endesa FY 2012 results
Business context in 2012

Demand

Spain:
demand decrease due to lower industrial activity

Endesa distribution area:
- Industry: -2.7%
- Services: -0.4%
- Residential: +1.3%

Adjusted for weather and working days

Average growth weighted by TWh:
- Peru: 5.9%
- Chile: 5.2%
- Brazil: 4.5%
- Argentina: 4.2%
- Colombia: 3.8%

+4.5%

Latin America: solid growth in all countries mainly in Peru and Chile

Electricity wholesale prices

Spain: slight decrease in prices due to weak demand and despite lower hydro

Weighted average pool prices Spain (€/MWh):
- 2011: 50.8
- 2012: 49.2
- -3%

Average spot prices Chile-SIC (US$/MWh):
- 2011: 182.1
- 2012: 187.0
- +3%

(3) Excluding ancillary services and capacity payments. 47.2 €/MWh average baseload equivalent.
Consolidated results FY 2012

Results supported by a well diversified assets portfolio

<table>
<thead>
<tr>
<th>Spain &amp; Portugal &amp; Others</th>
<th>Latin America</th>
<th>Total Endesa</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GWh FY 2012</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydro + Nuclear:</td>
<td>78,316</td>
<td>141,434</td>
</tr>
<tr>
<td>Hydro:</td>
<td>32,317</td>
<td>67,302</td>
</tr>
<tr>
<td>Electricity Sales (1):</td>
<td>102,766</td>
<td>162,490</td>
</tr>
<tr>
<td>(% over FY 2011)</td>
<td>+3%</td>
<td>+2%</td>
</tr>
<tr>
<td>(% over FY 2011)</td>
<td>-2%</td>
<td>+0%</td>
</tr>
<tr>
<td>Production:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydro:</td>
<td>63,118</td>
<td>49%</td>
</tr>
<tr>
<td>Hydro + Nuclear:</td>
<td>34,985</td>
<td>51%</td>
</tr>
<tr>
<td>Electricity Sales (2):</td>
<td>59,724</td>
<td>58%</td>
</tr>
<tr>
<td>(%) over FY 2011</td>
<td>+1%</td>
<td>+5%</td>
</tr>
<tr>
<td>EBITDA FY 2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liberalized:</td>
<td>35%</td>
<td>42%</td>
</tr>
<tr>
<td>Regulated:</td>
<td>65%</td>
<td>58%</td>
</tr>
<tr>
<td>(%) over FY 2011</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Efficient mix and balanced business profile

(1) Sales to final customers
(2) Tolls and unbilled consumption not included
### Operating results negatively affected by regulatory, economic and weather conditions

<table>
<thead>
<tr>
<th>€M</th>
<th>2012</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>33,933</td>
<td>32,686</td>
<td>+4%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>10,828</td>
<td>11,004</td>
<td>-2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>7,005</td>
<td>7,265</td>
<td>-4%</td>
</tr>
<tr>
<td>Spain&amp;Portugal&amp;Others</td>
<td>3,796</td>
<td>4,024</td>
<td>-6%</td>
</tr>
<tr>
<td>Latin America</td>
<td>3,209</td>
<td>3,241</td>
<td>-1%</td>
</tr>
<tr>
<td>EBIT</td>
<td>4,418</td>
<td>4,653</td>
<td>-5%</td>
</tr>
<tr>
<td>Net finance expenses</td>
<td>599</td>
<td>640</td>
<td>-6%</td>
</tr>
<tr>
<td>Net attributable income(1)</td>
<td>2,034</td>
<td>2,212</td>
<td>-8%</td>
</tr>
</tbody>
</table>

- **Iberia**: €313 M negative impact from regulatory measures (RDL 13/2012 & 20/2012) partially offset by better results in the liberalized business
- **LatAm**: In a generally positive economic environment, results were affected by Chilean drought and operations in Argentina

(1) 2011: €123 M of capital gain from the sale of Endesa Servicios
2012 efficiency and synergy targets with Enel exceeded

**Annual target (€M)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Outperformance</th>
<th>Synergies</th>
<th>Zenith</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>224</td>
<td>224</td>
<td>0</td>
</tr>
<tr>
<td>2009</td>
<td>494</td>
<td>740</td>
<td>494</td>
</tr>
<tr>
<td>2010</td>
<td>848</td>
<td>1,029</td>
<td>181</td>
</tr>
<tr>
<td>2011</td>
<td>1,210</td>
<td>1,048</td>
<td>259</td>
</tr>
<tr>
<td>2012</td>
<td>1,307</td>
<td>1,116</td>
<td>436</td>
</tr>
</tbody>
</table>

**Synergies achieved in 2012**

- IT & Others: 25%
- Generation and Energy Management: 36%
- Distribution: 39%

- Original efficiency programs with Enel successfully completed
- Outperformance every single year
- Further managerial initiatives under study to counterbalance the challenging outlook
### Sound financial position

#### Net debt evolution in 2012 (€M)

<table>
<thead>
<tr>
<th>Category</th>
<th>Net debt 31/12/11</th>
<th>Cash flow from operations</th>
<th>Capex</th>
<th>Extraordinary items</th>
<th>FX</th>
<th>Dividends</th>
<th>Others</th>
<th>Net debt 31/12/12</th>
<th>Net debt / EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enersis</td>
<td>3,883</td>
<td>2,052</td>
<td>86</td>
<td>6</td>
<td></td>
<td>1,231</td>
<td>352</td>
<td>8,778</td>
<td>1.3x</td>
</tr>
<tr>
<td>Spain &amp; Portugal &amp; others</td>
<td>7,119</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,144</td>
<td>1.4x</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,002</td>
<td>5,247</td>
<td></td>
<td></td>
<td></td>
<td>1,231</td>
<td>352</td>
<td>12,922</td>
<td>1.1x</td>
</tr>
</tbody>
</table>

- **Non-mainland securitization:** €1,030 M
- **Mainland securitization:** €1,644 M
- **Tariff Def:** -€1,730 M

#### Key Figures

- **Leverage** (net debt/equity)\(^{(3)}\): 0.4 (31/12/11) → 0.3 (31/12/12)

#### Notes

1. Includes non-mainland securitization
2. Includes payments/collections from CNE settlements in 2012
3. Net debt figure includes pending regulatory assets

---

**Solid financial leverage and strong liquidity position**

- **Endesa liquidity excluding Enersis** covers 46 months of debt maturities
- **Enersis liquidity** covers 18 months of debt maturities
Spain: regulation update (I)

Main regulation initiatives

- **RDL 1/2012**: suspends the renewable projects that were not approved for inclusion in the pre-registry

- **RDL 13/2012**:
  - Decrease in distribution and transmission remuneration
  - Other measures: capacity payments, national coal, etc.

- **RDL 20/2012**: decrease in non-mainland generation and transmission remuneration

- **Law 15/2012**:  
  - Sets 4 kinds of taxes affecting generation
  - Revenues from above taxes and CO₂ auctions proceeds to be transferred to the electricity sector

- **RDL 29/2012**:  
  - €1.5 bn of 2012 tariff deficit cap removed
  - 2013 access tariffs sufficiency target removed

Impact on Endesa

- ≈ - €0.3 bn
- ≈ - €0.1 bn
- ≈ - €0.9 bn

(1) From January 1st, 2013
Spain: regulation update (II)

**Main regulation initiatives**

- **RDL 2/2013:** €0.6 – 0.8 bn of lower revenues in regulated and renewable activities
  - Change in the inflation index used to update revenues of regulated activities
  - Elimination for renewables to switch remuneration scheme

- **2013 electricity tariff order:**
  - Access tariffs unchanged
  - No consolidation of rebilling (April 2012) in access tariffs
  - Last Resort Tariff: +3.1% after 21st December 2012 CESUR auction
  - Recognition of €74.2 M from 2010 distribution quality incentives
  - 2012 ex-post tariff deficit recognized in 14th CNE settlement can be transferred to FADE

- **Resolution 1736 on national coal:**
  - 20 TWh of expected production for 2013
  - No taxes pass-through from Law 15/2012
Spain: No expected tariff deficit in 2013

- State contribution through €2.2 bn extraordinary financing
- State Budget to bear 100% of non-mainland compensations

State Budget to fund €2.2 bn by means of an extraordinary financing and €1.8 bn non-mainland generation compensations thru PGE 2014

Utilities should not fund any structural tariff deficit in 2013.
Additional comments to regulatory measures

- Large and discriminatory financial impact on traditional utilities.
- Conventional generation has received an additional burden instead of a relief to its already critical situation.
- National coal power plants, while performing a public service obligation, will be forced to produce electricity at a loss.
- Combined cycles will receive a lower capacity payment when they perform an essential back-up service to renewables.
- Remuneration of generation investments on the islands has been retroactively decreased to well below a reasonable return level.
- Also distribution remuneration has been retroactively decreased to well below a reasonable return level.
- Remuneration schemes of distribution and island generation are presently discriminated with respect to other regulated activities, particularly electricity transmission, solar generation and gas storage.
Update on tariff deficit securitization process

- 1st tranche fully securitized (€13.6 bn as of November 2010) (1):
  - €9.8 bn securitized in 2011 (€5.1 bn for Endesa; 52% share)
  - €3.3 bn securitized in 2012 (€1.7 bn for Endesa; 52% share)

- 2nd tranche transferred (€7 bn as of October 2012):
  - €2.5 bn of ex-post 2010 deficit,
  - €3 bn of ex-ante 2011 deficit
  - €1.5 bn of ex-ante 2012 deficit
  - €3.1 bn for Endesa

- Securitization status:
  - €2.2 bn securitized in 2012 (€1.0 bn for Endesa; 44% share)
  - €1.3 bn securitized in 2013 (€0.6 bn for Endesa; 44% share)

(1) FADE Prospectus dated 23rd November 2010
(2) FADE Prospectus dated 4th October 2012
Tariff sufficiency for 2013 achievable

State contributions are needed to guarantee the system balance

Latest regulatory measures (RDL 2/2013) go in the right direction

Securitization progress is key for the system sustainability
Latam: regulation update

- **Chile**
  - Electrical Highway: Under debate in the Congress, Government priority
  - Renewables: Current target 10/2024 under review
  - Chilelectra tariff review
    - Revision process ended (final decree pending). New tariffs to apply from 4th November 2012. Expected reduction of VAD: 4.5%
  - Regulatory changes in concessions and industry tax charges to reduce tariffs by 20% on average (Law 12,783). Positive impact €180 M
  - Concessions:
    - No negative impact expected for ENDESA’s subsidiaries: renewals after 2020.
    - Reduction in tax charges applies to electricity (pass-through for Dx companies)

- **Brazil**
  - Regulatory changes in concessions and industry tax charges to reduce tariffs by 20% on average (Law 12,783). Positive impact €180 M
  - Concessions:
    - No negative impact expected for ENDESA’s subsidiaries: renewals after 2020.
    - Reduction in tax charges applies to electricity (pass-through for Dx companies)

- **Argentina**
  - Distribution: Resolution increases VAD by 40% and tariffs by 20%
  - Endesa Costanera (ENCOS) – Contracts for OPEX and CAPEX
    - Dec. 19: ENCOS signed contract with Cammesa USD140 M (USD35 M/y for 4 years) for upgrading CCGTs. To pay also for LTSA
    - Jan. 18: ENCOS signed contract with Cammesa for ~USD164 M to improve availability of Costanera’s Steam turbines.

- **Peru**
  - Edelnor tariff review:
Enersis capital increase update:
EGM firmly supports the transaction

**Successful EGM (December 20th 2012)**

- 82% of total shares approved the capital increase
- Total capital increase equivalent to USD 5,995\(^{(1)}\) million:
  - Conosur valued at USD 3,634 million
  - The balance (up to USD 2,361 million) in cash contribution
- Share subscription price: CLP 173 / share

(1) Exchange Rate as of Dec. 20th, 2012: 474.42 CLP/ 1 USD.

**Calendar**

- **19-Feb**: Record Date Local Shares (Chile)
- **25-Feb**: Record Date ADS (U.S.A.)
- **25 Feb – 26 Mar**: Rights Period Begins / Ends (Chile)
- **26 Feb – 21 Mar**: ADS Rights Period Begins / Ends\(^{(1)}\) (U.S.A.)
- **27–28 Mar**: Rump offering period (Chile/U.S.A.)

---

**February 2013**

```
M | TU | W | T | F | S | SU
---|---|---|---|---|---|---
1 | 2 | 3 | 4 | 5 | 6 | 7
8 | 9 | 10 | 11 | 12 | 13 | 14
15 | 16 | 17 | 18 | 19 | 20 | 21
22 | 23 | 24 | 25 | 26 | 27 | 28
```

**March 2013**

```
M | TU | W | T | F | S | SU
---|---|---|---|---|---|---
1 | 2 | 3 | 4 | 5 | 6 | 7
8 | 9 | 10 | 11 | 12 | 13 | 14
15 | 16 | 17 | 18 | 19 | 20 | 21
22 | 23 | 24 | 25 | 26 | 27 | 28
29 | 30 | 31
```

*The offering of new shares by means of share rights to holders of shares will expire at 11:59 p.m. (Santiago, Chile time) on March 26, 2013. The offering of new ADSs by means of ADS rights to holders of ADSs will expire at 2:15 p.m. (New York City time) on March 21, 2013.*
spain & portugal & others FY 2012
Highlights in 2012

Regulated business: negatively impacted by latest regulatory measures

Output generation (+4%)(1) with outstanding performance of imported coal (+35%) and nuclear (+7%)

Better liberalized margins supported by higher selling prices and better production/purchases mix

Positive performance of fixed costs and financial expenses

Leadership in supply (39% market share) and ordinary regime generation (37%) and 2nd player in gas supply market (16%)

(1) Mainland. Does not include Portugal
## Results affected by challenging business context and regulatory measures

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>23,146</td>
<td>22,650</td>
<td>+2%</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>6,213</td>
<td>6,458</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>3,796</td>
<td>4,024</td>
<td>-6%</td>
</tr>
<tr>
<td><strong>EBIT</strong>(1)</td>
<td>1,998</td>
<td>2,244</td>
<td>-11%</td>
</tr>
<tr>
<td><strong>Net finance expenses</strong></td>
<td>256</td>
<td>287</td>
<td>-11%</td>
</tr>
<tr>
<td><strong>Net attributable income</strong>(2)</td>
<td>1,410</td>
<td>1,593</td>
<td>-11%</td>
</tr>
</tbody>
</table>

### Impact of 2012 regulatory measures and lower debt

(1) 2012 D&A includes Endesa Ireland value adjustment (- €67 M), CDM write-off (- €28M), Encasur (- €66 M), Garoña (- €60 M) and CO$_2$ (- €67 M)

2011 D&A includes Endesa Ireland value adjustment (- €96 M) and CO$_2$ (- €227 M)

(2) 2011: €123 M of capital gain from the sale of Endesa Servicios
Positive performance of liberalised margins

2011

Liberalized business

+3%

6,458

Regulated business

-9%

-4%

6,213

2012

Higher sale price to final customer

Social bonus (Supreme Court ruling)

Generation mix (production/energy purchases)

LRT margin

Impact of RDL 13/2012 and RDL 20/2012 in Dx and non-mainland generation

€313 M impact of 2012 regulatory measures
Liberalized business supported by higher generation and selling prices

Increase in mainland output\(^{(1)}\)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCGT</td>
<td>5,851</td>
<td>4,251</td>
</tr>
<tr>
<td>Imported coal</td>
<td>11,902</td>
<td>16,023</td>
</tr>
<tr>
<td>National coal</td>
<td>11,178(^{(2)})</td>
<td>10,040</td>
</tr>
<tr>
<td>Nuclear</td>
<td>25,177</td>
<td>26,967</td>
</tr>
<tr>
<td>Hydro</td>
<td>6,179</td>
<td>5,350</td>
</tr>
</tbody>
</table>

\(^{1}\) Increase in mainland output:
\[^{2}\] 7,382 GWh under RD promoting national coal generation

Market margins evolution: wholesale price vs. price to end customers

- **2011**:
  - Average pool price: 58 €/MWh
  - Average unit revenue: 51 €/MWh
- **2012**:
  - Average pool price: 62 €/MWh
  - Average unit revenue: 49 €/MWh

- National Coal RD in force since end February 2011
- Coal more competitive in a low CO\(_2\) price context
- Margin expansion due to higher selling prices and better energy mix (production/energy purchases)

\(^{(1)}\) Does not include Portugal
\(^{(2)}\) 7,382 GWh under RD promoting national coal generation
Energy management optimization

Gross electricity sources

- **122 TWh** (3)
  - LRT Auctions (1)
  - Energy purchases
    - Unit purchase cost €50/MWh (slightly lower vs 2011)
  - Mainland ordinary regime
    - Unit fuel cost €26/MWh (2)
      (slight increase vs 2011)
  - 2012
    - Unit variable cost €38/MWh
      (stable vs 2011)

Gross electricity sales

- **122 TWh**
  - LRT (1)
  - Pool sales
  - Liberalized
    - 76 TWh including non-mainland systems
    - 2012
      - Unit revenue €62/MWh
        (+4 €/MWh vs 2011)

- **Increase in electricity unitary margin (+19%) supported by higher generation output and higher underlying selling price**

---

(1) LRT: Last resort tariff not considered in calculations for unit cost and unit revenue
(2) Includes fuel cost and CO₂
(3) Differences between single and aggregate data is due to rounding number
latin america FY 2012
Highlights in FY 2012

- Strong economic performance: distribution sales (+4.6%)\(^{(1)}\)

- 37% drop in EBITDA in generation Chile due to worse mix as severe drought intensified coupled with expiration of risk transfer clauses

- Strong contribution from Colombian operations

- Enactment of Law 12,783/13 in Brazil resulted in €180 M of positive impact as a consequence of higher terminal values for our distribution concessions

- Argentina: negative results… but positive signals coming from recent regulatory improvements in Dx and Gx

(1) Tolls and unbilled consumption not included
Stable results despite difficult business environment

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>10,787</td>
<td>10,036</td>
<td>+7%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>4,615</td>
<td>4,546</td>
<td>+2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3,209</td>
<td>3,241</td>
<td>-1%</td>
</tr>
<tr>
<td>EBIT&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>2,420</td>
<td>2,409</td>
<td>0%</td>
</tr>
<tr>
<td>Net finance expenses&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>343</td>
<td>353</td>
<td>-3%</td>
</tr>
<tr>
<td>Net income</td>
<td>1,376</td>
<td>1,428</td>
<td>-4%</td>
</tr>
<tr>
<td>Net attributable income</td>
<td>624</td>
<td>619</td>
<td>+1%</td>
</tr>
</tbody>
</table>

- + €180 M higher financial revenues after enactment of Law 12,783/13 in Brazil
- Positive Fx effect in EBITDA (+ €132 M)

(1) 2011 D&A includes €38 M of provision reversion from CIEN
(2) 2011 includes: (i) +€36 M from ruling on appeal regarding income tax accrued in previous years and +€51 M of higher financial income related to the agreement reached with CELG (Brazil) on accounts receivables.
2012 includes +€180 M linked to the update of the valuation of assets associated to distribution concessions in Brazil after enactment of Law 12,783/13
Chile: drought impacting generation results

Generation output

-3% increase in GWh

Distribution sales

-4% increase in GWh

-3% decrease in unit margin

Gx EBITDA

-37% decrease

2011: €728
2012: €457

Dx EBITDA

+17% increase

2011: €233
2012: €272

-26% decrease in unit margin

= Total EBITDA €729 M (-24%) (2)

- Worse hydro conditions
- Start of operations of Bocamina II in 4Q
- Solid growth in Dx sales

Gx:
- Worsening mix as drought intensified
- Lower selling prices (risk transfer clauses)
- FY 11 included €109 M from RM 88
- Partially compensated by one-off effects (insurance indemnities and CMPC)

Dx:
- higher volumes
- Fx impact: + €52 M

(1) Tolls and unbilled consumption not included
(2) Does not include holding and services
Brazil: stable results despite one-off effects

**Generation output**

- **GWh**
  - FY 2011: 4,155
  - FY 2012: 5,177
  - +25%
- FY 2011: 16,798
- FY 2012: 18,000
  - +7%

**Distribution sales**

- **Gx EBITDA**
  - FY 2011: 224
  - FY 2012: 256
  - +14%

- **Dx EBITDA**
  - FY 2011: 684
  - FY 2012: 678
  - -1%

**Unit margin**

- **€38.1/MWh**
  - +7%

- **€49.3/MWh**
  - -7%

**Total EBITDA**

- **€1,016M (-2%)**

- (1) Tolls and unbilled consumption not included
- (2) Includes CIEN interconnection: € 82 M in 2012 and does not include Holding and Services.
Colombia: outstanding performance even stripping out net worth tax in 2011

- **Generation output**
  - **GWh**
  - FY 2011: 12,090
  - FY 2012: 13,294
  - **+10%**
  - FY 2011: 8,041
  - FY 2012: 8,193
  - **+2%**

- **Distribution sales**
  - **Gx EBITDA**
    - FY 2011: 433
    - FY 2012: 602
    - **+39%**
    - FY 2011: 65
    - FY 2012: 121
    - **+21%**
  - **Dx EBITDA**
    - FY 2011: 371
    - FY 2012: 503
    - **+36%**
    - FY 2011: 44
    - FY 2012: 88
    - **+21%**

- **Unit margin**
  - **€39.9/MWh**
    - FY 2011: +12%
    - FY 2012: +16%
  - **€48.9/MWh**

- **Total EBITDA €1,105 M (+37%)**(2)

- **Strong increase in generation due to better hydro conditions and thermal dispatch**
- **Higher sales due to increase in demand and client base**
- **Gx:**
  - Higher output and average prices, partially offset by energy purchases
  - FY 11 net worth tax: - €65 M
- **Dx:**
  - Higher volumes and tariff positive variations
  - FY 11 net worth tax: - €44M
- **Fx impact: + €112 M**

---

(1) Tolls and unbilled consumption not included
(2) +21% stripping out net worth tax
Peru: solid results

**Generation output**

<table>
<thead>
<tr>
<th>GWh</th>
<th>FY 2011</th>
<th>FY 2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,840</td>
<td>9,231</td>
<td>-6%</td>
<td></td>
</tr>
</tbody>
</table>

**Distribution sales**

<table>
<thead>
<tr>
<th>€M</th>
<th>FY 2011</th>
<th>FY 2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>245</td>
<td>249</td>
<td>+2%</td>
<td></td>
</tr>
</tbody>
</table>

- **Lower Gx** due to planned outages in thermal facilities (maintenance)
- **Higher sales** supported by economic growth

- **Gx** EBITDA:
  - €29.9/MWh, +12%

- **Dx** EBITDA:
  - €30.8/MWh, +14%

**Total EBITDA** €401 M (+5%)

(1) Tolls and unbilled consumption not included
Argentina: poor results…
…but good signals coming from authorities

**Generation output**

<table>
<thead>
<tr>
<th>GWh</th>
<th>FY 2011</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gx</td>
<td>15,960</td>
<td>15,222</td>
</tr>
<tr>
<td>Dx</td>
<td>14,280</td>
<td>14,758</td>
</tr>
</tbody>
</table>

-5% thermal output decrease due to planned outages. Partially compensated by hydro dispatch

**Distribution sales**

<table>
<thead>
<tr>
<th>Gx EBITDA</th>
<th>FY 2011</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>€M</td>
<td>118</td>
<td>49</td>
</tr>
</tbody>
</table>

-58% lower output and higher fixed costs due to inflation coupled with non-extension in 2012 of regulatory agreements

<table>
<thead>
<tr>
<th>Dx EBITDA</th>
<th>FY 2011</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>€M</td>
<td>-23</td>
<td>-61</td>
</tr>
</tbody>
</table>

-23% higher personnel and maintenance costs. However “Acuerdo Marco” positive effect since November 2012

**Unit margin**

<table>
<thead>
<tr>
<th>FY 2011</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>€7.6/MWh</td>
<td>€13.1/MWh</td>
</tr>
</tbody>
</table>

-26% decrease

**Total EBITDA**

-12 M (-113%)

(1) Tolls and unbilled consumption not included

(2) Does not include CIEN interconnection
final remarks FY 2012
Final remarks

Dividend policy: adapting to adverse environment

Stable operating results in Spain & Portugal despite negative impact from regulatory measures and weak market conditions

Challenging outlook for 2013

Stable operating results in Latin America despite hydro conditions in Chile

Progress in the Enersis capital increase

Spain

Latin America
# Installed capacity and output \(^{(1)}\)

<table>
<thead>
<tr>
<th>MW at 31/12/12</th>
<th>Spain &amp; Portugal &amp; Others</th>
<th>Latin America</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>23,245</td>
<td>16,158</td>
<td>39,403</td>
</tr>
<tr>
<td>Hydro</td>
<td>4,716</td>
<td>8,666</td>
<td>13,382</td>
</tr>
<tr>
<td>Nuclear</td>
<td>3,686</td>
<td>-</td>
<td>3,686</td>
</tr>
<tr>
<td>Coal</td>
<td>5,804</td>
<td>872</td>
<td>6,676</td>
</tr>
<tr>
<td>Natural gas</td>
<td>4,878</td>
<td>3,958</td>
<td>8,836</td>
</tr>
<tr>
<td>Oil-gas</td>
<td>4,161</td>
<td>2,575</td>
<td>6,736</td>
</tr>
<tr>
<td>CHP/Renewables</td>
<td>na</td>
<td>87</td>
<td>87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TWh 2012 (chg. vs. 2011)</th>
<th>Spain &amp; Portugal &amp; Others</th>
<th>Latin America</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>78.3</td>
<td>63.1</td>
<td>141.4</td>
</tr>
<tr>
<td>Hydro</td>
<td>5.4</td>
<td>35.0</td>
<td>40.3</td>
</tr>
<tr>
<td>Nuclear</td>
<td>27.0</td>
<td>-</td>
<td>27.0</td>
</tr>
<tr>
<td>Coal</td>
<td>30.1</td>
<td>2.7</td>
<td>32.8</td>
</tr>
<tr>
<td>Natural gas</td>
<td>6.1</td>
<td>19.9</td>
<td>25.9</td>
</tr>
<tr>
<td>Oil-gas</td>
<td>9.8</td>
<td>5.3</td>
<td>15.2</td>
</tr>
<tr>
<td>CHP/Renewables</td>
<td>na</td>
<td>na</td>
<td>0.2</td>
</tr>
</tbody>
</table>

(1) Includes data for fully consolidated companies and jointly-controlled companies accounted for using proportionate consolidation
Latin America: generation and distribution figures

**Generation Output**

<table>
<thead>
<tr>
<th>Country</th>
<th>FY 2011 GWh</th>
<th>Change</th>
<th>FY 2012 GWh</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>15,960</td>
<td>-5%</td>
<td>15,222</td>
<td>+25%</td>
</tr>
<tr>
<td>Brazil</td>
<td>20,722</td>
<td>-3%</td>
<td>20,194</td>
<td>+10%</td>
</tr>
<tr>
<td>Chile</td>
<td>12,090</td>
<td>+10%</td>
<td>13,294</td>
<td>+6%</td>
</tr>
<tr>
<td>Colombia</td>
<td>9,840</td>
<td>-6%</td>
<td>9,231</td>
<td></td>
</tr>
</tbody>
</table>

**Distribution Sales**

<table>
<thead>
<tr>
<th>Country</th>
<th>FY 2011 GWh</th>
<th>Change</th>
<th>FY 2012 GWh</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>14,280</td>
<td>+3%</td>
<td>14,578</td>
<td>+7%</td>
</tr>
<tr>
<td>Brazil</td>
<td>16,798</td>
<td>+4%</td>
<td>18,000</td>
<td>+5%</td>
</tr>
<tr>
<td>Chile</td>
<td>11,959</td>
<td>+2%</td>
<td>12,485</td>
<td>+4%</td>
</tr>
<tr>
<td>Colombia</td>
<td>8,041</td>
<td>-5%</td>
<td>8,193</td>
<td>+5%</td>
</tr>
<tr>
<td>Peru</td>
<td>6,017</td>
<td>-5%</td>
<td>6,288</td>
<td>+5%</td>
</tr>
</tbody>
</table>

(1) Tolls and unbilled consumption not included
Latin America: Ebitda break down by country and business nature

Ebitda Generation

FY 2011
- Argentina: 118€M (-8%)
- Brazil: 728€M
- Chile: 433€M
- Colombia: 245€M
- Peru: 224€M

FY 2012
- Argentina: 49€M (-58%)
- Brazil: 457€M
- Chile: 602€M
- Colombia: 256€M
- Peru: 249€M

Ebitda Distribution

FY 2011
- Argentina: 1,402€M (+10%)
- Brazil: 684€M
- Chile: 233€M
- Colombia: 371€M
- Peru: 137€M

FY 2012
- Argentina: 1,544€M
- Brazil: 678€M
- Chile: 503€M
- Colombia: 272€M
- Peru: 152€M

Unit margin

- FY 2011: €30.0/MWh
- FY 2012: €28.1/MWh

- Unit margin

(1) Does not include CIEN interconnection: €82 M
(2) -11% stripping out Colombian net worth tax
(3) +7% stripping out Colombian net worth tax
Endesa (excl. Enersis): financial debt maturity calendar

Gross balance of maturities outstanding at 31 December 2012: €5,201 M(1)

- Bonds (2)
- Bank debt and others
- ECPs and domestic commercial paper (3)

Endesa’s liquidity excl. Enersis covers 46 months of debt maturities

- Liquidity €6,418 M
  - €628 M in cash
  - €5,790 M available in credit lines

- Average life of debt: 4.7 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) Includes preference shares
(3) Notes issued are backed by long-term credit lines and are renewed on a regular basis.
**Enersis: financial debt maturity calendar**

Gross balance of maturities outstanding at 31 December 2012: €5,197 M\(^{(1)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Bonds</th>
<th>Bank debt and others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>386</td>
<td>534</td>
</tr>
<tr>
<td>2014</td>
<td>850</td>
<td>563</td>
</tr>
<tr>
<td>2015</td>
<td>920</td>
<td>472</td>
</tr>
<tr>
<td>2016</td>
<td>517</td>
<td>90</td>
</tr>
<tr>
<td>2017+</td>
<td>2,142</td>
<td>296</td>
</tr>
</tbody>
</table>

**Liquidity €1,793 M:**
- €1,358 M in cash
- €435 M of syndicated loans available

**Average life of debt: 5.5 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 net debt structure

Structure of Endesa’s net debt ex-Enersis

- **€M**: 4,634
  - **Floating**: 46%
  - **Fixed**: 54%

By interest rate

- **€M**: 4,634
  - **Euro**: 98%

By currency

Enersis net debt structure

- **€M**: 4,144
  - **Floating**: 45%
  - **Fixed**: 55%
  - **Chilean Peso**: 12%
  - **Other**: 48%

- **€M**: 4,144
  - **US$**: 40%

By interest rate

- **By currency

Average cost of debt

- **3.5%**
- **8.6%**

**Net debt structure**: debt in currency in which operating cash flow is generated

**Policy of self-financing**: Latin America subsidiaries are financed on a stand-alone basis

---

Data as of 31 December 2012
(1) Includes "Unidades de Fomento"
Well on track on forward sales strategy

Spain & Portugal
(% estimated mainland output hedged)

- 100% in 2013
- 10% in 2014

Consistent commercial policy

Latin America
(% estimated output hedged)

- 70-75% in 2013
- 65-70% in 2014

33% of the generation sold via contracts > 5 yrs and 22% via contracts > 10 yrs

Contracting level in Latin America that optimizes margin and risk exposure

appendices FY 2012
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.
light · gas · people