



**CONSOLIDATED  
FINANCIAL STATEMENTS  
AS OF MARCH 31st 2016  
ENDESA, S.A. AND  
SUBSIDIARIES**

## ENDESA S.A. AND SUBSIDIARIES

### CONSOLIDATED BALANCE SHEET FOR THE PERIOD 31 MARCH 2016 AND 31 DECEMBER 2015

Euro Million

(\*) Unaudited

<b>ASSETS</b>	<b>31.03.16 (*)</b>	<b>31.12.15</b>	<b>Variation</b>	
<b>Total fixed assets</b>	<b>24.258</b>	<b>24.266</b>	<b>(8)</b>	<b>0,0%</b>
Utility plant	20.762	20.815	(53)	-0,3%
Investment property	21	21		0%
Intangible asset	413	428	(15)	-3,5%
Goodwill				n/a
Investments in associates	1.158	1.087	71	6,5%
Long term financial investments	647	629	18	2,9%
Deferred tax assets	1.257	1.286	(29)	-2,3%
<b>Total current assets</b>	<b>4.839</b>	<b>4.979</b>	<b>(140)</b>	<b>-2,8%</b>
Inventories	1.281	1.262	19	1,5%
Trade and other receivables	3.098	2.977	121	4,1%
Short term financial investments	247	353	(106)	-30,0%
Cash and cash equivalents	213	346	(133)	-38,4%
Non current assets held for sale and from interrupted activities		41	(41)	-100,0%
<b>TOTAL ASSETS</b>	<b>29.097</b>	<b>29.245</b>	<b>(148)</b>	<b>-0,5%</b>

<b>EQUITY AND LIABILITIES</b>	<b>31.03.16</b>	<b>31.12.15</b>	<b>Variation</b>	
<b>Total equity</b>	<b>9.380</b>	<b>9.039</b>	<b>341</b>	<b>3,8%</b>
Atributable to equity holders of the parent company	9.377	9.036	341	3,8%
Minority interest	3	3		0%
<b>Non-current liabilities</b>	<b>14.303</b>	<b>14.335</b>	<b>(32)</b>	<b>-0,2%</b>
Deferred revenues	4.678	4.679	(1)	0,0%
Long term provisions	3.330	3.405	(75)	-2,2%
Long term financial debt	4.706	4.680	26	0,6%
Other non-current liabilities	659	632	27	4,3%
Deferred tax liabilities	930	939	(9)	-1,0%
<b>Current liabilities</b>	<b>5.414</b>	<b>5.871</b>	<b>(457)</b>	<b>-7,8%</b>
Short term financial debt				n/a
Short term provisions	682	638	44	6,9%
Trade and other payables	4.732	5.233	(501)	-9,6%
Liabilities related to non current assets held for sale and from interrupted activities				n/a
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>29.097</b>	<b>29.245</b>	<b>(148)</b>	<b>-0,5%</b>

**ENDESA S.A. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE PERIOD 31 MARCH 2016  
AND 31 DECEMBER 2015**

Euro Million

(Unaudited)

	<u>31.03.16</u>	<u>31.03.15</u>	<u>Variation</u>	
REVENUES	4.878	5.451	(573)	-10,5%
Sales	4.636	5.086	(450)	-8,8%
Other operating revenues	242	365	(123)	-33,7%
PURCHASES AND SERVICES	3.568	3.991	(423)	-10,6%
Energy purchases	1.106	1.409	(303)	-21,5%
Fuel procurement costs	337	508	(171)	-33,7%
Transmission expenses	1.553	1.558	(5)	-0,3%
Other variable purchases and services	572	516	56	10,9%
GROSS MARGIN	1.310	1.460	(150)	-10,3%
Work performed by the entity and capitalized	23	24	(1)	-4,2%
Personnel expenses	202	218	(16)	-7,3%
Other fixed operating expenses	330	314	16	5,1%
GROSS OPERATING INCOME (EBITDA)	801	952	(151)	-15,9%
Depreciation and amortization	333	324	9	2,8%
OPERATING INCOME (EBIT)	468	628	(160)	-25,5%
FINANCIAL INCOME	(51)	(83)	32	-38,6%
Financial revenues	18	20	(2)	-10,0%
Financial expenses	(68)	(97)	29	-29,9%
Foreign exchanges	(1)	(6)	5	-83,3%
Share of profit of associates	28	24	4	16,7%
Income from other investments	(1)	(1)		0,0%
Income from asset sales	(5)	8	(13)	-162,5%
INCOME BEFORE TAXES	439	576	(137)	-23,8%
Income tax	97	140	(43)	-30,7%
ONGOING ACTIVITIES PROFIT AFTER TAXES	342	436	(94)	-21,6%
INTERRUPTED ACTIVITIES PROFIT AFTER TAXES				n/a
PROFIT FOR THE PERIOD	342	436	(94)	-21,6%
Attributable to the holders of the parent company	342	435	(93)	-21,4%
Minority interest		1	(1)	-100,0%

**ENDESA S.A. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD 31 MARCH 2016 AND 2015**

Euro Million  
(Unaudited)

	<u>31.03.16</u>	<u>31.03.15</u>
Consolidated income before income taxes and minority interest	439	576
Result adjustments:	368	187
Fixed assets amortization and impairment loss	333	324
Other result adjustments (net)	35	(137)
Changes in current assets	(59)	205
Other cash flows from operating activities:	(83)	(61)
Cash-in interests	5	17
Cash-in dividends		
Interest payments	(10)	(17)
Tax income payment	36	58
Other cash-in/payments from operating activities	(114)	(119)
<b>Net cash provided by operating activities</b>	<b>665</b>	<b>907</b>
Acquisitions of fixed and intangible assets	(339)	(276)
Disposal of fixed and intangible assets		15
Investments in stakes of subsidiaries		
Disposal in stakes of subsidiaries		
Acquisitions of other investments	(101)	(24)
Disposal of other investments	20	38
Cash flow from changes in perimeter		
Subsidies and other deferred income	15	18
<b>Net cash used for investing activities</b>	<b>(405)</b>	<b>(229)</b>
Cash Flows from Equity Instruments		
New long-term debt	18	1
Repayment of long-term debt	(14)	(115)
Net cash from financial debt with short term maturity	27	(11)
Dividends paid by the controlling company	(424)	(402)
Dividends paid to minority shareholders		
<b>Net cash used for financing activities</b>	<b>(393)</b>	<b>(527)</b>
<b>Total net cash</b>	<b>(133)</b>	<b>151</b>
Effects of exchange rate changes on cash and cash equivalents		
<b>Net increase in cash and cash equivalents</b>	<b>(133)</b>	<b>151</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>346</b>	<b>648</b>
<b>Cash and cash equivalents at end of period</b>	<b>213</b>	<b>799</b>

**ENDESA S.A. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME AND EXPENSES FOR THE PERIOD 31 MARCH 2016 AND 2015**

Euro Million

(Unaudited)

	31.03.16			31.03.15		
	Of the Parent Company	Of Minority Interests	Total	Of the Parent Company	Of Minority Interests	Total
<b>PROFIT FOR THE PERIOD</b>	<b>342</b>		<b>342</b>	<b>435</b>	<b>1</b>	<b>436</b>
<b>OTHER COMPREHENSIVE INCOME:</b>						
<b>INCOMES AND EXPENSES RECOGNISED DIRECTLY IN EQUITY</b>	<b>(16)</b>		<b>(16)</b>	<b>25</b>		<b>25</b>
<b>Items that may be Subject to State Income Reclassification</b>	<b>(16)</b>		<b>(16)</b>	<b>25</b>		<b>25</b>
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	(19)		(19)	47		47
Translation differences						
Companies accounted using the equity method	(2)		(2)	(8)		(8)
Remaining incomes and expenses recognised directly in equity						
Tax effect	5		5	(14)		(14)
<b>Items that will not be Subject to State Income Reclassification</b>						
Arising from actuarial gains and losses and other adjustments						
Tax effect						
<b>TRANSFERS TO PROFIT AND LOSS ACCOUNT AND/OR INVESTMENTS</b>	<b>15</b>		<b>15</b>	<b>(27)</b>		<b>(27)</b>
Arising from financial instruments valuation						
Financial Assets Available for Sale						
Other revenues/(Expenses)						
Arising from cash flow hedge	19		19	(39)		(39)
Translation differences						
Companies accounted using the equity method	1		1	1		1
Remaining revenues and costs recognised directly in equity						
Tax effect	(5)		(5)	11		11
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>341</b>		<b>341</b>	<b>433</b>	<b>1</b>	<b>434</b>

**ENDESA S.A. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 31 MARCH 2016**

Euro Million

(Unaudited)

	Capital	Share premium, Reserves and interim dividend	Treasury shares and own equity instruments	Profit (loss) for the year	Other equity instruments	Valuation adjustments	Minority interests	Total equity
<b>BALANCE AT 1 JANUARY 2016</b>	1.271	6.799		1.086		(120)	3	9.039
Adjustments due to changes in accounting policies								
Correction of errors								
<b>ADJUSTED BALANCE AT 1 JANUARY 2016</b>	1.271	6.799		1.086		(120)	3	9.039
<b>TOTAL COMPREHENSIVE INCOME</b>				342		(1)		341
<b>TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS</b>								
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								
<b>OTHER CHANGES IN EQUITY</b>		1.086		(1.086)				
Share-based payments								
Transfers between equity items		1.086		(1.086)				
Other changes								
<b>BALANCE AT 31 MARCH 2016</b>	1.271	7.885		342		(121)	3	9.380

**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>
<b>BALANCE AT 1 JANUARY 2015</b>	1.271	4.042		3.337		(74)	(1)	8.575
Adjustments due to changes in accounting policies								
Correction of errors								
<b>ADJUSTED BALANCE AT 1 JANUARY 2015</b>	1.271	4.042		3.337		(74)	(1)	8.575
<b>TOTAL COMPREHENSIVE INCOME</b>				435		(2)	1	434
<b>TRANSACTIONS WITH EQUITY HOLDERS OR OWNERS</b>								
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								
<b>OTHER CHANGES IN EQUITY</b>		3.337		(3.337)				
Share-based payments								
Transfers between equity items		3.337		(3.337)				
Other changes								
<b>BALANCE AT 31 MARCH 2015</b>	1.271	7.379		435		(76)		9.009

**ENDESA S.A. AND SUBSIDIARIES**  
**BREAKDOWN CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED MARCH 31, 2016**

Euro Million

(Unaudited)

	Generation and Supply	Distribution	Corporate Structure and Services	Consolidation Adjustments and Eliminations	Total
	<u>31.03.16</u>	<u>31.03.16</u>	<u>31.03.16</u>	<u>31.03.16</u>	<u>31.03.16</u>
<b>ASSETS</b>					
<b>Total fixed assets</b>	<b>11.681</b>	<b>12.878</b>	<b>25.612</b>	<b>(25.913)</b>	<b>24.258</b>
Utility plant	8.982	11.772	11	(3)	20.762
Investment property		3	18		21
Intangible asset	183	120	110		413
Goodwill					
Long term financial investments	1.019	23	116		1.158
Investments in associates	847	533	25.196	(25.929)	647
Deferred tax assets	650	427	161	19	1.257
<b>Total current assets</b>	<b>4.140</b>	<b>949</b>	<b>784</b>	<b>(1.034)</b>	<b>4.839</b>
Inventories	1.243	38			1.281
Trade and other receivables	2.645	743	292	(582)	3.098
Short term financial investments	74	158	467	(452)	247
Cash and cash equivalents	178	10	25		213
Non current assets held for sale and from interrupted activities					
<b>TOTAL ASSETS</b>	<b>15.821</b>	<b>13.827</b>	<b>26.396</b>	<b>(26.947)</b>	<b>29.097</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Total equity</b>	<b>4.775</b>	<b>1.868</b>	<b>17.529</b>	<b>(14.792)</b>	<b>9.380</b>
Atributable to equity holders of the parent company	4.775	1.864	17.530	(14.792)	9.377
Minority interest		4	(1)		3
<b>Non-current liabilities</b>	<b>7.050</b>	<b>10.012</b>	<b>7.774</b>	<b>(10.533)</b>	<b>14.303</b>
Deferred revenues	44	4.664		(30)	4.678
Long term provisions	1.937	1.024	328	41	3.330
Long term financial debt	4.323	3.543	7.386	(10.546)	4.706
Other non-current liabilities	215	438	3	3	659
Deferred tax liabilities	531	343	57	(1)	930
<b>Current liabilities</b>	<b>3.996</b>	<b>1.947</b>	<b>1.093</b>	<b>(1.622)</b>	<b>5.414</b>
Short term financial debt	304	5	713	(1.022)	
Short term provisions	532	84	95	(29)	682
Trade and other payables	3.160	1.858	285	(571)	4.732
Liabilities related to non current assets held for sale and from interrupted activities					
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15.821</b>	<b>13.827</b>	<b>26.396</b>	<b>(26.947)</b>	<b>29.097</b>



**ENDESA S.A. AND SUBSIDIARIES**  
**BREAKDOWN CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED DECEMBER 31, 2015**

Euro Million

(Unaudited)

	Generation and Supply	Distribution	Corporate Structure and Services	Consolidation Adjustments and Eliminations	Total
	<u>31.12.15</u>	<u>31.12.15</u>	<u>31.12.15</u>	<u>31.12.15</u>	<u>31.12.15</u>
<b>ASSETS</b>					
<b>Total fixed assets</b>	<b>11.442</b>	<b>12.905</b>	<b>25.547</b>	<b>(25.628)</b>	<b>24.266</b>
Utility plant	9.004	11.803	11	(3)	20.815
Investment property		3	49	(31)	21
Intangible asset	190	125	113		428
Goodwill					
Long term financial investments	1.003	21	63		1.087
Investments in associates	586	514	25.151	(25.622)	629
Deferred tax assets	659	439	160	28	1.286
<b>Total current assets</b>	<b>4.104</b>	<b>1.021</b>	<b>833</b>	<b>(979)</b>	<b>4.979</b>
Inventories	1.226	36			1.262
Trade and other receivables	2.495	826	444	(788)	2.977
Short term financial investments	182	156	206	(191)	353
Cash and cash equivalents	201	3	142		346
Non current assets held for sale and from interrupted activities			41		41
<b>TOTAL ASSETS</b>	<b>15.546</b>	<b>13.926</b>	<b>26.380</b>	<b>(26.607)</b>	<b>29.245</b>

**EQUITY AND LIABILITIES**

<b>Total equity</b>	<b>4.650</b>	<b>1.651</b>	<b>17.570</b>	<b>(14.832)</b>	<b>9.039</b>
Attributable to equity holders of the parent company	4.650	1.647	17.571	(14.832)	9.036
Minority interest		4	(1)		3
<b>Non-current liabilities</b>	<b>7.101</b>	<b>10.205</b>	<b>7.302</b>	<b>(10.273)</b>	<b>14.335</b>
Deferred revenues	45	4.666		(32)	4.679
Long term provisions	1.882	1.089	329	105	3.405
Long term financial debt	4.444	3.671	6.910	(10.345)	4.680
Other non-current liabilities	193	433	6		632
Deferred tax liabilities	537	346	57	(1)	939
<b>Current liabilities</b>	<b>3.795</b>	<b>2.070</b>	<b>1.508</b>	<b>(1.502)</b>	<b>5.871</b>
Short term financial debt	49	4	645	(698)	
Short term provisions	496	76	94	(28)	638
Trade and other payables	3.250	1.990	769	(776)	5.233
Liabilities related to non current assets held for sale and from interrupted activities					
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15.546</b>	<b>13.926</b>	<b>26.380</b>	<b>(26.607)</b>	<b>29.245</b>

**ENDESA S.A. AND SUBSIDIARIES**

**BREAKDOWN CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDED MARCH 31, 2016**

Euro Million

(Unaudited)

	Generation and Supply	Distribution	Corporate Structure and Services	Consolidation Adjustments and Eliminations	Total
	31.03.16	31.03.16	31.03.16	31.03.16	31.03.16
REVENUES	4.286	632	80	(120)	4.878
Sales	4.109	557	42	(72)	4.636
Other operating revenues	177	75	38	(48)	242
PURCHASES AND SERVICES	3.556	30	54	(72)	3.568
Energy purchases	1.106				1.106
Fuel procurement costs	337				337
Transmission expenses	1.552			1	1.553
Other variable purchases and services	561	30	54	(73)	572
GROSS MARGIN	730	602	26	(48)	1.310
Work performed by the entity and capitalized		23			23
Personnel expenses	108	64	40	(10)	202
Other fixed operating expenses	262	82	33	(47)	330
GROSS OPERATING INCOME (EBITDA)	360	479	(47)	9	801
Depreciation and amortization	170	156	6	1	333
OPERATING INCOME (EBIT)	190	323	(53)	8	468
FINANCIAL INCOME	(44)	(35)	29	(1)	(51)
Financial revenues	8	1	84	(75)	18
Financial expenses	(52)	(36)	(54)	74	(68)
Foreign exchanges			(1)		(1)
Share of profit of associates	20	2	6		28
Income from other investments	(1)	(1)	1		(1)
Income from asset sales	(5)				(5)
INCOME BEFORE TAXES	160	289	(17)	7	439
Income tax	30	72	(6)	1	97
ONGOING ACTIVITIES PROFIT AFTER TAXES	130	217	(11)	6	342
INTERRUPTED ACTIVITIES PROFIT AFTER TAXES					
PROFIT FOR THE PERIOD	130	217	(11)	6	342
Attributable to the holders of the parent company	130	217	(11)	6	342
Minority interest					

## 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 and Services	Consolidation Adjustments and Eliminations	Total
	31.03.15	31.03.15	31.03.15	31.03.15	31.03.15
REVENUES	4.859	644	209	(261)	5.451
Sales	4.553	571	68	(106)	5.086
Other operating revenues	306	73	141	(155)	365
PURCHASES AND SERVICES	3.980	37	159	(185)	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	159	(183)	516
GROSS MARGIN	879	607	50	(76)	1.460
Work performed by the entity and capitalized	1	23			24
Personnel expenses	99	91	35	(7)	218
Other fixed operating expenses	242	114	35	(77)	314
GROSS OPERATING INCOME (EBITDA)	539	425	(20)	8	952
Depreciation and amortization	164	154	7	(1)	324
OPERATING INCOME (EBIT)	375	271	(27)	9	628
FINANCIAL INCOME	(60)	(37)	13	1	(83)
Financial revenues	6	2	91	(79)	20
Financial expenses	(62)	(39)	(76)	80	(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	(7)	9	576
Income tax	86	62	(11)	3	140
ONGOING ACTIVITIES PROFIT AFTER TAXES	252	174	4	6	436
INTERRUPTED ACTIVITIES PROFIT AFTER TAXES					
PROFIT FOR THE PERIOD	252	174	4	6	436
Attributable to the holders of the parent company	252	173	4	6	435
Minority interest		1			1