

Enel: a multinational, well diversified integrated energy Group

London

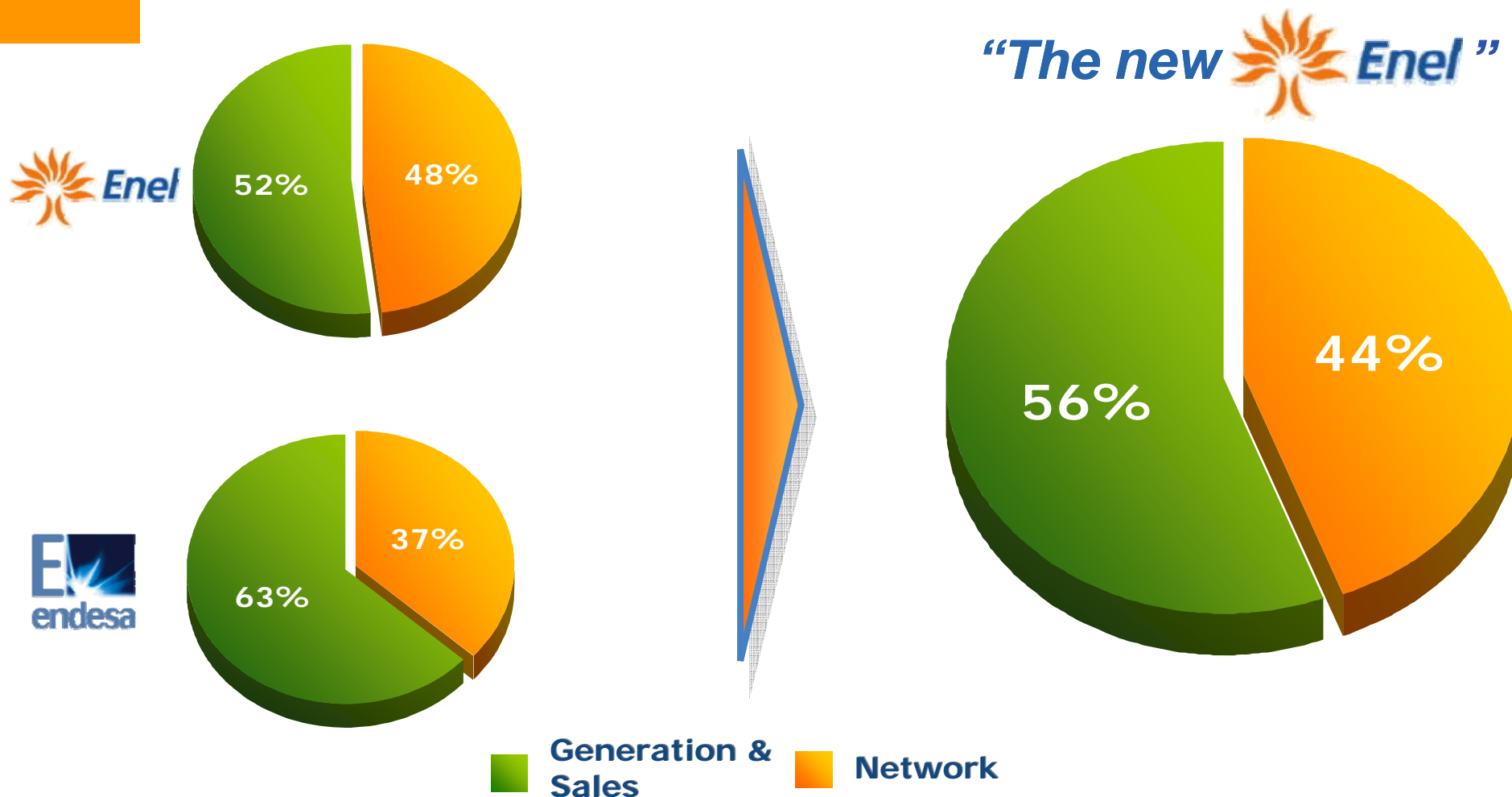
December 12, 2007

Agenda

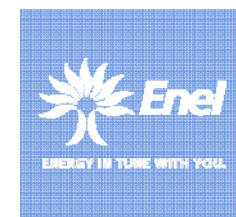
- **The new Enel**
 - Update on new initiatives
 - Update on Endesa
 - Conclusions

The new Enel

New business mix¹ – 2006 proforma ebitda



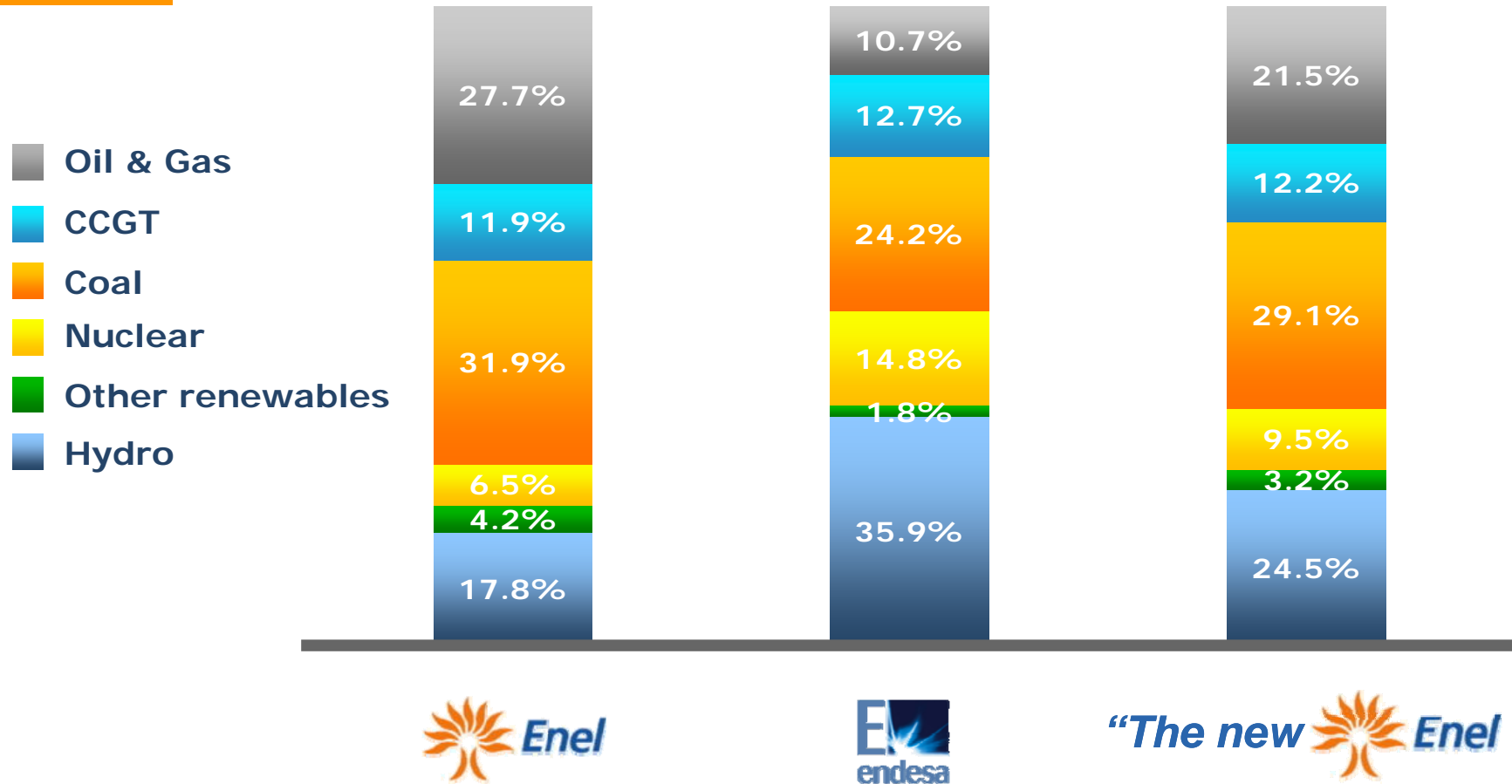
Business mix will remain substantially balanced between regulated and non regulated activities



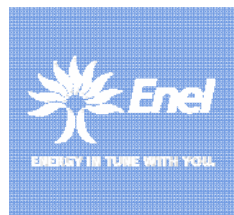
(1) Considering 67.05% stake of Endesa and 100% OGC-5; excluding contribution from Services and Other.

The new Enel

New Enel fuel mix¹



....hydro, other renewables, nuclear...



(1) Based on FY06 production.
Net of asset to be disposed to E.On, considering 67.05% stake of Endesa and considering the contribution of 100% stake of OGK-5.
Enel estimates

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Further initiatives: France

- Agreement with EDF providing for Enel to take part in the Flamanville EPR nuclear plant and in the following five EPR projects expected in France with a 12.5% stake .
- Anticipated capacity growing by 600 MW in 2008 and up to a total of 1,200 MW in 2012.
- MOU for Enel to participate with a 30%-40% stake in two new mid merit CCGT projects being developed by Edf in France.
- Option granted by Enel to Edf to reciprocate with 200 MW capacity, plus further 200 MW for each of the other five nuclear plants, starting from 2012 onward. Similar agreement on mid merit capacity upon exercise of our option.
- Agreement fully based on the principle “at cost, at risk”

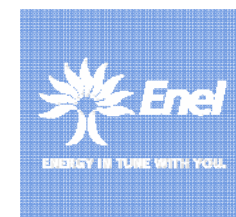
Further initiatives: Albania

- Signed MOU to build a “state of the art” coal power plant: 1,300MW
- Strategic Rationale:
 - ✓ leverage on low cost output to be used in Italy
 - ✓ Support domestic Albanian market with a more balanced production mix
 - ✓ Export electricity into the Balkanian area

Further initiatives: Romania

- **BRAILA:** 800 MW Coal Brownfield
- **GALATI FREE TRADE ZONE:** 800 MW Coal Greenfield
- **CERNAVODA 3&4:** investors selection for Greenfield nuclear units (2x720MW).
- **BLUE LINE:** acquisition of 100% with rights to develop approx 200 MW wind projects.

Creating a well balanced portfolio of generation assets to protect our position in the country



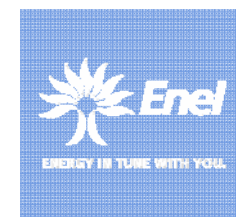
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Transaction rationale

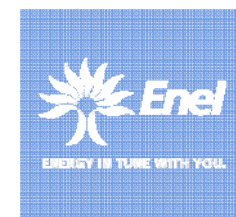
- Strong contribution to operating and financial growth
- Business diversification and wider global footprint improves risks/return profile
- Creation of a global leader in renewable energies
- Strong potential for synergies, savings and cross-transfer of best practices
- EPS accretion from year one

A story of value creation

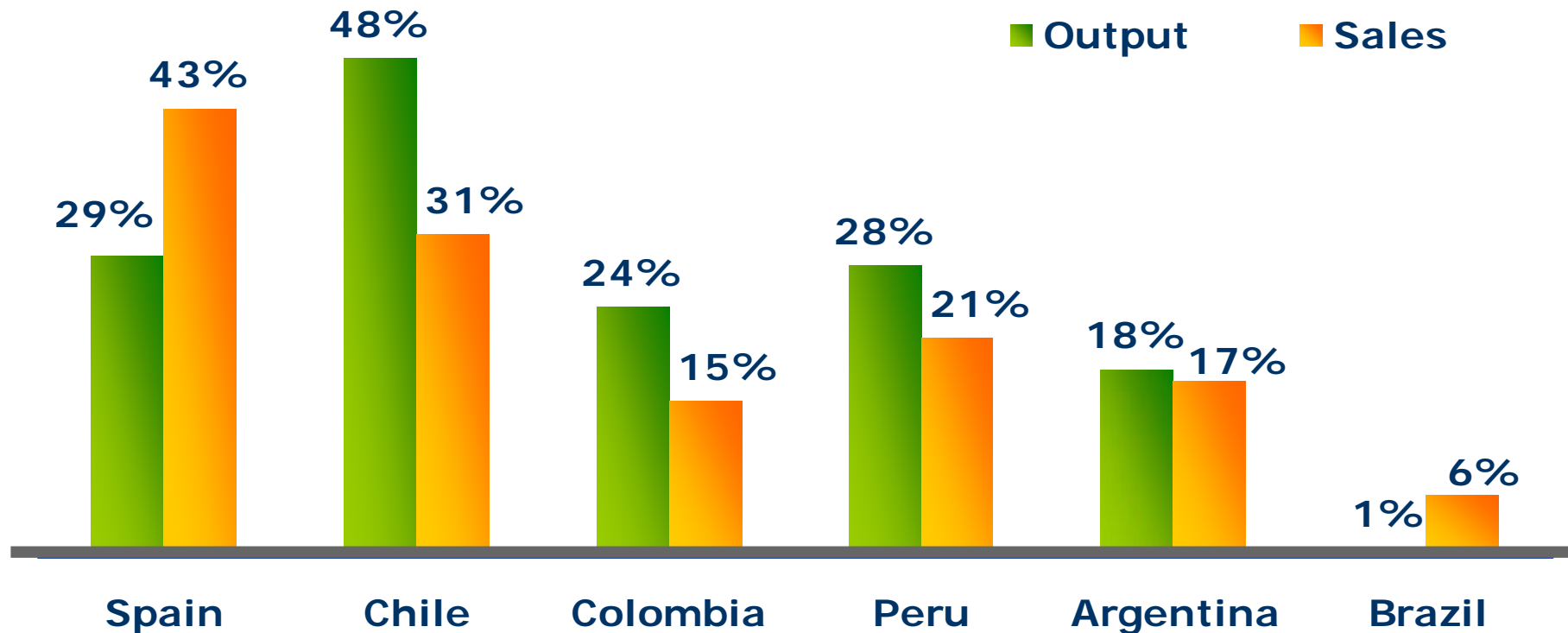


Endesa platform

- Solid operating and financial performance from a diversified portfolio
- Efficiencies ahead of current Business Plan
- Iberia:
 - ✓ Leadership in liberalized market
 - ✓ Competitive fuel cost
 - ✓ Growth in line with current Business Plan
- Latam
 - ✓ Strong operating growth based on sound demand fundamentals
 - ✓ Regulatory improvements
 - ✓ Performance in line with current Business Plan
- Strong cash flow generation and financial capacity to accelerate growth



Endesa: Leading position in high growth markets



Market position

#1

#1

#1

#1

#1

Demand Growth 2006-12 (Cagr)

3.5%

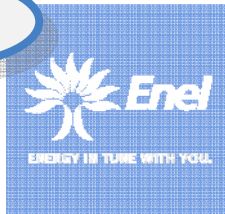
6.3%

4.5%

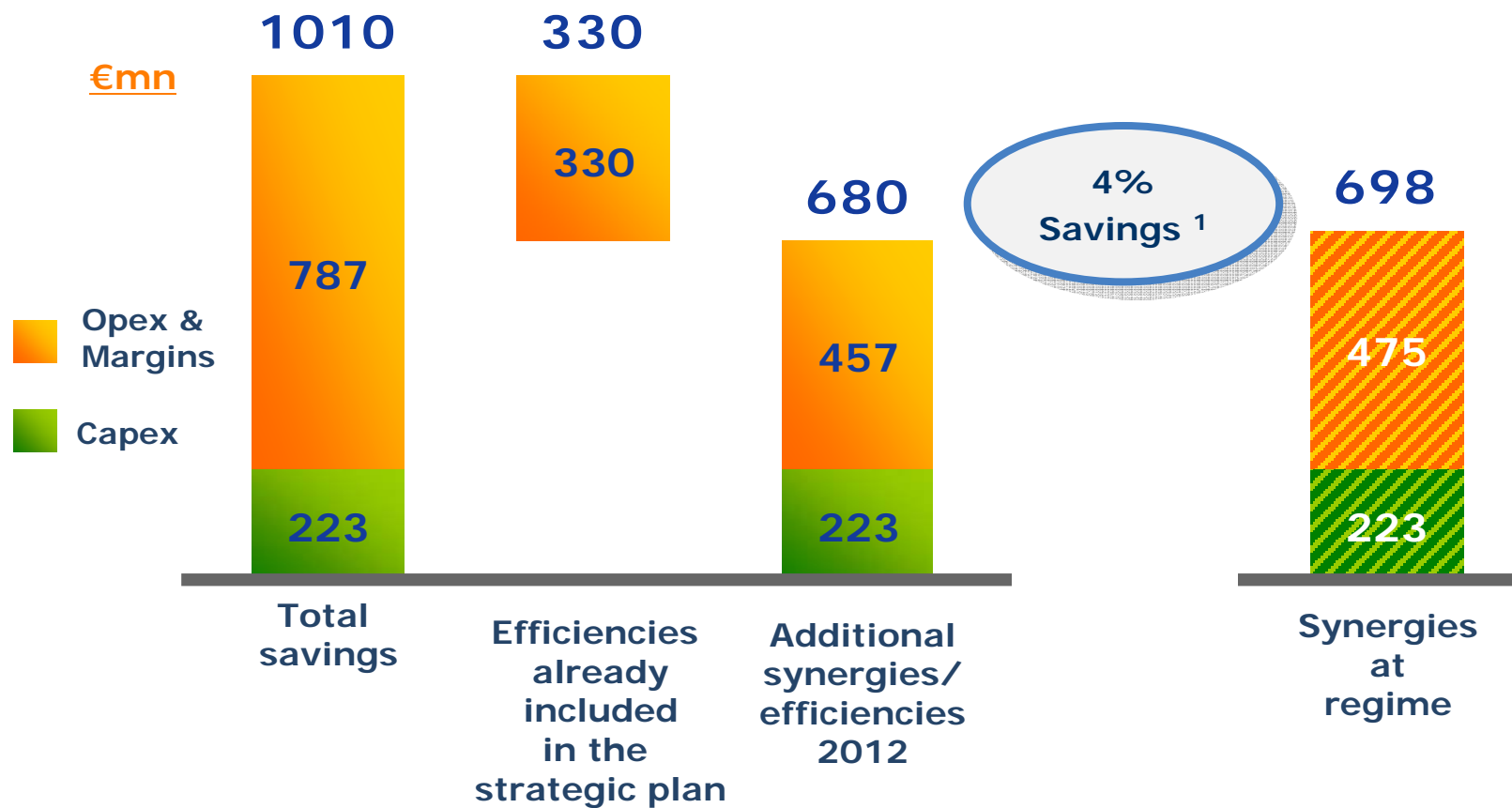
6.4%

5.1%

5.0%

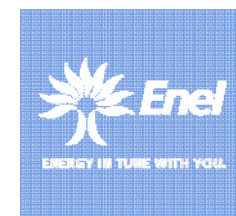


Synergies by category



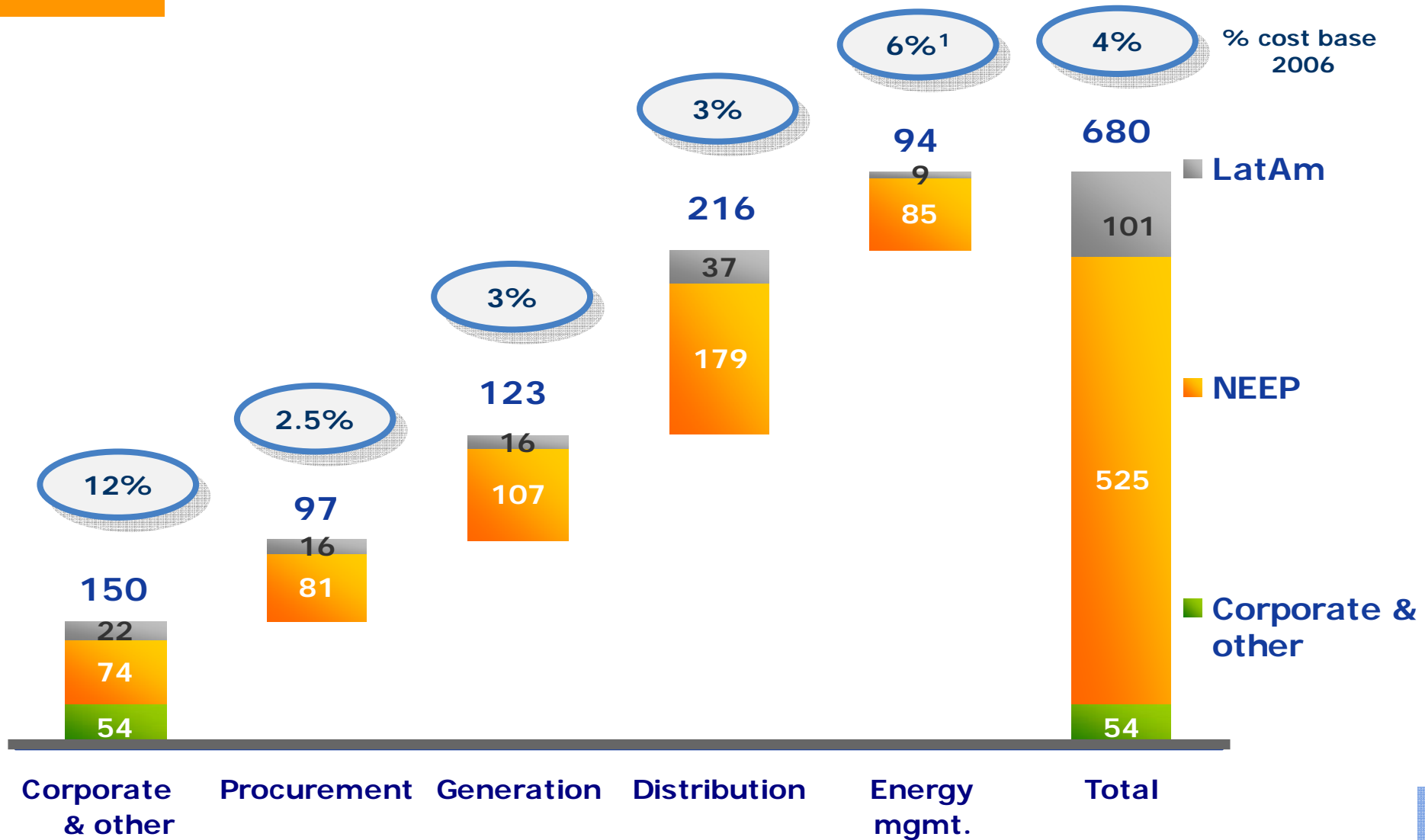
further possible upside under investigation

(1) Over 2006 total cost base, excluding Europe

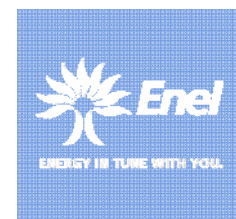


Update on Endesa

Annual savings of €mn 680 by 2012



(1) It only refers to fuel procurement



Synergy levers

**EBITDA
Synergies:**
457 M€

Year 1: 29%
Year 3: 81%
Year 5: 100%

- Corporate, general services, IT, R&D
- Generation
- Distribution
- Fuel, Energy management

84 €mn

123 €mn

156 €mn

94 €mn

**CAPEX
Synergies:**
223 M€

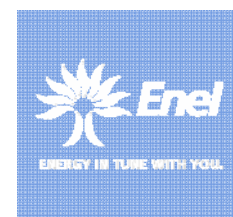
Year 3: 64%
Year 5: 100%

- IT, R&D
- Procurements
- Distribution

66 €mn

97 €mn

60 €mn



Credit Facility Agreement Euro 35,000,000,000 1/2

Date	Reduction	Amount	Note
10/04/2007		35.0 bn€	Credit Facility Agreement
20/06/2007	5.0 bn€	30.0 bn€	Bond issuance (Euro/GBP)
24/09/2007	2.0 bn€	28.0 bn€	Bond issuance (USD)
10/10/2007	5.0 bn€	23.0 bn€	PTO results
28/11/2007	1.5 bn€	21.5 bn€	Adjustment for PTO on minorities
17/12/2007	2.0 bn€	19.5 bn€	Bond issuance (Euro - retail Italy)

Credit Facility Agreement Euro 35,000,000,000 2/2

	Facility A	Facility B	Facility C	Total
	1 year	3 year	5 year	
original amount	10 €bn	15 €bn	10 €bn	35 €bn
residual amount	278.6 €mn	11.4 €bn	7.8 €bn	19.5 €bn

Funding Cost for the Endesa acquisition: 5,20%

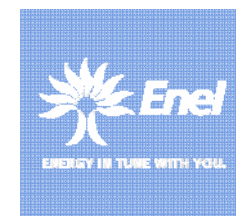
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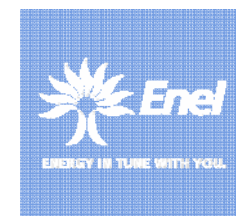
Conclusions

- **Upon OGK-5 completion we have achieved our major acquisition program**
- **Capital structure under review**
 - ✓ For both Enel and Endesa strong commitment to maintain “A” rating
- **Growth will be driven by:**
 - ✓ Organic capex in countries where Enel is already present
 - ✓ Leverage on the existing pipeline of renewables
 - ✓ Ongoing efficiency programs
- **New integrated business plan (Enel+Endesa) by 1Q2008**



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Contact us

Investor Relations Team (investor.relations@enel.it)

- Luca Torchia (Head of IR) +39 06 83053437
- Massimiliano Bevignani (Stock analysis and IR reporting) +39 06 83057023
- Donatella Izzo (Buy-side) +39 06 83057449
- Fausto Sblandi (Sell-side) +39 06 83052226

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