



Endesa is an Enel Group Company

**CONSOLIDATED
FINANCIAL STATEMENTS
AS OF MARCH, 31st 2015
ENDESA, S.A. AND
SUBSIDIARIES**

ENDESA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE PERIOD 31 MARCH 2015 AND 31 DECEMBER 2014

Euro Million

(*) Unaudited

ASSETS	31.03.15 (*)	31.12.14	Variation	
Total fixed assets	24.868	24.751	117	0,5%
Utility plant	21.026	21.104	(78)	-0,4%
Investment property	22	22		
Intangible asset	822	627	195	31,1%
Goodwill				n/a
Investments in associates	1.118	1.104	14	1,3%
Long term financial investments	622	619	3	0,5%
Deferred tax assets	1.258	1.275	(17)	-1,3%
Total current assets	5.958	5.945	13	0,2%
Inventories	947	1.008	(61)	-6,1%
Trade and other receivables	3.497	3.071	426	13,9%
Short term financial investments	715	1.210	(495)	-40,9%
Cash and cash equivalents	799	648	151	23,3%
Non current assets held for sale and from interrupted activities		8	(8)	-100,0%
TOTAL ASSETS	30.826	30.696	130	0,4%

EQUITY AND LIABILITIES	31.03.15 (*)	31.12.14	Variation	
Total equity	9.009	8.575	434	5,1%
Atributable to equity holders of the parent company	9.009	8.576	433	5,0%
Minority interest		(1)	1	-100,0%
Non-current liabilities	15.675	15.715	(40)	-0,3%
Deferred revenues	4.628	4.612	16	0,3%
Long term provisions	3.606	3.591	15	0,4%
Long term financial debt	5.953	6.083	(130)	-2,1%
Other non-current liabilities	572	556	16	2,9%
Deferred tax liabilities	916	873	43	4,9%
Current liabilities	6.142	6.406	(264)	-4,1%
Short term financial debt		1	(1)	-100,0%
Short term provisions	528	544	(16)	-2,9%
Trade and other payables	5.614	5.861	(247)	-4,2%
Liabilities related to non current assets held for sale and from interrupted activities				n/a
TOTAL EQUITY AND LIABILITIES	30.826	30.696	130	0,4%

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE PERIOD 31 MARCH 2015 AND 2014

Euro Million

Unaudited

	<u>31.03.15</u>	<u>31.03.14</u>	<u>Variation</u>	
REVENUES	5.451	5.455	(4)	-0,1%
Sales	5.086	5.038	48	1,0%
Other operating revenues	365	417	(52)	-12,5%
PURCHASES AND SERVICES	3.991	4.053	(62)	-1,5%
Energy purchases	1.409	1.224	185	15,1%
Fuel procurement costs	508	568	(60)	-10,6%
Transmission expenses	1.558	1.602	(44)	-2,7%
Other variable purchases and services	516	659	(143)	-21,7%
GROSS MARGIN	1.460	1.402	58	4,1%
Work performed by the entity and capitalized	24	33	(9)	-27,3%
Personnel expenses	218	220	(2)	-0,9%
Other fixed operating expenses	314	306	8	2,6%
GROSS OPERATING INCOME (EBITDA)	952	909	43	4,7%
Depreciation and amortization	324	393	(69)	-17,6%
OPERATING INCOME (EBIT)	628	516	112	21,7%
FINANCIAL INCOME	(83)	(33)	(50)	151,5%
Financial revenues	20	30	(10)	-33,3%
Financial expenses	(97)	(62)	(35)	56,5%
Foreign exchanges	(6)	(1)	(5)	500,0%
Share of profit of associates	24	(33)	57	-172,7%
Income from other investments	(1)	(1)		
Income from asset sales	8	(10)	18	-180,0%
INCOME BEFORE TAXES	576	439	137	31,2%
Income tax	140	119	21	17,6%
ONGOING ACTIVITIES PROFIT	436	320	116	36,3%
INTERRUPTED ACTIVITIES PROFIT		218	(218)	-100,0%
PROFIT FOR THE PERIOD	436	538	(102)	-19,0%
Attributable to the holders of the parent company	435	418	17	4,1%
Minority interest	1	120	(119)	-99,2%

ENDESA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD 31 MARCH 2015 AND 2014

Euro Million

Unaudited

Restated

	<u>31.03.15</u>	<u>31.03.14</u>
Consolidated income before income taxes	576	774
Result adjustments:	187	618
Fixed assets amortization and impairment loss	324	551
Other result adjustments (net)	(137)	67
Changes in current assets	205	376
Other cash flows from operating activities:	(61)	(322)
Cash-in interests	17	100
Cash-in dividends		
Interest payments	(17)	(160)
Tax income payment	58	(82)
Other cash-in/payments from operating activities	(119)	(180)
Net cash provided by operating activities	907	1.446
Acquisitions of fixed and intangible assets	(276)	(529)
Disposal of fixed and intangible assets	15	7
Investments in stakes of subsidiaries		
Disposal in stakes of subsidiaries		
Acquisitions of other investments	(24)	(214)
Disposal of other investments	38	1.104
Cash flow from changes in perimeter		
Subsidies and other deferred income	18	21
Net cash used for investing activities	(229)	389
Cash Flows from Equity Instruments		(184)
New long-term debt	1	124
Repayment of long-term debt	(115)	(646)
Net cash from financial debt with short term maturity	(11)	(751)
Dividends paid by the controlling company	(402)	(1.588)
Dividends paid to minority shareholders		(116)
Net cash used for financing activities	(527)	(3.161)
Total net cash	151	(1.326)
Effects of exchange rate changes on cash and cash equivalents		(68)
Net increase in cash and cash equivalents	151	(1.394)
Cash and cash equivalents at beginning of period	648	4.145
Cash and cash equivalents at end of period	799	2.751

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME AND EXPENSES FOR THE PERIOD 31 MARCH 2015 AND 2014

Euro Million

Unaudited

	31.03.15			Restated 31.03.14		
	Of the Parent Company	Of Minority Interests	Total	Of the Parent Company	Of Minority Interests	Total
PROFIT FOR THE PERIOD	435	1	436	418	120	538
OTHER COMPREHENSIVE INCOME:						
INCOMES AND EXPENSES RECOGNISED DIRECTLY IN EQUITY	25		25	(172)	(83)	(255)
Items that may be Subject to State Income Reclassification	25		25	(172)	(83)	(255)
Arising from utility plant and intangible assets revaluation / (revaluation reversal)						
Arising from financial instruments valuation						
Financial Assets Available for Sale						
Other revenues/(Expenses)						
Arising from cash flow hedge	47		47	(25)	(26)	(51)
Translation differences				(146)	(62)	(208)
Companies accounted using the equity method	(8)		(8)	(8)		(8)
Remaining incomes and expenses recognised directly in equity						
Tax effect	(14)		(14)	7	5	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 AND/OR INVESTMENTS	(27)		(27)	(1)	(2)	(3)
Arising from financial instruments valuation						
Financial Assets Available for Sale						
Other revenues/(Expenses)						
Arising from cash flow hedge	(39)		(39)	(3)	(2)	(5)
Translation differences						
Companies accounted using the equity method	1		1	1		1
Remaining revenues and costs recognised directly in equity						
Tax effect	11		11	1		1
TOTAL COMPREHENSIVE INCOME	433	1	434	245	35	280

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 31 MARCH 2015

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 2015	1.271	4.042		3.337		(74)	(1)	8.575
Adjustments due to changes in accounting policies								
Correction of errors								
ADJUSTED BALANCE AT 1 JANUARY 2015	1.271	4.042		3.337		(74)	(1)	8.575
TOTAL COMPREHENSIVE INCOME				435		(2)	1	434
TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS								
Capital increases (reductions)								
Conversion of liabilities into equity								
Dividends paid								
Transactions with treasury shares or own equity instruments (net)								
Increases/(reductions) due to business combinations								
Other transactions with shareholders and owners								
OTHER CHANGES IN EQUITY		3.337		(3.337)				
Share-based payments								
Transfers between equity items		3.337		(3.337)				
Other changes								
BALANCE AT 31 MARCH 2015	1.271	7.379		435		(76)		9.009

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 31 MARCH 2014 (RESTATED)
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 2014	1.271	17.665		1.879		(294)	6.241	26.762
Adjustments due to changes in accounting policies								
Correction of errors								
ADJUSTED BALANCE AT 1 JANUARY 2014	1.271	17.665		1.879		(294)	6.241	26.762
TOTAL COMPREHENSIVE INCOME				418		(173)	35	280
TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS		(63)					(453)	(516)
Capital increases (reductions)								
Conversion of liabilities into equity								
Dividends paid							(335)	(335)
Transactions with treasury shares or own equity instruments (net)								
Increases/(reductions) due to business combinations								
Other transactions with shareholders and owners		(63)					(118)	(181)
OTHER CHANGES IN EQUITY		1.879		(1.879)				
Share-based payments								
Transfers between equity items		1.879		(1.879)				
Other changes								
BALANCE AT 31 MARCH 2014	1.271	19.481		418		(467)	5.823	26.526

ENDESA S.A. AND SUBSIDIARIES

BREAKDOWN CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED MARCH 31, 2015

Euro Million

Unaudited

	Generation and Supply	Distribution	Corporate Structure, Services and	Total
	<u>31.03.15</u>	<u>31.03.15</u>	<u>31.03.15</u>	<u>31.03.15</u>
ASSETS				
Total fixed assets	11.889	12.967	12	24.868
Utility plant	9.244	11.774	8	21.026
Investment property		3	19	22
Intangible asset	599	120	103	822
Goodwill				
Long term financial investments	985	22	111	1.118
Investments in associates	465	578	(421)	622
Deferred tax assets	596	470	192	1.258
Total current assets	4.331	1.276	351	5.958
Inventories	878	69		947
Trade and other receivables	2.900	870	(273)	3.497
Short term financial investments	379	330	6	715
Cash and cash equivalents	174	7	618	799
Non current assets held for sale and from interrupted activities				
TOTAL ASSETS	16.220	14.243	363	30.826

EQUITY AND LIABILITIES

Total equity	4.776	1.553	2.680	9.009
Attributable to equity holders of the parent company	4.776	1.552	2.681	9.009
Minority interest		1	(1)	
Non-current liabilities	7.183	10.348	(1.856)	15.675
Deferred revenues	47	4.614	(33)	4.628
Long term provisions	2.109	1.079	418	3.606
Long term financial debt	4.414	3.850	(2.311)	5.953
Other non-current liabilities	148	416	8	572
Deferred tax liabilities	465	389	62	916
Current liabilities	4.261	2.342	(461)	6.142
Short term financial debt	239	4	(243)	
Short term provisions	415	69	44	528
Trade and other payables	3.607	2.269	(262)	5.614
Liabilities related to non current assets held for sale and from interrupted activities				
TOTAL EQUITY AND LIABILITIES	16.220	14.243	363	30.826

ENDESA S.A. AND SUBSIDIARIES

BREAKDOWN CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDED MARCH 31, 2015

Euro Million

Unaudited

	Generation and Supply	Distribution	Corporate Structure, Services and	Total
	<u>31.03.15</u>	<u>31.03.15</u>	<u>31.03.15</u>	<u>31.03.15</u>
REVENUES	4.859	644	(52)	5.451
Sales	4.553	571	(38)	5.086
Other operating revenues	306	73	(14)	365
PURCHASES AND SERVICES	3.980	37	(26)	3.991
Energy purchases	1.412		(3)	1.409
Fuel procurement costs	508			508
Transmission expenses	1.557		1	1.558
Other variable purchases and services	503	37	(24)	516
GROSS MARGIN	879	607	(26)	1.460
Work performed by the entity and capitalized	1	23		24
Personnel expenses	99	91	28	218
Other fixed operating expenses	242	114	(42)	314
GROSS OPERATING INCOME (EBITDA)	539	425	(12)	952
Depreciation and amortization	164	154	6	324
OPERATING INCOME (EBIT)	375	271	(18)	628
FINANCIAL INCOME	(60)	(37)	14	(83)
Financial revenues	6	2	12	20
Financial expenses	(62)	(39)	4	(97)
Foreign exchanges	(4)		(2)	(6)
Share of profit of associates	16	1	7	24
Income from other investments			(1)	(1)
Income from asset sales	7	1		8
INCOME BEFORE TAXES	338	236	2	576
Income tax	86	62	(8)	140
ONGOING ACTIVITIES PROFIT	252	174	10	436
INTERRUPTED ACTIVITIES PROFIT				
PROFIT FOR THE PERIOD	252	174	10	436
Attributable to the holders of the parent company	252	173	10	435
Minority interest		1		1

ENDESA S.A. AND SUBSIDIARIES

BREAKDOWN CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED DECEMBER 31, 2014

Euro Million

Unaudited

	Generation and Supply	Distribution	Corporate Structure, Services and	Total
	31.12.14	31.12.14	31.12.14	31.12.14
ASSETS				
Total fixed assets	11.628	12.974	149	24.751
Utility plant	9.315	11.782	7	21.104
Investment property		3	19	22
Intangible asset	397	123	107	627
Goodwill				
Long term financial investments	979	21	104	1.104
Investments in associates	337	567	(285)	619
Deferred tax assets	600	478	197	1.275
Total current assets	4.403	1.351	191	5.945
Inventories	953	55		1.008
Trade and other receivables	2.509	866	(304)	3.071
Short term financial investments	756	428	26	1.210
Cash and cash equivalents	177	2	469	648
Non current assets held for sale and from interrupted activities	8			8
TOTAL ASSETS	16.031	14.325	340	30.696

EQUITY AND LIABILITIES

Total equity	4.539	1.367	2.669	8.575
Attributable to equity holders of the parent company	4.539	1.367	2.670	8.576
Minority interest			(1)	(1)
Non-current liabilities	7.225	10.660	(2.170)	15.715
Deferred revenues	55	4.592	(35)	4.612
Long term provisions	2.084	1.077	430	3.591
Long term financial debt	4.535	4.188	(2.640)	6.083
Other non-current liabilities	133	411	12	556
Deferred tax liabilities	418	392	63	873
Current liabilities	4.267	2.298	(159)	6.406
Short term financial debt	247	4	(250)	1
Short term provisions	392	97	55	544
Trade and other payables	3.628	2.197	36	5.861
Liabilities related to non current assets held for sale and from interrupted activities				
TOTAL EQUITY AND LIABILITIES	16.031	14.325	340	30.696

ENDESA S.A. AND SUBSIDIARIES

BREAKDOWN CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDED MARCH 31, 2014 (RESTATED)

Euro Million

Unaudited

	SPAIN AND PORTUGAL				LATINOAMÉRICA	ENDESA
	Generation and Supply	Distribution	Corporate Structure, Services and	Total	Total	Total
	31.03.14	31.03.14	31.03.14	31.03.14	31.03.14	31.03.14
REVENUES	4.868	624	(37)	5.455		5.455
Sales	4.511	560	(33)	5.038		5.038
Other operating revenues	357	64	(4)	417		417
PURCHASES AND SERVICES	4.041	36	(24)	4.053		4.053
Energy purchases	1.236		(12)	1.224		1.224
Fuel procurement costs	568			568		568
Transmission expenses	1.601		1	1.602		1.602
Other variable purchases and services	636	36	(13)	659		659
GROSS MARGIN	827	588	(13)	1.402		1.402
Work performed by the entity and capitalized	10	23		33		33
Personnel expenses	120	63	37	220		220
Other fixed operating expenses	253	119	(66)	306		306
GROSS OPERATING INCOME (EBITDA)	464	429	16	909		909
Depreciation and amortization	235	151	7	393		393
OPERATING INCOME (EBIT)	229	278	9	516		516
FINANCIAL INCOME	(30)	(9)	6	(33)		(33)
Financial revenues	7	15	8	30		30
Financial expenses	(39)	(24)	1	(62)		(62)
Foreign exchanges	2		(3)	(1)		(1)
Share of profit of associates	(34)	(2)	3	(33)		(33)
Income from other investments		1	(2)	(1)		(1)
Income from asset sales	(9)	(2)	1	(10)		(10)
INCOME BEFORE TAXES	156	266	17	439		439
Income tax	41	88	(10)	119		119
ONGOING ACTIVITIES PROFIT	115	178	27	320		320
INTERRUPTED ACTIVITIES PROFIT					218	218
PROFIT FOR THE PERIOD	115	178	27	320	218	538
Attributable to the holders of the parent company	115	178	27	320	98	418
Minority interest					120	120