

**Supplement Number 1 dated 18 December 2009
to the Information Memorandum dated 13 December 2006**



International Endesa B.V.

(incorporated with limited liability in The Netherlands and having its statutory domicile
in Amsterdam)

as Issuer

Endesa S.A.

(incorporated with limited liability in The Kingdom of Spain and having its statutory
domicile in Madrid)

as Guarantor

EURO-COMMERCIAL PAPER PROGRAMME

Arranger

Citigroup

Dealers

Barclays Capital

Citigroup

Deutsche Bank

This information memorandum supplement (the "**Supplement**") is supplemental to, forms part of and must be read in conjunction with, the information memorandum dated 13 December 2006 (together, the "**Information Memorandum**") prepared by International Endesa B.V. (the "**Issuer**") with respect to its Euro2,000,000,000 Euro-commercial paper programme (the "**Programme**").

Terms defined in the Information Memorandum shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

IMPORTANT NOTICES

The Issuer and the Guarantor have confirmed to the Dealers that the information contained or incorporated by reference in this Supplement is true and accurate in all material respects and not misleading and there are no other facts the omission of which makes this Supplement as a whole or any such information contained or incorporated by reference herein misleading.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Information Memorandum by this Supplement and (b) any other statement in, or incorporated by reference into, the Information Memorandum, the statements in (a) above will prevail.

AMENDMENTS OR ADDITIONS TO THE INFORMATION MEMORANDUM

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Information Memorandum shall be amended and/or supplemented in the manner described below.

1. Increase of Programme Amount

The Programme Amount has been increased to Euro3,000,000,000 and by virtue of this Supplement all references to Euro2,000,000,000 in the Information Memorandum shall be replaced with Euro3,000,000,000.

2. EC Council Directive 2003/48/EC

By virtue of this Supplement, the third and fourth paragraphs of the section entitled "Important Notice" on page 3 of the Information Memorandum shall be deemed to be replaced with the following paragraphs:

"Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35% . The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Belgium will replace this withholding tax with a regime of exchange of information to the Member State of residence as from 1 January 2010.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

On 13 November 2008 the European Commission published a proposal for amendments to the Directive, which included a number of suggested changes which, if implemented, would broaden the scope of the requirements described above. The European Parliament approved an amended version of this proposal on 24 April 2009. Investors who are in any doubt as to their position should consult their professional advisers."

3. Status of the Guarantee

By virtue of this Supplement, the fourteenth paragraph entitled "Status of the Guarantee" on page 5 of the Information Memorandum shall be deemed to be replaced with the following paragraph:

"The Guarantee constitutes direct, unconditional, unsubordinated and unsecured obligations of the Guarantor which (unless they qualify by law as subordinated credits under Article 92 of Law 22/2003) in the event of the insolvency (*concurso*) of the Guarantor will at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor, except for such payment obligations that are preferred by law under Articles 84, 90 and 91 of Spanish Law 22/2003."

4. Governing Law

By virtue of this Supplement, the fourth paragraph entitled "Governing Law" on page 6 of the Information Memorandum shall be deemed to be replaced with the following paragraph:

"The Notes and the Guarantee and any non-contractual obligations arising out of or in connection with the Notes or the Guarantee are governed by English law."

5. Definition of the Issuer

By virtue of this Supplement, the section entitled "The Issuer" on page 7 of the Information Memorandum shall be deemed to be replaced with Annex 1 hereto.

6. **Definition of the Guarantor**

By virtue of this Supplement, the section entitled "The Guarantor" on pages 8-10 of the Information Memorandum shall be deemed to be replaced with Annex 2 hereto.

7. **Selling Restrictions**

By virtue of this Supplement, the section entitled "Selling Restrictions" on pages 11-12 of the Information Memorandum shall be deemed to be replaced with Annex 3 hereto.

8. **Form of Notes**

By virtue of this Supplement, the section entitled "Form of Notes" on pages 14-28 of the Information Memorandum shall be deemed to be replaced with Annex 4 hereto.

ANNEX 1 THE ISSUER

International Endesa B.V. (the "**Issuer**"), a wholly-owned subsidiary of Endesa S.A. ("**Endesa**" or the "**Guarantor**"), was incorporated under the laws of The Netherlands as a private limited liability company ("*besloten vennootschap met beperkte aansprakelijkheid*") on 10 June 1993 with unlimited duration.

The authorised share capital of the Issuer as of 31 December 2009 is Euro 15,882,308 divided into 35,000 ordinary registered shares of nominal value Euro 453.78, of which 34,000 are issued and fully paid up.

The statutory domicile of the Issuer is in Amsterdam, The Netherlands and its registered address is at Hoogoorddreef 9, 1101 BA Amsterdam. It is registered with the Commercial Register of the Amsterdam Chamber of Commerce under number 33248762.

The Issuer was incorporated to hold Endesa's international equity investments and to serve as a financing vehicle for Endesa and its group companies. The Issuer has a subsidiary company, Endesa Capital Finance LLC.

Since 21 October 2008, Francisco Ramírez Millor is the sole Managing Director of the Issuer and constitutes its Board of Directors.

ANNEX 2 THE GUARANTOR

INTRODUCTION

Endesa, S.A. (the "**Company**") is a Spanish public limited liability company ("*Sociedad Anónima*") organised under the laws of the Kingdom of Spain. Its capital stock of Euro 1,270,502,540.40 consists of 1,058,752,117 fully subscribed and paid shares of Euro 1.2 par value each. Endesa, S.A.'s ordinary shares are publicly traded on the Madrid, Barcelona, Bilbao and Valencia stock exchanges and the Santiago Off Shore Stock Exchange in Chile. Endesa, S.A. was formed under the laws of Spain on 18 November 1944 as Empresa Nacional de Electricidad, S.A. and changed its name to Endesa, S.A. by resolution of the shareholders' meeting of 25 June 1997. The principal executive office is located at Ribera del Loira, 60, 28042 Madrid, Spain, telephone number +34.91.213.10.00.

Enel, S.p.A. ("**Enel**"), through Enel Energy Europe S.L. (wholly owned by Enel), holds 974,717,763 shares in Endesa, S.A. representing 92.063% of the shares issued. Enel is an Italian power company constituted under the laws of Italy, with the principal executive office located at Viale Regina Margherita, 137, 00198 Rome, Italy.

As of 30 September 2009, Endesa, S.A.'s principal shareholders did not hold different voting rights and all shares issued by Endesa, S.A. belonged to the same class and series and were subject to the same political and economic rights.

Endesa, S.A. is the controlling company of a group of companies (the "**Endesa Group**", "**ENDESA**" or the "**Group**"). As a consequence of the corporate reorganisation process and the separation of electrical activities so as to adopt the changes to the electrical sector under Law 54/1997, of 27 November, Endesa, S.A. has been converted into a holding company with its principal focus on the management and provision of services to its corporate Group (it does not directly carry out electrical activities).

ENDESA's company objective is to carry on activities in the electricity business in all its various industrial and commercial areas; the exploitation of primary energy resources of all types; the provision of industrial services, particularly in the areas of telecommunications, water and gas and those preliminary or complementary to the business activities composing the Group's objective; and the management of the corporate Group comprising investments in other companies. The Group carries out the business activities composing its company objective in Spain and abroad directly or through its investments in other companies.

BUSINESS OVERVIEW

The Endesa Group carries out activities pertaining to generation, transport, distribution or sale of electricity, either directly or through investee companies, principally in Spain,

Portugal, Ireland, Greece, Andorra, Chile, Argentina, Peru, Colombia, Brazil and Morocco. In addition, it has a significant presence in the regulated and liberalised natural gas markets of Spain and Portugal.

ENDESA is the largest operator in the Spanish and Portuguese electricity industries in terms of installed capacity and market share in generation and distribution, and is one of the largest private-sector multinational electricity companies in Latin America. ENDESA's core business is energy (including the supply of natural gas) and it is also involved in related activities such as renewable energies and cogeneration.

ENDESA's electricity business is principally focused on Spain and Portugal, and Latin America, and its presence in other businesses (gas distribution, cogeneration and renewable energies businesses) complete its profile as an energy company.

At 31 December 2008, ENDESA was the largest electricity company in Spain in terms of installed capacity and market share in mainland generation (32.2%), distribution (42.8%), and sales to final customers (43.1%), in addition to having a presence in Portugal, Ireland, Greece and North Africa, and was one of the largest private electricity companies in Latin America.

As at 31 December 2008, ENDESA had a total installed capacity of 39,656 MW, and in 2008, ENDESA generated 149,831 GWh and sold 172,788 GWh, supplying electricity to approximately 24.4 million customers. At that date, ENDESA had 26,587 employees, 49% of whom were located outside Spain and Portugal, and total assets amounting to approximately €58.5 billion, 31% of which were located outside Spain and Portugal.

The following table sets out the production of electricity by the three major lines of business, each based on a geographic area, for the periods indicated. In addition, the following table sets out the total installed capacity by the three major lines of business, each based on a geographic area, at 31 December 2008:

2008	Installed Capacity	Production	Sales
	<i>(in MW)</i>	<i>(in GWh)</i>	<i>(in GWh)</i>
Spain and Portugal	24,228	88,190	109,032
Latin America	15,284	60,690	62,805
Remaining areas	144	951	951
Total	39,656	149,831	172,788

BUSINESS UNITS

In the pursuit of its business activities, the Group is organised to give priority to its core business - the generation, transmission, distribution and retailing of electricity, gas and the provision of related services – and three major lines of business, each based in a

geographical area (Spain and Portugal, which are managed as an integrated market, Latin America and Remaining areas) have been established.

I. BUSINESS IN SPAIN AND PORTUGAL.

ENDESA operates hydroelectric, nuclear, coal, fuel oil, renewables and cogeneration and gas generating facilities with a total installed capacity in Spain and Portugal of 24,228 MW as at 31 December 2008, and a total production of 88,190 GWh in 2008. At 31 December 2008, assets in Spain and Portugal represented 69% of ENDESA's total assets. In 2008, operations in Spain and Portugal constituted 59% of ENDESA's operating revenues and 54% of its operating income.

At the end of 2008, ENDESA had 21,949 MW of ordinary regime capacity in Spain and 1,845 MW total capacity in renewable and combined heat and power ("**CHP**"). Ordinary regime output totalled 83,242 GWh and accounting output for renewable and CHP was 3,158 GWh.

With regard to marketing activity, in 2008 total sales reached 45,211 GWh in the liberalised market, representing a market share of 43.1%, in which, at the end of 2008, ENDESA had a total of approximately 1.4 million customers, and ENDESA's electricity sales in the regulated tariff market stood at 61,327 GWh. In addition, in 2008, the volume of energy supplied to final customers through its distribution grids was 109,096 GWh, with a distribution grid of 305,113 km and a customer base of more than 11.6 million customers, including both those who received the supply at tariff rate as well as those who, being located in ENDESA's distribution areas, selected the option to choose supplier.

ENDESA's gas business is conducted in Spain and Portugal, both in the regulated as well as in the liberalised market. ENDESA is active in the Spanish gas distribution sector through the wholly owned subsidiary Endesa Gas, S.A.U. ("**Endesa Gas**"), the umbrella for ENDESA's natural gas distribution business and, until 30 June 2008, its tariff sales business. Endesa Gas operates in nine Spanish regions and is authorised to distribute piped gas in over 300 towns and cities. At the end of 2008, Endesa Gas supplied gas to 397,224 consumers, distributing 7,373 GWh. As at 31 December 2008, ENDESA's customer portfolio in the natural gas liberalised conventional market, excluding sales to electrical generation, was formed by 846,000 customers, with an annual contracted consumption of 43.8 TWh. In 2008, ENDESA marketed 37,744 GWh, achieving a market share of 15.4%.

At the end of 2008, ENDESA held 244 MW of installed capacity in Portugal under the ordinary regime and 190 MW in renewable and CHP capacity. In 2008, ordinary regime output totalled 1,360 GWh and renewable and CHP output was 428 GWh.

Under the terms of the agreement between Acciona, S.A. ("**Acciona**") and ENDESA dated 20 February 2009, ENDESA sold specific wind farm and hydro generation assets

in Spain and Portugal to Acciona. The assets transferred represent a total installed capacity of 2,001 MW, (1,149 MW wind power capacity and 852 MW hydro capacity, of which 173 MW fall under the CHP/renewables regime). Additionally, ENDESA and Acciona have identified other assets which shall be transferred at a later stage pending compliance with various regulatory conditions which prevent their disposal at the date of this Information Memorandum. These assets represent a total installed capacity of 79 MW (78 MW wind power and 1 MW hydro capacity).

II. BUSINESS IN LATIN AMERICA.

In 2008, the electric companies held by ENDESA in Latin America had a total installed capacity of 15,284 MW, generated 60,690 GWh and sold 62,805 GWh to a total of 12.4 million customers, through the six distributor companies in which it participates in the region. At 31 December 2008, assets in Latin America represented 29% of ENDESA's total assets. In 2008, Latin American operations contributed 37% of ENDESA's operating revenues and 46% of its operating income.

The electricity business in Latin America is conducted principally through the subsidiary Enersis S.A. ("**Enersis**") in which ENDESA holds, as at the date of this Information Memorandum, a 60.62% interest, as well as through interests that ENDESA has acquired directly in companies in the region. Enersis is an electricity utility company primarily engaged, through its principal subsidiaries and related companies, in the generation, transmission and distribution of electricity in Chile, Argentina, Brazil, Colombia and Peru. Through the Chilean Empresa Nacional de Electricidad, S.A. ("**Endesa Chile**"), one of Enersis' consolidated subsidiaries, Enersis is the largest private sector electricity generation company in Latin America, in terms of installed capacity. Enersis also owns electricity distribution companies in Latin America directly or through Chilectra, S.A. ("**Chilectra**") with over 12 million customers, as at 31 December 2008. Both Endesa Chile and Chilectra are controlled by Enersis.

ENDESA is the largest electric company in Chile, Argentina, Colombia and Peru and the third largest in Brazil. It supplies electricity in five of the six principal urban centres of the region – Buenos Aires, Bogotá, Santiago de Chile, Lima and Rio de Janeiro – and participates in the interconnection project to join the electric grids of six Central American countries (SIEPAC). ENDESA is the owner of CIEN, the electrical high voltage interconnection line existing between Brazil and Argentina and also carries out electrical energy transport activities in Argentina, as a shareholder of Yacylec S.A., a company that operates a 282 km line between the Yaciretá hydroelectrical plant and the Resistencia transformer station.

In addition, through Endesa Chile, ENDESA owns 50% of the company Gas Atacama S.A., owner of the gas-duct of the same name that transports gas from the northern

ravine of Argentina to the Interconnected System of Norte Grande of Chile. The gas-duct entered into operation in 1999 and has a length of some 950 km.

III. REMAINING AREAS

ENDESA's presence, excluding Spain, Portugal and Latin America, is principally concentrated in Ireland, through the wholly owned Endesa Ireland Limited ("**Endesa Ireland**"), Greece, through a 50.01% stake in Endesa Hellas Power Generation and Supplies, S.A., and Morocco through a 32% stake in Energie Electrique de Tahaddart, S.A. ("**Tahaddart**"). At the end of 2008, ENDESA's installed capacity in Europe was 144 MW, 21 MW related to renewable installations in Greece and 123 MW due to the 32 per cent of the 384 MW Tahaddart's Combined Cycle Power. ENDESA's total production in Europe was 951 GWh in 2008, of which 33 GWh was generated in Greece, and 918 GWh in Morocco. Endesa Ireland owns four plants with a total installed capacity of 1,068 MW.

ORGANISATIONAL STRUCTURE

Endesa, S.A. operates its business through the following wholly owned companies: Endesa Generación, Endesa Red, Endesa Energía, Endesa Desarrollo, Endesa Latinoamérica and Endesa Servicios.

ANNEX 3
SELLING RESTRICTIONS

1. General

By its purchase and acceptance of Notes issued under the Note Agency Agreement, each Dealer has represented, warranted and agreed that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes; and that it will not directly or indirectly offer, sell, resell, reoffer or deliver Notes or distribute any Disclosure Document, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

2. The United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has represented and agreed that it has offered and sold, and will offer and sell, Notes only outside the United States to non U.S. persons in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and that it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer has also agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons. Terms used above have the meanings given to them by Regulation S under the Securities Act."

Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

3. The United Kingdom

Each Dealer has further represented and agreed that:

3.1 in relation to any Notes which have a maturity of less than one year:

3.1.1 it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and:

3.1.2 it has not offered or sold and will not offer or sell any such Notes other than to persons:

- (a) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
- (b) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

3.2 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

3.3 it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

4. **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, each Dealer has undertaken that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "**Japanese Person**" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

5. **The Netherlands**

Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member firm of Euronext Amsterdam N.V. admitted in a function on one or more of the markets or systems operated by Euronext Amsterdam N.V. (*toegelaten instelling*) in full compliance with the Dutch Savings

Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations and must either be:

- (1) between individuals or legal entities who or which trade or invest in securities in the conduct of a profession or trade (which includes banks, dealers, insurance companies, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities); or, in any other case
- (2) recorded in a transaction note which includes the name and address of each party to the transaction, the nature of the transaction and the details and serial number of such Note.

No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series or Tranche are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter.

In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with.

As used herein "**Zero Coupon Notes**" are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

6. **The Kingdom of Spain**

Each Dealer has represented and agreed that the Notes may not be offered or sold in Spain other than by institutions authorised under the Securities Market Law 24/1988 of 28 July (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) (the "**Securities Market Law**"), and Royal Decree 217/2008 of 15 February on the Legal Regime Applicable to Investment Services Companies and Other Entities which offer Investment Services (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*), to provide investment services in Spain, and in compliance with the provisions of the Securities Market Law and any other applicable legislation.

7. **The Republic of France**

Each Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in France and that offers and sales of Notes in France will be made only to qualified investors (*investisseurs qualifiés*), as defined in Articles L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*, but excluding individuals referred to in Article D.411-1 II 2°.

In addition, each Dealer has represented and agreed, and each further Dealer under the Programme will be required to represent and agree, that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in France this Information Memorandum or any other offering material relating to the Notes other than to investors to whom offers and sales of Notes in France may be made as described above.

8. **General**

No action has been or will be taken in any country or jurisdiction by the Issuer, the Guarantor, the Dealers or any of them that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands the Information Prospectus comes are required by the Issuer, the Guarantor and each of the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, in applicable laws and regulations, no longer be applicable but without prejudice to the provisions of the Dealer Agreement.

Selling restrictions may be supplemented or modified with the agreement of the Issuer and the Guarantor. Any such supplement or modification will be set out in a supplement to this document.

**ANNEX 4
FORM OF NOTES**

**Form of Multicurrency Global Note
(Interest Bearing/Discounted/Index-Linked)**

**INTERNATIONAL ENDESA B.V.
guaranteed by
ENDESA, S.A.**

No: _____ Series No.: _____

Issued in London on: _____ Maturity Date: _____

Specified Currency: _____ Denomination: _____

Nominal Amount: _____ Reference Rate: LIBOR/EURIBOR¹
(words and figures if a Sterling Note)

Calculation Agent:² _____

Fixed Interest Rate:³ _____ % per annum Margin:⁴ _____ %

Calculation Agent:⁴ _____ Interest Payment Dates:⁵ _____
(Interest)

1. For value received, **INTERNATIONAL ENDESA B.V.** (the "**Issuer**") promises to pay to the bearer of this Global Note on the above-mentioned Maturity Date:
- (a) the above-mentioned Nominal Amount; or
 - (b) if this Global Note is index-linked, an amount (representing either principal or interest) to be calculated by the Calculation Agent named above, in accordance with the redemption or interest calculation, a copy of which is attached to this Global Note and/or is available for inspection at the offices of the Paying Agent referred to below,

together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with an amended and restated note agency agreement dated 13 December 2006 as supplemented on 18 December 2009 between the Issuer and the Guarantor and Citibank, N.A. as agent (the "**Agent**"), a copy of which is available for inspection at the offices of the Agent at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Global Note at the offices of the Agent referred to above by transfer to an account denominated in the above-mentioned Specified Currency maintained by the bearer in the principal financial centre in

¹ Delete as appropriate. The reference rate will be LIBOR unless this Global Note is denominated in euro and the Issuer and the relevant Dealer agree that the reference rate should be EURIBOR.

² Complete for index-linked Notes only.

³ Complete for fixed rate interest bearing Notes only.

⁴ Complete for floating rate interest bearing Notes only.

⁵ Complete for interest bearing Notes.

the country of that currency or, in the case of a Global Note denominated in euro, by euro cheque drawn on, or by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any member state of the European Union. The Issuer undertakes to ensure that it maintains a paying agent in an European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced to conform to, such Directive.

2. This Global Note is issued in representation of an issue of Notes in the above-mentioned aggregate Nominal Amount.
3. All payments in respect of this Global Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed in any jurisdiction through, in or from which such payments are made or any political subdivision or taxing authority of or in any of the foregoing ("**Taxes**"). If the Issuer or any agent thereof is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Global Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable where this Global Note is presented for payment:
 - (a) by or on behalf of a holder which is liable to such Taxes by reason of its having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Global Note; or
 - (b) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
 - (c) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting this Global Note to another paying agent in a member state of the European Union; or
 - (d) more than 15 days after the Maturity Date or, if applicable, the relevant Interest Payment Date or (in either case) the date on which payment hereof is duly provided for, whichever occurs later, except to the extent that the holder would have been entitled to such additional amounts if it had presented this Global Note on the last day of such period of 15 days.
4. The payment obligation of the Issuer represented by this Global Note constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking at least *pari passu* with all present and future unsecured and unsubordinated indebtedness of the Issuer other than obligations preferred by mandatory provisions of law.
5. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day and the bearer of this Global Note shall not be entitled to any interest or other sums in respect of such postponed payment.

As used in this Global Note:

"Payment Business Day" means any day other than a Saturday or Sunday which is both (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation, and (B) either (i) if the above-mentioned Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for

general business (including dealings in foreign exchange and foreign currency deposits) in both London and the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) or (ii) if the above-mentioned Specified Currency is euro, a day which is a TARGET Business Day; and

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

6. This Global Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).
7. This Global Note is issued in respect of an issue of Notes of the Issuer and is exchangeable in whole (but not in part only) for duly executed and authenticated bearer Notes in definitive form (whether before, on or, subject as provided below, after the Maturity Date):
 - (a) if the clearing system(s) in which this Global Note is held at the relevant time is closed for a continuous period of 14 days (other than by reason of public holidays) or announces an intention permanently to cease business or does in fact do so; or
 - (b) if default is made in the payment of any amount payable in respect of this Global Note.

Upon presentation and surrender of this Global Note during normal business hours to the Issuer at the offices of the Agent (or to any other person or at any other office outside the United States as may be designated in writing by the Issuer to the bearer), the Issue Agent shall authenticate and deliver, in exchange for this Global Note, bearer definitive notes denominated in the above-mentioned Specified Currency in an aggregate nominal amount equal to the Nominal Amount of this Global Note.

8. If, upon any such default and following such surrender, definitive Notes are not issued in full exchange for this Global Note before 5.00 p.m. (London time) on the thirtieth day after surrender, this Global Note (including the obligation hereunder to issue definitive notes) will become void and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have under a Deed of Covenant dated 18 December 2009, entered into by the Issuer).
9. This Global Note has the benefit of a guarantee issued by **ENDESA, S.A.** on 18 December 2009, copies of which are available for inspection during normal business hours at the offices of the Agent referred to above.
10. If this is an interest bearing Global Note, then:
 - (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Global Note falling due for payment prior to the above-mentioned Maturity Date remains unpaid on the fifteenth day after falling so due, the amount referred to in part (a) or (b) (as the case may be) of paragraph 1 shall be payable on such fifteenth day; and
 - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Global Note, the Schedule hereto shall be duly completed by the Agent to reflect such payment.
11. If this is a fixed rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:
 - (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days at the above-mentioned Interest Rate with the

resulting figure being rounded to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and

- (b) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is an "**Interest Period**" for the purposes of this paragraph.

12. If this is a floating rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

- (a) in the case of a Global Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the above-mentioned Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Global Note:

"**LIBOR**" shall be equal to the rate defined as "LIBOR-BBA" in respect of the above-mentioned Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Global Note, (the "**ISDA Definitions**")) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period (a "**LIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified on the face of this Note in relation to the Reference Rate; and

"**London Banking Day**" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;

- (b) in the case of a Global Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the above-mentioned Margin (if any) above or below EURIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Global Note, "**EURIBOR**" shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a "**EURIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified on the face of this Note in relation to the Reference Rate;

- (c) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the "**Amount of Interest**") for the relevant Interest Period. "**Rate of Interest**" means (A) if the Reference Rate is EURIBOR, the rate which is determined in accordance with the provisions of paragraph 12(b), and (B) in any other case, the rate which is determined in accordance with the provisions of paragraph 12(a). The Amount of Interest shall be calculated by applying the Rate of Interest to the Nominal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned

divided by 360 and rounding the resulting figure to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;

- (d) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;
 - (e) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is called an "**Interest Period**" for the purposes of this paragraph; and
 - (f) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the clearing system(s) in which this Global Note is held at the relevant time or, if this Global Note has been exchanged for bearer definitive Notes pursuant to paragraph 7, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).
13. Instructions for payment must be received at the offices of the Agent referred to above together with this Global Note as follows:
- (a) if this Global Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;
 - (b) if this Global Note is denominated in United States dollars, Canadian dollars or Sterling, on or prior to the relevant payment date; and
 - (c) in all other cases, at least one Business Day prior to the relevant payment date.

As used in this paragraph, "**Business Day**" means:

- (i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
 - (ii) in the case of payments in euro, a TARGET Business Day and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the above-mentioned Specified Currency.
14. This Global Note shall not be validly issued unless manually authenticated by Citibank, N.A. as issue agent.
15. This Global Note, and any non-contractual obligations arising out of or in connection with this Global Note, are governed by English law.
16. (a) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or in connection with this Global Note including a dispute regarding the existence, validity or termination of this Global Note or any non-contractual obligation arising out of or in connection with this Global Note) or the consequences of its nullity.

- (b) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (c) *Rights of the bearer to take proceedings outside England:* Sub-paragraph 16(a) (*English courts*) is for the benefit of the bearer only. As a result, nothing in this paragraph 16 prevents the bearer from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the bearer may take concurrent Proceedings in any number of jurisdictions.
- (d) *Process agent:* Without prejudice to any other mode of service allowed under any relevant law, the Issuer irrevocably (a) appoints Endesa Power Trading Limited, 22 Bedford Row, London WC1R 4JS as its agent for service of process in relation to any Proceedings or, if different, at any other address of the Issuer in Great Britain at which service of process may from time to time be served on it and (b) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the Proceedings concerned. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of the bearer addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Paying Agent appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Paying Agent. Nothing in this sub-paragraph shall affect the right of the bearer to serve process in any other manner permitted by law. This sub-paragraph applies to Proceedings in England and to Proceedings elsewhere.

17. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999.

AUTHENTICATED by
CITIBANK, N.A.

without recourse, warranty or liability and for authentication purposes only

Signed on behalf of:
INTERNATIONAL ENDESA B.V.

By: _____
(*Authorised Signatory*)

By: _____
(*Authorised Signatory*)

**SCHEDULE
PAYMENTS OF INTEREST**

The following payments of interest in respect of this Global Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of Paying Agent
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**Pro-forma Redemption or Interest Calculation
(Index linked Global Note)**

This is the Redemption or Interest Calculation relating to the attached index-linked Global Note:

Calculation Date: _____

Calculation Agent: _____

Redemption Amount: to be calculated by the Calculation Agent as follows:

[Insert particulars of index and redemption calculation]

[Indicate whether the calculation refers to principal or coupon]

Confirmed:

For **INTERNATIONAL ENDESA B.V.**

Note: The Calculation Agent is required to notify the Agent for the Notes of the Redemption Amount immediately upon completing its calculation of the same.

Form of Definitive Note
(for use where the Issuer accepts the
proceeds of issue in the United Kingdom)

INTERNATIONAL ENDESA B.V.
guaranteed by
ENDESA, S.A.

£100,000

Unless between individuals not acting in the conduct of a business or profession, each transaction regarding this Note which involves the physical delivery thereof within, from or into The Netherlands, must be effected (as required by the Dutch Savings Certificates Act (*Wet inzake Spaarbewijzen*) of 21 May 1985 (as amended)) through the mediation of the Issuer or a member firm of Euronext Amsterdam N.V., admitted in a function on one or more of the markets or systems operated by Euronext Amsterdam N.V. and must either be:

- between individuals or legal entities who or which trade or invest in securities in the conduct of a profession or trade (which includes banks, dealers, insurance companies, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities); or, in any other case
- recorded in a transaction note which includes the name and address of each party to the transaction, the nature of the transaction and the details and serial number of this Note.¹

No: _____ Series No.: _____

Issued in London on: _____ Maturity Date: _____

Denomination: _____ Nominal Amount:² _____
(words and figures)

Reference Rate:³ _____ months LIBOR Calculation Agent:⁴ _____
(Principal)

Fixed Interest Rate:⁵ _____ %per annum Margin:⁶ _____ %

Calculation Agent:⁵ _____ Interest Payment Dates:⁷ _____
(Interest) (Interest)

1. For value received, **INTERNATIONAL ENDESA B.V.** (the "**Issuer**") promises to pay to the bearer of this Note on the above-mentioned Maturity Date:

¹ This legend should be placed on zero coupon or discounted [Multicurrency/Sterling] Notes and [Multicurrency/Sterling] Notes on which interest only becomes due at maturity and which are (a) not listed on the Official Segment of Euronext Amsterdam N.V.'s stock market and (b) issued within The Netherlands, or issued outside The Netherlands but distributed within The Netherlands in the course of initial distribution or immediately thereafter.

² Complete for Notes other than index-linked Notes.

³ Complete for floating rate interest bearing Notes only.

⁴ Complete for index-linked Notes only.

⁵ Complete for fixed rate interest bearing Notes only.

⁶ Complete for floating rate interest bearing Notes only.

⁷ Complete for interest bearing Notes if interest is payable before the Maturity Date.

- (a) the above-mentioned Nominal Amount; or
- (b) if this Note is index-linked, an amount (representing either principal or interest) to be calculated by the Calculation Agent named above, in accordance with the redemption or interest calculation, a copy of which is attached to this Note and/or is available for inspection at the offices of the Agent referred to below,

together with interest thereon at the rate and at the times (if any) specified on the reverse of this Note.

All such payments shall be made in accordance with an amended and restated note agency agreement dated 13 December 2006 as supplemented on 18 December 2009 between the Issuer, the Guarantor and Citibank, N.A. as agent (the "**Agent**"), a copy of which is available for inspection at the offices of the Agent at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Note at the offices of the Agent referred to above by transfer to a sterling account maintained by the bearer in London. The Issuer undertakes to ensure that it maintains a paying agent in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced to conform to, such Directive.

- 2. All payments in respect of this Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed in any jurisdiction through, in or from which such payments are made or any political subdivision or taxing authority of or in any of the foregoing ("**Taxes**"). If the Issuer or any agent thereof is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable where this Note is presented for payment:
 - (a) by or on behalf of a holder which is liable to such Taxes by reason of its having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Note; or
 - (b) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
 - (c) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another paying agent in a member state of the European Union, or
 - (d) more than 15 days after the Maturity Date or, if applicable, the relevant Interest Payment Date or (in either case) the date on which payment hereof is duly provided for, whichever occurs later, except to the extent that the holder would have been entitled to such additional amounts if it had presented this note on the last day of such 15 day period.
- 3. The payment obligation of the Issuer represented by this Note constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking at least *pari passu* with all present and future unsecured and unsubordinated indebtedness of the Issuer other than obligations preferred by mandatory provisions of law.
- 4. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day and the bearer of this Note shall not be entitled to any interest or other sums in respect of such postponed

payment. As used in this Note, "**Payment Business Day**" means any day other than a Saturday or Sunday which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business in London.

5. This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).
6. This Note has the benefit of a guarantee issued by **ENDESA, S.A.** on 18 December 2009, copies of which are available for inspection during normal business hours at the offices of the Agent referred to above.
7. This Note shall not be validly issued unless manually authenticated by Citibank, N.A. as issue agent.
8. This Note, and any non-contractual obligations arising out of or in connection with this Note, are governed by English law.
9.
 - (a) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or in connection with this Note including a dispute regarding the existence, validity or termination of this Note or any non-contractual obligation arising out of or in connection with this Note) or the consequences of its nullity.
 - (b) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
 - (c) *Rights of the bearer to take proceedings outside England:* Sub-paragraph 9(a) (*English courts*) is for the benefit of the bearer only. As a result, nothing in this paragraph 9 prevents the bearer from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the bearer may take concurrent Proceedings in any number of jurisdictions.
 - (d) *Process agent:* Without prejudice to any other mode of service allowed under any relevant law, the Issuer irrevocably (a) appoints Endesa Power Trading Limited, 22 Bedford Row, London WC1R 4JS as its agent for service of process in relation to any Proceedings or, if different, at any other address of the Issuer in Great Britain at which service of process may from time to time be served on it and (b) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the Proceedings concerned. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of the bearer addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Paying Agent appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Paying Agent. Nothing in this sub-paragraph shall affect the right of the bearer to serve process in any other manner permitted by law. This sub-paragraph applies to Proceedings in England and to Proceedings elsewhere.
10. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999.

AUTHENTICATED by
CITIBANK, N.A.

without recourse, warranty or liability and for
authentication purposes only

By:

(Authorised Signatory)

Signed on behalf of:

INTERNATIONAL ENDESA B.V.

By: _____

(Authorised Signatory)

By:

(Authorised Signatory)

[On the Reverse]

- (A) If this is an interest bearing Note, then:
- (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the above-mentioned Maturity Date remains unpaid on the fifteenth day after falling so due, the amount referred to in part (a) or (b) (as the case may be) of paragraph 1 shall be payable on such fifteenth day; and
 - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Note, the Schedule hereto shall be duly completed by the Agent to reflect such payment.
- (B) If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 365 days at the above-mentioned Interest Rate with the resulting figure being rounded to the nearest penny (with halves being rounded upwards); and
 - (b) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is an "**Interest Period**" for the purposes of this paragraph (B).
- (C) If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) the Rate of Interest will be the aggregate of LIBOR and the above-mentioned Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 365 days. As used in this Note, "**LIBOR**" shall be equal to the rate defined as "LIBOR-BBA" in respect of Sterling (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Note (the "**ISDA Definitions**")) as at 11.00 a.m. (London time) or as near thereto as practicable on the first day of the relevant Interest Period (the "**LIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified on the face of this Note in relation to the Reference Rate;
 - (b) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on the LIBOR Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the "**Amount of Interest**") for the relevant Interest Period. "**Rate of Interest**" means the rate which is determined in accordance with the provisions of sub-paragraph (a) above. The Amount of Interest shall be calculated by applying the Rate of Interest to the Nominal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 365 and rounding the resulting figure to the nearest penny. The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;
 - (c) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;

- (d) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is called an "**Interest Period**" for the purposes of this paragraph (C).

**SCHEDULE
PAYMENTS OF INTEREST**

The following payments of interest in respect of this Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of Paying Agent
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**Pro-forma Redemption or Interest Calculation
(Index linked Note)**

This is the Redemption or Interest Calculation relating to the attached index-linked Note:

Calculation Date: _____

Calculation Agent: _____

Redemption Amount: to be calculated by the Calculation Agent as follows:

[Insert particulars of index and redemption calculation]

[Indicate whether the calculation refers to principal or coupon]

Confirmed:

For **INTERNATIONAL ENDESA B.V.**

Note: The Calculation Agent is required to notify the Agent for the Notes of the Redemption Amount immediately upon completing its calculation of the same.

**Form of Multicurrency Definitive Note
(Interest Bearing/Discounted/Index-Linked)
(Non-Sterling)**

INTERNATIONAL ENDESA B.V.

**guaranteed by
ENDESA, S.A.**

Unless between individuals not acting in the conduct of a business or profession, each transaction regarding this Note which involves the physical delivery thereof within, from or into The Netherlands, must be effected (as required by the Dutch Savings Certificates Act (*Wet inzake Spaarbewijzen*) of 21 May 1985 (as amended)) through the mediation of the Issuer or a member firm of Euronext Amsterdam N.V., admitted in a function on one or more of the markets or systems operated by Euronext Amsterdam N.V. and must either be:

- between individuals or legal entities who or which trade or invest in securities in the conduct of a profession or trade (which includes banks, dealers, insurance companies, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities); or, in any other case
- recorded in a transaction note which includes the name and address of each party to the transaction, the nature of the transaction and the details and serial number of this Note.¹

No: _____ Series No.: _____

Issued in London on: _____ Maturity Date: _____

Specified Currency: _____ Denomination: _____

Nominal Amount: _____ Reference Rate:² _____ months LIBOR/EURIBOR³

Calculation Agent:⁴ _____ Fixed Interest Rate:⁵ _____ % per annum
(Principal)

Margin:¹ _____ % Calculation Agent:¹ _____
(Interest)

Interest Payment Dates:⁵ _____

1. For value received, **INTERNATIONAL ENDESA B.V.** (the "**Issuer**") promises to pay to the bearer of this Note on the above-mentioned Maturity Date:

¹ This legend should be placed on zero coupon or discounted [Multicurrency/Sterling] Notes and [Multicurrency/Sterling] Notes on which interest only becomes due at maturity and which are (a) not listed on the Official Segment of Euronext Amsterdam N.V.'s stock market and (b) issued within The Netherlands, or issued outside The Netherlands but distributed within The Netherlands in the course of initial distribution or immediately thereafter.

² Complete for floating rate interest bearing Notes only.

³ Delete as appropriate. The reference rate will be LIBOR unless this Note is denominated in euro and the Issuer and the relevant Dealer agree that the reference rate should be EURIBOR.

⁴ Complete for index-linked Notes only.

⁵ Complete for fixed rate interest bearing Notes only.

⁵ Complete for interest bearing Notes.

- (a) the above-mentioned Nominal Amount; or
- (b) if this Note is index-linked, an amount (representing either principal or interest) to be calculated by the Calculation Agent named above, in accordance with the redemption or interest calculation, a copy of which is attached to this Note and/or is available for inspection at the offices of the Agent referred to below,

together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with an amended and restated note agency agreement dated 13 December 2006 as supplemented on 18 December 2009 between the Issuer and the Guarantor, and Citibank, N.A. as agent (as "**Agent**"), a copy of which is available for inspection at the offices of the Agent at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Note at the offices of the Agent referred to above by transfer to an account denominated in the above-mentioned Specified Currency maintained by the bearer in the principal financial centre in the country of that currency or, in the case of a Note denominated in euro, by euro cheque drawn on, or by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any member state of the European Union. The Issuer undertakes to ensure that it maintains a paying agent in an European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced to conform to, such Directive.

- 2. All payments in respect of this Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed in any jurisdiction through, in or from which such payments are made or any political subdivision or taxing authority of or in any of the foregoing ("**Taxes**"). If the Issuer or any agent thereof is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable where this Note is presented for payment:
 - (a) by or on behalf of a holder which is liable to such Taxes by reason of its having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Note; or
 - (b) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
 - (c) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another paying agent in a member state of the European Union; or
 - (d) more than 15 days after the Maturity Date or, if applicable, the relevant Interest Payment Date or (in either case) the date on which payment hereof is duly provided for, whichever occurs later, except to the extent that the holder would have been entitled to such additional amounts if it had presented this Note on the last day of such period of 15 days.
- 3. The payment obligation of the Issuer represented by this Note constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking at least *pari passu* with all present and future unsecured and unsubordinated indebtedness of the Issuer other than obligations preferred by mandatory provisions of law.
- 4. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall

not be given until the next following Payment Business Day and the bearer of this Note shall not be entitled to any interest or other sums in respect of such postponed payment.

As used in this Note:

"Payment Business Day" means any day other than a Saturday or Sunday which is both (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation, and (B) either (i) if the above-mentioned Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in both London and the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney) or (ii) if the above-mentioned Specified Currency is euro, a day which is a TARGET Business Day; and

"TARGET Business Day" means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

5. This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).
6. This Note has the benefit of a guarantee issued by **ENDESA, S.A.** on 18 December 2009, copies of which are available for inspection during normal business hours at the offices of the Agent referred to above.
7. If this is an interest bearing Note, then:
 - (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the above-mentioned Maturity Date remains unpaid on the fifteenth day after falling so due, the amount referred to in part (a) or (b) (as the case may be) of paragraph 1 shall be payable on such fifteenth day; and
 - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Note, the Schedule hereto shall be duly completed by the Agent to reflect such payment.
8. If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
 - (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days at the above-mentioned Interest Rate with the resulting figure being rounded to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and
 - (b) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is an **"Interest Period"** for the purposes of this paragraph.
9. If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
 - (a) in the case of a Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the above-mentioned Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on

the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Note:

"**LIBOR**" shall be equal to the rate defined as "LIBOR-BBA" in respect of the above-mentioned Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Note, (the "**ISDA Definitions**")) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period (a "**LIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified on the face of this Note in relation to the Reference Rate; and

"**London Banking Day**" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;

- (b) in the case of a Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the above-mentioned Margin (if any) above or below EURIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Note, "**EURIBOR**" shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a "**EURIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified on the face of this Note in relation to the Reference Rate;

- (c) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the "**Amount of Interest**") for the relevant Interest Period. "**Rate of Interest**" means (A) if the Reference Rate is EURIBOR, the rate which is determined in accordance with the provisions of paragraph 9(b), and (B) in any other case, the rate which is determined in accordance with the provisions of paragraph 9(a). The Amount of Interest shall be calculated by applying the Rate of Interest to the Nominal Amount of one Note of each denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 360 and rounding the resulting figure to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;
- (d) a certificate of the Calculation Agent as to the Rate of Interest payable hereon for any Interest Period shall be conclusive and binding as between the Issuer and the bearer hereof;
- (e) the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is called an "**Interest Period**" for the purposes of this paragraph; and
- (f) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the bearer of this Note, or if that is not practicable,

will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).

10. Instructions for payment must be received at the offices of the Agent referred to above together with this Note as follows:
- (a) if this Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars or Japanese Yen, at least two Business Days prior to the relevant payment date;
 - (b) if this Note is denominated in United States dollars or Canadian dollars, on or prior to the relevant payment date; and
 - (c) in all other cases, at least one Business Day prior to the relevant payment date.

As used in this paragraph, "**Business Day**" means:

- (i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
 - (ii) in the case of payments in euro, a TARGET Business Day and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the above-mentioned Specified Currency.
11. This Note shall not be validly issued unless manually authenticated by Citibank, N.A. as issue agent.
12. This Note, and any non-contractual obligations arising out of or in connection with this Note, are governed by English law.
13. (a) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or in connection with this Note including a dispute regarding the existence, validity or termination of this Note or any non-contractual obligation arising out of or in connection with this Note) or the consequences of its nullity.
- (b) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (c) *Rights of the bearer to take proceedings outside England:* Sub-paragraph 13(a) is for the benefit of the bearer only. As a result, nothing in this paragraph 13 prevents the bearer from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the bearer may take concurrent Proceedings in any number of jurisdictions.
- (d) *Process agent:* Without prejudice to any other mode of service allowed under any relevant law, the Issuer irrevocably (a) appoints Endesa Power Trading Limited, 22 Bedford Row, London WC1R 4JS as its agent for service of process in relation to any Proceedings or, if different, at any other address of the Issuer in Great Britain at which service of process may from time to time be served on it and (b) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the Proceedings concerned. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of the bearer addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Agent appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Agent. Nothing in this sub-paragraph shall affect the right of the bearer to serve process in any other manner permitted by law. This sub-paragraph applies to Proceedings in England and to Proceedings elsewhere.

14. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999.

AUTHENTICATED by

CITIBANK, N.A.

without recourse, warranty or liability and for authentication purposes only

Signed on behalf of:

INTERNATIONAL ENDESA B.V.

By: _____
(*Authorised Signatory*)

By: _____
(*Authorised Signatory*)

**SCHEDULE
PAYMENTS OF INTEREST**

The following payments of interest in respect of this Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of Paying Agent
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**Pro-forma Redemption or Interest Calculation
(Index linked Note)**

This is the Redemption or Interest Calculation relating to the attached index-linked Note:

Calculation Date: _____

Calculation Agent: _____

Redemption Amount: to be calculated by the Calculation Agent as follows:

[Insert particulars of index and redemption calculation]

[Indicate whether the calculation refers to principal or coupon]

Confirmed:

For **INTERNATIONAL ENDESA B.V.**

Note: The Calculation Agent is required to notify the Agent for the Notes of the Redemption Amount immediately upon completing its calculation of the same.

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