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COMP/M.4841 - ENEL / EMS

SECTION 1.2

Description of the concentration

The acquisition of a controlling stake in EMS was achieved by ENEL under the privatization agreement (the „**Agreement**”) concluded on June 11 2007 between Enel as purchaser and S.C. Electrica SA as seller (the „**Seller**” or “**Electrica**”), where the Seller is a company controlled by the Romanian State and the majority shareholder of EMS.

The notified concentration involves the acquisition by ENEL of 67.5% of the share capital of EMS subject to several conditions precedent as provided for by the Agreement, among which obtaining the European Commission’s clearance of the economic concentration consisting in the acquisition by ENEL of the sole control over EMS.

Enel is an Italian electricity operator, active in the generation, distribution and supply of electricity, mainly in Italy, where it is the main provider of electricity to both domestic and industrial users and also in Spain, Bulgaria, Romania, Slovakia, Russia, France, North and South America. It is also active in the purchase and sale of natural gas for domestic electricity generation and gas operations in Italy where Enel is the second operator in the gas distribution and supply business.

EMS is active in the Romanian markets of retail supply and distribution of electricity.

The sale is part of the Romanian Government’s on-going privatization program in the electricity industry.