

press release

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ENEL BOARD MANDATES WIND IPO, ADVISERS TO BE APPOINTED BY SPRING.

WIND REINFORCED WITH IPSE ACQUISITION

Rome, 24 December 2004 – The Board of Directors of Enel, chaired by Piero Gnudi, met today and examined plans for the development of Wind, first presented at the strategy meeting held in Venice on 12 November.

The Chief Executive, Paolo Scaroni, also briefed the Board on meetings with groups interested in investing in Wind.

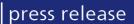
The Board mandated the Chief Executive to proceed with an IPO of Wind in the next 20 months, as already announced to the financial community. By spring of 2005, legal and financial advisers for the offering will be chosen and all procedures necessary for Wind's quotation will be set in motion.

The Board's affirmation of its strategic decision to proceed with an IPO was reinforced by Wind's positive operating results and its development plans for the future. For the first nine months of 2004, revenues totaled 3.5 billion euro and Ebitda was 1.2 billion euro. To date, Wind has 11.5 million mobile customers, 2.5 million fixed-line customers and is the internet market leader with its portal Libero. In 2004, Wind will generate a positive cash flow, ahead of market expectations, and comfortably covering interest charges and investments for the year.

To further strengthen Wind's market position and improve services to customers, Enel's Board approved the signing of an agreement for the acquisition of the entire share capital of IPSE, a third generation UMTS telecommunications operator and frequency owner, for a maximum consideration of 792 million euro.

The acquisition will provide Wind with additional UMTS frequencies, optimizing its third generation mobile telephony structures and allowing it to broaden the range of services offered to customers.

Enel will then sell the remaining frequencies to the other mobile phone operators, in accordance with criteria established by the Communications and Antitrust Authorities when allocating frequencies, to ensure the balanced development of competition in the sector.





The agreement, which is expected to be signed by the end of 2004, assumes the resolution of the dispute regarding IPSE's payment for frequencies, as well as the favourable response from fiscal authorities to Enel's enquiry regarding the fiscal deductibility of IPSE's losses.

The acquisition is also subject to certain resolutive conditions which, should a series of events not take place by 30 June 2005, would annul the effects of the agreement. These events include, among other things, obtaining the required authorizations from the relevant authorities, in particular, the authorization for Enel to sell and rent IPSE's frequencies, as explained above.