

November 2012

Endesa

Roadshow Presentation



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Forward looking statements include, but are not limited to, information regarding: estimated future earnings; estimated increases in enterprise value, anticipated increases in wind and CCGTs generation and market share; estimated green field project funding; 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; expected assets and minority acquisitions; expected asset disposals; estimated increases in capacity and output and changes in capacity mix; repowering of capacity and macroeconomic conditions. The principal assumptions underlying these forecasts and targets relate to regulatory environment, exchange rates, divestments, increases in production and installed capacity in the various markets where Endesa operates, increases in demand in these markets, allocation of production among different technologies increased costs associated with higher activity levels not exceeding certain levels, the market price of electricity not falling below certain levels, the cost of CCGT and the availability and cost of gas, fuel, coal and emission rights necessary to operate our business at desired levels.

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: materially adverse changes in economic or industry conditions generally or in our markets; the effect of existing regulations and regulatory changes; tariff reductions; the impact of any fluctuations in interest rates; the impact of fluctuations in exchange rates; unavailability of financial resources or increased costs for funding; markets disruptions; natural disasters; the impact of more stringent environmental regulations and the inherent environmental risks relating to our business operations; the potential liabilities relating to our nuclear facilities.

Transaction or Commercial Factors: any delays in or failure to obtain necessary regulatory, antitrust and other approvals as well as other third parties’ consents 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. Any delays in or failure to obtain necessary regulatory approvals, including environmental to construct new facilities, repowering or enhancement of existing facilities; shortages or changes in the price of equipment, materials or labor; opposition of political and ethnic groups; adverse changes in the political and regulatory environment in the countries where we and our related companies operate; adverse weather conditions, which may delay the completion of power plants or substations, or natural disasters, accidents or other unforeseen events; and the inability to obtain financing at rates that are satisfactory to us.

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

Operating Factors: technical difficulties; changes in operating conditions and costs; the ability to implement cost reduction plans; the ability to maintain a stable supply of coal, fuel and gas and the impact of fluctuations on fuel and gas prices; acquisitions or restructurings; the ability to implement an international and diversification strategy successfully.

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

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In no way can this presentation be deemed to be an offer or an invitation to participate in the capital increase to which it refers. Such capital increase is subject to certain corporate and regulatory approvals and to corporate and securities laws and other regulations applicable in Chile, United States of America, European Union and other relevant jurisdictions.

- I. **Energis capital increase: what's new?**
- II. What could be the use of the cash proceeds raised in the capital increase?
- III. Why is Energis a good investment opportunity?

Endesa Position

After having completed the procedures mandated by the SVS, Endesa has sent to Enersis a letter explaining the Endesa Position on specific elements of Enersis capital increase:

1

Value of assets to be contributed

Endesa has taken note of the range considered fair for all shareholders by the Enersis Board of Directors of November 6th (US\$ 3,586m - US\$ 3,974m or the “Range”).

2

Condition of success

Capital Increase will be declared successful only if cash subscription reaches the level that allows Endesa to contribute its 100% interest in Conosur, without exceeding the 65% ownership limit set by Enersis Bylaws. Accordingly, this condition will be met only if a minimum subscription level is reached for the shares offered to Minorities shareholders

3

Endesa scope to reach 65%

In case of incomplete subscription of cash tranche, Endesa is able to retain an increased stake in Enersis of up to 65% from the current 60.62%. This would lead to a cash capital increase lower than the maximum defined by the EGM
Endesa intends to maintain its resulting stake in Enersis post capital increase

4

Dividend policy

Endesa will support to maintain the current dividend policy of Enersis in the future. Furthermore, Endesa will not propose any payment of extraordinary dividends in the next 2 years

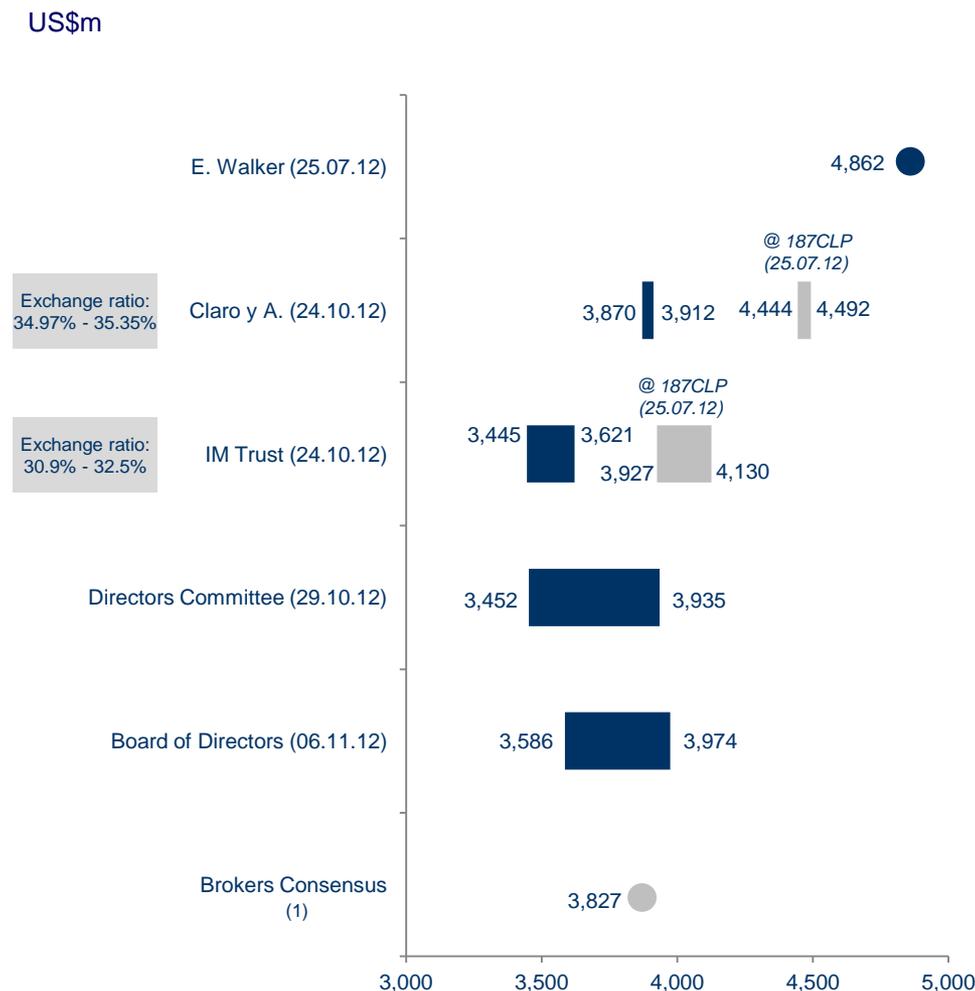
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Other commitments

- Enersis will become the sole investment vehicle of the Group for investments in the Latam region with the only exception of Enel Green Power
- Endesa is willing to provide the reps and warranties requested by the Enersis Board of Directors

Value of assets to be contributed

Value of Endesa assets: official references



Key considerations

- The Range proposed by the Enersis Board of Directors implies a P/E ⁽²⁾ multiple between 9.3x and 10.3x, well below the undisturbed trading multiple (c. 14.0x) and the current trading multiple of Enersis (c. 12.4x)
- Compared with the fundamental value determined by the Perito and Independent Appraisers:
 - Minimum value of the Range implies a discount of c. 24% on average
 - Maximum value of the Range implies a 16% discount on average

US\$m	Walker	Claro	IM Trust
Fundamental value (DCF)	4,862	4,627	4,709
Min Range vs DCF	-26.3%	-22.5%	-23.9%
Max Range vs DCF	-18.3%	-14.1%	-15.6%

Nota: Exchange rate as of 24 October 2012 (480.5 CLP/US\$)

(1) Source: IM Trust independent appraiser report

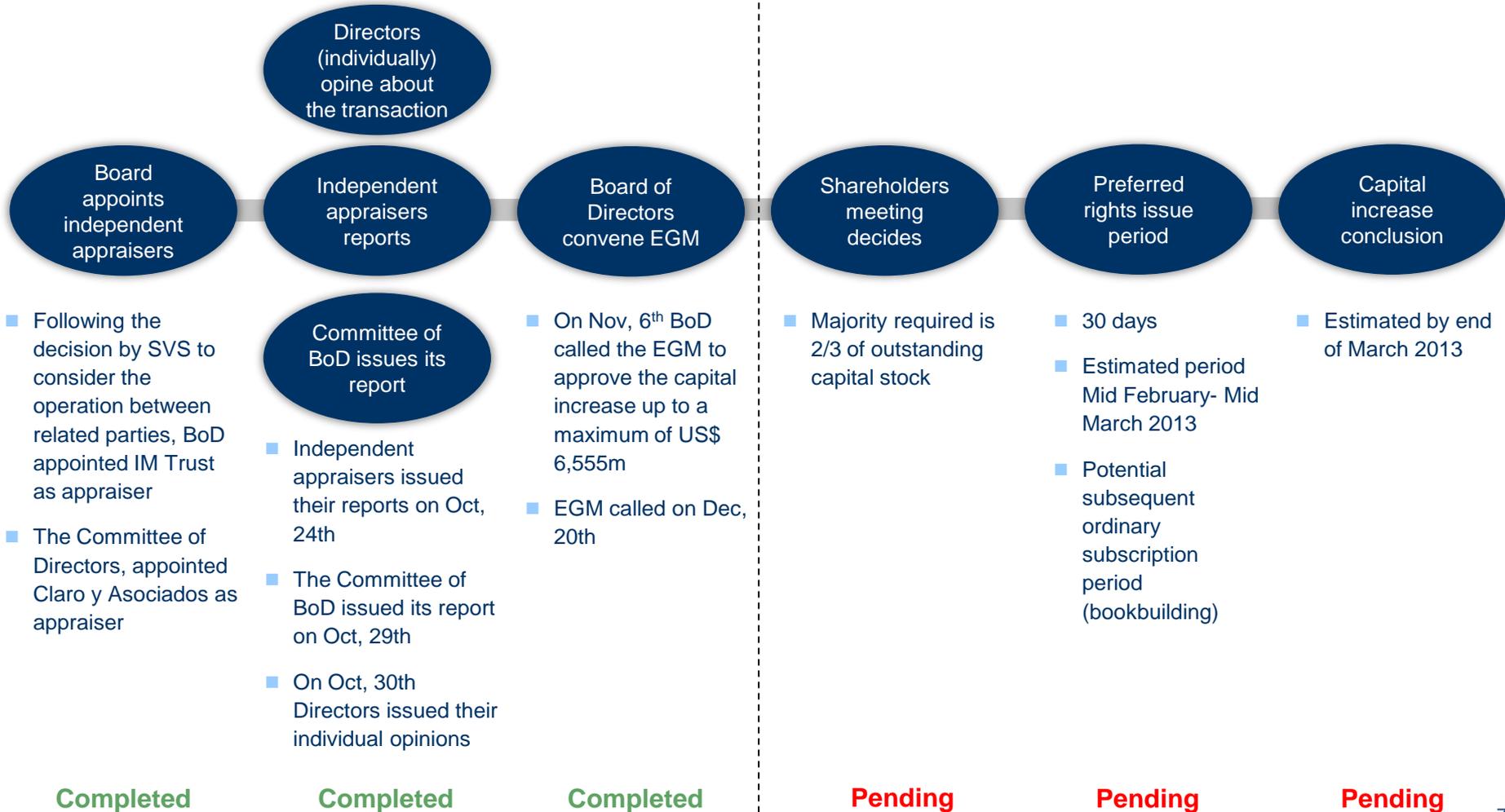
(2) Net Income based on Claro y Asociados report

Capital increase key facts

	<u>Key figures</u>	<u>Comments</u>
Capital increase size	US\$ 5,915 - 6,555m	<ul style="list-style-type: none"> Implied total capital increase amount based on asset contribution from Endesa (60.62%) in the Range
Maximum cash capital increase	US\$ 2,329 - 2,581m	<ul style="list-style-type: none"> Cash capital increase required to match Endesa assets contribution Cash finally raised will depend on cash tranche subscription level
Minimum cash capital increase for Condition of success	c. US\$ 1,200 - 1,400m	<ul style="list-style-type: none"> The minimum cash raised required to meet Condition of success will depend on the issue price Based on current market prices the subscription needed in order to meet Condition of success will be c. 50%

Approval process and next steps

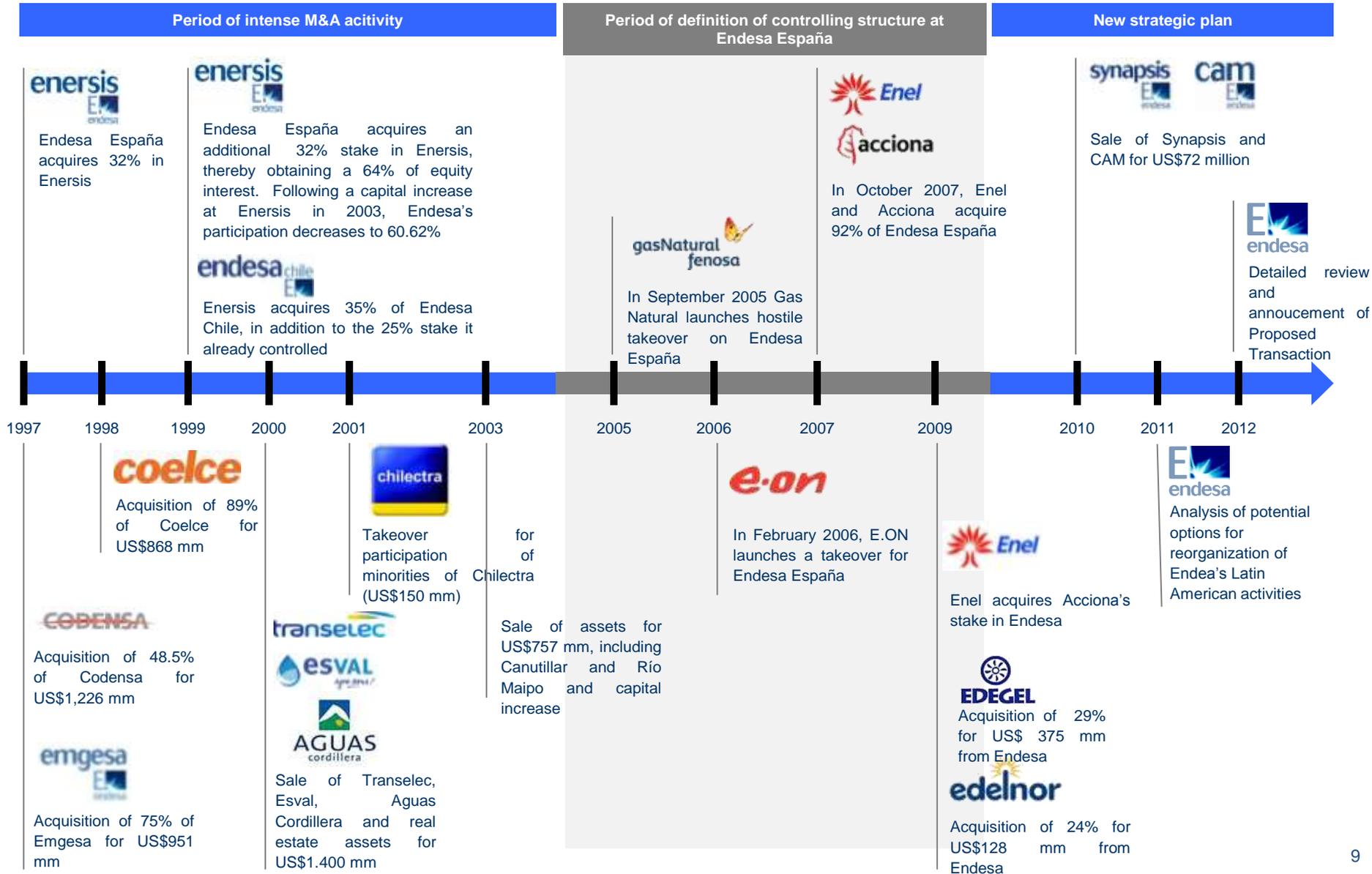
- Since the transaction has been characterized by the Chilean regulator as a transaction between “related parties”, the approval of the capital increase is subject to a special approval process
- The transaction must be approved by a majority of at least 2/3 of the shareholders



- I. Enersis capital increase: what's new?
- II. What could be the use of the cash proceeds raised in the capital increase?**
- III. Why is Enersis a good investment opportunity?



Enersis has a proven track record of value creation from M&A transactions and minorities acquisition



What could be the use of the cash proceeds raised in the capital increase?

The use of proceeds that could be raised in the capital increase has been approved by Enersis Board of Directors on November 6th. This could include a mix of Minorities acquisition and M&A activity:

1

Purchase key remaining minority stakes

- There is a **number of potential minority buy-out transactions** that could be executed in the short / medium term
- Such purchases need to be **value accretive** for the Company
- **At the right valuation, minorities buy-out present a number of attractions:**
 - Provide a significant contribution to **bridging the gap between the consolidated EBITDA and Net income**
 - **Improve Corporate Governance** within key Enersis subsidiaries (commercially sensitive)
 - **No integration risk**, no additional managerial resources required and higher synergies retention

2

M&A opportunities

- Latin America's electricity sector is undergoing a **consolidation phase**, driven by:
 - **Gradual exit of marginal players** (both local and foreign); and
 - The **growing importance of economies of scale in the sector**, especially in distribution (due to regulatory pressure)
- Enersis is **uniquely positioned** to take advantage of such consolidation process, due to its **leading position** in both generation and distribution, in several key geographies (**broader know-how, greater ability to generate economies of scale, turn-around expertise**)
- The **Brazilian electricity distribution market is particularly attractive** given:
 - **its highly fragmented** nature;
 - the existence of **medium-sized players** (some of which are in financial distress), many of which are likely to be sold over the short / medium term; and
 - ongoing regulatory debate provides a window for opportunistic acquisition
- **Opportunities in distribution in Colombia and Peru can be considered**

Additional leverage to fund Greenfield projects

- All Enersis' key markets showing **significant demand growth**, which translates in **large-scale new built / capex requirements** (both for generation and transmission);
- The total portfolio of projects currently under analysis would potentially **add in excess of 11,000MW** and would **require a total investment in excess of US\$16 billion**.

Having a well capitalized balance sheet will be critical in order for Enersis to pursue the most attractive opportunities and maximize growth / value creation for its shareholders

1 Purchase key remaining minority stakes

Example for illustrative purposes only

	Subsidiary	1 Enersis stake pre-txn ¹	2 Endesa LatAm contribution ²	3 Acquire minority stakes ³	4 Total ending stake to Enersis ⁴
Brazil	endesa brasil	54.3%	28.5%	4.2%	87.0%
	ampla	70.2%	21.1%	0.4%	91.7%
	coelce <small>Compañía Energética de Chile</small>	35.3%	15.2%	41.1%	91.6%
Colombia	emgesa	16.1%	21.6%		37.7%
	CODENSA	21.7%	26.7%		48.4%
Peru	edelnor	57.5%	18.0%	24.3%	99.8%
	EDEGEL (Inkia)	37.5%	+	+	= 58.6%
	EDEGEL (Market)	37.5%		16.4%	74.9% ⁵
	Piura		96.5%	3.5%	100.0%
Chile	San Isidro	57.4%	4.4%		61.8%
	Endesa Chile	60.0%		5.0%	65.0%
	Chilectra	99.1%		0.9%	100.0%
	Pehuenche ⁶	55.6%		7.4%	63.0%
Argentina	Central Dock Sud		40.0%		40.0%
	EDESUR	65.4%	6.2%		71.6%
	Cemsa	27.0%	55.0%		82.0%
	Yacylec		22.2%		22.2%

¹ Considers Enersis' direct and indirect stakes pre transaction; ² Considers Endesa's direct and indirect stakes contribution; ³ Considers potential acquisition of certain minority stakes post ELA contribution; ⁴ Considers Enersis' consolidated direct and indirect stakes post Endesa transaction and acquisition of minority stakes; ⁵ Includes the minority stake from Inkia of 21.1%; ⁶ Via Endesa Chile's 93% ownership of Pehuenche

- In a context of expected high growth in Latin America Enersis need to be prepared to exploit potential upcoming opportunities. Some of those could come from the following Sectors/Regions:

	Key market features	M&A activity driver	Enersis position
 <p>Distribution in Brazil</p>	<ul style="list-style-type: none"> Highly fragmented (64 DisCos, some facing financial difficulties) Selected DisCos require operating and financial restructuring Companies with high exposure to distribution assets trading at attractive multiples 	<ul style="list-style-type: none"> Ongoing sector consolidation <ul style="list-style-type: none"> Gradual exit of marginal players Forthcoming new regulatory framework leads to a search for economies of scale 	<ul style="list-style-type: none"> Enersis has important assets in the region (Ampla and Coelce) and it is a natural industry consolidator in the region. Coelce widely considered an industry leader) Proven track record in operational turn-around (electricity losses reduction)
 <p>Distribution in Colombia</p>	<ul style="list-style-type: none"> Regional state owned distribution companies High growth with cash flow generation perspective driven by a benign regulatory cycle: high regulatory WACC set at 13.9% for this cycle (highest in the region) 	<ul style="list-style-type: none"> Government privatization plan: <ul style="list-style-type: none"> Government announced its intention to privatize selected regional distribution companies Privatization of Meta, Quindío, Nariño, Cauca, Huila y Caquetá expected during 2013 	<ul style="list-style-type: none"> Enersis with its participation in Codensa is very well positioned to pursue M&A opportunities resulting from the privatization process
 <p>Distribution in Perú</p>	<ul style="list-style-type: none"> With the exception of Edelnor, Lima and Ica all the distribution companies in Perú are state owned 	<ul style="list-style-type: none"> Potential privatization: <ul style="list-style-type: none"> Government has shown in the past its potential interest in launching a privatization process Clear benefits in terms of operational efficiency 	<ul style="list-style-type: none"> Enersis through Edelnor has a significant position in the Peruvian distribution market Enersis is ready to capture potential opportunities that may come

Although at this stage it is not possible to disclose details on specific targets, due to confidentiality reasons, it is worth noting that several opportunities, which could be executed in the short term, have been already identified. The Enersis Board of Directors will define and the Enersis management will execute the potential opportunities that may rise

- I. Enersis capital increase: what's new?
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- III. Why is Enersis a good investment opportunity?**

Enerjis: a highly appealing investment proposition “as is” and even more after the Proposed Transaction

Enerjis “as is”

- Latin America's largest private sector electricity company: a unique **vertically integrated player**, comprising large scale generation and distribution assets, **diversified across the region's most attractive jurisdictions**;
- Operating in **high growth markets, with well tested regulatory frameworks**: Chile, Colombia Brazil and Peru showing average annual growth in the range of 4.5-7.4% both in terms of demand and GDP, driving continuous investment requirements and therefore quality of regulation;
- **Highly experienced management team**: oversaw the construction of 2,052 MW of new generation capacity and connected 2.4 million of new customers since 2005, and has significant experience across M&A, business development, regulatory reviews, operational turnarounds etc;
- **Highly attractive valuation**: Enerjis still trading well below both undisturbed price (average of CLP 187.81 in the 30 days prior to announcement), and analysts' target prices (CLP 203 post announcement)

After Proposed Transaction

- Asset contribution by Endesa allowing Enerjis to immediately capture significant incremental earnings (and therefore dividends) without increasing the risk profile
- Cash component of capital increase could enable Enerjis to:
 - **play a major role in the ongoing industry consolidation in the region** (resulting from gradual exit of marginal players);
 - further enhance earnings line (and therefore dividends) through **selective and disciplined minorities buy-out**; and
 - **expand greenfield investment programme**, benefitting from continuing demand growth in the key countries where it operates
- Proposed transaction significantly increases Enerjis liquidity and further strengthening Enerjis ranking in key indexes

Why is Enersis a good investment opportunity?

- 1 **At current market price Enersis stock represents an unique investment opportunity**
- 2 **In the context of the Transaction Enersis will incorporate a relevant portfolio of assets at a discount vs. fundamental value**
- 3 **Structure simplification is expected to drive potential valuation uplift**



**A financially compelling
Transaction with concrete
value drivers**

At current market price Enersis stock represents an unique investment opportunity

Share price performance of Enersis (pre and post-announcement)

- Share price prior to the transaction announcement well above current levels
- Average analyst target prices (both prior to and following announcement) well above current levels



Brokers consensus on Enersis

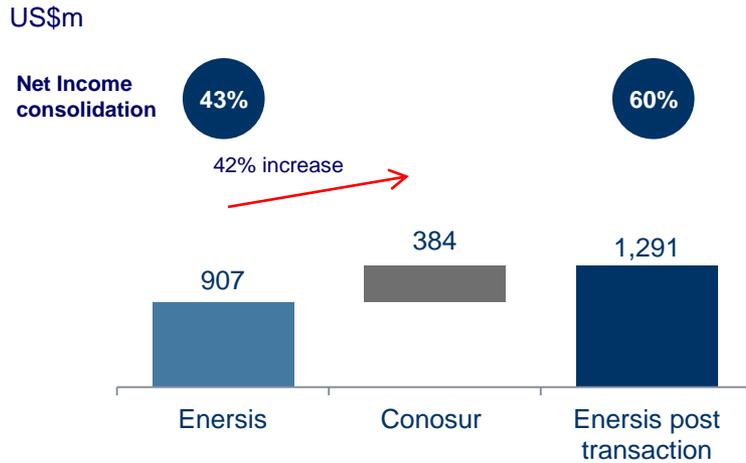
Broker	Date	Target price (CLP)	Equity value (USD million)	Recommendation	
				Outlook	Upside
Itau BBA Securities	07-Nov-12	169.0	11,490.0	Underperform	2%
Morgan Stanley	25-Oct-12	220.0	14,964.4	Hold	33%
Deutsche Bank	22-Aug-12	241.0	16,407.0	Buy	46%
Banchile - Citi	03-Aug-12	178.0	15,194.0	Neutral	8%
Larraín Vial ⁽¹⁾	30-Jul-12	207.0	14,080.0	Buy	25%
Santander	09-Apr-12	225.0	15,305.0	Buy	36%
IM Trust	28-Feb-12	219.0	14,896.0	Buy	32%
Bice	01-Feb-12	225.0	15,305.0	Buy	36%
BCI	02-Jan-12	245.0	16,665.0	Outperform	48%
BofA Merrill Lynch	14-Dec-11	215.0	14,624.0	Neutral	30%
Credit Suisse	27-Sep-11	211.0	14,367.0	Outperform	28%
Average post-announcement		203.0	14,427.1		22%
Average pre-announcement		223.3	15,193.7		35%
Average		214.1	14,845.2		29%

Source: Bloomberg

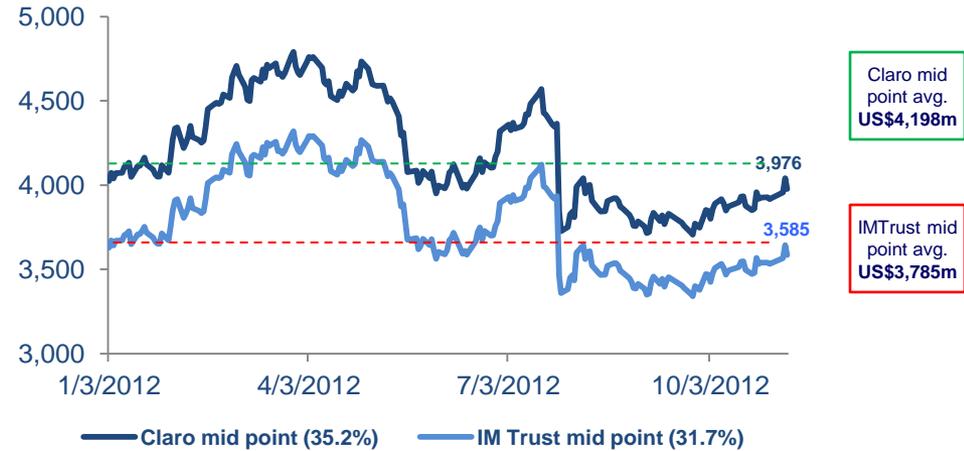
(1) On 25 October Larraín Vial issued a new research report. The Buy recommendation was confirmed while the target price has been withdrawn due to "changes in basic assumptions"

2 In the context of the Transaction Enersis will incorporate a relevant portfolio of assets at a discount vs. fundamental value...

Relevant net income contribution (1)

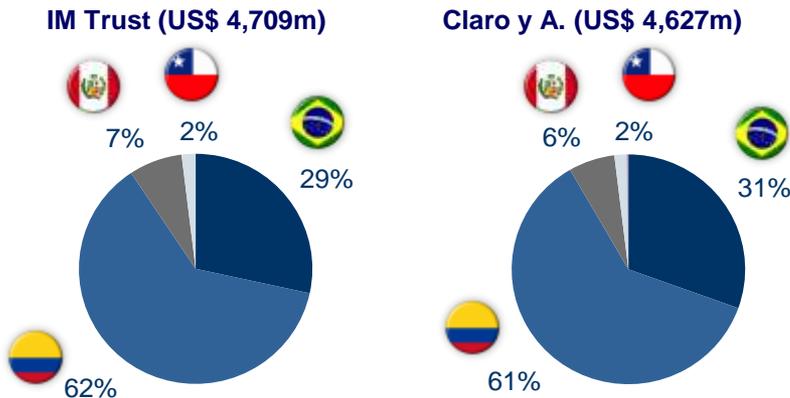


Assets value vs Enersis stock price (2)



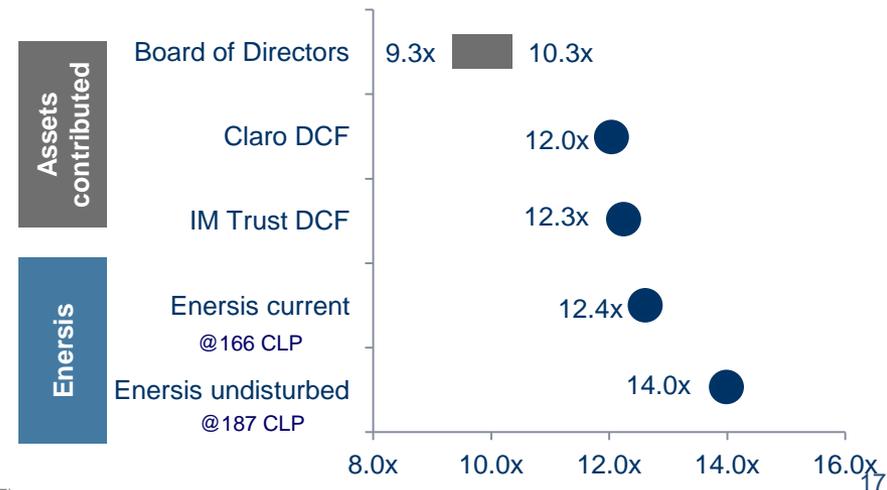
High fundamental value of assets contributed

Breakdown of value contributed (3)



The Range implies an attractive valuation vs DCF

P/E (4)

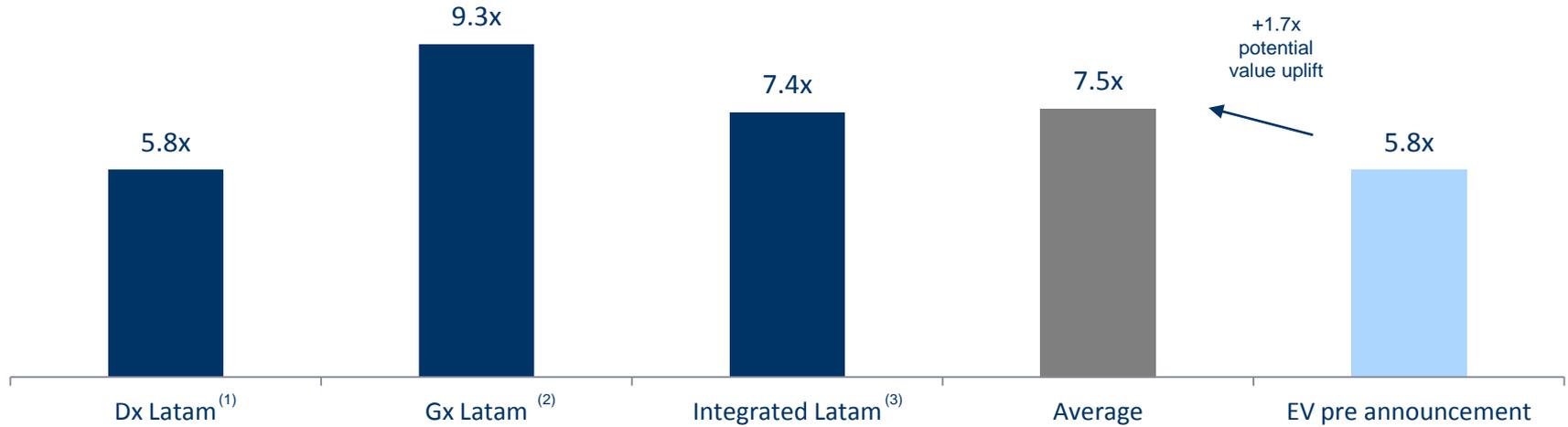


Source: Independent Appraisers reports

(1) Source: Claro y Asociados report (2013E) (2) Based on exchange rates calculated by IM Trust and Claro y Asociados, last price as of 7 Nov 2012 (3) Based on DCF valuation, (4) Based on Claro y Asociados figures (2013E)

...while structure simplification is expected to drive potential valuation uplift

Enerjis EV / EBITDA 2012 gap vs peers



- Higher visibility of Enerjis participations and corporate structure
- Increased “ownership” of EBITDA expected to benefit Enerjis valuation
 - Enerjis has historically traded at a discount vs. peer group EV/EBITDA (c. 20%)
 - Potential value uplift of 1.7x EBITDA
 - Each EBITDA turn implies c. US\$5bn of additional Enterprise Value

Source: Bloomberg and IBES as of July 24 2012.

(1) Median of Luz del Sur, AES Eletropaulo, Equatorial, Light, Coelce y Edenor

(2) Median of Tractebel, CESP, AES Tiete, Endesa Chile, Colbún, AES Gener, E.CL, Edegel, Isagen

(3) Median of CEMIG, COPEL, CPFL, EdB, Pampa Energia

Why do we think this transaction is good for Enersis and its shareholders?

- 1 Acquire unique block of assets**
 - Unique opportunity to acquire a high quality group of regulated distribution and power generation assets across the region, without increasing the operational risk profile of the business or consuming additional management resources

- 2 Accelerate Growth**
 - Provides Enersis with additional capital to accelerate the company's growth plan in the context of multiplying opportunities in the region
 - Investment alternatives menu:
 - Minority acquisition at attractive valuations, with a positive financial impact in ENI
 - M&A activity increase: generation and distribution

- 3 Confirm Enersis as the sole Investment vehicle of Endesa**
 - Enersis will be reinforced as the only investment vehicle of Endesa in Latin America, and will consolidate its equity story as the Pan-LatAm's market leader and natural industry consolidator

- 4 Improved Valuation ratios**
 - Increasing Net Income ownership from current 43% to over 60% after asset contribution and potentially to over 70% after cash utilization could result in a potential valuation uplift
 - Furthermore this will drive to a reduction of "dividend leakage"

- 5 Increased stock market scale and liquidity**
 - Following the Transaction Enersis should become one of the top three Chilean companies by market capitalization
 - Index weighting will increase post transaction making Enersis the first stock in IPSA by ranking
 - Capital increase should improve the liquidity of the stock