



ENEL AND FRANCE TELECOM AGREE TO MERGER BETWEEN INFOSTRADA AND WIND

Paris/Rome, October 11, 2000 - Enel and France Telecom have reached today an agreement on the terms and conditions of an acquisition of Infostrada by Enel from Vodafone, followed by a merger between Wind and Infostrada and a reorganisation of the share capital of the enlarged entity.

This agreement provides that Enel will acquire 100 % of Infostrada from Vodafone.

Following this acquisition, Wind, currently owned by Enel (56.6 %) and France Telecom (43.4 %), will be merged with Infostrada. Based on an exchange ratio of 1.58 : 1.00 between Wind and Infostrada respectively, this merger will result in an ownership structure of 73.4 % for Enel and 26.6 % for France Telecom.

As soon as practicable after the merger of the two entities, and subject to favorable market conditions, the agreement provides that the new company will be listed on the Italian stock market and that an estimated 25 % of the share capital will be offered for subscription to the public. The offered shares will be newly issued shares in view of financing the new Company's development and existing shares offered by Enel exclusively. It is anticipated that this Initial Public Offering could take place by mid-2001.

The agreement provides also that, after a period of 24 to 30 months following the merger between Wind and Infostrada, France Telecom will have the right to require a reorganisation of the new company's shareholding structure, whereby France Telecom would acquire shares of the new company from Enel at Market conditions. After this reorganisation of the new company's shareholding, Enel, France Telecom and the public will own respectively 42.5 %, 32.5 % and 25 % of the merged company.

This transaction reinforces the long term partnership between Enel and France Telecom evidenced by Wind's successful development over the last three years. This partnership will continue to drive the growth of the enlarged entity formed by Wind and Infostrada.

For further information, please contact:

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