



Enel Russia 1Q 2017 Results

27/04/2017 Moscow



Enel Russia 1Q 2017 Results

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



	1Q16	1Q17	%
Revenues	17,571	19,510	+11.0
EBITDA	3,027	5,491	+81.4
- EBITDA margin (%)	17.2	28.1	+10.9
Net income	134	3,100	~23x
Net debt	20,348 ²	17,611	-13.5
EBITDA/Net financial expenses ³	4.4	9.6	+5.2
Net debt/EBITDA ⁴	2.6	1.1	-1.5
Net debt/Equity	0.58 ²	0.45	-0.13

- Earnings growth due to delta DPM⁵ payment received by two CCGT units, starting from Jan. 01, 2017
- Bottom line additionally supported by lower financial charges

¹ Unaudited financial results under IFRS

² As of December 31, 2016

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

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

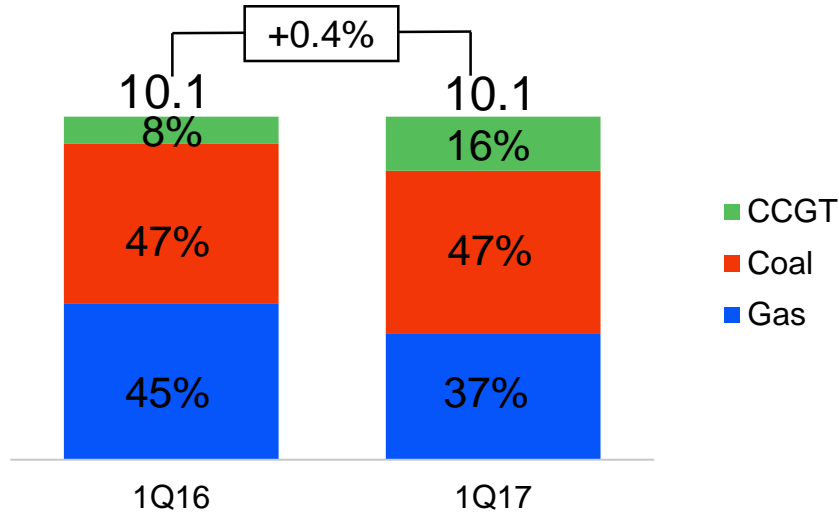
⁵ Capacity supply agreement or DPM (Договор о предоставлении мощности)

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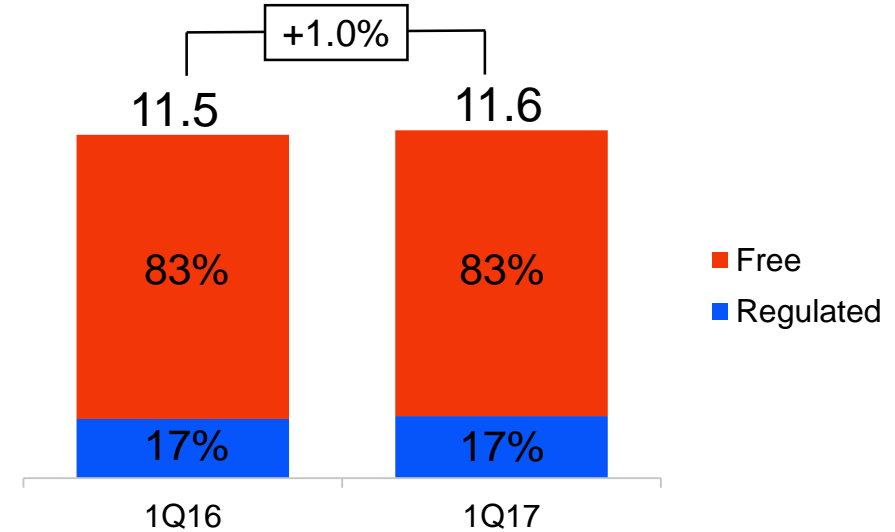
Net power output and sales



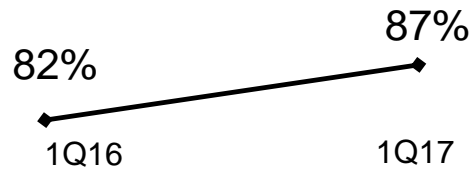
Net output (TWh)



Power sales (TWh)



Plant availability



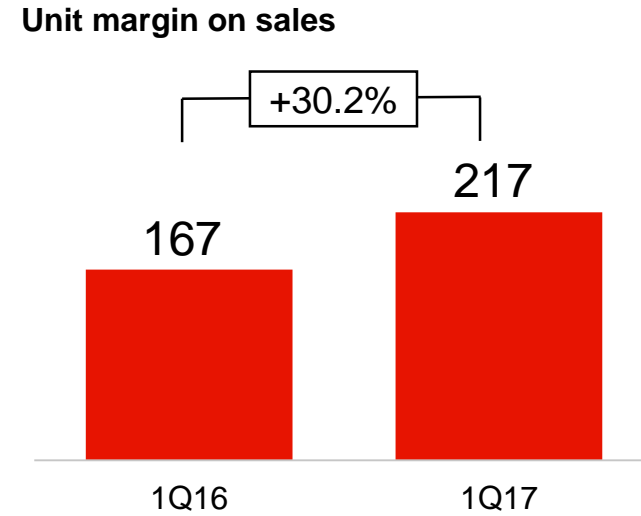
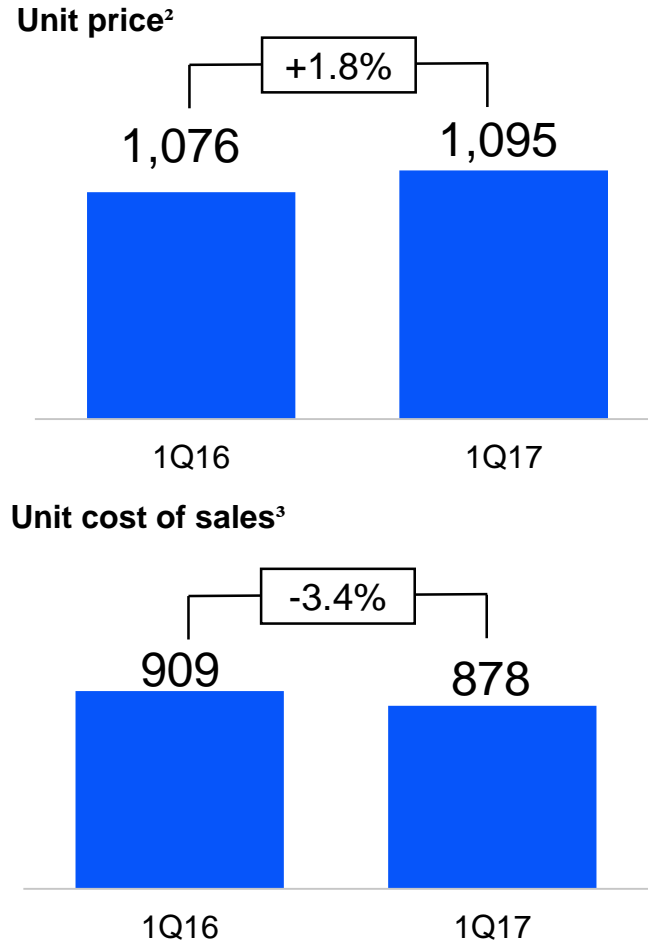
Utilization on net electric capacity



Normalized CCGT production offset conventional gas facilities' lower output

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Unit margin on sales (RUB/MWh)¹



Unit margin improvement mainly due to different technology mix

¹ Excluding capacity sales

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

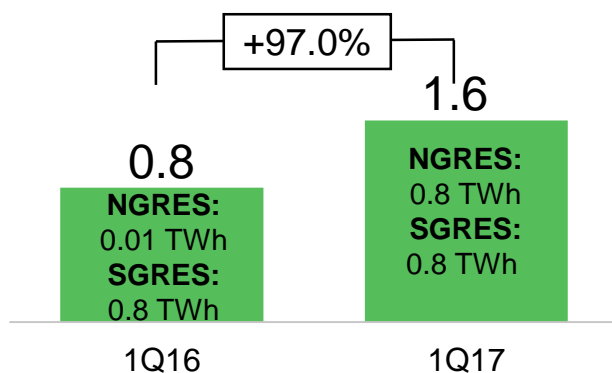
³ Including energy purchases

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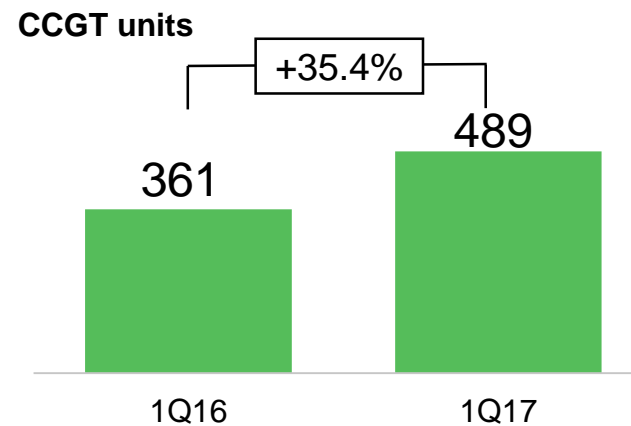
CCGTs vs. conventional gas units



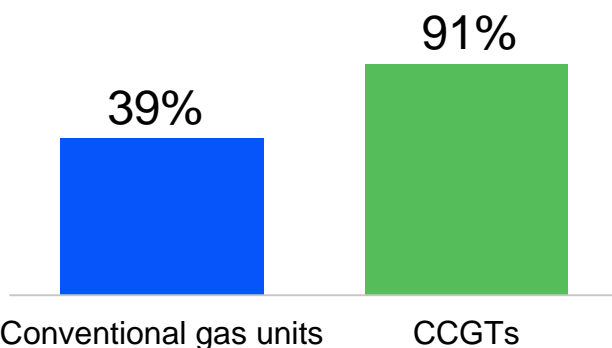
CCGT net output (TWh)



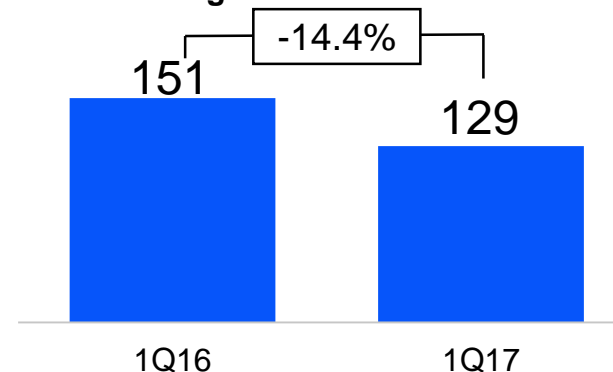
1Q17 spreads (RUB/MWh)¹



1Q17 utilization on net electric capacity



Conventional gas units



- CCGT output and spreads up after repairs held at Nevinnomyskaya CCGT in early 2016
- Conventional spreads down due to fuel cost growth outpacing DAM price increase

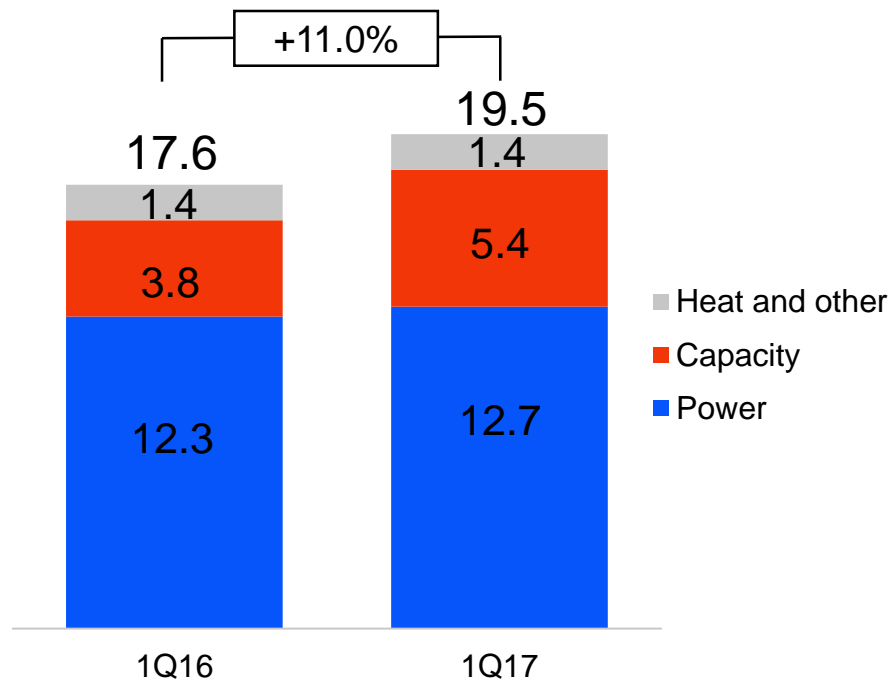
¹ Calculated as average DAM selling price for the given technology minus fuel costs in RUB/MWh

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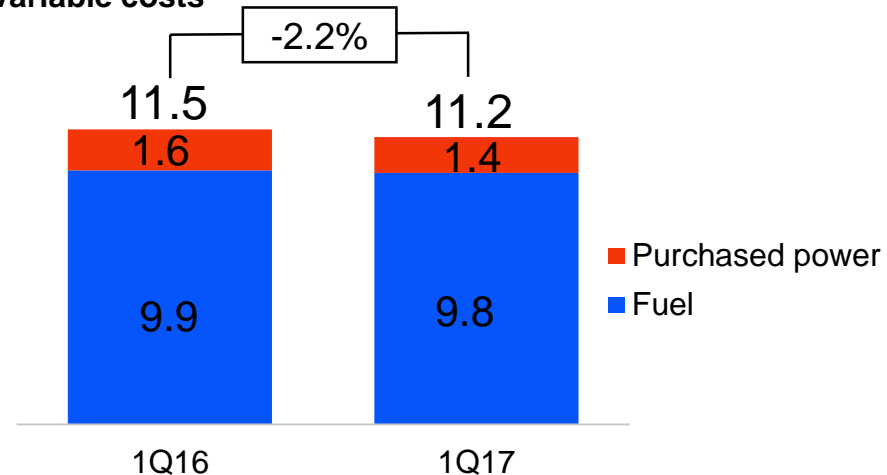
Revenues and costs (RUB bn)



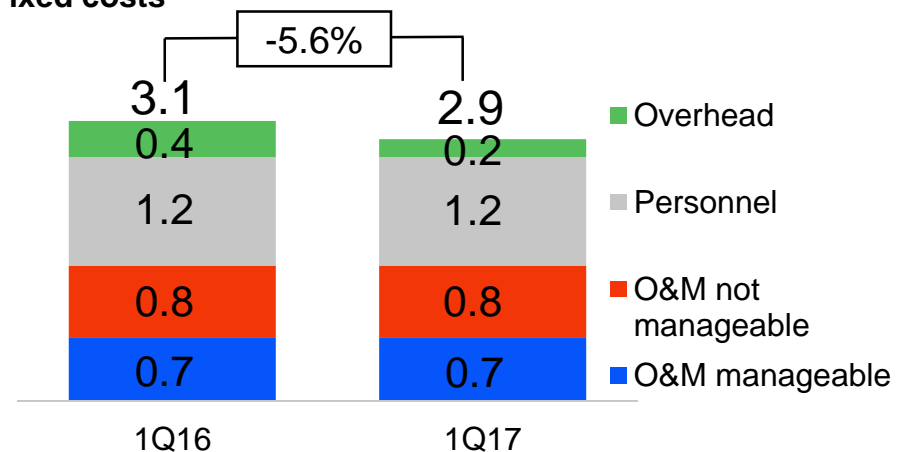
Operating revenue breakdown



Variable costs



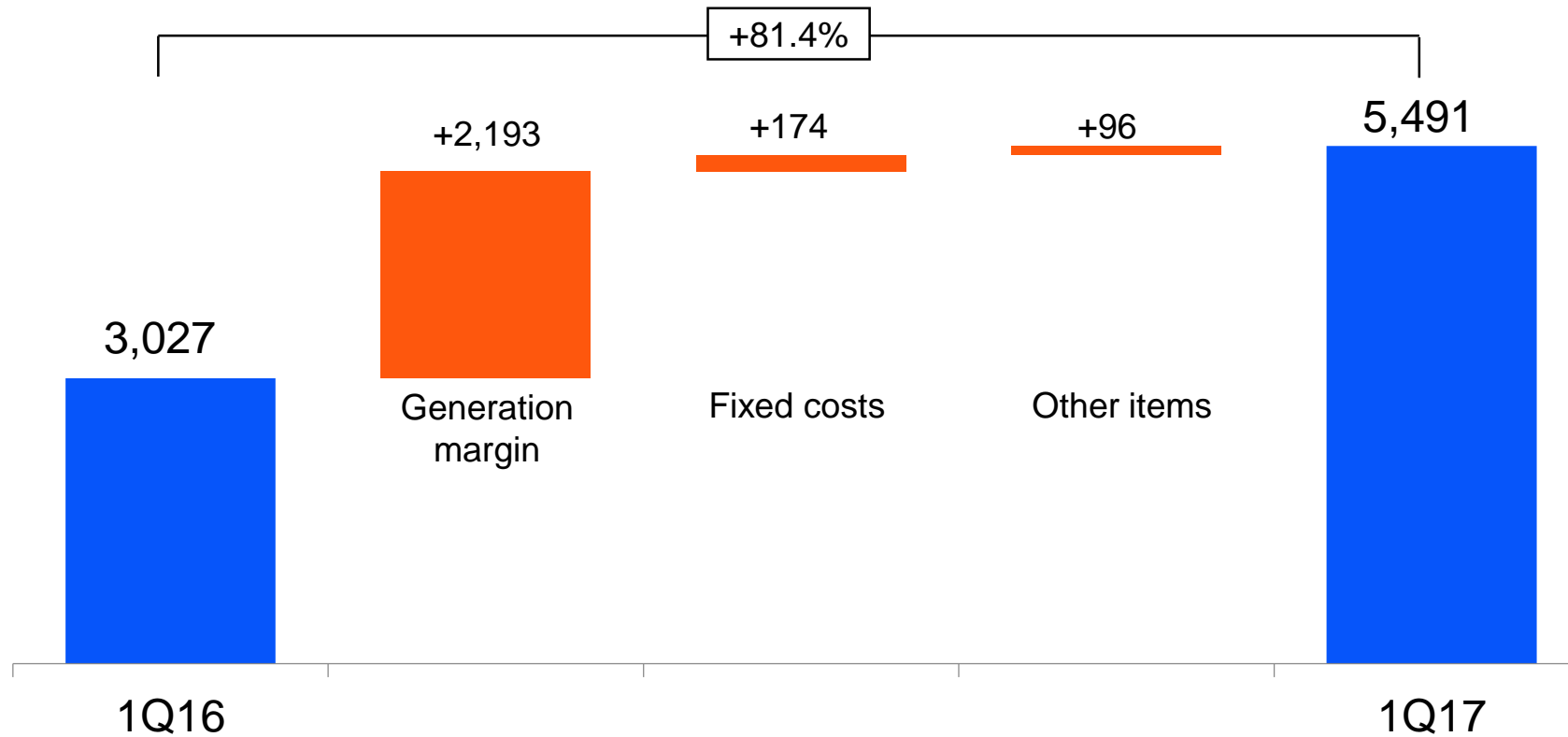
Fixed costs



- Revenues up due to higher DPM capacity payments
- Effective overhead costs management

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EBITDA evolution (RUB mn)



EBITDA solid improvement due to better generation margin

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From EBITDA to net income (RUB mn)



	1Q16	1Q17	%
EBITDA	3,027	5,491	+81.4
Amortisation, depreciation and impairment	(764)	(866)	+13.3
EBIT	2,263	4,625	~2x
Net financial charges	(2,103)	(708)	-66.3
EBT	160	3,917	~24x
Income tax	(26)	(817)	~31x
Net income	134	3,100	~23x

- Net income increase thanks to higher EBITDA and lower financial charges
- Financial charges down due to debt portfolio optimization, lower level of debt and one-off accounting adjustment in 1Q16¹

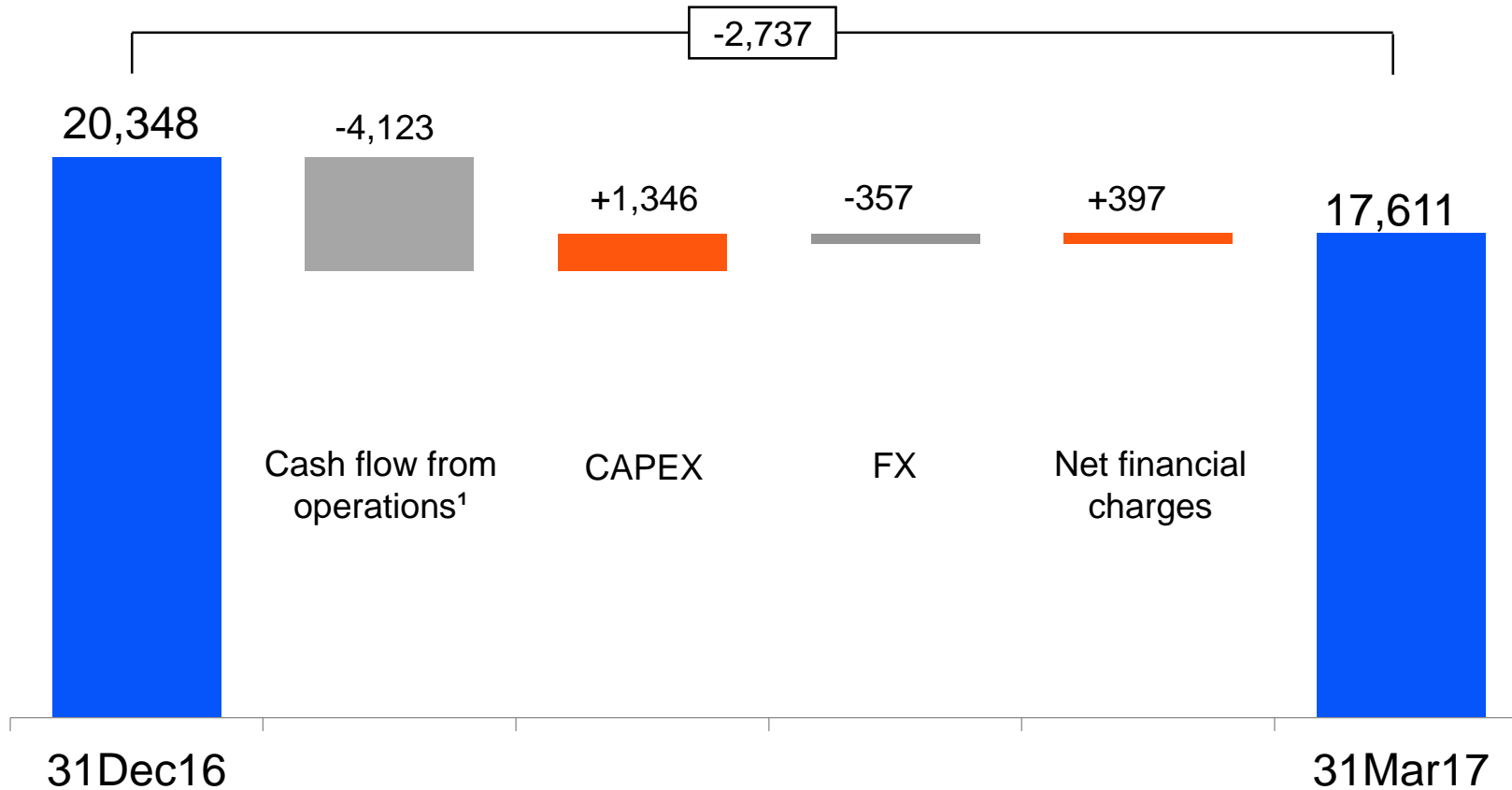
¹ Unamortized cost derecognition in relation to long-term loan from Royal Bank of Scotland refinancing

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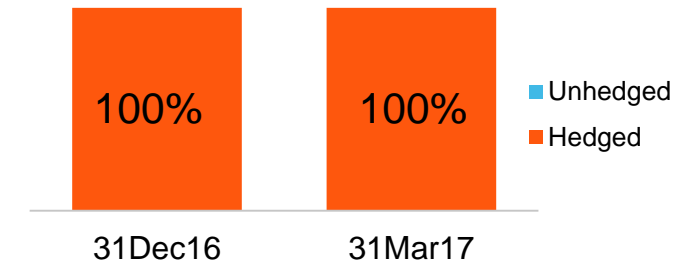
Net debt evolution



Net debt (RUB mn)



Hedged Debt on Total Debt



Average Cost of Debt

	1Q16		1Q17	
	Cost	Weight	Cost	Weight
RUB	12.2%	45%	11.2%	73%
EUR	3.5%	55%	1.7%	27%

Lower net debt mainly due to solid operating cash flow

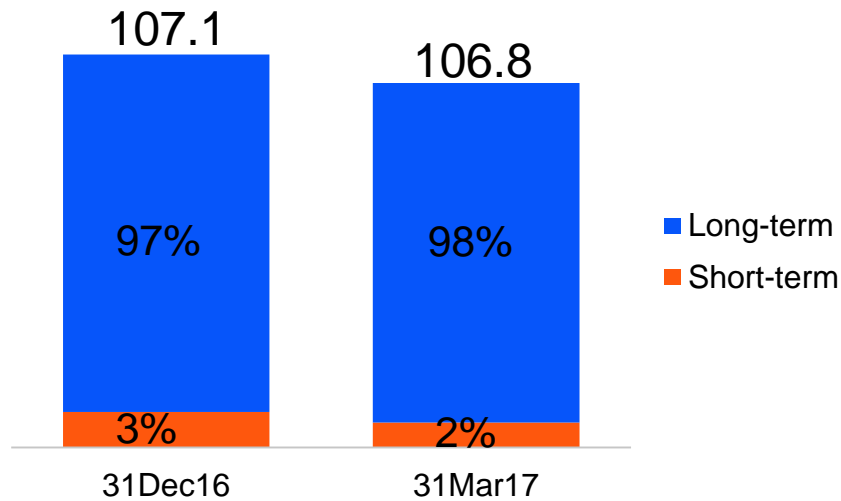
¹ Post working capital changes

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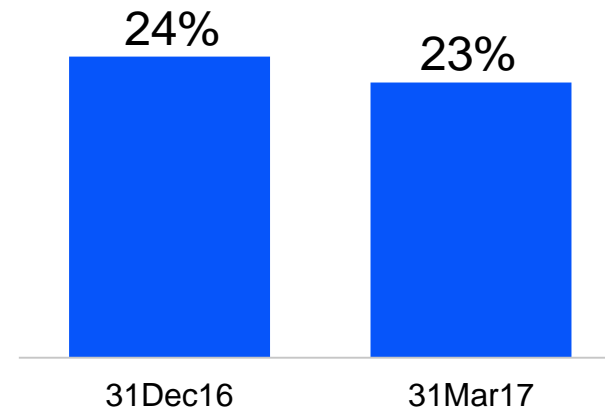
Focus on Liquidity



Total credit facilities available (RUB bn)¹



Utilized amount



Liquidity profile broadly unchanged during 1Q17

¹ Not adjusted for FX differences on EUR-nominated facilities

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Contacts



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(Investors section)

Thank you

