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Testo del comunicato

Vedi allegato.

PRESS RELEASE

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ENEL 1H 2016 ORDINARY EBITDA UP 3.1% AND NET ORDINARY INCOME UP 8.6%, DRIVEN BY POSITIVE ITALY AND LATAM PERFORMANCE

- **Revenues:** 34,150 million euros (37,632 million euros in the first half of 2015, -9.3%)
  - *Decline reflects lower revenues from electricity sales in mature markets, reduced trading activity, negative foreign exchange effect and a lower impact from extraordinary items*

- **EBITDA:** 8,053 million euros (7,961 million euros in the first half of 2015, +1.2%)
  - *Increase due to improved margins in Italy and Latin America, in particular in end-user markets and conventional generation respectively, which more than offset negative exchange rate developments, a decline in the generation and trading margins in Iberia and the different impact of extraordinary items*

- **Ordinary EBITDA:** 7,929 million euros (7,688 million euros in the first half of 2015, +3.1%), net of extraordinary items relating to disposals
  - *Net of one-off items, ordinary EBITDA increased by 5.2% on a like-for-like basis notwithstanding negative foreign exchange effect*

- **EBIT:** 5,210 million euros (5,084 million euros in the first half of 2015, +2.5%)
  - *Takes account of lower depreciation, amortisation and impairment losses*

- **Group net income:** 1,834 million euros (1,833 million euros in the first half of 2015, +0.1%)
  - *Largely unchanged from the first half of 2015, mainly due to improved EBIT, lower taxes and a reduction in non-controlling interests, all of which was partially offset by higher net financial expenses*

- **Group net ordinary income:** 1,742 million euros (1,604 million euros in the first half of 2015, +8.6%)
  - *Net of one-off items, Group net ordinary income increased by 13.0% on a like-for-like basis*

- **Net financial debt**: 38,138 million euros (37,545 million euros at the end of 2015, +1.6%)
  - *Increased due to higher investments in the period and payment of dividends*

- **Enel has revised upwards its 2016 financial targets outlined in the Group's 2016-2019 Strategic Plan** in light of the first half 2016 results and of the forecasts for the second half of the year
  - *Ordinary EBITDA to around 15 billion euros from approx. 14.7 billion euros*
  - *Group net ordinary income to around 3.2 billion euros from approx. 3.1 billion euros*
  - *FFO/Net debt ratio to around 25% from approx. 23%*

Enel SpA – Registered Office: 00198 Rome – Italy - Viale Regina Margherita 137 – Companies Register of Rome and Tax I.D. 00811720580 - R.E.A. 756032 – VAT Code 00934061003 – Stock Capital Euro 10,166,679,946 fully paid-in as of April 1st, 2016.

Francesco Starace, Chief Executive Officer and General Manager of Enel, said: "*We have delivered a strong set of results in the first half of the year, with the Italian and Latin American markets showing particularly pleasing progress, in spite of a challenging set of macro-economic conditions. We have also taken some important steps forward on the execution of our strategic plan, in particular in the area of active portfolio management where we have now finalised over 4 billion euros of disposals, which is around 70% of the five-year target. Our renewables business continues its successful run of awards and we have a strong pipeline of development. Looking forward to the second half of the year, this performance enhances our confidence on the year end results, and consequently we are raising our full year guidance*."

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Rome, July 28th, 2016 – The Board of Directors of Enel S.p.A. ("Enel"), chaired by Patrizia Grieco, has today examined and approved the half-year financial report as of June 30th, 2016.

Consolidated financial highlights for the first half of 2016

REVENUES

The following table reports revenues by **business area**:

Revenues *(millions of euros)*	**2016**	**2015**	**Change**
Italy	17,210	18,878	-8.8%
Iberia	9,014	10,199	-11.6%
Latin America	4,983	5,406	-7.8%
Eastern Europe	2,228	2,374	-6.1%
Renewable Energy	1,408	1,593	-11.6%
Other, eliminations and adjustments	(693)	(818)	15.3%
TOTAL	**34,150**	**37,632**	**-9.3%**

- **Revenues** in the first half of 2016 decreased by 3,482 million euros on the same period of 2015, essentially reflecting:
  - a reduction in revenues from the sale of electricity in the mature markets despite the increase in sales volumes;
  - a decline in electricity trading activities in international markets;
  - a negative foreign exchange rate effect, which had a significant impact mainly in Latin America.

- **Revenues in the first half of 2016** included as a sole **extraordinary item** the 124 million euro gain posted on the disposal of Hydro Dolomiti Enel. In the second quarter of 2016, this amount was adjusted following the finalisation of the price adjustment. In turn, **revenues in the first half of 2015** included the following **extraordinary items**:

- the 141 million euro gain on the disposal of Se Hydropower
- the negative goodwill and concomitant remeasurement at fair value of the interest already held by the Group following the acquisition of 3Sun for 132 million euros.

EBITDA

The following table reports EBITDA by **business area**:

EBITDA (millions of euros)	**2016**	**2015**	**Change**
Italy	3,329	3,141	6.0%
Iberia	1,856	1,969	-5.7%
Latin America	1,625	1,437	13.1%
Eastern Europe	353	392	-9.9%
Renewable Energy	920	1,078	-14.7%
Other, eliminations and adjustments	(30)	(56)	46.4%
TOTAL	**8,053**	**7,961**	**1.2%**

- **EBITDA** for the first half of 2016 increased by 92 million euros on the first half of 2015. More specifically, the change reflected:
  - an **increase in the margin** posted in Latin America and Italy, especially in conventional generation and end-user markets respectively.

  This factor more than offset:
  - **negative exchange rate developments** (392 million euros), reflecting the depreciation of a number of currencies, notably in Latin America and Russia, against the euro;
  - a **reduction** in generation and trading **margins** in Iberia;
  - extraordinary items noted above in the revenues section which did not contribute in the same way in the two periods under comparison.

ORDINARY EBITDA

The following table reports Ordinary EBITDA by **business area**:

Ordinary EBITDA (millions of euros)	**2016**	**2015**	**Change**
Italy	3,205	3,000	6.8%
Iberia	1,856	1,969	-5.7%
Latin America	1,625	1,437	13.1%
Eastern Europe	353	392	-9.9%
Renewable Energy	920	946	-2.7%
Other, eliminations and adjustments	(30)	(56)	46.4%

TOTAL	**7,929**	**7,688**	**3.1%**

Bearing in mind that EBITDA for the first half of 2016 and for the first half of 2015 include the same extraordinary items discussed under revenues, **ordinary EBITDA** amounted to **7,929 million euros**, an increase of 3.1% on the first half of 2015. Furthermore, net of the one-off items illustrated below, ordinary EBITDA was 7,812 million euros, a 5.2% increase on the 7,426 million euros posted in the first half of 2015 notwithstanding the negative foreign exchange rate effect.

One-off items in the first half of 2016 relate to: an overall 114 million euros in Iberia relating to Ecotax reimbursement in Extremadura region, provision release and capital gain on the disposal of reinsurance company Compostilla RE and 3 million euros of other minor items. **In the first half of 2015,** one-off items related to: an overall 207 million euros in Iberia relating to gains from CO2 swap transaction and Ecotax reimbursement on Almaraz power plant, 48 million euros of contributions received in Argentina under Resolución 32/15, bad weather extra costs in distribution in Italy for 16 million euros and 23 million euros of other minor items.

EBIT

The following table reports EBIT by **business area**:

EBIT (millions of euros)	2016	2015	Change
Italy	2,335	2,139	9.2%
Iberia	1,047	1,159	-9.7%
Latin America	1,180	948	24.5%
Eastern Europe	194	211	-8.1%
Renewable Energy	554	697	-20.5%
Other, eliminations and adjustments	(100)	(70)	-42.9%
TOTAL	**5,210**	**5,084**	**2.5%**

EBIT for the first half of 2016 increased by 126 million euros on the same period of 2015, taking account of a 34 million euro decrease in depreciation, amortisation and impairment losses. This drop mainly reflected the impact on depreciation of the impairment recognised on property, plant and equipment in previous years and a reduction in net value adjustments of trade receivables.

GROUP NET INCOME

In the first half of 2016, Group net income amounted to **1,834 million euros**, essentially unchanged year-on-year from the 1,833 million euros posted in the corresponding period of 2015.

- **The increase in EBIT was accompanied by:**
  - **lower taxes** compared to the first half of 2015 mainly attributable to the reduction in the tax rate in Spain. This reduction was partially offset by the different impact in the two periods under exam of a number of items generated by extraordinary transactions subject to the so-called “Participation Exemption Regime” or PEX;
  - **lower impact of non-controlling interests** associated with the partial non-proportional

demerger of Enel Green Power in favour of Enel, following which the latter, starting with the second quarter of 2016, purchased 100% of Enel Green Power and of Enel Green Power International. Following the transaction, Enel also increased its stake in those companies held directly and indirectly by Enel Green Power and Enel Green Power International.

- These effects were only partly offset by **higher net financial expenses**, mainly due to one-off items recorded in Argentina and the net balance between derivatives and exchange rate differences, the effects of which more than offset the reduction in financial charges on debt.

GROUP NET ORDINARY INCOME in the first half of 2016 amounted to **1,742 million euros**, an increase of 138 million euros (+8.6%) on the same period of 2015. Excluding one-off items as shown in the ordinary EBITDA section, Group net ordinary income amounted to 1,674 million euros in the first half of 2016, a 193 million euro increase (+13.0%) on the 1,481 million euros posted in the first half of 2015. These one-off items have had a positive effect on Group net ordinary income equal to 68 million euros in the first half of 2016 and 123 million euros in the first half of 2015.

FINANCIAL POSITION
The financial position shows **net capital employed** as of June 30th, 2016 of **90,789 million euros** (89,296 million euros as of December 31st, 2015).
This is funded by:

- **equity** pertaining to shareholders of the Parent Company and non-controlling interests of **52,651 million euros** (51,751 million euros as of December 31st, 2015);
- **net financial debt** of **38,138 million euros** (37,545 million euros as of December 31st, 2015), an increase of 593 million euros, negatively affected by the funding requirements of investments during the period and the payment of dividends.

As of June 30th, 2016, the debt/equity ratio came to **0.72** (0.73 as of December 31st, 2015).

CAPITAL EXPENDITURE

The following table reports capital expenditure by **business area**:

Capital expenditure (millions of euros)	**2016**	**2015**	**Change**
Italy	642	616	4.2%
Iberia	396	356	11.2%
Latin America	585	791	-26.0%
Eastern Europe	82	85	-3.5%
Renewable Energy	1,742	973	79.0%
Other	18	16	12.5%
TOTAL	**3,465**	**2,837**	**22.1%**

- **Capital expenditure** in the first half of 2016 increased by 628 million euros on the same period of 2015, mainly attributable to the Renewable Energy Division (+79.0%).

- The figure does not include investments regarding units classified as “held for sale”, equal in the first half of 2016 to 249 million euros.

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OPERATIONAL HIGHLIGHTS FOR THE FIRST HALF OF 2016

	2016	2015	Change
Electricity sales (TWh)	**131.0**	127.7	2.6%
Gas sales (billions of m^3)	**5.7**	5.3	7.5%
Electricity generated (TWh)	**128.2**	139.6	-8.2%
Electricity distributed (TWh)	**209.5**	207.4	1.0%
Employees (no.)	**66,666**	67,914	-1.8%

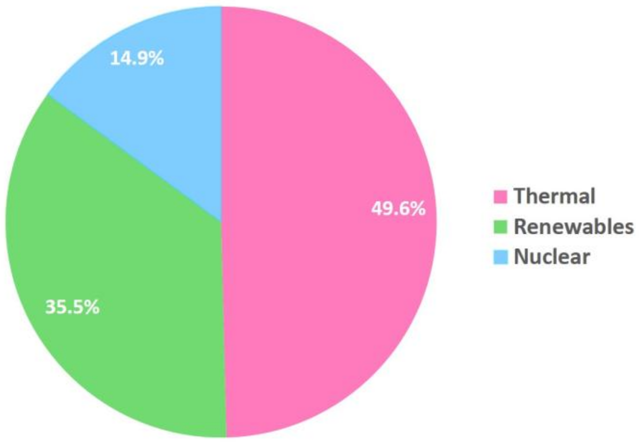
Electricity and gas sales

- Electricity sales in the first half of 2016 increased by 3.3 TWh on the corresponding period of the previous year. More specifically, this increase reflects:
  - higher quantities sold in Italy (+3.7 TWh) and Latin America (+0.6 TWh);
  - lower sales in France (-0.8 TWh).
- **Natural gas** sales increased by 0.4 billion m^3 on the first half of 2015, mainly in Spain.

Electricity generated

- **Net electricity generated** by Enel in the first half of 2016 decreased by 11.4 TWh on the corresponding period of 2015 , attributable to a decline in generation in Italy (-4.9 TWh) and the other countries (-6.5 TWh). More specifically, the change reflects:
  - **the lower contribution from thermal generation** due to the drop in demand and low wholesale energy prices in Italy and Iberia;
  - **a reduction in hydropower generation**, which in 2016 was mainly affected by lower water availability in a number of countries (-1.3 TWh). This effect were partly offset by an increase in generation from other renewable resources, mainly due to the growth of installed capacity.
- **The reduction in net generation outside of Italy** reflects a decline in the output of plants in Iberia and Eastern Europe:
  - Iberia: -5 TWh, mainly attributable to Endesa;
  - Eastern Europe: -3 TWh.

Generation mix of Enel Group plants:



The Enel Group confirms its long-term objective of achieving **carbon neutrality** by 2050. Renewable energy generation is expected to contribute nearly half of the Group's estimated total capacity of 83 GW by 2019.

Electricity distributed

- **Electricity transported** on the Enel distribution network in the first half of 2016 totalled 209.5 TWh
  - of which 109.8 TWh in Italy and 99.7 TWh in the other countries.
- The volume of **electricity distributed in Italy** decreased by 0.4 TWh (-0.4%) on the first half of 2015:
  - performing slightly better than electricity demand on the overall Italian grid.
- **Electricity distributed outside of Italy** amounted to 99.7 TWh, an increase of 2.5 TWh (+2.6%) on the same period of 2015:
  - mainly reflecting an increase in quantities transported in Iberia (+1.8 TWh) and Latin America (+0.6 TWh), especially in Argentina, which experienced a cold snap in May 2016.

EMPLOYEES

As of June 30th, 2016, **Enel Group employees numbered 66,666** (67,914 as of December 31st, 2015). This decrease of 1,248 is entirely attributable to the net balance of new hires and terminations in the period.

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OUTLOOK

The second quarter of 2016 confirmed the positive trend of the first quarter, with major progress achieved for each of the objectives of the 2016-2019 strategic plan that was updated in November 2015.

In the remainder of 2016, in line with the industrial targets set out in the plan, Enel expects:

- Further development of the efficiency improvement programme in all Global Business Lines;
- The contribution to EBITDA of growth investments to be executed in the second half of the year, as well as the contribution to EBITDA from plants that entered service in the first half of 2016;
- The start of installation of new-generation smart meters in Italy and the implementation of the strategic plan of Enel OpEn Fiber;
- Within the Group structure simplification project:
  - the completion, by the fourth quarter of 2016, of the corporate restructuring in Latin America, which aims to separate generation and distribution operations in Chile from those in the other Latin American countries;
  - the optimisation of Enel's corporate presence in Spain's renewables sector, which started with the acquisition by Endesa Generación of the entire share capital of Enel Green Power España;
- Active asset portfolio management also with the completion of the first phase of the disposal of Slovenské elektrárne.

Based on the key pillars outlined above, thanks to the contribution registered in the first half of 2016 (which also benefit from the Slovenskè eléktrane consolidation in the first half of 2016 that was not envisaged in the strategic plan's assumptions) and the expected progress for the remainder of the year – especially in Latin American activities, the global retail segment and in cash generation and net debt reduction – **Enel has revised upwards its performance and financial targets for 2016 outlined in the Group's 2016-2019 Strategic Plan.**
In the following table, alongside the revised 2016 targets, the unchanged targets for 2017 are also provided.

		2016	2017	CAGR 15-19
Ordinary EBITDA	*Billions of euros*	~15.0	~15.5	~4%
Net ordinary income	*Billions of euros*	~3.2	~3.4	~10%
Minimum dividend	*euros/share*	0.18		~17%
Pay-out	*%*	*55*	*60*	~7%
FFO / Net financial debt	*%*	25	26	~6%

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BOND ISSUES AND MATURING BONDS

- The main bond issues carried out in the first half of 2016 by Enel Group companies include the non-binding exchange offer organised by Enel Finance International in May 2016, through which the latter acquired its own bonds for an overall nominal value of around 1,074 million euros, and the concomitant issue of a senior 1.375% fixed-rate bond guaranteed by Enel, with a nominal value of around 1,257 million euros, maturing in June 2026.

- During the period between July 1st, 2016 and December 31st, 2017, bond issues carried out by Enel Group companies with a total carrying amount of around 4,778 million euros are scheduled to reach maturity, of which the main issues are:
  - 1,082 million euros in respect of a fixed-rate bond, issued by Enel Finance International, maturing in September 2016;
  - 250 million US dollars (equivalent to around 225 million euros as of June 30th, 2016) in respect of a fixed-rate bond, issued by Enersis, maturing in December 2016;
  - 391,500 million Colombian pesos (equivalent to around 121 million euros as of June 30th, 2016) in respect of floating-rate bonds issued by Codensa, maturing in March 2017;
  - 908 million euros in respect of a fixed-rate bond, issued by Enel, maturing in June 2017;
  - 636 million euros in respect of a fixed-rate bond, issued by Enel Finance International, maturing in July 2017;
  - 1,500 million US dollars (equivalent to around 1,351 million euros as of June 30th, 2016) in respect of a fixed-rate bond, issued by Enel Finance International, maturing in September 2017.

- Following Enel's voluntary non-binding offer carried out in January 2016, the company acquired bonds it had issued with a total nominal value of around 750 million euros.

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RECENT KEY EVENTS

May 16th, 2016: Enel announced that, acting through its subsidiary Enel Green Power North America, Inc., the company had begun the construction of Lindahl, a wind farm located in the state of North Dakota, which will have a total installed capacity of 150 MW and, once completed, will be able to generate about 625 GWh a year. Construction of the facility, which is expected to be completed in 2017, will require an investment of more than 220 million US dollars.

May 23rd, 2016: Enel announced that it had signed with Japanese company Marubeni Corporation ("Marubeni"), one of Japan's largest integrated trading and investment groups, a Memorandum of Understanding ("MoU") to assess potential opportunities for joint development in the gas generation sector in the Asia-Pacific region. The partnership, which follows the agreement signed in 2015 between the two groups in the renewable energy sector, will extend to projects for the construction of plants fired by natural gas in Indonesia, the Philippines, Malaysia, Myanmar, Thailand, and Vietnam. Under the terms of the MoU, opportunities for joint development will be governed by subsequent individual agreements that will define, among other things, how the investment will be structured, the financing plan and the ownership structure of any joint venture.

May 26th, 2016: Enel announced that its Dutch subsidiary Enel Finance International NV ("EFI"), following a non-binding voluntary exchange offer made by EFI on May 18th, 2016 and concluded on May 25th, 2016, had acquired its own bonds guaranteed by Enel with a total nominal value of 1,073,967,000 euros. The consideration for the purchase consisted of (i) new senior 1.375% fixed-rate bonds guaranteed by Enel, in the total principal amount of 1,257,412,000 euros maturing in June 2026 and (ii) a cash component in the total amount of 90,225,600 euros.

May 26th, 2016: the Enel Shareholders' Meeting held in Rome, resolved,among other items, to approve the financial statements of Enel as of December 31st, 2015 and, then, to distribute from June 22nd, 2016, a dividend of 0.16 euros per share, of which 0.08 euros as a distribution from net income for 2015 and 0.08 euros as a partial distribution of the available reserve denominated "retained earnings". The Meeting also appointed a new Board of Auditors, which will remain in office until the approval of the financial statements for 2018 and is composed of Sergio Duca (re-elected Chairman), Roberto Mazzei and Romina Guglielmetti as regular auditors, and Alfonso Tono, Michela Barbiero and Franco Tutino as alternate auditors. The Meeting resolved to amend Article 14.3 of the corporate bylaws concerning the procedures for the appointment of members of the Board of Directors by slate voting system.

May 27th, 2016: Enel announced that, acting through its subsidiary Enel Green Power Chile Ltda. had completed the construction and grid connection of Finis Terrae, the Group's largest solar power plant in Chile, located in the town of María Elena in the Antofagasta region. The plant, in which Enel invested about 270 million US dollars, has an installed capacity of 160 MW and can generate more than 400 GWh a year.

June 9th, 2016: Enel announced that the Board of Directors had acknowledged the start of exclusive negotiations, between Enel and F2i SGR S.p.A. and CDP Equity S.p.A./FSI Investimenti S.p.A., shareholders of Metroweb Italy S.p.A. ("Metroweb"), to reach agreement on a possible business integration between the subsidiary Enel OpEn Fiber S.p.A. ("EOF") and Metroweb. The talks were part of initiatives to develop EOF's business.

June 9th, 2016: Enel subsidiary Empresa Nacional de Electricidad S.A. ("Endesa Chile") signed a contract with Enagás Chile S.p.A. for the sale to the latter of the entire 20% interest held by Endesa Chile in GNL Quintero S.A. The price for the sale amounted to 200 million US dollars and will be paid at the closing of the transaction, which is expected to take place in the second half of 2016. The sale is nevertheless subject to a number of conditions normally applied in this sort of operation.

July 5th, 2016: Enel announced that, acting through its subsidiary Enel Green Power Brasil Participações Ltda. it had begun construction of Nova Olinda, a solar power plant located in Ribeira do Piauí, in the state of Stato di Piauí, in north-eastern Brazil. Nova Olinda, which is expected to be completed in the second half of 2017, will have a total installed capacity of 292 MW, which will make it the largest solar plant in Latin America. The facility, which will be able to generate more than 600 GWh a year, will require an investment of about 300 million US dollars.

July 27th, 2016: Enel announced that Enel Green Power International B.V. ("EGPI"), a wholly-owned subsidiary of Enel, and Endesa Generación S.A. ("Endesa Generación"), a wholly-owned subsidiary of Endesa S.A., had signed and executed an agreement for the sale by EGPI of 60% of Enel Green Power España, S.L. ("EGPE") to Endesa Generación, which already held the remaining 40% of EGPE, making it the sole shareholder following the transaction. The price paid by Endesa Generación for the stake amounted to 1,207 million euros.

More details on these events are available in the associated press releases, which are published on the Enel website at the following address: https://www.enel.com/en-gb/Pages/hub-media.aspx

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NOTES

At 18:00 CET today, July 28th, 2016, a conference call will be held to present the results for the first half of 2016 to financial analysts and institutional investors. Journalists are also invited to listen in on the call. Documentation relating to the conference call will be available on Enel's website (www.enel.com) in the Investor section from the beginning of the call.
The income statement, the statement of comprehensive income, the balance sheet and the cash flow statement for the Enel Group are attached below. These statements and the explanatory notes were delivered to the independent auditor for evaluation. A descriptive summary of the alternative performance indicators is also attached.

The officer responsible for the preparation of the corporate financial reports, Alberto De Paoli, certifies, pursuant to Article 154-bis, paragraph 2, of the Consolidated Financial Act, that the accounting information contained in this press release corresponds with that contained in the accounting documentation, books and records.

ACCOUNTING STANDARDS AND CHANGES IN SCOPE OF CONSOLIDATION

There were no changes to accounting standards that generated accounting effects that would need to be reported here. Unless otherwise specified, the balance sheet figures as of June 30th, 2016, exclude assets and liabilities held for sale, which regard Slovenské elektrárne and other residual assets that on the basis of the status of negotiations for their sale to third parties meet the requirements of IFRS 5 for such classification. In the first half of 2016, the disposals of Hydro Dolomiti Enel and Compostilla, which had been classified as held for sale as of December 31st, 2015, were completed.

The operating segment figures have been constructed on the basis of the organisational structure of the Group in place until April 8th, 2016, which is entirely analogous to that used for reporting purposes in 2015. The organisational structure was modified on April 8th, 2016, partly in relation to the full integration of Enel Green Power. More specifically, the main organisational changes include:

- The reorganisation of the Group's geographical presence, with a focus on the countries that represent new business opportunities around the world and in which the Group's presence was previously established through Enel Green Power. The Group has therefore shifted from a matrix of four geographical areas to one with six such areas. The structure retains the Country "Italy" and the areas "Iberia" and "Latin America", while the Eastern Europe area has been expanded into the "Europe and North Africa" area. Two new geographical areas have also been created: "North and Central America" and "Sub-Saharan Africa and Asia". These six areas will continue to maintain a presence and integrate businesses at the local level, seeking to foster the development of all segments of the value chain. At the geographical level, the position of Country Manager will be unified in countries in which the Group operates in both the conventional and renewable generation businesses;
- The convergence of the entire hydropower business within the Renewable Energy business line;
- The integrated management of dispatching of all renewable and thermal generation plants by Energy Management at the Country level in accordance with the guidelines established by the Global Trading division.

In the coming months, the new organisation will be implemented progressively in the Group's Countries, beginning with Italy, with the consequent adjustment of operating segment reporting.

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KEY PERFORMANCE INDICATORS

This press release uses a number of “alternative performance indicators” not envisaged in the IFRS-EU accounting standards in order to facilitate the assessment of the Group’s performance and financial position.
In line with the Guidelines of the European Securities and Markets Authority (ESMA) 2015/1415 issued on October 5th, 2015 the meaning, content and basis for the calculation of these indicators are outlined below.

- **EBITDA**: an indicator of operating performance, calculated as “Operating income” plus “Depreciation, amortisation and impairment losses”.
- **Ordinary EBITDA**: an indicator defined as EBITDA generated from ordinary business operations, therefore excluding all items associated with extraordinary transactions such as acquisitions or disposals of companies.
- **Net financial debt**: an indicator of Enel’s financial structure, determined by “Long-term loans” and "Short-term loans and the current portion of long-term loans", taking account of “Short-term financial payables” included in “Other current liabilities”, all net of “Cash and cash equivalents” and “Securities held to maturity”, “Financial investments in funds or portfolio management products measured at fair value through profit or loss” and “Other financial receivables” included in “Other non-current financial assets”, as well as the “Current portion of long-term financial receivables”, “Factoring receivables”, “Cash collateral” and “Other financial receivables” included in “Other current financial assets”. More generally, the net financial debt of the Enel Group is calculated in accordance with paragraph 127 of Recommendation CESR/05-054b implementing Regulation (EC) no. 809/2004 and in line with the CONSOB instructions of July 26th, 2007, on the definition of net financial position excluding financial receivables and long-term securities.
- **Net capital employed**: calculated as the algebraic sum of "Net non-current assets",[1] "Net current assets"[2] and "Provisions for risks and charges”, “Deferred tax liabilities”, “Deferred tax assets” and “Net assets held for sale";[3]
- **Group net ordinary income**: defined as that part of “Group net income” generated from ordinary business operations.

All Enel press releases are also available in smartphone and tablet versions. You can download the Enel Corporate App at Apple Store and Google Play.

[1] Determined as the difference between “Non-current assets” and “Non-current liabilities” with the exception of: 1) “Deferred tax assets”; 2) “Securities held to maturity”, “Financial investments in funds or portfolio management products measured at fair value through profit or loss” and “Other financial receivables” included in “Other non-current financial assets”; 3) “Long-term loans”; 4) “Employee benefits”; 5) “Provisions for risks and charges (non-current portion)”; and 6) “Deferred tax liabilities”.
[2] Defined as the difference between “Current assets” and “Current liabilities” with the exception of: 1) “Current portion of long-term financial receivables”, “Factoring receivables”, “Securities held to maturity”, “Cash collateral” and “Other financial receivables” included in “Other current financial assets”; 2) “Cash and cash equivalents”; 3) “Short-term loans” and the “Current portion of long-term loans”; 4) “Provisions for risks and charges (current portion)”; and 5) “Other financial payables” included in “Other current liabilities”.
[3] Determined as the difference between “Assets held for sale” and “Liabilities held for sale”.

Consolidated Income Statement

Millions of euro		1st Half			
		2016		2015	
			of which with related parties		*of which with related parties*
Revenues					
Revenues from sales and services		33,172	*2,365*	36,325	*2,661*
Other revenues and income		978	*177*	1,307	*180*
	[Subtotal]	**34,150**		**37,632**	
Costs					
Energy, gas and fuel purchases		15,325	*2,734*	18,642	*2,994*
Services and other materials		8,030	*1,235*	8,254	*1,166*
Personnel		2,232		2,338	
Depreciation, amortization and impairment losses		2,843		2,877	
Other operating expenses		1,117	*126*	1,258	*31*
Capitalized costs		(721)		(645)	
	[Subtotal]	**28,826**		**32,724**	
Net income/(expenses) from commodity contracts measured at fair value		**(114)**	*2*	**176**	*(5)*
Operating income		**5,210**		**5,084**	
Financial income from derivatives		1,193		2,027	
Other financial income		1,348	*13*	683	*11*
Financial expense from derivatives		2,051		1,028	
Other financial expense		2,017	*25*	2,959	*11*
Share of income/(expense) from equity investments accounted for using the equity method		52		8	
Income before taxes		**3,735**		**3,815**	
Income taxes		1,143		1,186	
Net income from continuing operations		**2,592**		**2,629**	
Net income from discontinued operations		**-**		**-**	
Net income for the period (shareholders of the Parent Company and non-controlling interests)		**2,592**		**2,629**	
Attributable to shareholders of the Parent Company		1,834		1,833	
Attributable to non-controlling interests		758		796	
Earnings per share (euro) attributable to ordinary shareholders of the Parent Company		*0.19*		*0.19*	
Diluted earnings per share (euro) attributable to ordinary shareholders of the Parent Company		*0.19*		*0.19*	
Earnings from continuing operations per share (euro) attributable to ordinary shareholders of the Parent Company		*0.19*		*0.19*	
Diluted earnings from continuing operations per share (euro) attributable to ordinary shareholders of the Parent Company		*0.19*		*0.19*	

Statement of Consolidated Comprehensive Income

Millions of euro	1st Half	
	2016	2015
Net income for the period	**2,592**	**2,629**
Other comprehensive income recyclable to profit or loss:		
Effective portion of change in the fair value of cash flow hedges	(516)	687
Income recognized in equity by companies accounted for using the equity method	(28)	12
Change in the fair value of financial investments available for sale	28	30
Exchange rate differences	1,116	297
Other comprehensive income not recyclable to profit or loss:		
Remeasurements in net liabilities (assets) for defined benefits	-	-
Income/(Loss) recognized directly in equity	**600**	**1,026**
Comprehensive income for the period	**3,192**	**3,655**
Attributable to:		
- shareholders of the Parent Company	1,820	2,766
- non-controlling interests	1,372	889

Consolidated Balance Sheet

Millions of euro

ASSETS		at June 30, 2016		at Dec, 31, 2015	
			of which with related parties		*of which with related parties*
Non-current assets					
Property, plant and equipment		75,130		73,307	
Investment property		143		144	
Intangible assets		15,862		15,235	
Goodwill		13,811		13,824	
Deferred tax assets		6,730		7,386	
Equity investments accounted for using the equity method		666		607	
Derivatives		1,972		2,343	
Other non-current financial assets (1)		3,722		3,274	
Other non-current assets		908	*20*	877	
	[Total]	**118,944**		**116,997**	
Current assets					
Inventories		2,847		2,904	
Trade receivables		12,499	*1,018*	12,797	*937*
Tax receivables		1,281		636	
Derivatives		2,876		5,073	
Other current financial assets (2)		2,771	*3*	2,381	*2*
Other current assets		3,284	*278*	2,898	*135*
Cash and cash equivalents		5,515		10,639	
	[Total]	**31,073**		**37,328**	
Assets held for sale		**6,835**		**6,854**	
TOTAL ASSETS		**156,852**		**161,179**	

(1) Of which long-term financial receivables for 2,112 million of euro at June 30, 2016 (2,173 million of euro at December 31, 2015) and other securities for 473 million of euro at June 30, 2016 (162 million of euro at December 31, 2015).
(2) Of which current portion of long-term financial receivables, short-term financial receivables and other securities at June 30, 2016 for 749 million of euro (769 million of euro at December 31, 2015), 1,921 million of euro (1,471 million of euro at December 31, 2015) and 30 million of euro (1 million of euro at December 31, 2015).

Millions of euro

LIABILITIES AND SHAREHOLDERS' EQUITY		at June 30, 2016		at Dec, 31, 2015	
			of which with related parties		*of which with related parties*
Equity attributable to the shareholders of the Parent Company					
Share capital		10,167		9,403	
Other reserves		4,811		3,352	
Retained earnings (losses carried forward)		19,663		19,621	
	[Total]	**34,641**		**32,376**	
Non-controlling interests		**18,010**		**19,375**	
Total shareholders' equity		**52,651**		**51,751**	
Non-current liabilities					
Long-term loans		42,963		44,872	
Post-employment and other employee benefits		2,294		2,284	
Provisions for risks and charges (non current portion)		5,172		5,192	
Deferred tax liabilities		8,786		8,977	
Derivatives		2,860	*3*	1,518	
Other non-current liabilities		1,598	*5*	1,549	*4*
	[Total]	**63,673**		**64,392**	
Current liabilities					
Short-term loans		2,005		2,155	
Current portion of long-term loans		3,851		5,733	
Provisions for risks and charges (current portion)		1,608		1,630	
Trade payables		11,243	*2,537*	11,775	*2,911*
Income tax payable		785		585	
Derivatives		3,039		5,509	
Other current financial liabilities (1)		997	*2*	1,063	
Other current liabilities		11,375	*4*	11,222	*14*
	[Total]	**34,903**		**39,672**	
Liabilities held for sale		**5,625**		**5,364**	
Total liabilities		**104,201**		**109,428**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**156,852**		**161,179**	

(1) Of which short-term financial payables at June 30, 2016 for €119 million (none at December 31, 2015).

Consolidated Statement of Cash Flows

Millions of euro	1st Half			
	2016		2015	
		of which with related parties		*of which with related parties*
Income before taxes for the period	**3,735**		**3,815**	
Adjustments for:				
Amortization and impairment losses of intangible assets	339		378	
Depreciation and impairment losses of property, plant and equipment	2,161		2,110	
Financial (income)/expense	1,201		1,145	
Interest income and other financial income collected	810	*13*	931	*11*
Interest expense and other financial expense paid	(2,218)	*(25)*	(2,528)	*(11)*
(Gains)/Losses on disposals and other non-monetary items	672		(1,202)	
Income taxes paid	(1,123)		(635)	
Accruals to provisions	590		527	
Exchange rate adjustments of foreign currency assets and liabilities (including cash and cash equivalents)	(771)		982	
Changes in net working capital:	(1, 200)		(2,478)	
- Inventories	143		78	
- Trade receivables	262	*(81)*	106	*357*
- Trade payables	(1,102)	*(374)*	(2,467)	*(688)*
- Provisions	(611)		(629)	
- Other assets/liabilities	108	*(168)*	434	*(52)*
Cash flows from operating activities (a)	**4,196**		**3,045**	
Investments in property, plant and equipment	(3,431)		(2,841)	
Investments in intangible assets	(283)		(251)	
Investments in entities (or business units) less cash and cash equivalents acquired	-		(36)	
Disposals of entities (or business units) less cash and cash equivalents sold	406		437	
(Increase)/Decrease in other investing activities	18		24	
Cash flows from investing/disinvesting activities (b)	**(3,290)**		**(2,667)**	
- of which discontinued operations				
Financial debt: new long-term borrowing	1,309		462	
Financial debt: repayments and other net changes	(5,146)		(3,105)	
Acquisition/sale on non-controlling interests	(213)		369	
Dividends and interim dividends paid	(2,187)		(2,011)	
Cash flows from financing activities (c)	**(6,237)**		**(4,285)**	
Impact of exchange rate fluctuations on cash and cash equivalents (d)	**119**		**90**	
Increase/(Decrease) in cash and cash equivalents (a+b+c+d)	**(5,212)**		**(3,817)**	
Cash and cash equivalents at beginning of the period (1)	10,790		13,255	
Cash and cash equivalents at the end of the period (2)	5,578		9,438	

(1) Of which cash and cash equivalents equal to €10,639 million at January 1, 2016 (€13,088 million at January 1, 2015), short-term securities equal to €1 million at January 1, 2016 (€140 million at January 1, 2015) and cash and cash equivalents pertaining to assets held for sale in the amount of €150 million at January 1, 2016 (€27 million at January 1, 2015).
(2) Of which cash and cash equivalents equal to €5,515 million at June 30, 2016 (€9,427 million at June 30, 2015), short-term securities equal to €30 million at June 30, 2016 (€1 million at June 30, 2015) and cash and cash equivalents pertaining to assets held for sale in the amount of €33 million at June 30, 2016 (€10 million at June 30, 2015).

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