



In accordance with the stipulations of Article 228 of the Securities Market Act, Endesa, S.A. hereby reports the following

SIGNIFICANT EVENT

Today, Endesa Generación S.A., wholly owned by Endesa S.A., acquired 60% of the share capital of Enel Green Power España S.L., a company in which it already owned 40% of the capital, for a total price of 1.207 billion euros. The acquisition was formalised by signing a contract of sale of shares with the company belonging to its own business group Enel Green Power International B.V.

The decision was approved by the Board of Directors, following a favourable report from the Audit and Compliance Committee, with the exclusive participation of the Independent Directors. In discharging its duties, the Committee had requested legal and strategic reports from prominent independent experts regarding the advisability of the deal, as well as a fairness opinion about the reasonableness of the price from a reputable financial institution.

The transaction, which was financed entirely with debt and available cash resources, represents an increase in leverage in line with the company's objective to optimise its capital structure.

As a result of this acquisition, on 30 June 2016 Endesa recorded a net impairment of 72 million euros for the 40% share that it owned in Enel Green Power España S. L. at the time.

Following this latest deal, Endesa Generación, S.A. will be the sole proprietor of Enel Green Power España S.L, which will now be renamed Endesa Renovables S.L. from now on.

Either directly or through controlled entities, this company is engaged in the production of electricity generated by renewable sources in Spain. It currently boasts some 93 wind, hydraulic, solar and biomass power plants, with a consolidated installed capacity of 1.7 GW and a production of 3,900 GWh.



The acquisition reinforces Endesa's presence in the Iberian electricity generation market and adds an attractive portfolio of renewable assets to its production mix. It also reflects the company's commitment to seeking new investment opportunities aimed at generating value for shareholders, a goal it will continue to pursue in the future.

Madrid, 27 July 2016
Secretary of the Board