



PRESS RELEASE

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ENEL AND BNDES SIGN 115 MILLION US DOLLAR LOAN AGREEMENT TO PROMOTE RENEWABLES INVESTMENTS IN BRAZIL

The loan will cover part of the investment required to build Enel Green Power Brasil's 102 MW Apiacas hydropower plant.

Rome/Rio de Janeiro, January 4th, 2017 – The Enel Group¹ and the Brazilian Development Bank (“BNDES”), the main financing agency for development in Brazil, have signed a 20-year term loan agreement worth around 373 million Brazilian reais (approximately 115 million US dollars) that will cover part of the investment required to build the recently inaugurated 102 MW Apiacas hydropower cluster, which is located in the state of Mato Grosso in Brazil's Central-West Region.

*“We are extremely pleased with the outcome of this transaction, which is testament to the solidity of our Brazilian business,” said **Francesco Venturini**, Enel's Head of Global Renewable Energies. “Just one month after Apiacas became fully operational, we have managed to obtain BNDES funding aimed at financing industrial projects and large-scale infrastructure in the country. While we strengthen our leading position in Brazil, we also continue to attract top local and international financing partners, who appreciate the commitment that we have made in a country that is so strategically important to Enel.”*

In line with the loan agreement, the first instalment of 293 million Brazilian reais (approximately 90 million US dollars) was disbursed after the signing, whereas the second instalment of 80 million Brazilian reais (approximately 25 million US dollars) will be disbursed in early 2017, subject to the fulfilment of conditions precedent customary for this type of transaction.

The loan bears an interest rate based on TJLP (Taxa de Juros de Longo Prazo), the long-term interest rate reviewed quarterly by the Brazilian Central Bank. TJLP currently stands at 7.5%, below the current interbank rate in Brazil of 13.63%. TJLP is used as base rate for loans granted by BNDES to private companies whose projects are deemed eligible for federal funding.

Apiacas has a total installed capacity of 102 MW and is composed of three power plants: Salto Apiacás (45 MW), Cabeça de Boi (30 MW) and Fazenda (27 MW). Apiacás is able to generate more than 490 GWh per year, enough to meet the annual energy consumption needs of more than 200,000 Brazilian households, while avoiding the emission of about 280,000 tonnes of CO₂ into the atmosphere. Apiacás has a 1.2 MW solar PV system installed on its premises, adding its own renewable power to that produced by the hydro plants.

¹ Acting through the three special purpose vehicles (SPVs) that are held by Enel Green Power Brasil (EGPB) and own each plant of the Apiacas hydropower cluster: Enel Green Power Salto Apiacas S.A., Enel Green Power Cabeça de Boi S.A. and Enel Green Power Fazenda S.A.



Enel invested approximately 287 million US dollars in the construction of Apiacás, an investment financed through the Group's own sources as well as the BNDES loan. The facility is supported by a 30-year power purchase agreement (PPA) for the sale of a fixed amount of power generated by the three hydro plants to a pool of distribution companies operating in Brazil's regulated market.

The Enel Group, through its subsidiaries Enel Green Power Brasil (EGPB) and Enel Brasil, has a total installed capacity of 1,306 MW in the Brazilian renewable energy generation sector – of which 401 MW from wind power, 12 MW from solar PV and 893 MW from hydropower – as well as a further 442 MW of wind projects and 807 MW of solar projects currently in execution.

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