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ENEL COMPLETES SALE OF 13.86% OF TERNA SUBSIDIARY THROUGH ACCELERATED BOOKBUILDING PROCEDURE FOR ITALIAN AND INTERNATIONAL INSTITUTIONAL INVESTORS

- *Sold 277,162,000 Terna shares, equal to 13.86% of the share capital, for a total consideration of 568 million euro*

Rome, 31 March 2005 - Enel SpA (Enel) announces that it has completed the sale, launched late yesterday afternoon, of 277,162,000 shares, equal to 13.86% of share capital, of its subsidiary Terna SpA (Terna) through an accelerated bookbuilding procedure. The proceeds of the sale totalled 568 million euro, generating a consolidated capital gain of 314 million euro for Enel.

On the basis of the consolidated figures approved by its Board of Directors on 15 February 2005, in 2004 Terna posted revenues of 1,023 million euro, EBITDA of 683 million euro, EBIT of 512 million euro and net income of 236 million euro.

The transaction, which was structured as a competitive bid procedure with the participation of Italian and international institutional investors, was highly successful, with a final allotment price of 2,05 euro per share, in line with Terna's current market price. The transaction will be settled through delivery of shares and payment of consideration on April 5, 2005.

The transaction was part of Enel's announced strategy to progressively reduce its stake in Terna. Law 290/2003 (reaffirmed by the Prime Minister's Order of 11 May 2004) requires Enel to reduce its holding in Terna to no more than 20% by 1 July 2007. Terna's bylaws, which were recently amended in compliance with the Prime Minister's Order, limit the voting rights of electricity companies (including Enel) in the appointment of Directors to 5%. This restriction will only come into effect once the operations of Gestore della Rete di Trasmissione Nazionale SpA are transferred to Terna.

Following the offering and the announced disposal of up to 30% of Terna to Cassa Depositi e Prestiti, Enel's investment in Terna will decrease to just over 6.1%. The stake will decrease even further (to approximately 5%) following the vesting – expected for December 2005 – of bonus share rights acquired by subscribers of Terna's IPO in June 2004.

Mediobanca and Goldman Sachs International, who also acted as global coordinators for Terna's IPO and are currently acting as financial advisors to Enel in the disposal of up to 30% of Terna to Cassa Depositi e Prestiti, acted as bookrunners for the placement. Cazenove acted as co-lead manager.

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