



Enel Russia 2017 Results

15/03/2018 Moscow



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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

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Financial highlights (RUB mn)¹



	2016	2017	Change
Revenues	72,211	74,400	+3.0%
EBITDA	13,909	17,732  17.3 RUB bn	+27.5%
- EBITDA margin	19.3%	23.8%	+4.6%
EBITDA recurring ²	13,415	17,732	+32.1%
Net income	4,387	8,544  8.3 RUB bn	+94.8%
Net debt	20,348	17,889  19.8 RUB bn	-12.1%
EBITDA/Net financial expenses ³	5.1x	7.7x	+2.6
Net debt/EBITDA	1.5x	1.0x	-0.5
Net debt/Equity	0.58x	0.43x	-0.14

xx.x RUB bn
Nov. 2017 forecast

Solid growth due to delta DPM⁴ received by two CCGT units, starting from 2017
Delivery on both operational and financial cost optimization in line with strategic plan

¹ Audited financial results under IFRS

² Net of 489mn RUB of insurance compensation received in 4Q2016 for a service interruption at Nevinnomyskaya CCGT

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

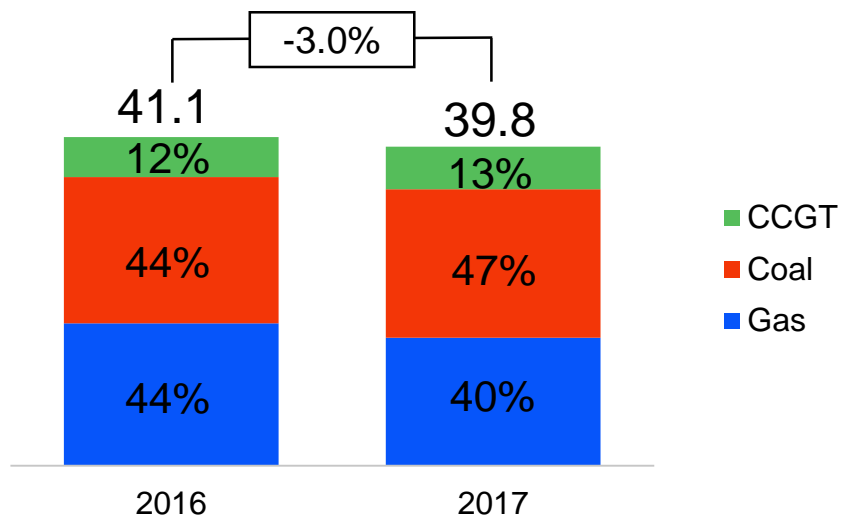
⁴ Capacity supply agreement or DPM (Договор о предоставлении мощности)

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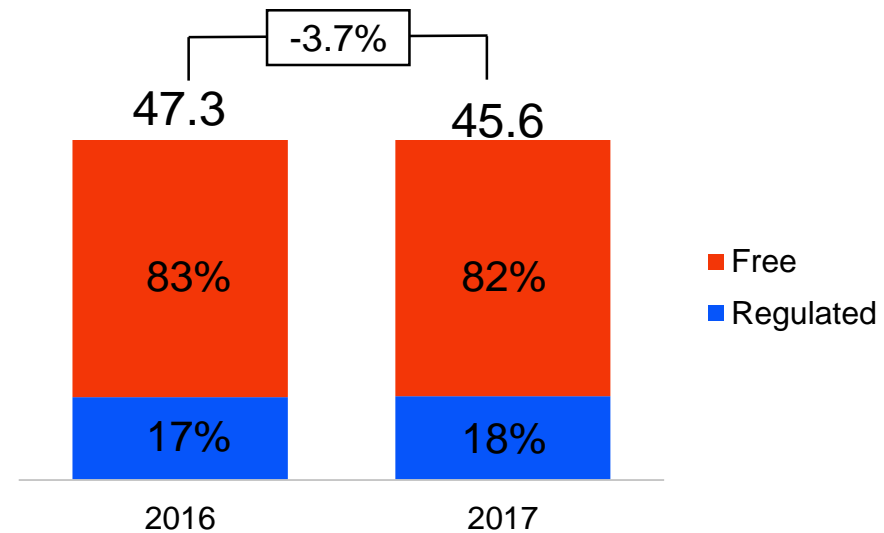
Net power output and sales



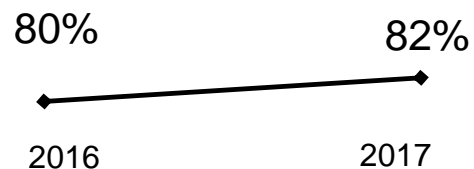
Net output (TWh)



Power sales (TWh)



Plant availability



Utilization on net electric capacity



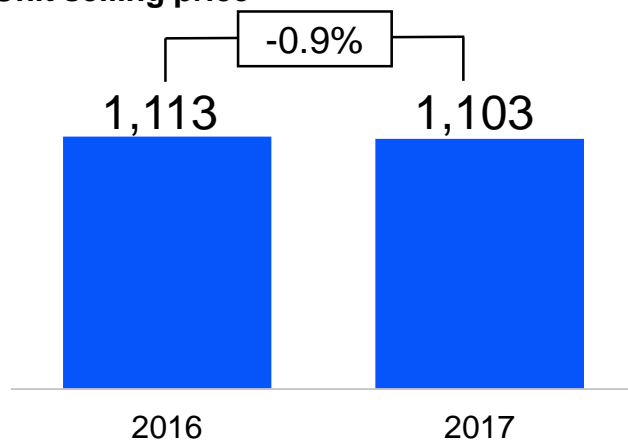
Conventional gas facilities remained under pressure due to overcapacity in the system
Higher CCGT and coal units output explained by yearly maintenance schedule

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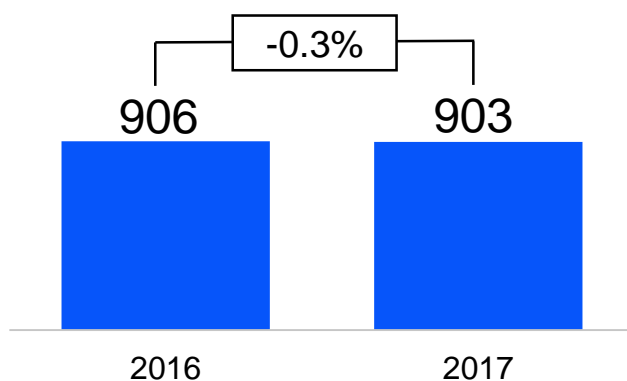
Unit margin on sales (RUB/MWh)¹



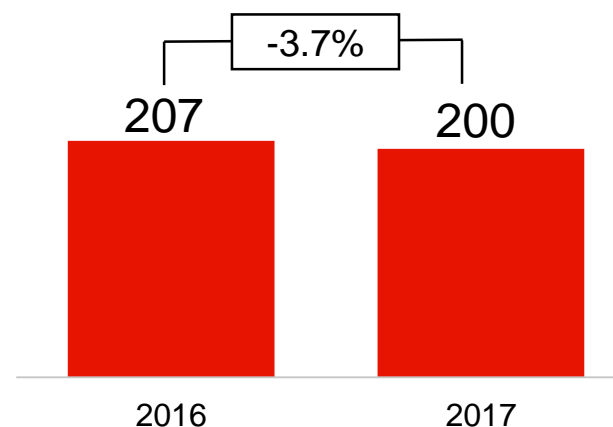
Unit selling price²



Unit cost of sales³



Unit margin on sales



Lower unit margin resulted from nuclear and thermal launches, as well as record hydro production affecting power prices

¹ Excluding capacity sales

² Including regulated power sales, day ahead market and balancing market sales

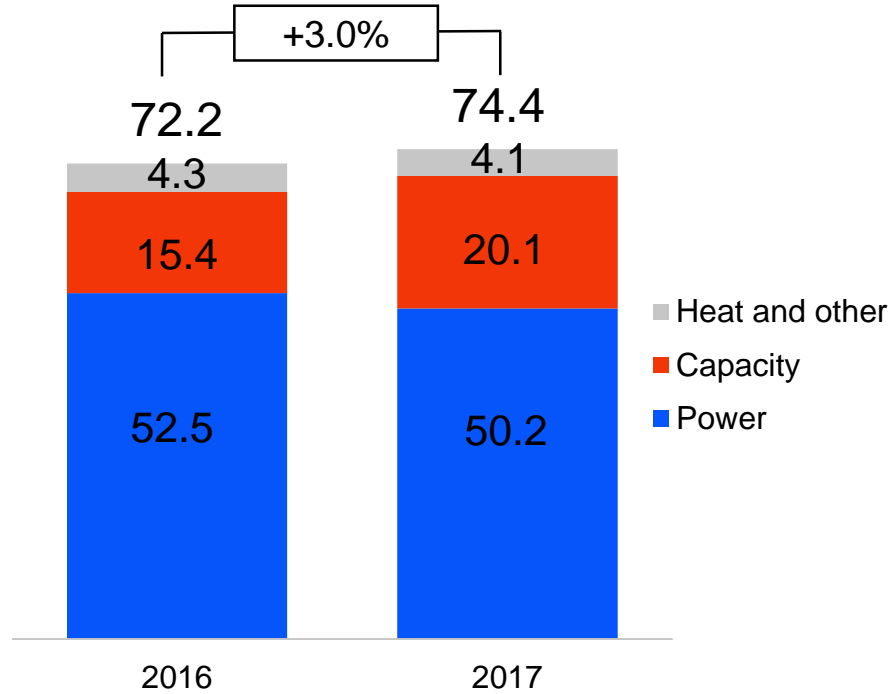
³ Including fuel cost and energy purchases

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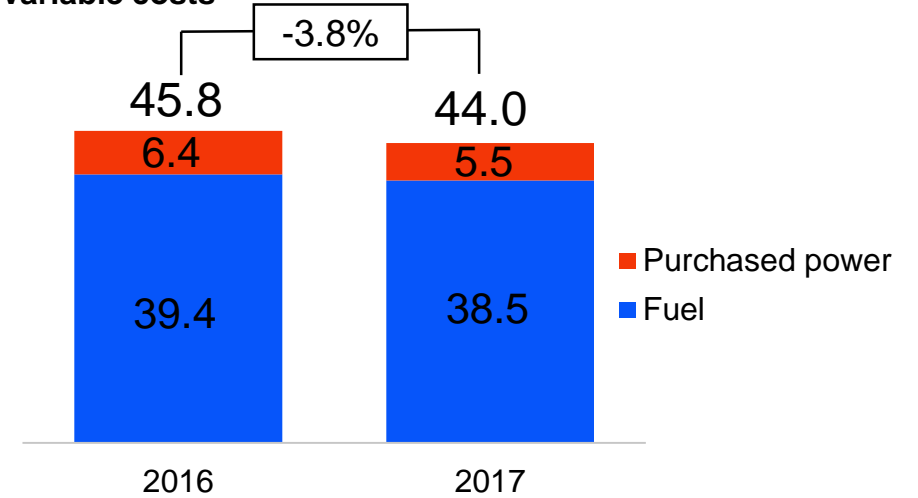
Revenues and costs (RUB bn)



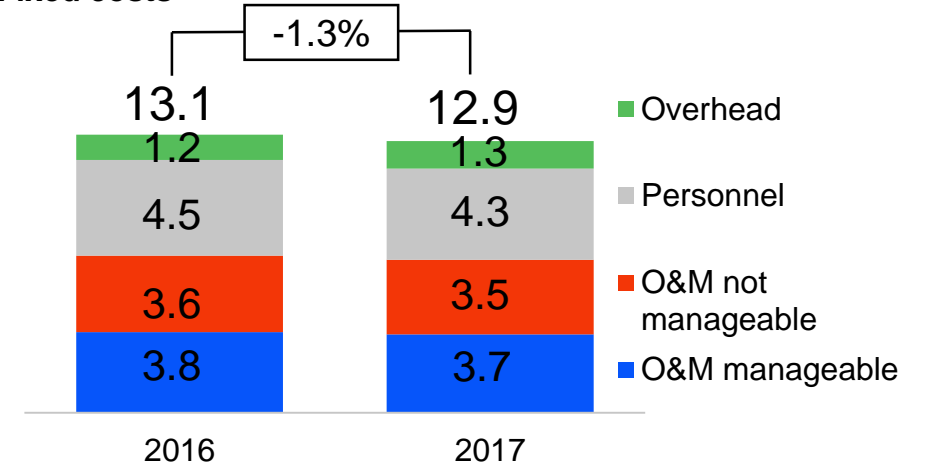
Operating revenue breakdown



Variable costs



Fixed costs

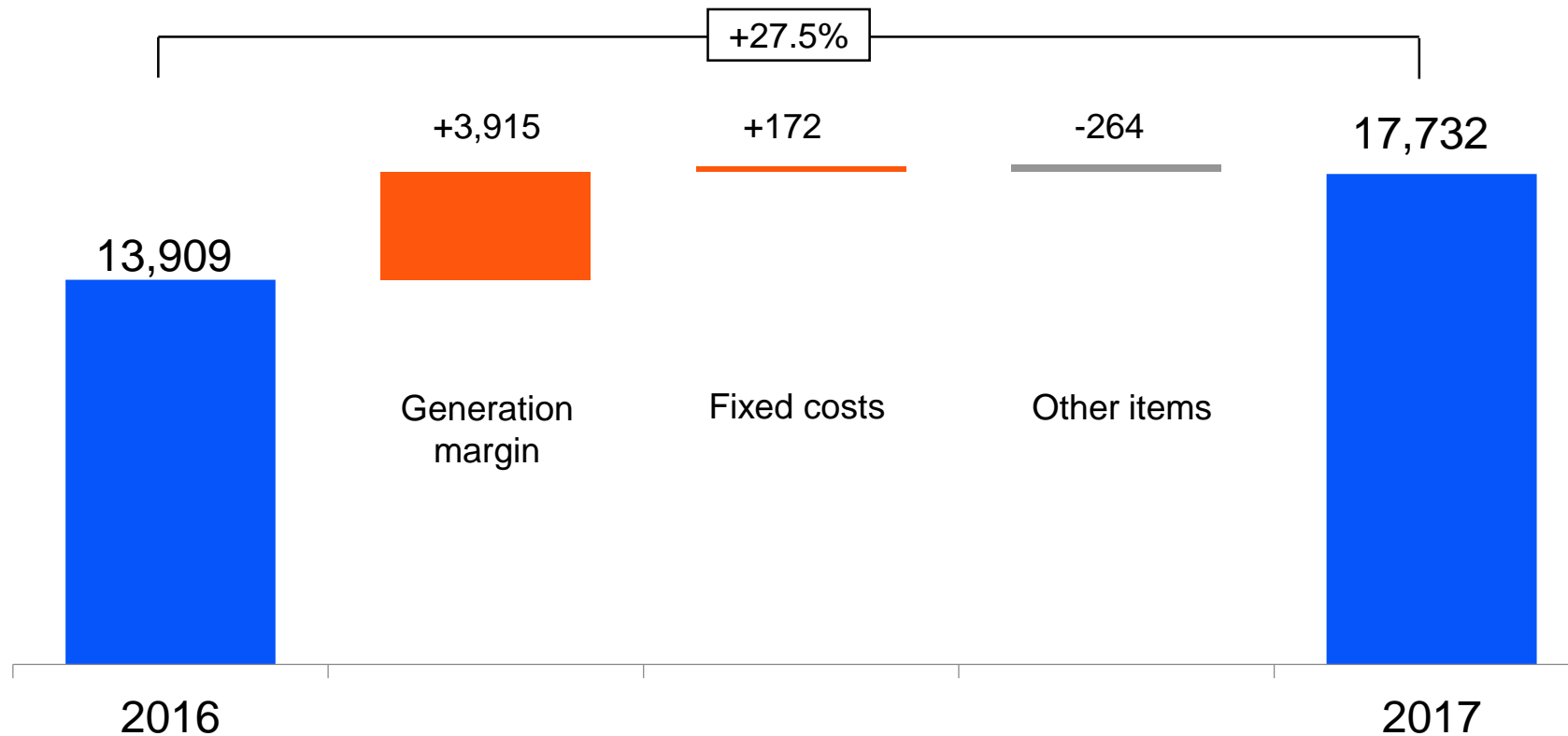


Capacity revenues up due to delta DPM; higher KOM¹ revenues due to better equipment availability
Constant fixed costs optimization activities

¹ Capacity payment for ordinary/"old" capacity

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EBITDA evolution (RUB mn)



Sharp increase in EBITDA thanks to better generation margin

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From EBITDA to net income (RUB mn)



	2016	2017	Change
EBITDA	13,909	17,732	+27.5%
Amortisation, depreciation and impairment	(3,575)	(3,762)	+5.2%
EBIT	10,334	13,970	+35.2%
Net financial charges	(4,836)	(3,037)	-37.2%
EBT	5,498	10,933	~2x
Income tax	(1,111)	(2,388)	~2x
Net income	4,387	8,544	~2x

Net income increase thanks to higher EBITDA and lower financial charges
Financial charges down due to debt portfolio optimization, lower average debt and rates, one-off accounting adjustment in 2016¹

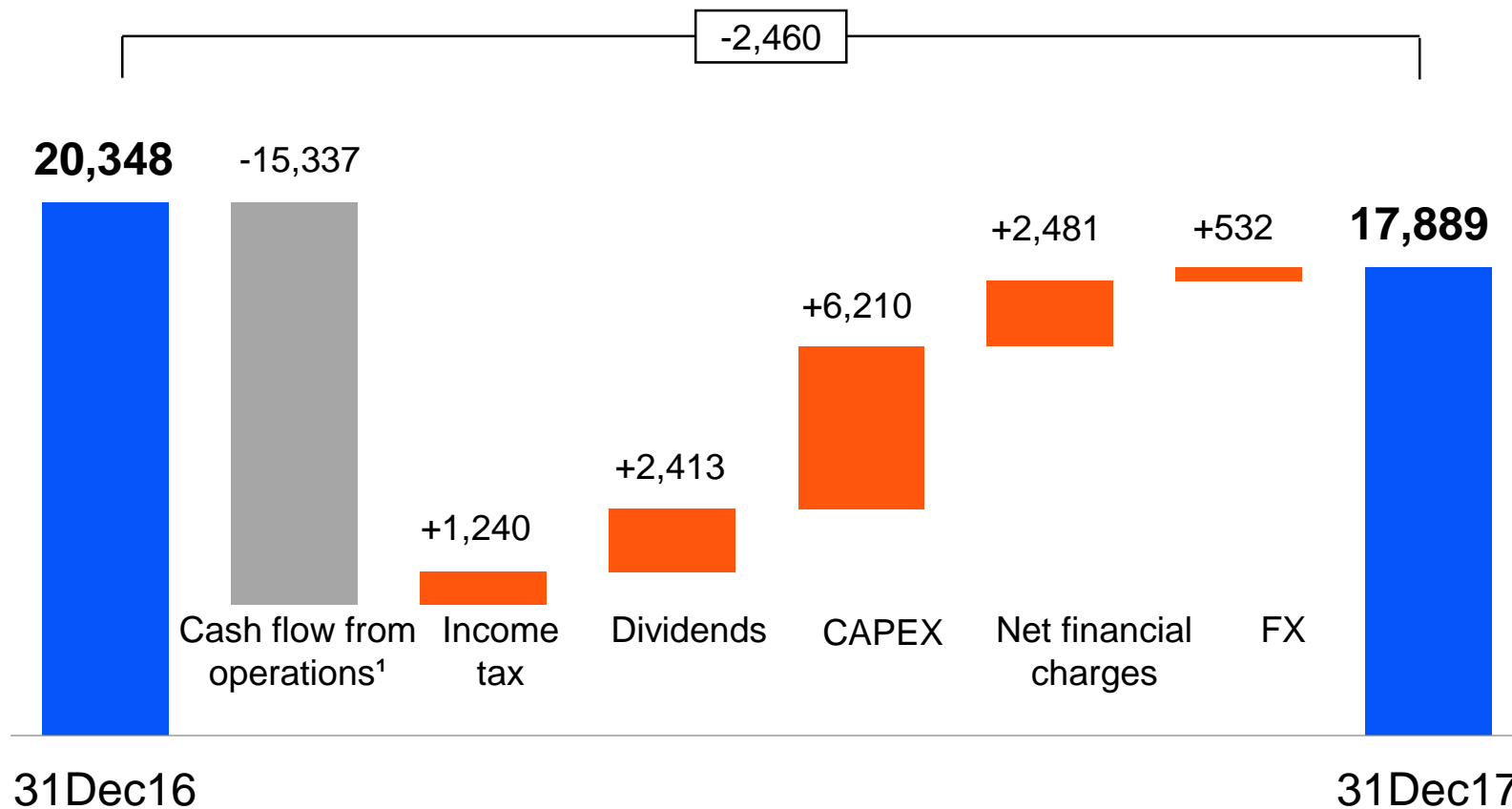
¹ Unamortized cost derecognition in relation to long-term loans early prepayment (RBS, EBRD)

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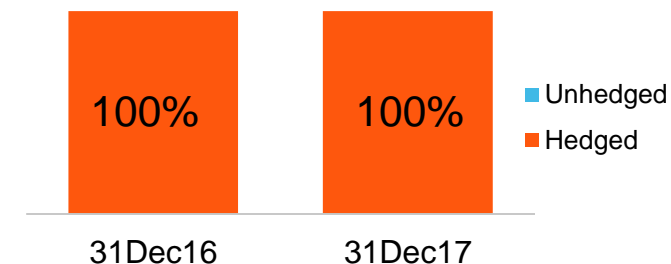
Net debt evolution



Net debt (RUB mn)



Hedged Debt on Total Debt



Debt profile

	2016		2017	
	AVG Cost	Weight 31/12/16	AVG Cost	Weight 31/12/17
RUB	12.0%	73%	10.9%	71%
EUR	2.6%	27%	1.7%	29%

Net debt decrease on the back of solid operating cash flow
Dividends upon FY2016 distributed in line with new dividend policy

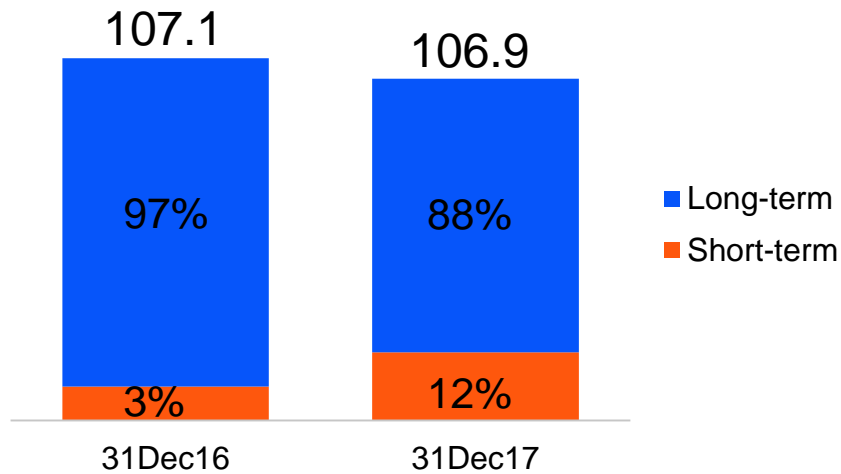
¹ Post working capital changes

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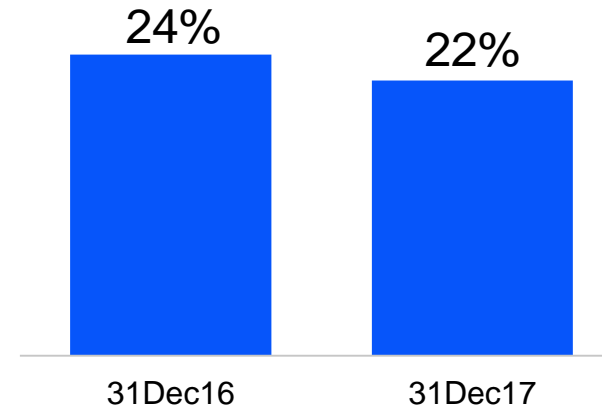
Focus on Liquidity



Total credit facilities available (RUB bn)¹



Utilized amount



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

¹ Not adjusted for FX differences on EUR-nominated facilities

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Contacts



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(Investors section)

Thank you

