1,313,100.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	30.00	21.03
Parque Eólico A Capelada SL (Sociedad Unipersonal)	Santiago De Compostela	Spain	5,857,586.40	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00	70.10
PARQUE EÓLICO ARAGÓN SL	Zaragoza	Spain	601,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00	70.10

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Parque Eólico Carretera De Arinaga SA	Las Palmas De Gran Canaria	Spain	1,603,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	80.00	56.08
Parque Eólico Curva dos Ventos Ltda	Bahia	Brazil	420,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	1.00 99.00	100.00
Parque Eólico De Barbanza SA	La Coruña	Spain	3,606,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	75.00	52.58
Parque Eólico De Belmonte SA	Madrid	Spain	120,400.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	50.16	35.16
Parque Eólico De San Andrés SA	La Coruña	Spain	552,920.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	82.00	57.48
Parque Eólico De Santa Lucía SA	Las Palmas De Gran Canaria	Spain	901,500.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	66.33	46.50
Parque Eólico Dellina LTDA	Brasilia	Brazil	6,963,977.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda Enel Green Power Brasil Participações Ltda	0.01 99.99	100.00
Parque Eólico Finca De Mogán SA	Las Palmas De Gran Canaria	Spain	3,810,340.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	90.00	63.09
Parque Eólico Montes De Las Navas SA	Madrid	Spain	6,540,000.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	75.50	52.93
Parque Eólico Punta De Teno SA	Tenerife	Spain	528,880.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	52.00	36.45
Parque Eólico Sierra Del Madero SA	Soria	Spain	7,193,970.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	58.00	40.66
Parque Eólico Taltal SA	Santiago	Chile	20,878,010,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Latin America Ltda Enel Green Power Chile Ltda	0.01 99.99	100.00
Parque Eólico Valle de los Vientos SA	Santiago	Chile	566,096,564.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Latin America Ltda Enel Green Power Chile Ltda	0.01 99.99	100.00
Parque Salitrillos, SA de CV	Mexico	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Hidroelectricidad Del Pacifico Srl de Cv Enel Green Power México Srl de Cv	1.00 99.00	100.00
Parque Talinay Oriente SA	Santiago	Chile	66,092,165,171.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA Enel Green Power Chile Ltda	34.57 61.37	95.94
Paynesville Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Pegop - Energia Eléctrica SA	Abrantes	Portugal	50,000.00	EUR	Electricity generation	Equity	Endesa Generación Portugal SA Endesa Generación SA	0.02 49.98	35.05
Pelzer Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Pereda Power SL	La Pereda (Mieres)	Spain	5,000.00	EUR	Development of generation activities	Line-by-line	Endesa Generación II SA	70.00	49.07
PH Chucas SA	San José	Costa Rica	100,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA Enel Green Power Costa Rica	22.17 40.31	62.48
PH Don Pedro SA	San José	Costa Rica	100,001.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	33.44	33.44
PH Guacimo SA	San José	Costa Rica	50,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00	65.00
PH Rio Volcan SA	San José	Costa Rica	100,001.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	34.32	34.32
Pine Island Distributed Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Planta Eólica Europea SA	Seville	Spain	1,198,530.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	56.12	39.34
Powercrop Macchiareddu Srl	Bologna	Italy	100,000.00	EUR	Electricity generation from renewable resources	Equity	PowerCrop Srl	100.00	50.00
Powercrop Russi Srl	Bologna	Italy	100,000.00	EUR	Electricity generation from renewable resources	Equity	PowerCrop Srl	100.00	50.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
PowerCrop Srl	Bologna	Italy	4,000,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power SpA	50.00	50.00
Prairie Rose Transmission LLC	Minneapolis	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Prairie Rose Wind LLC	100.00	50.00
Prairie Rose Wind LLC	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Wind Holdings LLC	100.00	50.00
Primavera Energia SA	Rio de Janeiro	Brazil	36,965,444.64	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Productor Regional de Energía Renovable III SA	Valladolid	Spain	88,398.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	82.89	58.11
Productor Regional de Energía Renovable SA	Valladolid	Spain	710,500.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	85.00	59.59
Productora de Energías SA	Barcelona	Spain	30,050.00	EUR	Hydroelectric plants	Equity	Enel Green Power España SL	30.00	21.03
Prof-Energo LLC	Sredneural'sk	Russian Federation	10,000.00	RUB	Energy services	Line-by-line	Sanatorium-Preventorium Energetik LLC	100.00	56.43
Promociones Energeticas Del Bierzo SL	Ponferrada	Spain	12,020.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00	70.10
Proveedora de Electricidad de Occidente Srl de Cv	Mexico City	Mexico	89,708,835.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.99	99.99
Proyecto Almería Mediterraneo SA	Madrid	Spain	601,000.00	EUR	Desalinization and water supply	Equity	Endesa SA	45.00	31.55
Proyecto Eólico El Pedregal SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00	65.00
Proyecto Solar Don José, SA de CV	Mexico City	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA Enel Green Power México Srl de Cv	1.00 99.00	100.00
Proyecto Solar Villanueva Tres, SA de CV	Mexico City	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA Enel Green Power México Srl de Cv	1.00 99.00	100.00
Proyectos Universitarios de Energías Renovables SL	Alicante	Spain	180,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	33.33	23.36
Proyectos y Soluciones Renovables SAC	Lima	Peru	1,000.00	PEN	Electricity generation	Line-by-line	Enel Green Power Partecipazioni Speciali Srl Enel Green Power Latin America Ltda	99.90 0.10	100.00
PT Bayan Resources Tbk	Jakarta	Indonesia	333,333,350,000.00	IDR	Energy	-	Enel Investment Holding BV	10.00	10.00
PT Enel Green Power Optima Way Ratai	Jakarta	Indonesia	10,000,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	90.00	90.00
Pulida Energy (RF) Proprietary Limited	Houghton	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	52.70	52.70
Pyrates Hydro LLC	New York	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Quatiara Energia SA	Rio de Janeiro	Brazil	16,566,510.61	BRL	Electricity generation	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Rattlesnake Creek Wind Project LLC	NE - The Corporation Trust Company	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00	100.00
Reaktortest Sro	Trnava	Slovakia	66,389.00	EUR	Nuclear power research	Equity	Slovenské Elektrárne AS	49.00	16.17
Red Centroamericana de Telecomunicaciones SA	Panama	Panama	2,700,000.00	USD	Telecommunications	-	Enel Iberia Srl	11.11	11.11
Red Dirt Wind Project, LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Global	Enel Kansas LLC	100.00	100.00
Renovables De Guatemala SA	Guatemala	Guatemala	1,924,465,600.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA Enel Green Power SpA	0.01 99.99	100.00
Res Holdings BV	Amsterdam	The Netherlands	18,000.00	EUR	Holding company	Equity	Enel Investment Holding BV	49.50	49.50
Rock Creek Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Rock Creek Wind Holdings LLC	USA	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGPNA Preferred Holdings II LLC	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Rock Creek Wind Project LLC	Clayton	USA	-	USD	Holding company	Line-by-line	Rock Creek Wind Holdings LLC	100.00	100.00
Rocky Caney Wind LLC	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00	100.00
Rocky Ridge Wind Project LLC	Oklahoma City	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Rocky Caney Wind LLC	100.00	100.00
Rusenergosbyt LLC	Moscow	Russian Federation	2,760,000.00	RUB	Electricity trading	Equity	Enel Investment Holding BV	49.50	49.50
Rusenergosbyt Siberia LLC	Krasnoyarskiy Kray	Russian Federation	4,600,000.00	RUB	Electricity sale	Equity	Rusenergosbyt LLC	50.00	24.75
Rusenergosbyt Yaroslavl	Yaroslavl	Russian Federation	100,000.00	RUB	Electricity sale	Equity	Rusenergosbyt LLC	50.00	24.75
Ruthlon Ridge LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Sacme SA	Buenos Aires	Argentina	12,000.00	ARS	Monitoring of electricity system	Equity	Empresa Distribuidora Sur SA	50.00	18.67
Salmon Falls Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Salto De San Rafael SL	Seville	Spain	461,410.00	EUR	Hydroelectric plants	Equity	Enel Green Power España SL	50.00	35.05
San Juan Mesa Wind Project II LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Padoma Wind Power LLC	100.00	100.00
Sanatorium-Preventorium Energetik LLC	Nevinnomyssk	Russian Federation	10,571,300.00	RUB	Energy services	Line-by-line	Enel Russia PJSC OGK-5 Finance LLC	99.99 0.01	56.43
Santo Rostro Cogeneración SA	Seville	Spain	207,000.00	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	45.00	31.55
Se Hazelton A.LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Se Predaj Sro	Bratislava	Slovakia	4,505,000.00	EUR	Electricity supply	Equity	Slovenské Elektrárne AS	100.00	33.00
SE Služby inžinierskych stavieb s.r.o.	Kalná nad Hronom	Slovakia	200,000.00	EUR	Services	Equity	Slovenské Elektrárne AS	100.00	33.00
Serra Do Moncoso Cambas SL	La Coruña	Spain	3,125.00	EUR	Services	Line-by-line	Enel Green Power España SL	100.00	70.10
Servicio de Operación y Mantenimiento para Energías Renovables Srl de Cv	Mexico City	Mexico	3,000.00	MXN	Services	Line-by-line	Energia Nueva Energia Limpia Mexico Srl de Cv Enel Green Power Guatemala SA	99.99 0.01	100.00
Servicios Informáticos e Inmobiliarios Ltda	Santiago	Chile	61,948,673,981.00	CLP	ICT services	Line-by-line	Enel Distribución Chile SA Enel Chile SA	0.10 99.90	60.62
Servizio Elettrico Nazionale SpA	Rome	Italy	10,000,000.00	EUR	Electricity sale	Line-by-line	Enel SpA	100.00	100.00
Shield Energy Storage Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP Energy Storage Holdings LLC	100.00	100.00
SIET - Società Informazioni Esperienze Termoidrauliche SpA	Piacenza	Italy	697,820.00	EUR	Analysis, design and research in thermal technology	Equity	Enel.Newhydro Srl	41.55	41.55
Sistema Eléctrico de Conexión Montes Orientales SL	Granada	Spain	44,900.00	EUR	Electricity generation	Equity	Enel Green Power España SL	16.70	11.71
Sistema Eléctrico de Conexión Valcaire SL	Madrid	Spain	175,200.00	EUR	Electricity generation	Equity	Enel Green Power España SL	28.13	19.72
Sistemas Energeticos Mañón Ortigueira SA	La Coruña	Spain	2,007,750.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	96.00	67.30
Slate Creek Hydro Associates LP	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Equity	Slate Creek Hydro Company LLC	95.00	47.50
Slate Creek Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Slovak Power Holding BV	Herengracht 471 1017 BS Amsterdam	The Netherlands	25,010,000.00	EUR	Financial Holding	Equity	Enel Produzione SpA	50.00	50.00
Slovenské elektrárne Česká republika Sro	Rybná 682/14, Staré M?sto, 110 00 Praha 1, ?R	Czech Republic	3,000.00	CZK	Electricity distribution	Equity	Slovenské Elektrárne AS	100.00	33.00
Slovenské Elektrárne AS	Bratislava	Slovakia	1,269,295,724.66	EUR	Electricity generation	Equity	Slovak Power Holding BV	66.00	33.00
Smart P@Per SPA	Potenza	Italy	2,184,000.00	EUR	Services	-	Servizio Elettrico Nazionale SpA	10.00	10.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Smoky Hills Wind Farm LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Texkan Wind LLC	100.00	100.00
Smoky Hills Wind Project II LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Nevkan Renewables LLC	100.00	100.00
Snyder Wind Farm LLC	Dallas (Texas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Texkan Wind LLC	100.00	100.00
Socibe Energia SA	Rio de Janeiro	Brazil	19,969,032.25	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00	100.00
Sociedad Agrícola De Cameros Ltda	Santiago	Chile	5,738,046,495.00	CLP	Financial investment	Line-by-line	Servicios Informáticos e Inmobiliarios Ltda	57.50	34.86
Sociedad Eólica De Andalucía SA	Seville	Spain	4,507,590.78	EUR	Electricity generation	Line-by-line	Enel Green Power España SL	64.74	45.38
Sociedad Eólica El Puntal SL	Seville	Spain	1,643,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	50.00	35.05
Sociedad Eólica Los Lances SA	Cádiz	Spain	2,404,048.42	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	60.00	42.06
Sociedad Portuaria Central Cartagena SA	Bogotá	Colombia	5,800,000.00	COP	Construction and management of port infrastructure	Line-by-line	Emgesa SA ESP Inversora Codensa Sas	94.95 4.90	25.07
Sol Real Istmo SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Sol Real Uno SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00	100.00
Soliloquoy Ridge LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Somersworth Hydro Company Inc	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Sona Enerji Üretim Anonim Şirketi	Istanbul	Turkey	50,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatirimlari Anonim Şirketi	100.00	100.00
Sotavento Galicia SA	Santiago De Compostela	Spain	601,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	36.00	25.24
Southwest Transmission LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Spartan Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Stipa Nayaá SA de Cv	Colonia Cuauhtémoc	Mexico	1,811,016,348.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Participazioni Speciali Srl Enel Green Power México Srl de Cv	40.16 55.21	95.37
Sublunary Trading (RF) Proprietary Limited	Johannesburg	South Africa	10,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Solar Energy Srl	57.00	57.00
Suministradora Eléctrica De Cádiz SA	Cádiz	Spain	12,020,240.00	EUR	Electricity distribution and sale	Equity	Endesa Red SA	33.50	23.48
Suministro De Luz Y Fuerza SL	Torroella De Montgri (Girona)	Spain	2,800,000.00	EUR	Electricity distribution	Line-by-line	Hidroeléctrica De Catalunya SL	60.00	42.06
Summit Energy Storage Inc	Wilmington (Delaware)	USA	2,050,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	75.00	75.00
Sun River LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Sweetwater Hydroelectric LLC	Concord (New Hampshire)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Taranto Solar Srl	Rome	Italy	100,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel F2i Solare Italia SpA	100.00	50.00
Tecnatom SA	Madrid	Spain	4,025,700.00	EUR	Electricity generation from renewable resources	Equity	Endesa Generación SA	45.00	31.55
Tecnoguat SA	Guatemala	Guatemala	30,948,000.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	75.00	75.00
Tejo Energia Produção E Distribuição de Energia Eléctrica SA	Paço D'arcos	Portugal	5,025,000.00	EUR	Electricity generation, transmission and distribution	Equity	Endesa Generación SA	43.75	30.67
Teploprogress OJSC	Sredneursk	Russian Federation	128,000,000.00	RUB	Electricity sale	Line-by-line	OGK-5 Finance LLC	60.00	33.86
Termoeléctrica José De San Martín SA	Buenos Aires	Argentina	500,000.00	ARS	Construction and management of a combined-cycle plant	Equity	Central Dock Sud SA Central Costanera SA Enel Generación El Chocón SA	5.32 5.51 18.85	0.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Termoeléctrica Manuel Belgrano SA	Buenos Aires	Argentina	500,000.00	ARS	Construction and management of a combined-cycle plant	Equity	Enel Generación El Chocón SA	18.85	0.00
							Central Costanera SA	5.51	
							Central Dock Sud SA	5.32	
Termotec Energía AIE in liquidazione	Valencia	Spain	481,000.00	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	45.00	31.55
Texkan Wind LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Texkan Inc	100.00	100.00
Thunder Ranch Wind Project, LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Global	Enel Kansas LLC	100.00	100.00
Tko Power LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Tobivox (RF) Pty Ltd	Houghton	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00	60.00
Toledo Pv AEIE	Madrid	Spain	26,890.00	EUR	Photovoltaic plants	Equity	Enel Green Power España SL	33.33	23.36
Tradewind Energy Inc	Wilmington (Delaware)	USA	200,000.00	USD	Electricity generation from renewable resources	Equity	Enel Kansas LLC	19.90	19.90
Transmisora de Energía Renovable SA	Guatemala	Guatemala	233,561,800.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA	0.00	100.00
							Enel Green Power SpA	100.00	
Transmisora Eléctrica De Quillota Ltda	Santiago	Chile	440,644,600.00	CLP	Electricity transmission and distribution	Equity	Gas Atacama Chile SA	50.00	18.50
Transportadora de Energía SA	Buenos Aires	Argentina	100,000.00	ARS	Electricity generation, transmission and distribution	Line-by-line	Enel CIEN SA	100.00	51.56
Transportes Y Distribuciones Eléctricas SA	Olot (Girona)	Spain	72,120.00	EUR	Electricity transmission	Line-by-line	Endesa Distribución Eléctrica SL	73.33	51.41
Triton Power Company	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Highfalls Hydro Company Inc	98.00	100.00
							Enel Green Power North America Inc	2.00	
Tsar Nicholas LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Twin Falls Hydro Associates	Seattle (Washington)	USA	-	USD	Electricity generation from renewable resources	Equity	Twin Falls Hydro Company LLC	99.51	49.76
Twin Falls Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Equity	EGPNA REP Hydro Holdings LLC	100.00	50.00
Twin Lake Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
Twin Saranac Holdings LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Tynemouth Energy Storage Limited	London	United Kingdom	2.00	GBP	Battery storage of electricity	Line-by-line	Enel SpA	100.00	100.00
Ufelys SLin liquidazione	Aranjuez	Spain	304,150.00	EUR	Electricity generation from renewable resources	-	Enel Green Power España SL	40.00	28.04
Ukuqala Solar Proprietary Limited	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
Unión Eléctrica De Canarias Generación SAU	Las Palmas De Gran Canaria	Spain	190,171,520.00	EUR	Electricity generation	Line-by-line	Endesa Generación SA	100.00	70.10
Upington Solar (Pty) Ltd	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00	100.00
Ustav Jaderného Výzkumu Rez AS	Rez	Czech Republic	524,139,000.00	CZK	Nuclear power research and development	Equity	Slovenské Elektrárne AS	27.77	9.17
Vektör Enerji Üretim Anonim Şirketi	Istanbul	Turkey	3,500,000.00	TRY	Plant construction and electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00	100.00
Vientos del Altiplano, S. de RL de CV	Mexico City	Mexico	751,623,040.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México Srl de Cv	99.99	100.00
							Hidroelectricidad Del Pacifico Srl de Cv	0.01	
Villanueva Solar, SA de CV	Mexico City	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA	1.00	100.00
							Enel Green Power México Srl de Cv	99.00	
Viruleiros SL	Santiago De Compostela	Spain	160,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	67.00	46.97
Walden LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Waseca Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Weber Energy Storage Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP Energy Storage Holdings LLC	100.00	100.00
West Faribault Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
West Hopkinton Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
West Waconia Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00	51.00
Western New York Wind Corporation	Albany (New York)	USA	300.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
White Current Corporation	Vermont	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Willimantic Power Corporation	Hartford (Connecticut)	USA	1,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc	100.00	100.00
Wind Parks Anatolis - Prinias SA	Maroussi	Greece	1,168,188.00	EUR	Electricity generation from renewable resources	Held for sale	Enel Green Power Hellas SA	100.00	100.00
Wind Parks Of Bolibas SA	Maroussi	Greece	551,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Distomos SA	Maroussi	Greece	556,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Folia SA	Maroussi	Greece	424,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Gagari SA	Maroussi	Greece	389,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Goraki SA	Maroussi	Greece	551,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Gourles SA	Maroussi	Greece	555,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Kafoutsis SA	Maroussi	Greece	551,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks of Katharas SA	Maroussi	Greece	728,648.00	EUR	Electricity generation from renewable resources	Held for sale	Enel Green Power Hellas SA	100.00	100.00
Wind Parks of Kerasias SA	Maroussi	Greece	895,990.00	EUR	Electricity generation from renewable resources	Held for sale	Enel Green Power Hellas SA	100.00	100.00
Wind Parks of Miliass SA	Maroussi	Greece	994,774.00	EUR	Electricity generation from renewable resources	Held for sale	Enel Green Power Hellas SA	100.00	100.00
Wind Parks of Mitikas SA	Maroussi	Greece	732,639.00	EUR	Electricity generation from renewable resources	Held for sale	Enel Green Power Hellas SA	100.00	100.00
Wind Parks of Paliopirgos SA	Maroussi	Greece	200,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	80.00	80.00
Wind Parks Of Petalo SA	Maroussi	Greece	575,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks of Platanos SA	Maroussi	Greece	585,467.00	EUR	Electricity generation from renewable resources	Held for sale	Enel Green Power Hellas SA	100.00	100.00
Wind Parks Of Skoubi SA	Maroussi	Greece	472,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks of Spiliass SA	Maroussi	Greece	807,490.00	EUR	Electricity generation from renewable resources	Held for sale	Enel Green Power Hellas SA	100.00	100.00
Wind Parks Of Strouboulas SA	Maroussi	Greece	576,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Trikorfo SA	Maroussi	Greece	260,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	29.25	29.25
Wind Parks Of Vitalio SA	Maroussi	Greece	361,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Wind Parks Of Vourliass SA	Maroussi	Greece	554,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00	30.00
Winter's Spawn LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00	51.00
WP Bulgaria 1 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 10 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 11 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 12 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
WP Bulgaria 13 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 14 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 15 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 19 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 21 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 26 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 3 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 6 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 8 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
WP Bulgaria 9 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00	100.00
Yacylec SA	Buenos Aires	Argentina	20,000,000.00	ARS	Electricity transmission	Equity	Enel Américas SA	22.22	11.51
Yedesa-Cogeneración SA	Almería	Spain	234,394.72	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	40.00	28.04

Disclaimer

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