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ENEL COMPLETES ACQUISITION OF 3 HYDRO PROJECTS IN MEXICO FOR A TOTAL CAPACITY OF 52 MW

- *Acquisition of Inelec with 52 MW of hydro capacity in Mexico for 156 million USD*
- *Enel continues its growth in renewables in Latin America*

Rome, December 7, 2007 – Enel Investment Holding B.V. (a wholly-owned Dutch subsidiary of Enel S.p.A) yesterday night completed the acquisition of 100% of Inelec share capital from SLAP II Luxembourg SARL (an entity managed by Conduit Capital Partners LLC, a private equity firm based in New York, and Grupo Qualita/Comexhidro) for a total consideration of USD 156 million (approximately 105 million euro). Inelec owns 3 hydro plants in Mexico with a total installed capacity of 52 MW.

The 3 projects are located in the Mexican States of Michoacan, Jalisco and Guerrero and are built downstream pre-existing irrigation dams, thus generating electricity with extremely low environmental impact. The plants began commercial operation between 2003 and 2007 and employ state of the art technology. Annual Ebitda generated by the plants will amount to approximately USD 20 million. Furthermore, USD 156 million represent the equity value, with an enterprise value of about USD 193 million.

With this agreement, Enel continues its global strategy of developing renewable energy sources, with a view to seizing new opportunities to reduce greenhouse gas emissions, especially in emerging countries, and steps into the promising Mexican electricity market.

Mexico has a total installed capacity of over 54,000 MW and will soon be interconnected to the Central America electricity market thus reinforcing Enel position as a key regional player. In addition the rapid growth in the generation demand of about 2,500 MW a year, makes this acquisition and interesting investment opportunity for the Enel Group.

The Enel Group is active in the Americas in the generation of electricity from renewable resources, and is seeking to seize the most promising opportunities in the sector, further expanding its presence in a continent with rapidly growing demand for energy. In Latin America the Enel Group is already present in Guatemala, El Salvador, Nicaragua, Costa Rica, Panama, Chile and Brazil and together with its affiliates has interests in projects with a total generation capacity of over 600 MW.

- In **Guatemala** Enel Latin America has interests in four hydro plants, having about 75 MW of overall installed capacity.



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- In **El Salvador** and **Nicaragua** Enel Group, the strategic investor in LaGeo (which has about 200 MW of installed capacity), is active in geothermal resources development, a field in which Enel has unique experience at the world level.
- In **Costa Rica** Enel Latin America has interests in two hydro plants (31 MW) and one wind facility (20 MW).
- In **Panama** Enel Group owns a controlling stake in a generation company with 300 MW of hydro capacity, producing around 25% of the electricity of the country.
- In **Brazil** Enel Latin America owns and operates 20 mini-hydro plants (92 MW) in the regions of São Paulo, Tocantins and Mato Grosso.
- In **Chile** Enel Latin America owns and operates two hydro plants (90 MW) and is conducting explorations for the development of that country's promising geothermal resources in partnership with Enap (Chile's hydrocarbon agency).

About Conduit Capital Partners

Based in New York City, Conduit Capital Partners, LLC is a private investment firm focused exclusively on the independent electric power and pipeline industries in Latin America and the Caribbean through its management of the Latin Power Funds, founded in 1993. Latin Power I was the first private equity fund exclusively dedicated to infrastructure investments. The Funds have made investments in Mexico, Chile, Peru, Brazil, Argentina, Colombia, Jamaica, Honduras and Guatemala. Conduit is presently investing its \$393 million Latin Power III fund.