

# **Half-Year Financial Report at June 30, 2016**



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# Interim report on operations

## Our mission

# MISSION 2025

### OPEN ENERGY TO MORE PEOPLE.

We will use and extend our global reach and scale to connect more people to secure and sustainable energy, with a special focus on Latin America and Africa.

### OPEN ENERGY TO NEW TECHNOLOGIES.

We will lead development and deployment of technologies to generate and distribute energy more sustainably, with a special focus on renewables and smart grids.

### OPEN UP NEW WAYS OF MANAGING ENERGY FOR PEOPLE.

We will develop more services built around people's needs to help them use and manage energy more efficiently, with a focus on smart meters and digitisation.

### OPEN UP ENERGY TO NEW USES.

We will develop new services that use energy to tackle global challenges, with a focus on connectivity and e-mobility.

### OPEN UP TO MORE PARTNERSHIPS.

We will unite a network of collaborators in research, technology, product development, and marketing to build new solutions together.

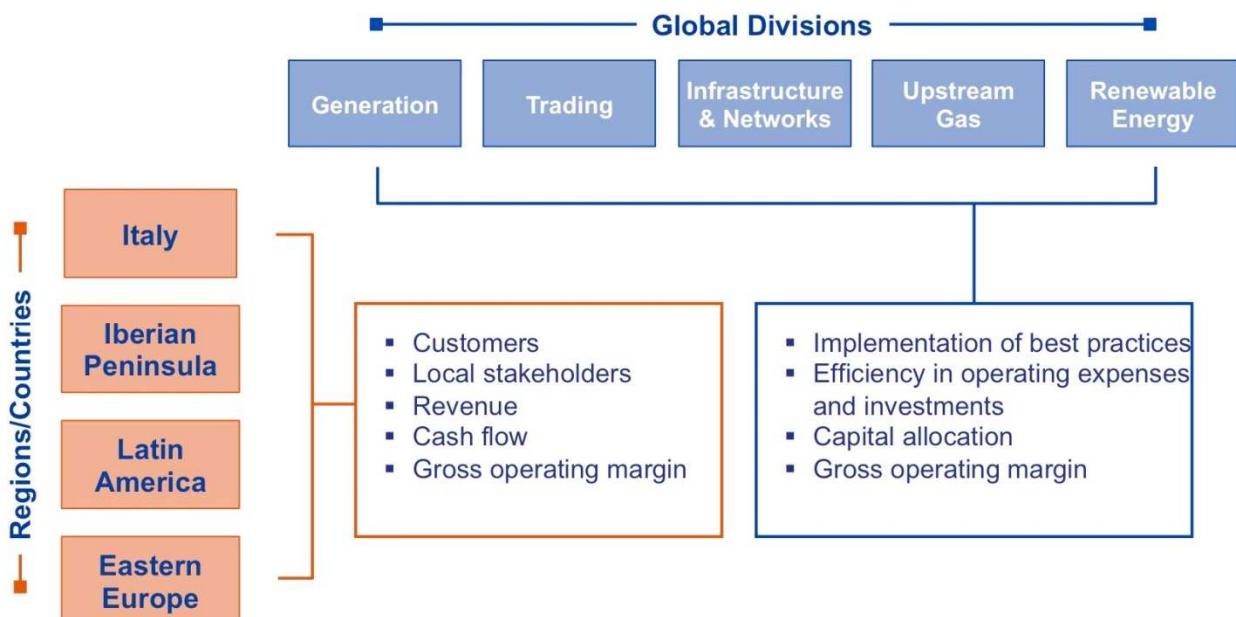


## Enel organizational model

On July 31, 2014, the Enel Group adopted a **new organizational structure**, based on a matrix of divisions and geographical areas, focused on the industrial objectives of the Group, with clear specification of roles and responsibilities in order to:

- > pursue and maintain technological leadership in the sectors in which the Group operates, ensuring operational excellence;
- > maximize the level of service offered to customers in local markets.

Thanks to this organization, the Group can benefit from reduced complexity in the execution of management actions and the analysis of key factors in value creation.



More specifically, the Enel Group structure is organized into a matrix that comprises:

- > *Divisions* (Global Generation, Global Infrastructure and Networks, Renewable Energy, Global Trading, Upstream Gas), which are responsible for managing and developing assets, optimizing their performance and the return on capital employed in the various geographical areas in which the Group operates. The divisions are also tasked with improving the efficiency of the processes they manage and sharing best practices at the global level. The Group can benefit from a centralized industrial vision of projects in the various business areas. Each project will be assessed not only on the basis of its financial return, but also on the basis of the best technologies available at the Group level;
- > *Regions and Countries* (Italy, Iberian Peninsula, Latin America, Eastern Europe), which are responsible for managing relationships with institutional bodies and regulatory authorities, as well as selling electricity and gas, in each of the countries in which the Group is present, while also providing staff and other service support to the divisions.

The following functions provide support to Enel's business operations:

- > *Global service functions* (Procurement and ICT), which are responsible for managing information and communication technology activities and procurement at the Group level;

- > *Holding company functions* (Administration, Finance and Control, Human Resources and Organization, Communication, Legal and Corporate Affairs, Audit, European Union Affairs, and Innovation and Sustainability), which are responsible for managing governance processes at the Group level.

The organizational structure described above was modified on April 8, 2016, partly in relation to the integration of Enel Green Power. More specifically, the main organizational changes include:

- > the reorganization of the Group's geographical presence, with a focus on the countries that represent new business opportunities around the world and in which the Group's presence was established through Enel Green Power. The Group has therefore shifted from a matrix of four geographical areas to one with six such areas. The structure retains the Country "Italy" and the areas "Iberia" and "Latin America", while the Eastern Europe area has been expanded into the "Europe and North Africa" area. Two new geographical areas have also been created: "North and Central America" and "Sub-Saharan Africa and Asia". These six areas will continue to maintain a presence and integrate businesses at the local level, seeking to foster the development of all segments of the value chain. At the geographical level, in countries in which the Group operates in both the conventional and renewable generation businesses, the position of Country Manager will be unified;
- > the convergence of the entire hydroelectric business within the Renewable Energy business line;
- > the integrated management of dispatching of all renewable and thermal generation plants by Energy Management at the Country level in accordance with the guidelines established by the Global Trading Division.

In the coming months, the new organization will be implemented progressively in the Group's Countries, beginning with Italy, with the consequent adjustment of operating segment reporting.

## Corporate boards

### Board of Directors

#### Chairman

Patrizia Grieco

#### Chief Executive Officer and General Manager

Francesco Starace

#### Directors

Alfredo Antoniozzi

Alessandro Banchi

Alberto Bianchi

Paola Girdinio

Alberto Pera

Anna Chiara Svelto

Angelo Taraborrelli

#### Secretary

Claudio Sartorelli

### Board of Auditors

#### Chairman

Sergio Duca

#### Auditors

Romina Guglielmetti

Roberto Mazzei

#### Alternate auditors

Alfonso Tono

Michela Barbiero

Franco Luciano Tutino

#### Independent auditors

EY SpA

## **Powers**

### **Board of Directors**

The Board is vested by the bylaws with the broadest powers for the ordinary and extraordinary management of the Company, and specifically has the power to carry out all the actions it deems advisable to implement and attain the corporate purpose.

### **Chairman of the Board of Directors**

The Chairman is vested by the bylaws with the powers to represent the Company and to sign on its behalf, presides over Shareholders' Meetings, convenes and presides over the Board of Directors, and ascertains that the Board's resolutions are carried out. Pursuant to a Board resolution of May 23, 2014, the Chairman has been vested with a number of additional non-executive powers.

### **Chief Executive Officer**

The Chief Executive Officer is also vested by the bylaws with the powers to represent the Company and to sign on its behalf, and in addition is vested by a Board resolution of May 23, 2014 with all powers for managing the Company, with the exception of those that are otherwise assigned by law or the bylaws or that the aforesaid resolution reserves for the Board of Directors

# Summary of results

The figures in this Half-Year Financial Report concerning the 2nd Quarter of 2016, which are compared with the corresponding figures for the 2nd Quarter of 2015, have not undergone a full or limited audit.

## Definition of performance indicators

In order to present the results of the Group and analyze its financial structure, Enel has prepared separate reclassified schedules that differ from the schedules envisaged under the IFRS-EU adopted by the Group and presented in the condensed interim consolidated financial statements. These reclassified schedules contain different performance indicators from those obtained directly from the condensed interim consolidated financial statements, which management feels are useful in monitoring Group performance and representative of the financial performance of the Group's business.

As regards those indicators, on December 3, 2015, CONSOB issued Communication no. 92543/15, which gives force to the Guidelines issued on October 5, 2015, by the European Securities and Markets Authority (ESMA) concerning the presentation of alternative performance measures in regulated information disclosed or prospectuses published as from July 3, 2016. These Guidelines, which update the previous CESR Recommendation (CESR/05-178b), 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.

Accordingly, in line with the regulations cited above, the criteria used to construct these indicators are as follows.

*Gross operating margin:* an operating performance indicator, calculated as "Operating income" plus "Depreciation, amortization and impairment losses".

*Net non-current assets:* calculated as the difference between "Non-current assets" and "Non-current liabilities" with the exception of:

- > "Deferred tax assets";
- > "Securities held to maturity", "Financial investments in funds or portfolio management products measured at fair value through profit or loss" and "Other financial receivables" included in "Other non-current financial assets";
- > "Long-term borrowings";
- > "Employee benefits";
- > "Provisions for risks and charges (non-current portion)";
- > "Deferred tax liabilities".

*Net current assets:* calculated as the difference between "Current assets" and "Current liabilities" with the exception of:

- > "Long-term financial receivables (short-term portion)", "Factoring receivables", "Securities held to maturity", "Cash collateral" and "Other financial receivables" included in "Other current financial assets";
- > "Cash and cash equivalents";
- > "Short-term borrowings" and the "Current portion of long-term borrowings";
- > "Provisions for risks and charges" (current portion);
- > "Other financial payables" included in "Other current liabilities".

*Net assets held for sale:* calculated as the algebraic sum of "Assets held for sale" and "Liabilities held for sale".

*Net capital employed*: calculated as the algebraic sum of "Net non-current assets" and "Net current assets", "Provisions for risks and charges", "Deferred tax liabilities" and "Deferred tax assets", as well as "Net assets held for sale".

*Net financial debt*: a financial structure indicator, determined by:

- > "Long-term borrowings" and "Short-term borrowings and the current portion of long-term borrowings", taking account of "Short-term financial payables" included in "Other current liabilities";
- > net of "Cash and cash equivalents" and "Securities held to maturity", "Financial investments in funds or portfolio management products measured at fair value through profit or loss" and "Other financial receivables" included in "Other non-current financial assets"; net of the "Current portion of long-term financial receivables", "Factoring receivables", "Cash collateral" and "Other financial receivables" included in "Other current financial assets".

More generally, the net financial debt of the Enel Group is calculated in conformity with paragraph 127 of Recommendation CESR/05-054b implementing Regulation (EC) no. 809/2004 and in line with the CONSOB instructions of July 26, 2007, net of financial receivables and long-term securities.

## Performance and financial position

2nd Quarter		Millions of euro	1st Half	
2016	2015		2016	2015
16,278	17,662	Revenue	34,150	37,632
4,036	3,938	Gross operating margin	8,053	7,961
2,540	2,459	Operating income	5,210	5,084
1,287	1,450	Group net income and net income attributable to non-controlling interests	2,592	2,629
895	1,023	Group net income	1,834	1,833
		Group net income per share in circulation at period-end (euro)	0.19	0.19
		Net capital employed	90,789	89,296 <sup>(1)</sup>
		Net financial debt	38,138	37,545 <sup>(1)</sup>
		Shareholders' equity (including non-controlling interests)	52,651	51,751 <sup>(1)</sup>
		Group shareholders' equity per share in circulation at period-end (euro)	3.54	3.44 <sup>(1)</sup>
		Cash flows from operating activities	4,196	3,045
		Capital expenditure on tangible and intangible assets <sup>(2)</sup>	3,465	2,837

(1) At December 31, 2015.

(2) Does not include €249 million regarding units classified as "held for sale" at June 30, 2016 (€255 million at June 30, 2015).

**Revenue** in the 1st Half of 2016 amounted to €34,150 million, a decrease of €3,482 million (-9.3%) compared with the same period of 2015. The decrease is largely attributable to a decline in sales of electricity in mature markets, a decrease in electricity trading activities and the effects of the appreciation of the euro against other currencies, which had an especially significant impact in Latin America and Russia.

Income from non-recurring operations in the 1st Half of 2016 mainly included the gain on the disposal of Hydro Dolomiti Enel in the amount of €124 million, while in the 1st Half of 2015 it included the gain on the disposal of SE Hydropower in the amount of €141 million and the negative goodwill and concomitant remeasurement at fair value of the interest already held by the Group following the acquisition of 3Sun for a total of €132 million.

Millions of euro	1st Half		
	2016	2015	Change
Italy	17,210	18,878	(1,668) -8.8%
Iberian Peninsula	9,014	10,199	(1,185) -11.6%
Latin America	4,983	5,406	(423) -7.8%
Eastern Europe	2,228	2,374	(146) -6.1%
Renewable Energy	1,408	1,593	(185) -11.6%
Other, eliminations and adjustments	(693)	(818)	125 15.3%
<b>Total</b>	<b>34,150</b>	<b>37,632</b>	<b>(3,482) -9.3%</b>

The **gross operating margin** in the 1st Half of 2016 amounted to €8,053 million, an increase of €92 million (1.2%) compared with the same period of 2015. Excluding the effects of the non-recurring transactions (with a negative impact of €149 million), the gross operating margin rose by €241 million, despite exchange rate losses of €39 million. The improvement was driven by the rise in the margin on Italy, especially in end-user markets, and by the performance posted in Latin America. These factors were only partly offset by the decline in the margin in Spain, especially in the generation and trading segment.

Millions of euro	1st Half		
	2016	2015	Change
Italy	3,329	3,141	188
Iberian Peninsula	1,856	1,969	(113)
Latin America	1,625	1,437	188
Eastern Europe	353	392	(39)
Renewable Energy	920	1,078	(158)
Other, eliminations and adjustments	(30)	(56)	26
<b>Total</b>	<b>8,053</b>	<b>7,961</b>	<b>92</b>
			<b>1.2%</b>

**Operating income** amounted to €5,210 million, an increase of €126 million (+2.5%) on the same period of 2015, taking account of a reduction in depreciation, amortization and impairment losses of €34 million.

Millions of euro	1st Half		
	2016	2015	Change
Italy	2,335	2,139	196
Iberian Peninsula	1,047	1,159	(112)
Latin America	1,180	948	232
Eastern Europe	194	211	(17)
Renewable Energy	554	697	(143)
Other, eliminations and adjustments	(100)	(70)	(30)
<b>Total</b>	<b>5,210</b>	<b>5,084</b>	<b>126</b>
			<b>2.5%</b>

**Group net income** for the 1st Half of 2016 amounted to €1,834 million, compared with €1,833 million in the year-earlier period, essentially unchanged year-on-year. More specifically, the increase in operating income, the reduction in taxes (which reflected the reduction in tax rates in Spain) and the smaller impact of non-controlling interests (due to the full consolidation of Enel Green Power as from the 2nd Quarter of 2016) were offset by an increase in net financial expense (largely attributable to a number of regulatory items in Argentina and the net balance of derivatives and exchange differences, the effects of which more than offset the reduction in finance charges on the debt).

**Net capital employed**, including net assets held for sale amounting to €1,210 million, totaled €90,789 million at June 30, 2016 (€89,296 million at December 31, 2015). It was financed by shareholders' equity attributable to the shareholders of the Parent Company and non-controlling interests of €52,651 million and net financial debt of €38,138 million. At June 30, 2016, the debt/equity ratio was 0.72 (0.73 at December 31, 2015).

**Net financial debt**, excluding debt attributable to assets held for sale, amounted to €38,138 million, an increase of €598 million on the €37,545 million registered at December 31, 2015, reflecting the adverse effect of borrowing for investments in the period and the payment of dividends.

**Capital expenditure** in the 1st Half of 2016 amounted to €3,465 million, an increase of €628 million compared with the same period of 2015, especially concentrated in investment in the Renewable Energy Division.

Millions of euro

	1st Half		
	2016	2015	Change
Italy	642	616 <sup>(2)</sup>	26 4.2%
Iberian Peninsula	396	356	40 11.2%
Latin America	585	791	(206) -26.0%
Eastern Europe	82 <sup>(1)</sup>	85 <sup>(3)</sup>	(3) -3.5%
Renewable Energy	1,742	973	769 79.0%
Other, eliminations and adjustments	18	16	2 12.5%
<b>Total</b>	<b>3,465</b>	<b>2,837</b>	<b>628 22.1%</b>

(1) Does not include €249 million regarding units classified as "held for sale".

(2) Does not include €1 million regarding units classified as "held for sale".

(3) Does not include €254 million regarding units classified as "held for sale".

## Operations

2nd Quarter						1st Half						
Italy	Abroad	Total	Italy	Abroad	Total	Italy	Abroad	Total	Italy	Abroad	Total	
2016			2015			2016			2015			
14.9	47.3	<b>62.2</b>	17.2	50.5	<b>67.7</b>	Net electricity generated by Enel (TWh)	29.6	98.6	<b>128.2</b>	34.5	105.1	<b>139.6</b>
53.5	50.4	<b>103.9</b>	53.8	47.5	<b>101.3</b>	Electricity transported on the Enel distribution network (TWh)	109.8	99.7	<b>209.5</b>	110.2	97.2	<b>207.4</b>
21.7	41.3	<b>63.0</b>	19.8	41.4	<b>61.2</b>	Electricity sold by Enel (TWh) <sup>(1)</sup>	45.9	85.1	<b>131.0</b>	42.2	85.5	<b>127.7</b>
0.6	1.3	<b>1.9</b>	0.6	1.4	<b>2.0</b>	Gas sales to end users (billions of m <sup>3</sup> )	2.6	3.1	<b>5.7</b>	2.5	2.8	<b>5.3</b>
Employees at period-end (no.) <sup>(2) (3)</sup>						31,877	34,789	<b>66,666</b>	33,040	34,874	<b>67,914</b>	

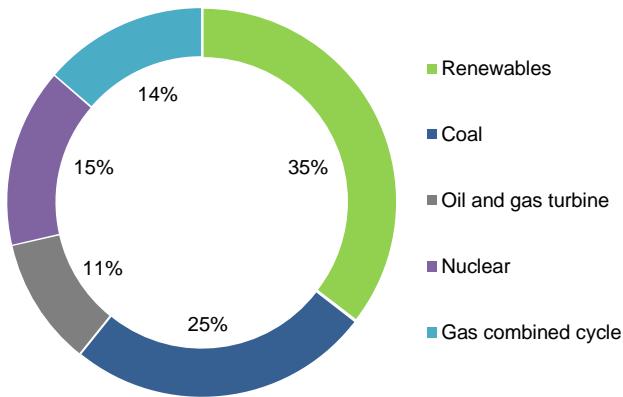
(1) Excluding sales to resellers.

(2) At December 31, 2015.

(3) Of which 4,437 in units classified as "held for sale" at June 30, 2016 (4,301 at December 31, 2015).

**Net electricity generated by Enel** in the 1st Half of 2016 decreased by 11.4 TWh (-8.2%), due to a decrease in amounts generated abroad (-6.5 TWh) and in generation in Italy (-4.9 TWh). As regards the technology mix, there was a significant decrease in conventional thermal generation (-10.5 TWh), reflecting the decline in the use of coal-fired and combined-cycle plants. Hydroelectric generation declined by 2.0 TWh, mainly as a result of a deterioration in water conditions in Italy.

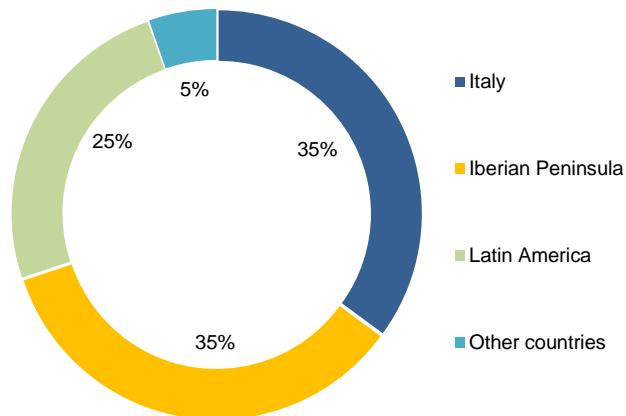
### Net electricity generation by source (1st Half of 2016)



**Electricity transported on the Enel distribution network** in the 1st Half of 2016 amounted to 209.5 TWh, up 2.1 TWh (+1.0%), essentially reflecting the rise in quantities transported in the Iberian Peninsula.

**Electricity sold by Enel** in the 1st Half of 2016 rose by 3.3 TWh (+2.6%). More specifically, the increase in sales in Italy (+3.7 TWh) was accompanied by a rise in amounts sold in Latin America (+0.6 TWh), only partly offset by a decline in sales in France and Romania (-0.9 TWh) and the Iberian Peninsula.

### Electricity sold by geographical area (1st Half of 2016)



**Gas sales** in the 1st Half of 2016 amounted to 5.7 billion cubic meters, up 0.4 billion cubic meters compared with the same period of 2015.

At June 30, 2016, Enel Group **employees** numbered 66,666, of whom 52.2% employed in Group companies headquartered abroad. The change (a decrease of 1,248) is mainly attributable to the net balance of new hires and terminations in the period, with most of the decline coming in Italy, partly in reflection of the application of Article 4 of Law 92/2012 concerning early retirement.

No.	at June 30, 2016	at Dec. 31, 2015
Italy	27,636	28,774
Iberian Peninsula	9,704	10,001
Latin America	12,138	12,211
Eastern Europe <sup>(1)</sup>	10,361	10,200
Renewable Energy	4,495	4,309
Other, eliminations and adjustments	2,332	2,419
<b>Total</b>	<b>66,666</b>	<b>67,914</b>

(1) Of which 4,437 in units classified as "held for sale" at June 30, 2016 (4,301 at December 31, 2015).

# Overview of the Group's operations, performance and financial position

## Main changes in the scope of consolidation

For a detailed examination of the acquisitions and disposals made during the period, please see note 2 of the explanatory notes to the condensed interim consolidated financial statements.

## Group performance

2nd Quarter			Millions of euro			1st Half			
2016	2015	Change				2016	2015	Change	
16,278	17,662	(1,384)	-7.8%	Total revenue		34,150	37,632	(3,482)	-9.3%
12,208	13,818	(1,610)	-11.7%	Total costs		25,983	29,847	(3,864)	-12.9%
(34)	94	(128)	-136.2%	Net income/(expense) from commodity contracts measured at fair value		(114)	176	(290)	-
<b>4,036</b>	<b>3,938</b>	<b>98</b>	<b>2.5%</b>	<b>Gross operating margin</b>		<b>8,053</b>	<b>7,961</b>	<b>92</b>	<b>1.2%</b>
1,496	1,479	17	1.1%	Depreciation, amortization and impairment losses		2,843	2,877	(34)	-1.2%
<b>2,540</b>	<b>2,459</b>	<b>81</b>	<b>3.3%</b>	<b>Operating income</b>		<b>5,210</b>	<b>5,084</b>	<b>126</b>	<b>2.5%</b>
949	764	185	24.2%	Financial income		2,541	2,710	(169)	-6.2%
1,624	1,274	350	27.5%	Financial expense		4,068	3,987	81	2.0%
<b>(675)</b>	<b>(510)</b>	<b>(165)</b>	<b>-32.4%</b>	<b>Total net financial income/(expense)</b>		<b>(1,527)</b>	<b>(1,277)</b>	<b>(250)</b>	<b>-19.6%</b>
17	(16)	33	-	Share of income/(expense) from equity investments accounted for using the equity method		52	8	44	-
<b>1,882</b>	<b>1,933</b>	<b>(51)</b>	<b>-2.6%</b>	<b>Income before taxes</b>		<b>3,735</b>	<b>3,815</b>	<b>(80)</b>	<b>-2.1%</b>
595	483	112	23.2%	Income taxes		1,143	1,186	(43)	-3.6%
<b>1,287</b>	<b>1,450</b>	<b>(163)</b>	<b>-11.2%</b>	<b>Net income from continuing operations</b>		<b>2,592</b>	<b>2,629</b>	<b>(37)</b>	<b>-1.4%</b>
-	-	-	-	Net income from discontinued operations		-	-	-	-
<b>1,287</b>	<b>1,450</b>	<b>(163)</b>	<b>-11.2%</b>	<b>Net income (Group and non-controlling interests)</b>		<b>2,592</b>	<b>2,629</b>	<b>(37)</b>	<b>-1.4%</b>
895	1,023	(128)	-12.5%	Net income attributable to shareholders of Parent Company		1,834	1,833	1	0.1%
392	427	(35)	-8.2%	Net income attributable to non-controlling interests		758	796	(38)	-4.8%

## Revenue

2nd Quarter			Millions of euro			1st Half		
2016	2015	Change				2016	2015	Change
10,099	11,113	(1,014)	-9.1%	Sale of electricity		20,577	23,051	(2,474) -10.7%
2,379	2,284	95	4.2%	Transport of electricity		4,687	4,665	22 0.5%
139	213	(74)	-34.7%	Fees from network operators		259	398	(139) -34.9%
271	319	(48)	-15.0%	Transfers from institutional market operators		530	604	(74) -12.3%
641	742	(101)	-13.6%	Sale of gas		2,149	2,292	(143) -6.2%
85	76	9	11.8%	Transport of gas		320	292	28 9.6%
				Gains on disposal of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale		174	184	(10) -5.4%
8	166	(158)	-95.2%	Gains from remeasurement at fair value after changes in control		4	45	(41) -91.1%
3	(2)	5	-	Gain on the disposal of property, plant and equipment and intangible assets		20	12	8 66.7%
2,649	2,718	(69)	-2.5%	Other services, sales and revenue		5,430	6,089	(659) -10.8%
<b>16,278</b>	<b>17,662</b>	<b>(1,384)</b>	<b>-7.8%</b>	<b>Total</b>		<b>34,150</b>	<b>37,632</b>	<b>(3,482) -9.3%</b>

In the 1st Half of 2016 revenue from the **sale of electricity** amounted to €20,577 million (€10,099 million in the 2nd Quarter of 2016), a decrease of €2,474 million (down €1,014 million in the 2nd Quarter of 2016) compared with the same period of the previous year, reflecting:

- > a reduction of €758 million in wholesale electricity sales (€301 million in the 2nd Quarter of 2016), mainly due to a decline in sales on exchanges, the impact of which – primarily attributable to price and exchange rate effects – was partly offset by the positive impact of the Ancillary Services Market (MSD) in Italy;
- > a substantial decline (€969 million) in revenue from sales on end-user markets (€425 million in the 2nd Quarter of 2016), mainly reflecting developments in the mature markets of Italy and Spain. More specifically, in the Italian market the effect of the increase in quantities sold was more than offset by the reduction in average sales prices. In addition, the increase in quantities sold in Latin America was partly offset by the depreciation of local currencies against the euro;
- > a decrease of €747 million in revenue from electricity trading (€288 million in the 2nd Quarter of 2016), reflecting the combined impact of the reduction in volumes handled and in average prices.

Revenue from the **transport of electricity** amounted to €4,687 million (€2,379 million in the 2nd Quarter of 2016), an increase of €22 million (€95 million in the 2nd Quarter of 2016) as a result of an increase in quantities transported in Spain, which more than offset the reduction in distribution rates in Italy.

Revenue from **transfers from institutional market operators** in the 1st Half of 2016 totaled €530 million (€271 million in the 2nd Quarter of 2016), a decrease of €74 million (down €48 million in the 2nd Quarter of 2016) compared with the same period of 2015. The change reflects a decline in prices of fuels in the extra-peninsular area of Spain, which had a direct impact on the compensation received for generation in that area.

Revenue from the **sale of gas** in the 1st Half of 2016 amounted to €2,149 million, a decrease of €143 million (-6.2%), while in the 2nd Quarter of 2016 it amounted to €641 million, a decline of €101 million (-13.6%) compared with the same period of the previous year, reflecting a decline in average sales prices, which offset the rise in quantities sold.

Revenue from the **transport of gas** in the 1st Half of 2016 amounted to €320 million (€85 million in the 2nd Quarter of 2016), an increase of €28 million, largely due to the increase in amounts transported.

**Gains on the disposal of entities** in the 1st Half of 2016 amounted to €174 million (€184 million in the 1st Half of 2015) and mainly regarded the gain of €124 million from the sale of Hydro Dolomiti Enel (with a negative impact of €22 million in the 2nd Quarter as a result of the determination of the price adjustment following the definitive determination of the accounting situation at disposal), the positive price adjustment of €30 million in respect of the disposal of ENEOP (which took place in 2015) and the gain of €19 million on the disposal of Compostilla RE at the start of 2016. In the 1st Half of 2015 the item mainly reported the gains on the disposals of SE Hydropower (€141 million) and SF Energy (€15 million).

**Gains from remeasurement at fair value after changes in control** amounted to €4 million in the 1st Half and 2nd Quarter of 2016 and regarded the adjustment to fair value of the Group assets and liabilities following the loss of control with the disposal, on May 1, 2016, of 65% of Drift Sand Wind Project. Income in the 1st Half of 2015 amounted to €45 million (€33 million in the 2nd Quarter of 2015) and was entirely accounted for by the adjustment to fair value of the assets and liabilities pertaining to the Group already held by Enel prior to acquiring full control of 3Sun.

Revenue from **other services, sales and revenue** amounted to €5,430 million in the 1st Half of 2016 (€6,089 million in the same period of the previous year), while in the 2nd Quarter of 2016 it amounted to €2,649 million (€2,718 million in the same period of the previous year), representing a decrease of €659 million on the 1st Half of 2015 and one of €69 million on the 2nd Quarter of 2016.

The decrease with respect to the 1st Half of 2015 is mainly due to:

- > a decrease of €487 million in revenue from the sale of environmental certificates, mainly associated with a reduction in trading in environmental certificates in the 1st Half of 2016 and the recognition in the 1st Half of 2015 of revenue from the sale and measurement at fair value of environmental certificates (€173 million) under the provisions of Regulation (EU) no. 389/2013;
- > a reduction of €124 million in revenue reflecting the receipt of grants in the 1st Quarter of 2015 in Argentina following the enactment of *Resolución* no. 32/2015;
- > a reduction in revenue in respect of negative goodwill emerging from the acquisition of 3Sun recognized in the 1st Half of 2015 in the amount of €87 million.

## Costs

2nd Quarter			Millions of euro			1st Half		
2016	2015	Change				2016	2015	Change
4,133	5,112	(979)	-19.2%	Electricity purchases		8,692	10,878	(2,186) -20.1%
991	1,504	(513)	-34.1%	Consumption of fuel for electricity generation		2,061	2,816	(755) -26.8%
1,981	1,997	(16)	-0.8%	Fuel for trading and gas for sale to end users		4,693	5,076	(383) -7.5%
262	178	84	47.2%	Materials		507	670	(163) -24.3%
1,154	1,183	(29)	-2.5%	Personnel		2,232	2,338	(106) -4.5%
3,632	3,663	(31)	-0.8%	Services, leases and rentals		7,402	7,456	(54) -0.7%
478	560	(82)	-14.6%	Other operating expenses		1,117	1,258	(141) -11.2%
(423)	(379)	(44)	-11.6%	Capitalized costs		(721)	(645)	(76) -11.8%
<b>12,208</b>	<b>13,818</b>	<b>(1,610)</b>	<b>-11.7%</b>	<b>Total</b>		<b>25,983</b>	<b>29,847</b>	<b>(3,864) -12.9%</b>

Costs for **electricity purchases** in the 1st Half of 2016 amounted to €8,692 million, a decrease of €2,186 million compared with the same period of the previous year (down €979 million in the 2nd Quarter of 2016) or 20.1% (-19.2% in the 2nd Quarter of 2016). In both periods under review, the decline reflected the impact of a reduction in purchases through bilateral contracts (€1,252 million in the 1st Half and €634 million in the 2nd Quarter of 2016), a reduction in purchases on electricity exchanges (€288 million in the 1st Half and €76 million in the 2nd Quarter of 2016) and lower purchase costs for electricity on domestic and foreign electricity markets (€646 million in the 1st Half and €270 million in the 2nd Quarter of 2016). The reduction is essentially connected with the generalized downward impact of exchange rate, especially in Latin America.

Costs for the **consumption of fuel for electricity generation** in the 1st Half of 2016 amounted to €2,061 million, down €755 million (-26.8%) compared with the same period of the previous year, while in the 2nd Quarter of 2016 they amounted to €991 million, down €513 million (-34.1%). The decrease in the 1st Half reflected the decline in requirements compared with the same period of the previous year and the use of fuels with a lower average unit cost.

Costs for the purchase of **fuel for trading and gas for sale to end users** amounted to €4,693 million in the 1st Half of 2016 (€1,981 million in the 2nd Quarter of 2016), a decrease of €383 million (-€16 million in the 2nd Quarter of 2016) on the same period of 2015. The change mainly reflects a decline in the average purchase cost for the commodity and a decrease in the volume of gas handled for trading.

Costs for **materials** in the 1st Half of 2016 amounted to €507 million, a decrease of €163 million (-24.3%), mainly as a result of an increase in purchases of EUAs and CERs concentrated above all in the 1st Quarter of 2015, giving rise to an increase in those costs in the 2nd Quarter of 2016.

**Personnel** costs in the 1st Half of 2016 amounted to €2,232 million, a decrease of €106 million (-4.5%). In the 2nd Quarter of 2016, such costs totaled €1,154 million, a decrease of €29 million (-2.5%) compared with the same period of the previous year. The change in the 1st Half essentially reflects the reduction in the average workforce in Italy and Spain, in part reflecting the early retirement mechanisms introduced in previous years and still being implemented.

The Enel Group workforce at June 30, 2016 numbered 66,666 (67,914 at December 31, 2015). Compared with December 31, 2015, the Group workforce contracted by 1,248 (of which 1,138 in Italy, mainly due to the application of the mechanism envisaged under Article 4 of Law 92/2012), entirely attributable to the net balance between new hires and terminations.

The overall change compared with December 31, 2015 breaks down as follows:

<b>Balance at December 31, 2015</b>	<b>67,914</b>
Hirings	1,528
Terminations	(2,776)
<b>Balance at June 30, 2016</b>	<b>66,666</b>

Costs for **services, leases and rentals** in the 1st Half of 2016 amounted to €7,402 million, a decrease of €54 million on the 1st Half of 2015, while in the 2nd Quarter of 2016 they amounted to €3,632 million, a decrease of €31 million on the same period of 2015, mainly due to developments in exchange rates and a reduction in costs associated with assets used to provide services under concession arrangements (pursuant to IFRIC 12). These factors were partly offset by an increase in costs for wheeling services.

**Other operating expenses** in the 1st Half of 2016 amounted to €1,117 million, a decrease of €141 million on the year-earlier period 2015, while in the 2nd Quarter of 2016 they amounted to €478 million, a decline of €82 million compared with the same period of the previous year. The change in the 1st Half mainly reflects:

- > a decrease in charges for variable indirect taxes and duties connected with electricity operations in Spain in the amount of about €88 million, mainly due to the provisions of Law 15/2012, as well as environmental taxes in a number of regions;
- > a decrease of €57 million in charges for reimbursement to customers for extended service interruptions in Italy.

**Net income/(expense) from commodity contracts measured at fair value** showed net expense of €114 million in the 1st Half of 2016 (net income of €176 million in the 1st Half of 2015) and net expense of €34 million in the 2nd Quarter of 2016 (net income of €94 million in the same period of the previous year). More specifically, the net expense for the 1st Half of 2016 was essentially attributable to net realized expense in the period totaling €234 million, partly offset by net unrealized income from the fair value measurement of derivatives positions open at June 30, 2016, in the amount of €120 million.

**Depreciation, amortization and impairment losses** in the 1st Half of 2016 amounted to €2,843 million, a decrease of €34 million, while in the 2nd Quarter of 2016 they amounted to €1,496 million, up €17 million. The decrease in the 1st Half essentially reflects a reduction in net adjustments of trade receivables and a decline in depreciation and amortization (reflecting the impairment losses on the Russian and Slovakian generation assets recognized at the end of 2015). Impairment losses in the 1st Half of 2016 include €39 million in respect of the adjustment of the likely sale value (as determined in negotiations with the buyer) of assets under development in the upstream gas sector in Algeria (the Isarene permit).

**Operating income** in the 1st Half of 2016 amounted to €5,210 million, an increase of €126 million (+2.5%), while in the 2nd Quarter of 2016 it amounted to €2,540 million, an increase of €81 million compared with the same period of the previous year (+3.3%).

**Net financial expense** rose by €250 million in the 1st Half of 2016 and €165 million in the 2nd Quarter. The change mainly reflects:

- > a decrease of €73 million in net interest expense, mainly as a result of the decline in the average amount of financial debt;
- > net exchange gains of €1,753 million, broadly offset by an increase of €1,835 million in net charges on derivatives;

- > an increase of €85 million in charges for the accretion of provisions and employee benefits, partly attributable to charges for early retirement incentives and partly to the effects of ENRE Resolution no. 1/2016 on a number of regulatory penalties levied in Argentina;
- > a decrease of €108 million in other financial income, essentially reflecting the recognition in the 1st Half of 2015 of income connected with regulatory items concerning electricity distribution operations in Argentina following the changes introduced with Resolutions no. 476/2015 and no. 1208/2015 in the CAMMESA remuneration mechanism (€68 million), a decrease in default interest (€17million) and interest recognized in the 1st Half of 2015 on the reimbursement of the eco-tax in the Estremadura region in Spain (€10 million).

The **share of income/(expense) from equity investments accounted for using the equity method** in the 1st Half of 2016 showed net income of €52 million (€17million in the 2nd Quarter of 2016).

**Income taxes** for the 1st Half of 2016 amounted to €1,143 million, equal to 30.6% of taxable income, compared with 31.1% in the 1st Half of 2015, while the tax liability for the 2nd Quarter 2016 was an estimated €595 million. The decline in the effective tax rate in the 1st Half del 2016 compared with the same period of 2015 is attributable to the reduction in tax rates in Spain, partly offset by the change in the contribution in the two periods being compared of a number of income items generated in extraordinary transactions that are essentially tax exempt (the participation exemption, or PEX).

## Analysis of the Group's financial position

### Net capital employed and associated funding

Millions of euro

	at June 30, 2016	at Dec. 31, 2015		Change
<b>Net non-current assets:</b>				
- property, plant and equipment and intangible assets	91,135	88,686	2,449	2.8%
- goodwill	13,811	13,824	(13)	-0.1%
- equity investments accounted for using the equity method	666	607	59	9.7%
- other net non-current assets/(liabilities)	(441)	1,092	(1,533)	-
<b>Total net non-current assets</b>	<b>105,171</b>	<b>104,209</b>	<b>962</b>	<b>0.9%</b>
<b>Net current assets:</b>				
- trade receivables	12,499	12,797	(298)	-2.3%
- inventories	2,847	2,904	(57)	-2.0%
- net receivables due from institutional market operators	(3,875)	(4,114)	239	5.8%
- other net current assets/(liabilities)	(4,690)	(5,518)	828	15.0%
- trade payables	(11,243)	(11,775)	532	4.5%
<b>Total net current assets</b>	<b>(4,462)</b>	<b>(5,706)</b>	<b>1,244</b>	<b>21.8%</b>
<b>Gross capital employed</b>	<b>100,709</b>	<b>98,503</b>	<b>2,206</b>	<b>2.2%</b>
<b>Provisions:</b>				
- employee benefits	(2,294)	(2,284)	(10)	-0.4%
- provisions for risks and charges and net deferred taxes	(8,836)	(8,413)	(423)	-5.0%
<b>Total provisions</b>	<b>(11,130)</b>	<b>(10,697)</b>	<b>(433)</b>	<b>-4.0%</b>
<b>Net assets held for sale</b>	<b>1,210</b>	<b>1,490</b>	<b>(280)</b>	<b>-18.8%</b>
<b>Net capital employed</b>	<b>90,789</b>	<b>89,296</b>	<b>1,493</b>	<b>1.7%</b>
<b>Total shareholders' equity</b>	<b>52,651</b>	<b>51,751</b>	<b>900</b>	<b>1.7%</b>
<b>Net financial debt</b>	<b>38,138</b>	<b>37,545</b>	<b>593</b>	<b>1.6%</b>

*Property, plant and equipment and intangible assets* (including investment property) amounted to €91,135 million at June 30, 2016, an increase of €2,449 million. The rise mainly reflects investments in the period (€3,465 million) and the impact of translating financial statements denominated in foreign currencies (a gain of €1,405 million, mainly attributable to Chile and Colombia). These effects were partly offset by depreciation, amortization and impairment losses totaling €2,373 million.

*Goodwill*, amounting to €13,811 million, decreased by €13 million compared with December 31, 2015, mainly due to the negative effects of the adjustment at current exchange rates of goodwill denominated in currencies other than the euro.

*Equity investments accounted for using the equity method* amounted to €666 million, an increase of €59 million on the end of 2015, essentially reflecting the net income pertaining to the Group of companies accounted for using the equity method, only partly offset by the distribution of dividends.

*Other net non-current liabilities* totaled €441 million at June 30, 2016, a decrease of €1,533 million on December 31, 2015 (net non-current assets of €1,092 million). The change is largely attributable to the decrease (€1,713 million) in the net value of financial derivatives, which reflected fluctuations in the 1st Half in interest rates and exchange rates, partly offset by an increase in financial assets in respect of service concession arrangements (€195 million), mainly due to the investments made in the distribution network held on a concession basis in Brazil.

**Net current assets** were a negative €4,462 million at June 30, 2016, compared with a negative €5,706 million at December 31, 2015. The change of €1,244 million is attributable to the following factors:

- > a decrease of €298 million in trade receivables;
- > a decrease of €57 million in inventories;
- > an increase of €239 million in net receivables from institutional market operators, mainly associated with the rate components of the Italian electrical system covering costs generated by the system itself;
- > a decrease of €828 million in other current liabilities net of associated assets. The change reflects:
  - a decrease in net income tax liabilities (€446 million) associated with the recognition of taxes for the period (net of tax payments made);
  - an increase of €345 million in net current financial assets, mainly attributable to changes in the fair value of commodity derivatives;
  - a decrease of €5 million in net other current liabilities, reflecting an increase in prepaid expenses (€288 million), an increase in net assets in respect of construction contracts (€193 million), an increase in net other tax liabilities (€345 million, regarding indirect and excise taxes) and an increase in payables due to customers for reimbursements (€113 million);
- > a decrease of €532 million in trade payables.

**Provisions** amounted to €11,130 million, an increase of €433 million on December 31, 2015. The change essentially reflects the increase in provisions for net deferred taxes (€465 million), only partly offset by a reduction in provisions for risks and charges (€42 million).

**Net assets held for sale** amounted to €1,210 million at June 30, 2016, and essentially include the net assets, valued at their estimated realizable value, of Slovenské elektrárne, which, in view of the decisions taken by management, meet the requirements of IFRS 5 for classification as assets held for sale. The decrease of €280 million for the period is mainly attributable to the disposals of Hydro Dolomiti Enel and Compostilla Re in the 1st Half of 2016.

**Net capital employed** at June 30, 2016 amounted to €90,789 million and was funded by shareholders' equity attributable to the shareholders of the Parent Company and non-controlling interests in the amount of €52,651 million and net financial debt of €38,138 million. At June 30, 2016, the debt/equity ratio was 0.72 (0.73 at December 31, 2015).

## Analysis of the Group's financial structure

### Net financial debt

The **net financial debt** of the Enel Group and changes in the period are detailed in the table below.

Millions of euro

	at June 30, 2016	at Dec. 31, 2015	Change	
<b>Long-term debt:</b>				
- bank borrowings	7,532	6,863	669	9.7%
- bonds	33,560	35,987	(2,427)	-6.7%
- other borrowings	1,871	2,022	(151)	-7.5%
<i>Long-term debt</i>	<i>42,963</i>	<i>44,872</i>	<i>(1,909)</i>	<i>-4.3%</i>
Long-term financial receivables and securities	(2,585)	(2,335)	(250)	-10.7%
<b>Net long-term debt</b>	<b>40,378</b>	<b>42,537</b>	<b>(2,159)</b>	<b>-5.1%</b>
<b>Short-term debt:</b>				
Bank borrowings:				
- short-term portion of long-term bank borrowings	916	844	72	8.5%
- other short-term bank borrowings	488	180	308	-
<i>Short-term bank borrowings</i>	<i>1,404</i>	<i>1,024</i>	<i>380</i>	<i>37.1%</i>
Bonds (short-term portion)	2,669	4,570	(1,901)	-41.6%
Other borrowings (short-term portion)	266	319	(53)	-16.6%
Commercial paper	482	213	269	-
Cash collateral and other financing on derivatives	994	1,698	(704)	-41.5%
Other short-term financial payables <sup>(1)</sup>	160	64	96	-
<i>Other short-term debt</i>	<i>4,571</i>	<i>6,864</i>	<i>(2,293)</i>	<i>-33.4%</i>
Long-term financial receivables (short-term portion)	(749)	(769)	20	2.6%
Factoring receivables	(101)	(147)	46	31.3%
Financial receivables - cash collateral	(1,631)	(1,020)	(611)	-59.9%
Other short-term financial receivables	(189)	(304)	115	37.8%
Cash and cash equivalents with banks and short term securities	(5,545)	(10,640)	5,095	47.9%
<i>Cash and cash equivalents and short-term financial receivables</i>	<i>(8,215)</i>	<i>(12,880)</i>	<i>4,665</i>	<i>36.2%</i>
<b>Net short-term debt</b>	<b>(2,240)</b>	<b>(4,992)</b>	<b>2,752</b>	<b>55.1%</b>
<b>NET FINANCIAL DEBT</b>	<b>38,138</b>	<b>37,545</b>	<b>593</b>	<b>1.6%</b>
<b>Net financial debt of "Assets held for sale"</b>	<b>1,224</b>	<b>841</b>	<b>383</b>	<b>45.5%</b>

(1) Includes current financial payables included in Other current financial liabilities.

Net financial debt amounted to €38,138 million at June 30, 2016, an increase of €593 million on December 31, 2015.

More specifically, **net long-term debt** fell by €2,159 million, the joint effect of an increase of €250 million in long-term financial receivables and a decrease of €1,909 million in gross long-term debt.

With regard to the latter aggregate:

- > bank borrowings amounted to €7,532 million, an increase of €669 million;
- > bonds amounted to €33,560 million, a decrease of €2,427 million on the end of 2015, mainly reflecting:
  - the repurchase by Enel SpA of bonds it had issued in the total amount of €750 million, a transaction carried out as part of the broader liability management effort;

- the reclassification to short term of bonds maturing in the following 12 months, including a fixed-rate bond issued by Enel SpA with a residual amount of €909 million maturing in June 2017 and bonds issued locally by Latin America companies in the amount of €273 million;
- exchange gains of €576 million (including current portion);
- new issues in the 1st Half of 2016, including the non-binding exchange offer carried out in May 2016, which involved the repurchase by Enel Finance International of bonds amounting to €1,074 million and the concomitant issue of a senior fixed-rate bond in the nominal amount of €1,257 million, maturing in June 2026;

**Net short-term debt** showed a net creditor position of €2,240 million at June 30, 2016, a decrease of €2,752 million on the end of 2015, the result of the decrease in cash and cash equivalents and short-term financial receivables in the amount of €4,665 million and an increase in short-term bank borrowings in the amount of €380 million, partly offset by a decrease of €2,293 million in other short-term debt.

Other short-term debt, totaling €4,571 million, includes commercial paper issued by Enel Finance International and International Endesa BV amounting to €482 million and bonds maturing within 12 months amounting to €2,669 million. Finally, cash collateral paid to counterparties in over-the-counter derivatives transactions on interest rates, exchange rates and commodities totaled €1,631 million, while cash collateral received from such counterparties amounted to €994 million.

Cash and cash equivalents and short-term financial receivables came to €8,215 million, down €4,665 million compared with the end of 2015, mainly due to the decrease in cash with banks and short-term securities in the amount of €5,095 million and of other short-term financial receivables for €115 million, partly offset by an increase in receivables for cash collateral paid to counterparties in over-the-counter derivatives transactions on interest rates, exchange rates and commodities of €611 million.

## Cash flows

Millions of euro	1st Half		
	2016	2015	Change
<b>Cash and cash equivalents at the beginning of the period <sup>(1)</sup></b>	<b>10,790</b>	<b>13,255</b>	<b>(2,465)</b>
Cash flows from operating activities	4,196	3,045	1,151
Cash flows from investing/disinvesting activities	(3,290)	(2,667)	(623)
Cash flows from financing activities	(6,237)	(4,285)	(1,952)
Effect of exchange rate changes on cash and cash equivalents	119	90	29
<b>Cash and cash equivalents at the end of the period <sup>(2)</sup></b>	<b>5,578</b>	<b>9,438</b>	<b>(3,860)</b>

(1) Of which cash and cash equivalents equal to €10,639 million at January 1, 2016 (€13,088 million at January 1, 2015), short-term securities equal to €1 million at January 1, 2016 (€140 million at January 1, 2015) and cash and cash equivalents pertaining to assets held for sale in the amount of €150 million at January 1, 2016 (€27 million at January 1, 2015).

(2) Of which cash and cash equivalents equal to €5,515 million at June 30, 2016 (€9,427 million at June 30, 2015), short-term securities equal to €30 million at June 30, 2016 (€1 million at June 30, 2015) and cash and cash equivalents pertaining to assets held for sale in the amount of €33 million at June 30, 2016 (€10 million at June 30, 2015).

**Cash flows from operating activities** in the 1st Half of 2016 were a positive €4,196 million, an increase of €1,151 million compared with the same period of the previous year, reflecting the decreased use of cash in connection with the change in net current assets (especially as regards trade payables due to institutional suppliers in the electricity distribution sector in Italy) and the improvement in the gross operating margin.

**Cash flows from investing/disinvesting activities** in the 1st Half of 2016 absorbed funds in the amount of €3,290 million, while in the same period of 2015 they had absorbed liquidity totaling €2,667 million.

More specifically, cash requirements in respect of investments in property, plant and equipment and in intangible assets amounted to €3,714 million in the 1st Half of 2016, an increase of €622 million compared with the same period of the previous year, mainly attributable to an increase in investment in renewables generation.

In the 1st Half of 2016, the disposal of entities and business units, net of cash and cash equivalents sold, generated cash flows of €406 million. They mainly included the disposal of Hydro Dolomiti Enel, which operates in the generation of hydroelectric power in Italy, and the disposal of a number of minor companies in North America. In the 1st Half of 2015, the item amounted to €437 million and mainly included the cash flows generated by the disposals of SE Hydropower and SF Energy in Italy.

Cash flows generated by other investing/disinvesting activities in the first six months of 2016 amounted to €18 million, and are essentially attributable to ordinary disinvestments during the period.

**Cash flows from financing activities** absorbed liquidity in the amount of €6,237 million, while in the first six months of 2015 they showed cash used of €4,285 million. The flow in the 1st Half of 2016 is essentially associated with the reduction of net financial debt (the net balance of repayments and new borrowing) in the amount of €3,837 million and the payment of dividends totaling €2,187 million.

In the 1st Half of 2016, cash flows from operating activities in the amount of €4,196 million only partly covered the cash needs for financing activities in the amount of €6,237 million and for investing activities totaling €3,290 million. The difference is reflected in the decrease in cash and cash equivalents, which at June 30, 2016 amounted to €5,578 million, compared with €10,790 million at the end of 2015. This decrease also reflects the effect of positive developments in the exchange rates of the various local currencies against the euro, equal to €119 million.

## Results by business area

The representation of performance by business area presented here is based on the approach used by management in monitoring Group performance for the two periods under review, taking account of the operational model adopted by the Group as described above.

Taking account of the provisions of IFRS 8 regarding the management approach, the new organization modified the structure of reporting, as well as the representation and analysis of Group performance and financial position, as from the start of 2015. More specifically, performance by business area reported in this Half-Year Financial Report was determined by designating the Regions and Countries perspective as the primary reporting segment, with the exception of the Renewable Energy Division, which, in view of its centralized management by the Enel Green Power sub-holding company, has greater autonomy than the other divisions. In addition, account was also taken of the possibilities for the simplification of disclosures associated with the materiality thresholds also established under IFRS 8 and, therefore, the item "Other, eliminations and adjustments" includes not only the effects from the elimination of intersegment transactions, but also the figures for the Parent Company, Enel SpA, and the Upstream Gas Division.

The following chart outlines these organizational arrangements.



The organizational structure was modified on April 8, 2016, partly in relation to the integration of Enel Green Power. In the coming months, the new organization will be implemented progressively in the Group's Countries, beginning with Italy, with the consequent adjustment of operating segment reporting.

## Results by business area for the 2nd Quarter of 2016 and 2015

### 2nd Quarter of 2016 <sup>(1)</sup>

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Revenue from third parties	7,813	4,289	2,541	1,002	631	2	16,278
Revenue from transactions with other segments	227	28	(10)	57	72	(374)	-
<b>Total revenue</b>	<b>8,040</b>	<b>4,317</b>	<b>2,531</b>	<b>1,059</b>	<b>703</b>	<b>(372)</b>	<b>16,278</b>
Net income/(expense) from commodity contracts measured at fair value	(79)	32	(2)	-	14	1	(34)
<b>Gross operating margin</b>	<b>1,554</b>	<b>1,062</b>	<b>825</b>	<b>156</b>	<b>458</b>	<b>(19)</b>	<b>4,036</b>
Depreciation, amortization and impairment losses	509	410	230	101	188	58	1,496
<b>Operating income</b>	<b>1,045</b>	<b>652</b>	<b>595</b>	<b>55</b>	<b>270</b>	<b>(77)</b>	<b>2,540</b>

(1) Segment revenue includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.

### 2nd Quarter of 2015 <sup>(1)</sup>

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Revenue from third parties	8,330	4,807	2,734	1,076	708	7	17,662
Revenue from transactions with other segments	224	34	2	59	73	(392)	-
<b>Total revenue</b>	<b>8,554</b>	<b>4,841</b>	<b>2,736</b>	<b>1,135</b>	<b>781</b>	<b>(385)</b>	<b>17,662</b>
Net income/(expense) from commodity contracts measured at fair value	47	40	-	-	2	5	94
<b>Gross operating margin</b>	<b>1,587</b>	<b>992</b>	<b>701</b>	<b>159</b>	<b>542</b>	<b>(43)</b>	<b>3,938</b>
Depreciation, amortization and impairment losses	512	415	244	87	215	6	1,479
<b>Operating income</b>	<b>1,075</b>	<b>577</b>	<b>457</b>	<b>72</b>	<b>327</b>	<b>(49)</b>	<b>2,459</b>

(1) Segment revenue includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.

## Results by business area for the 1st Half of 2016 and 2015

### 1st Half of 2016 <sup>(1)</sup>

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Revenue from third parties	16,797	8,983	4,967	2,111	1,266	26	34,150
Revenue from transactions with other segments	413	31	16	117	142	(719)	-
<b>Total revenue</b>	<b>17,210</b>	<b>9,014</b>	<b>4,983</b>	<b>2,228</b>	<b>1,408</b>	<b>(693)</b>	<b>34,150</b>
Net income/(expense) from commodity contracts measured at fair value	(121)	(18)	-	(8)	31	2	(114)
<b>Gross operating margin</b>	<b>3,329</b>	<b>1,856</b>	<b>1,625</b>	<b>353</b>	<b>920</b>	<b>(30)</b>	<b>8,053</b>
Depreciation, amortization and impairment losses	994	809	445	159	366	70	2,843
<b>Operating income</b>	<b>2,335</b>	<b>1,047</b>	<b>1,180</b>	<b>194</b>	<b>554</b>	<b>(100)</b>	<b>5,210</b>
<b>Capital expenditure</b>	<b>642</b>	<b>396</b>	<b>585</b>	<b>82 <sup>(2)</sup></b>	<b>1,742</b>	<b>18</b>	<b>3,465</b>

(1) Segment revenue includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.

(2) Does not include €249 million regarding units classified as "held for sale".

### 1st Half of 2015 <sup>(1)</sup>

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Revenue from third parties	18,389	10,144	5,404	2,215	1,471	9	37,632
Revenue from transactions with other segments	489	55	2	159	122	(827)	-
<b>Total revenue</b>	<b>18,878</b>	<b>10,199</b>	<b>5,406</b>	<b>2,374</b>	<b>1,593</b>	<b>(818)</b>	<b>37,632</b>
Net income/(expense) from commodity contracts measured at fair value	102	69	(3)	3	1	4	176
<b>Gross operating margin</b>	<b>3,141</b>	<b>1,969</b>	<b>1,437</b>	<b>392</b>	<b>1,078</b>	<b>(56)</b>	<b>7,961</b>
Depreciation, amortization and impairment losses	1,002	810	489	181	381	14	2,877
<b>Operating income</b>	<b>2,139</b>	<b>1,159</b>	<b>948</b>	<b>211</b>	<b>697</b>	<b>(70)</b>	<b>5,084</b>
<b>Capital expenditure</b>	<b>616 <sup>(2)</sup></b>	<b>356</b>	<b>791</b>	<b>85 <sup>(3)</sup></b>	<b>973</b>	<b>16</b>	<b>2,837</b>

(1) Segment revenue includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.

(2) Does not include €1 million regarding units classified as "held for sale".

(3) Does not include €254 million regarding units classified as "held for sale".

In addition to the foregoing, the Group monitors performance at the Global Division level, classifying results by business line. The following table presents the gross operating margin for the two periods under review, offering visibility of performance not only from a region/country perspective but also by division/business line.

## Gross operating margin

Millions of euro	Local businesses						Global divisions						Other, eliminations and adjustments			Total					
	End-user markets			Services			Generation and Trading			Infrastructure and Networks											
	1st Half		2016	2015	Change	1st Half		2016	2015	Change	1st Half		2016	2015	Change	1st Half		2016	2015	Change	
Italy	997	694	303	48	78	(30)	506	562	(56)	1,778	1,807	(29)	-	-	-	-	-	3,329	3,141	188	
Iberian Peninsula	419	383	36	(14)	41	(55)	501	639	(138)	950	906	44	-	-	-	-	-	1,856	1,969	(113)	
Latin America	-	-	-	(53)	(44)	(9)	986	774	212	692	707	(15)	-	-	-	-	-	1,625	1,437	188	
Eastern Europe	21	12	9	(2)	-	(2)	231	261	(30)	103	119	(16)	-	-	-	-	-	353	392	(39)	
Renewable Energy	-	-	-	-	-	-	-	-	-	-	-	-	920	1,078	(158)	-	-	920	1,078	(158)	
Other, eliminations and adjustments	-	-	-	-	-	-	(8)	(4)	(4)	2	-	2	-	-	-	(24)	(52)	28	(30)	(56)	26
<b>Total</b>	<b>1,437</b>	<b>1,089</b>	<b>348</b>	<b>(21)</b>	<b>75</b>	<b>(96)</b>	<b>2,216</b>	<b>2,232</b>	<b>(16)</b>	<b>3,525</b>	<b>3,539</b>	<b>(14)</b>	<b>920</b>	<b>1,078</b>	<b>(158)</b>	<b>(24)</b>	<b>(52)</b>	<b>28</b>	<b>8,053</b>	<b>7,961</b>	<b>92</b>

## Italy

### Operations

#### Net electricity generation

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change				2016	2015	Change
7,966	9,897	(1,931)	-19.5%	Thermal		17,291	20,761	(3,470)
3,285	3,586	(301)	-8.4%	Hydroelectric		5,603	6,630	(1,027)
-	2	(2)	-	Other sources		-	4	(4)
<b>11,251</b>	<b>13,485</b>	<b>(2,234)</b>	<b>-16.6%</b>	<b>Total net generation</b>		<b>22,894</b>	<b>27,395</b>	<b>(4,501)</b>
								<b>-16.4%</b>

In the 1st Half of 2016, net electricity generation amounted to 22,894 million kWh (11,251 million kWh in the 2nd Quarter of 2016), a decline of 16.4% (-16.6% in the 2nd Quarter of 2016 compared with the same period of 2015) equal to 4,501 million kWh. The change between the two periods essentially reflects the decrease in thermal generation (down 3,470 million kWh), as a result of the reduced use of nearly all plants, particularly the Brindisi Sud plant due to maintenance performed during the period, and the decline in hydroelectric generation (down 1,027 million kWh), due to poorer water conditions compared with the same period of the prior year.

Similar developments in net electricity generation were seen in the 2nd Quarter of 2016.

#### Contribution to gross thermal generation

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change				2016	2015	Change
17	0.2%	90	0.8%	(73)	-81.1%	Fuel oil	45	0.2%
1,668	19.3%	1,695	16.1%	(27)	-1.6%	Natural gas	3,563	19.1%
6,797	78.8%	8,674	82.3%	(1,877)	-21.6%	Coal	14,815	79.2%
149	1.7%	85	0.8%	64	75.3%	Other fuels	275	1.5%
<b>8,631</b>	<b>100.0%</b>	<b>10,544</b>	<b>100.0%</b>	<b>(1,913)</b>	<b>-18.1%</b>	<b>Total</b>	<b>18,698</b>	<b>100.0%</b>
							<b>22,293</b>	<b>100.0%</b>
							<b>(3,595)</b>	<b>-16.1%</b>

Gross thermal generation in the 1st Half of 2016 totaled 18,698 million kWh (8,631 million kWh in the 2nd Quarter of 2016), a decrease of 3,595 million kWh (-16.1%) compared with the 1st Half of 2015 (-18.1% in the 2nd Quarter of 2016). This decrease mainly regarded the use of coal as a result of the stoppage at the Brindisi Sud plant for maintenance, which was only partially offset by the increased use of natural gas.

## Transport of electricity

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change				2016	2015	Change
53,584	53,753	(169)	-0.3%	Electricity transported on Enel's distribution network <sup>(1)</sup>		109,846	110,202	(356) -0.3%

(1) The figure for 2015 reflects a more accurate calculation of quantities transported.

Electricity transported on Enel's network in Italy in the 1st Half of 2016 decreased by 356 million kWh (-0.3%), going from 110,202 million kWh in the 1st Half of 2015 to 109,846 million kWh in the same period of 2016. This change is consistent with the drop in demand for electricity in Italy.

Developments were similar in the 2nd Quarter of 2016, with 53,584 million kWh of electricity transported, a decrease of 169 million kWh (-0.3%) compared with the same period of 2015.

## Electricity sales

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change				2016	2015	Change
<b>Free market:</b>								
6,107	5,822	285	4.9%	- mass-market customers		12,828	12,326	502 4.1%
4,853	2,761	2,092	75.8%	- business customers <sup>(1)</sup>		9,296	5,249	4,047 77.1%
509	357	152	42.6%	- safeguard-market customers		1,142	705	437 62.0%
<b>11,469</b>	<b>8,940</b>	<b>2,529</b>	<b>28.3%</b>	<b>Total free market</b>		<b>23,266</b>	<b>18,280</b>	<b>4,986 27.3%</b>
<b>Regulated market:</b>								
10,216	10,851	(635)	-5.9%	- enhanced protection market customers		22,626	23,931	(1,305) -5.5%
<b>21,685</b>	<b>19,791</b>	<b>1,894</b>	<b>9.6%</b>	<b>TOTAL</b>		<b>45,892</b>	<b>42,211</b>	<b>3,681 8.7%</b>

(1) Supplies to large customers and energy-intensive users (with annual consumption greater than 1 GWh).

Electricity sold in the 1st Half of 2016 came to 45,892 million kWh, an increase of 3,681 million kWh compared with the same period of the previous year. This trend reflects the greater volumes sold on the free market due to a substantial increase in business customers as a result of new commercial policies and the gradual transition of customers from the regulated market to the free market.

Similar developments in electricity sales were seen in the 2nd Quarter of 2016.

## Gas sales

2nd Quarter			Millions of m <sup>3</sup>			1st Half		
2016	2015	Change				2016	2015	Change
273	406	(133)	-32.8%	Mass-market customers <sup>(1)</sup>		1,643	2,146	(503) -23.4%
345	124	221	-	Business customers		984	306	678 -
<b>618</b>	<b>530</b>	<b>88</b>	<b>16.6%</b>	<b>Total</b>		<b>2,627</b>	<b>2,452</b>	<b>175 7.1%</b>

(1) Includes residential customers and microbusinesses.

Gas sales in the 1st Half of 2016 totaled 2,627 million cubic meters, an increase of 175 million cubic meters compared with the same period of the previous year, essentially attributable to sales to business customers.

Similar developments in gas sales were reported in the 2nd Quarter of 2016.

## Performance

2nd Quarter			Millions of euro			1st Half		
2016	2015	Change	2016	2015	Change	2016	2015	Change
8,040	8,554	(514) -6.0%	Revenue	17,210	18,878	(1,668)	-8.8%	
1,554	1,587	(33) -2.1%	Gross operating margin	3,329	3,141	188	6.0%	
1,045	1,075	(30) -2.8%	Operating income	2,335	2,139	196	9.2%	
			Capital expenditure	642	616 <sup>(1)</sup>	26	4.2%	

(1) Does not include €1 million regarding units classified as "held for sale".

The following tables break down performance by type of business in the 2nd Quarter and in the 1st Half of 2016.

### Performance in the 2nd Quarter

#### Revenue

Millions of euro	2nd Quarter		
	2016	2015	Change
Generation and Trading	4,385	4,995	(610) -12.2%
Infrastructure and Networks	1,799	1,767	32 1.8%
End-user market	3,260	3,181	79 2.5%
Services	308	272	36 13.2%
Eliminations and adjustments	(1,712)	(1,661)	(51) -3.1%
<b>Total</b>	<b>8,040</b>	<b>8,554</b>	<b>(514) -6.0%</b>

**Revenue** for the 2nd Quarter of 2016 amounted to €8,040 million, down €514 million (-6.0%) compared with 2015, due primarily to the following factors:

> a €610 million decline (-12.2%) in revenue from **Generation and Trading** compared with the same period of 2015.

This reduction is mainly attributable to:

- a €288 million decline in revenue from trading on international energy markets, due essentially to a reduction in volumes handled (-6.7 TWh);
  - a €131 million decline in revenue from the sale of electricity essentially related to the lower revenue from electricity sales to other domestic resellers (down €125 million), which was only partially offset by increased sales of electricity to other Group companies;
  - a decrease of €42 million in revenue from the sale of CO<sub>2</sub> emissions allowances and green certificates owing to lower volumes handled;
  - a €163 million decrease in extraordinary income as a result of the negative impact of the recognition of the price adjustment on the sale of the equity investment in Hydro Dolomiti Enel (€22 million) in the 2nd Quarter of 2016 and to the recognition in the 2nd Quarter of 2015 of the gain on the sale of SE Hydropower (€141 million);
- > an increase of €32 million (+1.8%) in revenue from **Infrastructure and Networks** operations, largely attributable to the increase in revenue from metering services and from the sale of electronic meters to companies on the Iberian Peninsula;
- > an increase of €79 million (+2.5%) in revenue from **End-user markets** for electricity, essentially reflecting an increase of €204 million in revenue on the free market for electricity related to the higher volumes sold (+2.5 TWh), which was

only partially offset by the reduction in revenue in the regulated market due to the decline in volumes sold and in the number of customers served.

#### Gross operating margin

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Millions of euro	2nd Quarter		
	2016	2015	Change
Generation and Trading	201	349	(148) -42.4%
Infrastructure and Networks	889	910	(21) -2.3%
End-user market	437	280	157 +56.1%
Services	27	48	(21) -43.8%
<b>Total</b>	<b>1,554</b>	<b>1,587</b>	<b>(33)</b> <b>-2.1%</b>

The **gross operating margin** in the 2nd Quarter of 2016 amounted to €1,554 million, a decrease of €33 million (-2.1%) compared with €1,587 million posted in the 2nd Quarter of 2015. This decrease is essentially attributable to:

- > the €148 million decrease in the margin from **Generation and Trading**, which is essentially attributable to the negative impact of the extraordinary items described above;
- > a decline of €21 million (-2.3%) in the margin from **Infrastructure and Networks** operations, largely due to the €42 million decrease in the margin on electricity transport, primarily reflecting the reduction in rates noted earlier, which was only partially offset by the increase in revenue from metering services;
- 1. an increase of €157 million (+56.1%) in the margin from **End-user markets**, mainly attributable to the increases of €146 million in the margin on the free markets for electricity and gas and of €12 million in the margin on the regulated electricity market.

#### Operating income

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Millions of euro	2nd Quarter		
	2016	2015	Change
Generation and Trading	125	268	(143) -53.4%
Infrastructure and Networks	636	633	3 0.5%
End-user market	268	139	129 +92.8%
Services	16	35	(19) -54.3%
<b>Total</b>	<b>1,045</b>	<b>1,075</b>	<b>(30)</b> <b>-2.8%</b>

**Operating income** came to €1,045 million for a decrease of €30 million (-2.8%), including a decline of €3 million in depreciation, amortization, and impairment losses, compared with the €1,075 million in operating income recognized during the same period of 2015.

## Performance in the 1st Half

### Revenue

Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	9,568	11,232	(1,664) -14.8%
Infrastructure and Networks	3,558	3,532	26 0.7%
End-user market	7,445	7,493	(48) -0.6%
Services	526	499	27 5.4%
Eliminations and adjustments	(3,887)	(3,878)	(9) 0.2%
<b>Total</b>	<b>17,210</b>	<b>18,878</b>	<b>(1,668) -8.8%</b>

**Revenue** for the 1st Half of 2016 amounted to €17,210 million, down €1,668 million (-8.8%) compared with 2015, due primarily to the following factors:

- > a €1,664 million decline (-14.8%) in revenue from **Generation and Trading** compared with the same period of 2015. This decrease is mainly attributable to:
  - a €748 million decline in revenue from trading on international energy markets, due essentially to a reduction in volumes handled (-15.0 TWh) and to declining prices;
  - a €462 million decline in revenue from the sale of electricity essentially related to the lower volumes generated. More specifically, the change is mainly attributable to the reduction in revenue from sales on the Power Exchange (down €251 million, due to lower energy sales and greater activity in the Ancillary Services Market), and to lower revenue from electricity sales to other domestic resellers (down €236 million), which were only partially offset by increased sales of electricity to other Group companies;
  - a decrease of €419 million in revenue from the sale of CO<sub>2</sub> emissions allowances and green certificates, owing to lower volumes handled;
  - a €32 million decrease in extraordinary income related mainly to the difference in the gain on the sale of the equity investment in Hydro Dolomiti Enel in the 1st Half of 2016 (€124 million) and the larger gain on the sale of SF Energy and SE Hydropower in the 1st Half of 2015 (€154 million);
- > an increase of €26 million (+0.7%) in revenue from **Infrastructure and Networks** operations, largely attributable to:
  - the increase in transfers from the Electrical & Environmental Services Fund (formerly the Electricity Equalization Fund) for white certificates (in the amount of €57 million) due to the increase in volumes purchased and in the per-unit transfer fee;
  - the increase of €24 million in revenue from metering services;
  - the €19 million increase in revenue from the sale of electronic meters to other Group companies abroad;
  - a €63 million decline in rate revenue attributable mainly to the reduction in transmission rates, which was only partially offset by the increase in revenue related to the change introduced with Authority for Electricity, Gas and the Water System (the Authority) Regulation no. 655/14 to eliminate "regulatory lag";
- > a decrease of €48 million (-0.6%) in revenue from **End-user markets** for electricity, essentially reflecting:
  - a decrease of €428 million in revenue on the regulated market for electricity as a result of the decline in volumes sold (-1.3 TWh) and in the number of customers served;
  - an increase of €341 million in revenue on the free market for electricity related to the higher volumes sold (+4.9 TWh), which was only partially offset by the price effect;
  - an increase of €47 million in revenue from the sale of natural gas to end users related mainly to the increase in non-recurring items.

## Gross operating margin

Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	506	562	(56) -10.0%
Infrastructure and Networks	1,778	1,807	(29) -1.6%
End-user market	997	694	303 +43.7%
Services	48	78	(30) -38.5%
<b>Total</b>	<b>3,329</b>	<b>3,141</b>	<b>188 +6.0%</b>

The **gross operating margin** in the 1st Half of 2016 amounted to €3,329 million, an increase of €188 million (+6.0%) compared with €3,141 million posted in the 1st Half of 2015. This increase is essentially attributable to:

- > the €56 million decrease in the margin from **Generation and Trading**, which is essentially attributable to the difference in gains on disposals in the two periods as described above. Net of these items, there would have been a decline of €24 million due to a reduction in hydroelectric generation in an environment of falling prices. These effects were only partly offset by an increase in the margin on the Ancillary Services Market;
- > a decline of €29 million (-1.6%) in the margin from **Infrastructure and Networks** operations, largely due to:
  - the €104 million decrease in the margin on electricity transport, primarily reflecting the reduction in rates noted earlier;
  - the increase of €7 million in the margin on white certificates;
  - the increase of €15 million in the margin from connection fees;
  - an increase in revenue from metering services;
  - a reduction in operating costs;
- > an increase of €303 million (+43.7%) in the margin from **End-user markets**, mainly attributable to:
  - an increase of €268 million in the margin on the free market for electricity (€197 million of which attributable to the margin on electricity) due to the increase volumes sold for both commodities (electricity and gas);
  - an increase of €33 million in the margin on the regulated market for electricity related mainly to lower costs to purchase electricity due to a reduction in the number of customers served and a decrease in the prices.

## Operating income

Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	353	402	(49) -12.2%
Infrastructure and Networks	1,276	1,286	(10) -0.8%
End-user market	682	399	283 +70.9%
Services	24	52	(28) -53.8%
<b>Total</b>	<b>2,335</b>	<b>2,139</b>	<b>196 +9.2%</b>

**Operating income** amounted to €2,335 million for an increase of €196 million (+9.2%), including a decline of €8 million in depreciation, amortization, and impairment losses, compared with the €2,139 million in operating income recognized during the same period of 2015.

## Capital expenditure

Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	52	76 <sup>(1)</sup>	(24) -31.6%
Infrastructure and Networks	566	479	87 18.2%
End-user market	11	31	(20) -64.5%
Services	13	30	(17) -56.7%
<b>Total</b>	<b>642</b>	<b>616</b>	<b>26 4.2%</b>

(1) Does not include €1 million regarding units classified as "held for sale".

**Capital expenditure** in the 1st Half of 2016 amounted to €642 million, up €26 million on the year-earlier period. More specifically, the change is attributable to:

- > an increase of €87 million in investment in **Infrastructure and Networks**, primarily in work to improve and maintain service quality standards;
- > a decrease of €17 million for **Services**, mainly due to the increase in capital expenditure recognized during the same period of 2015 related to the development of software;
- > a €20 million decrease in investment in the **End-user market**;
- > a decrease of €24 million in capital expenditure in **Generation and Trading**, largely attributable to the decline in investment in thermal plants.

## Iberian Peninsula

### Operations

#### Net electricity generation

2nd Quarter				Millions of kWh			1st Half	
2016	2015	Change		2016	2015	Change		
6,046	9,178	(3,132)	-34.1%	Thermal	12,615	17,738	(5,123)	-28.9%
6,382	5,810	572	9.8%	Nuclear	12,842	12,913	(71)	-0.5%
2,659	2,325	334	14.4%	Hydroelectric	4,992	4,681	311	6.6%
<b>15,087</b>	<b>17,313</b>	<b>(2,226)</b>	<b>-12.9%</b>	<b>Total net generation</b>	<b>30,449</b>	<b>35,332</b>	<b>(4,883)</b>	<b>-13.8%</b>

Net electricity generation in the Iberian Peninsula in the 1st Half of 2016 amounted to 30,449 million kWh, a decrease of 4,883 million kWh compared with the same period of 2015. This change is due mainly to a reduction in thermal generation as a result of the increase in imports from France and higher hydroelectric output due to an improvement in water conditions in the period.

In the 2nd Quarter of 2016, net electricity generation totaled 15,087 million kWh, down 2,226 million kWh compared with the same period of 2015.

## Contribution to gross thermal generation

2nd Quarter						Millions of kWh			1st Half					
2016		2015		Change		2016			2015		Change			
1,499	11.5%	1,316	8.4%	183	13.9%	High-sulfur fuel oil (S>0.25%)	3,044	11.4%	2,681	8.4%	363	13.5%		
901	6.9%	1,205	7.7%	(304)	25.2%	Natural gas	1,622	6.1%	2,229	6.9%	(607)	-27.2%		
3,068	23.6%	6,157	39.1%	(3,089)	50.2%	Coal	6,883	25.8%	11,800	36.8%	(4,917)	-41.7%		
6,635	51.0%	6,049	38.4%	586	9.7%	Nuclear fuel	13,344	50.0%	13,413	41.8%	(69)	-0.5%		
912	7.0%	1,016	6.4%	(104)	10.2%	Other fuels	1,774	6.7%	1,952	6.1%	(178)	-9.1%		
<b>13,015</b>	<b>100.0%</b>	<b>15,743</b>	<b>100.0%</b>	<b>(2,728)</b>	<b>17.3%</b>	<b>Total</b>	<b>26,667</b>	<b>100.0%</b>	<b>32,075</b>	<b>100.0%</b>	<b>(5,408)</b>	<b>-16.9%</b>		

Gross thermal generation in the 1st Half of 2016 came to 26,667 million kWh (13,015 million kWh in the 2nd Quarter of 2016), down 5,408 million kWh compared with the same period of the previous year (a decline of 2,728 million kWh in the 2nd Quarter of 2016). The decrease, which regarded almost all types of fuels, was particularly significant for coal, which was also penalized by regulatory changes.

## Transport of electricity

2nd Quarter						Millions of kWh			1st Half					
2016		2015		Change					2016		2015		Change	
27,011		24,947		2,064	8.3%	Electricity transported on Enel's distribution network			52,735		50,952		1,783	3.4%

Electricity transported in the 1st Half of 2016 totaled 52,735 million kWh (27,011 million kWh in the 2nd Quarter of 2016), up 1,783 million kWh (+2,064 million kWh in the 2nd Quarter of 2016) taking account of the launch of a crash program for reducing network losses and for recovering electricity over direct connections in the 1st Half of 2016.

## Electricity sales

2nd Quarter						Millions of kWh			1st Half					
2016		2015		Change					2016		2015		Change	
22,007		22,097		(90)	-0.4%	Electricity sold by Enel			45,684		45,691		(7)	-

Electricity sales to end users for the 1st Half of 2016 came to 45,684 million kWh (22,007 million kWh in the 2nd Quarter of 2016), a decrease of 7 million kWh compared with the same period of 2015 (90 million kWh in the 2nd Quarter of 2016). This performance, essentially stable overall, reflects the increasing liberalization of the market and the consequent switch of the customers of Endesa Energia XXI (an Endesa company operating in the regulated market) to the free market (with Endesa Energia).

## Performance

2nd Quarter			Millions of euro			1st Half		
2016	2015	Change				2016	2015	Change
4,317	4,841	(524)	-10.8%	Revenue		9,014	10,199	(1,185) -11.6%
1,062	992	70	7.1%	Gross operating margin		1,856	1,969	(113) -5.7%
652	577	75	13.0%	Operating income		1,047	1,159	(112) -9.7%
				Capital expenditure		396	356	40 11.2%

The following tables break down performance by type of business in the 2nd Quarter and in the 1st Half of 2016.

### Performance in the 2nd Quarter

#### Revenue

Millions of euro	2nd Quarter		
	2016	2015	Change
Generation and Trading	1,114	1,426	(312) -21.9%
Infrastructure and Networks	667	647	20 3.1%
End-user market	3,096	3,782	(686) -18.1%
Services	78	77	1 1.3%
Eliminations and adjustments	(638)	(1,091)	453 -41.5%
<b>Total</b>	<b>4,317</b>	<b>4,841</b>	<b>(524) -10.8%</b>

**Revenue** for the 2nd Quarter of 2016 decreased by €524 million due to:

- > a decrease of €312 million in revenue from **Generation and Trading** operations primarily associated with the reduction in volumes sold and in sales prices. It should be noted that a good portion of this revenue was from division companies that sell electricity and so is also reflected in an analogous entry in eliminations;
- > the decrease in revenue of €686 million from **End-user markets**, due, essentially, to the sharp drop in average sales prices (as a result of lower fuel costs reflected in the prices);
- > a slight increase in revenue from **Infrastructure and Networks** operations.

#### Gross operating margin

Millions of euro	2nd Quarter		
	2016	2015	Change
Generation and Trading	309	232	77 33.2%
Infrastructure and Networks	472	464	8 1.7%
End-user market	279	266	13 4.9%
Services	2	30	(28) -93.3%
<b>Total</b>	<b>1,062</b>	<b>992</b>	<b>70 7.1%</b>

The **gross operating margin** amounted to €1,062 million, an increase of €70 million (+7.1%) compared with the same period of 2015, mainly concentrated in **Generation and Trading** operations (+€77 million), largely reflecting lower environmental taxes on generation, particularly nuclear generation.

## Operating income

Millions of euro	2nd Quarter		
	2016	2015	Change
Generation and Trading	128	49	79
Infrastructure and Networks	272	278	(6)
End-user market	252	223	29
Services	-	27	(27)
<b>Total</b>	<b>652</b>	<b>577</b>	<b>75</b>
			<b>13.0%</b>

**Operating income** in the 2nd Quarter of 2016 totaled €652 million, including €410 million in depreciation, amortization and impairment losses, an increase of €75 million on the same period of 2015.

## Performance in the 1st Half

### Revenue

Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	2,274	3,049	(775)
Infrastructure and Networks	1,288	1,309	(21)
End-user market	6,654	7,916	(1,262)
Services	133	143	(10)
Eliminations and adjustments	(1,335)	(2,218)	883
<b>Total</b>	<b>9,014</b>	<b>10,199</b>	<b>(1,185)</b>
			<b>-11.6%</b>

**Revenue** for the 1st Half of 2016 decreased by €1,185 million due to:

- > a decrease of €775 million in revenue from **Generation and Trading** operations, primarily associated with:
  - a €503 million reduction in revenue from the sale of electricity by the generation companies related to a decline both in volumes sold and in average sales prices. It should be noted that a good portion of this revenue was from division companies that sell electricity;
  - a decrease of €183 million in revenue from the sale and measurement at fair value of environmental certificates recognized during the same period of the previous year;
  - a €104 million reduction in grants related to the rate subsidies provided for by SENP for the island generation companies, connected especially to the decline in fuel costs;
- > a decrease in revenue of €1,262 million from **End-user markets**, essentially due to the drop in sales prices for both electricity and gas;
- > a €21 million decrease in revenue from **Infrastructure and Networks** operations, mainly as a result of lower connection fees.

## Gross operating margin

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Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	501	639	(138) -21.6%
Infrastructure and Networks	950	906	44 4.9%
End-user market	419	383	36 9.4%
Services	(14)	41	(55) -
<b>Total</b>	<b>1,856</b>	<b>1,969</b>	<b>(113) -5.7%</b>

The **gross operating margin** amounted to €1,856 million, a decrease of €113 million compared with the same period of 2015, reflecting:

- > a reduction of €138 million in the gross operating margin from **Generation and Trading**, mainly connected with the €181 million decrease in margins on environmental certificates compared with the 1st Half of 2015. The effect of this was partially offset by the improvement in the generation margin in both the peninsular and extra-peninsular areas. More specifically, the margin in the Iberian Peninsula reflects the reduction in a number of national and regional environmental taxes;
- > an increase of €44 million in the margin on **Infrastructure and Networks** operations due mainly to efficiency gains on operating costs, which more than offset the reduction in connection fees described above;
- > an improvement of about €36 million in the gross operating margin on **End-user markets**, which was essentially due to a reduction in costs for the provisioning of electricity and gas.

## Operating income

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Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	134	276	(142) -51.4%
Infrastructure and Networks	565	537	28 5.2%
End-user market	366	311	55 17.7%
Services	(18)	35	(53) -
<b>Total</b>	<b>1,047</b>	<b>1,159</b>	<b>(112) -9.7%</b>

**Operating income** in the 1st Half of 2016 totaled €1,047 million, including €809 million in depreciation, amortization and impairment losses (€810 million in the 1st Half of 2015), a decrease of €112 million compared with the same period of 2015. The decrease is attributable to the same reasons as the decline in the gross operating margin described above, taking account of the fact that depreciation, amortization and impairment losses are essentially in line with those reported in the 1st Half of 2015.

## Capital expenditure

Millions of euro	1st Half		
	2016	2015	Change
Generation and Trading	134	105	29 27.6%
Infrastructure and Networks	239	241	(2) -0.8%
End-user market	20	10	10 -
Services	3	-	3 -
<b>Total</b>	<b>396</b>	<b>356</b>	<b>40 11.2%</b>

**Capital expenditure** came to €396 million, up €40 million compared with the same period of the previous year. Capital expenditure in the 1st Half of 2016 concerned, in particular, work on the distribution network (€230 million), substations and transformers, as well as work on lines and the replacement of metering equipment. The €29 million increase in Generation and Trading relates mainly to work on plants to bring them into compliance with new European safety standards, as well as upgrades to the Litoral thermal plant.

## Latin America

### Operations

#### Net electricity generation

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change	2016	2015	Change	2016	2015	Change
6,307	6,620	(313) -4.7%	Thermal			13,446	13,729	(283) -2.1%
8,233	7,636	597 7.8%	Hydroelectric			15,502	15,368	134 0.9%
22	35	(13) -37.1%	Other sources			45	57	(12) -21.1%
<b>14,562</b>	<b>14,291</b>	<b>271 1.9%</b>	<b>Total net generation</b>			<b>28,993</b>	<b>29,154</b>	<b>(161) -0.6%</b>
3,310	3,469	(159) -4.6%	- of which Argentina			6,748	7,409	(661) -8.9%
955	849	106 12.5%	- of which Brazil			1,857	2,056	(199) -9.7%
4,339	4,419	(80) -1.8%	- of which Chile			8,912	8,691	221 2.5%
3,923	3,446	477 13.8%	- of which Colombia			7,175	6,642	533 8.0%
2,035	2,108	(73) -3.5%	- of which Peru			4,301	4,356	(55) -1.3%

Net electricity generation for the 1st Half of 2016 amounted to 28,993 million kWh, a decrease of 161 million kWh compared with the same period of 2015, due mainly to the reduction in thermal generation, concentrated mainly in Argentina due to the downtime of the Dock Sud and Costanera plants for maintenance. By contrast hydroelectric generation rose due to the start of operation of the new El Quimbo plant in Colombia and the improvement of water conditions in Brazil, both of which were a factor in the 2nd Quarter of 2016.

In the 2nd Quarter of 2016, net generation came to 14,562 million kWh, up 271 million kWh compared with the same period of 2015.

## Contribution to gross thermal generation

2nd Quarter				Millions of kWh				1st Half					
2016		2015		Change				2016		2015		Change	
483	7,2%	482	6.9%	1	-	High-sulfur fuel oil (S>0.25%)		1,007	7,2%	761	5.3%	246	32.3%
4,174	62,4%	4,821	69.5%	(647)	-13.4%	Natural gas		9,265	65.8%	10,928	76.5%	(1,663)	15.2%
611	9,1%	767	11.1%	(156)	-20.4%	Coal		2,061	14.6%	1,341	9.4%	720	53.7%
1,425	21,3%	866	12.5%	559	64.6%	Other fuels		1,738	12.4%	1,259	8.8%	479	38.0%
<b>6,693</b>	<b>100,0%</b>	<b>6,936</b>	<b>100.0%</b>	<b>(243)</b>	<b>-3.5%</b>	<b>Total</b>		<b>14,071</b>	<b>100,0%</b>	<b>14,289</b>	<b>100.0%</b>	<b>(218)</b>	<b>-1.5%</b>

Gross thermal generation for the 1st Half of 2016 came to 14,071 million kWh, down 218 million kWh on the same period of 2015. The decrease is essentially attributable to a reduction in the use of natural gas in Argentina, Chile and Brazil. A similar pattern was seen in the 2nd Quarter of 2016, with the addition of a decrease in coal use.

## Transport of electricity

2nd Quarter				Millions of kWh				1st Half			
2016	2015	Change		2016	2015	Change		2016	2015	Change	
19,839	19,129	710	3.7%	<b>Electricity transported on Enel's distribution network <sup>(1)</sup></b>				39,676	39,040	636	1.6%
4,850	4,477	373	8.3%	- of which Argentina				9,551	9,228	323	3.5%
5,730	5,457	273	5.0%	- of which Brazil				11,574	11,455	119	1.0%
4,012	3,876	136	3.5%	- of which Chile				7,875	7,717	158	2.0%
3,323	3,399	(76)	-2.2%	- of which Colombia				6,744	6,794	(50)	-0.7%
1,924	1,920	4	0.2%	- of which Peru				3,932	3,846	86	2.2%

(1) The figure for 2015 reflects a more accurate calculation of quantities transported.

Electricity transported in the 1st Half of 2016 amounted to 39,676 million kWh (19,839 million kWh in the 2nd Quarter of 2016), an increase of 636 million kWh (up 710 million kWh in the 2nd Quarter of 2016).

## Electricity sales

2nd Quarter				Millions of kWh				1st Half			
2016	2015	Change		2016	2015	Change		2016	2015	Change	
1,487	1,480	7	0.4%	<b>Free market</b>				3,092	3,080	12	0.4%
14,510	14,038	472	3.4%	<b>Regulated market</b>				29,318	28,735	583	2.0%
15,997	15,518	479	3.1%	<b>Total</b>				32,410	31,815	595	1.9%
4,155	3,720	435	11.7%	- of which Argentina				8,121	7,687	434	5.6%
4,853	4,752	101	2.1%	- of which Brazil				10,135	10,024	111	1.1%
3,259	3,244	15	0.5%	- of which Chile				6,569	6,519	50	0.8%
2,050	2,091	(41)	-2.0%	- of which Colombia				4,126	4,155	(29)	-0.7%
1,680	1,711	(31)	-1.8%	- of which Peru				3,459	3,430	29	0.8%

Electricity sold during the 1st Half of 2016 amounted to 32,410 million kWh (15,997 million kWh in the 2nd Quarter of 2016) up 595 million kWh (up 479 million kWh in the 2nd Quarter of 2016).

## Performance

2nd Quarter			Millions of euro			1st Half		
2016	2015	Change				2016	2015	Change
2,531	2,736	(205)	-7.5%	Revenue		4,983	5,406	(423) -7.8%
825	701	124	17.7%	Gross operating margin		1,625	1,437	188 13.1%
595	457	138	30.2%	Operating income		1,180	948	232 24.5%
				Capital expenditure		585	791	(206) -26.0%

The following tables show performance by country in the 2nd Quarter and in the 1st Half of 2016.

### Performance in the 2nd Quarter

#### Revenue

	2nd Quarter		
	2016	2015	Change
Argentina	330	249	81 32.5%
Brazil	569	795	(226) -28.4%
Chile	836	839	(3) -0.4%
Colombia	495	545	(50) -9.2%
Peru	301	308	(7) -2.3%
<b>Total</b>	<b>2,531</b>	<b>2,736</b>	<b>(205) -7.5%</b>

**Revenue** in the 2nd Quarter 2016 posted a decrease of €205 million. This decline is mainly attributable to:

- > an increase of €81 million in revenue in Argentina related essentially to the effects of the rate reform for distribution companies introduced by Argentina's government by way of *Resolución ENRE* no. 1/2016, which resulted in a significant increase in rates on sales. These effects were largely offset by the highly negative exchange rate effects of the depreciation of the Argentine peso against the euro, especially in the 2nd Quarter;
- > decrease of €226 million in revenue in Brazil, which is essentially attributable to the significant weakening of the Brazilian real against the euro along with the effect of regulatory changes pertaining to the recognition of sectoral assets and liabilities (Credit Value Adjustment - CVA). These effects were only partially offset by higher revenue due to the increase in the average prices as a result of the rate revisions introduced in December 2015 and March 2016;
- > a decrease of €3 million in revenue in Chile, due essentially to the increase in the distribution rates and to the higher volumes sold by the generation companies, which were more than offset by the unfavorable developments in exchange rates;
- > a decline in revenue in Colombia of €50 million, mainly the result of the depreciation of the Colombian peso against the euro, which was almost fully offset by the increase in volumes sold and in prices for both generation and distribution companies;
- > a decrease of €7 million in revenue in Peru, primarily due to exchange rates despite the increase in volumes transported and sold.

## Gross operating margin

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Millions of euro	2nd Quarter		
	2016	2015	Change
Argentina	97	30	67
Brazil	128	114	14
Chile	221	167	54
Colombia	263	266	(3)
Peru	116	124	(8)
<b>Total</b>	<b>825</b>	<b>701</b>	<b>124</b>
			<b>17.7%</b>

The **gross operating margin** amounted to €825 million, an increase of €124 million (17.7%) compared with the same period of 2015, reflecting:

- > an increase of €67 million in the gross operating margin in Argentina, largely attributable to the different regulatory mechanisms in place during the two periods compared;
- > an increase of €54 million in gross operating margin in Chile following an improvement in the sales margin for both distribution and generation, in part attributable to greater volumes sold and lower fuel purchase costs;
- > an increase of €14 million in the margin in Brazil, reflecting the impact of the rate revisions that occurred in December 2015 and March 2016, respectively, affecting Coelce and Ampla.
- > a decrease of €8 million in the gross operating margin in Peru, mainly due to the development in exchange rates;
- > a €3 million reduction in the margin for Colombia where the improved margin resulting from greater volumes sold and rising average prices was fully offset by unfavorable exchange rate developments.

## Operating income

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Millions of euro	2nd Quarter		
	2016	2015	Change
Argentina	81	14	67
Brazil	40	18	22
Chile	164	109	55
Colombia	226	225	1
Peru	84	91	(7)
<b>Total</b>	<b>595</b>	<b>457</b>	<b>138</b>
			<b>30.2%</b>

**Operating income** for the 2nd Quarter of 2016 came to €595 million, including €230 million in depreciation, amortization and impairment losses (€244 million in the 2nd Quarter of 2015), an increase of €138 million compared with the same period of 2015. The reduction in depreciation, amortization and impairment losses was primarily due to changes in exchange rates.

## Performance in the 1st Half

### Revenue

Millions of euro	1st Half		
	2016	2015	Change
Argentina	594	555	39
Brazil	1,067	1,546	(479)
Chile	1,659	1,656	3
Colombia	1,038	1,051	(13)
Peru	625	598	27
<b>Total</b>	<b>4,983</b>	<b>5,406</b>	<b>(423)</b>
			<b>-7.8%</b>

**Revenue** in the 1st Half of 2016 fell by €423 million. This decrease is mainly attributable to:

- > an increase of €39 million in revenue in Argentina related essentially to the effects of the rate reform for distribution companies introduced by Argentina's government by way of *Resolución ENRE* no. 1/2016, which resulted in a significant increase in rates on sales. These effects offset the *Resolución* no. 32/2015, which compensated distribution companies for the regulator's failure to update rates, and the highly negative exchange rate effects of the depreciation of the Argentine peso against the euro (€372 million).
- > a decrease of €479 million in revenue in Brazil, which is essentially attributable to the significant weakening of the Brazilian real against the euro (€259 million), and the effect of regulatory changes that led to a €370 million reduction in revenue (more specifically, due to the change in the criteria for recognition and final reporting of the Credit Valuation Adjustment, or CVA). These effects were only partially offset by higher revenue due to the increase in the average sales prices (for around €173 million) as a result of the rate revisions introduced in December 2015 and March 2016;
- > an increase of €3 million in revenue in Chile, due essentially to the increase in the distribution rates and to the higher volumes sold by the generation companies (€183 million), which were almost fully offset by unfavorable developments in exchange rates (€171 million);
- > a decline in revenue in Colombia of €13 million, the result of the depreciation of the Colombian peso against the euro (€266 million), which was almost fully offset by the increase in volumes sold and in prices for both generation and distribution companies;
- > an increase of €27 million in revenue in Peru, primarily due to the increase in volumes transported and sold, only partially offset by unfavorable developments in exchange rates (€57 million).

### Gross operating margin

Millions of euro	1st Half		
	2016	2015	Change
Argentina	155	97	58
Brazil	260	286	(26)
Chile	465	313	152
Colombia	498	502	(4)
Peru	247	239	8
<b>Total</b>	<b>1,625</b>	<b>1,437</b>	<b>188</b>
			<b>13.1%</b>

The **gross operating margin** amounted to €1,625 million, an increase of €188 million (+13.1%) compared with the same period of 2015, reflecting:

- > an increase of €58 million in the gross operating margin in Argentina, mainly due to the different regulatory mechanisms used during the two periods compared;
- > an increase of €152 million in gross operating margin in Chile following an improvement in the sales margin for both distribution and generation, in part due to greater volumes sold and lower fuel purchase costs, as well as more favorable water conditions. These effects were only partially offset by unfavorable exchange rate developments (€51 million);
- > an increase of €8 million in the gross operating margin in Peru, mainly due to higher average sales prices, only partially offset by unfavorable exchange rate developments;
- > a €4 million reduction in the margin for Colombia, the net result of the positive effect of the increase in volumes generated and sold, partly owing to the entry into full service of the El Quimbo hydroelectric plant, more than offset by the negative impact of the translation of the Colombian peso into euro (€127 million);
- > a reduction €26 million in the margin in Brazil, reflecting in particular the unfavorable effect of exchange rates (€64 million), which was only partially offset by improved margin on sales despite the significant decline in volumes sold.

### Operating income

Millions of euro	1st Half		
	2016	2015	Change
Argentina	124	65	59
Brazil	94	90	4
Chile	351	199	152
Colombia	427	421	6
Peru	184	173	11
<b>Total</b>	<b>1,180</b>	<b>948</b>	<b>232</b>
			<b>24.5%</b>

**Operating income** for the 1st Half of 2016 came to €1,180 million, including €445 million in depreciation, amortization and impairment losses (€489 million in the 1st Half of 2015), an increase of €232 million compared with the same period of 2015. The reduction in depreciation, amortization and impairment losses was primarily due to changes in exchange rates.

### Capital expenditure

Millions of euro	1st Half		
	2016	2015	Change
Argentina	97	186	(89)
Brazil	151	156	(5)
Chile	145	124	21
Colombia	101	247	(146)
Peru	91	78	13
<b>Total</b>	<b>585</b>	<b>791</b>	<b>(206)</b>
			<b>-26.0%</b>

**Capital expenditure** came to €585 million, down €206 million compared with the same period of the previous year. More specifically, capital expenditure in the 1st Half of 2016 concerned work on the distribution network in all the countries in

which the Group operates and work on the Costanera, Celta, Bocamina and Piura thermal plants, as well as investment in hydroelectric plants, especially the Los Condores plant in Chile.

## Eastern Europe

### Operations

#### Net electricity generation

2nd Quarter			Millions of kWh				1st Half		
2016	2015	Change					2016	2015	Change
9,482	10,298	(816)	-7.9%	Thermal			20,288	21,935	(1,647)
2,457	3,061	(604)	-19.7%	Nuclear			6,244	6,773	(529)
478	714	(236)	-33.1%	Hydroelectric			1,071	1,763	(692)
-	4	(4)	-	Other sources			3	16	(13)
<b>12,417</b>	<b>14,077</b>	<b>(1,660)</b>	<b>-11.8%</b>	<b>Total net generation</b>			<b>27,606</b>	<b>30,487</b>	<b>(2,881)</b>
9,037	9,780	(743)	-7.6%	- of which Russia			19,108	20,587	(1,479)
3,327	4,173	(846)	-20.3%	- of which Slovakia			8,146	9,464	(1,318)
53	124	(71)	-57.3%	- of which Belgium			352	436	(84)
									-19.3%

Net electricity generation in the 1st Half of 2016 came to 27,606 million kWh, down 2,881 million kWh compared with the same period of 2015. This change was mainly related to the reduction in generation in Russia due to a malfunction at the Nevinnomysk combined-cycle plant (down 862 million kWh) and a decrease in conventional oil and gas generation (down 714 million kWh), only partially offset by an increase in generation by coal plants. In addition there was a decline in nuclear and hydroelectric generation in Slovakia, the latter due in part to the early termination of the management contract for the Gabčíkovo plant.

The performance in the 2nd Quarter of 2016 was similar.

#### Contribution to gross thermal generation

2nd Quarter			Millions of kWh				1st Half				
2016	2015	Change					2016	2015	Change		
4,672	36.7%	5,457	38.4%	(785)	-14.4%	Natural gas	10,671	37.7%	12,371	40.6%	(1,700)
5,396	42.4%	5,447	38.4%	(51)	-0.9%	Coal	10,871	38.5%	10,845	35.5%	26
2,661	20.9%	3,300	23.2%	(639)	-19.4%	Nuclear fuel	6,727	23.8%	7,285	23.9%	(558)
<b>12,729</b>	<b>100.0%</b>	<b>14,204</b>	<b>100.0%</b>	<b>(1,475)</b>	<b>-10.4%</b>	<b>Total</b>	<b>28,269</b>	<b>100.0%</b>	<b>30,501</b>	<b>100.0%</b>	<b>(2,232)</b>
									-7.3%		

Gross thermal generation for the 1st Half of 2016 posted a decrease of 2,232 million kWh to 28,269 million kWh. The reduction for the period mainly concerned the reduced generation from natural gas in Russia and nuclear power in Slovakia.

Similar performance was observed in the 2nd Quarter of 2016.

## Transport of electricity

2nd Quarter			Millions of kWh				1st Half			
2016	2015	Change					2016	2015	Change	
3,498	3,455	43	1.2%	Electricity transported on Enel's distribution network			7,278	7,199	79	1.1%

Electricity transported from the region, which was concentrated entirely in Romania, posted an increase of 79 million kWh (+1.1%), going from 7,199 million kWh to 7,278 million kWh during the 1st Half of 2016. This increase was mainly the result of new grid connections, which reflected the development of the country's power grid.

## Electricity sales

2nd Quarter			Millions of kWh				1st Half		
2016	2015	Change					2016	2015	Change
2,214	2,483	(269)	-10.8%	Free market			4,564	5,240	(676) -12.9%
1,140	1,243	(103)	-8.3%	Regulated market			2,482	2,729	(247) -9.1%
<b>3,354</b>	<b>3,726</b>	<b>(372)</b>	<b>-10.0%</b>	<b>Total</b>			<b>7,046</b>	<b>7,969</b>	<b>(923) -11.6%</b>
1,744	1,778	(34)	-1.9%	- of which Romania			3,756	3,889	(133) -3.4%
597	966	(369)	-38.2%	- of which France			1,241	2,032	(791) -38.9%
1,013	982	31	3.2%	- of which Slovakia			2,049	2,048	1 -

Electricity sales in the 1st Half of 2016 decreased by 923 million kWh, going from 7,969 million kWh to 7,046 million kWh. This reduction can be attributed to:

- > a decrease of 791 million kWh in volumes sold in France due to the Group's commercial policy for that country;
- > the decrease of 133 million kWh in sales on the Romanian market, mainly the result of the gradual liberalization of the market.

Similar performance was registered in the 2nd Quarter of 2016.

## Performance

2nd Quarter			Millions of euro				1st Half		
2016	2015	Change					2016	2015	Change
1,059	1,135	(76)	-6.7%	Revenue			2,228	2,374	(146) -6.1%
156	159	(3)	-1.9%	Gross operating margin			353	392	(39) -9.9%
55	72	(17)	-23.6%	Operating income			194	211	(17) -8.1%
				Capital expenditure			82 <sup>(1)</sup>	85 <sup>(2)</sup>	(3) -3.5%

- (1) Does not include €249 million regarding units classified as "held for sale".  
(2) Does not include €254 million regarding units classified as "held for sale".

The following tables show a breakdown of performance by country in the 2nd Quarter and 1st Half of 2016.

## Performance in the 2nd Quarter

### Revenue

Millions of euro	2nd Quarter		
	2016	2015	Change
Romania	222	232	(10)
Russia	212	273	(61)
Slovakia	568	561	7
Other countries	57	69	(12)
<b>Total</b>	<b>1,059</b>	<b>1,135</b>	<b>(76)</b>
			<b>-6.7%</b>

**Revenue** in the 2nd Quarter of 2016 totaled €1,059 million, down €76 million (-6.7%) compared with the same period of the previous year. The performance was related to the following factors:

- > the reduction of €61 million in revenue in Russia, mainly due to the exchange rate effect;
- > the decrease of €10 million in revenue in Romania, which is essentially attributable to the market liberalization for business customers, as this resulted in lower sales volumes;
- > the decrease in revenue in other countries, which mainly concerned France and Belgium;
- > the increase of €7 million in revenue in Slovakia.

### Gross operating margin

Millions of euro	2nd Quarter		
	2016	2015	Change
Romania	69	74	(5)
Russia	41	29	12
Slovakia	48	64	(16)
Other countries	(2)	(8)	6
<b>Total</b>	<b>156</b>	<b>159</b>	<b>(3)</b>
			<b>-1.9%</b>

The **gross operating margin** amounted to €156 million, a decrease of €3 million compared with the 2nd Quarter of 2015. The change is primarily attributable to:

- > a decrease of €16 million in the gross operating margin in Slovakia owing to a reduction in sales prices and in volumes generated;
- > a reduction of €5 million in the gross operating margin in Romania due to the decline in prices.

The positive impact on the margins registered in Russia and other countries only partially offset the declines recorded.

## Operating income

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Millions of euro	2nd Quarter		
	2016	2015	Change
Romania	44	46	(2)
Russia	28	(4)	32
Slovakia	(14)	39	(53)
Other countries	(3)	(9)	6
<b>Total</b>	<b>55</b>	<b>72</b>	<b>(17)</b>
			<b>-23.6%</b>

**Operating income** for the 2nd Quarter of 2016 totaled €55 million, a decrease of €17 million (-23.6%) compared with the same period of 2015, including a €14 million increase in depreciation, amortization and impairment losses.

## Performance in the 1st Half

### Revenue

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Millions of euro	1st Half		
	2016	2015	Change
Romania	474	497	(23)
Russia	425	547	(122)
Slovakia	1,172	1,172	-
Other countries	157	158	(1)
<b>Total</b>	<b>2,228</b>	<b>2,374</b>	<b>(146)</b>
			<b>-6.1%</b>

**Revenue** in the 1st Half of 2016 totaled €2,228 million, down €146 million (-6.1%) compared with the same period of the previous year. The performance was related to the following factors:

- > a reduction of €122 million in revenue in Russia related largely to the weakening of the local currency against the euro (€90 million) and the decrease in power generation due to downtime at the Nevinnomyssk plant;
- > a decrease of €23 million in revenue in Romania, essentially the result of the liberalization process, mentioned above, and a decline in average sales prices.

### Gross operating margin

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Millions of euro	1st Half		
	2016	2015	Change
Romania	123	138	(15)
Russia	78	95	(17)
Slovakia	157	167	(10)
Other countries	(5)	(8)	3
<b>Total</b>	<b>353</b>	<b>392</b>	<b>(39)</b>
			<b>-9.9%</b>

The **gross operating margin** amounted to €353 million, a decrease of €39 million compared with the 1st Half of 2015.

The change is primarily attributable to:

- > a decrease of €17 million in the gross operating margin in Russia due mainly to the impact of exchange rates as noted above (€16 million);
- > a reduction of €15 million in the gross operating margin in Romania, which essentially reflects the decline in revenue;
- > a €10 million decline in the gross operating margin in Slovakia, the result of the drop in prices and lower output due to the early termination of the Gabčíkovo plant contract.

### Operating income

Millions of euro	1st Half		
	2016	2015	Change
Romania	76	83	(7)
Russia	55	34	21
Slovakia	70	104	(34)
Other countries	(7)	(10)	3
<b>Total</b>	<b>194</b>	<b>211</b>	<b>(17)</b>
			<b>-8.1%</b>

**Operating income** for the 1st Half of 2016 totaled €194 million, compared with the same period of 2015, a decrease of €17 million (-8.1%), including a €22 million reduction in depreciation, amortization and impairment losses, attributable to changes in exchange rates for the Russian ruble and impairment losses recognized in 2015 that reduced asset values.

### Capital expenditure

Millions of euro	1st Half		
	2016	2015	Change
Romania	47	42	5
Russia	35	43	(8)
<b>Total</b>	<b>82 <sup>(1)</sup></b>	<b>85 <sup>(2)</sup></b>	<b>(3)</b>
			<b>-3.5%</b>

(1) Does not include €249 million regarding units classified as "held for sale".

(2) Does not include €254 million regarding units classified as "held for sale".

**Capital expenditure** came to €82 million, down €3 million on the same period of the previous year. The change is mainly attributable to plant upgrades in Russia.

## Renewable Energy

### Operations

#### Net electricity generation

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change				2016	2015	Change
2,813	3,112	(299)	-9.6%	Hydroelectric		5,085	5,787	(702)
1,547	1,531	16	1.0%	Geothermal		3,143	3,084	59
4,239	3,659	580	15.9%	Wind		9,482	7,912	1,570
299	225	74	32.9%	Other sources		527	414	113
<b>8,898</b>	<b>8,527</b>	<b>371</b>	<b>4.4%</b>	<b>Total</b>		<b>18,237</b>	<b>17,197</b>	<b>1,040</b>
3,672	3,742	(70)	-1.9%	- of which Italy		6,717	7,115	(398)
889	1,026	(137)	-13.4%	- of which Iberian Peninsula		2,199	2,317	(118)
126	130	(4)	-3.1%	- of which Greece		290	282	8
266	331	(65)	-19.6%	- of which Romania and Bulgaria		672	791	(119)
2,165	1,797	368	20.5%	- of which United States and Canada		4,756	3,582	1,174
715	844	(129)	-15.3%	- of which Panama, Mexico, Guatemala and Costa Rica		1,695	1,888	(193)
943	652	291	44.6%	- of which Brazil, Chile and Uruguay		1,737	1,213	524
122	5	117	-	- of which other countries		171	9	162

Net electricity generation in the 1st Half of 2016 amounted to 18,237 million kWh (8,898 million kWh in the 2nd Quarter of 2016), an increase of 1,040 million kWh compared with the same period of 2015 (up 371 million kWh in the 2nd Quarter of 2016). This increase can be attributed to the rise of 1,438 million kWh in power generation abroad due mainly to increases in wind generation (up 1,592 million kWh) in North and Latin America as a result of the expansion in installed capacity, in India (up 161 million kWh) following the start of consolidation of BLP Energy in September 2015, and to the increase in solar power in Chile (up 148 million kWh). These effects were only partially offset by a reduction in volumes generated by hydroelectric plants in Panama and Guatemala (down 336 million kWh) as a result of poorer water conditions and by a reduction in wind power in Romania (down 113 million kWh), as well as the change in the scope of consolidation with the disposal of assets in Portugal in November 2015, which led to a decrease in wind generation (down 165 million kWh).

Net electricity generation in Italy for the 1st Half of 2016 decreased by 398 million kWh from the same period of 2015, which mainly reflects the decline in hydroelectric output (down 498 million kWh), due to less favorable water conditions, and in solar generation (down 62 million kWh). This decline was partially offset by the increase in geothermal generation (up 59 million kWh) as a result of the greater availability of this resource.

Similar, though more restrained, performance was reported for the 2nd Quarter of 2016.

## Performance

2nd Quarter			Millions of euro			1st Half		
2016	2015	Change	2016	2015	Change	2016	2015	Change
703	781	(78) -10.0%	Revenue	1,408	1,593	(185) -11.6%		
458	542	(84) -15.5%	Gross operating margin	920	1,078	(158) -14.7%		
270	327	(57) -17.4%	Operating income	554	697	(143) -20.5%		
			Capital expenditure	1,742	973	769 79.0%		

The following tables show a breakdown of performance by geographic area in the 2nd Quarter and 1st Half of 2016.

### Performance in the 2nd Quarter

#### Revenue

Millions of euro		2nd Quarter		
		2016	2015	Change
Europe and North Africa		389	486	(97) -20.0%
Latin America		157	157	-
North America		151	136	15 11.0%
Sub-Saharan Africa and Asia		6	2	4 -
<b>Total</b>		<b>703</b>	<b>781</b>	<b>(78) -10.0%</b>

**Revenue** for the 2nd Quarter of 2016 amounted to €703 million, down €78 million (-10.0%) from the same period of 2015. This decrease can be attributed to:

- > a reduction of €97 million in revenue in Europe and North Africa, due largely to the decline in revenue in the Iberian Peninsula as a result of lower biomass generation and the disposal of assets in Portugal, and to the decrease in hydroelectric generation in Italy;
- > the increase of €15 million in revenue in North America, essentially related to the increase in installed capacity and higher tax partnership income.

#### Gross operating margin

Millions of euro		2nd Quarter		
		2016	2015	Change
Europe and North Africa		252	362	(110) -30.4%
Latin America		97	79	18 22.8%
North America		106	100	6 6.0%
Sub-Saharan Africa and Asia		3	1	2 -
<b>Total</b>		<b>458</b>	<b>542</b>	<b>(84) -15.5%</b>

The **gross operating margin** amounted to €458 million in the 2nd Quarter of 2016, a decrease of €84 million (-15.5%) compared with the same period of 2015. The causes of this change are the same as those described above for revenue.

## Operating income

Millions of euro	2nd Quarter		
	2016	2015	Change
Europe and North Africa	154	242	(88) -36.4%
Latin America	60	40	20 50.0%
North America	55	45	10 22.2%
Sub-Saharan Africa and Asia	1	-	1 -
<b>Total</b>	<b>270</b>	<b>327</b>	<b>(57) -17.4%</b>

**Operating income** totaled €270 million, a decline of €57 million, taking account of a decrease of €27 million in depreciation, amortization and impairment losses.

## Performance in the 1st Half

### Revenue

Millions of euro	1st Half		
	2016	2015	Change
Europe and North Africa	761	1,000	(239) -23.9%
Latin America	317	321	(4) -1.2%
North America	321	270	51 18.9%
Sub-Saharan Africa and Asia	9	2	7 -
<b>Total</b>	<b>1,408</b>	<b>1,593</b>	<b>(185) -11.6%</b>

**Revenue** for the 1st Half of 2016 amounted to €1,408 million, down €185 million (-11.6%) from the same period of 2015. This decrease can be attributed to:

- > a reduction of €239 million in revenue in Europe and North Africa, due largely to the decline in hydroelectric and solar generation in Italy, the decrease in average sales prices in the Iberian Peninsula and disposal of assets in Portugal at the end of 2015. Furthermore, there was the recognition, in the 1st Half of 2015, of the badwill and fair value measurement related to the 3Sun acquisition (for a total of €132 million) and an indemnity required under the agreements with STM (€12 million);
- > a decrease of €4 million in revenue in Latin America, essentially related to the reduction in revenue on electricity sales in Panama due to the worsening of water conditions (down €20 million), as well as in Brazil (down €13 million), in Guatemala (down €9 million) and in Costa Rica (down €8 million). These effects were partially offset by the increase in revenue, in line with the increase in generation, primarily in Chile (€30 million) and Mexico (€12 million);
- > an increase of €51 million in revenue in North America due mainly to the €43 million increase in tax partnership income and to the increase in volumes owing to greater wind generation.

## Gross operating margin

Millions of euro	1st Half		
	2016	2015	Change
Europe and North Africa	487	718	(231) -32.2%
Latin America	198	166	32 19.3%
North America	234	194	40 20.6%
Sub-Saharan Africa and Asia	1	-	1 -
<b>Total</b>	<b>920</b>	<b>1,078</b>	<b>(158) -14.7%</b>

The **gross operating margin** in the 1st Half of 2016 amounted to €920 million, a decrease of €158 million (-14.7%) compared with the 1st Half of 2015. This change is attributable to:

- > the €231 million decrease in the margin in Europe and North Africa, mainly for the same reasons as the drop in revenues described above;
- > the €32 million increase in the margin in Latin America, owing to the reduction in operating costs related primarily to electricity purchases in Brazil, which more than offset the decline in revenue;
- > the €40 million rise in the margin in North America connected to increased revenue, only slightly offset by higher personnel and operating expenses linked to the expansion in installed capacity.

## Operating income

Millions of euro	1st Half		
	2016	2015	Change
Europe and North Africa	291	495	(204) -41.2%
Latin America	128	107	21 19.6%
North America	137	96	41 42.7%
Sub-Saharan Africa and Asia	(2)	(1)	(1) -
<b>Total</b>	<b>554</b>	<b>697</b>	<b>(143) -20.5%</b>

**Operating income** totaled €554 million in the 1st Half of 2016, a decline of €143 million, taking account of an increase of €15 million in depreciation, amortization and impairment losses, which reflects assets that entered service in 2016.

## Capital expenditure

Millions of euro	1st Half		
	2016	2015	Change
Europe and North Africa	112	137	(25) -18.2%
Latin America	827	569	258 45.3%
North America	601	128	473 -
Sub-Saharan Africa and Asia	202	139	63 45.3%
<b>Total</b>	<b>1,742</b>	<b>973</b>	<b>769 79.0%</b>

**Capital expenditure** in the 1st Half of 2016 came to €1,742 million, up €769 million compared with the same period of the previous year.

Capital expenditure mainly concerned the wind segment in Latin America (€337 million), North America (€547 million) and in South Africa (€88 million); the geothermal segment in Chile (€90 million) and in Italy (€38 million); the solar segment in Brazil (€111 million), Chile (€102 million) and South Africa (€112 million); and the hydroelectric segment in Latin America (€103 million) and Italy (€32 million).

## Other, eliminations and adjustments

### Performance

2nd Quarter			Millions of euro			1st Half		
2016	2015	Change				2016	2015	Change
180	196	(16)	-8.2%	Revenue (net of eliminations)		371	394	(23)
(19)	(43)	24	55.8%	Gross operating margin		(30)	(56)	26
(77)	(49)	(28)	-57.1%	Operating income		(100)	(70)	(30)
				Capital expenditure		18	16	2
								12.5%

#### Performance in the 2nd Quarter

**Revenue**, net of eliminations, in the 2nd Quarter of 2016 came to €180 million, a decrease of €16 million (-8.2%) compared with the same period of the previous year, essentially due to lower engineering revenue.

The **gross operating margin** for the 2nd Quarter of 2016, a loss of €19 million, improved by €24 million compared with the same period of 2015.

The **operating loss** came to €77 million, an increase of €28 million compared with the loss for the 2nd Quarter of 2015, a result that takes account of an increase of €52 million in depreciation, amortization and impairment losses arising mainly from the adjustment to the estimated disposal value of the assets being developed in the upstream gas sector in Algeria (Isarene permit) recognized in the 2nd Quarter of 2016.

#### Performance in the 1st Half

**Revenue**, net of eliminations, in the 1st Half of 2016 came to €371 million, down €23 million compared with the same period of 2015 (-5.8%). This was essentially due to a decrease in engineering revenue (€39 million) as a result of a reduction in such activities in the 1st Half of 2016 compared with the same period of 2015 (including the Mochovce nuclear plant), due in part to the gradual reduction in investment by the Group in conventional generation plants. This trend was only partially offset by the increase in revenue resulting from the environmental improvement work done at the coal plant in Litoral de Almeria in Spain. Other factors were a reduction in revenue from corporate and support services provided by the holding company and the gain on the disposal of Compostilla Re amounting to €19 million.

The **gross operating margin** for the 1st Half of 2016, a loss of €30 million, improved by €26 million, mainly owing to the gain noted above. Excluding the gain, the gross operating margin improved by €7 million essentially as a result of higher unit margins on certain services provided to the other Group divisions.

The **operating loss** in the 1st Half of 2016 came to €100 million, a deterioration of €30 million compared with the same period of 2015, taking account of an increase of €56 million in depreciation, amortization and impairment losses arising mainly from the adjustment to the estimated disposal value of the assets being developed in the upstream gas sector in Algeria (Isarene permit).

#### **Capital expenditure**

**Capital expenditure** in the 1st Half of 2016 totaled €18 million, up €2million on the 1st Half of 2015.

# Significant events in the 1st Half of 2016

## Integration with Enel Green Power

On January 11, 2016, the Extraordinary Shareholders' Meeting of Enel SpA ("Enel") approved the partial non-proportional demerger of Enel Green Power SpA ("EGP") into Enel (the "Demerger"). Prior to the Enel Meeting, on the same date the Extraordinary Shareholders' Meeting of EGP also approved the Demerger. More specifically, the Extraordinary Shareholders' Meeting of Enel approved, without amendment or addition, the demerger project, which envisages:

- > the assignment by EGP to Enel of the demerged assets, essentially represented by (i) the 100% stake held by EGP in Enel Green Power International, a Dutch holding company that holds investments in companies operating in the renewable energy sector in North, Central and South America, Europe, South Africa and India; and (ii) the assets, liabilities, contracts and other legal relationships associated with those investments; and
- > the retention by EGP of all remaining assets and liabilities other than those that are part of the demerged assets (and thus, essentially, all Italian operations and a small number of remaining foreign investments).

Since the transaction involved a non-proportional demerger, it envisaged that:

- > shareholders of EGP other than Enel may exchange all the shares they hold in EGP with Enel shares; and
- > Enel will exchange the shares corresponding to its stake in the demerged assets with Enel shares, which will be immediately cancelled in accordance with Article 2504-ter, paragraph 2, and Article 2506-ter, paragraph 5, of the Italian Civil Code.

The demerger instrument was executed on March 25, 2016, taking effect at the final moment of March 31, 2016.

The shareholders of EGP that did not approve the Demerger were entitled to exercise the right of withdrawal pursuant to Article 2437, paragraph 1, letter a) of the Italian Civil Code (the "Right of Withdrawal"), or the right to have their EGP shares purchased by Enel pursuant to Article 2506-bis, paragraph 4, of the Italian Civil Code (the "Right of Sale"). The Right of Withdrawal and the Right of Sale can be exercised at the unit settlement value for EGP shares, determined in accordance with Article 2437-ter, paragraph 3, of the Italian Civil Code, which is equal to €1.780 per EGP share. At the end of the offer period, those rights had been validly exercised for 16,428,393 ordinary shares of EGP (equal to about 0.33% of EGP's share capital) for an aggregate amount of about €29.2 million (of which 14,951,772 shares were acquired by Enel for €26.6 million). The total value of the shares involved is therefore below the threshold of €300 million, set as a condition for the completion of the Demerger.

Upon completion of the Demerger, all the 1,570,621,711 EGP ordinary shares held by EGP shareholders other than Enel were cancelled and exchanged with newly issued Enel ordinary shares, on the basis of the exchange ratio of 0.486 Enel shares for each EGP share in exchange, with no cash adjustments. A total of 1,005,717,849 Enel ordinary shares were allotted to Enel – with simultaneous cancellation of the shares, pursuant to the prohibition provided for under Article 2504-ter, paragraph 2, of the Italian Civil Code, as cited in Article 2506-ter, paragraph 5, of the Italian Civil Code – in exchange for the cancellation, at the time of exchange, of a total of 2,069,378,289 EGP ordinary shares held by Enel associated with the demerged assets. Therefore, following the issuance of 763,322,151 new Enel ordinary shares to be allotted to EGP shareholders other than Enel, the share capital of Enel was increased by a total nominal amount of €763,322,151 and is therefore equal to €10,166,679,946, fully subscribed and paid-up, represented by 10,166,679,946 ordinary shares with a par value of €1.00 each.

EGP shares were traded on the Italian market until the market close of March 31, 2016, and on the Spanish markets until market close of March 30, 2016, while trading in the newly issued Enel shares began on the Italian market on April 1, 2016.

## Bond buy-back

On January 14, 2016, within the framework of its program to optimize its liability structure through active management of maturities and the cost of funding, Enel launched a non-binding voluntary offer to repurchase in cash up to a nominal €500,000,000 of two series of bonds previously issued by Enel itself. At the end of the offer period (January 20, 2016) Enel decided to exercise the option envisaged in the offer documentation to increase the original nominal amount involved in the buy-back and so decided to purchase:

- > a nominal €591,088,000 of bonds maturing on June 20, 2017, following the application of the allotment ratio of 92.5715%;
  - > a nominal €158,919,000 of bonds maturing on June 12, 2018, following the application of the allotment ratio of 100%.
- The settlement date of the offer was January 25, 2016.

## Framework agreement with Bank of China and SINOSURE

On January 20, 2016, Enel, Bank of China (a leader in the Chinese banking sector as well as the most internationalized and diversified bank in China), and the China Export & Credit Insurance Corporation ("SINOSURE") signed a non-binding framework agreement to promote the development by Enel Group companies, in particular Enel Green Power, of projects on a worldwide basis with the participation of Chinese companies acting as engineering, procurement and construction contractors and/or suppliers. Under the agreement, Bank of China will provide Enel and its subsidiaries with a credit line of up to \$1 billion backed by SINOSURE. The framework agreement, which provides the main terms and conditions of the facilities that can be granted, will remain in force for a period of five years, with the possibility of extension if mutually agreed by the parties.

## Enel's new corporate identity

On January 26, 2016, the Group's new corporate identity was unveiled at the headquarters of the Endesa subsidiary in Madrid. On the same occasion, the new logos of Enel Green Power and Endesa were also revealed within the context of the new identity.

The new identity represents the pursuit of the "Open Power" strategy announced last November in London on the occasion of Enel's Capital Markets Day. It is founded on openness as the keystone of the strategic and operational approach of the Group. More specifically, "Open Power" seeks to:

- > open access to electricity for more people;
- > open the world of energy to new technology;
- > open energy management to individuals;
- > open power to new uses;
- > open up to new partnerships.

The new brand strategy transmits the image of Enel as a modern, open, flexible, responsive utility capable of leading the energy transition. The Group has introduced a colorful new visual system – which includes the logos – that reflects the flexible and dynamic principles of "Open Power". The new visual identity and the new logo are composed of a rich palette of color to reflect the variety of the energy spectrum, the multifaceted nature of a Group present in more than 30 countries and the growing diversification of the services we offer in a global energy system.

The brand renewal also included the unveiling of the new website Enel.com, a site focused on users and access via mobile applications. During 2016, the updating of the Group's entire online presence will be completed.

## **Start-up program in Israel**

On February 10, 2016, Enel announced the launch of a technological support program for start-ups in Israel, a country with such a high concentration of innovative tech companies that it boasts its own version of Silicon Valley, called Silicon Wadi. As part of the program, Enel will create a company to support start-ups, acting as a business incubator headquartered in Tel Aviv. It is scheduled to open its doors in May. Each year, up to eight start-ups will be selected from among key local companies, which will be able to benefit from a customized support program in collaboration with Enel. One of the program's objectives – in addition to developing individual start-ups – is to establish a presence in Israel's innovation ecosystem, one of the most advanced in the world, leveraging venture capital funds, universities and a collaboration with the Office of the "Chief Scientist" of Israel's Ministry of the Economy.

The support company will select the start-ups using public tenders for projects based on Enel's broad range of technological priorities. Once selected, the start-ups will have access to Enel engineers and technology experts, who will help them develop their business and their technology, using company facilities for testing and leveraging the Group's commercial and technological experience. Each project will receive support for at least six months.

## **Memorandum of understanding between architects and Enel Energia**

On February 17, 2016, Enel Energia signed a memorandum of understanding with the National Council of Architects, Planners, Landscape Architects and Conservators. The memorandum is intended to promote the energy upgrading of buildings and the architectural quality of the solutions. It also seeks to foster joint policies and actions and propose legislation to raise the quality of the installation of efficient technologies, ensure environmental benefits and dignity and, at the same time, generate savings for the public. The memorandum sets out a collaborative program to encourage and develop approaches to integration and cooperation. Enel Energia will provide Italian architects with permanent ongoing training initiatives – compliant with the rules governing life-long training of the National Council of Architects – in order to keep them up to date on innovation in efficient residential technologies, their characteristics, benefits and key installation and permitting issues. The underlying principle of the agreement is that training and research are priority strategic factors for growth and progress, and so it is necessary to invest in the sector in a manner adequate to the needs of the society and economy of local communities.

## **Enel Green Power wins renewables tender in Peru**

On February 18, 2016, Enel Green Power ("EGP"), acting through its subsidiary Enel Green Power Peru, was awarded the right to sign 20-year energy supply contracts for 126 MW wind power, 180 MW solar PV and 20 MW of hydro capacity following the renewable tender launched by the Peruvian government through the energy regulator OSINERGMIN. With 326 MW awarded in the tender, EGP will become by 2018 the main renewable player in Peru and the only company operating plants of three different renewable technologies in the country.

EGP will be investing about \$400 million in the construction of the renewables facilities, which are expected to enter into operation by 2018, in line with the investments outlined in the company's current strategic plan. The 20-year supply contracts awarded to EGP provide for the sale of specified volumes of energy generated by the plants. Nazca wind project will be built in the Marcona district, which is located in Peru's southern coastal area, more specifically in the Ica department, an area blessed by high level of wind resources. This project, with a total installed capacity of 126 MW, once up and running, will generate about 600 GWh per year, while avoiding the emission of around 370,000 metric tons of CO<sub>2</sub> into the atmosphere. The 180 MW Rubi photovoltaic project will be built in the Moquegua district, which is located in Peru's southern area, more specifically in the Moquegua department, an area which enjoys high levels of solar radiation. Once up and running, the solar facility will generate approximately 440 GWh per year, avoiding the emission of around 270,000 metric tons of CO<sub>2</sub> into the atmosphere. The hydro project Ayanunga, whose capacity amounts to an

approximate 20 MW, will be built in the Monzón district, which is located in Peru's central area, more specifically in the Huánuco department. Once up and running, the hydro plant will generate annually about 140 GWh, while avoiding the emission of around 109,000 metric tons of CO<sub>2</sub> into the atmosphere.

## Disposal of Hydro Dolomiti Enel

On February 29, 2016, the sale by the subsidiary Enel Produzione of its entire 49% stake in Hydro Dolomiti Enel Srl ("HDE") to Fedaia Holdings, a Luxembourg-based subsidiary of Macquarie European Infrastructure Fund 4 ("MEIF4"), was completed. The price for the sale was finalized at €335.4 million, in line with the agreement signed on November 13, 2015 between Enel Produzione and Fedaia Holdings. Enel Produzione's stake in HDE was sold to the Italian company Fedaia Investments Srl, which was designated as the purchaser by Fedaia Holdings and is also controlled by MEIF4. The completion of the transaction follows clearance from the EU antitrust authority, which was the final outstanding condition precedent provided for in the sale agreement.

## Enel Green Power wins preferred bidder status in Morocco

On March 10, 2016, Enel Green Power ("EGP"), in consortium with the Moroccan energy company Nareva Holding ("Nareva") and the German wind turbine manufacturer Siemens Wind Power, was awarded preferred bidder status in the "2nd phase of the wind integrated project" tender held by the Moroccan utility ONEE (*Office National de l'Electricité et de l'Eau Potable*). The consortium was therefore pre-awarded the right to develop, design, finance, build, operate and maintain five wind projects in Morocco with a total capacity of 850 MW. The award will be confirmed following the signing of the purchase agreements for the electricity generated by the plants. Of the five projects, Midelt (150 MW), Tanger (100 MW) and Jbel Lahdid (200 MW) are located in northern Morocco, while Tiskrad (300 MW) and Boujdour (100 MW) are located in the country's south.

EGP and Nareva will establish and own five companies holding the projects, while Siemens Wind Power will provide the wind turbines, with several components manufactured locally.

The construction of the five plants will require a total investment of approximately €1 billion. EGP will fund the cost of the project corresponding to its 50% shareholding by a mix of equity and debt, the latter through project finance facilities provided by international financial institutions. The wind farms are expected to be completed and enter operation between 2017 and 2020. In line with the tender rules, the power generated by the five wind farms will be sold to ONEE under 20-year power purchase agreements.

## Operation Open Fiber

On March 23, 2016, the Board of Directors of Enel examined and discussed the strategic plan of Enel OpEn Fiber SpA ("EOF"), the company established by Enel in December last year to build and operate ultra-broadband optical fiber infrastructure across Italy.

EOF will operate as a wholesale-only player (i.e. only on the wholesale market) and will build infrastructure for other licensed operators.

The EOF plan, in line with the European Digital Agenda and the Italian strategy for ultra-broadband, provides for EOF to build in through several steps to be released in sequence the optical fiber telecommunications network in 224 Italian municipalities, in successful market areas (known as clusters A and B). This network will be built entirely of optical fiber brought right up to the customer's home, in FTTH mode (fiber to the home).

In the early years of the plan, very high speed connections are expected to reach some 7.5 million homes, helping Italy to bridge its digital divide.

The plan through these phases provides for investment of about €2.5 billion to be gradually approved, with the support of other investors, and aimed at the development of the network.

Enel's Board of Directors also discussed a letter of intent between EOF, Vodafone and Wind, which seeks, in a series of steps, to define a strategic and commercial partnership for the development of the ultra-broadband telecommunications network across Italy.

Subsequently, exclusive negotiations (originally set to expire on July 3 but then extended to July 20) were begun between Enel and F2i SGR SpA and CDP Equity SpA/FSI Investimenti SpA, shareholders of Metroweb Italia SpA ("Metroweb"), for the possible business integration of EOF and Metroweb. During the exclusive period, the parties conducted the normal due diligence activities associated with such transactions. They will negotiate the structure of the possible integration, using an estimated enterprise value of Metroweb of €814 million.

The operation remains subject to the approval of the Enel Board of Directors, after having obtained a non-binding opinion from the Related Parties Committee. With regard to the latter, under the applicable CONSOB rules (see Resolution no. 17221/2010) and the specific implementing procedures adopted by the Company, the integration would qualify in terms of its size as a transaction of "lesser importance" with related parties.

### **Acquisition of 40% of a number of wind farms in Calabria**

On May 3, 2016, Enel Green Power, which already owned 60% of Maicor Wind, acquired the remaining 40% of the company from PLT energia, thus becoming the sole shareholder of a company that owns two wind farms in Calabria with a total installed capacity of 64 MW. The two plants, which have been in operation since 2011, are located in the municipalities of Maida, Cortale (56 MW) and San Floro (8 MW) in the province of Catanzaro.

### **Enel enters Zambia with the award of 34 MW of photovoltaic capacity in a public tender**

On June 14, 2016, Enel, acting through Enel Green Power, was awarded the right to develop, finance, build and operate a 34 MW PV solar project in Zambia following the Scaling Solar program first round tender launched by the state-owned investment holding company Industrial Development Corporation Limited (IDC). Mosi-oa-Tunya, which is located in Lusaka South Multi-Facility Economic Zone in southern Zambia, marks the entry of Enel in the country's renewables market.

Enel will be investing about \$40 million in the construction of the new PV plant. The project will be supported by a 25-year power purchase agreement (PPA) for the sale of all the electricity generated by the plant to the state-owned utility ZESCO. The project, which will be owned by a special purpose vehicle in which IDC will maintain a 20% minority stake in line with the tender rules, is expected to enter into operation in the 2nd Quarter of 2017 and will generate around 70 GWh per year.

### **Enel and DCNS inaugurate marine energy research and innovation center in Chile**

On June 17, 2016, Enel, acting through its subsidiary Enel Green Power Chile, and the French industrial group DCNS, inaugurated the Marine Energy Research and Innovation Center (MERIC) in the presence of Chile's Energy Minister. MERIC is a groundbreaking global center of marine energy R&D excellence in Chile supported by the Chilean government's economic development organization CORFO (*Corporación de Fomento de la Producción*).

The inauguration marked the start of MERIC's first line of work, which will focus on the analysis of bio-fouling and environmental impact of marine energy. The research activity will be carried out at the marine research laboratory of Pontificia Universidad Católica de Chile ECIM (*Estación Costera de Investigaciones Marinas*) located in Las Cruces, in Valparaíso region.

## **Enel presents Enel Open Meter, the new electronic meter**

On June 27, 2016, Enel presented the Enel Open Meter at the *Triennale di Milano*. The second generation (2.0) smart meter is one of the key elements of Enel's Open Power strategy, a process of renewal towards a concept of power that is open, accessible, technologically advanced and sustainable.

Starting next autumn, the new meter will be installed in 32 million homes and businesses, and will replace the first generation electronic meter, which in turn took the place of the old electromechanical device starting in 2001.

The second generation meter is the result of a process that reflects recent developments in the market and technology in the field of metering and remote management. Enel Open Meter complies with the specifications for new meters set out in Resolution no. 87/2016 of the Authority for Electricity, Gas and the Water System, which also established a set of performance indicators.

The innovative features of the new smart meter include faster changes of supply, the elimination of fixed time bands and the availability of data on electricity use for greater savings. The measurement of customer data every 15 minutes, for example, provides a much more timely picture of daily power use and the consumption behavior of customers, who are increasingly aware of how they use electricity and alert to opportunities for achieving greater energy efficiency.

## **Enel and China's BYD join forces on e-buses and energy storage**

On June 28, 2016, Enel signed a global framework cooperation agreement with the Chinese corporation BYD, a leading electric vehicle and lithium battery manufacturer, for the worldwide development of joint projects in electric mobility and energy storage.

The agreement, signed in the Chinese city of Shenzhen, will pave the way for possible cooperation projects targeting electric buses and other transport services, as well as residential, commercial and industrial applications based on BYD's lithium batteries.

Regarding electric mobility, Enel and BYD have agreed to leverage on the technological solutions developed by both companies in vehicle charging and electric mobility, as well as to explore integrated solutions and synergies for a possible joint offer to any interested municipalities in the areas where Enel or BYD are present. Furthermore, Enel and BYD will jointly explore financing opportunities in order to sell turnkey solutions composed of BYD electric buses and Enel's charging infrastructure stations and electricity supply.

In the energy storage field, Enel and BYD have agreed to evaluate business opportunities in markets of interest, using BYD technology and solutions for applications for residential, commercial and industrial purposes.

## Reference scenario

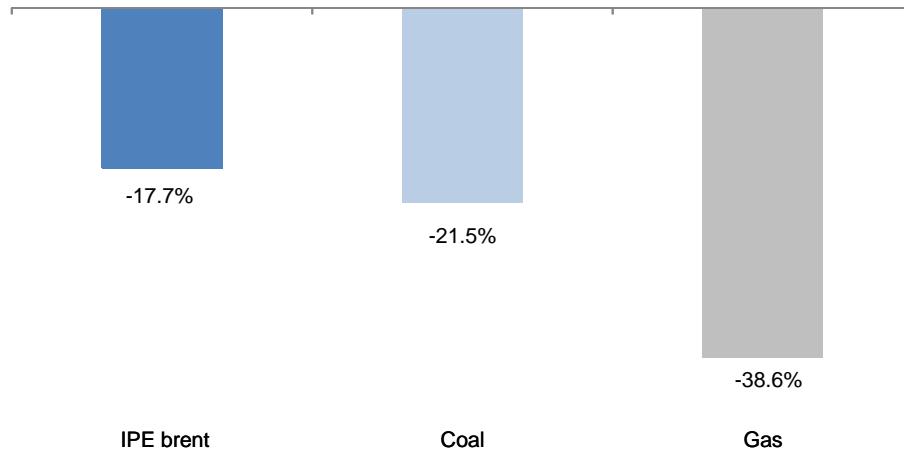
### Developments in the main market indicators

Market indicators	1st Half	
	2016	2015
Average IPE Brent oil price (\$/bbl)	40.2	48.8
Average price of coal (\$/t CIF ARA) <sup>(1)</sup>	47.0	59.8
Average price of gas (€/MWh) <sup>(2)</sup>	13.0	21.2
Average price of CO <sub>2</sub> (€/ton)	5.7	7.3
Average dollar/euro exchange rate	1.12	1.12
Six-month Euribor (average for the period)	0.007%	0.158%

(1) API#2 index.

(2) TTF index.

### Change in average fuel prices in the 1st Half of 2016 compared with the 1st Half of 2015



## Consumer price indices (CPI)

	1st Half		
	2016	2015	Change
Italy	-0.3%	-	-0.3%
Spain	-0.9%	-0.5%	-0.4%
Russia	7.0%	12.1%	-5.1%
Slovakia	-0.5%	-0.3%	-0.2%
Argentina	32.6%	21.3%	11.3%
Brazil	9.4%	9.3%	0.1%
Chile	4.3%	4.4%	-0.1%
Colombia	7.8%	6.1%	1.7%
Peru	4.0%	3.9%	0.1%

## Exchange rates

	1st Half		
	2016	2015	Change
Euro/US dollar	1.12	1.12	-
Euro/British pound	0.78	0.73	6.4%
Euro/Swiss franc	1.10	1.06	3.6%
US dollar/Japanese yen	111.67	120.27	-7.7%
US dollar/Canadian dollar	1.33	1.23	7.5%
US dollar/Australian dollar	1.36	1.28	5.9%
US dollar/Russian ruble	70.21	57.72	17.8%
US dollar/Argentine peso	14.33	8.82	38.5%
US dollar/Brazilian real	3.70	2.97	19.7%
US dollar/Chilean peso	689.56	621.09	9.9%
US dollar/Colombian peso	3,122.65	2,486.44	20.4%
US dollar/Peruvian nuevo sol	3.38	3.10	8.3%
US dollar/Mexican peso	18.07	15.14	16.2%
US dollar/Turkish lira	2.92	2.57	12.0%
US dollar/Indian rupee	67.17	62.81	6.5%
US dollar/South African rand	15.41	11.92	22.6%

## Economic and energy conditions in the 1st Half of 2016

### Economic developments

The first six months of 2016 were characterized by a number of unusual events that affected the performance of asset classes in the capital market, influenced the monetary policy actions of the major central banks and global economic developments.

Last February, the Bank of Japan (BoJ) decided to set negative interest rates (10 basis points) on deposits (levied on the excess reserves of commercial banks held with the central bank, which now represent a cost) in an attempt to further stimulate lending to the private sector and thus investment, supporting growth and, above all, stimulating inflation, which is still negative. The move by the BoJ was also justified by a sharp appreciation of the yen, which has eroded the

competitiveness of exports and consequently the current account balance. Following in Japan's wake, Europe has also resorted to unconventional monetary policy instruments. The continuing pessimism of investors (with weak recoveries in both public and private investment), negative inflation rates, with core inflation falling to under to less than 1 per cent, the strong appreciation of the euro (whose weakness in 2015 along with the fall in the price of commodities had contributed to the recovery in domestic demand and the improvement in the trade balance) prompted the European Central Bank (ECB) to intensify its expansionary measures. More specifically: 1) the interest rate on the deposit facility was cut to -0.40%; and 2) the refinancing rate was set at 0% and that on the marginal lending facility at 0.25%. In addition, the ECB's long-term refinancing operations will be expanded with four new 4-year operations on facilitated terms, equal to the negative interest rates on the deposit facility. The Asset Purchase Program (APP) has been expanded from €60 billion to €80 billion a month, with the inclusion of eligible securities (investment grade rating) of non-financial issuers. This environment has engendered strong tensions in the financial markets, with the main stock indices posting losses (in particular Japan and Europe) in response to downwards revisions of expectations for earnings per share in the main sectors, an increase in the risk aversion of investors, with buying focusing on safe havens such as the yen, the Swiss franc, gold and German and Japanese government securities (with the latter offering negative returns at the short-term end of the curve). The climate has been strained even further by tensions in the banking sector and the expected results of stress tests. The European segment of the industry has lost about 40% of its capitalization since the beginning of the year, with the Italian sector the most affected. This has creates an urgent need for recapitalization or shrinking balance sheets with the removal of non-performing loans (which, however, can have a major impact on performance as a result of impairment losses on the loans sold). This situation has triggered a power struggle between national governments and the European Union about the options for rescuing troubled institutions (private funds, bail-ins, state aid), with negotiations continuing and the outcome still uncertain. As regards the United States, as a result of the tightening of financial conditions and the presence of expectations for overall growth, inflation and wage growth that are showing signs of recovery but still await confirmation of the positive trend (despite the fact that the unemployment rate is now converging towards its natural long-term level), the Federal Reserve (Fed) decided to postpone the increases in interest rates expected in the next two years, reducing the number of planned interventions (two rate increases of 25 bps per year). This less restrictive stance prompted a substantial weakening of the dollar against the currencies of the United States' main trading partners and the currencies of the emerging economies.

Latin America is facing a different situation, with signs of stagflation (high inflation and rising unemployment). In June inflation in Brazil (IGP-DI Index) rose by 1.6% month-on-month, reaching 12.3% year-on-year, driven by rising prices of agricultural goods and unprocessed food products.

In Chile, despite the unexpected increase in June of 0.4% on the previous month (due to the increase in food and transportation costs), inflation is declining towards the 3% target level (the effect of appreciation of the peso, the weak labor market and still-sluggish economic growth). In the same country, the Monetary Policy Committee continues to maintain a neutral monetary stance through a gradual normalization in view of the moderate easing of inflation, declining industrial activity (particularly mining, which contracted in May by 5.7% year-on-year) and weak domestic demand (with retail sales falling and the labor market deteriorating). Monetary policy action was similar in Peru, with rates unchanged at 4.25% for the fifth consecutive month in June. Leading indicators disappointed in April, rising by 2.5% year-on-year (compared with expectations of 3.5%), sharply down on the +3.7% posted in March. In June inflation rose moderately, reaching 3.3% year-on-year, which was nevertheless down sharply compared with the 4.6% recorded last January. Different circumstances prevail in Colombia, where inflation continues to rise out of control. In June, the headline rate reached 8.6% year-on-year (the highest level in the last 16 years), an increase of 0.48% on the previous month, about twice the consensus and well outside the target range of 3-+1%. The increase was driven by the rise in the cost of food products and healthcare costs. Excluding food prices, inflation remains high at 6.3%. The impact of the economic slowdown has not yet fed though to inflation, which continues to display signs of persistence and a large mismatch with inflation expectations. Accordingly, while inflation is likely to peak in July, it is equally likely to converge only gradually in the coming months, with inflation levels remaining distant from the target for an extended period of time. As a result of

this deterioration in the level of prices, the Monetary Policy Committee decided to maintain a restrictive approach, continuing the rise in rates with a further increase of 25 basis points in June and signaling further increases in the coming months if the inflation outlook continues to deteriorate and leading economic indicators, such as industrial production and retail sales, continue to point to strong demand. Inflation in Argentina continued to rise faster than expected. The new revised index for the Buenos Aires urban area (source: INDEC) rose by 4.2% month-on-month, reaching +44.2% on the previous year. The impact of the reduction in monetary base and the continued weakness of economic activity, which should facilitate a decline in price levels, have been mitigated by the lagged effect of the revision of administered prices on inflation and current inflation expectations, undermining the possibility of decline in inflation below the threshold of 40% by year end.

In Russia, inflation rose to 7.5% in June due to higher food prices, while the prices of services are falling. The overall trend is still downwards, and the downward revision of energy prices in the 2nd Half of the year will foster that decline. Nevertheless, attention must be paid to developments in food prices (which display persistent growth) and the effect of the potential weakening of the ruble against the dollar. Preliminary figures showed a year-on-year decrease of 1.2% in GDP in the 1st Quarter of 2016, reflecting the continuing weakness of consumer spending (-4.2% on the previous year) and the collapse in investment (-9.9% on the previous year), as well as a larger-than-expected decline in exports. The 1st Half of the year came to an end in conjunction with a very important event whose global economic and political consequences are still difficult to assess. On June 24, the United Kingdom voted in a referendum to leave the European Union. The markets reacted sharply the day following the referendum but then slowly returned to equilibrium values. The yields on the government securities of the peripheral countries remained at their lowest levels in 20 years (partly reflecting expectations of an expansion of the quantitative easing of the ECB and low inflation), with implicit risk premiums much lower than in 2008 and 2011. However, spreads widened slightly, mainly due to the fall in the yields on "risk-free" securities, such as the German Bund, whose yield to maturity turned negative (due to the repositioning of investors towards safe haven assets).

### **International commodity prices**

Since beginning of the year, oil prices have displayed considerable volatility, declining until February before rebounding strongly (up about 90%). The key factors contributing to these developments include: 1) a downward revision of forecasts of the economic performance of China and the United States (in the early months of the year); 2) an increase in speculative positions (not commercial) on the futures market, which quickly shifted from net short to net long, reaching record levels; 3) the desire of some OPEC and non-OPEC producers to consider a coordinated intervention, which produced more promising results than investors were expecting; and 4) a number of unexpected disruptions in major fields led to a reduction of more than two million barrels per day from February, thereby fostering a rebalancing of market fundamentals and prices. In addition, re-leveraging in China and a more expansionary stance on the part of the Fed caused the dollar to weaken significantly, helping to support prices. Initially, prices were mainly driven by the general "risk-on risk-off" sentiment of investors, as demonstrated by the unusually high correlation with developments in the equity market, and then by speculation about the collapse of unconventional drilling in the United States and a freeze in OPEC production. Volatility increased following the removal of sanctions on exports by Iran and confirmation by that country's Minister of Petroleum of its intention to increase oil production to 4 million barrels per day, despite the agreement between Saudi Arabia, Venezuela , Kuwait and Russia to freeze output at the average level in the early months of the year. More recently, the oil market appears to have realigned at more sustainable levels of production. While the data point to a market characterized by a large oversupply in the 1st Quarter of the year, with a surplus of around 1.4 million barrels a day, the situation turned into a deficit in May, due to increased demand and lower production. For 2016, OPEC's forecast for the increase in demand is 1.2 million barrels a day more conservative than the projections of the IEA. However, the reduction in demand for oil in generation in Brazil, Japan and, probably, Saudi Arabia as well as a natural decline in the United States and Europe, could represent a downside to be reckoned with. On the supply side,

disruptions at plants in Qatar and Nigeria, while temporary, continue to recur, more than offsetting the increase (compared with forecasts) in production in Iran and Iraq.

Euro-area gas demand in the early part of the year showed a marginal decline of 0.4% due to a reduction in residential use. For the commercial and industrial sectors, the increase of 10% in production had a compensatory impact. In April and May this year, storage levels rose by a record amount, with an increase of 22% year-on-year in May alone, or about 40 billion cubic meters. More specifically, in the same period Great Britain recorded the largest increase, (58%), followed by France. Gas supplies from Algeria increased by 43.4% year-on-year in the first six months of 2016 (confirming its top exporter status), followed by Norway (+11.5%) and Russia (+13.5%).

On the demand side, Germany recorded a modest increase of 1.2% in the first six months of the year, with a significant decline in imports from the Netherlands. Demand in Italy grew by 2.2% on the previous year, with May posting a jump of 13% due to the strong increase in the generation sector. The main sources of imports remain Russia and Algeria, with the latter increasing supply by 130% (offsetting Libya, Norway, Holland and LNG). In Spain, demand was flat, influenced by milder temperatures in May. Imports from Algeria and supplies of LNG remained strong.

As regards coal, prices experienced a rapid surge late in the 1st Half of the year, driven by the covering of short positions on the forward market and fears of a shortage of the commodity at the Richard Bay hub in South Africa. Prices in northern Europe displayed high volatility in the most recent period, with rapid daily swings at the various maturities. This appears to be more the result of financial movements than changes in market fundamentals. The market is still unbalanced towards the supply side due to weak demand in Europe and the steady increase in inventories. In Europe, the demand for coal in the power sector declined by 6% in the early months of the year, with its share of the total mix of sources falling to 23%, compared with 26% a year earlier.

## Electricity and natural gas markets

### Developments in electricity demand

2nd Quarter			GWh			1st Half		
2016	2015	Change				2016	2015	Change
73,372	75,345	-2.6%	Italy			151,005	154,150	-2.0%
59,807	58,940	1.5%	Spain			123,613	123,614	-
175,043	175,962	-0.5%	Russia			385,941	385,408	0.1%
7,116	6,929	2.7%	Slovakia			15,037	14,639	2.7%
34,218	32,584	5.0%	Argentina			69,769	67,420	3.5%
131,572	134,234	-2.0%	Brazil			266,909	275,481	-3.1%
18,279	16,396	11.5%	Chile			37,272	35,335	5.5%
16,893	16,315	3.5%	Colombia			33,529	32,206	4.1%
11,319	10,243	10.5%	Peru			26,236	23,478	11.7%

Source: national TSOs.

In the 1st Half of 2016, electricity demand in Italy contracted by 2.0%, while in Spain it was unchanged on the same period of the previous year. In Eastern Europe, demand rose slightly in Russia (running counter to the recession in that country, however), while in Slovakia it expanded by 2.7%, consistent with the growth in GDP. In Latin America, demand in Brazil contracted by 3.1%, reflecting the recession, while in Argentina it continued to increase despite the contraction in GDP. Chile and Colombia saw demand growth outpace the expansion in GDP, rising by 5.5% and 4.1% respectively, while demand rose by 11.7% in Peru.

## Electricity prices

	Average baseload price H1 2016 (€/MWh)	Change in average baseload price H1 2016 - H1 2015	Average peakload price H1 2016 (€/MWh)	Change in average peakload price H1 2016 - H1 2015
<b>Italy</b>	<b>34.5</b>	<b>-27.9%</b>	<b>36.4</b>	<b>-27.6%</b>
Spain	29.5	-38.9%	34.4	-35.6%
Russia	13.9	-13.9%	16.4	-14.8%
Slovakia	27.2	-4.2%	34.3	-
Brazil	20.9	-80.9%	30.8	-76.4%
Chile	57.7	-52.2%	126.1	-28.7%
Colombia	122.7	73.8%	243.0	39.4%

## Natural gas demand

2nd Quarter			Millions of m <sup>3</sup>			1st Half		
2016	2015	Change				2016	2015	Change
11,493	11,457	36	0.3%	Italy		34,063	35,038	(975) -2.8%
6,116	5,854	263	4.5%	Spain		13,882	15,389	(1,507) -9.8%

Natural gas demand in the euro area edged down by 0.4% in the 1st Half of the year, due to a decline in residential use, partly offset by the recovery in demand for thermal generation and industrial use. Consumption contracted in both Italy and Spain compared with the same period of 2015. Demand in Spain fell by 9.8% despite the good performance in the 2nd Quarter.

## Italy

### Domestic electricity generation and demand

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change				2016	2015	Change
<b>Net electricity generation:</b>								
37,648	38,750	(1,102)	-2.8%	- thermal		83,823	83,808	15 -
13,598	14,009	(411)	-2.9%	- hydroelectric		21,505	23,601	(2,096) -8.9%
4,366	3,705	661	17.8%	- wind		10,138	8,900	1,238 13.9%
1,464	1,436	28	1.9%	- geothermal		2,953	2,874	79 2.7%
7,303	8,497	(1,194)	-14.1%	- photovoltaic		11,269	12,970	(1,701) -13.1%
<b>64,379</b>	<b>66,397</b>	<b>(2,018)</b>	<b>-3.0%</b>	<b>Total net electricity generation</b>		<b>129,688</b>	<b>132,153</b>	<b>(2,465) -1.9%</b>
9,627	9,442	185	2.0%	Net electricity imports		22,557	22,941	(384) -1.7%
<b>74,006</b>	<b>75,839</b>	<b>(1,833)</b>	<b>-2.4%</b>	<b>Electricity delivered to the network</b>		<b>152,245</b>	<b>155,094</b>	<b>(2,849) -1.8%</b>
(634)	(494)	(140)	-28%	Consumption for pumping		(1,240)	(944)	(296) -31.4%
<b>73,372</b>	<b>75,345</b>	<b>(1,973)</b>	<b>-2.6%</b>	<b>Electricity demand</b>		<b>151,005</b>	<b>154,150</b>	<b>(3,145) -2.0%</b>

Source: Terna - Rete Elettrica Nazionale (monthly report - June 2016).

*Electricity demand* in Italy in the 1st Half of 2016 decreased by 2.0% compared with the year-earlier period, to 151.0 TWh (73.4 TWh in the 2nd Quarter of 2016). Of total electricity demand, 85.1% was met by net domestic electricity generation for consumption (85.1% in the 1st Half of 2015) with the remaining 14.9% being met by net electricity imports (14.9% in the 1st Half of 2015).

*Net electricity imports* in the 1st Half of 2016 decreased by 0.4 TWh on the 1st Half of 2015, compared with an increase in the 2nd Quarter of 2016 (+0.2 TWh), essentially due to lower average sales prices on international markets.

*Net electricity generation* in the 1st Half of 2016 declined by 1.9% (-2.5 TWh) to 129.7 TWh (64.4 TWh in the 2nd Quarter of 2016). More specifically, the decrease in hydroelectric generation (-2.1 TWh) attributable to better water conditions in the year-earlier period and the contraction in photovoltaic output more than offset the rise in wind generation (+1.2 TWh). A similar pattern was recorded in the 2nd Quarter of 2016, with the addition of a substantial decline in thermal generation, in line with the decrease in demand.

#### Domestic natural gas demand

2nd Quarter			Millions of m <sup>3</sup>			1st Half		
2016	2015	Change	2016	2015	Change	2016	2015	Change
3,900	4,258	(358)	-8.4%	Residential and civil		17,104	18,661	(1.557)
3,466	3,185	281	8.8%	Industry and services		6,851	6,704	147
3,865	3,758	107	2.8%	Thermal generation		9,335	8,871	464
262	256	6	2.3%	Other <sup>(1)</sup>		773	802	(29)
<b>11,493</b>	<b>11,457</b>	<b>36</b>	<b>0.3%</b>	<b>Total</b>		<b>34,063</b>	<b>35,038</b>	<b>(975)</b>
								<b>-2.8%</b>

(1) Includes other consumption and losses.

Source: Enel based on data from the Ministry for Economic Development and Snam Rete Gas.

The demand for natural gas in Italy in the 1st Half of 2016 amounted to just over 34 billion cubic meters, a decrease of 2.8% on the same period of 2015. In the 2nd Quarter of 2016, consumption in industry and thermal generation recovered, fostered by a decline in the contribution of renewables and lower gas prices. Demand for residential and civil uses remained weak.

#### Spain

##### Electricity generation and demand in the peninsular market

2nd Quarter			Millions of kWh			1st Half		
2016	2015	Change	2016	2015	Change	2016	2015	Change
59,672	60,314	(642)	-1.1%	Net electricity generation		123,991	128,028	(4,037)
(1,293)	(984)	(309)	-31.4%	Consumption for pumping		(3,497)	(2,486)	(1,011)
1,428	(390)	1,818	-	Net electricity exports <sup>(1)</sup>		3,119	(1,928)	5,047
<b>59,807</b>	<b>58,940</b>	<b>867</b>	<b>1.5%</b>	<b>Electricity demand</b>		<b>123,613</b>	<b>123,614</b>	<b>(1)</b>
								-

(1) Includes the balance of trade with the extra-peninsular system.

Source: Red Eléctrica de España (*Estadística diaria* - June 2016 report and *Estadística diaria* - June 2015 for peninsular system). The volumes reported for the 1st Half of 2016 are updated to July 4, 2016.

*Electricity demand* in the peninsular market in the 1st Half of 2016 was in line with the same period of 2015 (+1.5% in the 2nd Quarter of 2016), standing at 123.6 TWh (59.8 TWh in the 2nd Quarter of 2016). Demand was entirely met by net domestic electricity generation for consumption.

*Net electricity exports* in the 1st Half of 2016 decreased from their level in the same period of 2015, reflecting the greater imports needed to meet domestic demand. A similar pattern was registered in the 2nd Quarter of 2016.

*Net electricity generation* in the 1st Half of 2016 totaled 124.0 TWh (59.7 TWh in the 2nd Quarter of 2016), a decrease of 3.2% (-4.0 TWh). Similar developments were recorded in the 2nd Quarter of 2016, with net generation falling by 1.1%.

#### Electricity generation and demand in the extra-peninsular market

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2nd Quarter			Millions of kWh			1st Half			
2016	2015	Change	2016	2015	Change	2016	2015	Change	
3,299	3,257	42	1.3%	Net electricity generation		6,502	6,467	35	0.5%
317	276	41	14.9%	Net electricity imports		609	600	9	1.5%
<b>3,616</b>	<b>3,533</b>	<b>83</b>	<b>2.3%</b>	<b>Electricity demand</b>		<b>7,111</b>	<b>7,067</b>	<b>44</b>	<b>0.6%</b>

Source: Red Eléctrica de España (*Estadística diaria* - June 2016 report and *Estadística diaria* - June 2015 for extrapeninsular system). The volumes reported for the 1st Half of 2015 are updated to May 9, 2016.

*Electricity demand* in the extra-peninsular market in the 1st Half of 2016 rose by 0.6% compared with the 1st Half of 2015, to 7.1 TWh (3.6 TWh, +2.3% in the 2nd Quarter of 2016). Of total demand, 91.4% was met by net generation in the extra-peninsular market, with net imports accounting for the remaining 8.6%.

*Net electricity imports* in the 1st Half of 2016 amounted to 0.6 TWh (0.3 TWh in the 2nd Quarter of 2016) and were entirely accounted for by trade with the Iberian Peninsula.

*Net electricity generation* in the 1st Half of 2016 rose by 0.5% compared with the same period of the previous year, mainly attributable to the increase in demand in the extra-peninsular market. Developments were similar in the 2nd Quarter of 2016.

## Regulatory and rate issues

Compared with the consolidated financial statements at December 31, 2015, which readers are invited to consult for a more detailed discussion of developments, the following section reports the main changes in the period with regard to regulatory and rate issues in the countries in which Enel operates.

### The European regulatory framework

#### Entry into force of MIFID II/MIFIR

On July 1, 2016 Regulation (EU) 2016/1033 and Directive (EU) 2016/1034 entered force, postponing the entry into force of the rules governing the provision of investment services in Europe (the MIFIR Regulation and the MIFID II Directive, respectively) from January 3, 2017 to January 3, 2018. Accordingly, the deadline for transposing the legislation by the Member States has been postponed from July 3, 2016 to July 3, 2017.

### The Italian regulatory framework

With Resolution no. 137/2016/R/com, the Authority for Electricity, Gas and the Water System (the Authority) replaced the Accounting Unbundling Consolidated Text issued with Resolution no. 231/2014/R/com (in force until 2015) with a new text, with consolidated provisions for the water sector (in force as from 2016).

In 2015, with its Resolution 296/2015/R/com, the Authority regulated the functional unbundling requirements for operators in the electricity and gas sector. More specifically, the Authority confirmed that companies must maintain a

separation between the brand, other distinguishing marks (including the company name) and communication policies of distribution companies and those of the companies that sell power that operate within the same group. Separation must also be maintained between those companies that sell electricity on the free market and those that do so on the enhanced protection market.

In April 2016 the Regional Administrative Court of Lombardy rejected the appeals lodged by Enel Distribuzione and Enel Servizio Elettrico. In implementation of the court's ruling, Enel Distribuzione modified its company name (and the associated brand) to "e-distribuzione SpA". The possibility of appealing the ruling of the Regional Administrative Court to the Council of State is being assessed. With Resolution no. 327/2016/R/eel, the Authority extended the deadline for sales companies operating in the enhanced protection market and the free market to implement the separation of their brands, other distinguishing marks and communication policies provided for in Resolution no. 296/2015/R/com to January 1, 2017.

### **Generation**

With Resolution no. 326/2016/R/eel, the Authority charged Terna with conducting the competitive tender for assigning contracts for the supply of replacement tertiary reserves in Sardinia for the period from July 1, 2016 to December 31, 2018. The contracts awarded by Terna establish a requirement to supply the Ancillary Services Market (MSD) at the variable cost paid to the plant for a premium established in the competitive tender.

Following the entry into service of the new Sorgente-Rizziconi connection between Sicily and the mainland on May 28, 2016, Resolution no. 274/2016/R/eel established the termination, as from that date, of the essential plants system under Decree Law 9 of June 24, 2014. That decree had established that schedulable generation plants with a capacity of more than 50 MW located in Sicily should be considered essential units eligible for reimbursement of costs as from January 1, 2015 until the date of entry into service of the Sorgente-Rizziconi connection.

With Resolution no. 333/2016/R/eel, the Authority established rules to govern actual imbalancing in the period July 2012 - September 2014 following the rulings of the Regional Administrative Court of Lombardy no.1648/2014 and of the Council of State no. 1532/2015 and no. 2457/2016, which had voided the previous rules.

With Resolution no. 342/2016/E/eel, the Authority ordered the start of a proceeding for the adoption of measures (prescriptive measures or asymmetric regulations) to prevent certain conduct by users of dispatching services in the wholesale electricity market that could constitute market abuse pursuant to Regulation (EU) 1227/2011 (REMIT).

### **Distribution**

#### **Distribution and metering**

With Resolution no. 87/2016/R/eel, the Authority approved the functional specifications of second generation electronic meters and also established performance levels for the new smart metering systems.

A subsequent resolution will define the criteria for remunerating the investment following another consultation.

With Resolution no. 233/2016/R/eel, the Authority published the provisional reference rates for electricity distribution for 2016, which are used to determine the level of revenue recognized for each operator. Those rates, which reflect the changes introduced with Resolution no. 654/2015/R/eel, include the first annual instalment of remuneration based on the WACC for regulatory capital employed for 2015. They also include the remuneration, calculated on the basis of the same parameters, of the one-off increase in net non-current assets for 2012-2014 recognized in compliance with the same resolution against the elimination of the regulatory lag and the associated increase of one percentage point in the WACC guaranteed to operators to compensate for the fact that the corresponding remuneration for the three-year period under consideration was paid to them only as from the second year following the investment.

As regards the calculation of the guarantees pledged by sellers to distributors in respect of transport services, the ruling of the Council of State of May 24, 2016 voided Resolution no. 612/2013/R/eel, establishing that those guarantees must be calculated net of system charges. The ruling nevertheless stated that the parties could govern this issue contractually in individual transport contracts.

On December 10, 2015 the Competition Authority notified Enel SpA and Enel Distribuzione of the opening of a proceeding to ascertain the existence of a Group strategy to hinder the development of a market for consumption monitoring systems. On May 19, 2016 the Competition Authority ordered the publication of the commitments proposed by the two companies, thereby ruling that they were not manifestly unfounded.

The entire procedure for the publication and assessment of the commitments must be completed, except in certain specific circumstances tied to the enquiry, within three months of the publication of the commitments. If accepted, those commitments would enable the closure of the enquiry without a finding of violation. If the commitments are rejected, the proceeding is scheduled to end, unless it is extended, on December 31, 2016.

## Sales

With Resolution no. 209/2016/E/com, the Authority regulated mandatory conciliation as a prerequisite for taking legal action in disputes between end users and operators. The rules take effect as from January 1, 2017.

## Electricity

Within the Integrated Information System, which manages information flows among electricity and gas market operators, the Authority issued Resolution no. 73/2016/R/eel centralizing a number of activities associated with the signing and termination of dispatching, transmission and distribution contracts.

## Gas

With regard to the definition of the price component covering natural gas supply costs, the Authority confirmed the current procedures for the period October 1, 2016 - December 31, 2017, extending its validity by a quarter with respect to the duration of the gas year. These procedures provide for full indexing to spot prices observed on the Dutch hub of the Title Transfer Facility (TTF), pending the development of greater liquidity on Italian wholesale markets.

## Renewable Energy

### Italy

On June 23, 2016, the Minister for Economic Development, the Minister for the Environment and the Minister for Agricultural Policy signed a decree for incentives for renewable resources other than photovoltaics for 2016.

About 1,400 MW of capacity will be auctioned, broken down by technology. The more efficient mature technologies (such as wind power) will be assigned about half of the available resources.

The incentives will be allotted in lowest bid auctions differentiated by technology for large plants (>5 MW), while smaller plants will have to be entered in specific registers. The draft decree was authorized by the European Commission to ensure its compliance with guidelines on state aid in the energy and environmental field.

Once fully operational, the decree will provide more than €400 million a year to the new plants selected in 2016. The overall ceiling of €5.8 billion a year for expenditure on renewable energy other than photovoltaics will remain in place.

## Iberian Peninsula

### Spain

#### Remuneration of distribution

On March 31, 2016 the Ministry for Industry, Energy and Tourism initiated the procedure for the introduction of a new ministerial order that will establish the remuneration of distribution activities for 2016, in accordance with the provisions of Order IET/2735/2015. Temporarily, the remuneration for 2015 will be retained until the new order is approved.

That order (Ministerial Order IET/980/2016) was published on June 16, establishing the remuneration for distribution activities for 2016. Endesa was allocated a remuneration of €2,014 million. In addition, the incentives for service quality and non-technical losses for Endesa were set at €7 million and €2 million respectively. That order also sets the base remuneration for the first regulatory period from January 1, 2016 to December 31, 2019.

## Eastern Europe

### Russia

#### Renewables

With Government Decree no. 850 of May 10, 2016, the following changes were made to the regulations governing renewables:

- > the incentive system for photovoltaic installations and small hydro systems was extended to 2024 (from 2020);
- > the capacity volume targets for solar and small hydro, which were not selected for previous auctions (2013-2015), were achieved and reallocated until 2024 (85.8 MW for solar and 168 MW for small hydro);
- > the total volume target was kept at the initial level (5,871 MW).

### Romania

#### Recognition of investments in rates

On March 4, 2016, ANRE approved a new procedure for recognizing investments in rates, which will enter force in 2017 and in 2016 will serve as a recommendation for distributors.

The procedure establishes (i) no recognition of inefficient investments; (ii) no recognition of costs for the works that exceed 10% of budgeted costs; and (iii) the possibility of modifying the annual investment plan by a maximum of 10% once it has been submitted. In this regard, ANRE is conducting an enquiry into investments made in 2014, with a risk that Enel will not be awarded certain costs for Group companies. The deadline for providing documentation and replies to ANRE is August 31, 2016.

In April 2016, the Court of Auditors also published a report on the operation of energy markets and the work of ANRE for the years 2010-2014. The report underscored the fact that ANRE did not comply with the statutory obligation to avoid increases in distribution rates, as the authority recognized investments for rate purposes without appropriate checks, set grid losses too high and performed incorrect calculations of the WACC.

#### Rebranding of distribution companies

In compliance with the request of ANRE (letter 37681 of May 18, 2016), by July 20, 2016 the Group companies must present a schedule of measures for rebranding to be implemented within a maximum of two years.

## France

### Abolition of regulated electricity and gas rates for industrial customers

Law 344/2014 provided for the gradual elimination of regulated electricity and gas rates for industrial customers. For the electricity sector in particular, as from January 1, 2016, regulated rates have been abolished for industrial customers with a consumption of more than 36 kVA and a temporary mechanism provides for the application of a temporary rate (in force until June 30, 2016) for customers who have not yet selected a supplier on the free market. As from July 1, 2016, customers who had not yet selected a free market supplier were automatically assigned to suppliers of last resort selected through competitive procedures held in April.

### National Energy Transition Act

In 2016 the implementing decrees for Law 2015/992 are being enacted. The law sets out the guidelines for the new national energy strategy:

- > cutting greenhouse gases by 40% by 2030 compared with 1990 levels;
- > achieving a renewable energy target of 32% of overall gross energy consumption by 2030 (around 40% of overall electricity consumption);
- > reducing final energy consumption by 50% by 2050, with a focus on the building sector;
- > capping nuclear capacity at 63.2 GW and limiting the share of nuclear power to 50% of domestic generation in 2025.

In May, the implementing measures for the reform of the incentive system for renewables were published. Among the provisions, for a number of sources electricity will now be sold directly on the market.

## Latin America

### Argentina

#### Rate revision and other regulatory developments in Argentina

On January 27, 2016, *Resolución* no. 06 of the *Ministerio De Energía y Minería* was published. It approves quarterly summer reprogramming until April 2017 for the wholesale electricity market, to be carried out on the basis of new criteria that in determining the price take account of (i) the effective cost of electricity adjusted for subsidies; (ii) new price schemes that differ for each type of residential customer on the basis of the capacity for consumption savings and (iii) a new social rate. The resolution is an important step towards the reconstruction of the entire value chain and the associated payment cycle for the electricity market.

Following that resolution, on January 28, 2016, *Resolución* no. 07 of the *Ministerio De Energía y Minería*, expressly targeted at the distribution companies EDESUR SA and EDENOR SA, instructs ENRE to exercise its power to increase rates, preliminary to the upcoming *Revisión Tarifaria Integrál* (RTI), applying the above transitional rate regime for those two distribution companies. In addition, it terminates application of the PUREE and introduces a new social rate for all customers. It also establishes a deadline of December 31, 2016 for the definition of the RTI.

The new administration intends to return to the fundamental principles that inspired Law 24065 of 1991 and to normalize the electrical sector as requested by industry operators.

On January 29, 2016, ENRE therefore issued:

- > *Resolución* no. 1/2016, which contains a new rate framework to apply to each category of customer as from February 1, 2016, and rules governing supply, which now provides for monthly invoicing;
- > *Resolución* no. 2/2016, which provides for the closure of the FOCEDE as from January 31, 2016 and establishes a new system for funds received in application of *Resolución* ENRE no. 347/12. More specifically, those funds will no

longer be managed by a trust, instead being deposited them in a current account held with a banking institution recognized by Argentina's central bank.

On March 30, 2016, the Argentine Secretary of Electricity (SEE), which reports to the *Ministerio De Energía y Minería*, issued Resolution no. 22/2016 updating the rates set with Resolution no. 482/2015, which would be applied as from February 2016. The increases regarded the remuneration of the fixed costs of thermal generation units (+70%) and hydroelectric plants (+120%), while the remuneration of variable costs was increased by 40% for both generation technologies.

The rates for the non-recurring maintenance component were increased by 60% and 25% for thermal and hydroelectric plants respectively, while the additional remuneration was left unchanged. In any event, the resolution is to be considered a temporary measure pending the new regulatory framework for the sector to be announced by the Government.

#### **Development of new thermal generation capacity**

On March 22, 2016, SEE Resolution no. 21/16 invited interested parties to submit bids for new thermal generation capacity until the summer of 2018. The tender is not open to units in existence prior to the publication of the resolution, units already connected to the Argentine interconnection system (SADI) or for which the power generated is already committed under other executive agreements.

The contract provided for in the resolution may have a duration of between five and 10 years with CAMMESA in representation of the operators of the MEM, with remuneration for capacity to be set in US dollars/MW/month and for power generated in US dollars/MWh, with the price differentiated by type of fuel. The disbursement and recognition of the cost of fuels will be carried out using existing procedures. Minimum capacity thresholds have been set for each grid connection point.

#### **Brazil**

##### **“Bandeiras Tarifárias” update**

On February 1, 2016, the highest generation costs classes, “Yellow” and “Red”, were subdivided into additional classes. In any event, developments in water conditions in the period, which returned reservoirs to acceptable levels, gave rise to the repositioning of the “Bandieras Tarifárias” to level “Yellow” in March 2016 and “Green” in April 2016. The mechanism, which provides for the application of an extra-cost differentiated by class of generation cost representing progressively worse conditions (Green, Yellow and Red) to be billed to end-users without having to wait for subsequent rate revisions, took effect at the start of 2015 in response to the increasingly large divergence between costs recognized in rates and effective costs, partly due to the continuation of drought conditions.

##### **Cuenta de Desarrollo Energético (CDE)**

Created with Law 10438/2002, the CDE is a government fund designed to foster the development of generation from alternative energy sources, promote the globalization of energy services and subsidize low-income residential customers. The fund is financed with a surcharge levied through rates for consumers and generators.

On December 15, 2015, ANEEL launched a public consultation with system operators to define the CDE's provisional 2016 budget.

ANEEL's initial proposal was to reduce the rate surcharge for the CDE by 36%, taking account of the fact that the substantial reduction in the cost of fuels, which had already begun in 2015, had not been promptly reflected in reductions in the rate surcharges in 2016.

*Resolución n. 1.576* authorized distribution companies to offset the reduction in amounts billed (following application of the court ruling upholding the demand of certain appellates to be charged a lower CDE rate surcharge) in monthly

installments. The difference between the normal rate and that established in the court ruling will be recovered by the distribution companies through smaller monthly payments to the fund.

#### **Personnel sharing and contracts between related parties**

On January 28, 2016, ANEEL approved new rules for sharing personnel and infrastructure among companies belonging to the same group and for approving contracts between related parties. The rules envisage the following measures:

- > the sharing of personnel and administrative infrastructure between companies of the same group is permitted even if they operate in different segments (e.g. generation, distribution, transmission, sales and holding companies);
- > contracting with personnel must evaluate the various possible approaches and contractual forms, taking care to select the most beneficial in financial terms. Contracts for the provision of services, which must comply with the principle of economic, financial, administrative and operational separation of the companies involved, may have a maximum duration of five years and can be renewed upon request if justified on economic grounds;
- > approval of contracts between related parties must comply with the new rules set by ANEEL, which is also responsible for monitoring compliance with the specified limits.

#### **Portaria no. 237**

On June 6, 2016, the Minister of Mines and Energy ("MME") signed Portaria no. 237, which allows electricity distribution companies to ask the ministry for investments in high-voltage grids and substations to be classified as high priority. Such classification makes it possible to issue bonds for infrastructure projects, which are long-term financial liabilities with longer maturities than standard bonds and which also give issuers tax benefits.

#### **Provisional Measure no. 735**

Provisional Measure no. 735 of June 22, 2016 established the following in relation to additional system charges:

- > as from January 1, 2017, the Chamber of Commercialization of Electrical Energy (CCEE) will replace Electrobras as the company charged with collecting the following "Encargos Sectoriais": RGR, CDE and CCC, and with the administrative management and operation of the associated sectoral funds;
- > as from January 1, 2030, the allocation of the annual CDE charges will be proportionate to the power transported on the distribution and transmission grid of each operator in MWh. The geographical area and region served will no longer be taken into consideration;
- > between January 1, 2017 and December 31, 2029, procedures will be established for the gradual and uniform reduction and final elimination of the existing allocation criteria.

## **Renewable Energy**

### **Greece**

The Greek incentive system uses a feed-in tariff differentiated by renewable energy resource. In the 2012-2014 period, a range of measures were introduced to reduce the system deficit, decreasing incentives. Based on the 2014-2020 guidelines on state aid, a new renewable energy resource support mechanism, based on feed-in premiums and tenders, entered force on January 1, 2016, replacing the existing system. The definitive scheme should be approved by parliament by July 2017.

The Wholesale Electricity Market and the Capacity Assurance Mechanism (CAM) are undergoing reform. While the reform of the wholesale market should be completed by December 2017 and that of the imbalancing market by June 2017, in June 2016 a temporary model for the CAM (based on four pillars: capacity availability, flexibility, strategic reserve and demand-side response) was approved by the Greek parliament. The temporary system will be replaced by a permanent mechanism that should enter force in 2017.

## **Turkey**

On May 1, 2016, the national regulatory authority (EMRA) modified the legislation governing the incentive mechanism with regard to the exemption from participation in the balancing market.

On June 17, 2016, the parliament approved amendments to the Energy Act, including a change in the tender mechanism for renewables. The secondary legislation will be published in the coming months.

## **Spain**

In the final months of 2015 the criteria for awarding incentives to new renewable energy plants were defined, in line with the new regulatory framework. This voided the moratorium imposed with Royal Decree Law 1/2012. The criteria, which provide for the award to be made through an auction system, had already been envisaged in the new law on electricity supply, although the details of application had not yet been specified. These were defined with Royal Decree 947/2015, Ministerial Decree IET/2212/2015 and the resolution of November 30 of the Secretary of Energy. The first auction, scheduled for January 14, 2016, involved 500 MW of wind capacity and 200 MW of biomass. For wind projects, the auction was completed successfully without incentives, while for biomass projects the only incentive awarded was that linked to the operating costs of the plants (the Ro component). Enel Green Power España, which participated in the auction for the award of wind capacity, was not awarded any project.

On February 10, 2016, the eligibility tests that renewable energy plants must pass to be considered eligible for participation in system adjustment services were begun.

As part of the discussions under way for the formation of a new Government in Spain, all of the political parties, with the sole exception of the Partido Popular (PP), signed a proposal to reform the regulations governing self-consumption, with the aim of promoting its development in the country. Among the proposed measures, the most important regard the elimination of system costs that are currently charged to the vast majority of consumers and the possibility for consumer to share self-consumption plants. Naturally the success of the proposal depends on the formation of a new Government by the signatories of the accord, especially following the new elections held on June 26. The situation is marked by considerable uncertainty and will require new negotiations with the other parties, which could last until August.

## **Morocco**

In February 2016, the Government endorsed bill no. 58 of 2015 amending a number of aspects of Law 09/13. The bill allows renewables generators to also access low-voltage grids. The specific conditions for doing so will be specified and regulated subsequently. The bill also regulates aspects concerning the delivery of excess renewable electricity to the high-voltage grid.

On June 9, 2016, Law 48-15 was published in the official journal. It organizes the electricity market and creates a new electricity regulator (ANRE). The new regulator will have to set electricity transport and distribution rates and eliminate discrimination in access to electricity transmission grids.

On June 24, 2016 the Government approved three decree laws that primarily reformed the operation of the Moroccan Agency for Solar Energy (MASEN). The decrees must now be approved by the two houses of the Moroccan parliament. In the future, MASEN will replace the national utility ONEE in supervising renewables activities in Morocco, with the exception of renewables plants operated by private citizens (Law 13-09) and pumping stations (STEP). In short, the reform transfers activities and duties from ONEE to MASEN. With the new changes, the ADEREE public agency will focus on energy efficiency issues.

## **India**

In June 2016, the Ministry of New and Renewable Energy (MNRE) published guidelines for the construction of 1,000 MW of wind capacity using competitive auctions, with that mechanism gradually replacing the feed-in tariffs.

The MNRE also published a draft policy to define guidelines to support the development of mini/micro-grids based on renewables, with a goal of implementing at least 10,000 projects, equivalent to a minimum of 500 MW of installed capacity, in the next five years to supply electricity in rural areas.

### **Mexico**

The regulator modified the calculation of the gas component of electricity rates in order to reflect the increase in imports in recent months. The change anticipates the modification of the entire rate calculation method for customers in the regulated market, which should be completed by the end of 2016.

In May, the Ministry of Energy (SENER) published the calendar of the second long-term auction of the new Mexican electricity market. The process, which will be completed in September, will involve the award of 15/20-year contracts for the supply of electricity, capacity and non-fossil energy certificates, with supply to begin as from January 1, 2019.

As regard the long-term development of the sector, the electricity sector planning document for 2016-2030 (PRODESEN) was presented. The document sets out to identify the electricity generation, transmission and distribution projects necessary to meet demand over the period. According to ministry estimates, demand is expected to rise by between 3% and 4%, which will require about 57 GW of additional capacity. Over the course of the time horizon considered by the plan, a total of more than €100 billion will be invested in the electricity sector, of which 75% in generation and 25% in distribution and transmission.

### **Brazil**

In June, the President approved Law 13.299, which among other measures extends the subsidy for transmission rates to mini-hydro plants. The rate, which previously only applied to plants with a capacity of less than 30 MW, will be extended to plants with a capacity of less than 50 MW, which will, however, only receive the beneficial rate for first 30 MW. The measure will take effect as from the publication of the second-level regulations.

With Resolution no. 79/2016, the regulator modified the accounting rules for the sale of electricity from wind plants on the free and regulated markets. The new rule will be applied retroactively as from October 2014 and will allow the correct reallocation of electricity between the two segments in line with existing contracts.

In June, the Ministry of Energy published Order no. 222 amending the process for obtaining the REIDI tax incentive (*Regime Especial de Incentivos para o Desenvolvimento de Infraestrutura*), which specifically targets infrastructure investment. The new process will enable plants that have won auctions to reduce the time necessary to obtain the tax benefit.

### **Uruguay**

With Decree no. 78/2016, the regulator modified the formula for indexing the national component in long-term contracts. The change eliminates the limit of one year on retroactive recognition of the indexing adjustments.

### **Colombia**

The Ministry of Energy published a resolution officially modifying the “2015-2029 Expansion Plan for Generation and Transmission” in order to comprise the expansion necessary to include wind generation in the La Guajira peninsula. The plan provides for the connection to enter service in November 2022.

### **USA**

In May 2016, the US Internal Revenue Service (IRS) issued guidance on the regulation of the Production Tax Credit (PTC) enacted in December 2015. Guidance for the Investment Tax Credit (ITC) is expected at a later date. In substance, the new rules phase down the value of the credits for wind on the basis of the start of construction, while they provide for an extension of the PTC for geothermal, hydropower, and biomass.

Under the above guidance, the IRS clarified that projects will be presumed to meet the continuity requirements if they are placed in service within four years of the start of construction. Projects may be placed in service after these presumptive dates but will have to be able to demonstrate that they meet the continuity requirements.

## Main risks and uncertainties

Due to the nature of its business, the Group is exposed to a variety of risks, notably market risks, credit risk, liquidity risk, industrial and environmental risks and regulatory risk. In order to mitigate its exposure to these risks, the Group conducts specific analysis, measurement, monitoring and management activities, as described in this section.

See also the “Reference scenario” section for an analysis of the factors that represent some of the underlying bases for these risks.

### Risks connected with market liberalization and regulatory developments

The energy markets in which the Group operates are currently undergoing gradual liberalization, which is being implemented using different approaches and timetables from country to country.

As a result of these processes, the Group is exposed to increasing competition from new entrants and the development of organized markets.

The business risks generated by the natural participation of the Group in such markets have been addressed by integrating along the value chain, with a greater drive for technological innovation, diversification and geographical expansion. More specifically, the initiatives taken have increased the customer base in the free market, with the aim of integrating downstream into final markets, optimized the generation mix, improved the competitiveness of plants through cost leadership, sought out new high-potential markets and developed renewable energy resources with appropriate investment plans in a variety of countries.

The Group operates in regulated markets and sectors, and changes in the rules governing operations in such markets, and the associated instructions and requirements with which the Group must comply, can impact our operations and performance.

In order to mitigate the risks that such factors can engender, Enel has forged closer relationships with local government and regulatory bodies, adopting a transparent, collaborative and proactive approach in tackling and eliminating sources of instability in regulatory arrangements.

### Risks connected with CO<sub>2</sub> emissions

In addition to being one of the factors with the largest potential impact on Group operations, emissions of carbon dioxide (CO<sub>2</sub>) are also one of the greatest challenges facing the Group in safeguarding the environment.

EU legislation governing the emissions trading scheme imposes costs for the electricity industry, costs that could rise substantially in the future. In this context, the instability of the emissions allowance market accentuates the difficulties of managing and monitoring the situation. In order to mitigate the risk factors associated with CO<sub>2</sub> regulations, the Group monitors the development and implementation of EU and Italian legislation, diversifies its generation mix towards the use of clean energy resources such as renewables, develops strategies to acquire allowances at competitive prices and, above all, enhances the environmental performance of its generation plants, increasing their energy efficiency.

There are no material risks concerning the coverage of emissions rights for the 1st Half of 2016.

### Market risks

As part of its operations, Enel is exposed to a variety of market risks, notably the risk of changes in interest rates, exchange rates and commodity prices.

To maintain this risk within the range set out annually in the Group’s risk management policies, Enel uses derivatives obtained in the market.

## Risks connected with commodity prices and supply continuity

Given the nature of its business, Enel is exposed to changes in the prices of fuel and electricity, which can have a significant impact on its results. To mitigate this exposure, the Group has developed a strategy of stabilizing margins by contracting for supplies of fuel and the delivery of electricity to end users or wholesalers in advance.

The Group has also implemented a formal procedure that provides for the measurement of the residual commodity risk, the specification of a ceiling for maximum acceptable risk and the implementation of a hedging strategy using derivatives. In order to limit the risk of interruptions in fuel supplies, the Group has diversified fuel sources, using suppliers from different geographical areas and encouraging the construction of transportation and storage infrastructure. Various types of derivatives are used to reduce the exposure to fluctuations in energy commodity prices and as part of proprietary trading activities.

Thanks to these strategies, the Group was able to limit the effects of the crisis and the international situation, minimizing the potential impact of these factors on the results for the 2nd Half of the 2016.

The exposure to the risk of changes in commodity prices is associated with the purchase of fuel for power plants and the purchase and sale of gas under indexed contracts as well as the purchase and sale of electricity at variable prices (indexed bilateral contracts and sales on spot electricity market).

The exposures in respect of indexed contracts are quantified by breaking down the contracts that generate exposure into the underlying risk factors.

As regards electricity sold by the Group, Enel uses fixed-price contracts in the form of bilateral physical contracts and financial contracts (e.g. contracts for differences, VPP contracts, etc.) in which differences are paid to the counterparty if the market electricity price exceeds the strike price and to Enel in the opposite case.

The residual exposure in respect of the sale of energy on the spot market not hedged with such contracts is aggregated on the basis of uniform risk factors that can be hedged in the market. The hedging instruments used by the Group are largely plain vanilla derivatives (specifically, forwards, swaps, commodity options, futures, contracts for differences).

Enel also engages in proprietary trading in order to maintain a presence in the Group's reference energy commodity markets. These operations consist in taking on exposures in energy commodities (oil products, gas, coal, CO<sub>2</sub> certificates and electricity in the main European countries) using financial derivatives and physical contracts traded on regulated and over-the-counter markets, exploiting profit opportunities through arbitrage transactions carried out on the basis of expected market developments. These operations are conducted within the framework of formal governance rules that establish strict risk limits. Compliance with the limits is verified daily by units that are independent of those undertaking the transactions. The risk limits for Enel's proprietary trading are set in terms of Value-at-Risk over a 1-day time horizon and a confidence level of 95%; the Group limit for 2016 is equal to €15 million.

## Exchange rate risk

The Group is exposed to exchange rate risk associated with cash flows in respect of the purchase or sale of fuel or electricity on international markets, cash flows in respect of investments or other items in foreign currency and debt denominated in currencies other than the currency of account of the respective countries. In addition the consolidated financial statements are exposed to translation risk, which is generated by the conversion of the subsidiaries' account balances denominated in currencies other than the euro.

In order to minimize risks of a financial and transactional nature associated with fluctuations in the exchange rate, the Group normally uses a variety of over-the-counter (OTC) derivatives such as currency forwards, cross currency interest rate swaps and currency options.

During the 1st Half of 2016, management of exchange rate risk was pursued through compliance with risk management policies, which call for hedging of significant exposures, encountering no difficulties in accessing the derivatives market. An analysis of the Group's financial debt shows that 42% of long-term gross debt (39% at December 31, 2015) is denominated in currencies other than the euro.

Taking account of exchange rate hedges and the portion of debt denominated in the functional currency of the country in which the Group company holding the debt position operates, the proportion of unhedged debt decreases to about 17.1% (14% at December 31, 2015), an exposure that is felt would not have a significant impact on the income statement in the event of a change in market exchange rates.

With regard to debt denominated in currencies other than the euro, the main exchange rate exposure is in respect of the US dollar. In that regard, at June 30, 2016, assuming a 10% appreciation of the euro against the dollar, all other variables being equal, shareholders' equity would have been €1,920 million lower (€1,951 million at December 31, 2015) as a result of the decrease in the net fair value of CFH derivatives on exchange rates. Conversely, assuming a 10% depreciation of the euro against the dollar, all other variables being equal, shareholders' equity would have been €2,321 million higher (€2,385 million at December 31, 2015) as a result of the increase in the net fair value of CFH derivatives on exchange rates.

### **Interest rate risk**

The main source of exposure to interest rate risk for Enel comes from the fluctuation in the costs associated with its floating-rate debt.

The Group's financial risk management policy seeks to maintain the risk profile established within the framework of the formal risk governance procedures of the Group, curbing borrowing costs over time and limiting the volatility of results. This goal is pursued both at the source of the exposure to the risk, through the strategic diversification of the nature of our financial assets and liabilities and by altering the risk profile of the exposure through the use of derivatives on over-the-counter markets, such as interest rate swaps, interest rate options and swaptions.

In the event the Company has planned a bond issue for which it wants to establish the cost in advance, it may enter into derivatives prior to the origination of the bond (pre-hedge transactions).

At June 30, 2016, 28% of gross financial debt was floating rate (27% at December 31, 2015). Taking into account the hedge accounting of interest rates considered effective pursuant to the IFRS-EU, 21% of the debt was exposed to interest rate risk at June 30, 2016 (21% at December 31, 2015). Including interest rate derivatives treated as hedges for management purposes but ineligible for hedge accounting, the residual exposure would be 21% (21% at December 31, 2015).

If interest rates had been 25 basis points higher at June 30, 2016, all other variables being equal, shareholders' equity would have been €197 million higher (€183 million at December 31, 2015) as a result of the increase in the fair value of CFH derivatives on interest rates. Conversely, if interest rates had been 25 basis points lower at that date, all other variables being equal, shareholders' equity would have been €197 million lower (€183 million at December 31, 2015) as a result of the decrease in the fair value of CFH derivatives on interest rates.

An equivalent increase (decrease) in interest rates, all other variables being equal, would have a negative (positive) impact on the income statement in terms of higher (lower) annual interest expense on the portion of gross debt not hedged against interest rate risk of about €27 million (€28 million at December 31, 2015).

### **Credit risk**

The Group's commercial, commodity and financial operations expose it to credit risk, i.e. how the possibility that an unexpected change in the creditworthiness of a counterparty has an effect on the creditor position, in terms of insolvency (default risk) or changes in its market value (spread risk).

Beginning in the last few years, with the instability and uncertainty of the financial markets and the global economic crisis, average payment times have increased for the system as a whole. In order to pursue the minimization of credit risk, the Group's general policy calls for the application of uniform criteria in all the main divisions/countries/business

lines for measuring credit exposures in order to promptly identify any deterioration in credit quality – determining any mitigation actions to implement – and to enable the consolidation and monitoring of exposures at the Group level. The management and control of credit exposures is performed at the region/country/business line level by different organizational units, thereby ensuring the necessary segregation between risk management and control activities. The Parent Company monitors the consolidated exposure.

As regards credit risk in respect of commodities transactions, Enel uses a uniform counterparty assessment system across the Group, which has also been implemented at the local level. Portfolio limits for credit risk defined by the competent units of the region/country/business line involved are also applied and monitored.

As to credit risk in respect of open positions in financial transactions, including those involving derivatives, risk is minimized by selecting counterparties with high credit ratings from among the leading Italian and international financial institutions, portfolio diversification, entering into margin agreements for the exchange of cash collateral, or applying netting criteria. Also in this case credit risk is assessed using an internal rating system. Finally, operating limits on credit risk in respect of financial counterparties, approved by the Group Risk Committee, are being applied and monitored again in 2016, for both the individual regions/countries/global business lines and at the consolidated level.

As a further protection against credit risk, for a number of years the Group has carried out non-recourse assignments of receivables mainly for specific segments of the commercial portfolio and, to a lesser extent, invoiced receivables and receivables to be invoiced of companies operating in other segments of the electricity industry than sales.

All of the above transactions are considered as non-recourse transactions for accounting purposes and therefore involved the full derecognition of the corresponding assigned assets from the balance sheet, as the risks and rewards associated with them have been transferred.

## Liquidity risk

The Group is exposed to liquidity risk in the course of its financial management, since should it have difficulty in accessing new funds or in liquidating assets, it could incur additional costs in meeting its obligations or find itself temporarily insolvent, putting its business continuity at risk.

The goals of liquidity risk management are to maintain an adequate level of liquidity at the Group level, drawing on a range of sources of financing and maintaining a balanced profile of debt maturity. To ensure the efficient management of its liquidity, the Group's Treasury operations are centralized at the Parent Company, meeting liquidity requirements primarily through cash flows generated by ordinary operations and managing any excess liquidity as appropriate.

Underscoring the Enel Group's continued capacity to access the credit market despite the persistent strains in the financial markets, the Group carried out bond issues with institutional and retail investors totaling €2,970 million in the 1st Half of 2016.

At June 30, 2016, the Enel Group had a total of about €5.5 billion in cash or cash equivalents, as well as available committed credit lines of €13.7 billion.

Committed credit lines amounted to €14 billion (€03 billion drawn), while uncommitted credit lines totaled €827 million (€302 million drawn). In addition, the Group has outstanding commercial paper programs totaling €9.4 billion (€0.5 billion drawn).

## Rating risk

Credit ratings, which are assigned by rating agencies, impact the possibility of a company to access the various sources of financing and the associated cost of that financing. Any reduction in the rating could limit access to the capital market and increase finance costs, with a negative impact on the performance and financial situation of the company.

At June 30, 2016, Enel's ratings were: (i) "BBB" for Standard & Poor's with a stable outlook; (ii) "BBB+", for Fitch with a stable outlook; and (iii) "Baa2", with a stable outlook for Moody's.

## Country risk

The Enel Group has a significant international presence that spans several continents and ranges from Russia to Latin America, with foreign operations generating more than 50% of its total revenue.

The Group therefore has a significant exposure to country risk, namely the macroeconomic, financial, regulatory, market, geopolitical and social risks whose manifestation could have a negative impact on income and on the value of corporate assets.

In order to effectively monitor this type of risk, a qualitative assessment of the risks associated with each country is performed periodically. In addition, a quantitative model using a shadow rating approach has been developed and is used to support processes for rating strategic investments in the context of industrial planning and business development.

World macroeconomic conditions were recently impacted by the end of the commodities super cycle, mainly affecting countries characterized by export-driven growth and by a slow and fragmented recovery in the advanced economies, which are struggling with non-performing loans, excessive regulation and high unemployment.

Corporate investment is not increasing in the advanced economies, which despite expansionary monetary policies are growing at diverse rates, with greater difficulty for countries with high deficits and unemployment. The emerging markets are slowing, reflecting the decline in exports associated with the weakening of Chinese demand and the depressed state of the commodities segment.

The European macroeconomic environment remains uncertain and fragmented, with the ratio of public debt to GDP varying significantly from country to country and economic performance characterized by the weak recovery under way in the Mediterranean countries despite favorable exogenous conditions such as the low official rates set by the ECB and lower energy prices. In this context, consumption remains weak, as is manufacturing activity, which contracted in the 2nd Quarter, bringing inflation to extremely low levels and prompting the ECB to enhance its expansionary measures.

Italy is experiencing moderate growth, sustained by the improvement in manufacturing output and a hesitant recovery in construction. Less favorable signals are coming from consumption, which is still affected by the high level of unemployment and concerns about financial stability, which together with political stability will be the key determinants of potential growth in the coming months.

In the first six months of 2016, growth in the Latin American economies slowed down for a number of reasons, including low commodity prices – which hit exporting countries especially hard – the decline in Chinese demand, which first emerged towards the end of 2015 and strengthened in 2016, and internal political conditions often marked by confusion and partisan divisions. All of this generated major fluctuations in exchange rates and high inflation, especially in Colombia, Argentina and Brazil.

In China, the figures for the 2nd Quarter show GDP growth recovering slightly, to 6.7% year-on-year, but the weak performance of investment and the slowdown in the chemicals and mining sectors, together with the volatility in commodities, counsel prudence in expectations for future growth.

In the United States, the Federal Reserve has postponed any interest rate increases owing to the instability generated by internal developments, where manufacturing and industrial output have contracted, the latter falling by 1.4% on 2015, and external conditions, such as the slowdown in the emerging markets, volatility in the commodities markets and political and financial instability in Europe.

In the 2nd Quarter of 2016 employment and wages in the United States rose moderately but still outperformed the other advanced economies. Consumption is still flagging but the real estate sector continues to recover, as does lending in view of the demand for loans, which rose moderately, and the good availability of credit.

## Environmental risks

Breakdowns or accidents that temporarily interrupt operations at Enel's plants represent an additional risk associated with the Group's business. In order to mitigate such risks, the Group adopts a range of prevention and protection strategies, including preventive and predictive maintenance techniques and technology surveys to identify and control risks, and recourse to international best practices. Any residual risk is managed using specific insurance policies to protect corporate assets and provide liability coverage in the event of harm caused to third parties by accidents, including pollution, that may occur during the production and distribution of electricity and gas.

As part of its strategy of maintaining and developing its cost leadership in the markets in which it has generation operations, the Group is involved in numerous projects for the development, improvement and reconversion of its plants. These projects are exposed to the risks commonly associated with construction activities, which the Group mitigates by requiring its suppliers to provide specific guarantees and, where possible, obtaining insurance coverage against all phases of construction risk.

With regard to nuclear power generation, Enel operates in Slovakia through the subsidiary Slovenské elektrárne and in Spain through Endesa. In relation to its nuclear activities, the Group is exposed to operational risk and may face additional costs because of, *inter alia*, accidents, safety violations, acts of terrorism, natural disasters, equipment malfunctions, malfunctions in the storage, movement, transport and treatment of nuclear substances and materials. In those countries where Enel has nuclear operations, there are specific laws requiring insurance coverage for strict liability for nuclear events attributable to third parties and which impose a ceiling on the nuclear operator's financial exposure. Other mitigating measures have been taken in accordance with best international practices.

## Outlook

The 2nd Quarter of 2016 confirmed the positive trend registered in the 1st Quarter, with major progress achieved for each of the objectives of the 2016-2019 strategic plan as presented in updated form in November 2015.

In the remainder of 2016, in line with the industrial targets set out in the plan, we expect:

- > additional gains in the efficiency enhancement program in all global business lines;
- > an increase in the contribution of investments to EBITDA, to be achieved in the 2nd Half of the year, as well as the additional contribution from plants that entered service in the 1st Half;
- > the start of installation of new-generation smart meters in Italy and the implementation of the strategic plan of Enel OpEn Fiber;
- > within the project for the simplification of the Group structure:
  - the completion, by the 4th Quarter of the year, of the corporate reorganization in Latin America, which is intended to separate generation and distribution operations in Chile from those in the other Latin American countries;
  - the optimization of our corporate presence in the renewables sector in Spain, with the acquisition by Endesa Generación of the entire share capital of Enel Green Power España;
- > the active management of the asset portfolio with the completion of the first phase of the disposal of Slovenské elektrárne.

Based on the key pillars outlined above, thanks to the contribution registered in the 1st Half of 2016 (which also benefited from the consolidation of Slovenské elektrárne in the period, which was not provided for in the plan assumptions) and the expected progress for the remainder of the year – especially in Latin American operations, the global retail segment and in cash generation and net debt reduction – the performance and financial targets forecast for 2016 in the 2016-2019 strategic plan are expected to improve.

In addition to the revised targets for 2016, the figures for 2017 (unchanged) are provided for your convenience in the following table.

		2016	2017	CAGR 2015-2019
Recurring EBITDA	billions of euros	~15.0	~15.5	~4%
Net ordinary income	billions of euros	~3.2	~3.4	~10%
Minimum dividend	euros/share	0.18		~17%
Pay-out	%	55	60	~7%
FFO/Net financial debt	%	25	26	~6%

## **Related parties**

For a detailed discussion of transactions with related parties, please see note 26 to the condensed half-year consolidated financial statements.

# Condensed interim consolidated financial statements

## Consolidated Income Statement

Millions of euro	Notes	1st Half	
		2016	2015
		<i>of which with related parties</i>	<i>of which with related parties</i>
<b>Revenue</b>	4		
Revenue from sales and services		33,172	2,365
Other revenue and income		978	177
	[Subtotal]	<b>34,150</b>	<b>37,632</b>
<b>Costs</b>	5		
Electricity, gas and fuel purchases		15,325	2,734
Services and other materials		8,030	1,235
Personnel		2,232	2,338
Depreciation, amortization and impairment losses		2,843	2,877
Other operating expenses		1,117	126
Capitalized costs		(721)	(645)
	[Subtotal]	<b>28,826</b>	<b>32,724</b>
<b>Net income/(expense) from commodity contracts measured at fair value</b>	6	<b>(114)</b>	2
<b>Operating income</b>		<b>5,210</b>	<b>5,084</b>
Financial income from derivatives	7	1,193	2,027
Other financial income	8	1,348	13
Financial expense from derivatives	7	2,051	1,028
Other financial expense	8	2,017	25
Share of income/(losses) of equity investments accounted for using the equity method	15	52	8
<b>Income before taxes</b>		<b>3,735</b>	<b>3,815</b>
Income taxes	9	1,143	1,186
<b>Net income from continuing operations</b>		<b>2,592</b>	<b>2,629</b>
<b>Net income from discontinued operations</b>		-	-
<b>Net income for the period (shareholders of the Parent Company and non-controlling interests)</b>		<b>2,592</b>	<b>2,629</b>
Attributable to shareholders of the Parent Company		1,834	1,833
Attributable to non-controlling interests		758	796
<i>Basic earnings/(loss) per share attributable to shareholders of the Parent Company (euro)</i>	10	0.19	0.19
<i>Diluted earnings/(loss) per share attributable to shareholders of the Parent Company (euro)</i>	10	0.19	0.19
<i>Basic earnings/(loss) per share from continuing operations attributable to shareholders of the Parent Company (euro)</i>	10	0.19	0.19
<i>Diluted earnings/(loss) per share from continuing operations attributable to shareholders of the Parent Company (euro)</i>	10	0.19	0.19

## Statement of Consolidated Comprehensive Income

Millions of euro	1st Half	
	2016	2015
<b>Net income for the period</b>	<b>2,592</b>	<b>2,629</b>
<b>Other comprehensive income recyclable to profit or loss</b>		
Effective portion of change in the fair value of cash flow hedges	(516)	687
Share of the other comprehensive income of equity investments accounted for using the equity method	(28)	12
Change in the fair value of financial assets available for sale	28	30
Exchange rate differences	1,116	297
<b>Other comprehensive income not recyclable to profit or loss</b>		
Remeasurements of net defined benefit liabilities/(assets)	-	-
<b>Total other comprehensive income/(loss) for the period</b>	<b>600</b>	<b>1,026</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>3,192</b>	<b>3,655</b>
<b>Attributable to:</b>		
- shareholders of the Parent Company	1,820	2,766
- non-controlling interests	1,372	889

## Consolidated Balance Sheet

Millions of euro	Notes		
<b>ASSETS</b>		<b>at June 30, 2016</b>	<b>at Dec. 31, 2015</b>
		<i>of which with related parties</i>	<i>of which with related parties</i>
<b>Non-current assets</b>			
Property, plant and equipment	11	75,130	73,307
Investment property		143	144
Intangible assets	12	15,862	15,235
Goodwill	13	13,811	13,824
Deferred tax assets	14	6,730	7,386
Equity investments accounted for using the equity method	15	666	607
Derivatives	16	1,972	2,343
Other non-current financial assets	17	3,722	3,274
Other non-current assets		908	20
	[Total]	<b>118,944</b>	<b>116,997</b>
<b>Current assets</b>			
Inventories		2,847	2,904
Trade receivables	18	12,499	1,018
Tax receivables		1,281	
Derivatives	16	2,876	5,073
Other current financial assets	19	2,771	3
Other current assets		3,284	278
Cash and cash equivalents		5,515	10,639
	[Total]	<b>31,073</b>	<b>37,328</b>
<b>Assets classified as held for sale</b>	21	<b>6,835</b>	<b>6,854</b>
<b>TOTAL ASSETS</b>		<b>156,852</b>	<b>161,179</b>

Millions of euro

Notes

LIABILITIES AND SHAREHOLDERS' EQUITY		at June 30, 2016	at Dec. 31, 2015
		of which with related parties	of which with related parties
<b>Equity attributable to the shareholders of the Parent Company</b>			
Share capital		10,167	9,403
Reserves		4,811	3,352
Retained earnings (loss carried forward)		19,663	19,621
	<i>[Total]</i>	<b>34,641</b>	<b>32,376</b>
<b>Non-controlling interests</b>		<b>18,010</b>	<b>19,375</b>
<b>Total shareholders' equity</b>	<b>22</b>	<b>52,651</b>	<b>51,751</b>
<b>Non-current liabilities</b>			
Long-term borrowings	20	42,963	44,872
Employee benefits		2,294	2,284
Provisions for risks and charges (non-current portion)	23	5,172	5,192
Deferred tax liabilities	14	8,786	8,977
Derivatives	16	2,860	3
Other non-current liabilities		1,598	5
	<i>[Total]</i>	<b>63,673</b>	<b>64,392</b>
<b>Current liabilities</b>			
Short-term borrowings	20	2,005	2,155
Current portion of long-term borrowings	20	3,851	5,733
	23	1,608	1,630
Provisions for risk and charges (current portion)		11,243	2,537
Trade payables		785	585
Income tax payable		3,039	5,509
Derivatives	16	997	2
Other current financial liabilities		11,375	4
Other current liabilities		34,903	11,222
	<i>[Total]</i>	<b>34,903</b>	<b>14</b>
<b>Liabilities included in disposal groups classified as held for sale</b>	<b>21</b>	<b>5,625</b>	<b>5,364</b>
<b>Total liabilities</b>		<b>104,201</b>	<b>109,428</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>156,852</b>	<b>161,179</b>

## Statement of Changes in Consolidated Shareholders' Equity

Millions of euro	Share capital and reserves attributable to the shareholders of the Parent Company														
	Share capital	Share premium reserve	Legal reserve	Other reserves	Reserve from translation of financial statements in currencies other than euro	Reserve from measurement of cash flow hedge derivatives	Reserve from measurement of financial assets AFS	Reserve from equity investments accounted for using the equity method	Reserve from remeasurement of net liabilities/(assets) of defined benefit plans	Reserve from disposal of equity interests without loss of control	Reserve from acquisitions of non-controlling interests	Retained earnings and loss carried forward	Equity attributable to the shareholders of the Parent Company	Non-controlling interests	Total shareholders' equity
<b>At January 1, 2015</b>	<b>9,403</b>	<b>5,292</b>	<b>1,881</b>	<b>2,262</b>	<b>(1,321)</b>	<b>(1,806)</b>	<b>105</b>	<b>(74)</b>	<b>(671)</b>	<b>(2,113)</b>	<b>-</b>	<b>18,741</b>	<b>31,699</b>	<b>19,639</b>	<b>51,338</b>
Dividends	-	-	-	-	-	-	-	-	-	-	-	(1,316)	(1,316)	(436)	(1,752)
Transactions in non-controlling interests	-	-	-	-	-	-	-	-	-	20	(3)	-	17	315	332
Change in scope of consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	-	168	727	30	8	-	-	-	1,833	2,766	889	3,655
of which:															
- other comprehensive income/(loss) for the period	-	-	-	-	168	727	30	8	-	-	-	-	933	93	1,026
- net income/(loss) for the period	-	-	-	-	-	-	-	-	-	-	-	1,833	1,833	796	2,629
<b>At June 30, 2015</b>	<b>9,403</b>	<b>5,292</b>	<b>1,881</b>	<b>2,262</b>	<b>(1,153)</b>	<b>(1,079)</b>	<b>135</b>	<b>(66)</b>	<b>(671)</b>	<b>(2,093)</b>	<b>(3)</b>	<b>19,258</b>	<b>33,166</b>	<b>20,407</b>	<b>53,573</b>
<b>At January 1, 2016</b>	<b>9,403</b>	<b>5,292</b>	<b>1,881</b>	<b>2,262</b>	<b>(1,956)</b>	<b>(1,341)</b>	<b>130</b>	<b>(54)</b>	<b>(551)</b>	<b>(2,115)</b>	<b>(196)</b>	<b>19,621</b>	<b>32,376</b>	<b>19,375</b>	<b>51,751</b>
Dividends	-	-	-	-	-	-	-	-	-	-	-	(1,627)	(1,627)	(586)	(2,213)
Allocation of net result for previous year	-	-	153	-	-	-	-	-	-	-	-	(153)	-	-	-
Capital increase for non-proportional demerger of Enel Green Power	764	2,198	-	-	119	(31)	-	-	1	-	(974)	(12)	2,065	(2,106)	(41)
Transactions in non-controlling interests	-	-	-	-	-	-	-	-	-	7	-	-	7	(45)	(38)
Comprehensive income for the period	-	-	-	-	519	(546)	27	(14)	-	-	-	1,834	1,820	1,372	3,192
of which:															
- other comprehensive income/(loss) for the period	-	-	-	-	519	(546)	27	(14)	-	-	-	-	(14)	614	600
- net income/(loss) for the period	-	-	-	-	-	-	-	-	-	-	-	1,834	1,834	758	2,592
<b>At June 30, 2016</b>	<b>10,167</b>	<b>7,490</b>	<b>2,034</b>	<b>2,262</b>	<b>(1,318)</b>	<b>(1,918)</b>	<b>157</b>	<b>(68)</b>	<b>(550)</b>	<b>(2,108)</b>	<b>(1,170)</b>	<b>19,663</b>	<b>34,641</b>	<b>18,010</b>	<b>52,651</b>

## Consolidated Statement of Cash Flows

Millions of euro	Notes	1st Half	
	2016	2015	
		of which with related parties	of which with related parties
<b>Income before taxes for the period</b>			
<b>Adjustments for:</b>			
Amortization and impairment losses of intangible assets	339	378	
Depreciation and impairment losses of property, plant and equipment	2,161	2,110	
Financial (income)/expense	8	1,201	1,145
Interest and other financial income received	8	810	13 931 11
Interest and other financial expense paid	8	(2,218)	(25) (2,528) (11)
(Gains)/Losses from disposals and other non-monetary items		672	(1,202)
Taxes paid		(1,123)	(635)
Accruals to provisions		590	527
Exchange rate adjustments of foreign currency assets and liabilities (including cash and cash equivalents)		(771)	982
Changes in net current assets:		(1,200)	(2,478)
- inventories		143	78
- trade receivables	18	262	(81) 106 357
- trade payables		(1,102)	(374) (2,467) (688)
- provisions	23	(611)	(629)
- other assets and liabilities		108	(168) 434 (52)
<b>Cash flows from operating activities (a)</b>		<b>4,196</b>	<b>3,045</b>
Investments in property, plant and equipment	11	(3,431)	(2,841)
Investments in intangible assets	12	(283)	(251)
Investments in entities (or business units) less cash and cash equivalents acquired	2	-	(36)
Disposals of entities (or business units) less cash and cash equivalents sold	2	406	437
(Increase)/Decrease in other investing activities		18	24
<b>Cash flows from investing/disinvesting activities (b)</b>		<b>(3,290)</b>	<b>(2,667)</b>
Financial debt (new long-term borrowing)	20	1,309	462
Financial debt (repayments and other net changes)		(5,146)	(3,105)
Transactions in non-controlling interest		(213)	369
Dividends and interim dividends paid		(2,187)	(2,011)
<b>Cash flows from financing activities (c)</b>		<b>(6,237)</b>	<b>(4,285)</b>
<b>Impact of exchange rate fluctuations on cash and cash equivalents (d)</b>		<b>119</b>	<b>90</b>
<b>Increase/(Decrease) in cash and cash equivalents (a+b+c+d)</b>		<b>(5,212)</b>	<b>(3,817)</b>
Cash and cash equivalents at the beginning of the period <sup>(1)</sup>		10,790	13,255
Cash and cash equivalents at the end of the period <sup>(2)</sup>		5,578	9,438

(1) Of which cash and cash equivalents equal to €10,639 million at January 1, 2016 (€13,088 million at January 1, 2015), short-term securities equal to €1 million at January 1, 2016 (€140 million at January 1, 2015) and cash and cash equivalents pertaining to "Assets held for sale" equal to €150 million at January 1, 2016 (€27 million at January 1, 2015).

(2) Of which cash and cash equivalents equal to €5,515 million at June 30, 2016 (€9,427 million at June 30, 2015), short-term securities equal to €30 million at June 30, 2016 (€1 million at June 30, 2015) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €33 million at June 30, 2016 (€10 million at June 30, 2015).

# Explanatory notes

## 1. Accounting policies and measurement criteria

Enel SpA, which operates in the energy utility sector, has its registered office in Viale Regina Margherita 137, Rome, Italy. The Half-Year Financial Report for the period ended June 30, 2016 comprises the financial statements of the Company and its subsidiaries and the Group's holdings in associated companies and joint ventures, as well as its share of the assets, liabilities, costs and revenue of joint operations ("the Group"). A list of the subsidiaries, associated companies, joint ventures and joint operations included in the scope of consolidation is reported in the annex.

For a discussion of the main activities of the Group, please see the interim report on operations.

This Half-Year Financial Report was approved for publication by the Board on July 28, 2016.

### Compliance with IFRS/IAS

The consolidated Half-Year Financial Report of the Group at and for the six months ended at June 30, 2016 has been prepared pursuant to Article 154-ter of Legislative Decree 58 of February 24, 1998 as amended by Legislative Decree 195 of November 6, 2007 and Article 81 of the Issuers Regulation as amended.

The condensed interim consolidated financial statements for the six months ended at June 30, 2016 included in the consolidated Half-Year Financial Report have been prepared in compliance with the international accounting standards (*International Financial Reporting Standards - IFRS/International Accounting Standards - IAS*) issued by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), recognized by the European Union pursuant to Regulation (EC) no. 1606/2002 and in effect at the same date. All of these standards and interpretations are hereinafter referred to as "IFRS-EU".

More specifically, the financial statements have been drafted in compliance with "*IAS 34 - Interim financial reporting*" and consist of the consolidated income statement, the statement of consolidated comprehensive income, the consolidated balance sheet, the statement of changes in consolidated equity, the consolidated statement of cash flows, and the related notes.

The Enel Group has adopted the half-year as the reference interim period for the purposes of applying IAS 34 and the definition of interim financial report specified therein.

The accounting standards adopted, the recognition and measurement criteria and the consolidation criteria and methods used for the condensed interim consolidated financial statements at June 30, 2016 are the same as those adopted for the consolidated financial statements at December 31, 2015 (please see the related report for more information), with the exception of the differences discussed below. These condensed interim consolidated financial statements may therefore not include all the information required to be reported in the annual financial statements and must be read together with the financial statements for the period ended December 31, 2015.

In addition to the accounting standards adopted in the preparation of the consolidated financial statements at December 31, 2015, the following amendments to international accounting standards and new interpretations that took effect as from January 1, 2016, are material to the Group.

- > "Amendments to IAS 1 - *Disclosure initiative*", issued in December 2014. The amendments, which form part of a broader initiative to improve presentation and disclosure requirements, include changes in the following areas:
  - materiality: the amendments clarify that the concept of materiality applies to all parts of the financial statements and that the inclusion of immaterial information could undermine the utility of financial disclosures;
  - disaggregation and subtotals: the amendments clarify that the line items in the income statement, the statement of comprehensive income and the balance sheet may be disaggregated. They also introduce new requirements concerning the use of subtotals;

- the structure of the notes: the amendments clarify that entities have a certain degree of flexibility in the order in which the notes to the financial statements may be presented. They also emphasize that in establishing that order the entity must consider the requirements of understandability and comparability of the financial statements;
- investments accounted for using the equity method: the entity's share of OCI of investments in equity-accounted associates and joint ventures must be split between the portion recyclable and that not recyclable to profit and loss; such portions must be presented as separate line items in the statement of comprehensive income depending whether they will subsequently be reclassified to profit or loss.

The application of the amendments did not have an impact in this Half-Year Financial Report.

- > "Amendments to IAS 19 - *Defined benefit plans: employees contributions*", issued in November 2013. The amendments are intended to clarify how to recognize contributions from employees within a defined benefit plan. More specifically, contributions linked to service should be recognized as a reduction in service cost:
  - over the periods in which employees render their services, if the amount of the contributions is dependent on the number of years of service; or
  - in the period in which the service is rendered, if the amount of the contributions is independent of the number of years of service.

The application of the amendments did not have an impact in this Half-Year Financial Report.

- > "Amendments to IAS 27 - *Equity method in separate financial statements*" issued in August 2014. The amendments permit the use of the equity method for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. The amendments also clarify a number of issues concerning investment entities. Specifically, when an entity ceases to be an investment entity, it must recognize investments in subsidiaries in accordance with IAS 27. Conversely, when an entity becomes an investment entity, it must recognize investments in subsidiaries at fair value through profit or loss in accordance with IFRS 9.

As the amendments regard the separate financial statements only, they did not have an impact in this Half-Year Financial Report.

- > "Amendments to IFRS 11 - *Accounting for acquisitions of interests in joint operations*", issued in May 2014. The amendments clarify the accounting treatment of the acquisition of an interest in a joint operation that is business, pursuant to IFRS 3, requiring the application of all the accounting rules for business combinations under IFRS 3 and other applicable IFRS with the exception of those standards that conflict with the guidance on IFRS 11. Under the amendments, a joint operator that acquires such interests must measure the identifiable assets and liabilities at fair value; expense acquisition-related costs (with the exception of debt or equity issuance costs); recognize deferred taxes; recognize any goodwill or bargain purchase gain; perform impairment tests for the cash generating units to which goodwill has been allocated; and disclose information required for relevant business combinations.

The application of the amendments did not have an impact in this Half-Year Financial Report.

- > "Amendments to IAS 16 and IAS 38 - *Clarification of acceptable methods of depreciation and amortization*", issued in May 2014. The amendments provide additional guidance on how the depreciation or amortization of property, plant and equipment and intangible assets should be calculated. The provisions of IAS 16 have been amended to clarify that a revenue-based depreciation method asset is not appropriate. The provisions of IAS 38 have been amended to introduce a presumption that a revenue-based amortization method is inappropriate. That presumption can be overcome when:

- the intangible asset is expressed as a measure of revenue;
- it can be demonstrated that revenue and the consumption of the economic benefit generated by an intangible asset are highly correlated.

The application of the amendments did not have an impact in this Half-Year Financial Report.

- > "Amendments to IAS 16 and IAS 41 - *Bearer plants*", issued in June 2014. The amendments change the accounting treatment of biological assets that meet the definition of "bearer plants", such as fruit trees, that will fall within the scope of "IAS 16 - *Property, plant and equipment*". As a consequence, they will be subject to all of the provisions of that standard. Accordingly, for measurement subsequent to initial recognition, the entity may choose between the cost model and the revaluation model. The agricultural products produced by the bearer plants (e.g. fruit) will remain within the scope of "IAS 41 - *Agriculture*".

The application of the amendments did not have an impact in this Half-Year Financial Report.

- > "Annual improvements to IFRSs 2010-2012 cycle", issued in December 2013; the document contains formal modifications and clarifications of existing standards that did not have an impact in this Half-Year Financial Report. More specifically, the following standards were amended:
  - "IFRS 2 - *Share-based payment*"; the amendment separates the definitions of "performance conditions" and "service conditions" from the definition of "vesting conditions" in order to clarify the description of each condition;
  - "IFRS 3 - *Business combinations*"; the amendment clarifies how to classify any contingent consideration agreed in a business combination. Specifically, the amendment establishes that if the contingent consideration meets the definition of financial instrument it shall be classified as a financial liability or equity. In the former case, the liability shall be measured at fair value and changes in fair value shall be recognized in profit or loss in accordance with IFRS 9. Contingent consideration that does not meet the definition of financial instrument shall be measured at fair value and changes in fair value shall be recognized in profit or loss;
  - "IFRS 8 - *Operating segments*"; the amendments introduce new disclosure requirements in order to enable the users of financial statements to understand the judgments adopted by management's in aggregating operating segments and the reasons for such aggregation. The amendments also clarify that the reconciliation of total segment assets and total assets of the entity is required only if provided periodically by management;
  - "IAS 16 - *Property, plant and equipment*"; the amendment clarifies that when an item of property, plant and equipment is revalued the gross carrying amount of that asset shall be adjusted in a manner consistent with the revaluation of the carrying amount of the asset. In addition, it also clarifies that the accumulated depreciation at the revaluation date shall be calculated as the difference between the gross carrying amount and the carrying amount of the asset after taking account of accumulated impairment losses;
  - "IAS 24 - *Related party disclosures*"; the amendment clarifies that a management entity, i.e. an entity providing key management personnel services to an entity, is a related party of that entity. Accordingly, in addition to fees for services paid or payable to the management entity, the entity must report other transactions with the management entity, such as loans, within the disclosures required under IAS 24 for related parties. The amendment also clarifies that if an entity obtains key management personnel services from another entity, the entity is not required to disclose the compensation paid or payable by the management entity to those managers;
  - "IAS 38 - *Intangible assets*"; the amendment clarifies that when an intangible asset is revalued, its gross carrying amount shall be adjusted in a manner consistent with the revaluation of the carrying amount of the asset. In addition, it also clarifies that the accumulated amortization at the revaluation date shall be calculated as the difference between the gross carrying amount and the carrying amount of the asset after taking account of accumulated impairment losses.

"Annual improvements to IFRSs 2010-2012 cycle" amended the Basis for Conclusions of "IFRS 13 - *Fair value measurement*" to clarify that short-term receivables and payables with no stated interest rate to apply to the invoice amount can still be measured without discounting, if the impact of discounting would not be material.

- > "Annual improvements to IFRSs 2012-2014 cycle", issued in September 2014; the document contains formal modifications and clarifications of existing standards that did not have an impact in this Half-Year Financial Report. More specifically, the following standards were amended:

- “IFRS 5 - *Non-current assets held for sale and discontinued operations*”; the amendments clarify that the reclassification of an asset (or disposal group) from held for sale to held for distribution should not be considered as a new plan of sale but rather the continuation of the original plan. Accordingly, the reclassification does not give rise to any interruption in the application of the provisions of IFRS 5 or any change in the date of classification;
- “IFRS 7 - *Financial instruments: disclosures*”; as regards disclosures to be provided on any continuing involvement in assets that have been transferred and derecognized in their entirety, the amendments clarify that for disclosure purposes, a servicing contract that provides for the payment of a fee can represent a continuing involvement in the transferred asset. The entity must assess the nature of the fee and the servicing contract to determine when disclosure is required. The amendments also clarify that disclosures concerning the offsetting of financial assets and liabilities are not required in condensed interim financial statements;
- “IAS 19 - *Employee benefits*”; IAS 19 requires that the discount rate used to discount post-employment benefit obligations shall be determined by reference to market yields on high quality corporate bonds or government bonds where there is not deep market in such high quality corporate bonds. The amendment to IAS 19 clarifies that the depth of the market in high quality corporate bonds must be assessed on the basis of the currency in which the bond is denominated and not the currency of the country in which the bond is issued. If there is no deep market in high quality corporate bonds in that currency, the corresponding market yield on government bonds shall be used;
- “IAS 34 - *Interim financial reporting*”; the amendment establishes that the required disclosures for interim financial reports shall be provided in the interim financial statements or cross-referenced in the interim financial statements by way of a reference to another statement (e.g. a management risk report) that is available on the same terms and at the same time to users of the interim financial statements.

## **Seasonality**

The turnover and performance of the Group could be impacted, albeit slightly, by developments in weather conditions. More specifically, in warmer periods of the year, gas sales decline, while during periods in which factories are closed for holidays, electricity sales decline. Similarly, hydroelectric generation performance is particularly high during the winter and early spring given the more favorable seasonal water conditions. In view of the slight financial impact of these variations, further mitigated by the fact that the Group’s operations are spread across both hemispheres and, therefore, the impact of weather-related factors tends to be uniform throughout the year, no additional disclosure (required under IAS 34.21) for developments in the 12 months ended June 30, 2016 is provided.

## **2. Main changes in the scope of consolidation**

At June 30, 2016, the scope of consolidation had changed with respect to that at June 30, 2015, and December 31, 2015, as a result of the following main transactions.

### **2015**

- > Disposal, on January 29, 2015, of SF Energy, a joint operation active in hydroelectric generation in Italy;
- > acquisition, on March 6, 2015, of the share not previously held by the Group, amounting to 66.7%, of 3Sun, a photovoltaic firm. Through this acquisition, the Group obtained control of the company, which is now consolidated on a line-by-line basis;
- > disposal, on April 15, 2015, of SE Hydropower, a joint operation active in hydroelectric generation in Italy;
- > acquisition, on September 24, 2015, acting through the subsidiary Enel Green Power, of a controlling interest of 68% in BLP Energy ("BLP"), a company operating in the renewables sector in India;
- > acquisition, in September 2015, of the remaining 60% of the ENEOP Group, identified in a split agreement with the other participants in the venture, with the acquisition being settled with the concomitant transfer of the 40% that Enel Green Power held in the other two portfolios transferred to the other partners in the consortium;
- > disposal, on November 26, 2015, of the ENEOP Group and other Portuguese companies in which Enel Green Power held an interest;
- > full consolidation, following changes in shareholders' agreements, in December 2015, of Osage Wind, a company 50% held by Enel Green Power North America, previously accounted for using the equity method';
- > acquisition of a controlling interest of 78.6% in Erdwärme Oberland, a company specialized in the development of geothermal projects in Germany;
- > contribution, on December 31, 2015, of the former wholly-owned subsidiaries Altomonte, Enel Green Power San Gillio and Enel Green Power Strambino Solar to an equally held joint venture (Ultor) with the fund F2i accounted for using the equity method.

### **2016**

- > Disposal, completed in early March 2016, of Compostilla Re, which at December 31, 2015 had been classified as "held for sale";
- > disposal, on May 1, 2016, of 65% of Drift Sand Wind Project, a company operating in the wind generation sector in the United States. As from that date, the company is accounted for using the equity method.

### **Other changes**

In addition to the above changes in the scope of consolidation, the period also saw the following transactions, which although they do not represent transactions involving the acquisition or loss of control gave rise to a change in the interest held by the Group in the investees:

- > disposal, on March 31, 2015, of 49% di EGPNA Renewable Energy Partners, an electricity generation company in the United States. Since the Group has maintained control of the company, the transaction is one involving a non-controlling interest;
- > acquisition, on April 8, 2015, of the remaining 49% of Energia Eolica, a wind generation company operating in Italy in which the Group already held an interest of 51%;
- > disposal, on February 29, 2016, of Hydro Dolomiti Enel, a company operating in the hydroelectric generation sector in Italy;
- > on March 31, 2016, the non-proportional demerger of Enel Green Power took effect, following which – with a capital increase by Enel SpA as part of the demerger – the Group increased its stake in the company from 68.29% to 100%, with the consequent reduction of non-controlling interests;

- > acquisition, on May 3, 2016, of the remaining 40% di Maicor Wind, a company operating in the wind generation sector in Italy, becoming the sole shareholder.

### **Enel Green Power integration**

Following the execution of the instrument of demerger on March 25, 2016, which took effect at the last moment of March 31, 2016, the partial, non-proportional demerger of Enel Green Power SpA ("EGP") to Enel was completed. The operation involved:

- > the assignment by EGP to Enel of the demerged assets represented by the 100% stake held by EGP in Enel Green Power International, a Dutch holding company that holds investments in nearly all companies operating in the renewable energy sector abroad, and all the assets, liabilities, contracts and other legal relationships associated with that investment; and
- > the retention by EGP of all remaining assets and liabilities other than those that are part of the demerged assets indicated above (and thus, essentially, all Italian operations and a small number of remaining foreign investments).

Since the transaction involved a non-proportional demerger:

- > shareholders of EGP other than Enel exchanged all the shares they hold in EGP with Enel shares at an exchange ratio of 0.486 Enel shares for each EGP share; and
- > Enel exchanged the shares corresponding to its stake in the demerged assets with Enel shares, which were immediately cancelled in accordance with Article 2504-ter, paragraph 2, and Article 2506-ter, paragraph 5, of the Italian Civil Code.

At the consolidated level, the operation therefore involved:

- > an increase of €764 million in the share capital of Enel SpA (which at March 31, 2016 was therefore equal to €10,166,679,946, represented by the same number of ordinary shares with a par value of €1 each), following the issue of shares as part of the demerger;
- > an increase in the share premium reserve of €2,212 million, reflecting the value of the shares issued as part of the demerger;
- > a reclassification of €80 million from non-controlling interests to a Group equity reserve to reflect the increase in the investment in EGP from 68.29% to 100%;
- > a reduction of non-controlling interests in respect of the financial outlay incurred to redeem the shares of former EGP shareholders who exercised the right of withdrawal (€27 million);
- > the recognition, directly in equity as a reduction in the share premium reserve, of transaction costs (€14 million net of tax effects).

### **Effects of the transaction**

Millions of euro	
Increase in share capital	764
Increase in share premium reserve	2,212
Cash payment following exercise of the right of withdrawal	27
<b>Cost of the acquisition</b>	<b>3,003</b>
<b>Non-controlling interests acquired <sup>(1)</sup></b>	<b>(2,026)</b>
Reserve from transactions in non-controlling interests	(977)

(1) Does not include portion under other comprehensive income in the amount of €80 million.

### **Disposal of Hydro Dolomiti Enel**

On February 29, 2016 the disposal of Hydro Dolomiti Enel by Enel Produzione was completed. The sale price was initially estimated at €335 million. Subsequently, following the determination of the sale price adjustment (a negative €22 million) in application of the contractual price formula updated with the figures from the definitive financial statements for the sale, the gain on the disposal was determined to be €124 million. The tax liability associated with the gain was about €2 million, taking account of the participation exemption.

### **Disposal of Compostilla Re**

In early March 2016, the disposal of Compostilla Re by Enel Investment Holding was finalized. The sale price was €101 million (the company also held liquidity of about €111 million) and generated a gain of about €19 million.

### **Disposal of Drift Sand Wind Project**

On May 1, 2016, the disposal of 65% of Drift Sand Wind Project to GE was completed. The company operates in the wind generation sector in the United States. The price was set at €72 million, generating a gain of about €2 million and the remeasurement at fair value of the remaining 35% stake in the amount of €4 million. As from that date, the residual interest in the company has been accounted for using the equity method and valued at €42 million. The sale agreement also grants GE a put option for the sale to Enel Green Power North America of the entire interest acquired. It can be exercised in the unlikely event that the plant's commercial operation date comes after December 15, 2016.

### 3. Segment information

The representation of performance and financial position by business area presented here is based on the approach used by management in monitoring Group performance for the two periods being compared. For more information on the developments in performance and financial position that characterized the two half-years under review, please see the appropriate section of this Half-Year Financial Report.

#### Performance by business area

1st Half of 2016 <sup>(1)</sup>

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Revenue from third parties	16,797	8,983	4,967	2,111	1,266	26	34,150
Revenue from transactions with other segments	413	31	16	117	142	(719)	-
<b>Total revenue</b>	<b>17,210</b>	<b>9,014</b>	<b>4,983</b>	<b>2,228</b>	<b>1,408</b>	<b>(693)</b>	<b>34,150</b>
Total costs	13,760	7,140	3,358	1,867	519	(661)	25,983
Net income/(expense) from commodity contracts measured at fair value	(121)	(18)	-	(8)	31	2	(114)
Depreciation and amortization	747	756	407	120	358	25	2,413
Impairment losses	247	177	38	47	8	45	562
Reversals of impairment	-	(124)	-	(8)	-	-	(132)
<b>Operating income</b>	<b>2,335</b>	<b>1,047</b>	<b>1,180</b>	<b>194</b>	<b>554</b>	<b>(100)</b>	<b>5,210</b>
<b>Capital expenditure</b>	<b>642</b>	<b>396</b>	<b>585</b>	<b>82 <sup>(2)</sup></b>	<b>1,742</b>	<b>18</b>	<b>3,465</b>

(1) Segment revenue includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.

(2) Does not include €249 million regarding units classified as "held for sale".

1st Half of 2015 <sup>(1)</sup>

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Revenue from third parties	18,389	10,144	5,404	2,215	1,471	9	37,632
Revenue from transactions with other segments	489	55	2	159	122	(827)	-
<b>Total revenue</b>	<b>18,878</b>	<b>10,199</b>	<b>5,406</b>	<b>2,374</b>	<b>1,593</b>	<b>(818)</b>	<b>37,632</b>
Total costs	15,839	8,299	3,966	1,985	516	(758)	29,847
Net income/(expense) from commodity contracts measured at fair value	102	69	(3)	3	1	4	176
Depreciation and amortization	742	752	456	154	327	15	2,446
Impairment losses	260	159	34	29	54	2	538
Reversals of impairment	-	(101)	(1)	(2)	-	(3)	(107)
<b>Operating income</b>	<b>2,139</b>	<b>1,159</b>	<b>948</b>	<b>211</b>	<b>697</b>	<b>(70)</b>	<b>5,084</b>
<b>Capital expenditure</b>	<b>616 <sup>(2)</sup></b>	<b>356</b>	<b>791</b>	<b>85 <sup>(3)</sup></b>	<b>973</b>	<b>16</b>	<b>2,837</b>

(1) Segment revenue includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.

(2) Does not include €1 million regarding units classified as "held for sale".

(3) Does not include €254 million regarding units classified as "held for sale".

## Financial position by business area

At June 30, 2016

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Property, plant and equipment	22,403	23,004	12,230	6,070	15,301	65	79,073
Intangible assets	1,031	14,818	10,910	900	2,000	32	29,691
Trade receivables	8,298	2,021	1,944	350	494	(589)	12,518
Other	3,626	1,460	534	599	568	(300)	6,487
<b>Operating assets</b>	<b>35,358</b>	<b>41,303</b>	<b>25,618</b>	<b>7,919 <sup>(1)</sup></b>	<b>18,363 <sup>(3)</sup></b>	<b>(792) <sup>(4)</sup></b>	<b>127,769</b>
Trade payables	6,717	1,719	1,857	624	1,219	(674)	11,462
Sundry provisions	3,471	3,665	903	2,190	263	588	11,080
Other	7,025	2,843	1,157	1,327	743	(1,316)	11,779
<b>Operating liabilities</b>	<b>17,213</b>	<b>8,227</b>	<b>3,917</b>	<b>4,141 <sup>(2)</sup></b>	<b>2,225</b>	<b>(1,402) <sup>(5)</sup></b>	<b>34,321</b>

(1) Of which €4,425 million regarding units classified as "held for sale".

(2) Of which €2,330 million regarding units classified as "held for sale".

(3) Of which €4 million regarding units classified as "held for sale".

(4) Of which €21 million regarding units classified as "held for sale".

(5) Of which €1 million regarding units classified as "held for sale".

At December 31, 2015

Millions of euro	Italy	Iberian Peninsula	Latin America	Eastern Europe	Renewable Energy	Other, eliminations and adjustments	Total
Property, plant and equipment	22,441	23,294	11,589	5,767	13,894	66	77,051
Intangible assets	1,075	14,844	10,197	904	1,994	52	29,066
Trade receivables	8,655	2,228	1,777	366	451	(621)	12,856
Other	3,513	1,445	465	567	476	(389)	6,077
<b>Operating assets</b>	<b>35,684</b>	<b>41,811</b>	<b>24,028</b>	<b>7,604 <sup>(1)</sup></b>	<b>16,815</b>	<b>(892)</b>	<b>125,050</b>
Trade payables	6,928	2,060	1,817	783	1,270	(805)	12,053
Sundry provisions	3,445	3,804	817	2,130	282	581	11,059
Other	6,852	2,824	1,174	1,312	437	(718)	11,881
<b>Operating liabilities</b>	<b>17,225</b>	<b>8,688</b>	<b>3,808</b>	<b>4,225 <sup>(2)</sup></b>	<b>1,989</b>	<b>(942)</b>	<b>34,993</b>

(1) Of which €4,231 million regarding units classified as "held for sale".

(2) Of which €2,331 million regarding units classified as "held for sale".

The following table reconciles segment assets and liabilities and the consolidated figures.

Millions of euro

	at June 30, 2016	at Dec. 31, 2015
<b>Total assets</b>	<b>156,852</b>	<b>161,179</b>
Equity investments accounted for using the equity method	666	607
Non-current financial assets	3,722	3,274
Long-term tax receivables included in "Other non-current assets"	495	463
Current financial assets	2,771	2,381
Derivatives	4,848	7,416
Cash and cash equivalents	5,515	10,639
Deferred tax assets	6,730	7,386
Tax receivables	1,281	636
Long-term tax receivables included in "Other current assets"	670	706
Financial and tax assets of "Assets held for sale"	2,385	2,621
<b>Segment assets</b>	<b>127,769</b>	<b>125,050</b>
<b>Total liabilities</b>	<b>104,201</b>	<b>109,428</b>
Long-term borrowings	42,963	44,872
Short-term borrowings	2,005	2,155
Current portion of long-term borrowings	3,851	5,733
Current financial liabilities	997	1,063
Derivatives	5,899	7,027
Deferred tax liabilities	8,786	8,977
Income tax payable	785	585
Other tax payables	1,300	990
Financial and tax liabilities included in disposal groups classified as "Liabilities held for sale"	3,294	3,033
<b>Segment liabilities</b>	<b>34,321</b>	<b>34,993</b>

## Revenue

### 4. Revenue - €34,150 million

Millions of euro	1st Half		
	2016	2015	Change
Revenue from the sale of electricity	20,577	23,051	(2,474) -10.7%
Revenue from the transport of electricity	4,687	4,665	22 0.5%
Fees from network operators	259	398	(139) -34.9%
Transfers from institutional market operators	530	604	(74) -12.3%
Revenue from the sale of gas	2,149	2,292	(143) -6.2%
Revenue from the transport of gas	320	292	28 9.6%
Revenue from fuel sales	3,359	3,290	69 2.1%
Connection fees to electricity and gas networks	408	436	(28) -6.4%
Revenue from construction contracts	151	16	135 -
Revenue from the sale of environmental certificates	6	493	(487) -98.8%
Revenue from other sales and services	726	788	(62) -7.9%
<b>Total revenue from sales and services</b>	<b>33,172</b>	<b>36,325</b>	<b>(3,153) -8.7%</b>
Cost contributions and other fees	19	11	8 72.7%
Grants for environmental certificates and other incentives	410	412	(2) -0.5%
Sundry reimbursements	117	79	38 48.1%
Gains on disposal of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale	174	184	(10) -5.4%
Remeasurement at fair value after changes in control	4	45	(41) -91.1%
Gains on the disposal of property, plant and equipment and intangible assets	20	12	8 66.7%
Other income	234	564	(330) -58.5%
<b>Total other revenue and income</b>	<b>978</b>	<b>1,307</b>	<b>(329) -25.2%</b>
<b>TOTAL REVENUE</b>	<b>34,150</b>	<b>37,632</b>	<b>(3,482) -9.3%</b>

In the 1st Half of 2016, “revenue from the sale of electricity” came to €20,577 million (€23,051 million for the 1st Half of 2015), including €13,983 million in revenue from electricity sales to end users (€14,952 million for the 1st Half of 2015), €5,616 million in revenue from wholesale electricity sales, not including fees from network operators (€6,374 million for the 1st Half of 2015), and €978 million in revenue from the trading of electricity (€1,725 million for the 1st Half of 2015). The decline in revenue was due to the decrease in average sales prices, the adverse effect of changes in exchange rates and the reduction in trading volumes. These factors were only partially offset by the increase in quantities sold on the free market in Italy.

“Revenue from the transport of electricity” for the 1st Half of 2016 totaled €4,687 million (€4,665 million in the 1st Half of 2015) and included €2,388 million related to the transport of electricity for end users (€2,366 million for the same period of 2015) and €2,299 million for the transport of electricity for other operators (€2,299 million for the 1st Half of 2015).

In the 1st Half of 2016, “revenue related to transfers from institutional market operators” came to €530 million, down €74 million compared with the same period of 2015. The change is reflected in lower costs for fuel supplies in the extra-peninsular area in Spain, which directly impacted the compensation received for generation in that area.

“Revenue from the sale of gas” totaled €2,149 million and included sales to end users in Italy in the amount of €1,133 million (€1,078 million for the 1st Half of 2015) and to end users abroad in the amount of €1,016 million (€1,214 million

for the 1st Half of 2015). The change for the period mainly reflects the reduction in average sales prices, which more than offset the effect of the increase in quantities sold.

“Revenue from fuel sales”, amounting to €3,359 million for the 1st Half of 2016, includes €3,330 million for the sale of natural gas (€3,258 million for the 1st Half of 2015) and €29 million for the sale of other fuels (€32 million for the 1st Half of 2015). The increase for the period was mainly due to the increase in volumes traded.

“Revenue from the sale of environmental certificates” amounted to €6 million in the 1st Half of 2016, down €487 million on the same period of 2015. The decrease is mainly associated with the decline in trading of environmental certificates and the effect of the recognition in the 1st Half of 2015 of revenue from the sale and measurement at fair value of environmental certificates (€173 million) under Regulation (EU) no. 389/2013.

In the 1st Half of 2016, “gains on the disposal of entities” came to €174 million (€184 million for the 1st Half of 2015) and mainly concerned the €124 million gain on the sale of Hydro Dolomiti Enel, the positive price adjustment of €30 million recognized in the period for the sale of ENEOP (carried out in 2015) and the gain of €19 million on the disposal of Compostilla RE at the start of 2016. In the 1st Half of 2015, this aggregate mainly included the gains on the sales of SE Hydropower (€141 million) and SF Energy (€15 million)

“Other income” amounted to €234 million for the 1st Half of 2016, a decrease of €330 million compared with the same period of the previous year, when the item included the gain recognized as a result of regulatory changes introduced in Argentina with *Resolución* no. 32/2015 and the negative goodwill from the acquisition of 3Sun (€87 million), recognized in the 1st Half of 2015.

## Costs

### 5. Costs - €28,826 million

Millions of euro	1st Half		
	2016	2015	Change
Electricity	8,692	10,878	(2,186) -20.1%
Fuel and gas	6,633	7,764	(1,131) -14.6%
<b>Total purchases of electricity, fuel, and gas</b>	<b>15,325</b>	<b>18,642</b>	<b>(3,317) -17.8%</b>
Wheeling	4,743	4,668	75 1.6%
Leases and rentals	268	271	(3) -1.1%
Other services	2,513	2,645	(132) -5.0%
Raw materials	506	670	(164) -24.5%
<b>Total services and other materials</b>	<b>8,030</b>	<b>8,254</b>	<b>(224) -2.7%</b>
<b>Personnel</b>	<b>2,232</b>	<b>2,338</b>	<b>(106) -4.5%</b>
Depreciation	2,074	2,093	(19) -0.9%
Amortization	339	353	(14) -4.0%
Impairment losses and reversals	430	431	(1) -0.2%
<b>Total depreciation, amortization and impairment losses</b>	<b>2,843</b>	<b>2,877</b>	<b>(34) -1.2%</b>
Charges for environmental certificates	404	372	32 8.6%
Other operating expenses	713	886	(173) -19.5%
<b>Total other operating expenses</b>	<b>1,117</b>	<b>1,258</b>	<b>(141) -11.2%</b>
Capitalized materials costs	(170)	(158)	(12) -7.6%
Capitalized personnel costs	(307)	(360)	53 14.7%
Other capitalized costs	(244)	(127)	(117) -92.1%
<b>Total capitalized costs</b>	<b>(721)</b>	<b>(645)</b>	<b>(76) -11.8%</b>
<b>TOTAL COSTS</b>	<b>28,826</b>	<b>32,724</b>	<b>(3,898) -11.9%</b>

"Electricity" purchases for the 1st Half of 2016 totaled €8,692 million (€10,878 million for the 1st Half of 2015) and included purchases from the Single Buyer in the amount of €1,367 million (€1,479 million for the 1st Half of 2015) and from the Energy Markets Operator in the amount of €705 million (€636 million for the 1st Half of 2015). The reduction is essentially connected with the generalized downward impact of exchange rate, especially in Latin America.

"Fuel and gas" purchases amounted to €6,633 million for the 1st Half of 2016 and regarded purchases of natural gas in the amount of €5,327 million (€5,504 million for the 1st Half of 2015) and of other fuels in the amount of €1,306 million (€2,260 million for the 1st Half of 2015).

Costs for "services and other materials" for the 1st Half of 2016 decreased by €224 million compared with the 1st Half of 2015 due mainly to the lower volumes of environmental certificates purchased and to the reduction in wheeling costs as a result of lower quantities of electricity sold.

"Personnel" costs for the 1st Half of 2016 came to €2,232 million, decreasing by €106 million (-4.5%) due essentially to the reductions in the average workforce in Spain and, above all, in Italy.

At June 30, 2016, Enel Group employees numbered 66,666 (67,914 at December 31, 2015). Compared with December 31, 2015, the Group's workforce decreased by 1,248 employees during the 1st Half of the year, the net effect of new hiring and terminations during the period. The changes can be broken down geographically as follows: 7% of the new hires were in Italy, with the remaining 93% being distributed across other countries (mainly in the countries in which Enel Green Power

operates). About 46% of terminations were in Italy, facilitated by application of Article 4 of Law 92/2012 concerning early retirement, while the remaining 54% were abroad, notably in Spain.

"Depreciation, amortization, and impairment losses" for the 1st Half of 2016 totaled €2,843 million (€2,877 million for the 1st Half of 2015) for a decrease of €34 million, due essentially to the reduction in net adjustments of trade receivables and the decline in depreciation and amortization, which reflects the impairment recognized on generation plants in Slovakia and Russia at the end of 2015. Impairment losses for the 1st Half of 2016 (net of associated reversals) decreased by €1 million as shown below:

Millions of euro	1st Half		
	2016	2015	Change
<b>Impairment losses:</b>			
- property, plant and equipment	9	17	(8)
- intangible assets	-	25	(25)
- trade receivables	473	489	(16)
- assets held for sale	79	-	79
- other assets	1	7	(6)
<b>Total impairment losses</b>	<b>562</b>	<b>538</b>	<b>24</b>
			<b>4.46%</b>
<b>Reversals:</b>			
- property, plant and equipment	(1)	-	(1)
- trade receivables	(129)	(106)	(23)
- other assets	(2)	(1)	(1)
<b>Total reversals</b>	<b>(132)</b>	<b>(107)</b>	<b>(25)</b>
<b>TOTAL IMPAIRMENT LOSSES AND REVERSALS</b>	<b>430</b>	<b>431</b>	<b>(1)</b>
			<b>-0.2%</b>

In the 1st Half of 2016, impairment losses included €39 million in adjustments of the estimated disposal value (based on negotiations with the counterparty involved) of the upstream gas assets being developed in Algeria (Isarene permit), which were classified as held for sale as at June 30, 2016.

"Other operating expenses" in the 1st Half of 2016 totaled €1,117 million, down €141 million compared with the same period of the previous year. This trend reflects the decrease in the taxes of the electricity business in Spain, in part the result of the decline in power generation, especially nuclear power, in the 1st Half of 2016 compared with the same period of 2015, and the reduction in refunds paid to customers for extended service interruptions.

## 6. Net income/(expense) from commodity contracts measured at fair value - €(114) million

Net expense on commodity contracts measured at fair value came to €114 million, the net effect of €234 million in net charges on positions closed during the period and €120 million in net income on the measurement of derivative contracts on commodities open at June 30, 2016.

Millions of euro	1st Half		
	2016	2015	Change
<b>Income:</b>			
- unrealized on positions open at the end of the period	740	2,962	(2,222)
- realized on positions closed during the period	4,185	3,625	560
<b>Total income</b>	<b>4,925</b>	<b>6,587</b>	<b>(1,662)</b>
<b>Expense:</b>			
- unrealized on positions open at the end of the period	(620)	(2,923)	2,303
- realized on contracts closed during the period	(4,419)	(3,488)	(931)
<b>Total expense</b>	<b>(5,039)</b>	<b>(6,411)</b>	<b>1,372</b>
<b>NET INCOME/(EXPENSE) FROM COMMODITY CONTRACTS MEASURED AT FAIR VALUE</b>	<b>(114)</b>	<b>176</b>	<b>(290)</b>

## 7. Net financial income/(expense) from derivatives - €(858) million

Millions of euro	1st Half		
	2016	2015	Change
<b>Income from derivative instruments:</b>			
- income from cash flow hedge derivatives	118	1,317	(1,199)
- income from derivatives at fair value through profit or loss	1,062	694	368
- income from fair value hedge derivatives	13	16	(3)
<b>Total income from derivative instruments</b>	<b>1,193</b>	<b>2,027</b>	<b>(834)</b>
<b>Expense on derivative instruments:</b>			
- expense on cash flow hedge derivatives	(884)	(121)	(763)
- expense on derivatives at fair value through profit or loss	(1,164)	(896)	(268)
- expense on fair value hedge derivatives	(3)	(11)	8
<b>Total expense on derivative instruments</b>	<b>(2,051)</b>	<b>(1,028)</b>	<b>(1,023)</b>
<b>TOTAL NET FINANCIAL INCOME/(EXPENSE) FROM DERIVATIVES</b>	<b>(858)</b>	<b>999</b>	<b>(1,857)</b>

Net expense on cash flow hedge derivatives totaled €766 million and essentially concerned exchange rates, whereas derivatives at fair value through profit or loss resulted in a net expense of €102 million.

Fair value hedge derivatives, on the other hand, generated net income of €10 million.

## 8. Other financial income/(expense) - €(669) million

Millions of euro	1st Half		
	2016	2015	Change
Interest and other income from financial assets	110	101	9
Exchange gains	1,088	327	761
Income from equity investments	8	5	3
Other income	142	250	(108)
<b>Total other financial income</b>	<b>1,348</b>	<b>683</b>	<b>665</b>
Interest and other charges on financial debt	(1,408)	(1,472)	64
Exchange losses	(317)	(1,309)	992
Accretion of post-employment and other employee benefits	(94)	(58)	(36)
Accretion of other provisions	(152)	(103)	(49)
Expense on equity investments	-	(2)	2
Other expenses	(46)	(15)	(31)
<b>Total other financial expense</b>	<b>(2,017)</b>	<b>(2,959)</b>	<b>942</b>
<b>TOTAL OTHER NET FINANCIAL INCOME/(EXPENSE)</b>	<b>(669)</b>	<b>(2,276)</b>	<b>1,607</b>
			<b>70.6%</b>

Other financial income amounted to €1,348 million, an increase of €665 million compared with the same period of the previous period. The rise is mainly attributable to:

- > an increase of €761 million in exchange gains;
- > an increase of €9 million in interest and other income from financial assets related essentially to the increase in interest on short-term investments;
- > a decrease of €108 million in other income due essentially to the effect of the recognition in the 1st Half of 2015 of income related to: regulatory items on the electricity distribution business in Argentina following the changes introduced by Resolutions no. 476/2015 and no. 1208/2015 concerning the CAMMESA remuneration mechanism (€68 million); a decrease in default interest (€17million); and interest recognized in the 1st Half of 2015 on the reimbursement of the “eco-tax” in the Extremadura region of Spain (€10 million).

Other financial expense amounted to €2,017 million, a decrease of €942 million compared with the same period of the 2015. This change can be attributed to the following factors:

- > a decrease of €64 million in interest and other expense on financial debt, related essentially to the lower average level of debt and the lower cost of debt resulting from a number of liability management actions. These effects were only partially offset by expenses related to the early extinction, on January 21, 2016, of bonds issued by the Parent Company;
- > a decrease of €992 million in exchange losses;
- > an increase of €36 million in the accretion expense on employee benefits, essentially related to a greater expense on the early retirement incentive provision in Spain;
- > an increase of €49 million in the accretion expense on other provisions, mainly related to *Resolución ENRE* no. 1/2016, which resulted in the discounting of a number of past fines being disputed in Argentina.

## 9. Income taxes - € 1,143 million

Millions of euro	1st Half		
	2016	2015	Change
Current taxes	688	1,004	(316) -31.5%
Adjustments for income tax relating to prior years	(39)	(30)	(9) -30.0%
Deferred tax liabilities	(74)	36	(110) -
Deferred tax assets	568	176	392 -
<b>Total</b>	<b>1,143</b>	<b>1,186</b>	<b>(43) -3.6%</b>

Income taxes for the 1st Half of 2016 came to €1,143 million, equal to 30.6% of taxable income, compared with 31.1% in the 1st Half of 2015.

The lower effective tax rate for the 1st Half of 2016 compared with the same period of the previous year is essentially due to the reduction of the tax rate in Spain from 28% to 25%, partly offset by the change in the contribution in the two periods being compared of a number of income items generated in extraordinary transactions that are essentially tax exempt (the participation exemption, or PEX).

The overall balance also reflects the increase of €392 million in deferred tax assets, which was significantly influenced by the decrease in the fair value of derivative liabilities held for trading.

## 10. Basic and diluted earnings per share

Both metrics are calculated on the basis of the average number of ordinary shares in the period, equal to 9,785,018,870 shares. As from March 31, 2016, the number of shares rose by 763,322,151 to 10,166,679,946 as a result of the partial, non-proportional demerger of Enel Green Power to Enel.

Millions of euro	1st Half		
	2016	2015	Change
Net income from continuing operations attributable to shareholders of the Parent Company (millions of euro)	1,834	1,833	1 0.1%
Net income from discontinued operations attributable to shareholders of the Parent Company (millions of euro)	-	-	- -
Net income attributable to shareholders of the Parent Company (millions of euro)	1,834	1,833	1 0.1%
Average number of ordinary shares in the period	9,785,018,870	9,403,357,795	381,661,076 4.1%
Dilutive effect of stock options	-	-	- -
Basic and diluted earnings per share (euro)	0.19	0.19	- -
Basic and diluted earnings from continuing operations per share (euro)	0.19	0.19	- -
Basic and diluted earnings from discontinued operations per share (euro)	-	-	- -

No events have occurred from the end of the period under review to the publication of these condensed interim consolidated financial statements that would have changed the actual or potential number of ordinary shares outstanding at period-end.

## 11. Property, plant and equipment - €75,130 million

Changes in property, plant and equipment during the 1st Half of 2016 were as follows:

Millions of euro	
<b>Total at December 31, 2015</b>	<b>73,307</b>
Capital expenditure	3,183
Exchange rate differences	649
Change in the scope of consolidation	(107)
Depreciation	(2,022)
Impairment losses and reversals	(8)
Disposals and other changes	128
<b>Total at June 30, 2016</b>	<b>75,130</b>

Capital expenditure for the 1st Half of 2016 totaled €3,183 million, up €597 million from the 1st Half of 2015. The table below summarizes investments made during the 1st Half of 2016 by type of plant:

Millions of euro	1st Half	
	2016	2015
<b>Power plants:</b>		
- thermal	278	317
- hydroelectric	217	401
- geothermal	132	74
- nuclear	52	59
- alternative energy resources	1,403	727
<b>Total power plants</b>	<b>2,082</b>	<b>1,578</b>
Electricity distribution networks	1,084	993
Land, buildings, and other goods and equipment	17	15
<b>TOTAL</b>	<b>3,183</b>	<b>2,586</b>

Capital expenditure on power plants totaled €2,082 million, increasing by €504 million compared with the same period of the previous year, due essentially to an increase in investment by the Renewable Energy Division on power plants that use alternative energy resources (mainly wind and solar) and geothermal energy. Capital expenditure on the distribution network totaled €1,084 million, an increase of €91 million compared with the 1st Half of 2015 due essentially to projects to increase and maintain service quality in Italy.

“Changes in the scope of consolidation” essentially concern changes in the control of Drift Sand Wind Project, a company operating in the wind generation sector in the United States, following the sale of a 65% stake in this company. As a result of this sale, the company is recognized using the equity method.

“Impairment losses and reversals” on property, plant and equipment amounted to €8 million and mainly concerned a number of minor assets of the Renewable Energy Division.

“Disposals and other changes” were a positive €128 million and include the effect of the capitalization of interest on financing specifically related to capital expenditures in the amount of €91 million as well as the capitalization of expected costs for plant retirement and site restoration, net of minor disposals.

## 12. Intangible assets - € 15,862 million

Changes in intangible assets during the 1st Half of 2016 were as follows:

Millions of euro	
<b>Total at December 31, 2015</b>	<b>15,235</b>
Capital expenditure	282
Exchange rate differences	755
Amortization	(339)
Other changes	(71)
<b>Total at June 30, 2016</b>	<b>15,862</b>

Changes in intangible assets for the period, an overall increase of €627 million during the 1st Half of the year, essentially reflected exchange rate gains of €755 million and the capital expenditure of €282 million, partially offset by amortization for the period in the amount of €339 million.

## 13. Goodwill - € 13,811 million

Changes in goodwill during the 1st Half of 2016 were as follows:

Millions of euro	
<b>Total at December 31, 2015</b>	<b>13,824</b>
Exchange rate differences	(13)
<b>Total at June 30, 2016</b>	<b>13,811</b>

The balance of goodwill decreased as a result of exchange rate differences of €13 million.

Goodwill breaks down as follows:

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
Endesa	8,607	8,607	-
Latin America	3,285	3,285	-
Enel Green Power Group <sup>(1)</sup>	653	666	(13) -2.0%
Enel Energia	579	579	-
Enel Distributie Muntenia	548	548	-
Enel Energie Muntenia	113	113	-
Nuove Energie	26	26	-
<b>Total</b>	<b>13,811</b>	<b>13,824</b>	<b>(13) -0.1%</b>

(1) Includes Enel Green Power España, Enel Green Power Latin America, Enel Green Power North America, Enel Green Power Hellas, Enel Green Power Romania, Enel Green Power Bulgaria and Enel Green Power Italia.

The CGUs to which goodwill has been allocated are tested for impairment annually or when circumstances indicate that the carrying amount might not be recoverable. The test was conducted at December 31, 2015 on the basis of the cash flows set out in the 2016-2019 strategic plan prepared by management, which are discounted using specific discount rates. The key assumptions used in determining the value in use of the individual CGUs and the sensitivity analyses are reported in the consolidated financial statements at December 31, 2015.

At June 30, 2016 the key assumptions used in determining value in use continued to be sustainable, and the results for the 1st Half of 2016 are broadly in line with the expectations incorporated in the strategic plan. No indicators of impairment were found.

#### **14. Deferred tax assets and liabilities - €6,730 million and €8,786 million**

Millions of euro

	at June 30, 2016	at Dec. 31, 2015	Change	
Deferred tax assets	6,730	7,386	(656)	-8.9%
Deferred tax liabilities	8,786	8,977	(191)	-2.1%
of which:				
Non-offsettable deferred tax assets	4,091	2,149	1,942	90.4%
Non-offsettable deferred tax liabilities	4,572	3,310	1,262	38.1%
Excess net deferred tax liabilities after any offsetting	1,575	430	1,145	-

Changes in deferred tax assets and liabilities for the period can mainly be attributed to: changes in the value of financial derivatives (partly recognized in equity for cash flow hedge derivatives); the effect of exchange rate changes during the period, which resulted in an increase in net deferred tax liabilities; and a number of accruals to and releases from provisions for risks with deferred deductibility.

## 15. Equity investments accounted for using the equity method - €666 million

The table below shows the changes in the main investments in associated companies accounted for using the equity method:

Millions of euro	% holding	Income effect	Change in scope of consol.	Dividends	Reclassification to "assets held for sale"	Other changes	% holding
at Dec. 31, 2015						at June 30, 2016	
<b>Joint arrangements</b>							
Tejo Energia Produção e Distribuição de Energia Elétrica	63 38.9%	5	-	(9)	-	7	66 43.8%
Empresa de Energía Cundinamarca	29 40.4%	1	-	-	-	2	32 40.4%
RusEnergoSbyt	32 49.5%	18	-	-	-	3	53 49.5%
Energie Electrique de Tahaddart	30 32.0%	3	-	(5)	-	-	28 32.0%
PowerCrop	4 50.0%	-	-	-	-	-	4 50.0%
Electrogas	16 50.0%	4	-	(5)	-	(2)	13 42.5%
Transmisora Eléctrica de Quillota	10 50.0%	-	-	-	-	1	11 50.0%
Centrales Hidroeléctricas de Aysén	8 51.0%	(1)	-	-	-	3	10 51.0%
Drift Sand Wind Project LLC	- -	-	42	-	-	-	42 35.0%
<b>Associates:</b>							
Ultor	110 50.0%	(2)	-	-	-	(1)	107
Elica 2	50 30.0%	-	-	-	-	-	50 30.0%
CESI	39 42.7%	5	-	(1)	-	-	43 42.7%
Tecnatom	33 45.0%	(2)	-	-	-	(1)	30 45.0%
Suministradora Eléctrica de Cádiz	17 33.5%	2	-	(3)	-	-	16 33.5%
Terrae	12 20.0%	-	-	-	-	-	12 20.0%
Compañía Eólica Tierras Altas	14 35.6%	-	-	-	-	(1)	13 35.6%
GNL Quinteros	22 20.0%	3	-	(1)	(6)	(18)	-
Other	118	16	-	(5)	-	7	136
<b>Total</b>	<b>607</b>	<b>52</b>	<b>42</b>	<b>(29)</b>	<b>(6)</b>	<b>-</b>	<b>666</b>

Changes for the period reflect the net income pertaining to the Group of the companies accounted for using the equity method and "changes in the scope of consolidation", which essentially concerned changes in control of Drift Sand Wind Project following the sale of a 65% interest in that company.

Other developments include the reclassification to "assets held for sale" of the stake held in GNL Quinteros, a Chilean company active in the regasification of natural gas, for which management has begun preparing a sale.

## 16. Derivatives

Millions of euro	Non-current		Current	
	at June 30, 2016	at Dec. 31, 2015	at June 30, 2016	at Dec. 31, 2015
Derivative financial assets	1,972	2,343	2,876	5,073
Derivative financial liabilities	2,860	1,518	3,039	5,509

For more information on these derivatives, please see notes 24.1 *et seq.*

## 17. Other non-current financial assets - €3,722 million

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
Equity investments in other companies measured at fair value	198	181	17 9.4%
Equity investments in other companies	50	56	(6) -10.7%
Receivables and securities included in net financial debt (see note 24.1)	2,585	2,335	250 10.7%
Service concession arrangements	826	631	195 30.9%
Non-current prepaid financial expense	63	71	(8) -11.3%
<b>Total</b>	<b>3,722</b>	<b>3,274</b>	<b>448 13.7%</b>

"Equity investments in other companies measured at fair value" amounted to €198 million and essentially comprise the investment in Bayan Resources in the amount of €189 million (€175 million at December 31, 2015).

"Equity investments in other companies" include equity investments whose the market value is not readily measurable. Accordingly, as no sale is planned for them, they are carried at cost and adjusted for any impairment.

"Service concession arrangements" regard amounts due from the grantor for the construction and/or improvement of infrastructure used to provide public services on a concession basis and recognized in application of IFRIC 12. The €195 million increase for the period is related mainly to investments made in the distribution network operated on a concession basis in Brazil, only partially offset by the effect of the strengthening euro.

## 18. Trade receivables - € 12,499 million

Trade receivables are recognized net of allowances for doubtful accounts, which totaled €1,939 million at the end of the period, compared with an opening balance of €2,085 million. The table below reports changes in these allowances.

Millions of euro	
<b>Total at December 31, 2015</b>	<b>2,085</b>
Accruals	424
Reversals	(81)
Use	(281)
Other changes	(208)
<b>Total at June 30, 2016</b>	<b>1,939</b>

Other changes essentially reflect changes in exchange rates.

## 19. Other current financial assets - € 2,771 million

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
Current financial assets included in net financial position (see note 20)	2,700	2,241	459      20.5%
Other	71	140	(69)    -49.3%
<b>Total</b>	<b>2,771</b>	<b>2,381</b>	<b>390      16.4%</b>

## 20. Net financial position and long-term financial receivables and securities - € 38,138 million

The following table reconstructs the “Net financial position and long-term financial receivables and securities” from the items reported in the consolidated balance sheet.

Millions of euro	Notes	at June 30, 2016	at Dec. 31, 2015	Change
Long-term borrowings	20.1	42,963	44,872	(1,909)    -4.3%
Short-term borrowings	20.2	2,005	2,155	(150)    -7.0%
Other short-term debt <sup>(1)</sup>		119	-	119    -
Current portion of long-term borrowings	20.1	3,851	5,733	(1,882)    -32.8%
Non-current financial assets included in debt	20.3	(2,585)	(2,335)	(250)    -10.7%
Current financial assets included in debt	20.4	(2,700)	(2,241)	(459)    -20.5%
Cash and cash equivalents		(5,515)	(10,639)	5,124    48.2%
<b>Total</b>		<b>38,138</b>	<b>37,545</b>	<b>593      1.6%</b>

(1) Includes current financial payables included in Other current financial liabilities.

Pursuant to the CONSOB instructions of July 28, 2006, the following table reports the net financial position at June 30, 2016, and December 31, 2015, reconciled with net financial debt as prepared in accordance with the procedures of the Enel Group.

Millions of euro

	at June 30, 2016	at Dec. 31, 2015	Change
Cash and cash equivalents on hand	248	582	(334) -57.4%
Bank and post office deposits	5,267	10,057	(4,790) -47.6%
Securities	30	1	29 -
<b>Liquidity</b>	<b>5,545</b>	<b>10,640</b>	<b>(5,095)</b> <b>-47.9%</b>
Short-term financial receivables	1,820	1,324	496 37.5%
Factoring receivables	101	147	(46) -31.3%
Current portion of long-term financial receivables	749	769	(20) -2.6%
<b>Current financial receivables</b>	<b>2,670</b>	<b>2,240</b>	<b>430</b> <b>19.2%</b>
Bank debt	(488)	(180)	(308) -
Commercial paper	(482)	(213)	(269) -
Current portion of long-term bank borrowings	(916)	(844)	(72) -8.5%
Bonds issued (current portion)	(2,669)	(4,570)	1,901 41.6%
Other borrowings (current portion)	(266)	(319)	53 16.6%
Other short-term financial payables <sup>(1)</sup>	(1,154)	(1,762)	608 34.5%
<b>Total current financial debt</b>	<b>(5,975)</b>	<b>(7,888)</b>	<b>1,913</b> <b>24.3%</b>
<b>Net current financial position</b>	<b>2,240</b>	<b>4,992</b>	<b>(2,752)</b> <b>-55.1%</b>
Debt to banks and financing entities	(7,532)	(6,863)	(669) -9.7%
Bonds	(33,560)	(35,987)	2,427 6.7%
Other borrowings	(1,871)	(2,022)	151 7.5%
<b>Non-current financial position</b>	<b>(42,963)</b>	<b>(44,872)</b>	<b>1,909</b> <b>4.3%</b>
<b>NET FINANCIAL POSITION as per CONSOB instructions</b>	<b>(40,723)</b>	<b>(39,880)</b>	<b>(843)</b> <b>-2.1%</b>
<b>Long-term financial receivables and securities</b>	<b>2,585</b>	<b>2,335</b>	<b>250</b> <b>10.7%</b>
<b>NET FINANCIAL DEBT</b>	<b>(38,138)</b>	<b>(37,545)</b>	<b>(593)</b> <b>-1.6%</b>

(1) Includes current financial payables included in Other current financial liabilities.

## 20.1 Long-term borrowings (including the portion falling due within 12 months) - €46,814 million

The item reports long-term debt in respect of bonds, bank borrowings and other borrowings in euro and other currencies, including the portion falling due within 12 months.

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
	Total	Current portion	Portion falling due in more than 12 months
Bonds	36,229	2,669	33,560 40,557 (4,328)
Bank borrowings	8,448	916	7,532 7,707 741
Other borrowings	2,137	266	1,871 2,341 (204)
<b>Total</b>	<b>46,814</b>	<b>3,851</b>	<b>42,963</b> <b>50,605</b> <b>(3,791)</b>

The following table reports a breakdown of bonds outstanding at June 30, 2016.

Carrying amount	Fair value	Current portion	Portion falling due in more than 12 months	Carrying amount	Fair value		
Millions of euro			<b>at June 30, 2016</b>		<b>at Dec. 31, 2015</b>		
<b>Bonds:</b>							
- listed, fixed rate	2016-2097 <sup>(1)</sup>	26,403	32,175	2,254	24,149		
- listed, floating rate	2016-2031	3,303	3,709	350	2,953		
- unlisted, fixed rate	2017-2039	5,339	6,247	-	5,339		
- unlisted, floating rate	2016-2032	1,184	1,153	65	1,119		
<b>Total bonds</b>		<b>36,229</b>	<b>43,284</b>	<b>2,669</b>	<b>33,560</b>		

(1) The maturity dates of listed fixed-rate bonds reported in the table are based on the assumption of exercise of the option to extinguish the hybrid issues carried out in September 2013 and January 2014 at the first possible date for each issue (between 2019 and 2023). The amortized cost was also calculated using the same assumption.

The balance for bonds is reported net of €829 million in respect of the unlisted floating-rate "Special series of bonds reserved for employees 1994-2019", which the Parent Company, Enel SpA, holds in its portfolio.

The table below reports long-term financial debt by currency and interest rate.

#### Long-term financial debt by currency and interest rate

Millions of euro	Carrying amount	Nominal value	Carrying amount	Current average interest rate	Current effective interest rate
	<b>at June 30, 2016</b>			<b>at June 30, 2016</b>	
<b>Euro</b>	<b>26,824</b>	<b>27,438</b>	<b>31,059</b>	<b>3.72%</b>	<b>4.14%</b>
US dollar	9,814	9,900	9,552	6.19%	6.37%
Pound sterling	5,132	5,191	5,775	6.08%	6.24%
Colombian peso	1,675	1,675	1,358	11.32%	11.32%
Brazilian real	1,075	1,090	875	14.66%	14.76%
Swiss franc	533	534	534	3.07%	3.13%
Chilean peso/UF	470	481	445	10.15%	11.02%
Peruvian sol	441	441	410	6.24%	6.24%
Russian ruble	280	280	124	12.20%	12.20%
Japanese yen	276	276	240	2.43%	2.46%
Other currencies	294	303	233		
<b>Total non-euro currencies</b>	<b>19,990</b>	<b>20,171</b>	<b>19,546</b>		
<b>TOTAL</b>	<b>46,814</b>	<b>47,609</b>	<b>50,605</b>		

## Change in the nominal value of long-term debt

Millions of euro	Repayments	Change in own bonds	Exchange transactions	New issues	Exchange rate differences	
						at June 30, 2016
	at Dec. 31, 2015					
Bonds	41,063	(3,879)	(21)	183	195	(576) 36,965
Borrowings	10,096	(794)	-	-	1,114	228 10,644
<b>Total</b>	<b>51,159</b>	<b>(4,673)</b>	<b>(21)</b>	<b>183</b>	<b>1,309</b>	<b>(348) 47,609</b>

Compared with December 31, 2015, the nominal value of long-term debt decreased by a total of €3,550 million, which is the net effect of €4,673 million in repayments and redemptions, €1,309 million in new financing, €183 million in exchange transactions, €21 million due to changes in own bonds held, and €348 million in exchange rate losses.

The main repayments made in the 1st Half of 2016 concerned:

- > bonds in the amount of €3,879 million related essentially to:
  - €1,000 million in respect of a floating-rate bond issued by Enel SpA, which matured in February 2016;
  - €2,000 million in respect of a fixed-rate bond issued by Enel SpA, which matured in February 2016;
  - €750 million in respect of the repurchase of own fixed-rate bonds by Enel SpA;
  - the equivalent of €98 million in respect of the bonds of companies in Brazil, Chile, and Colombia;
- > bank borrowings in the amount of €794 million, including:
  - €132 million in respect of Endesa floating-rate bank borrowings;
  - €42 million in respect of the repayment of Enel Green Power SpA borrowings;
  - the equivalent of €98 million in respect of bank borrowings of the companies in Argentina and Brazil;
  - €236 million in respect of the bank borrowings of companies of the Enel Green Power Group;
  - €110 million in respect of subsidized bank borrowings by Enel Distribuzione;
  - €36 million in respect of subsidized bank borrowings by Enel Produzione;
  - the equivalent of €140 million in respect of bank borrowings by Enel Russia.

The main issues made in the 1st Half of 2016 concerned:

- > a corporate bond issued by Emgesa on February 11, 2016, in the amount of 525 billion Colombian pesos (equal to about €162 million);
- > bank borrowings in the amount of €1,114 million related mainly to:
  - financing obtained by Codensa in March and June 2016 from the Bank of Tokyo in the amount of 362 billion Colombian pesos (equal to €110 million);
  - bank borrowings obtained by Ampla in the 1st Half of 2016 in the amount of \$112 million (equal to €100 million);
  - bank borrowings obtained by Endesa Chile in the 1st Half of 2016 in the amount of \$200 million (equal to €180 million);
  - new bank borrowings obtained by companies of the Enel Green Power Group during the 1st Half of 2016 in the amount of €368 million, the most significant of which related to financing obtained by the companies in Brazil in the amount of €267 million;
  - bank borrowings obtained by Enel Russia in March 2016 in the amount of 10 billion rubles (equal to €140 million);
  - drawings by Endesa on committed lines of credit in the amount of €98 million;
- > other borrowings in the amount of €89 million.

In May 2016, following a non-binding exchange offer, the subsidiary Enel Finance International also initiated a transaction for the repurchase and concomitant reissue of a senior fixed-rate bond maturing in June 2026. The amount

exchanged (€1,074 million) and the amount reissued (€1,257 million) generated a net cash inflow of €183 million. From an accounting point of view, given the characteristics of the instrument exchanged and the quantitative limits set by the applicable accounting standard, the exchange offer did not entail the extinguishment of the existing financial liabilities.

Given that only some of the bondholders participated in the non-binding exchange offer, the exiting issues remain on the market with a total nominal value of €5,458 million, with maturities ranging from 2017 to 2023.

The main financing contracts finalized the 1st Half of 2016 include one between Bankia and Endesa signed on February 11, 2016, for a line of credit in the amount of €125 million with a term of three years. As at June 30, 2016, €2 million of the line of credit had been drawn.

The Group's main long-term financial liabilities are governed by covenants containing undertakings by the borrowers (Enel, Endesa and the other Group companies) and in some cases Enel as guarantor that are commonly adopted in international business practice. For a more detailed description, please see the 2015 Annual Report.

## 20.2 Short-term borrowings - €2,005 million

At June 30, 2016, short-term borrowings totaled €2,005 million, a decrease of €150 million with respect to December 31, 2015, as detailed below.

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
Short-term bank borrowings	488	180	308
Commercial paper	482	213	269
Cash collateral and other liabilities in respect of derivatives	994	1,698	(704) -41.5%
Other short-term borrowings <sup>(1)</sup>	41	64	(23) -35.9%
<b>Short-term borrowings</b>	<b>2,005</b>	<b>2,155</b>	<b>(150)</b> -7.0%

(1) Does not include current financial payables included in Other current financial liabilities.

Commercial paper amounting to €482 million includes €375 million in issues made under the €6,000 million program launched in November 2005 by Enel Finance International (guaranteed by Enel SpA), which was renewed in April 2010, and €107 million under the International Endesa program within the scope of a program totaling €3,000 million.

### 20.3 Non-current financial assets included in debt - €2,585 million

Millions of euro

	at June 30, 2016	at Dec. 31, 2015	Change
Securities held to maturity	-	117	(117)
Financial investments in funds or portfolio management products at fair value through profit or loss	43	45	(2) -4.4%
Securities available for sale	429	-	429
Securities measured at fair value through profit or loss	1	-	1
Financial receivables in respect of Spanish electrical system deficit	3	2	1 50%
Other financial receivables	2,109	2,171	(62) -2.9%
<b>Total</b>	<b>2,585</b>	<b>2,335</b>	<b>250 10.7%</b>

“Securities held to maturity” have been reclassified to “securities available for sale” in order to ensure greater operational flexibility.

“Securities available for sale” rose by €429 million due, in addition to the reclassification mentioned above, to an increase in liquidity investment in bonds by the Dutch insurance companies.

“Other financial receivables” include receivables in respect of the CSEA (the Electrical & Environmental Services Fund, formerly the Electricity Equalization Fund) related to the early replacement of meters in the amount of €363 million (€386 million at December 31, 2015), receivables in respect of the reimbursement of costs incurred with the termination of the Electrical Worker Pension Fund in the amount of €308 million (€336 million at December 31, 2015), the receivable in respect of FONINVENEM following recognition by the Argentinian authorities of transformation into US dollars of the receivable related to construction of the Vuelta de Obligado plant in the amount of €312 million (€308 million at December 31, 2015) and receivables of the generation companies in Argentina in respect of the wholesale electricity market and deposited with FONINVENEM in the amount of €67 million (€78 million at December 31, 2015).

### 20.4 Current financial assets included in debt - €2,700 million

Millions of euro

	at June 30, 2016	at Dec. 31, 2015	Change
Current portion of long-term financial receivables	749	769	(20) -2.6%
Receivables for factoring	101	147	(46) -31.3%
Securities held to maturity	-	1	(1) -
Financial receivables and cash collateral	1,631	1,020	611 59.9%
Other	219	304	(85) -28.0%
<b>Total</b>	<b>2,700</b>	<b>2,241</b>	<b>459 20.5%</b>

The “current portion of long-term financial receivables” is essentially accounted for by the short-term component of the financial receivable in respect of the deficit of the Spanish electrical system in the amount of €180 million (€291 million at December 31, 2015). The change for the period essentially reflects new receivables accrued in the 1st Half of 2016, which were more than offset by collections in the period.

## 21. Assets and liabilities held for sale - € 1,210 million

The following table reports the composition of the two items at June 30, 2016, and December 31, 2015.

Millions of euro	Assets held for sale			Liabilities held for sale		
	at June 30, 2016	at December 31, 2015	Change	at June 30, 2016	at December 31, 2015	Change
Slovenské elektrárne	6,784	6,549	235	5,606	5,335	271
Other	51	305	(254)	19	29	(10)
<b>Total</b>	<b>6,835</b>	<b>6,854</b>	<b>(19)</b>	<b>5,625</b>	<b>5,364</b>	<b>261</b>

The change for the period essentially reflects the sale of Hydro Dolomiti Enel and Compostilla Re, as well as the increase in the value of the assets and liabilities of Slovenské elektrárne, which, as at June 30, 2016, accounted for nearly the entire aggregate, with the addition of the shareholding in GNL Quinteros in the 1st Half of 2016.

During the period under review, work continued on preparing for the sale of the majority stake in Slovenské elektrárne. At present, there have been no changes in the estimates and assumptions used to determine the estimated realizable value from those used for the purposes of the consolidated financial statements at December 31, 2015.

The item also include the balance for the investment in GNL Quinteros (€6 million), the assets of Enel Longanesi Development Srl (€26 million) and a number of assets under development in the upstream gas sector in Algeria (Isarene permit, €4 million).

## 22. Shareholders' equity - € 52,651 million

### 22.1 Equity attributable to the shareholders of the Parent Company - € 34,641 million

#### Share capital - € 10,167 million

As at June 30, 2016, the fully subscribed and paid-up share capital of Enel SpA totaled €10,166,679,946, represented by the same number of ordinary shares with a par value of €1.00 each.

This represents an increase of €763,322,151 compared with the previous amount of €9,403,357,795 at December 31, 2015, as a result of the partial, non-proportional demerger of the subsidiary Enel Green Power SpA to Enel SpA effective as of March 31, 2016.

At June 30, 2016, based on the shareholders register and the notices submitted to CONSOB and received by the Company pursuant to Article 120 of Legislative Decree 58 of February 24, 1998, as well as other available information, the only shareholders with interests of greater than 3% in the Company's share capital were the Ministry for the Economy and Finance (with a 23.59% stake) and BlackRock Inc. (with a 4.97% stake held through subsidiaries for asset management purposes).

On May 28, 2016, the Enel SpA shareholders approved a dividend for the full year 2015 in the amount of €0.16 per share for a total of €1,627 million. Payment of this dividend, less any withholdings as required by law, began on June 22, 2016, with an ex coupon date of June 20, 2016.

#### Other reserves - € 4,811 million

##### Share premium reserve - € 7,490 million

Pursuant to Article 2431 of the Italian Civil Code, the share premium reserve contains, in the case of the issue of shares at a price above par, the difference between the issue price of the shares and their par value, including those resulting from conversion from bonds. The reserve, which is a capital reserve, may not be distributed until the legal reserve has

reached the threshold established under Article 2430 of the Italian Civil Code. The change for the period, in the amount of €2,198 million, is related to the capital increase mentioned above and includes transaction costs net of the related tax effect of €14 million.

**Legal reserve - €2,034 million**

The legal reserve is formed of the part of net income that, pursuant to Article 2430 of the Civil Code, cannot be distributed as dividends.

**Other reserves - €2,262 million**

These include €2,215 million related to the remaining portion of the value adjustments carried out when Enel was transformed from a public entity to a joint-stock company.

Pursuant to Article 47 of the Uniform Income Tax Code, this amount does not constitute taxable income when distributed.

**Reserve from translation of financial statements in currencies other than euro - €(1,318) million**

The €638 million increase for the period was due to the net depreciation of the functional currency against the other currencies used by the subsidiaries, as well as to the change in the scope of consolidation, amounting to €119 million, following the acquisition of the 31.71% stake in Enel Green Power SpA as a result of the partial, non-proportional demerger.

**Reserve from measurement of cash flow hedge derivatives - €(1,918) million**

This includes the net charges recognized in equity from the measurement of cash flow hedge derivatives.

**Reserve from measurement of financial assets available for sale - € 157 million**

This includes net unrealized income from the measurement at fair value of financial assets.

**Reserve from equity investments accounted for using the equity method - €(68) million**

The reserve reports the share of comprehensive income to be recognized directly in equity of companies accounted for using the equity method.

**Reserve from remeasurement of net liabilities/(assets) of defined benefit plans - €(550) million**

The reserve includes all actuarial gains and losses, net of tax effects, in respect of the employee benefit obligation. There were no changes during the interim period in the actuarial assumptions already used for the 2015 financial statements and, accordingly, no actuarial gains or losses were recognized in the statement of comprehensive income.

**Reserve from disposal of equity interests without loss of control - €(2,108) million**

This includes the realized gains and losses, including transaction costs, resulting from the sale of minority interests to third parties without loss of control.

**Reserve from acquisitions of non-controlling interests - €(1,170) million**

The change for the period regards the difference between the share of equity acquired from non-controlling shareholders of Enel Green Power SpA and the associated purchase price.

### Retained earnings - €19,663 million

The reserve reports earnings from previous years that have not been distributed or allocated to other reserves.

The table below shows the changes in gains and losses recognized directly in other comprehensive income, including non-controlling interests.

Millions of euro

	Change					
	Gains/(losses) recognized in equity for the period	Released to income statement	Income taxes	Total	Of which shareholders of the Parent Company	Of which non-controlling interests
Reserve from translation of financial statements in currencies other than euro	1,116	-	-	1,116	519	597
Reserve from measurement of cash flow hedge derivatives	(1,884)	1,243	125	(516)	(546)	30
Reserve from measurement of financial assets available for sale	38	(6)	(4)	28	27	1
Share of OCI of equity investments accounted for using the equity method	(35)	5	2	(28)	(14)	(14)
Remeasurement of liabilities/(assets) of defined benefit plans	-	-	-	-	-	-
<b>Total gains/(losses) recognized in equity</b>	<b>(765)</b>	<b>1,242</b>	<b>123</b>	<b>600</b>	<b>(14)</b>	<b>614</b>

### 22.2 Non-controlling interests - €18,010 million

The following table reports the composition of non-controlling interests by main Group sub-holding.

Millions of euro	Non-controlling interests		Net income attributable to non-controlling interests	
	at June 30, 2016	at December 31, 2015	at June 30, 2016	at June 30, 2015
Endesa Group	6,793	6,742	223	235
Enel Latinoamérica Group	8,793	8,052	425	383
Enel Investment Holding Group	822	803	29	18
Slovenské elektrárne Group	387	386	3	(3)
Enel Green Power Group	1,215	3,392	78	163
<b>Total</b>	<b>18,010</b>	<b>19,375</b>	<b>758</b>	<b>796</b>

The decrease in the amounts attributable to non-controlling interests for the 1st Half of 2016 reflects the non-proportional demerger of Enel Green Power SpA, with which the Group increased its stake in the company from 68.29% to 100%.

### 23. Provisions for risks and charges - €6,780 million

Millions of euro	Non-current	Current	Total provisions for risks and charges
<b>At December 31, 2015</b>	<b>5,192</b>	<b>1,630</b>	<b>6,822</b>
Accruals	177	211	388
Utilization	(235)	(204)	(439)
Reversal	(137)	(34)	(171)
Unwinding of discount	89	75	164
Translation adjustments	44	-	44
Other	42	(70)	(28)
<b>At June 30, 2016</b>	<b>5,172</b>	<b>1,608</b>	<b>6,780</b>

At June 30, 2016, this aggregate included, among others: the nuclear decommissioning provision related to the Spanish plants in the amount of €571 million (€528 million at December 31, 2015); the plant retirement and site-restoration provision in the amount of €602 million (€622 million at December 31, 2015); the early retirement incentive provision in the amount of €2,512 million (€2,653 million at December 31, 2015); the litigation provision in the amount of €800 million (€809 million at December 31, 2015); and the provision for environmental certificates in the amount of €169 million (€19 million at the end of 2015).

In particular, the change in the early retirement incentive provision was essentially due to utilizations in Spain and Italy related to the employee early retirement incentive plans established in previous periods. The change in the provision for environmental certificates essentially concerns the accruals in Italy for emissions allowances.

## 24. Risk management

For a more complete discussion of the hedging instruments used by the Group to manage the various risks associated with its business, please see the consolidated financial statements at December 31, 2015. The following sub-sections report the balances for derivatives instruments, grouped by the item of the consolidated balance sheet that contain them.

### 24.1 Derivatives contracts classified under non-current assets - € 1,972 million

The following table reports the fair value of derivative contracts classified under non-current assets, broken down by type of risk and designation.

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
<b>Cash flow hedge derivatives:</b>			
- interest rates	-	116	(116)
- exchange rates	1,823	2,163	(340)
- commodities	69	5	64
<b>Total cash flow hedge derivatives</b>	<b>1,892</b>	<b>2,284</b>	<b>(392)</b>
<b>Fair value hedge derivatives:</b>			
- interest rates	48	46	2
- exchange rates	-	-	-
<b>Total fair value hedge derivatives</b>	<b>48</b>	<b>46</b>	<b>2</b>
<b>Trading derivatives:</b>			
- interest rates	4	2	2
- exchange rates	3	5	(2)
- commodities	25	6	19
<b>Total trading derivatives</b>	<b>32</b>	<b>13</b>	<b>19</b>
<b>TOTAL</b>	<b>1,972</b>	<b>2,343</b>	<b>(371)</b>

Cash flow hedge derivatives on exchange rates essentially concern the hedging of exchange rate risk on bond issues in a foreign currency using cross currency interest rate swaps. The decrease in their fair value is mainly due to the performance of the euro against the other leading currencies during the 1st Half of 2016.

Cash flow hedge derivatives on interest rates decreased by €116 million, while fair value hedge derivatives increased by €2 million. Both of these changes reflect the general decline in the yield curve during the 1st Half of 2016. The reduction in cash flow hedge derivatives resulted in a reclassification of €116 million from non-current assets to non-current liabilities.

Cash flow hedge derivatives on commodities regard the hedging of purchases of coal by generation companies with a fair value of €54 million, derivatives on gas and oil commodities in the amount of €13 million and derivatives on energy commodities in the amount of €2 million. The fair value of trading derivatives on commodities regards gas and oil hedges in the total amount of €12 million, CO<sub>2</sub> derivatives in the amount of €8 million and energy derivatives in the amount of €5 million.

## 24.2 Derivatives contracts classified under current assets - €2,876 million

The table below reports the fair value of derivative contracts classified under current assets, broken down by type of risk and designation.

Millions of euro

	at June 30, 2016	at Dec. 31, 2015	Change
<b>Cash flow hedge derivatives:</b>			
- interest rates	1	1	-
- exchange rates	133	280	(147)
- commodities	293	326	(33)
<b>Total cash flow hedge derivatives</b>	<b>427</b>	<b>607</b>	<b>(180)</b>
<b>Trading derivatives:</b>			
- interest rates	-	-	-
- exchange rates	33	63	(30)
- commodities	2,416	4,403	(1,987)
<b>Total trading derivatives</b>	<b>2,449</b>	<b>4,466</b>	<b>(2,017)</b>
<b>TOTAL</b>	<b>2,876</b>	<b>5,073</b>	<b>(2,197)</b>

Cash flow hedge derivatives and trading derivatives on exchange rates essentially regard derivatives transactions to hedge the exchange rate risk associated with the price of energy commodities. The changes in the fair value of these derivatives are associated with normal operations.

The fair value of derivatives on cash flow hedge commodities regards hedges of gas and oil for a total of €216 million and energy and coal derivatives in the amount of €77 million.

Trading derivatives on commodities concern the hedging of gas and oil commodities with a fair value of €1,367 million, energy commodities in the amount of €706 million and CO<sub>2</sub> and coal in the amount of €343 million. These figures also include transactions that were undertaken for hedging purposes but which do not meet the requirements for hedge accounting.

### 24.3 Derivatives contracts classified under non-current liabilities - €2,860 million

The following table shows the fair value of the cash flow hedge and trading derivatives.

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
<b>Cash flow hedge derivatives:</b>			
- interest rates	945	459	486
- exchange rates	1,785	1,006	779
- commodities	71	12	59
<b>Total cash flow hedge derivatives</b>	<b>2,801</b>	<b>1,477</b>	<b>1,324</b>
<b>Trading derivatives:</b>			
- interest rates	16	16	-
- exchange rates	30	18	12
- commodities	13	7	6
<b>Total trading derivatives</b>	<b>59</b>	<b>41</b>	<b>18</b>
<b>TOTAL</b>	<b>2,860</b>	<b>1,518</b>	<b>1,342</b>

As already discussed for non-current financial assets, the deterioration in the fair value of cash flow hedge derivatives on interest rates was due mainly to the general decline in the yield curve during the 1st Half of 2016 and to new hedges established during the period in the amount of €51 million.

Cash flow hedge derivatives on exchange rates essentially regard transactions to hedge bonds denominated in currencies other than the euro through cross currency interest rate swaps. The deterioration in their fair value with respect to December 31, 2015, is mainly due to developments in the exchange rate of the euro against the other leading currencies during the 1st Half of 2016.

Trading derivatives on exchange rates essentially include transactions entered into for hedging purposes that do not qualify for hedge accounting.

Cash flow hedge derivatives on commodities include CO<sub>2</sub> transactions in the amount of €37 million, the hedging of gas and oil in the amount of €20 million, and energy hedging in the amount €14 million. The fair value of trading derivatives regards energy hedges in the amount of €9 million and derivatives on coal and gas in the amount of €4 million.

## 24.4 Derivative contracts classified under current liabilities - €3,039 million

The following table reports the fair value of derivative contracts.

Millions of euro	at June 30, 2016	at Dec. 31, 2015	Change
<b>Cash flow hedge derivatives:</b>			
- interest rates	1	2	(1)
- exchange rates	125	96	29
- commodities	316	677	(361)
<b>Total cash flow hedge derivatives</b>	<b>442</b>	<b>775</b>	<b>(333)</b>
<b>Fair value hedge derivatives:</b>			
- exchange rates	5	-	5
<b>Total fair value hedge derivatives</b>	<b>5</b>	-	<b>5</b>
<b>Trading derivatives:</b>			
- interest rates	86	65	21
- exchange rates	191	43	148
- commodities	2,315	4,626	(2,311)
<b>Total trading derivatives</b>	<b>2,592</b>	<b>4,734</b>	<b>(2,142)</b>
<b>TOTAL</b>	<b>3,039</b>	<b>5,509</b>	<b>(2,470)</b>

The change in the fair value of cash flow hedge derivatives is due to normal operations and the natural expiry of existing hedge transactions.

Trading derivatives on exchange rates essentially include transactions entered into for hedging purposes that do not qualify for hedge accounting.

Cash flow hedge derivatives on commodities include hedges of gas and oil commodities with a fair value of €206 million, CO<sub>2</sub> transactions in the amount of €87 million, and energy hedges in the amount of €23 million. Commodity derivatives classified as trading instruments include derivatives related to fuels and other commodities with a fair value of €1,680 million and energy transactions for a fair value of €635 million.

## 25. Assets and liabilities measured at fair value

In compliance with the disclosure requirements under paragraph 15B (k) of IAS 34, the Group determines fair value in conformity with IFRS 13 any time that treatment is required by an international accounting standard.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction, between market participants, at the measurement date (i.e. an exit price).

The best proxy for fair value is market price, i.e. the current publicly available price that is effectively quoted on a liquid and active market.

The fair value of assets and liabilities is classified in a three-level hierarchy, defined as follows on the basis of the inputs and valuation techniques used to measure the fair value:

- > Level 1, where the fair value is determined on basis of quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- > Level 2, where the fair value is determined on basis of inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- > Level 3, where the fair value is determined on the basis of unobservable inputs.

There were no changes in the levels of the fair value hierarchy used for the purposes of measuring financial instruments compared with the most recent annual report (as indicated in notes 45 and 46 of the consolidated financial statements at December 31, 2015). The methods used in measuring Level 2 and 3 fair values are consistent with those used in the most recent annual report. For a more extensive discussion of the Group's most important valuation processes, please see the section "Use of estimates" in note 1 of the 2015 Annual Report.

## 26. Related parties

As an operator in the field of generation, distribution, transport and sale of electricity and natural gas, the Group provides services to a number of companies directly or indirectly controlled by the Italian State, the Group's controlling shareholder.

The table below summarizes the main types of transactions carried out with such counterparties.

Related party	Relationship	Nature of main transactions
Single Buyer	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Purchase of electricity for the enhanced protection market Sale of electricity for own use
EMO - Energy Markets Operator	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Sale of electricity on the Power Exchange Purchase of electricity on the Power Exchange for pumping and plant planning Sale of electricity for own use
ESO - Energy Services Operator	Fully controlled (directly) by the Ministry for the Economy and Finance	Sale of subsidized electricity Payment of A3 component for renewable resource incentives Sale of electricity for own use
Terna	Indirectly controlled by the Ministry for the Economy and Finance	Sale of electricity on the Ancillary Services Market Purchase of transport, dispatching and metering services Sale of electricity for own use
Eni Group	Indirectly controlled by the Ministry for the Economy and Finance	Sale of electricity transport services Purchase of fuels for generation plants, storage services and natural gas distribution Sale of electricity for own use
Leonardo Group (formerly Finmeccanica)	Directly controlled by the Ministry for the Economy and Finance	Purchase of IT services and supply of goods Sale of electricity for own use
Italian Post Office	Fully controlled (directly) by the Ministry for the Economy and Finance	Purchase of postal services Sale of electricity for own use

Finally, Enel also maintains relationships with the pension funds FOPEN and FONDENEL, as well as Enel Cuore, an Enel non-profit company devoted to providing social and healthcare assistance.

All transactions with related parties were carried out on normal market terms and conditions, which in some cases are determined by the Authority for Electricity, Gas and the Water System.

The following tables summarize transactions with related parties, associated companies and joint arrangements carried out in the 1st Half of 2016 and 2015 and outstanding at June 30, 2016 and December 31, 2015.

Millions of euro

	Acquirente Unico	GME	Terna	Eni	GSE	Poste Italiane	Other	Key management personnel	Total 1st Half 2016	Associates and joint arrangements	Overall total 1st Half 2016	Total in financial statements	% of total
<b>Income statement</b>													
Revenue from sales and services	23	596	812	694	95	38	65	-	2,323	42	2,365	33,172	7.1%
Other revenue	-	-	-	-	175	-	2	-	177	-	177	978	18.1%
Other financial income	-	-	9	-	-	-	-	-	9	4	13	1,348	1.0%
Electricity, gas and fuel purchases	1,367	705	45	548	1	-	-	-	2,666	68	2,734	15,325	17.8%
Services and other materials	-	32	1,011	80	2	41	20	-	1,186	49	1,235	8,030	15.4%
Other operating expenses	1	125	-	-	-	-	-	-	126	-	126	1,117	11.3%
Net income/(expense) from commodity contracts measured at fair value	-	-	2	-	-	-	-	-	2	-	2	(114)	-1.8%
Other financial expense	-	-	10	-	1	-	-	-	11	14	25	2,017	1.2%

Millions of euro

	Acquirente Unico	GME	Terna	Eni	GSE	Poste Italiane	Other	Key management personnel	Total at June 30, 2016	Associates and joint arrangements	Overall total at June 30, 2016	Total in financial statements	% of total
<b>Balance sheet</b>													
Other non-current assets	-	-	-	-	-	-	-	-	-	20	20	908	-
Trade receivables	8	238	547	83	79	1	37	-	993	25	1,018	12,499	8.1%
Other current financial assets	-	-	-	-	-	-	-	-	-	3	3	2,771	0.1%
Other current assets	-	10	3	4	240	-	1	-	258	20	278	3,284	8.5%
Other non-current liabilities	-	-	-	-	-	-	5	-	5	-	5	1,598	0.3%
Trade payables	436	259	383	226	1,133	46	20	-	2,503	34	2,537	11,243	22.6%
Other current financial liabilities	-	-	1	-	-	1	-	-	2	-	2	997	0.2%
Other current liabilities	-	-	2	-	-	-	2	-	4	-	4	11,375	-
Non-current derivative liabilities	-	-	3	-	-	-	-	-	3	-	3	2,860	0.1%
<b>Other information</b>													
Guarantees given	-	280	250	-	-	-	76	-	606	-	606		
Guarantees received	-	-	-	-	-	-	6	-	6	-	6		
Commitments	-	-	2	8	-	-	12	-	22	-	22		

Millions of euro

	Acquirente Unico	GME	Terna	Eni	GSE	Poste Italiane	Other	Key management personnel	Total 1st Half 2015	Associates and joint arrangements	Overall total 1st Half 2015	Total in financial statements	% of total
<b>Income statement</b>													
Revenue from sales and services	-	1,232	475	720	130	17	34	-	2,608	53	2,661	36,325	7.3%
Other revenue and income	-	-	2	-	169	-	8	-	179	1	180	1,307	13.8%
Other financial income	-	-	-	-	-	-	-	-	-	11	11	683	1.6%
Electricity, gas and fuel purchases	1,479	636	53	638	2	-	26	-	2,834	160	2,994	18,642	16.1%
Services and other materials	-	36	946	56	1	56	19	-	1,114	52	1,166	8,254	14.1%
Other operating expenses	1	-	1	28	-	-	1	-	31	-	31	1,258	2.5%
Net income/(expense) from commodity contracts measured at fair value	-	-	(5)	-	-	-	-	-	(5)	-	(5)	176	-2.8%
Other financial expense	-	-	-	-	-	-	-	-	-	11	11	2,959	0.4%

Millions of euro

	Acquirente Unico	GME	Terna	Eni	GSE	Poste Italiane	Other	Key management personnel	Total at December 31, 2015	Associates and joint arrangements	Overall total at December 31, 2015	Total in financial statements	% of total
<b>Balance sheet</b>													
Trade receivables	-	217	473	116	68	5	15	-	894	43	937	12,797	7.3%
Other current financial assets	-	-	-	-	-	-	-	-	-	2	2	2,381	0.1%
Other current assets	-	4	25	-	69	5	2	-	105	30	135	2,898	4.7%
Other non-current liabilities	-	-	-	-	-	-	4	-	4	-	4	1,549	0.3%
Trade payables	620	373	376	184	1,256	38	27	-	2,874	37	2,911	11,775	24.7%
Other current liabilities	-	-	8	-	-	1	4	-	13	1	14	11,222	0.1%
<b>Other information</b>													
Guarantees given	-	280	253	-	-	-	1	-	534	-	534		
Guarantees received	-	-	-	150	-	8	27	-	185	-	185		
Commitments	-	-	2	21	-	-	14	-	37	-	37		

## 27. Contractual commitments and guarantees

The commitments entered into by the Enel Group and the guarantees given to third parties are shown below.

Millions of euro

	at June 30, 2016	at Dec. 31, 2015	Change
<b>Guarantees given:</b>			
- sureties and other guarantees granted to third parties	7,501	6,701	800
<b>Commitments to suppliers for:</b>			
- electricity purchases	61,817	48,733	13,084
- fuel purchases	49,639	64,114	(14,475)
- various supplies	1,695	1,725	(30)
- tenders	1,896	1,905	(9)
- other	4,033	2,895	1,138
<b>Total</b>	<b>119,080</b>	<b>119,372</b>	<b>(292)</b>
<b>TOTAL</b>	<b>126,581</b>	<b>126,073</b>	<b>508</b>

Commitments for electricity amounted to €61,817 million at June 30, 2016, of which €18,348 million refer to the period July 1, 2016-2020, €12,825 million to the period 2021-2025, €9,845 million to the period 2026-2030 and the remaining €20,799 million beyond 2030.

Commitments for the purchase of fuels are determined with reference to the contractual parameters and exchange rates applicable at the end of the period (given that fuel prices vary and are mainly set in foreign currencies). The total at June 30, 2016 amounted to €49,639 million, of which €27,061 million refer to the period July 1, 2016-2020, €13,507 million to the period 2021-2025, €7,830 million to the period 2026-2030 and the remaining €1,241 million beyond 2030.

## **28. Contingent liabilities and assets**

Compared with the consolidated financial statements at December 31, 2015, which the reader is invited to consult for more information, the following main changes have occurred in contingent assets and liabilities, which are not recognized in the financial statements as they do not meet the requirements provided for in IAS 37.

### **Porto Tolle thermal plant - Air pollution - Criminal proceedings against Enel directors and employees**

The Venice Court of Appeal set the first hearing for September 15, 2016.

### **Brindisi Sud thermal generation plant - Criminal proceedings against Enel employees**

A criminal proceeding is under way before the Court of Brindisi concerning the Brindisi Sud thermal plant. A number of employees of Enel Produzione – cited as a liable party in civil litigation during 2013 – have been accused of causing criminal damage and dumping of hazardous substances with regard to the alleged contamination of land adjacent to the plant with coal dust as a result of actions between 1999 and 2011. The argument phase having been completed, a judgment is expected to be entered by the end of September or early October 2016.

Criminal proceedings are also under way before the Courts of Reggio Calabria and Vibo Valentia against a number of employees of Enel Produzione for the offense of illegal waste disposal in connection with alleged violations concerning the disposal of waste from the Brindisi plant. Enel Produzione has not been cited as a liable party for civil damages.

The criminal proceedings before the Court of Reggio Calabria ended with the hearing of June 23, 2016. The court acquitted nearly all of the Enel defendants of the main charges because no crime was committed. Just one case was dismissed under the statute of limitations. Similarly, all of the remaining charges involving minor offenses were dismissed under the statute of limitations. The proceedings before the Court of Vibo Valentia were adjourned from June 28, 2016 to May 4, 2017, in order to hear the testimony of the final witnesses called by the other defendants.

### **BEG litigation**

In March 2014, Albania BEG Ambient Shpk filed suit against Enel SpA and Enelpower SpA in New York to render the ruling of the Albanian court enforceable in the State of New York. On April 27, 2015, Enel SpA and Enelpower SpA asked for the case to be transferred from the New York State Courts to the Federal Courts. In a ruling of March 10, 2016, the Federal Court denied the motion of Enel SpA and Enelpower SpA, confirming the jurisdiction of the New York State Court, where the case is proceeding.

As regards the proceeding under way in the Netherlands, in a ruling of February 9, 2016, the Hague Court of Appeal upheld the appeals, ordering the revocation of the preliminary injunctions subject to the pledging of a guarantee by Enel of €440 million and a counter-guarantee by Albania BEG Ambient Shpk of about €50 million (the estimated value of the losses of Enel and Enelpower from the seizure of assets and the pledge of bank guarantees).

Enel's guarantee was issued on March 30, 2016 and accordingly the injunctions were revoked as from that date. Albania BEG Ambient Shpk did not issue its counter-guarantee by the deadline of three weeks and as a result, Enel's guarantee is no longer in force as from April 20, 2016. On April 4, 2016, Albania BEG Ambient appealed the ruling of February 9, 2016 before the Court of Cassation in the Netherlands. Enel and Enelpower filed on May 20, 2016

In addition, at the end of July 2014, Albania BEG Ambient Shpk filed suit to obtain the recognition and enforcement of the Albanian court decision in the Netherlands. The final hearing of that proceeding was held at the end of January 2016. On June 29, 2016, the court entered its judgment, which: (i) ruled that the Albanian ruling meets the requirements for recognition and enforcement in the Netherlands; (ii) ordered Enel and Enelpower to pay €433,091,870.00 to Albania BEG Ambient, in addition to costs and ancillary charges of €60,673.78; and (iii) denied Albania BEG Ambient's request to declare the ruling provisionally enforceable.

On June 29, 2016, Enel and Enelpower appealed the ruling. The appeal has full de novo effect. The Court of Appeal will re-examine the entire subject of the dispute. Accordingly, Enel and Enelpower will be able to present their defense in its entirety.

On July 14, 2016, Albania BEG Ambient notified a provisional seizure on the basis of a precautionary measure issued without hearing the other party in the amount of €440 million with a number of entities and the seizure of the shares of three companies controlled by Enel SpA in the Netherlands. Enel will appeal these precautionary measures.

### **Basilus litigation (formerly Meridional) - Brazil**

Basilus lodged a new appeal with the *Tribunal Superior de Justiça*, which was denied. Basilus appealed the decision before the competent court and the judge decided to suspend the entry of a judgment to examine the case further.

### **Coperva litigation - Brazil**

Coelce obtained favorable rulings in trial court and on appeal but Coperva submitted another appeal (*Embargo de Aclaración*), which was denied in a ruling of January 11, 2016, Coperva lodged an extraordinary appeal before the *Superior Tribunal de Justiça* on February 3, 2016. The proceedings are currently under way.

### **El Quimbo (Colombia)**

In a subsequent ruling of the Administrative Court of Huila of April 11, 2016 the temporary revocation of the precautionary injunction was upheld for a period of six months until October 16, 2016. Emgesa submitted a plan to ensure specified oxygen levels and is currently examining the comments made by the court.

### **SAPE (formerly Electrica) arbitration proceedings - Romania**

On July 5, 2013, Electrica notified Enel, Enel Investment Holding, Enel Distributie Muntenia and Enel Energie Muntenia (limited to a number of claims) of a request for arbitration before the International Chamber of Commerce in Paris, claiming damages for alleged violations of specific clauses of the Privatization Agreement.

More specifically, the plaintiff claimed payment of penalties of about €800 million, plus interest and additional unspecified damages.

On July 18, 2016, the ruling of the arbitration board unanimously rejecting SAPE's claims was notified, declaring them inadmissible or unfounded, and ordering SAPE to pay arbitration costs. SAPE could appeal the ruling within 30 days of the notification of the ruling.

On September 29, 2014, SAPE notified Enel and Enel Investment Holding that it had submitted a further arbitration request to the International Chamber of Commerce in Paris seeking around €500 million (plus interest) in connection with the put option contained in the Privatization Agreement. The put option gives SAPE the right to sell a 13.57% stake in Enel Distributie Muntenia and Enel Energie Muntenia. The proceeding is under way and a hearing was held in July 2016.

On April 20, 2016, SAPE submitted a further request for arbitration before the International Chamber of Commerce in Paris in respect of Enel SpA and Enel Investment Holding BV concerning the failure to distribute dividends for 2012 (plus interest). The proceeding is at the preliminary stage.

### **Gabčíkovo dispute - Slovakia**

On March 9, 2015, the decision of the appeals court overturned the ruling of the court of first instance and voided the contract.

Slovenské elektrárne ("SE") lodged an extraordinary appeal against that decision before the Supreme Court. At a hearing of June 29, 2016, the Supreme Court denied the appeal. Receipt of the full ruling is pending.

In addition, SE lodged a request for arbitration with the Vienna International Arbitral Centre ("VIAC") under the VEG Indemnity Agreement. Under that accord, which had been signed as part of the privatization between the National Property Fund of the Slovak Republic and SE, the latter is entitled to an indemnity in the event of the early termination of the VEG Operation Agreement for reasons not attributable to SE. A decision on the jurisdiction of the court to decide the case is pending.

SE was sued by Vodohospodárska Výstavba Štátnej Podnik ("VV") for payment of about €490 million for alleged unjustified enrichment from the operation of the plant in 2006-2015. SE rejected the demand and filed a petition to have the proceedings halted pending a decision in the Public Procurement Office (PPO) proceeding. The proceedings concerning 2006-2010 have been suspended, while a decision on the suspension of those for 2011-2012 is pending. For 2013 and 2014, SE has filed an extraordinary appeal against the denial of the request for suspension of those proceedings.

### **CIS and Interporto Campano**

In the arbitration ruling filed on January 31, 2015, the ruling of the arbitration board in the first proceeding found against the contractor as well as contributory negligence on the part of both the CIS and Enel Green Power ("EGP"), ordering EGP to pay about €2.5 million, equal to half of the damages originally admitted for indemnification.

The parties appealed the ruling and at the first hearing on April 20, 2016, the arbitration board sent the proceeding documentation to the President of the Section for joinder of the pending proceedings. In May 2016, the latter ordered the joinder of the pending proceedings.

### **Precautionary administrative proceeding and Chucas arbitration**

PH Chucas SA ("Chucas") is a special purpose entity established by Enel Green Power Costa Rica SA after it won a tender organized in 2007 by the Instituto Costarricense de Electricidad ("ICE") for the construction of a 50 MW hydroelectric plant and the sale of the power generated by the plant to ICE under a build, operate and transfer contract ("BOT"). The agreement provides for Chucas to build and operate the plant for 20 years, before transferring it to ICE. Under the BOT contract, the plant should have entered service on September 26, 2014. For a number of reasons, including flooding, landslides and similar events, the project experienced cost overruns and delays, with a consequent delay in meeting the obligation to deliver electricity. In view of these developments, in 2012 and 2013 Chucas submitted an administrative petition to ICE to recover the higher costs incurred and obtain a postponement of the entry into service of the plant. ICE denied the petition in 2015 and in fact levied two fines of about \$9 million on Chucas for the delays in entering service. Following the precautionary appeal of Chucas, payment of the fines was suspended.

In addition, as ICE had rejected the administrative petition, on May 27, 2015, under the provisions of the BOT contract, Chucas initiated an arbitration proceeding before the Cámara Costarricense-Norteamericana de Comercio (AMCHAM CICA) seeking reimbursement of the additional costs incurred to build the plant and as a result of the delays in completing the project as well as voidance of the fine levied by ICE. On September 29, 2015 the arbitration board was formed. The proceeding is under way and the setting of the date of the hearing is pending.

In addition, on October 3, 2015, in consideration of the violation of a number of contractual obligations (including failure to meet the deadline to complete the works) on the part of FCC Construcción America SA and FCC Construcción SA (FCC) – which had been engaged to build some of the works for the hydroelectric plant – Chucas notified the parties that it was terminating the contract for breach, enforcing the guarantees issued to it. However, the guarantees have not yet been paid pending resolution of a precautionary proceeding initiated by FCC in Panama. On October 27, 2015, FCC submitted a request for arbitration with the International Court of Arbitration in Paris. In its Statement of Claim, filed on June 8, 2016, FCC requested payment of about \$36 million and an extension of the deadline to complete the works of

about 200 days. Chucas filed a counterclaim, provisionally quantifying its claim for preliminary damages as at least \$30 million and will file its own statement of defense and update the counterclaim by September 16, 2016.

#### **Tax litigation - deadline for payment of ICMS - Ampla - Brazil**

On October 25, 2015, Ampla filed the ruling issued by the Supreme Court of Brasilia (published on October 2, 2015), which ruled that bringing forward the deadlines for the payment of the ICMS (*Imposto sobre Circulação de Mercadorias and Serviços*) was unconstitutional. Consequently, in 2016 the Brazilian tax authorities terminated their legal action, settling the dispute in Ampla's favor.

#### **Tax litigation - withholding tax - Endesa Brasil - Brazil**

In July 2016, the dispute was ruled at first instance in favor of the tax authorities. Endesa Brasil will therefore continue the litigation, appealing the decision to the second level of administrative jurisdiction. The overall value of the dispute at June 30, 2016 is about €68 million.

### **29. Subsequent events**

#### **Launch of innovation hub in Israel**

On July 11, 2016, Enel launched its Innovation Hub in the Israeli city of Tel Aviv. Enel chose to team up with SOSA & The Junction, one of the most successful innovation communities in Israel, in order to offer one-stop-shop solutions to Israeli start-ups that are willing to develop and implement cutting-edge products and services that can have business and social impact. Enel Innovation Hub aims each year to scout up to 20 high-potential Israeli start-ups and to offer them a dedicated support program.

#### **Disposal of Enel Longanesi Development**

On July 13, 2016, Enel completed the sale of all its Italian assets (comprising 21 onshore and offshore permit applications and exploration permits) in the upstream gas sector held through its wholly-owned subsidiary Enel Longanesi Developments to AleAnna Europa Srl, a subsidiary of the US company AleAnna Resources, which operates in the exploration and production of hydrocarbons. The maximum consideration for the sale is €30 million, of which a portion (about €7 million) was paid immediately, while the remainder can be disbursed in a number of instalments once the Longanesi gas field in Emilia Romagna enters production, which is expected to occur in 2018, depending on gas prices.

#### **EGP wins tender for renewables in Indonesia**

On July 14, 2016, Enel Green Power ("EGP"), in consortium with the Indonesian geothermal developer PT Optima Nusantara Energi ("PT ONE"), was awarded the right to explore geothermal resources and develop the 55 MW Way Ratai project in the Way Ratai area, in Indonesia's Lampung province. The project, awarded in the tender launched by the Indonesian Ministry of Energy and Mineral Resources in December last year, will be the first to be developed by Enel in the country, marking the company's entry into Indonesia's renewables market. Enel will be investing up to \$30 million in the exploration phase of the project, as provided for in the investment program set out in the Group's current strategic plan.

Construction of the geothermal power plant, which depends on the results of the exploration phase, is expected to be completed and enter operation in 2022. EGP and PT ONE will jointly establish a special purpose vehicle (SPV) for the project, with EGP having the majority stake in the SPV. In line with the tender rules, the power produced by the geothermal plant, which is expected to generate around 430 GWh per year, will be sold to the national utility PLN under a 30-year power purchase agreement.

## **Agreement for broadband in Catania**

On July 19, 2016, the City of Catania and Enel OpEn Fiber (“EOF”) signed the first agreement for the installation of optical fiber throughout the city. EOF wants to build an ultra-broadband optical fiber telecommunications network for the city of Catania, handling its operation and maintenance, and to offer wholesale access on non-discriminatory technical and economic terms to all operators who request access. Enel OpEn Fiber’s plan for Catania provides for work to begin in September 2016, with a coverage of 50% of building units by June 2017 and 80% by the end of September 2018, for a total of 115,000 wired units, 200 km of underground cabling and 360 km of overhead cabling. The optical fiber will be brought directly to customers homes in Fiber to the Home (FTTH) mode and will support transmission speeds of up to 1 GB per second in both download and upload. In this initial stage of the partnership, EOF has entered into separate agreements with Vodafone and Wind for the cabling of the first 10 municipalities provided for in its ultra-broadband development plan. The agreements provide for Vodafone and Wind to connect new customers to the EOF network, guaranteeing coverage of at least 80% of the building units in each municipality, in accordance with the schedule indicated in the roll-out plan. EOF will also operate and maintain the new infrastructure.

## **The European Commission authorizes the sale of Slovenské elektrárne**

On July 26, 2016, the European Commission authorized the sale of Slovenské elektrárne, a subsidiary of the Enel Group that operates in the generation sector in Slovakia, to the EPH Group as it did not find that the transaction raises competition issues.

## **Enel Green Power International sells Enel Green Power España to Endesa Generación**

On July 27, 2016, Enel announced that Enel Green Power International BV (“EGPI”), a wholly-owned subsidiary of Enel, and Endesa Generación SA (“Endesa Generación”), a wholly-owned subsidiary of Endesa SA, executed an agreement for EGPI to sell 60% of Enel Green Power España SL (“EGPE”) to Endesa Generación, which already holds the remaining 40% of EGPE and will therefore control 100% of the share capital of the company following the transaction. The price paid by Endesa Generación for the stake was €1,207 million.

From an accounting standpoint, the transaction will not have an impact on the Group’s consolidated performance, as it was carried out between companies under common control.

Finally, in determining the price for the operation, the boards of directors of EGPI and Endesa adopted valuation techniques commonly used at the international level and drew on the expertise of prominent financial advisors, who issued a fairness opinion on the transaction. In compliance with the applicable Spanish regulations, the board of directors of Endesa approved the transaction subject to a favorable opinion of the *Comité de Auditoría y Cumplimiento*, with only independent directors participating in the vote.

# **Declaration of the Chief Executive Officer and the officer responsible for the preparation of the corporate financial documentation regarding the condensed interim consolidated financial statements of the Enel Group at June 30, 2016, pursuant to the provisions of Article 154-bis, paragraph 5, of Legislative Decree 58 of February 24, 1998 and Article 81-ter of CONSOB Regulation 11971 of May 14, 1999**

1. The undersigned Francesco Starace and Alberto De Paoli, in their respective capacities as Chief Executive Officer and officer responsible for the preparation of the financial reports of Enel SpA, hereby certify, taking account of the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of February 24, 1998:
  - a. the appropriateness with respect to the characteristics of the Enel Group and
  - b. the effective adoptionof the administrative and accounting procedures for the preparation of the condensed interim consolidated financial statements of the Enel Group in the period between January 1, 2016 and June 30, 2016.
2. In this regard, we report that:
  - a. the appropriateness of the administrative and accounting procedures used in the preparation of the condensed interim consolidated financial statements of the Enel Group has been verified in an assessment of the internal control system. The assessment was carried out on the basis of the guidelines set out in the "*Internal Controls - Integrated Framework*" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
  - b. the assessment of the internal control system did not identify any material issues.
3. In addition, we certify that:
  - 3.1 the condensed interim consolidated financial statements of the Enel Group at June 30, 2016:
    - a. have been prepared in compliance with the international accounting standards recognized in the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
    - b. correspond to the information in the books and other accounting records;
    - c. provide a true and fair representation of the performance and financial position of the issuer and the companies included in the scope of consolidation;
  - 3.2 the interim report on operations contains a reliable analysis of the major events that occurred during the first six months of the year and their impact on the condensed interim financial statements, together with a description of the main risks and uncertainties to be faced in the remaining six months of the year. The interim report on operations also contains a reliable analysis of the information on significant transactions with related parties.

Rome, July 28, 2016

Francesco Starace

Chief Executive Officer of Enel SpA

Alberto De Paoli

Officer responsible for the preparation of the financial reports of Enel  
SpA

# Attachments

## **Subsidiaries, associates and other significant equity investments of the Enel Group at June 30, 2016**

In compliance with CONSOB Notice DEM/6064293 of July 28, 2006, a list of subsidiaries and associates of Enel SpA at June 30, 2016, pursuant to Article 2359 of the Italian Civil Code, and of other significant equity investments is provided below. Enel has full title to all investments.

The following information is included for each company: name, registered office, country, share capital, currency in which share capital is denominated, activity, method of consolidation, Group companies that have a stake in the company and their respective ownership share, and the Group's ownership share.

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
<b>Parent Company</b>									
Enel SpA	Rome	Italy	9,403,357,795.00	EUR	Holding company	Holding			100.00%
<b>Subsidiaries</b>									
(Cataldo) Hydro Power Associates	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Hydro Development Group Acquisition LLC Pyrites Hydro LLC	50.00% 50.00%	51.00%
Società di sviluppo, realizzazione e gestione del gasdotto Algeria-Italia via Sardegna SpA (in breve "Galsi SpA")	Milan	Italy	37,419,179.00	EUR	Energy and infrastructure engineering	-	Enel Produzione SpA	17.65%	17.65%
3-101-665717 SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	PH Chucas SA	100.00%	62.48%
3SUN Srl	Catania	Italy	35,205,984.00	EUR	Development, design, construction and operation of solar panel manufacturing plants	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Adams Solar PV Project Two (RF) Pty Ltd	Johannesburg	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
Adria Link Srl	Gorizia	Italy	500,000.00	EUR	Design, construction and operation of merchant lines	Equity	Enel Produzione SpA	33.33%	33.33%
Agassiz Beach LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Agatos Green Power Trino	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Solar Energy Srl	80.00%	80.00%
Agrupación Acefhat AIE	Barcelona	Spain	793,340.00	EUR	Design and services	-	Endesa Distribución Eléctrica SL	16.67%	11.69%
Aguilon 20 SA	Zaragoza	Spain	2,682,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	51.00%	44.90%
Albany Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Almeyda Solar SpA	Santiago	Chile	1,736,965,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	100.00%	99.91%
Almusafes Servicios Energéticos SL	Valencia	Spain	3,010.00	EUR	Management and maintenance of power plants	Line-by-line	Enel Green Power España SL	100.00%	88.04%
Alpe Adria Energia SpA	Udine	Italy	450,000.00	EUR	Design, construction and operation of merchant lines	Equity	Enel Produzione SpA	40.50%	40.50%
Altomonte Fv Srl	Rome	Italy	5,100,000.00	EUR	Electricity generation from renewable resources	Equity	Ultor Srl	100.00%	50.00%
Alvorada Energia SA	Rio de Janeiro	Brazil	17,117,415.92	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Ampla Energía e Serviços SA	Rio de Janeiro	Brazil	129,823.00	BRL	Electricity generation, transmission and distribution	Line-by-line	Chilectra Inversud SA Chilectra Américas SA Enel Brasil SA	21.02% 10.34% 46.89% 21.38%	55.79%
Annandale Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Apiacás Energia SA	Rio de Janeiro	Brazil	21,216,846.33	BRL	Electricity generation	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Aquenergy Systems LLC	Greenville (South Carolina)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Aquilae Solar SL	Las Palmas de Gran Canarias	Spain	3,008.00	EUR	Photovoltaics	Equity	Endesa Ingeniería SLU	50.00%	35.05%
Aragonese de Actividades Energéticas SA	Teruel	Spain	60,100.00	EUR	Electricity generation	Line-by-line	Endesa Red SA	100.00%	70.10%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Asociación Nuclear Ascó-Vandellós II AIE	Tarragona	Spain	19,232,400.00	EUR	Management and maintenance of power plants	Joint operation	Endesa Generación SA	85.41%	59.87%
Astronomy & Energy SpA	Santiago	Chile	5,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Parque Eólico Renaico SpA	100.00%	99.91%
Athonet Smartgrid Srl	Bolzano	Italy	14,285.71	EUR	Research, development and design	Equity	Enel Italia Srl	30.00%	30.00%
Atwater Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Aurora Distributed Solar LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Solar Holdings LLC	100.00%	100.00%
Aurora Land Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Aurora Solar Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Autumn Hills LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Avikiran Solar India Private Limited	Haryana	India	100,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00%	68.00%
Aysén Energía SA	Santiago	Chile	4,900,100.00	CLP	Electricity	Equity	Empresa Nacional de Electricidad SA	0.51%	18.54%
							Centrales Hidroeléctricas de Aysén SA	99.00%	
Aysén Transmisión SA	Santiago	Chile	22,368,000.00	CLP	Electricity generation and sale	Equity	Centrales Hidroeléctricas de Aysén SA	99.00%	18.54%
							Empresa Nacional de Electricidad SA	0.51%	
Barnet Hydro Company LLC	Burlington (Vermont)	USA	-	USD	Electricity generation from renewable resources	Held for sale	Sweetwater Hydroelectric LLC	90.00%	100.00%
							Enel Green Power North America Inc.	10.00%	
Beaver Falls Water Power Company	Philadelphia (Pennsylvania)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Beaver Valley Holdings LLC	67.50%	67.50%
Beaver Valley Holdings LLC	Philadelphia (Pennsylvania)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Beaver Valley Power Company LLC	Philadelphia (Pennsylvania)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Black River Hydro Assoc	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	25.00%	63.25%
							(Cataldo) Hydro Power Associates	75.00%	
BLP Energy Private Limited	New Delhi	India	30,000,000.00	INR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Development BV	68.00%	68.00%
BLP Vayu (Project 1) Private Limited	Haryana	India	7,500,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00%	68.00%
BLP Vayu (Project 2) Private Limited	Haryana	India	45,000,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00%	68.00%
BLP Wind Project (Amberi) Private Limited	New Delhi	India	5,000,000.00	INR	Electricity generation from renewable resources	Line-by-line	BLP Energy Private Limited	100.00%	68.00%
Boiro Energia SA	Boiro	Spain	601,010.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00%	35.22%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Boott Field LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Boott Hydropower LLC	Boston (Massachusetts)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Bp Hydro Associates	Boise (Idaho)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Idaho LLC	68.00%	100.00%
							Enel Green Power North America Inc.	32.00%	
Bp Hydro Finance Partnership	Salt Lake City (Utah)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	24.08%	100.00%
							Bp Hydro Associates	75.92%	
Braila Power SA	Chiscani	Romania	1,900,000.00	RON	Electricity generation	Equity	Enel Investment Holding BV	29.93%	29.93%
Buffalo Dunes Wind Project LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA Development Holdings LLC	75.00%	75.00%
Business Venture Investments 1468 (Pty) Ltd	Lombardy East	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Bypass Limited LLC	Boise (Idaho)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Bypass Power Company LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi West LLC	100.00%	100.00%
Canastota Wind Power LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Caney River Wind Project LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Rocky Caney Wind LLC	100.00%	100.00%
Carbopego - Abastecimientos e Combustiveis SA	Abrantes	Portugal	50,000.00	EUR	Fuel supply	Equity	Endesa Generación Portugal SA	0.01%	35.05%
							Endesa Generación SA	49.99%	
Carodex (Pty) Ltd	Houghton	South Africa	116.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	98.49%	98.49%
Castle Rock Ridge Limited Partnership	Calgary (Alberta)	Canada	-	CAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Canada Inc.	99.90%	100.00%
							Enel Alberta Wind Inc.	0.10%	
Cefideas Desarrollo Solar SL	Puerto del Rosario	Spain	3,008.00	EUR	Photovoltaic plants	Equity	Endesa Ingeniería SLU	50.00%	35.05%
Centrais Elétricas Cachoeira Dourada SA	Goiânia	Brazil	289,340,000.00	BRL	Electricity generation and sale	Line-by-line	Enel Brasil SA	99.75%	51.03%
Central Dock Sud SA	Buenos Aires	Argentina	35,595,178,229.00	ARS	Electricity generation, transmission and distribution	Line-by-line	Inversora Dock Sud SA	69.99%	24.24%
Central Eólica Canelá SA	Santiago	Chile	12,284,740,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Compañía Eléctrica Tarapacá SA	75.00%	27.96%
Central Geradora Termelétrica Fortaleza SA	Caucaia	Brazil	151,940,000.00	BRL	Thermal generation plants	Line-by-line	Enel Brasil SA	100.00%	51.15%
Central Hidráulica Güéjar-Sierra SL	Seville	Spain	364,210.00	EUR	Operation of hydro-electric plants	Equity	Enel Green Power España SL	33.30%	29.32%
Central Térmica de Anllares AIE	Madrid	Spain	595,000.00	EUR	Operation of thermal plants	Equity	Endesa Generación SA	33.33%	23.36%
Central Vuelta de Obligado SA	Buenos Aires	Argentina	500,000.00	ARS	Electrical facilities construction	Equity	Hidroeléctrica El Chocón SA	33.20%	9.80%
							Central Dock Sud SA	6.40%	
							Endesa Costanera SA	1.30%	
Centrales Hidroeléctricas de Aysén SA	Santiago	Chile	158,975,665,182.00	CLP	Design	Equity	Empresa Nacional de Electricidad SA	51.00%	18.54%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Centrales Nucleares Almaraz-Trillo AIE	Madrid	Spain	-	EUR	Management of nuclear plants	Equity	Nucenor SA	0.69%	16.76%
							Endesa Generación SA	23.57%	
Centrum Pre Vedu a Výskum Sro	Kalná nad Hronom	Slovakia	6,639.00	EUR	Research and development on natural sciences and engineering	Held for sale	Slovenské Elektráreň AS	100.00%	66.00%
CESI - Centro Eletrotecnico Sperimentale Italiano Giacinto Motta SpA	Milan	Italy	8,550,000.00	EUR	Testing, inspection and certification services, engineering and consulting services	Equity	Enel SpA	42.70%	42.70%
Chepeí Desarrollo Solar L	Las Palmas de Gran Canarias	Spain	3,008.00	EUR	Photovoltaic plants	Equity	Endesa Ingeniería SLU	50.00%	35.05%
Cherokee Falls Hydroelectric Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Black River LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Idaho LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Minnesota Wind LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Operations Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Power Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Power Marketing Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi West LLC	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chilectra Américas SA	Santiago	Chile	137,790,701,668.00	CLP	Holding company, Electricity distribution	Line-by-line	Compañía Eléctrica Tarapacá SA	0.00%	60.06%
							Enersis Américas SA	99.08%	
Chilectra Inversud SA	Santiago	Chile	569,020,000.00	USD	Holding company	Line-by-line	Chilectra SA	100.00%	60.07%
Chilectra SA	Santiago	Chile	230,137,980,270.00	CLP	Holding company, Electricity distribution	Line-by-line	Enersis Chile SA	99.09%	60.07%
							Compañía Eléctrica Tarapacá SA	0.00%	
Chinango SAC	Lima	Peru	294,249,298.00	PEN	Electricity generation, sale and transmission	Line-by-line	Edegel SA	80.00%	28.42%
Chisago Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Chisholm View Wind Project LLC	Oklahoma City	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Wind Holdings LLC	100.00%	51.00%
Chisholm View Wind Project II LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Chladiace Veze Bohunice Spol Sro	Bohumice	Slovakia	16,598.00	EUR	Engineering and construction	Held for sale	Slovenské Elektráreň AS	35.00%	23.10%
Cimarron Bend Wind Holdings I LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cimarron Bend Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cimarron Bend Wind Project I LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cimarron Bend Wind Project II LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cimarron Bend Wind Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Codensa SA ESP	Bogotá DC	Colombia	13,209,330,000.00	COP	Electricity distribution and sale	Line-by-line	Enersis Américas SA Chilectra Américas SA	39.13% 9.35%	29.34%
Cogeneración El Salto SL (in liquidazione)	Zaragoza	Spain	36,060.73	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	20.00%	17.61%
Cogeneración Lipsa SL	Barcelona	Spain	720,000.00	EUR	Cogeneration of electricity and heat	Equity	Enel Green Power España SL	20.00%	17.61%
Comercializadora de Energía SA	Buenos Aires	Argentina	14,010,014.00	ARS	Electricity trading	Line-by-line	Endesa Argentina SA Enersis Américas SA	45.00% 55.00%	49.70%
Compagnia Porto Di Civitavecchia SpA	Rome	Italy	22,372,000.00	EUR	Construction of port infrastructure	Equity	Enel Produzione SpA	25.00%	25.00%
Companhia Energética Do Ceará SA	Fortaleza	Brazil	442,950,000.00	BRL	Electricity generation, transmission and distribution	Line-by-line	Enel Brasil SA Enersis Américas SA	58.87% 15.18%	39.32%
Compañía de Interconexión Energética SA	Rio de Janeiro	Brazil	285,050,000.00	BRL	Electricity generation, transmission and distribution	Line-by-line	Enel Brasil SA	100.00%	51.15%
Compañía de Transmisión Del Mercosur Ltda	Buenos Aires	Argentina	14,012,000.00	ARS	Electricity generation, transmission and distribution	Line-by-line	Enersis Américas SA Endesa Argentina SA	55.00% 45.00%	49.70%
Compañía Eléctrica Tarapacá SA	Santiago	Chile	331,815,034,140.00	CLP	Electricity generation, transmission and distribution	Line-by-line	Empresa Nacional de Electricidad SA Enersis Chile SA	96.21% 3.78%	37.28%
Compañía Energética Veracruz SAC	Lima	Peru	2,886,000.00	PEN	Hydroelectric projects	Line-by-line	Generalima SA	100.00%	60.62%
Compañía Eólica Tierras Altas SA	Soria	Spain	13,222,000.00	EUR	Wind plants	Equity	Enel Green Power España SL	35.63%	31.37%
Concert Srl	Rome	Italy	10,000.00	EUR	Product, plant and equipment certification	Line-by-line	Enel Produzione SpA Enel Ingegneria e Ricerca SpA	51.00% 49.00%	100.00%
Coneross Power Corporation Inc.	Greenville (South Carolina)	USA	110,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Consolidated Hydro New Hampshire LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Held for sale	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Consolidated Hydro New York LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Consolidated Hydro Southeast LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Consolidated Pumped Storage Inc.	Wilmington (Delaware)	USA	550,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	81.82%	81.82%
Consortio Eólico Marino Cabo de Trafalgar SL	Cadiz	Spain	200,000.00	EUR	Wind plants	Equity	Enel Green Power España SL	50.00%	44.02%
Copenhagen Hydro LLC	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Corporación Eólica de Zaragoza SL	Zaragoza	Spain	1,021,600.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	25.00%	22.01%
Crucero Oeste Cinco SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Parque Eólico Renaico SpA	100.00%	99.91%
Crucero Oeste Cuatro SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Parque Eólico Renaico SpA	100.00%	99.91%
Crucero Oeste Dos SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Parque Eólico Renaico SpA	100.00%	99.91%
Crucero Oeste Tres SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Parque Eólico Renaico SpA	100.00%	99.91%
Crucero Oeste Uno SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Parque Eólico Renaico SpA	100.00%	99.91%
Danax Energy (Pty) Ltd	Houghton	South Africa	100.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
De Rock'l Srl	Bucharest	Romania	5,629,000.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power Romania Srl	100.00%	100.00%
							Enel Green Power International BV	0.00%	
Depuracion Destilacion Reciclaje SL	Boiro	Spain	600,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00%	35.22%
Desarrollo Photosolar SL	Las Palmas de Gran Canarias	Spain	3,008.00	EUR	Photovoltaic plants	Equity	Endesa Ingeniería SLU	50.00%	35.05%
Desarrollo de Fuerzas Renovables S de RL de Cv	Mexico City	Mexico	13,564,350.00	MXN	Electricity generation from renewable resources	Line-by-line	Energia Nueva Energia Limpia Mexico S de RL de Cv	0.01%	100.00%
							Enel Green Power México S de RL de Cv	99.99%	
Diego de Almagro Matriz SpA	Santiago	Chile	351,604,338.00	CLP	Electricity generation from renewable resources	Line-by-line	Empresa Electrica Panguipulli SA	100.00%	99.91%
Dietrich Drop LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Diseño de Sistemas en silicio SA (In liquidazione)	Valencia	Spain	578,000.00	EUR	Photovoltaic plants	-	Endesa Servicios SL	14.39%	10.09%
Distribuidora de Energía Eléctrica Del Bages SA	Barcelona	Spain	108,240.00	EUR	Electricity distribution and sale	Line-by-line	Endesa Red SA	55.00%	70.10%
							Hidroeléctrica de Catalunya SL	45.00%	
Distribuidora Eléctrica de Cundinamarca SA ESP	Bogotá DC	Colombia	1,000,000.00	COP	Electricity distribution and sale	Equity	Codensa SA ESP	49.00%	14.37%
Distribuidora Eléctrica Del Puerto de La Cruz SA	Tenerife	Spain	12,621,210.00	EUR	Electricity purchase, transmission and distribution	Line-by-line	Endesa Red SA	100.00%	70.10%
Distrilec Inversora SA	Buenos Aires	Argentina	497,610,000.00	ARS	Holding company	Line-by-line	Endesa Américas SA	0.89%	30.87%
							Chilectra Américas SA	23.42%	
							Enersis Américas SA	27.19%	
Dodge Center Distributed Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Dominica Energía Limpia S de RL de Cv	Colonia Guadalupe Inn	Mexico	279,282.23	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv	99.96%	100.00%
							Enel Green Power Guatemala SA	0.04%	
Drift Sand Wind Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Equity	Enel Kansas LLC	35.00%	35.00%
Drift Sand Holdings LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Eastwood Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Edegel SA	Lima	Peru	2,302,143,514.88	PEN	Electricity generation, distribution and sale	Line-by-line	Generandes Perú SA	54.20%	35.53%
							Endesa Américas SA	29.40%	
EGP BioEnergy Srl	Rome	Italy	1,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Puglia Srl	100.00%	100.00%
EGP Energy Storage Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP Geronimo Holding Company Inc.	Wilmington (Delaware)	USA	1,000.00	USD	Holding company	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP Salt Wells Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
EGP San Leandro Microgrid I LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP Solar 1 LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Solar Holdings LLC	100.00%	51.00%
EGP Stillwater Solar LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Stillwater LLC	100.00%	51.00%
EGP Stillwater Solar PV II LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP Timber Hills Project LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Padoma Wind Power LLC	100.00%	100.00%
EGP NA Development Holdings LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Development LLC	100.00%	100.00%
EGP NA Hydro Holdings LLC	Delaware	USA	-	USD	Holding company	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP NA Renewable Energy Partners LLC	Delaware	USA	-	USD	Holding company	Line-by-line	EGP NA REP Holdings LLC	51.00%	51.00%
EGP NA REP Holdings LLC	Delaware	USA	-	USD	Holding company	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP NA REP Hydro Holdings LLC	Delaware	USA	-	USD	Holding company	Line-by-line	EGP NA Renewable Energy Partners LLC	100.00%	51.00%
EGP NA REP Solar Holdings LLC	Delaware	USA	-	USD	Holding company	Line-by-line	EGP NA Renewable Energy Partners LLC	100.00%	51.00%
EGP NA REP Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA Renewable Energy Partners LLC	100.00%	51.00%
EGP NA Wind Holdings 1 LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Wind Holdings LLC	100.00%	51.00%
El Dorado Hydro LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Elcogas SA	Puertollano	Spain	809,690.40	EUR	Electricity generation	Equity	Endesa Generación SA	40.99%	33.05%
							Enel SpA	4.32%	
Elcomex Solar Energy Srl	Costanza	Romania	4,590,000.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power Romania Srl	100.00%	100.00%
							Enel Green Power International BV	0.00%	
Elecgas SA	Santarem (Pego)	Portugal	50,000.00	EUR	Combined-cycle electricity generation	Equity	Endesa Generación Portugal SA	50.00%	35.10%
Electra Capital (RF) Pty Ltd	Johannesburg	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
Eléctrica Cabo Blanco SA	Lima	Peru	46,508,170.00	PEN	Holding company	Line-by-line	Generalima SA	20.00%	60.62%
							Enersis Américas SA	80.00%	
Eléctrica de Jafre SA	Girona	Spain	165,880.00	EUR	Electricity distribution and sale	Equity	Hidroeléctrica de Catalunya SL	47.46%	33.27%
Eléctrica de Lijar SL	Cadiz	Spain	1,081,820.00	EUR	Electricity transmission and distribution	Equity	Endesa Red SA	50.00%	35.05%
Electricidad de Puerto Real SA	Cadiz	Spain	6,611,130.00	EUR	Distribution and supply of electricity	Equity	Endesa Red SA	50.00%	35.05%
Electrogas SA	Santiago	Chile	61,832,327.00	USD	Holding company	Equity	Empresa Nacional de Electricidad SA	42.50%	15.45%
Elk Creek Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Emgesa Panama SA	Panama	Panama	10,000.00	USD	Electricity trading	Line-by-line	Emgesa SA ESP	100.00%	22.87%
Emgesa SA ESP	Bogotá DC	Colombia	655,222,310,000.00	COP	Electricity generation and sale	Line-by-line	Empresa Nacional de Electricidad SA	26.87%	22.87%
							Enersis Américas SA	21.61%	

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Emissenti Titoli SpA	Milan	Italy	5,200,000.00	EUR	-	-	Enel SpA	10.00%	10.00%
Empresa Carbonífera Del Sur SA	Madrid	Spain	18,030,000.00	EUR	Mining	Line-by-line	Endesa Generación SA	100.00%	70.10%
Empresa de Distribución Eléctrica de Lima Norte SAA	Lima	Peru	638,560,000.00	PEN	Electricity distribution and sale	Line-by-line	Enersis Américas SA Inversiones Distrilima SA	24.00% 51.68%	45.79%
Empresa de Energía Cundinamarca SA ESP	Bogotá DC	Colombia	39,699,630,000.00	COP	Electricity distribution and sale	Equity	Distribuidora Eléctrica de Cundinamarca SA ESP	82.34%	11.84%
Empresa Distribuidora Sur SA	Buenos Aires	Argentina	898,590,000.00	ARS	Electricity distribution and sale	Line-by-line	Chilectra Américas SA Distrilec Inversora SA Enersis Américas SA	20.85% 56.36% 22.25%	43.41%
Empresa Eléctrica de Colina Ltda	Santiago	Chile	82,222,000.00	CLP	Electricity generation, transmission and distribution	Line-by-line	Chilectra SA Luz Andes Ltda	100.00% 0.00%	60.07%
Empresa Eléctrica de Piura SA	Lima	Peru	73,982,594.00	PEN	Electricity generation	Line-by-line	Generalima SA Electrica Cabo Blanco SA	36.50% 60.00%	58.50%
Empresa Electrica Panguipulli SA	Santiago	Chile	48,038,937.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Latin America Ltda Enel Green Power Chile Ltda	0.01% 99.99%	99.91%
Empresa Eléctrica Pehuenche SA	Santiago	Chile	175,774,920,733.00	CLP	Electricity generation, transmission and distribution	Line-by-line	Empresa Nacional de Electricidad SA	92.65%	33.69%
Empresa Nacional de Electricidad SA	Santiago	Chile	552,777,320,871.00	CLP	Electricity generation, transmission and distribution	Line-by-line	Enersis Chile SA	59.98%	36.36%
Empresa Nacional de Geotermia SA	Santiago	Chile	12,647,752,517.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	51.00%	50.95%
Empresa Propietaria de La Red SA	Panama	Panama	58,500,000.00	USD	Electricity transmission and distribution	-	Enel Latinoamérica SA	11.11%	11.11%
En-Brasil Comercio e Serviços SA	Rio de Janeiro	Brazil	1,000,000.00	BRL	Electricity	Line-by-line	Enel Brasil SA Central Geradora Termelétrica Fortaleza SA	99.99% 0.01%	51.15%
Endesa Américas SA	Santiago	Chile	778,936,764,259.00	CLP	Holding company Electricity generation	Line-by-line	Enersis Américas SA	59.98%	36.36%
Endesa Argentina SA	Buenos Aires	Argentina	514,530,000.00	ARS	Holding company	Line-by-line	Compañía Eléctrica Tarapacá SA Endesa Américas SA	0.34% 99.66%	36.36%
Endesa Capital SA	Madrid	Spain	60,200.00	EUR	Finance company	Line-by-line	Endesa SA	100.00%	70.10%
Endesa Comercialização de Energia SA	Oporto	Portugal	250,000.00	EUR	Electricity generation and sale	Line-by-line	Endesa Energía SA	100.00%	70.10%
Endesa Costanera SA	Buenos Aires	Argentina	701,988,378.00	ARS	Electricity generation and sale	Line-by-line	Southern Cone Power Argentina SA Endesa Américas SA Endesa Argentina SA	1.15% 24.85% 49.68%	27.52%
Endesa Distribución Eléctrica SL	Barcelona	Spain	1,204,540,060.00	EUR	Electricity distribution	Line-by-line	Endesa Red SA	100.00%	70.10%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Endesa Energía SA	Madrid	Spain	12,981,860.00	EUR	Marketing of energy products	Line-by-line	Endesa SA	100.00%	70.10%
Endesa Energía XXI SL	Madrid	Spain	2,000,000.00	EUR	Marketing and energy-related services	Line-by-line	Endesa Energía SA	100.00%	70.10%
Endesa Financiación Filiales SA	Madrid	Spain	4,621,003,006.00	EUR	Finance company	Line-by-line	Endesa SA	100.00%	70.10%
Endesa Generación II SA	Seville	Spain	63,107.00	EUR	Electricity generation	Line-by-line	Endesa SA	100.00%	70.10%
Endesa Generación Nuclear	Seville	Spain	60,000.00	EUR	Subholding company in the nuclear sector	Line-by-line	Endesa Generación SA	100.00%	70.10%
Endesa Generación Portugal SA	Paço de Arcos (Oeiras)	Portugal	50,000.00	EUR	Electricity generation	Line-by-line	Enel Green Power España SL	0.40%	70.21%
							Endesa Energía SA	0.20%	
							Endesa Generación SA	99.20%	
							Energías de Aragón II SL	0.20%	
Endesa Generación SA	Seville	Spain	1,940,379,737.02	EUR	Electricity generation and sale	Line-by-line	Endesa SA	100.00%	70.10%
Endesa Ingeniería SLU	Seville	Spain	1,000,000.00	EUR	Consulting and engineering services	Line-by-line	Endesa Red SA	100.00%	70.10%
Endesa Operaciones y Servicios Comerciales SL	Barcelona	Spain	10,138,580.00	EUR	Services	Line-by-line	Endesa Energía SA	100.00%	70.10%
Endesa Power Trading Ltd	London	United Kingdom	2.00	GBP	Trading	Line-by-line	Endesa SA	100.00%	70.10%
Endesa Red SA	Barcelona	Spain	719,901,728.28	EUR	Electricity distribution	Line-by-line	Endesa SA	100.00%	70.10%
Endesa SA	Madrid	Spain	1,270,502,540.40	EUR	Holding company	Line-by-line	Enel Iberoamérica Srl	70.10%	70.10%
Endesa Servicios SL	Madrid	Spain	89,999,790.00	EUR	Services	Line-by-line	Endesa SA	100.00%	70.10%
Enel Alberta Wind Inc.	Calgary (Alberta)	Canada	16,251,021.00	CAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Enel Atlantic Canada Limited Partnership	Newfoundland	Canada	-	CAD	Electricity generation from renewable resources	Line-by-line	Newind Group Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Enel Brasil SA	Rio de Janeiro	Brazil	1,320,049,091.42	BRL	Holding company	Line-by-line	Chilectra Inversud SA	5.94%	51.15%
							Chilectra Américas SA	5.33%	
							Edegel SA	4.00%	
							Endesa Américas SA	34.64%	
								50.09%	
									Enersis Américas SA
Enel Cove Fort II LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Cove Fort LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Geothermal LLC	100.00%	51.00%
Enel Distributie Banat SA	Timisoara	Romania	382,158,580.00	RON	Electricity distribution	Line-by-line	Enel Investment Holding BV	51.00%	51.00%
Enel Distributie Dobrogea SA	Costanza	Romania	280,285,560.00	RON	Electricity distribution	Line-by-line	Enel Investment Holding BV	51.00%	51.00%
Enel Distributie Muntenia SA	Bucharest	Romania	271,635,250.00	RON	Electricity distribution	Line-by-line	Enel Investment Holding BV	64.43%	64.43%
E-distribuzione SpA	Rome	Italy	2,600,000,000.00	EUR	Electricity distribution	Line-by-line	Enel SpA	100.00%	100.00%
Enel Energia SpA	Rome	Italy	302,039.00	EUR	Electricity and gas sales	Line-by-line	Enel SpA	100.00%	100.00%
Enel Energie Muntenia SA	Bucharest	Romania	37,004,350.00	RON	Electricity sale	Line-by-line	Enel Investment Holding BV	64.43%	64.43%
Enel Energie SA	Bucharest	Romania	140,000,000.00	RON	Electricity sale	Line-by-line	Enel Investment Holding BV	51.00%	51.00%
Enel Energy South Africa	Gauteng	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Finance International NV	Amsterdam	The Netherlands	1,478,810,370.00	EUR	Holding company	Line-by-line	Enel SpA	100.00%	100.00%
Enel Fortuna SA	Panama	Panama	100,000,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	50.06%	50.06%
Enel France Sas	Paris	France	34,937,000.00	EUR	Holding company	Held for sale	Enel Investment Holding BV	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Geothermal LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA Renewable Energy Partners LLC	100.00%	51.00%
Enel GP Newfoundland and Labrador Inc.	Newfoundland	Canada	1,000.00	CAD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Wind Holdings LLC	100.00%	51.00%
Enel Green Power Boa Vista Eólica SA	Niterói (Rio de Janeiro)	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power Bom Jesus da Lapa Solar SA	Brasília	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Brasil Participações Ltda	Rio de Janeiro	Brazil	2,131,724,676.70	BRL	Holding company	Line-by-line	Enel Green Power Latin America Ltda	0.01%	100.00%
							Enel Green Power International BV	99.99%	
Enel Green Power Bulgaria EAD	Sofia	Bulgaria	35,231,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Cabeça de Boi SA	Rio de Janeiro	Brazil	76,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power CAI Agroenergy Srl	Rome	Italy	100,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Calabria Srl	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Canada Inc.	Montreal (Quebec)	Canada	85,681,857.00	CAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Green Power Chile Ltda	Santiago	Chile	15,649,360,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Latin America Ltda	99.99%	99.91%
							Hydromac Energy BV	0.01%	
Enel Green Power Colombia	Bogotá DC	Colombia	300,000,000.00	COP	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Costa Rica	San José	Costa Rica	27,500,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Cristal Eólica SA	Rio de Janeiro	Brazil	144,640,892.85	BRL	Electricity generation and sale from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda	1.00%	100.00%
							Enel Green Power Brasil Participações Ltda	99.00%	
Enel Green Power Crítalandia I Eólica SA	Brasília	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Crítalandia II Eólica SA	Brasília	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Damascena Eólica SA	Rio de Janeiro	Brazil	70,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power Delfina A Eólica SA	Rio de Janeiro	Brazil	70,379,344.85	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Delfina B Eólica SA	Rio de Janeiro	Brazil	23,054,973.26	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Delfina C Eólica SA	Rio de Janeiro	Brazil	7,298,322.77	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Delfina D Eólica SA	Rio de Janeiro	Brazil	24,624,368.53	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Delfina e Eólica SA	Rio de Janeiro	Brazil	24,623,467.93	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Desenvolvimento Ltda	Rio de Janeiro	Brazil	13,900,297.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.99%	100.00%
							Enel Green Power Latin America Ltda	0.01%	
Enel Green Power Development BV	Amsterdam	The Netherlands	20,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Dois Riachos Eólica SA	Rio de Janeiro	Brazil	135,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Ecuador SA	Quito	Ecuador	26,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	99.00%	100.00%
							Enel Green Power Latin America Ltda	1.00%	
Enel Green Power Egypt SAE	Cairo	Egypt	250,000.00	EGP	Operation and maintenance of electricity generation plants of all kinds and their distribution networks	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power El Salvador SA de Cv	San Salvador	El Salvador	3,071,090.00	SVC	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	99.00%	99.00%
							Enel Green Power Latin America Ltda	0.00%	
Enel Green Power Emiliana Eólica SA	Rio de Janeiro	Brazil	177,500,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power España SL	Madrid	Spain	11,152.74	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	60.00%	88.04%
							Endesa Generación SA	40.00%	
Enel Green Power Esperança Eólica SA	Rio de Janeiro	Brazil	135,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Desenvolvimento Ltda	1.00%	100.00%
							Enel Green Power Brasil Participações Ltda	99.00%	
Enel Green Power Fazenda SA	Rio de Janeiro	Brazil	62,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Finale Emilia Srl	Rome	Italy	10,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	70.00%	70.00%
Enel Green Power Granadilla SL	Tenerife	Spain	3,012.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	65.00%	57.23%
Enel Green Power Guatemala SA	Guatemala	Guatemala	5,000.00	GTQ	Holding company	Line-by-line	Enel Green Power International BV	98.00%	100.00%
							Enel Green Power Latin America Ltda	2.00%	
Enel Green Power Hellas SA	Maroussi	Greece	7,737,850.00	EUR	Holding company. Energy services	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Horizonte MP Solar SA	Brasilia	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.99%	99.99%
Enel Green Power International BV	Amsterdam	The Netherlands	244,532,298.00	EUR	Holding company	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Ituverava Norta Solar SA	Rio de Janeiro	Brazil	1,639,346.69	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Ituverava Solar SA	Rio de Janeiro	Brazil	1,639,346.69	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Ituverava sul Solar SA	Rio de Janeiro	Brazil	8,513,128.89	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Joana Eólica SA	Rio de Janeiro	Brazil	165,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power Kenya Limited	Nairobi	Kenya	100,000.00	KES	Electricity generation, transmission, distribution sale and purchase	Line-by-line	Enel Green Power RSA (Pty) Ltd	1.00%	100.00%
							Enel Green Power International BV	99.00%	
Enel Green Power Latin America Ltda	Santiago	Chile	30,728,470.00	CLP	Holding company	Line-by-line	Enel Green Power International BV	0.01%	99.91%
							Hydromac Energy BV	99.90%	
Enel Green Power Manicoba Eólica SA	Rio de Janeiro	Brazil	70,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power México S de RL de Cv	Mexico City	Mexico	2,399,774,165.00	MXN	Holding company	Line-by-line	Enel Green Power International BV	99.99%	100.00%
							Enel Green Power Latin America Ltda	0.01%	
Enel Green Power Modelo I Eólica SA	Rio de Janeiro	Brazil	175,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Brasil SA	1.00%	99.51%
							Enel Green Power Brasil Participações Ltda	99.00%	
Enel Green Power Modelo II Eólica SA	Rio de Janeiro	Brazil	150,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	99.51%
							Enel Brasil SA	1.00%	
Enel Green Power Morro do Chapéu I Eólica SA	Niterói (Rio de Janeiro)	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	99.00%
Enel Green Power Morro do Chapéu II Eólica SA	Niterói (Rio de Janeiro)	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	99.00%
Enel Green Power Mourão SA	Rio de Janeiro	Brazil	8,513,128.89	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.90%	99.90%
Enel Green Power Namibia (Pty) Ltd	Windhoek	Namibia	100.00	NAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power North America Development LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power North America Inc.	Wilmington (Delaware)	USA	50.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Nova Lapa Solar SA	Brasilia	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Nova Olinda B Solar SA	Brasilia	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Nova Olinda C Solar SA	Brasilia	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Nova Olinda Norte Solar SA	Brasilia	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%

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Enel Green Power Nova Olinda Sul Solar SA	Brasilia	Brazil	-	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Panama SA	Panama	Panama	3,000.00	USD	Holding company	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Paranapanema SA	Rio de Janeiro	Brazil	1,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Partecipazioni Speciali Srl	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Pau Ferro Eólica SA	Rio de Janeiro	Brazil	178,670,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power Pedra do Gerônimo Eólica SA	Rio de Janeiro	Brazil	230,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power Perú SA	Lima	Peru	93,855,088.00	PEN	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	99.90%	99.91%
							Empresa Electrica Panguipulli SA	0.01%	
Enel Green Power Primavera Eólica SA	Rio de Janeiro	Brazil	144,640,892.85	BRL	Electricity generation from renewable resources and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power Puglia Srl	Rome	Italy	1,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power RA SAE	Cairo	Egypt	15,000,000.00	EGP	Design, operation and maintenance of electricity generation plants of all kinds and their distribution networks	Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%
Enel Green Power Romania Srl	Rusu de Sus (Nușeni)	Romania	2,430,631,000.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power RSA (Pty) Ltd	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Development BV	100.00%	100.00%
Enel Green Power RSA 2 (Pty) Ltd	Johannesburg	South Africa	120.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Enel Green Power Salto Apicás SA	Niterói (Rio de Janeiro)	Brazil	14,412,120.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power San Gillio Srl	Rome	Italy	10,000.00	EUR	Electricity generation from renewable resources	Equity	Altomonte Fv Srl	80.00%	40.00%
Enel Green Power São Abrão Eólica SA	Niterói (Rio de Janeiro)	Brazil	1,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	99.00%
Enel Green Power São Judas Eólica SA	Rio de Janeiro	Brazil	144,640,892.85	BRL	Electricity generation from renewable resources and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	99.00%	100.00%
							Enel Green Power Desenvolvimento Ltda	1.00%	
Enel Green Power SHU SAE	Cairo	Egypt	15,000,000.00	EGP	Design, operation and maintenance of electricity generation plants of all kinds and their distribution networks	Line-by-line	Enel Green Power Egypt SAE.	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Singapore Pte. Ltd.	Singapore	Singapore	50,000.00	SGD	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Solar Energy Srl	Rome	Italy	10,000.00	EUR	Analysis, design, construction and maintenance of photovoltaic plants (holding company)	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power SpA	Rome	Italy	1,000,000,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel SpA	100.00%	100.00%
Enel Green Power Strambino Solar Srl	Torino	Italy	250,000.00	EUR	Electricity generation from renewable resources	Equity	Altomonte Fv Srl	60.00%	30.00%
Enel Green Power Tacaicó Eólica SA	Rio de Janeiro	Brazil	125,765,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.00% 1.00%	100.00%
Enel Green Power Tefnut SAE	Cairo	Egypt	15,000,000.00	EGP	Design, operation and maintenance of electricity generation plants of all kinds and their distribution networks	Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%
Enel Green Power Turkey Enerji Yatırımları Anonim Şirketi	Istanbul	Turkey	61,654,658.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Uruguay SA	Oficina 1508	Uruguay	400,000.00	UYU	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Enel Green Power Villoresi Srl	Rome	Italy	1,200,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	51.00%	51.00%
Enel Iberoamérica Srl	Madrid	Spain	500,000,000.00	EUR	Holding company	Line-by-line	Enel SpA	100.00%	100.00%
Enel Ingegneria e Ricerca SpA	Rome	Italy	30,000,000.00	EUR	Analysis, design, construction and maintenance of engineering works	Line-by-line	Enel SpA	100.00%	100.00%
Enel Insurance NV	Amsterdam	The Netherlands	60,000.00	EUR	Holding company	Line-by-line	Enel Investment Holding BV	100.00%	100.00%
Enel Investment Holding BV	Amsterdam	The Netherlands	1,593,050,000.00	EUR	Holding company	Line-by-line	Enel SpA	100.00%	100.00%
Enel Italia Srl	Rome	Italy	50,000,000.00	EUR	Personnel administration activities, information technology and business services	Line-by-line	Enel SpA	100.00%	100.00%
Enel Kansas LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Latinoamérica SA	Madrid	Spain	796,683,058.00	EUR	Holding company	Line-by-line	Enel Iberoamérica Srl	100.00%	100.00%
Enel Longanesi Developments Srl	Rome	Italy	897,375.00	EUR	Prospecting and development of hydrocarbon fields	Held for sale	Enel Trade SpA	100.00%	100.00%
Enel M@P Srl	Rome	Italy	100,000.00	EUR	Metering, remote control and connectivity services via power line communication	Line-by-line	E-distribuzione SpA	100.00%	100.00%
Enel Minnesota Holdings LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP Gerónimo Holding Company Inc.	100.00%	100.00%
Enel Nevkan Inc.	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Oil & Gas España SL	Madrid	Spain	33,000.00	EUR	Prospecting and development of hydrocarbon fields	Line-by-line	Enel Oil & Gas SpA	100.00%	100.00%
Enel Oil & Gas SpA	Rome	Italy	200,000,000.00	EUR	Upstream gas- natural gas extraction	Line-by-line	Enel Trade SpA	100.00%	100.00%
Enel OpEn Fiber SpA	Milan	Italy	5,000,000.00	EUR	Installation of electronic plant (including maintenance)	Line-by-line	Enel SpA	100.00%	100.00%
Enel Productie Srl	Bucharest	Romania	20,210,200.00	RON	Electricity generation	Line-by-line	Enel Investment Holding BV	100.00%	100.00%
Enel Produzione SpA	Rome	Italy	1,800,000,000.00	EUR	Electricity generation	Line-by-line	Enel SpA	100.00%	100.00%
Enel Romania Srl	Judetul Ilfov	Romania	200,000.00	RON	Business services	Line-by-line	Enel Investment Holding BV	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Enel Rus Wind Generation LLC	Moscow	Russian Federation	350,000.00	RUB	Energy services	Line-by-line	Enel Investment Holding BV	100.00%	100.00%
Enel Russia PJSC	Ekaterinburg	Russian Federation	35,371,898,370.00	RUB	Electricity generation	Line-by-line	Enel Investment Holding BV	56.43%	56.43%
Enel Salt Wells LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Geothermal LLC	100.00%	51.00%
Enel Servicii Comune SA	Bucharest	Romania	33,000,000.00	RON	Energy services	Line-by-line	Enel Distributie Dobrogea SA	50.00%	51.00%
							Enel Distributie Banat SA	50.00%	
Enel Servizio Elettrico SpA	Rome	Italy	10,000,000.00	EUR	Electricity sale	Line-by-line	Enel SpA	100.00%	100.00%
Enel Sole Srl	Rome	Italy	4,600,000.00	EUR	Public lighting systems	Line-by-line	Enel SpA	100.00%	100.00%
Enel Soluções Energéticas Ltda	Niterói (Rio de Janeiro)	Brazil	5,000,000.00	BRL	Electricity generation from renewable resources	Line-by-line	Enel Green Power Brasil Participações Ltda	99.99%	100.00%
							Enel Green Power Desenvolvimento Ltda	0.01%	
Enel Stillwater LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Geothermal LLC	100.00%	51.00%
Enel Surprise Valley LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Texkan Inc.	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Power Inc.	100.00%	100.00%
Enel Trade d.o.o.	Zagreb	Croatia	2,240,000.00	HRK	Electricity trading	Line-by-line	Enel Trade SpA	100.00%	100.00%
Enel Trade Romania Srl	Bucharest	Romania	21,250,000.00	RON	Electricity sourcing and trading	Line-by-line	Enel Trade SpA	100.00%	100.00%
Enel Trade Serbia d.o.o.	Belgrade	Serbia	300,000.00	EUR	Electricity trading	Line-by-line	Enel Trade SpA	100.00%	100.00%
Enel Trade SpA	Rome	Italy	90,885,000.00	EUR	Fuel trading and logistics - Electricity sales	Line-by-line	Enel SpA	100.00%	100.00%
Enel.Factor SpA	Rome	Italy	12,500,000.00	EUR	Factoring	Line-by-line	Enel SpA	100.00%	100.00%
Enel.Newhydro Srl	Rome	Italy	1,000,000.00	EUR	Engineering and water systems	Line-by-line	Enel SpA	100.00%	100.00%
Enel.si Srl	Rome	Italy	5,000,000.00	EUR	Plant engineering and energy services	Line-by-line	Enel Energia SpA	100.00%	100.00%
Enelco SA	Atene	Greece	60,108.80	EUR	Plant construction, operation and maintenance	Line-by-line	Enel Investment Holding BV	75.00%	75.00%
Enelpower Contractor And Development Saudi Arabia Ltd	Riyadh	Saudi Arabia	5,000,000.00	SAR	Plant construction, operation and maintenance	Line-by-line	Enelpower SpA	51.00%	51.00%
Enelpower Do Brasil Ltda	Rio de Janeiro	Brazil	1,242,000.00	BRL	Electrical engineering	Line-by-line	Enel Green Power Latin America Ltda	0.01%	100.00%
							Enel Green Power Brasil Participações Ltda	99.99%	
Enelpower SpA	Milan	Italy	2,000,000.00	EUR	Engineering and construction	Line-by-line	Enel SpA	100.00%	100.00%
Energética de Roselló AIE	Barcelona	Spain	3,606,060.00	EUR	Cogeneration of electricity and heat	Equity	Enel Green Power España SL	27.00%	23.77%
Energética Monzón SAC.	Lima	Peru	6,462,000.00	PEN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Peru SA	99.99%	99.90%
							Empresa Electrica Panguipulli SA	0.00%	
Energía de La Loma SA	Jean	Spain	4,450,000.00	EUR	Biomass	Line-by-line	Enel Green Power España SL	60.00%	52.82%
Energia Eolica Srl	Rome	Italy	4,840,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Energia Global de Mexico (Enermex) SA de Cv	Mexico City	Mexico	50,000.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	99.00%	99.00%
Energia Global Operaciones SA	San José	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Energía Limpia de Palo Alto S de RL de Cv	Mexico City	Mexico	650,863,671.00	MXN	Electricity generation from renewable resources	Line-by-line	Hidroelectricidad Del Pacífico S de RL de Cv	0.01%	100.00%
							Enel Green Power México S de RL de Cv	99.99%	
Energia Marina SpA	Santiago	Chile	2,404,240,000.00	CLP	Electricity generation from renewable resources	Equity	Enel Green Power Chile Ltda	25.00%	24.98%
Energia Nueva de Iguu S de RL de Cv	Mexico City	Mexico	41,582,307.00	MXN	Electricity generation from renewable resources	Line-by-line	Energia Nueva Energia Limpia Mexico S de RL de Cv	0.01%	99.91%
							Enel Green Power México S de RL de Cv	99.90%	
Energia Nueva Energia Limpia Mexico S de RL de Cv	Mexico City	Mexico	5,339,650.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	99.96%	100.00%
							Enel Green Power Guatemala SA	0.04%	
Energías Alternativas Del Sur SL	Las Palmas de Gran Canarias	Spain	5,589,393.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	53.77%	47.34%
Energías de Aragón I SL	Zaragoza	Spain	3,200,000.00	EUR	Electricity transmission, distribution and sale	Line-by-line	Endesa Red SA	100.00%	70.10%
Energías de Aragón II SL	Zaragoza	Spain	18,500,000.00	EUR	Electricity generation	Line-by-line	Enel Green Power España SL	100.00%	88.04%
Energías de Graus SL	Barcelona	Spain	1,298,160.00	EUR	Hydroelectric plants	Line-by-line	Enel Green Power España SL	66.67%	58.70%
Energías de La Mancha SA	Villarta de San Juan (Ciudad Real)	Spain	279,500.00	EUR	Biomass	Line-by-line	Enel Green Power España SL	68.42%	60.24%
Energías Especiales de Careon SA	La Coruña	Spain	270,450.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	77.00%	67.79%
Energías Especiales de Pena Armada SA	Madrid	Spain	963,300.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	80.00%	70.43%
Energías Especiales Del Alto Ulla SA	Madrid	Spain	1,722,600.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00%	88.04%
Energías Especiales Del Bierzo SA	Torre Del Bierzo	Spain	1,635,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	50.00%	44.02%
Energías Renovables La Mata SAPI de CV	Mexico City	Mexico	656,615,400.00	MXN	Electricity generation from renewable resources	Line-by-line	Energia Nueva de Iguu S de RL de Cv	0.01%	100.00%
							Enel Green Power México S de RL de Cv	99.99%	
Energie Electrique de Tahaddart SA	Tangier	Morocco	750,400,000.00	MAD	Combined-cycle generation plants	Equity	Endesa Generación SA	32.00%	22.43%
Energosluzby AS (In Liquidazione)	Trnava	Slovakia	33,194.00	EUR	Business services	-	Slovenské Elektrárne AS	100.00%	66.00%
Energotel AS	Bratislava	Slovakia	2,191,200.00	EUR	Operation of optical fiber network	Held for sale	Slovenské Elektrárne AS	20.00%	13.20%
ENergy Hydro Piave Srl	Soverzene	Italy	800,000.00	EUR	Electricity purchases and sales	Line-by-line	Enel Produzione SpA	51.00%	51.00%
Enerlasa SA (in liquidazione)	Madrid	Spain	1,021,700.58	EUR	Electricity generation from renewable resources	-	Enel Green Power España SL	45.00%	39.62%
Enerlive Srl	Rome	Italy	6,520,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Maicor Wind Srl	100.00%	100.00%
Enersis Américas SA	Santiago	Chile	3,575,339,011,549.00	CLP	Holding company. Electricity generation and distribution	Line-by-line	Enel Iberoamérica Srl	20.30%	60.62%
							Enel Latinoamérica SA	40.32%	
Enersis Chile SA	Santiago	Chile	2,229,108,974,538.00	CLP	Holding company. Electricity generation and distribution	Line-by-line	Enel Iberoamérica Srl	20.30%	60.62%
							Enel Latinoamérica SA	40.32%	
Eólica Del Noroeste SL	La Coruña	Spain	36,100.00	EUR	Wind plant development	Line-by-line	Enel Green Power España SL	51.00%	44.90%
Eólica Del Principado SAU	Oviedo	Spain	60,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00%	35.22%
Eólica Fazenda Nova - Geração e Comercialização de Energia SA	Rio Grande do Norte	Brazil	1,839,000.00	BRL	Wind plants	Line-by-line	Enel Brasil SA	99.95%	51.13%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Eólica Valle Del Ebro SA	Zaragoza	Spain	5,559,340.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	50.50%	44.46%
Eólica Zopiloapan SAPI de Cv	Mexico City	Mexico	1,877,201.54	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Partecipazioni Speciali Srl	39.50%	96.48%
							Enel Green Power México S de RL de Cv	56.98%	
Eólicas de Agaete SL	Las Palmas de Gran Canarias	Spain	240,400.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	80.00%	70.43%
Eólicas de Fuencaliente SA	Las Palmas de Gran Canarias	Spain	216,360.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	55.00%	48.42%
Eólicas de Fuerteventura AIE	Fuerteventura (Las Palmas)	Spain	-	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	40.00%	35.22%
Eólicas de La Patagonia SA (in liquidazione)	Buenos Aires	Argentina	480,930.00	ARS	Electricity generation from renewable resources	-	Enel Green Power España SL	50.00%	44.02%
Eólicas de Lanzarote SL	Las Palmas de Gran Canarias	Spain	1,758,000.00	EUR	Electricity generation and distribution	Equity	Enel Green Power España SL	40.00%	35.22%
Eólicas de Tenerife AIE	Santa Cruz deTenerife	Spain	420,708.40	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	50.00%	44.02%
Eólicas de Tirajana AIE	Las Palmas de Gran Canarias	Spain	-	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	60.00%	52.82%
Erdwärme Oberland GmbH	Monaco	Germany	116,667.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	78.57%	78.57%
Erecosalz SL	Zaragoza	Spain	18,030.36	EUR	Electricity generation from renewable resources	-	Enel Green Power España SL	33.00%	29.05%
Essex Company LLC	Boston (Massachusetts)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Estrellada SA	Montevideo	Uruguay	448,000.00	UYU	Electricity generation from renewable resources	Line-by-line	Enel Green Power Uruguay SA	100.00%	100.00%
Eplotaciones Eólicas de Escucha SA	Zaragoza	Spain	3,505,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	70.00%	61.63%
Eplotaciones Eólicas El Puerto SA	Teruel	Spain	3,230,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	73.60%	64.80%
Eplotaciones Eólicas Saso Plano SA	Zaragoza	Spain	5,488,500.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	65.00%	57.23%
Eplotaciones Eólicas Sierra Costera SA	Zaragoza	Spain	8,046,800.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	90.00%	79.24%
Eplotaciones Eólicas Sierra La Virgen SA	Zaragoza	Spain	4,200,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	90.00%	79.24%
Florence Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Fotovoltaica Insular SL	Las Palmas de Gran Canarias	Spain	3,008.00	EUR	Photovoltaic plants	Equity	Endesa Ingeniería SLU	50.00%	35.05%
Fowler Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Fuentes Renovables de Guatemala SA	Guatemala	Guatemala	5,000.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA	60.00%	100.00%
							Renovables de Guatemala SA	40.00%	
Fulcrum LLC	Boise (Idaho)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Garob Wind Farm (Pty) Ltd	Gauteng	South Africa	100.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Gas Atacama Chile SA	Santiago	Chile	185,025,186.00	USD	Electricity generation	Line-by-line	Compañía Eléctrica Tarapacá SA	0.05%	36.80%
							Gas Atacama SA	99.90%	
Gas Atacama SA	Santiago	Chile	291,484,088.00	USD	Holding company	Line-by-line	Inversiones Gasatacama Holding Ltda	100.00%	36.82%
Gas y Electricidad Generación SAU	Palma di Majorca	Spain	213,775,700.00	EUR	Electricity generation	Line-by-line	Endesa Generación SA	100.00%	70.10%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Gasoducto Atacama Argentina SA	Santiago	Chile	208,173,124.00	USD	Natural gas transport	Line-by-line	Gas Atacama Chile SA Compañía Eléctrica Tarapacá SA Gas Atacama SA	42.71% 0.03% 57.23%	36.80%
Gasoducto Atacama Argentina SA Sucursal Argentina	Buenos Aires	Argentina	-	ARS	Natural gas transport	Line-by-line	Gasoducto Atacama Argentina SA	100.00%	36.80%
Gasoducto Taltal SA	Santiago	Chile	18,638.52	CLP	Natural gas transport	Line-by-line	Gasoducto Atacama Argentina SA Gas Atacama Chile SA	0.12% 99.88%	36.80%
Gauley Hydro LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Gauley River Management Corporation	Williston (Vermont)	USA	1.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Gauley River Power Partners LLC	Williston (Vermont)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Generadora de Occidente Ltda	Guatemala	Guatemala	16,261,697.33	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV Enel Green Power Guatemala SA	99.00% 1.00%	100.00%
Generadora Eólica Alto Pacora SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Generadora Estrella Solar SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Generadora Fotovoltaica Chiriquí SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Generadora Montecristo SA	Guatemala	Guatemala	3,820,000.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV Enel Green Power Guatemala SA	99.99% 0.01%	100.00%
Generadora Solar Tolé SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Generalima SA	Lima	Peru	146,534,335.00	PEN	Holding company	Line-by-line	Enersis Américas SA	100.00%	60.62%
Generandes Perú SA	Lima	Peru	853,429,020.00	PEN	Holding company	Line-by-line	Enersis Américas SA Endesa Américas SA	39.00% 61.00%	45.82%
Geotermica Del Norte SA	Santiago	Chile	242,363,019,702.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	79.24%	79.17%
Gibson Bay Wind Farm (RF) Proprietary Limited	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
Gnl Chile SA	Santiago	Chile	3,026,160.00	USD	Design and LNG supply	Equity	Empresa Nacional de Electricidad SA	33.33%	12.12%
Gnl Norte SA	Santiago	Chile	1,000,000.00	CLP	Electricity generation	Line-by-line	Gasoducto Taltal SA Gas Atacama Chile SA	50.00% 50.00%	36.80%
Gnl Quintero SA	Santiago	Chile	114,057,353.00	USD	Design and LNG supply	Held for sale	Empresa Nacional de Electricidad SA	20.00%	7.27%
Goodwell Wind Project LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Origin Goodwell Holdings LLC	100.00%	51.00%
Goodyear Lake Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Gorona Del Viento El Hierro SA	Valverde de El Hierro	Spain	30,936,736.00	EUR	Development and maintenance of El Hierro generation plant	Equity	Unión Eléctrica de Canarias Generación SAU	23.21%	16.27%
Guadarranque Solar 4 SL Unipersonal	Seville	Spain	3,006.00	EUR	Electricity generation from renewable resources	Line-by-line	Endesa Generación II SA	100.00%	70.10%
GV Energie Rigenarabili ITAL-RO Srl	Bucharest	Romania	1,145,400.00	RON	Electricity generation from renewable resources	Line-by-line	Enel Green Power Romania Srl Enel Green Power International BV	100.00% 0.00%	100.00%
Hadley Ridge LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Hastings Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Helio Atacama Nueve SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	100.00%	99.91%
Hidroeléctrica de Catalunya SL	Barcelona	Spain	126,210.00	EUR	Electricity transmission and distribution	Line-by-line	Endesa Red SA	100.00%	70.10%
Hidroeléctrica de Ourol SL	Lugo	Spain	1,608,200.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	30.00%	26.41%
Hidroeléctrica DonRafael SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00%	65.00%
Hidroeléctrica El Chocón SA	Buenos Aires	Argentina	298,584,050.00	ARS	Electricity generation and sale	Line-by-line	Endesa Américas SA	2.48%	23.77%
							Endesa Argentina SA	6.19%	
							Endesa Argentina SA	59.00%	
Hidroelectridad Del Pacífico S de RL de Cv	Mexico City	Mexico	30,890,736.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Hidroflamicell SL	Barcelona	Spain	78,120.00	EUR	Electricity generation and sale	Line-by-line	Hidroeléctrica de Catalunya SL	75.00%	52.58%
Hidroinvest SA	Buenos Aires	Argentina	55,312,093.00	ARS	Holding company	Line-by-line	Endesa Argentina SA	54.15%	34.94%
							Endesa Américas SA	41.94%	
Hidromondego - Hidroeléctrica do Mondego Lda	Lisbon	Portugal	3,000.00	EUR	Hydroelectric power	Line-by-line	Endesa Generación SA	90.00%	70.11%
							Endesa Generación Portugal SA	10.00%	
High Shoals LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Highfalls Hydro Company Inc.	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Hispano Generación de Energía Solar SL	Jerez de los Caballeros (Badajoz)	Spain	3,500.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	51.00%	44.90%
Hope Creek LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Hydro Development Group Acquisition LLC	Albany (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Hydro Energies Corporation	Williston (Vermont)	USA	5,000.00	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Hydrogen Park-Marghera Per L'idrogeno Scrl	Venice	Italy	245,000.00	EUR	Development of studies and projects for the use of hydrogen	Line-by-line	Enel Produzione SpA	60.00%	60.00%
Hydromac Energy BV	Amsterdam	The Netherlands	18,000.00	EUR	Holding company	Line-by-line	Enel Green Power International BV	100.00%	100.00%
I-EM Srl	Torino	Italy	28,571.43	EUR	Design and development	Equity	Enel Italia Srl	30.00%	30.00%
Ingendesa Do Brasil Ltda	Rio de Janeiro	Brazil	500,000.00	BRL	Design, engineering and consulting	Line-by-line	Compañía Eléctrica Tarapacá SA	99.00%	37.27%
							Empresa Nacional de Electricidad SA	1.00%	
Inkolan Informacion y Coordinacion de obras AIE	Bilbao	Spain	84,140.00	EUR	Information on infrastructure of Inkolan associates	Equity	Endesa Distribución Eléctrica SL	14.29%	10.02%
International Endesa BV	Amsterdam	The Netherlands	15,428,520.00	EUR	Holding company	Line-by-line	Endesa SA	100.00%	70.10%
International Multimedia University Srl (in fallimento)	Rome	Italy	24,000.00	EUR	Long-distance learning	-	Enel Italia Srl	13.04%	13.04%
Inversiones Distrilima SA	Lima	Peru	714,233,174.00	PEN	Holding company	Line-by-line	Enersis Américas SA	69.85%	60.45%
							Chilectra Américas SA	30.15%	
Inversiones Gasatacama Holding Ltda	Santiago	Chile	333,520,000.00	USD	Natural gas transport	Line-by-line	Compañía Eléctrica Tarapacá SA	50.00%	36.82%
							Empresa Nacional de Electricidad SA	50.00%	

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Inversora Codensa Sas	Bogotá DC	Colombia	5,000,000.00	COP	Electricity transmission and distribution	Line-by-line	Codensa SA ESP	100.00%	29.34%
Inversora Dock Sud SA	Buenos Aires	Argentina	241,490,000.00	ARS	Holding company	Line-by-line	Enersis Américas SA	57.14%	34.64%
Isamu Ikeda Energia SA	Rio de Janeiro	Brazil	61,474,475.77	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Italgest Energy (Pty) Ltd	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Jack River LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Jessica Mills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Julia Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Kalenta SA	Maroussi	Greece	4,359,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Solar Energy Srl	100.00%	100.00%
Kavacık Eolico Enerji Elektrik Üretim ve Ticaret Anonim Şirketi	Istanbul	Turkey	9,000,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatırımları Anonim Şirketi	100.00%	100.00%
Kelley's Falls LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Kings River Hydro Company Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Kinneytown Hydro Company Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Kirkclareli Eoliko Enerji Elektrik Üretim ve Ticaret Anonim Şirketi	Istanbul	Turkey	5,250,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatırımları Anonim Şirketi	100.00%	100.00%
Kongul Enerji Sanayi ve Ticaret Anonim Şirketi	Istanbul	Turkey	125,000,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatırımları Anonim Şirketi	100.00%	100.00%
Kromschroeder SA	Barcelona	Spain	627,126.00	EUR	Services	Equity	Endesa Red SA	29.26%	20.51%
La Pereda Co2 AIE	Oviedo	Spain	224,286.00	EUR	Services	Equity	Endesa Generación SA	33.33%	23.36%
LaChute Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Lake Emily Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Lake Pulaski Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Lawrence Creek Solar LLC	Minnesota	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Lindahl Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Lindahl Wind Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Little Elk Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Little Elk Wind Project LLC	Oklahoma City	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Littleville Power Company Inc.	Boston (Massachusetts)	USA	1.00	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Llano Sánchez Solar Power One SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Llano Sánchez Solar Power Cuatro SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Llano Sánchez Solar Power Tres SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Lower Saranac Hydro Partners LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Lower Saranac Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Lower Valley LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Held for sale	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Lowline Rapids LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Luz Andes Ltda	Santiago	Chile	1,224,348.00	CLP	Electricity and fuel transmission distribution and sale	Line-by-line	Enersis Chile SA Chilectra SA	0.10% 99.90%	60.07%
Maicor Wind Srl	Rome	Italy	20,850,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%
Marcinelle Energie SA	Charleroi	Belgium	110,061,500.00	EUR	Electricity generation, transport, sale and trading	Line-by-line	Enel Investment Holding BV	100.00%	100.00%
Marte Srl	Rome	Italy	5,100,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Solar Energy Srl Enel Green Power SpA	2.00% 98.00%	100.00%
Mascoma Hydro Corporation	Concord (New Hampshire)	USA	1.00	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Mason Mountain Wind Project LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Padoma Wind Power LLC	100.00%	100.00%
Matrigenix (Proprietary) Limited	Houghton	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Medidas Ambientales SL	Medina de Pomar (Burgos)	Spain	60,100.00	EUR	Environmental studies	Equity	Nucenor SA	50.00%	17.53%
Metro Wind LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Mexicana de Hidroelectricidad Mexhidro S de RL de Cv	Mexico City	Mexico	181,728,701.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Mill Shoals Hydro Company ILLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Minas de Esteruel SA	Madrid	Spain	93,160.00	EUR	Mineral deposits	Line-by-line	Minas Gargallo SL	99.65%	69.79%
Minas Gargallo SL	Madrid	Spain	150,000.00	EUR	Mineral deposits	Line-by-line	Endesa Generación SA	99.91%	70.04%
Minicentrales Del Canal de Las Bádenas AIE	Zaragoza	Spain	1,202,000.00	EUR	Hydroelectric plants	-	Enel Green Power España SL	15.00%	13.21%
Minicentrales Del Canal Imperial-Gallur SL	Zaragoza	Spain	1,820,000.00	EUR	Hydroelectric plants	Equity	Enel Green Power España SL	36.50%	32.13%
Mira Energy (Pty) Ltd	Houghton	South Africa	100.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Missisquoi Associates LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Montrose Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Nevkan Renewables LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Nevkan Inc.	100.00%	100.00%
Newbury Hydro Company LLC	Boston (Massachusetts)	USA	-	USD	Electricity generation from renewable resources	Held for sale	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Newind Group Inc.	St. John (Newfoundland)	Canada	578,192.00	CAD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Nojoli Wind Farm (RF) Pty Ltd	Johannesburg	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
North Canal Waterworks	Boston (Massachusetts)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Northwest Hydro LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi West LLC	100.00%	100.00%
Notch Butte Hydro Company Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Nucenor SA	Burgos	Spain	102,000,000.00	EUR	Nuclear plant	Equity	Endesa Generación SA	50.00%	35.05%
Nueva Marina Real	Madrid	Spain	3,200.00	EUR	Real estate	Line-by-line	Endesa Servicios SL	60.00%	42.06%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Estate SL									
Nuove Energie Srl	Porto Empedocle	Italy	54,410,000.00	EUR	Construction and management of LNG regasification infrastructure	Line-by-line	Enel Trade SpA	100.00%	100.00%
Ochrana A Bezpecnost Se AS	Mochovce	Slovakia	33,193.92	EUR	Security services	Held for sale	Slovenské Elektrárne AS	100.00%	66.00%
Odell Sponsorco LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	50.00%	50.00%
OGK-5 Finance LLC	Moscow	Russian Federation	10,000,000.00	RUB	Finance company	Line-by-line	Enel Russia PJSC	100.00%	56.43%
Origin Goodwell Holdings LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA Wind Holdings 1 LLC	100.00%	51.00%
Origin Wind Energy LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Origin Goodwell Holdings LLC	100.00%	51.00%
Osage Wind Holdings LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	50.00%	50.00%
Osage Wind LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Osage Wind Holdings LLC	100.00%	50.00%
Ottauquechee Hydro Company Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Ovacik Eoliko Enerji Elektrik Üretim ve Ticaret Anonim Şirketi	Istanbul	Turkey	11,250,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatirimlari Anonim Şirketi	100.00%	100.00%
Oxagesa AIE	Teruel	Spain	6,010.00	EUR	Cogeneration of electricity and heat	Equity	Enel Green Power España SL	33.33%	29.34%
Oyster Bay Wind Farm (Pty) Ltd	Cape Town	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
P.E. Cote SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00%	65.00%
P.V. Huacas SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00%	65.00%
Padoma Wind Power LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Palo Alto Farms Wind Project LLC	Dallas	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pampa Solar Norte Cuatro SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Helio Atacama Nueve SpA	100.00%	99.91%
Pampa Solar Norte Dos SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Helio Atacama Nueve SpA	100.00%	99.91%
Pampa Solar Norte Uno SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Helio Atacama Nueve SpA	100.00%	99.91%
Paravento SL	Lugo	Spain	3,006.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	90.00%	79.24%
Parc Eolic Els Aligars SL	Barcelona	Spain	1,313,100.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	30.00%	26.41%
Parc Eolic La Tossa-La Mola D'en Pascual SL	Barcelona	Spain	1,183,100.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	30.00%	26.41%
Parque Eólico A Capelada AIE	Santiago de Compostela	Spain	5,857,586.40	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00%	88.04%
Parque Eólico de Aragón SL	Zaragoza	Spain	601,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00%	88.04%
Parque Eólico Carretera de Arinaga SA	Las Palmas de Gran Canarias	Spain	1,603,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	80.00%	70.43%
Parque Eólico de Barbanza SA	La Coruña	Spain	3,606,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	75.00%	66.03%
Parque Eólico de Belmonte SA	Madrid	Spain	120,400.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	50.16%	44.16%
Parque Eólico de San Andrés SA	La Coruña	Spain	552,920.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	82.00%	72.19%
Parque Eólico de Santa Lucía SA	Las Palmas de Gran Canarias	Spain	901,500.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	65.67%	57.82%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Parque Eólico Finca de Mogán SA	Las Palmas de Gran Canarias	Spain	3,810,340.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	90.00%	79.24%
Parque Eólico Montes de Las Navas SA	Madrid	Spain	6,540,000.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	75.50%	66.47%
Parque Eólico Punta de Teno SA	Tenerife	Spain	528,880.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	52.00%	45.78%
Parque Eólico Renaico SpA	Santiago	Chile	1,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	100.00%	99.91%
Parque Eólico Sierra Del Madero SA	Soria	Spain	7,193,970.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	58.00%	51.06%
Parque Eólico Taltal SA	Santiago	Chile	20,878,010,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	99.99%	99.91%
							Enel Green Power Latin America Ltda	0.01%	
Parque Eólico Valle de los Vientos SA	Santiago	Chile	566,096,564.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	99.99%	99.91%
							Enel Green Power Latin America Ltda	0.01%	
Parque Solar Carrera Pinto SA	Santiago	Chile	10,000,000.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	99.00%	98.91%
Parque Talinay Oriente SA	Santiago	Chile	66,092,165,171.00	CLP	Electricity generation from renewable resources	Line-by-line	Enel Green Power Chile Ltda	60.92%	95.43%
							Enel Green Power SpA	34.57%	
Paynesville Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Pegop - Energía Eléctrica SA	Abrantes	Portugal	50,000.00	EUR	Electricity generation	Equity	Endesa Generación SA	49.98%	35.05%
							Endesa Generación Portugal SA	0.02%	
Pelizer Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Pereda Power SL	La Pereda (Mieres)	Spain	5,000.00	EUR	Development of generation activities	Line-by-line	Endesa Generación II SA	70.00%	49.07%
PH Chucas SA	San José	Costa Rica	100,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	40.31%	62.48%
							Enel Green Power SpA	22.17%	
PH Don Pedro SA	San José	Costa Rica	100,001.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	33.44%	33.44%
PH Guacimo SA	San José	Costa Rica	50,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00%	65.00%
PH Rio Volcan SA	San José	Costa Rica	100,001.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	34.32%	34.32%
Pine Island Distributed Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Planta Eólica Europea SA	Seville	Spain	1,198,530.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	56.12%	49.41%
Powercrop Macchiarreddu Srl	Bologna	Italy	100,000.00	EUR	Electricity generation from renewable resources	Equity	PowerCrop Srl	100.00%	50.00%
Powercrop Russi Srl	Bologna	Italy	100,000.00	EUR	Electricity generation from renewable resources	Equity	PowerCrop Srl	100.00%	50.00%
PowerCrop Srl	Bologna	Italy	4,000,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power SpA	50.00%	50.00%
Prairie Rose Transmission LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Prairie Rose Wind LLC	100.00%	51.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Prairie Rose Wind LLC	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Wind Holdings LLC	100.00%	51.00%
Primavera Energia SA	Rio de Janeiro	Brazil	36,965,444.64	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Productor Regional de Energía Renovable III SA	Valladolid	Spain	88,398.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	82.89%	72.98%
Productor Regional de Energía Renovable SA	Valladolid	Spain	710,500.00	EUR	Construction and operation of wind plants	Line-by-line	Enel Green Power España SL	85.00%	74.83%
Productora de Energías SA	Barcelona	Spain	30,050.00	EUR	Hydroelectric plants	Equity	Enel Green Power España SL	30.00%	26.41%
Prof-Energo LLC	Sredneuralsk	Russian Federation	10,000.00	RUB	Energy services	Line-by-line	Sanatorium-Preventorium Energetik LLC	100.00%	56.43%
Progas SA	Santiago	Chile	1,526,000.00	CLP	Gas distribution	Line-by-line	Gas Atacama Chile SA	99.90%	36.80%
							Gas Atacama SA	0.10%	
Promociones Energeticas Del Bierzo SL	Ponferrada	Spain	12,020.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00%	88.04%
Proveedora de Electricidad de Occidente S de RL de Cv	Mexico City	Mexico	89,708,735.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Proyecto Almeria Mediterraneo SA	Madrid	Spain	601,000.00	EUR	Desalination and water supply	Equity	Endesa SA	45.00%	31.55%
Proyecto Edíco El Pedregal SA	Costa Rica	Costa Rica	10,000.00	CRC	Electricity generation from renewable resources	Line-by-line	Enel Green Power Costa Rica	65.00%	65.00%
Proyecto Solar Don José SA de Cv	Mexico City	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv	99.00%	100.00%
							Enel Green Power Guatemala SA	1.00%	
Proyecto Solar Villanueva Tres SA de Cv	Mexico City	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv	99.00%	100.00%
							Enel Green Power Guatemala SA	1.00%	
Proyectos Universitarios de Energias Renovables SL	Alicante	Spain	180,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	33.33%	29.34%
PT Bayan Resources Tbk	Jakarta	Indonesia	333,333,350,000.00	IDR	Energy	-	Enel Investment Holding BV	10.00%	10.00%
Pulida Energy (RF) Proprietary Limited	Houghton	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	52.70%	52.70%
Pyrites Hydro LLC	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Quatiara Energia SA	Rio de Janeiro	Brazil	16,566,510.61	BRL	Electricity generation	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Rattlesnake Creek Wind Project LLC	Lincoln (Nebraska)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Reaktortest Sro	Trnava	Slovakia	66,389.00	EUR	Nuclear power research	Held for sale	Slovenské Elektrárne AS	49.00%	32.34%
Red Centroamericana de Telecomunicaciones SA	Panama	Panama	2,700,000.00	USD	Telecommunications	-	Enel Latinoamérica SA	11.11%	11.11%
Renovables de Guatemala SA	Guatemala	Guatemala	1,924,465,600.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	42.83%	100.00%
							Enel Green Power Guatemala SA	0.01%	
							Enel Green Power SpA	57.16%	
Res Holdings BV	Amsterdam	The Netherlands	18,000.00	EUR	Holding company	Equity	Enel Investment Holding BV	49.50%	49.50%
Rock Creek Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Rock Creek Wind Project LLC	Clayton	USA	-	USD	Holding	Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Rocky Caney Wind LLC	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rocky Ridge Wind Project LLC	Oklahoma City (Oklahoma)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Rocky Caney Wind LLC	100.00%	100.00%
Rusenergosbyt LLC	Moscow	Russian Federation	2,760,000.00	RUB	Electricity trading	Equity	Res Holdings BV	100.00%	49.50%
Rusenergosbyt Siberia LLC	Krasnoyarskiy Kray	Russian Federation	4,600,000.00	RUB	Electricity sale	Equity	Rusenergosbyt LLC	50.00%	24.75%
Rusenergosbyt Yaroslavl	Yaroslavl	Russian Federation	100,000.00	RUB	Electricity sale	Equity	Rusenergosbyt LLC	50.00%	24.75%
Rutherford Ridge LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Sacme SA	Buenos Aires	Argentina	12,000.00	ARS	Monitoring of electricity system	Equity	Empresa Distribuidora Sur SA	50.00%	21.70%
Salmon Falls Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Salto de San Rafael SL	Seville	Spain	461,410.00	EUR	Hydroelectric plants	Equity	Enel Green Power España SL	50.00%	44.02%
San Juan Mesa Wind Project II LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Padorna Wind Power LLC	100.00%	100.00%
Sanatorium-Preventorium Energetik LLC	Nevinnomyssk	Russian Federation	10,571,300.00	RUB	Energy services	Line-by-line	OGK-5 Finance LLC	0.01%	56.43%
Santo Rostro Cogeneración SA (in liquidazione)	Seville	Spain	207,000.00	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	45.00%	39.62%
Se Hazelton A.LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Se Predaj Sro	Bratislava	Slovakia	4,505,000.00	EUR	Electricity supply	Held for sale	Slovenské Elektrárne AS	100.00%	66.00%
SE Služby inžinierskych stavieb Sro	Kalná nad Hronom	Slovakia	200,000.00	EUR	Services	Held for sale	Slovenské Elektrárne AS	100.00%	66.00%
Serra Do Moncoso Cambas SL	La Coruña	Spain	3,125.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	100.00%	88.04%
Servicio de Operación y Mantenimiento para Energías Renovables S de RL de Cv	Mexico City	Mexico	3,000.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power Guatemala SA	0.01%	0.02%
Servicios Informáticos e Inmobiliarios Ltda	Santiago	Chile	61,948,673,981.00	CLP	ICT	Line-by-line	Enersis Chile SA	99.90%	60.62%
							Chilectra SA	0.10%	
Shield Energy Storage Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP Energy Storage Holdings LLC	100.00%	100.00%
SIET - Società Informazioni Esperienze Termoidrauliche SpA	Piacenza	Italy	697,820.00	EUR	Analysis, design and research in thermal technology	Equity	Enel.Newhydro Srl	41.55%	41.55%
Sistema Eléctrico de Conexión Montes Orientales SL	Granada	Spain	44,900.00	EUR	Electricity generation	Equity	Enel Green Power España SL	16.70%	14.70%
Sistema Eléctrico de Conexión Valcaire SL	Madrid	Spain	175,200.00	EUR	Electricity generation	Equity	Enel Green Power España SL	28.13%	24.77%
Sisteman Energeticos Mañón Ortigueira SA	La Coruña	Spain	2,007,750.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	96.00%	84.52%
Slate Creek Hydro Associates LP	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Slate Creek Hydro Company LLC	95.00%	48.45%
Slate Creek Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Slovak Power Holding BV	Amsterdam	The Netherlands	10,000.00	EUR	Financial holding company	Line-by-line	Enel Produzione SpA	100.00%	100.00%
Slovenské elektrárne Česká republika Sro	Prague	Czech Republic	3,000.00	CZK	Electricity supply	Held for sale	Slovenské Elektrárne AS	100.00%	66.00%
Slovenské Elektárne AS	Bratislava	Slovakia	1,269,295,724.66	EUR	Electricity generation	Held for sale	Enel Produzione SpA	66.00%	66.00%
Smart P@Per SPA	Potenza	Italy	2,184,000.00	EUR	Services	-	Enel Servizio Elettrico SpA	10.00%	10.00%
SMART-I Srl	Rome	Italy	14,571.43	EUR	Research, development and design	Equity	Enel Italia Srl	24.00%	24.00%
Smoky Hills Wind Farm LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Texkan Wind LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Smoky Hills Wind Project II LLC	Topeka (Kansas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Nevkan Renewables LLC	100.00%	100.00%
Snyder Wind Farm LLC	Dallas (Texas)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Texkan Wind LLC	100.00%	100.00%
Socibe Energia SA	Rio de Janeiro	Brazil	19,969,032.25	BRL	Electricity generation and sale	Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Sociedad Agrícola de Cameros Ltda	Santiago	Chile	5,738,046,495.00	CLP	Financial investment	Line-by-line	Servicios Informáticos e Inmobiliarios Ltda	57.50%	34.86%
Sociedad Eólica de Andalucía SA	Seville	Spain	4,507,590.78	EUR	Electricity generation	Line-by-line	Enel Green Power España SL	64.74%	57.00%
Sociedad Eólica El Puntal SL	Seville	Spain	1,643,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	50.00%	44.02%
Sociedad Eólica Los Lances SA	Cadiz	Spain	2,404,048.42	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power España SL	60.00%	52.82%
Sociedad Portuaria Central Cartagena SA	Bogotá DC	Colombia	5,800,000.00	COP	Construction and management of port infrastructure	Line-by-line	Inversora Codensa Sas	4.90%	23.15%
							Emgesa SA ESP	94.95%	
Sol de Media Noche Fotovoltaica SL	Las Palmas de Gran Canarias	Spain	3,008.00	EUR	Photovoltaic plants	Equity	Endesa Ingeniería SLU	50.00%	35.05%
Sol Real Istmo SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Sol Real Uno SA	Panama	Panama	10,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power Panama SA	100.00%	100.00%
Solioquoy Ridge LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Somersworth Hydro Company Inc.	Wilmington (Delaware)	USA	100.00	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Sona Enerji Üretim Anonim Şirketi	Konak-Izmir	Turkey	50,000.00	TRY	Electricity generation from renewable resources	Line-by-line	Enel Green Power Turkey Enerji Yatirimleri Anonim Şirketi	100.00%	100.00%
Sotavento Galicia SA	Santiago de Compostela	Spain	601,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	36.00%	31.69%
Southern Cone Power Argentina SA	Buenos Aires	Argentina	19,874,798.00	ARS	Holding company	Line-by-line	Endesa Américas SA	98.03%	36.38%
							Compañía Eléctrica Tarapacá SA	1.97%	
Southwest Transmission LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Spartan Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Stipa Nayaá SA de Cv	Colonia Cuauhtémoc	Mexico	1,811,016,348.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv	55.21%	95.37%
							Enel Green Power Partecipazioni Speciali Srl	40.16%	
Sumilnary Trading (RF) Proprietary Limited	Johannesburg	South Africa	8,757,214.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Solar Energy Srl	57.00%	57.00%
Suministradora Eléctrica de Cádiz SA	Cadiz	Spain	12,020,240.00	EUR	Electricity distribution and supply	Equity	Endesa Red SA	33.50%	23.48%
Suministro de Luz y Fuerza SL	Torreella de Montgrí (Girona)	Spain	2,800,000.00	EUR	Electricity distribution	Line-by-line	Hidroeléctrica de Catalunya SL	60.00%	42.06%
Summit Energy Storage Inc.	Wilmington (Delaware)	USA	2,050,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	75.00%	75.00%
Sun River LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Sweetwater Hydroelectric LLC	Concord (New Hampshire)	USA	-	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Taranto Solar Srl	Rome	Italy	100,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power SpA	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Tecnatom SA	Madrid	Spain	4,025,700.00	EUR	Electricity generation and services	Equity	Endesa Generación SA	45.00%	31.55%
Tecnoguat SA	Guatemala	Guatemala	30,948,000.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	75.00%	75.00%
Tejo Energia Produção e Distribuição de Energia Elétrica SA	Paço de Arcos (Oeiras)	Portugal	5,025,000.00	EUR	Electricity generation, transmission and distribution	Equity	Endesa Generación SA	43.75%	30.67%
Teploprogress OJSC	Sredneuralsk	Russian Federation	128,000,000.00	RUB	Electricity sale	Line-by-line	OGK-5 Finance LLC	60.00%	33.86%
Termoeléctrica José de San Martín SA	Buenos Aires	Argentina	500,000.00	ARS	Construction and management of a combined-cycle plant	Equity	Endesa Costanera SA	5.51%	7.29%
							Central Dock Sud SA	5.32%	
							Hidroeléctrica El Chocón SA	18.85%	
Termoeléctrica Manuel Belgrano SA	Buenos Aires	Argentina	500,000.00	ARS	Construction and management of a combined-cycle plant	Equity	Central Dock Sud SA	5.32%	7.29%
							Endesa Costanera SA	5.51%	
							Hidroeléctrica El Chocón SA	18.85%	
Termotec Energía AIE (in liquidazione)	Valencia	Spain	481,000.00	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	45.00%	39.62%
TERRAE Iniziative per lo sviluppo agroindustriale SpA	Rome	Italy	19,060,811.37	EUR	Agro-industrial activities	Equity	Enel Green Power SpA	20.00%	20.00%
Texkan Wind LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Texkan Inc.	100.00%	100.00%
Tko Power LLC	Los Angeles (California)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Tobivox (RF) Pty Ltd	Houghton	South Africa	10,000,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
Toledo Pv AEIE	Madrid	Spain	26,890.00	EUR	Photovoltaic plants	Equity	Enel Green Power España SL	33.33%	29.34%
Tradewind Energy Inc.	Wilmington (Delaware)	USA	200,000.00	USD	Electricity generation from renewable resources	Equity	Enel Kansas LLC	19.90%	19.90%
Transmísora de Energía Renovable SA	Guatemala	Guatemala	233,561,800.00	GTQ	Electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
							Enel Green Power Guatemala SA	0.00%	
Transmísora Eléctrica de Quillota Ltda	Santiago	Chile	440,644,600.00	CLP	Electricity transmission and distribution	Equity	Compañía Eléctrica Tarapacá SA	50.00%	18.64%
Transportadora de Energía SA	Buenos Aires	Argentina	100,000.00	ARS	Electricity generation, transmission and distribution	Line-by-line	Compañía de Interconexión Energética SA	100.00%	51.15%
Transportes y Distributions Eléctricas SA	Olot (Girona)	Spain	72,120.00	EUR	Electricity transmission and distribution	Line-by-line	Endesa Distribución Eléctrica SL	73.33%	51.41%
Triton Power Company	New York (New York)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	2.00%	100.00%
							Highfalls Hydro Company Inc.	98.00%	
Tsar Nicholas LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Twin Falls Hydro Associates	Seattle (Washington)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Twin Falls Hydro Company LLC	99.51%	50.75%
Twin Falls Hydro Company LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP NA REP Hydro Holdings LLC	100.00%	51.00%
Twin Lake Hills LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Twin Saranac Holdings LLC	Wilmington (Delaware)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Ufefs SL (in liquidazione)	Aranjuez	Spain	304,150.00	EUR	Electricity generation from renewable resources	-	Enel Green Power España SL	40.00%	35.22%
Ukuqala Solar Proprietary Limited	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Ultor Srl	Rome	Italy	5,100,000.00	EUR	Electricity generation	Equity	Marte Srl	50.00%	50.00%
Unión Eléctrica de Canarias Generación SAU	Las Palmas de Gran Canarias	Spain	190,171,520.00	EUR	Electricity generation	Line-by-line	Endesa Generación SA	100.00%	70.10%
Upington Solar (Pty) Ltd	Johannesburg	South Africa	1,000.00	ZAR	Electricity generation from renewable resources	Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Ustav Jaderného Výzkumu Rez AS	Rez	Czech Republic	524,139,000.00	CZK	Nuclear power research and development	Equity	Slovenské Elektárne AS	27.77%	18.33%
Vektör Enerji Üretim Anonim Şirketi	Istanbul	Turkey	3,500,000.00	TRY	Plant construction and electricity generation from renewable resources	Line-by-line	Enel Green Power International BV	100.00%	100.00%
Vientos del Altiplano S de RL de Cv	Mexico City	Mexico	751,626,078.00	MXN	Electricity generation from renewable resources	Line-by-line	Hidroelectricidad Del Pacifico S de RL de Cv Enel Green Power México S de RL de Cv	0.01% 99.99%	100.00%
Villanueva Solar SA de Cv	Mexico City	Mexico	100.00	MXN	Electricity generation from renewable resources	Line-by-line	Enel Green Power México S de RL de Cv Enel Green Power Guatemala SA	99.00% 1.00%	100.00%
Viruleiros SL	Santiago de Compostela	Spain	160,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power España SL	67.00%	58.99%
Walden LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Waseca Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Weber Energy Storage Project LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	EGP Energy Storage Holdings LLC	100.00%	100.00%
West Faribault Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
West Hopkinton Hydro LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
West Waconia Solar LLC	Delaware	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Aurora Distributed Solar LLC	100.00%	100.00%
Western New York Wind Corporation	Albany (New York)	USA	300.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Willimantic Power Corporation	Hartford (Connecticut)	USA	1,000.00	USD	Electricity generation from renewable resources	Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Wind Park Of Koryfao SA	Maroussi	Greece	60,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks Anatolis-Prinias SA	Maroussi	Greece	1,158,188.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks Of Bolibas SA	Maroussi	Greece	551,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Distomos SA	Maroussi	Greece	556,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Folia SA	Maroussi	Greece	424,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Gagari SA	Maroussi	Greece	389,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Goraki SA	Maroussi	Greece	551,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Gourles SA	Maroussi	Greece	555,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Kafoutsis SA	Maroussi	Greece	551,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks of Katharas SA	Maroussi	Greece	538,648.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks of Kerasias SA	Maroussi	Greece	475,990.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Activity	Consolidation method	Held by	% holding	Group % holding
Wind Parks of Milias SA	Maroussi	Greece	614,774.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks of Mitikas SA	Maroussi	Greece	442,639.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks of Paliopirgos SA	Maroussi	Greece	200,000.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	80.00%	80.00%
Wind Parks Of Petalo SA	Maroussi	Greece	575,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks of Platanos SA	Maroussi	Greece	425,467.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks Of Skoubi SA	Maroussi	Greece	472,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks of Spilias SA	Maroussi	Greece	547,490.00	EUR	Electricity generation from renewable resources	Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks Of Strouboulas SA	Maroussi	Greece	576,500.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Trikorfo SA	Maroussi	Greece	260,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	29.25%	29.25%
Wind Parks Of Vitalio SA	Maroussi	Greece	361,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Of Vourlas SA	Maroussi	Greece	554,000.00	EUR	Electricity generation from renewable resources	Equity	Enel Green Power Hellas SA	30.00%	30.00%
Winter's Spawn LLC	Minneapolis (Minnesota)	USA	-	USD	Electricity generation from renewable resources	Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
WP Bulgaria 1 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 10 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 11 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 12 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 13 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 14 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 15 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 19 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 21 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 26 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 3 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 6 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 8 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 9 EOOD	Sofia	Bulgaria	5,000.00	BGN	Plant construction, operation and maintenance	Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
Yacylec SA	Buenos Aires	Argentina	20,000,000.00	ARS	Electricity transmission	Equity	Enersis Américas SA	22.22%	13.47%
Yedesa-Cogeneración SA (in liquidazione)	Almería	Spain	234,000.00	EUR	Cogeneration of electricity and heat	-	Enel Green Power España SL	40.00%	35.22%

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**Enel**

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