

ENELPOWER: JOINT DEVELOPMENT OF PROJECTS WITH INEPAR

Equity stake not to be purchased, however

Rome, February 20, 2001 – Enelpower, in agreement with Inepar Construcoes, currently majority shareholder of the project development company Inepar Energia, has decided not to proceed with the acquisition of a direct equity investment in the latter company. Enelpower and Inepar Construcoes are, however, on the basis of specific agreements, to continue with projects currently underway.

Thus, development of the projects regarding the 1,100 Km 500 kV transmission line from Serra de Mesa to Governador Mangabeira, the coal-fired 1,320 MW power station at Sepetiba and the 240 MW power station at Tucuman, in Argentina, is to go ahead.

The parties, moreover, reserve the right to examine and jointly develop other future projects of mutual interest as they arise.