



**CONSOLIDATED
FINANCIAL STATEMENTS
AS OF SEPTEMBER, 30th 2015
ENDESA, S.A. AND
SUBSIDIARIES**

ENDESA S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET FOR THE PERIOD 30 SEPTEMBER 2015 AND 31 DECEMBER 2014

Euro Million

(*) Unaudited

ASSETS	<u>30.09.15 (*)</u>	<u>31.12.14</u>	<u>Variation</u>	
Total fixed assets	24.493	24.751	(258)	-1,0%
Utility plant	20.796	21.104	(308)	-1,5%
Investment property	22	22		0,0%
Intangible asset	688	627	61	9,7%
Goodwill				n/a
Investments in associates	1.120	1.104	16	1,4%
Long term financial investments	613	619	(6)	-1,0%
Deferred tax assets	1.254	1.275	(21)	-1,6%
Total current assets	5.170	5.945	(775)	-13,0%
Inventories	979	1.008	(29)	-2,9%
Trade and other receivables	3.240	3.071	169	5,5%
Short term financial investments	723	1.210	(487)	-40,2%
Cash and cash equivalents	228	648	(420)	-64,8%
Non current assets held for sale and from interrupted activities		8	(8)	-100,0%
TOTAL ASSETS	29.663	30.696	(1.033)	-3,4%

EQUITY AND LIABILITIES	<u>30.09.15 (*)</u>	<u>31.12.14</u>	<u>Variation</u>	
Total equity	9.342	8.575	767	8,9%
Atributable to equity holders of the parent company	9.340	8.576	764	8,9%
Minority interest	2	(1)	3	-300,0%
Non-current liabilities	14.943	15.715	(772)	-4,9%
Deferred revenues	4.648	4.612	36	0,8%
Long term provisions	3.393	3.591	(198)	-5,5%
Long term financial debt	5.336	6.083	(747)	-12,3%
Other non-current liabilities	629	556	73	13,1%
Deferred tax liabilities	937	873	64	7,3%
Current liabilities	5.378	6.406	(1.028)	-16,0%
Short term financial debt		1	(1)	-100,0%
Short term provisions	535	544	(9)	-1,7%
Trade and other payables	4.843	5.861	(1.018)	-17,4%
Liabilities related to non current assets held for sale and from interrupted activities				n/a
TOTAL EQUITY AND LIABILITIES	29.663	30.696	(1.033)	-3,4%

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE PERIOD 30 SEPTEMBER 2015 AND 2014

Euro Million

Unaudited

	<u>30.09.15</u>	<u>30.09.14</u>	<u>Variation</u>	
REVENUES	15.412	15.542	(130)	-0,8%
Sales	14.654	14.707	(53)	-0,4%
Other operating revenues	758	835	(77)	-9,2%
PURCHASES AND SERVICES	11.202	11.577	(375)	-3,2%
Energy purchases	3.615	3.754	(139)	-3,7%
Fuel procurement costs	1.652	1.766	(114)	-6,5%
Transmission expenses	4.365	4.440	(75)	-1,7%
Other variable purchases and services	1.570	1.617	(47)	-2,9%
GROSS MARGIN	4.210	3.965	245	6,2%
Work performed by the entity and capitalized	76	84	(8)	-9,5%
Personnel expenses	689	695	(6)	-0,9%
Other fixed operating expenses	845	885	(40)	-4,5%
GROSS OPERATING INCOME (EBITDA)	2.752	2.469	283	11,5%
Depreciation and amortization	1.017	1.167	(150)	-12,9%
OPERATING INCOME (EBIT)	1.735	1.302	433	33,3%
FINANCIAL INCOME	(142)	(114)	(28)	24,6%
Financial revenues	48	79	(31)	-39,2%
Financial expenses	(183)	(190)	7	-3,7%
Foreign exchanges	(7)	(3)	(4)	133,3%
Share of profit of associates	1	(65)	66	-101,5%
Income from other investments				n/a
Income from asset sales	(6)	(20)	14	-70,0%
INCOME BEFORE TAXES	1.588	1.103	485	44,0%
Income tax	379	360	19	5,3%
ONGOING ACTIVITIES PROFIT	1.209	743	466	62,7%
INTERRUPTED ACTIVITIES PROFIT		988	(988)	-100,0%
PROFIT FOR THE PERIOD	1.209	1.731	(522)	-30,2%
Attributable to the holders of the parent company	1.206	1.208	(2)	-0,2%
Minority interest	3	523	(520)	-99,4%

ENDESA S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD 30 SEPTEMBER 2015 AND 2014

Euro Million

Unaudited

Restated

	<u>31.09.15</u>	<u>31.09.14</u>
Consolidated income before income taxes	1.588	2.368
Result adjustments:	1.038	2.221
Fixed assets amortization and impairment loss	1.017	1.555
Other result adjustments (net)	21	666
Changes in current assets	(150)	(677)
Other cash flows from operating activities:	(783)	(1.427)
Cash-in interests	34	257
Cash-in dividends	14	27
Interest payments	(113)	(550)
Tax income payment	(451)	(744)
Other cash-in/payments from operating activities	(267)	(417)
Net cash provided by operating activities	1.693	2.485
Acquisitions of fixed and intangible assets	(680)	(1.668)
Disposal of fixed and intangible assets	16	14
Investments in stakes of subsidiaries		(68)
Disposal in stakes of subsidiaries	1	
Acquisitions of other investments	(41)	(801)
Disposal of other investments	60	2.348
Cash flow from changes in perimeter		
Subsidies and other deferred income	69	109
Net cash used for investing activities	(575)	(66)
Cash Flows from Equity Instruments		(507)
New long-term debt	1.047	971
Repayment of long-term debt	(1.634)	(986)
Net cash from financial debt with short term maturity	(146)	(1.004)
Dividends paid by the controlling company	(805)	(1.588)
Dividends paid to minority shareholders		(492)
Net cash used for financing activities	(1.538)	(3.606)
Total net cash	(420)	(1.187)
Effects of exchange rate changes on cash and cash equivalents		(8)
Net increase in cash and cash equivalents	(420)	(1.195)
Cash and cash equivalents at beginning of period	648	4.145
Cash and cash equivalents at end of period	228	2.950

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME AND EXPENSES FOR THE PERIOD 30 SEPTEMBER 2015 AND 2014

Euro Million

Unaudited

	30.09.15			Restated 30.09.14		
	Of the Parent Company	Of Minority Interests	Total	Of the Parent Company	Of Minority Interests	Total
PROFIT FOR THE PERIOD	1.206	3	1.209	1.208	523	1.731
OTHER COMPREHENSIVE INCOME:						
INCOMES AND EXPENSES RECOGNISED DIRECTLY IN EQUITY	33		33	(126)	87	(39)
Items that may be Subject to State Income Reclassification	33		33	(48)	96	48
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	46		46	(4)	(90)	(94)
Translation differences				(29)	151	122
Companies accounted using the equity method	1		1	(21)	14	(7)
Remaining incomes and expenses recognised directly in equity						
Tax effect	(14)		(14)	6	21	27
Items that will not be Subject to State Income Reclassification				(78)	(9)	(87)
Arising from actuarial gains and losses and other adjustments				(101)	(14)	(115)
Tax effect				23	5	28
TRANSFERS TO PROFIT AND LOSS ACCOUNT AND/OR INVESTMENTS	(73)		(73)	(22)	(9)	(31)
Arising from financial instruments valuation						
Financial Assets Available for Sale						
Other revenues/(Expenses)						
Arising from cash flow hedge	(110)		(110)	(33)	(10)	(43)
Translation differences						
Companies accounted using the equity method	6		6	4		4
Remaining revenues and costs recognised directly in equity						
Tax effect	31		31	7	1	8
TOTAL COMPREHENSIVE INCOME	1.166	3	1.169	1.060	601	1.661

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 30 SEPTEMBER 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				1.206		(40)	3	1.169
TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS		(402)						(402)
Capital increases (reductions)								
Conversion of liabilities into equity								
Dividends paid		(402)						(402)
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 30 SEPTEMBER 2015	1.271	6.977		1.206		(114)	2	9.342

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 30 SEPTEMBER 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		(78)		1.208		(70)	601	1.661
TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS		(176)				1	(836)	(1.011)
Capital increases (reductions)								
Conversion of liabilities into equity								
Dividends paid							(503)	(503)
Transactions with treasury shares or own equity instruments (net)								
Increases/(reductions) due to business combinations						1	1	2
Other transactions with shareholders and owners		(176)					(334)	(510)
OTHER CHANGES IN EQUITY		1.879		(1.879)				
Share-based payments								
Transfers between equity items		1.879		(1.879)				
Other changes								
BALANCE AT 30 SEPTEMBER 2014	1.271	19.290		1.208		(363)	6.006	27.412

ENDESA S.A. AND SUBSIDIARIES
BREAKDOWN CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED SEPTEMBER 30, 2015

Euro Million

Unaudited

	Generation and Supply	Distribution	Corporate Structure and Services	Consolidation Adjustments and Eliminations	Total
	30.09.15	30.09.15	30.09.15	30.09.15	30.09.15
ASSETS					
Total fixed assets	11.575	12.877	25.715	(25.674)	24.493
Utility plant	9.043	11.746	10	(3)	20.796
Investment property		3	57	(38)	22
Intangible asset	462	117	109		688
Goodwill					
Long term financial investments	997	21	102		1.120
Investments in associates	415	569	25.301	(25.672)	613
Deferred tax assets	658	421	136	39	1.254
Total current assets	4.159	1.240	817	(1.046)	5.170
Inventories	888	91			979
Trade and other receivables	2.664	899	254	(577)	3.240
Short term financial investments	464	245	483	(469)	723
Cash and cash equivalents	143	5	80		228
Non current assets held for sale and from interrupted activities					
TOTAL ASSETS	15.734	14.117	26.532	(26.720)	29.663
EQUITY AND LIABILITIES					
Total equity	4.932	1.789	17.387	(14.766)	9.342
Attributable to equity holders of the parent company	4.932	1.786	17.388	(14.766)	9.340
Minority interest		3	(1)		2
Non-current liabilities	7.060	10.173	8.115	(10.405)	14.943
Deferred revenues	45	4.635		(32)	4.648
Long term provisions	1.992	1.032	265	104	3.393
Long term financial debt	4.302	3.727	7.778	(10.471)	5.336
Other non-current liabilities	193	429	9	(2)	629
Deferred tax liabilities	528	350	63	(4)	937
Current liabilities	3.742	2.155	1.030	(1.549)	5.378
Short term financial debt	230	4	663	(897)	
Short term provisions	398	73	63	1	535
Trade and other payables	3.114	2.078	304	(653)	4.843
Liabilities related to non current assets held for sale and from interrupted activities					
TOTAL EQUITY AND LIABILITIES	15.734	14.117	26.532	(26.720)	29.663

ENDESA S.A. AND SUBSIDIARIES

BREAKDOWN CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2015

Euro Million

Unaudited

	Generation and Supply	Distribution	Corporate Structure and Services	Consolidation Adjustments and Eliminations	Total
	<u>30.09.15</u>	<u>30.09.15</u>	<u>30.09.15</u>	<u>30.09.15</u>	<u>30.09.15</u>
REVENUES	13.643	1.914	434	(579)	15.412
Sales	13.067	1.700	243	(356)	14.654
Other operating revenues	576	214	191	(223)	758
PURCHASES AND SERVICES	11.184	107	216	(305)	11.202
Energy purchases	3.619			(4)	3.615
Fuel procurement costs	1.652				1.652
Transmission expenses	4.365				4.365
Other variable purchases and services	1.548	107	216	(301)	1.570
GROSS MARGIN	2.459	1.807	218	(274)	4.210
Work performed by the entity and capitalized	3	73			76
Personnel expenses	347	240	108	(6)	689
Other fixed operating expenses	707	317	96	(275)	845
GROSS OPERATING INCOME (EBITDA)	1.408	1.323	14	7	2.752
Depreciation and amortization	531	470	17	(1)	1.017
OPERATING INCOME (EBIT)	877	853	(3)	8	1.735
FINANCIAL INCOME	(112)	(99)	69		(142)
Financial revenues	32	6	254	(244)	48
Financial expenses	(138)	(105)	(185)	245	(183)
Foreign exchanges	(6)			(1)	(7)
Share of profit of associates	(5)	2	4		1
Income from other investments			359	(359)	
Income from asset sales	(7)	1			(6)
INCOME BEFORE TAXES	753	757	429	(351)	1.588
Income tax	174	191	12	2	379
ONGOING ACTIVITIES PROFIT	579	566	417	(353)	1.209
INTERRUPTED ACTIVITIES PROFIT					
PROFIT FOR THE PERIOD	579	566	417	(353)	1.209
Attributable to the holders of the parent company	579	563	417	(353)	1.206
Minority interest		3			3

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 and Services	Consolidation Adjustments and Eliminations	Total
	<u>30.12.14</u>	<u>30.12.14</u>	<u>30.12.14</u>	<u>30.12.14</u>	<u>30.12.14</u>
ASSETS					
Total fixed assets	11.628	12.974	25.371	(25.222)	24.751
Utility plant	9.315	11.782	11	(4)	21.104
Investment property		3	57	(38)	22
Intangible asset	397	123	106	1	627
Goodwill					
Long term financial investments	979	21	104		1.104
Investments in associates	337	567	24.938	(25.223)	619
Deferred tax assets	600	478	155	42	1.275
Total current assets	4.403	1.351	1.393	(1.202)	5.945
Inventories	953	55			1.008
Trade and other receivables	2.509	866	422	(726)	3.071
Short term financial investments	756	428	502	(476)	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	26.764	(26.424)	30.696
EQUITY AND LIABILITIES					
Total equity	4.539	1.367	17.441	(14.772)	8.575
Attributable to equity holders of the parent company	4.539	1.367	17.442	(14.772)	8.576
Minority interest			(1)		(1)
Non-current liabilities	7.225	10.660	7.764	(9.934)	15.715
Deferred revenues	55	4.592		(35)	4.612
Long term provisions	2.084	1.077	315	115	3.591
Long term financial debt	4.535	4.188	7.370	(10.010)	6.083
Other non-current liabilities	133	411	11	1	556
Deferred tax liabilities	418	392	68	(5)	873
Current liabilities	4.267	2.298	1.559	(1.718)	6.406
Short term financial debt	247	4	664	(914)	1
Short term provisions	392	97	55		544
Trade and other payables	3.628	2.197	840	(804)	5.861
Liabilities related to non current assets held for sale and from interrupted activities					
TOTAL EQUITY AND LIABILITIES	16.031	14.325	26.764	(26.424)	30.696

ENDESA S.A. AND SUBSIDIARIES

BREAKDOWN CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2014 (RESTATED)

Euro Million

Unaudited

	SPAIN AND PORTUGAL					LATINOAMÉRICA	ENDESA
	Generation and Supply	Distribution	Corporate Structure and Services	Consolidation Adjustments and Eliminations	Total	Total	Total
	30.09.14	30.09.14	30.09.14	30.09.14	30.09.14	30.09.14	30.09.14
REVENUES	13.795	1.879	354	(486)	15.542		15.542
Sales	13.134	1.675	276	(378)	14.707		14.707
Other operating revenues	661	204	78	(108)	835		835
PURCHASES AND SERVICES	11.527	108	154	(212)	11.577		11.577
Energy purchases	3.776			(22)	3.754		3.754
Fuel procurement costs	1.766				1.766		1.766
Transmission expenses	4.438			2	4.440		4.440
Other variable purchases and services	1.547	108	154	(192)	1.617		1.617
GROSS MARGIN	2.268	1.771	200	(274)	3.965		3.965
Work performed by the entity and capitalized	12	72			84		84
Personnel expenses	368	208	158	(39)	695		695
Other fixed operating expenses	750	321	108	(294)	885		885
GROSS OPERATING INCOME (EBITDA)	1.162	1.314	(66)	59	2.469		2.469
Depreciation and amortization	618	524	28	(3)	1.167		1.167
OPERATING INCOME (EBIT)	544	790	(94)	62	1.302		1.302
FINANCIAL INCOME	(108)	(47)	42	(1)	(114)		(114)
Financial revenues	24	39	388	(372)	79		79
Financial expenses	(125)	(86)	(350)	371	(190)		(190)
Foreign exchanges	(7)		4		(3)		(3)
Share of profit of associates	(73)	1	7		(65)		(65)
Income from other investments		1	8.068	(8.069)			
Income from asset sales	(21)	(2)	1	2	(20)		(20)
INCOME BEFORE TAXES	342	743	8.024	(8.006)	1.103		1.103
Income tax	134	215	(11)	22	360		360
ONGOING ACTIVITIES PROFIT	208	528	8.035	(8.028)	743		743
INTERRUPTED ACTIVITIES PROFIT						988	988
PROFIT FOR THE PERIOD	208	528	8.035	(8.028)	743	988	1.731
Attributable to the holders of the parent company	208	528	8.036	(8.028)	744	464	1.208
Minority interest			(1)		(1)	524	523