

**Financial statements as of September 30, 2015 of Enel
Green Power S.p.A.**

Income statement

Euro		First nine months			
		2015	of which with related parties	2014	of which with related parties
	Revenues and income	3			
	Revenues from sales and services	724,843,287	640,831,197	633,396,583	633,597,541
	Other revenues and income	224,021,384	204,638,018	343,160,684	239,973,125
	(Subtotal)	948,864,671		976,557,267	
	Costs	4			
	Electricity purchases	22,065,777	21,903,649	23,148,353	23,134,280
	Services and other materials	289,893,108	116,443,518	180,374,475	91,964,839
	Personnel	110,374,135		111,627,904	
	Depreciation, amortization and impairment losses	216,681,714		205,592,450	
	Other operating expenses	37,188,511		32,685,441	
	Capitalized costs	(18,178,478)		(21,573,129)	
	(Subtotal)	658,024,767		531,855,494	
	Net income/(expense) from commodity contracts measured at fair value	5	(10,524,096)	(10,524,096)	66,015,082
	Operating income		280,315,808	510,716,855	66,015,082
	Income from equity investments	6	8,475,648	8,475,648	44,208,735
	Net financial income/(expense) from derivatives	7	(54,136,461)	(54,136,461)	(8,495,661)
	Net other financial income/(expense)	8	(8,214,369)	11,717,756	(79,959,007)
	(Subtotal)		(53,875,182)	(44,245,933)	(67,240,191)
	Income before taxes		226,440,626	466,470,922	66,015,082
	Income Taxes	9	(86,773,166)		(162,576,195)
	Net Income from continuing operations		139,667,460	303,894,727	66,015,082
	Net Income from discontinued operations		-		(4,950,000)
	Net Income for the period		139,667,460	298,944,727	66,015,082

Balance sheet

Euro	Notes				
ASSETS		as of	<i>of which with</i>	as of	<i>of which with</i>
		30.09.2015	<i>related</i>	31.12.2014	<i>related</i>
			<i>parties</i>		<i>parties</i>
Non-current assets	10				
Properties, plants and equipment		4,808,240,886	-	4,847,103,496	-
Intangible assets		22,541,510	-	28,125,101	-
Goodwill		6,370,310	-	6,370,310	-
Deferred tax assets		139,687,906	-	136,035,609	-
Equity Investments		5,328,313,066	-	4,592,561,676	-
Medium/long-term financial receivables and securities		-	-	-	-
Derivatives		4,637,456	2,071,257	2,268,421	2,268,421
Other non-current financial assets		13,998,133	11,673,174	27,208,189	24,655,532
Other non-current assets		9,114,460	2,766,078	8,690,825	2,766,078
	<i>(Total)</i>	10,332,903,727		9,648,363,627	
Current assets	11				
Inventories		107,891,623	-	89,045,755	-
Trade receivables		494,006,034	399,202,456	358,426,735	328,680,940
Receivables for works in progress on order		-	-	-	-
Tax receivables		82,866,989	64,897,604	2,625,243	433
Financial receivables and short-term securities		-	-	-	-
Derivatives		763,851	763,851	10,539,952	10,539,952
Other current financial assets		480,272,106	479,993,843	792,979,731	792,690,078
Other current assets		121,804,801	74,468,617	208,893,324	118,238,011
Cash and cash equivalents		10,541,459	-	19,020,067	-
	<i>(Total)</i>	1,298,146,863		1,481,530,807	
TOTAL ASSETS		11,631,050,590		11,129,894,434	
LIABILITIES AND SHAREHOLDERS' EQUITY		as of	<i>of which with</i>	as of	<i>of which with</i>
		30.09.2015	<i>related</i>	31.12.2014	<i>related</i>
			<i>parties</i>		<i>parties</i>
Share capital		1,000,000,000	-	1,000,000,000	-
Reserves		4,637,089,228	-	4,642,735,941	-
Retained earnings/(loss carried forward)		1,095,239,874	-	824,202,673	-
Net income for the period		139,667,460	-	431,037,201	-
TOTAL SHAREHOLDERS' EQUITY	12	6,871,996,562		6,897,975,815	
Non-current liabilities	13				
Long-term borrowings		2,130,286,410	1,420,000,000	1,956,298,130	1,200,000,000
Post-employment and other employee benefits		39,559,782	-	39,219,189	-
Provisions for risks and charges		51,033,465	-	60,256,528	-
Deferred tax liabilities		8,172,426	-	9,475,171	-
Derivatives		43,869,873	43,869,873	51,924,721	47,909,736
Other non-current liabilities		55,179,471	-	55,328,890	-
	<i>(Total)</i>	2,328,101,427		2,172,502,629	
Current liabilities	14				
Short-term borrowings		1,923,054,422	1,923,054,153	1,567,883,542	1,562,406,998
Current portion of long-term borrowings		71,379,939	-	55,089,067	-
Current portion of long-term provisions and short-term provisions		8,225,670	-	16,251,888	-
Trade payables		196,630,479	110,828,812	247,129,469	122,259,342
Income tax payables		85,956,862	-	30,844,325	30,527,563
Derivatives		1,238,711	1,238,711	5,171,413	5,171,413

Other current financial liabilities	53,605,176	47,030,328	30,202,287	27,532,916
Other current liabilities	90,861,342	4,310,850	106,843,999	5,946,308
<i>(Total)</i>	2,430,952,601		2,059,415,990	
TOTAL LIABILITIES	4,759,054,028		4,231,918,619	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	11,631,050,590		11,129,894,434	

Notes to the Financial Statements

1 Enel Green Power S.p.A.'s business

Enel Green Power SpA, which operates in the production of electricity using renewable sources, has the legal form of joint stock company, with registered office at viale Regina Margherita, 125, Rome.

2 Reference accounting standards

The Financial Statements of Enel Green Power S.p.A. as of September 30, 2015 were prepared in accordance with the recognition and measurement criteria set forth in international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB) and the IFRIC and SIC interpretations, recognized in the European Union pursuant to EC regulation no. 1606/2002 in force as of the close of the period.

In particular, such criteria are in line with those adopted for the preparation of the Company's Annual Financial Statement as of December 31, 2014, to which reference is made for an extensive description of the same. It should be noted that the application of the accounting standards which became applicable starting on January 1, 2015 did not have any effect on this Financial Statements.

These Financial Statements are comprised of the Income Statement, the Balance Sheet and related notes the purpose of which is to describe the composition of the main financial statement items as well as the most significant changes that took place over the course of the first nine months of year 2015. The Financial Statements as of September 30, 2015 therefore does not contain all of the information required for the annual Financial Statements and, therefore, must be read in conjunction with the annual Financial Statement as of December 31, 2014. The currency used for the presentation of the financial statements is the Euro, the functional currency of the company, and the amounts set forth in the comments are expressed in Euro millions, except where otherwise indicated.

Under the Consob provisions issued on this matter, the Income Statement and the Balance Sheet indicate transactions with related parties, identified in accordance with international accounting standards and the relevant Consob provisions. It should be noted that such transactions are concluded in the Company's interest and are governed at market/arm's length conditions or, in other words, at conditions that would apply between two independent parties.

3 Revenues

Revenues from Sales and services

Euro millions	First nine months		
	2015	2014	Change
Energy	567	561	6
Other sales and services	158	72	86
Total	725	633	92

Revenues from sales and services of Euro 725 million (of which Euro 58 million pertained to Group's foreign companies), show an increase of Euro 92 million compared to the first nine months of 2014 (Euro 633 million, of which Euro 55 million pertained to the Group's foreign companies) mainly due to the increase in Other sales and services of Euro 86 million (of which Euro 3 million pertained to the Group's foreign companies).

Other Revenues and income

Euro millions	First nine months		
	2015	2014	Change
Green certificates	201	235	(34)
Other revenues and income	23	108	(85)
Total	224	343	(119)

The Other revenues and income of Euro 224 million (of which Euro 3 million pertained to foreign companies of the Group), show a decrease of Euro 119 million compared to the first nine months of 2014 (Euro 343 million, of which Euro 4 million pertained to foreign companies of the Group) as a result of the

reduction of green certificates in the amount of Euro 34 million and in the other revenues and income in the amount of Euro 85 million.

4 Costs

Euro millions	First nine months		
	2015	2014	Change
Electricity purchases	22	23	(1)
Services and other materials	290	180	110
Personnel	110	112	(2)
Depreciation, amortization and impairment losses	217	206	11
Other operating expenses	37	33	4
Capitalized costs	(18)	(22)	4
Total	658	532	126

The costs for the electricity purchases, of Euro 22 million (Euro 23 million in the first nine months of 2014), refer almost entirely to transactions with related parties. In particular, the item includes:

- with regard to Euro 18 million, the energy purchased from GME Spa (Euro 3 million in the first nine months of 2014);
- with regard to Euro 3 million, the procurement from Terna Spa of resources necessary for the dispatch service (14 million di euro in the first nine months of 2014);
- with regard to Euro 1 million, energy purchased from Enel Energia Spa for the functioning of ancillary power plant services directly or indirectly connected with power generation, illumination services and motive power (Euro 4 million in the first nine months of 2014).

The change reflects essentially the lower costs of dispatch by Terna Spa (Euro 11 million) and the higher costs for the purchase of energy from GME.

The costs for Services and other materials, in the amount of Euro 290 million (Euro 180 million in the first nine months of 2014) refer to costs for services in the amount of Euro 117 million (Euro 106 million in the first nine months of 2014), costs for the purchase of materials in the amount of Euro 129 million (Euro 32 million in the first nine months of 2014), costs for the use of third party assets in the amount of Euro 44 million (Euro 42 million in the first nine months of 2014). The change is mainly attributable to higher costs for the purchase of photovoltaic panels (in the amount of Euro 92 million).

The Personnel, in the amount of Euro 110 million (Euro 112 million in the first nine months of 2014) are substantially in line with those of the corresponding period in the previous year.

Employees as of September 30, 2015 total 2,045 (1,972 as of December 31, 2014), up by 73 units compared to the previous year. The average number as of September 30, 2015 is 2,010 units (1,966 units as of September 30, 2014) up by 44 units.

Depreciation, amortization and impairment losses, in the amount of Euro 217 million, are up by Euro 11 million over the corresponding period in the previous year mainly as a result of higher depreciation of tangible assets.

Other operating expenses of Euro 37 million (Euro 33 million in the first nine months of 2014) include mainly the contributions and association quotas mainly related to the amounts paid to Municipalities, Provinces and Regions, where power plants are located, on the basis of specific agreements between the

parties; in particular, they include the contributions paid to the Region of Tuscany in the context of the Voluntary Implementing Agreement of the Protocol of Understanding entered into between Enel and the Region of Tuscany which provides for a contribution by Enel Green Power Spa calculated on the basis of the total production in the previous year in the amount of Euro 22 million (Euro 21 million in the first nine months of 2014) and taxes and duties that include essentially IMU totaling Euro 11 million (Euro 8 million in the first nine months of 2014).

Capitalized Costs, in the amount of Euro 18 million, fall by Euro 4 million with respect to the first nine months of 2014 (Euro 22 million) and refer mainly to the cost of employees dedicated to the planning and construction of plants.

5 Net income/(expense) from commodity contracts measured at fair value

The **net income/(expense) from commodity contracts measured at fair value**, negative in the amount of Euro 11 million, refer entirely to costs and proceeds on CFH derivative contracts in place with related parties and unwound as of September 30, 2015.

6 Income from equity investments

The Income from equity investments, in the amount of Euro 8 million (Euro 44 million in the first nine months of 2014), refer:

- with respect to Euro 4 million, to the subsidiary Maicor Wind (unchanged with respect to the first nine months of 2014);

- with respect to Euro 3 million, to the subsidiary EGP Calabria (unchanged with respect to the first nine months of 2014);
- with respect to Euro 1 million, to the subsidiary Energia Eolica Srl (unchanged with respect to the first nine months of 2014).

The item registers a decrease in the amount of Euro 36 million compared to the same period in the previous year and relates mainly to dividends of the affiliate LaGeo, which was sold in the fourth quarter of 2014 (Euro 23 million) as well as the dividends of the subsidiaries Enel Green Power Cutro and Enel Green Power Canaro (respectively, Euro 5 million and Euro 1 million) which were merged by incorporation over the course of 2014.

7 Net financial income/expense from derivatives

Euro millions	First nine months		
	2015	2014	2015-2014
Income from derivatives			
Income on trading derivatives and non-IAS hedge derivative	20	2	18
Total income from derivatives	20	2	18
Expense from derivatives			
Expense on cash flow hedge derivatives	(8)	(8)	-
Expense on trading derivatives and non-IAS hedge derivatives	(66)	(2)	(64)
Total expense from derivatives	(74)	(10)	(64)
Total income/(expense) from derivatives	(54)	(8)	(46)

The net financial income and costs from derivative contracts, negative in the amount of Euro 54 million, rose by Euro 46 million compared to the first nine months of 2014; the change is attributable to the rise in charges from trading derivatives and non- IAS hedge derivatives, which was partially offset by the rise in financial income from trading derivatives.

8 Other net financial income/expense

Euro millions	First nine months		
	2015	2014	2015-2014
Foreign exchange gains	63	-	63
Interest and other income from financial assets	26	17	9
Total financial income	89	17	72
Foreign exchange losses	(11)	-	(11)
Interest and other charges on financial liabilities	(86)	(97)	11
Total financial expense	(97)	(97)	-
Total financial income/(expense)	(8)	(80)	72

Other net financial expense fall by Euro 72 million upon the registration of financial income that increase by Euro 72 million, related to positive foreign exchange differences and interest income accrued over the period.

9 Taxes

Euro millions	First nine months		
	2015	2014	2015-2014
Current taxes	86	166	(80)
Adjustments for income related to previous years	4	(4)	8
Deferred tax expense/(income)	(3)	1	(4)
Total	87	163	(76)

Taxes, in the amount of Euro 87 million, fall by Euro 76 million with respect to the same period in the previous year.

10 Non-current assets

Euro millions

	as of 30.09.2015	as of 31.12.2014	Change
Real estate properties, plants and machinery	4,808	4,847	(39)
Intangible assets	23	28	(5)
Goodwill	6	6	-
Deferred tax assets	140	136	4
Equity Investments	5,328	4,593	735
Derivatives	5	2	3
Other non-current financial assets	14	27	(13)
Other non-current assets	9	9	-
Total	10,333	9,648	685

Non-current assets rise by Euro 685 million compared to the figure as of December 31, 2014. Such trend was caused essentially by the rise in equity investments by Euro 735 million, partially offset by the decrease property, plants and equipment by Euro 39 million and the decrease in other non-current financial assets.

Over the course of the first nine months of 2015, the value of equity investments rose mainly as the result of the following phenomena:

- the recapitalization of the subsidiary Enel Green Power International BV (EGPI BV) in the total amount of Euro 274 million, to be accounted under the share premium reserve of EGPI BV that was necessary in order to proceed with the recapitalization of a number of its subsidiaries;
- the recapitalization of the subsidiary 3Sun Srl in the total amount of Euro 449 million;
- the purchase of the entire shareholding of Energia Eolica for a total amount of Euro 9 million.

11 Current assets

Euro millions

	as of 30.09.2015	as of 31.12.2014	Change
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Inventories	108	89	19
Trade Receivables	494	358	136
Tax receivables	83	3	80
Derivatives	1	11	(10)
Other current financial assets	480	793	(313)
Other current assets	122	209	(87)
Cash and cash equivalents	10	19	(9)
Total	1,298	1,482	(184)

The current assets show, compared to December 31, 2014, a decrease of Euro 184 million that is mainly attributable to the fall in other current financial assets (Euro 313 million) and other current assets (Euro 87 million) which effect is partially offset by the rise in trade receivables (Euro 136 million) and receivables for income taxes (Euro 80 million).

12 Shareholders' Equity

The Shareholders' Equity of Euro 6,872 million (Euro 6,898 million as of December 31, 2014) is comprised of share capital (Euro 1,000 million), the legal reserve (Euro 200 million), other reserves (Euro 4,437 million), earnings carried forward (Euro 1,095 million) as well as earnings registered in the first nine months of 2015 (Euro 140 million).

The change in Shareholders' Equity with respect to the previous year mainly reflects the entry of income for the period (Euro 140 million) and the distribution of dividends for year 2014 (Euro 160 million).

13 Non-current Liabilities

Euro millions			
	as of 30.09.2015	as of 31.12.2014	Change
Long-term borrowings	2,130	1,956	174
Post-employment and other employee benefits	40	39	1
Provisions for risks and charges	51	60	(9)

Deferred tax liabilities	8	9	(1)
Derivatives	44	52	(8)
Other non-current liabilities	55	55	-
Total	2,328	2,171	157

Non-current liabilities register, compared to December 31, 2014, an increase of Euro 157 million mainly related to the increase in long-term borrowings (Euro 174 million) partially offset by the decrease in the provisions for risks and charges (Euro 9 million) and the decline in liabilities related to derivative instruments (Euro 8 million).

Long-term borrowings, up by Euro 174 million, mainly relate to the borrowings disbursed to the subsidiary 3Sun Srl.

14 Current liabilities

Euro millions			
	as of 30.09.2015	as of 31.12.2014	Change
Short-term borrowings	1,923	1,568	355
Current portion of long-term borrowings	71	55	16
Current portion of long-term provisions and short-term provisions	8	16	(8)
Trade payables	197	247	(50)
Income tax payables	86	31	55
Derivatives	1	5	(4)
Other current financial liabilities	54	30	24
Other current liabilities	91	107	(16)
Total	2,431	2,059	372

Current liabilities show, compared to December 31, 2014, an upward change of Euro 372 million attributable essentially to the rise in short-term borrowings (Euro 335 million) and income tax payables (Euro 55 million), partially offset by a decrease in trade payables (Euro 50 million) and other current liabilities (Euro 16 million).

Short-term Borrowings register an increase of Euro 355 million with respect to December 31, 2014, mainly as the result of an increase in the debt exposure toward the Parent Company Enel SpA and toward the Italian development companies (Euro 410 million), which effect was partially offset by a reduction in the debt position with the Parent Company's financial company Enel Finance International (Euro 200 million).

Income tax payables show an increase of Euro 55 million compared to December 31, 2014, as a result of the entry of estimated income taxes for the period.

15 Net Financial Position

Set forth below is the net financial position of Enel Green Power Spa as of September 30, 2015 and as of December 31, 2014 in line with the CONSOB instructions dated July 28, 2006, reconciled with the net financial indebtedness as provided for in the presentation methods of Enel Green Power:

Euro millions	as of September 30, 2015	as of December 31, 2014
Liquidity	10	19
Short-term financial receivables	478	791
Short-term portion of non-current financial debts	(71)	(55)
Other short-term financial payables	(1,923)	(1,568)
Short-term financial debts	(1,994)	(1,623)
Net current financial position	(1,506)	(813)
Non-current bank debt	(710)	(756)
Other non-current debts	(1,420)	(1,200)
Non-current financial debt	(2,130)	(1,956)
Non-current financial position	(2,130)	(1,956)
NET FINANCIAL POSITION as per CONSOB instructions	(3,636)	(2,769)
Long-term financial receivables	14	27
NET FINANCIAL DEBT	(3,622)	(2,742)