



CAMFIN S.p.A.



ENEL-CAMFIN: STRATEGIC ALLIANCE IN ENVIRONMENTAL TECHNOLOGIES

- *Enel, through its Corporate Venture Capital structure, will take a 10% stake in Cam Tecnologie*
- *Enel GreenPower and Cam Tecnologie will form a 50/50 joint venture in the wind and photovoltaic energy areas*
- *Pirelli Labs will partner Cam Tecnologie in advanced research for new generation photovoltaic systems*

Rome, February 28, 2002 – Marco Tronchetti Provera, chairman of the Camfin Group, and Franco Tatò, chief executive of the Enel Group and chairman of Enel Capital, today sealed a strategic alliance for the joint development of initiatives in the environmental technologies and renewable energy sectors.

On the basis of this accord, Enel, through its Corporate Venture Capital structure, will take a stake in Cam Tecnologie SpA, a unit of Camfin SpA. The acquisition will be through subscription to a reserved capital increase, for a total value of Euro 6.015 million, as a result of which Enel Capital will hold 10% of Cam Tecnologie SpA's capital. The remaining 90% remains in the hands of Camfin S.p.A.

The aim of the operation is to sustain Cam Tecnologie's international growth and its participation in related renewable energy sector projects, also in collaboration with the Enel Group. Cam Tecnologie was chosen by Enel for its proven capacity to create significant technological innovations in the environmental sector and for its international potential. The company is, in fact, already the world leader in the development and marketing of emulsified fuels, with a turnover of Euro 40 million.

Gecam – the white gasoil™, patented by Cam Tecnologie, constitutes the fastest and most effective answer to pollution from diesel engines and civil thermal energy power plants, allowing a significant reduction in fine dust and nitrogen oxide emissions, without the need for modifications to engines or power plant burners.

Further, the two groups will create a 50/50 joint venture between Enel GreenPower and Cam Tecnologie, which will receive investments of Euro 50 million. The joint venture's aim is to develop electricity production from renewable sources and related technology.

Franco Tatò, the Chief Executive Officer of Enel Spa and Chairman of Enel Capital Spa said: “The agreement with Cam Tecnologie confirms our will to invest in innovative technologies for both energy and the environment”.

“Through this strategic alliance we are aiming to develop new technologies for sustainable, future energy systems and to assert Italian research at a global level. Gecam demonstrated that it is possible to create economic value through technologies and products that deliver concrete solutions in the areas of the environment and energy,” noted Marco Tronchetti Provera.

In wind driven energy, the joint venture will develop and launch, between 2003 and 2004, two wind farms of over 42 MegaWatts in Molise and Basilicata. These will then be conferred to the joint venture by Enel GreenPower. This initiative has a special importance because it will raise Italy's production of eolic energy which, according to the Enea White Book, is expected to double from 700 MegaWatt in 2002 to 1,400 MegaWatt in 2006.

In photovoltaics, the joint venture will start up a photovoltaic module factory with two production lines and with an annual capacity of five MegaWatts. The new factory will be situated in the technology park of Catania, where Enel GreenPower is already present via Conphoebus, a company dedicated to the supply of specialized services and renewable energy plant, particularly in the wind and photovoltaic sector. The new modules will be based on amorphous silicone technology, which could potentially halve the cost of energy per KiloWatt/hour compared with traditional crystalline silicone. Industrial production will be launched at the conclusion of a feasibility study, now under way, and will be accompanied by the development of new, advanced devices for the integration of photovoltaics in construction.

Wind energy and photovoltaics are the technologies which have attained the highest level of technical and application development, as proven by annual growth rates of over 30%. They are also among the technologies with the greatest promise for the production of large scale, "clean" energy. To make renewable energy, and in particular photovoltaics, more competitive, the pursuit of innovation in production processes, greater investment in research and development, and the identification of new materials are fundamental.

In this area, Pirelli Labs, the Pirelli Group's center for advanced research, will guarantee Cam Tecnologie, above all, the continual development of the process of amorphous silicone production. Further, in the last year, the Labs have begun research into the creation of solar cells based on innovative materials which, in future, will constitute an alternative to conventional technologies. Enel GreenPower, for its part, will contribute its experience as the world leader in renewable energy and the synergies stemming from its presence across the national territory, as well as the professionalism of Conphoebus. Thanks to the contribution of complementary skills, the new alliance will become a point of excellence in the field of environmental technology.

Finally, the joint venture will be active in the mini-wind sector, with the installation of small plants at those points where network interconnection isn't feasible, with a focus on small scale plants.