



PRESS RELEASE

Media Relations

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ENEL RUSSIA 9M 2017 RESULTS CONFIRM POSITIVE GROWTH DYNAMIC

- *The increase in EBITDA is explained by higher DPM revenues received by CCGT units, higher volume of delivered capacity as well as fixed costs containment.*
- *EBIT increase and lower net financial charges contributed to the growth of net income.*

MAIN FINANCIAL HIGHLIGHTS (millions of RUB)

	9M 2017	9M 2016	Change
Revenues	53,876	51,792	+4.0%
EBITDA	12,859	9,539	+34.8%
EBIT	10,139	6,915	+46.6%
Net income	6,147	2,052	~3 times
Net debt at the end of the period	20,075	20,348 ¹	-1.3%

Carlo Palasciano Villamagna, General Director of Enel Russia, said: *“During the past nine months the company posted positive results largely thanks to higher capacity payments and to the efficient cost containment strategy. Notwithstanding the lower production largely caused by external factors, the company has already come close to its full year bottom line guidance and we will do our best to maintain this positive trend over the remaining part of the year.”*

Moscow, November 2nd, 2017 – PJSC Enel Russia has published its operating and unaudited financial results for the first nine months of 2017 in accordance with the International Financial Reporting Standards (IFRS).

- **Revenues** increased, mainly due to:
 - higher DPM revenues received by both CCGT units, entering their seventh year of operation (as provided for by the DPM pricing methodology approved by the government);
 - increased volume of delivered capacity, explained by higher capacity sales from Nevinnomysskaya CCGT (as the unit was in outage at the beginning of 2016), as well as lower unplanned outages at all power plants;
 - higher revenues from regulated power sales due to tariff increase enforced in July 2016.

This increase in revenues has more than offset the lower production of the company’s facilities that

¹ As of December 31st, 2016.



was mainly attributable to lower conventional gas equipment use by the System Operator due to overcapacity in the Central and Urals regions.

- **EBITDA** grew significantly, largely thanks to higher revenues, additionally supported by fixed cost containment, mainly due to efficient overhead management activities.
- The increase in **EBIT** reflected EBITDA growth.
- **Net income** reflected EBIT growth, additionally supported by lower net financial charges that were mainly attributable to:
 - optimisation of the company's debt portfolio structure, including a decreased exposure to euro/rouble exchange rate fluctuations;
 - lower average debt level compared with 9M 2016;
 - the recording in the first quarter of 2016 of a one-off accounting adjustment associated to the early repayment of a loan with Royal Bank of Scotland.
- **Net debt** at the end of the reporting period decreased on the figure posted as of December 31st, 2016, mainly due to solid operating cash flow compensating the payments made over the period.

OPERATIONAL HIGHLIGHTS

	9M 2017	9M 2016	Change
Net power output (GWh)	29,074	29,853	-2.6%
Power sales (GWh)	33,334	34,433	-3.2%
Heat sales (thousand Gcal)	3,524	3,546	-0.6%

- **Net power output** decreased, relating to mixed dynamics affecting Enel Russia's power plants, in particular:
 - Konakovskaya output dropped by 17%, affected by higher production of nuclear facilities in the Central region;
 - Sredneuralskaya output decreased by 12%, mainly attributable to lower equipment use by the System Operator, caused by overcapacity in the Urals region.
 This decrease was partially offset by:
 - Nevinnomysskaya output recovery by 9%, which was explained by the CCGT unit maintenance during the first three months of 2016, as well as higher equipment use by the System Operator due to increased demand in Southern Russia in 2017;
 - Reftinskaya output grew by 4%, reflecting the difference in the schedule of maintenance between 9M 2016 and 9M 2017.
- **Power sales** were down due to the abovementioned net power output dynamics.
- **Heat sales** stood broadly unchanged.

About Enel Russia

An Enel Group subsidiary, PJSC Enel Russia operates the following power plants: Konakovskaya GRES, Nevinnomysskaya GRES, Sredneuralskaya GRES and Reftinskaya GRES. The company's total gross installed electrical capacity is 9,428.7 MW (equivalent to 8,878.4 MW net installed capacity) and thermal capacity is 2.382 Gcal/h. PJSC Enel Russia's authorised capital is 35,371,898,370 roubles, which is divided into ordinary shares with a par value of 1 rouble. The Enel Investment Holding B.V. share in the company's authorised capital is 56.43%, PFR Partners Fund I Limited's share is 19.03%, VTB Bank's share is 3.87%, Prosperity Capital Management Limited's share is 8.23% and other minority shareholders' share is 12.44%. PJSC Enel Russia shares are listed in Level 1 MICEX quotation list.



The company was established in Yekaterinburg on October 27th, 2004 as OJSC OGK-5. On July 7th, 2009 by the resolution of Annual General Shareholders' Meeting the company was renamed OJSC Enel OGK-5 and on August 8th, 2014 the Federal Tax Service registered the new version of the company's charter with the name OJSC Enel Russia. On June 25th, 2015 the company changed its legal type and was renamed PJSC Enel Russia.