9M2006 Consolidated Results

Rome, 9 November 2006

ENERGY IN TUNE WITH YOU.

Agenda

- **9M2006 results** — **Luigi Ferraris**
- **Q&A** — **Fulvio Conti**, **Luigi Ferraris**
- **Annexes**

9M2006 Consolidated results

Results overview

€mn	9M2005	9M2006	%
Revenues	*24,464*	*28,621*	*17.0%*
Ebitda	**6,003**	**6,264**	**4.3%**
Group net income	*3,274*	*2,640*	*-19.4%*
of which net ordinary income[1]	**2,121**	**2,384**	**12.4%**
Net debt[2]	**12,312**	**12,510**	**1.6%**

Solid growth in ordinary profitability

(1) 9M2005 net of Euro 1,153mn capital gain on Terna disposal. 9M2006 net of Euro 256mn income on Wind-Weather share transaction
(2) 9M2005 figure as of December 31, 2005

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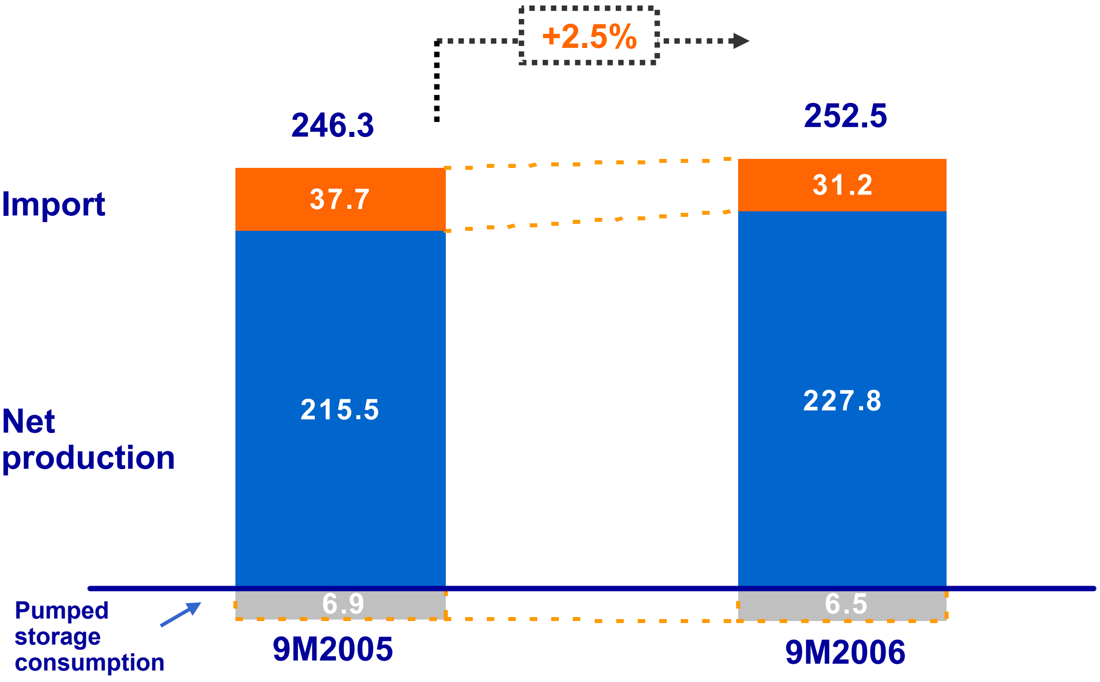
Operational data: Italian market overview

Electricity – Total demand[1] (TWh)



(1) Source: Terna - September 2006 electricity statistical data

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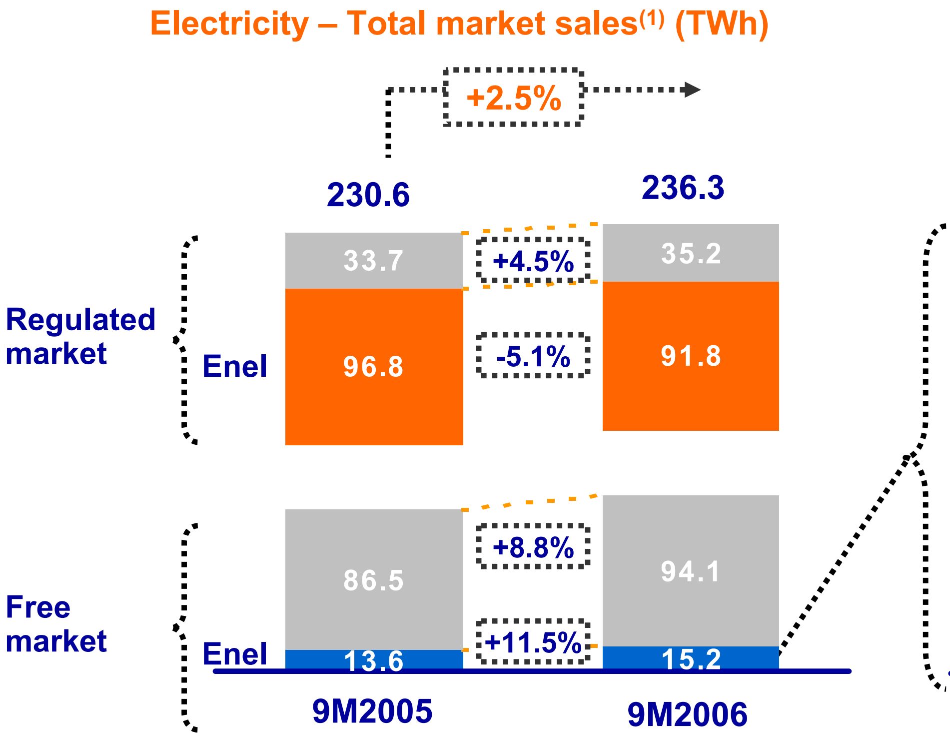
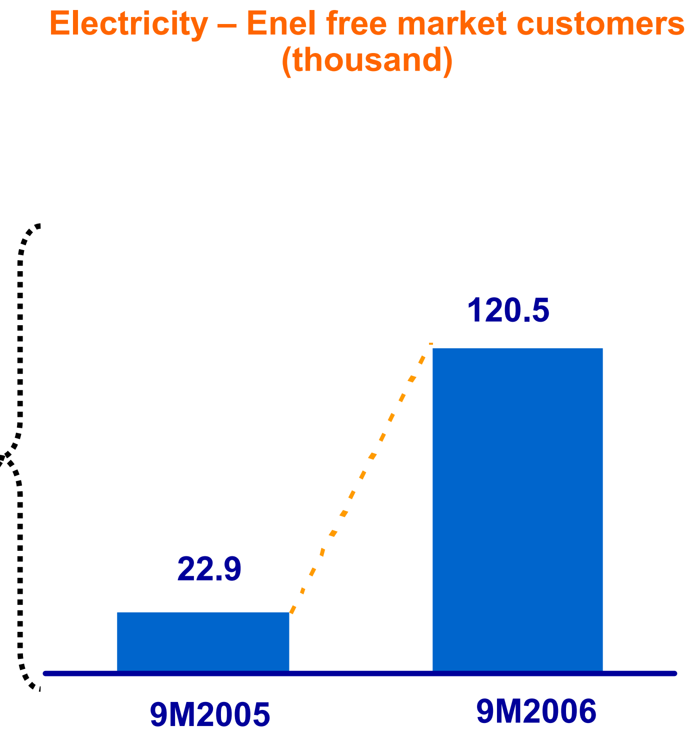
Operational data: Enel's domestic market division





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(1) Excluding losses on the grid. Data relating to other operators are Enel's estimates

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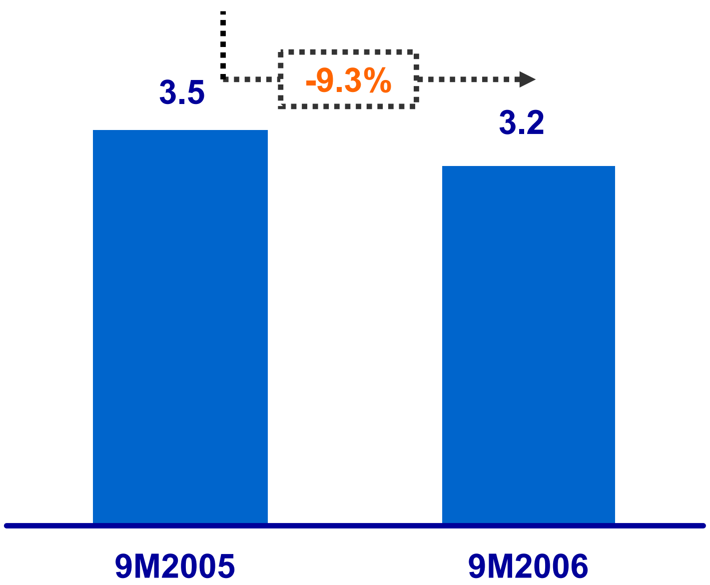
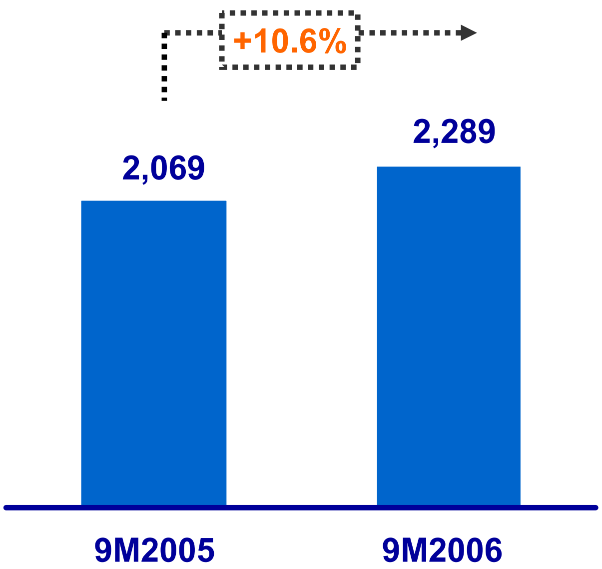
Operational data: Enel's domestic market division

Gas – Total market sales (bcm)



Gas – Enel customers (thousand)



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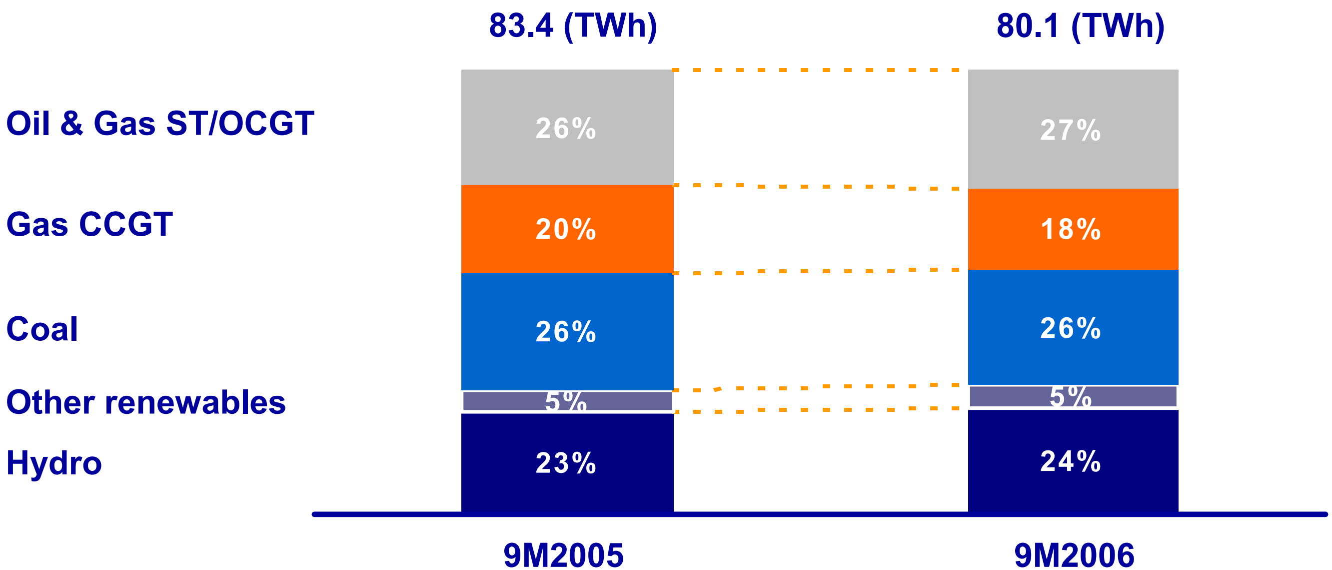
Operational data: Enel's domestic G&EM division

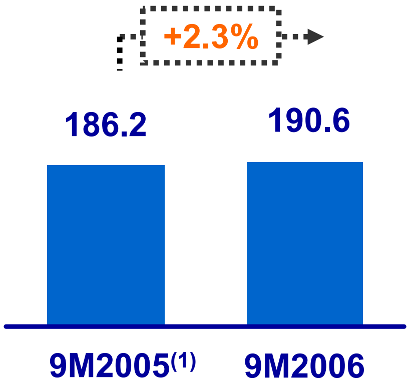
Domestic Net Production Mix



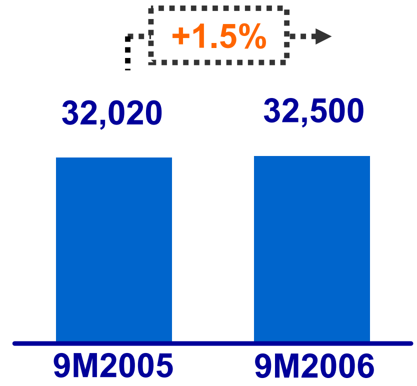
Market share (net production + import)	9M2005	9M2006
	37.9%	34.7%

Operational data: Enel's domestic I&N division

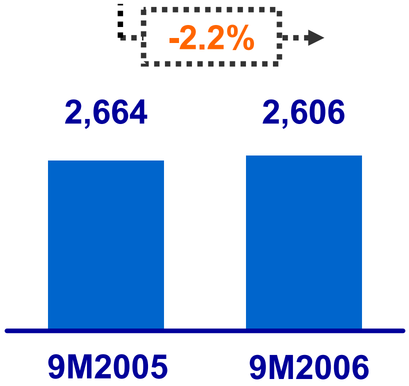
Electricity – Volumes distributed (TWh)



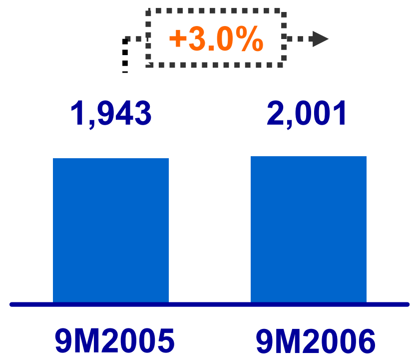
Electricity – End users (thousand)



Gas – Volumes distributed (mcm)



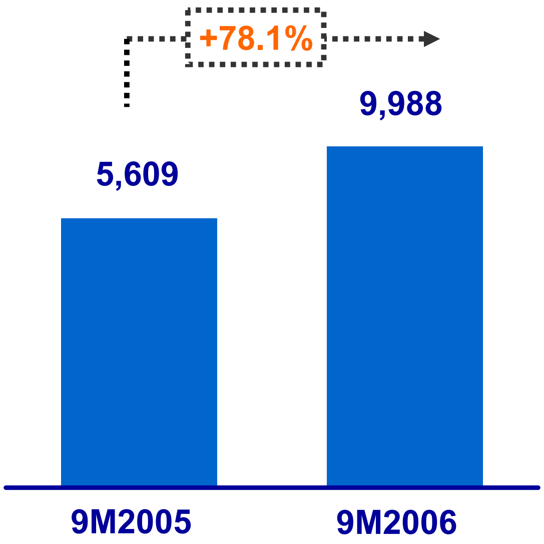
Gas – End users (thousand)



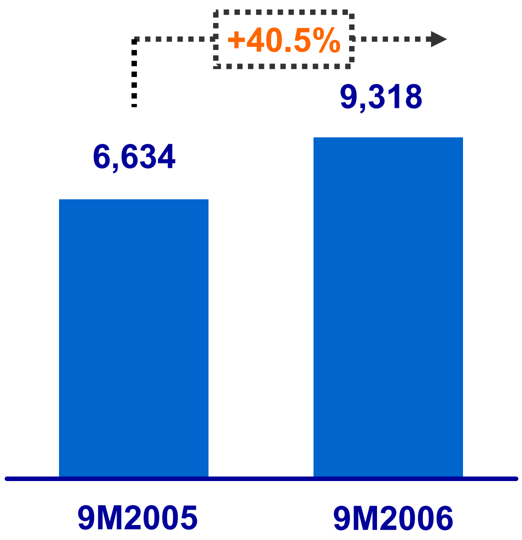
(1) Net of 1.5TWh of energy dispatched in 2004

Operational data: Enel's international activities

Electricity sold (GWh)



Electricity distributed (GWh)



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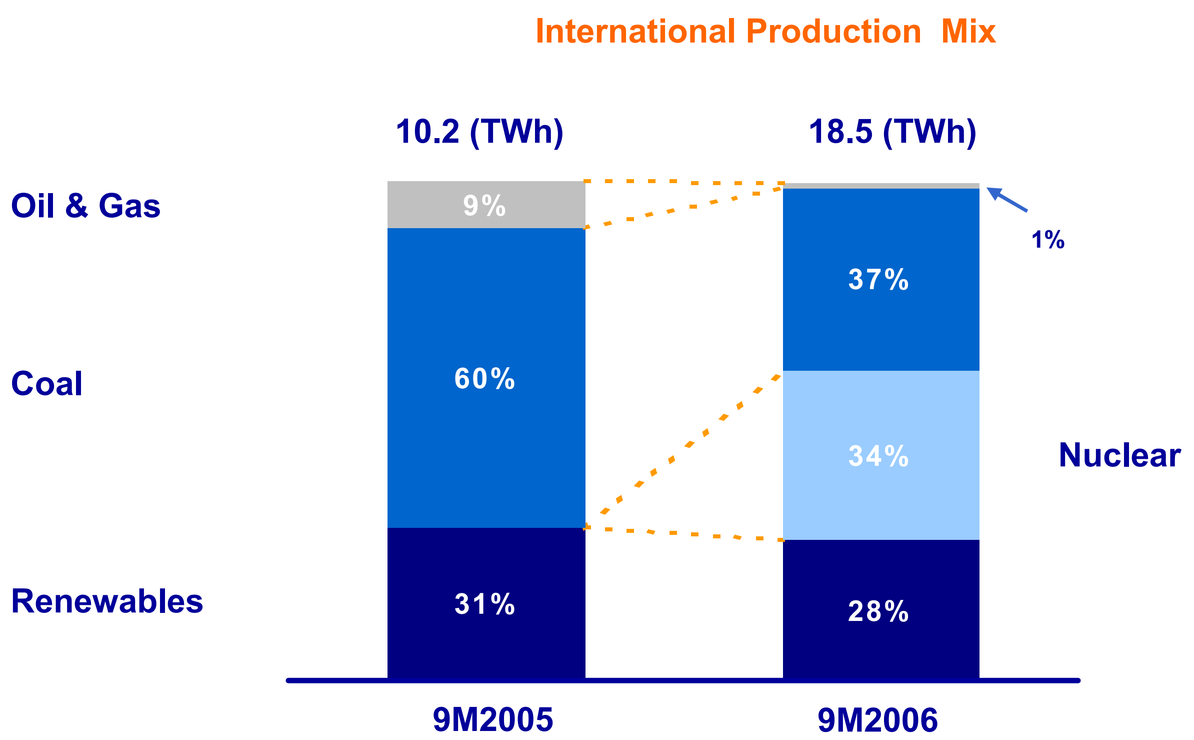
Operational data: Enel's international activities



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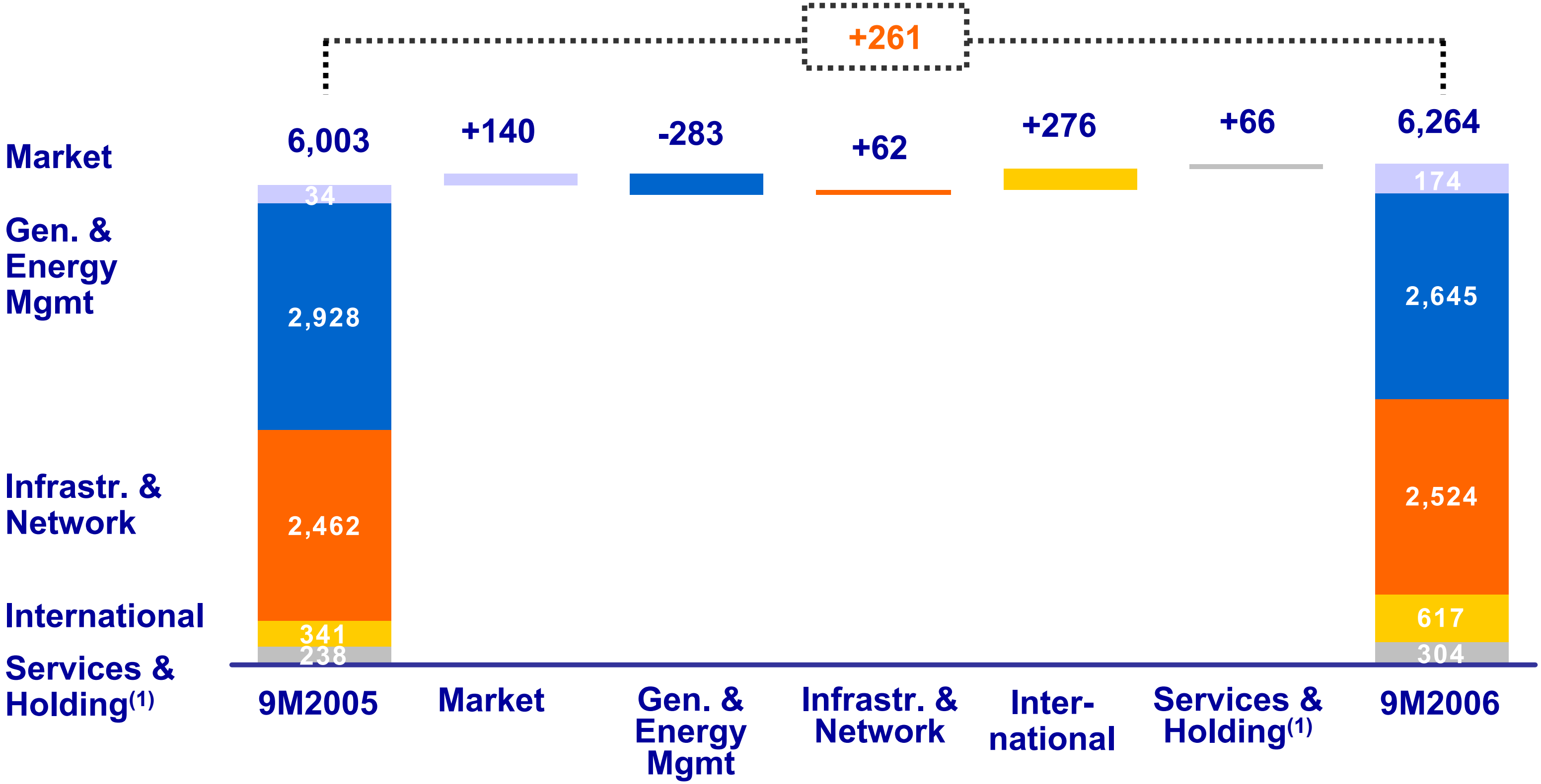
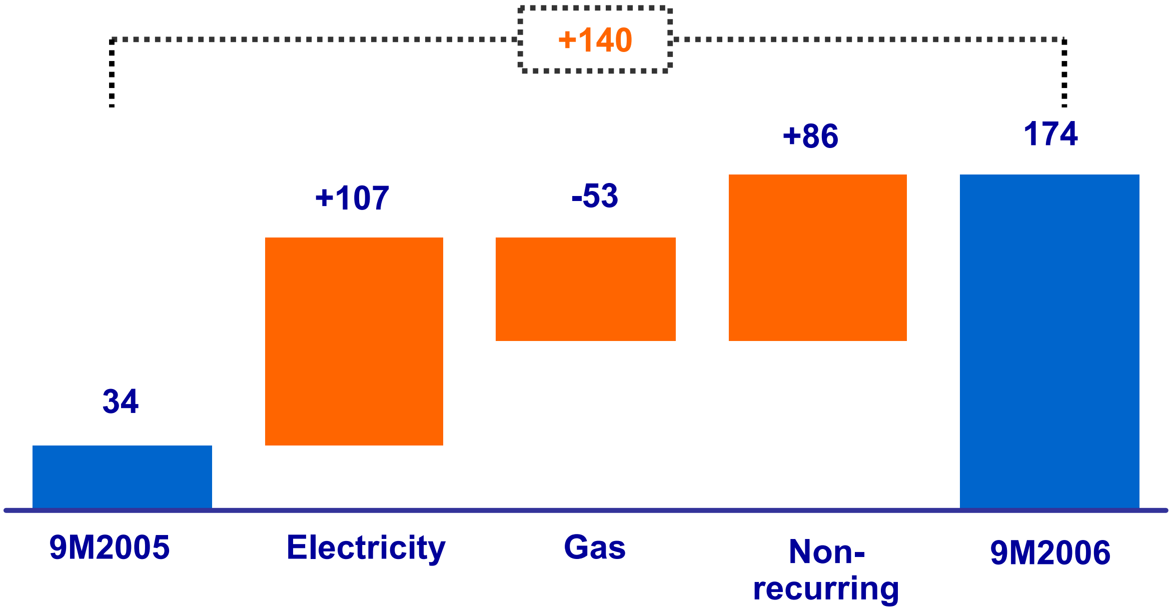
9M2006 Consolidated results

EBITDA evolution (€mn)



(1) Including +2€mn and -12€mn intercompany adjustments in 9M05 and 9M06, respectively

EBITDA evolution: domestic market division (€mn)



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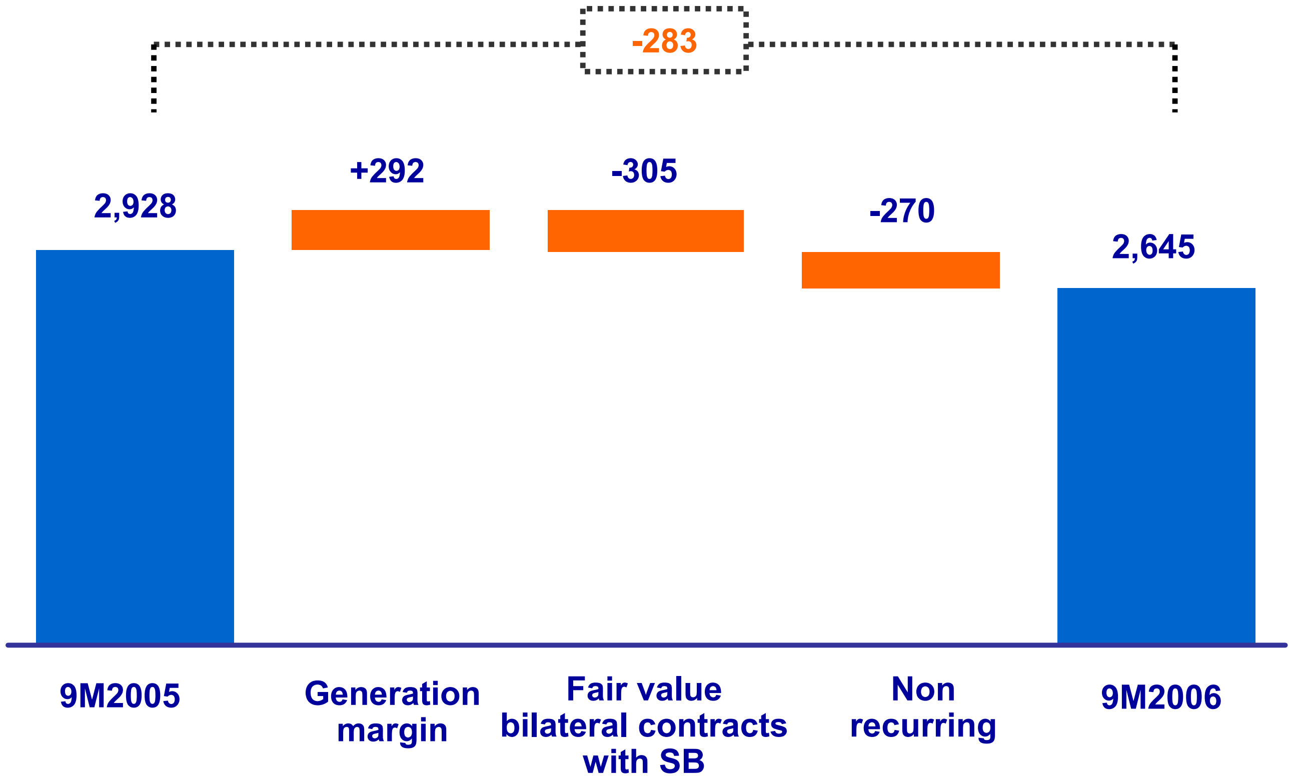
EBITDA evolution: domestic G&EM division (€mn)



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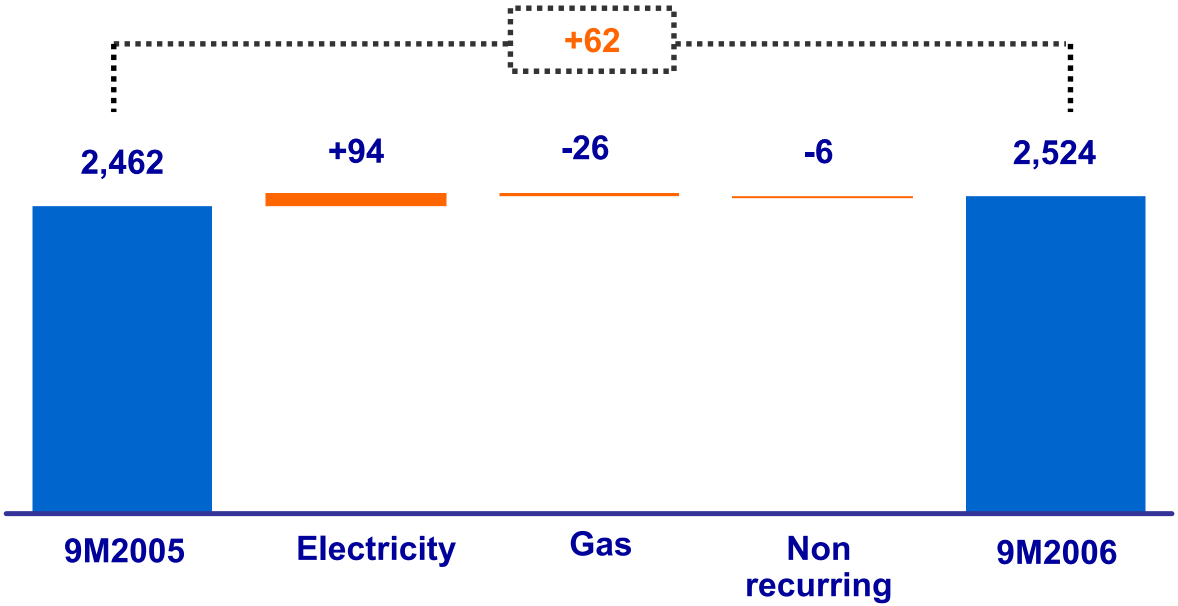
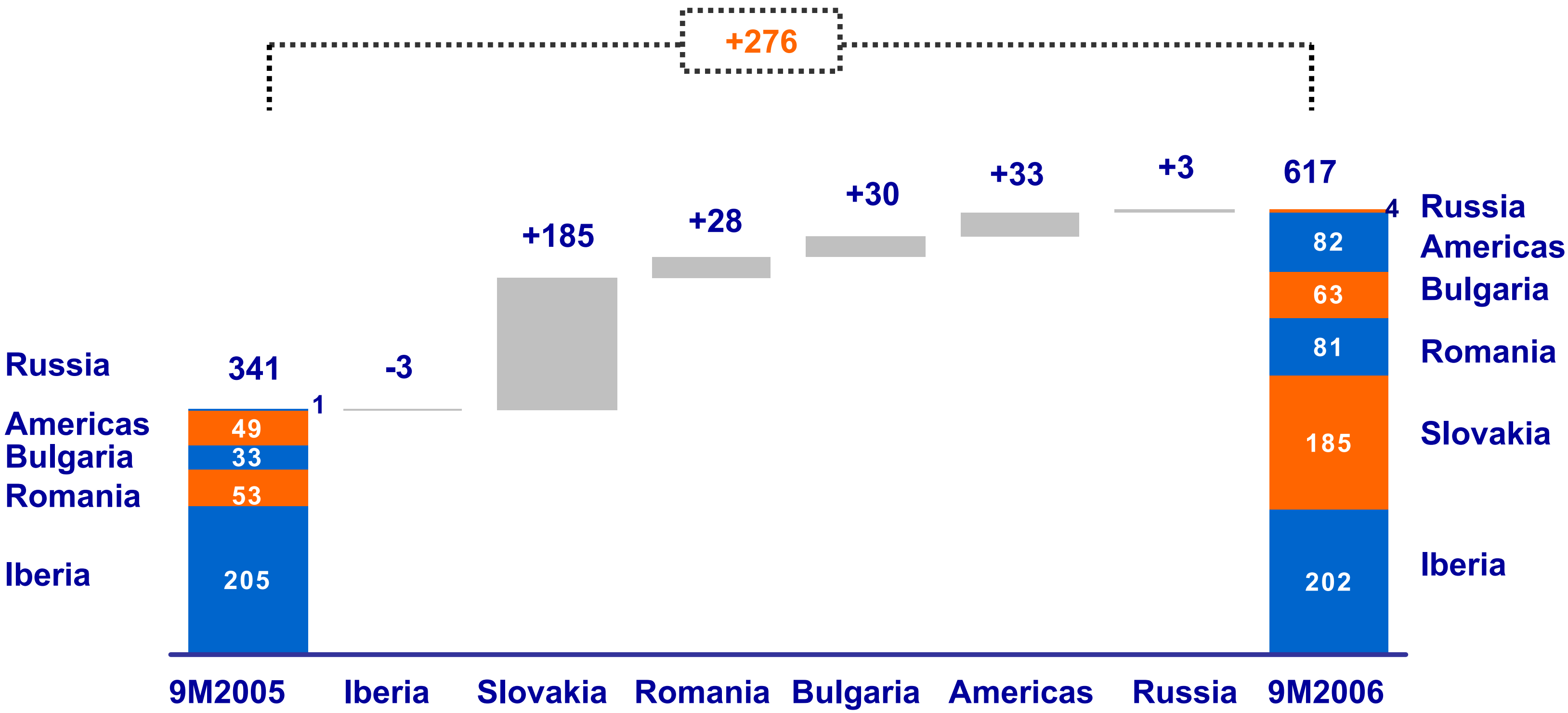
EBITDA evolution: domestic I&N division (€mn)



EBITDA evolution: international division (€mn)



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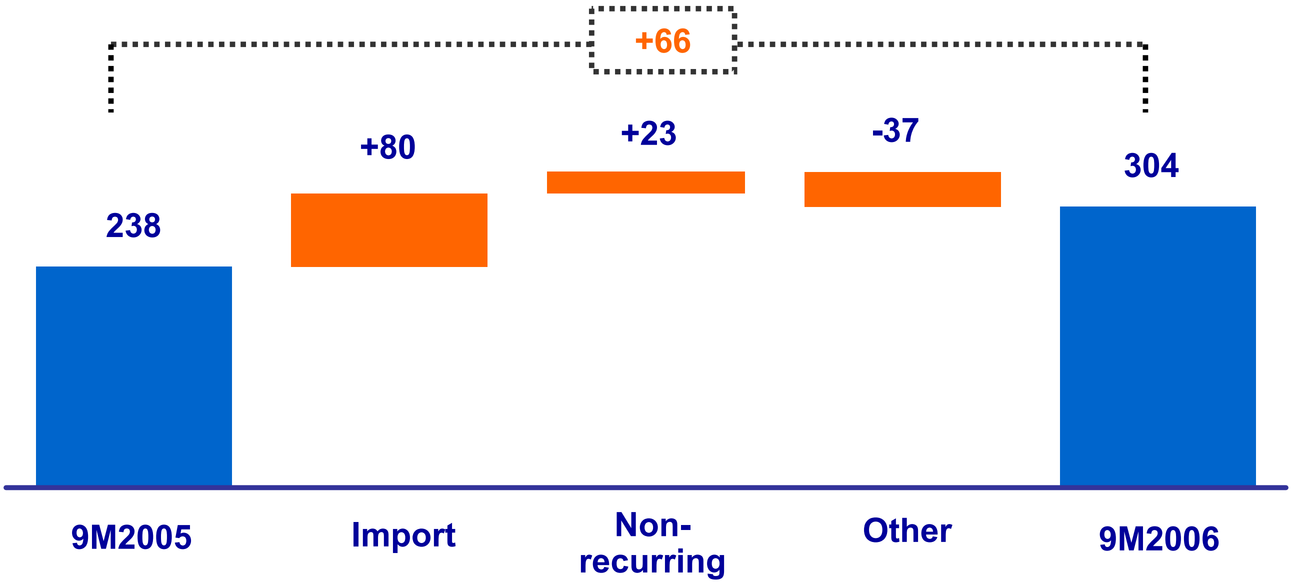
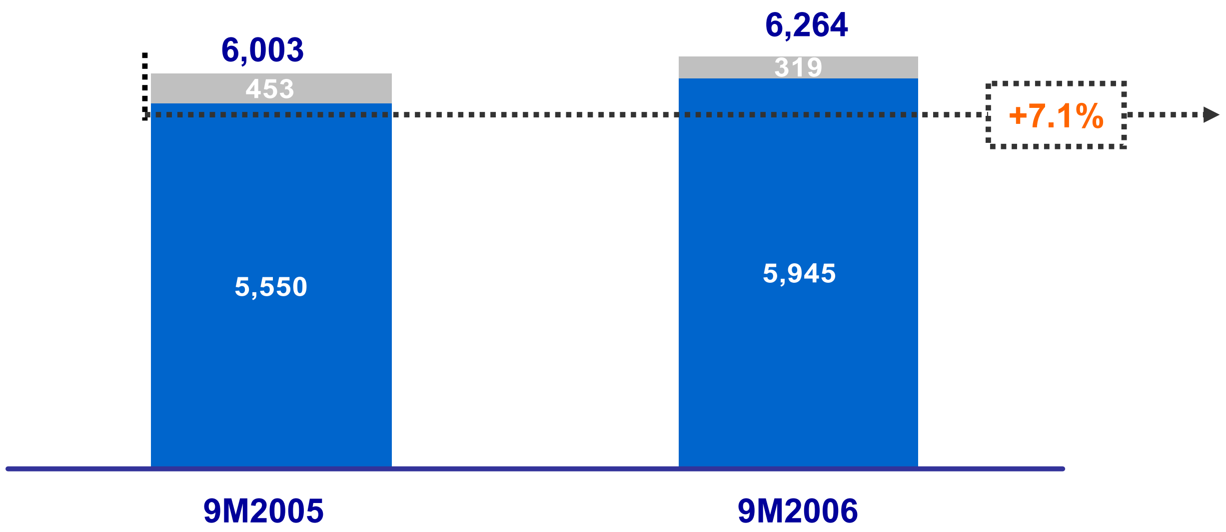
EBITDA evolution: services & holding (€mn)(1)

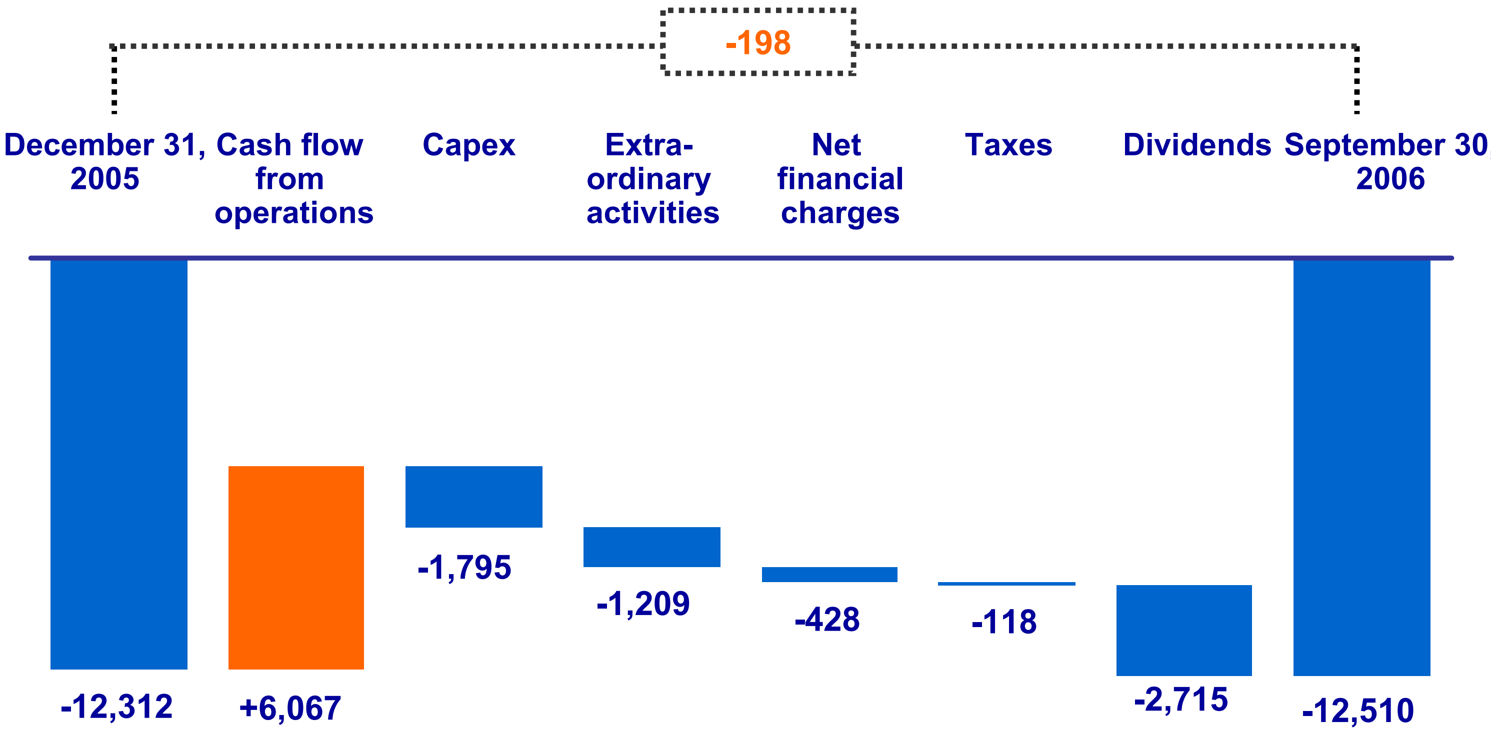


(1) Including +2€mn and -12€mn intercompany adjustments in 9M05 and 9M06, respectively

EBITDA: consolidated non-recurring items dynamics (€mn)



Net debt evolution (€mn)



Agenda

- 9M2006 results — Luigi Ferraris
- **Q&A** — **Fulvio Conti, Luigi Ferraris**
- Annexes

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9M2006 Consolidated results - Annexes

Income statement (€mn)

9M2005	9M2006	%		3Q05	3Q06	%
24,464	28,621	17.0%	Operating revenues	8,312	9,556	15.0%
18,461	22,357	21.1%	Operating costs	6,511	7,653	17.5%
6,003	6,264	4.3%	EBITDA	1,801	1,903	5.7%
24.5%	*21.9%*		*% of revenues*	*21.7%*	*19.9%*	
4,345	4,885	12.4%	EBIT	1,259	1,320	4.8%
17.8%	*17.1%*		*% of revenues*	*15.1%*	*13.8%*	

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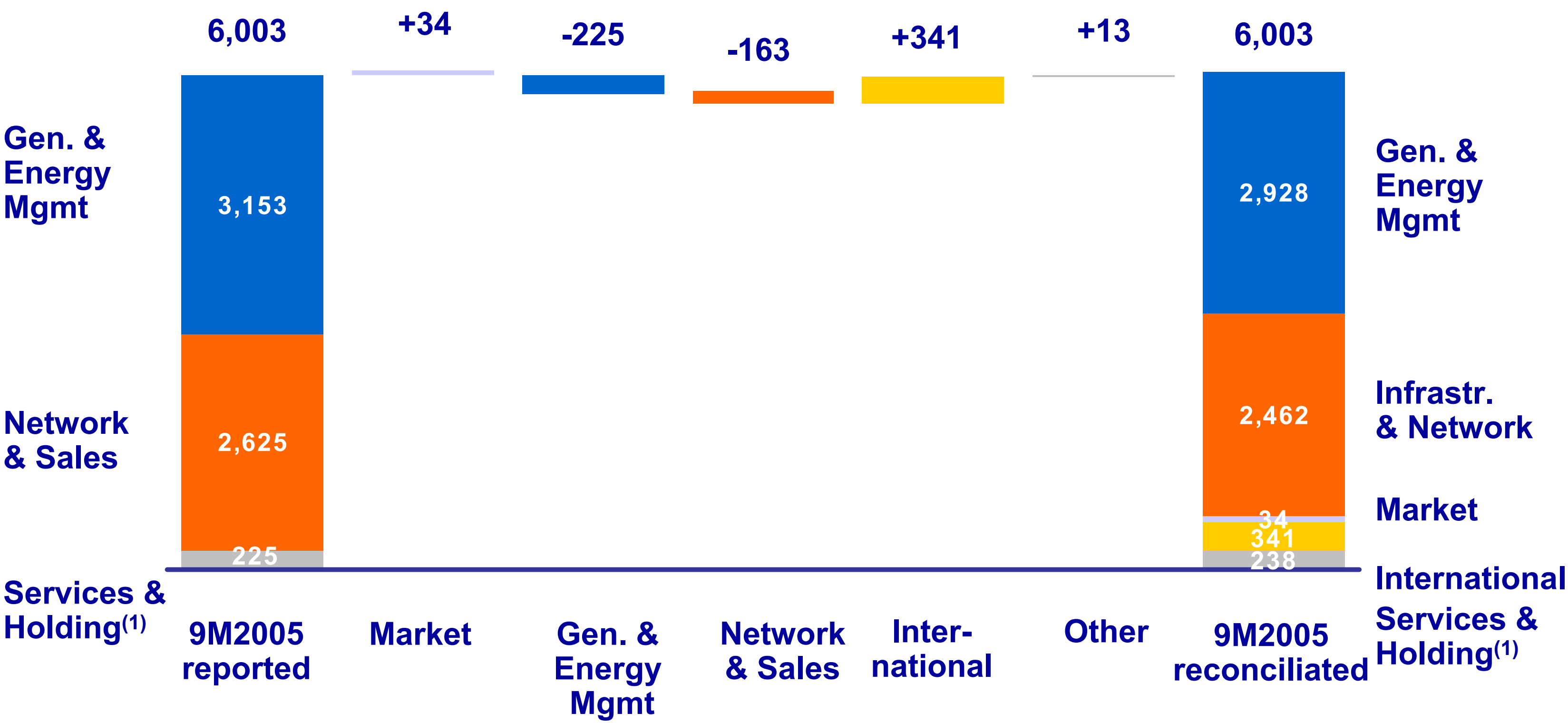
From EBIT to EPS (€mn)

9M2005	9M2006	%		3Q05	3Q06	%
4,345	4,885	12.4%	EBIT	1,259	1,320	4.8%
(551)	(484)	-12.2%	Net financial charges	(199)	(203)	2.0%
3,774	4,394	16.4%	EBT	1,037	1,118	7.8%
2,225	2,720	22.2%	Net income continuing operations	602	693	15.1%
1,272	-		Net income discontinued operations	889	-	
3,497	2,720	-22.2%	Net income (including third parties)	1,491	693	-53.5%
3,274	2,640	-19.4%	Group net income	1,359	662	-51.3%
0.53	0.43	-18.9%	EPS (€)			

Balance sheet

(€mn)	31.12.2005	30.09.2006	%
Net financial debt	12,312	12,510	1.6%
Shareholders' equity	19,416	18,505	-4.7%
Net capital employed	31,728	31,015	-2.2%

9M2005 EBITDA reconciliation (€mn)

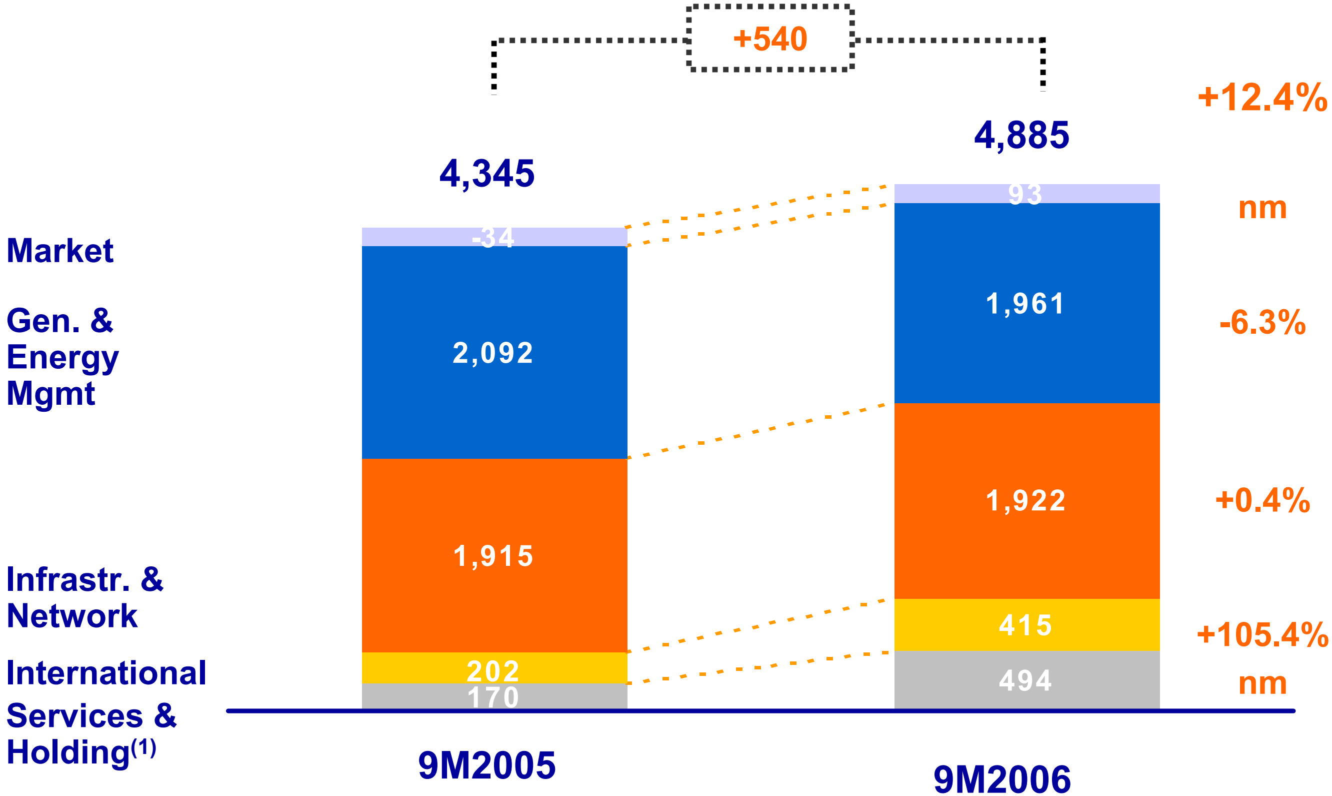


(1) Including +2€mn intercompany adjustments

Non-recurring items

(€mn)	9M2005	9M2006
Green certificates reimbursement	*100*	
Reserve capacity reimbursement	*262*	
Terna		*41*
Siemens litigation		*51*
Terna bonus share		*23*
Modena capital gain		*85*
Trento capital gain	*91*	
Energy adjustment		*71*
Gas adjustment		*15*
Maritza		*33*
Total	**453**	**319**

EBIT by business area (€mn)



(1) Including +2€mn and -12€mn intercompany adjustments in 9M05 and 9M06, respectively
Nm = not meaningful

Market

(€mn)	9M2005(1)	9M2006	%
Revenues	**14,061**	**15,662**	**11.4%**
Power	*13,013*	*14,469*	*11.2%*
Gas	*1,048*	*1,193*	*13.8%*
EBITDA	**34**	**174**	**411.8%**
Power	*-20*	*158*	*nm*
Gas	*54*	*16*	*-70.4%*
EBIT	**-34**	**93**	**nm**
Power	*(77)*	*100*	*nm*
Gas	*43*	*-7*	*nm*
Capex	**23**	**22**	**-4.3%**
Headcount (#)	**5,994**	**5,340**	**-10.9%**

(1) Headcount figure as of December 31, 2005
nm = not meaningful

Generation & Energy Management

(€mn)	9M2005[1]	9M2006	%
Revenues	9,492	11,723	23.5%
EBITDA	2,928	2,645	-9.7%
EBIT	2,092	1,961	-6.3%
Capex	462	526	13.9%
Headcount (#)	9,006	9,601	6.6%

(1) Headcount figure as of December 31, 2005

Infrastructure & Network

(€mn)	9M2005[1]	9M2006	%
Revenues	**4,058**	**4,080**	**0.5%**
Power	*3,843*	*3,882*	*1.0%*
Gas	*215*	*198*	*-7.9%*
EBITDA	**2,462**	**2,524**	**2.5%**
Power	*2,352*	*2,440*	*3.7%*
Gas	*110*	*84*	*-23.6%*
EBIT	**1,915**	**1,922**	**0.4%**
Power	*1,862*	*1,894*	*1.7%*
Gas	*53*	*28*	*-47.2%*
Capex	**1,083**	**979**	**-9.6%**
Headcount (#)	**25,769**	**25,145**	**-2.4%**

(1) Headcount figure as of December 31, 2005

International activities

(€mn)	9M2005(1)	9M2006	%
Revenues	1,285	2,125	65.4%
EBITDA	341	617	80.9%
EBIT	202	415	105.4%
Capex	166	228	37.3%
Headcount (#)	5,024	13,908	nm

(1) Headcount figures as of December 31, 2005
nm = not meaningful

Services & Holding

(€mn)	9M2005	9M2006	%
Revenues	**1,856**	**1,648**	**-11.2%**
Holding	*767*	*866*	*12.9%*
Services and other	*1,089*	*782*	*-28.2%*
EBITDA(1)	**236**	**316**	**33.9%**
Holding	*54*	*175*	*nm*
Services and other	*182*	*141*	*-22.5%*
EBIT(1)	**168**	**506**	**nm**
Holding	*48*	*428*	*nm*
Services and other	*120*	*78*	*-35.0%*

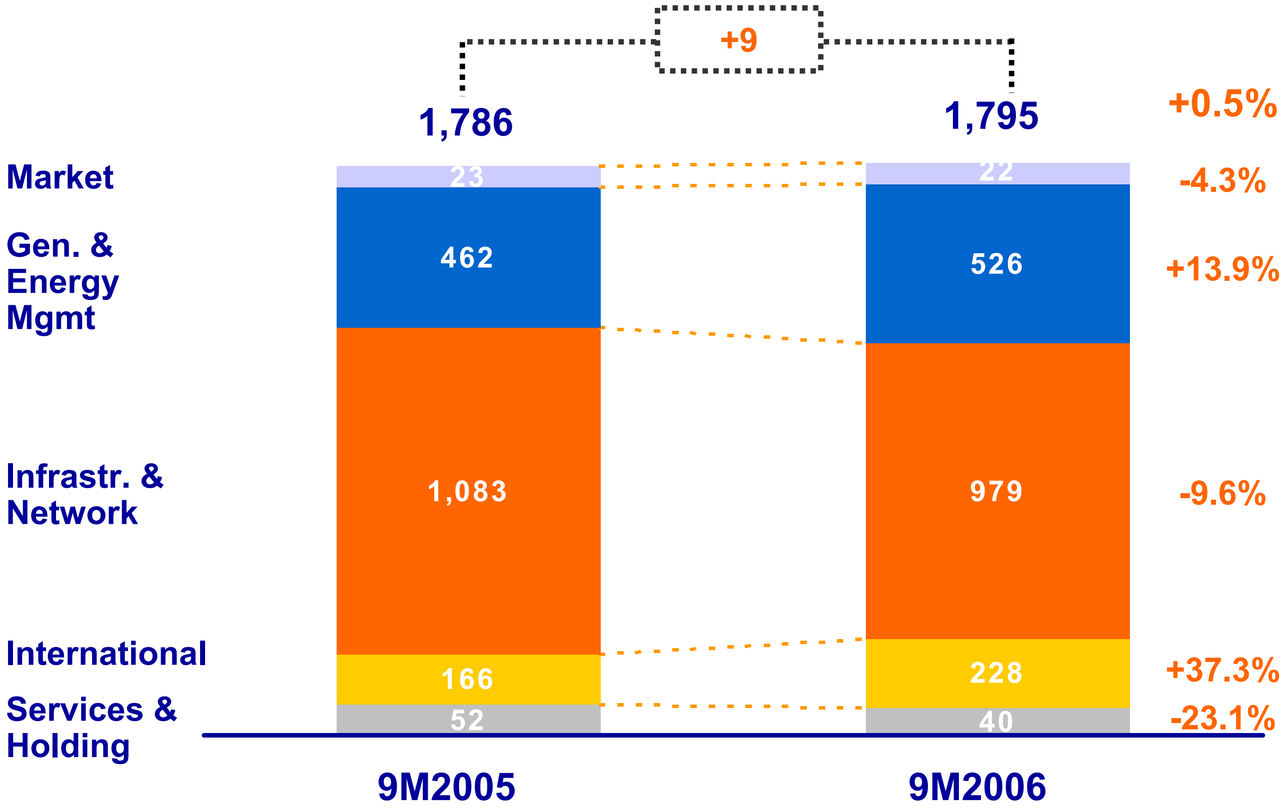
(1) Excluding intercompany adjustments equal to +2€mn in 9M05 and -12€mn in 9M06, respectively
nm = not meaningful

Services & Holding - Continued

(€mn)	9M2005(1)	9M2006	%
Capex	**52**	**40**	**-23.1%**
Holding	*1*	*3*	*nm*
Services and other	*51*	*37*	*-27.5%*
Headcount (#)	**5,985**	**5,315**	**-11.2%**
Holding	*569*	*640*	*12.5%*
Services and other	*5,416*	*4,675*	*-13.7%*

(1) Headcount figures as of December 31, 2005
nm = not meaningful

Capex by business area (€mn)



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Debt structure

- Average debt maturity: 6 years and 9 months
- Average cost of debt: 4.6%
- (Fixed+hedged)/Total long-term debt: 88%
- (Fixed+hedged)/Total net debt: 81%
- Rating:
  - S&P's = A+/A-1 negative; Moody's = Aa3/P-1 stable

(€mn)	30.09.2006	31.12.2005	%
Long-term	11,026	10,904	+1.1%
Short-term(1)	2,888	2,296	+25.8%
Cash(2)	(1,404)	(888)	58.1%
Net debt	12,510	12,312	+1.6%

(1) Including current maturities of long-term debt
(2) Including factoring receivables

Income statement – Quarterly analysis

(€mn)	3Q2006	3Q2005	%	2Q2006	1Q2006[1]
Operating revenues	**9,556**	**8,312**	**15.0%**	**8,814**	**10,251**
Operating costs	**7,653**	**6,511**	**17.5%**	**6,560**	**8,144**
EBITDA	**1,903**	**1,801**	**5.7%**	**2,254**	**2,107**
% of revenues	*19.9%*	*21.7%*		*25.6%*	*20.6%*
EBIT	**1,320**	**1,259**	**4.8%**	**1,982**	**1,583**
% of revenues	*13.8%*	*15.1%*		*22.5%*	*15.4%*

(1) 1Q2006 revenues and costs figure differ from the one released in 1Q2006 results presentation for a classification to revenues of 177€mn relating to the net result from commodity risk management activities

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