Endesa: Stronger business, greater value

9M 2005 Results:

Accomplishing Commitments

16 November 2005

Endesa: better project, more value

	EBITDA	Net Income
9M 05 Results: **Strong growth** in all lines of income statement and in all businesses	**+16%**	**+33%**
2005 Forecast: superior growth	**>20%**	**>100%**

Growth clearly above committed trend

Substantial growth through all the P&L

€M	9M04	9M05*	Change
Sales	9,970	12,643	+27%
Gross margin	5,593	6,498	+16%
EBITDA	3,796	4,399	+16%
EBIT	2,601	3,106	+19%
Net financial expenses	-836	-814	-3%
Gains on asset disposals	157	207	+32%
Net income	1,172	1,556	+33%

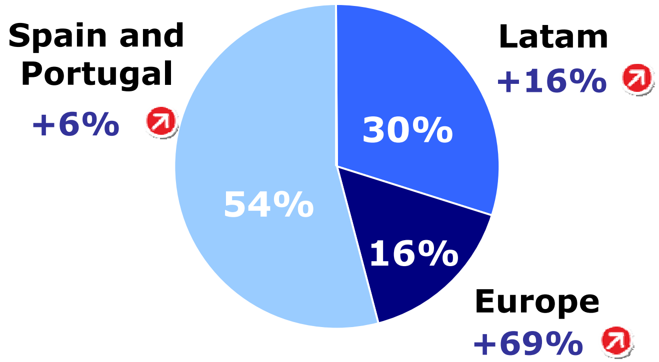
	01/01/05	9M05	Change
Financial leverage	1.50x	1.35x	-0.15x

** Includes recognition of tariff deficit*

Strong growth in all businesses

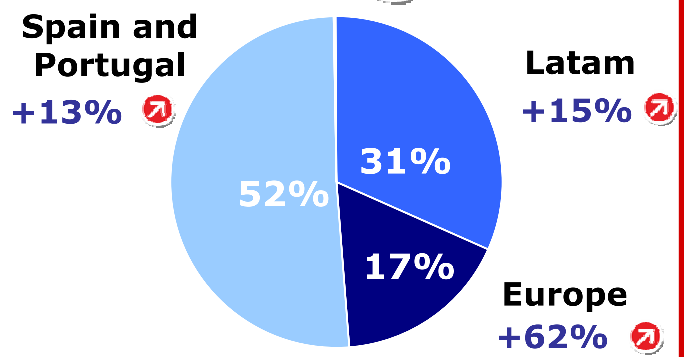
EBITDA: €4,399M

+16%



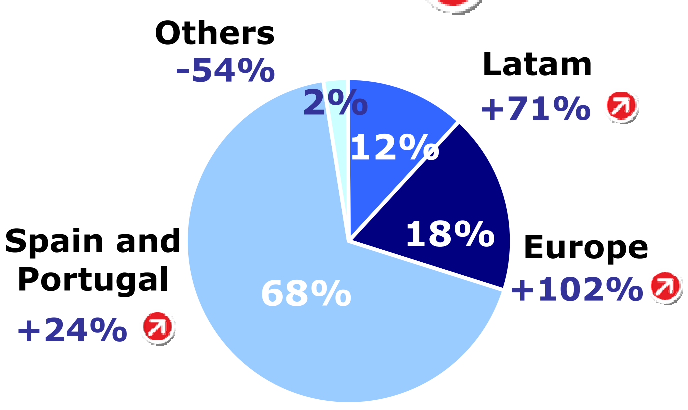
EBIT: €3,106M

+19%



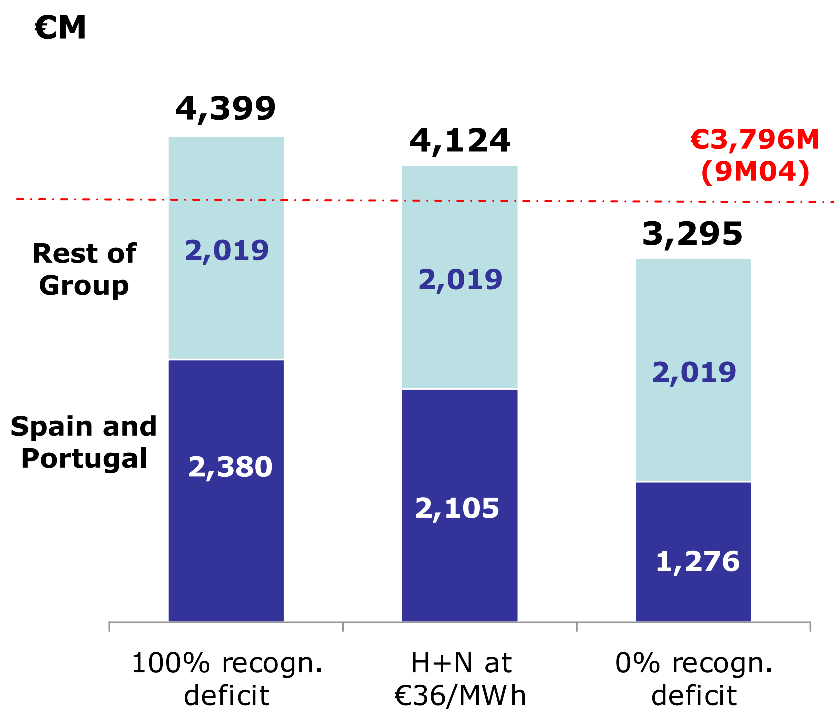
Net income: €1,556M

+33%

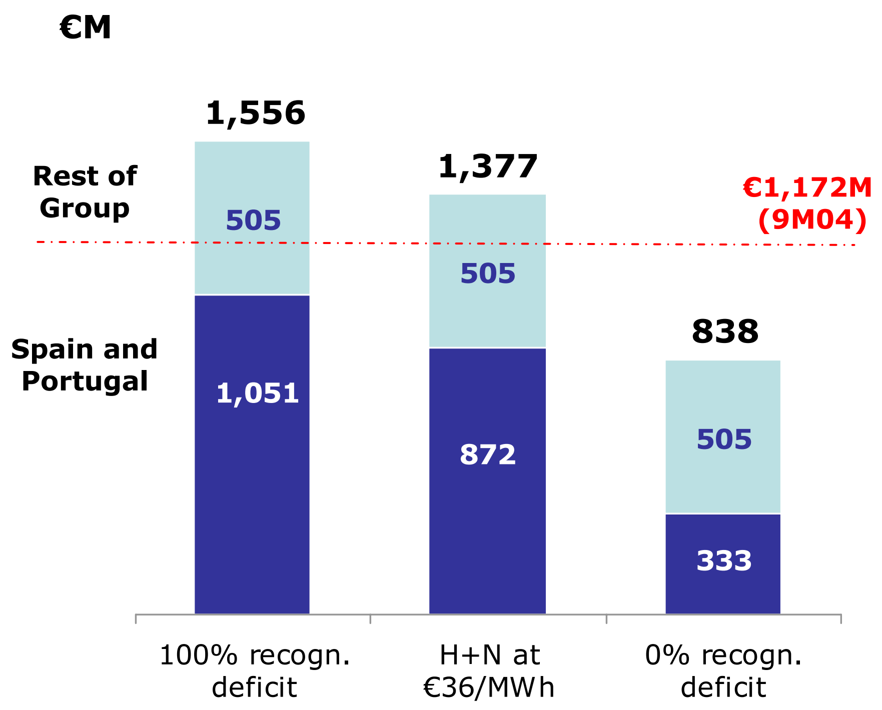


Sensitivity analysis to tariff deficit

EBITDA



Net income



+16%	+9%	-13%	% Change Vs. 9M 04	+33%	+17%	-28%

Spain and Portugal

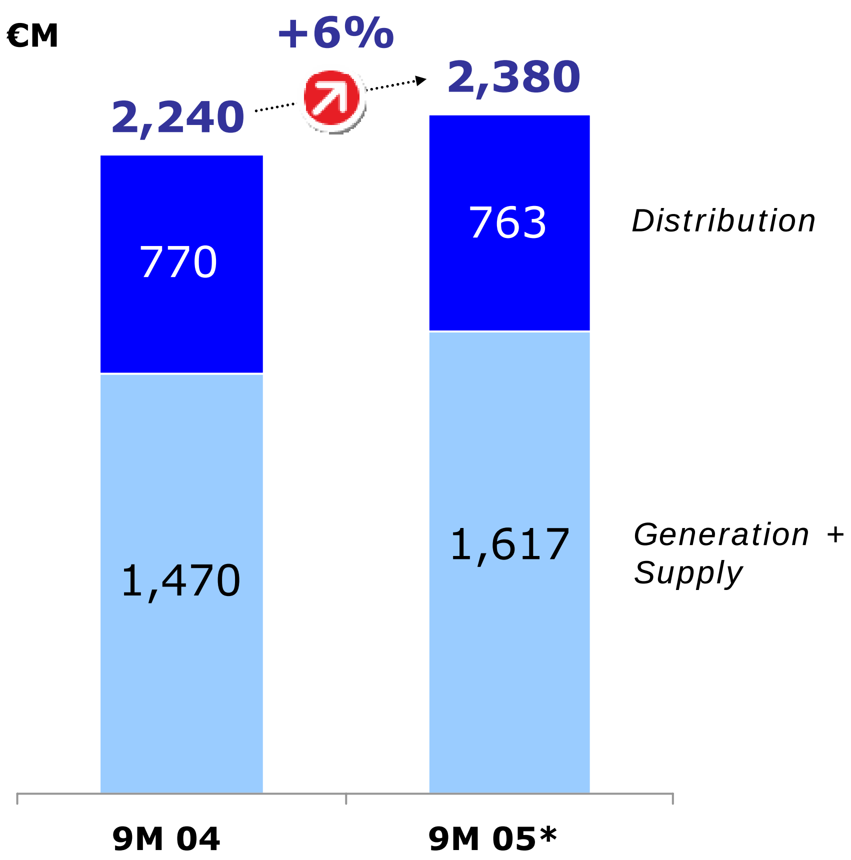
Positive results through all the P&L

€M	9M 04	9M 05*	Change
Sales	4,996	6,175	+24%
Gross margin	3,432	3,659	+7%
EBITDA	2,240	2,380	+6%
EBIT	1,448	1,634	+13%
Net financial expenses	-397	-356	-10%
Net income	845	1,051	+24%

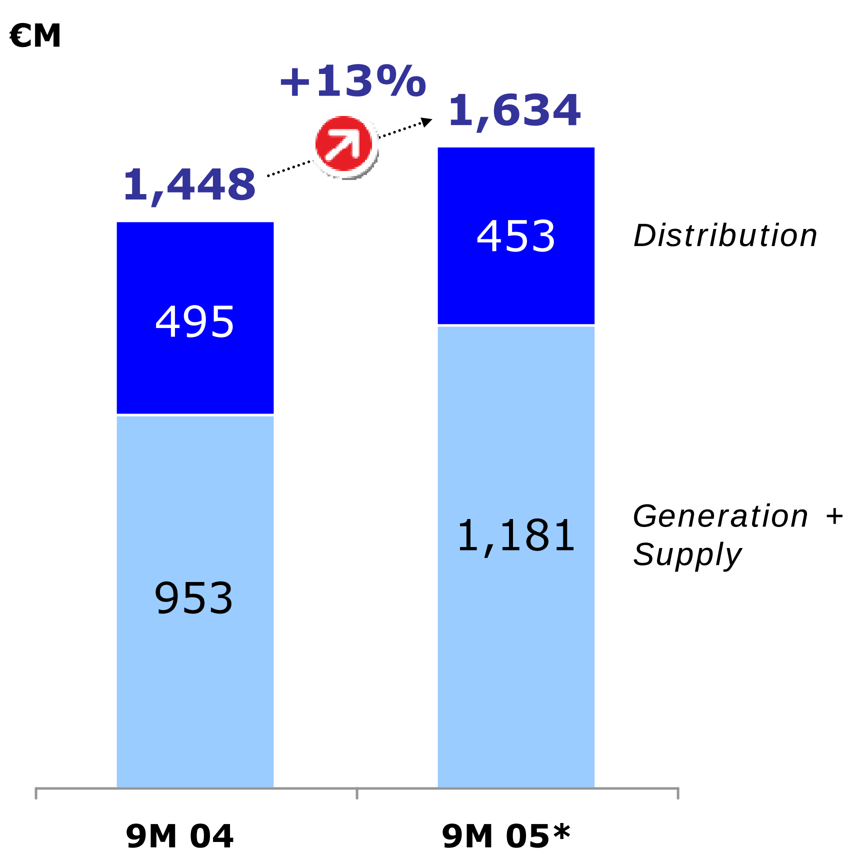
** Includes recognition of tariff deficit*

Margins improvement despite stronger efforts to enhance quality

EBITDA



EBIT



** Includes recognition of tariff deficit*

Highlights of the period

Industry trends:

- Sharp growth in demand (+6%)
- High pool prices (€59/MWh)
  - Low hydro production (-40%)
  - Plant unavailability
  - High fuel and CO_2 costs
- €2,500M Tariff deficit as of September 2005

Endesa showed its strengths:

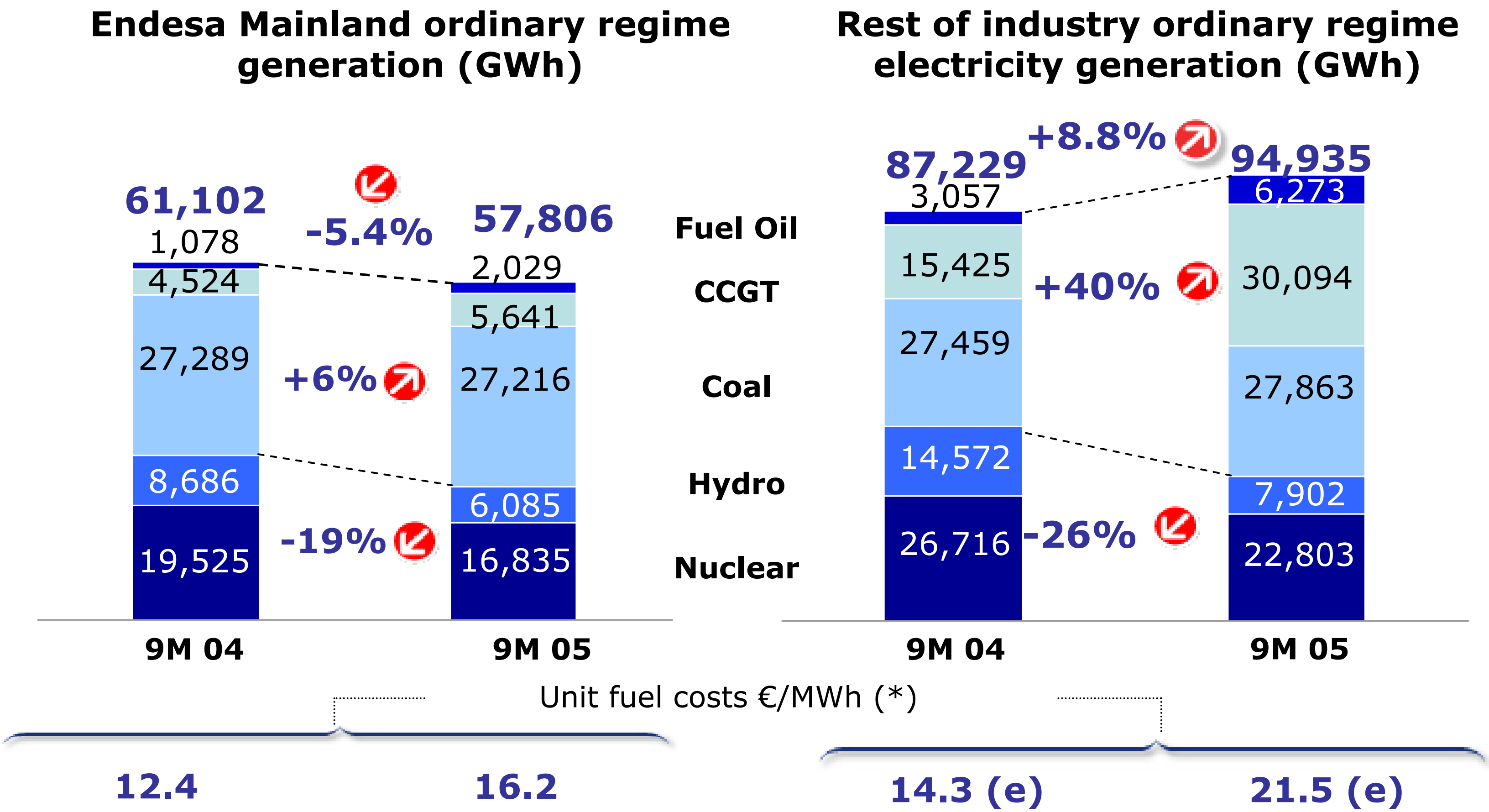
- Lower exposure to hydro conditions (-30% hydro output of Endesa vs. -46% rest of sector)
- More competitive fuel costs than peers (-27% cost in CCGTs vs. Iberdrola*)
- Efficiency gains: -3% in fixed costs vs. 3Q 04

Progress in the capacity plan:

- CCGT: Colón (400 MW), imminent start of operations; As Pontes (800 MW), construction started; Besós (800 MW), included in Catalonian Energetic Plan
- Renewables: +53% in installed wind capacity during the last 12 months

** According to Iberdrola's 9M 05 result presentation on 20 October 2005, page 35*

Thermal production diminishes impact of hydro output fall



- Unusual period due to low rainfall, conversion of As Pontes plant and downtime at Vandellós plant. Vandellós and Group IV of As Pontes now already running
- Importance of coal to ensure supply

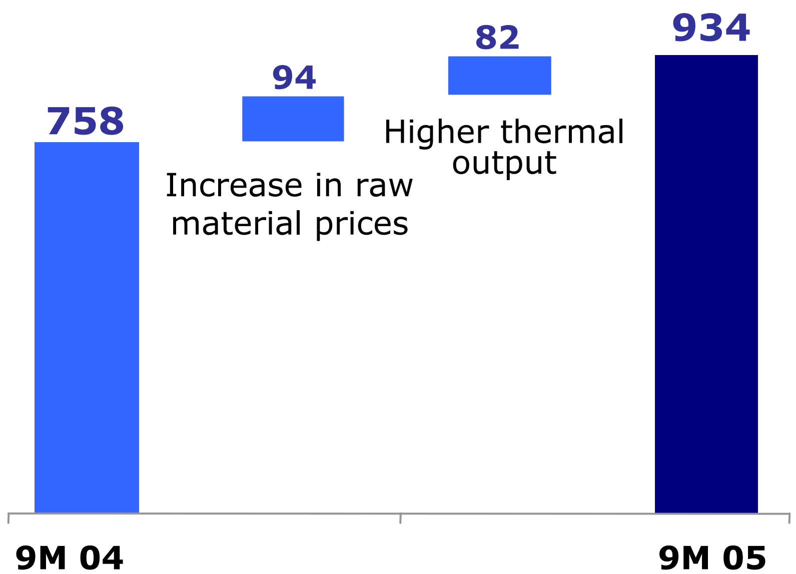
(*) Does not include pumping

Highly competitive mainland fuel costs

Breakdown of MAINLAND unit fuel costs

€/MWh	9M 04	9M 05	Increase
Nuclear	3.5	3.5	**1.6%**
CCGT	26.4	28.0 (2)	**6.2%**
Domestic coal (1)	17.7	23.1	**30.4%**
Imported coal	14.8	19.3	**30.7%**
Fuel	47.9	51.2	**6.8%**
Thermal average	14.5	18.1	**24.8%**
Total average	12.4	16.2	**30.2%**

Breakdown of fuel cost effects (€M)

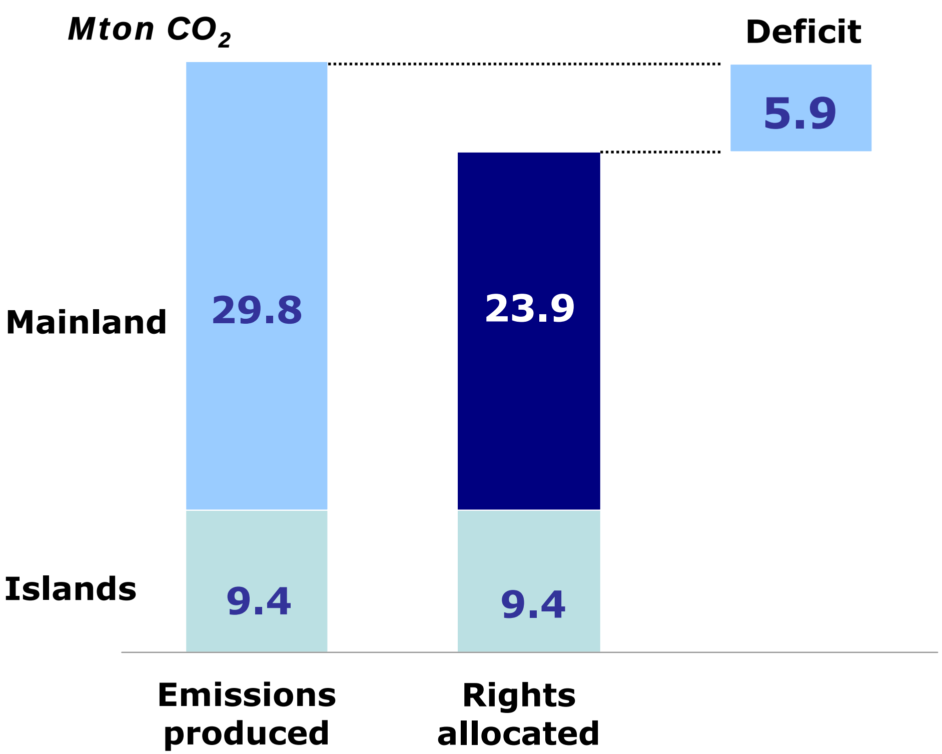


Half of the increase is due to higher thermal production deriving from low rainfall

Net of coal subsidies. Gross increase from €20.9/MWh to €24.1/MWh. Includes imported coal consumed in domestic coal plants
€24.2/MWh without including ATR, comparable to Iberdrola's data in pg. 35 of their 9M 05 presentation of 20 October 2005

Exceptionally high emission rights deficit due to low rainfall

Balance of emission rights in 9M 05

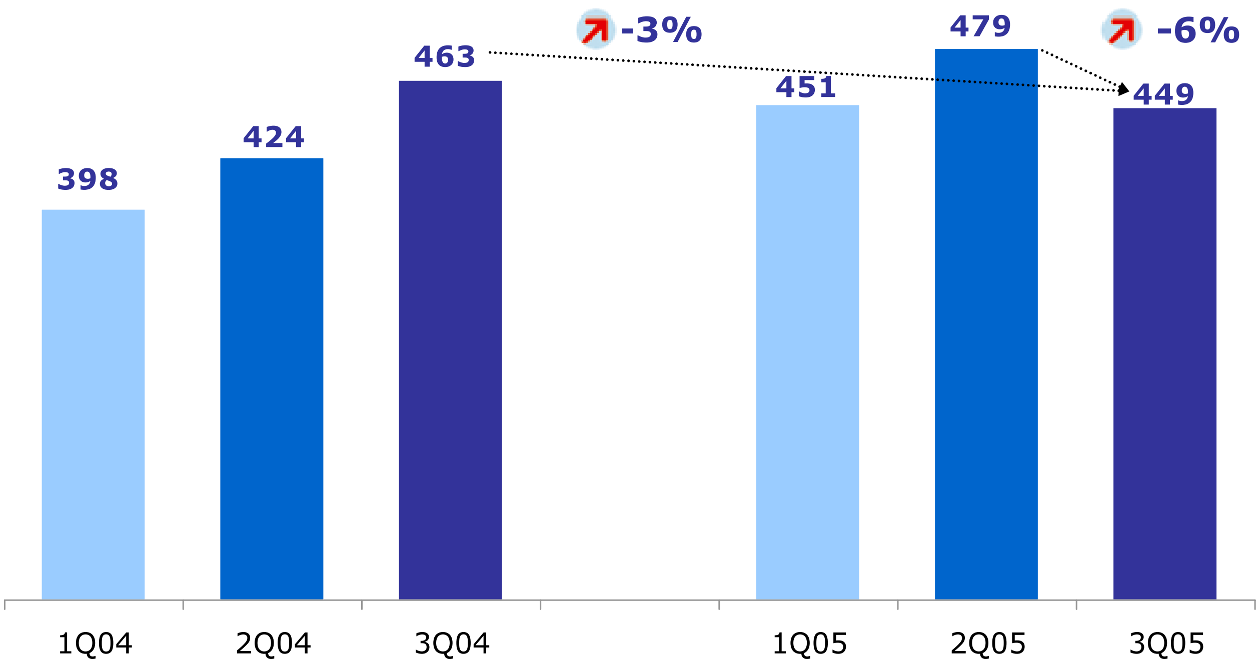


Economic impact in 9M 05

- Impact aggravated by adverse hydro conditions
- CCGTs consumed 77.3% of their annual allocated emission rights while coal plants have consumed 91.3%
- Rights deficit cost: €131M (1) (average cost of €22.0 per ton)[2]
- Limited impact on variable generation costs: €2.3/MWh

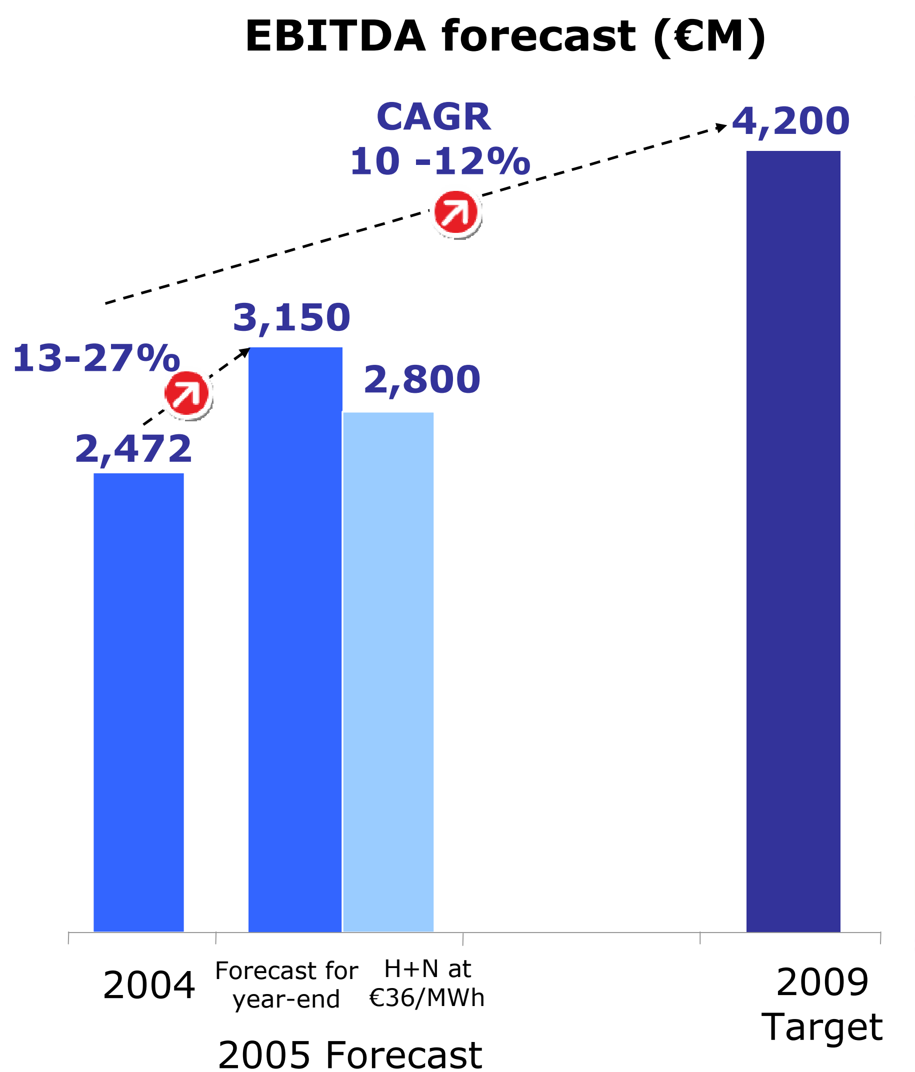
[1] *Before taxes*
[2] *Closing price: €22.85 per ton*

Fixed costs reduction in line with the announced Efficiency Improvement Plan



- Accumulated 9M 05 +7% (vs. +13% in 1S05)
- Quarterly expenses affected by accrual of pension commitments, which in 2004 were recorded in 4Q
- Lower growth in costs at the end of fiscal year
- Progress of Plan 60x5 in 9M 05: :
  - Margins improvement: €29M
  - Costs improvement: €34M

Significant progess in the accomplishment of the 2004-2009 Strategic Plan



- Upbeat prospects for 4Q05, underpinned by:
  - Efficiency plan
  - Performance of generation market
  - 4Q04 negatively affected by non-accrual of expenses and absorption of CTCs from previous quarters

endesa

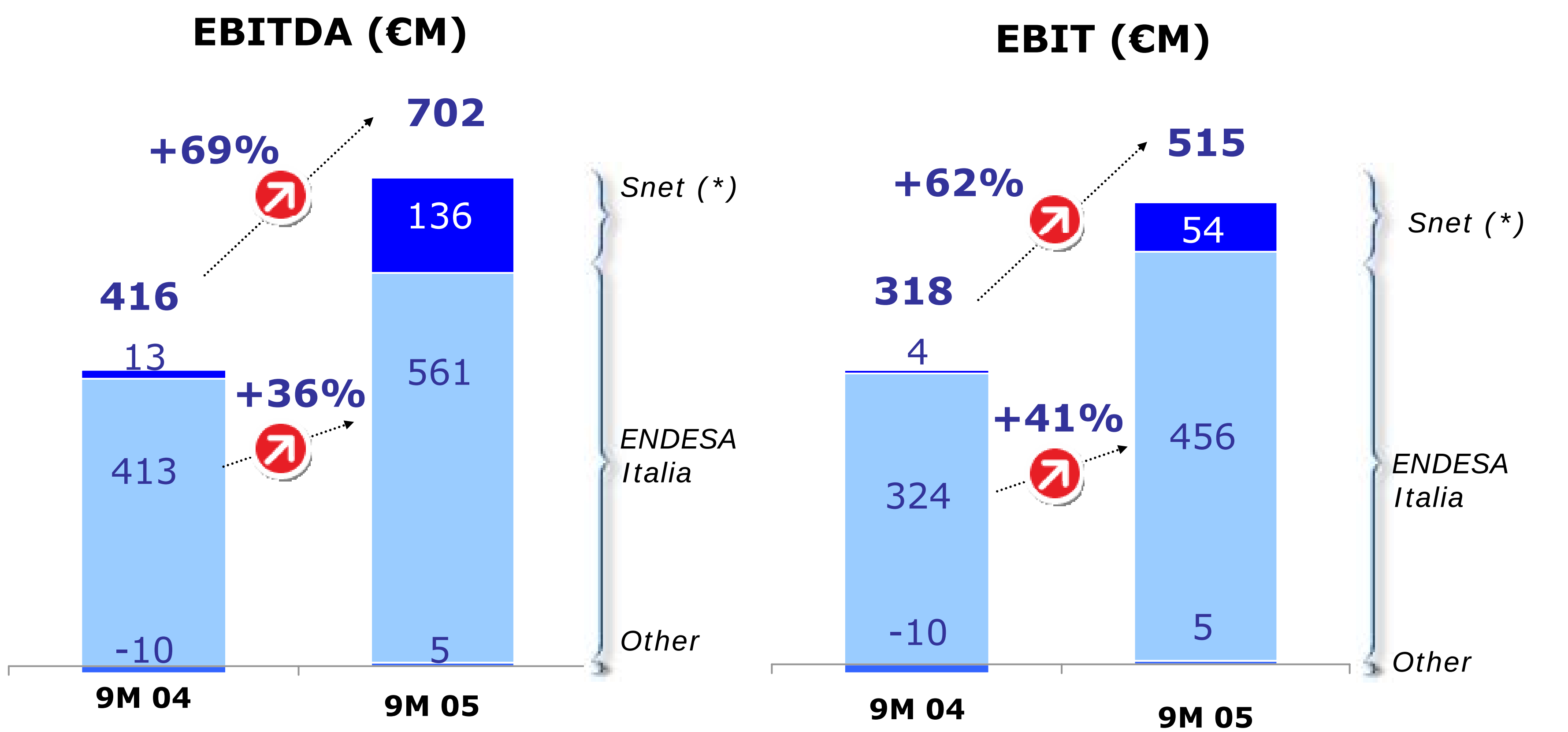
Endesa Europa

Member of Dow Jones Sustainability Indexes

Excellent results underscore strength of European electricity business

€M	9M 04	9M 05	Change
Sales	1,789	2,798	**+56%**
Gross margin	554	944	**+70%**
EBITDA	416	702	**+69%**
EBIT	318	515	**+62%**
Net financial expenses	-45	-44	**- 2%**
Net income	140	283	**+102%**

Sharp increase in net income of the European business



(*) Snet consolidation since September 2004. Growth Snet: EBITDA + 18%, EBIT + 53%

Highlights of the period

Italy

- Strong growth in generation +9%, electricity sales +18% and progress in renewables plan
- Sustained unit production margin (+3%) despite tougher competitive environment
- Completion of Ostiglia and Tavazzano repowering (2,400 MW CCGT now on stream)
- Recognition of €169M of stranded costs +€20M of Nigerian gas (+€45M* in 9M05 results)

France

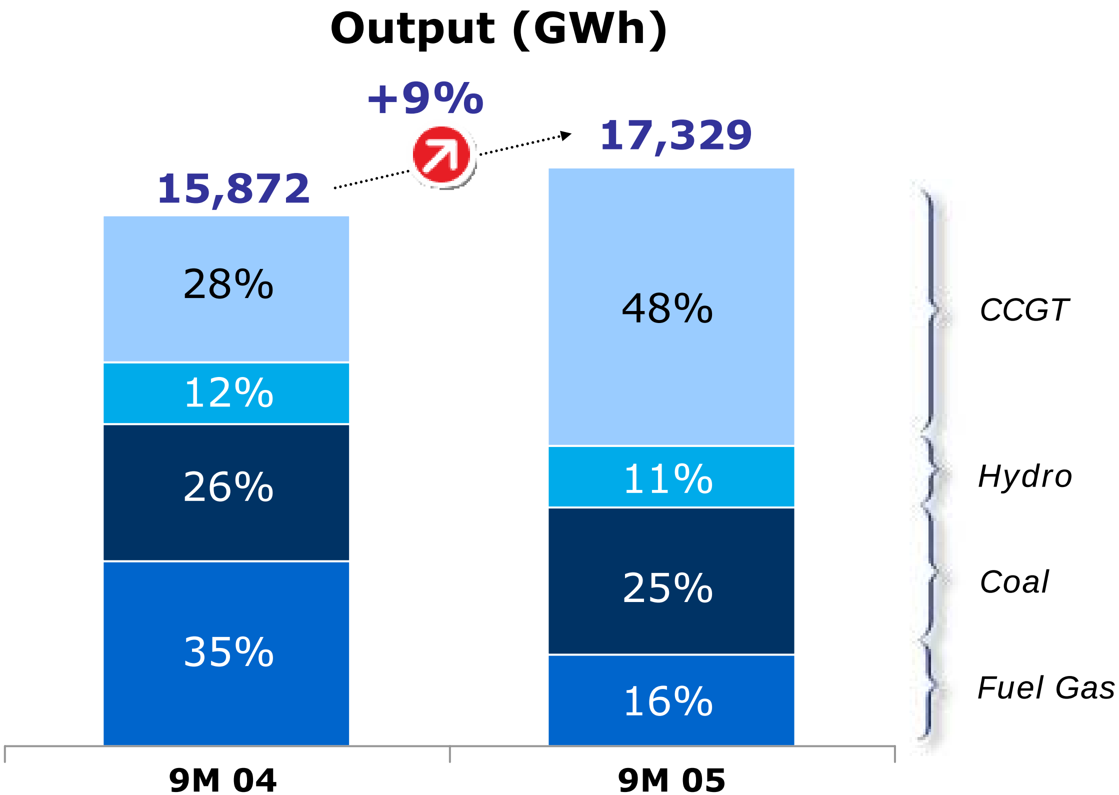
- Rollout of efficiency plan (savings in fixed costs: €18M)
- Market risk management (EDF contracts) boosts unit margin +13%
- Sidec disposal: €104M; net capital gain €26M

Energy management

- Interconnections management (Italy-France-Slovenia)
- Energy trading
- Arbitrage

(*) €20M correspond to Nigerian gas and €25M to plants

Italy: Increased activity and sustained unit margins



Capacity (MW)
+11%

Electricity sales (GWh)
+18%

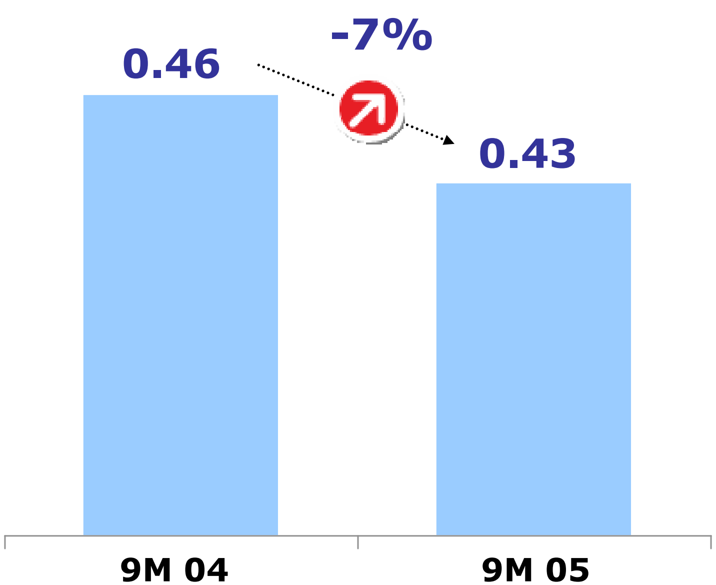
Sales Margin (€/MWh)
+3%

O&M costs (€/MWh)
-10%

- 700 MW of new wind power projects: 20 MW on stream, 316 MW signed (GAMESA, IDAS and MERLONI, of which 136 MW will come on stream by mid-2006), rest under development
- Option agreement signed for LNG terminal in Livorno (4bcm). 25% stake and right to 2bcm. The Monfalcone plant (8bcm) is under development

France: Efficiency improvement and market risk management

Efficiency (employee/MW)



Electricity sales (GWh)

-13%

Production margin (€/MWh)

+13%

EBITDA (€M)

+18%

O&M costs (€/MWh)

-19%

- EDF contracts: Energy sales optimization with better margins
- Progress in the Industrial Plan

Energy management

Management of interconnections
- RTE (France-Italy, 1,050 GWh)
- GRTN (France-Italy, 50 GWh)
- HSE (Slovenia-Italy, 168 GWh)

Supply to customers:
Portfolio of 10TWh in 2005

Trading operations in Europe that hedge rest of GEE activities: EEX (Germany), Powernext (France) and APX (Netherlands)

Fuel and CO_2 costs hedging and risk management

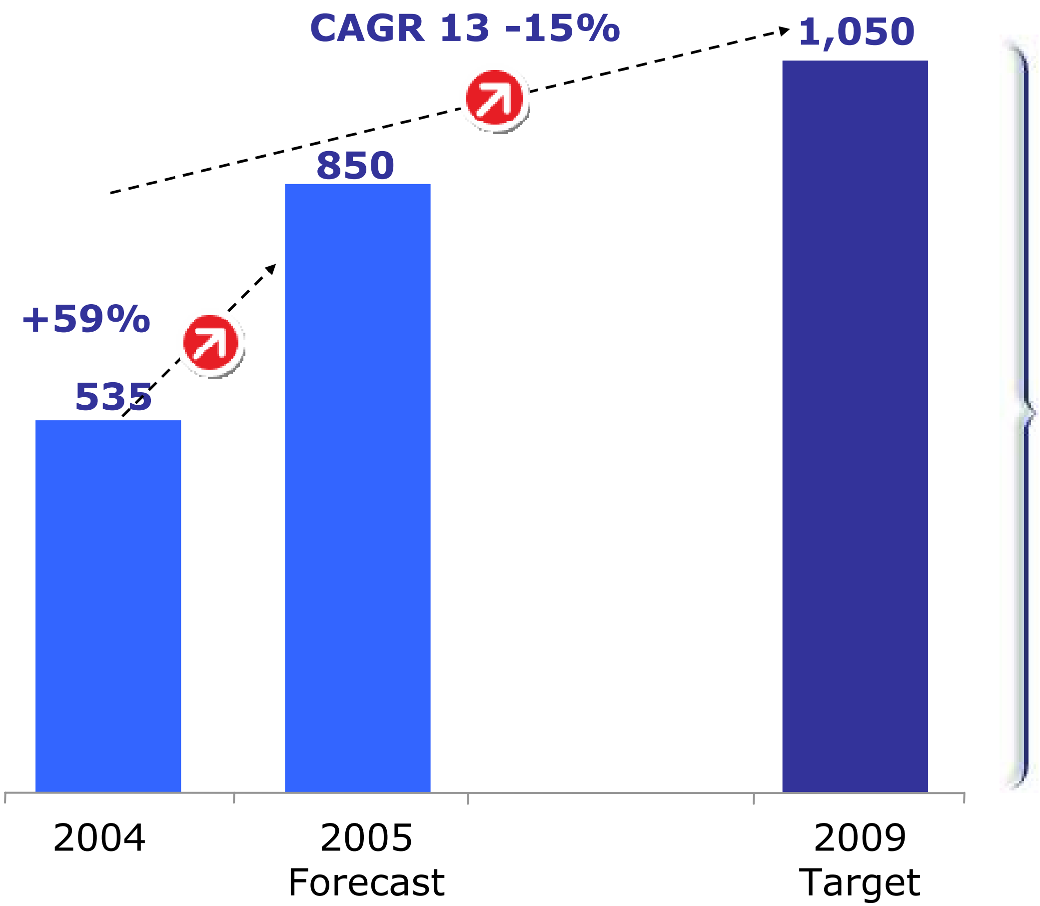
Net Income E. Trading: €20M

- Net Income E. Italia: €24M
- CO2 savings
- Margin growth

Net Income Snet: 5 M€
- Improved deviations

Significant progress in the accomplishment of the 2004-2009 Strategic Plan

EBITDA forecast (€M)



- EBITDA 2005 includes €58M of exceptional items
- Positive outlook for 4Q 2005.

Poland: DOLNA ODRA provides an opportunity to penetrate a highly attractive market

Strategic interest:
- Large emerging market with limited risk
- Scope to achieve critical mass and efficiency improvements

Targets
- Return > 12%
- Double EBITDA by 2009
- Accretive from outset

Description:
- Installed capacity: 1,960 MW
- Production in 2004: 5.1 TWh
- 100% coal from Silesia

EBITDA	2002	2005	Increm.
E. ITALIA	276	680	2.5 x
SNET	95	170	1.8 x
D. ODRA (2004)	63		2 x

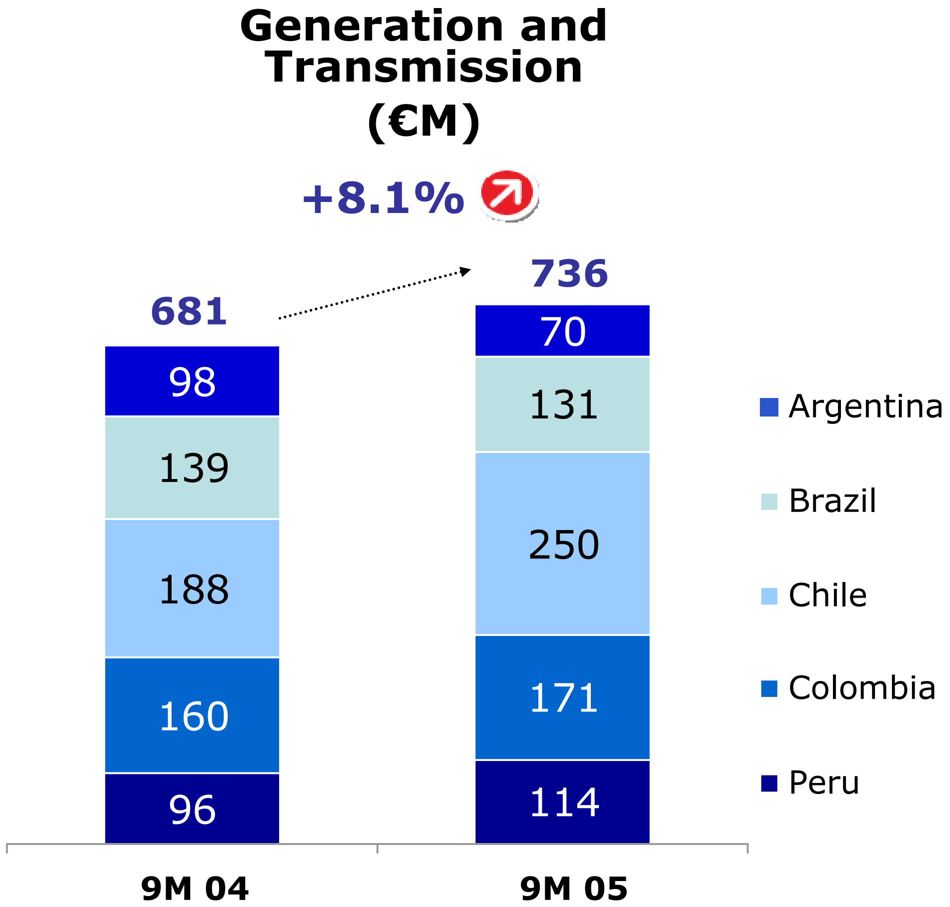
Process:
- Exclusive 4-week negotiation
- Possibility of local and financial partners

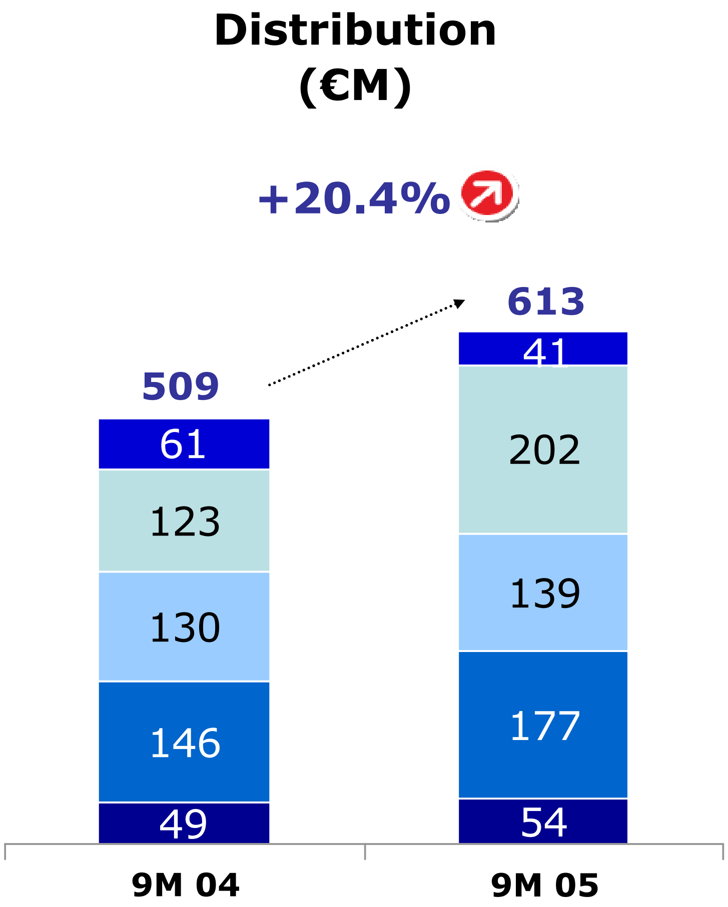
Endesa Latin America

Solid growth in earnings

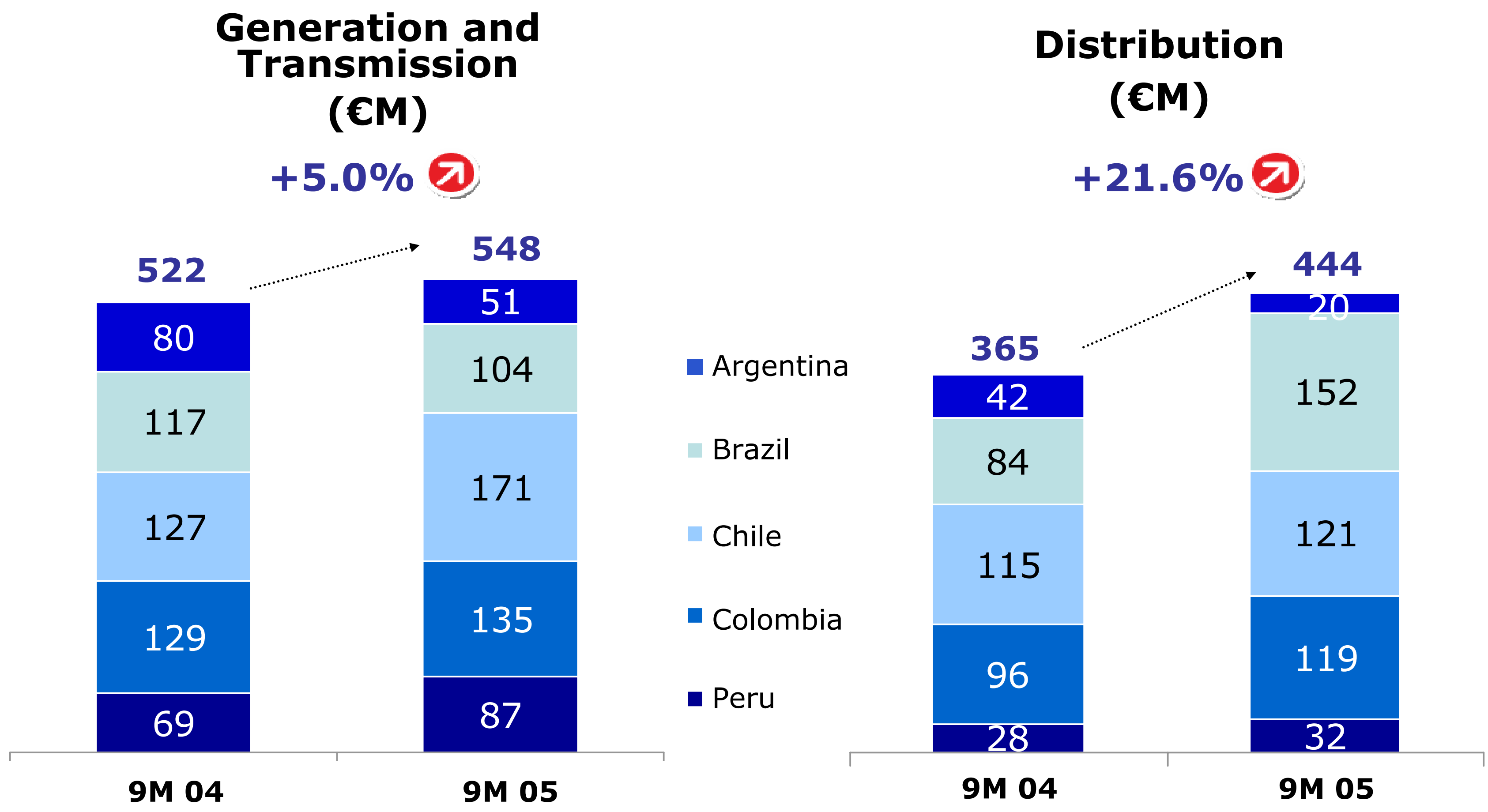
€M	9M 04	9M 05	Change
Sales	3,183	3,670	+15%
Gross margin	1,602	1,893	+18%
EBITDA	1,145	1,323	+16%
EBIT	840	964	+15%
Net financial expenses	-347	-362	+4%
Net income	109	186	+71%

EBITDA growth in all businesses and countries





EBIT growth in all businesses and countries



Highlights of the period

Favourable environment

- Widespread growth in sales (+5.5%) and production (+5.4%)
- Margin improvement
  - Increase in node prices in Chile
  - Improvement in rainfall from August
  - Tariff revisions at Coelce and Edelnor
- General currency appreciation

Shareholding & regulatory management

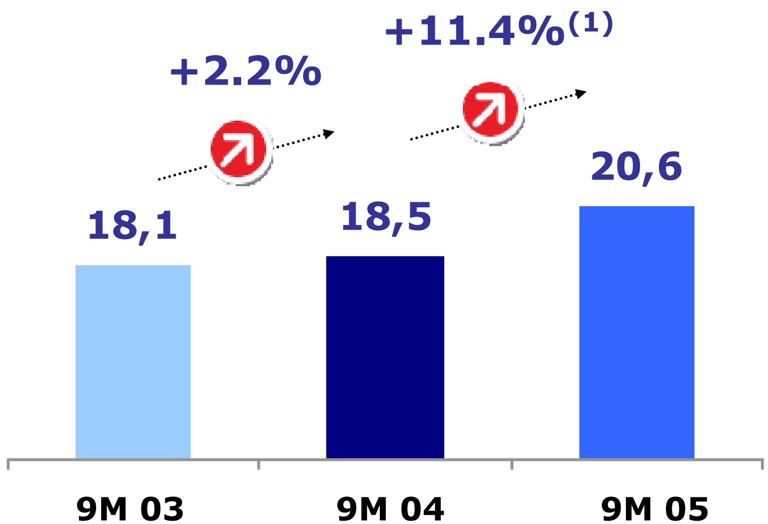
- Progress in key shareholding restructurings
  - Endesa Brasil set up, operating subsidiaries created
  - Chilectra-Elesur merger proceeding according to schedule
- Bright prospects in Argentina, but still some uncertainties
  - Edesur-Uniren agreement
  - Agreement to operate and manage generation projects (Foninvemem)
  - Negotiations between Argentina and Brazil to set up new interconnection framework

Financial optimization

- Increase in cash returns to Spain, in line with targets
- Rating upgrade and rise in ENI and EOC share prices

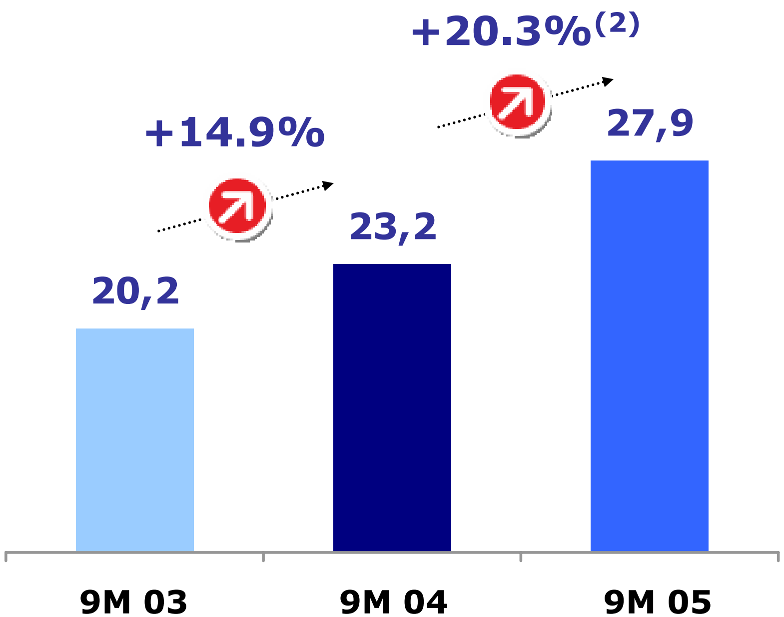
Growth in unit margins above announced targets

Generation margin USD/MWh



(1) In euros +8.0%

DAV distribution USD/MWh



(2) In euros +16.7%

Strategic Plan Growth

CAGR +4.5%(3)

(3) In euros +4.3%

CAGR +2.6%(4)

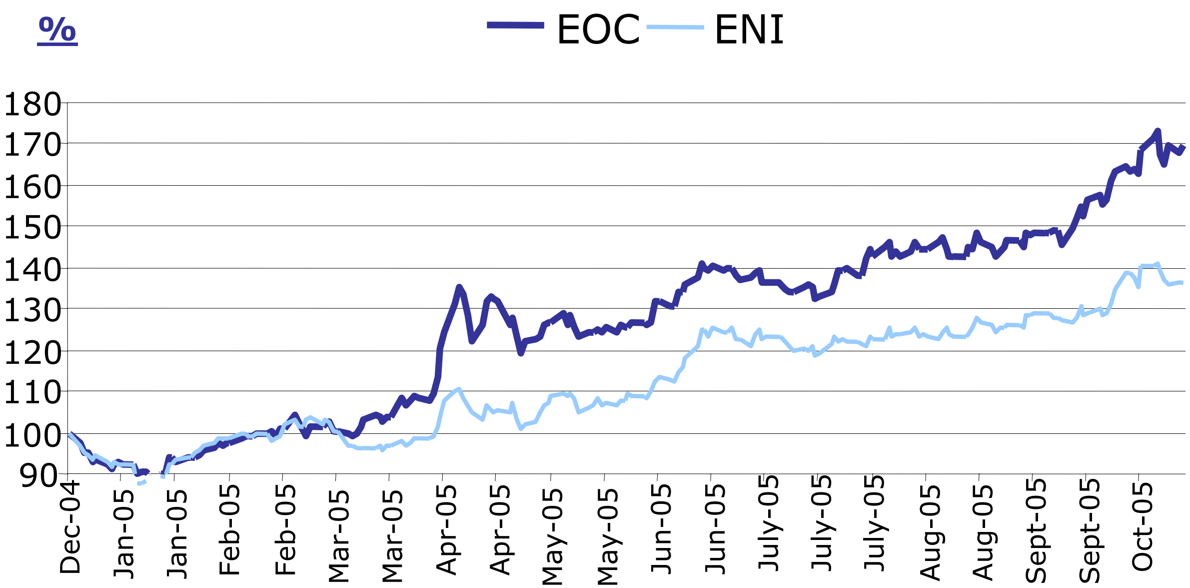
(4) In euros +2.3%

Cash returns in line with Strategic Plan

	USD M 9M 04	USD M 9M 05	2005-2009 Strategic Plan
Dividends received	15.9	53.2	**750**
Capital reductions	213.2	156.5	**250**
Total	**229.1**	**209.7**	**1,000**

Capital markets performance

Performance of ADRs (%)



Performance

ADRs	ENI	EOC
2004	15.6%	55.9%
Cum. 1H05	22.7%	36.5%
Cum. 9M05	34.4%	63.4%

Market cap

USD M	ENI	EOC
2003	4,737	3,224
2004	5,489	4,929
June 05	6,886	6,856
September 05	7,444	8,077

Rating

ENERSIS

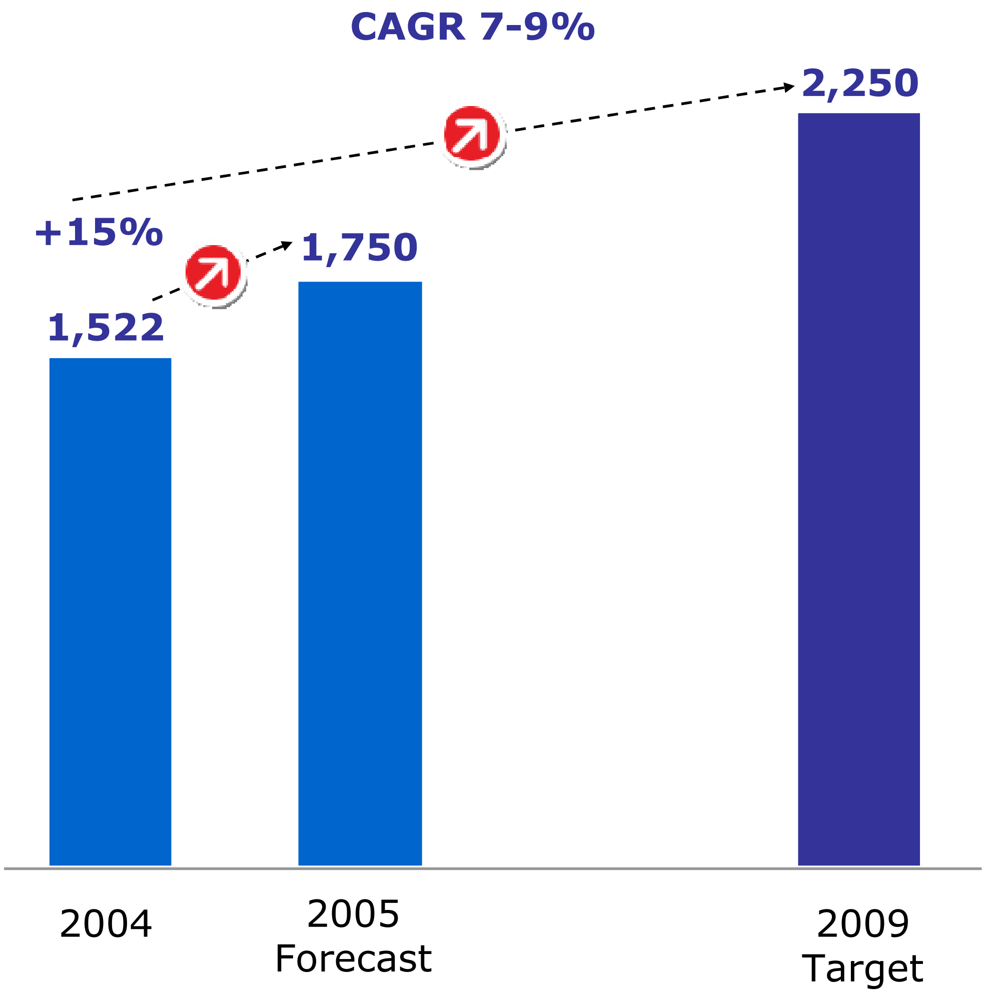
Moody´s	Ba1, Stable Outlook	**Ba1, Positive Outlook**
Rating	BBB- Positive	BBB- Positive

ENDESA CHILE

Moody´s	Ba1, Stable Outlook	**Ba1, Positive Outlook**
Rating	BBB- Stable Outlook	BBB- Positive

Significant progress with the 2004-2009 Strategic Plan

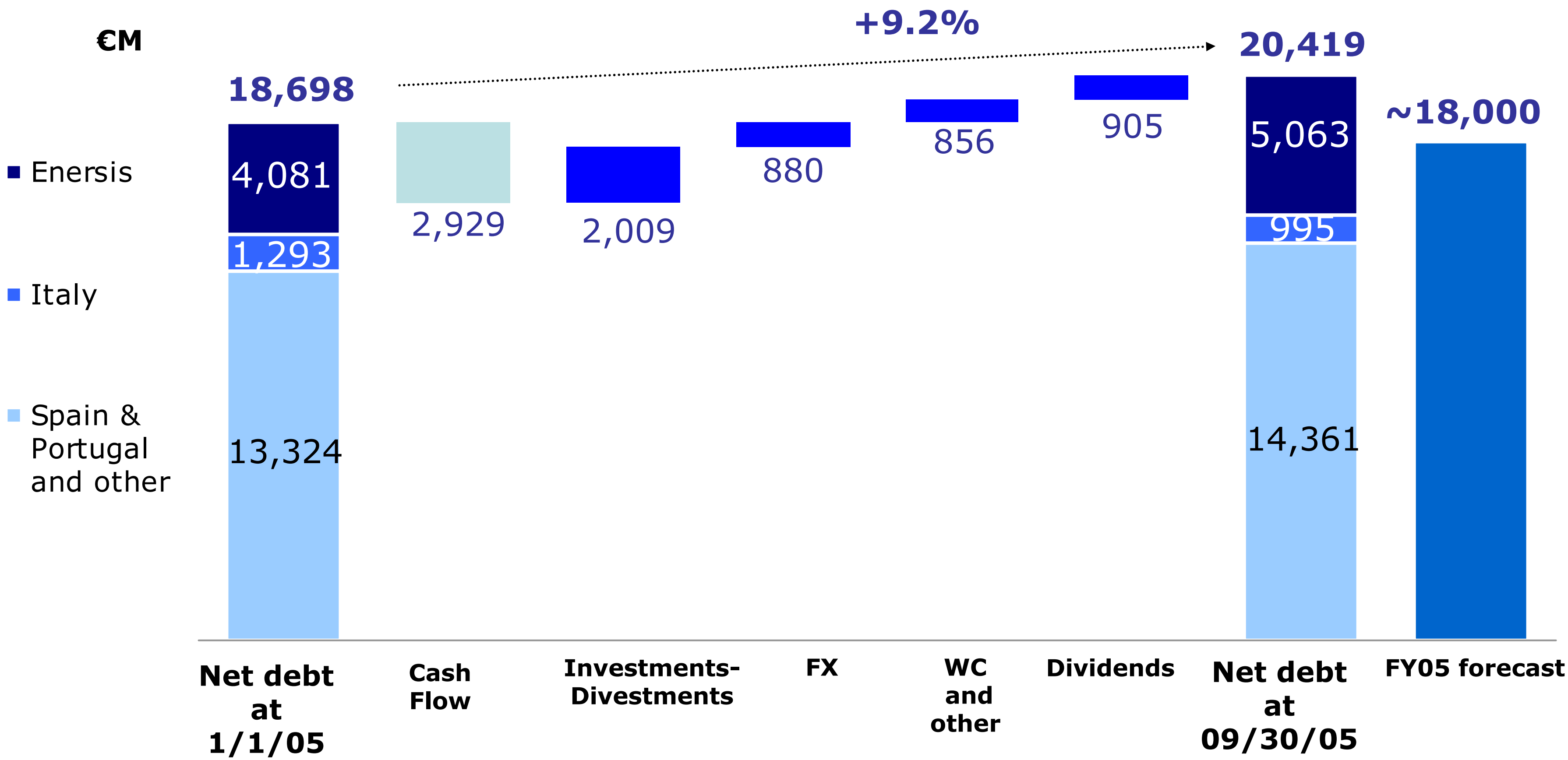
EBITDA forecast (€M)



- Favourable macroeconomic conditions:
  - Demand growth
  - Stable exchange rates
- Regulatory management:
  - Margins improving

Financial Analysis

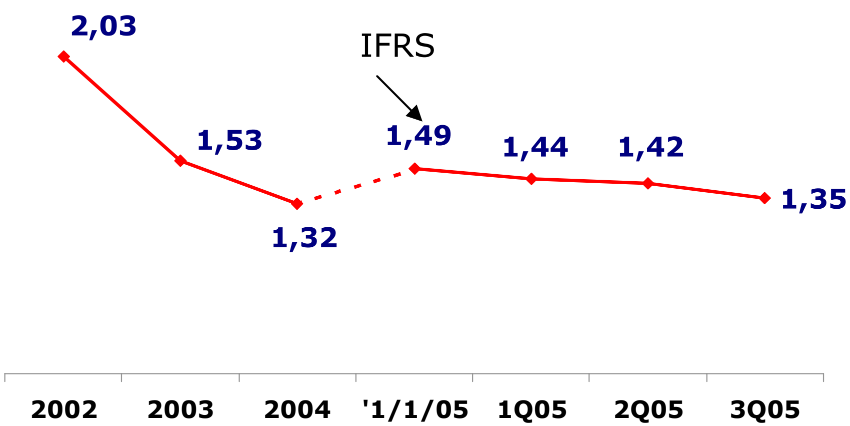
Moderate growth in consolidated debt despite financing of tariff deficit



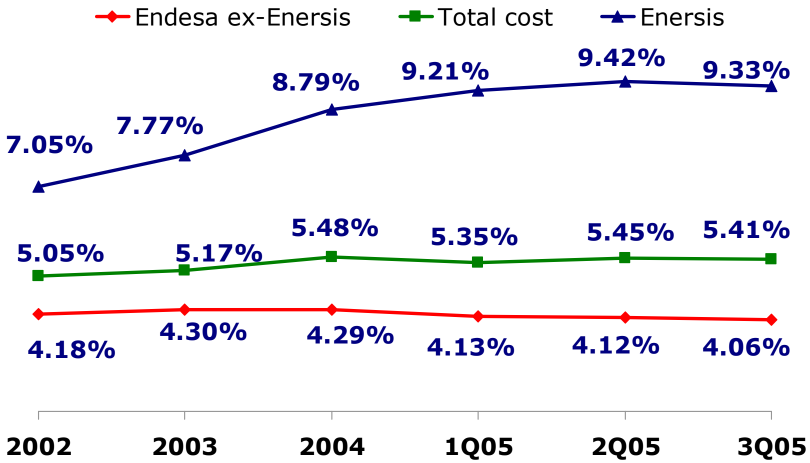
- In 4Q 05, +€2,221M of cash inflow from Auna disposal
- Tarriff deficit financing: €744M

Lower leverage and stable cost of debt

Financial leverage



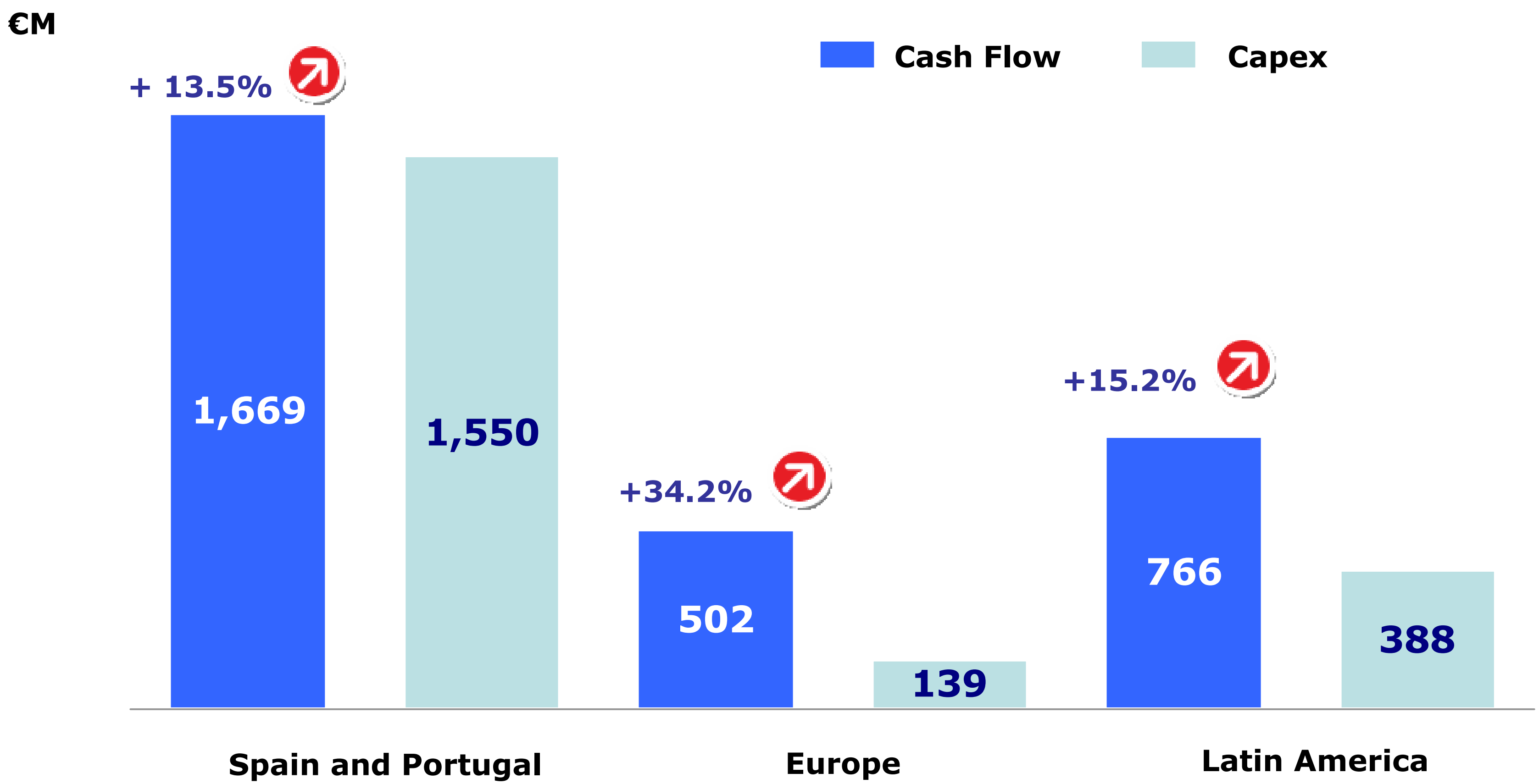
Cost of debt



Key aspects of the debt

- Average life: 5.4 years
- Improvement in EBITDA interest cover from 5.3x to 5.9x
- Lower cost of Group debt, based mainly on lower average cost of debt in Spain
- Net debt/EBITDA: 3.6x

9M 05: Positive cash flow in all businesses, exceeding capex needs



- Free Cash Flow before dividends of €570M
- Total financial investments of €342M

Disposal of telecoms business now completed

€M	Partial disposal of Auna	Smartcom disposal
Equity value (100%)	8,017	408
Stake sold	27.7%	100%
Sale price	2,221	408
Net capital gain	1,060	51

Endesa still holds 5.01% of Auna with a minimum gross capital gain of €179M

Dividends plan in line with targets in the 2004-09 Strategic Plan

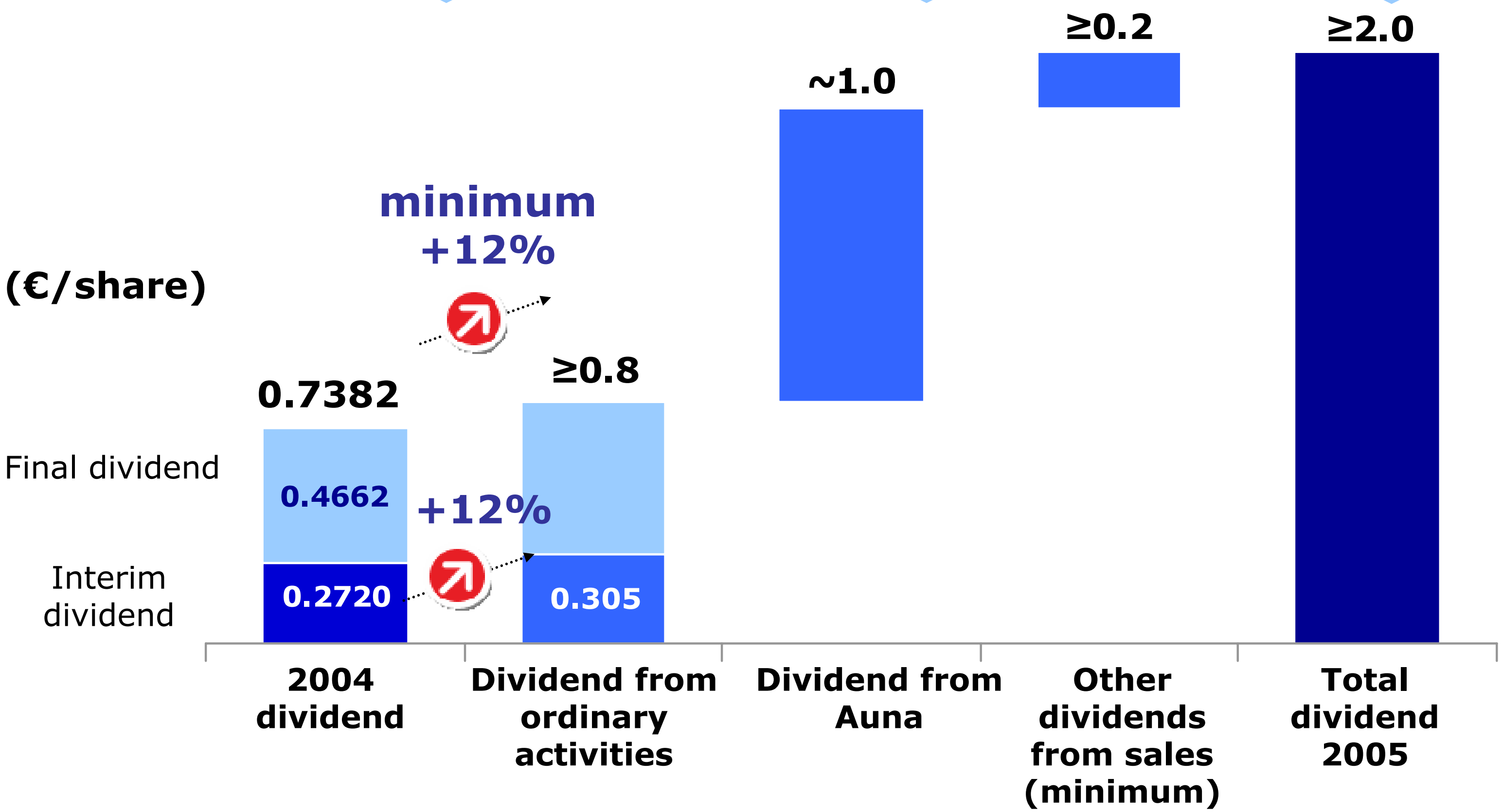
Dividends from ordinary activities CAGR > 12%

+

Dividends from disposals 100% pay-out of capital gains

=

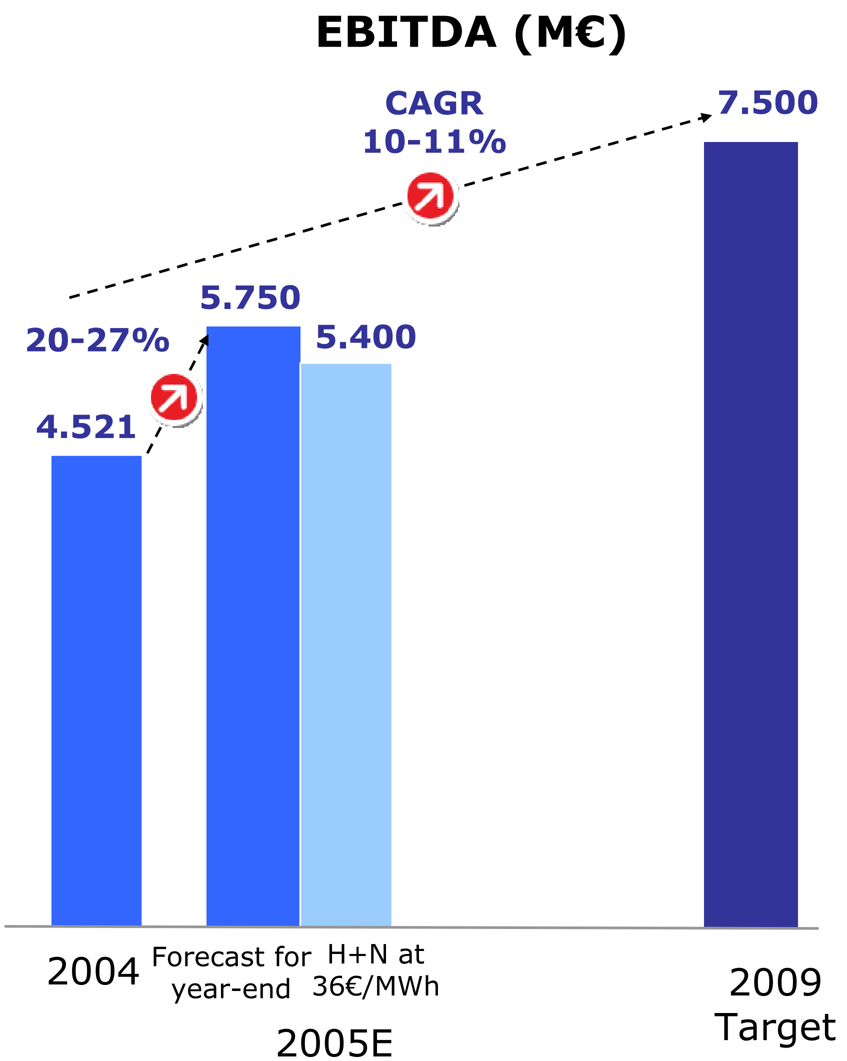
Minimum of 2 €/share



Note: Dividends policy subject to AGM's approval

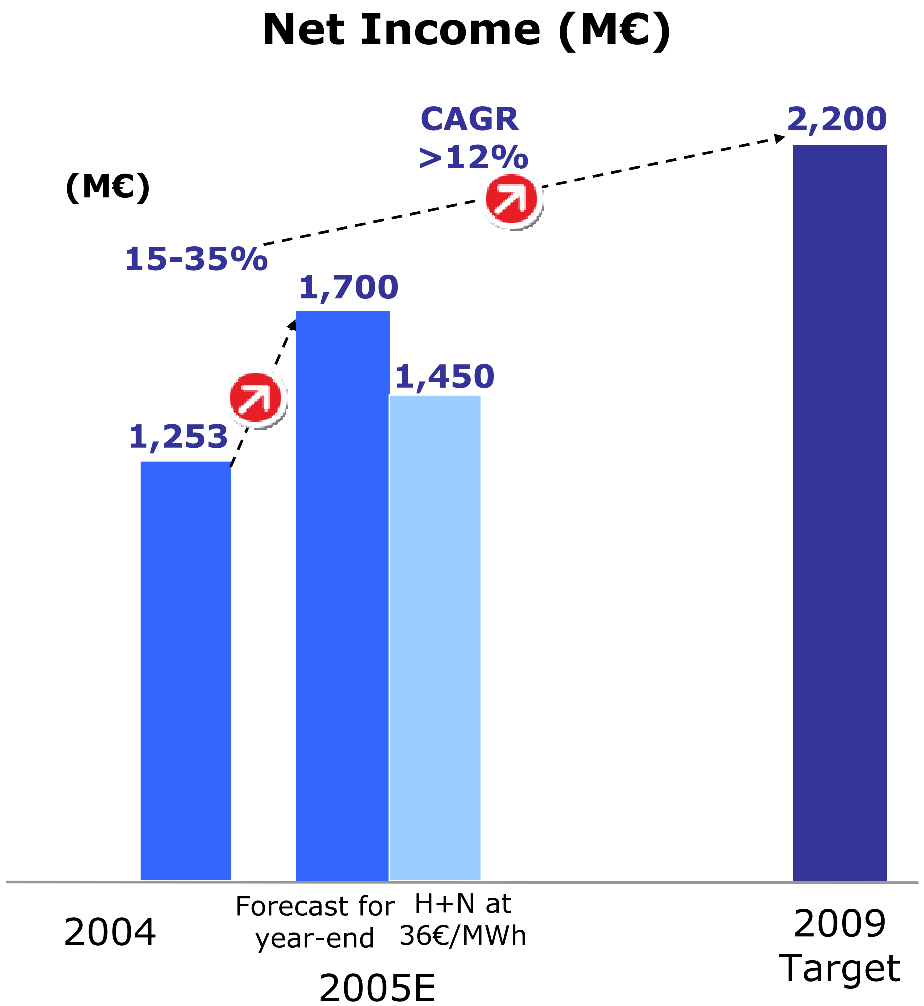
Conclusions

EBITDA growth above targets



- Growth above targets:
  - 2004-2009 Targets: 10-11%
  - 2005 Forecast: 20-27%

Net Income growth above targets



- Growth above targets:
  - 2004-2009 Target: >12%
  - 2005 Forecast
    - Excl. Auna: 15-35%
    - Incl. Auna*: >100%

** 2.760 – 2.510 M€*

Accomplishing our commitments with shareholders

	05 Forecast	Commitment Annual until 2009	Met
EBITDA Growth:	**>20%**	+10-11%	✓
Net Income Growth:	**15-35%(*)**	+12%	✓
Dividend from ordinary activities:	**≥12%**	≥12%	✓
Dividend from divestments:	**100% capital gains**	100% capital gains	✓
Financial Leverage:	**1,2**	<1,4	✓

Strong advance to fulfill dividends commitment: >€7,000M in 5 years

(*) Growth >100% including Auna's sale

Endesa: better project, more value

Gas Natural's offer is unacceptable

- Price clearly insufficient
- Payment with overvalued shares
- Project destroys value

Endesa offers a stronger business and greater value

- Shareholders' return: main priority
- Strong organic growth
- Management's team commitment

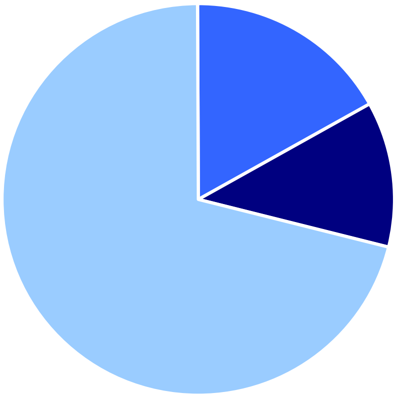
Appendix

Member of
Dow Jones
Sustainability
Indexes

2005-2009 Investment Plan

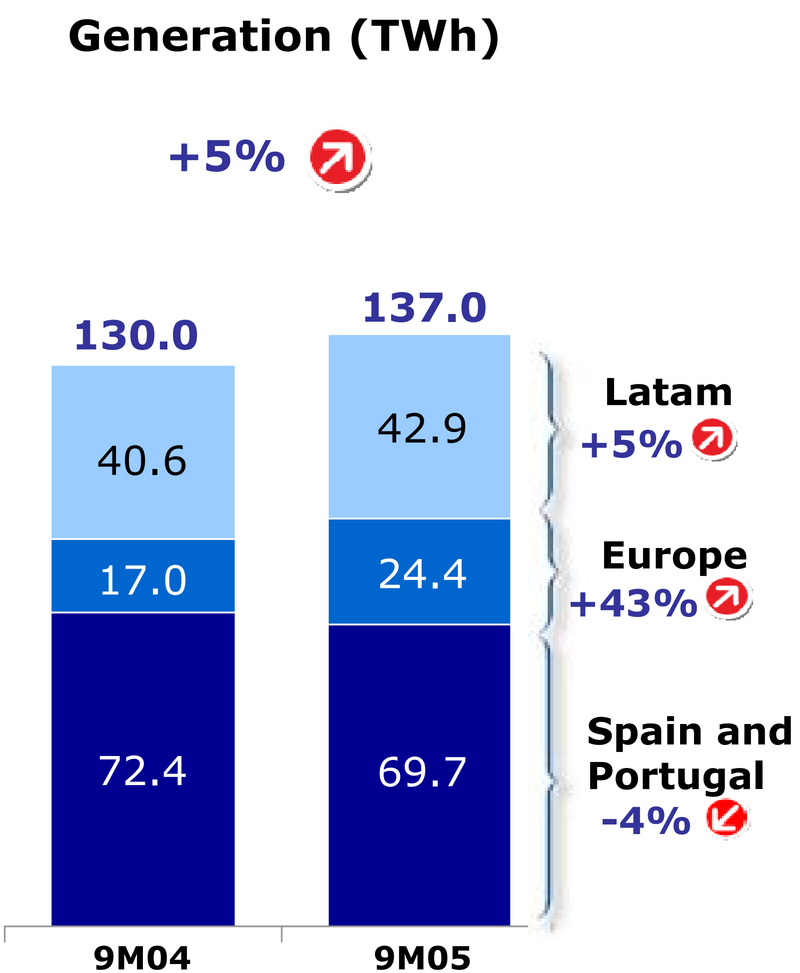
€ bn	2005	2005-09
Spain and Portugal	**2.5**	**10.3**
New capacity	0.9	4.6
Maintenance capex	1.6	5.7
European business	**0.4**	**1.8**
New capacity	0.4	1.4
Maintenance capex	0.0	0.4
Latam business	**0.5**	**2.5**
New capacity	0.2	0.5
Maintenance capex	0.3	2.0
Telecoms	**0.0**	**0.0**
TOTAL	**3.4**	**14.6**

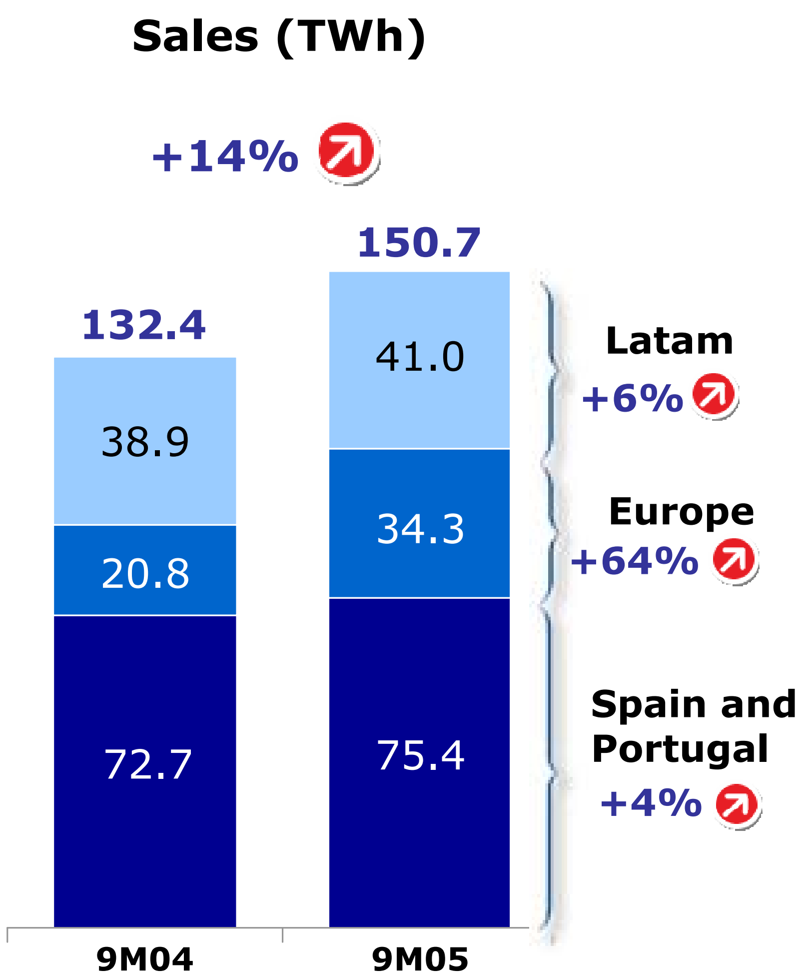
Total investment plan: €14,600M(1)



(1) Investments net of subsidies and surrenders of distribution business

Diversified portfolio provides steady growth in operating indicators

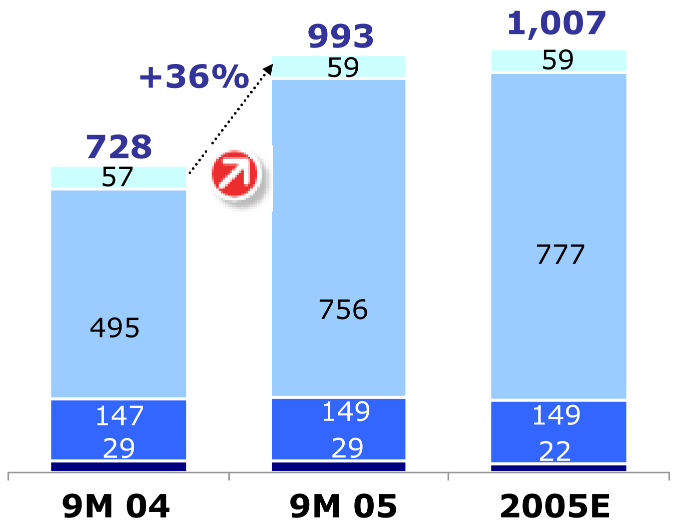




(*) Includes sales outside Spain: 3,059 GWh vs. 2,711 GWh previous year

Growth in Renewables/CHP

Capacity (MW)*



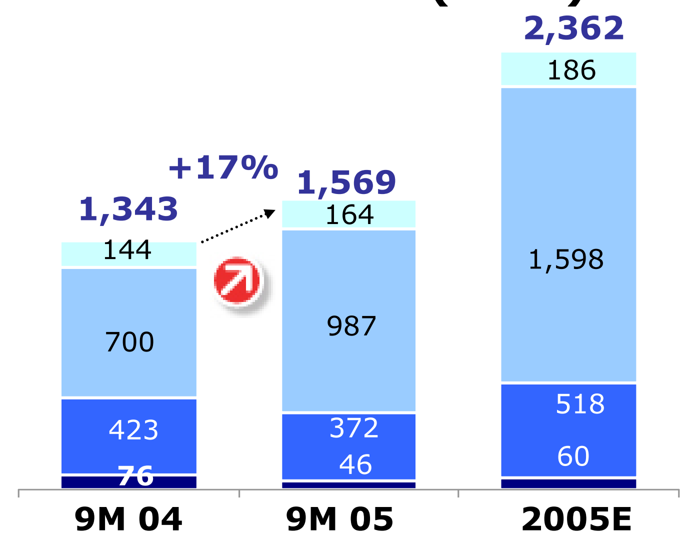
Cogen

Wind

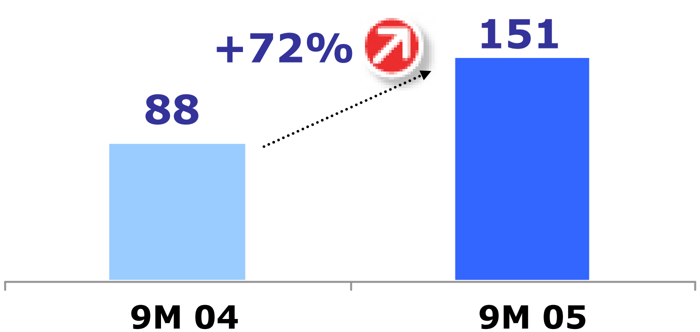
Mini Hydro

Other

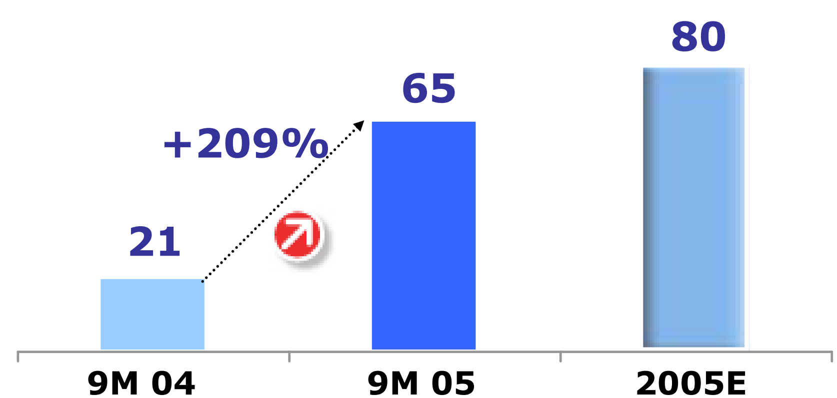
Production (GWh)*



Sales (€M)

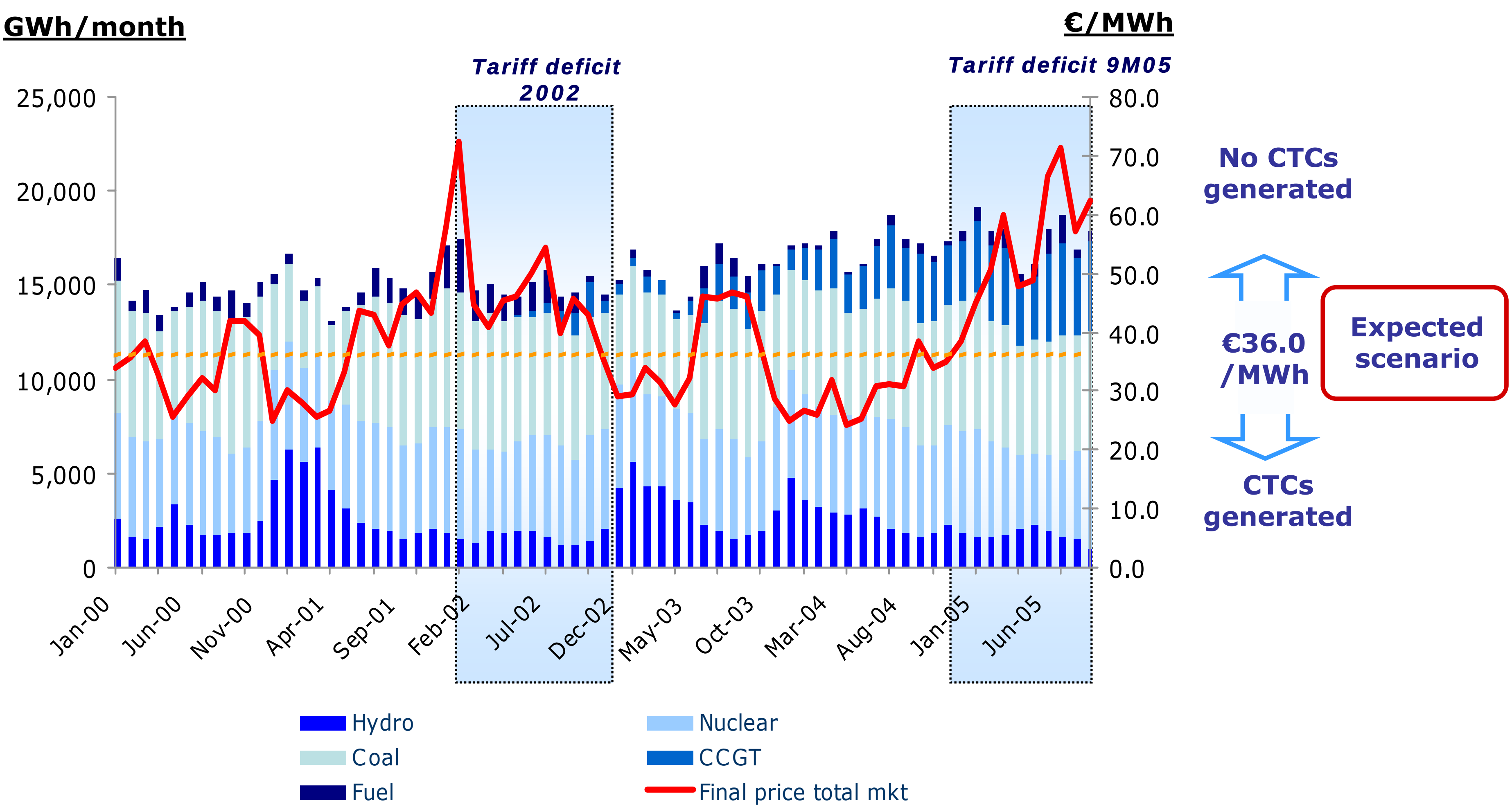


EBIT (€M)



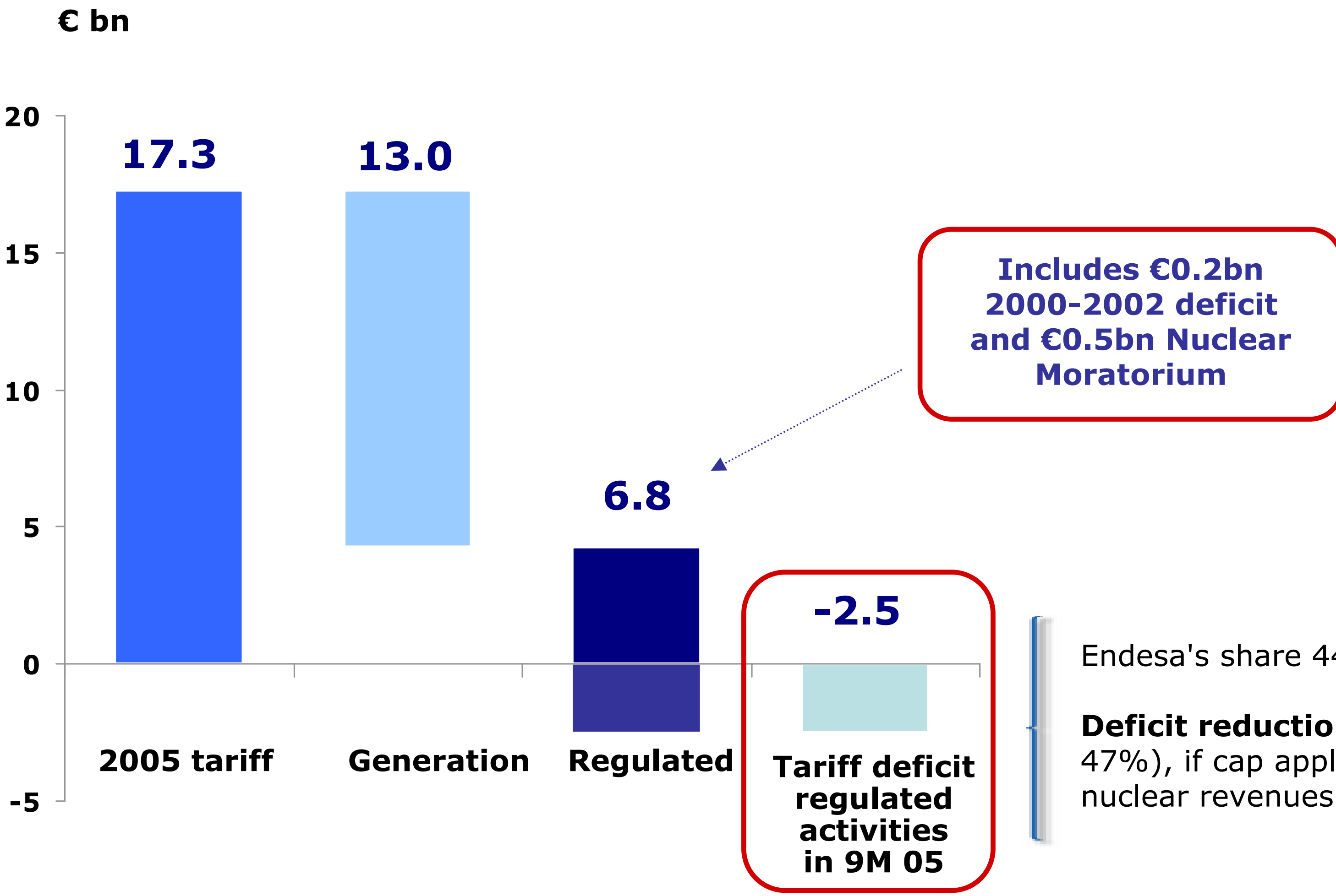
*100% of projects that Endesa consolidates via global consolidation

The new pricing context means no CTCs are generated



Insufficient tariff to contain the deficit which is reaching an unsustainable level

2005 tariff: Main components



Endesa's share 44%: €1,104M

Deficit reduction of €1,300M (-47%), if cap applied to hydro and nuclear revenues

Note: The breakdown of the regulated component excludes 2005 deficit

Positive outlook in front of regulatory problems in the sector

Diagnosis of the regulatory situation (consensus)

- Absence of effective deregulation due to tariff cap
- Inefficiencies in the wholesale market (e.g. CTCs and restrictions)
- Regulator suspicious about the credibility of market prices
- Non-profitable regulated activities

The tariff does not automatically transfer the market price to end user

Possible transitory period (until 2010?)

- A truly competitive and believable market
- CTCs recuperation mechanism unnecessary
- Cap on revenues from hydro and nuclear power:
  - ✓ Helps to limit tariff increases
  - ✓ Mitigates the effects of market concentration on price
- Additive tariff
- Increase in remuneration of regulated activities

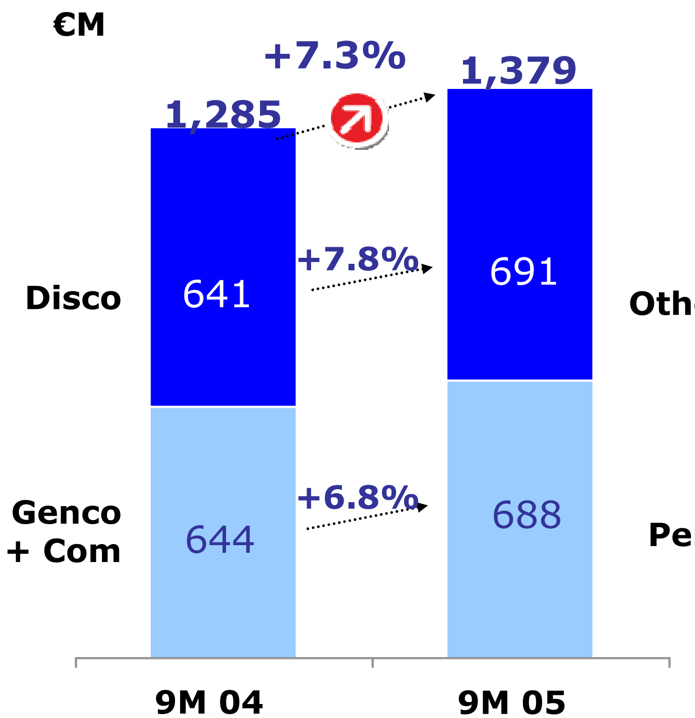
Improved economic fundamentals in the sector

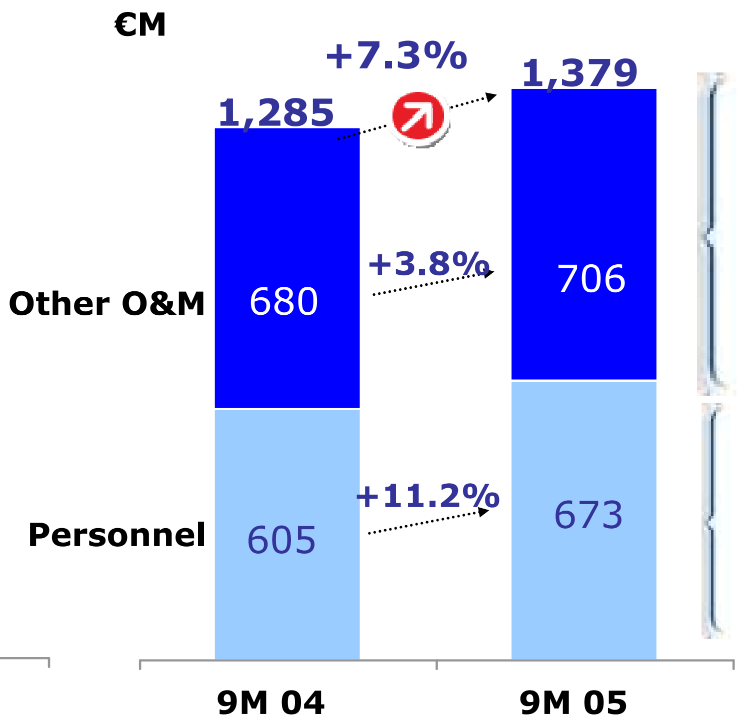
ENDESA's regulatory proposal

- Complete and effective deregulation of the sector and prices
- Competitive market
- Removal of tariff
- Regulated activities with reasonable profitability

Complete deregulation of the sector

Fixed costs evolution

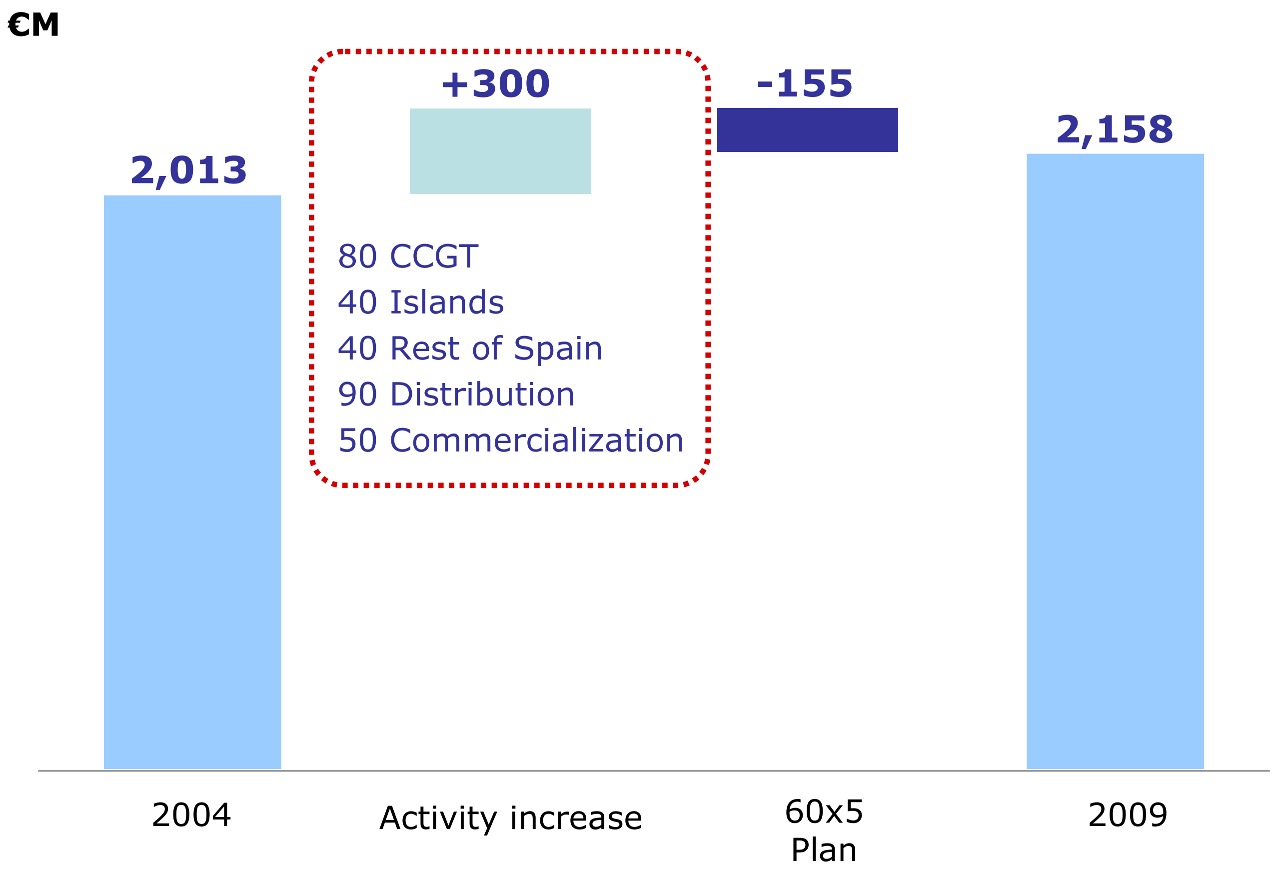




- Higher costs for new capacity in the islands €19M
- No growth of O&M costs in Distribution
- Absorption of activity increase in ECYR without increasing costs

- Pensions and employment regulation +€37M due to accrual

60x5 efficiency plan partially compensates the cost increase derived from growth



Spain: EBITDA Growth 2004-2009

EBITDA Growth 04-09: €1,728M

- Increased activity and margins: **+€1,158M**
  - Increased EBITDA generation activity: **€+948M** → See next page
  - Increased distribution activity: **+€210M**
    - Increased revenues: **+€300M**
      - $\underbrace{1.720M€}_{\text{2004 remun.}} * \underbrace{(1,033^5-1)}_{\text{Dx Fórmula}}$
    - Increased O&M costs: **-€90M**
  - Increased commercial. activity: **€0M**
    - Increased margin: **+€50M**
    - Increased O&M costs: **-€50M**
- Improved operating Efficiency: **+€320M**
  - Improved contribution margin: **+€165M** (included in Increased activity and margins)
  - Cost improvement: **+€155M**
- Regulatory Improvement: **+€250M**
  - Distribution: **+€300M**
  - Islands generation: **+€150M**
  - Limited revenues from nuclear and hydro : **-€200M**

Spain: EBITDA Growth 2004-2009

Increased activity and generation margin: **+€948M**

Ordinary mainland regime: **+518 M€**

Higher contribution margins in ordinary mainland regime **+598 M€**

		2004	2009	Dif.
Output	GWh	80,756	82,756	2,000
Unit gross margin	€/MWh	21.3	28.0	6.7
- Market revenue		34.8	47.2	12.4
- Varible costs (incl. CO2)		13.5	19.2	5.7
Gross Margin	€M	1,720	2,318	**598**

Higher O&M costs: **-80 M€**

$\underbrace{\text{+8 CCGTS}}_{\text{Output Increase}} * \underbrace{\text{10 Mill. €/CCGT}}_{\text{Prod. margin}}$

Ordinary islands regime: **+€120M**

Incr. Product (1): **+€160M**

$\underbrace{\text{+4TWh}}_{\text{Output Increase}} * \underbrace{\text{€40/MWh}}_{\text{Prod. margin}}$

Higher O&M costs(2): **-€40M**

$\underbrace{\text{+4TWh}}_{\text{Output Increase}} * \underbrace{\text{€10/MWh}}_{\text{Fixed cost €/MWh}}$

Special regime: **+€310M**

Increased revenues: **+€350M**

$\underbrace{\text{+4TWh}}_{\text{Incr. activity}} * (\underbrace{\text{€47/MWh}}_{\text{Pool price}} + \underbrace{\text{€40/MWh}}_{\text{50\% tariff}})$

Increased O&M costs: **-€40M**

$\underbrace{\text{+4TWh}}_{\text{Incr. production}} * \underbrace{\text{€10/MWh}}_{\text{Fixed cost €/MWh}}$

Note: The presentation of October 3th, 2005 broke down the increase in Ordinary Regime in three effects (480+440-282=638), which corresponds to the sum of the increases in mainland O.R. (518) and island O.R. (120) here displayed.

The key assumptions to calculate the increased EBITDA are "conservative"

Hypothesis regarding increased activity

- Increase in mainland output in ordinary regime of **only 2,000 GWh** with 3,200 MW of new installed capacity:
  - ✓ 16,000* GWh increase in CCGTs
  - ✓ 14,000* GWh reduction in coal and fuel-gas
- Increased production in the islands based on growth demand (6% annual)
- 2,200 hours of utilization of new renewable/CHP installations (4,000 GWh production for 1,800MW installed)
- Increase in demand 2004-2009: 4% CAGR
- O&M costs increase linked to activity increase: **€300M**

Market assumptions regarding various commodities in 2009

- Price of electricity market €47/MWh
  - ✓ In line with forward curves in whole of Europe
  - ✓ Cost of new entrant or long term marginal cost
  - ✓ Spark spread: €20/MWh
  - ✓ Clean spark spread: €10/MWh
- Cost of thermal fuel technologies (excl. CO_2)
  - ✓ CCGT €31/MWh
  - ✓ Coal €21/MWh
- NAP which assigns Endesa 50% of its requirements. Cost of acquiring emission rights: €18/tonne

(*) Output based on an equal utilization rate for coal and CCGT plants in 2009 (5,000 hours) despite higher expected competition in for coal (conservative scenario).

Increase in gross margin in mainland generation business

Performance of production and fuel and CO_2 production costs

Gross margin performance

2004

	Production (GWh)	Cost fuel (€/MWh)
Hydro	10,310	3.6
Nuclear	25,567	3.5
Thermal	44,879	21.4
TOTAL	**80,756**	**13.5**

- **Unit gross margin: €21.3/MWh**
  - Market revenue: €34.8/MWh
  - Variable cost -€13.5/MWh
- **Production: 80,756 GWh**
- **Gross margin: €1,720M**

2009

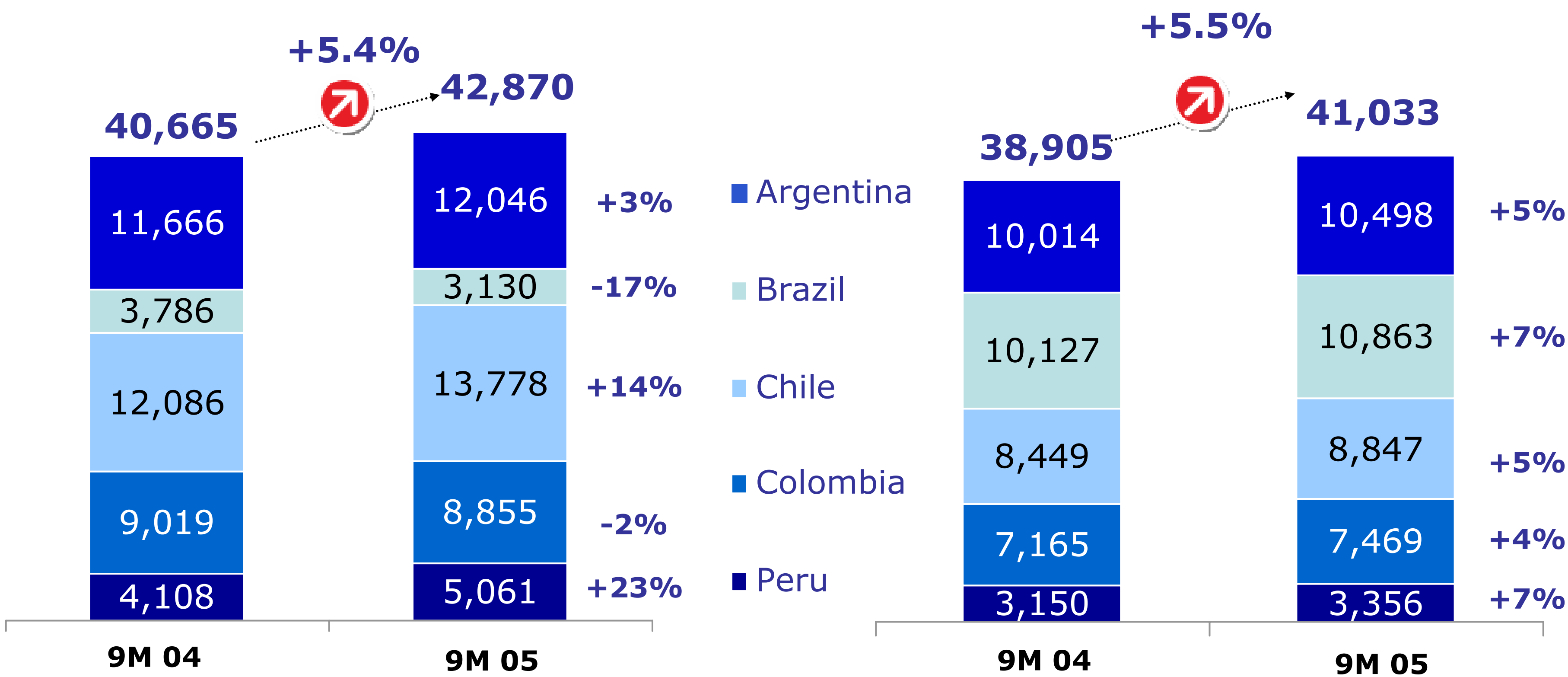
	Production (GWh)	Cost fuel (€/MWh)	Cost of CO2 (€/MWh)
Hydro	10,310	3.2	0.0
Nuclear	25,567	3.6	0.0
Thermal	46,879	25.5	5.6
TOTAL	**82,756**	**16.0**	**3.2**

- **Unit gross margin: €28.0/MWh**
  - Market revenue: €47.2/MWh
  - Variable cost -€19.2/MWh
- **Production: 82,756 GWh**
- **Gross margin: €2,318M**

Difference gross margin 2004 – 2009: +€598M

Strong growth in production and sales

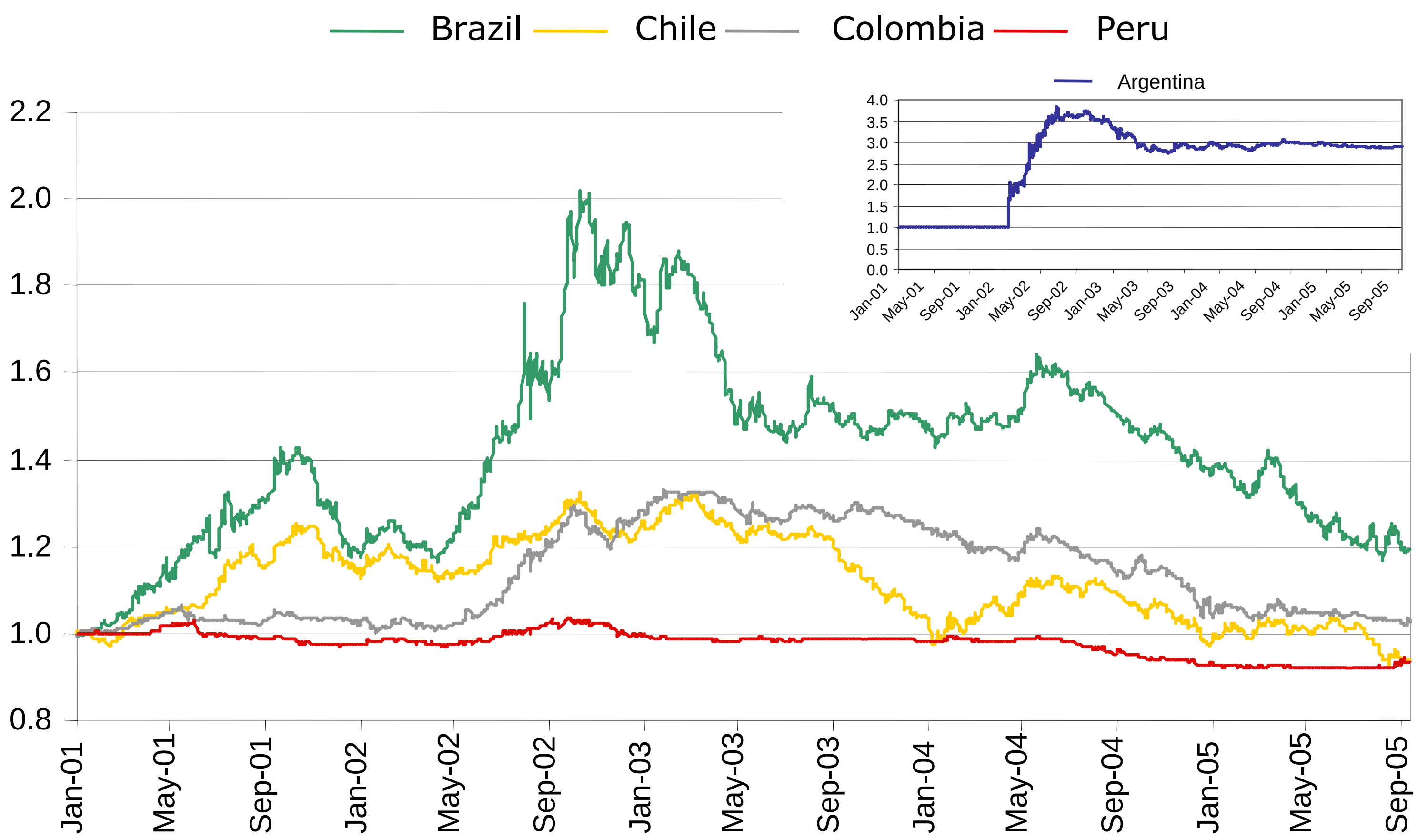
Generation (GWh) **Distribution (GWh)**



2004-2009 Strategic Plan

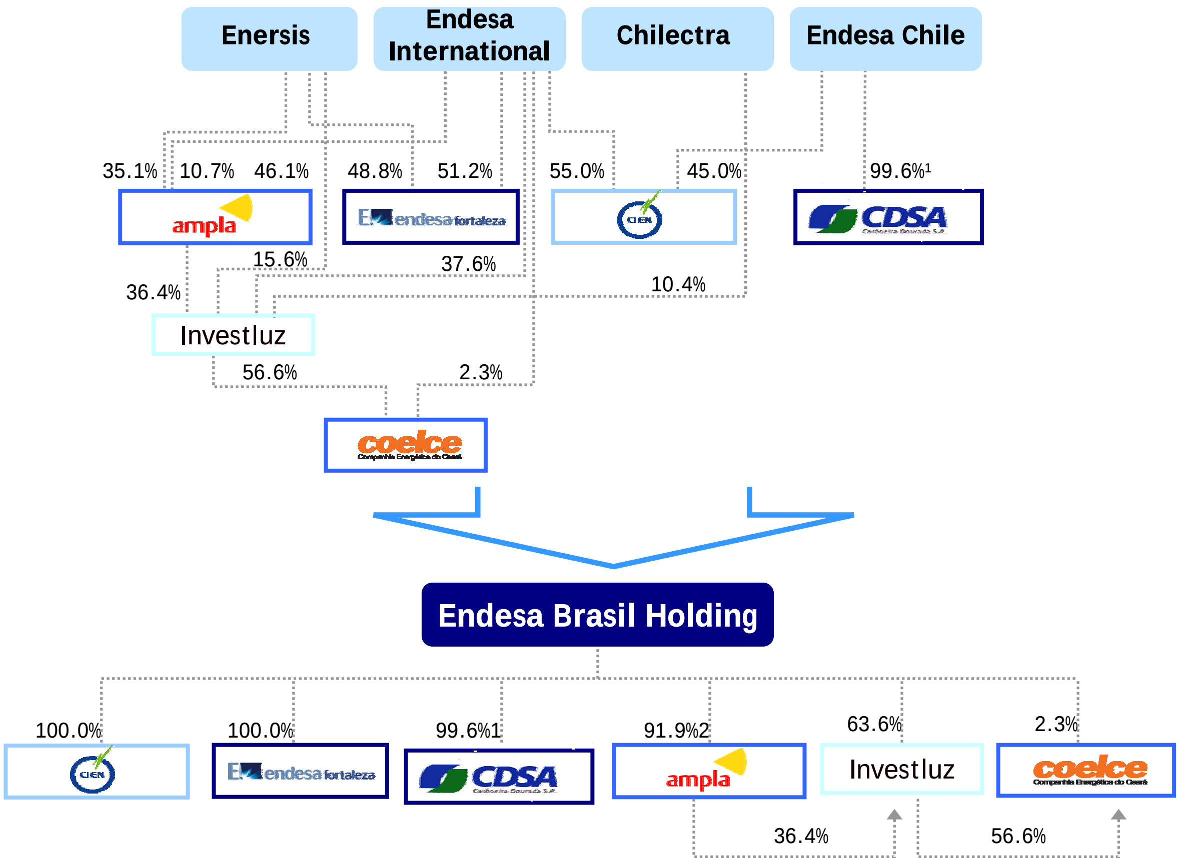
CAGR +3.5% **CAGR +5.0%**

Currency recovery and stability vs. US$



Advance in the previously announced shareholding restructuring

1) Brazil (creation of a holding company)



- Holding already set up and subsidiaries already contributed

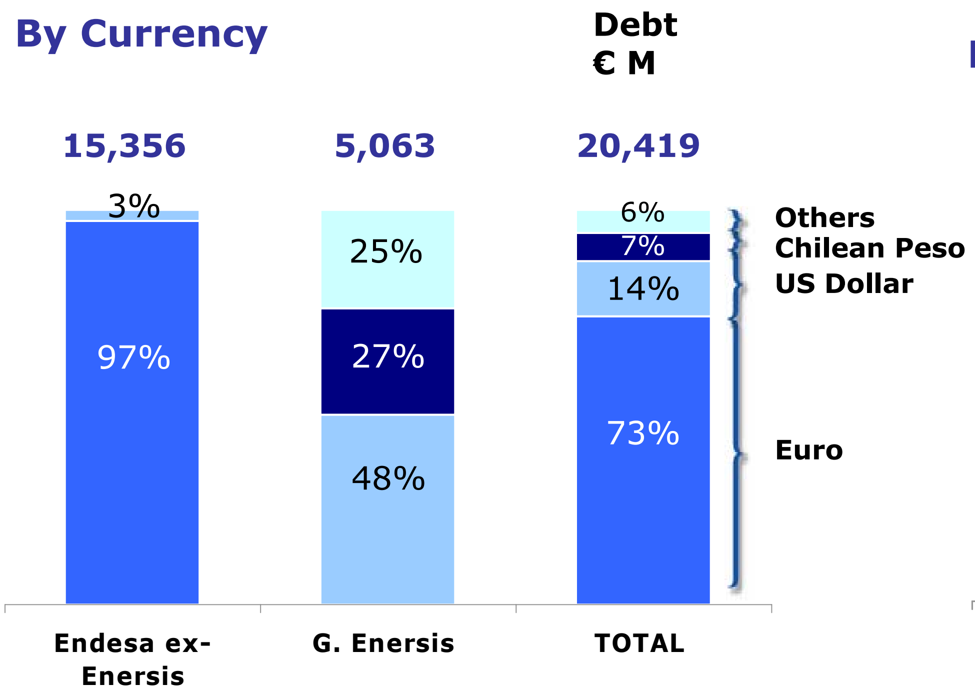
2) Chilectra-Elesur Merger

- Objectives: to simplify the company's current corporate structure and to optimise costs and taxes.
- Chilectra will be merged into Elesur.
- The merger will lead to an estimated additional €155M results in the next years, mainly through savings in corporate taxes.

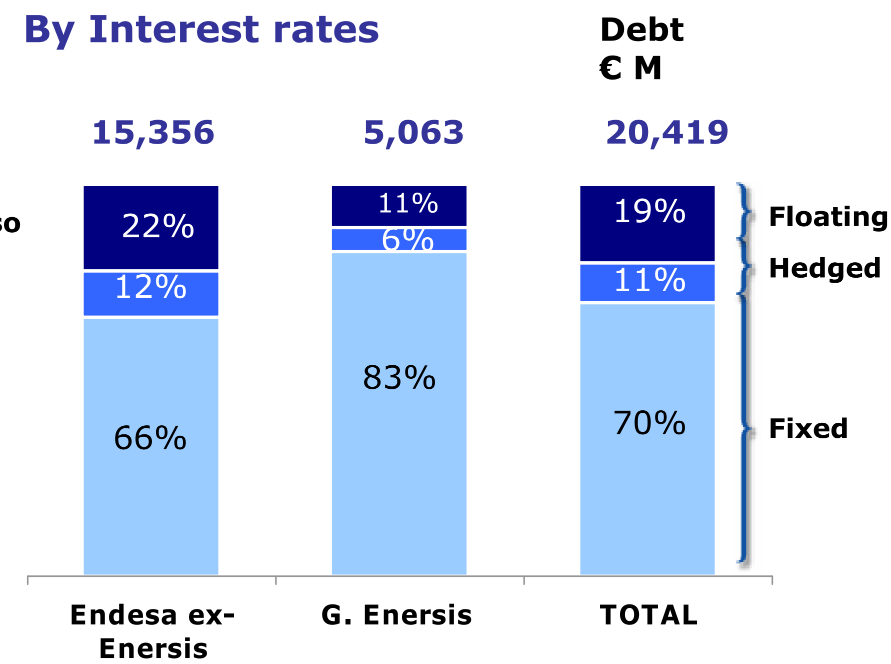
3) Restructuring of the Peruvian generation business. In progress as expected.

Debt structure aligned with needs and business risk

Currency hedging



Interest rate hedging

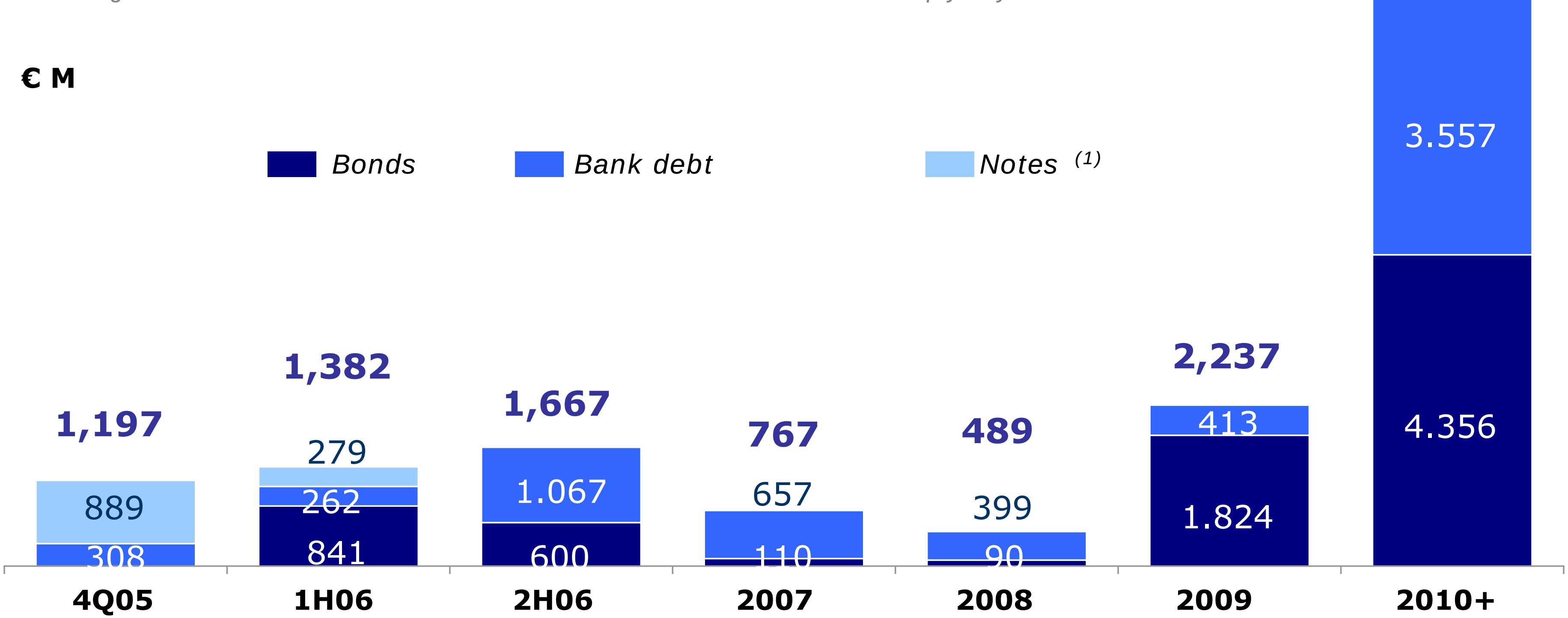


- Currency risk is limited by denominating debt in the same currency in which cash flows are generated
- The high percentage of interest rate hedging reduces volatility in financial expenses

Endesa Spain debt maturities

Gross balance of maturities outstanding at 30 September 2005: €15,652M(*)

(*) NOTE: This gross balance differs from the total financial debt figure as it does not include outstanding execution costs nor the market value of derivatives which do not imply any cash outflow.

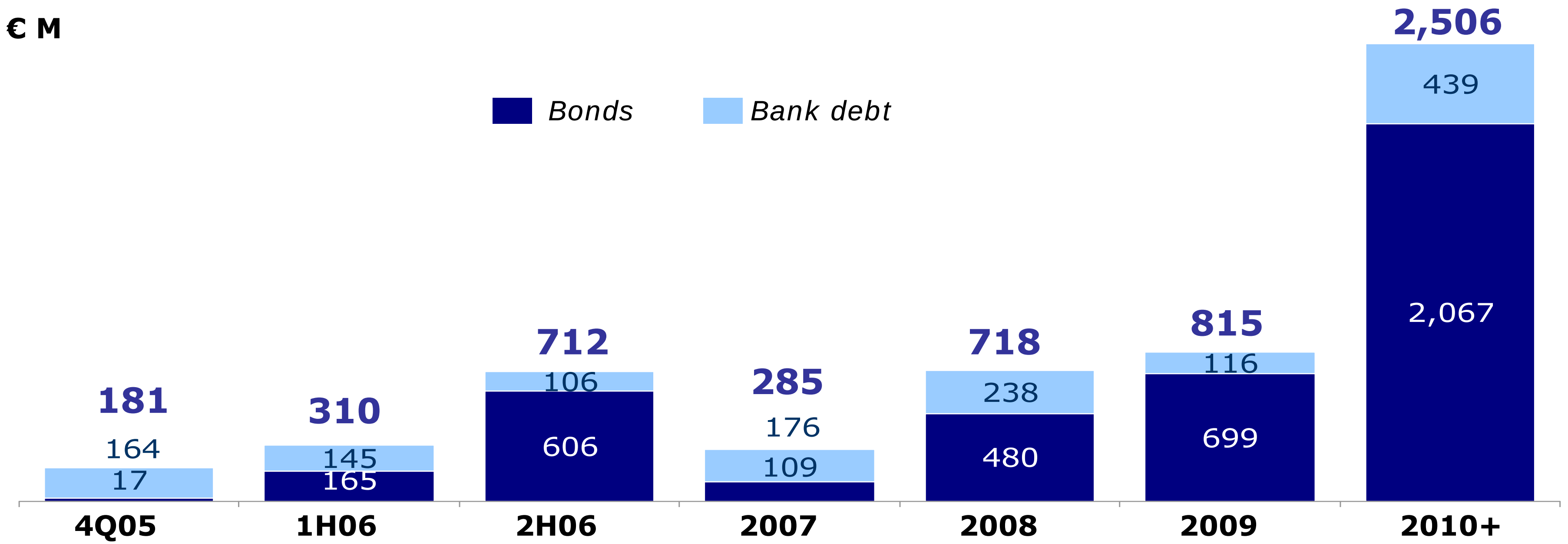


- ENDESA's liquidity in Spain stands at €4,267M (€539M in cash, €2,228M in available credit lines and €1,500M from the new syndicated loan) is sufficient to cover debt maturities falling due in the next 15 months which will increase in 4Q due to the AUNA sale.

(1) The notes issued are backed by long-term credit lines, renewed on a regular basis.

Enersis debt maturities

Gross balance of maturities outstanding at 30 September 2005: €5,527M(*)



- Enersis has liquidity of €476M to cover debt maturities falling due in the next eight months

(*) NOTE: This gross balance differs from the total financial debt figure as it does not include outstanding execution costs nor the market value of derivatives which do not involve any cash outflow.

Disclaimer

Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the United States Private Securities Litigation Reform Act of 1995.

The U.S. Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements.

This presentation 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 are subject to material risks, uncertainties, changes and other factors which 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; expected asset disposals; estimated increases in capacity and output and changes in capacity mix; repowering of capacity and macroeconomic conditions. For example, the EBITDA, net income and dividend forecasts for the year ending December 31, 2005 and the EBITDA and dividends targets for 2004 to 2009 included in this presentation are forward-looking statements and are based on certain assumptions which may or may not prove correct. The principal assumptions underlying these forecasts and targets relate to regulatory environment, exchange rates, divestments, increases in production and installed capacity in the various markets where Endesa operates, increases in demand in these markets, allocation of production among different technologies increased costs associated with higher activity levels not exceeding certain levels, the market price of electricity not falling below certain levels, the cost of CCGT and the availability and cost of gas, fuel, coal and emission rights necessary to operate our business at desired levels.

For all of the forward-looking statements in this presentation, Endesa claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

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

Economic and Industry Conditions: materially adverse changes in economic or industry conditions generally or in our markets; the effect of existing regulations and regulatory changes; tariff reductions; the impact of any fluctuations in interest rates; the impact of fluctuations in exchange rates; natural disasters; the impact of more stringent environmental regulations and the inherent environmental risks relating to our business operations; the 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. Any delays in or failure to obtain necessary regulatory approvals, including environmental to construct new facilities, repowering or enhancement of existing facilities; shortages or changes in the price of equipment, materials or labor; opposition of political and ethnic groups; adverse changes in the political and regulatory environment in the countries where we and our related companies operate; adverse weather conditions, which may delay the completion of power plants or substations, or natural disasters, accidents or other unforeseen events; and the inability to obtain financing at rates that are satisfactory to us.

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

Operating Factors: technical difficulties; changes in operating conditions and costs; the ability to implement cost reduction plans; the ability to maintain a stable supply of coal, fuel and gas and the impact of fluctuations on fuel and gas prices; acquisitions or restructurings; the ability to implement an international and diversification strategy successfully.

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

Further information about the reasons why actual results and developments may differ materially from the expectations disclosed or implied by our forward-looking statements can be found under "Risk Factors" in our annual report on Form 20-F for the year ended December 31, 2004.

No assurance can be given that the forward-looking statements in this document will be realized. Neither Endesa nor any of its affiliates intends to update these forward-looking statements.

Endesa: Stronger business, greater value

9M 2005 Results:

Accomplishing Commitments

16 November 2005