



# Enel Russia 9M 2017 Results

02/11/2017    Moscow



# Enel Russia 9M 2017 Results

## Agenda



- Financial highlights
- Net power output and sales
- Unit margin on sales
- Revenues and costs
- EBITDA evolution
- From EBITDA to net income
- Net debt evolution
- Focus on liquidity

# Enel Russia 9M 2017 Results

Financial highlights (RUB mn)<sup>1</sup>



	9M16	9M17	Change
Revenues	51,792	53,876	+4.0%
EBITDA	9,539	12,859	+34.8%
- EBITDA margin	18.4%	23.9%	+5.5%
Net income	2,052	6,147	~3x
Net debt	20,348 <sup>2</sup>	20,075	-1.3%
EBITDA/Net financial expenses <sup>3</sup>	4.2x	7.3x	+3.1
Net debt/EBITDA <sup>4</sup>	1.7x	1.2x	-0.5
Net debt/Equity	0.64x	0.51x	-0.13

- Earnings growth due to delta DPM<sup>5</sup> payment received by two CCGT units, starting from 2017
- Bottom line additionally supported by lower financial charges

<sup>1</sup> Unaudited financial results under IFRS

<sup>2</sup> As of December 31, 2016

<sup>3</sup> Excluding FX differences and corresponding change in fair value of derivatives, loss on the extinguishment of long-term loans

<sup>4</sup> Net debt at the end of the period divided by 12 months rolling EBITDA

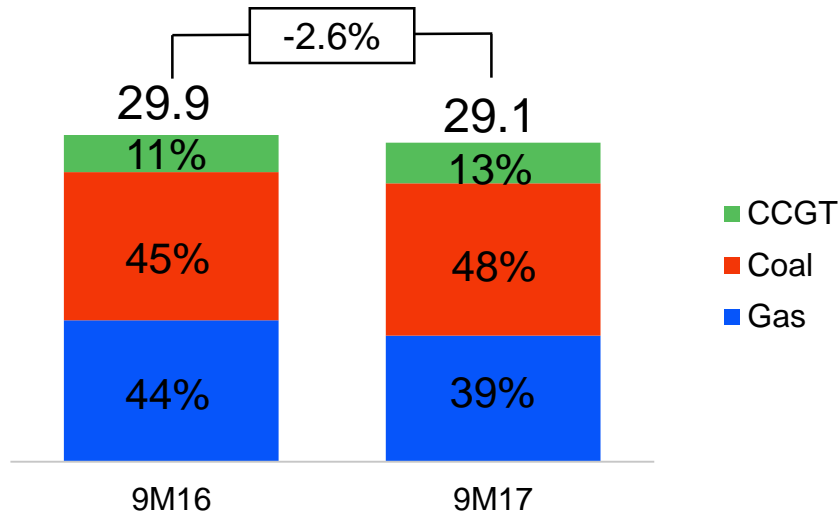
<sup>5</sup> Capacity supply agreement or DPM (Договор о предоставлении мощности)

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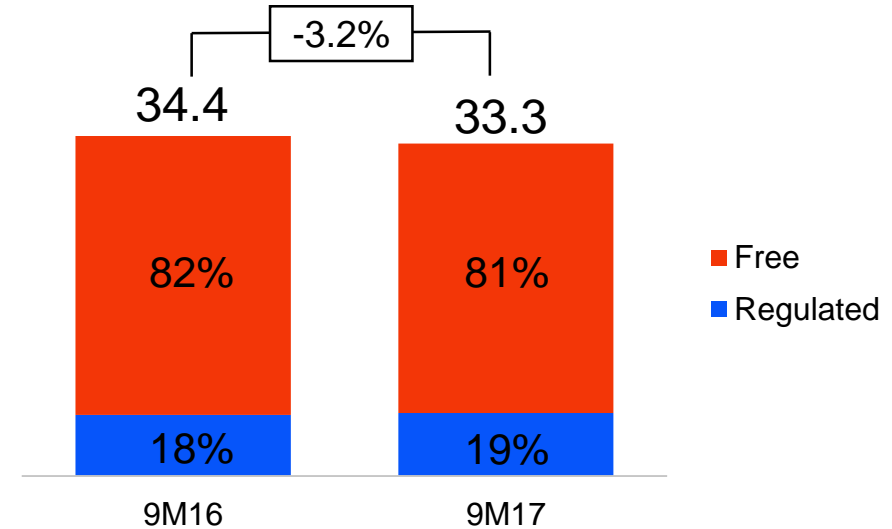
Net power output and sales



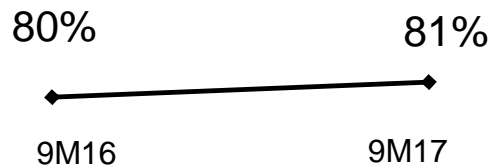
Net output (TWh)



Power sales (TWh)



Plant availability



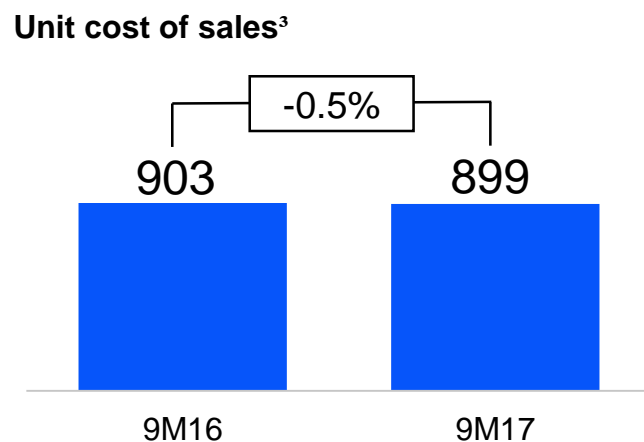
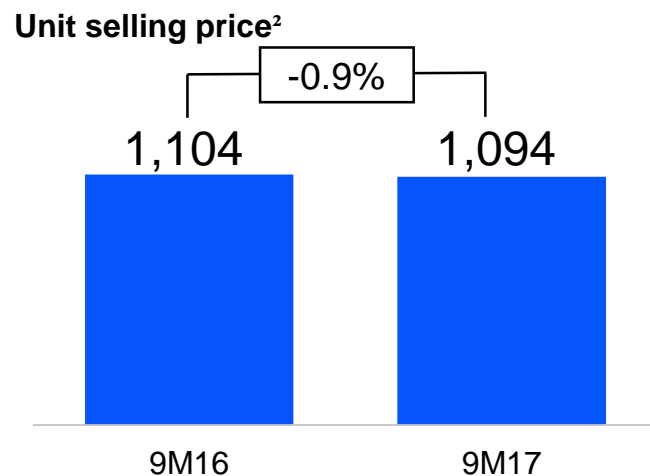
Utilization on net electric capacity



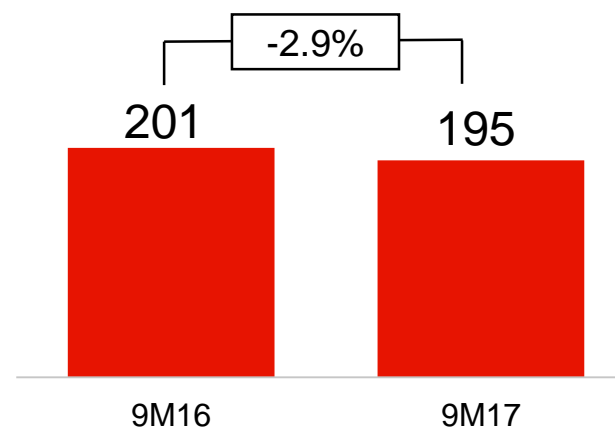
- Higher Nevinnomyskaya production partially offset lower conventional gas output
- Solid 3Q17 CCGT and coal facilities output explained by yearly maintenance schedule

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Unit margin on sales (RUB/MWh)<sup>1</sup>



Unit margin on sales



Unit margin down due to lower free power prices following strong nuclear and hydro production

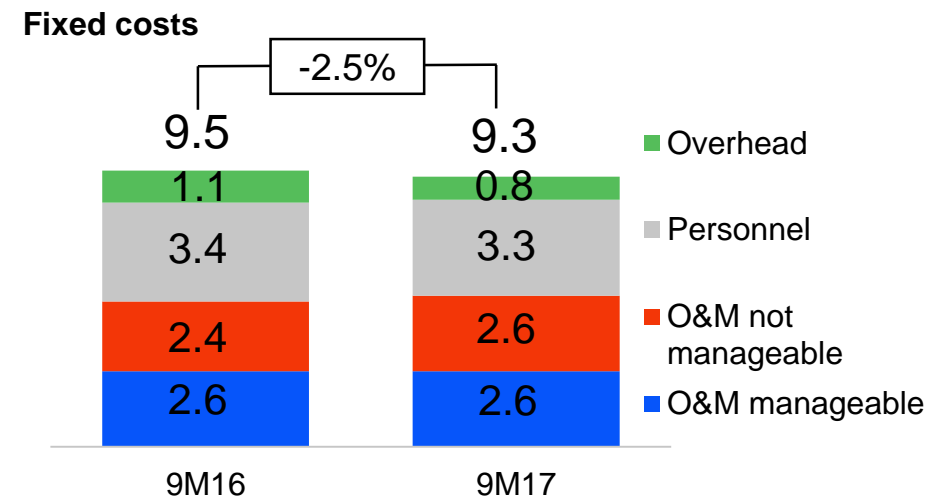
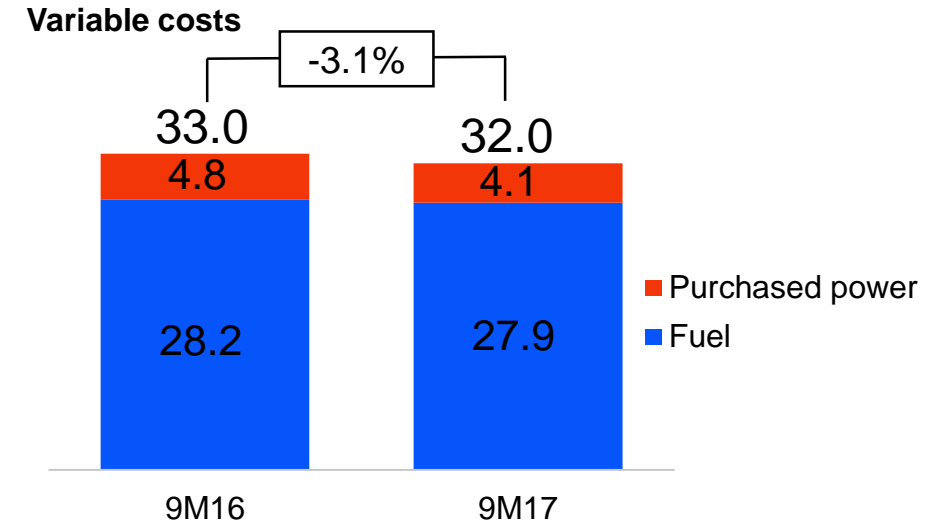
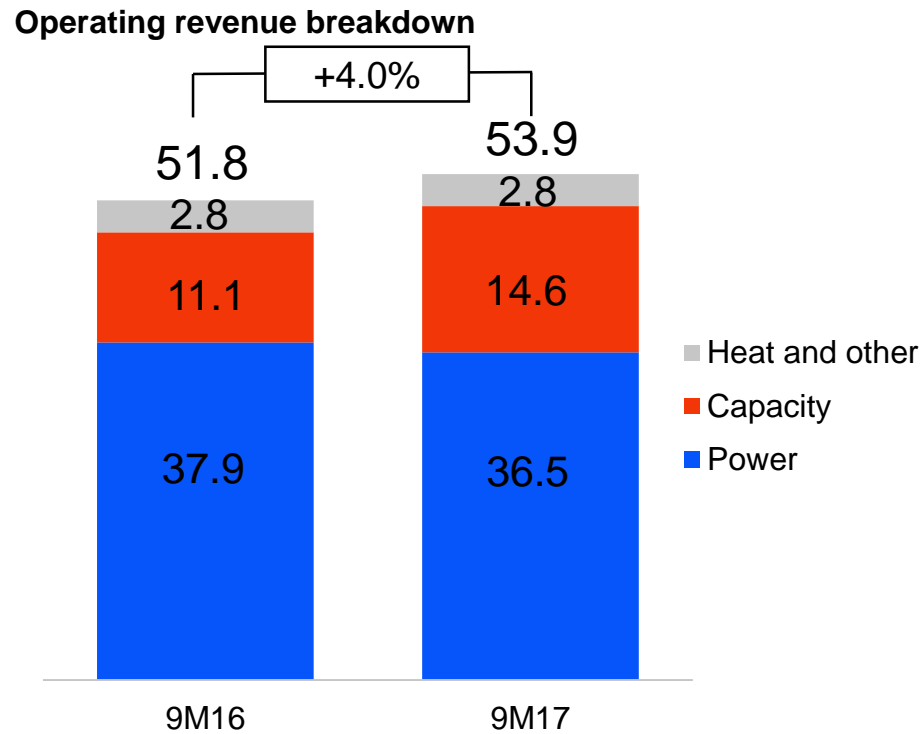
<sup>1</sup> Excluding capacity sales

<sup>2</sup> Including regulated power sales, day ahead market and balancing market sales

<sup>3</sup> Including energy purchases

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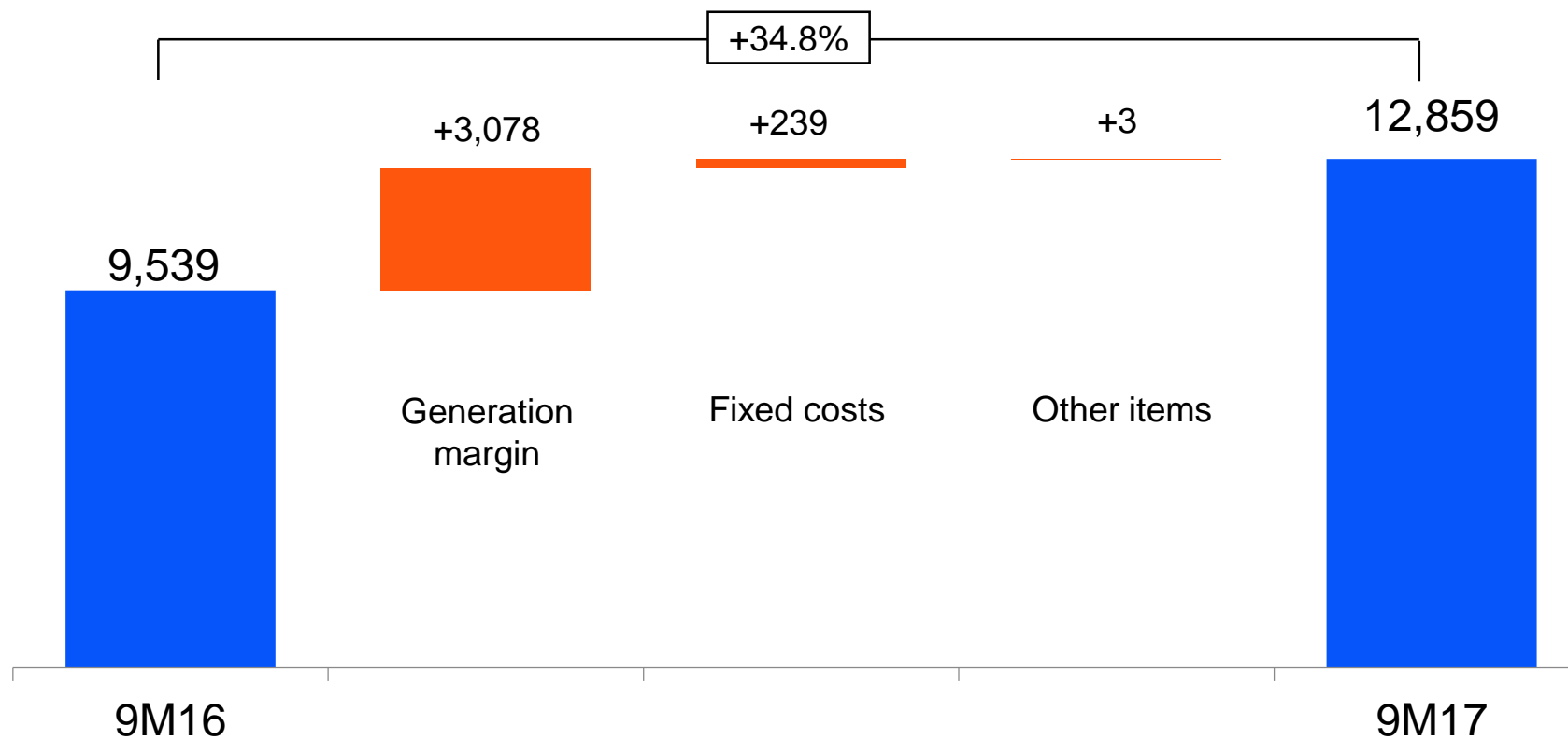
Revenues and costs (RUB bn)



- Revenues up due to higher DPM capacity payments
- Effective overhead costs management

# Enel Russia 9M 2017 Results

EBITDA evolution (RUB mn)



EBITDA solid improvement due to better generation margin

# Enel Russia 9M 2017 Results

From EBITDA to net income (RUB mn)



	9M16	9M17	Change
EBITDA	9,539	12,859	+34.8%
Amortisation, depreciation and impairment	(2,624)	(2,720)	+3.6%
EBIT	6,915	10,139	+46.6%
Net financial charges	(4,463)	(2,357)	-47.2%
EBT	2,452	7,782	~3x
Income tax	(400)	(1,635)	~4x
Net income	2,052	6,147	~3x

- Net income increase thanks to higher EBITDA and lower financial charges
- Financial charges down due to debt portfolio optimization, lower average debt and one-off accounting adjustment in 1Q16<sup>1</sup>

<sup>1</sup> Unamortized cost derecognition in relation to long-term loan from Royal Bank of Scotland early prepayment

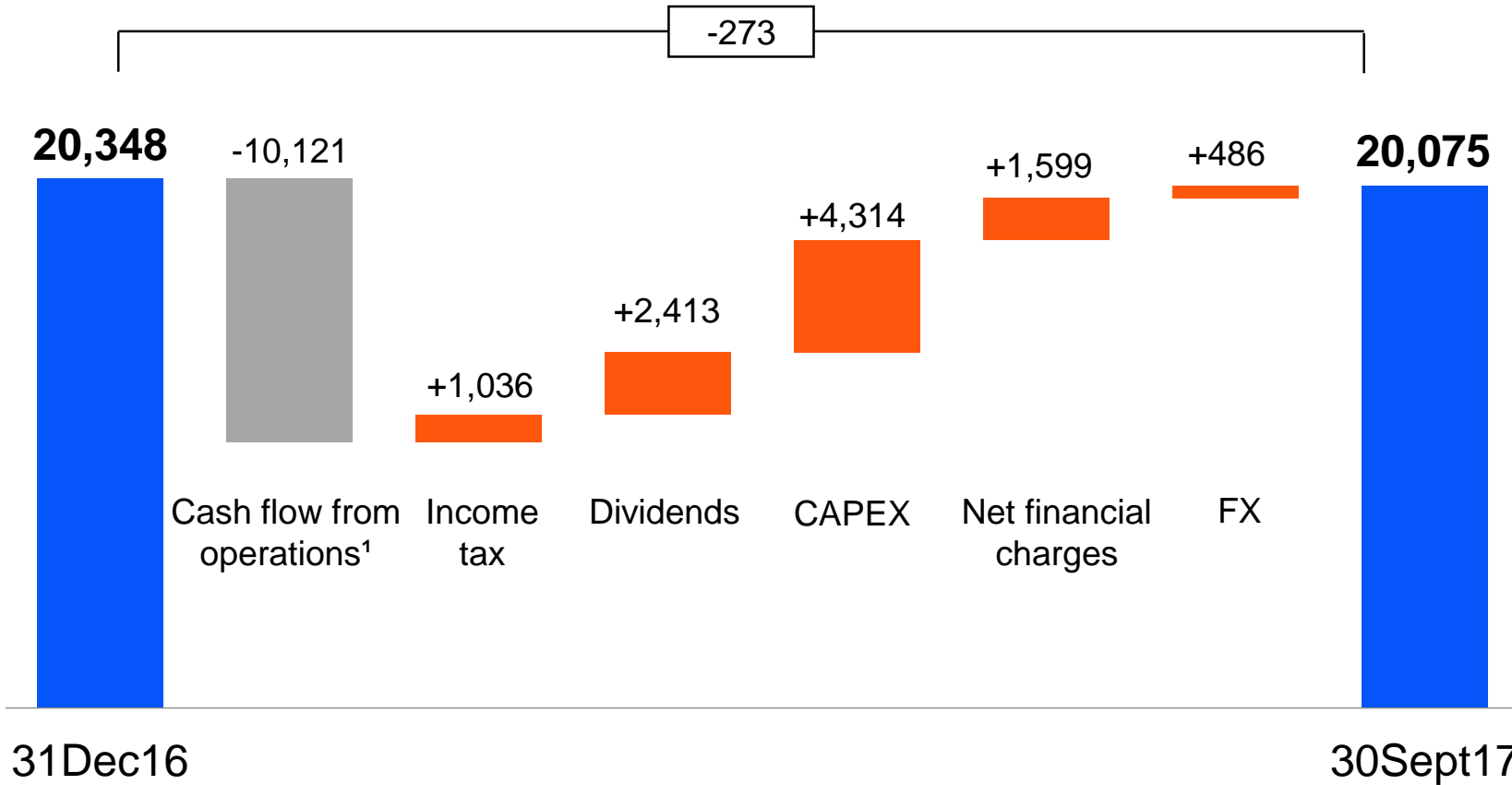


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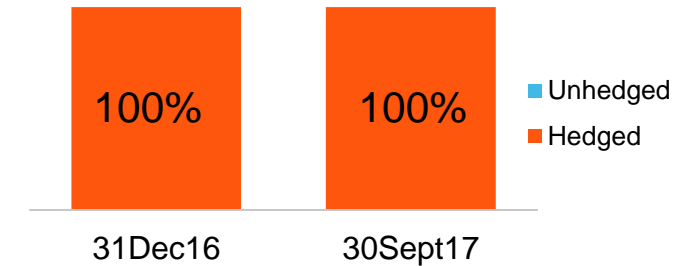
## Net debt evolution



Net debt (RUB mn)



Hedged Debt on Total Debt



Average Cost of Debt

	9M16		9M17	
	Cost	Weight	Cost	Weight
RUB	12.1%	60%	10.9%	71%
EUR	2.8%	40%	1.7%	29%

- Stable net debt with solid operating cash flow covering payments made over 9M17
- Dividends upon FY2016 distributed in line with new dividend policy

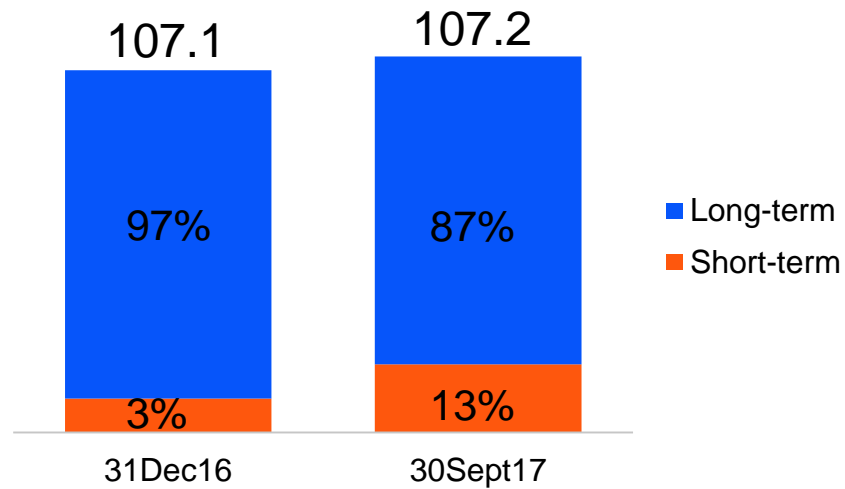
<sup>1</sup> Post working capital changes

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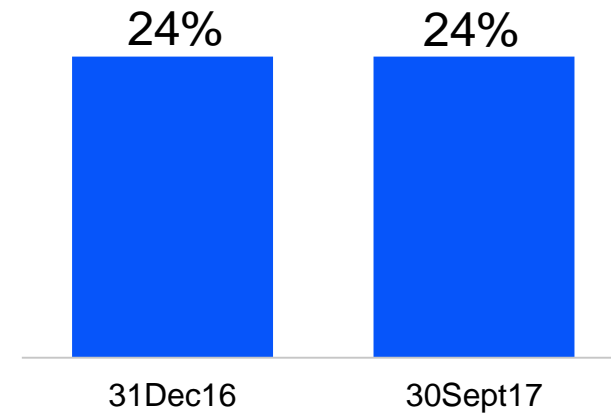
Focus on Liquidity



Total credit facilities available (RUB bn)<sup>1</sup>



Utilized amount



Commercial papers reclassification to short-term one year before expected maturity

<sup>1</sup> Not adjusted for FX differences on EUR-nominated facilities

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Contacts



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(Investors section)

# Thank you

