



SALE OF ELECTRICITY DISTRIBUTION NETWORK TO MUNICIPALITY OF PARMA AGREED

Rome and Parma, November 6, 2000 – Enel Distribuzione S.p.a. and AMPS, the joint stock multi-utility that is 65% owned by the municipality of Parma, have reached an agreement regarding the sale of the electricity distribution network within the municipality.

The network serves 40,700 customers including small and large businesses. The value of the transaction amounts to ITL 110 billion, corresponding to ITL 2.7 million per customer, i.e. to a multiple of about 9 times expected 2000 EBITDA of the acquired power network.

The sale is the first to be concluded among those being negotiated with Italy's large municipalized utilities. The parties rapidly came to an agreement in accordance with the criteria established by the Bersani Decree (the Legislative Decree of March 16, 1999, nr. 79), thereby avoiding the complex arbitration proceedings laid down by the above Decree in the event of a failure to reach agreement.

As a result of the acquisition, the municipalized utility AMPS has seen a significant expansion of its customer base. Integration with Enel network allows substantial operational and investment synergies and the implementation of its multi-utility strategy, now in course as regard to network services, in common with other large listed and unlisted municipalized utilities.