



Enel Russia 1H 2016 Results

28/07/2016 Moscow



Enel Russia 1H 2016 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

Enel Russia 1H 2016 Results

Financial highlights (RUB mn)¹



	1H15	1H16	%
Revenues	34,547	33,170	-4.0
EBITDA	5,773	6,041	+4.6
- EBITDA margin (%)	16.7	18.2	+1.5
Net income	(981)	787	-
Net debt	24,547 ²	24,836	+1.2
EBITDA/Net financial expenses ³	4.8	4.6	-0.2
Net debt/EBITDA ⁴	2.3	2.2	-0.1
Net debt/Equity	0.79 ²	0.78	-0.01

- Earnings down largely due to Nevinnomyskaya CCGT outage in Jan.16 – Mar.16
- Net income increase driven by improved coal cost, as well as lower depreciation after impairment held in 2H 2015

¹ Reviewed financial results under IFRS

² As of December 31, 2015

³ Excluding FX differences and corresponding change in fair value of derivatives

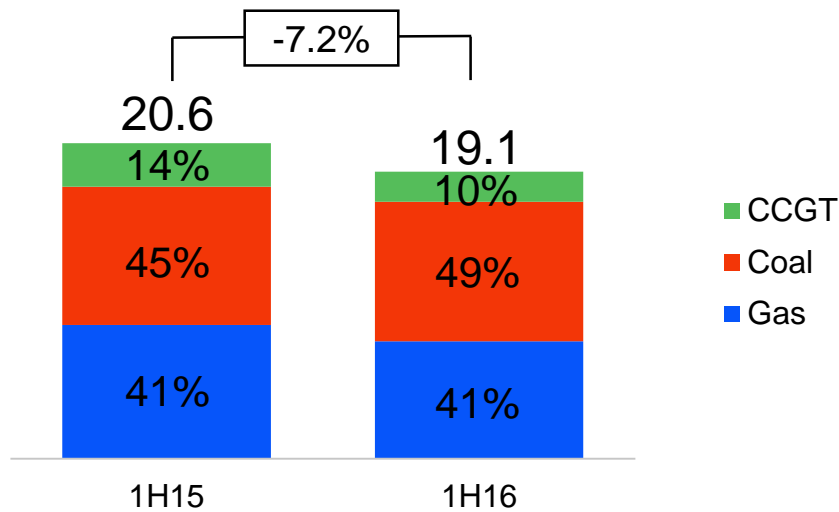
⁴ Net debt at the end of the period divided by 12 months rolling EBITDA

Enel Russia 1H 2016 Results

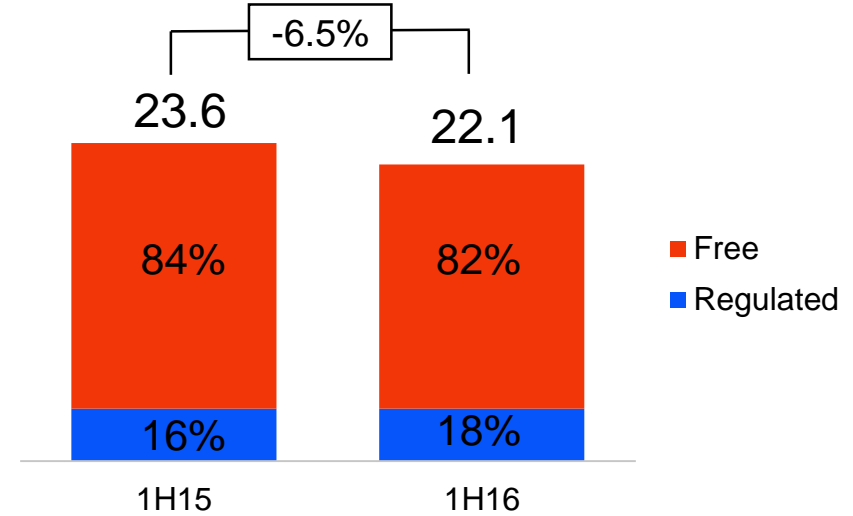
Net power output and sales



Net output (TWh)



Power sales (TWh)



Plant availability



Utilization on total capacity



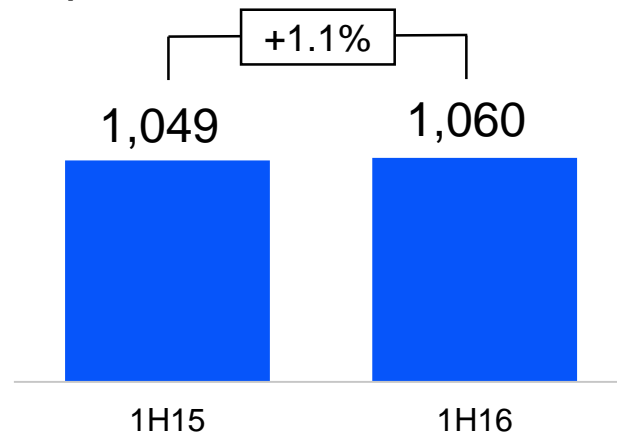
- Output dynamics normalize in 2Q16 following outage at Nevinnomyskaya CCGT at year start
- Availability up thanks to lower amount of maintenance works at other facilities

Enel Russia 1H 2016 Results

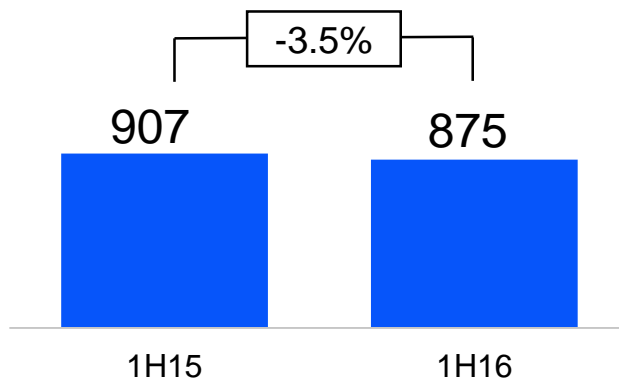
Unit margin on sales (RUB/MWh)¹



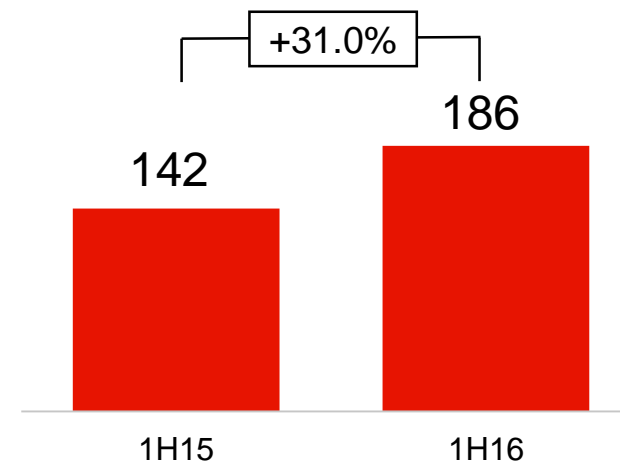
Unit price



Unit cost of sales²



Unit margin on sales



Better prices and lower cost of coal support growth in unit margin

¹ Excluding capacity payment

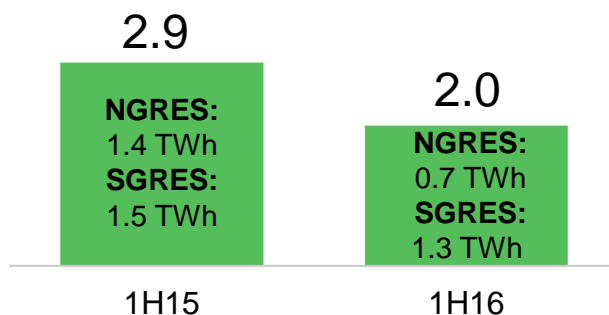
² Including energy purchases

Enel Russia 1H 2016 Results

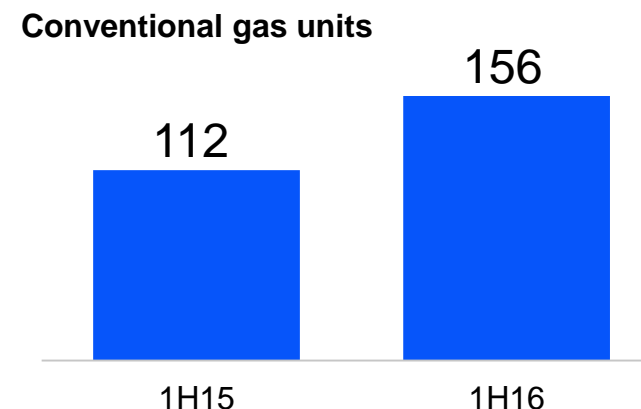
CCGTs vs. conventional gas units



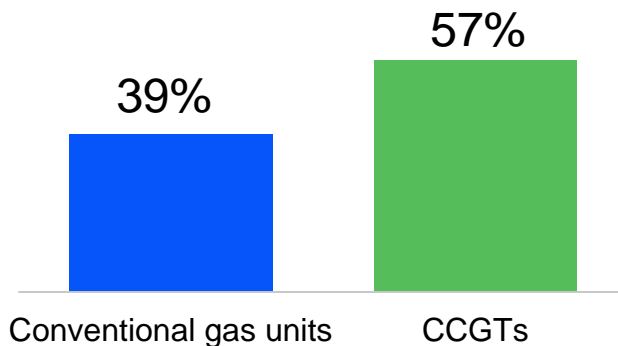
CCGT net output (TWh)



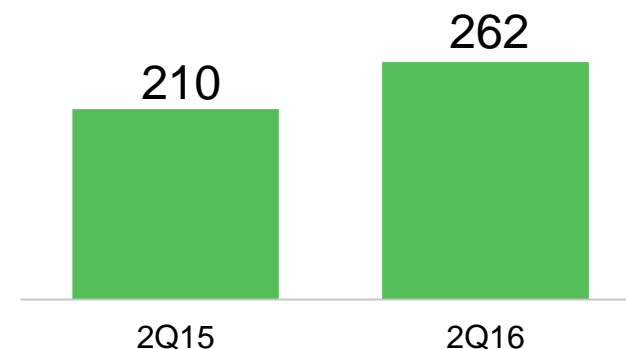
1H16 Spreads (RUB/MWh)¹



1H16 utilization on total capacity



CCGT units²



- YoY decline in CCGT due to repairs at NGRES CCGT in early 2016
- Conventional gas spreads positively influenced by higher DAM prices in Center and South

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

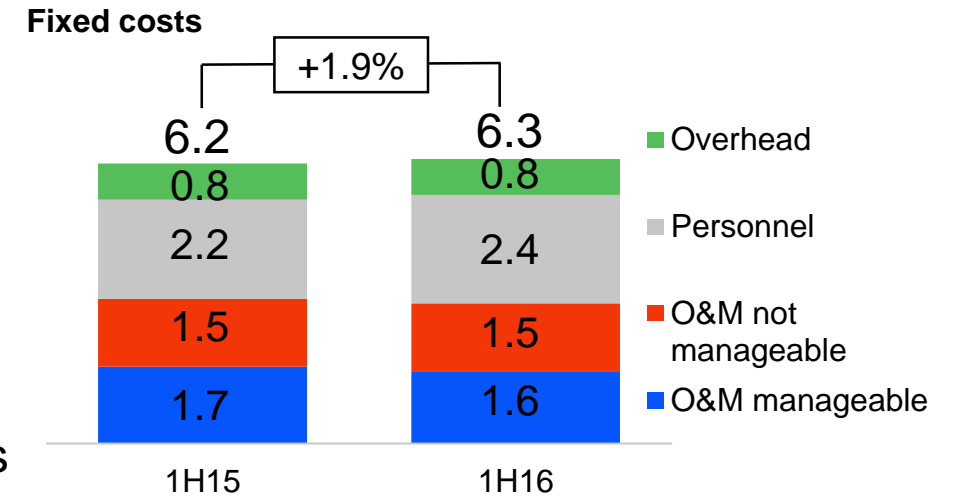
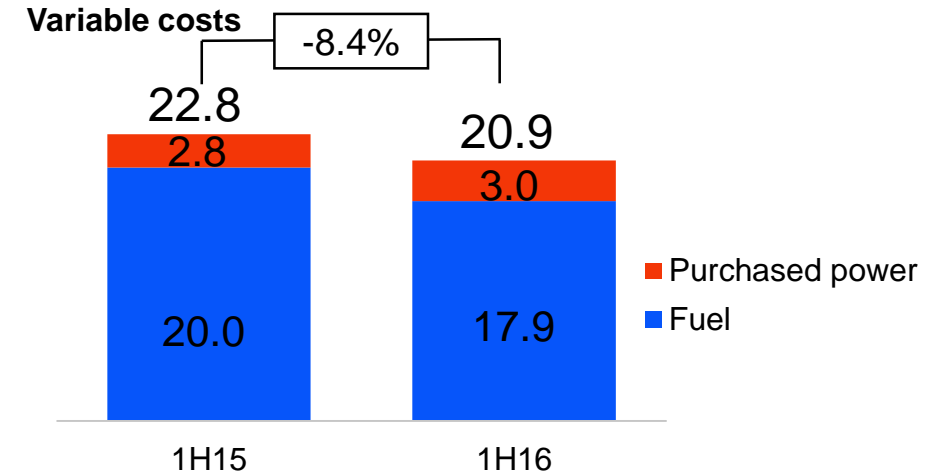
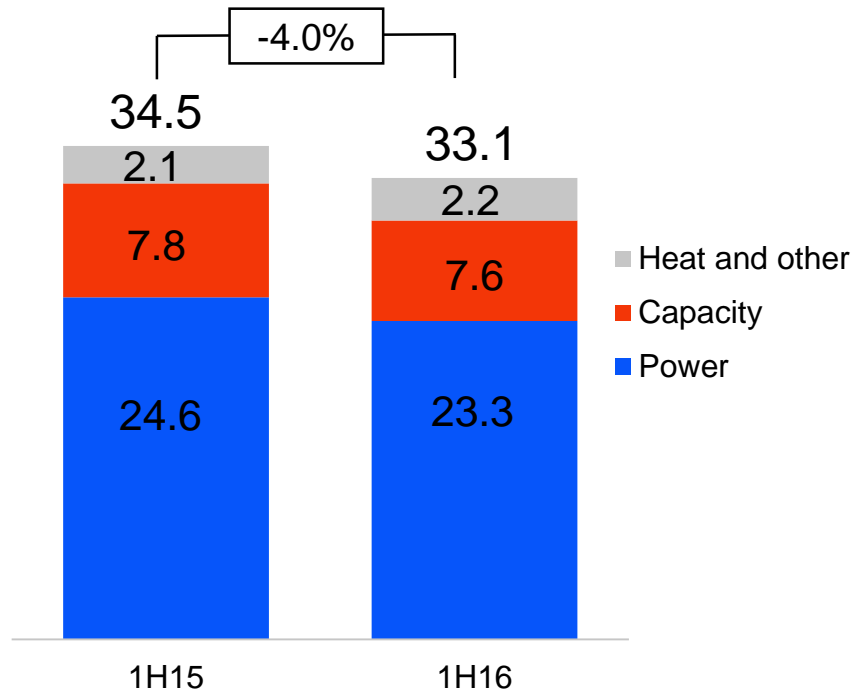
² CCGT units spread for 2Q16 provided due to Nevinnomysskaya CCGT outage in 1Q16

Enel Russia 1H 2016 Results

Revenues and costs (RUB bn)



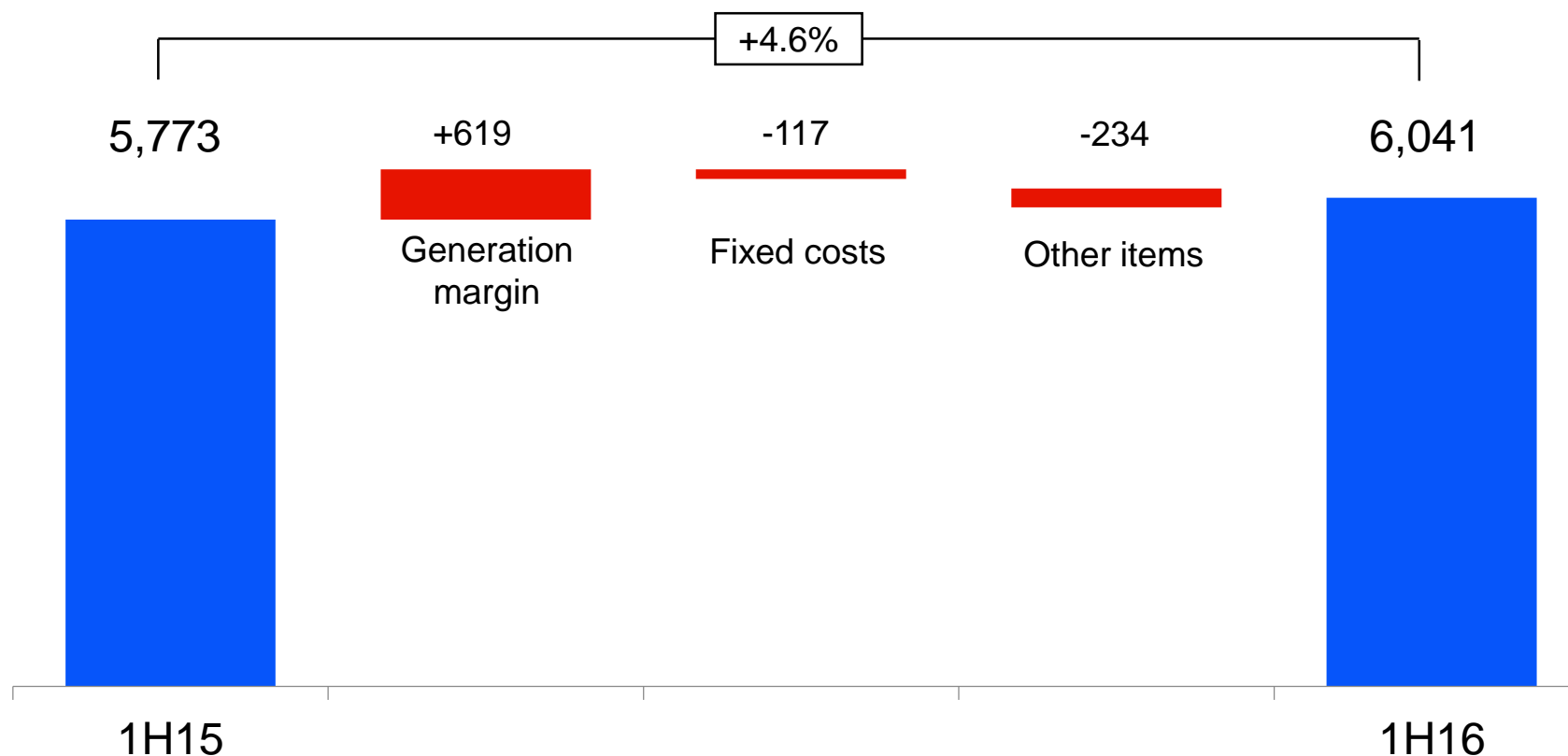
Operating revenue breakdown



- Revenues down mainly due to less power and capacity sold by CCGTs and lower sales from other facilities
- Coal cost recovery thanks to favorable RUB/Tenge rate
- Fixed costs growth well below CPI

Enel Russia 1H 2016 Results

EBITDA evolution (RUB mn)



- EBITDA supported by improved margins and fixed costs containment
- Insurance compensation for SGRES CCGT repairs, received in 1Q 2015, was partially compensated by PPE disposal in 2Q 2015

Enel Russia 1H 2016 Results

From EBITDA to net income (RUB mn)



	1H15	1H16	%
EBITDA	5,773	6,041	+4.6
Amortisation, depreciation and impairment	(3,980)	(1,678)	-57.8
EBIT	1,793	4,363	+143.3
Net financial charges	(2,972)	(3,423)	+15.2
EBT	(1,179)	940	-
Income tax	198	(153)	-
Net income	(981)	787	-

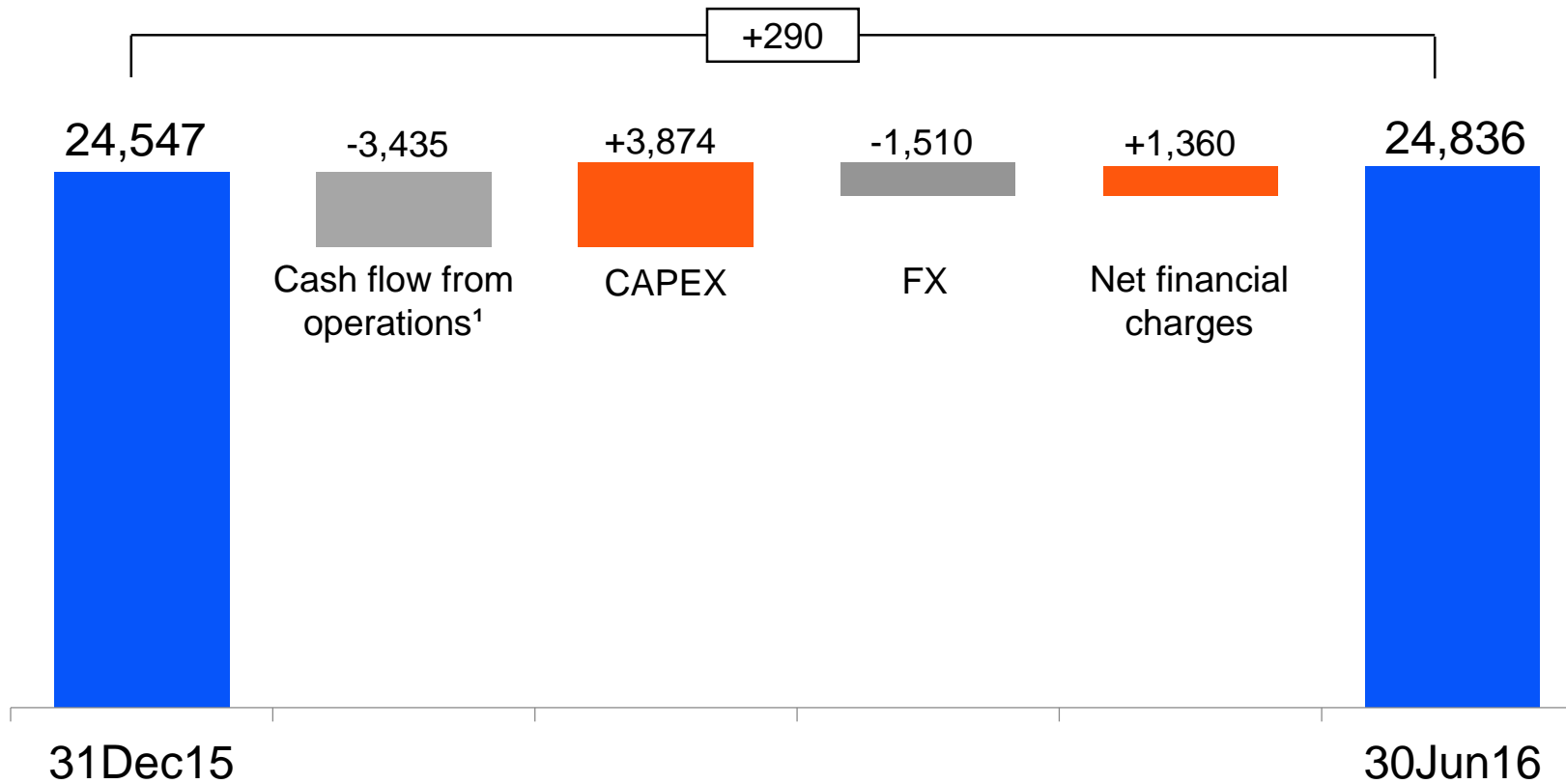
Net income increase mainly stems from higher EBITDA, as well as lower amortization and depreciation

Enel Russia 1H 2016 Results

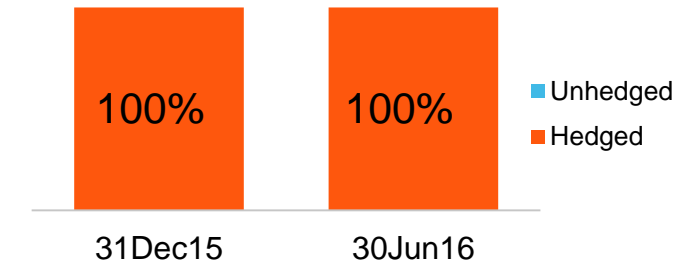
Net debt evolution



Net debt (RUB mn)



Hedged Debt on Total Debt



Average Cost of Debt

	1H15		1H16	
	Cost	Weight	Cost	Weight
RUB	11.3%	32%	12.2%	61%
EUR	3.6%	68%	3.0%	39%

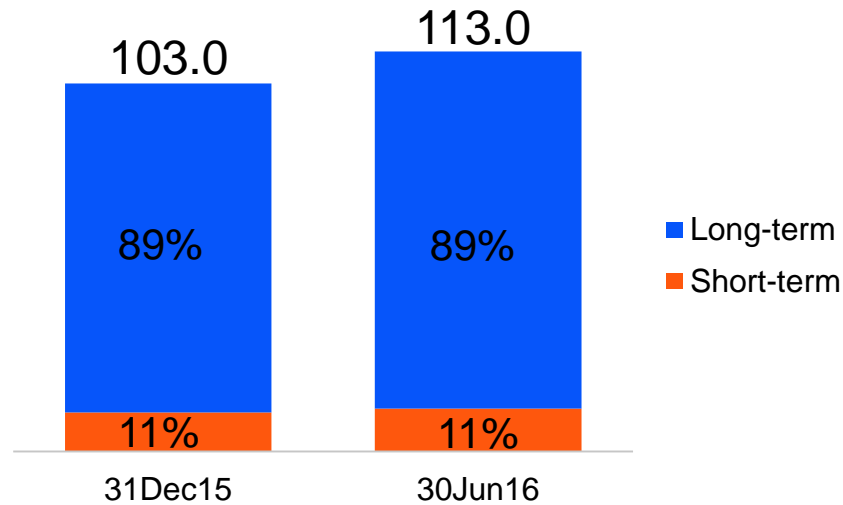
¹ Post working capital changes

Enel Russia 1H 2016 Results

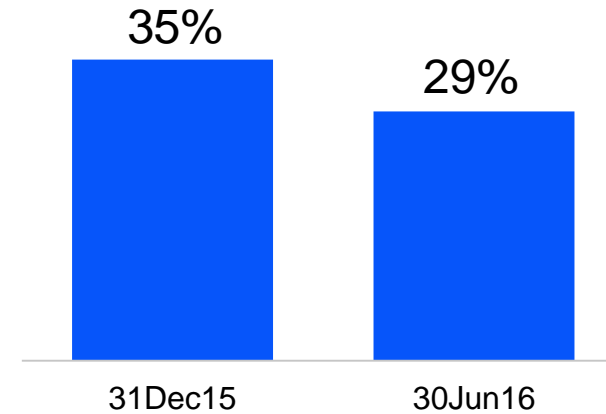
Focus on Liquidity



Total credit facilities (RUB bn)¹



Utilized amount



- RBS loan refinancing with RUB facilities finalized
- Strong liquidity position for future needs

¹ Not adjusted for FX differences on EUR-nominated facilities

Enel Russia 1H 2016 Results

Contacts



Enel Russia Investor Relations

Ekaterina Orlova

+7 495 539 31 31 ext. 7746

ekaterina.orlova@enel.com

Visit our website at:

www.enel.ru

(Investor Relations)

Thank you

