



9M 2008 results



5 November 2008

Explanatory note

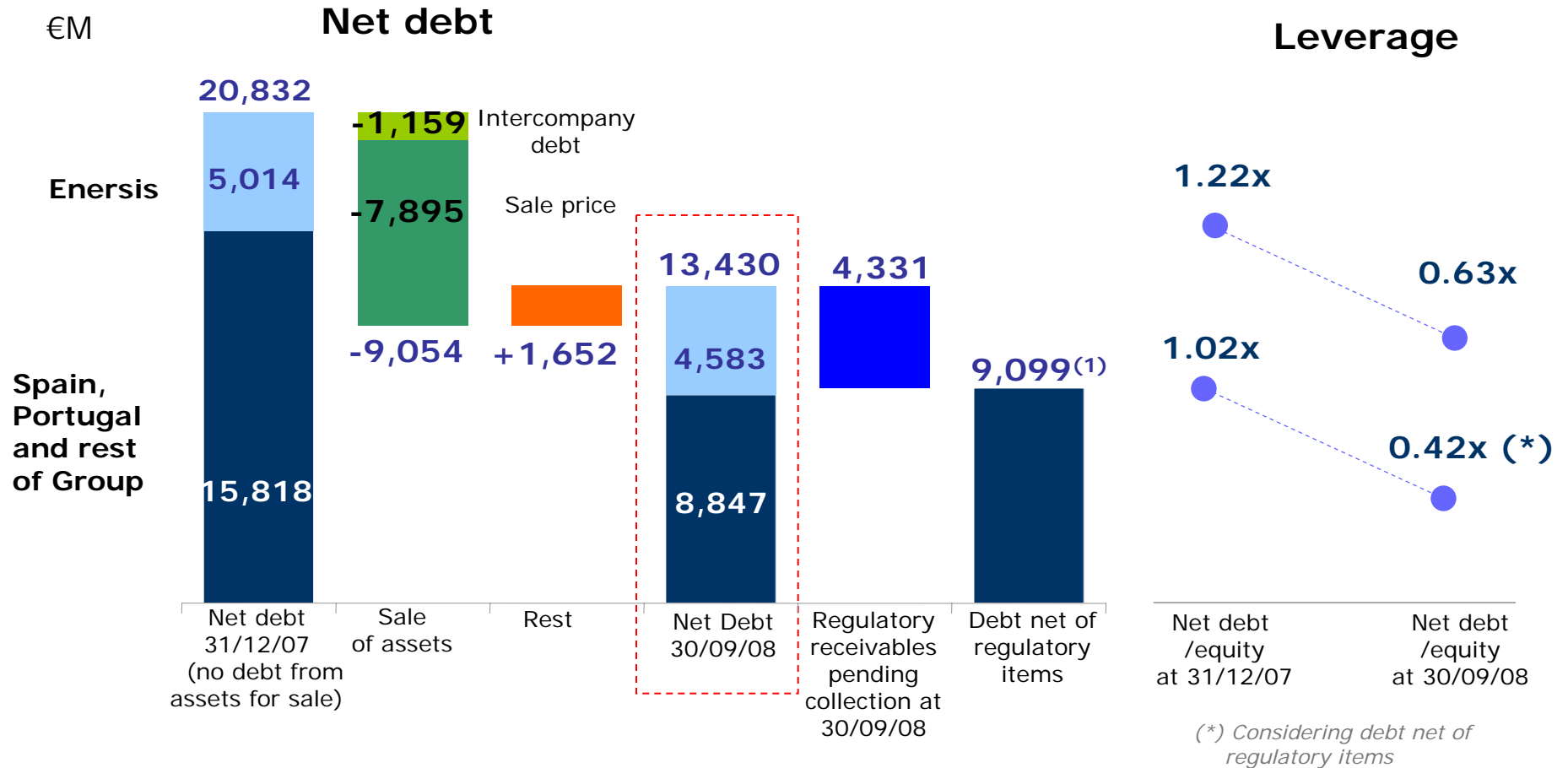
- For the purposes of reviewing the Group's performance in 9M08 and providing a year-on-year comparison, the analysis provided below is based on all operations classified as continued. The result of discontinued activities are only included in net income.
- Under IFRS 5, the Endesa Europa assets and the power plants in Spain sold to E.On AG are classified as discontinued operations.
- The accounting criteria used to consolidate jointly controlled investments has changed from the equity method to proportionate consolidation. Figures for 2007 have therefore been amended to carry out a like-for-like comparison.

Solid operating momentum in all business lines

€M	9M 2007	9M 2008	Change
Sales	12,875	16,514	+28%
Gross profit	7,105	7,834	+10%
EBITDA⁽¹⁾	4,770	5,436	+14%
EBIT	3,475	4,201	+21%
Net financial expense	-644	-760	+18%
Net attributable profit	1,978	6,801	+244%
Net profit from ongoing activities after minorities	1,671	2,014	+21%

(1) EBITDA (+14%) advanced more than gross profit (+10%) thanks to the good performance of fixed costs which only rose 2.7%.

Financial strength and flexibility

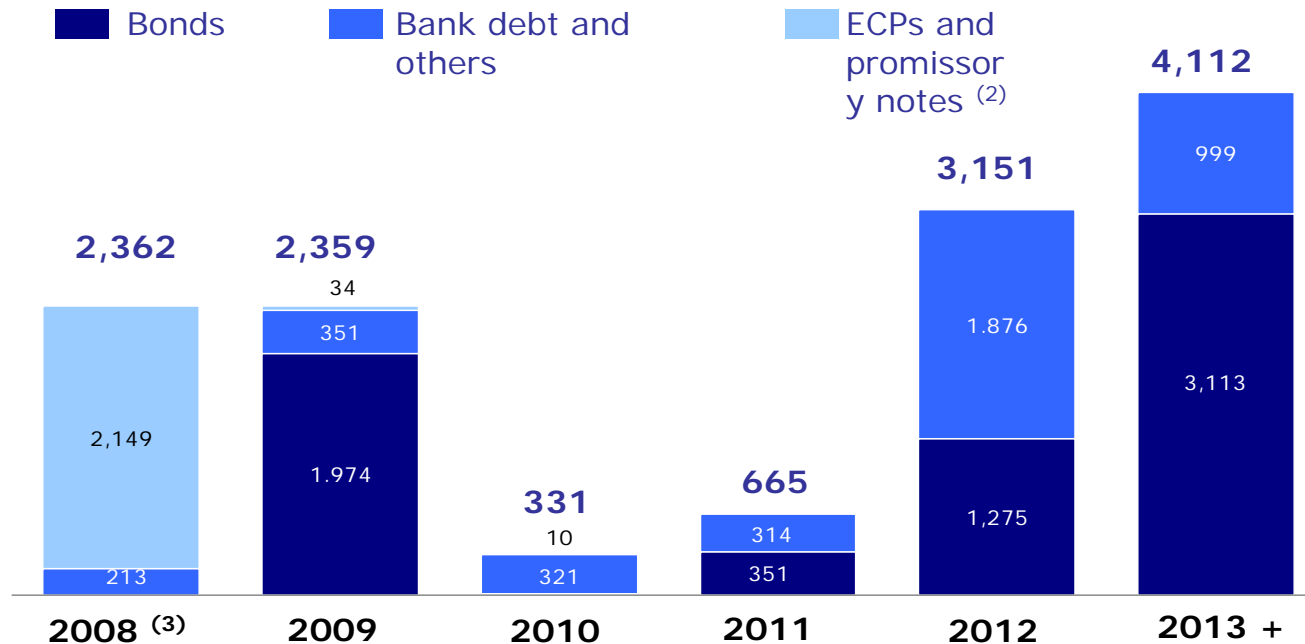


- Long-term credit rating: A- (S&P), A3 (Moody's) and A (Fitch)

(1) The breakdown of regulatory receivables is provided in the Appendix (page 29)

Endesa excluding Enersis: maturity calendar

Gross balance of maturities outstanding at 30 September 2008: €12,980 M¹



Endesa excluding Enersis liquidity covers 43 months of maturities

- Liquidity: €11,349 M
 - €3,992 M in cash
 - €7,357 M available in credit lines
- Average life of debt: 4.4 years

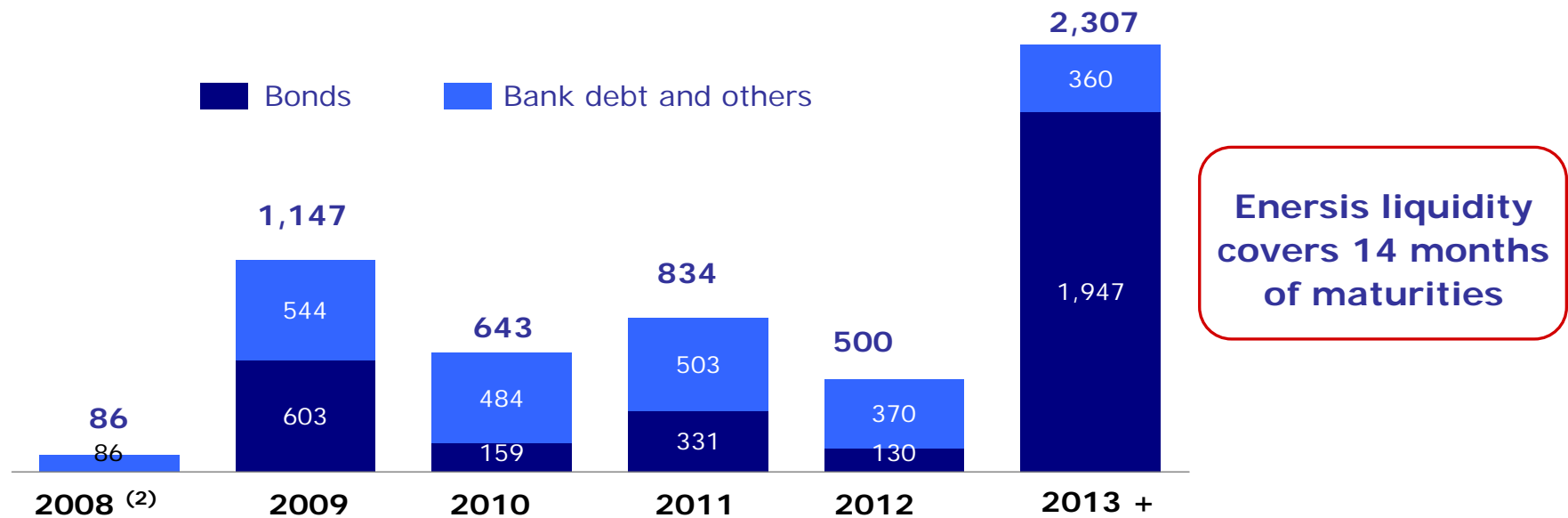
(1) This gross balance differs from the total financial debt figure as it does not include outstanding execution costs or the market value of derivatives which do not involve any cash payment.

(2) Promissory notes issued are backed by long-term credit lines and are renewed on a regular basis.

(3) 4Q 2008

Enerjis: maturity calendar

Gross balance of maturities outstanding at 30 September 2008: €5,517 M¹



Enerjis liquidity covers 14 months of maturities

- Liquidity: €1,555 M
 - €996 M in cash
 - €559 M available in credit lines
- Average life of debt: 4.8 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) 4Q08

Advances in corporate developments in line with main strategic guidelines announced

ESB (Ireland)

- 26 June, 20% of ESB's generation assets awarded for €450 M
- Unique opportunity to enter attractive Irish market: 1,068 MW operational (4 plants) + 2 sites
- Industrial Plan based on improving efficiency, cleaner technologies and future growth platform

Acquisition of AHL Carbono (USA)

- Creation of Endesa Carbono (82.5% Endesa, 17.5% AHL), dedicated to identifying CDM projects to obtain CERs
- Will jointly manage AHL and Endesa assets

Girabolhos hydro project (Portugal)

- 350 MW of total output to be developed in Portugal before 2015, depending on obtaining definitive permits

Endesa Hellas (Greece)

Forthcoming milestones:

- End of capitalisation process with €310 M
- First thermal asset operational (334 MW)

Renewables vehicle with Acciona

being assessed

Progress on organic growth plans

Output brought on stream in past 12 months

<u>SPAIN AND PORTUGAL</u>	<u>LATAM</u>	<u>ENDESA DESARROLLO</u>
<ul style="list-style-type: none"> ▪ Puentes CCGT, 849.1 MW ▪ B. Tirajana II CCGT, 76 MW ▪ TGs Balearics, 75 MW ▪ Ceuta 12 MW ▪ Melilla 12 MW ▪ CHP/Renewables 659,3 MW 	<ul style="list-style-type: none"> ▪ Mini hydro Ojos de Agua 9MW (Chile) ▪ San Isidro II CCGT 105 MW (Chile) ▪ Termocartagena +66MW (Colombia) ▪ Canela II wind farm, 18 MW (Chile) ▪ Output reviews 24MW ▪ Palmucho mini-hydro, 32 MW (Chile) ▪ Ventanilla CCGT, 26 MW (Peru) 	<ul style="list-style-type: none"> ▪ Mini hydro 3.6 MW (Greece) ▪ Mini hydro 3.7 MW (Greece, equity method)
TOTAL : 1,682 MW	TOTAL : 280 MW	TOTAL: 7.3 MW

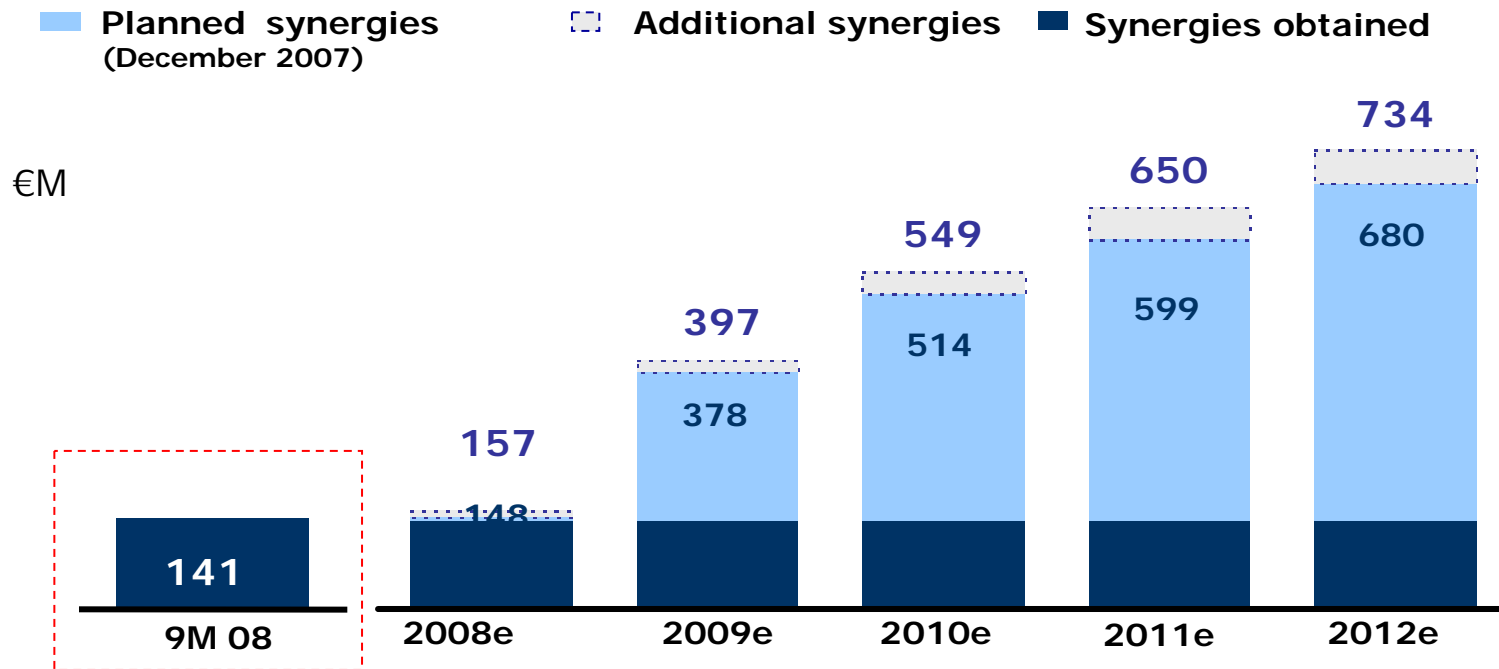
Capacity under construction

<u>SPAIN AND PORTUGAL</u>	<u>LATAM</u>	<u>ENDESA DESARROLLO</u>
<ul style="list-style-type: none"> ▪ Besós CCGT 844 MW ▪ Compostilla CCGT 852MW ▪ Tejo CCGT 844MW⁽¹⁾ ▪ Granadilla II CCGT 232 MW ▪ Ca's Tresorer II CCGT 230MW ▪ Wind 519MW ▪ Rest non-mainland 131MW 	<ul style="list-style-type: none"> ▪ San Isidro II CCGT +26 MW (Chile) ▪ Bocamina II 370MW, coal (Chile) ▪ TG Quintero, 250MW (Chile) ▪ Los Cóndores, 150MW (Chile) ▪ Canela wind farm, 60 MW (Chile) ▪ Santa Rosa CCGT, 187 MW (Peru) 	<ul style="list-style-type: none"> ▪ CHP 334 MW (Greece) ▪ Viotia CCGT 440 MW (Greece) ▪ Mini hydro 8 MW (Greece)
TOTAL : 3,652 MW	TOTAL : 1,043 MW	TOTAL: 782 MW

(1) 50% with IP

Synergies and Efficiency Plan clearly beat objectives

Annual Synergies and Efficiencies⁽¹⁾



- Some €141M of recurring efficiencies obtained (90% of 2008 target)
- Possible additional synergies

(1) Recurring based on 2007
 Note: Synergies calculated on margin, opex and capex

9M 2008 results

Strong growth across all regions



Spain and Portugal



Highlights

- **Growth in demand easing in Spain (+2%)**
- **Lower rainfall, high fuel and CO₂ prices pushed up average pool price (+71.9%, €68.51/MWh)**
- **Prudence in applying RDL 11/2007.**
- **Competitive advantage in generation: better mix, lower fuel costs and higher load factor**
- **Optimising CO₂ costs by applying CERs**
- **Quality of supply continues to improve (SAIDI -25% vs. 9M 07)**

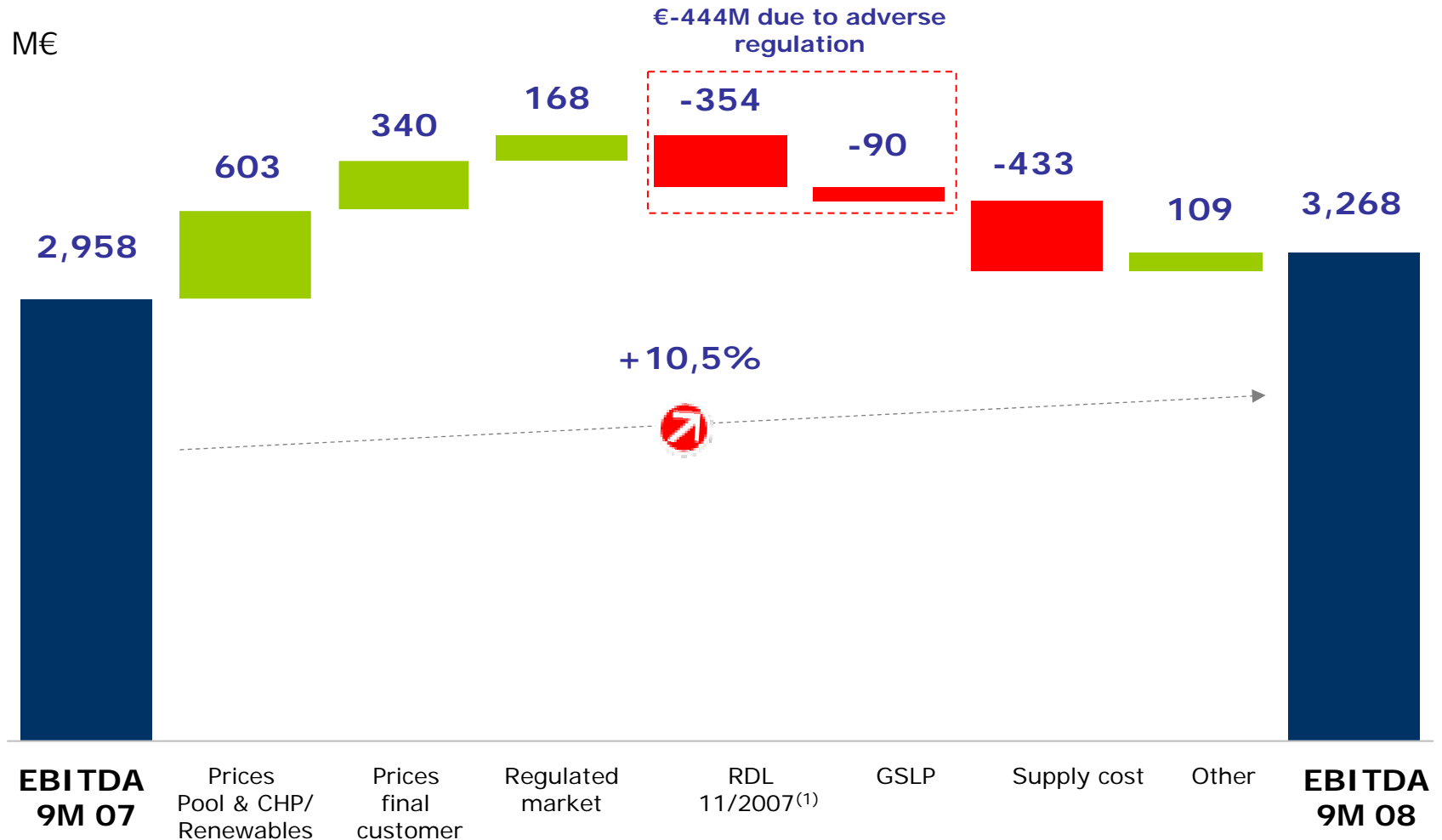
Sound results despite economic slowdown and higher generation costs

€M	9M 2007	9M 2008	Change
Sales	7,288	9,427	+29%
Gross profit	4,576	4,881	+7%
EBITDA	2,958	3,268	+10%
EBIT⁽¹⁾	2,073	2,466	+19%
Net financial expenses⁽²⁾	-302	-340	+13%
Net attributable profit	1,389	2,019	+45%
Net profit from ongoing activities after minorities	1,369	1,675	+22%

(1) Depreciation and amortisation charges fell €83 M year on year as during 9M 07 €81 M were amortised due to the correction in the value of CO₂ emission rights and for the non-amortisation of renewable energy assets (in 9M 07 €50 M)

2) The increase in net financial expenses is due to the positive effect of €83 M from reduction in the current value of provisions (largely early retirement plans) in 9M 07 and the effect of €14 M for the same item in the 2008 accounts. Stripping out this effect, this item would have fallen 8%

Strong performance at EBITDA level against a demanding backdrop

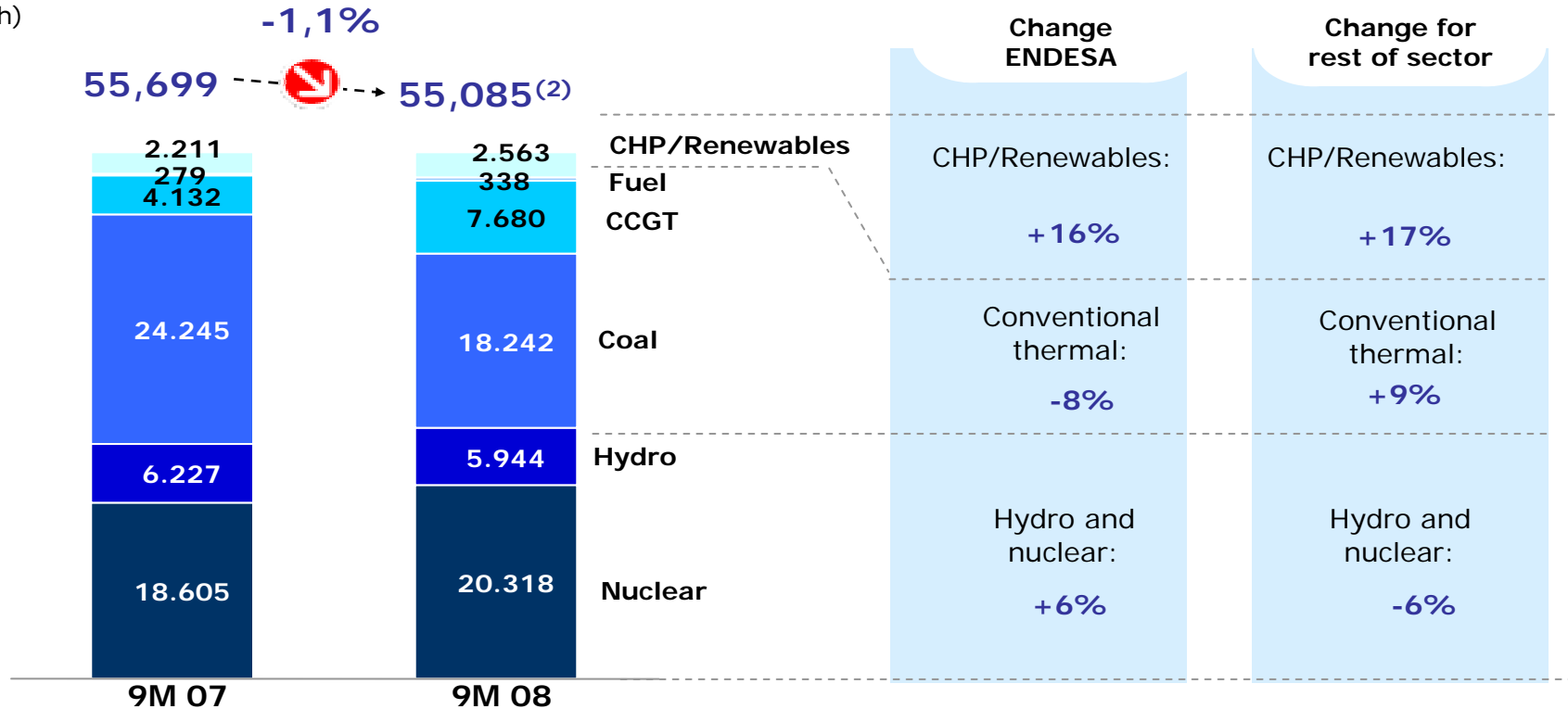


(1) Discount for emission rights (€363.0M in 9M08 vs. €9.1M in 9M07)

Diversified, stable and sustainable generation portfolio

Endesa mainland generation ⁽¹⁾

(GWh)

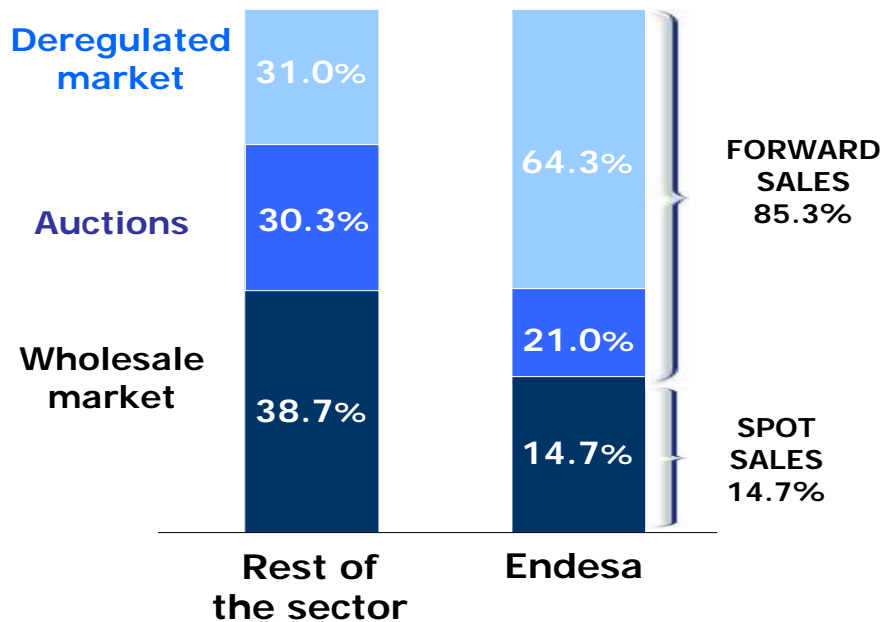


- Competitive advantage thanks to generation mix with greater weight of nuclear and hydro (50.9% Endesa vs. 30.2% rest of the sector)
- Lower volatility of hydro capacity (-5%) vs. rest of the sector (-34%)
- 53% of output is free of CO₂ emissions
- Decline in coal-based output due to set up of desulphurisation plants

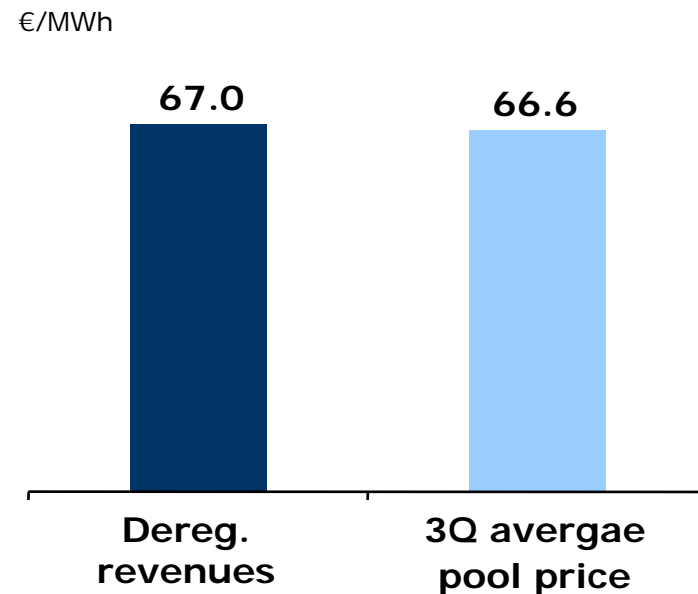
(1) Does not include assets for sale (2,591 GWh in 9M08 Vs. 4,619 GWh in 9M07) nor energy tested at the Puentes CCGT (941 GWh. Includes Tejo.

Supply: stable margins due to hedging between generation and sales

Generation sales mix 9M 08



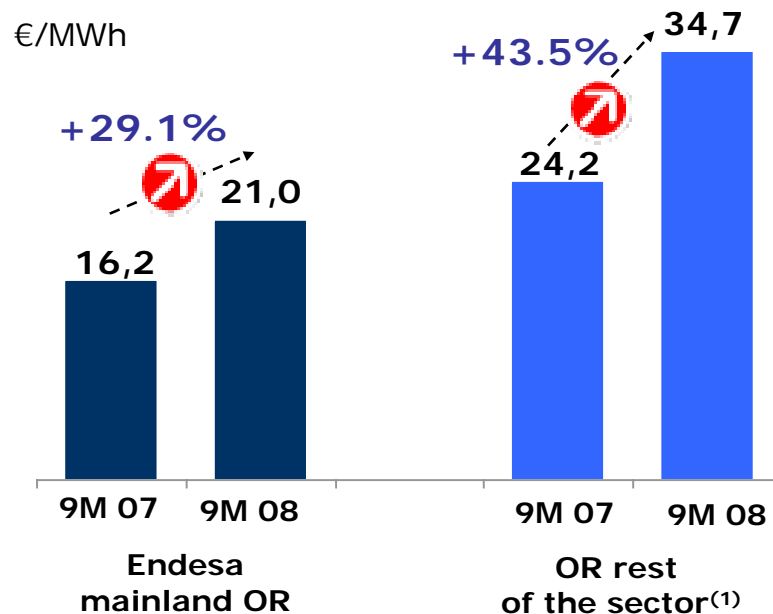
Average renewal revenue and pool price in 3Q 08



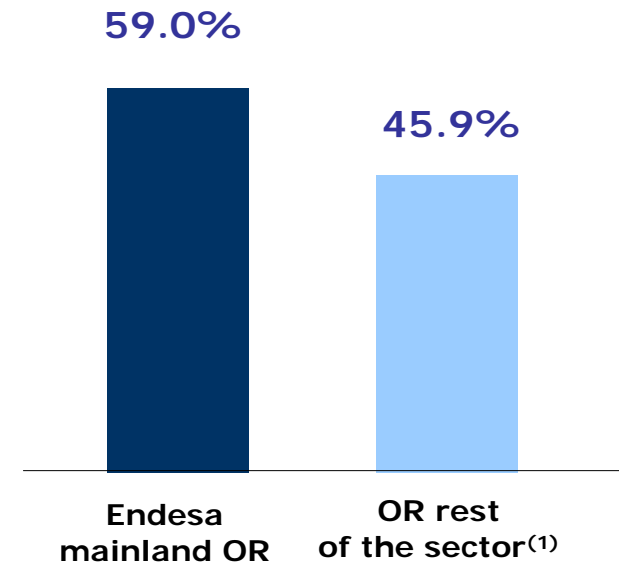
- 53% of 2009 mainland output sold at an average base price of €62/MWh, above current market levels (forward)
- Endesa's share in the deregulated market (44% vs. 53% in 9M 07) is close to its natural level given the high activity of its peers

Competitive thermal facilities thanks to lower fuel costs

Unit fuel costs vs. the sector



Load factor Thermal facilities⁽²⁾

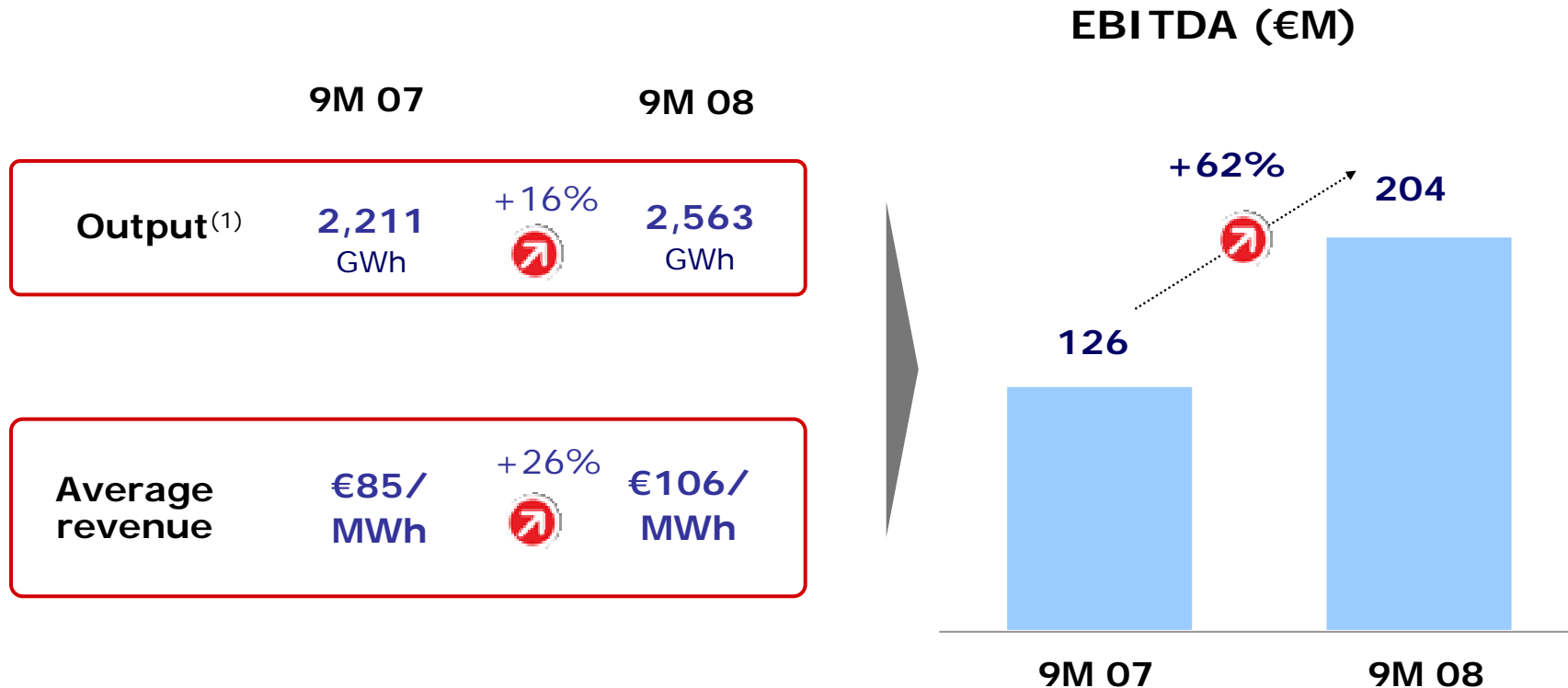


- Competitive long term supply contracts for coal and gas
- CCGT: 1,696 MW under construction in Spain and 844 MW in Portugal (50% of Endesa)

(1) Estimates

(2) Conventional thermal facilities excluding fuel-oil. Excluding non-mainland systems

CHP/renewables: strong EBITDA growth thanks to higher volumes and prices



- 443 MW⁽¹⁾ of wind capacity brought on stream in the past 12 months
- 519 MW of new wind capacity under construction

(1) Accounting output (corresponding to booked sales)

Pending regulatory issues

- **Tariff deficit**
 - Estimated tariff deficit for the sector in 2008: €5,000 M (€15,000 M accumulated)
 - 30 September auction (€3,825 M) abandoned
 - The government, sector and consumers seek solutions
- **CO₂ discount methodology**
 - RDL 11/2007 pending application
- **Elimination of regulated tariff**
 - Next milestone: elimination of regulated tariff and start-up of Last Resort Service

9M 2008 results



Latin America



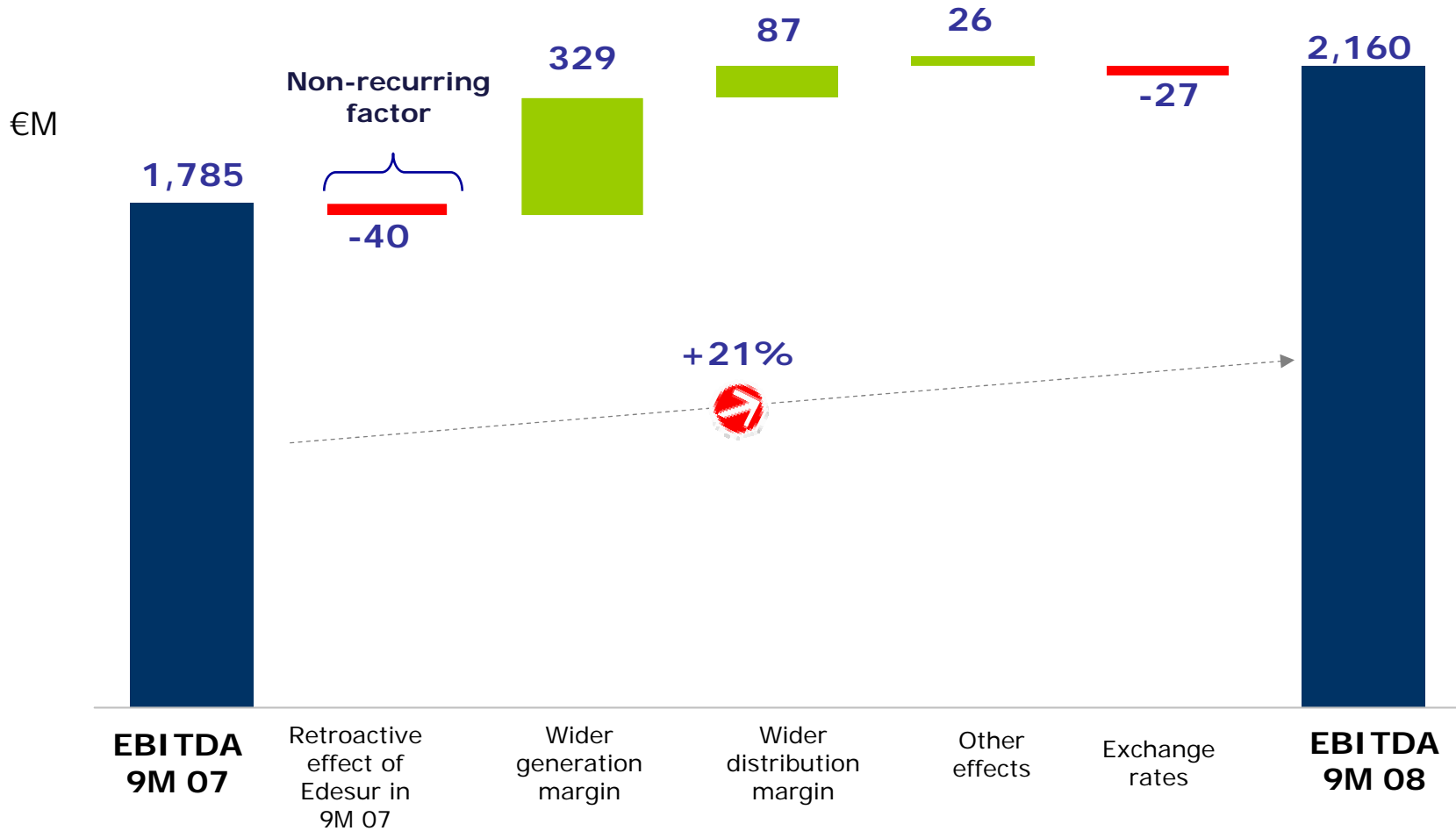
Sound results

€M	9M 2007	9M 2008	Change	
Sales	5,242	6,061	+16%	+17% ⁽¹⁾
Gross profit	2,499	2,935	+17%	+20% ⁽¹⁾
EBITDA	1,785	2,160	+21%	+24% ⁽¹⁾
EBIT	1,375	1,731	+26%	+30% ⁽¹⁾
Net financial expense	-343	-416	+21%	
Net profit	708	956	+23%	
Net attributable profit	302	339	+12%	

**71% of EBITDA from countries with Investment Grade rating
(Chile, Brazil and Peru)**

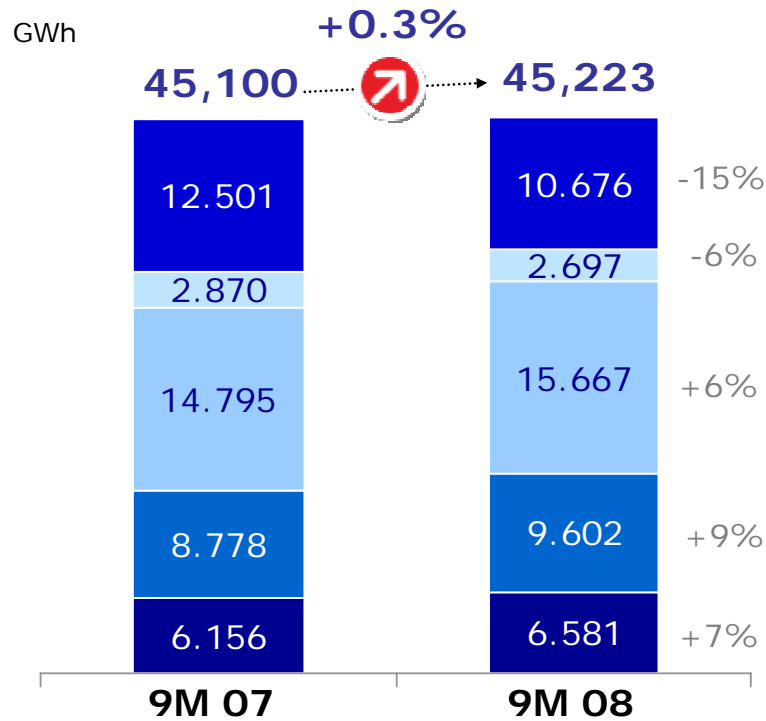
(1) Stripping out retroactive effect of Edesur priced in 9M 07 (€40 M)

Improved EBITDA due to operating factors against a backdrop of moderate increase in demand

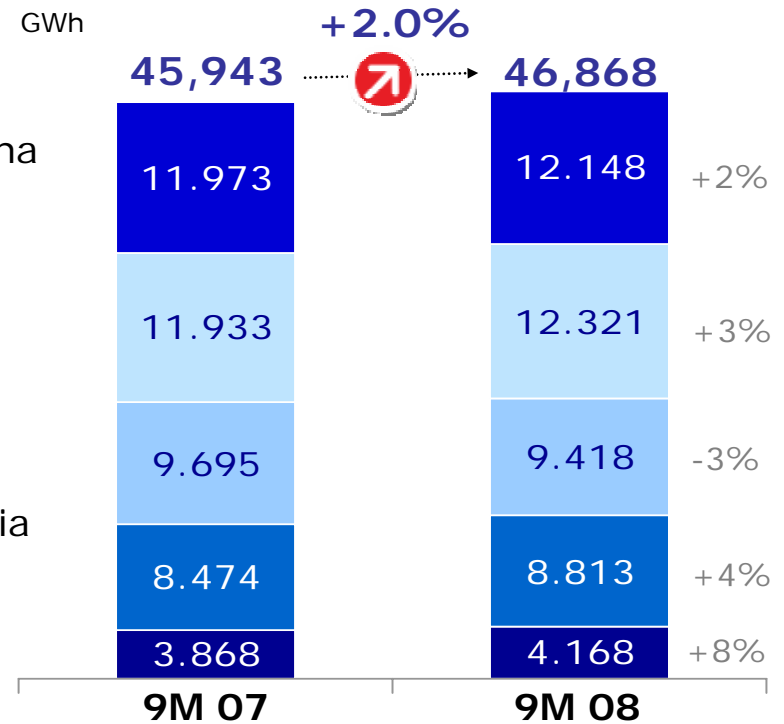


Recovering activity levels thanks to improved rainfall conditions

Generation Output

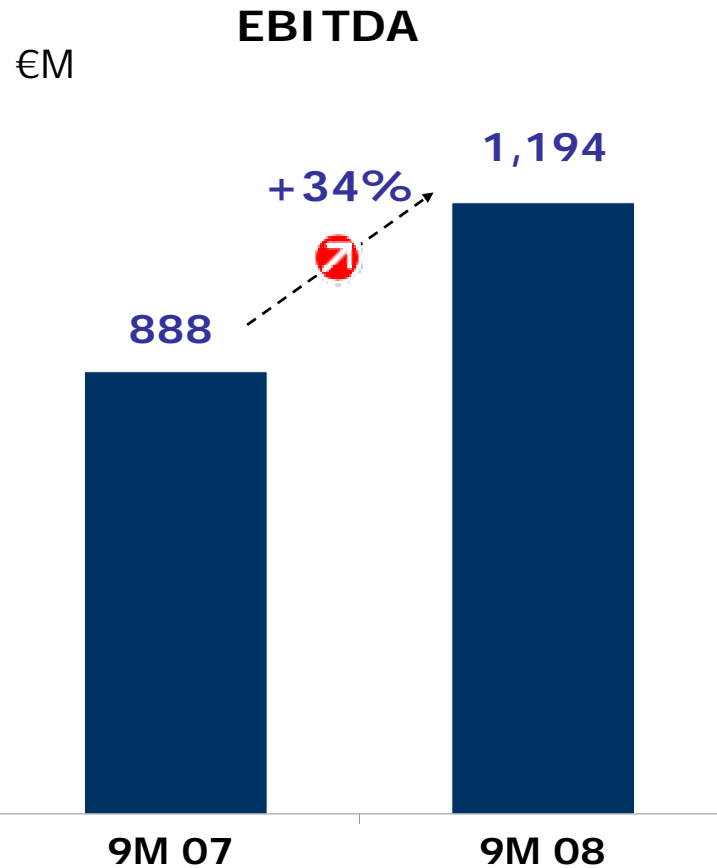


Distribution Sales



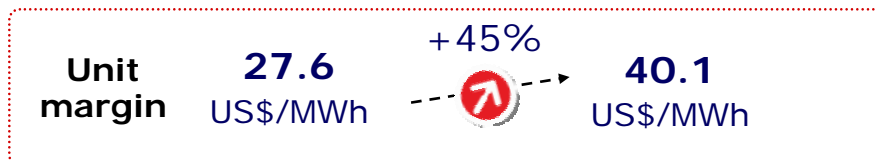
- Higher output in Colombia and Peru. Hydro output in Chile recovered in 2Q and 3Q
- Lower output in Argentina and Brazil due to low rainfall
- Strong rise in demand in Peru and lower demand in Chile affected by rationing decree

Sharp EBITDA growth in Generation due to higher margins



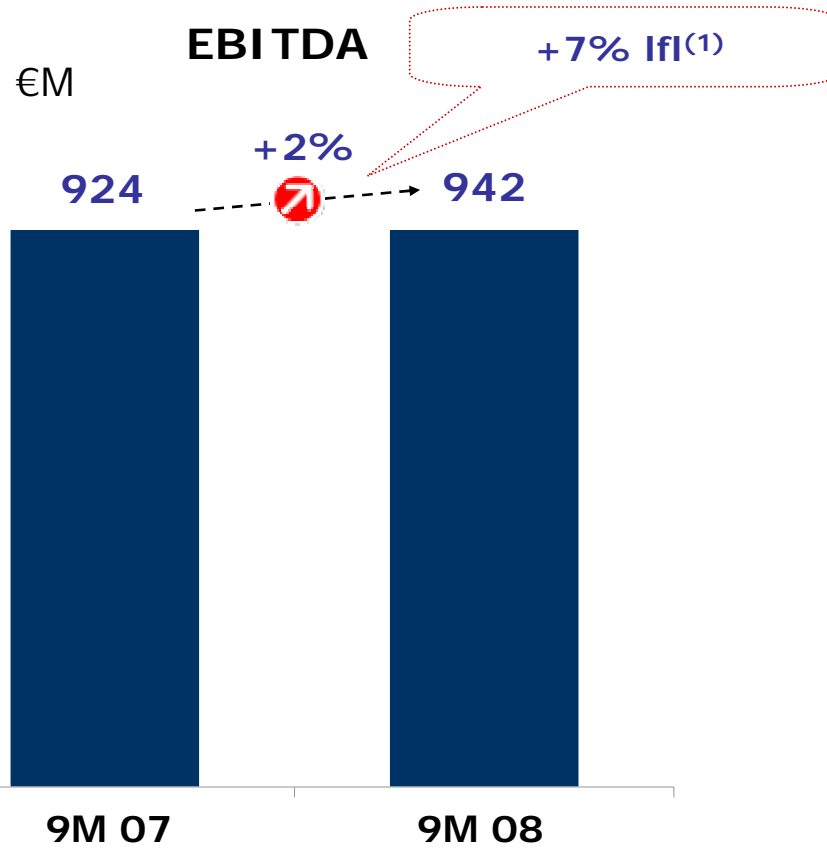
Highlights

- Lower rainfall and gas supply problems pushed up generation costs and sales prices in Argentina, Brazil and Chile
- Improved mix in Chile due to higher hydro output in 2Q and 3Q
- An additional 280 MW in operation⁽¹⁾



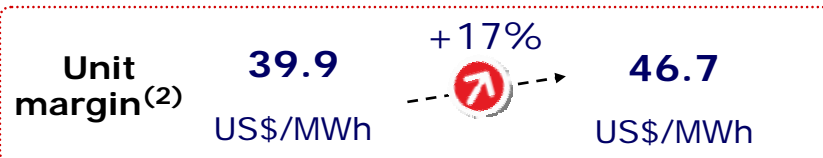
(1) Since October 07 the following have come on stream: 2nd stage SIS II 105MW, Palmucho 32MW, Canela II 18MW, Ventanilla 26MW capacity reviews 24MW, Termocartagena 66MW and Ojos de Agua 9MW

Increase in Distribution EBITDA



Highlights

- Improved DAV for distribution business:
 - Ampla +6.5% (March)
 - Coelce +7.4% (April)
 - Edesur +18% (July)
- Higher energy cost at Ampla in 1Q08 (-€30 M) to be recovered over next 12 months. €18 M recovered
- Energy losses cut 10.8% vs. 11.3% in 9M07



(1) Stripping out retroactive effect of Edesur

(2) Lfl unit margins are US\$46.7/MWh in 9M08 vs. US\$38.5/MWh in 9M07 = +21%

Sound business in Latam

- **Geographically diverse asset portfolio, mostly hydro capacity (56%) and vertically integrated**
- **Sustained growth of electricity demand against a backdrop of economic slowdown**
- **Stable regulation with scheduled tariff reviews and generation costs passed on**
- **Limited exposure to Argentina**
 - Maximum exposure to Argentina 9M 08: €300 M
 - Net attributable profit 9M 08: €22 M, 1% Group profit
- **Non-recourse debt to Endesa Spain, financial flexibility and currency risk management**
- **Mandatory take over bids in Peru**

Conclusions

**Solid operating momentum
in all business lines**

**Financial strength and
flexibility**

**Sustainable generation
portfolio (56% of generation
mix is emission-free + active
management with CERs)**

**Strong and diversified asset
portfolio in Latin America**

**Well placed to meet
future challenges**

9M 2008 results



Back Up



Quarterly performance of main financial and operating variables

Spain and Portugal

	1Q08			2Q08			3Q08		
	1Q 08	1Q 07	% Chg	2Q 08	2Q 07	% Chg	3Q 08	3Q 07	% Chg
Income statement									
Gross margin (€M)	1,492	1,509	-1.1%	1,704	1,528	11.5%	1,685	1,539	9.5%
EBITDA (€M)	968	1,012	-4.3%	1,168	971	20.3%	1,132	975	16.1%
Net income (€M)	437	437	0.0%	888	436	103.7%	694	516	34.5%
Operating indicators									
Output (GWh)	22,232	22,099	0.6%	21,112	22,646	-6.8%	23,098	22,080	4.6%
Electricity Sales (GWh)	28,217	28,419	-0.7%	26,947	27,813	-3.1%	28,053	28,945	-3.1%
Deregulated Sales (GWh)	10,265	9,634	6.6%	10,687	10,198	4.8%	13,714	10,658	28.7%
Regulated Sales (GWh)	17,952	18,785	-4.4%	16,260	17,616	-7.7%	14,339	18,286	-21.6%

Latin America

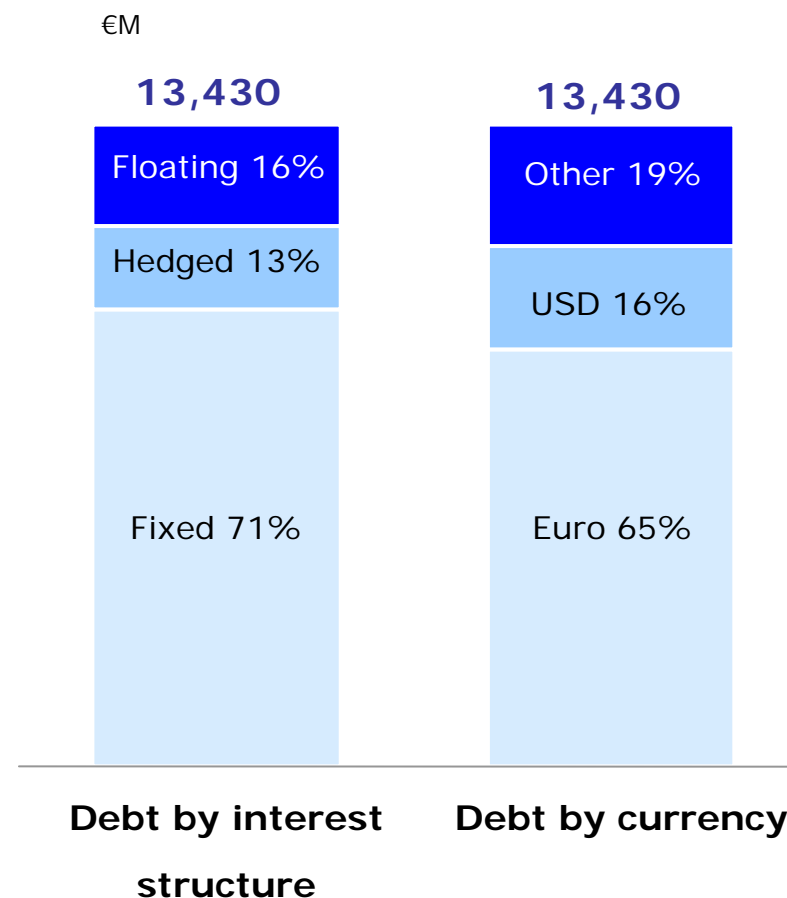
	1Q08			2Q08			3Q08		
	1Q 08	1Q 07	% Chg	2Q 08	2Q 07	% Chg	3Q 08	3Q 07	% Chg
Income statement									
Gross margin (€M)	895	912	-1.9%	944	809	16.7%	1,096	778	40.9%
EBITDA (€M)	660	665	-0.8%	685	562	21.9%	815	558	46.1%
Net income (€M)	128	96	33.3%	105	80	31.3%	106	126	-15.9%
Operating indicators									
Output (GWh)	15,519	15,931	-2.6%	14,119	14,283	-1.1%	15,585	14,886	4.7%
Electricity Sales (GWh)	15,730	15,268	3.0%	15,353	15,172	1.2%	15,785	15,503	1.8%

Financial policy and debt structure

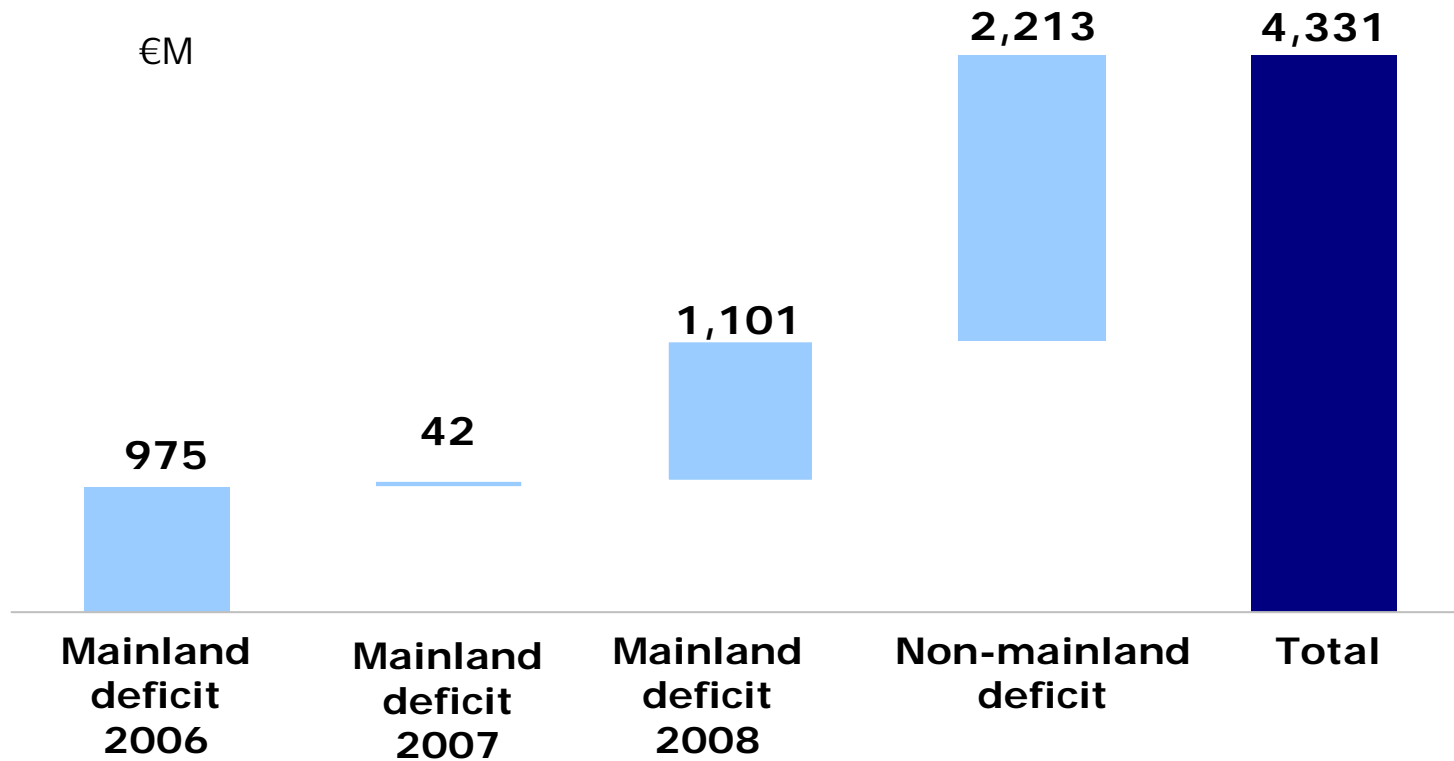
Main debt characteristics

- **Debt structure:**
 - Fixed-rate or hedged debt: 84%
 - Debt in currency in which cash flow is generated
- **Average cost of debt Endesa excluding Enersis: 4.90%**
- **Average cost of debt Endesa including Enersis: 6.33%**
- **Businesses financially self-sufficient:**
 - Enersis has non-recourse debt to parent company

Debt structure



Recognised regulatory items pending collection



Installed capacity and output⁽¹⁾

MW at 30/09/08		Spain and Portugal ⁽²⁾	Latam	Endesa Development ⁽³⁾	Total
Installed capacity	Total	24,011	15,278	144	39,433
	Hydro	5,363	8,633	-	13,996
	Nuclear	3,642	-	-	3,642
	Coal	5,805	538	-	6,343
	Natural Gas	2,075	3,921	123	6,119
	Fuel oil	5,378	2,158	-	7,536
	Renewables and CHP	1,748	27	21	1,796
TWh 9M 2008 (chg vs 9M 2007)		Spain and Portugal ⁽²⁾	Latam	Endesa Development ⁽³⁾	Total
Output	Total	66.4 -1%	45.2 +2%	0.7 +2%	112.4 +0.5%
	Hydro	5.9 -5%	25.9 -5%	- -	31.8 -5%
	Nuclear	20.3 +9%	- -	- -	20.3 +9%
	Coal	20.7 -22%	2.0 +9%	- -	22.7 -20%
	Natural Gas	7.7 +86%	10.3 +7%	0.7 -1%	18.7 +29%
	Fuel oil	9.3 +1%	7.0 +30%	- -	16.3 +12%
	Renewables and CHP	2.6 +16%	0.0 n.a.	0.02 n.a.	2.6 +17%

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

(2) Does not include plants to be divested nor the 941GWh tested at the Puentes CCGT.

(3) Includes Endesa Hellas and companies accounted for using proportionate consolidation

Mainland fuel costs by technology

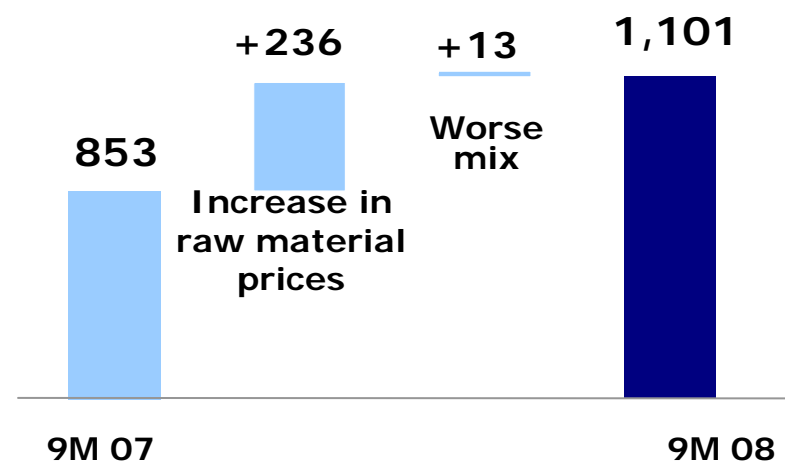
Breakdown of mainland unit fuel costs ⁽¹⁾

€/MWh

	9M 07	9M 08	Change
CCGT ⁽³⁾	36.4	41.2	13.3%
Domestic coal ⁽⁴⁾	22.9	29.5	28.7%
Imported coal	18.6	30.2	62.6%
Fuel	160.9	204.1	26.9%
Avg. conventional thermal output	26.8	36.5	36.4%
Total average	16.2	21.0	29.1%

Breakdown of impact on fuel costs ⁽²⁾

€M



(1) Excluding emission rights costs and comparison with 2007 proforma. Data ex-Tarragona and Los Barrios.

(2) The Endesa cost includes Nuclenor and the second part of the nuclear fuel for 9M07 and 9M08

(3) €36.6/MWh in 2008 and €31.8 in 2007 ex-ATR.

(4) Net of coal premiums. The gross cost was €31.7/MWh in 9M8 and €25.2/MWh in 9M07. Includes imported coal consumed by domestic coal plants.

CHP/renewables: operating data






		9M 07			9M 08		
MW		Net	Account.	Gross	Net	Account.	Gross
Installed capacity ⁽¹⁾	Total	1,592	1,292	2,387	2,074	1,748	2,989
	CHP	211	39	452	200	39	423
	Wind	1,139	1,044	1,554	1,620	1,487	2,174
	Mini-hydro	196	187	240	196	187	240
	Other	46	22	140	58	35	152
		9M 07			9M 08		
GWh		Net	Account.	Gross	Net	Account.	Gross
Output	Total	2,863	2,214	4,605	3,256	2,563	4,981
	CHP	476	97	1,187	551	95	1,219
	Wind	1,807	1,607	2,495	2,104	1,935	2,852
	Mini-hydro	426	413	460	456	445	471
	Other	154	97	463	145	88	439

(1) 519 MW of wind power currently under construction

EBITDA for Endesa in Latam by business and country






Generation and transmission EBITDA

€M

	9M 07	9M 08	Change
 Chile	370	613	65.7%
 Colombia	191	240	25.7%
 Brazil	125	157	25.6%
 Peru	113	89	(21.2%)
 Argentina	89	95	6.7%
TOTAL Generation	888	1,194	34.5%
Brazil-Argentina interconnection	36	60	66.6%
TOTAL Generation and Transmission	924	1,254	35.7%

EBITDA Distribution

€M

	9M 07	9M 08	Change
 Chile	144	168	16.7%
 Colombia	218	255	17.0%
 Brazil	389	391	0.5%
 Peru	67	71	6.0%
 Argentina	106	57	(46.2%)
TOTAL Distribution	924	942	1.9%

Highlights by country

EBITDA 9M 08 (vs 9M 07)



Chile

Gen: €613 M (+65.7%)

Dist: €168 M (+17%)

Total EBITDA:

€781 M (+51.9%)

- Rainfall levels continue to improve while gas supply shortfall continues
- Extraordinary review of the node price in August due to exchange rate changes. Node price at USD114.72/MWh (without surcharge)
- New increase in node price to be applied Nov 08-Apr 09. New price USD118.28/MWh (without surcharge)
- Repeal of the Rationing Decree but demand remains low (-2.7% vs. 9M07) due to high energy costs
- Environmental impact report on the Aysén project submitted



Colombia

Gen: €240 M (+25.7%)

Dist: €255 € (+17%)

Total EBITDA:

€495 M (+21%)

- Recognition of lower wealth tax compared to previous year (positive effect of €14M on EBITDA)
- Auction of viability charge of US\$13.998/MWh for the Quimbo hydro plant project (400MW), expected to come on stream at the end of 2013.
- 66 MW of additional capacity at Termocartagena due to upgrade of turbine.
- CREG resolution passed setting the WACC for the next Codensa review at 13.9%



Brazil

Gen: €157 M (+25.6%)

Dist: €391 M (+0.5%)

Trans: €53 M (+89.3%)

Total EBITDA:

601 €M (+10.8%)

- Very high spot prices in Jan-Feb in all systems (low rainfall), they have fallen since then.
- High margins at Cachoeira thanks to high spot market prices at beginning of 2008
- Tariff review at Ampla: DVA up 6.5% (TRI 10.95%). Also, higher purchase prices recognised.
- Tariff review at Coelce: DAV up 7.4% (TRI 8.43%)
- Cien, agreement signed to charge tolls in 2008 (€85M). Toll revenue to 30 September totalled €64 M
- Standard & Poor's upgraded Brazil's rating to BBB- (investment grade) in April.

Highlights by country

EBITDA 9M 08 (vs. 9M 07)



Gen: €95 M (+6.7%)

Dist: €57 M (-46.2%)

Trans: €7 M (-12.5%)

Total EBITDA:
€159 M (-21.7%)

- Lower gas restrictions due to mild winter
- First increase in residential customer charges since 2002. Since 1 July an average increase of 10% has been applied, affecting 24% of customers. Increase = DAV of 18%
- Resolution 08/1071 introduced well head gas price increases for different segments backdated from September. This means an 18% increase for the industry
- 2007 year end close for Docksud amended (€+11 M in EBITDA).
- Higher fixed costs at Edesur in line with inflation
- EBITDA 1Q07 includes €40M applied retroactively to Edesur.
- The first 829MW of FONIMVEMEM brought into operation (1,600MW forecast).
- In August S&P downgraded Argentina's debt rating from "B+" to "B"



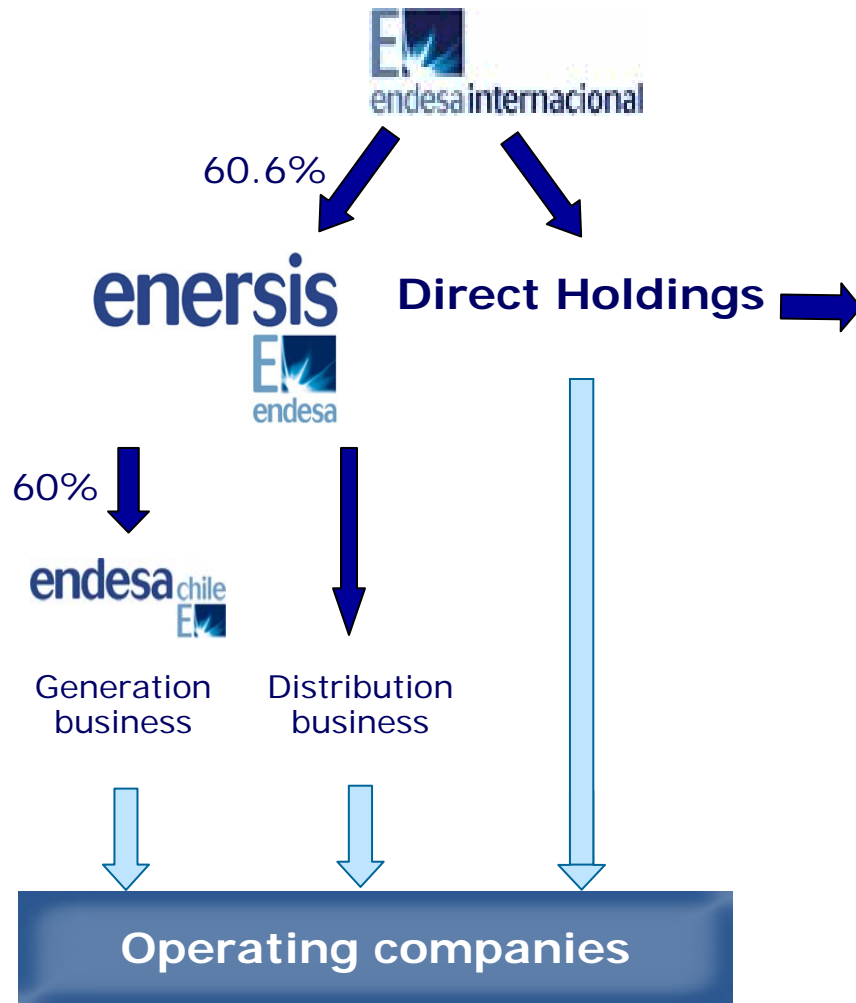
Gen: €89 M (-21.2%)








Dist: €71 M (+6%)

Total EBITDA:
€160 M (-11.1%)

- Less gas available due to backlog in the Camisea pipeline prompted regulation on the division of higher fuel costs (DL 1041)
- Takeover bids: Endesa acquires 23.8% of Edegel and 24% of Edelnor for €325 M. TOB for Piura pending solution
- In August Moody's upgraded Peru's foreign currency debt rating from "Ba2" to "Ba1", just below investment grade. Standard & Poor's upgraded Peru's credit rating to investment grade on 14 July while Fitch Ratings also raised the country's rating from "BBB-" to investment grade on 2 April
- Monomial busbar price up 3.6% for May 08-April 09 (US\$40.55/MWh)
- Tenders among energy distribution companies. Edelnor has 100% of its energy demand covered for 2008-2011.
- Decree law on use of Renewable Energy Resources.

Endesa International has major direct holdings in companies other than Enersis



	€M	% direct stake	Total EBITDA 9M08	Net Debt 30/09/08*
 Codensa:		26.7%	255	354
 Emgesa:		21.6%	240	437
EEB:		4.7%	N/A	N/A
 Endesa Brasil:		28.5%	601	935
 Edesur:		6.2%	57	34
 DockSud:		40%	40	108
Edelnor:		18%	71	185
 Edegel:		5.6%	74	337
Piura:		48%	15	-6
 Panguel:		5%	65	106
Proportionate Total			339	556

* Includes intercompany debt

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. [For example, the 2007-2009 EBITDA (gross operating profit as per ENDESA's consolidated income statement) targets included in this document are forward-looking statements and are based on certain assumptions which may or may not prove correct.] 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.



9M 2008 results



5 November 2008