



First Quarter

2023

Consolidated results
May 9th, 2023

endesa

1Q 2023

Financial results

José Bogas
CEO

endesa

Key highlights of the period



**Sound results still
benefitted from
2022 inertial drivers**

Power prices context eases thanks to lower gas references

Renewable production increases allowing for sourcing cost reduction

Results improvement driven by our integrated business model resiliency

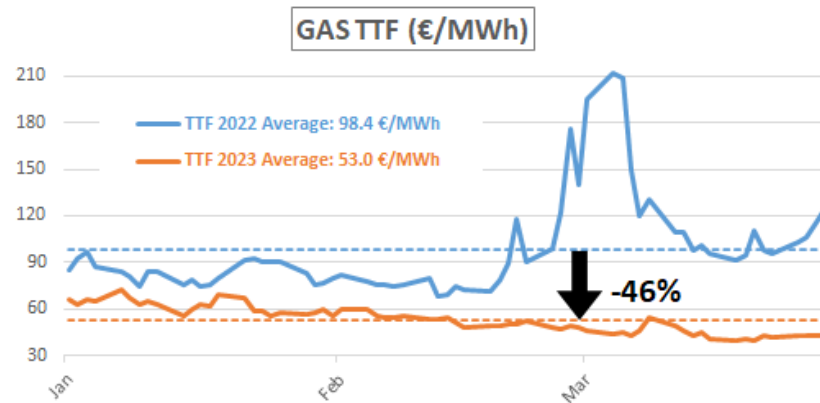
**AGM approved 2022 gross dividend 1.585 €/share
9% Dividend yield ⁽¹⁾**

Market context

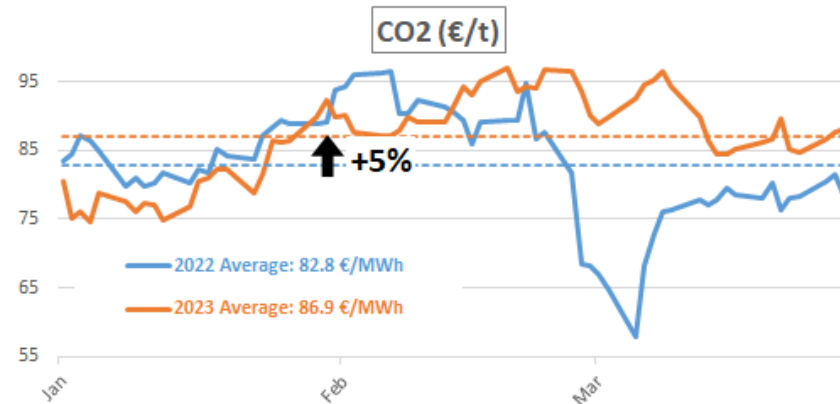
1Q marked by relevant downward power prices trend and continuous demand contraction



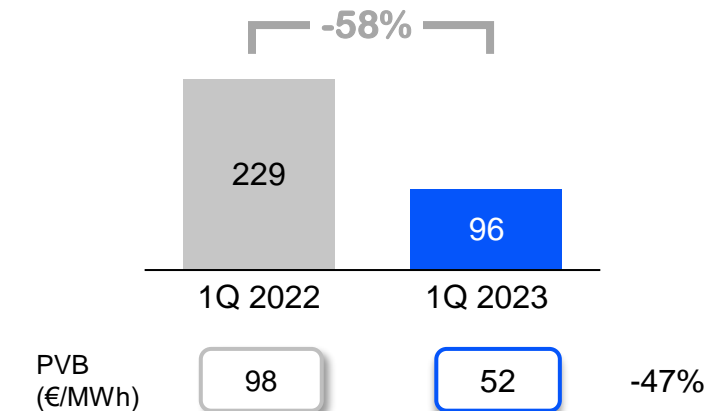
Gas TTF spot prices (€/MWh)



CO₂ spot prices (€/t)



Average Iberian power pool prices (€/MWh)⁽¹⁾



Mainland power demand in Spain (TWh)⁽²⁾

	1Q 2023
Not adjusted	-2.7%
Adjusted ⁽⁴⁾	-3.1%

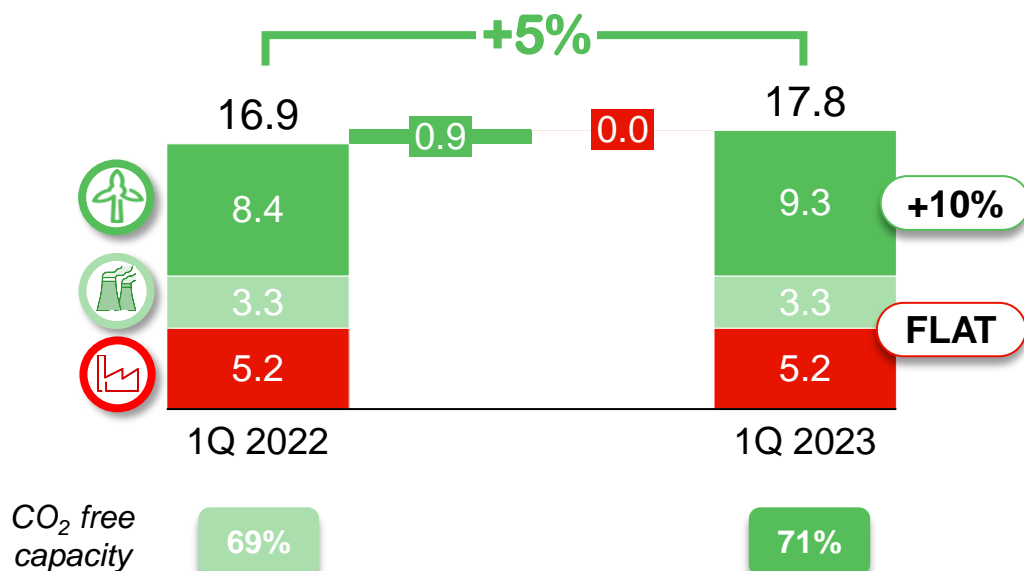
Endesa's mainland area⁽³⁾

	1Q 2023	By segment (Not adjusted):
Not adjusted	-2.0%	Industry -0.1%
		Services -3.9%
		Residential -2.1%
Adjusted ⁽⁴⁾	-2.4%	

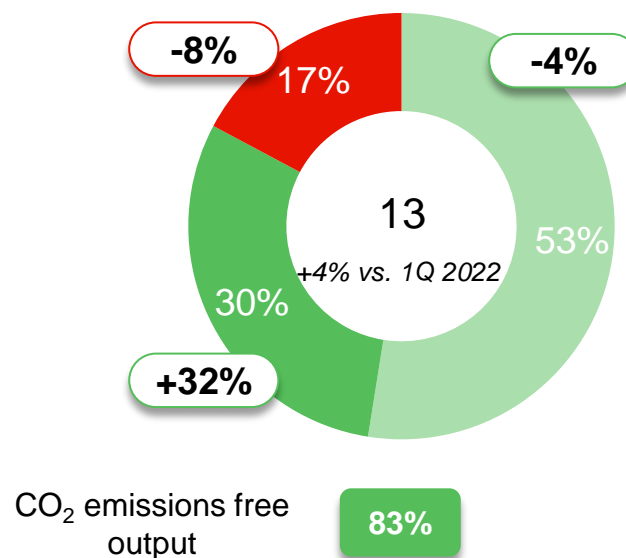
Mainland installed capacity and production



Installed capacity⁽¹⁾ (GW)



Production⁽²⁾ (TWh)



▪ Towards a greener generation mix: 83% CO₂ free output

▪ +32% Renewables production: hydro, wind & solar

▪ 1.1 GW capacity additions target for 2023, ~100% already in execution

Renewable

Nuclear

Thermal Gx

Variation vs. 1Q 2022

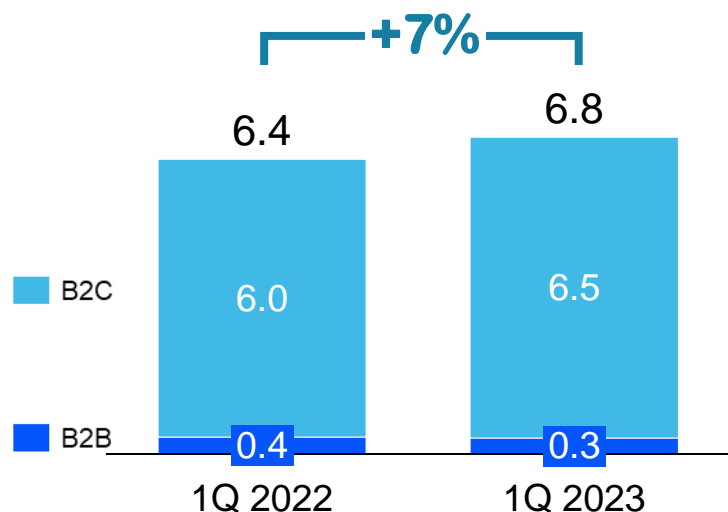
(1) Mainland net capacity. Including 97 MW in 1Q 2023 and 77 MW in 1Q 2022 renewables in non mainland. Rounded figures

(2) Mainland generation. Energy at power plant busbars. Including 16 GWh in 1Q 2023 and 32 GWh in 1Q 2022 renewables in non mainland. Rounded figures

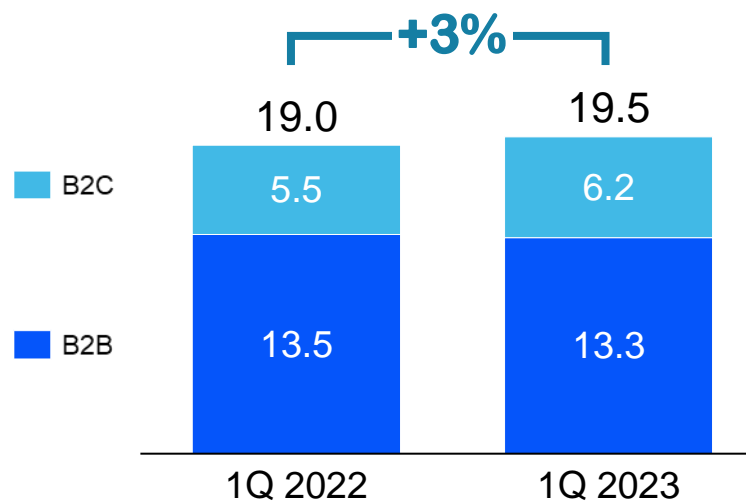
Supply: Liberalized power sales and customers



Liberalized power customers⁽¹⁾
(mn)



Liberalized power sales⁽²⁾ (TWh)



Regulated (mn)	4.1	3.7	-10%
TOTAL (mn)	10.4	10.5	+1%

Regulated (TWh)	3.2	2.6	-17%
TOTAL (TWh)	22.1	22.1	-%

- Liberalized customer base consolidation
- +13% B2C sales**, mainly as a consequence of customer increase
- +51% charging points**, in line with our strategic plan

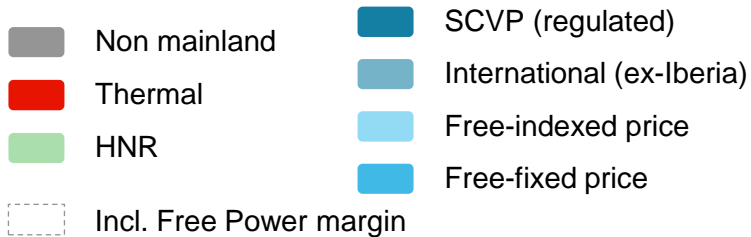
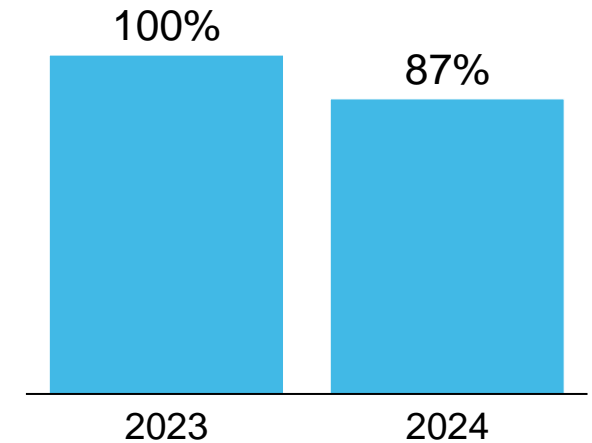
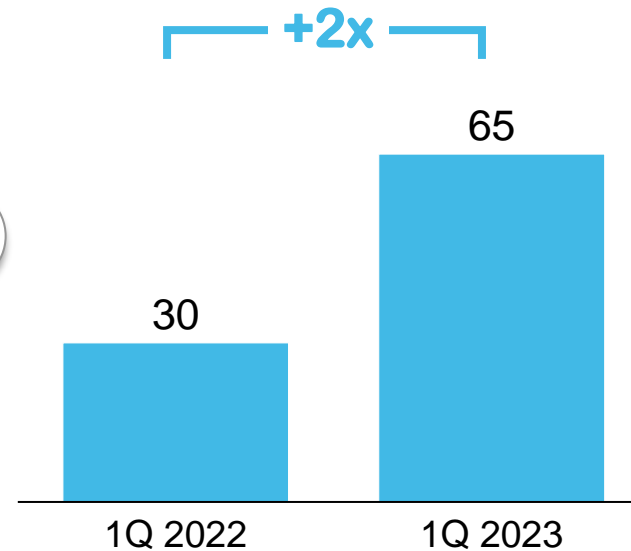
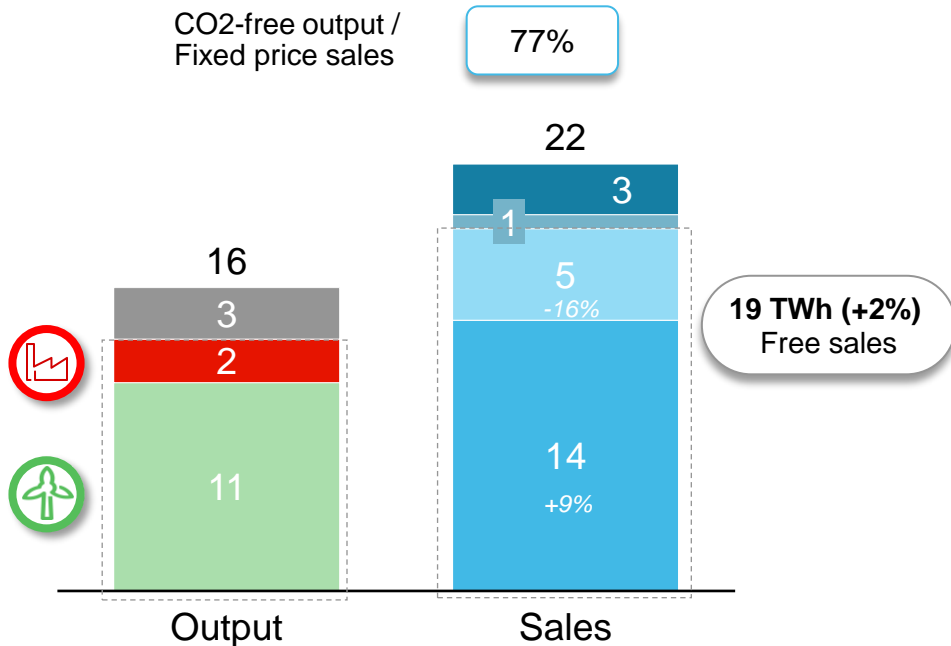
Sound performance of Iberian free power margin



Output / Sales (TWh)

Free power unitary margin ⁽¹⁾ (€/MWh)

Hedged output ⁽²⁾



Supply margin (€/MWh)

-1

11

Bilateral contract transfer price (€/MWh)

65

65

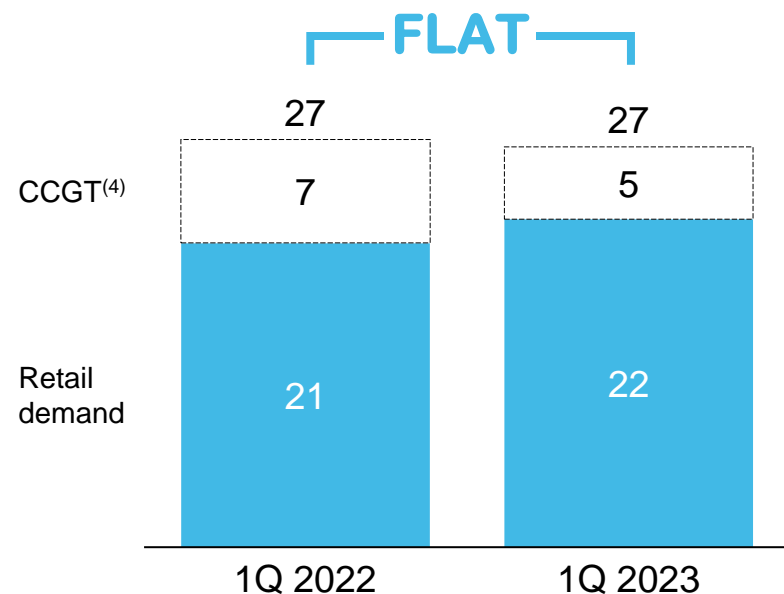
(1) See details on slide 30

(2) Inframarginal output (hydro, nuclear and merchant renewables)

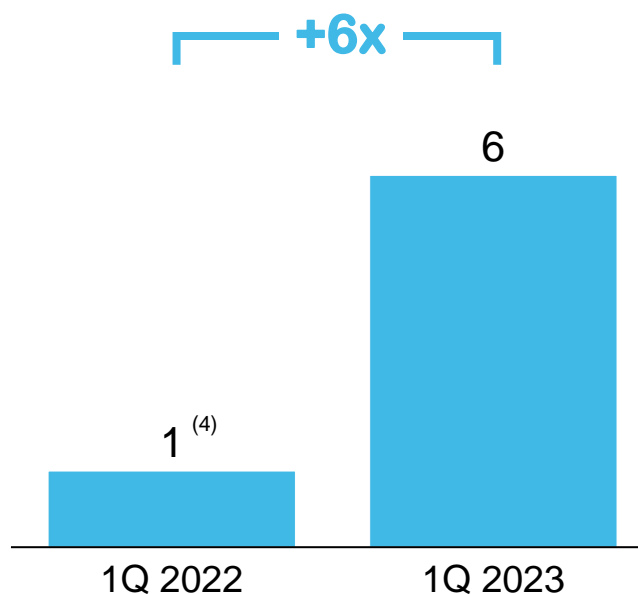
Gas margin improvement driven by market context



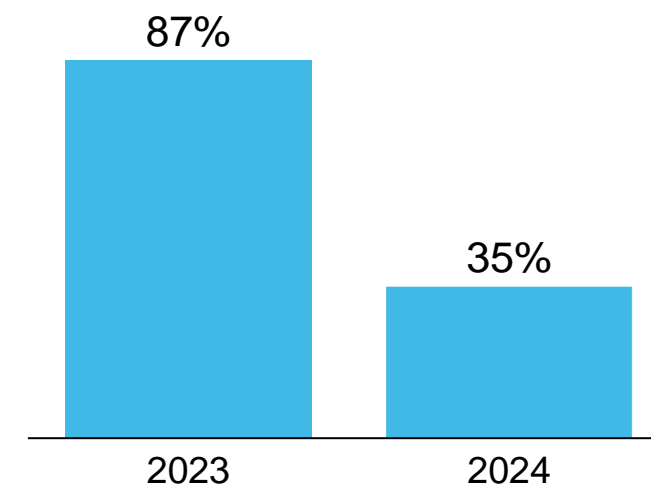
Total volumes ⁽¹⁾ (TWh)



Gas unitary margin ⁽²⁾ (€/MWh)



Volumes hedged ⁽³⁾ (%)



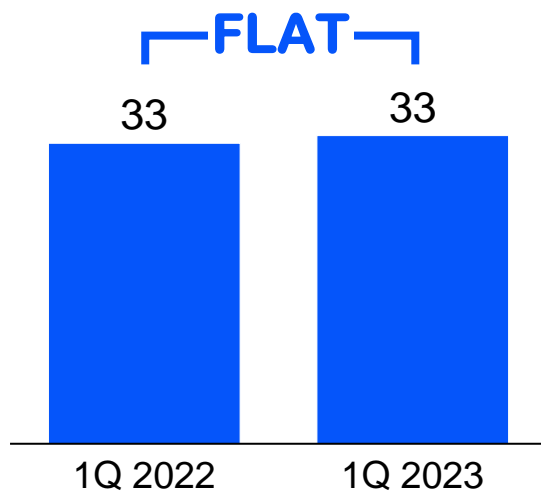
Customers (mn)	1.7	1.8	+6%
Liberalized (mn)	1.5	1.4	-7%

- (1) Rounded figures.
 (2) Total unitary margin excluding MtM
 (3) Volumes of hedged sourcing contracts
 (4) Unitary margin including MtM: 2.6 €/MWh

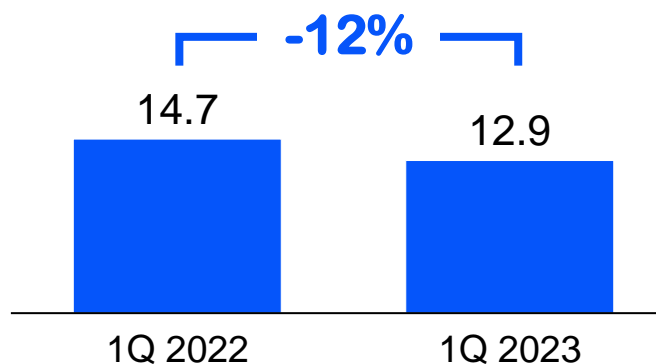
Networks: operational parameters



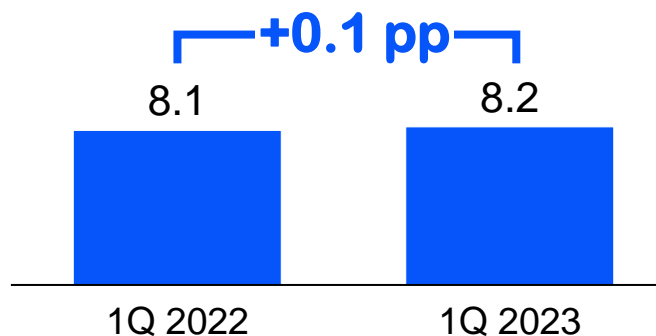
Distributed energy (TWh)



TIEPI ⁽¹⁾ (min.)



Losses (%)



- Continued improvement in service quality

- Record in high fraud levels drove a slight losses increase

- Networks investments key enabler for clean electrification and grid resiliency

Energy to own customers⁽²⁾ (TWh)

27

27

-%

RAB (€bn)

11.7

11.4

-3%

(1) Tiempo de Interrupción Equivalente a la Potencia Instalada (Installed Capacity Equivalent Interruption Time). According to Spanish Regulator. Own + Programmed and Transport minutes of interruption

(2) At busbars (REE criteria). Country level. Not adjusted

1Q 2023

Financial results

Marco Palermo

CFO

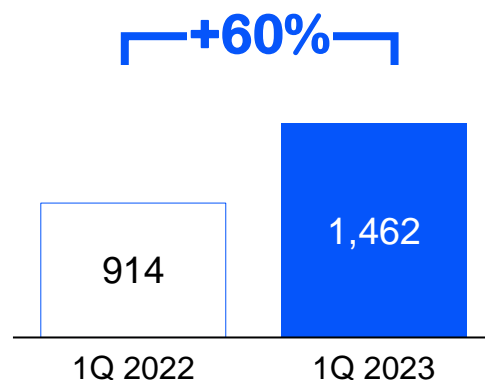


Key financial highlights

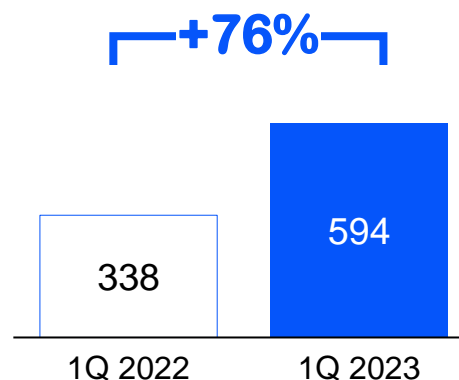
€mn



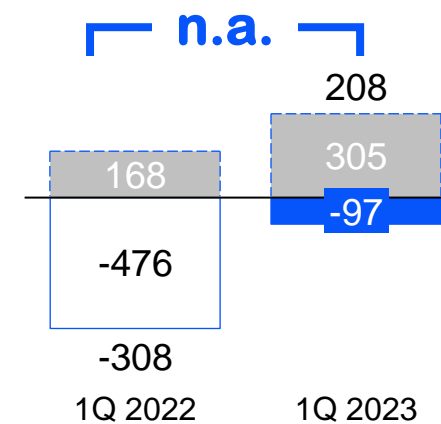
EBITDA



Net Ordinary Income⁽¹⁾



Adjusted FFO⁽²⁾



Regulatory working capital variation

1Q 2023 capex: 409 €mn (+2%)

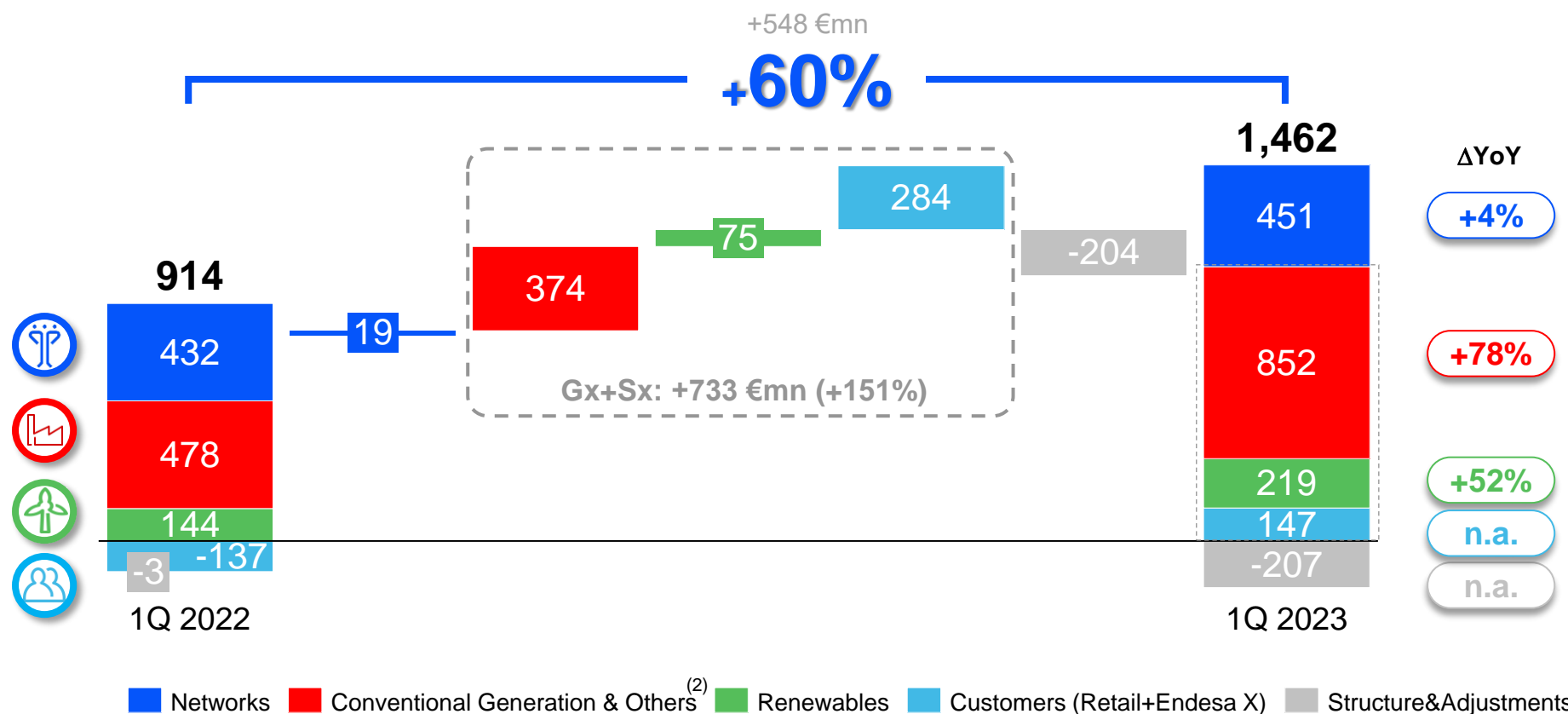
Reported FFO **-476** **-97** +80%

+60% EBITDA supported by our integrated business

€mn



EBITDA by business ⁽¹⁾



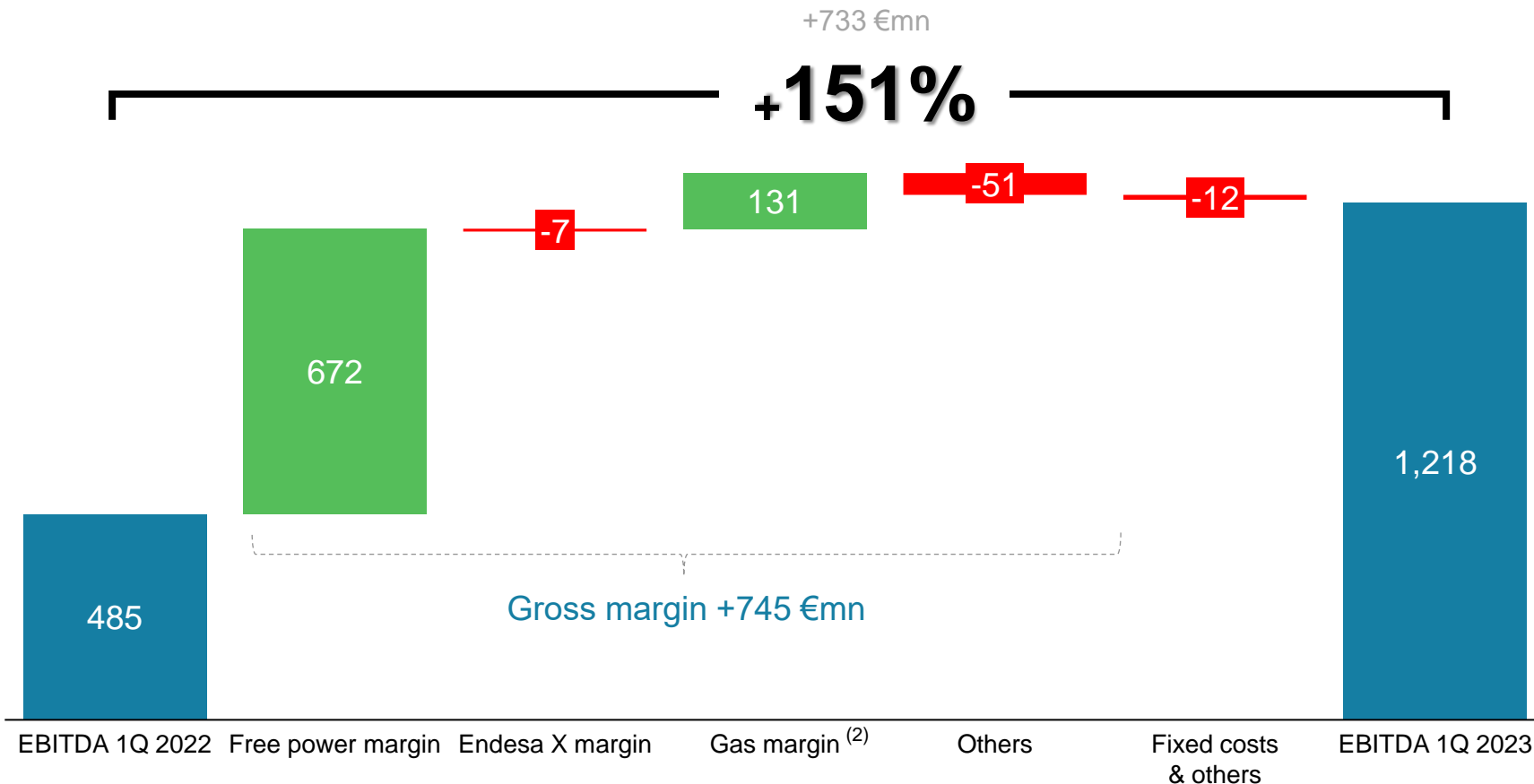
EBITDA growth driven by good performance of Conventional Gx and Renewables business...

...as well as Supply margin normalization

1.2% Extraordinary levy included within Structure&Adjustments (-208 €mn)

(1) Rounded figures
(2) Includes Thermal Gx, Nuclear, Non mainland and Others

Generation&Supply⁽¹⁾ EBITDA: strong growth to normalize along the year



Free power margin +672 €mn:

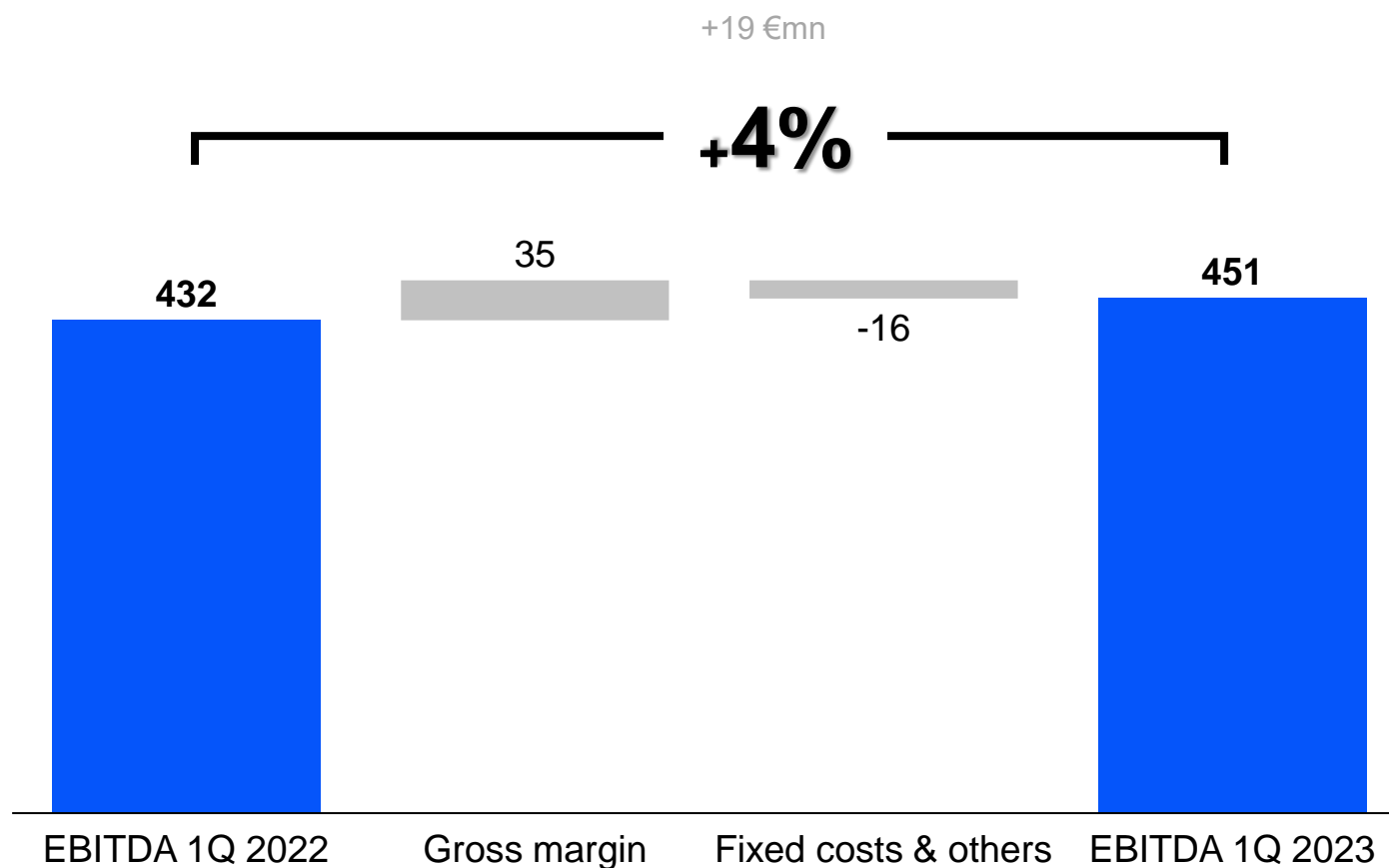
- Higher thermal margins
- Supply normalization
- Positive short position management

Gas business improvement +131 €mn

Others: -51 €mn, mainly from negative MtM partially offset by non mainland

Stable Networks EBITDA

€mn



Margin increase mainly from the [absence of last year negative resettlements](#)

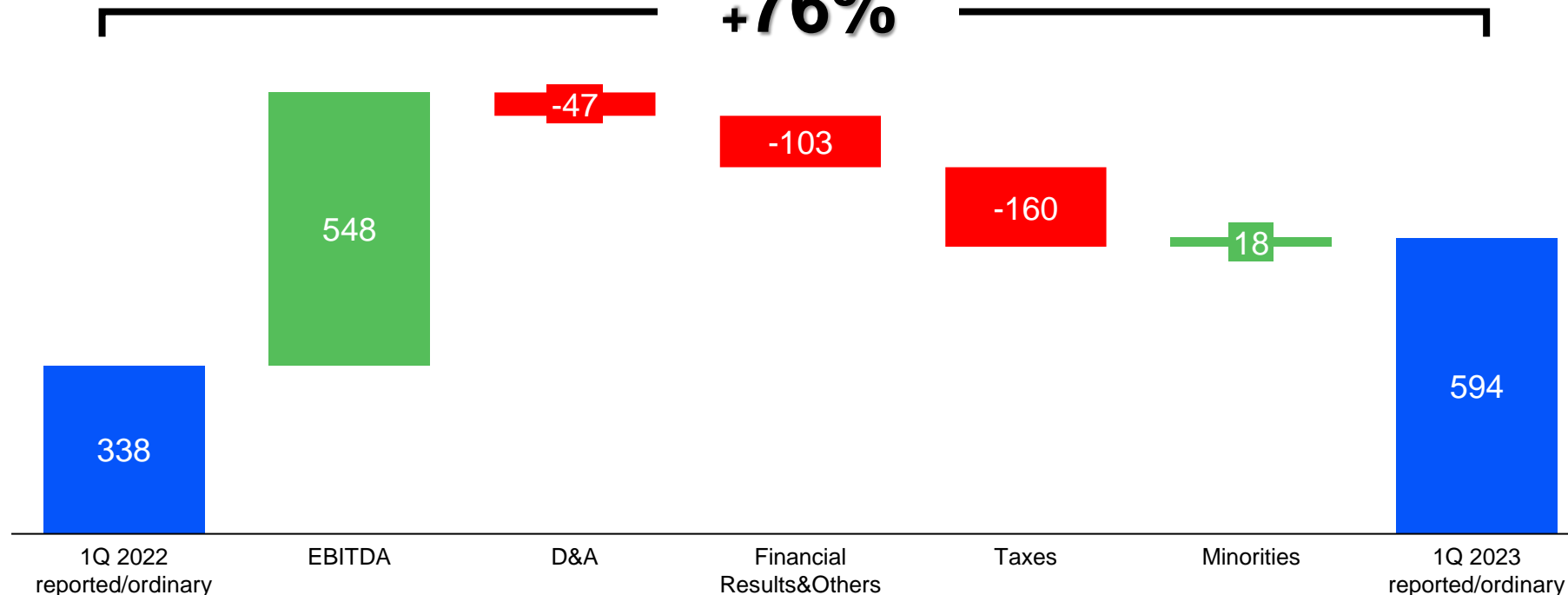
[16 €mn](#) fixed cost increase

+76% Net Ordinary Income

€mn



+76%



Amortization increase due to larger capex deployed

Financial results impacted by higher average gross debt at higher cost and provisions update

Effective tax rate ~31% affected by extraordinary levy (~25% adjusted⁽¹⁾)

1Q 2023 Results

1,462

-472

-120

-269

-7

Delta YoY

+60%

+11%

+606%

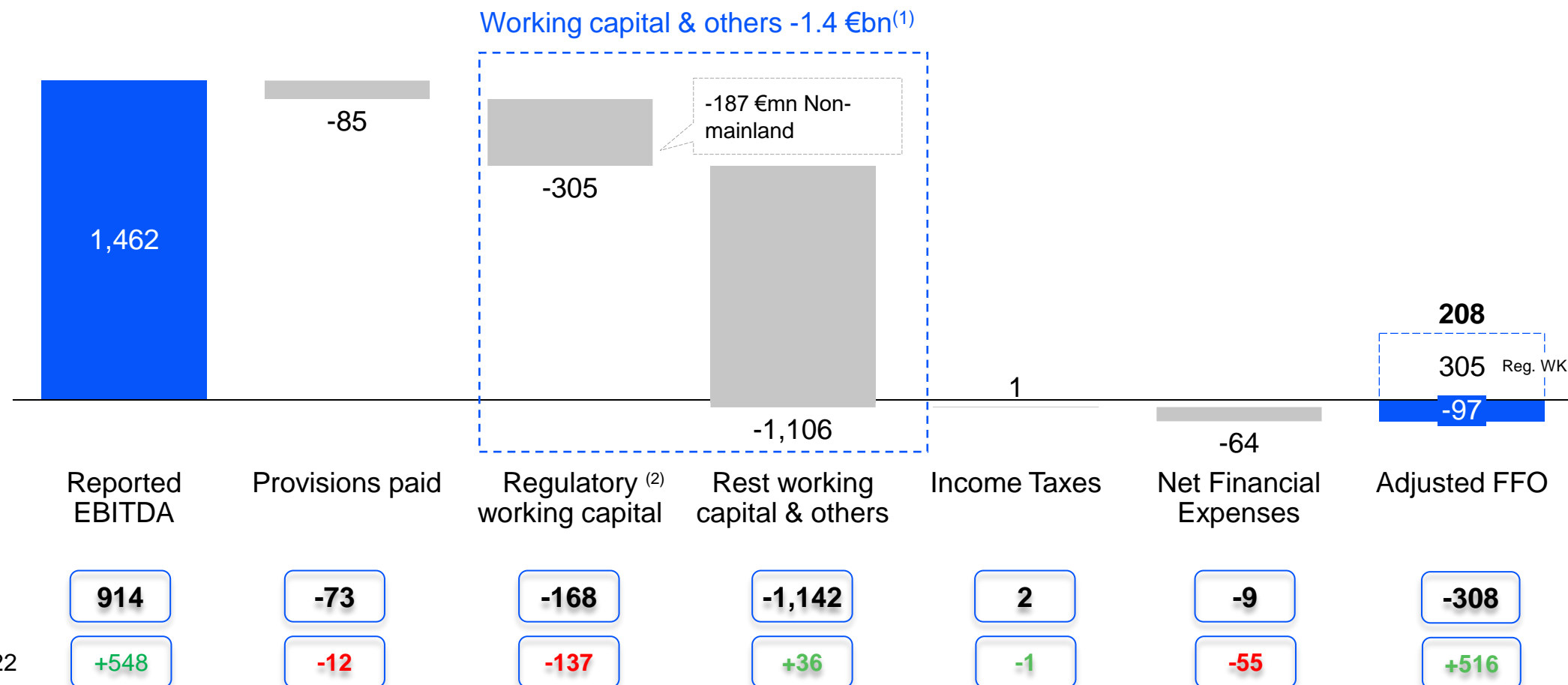
+147%

-72%

FFO affected by regulatory working increase capital and cash flow seasonality



€mn

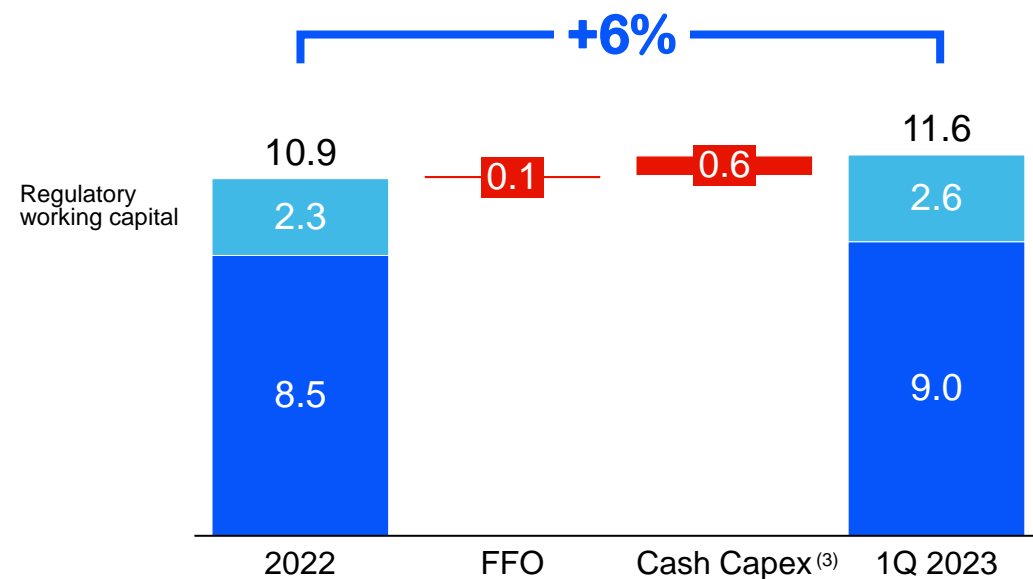


Healthy leverage ratio and solid credit metrics



€bn

Net debt evolution ⁽¹⁾



Net Debt /
EBITDA ⁽⁴⁾

2.0x

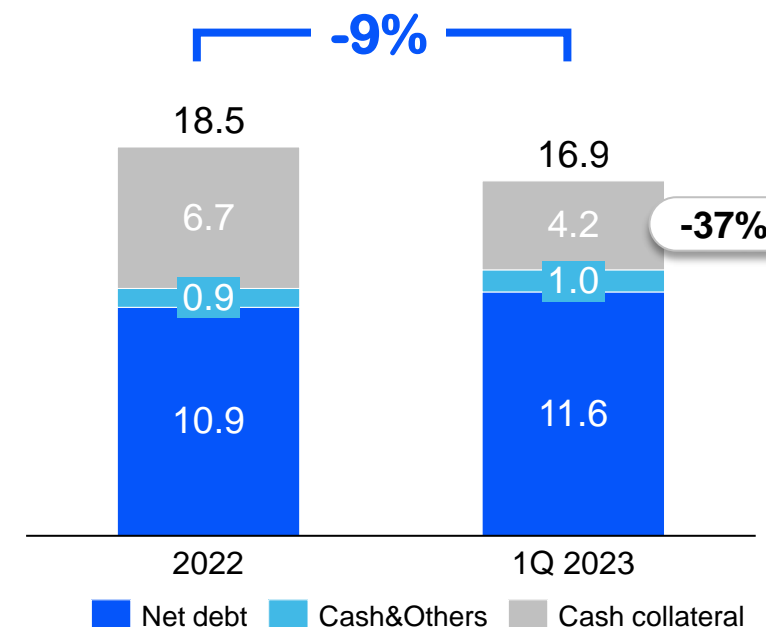
2.0x

Adj. FFO ⁽⁵⁾ /
Net Debt

30%

32%

Gross debt ⁽²⁾



Cost of debt

1.4%

2.8%

(1) Rounded figures

(2) Rounded figures. Cash collateral accounted as Gross Financial Guarantees

(3) Cash basis Capex: Net acquisitions of fixed assets (510 €mn) + Acquisitions and disposals of

other investments (89 €mn)

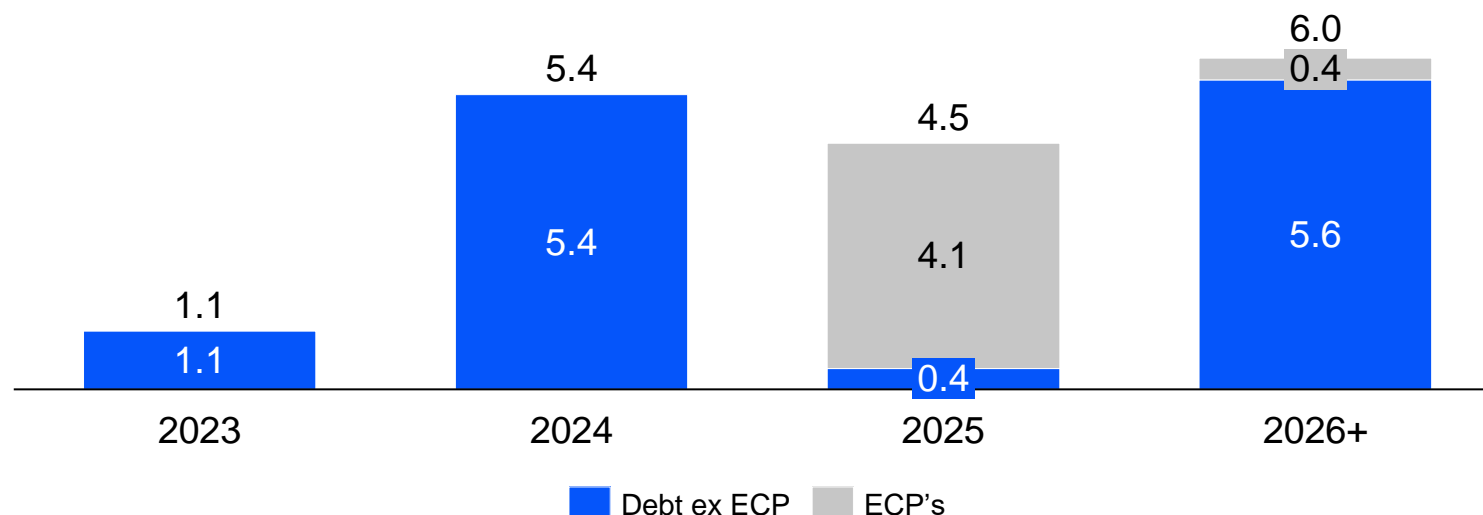
(4) Last 12 months

(5) Last 12 months excluding regulatory working capital variation

Ensured financial position for a revised context



Debt maturity by year⁽¹⁾ (€bn)



Debt average life (years)

3.2

Liquidity position (€bn)

10.8

Sustainable Gross Debt

65%

1Q23: New long term financial transactions executed for 1,250 €mn

AGM: 3,000 €mn long term facilities with Enel approved

Underway: bank long term loans 1,050 €mn and renewal of 5,000 €mn SDG ECP Program

1Q 2023

Closing remarks

José Bogas
CEO

endesa

Closing Remarks



Sound results backed on our integrated business model...

... with thermal and gas business expected to normalize along the year

~100% 2023 renewables target already in execution

Remarkable 9% dividend yield

FY 2023 guidance confirmed

1Q 2023

Annexes

The Endesa logo, featuring the word "endesa" in a lowercase, blue, sans-serif font. The letters are slightly stylized, with the 'e' and 'a' having a unique shape. The logo is positioned in the bottom right corner of the slide.

P&L 1Q 2023 vs. 1Q 2022

€mn



	1Q 2023	1Q 2022	% Var.
Income	7,504	7,596	-1%
Procurements and services	-4,738	-6,015	-21%
Income and expenses from energy derivatives	-741	-125	+493%
Gross margin	2,025	1,456	+39%
Fixed operating costs and other results	-563	-542	+4%
EBITDA	1,462	914	+60%
D&A	-472	-425	+11%
EBIT	990	489	+102%
Net financial results	-123	-22	+459%
Net results from equity method	3	5	-40%
PROFIT BEFORE TAX	870	472	+84%
Income Tax Expense	-269	-109	+147%
Non-Controlling Interests	-7	-25	-72%
NET ATTRIBUTABLE INCOME	594	338	+76%
NET ORDINARY INCOME	594	338	+76%

Endesa: 1Q 2023 P&L

€mn



	Conventional Gx	Renewables	Retail	Endesa X	Gx+Sx adjustments ⁽¹⁾	Dx	Structure	Adjustments	TOTAL
Income	3,446	323	6,149	95	-3,094	633	109	-157	7,504
Procurements and services	-1,728	-31	-5,802	-54	3,086	-40	-209	40	-4,738
Income and expenses from energy derivatives	-661	2	-82	0	0	0	0	0	-741
Gross margin	1,057	294	265	41	(8)	593	(100)	(117)	2,025
Fixed operating costs and other results	-205	-75	-136	-23	8	-142	-107	117	-563
EBITDA	852	219	129	18	-	451	(207)	-	1,462
D&A	-130	-62	-84	-11	0	-174	-11	0	-472
EBIT	722	157	45	7	-	277	(218)	-	990
Net financial results									-123
Net results from equity method									3
PROFIT BEFORE TAX									870
Income Tax Expense									-269
Non-Controlling Interests									-7
NET ATTRIBUTABLE INCOME									594
NET ORDINARY INCOME									594

Endesa: 1Q 2022 P&L

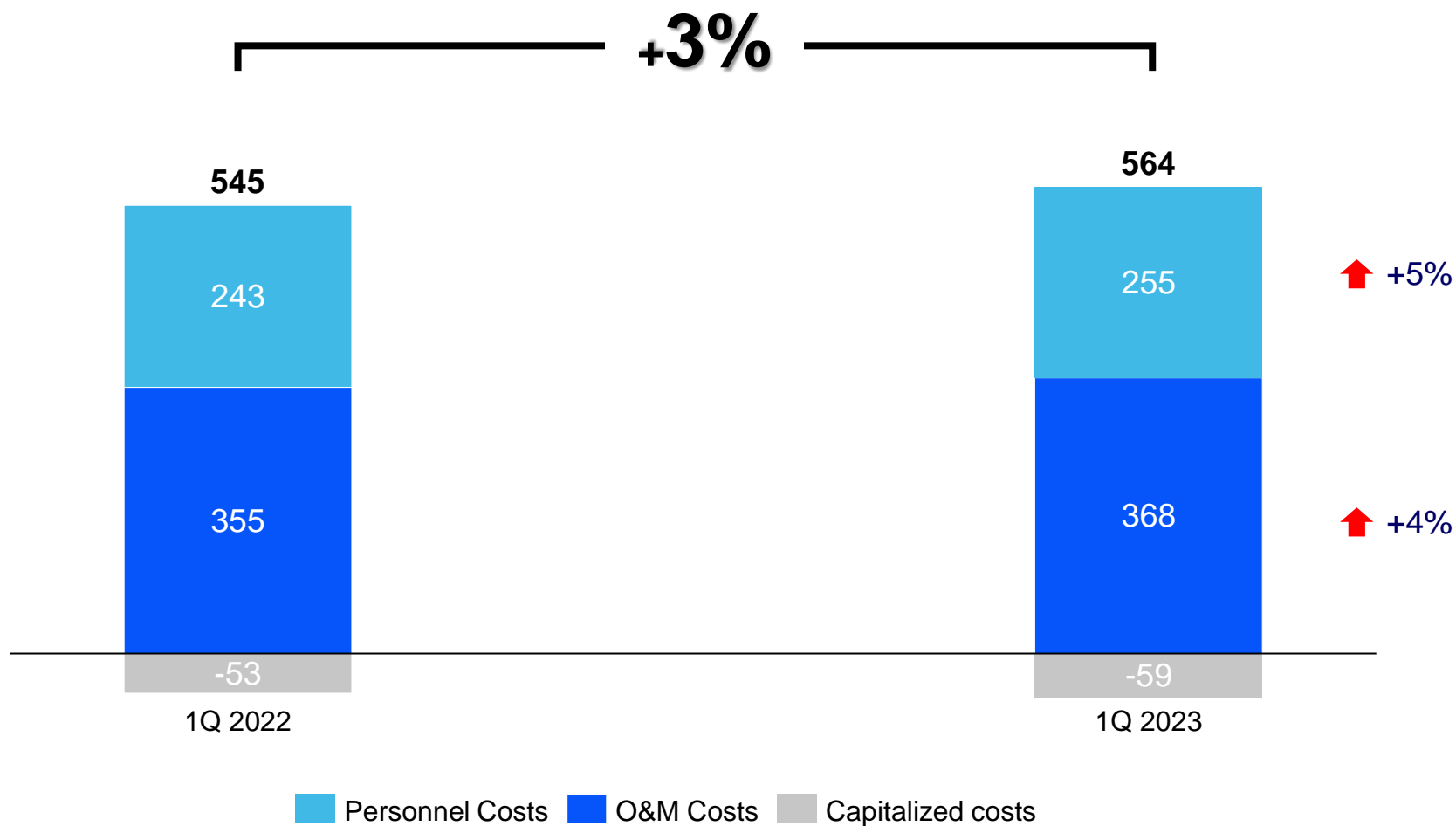
€mn



	Conventional Gx	Renewables	Retail	Endesa X	Gx+Sx adjustments ⁽¹⁾	Dx	Structure	Adjustments	TOTAL
Income	2,689	284	6,400	89	-2,418	593	96	-137	7,596
Procurements and services	-1,598	-53	-6,719	-41	2,396	-35	0	35	-6,015
Income and expenses from energy derivatives	-407	-14	296	0	0	0	0	0	-125
Gross margin	684	217	(23)	48	(22)	558	96	(102)	1,456
Fixed operating costs and other results	-206	-73	-138	-24	22	-126	-99	102	-542
EBITDA	478	144	(161)	24	-	432	(3)	-	914
D&A	-130	-60	-42	-10	0	-170	-13	0	-425
EBIT	348	84	(203)	14	-	262	(16)	-	489
Net financial results									-22
Net results from equity method									5
PROFIT BEFORE TAX									472
Income Tax Expense									-109
Non-Controlling Interests									-25
NET ATTRIBUTABLE INCOME									338
NET ORDINARY INCOME									338

Fixed costs evolution

€mn



Installed capacity and output



Total net installed capacity (MW)				Total gross output ⁽¹⁾ (GWh)			
	1Q 2023	2022	Var. (%)	1Q 2023	1Q 2022	Var. (%)	
Mainland	17,781	17,781	+0%	13,015	12,533	+4%	
Renewables ⁽²⁾	9,293	9,293	+0%	3,940	2,980	32%	
Hydro	4,746	4,746	+0%	1,506	1,137	32%	
Wind	2,882	2,882	+0%	1,944	1,551	+25%	
Solar	1,665	1,665	-0%	490	292	+68%	
Others	0	0	0%	0	0	0%	
Nuclear	3,328	3,328	0%	6,835	7,113	-4%	
Coal	1,403	1,403	0%	211	250	-16%	
CCGTs	3,757	3,757	0%	2,029	2,190	-7%	
Non mainland territories	4,263	4,263	+0%	2,665	2,929	-9%	
Coal	241	241	0%	0	0	n.a.	
Fuel - Gas	2,334	2,334	0%	1,079	1,047	+3%	
CCGTs	1,688	1,688	0%	1,586	1,882	-16%	
Total	22,044	22,044	+0%	15,680	15,462	+1%	

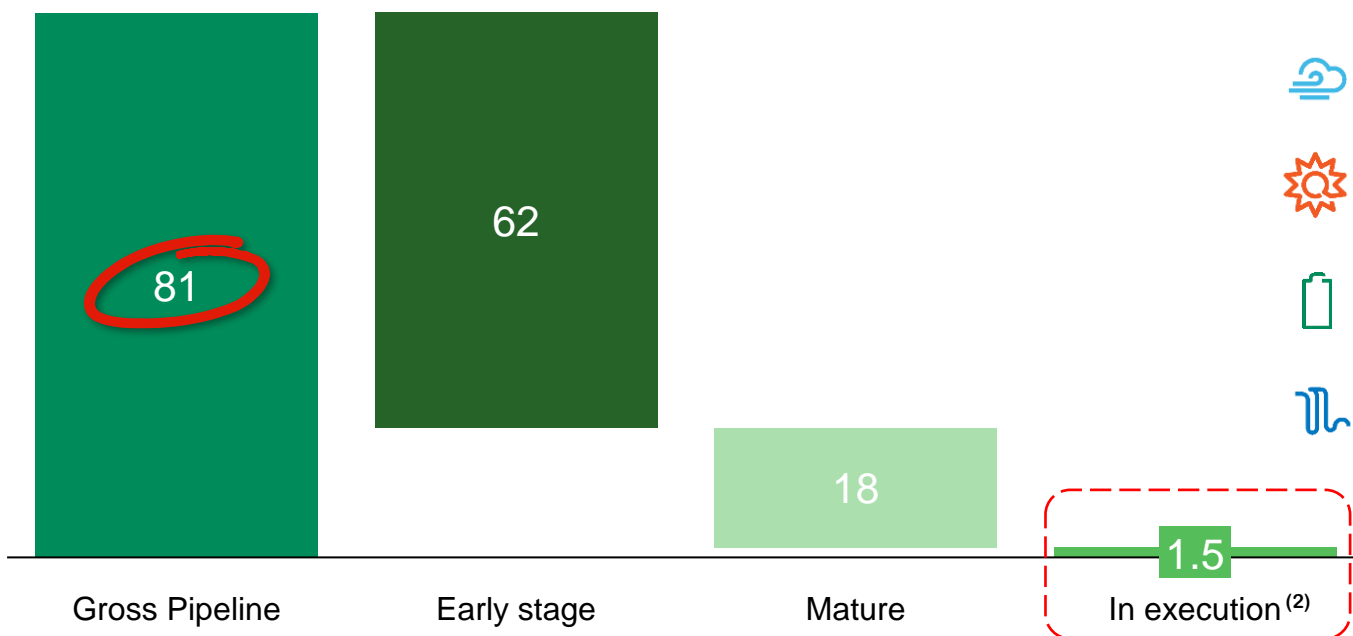
(1) Output at power plant bus bars (Gross output minus self-consumption). Rounded figures

(2) Includes 16 GWh in non-mainland in 1Q 2023 (97 MW) vs 32 GWh in 1Q 2022 (77 MW in 1Q 2022)

Around 81 GW pipeline supporting further renewable acceleration



Renewables pipeline⁽¹⁾ (GW)



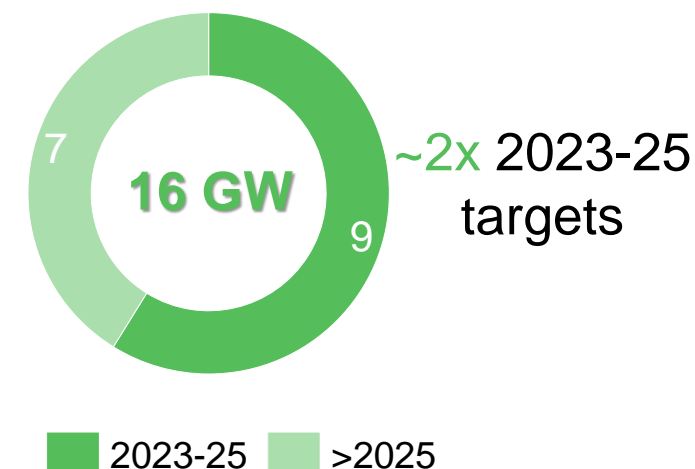
~15%

~59%

~20%

~6%

Mature & In execution pipeline by COD⁽³⁾ (GW)



~30% of 2023-25 target additions already in execution

~8 GW with TSO⁽⁴⁾ awarded connection points

(1) As of 31st March 2023. Rounded figures. BESS projects included in each stage

(2) Only considers projects with commissioning date 2023-25

(3) Not considering BESS (3 GW)

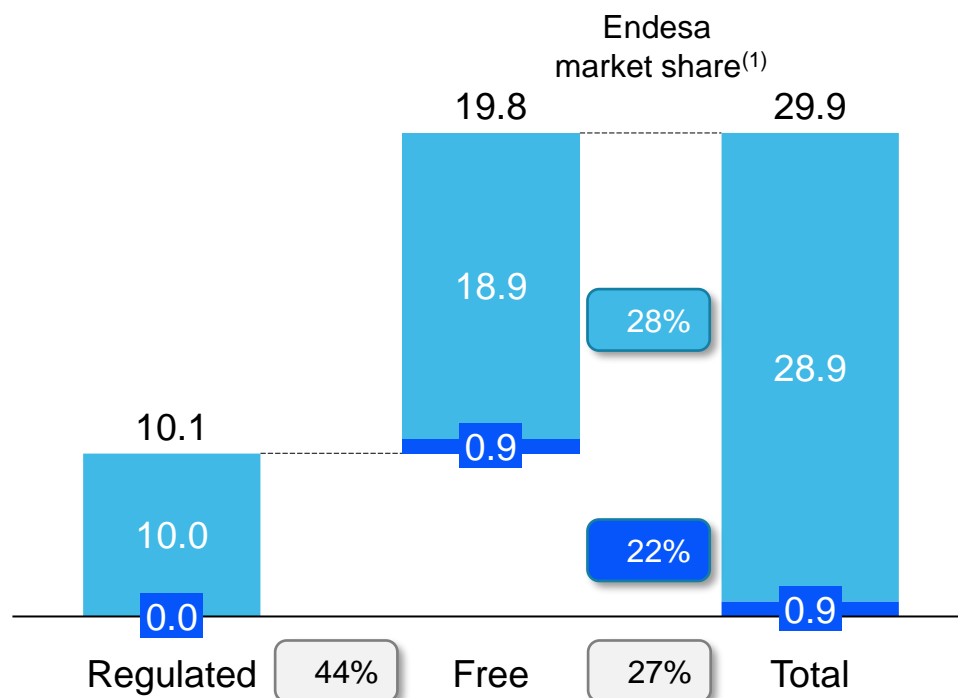
(4) Transmission System Operator

Spanish power market

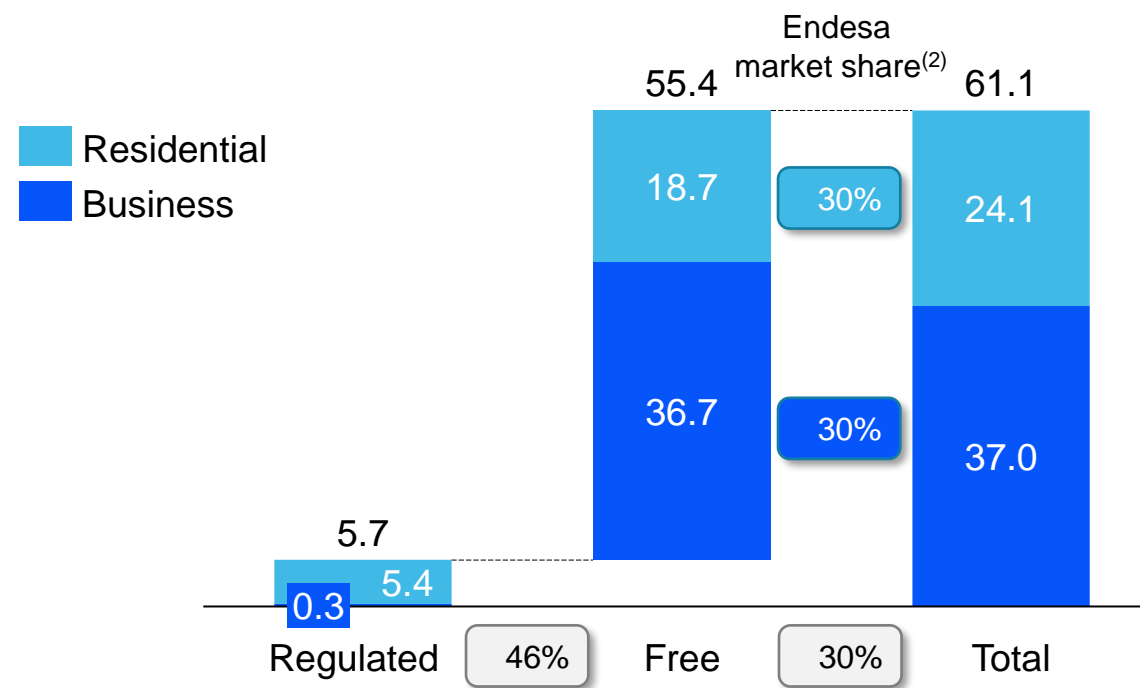
1Q 2023



Customers (mn)



Energy sold (TWh)



(1) Customers: CNMC "Informe de supervision de los cambios de comercializador" published 22/12/22

(2) Energy sold: Internal estimation based on "sectorial energy daily forecast system"

Glossary of terms (I/II)



Item	Calculation	Reference note of Consolidated Management Report
Average cost of debt (%)	Cost of gross financial debt / gross average financial debt: $(115 \text{ €mn} \times (12 \text{ months} / 3 \text{ months})) / 16,795 \text{ €mn} = 2.8\%$	7
Average life of debt (number of years)	$(\text{Principal} \times \text{number of days of term}) / (\text{Principal in force at the end of the period} \times \text{number of days of the period})$: $54,155 / 16,973 = 3.2 \text{ years}$	7
Cash flow from operations (€mn)	Net cash provided by operating activities (-97 €mn)	7
Adj. FFO / Net debt 1Q 2023	$(\text{Adj. FFO from 2Q, 3Q \& 4Q 2022 (3,520 €mn)} + \text{Adj. FFO from 1Q 2023 (208 €mn)}) / \text{Net financial debt (11,591 €mn)} = 32\%$	n/a
Debt maturities coverage (months)	Maturity period (months) for vegetative debt that could be covered with the liquidity available: 18 months	7
EBITDA (€mn)	$\text{Revenues (7,504 €mn)} - \text{Purchases and Services (4,738 €mn)} + \text{Income and expenses from energy derivatives (-741 €mn)} + \text{Work performed by the entity and capitalized (59 €mn)} - \text{Personnel expenses (255 €mn)} - \text{Other fixed operating expenses (368 €mn)} + \text{Results on disposal of assets (1 €mn)} = 1,462 \text{ €mn}$	6
EBIT (€mn)	$\text{EBITDA (1,462 €mn)} - \text{Depreciation and amortization (472 €mn)} = 990 \text{ €mn}$	6
Fixed costs (Opex) (€mn)	$\text{Personnel expenses (255 €mn)} + \text{Other fixed operating expenses (368 €mn)} - \text{Work performed by the entity and capitalized (59 €mn)} = 564 \text{ €mn}$	6
Gross margin (€mn)	$\text{Revenues (7,504 €mn)} - \text{Purchases and Services (4,738 €mn)} + \text{Income and expenses from energy derivatives (-741 €mn)} = 2,025 \text{ €mn}$	6
Leverage (times)	$\text{Net financial debt (11,591 €mn)} / \text{EBITDA (4,413 €mn from 2Q, 3Q \& 4Q 2022 + 1,462 €mn from 1Q 2023)} = 2.0x$	n/a

Glossary of terms (II/II)



Item	Calculation	Reference note of Consolidated Management Report
Gross Capex (€mn)	Gross tangible (318 €mn) and intangible (92 €mn) Capex - rights of use (1 €mn) + Others (0 €mn) = 409 €mn	n/a
Net financial debt (€mn)	Long and short term financial debt (10,924 €mn + 5,957 €mn) - Cash and cash equivalents (1,022 €mn) – Derivatives recognized as financial assets (25 €mn) – Financial guarantees (4,243 €mn) = 11,591 €mn	7
Net financial results (€mn)	Financial Revenues (9 €mn) - Financial Expenses (155 €mn) - Net results from Derivative Financial Instruments (7 €mn) + Foreign Exchanges (16 €mn) = -123 €mn	6
Income (€mn)	Sales and Services (7,369 €mn) + Other operating revenues (135 €mn) = 7,504 €mn	6
Net ordinary income 1Q 2023 (€mn)	Reported Net Income (594 €mn) – Gains/(losses) on disposals of non-financial assets of over 10 €mn (0 €mn) – Net Impairment losses on non-financial assets of over 10 €mn (0 €mn) = 594 €mn	6
Net ordinary income 1Q 2022 (€mn)	Reported Net Income (338 €mn) – Gains/(losses) on disposals of non-financial assets of over 10 €mn (0 €mn) – Net Impairment losses on non-financial assets of over 10 €mn (0 €mn) = 338 €mn	6
Free power margin (€mn)	Conventional Gx margin contribution (1,057 €mn) + Renewables margin (294 €mn) + Power retail margin (265 €mn) - Non mainland margin (94 €mn) - SCVP margin (13 €mn) - Gas margin exMtM (166 €mn) - Others (120 €mn) = 1,223 €mn	n/a
Free power unitary margin (€/MWh)	Liberalized power margin / Electric sales in the liberalized market in Spain and Portugal: 1,223 €mn / 18.7 TWh = €65.3/MWh	n/a
Gas unitary margin exMtM (€/MWh)	Gas margin exMtM / Gas sales : 165.7 €mn / 27.0 TWh = €6.1/MWh	n/a

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 changes in generation and market share; expected changes in demand for gas and gas sourcing; management strategy and goals; estimated cost reductions; tariffs and pricing structure; estimated capital expenditures; estimated asset disposals; estimated changes in capacity and capacity mix; repowering of capacity and macroeconomic conditions. The main assumptions on which these expectations and targets are related to the regulatory framework, exchange rates, commodities, counterparties, divestments, increases in production and installed capacity in markets where ENDESA operates, increases in demand in these markets, allocation 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, ENDESA avails itself 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 financial and operating results and statistics to differ materially from those expressed in our forward-looking statements:

Economic and industry conditions; factors related to liquidity and financing; operating factors; strategic and regulatory, legal, fiscal, environmental, political and governmental factors; reputational factors and transaction and commercial factors.

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 regulated information 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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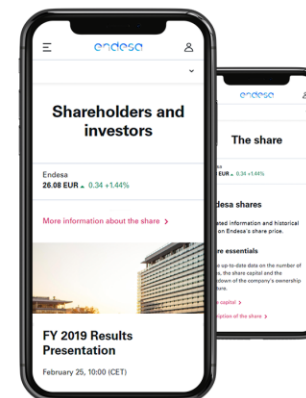


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