**Enel Investment Holding B.V.**

*Interim Financial Report*
*at 30 June 2009*

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# Interim
# Director's Report

## General Information

Management of the company hereby presents its half-year financial report at and for the six months ended at 30 June 2009.

Enel Investment Holding B.V. (hereafter: the "Company" or "Enel") is a private limited liability Company, where 100% of the shares are held by Enel SpA, the ultimate parent company, having its statutory seat in Rome Italy. Enel Investment Holding B.V., having its statutory seat at Weteringschans 28 (sous) in Amsterdam The Netherlands, was incorporated on 15 December 2000 under Dutch Law.

The purpose of the Company is to carry on activities and to invest directly or indirectly in companies or ventures that conduct their business:

- in the electricity industry, including all the activities of production, distribution and sale, as well as transmission;
- in the energy industry in general, including fuels, and in the field of environmental protection, as well as water sector;
- in the communications, telematics, information-technology industries and those of multimedia and interactive services;
- in network-based sectors (electricity, water, gas, district heating, telecommunications) on those which, in any case, provide urban services;
- in other sectors in any way related or connected with the activities carried out in the sectors mentioned above.

The Enel Investment Holding B.V. structure is as follows:

| **Generation and Energy Management Plant Construction** | | **Services and Other Activities** | |
|---|---|---|---|
| > Enelco SA - *Greece* | *75%* | > Enel.Re Ltd. - *Ireland* | *100%* |
| > Enel France Sas - *France* | *100%* | > Pragma Energy SA - *Switzerland* | *100%* |
| - Enel Erelis Sas - *France* | *100%* | | |
| - Soc.du Parc Eolien Grandes Terres Est Eurl - *France* | *100%* | | |
| > Enel Albania SHPK – *Albania* | *100%* | | |
| > Enel Productie Srl - *Romania* (formerly Global Power Investment Srl) | *100%* | | |
| > Enel Rus Llc - *Russia* | *99%* | | |
| > Latin America Energy Holding BV – *The Netherlands* | *100%* | | |
| > Linea Albania-Italia SHPK - *Albania* | *100%* | | |
| > Marcinelle Energie SA - *Belgium* | *80%* | | |
| > OGK-5 - *Russia* | *55,9%* | | |

# Significant events in the 1st Half of 2009

## Sale of Enel Green Power International B.V.

As the final step of the corporate reorganization started in 2008 and regarding the international shareholdings owned by the Enel Investment Holding B.V. and Enel Group in the renewable sector, on 1 January 2009, the Company sold its participation in EGPI B.V., for an amount of EUR 1.690 million, equal to the book value, to the new group company Enel Green Power S.p.A., organized under the laws of Italy and directly owned by Enel S.p.A., operating in the Italian renewables business.

## Participation to a nuclear project in Romania

In March 2009, Enel subscribed a total number of shares equal to 9.15% of the new incorporated Romanian company EnergoNuclear S.A. for an overall exposure of about EUR 3 million, with the aim of participate to the "Cernavoda3&4 project" consisting in the development, financing, construction and operation of two additional nuclear units of 720 MW each located in Cernavoda, Romania.

## New agreement on Severenergia

On 15 May 2009 Enel and Eni signed an agreement with Gazprom for the sale to the latter of a 51% stake in the share capital of SeverEnergia, the company holding the entire share capital of Arcticgaz, Urengoil and Neftegaztechnologia, that in their turn hold hydrocarbon exploration and production licenses covering oil and gas reserves estimated at 5 billion BOE (Barrels of Oil Equivalent) overall. Once the transaction is completed, Enel's interest currently held in SeverEnergia, through the associated company Artic Russia B.V., will be reduced from 40% to 19.6% while Eni's interest will decrease from 60% to 29.4%.

As a result of the agreement, SeverEnergia, which employs over 500 people in the offices of Moscow and Novy Urengoy, will become the first Russian-Italian company actively operating in the Yamal Nenets region in Western Siberia. The region currently produces some 90% of Russian gas. The parties also agreed to start producing gas by June 2011 from the Samburskoye field and to reach a production level of at least 150,000 BOE per day within two years from the start of production. The parties agreed to cooperate on the renewal and updating of licenses as well as on setting the details of the fields' development plan.

Gazprom will pay approximately 1.5 billion US dollars for the purchase of the 51% stake in SeverEnergia. The payment will be made in two instalments between 2009 and 2010. The amount due to Enel totals around 600 million US dollars and the amount due to Eni totals some 900 million US dollars. The closing of the transaction is expected by the end of September 2009.

## Additional acquisition of Enel Productie Srl

On 21 May 2009, following a shares sale-purchase agreement, the Company acquired an additional 15% of Enel Productie Srl, a Romanian company which is developing a project of construction of a coal power plant in Romania, for an amount of EUR 33 thousand. With the completion of this additional acquisition, Enel's stake in Enel Productie reached the 100%.

# Overview of the Group's performance and financial position

## Definition of performance indicators

In order to present the results of the Group and analyze its financial structure, the Company has prepared separate reclassified schedules that differ from those envisaged under the IFRS-EU adopted by the Group and presented in the consolidated financial statements. These reclassified schedules contain different performance indicators from those obtained directly from the consolidated financial statements, which management feels are useful in monitoring Group performance and representative of the financial performance of the Group's business.

In accordance with recommendation CESR/05-178b published on 3 November 2005, the criteria used to calculate these indicators are described below:

*Gross operating margin*: an operating performance indicator, calculated as "Operating income" before "Depreciation, amortization and impairment losses";

*Net non-current assets:* calculated as the difference between "Non-current assets" and "Non-current liabilities" with the exception of:

> "Deferred tax assets";
> "Financial receivables due from other entities", "Other securities designated at fair value through profit or loss" and other minor items reported under "Non-current financial assets";
> "Long-term loans";
> "Post-employment and other employee benefits";
> "Provisions for risks and charges";
> "Deferred tax liabilities".

*Net current assets:* calculated as the difference between "Current assets" and "Current liabilities" with the exception of:

> "Receivables for factoring advances", "Long-term financial receivables (short-term portion), "Other securities" and other minor items reported under "Current financial assets";
> "Cash and cash equivalents";
> "Short-term loans" and the "Current portion of long-term loans".

*Net capital employed*: calculated as the algebraic sum of "Net non-current assets" and "Net current assets", provisions not previously considered, "Deferred tax liabilities" and "Deferred tax assets", as well as "Net assets held for sale".

*Net financial debt*: a financial structure indicator, determined by "Long-term loans", the current portion of such loans and "Short-term loans" less "Cash and cash equivalents", "Current financial assets" and "Non-current financial assets" not previously considered in other balance sheet indicators.

**Main changes in the scope of consolidation**

In the two periods examined here, the scope of consolidation changed as a result of the following main transactions:

**2008**

> the acquisition, on 5 March 2008, of a 85% stake in Enel Productie S.R.L. (formerly Global power Investment S.R.L.), a Romanian company which is developing a project of construction of a coal power plant in Romania. The purchase price was EUR 0.2 million; goodwill amounts to EUR 0,1 million.

> the acquisition, on 19 May 2008, of 100% of International Wind Parks of Crete S.A. and Hydro Constructional S.A., which operate in Greece in the generation of electricity from renewables; the purchase price was EUR 23 million; goodwill amounts to EUR 16 million;

> the conclusion, on 28 May 2008, of the changes in the governance arrangements of OGK-5, which gave Enel full control as from that date. Enel Investment Holding B.V. , had acquired 59.80% of the Russian company in a series of purchases, of which 22.65% in the public tender completed on 6 March 2008, before selling a minority stake of 4.1% on 25 June 2008. As from 28 May 2008, the company is consolidated on a line-by-line basis. The purchase price was EUR 2,478 million, goodwill amounts to EUR 1,515 million;

> the incorporation on 5 June 2008 of a new Dutch company named Enel Green Power International B.V. 100% owned by the Company to which all the international shareholdings held by Enel Investment Holding B.V. and Enel Group in the renewable sector has been contributed during the 2008;

> the acquisition, on 30 June 2008, of a 80% stake in Marcinelle Energie S.A., which is building a combined-cycle gas turbine plan in Belgium; the purchase price amounted to EUR 37 million. The company is consolidated taking account of the put option on 20% granted to Duferco (shareholder of Marcinelle Energie S.A.) at the time of the sale, the estimated value of the put option at 31 December 2008 amounted to EUR 29 million; goodwill amounts to EUR 63 million;

> the contribution at book value, on 25 September 2008, by Enel Green Power Holding Sarl of 100% of Enel North America Inc. and Enel Latin America Llc. for an amount of respectively EUR 596 million and EUR 271 million. These two American companies operate in the generation of electricity from renewable resources;

**2009**

The disposal, on 1 January 2009, at book value, of the entire capital of the Dutch company Enel Green Power International B.V. which held, directly and indirectly, the following shareholdings:

a. ELA B.V.;
b. Enel Latin America Llc.;
c. Americas Generation Corporation;
d. Inelec Srl de cv;
e. Blue Line S.r.l.;

f. Enel Green Power Bulgaria EAD;
g. Enel North America Inc.;
h. Hydro Constructional S.A.;
i. International Wind Parks of Crete S.A.;
l. International Wind Parks of Thrace S.A;
m. International Wind Power S.A.,
n. Wind Parks of Thrace S.A.

> the acquisition, on 21 May 2009, of a further 15% stake in Enel Productie S.R.L. for an amount of EUR 0.03 million.

In the income statement and statement of cash flows at 30 June 2008, the results related to the companies belonging to the "Renewable Project" are reported as discontinued operations for comparative purpose.

## Group performance on the Profit & Loss

| Millions of euro | 1st Half | | |
|---|---|---|---|
| | **2009** | **2008** | **Change** |
| **Total revenues** | **638** | **230** | **408** |
| **Total costs** | **518** | **210** | **308** |
| **GROSS OPERATING MARGIN** | **120** | **20** | **100** |
| Depreciation, amortization and impairment losses | 65 | 7 | 58 |
| **OPERATING INCOME** | **55** | **13** | **42** |
| Financial income | 59 | 45 | 14 |
| Financial expense | (78) | (77) | (1) |
| **Total financial income/(expense)** | **(19)** | **(32)** | **13** |
| **Share of gains/(losses) on investments accounted for using the equity method** | **3** | **9** | **(6)** |
| **PROFIT/(LOSS) BEFORE TAXES** | **39** | **(10)** | **49** |
| Income taxes | (31) | 3 | (34) |
| **Profit/(Loss) from *continuing* operations** | **70** | **(13)** | **83** |
| **Profit/(Loss) from *discontinued* operations** | **-** | **36** | **(36)** |
| **NET PROFIT/(LOSS) (Group and minority interests)** | **70** | **23** | **47** |
| Minority interests | 28 | 6 | 22 |
| **GROUP NET PROFIT/(LOSS)** | **42** | **17** | **25** |

***Revenues*** in the 1st Half of 2009 increased by EUR 408 million, rising from EUR 230 million to EUR 638 million. The performance was related to the following factors:

> an increase of EUR 376 million in "Revenues from the sale and transport of electricity", EUR 326 million as a result of the consolidation of OGK-5 following the full control acquired as from 28 May 2008, EUR 49 million of higher sales revenues from Enel France (mostly in connection with the electricity sales made in connection with the agreements with EdF).

> an increase of EUR 31 million in "Other sales and services" mainly attributable to auxiliary services rendered by OGK-5 (EUR 30 million).

The ***gross operating margin*** totaled EUR 120 million, up EUR 100 million compared with the 1st Half of 2008. The increase reflects an increase of EUR 88 million due to the acquisition of OGK-5 and an increase of EUR 9 million related to Enel France deriving from increased electricity sales to a larger number of customers and the positive result of commodity risk management; diminished by the decrease due to the changes in the scope of consolidation.

***Operating income*** for the 1st Half of 2009 came to EUR 55 million, an increase of EUR 42 million over the same period of 2008, net of an increase in depreciation, amortization and impairment of EUR 58 million, EUR 57 million of which relates to OGK-5.

***Net financial expense*** decreased by a total of EUR 19 million in the 1st Half of 2009. This change is essentially due to the decrease in average net debt following the disposal of Enel Green Power International B.V. on 1 January 2009 for an amount of Euro 1.690 million partially balanced by the increase of the financial expenses related to OGK-5 (EUR 8 million) .

The result of ***investments accounted for using the equity method*** in the1st Half of 2009 was a positive EUR 3 million, compared with a net income of EUR 9 million in the1st Half of 2008. It reflects essentially the positive contribution of the investments accounted for using the equity method held by OGK-5 (EUR 3 million).

**Capital expenditure**

Capital expenditure totaled EUR 275 million at 30 June 2009, (EUR 90 million in the corresponding period of 2008), the increase of EUR 185 million mainly relates to the change in the scope of consolidation due to the incorporation of OGK-5 for EUR 171 million (EUR 29 million at 30 June 2008); capital expenditure also referred to spending on the combined-cycle plant of Marcinelle (EUR 66 million) and Erelis (EUR 35 million).

## Analysis of the Group's financial position

### *Net capital employed and related funding*

The following schedule shows the composition of and changes in *net capital employed*:

Millions of euro

| | 30 June 2009 | 31 Dec. 2008 | Change |
|---|---|---|---|
| **Net non-current assets:** | | | |
| - property, plant and equipment and intangible assets | 2,602 | 3,682 | (1,080) |
| - goodwill | 1,208 | 1,720 | (512) |
| - equity investments accounted for using the equity method | 822 | 1,326 | (504) |
| - other net non-current assets/(liabilities) | 178 | 56 | 122 |
| **Total** | **4,810** | **6,784** | **(1,974)** |
| **Net current assets:** | | | |
| - trade receivables | 86 | 145 | (59) |
| - inventories | 51 | 76 | (25) |
| - other net current assets/(liabilities) | (195) | (277) | 82 |
| - trade payables | (240) | (236) | (4) |
| **Total** | **(298)** | **(292)** | **(7)** |
| **Gross capital employed** | **4,512** | **6,492** | **(1,980)** |
| **Provisions:** | | | |
| - post-employment and other employee benefits | (36) | (39) | 3 |
| - provisions for risks and charges | (219) | (113) | (106) |
| - net deferred taxes | (252) | (261) | 9 |
| **Total** | **(507)** | **(413)** | **(94)** |
| **Net capital employed** | **4,005** | **6,079** | **(2,074)** |
| **Total shareholders' equity** | **3,523** | **3,682** | **(159)** |
| **Net financial debt** | **482** | **2,397** | **(1,915)** |

*Net capital employed* went from EUR 6,079 million at 31 December 2008 to EUR 4,005 million at 30 June 2009, and is financed by shareholders' equity attributable to the Group and minority interests in the amount of EUR 3,523 million and net financial debt of EUR 482 million. With regard to the latter figure, the debt-to-equity ratio at 30 June 2009 is 0,14 (compared with 0.65 at 31 December 2008).

## *Net financial debt*

*Net financial debt* and changes in the period are detailed in the table below:

Millions of euro

| | 30 June 2009 | 31 Dec. 2008 | Change |
|---|---|---|---|
| **Long-term debt:** | | | |
| - bank loans | 73 | 64 | 9 |
| - bonds | 522 | 584 | (62) |
| - other loans from Third parties | 17 | 153 | (136) |
| - other loans from Enel Group's Companies | 309 | 337 | (28) |
| *Long-term debt* | *921* | *1,138* | *(217)* |
| Long-term financial receivables and securities | (466) | (345) | (121) |
| Other m/l term financial receivables - Enel SpA | (522) | (522) | - |
| **Net long-term debt** | **(67)** | **271** | **(338)** |
| **Short-term debt:** | | | |
| Bank loans: | | | |
| - short-term portion of long-term debt | - | 16 | (16) |
| - other short-term bank debt | 83 | 45 | 38 |
| *Short-term bank debt* | *83* | *61* | *22* |
| Bonds (short-term portion) | 114 | 133 | (19) |
| Other loans from Third parties (short-term portion) | - | 23 | (23) |
| Intercompany current account - Enel SpA | *561* | 2,168 | *(1,607)* |
| Other short-term loans from Enel Group's Companies | 70 | 195 | (125) |
| Other short-term loans | | 4 | (4) |
| *Other short-term debt* | *745* | *2,523* | *(1,778)* |
| Long-term financial receivables (short-term portion) | - | (20) | 20 |
| Long-term financial receiv (short-term portion) – Enel SpA | 0 | 0 | - |
| Other short-term financial receivables Enel Group | (89) | (14) | (75) |
| Cash and cash equivalents | (190) | (424) | 234 |
| *Cash and cash equivalents and short-term financial receivables* | *(279)* | *(458)* | *179* |
| **Net short-term financial debt** | **549** | **2,126** | **(1,577)** |
| **NET FINANCIAL DEBT** | **482** | **2,397** | **(1,915)** |

**Net financial debt** was equal to EUR 482 million at 30 June 2009, a decrease of EUR 1,915 million over 31 December 2008.

*Net long-term financial debt* decreased by EUR 271 million to EUR -67 million compared with the end of 2008; the decrease mainly reflects the effects of the changes in the scope of consolidation following the disposal of Enel Green Power International B.V. with its subsidiaries (EUR 301 million). Bonds amounted to EUR 522 million and the loans from related parties mainly referred to Revolving Credit Facilities accorded by Enel Finance International S.A., a subsidiary of Enel Group having its statutory seat in Luxembourg, amounted to EUR 303 million.

*Net short-term financial debt* came to EUR 549 million at 30 June 2009, a decrease of EUR 1,577 million on the end of 2008. More specifically, the charge of the Intercompany current account with Enel SpA decreased of EUR 1,607 million mainly following the disposal of Enel Green Power International B.V. for an amount of EUR 1,690 million; a further decline attributable to the changes in the scope of consolidation amounted to EUR 43 million, partially balanced by the increase in the net financial debt of the other subsidiaries (EUR 73 million).

## Cash flows

This section should be read together with the condensed consolidated statement of cash flows in the interim consolidated financial statement at 30 June 2009.

| Millions of euro | 1st Half | | |
|---|---|---|---|
| | **2009** | 2008 | Change |
| Cash and cash equivalents at the start of the period [1] | (1,730) | (177) | (1,553) |
| Cash flows from operating activities | 179 | 24 | 155 |
| Cash flows from investing/disinvesting activities | 1,226 | (929) | 2,155 |
| Cash flows from financing activities | (41) | 124 | (165 |
| Effect of exchange rate changes on cash and cash equivalents | - | (3) | 3 |
| Cash and cash equivalents at the end of the period [1] | (366) | (961) | 565 |

(1) Including intercompany current account - Enel SpA

*Cash flows from operating activities* in the 1st Half of 2009 were positive at EUR 179 million, up EUR 155 million compared with the corresponding period of the previous year. The improve in the gross operating margin (EUR 100 million), mainly due to the positive contribution of OGK-5 and Enel France, was enforced by the generation of cash connected with the change in net current assets (EUR 55 million).

*Cash flows from investing/disinvesting activities* generated liquidity in the amount of EUR 1,226 in the 1st Half of 2009, a EUR 2,155 million improvement over the same period of 2008. In particular investment in property plant and equipment and intangible assets amounted to EUR 275 million, up EUR 185 million due essentially to the higher investments in OGK-5 and Marcinelle only partially offset by the effects of the change in the scope of consolidation for the renewable companies (down EUR 10 million). Disposal of entities and business units amounted to EUR 1,504 million (net of EUR 186 million in cash at the disposal date), and regarded the sale of Enel Green Power International B.V. with its subsidiaries to Enel Green Power S.p.A. Investment in companies in the 1st Half of 2009 amounted to EUR 3 million and essentially referred to the acquisition of 9,15% stake in Energo Nuclear. Investment in companies in the 1st Half of 2008 amounting to EUR 839 million essentially regarded the acquisition of OGK-5 in the amount of EUR 815 (net of EUR 3 million in cash at the acquisition date) as the effect of the payment to close the tender offer in the amount of EUR 993 million, net of the amount received for the virtually simultaneous resale of a 4,10% stake in that company for EUR 175 million, and the acquisition of an 80% stake in Marcinelle Energie S.A. for EUR 21 million (net of EUR 3 million in cash acquired).

*Cash flow from financing activities* absorbed cash in the amount of EUR 41 million, whereas such activities generated cash of EUR 124 million for the first six months of 2008. Cash flows for the 1st Half of 2009 were affected by the use of funds connected with the deconsolidation of the net financial debt related to the renewable companies sold on 1st January 2009, only partially offset by the further Revolving Credit Facilities accorded by Enel Finance International S.A. to Enel Investment Holding and its subsidiaries.

In the 1st Half of 2009 the *cash flows from operating activities* in the amount of EUR 179 million and the *cash flows from investing/disinvesting activities* in the amount of EUR 1,226 million covered financing needs during the period. The surplus increased cash and cash equivalents of EUR 1,364 million which reached a negative of EUR 366 million compared with a negative of EUR 1,730 million at the end of 2008.

# Environmental and personnel related information

As per 30 June 2009 Enel Investment Holding B.V. had, other than the eight directors, two staff member employed.

The Company as 30 June 2009 has eight directors of which four are employees of Enel S.p.A. and they do not receive any remuneration from Enel Investment Holding B.V.; the remaining four directors receive an annual remuneration amounting to EUR 25 thousand each.

# Future outlook

The Company will keep maintaining the role of holding of some foreign subsidiaries of the Enel Group working in the traditional power sources field and will continue to support the Enel group in the framework of its presence in the international market.
The first six months of 2009 saw the demand for electricity in the principal countries where the Group operates undergo a marked general downturn in line with the current phase of the world economic crisis. Notwithstanding negative market conditions which are widely predicted to continue well into the second half of the year, however, thanks to a carefully balanced product base both in technological and geographical terms, Enel will still be in a position to maintain an adequate level of income to support strategies aimed at delivering the power generation margins already guaranteed for 2009, not to mention programmes already underway to maximise efficiency and reduce costs.The combination of the increase in working capital finalised in June, along with programmes specifically designed to improve cash flow and work on optimising the portfolio itself, will all together ensure the financial stability of the Group. All the operational decisions implemented so far would seem to point to financial results for 2009 which will once again show a(n) good/healthy/acceptable degree of growth with respect to the previous year's figures.

# Research and Development

The Company does not perform any research and development activities directly. These are performend by the operating entities, such as the subsidiaries and other Enel Group Companies.

# Risk Management

Financial instruments and related risk management activities are used only to minimize the Company's exposure to the exchange and interest rate risk and not for speculation purposes.
The main risks and uncertainties of the Company and its subsidiaries are described below.

### Market liberalization and regulatory developments

The energy markets in which the Group operates are currently undergoing gradual liberalization, which is being implemented using different approaches and timetables from country to country. As a result of these processes, the Group is exposed to increasing competition from new entrants and the development of organized markets. The business risks generated by the natural participation of the Group in such markets have been addressed by integrating along the value chain, with a greater drive for technological innovation, diversification and geographical expansion.
The Group often operates in regulated markets, and changes in the rules governing operations in such markets, and the associated instructions and requirements with which the Group must comply, can impact our operations and performance. In order to mitigate the risks that such factors can engender, Enel has forged closer relationships with local government and regulatory bodies, adopting a transparent, collaborative and proactive approach in tackling and eliminating sources of instability in regulatory arrangements.

### Supply continuity

As part of their ordinary operations, the operating subsidiaries of the Group are exposed to changes in the prices of fuel and electricity, which can have a significant impact on their results. To mitigate this exposure, the Enel Group has developed a strategy of stabilizing margins by contracting for supplies of fuel and the delivery of electricity to end users in advance.

In order to limit the risk of interruptions in fuel supplies, the Group has also diversified fuel sources, using suppliers from different geographical areas and encouraging the construction of transportation and storage infrastructure.

### Credit risk

In its commercial and financial activities, the Group is exposed to the risk that its counterparties might not be able to discharge all or part of their obligations, whether these involve payment for goods already delivered and services rendered or payment of the expected cash flows under financial derivatives contracts.

In order to minimize such risks, the Group assesses the creditworthiness of the counterparties to which it has its largest exposures on the basis of information supplied by independent providers and internal rating models. This process provides for the attribution of an exposure limit for each counterparty, the request for appropriate guarantees for exposures exceeding such limits and periodic monitoring of the exposures.

## Liquidity risk

The financial crisis originally triggered by the crisis in US subprime mortgages, which then continued with the problems at Lehman Brothers and the rescues/acquisitions of leading banks and insurance companies, has caused credit conditions to tighten. Despite this turbulence, the Enel Group continued to have access to the bank credit and commercial paper markets. Any difficulties in raising funds have been overcome through careful financial planning and funding policies.

Liquidity risk is managed by the Group Treasury unit at Enel S.p.A., which ensures adequate coverage of cash needs (using lines of credit and issues of bonds and commercial paper) and appropriate management of any excess liquidity.

**Exchange rate and interest rate risk**

Enel Investment Holding B.V. and its subsidiaries are exposed to exchange rate risk associated with cash flows in respect of the purchase or sale of fuel or electricity on international markets, cash flows in respect of investments or other items in foreign currency and debt denominated in currencies other than the functional currency of the respective countries.

The main exchange rate exposure of the Company is in respect of the US dollar and of the Russian ruble. During the year, management of exchange rate risk was pursued through compliance with Enel Group's risk management policies, encountering no difficulties in accessing the derivatives market.

Interest rate risk management is aimed at balancing the structure of the debt, reducing the amount of debt exposed to interest rate fluctuations and minimizing borrowing costs over time, limiting the volatility of results. The main source of the exposure to this category of risk for the Group is floating-rate debt. Enel Investment Holding B.V. and its subsidiaries are involved in the management policies implemented by the Parent Company Enel S.p.A. to optimize the Group's overall financial position, ensure the optimal allocation of financial resources and control financial risks.

**Other risks**

Breakdowns or accidents that temporarily interrupt operations at plants represent an additional risk associated with the Group's business. In order mitigate such risks, the Group adopts a range of prevention and protection strategies, including preventive and predictive maintenance techniques and technology surveys to identify and control risks, and implement international best practices. Any residual risk is managed using specific insurance policies to protect corporate assets and provide liability coverage in the event of harm caused to third parties by accidents, including pollution, that may occur in during the production and distribution of electricity.

# Statement of the Board of Directors

Statement ex Article 5:25d Paragraph 2 sub c Financial Markets Supervision Act

To our knowledge,

1. the interim financial report at 30 June 2009 in combination with the financial statements as at December 31, 2008 give a true and fair view of the assets, liabilities, financial position and result of Enel Investment Holding B.V. and its consolidated companies;
2. the half-year report gives a true and fair view of the anticipated state of affairs, in particular providing information about the investments and the circumstances on which the development of turnover and profitability depend to the extent that providing this information is not contrary to the company's best interest.

Late 2008, the Transparency Directive Implementation Act (Transparency Directive) was enacted in the Netherlands. The Transparency Directive arises from the EU Transparency Directive issued in 2004. The Transparency Directive came into force on 1 January 2009. The Transparency Directive intends to achive a certain level of transparency and disclosure of information that is conducive to investors' protection and an efficient functioning of the market. The scope of the Transparency Directive is limited to issuers of securities that have been admitted to trading on a regulated market in a member state of either the European Union or European Economic Area and have the Netherlands as their "home member state". The Half-year financial information should be published within two months of the end of the respective half-year period. Considering that EIH B.V. is required to prepare consolidated financial statements, the half-year financial information is prepared in accordance with the requirements of IAS 34. In compliance with the Transparency Directive, no audit by an external auditor has been performed on half-year financial statements. This interim financial reporting, will be subject to review by the AFM.

Amsterdam, 29 July 2009

The Board of Directors:

A. Brentan

C. Machetti

H. Marseille

F. Mauritz

A.J.M. Nieuwenhuizen

C. Palasciano Villamagna

K. Schell

C. Tamburi

**Condensed interim**

**Consolidated Financial Statements**

**For the period ended 30 June 2009**

# Condensed interim consolidated Income statement

| Millions of Euro | 1st half 2009 | | 1st Half 2008 *restated* | |
|---|---|---|---|---|
| **Total Revenues** | | 638 | | 230 |
| **Total Costs** | | 583 | | 217 |
| **Result from operating activities** | | 55 | | 13 |
| Financial income | 59 | | 45 | |
| Financial expenses | (78) | | (77) | |
| **Total Financial income / (expenses)** | | (19) | | (32) |
| **Share of income/(expense) from equity investments accounted for using the equity method** | | 3 | | 9 |
| **Profit/(Loss) before income tax** | | 39 | | (10) |
| **Income tax expenses** | | (31) | | 3 |
| **Profit/(Loss) from continuing operations** | | 70 | | (13) |
| **Profit/(Loss) from discontinued operations** | | | | 36 |
| **PROFIT/(LOSS) FOR THE PERIOD** | | 70 | | 23 |
| Attributable to: | | | | |
| Equity holders of the Company | | 42 | | 17 |
| Minority interests | | 28 | | 6 |

The Notes on pages 23 to 40 are an integral part of these Interim Consolidated Financial Statements

# Consolidated Statement of Total recognized Income/(Expenses) for the period

| Millions of Euro | 1st half | |
|---|---|---|
| | 2009 | 2008 |
| **Profit/(Loss) for the period (shareholders of the Company and minority interest)** | 70 | 23 |
| **Other components of comprehensive income:** | | |
| Change in the fair value of financial investments available for sale | 104 | (21) |
| Exchange rate differences | (132) | (62) |
| **Net income for the period recognized in equity** | (28) | (83) |
| **TOTAL RECOGNIZED INCOME /(EXPENSES) FOR THE PERIOD** | 42 | (60) |
| Attributable to: | | |
| Equity holders of the Company | 14 | (55) |
| Minority interests | 28 | (5) |

# Condensed interim consolidated Balance sheet

Millions of Euro

| | 30 June 2009 | | 31 December 2008 | |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | **2,530** | | 3,487 | |
| Intangible assets | **1,280** | | 1,915 | |
| Investments accounted for using the equity method | **822** | | 1,326 | |
| Other Non-current assets | **1,221** | | 1,048 | |
| **Total non-current assets** | | **5,853** | | 7,776 |
| **Current assets** | | | | |
| Inventories | **51** | | 76 | |
| Trade receivables | **86** | | 145 | |
| Other current assets | **194** | | 171 | |
| Cash and cash equivalents | **190** | | 403 | |
| **Total current assets** | | **521** | | 795 |
| **TOTAL ASSETS** | | **6,374** | | 8,571 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | | | |
| **Shareholder's equity** | | | | |
| Equity attributable to equity holders of the Company | 2,74 | | 2,784 | |
| Minority Interest | 776 | | 898 | |
| **Total shareholder's equity** | | **3,523** | | 3,682 |
| **Non-current liabilities** | | | | |
| Long-term loans | **922** | | 1,138 | |
| Other provisions and deferred tax liabilities | **434** | | 460 | |
| Other non-current liabilities | **14** | | 75 | |
| **Total non-current liabilities** | | **1,370** | | 1,673 |
| **Current liabilities** | | | | |
| Short-term loans and current portion of long-term loans | **828** | | 2,584 | |
| Trade payables | **240** | | 236 | |
| Other current liabilities | **413** | | 396 | |
| **Total current liabilities** | | **1,481** | | 3,216 |
| **Total liabilities** | | **2,851** | | 4,889 |
| **TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY** | | **6,374** | | 8,571 |

The Notes on pages 23 to 40 are an integral part of these Interim Consolidated Financial Statements

# Consolidated Statement of changes in Shareholder's equity

| Millions of Euro | Share Capital | Share Premium | FV and sundry Reserve | Currency translation Reserve | Retained Earnings | Profit For the year | Group Net Equity | Minority interest | Total Shareholder's Equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance at: 1 January 2008** | | 1 | | (39; | 6 | | 3, | 14 | 3,372 |
| • Allocation of net income/(loss) from the previous year | | - | | - | 4 | ( | - | | - |
| • Change in scope of consolidation | | - | | - | | | - | 73 | 736 |
| • Total recognized income and expenses for the period | | - | ( | (45; | | | (55) | (: | (60) |
| *of which:* | | | | | | | | | |
| *Net income/(loss) for the period recognized in equity* | | - | ( | *(45;* | | | *(66)* | *(1;* | *(83)* |
| *Net income/(loss) for the period* | | - | | | | | *11* | *1.* | *23* |
| **Balance at: 30 June 2008** | | 1 | | (84; | 10 | | 3, | 87' | 4,048 |
| **Balance at: 1 January 2009** | | 1 | | (301; | 8 | (1 | 2, | 89 | 3,682 |
| • Allocation of net income/(loss) from the previous year | | - | | - | (12 | 1 | - | | - |
| • Other changes | | - | | - | | | - | 7. | 73 |
| • Change in scope of consolidation | | - | | 13 | (6 | | (51) | (22: | (274) |
| • Total recognized income and expenses for the period | | - | 1 | (132; | | | 14 | 2 | 42 |
| *of which:* | | | | | | | | | |
| • *Net income/(loss) for the period recognized in equity* | | - | *1* | *(132,* | | | *(28)* | | *(28)* |
| • *Net income/(loss) for the period* | | - | | - | | | *42* | *2* | *70* |
| **Balance at: 30 June 2009** | | 1 | | (420; | (10 | | 2, | 77 | 3,523 |

The Notes on pages 23 to 40 are an integral part of these Interim Consolidated Financial Statements

# Condensed interim consolidated Statement of Cash Flows

| Millions of Euro | 1st Half | |
|---|---|---|
| | 2009 | 2008 |
| **Cash flows from operating activities (a)** | **179** | **24** |
| **- *of which* discontinued operations** | **-** | ***59*** |
| Investment in property, plant and equipment and intangible assets | (275) | (90) |
| Investments in entities (or business units) less cash and cash equivalents acquired | (3) | (839) |
| Disposals of entities (or business units) less cash and cash equivalents sold | 1,504 | - |
| (Increase)/Decrease in other investing activities | - | - |
| **Cash flows from investing/disinvesting activities (b)** | **1,226** | **(929)** |
| **- *of which* discontinued operations** | **-** | ***(13)*** |
| Change in net financial debt | -41 | 124 |
| **Cash flows from financing activities (c)** | **-41** | **124** |
| **- *of which* discontinued operations** | | ***(10)*** |
| **Impact of exchange rate fluctuations on cash and cash equivalents (d)** | **-** | **(3)** |
| **- *of which* discontinued operations** | **-** | ***(3)*** |
| **Increase/(Decrease) in cash and cash equivalents (a+b+c+d)** | **1,364** | **(784)** |
| **- *of which* discontinued operations** | **-** | ***33*** |
| **Cash and cash equivalents at the beginning of the period [1]** | **(1,730)** | **(177)** |
| **- *of which* discontinued operations** | **-** | ***52*** |
| **Cash and cash equivalents at the end of the period [1]** | **(366)** | **(961)** |
| **- *of which* discontinued operations** | **-** | ***85*** |

The Notes on pages 23 to 40 are an integral part of these Interim Consolidated Financial Statements

# Notes to the interim consolidated financial statements at 30 June 2009

## 1 Corporate information

Enel Investment Holding B.V. (hereafter: The "Company") is a private limited liability Company, where 100% of the shares are held by Enel SpA, the ultimate parent company, having its statutory seat in Rome Italy. The Company's financial statements are included into the consolidated financial statements of Enel S.p.A. which can be obtained from the Investor Relations section of the Enel S.p.A. website (http://www.enel.it).

Enel Investment Holding B.V., having its statutory seat at Weteringschans 28 (sous) in Amsterdam The Netherlands, was incorporated on 15 December 2000 under Dutch Law.

The consolidated financial statements of the Company for the period ended 30 June 2009 comprise the financial statements of the Company and its subsidiaries ("the Group") and the Group's holdings in associates and join controlled entities. A list of the subsidiaries included in the scope of consolidation is reported in the annex.

The condensed interim consolidated financial statements of Enel Investment Holding B.V. were approved by the Board of Directors and authorized for issue effective on 29 July 2009.

Enel S.p.A., the Parent company, has issued a letter of support as per 31 December 2008 with respect to the Company, guaranteeing its continued financial support to meet the Company's liabilities.

## 2 Basis of preparation

The interim consolidated financial statements at 30 June 2009 have been prepared in condensed form in conformity with the international accounting standard governing the preparation of interim financial reports (IAS 34) as adopted by the European Union and with the provisions of the Netherlands Civil Code, Book 2, Title 9.

The condensed interim consolidated financial statements consist of the consolidated balance sheet, the consolidated income statement, the consolidated statement of recognized income and expenses for the period, the consolidated statement of changes in shareholder's equity, the consolidated statement of cash flows and the related notes.

The accounting policies as well as the recognition and measurement criteria adopted in preparing the interim consolidated financial statements at 30 June 2009 are consistent with those used to prepare the consolidated financial statements at 31 December 2008, to which the reader should refer for more information.

These non-consolidated half year financial statements may not include all the information required to be reported in the annual financial statements and must be read together with the financial statements for the period ended 31 December 2008.

The following international accounting standards and interpretations, supplementing those applied at 31 December 2008, were adopted starting 1 January 2009:

> *"Revised IAS 1 Presentation of Financial Statements":* The standard introduced a new method of presenting financial statements, with a particular impact on the presentation of income statement data for the period through "comprehensive income", which provides for separate reporting of profit and loss for the period and of profit and loss recognized as a change in equity ("other comprehensive income"). The standard gives companies the options of presenting this information in one "statement of comprehensive income", or in two separate statements presented together:

- one statement ("income statement"), which shows the components of profit and loss for the period; and
- a second statement ("statement of recognized income and expense for the period") which, starting with the net income (loss) for the period, includes gains and losses recognized directly in equity (OCI - other comprehensive income).

The Revised IAS 1 also eliminated the option of disclosing changes in shareholders' equity items and transactions with owners in the notes to the financial statements and rather requires this information to be presented in a separate statement.

The Enel Group has adopted the latter method.

> *"Revised IAS 23: Borrowing Costs"*: the standard removes the option allowing immediate expensing of the borrowing costs that directly relate to the purchase, construction or production of the qualifying asset in the income statement, requiring that they be capitalized as part of the cost of such assets instead. The application of the standard on a prospective basis did not have a material impact for the Group.

> *"Amendment to IFRS 2 - Share-based payment: vesting conditions and cancellations"*: the standard sets out the accounting treatment to be used in respect of "non-vesting conditions" that may apply to a share-based payment. Furthermore, the new standard extends the IFRS 2 rules governing cancellation of stock option plans by an entity to include cases in which the entity did not itself decide the cancellation or settlement during the vesting period. The retrospective application of the amendments did not have an impact for the Group.

> *"IFRS 8 – Operating segments"*: the standard replaces "IAS 14 - Segment reporting". It essentially requires the adoption of the management approach in determining and reporting segment profit or loss, i.e. using the methodologies adopted by management in internal reporting in order to assess performance and allocate resources among segments. The application of the standard on a prospective basis did not have an impact for the Group.

> *"IFRIC 13 - Customer loyalty programs":* the interpretation governs the accounting treatment of the obligation to provide prizes to customers as part of customer loyalty programs and establishes that the fair value of the obligations to provide the awards must be accounted for separately from revenues from sales and deferred until the obligation to the customer is fulfilled. The retrospective application of the interpretation did not have a material impact for the Group.

> *"IFRIC 14 – IAS 19 The limit on a defined benefit asset, minimum funding requirements and their interaction":* the interpretation provides guidance for the application of the rules contained in IAS 19 relating to the "asset ceiling." It also defines the effects of a minimum funding requirement on liabilities and/or assets held in relation to a defined benefit plan or other long-term benefits (contractually or legally established minimum amount of assets

required to service the plan). The application of the interpretation on a prospective basis did not have a material impact for the Group.

During the first 2009 half-year, the European Commission endorsed the following standards, interpretations and amendments to the existing standards, to be applied starting from 1 January 2010.

> *"Revised IFRS 3 - Business combinations".* The new version of the standard introduces important amendments to the acquisition method for the recognition of business combinations. The changes, that will take effect prospectively, include:

  - the obligation to recognize in profit or loss any change in the consideration subsequently paid by the acquiring party, as well as the transaction costs of the business combination;
  - the possibility of recognizing, after the acquisition of control, additional holdings in the subsidiary at fair value or at the corresponding book value of the assets and liabilities acquired.

> *"IFRIC 12 - Service Concession Arrangement".* Provided that a service concession arrangement reflects some specific features, the IFRIC 12 states that the infrastructures utilised for the purposes to provide public service under service concession arrangement, have to be recognised in the operator IFRS/IAS financial statements among either intangible assets or among the financial assets, depending respectively on the operator contractual right to charge users of public services or to receive a fixed amount of cash or other financial asset directly from the grantor.

> *"IFRIC 16 - Hedges of a net investment in a foreign operation".* The interpretation applies to entities that intend to hedge the exchange rate risk associated with a net investment in a foreign operation. The main aspects of the aforesaid interpretation are set out below:

  - the hedge may only cover the exchange rate difference between the functional currency (not the presentation currency) of the foreign operation and the functional currency of the parent (a company being a controlling entity at any level, whether intermediate or final);
  - in the financial statements, a risk may be designated as hedged only once, even if more than one entity in the same group has hedged its exchange-rate exposure to the same foreign operation;
  - the hedging instrument may be held by any entity in the group (apart from that being hedged);
  - in the case of disposal of a foreign operation, the value of the translation reserve reclassified to profit or loss in the consolidated financial statements shall be equal to the value of the gain/loss on the hedging instrument determined to be effective.

> *"Amendments to IAS 27 - Consolidated and separate financial statements".* The new version of the standard states that changes in equity interests in a subsidiary that do not result in a loss of control shall be recognized in equity. Where a controlling interest is divested, any residual interest must be re-measured to fair value on that date. The amendments will take effect prospectively.

# 3 Changes in the scope of consolidation

For the changes occurred in the scope of consolidation please refer to comments at pages 7-8.

With regard to the interim financial report at 30 June 2008, the income statement and statement of cash flows were restated (for comparative purpose only) reporting as discontinued operations the results related to the renewable companies sold on the 1 January 2009.

With respect to the acquisitions of Enelco S.A., OGK-5 and Marcinelle Energie S.A. the allocation of the equity investments at the fair value of the assets acquired and liabilities assumed was completed in the first half of 2009. The residual goodwill recognized can therefore be considered final.

### Calculation of Enelco S.A. goodwill

| Millions of euro | |
|---|---|
| Net assets acquired before allocation (1) | 0 |
| Fair value adjustments: | |
| - *intangible assets* | 13 |
| - net deferred tax liabilities | 3 |
| **Net assets acquired after allocation (1)** | **10** |
| Value of the transaction (2) | 18 |
| **Goodwill** | **8** |

(1) *Net assets in proportion to Enel's 75% interest*
(2) Including incidental expenses

### Balance sheet of Enelco S.A. at the acquisition date

| Millions of euro | Book values before 2006 year end | Fair value adjustments | Book values at January,1 2007 |
|---|---|---|---|
| Intangible assets | 0 | 17 | 17 |
| **Total assets** | **0** | **17** | **17** |
| Shareholders' equity | 0 | 13 | 13 |
| Deferred Tax Liabilities | 0 | 4 | 4 |
| **Total shareholders' equity and liabilities** | 0 | **17** | **17** |

## Calculation of OGK-5 goodwill

| Millions of euro | |
|---|---|
| Net assets acquired before allocation [1] | 948 |
| Fair value adjustments: | |
| - property, plant and equipment | 1,123 |
| - net deferred tax liabilities | (302) |
| - Sundry and minority provisions | (452) |
| - Other minority | 34 |
| **Net assets acquired after allocation[1]** | 1,110 |
| Value of the transaction [2] | 2,466 |
| **Goodwill** | 1,356 |

[1] Net assets in proportion to Enel's 55,9% interest
[2] Including incidental expenses

## Balance sheet of OGK-5 at the acquisition date

| Millions of euro | Book values before May, 28 -2008 | Fair value adjustments | Book values at May, 28 - 2008 |
|---|---|---|---|
| Property, plant and equipment | 1,842 | 560 | 2,402 |
| Intangible assets | 2 | - | 2 |
| Trade receivables and inventories | 150 | (6) | 144 |
| Cash and cash equivalents | 3 | - | 3 |
| Other current and non-current assets | 139 | 39 | 178 |
| **Total assets** | **2,136** | **593** | **2,729** |
| **Shareholders' equity** | **948** | **162** | **1,110** |
| Short-and long-term debt | 135 | (1) | 134 |
| Trade payables | 31 | - | 31 |
| Sundry and minority provisions | 736 | 265 | 1,001 |
| Other current and non-current liabilities | 286 | 167 | 453- |
| **Total liabilities and shareholders' equity** | **2,136** | **593** | **2,729** |

### Calculation of Marcinelle Energie S.A. goodwill

| Millions of euro | |
|---|---|
| Net assets acquired before allocation [1] | 3 |
| Fair value adjustments: | |
| - property, plant and equipment | |
| - intangible assets | 45 |
| - net deferred tax liabilities | (15) |
| - deferred plant grants | |
| **Net assets acquired after allocation** | 33 |
| Value of the transaction [1] | 66 |
| **Goodwill** | 33 |

(1) Including incidental expenses

### Balance sheet of Marcinelle Energie S.A. at the acquisition date

| Millions of euro | Book values before June, 30 - 2008 | Fair value adjustments | Book values at June, 30 - 2008 |
|---|---|---|---|
| Property, plant and equipment | 2 | | 2 |
| Intangible assets | - | 45 | 45 |
| Cash and cash equivalents | 3 | | 3 |
| Other current and non-current assets | - | | - |
| **Total assets** | **5** | **45** | **50** |
| **Shareholders' equity** | **3** | 30 | 33 |
| Trade payables | 2 | | 2 |
| Short- and long-term debt | - | | - |
| Other current and non-current liabilities | - | 15 | 15 |
| **Total shareholders' equity and liabilities** | **5** | 45 | 50 |

The definitive allocation of the purchase price to the assets acquired and the liabilities assumed was completed after the preparation of the consolidated financial statements at 31 December 2008. If the purchase price allocation process had been completed at 31 December 2008 the Group's consolidated net income would have been EUR 8 million lower.

# 4 Segment information

All subsidiaries of Enel Investment Holding B.V. are part of the *"International Division"* except for Enel.Re Ltd. which is considered insignificant. Management of Enel S.p.A. has recognized the Renewable Energy Division as a new segment as of the end of September 2008. The companies operating in the "Renewable Energy Division" were acquired during the second half of 2008 and sold to Enel Green Power SpA on December 2008 with effectiveness on 1 January 2009. Consequently no separate segment reporting has been disclosed since all information included in these consolidated financial statement relates to the International Division.

# 5 Operating performance and financial position

## 5.1 Information on the condensed consolidated income statement

**Revenues**

| Millions of euro | 1st Half | | |
|---|---|---|---|
| | **2009** | 2008 | Change |
| Revenues from the sale and transport of electricity | 583 | 207 | 376 |
| Revenues from insurance | 20 | 18 | 2 |
| Other sales and services | 35 | 5 | 30 |
| **Total** | **638** | **230** | **408** |

In the 1st Half of 2009 **Revenues from the sale and transport of electricity** amounted to EUR 583 million, up EUR 376 million on the same period of 2008; this increase mainly includes EUR 326 million relating to the consolidation of OGK-5 (consolidated at the end of May 2008) and EUR 49 million connected with higher revenues for the period from electricity trading by Enel France.

"Revenues from insurance" refers to the activity of Enel Re. Ltd. and are broadly in line with the revenues in the 1st Half of 2008 (+10%).

**Other services, sales and revenues** came to EUR 35 million in the 1st Half of 2009, an increase of EUR 30 million on the corresponding period of 2008 mainly attributable to auxiliary services rendered by OGK-5 (EUR 30 million).

**Costs**

| Millions of euro | 1st Half | | |
|---|---|---|---|
| | **2009** | **2008** | **Change** |
| Raw materials and consumables | 390 | 152 | 238 |
| Services, leases and rentals | 49 | 26 | 23 |
| Personnel | 37 | 10 | 27 |
| Depreciation, amortization and impairment losses | 65 | 7 | 58 |
| Other operating expenses | 45 | 22 | 23 |
| Capitalized costs | ( 3) | - | (3) |
| **Total** | **583** | **217** | **366** |

Costs for **raw materials and consumables** essentially referred to electricity purchases for EUR 158 million (EUR 110 million in the 1st Half of 2008) and to fuel purchases for electricity production and trading for EUR 220 million (EUR 44 million at 30.06.2008). This increase mainly refers to the consolidation of OGK-5, consolidated at the end of May 2008, (EUR 206 million) and to the activities increase of Enel France (EUR 32 million).

Costs for **services, leases and rentals** came to EUR 49 million in the 1st Half of 2009, up EUR 23 million compared with the same period of 2008. This increase is attributable to higher electricity and gas transport costs (mainly related to OGK-5) and to the increase in costs connected with insurance, rental, maintenance, professional and consulting services and other services.

**Personnel** costs in the 1st Half of 2009 amounted to EUR 37 million, an increase of EUR 27 million almost entirely due to the consolidation of OGK-5 (EUR 23 million) and to the increase of personnel expenses in Enel Rus LLC (EUR 2 million).

**Depreciation, amortization and impairment losses** amounted to EUR 65 million in the 1st Half of 2009, up EUR 58 million on the corresponding period of 2008. The increase is mainly connected with the consolidation of OGK-5 (EUR 56 million).

**Other operating expenses** came to EUR 45 million in the 1st Half of 2009, up EUR 23 million on the 1st Half of 2008 due mainly to the consolidation of OGK-5 (EUR 25 million) and the increase of the provision for risks and charges in Enel Re (EUR 10 million), partially balanced by the effect of the recognition in the 1st Half of 2008 of judicial costs for EUR 14 million in Enel Investment Holding B.V.

**Operating income** in the 1st Half of 2009 totaled EUR 55 million, an increase of EUR 42 million on the year-earlier period, mainly attributable to the consolidation of OGK-5 (EUR 25 million) and to the growth in result of Enel France S.a.s (EUR 16 million) as well as the effect of the recognition in the 1st Half of 2008 of judicial costs for EUR 14 million in Enel Investment Holding B.V., partially balanced by the decrease on Enel Re result (EUR 9 million).

**Net financial expenses** amounted to EUR 19 million in the 1st Half of 2009, compared with net financial expense of EUR 32 million in the year-earlier period. Specifically, the change in financial income (up EUR 14 million) mainly reflects the positive effect of the decrease in average net debt following the disposal of Enel Green Power International B.V. on 1 January

2009 for an amount of Euro 1.690 million. The increase of EUR 1 million in financial expense is mainly connected with the consolidation of OGK-5 (EUR 8 million) partially balanced by the decline in interest rates that occurred in the 1st Half of 2009 compared with the same period of 2008 due to the international crisis in the financial markets, and a reduction in Enel's average debt.

A detail of Financial income and expenses is reported in the table below.

| Millions of euro | 1st Half | | |
|---|---|---|---|
| | **2009** | **2008** | **Change** |
| **FINANCIAL INCOME** | | | |
| Interest and other income from financial assets | 17 | 17 | - |
| Foreign exchange gains | 42 | 3 | 39 |
| Income from derivative instruments | - | 23 | (23) |
| Other interest and income | - | 2 | (2) |
| **TOTAL FINANCIAL INCOME** | **59** | **45** | **14** |
| **FINANCIAL EXPENSE** | | | |
| Interest expense and other charges on m/long term loans | 15 | 20 | (5) |
| Interest expense and other charges on short term loans | 16 | 30 | (14) |
| Financial charges from securities | 0 | 3 | (3) |
| Foreign exchange losses | 44 | 6 | 38 |
| Expense on derivative instruments | 0 | 18 | (18) |
| Other interest expense and financial charges | 3 | - | 3 |
| **TOTAL FINANCIAL EXPENSE** | **78** | **77** | **1** |
| **NET FINANCIAL INCOME/(EXPENSE)** | **(19)** | **(32)** | **13** |

The result of **investments accounted for using the equity method** in the 1st Half of 2009 was a positive EUR 3 million, a decrease of EUR 6 million, from the year-earlier period. Specifically, the net gain for the 1st Half of 2008 includes the effects of the equity-method measurement of OGK-5 (EUR 14 million).

**Income taxes** amounted to EUR - 31 million in the 1st Half of 2009, compared with EUR 3 million in the 1st Half of 2008, giving an effective tax rate of -81% in the 1st Half of 2009, compared with -30% in the 1st Half of 2008.

## 5.2 Information on the condensed consolidated balance sheet

**Non-current assets** – EUR 5,853 million

*Property, plant and equipment*, amounted to EUR 2,530 million at 30 June 2009, a decrease of EUR 957 million. The decrease is mainly attributable to the disposal of the operating company belonging to the "Renewable project" (EUR 1,541 million), the negative exchange rate difference for the period (EUR 102 million), net of depreciation, amortization and ordinary disposal on such assets in the amount of EUR 55 million partially offset by the capital expenditure of the period (EUR 272 million) and by the Purchase Price Allocation associated to the acquisition made in 2008 of OGK-5 (EUR 469 million).

*Intangible assets,* including Goodwill which totaled EUR 1,280 million, showed a decrease of EUR 635 million for the period. This decrease is essentially due to the following factors:

> the changes in the scope of consolidation following the disposal of Enel Green Power International B.V. with its subsidiaries (EUR 448 million, including Goodwill for EUR 256 million);

> the allocation of Purchase Price Allocation (EUR 143 million)

> the net effects of exchange rate differences during the period (EUR 56 million)

*Equity investments accounted for using the equity method* amounted to EUR 822 million, down EUR 504 million over the previous year due primarily to the disposal of Enel Green Power International B.V. which held equity investments accounted at NAV for EUR 502 million among which EUFER and ELICA II, partially offset by the share of income recorded in the 1st Half of 2009 (EUR 3 million)

*Other non-current assets* came to EUR 1,221 million and include:

Millions of euro

| | at 30 June 2009 | at 31 Dec. 2008 | Change |
|---|---|---|---|
| Deferred tax assets | 40 | 49 | (9) |
| Investments in other companies | 161 | 72 | 89 |
| Non-current financial assets | 989 | 867 | 122 |
| Other Non-current assets | 31 | 60 | (29) |
| **Total** | **1,221** | **1,048** | **173** |

The increase for the period of EUR 173 million is mainly attributable to the following factors:

> an increase of EUR 89 million associated with the higher value of equity investments measured at fair value, mainly referred to Bayan (EUR 103 million), partially balanced by the disposal of EGPI BV (EUR 32 million);

> an increase of EUR 122 million in receivables and other financial items, mainly attributable to Enel France (EUR 91 million) and in securities owned by Enel Re (EUR 35 million);

> a decrease of EUR 9 million in deferred tax assets and a decrease in other non-current financial assets of EUR 29 million.

**Current assets** – EUR 521 million

*Trade receivables* amounted to EUR 86 million, down EUR 59 million, mainly attributable to the disposal of the operating company belonging to the "Renewable project" (EUR 51 million).

*Inventories* came to EUR 51 million, down EUR 25 million, due mostly to lower fuel inventories in OGK-5 (EUR 22 million).

*Other current assets* came to EUR 194 million and break down as follows:

Millions of euro

| | at 30 June 2009 | at 31 Dec. 2008 | Change |
|---|---|---|---|
| Current financial assets | 106 | 64 | 42 |
| Tax receivables | 7 | 16 | (9) |
| Other Receivables | 81 | 91 | (10) |
| **Total** | **194** | **171** | **23** |

The EUR 23 million increase during the period is largely the result of:

> the EUR 42 million increase in current financial assets due mainly to the increase in other short term financial receivables of EIH B.V. connected with the disposal of Inelec (Eur 84 million) partially balanced by the disposal of the operating company belonging to the "Renewable project" (EUR 49 million).

> the EUR 19 million decrease for lower tax receivables (EUR 9 million) and EUR 8 million of lower prepayments insurance premiums.

**Equity attributable to the shareholders of the Parent Company** – EUR 3,523 million

The share capital amounted to EUR 1,593 divided into 159.305 thousand ordinary shares issued and fully paid; the authorized share capital of Enel Investment Holding B.V. amounts to EUR 7,500 million, divided into 750.000 thousand ordinary shares of EUR 10 each.

The reserves amounted to EUR 1,254 million, down EUR 19 million mainly attributable to the decrease of the currency translation reserve (EUR 124 million, from a negative reserve at 2008 year end of EUR 296 million to a negative reserve of EUR 420 million), partially balanced by the increase of the fair value change on financial assets (EUR 103 million); the retained earning came negative to EUR 142 million from a positive results of EUR 44 million at 2008 year end.

The net income of the period amounted to EUR 42 million; the Profit and Loss account for the period 1 January 2008 up to and including 31 December 2008 showed a Net loss for the year equal to EUR 126 million and was mainly affected by two extraordinary items: the reduction in the value of the investment in PT Bayan Resources (EUR 118 million) and the impairment recorded on Enel Green Power Holding Sarl (EUR 60 million)

**Non-current liabilities** – EUR 1,370 million

*Long-term loans* amounted to EUR 922 million (EUR 1,138 million at 31 December 2008), consisting of bonds in the amount of EUR 522 million (EUR 584 million at 31 December 2008), as well as bank loans and other financing in euro and other currencies in the amount of EUR 400 million (EUR 554 million at 31 December 2008).

*Provisions and deferred tax liabilities* came to EUR 434 million at 30 June 2009 (EUR 460 million at 31 December 2008) and include provisions for post-employment and other employee benefits in the amount of EUR 35 million (EUR 39 million at 31 December 2008), provisions for risks and charges of EUR 107 million (EUR 110 million at 31 December 2008) and deferred tax liabilities totaling EUR 292 million (EUR 311 million at 31 December 2008).

*Other non-current liabilities* amounted to EUR 14 million, a decrease of EUR 61 million.

**Current liabilities** – EUR 1,481 million

*Short-term loans and the current portion of long-term loans* decreased by EUR 1,698 million, going from EUR 2,584 million at the end of 2008 to EUR 828 million at 30 June 2009. This rise is primarily attributable to the EUR 1,607 million decrease of the balance of the intercompany current account held by EIH B.V. with Enel S.pA. following the disposal of Enel Green Power International B.V. for an amount of EUR 1,690 million.

*Current amount of long term provision* increased by EUR 109 million going from EUR 3 million at the end of 2008 to EUR 112 million at June 30 2009 mainly due to the increase on the provision on other taxes of OGK-5 (EUR 108 miilion).

*Trade payables*, in the amount of EUR 240 million is broadly in line with the value at the end of 2008 (EUR 236 million).

*Other current liabilities*, equal to EUR 263 million, (EUR 280 million at the end of 2008) includes the liability connected to the acquisition of PT Bayan Reasource (EUR 151 million).

# 6 Related parties

Related parties have been identified on the basis of the provisions of international accounting standards.

On 1 January 2009, as part of the corporate reorganization of the shareholdings operating in the renewable sector, the following under common control transactions were realized: the Company sold its participation in Enel Green Power International B.V., for an amount of EUR 1.690 million, equal to the book value, to the new group company Enel Green Power S.p.A., organized under the laws of Italy and directly owned by Enel S.p.A.

Transactions carried out by Enel Investment Holding B.V. with the other companies of the Group involve the exchange of goods, provision of services, financing and treasury management. These transactions are part of the ordinary operations of the company and are settled on the basis of standard intra-Group contracts at market prices.

The following table summarizes the financial relationships between the Company and related parties.

| Million of Euro | Balance sheet Receivables 1st Half 2009 | Balance sheet Payables 1st Half 2009 | Income statement Cost 1st Half 2009 | Income statement Income 1st Half 2009 |
|---|---|---|---|---|
| ***Shareholder*** | | | | |
| • Enel S.p.A | 629 | 596 | 9 | 13 |
| ***Associated companies*** | | | | |
| • Artic Russia B.V. | - | 13 | - | - |
| • Res Holdings B.V. | - | - | - | - |
| • Enel Green Power Holding S.a.r.l. | - | - | - | - |
| ***Other affiliated companies*** | | | | |
| • Enel Finance International S.A. | - | 373 | 7 | - |
| • Enel Produzione S.p.A. | 90 | 21 | 1 | - |
| • Enel Trade S.p.A. | 10 | 5 | 1 | 69 |
| • Enel Ingegneria S.p.A. | 19 | - | - | - |
| • Enel Green Power International B.V. | - | 12 | - | - |
| • Other | - | 3 | - | 5 |
| | **748** | **1,023** | **18** | **87** |

| Million of Euro | Balance sheet Receivables 31 Dec 2008 | Balance sheet Payables 31 Dec 2008 | Income statement *restated* Cost 1st Half 2008 | Income statement *restated* Income 1st Half 2008 |
|---|---|---|---|---|
| ***Shareholder*** | | | | |
| • Enel S.p.A | 539 | 2,264 | 49 | 37 |
| ***Associated companies*** | | | | |
| • Artic Russia B.V. | - | 13 | - | - |
| • Enel Green Power Holding S.a.r.l. | - | 3 | - | - |
| ***Other affiliated companies*** | | | | |
| • Enel Finance International S.A. | - | 532 | 4 | - |
| • Enel Produzione S.p.A. | 41 | 40 | 1 | - |
| • Enel Trade S.p.A. | 17 | 5 | 9 | 109 |
| • Other | 1 | 1 | 2 | 4 |
| | **598** | **2,858** | **65** | **150** |

**Compensation of directors**

The emoluments as intended in Section 2:383 (1) of the Netherlands Civil Code, which were charged in the interim half-year financial report to the company, amounted to Eur 34 thousand (2008: Eur 115 thousand) for directors of the company.

The compensation paid to directors of the Company is summarized in the following table:

| (all amounts in thousands of Euro) | **30 June 2009** | 31 Dec 2008 |
|---|---|---|
| Mr. A.J.M. Nieuwenhuizen | **10** | 40 |
| Mr. F. Mauritz | **8** | 25 |
| Mr. H. Marseille | **8** | 25 |
| Mr. K.J. Schell | **8** | 25 |
| Mr. A. Brentan | - | - |
| Mr. G. Frea (*) | - | - |
| Mr. C. Machetti | - | - |
| Mr. C. Palasciano Villamagna | - | - |
| Mr. C. Tamburi (*) | - | - |
| | **34** | 107 |

(*) Mr. G. Frea has been replaced by Mr. C. Tamburi as per June 2008.

The remuneration paid in 2009 to Mr. A.J.M. Nieuwenhuizen comprise an amout of EUR 2 thousand related to his activity as director of Res Holding B.V.

# 7 Contractual commitments and guarantees

The contractual commitments and guarantees as per 31 December 2008 can be specified as follows:

- During 2008 Enelco S.A. was awarded the tender offer for the construction of a combined cycle gas plant of 430 MW at Livadia in central Greece. In this respect the Company has approved, to support Enelco with an equity investment for a total amount up to EUR 100 million. In order to cover the financial need of Enelco relating to the project described, during 2008, the Company has subscribed a share capital increase in favour of Enelco, for a total amount up to EUR 36 million, of which 75% (EUR 29 million) has to be paid by the Company. As per 31 December 2008 an amount of EUR 21 million was paid by the Company, and on March 2009 the Company paid the last portion of the mentioned increase in the share capital of Enelco equal to EUR 8 million. On February 2009, the Company subscribed a new share capital increase in favour of the Greece vehicle for a total commitment of EUR 12,7 million of which 75% equal to EUR 9,5 million paid by the Company on May 2009.

- In respect of a guarantee issued by MCC S.p.A. for a contracts signed by Enelco, Enel S.p.A. has issued, on behalf of the Company, a comfort letter in favor of MCC S.p.A. in the amount of EUR 10 million.

- Based on the Cooperation Agreement with third parties for the joint development of the construction of a coal power plant in the Free Trade Zone of the city of Galati (the Project). The Company has a commitment to finance, pro-quota by the project holders, all Project development costs, estimated at a maximum of EUR 5 million in two years. After the completion of the permitting process for the construction, the Company has a call option on 5% in the project and has granted to the remaining project holder an equivalent put option for the remaining 10% in the project. At any time the Company will have the right to get out the Project selling its share at the same price paid by the Company at the time of acquisition. In addition the Company will be reimbursed for all the development costs paid if the other project holders succeed in selling the Project to a third party within 24 months from the Company selling out or if they continue to develop the Project alone.

- In June 2008 the Company has acquired from Duferco Diversification (DD), the 80% of the share capital of the Belgium company Marcinelle Energie S.A. (ME), being the remaining 20% still held by DD. Marcinelle Energie S.A. is a special purpose vehicle incorporated for the construction of a CCGT power plant in Marcinelle Belgium. For such above mentioned acquisition the Company paid an initial amount of EUR 19,2 million, postponing the payment of additional sums amounting as a whole to EUR 12,8 million, until the completion of some construction works. Pursuant to the sale and purchase agreement executed between the parties, in order to guarantee the payment of the above mentioned remaining amount of EUR 12,8 million, Enel S.p.A, as the parent company, issued two parent company guarantees, on behalf of the Company, respectively of EUR 4,8 million and of EUR 8 million. Furthermore, as provided by the sale and purchase agreement executed between the parties, Enel S.p.A., issued on behalf of the Company, a parent company guarantee, in order to counter guarantee the 80% of an agreement already executed by Marcinelle Energie with Fluxis S.A. for the connection to the natural gas grid, for an mount equal to EUR 11,4 million. Moreover, the Company granted to Duferco a "put option" for the remain 20% of the shares to be exercised within 72 months after 12 months from the "provisional acceptance".

- As shareholder of Artic Russia B.V. the Company has undertaken to guarantee the performance of the obligation and duties of Artic Russia B.V. arising from the call option agreement. In this respect Enel S.p.A. has issued, on behalf of the Company, a cross indemnity guarantee in favor of the other shareholder of Artic Russia B.V. in the amount of USD 434 million. A similar guarantee was issued by the other shareholder of Artic Russia B.V. in favor of Enel.

- During 2008 Enel participated to a public tender launched by Nuclearelectrica (a company wholly owned by the Romanian State) having as object the selection of strategic investors for development, financing, construction and operation of two nuclear units, of 720 MW each, to Cernavoda power plant, a nuclear power plant in Romania owned by Nuclearelectrica. In this respect the Company has signed an investment agreement based on which the Company has the right to own a participation equal to 9,15% of the Romanian Project Company and has the obligation to fund 9,15% of the subscribed share capital of the Project Company and of the development cost for a maximum amount equal to EUR 3,5 million. On March 2009 the Company acquired the 9,15% interest in the new incorporated Romanian company Societatea Comercială EnergoNuclear S.A. for a total commitment of RON 1.802.046 and in the meantime, paid EUR 1.120.408 as cost and expenses reimbursement to Nuclearelectrica.

- The Company has Long-term unconditional rental obligations for:
    - office space until 1 April 2010. As per 31 December 2008 the commitments ensuing from this amount amounts to EUR 25 thousand.
    - apartment until 29 February 2009. As per 31 December 2008 the commitments ensuing from this amount amounts to EUR 3 thousand.

# 8 Post balance sheet events

**Approval of settlement with the Selecta Shareholders**

The Company at the end of June 2009 owned 3.98% of the Selecta share capital. The investment in Selecta was executed as part of the Corporate Venture Capital strategy of the Enel Group. The actual book value of the investment in the Company balance sheet at June, 30 2009 is Eur 1 million.Due to the financial crisis over the years 2001-2002, that widely involved the internet companies, the management of Selecta did not succeed in carrying out the listing procedure between August 2003 and February 2004 as contractually agreed with all the previous Selecta shareholders. Therefore, the Company took action to exercise a put option in order to sell its shares to the Selecta Shareholders and obtain back the money originally invested plus interests. However, such exercise of the put option by the Company was rejected by the Selecta Shareholders and, further to subsequent negotiations which proved unsuccessful, the Company decided to start an arbitration proceeding against them.In January 2009, the Selecta Shareholders offered to the Company to settle the dispute offering the amount of Euro 1,45 million in exchange for its shares. On July 16, 2009 the Company has accepted the offer signing the closing and collecting the amount.

**Approval of the transfer of the 51% participation interest of its subsidiary Artic Russia B.V. in OOO Severenergia S.r.l.**

On October the 30th, 2008, Eni S.p.A., Enel S.p.A. and Gazprom entered into a Protocol; such protocol foresaw, among others, Gazprom's commitment to acquire a 51% stake into SeverEnergia within January the 31st, 2009. Due to the complexity in negotiating the agreement the closing, forecasted on April the 7th 2009 did not take place, and on May the 15th 2009 the parties entered into an Implementation Agreement with the aim of definitely establishing a date for the signing of the sale purchase agreement above as well as setting the final terms related to their mutual commitments. In accordance with the provisions set forth in the Implementation Agreement above, on June the 5th, 2009, Gazprom, Artic Russia B.V., Enel S.p.A. and Eni S.p.A. as Guarantors, entered into the share sale and purchase and assignment agreement. According to it, on the closing date (such date being the later of 10 days from the fulfilment of some conditions precedent inserted in the Sale and Purchase Agreement and the September 3rd), Gazprom shall acquire the 51% stake in the company OOO Severenergia from Artic Russia B.V. and the 51% of any outstanding shareholder loan provided by Artic Russia B.V. or its affiliates to OOO Severenergia or other loans entered into, after the signing date of the agreement, by and between Artic Russia B.V. or its affiliates and OOO Severenergia. The purchase price shall be composed of, among others,:

a) the base amount price, being about USD 1.495 million, to be paid to Artic Russia BV in two tranches, the first one, about USD 366 million, on the closing date and the second one, about USD 1.129 million, within March the 31st, 2010.

b) 51% of any changes in the equity components and/or debt components in the period between the 8th of April and the closing date.

**Approval of the entering by the Company into a shareholder loan with Marcinelle Energie SA.**

The Company entered into a Shareholder Loan with Marcinelle up to Eur 56 million, at an interest rate Euribor 3 Months +1.25%, maturity date one year from the signing date, with the possibility to be further extended by the shareholders.

# 9 Other Information

In this Financial Statements all the entities have been included according to their legal name as per 30 June 2009. During 2008 the following entities changed their legal name as follows:

- on 13 March 2008 Enel Fortuna S.A. changed its legal name into ENEL Panama Holding Inc.

- on 8 April 2008 Empresa de Generacion Electrica Fortuna S.A. changed its legal name into Enel Fortuna S.A.

- on 15 August 2008 Enel Maritza East 4 Bulgaria EAD changed its legal name into Enel Green Power Bulgaria EAD.

- on 4 July 2008 Global Power International S.r.l. changed its legal name into Enel Productie S.r.l.

Furthermore on 30 October 2008 a double downstream merger of Enel Panama Ltd., Enel Panama Holding Inc. and Americas Holding Corp Inc. into Americas Generation Corporation S.A. was formalised.

**Enel Investment Holding B.V.**

**Condensed interim**

**Non-consolidated Financial Statements**

**For the period ended 30 June 2009**

# Enel Investment Holding B.V. condensed interim non-consolidated Income statement

| Millions of Euro | *Note* | 1st Half 2009 | | 1st Half 2008 *restated* | |
|---|---|---|---|---|---|
| **Costs** | | | | | |
| Other operating expenses | | 1 | | 15 | |
| | | | 1 | | 15 |
| **Result from operating activities** | | | (1) | | (15) |
| Financial income | | 13 | | 40 | |
| Financial expenses | | (20) | | (69) | |
| **Net finance expenses** | | | (7) | | (29) |
| Results from equity investments | | | 2 | | - |
| **Profit/(Loss) before income tax** | | | (6) | | (44) |
| **Income tax expense** | | | - | | - |
| **Profit/(Loss) from continuing operations** | | | (6) | | (44) |
| **Profit/(Loss) from discontinued operations** | | | - | | 1 |
| **PROFIT/(LOSS) FOR THE PERIOD** | | | (6) | | (43) |

The Notes on pages 47 to 58 are an integral part of these Interim non-consolidated Financial Statements.

# Enel Investment Holding BV non-consolidated statement of total recognized income/(expenses) for the period

| Millions of Euro | 1st half | |
|---|---|---|
| | 2009 | 2008 |
| **Profit/(Loss) for the period (shareholder of the Company)** | (6) | (43) |
| **Other components of comprehensive income:** | | |
| Change in the fair value of financial investments available for sale | 103 | (21) |
| **Net income for the period recognized in equity** | 103 | (21) |
| **TOTAL RECOGNIZED INCOME /(EXPENSES) FOR THE PERIOD** | 97 | (64) |
| Attributable to: | | |
| Equity holders of the Company | 97 | (64) |

The Notes on pages 47 to 58 are an integral part of these Interim non-consolidated Financial Statements.

# Enel Investment Holding B.V. condensed interim non-consolidated Balance sheet

*(before profit appropriation)*

| Millions of Euro | 30 June 2009 | | 31 December 2008 | |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Equity investments | 3,569 | | 5,248 | |
| Equity investments available-for-sale | 142 | | 38 | |
| Other Non-current financial assets | 522 | | 522 | |
| **Total non-current assets** | | 4,233 | | 5,808 |
| **Current assets** | | | | |
| Current financial assets | 85 | | 23 | |
| Accounts receivable | 1 | | 6 | |
| Other current assets | - | | - | |
| Cash and cash equivalents | 151 | | 153 | |
| **Total current assets** | | 237 | | 182 |
| **Total assets** | | 4,470 | | 5,990 |
| **Capital and reserves** | | | | |
| Share capital | 1,593 | | 1,5 | |
| Share premium | 1,541 | | 1,5 | |
| Fair value reserve AFS | 101 | | (2) | |
| Retained earnings | (168) | | 62 | |
| Profit (Loss) for the year | (6) | | (230) | |
| **Total equity attributable to the shareholders of the Company** | | 3,061 | | 2,964 |
| **Non-current liabilities** | | | | |
| Loans and borrowings | | 535 | | 534 |
| **Current liabilities** | | | | |
| Loans and borrowings | 85 | | 23 | |
| Accounts payable | 780 | | 2,401 | |
| Other current liabilities | 9 | | 68 | |
| **Total current liabilities** | | 874 | | 2,492 |
| **Total liabilities** | | 1,40 | | 3,026 |
| **Total Shareholders' Equity and liabilities** | | 4,470 | | 5,990 |

The Notes on pages 47 to 58 are an integral part of these Interim non-consolidated Financial Statements.

# Enel Investment Holding B.V. non-consolidated Statement of changes in Shareholder's equity

| Millions of Euro | Share Capital | Share Premium | Fair value reserve AFS | Retained Earnings | Net income (loss) for The period | Total |
|---|---|---|---|---|---|---|
| **Balance at: 1 January 2008** | 1,593 | 1,541 | 22 | 43 | 19 | 3,218 |
| • Allocation of net income/(loss) from the previous year | - | - | - | 19 | (19) | - |
| • Total recognized income and expenses for the period | - | - | (21) | - | (43) | (64) |
| *of which:* | | | | | | |
| *Net income/(loss) for the period recognized in equity* | - | - | *(21)* | - | - | *(21)* |
| *Net income/(loss) for the period* | - | - | - | - | *(43)* | *(43)* |
| **Balance at: 30 June 2008** | 1,593 | 1,541 | 1 | 62 | (43) | 3, 154 |
| **Balance at: 1 January 2009** | 1,593 | 1,541 | (2) | 62 | (230) | 2,964 |
| • Allocation of net income/(loss) from the previous year | - | - | - | (230) | 230 | - |
| • Total recognized income and expenses for the period | - | - | 103 | - | (6) | 97 |
| *of which:* | | | | | | |
| *Net income/(loss) for the period recognized in equity* | - | - | 103 | - | - | 103 |
| *Net income/(loss) for the period* | - | - | - | - | (6) | (6) |
| **Balance at: 30 June 2009** | 1,593 | 1,541 | 101 | (168) | (6) | 3,061 |

The Notes on pages 47 to 58 are an integral part of these Interim non-consolidated Financial Statements.

# Enel Investment Holding B.V. condensed interim non-consolidated Statement of cash flow

| Millions of Euro | 1st Half | |
|---|---|---|
| | 2009 | 2008 |
| **Cash flows from operating activities (a)** | **(69)** | **(6)** |
| **- *of which* discontinued operations** | **-** | **1** |
| Investment in property, plant and equipment and intangible assets | - | - |
| Investments in entities (or business units) less cash and cash equivalents acquired | (66) | (855) |
| Disposals of entities (or business units) less cash and cash equivalents sold | 1,690 | - |
| (Increase)/Decrease in other investing activities | - | - |
| **Cash flows from investing/disinvesting activities (b)** | **1,62‹** | **(855)** |
| **- *of which* discontinued operations** | **-** | **-** |
| Change in net financial debt | (1,555) | 861 |
| **Cash flows from financing activities (c)** | **(1,5** | **861** |
| **- *of which* discontinued operations** | **-** | **-** |
| **Impact of exchange rate fluctuations on cash and cash equivalents (d)** | **(2)** | **-** |
| **Increase/(Decrease) in cash and cash equivalents (a+b+c+d)** | **(2)** | **0** |
| **- *of which* discontinued operations** | | |
| **Cash and cash equivalents at the beginning of the period** | **153** | **0** |
| **Cash and cash equivalents at the end of the period** | **151** | **0** |

The Notes on pages 47 to 58 are an integral part of these Interim non-consolidated Financial Statements.

# Notes to the Enel Investment Holding B.V. non-consolidated financial statements as at 30 June 2009

## 10 Corporate information

Enel Investment Holding B.V. (hereafter: the "Company") is a private limited liability Company, where 100% of the shares are held by Enel S.p.A., the ultimate parent company, having its statutory seat in Rome Italy.

Enel Investment Holding B.V., having its statutory seat at Weteringschans 28 (sous) in Amsterdam, The Netherlands, was incorporated on December 15, 2000 under Dutch Law.

The purpose of the Company is to carry on activities and to invest directly or indirectly in companies or ventures that conduct their business:

- in the electricity industry, including all the activities of production, distribution and sale, as well as transmission;
- in the energy industry in general, including fuels, and in the field of environmental protection, as well as water sector;
- in the communications, telematics, information-technology industries and those of multimedia and interactive services;
- in network-based sectors (electricity, water, gas, district heating, telecommunications) on those which, in any case, provide urban services;
- in other sectors in any way related or connected with the activities carried out in the sectors mentioned above.

Enel S.p.A., the parent company, has issued a letter of support as per 31 December 2008 with respect to the Company, guaranteeing its continued financial support to meet the Company's liabilities.

These non-consolidated financial statements were approved by the board of directors and authorized for issue effective on 29 July 2009.

## 11 Basis of preparation

The interim non-consolidated financial statements have been prepared in condensed form in conformity with International Accounting Standard governing the preparation of interim financial reports (IAS 34). The interim non-consolidated financial statement also comply with the requirements of Book 2 Title 9 of the Netherlands' Civil Code.

The non-consolidated condensed interim financial statements consist of the non-consolidated condensed interim income statement, the non-consolidated statement of recognized income and expenses, the non-consolidate condensed interim balance sheet, the non-consolidated statement of changes in shareholder's equity, the non-consolidated condensed statement of cash flow and the related notes.

The accounting policies as well as the recognition and measurement criteria adopted in preparing the interim non-consolidated financial statements at 30 June 2009 are consistent with those used to prepare the non-consolidated financial statements at 31 December 2008, to which the reader should refer for more information.

These non-consolidated half year financial statements may not include all the information required to be reported in the annual financial statements and must be read together with the financial statements for the period ended 31 December 2008.

Please see pages 24 to 26 of the Notes to consolidated financial statements for a description of the new IFRS standards and interpretations.

The financial statements are presented in Euro, the functional currency of the Company. All non-consolidated figures are shown in millions of Euro unless stated otherwise.

### Segment reporting

The Company is the holding company of the Group. Pursuant to IAS 14.6, segment reporting is disclosed in Note 4 of the Notes to the consolidated financial statements.

# 12 Operating performance and financial position

## 12.1 Information on the condensed non-consolidated income statement

In the income statement and statement of cash flows at 30 June 2008, the results related to the companies belonging to the "Renewable Project" are reported as discontinued operations for comparative purpose.

### Other operating expenses

| Millions of Euro | 1st Half | | |
|---|---|---|---|
| | **2009** | 2008 | Change |
| *Services from third parties* | | | |
| Other judicial and trial costs re. sale Wind | - | 14 | (14) |
| Other expenses | 1 | 1 | - |
| | 1 | 15 | (14) |

### Financial income

| Millions of Euro | 1st Half | | |
|---|---|---|---|
| | **2009** | 2008 | Change |
| *Financial income from related parties* | | | |
| • Enel S.p.A. – interest | 12 | 14 | (2) |
| • Enel S.p.A. – income hedging | - | 23 | (23) |
| • Marcinelle Energie SA . – interest | 1 | - | 1 |
| *Financial income from third parties* | | | |
| Interest escrow and other special purpose accounts | - | 1 | (1) |
| Exchange differences | - | 2 | (2) |
| | 13 | 40 | (27) |

## Financial expenses

| Millions of Euro | 1st Half | | |
| --- | --- | --- | --- |
| | **2009** | 2008 | Change |
| *Financial expenses from related parties* | | | |
| • Enel S.p.A. – interest and credit fees | **7** | 25 | (18) |
| • Enel S.p.A. – guarantee fees | **-** | 4 | (4) |
| • Enel S.p.A. – expenses hedging | | 18 | (18) |
| • Enel Finance International SA – interest and credit fees | **1** | - | 1 |
| *Financial expenses from third parties* | | | |
| Interest bonds | **13** | 14 | (1) |
| Guarantee fees | **-** | 2 | (2) |
| Exchange difference | **-** | 6 | (6) |
| | **21** | 69 | (48) |

## Results from equity investments

| Millions of Euro | 1st Half | | |
| --- | --- | --- | --- |
| | **2009** | 2008 | Change |
| Dividend income Res Holdings B.V. | **2** | - | 2 |
| | **2** | - | 2 |

## 12.2 Information on the condensed non-consolidated balance sheet

**Non-current assets** – EUR 4,233 million

*Equity investments* – EUR 3,569 million

The tables below show the changes during the year and for each investment the corresponding balances at the beginning and end of the year, as well as the list of investments held in subsidiaries, associates, joint ventures and other companies

| Millions of Euro | Subsidiaries | Associated companies | Other companies | Total |
|---|---|---|---|---|
| **Balance as at 31 December 2008** | | | | |
| - Acquisition price | 4,422 | 885 | 1 | 5,308 |
| - Impairment | - | (60) | - | (60) |
| **Book value as at 31 December 2008** | **4,422** | **825** | **1** | **5,248** |
| **Changes in book value 1st half 2009:** | | | | |
| - Acquisitions / Subscriptions | 8 | - | 3 | 11 |
| - Reallocation | - | - | - | - |
| - Divestments | (1,69( | - | - | (1,69( |
| - Impairment | - | - | - | - |
| **Balance as at 30 June 2009** | **2,74(** | **825** | **4** | **3,56!** |
| **Balance as at 30 June 2009:** | | | | |
| - Acquisition price | 2,74( | 885 | 4 | 3.629 |
| - Impairment | - | (60) | - | (60) |
| **Book value as at 30 June 2009** | 2,74( | 825 | 4 | 3.569 |

The following table lists equity investments in *subsidiaries* at 30 June 2009 and 31 December 2008

| Millions of Euro | | 30 June 2009 | | | | 31 December 2008 | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Name** | **Country** | **Cost Price** | **Impair-ment** | **Book Value** | **% held** | **Cost Price** | **Impair-ment** | **Book Value** | **% held** |
| Enel Green Power International B.V. | The Netherlands | - | - | - | - | 1,690 | - | 1,690 | 100.0 |
| Enel.Re. Ltd | Ireland | 21 | - | 21 | 100.0 | 21 | - | 213 | 100.0 |
| Pragma Energy SA | Switzerland | 6 | - | 6 | 100.0 | 6 | - | 6 | 100.0 |
| Enelco S.A, | Greece | 60 | - | 60 | 75.0 | 51 | - | 51 | 75.0 |
| Enel France SAS | France | 35 | - | 35 | 100.0 | 35 | - | 35 | 100.0 |
| OGK – 5 | Russia | 2,477 | - | 2,477 | 55.9 | 2,478 | - | 2,478 | 55.9 |
| Enel Rus LLC | Russia | 0 | - | 0 | 99.0 | 0 | - | 0 | 99.0 |
| Enel Productie SRL (GPI) | Romania | 0 | - | 0 | 100.0 | 0 | - | 0 | 85.0 |
| Marcinelle Energie SA | Belgium | 56 | - | 56 | 80.0 | 56 | - | 56 | 80.0 |
| Enel Albania SHPK | Albania | 1 | - | 1 | 100.0 | 1 | - | 1 | 100.0 |
| Linea Albania-Italia SHPK | Albania | 0 | - | 0 | 100.0 | 0 | - | 0 | 100.0 |
| Latin America Energy Holding B.V. | The Netherlands | 84 | - | 84 | 100.0 | 84 | - | 84 | 100.0 |
| | | **2,740** | - | **2,740** | | **4,422** | - | **4,422** | |

The decrease for the period of EUR 1.681 million relate to the following transactions recorded in the first half year 2009:

### ➢ Enel Green Power International B.V.

On January 1, 2009 all shares held by the Company in Enel Green Power International B.V. were sold to Enel Green Power S.p.A. for an amount of EUR 1.690 million equal to the book value of this investment.

### ➢ Enelco S.A.

In February 2009 the Company has subscribed to an equity increase in Enelco, for an aggregate amount up to EUR 12.7 million, 75% this amount being EUR 9.5 million was paid by the Company in May 2009.

### ➢ OGK-5

The movement during the first half year 2009 of minus EUR 0.9 million relate to an adjustment of the acquisition cost.

## ➤ Enel Productie Srl.

In May 2009 the Company acquired the remaining 15% of the corporate capital of Enel Productie Srl. from Global International 2000 (10%) and Romelectro (5%) for a total amount of EUR 0.03 million

The following table lists equity investments in *associated companies* at 30 June 2009 and 31 December 2008, stated at cost.

| Millions of Euro | | 30 June 2009 | | | | 31 December 2008 | | | |
|---|---|---|---|---|---|---|---|---|---|
| Name | Country | Cost Price | Impair-Ment | Book Value | % held | Cost Price | Impair-Ment | Book Value | % held |
| Enel Green Power Holding Sarl. | Luxembourg | 70 | (60) | 10 | 32.9 | 70 | (60) | 10 | 32.9 |
| Res Holdings B.V. | The Netherlands | 84 | - | 84 | 49.5 | 84 | - | 84 | 49.5 |
| Artic Russia B.V. | The Netherlands | 731 | - | 731 | 40.0 | 731 | - | 731 | 40.0 |
| | | **885** | **(60)** | **825** | | **885** | **(60)** | **825** | |

The following table lists equity investments in other investments at 30 June 2009 and 31 December 2008, stated at cost.

| Millions of Euro | | 30 June 2009 | | | | 31 December 2008 | | | |
|---|---|---|---|---|---|---|---|---|---|
| Name | Country | Cost Price | Impair-Ment | Book Value | % held | Cost Price | Impair-Ment | Book Value | % held |
| Selecta S.p.A. | Italy | 1 | - | 1 | 3.98 | 1 | - | 1 | 3.98 |
| Energo Nuclear S.A. | Romania | 3 | - | 3 | 9.15 | - | - | - | - |
| | | **4** | **-** | **4** | | **1** | **-** | **1** | |

## ➤ Energo Nuclear S.A.

During 2008 Enel participated to a public tender launched by Nuclearelectrica (a company wholly owned by the Romanian State) having as object the selection of strategic investors for development, financing, construction and operation of two nuclear units, of 720 MW each, to Cernavoda power plant, a nuclear power plant in Romania owned by Nuclearelectrica. In this respect the Company has signed an investment agreement based on which the Company has the right to own a participation equal to 9,15% of the Romanian Project Company and has the obligation to fund 9,15% of the subscribed share capital of the PCO and of the development cost for a maximum amount equal to EUR 3,5 million. The 9,15% interest was acquired in March 2009 in the new incorporated Romanian company Societatea Comercială EnergoNuclear S.A., through a subscription of new issued shares with an overall exposure of RON 1.8 million (EUR 0.2 million),

The total acquisition cost included in the cost price as per 30 June 2009 amounts to EUR 2.6 million.

*Equity investment available for sale* – EUR 142 million

The following table lists equity investments classified as held for sale at 30 June 2009 and December 31, 2008.

| Millions of Euro | | 30 June 2009 | | | | | 31 December 2008 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Cost** | **Results recognized** | **Impair-ment** | **Fair** | **%** | **Cost** | **Results recognized** | **Impair-ment** | **Fair** | **%** |
| **Name** | **Country** | **Price** | **In equity** | **In P&L** | **Value** | **held** | **Price** | **In equity** | **In P&L** | **Value** | **held** |
| Echelon | USA | 20 | (2) | - | 18 | 7,9 | 20 | (3) | - | 17 | 7,9 |
| PT Byan Resources T.b.k. | Indonesia | 139 | 103 | (118) | 124 | 10,0 | 139 | - | (118) | 21 | 10,0 |
| | | **159** | **101** | **(118)** | **142** | | **159** | **(3)** | **(118)** | **38** | |

*Other non-current assets* – EUR 522 million

The other non-current assets relate to financial assets and can be specified as follows:

| Millions of Euro | 30 June 2009 | 31 December 2008 | Change |
|---|---|---|---|
| Loans held-held to maturity: | | | |
| due from shareholder | 522 | 522 | - |
| | 522 | 522 | - |

***Current assets*** – EUR 237 million

*Current financial assets* – EUR 85 million

| Millions of Euro | 30 June 2009 | 31 December 2008 | Change |
|---|---|---|---|
| Loans held-held to maturity: | | | |
| due from subsidiaries | 68 | 17 | 51 |
| Accrued interest receivables: | | | |
| due from shareholder | 16 | 6 | 10 |
| due from subsidiaries | 1 | 0 | 1 |
| | 85 | 23 | 62 |

The EUR 62 million increase during the period is largely the result of the increase of EUR 51 million of the loan granted to Marcinelle Energie S.A.

*Capital and reserve* – EUR 3,061 million

A specification of the movement of equity is separately presented.

The authorized share capital of Enel Investment Holding B.V. amounts to EUR 7.500.000 thousand, divided into 750.000 thousand ordinary shares of EUR 10,- each, of which 159.305 thousand ordinary shares have been issued and fully paid up.

***Non-current liabilities*** – EUR 535 million

The non-current liabilities can be specified as follows:

| Millions of Euro | **30 June 2009** | **31 December 2008** | **Change** |
|---|---|---|---|
| Bonds issues | 522 | 522 | - |
| Long-term payable re. acquisition Marcinelle Energie S.A. | 13 | 13 | - |
| | 535 | 535 | - |

**Loans and borrowings** – EUR 85 million

| Millions of Euro | **30 June 2009** | **31 December 2008** | **Change** |
|---|---|---|---|
| *Payables to related parties* | | | |
| Loan Enel Finance International S.A. | 68 | 17 | 51 |
| Accrued interest payables: | | | |
| Payable to third parties re. bonds issued | 16 | 6 | 10 |
| Payable to related parties | 1 | 0 | 1 |
| | 85 | 23 | 62 |

### *Accounts payable* – EUR 780 million

| Millions of Euro | 30 June 2009 | 31 December 2008 | Change |
|---|---|---|---|
| *Payables to shareholder* | | | |
| • Enel S.p.A. - IC loan account | 562 | 2,168 | (1,606) |
| • Enel S.p.A. - outstanding invoices | 16 | 18 | (2) |
| *Payables to related parties* | | | |
| • Enel Green Power International B.V. – re. acquisition Elica | 12 | 12 | - |
| *Payables to subsidiaries group companies* | | | |
| • Artic Russia B.V. - capital to be paid | 13 | 13 | - |
| • Enelco S.A. - capital to be paid | - | 8 | (8) |
| • Other subsidiaries | 0 | 1 | (1) |
| *Payables to third parties* | | | |
| • Invoices payable | 0 | 2 | (2) |
| • Other payable for the acquisition of Artic Russia | 7 | 7 | - |
| • Put-option liability – value option Marcinelle Energie S.A. | 19 | 19 | - |
| • Liability to sellers of PT Bayan Resources Indonesia | 151 | 153 | (2) |
| | 780 | 2,401 | (1,621) |

### *Other current liabilities* – EUR 9 million

| Millions of Euro | 30 June 2009 | 31 December 2008 | Change |
|---|---|---|---|
| *Accrued expenses from related parties* | | | |
| • Enel S.p.A. – interest and credit fees | 7 | 61 | (54) |
| • Enel S.p.A. – guarantee fees | 0 | 6 | (6) |
| • Enel S.p.A. – other | 2 | 1 | 1 |
| | 9 | 68 | (59) |

# 13 Related parties

Related parties have been identified on the basis of the provisions of international accounting standards.

The following table summarizes the financial relationships between the Company and related parties.

| Millions of Euro | Receivables 30 June 2009 | Payables 30 June 2009 | Cost 1st Half 2009 | Income 1st Half 2009 | Dividends 1st Half 2009 |
|---|---|---|---|---|---|
| ***Shareholder*** | | | | | |
| • Enel S.p.A. | 538 | 587 | 7 | 12 | - |
| ***Subsidiaries*** | | | | | |
| • Pragma Energy SA | - | - | - | - | - |
| • Marcinelle Energie SA | 69 | - | - | 1 | - |
| • Enelco S.A. | - | - | - | - | - |
| ***Associated companies*** | | | | | |
| • Artic Russia B.V. | - | 13 | - | - | - |
| • Res Holdings B.V. | - | - | - | - | 2 |
| ***Other affiliated companies*** | | | | | |
| • Enel Green Power International B.V. | - | 12 | - | - | - |
| • Enel Finance International SA | - | 68 | 1 | - | - |
| | **607** | **680** | **8** | **13** | **2** |

| Millions of Euro | Receivables 31 Dec. 2008 | Payables 31 Dec. 2008 | Cost 1st Half 2008 | Income 1st Half 2008 | Dividends 1st Half 2008 |
|---|---|---|---|---|---|
| ***Shareholder*** | | | | | |
| • Enel S.p.A. | 528 | 2,252 | 47 | 37 | - |
| ***Subsidiaries*** | | | | | |
| • Pragma Energy SA. | 4 | - | - | - | - |
| • Marcinelle Energie SA | 17 | - | - | - | - |
| • Enelco S.A. | - | 8 | - | - | - |
| • Enel Green Power International B.V. | - | 12 | - | - | - |
| • Enel Albania SHPK | - | 1 | - | - | - |
| ***Associated companies*** | | | | | |
| • Artic Russia B.V. | - | 13 | - | - | - |
| ***Other affiliated companies*** | | | | | |
| • Enel Finance International SA | - | 17 | - | - | - |
| • Empresa de Generacion Eléctrica Fortuna, S.A. | 1 | - | - | 2 | - |
| • Central America Power Serv Inc | - | 1 | 1 | - | - |
| | 550 | 2,304 | 48 | 39 | - |

During 2009, as part of the corporate reorganization of the shareholdings operating in the renewable sector, the following transaction, classify under common control transactions, was realized:

- Sale at book value, amounting to EUR 1.690 million, of Enel Green Power International B.V. from Enel Investment Holding B.V. to Enel Green Power S.p.A.

# 14 Contractual commitments and guarantees

The contractual commitments and guarantees as per 30 June 2009 can be specified as follows:

- During 2008 Enelco S.A. was awarded the tender offer for the construction of a combined cycle gas plant of 430 MW at Livadia in central Greece. In this respect the Company has approved, to support Enelco with an equity investment for a total amount up to EUR 100 million. In order to cover the financial need of Enelco relating to the project described, during 2008, the Company has subscribed a share capital increase in favour of Enelco, for a total amount up to EUR 36 million, of which 75% (EUR 29 million) has to be paid by the Company. As per 31 December 2008 an amount of EUR 21 million was paid by the Company, and on March 2009 the Company paid the last portion of the mentioned increase in the share capital of Enelco equal to EUR 8 million. In February 2009, the Company subscribed a new share capital increase in favour of the Greece vehicle for a total commitment of EUR 12.7 million of which 75% equal to EUR 9.5 million was paid by the Company in May 2009.

- In respect of a guarantee issued by MCC S.p.A. for a contracts signed by Enelco, Enel S.p.A. has issued, on behalf of the Company, a comfort letter in favour of MCC S.p.A. in the amount of EUR 10 million.

- Based on the Cooperation Agreement with third parties for the joint development of the construction of a coal power plant in the Free Trade Zone of the city of Galati (the Project). The Company has a commitment to finance, pro-quota by the project holders, all Project development costs, estimated at a maximum of EUR 5 million in two years. After the completion of the permitting process for the construction, the Company has a call option on 5% in the project and has granted to the remaining project holder an equivalent put option for the remaining 10% in the project. At any time the Company will have the right to get out the Project selling its share at the same price paid by the Company at the time of acquisition. In addition the Company will be reimbursed for all the development costs paid if the other project holders succeed in selling the Project to a third party within 24 months from the Company selling out or if they continue to develop the Project alone.

- In June 2008 the Company has acquired from Duferco Diversification (DD), the 80% of the share capital of the Belgium company Marcinelle Energie S.A. (ME), being the remaining 20% still held by DD. Marcinelle Energie S.A. is a special purpose vehicle incorporated for the construction of a CCGT power plant in Marcinelle Belgium. For such above mentioned acquisition the Company paid an initial amount of EUR 19.2 million, postponing the payment of additional sums amounting as a whole to EUR 12.8 million, until the completion of some construction works. Pursuant to the sale and purchase agreement executed between the parties, in order to guarantee the payment of the above mentioned remaining amount of EUR 12.8 million, Enel S.p.A, as the parent company, issued two parent company guarantees, on behalf of the Company, respectively of EUR 4.8 million and of EUR 8 million. Furthermore, as provided by the sale and purchase agreement executed between the parties, Enel S.p.A., issued on behalf of the Company, a parent company guarantee, in order to counter guarantee the 80% of an agreement already executed by Marcinelle Energie with Fluxis S.A. for the connection to the natural gas grid, for an mount equal to EUR 11.4 million. Moreover, the Company granted to Duferco a "put option" for the remain 20% of the shares to be exercised within 72 months after 12 months from the "provisional acceptance".

- As shareholder of Artic Russia B.V. the Company has undertaken to guarantee the performance of the obligation and duties of Artic Russia B.V. arising from the call option agreement. In this respect Enel S.p.A. has issued, on behalf of the Company, a cross indemnity guarantee in favor of the other shareholder of Artic Russia B.V. in the amount of USD 434 million. A similar guarantee was issued by the other shareholder of Artic Russia B.V. in favor of Enel.

- During 2008 Enel participated to a public tender launched by Nuclearelectrica (a company wholly owned by the Romanian State) having as object the selection of strategic investors for development, financing, construction and operation of two nuclear units, of 720 MW each, to Cernavoda power plant, a nuclear power plant in Romania owned by Nuclearelectrica. In this respect the Company has signed an investment agreement based on which the Company has the right to own a participation equal to 9.15% of the Romanian Project Company and has the obligation to fund 9.15% of the subscribed share capital of the Project Company and of the development cost for a maximum amount equal to EUR 3.5 million. In March 2009 the Company acquired the 9.15% interest in the new incorporated Romanian company Societatea Comercială EnergoNucear S.A. for a total commitment of RON 1,802,046 and in the meantime, paid EUR 1,120,408 as cost and expenses reimbursement to Nuclearelectrica.

# 15 Post balance sheet events

Please see pages 40 to 41 of the Notes to Interim Consolidated Financial Statements for a description of the post balance sheet events.

Amsterdam, 29 July 2009

The Board of Directors:

A. Brentan

C. Machetti

H. Marseille

F. Mauritz

A.J.M. Nieuwenhuizen

C. Palasciano

K. Schell

C. Tamburi

# Other information

## Provisions in the articles of association governing the appropriation of profit

Under article 14 of the Company's articles of association, the profit is at the disposal of the General Meeting of Shareholders, which can allocate said profit either wholly or partly to the formation of – or addition to – one or more general or special reserve funds.

The Company can only make payments to the shareholders and other parties entitled to the distributable profit insofar as the shareholders' equity is greater than the paid-up and called-up part of the capital plus the legally required reserves.

# Annex

# Subsidiaries, associates and other significant equity investments of Enel Investment Holding at 30 June 2009

A list of subsidiaries and associates of Enel Investment Holding B.V. at 30 June 2009, and of other significant equity investments is provided below. The company has full title to all investments.

The following information is included for each company: name, registered office, activity, share capital, currency of account, Group companies that have a stake in the company and their respective ownership share, and the Group's ownership share.

## Subsidiaries consolidated on a line-by-line basis at 30 June 2009

| Company name | Registered office | Country | Activity | Share capital at 30 June 2009 | Currency | Held by | % holding | Group % holding |
|---|---|---|---|---|---|---|---|---|
| **Parent company:** | | | | | | | | |
| Enel Investment Holding BV | Amsterdam | Netherlands | Holding company | 1,593,050,000 | EUR | Enel SpA | 100.00% | 100.00% |
| **Subsidiaries:** | | | | | | | | |
| Enel Albania Shpk | Tirana | Albania | Construction, operation and maintenance of plants. Electricity generation and trading | 73,230,000 | ALL | Enel Investment Holding BV | 100.00% | 100.00% |
| Enel Erelis Sas | Lyon | France | Electricity generation from renewable resources | 7,544,497.53 | EUR | Enel France Sas | 100.00% | 100.00% |
| Enel France Sas | Paris | France | Holding company | 34,937,000 | EUR | Enel Investment Holding BV | 100.00% | 100.00% |
| Enel Productie Srl (formerly Global Power Investment Srl) | Bucharest | Romania | Electricity generation | 910,200 | RON | Enel Investment Holding BV | 100.00% | 100.00% |
| Enel Rus LLC | Moscow | Russian Federation | Electricity services | 350,000 | RUB | Enel Investment Holding BV | 100.00% | 100.00% |
| Enel.Re Ltd | Dublin | Ireland | Reinsurance | 3,000,000 | EUR | Enel Investment Holding BV | 100.00% | 100.00% |
| Enelco SA | Athens | Greece | Plant construction, operation and maintenance | 36,961,629 | EUR | Enel Investment Holding BV | 75.00% | 75.00% |
| Latin America Energy Holding BV | Amsterdam | Netherlands | Holding company | 18,000 | EUR | Enel Investment Holding BV | 100.00% | 100.00% |
| Linea Albania-Italia Shpk | Tirana | Albania | Construction, maintenance and operation of merchant lines | 27,460,000 | ALL | Enel Investment Holding BV | 100.00% | 100.00% |
| Marcinelle Energie SA | Marcinelle | Belgium | Electricity generation, transport, sales and trading | 3,061,500 | EUR | Enel Investment Holding BV | 80.00% | 80.00% |
| Maya Energy BV | Amsterdam | Netherlands | Holding company | 18,000 | EUR | Latin America Energy Holding BV | 100.00% | 100.00% |
| Pragma Energy SA | Lugano | Switzerland | Coal trading | 4,000,000 | CHF | Enel Investment Holding BV | 100.00% | 100.00% |
| OGK-5 OJSC | Ekaterinburg | Federazione Russa | Produzione di energia elettrica da fonti rinnovabili | 35.371.898.370 | Rublo | Enel Investment Holding BV | 55,86% | 55,86% |
| OGK-5 Finance LLC | Mosca | Federazione Russa | Finanziaria | 10.000.000 | Rublo | OGK-5 OJSC | 100,00% | 55,86% |

| Company name | Registered office | Country | Activity | Share capital at 30 June 2009 | Currency | Held by | % holding | Group % holding |
|---|---|---|---|---|---|---|---|---|
| Sanatorium-Preventorium Energetik OJSC | Nevinnomyssk | Russian Federation | Energy services | 10,571,300 | RUB | OGK-5 OJSC<br>OGK-5 Finance LLC | 99.99%<br>0.01% | 55.86% |
| SLAP BV | Amsterdam | Netherlands | Holding company | 18,000 | EUR | Latin America Energy Holding BV | 100.00% | 100.00% |
| Société Armoricaine d'Energie Eolienne Sarl | Lyon | France | Electricity generation from renewable resources | 1,000 | EUR | Enel Erelis Sas | 100.00% | 100.00% |
| Société du Parc Eolien du Chemin de la Ligue Snc | Meyzieu | France | Electricity generation from renewable resources | 1,000 | EUR | Enel Erelis Sas | 100.00% | 100.00% |
| Société du Parc Eolien du Mazet Saint Voy Sarl | Mese | France | Electricity generation from renewable resources | 4,000 | EUR | Enel Erelis Sas | 100.00% | 100.00% |
| Société du Parc Eolien Grandes Terres Est Eurl | Lyon | France | Electricity generation from renewable resources | 1,000 | EUR | Enel Erelis Sas | 100.00% | 100.00% |
| Société du Parc Eolien Grandes Terres Ouest Eurl | Lyon | France | Electricity generation from renewable resources | 1,000 | EUR | Enel Erelis Sas | 100.00% | 100.00% |
| Teploprogress OJSC | Sredneuralsk | Russian Federation | Electricity sales | 128,000,000 | RUB | OGK-5 Finance LLC | 60.00% | 33.52% |
| Prof-Energo LLC | Sredneuralsk | Federazione Russa | Services on electricity sector | 10.000 | Rublo | Sanatorium-Preventorium Energetik OJSC | 100,00% | 55,86% |
| Parc Eolien de Beauséjour Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de Bouville Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de Coulonges-Thouarsais Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de la Chapelle Gaudin Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de la Grande Epine Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de la Parigodière Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |

**Enel Investment Holding B.V.**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Parc Eolien de la Terre aux Saints Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de la Vallière Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de la Vigne de Foix Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de Noirterre Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de Pouille L'Hermenault Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien des Ramiers Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien de Thire Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |
| Parc Eolien du Mesnil Sasu | Lione | Francia | Electricity generation from renewable resources | 37.000 | Euro | Enel Erelis Sas | 100,00% | 100,00% |

## Associated companies accounted for using the equity method at 30 June 2009

| Company name | Registered office | Country | Activity | Share capital at 30 June 2009 | Currency | Held by | % holding | Group % holding |
|---|---|---|---|---|---|---|---|---|
| **Parent company:** | | | | | | | | |
| Artic Russia BV | Amsterdam | Netherlands | Holding company | 100,000 | EUR | Enel Investment Holding BV | 40.00% | 40.00% |
| **Subsidiaries:** | | | | | | | | |
| Arcticgaz OAO | Novyi Urengoi | Russian Federation | Mining | 2,400,000 | RUB | SeverEnergia | 100.00% | 40.00% |
| Neftegaztekhnologiya OAO | Novyi Urengoi | Russian Federation | Mining | 500,000 | RUB | SeverEnergia | 100.00% | 40.00% |
| SeverEnergia | Moscow | Russian Federation | Holding company | 1,000,000 | RUB | Artic Russia BV | 100.00% | 40.00% |
| Urengoil ZAO | Molodezhniy | Russian Federation | Mining | 119,750,280 | RUB | SeverEnergia | 100.00% | 40.00% |
| **Parent company:** | | | | | | | | |
| Res Holdings BV | Amsterdam | Netherlands | Holding company | 18,000 | EUR | Enel Investment Holding BV | 49.50% | 49.50% |
| **Subsidiaries:** | | | | | | | | |
| Lipetskenergosbyt LLC | Lipetskaya oblast | Russian Federation | Electricity sales | 7,500 | RUB | Res Holdings BV | 75.00% | 37.13% |
| Rusenergosbyt LLC | Moscow | Russian Federation | Electricity trading | 2,760,000 | RUB | Res Holdings BV | 100.00% | 49.50% |
| Rusenergosbyt C LLC | Khanty-Mansiyskiy | Russian Federation | Electricity sales | 5,100 | RUB | Res Holdings BV | 51.00% | 25.25% |
| Rusenergosbyt M LLC | Moscow | Russian Federation | Electricity sales | 7,500 | RUB | Res Holdings BV | 75.00% | 37.13% |
| Rusenergosbyt Siberia LLC | Krasnoyarskiy kray | Russian Federation | Electricity sales | 5,000 | RUB | Res Holdings BV | 50.00% | 24.75% |
| Enel Green Power Holding SARL (formerly Enel Green Power International SA) | Luxembourg | Luxembourg | Holding company in the sector of electricity generation from renewable resources | 211,650,000 | EUR | Enel Produzione SpA<br>Enel Investment Holding BV | 67.11%<br>32.89% | 100.00% |
| Energy North Company OJSC | Tarko-Sale | Russian Federation | Electricity generation and sales | 460,004,000 | RUB | OGK-5 OJSC | 43.48% | 24.29% |