

# **Mubadala interested in Enel renewables stake**

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MILAN - Abu Dhabi's Mubadala Development Company is interested in taking a stake in Enel's renewable energy unit Enel Green Power, a financial source close to the matter said.

Enel intends to sell a minority stake in its renewables unit as part of a series of asset disposals aimed at helping it reduce its debt, which ballooned after it acquired Spain's Endesa in 2007.

"There have been contacts on the deal between the two sides which were very positive," the source said on condition of anonymity.

Enel has said the sale could be either a listing or a sale to private investors. Analysts said a listing was unlikely, given current market conditions.

Enel Chief Executive Fulvio Conti, who recently visited the United Arab Emirates for a trade fair, said on Jan. 20 Enel had received expressions of interest from funds in the area.

Another financial source said Mubadala could take a stake in the unit through its wholly owned subsidiary Masdar, which invests in renewable energy projects worldwide.

Enel said in December it expected to raise about 2.8 billion euros (\$3.63 billion) from the sale of a 20-30 percent stake in Enel Green Power.

"The deal would make sense since the Emirates needs to diversify energy investments, given that oil reserves are not forever, while for Enel it's ideal since it would be a passive financial partner and they could manage the business," a Milan energy analyst said.

In its 2008-2012 business plan Enel said it intended to invest 6.8 billion euros in its global renewable business and take installed capacity to 7.4 gigawatts in 2012 from 3.1 gigawatts in 2007.

{ Khaleej Times }