



## **VIESGO BECOMES PART OF THE ENEL GROUP ENEL AND ENDESA SIGN DEFINITIVE AGREEMENT AFTER OBTAINING THE GO AHEAD FROM THE RELEVANT SPANISH AND EUROPEAN UNION AUTHORITIES**

- **The Chief Executive of Enel, Franco Tatò, and the Chief Executive of Endesa, Rafael Miranda, today signed in Madrid, in the presence of the presidents of Enel and Endesa, Chicco Testa and Rodolfo Martin Villa, the definitive deed of transfer of the ownership of Viesgo to Enel.**
- **With this operation a new operator enters the Spanish electricity market, active in the distribution of electrical energy in the autonomous regions of Asturia, Cantabria, Castiglia Leon and Galizia, and in generation with plants in Andalusia, Aragona, Asturia, Cantabria, Castillia-La Mancha, Castillia Leon and Catalonia.**
- **Viesgo boasts generating capacity of 2,365 MW and 500,703 clients in distribution.**
- **Enel, with this acquisition,, enters as the fifth integrated operator in the Spanish electricity market which has one of the highest rates of growth in electricity demand in Spain.**

**Madrid, January 8, 2002.** ENDESA and Enel today signed in Madrid the definitive deed of sale of Viesgo to Enel, which was awarded the company after a competitive auction which ended in September, 2001.

The signing was carried out in accordance with the pre-established terms, after receiving the authorization of the Spanish and European authorities.

The signatories were the Chief Executive of Endesa, Rafael Miranda, and the Chief Executive of Enel, Franco Tatò, in the presence of the two presidents, Rodolfo Martín Villa of Endesa and Chicco Testa of Enel, and the industry representative of the region of Cantabria, Pedro Nalda.

The price paid by Enel for 100% of the shares of the company was 1.870 billion euros, with the addition of 277 million euros in debt.



The conclusion of this operation paves the way for the entry into the Spanish electricity market of a new operator, active in distribution in the autonomous regions of Asturias, Cantabria, Castillia Leon and Galizia, and in generation with plants in Andalusia, Aragona, Asturias, Cantabria, Castillia-La Mancha, Castillia Leon and Catalonia.

These activities ensure the company a significant share, 5%, of the peninsula's installed capacity, and 2.4% of the distribution market, which will contribute to greater competitiveness in this market.

Immediately following the signing, the new board of Viesgo met. Its members are: Miguel Antoñanzas, Vincenzo Cannatelli, Antonino Craparotta, Gian Filippo Mancini, Ricardo Rueda, Francesco Starace and Paolo Pallotti. The new board saw to the designation of Ricardo Rueda as President and Miguel Antoñanzas as Chief Executive.

- **Viesgo's Activities**

The Viesgo group, the fifth Spanish electricity operator, consists of three companies: a Holding and two operating companies, one active in the distribution of electrical energy and one in its generation.

The Distribution activities are carried out entirely by Electra de Viesgo, which includes 54.8% of Begasa, with a total of 500,703 clients, whose demand for energy in 2000 was 4,870 GWh. Electra de Viesgo's activities extend from Cantabria to the areas of Asturias, Palencia, Burgos and Lugo.

As far as its Generation activities are concerned, Viesgo has installed capacity of 2,365 MW with plants in Andalusia, Aragona, Asturie, Cantabria, Castilla-La Mancha, Castillia León, and Catalonia. The plants are thus divided: coal plants 944 MW (40%), gas 753 MW (32%), hydro-electric 307 MW (13%) and hydro-electric with pump storage 361 MW (15%). In 2000, the production of electrical energy was 7,483 GWh.

The coal plants are the following: Cercs for 160 MW, Escucha also for 160 MW, Puertollano for 221 MW, Escatrón for 80 MW and Puente Nuevo for 324 MW. The gas plants of Algeciras produce 753 MW. The hydro-electric plants include plants in Picos (32 MW), Navia (162 MW), Alto Esla, (85 MW) and the plants of Aguayo, 389 MW of which 361 MW from pump storage and 28 MW from conventional sources.