86% OF ENERSIS SHAREHOLDERS IN FAVOUR OF THE CAPITAL INCREASE PROPOSED BY ENDESA

- **This result ratifies Enersis' shareholders interest in the operation.**

- **At the shareholders' meeting Endesa and Enel stated their commitment to consolidate Enersis as Endesa's sole investment vehicle in Latin America in the generation and distribution businesses and the sale of conventional electric energy.**

- **The capital increase and its proceeds will allow the company to undertake a new expansion initiative without taking additional debt and provide sufficient funds to increase its presence in the markets where it operates.**

- **The representations and warranties provided by Endesa in the contract governing the transfer of assets are predicated on the best international practices in this type of transaction.**

Santiago de Chile, 20 December 2012.- 86% of Enersis shareholders have voted in favour of the capital increase proposed by Endesa at the Extraordinary meeting held today. This result ratifies Enersis' shareholders interest in the proposed operation. 95.24% of Enersis' share capital was represented at the Extraordinary Shareholders' meeting.

Endesa wishes to thank Enersis, particularly the company's Executive Committee, Board of Directors and Management for their efforts to date, which, despite the complexity and singularity of the operation, have resulted in the presentation of Enersis' capital increase to shareholders today for approval (it was submitted to the Board of Directors in June).

This capital increase will consolidate Enersis as Endesa's sole investment vehicle in Latin America for the generation and distribution businesses and for the sale of conventional electric energy. The commitment was ratified today in a joint statement issued by Endesa and Enel at the Enersis shareholder meeting.

The capital increase will include the issuance of 16,441,606,297 Enersis shares at a price of CLP 173 per share, or a total of USD 5,995 million (at today's exchange rate).

Endesa will contribute to Enersis 100% of the electricity assets held by Endesa Latinoamérica through its Conosur subsidiary in exchange for 9,967,630,058 Enersis shares. This implies a valuation of USD 3,643 million for Conosur. Enersis' remaining shareholders will be able to subscribe up to 6,473,976,239 Enersis shares, which at the same exchange rate amounts to USD 2,352 million.

Endesa has also proposed a dividend policy for Enersis in line with the policy executed in previous years, and commits not to submit any proposals for extraordinary dividends to the Shareholders' meeting. In this way, the proceeds raised by the capital increase will be used exclusively to provide Enersis with sufficient resources to step up its expansion process in Latin America.

Furthermore, if, as a result of Endesa involuntarily increasing its stake in Enersis to over the current 60.62% (in the event of other parties not subscribing the operation) and provided that the legal and by-law regulated limit of 65% of shares bearing voting rights is not surpassed, Endesa would not to reduce this interest given its strategic nature, thereby underscoring its commitment to Enersis and its desire to work with the rest of its shareholders for the development of the company.

The representations and warranties provided by Endesa in the contract governing the transfer of assets are predicated on the best international practices in this type of transaction.

Endesa has stated repeatedly since the proposed deal was presented that it has always sought the benefit of Enersis and its shareholders and that it is open to entering into a broad agreement to achieve this.

The capital increase will make Enersis the leading private electricity utility in Latin America and the only regional operator with businesses in the region's main markets, achieving critical mass in an extremely complex environment.

In one single operation, Enersis will incorporate stakes in 13 power generation and distribution companies in Latin America, allowing it to increase its business investment without running up costs or any additional risk, given that these companies are almost entirely managed by Enersis.

The transaction will increase Enersis' installed generation capacity by 985 MW, in addition to the El Quimbo (400 MW) and Reserva Fría in Peru (183 MW) under construction, raising the Group's total capacity from 15,182 MW to 16,750 MW by 2014.

Based on 2011 figures, the operation will boost Enersis' net income by USD 320 million (c.40%), putting it at around Euro 1,100 million. Also, its shares will become more liquid and the weighting of the stock on the Chilean stock exchange will increase from 6% to nearly 10%.

The capital increase and its proceeds will allow the company to undertake a new expansion initiative without taking on any further debt and provide sufficient funds to increase its presence in the markets where it operates. This process will involve the acquisition of minority shareholdings, organic growth and buying opportunities in the markets where Enersis operates.