



Enel Russia 2016 Results

16/03/2017 Moscow



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Agenda



- Financial highlights
- Net power output and sales
- Unit margin on sales
- CCGTs vs. conventional gas units
- Revenues and costs
- EBITDA evolution
- From EBITDA to net income
- Net debt evolution
- Focus on liquidity

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Financial highlights (RUB mn)¹



	2015	2016	%
Revenues	70,992	72,211	+1.7
EBITDA	10,821	13,909	+28.5
- EBITDA margin (%)	15.2	19.3	+4.1
Net income / (loss)	(48,629)	4,387	-
Net ordinary income / (loss) ²	(2,089)	4,387	-
Net debt	24,547	20,348	-17.1
EBITDA/Net financial expenses ³	4.6	5.1	+0.5
Net debt/EBITDA	2.3	1.5	-0.8
Net debt/Equity	0.79	0.58	-0.21

- Earnings supported by increased 4Q16 demand largely due to lower temperatures
- Bottom line growth driven by better power prices, further improvement in coal cost, as well as lower depreciation after impairment held in 2H 2015

¹ Audited financial results under IFRS

² Adjusted for "Impairment of Property, plant and equipment"

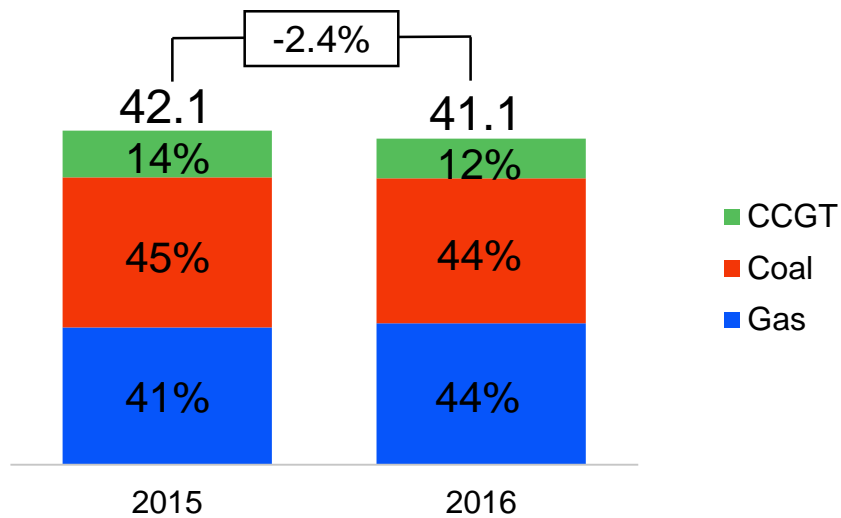
³ Excluding FX differences and corresponding change in fair value of derivatives, loss on the extinguishment of long-term loans

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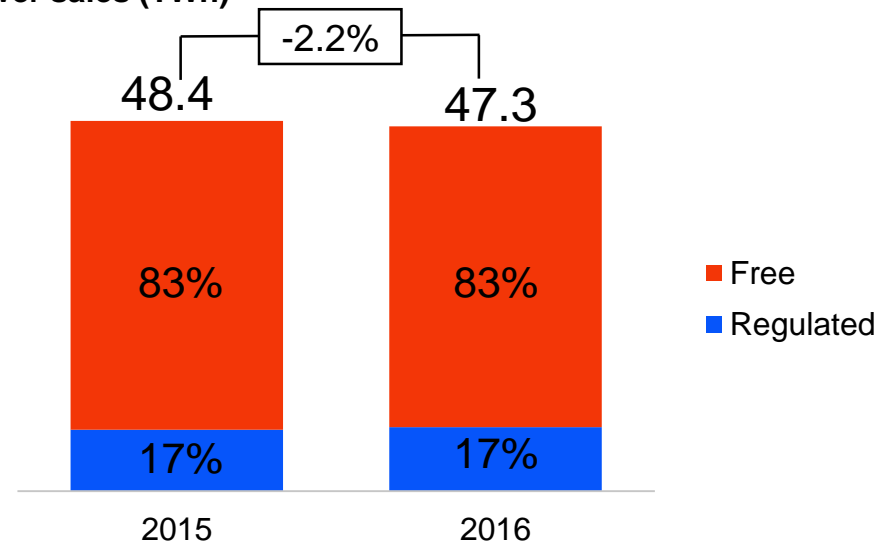
Net power output and sales



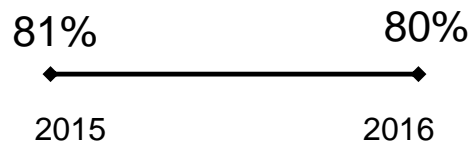
Net output (TWh)



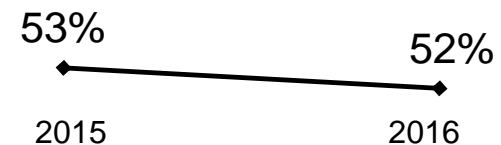
Power sales (TWh)



Plant availability



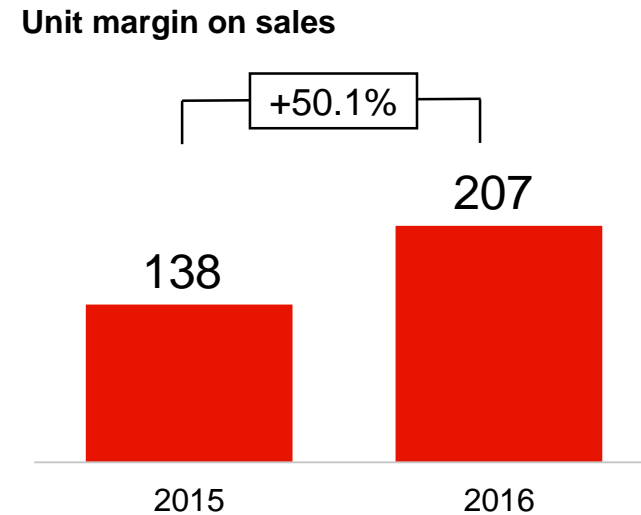
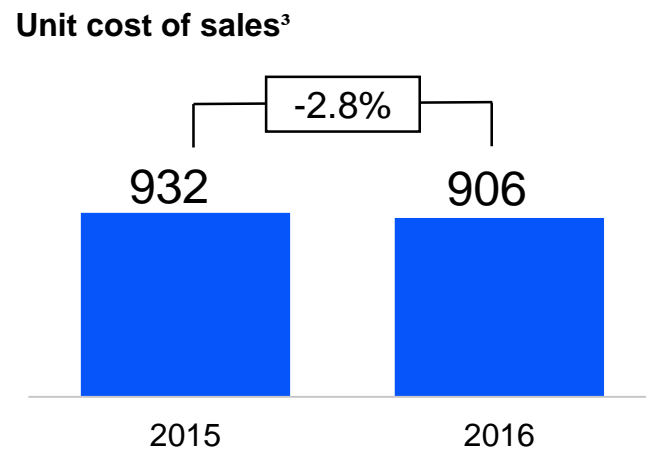
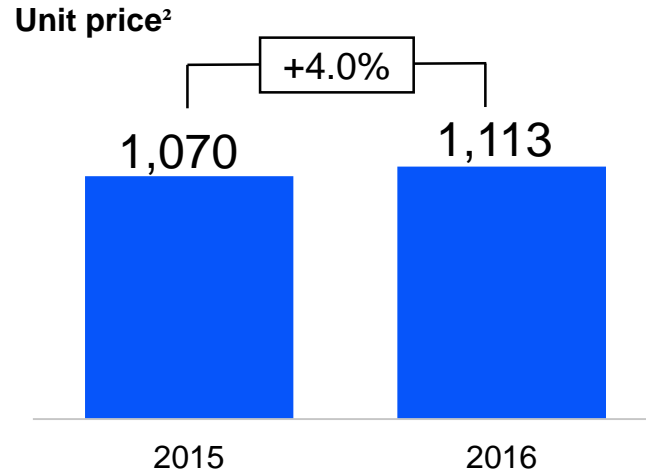
Utilization on total capacity



Higher utilization of Konakovskaya partially compensated other facilities' lower output

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Unit margin on sales (RUB/MWh)¹



Better electricity prices and lower cost of coal support growth in unit margin

¹ Excluding capacity sales

² Including regulated power sales, day ahead market (DAM) and balancing market sales

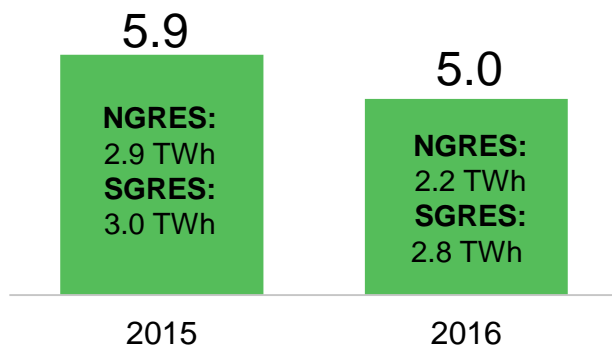
³ Including energy purchases

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CCGTs vs. conventional gas units

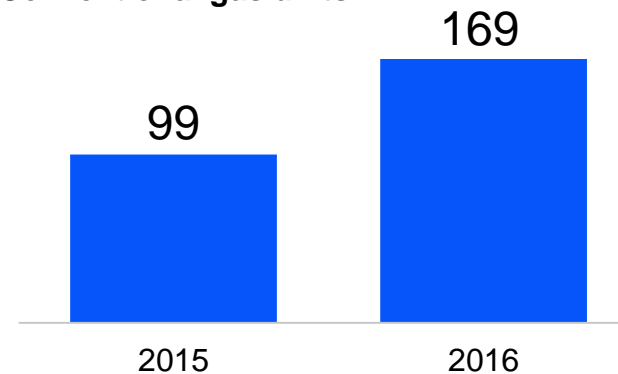


CCGT net output (TWh)

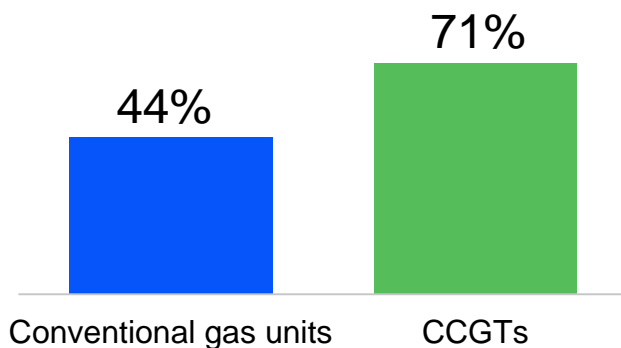


2016 spreads (RUB/MWh)¹

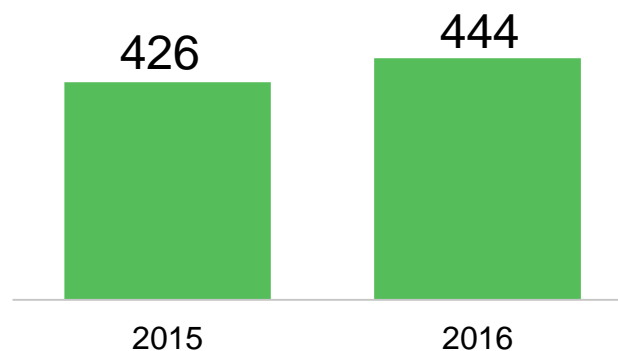
Conventional gas units



2016 utilization on total installed capacity



CCGT units



- YoY decline in CCGT output due to repairs at Nevinnomyskaya CCGT in early 2016
- Gas spreads growth due to higher DAM prices in Center and South

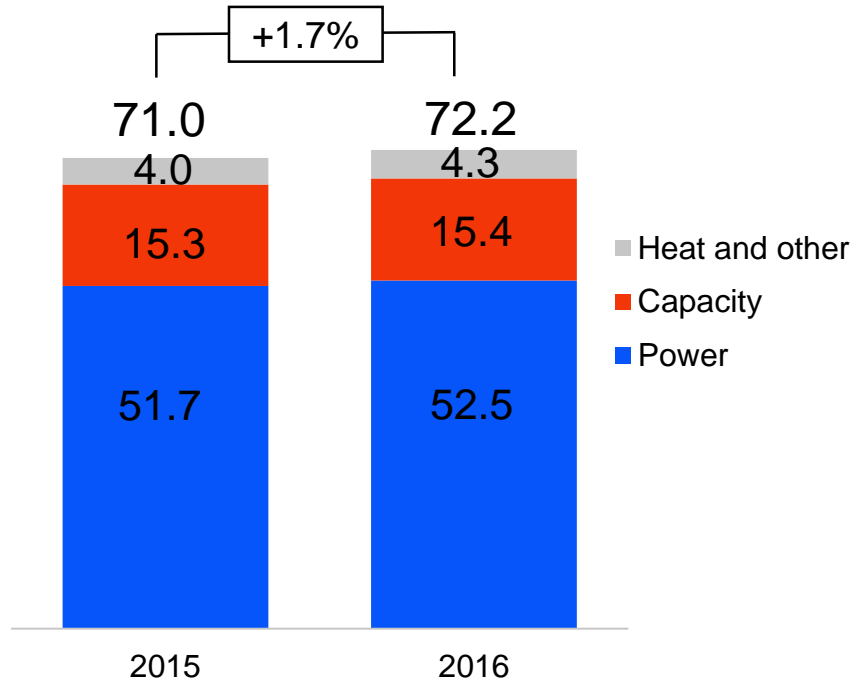
¹ Calculated as average DAM selling price for the given technology minus fuel costs in RUB/MWh

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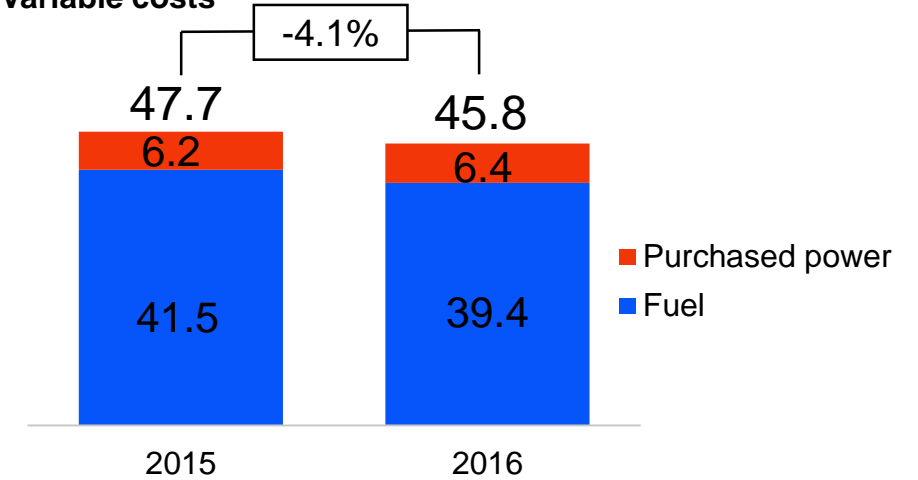
Revenues and costs (RUB bn)



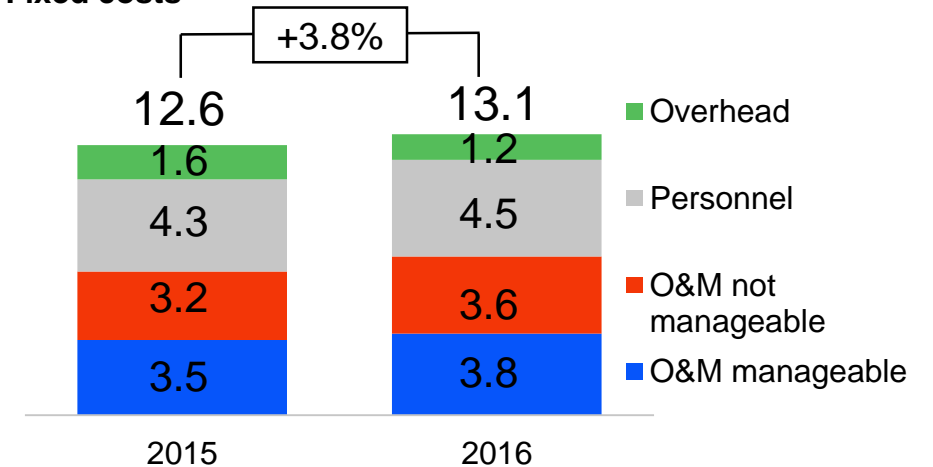
Operating revenue breakdown



Variable costs



Fixed costs

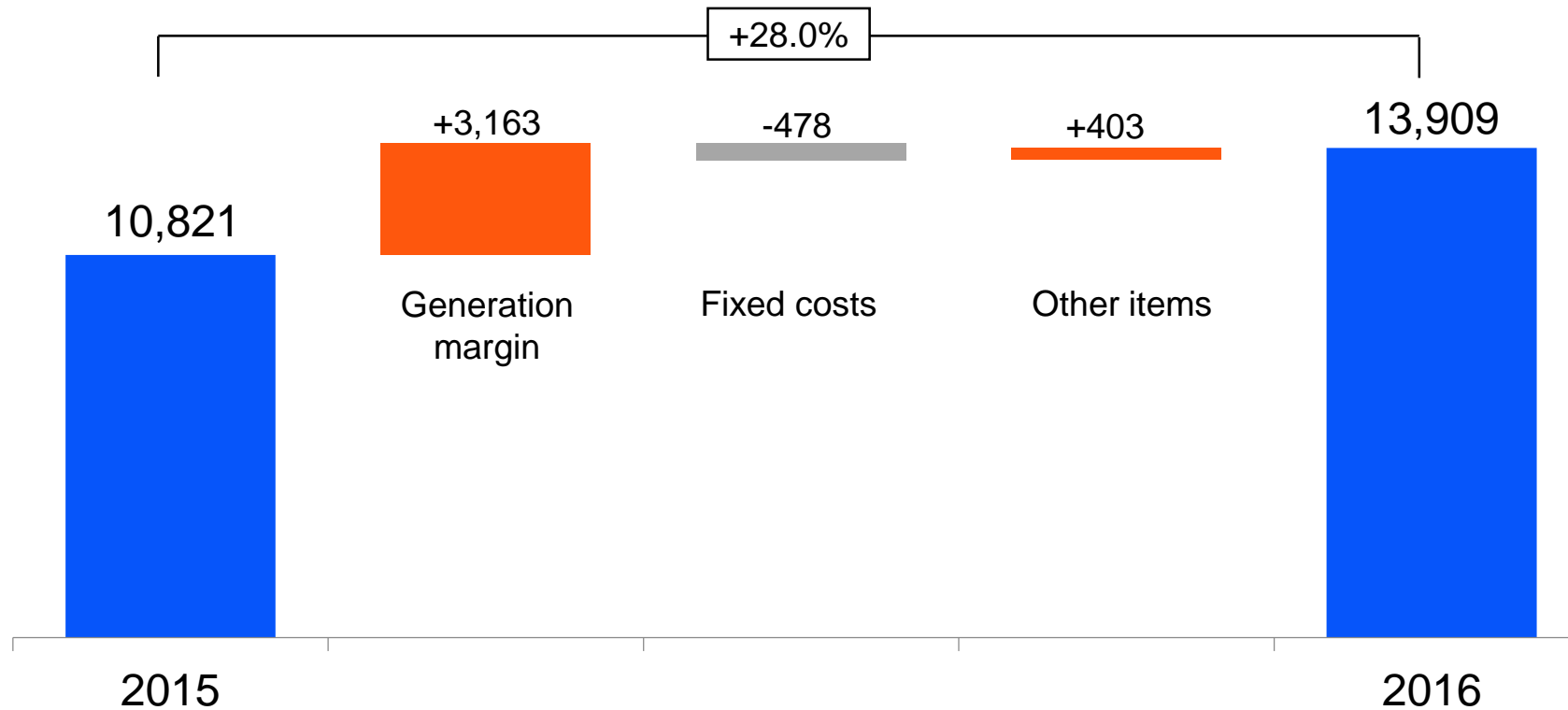


- Revenues up due to higher electricity prices
- Coal cost recovery thanks to favorable RUB/Tenge rate
- Fixed costs growth well below CPI¹

¹ Consumer price index

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EBITDA evolution (RUB mn)



- EBITDA supported by improved margins and fixed costs control
- Positive effect from “Other items” mainly due to PPE¹ write-off in 2Q 2015

¹ Property, plant and equipment

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From EBITDA to net income (RUB mn)



	2015	2016	%
EBITDA	10,821	13,909	+28.5
Amortisation, depreciation and impairment	(65,504)	(3,575)	-94.5
EBIT	(54,682)	10,334	-
Net financial charges	(5,806)	(4,836)	-16.7
EBT	(60,489)	5,498	-
Income tax	11,859	(1,111)	-
Net income / (loss)	(48,629)	4,387	-
Net ordinary income / (loss)	(2,089)	4,387	-

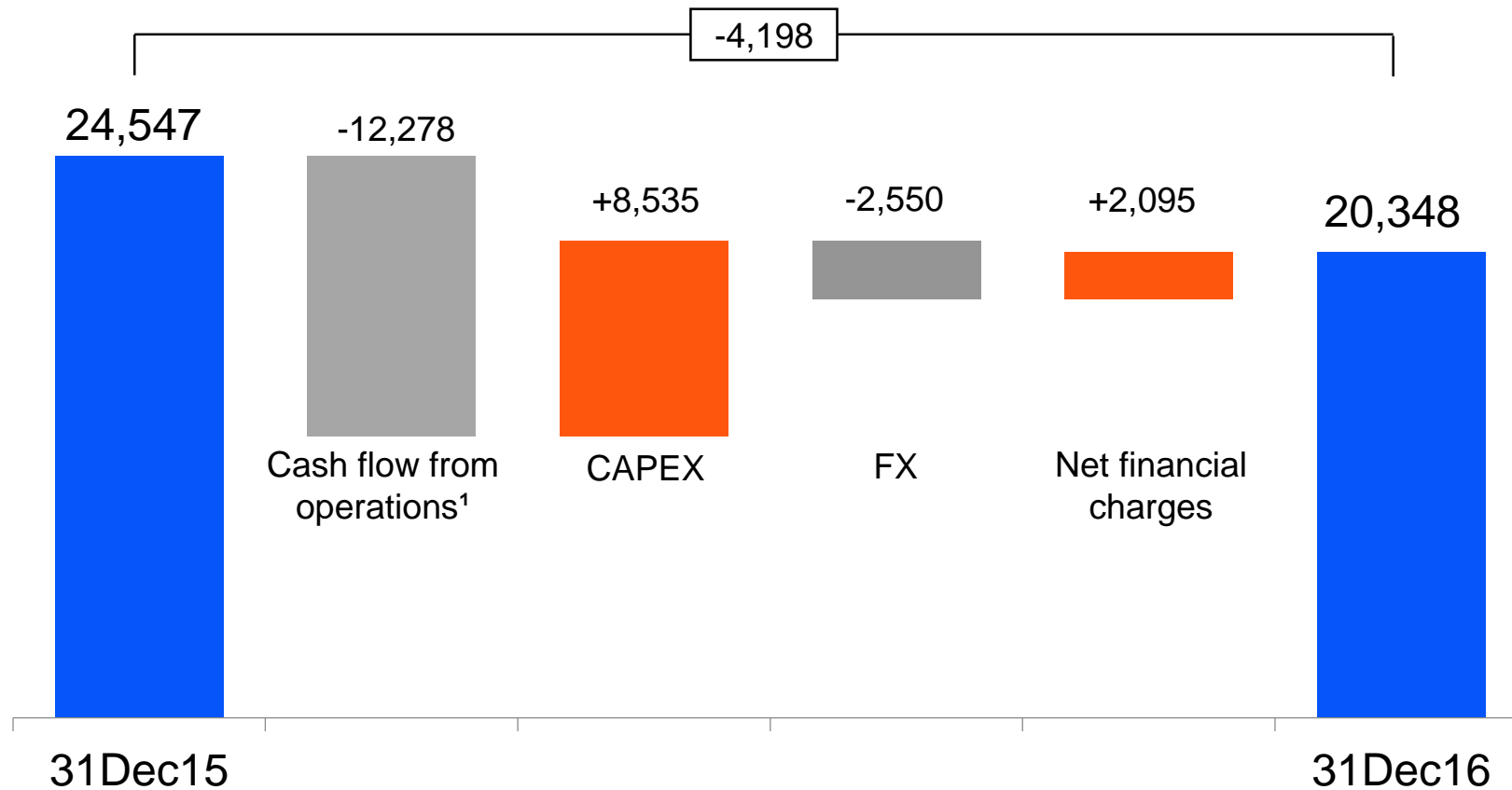
Net income increased thanks to higher EBITDA, as well as lower depreciation and financial charges

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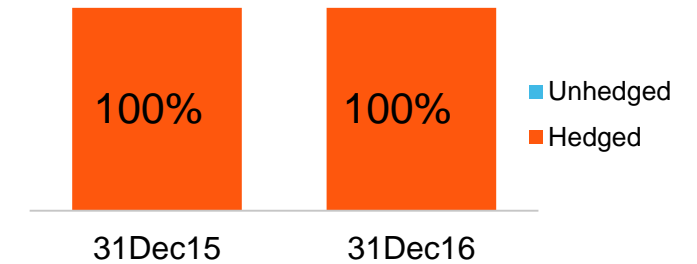
Net debt evolution



Net debt (RUB mn)



Hedged Debt on Total Debt



Average Cost of Debt

	2015		2016	
	Cost	Weight	Cost	Weight
RUB	11.2%	28%	12.0%	73%
EUR	3.6%	72%	2.6%	27%

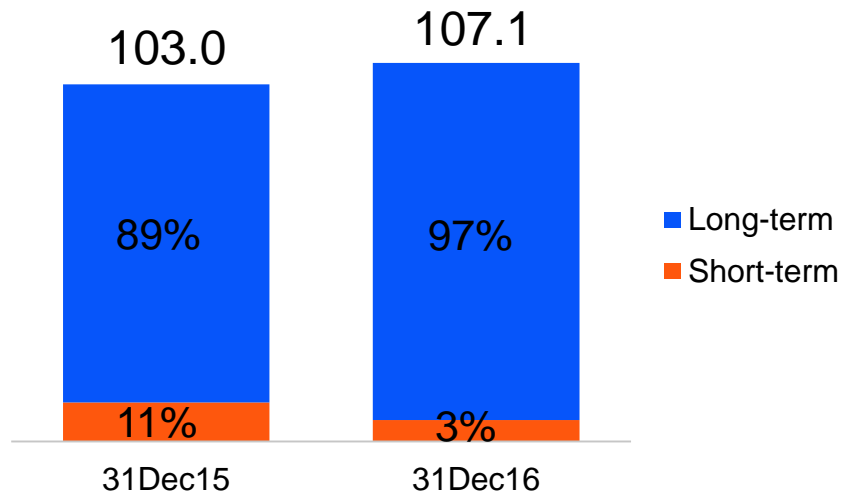
¹ Post working capital changes

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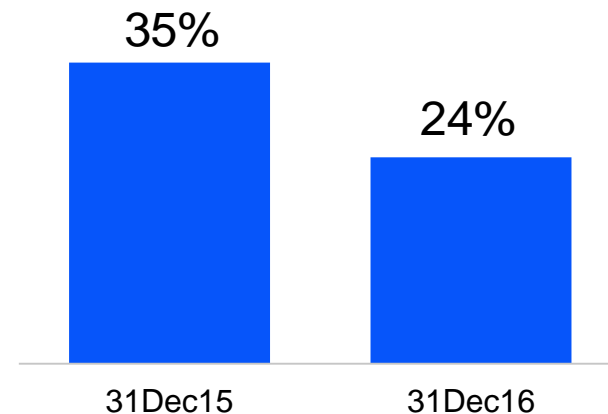
Focus on Liquidity



Total credit facilities available (RUB bn)¹



Utilized amount



- Long-term facilities portion increased due to extended maturity of signed credit lines
- Strong liquidity position for future needs

¹ Not adjusted for FX differences on EUR-nominated facilities

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Contacts



Enel Russia Investor Relations

Ekaterina Orlova

+7 495 539 31 31 ext. 7746

ekaterina.orlova@enel.com

Visit our website at:

www.enelrussia.ru

(Investors section)

Thank you

