ENERGY IN TUNE WITH YOU.

press release

Media Relations
Ph. +39 06 83055699
Fax +39 06 83053771
e-mail: ufficiostampa@enel.it

Investor Relations
Ph. +39 06 83057008
Fax +39 06 83053771
e-mail: investor.relations@enel.it
www.enel.it

Enel Board approves results at 30 September 2006

Revenues: 28,621 million euros, +17.0%
EBITDA: 6,264 million euros, +4.3%
EBIT: 4,885 million euros, +12.4%
Group net income: 2,640 million euros, -19.4%
(+12.4% excluding contribution of Wind and Terna)

Net financial debt: 12,510 million euros, +1.6%

Rome, 9 November 2006 – The Board of Directors of Enel SpA, chaired by Piero Gnudi, today examined and approved the results for the third quarter and the first nine months of 2006.

Consolidated financial highlights for the first nine months of 2006 (millions of euros):

	First nine months of 2006	First nine months of 2005	Change
Revenues	28,621	24,464	+17.0%
EBITDA	6,264	6,003	+4.3%
EBIT	4,885	4,345	+12.4%
Group net income	2,640	3,274	-19.4%
Net financial debt	12,510*	12,312**	+1.6%

** at 30 September 2006, ** at 31 December 2005*

Fulvio Conti, CEO, commented: **"I am very satisfied with the results achieved during the period, which confirm the validity of the actions we have already undertaken and will continue to pursue to improve our efficiency and stimulate growth. Thanks to these actions, we expect the Group's net income for 2006, excluding the contribution of Wind and Terna, to exceed that posted in 2005".**

OPERATIONAL HIGHLIGHTS

Demand for electricity in Italy rose 2.5% during the first nine months of 2006 to 252.5 TWh (terawatt-hours, or billions of kilowatt-hours) compared with the same period last year (Terna data). Of the total demand, 87.6% was met by domestic generation and 12.4% by net imports. The higher demand for electricity and the reduction in imports (-17.2%) were covered by an increase in net domestic generation (+5.7%).

In this context, despite Group's total sales to final customers decline from 110.4 TWh to 107 TWh (-3.1%), Enel increased **electricity sales** to the free market by 11.5% (from 13.6 TWh to 15.2 TWh, +1.6 TWh).

In the **gas market**, Enel continued its strategic focus on offers for small and medium-sized enterprises, increasing its customer base by 10.6% despite a decline in volumes sold from 3.5 billion cubic metres in the first nine months of 2005 to 3.2 billion cubic metres in the same period this year.

In **power generation**, Enel's power plants generated in Italy 80.1 TWh over the period (83.4 TWh in the first nine months of 2005). The decline was driven by the reduction in thermoelectric production (-3.9 TWh) which was partially offset by higher hydroelectric generation (+454 GWh - gigawatt-hours, or millions of kilowatt-hours), and geothermal generation (+148 GWh) as well as increased generation from other renewable resources (+42 GWh) due to the Group's new wind plants coming on-line. Enel's market share (net generation plus imports) stood at 34.7% in the first nine months of 2006, compared to 37.9% in the corresponding period of 2005.

The volumes of **electricity distributed** by Enel in Italy rose by 1.5%, from 187.7 TWh to 190.6 TWh.

Enel's **international operations** grew as a result of the contribution of the Romanian electricity distribution companies, Slovenske Elektrarne and the investment in the Russian electricity trading company RusEnergoSbyt. Enel's foreign electricity sales nearly doubled, growing from 5.6 TWh to 10 TWh (+78.1%), while electricity distribution rose from 6.6 TWh to 9.3 TWh (+40.5%). Net generation by Enel power plants outside Italy rose to 18.5 TWh, an increase of 8.3 TWh (of which 6.3 TWh from nuclear plants and 2.2 TWh from hydro facilities, compared to a slight reduction in the thermal supply and other sources) mainly attributable to Slovenske Elektrarne.

FINANCIAL HIGHLIGHTS

Consolidated results for the first nine months of 2006

Revenues totalled 28,621 million euros in the first nine months of 2006, an increase of 17% over the same period of 2005. Specifically, revenues for the International Division rose by 65.4%, while those of the Domestic Generation and the Energy Management Division increased by 23.5%. Revenues for the Domestic Sales Division grew by 11.4%.

EBITDA totalled 6,264 million euros for the period, representing an increase of 261 million euros (+4.3%) over the same period of 2005, mainly due to the expansion of the International Division (whose EBITDA rose to 617 million euros, + 80.9%) and the strong performance of other areas, especially the Domestic Sales Division (where EBITDA rose to 174 million euros, compared with 34 million euros in the first nine months of 2005).

EBIT came to 4,885 million euros in the first nine months of 2006, up 540 million euros (+12.4%) over the same period of 2005. In addition to the increase in EBITDA, 263 million euros

of the increase was attributable to income generated by the exchange of a 30.97% stake in Wind for 20.9% of Weather Investments.

Group net income came to 2,640 million euros, compared with 3,274 million euros in the same period of 2005 (-19.4%). Excluding the capital gain realized in connection with the sale of 43.85% of Terna, equal to 1,153 million euros, from the figures for the first nine months of 2005 and the net income generated by the aforesaid exchange of Wind for Weather shares, equal to 256 million euros, from the figures for the first nine months of 2006, Group ordinary net income increased by 263 million euros from 2,121 million euros to 2,384 million euros (+12.4%).

Net capital employed amounted to 31,015 million euros at 30 September 2006, 59.7% of which was financed by shareholders' equity of 18,505 million euros and 40.3% by net financial debt of 12,510 million euros. This figure increased by 198 million euros (+1.6%) from its level at 31 December 2005, primarily as a result of the acquisition of 66% of Slovenske Elektrarne and the consolidation of its debt, partially offset by the good performance of cash flow generated by operations. The **debt/equity ratio** at 30 September 2006 was 0.68, compared with 0.63 at end-2005.

Group employees at 30 September 2006 numbered 59,309, an increase of 7,531 on the 51,778 at 31 December 2005. The change in the Group's scope of consolidation was mainly attributable to the acquisition of Slovenske Elektrarne, Maritza East III Operating Company and RusEnergoSbyt, which resulted in the addition of 8,812 employees, while the net balance of new hires and terminations was a negative 1,281.

Consolidated results for the third quarter of 2006

Consolidated financial highlights for the third quarter of 2006 (millions of euros):

	Third quarter 2006	Third quarter 2005	Change
Revenues	9,556	8,312	+15.0%
EBITDA	1,903	1,801	+5.7%
EBIT	1,320	1,259	+4.8%
Group net income	662	1,359	-51.3%

Revenues of the period came to 9,556 million euros, an increase of 15% over the third quarter of 2005.

EBITDA totalled 1,903 million euros (+5.7%) and **EBIT** came to 1,320 million euros (+4.8%).

Group net income totalled 662 million euros. The corresponding figure for the third quarter of 2005 (1,359 million euros) includes 825 million euros which was attributable to the capital gain realized on the sale of 29.99% of Terna. Excluding this gain, net income rose by 24%, from 534 million euros in the third quarter of 2005 to 662 million euros in the third quarter of 2006.

SIGNIFICANT EVENTS FOLLOWING THE CLOSING OF THE THIRD QUARTER

October – In Bulgaria, Enel signed two Memorandum of Understanding. The first was with Nek (Bulgarian national electricity company) to increase the capacity of the Maritza East III power plant by 640 MW, and the second with Bulgargaz to build a gas pipeline along "Corridor 8" connecting Bulgaria to Italy.

In Greece, Enel reached an agreement to increase its stake in the electricity company, Enelco, to 75%. Enelco holds two licenses to develop gas combined-cycle plants and plans to participate in the development of plants starting with the tender for 400 MW recently announced by the Greek authorities.

In Brazil, Enel Latin America completed the acquisition from the Rede Group of 10 companies that operate 20 mini-hydroelectric plants with a total installed capacity of approximately 92 MW.

In the United States, Enel North America reached an agreement with Windkraft Nord USA to purchase rights to 63 MW in relation to the Snyder project to be developed in Texas.

OUTLOOK

During the third quarter of 2006 Enel finalized additional investments in France and Panama in the field of renewable energy resources, confirming the Group's strategy of expanding its international operations.
In Italy, Enel will continue to develop programmes to reduce costs and improve operating efficiency, as well as implementing strategies to optimize fuel supplies. Enel will also continue its initiatives to transform its power plants to the use of a more secure and efficient fuel mix.

On the basis of the results achieved in the first nine months of the year and the initiatives undertaken by Enel, we expect the Group's net income for 2006, excluding the contribution of Wind and Terna, to exceed that posted in 2005.

Taking account of cash flows from current operations and scheduled operations, net financial debt is expected to stand at around 14 billion euros at the end of the year.

At 17:30 a conference call will be held to present the results for the first nine months of 2006 to financial analysts and institutional investors. Journalists are also invited to listen in on the call. Documentation relating to the conference call will be available on Enel's website (www.enel.it) in the Investor Relations section from the beginning of the event.
The tables of the results of the main business areas (which do not include intercompany eliminations and the results of the Parent Company), together with the condensed consolidated income statement, balance sheet and the statements of cash flow, as well as a table detailing the components of consolidated net financial debt, are attached below.

RESULTS BY BUSINESS AREAS

Domestis Sales Division

Results (euro million):

	First nine months 2006	First nine months 2005	Change	Third quarter 2006	Third quarter 2005	Change
Revenues	15.662	14.061	11,4%	5.138	4.717	8,9%
Ebitda	174	34	-	12	-30	-
Ebit	93	-34	-	-20	-53	-62,3%
Capex	22	23	-4,3%	8	7	14,3%

Domestic Generation and Energy Management Division

Results (euro million):

	First nine months 2006	First nine months 2005	Change	Third quarter 2006	Third quarter 2005	Change
Revenues	11.723	9.492	23,5%	3.814	3.009	26,8%
Ebitda	2.645	2.928	-9,7%	795	683	16,4%
Ebit	1.961	2.092	-6,3%	548	424	29,2%
Capex	526	462	13,9%	210	142	47,9%

Domestic Infrastructure and Networks Division

Results (euro million):

	First nine months 2006	First nine months 2005	Change	Third quarter 2006	Third quarter 2005	Change
Revenues	4.080	4.058	0,5%	1.313	1.437	-8,6%
Ebitda	2.524	2.462	2,5%	788	883	-10,8%
Ebit	1.922	1.915	0,4%	588	698	-15,8%
Capex	979	1.083	-9,6%	331	371	-10,8%

International Division

Results (euro million)**:**

	First nine months 2006	First nine months 2005	Change	Third quarter 2006	Third quarter 2005	Change
Revenues	2.125	1.285	65,4%	861	483	78,3%
Ebitda	617	341	80,9%	244	126	93,7%
Ebit	415	202	105,4%	164	74	121,6%
Capex	228	166	37,3%	98	50	96,0%

Services and Other Activities

Results (euro million)**:**

	First nine months 2006	First nine months 2005	Change	Third quarter 2006	Third quarter 2005	Change
Revenues	782	1.089	-28,2%	272	396	-31,3%
Ebitda	141	182	-22,5%	44	78	-43,6%
Ebit	78	120	-35,0%	23	57	-59,6%
Capex	37	51	-27,5%	10	16	-37,5%

Condensed Consolidated Income Statement

3th Quarter 2006	3th Quarter 2005	Change	Change	Millions of euro	First nine months 2006	First nine months 2005	Change	Change
9,556	**8,312**	**1,244**	**15.0%**	**Total revenues**	**28,621**	**24,464**	**4,157**	**17.0%**
7,473	**6,412**	**1,061**	**16.5%**	**Total costs**	**21,813**	**18,687**	**3,126**	**16.7%**
(180)	**(99)**	**(81)**	**81.8%**	**Net income/(charges) from commodity risk management**	**(544)**	**226**	**(770)**	**-**
1,903	**1,801**	**102**	**5.7%**	**GROSS OPERATING MARGIN**	**6,264**	**6,003**	**261**	**4.3%**
-	-	-	**-**	**Income from equity exchange transaction**	**263**	**-**	**263**	**-**
583	542	41	7.6%	Depreciation, amortization and impairment losses	1,642	1,658	(16)	-1.0%
1,320	**1,259**	**61**	**4.8%**	**OPERATING INCOME**	**4,885**	**4,345**	**540**	**12.4%**
44	28	16	57.1%	Financial income	205	181	24	13.3%
247	227	20	8.8%	Financial expense	689	732	(43)	-5.9%
(203)	**(199)**	**(4)**	**2.0%**	**Net financial income/(expense)**	**(484)**	**(551)**	**67**	**-12.2%**
1	**(23)**	**24**	**-**	**Income/(expense) from equity investments accounted for using the equity method**	**(7)**	**(20)**	**13**	**-65.0%**
1,118	**1,037**	**81**	**7.8%**	**INCOME BEFORE TAXES**	**4,394**	**3,774**	**620**	**16.4%**
425	435	(10)	**-2.3%**	Income taxes	1,674	1,549	125	8.1%
693	**602**	**91**	**15.1%**	**INCOME FROM CONTINUING OPERATIONS**	**2,720**	**2,225**	**495**	**22.2%**
-	**889**	**(889)**	**-**	**INCOME FROM DISCONTINUED OPERATIONS**	-	**1,272**	**(1,272)**	**-**
693	**1,491**	**(798)**	**-53.5%**	**NET INCOME (Group and minority interests)**	**2,720**	**3,497**	**(777)**	**-22.2%**
31	132	(101)	-76.5%	Minority interests	80	223	(143)	-64.1%
662	1,359	(697)	-51.3%	Group net income	2,640	3,274	(634)	-19.4%
				Earning per share (euro)	*0.43*	*0.53*	*(0.10)*	*-18.9%*

[(1)] The diluted earning per share is equal to the earning per share.

Condensed Consolidated Balance Sheet

Millions of euro

	at Sept. 30, 2006	at Dec. 31, 2005	Change
ASSETS			
Non-current assets:			
- Property, plant and equipment and intangible assets	33,122	30,795	2,327
- Investment property	9	-	9
- Goodwill	2,134	1,575	559
- Equity investments accounted for using the equity method	2,012	1,797	215
- Other non-current assets [1]	2,688	3,589	(901)
Total	**39,965**	**37,756**	**2,209**
Current assets:			
- Trade receivables	7,686	8,316	(630)
- Inventories	1,319	884	435
- Cash and cash equivalents	687	476	211
- Other current assets [2]	4,265	3,070	1,195
Total	**13,957**	**12,746**	**1,211**
TOTAL ASSETS	**53,922**	**50,502**	**3,420**
LIABILITIES AND SHAREHOLDERS' EQUITY			
- Equity attributable to the shareholders of the Parent Company	17,893	19,057	(1,164)
- Equity attributable to minority interest	612	359	253
Total	**18,505**	**19,416**	**(911)**
Non-current liabilities			
- Long-term loans	11,243	10,967	276
- Provisions for risks and charges and for deferred tax liabilities	7,392	6,393	999
- Other non-current liabilities	1,087	1,108	(21)
Total	**19,722**	**18,468**	**1,254**
Current liabilities			
- Short-term loans and current portion of long-term loans	2,888	2,296	592
- Trade payables	5,528	6,610	(1,082)
- Other current liabilities and tax provision for the period	7,279	3,712	3,567
Total	**15,695**	**12,618**	**3,077**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**53,922**	**50,502**	**3,420**

[1] Of which long-term financial receivables: euro 217 million at September 30, 2006 and euro 63 million at December 31, 2005.

[2]) Of which short-term financial receivables: euro 717 million at September 30, 2006 and euro 412 million at December 31, 2005.

Condensed Consolidated Statement of Cash Flow

Millions of euro	First nine months	
	2006	2005
Cash flows from operating activities (a)	**5,403**	**4,991**
- of which discontinued operations		*730*
Investments on tangible and intangible assets	(1,795)	(2,236)
Investments in entities (or business units) less cash and cash equivalents acquired	(923)	(493)
Disposals of entities (or business units) less cash and cash equivalents sold	518	4,641
(Increase)/Decrease in other investing activities	49	163
Cash flows from investing/disinvesting activities (b)	**(2,151)**	**2,075**
- of which discontinued operations		*(439)*
Change in net financial debt	(408)	(2,793)
Dividends paid	(2,715)	(2,303)
Increase in share capital and reserves due to the exercise of stock options	77	296
Capital contributed by minority shareholders	-	3
Cash flows from financing activities (c)	**(3,046)**	**(4,797)**
- of which discontinued operations		*(11)*
Impact of exchange rate fluctuations on cash and cash equivalents (d)	**(2)**	**8**
Increase/(Decrease) in cash and cash equivalents (a+b+c+d)	**204**	**2,277**
- of which discontinued operations		*280*
Cash and cash equivalents at beginning of the period	508	363
- of which discontinued operations		*133*
Cash and cash equivalents at end of the period	712 (1)	2,640
- of which discontinued operations (2)		-

(1) Of which euro 25 million of other securities at September 30, 2006.

(2) Cash and cash equivalents related to discontinued operations, which at the time of the disposal was equal to euro 413 million, has been deducted from the capital gain included in the cash flows from disinvesting activities.

Net Financial debt

Millions of euro

	at Sept. 30, 2006	at Dec. 31, 2005	Change
Long-term debt:			
Bank loans	2,674	2,782	(108)
Bonds	8,299	8,043	256
Other loans	270	142	128
Long-term debt	*11,243*	*10,967*	*276*
Long-term financial receivables	*(217)*	*(63)*	*(154)*
Net long-term debt	**11,026**	**10,904**	**122**
Short-term debt:			
Bank loans:			
- short-term portion of long-term debt	234	399	(165)
- other short-term bank debt	668	970	(302)
Short-term bank loan	*902*	*1,369*	*(467)*
Bonds (short-term portion)	487	487	-
Other loans (short-term portion)	50	49	1
Commercial paper	1,423	275	1,148
Other short-term financial loans	26	116	(90)
Other short-term debt	*1,986*	*927*	*1,059*
Long-term financial receivables (short-term portion)	(6)	(3)	(3)
Factoring receivables	(187)	(374)	187
Other short-term financial receivables	(499)	(3)	(496)
Cash and cash equivalents	(712)	(508)	(204)
Cash and cash equivalents and short-term financial receivables	*(1,404)*	*(888)*	*(516)*
Net short-term financial debt	**1,484**	**1,408**	**76**
NET FINANCIAL DEBT	**12,510**	**12,312**	**198**