

PRESS RELEASE

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ENEL: IN FIRST NINE MONTHS 2022 FURTHER INVESTMENTS IN RENEWABLES AND GRIDS TO ACCELERATE ENERGY INDEPENDENCE, APPROVED 2022 INTERIM DIVIDEND OF 20 EURO CENTS PER SHARE (+ 5.3% COMPARED TO 2021 INTERIM DIVIDEND)

- **Revenues:** 108,177 million euros (58,794¹ million euros in the first nine months of 2021, +84.0%)
 - *the increase is attributable to all Business Segments, mainly reflecting an increase in the quantities of electricity and gas sold at rising average prices and an increase in the quantity of electricity generated. The change also reflected the gain realized on the partial sale of the equity investment in Ufinet and the disposal of a number of companies within the perimeter of Enel X*
- **Ordinary EBITDA:** 12,671 million euros (12,770² million euros in the first nine months of 2021, -0.8%)
 - *the decrease in the margins registered by End-user Markets and Enel Green Power as a result, respectively, of an increase in sourcing costs and a significant reduction in hydropower generation due to low water availability, was only partly offset by an increase in the margin recorded by Thermal Generation and Trading attributable to an increase in quantities generated and volumes traded, as well as the gain from the partial sale of the equity interest in Ufinet and the disposal of a number of companies within the perimeter of Enel X*
- **EBITDA:** 12,421 million euros (11,417² million euros in the first nine months of 2021, +8.8%)
- **EBIT:** 5,521 million euros (6,393² million euros in the first nine months of 2021, -13.6%)
 - *the change mainly reflects an increase in depreciation and amortization, write-downs of receivables and value adjustment on net assets of companies in Brazil and Russia classified as “available for sale”*
- **Group net ordinary income:** 2,977 million euros (3,289 million euros in the first nine months of 2021, -9.5%)
 - *the change essentially reflects developments in ordinary operations, only partially offset by the positive impact of net finance operations and a decline in taxes*
- **Group net income:** 1,759 million euros (2,505 million euros in the first nine months of 2021, -29.8%)

¹ For comparative purposes only, a reclassification from financial income to revenues was made, for an amount of 139 million euros in the first nine months of 2021, of the component recognized in the income statement related to the remeasurement at fair value of the financial assets connected with service in concession of distribution activities in Brazil, falling within the scope of IFRIC 12. The latter classification had an impact of the same amount on margins.

² The figure for the first nine months of 2021 has been adjusted, for comparative purposes only, to reflect the different classifications referred to above concerning the application of IFRIC 12 in Brazil.

- **Net financial debt:** 69,736 million euros (51,952 million euros at the end of 2021, +34.2%)
 - *the increase mainly reflected capital expenditure in the period, the net balance of asset purchases and sales, including the acquisition of ERG Hydro S.r.l.³, and adverse exchange rate effects, only partially offset by positive cash flows from operations, which were, however, affected by the impact of certain government measures on net working capital*

- **Capital expenditure:** 9,309 million euros (7,901 million euros in the first nine months of 2021, +17.8%)
 - *the increase is mainly attributable to the growth in investments in Enel Green Power, Enel Grids and End-user Markets*

- **Approval of interim dividend for 2022 of 0.20 euros per share, in payment from January 25th, 2023**, an increase of 5.3% compared with the interim dividend distributed in January this year
 - *the Enel Board of Directors confirms the interim dividend policy for 2022, as provided for in the 2022-2024 Strategic Plan*
 - *a total dividend of 0.40 euros per share expected for 2022*

- **Guidance for ordinary EBITDA confirmed** between 19.0 and 19.6 billion euros in 2022, thanks to the Group's geographical diversification. The **guidance for Group net ordinary income for 2022 has been revised** between 5.0 and 5.3 billion euros, mainly due to a decline in the contribution of businesses in Italy compared with those in the other geographies in which the Group operates, with a consequent higher weight of minority interests on Group net ordinary income, as well as to a tax burden, expected for the end of 2022 mainly in Spain, which is higher than previously forecasted. **Net financial debt for 2022 is expected to reach a maximum of about 62 billion euros**

“The results for the first nine months of 2022 demonstrate the resilience of the Enel Group, which, thanks to the robustness of its integrated business model and its geographical diversification, confirms its guidance for ordinary EBITDA for 2022 despite the adverse geopolitical, energy and economic environment,” said Francesco Starace, CEO of the Enel Group. “We are continuing our investments in renewables and grids to accelerate the transition to increasingly sustainable energy sources and to foster energy independence in the countries in which we operate, helping to reduce price volatility to safeguard our customers. The positive developments in operating performance, our financial solidity and the corporate simplification plan under way enable us to look with optimism towards future objectives, also in view of the persistence of a complex general framework. Based on this, we confirm our shareholder remuneration policy for 2022, which provides for payment of a total dividend of 0.40 euros per share, with the interim dividend increasing by 5.3% compared with that distributed last January.”

Rome, November 3rd, 2022 – The Board of Directors of Enel S.p.A. (“Enel” or the “Company”), chaired by Michele Crisostomo, examined and approved the Interim Financial Report at September 30th, 2022, as well as Enel's financial statements at the same date and the report that indicates that the Company's performance and financial position permit the distribution of an interim dividend for 2022 of 0.20 euros per share, which will be paid as of January 25th, 2023.

³ Now Enel Hydro Appennino Centrale S.r.l.

1) Consolidated financial highlights for the first nine months of 2022

REVENUES

The following table reports revenues by **Business Segment**:

| Revenues (<i>millions of euros</i>) | 9M 2022 | 9M 2021 ^{4 & 5} | Change |
|---------------------------------------|----------------|------------------------------|--------------|
| Thermal Generation and Trading | 57,809 | 23,795 | - |
| Enel Green Power | 6,900 | 6,346 | 8.7% |
| Enel Grids ⁶ | 15,936 | 15,069 | 5.8% |
| End-user Markets | 50,787 | 23,612 | - |
| Enel X | 1,752 | 995 | 76.1% |
| Holding, Services and Other | 1,618 | 1,516 | 6.7% |
| Eliminations and adjustments | (26,625) | (12,539) | - |
| TOTAL | 108,177 | 58,794 | 84.0% |

The following table shows detailed information from **Thermal Generation and Trading** relating solely to revenues from thermal and nuclear generation:

| Revenues (<i>millions of euros</i>) | 9M 2022 | 9M 2021 ^{7 & 8} | Change |
|--|--------------|------------------------------|--------|
| Revenues from thermal generation | 18,118 | 7,348 | - |
| <i>of which: from coal-fired generation</i> | <i>4,909</i> | <i>1,324</i> | - |
| Revenues from nuclear generation | 1,227 | 1,124 | 9.2% |
| Revenues from thermal generation as a percentage of total revenues | 16.7% | 12.5% | |
| <i>of which: revenues from coal-fired generation as a percentage of total revenues</i> | <i>4.5%</i> | <i>2.3%</i> | |
| Revenues from nuclear generation as a percentage of total revenues | 1.1% | 1.9% | |

⁴ For comparative purposes only, a reclassification from financial income to revenues was made, for an amount of 139 million euros in the first nine months of 2021, of the component recognized in the income statement related to the remeasurement at fair value of the financial assets connected with service in concession of distribution activities in Brazil, falling within the scope of IFRIC 12. The latter classification had an impact of the same amount on margins.

⁵ The figures for the Enel X Business Segment have been restated to take account of the transfer of certain assets, liabilities and their associated revenues and expenditure flows to the new e-Mobility Business Segment (Enel X Way), which is reported under "Holding, Services and Other".

⁶ The Business Segment was called "Infrastructure and Networks" until June 30th, 2022.

⁷ See note 4.

⁸ The figures for the first nine months of 2021 have been adjusted to take into account a more accurate calculation.

- **Revenues in the first nine months of 2022** amounted to 108,177 million euros, an increase of 49,383 million euros (+84.0%) compared with the same period of 2021. More specifically, the increase posted by **Thermal Generation and Trading** essentially regards Italy and Spain, reflecting an increase in volumes generated and in average prices charged. The rise in revenues seen by **End-user Markets**, notably in Italy, Spain, Romania and Latin America is attributable to an increase in quantities of electricity and gas sold in a scenario of rising average prices. The increase in revenues recorded by **Enel Grids**, mainly in Latin America, reflects tariff adjustments in Brazil and positive exchange rate effects; the increase in revenues posted by **Enel Green Power** is due to an increase in electricity sales, mainly in Chile and North America. The increase in revenues achieved by **Enel X** includes: (i) the recognition of the gain on the partial sale of the equity interest held in Ufinet (220 million euros) and the sale by Enel X S.r.l. of a number of companies to Mooney Group S.p.A. (67 million euros); (ii) the effects of the expansion in services connected with new commercial initiatives in Italy and demand response activities in the United States; (iii) an increase in revenues in Colombia and Spain.

Within **Thermal Generation and Trading**, revenues in the first nine months of 2022 from thermal generation alone amounted to 18,118 million euros, an increase of 10,770 million euros compared with the same period of 2021, reflecting an increase in the use of conventional energy sources. Revenues attributable to coal-fired generation in the first nine months of 2022 amounted to 4.5% of total revenues (2.3% in the first nine months of 2021). This development reflected the effect of the exceptional situation of low water availability.

- Revenues in the **first nine months of 2022** and the comparable period of **2021** did not include non-ordinary items.

ORDINARY EBITDA and EBITDA

The following table reports ordinary EBITDA by **Business Segment**:

| Ordinary EBITDA (millions of euros) | 9M 2022 | 9M 2021⁹ & ¹⁰ | Change |
|--|----------------|--|---------------|
| Thermal Generation and Trading | 4,479 | 1,709 | - |
| Enel Green Power | 2,164 | 3,046 | -29.0% |
| Enel Grids | 5,307 | 5,494 | -3.4% |
| End-user Markets | 287 | 2,363 | -87.9% |
| Enel X | 554 | 245 | - |
| Holding, Services and Other | (120) | (87) | -37.9% |
| TOTAL | 12,671 | 12,770 | -0.8% |

⁹ The figure for the first nine months of 2021 has been adjusted, for comparative purposes only, to reflect the different classification referred to above concerning the application of IFRIC 12 in Brazil.

¹⁰ The figures for the Enel X Business Segment have been restated to take account of the transfer of certain assets, liabilities and their associated revenues and expenditure flows to the new e-Mobility Business Segment (Enel X Way), which is reported under "Holding, Services and Other".

The following table reports EBITDA by **Business Segment**:

| EBITDA (millions of euros) | 9M 2022 | 9M 2021¹¹ & ¹² | Change |
|-----------------------------------|----------------|---|---------------|
| Thermal Generation and Trading | 4,279 | 1,128 | - |
| Enel Green Power | 2,160 | 3,001 | -28.0% |
| Enel Grids | 5,279 | 5,081 | 3.9% |
| End-user Markets | 283 | 2,270 | -87.5% |
| Enel X | 552 | 233 | - |
| Holding, Services and Other | (132) | (296) | 55.4% |
| TOTAL | 12,421 | 11,417 | 8.8% |

The following tables report the non-ordinary components leading ordinary EBITDA in the first nine months of 2022 and 2021 to EBITDA for the same periods.

| <i>Millions of euros</i> | 9M 2022 | | | | | | |
|--|--------------------------------|------------------|--------------|------------------|------------|-----------------------------|---------------|
| | Thermal Generation and Trading | Enel Green Power | Enel Grids | End-user Markets | Enel X | Holding, Services and Other | Total |
| Ordinary EBITDA | 4,479 | 2,164 | 5,307 | 287 | 554 | (120) | 12,671 |
| Charges for energy-transition and digitalization | (62) | - | (17) | (2) | (1) | (8) | (90) |
| Loss of disposal of CGTF – Central Geradora Termelétrica Fortaleza | (134) | - | - | - | - | - | (134) |
| COVID-19 costs | (4) | (4) | (11) | (2) | (1) | (4) | (26) |
| EBITDA | 4,279 | 2,160 | 5,279 | 283 | 552 | (132) | 12,421 |

¹¹ The figure for the first nine months of 2021 has been adjusted, for comparative purposes only, to reflect the different classification referred to above concerning the application of IFRIC 12 in Brazil.

¹² The figures for the Enel X Business Segment have been restated to take account of the transfer of certain assets, liabilities and their associated revenues and expenditure flows to the new e-Mobility Business Segment (Enel X Way), which is reported under "Holding, Services and Other".

Millions of euros

9M 2021¹³ & ¹⁴

| | Thermal Generation and Trading | Enel Green Power | Enel Grids | End-user Markets | Enel X | Holding, Services and Other | Total |
|--|--------------------------------|------------------|--------------|------------------|------------|-----------------------------|---------------|
| Ordinary EBITDA | 1,709 | 3,046 | 5,494 | 2,363 | 245 | (87) | 12,770 |
| Charges for energy-transition and digitalization | (575) | (40) | (390) | (92) | (12) | (205) | (1,314) |
| COVID-19 costs | (6) | (5) | (23) | (1) | - | (4) | (39) |
| EBITDA | 1,128 | 3,001 | 5,081 | 2,270 | 233 | (296) | 11,417 |

Ordinary EBITDA in the first nine months of 2022 amounted to 12,671 million euros, a decrease of 99 million euros compared with the same period of 2021 (-0.8%). The change mainly reflects:

- a reduction of 2,076 million euros in the margin of **End-user Markets**, connected with higher sourcing costs, mainly in Italy, Spain and Romania, the effects of which were not offset by an increase in electricity and gas sales in a scenario of rising average prices;
- a decrease of 882 million euros in the margin of **Enel Green Power**, mainly in Italy caused by the significant decline in hydropower generation associated with low water availability in the period, only partially offset by the growth resulting from higher installed capacity. These adverse effects more than offset the improvement in the margins registered in Latin America, North America, Romania and Spain as a result of an increase in solar and wind generation, partly reflecting the entry into service of new plants;
- a decline of 187 million euros in the margin posted by **Enel Grids**, primarily in Spain, Italy and Romania, as a result of the issue of a number of measures concerning tariffs intended to mitigate the impact of the rise in commodity prices on customers. These effects were partially offset by an improvement in performance in Latin America, mainly in Brazil and Colombia, reflecting tariff adjustments and positive exchange rate developments.

The decreases were only partially offset by:

- an increase of 2,770 million euros in the activities of **Thermal Generation and Trading**, mainly in Italy and Spain as a result of an increase in power generation and the positive net result deriving from the hedging strategies on commodity price risk;
- an increase of 309 million euros in the margin registered by **Enel X**, mainly reflecting: (i) the above-mentioned gain on the partial disposal of the equity interest held in Ufinet (220 million euros) and the sale by Enel X S.r.l. of a number of companies to Mooney Group S.p.A. (67 million euros); (ii) the activities connected with the e-Bus project in Colombia; and (iii) the improved margin recorded in the e-Home business in Spain.

EBIT

The following table reports EBIT by **Business Segment**:

¹³ The figure for the first nine months of 2021 has been adjusted, for comparative purposes only, to reflect the different classification referred to above concerning the application of IFRIC 12 in Brazil.

¹⁴ The figures for the Enel X Business Segment have been restated to take account of the transfer of certain assets, liabilities and their associated revenues and expenditure flows to the new e-Mobility Business Segment (Enel X Way), which is reported under "Holding, Services and Other".

| EBIT (millions of euros) | 9M 2022 | 9M 2021^{15 & 16} | Change |
|---------------------------------|----------------|--------------------------------------|---------------|
| Thermal Generation and Trading | 3,058 | 435 | - |
| Enel Green Power | 1,030 | 1,858 | -44.6% |
| Enel Grids | 2,210 | 3,118 | -29.1% |
| End-user Markets | (829) | 1,360 | - |
| Enel X | 388 | 92 | - |
| Holding, Services and Other | (336) | (470) | 28.5% |
| TOTAL | 5,521 | 6,393 | -13.6% |

EBIT in the first nine months of 2022 amounted to 5,521 million euros, down 872 million euros (-13.6%) compared with the same period of 2021. The change is mainly attributable to: (i) an increase in depreciation and amortization connected with the entry into service of new plants; (ii) the recognition of value adjustment on net assets of companies classified as available for sale, specifically CELG Distribuição S.A. – CELG D and CGT Fortaleza S.A. in Brazil as well as PJSC Enel Russia; and (iii) a rise in write-downs of receivables, primarily registered in Italy and Spain, as a result of the increase in revenues.

GROUP NET ORDINARY INCOME and NET INCOME

| <i>Millions of euros</i> | 9M 2022 | 9M 2021 | Change | |
|---|----------------|----------------|---------------|---------------|
| Group net ordinary income | 2,977 | 3,289 | (312) | -9.5% |
| Capital losses and impairment | (1,137) | (133) | (1,004) | - |
| Charges for energy-transition and digitalization | (40) | (922) | 882 | 95.7% |
| COVID-19 costs | (17) | (26) | 9 | 34.6% |
| Impairment of certain assets relating to the sale of the interest in Slovenské Elektrárne | (24) | 297 | (321) | - |
| Group net income | 1,759 | 2,505 | (746) | -29.8% |

In the first nine months of 2022, Group net ordinary income amounted to 2,977 million euros, a decrease of 312 million euros on the first nine months of 2021 (-9.5%). More specifically, adverse developments in ordinary operations, including the increase in depreciation, amortization and write-downs noted earlier, were only partly offset by the gain from the partial disposal of the equity interest held in Ufinet and the disposal by Enel X S.r.l. of a number of companies to Mooney Group S.p.A., the positive performance of net finance operations as well as a decline in Group income taxes.

¹⁵ The figure for the first nine months of 2021 has been adjusted, for comparative purposes only, to reflect the different classification referred to above concerning the application of IFRIC 12 in Brazil.

¹⁶ The figures for the Enel X Business Segment have been restated to take account of the transfer of certain assets, liabilities and their associated revenues and expenditure flows to the new e-Mobility Business Segment (Enel X Way), which is reported under "Holding, Services and Other".

FINANCIAL POSITION

The financial position shows **net capital employed** at September 30th, 2022, including net assets held for sale of 2,346 million euros, of **112,461 million euros** (94,294 million euros at December 31st, 2021).

This amount was covered by **equity**, including non-controlling interests, of **42,725 million euros** (42,342 million euros at December 31st, 2021) and **net financial debt** of **69,736 million euros** (51,952 million euros at December 31st, 2021), not including the net financial position referring to assets held for sale of 413 million euros.

The increase of 17,784 million euros in net financial debt (+34.2%) essentially reflects: (i) financing needs for capital expenditure in the period (9,356¹⁷ million euros); (ii) the payment of dividends of 4,785¹⁸ million euros; (iii) the acquisition of ERG Hydro S.r.l.¹⁹ in the amount of 1,196²⁰ million euros; and (iv) the adverse exchange rate effects. These factors were only partially offset by the positive performance of cash flows generated by operations (which were, however, affected by the impact of certain government measures on net working capital), the sale of a number of equity investments deemed no longer strategic and the change in the representation of the net financial position referring to assets classified as available for sale (mainly relating to PJSC Enel Russia).

At September 30th, 2022, the **debt/equity ratio** came to **1.63** (1.23 at December 31st, 2021). The change essentially reflected the increase in debt detailed above.

CAPITAL EXPENDITURE

The following table reports capital expenditure by **Business Segment**:

| Capital expenditure (millions of euros) | 9M 2022 | 9M 2021²¹ | Change |
|--|----------------|-----------------------------|---------------|
| Thermal Generation and Trading | 499 | 418 | 81 |
| Enel Green Power | 3,973 | 3,287 | 686 |
| Enel Grids | 3,866 | 3,433 | 433 |
| End-user Markets | 581 | 431 | 150 |
| Enel X | 228 | 179 | 49 |
| Holding, Services and Other | 162 | 153 | 9 |
| TOTAL* | 9,309 | 7,901 | 1,408 |

* The figure for the first nine months of 2022 does not include 47 million euros regarding units classified as "held for sale" (87 million euros for the first nine months of 2021).

Capital expenditure amounted to 9,309 million euros in the first nine months of 2022, an increase of 1,408 million euros compared with the same period of 2021 (+17.8%). More specifically, the first nine months of 2022 saw an increase in capital expenditure by: (i) **Enel Green Power**, primarily in Italy, the

¹⁷ Includes 47 million euros regarding units classified as "held for sale".

¹⁸ Includes 79 million euros in coupons paid to holders of perpetual hybrid bonds.

¹⁹ Now Enel Hydro Appennino Centrale S.r.l.

²⁰ Net of cash and cash equivalents acquired in the amount of 69 million euros.

²¹ The figures for the Enel X Business Segment have been restated to take account of the transfer of certain assets, liabilities and their associated revenues and expenditure flows to the new e-Mobility Business Segment (Enel X Way), which is reported under "Holding, Services and Other".



United States, Canada, Spain, Chile, Peru and Australia; (ii) **Enel Grids**, mainly in Italy, Brazil, Argentina and Spain to improve grid quality; (iii) **End-user Markets** in Italy and Spain; and (iv) **Enel X** in Italy, Spain, the United States, Peru, Brazil and Colombia.

2) Financial highlights of the Parent Company at September 30th, 2022

The Parent Company Enel, in its capacity as an industrial holding company, sets the strategic objectives at Group level and coordinates the activities of its subsidiaries. The activities that Enel performs in respect to the other Group companies as part of its management and coordination role are Holding activities (coordination of governance processes).

Within the Group, Enel also directly performs the role of central treasury, ensuring access to the money and capital markets, and provides coverage of insurance risks.

| <i>Millions of euros</i> | 9M 2022 | 9M 2021 | Change |
|--|----------------|----------------|---------------|
| Revenues | 97 | 88 | 10.2% |
| EBITDA | (133) | (179) | 25.7% |
| EBIT | (371) | (205) | -81.0% |
| Net financial expense and income from equity investments | 8,636 | 3,835 | - |
| Net income for the period | 8,314 | 3,677 | - |
| Net financial debt | 20,790 | 23,199* | -10.4% |

* At December 31st, 2021.

Revenues, which are mainly attributable to services rendered to subsidiaries within the scope of the Parent Company's management and coordination role, amounted to 97 million euros in the first nine months of 2022, an increase of 9 million euros on the same period of the previous year.

EBITDA was a negative 133 million euros, an improvement of 46 million euros compared with the first nine months of 2021, mainly reflecting a decrease in personnel costs connected to a decline in charges for early retirement plans adopted by the company in the two periods under review.

EBIT, including depreciation, amortization and impairment losses of 238 million euros, was a negative 371 million euros, a decrease of 166 million euros compared with the first nine months of 2021. The change reflected the value adjustment of 195 million euros of the equity investment held in the subsidiary PSJC Enel Russia carried out following its classification under assets held for sale on the basis of the state of the company's sale process, which was closed in October 2022 for a total consideration of about 137 million euros.

Net financial expenses and income from equity investments in the first nine months of 2022 was a positive 8,636 million euros overall and include dividends received from subsidiaries, associates, joint

ventures and other entities of 8,755 million euros (4,067 million euros in the first nine months of 2021) as well as net financial expenses of 119 million euros (232 million euros in the first nine months of 2021).

Compared with the same period of the previous year, the increase of 4,688 million euros in income from equity investments primarily reflects the decrease in the contribution of foreign subsidiaries/associated companies, more than offset by the distribution of 6,000 million euros in available reserves by Enel Italia S.p.A.

Net financial expenses improved by 113 million euros, attributable to an increase in net financial income from derivatives (158 million euros), partially offset by the increase in other net financial expenses (45 million euros).

Net income for the first nine months of 2022 amounted to 8,314 million euros, compared with 3,677 million euros for the corresponding period of the previous year. The increase of 4,637 million euros was due to the increase in income from equity investments cited above and the decrease in net financial expenses, the overall effects of which were only partially offset by the performance of operations.

Net financial debt at September 30th, 2022 amounted to 20,790 million euros, a decrease of 2,409 million euros compared to the figure at year-end 2021, reflecting a decrease of 2,996 million euros in net short-term financial debt and an increase of 587 million euros in net long-term debt exposure.

OPERATIONAL HIGHLIGHTS FOR THE FIRST NINE MONTHS OF 2022

| | 9M 2022 | 9M 2021 | Change |
|--|---------------|---------------------|--------|
| Electricity sales (TWh) | 242.3 | 232.6 | +4.2% |
| Gas sales (billions of m³)¹ | 7.5 | 6.5 | +15.4% |
| Total net efficient installed capacity (GW) | 87.9 | 87.1 ² | +0.9% |
| • of which renewables (GW) | 51.6 | 50.1 ² | +3.0% |
| Electricity generated (TWh) | 174.3 | 164.2 | +6.2% |
| Electricity distributed (TWh)¹ | 387.1 | 382.6 | +1.2% |
| Employees (no.) | 67,381 | 66,279 ² | +1.7% |

¹ The figure for the first nine months of 2021 reflects a more accurate calculation.

² At December 31st, 2021.

Electricity and gas sales

- **Electricity sales** in the first nine months of 2022 amounted to **242.3 TWh**, an increase of 9.7 TWh (+4.2%) on the same period of the previous year. Specifically, this reflected:
 - an increase in quantities sold in Latin America (+4.8 TWh), mainly in Chile (+2.8 TWh), Italy (+4.2 TWh) and Romania (+0.7 TWh);
 - a decline in quantities sold in Iberia (-0.02 TWh);

- **Natural gas sales** amounted to **7.5 billion cubic meters** in the first nine months of 2022, an increase of 1.0 billion cubic meters (+15.4%) on the same period of the previous year.

Total net efficient installed capacity

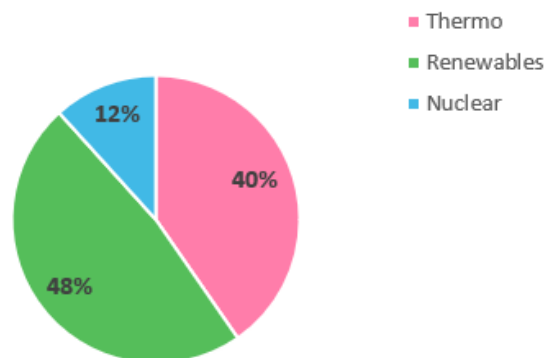
The Group's total net efficient installed capacity at September 30th, 2022 amounted to 87.9 GW, up 0.8 GW compared with December 31st, 2021, mainly reflecting the installation of new solar capacity (+1.3 GW) and wind capacity (+0.5 GW) as well as the acquisition of new hydropower plants in Italy (+0.5 GW). Net efficient installed thermal capacity decreased by 0.7 GW, mainly following the decommissioning of the Bocamina II plant in Chile and the sale of CGT Fortaleza S.A. in Brazil. In addition, hydropower plants with a capacity of 0.04 GW were decommissioned in Chile and a number of renewables companies in South Africa were deconsolidated, resulting in 0.74 GW reduction in wind capacity.

Electricity generated

Net electricity generated by the Enel Group in the first nine months of 2022 amounted to **174.3 TWh²²**, an increase of 10.1 TWh on the same period of 2021 (+6.2%). More specifically, the period saw:

- an increase of 2.7 TWh in renewable generation compared with the same period of the previous year. More specifically, the increase in wind (+5.3 TWh) and solar (+2.8 TWh) generation was partly offset by a decline in hydropower generation (-5.4 TWh) as a result of low water availability in the period;
- an increase in thermal generation (+6.9 TWh), where greater generation from coal (+5.7 TWh) and combined-cycle (+5.3 TWh) more than offset the decline in oil & gas generation (-4.1 TWh);
- nuclear generation amounted to 20.4 TWh, an increase of 0.5 TWh on the same period of 2021.

Generation mix of Enel Group plants



²² 182.7 TWh including the output of about 4.0 GW of managed renewable capacity.



Generation from renewable sources, including volumes from managed capacity, far exceeded that from thermal generation, reaching 91.9 TWh (88.2²³ TWh in the same period of 2021, +4.2%), compared with thermal generation of 70.3 TWh (63.5 TWh in the same period of 2021, +10.8%).

Considering production from consolidated capacity alone, zero-emission generation reached 60% of the total generation of the Enel Group, while it amounted to 61% if managed generation capacity is also included²⁴. Achievement of “Net Zero” by 2040 for both direct and indirect emissions remains the long-term objective of the Enel Group.

Electricity distributed

Electricity transported on Enel Group distribution networks in the first nine months of 2022 amounted to 387.1 TWh, of which 169.0 TWh in Italy and 218.1 TWh abroad.

The volume of **electricity distributed in Italy** decreased by 1.0 TWh (-0.6%) on the same period of 2021, with performance slightly lower than electricity demand on the national grid (+1.3%). The percentage change in demand on the Italian market amounted to +0.8% in the North, +2.1% in the Center, +0.8% in the South and +2.0% in the Islands. The South and the Islands are mainly served by e-distribuzione; in the Center and the North, other major operators account for a total of about 15% of energy volumes distributed.

Electricity distributed abroad amounted to 218.1 TWh, an increase of 5.5 TWh (+2.6%) on the same period of 2021.

EMPLOYEES

At September 30th, 2022, **Group employees numbered 67,381** (66,279 at December 31st, 2021). The change in the first nine months of 2022 (+1,102) reflects:

- the balance between new hires and terminations (+1,127);
- changes in the scope of consolidation (-25), attributable to: (i) the acquisition of ERG Hydro S.r.l.²⁵ and Melita Italia S.r.l. in Italy as well as (ii) the sale of Paytipper S.p.A., CityPoste Payment S.p.A., PayTipper Network S.r.l. and FlagPay S.r.l. in Italy alongside CGT Fortaleza S.A. in Brazil.

OUTLOOK

In the first nine months of 2022, the macroeconomic context remained extremely uncertain and volatile reflecting the continued geopolitical crisis, the need to diversify the sourcing of commodities and the tensions in gas markets, with a consequent further rise in electricity prices and a significant increase in inflation.

These factors prompted the authorities of certain European countries to continue to adopt measures to contain electricity prices for final customers, which in some cases have penalized companies operating in the electricity generation and retail sector.

In this scenario, the Enel Group has demonstrated resilience and an ability to react thanks to its geographical diversification, combined with an integrated business model along the entire value chain.

²³ The figure for 2021 reflects a more accurate calculation.

²⁴ Capacity not consolidated by the Enel Group but operated under the “Stewardship” model.

²⁵ Now Enel Hydro Appennino Centrale S.r.l.



Enel's action is continuing in accordance with the strategy outlined in the Strategic Plan presented to the financial markets in November 2021.

In the last quarter of 2022, Enel is expected to:

- continue to pursue planned investment in renewable generation, grids and the electrification of consumption, in line with the Group's decarbonization strategy;
- continue to simplify and optimize its asset portfolio in order to increase Group's profitability;
- continue to implement all the managerial actions needed to address the unfavorable conditions observed since the beginning of 2022, while protecting customers from the volatility of electricity prices.

A total dividend for 2022 of 0.40 euros per share is confirmed.

Thanks to the Group's geographical diversification, the guidance for ordinary EBITDA in 2022 provided to the financial markets on the occasion of 2022-2024 Strategic Plan presentation in November 2021, which is expected to be between 19.0 and 19.6 billion euros, is confirmed.

The Group's net ordinary income for 2022 is expected to amount to between 5.0 and 5.3 billion euros, compared with the previous estimate of between 5.6 and 5.8 billion euros, mainly due to a decline in the contribution of the businesses in Italy compared with those in the other geographies in which the Group operates, with a consequent higher weight of minority interests on Group net ordinary income, as well as to a tax burden, expected for the end of 2022 mainly in Spain, which is higher than previously forecasted.

Finally, net financial debt for 2022 is expected to reach a maximum of about 62 billion euros.

2022 INTERIM DIVIDEND

The 2022-2024 Strategic Plan, whose guidelines were presented to the financial community in November 2021, confirmed, among the measures aimed at optimizing shareholder return, the payment - reintroduced as of 2016 results - of an interim dividend. It is expected that dividends will be paid to shareholders in two installments during each financial year: in January as an interim dividend and in July as the balance.

Taking account of the above and the fact that in the first nine months of 2022 the Parent Company registered net income for the period equal to 8,314 million euros, the Board of Directors, also in light of the outlook for operations in the last quarter of this year, resolved to distribute an interim dividend of 0.20 euros per share.

This interim dividend, gross of any withholding tax, will be paid as from January 25th, 2023, with an ex-dividend date for coupon no. 37 of January 23rd, 2023 and a record date of January 24th, 2023. In line with applicable legislation, treasury shares in Enel's portfolio at the record date will not participate in the payment of the interim dividend.

The amount of the interim dividend in question is consistent with the dividend policy set out in the 2022-2024 Strategic Plan, which provides for the payment of a fixed dividend for 2022 of 0.40 euros per share.



The opinion of the audit firm KPMG S.p.A. required by Article 2433-bis of the Italian Civil Code was issued today.

RECENT EVENTS

September 6th, 2022: Enel announced that the Dutch subsidiary Enel Finance International N.V. (“EFI”) had launched a Sustainability-Linked Bond for institutional investors in the Eurobond market in the total amount of 1 billion euros. The issue is linked to the achievement of Enel’s sustainability objective for the reduction of direct greenhouse gas emissions (Scope 1), contributing to the achievement of United Nations Sustainable Development Goal (SDG) 13 (Climate Action) and in accordance with the Group’s Sustainability-Linked Financing Framework.

The bond, which is guaranteed by Enel, was roughly 2.4 times oversubscribed, with total orders of some 2.4 billion euros and the significant participation of Socially Responsible Investors (SRI), enabling the Group to continue to diversify its investor base. The issue is structured as a single tranche of 1 billion euros paying a rate of 3.875% maturing on March 9th, 2029.

September 23rd, 2022: Enel announced that its subsidiary Enel Brasil S.A. (“Enel Brasil”), controlled through the Chilean listed company Enel Américas S.A. (“Enel Américas”), had signed with Equatorial Participações e Investimentos S.A. (“Equatorial”), a subsidiary of Equatorial Energia S.A., a Sale and Purchase Agreement (the “Agreement”) for the sale of its entire stake in the Brazilian power distribution company CELG Distribuição S.A. – CELG D (“Enel Goiás”), equal to about 99.9% of the latter’s share capital. The sale is subject to certain conditions precedent customary for these kinds of transactions, including the authorization by the Brazilian electricity regulator Agência Nacional de Energia Elétrica (ANEEL) and the country’s competition authority Conselho Administrativo de Defesa Econômica (CADE). The Agreement provides that for the entire stake held by Enel Brasil in Enel Goiás, Enel Brasil will receive a total consideration of about 7.3 billion Brazilian reais (equivalent to about 1.4 billion US dollars), subject to adjustments until the closing. Out of the total consideration:

- Equatorial will pay about 1.6 billion Brazilian reais (equivalent to over 300 million US dollars) on closing for the equity portion; and
- Enel Goiás will repay intercompany loans in the amount of about 5.7 billion Brazilian reais (equivalent to around 1.1 billion US dollars) within 12 months from the closing.

The scope of the Agreement comprises Enel Goiás’s (i) current cash position, (ii) third-party debt, and (iii) contingencies. Additionally, the parties have agreed to an earn-out payment mechanism based on the outcome of current and possible contingencies.

October 7th, 2022: Enel announced that, acting through its subsidiaries EFI and Enel Finance America, LLC (“EFA”) it had launched Sustainability-Linked Bonds in the total aggregate amount of 4.0 billion US dollars, equivalent to about 4.1 billion euros, aimed at institutional investors in the US and international markets. The bonds, which were issued separately in different tranches as detailed below, were guaranteed by Enel.

The bonds are linked to the achievement of Enel’s sustainability objective for the reduction of direct greenhouse gas emissions (Scope 1), contributing to achievement of United Nations Sustainable Development Goal (SDG) 13 (Climate Action) and in accordance with the Group’s Sustainability-Linked Financing Framework.

The transaction comprises the following four tranches:

- 750 million US dollars at a fixed rate of 6.800%, maturing October 14th, 2025, issued by EFI and guaranteed by Enel;



- 1,000 million US dollars at a fixed rate of 7.100%, maturing October 14th, 2027, issued by EFA and guaranteed by Enel;
- 1,250 million US dollars at a fixed rate of 7.500%, maturing October 14th, 2032, issued by EFI and guaranteed by Enel;
- 1,000 million US dollars at a fixed rate of 7.750%, maturing October 14th, 2052, issued by EFI and guaranteed by Enel.

Alongside the transaction, EFI has signed new “Sustainability-Linked Cross Currency Swaps” with a group of banks to be hedged against the euro-dollar exchange rate and interest rate risk. The notable feature of these derivative instruments is the commitment of the Group to achieve specific and ambitious sustainability performance targets (“SPTs”), with a discount or penalty in the cost of the transaction based on the ability of the Group to meet its SPTs.

October 12th, 2022: Enel announced that it had finalized the sale of its entire stake in PJSC Enel Russia, equal to 56.43% of the latter’s share capital, to PJSC Lukoil and the Closed Combined Mutual Investment Fund “Gazprombank-Frezia”, for a total consideration of about 137 million euros, following the fulfilment of all the conditions precedent set out in the two separate contracts entered into with them, including approval of the transaction by the President of the Russian Federation in accordance with paragraph 5 of Decree no. 520 of August 5th, 2022. As a result of the transaction, Enel has completed the disposal of all its Russian power generation assets, which included approximately 5.6 GW of conventional capacity and around 300 MW of wind capacity at various stages of development.

October 12th, 2022: Enel announced that the Group had received a Sustainability-Linked facility from Denmark’s export credit agency, EKF, for up to 800 million US dollars. The facility, in which Citi acted as Mandated Lead Arranger, Facility Agent and Counter-Guarantor to EKF, is based on the Group’s worldwide business relationships with Danish suppliers and is intended to support, through a flexible instrument, the development of wind energy and mitigate the effects of climate change, goals that are part of Enel’s “2040 Net-Zero” strategy. The transaction is consistent with the Group’s Sustainability-Linked Financing Framework, which fully integrates sustainability into the Group’s global financing program.

October 20th, 2022: Enel announced that, acting through Enel Grids S.r.l., it had signed an agreement to sell 50% of its subsidiary Gridspertise S.r.l. (“Gridspertise”) to the international private equity fund CVC Capital Partners Fund VIII (“CVC”). The agreement provides for CVC to pay a total consideration of about 300 million euros, equivalent to an enterprise value of 625 million euros (on a 100% basis). In addition, the agreement envisages potential deferred payments that could bring the enterprise value up to 1 billion euros (on a 100% basis). The closing of the sale is subject to certain conditions precedent customary for this kind of transaction, including the achievement of various administrative authorizations needed for the transfer to CVC of the 50% stake in Gridspertise, in particular regarding the golden power procedure with the Presidency of Italy’s Council of Ministers and clearance to be issued by the competent competition authorities. Following the transaction, Enel and CVC will operate the Company in a joint control regime.

More information on these events is available in the related press releases published on the Enel website at the following address: <https://www.enel.com/media/explore/search-press-releases>



NOTES

At 6:00 p.m. CET today, November 3rd, 2022, a conference call will be held to present the results for the first nine months of 2022 to financial analysts and institutional investors. Journalists are also invited to listen in on the call. Documentation relating to the conference call will be made available on the Enel website (www.enel.com) in the "Investors" section from the beginning of the call.

The condensed consolidated income statement, statement of consolidated comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of cash flows are attached below. A descriptive summary of the alternative performance indicators used in this press release is also attached.

The officer responsible for the preparation of the company's financial reports, Alberto De Paoli, certifies, pursuant to Article 154-bis, paragraph 2, of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds with that contained in the accounting documentation, books and records.

ACCOUNTING STANDARDS, COMPARABILITY AND AMENDMENTS IN SCOPE OF CONSOLIDATION

Unless otherwise specified, the balance sheet figures at September 30th, 2022 exclude amounts related to assets and liabilities held for sale, mainly relating to PJSC Enel Russia in Russia, CELG Distribuição S.A. – CELG D in Brazil, Enel Transmisión Chile S.A. in Chile, a number of minor companies in Colombia, Ngonye Power Company Limited in Zambia and the Tecnatom S.A. in Spain.

The figures reported and discussed above are therefore homogeneous and comparable in the two periods under comparison.

In order to improve the representation of financial results, the economic items relating to the remeasurement at fair value of financial assets related to services under concession falling within the scope of IFRIC 12 in Brazil was reclassified from financial income to revenues from contracts with customers (IFRS 15) as from the fourth quarter of 2021, since it refers to the remeasurement at fair value of contract assets.

Towards this aim, for comparative purposes only, a reclassification from financial income to revenues was made, for an amount of 139 million euros in the first nine months of 2021, of the component recognized in the income statement related to the remeasurement at fair value of the financial assets connected with service in concession of distribution activities in Brazil falling within the scope of IFRIC 12. The latter classification had an impact of the same amount on EBIT.

In addition, during 2022 the figures for the Enel X Business Segment at September 30th, 2021 have been restated to take account of the transfer of certain net assets and their associated revenues and expenditure flows to the new e-Mobility Business Segment (Enel X Way), which is reported under "Holding, Services and Other". This change impacted segment reporting but did not produce any change in the figures at the Group level, although a number of reclassifications were made within the various Business Segments.

KEY PERFORMANCE INDICATORS

This press release uses a number of “alternative performance measures” not envisaged by the IFRS-EU accounting standards adopted by the European Union, but that management deems useful for the better evaluation and monitoring of the Group’s economic and financial performance. With regard to those indicators, on April 29th, 2021, CONSOB issued Warning Notice no. 5/21, making applicable the Guidelines issued on March 4th, 2021 by the European Securities and Markets Authority (ESMA) on disclosure requirements under Regulation (EU) 2017/1129 (the “Prospectus Regulation”), which took effect on May 5th, 2021.

The Guidelines update the previous CESR Recommendations (ESMA/2013/319, in the revised version of March 20th, 2013) with the exception of those concerning issuers carrying out special activities referred to in Annex no. 29 of Delegated Regulation (EU) 2019/980, which were not converted into Guidelines and remain applicable.

The Guidelines are intended to promote the usefulness and transparency of alternative performance indicators included in regulated information or prospectuses within the scope of application of Directive 2003/71/EC in order to improve their comparability, reliability and comprehensibility.

The meaning, content and basis of calculation of these indicators are as follows:

- **EBITDA** is an indicator of operating performance and is calculated as “EBIT” plus “Depreciation, amortization and impairment losses”;
- **Ordinary EBITDA** is defined as “EBITDA” attributable to ordinary operations only linked to the business models of Ownership and Stewardship. It does not include charges connected with corporate restructuring plans and costs directly attributable to the COVID-19 outbreak;
- **Group net ordinary income:** is defined as “Group net income” attributable solely to ordinary operations associated with the Ownership and Stewardship business models. It is equal to “Group net income” adjusted primarily for the items discussed under “Ordinary EBITDA”, net of possible tax effects and non-controlling interests;
- **Net financial debt** is an indicator of financial structure and is determined by:
 - “Long-term borrowings”, “Short-term borrowings” and “Current portion of long-term borrowings”, taking account of “Non-current financial liabilities” included in “Other non-current liabilities” and “Current financial liabilities” included in “Other current liabilities”;
 - net of “Cash and cash equivalents”;
 - net of “Current portion of long-term financial receivables”, “Current securities” and “Other financial receivables” included in “Other current financial assets”;
 - net of “Non-current securities” and “Non-current financial receivables” included in “Other non-current financial assets”.

More generally, the net financial debt of the Enel Group is reported in accordance with Guideline 39, issued on March 4th, 2021, by ESMA, applicable as from May 5th, 2021, and with the above-mentioned Warning Notice no. 5/2021 issued by CONSOB on April 29th, 2021.
- **Net capital employed** is calculated as the algebraic sum of “Net non-current assets”²⁶ and “Net working capital”²⁷, “Provisions for risks and charges”, “Deferred tax liabilities” and “Deferred tax assets”, as well as “Net assets held for sale”²⁸.

²⁶ Determined as the difference between “Non-current assets” and “Non-current liabilities”, with the exception of: 1) “Deferred tax assets”; 2) “Securities”, and “Other financial receivables” included in “Other non-current financial assets”; 3) “Long-term borrowings”; 4) “Employee benefits”; 5) “Provisions for risks and charges (non-current portion)”; and 6) “Deferred tax liabilities”.

²⁷ Defined as the difference between “Current assets” and “Current liabilities”, with the exception of: 1) “Current portion of long-term financial receivables”, “Factoring receivables”, “Securities”, “Cash collateral” and “Other financial receivable” included in “Other current financial assets”; 2) “Cash and cash equivalents”; 3) “Short-term borrowings” and “Current portion of long-term borrowings”; 4) “Provisions for risks and charges (current portion)”; and 5) “Other financial debt” included in “Other financial liabilities”.

²⁸ Determined as the algebraic sum of “Assets held for sale” and “Liabilities held for sale”.

Condensed Consolidated Income Statement

| Millions of euro | First nine months | |
|---|-------------------|----------------|
| | 2022 | 2021 |
| Total revenue ⁽¹⁾ | 108,177 | 58,794 |
| Total costs | 104,759 | 53,397 |
| Net results from commodity contracts | 2,103 | 996 |
| Operating profit ⁽¹⁾ | 5,521 | 6,393 |
| Financial income ⁽¹⁾ | 6,940 | 3,512 |
| Financial expense | 8,924 | 5,476 |
| Net income/(expense) from hyperinflation | 261 | 73 |
| Total net financial income/(expense) ⁽¹⁾ | (1,723) | (1,891) |
| Share of profit/(loss) of equity-accounted investments | 55 | 428 |
| Pre-tax profit | 3,853 | 4,930 |
| Income taxes | 1,561 | 1,662 |
| Profit/(Loss) from continuing operations | 2,292 | 3,268 |
| Profit/(Loss) from discontinued operations | - | - |
| Profit for the period (owners of the Parent and non-controlling interests) | 2,292 | 3,268 |
| Attributable to owners of the Parent | 1,759 | 2,505 |
| Attributable to non-controlling interests | 533 | 763 |
| Earnings per share | | |
| Basic earnings per share | | |
| <i>Basic earnings per share</i> | <i>0.17</i> | <i>0.24</i> |
| <i>Basic earnings per share from continuing operations</i> | <i>0.17</i> | <i>0.24</i> |
| <i>Basic earnings/(loss) per share from discontinued operations</i> | <i>-</i> | <i>-</i> |
| Diluted earnings per share | | |
| <i>Diluted earnings per share</i> | <i>0.17</i> | <i>0.24</i> |
| <i>Diluted earnings per share from continuing operations</i> | <i>0.17</i> | <i>0.24</i> |
| <i>Diluted earnings/(loss) per share from discontinued operations</i> | <i>-</i> | <i>-</i> |

(1) For comparative purposes only, a reclassification was made from financial income to revenues for an amount of 139 million euros in first nine months of 2021 of the component recognized in the income statement linked to the remeasurement at fair value of financial assets related to the service in concession of distribution activities in Brazil falling within the scope of IFRIC 12. This last classification had an effect of the same amount on the operating profit.

Statement of Consolidated Comprehensive Income

| Millions of euro | First nine months | |
|--|-------------------|--------------|
| | 2022 | 2021 |
| Profit for the period | 2,292 | 3,268 |
| Other comprehensive income/(expense) that may be subsequently reclassified to profit or loss (net of taxes) | | |
| Effective portion of change in the fair value of cash flow hedges | (3,260) | 35 |
| Change in fair value of hedging costs | (62) | 299 |
| Share of the other comprehensive expense of equity-accounted investments | 71 | (392) |
| Change in the fair value of financial assets at FVOCI | (13) | 1 |
| Change in translation reserve | 3,110 | (45) |
| Other comprehensive income/(expense) that may not be subsequently reclassified to profit or loss (net of taxes) | | |
| Remeasurement of net liabilities/(assets) for defined benefit plans | 293 | 237 |
| Change in the fair value of investments in other entities | (3) | - |
| Total other comprehensive income/(expense) for the period | 136 | 135 |
| Comprehensive income/(expense) for the period | 2,428 | 3,403 |
| Attributable to: | | |
| - owners of the Parent | 2,615 | 2,591 |
| - non-controlling interests | (187) | 812 |

Condensed Consolidated Statement of Financial Position

Millions of euro

| | at Sept. 30, 2022 | at Dec. 31, 2021 |
|--|-------------------|---------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment and intangible assets | 110,368 | 102,733 |
| Goodwill | 14,219 | 13,821 |
| Equity-accounted investments | 902 | 704 |
| Other non-current assets ⁽¹⁾ | 38,097 | 23,308 |
| Total non-current assets | 163,586 | 140,566 |
| Current assets | | |
| Inventories | 5,594 | 3,109 |
| Trade receivables | 21,073 | 16,076 |
| Cash and cash equivalents | 6,484 | 8,858 |
| Other current assets ⁽²⁾ | 64,721 | 37,089 |
| Total current assets | 97,872 | 65,132 |
| Assets classified as held for sale | 4,887 | 1,242 |
| TOTAL ASSETS | 266,345 | 206,940 |
| LIABILITIES AND EQUITY | | |
| Equity attributable to owners of the Parent | 30,346 | 29,653 |
| Non-controlling interests | 12,379 | 12,689 |
| Total equity | 42,725 | 42,342 |
| Non-current liabilities | | |
| Long-term borrowings | 68,693 | 54,500 |
| Provisions and deferred tax liabilities | 20,223 | 19,180 |
| Other non-current liabilities | 27,263 | 14,198 |
| Total non-current liabilities | 116,179 | 87,878 |
| Current liabilities | | |
| Short-term borrowings and current portion of long-term borrowings | 27,252 | 17,337 |
| Trade payables | 18,527 | 16,959 |
| Other current liabilities | 59,121 | 41,462 |
| Total current liabilities | 104,900 | 75,758 |
| Liabilities included in disposal groups classified as held for sale | 2,541 | 962 |
| TOTAL LIABILITIES | 223,620 | 164,598 |
| TOTAL LIABILITIES AND EQUITY | 266,345 | 206,940 |

(1) Of which long-term financial receivables and other securities at September 30, 2022 for €3,311 million (€2,289 million at December 31, 2021) and €447 million (€403 million at December 31, 2021), respectively.

(2) Of which current portion of long-term financial receivables, short-term financial receivables and other securities at September 30, 2022 for €2,695 million (€1,538 million at December 31, 2021), €13,319 million (€6,481 million at December 31, 2021) and €85 million (€88 million at December 31, 2021), respectively.

Condensed Consolidated Statement of Cash Flows

| Millions of euro | First nine months | |
|--|-------------------|----------------|
| | 2022 | 2021 |
| Pre-tax profit | 3,853 | 4,930 |
| Adjustments for: | | |
| Net impairment/(reversals) of trade receivables and other receivables | 874 | 696 |
| Depreciation, amortization and other impairment losses | 6,026 | 4,328 |
| Net financial (income)/expense ⁽¹⁾ | 1,723 | 1,891 |
| Net (gains)/losses from equity-accounted investments | (55) | (428) |
| Changes in net working capital: | (8,405) | (3,446) |
| - inventories | (2,606) | (1,141) |
| - trade receivables | (5,762) | (3,036) |
| - trade payables | 1,465 | 361 |
| - other contract assets | (30) | (23) |
| - other contract liabilities | 10 | (58) |
| - other assets/liabilities ⁽¹⁾ | (1,482) | 451 |
| Interest income/(expense) and other financial income/(expense) and income paid and collected | (1,934) | (2,091) |
| Other changes | (1,175) | (813) |
| Cash flows from operating activities (A) | 907 | 5,067 |
| Investments in property, plant and equipment, intangible assets and non-current contract assets | (9,356) | (7,988) |
| Investments in entities (or business units) less cash and cash equivalents acquired | (1,241) | (277) |
| Disposals of entities (or business units) less cash and cash equivalents sold | 139 | 61 |
| (Increase)/Decrease in other investing activities | 3 | (25) |
| Cash flows used in investing activities (B) | (10,455) | (8,229) |
| New long-term borrowing | 15,493 | 12,579 |
| Repayments of borrowings | (4,659) | (8,903) |
| Other changes in net financial debt | 971 | 3,408 |
| Payments for acquisition of equity investments without change of control and other transactions in non-controlling interests | 12 | (1,304) |
| Issues/(Redemptions) of hybrid bonds | | 2,214 |
| Sale/(Purchase) of treasury shares | (14) | (13) |
| Coupons paid to holders of hybrid bonds | (79) | (26) |
| Dividends and interim dividends paid | (4,706) | (4,746) |
| Cash flows from / (used in) financing activities (C) | 7,018 | 3,209 |
| Impact of exchange rate fluctuations on cash and cash equivalents (D) | 289 | (10) |
| Increase/(Decrease) in cash and cash equivalents (A+B+C+D) | (2,241) | 37 |
| Cash and cash equivalents at the beginning of the period ⁽²⁾ | 8,990 | 6,002 |
| Cash and cash equivalents at the end of the period ⁽³⁾ | 6,749 | 6,039 |



(1) For comparative purposes only, in the first nine months of 2021 the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 was reclassified from financial income to revenue. The latter classification did not have an impact on cash flows from operating activities.

(2) Of which cash and cash equivalents equal to €8,858 million at January 1, 2022 (€5,906 million at January 1, 2021), short-term securities equal to €88 million at January 1, 2022 (€67 million at January 1, 2021) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €44 million at January 1, 2022 (€29 million at January 1, 2021).

(3) Of which cash and cash equivalents equal to €6,484 million at September 30, 2022 (€5,936 million at September 30, 2021), short-term securities equal to €85 million at September 30, 2022 (€86 million at September 30, 2021) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €180 million at September 30, 2022 (€17 million at September 30, 2021).