

**Rating Action: Moody's changes outlook to negative on six Italian utility issuers**

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Global Credit Research - 12 Dec 2016

London, 12 December 2016 -- Moody's Investors Service has today affirmed the ratings and changed the outlook to negative from stable on the following Italian utility issuers: CDP RETI S.p.A. (CDP RETI), Compagnia Valdostana delle Acque S.p.A. (CVA), Hera S.p.A. (Hera), Italgas S.p.A. (Italgas), SNAM S.p.A. (SNAM), Terna - Rete Elettrica Nazionale S.p.A. (Terna).

Concurrently Moody's Investors Service has affirmed the ratings and maintained a stable outlook on the following Italian utility issuers: 2i Rete Gas S.p.A. (2iRG), ACEA S.p.A. (Acea), and ENEL S.p.A. (Enel). Moody's also affirmed the rating of Endesa S.A., a subsidiary of Enel.

Today's rating action follows the outlook change to negative from stable on the Italian government's Baa2 debt rating. For further information on the sovereign rating action, please refer to Moody's press release dated 7 December 2016: [https://www.moodys.com/research/Moodys-changes-outlook-on-Italys-Baa2-issuer-rating-to-negative--PR\\_358690](https://www.moodys.com/research/Moodys-changes-outlook-on-Italys-Baa2-issuer-rating-to-negative--PR_358690).

The ratings of Acquedotto Pugliese S.p.A., A2A S.p.A., Edison S.p.A. are unaffected by this rating action. An overview of unaffected issuers is provided later on in this press release.

A full list of affected ratings is provided towards the end of this press release.

**RATINGS RATIONALE**

**OVERVIEW OF RATING AFFIRMATIONS WITH CHANGE IN OUTLOOK TO NEGATIVE FROM STABLE:**

-CDP RETI S.p.A.: The outlook on the ratings has been changed to negative from stable. Concurrently Moody's has affirmed the Baa3 issuer rating and the Baa3 rating assigned to the EUR750 million senior unsecured notes issued by CDP RETI.

- Compagnia Valdostana delle Acque S.p.A.: The outlook on the rating has been changed to negative from stable. The long-term issuer rating has been affirmed at Baa1.

- Hera S.p.A.: The outlook on the ratings has been changed to negative from stable. Concurrently Moody's has affirmed the Baa1 issuer and senior unsecured ratings, as well as the provisional (P)Baa1 rating assigned to Hera's EUR3.0 billion EMTN programme.

- Italgas S.p.A.: The outlook on the ratings has been changed to negative from stable. Concurrently Moody's has affirmed the Baa1 long-term issuer rating, as well as the provisional (P)Baa1 senior unsecured rating assigned to Italgas's EUR2.8 billion EMTN programme.

- SNAM S.p.A.: The outlook on the ratings has been changed to negative from stable. Concurrently Moody's has affirmed the Baa1 long-term issuer rating and the provisional (P)Baa1 rating assigned to SNAM's EUR10 billion EMTN program as well as the Baa1 ratings of the bonds issued under the programme.

- Terna - Rete Elettrica Nazionale S.p.A.: The outlook on the ratings has been changed to negative from stable. Concurrently Moody's has affirmed the Baa1 long-term issuer rating, the provisional (P)Baa1 rating assigned to Terna's EUR8 billion EMTN programme and the Baa1 ratings of the bonds issued under the programme. Moody's also affirmed Terna's short term P-2/(P)P-2 ratings.

The above rating actions and outlook changes follow the change in the outlook on Italy's government bond ratings to negative from stable and the pressure on the aforementioned issuers as a consequence of their linkages with the sovereign rating. For more details, see "How Sovereign Credit Quality Can Affect Other Ratings", March 2015.

-CDP RETI:

The change in outlook on CDP RETI's Baa3 rating to negative from stable reflects the negative outlook given

to CDP RETI's operating subsidiaries, notably SNAM, Terna and Italgas (that together with CDP RETI represent "the group"). Nevertheless, the affirmation of the rating recognises: (1) the regulated nature of the operating subsidiaries under a well-established regulatory framework supporting stable dividend flows; (2) Moody's expectation that CDP RETI will maintain its portfolio of equity participations unchanged and (3) CDP RETI's good liquidity profile and low refinancing risk that mitigate the company's exposure to potential tensions in the debt markets for Italian issuers. The rating also continues to incorporate a one notch reduction when compared to the proportionally consolidated credit quality of the group to reflect the structural subordination of the creditors at the holding company level.

An upgrade of CDP RETI is unlikely and would be conditional upon an upward move of SNAM, Terna and Italgas's ratings and on continued improvement in the proportionally consolidated financial profile of the group resulting for example into a FFO/net debt ratio in the mid-to-high teens and net debt/fixed assets below 70% (as a proxy of net debt/Regulatory Asset Base (RAB) ratio below 60%).

Any deterioration in the credit quality of SNAM, Terna or Italgas would likely put downward pressure on CDP RETI's rating. Downward pressure could also result from: (1) a deterioration in the company's financial metrics resulting for example in a FFO/net debt ratio consistently below 10%, RCF/net debt ratio consistently below the mid single digits in percentage terms and net debt/fixed assets higher than 85%, as a proxy of net debt/RAB higher than 75%); (2) a more aggressive financial policy adopted by CDP RETI; or (3) a significant change in CDP RETI's shareholder structure, if it leads to a less supportive stance from the shareholders to CDP RETI.

-CVA:

The change in outlook on CVA's issuer rating to negative from stable reflects the company's vulnerability to the macroeconomic risks associated with a weaker sovereign, particularly in light of its relatively small size, its niche position in the Italian electricity market and the fact that all its earnings are generated in Italy. However, the affirmation of CVA's Baa1 long-term issuer rating, which remains one notch above that of the sovereign, reflects CVA's low leverage and solid liquidity position in the context of a predominantly amortising long term debt profile which would partially insulate the company from potential tensions in the debt markets for Italian issuers.

Given the challenging power price environment, an upgrade of CVA is unlikely.

Any downward move in the Italian sovereign rating would likely result in a corresponding adjustment of CVA's rating. Downward rating pressure could also develop as a result of (1) a prolonged deterioration of power prices that led to a material increase in the company's leverage; (2) an aggressive debt funded acquisition strategy; (3) a weakening of CVA's liquidity position (also related to special dividends' distributions) or a deterioration in the quality of the company's portfolio of liquidity investments.

-Hera S.p.A.:

The change in outlook on Hera's ratings to negative from stable reflects the company's linkages with the sovereign, given that all its earnings are generated in Italy, and its consequent exposure to the macroeconomic risks associated with a weaker sovereign, in particular for its waste and unregulated electricity and gas division which account for approximately 50% of the company's EBITDA. However, the affirmation of Hera's Baa1 long-term issuer and senior unsecured ratings and (P)Baa1 senior unsecured MTN ratings, which remain one notch above that of the sovereign, reflects Hera's diversified business activities with 50% of its EBITDA coming from regulated activities, its good liquidity profile and resilient credit metrics with FFO/net debt of 18.1% at the end of 2015.

An upgrade of Hera is unlikely and would be conditional on an upward move of the Italian sovereign rating and on continued improvement of the company's financial profile resulting in FFO/net debt comfortably in the twenties and RCF/net debt at least in the high teens.

Any downward move in the Italian sovereign rating could result in a corresponding adjustment of Hera's rating, particularly if associated with a deterioration of the domestic macroeconomic environment. Downward rating pressure could also develop as a result of (1) a weakening of the company's financial profile with FFO/net debt falling below the upper teens and RCF/net debt below the low teens; (2) any adverse regulatory development, any discriminatory fiscal measures and/or adverse political interference were to materially affect Hera's regulated businesses; (3) the company's liquidity profile were to deteriorate materially; (4) Hera's growth strategy resulting in a significant deterioration of its credit profile, either in terms of business mix or leverage.

- Italgas S.p.A.:

The change in outlook on Italgas's ratings to negative from stable reflects the company's linkages with the sovereign, given that all its earnings are generated in Italy. Whilst recognising the company's strategic position and leadership in the gas distribution sector in Italy and its fully regulated profile, Moody's also notes the relatively short average maturity of Italgas's debt and its sizeable refinancing needs. These factors could make the company exposed to potential tensions in the debt markets for Italian issuers and potential increase in funding costs. However, the affirmation of the Baa1 long-term issuer rating continues to reflect Italgas's good liquidity profile and Moody's expectation that the company will successfully refinance the EUR2.3 billion bridge to bond facility in 2017.

An upgrade of Italgas is unlikely and would be conditional on an upward move of the Italian sovereign rating and on continued improvement of the company's financial profile resulting in FFO/net debt in the mid to high teens and RCF/net debt in the low double digits in percentage terms.

Any downward move in the Italian sovereign rating could potentially result in a corresponding adjustment of Italgas's rating, particularly if associated with a deterioration of the domestic macroeconomic environment. Downward pressure on the rating could result from (1) failure to demonstrate a financial profile in line with the guidance for the Baa1 rating (e.g. FFO/net debt below the low teens in percentage terms) for example as a consequence of deteriorating operating conditions or larger dividend payouts than factored in the current rating, (2) failure to maintain the existing good liquidity profile, or (3) adverse regulatory developments.

-SNAM:

The change in outlook on SNAM's Baa1 rating to negative from stable reflects the company's linkages with the sovereign given that essentially all its earnings are generated in Italy. However, the affirmation of the rating recognises the company's strategic position in the transmission, storage and regasification of natural gas in Italy, its strategic role in executing on the country's energy plan and the fully regulated nature of its activities. Moody's rating also factors SNAM's good liquidity position, staggered debt maturity profile and the predominantly fixed rate debt which mitigate the company's exposure to potential tensions in the debt markets for Italian issuers and to material increase in funding costs.

An upgrade of SNAM is unlikely and would be conditional upon an upward move of the Italian sovereign rating and on continued improvement of the company's financial profile to a level exceeding Moody's ratios guidance for the current rating of FFO/net debt in the mid-teens and RCF/net debt reaching the low double digits.

Any downward move in the Italian sovereign rating could potentially result in a corresponding adjustment of SNAM's rating, particularly if associated with a deterioration of the domestic macroeconomic environment. Downward pressure on the rating could also result from: (1) adverse regulatory developments affecting SNAM's business risk profile; (2) evidence of political interference and/or discriminatory fiscal measures; (3) implementation of a riskier strategy of international growth and increased investments commitment; or (4) a structural deterioration of SNAM's credit metrics below Moody's rating guidance (e.g., FFO/net debt below 10%, RCF/net debt below 6% and net debt/fixed assets higher than 70%).

- Terna - Rete Elettrica Nazionale S.p.A.:

The change in outlook on Terna's Baa1 rating to negative from stable reflects the company's linkages with the sovereign given that essentially all its earnings are generated in Italy. However, the affirmation of the rating recognises (1) the company's low business risk profile associated with its electricity transmission activities under the well-established Italian regulatory framework; (2) its strategic position as owner and operator of Italy's electricity transmission assets and pivotal role in delivering the country's energy plan; and (3) its strong liquidity profile, diversified debt structure and the predominantly fixed rate debt which mitigate the company's exposure to potential tensions in the debt markets for Italian issuers and to material increase in funding costs.

An upgrade of Terna is unlikely and would be conditional upon an upward move of the Italian sovereign rating and on continued improvement of the company's financial profile resulting in FFO/net debt of around 14% and RCF/net debt above 9%.

Any downward move in the Italian sovereign rating could potentially result in a corresponding adjustment of Terna's rating, particularly if associated with a deterioration of the domestic macroeconomic environment. Downward pressure on the rating could also result from: (1) adverse regulatory developments negatively affecting Terna's business risk profile (2) evidence of political interference and/or discriminatory fiscal measures; (3) implementation of a more risky strategy and/or investments; or (4) a material deterioration of

Terna's liquidity profile or credit metrics permanently below our guidance (i.e. FFO/net debt below the low double-digits in percentage terms and RCF/net debt below 7%).

#### OVERVIEW OF RATING AFFIRMATIONS WITH NO CHANGE IN OUTLOOK:

- 2i Rete Gas S.p.A. (2iRG): Moody's has affirmed the Baa2 issuer and senior unsecured ratings, as well as the provisional (P)Baa2 rating assigned to 2iRG's EUR3 billion EMTN programme. The outlook on the ratings remains stable.

- ACEA S.p.A.: Moody's has affirmed the Baa2 issuer and senior unsecured ratings, as well as the provisional (P)Baa2 rating assigned to Acea's EUR1.5 billion EMTN programme. The outlook on the ratings remains stable.

- ENEL S.p.A.: Moody's has affirmed the Baa2/(P)Baa2 senior unsecured ratings of ENEL S.p.A. (Enel or "the group"). At the same time, Moody's affirmed the Baa2/(P)Baa2 senior unsecured ratings of guaranteed subsidiaries ENEL Investment Holding B.V., ENEL Finance International N.V. and the debt it has assumed of ENEL Finance International S.A., the Prime-2 (P-2) Backed Commercial Paper P-2 short-term rating of ENEL Finance International N.V., and the Ba1 rating of Enel's subordinated debt (also known as "Capital Securities" or "Hybrids"). Moody's has also affirmed the P-2/Baa2/(P)Baa2 rating of Enel-owned Endesa S.A. and its guaranteed subsidiaries, International Endesa B.V. and Endesa Capital, S.A.. The outlook on the ratings remains stable.

The above rating actions reflect Moody's view that, despite some linkages with the sovereign, the aforementioned issuers could be rated one or two notches higher than the sovereign if the latter was downgraded.

#### -2iRG:

The Baa2 issuer and senior unsecured ratings and remain unchanged with a stable outlook. The stable outlook reflects that 2iRG could be rated one notch above the sovereign if the latter was downgraded. Although 2iRG has strong linkages with the sovereign as all its earnings are generated in Italy, these are mitigated by the company's fully regulated activities under a stable, supportive and transparent regulatory framework and the limited exposure of gas distribution activities to the economic cycle.

The Baa2 rating continues to reflect also 2iRG's (1) good operating efficiency levels and economies of scale providing an advantage in the upcoming tenders, (2) a limited scope and complexity of the company's investment plan, and (3) a solid liquidity profile.

An upgrade of 2iRG is conditional on continued improvement of the company's financial profile resulting in FFO/net debt comfortably in the mid-to-high teens, RCF/net debt in the double digits and net debt/fixed assets below 70% and on a resilient domestic macroeconomic environment.

Downward pressure on the rating could result from (1) failure to demonstrate a financial profile in line with guidance for the Baa2 rating (e.g. FFO/net debt around 10%, net debt/fixed assets not above 85%); (2) adverse regulatory development, any discriminatory fiscal measures and/or adverse political interference; or (3) a deterioration of the company's liquidity profile.

#### - ACEA S.p.A.:

The Baa2 issuer and senior unsecured ratings remain unchanged with a stable outlook. The stable outlook reflects that Acea could be rated one notch above the sovereign if the latter was downgraded. Although Acea has strong linkages with the sovereign, as all its earnings are generated in Italy, we expect the company to be able to mitigate their negative effects as a result of its diversified business mix and its moderate exposure to cyclical activities (23% of EBITDA), given a majority of regulated earnings from its water and electricity distribution activities.

The Baa2 rating continues to reflect also (1) the progressive implementation of the new domestic regulation for water networks, which has improved the stability and predictability of Acea's water services business, (2) Acea's EUR2.4 billion investment plan, focused on regulated activities and sized to maintain good financial flexibility, as we expect the company to exhibit an FFO/net debt ratio of 18%-19% and an RCF/net debt ratio of around 14-15% in 2016 and 2017; and (3) Acea's strong liquidity profile and balanced financial structure.

Continued improvement of the company's financial profile resulting in FFO/net debt sustainably around 20%,

an RCF/net debt in the upper teens and an interest coverage ratio above 4.5x, and resilient domestic macroeconomic environment and public finances would be preconditions to a higher rating.

Downward pressure on the rating could result from (1) the weakening of the company's financial profile to levels permanently below the ratio guidance (e.g. an FFO/net debt below the low teens and RCF/net debt in the low double digits); or (2) any adverse regulatory development, any discriminatory fiscal measures and/or adverse political interference from the government or the municipality of Rome.

-Enel:

The Baa2 and (P)Baa2 senior unsecured ratings and their stable outlook remain unchanged. The stable outlook reflects that Enel could be rated up to two notches above the sovereign if the latter was downgraded. Although Enel has some linkages with the sovereign given that more than 40% of group EBITDA is generated in Italy, these are offset by (1) the breadth of the company's operations outside Italy, which will contribute approximately 56% of estimated group EBITDA in 2016; and (2) that more than half domestic EBITDA is generated from electricity distribution, which is fully regulated under a stable, supportive and transparent regulatory framework and has limited exposure to the economic cycle.

The Baa2 rating is based on Enel's scale and geographic diversity, and delivery of the 2017-19 Strategic Plan, which prioritises regulated and contracted businesses, and maintenance of its improved financial profile. On the basis of targeted ordinary EBITDA of €15 billion for 2016, we estimate that credit ratios should remain aligned with Moody's guidance for the rating, which includes funds from operations (FFO)/net debt of around 20%, and retained cashflow/net debt in the mid-teens.

Enel's ratings could be upgraded if progress on delivery of its strategy were to result in a sustainable strengthening of the group's financial profile - as would be reflected in credit metrics including FFO/net debt in the mid-20s in percentage terms, and RCF/net debt in the high teens.

The ratings could be downgraded if recent deleveraging momentum were to be reversed whether because a significant downturn in the company's operating environment and performance, or higher than expected debt-funded investment were to result in a deterioration in the group's financial profile such that FFO/net debt and RCF/net debt weakened to the mid to upper-teens and low double digits in percentage terms respectively.

Endesa:

Endesa S.A.'s (Endesa) rating and the ratings and outlook of its guaranteed subsidiaries, ENEL International Endesa B.V. and Endesa Capital, S.A., remain unchanged in line with those of Endesa's parent company ENEL S.p.A., which holds 70% of its share capital. Endesa's rating is based upon its stand-alone business and financial profile, as well as its integral position within the broader Enel group. Endesa's underlying credit strength is based upon (1) its position as a leading player in the Iberian market and the high proportion of regulated activities within its business mix which underpins earnings stability; and (2) its low leverage. In addition to its stand-alone credit positioning, Endesa's rating recognises its core position within the larger Enel group, and that its capital structure and financial strength is largely determined at group level.

The ratings could be upgraded if (1) Enel's ratings were to be upgraded; and (2) Endesa's own capital structure were not to diverge materially from that of its parent.

The ratings could be downgraded if (1) Enel's ratings were to be downgraded; or (2) Endesa's stand alone risk profile were to deteriorate materially from its currently strong level, whether because of a significant deterioration in its domestic operating environment, or because of the introduction of increased leverage into its capital structure.

#### OVERVIEW OF UNAFFECTED ISSUERS:

- Acquedotto Pugliese S.p.A.: The Baa3 issuer and senior unsecured ratings with stable outlook remain unchanged.

-A2A S.p.A.: The Baa3 issuer and senior unsecured ratings and their stable outlook remain unchanged, as well as the (P)Baa3 rating of A2A's EUR4 billion EMTN programme and the stable outlook remains unchanged.

-Edison S.p.A.: The Baa3 issuer and senior unsecured ratings with stable outlook remain unchanged.

The principal methodologies used in rating ACEA S.p.A. and Hera S.p.A. were Regulated Electric and Gas Networks published in November 2014, Regulated Water Utilities published in December 2015, Unregulated

Utilities and Unregulated Power Companies published in October 2014, and Environmental Services and Waste Management Companies published in June 2014.

The principal methodologies used in rating ENEL S.p.A., ENEL Finance International N.V., ENEL Finance International S.A., ENEL Investment Holding B.V., Endesa S.A., Endesa Capital, S.A., and International Endesa B.V. were Unregulated Utilities and Unregulated Power Companies published in October 2014, and Government-Related Issuers published in October 2014.

The principal methodology used in rating Compagnia Valdostana delle Acque S.p.A. was Unregulated Utilities and Unregulated Power Companies published in October 2014.

The principal methodology used in rating SNAM S.p.A., Terna - Rete Elettrica Nazionale S.p.A., 2i Rete Gas S.p.A., Italgas S.p.A. and CDP RETI S.p.A. was Regulated Electric and Gas Networks published in November 2014.

Please see the Rating Methodologies page on [www.moodys.com](http://www.moodys.com) for a copy of these methodologies.

#### LIST OF AFFECTED RATINGS

##### Affirmations:

..Issuer: SNAM S.p.A.

....LT Issuer Rating, Affirmed Baa1

....Senior Unsecured Bank Credit Facility, Affirmed Baa1

....Senior Unsecured MTN Program, Affirmed (P)Baa1

....Senior Unsecured Regular Bond/Debenture, Affirmed Baa1

....Outlook, Changed To Negative From Stable

..Issuer: ACEA S.p.A.

....LT Issuer Rating, Affirmed Baa2

....Senior Unsecured MTN Program, Affirmed (P)Baa2

....Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

....Outlook, Remains Stable

..Issuer: Compagnia Valdostana delle Acque S.p.A.

....LT Issuer Rating, Affirmed Baa1

....Outlook, Changed To Negative From Stable

..Issuer: ENEL S.p.A.

....LT Issuer Rating, Affirmed Baa2

....Junior Subordinated, Affirmed Ba1

....Subordinate, Affirmed Ba1

....Senior Unsecured MTN Program, Affirmed (P)Baa2

....Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

....BACKED Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

....Outlook, Remains Stable

..Issuer: International Endesa B.V.

...BACKED Commercial Paper, Affirmed P-2

...BACKED Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

...Outlook, Remains Stable

..Issuer: ENEL Investment Holding B.V.

...BACKED Senior Unsecured MTN Program, Affirmed (P)Baa2

...BACKED Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

...Outlook, Remains Stable

..Issuer: ENEL Finance International S.A.

...BACKED Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

..Issuer: ENEL Finance International N.V.

...BACKED Commercial Paper, Affirmed P-2

...BACKED Senior Unsecured MTN Program, Affirmed (P)Baa2

...BACKED Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

...Outlook, Remains Stable

..Issuer: Endesa S.A.

...Other Short-Term, Affirmed P-2

..Issuer: Endesa Capital, S.A.

...BACKED Senior Unsecured MTN Program, Affirmed (P)Baa2

...BACKED Senior Unsecured Regular Bond/Debenture, Affirmed Baa2

...Outlook, Remains Stable

..Issuer: Hera S.p.A.

...LT Issuer Rating, Affirmed Baa1

...Senior Unsecured MTN Program, Affirmed (P)Baa1

...Senior Unsecured Regular Bond/Debenture, Affirmed Baa1

...Outlook, Changed To Negative From Stable

..Issuer: Terna - Rete Elettrica Nazionale S.p.A.

...LT Issuer Rating, Affirmed Baa1

...Issuer ST Rating, Affirmed P-2

...Other Short Term, Affirmed (P)P-2

...Senior Unsecured MTN Program, Affirmed (P)Baa1

...Senior Unsecured Regular Bond/Debenture, Affirmed Baa1

...Outlook, Changed To Negative From Stable

..Issuer: 2i Rete Gas S.p.A.

...LT Issuer Rating, Affirmed Baa2  
...Senior Unsecured MTN Program, Affirmed (P)Baa2  
...Senior Unsecured Regular Bond/Debenture, Affirmed Baa2  
...Outlook, Remains Stable  
..Issuer: Italgas S.p.A.  
...LT Issuer Rating, Affirmed Baa1  
...Senior Unsecured MTN Program, Affirmed (P)Baa1  
...Outlook, Changed To Negative From Stable  
..Issuer: CDP RETI S.p.A.  
...LT Issuer Rating, Affirmed Baa3  
...Senior Unsecured Regular Bond/Debenture, Affirmed Baa3  
...Outlook, Changed To Negative From Stable

#### REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on [www.moodys.com](http://www.moodys.com).

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The person who approved ENEL S.p.A., ENEL Finance International N.V., ENEL Finance International S.A., ENEL Investment Holding B.V., Endesa S.A., Endesa Capital, S.A., International Endesa B.V., SNAM S.p.A. and CDP RETI S.p.A. credit ratings is Neil Griffiths-Lambeth, Associate Managing Director, Infrastructure Finance Group, JOURNALISTS: 44 20 7772 5456, SUBSCRIBERS: 44 20 7772 5454. The person who approved ACEA S.p.A., Compagnia Valdostana delle Acque S.p.A., Hera S.p.A., Terna - Rete Elettrica Nazionale S.p.A., 2i Rete Gas S.p.A. and Italgas S.p.A. credit ratings is Paul Marty, VP - Senior Credit Officer, Infrastructure Finance Group, JOURNALISTS: 44 20 7772 5456, SUBSCRIBERS: 44 20 7772 5454.

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