



PRESS RELEASE

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ENEL RUSSIA'S 9M 2020 RESULTS REFLECT A PERSISTING COMPLEX MARKET CONTEXT

- *9M 2020 results are expectedly lower versus 9M 2019 taking into account the company's new assets perimeter without Reftinskaya GRES and the continued weak market environment in Q3 2020*

MAIN FINANCIAL HIGHLIGHTS (millions of RUB)

	9M 2020	9M 2019	Change
Revenues	32,002	52,741	-39.3%
EBITDA	7,306	13,019	-43.9%
Reported EBIT	4,949	1,520	-
Ordinary EBIT	4,949	8,971	-44.8%
Reported Net income / (loss)	3,160	(27)	-
Net ordinary income	3,160	5,971	-47.1%
Net debt at the end of the period	10,777	4,171 ¹	+158.4%

Stephane Zweguintzow, General Director of Enel Russia, said: *"Net of the effect of our change in assets perimeter following Reftinskaya GRES disposal, our 9M financial results were affected by the decline of market electricity prices caused by the continuing low economic activity following the coronavirus pandemic while the output was affected by the planned maintenance activities which took place in Q2-Q3 2020 at all our production branches"*.

Moscow, October 30th, 2020 – PJSC Enel Russia has published its unaudited financial results for 9M 2020 in accordance with the International Financial Reporting Standards (IFRS).

- **Revenues** decreased mainly as a result of:
 - lower electricity and capacity sales following the disposal of Reftinskaya power plant;
 - a decline in market electricity (DAM) prices, due to lower demand in the context of a continuing low economic activity, following the COVID-19 pandemics, as well as by a substantial increase in hydro production in European Russia and Urals (the first price zone) in Q2-early Q3 2020.

These factors were only partially compensated by an annual increase of regulated tariffs and an indexation

¹ As of December 31st, 2019



of free capacity (KOM) prices for 2020.

- **EBITDA** decreased mainly following the revenues, being partially offset by a reduction of variable and fixed costs in the company's new perimeter.
- **Reported EBIT** substantially increased from the low base of 9M 2019 which had occurred due to the impairment loss from reclassification of non-current assets of Reftinskaya GRES.
- **Ordinary EBIT**, being net of the reclassification effect mentioned above, declined mainly following EBITDA, additionally adversely impacted by an increase in bad debt provisions, but, at the same time, compensated to a certain extent by decreased depreciation and amortization expenses after the coal power plant exit from company's perimeter.
- **Net ordinary income** was in line with ordinary EBIT, experiencing two opposite effects:
 - strengthened by improved net interest expense, caused by lower average outstanding amount of net debt during 9M 2020 compared to 9M 2019;
 - pressured by negative exchange difference, attributed to book revaluation of certain payables for operating expenses nominated in foreign currency caused by RUB depreciation during Q3 2020.
- **Net debt** as of September 30th, 2020 increased compared to the low base of December 31st, 2019, mostly reflecting active investment phase of renewable projects, simultaneously remaining stable over Q3 2020 following the receipt of the latest payment in connection with the sale of Reftinskaya GRES.

OPERATIONAL HIGHLIGHTS

	9M 2020	9M 2019	Change
Net power production (GWh)	13,123	27,153	-51.7%
<i>including:</i>			
- coal output	-	13,333	-
- gas output	13,123	13,820	-5.0%
Power sales (GWh)	15,311	31,201	-50.9%
Heat sales (thousand Gcal)	2,545	3,097	-17.8%

- **Net power output** decrease was mainly caused by a change of our perimeter following Reftinskaya GRES sale, alongside with persisting significantly lower electricity demand in the system compared to last year.

Gas power plants showed a minor decrease in net power production of 5.0%, which was mainly caused by lower electricity demand in European Russia and Urals (the first price zone), and specifically:

- conventional gas units' output was almost in line with last-years' figures, lowering by only 1.6%, mostly caused by a challenging context in the electricity market, as well as by a higher output of hydro facilities compared to last year;
- combined cycle units output decreased by 12.8%, mostly impacted by planned maintenance activities, which took place in Q2-Q3 2020.

- **Power sales** decreased, due to the abovementioned dynamics of net power production.
- **Heat sales** declined following the disposal of our coal power plant and were also affected by warm temperatures during Q1 2020 in the Urals, partly offset by slightly better dynamics in other regions.



About Enel Russia

PJSC Enel Russia is a subsidiary of Enel Group. PJSC Enel Russia operates the following three gas power plants: Konakovskaya GRES, Nevinomysskaya GRES and Sredneural'skaya GRES. The company's total gross installed electrical capacity is 5,628.7 MW (equivalent to 5,255.4 MW net installed capacity) and thermal capacity is 2,032 Gcal/h.

Besides that, PJSC Enel Russia implements three projects in the field of wind generation: Azovskaya WPP (90 MW), Kolskaya WPP (201 MW) and Rodnikovskaya WPP (71 MW). PJSC Enel Russia's authorized capital is 35,371,898,370 roubles, which is divided into ordinary shares with a par value of 1 rouble. The Enel SpA share in the company's authorised capital is 56.43%, PFR Partners Fund I Limited's share is 7.4, RDIF Investment Management-8 share is 5.54% and other minority shareholders' share is 30.63%. PJSC Enel Russia shares are listed in Level 1 the Moscow Exchange quotation list.

The company was established in Yekaterinburg on October 27, 2004 as OJSC OGK-5. On July 7, 2009 by the resolution of Annual General Shareholders' Meeting the company was renamed OJSC Enel OGK-5 and on August 8, 2014 the Federal Tax Service registered the new version of the company's charter with the name OJSC Enel Russia. On June 25, 2015 the company changed its legal type and was renamed PJSC Enel Russia.

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