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## Bulletin:

# Emgesa S.A. E.S.P. Rating Unaffected By Outlook Revision On Its Indirect Parent

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BUENOS AIRES (Standard & Poor's) Oct. 22, 2012-- Standard & Poor's Ratings Services said today that its ratings and outlook on Emgesa S.A. E.S.P. (BBB-/Stable/--) are not affected by the outlook change on Endesa S.A. (BBB+/Negative/A-2), which owns 21.7% of Emgesa.

The Endesa Group controls Emgesa. Endesa Latinoamerica--a nonoperating holding company that Endesa S.A. owns--owns 21.7% of the group, and Empresa Nacional de Electricidad S.A. (BBB+/Stable/--) owns 26.9%. Both companies hold 56.4% of the voting rights.

The outlook revision on Endesa S.A. does not affect the rating on Emgesa due to its good stand-alone credit quality that excludes any support from its parents. Furthermore, the rating on Emgesa reflects its satisfactory business risk profile and intermediate financial risk profile, which already incorporate a 100% dividend payout ratio.

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