03 | 11 | 09

endesa09results

9M 09 RESULTS

endesa

Consolidated 9M 09 results

Sound results due to crisis management and excellent asset base

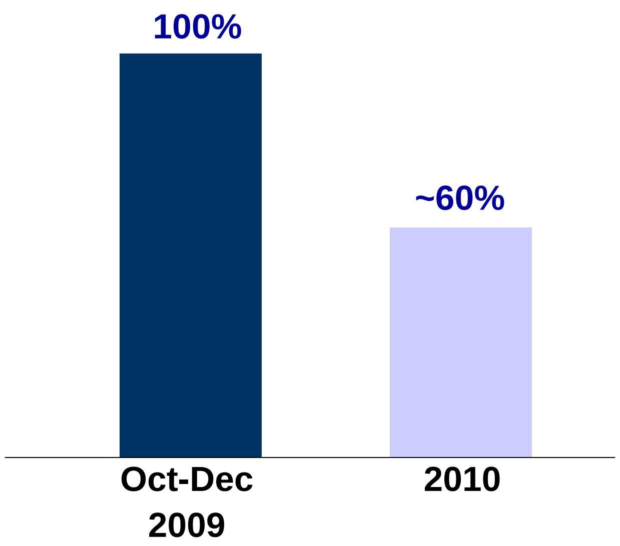
€M	9M 09	9M 08	Change
Revenues	18,486	17,460	**+6%**
Gross margin	8,332	7,834	**+6%**
EBITDA	5,804	5,436	**+7%**
Spain&Portugal	3,383	3,268	**+4%**
Endesa Latin America	2,379	2,160	**+10%**
EBIT	4,301	4,201	**+2%**
Net finance expense	702	760	**-8%**
Net attributable income	3,048	6,801	**-55%**
Net income from ongoing activities[(1)]	2,780	2,644	**+5%**

- **Sound performance in Latin America**
- **Focus on efficiency and synergies**

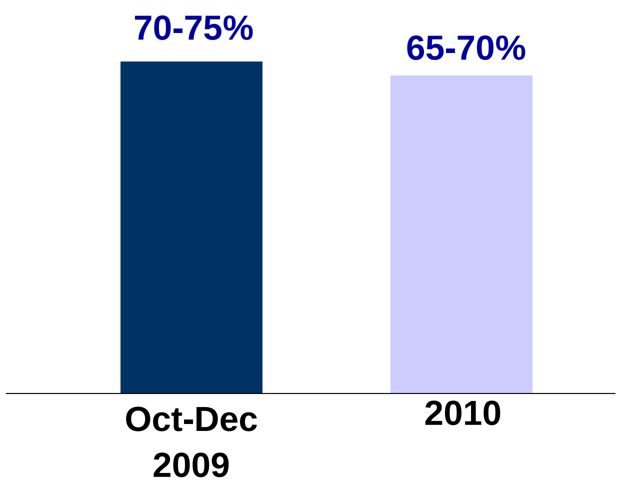
(1) Stripping out the net capital gains from assets sold to Acciona in 2009

Crisis management: growth in deregulated businesses thanks to consistent sales strategy

Spain&Portugal (% estimated mainland output already committed)



Latin America (% estimated output already committed)

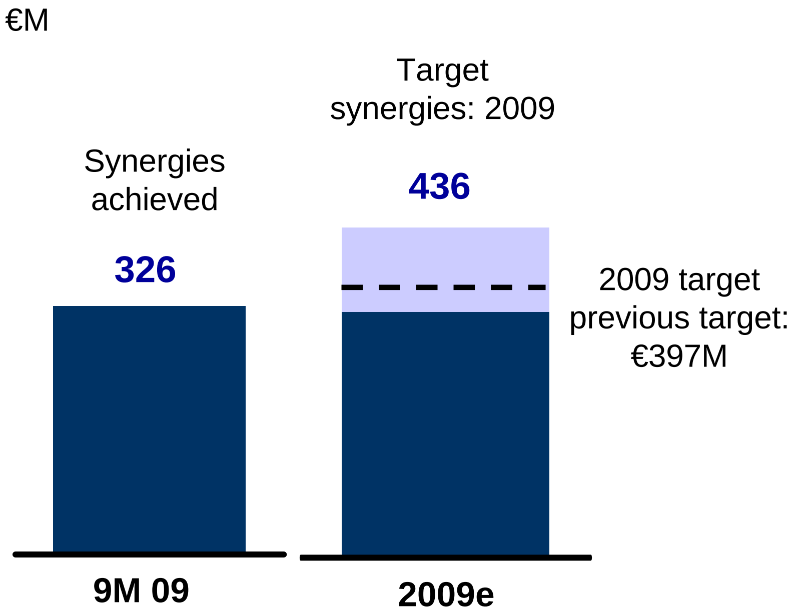


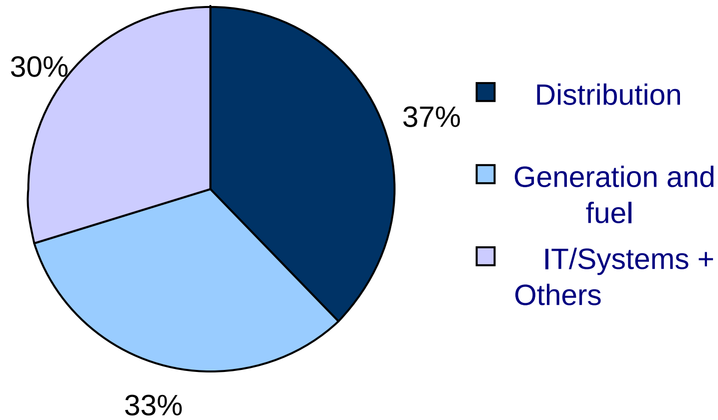
- Stable margins despite volatile wholesale electricity prices
- The percentage hedged for 2010 in Spain&Portugal will reach 75-85% at year end

- 36% of the generation sold via contracts > 5 yrs and 23% via contracts > 10 yrs
- Excluding Argentina, 44% of the generation sold via contracts > 5 yrs and 29% via contracts > 10 yrs

Crisis management: efficiency plan met

Synergies achieved in 9M 09

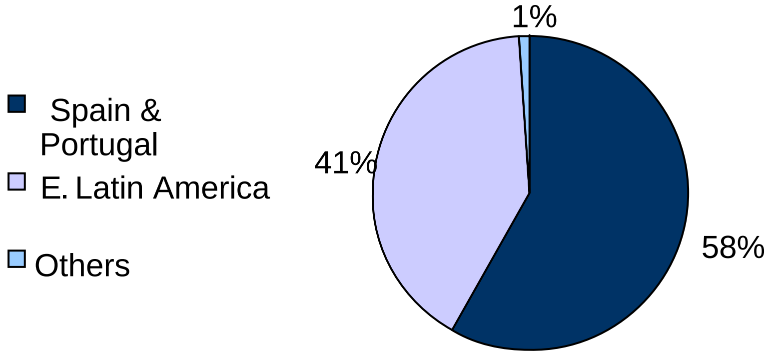




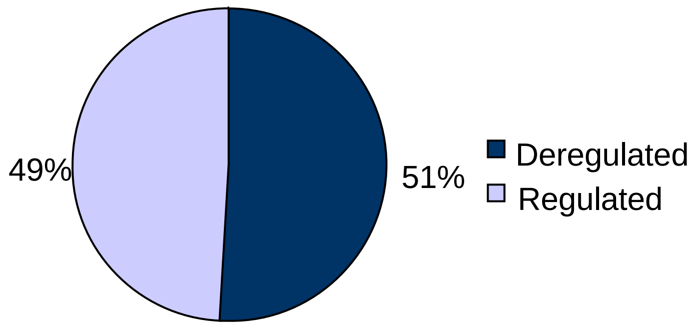
- Synergies plan improved given new economic climate
- 75% of new synergy targets for 2009 achieved
- Progress made on the remote management project developed in conjunction with Enel

Excellent diversification of businesses

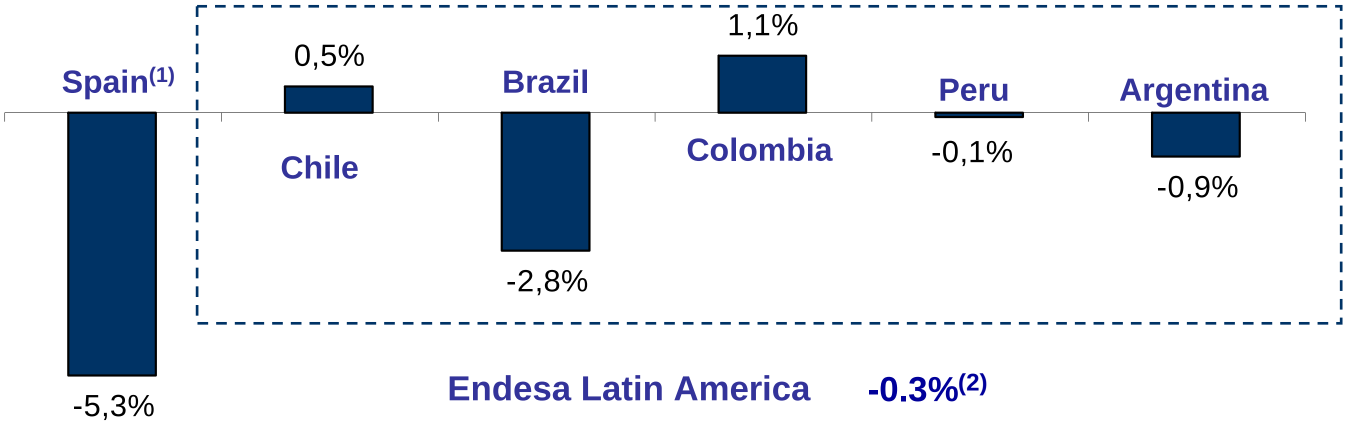
Geographic diversification (EBITDA 9M 09)



Business profile (EBITDA 9M 09)



Breakdown of demand by country: 9M 09 vs. 9M 08



Diversified generation mix, with activities in all technologies

(1) Corrected for labour effects and temperature. Otherwise decline would be 4.8%. Source REE
(2) Countries where Endesa operates. Weighting by EBITDA

Update - Spain

Draft RD on domestic coal subsidies

- Measures to promote the use of 27 TWh/year of domestic coal
- Output remunerated at a regulated price, higher than the market price
- Plants that must reduce loads will be chosen according to their CO2 emissions: domestic coal will largely replace imported coal
- Those plants affected will be compensated for loss of earnings calculated as the difference between the market price and the estimated cost based on international fuel indices

Tariff deficit:

- Regulatory receivables pending collection (30-09-2009): €6,172M
- Progress in the securitization process

Consolidated 9M 09 results

Update - Latin America

Generation Chile

- **"Nudo" price for Chile from November: US$93.2/MWh**
- **LNG in Chile in September 2009:** 33% of regasification capacity corresponds to Endesa

Tariff revisions

- **Colombia:** tariff revision Oct 2009-Oct 2013 Codensa (-4.2% DAV)
- **Peru:** tariff revision Nov 2009-Oct 2013 at Edelnor (-1.1% DAV). Remuneration for secondary transmission set with a 6.5% increase

Progress made in corporate restructuring

- **Edegel: 29.4% sold to Endesa Chile for €256M**
- **Edelnor: 24% sold to Enersis for €100M**

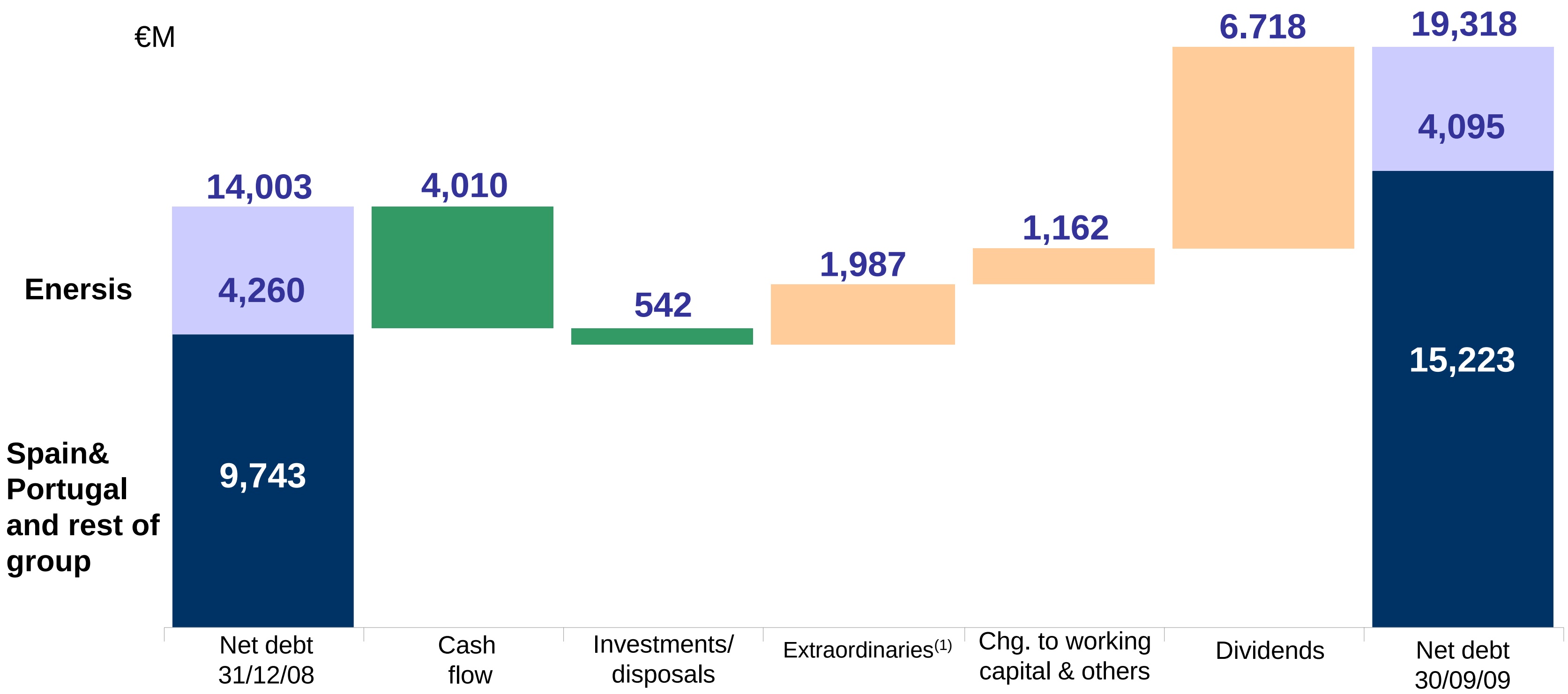
Disposal of non-core assets

- **EEB: sale of 7.2% for €169M(1)**
- **Codensa Hogar sales agreement**

(1) €96 M in gross capital gains

A sound financial position

Net debt evolution in 2009



	31/12/08	30/09/09
Net debt/EBITDA[2]	2.0	2.7
Leverage (Net debt/Equity)	0.7	1.0

(1) Includes 9M 09 deficit, change in ECYR consolidation scope and exchange rate differences. (2) EBITDA last 12M

Consolidated 9M 09 results

Important growth potential in renewables thanks to significant project portfolio

Spain

- 7,000 MW of wind power technically and financially viable without environmental problems

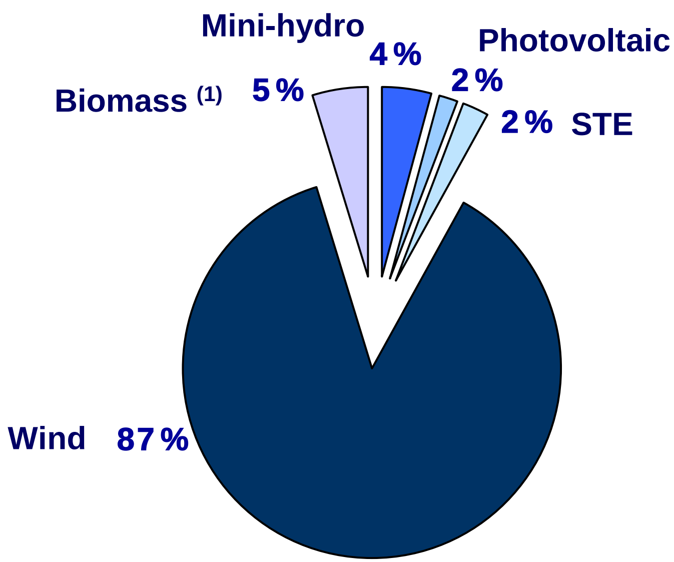
- 3,700 MW with wind capacity in excess of 2,400 hours

- 1,174 MW of wind projects, either under construction or pending construction, were submitted to the pre-assignment registry as per RDL 6/2009

Portugal

- 1,200 MW of power from the Tender and under construction where Endesa holds a 30% stake

Breakdown Spain&Portugal portfolio (gross output)



Highly mature portfolio

(1) Includes co-combustion

Latin America: attractive growth platform

Output brought on stream 9M 09

- **Peru: Santa Rosa open-cycle gas plant (193 MW)**
- **Chile: Quintero open-cycle gas plant (257 MW)**
- **Chile: Quintero regasification plant: 20% stake and 33% access to gas** (from mid-2010 full capacity: 9.5M m3/day)

Projects under construction

- **Chile: Bocamina II coal-fired plant (370 MW). Slated to come on stream 2H 10**
- **Chile: Canela II wind farm (60 MW). Slated to come on stream 4Q 09**

Organic growth options

- **Strong organic growth > 400,000 new customers a year**
- **Future growth platform**

spain&portugal09

9M 09 RESULTS

Highlights

- Significant drop in demand (-5.3%[1]) and thermal gap, triggering a sharp decline in the wholesale price (-38%, €43.5/MWh)
- EBITDA deregulated business +16% due to higher sales and prices to the final customer and lower variable costs
- Positive impact of CO_2 clawback elimination from 1 July
- Distribution EBITDA +8%
- Endesa maintains a position of leadership in the Spanish market with a 30% market share of ordinary regime generation, 44% of the distribution market and 43% of the deregulated market

(1) Corrected for labour effects and temperature. Otherwise decline would be 4.8%. Source REE

Operating income growth despite complicated backdrop

€M	9M 09	9M 08	Change
Revenues	11,050	10,214	**+8%**
Gross margin	5,089	4,881	**+4%**
EBITDA	3,383	3,268	**+4%**
EBIT(1)	2,330	2,466	**-6%**
Net finance expense(2)	395	340	**+16%**
Net attributable income	2,599	2,019	**+29%**
Net income from ongoing activities (3)	1,611	1,688	**-5%**

(1) Depreciation and amortisation charges were higher due to: restatement of ECYR (€43M), correction of goodwill for renewable assets (€82M) and worsening of CO2 portfolio (€24M)

(2) Net finance expense increased due to the impact of interest rates on risk provisions recorded at present value, mainly early retirement programmes (EREs) (€157M in 9M 09 vs. €14M in 9M 08).

(3) Excluding net capital gains from assets sold to Acciona in 2009

Gross margin grew 4%

Deregulated market

- RDL 6/2009
- Lower price energy purchases and lower fuel costs
- Sale prices to final customers maintained

Regulated market

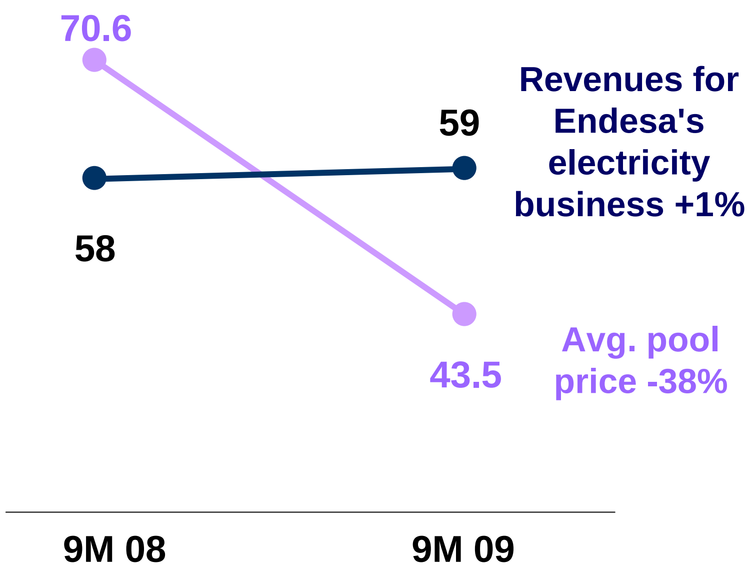
- Distribution
- CHP/Renewables
- Non-mainland systems

Others

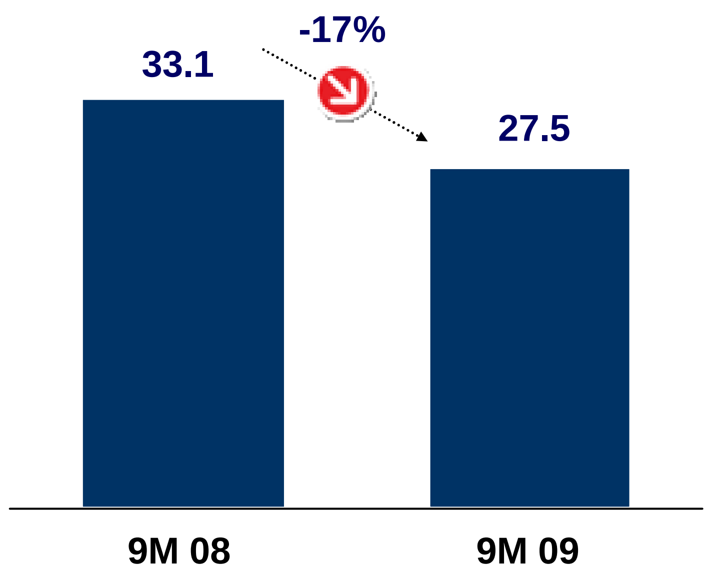
- Derivatives & auction of financial assets
- 2007 capacity payment
- Transactions in other wholesale markets

Sales strategy drove deregulated EBITDA up 16%

Prices evolution (€/MWh)



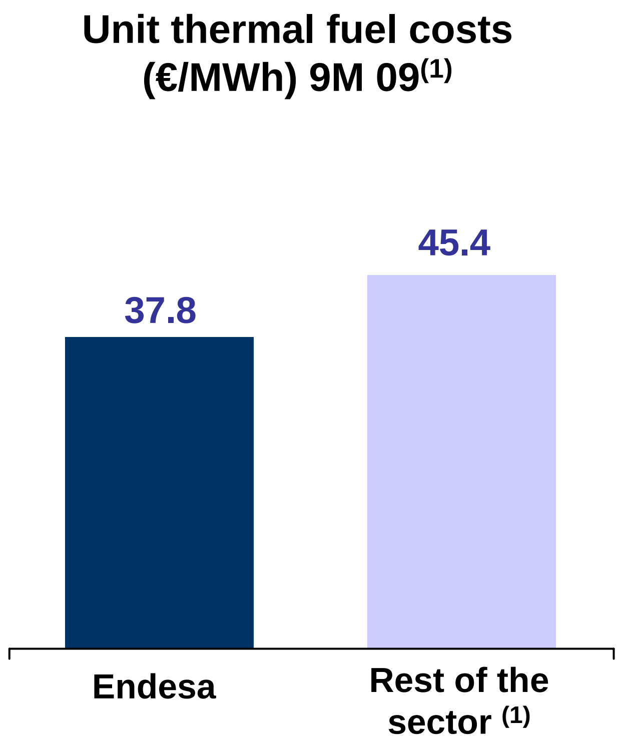
Variable unit costs[1] for Endesa's electricity business (€/MWh)

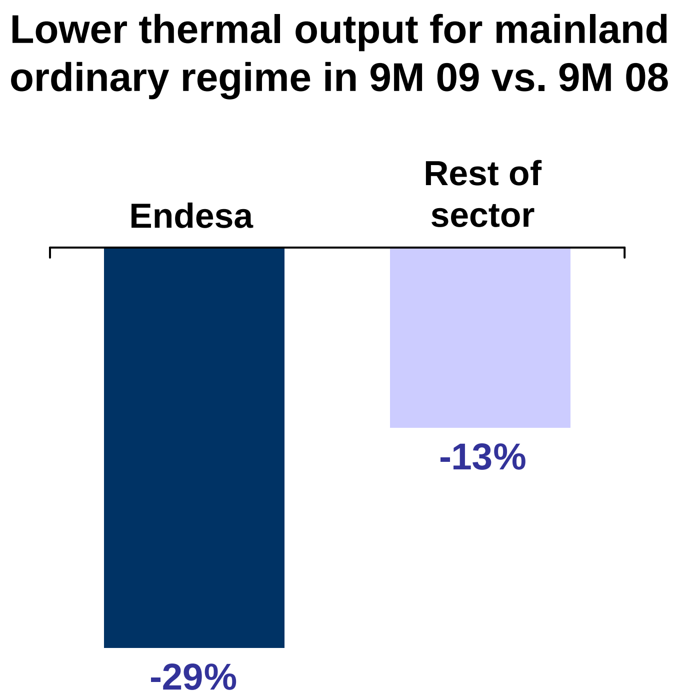


The unit margin of the deregulated electricity business rose 27% to Euro 31.5/MWh

(1) Includes costs for fuel, energy purchases, auctions, CO_2 and others

Endesa's thermal assets are more competitive and flexible





- Competitive advantage thanks to generation mix with greater weight of nuclear and hydro (58% Endesa vs. 33% rest of sector)
- 62% of mainland output is free of CO_2 emissions
- Load factor of thermal assets subject to strict profitability criteria and flexibility of fuel contracts

(1) Estimate

Sound position in gas

Gas contracts

- Competitive prices
- Flexible on use and destination
- Temporary management of deliveries

Gas generation (new demand 2010)

- Mallorca pipeline: Cas Tresorer (318 MW) and Son Reus (458 MW)
- Besos 5 (800 MW)

Gas supply

- 2nd largest supplier in Spain (9M 09 sales):
  - Deregulated market: 33.6 TWh
  - Regulated market: 0.5 TWh

Gas 2010: 5 bcm contract corresponding to generation and supply requirements, so no excess expected

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9M 09 RESULTS

Highlights

- Growth in electricity output (+4.6%) and distribution sales (+0.6%)
- Higher hydro component in the production mix (59%, +1.7pp) and lower fuel costs and power purchase costs increase the generating margin in Chile, Peru and Colombia
- Negative impact of currency depreciation (€152M in EBITDA)
- 94% of distribution EBITDA with fixed tariff for next 3-4 years

Double-digit growth at operating level and net income

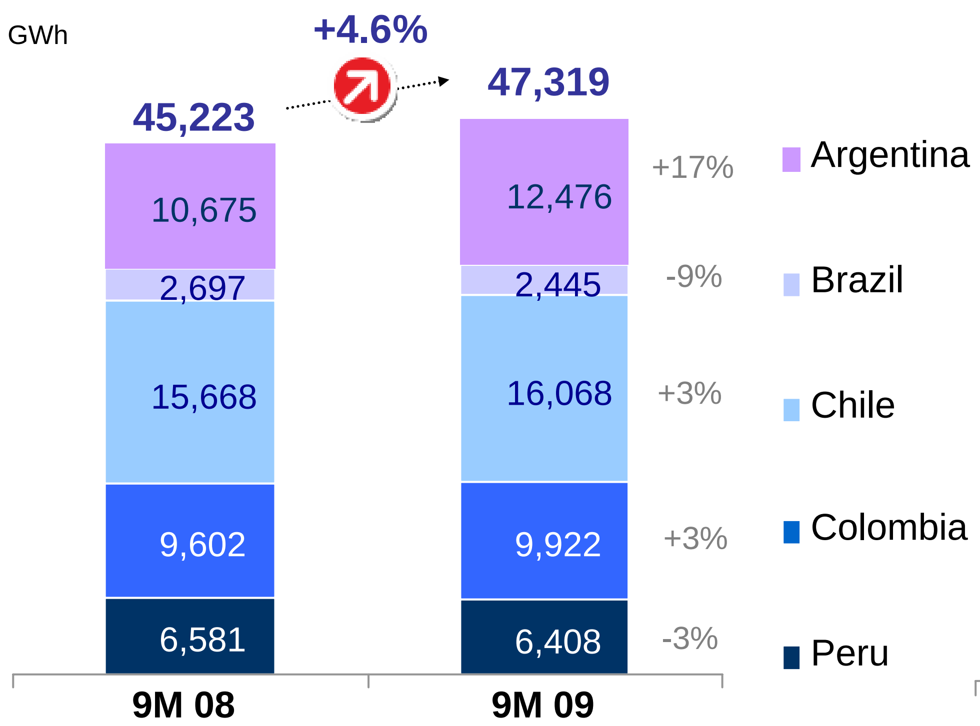
€M	9M 09	9M 08	Change
Revenues	6,177	6,225	**-1%**
Gross margin	3,148	2,935	**+7%**
EBITDA	2,379	2,160	**+10%**
EBIT	1,952	1,731	**+13%**
Net finance expense(1)	294	416	**-29%**
Net income ex-minorities	1,160	956	**+21%**
Net attributable income	438	339	**+29%**

- **EBITDA grew 17% in local currency**
- **€379M of attributable EBITDA comes from direct investments**

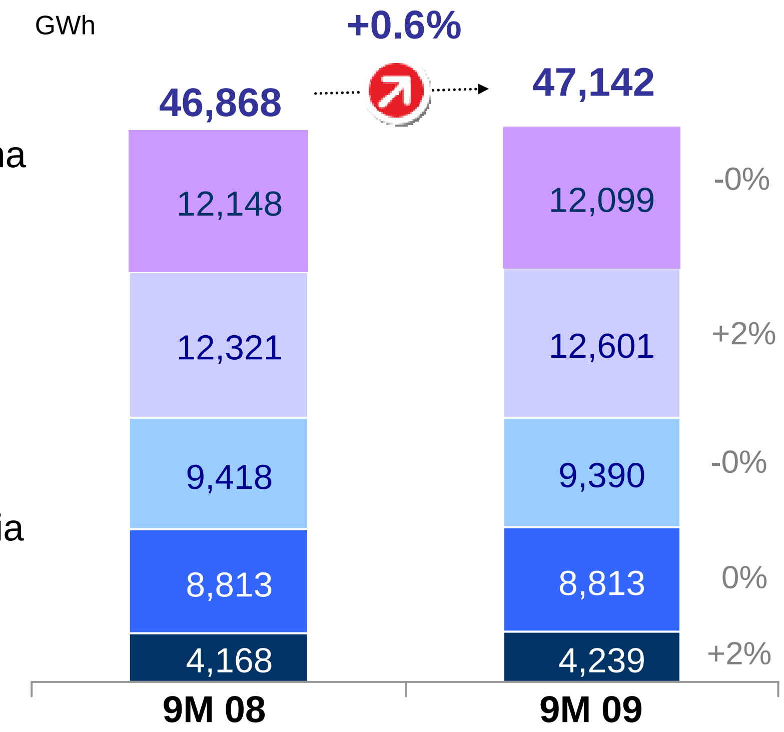
(1) Decrease in net finance expense due to the sharp drop in the average cost of debt (275bp), higher financial revenue due to the rise in cash flow and the lower value of "unidades de fomento" in Chile due to deflation

Growth in electricity output and distribution sales

Generation Output

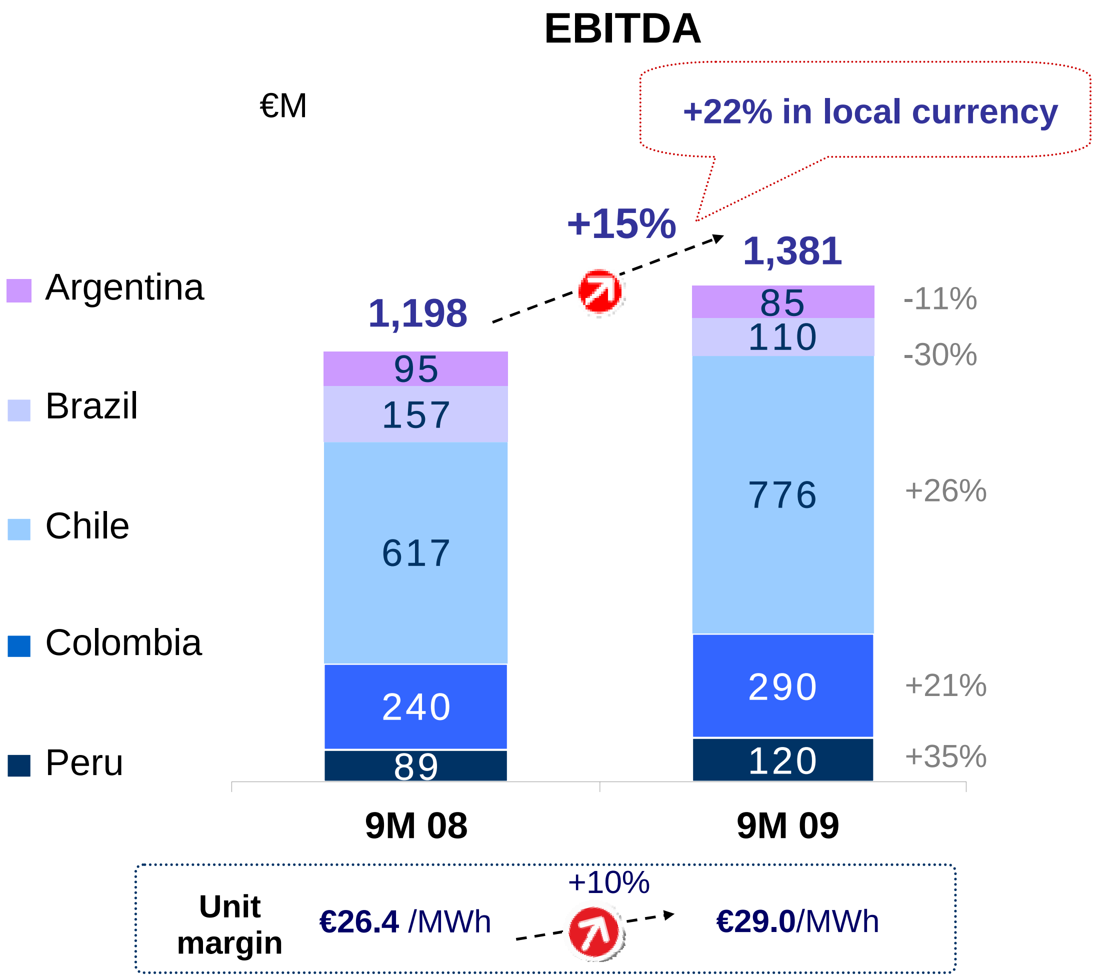


Distribution Sales



- **Increase in output in Colombia, Chile and Argentina due to higher hydro output**
- **Stable distribution sales**
- **Balanced profile of regulated/deregulated businesses**

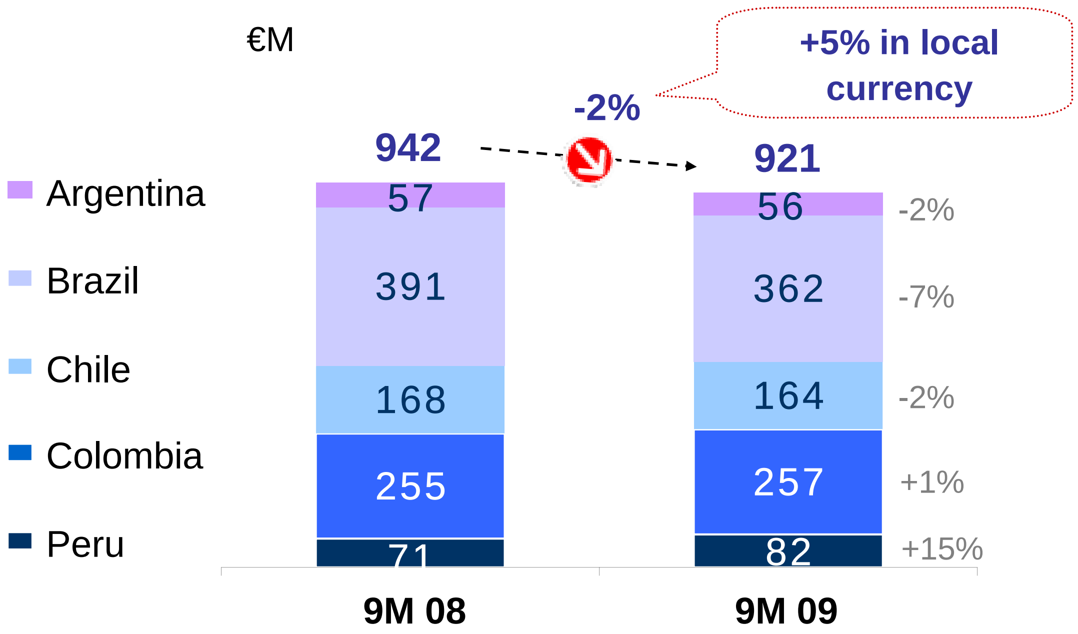
Strong EBITDA growth in the generation business due to higher activity and lower variable costs



- Positive unit margin performance in Chile (+22%) on the back of higher hydro output, greater gas availability and fewer power purchases
- Higher rainfall and higher sales prices helped boost unit margin in Peru (36%) and Colombia (15%)
- Increased rainfall levels led to lower sale prices in Argentina and lower sales and prices in Brazil

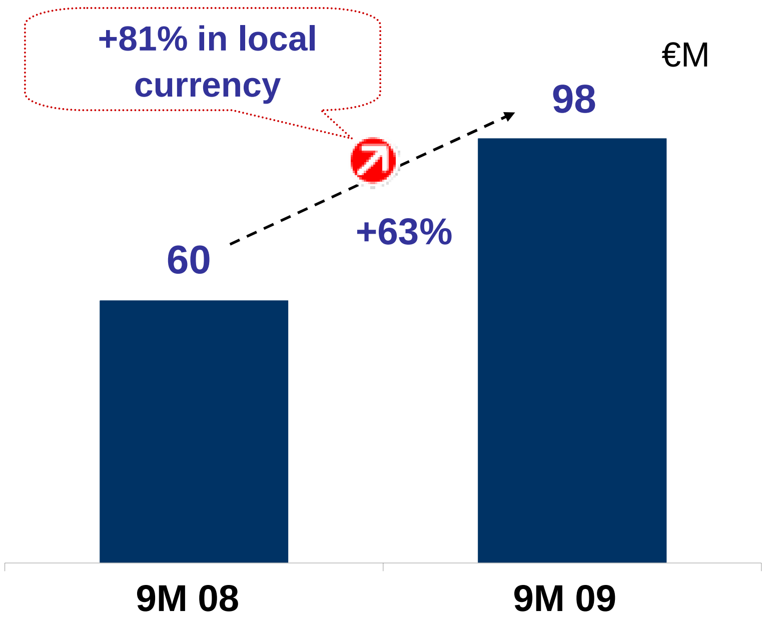
EBITDA growth in the transmission and distribution business in local currency

EBITDA Distribution



Unit margin €30.7/MWh -0.5% €30.6/MWh

EBITDA Transmission



CIEN: new energy exchange agreements

- Chile: lower sales and margin due to 2008 tariff review and lower sub-transmission tariffs
- Brazil: better tariffs for Ampla (DAV +2%) and Coelce (DAV +6%)
- Distribution in metropolitan residential areas is less sensitive to the drop in industrial demand

conclusions09

9M 09 RESULTS

Excellent results for first nine months

- Positive results against a backdrop of negative demand growth and prices
- Focus on reducing costs, efficiency and synergies achievement
- Sound performance in Latin America
- Consistent sales strategy of hedging margins in deregulated businesses
- High-quality asset portfolio, balanced generation mix and diversified profile of businesses
- Financial strength and options for organic growth
- Optimizing of portfolio in Latin America

Explanatory note

- **To analyse the Group's performance in 9M 09 and the comparison with 2008, several factors should be taken into account:**
  - **In 9M 08 the assets that were later sold to E.On were considered discontinued operations.**
  - **The balance sheet for the year ended 31 December 2008 included the assets and liabilities that were going to be contributed to a joint venture with Acciona as "assets and liabilities held for sale and discontinued operations".**
  - **The balance sheet at 30 September 2009 includes the assets to be sold to Acciona, the assets of Endesa Hellas and the stake in EEB are classified as "Non-current assets held for sale and discontinued operations". These assets do not depreciate. The liabilities associated with these assets are also grouped under "Liabilities associated with non-current assets held for sale and discontinued operations".**

appendices09

9M 09 RESULTS

Installed capacity and output[1]

Installed capacity

MW at 30/09/09	Spain& Portugal	Endesa Latin America	Endesa Desarrollo	Total
Total	**22,492**	**15,734**	**1,212**	**39,438**
Hydro	4,739	8,641	-	13,380
Nuclear	3,642	-	-	3,642
Coal	5,804	538	-	6,342
Natural gas	2,074	3,920	123	6,117
Fuel oil	5,426	2,609	1,068	9,102
CHP/Renewables	808	27	21	856

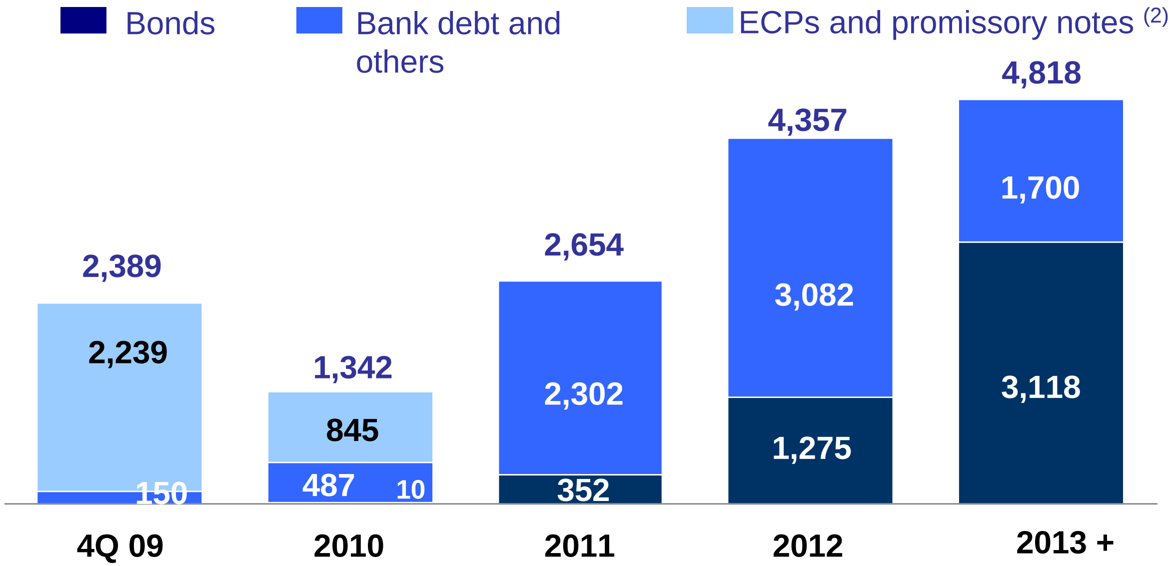
Output

TWh 9M 09 (chg. vs. 9M 09)	Spain& Portugal		Endesa Latin America		Endesa Desarrollo		Total	
Total	**56.8**	**-14.5%**	**47.3**	**+4.6%**	**1.3**	**+83%**	**105.4**	**-6.2%**
Hydro	6.8	+15%	27.9	+8%	-	-	34.7	+9%
Nuclear	17.6	-13%	-	-	-	-	17.6	-13%
Coal	16.0	-22%	1.8	-8%	-	-	17.8	-21%
Natural gas	5.0	-35%	12.0	+16%	0.6	0%	17.7	-6%
Fuel oil	8.8	-5%	5.6	-20%	0.7	n/a	14.9	-8%
CHP/Renewables	2.4	-5%	0.05	+132%	0.03	+34%	2.5	-3%

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

Endesa excl. Enersis: maturity calendar

Gross balance of maturities outstanding at 30 September 2009: €15,560M[1]



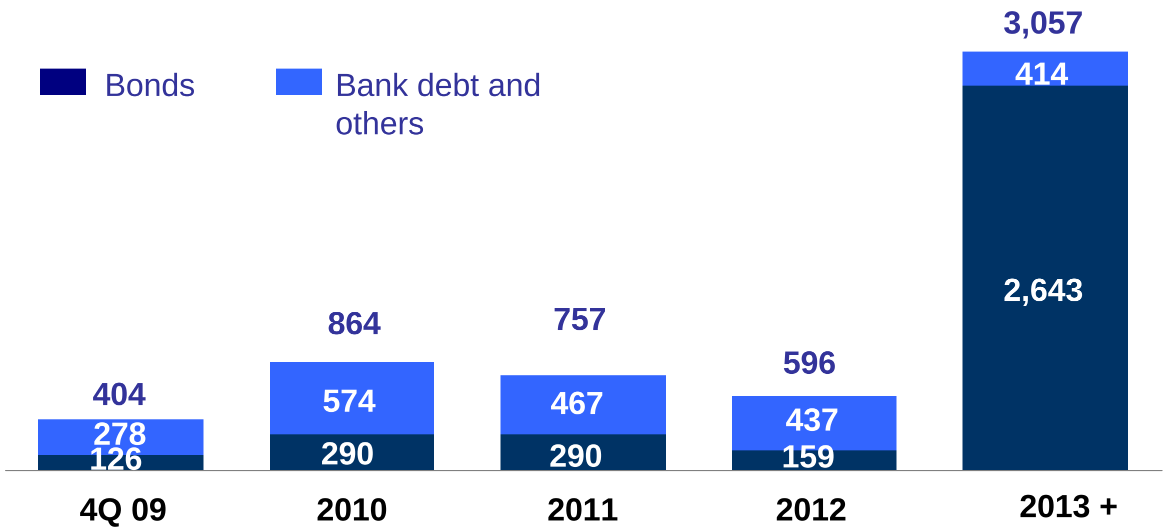
Endesa's liquidity excl. Enersis covers 24 months of maturities

- **Liquidity €6,803M:**
  - **€486M in cash**
  - **€6,317M available in long-term credit lines**
- **Average life of debt: 3.9 years**

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

Enersis: maturity calendar

Gross balance of maturities outstanding at 30 September 2009: €5,678M[1]



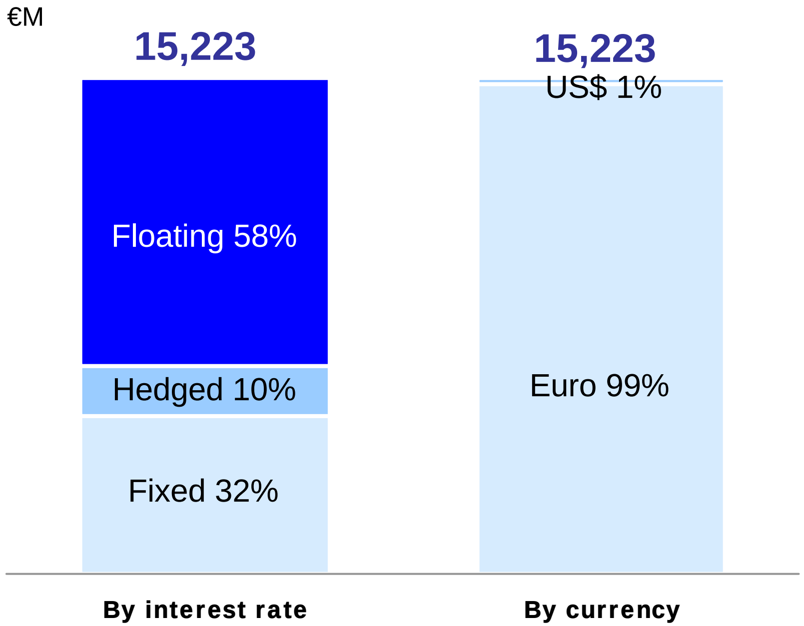
Enersis has sufficient liquidity to cover 22 months of maturities

- **Liquidity €2,220M:**
  - **€1,643M in cash**
  - **€577M of syndicated loans available**
- **Average life of debt: 5.2 years**

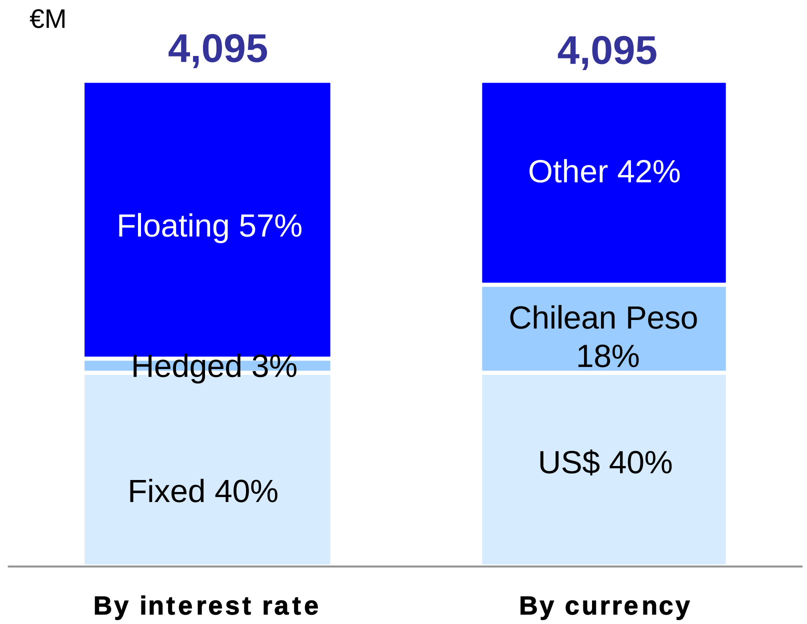
(1) This gross balance differs from the total financial debt figure as it does not include outstanding execution costs or the market value of derivatives which do not involve any cash payment.

Financial policy and debt structure

Structure of Endesa's debt ex-Enersis



Enersis debt structure



Cost of debt	3.5%	7.2%

- **Debt structure:** Debt in currency in which cash flow is generated
- **Policy of self-financing:** Enersis has non-recourse debt to parent company

Data at 30 September 2009

Highlights by country

EBITDA 9M 09 (vs. 9M 08)

Chile

Gen: €776M (+26%)

Dist: €164M (-2%)

Total EBITDA:

€940M (+20%)

- Increased hydro output (+4.8%)
- Higher unit margin due to the improved production mix and increased availability of gas and fewer power purchases
- In 2009 the average "nudo" price was US$102.0/MWh and the average spot price was US$108.0/MWh
- In January, Endesa was awarded long-term contracts with a volume of 2.66 TWh/year at an average price of US$102.1/MWh
- The LNG Quintero regasification plant was commissioned on 12 September
- The Quintero gas turbine (257MW) was brought on stream.
- The "nudo" price for November 2009-April 2010 was set at US$93.2/MWh

Brazil

Gen: €110M (-30%)

Dist: €362M (-7%)

Trans: €92M (+74%)

Total EBITDA:

€564M (-6%)

- Low hydro output (-16%)
- Spot prices significantly lower than the previous year (-73%), due to higher rainfall
- Positive impact of the tariff revisions implemented this year and the previous one
- Tariff revision for Ampla: 2% increase in DAV (applicable from 22 April)
- Tariff revision for Coelce: 6% increase in DAV (applicable from 15 March)
- Cien: toll agreement signed for 2009 (€108M)

Highlights by country

EBITDA 9M 09 (vs. 9M 08)

Colombia

Gen: €290M (+21%)

Dist: €257M (+1%)

Total EBITDA:

€547M (+11%)

- Higher sales prices in generation due to lower rainfall. However, hydro output increased at Endesa's plants
- Higher sales prices at Codensa
- Sale of 7.2% of EEB for €169M
- Codensa Hogar sales agreement

Peru

Gen: €120M (+35%)

Dist: €82M (+15%)

Total EBITDA:

€202M (+26%)

- Higher generation sales prices
- Increased hydro output (+6.9%)
- The "barra" price (applicable from May) has been set at US$41.69/MWh, 1.5% higher than the previous price
- TG8 of the Santa Rosa plant came on stream (193 MW)
- Edelnor higher margin due to better customer mix and reduced losses
- Sale of 29.4% of Endesa Chile for €256M and 24% of Edelnor to Enersis for €100M

Argentina

Gen: €85M (-11%)

Dist: €56M (-2%)

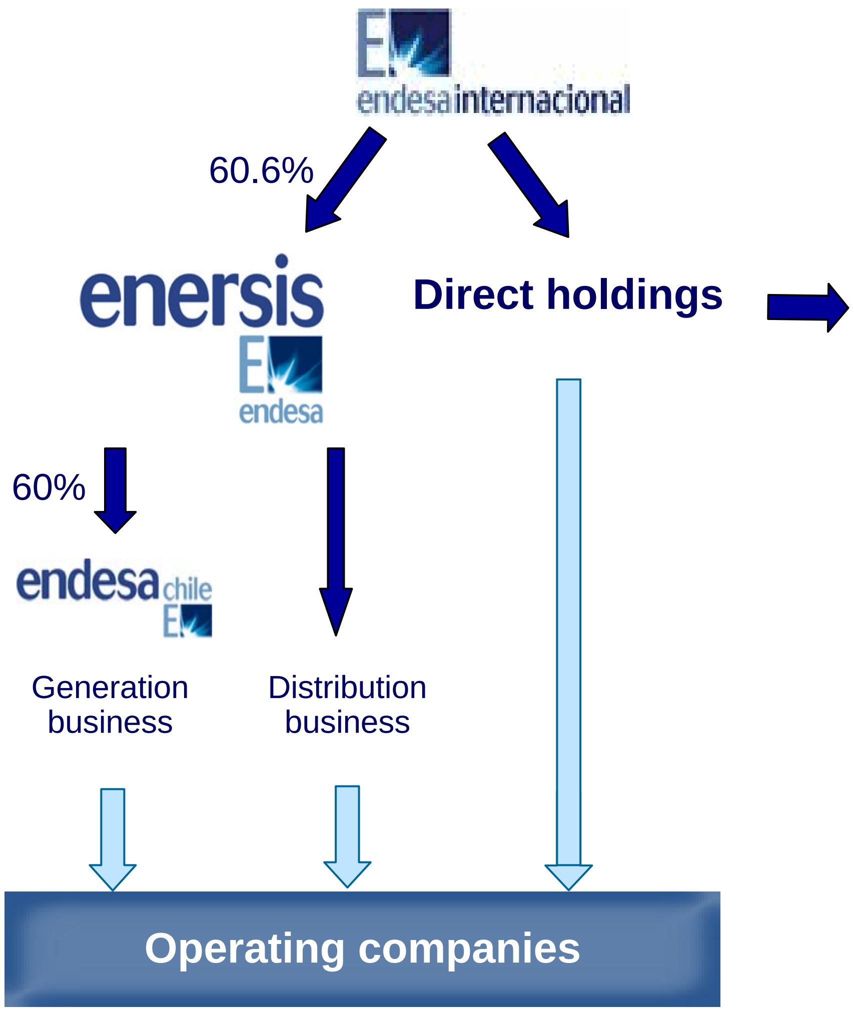
Trans: €6M (-14%)

Total EBITDA:

€147M (-8%)

- Lower generation prices due to normalised rainfall levels
- Higher distribution revenues due to readjustments from previous year and recognition of supply to villages
- Higher fixed costs due to higher inflation
- 1Q 08 EBITDA included extraordinaries of €11M in compensation for the TG10 breakdown at Dock-Sud

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



€M	% direct stake	Proportionate EBITDA 9M 09	Net Debt 30/09/09*
Codensa:	26.7%	67	105
Emgesa:	21.6%	63	87
EEB:	4.7%	N/A	N/A
Endesa Brazil:	28.5%	160	177
Edesur:	6.2%	3	2
DockSud:	40%	10	42
Edelnor:	42%	34	86
Edegel:	29.4%	33	88
Piura:	48%	5	4
Pangue:	5%	4	3
Proportionate total		**379**	**593**

* 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. The main assumptions on which these expectations and targets are based are related to the regulatory setting, exchange rates, divestments, increases in production and installed capacity in markets where ENDESA operates, increases in demand in these markets, assigning of production amongst different technologies, increases in costs associated with higher activity that do not exceed certain limits, electricity prices not below certain levels, the cost of CCGT plants, and the availability and cost of the gas, coal, fuel oil and emission rights necessary to run our business at the desired levels.

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

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

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

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

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

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

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

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

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

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