11 | 05 | 2010

endesa2010results

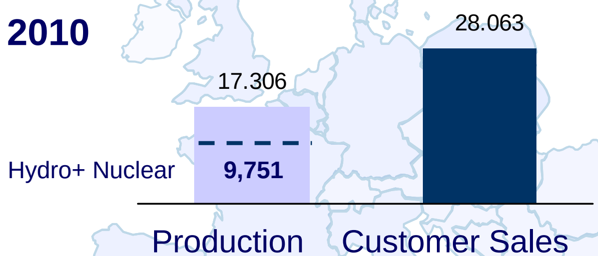
1Q RESULTS

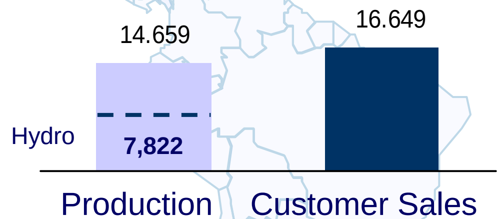
endesa

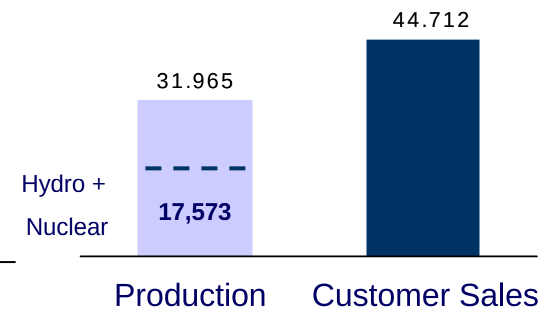
The quarter in a snapshot

	Spain&Portugal&Others	Latin America	Total Endesa

GWh 1Q 2010







	Spain&Portugal&Others Production	Spain&Portugal&Others Customer Sales	Latin America Production	Latin America Customer Sales	Total Endesa Production	Total Endesa Customer Sales
(% over 1Q 2009)	-18%	+5%	-9%	+5%	-14%	+5%

	Spain&Portugal&Others		Latin America		Total Endesa	
EBITDA 1Q 2010 *(€ M)*	Liberalized	+34%	Liberalized	-22%	Liberalized	+4%
	Regulated	+6%	Regulated	+29%	Regulated	+13%
	1,174	+17%	**705**	-3%	**1,879**	+9%
Net Debt *(€ M)*	**13,652**		**4,854**		**18,506**	
Net Debt/EBITDA	**2.9x**		**1.7x**		**2.5x**	

Growth at operating and net income level

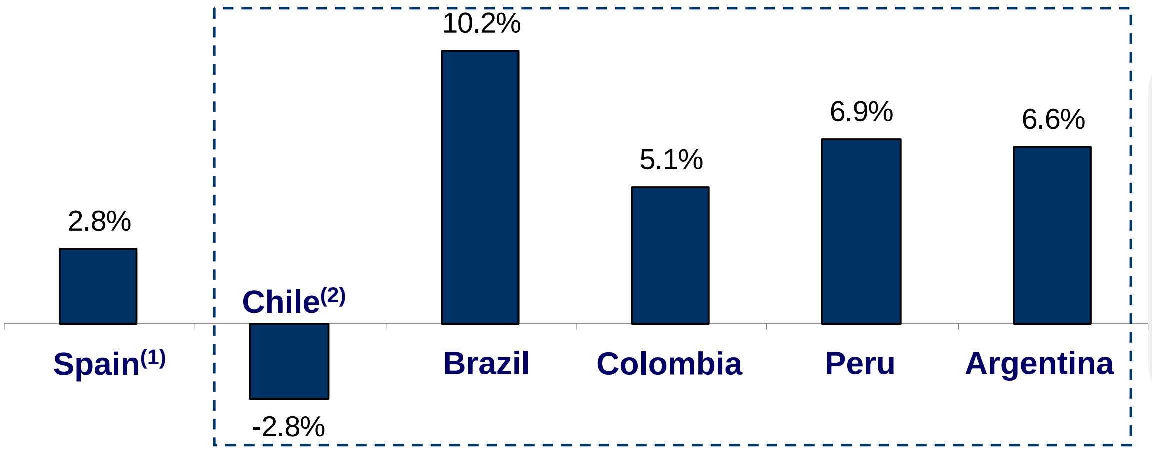
€M	1Q 2010	1Q 2009	Change
Revenues	7,693	6,034	**+27%**
Gross margin	2,752	2,596	**+6%**
EBITDA	1,879	1,729	**+9%**
Spain&Portugal&Others(1)	1,174	1,001	**+17%**
Endesa Latin America	705	728	**-3%**
EBIT	1,403	1,223	**+15%**
Net finance expenses(2)	320	249	**+29%**
Net attributable income	1,535	509	**+202%**
Net attributable income from ongoing activities(3)	620	507	**+22%**

(1) Includes other businesses (mainly Endesa Ireland & trading activities in Europe)
(2) €77 M increase due to one-off regularization of previous years accrual of financial revenues related to tariff deficit (Royal Decree 6/2010)
(3) Excluding net capital gains due to renewable agreement with Enel Green Power (€881 M) and REE (€34 M) in 1Q 2010

Demand growth with lower electricity prices

Demand by country: 1Q 2010 vs. 1Q 2009

Spain: first monthly growth after 16 months



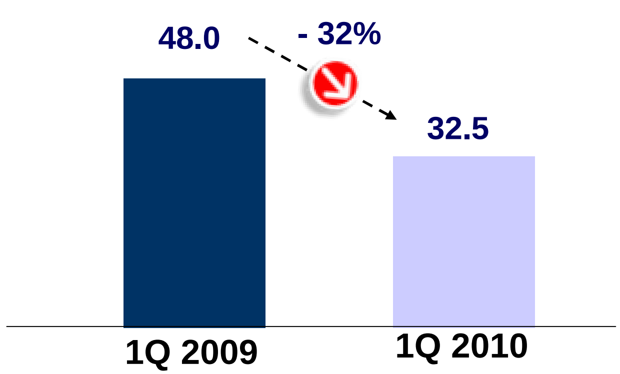
+8.2%(3)

Latin America: strong growth despite Chilean earthquake

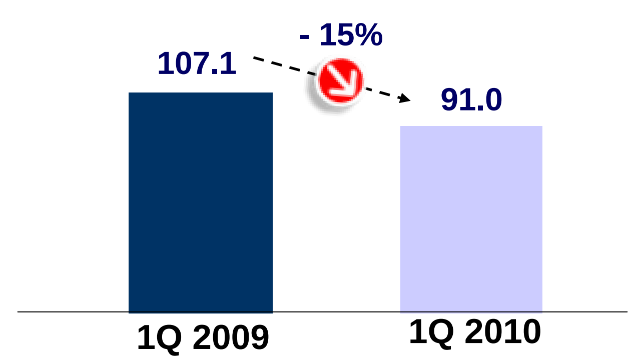
(1) Corrected by working days and temperature effects. Otherwise increase would be 4.7%. Source REE. (2) Affected by the earthquake
(3) Countries where Endesa operates weighted by TWh (demand by country)

Main electricity prices

Average pool price Spain(4) (€/MWh)



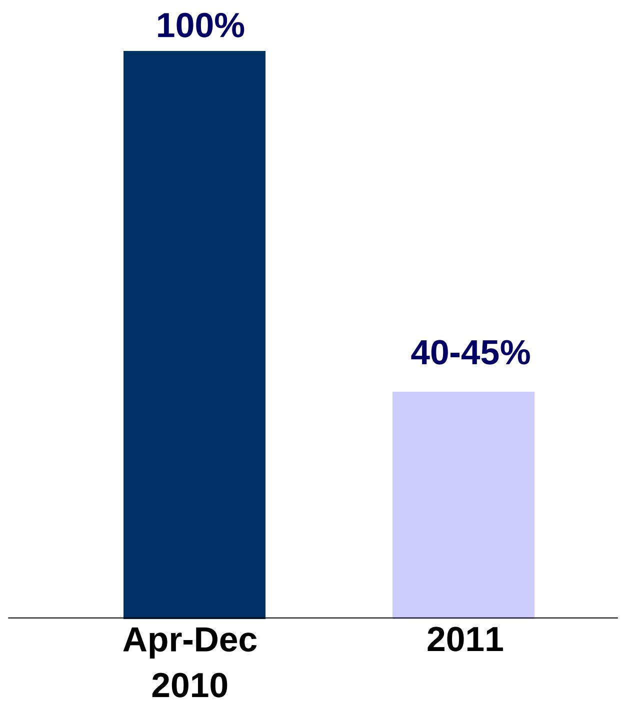
Average nudo price Chile (US$/MWh)



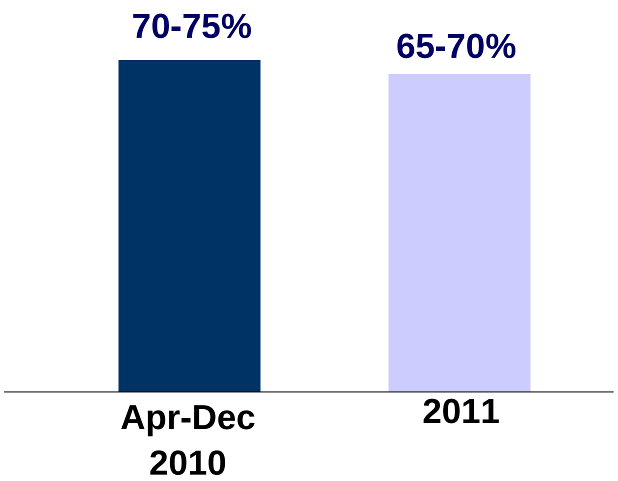
(4) Does not Include capacity payments

Effective hedge of liberalized margins through consistent sales strategy

Spain&Portugal (% estimated mainland output already committed)



Latin America (% estimated output already committed)



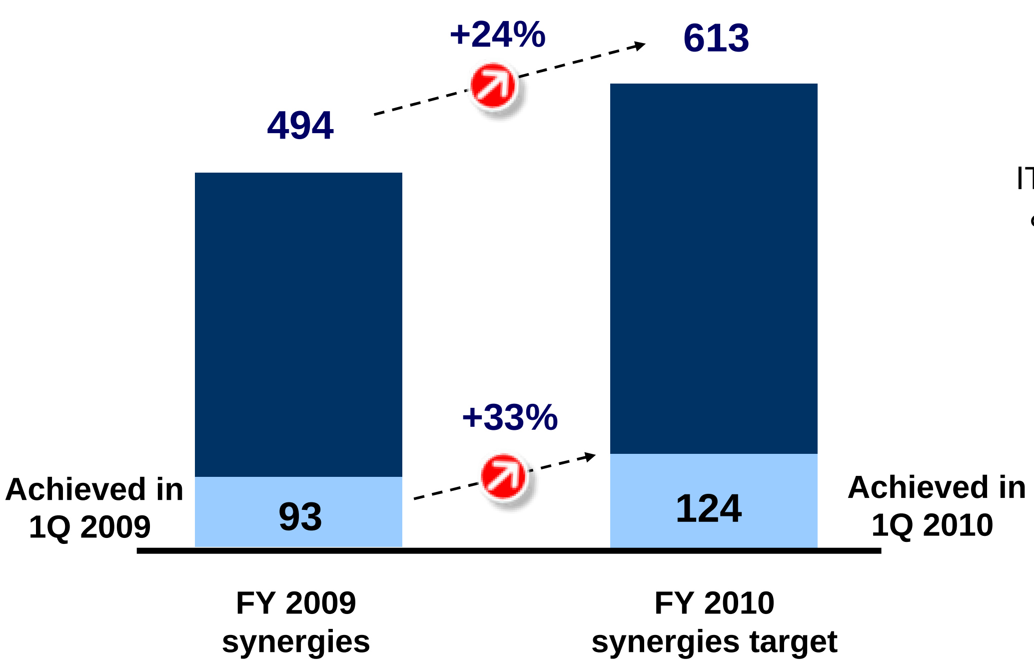
- **Stable margins despite volatile wholesale electricity prices**

- **32% of the generation sold via contracts > 5 yrs and 23% via contracts > 10 yrs**
- **Long term tenders in Peru completed (2014-2025) above 52.6 US$/MWh**

Progress towards efficiency targets

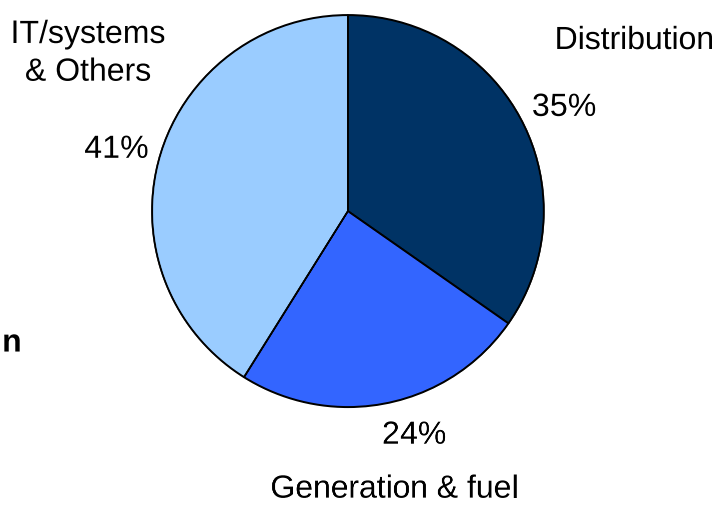
€M

Achieved synergies



Breakdown of synergies in 1Q 2010

€124 M (+33%)



33% Higher synergies achieved in 1Q 2010 vs. 1Q 2009

Main regulatory issues

Spain

- Tariff deficit securitization
- Domestic coal
- Remuneration for back up technologies
- Renewables
- Distribution

Latin America

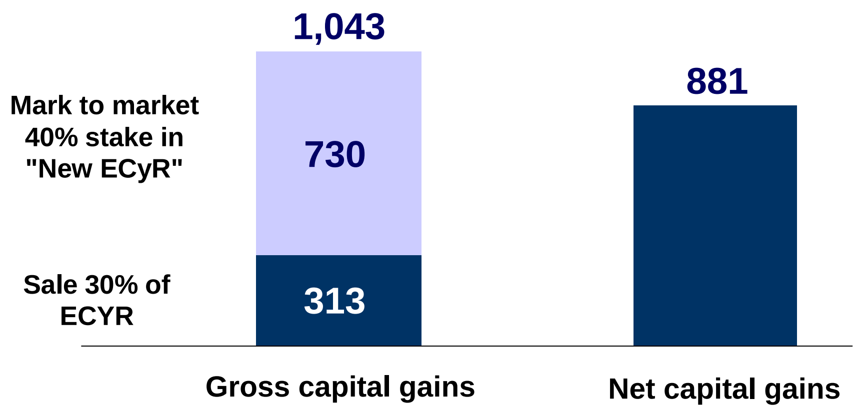
- Chile: 2% increase in "nudo price" from May onwards
- Brazil: positive annual tariff review in Coelce and Ampla

Recent corporate transactions

Renewables agreement with Enel Green Power completed

- Access to financial resources
- Economies of scale and portfolio management effect
- Best practices transfer
- Greater visibility

Transaction capital gains in 1Q 2010 (€M)



Other achieved transactions

- Disposal agreement of Endesa Hellas
- Sale of remaining stake in REE (1% for €51 M)
- Sale of 20% SAGGAS

Other ongoing transactions

- Electricity transmission assets in Spain
- Distribution and transmission gas assets in Spain

Prompt response to natural disasters

Earthquake in Chile (February 27th)

- Quick and consistent response from our recovery plan: 66% of our customers had energy restored in less than 12 hours
- After 30 hours, 80% and 100% after 10 days
- €7.2 M donation to contribute in the country recovery

Extraordinary snowfall in Girona (March)

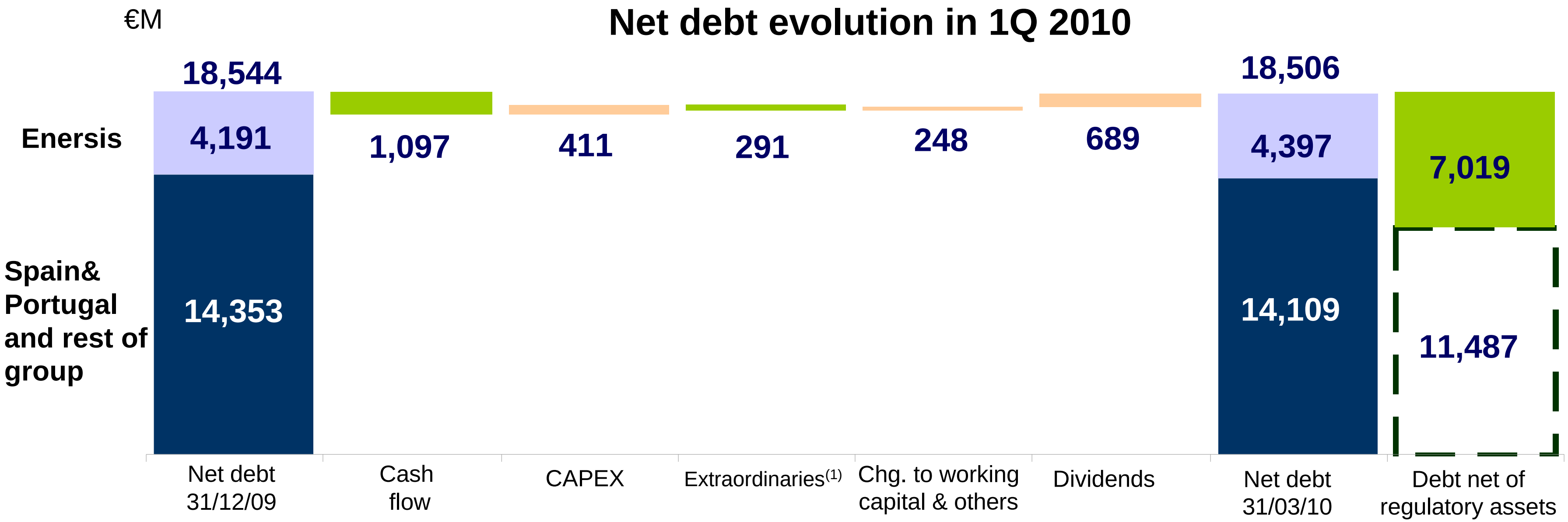
- >700 electric generating sets to assure electricity service while networks were being fixed
- 1,683 people dedicated to restore service
- Estimated extraordinary costs to restore supply ~ €60 M

Torrential rains in Rio de Janeiro (March and April)

- Quick and consistent response from our recovery plan multiplying by 5 regular operating resources
- €1.2 M donation to help in the region recovery

Limited impact thanks to insurance coverage

A sound financial position



Solid financial ratios

	31/12/09	31/03/10
Net debt/EBITDA[2]	2.6	2.5
Leverage (Net debt/Equity)	1.0	0.9

- **Endesa's liquidity excluding Enersis covers 21 months of debt maturities**
- **Enersis liquidity covers 27 months of debt maturities**

(1) Includes 1Q 2010 deficit (€400 M), exchange rate differences (€246 M) and disposals (€326 M cash in and €557 M debt deconsolidation from renewables agreement with EGP, €51 M REE stake and €3 M from other divestments).
(2) Last 12 months

spain&portugal&others2010

1Q RESULTS

Highlights

- After 16 months of decline, demand growth during the first 4 months of the year
- Energy management optimization within persisting low wholesale prices (-32% to 32.5€/MWh):
  - -17%(1) electricity generation to 17 TWh
  - +241% energy purchases to 10 TWh(2)
- Leading position in supply to final customers:
  - Increase in liberalized sales
  - Resilient selling price
- Renewable agreement with Enel Green Power

(1) Spain & Portugal
(2) Does not include Last Resort Tariff

Double digit growth at operating and net income level[1]

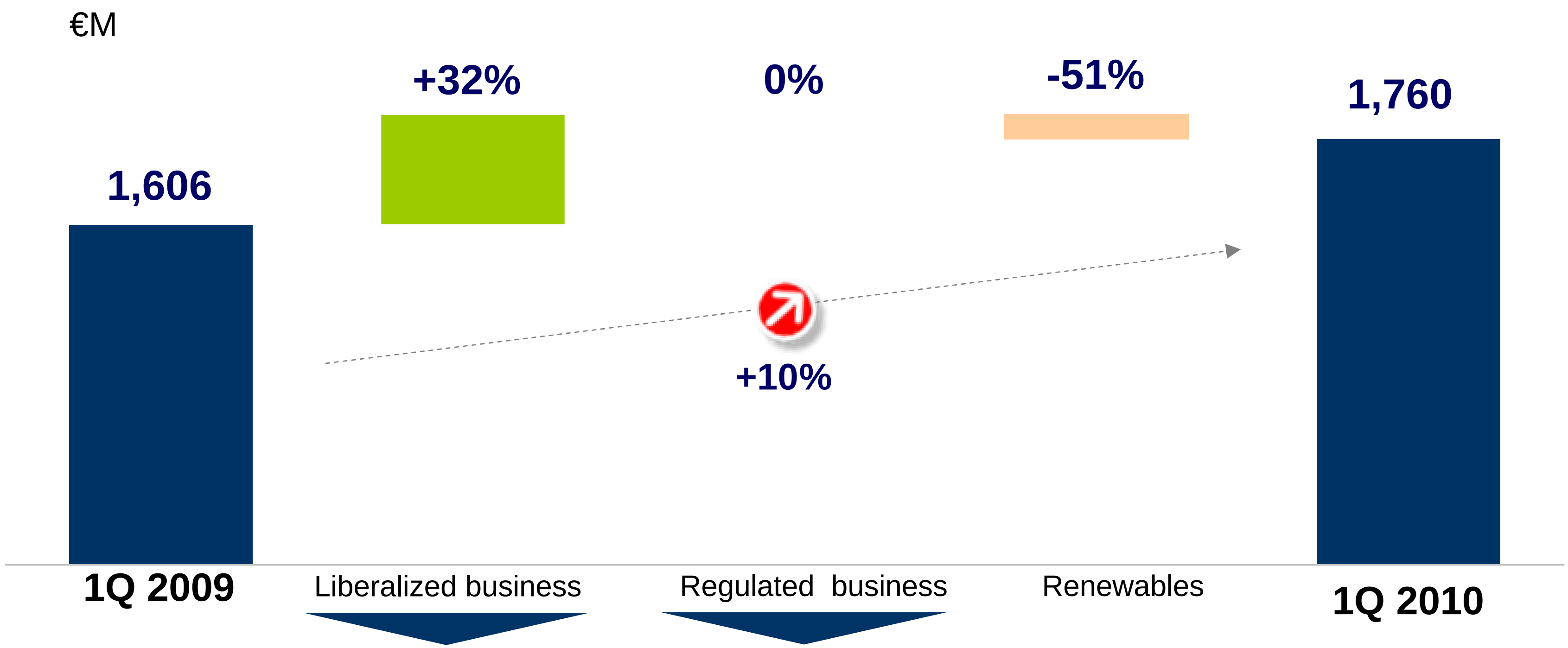
€M	1Q 2010	1Q 2009	Change
Revenues	5,609	3,938	**+42%**
Gross margin	1,760	1,606	**+10%**
EBITDA	1,174	1,001	**+17%**
EBIT	867	631	**+37%**
Net finance expenses[2]	213	175	**+22%**
Net attributable income	1,364	380	**+259%**
Net attributable income from ongoing activities[3]	449	378	**+19%**

(1) P&L includes other businesses (mainly Endesa Ireland & trading activities in Europe)

(2) €77 M increase due to one-off regularization of previous years accrual of financial revenues related to tariff deficit (Royal Decree 6/2010)

(3) Excluding net capital gains due to renewable agreement with Enel Green Power (€881 M) and REE (€34 M) in 1Q 2010

Gross margin growth supported by liberalized businesses



Liberalized business

- ↑ Higher activity in supply due to liberalization process since July 2009
- ↓ Resilient sale prices to final customers
- ↑ Competitive energy cost: lower price in energy purchases and lower fuel costs

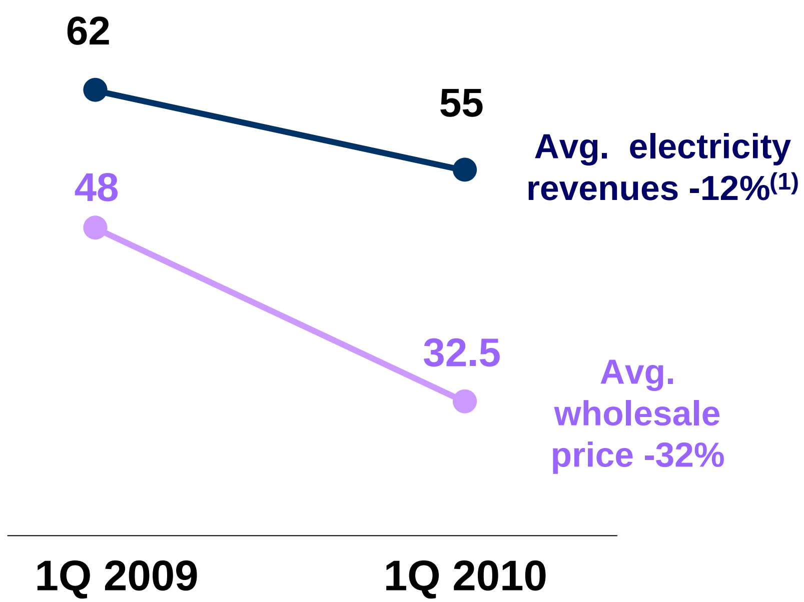
Regulated business

- ↑ Distribution
- ↓ Mining
- ~ Non-mainland systems

10% increase in gross margin along with lower fixed costs lead to 17% EBITDA growth

Resilient liberalized revenues despite decline in wholesale prices

Unit price evolution (€/MWh)



Solid position in supply to final customers

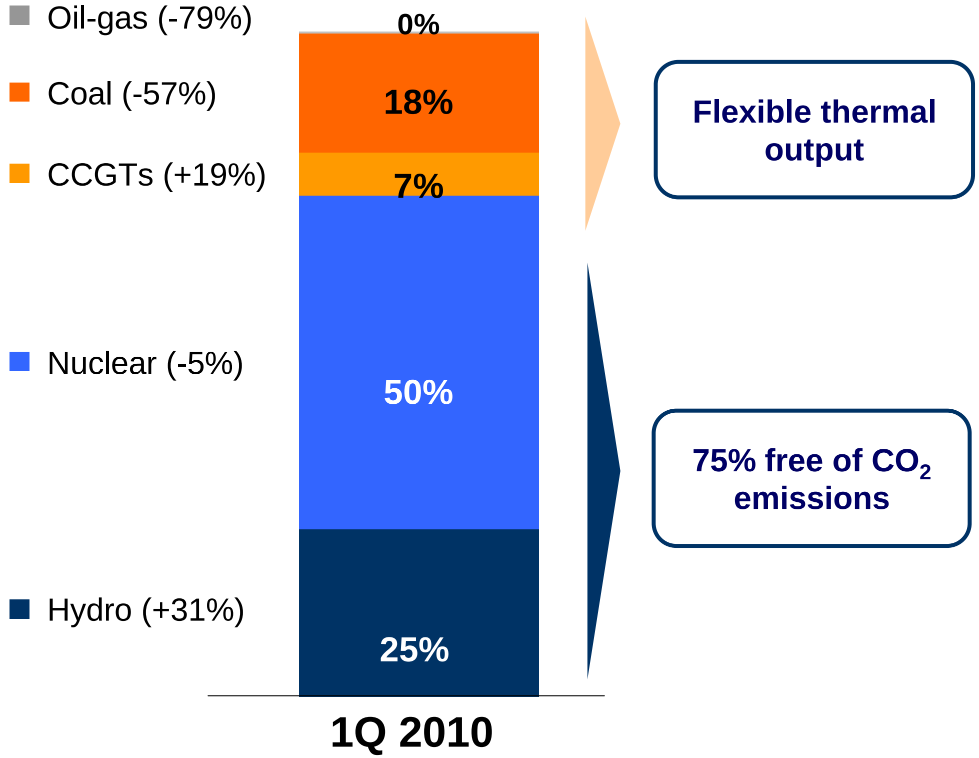
- Leader in supply: 20 TWh[2] sales to liberalized final customers
- 37% lower sales to wholesale market
- Average life of contracts: 16.6 months (high & medium voltage)
- No CO_2 claw-back effect in 2010 revenues (€69 M in 1Q 2009)

Supply business provides good protection against price volatility

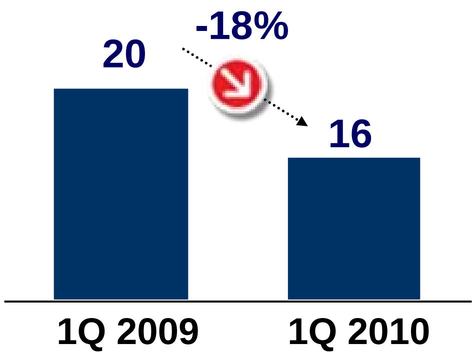
(1) Includes ancillary services, capacity payments and CO_2 claw-back effect
(2) Gross sales. Does not include Last Resort Tariff (~ 9.5 TWh in 1Q 2010).

Competitive energy costs

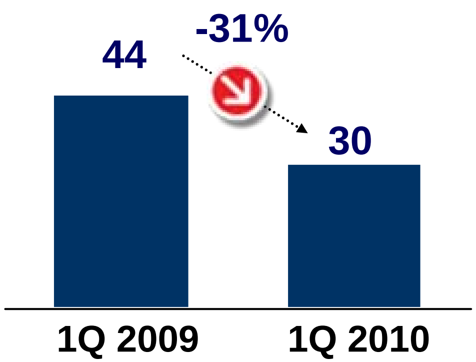
Ordinary regime output (13 TWh, -17%)



Fuel costs (€/MWh)



Energy purchase costs (€/MWh)



- **Unique and flexible generation mix**
- **Nuclear + hydro output 75% (vs. 55% rest of sector)**
- **Energy purchase 10.3 TWh vs. 3.0 TWh in 1Q09**

latin america2010

1Q RESULTS

endesa

Highlights

- Sharp growth in distribution volumes (+5.2%) despite Chilean earthquake
- Drop in generation volumes (-8.9%) mainly due to lower hydro output in Colombia (-43%)
- Lower generation margin due to lower hydro output (-9%) and lower prices in Chile (average "nudo price" at 91 US$/MWh in 1Q 2010 vs. 107 US$/MWh in 1Q 2009)
- Solid economy performance in the region results in strength of Latin America currencies (positive impact of €30 M in EBITDA)

Stable results despite earthquake in Chile

€M	1Q 2010	1Q 2009	Change
Revenues	2,084	2,096	**-1%**
Gross margin	992	990	**+0%**
EBITDA	705	728	**-3%**
EBIT	536	592	**-9%**
Net finance expenses(1)	107	74	**+45%**
Net income	355	345	**+3%**
Net attributable income(2)	171	129	**+33%**

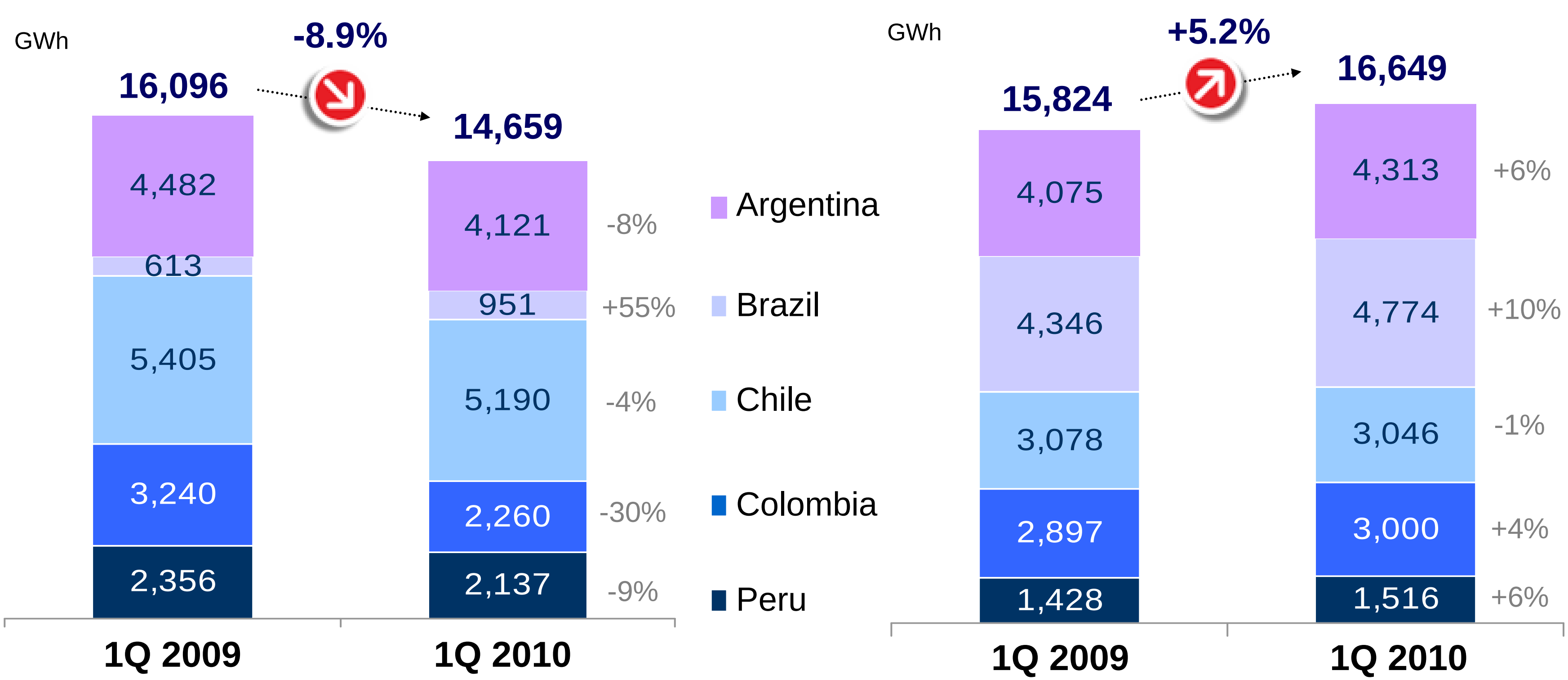
- **€113 M of attributable EBITDA come from direct holdings**

(1) Increase in net finance expense due to higher value of "Unidades de Fomento" in Chile
(2) One-off tax effect

Lower electricity output and increase in distribution sales

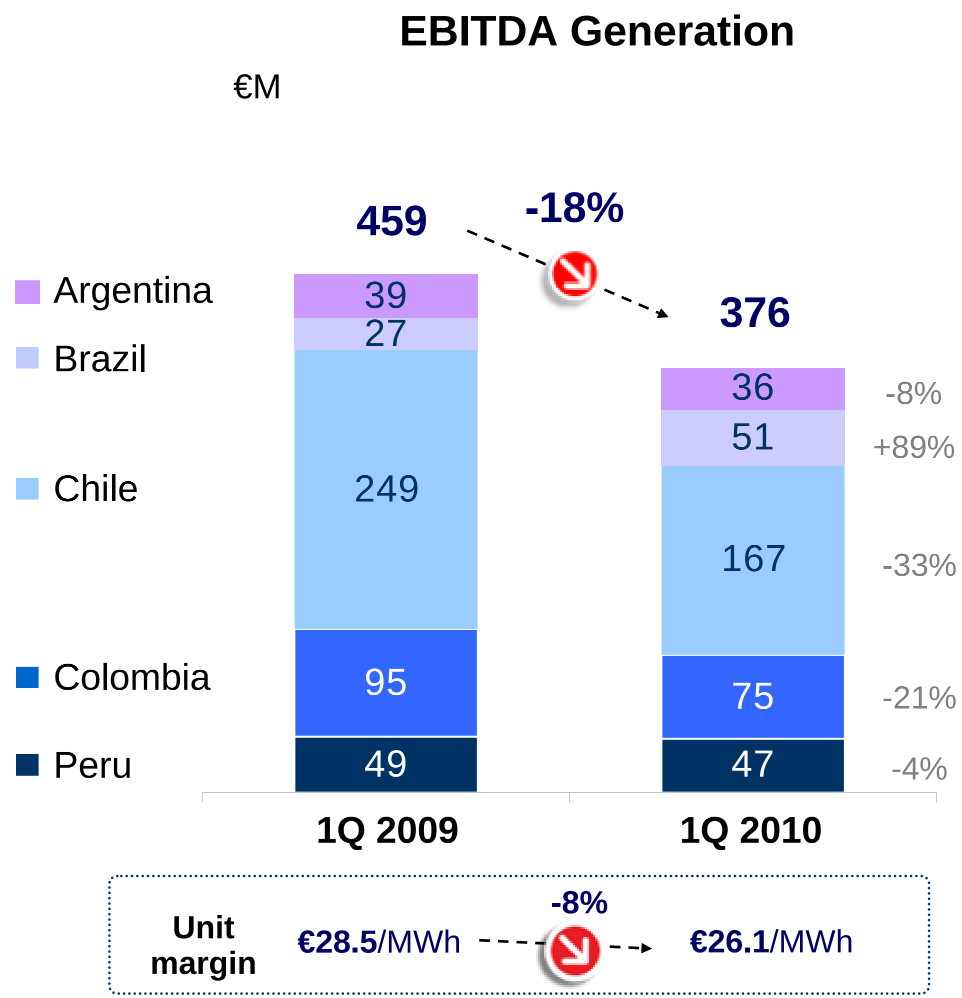
Generation Output

Distribution Sales



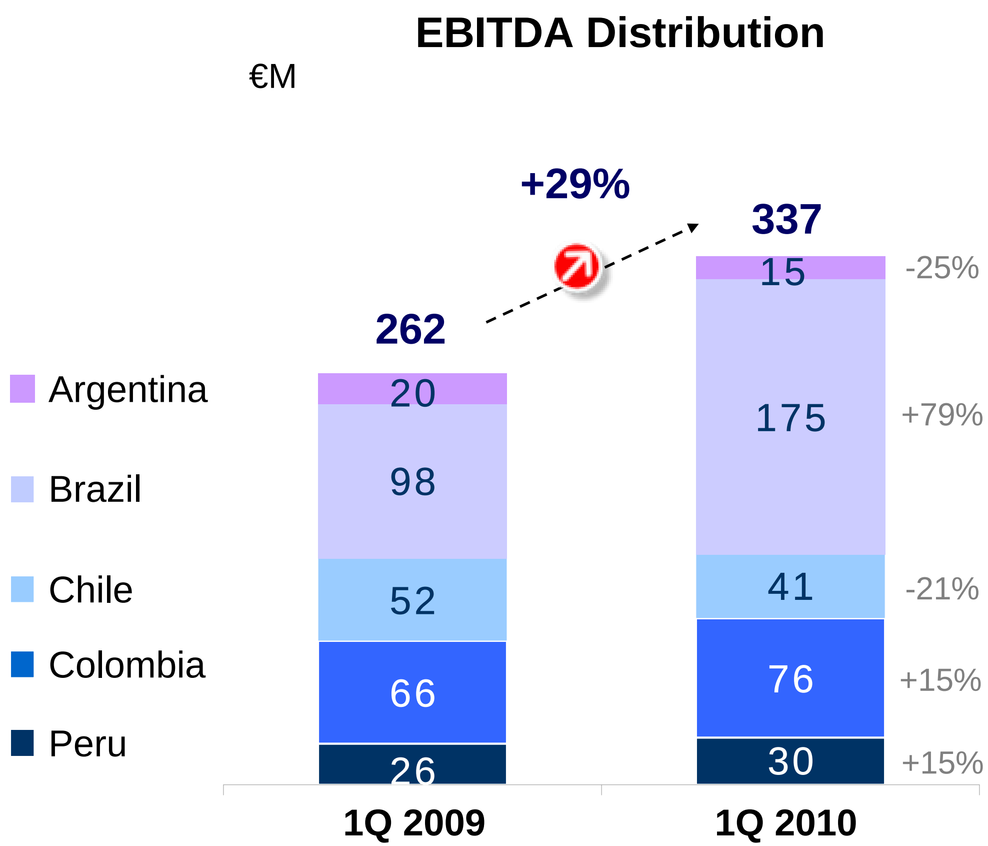
- Decrease in output in all countries except Brazil. Colombia affected by "El niño"
- Growth in distribution sales in all countries except Chile due to the earthquake

Generation EBITDA decrease due to lower activity and lower margins



- Lower unit margin performance in Chile (-25%) due to lower output affected by the earthquake and lower prices
- Lower unit margin in Colombia (-4%) due to sharp decline in hydro output in Colombia (-43%)
- Higher activity and sale prices in Brazil boost unit margin 62%

Strong growth in distribution EBITDA



Unit margin €27.3/MWh — +16% → €31.8/MWh

- Brazil: sharp increase in demand in Coelce (+16%) and Ampla (+8%)
- Chile: lower demand and higher fixed costs due to the earthquake
- Higher demand and positive currency evolution in Colombia and Peru

- Lower transmission EBITDA due to Uruguay agreement in 1Q 2009

conclusions2010

1Q RESULTS

endesa

Consistently delivering excellent results

- **Demand indicators improving**
- **Solid results continue growing thanks to:**
  - **Sales and energy management strategy**
  - **Efficiency plan on track**
  - **Balanced business portfolio**
  - **Active portfolio optimization**
- **Strong financial position**
- **Key regulatory milestones ahead**

appendices2010

1Q RESULTS

Installed capacity and output[1]

Installed capacity

MW at 31/03/10	Spain& Portugal&Others	Endesa Latin America	Total
Total	**22,988**	**15,853**	**38,842**
Hydro	4,729	8,645	13,374
Nuclear	3,666	-	3,666
Coal	5,804	538	6,342
Natural gas	2,197	3,966	6,163
Oil-gas	6,564	2,618	9,182
CHP/Renewables	27	87	114

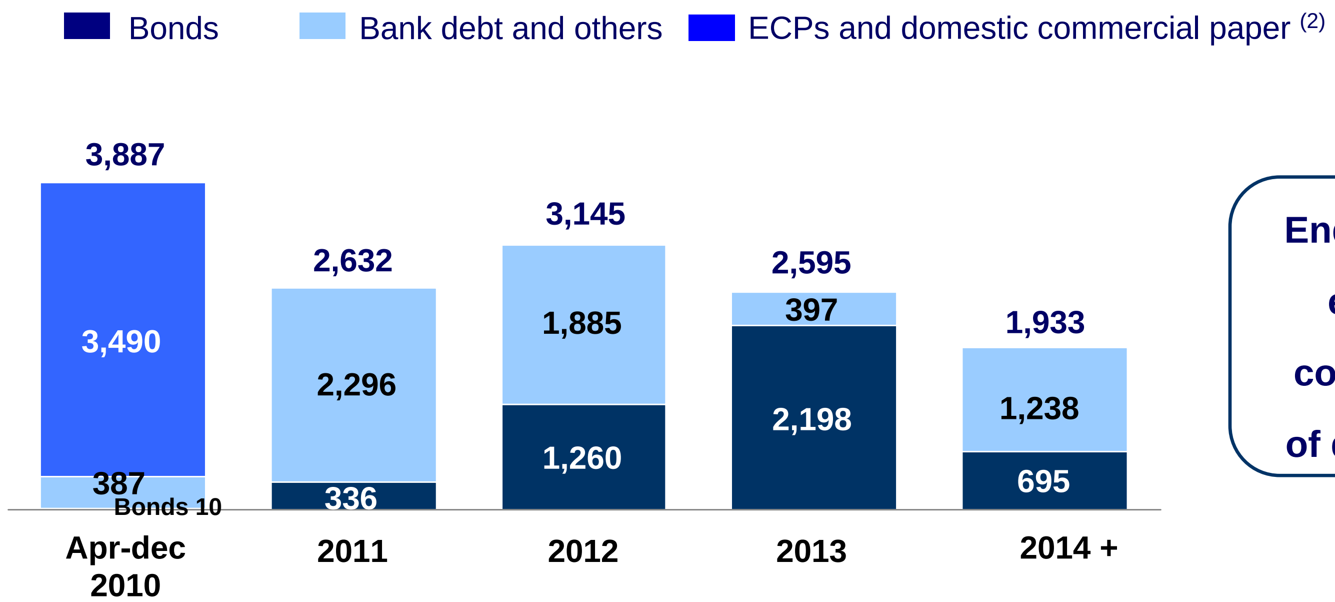
Output

TWh 1Q 2010 (chg. vs. 1Q 2009)	Spain& Portugal&Others		Endesa Latin America		Total	
Total	**17.3**	**-17.7%**	**14.7**	**-8.9%**	**32.0**	**-13.6%**
Hydro	3.2	+31%	7.8	-9%	11.1	+0%
Nuclear	6.5	-5%	-	-	6.5	-5%
Coal	3.2	-51%	0.7	+37%	3.9	-45%
Natural gas	1.0	+16%	4.5	-4%	5.6	-1%
Oil-gas	2.8	-15%	1.5	-32%	4.3	-22%
CHP/Renewables	0.6	-46%	0.05	+198%	0.6	-43%

(1) Includes data for fully consolidated companies and jointly-controlled companies accounted for using proportionate consolidation

Endesa (excl. Enersis): financial debt maturity calendar

Gross balance of maturities outstanding at 31 March 2010: €14,192 M[1]



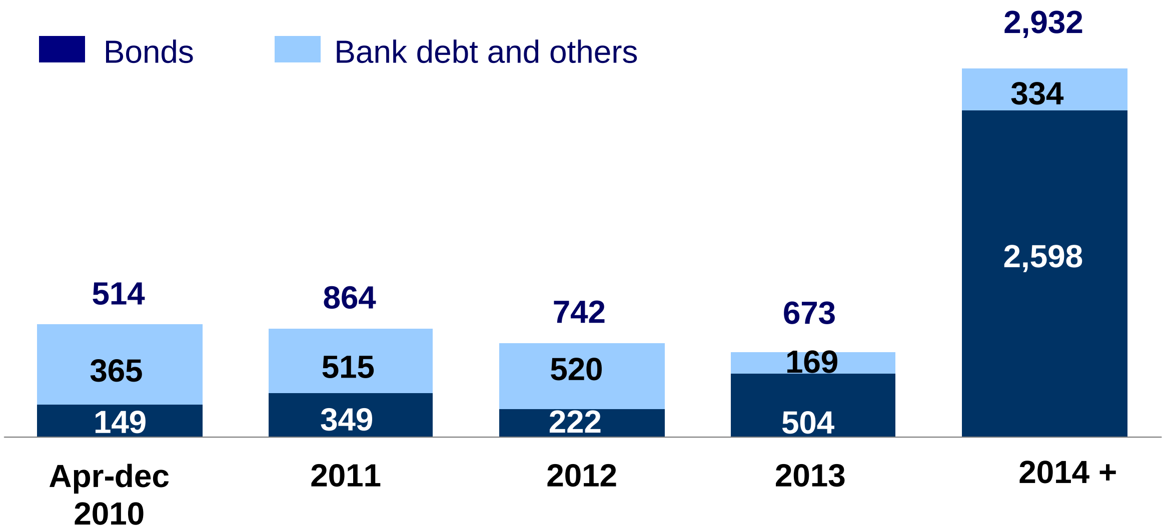
Endesa's liquidity excl. Enersis covers 21 months of debt maturities

- **Liquidity €7,536M:**
  - **€228M in cash**
  - **€7,308M available in long-term credit lines**
- **Average life of debt: 3.2 years**

(1) This gross balance differs from the total financial debt figure as it does not include outstanding execution costs or the market value of derivatives which do not involve any cash payment.
(2) Notes issued are backed by long-term credit lines and are renewed on a regular basis.

Enersis: financial debt maturity calendar

Gross balance of maturities outstanding at 31 March 2010: €5,725M(1)



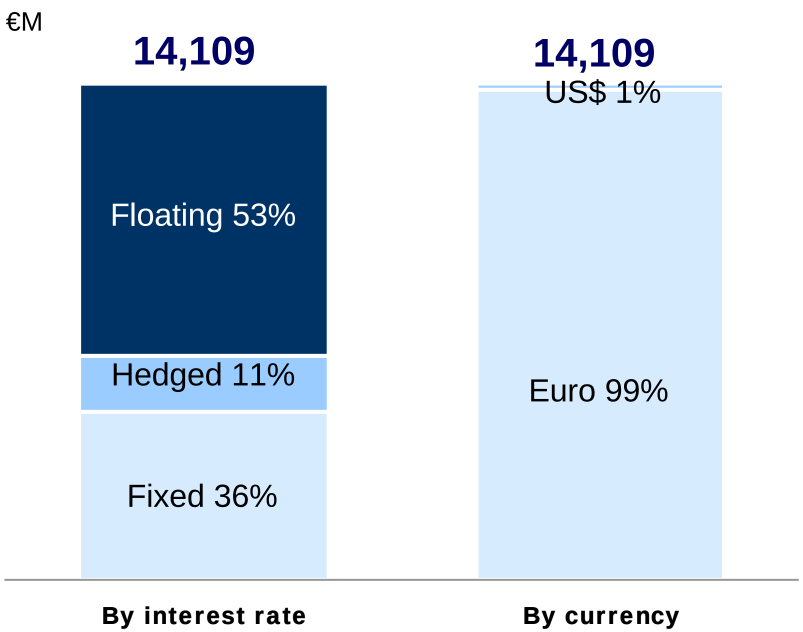
Enersis has sufficient liquidity to cover 27 months of debt maturities

- **Liquidity €2,106M:**
  - **€1,408M in cash**
  - **€698M of syndicated loans available**
- **Average life of debt: 5.7 years**

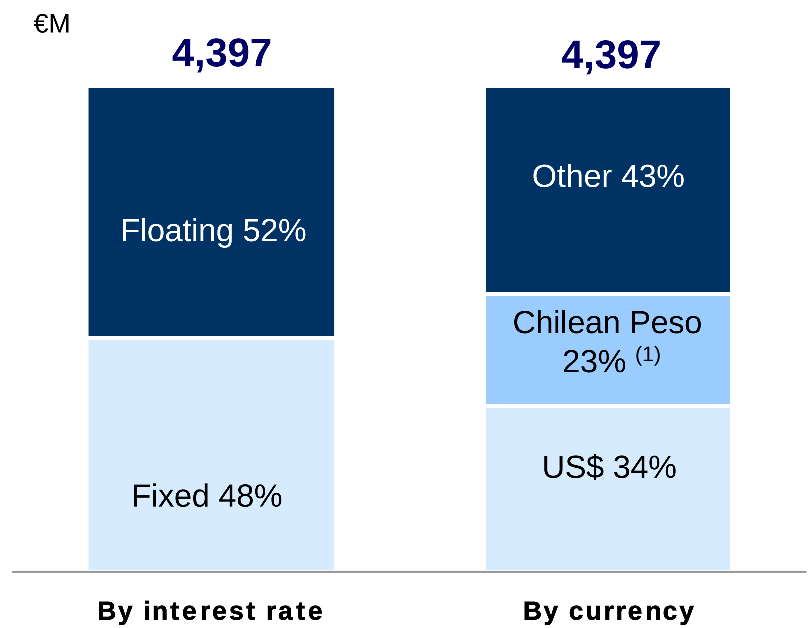
(1) This gross balance differs from the total financial debt figure as it does not include outstanding execution costs or the market value of derivatives which do not involve any cash payment.

Financial policy and debt structure

Structure of Endesa's debt ex-Enersis



Enersis debt structure



Average cost of debt	2.6%	7.6%

- **Debt structure:** Debt in currency in which operating cash flow is generated
- **Policy of self-financing:** Latin America subsidiaries are financed on a stand-alone basis

Data at 31 March 2010
(1) Includes "Unidades de Fomento"

Highlights by country

EBITDA 1Q 2010 (vs. 1Q 2009)

Chile

Gen: €167 M (-33%)

Dist: €41 M (-21%)

Total EBITDA:

€208 M (-31%)

- Lower average prices due to lower spot and nudo prices
- Lower electricity demand affected by 27th February earthquake (-8.3% in March)
- Bocamina I coal plant, affected by earthquake, will not be operative till July. Delays in Bocamina II plant, now expected to come on stream in June 2011
- Efficient production mix and lower fuel costs due to the availability of natural gas
- The "nudo" price for May-October 2010 was set at US$94.9 US$/MWh, 1.8% higher than November 2009 "nudo" price (93.2 US$/MWh) and 9.3% higher than current price, associated to last indexation process that took place in March 2010 (86.8 US/MWh)

Brazil

Gen: €51 M (+89%)

Dist: €175 M (+79%)

Trans: €2 M (-91%)

Total EBITDA:

€228 M (+55%)

- Strong demand recovery (7.5% increase in Ampla and 16.2% in Coelce) due to high temperatures and industrial demand
- Higher average sales prices
- Tariff revision for Ampla for March 2010-March 2011 period: 1.3% increase in DAV (Parcela B) applicable from 15th March
- Tariff revision for Coelce : 3% increase in DAV (Parcela B) applicable from 22nd April
- Cien; EBITDA decrease due to export agreement between Brazil and Uruguay during 1Q10. Continuous efforts to formalize a regulated retribution for these transmission lines

Highlights by country

EBITDA 1Q 2010 (vs. 1Q 2009)

Colombia

Gen: €75 M (-21%)

Dist: €76 M (+15%)

Total EBITDA:

€151 M (-6%)

- Endesa 1Q10 hydro production 43% lower than previous year
- Less efficient production mix due to higher thermal production
- Significant increase in physical sales Dx business
- Codensa paid €197,5 M in dividends in March 24th
- Colombian peso appreciation against euro: +11,3% during 1Q10

Peru

Gen: €47 M (-4%)

Dist: €30 M (+15%)

Total EBITDA:

€77 M (+3%)

- 9.3% lower generation due to planned outage in Ventanilla CCGT
- 6.2% increase in physical sales
- The "barra" price (applicable from May 2010 to April 2011) has been set at US$39.18 US$/MWh (monomic price), 5.35% lower than current price
- Long term regulated market auction: celebrated in April (8, 10 and 12 years, within the 2014-2025 period):

  -Edelnor contracted 970MW

  -Edegel and Piura sold all energy offered (800 and 82 MW) at prices of 52,5 US$/MWh and 53.4 US$/MWh

Argentina

Gen: €36 M (-8%)

Dist: €15 M (-25%)

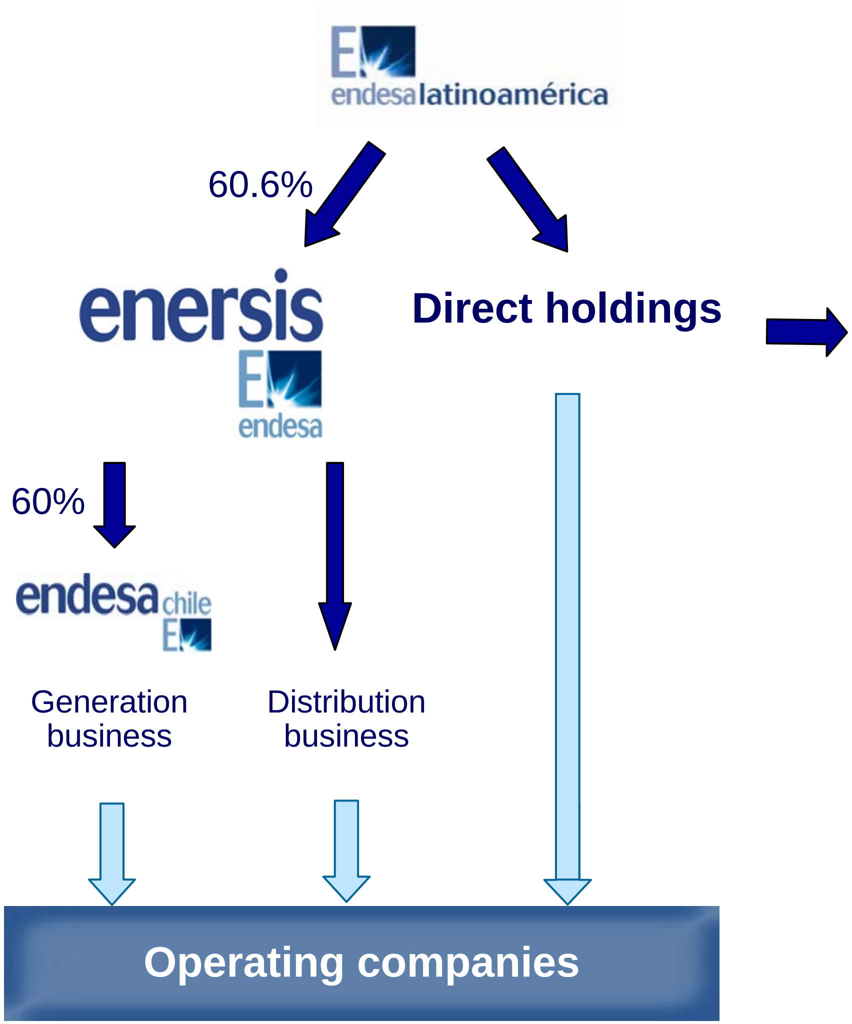
Trans: €1 M (-50%)

Total EBITDA:

€52 M (-15%)

- Higher hydroelectric production dispatched due to favorable hydrological conditions.
- El Chocón: higher physical sales of 34%
- Better generation mix. Lower thermal dispatch of Costanera due to lower thermal gap and planned outage
- Edesur: general increase in fixed costs due to higher inflation

Endesa has major direct holdings in companies other than Enersis in Latin America



€M	% direct stake	Proportionate 1Q 2010 EBITDA
Codensa:	26.7%	19
Emgesa:	21.6%	16
Endesa Brasil:	28.5%	65
Edesur:	6.2%	1
DockSud:	40%	3
Edelnor:	18%	5
Piura:	48%	3
Pangue	5%	1
Proportionate total		**113**

Disclaimer

This document contains certain "forward-looking" statements regarding anticipated financial and operating results and statistics and other future events. These statements are not guarantees of future performance and they are subject to material risks, uncertainties, changes and other factors that may be beyond ENDESA's control or may be difficult to predict.

Forward-looking statements include, but are not limited to, information regarding: estimated future earnings; anticipated increases in wind and CCGTs generation and market share; expected increases in demand for gas and gas sourcing; management strategy and goals; estimated cost reductions; tariffs and pricing structure; estimated capital expenditures and other investments; estimated asset disposals; estimated increases in capacity and output and changes in capacity mix; repowering of capacity and macroeconomic conditions. The main assumptions on which these expectations and targets are based are related to the regulatory setting, exchange rates, divestments, increases in production and installed capacity in markets where ENDESA operates, increases in demand in these markets, assigning of production amongst different technologies, increases in costs associated with higher activity that do not exceed certain limits, electricity prices not below certain levels, the cost of CCGT plants, and the availability and cost of the gas, coal, fuel oil and emission rights necessary to run our business at the desired levels.

In these statements we avail ourselves of the protection provided by the Private Securities Litigation Reform Act of 1995 of the United States of America with respect to forward-looking statements.

The following important factors, in addition to those discussed elsewhere in this document, could cause actual financial and operating results and statistics to differ materially from those expressed in our forward-looking statements:

Economic and industry conditions: significant adverse changes in the conditions of the industry, the general economy or our markets; the effect of the prevailing regulations or changes in them; tariff reductions; the impact of interest rate fluctuations; the impact of exchange rate fluctuations; natural disasters; the impact of more restrictive environmental regulations and the environmental risks inherent to our activity; potential liabilities relating to our nuclear facilities.

Transaction or commercial factors: any delays in or failure to obtain necessary regulatory, antitrust and other approvals for our proposed acquisitions or asset disposals, or any conditions imposed in connection with such approvals; our ability to integrate acquired businesses successfully; the challenges inherent in diverting management's focus and resources from other strategic opportunities and from operational matters during the process of integrating acquired businesses; the outcome of any negotiations with partners and governments. Delays in or impossibility of obtaining the pertinent permits and rezoning orders in relation to real estate assets. Delays in or impossibility of obtaining regulatory authorisation, including that related to the environment, for the construction of new facilities, repowering or improvement of existing facilities; shortage of or changes in the price of equipment, material or labour; opposition of political or ethnic groups; adverse changes of a political or regulatory nature in the countries where we or our companies operate; adverse weather conditions, natural disasters, accidents or other unforeseen events, and the impossibility of obtaining financing at what we consider satisfactory interest rates.

Political/governmental factors: political conditions in Latin America; changes in Spanish, European and foreign laws, regulations and taxes.

Operating factors: technical problems; changes in operating conditions and costs; capacity to execute cost-reduction plans; capacity to maintain a stable supply of coal, fuel and gas and the impact of the price fluctuations of coal, fuel and gas; acquisitions or restructuring; capacity to successfully execute a strategy of internationalisation and diversification.

Competitive factors: the actions of competitors; changes in competition and pricing environments; the entry of new competitors in our markets.

Further details on the factors that may cause actual results and other developments to differ significantly from the expectations implied or explicitly contained in this document are given in the Risk Factors section of the current ENDESA Share Registration Statement filed with the Comisión Nacional del Mercado de Valores (the Spanish securities regulator or the “CNMV” for its initials in Spanish).

No assurance can be given that the forward-looking statements in this document will be realised. Except as may be required by applicable law, neither Endesa nor any of its affiliates intends to update these forward-looking statements.

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