



9M 2018 results Enel Russia

November 1, 2018



9M 2018 results

Agenda



- Financial highlights
- Operational highlights
- Unit margin on sales
- Revenues and costs
- EBITDA evolution
- From EBITDA to net income
- Cash flow and debt
- Focus on liquidity

9M 2018 results

Financial highlights (RUB mn)¹



	9M 2018	9M 2017 ²	Δ yoy
Revenue	52,594	53,876	-2%
<i>EBITDA</i>	11,440	12,859	-11%
- EBITDA margin	21.8%	23.9%	-2%
<i>Net income</i>	4,888	6,147	-20%
Net debt	21,170	17,889	+18%
EBITDA/Net financial expenses ³	7.4x	7.3x	+0.1
Net debt/EBITDA	1.3x ⁴	1.0x	+0.3
Net debt/Equity	0.51x	0.51x	-

**Expected decline in financials due to challenging market situation after strong 2017
Focus on achieving full year 2018 guidance declared in Nov. 17**

¹ Unaudited financial results under IFRS

² Net debt, Net debt/EBITDA are as of December 31, 2017

³ Excluding FX differences and corresponding gain/loss from derivatives

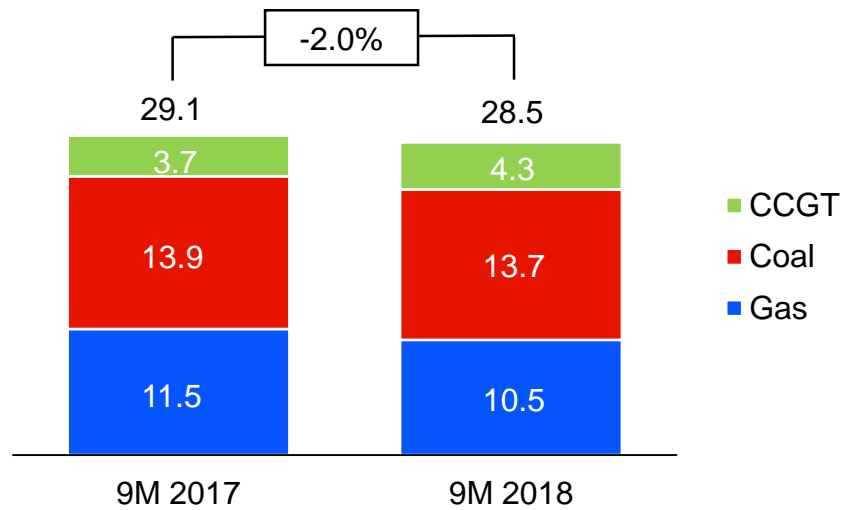
⁴ Net debt at the end of the period divided by 12 months rolling EBITDA

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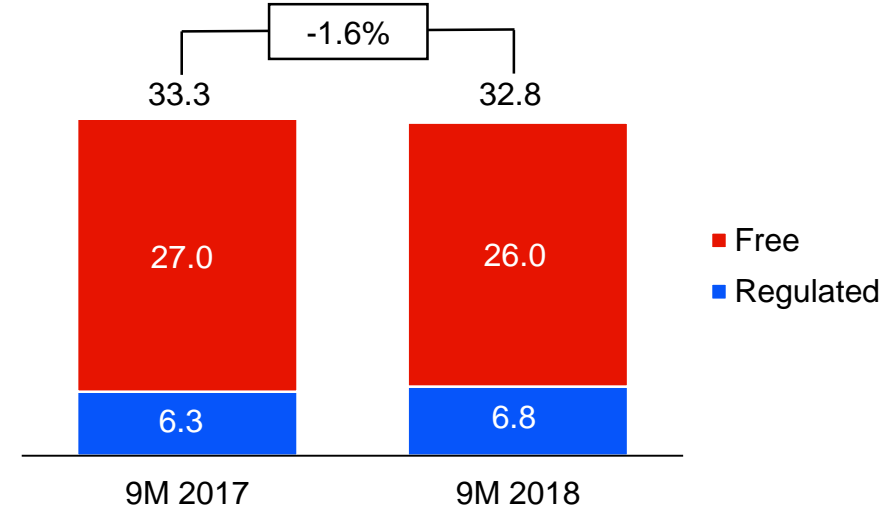
Operational highlights



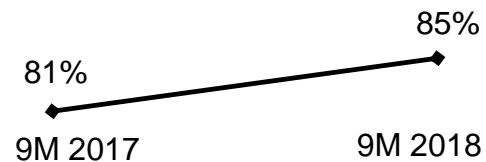
Net output (TWh)



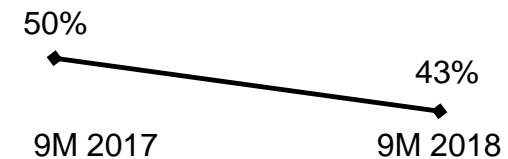
Power sales (TWh)



Plant availability¹



Utilization on net electric capacity



Lower loading on all units except CCGTs due to lower demand in Urals & overcapacity in the system

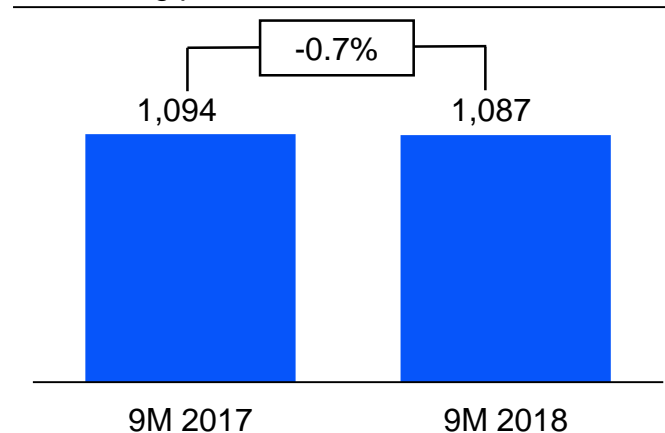
¹ Annualized

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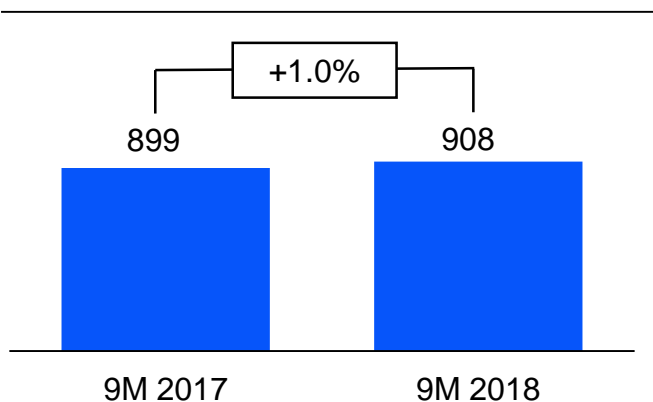
Unit margin on sales (RUB/MWh)¹



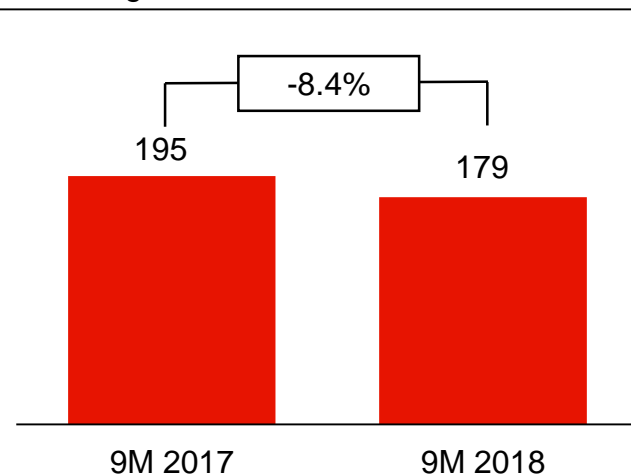
Unit selling price²



Unit cost of sales³



Unit margin on sales



Fuel price growth coupled with lower power prices compressed unit margin

¹ Excluding capacity sales (all data – managerial accounting)

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

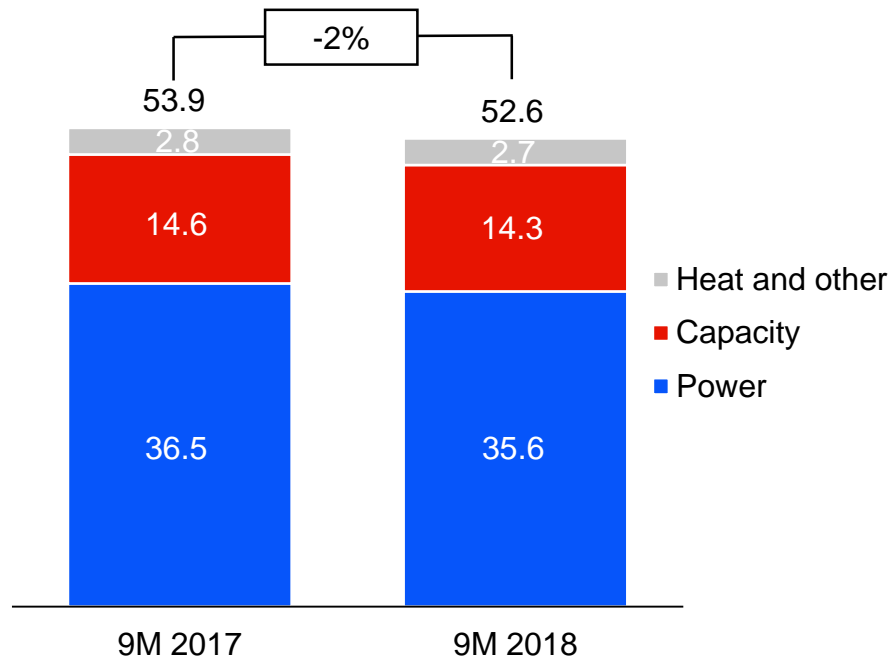
³ Including fuel cost and energy purchases

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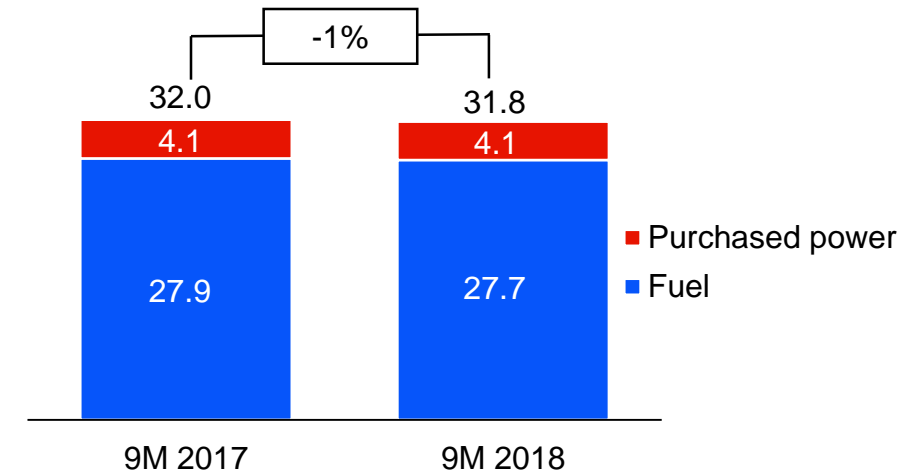
Revenues and costs (RUB bn)



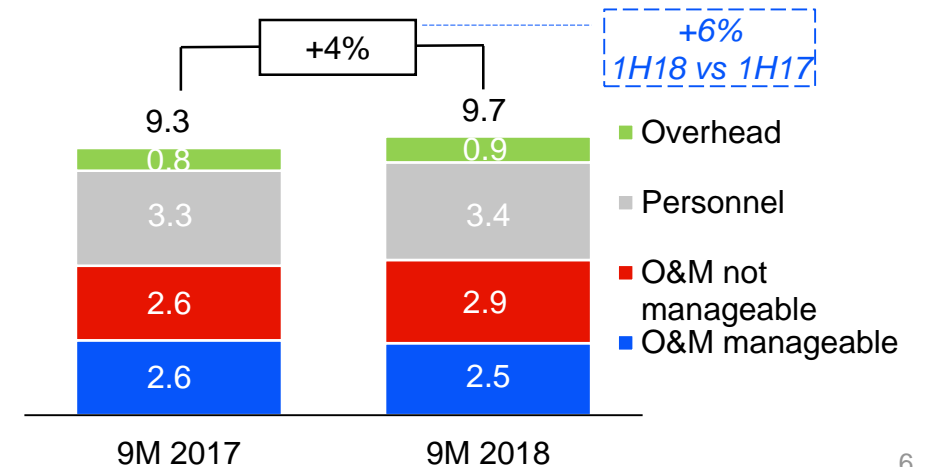
Operating revenue breakdown



Variable costs



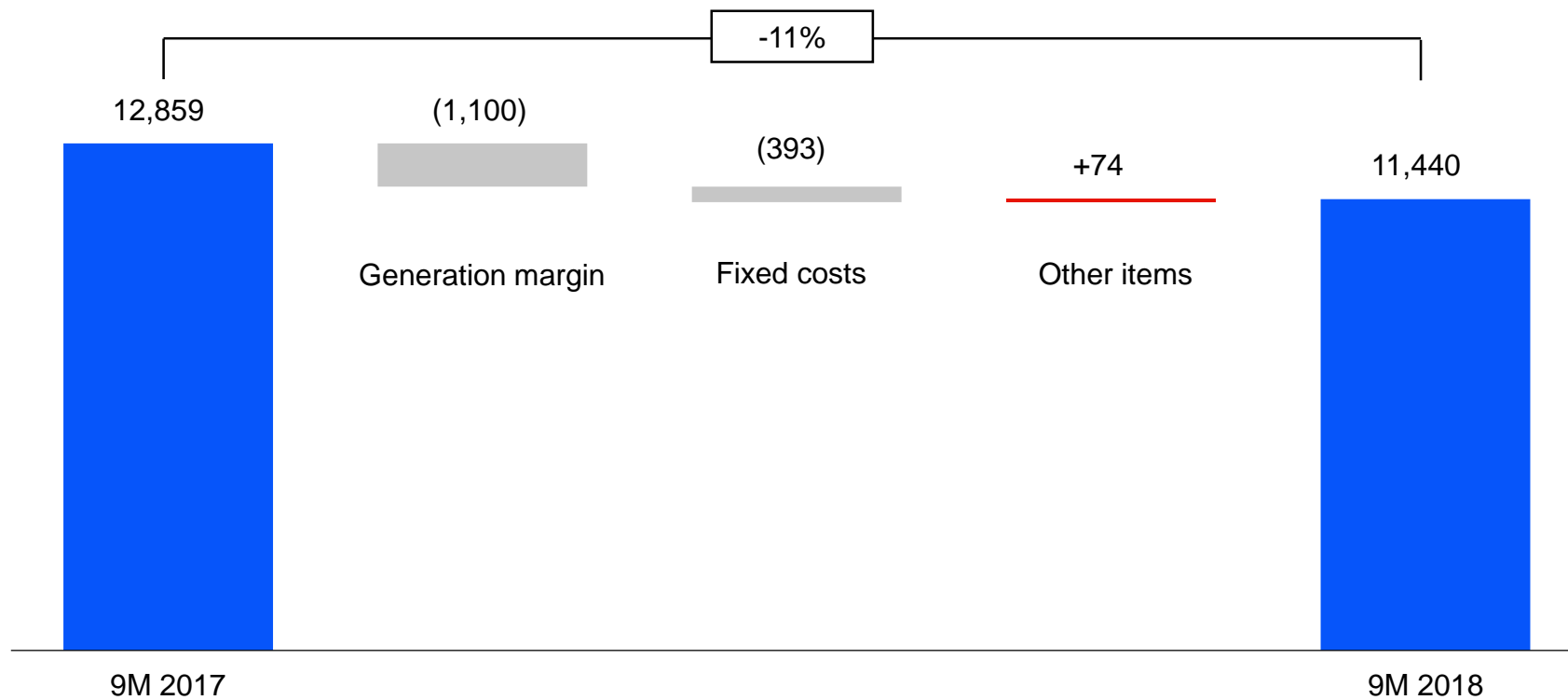
Fixed costs



Power revenues down due to lower production and pricing
Fixed costs on the way to yearly growth "below CPI"

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EBITDA evolution (RUB mn)



EBITDA slide on lower power revenues and fixed costs growth

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From EBITDA to net income (RUB mn)



	9M 2018	9M 2017 ²	Δ yoy
<i>EBITDA</i>	11,440	12,859	-11%
Amortisation, depreciation and impairment	(3,283)	(2,720)	+21%
EBIT	8,157	10,139	-20%
Net financial charges	(2,007)	(2,357)	-15%
EBT	6,150	7,782	-21%
Income tax	(1,262)	(1,635)	-23%
<i>Net income</i>	4,888	6,147	-20%

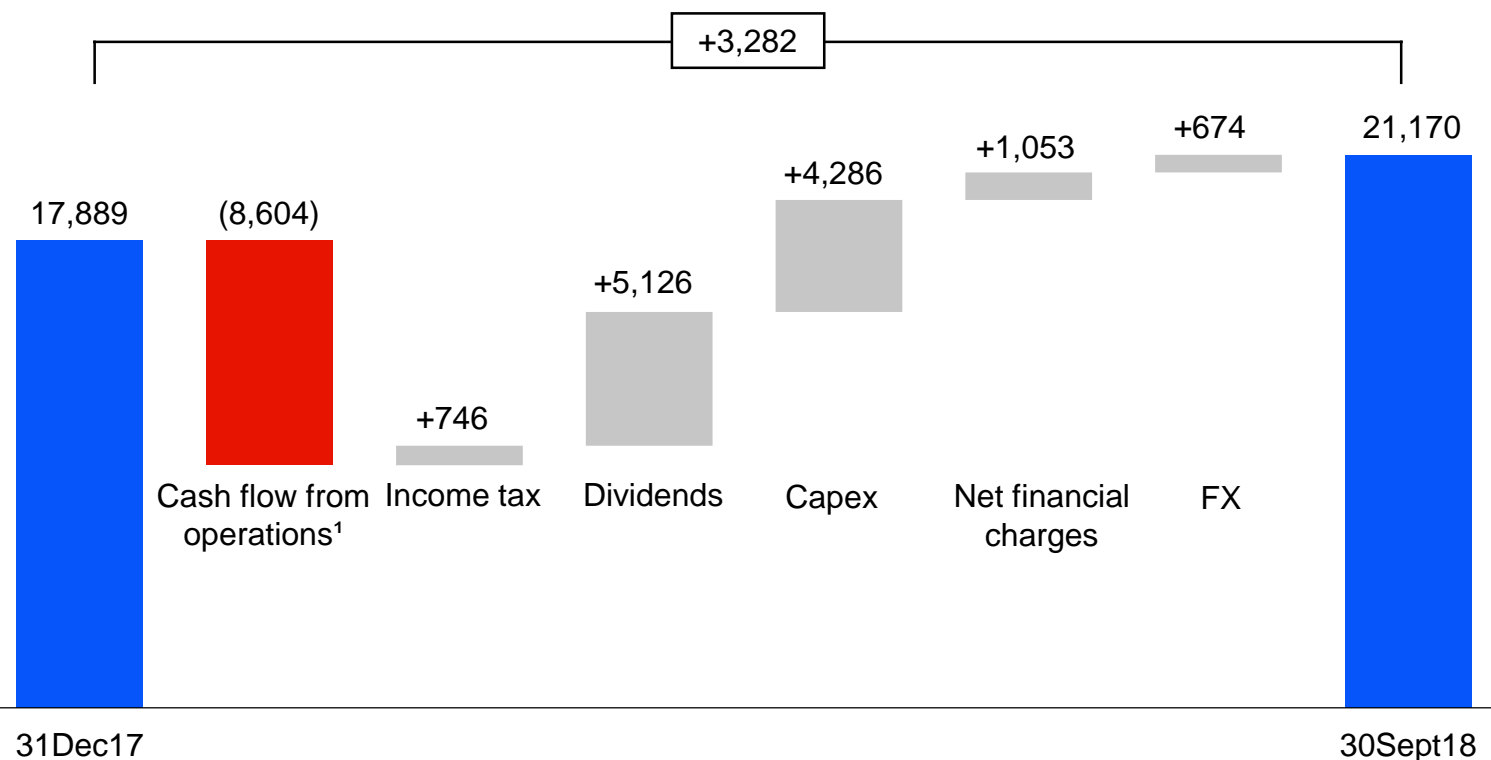
Net income explained by EBITDA dynamics
Financial charges decreased on debt cost and currency structure optimisation

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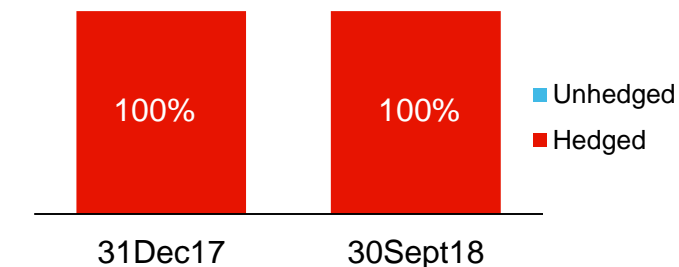
Cash flow and debt



Net debt (RUB mn)



Hedged debt on Total debt



Total debt profile

	9M17		9M18	
	AVG Cost	Weight 30/09/17	AVG Cost	Weight 30/09/18
RUB	10.9%	71%	9.7%	76%
EUR	1.7%	29%	1.7%	24%

Temporary effect on net debt comes from dividends paid upon FY2017
Continuous debt profile optimisation

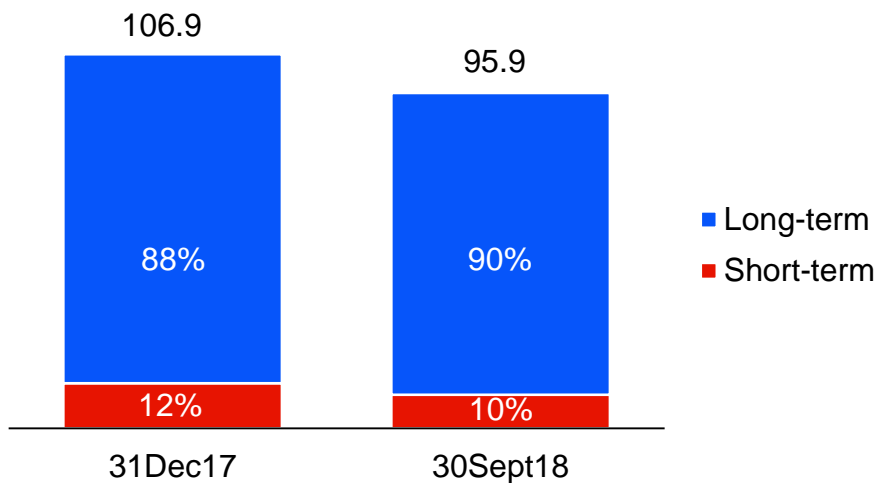
¹ Post working capital changes

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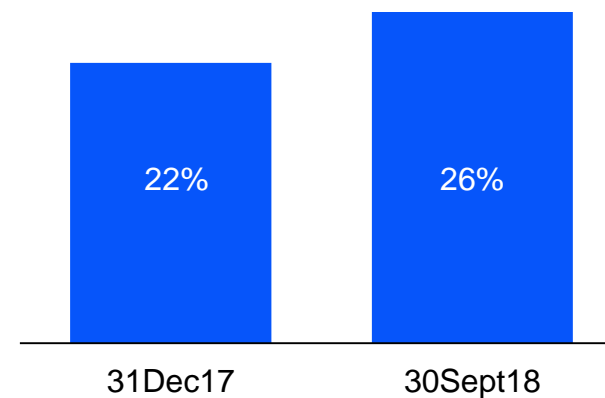
Focus on Liquidity



Total credit facilities:
utilized & available (RUB bn)¹



Utilized amount



10bn RUB of commercial papers issued in 2015 were refinanced

¹ Not adjusted for FX differences on EUR-nominated facility

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