

ENEL: ENEL.SI FRANCHISING PROJECT TOGETHER WITH SVILUPPO ITALIA

Rome, January 15, 2002 - Enel.si, the Enel Group's system installation and integrated services company, and Sviluppo Italia have signed an agreement for the development of companies in Southern Italy that serve families and companies in the areas of electrical system safety, energy saving and comfort.

The agreement, one of the most significant in the context of the agreements so far stipulated by Sviluppo Italia in application of Legislative Decree 185/2000 (which contains the bulk bill for self-employment and independent entrepreneurship), will facilitate the creation of 150 new Enel.si franchising companies, which should be created within five years, utilizing the new norm favouring self-employment through the disbursement of support funds to new enterprises in the South, up to a total worth of 38 billion lire (about 20 million euro)

Sviluppo Italia will see to the selection and business-training of new Enel.si concession holders in the regions of Southern Italy (Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sicily, Sardinia). The chosen concession holders will be able to take advantage of financial incentives that may cover 100% of the investment expenses and part of the start-up costs; special rate mortgages are also foreseen for initial investments and non-recoverable contributions for the first year of operation.

Enel.si will initially provide the collaboration needed for the evaluation of companies interested in the agreement and, subsequently, it will see to the training and tutoring of those selected to start-up businesses.

The Enel.si network will cover the entire national territory with 2,500 shops by 2004. Of these, 1,000 will be in the South