



PRESS RELEASE

ENEL APPROVES 2001 FIRST HALF RESULTS

NET PROFIT +77.6%

STRONG REVENUE GROWTH (+19.7%), GROSS OPERATING PROFIT (+17.1%), OPERATING RESULT (+31%)

Rome, September 13, 2001 – The board of Enel, chaired by Chicco Testa, met today to examine and approve consolidated data relative to operations in the first half of 2001. The board also expressed its satisfaction with the excellent results achieved by management.

From January 1 this year, Wind, CHI Energy (the U.S renewable energy company) and recently acquired gas distribution companies have been **wholly consolidated** at both the company accounts and asset levels. Infostrada has been fully consolidated since April 1, 2001.

To facilitate a homogenous comparison of results, the data of the first half of 2000, relating to the telecommunications sector, were re-calculated to include the whole integration of Wind for the entire semester and Infostrada (including the effects of the acquisition) for three months, as if they were consolidated.

All figures for this year's first half, therefore, are compared with pro-forma figures for the corresponding year earlier period.

Total sales for the Group were 14,291 million euros, an increase of 19.7%.

Gross operating profit (EBITDA) rose 17.1% to 4,616 million euros (3,943 million euros in the first half 2000).

Operating profit (EBIT) rose 31.3% to 2,350 million euros, compared with 1,790 million euros in the first half of 2000.

Net profit was 1,529 million euros, **and increase of 77.6%** from 861 million euros in the corresponding year earlier period of 2000.

First half 2001 demand for electrical energy in Italy totalled 151.3 Twh, an increase of 2,2% compared with the same period a year earlier.

Energy dispatched to the distribution equalled 126.2 TWh, a rise of about 2.5 % compared with the year earlier period (123 TWh).

Total volume sold by Enel during the first semester of 2001 was 103.6 TWh:

- 90,6 TWh on the captive market, down from the year earlier period (103,3 TWh) as a result of the opening of the free market which, in Italy, grew by 80.7% to 35.6 TWh.
- 13 TWh, on the free market, with a market share of 37%.

Revenue, equal to 14,291 million euros, register an increase of 19,7% mainly due to the increase in fuel cost equalization funds, higher revenues from Wind and Infostrada (+87%), and the contribution from new activities, including the gas, fuel trading and engineering sectors.

The **gross operating margin (EBITDA)** was 4,616 million euros, an increase of 17.1%. This was thanks to ever greater improvements in efficiency and cost reduction, improvements in the energy sale mix, as well as the contribution of new activities. The first half of 2001 also benefited from one-time revenues (back-dated fuel equalization contributions and cash-in funds for a total of 360 million euros).

Wind and Infostrada – the telecommunications component - brought negative margins of –116 million euros and –20 million euros, respectively, compared with –263 million euros and –35 million euros for the same period in 2000, an improvement of 162 million euros.

Excluding telecommunications, EBITDA would therefore be 4,752 million euros, a growth of 12% notwithstanding the reduction in tariffs and the opening of the market.

Operating profit (EBIT), was 2,350 million euros (an increase of about 31%) even with amortizations and provisions of 113 million euros in connection with the substantial investments in the telecommunications sector relating to the construction and development of the network.

The operating result also includes the amortization (127 million euros) of goodwill connected with the acquisition of Infostrada.

Net profit was 1,529 million euros, a rise of 77.6 % compared with the 861 million euros registered in the first half of 2000, boosted, in part, by a net extraordinary positive component of 347 million euros related to the sale of generation assets in the Valle D'Aosta region.

The tax burden eased to 40.3% from 48.4% thanks to lower tax rate applied to capital gains from sales.

Without taking WIND and Infostrada into consideration, the Group counted 70,074 employees at the end of June, a fall of 3.5% from 72,647 at the end of December, even with the addition of 551 new staff members resulting from the recent acquisitions in the gas industry.

WIND and Infostrada employees totalled 8,673 at the end of June 2001 compared with 8,521 at the end of December, 2000. Therefore, the Group's workforce at the end of the semester totalled 78,747.

Total net equity as of June 30 was 18,545 million euros (18,499 million euros at the end of December 2000) and financial debt was 25,129 million euros, compared with 24,426 million euros at the end of December, 2000.

The D/E ration at the end of the semester was 1.35 (0.72 without considering the consolidation of Wind and Infostrada, and the acquisition of the latter).

Enel S.p.A.

The semester's revenues, made up mainly of sales by group companies, were 2,324 million euros, compared with 4,877 million euros in the first six months of 2000, as a result of the gradual reduction of operating activities.

In the first half, dividends cashed and tax credits came to 1,261 million euros, relating to profits obtained by controlled companies during 2000. Net profit for the semester was 328 million euros.

The parent company's net equity at the end of period was 10,100 million euros.

Net debt amounted to 10,682 million euros.

The Board also expressed its appreciation for the acquisition of VIESGO and the terms of the operation which open interesting horizons in the Spanish market.

Attached are the re-classified tables of consolidated accounts and assets for the Enel group and the parent company Enel SpA. These tables and the notes referring to the group's data have been delivered to the internal board of auditors and to external auditors for their evaluation.

Enel Spa - Reclassified Balance Sheet

Millions of euro

	at 06.30.2001	at 12.31.2000	06.30.2001 – 12.31.2000
Net fixed assets:			
- Tangibles and intangibles	54	56	(2)
- Financial	20,504	18,978	1,526
Total	20,558	19,034	1,524
Net working capital:			
- Trade receivables	15	25	(10)
- Inventories	1	5	(4)
- Net amounts due from Electricity Industry Equalization Fund	-	1,424	(1,424)
- Other assets	734	748	(14)
- Net amounts due from subsidiaries	536	392	144
- Net tax credits	466	762	(296)
- Trade payables	(637)	(2,237)	1,600
- Other liabilities	(701)	(577)	(124)
Total	414	542	(128)
Gross invested capital	20,972	19,576	1,396
Sundry provisions	(190)	(242)	52
Net invested capital	20,782	19,334	1,448
Shareholders' equity	10,100	11,350	(1,250)
Total debt	10,682	7,984	2,698
Total	20,782	19,334	1,448

Enel Spa - Reclassified Income Statement

Millions of euro

	1 st half 2001	1 st half 2000	2001 - 2000
Revenues:			
- Intercompany tariff charges	2,101	3,338	(1,237)
- Contributions from the Electricity Industry Equalization Fund	-	1,359	(1,359)
- Other intercompany revenues	140	167	(27)
- Other	83	13	70
Total revenues	2,324	4,877	(2,553)
Operating costs:			
- Personnel	29	64	(35)
- Fuel consumption	1,434	2,635	(1,201)
- Electricity purchases	424	1,745	(1,321)
- Services, leases and rentals	108	76	32
- Other	82	19	63
Total operating costs	2,077	4,539	(2,462)
EBITDA	247	338	(91)
Amortization, depreciation and provisions	14	34	(20)
EBIT	233	304	(71)
- Dividends and tax credits	1,261	820	441
- Interest income (expense), net	(204)	(116)	(88)
INCOME BEFORE EXTRAORDINARY ITEMS, TAX-DEDUCTIBLE ITEMS AND INCOME TAXES	1,290	1,008	282
- Extraordinary income (expense), net	25	(3)	28
- Write-downs of equity investments	(783)	(195)	(588)
INCOME BEFORE INCOME TAXES	532	810	(278)
Income tax expense for the period	204	342	(138)
NET INCOME FOR THE PERIOD	328	468	(140)

Enel Group - Reclassified Balance Sheet

Millions of euro

	at 06.30.2001	Pro forma at 12.31.2000	06.30.2001- 12.31.2000	at 12.31.2000
Net fixed assets:				
- Tangibles and intangibles	50,867	50,971	(104)	38,067
- Financial	786	695	91	1,465
Total	51,653	51,666	(13)	39,532
Net working capital:				
- Trade receivables	6,136	4,444	1,692	3,709
- Inventories	1,757	1,708	49	1,651
- Other assets and net amounts due from Electricity Industry Equalization Fund	1,321	2,792	(1,471)	2,723
- Trade payables	(4,787)	(6,107)	1,320	(4,538)
- Net accrued taxes	(652)	(196)	(456)	(239)
- Other liabilities	(6,035)	(5,336)	(699)	(4,866)
Total	(2,260)	(2,695)	435	(1,560)
Gross invested capital	49,393	48,971	422	37,972
Provisions:				
- Employee severance indemnities	(1,561)	(1,557)	(4)	(1,525)
- Supplementary pension fund	(402)	(414)	12	(413)
- Net deferred taxes	(2,789)	(2,862)	73	(3,152)
- Other	(967)	(1,213)	246	(1,170)
Total	(5,719)	(6,046)	327	(6,260)
Net invested capital	43,674	42,925	749	31,712
Group shareholders' equity	18,277	18,312	(35)	18,312
Minority interest	268	187	81	17
Total shareholders' equity	18,545	18,499	46	18,329
Total debt	25,129	24,426	703	13,383
TOTAL	43,674	42,925	749	31,712

Enel Group - Reclassified Income Statement

Millions of euro	(%)		(%)		(%)		(%)	
	1 st half 2001		Pro forma 1 st half 2000		2001 – 2000		1 st half 2000	
Revenues:								
- Tariff charges and contributions from the Electricity Industry Equalization Fund	11,372	79.6	10,580	88.6	792	7.5	10,582	93.0
- Telecommunications services	1,141	8.0	608	5.1	533	87.7	-	-
- Other	1,778	12.4	754	6.3	1,024	135.8	792	7.0
Total revenues	14,291	100.0	11,942	100.0	2,349	19.7	11,374	100.0
Operating costs:								
- Personnel	1,891	13.2	1,909	16.0	(18)	(0.9)	1,810	15.9
- Fuel consumption	2,607	18.2	2,612	21.9	(5)	(0.2)	2,612	23.0
- Electricity purchases	1,743	12.2	1,791	15.0	(48)	(2.7)	1,791	15.7
- Interconnections and roaming	672	4.7	429	3.6	243	56.6	-	-
- Services, leases and rentals	2,007	14.0	961	8.0	1,046	108.8	791	7.0
- Fuel for trading and gas for distribution	358	2.5	58	0.5	300	517.2	58	0.5
- Materials	490	3.4	512	4.3	(22)	(4.3)	378	3.3
- Other	322	2.3	199	1.7	123	61.8	148	1.3
- Capitalized costs and expenses	(415)	(2.9)	(472)	(4.0)	57	12.1	(455)	(4.0)
Total operating costs	9,675	67.7	7,999	67.0	1,676	21.0	7,133	62.7
EBITDA	4,616	32.3	3,943	33.0	673	17.1	4,241	37.3
Amortization, depreciation and provisions:								
- Amortization and depreciation	2,104	14.7	1,983	16.6	121	6.1	1,700	14.9
- Provisions and write-downs	162	1.1	170	1.4	(8)	(4.7)	149	1.3
Total amortization, depreciation and provisions	2,266	15.8	2,153	18.0	113	5.2	1,849	16.2
EBIT	2,350	16.5	1,790	15.0	560	31.3	2,392	21.1
- Interest expense, net	(521)	(3.6)	(373)	(3.1)	(148)	(39.7)	(269)	(2.4)
- Income from equity investments	-	-	-	-	-	-	(197)	(1.7)
INCOME BEFORE EXTRAORDINARY ITEMS AND INCOME TAXES	1,829	12.9	1,417	11.9	412	29.1	1,926	17.0
- Extraordinary income (expense), net	457	3.2	(21)	(0.2)	478	-	(21)	(0.2)
INCOME BEFORE INCOME TAXES	2,286	16.1	1,396	11.7	890	63.8	1,905	16.8
- Income tax expense	921	6.4	721	6.0	200	(27.7)	922	8.1
NET INCOME ATTRIBUTABLE TO THE GROUP AND MINORITY INTEREST	1,365	9.7	675	5.7	690	102.2	983	8.7
- Minority interest	164	1.1	186	1.6	(22)	11.8	(1)	-
GROUP NET INCOME	1,529	10.8	861	7.3	668	77.6	982	8.7