

**MEDIA RELATIONS**

Ph. +39 06 8305699 - Fax +39 06 83053771  
e-mail: ufficiostampa@enel.com

**INVESTOR RELATIONS**

Ph. +39 06 83057975 - Fax +39 06 83053771  
e-mail: investor.relations@enel.com

[www.enel.it](http://www.enel.it)

## **ENEL: AGREED DISPOSAL OF 80% EQUITY STAKE IN ENEL RETE GAS TO F2i AND AXA PRIVATE EQUITY**

- *The agreement provides for the sale of 80% of the share capital of Enel Rete Gas SpA, a 99.88% owned subsidiary of Enel Distribuzione SpA, to F2i and AXA Private Equity, for a consideration of 480 million euros.*
- *Conclusion of the agreement is subject to approval by the Antitrust Authority, to approval by the Regulatory Authority for Electricity and Gas of the Distribution and Metering Tariffs for 2009 and to the signing of a financing agreement between Enel Rete Gas and a pool of banks.*
- *The transaction, which is part of the programme to optimise the Enel Group's portfolio of subsidiaries, corresponds to a total Enel Rete Gas Spa's valuation in line with the Regulated Asset Base (RAB) and will reduce Enel's consolidated net financial debt by over 1.2 billion euros, taking into account the deconsolidation of the debt of Enel Rete Gas.*

**Rome, 29 May 2009** – Further to the green light of the Board of Directors of Enel SpA ("Enel"), which met yesterday under the chairmanship of Piero Gnudi, an agreement has been reached between Enel and F2i SGR SpA ("F2i") and AXA Private Equity ("AXA Private Equity") for the disposal of 80% of the share capital of Enel Rete Gas SpA ("Enel Rete Gas" or the "Company"), a 99.88% owned subsidiary of Enel Distribuzione SpA ("Enel Distribuzione"), by means of a vehicle where F2i will own 75% of the capital and Axa Private Equity 25%.

Enel Rete Gas is the subsidiary of the Enel Group operating in the distribution of natural gas in Italy, with a market share of about 12% in terms of the amount of gas distributed, with more than 2 million users connected to the grid and approximately 3.6 billion cubic meters of gas distributed to more than 1,200 municipalities in 2008. Last year, Enel Rete Gas generated revenues of 307.1 million euros, an operating profit equal to 63.4 million euros and a net profit of 17.3 million euros, with 1,289 employees at 31 December 2008.

The proposed consideration for the 80% of the share capital of Enel Rete Gas is 480 million euros and implies an enterprise value for 100% of the Company (including debt and other liabilities) in line with the Regulated Assets Base ("RAB").

The transaction foresees that, before the closing, Enel Rete Gas will distribute dividends and reserves to Enel Distribuzione for a consideration of approximately 245 million euros. The offer envisages that the consideration for the sale will be paid in two tranches of 240 million euros each, through bidders' equity for 170 million euros and a vendor loan granted by Enel to the bidders for 70 million euros at an annual interest rate of 8.25% and maturity in 2017. Payment of the first tranche is envisaged at the closing of the agreement, whereas the second tranche with interests (equivalent to Euribor + 100 basis points) is expected to be paid by 28 December 2009. The above-mentioned consideration is subject to a price adjustment on the basis of (i) the RAB of Enel Rete Gas determined by the Regulatory Authority for Electricity and Gas ("AEEG") for the 2009 Tariffs and (ii) the Company's net financial position at closing.

Enel Distribuzione will have a call option on the 80% of the share capital of Enel Rete Gas, from 2014 (when the five-year lock up period that applies to both Enel Distribuzione and the bidders expires) until 2018, at a strike price that takes into account the fair market value of the stake. At the end of the lock up period, parts will assess the opportunity to float the Enel Rete Gas' shares on the Stock Exchange.

Completion of the transaction, envisaged for the summer of 2009, is subject to approval by the Antitrust Authority, to approval of the AEEG Distribution and Metering Tariffs for 2009 and to the signing of a financing agreement for an amount of 1,025 million euros between Enel Rete Gas and a pool of banks, which are already committed. The purpose of the financing is the repayment of existing bank and intra-group debt foreseen at closing, the capital expenditures plan of Enel Rete Gas, the working capital needs and the payment of the above-mentioned capital distribution by the Company.

The transaction is part of the programme to optimise the Enel Group's portfolio of subsidiaries, as announced to the market in connection with the guidelines for the 2009-2013 business plan. The transaction will reduce Enel's consolidated net financial debt by over 1.2 billion euros, taking into account the deconsolidation of the debt of Enel Rete Gas.

**Fulvio Conti**, Enel's Chief Executive Officer and General Manager, commented: "With this transaction we are taking an important step forward in the disclosed programme of portfolio optimization. The sale of the 80% equity stake in Enel Rete Gas, along with other on-going transactions, such as, in particular, the rights issue, will allow the Enel Group to reduce the Group's debt, after having become one of the main operators in the energy sector worldwide after the completion of the Endesa acquisition".

**Vito Gamberale**, F2i Chief Executive Officer and **Mathias Burghardt**, AXA Private Equity's Head of Infrastructure, said: "This transaction alongside Enel is a perfect evidence of F2i and Axa Private Equity's strategy to take part in the development of energy distribution networks and of networks in general, in Italy and Europe. The investment requirements in this sector are massive and this transaction is a very good example of successful cooperation between long term financial investors and industrial operators".