

ENEL SIGNS MEMORANDUM OF UNDERSTANDING WITH EGYPTIAN MINISTRY OF PETROLEUM

- *This agreement aims at the cooperation in gas upstream projects to further develop new gas resources for the benefit of the domestic market and potential export.*

Rome, 18th May, 2010 – Today Enel, represented by Massimo Sciancalepore, Head of Business Development, Upstream Gas Division, and the Ministry of Petroleum of the Arab Republic of Egypt, represented by H.E. Ashraf Rashed, Ambassador of the Arab Republic of Egypt in Rome, signed a cooperation agreement aimed at strengthening the long-standing strategic relationship between Enel and the Egyptian Natural Gas Holding Company (EGAS), dating back to 2008.

The involvement of foreign companies has a beneficial effect for the further development of the Egyptian gas sector and, to this extent, Enel and the Egyptian Ministry of Petroleum will cooperate to identify new areas for exploration and to evaluate potential opportunities for Enel to access other concessions, in addition to the one in the Nile Delta obtained in consortium with Total in May 2009.

Specifically, through this agreement, Enel could take part in the coming bid rounds to explore gas and crude oil in open areas and farm in an existing concession area either to replace present contractors or to share with them. Additionally, Enel and EGAS recently agreed to extend their cooperation in the Liquefied Natural Gas (LNG) sector in order to carry on the activities already identified by the respective Working Groups as well as to conduct joint studies, negotiate and exchange information with relevant parties and the authorities.

Along with this agreement Enel has already signed last year a *Memorandum of Understanding* with the Electricity Egyptian Holding Company (EECH) aimed at improving the performances of Egyptian thermal power plants as well as at developing renewable energy. Within the framework of this MoU, Enel will provide EEHC with technological know-how to streamline thermal power plants, introduce more advanced maintenance systems and new training programmes for technical personnel. Furthermore, the MoU is focused on the introduction of renewable energy generation systems, in particular the potential development of concentrated solar power.

The Egyptian Ministry of Electricity and Energy commits to assisting Enel, thus promoting its cooperation with local administrations, research centres and energy companies.

On May 13, 2009 Enel, together with Total, was also awarded the concession for the exploration activities in Block 4, in the offshore areas in front of the Nile Delta; the related Production Sharing Agreement was signed between the parties on the 16th of February 2010.