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ENEL GREEN POWER PRESENTS ITS 2015-2019 STRATEGIC PLAN TO THE FINANCIAL COMMUNITY

- *Total capital expenditure amounting to 9.6 billion euros by 2019 of which 8.8 billion euros fully dedicated to growth, a more than 60% increase on previous plan*
- *Additional capacity of 7.1 GW by 2019, a 50% ramp-up compared to expected growth in previous plan*
- *EBITDA of approx. 1.8 billion euros in 2015, approx. 2 billion euros in 2016 and approx. 2.1 billion euros in 2017*
- *Enel Green Power will leverage on its geographically and technologically diversified footprint, strategic approach to business development and strong cash flow generation to seize the current global growth in renewables*

Group financial targets				
		2015	2016	2017
EBITDA	€bn	~1.8	~2.0	~2.1

Group Other financials/operational highlights		
		2015-2019
Additional capacity	GW	~7.1
Growth CAPEX	€bn	~8.8
Free Cash Flow From Operations	€bn	~6.6



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Rome, May 7th, 2015 – Enel Green Power has today presented its 2015-2019 Strategic Plan to the financial community. The new plan will leverage on:

- Sizeable increase in planned growth
- Assets value maximization
- Active portfolio management

Since its Initial Public Offering (IPO) in November 2010, Enel Green Power Group has demonstrated its capability to seize growth opportunities and confirmed its position as a global renewable energy player that has operations in 16 countries across four continents with close to 10 GW of net installed capacity diversified across five technologies. This places the company at the forefront of the current wave of growth in renewable energy.

Chief Executive Officer and General Manager of Enel Green Power Francesco Venturini said: *“The substantial acceleration of growth, the maximization of asset value and the active management of our portfolio are the primary guidelines of our new strategic plan. With the goal of developing projects with a view to increasing our geographic and technological diversification and pursuing operational excellence, Enel Green Power will continue to focus on opportunities for growth in markets with excellent development prospects, such as Africa, where our recent success in South African tenders have made EGP the leading player in the continent’s renewables industry”.*

ANALYSIS OF STRATEGIC PRIORITIES

Sizeable increase in planned growth

In a backdrop of increasing global energy demand driven by economic growth, urbanization and electrification mainly in South America, Africa and Asia, renewables are set to become more competitive compared to traditional generation sources, due to the combination of fast technological improvements and great availability of renewable resources in these areas. In an industry that is starting to consolidate in Europe and that becomes increasingly competitive globally, Enel Green Power is well positioned to continue to play a leading role thanks to its diversified geographical footprint and ability to deploy multiple technologies. The Group is established on a global scale with local presence in markets in which renewables are experiencing rapid growth, and is uniquely positioned to take advantage of growth opportunities in a number of diverse technologies

As a consequence of the above factors, Enel Green Power will devote 8.8 billion euros to growth in its 2015-2019 strategic plan, a more than 60% increase on its previous plan. This will lead to a total additional capacity of 7.1 GW by 2019. This investment will also be underpinned by a solid 200-300bps spread over our weighted average cost of capital (WACC) for new projects. Furthermore, the plan will be supported by a strong cash generation of approximately 11 billion euros over the period.

Over the next five years, Enel Green Power will enlarge its footprint and technological matrix in Latin America, where the bulk of new growth investment amounting to 4.7 billion euros will be allocated mostly in Brazil, Chile and Mexico given their current potential for growth. The company will also continue to tap opportunities available in the US market, by leveraging on diversification in this area in order to reduce its risk profile.



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Enel Green Power will further consolidate its presence in the promising continent of Africa, where in the two years since stepping into South Africa, it has been awarded 1 GW of capacity in public auctions. Finally the Group will begin to scout opportunities in Asia, where a number of countries have an abundance of resources, growth in demand and reliable regulatory frameworks.

Assets value maximization

Enel Green Power's growth will also continue to rely on an efficient management of Engineering, Procurement and Construction (EPC) processes as well as Operations and Maintenance (O&M) activities. Thanks to its considerable EPC and O&M expertise as well as its centres of excellence, Enel Green Power can globally support development and best use of plants already in operations or under construction.

In the EPC field the Group will continue to leverage on its integrated "*design to costs*" process, which allows Enel Green Power to optimize capital expenditure during the design and construction of plants and use a technical approach that will later improve operational performance.

Moreover in O&M activities the Group, which has already proven its ability to improve operational efficiency and reduce costs, will continue to leverage on economies of scale, preventive maintenance, migration from "global services" to "scheduled maintenance" contracts and sharing of best practices. As a result, the Group is expected to decrease its costs base to 70,000 euros/MW in 2019 from 76,000 euros /MW as of 2014 in nominal terms thanks to implementation of these efficiency programmes.

Active portfolio management

The Enel Green Power Group relies on a capital allocation approach based on project evaluation according to their strategic fit, the current or prospective presence of the company in the country, the potential synergies with the Enel Group, and market attractiveness in terms of growth potential and stable regulatory framework.

In parallel with its industrial growth strategy, the above-mentioned criteria will be used to identify potential divestment of operating assets whose investment rationale has modified over time in order to accelerate payback. This is the case for Group's asset portfolio in Portugal, of which it is considering disposal.

The company could consider as well non-organic growth opportunities in markets that are moving towards consolidation should this fit with its strategy for the area.

Alternative Performance Indicators

EBITDA: an indicator of Enel Green Power's operating performance, calculated as EBIT plus depreciation, amortization and impairment losses.

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