



ENDESA, S.A. (“**Endesa**”), in compliance with article 82 of the Spanish Security Markets Act (*Ley del Mercado de Valores*), hereby discloses the following

SIGNIFICANT EVENT

Following on from Significant Event no. 213708 published yesterday, please be advised that the Spanish Securities Market Commission (“**CNMV**”) has today registered the Prospectus for the Public Offering of shares in Endesa (the “**Offering**”) by Enel Energy Europe, S.r.L. (“**Enel Energy**” or the “**Offeror**”), which is wholly owned by Enel, S.p.A. and is the majority shareholder of Endesa (holding 92.063% of its share capital).

The following sections explain the main features of the Offering:

- **Size of the Offering**: the Offering extends to between 156,511,181 shares (the “**Initial Offering**”) and 201,800,000 shares (the “**Maximum Offering**”), equivalent to between approximately 14.78% and 19.06% of ENDESA’s share capital.

These figures may be increased further if the Global Coordinators decide to exercise the greenshoe option that the Offeror intends to grant them, such option being in respect of a minimum of 23,476,678 shares (if the Offering turns out to be for the amount of the Initial Offering) and a maximum of 30,270,000 shares (if the Offering turns out to be for the amount of the Maximum Offering), accounting for 15% of the total amount of the Initial Offering and the Maximum Offering, respectively (without including the greenshoe).

The number of shares envisaged in the Offering (including the greenshoe option) is approximately equivalent to between 17% (Initial Offering) and 21.92% (Maximum Offering) of ENDESA’s share capital.

- **Tranches of the Offering**: the Offering features two tranches:
 - **Retail tranche**: to be initially assigned 23,476,677 shares, representing 15% of the total number of shares envisaged in the Initial Offering. This figure may, however, be increased to a maximum of 46,953,355 shares (provided the tranches are reassigned accordingly), equivalent to 30% of the total number of shares envisaged in the Initial Offering and 23.27% of the total number of shares envisaged in the Maximum Offering (without including the greenshoe option).

Investors taking part in the Retail Tranche will be entitled to receive from the Offeror one additional share for every 40 shares they acquire in the Retail Tranche, provided the shares they acquire in the Retail Tranche are held for at least 12 months running from the settlement date of the offering (scheduled for 26 November 2014).

Likewise, investors who place an offer to buy and who were holders of Endesa shares at the close of trading on 5 November 2014 will qualify for the preferred investor share allocation scheme of up to 300 shares per application,

subject to an aggregate maximum of 12,874,155 shares earmarked for this preferred investor scheme and subject also to the terms and conditions set out in the Prospectus.

- **Tranche for Qualified Investors:** to be initially assigned 133,034,504 shares, accounting for 85% of the total number of shares envisaged in the Initial Offering. This figure may, however, climb to 178,323,323 shares if the Offering turns out to be for the sum of the Maximum Offering, representing 88.37% of the total number of shares envisaged in the Maximum Offering (without including the greenshoe call option). Without prejudice to the above, the number of shares assigned to this tranche may be altered to reflect possible reallocations between tranches and, as the case may be, the exercise of the greenshoe option.
- **Prices:** a Maximum Retail Price of 15.535 euros per share has been set, equivalent to the maximum price of the listed daily closing prices of Endesa's shares between 29 October 2014 and 5 November 2014.

The Price of the Retail Tranche of the Offering will be the lower of the following: (i) the Maximum Retail Price, or (ii) the Price of the Tranche for Qualified Investors of the Offering.

The Price of the Tranche for Qualified Investors of the Offering will be set by the Offeror on 20 November 2014, following discussions with the Global Coordinators, and taking into account, among other considerations, the volume and quality of existing demand for the Tranche for Qualified Investors and the volume of demand for the Offering as a whole, along with prevailing market conditions.

- **Estimated timetable:** investors in the Retail Tranche may submit binding applications to purchase shares from 08:30 am (Madrid time) tomorrow, that is 7 November 2014, within the business hours of the underwriter in question, through to 19 November 2014.

In the Tranche for Qualified Investors, the period for submitting orders will run from 08:30 am (Madrid time) on 13 November 2014, through to 12:00 (Madrid time) on 20 November 2014.

On this date, the Offeror will determine the size, the distribution between tranches and the final price of the Offering.

The Lead Agent, Santander Investment, S.A. (acting as agent bank alongside Banco Bilbao Vizcaya Argentaria, S.A., which acts as co-agent) shall proceed with the final awarding of shares across all tranches on 21 November 2014, to coincide with the Transaction Date of the Offering, with settlement provisionally set for 26 November 2014, all the foregoing without prejudice to the powers of the Offeror to shorten the Offering period.

- **Lock-up:** Enel Energy and Endesa shall undertake not to transfer or issue shares in Endesa (lock-up period) for 180 days following the settlement of the Offering.

- **Global Coordinators:** Banco Santander, BBVA, Credit Suisse and J.P. Morgan act as Global Coordinators of the Offering and as underwriters of the Tranche for Qualified Investors, while Goldman Sachs International, Morgan Stanley & Co and UBS Limited act as underwriters of the Tranche for Qualified Investors. BBVA and Banco Santander will lead the placement syndicate for the Retail Tranche.
- **Stabilisation:** from 21 November 2014 and running for 25 calendar days (including 21 November), Credit Suisse Securities (Europe) Limited, acting as Stabilisation Agent, may engage in transactions to stabilise the continuous market on behalf of the Underwriters of the Tranche for Qualified Investors in accordance with Commission Regulation (EC) 2273/2003 and following standard international practice for international share offerings.

The other terms and conditions of the Offering, as well as information on the issuer, are included in the Prospectus of the Offering, which is available on the CNMV's website (www.cnmv.es) and on the corporate website of Endesa (www.endesa.com).

Madrid, 6 November 2014

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by Endesa, S.A. in the United States or in any jurisdiction where such offer or sale would be unlawful.

This announcement is not for distribution, directly or indirectly, in the United States, Australia, Canada or Japan.

In any EEA Member State, other than Spain, that has implemented Directive 2003/71/EC as amended (together with any applicable implementing measures in any member State, the "Prospectus Directive"), this communication is addressed only to qualified investors in that Member State within the meaning of the Prospectus Directive.

None of the securities referred to herein have been, nor will they be registered under the U.S. Securities Act of 1933 (the "Securities Act"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. This document does not solicit money, securities or any other type of consideration, and, if any is sent in response hereto, it will not be accepted.

This announcement and the Prospectus of the Offering do not constitute an offer to sell shares in Endesa in Chile, and neither the Offeror nor Endesa intends to make any kind of offering in that country.

The Prospectus of the Offering registered by the CNMV can be found on its website (www.cnmv.es) and on the corporate website of Endesa (www.endesa.com).