ENERGY IN TUNE WITH YOU.

MEDIA RELATIONS
Ph. +39 06 8305 5699 - Fax +39 06 8305 3771
e-mail: ufficiostampa@enel.it

www.enel.it

Press Release

Enel: the Board approves 2006 results

- *Revenues: 38,513 million euros, (33,787 million euros in 2005, +14.0%).*
- *Ebitda: 8,019 million euros, (7,745 million euros in 2005, +3.5%); net of a provision of about 400 million euros for an operating excellence plan, in 2006 Ebitda rose by 8.7% compared with 2005.*
- *Ebit: 5,819 million euros (5,538 million euros in 2005, +5.1%)*
- *Group net income: 3,036 million euros,(3,895 million euros in 2005, -22.1% Net of Wind and Terna contribution, 2006 Group net income grew 1.4% compared to 2005).*
- *Net financial debt: 11,690 million euros (12,312 million euros at 31 December 2005, -5.1%).*
- *Total dividend proposed for the full year 2006 of 0.49 euros per share (of which 0,20 euros per share already paid out as interim dividend in November 2006)*
- *Guidelines for the stock option plans for 2007 approved*

This press release uses a number of "alternative performance indicators" not envisaged in the IFRS-EU accounting principles (EBITDA, financial debt, net capital employed and return on capital employed). In accordance with recommendation CESR/05-178b published on November 3, 2005, the criteria used to *calculate* these indicators are described in the attachments.

Rome, 28 March 2007 – The Board of Directors of Enel SpA, chaired by Piero Gnudi, approved the results for 2006 yesterday evening.

Consolidated financial highlights (millions of euros):

	2006	**2005**	**Change**
Revenues	**38,513**	33,787	+14.0%
Ebitda	**8,019**	7,745	+3.5%
Ebit	**5,819**	5,538	+5.1%
Group net income	**3,036**	3,895	-22.1%
Group net income excluding Wind and Terna	***2,780***	*2,742*	*+1.4%*
Net financial debt at 31 December	**11,690**	12,312	-5.1%

Fulvio Conti, CEO of Enel, remarked: "**The excellent results achieved in 2006 confirm the validity of our strategy to pursue international growth and constantly improve operational management, encouraging us to press ahead with our vision. The strong performance posted during the year enables us to propose a total dividend for 2006 of 0.49 euros per share to the Shareholders' Meeting. In 2007 we expect further**

improvement in the operating results compared to 2006. Our entry into Endesa's share capital and the agreement signed with Acciona for the joint management of Endesa will further strengthen our international growth.

OPERATIONAL HIGHLIGHTS

Electricity and gas sales

The Enel Group's sales to final customers on the free and regulated markets in 2006 came to 159.9 TWh, of which 142.7 TWh was in Italy and 17.2 TWh abroad.

In Italy, total sales to final customers declined by 3.7%. In particular, sales on the regulated market dipped from 129.7 TWh in 2005 to 120.4 TWh in 2006, (-7.2%), due to greater market liberalisation. By contrast, electricity sales on the free market rose from 18.5 TWh in 2005 to 22.3 TWh in 2006, (+ 20.5%).

Enel's electricity sales abroad more than doubled, rising from 8.1 TWh in 2005 to 17.2 TWh last year (+112.3%) as a result of the acquisition of the Russian company RusEnergosbyt and the different period of consolidation in the two years for the Romanian companies Enel Electrica Banat and Enel Electrica Dobrogea.

In the gas market, Enel continued its strategy in Italy focused on offers for small and medium-sized customers (so-called retail customers, with consumption of less than 200,000 cubic meters per year). This strategy helped increase the customer base by 8.8% (2,331,051 at end 2006) despite a decline in volumes sold from 5.1 billion cubic metres in 2005 to 4.5 billion cubic metres in 2006.

Power generation

The Enel Group's net generation came to 131.4 TWh in 2006, of which 103.9 TWh was in Italy and 27.5 TWh abroad.

In Italy, Enel's power plants generated 103.9 TWh in 2006 (of which 28.9% from renewable sources), from the 112.1 TWh registered in 2005 (-7.3%). The decline was mainly due to the effects of the decree of the Ministry for Productive Activities (now the Ministry for Economic Development) related to the gas emergency, which amended certain operating conditions at thermal plants, as well as the entry of new competitors in the market. Thermal generation decreased by nearly 8 TWh and hydroelectric generation by 408 GWh, which was only partially offset by higher geothermal generation (up 183 GWh) and wind generation (up 30 GWh).

Net generation by Enel power plants abroad doubled from 13.6 TWh in 2005 to 27.5 TWh in 2006. The increase was mainly attributable to the consolidation of Slovenské elektrárne and Enel Panama which was partially offset by lower output in Spain.

Of total net generation by Enel power plants abroad, 38.9% came from nuclear plants, 26.1% from renewables (hydro, wind, geothermal and biomass) and 35% from thermal generation.

Press Release

Distribution of electricity and gas

The electricity distributed by the Enel Group amounted to 267.6 TWh, of which 255.0 TWh in Italy and 12.6 TWh abroad.
The volume of electricity distributed by Enel in Italy rose by 2.2%, from 249.5 TWh in 2005 to 255,0 TWh in 2006, in line with trends in domestic electricity demand.

Electricity distributed abroad rose from 9.7 TWh in 2005 to 12.6 TWh 2006, (+ 29.9%), mainly due to the different period of consolidation of the Romanian companies in the two years compared.

Gas transported in 2006 totalled 3.7 billion cubic metres, down 0.3 cubic metres, from the previous year (-7.5%), as a result of the "gas emergency plan" mentioned above and unfavourable weather conditions in the last part of 2006.

FINANCIAL HIGHLIGHTS

Consolidated results for 2006

Revenues amounted to 38,513 million euros in 2006, up 14.0% on 2005 (33,787 million euros). The increase is mainly due to higher revenues from international trading, generation and distribution activities.

Ebitda totalled 8,019 million euros on the 7,745 million euros registered in 2005, up 274 million euros (+ 3.5%) mainly attributable to the growth registered by the International Division. Ebitda for 2006 includes a provision of about 400 million euros in respect of an operating excellence program that, among other things, is already generating substantial savings in 2007.

Ebit came to 5,819 million euros in 2006, up 281 million euros on 2005 (+ 5.1%). This increase includes 263 million euros attributable to the income generated by the equity exchange transaction related to Wind - Weather

Group net income amounted to 3,036 million euros in 2006, compared with 3,895 million euros in 2005, which included (under discontinued operations) the gain of 1,153 million euros on the disposal of 43.85% of Terna. Excluding this gain from the 2005 net income and excluding the income generated by the equity exchange transaction related to Wind – Weather in 2006, Group net income increased by 1.4%.

The **consolidated balance sheet** at 31 December 2006 showed total shareholders' equity of 19,025 million euros (19,416 million euros at the end of 2005) and net financial debt of 11,690 million euros (12,312 million euros at the end of 2005). Net financial debt declined of 622 million euros. Net financial debt at 31 December 2006 and reflects the acquisition of 66% of

Slovenské Elektrárne and the consolidation of its debt as well as the sale of the 26.1% holding in Weather. The **debt-equity ratio** at the end of 2006 was 0.61, compared with 0.63 at the end of 2005.

Capital expenditure on tangible and intangible assets amounted to 2,963 million euros in 2006, up 4.7% on the 2,829 million euros posted in 2005.

Group employees at the end of 2006 numbered 58,548 (51,778 at end-2005). The increase is essentially due to the acquisition of companies abroad. At 31 December 2006, the Group's foreign companies had 13,958 employees.

STRATEGY AND OBJECTIVES

In order to confirm its role as a major European player in the production and distribution of electricity and natural gas, Enel has set four priorities:

- maintaining its leadership in Italy in an increasingly liberalised market
- enhancing customer service by continuing to invest in quality and efficiency
- expanding Enel's position in renewable resources in Europe and around the world, both organically and through acquisitions
- confirming its leadership in innovation, with a specific focus on the environmental impact of power generation and distribution

The targets for 2007 as set out in the previous plan were largely achieved in 2006: annual average growth in Ebitda was 3.5% in 2006, compared with the target of at least 3%; the percentage of Ebitda generated by international operations came to 11.4% at 31 December 2006, compared with the target of at least 10%; the average return on capital employed was 18.6% in 2006, compared with the target of 17% for 2007. On the basis of these results, Enel's new targets to be achieved are:

- Annual reduction of operating expenses by 400 million euro (2005-2008)
- Ebitda average annual growth of 6% (2006-2008)[1]
- Payment of a total dividend not less than 0.49 euros per share (for the years 2007 and 2008)

RECENT KEY EVENTS

November 2006

- Agreement with the Algerian company Sonatrach for the supply of 2 billion cubic metres of natural gas to be transported to Italy through the future GALSI gas pipeline.

December 2006

- Partnership agreement with Enka, the leading Turkish construction company for the joint participation in the tender for the first three electricity distribution companies to be privatised by the Turkish government.
- Acquisition of 195 wind generators with a capacity of 166 MW for installation in wind plants in Italy: estimated value of contract about 138 million euros.
- Announcement of an investment plan of 4.1 billion euros for 2007-2011 for new plants operating with renewables and for research into and development of new environmentally friendly technologies.
- Completed the exit from the telecoms market with the sale of the 26.1% stake in Weather to the group controlled by the Egyptian businessman Naguib Sawiris. The

[1] Excluding the impact of the new regulatory cycle on distribution and sales rates

agreed amount is 1,962 million euros, of which, 1,000 million euros already paid at closing while the remaining 962 million euros will be paid in 18 months after the closing date.

January 2007

- Agreements for the construction of wind plants in the United States and Canada with a maximum capacity of 277 MW.

February 2007

- Increase in the stake in the Panamanian hydro generation company EGE Fortuna from 24.5% to 49%. The company has a capacity of 300 MW and generates about 1,600 GWh per year.
- Acquisition of 9.99% of Endesa, Spain's leading electricity generator and distributor with a strong international footprint, and the acquisition of derivatives instruments for the acquisition of another 14.99% of the company.

March 2007

- Agreement with RosAtom on the development of the electricity system and nuclear power generation in Russia and Central and Eastern Europe.
- Acquisition of AMP Resources for one operational geothermal project and four projects at an advanced development stage in North America for a capacity of about 150 MW.
- Partnership agreement with Duferco for the development of a project to build a combined-cycle gas plant with a capacity of about 420 MW and a power plant that reuses gases produced in the steel manufacturing process with a capacity of about 65 MW at the Marcinelle industrial site.
- Agreement with Acciona Group for the development of a project for the joint management of Endesa, subject to E.On not acquiring more than 50% of Endesa's share capital.
- Memorandum of Intent with ENEA to make the "Archimede" Project operational, which when finalized will create the first worldwide integration between a combined cycle and a thermodynamic solar plant.

Press
Release

OUTLOOK

In an increasingly competitive environment and with ever greater attention to environmental issues, in 2007 Enel intends to improve upon the excellent results achieved last year.

In the domestic market, Enel has already developed its strategy for the liberalization of the retail market and is taking steps to consolidate its position with targeted service plans for customers in the free market.

In addition, in line with the goal of strengthening its leadership position in renewables, Enel's Environment Project sets out its investment plans and initiatives to promote research and development in this sector, as well as offering new products and services to encourage the environmentally friendly use of energy by customers.

As regards efficiency, Enel has implemented initiatives to achieve operational excellence through its Project Zenith, which involves all Divisions and is expected to begin generating significant cost savings this year.

The important agreement signed with Acciona for the joint management of Endesa significantly strengthens Enel's international development plan and will enable further improvement in and integration of the efficiency of the international assets acquired by Enel.

Al the initiatives launched and all the activities foreseen across various sectors, as well as the growth in international activities, will have a positive impact also in 2007, the operating results for which are expected to show improvement.

2006 RESULTS OF THE PARENT COMPANY

The Parent Company, Enel SpA, is the industrial holding company setting the strategic objectives at Group level and coordinates the activities of the subsidiaries.

From 1 January 2007, the Parent company has adopted international financial accounting measures (IFRS/IAS) in line with those already in use for drafting the consolidated balance sheet.

Results (millions of euros)**:**

	2006	2005	Change
Revenues	**1,186**	1,105	+ 7.3%
Ebitda	**186**	20	-
Net income from equity exchange transaction and the sale of significant equity investments	**190**	1,487	-
Ebit	**351**	1,312	-
Net income from equity investments	**3,074**	1,563	+ 96.7%
Net income	**3,347**	2,695	+ 24.2%
Net financial debt at 31 December	**989**	2,805	- 64.7%

Revenues came to 1,186 million euros in 2006, up 81 million euros compared with 2005 (+ 7.3%). The increase is primarily attributable to the rise in average unit prices on the sale of electricity as volumes were broadly unchanged.

Ebitda in 2006 amounted to 186 million euros, an increase of 166 million euros on 2005 (20 million euros) that is mainly attributable to the improvement in the margin on electricity sales the reduction in operating expenses and the gain resulting from the fair value measurement of the Terna bonus shares, the rights to which were exercised in January 2006.

Net income from equity exchange transaction and the sale of significant equity investments (190 million euros) essentially relates to the effects of the exchange of 30.97% of Wind for 20.9% of Weather, which generated a gain of 146 million euros.
The 1,487 million euros recognised in 2005 includes the gain on the disposal of shares in Terna (carried out in two tranches of 13.86% and 29.99%, for an amount equal to 444 million euros and 1,043 million euros respectively).

Ebit came to 351 million euros, a decrease of 961 million euros over the previous year (1,312 million euros). Excluding "the income from the equity exchange and the sale of significant equity investments" both in 2006 and 2005, the change was a positive 336 million euros, mainly attributable to the improvement in Ebitda and lower provisions and impairment losses recognised in 2006.

Net income from equity investments refers to dividends paid by subsidiaries in respect to their 2005 profits totalling 3,060 million euros and 14 million euros from other associates.

Net income amounted to 3,347 million euros, up 652 million euros from 2005 (2,695 million euros).

Net financial debt at 31 December 2006 came to 989 million euros, compared with 2,805 million euros in 2005. The decline of 1,816 million euros is primarily attributable to the sale of the investment in Weather on 21 December 2006, with the receipt on that date of 1,000 million euros, as well as the recognition of a financial receivable from the buyer in the amount of 962 million euros maturing 18 months from the sale date.

Shareholders' equity at the end of 2006 was equal to 14,600 million euros (15,025 million euros at 31 December 2005). The decrease of 425 million euros reflects the difference between dividends distributed (2,715 million euros as the balance on 2005 dividends and 1,235 million euros as an interim dividend for 2006), net income for 2006 (3,347 million euros) and the increase in reserves from the measurement of financial instruments and the stock option reserve (a total of 178 million euros).

STOCK OPTION PLAN FOR 2007

The Board of Directors, acting on the proposal of the remuneration Committee, has adopted guidelines for the *stock option* plan for the year 2007, whose approval will be submitted to the Shareholders' Meeting.
The plan is intended to give the Company and the Group a means to foster management motivation and loyalty, in line with equity incentive plans widely adopted at the international level and, like other major Italian listed companies, already used by Enel in previous years.
The plan envisages that about 410 Company and Group executives, who will be designated by the Board of Directors, will be granted a total of 27,920,000 personal and non-transferable (except in the event of succession) rights (the options) to subscribe a corresponding number of newly issued Enel ordinary shares.
As for the 2006 stock option plan, the exercise of the options will be subordinated to the joint achievement of two long-term performance targets aimed at determining the convergence between the interests of the shareholders and those of the management, since those targets will also refer to the stock performance compared to market parameters. The first condition is met if the consolidated cumulated EBITDA target, calculated on the basis of the figures indicated in the budget of the reference years, is exceeded. The second target refers to the stock performance achieved on financial markets and requires that Enel share price on the Italian market outperforms, from a total shareholders' return perspective, a specific benchmark index (50% MIBTEL and 50% Bloomberg World Electric Index).
The plan envisages that the options – once the above mentioned performance targets are met – may be exercised in subsequent tranches starting from 2009 for periods thereafter up to 2011 and until the expiry date of the plan itself, which is December 31, 2013.
The strike price of the options will be set according to the stock market price of Enel shares recorded on 2 January, 2007. Payment of the strike price will be charged entirely to the beneficiaries of the plan, as the plan does not provide for any facilitated terms in this respect.
Among the executives benefiting from this plan, Enel's Chief Executive will also be included, in his role of General Director, to whom would be assigned 1,500,000 options.

Press
Release

SHAREHOLDERS' MEETING AND DIVIDENDS

The Board of Directors will recommend that the Shareholders' Meeting, convened for 23 May 2007 at the first call and 25 May 2007 at the second call for the approval of the statutory financial statements and the presentation of the consolidated financial statements for 2006, approve the payment of a total dividend for 2006 of 0.49 euros per share. It should be noted that on 6 September 2006 the Board of Directors approved the distribution of an interim dividend of 0.20 euros per share, which was paid on 23 November 2006, with an ex dividend date of 20 November 2006. The Board has proposed 18 June 2007 as the ex-dividend date and 21 June 2007 as the payment date for the balance dividend of 0.29 euros per share. The dividend will be paid out exclusively from Enel S.p.A.'s 2006 net income, which amounts to 3,347 million euros (of which 1,235 million euros have already been paid out as an interim dividend).

The Shareholders' Meeting has also been called to decide on the election of the Board of Statutory Auditors which has reached the end of its mandate, and on the extension of the External Auditor KPMG S.p.A.'s mandate for years 2008, 2009 and 2010, according to the provisions of the recently enacted "corrective" Decree on the Law on the protection of Savings. Furthermore, the Shareholders' Meeting has been called to approve the stock option plan for 2007.

The Board of Directors may add items to the Shareholders' Meeting agenda following the discussion at its next meeting.

BOND ISSUES AND MATURING BONDS

In 2006, the Parent Company issued two new tranches of a bond in a private placement with a leading Italian insurance Italian company for a total amount of 97 million euros.

In the period from 1 January 2007 to 30 June 2008 bonds totalling some 67 million euros, all issued by the Parent Company, are scheduled to mature.

Press Release

At 9:30 a.m. today, 28 March 2007, at Old Billingsgate Market, 1 Old Billingsgate Walk, London, the results for 2006 and the new business plan targets will be presented to financial analysts and institutional investors. The presentation will be followed by a press conference. The event will be transmitted in real time on Enel's website www.enel.it.
Once the presentation has begun, support materials will be available on the website in the Investor Relations section.

The income statement, balance sheet and cash flow statement of the Enel Group and the corresponding statements of the Parent Company Enel S.p.A. are attached below. These statements and related notes (regarding 2006 results) have been delivered to the Board of Statutory Auditors and the External Auditors for their evaluation. A short description of the Group's "alternative performance indicators" is also attached.

The results of the Divisions follow.

Press Release

Domestic Sales Division

Results (millions of euros)**:**

	2006	2005	Change
Revenues	**21,108**	19,487	+8.3%
Ebitda	**175**	152	+15.1%
Ebit	**2**	12	- 83.3%
Capital expenditure	**56**	53	+5.7%

Revenues in the Domestic Sales Division amounted to 21,108 million euros in 2006, up 1,621 million euros in 2005 (+8.3%) mainly due to the increase in revenues from the sale on the regulated and free markets and from transport on the free market.

Ebitda amounted to 175 million euros, increasing by 23 million euros compared with 2005 (+15.1%). This rise is attributable to the increase in sales of electricity (up 71 million euros), which more than offset the decline in gas margin of 48 million euros.

Ebit came to 2 million euros, declining by 10 million euros from 2005, after depreciation, amortization and impairment losses for an amount of 173 million euros in 2006 (140 million euros in 2005).

Domestic Generation and Energy Management

Results (millions of euros)**:**

	2006	2005	Change
Revenues	**15,661**	12,995	+20.5%
Ebitda	**3,149**	3,407	-7.6%
Ebit	**2,197**	2,398	- 8.4%
Capital expenditure	**897**	798	+12.4%

Revenues from the Domestic Generation and Energy Management Division amounted to 15,661 million euros in 2006, up 2,666 million euros from 2005 (+20.5%), mainly due to increased revenues from international trading, greater sales to domestic resellers and higher sales to other Group Divisions.

Ebitda came to 3,149 million euros, down 258 million euro from 2005 (-7.6%). The reduction is essentially attributable to the lower contribution of prior-year items, as well as the effects of the fair value measurement of contracts for differences with the Single Buyer and charges for early retirement incentives. These changes were partially offset by an improvement in the generation margin despite the reduction in the volumes generated.

Ebit came to 2,197 million euros, down 201 million euros from 2005 (- 8.4%) The decline in Ebitda mentioned above was partially offset by the benefits resulting from the 57 million euros decrease in provisions for impairment losses.

Press Release

Domestic Infrastructure and Networks

Results (millions of euros)**:**

	2006	2005	Change
Revenues	**5,707**	5,532	+3.2%
Ebitda	**3,418**	3,398	+0.6%
Ebit	**2,589**	2,628	-1.5%
Capital expenditure	**1,459**	1,570	-7.1%

Revenues from the Domestic Infrastructure and Networks Division totalled 5,707 million euros in 2006, an increase of 175 million euros compared with 2005 (+ 3.2%), essentially due to a rise in revenues from electricity transport, which reflects the greater volumes of electricity transported, and increased bonuses for service continuity awarded by the Authority for Electricity and Gas.

Ebitda came to 3,418 million euros, an increase of 20 million euros on 2005 (+0.6%). The result was largely due to the improvement in the Ebitda of the electricity distribution activities (50 million euros), which more than offset the decline in the Ebitda of the gas distribution activities (30 million euros).

Ebit amounted to 2,589 million euros with a decline of 39 million euros compared with 2005 (-1.5%) including depreciation, amortization and impairment losses of 829 million euros (770 million euros in 2005).

International Division

Results (millions of euros)**:**

	2006	2005	Change
Revenues	**3,068**	1,858	+65.1%
Ebitda	**918**	485	+89.3%
Ebit	**519**	307	+69.1%
Capital expenditure	**467**	299	+56.2%

Revenues from the International Division increased by 1,210 million euros (+ 65.1%), to 3,068 million euros in 2006. The increase is essentially attributable to the consolidation of Slovenské elektrárne and RusEnergoSbyt in the second quarter of 2006.

Ebitda reached 918 million euros, an increase of 433 million euros (+ 89.3%) over 2005, mainly due to the change in the scope of consolidation and the different period of consolidation of the Romanian subsidiaries.

Ebit came to 519 million euros, an increase of 212 million euros (+ 69.1%) compared with 2005, essentially attributable to the consolidation of the companies acquired during 2006.

Services and Other Activities

Results (millions of euros)**:**

	2006	2005	Change
Revenues	**1,161**	1,741	-33.3%
EBITDA	**179**	315	-43.2 %
Ebit	**86**	219	-60.7%
Capital expenditure	**71**	98	-27.6%

For the purposes of comparison, it should be noted that on 1 April 2005, Enel Ape (now Enel Servizi) acquired the "Administration" units of the Parent Company, Enel Distribuzione and Enel Produzione, and on 1 July 2005 the Group companies transferred their "Services" units to Enel Servizi. In addition, the Enelpower unit involved in engineering and construction activities for Group power plants was acquired by Enel Produzione on 1 January 2006.

Revenues from Services and Other Activities area came to 1,161 million euros in 2006, compared with 1,741 million euros in 2005 This decline of 580 million euros (-33.3%) is mainly due to the transfer to Enel Produzione of the engineering and construction unit. The effect of this transfer was partially offset by higher revenues for staff services thanks to the acquisition of these operations in the second and third quarters of 2005.

Ebitda in 2006 came to 179 million euros, down 136 million euros (-43.2%) compared with 2005, largely as the result of the transfer of engineering and construction activities and increased early retirement incentives.

Ebit was 86 million euros in 2006, down 133 million euros compared with 2005.

ALTERNATIVE PERFORMANCE INDICATORS

In this press release some "alternative performance indicators" not part of IFRS/EU accounting measures are used aimed at achieving a better evaluation of the economic and financial management of the company. The meaning of these measures are illustrated below, in line with the CESR/05-178b recommendation published on 3 November 2005.

- **Ebitda** represents for Enel an indicator of the operational performance and is calculated as "Operating income" gross of "Depreciation, amortization and impairment losses" and "income from equity exchange of the Wind-Weather transaction".
- **Net financial debt** represents for Enel an indicator of its financial structure and is determined by "Long-term loans", their current portion and "short-term loans", less

"cash and cash equivalents" and current and non-current financial assets (financial receivables and other securities)

- **Net current assets** of the Group is defined as the differencethe "Current assets" and "Current liabilities" excluding: "receivables for factoring advances", "other securities" and other minor items included under "Current financial assets" , "cash and cash equivalents", "short-term loans" and the "Current portion of long-term loans"
- The **Return on capital invested** is defined as the relationship between the Operating Income and the Net capital employed.

Press Release

Consolidated Income Statement

Millions of euros

		2006		2005	
			of which with related parties		*of which with related parties*
Revenues					
Revenues from sales and services		37,497	*9,795*	32,370	*9,364*
Other revenues		1,016	*7*	1,417	*1*
	[Subtotal]	*38,513*	*9,802*	*33,787*	*9,365*
Income from equity exchange transaction		263		-	
Costs					
Raw materials and consumables		23,469	*14,620*	20,633	*13,762*
Services		3,477	*1,285*	3,057	*1,338*
Personnel		3,210		2,762	
Depreciation, amortization and impairment losses		2,463		2,207	
Other operating expenses		713	*45*	911	*27*
Capitalized costs		(989)		(1,049)	
	[Subtotal]	*32,343*	*15,950*	*28,521*	*15,127*
Net income/(charges) from commodity risk management		(614)	*(519)*	272	*289*
Operating income		**5,819**		**5,538**	
Financial income		513	*14*	230	*6*
Financial expense		1,160		944	
Share of income/(expense) from equity investments accounted for using the equity method		(4)		(30)	
Income before taxes		**5,168**		**4,794**	
Income taxes		2,067		1,934	
Income from continuing operations		**3,101**		**2,860**	
Income from discontinued operations				**1,272**	***693***
Net income (shareholders of the Parent Company and minority interests)		**3,101**		**4,132**	
Attributable to minority interests		65		237	
Attributable to shareholders of the Parent Company		3,036		3,895	

Press Release

Earnings per share (euro)	0.50	0.67
Diluted earnings per share (euro) (1)	*0.50*	*0.67*
Earnings from continuing operations per share	0.50	0.46
Diluted earnings from continuing operations per share(1)	*0.50*	*0.46*
Earnings from discontinued operations per share	-	0.21
Diluted earnings from discontinued operations per share(1)	-	*0.21*

(1) Calculated on the basis of the average number of ordinary shares in the year (6,169,511,965 in 2006 and 6,142,108,113 in 2005) adjusted for the diluting effect of outstanding stock options (65 million in 2006, 29 million in 2005).
Earnings and diluted earnings per share, calculated on the basis of options exercised to date, do not change with respect to the figures calculated as above.

Consolidated Balance Sheet

Millions of euros

ASSETS		**At Dec. 31, 2006**		At Dec. 31, 2005	
			of which with related parties		*of which with related parties*
Non-current assets					
Property, plant and equipment		34,846		30,188	
Intangible assets		2,982		2,182	
Deferred tax assets		1,554		1,778	
Equity investments accounted for using the equity method		56		1,797	
Non-current financial assets (1)		1,494		836	
Other non-current assets		568		975	
	[Total]	**41,500**		**37,756**	
Current assets					
Inventories		1,209		884	
Trade receivables		7,958	*1,935*	8,316	*2,756*
Tax receivables		431		789	
Current financial assets (2)		402	*10*	569	*3*
Cash and cash equivalents		547		476	
Other current assets		2,453	*182*	1,712	
	[Total]	**13,000**		**12,746**	
TOTAL ASSETS		**54,500**		**50.502**	

(1) Of which long term financial receivables for €976 million at December 31, 2006 (€63 million at December 31, 2005) and other securities for €114 million at December 31, 2006.
(2) Of which short term financial receivables for €251 million at December 31, 2006 (€384 million at December 31, 2005) and other securities for €25 million at December 31, 2006 (€28 million at December 31, 2005).

Press Release

Millions of euros

LIABILITIES AND SHAREHOLDERS' EQUITY		At Dec. 31, 2006		At Dec. 31, 2005	
			of which with related parties		*of which with related parties*
Equity attributable to the shareholders of the Parent Company					
Share capital		6,176		6,157	
Other reserves		4,549		4,251	
Retained earnings (losses carried forward)		5,934		5,923	
Net income (1)		1,801		2,726	
	[Total]	**18,460**		**19,057**	
Equity attributable to minority interests		565		359	
TOTAL SHAREHOLDERS' EQUITY		**19,025**		**19,416**	
Non-current liabilities					
Long-term loans		12,194		10,967	
Post-employment and other employee benefits		2,633		2,662	
Provisions for risks and charges		4,151		1,267	
Deferred tax liabilities		2,504		2,464	
Non-current financial liabilities		116		262	
Other non-current liabilities		1,044		846	
	[Total]	**22,642**		**18,468**	
Current liabilities					
Short-term loans		1,086		1,361	
Current portion of long-term loans		323		935	
Trade payables		6,188	*3,064*	6,610	*3,799*
Income tax payable		189		28	
Current financial liabilities		941		294	
Other current liabilities		4,106	*303*	3,390	
	[Total]	**12,833**		**12,618**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**54,500**		**50,502**	

(1) Net income is reported net of interim dividend equal to €1,235 million for 2006 and €1,169 million for 2005.

Press Release

Consolidated Statement of Cash Flows

Millions of euros

	2006	of which with related parties	2005	of which with related parties
Income for the year (shareholders of the Parent Company and minority interests)	**3,101**		**4,132**	
Adjustments for:				
Amortization and impairment losses of intangible assets	193		308	
Depreciation and impairment losses of property, plant and equipment	2,160		2,561	
Exchange rate gains and losses (including cash and cash equivalents)	(87)		22	
Provisions	820		781	
Financial (income)/expense	515		808	
Income taxes	2,067		2,147	
(Gains)/losses and other non-monetary items	(407)		(1,295)	
Cash flow from operating activities before changes in net current assets	*8,362*		*9,464*	
Increase/(decrease) in provisions including post-employment and other employee benefits	(749)		(814)	
(Increase)/decrease in inventories	(109)		125	*1*
(Increase)/decrease in trade receivables	449	*531*	(1,919)	*(1,365)*
(Increase)/decrease in financial and non-financial assets/liabilities	776	*118*	250	*(8)*
Increase/(decrease) in trade payables	(497)	*(542)*	1,265	*1,182*
Interest income and other financial income collected	312	*14*	202	*6*
Interest expense and other financial expense paid	(847)		(1,065)	
Income taxes paid	(941)		(1,815)	
Cash flows from operating activities (a)	**6,756**		**5,693**	
- of which: discontinued operations			*730*	
Investments in property, plant and equipment	(2,759)		(3,037)	
Investments in intangible assets	(204)		(220)	
Investments in entities (or business units) less cash and cash equivalents acquired	(1,082)		(524)	
Disposals of entities (or business units) less cash and cash equivalents sold	1,518		4,652	
(Increase)/decrease in other investing activities	153		221	
Cash flows from investing/disinvesting activities (b)	**(2,374)**		**1,092**	
- of which: discontinued operations			*(439)*	
Financial debt (new borrowing)	1,524		1,759	
Financial debt (repayments and other changes)	(1,995)	*(7)*	(5,283)	*12*
Dividends paid	(3,959)		(3,472)	
Increase in share capital and reserves due to the exercise of stock options	108		339	
Capital contributed by minority shareholders	-		3	
Cash flows from financing activities (c)	**(4,322)**		**(6,654)**	
- of which: discontinued operations			*(11)*	
Impact of exchange rate fluctuations on cash and cash equivalents (d)	**4**		**14**	
Increase/(decrease) in cash and cash equivalents (a+b+c+d)	**64**		**145**	

- of which: discontinued operations		*280*
Cash and cash equivalents at beginning of the year	508	363
- of which: discontinued operations		*133*
Cash and cash equivalents at the end of the year	572 (1)	508
- of which: discontinued operations (2)		-

(1) Of which short-term securities equal to €25 million at December 31, 2006.
(2) Cash and cash equivalents in respect of discontinued operations at the time of their disposal, equal to €413 million, were deducted from the gain on disposal included in the cash flow from disinvesting activities.

Enel SpA – Income Statement

Millions of euro

		2006	*of which with related parties*	2005	*of which with related parties*
Revenues					
Revenues from sales and services		1.114	*960*	1.079	*1.043*
Other revenues		72	*9*	26	*12*
	[SubTotal]	**1.186**		**1.105**	
Income from equity exchange transaction and sale of investments		**190**	*43*	**1.487**	
Costs					
Electricity and consumables		621	*29*	607	
Services		252	*91*	211	*69*
Personnel		87		91	
Depreciation and impairment losses		25		195	
Other operating expenses		40	*53*	176	*17*
	[SubTotal]	**1.025**		**1.280**	
Operating Income		**351**		**1.312**	
Income from investments		3.074	*3.074*	1.563	*1.542*
Financial income		778	*455*	639	*458*
Financial expenses		788	*214*	833	*288*
Income before taxes		**3.415**		**2.681**	
Income taxes		68		-14	
NET INCOME FOR THE PERIOD		**3.347**		**2.695**	

Press Release

Enel SpA – Balance Sheet

Millions of euro					
ASSETS		**At Dec. 31, 2006**		At Dec. 31, 2005	
			of which with related parties		*of which with related parties*
Non-current assets					
Tangibile assets		9		12	
Intangible assets		13		14	
Deferred tax assets		192		537	
Shares and participations		15.634		17.677	
Non-current financial assets (1)		2.749	*1.772*	1.850	*1.847*
Other non-current assets		27		350	
	[Total]	**18.624**		**20.440**	
Current assets					
Trade receivables		263	*254*	259	*234*
Tax receivables		200		277	
Current financial assets (2)		6.074	*6.047*	5.677	*5.611*
Cash and cash equivalent		78		46	
Other current assets		615	*233*	1.076	*391*
	[Total]	**7.230**		**7.335**	
TOTAL ASSETS		**25.854**		**27.775**	

(1) Of which non-current financing respectively for €2.466 millions at December 31, 2006 and for €1.554 millions at December 31, 2005.
(2) Of which current financing respectively for €5.708 millions at December 31, 2006 and for €5.396 millions at December 31, 2005.

Enel

ENERGY IN TUNE WITH YOU.

Press Release

Millions of euro

LIABILITIES AND SHAREHOLDERS' EQUITY		At Dec. 31, 2006		At Dec. 31, 2005	
			of which with related parties		*of which with related parties*
Equity					
Share capital		6.176		6.157	
Other reserves		4.491		4.331	
Retained earnings		1.821		3.010	
Net income for the period (1)		2.112		1.526	
TOTAL SHAREHOLDERS' EQUITY		**14.600**		**15.024**	
Non-current liabilities					
Long-term loans		8.165	*571*	7.155	
Post-employment and other employee benefits		430		440	
Provision for risks and charges		42		868	
Deferred tax liabilities		47		112	
Non-current financial liabilities		73		100	
	[Total]	**8.757**		**8.675**	
Current liabilities					
Short-term loans		991	*549*	1.968	*1.215*
Current portion of long-term loans		85		678	
Trade payables		423	*101*	357	*51*
Current financial liabilities		350	*75*	419	*32*
Other current liabilities		648	*222*	654	*491*
	[Total]	**2.497**		**4.076**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**25.854**		**27.775**	

(1) Net income is reported net of interim dividend equal to €1.235 million for 2006 and €1.169 million for 2005.

Press Release

Enel SpA - Statement of Cash Flow

Millions of euro	2006	of which with related parties	2005	of which with related parties
Income for the period	**3.347**		**2.695**	
Adjustment for:				
Depreciation of tangible and intangibile assets	17		13	
Exchange rate gain and losses	(7)	*0*	4	*0*
Provisions	32		297	*183*
Dividends received	(3.074)	*(3.074)*	(1.543)	*(1.543)*
Financial (Income) / Expenses	17	*(241)*	190	*(170)*
Income taxes	68		(14)	
(Gain)/Losses and other non monetary items	(215)	*(43)*	(1.492)	
Cash flow from operating activities before changes in net current assets	**185**		**150**	
Increase/(decrease) in provisions including post-employment and other employee benefits	(97)		(89)	
(Increase)/decrease in trade receivables	(3)	*(20)*	(26)	*5*
(Increase)/decrease in financial and non-financial assets/liabilities	812	*129*	(1.784)	*291*
Increase/decrease in trade payables	66	*50*	167	*7*
Interest income and other financial income collected	377	*245*	387	*245*
Interest expenses and other financial expenses paid	(548)	*(72)*	(238)	*(244)*
Incombe taxes paid (including tax consolidation effects)	(564)		1.375	
Cash flow from operating activities (a)	**228**		**(58)**	
Investments in tangibile and intangibile assets	(13)		(11)	
Investment in shares and participations	(1.080)	*(1.080)*	(1.908)	*(1.414)*
Sale of shares and participations	2.648	*358*	1.926	*1.336*
Cash flow from investing/disinvesting activities (b)	**1.555**		**7**	
Financial debt-new borrowing	1.081	*571*	1.088	
Financial debt-repayment	(70)		(538)	*(406)*
Changes in current net financing	(1.993)	*(899)*	1.028	*2.591*
Dividends paid	(3.951)		(3.383)	
Increase in share capital and reserves due to the excercise of stock options	108		339	
Dividends received	3.074	*3.074*	1.543	*1.543*
***Cash flow* from financing activities (c)**	**(1.751)**		**77**	
Increase/(decrease) in cash and cash equivalent (a+b+c)	**32**		**26**	
Cash and cash equivalent at beginning of the year	46		20	
Cash and cash equivalent at the end of the year	**78**		**46**	