



Enel Russia 9M 2016 Results

01/11/2016 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



	9M15	9M16	%
Revenues	51,534	51,792	+0.5
EBITDA	7,551	9,539	+26.3
- EBITDA margin (%)	14.7	18.4	+3.7
Net income / (loss)	(49,660)	2,052	-
Net ordinary income / (loss)	(3,120)	2,052	-
Net debt	24,547 ²	21,287	-13.3
EBITDA/Net financial expenses ³	4.7	4.2	-0.5
Net debt/EBITDA ⁴	2.3	1.7	-0.6
Net debt/Equity	0.79 ²	0.64	-0.15

- Bottom line growth supported by better electricity prices, further improvement in coal cost, as well as lower depreciation after impairment held in 2H 2015

¹ Reviewed financial results under IFRS

² As of December 31, 2015

³ Excluding FX differences and corresponding change in fair value of derivatives

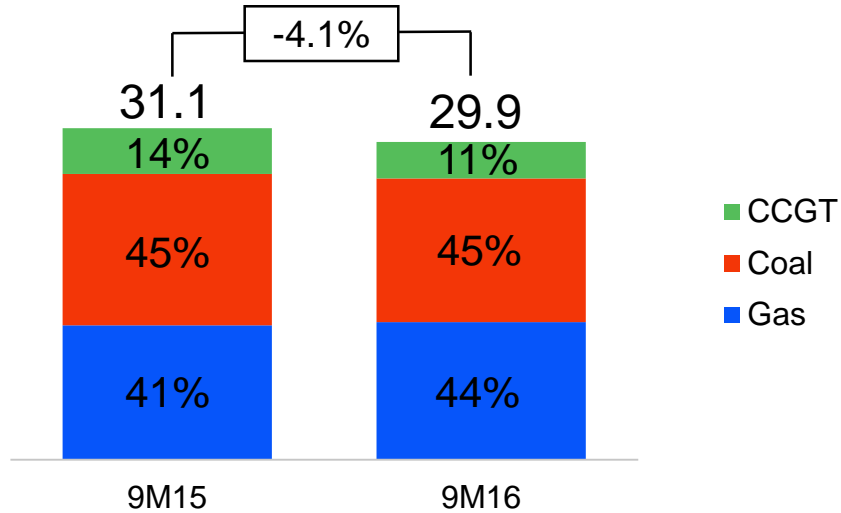
⁴ Net debt at the end of the period divided by 12 months rolling EBITDA

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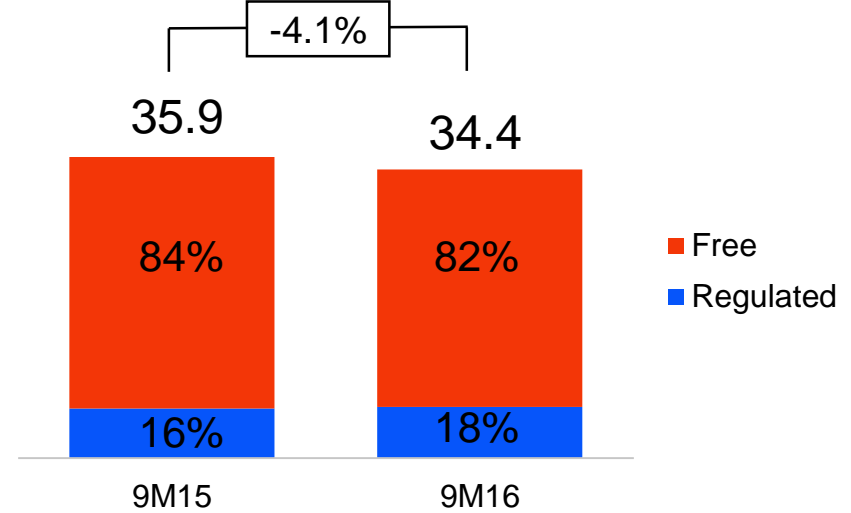
Net power output and sales



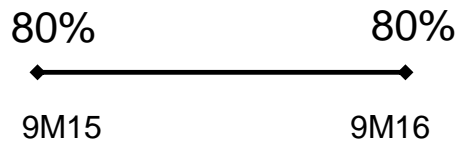
Net output (TWh)



Power sales (TWh)



Plant availability



Utilization on total capacity



- Normalized output at Nevinnomyskaya CCGT¹ after outage at year start
- Utilization slightly decreased due to lower demand in Urals region

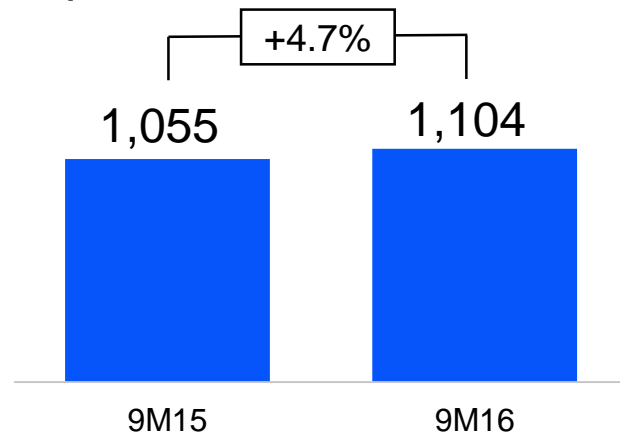
¹ Combined cycle gas turbine

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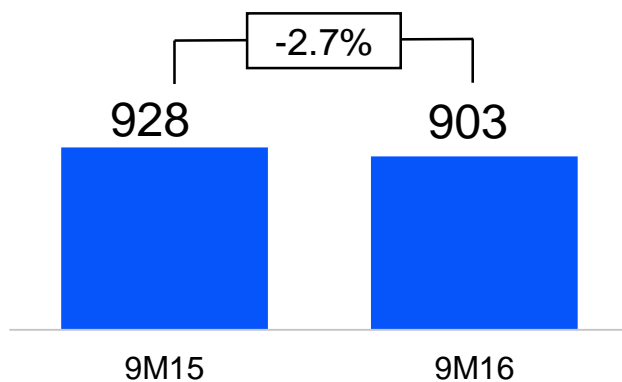
Unit margin on sales (RUB/MWh)¹



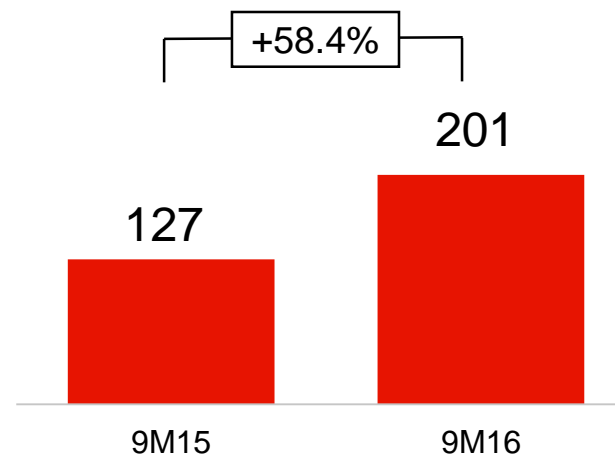
Unit price²



Unit cost of sales³



Unit margin on sales



Better electricity prices and lower cost of coal doubled unit margin

¹ Excluding capacity sales

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

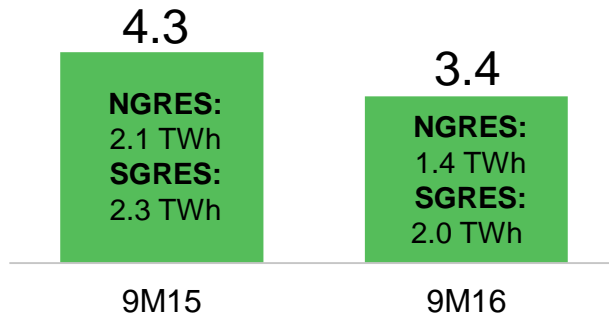
³ Including energy purchases

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CCGTs vs. conventional gas units

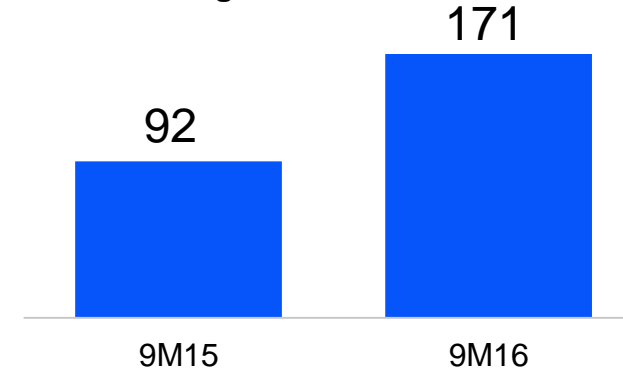


CCGT net output (TWh)

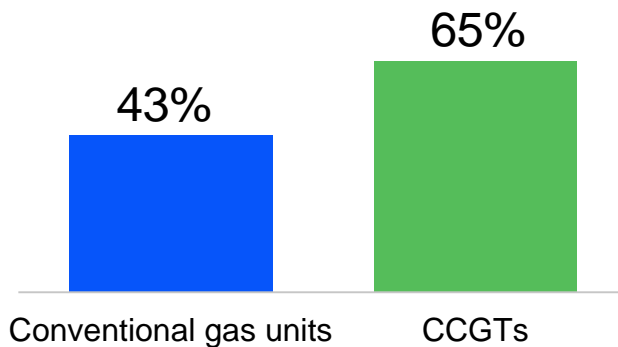


9M16 spreads (RUB/MWh)¹

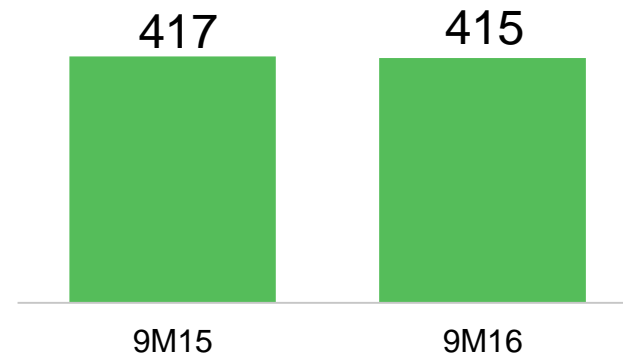
Conventional gas units



9M16 utilization on total installed capacity



CCGT units



- YoY decline in CCGT due to repairs at NGRES CCGT in early 2016
- Conventional gas spreads solid growth due to higher DAM prices in Center and South

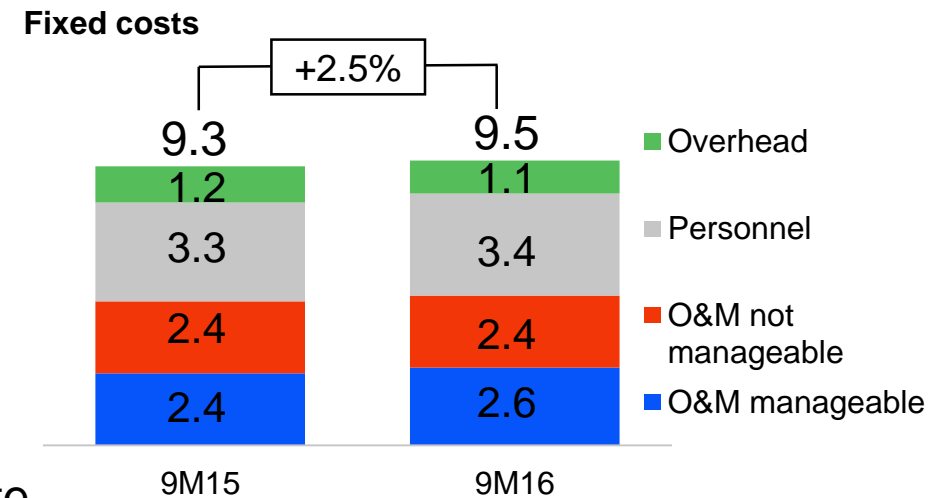
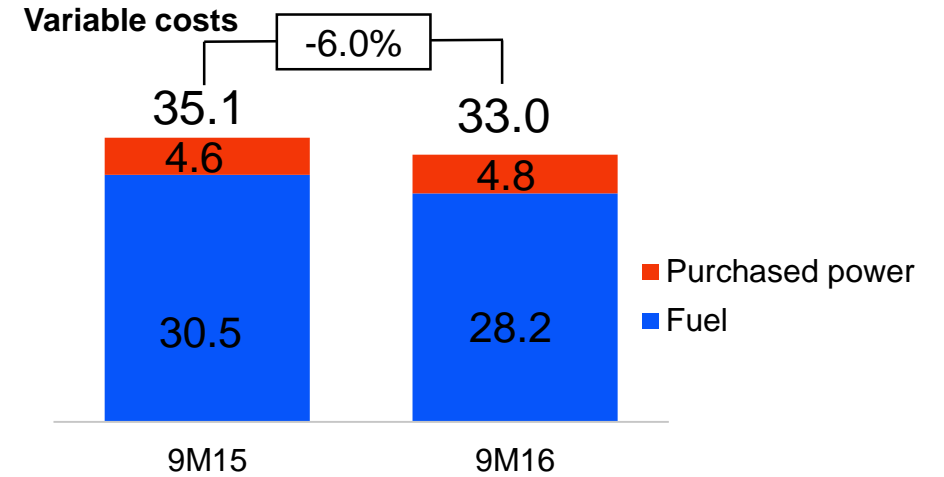
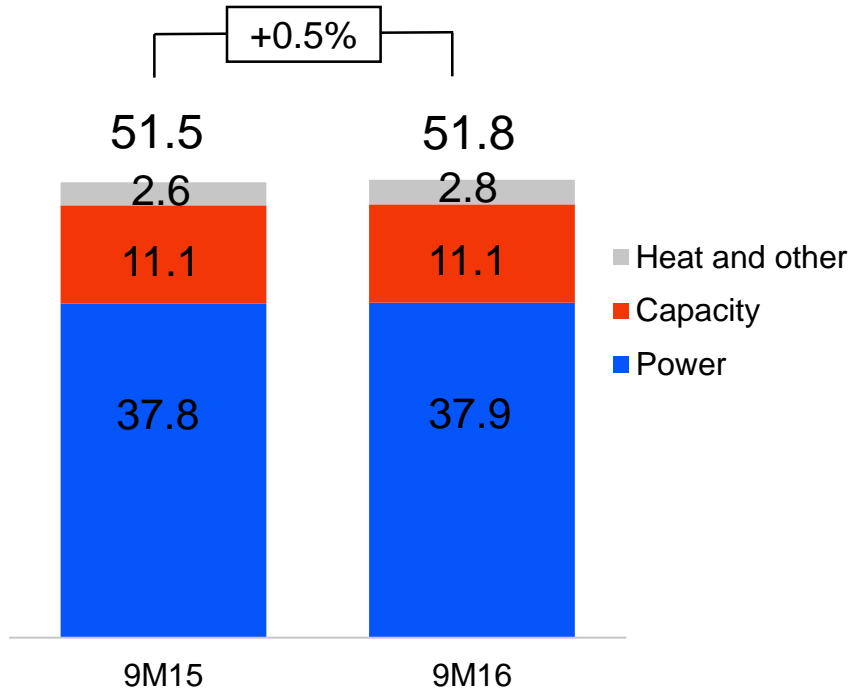
¹ Calculated as average DAM selling price for the given technology minus fuel costs in RUB/MWh

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Revenues and costs (RUB bn)



Operating revenue breakdown

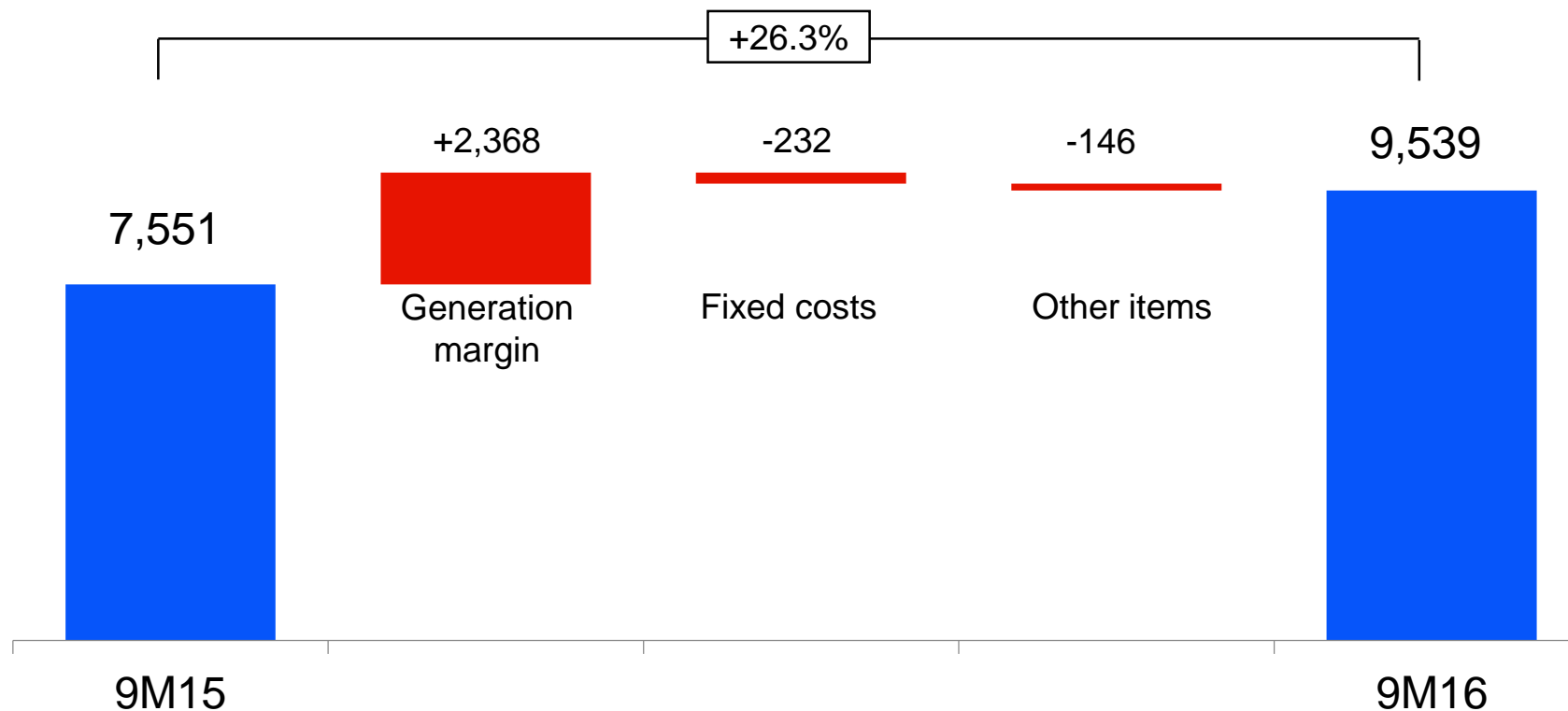


- Flat revenues as better electricity prices were offset by lower CCGT production
- Coal cost further recovery thanks to favorable RUB/Tenge rate
- Fixed costs growth well below CPI¹

¹ Consumer price index

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EBITDA evolution (RUB mn)



- EBITDA supported by improved margins and fixed costs containment
- Insurance compensation for SGRES CCGT repairs, received in 1Q 2015, was partially compensated by PPE¹ write-off in 2Q 2015

¹ Property, plant and equipment

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From EBITDA to net income (RUB mn)



	9M15	9M16	%
EBITDA	7,551	9,539	+26.3
Amortisation, depreciation and impairment	(64,464)	(2,624)	-95.9
EBIT	(56,913)	6,915	-
Net financial charges	(5,063)	(4,463)	-11.9
EBT	(61,977)	2,452	-
Income tax	12,316	(400)	-
Net income / (loss)	(49,660)	2,052	-
Net ordinary income / (loss)	(3,120)	2,052	-

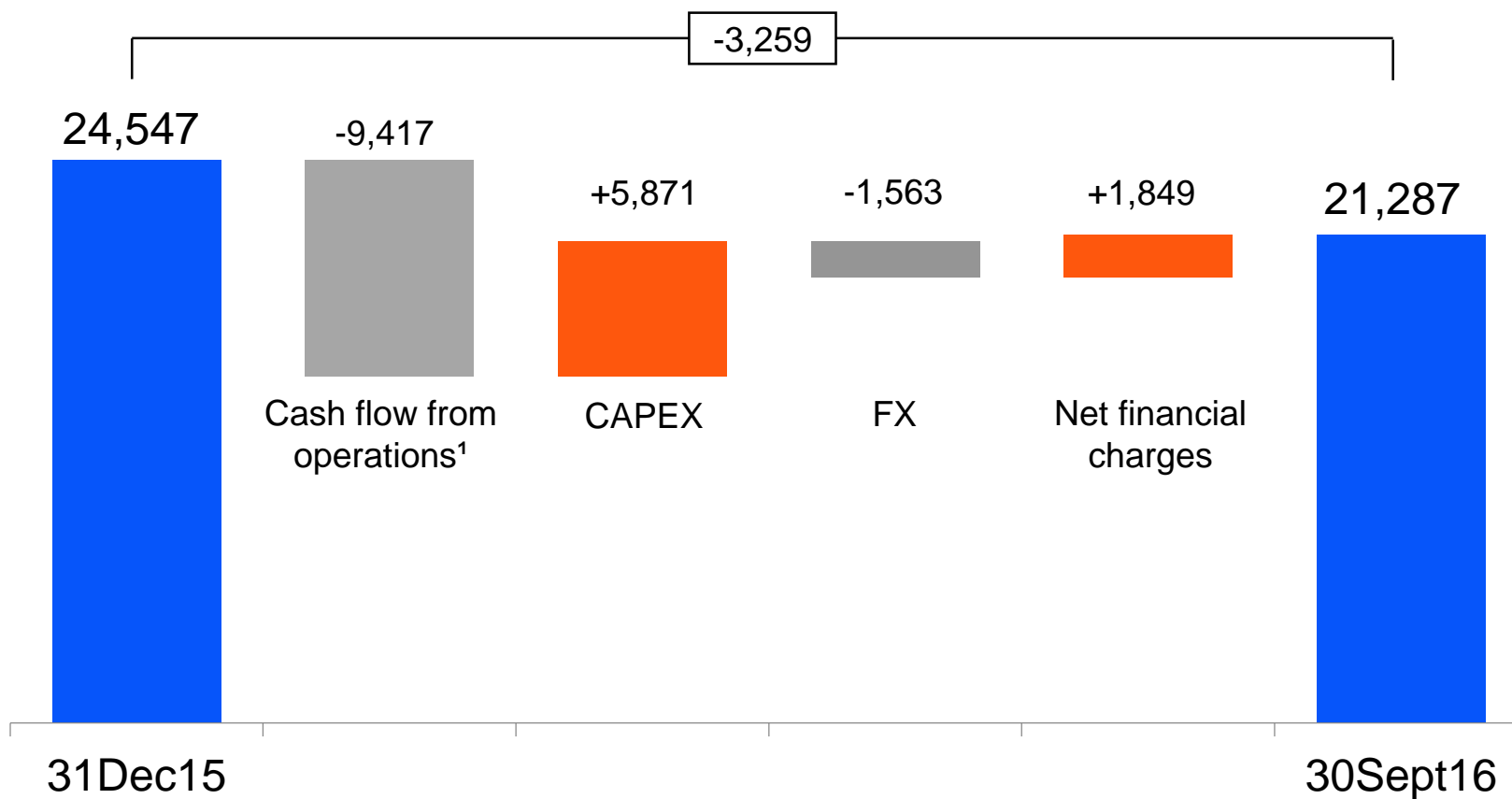
Net income increase mainly stems from higher EBITDA, as well as lower depreciation and amortization

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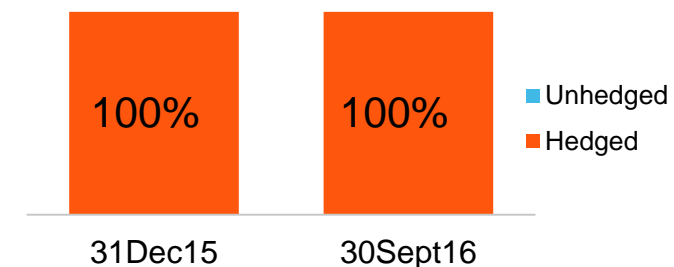
Net debt evolution



Net debt (RUB mn)



Hedged Debt on Total Debt



Average Cost of Debt

	9M15		9M16	
	Cost	Weight	Cost	Weight
RUB	10.8%	17%	12.1%	60%
EUR	3.6%	83%	2.8%	40%

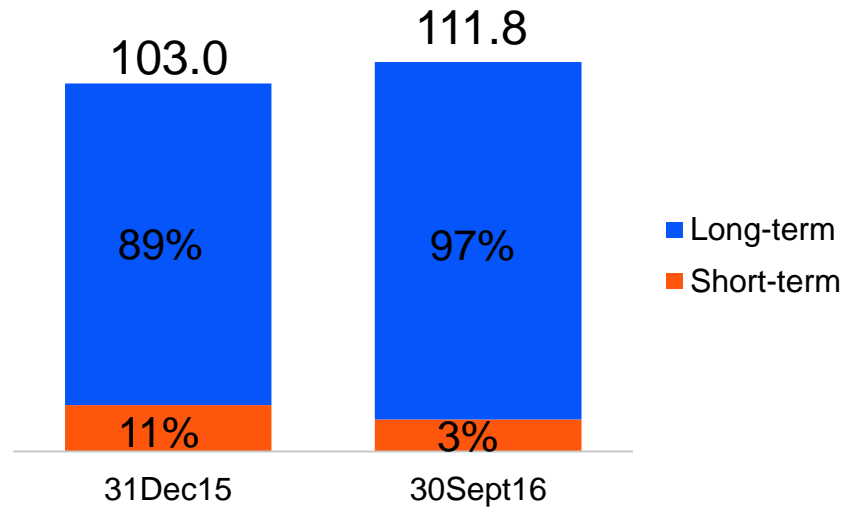
¹ Post working capital changes

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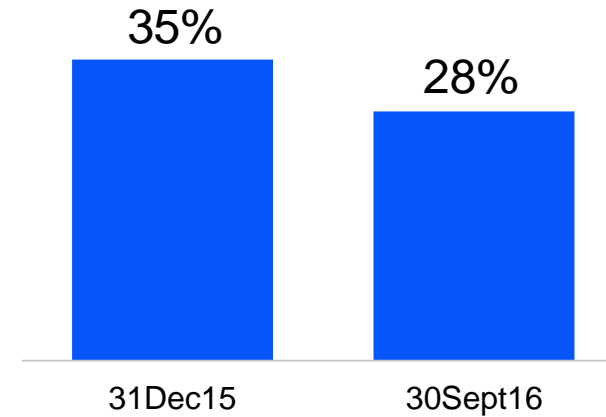
Focus on Liquidity



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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Thank you

