



PRESS RELEASE

Media Relations

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ENEL RUSSIA POSTED RECORD NET INCOME IN 2017

- *The increase in EBITDA is explained by higher DPM revenues received by CCGT units, higher capacity sales, as well as continuous delivery on fixed costs optimisation.*
- *Net income growth resulted from EBIT increase and lower net financial charges*

MAIN FINANCIAL HIGHLIGHTS (millions of RUB)

	2017	2016	Change
Revenues	74,400	72,211	+3.0%
EBITDA	17,732	13,909	+27.5%
EBIT	13,970	10,334	+35.2%
Net income	8,544	4,387	+94.8%
Net debt at the end of the period	17,889	20,348	-12.1%

Carlo Palasciano Villamagna, General Director of Enel Russia, said: *“Last year, our company posted a record in net income since its listing in 2005. This result was achieved through the contribution of higher capacity payments as well as managerial actions, which were able to offset the negative impact of overcapacity affecting our operational results and electricity pricing. This positive set of results allows Enel Russia to stand out in the Russian power utility sector, meeting all of its investment targets - including in renewables development - whilst also paying an attractive dividend to shareholders.”*

Moscow, March 15th, 2018 – PJSC Enel Russia has published its audited consolidated financial statements for 2017 in accordance with the International Financial Reporting Standards (IFRS).

- **Revenues** increased, mainly due to:
 - higher DPM revenues received by both CCGT units that entered 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 the majority of other facilities;
 - higher revenues from regulated power and capacity sales due to annual tariffs increase.

This increase in revenues offset the lower production of conventional gas units that was mainly attributable to the System Operator’s lower use of the equipment due to overcapacity in the Central and Urals regions.

- **EBITDA** grew significantly, largely due to higher revenues additionally supported by the decrease in



fixed costs. This cost decrease was mainly attributable to lower costs related to property tax, lower use of raw materials and supplies, as well as a long-term personnel cost optimisation programme.

- 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 reduced exposure to euro/rouble exchange rate fluctuations;
 - decreased interest expenses as a result of the lower average debt level compared with 2016 and downward trend of the key rate in Russia;
 - the recording in the first quarter of 2016 of a one-off accounting adjustment associated with the early repayment of a loan from the 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.

About Enel Russia

An Enel Group subsidiary, PJSC Enel Russia operates the following power plants: Konakovskaya GRES, Nevinnomysskaya GRES, Sredneurskaya 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.