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SEI (Enel Group) AND MITSUBISHI ELECTRIC COME TOGETHER TO OFFER FACILITY MANAGEMENT SERVICES

A first for the Italian market

Catania, July 17, 2000 – Francesco Massa, Chief Executive Officer of SEI (the Enel Group's real estate management and services company) and Yasuhiko Kase, Managing Director and President of Mitsubishi Electric Europe, today announced the setting up of a joint venture to operate in the field of building systems design and facility management (maintenance and operation of civil properties). Representing the most important initiative in the Italian real estate sector in recent years, the establishment of the new company was made public in the presence of Franco Tatò, CEO of enel.

The new company, Conphoebus Technology Service (CTS), will assume responsibility for the two groups' entire building systems design and facility management activities in Italy from its start-up, planned for October 1, 2000. CTS is to be 50-50 owned by SEI and Mitsubishi Electric Europe.

The aim of the joint venture is to create a leader in outsourcing services, providing innovative forms of contract, in Italy and other Mediterranean countries.

SEI is to transfer facility management activities carried out in the modern open space buildings owned by the company and leased to Enel (360,000 square meters in total).

CTS will assume sole responsibility for the design, validation, commissioning and supervision of the installation of all the air conditioning systems sold to Mitsubishi Electric's large customers in Italy.

The new company will also be responsible for training major installers in Italy and in other Mediterranean countries.

CTS headquarters will be located in Catania, with operating points spread throughout Italy. The company is to employ 150 staff (including over 50 in Catania, with the remaining personnel deployed around the country) producing sales of approximately ITL 75 billion.

Its new customers will primarily be large industrial groups and service companies keen to not only reduce the cost of real estate management but also improve the quality of their working environments.

"This is the first time that a company offering specific building systems design and global services is to be established in Italy," commented Francesco Massa, SEI's Chief Executive Officer. "It is Mitsubishi Electric's first European joint venture in the systems design and facility management sector, and the aim is to acquire significant market share in Italy and other Mediterranean countries," he added. "It is of particular importance that the new initiative will see both SEI and Mitsubishi Electric carry out an investment in Sicily".

"The new company will fill the current gap in the Italian market between the equipment supplier and the customer who buys air conditioning," noted Yasuhiko Kase, Managing Director and President of Mitsubishi Electric Europe.

SEI and Mitsubishi Electric are in the process of applying for anti-trust clearance from the EU Commission in Brussels.

SEI CORPORATE PROFILE

- Established in 1993, during 1999 SEI took over operation of the civil real estate assets transferred to it by the Enel Group together with related responsibility for facility management, civil and industrial vehicle leasing and materials logistics
- Manages properties valued at ITL 5,500 bn, including ITL 4,800 bn relating to office space and ITL 700 bn to residential properties
- 1,400 staff located at the Rome head office and the 14 branch offices
- Turnover in excess of ITL 1,100 bn from its four core businesses:
- Real estate and Engineering providing revenues of around ITL 475 bn (42% of the total)
- Facility Management providing revenues of around ITL 300 bn (27% of the total)
- Civil and industrial vehicle leasing providing revenues of around ITL 235 bn (21% of the total)
- Materials Logistics providing revenues of around ITL 110 bn (10% of the total)
- Revenues from customers outside the Enel Group now account for 16% of the total and this is due to double over the coming 3 years.
- One of the key tasks undertaken by the Engineering side of the business is the upgrading and optimization of office space on behalf of Enel Group companies. A total of ITL 300 bn is to be invested by 2001 in order to create 18,000 open space work stations, thus freeing up real estate, either owned or leased by the company, with a value of over ITL 1,000 bn

MITSUBISHI ELECTRIC CORPORATE PROFILE

With more than 75 years of experience in providing reliable, high-quality products to both corporate clients and general consumers all over the world, Mitsubishi Electric is a recognised world leader in the manufacture, marketing and sales of electrical and electronic equipment.

Mitsubishi Electric products and components, which production is inspired to the motto "*Technology for Life*" are used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and construction.

With operations in 34 countries worldwide, Mitsubishi Electric recorded consolidated groups sales of over US\$ 35 billion in the year ended 31st March 2000 and employs over 116.000 people.

Mitsubishi Electric has been active in Europe since 1969, has over 30 locations in 10 countries and employs over 4.400 people. In 1999 European turnover accounted for 1,5 billion Euro.

Our activities in Europe include:

- 5 manufacturing sites: in Scotland (1), France (2), Germany (1) and Netherlands (1);
- 2 European Development Centres located in France and the U.K;
- Mitsubishi Electric Europe manages its sales and marketing through:
 - 9 Branches;
 - 2 Representative Offices (Prague and Moscow);
 - 1 European Purchasing Centre (London);
- Mitsubishi Electric Finance Europe.

Mitsubishi Electric - Italy - has been active since 1985 and has 5 commercial divisions:

- Air Conditioning - air conditioners for residential, commercial and industrial environments;
- Factory Automation - equipment and systems for the industrial automation;
- Semiconductors - electronic components;
- Audio Visual Information - videoprojectors, printers and monitors;
- Telecom - cellular telephones.

Additional information is available at: www.mitsubishielectric.com

JOINT VENTURE PROFILE

Name	CONPHOEBUS TECHNOLOGY SERVICE S.p.A.
Registered office	Catania – Passo Martino Zona Industriale
Ownership	Mitsubishi Electric Europe BV 50% - SEI S.p.A. 50%
Board of Directors	3 members to be appointed by SEI S.p.A. and three members by Mitsubishi Electric (Francesco Massa, Managing Director of SEI, and Yasuhiko Kase, Chief Executive of Mitsubishi Electric Europe BV, are to be directors)
Chairman	put forward by SEI S.p.A.
Managing Director	put forward by Mitsubishi Electric
Business	Design, monitoring of large-scale plant, systems installation, supply of Facility Management services (maintenance and operation of civil properties)
Turnover	ITL 75 billion when fully operative
Employees	150 when fully operative