



## PRESS RELEASE

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## ENEL CLOSSES DEAL TO SELL 10% OF INDONESIAN COAL PRODUCER PT BAYAN RESOURCES

- *Agreement closed with Dato' Low Tuck Kwong, the controlling shareholder of PT Bayan Resources to sell Enel's stake in the company for a consideration of 85 million US dollars*
- *This transaction registers a positive impact on Group Net Financial position for the same amount*
- *Today's disposal represents another step forward in the decarbonisation of Enel's activities and the execution of its asset rotation strategy*
- *From 2015 to date the Enel Group has sold assets with a total aggregate value of about 5 billion euros*

**Rome, Jakarta, October 10<sup>th</sup>, 2017** – Enel closed a deal for the sale of its 10% stake in Indonesian coal producer PT Bayan Resources Tbk (“Bayan”), currently held through Enel's fully-owned subsidiary Enel Investment Holding B.V. to Bayan's controlling shareholder Mr. Dato' Low Tuck Kwong, for a consideration of 85 million US dollars, fully paid in cash.

*“The disposal of our minority interest in Bayan perfectly fits with our asset rotation strategy as well as with our plans for a fully decarbonised generation mix by 2050,”* said **Francesco Starace**, Enel Group CEO and General Manager. *“At the same time we remain very interested in this renewable energy resource-rich country where we are carrying out geothermal prospection operations and where we are also eyeing opportunities in other renewable energy projects”.*

Enel purchased a 10% stake in Bayan coal producer in August 2008, during the Initial Public Offering (IPO) resulting in the listing of the Indonesian company in the Jakarta Stock Exchange.

The transaction is part of the 8 billion euro rolling asset rotation target provided for in Enel's active portfolio management strategy. In line with this strategy, proceeds from disposals will be addressed to financing growth in strategic areas such as networks, renewables and minority purchases.

From 2015 to date, the Enel Group has sold assets with a total aggregate value of about 5 billion euros.

Bayan is an Indonesian integrated coal producer. The main shareholders of Bayan, which is a listed company, are Mr. Dato' Low Tuck Kwong, whose 51.6% interest is set to increase to 61.6% following the purchase of Enel's stake, utility Korea Electric Power with 20.0% and other founding shareholders with about 9%. Bayan is engaged in open cut mining of various coal qualities from mines located primarily in East and South Kalimantan, Indonesia and is also working through its subsidiaries in various business



sectors, including port service management, coal loading, barging, contractor and heavy equipment rentals.

In Indonesia, Enel's renewable arm Enel Green Power is currently exploring geothermal resources in a consortium established with local geothermal company PT Optima Nusantara Energi (PT ONE) to develop the 55 MW Way Ratai geothermal power project in the Way Ratai area, in Lampung province, following a Government tender award from last year. The Enel Group also signed a Memorandum of Understanding (MoU) in 2016 with Indonesian power utility PT PLN Persero to evaluate possible cooperation opportunities on sustainable generation projects in the country.