

**CONSOLIDATED
FINANCIAL STATEMENTS
as of JUNE, 30th 2013
ENDESA, S.A.**



ENDESA S.A. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

(Unaudited)

Euro Million

ASSETS	<u>30.06.13</u>	<u>31.12.12</u>	<u>Variation</u>	
Total fixed assets	42.990	44.487	(1.497)	-3,4%
Utility plant	33.005	34.106	(1.101)	-3,2%
Investment property	84	88	(4)	-4,5%
Intangible asset	2.415	2.772	(357)	-12,9%
Goodwill	2.531	2.676	(145)	-5,4%
Investments in associates	916	896	20	2,2%
Long term financial investments	1.991	1.965	26	1,3%
Deferred tax assets	2.048	1.984	64	3,2%
Total current assets	14.251	14.291	(40)	-0,3%
Inventories	1.255	1.306	(51)	-3,9%
Trade and other receivables	5.177	5.474	(297)	-5,4%
Short term financial investments	5.577	5.437	140	2,6%
Cash and cash equivalents	2.242	1.986	256	12,9%
Non current assets held for sale and from interrupted activities		88	(88)	-100,0%
TOTAL ASSETS	57.241	58.778	(1.537)	-2,6%

EQUITY AND LIABILITIES	<u>30.06.13</u>	<u>31.12.12</u>	<u>Variation</u>	
Total equity	28.447	26.369	2.078	7,9%
Atributable to equity holders of the parent company	21.947	20.653	1.294	6,3%
Minority interest	6.500	5.716	784	13,7%
Non-current liabilities	19.011	21.644	(2.633)	-12,2%
Deferred revenues	4.507	4.446	61	1,4%
Long term provisions	3.858	4.381	(523)	-11,9%
Long term financial debt	7.678	9.886	(2.208)	-22,3%
Other non-current liabilities	742	577	165	28,6%
Deferred tax liabilities	2.226	2.354	(128)	-5,4%
Current liabilities	9.783	10.765	(982)	-9,1%
Short term financial debt	1.625	974	651	66,8%
Short term provisions	567	902	(335)	-37,1%
Trade and other payables	7.591	8.889	(1.298)	-14,6%
Liabilities related to non current assets held for sale and from interrupted activities				n/a
TOTAL EQUITY AND LIABILITIES	57.241	58.778	(1.537)	-2,6%



ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

Euro Million

	<u>30.06.13</u>	<u>30.06.12</u>	<u>Variation</u>	
REVENUES	15.892	16.696	(804)	-4,8%
Sales	15.087	15.877	(790)	-5,0%
Other operating revenues	805	819	(14)	-1,7%
PURCHASES AND SERVICES	10.517	11.360	(843)	-7,4%
Energy purchases	4.103	4.300	(197)	-4,6%
Fuel procurement costs	1.780	2.276	(496)	-21,8%
Transmission expenses	3.315	3.445	(130)	-3,8%
Other variable purchases and services	1.319	1.339	(20)	-1,5%
GROSS MARGIN	5.375	5.336	39	0,7%
Work performed by the entity and capitalized	94	89	5	5,6%
Personnel expenses	874	822	52	6,3%
Other fixed operating expenses	1.012	1.056	(44)	-4,2%
GROSS OPERATING INCOME (EBITDA)	3.583	3.547	36	1,0%
Depreciation and amortization	1.241	1.143	98	8,6%
OPERATING INCOME (EBIT)	2.342	2.404	(62)	-2,6%
FINANCIAL INCOME	(171)	(406)	235	-57,9%
Financial revenues	330	320	10	3,1%
Financial expenses	(497)	(698)	201	-28,8%
Foreign exchanges	(4)	(28)	24	-85,7%
Share of profit of associates	29	61	(32)	-52,5%
Income from other investments	8	6	2	33,3%
Income from asset sales	55	(13)	68	-523,1%
INCOME BEFORE TAXES	2.263	2.052	211	10,3%
Income tax	599	587	12	2,0%
ONGOING ACTIVITIES PROFIT	1.664	1.465	199	13,6%
INTERRUPTED ACTIVITIES PROFIT				n/a
PROFIT FOR THE PERIOD	1.664	1.465	199	13,6%
Attributable to the holders of the parent company	1.114	1.146	(32)	-2,8%
Minority interest	550	319	231	72,4%



ENDESA S.A. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

Euro Million

	<u>2Q 13</u>	<u>2Q 12</u>	<u>Variation</u>	
REVENUES	7.726	8.049	(323)	-4,0%
Sales	7.325	7.672	(347)	-4,5%
Other operating revenues	401	377	24	6,4%
PURCHASES AND SERVICES	4.903	5.421	(518)	-9,6%
Energy purchases	1.902	2.120	(218)	-10,3%
Fuel procurement costs	838	1.078	(240)	-22,3%
Transmission expenses	1.535	1.632	(97)	-5,9%
Other variable purchases and services	628	591	37	6,3%
GROSS MARGIN	2.823	2.628	195	7,4%
Work performed by the entity and capitalized	44	51	(7)	-13,7%
Personnel expenses	442	418	24	5,7%
Other fixed operating expenses	524	541	(17)	-3,1%
GROSS OPERATING INCOME (EBITDA)	1.901	1.720	181	10,5%
Depreciation and amortization	593	572	21	3,7%
OPERATING INCOME (EBIT)	1.308	1.148	160	13,9%
FINANCIAL INCOME	(25)	(209)	184	-88,0%
Financial revenues	192	134	58	43,3%
Financial expenses	(214)	(325)	111	-34,2%
Foreign exchanges	(3)	(18)	15	-83,3%
Share of profit of associates	13	20	(7)	-35,0%
Income from other investments	5	2	3	150,0%
Income from asset sales	61	(5)	66	n/a
INCOME BEFORE TAXES	1.362	956	406	42,5%
Income tax	335	294	41	13,9%
ONGOING ACTIVITIES PROFIT	1.027	662	365	55,1%
INTERRUPTED ACTIVITIES PROFIT				n/a
PROFIT FOR THE PERIOD	1.027	662	365	55,1%
Attributable to the holders of the parent company	638	525	113	21,5%
Minority interest	389	137	252	183,9%



ENDESA S.A. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

Euro Million

	<u>30.06.13</u>	<u>30.06.12</u>
Consolidated income before income taxes	2.263	2.052
Result adjustments:	1.183	1.358
Fixed assets amortization and impairment loss	1.241	1.143
Other result adjustments (net)	(58)	215
Changes in current assets	(932)	(102)
Other cash flows from operating activities:	(994)	(1.057)
Cash-in interests	189	283
Cash-in dividends	7	7
Interest payments	(386)	(488)
Tax income payment	(408)	(500)
Other cash-in/payments from operating activities	(396)	(359)
Net cash provided by operating activities	1.520	2.251
Acquisitions of fixed and intangible assets	(1.107)	(980)
Disposal of fixed and intangible assets	23	9
Investments in stakes of subsidiaries		
Disposal in stakes of subsidiaries	84	
Acquisitions of other investments	(2.556)	(1.248)
Disposal of other investments	2.264	954
Cash flow from changes in perimeter		
Subsidies and other deferred income	62	109
Net cash used for investing activities	(1.230)	(1.156)
Cash Flows from Equity Instruments	1.750	
New long-term debt	244	2.300
Repayment of long-term debt	(890)	(593)
Net cash from financial debt with short term maturity	(633)	(2.832)
Dividends paid by the controlling company		
Dividends paid to minority shareholders	(384)	(426)
Net cash used for financing activities	87	(1.551)
Total net cash	377	(456)
Effects of exchange rate changes on cash and cash equivalents	(121)	45
Net increase in cash and cash equivalents	256	(411)
Cash and cash equivalents at beginning of period	1.986	2.788
Cash and cash equivalents at end of period	2.242	2.377



ENDESA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE PERIOD 30 JUNE 2013- 30 JUNE 2012

Euro Million

	30.06.13			30.06.12		
	<i>Of the Parent Company</i>	<i>Of Minority Interests</i>	<i>Total</i>	<i>Of the Parent Company</i>	<i>Of Minority Interests</i>	<i>Total</i>
PROFIT FOR THE PERIOD	1.114	550	1.664	1.146	319	1.465
OTHER COMPREHENSIVE INCOME:						
INCOMES AND EXPENSES RECOGNISED DIRECTLY IN EQUITY	(438)	(530)	(968)	99	200	299
Items that may be Subject to State Income Reclassification						
Arising from utility plant and intangible assets revaluation						
Arising from financial instruments valuation	(3)		(3)			
Financial Assets Available for Sale	(3)		(3)			
Other revenues/(Expenses)						
Arising from cash flow hedge	(168)	(53)	(221)	(44)	25	(19)
Translation differences	(319)	(494)	(813)	132	179	311
Companies accounted using the equity method	5	6	11	(5)		(5)
Remaining incomes and expenses recognised directly in equity						
Tax effect	47	11	58	16	(4)	12
Items that will not be Subject to State Income Reclassification						
Arising from actuarial gains and losses and other adjustments						
Tax effect						
TRANSFERS TO PROFIT AND LOSS ACCOUNT	68	(3)	65	45	(2)	43
Arising from financial instruments valuation	(64)		(64)			
Financial Assets Available for Sale	(64)		(64)			
Other revenues/(Expenses)						
Arising from cash flow hedge	171	(2)	169	67	(2)	65
Translation differences						
Companies accounted using the equity method	1		1	(3)		(3)
Remaining revenues and costs recognised directly in equity						
Tax effect	(40)	(1)	(41)	(19)		(19)
TOTAL COMPREHENSIVE INCOME	744	17	761	1.290	517	1.807



ENDESA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED IN 30 JUNE 2013

Euro Million

(Unaudited)

	<i>Capital</i>	<i>Share premium, Reserves and interim dividend</i>	<i>Treasury shares and own equity instruments</i>	<i>Profit (loss) for the year</i>	<i>Other equity instruments</i>	<i>Valuation adjustments</i>	<i>Minority interests</i>	<i>Total equity</i>
BALANCE AT 1 JANUARY 2012	1.271	16.719		2.034		629	5.716	26.369
Adjustments due to changes in accounting policies								
Correction of errors								
ADJUSTED BALANCE AT 1 JANUARY 2012	1.271	16.719		2.034		629	5.716	26.369
TOTAL COMPREHENSIVE INCOME				1.114		(370)	17	761
TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS		550					767	1.317
Capital increases (reductions)								
Conversion of liabilities into equity								
Dividends paid							(421)	(421)
Transactions with treasury shares or own equity instruments (net)								
Increases/(reductions) due to business combinations								
Other transactions with shareholders and owners		550					1.188	1.738
OTHER CHANGES IN EQUITY		2.034		(2.034)				
Share-based payments								
Transfers between equity items		2.034		(2.034)				
Other changes								
BALANCE AT 30 JUNE 2013	1.271	19.303		1.114		259	6.500	28.447



ENDESA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED IN 30 JUNE 2012

Euro Million

(Unaudited)

	<i>Capital</i>	<i>Share premium, Reserves and interim dividend</i>	<i>Treasury shares and own equity instruments</i>	<i>Profit (loss) for the year</i>	<i>Other equity instruments</i>	<i>Valuation adjustments</i>	<i>Minority interests</i>	<i>Total equity</i>
BALANCE AT 1 JANUARY 2012	1.271	15.248		2.212		560	5.388	24.679
Adjustments due to changes in accounting policies								
Correction of errors								
ADJUSTED BALANCE AT 1 JANUARY 2012	1.271	15.248		2.212		560	5.388	24.679
TOTAL COMPREHENSIVE INCOME				1.146		144	517	1.807
TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS		(639)					(383)	(1.022)
Capital increases (reductions)								
Conversion of liabilities into equity								
Dividends paid		(642)					(381)	(1.023)
Transactions with treasury shares or own equity instruments (net)								
Increases/(reductions) due to business combinations								
Other transactions with shareholders and owners		3					(2)	1
OTHER CHANGES IN EQUITY		2.212		(2.212)				
Share-based payments								
Transfers between equity items		2.212		(2.212)				
Other changes								
BALANCE AT 30 JUNE 2013	1.271	16.821		1.146		704	5.522	25.464

CONSOLIDATED BALANCE SHEETS SPAIN AND PORTUGAL BUSINESSES

(Unaudited)

Euro Million

ASSETS	<u>30.06.13</u>	<u>31.12.12</u>	<u>Variation</u>	
Total fixed assets	25.489	25.647	(158)	-0,6%
Utility plant	21.981	22.457	(476)	-2,1%
Investment property	14	14		
Intangible asset	581	863	(282)	-32,7%
Goodwill				n/a
Investments in associates	901	880	21	2,4%
Long term financial investments	767	269	498	185,1%
Deferred tax assets	1.245	1.164	81	7,0%
Total current assets	9.243	10.416	(1.173)	-11,3%
Inventories	1.139	1.171	(32)	-2,7%
Trade and other receivables	3.333	3.652	(319)	-8,7%
Short term financial investments	4.362	4.931	(569)	-11,5%
Cash and cash equivalents	409	574	(165)	-28,7%
Non current assets held for sale and from interrupted activities		88	(88)	-100,0%
TOTAL ASSETS	34.732	36.063	(1.331)	-3,7%

EQUITY AND LIABILITIES	<u>30.06.13</u>	<u>31.12.12</u>	<u>Variation</u>	
Total equity	16.821	15.635	1.186	7,6%
Atributable to equity holders of the parent company	16.821	15.642	1.179	7,5%
Minority interest		(7)	7	-100,0%
Non-current liabilities	13.113	14.784	(1.671)	-11,3%
Deferred revenues	4.482	4.440	42	0,9%
Long term provisions	3.166	3.659	(493)	-13,5%
Long term financial debt	3.807	5.194	(1.387)	-26,7%
Other non-current liabilities	628	442	186	42,1%
Deferred tax liabilities	1.030	1.049	(19)	-1,8%
Current liabilities	4.798	5.644	(846)	-15,0%
Short term financial debt		3	(3)	-100,0%
Short term provisions	462	787	(325)	-41,3%
Trade and other payables	4.336	4.854	(518)	-10,7%
Liabilities related to non current assets held for sale and from interrupted activities				n/a
TOTAL EQUITY AND LIABILITIES	34.732	36.063	(1.331)	-3,7%



CONSOLIDATED STATEMENTS OF INCOME SPAIN AND PORTUGAL BUSINESSES

(Unaudited)

Euro Million

	<u>30.06.13</u>	<u>31.03.12</u>	<u>Variation</u>	
REVENUES	10.757	11.445	(688)	-6,0%
Sales	10.159	10.821	(662)	-6,1%
Other operating revenues	598	624	(26)	-4,2%
PURCHASES AND SERVICES	7.857	8.297	(440)	-5,3%
Energy purchases	2.651	2.769	(118)	-4,3%
Fuel procurement costs	1.247	1.610	(363)	-22,5%
Transmission expenses	3.015	3.086	(71)	-2,3%
Other variable purchases and services	944	832	112	13,5%
GROSS MARGIN	2.900	3.148	(248)	-7,9%
Work performed by the entity and capitalized	49	52	(3)	-5,8%
Personnel expenses	497	490	7	1,4%
Other fixed operating expenses	619	670	(51)	-7,6%
GROSS OPERATING INCOME (EBITDA)	1.833	2.040	(207)	-10,1%
Depreciation and amortization	878	771	107	13,9%
OPERATING INCOME (EBIT)	955	1.269	(314)	-24,7%
FINANCIAL INCOME	(62)	(134)	72	-53,7%
Financial revenues	101	165	(64)	-38,8%
Financial expenses	(166)	(292)	126	-43,2%
Foreign exchanges	3	(7)	10	-142,9%
Share of profit of associates	21	52	(31)	-59,6%
Income from other investments	8	6	2	33,3%
Income from asset sales	44	(15)	59	-393,3%
INCOME BEFORE TAXES	966	1.178	(212)	-18,0%
Income tax	243	285	(42)	-14,7%
ONGOING ACTIVITIES PROFIT	723	893	(170)	-19,0%
INTERRUPTED ACTIVITIES PROFIT				n/a
NET INCOME	723	893	(170)	-19,0%
Attributable to the holders of the parent company	723	893	(170)	-19,0%
Minority interest				n/a



CONSOLIDATED STATEMENTS OF INCOME SPAIN, PORTUGAL AND OTHER BUSINESSES

(Unaudited)

Euro Million

	<u>2Q 13</u>	<u>2Q 12</u>	<u>Variation</u>	
REVENUES	4.999	5.414	(415)	-7,7%
Sales	4.709	5.144	(435)	-8,5%
Other operating revenues	290	270	20	7,4%
PURCHASES AND SERVICES	3.575	3.850	(275)	-7,1%
Energy purchases	1.165	1.343	(178)	-13,3%
Fuel procurement costs	575	700	(125)	-17,9%
Transmission expenses	1.385	1.460	(75)	-5,1%
Other variable purchases and services	450	347	103	29,7%
GROSS MARGIN	1.424	1.564	(140)	-9,0%
Work performed by the entity and capitalized	21	29	(8)	-27,6%
Personnel expenses	253	250	3	1,2%
Other fixed operating expenses	330	343	(13)	-3,8%
GROSS OPERATING INCOME (EBITDA)	862	1.000	(138)	-13,8%
Depreciation and amortization	412	389	23	5,9%
OPERATING INCOME (EBIT)	450	611	(161)	-26,4%
FINANCIAL INCOME	(16)	(69)	53	-76,8%
Financial revenues	49	66	(17)	-25,8%
Financial expenses	(66)	(132)	66	-50,0%
Foreign exchanges	1	(3)	4	-133,3%
Share of profit of associates	9	16	(7)	-43,8%
Income from other investments	5	2	3	150,0%
Income from asset sales	55	(6)	61	n/a
INCOME BEFORE TAXES	503	554	(51)	-9,2%
Income tax	118	136	(18)	-13,2%
ONGOING ACTIVITIES PROFIT	385	418	(33)	-7,9%
INTERRUPTED ACTIVITIES PROFIT				n/a
NET INCOME	385	418	(33)	-7,9%
Attributable to the holders of the parent company	385	418	(33)	-7,9%
Minority interest				n/a



STATEMENTS OF CASH FLOWS
SPAIN AND PORTUGAL BUSINESSES
(Unaudited)

Euro Million

	<u>30.06.13</u>	<u>31.03.12</u>
Consolidated income before income taxes	966	1.178
Result adjustments:	750	748
Fixed assets amortization and impairment loss	878	771
Other result adjustments (net)	(128)	(23)
Changes in current assets	(461)	115
Othe cash flows from operating activities:	(449)	(312)
Cash-in interests	69	137
Cash-in dividends	6	7
Interest payments	(123)	(169)
Tax income payment	(47)	11
Other cash-in/payments from operating activities	(354)	(298)
Net cash provided by operating activities	806	1.729
Acquisitions of fixed and intangible assets	(572)	(525)
Disposal of fixed and intangible assets		5
Investments in stakes of subsidiaries		
Disposal in stakes of subsidiaries	84	
Acquisitions of other investments	(1.515)	(1.153)
Disposal of other investments	1.977	839
Cash flow from changes in perimeter		
Subsidies and other deferred income	62	109
Net cash used for investing activities	36	(725)
Cash Flows from Equity Instruments		
New long-term debt	(13)	1.831
Repayment of long-term debt	(882)	(447)
Net cash from financial debt with short term maturity	(642)	(2.441)
Dividends paid by the controlling company	530	318
Dividends paid to minority shareholders		
Net cash used for financing activities	(1.007)	(739)
Total net cash	(165)	265
Effects of exchange rate changes on cash and cash equivalents		
Net increase in cash and cash equivalents	(165)	265
Cash and cash equivalents at beginning of period	574	907
Cash and cash equivalents at end of period	409	1.172

CONSOLIDATED BALANCE SHEETS
LATIN AMERICAN BUSINESS

(Unaudited)

Euro Million

ASSETS	<u>30.06.13</u>	<u>31.12.12</u>	<u>Variation</u>	
Total fixed assets	17.501	18.840	(1.339)	-7,1%
Utility plant	11.024	11.649	(625)	-5,4%
Investment property	70	74	(4)	-5,4%
Intangible asset	1.834	1.909	(75)	-3,9%
Goodwill	2.531	2.676	(145)	-5,4%
Investments in associates	15	16	(1)	-6,3%
Long term financial investments	1.224	1.696	(472)	-27,8%
Deferred tax assets	803	820	(17)	-2,1%
Total current assets	5.008	3.875	1.133	29,2%
Inventories	116	135	(19)	-14,1%
Trade and other receivables	1.844	1.822	22	1,2%
Short term financial investments	1.215	506	709	140,1%
Cash and cash equivalents	1.833	1.412	421	29,8%
Non current assets held for sale and from interrupted activities				n/a
TOTAL ASSETS	22.509	22.715	(206)	-0,9%

EQUITY AND LIABILITIES	<u>30.06.13</u>	<u>31.12.12</u>	<u>Variation</u>	
Total equity	11.626	10.734	892	8,3%
Atributable to equity holders of the parent company	5.126	5.011	115	2,3%
Minority interest	6.500	5.723	777	13,6%
Non-current liabilities	5.898	6.860	(962)	-14,0%
Deferred revenues	25	6	19	316,7%
Long term provisions	692	722	(30)	-4,2%
Long term financial debt	3.871	4.692	(821)	-17,5%
Other non-current liabilities	114	135	(21)	-15,6%
Deferred tax liabilities	1.196	1.305	(109)	-8,4%
Current liabilities	4.985	5.121	(136)	-2,7%
Short term financial debt	1.625	971	654	67,4%
Short term provisions	105	115	(10)	-8,7%
Trade and other payables	3.255	4.035	(780)	-19,3%
Liabilities related to non current assets held for sale and from interrupted activities				n/a
TOTAL EQUITY AND LIABILITIES	22.509	22.715	(206)	-0,9%



CONSOLIDATED STATEMENTS OF INCOME LATIN AMERICA BUSINESS

(Unaudited)

Euro Million

	<u>30.06.13</u>	<u>30.06.12</u>	<u>Variation</u>	
REVENUES	5.135	5.251	(116)	-2,2%
Sales	4.928	5.056	(128)	-2,5%
Other operating revenues	207	195	12	6,2%
PURCHASES AND SERVICES	2.660	3.063	(403)	-13,2%
Energy purchases	1.452	1.531	(79)	-5,2%
Fuel procurement costs	533	666	(133)	-20,0%
Transmission expenses	300	359	(59)	-16,4%
Other variable purchases and services	375	507	(132)	-26,0%
GROSS MARGIN	2.475	2.188	287	13,1%
Work performed by the entity and capitalized	45	37	8	21,6%
Personnel expenses	377	332	45	13,6%
Other fixed operating expenses	393	386	7	1,8%
GROSS OPERATING INCOME (EBITDA)	1.750	1.507	243	16,1%
Depreciation and amortization	363	372	(9)	-2,4%
OPERATING INCOME (EBIT)	1.387	1.135	252	22,2%
FINANCIAL INCOME	(109)	(272)	163	-59,9%
Financial revenues	229	155	74	47,7%
Financial expenses	(331)	(406)	75	-18,5%
Foreign exchange	(7)	(21)	14	-66,7%
Share of profit of associates	8	9	(1)	-11,1%
Income from other investments				n/a
Income from asset sales	11	2	9	450,0%
INCOME BEFORE TAXES	1.297	874	423	48,4%
Income tax	356	302	54	17,9%
ONGOING ACTIVITIES PROFIT	941	572	369	64,5%
INTERRUPTED ACTIVITIES PROFIT				n/a
PROFIT FOR THE PERIOD	941	572	369	64,5%
Attributable to the holders of the parent company	391	253	138	54,5%
Minority interest	550	319	231	72,4%



CONSOLIDATED STATEMENTS OF INCOME LATIN AMERICA BUSINESS

(Unaudited)

Euro Million

	<u>2Q 13</u>	<u>2Q 12</u>	<u>Variation</u>	
REVENUES	2.727	2.635	92	3,5%
Sales	2.616	2.528	88	3,5%
Other operating revenues	111	107	4	3,7%
PURCHASES AND SERVICES	1.328	1.571	(243)	-15,5%
Energy purchases	737	777	(40)	-5,1%
Fuel procurement costs	263	378	(115)	-30,4%
Transmission expenses	150	172	(22)	-12,8%
Other variable purchases and services	178	244	(66)	-27,0%
GROSS MARGIN	1.399	1.064	335	31,5%
Work performed by the entity and capitalized	23	22	1	4,5%
Personnel expenses	189	168	21	12,5%
Other fixed operating expenses	194	198	(4)	-2,0%
GROSS OPERATING INCOME (EBITDA)	1.039	720	319	44,3%
Depreciation and amortization	181	183	(2)	-1,1%
OPERATING INCOME (EBIT)	858	537	321	59,8%
FINANCIAL INCOME	(9)	(140)	131	-93,6%
Financial revenues	143	68	75	110,3%
Financial expenses	(148)	(193)	45	-23,3%
Foreign exchange	(4)	(15)	11	-73,3%
Share of profit of associates	4	4		
Income from other investments				n/a
Income from asset sales	6	1	5	500,0%
INCOME BEFORE TAXES	859	402	457	113,7%
Income tax	217	158	59	37,3%
ONGOING ACTIVITIES PROFIT	642	244	398	163,1%
INTERRUPTED ACTIVITIES PROFIT				n/a
PROFIT FOR THE PERIOD	642	244	398	163,1%
Attributable to the holders of the parent company	253	107	146	136,4%
Minority interest	389	137	252	183,9%



STATEMENTS OF CASH FLOWS
LATIN AMERICA BUSINESS
(Unaudited)

Euro Million

	<u>30.06.13</u>	<u>30.06.12</u>
Consolidated income before income taxes	1.297	874
Result adjustments:	433	610
Fixed assets amortization and impairment loss	363	372
Other result adjustments (net)	70	238
Changes in current assets	(471)	(217)
Other cash flows from operating activities:	(545)	(745)
Cash-in interests	120	146
Cash-in dividends	1	
Interest payments	(263)	(319)
Tax income payment	(361)	(511)
Other cash-in/payments from operating activities	(42)	(61)
Net cash provided by operating activities	714	522
Acquisitions of fixed and intangible assets	(535)	(455)
Disposal of fixed and intangible assets	23	4
Investment in stakes of subsidiaries		
Disposal in stakes of subsidiaries		
Acquisitions of other investments	(1.041)	(95)
Disposal of other investments	287	115
Cash flow from changes in perimeter		
Subsidies and other deferred income		
Net cash used for investing activities	(1.266)	(431)
Cash Flows from Equity Instruments	1.750	
New long-term debt	257	469
Repayment of long-term debt	(8)	(146)
Net cash from financial debt with short term maturity	9	(391)
Dividends paid by the controlling company	(530)	(318)
Payments to minority shareholders	(384)	(426)
Net cash used for financing activities	1.094	(812)
Total net cash	542	(721)
Effects of exchange rate changes on cash and cash equivalents	(121)	45
Net increase in cash and cash equivalents	421	(676)
Cash and cash equivalents at beginning of period	1.412	1.881
Cash and cash equivalents at end of period	1.833	1.205



Breakdown Consolidated Balance Sheet Spain and Portugal businesses for the period ended June 30,2013 and December 31, 2012

(Unaudited)

Euro Million

ASSETS	Generation and Supply				Distribution				Corporate Structure, Services and Adjustments				Total			
	30.06.13	31.12.12	Variation		30.06.13	31.12.12	Variation		30.06.13	31.12.12	Variation		30.06.13	31.12.12	Variation	
Total fixed assets	12.086	12.589	(503)	-4,0%	14.008	14.571	(563)	-3,9%	(605)	(1.513)	908	-60,0%	25.489	25.647	(158)	-0,6%
Utility plant	9.778	10.168	(390)	-3,8%	11.799	11.885	(86)	-0,7%	404	404			21.981	22.457	(476)	-2,1%
Investment property				n/a	4	4			10	10			14	14		
Intangible asset	328	597	(269)	-45,1%	155	168	(13)	-7,7%	98	98			581	863	(282)	-32,7%
Goodwill				n/a				n/a				n/a				n/a
Long term financial investments	844	818	26	3,2%	44	50	(6)	-12,0%	13	12	1	8,3%	901	880	21	2,4%
Investments in associates	442	368	74	20,1%	1.574	2.059	(485)	-23,6%	(1.249)	(2.158)	909	-42,1%	767	269	498	185,1%
Deferred tax assets	694	638	56	8,8%	432	405	27	6,7%	119	121	(2)	-1,7%	1.245	1.164	81	7,0%
Total current assets	5.173	6.421	(1.248)	-19,4%	873	642	231	36,0%	3.197	3.353	(156)	-4,7%	9.243	10.416	(1.173)	-11,3%
Inventories	1.054	1.136	(82)	-7,2%	85	35	50	142,9%				n/a	1.139	1.171	(32)	-2,7%
Trade and other receivables	2.688	2.954	(266)	-9,0%	780	598	182	30,4%	(135)	100	(235)	-235,0%	3.333	3.652	(319)	-8,7%
Short term financial investments	1.204	1.989	(785)	-39,5%	7	8	(1)	-12,5%	3.151	2.934	217	7,4%	4.362	4.931	(569)	-11,5%
Cash and cash equivalents	227	254	(27)	-10,6%	1	1			181	319	(138)	-43,3%	409	574	(165)	-28,7%
Non current assets held for sale and from interrupted activities		88	(88)	-100,0%				n/a				n/a		88	(88)	-100,0%
TOTAL ASSETS	17.259	19.010	(1.751)	-9,2%	14.881	15.213	(332)	-2,2%	2.592	1.840	752	40,9%	34.732	36.063	(1.331)	-3,7%

EQUITY AND LIABILITIES	Generation and Supply				Distribution				Corporate Structure, Services and Adjustments				Total			
	30.06.13	31.12.12	Variation		30.06.13	31.12.12	Variation		30.06.13	31.12.12	Variation		30.06.13	31.12.12	Variation	
Total equity	7.536	7.266	270	3,7%	6.447	5.994	453	7,6%	2.838	2.375	463	19,5%	16.821	15.635	1.186	7,6%
Attributable to equity holders of the parent company	7.536	7.261	275	3,8%	6.447	5.994	453	7,6%	2.838	2.387	451	18,9%	16.821	15.642	1.179	7,5%
Minority interest		5	(5)	-100,0%				n/a		(12)	12	-100,0%		(7)	7	-100,0%
Non-current liabilities	6.154	6.982	(828)	-11,9%	6.384	6.428	(44)	-0,7%	575	1.374	(799)	-58,2%	13.113	14.784	(1.671)	-11,3%
Deferred revenues	63	68	(5)	-7,4%	4.508	4.463	45	1,0%	(89)	(91)	2	-2,2%	4.482	4.440	42	0,9%
Long term provisions	1.726	2.141	(415)	-19,4%	1.030	1.105	(75)	-6,8%	410	413	(3)	-0,7%	3.166	3.659	(493)	-13,5%
Long term financial debt	3.683	4.269	(586)	-13,7%	52	52			72	873	(801)	-91,8%	3.807	5.194	(1.387)	-26,7%
Other non-current liabilities	209	15	194	n/a	405	411	(6)	-1,5%	14	16	(2)	-12,5%	628	442	186	42,1%
Deferred tax liabilities	473	489	(16)	-3,3%	389	397	(8)	-2,0%	168	163	5	3,1%	1.030	1.049	(19)	-1,8%
Current liabilities	3.569	4.762	(1.193)	-25,1%	2.050	2.791	(741)	-26,5%	(821)	(1.909)	1.088	-57,0%	4.798	5.644	(846)	-15,0%
Short term financial debt	226	225	1	0,4%	5	5			(231)	(227)	(4)	1,8%		3	(3)	-100,0%
Short term provisions	265	552	(287)	-52,0%	127	159	(32)	-20,1%	70	76	(6)	-7,9%	462	787	(325)	-41,3%
Trade and other payables	3.078	3.985	(907)	-22,8%	1.918	2.627	(709)	-27,0%	(660)	(1.758)	1.098	-62,4%	4.336	4.854	(518)	-10,7%
Liabilities related to non current assets held for sale and from interrupted activities				n/a				n/a				-100,0%				n/a
TOTAL EQUITY AND LIABILITIES	17.259	19.010	(1.751)	-9,2%	14.881	15.213	(332)	-2,2%	2.592	1.840	752	40,9%	34.732	36.063	(1.331)	-3,7%



Breakdown Consolidated Statement of Income Spain and Portugal businesses for the period ended June 30, 2013 and June 30, 2012

(Unaudited)

Euro Million

	Generation and Supply			Distribution				Corporate Structure, Services and Adjustments				Total				
	30.06.13	30.06.12	Variación	30.06.13	30.06.12	Variación	30.06.13	30.06.12	Variación	30.06.13	30.06.12	Variación	30.06.13	30.06.12	Variación	
REVENUES	9.577	10.297	(720)	-7,0%	1.310	1.250	60	4,8%	(130)	(102)	(28)	27,5%	10.757	11.445	(688)	-6,0%
Sales	9.094	9.780	(686)	-7,0%	1.183	1.126	57	5,1%	(118)	(85)	(33)	38,8%	10.159	10.821	(662)	-6,1%
Other operating revenues	483	517	(34)	-6,6%	127	124	3	2,4%	(12)	(17)	5	-29,4%	598	624	(26)	-4,2%
PURCHASES AND SERVICES	7.912	8.333	(421)	-5,1%	64	79	(15)	-19,0%	(119)	(115)	(4)	3,5%	7.857	8.297	(440)	-5,3%
Energy purchases	2.695	2.802	(107)	-3,8%				n/a	(44)	(33)	(11)	33,3%	2.651	2.769	(118)	-4,3%
Fuel procurement costs	1.247	1.611	(364)	-22,6%				n/a		(1)	1	-100,0%	1.247	1.610	(363)	-22,5%
Transmission expenses	3.013	3.085	(72)	-2,3%				n/a	2	1	1	100,0%	3.015	3.086	(71)	-2,3%
Other variable purchases and services	957	835	122	14,6%	64	79	(15)	-19,0%	(77)	(82)	5	-6,1%	944	832	112	13,5%
GROSS MARGIN	1.665	1.964	(299)	-15,2%	1.246	1.171	75	6,4%	(11)	13	(24)	-184,6%	2.900	3.148	(248)	-7,9%
Work performed by the entity and capitalized	1	1		0,0%	48	50	(2)	-4,0%		1	(1)	-100,0%	49	52	(3)	-5,8%
Personnel expenses	251	251		0,0%	146	153	(7)	-4,6%	100	86	14	16,3%	497	490	7	1,4%
Other fixed operating expenses	512	548	(36)	-6,6%	222	242	(20)	-8,3%	(115)	(120)	5	-4,2%	619	670	(51)	-7,6%
GROSS OPERATING INCOME (EBITDA)	903	1.166	(263)	-22,6%	926	826	100	12,1%	4	48	(44)	-91,7%	1.833	2.040	(207)	-10,1%
Depreciation and amortization	555	498	57	11,4%	313	268	45	16,8%	10	5	5	100,0%	878	771	107	13,9%
OPERATING INCOME (EBIT)	348	668	(320)	-47,9%	613	558	55	9,9%	(6)	43	(49)	-114,0%	955	1.269	(314)	-24,7%
FINANCIAL INCOME	(83)	(160)	77	-48,1%	11	18	(7)	-38,9%	10	8	2	25,0%	(62)	(134)	72	-53,7%
Financial revenues	20	36	(16)	-44,4%	37	56	(19)	-33,9%	44	73	(29)	-39,7%	101	165	(64)	-38,8%
Financial expenses	(108)	(190)	82	-43,2%	(26)	(38)	12	-31,6%	(32)	(64)	32	-50,0%	(166)	(292)	126	-43,2%
Foreign exchanges	5	(6)	11	-183,3%				n/a	(2)	(1)	(1)	100,0%	3	(7)	10	-142,9%
Share of profit of associates	23	40	(17)	-42,5%	(2)	12	(14)	-116,7%				n/a	21	52	(31)	-59,6%
Income from other investments	6	5	1	20,0%	1	1		0,0%	1		1	n/a	8	6	2	33,3%
Income from asset sales	44	(16)	60	-375,0%				n/a		1	(1)	-100,0%	44	(15)	59	-393,3%
INCOME BEFORE TAXES	338	537	(199)	-37,1%	623	589	34	5,8%	5	52	(47)	-90,4%	966	1.178	(212)	-18,0%
Income tax	57	106	(49)	-46,2%	177	167	10	6,0%	9	12	(3)	-25,0%	243	285	(42)	-14,7%
ONGOING ACTIVITIES PROFIT	281	431	(150)	-34,8%	446	422	24	5,7%	(4)	40	(44)	-110,0%	723	893	(170)	-19,0%
INTERRUPTED ACTIVITIES PROFIT				n/a				n/a				n/a				n/a
PROFIT FOR THE PERIOD	281	431	(150)	-34,8%	446	422	24	5,7%	(4)	40	(44)	-110,0%	723	893	(170)	-19,0%
Attributable to the holders of the parent company	281	431	(150)	-34,8%	446	422	24	5,7%	(4)	40	(44)	-110,0%	723	893	(170)	-19,0%
Minority interest				n/a				n/a				n/a				n/a



Breakdown Consolidated Statement of Income Spain, Portugal and other businesses for the quarterly period ended June 30, 2013 and June 30, 2012
(Unaudited)

	Generation and Supply			Distribution			Corporate Structure, Services and Adjustments			Total						
	2Q 13	2Q12	Change	2Q 13	2Q12	Change	2Q 13	2Q12	Change	2Q 13	2Q12	Change				
REVENUES	4.406	4.821	(415)	-8,6%	661	627	34	5,4%	(68)	(34)	(34)	100,0%	4.999	5.414	(415)	-7,7%
Sales	4.184	4.621	(437)	-9,5%	593	564	29	5,1%	(68)	(41)	(27)	65,9%	4.709	5.144	(435)	-8,5%
Other operating revenues	222	200	22	11,0%	68	63	5	7,9%		7	(7)	-100,0%	290	270	20	7,4%
PURCHASES AND SERVICES	3.604	3.872	(268)	-6,9%	30	37	(7)	-18,9%	(59)	(59)			3.575	3.850	(275)	-7,1%
Energy purchases	1.188	1.361	(173)	-12,7%				n/a	(23)	(18)	(5)	27,8%	1.165	1.343	(178)	-13,3%
Fuel procurement costs	575	700	(125)	-17,9%				n/a				n/a	575	700	(125)	-17,9%
Transmission expenses	1.385	1.461	(76)	-5,2%				n/a		(1)	1	-100,0%	1.385	1.460	(75)	-5,1%
Other variable purchases and services	456	350	106	30,3%	30	37	(7)	-18,9%	(36)	(40)	4	-10,0%	450	347	103	29,7%
GROSS MARGIN	802	949	(147)	-15,5%	631	590	41	6,9%	(9)	25	(34)	-136,0%	1.424	1.564	(140)	-9,0%
Work performed by the entity and capitalized	(5)	1	(6)	600,0%	26	27	(1)	-3,7%		1	(1)	-100,0%	21	29	(8)	-27,6%
Personnel expenses	128	123	5	4,1%	73	81	(8)	-9,9%	52	46	6	13,0%	253	250	3	1,2%
Other fixed operating expenses	273	279	(6)	-2,2%	116	115	1	0,9%	(59)	(51)	(8)	15,7%	330	343	(13)	-3,8%
GROSS OPERATING INCOME (EBITDA)	396	548	(152)	-27,7%	468	421	47	11,2%	(2)	31	(33)	-106,5%	862	1.000	(138)	-13,8%
Depreciation and amortization	252	266	(14)	-5,3%	154	124	30	24,2%	6	(1)	7	-700,0%	412	389	23	5,9%
OPERATING INCOME (EBIT)	144	282	(138)	-48,9%	314	297	17	5,7%	(8)	32	(40)	-125,0%	450	611	(161)	-26,4%
FINANCIAL INCOME	(29)	(87)	58	-66,7%	8	(5)	13	-260,0%	5	23	(18)	-78,3%	(16)	(69)	53	-76,8%
Financial revenues	14	19	(5)	-26,3%	21	12	9	75,0%	14	35	(21)	-60,0%	49	66	(17)	-25,8%
Financial expenses	(43)	(98)	55	-56,1%	(13)	(17)	4	-23,5%	(10)	(17)	7	-41,2%	(66)	(132)	66	-50,0%
Foreign exchanges	(8)	(8)	0	-100,0%				n/a	1	5	(4)	-80,0%	1	(3)	4	-133,3%
Share of profit of associates	9	14	(5)	-35,7%	1	2	(1)	-50,0%	(1)		(1)	n/a	9	16	(7)	-43,8%
Income from other investments	4	1	3	300,0%		1	(1)	100,0%	1		1	n/a	5	2	3	150,0%
Income from asset sales	55	(7)	62	-885,7%				n/a		1	(1)	-100,0%	55	(6)	61	n/a
INCOME BEFORE TAXES	183	203	(20)	-9,9%	323	295	28	9,5%	(3)	56	(59)	-105,4%	503	554	(51)	-9,2%
Income tax	24	36	(12)	-33,3%	87	82	5	6,1%	7	18	(11)	-61,1%	118	136	(18)	-13,2%
ONGOING ACTIVITIES PROFIT	159	167	(8)	-4,8%	236	213	23	10,8%	(10)	38	(48)	-126,3%	385	418	(33)	-7,9%
INTERRUPTED ACTIVITIES PROFIT				n/a				n/a				n/a				n/a
PROFIT FOR THE PERIOD	159	167	(8)	-4,8%	236	213	23	10,8%	(10)	38	(48)	-126,3%	385	418	(33)	-7,9%
Attributable to the holders of the parent company	159	167	(8)	-4,8%	236	213	23	10,8%	(10)	38	(48)	-126,3%	385	418	(33)	-7,9%
Minority interest				n/a				n/a				n/a				n/a