

ENEL REVIEWS PRELIMINARY 2003 CONSOLIDATED RESULTS

SIGNIFICANT IMPROVEMENT IN GROSS OPERATING RESULT: EBITDA + 27%

After many years, Enel returns to the retail bond market: procedures for an issue of 500-1,000 million euro under way. Also approved: a 1.5 billion euro issue for institutional investors.

Scaroni sees further progress in 2004.

Rome, January 27, 2004 – The Board of Directors of Enel, chaired by Piero Gnudi, met today and reviewed Enel's preliminary 2003 consolidated results.

The 2002 data are pro-forma. They exclude the results of Eurogen, which was sold on May 31, 2002, and Interpower, which was excluded from consolidation on January 1, 2003.

Revenues totaled over 31 billion euro, an increase of 3.5% compared with 30.5 billion euro in 2002.

Ebitda (gross operating margin) came to more than 9.8 billion euro, an increase of 27% from 7.7 billion euro in 2002, and includes the reimbursement of the 2002 hydro penalty worth 410 million.

Net financial debt at the end of the year stood at about 24.3 billion euro, compared with 24.5 billion at the end of 2002.

The **headcount** at the end of 2003 was 64,764, compared with 70,324 at the end of 2002.

Commenting on the results, Chief Executive Paolo Scaroni said: **“We are pleased with the preliminary 2003 results. Considering the outlook for energy demand and ongoing efforts on costs and efficiency, we expect further progress in 2004”.**

In 2003, Enel produced about 138 TWh of electricity in Italy (131 TWh in 2002), distributed 244 TWh on its own network (242 TWh in 2002), and sold about 152 TWh (181 TWh in 2002).

Enel's Board approved the start of procedures for the issue of bond for 500/1,000 million euro, to be placed in the retail investors' market.

Regarding this issue, Chief Executive Paolo Scaroni noted: **“After many years, Enel is going to the market with a bond which offers Italy’s retail investors an opportunity to enhance their portfolios with bonds that enjoy one of the best ratings available today”.**

Enel's Board also resolved the issue of a bond, in one or more tranches, denominated in euro or other currencies, to be placed in the institutional investor market by June 30, 2004, for a total value of 1.5 billion euro. Definition of the size, currency, timing and characteristics of the bond issue resolved upon has been delegated to Paolo Scaroni, the Chief Executive Officer, who can also call for its possible listing on the Italian and/or foreign exchanges. The Board also decided to raise by 1 billion euro the ceiling for the issue of commercial paper by Dutch subsidiary Enel Investment Holding BV.

Once approved, the **new tariff system** for the transportation and distribution of electricity for the 2004-2007 regulatory period, which is still being defined by the relevant Authority, will be the subject of a press release and subsequent conference call with the financial community.

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