



PRESS RELEASE

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ENEL: ANALYSIS OF POSSIBLE CORPORATE REORGANISATION OF THE GROUP IN CHILE BEGINS

Rome/Santiago de Chile, August 25th, 2017 – Enel S.p.A. ("Enel") announces that today the Board of Directors of the subsidiary Enel Chile S.A. ("Enel Chile") launched the analysis of a possible corporate reorganisation of the Enel Group's shareholdings in Chile which is based on a non-binding proposal formulated by Enel Chile and sent to Enel in July. The launch of the analysis follows the examination carried out today by Enel Chile's Board of Directors of a letter received on the same date from Enel in which the latter expressed a favourable preliminary opinion on the above reorganisation proposal.

Enel expressed this favourable opinion following the conclusion that the transaction is in line with some of the Group's strategic objectives, including the simplification of the ownership structure of the Group's Chilean listed companies.

The proposed corporate reorganisation envisages the following two phases, each of which is conditional on the implementation of the other:

- the integration into Enel Chile of the Chilean renewable assets held by the Enel Group's company Enel Green Power Latin America Ltda ("EGP Latin America") through the merger by incorporation of the latter into Enel Chile;
- the launch by Enel Chile of a public tender and exchange offer (the "Offer") for all of the shares of the subsidiary Enel Generación Chile S.A. ("Enel Generación Chile") held by minority shareholders (equivalent to approximately 40% of the share capital). The effectiveness of the Offer will be conditional on the acquisition of a total number of shares that would enable Enel Chile to increase its stake in Enel Generación Chile to over 75% of the share capital from the current 60%. The Offer's consideration is expected to be paid partly in cash and partly with shares to be issued by Enel Chile through capital increase.

The effectiveness of the Offer will also be subject to the approval by Enel Generación Chile's Shareholders' Meeting of an amendment to the Company's bylaws that, in line with the indications of Enel's above mentioned letter, removes the existing limits to share ownership in the company, which currently do not allow any single shareholder to own more than 65% of the company's share capital.

Enel Chile's Board of Directors also agreed to the conditions that Enel considers fundamental to its support for the proposed transaction, as indicated in the aforementioned letter. These conditions require that the transaction:

- shall be carried out on market terms and conditions, taking due account of the growth prospects for renewable energy generation in Chile;
- shall ensure that, once the transaction is completed, Enel retains a shareholding in Enel Chile substantially similar to its current holding (i.e. 60.6%) and that Enel does not lose control of Enel Chile at any time, in compliance with the 65% limit on share ownership provided in the company's bylaws;



- shall ensure an increase in Enel Chile's earnings per share ("EPS").

Enel Chile's Board of Directors has also voted to start, alongside the aforementioned analysis, in-depth studies and additional activities necessary to verify the feasibility of the above transaction and declared that the latter is subject to local laws and regulations on transactions with related parties.