



Enel responds to ruling by Italian Antitrust Authority

NO COMBINED OFFER OF ENEL'S AND WIND'S SERVICES IN THE PAST, PRESENT OR EVEN IN THE FUTURE

NO HORIZONTAL INTEGRATION OF THE DIFFERENT AREAS OF DIVERSIFICATION WITHIN THE ENEL GROUP

ENEL TO HAVE BELOW 40% OF ELECTRICITY GENERATION MARKET BY 2003 AND LESS THAN 40% OF LIBERALIZED MARKET BY 2001

Rome, March 7, 2001 – Enel, in response to the Italian Antitrust Authority's decision to make approval of its acquisition of Infostrada conditional on the sale of at least 5,500 MW of generating capacity, communicates that on January 10, 2001 Enel's Managing Director, Franco Tatò, sent a letter to the Chairman of the Antitrust Authority, Giuseppe Tesauro, in which he clarified the objectives and the logic behind the Enel Group's diversification strategies.

The letter provided formal assurances regarding the following aspects:

1. Enel and Wind "have never jointly marketed telecommunications services and electricity, nor do the two companies intend to do so in the future, partly due to the different shareholding structures of the two groups."
2. The management of Wind is entirely separate (from industrial, financial and commercial points of view) from that of Enel and the other companies in the Group. So much so that services "such as call centers and invoicing (or any other customer service) are separate, and there are no plans regarding their possible future integration".
3. Regarding the assumed reinforcement of Enel's dominant position in the electricity market as a result of the acquisition of Infostrada, it was underlined that on the contrary Enel's position was due to be significantly weakened following the current liberalization process.
4. Enel is implementing the Bersani Decree, which requires Enel to come down to below 50% of electricity generation by 2003, to the letter.
5. **Following the sale of Eurogen, Elettrogen and Interpower, Enel's share of the generation market in 2003 will be around 40%, whilst as early as 2001 its share of the liberalized market will be less than 40%.**
6. Enel's strategies are purely aimed at diversification and not horizontal integration. They are consistent with the liberalization of the electricity sector and constitute a cornerstone of the fully and truly liberalized telecommunications sector.



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