



Endesa Latin America



Valencia, 25 June, 2007

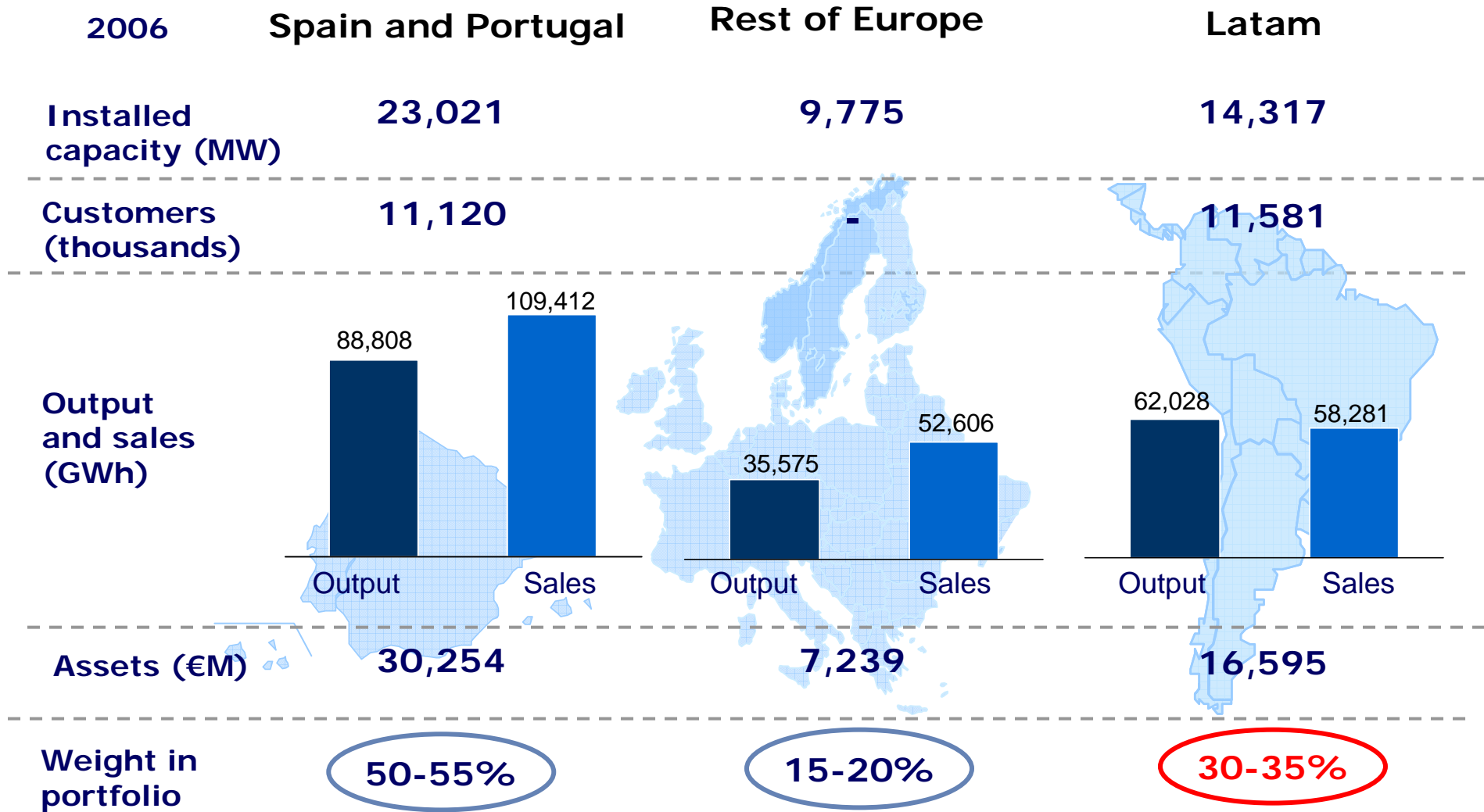
Agenda

- Unique business platform in Latin America capable of capturing market growth and minimizing risk.
- Robust macroeconomic environment in the region.
- Strong outlook for our electricity markets.
- Significant opportunities ahead for profitable growth.
- 2009 targets clearly achievable.

Agenda

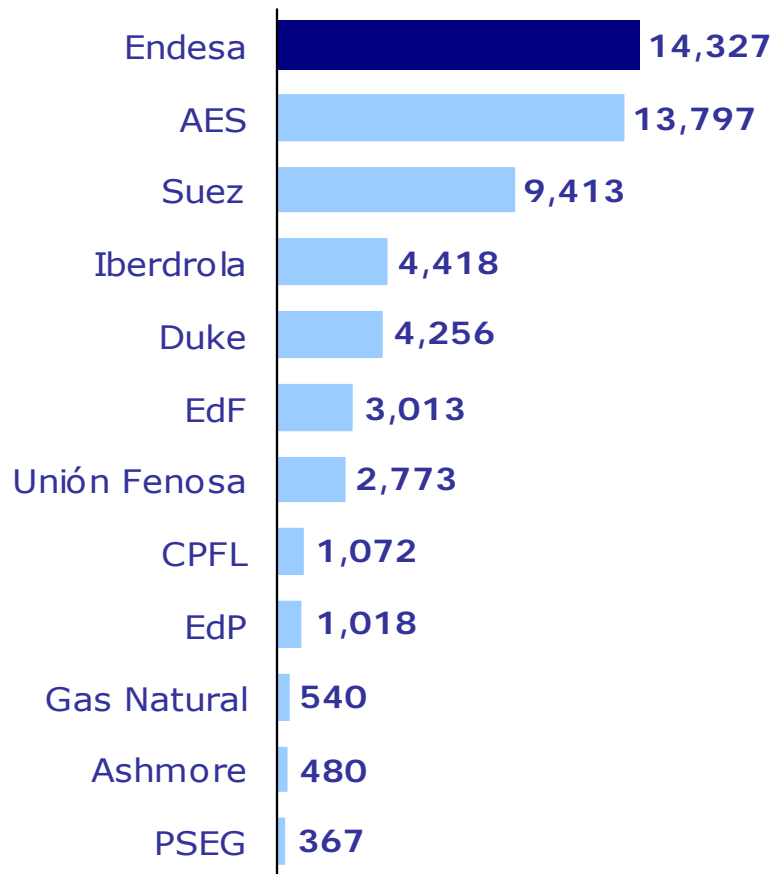
- Unique business platform in Latin America capable of capturing market growth and minimising risk.
- Robust macroeconomic environment in the region.
- Strong outlook for our electricity markets.
- Significant opportunities ahead for profitable growth.
- 2009 targets clearly achievable.

Latin America accounts for a third of ENDESA's business

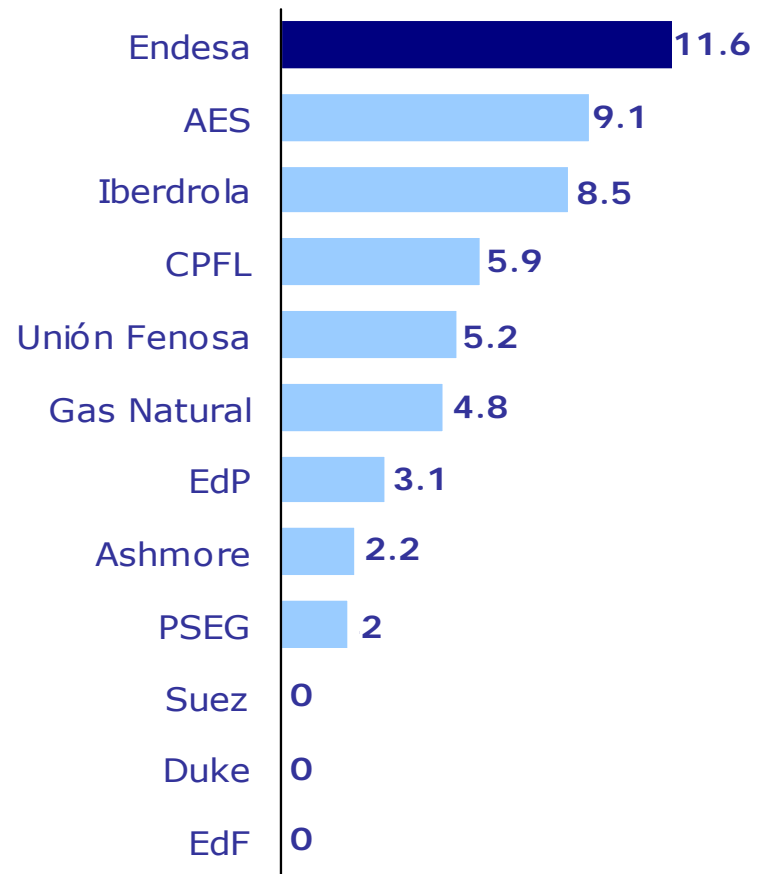


ENDESA is the largest private utility in Latin America

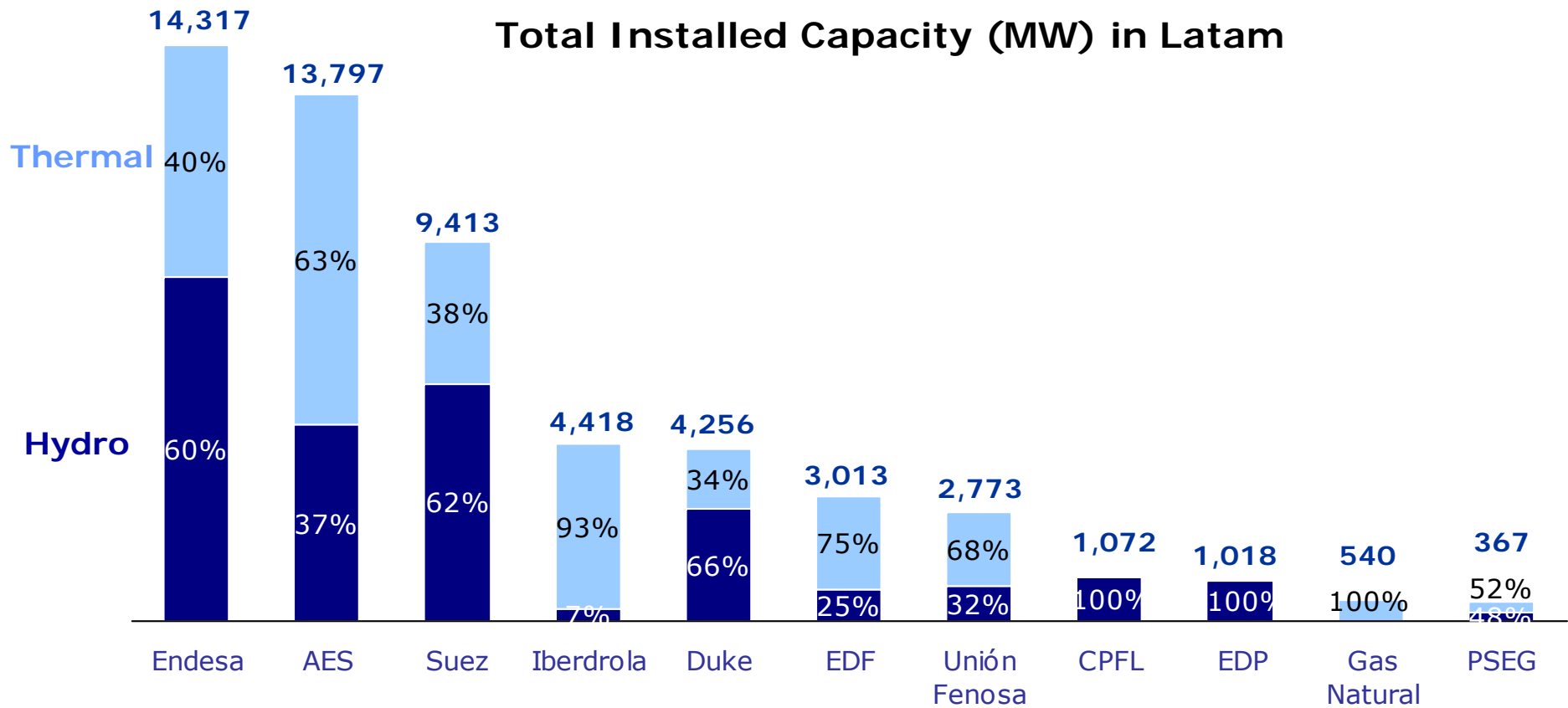
Installed capacity 2006 (MW)



Customers 2006 (millions)



ENDESA has one of the most renewable generation mix with lowest marginal costs in the region



ENDESA holds a leading position in four of the five countries where it is present

Colombia #1

2,779 MW
24% Gx Share
2.1 Mn customers
24% Dx Share

Peru #1

1,574 MW
20% Gx Share
1.0 Mn customers
34% Dx Share

Chile #1

4,477 MW
37% Gx Share
1.4 Mn customers
45% Dx Share

Brazil:

979MW¹
<1% Gx Share
4.9 Mn customers
1.3% Dx Share

Argentina #1

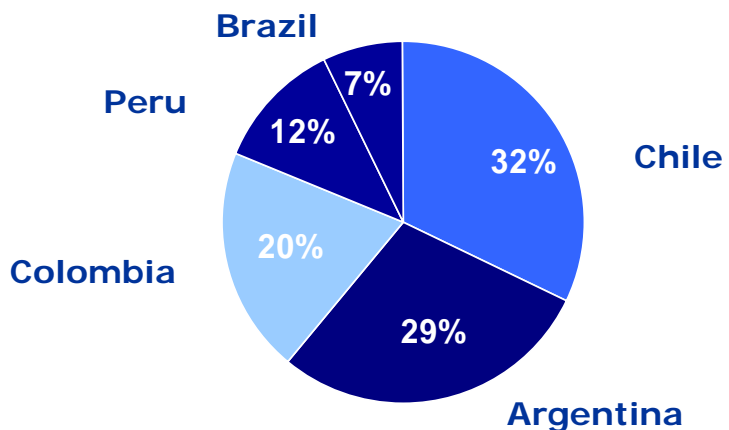
4,508 MW
17% Gx Share
2.2 Mn customers
20% Dx Share



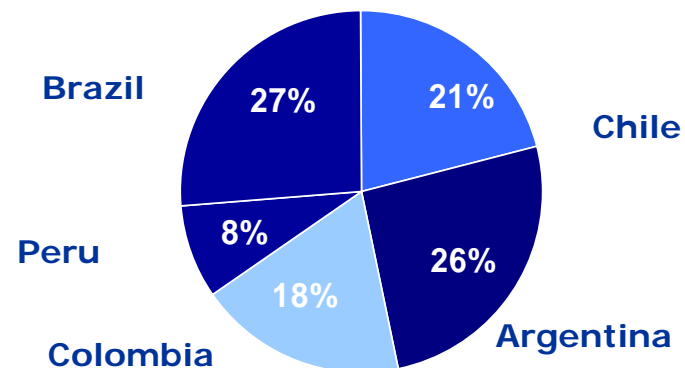
(1) Excludes 2,100 MW of CIEN transmission capacity

ENDESA has achieved a strong operating and financial performance due to a diversified portfolio

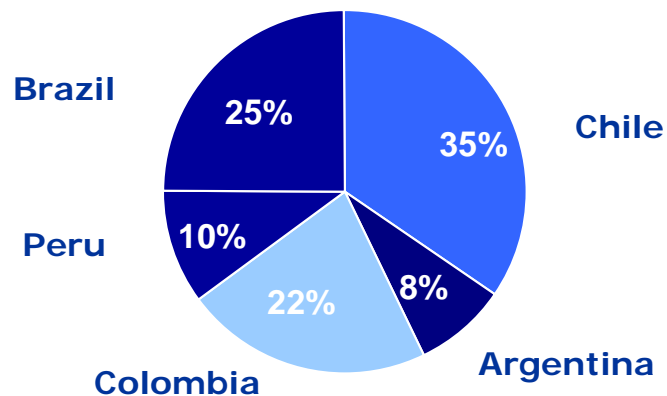
Output 2006
62,028 GWh



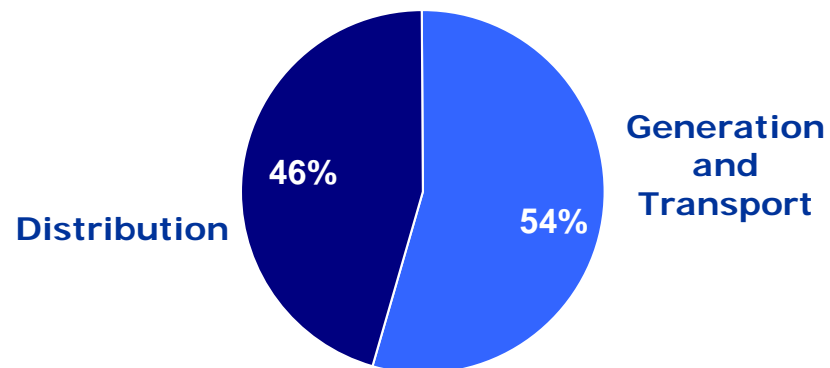
Sales 2006
58,281 GWh



EBITDA 2006
2,188 M€



EBITDA 2006¹

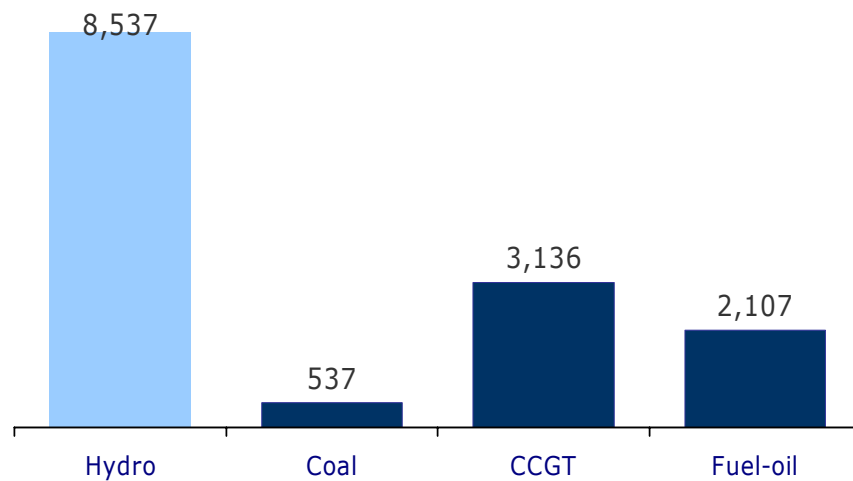


¹ -86 M€ of others not included

ENDESA has developed a portfolio of unique assets in the region

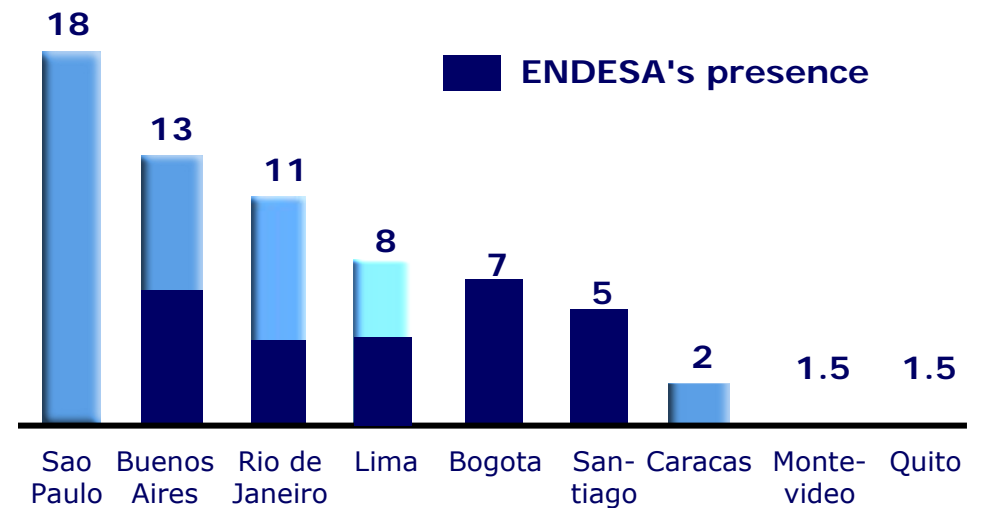
Generation

**Installed Capacity 2006
14,317 MW**



Distribution

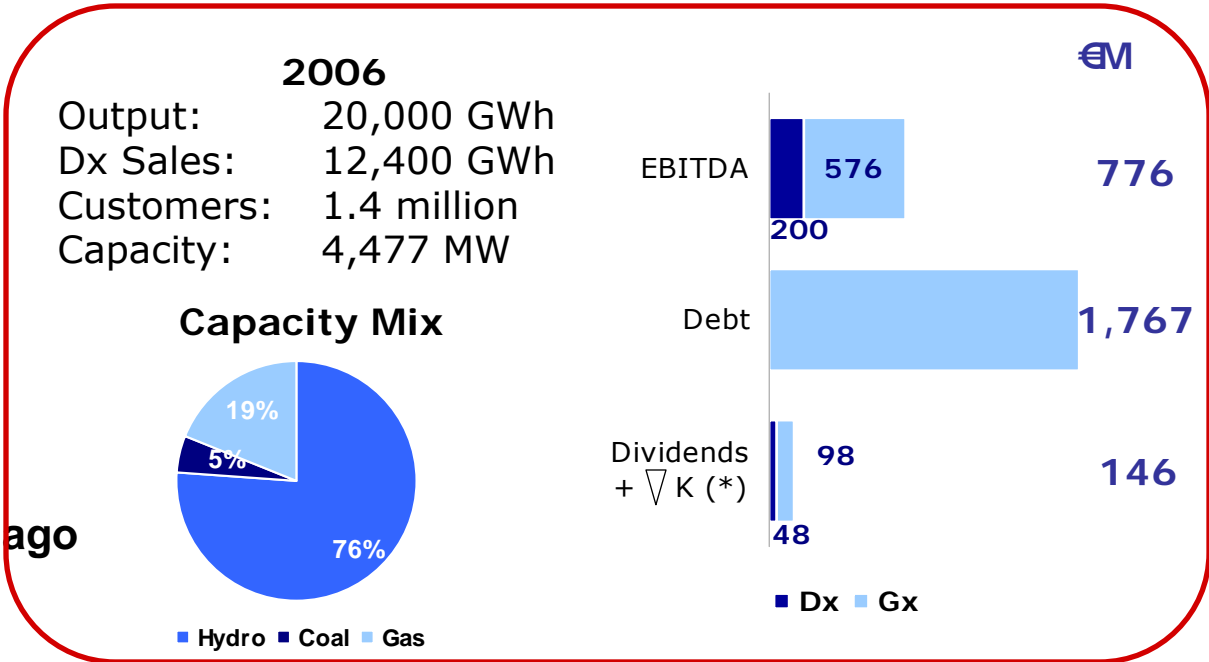
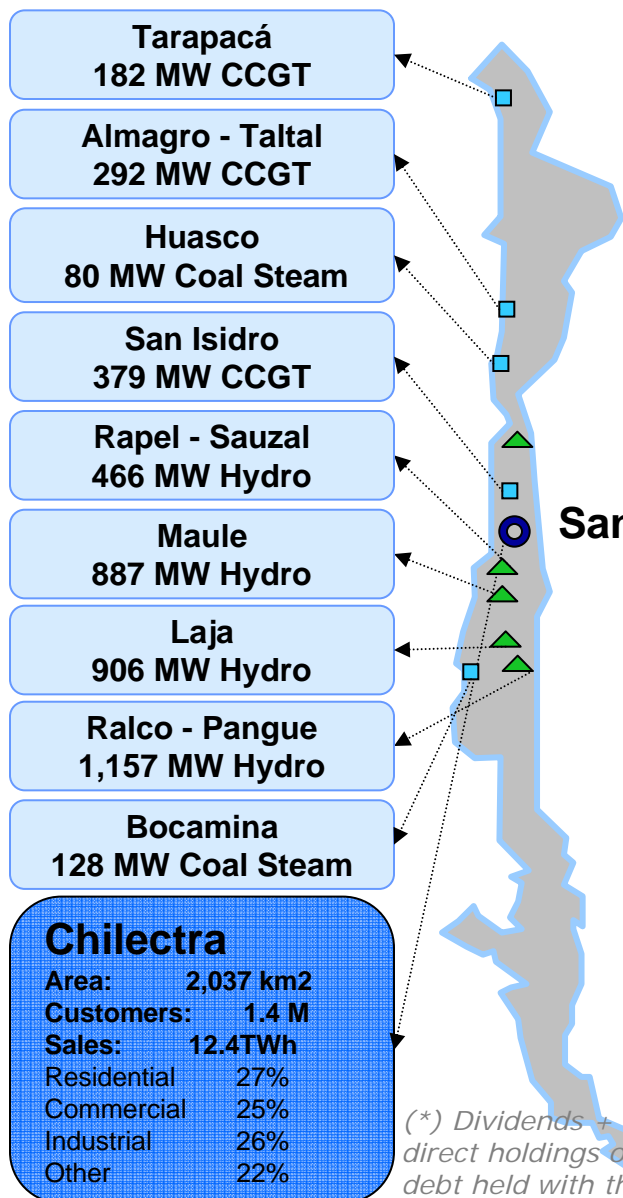
**Population
(millions of inhabitants)**



- 59.6% of ENDESA's capacity is hydroelectric
- Most of the capacity has lower marginal costs than those of a new entrant (CCGT)

- ENDESA distributes electricity in 5 of the 6 major Latin American cities

Chile



Company	% Economic	% Control	% Direct
Endesa Chile:	36.4%	60.0%	-
Chilectra:	60.6%	99.1%	-
S. Isidro:	36.4%	100%	-
Pangue:	39.5%	100%	5%
Celta:	36.4%	100%	-
Pehuenche:	33.7%	92.7%	-

(*) Dividends + capital reductions distributed to 100% of shareholders. % Control represents the sum of all direct holdings of any company belonging to the Group. % Direct refers to Endesa International. Debt is net debt held with third parties.

Brazil

Fortaleza

- Fortaleza 321 MW CCGT
- Cachoeira Dourada 658 MW Hydro
- CIEN 2,100 MW Interconnection

Rio de Janeiro

- Coelce**
 - Area: 146,817 km²
 - Customers: 2.5 M
 - Sales: 6.7 TWh
 - Residential 36%
 - Commercial 20%
 - Industrial 19%
 - Other 25%
- Ampla**
 - Area: 31,784 km²
 - Customers: 2.4 M
 - Sales: 8.6 TWh
 - Residential 46%
 - Commercial 23%
 - Industrial 13%
 - Other 18%

2006 €M

Output: 4,500 GWh
 Dx Sales: 15,300 GWh
 Customers: 4.9 million
 Capacity: 979 MW

Capacity Mix

■ Hydro ■ Fuel ■ Gas

Financial Performance (€M)

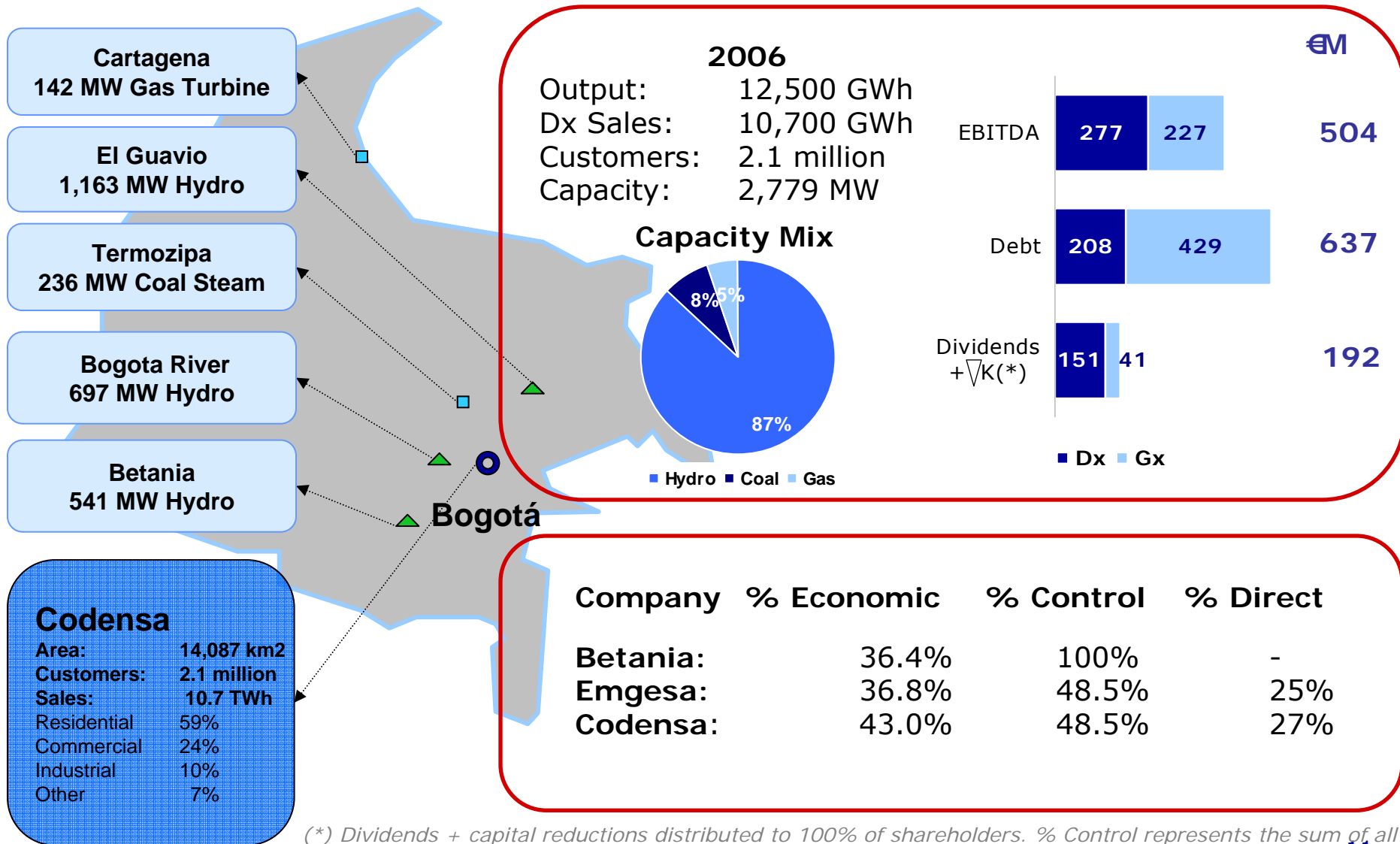
Category	Dx	Gx	Total
EBITDA	422	159	581
Debt	518	176	694
Dividends + ∇K (*)	51	130	181

■ Dx ■ Gx

Company	% Economic	% Control	% Direct
Cachoeira	59.3%	99.6%	-
Fortaleza:	59.5%	100%	-
Ampla:	55.1%	91.9%	-
CIEN:	59.5%	100%	-
Coelce:	34.1%	58.9%	-

(*) Dividends + capital reductions distributed to 100% of shareholders. % Control represents the sum of all direct holdings of any company belonging to the Group. % Direct refers to Endesa International. Debt is net debt held with third parties.

Colombia



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Peru

Malacas
146 MW Open Cycle

Ventanillas
457 MW CCGT

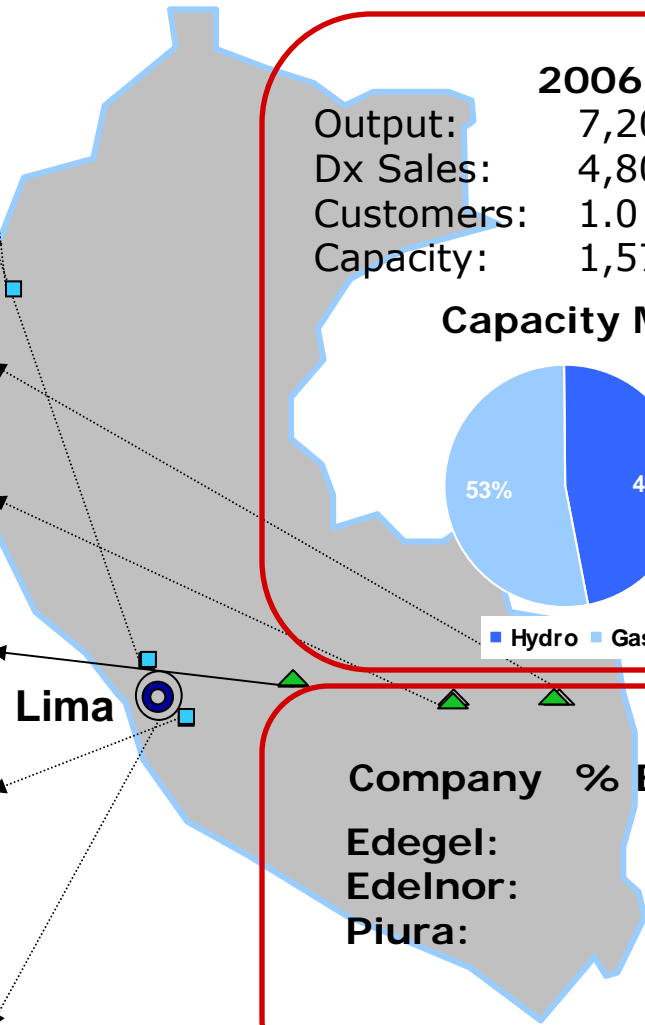
Chimay
151 MW Hydro

Yanango
43 MW Hydro

Rimac River
548 MW Hydro

Santa Rosa
229 MW Gas Turbine

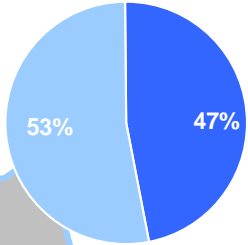
Edelnor
Area: 2,440 km²
Customers: 1.0 M
Sales: 4.8 TWh
Residential: 37%
Commercial: 19%
Industrial: 30%
Other: 14%



2006 €M

Output: 7,200 GWh
Dx Sales: 4,800 GWh
Customers: 1.0 million
Capacity: 1,574 MW

Capacity Mix



■ Hydro ■ Gas

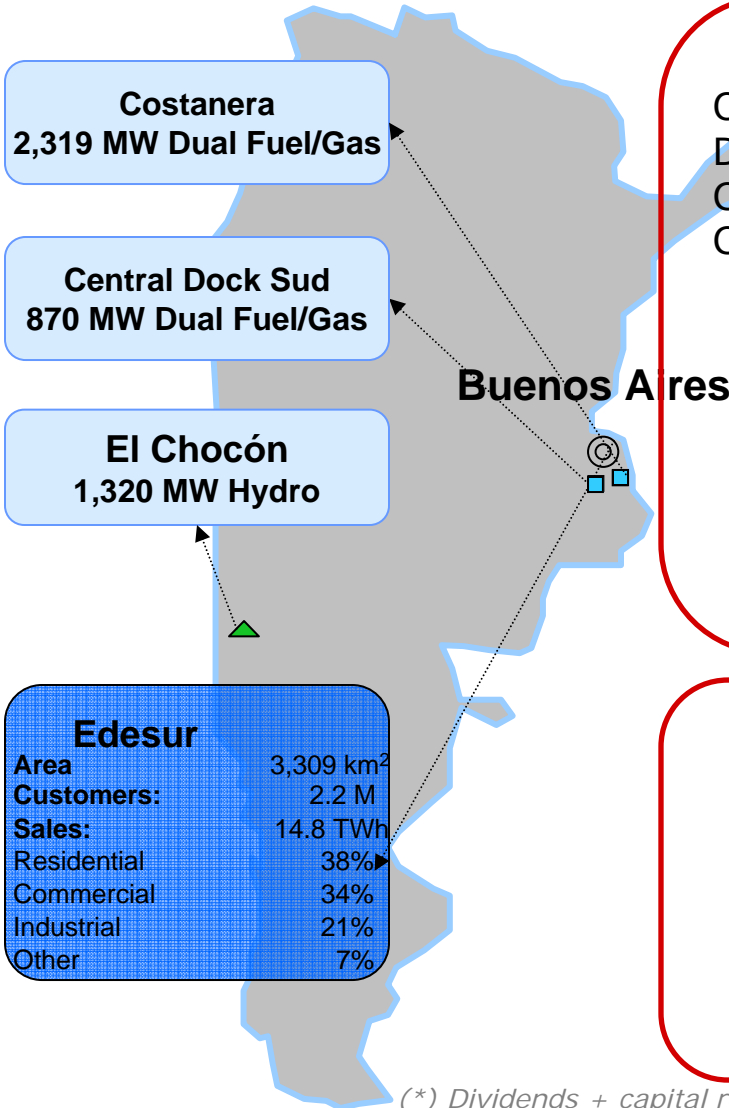
EBITDA	87	150	237
Debt	136	334	470
Dividends + Capital reductions (*)	38	65	103

■ Dx ■ Gx

Company	% Economic	% Control	% Direct
Edegel:	17.6%	63.2%	5.6%
Edelnor:	38.3%	60.0%	18.0%
Piura:	48.0%	60.0%	48.0%

(*) Dividends + capital reductions distributed to 100% of shareholders. % Control represents the sum of all direct holdings of any company belonging to the Group. % Direct refers to Endesa International. Debt is net debt held with third parties.

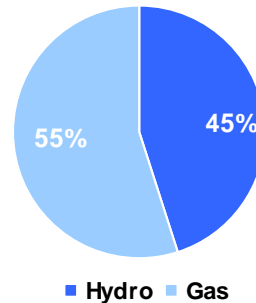
Argentina



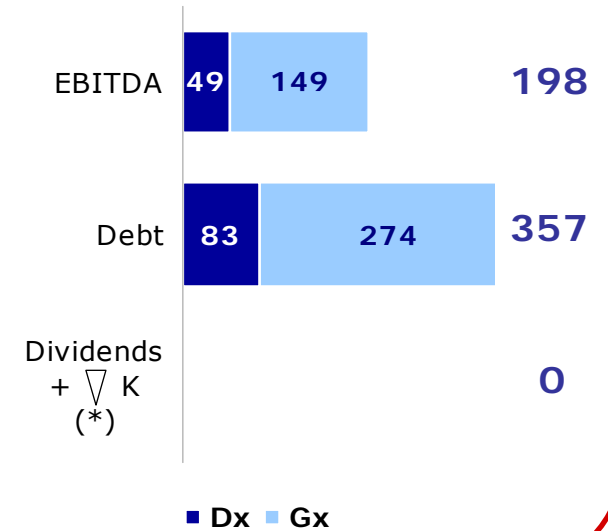
2006

Output: 17,700 GWh
 Dx Sales: 14,800 GWh
 Customers: 2.2 million
 Capacity: 4,509 MW

Capacity Mix



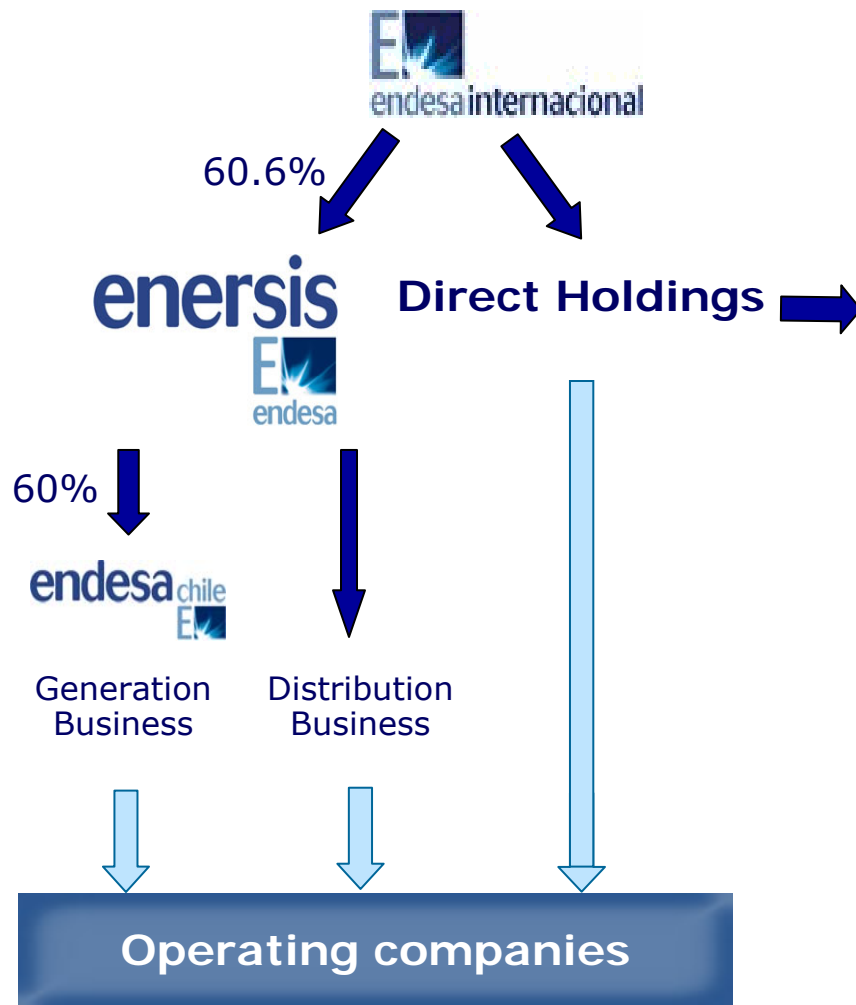
€M












Company	% Economic	% Control	% Direct
Costanera:	23.4%	64.3%	6.2%
El Chocón:	17.3%	65.2%	-
Dock Sud:	40.0%	70.0%	40%
Edesur:	45.9%	99.5%	-

(*) Dividends + capital reductions distributed to 100% of shareholders. % Control represents the sum of all direct holdings of any company belonging to the Group. % Direct refers to Endesa International. Debt is net debt held with third parties.

Endesa International owns significant direct holdings in addition to its stake in Enersis

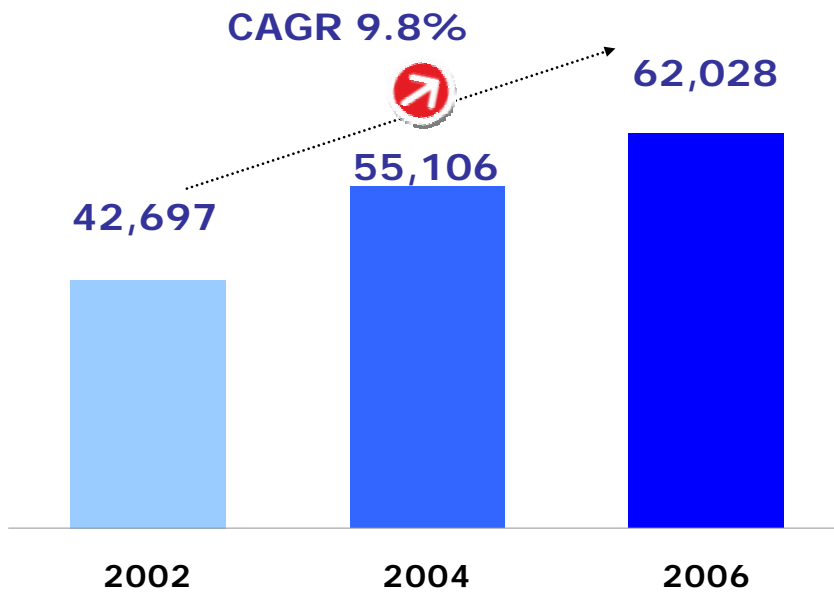


	€M	% Direct	Total EBITDA 06	Debt 06(*)
 Codensa:		27%	277	208
 Emgesa:		25%	198	187
EEB:		4.7%	157	n/a
 Endesa Brasil:		27.5%	568	681
 Edesur:		6.2%	49	83
 DockSud:		40%	44	82
 Edelnor:		18%	87	136
 Edegel:		5.6%	123	338
 Piura:		48%	22	-4
 Panguel:		5%	78	6
Total (ownership adjusted)			345	370

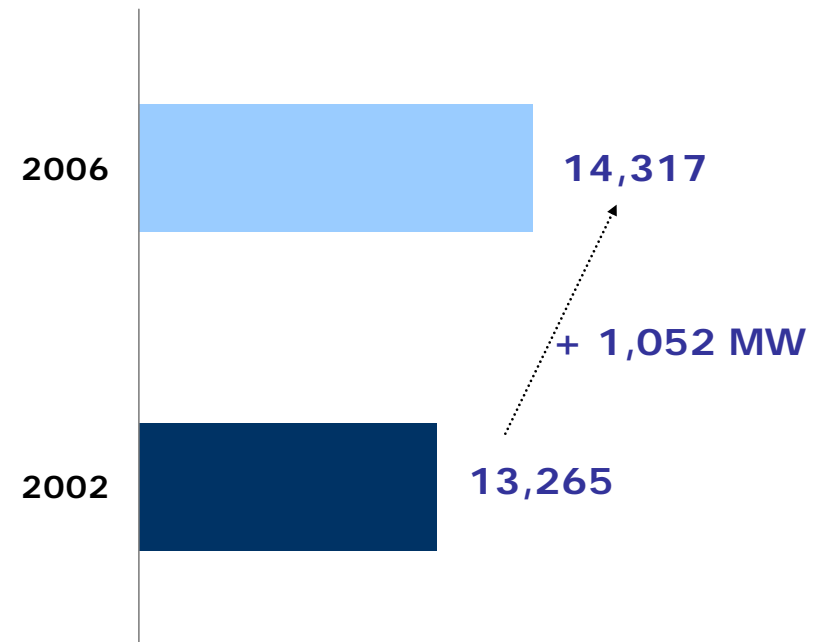
(*) Net debt held with third parties

ENDESA has achieved strong growth in Generation

Generation Output (GWh)



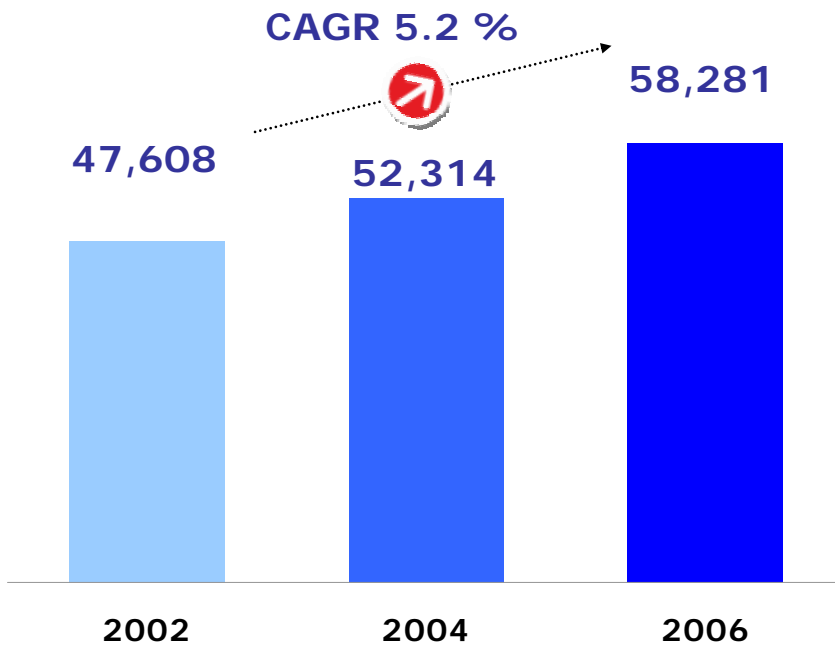
Installed Capacity (MW)



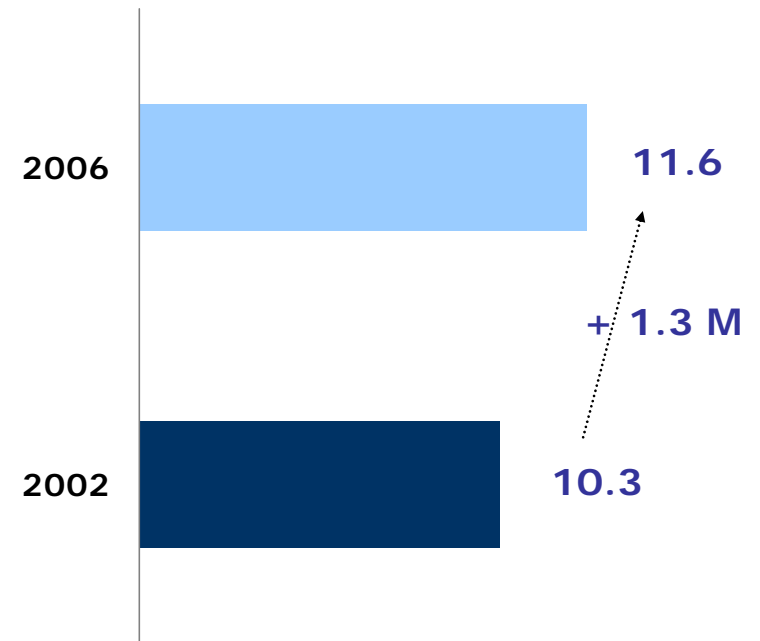
20,000 GWh in growth 2002-06 is similar in size to 25% of ENDESA's generation in Spain.

ENDESA has achieved strong growth in Distribution

Distribution Sales (GWh)



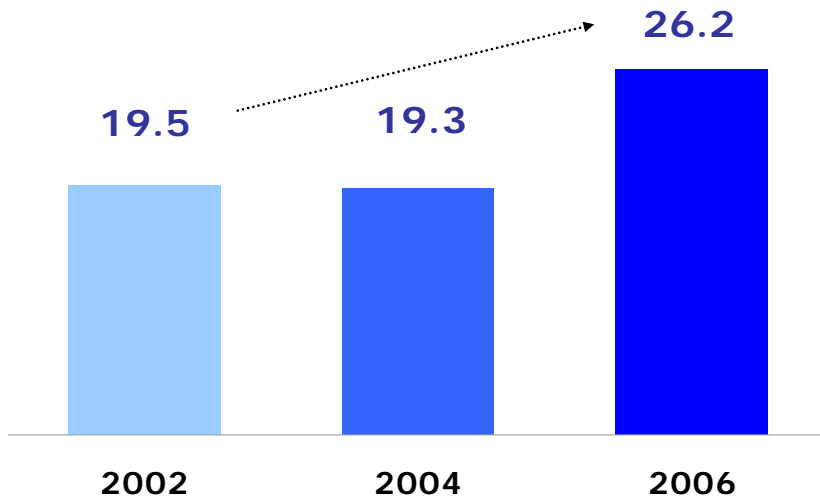
Customers (million)



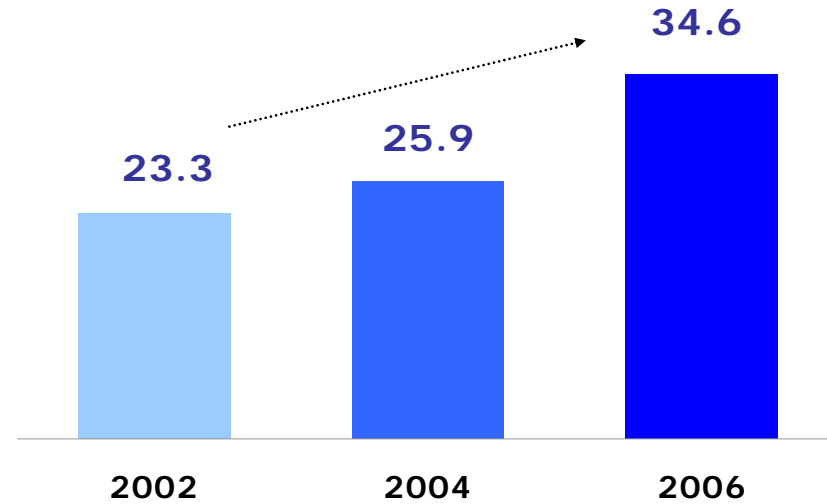
1.3 million customers in organic growth 2002-06 is similar in size to a distribution company such as Chilectra

Margins have increased significantly

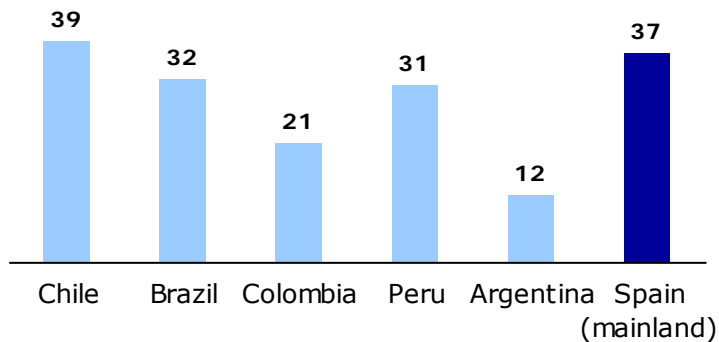
Generation Margin (US\$/MWh)*:



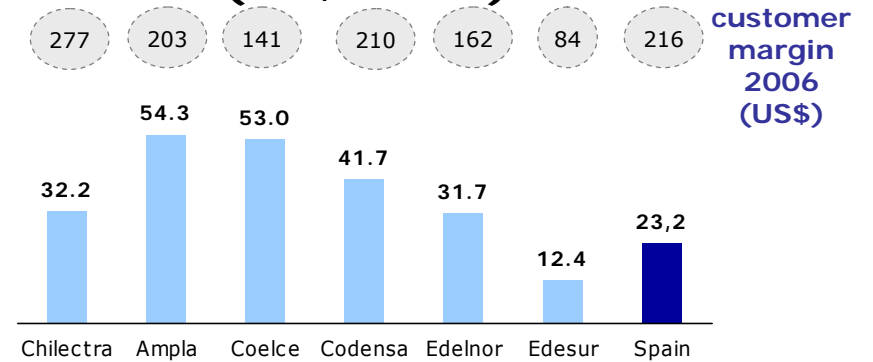
Distribution Margin (US\$/MWh)*:



Generation Margin 2006 (US\$/MWh):



Distribution Margin 2006 (US\$/MWh):

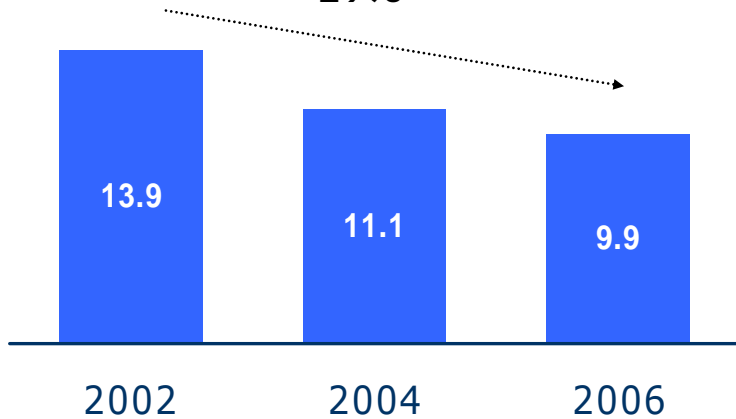


(*) 2002 and 2004 in Spanish GAAP. 2006 in IFRS.

While achieving considerable improvements in service quality and losses

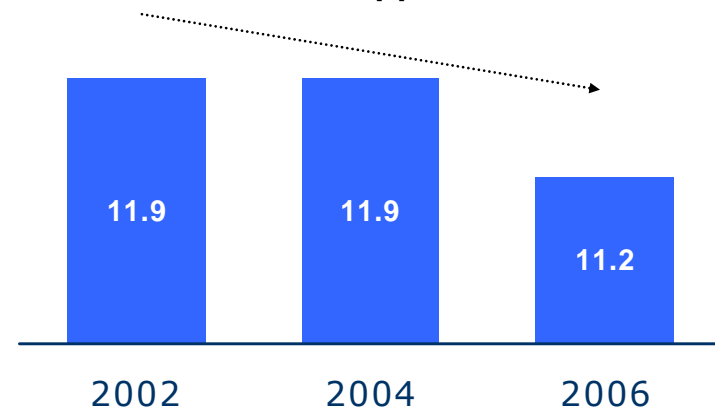
**Service Quality
Interruption Time
(Hours)**

-29%

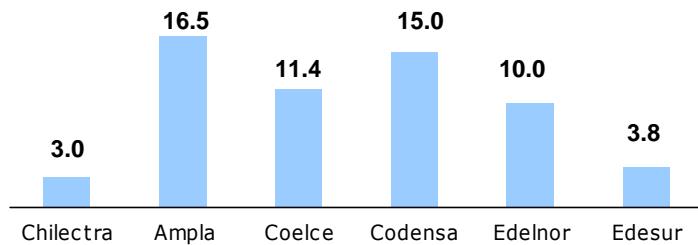


Losses (%)

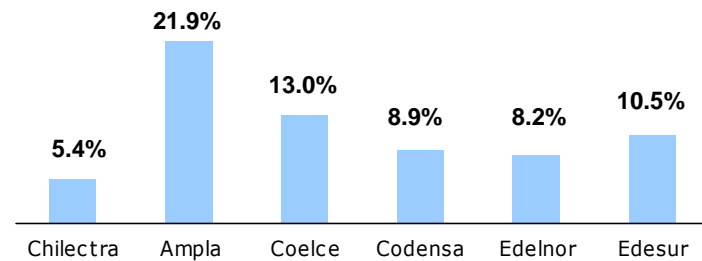
-0.7 pp



**Interruption
Time 2006
(Hours)**

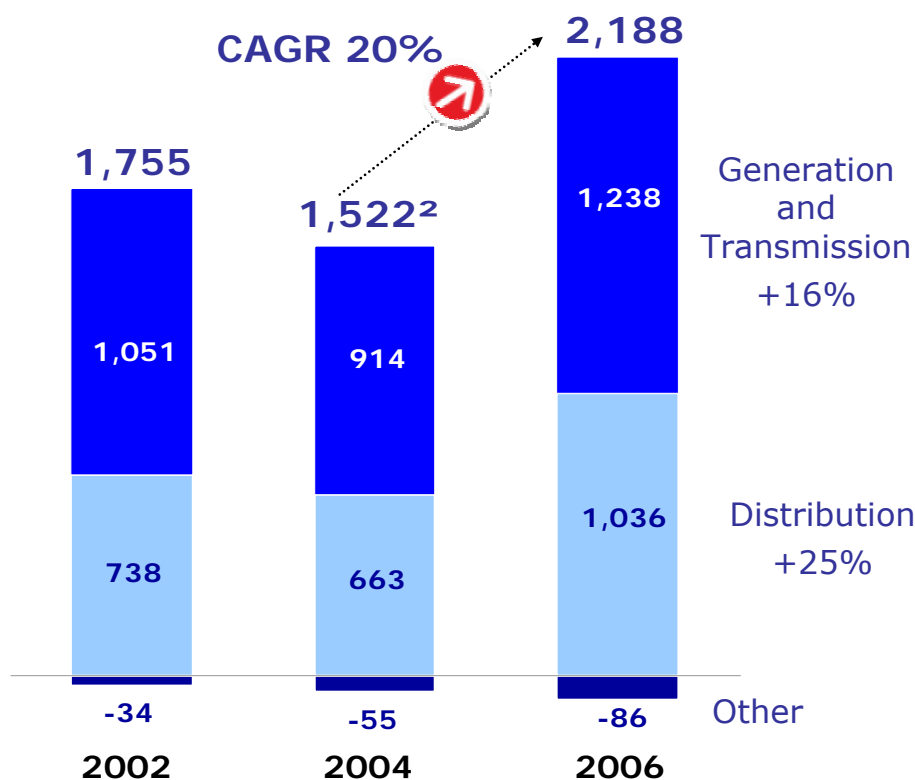


Losses 2006 (%)

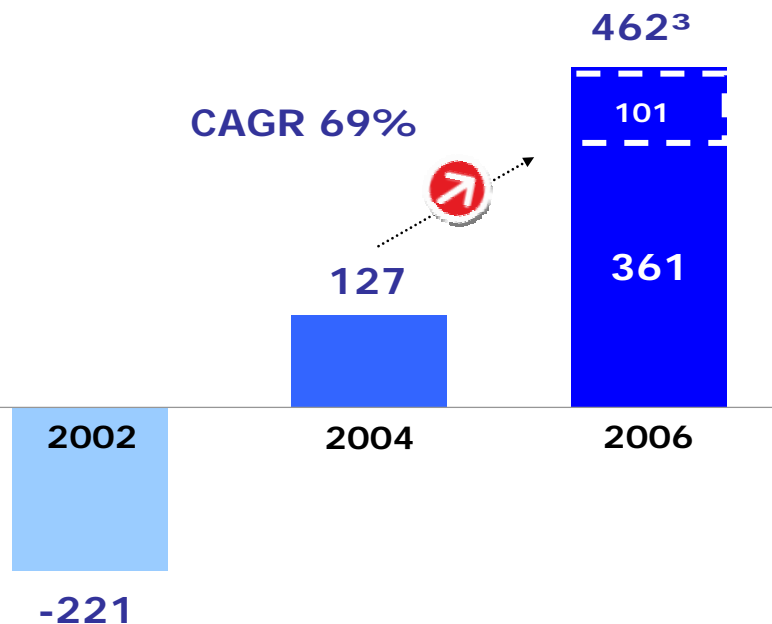


The strong operating performance has set the stage for a substantial increase in results

EBITDA¹ (€M)



Net Income¹ (€M)



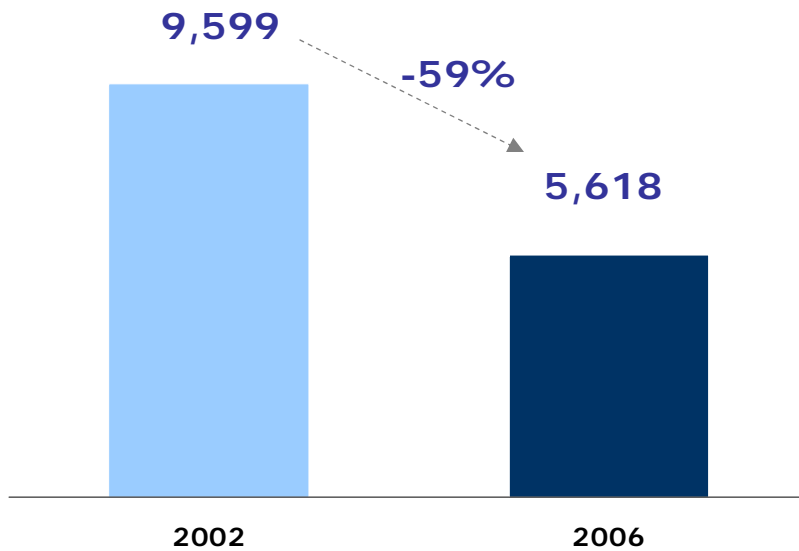
(1) 2002 according to Spanish GAAP. 2004 and 2006 according to IFRS

(2) EBITDA 2004 reflects the change in the consolidated Group due to the sale of Rio Maipo and Canutillar.

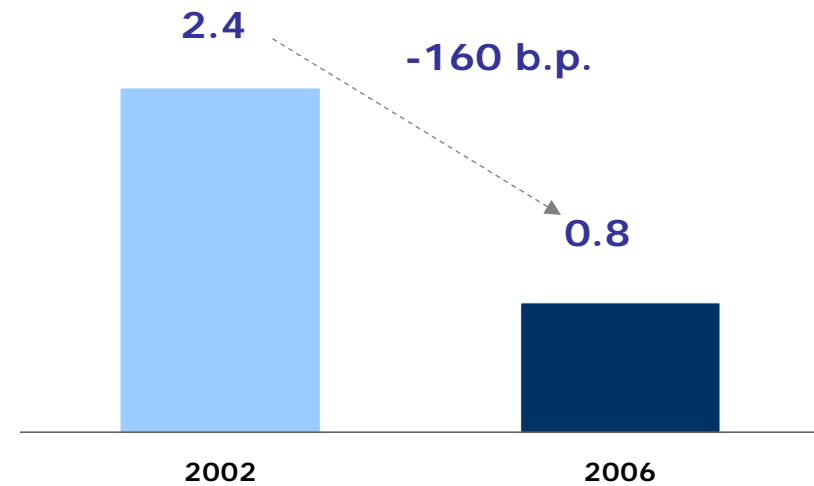
(3) Net Income 2006 includes a €101M tax credit from the Chilectra/Elesur merger

Coupled with a substantial debt reduction

Consolidated Net Financial Debt (€M)



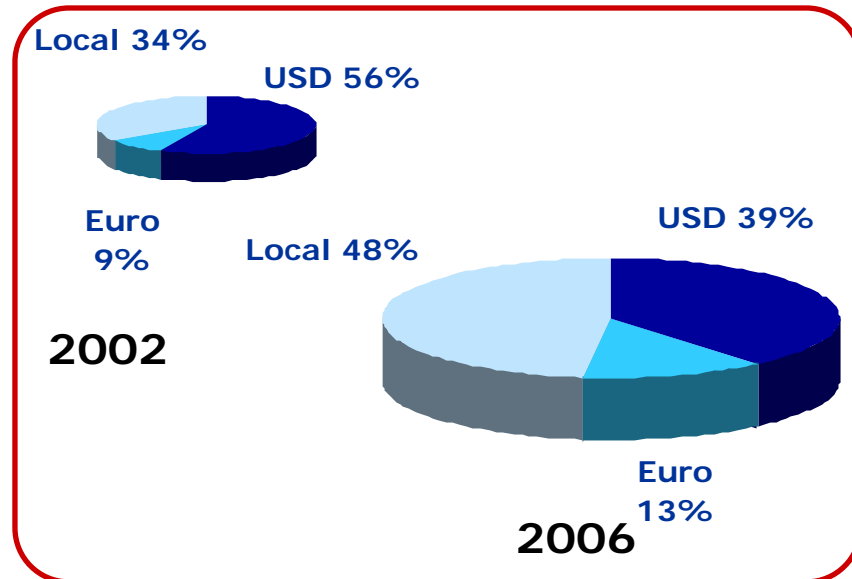
Leverage



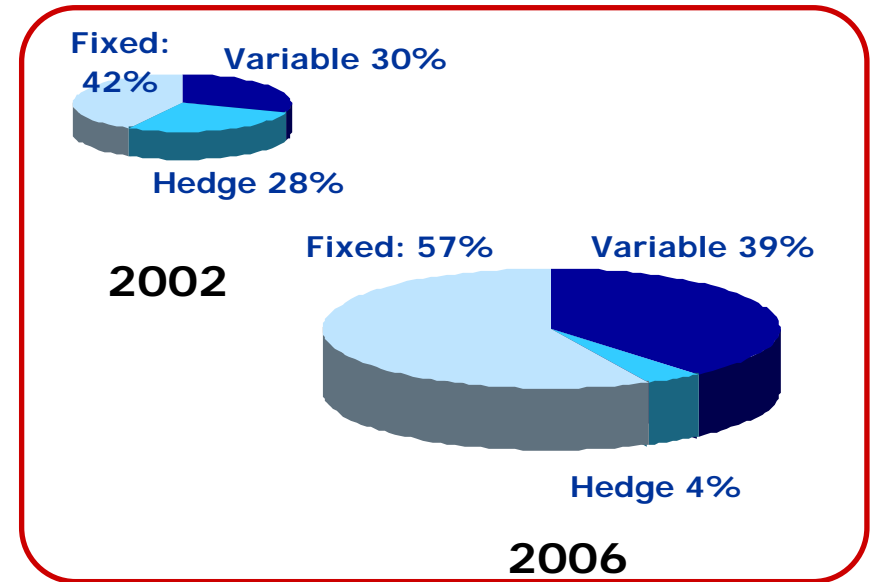
(1) The financial strengthening plan begun in 2002 and included a US\$2,1bn capital increase from Enersis.
 (2) Leverage defined as Gross Debt/Shareholders' Equity (including minorities)

Balancing currencies of cash flows and debt as well as extending maturities

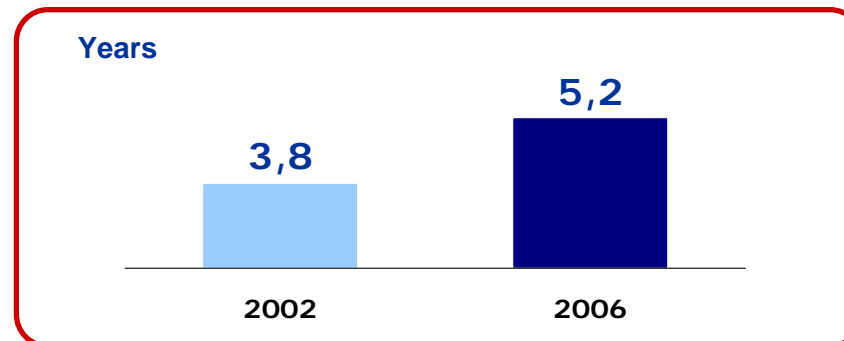
Debt denomination



Interest rate

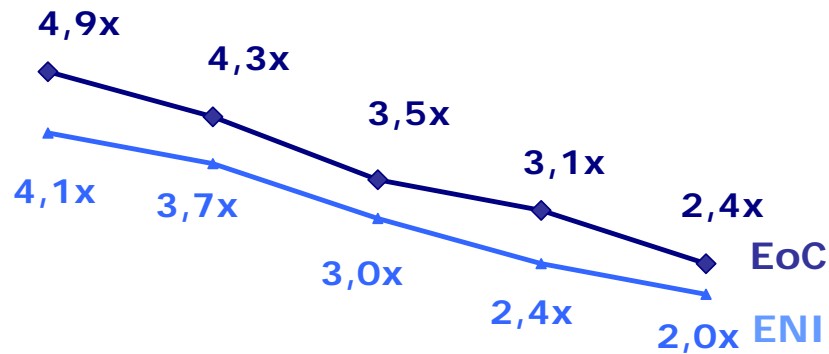


Average life of debt

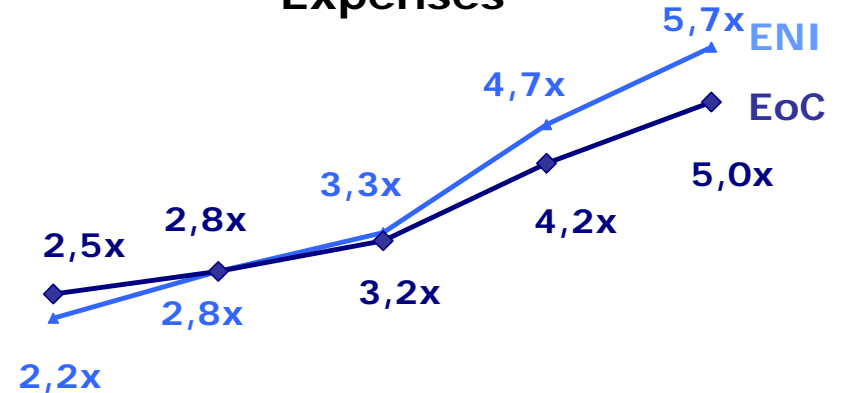


Debt and cash-flow management has led to a significant strengthening of debt ratios

Gross Debt/EBITDA



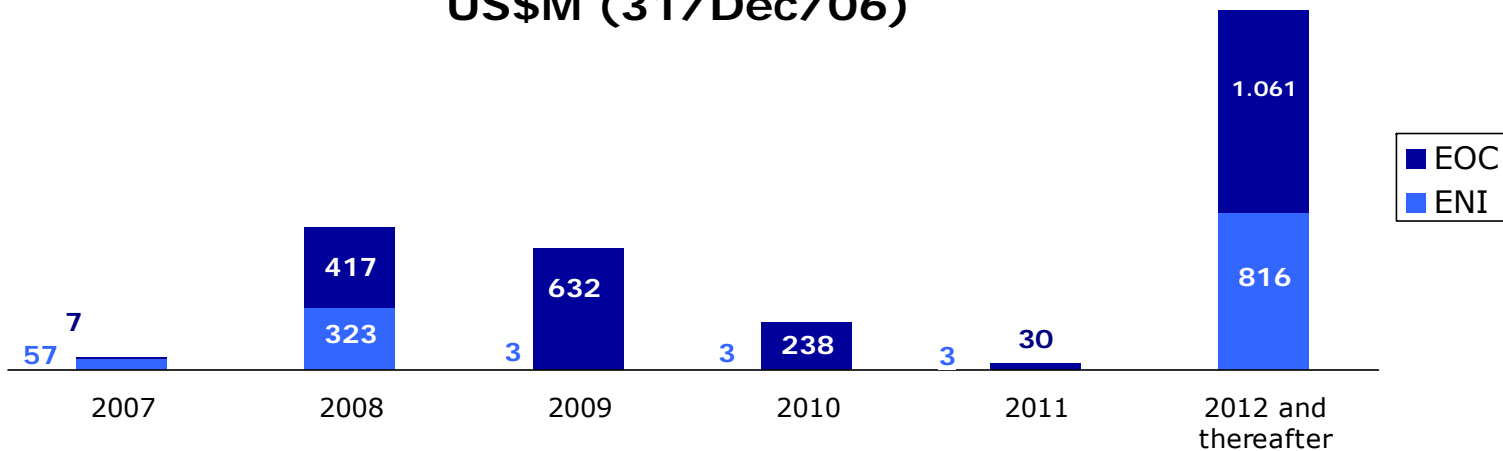
EBITDA/Financial Expenses



2003 2004 2005 2006 1T2007

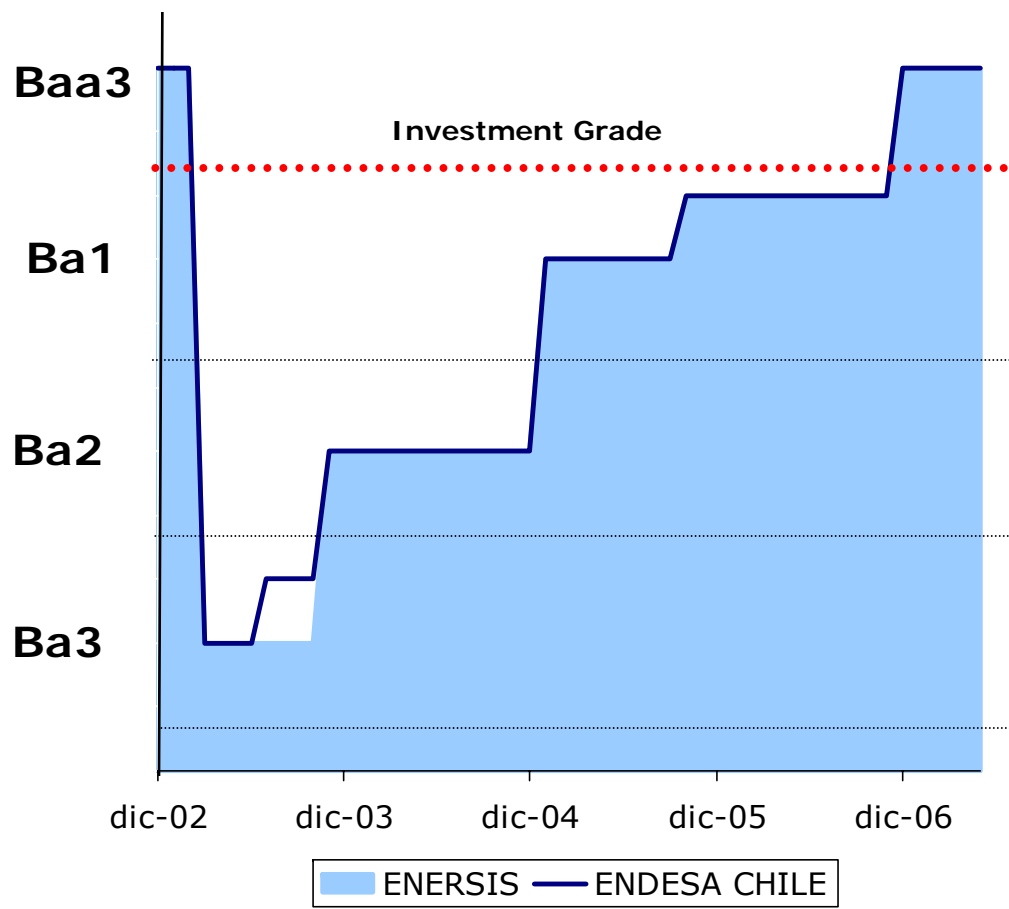
2003 2004 2005 2006 1T2007

**Maturities – Endesa Chile and Enerdis
US\$M (31/Dec/06)**



Recovering investment grade rating

Moody's Rating

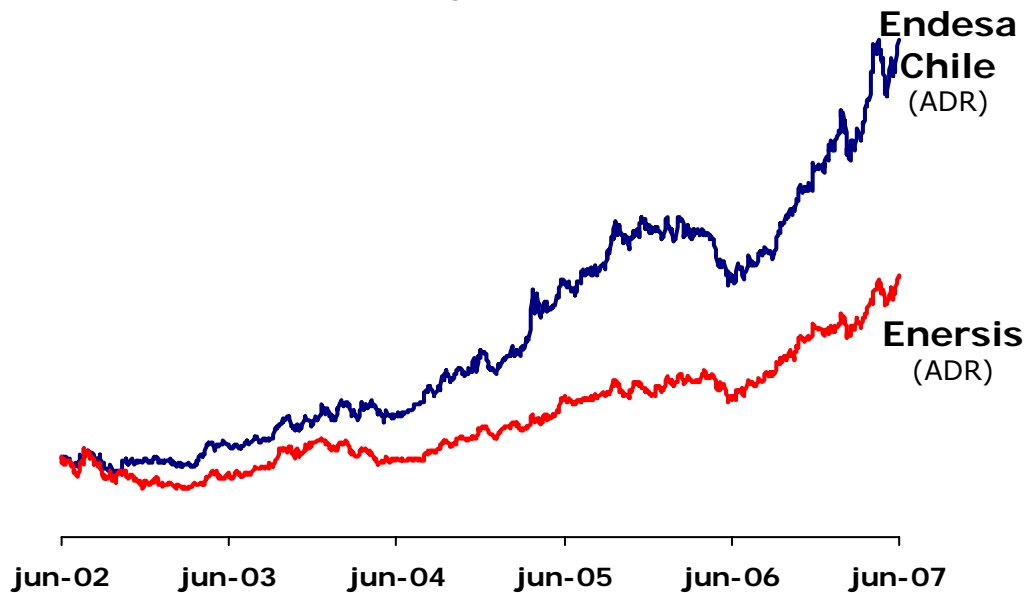


Current ENI and EOC Ratings

- Moody's: Baa3/stable
- S&P: BBB-/positive
- Fitch: BBB/stable

Creating value for shareholders

Stock market performance last 5 years



Stock market increase

+520%

+223%

Market cap (US\$M)

13.566

12.943

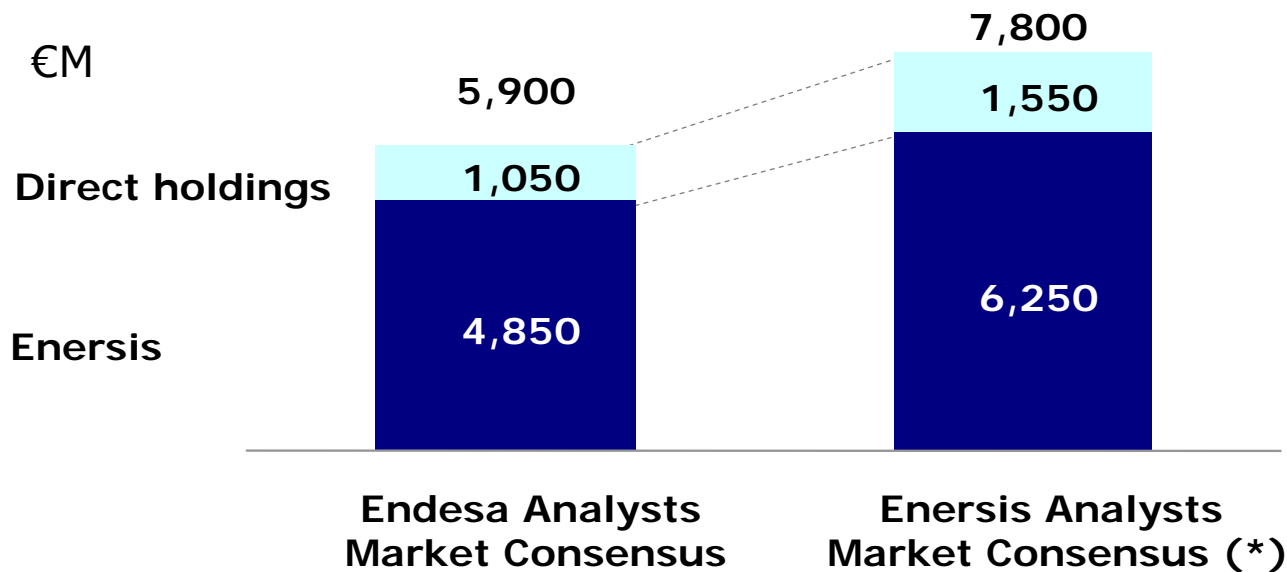
Record high

6 year high

Stock market performance shows favourable perspectives for our Latin American subsidiaries

Analysts use different valuation methods for Endesa's Latin American holdings

Contribution to Endesa's market cap



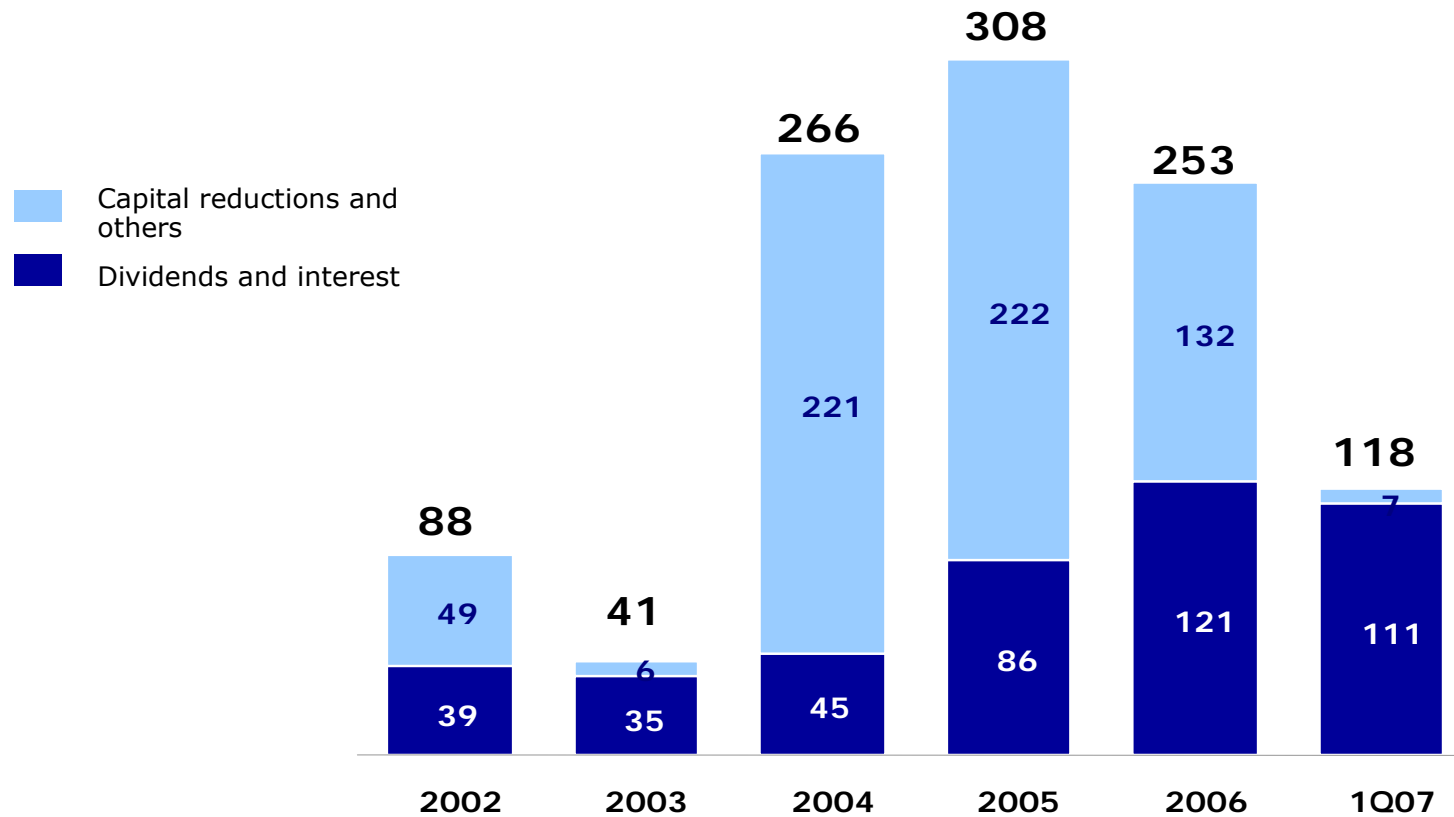
Direct holdings account for 20% of Endesa Latam's value

Approach	Endesa Analysts Market Consensus	Energis Analysts Market Consensus (*)
	Energis: Market Cap Direct holdings: Book Value	Energis: DCF of operating companies, sum of parts
	Updated: 2006	Updated: 2007

* Value of direct holdings based on Energis' analysts sum of the parts.

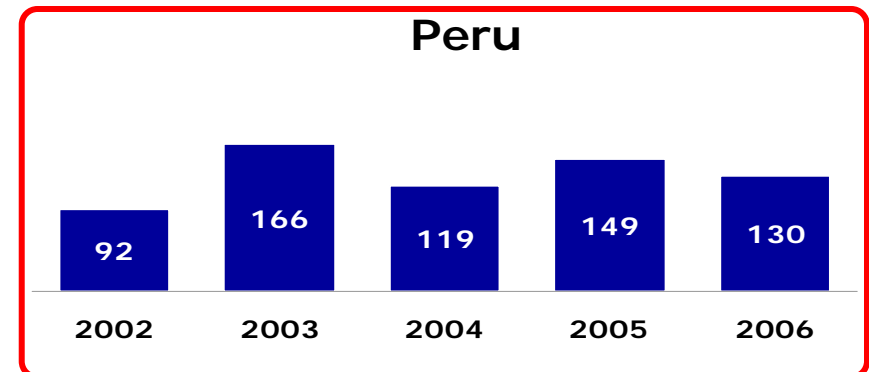
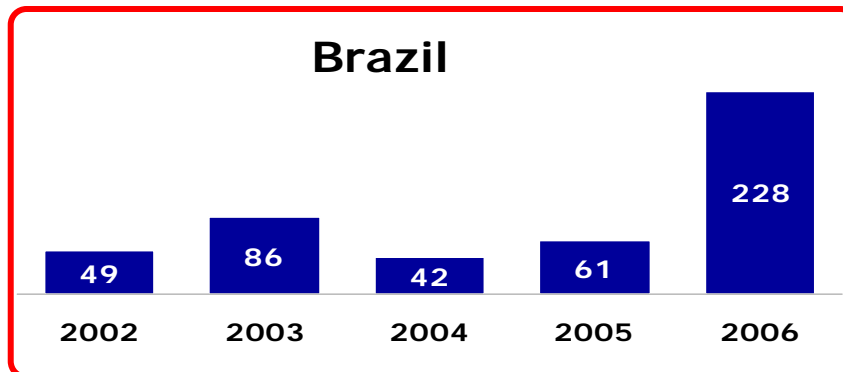
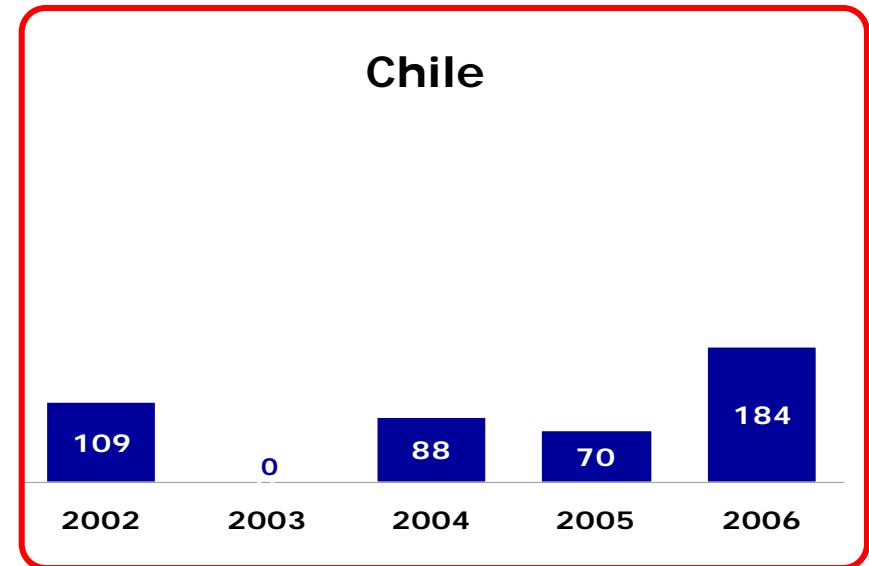
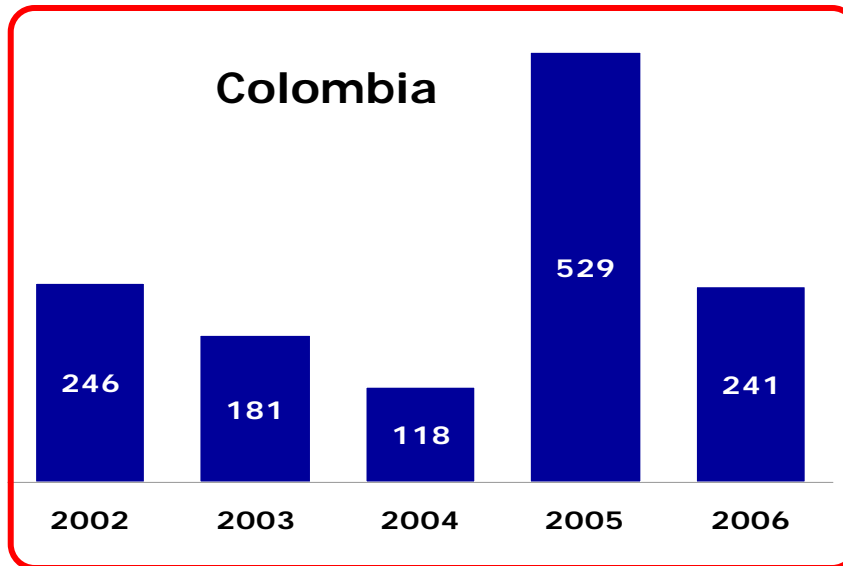
Latam provides significant cash returns to Spain

Cash returns (US\$M)



Based on cash returns from different countries

Dividends and Capital Reductions¹ (US\$M)



(1) Dividends and capital reductions distributed to 100% of the shareholder's.

Agenda

- Unique business platform in Latin America capable of capturing market growth and minimising risk.
- **Robust macroeconomic environment in the region.**
- Strong outlook for our electricity markets.
- Significant opportunities ahead for profitable growth.
- 2009 targets clearly achievable.

ENDESA is present in those countries with the most orthodox economic policies

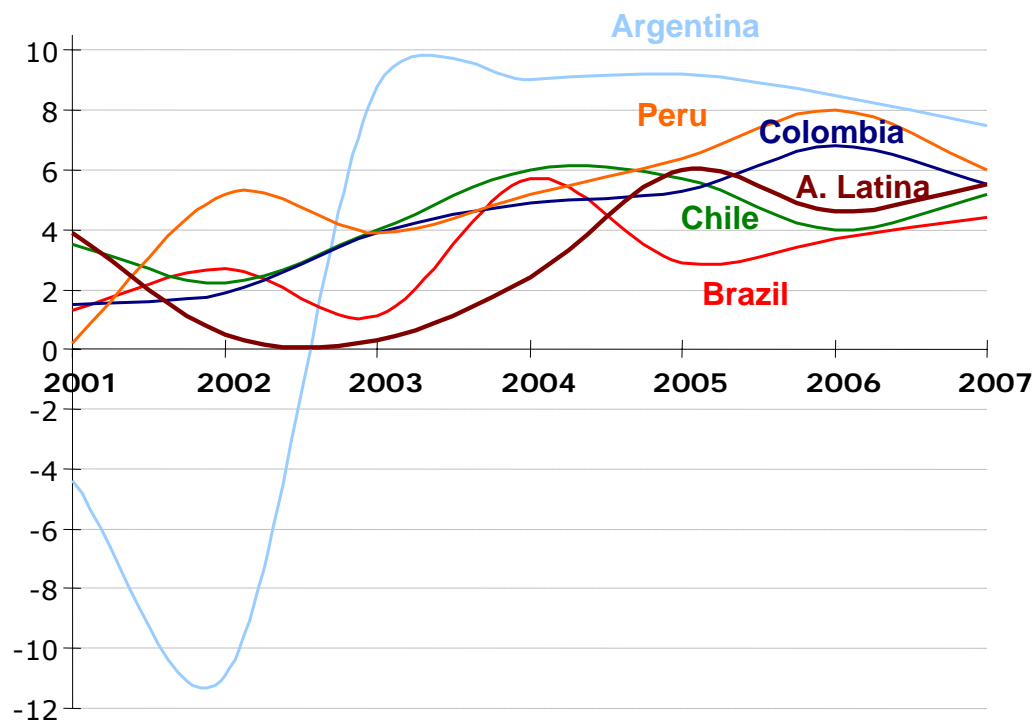


		AFI Risk Index		
		2002	2007	
Argentina	6.8	4.4	Stability 0-3 3-6 6-10 Risk Alert	
Brazil	5.8	2.5		
Chile	3.6	2.9		
Colombia	4.8	3.2		
Peru	4.2	2.5		
5 ENDESA Countries^(*)	5.8	3.0		

(*) AFI Risk Indicator weighted by ENDESA's businesses in Latam

The GDP of ENDESA's countries is growing at a 5% rate

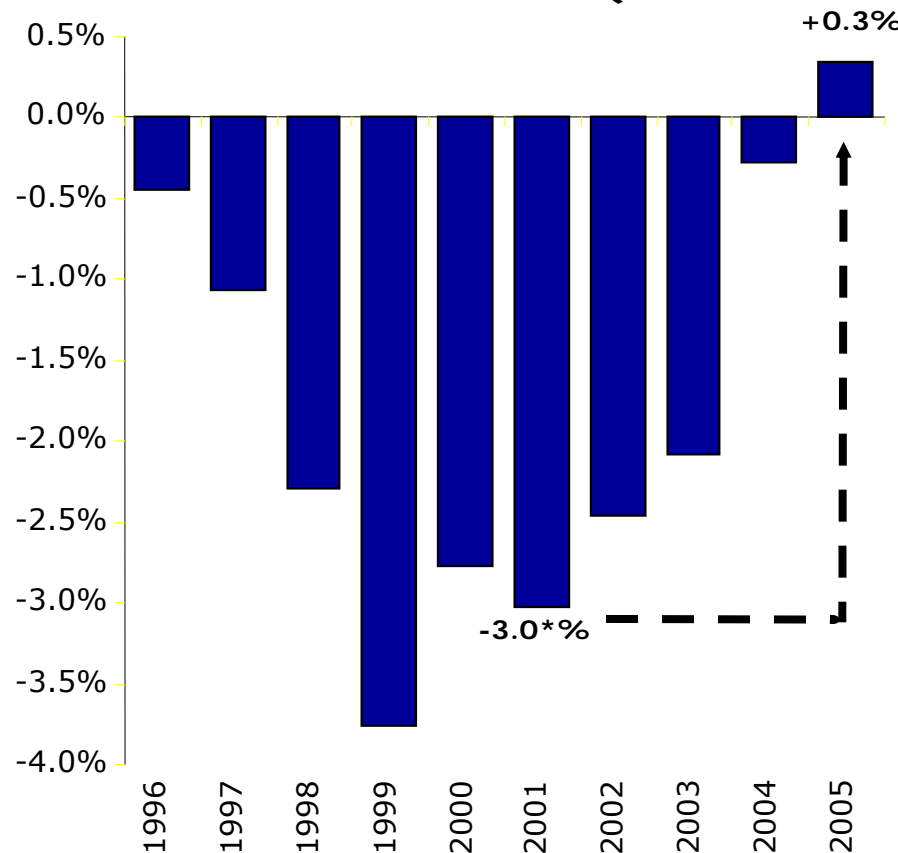
GDP Growth (%)



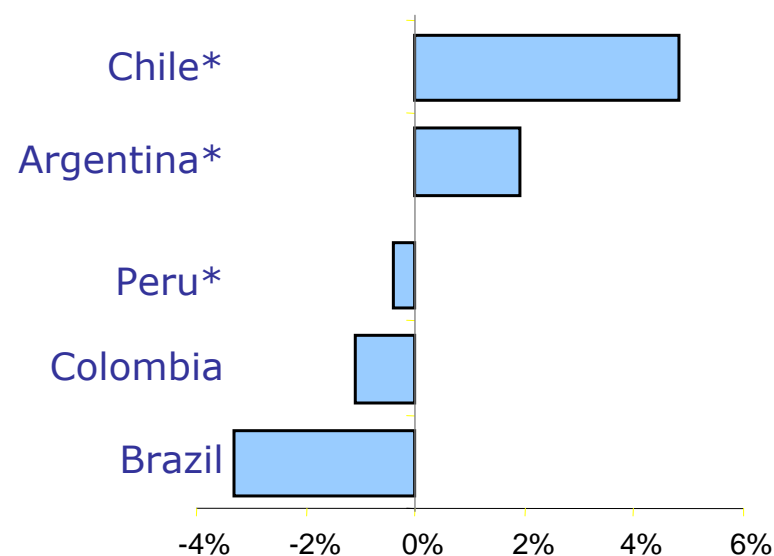
- Latin America's GDP has been growing ahead of the world average although behind Asia's.
- Growth rates in the countries where ENDESA is present exceed the regional average.
- Growth is based on increased consumption and investment.
- Volatility vs the last decade (even taking into account the 2001 Argentine crisis) has declined.

Public accounts underwent a major fiscal adjustment aimed at achieving a fiscal surplus

Latam Public Deficit (in % of GDP)

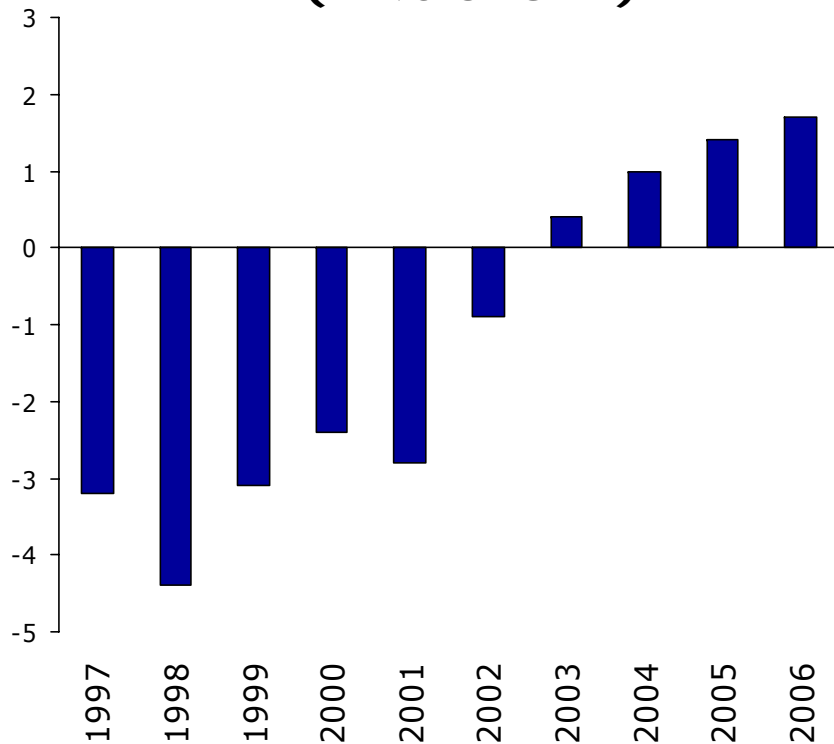


Public Deficit 2005 (in % of GDP)

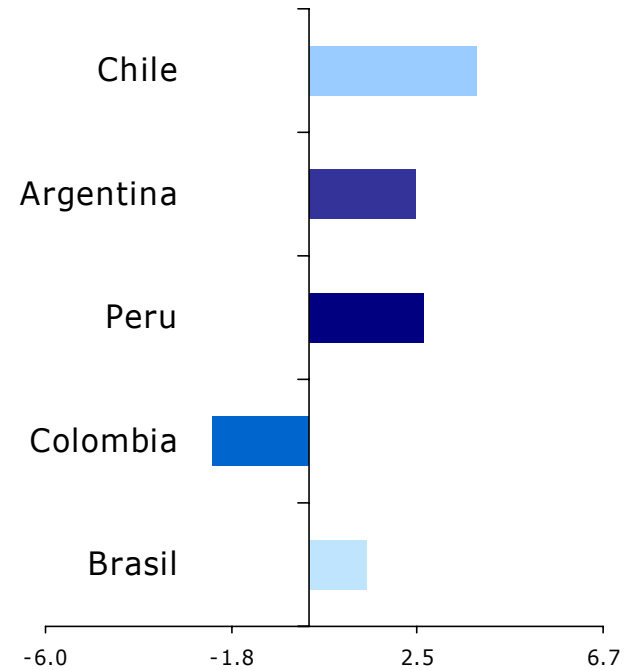


Current account balances have improved

Latam Current account balance (in % of GDP)

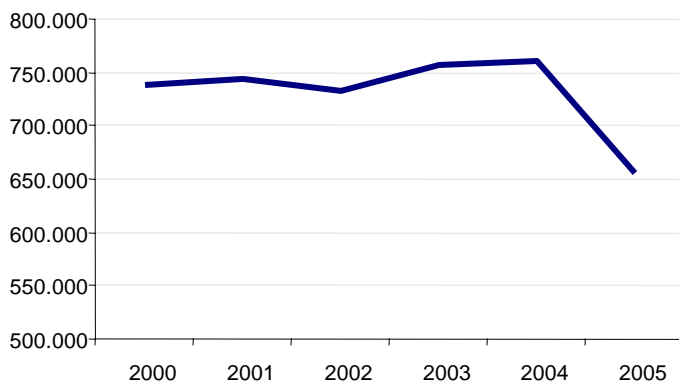


Current account balance (in % of GDP)

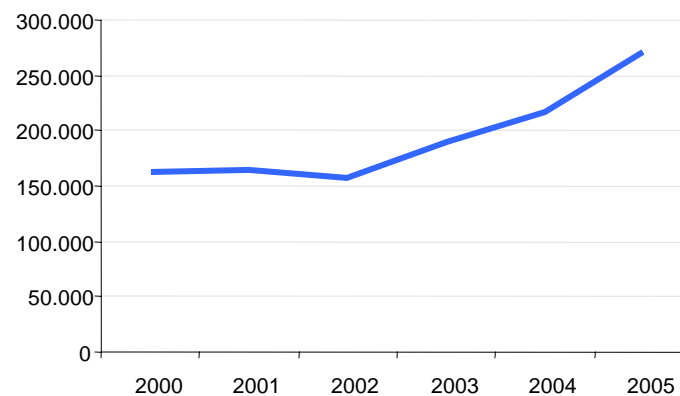


External debt has declined while forex reserves have increased

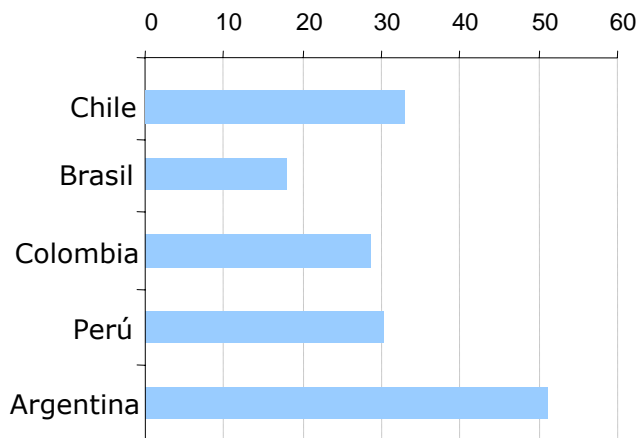
Latam External Debt (US\$M)



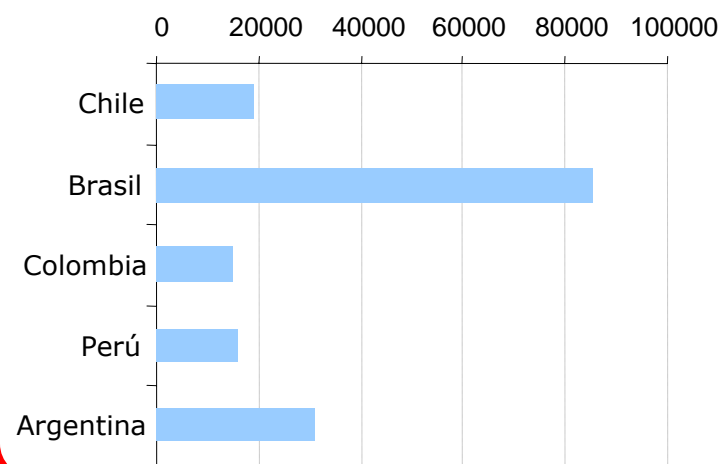
Latam Reserves (US\$M)



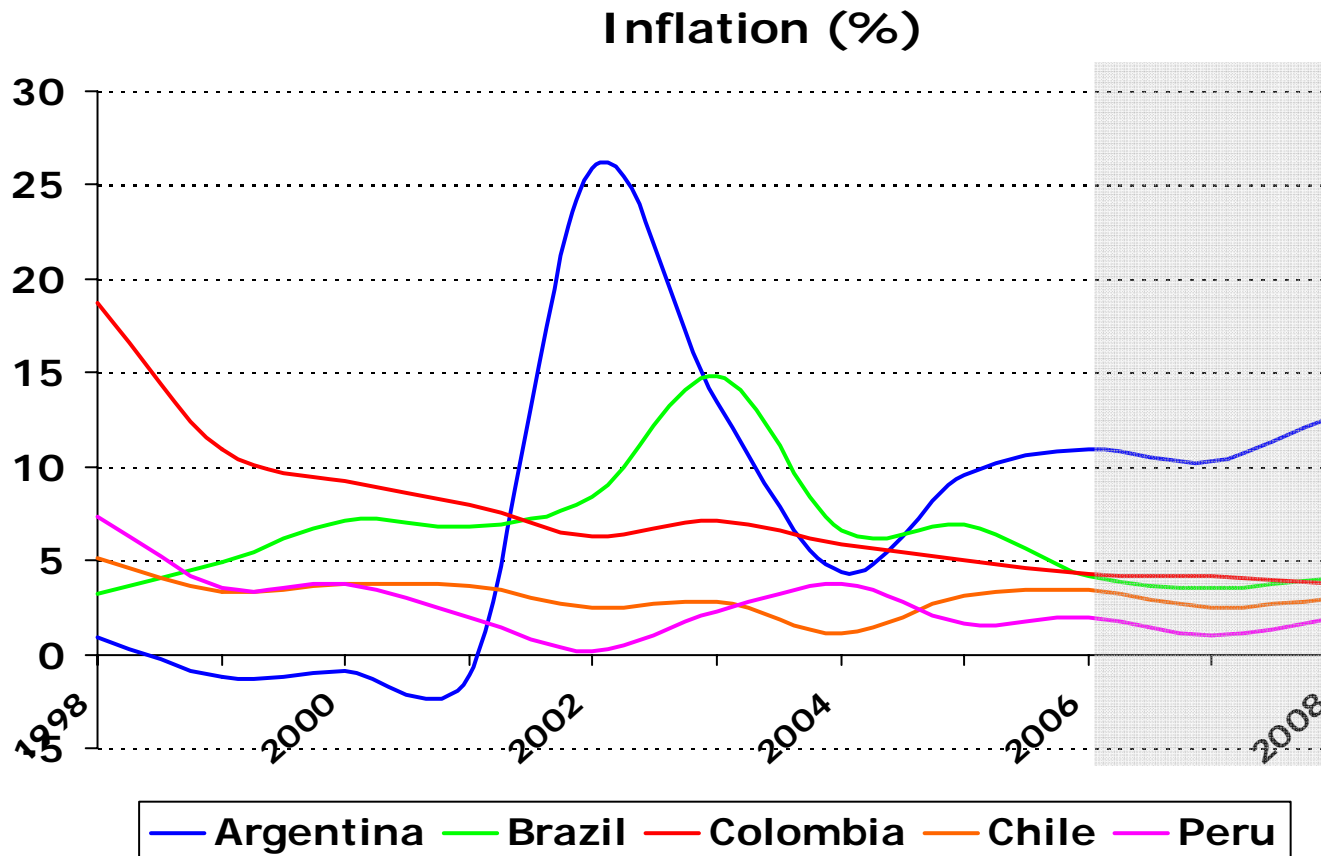
**External Debt (in % of GDP)
2006**



Reserves 2006 (US\$M)

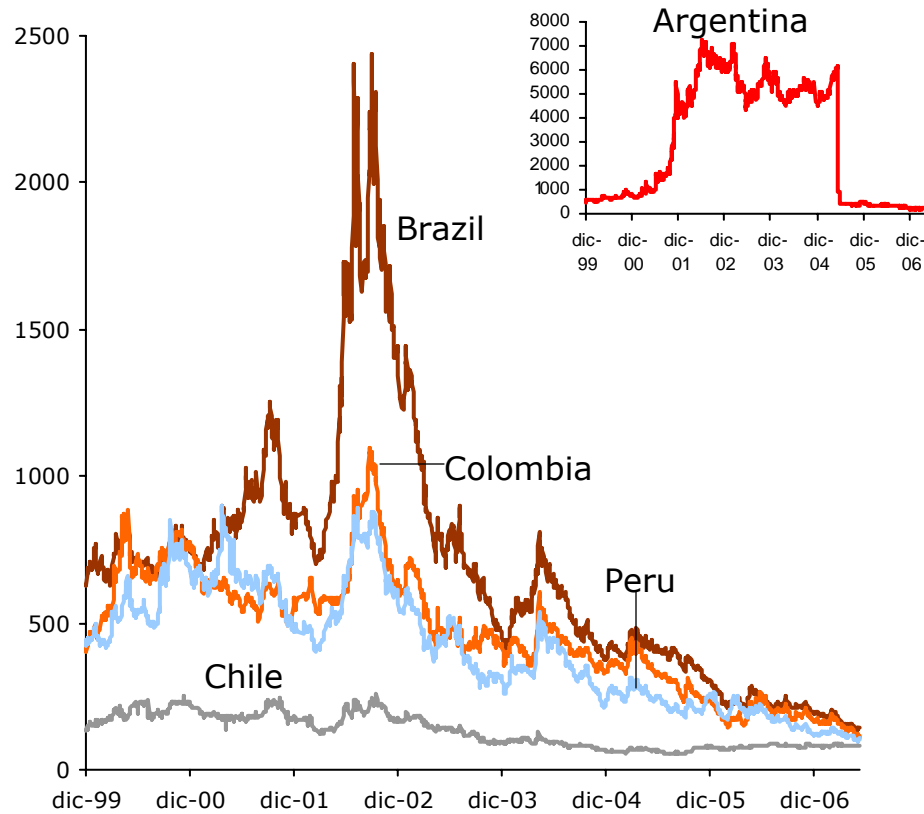


Inflation is below 5% except for Argentina

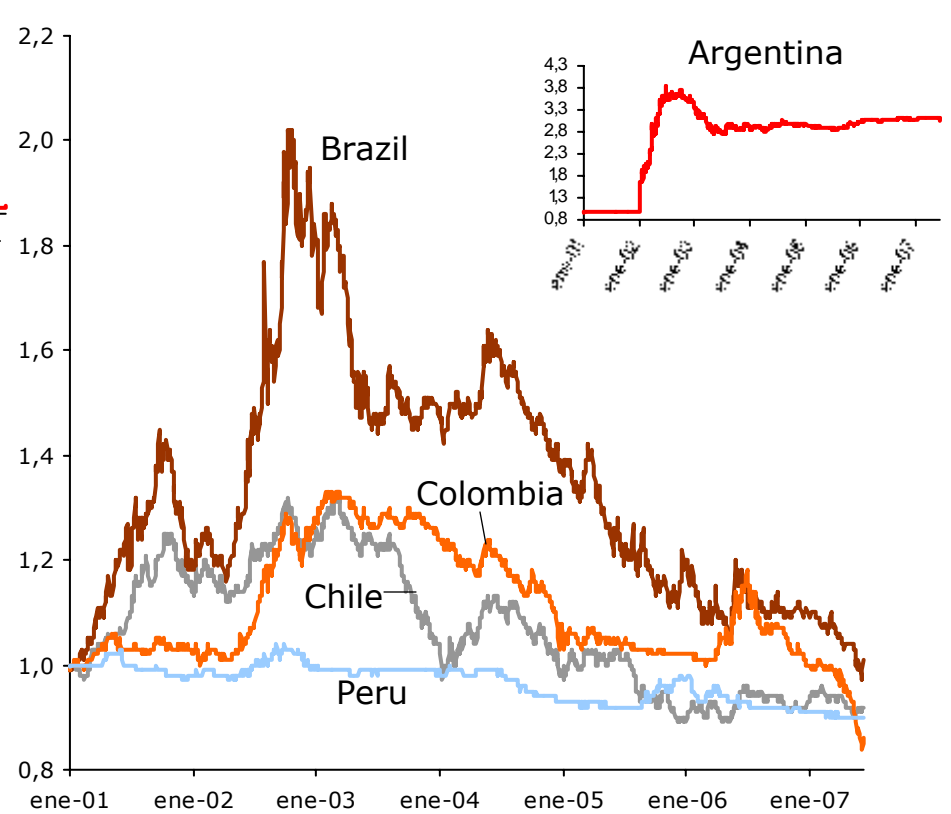


Country risks have declined and exchange rates are stabilising

Latam debt spreads



Exchange rate performance



The region's macroeconomic environment has strengthened in recent years

- GDP growth recovery.
- Public accounts placed on sound footing.
- Improved current account balance.
- Reduced external debt and increased reserves.
- Controlled inflation.
- Stable exchange rates.
- Lower country risk.

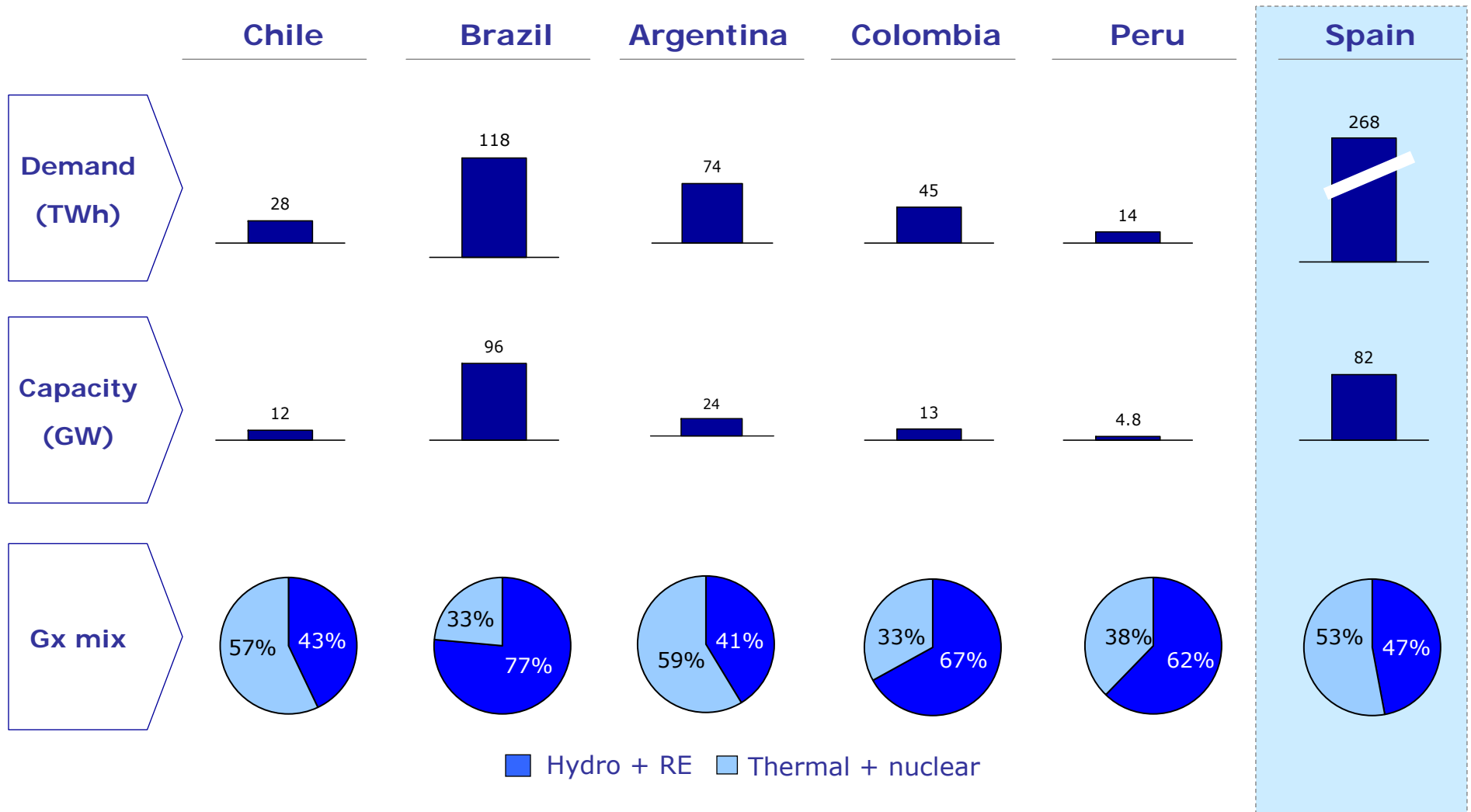
The economies where ENDESA is present are better prepared to handle a potential external shock.

Agenda

- Unique business platform in Latin America capable of capturing market growth and minimising risk.
- Robust macroeconomic environment in the region.
- **Strong outlook for our electricity markets.**
- Significant opportunities ahead for profitable growth.
- 2009 targets clearly achievable.

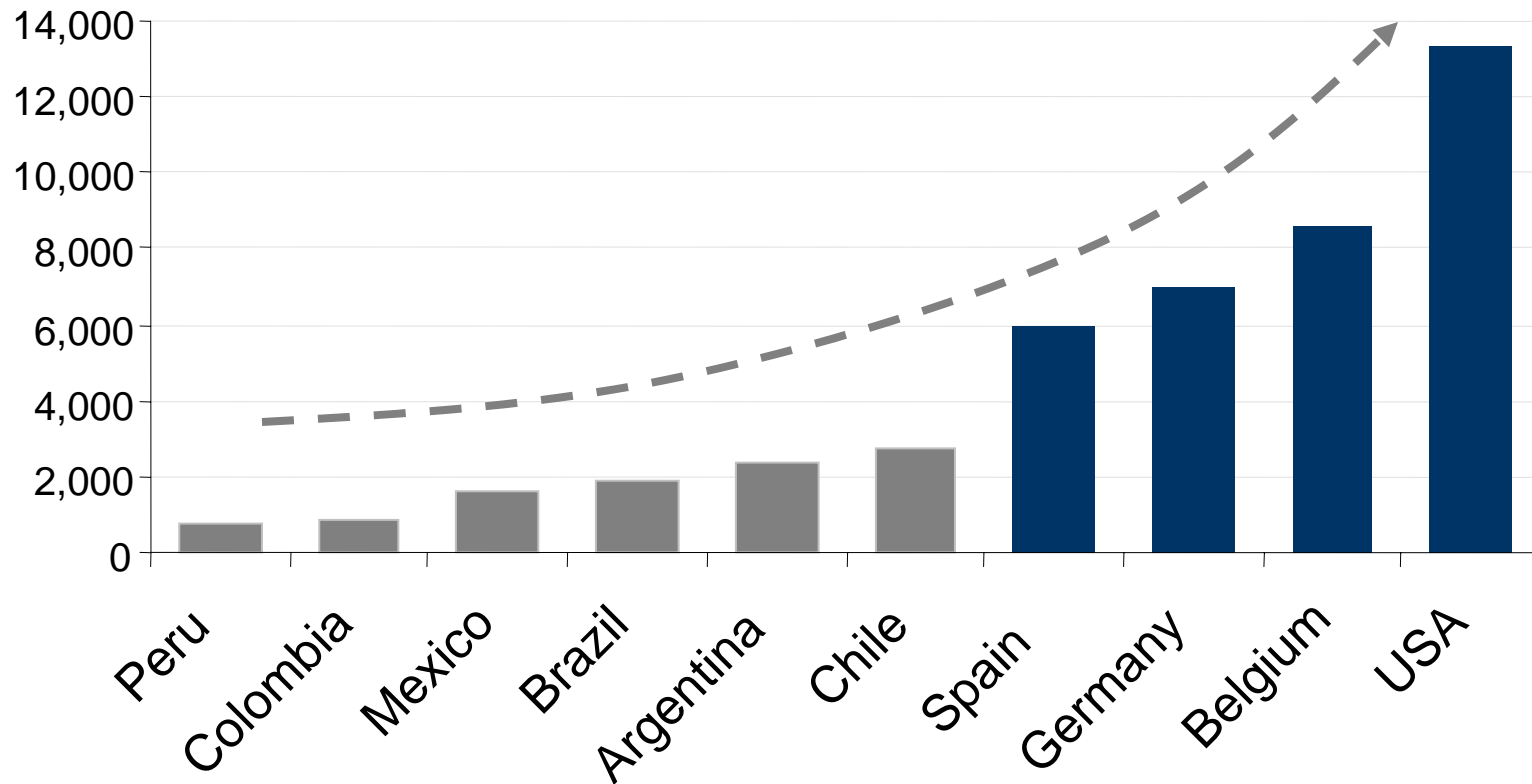


Endesa is present in countries with very different electricity sectors



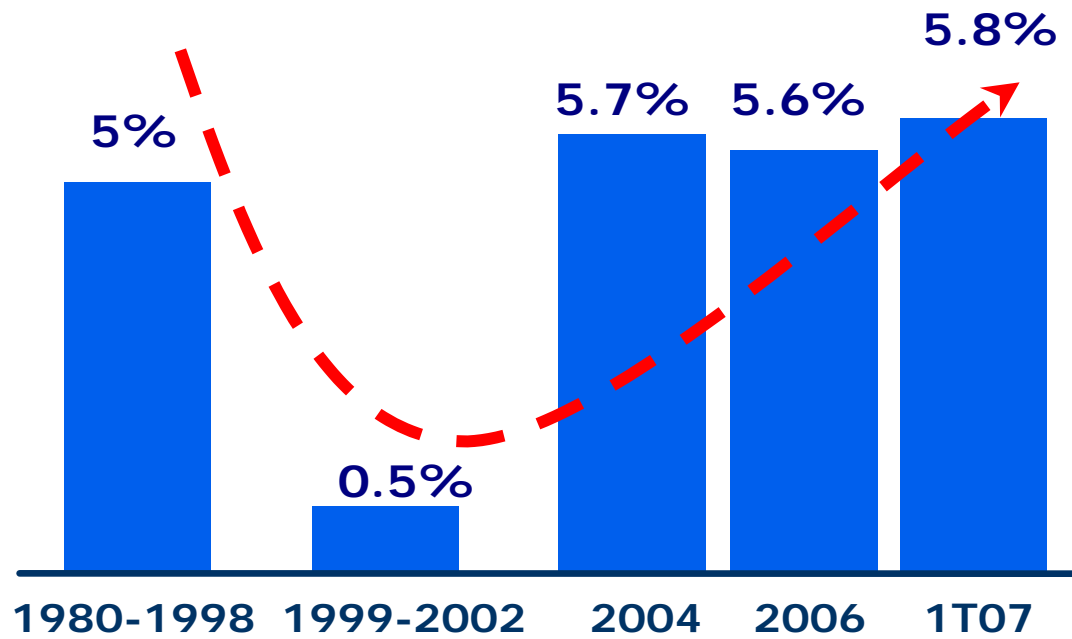
With excellent growth potential

Consumption per capita (kWh/year)
2005

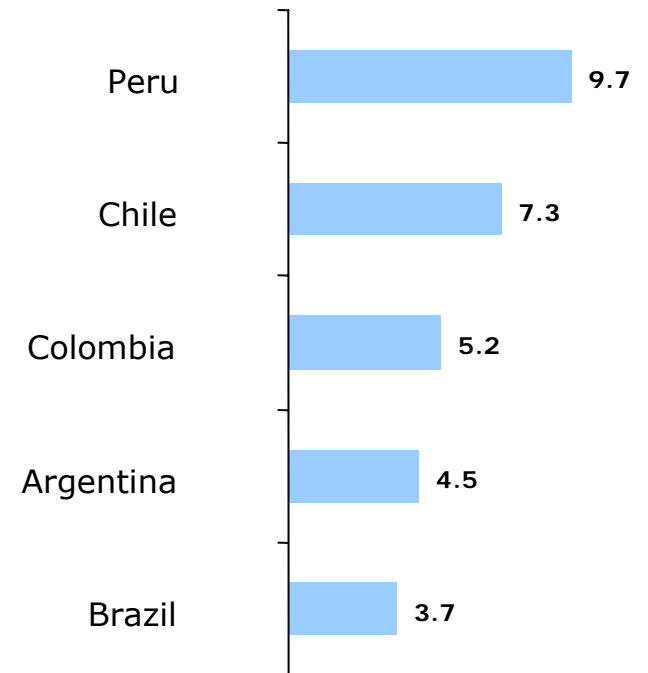


Electricity demand is growing fast

5 Latam electricity market growth (*) (%)



1Q07 growth (%)

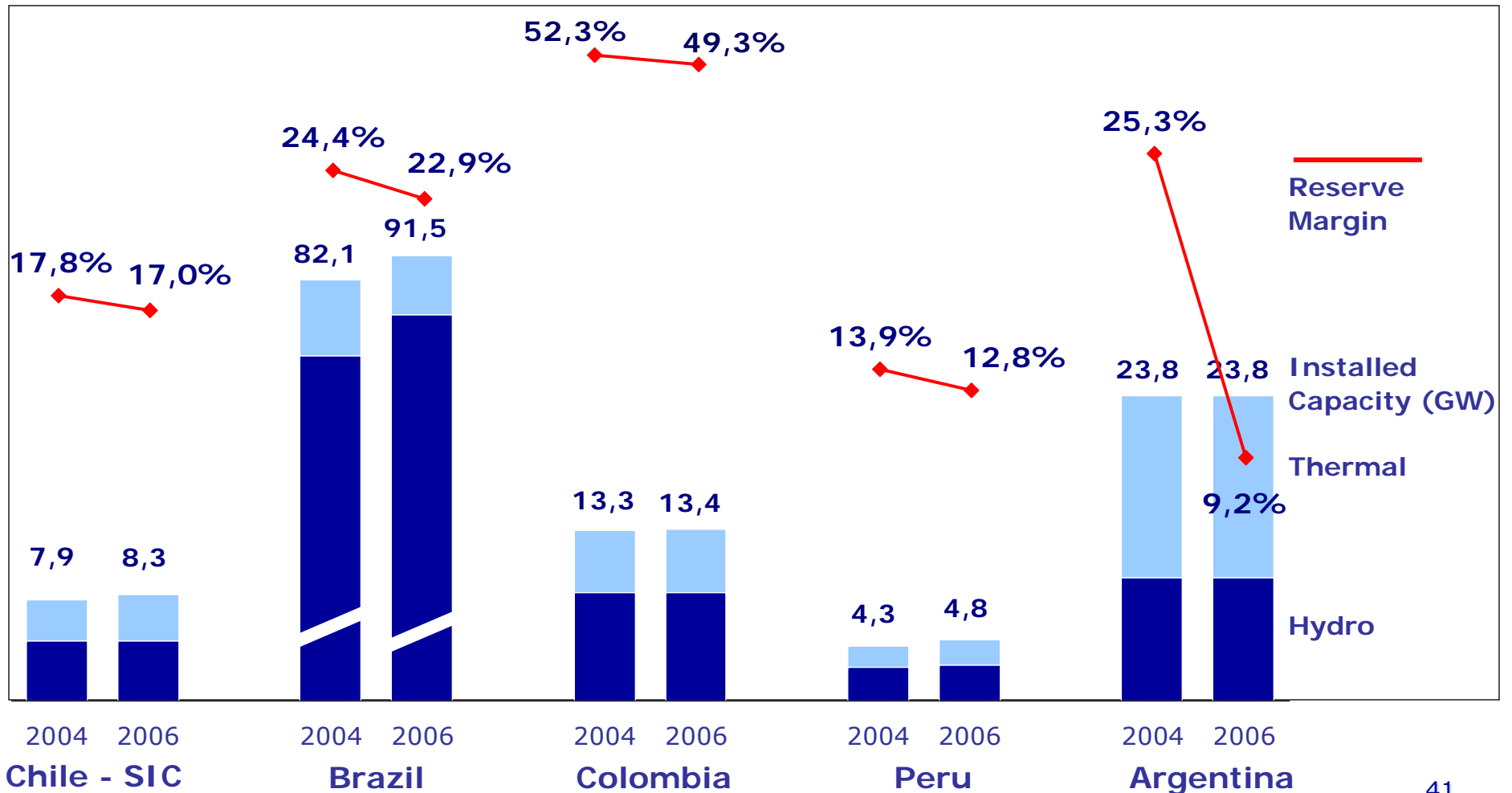


Growth in electricity demand 2006-2009 is expected to be over 5%

(*) Demand growth per country weighted by its contribution to Endesa Latam

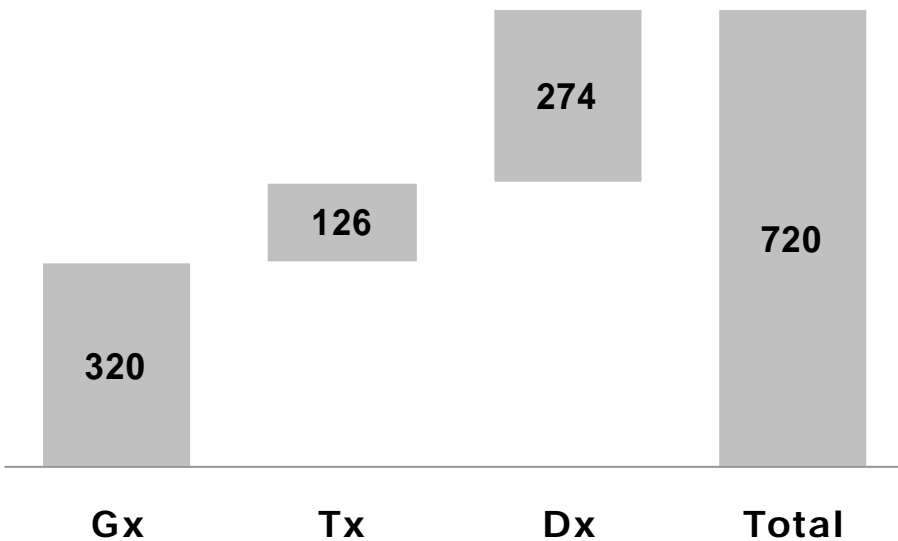
Reserve margins are narrowing

Dry year reserve margin (%) and installed capacity (GW)

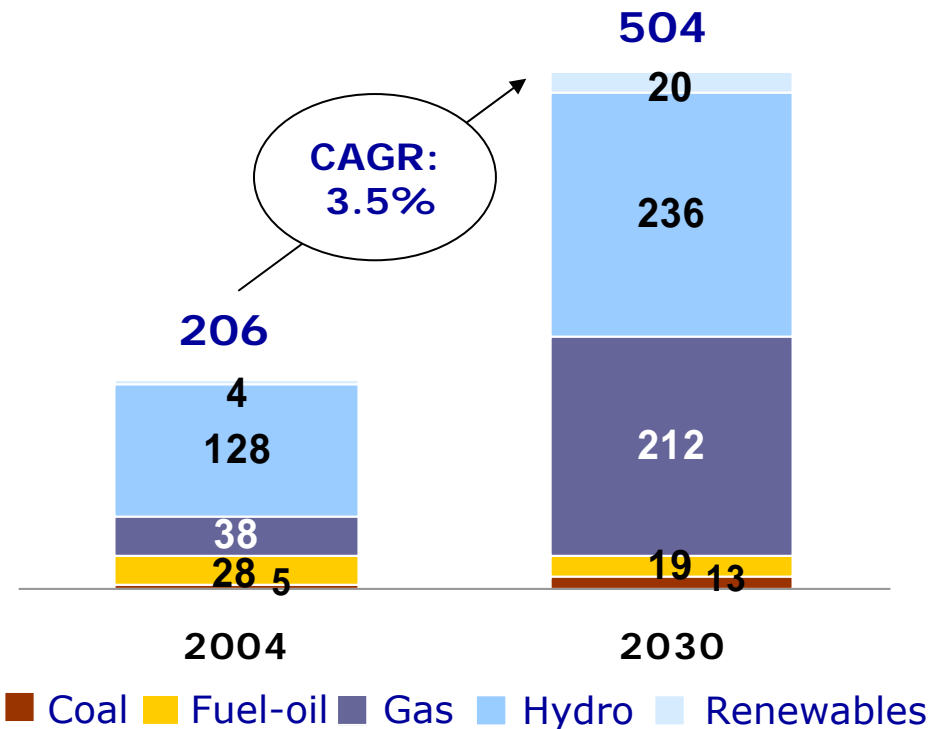


Investment requirements in Latam will be significant

Investment required in the Latin American electricity sector 2005-2030 (US\$ Bn)



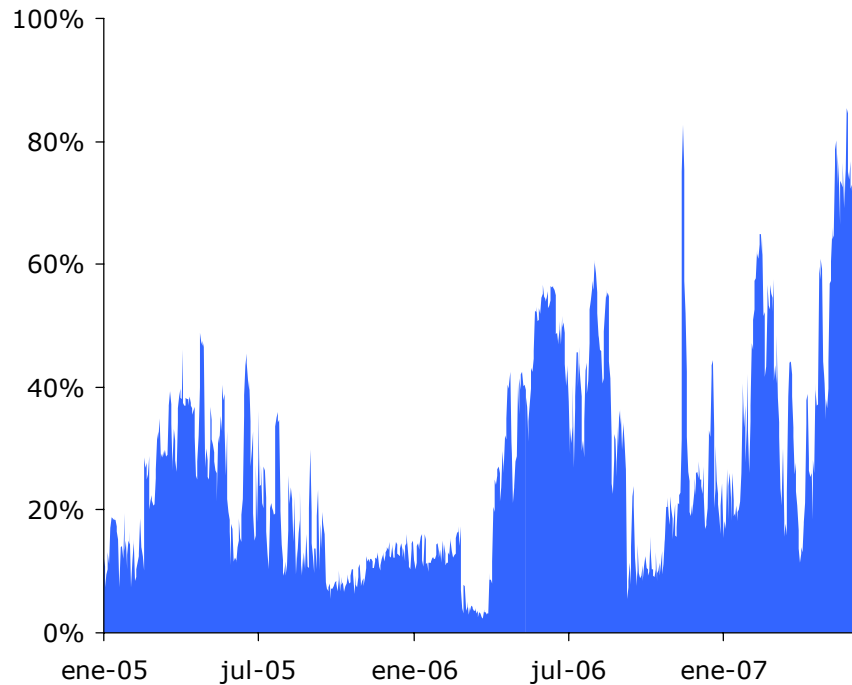
Evolution of capacity 2005-2030 by technology (GW)



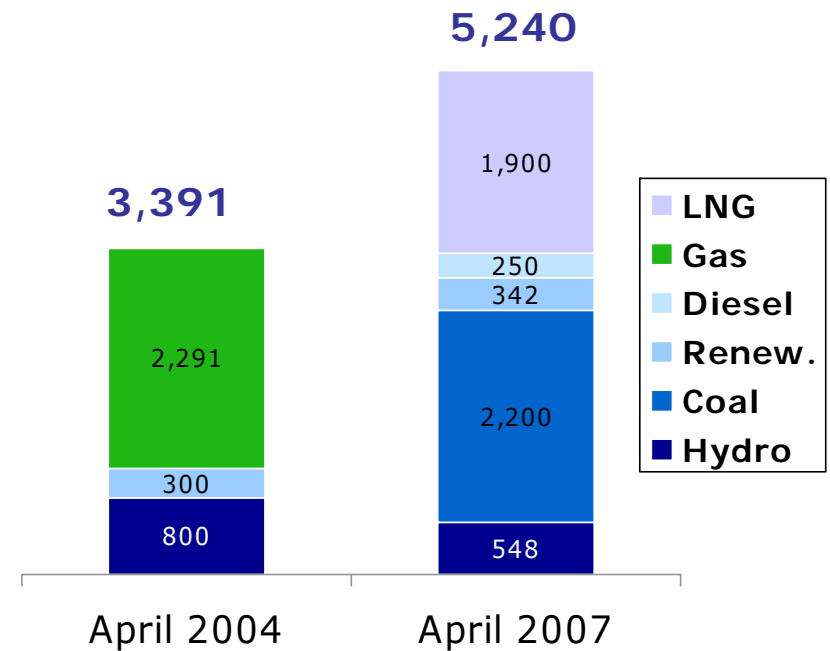
Over the next 25 years an average annual investment in the electricity sector in Latin America of US\$28.8B will be required, with 44% in generation, 38% in distribution and the remaining 18% in transmission

The lack of gas is transforming the region's capacity plans

**Evolution of gas restrictions
Argentina/Chile**
(% vs standard requirements)



**Evolution of the Chilean
capacity plan used in the node
price fixing (MW)**



The expansion plan in Chile has replaced Argentine gas with LNG and coal

Regulators' agenda focuses on security of supply

Improve Gx mix

Assess effective security of supply of different power plants and remunerate it accordingly.

Assure fuel

Remove uncertainty related to fuel supplies: LNG, investment in own resources, gas interconnections, energy ring...

Coordinated investment

Balance energy requirements and opportunity, forcing coverage of the regulated demand and long-term dependability.

Deliver "sign" to market

Enabling new entrants to join competitively, via long-term tender processes.

Contractual backing

Allowing private contracts to substitute regulated prices. The regulators are attempting to standardise these contracts.

Stability

Consensus sought in the sector to find stable, long term rules.

Creating credible signs of expansion

Growth today:

PERU +250 MW/year

- Tender processes
- Transmission income

CHILE +500 MW/year

- "Ley Corta" I and II
- Tender processes
- Regulations guaranteed supply

COLOMBIA +370 MW/year

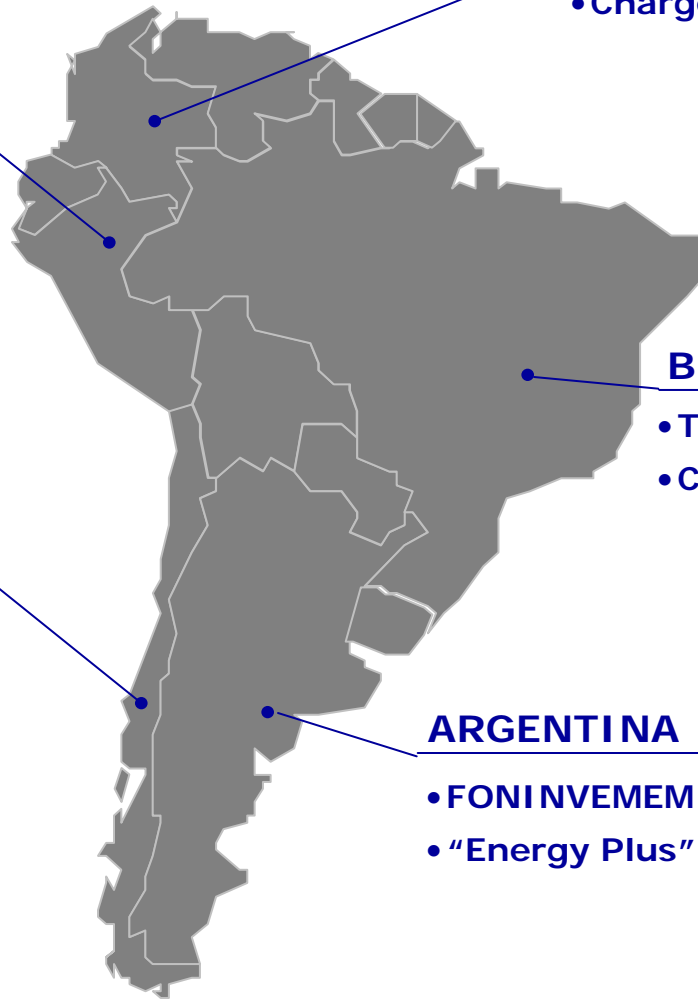
- Charge for dependability

BRAZIL +4,000 MW/year

- Tender processes
- Capacity auctions 2009

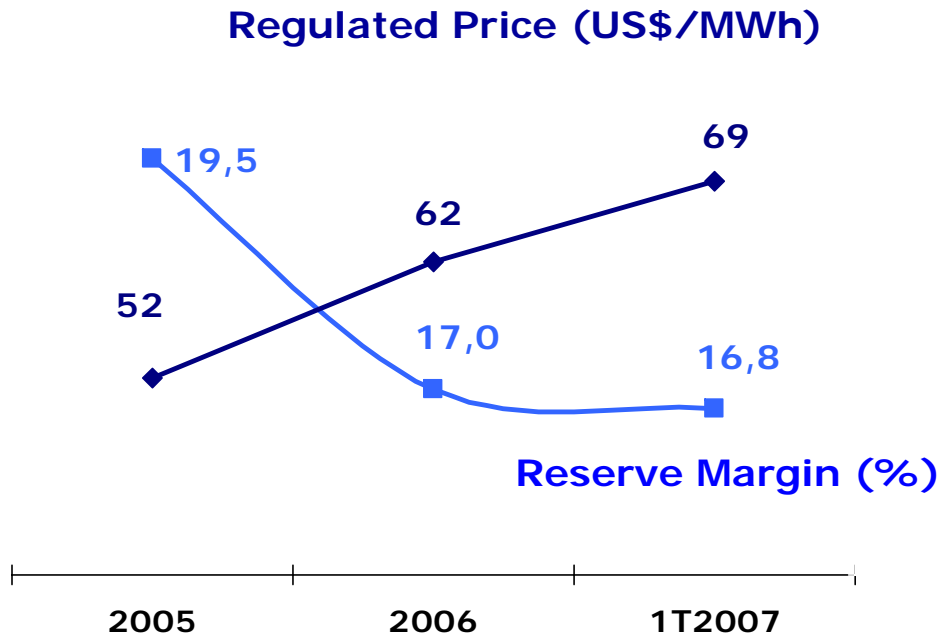
ARGENTINA +800 MW/year

- FONINVEMEM
- "Energy Plus" emergency generation.

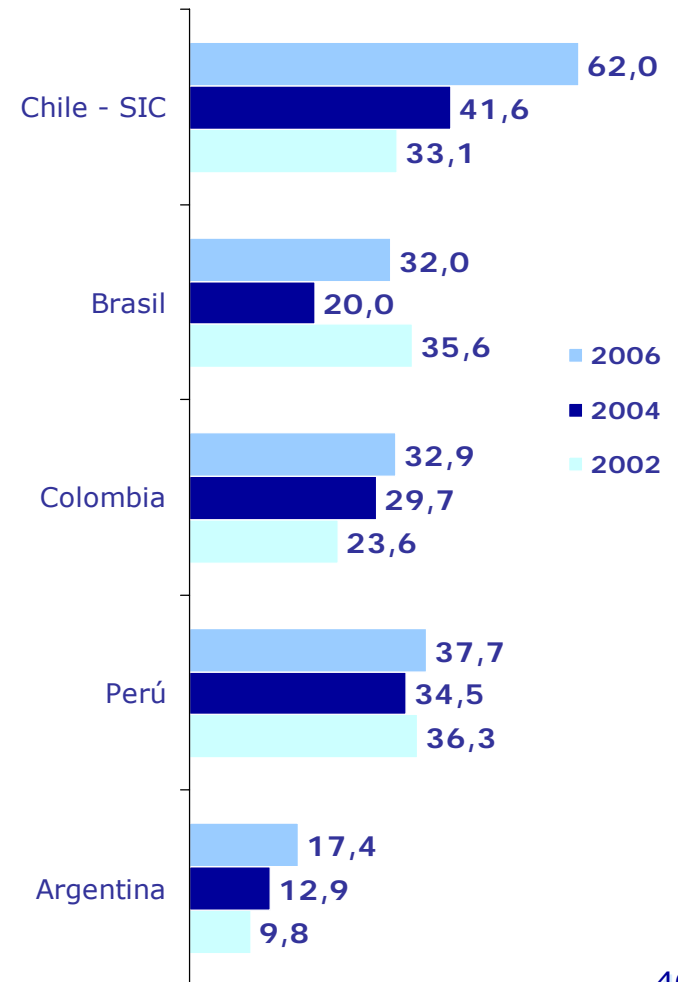


Energy prices reflect new capacity requirements

Reserve margin (95%) at SIC and regulated price



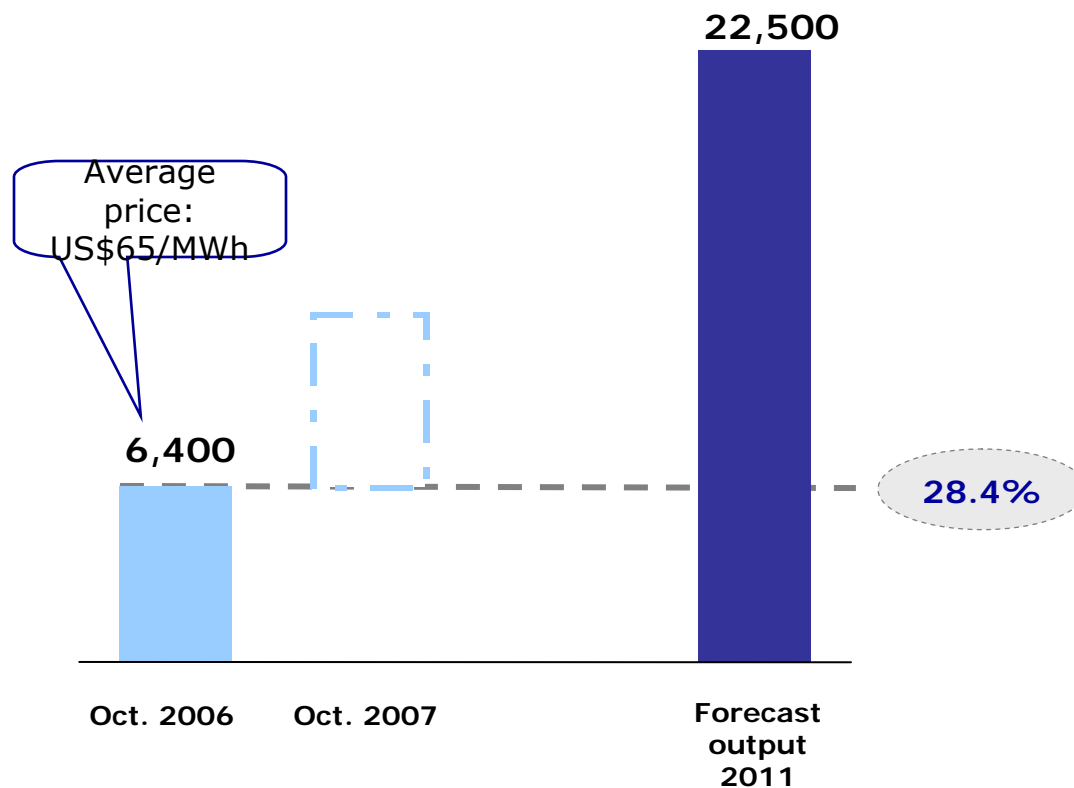
Regulated price (US\$/MWh)



Annual reserve margin = (Hydro power (95%) + available thermal power) / Consumption -1

Tender processes to supply energy to distribution companies guarantee long-term price stability

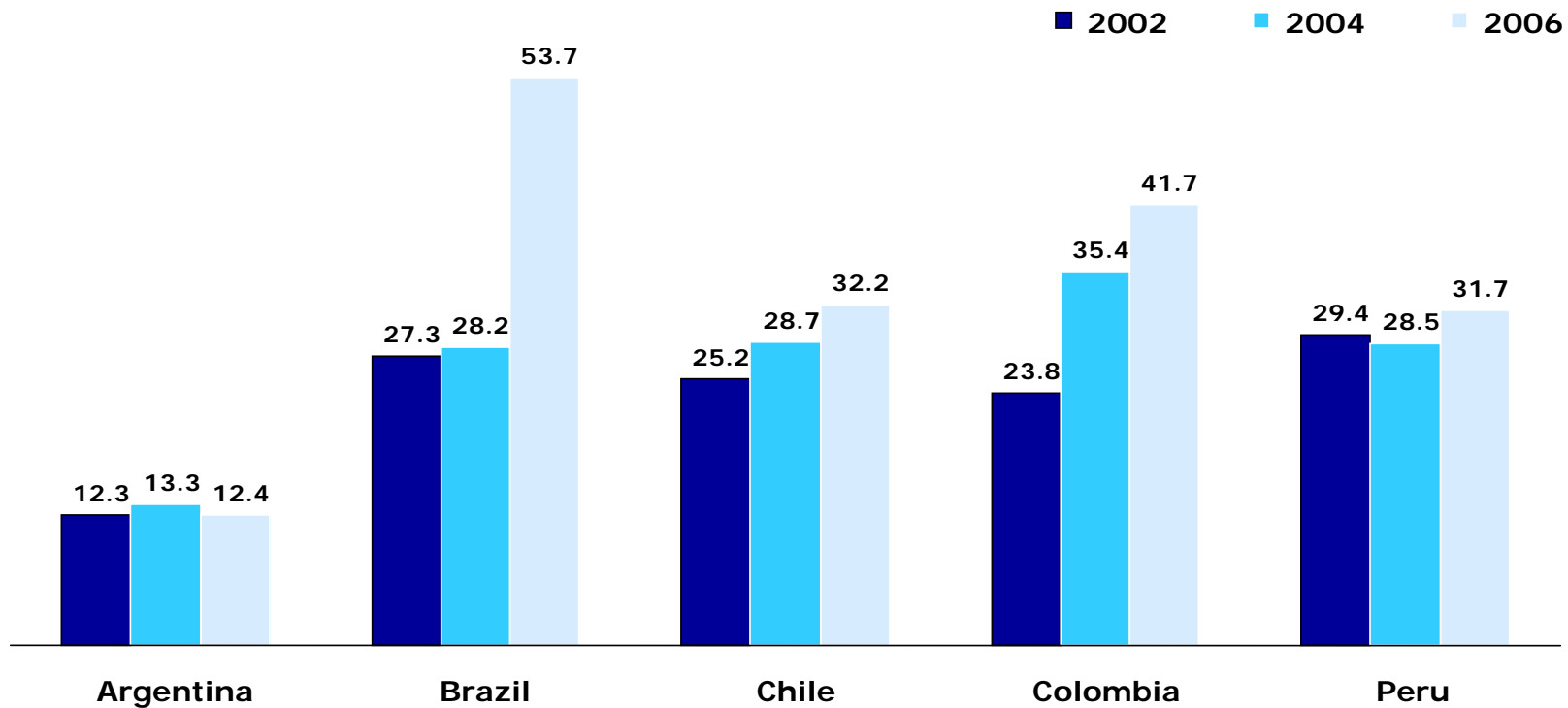
**Tender processes in Chile
Energy awarded to Endesa (GWh)**



- In Chile, Endesa placed 28% of its long-term output at a price of US\$65/MWh.
- A similar volume is expected to be placed in the forthcoming tender process (October 2007).
- In Peru, energy for the next ten years will be opened for bids in August 2007.

Distribution margins have also widened considerably

Distribution margin (US\$/MWh)



Regulation in the region has reached a high level of stability

		Chile	Brazil	Colombia	Argentina	Peru
Gx	Price matching	Audited cost	Audited cost	Price bid	Audited cost	Audited cost
	Capacity payment	Max. demand contribution	Max. demand contribution	Fixed energy contribution	Max. demand contribution	Max. demand contribution
	Relevant parameters	Hydrology of hydro plants and availability of thermal plants				
Tx	Relevant issues	Public service, open access, regulated tariffs, exclusive business for Tx companies				
Dx	Asset base and regulatory rate	WACC (10% defined by law), asset base (study supervised by CNE)	WACC (technical discussion), asset base (shielded)	WACC (technical discussion), asset base (CREG defines standard assets)	Pending definition by RTI	WACC (Ministry may alter it), asset base (adapted model company)
	Pass-through of energy cost	Recognised by law	Recognised by law	Manageable	Recognised by law	Recognised by law
	VAD review	Every 4 years	4 years: Coelce 5 years: Ampla	Every 5 years	Every 5 years	Every 4 years
Cx	Free customers	> 500 kW	> 3.000 kW	> 100 kW	> 300 kW	> 1.000 kW

Agenda

- Unique business platform in Latin America capable of capturing market growth and minimising risk.
- Robust macroeconomic environment in the region.
- Strong outlook for our electricity markets.
- **Significant opportunities ahead for profitable growth.**
- 2009 targets clearly achievable.

Key initiatives

Chile, Colombia and Peru

- Participate in solutions for security of supply in Chile.
- Anticipate future needs in Colombia and Peru in the light of major growth in both markets.
- Build the new generation capacity planned.
- Launch the Aysén project.
- Pursue unique growth opportunities that offer economies of scale.

Brazil

- Optimise current businesses.
- Assess new investment opportunities with a stringent focus on profitability.
- Use Endesa Brazil's platform to raise funds in the capital markets should unique investment opportunities arise.

Argentina

- Use increased regulatory stability to improve profitability in generation.
- Explore opportunities arising from the opening of the capital markets.

Renewables

- Anticipate opportunities of a maturing regulation to develop a growth platform in renewable energy.

Capacity plan

New capacity 2007-09

MW	
CCGTs	+515 MW
Coal	+220 MW
Hydro	+40 MW
Renewables	+50 MW
Total new capacity	+825 MW

Projects due to start up after 2009

- Aysen*: 57% of 2,400 MW
- Other hydro in Chile: 640 MW
- Thermal: 345 MW

New capacity by country

Chile	+574MW
Rest	+251 MW

San Isidro II CCGT (Chile)



- Located next to Central San Isidro I
 - Contracted with Mitsubishi Corporation
 - Plant type: Combined cycle 1x1x1
 - Annual generation output: 2,140 GWh
 - Investment: 215 MUSD
- Construction of this CCGT plant, located in the V Region, started in 2005. It is expected to begin commercial operations in three different steps:**
- i. April 07: Open-cycle gas turbine using fuel-oil and reaching a maximum output of 248MW
 - ii. Between February 2008 and March 2009 the plant should start operating the combined cycle using fuel-oil and reaching a maximum output of 310MW
 - iii. From 2009 onwards the plant will switch to LNG and will reach a maximum output of 377 MW

Aysén Project (Chile)



- Four hydro plants with a total capacity of approximately 2,400 MW on the Baker and Pascua rivers, scheduled to come on stream between 2013 and 2018.
- Project to be developed by Centrales Hidroeléctricas de Aysén set up in September 2006, with holdings by Endesa Chile (51%) and the Matte Group's Colbún (49%)
- Endesa will receive 12.3% of the output for 30 years in exchange for the water rights granted, which equals to receiving 57% of the total energy generated by the project.
- Investment: ≈ US\$2,100M Project
 ≈ US\$1,500M Transmission¹
- Schedule:
 - 2005-2006: Technical and environmental studies
 - 2005-2008: Permits and licences
 - 2008-2018: Building

¹ Investment from third parties

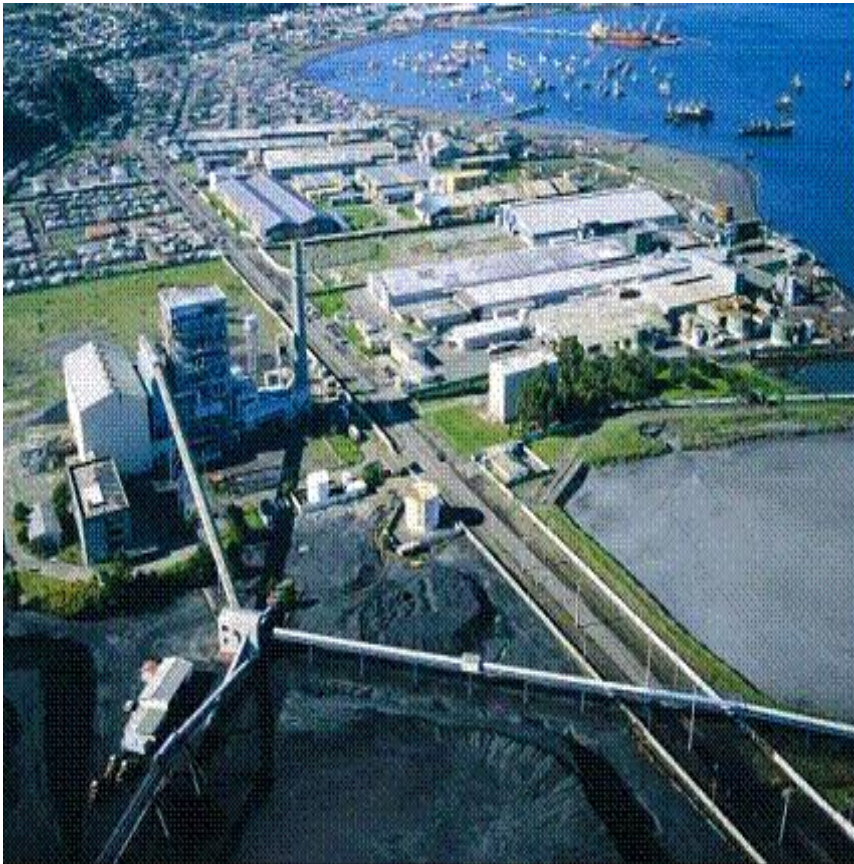
Quintero regasification terminal (Chile)



Regasification terminal in Quintero Bay (Region V) to supply gas to customers including the San Isidro I and II power plants

- The project is being developed by the company GNL Quintero S.A., which is 40% owned by Inv. British Gas Chile Ltd. (British Gas Group), 20% by Endesa Chile, 20% by Metrogas S.A. (Chile's leading natural-gas distributor) and the remaining 20% by the Chilean state oil company Enap.
- Key role in the supply of natural gas to the central area of Chile (SIC).
- Total regasification capacity of 9.5B m³/d and storage in two pools, 160,000 m³ gross.
- Total investment ≈ US\$950M
- Schedule:
 - 2009: Partial entry
 - 2010: Full entry

Bocamina II (Chile)



Coal-fired power station, approx. 345 MW, to be located next to the Bocamina I plant (VII Region):

- Making use of existing land and infrastructures (unloading quays, coal stockpiling yards, connection to the grid...)
- Operational synergies with Bocamina I
- Holding: 100% via EOC
- Investment \approx US\$625M
- Forecast average annual generation: approx. 2,000 GWh.
- Commissioning scheduled: 2010

Hydro projects in Chile

Palmucho Project

- Run-of-river plant located at the foot of the Ralco power station (VII Region)
- Capacity 32 MW.
- Average annual generation 250 GWh
- Investment 45 MUSD
- **Start-up: 2007**

Los Cóndores Project

- Series of small hydroelectric plants in Region VII in the upper reaches of the River Maule:
- Estimated installed capacity 100 MW
- Average annual output 460 GWh
- Investment \approx US\$110M
- Start-up \approx end 2010

Neltume Project

- Hydroelectric plant in Region X in the upper reaches of the River Valdivia
- Run-of-river plant with 400 MW of estimated installed capacity
- Average annual generation 2,300 GWh.
- Investment \approx US\$400M
- Start-up \approx 2012

Choshuenco Project

- Hydroelectric plant in Region X, the mountainous region of Valdivia Province.
- 135 MW run-of-river plant, part of the Neltume hydro series, using the link for the Neltume Project.
- Average annual generation 780 GWh
- Investment \approx US\$160M
- Start-up \approx 2012



Renewables: Taking the first steps before the regulation completes its maturing process

Current situation

- The development of renewable energies in the region is still at an early stage and little diversified.
- Legislation aimed at developing renewable energies is already in place in all the countries, but for the time being offers limited incentives.
- The development of renewable energies follows Endesa's principle of commitment to society and environment.

- Develop projects according to the regulations' degree of development (incentives), focusing mainly on Chile and Brazil.
- Guarantee the development of future projects by seeking and identifying today sites of greatest value.

Endesa ECO (Chile)



Project Portfolio

- **Ojos de Agua:**
 - ✓ 9 MW mini-hydro that makes use of natural leaching from La Invernada (Region VII)
 - ✓ Investment: US\$17 M
 - ✓ Commissioning: 2008

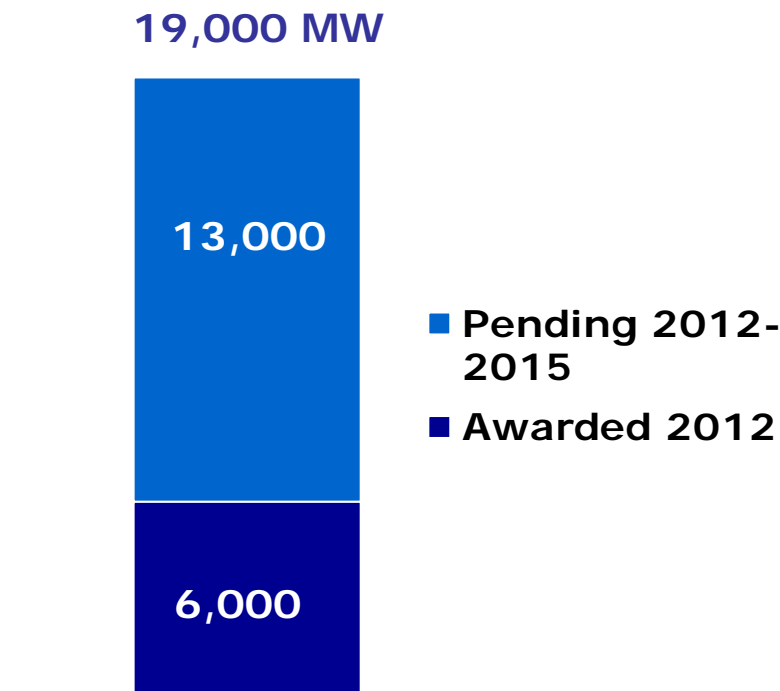
- **Canela:**
 - ✓ 18 MW wind farm in Region IV (11 1.65-MW wind turbines)
 - ✓ Investment: US\$30 M
 - ✓ First wind farm in Chile to be connected to SIC
 - ✓ Commissioning: late 2007

- **Piriquina (under assessment):**
 - ✓ 6 MW mini-hydro on Chiloé Island
 - ✓ Investment \approx US\$13 M
 - ✓ Commissioning: 2009

- **Puelo (under assessment):**
 - ✓ 5 MW mini-hydro
 - ✓ Investment \approx US\$13 M
 - ✓ Commissioning: 2009

Capacity auctions in Brazil are behind schedule and price cap discourages foreign investments

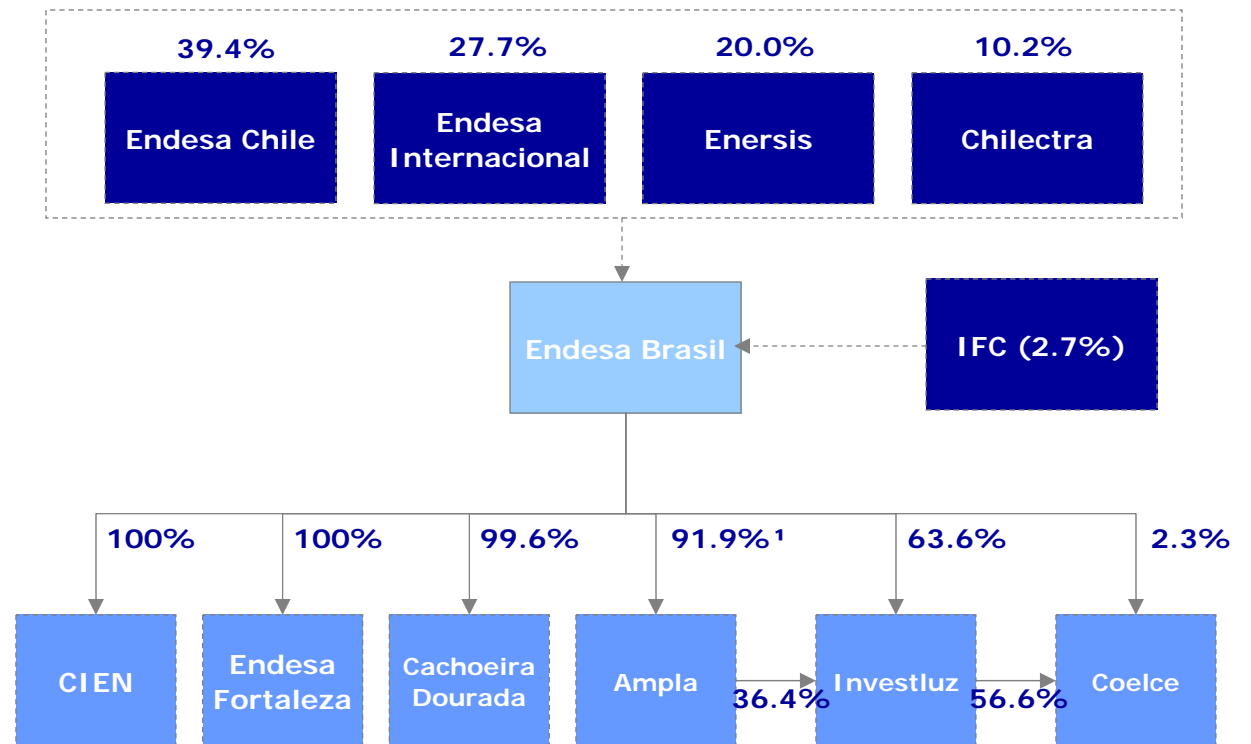
New capacity auctioned 2006-2015 plan



- The auction system for new generation projects (“leilões”) introduced price caps for “new” energy.
- Tendering conditions compromised profitability and have failed to attract significant foreign investment.
- However, Brazil’s new capacity needs are still very high, around 4 GW/year.
- New price signals to assure supply are expected to appear.

Endesa Brazil enables the Group pursuing opportunities that may arise

- Simplifies organisational structure
- Improves stability of cash-flows
- Improves access to third-party financing
- Strengthens the group's positioning to opt for new investment opportunities
- Generates operating synergies



¹ The contribution to Endesa Brazil of 45% of Ampla in 2008 from Chilectra and Enersis remains pending.

The tariff review process at Edesur is already taking place

Tariff increase in Distribution (VAD)

- 38% increase in tariffs 2007 (industrial + commercial)
- Six-monthly adjustment for inflation with rate varying +/- 5%
- Household tariffs will not be increased until 2008

Integral Tariff Review (RTI)

- Planned for February 2008 for a five-year period
- RTI not to be lower than current tariffs

CIADI arbitration, suspension and withdrawal

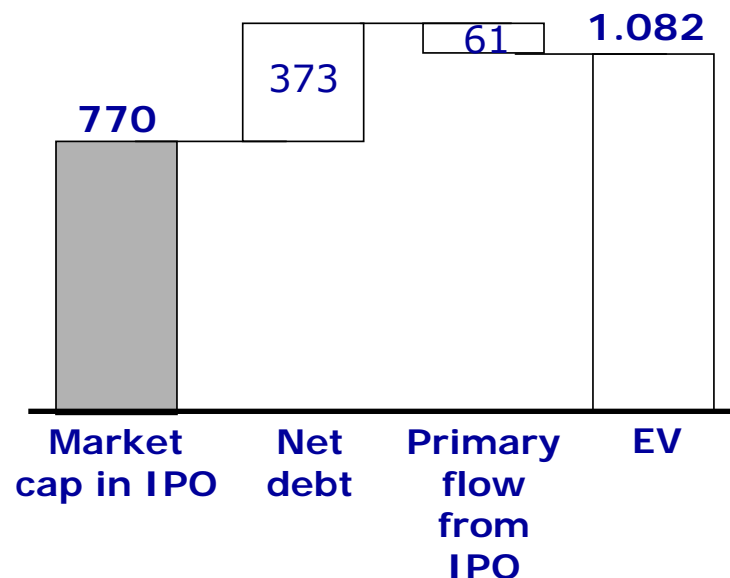
- Suspension in force until 2006
- Desisting after 2008 RTI

Edenor, a comparable company to Edesur, has completed a successful IPO

New floatations in Argentina (2006–2007)

Company	Date	Sector	Market	Type	Size (US\$ '000M)
Banco Macro	23/03/06	Banking	Local/ ADR-III	FO	210
Socotherm America	11/09/06	Oil/Gas	Local	IPO	203
Pampa Holding	01/0207	Utility	Local/ Lux	FO	193
Edenor	25/04/07	Utility	Local/ ADR-III	IPO	376
Banco Patagonia	2S 2007	Banking	Local / BDRs	IPO	TBD
Mercado Livre	2S 2007	Retail	TBD	IPO	TBD

Valuation of Edenor IPO (US\$M)



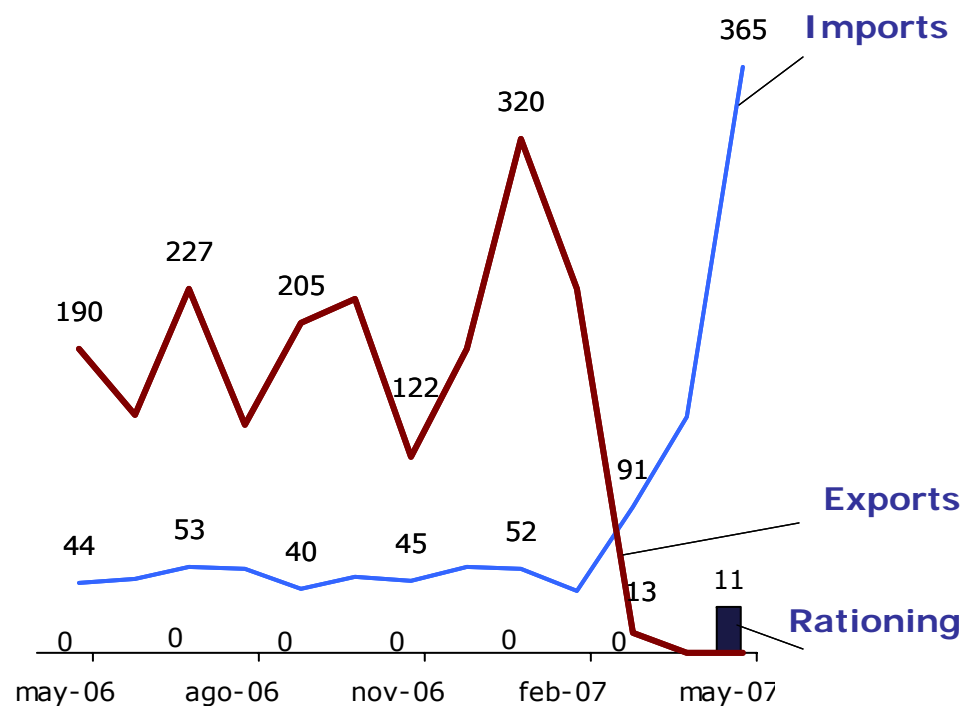
Edenor was floated on the stock market with a valuation of 15.7x EBITDA 2006 and 7.5x EBITDA 2007 or US\$432/customer, equivalent to EV of ~ US\$1,100M.

The development of FONINVEMEM determines the regulatory environment for Argentine generation

Government intervention in the generation market

- A price cap was introduced limiting the price fixing system based on marginalism.
- 65% of the resulting margin between the variable cost of each plant and the price cap is allocated to investment in new generation (FONINVEMEM), with the remaining 35% staying within the companies.
- FONINVEMEM allocates funds for the building of two 800MW CCGTs, in which Endesa holds a stake of about 30%.
- This 65% will drop to 50% in 2007.
- Market intervention is planned to end in 2009.

Electricity Imports, Exports and rationing (GWh/month)



Major progress achieved in redefining CIEN's business model

- CIEN: 2,100 MW interconnection (two lines of equal capacity) between Argentina and Brazil, built in 1999 for trading/backup from Argentina to Brazil.
- Line 1 contracted with Brazilian generation firms. Line 2 contracted with distributors.
- Exports from Argentina to Brazil suspended due to Argentina's energy situation.
- Line 2: 2007 contracts with distributors terminated. Line 1: in process of terminating the existing contracts.
- New business approach for CIEN, receiving a fixed charge for the use of its lines.
- Asset has been strategic to cover the lack of supply in recent weeks in Argentina.

Work in partnership between CIEN/Authorities to redefine the business model as a regulated asset in the new 2008 regulation

Agenda

- Unique business platform in Latin America capable of capturing market growth and minimising risk.
- Robust macroeconomic environment in the region.
- Strong outlook for our electricity markets.
- Significant opportunities ahead for profitable growth.
- **2009 targets clearly achievable.**

Meeting targets

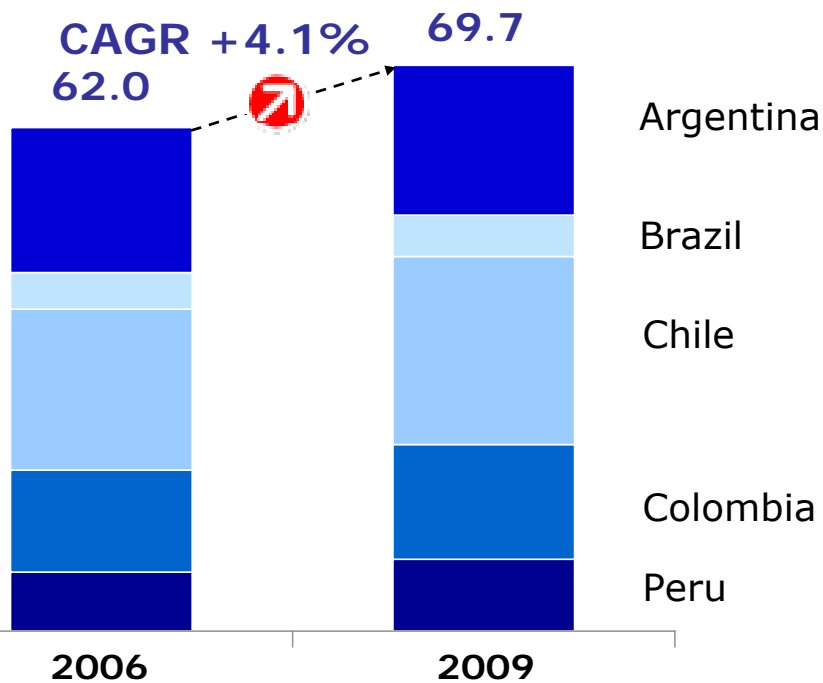
	2009 commitment	Last 12 months
EBITDA (€M)	2,470	2,263
CASH 05-09 (US\$M)	1,600	679 ¹
Sales (TWh)	69	63.1
Output (TWh)	70	59.1
Gx margin (US\$/MWh)	23,8	26,6
Dx margin (US\$/MWh)	29,5	35,9

2009 targets are clearly achievable

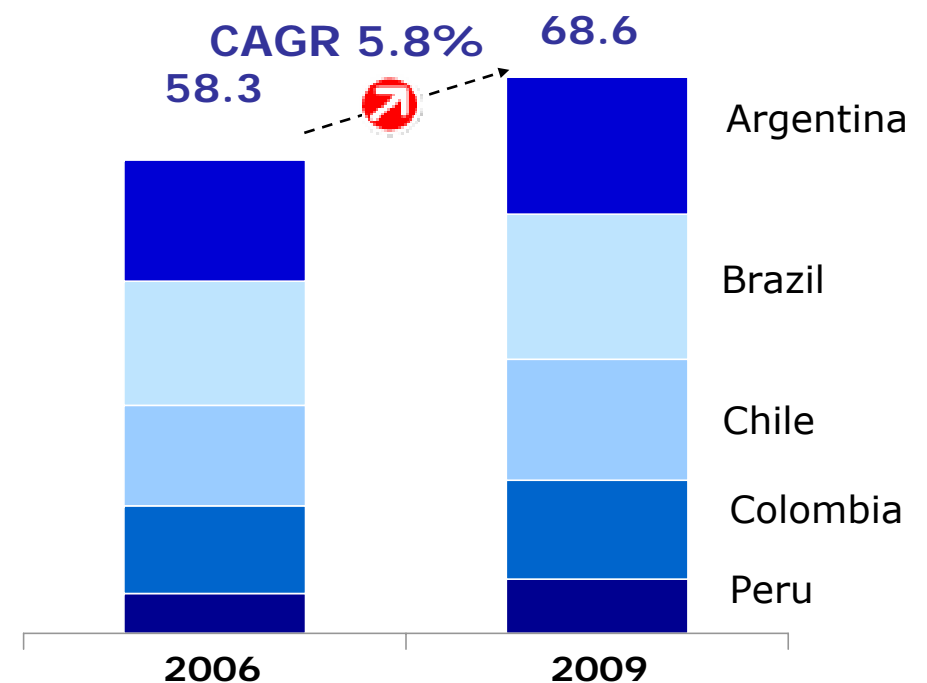
(1) As of March 2007

Growth and operating improvement in Latin America

Production (TWh)



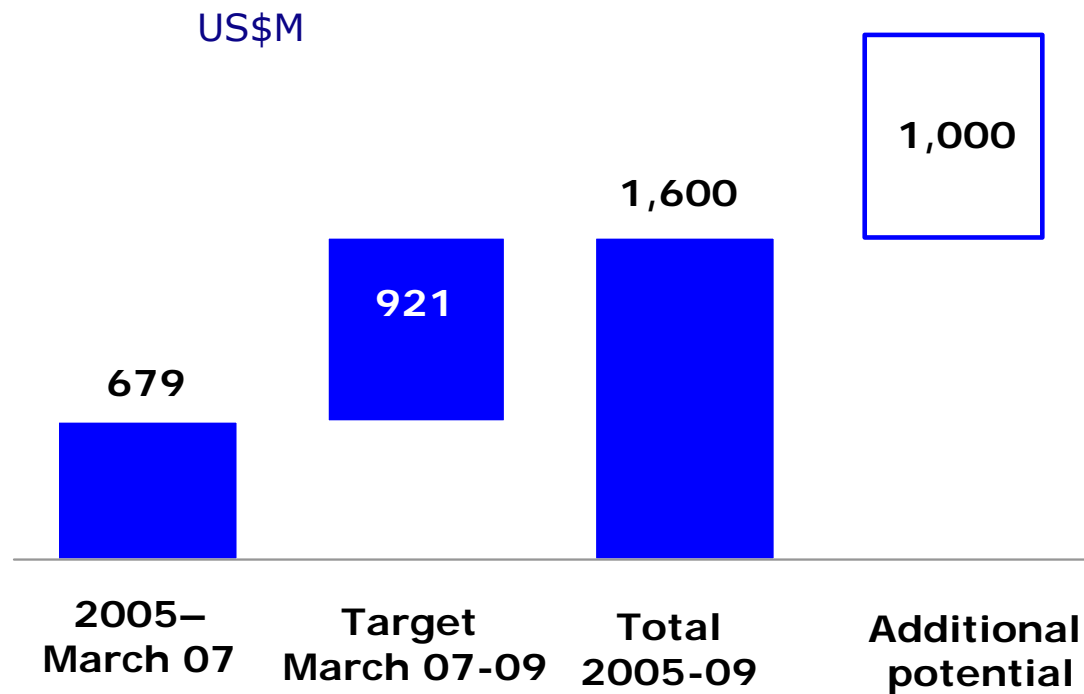
Sales (TWh)



- Total new capacity 2007-09: 825 MW
- Increase in distribution customers 06-09: 1.3 M customers
- Operating efficiency improvement plan: €50M

Latin America will increasingly contribute cash to Spain

Cash from Latam to Spain



42% of the 2009 target accomplished by March 2007

Alternatives for an additional US\$1,000M cash contribution from Latam to Spain

Goals

IPO Edesur

- Local partners to add value to the project.
- Crystallise value and make it transparent.

IPO Endesa Brasil

- Finance any investment opportunities that may arise.
- Roll-up of minority shareholders of operating companies.

Sale of direct shares of Endesa Internacional to ENI/EOC

- Make value transparent via quoted vehicles.
- Reduce organisational complexity.

Sale of financial holdings

- Crystallise value in companies where Endesa does not have control.

Conclusions

- **Unique business platform in Latin America capable of capturing market growth and minimising risk.**
 - Our assets are essential to guarantee supply.
 - They are also unique and non-replicable assets:
 - Mainly hydro generation
 - Distribution in major cities.
 - Our companies have been streamlined and pay out dividends.
 - Sound financial situation: Investment Grade.
- **Robust macroeconomic environment in the region.**
 - The region has managed to contain inflation and public spending.
 - Reserve levels and the foreign-debt profile are a guarantee against any external shock.

Conclusions

- **Strong outlook for our electricity markets.**
 - Electricity markets are growing rapidly.
 - Regulation is sending out the right price signals to attract investment.
 - Regulatory frameworks are stable and provide legal certainty.
- **Significant opportunities ahead for profitable growth.**
 - We have identified numerous opportunities to create value.
 - We have a sustainable growth model.
- **2009 targets clearly achievable.**

APPENDIX

Main companies included in the consolidation perimeter

Main consolidated companies (% stake in December 2006)



Chile

- **Endesa Chile:** 36.4%
- **Enersis:** 60.6%
- **Pehuenche:** 33.7%
- **San Isidro:** 36.4%
- **Celta:** 36.4%
- **Chilectra:** 60.1%
- **Pangue:** 39.5%



Brazil

- **Endesa Brasil:** 59.5%
- **Cachoeira:** 59.3%
- **Fortaleza:** 59.5%
- **Coelce:** 34.1%
- **Ampla:** 55.1%
- **CIEN:** 59.5%



Argentina

- **Costanera:** 23.4%
- **El Chocón:** 17.3%
- **Dock Sud:** 40.0%
- **Edesur:** 45.9%



Colombia

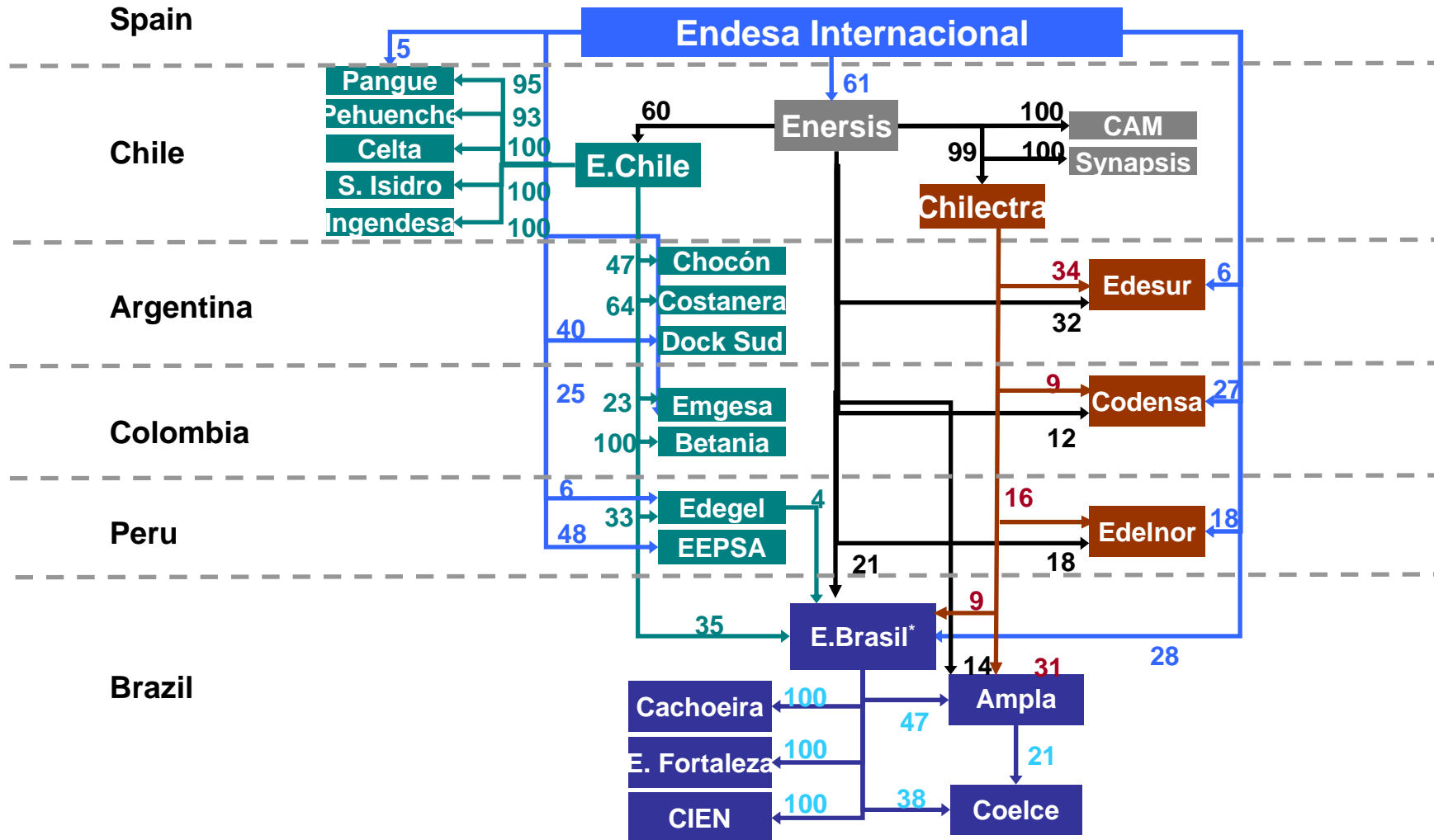
- **Betania:** 36.4%
- **Emgesa:** 36.8%
- **Codensa:** 43.0%



Peru

- **Edegel:** 17.6%
- **Edelnor:** 38.3%
- **Piura:** 48.0%

Organisational structure



* Includes IFC



Legal Information

This document was made available to shareholders of Endesa, S.A.. In relation with the announced joint offer by ENEL SpA and Acciona, S.A., Endesa shareholders are urged to read the report of Endesa's board of directors when it is filed by the Company with the Comisión Nacional del Mercado de Valores (the "CNMV"), as well as Endesa's Solicitation/Recommendation Statement on Schedule 14D-9 when it is filed by the Company with the U.S. Securities and Exchange Commission (the "SEC"), as it will contain important information. Such documents and other public filings made from time to time by Endesa with the CNMV or the SEC are available without charge from the Endesa's website at www.endesa.es, from the the CNMV's website at www.cnmv.es and from the SEC's website at www.sec.gov and at Endesa's principal executive offices in Madrid, Spain.

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 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 investment plan for 2007-2009 included in this presentation 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 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: 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 the presentation are given in the Risk Factors section of Form 20-F filed with the SEC and in the 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.



Endesa Latin America



Valencia, 25th June, 2007