



**ENDESA, S.A.
and
Subsidiaries**

**Consolidated
Financial Statements
for the period
January - June 2018**

ENDESA, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AT 30 JUNE 2018 AND 31 DECEMBER 2017

Millions of Euros

	30 June 2018 <small>(1)</small>	31 December 2017 <small>(2)</small>	Difference	% Var.
ASSETS				
NON-CURRENT ASSETS	25,745	25,507	238	0.9
Property, Plant and Equipment	21,777	21,727	50	0.2
Investment Property	8	9	(1)	(11.1)
Intangible Assets	1,296	1,196	100	8.4
Goodwill	459	459	-	-
Investments Accounted for using the Equity Method	206	205	1	0.5
Non-Current Financial Assets	829	769	60	7.8
Deferred Tax Assets	1,170	1,142	28	2.5
CURRENT ASSETS	6,117	5,530	587	10.6
Inventories	1,222	1,267	(45)	(3.6)
Trade and other Receivables	3,122	3,100	22	0.7
Current Financial Assets	893	764	129	16.9
Cash and Cash Equivalents	880	399	481	120.6
Non-Current Assets Held for Sale and Discontinued Operations	-	-	-	n/a
TOTAL ASSETS	31,862	31,037	825	2.7
EQUITY AND LIABILITIES				
EQUITY	9,328	9,233	95	1.0
Of the Parent Company	9,195	9,096	99	1.1
Of non-Controlling Interests	133	137	(4)	(2.9)
NON-CURRENT LIABILITIES	15,495	14,269	1,226	8.6
Deferred Income	4,722	4,730	(8)	(0.2)
Non-Current Provisions	3,342	3,382	(40)	(1.2)
Non-Current Interest-Bearing Loans and Borrowings	5,556	4,414	1,142	25.9
Other non-Current Liabilities	703	646	57	8.8
Deferred Tax Liabilities	1,172	1,097	75	6.8
CURRENT LIABILITIES	7,039	7,535	(496)	(6.6)
Current Interest-Bearing Loans and Borrowings	1,287	978	309	31.6
Current Provisions	305	425	(120)	(28.2)
Trade Payables and other Current Liabilities	5,447	6,132	(685)	(11.2)
Liabilities Associated with non-Current Assets classified as Held for Sale and Discontinued Operations	-	-	-	n/a
TOTAL EQUITY AND LIABILITIES	31,862	31,037	825	2.7

(1) Unaudited

(2) Audited

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE PERIODS JANUARY - JUNE 2018 AND 2017

Millions of Euros

	January - June 2018 ⁽¹⁾	January - June 2017 ⁽¹⁾	Difference	% Var.
INCOME	9,934	10,004	(70)	(0.7)
Revenue	9,560	9,792	(232)	(2.4)
Other Operating Revenues	374	212	162	76.4
PROCUREMENTS AND SERVICES	(7,111)	(7,380)	(269)	(3.6)
Power Purchased	(2,363)	(2,566)	(203)	(7.9)
Cost of Fuel Consumed	(941)	(1,056)	(115)	(10.9)
Transmission Costs	(2,769)	(2,832)	(63)	(2.2)
Other Variable Procurements and Services	(1,038)	(926)	112	12.1
CONTRIBUTION MARGIN	2,823	2,624	199	7.6
Self-Constructed Assets	80	79	1	1.3
Personnel Expenses	(473)	(451)	22	4.9
Other Fixed Operating Expenses	(626)	(647)	(21)	(3.2)
GROSS PROFIT FROM OPERATIONS (EBITDA)	1,804	1,605	199	12.4
Depreciation and Amortisation, and Impairment Losses	(751)	(704)	47	6.7
PROFIT FROM OPERATIONS (EBIT)	1,053	901	152	16.9
NET FINANCIAL PROFIT / (LOSS)	(70)	(59)	(11)	18.6
Financial Income	18	34	(16)	(47.1)
Financial Expense	(87)	(94)	(7)	(7.4)
Net Exchange Differences	(1)	1	(2)	(200.0)
Net Profit / (Loss) of Companies Accounted for using the Equity Method	20	10	10	100.0
Gains / (Losses) from other Investments	-	1	(1)	(100.0)
Gains / (Losses) on Disposal of Assets	(19)	(5)	(14)	280.0
PROFIT / (LOSS) BEFORE TAX	984	848	136	16.0
Income Tax Expense	(228)	(190)	38	20.0
PROFIT AFTER TAX FOR THE PERIOD FROM CONTINUING OPERATIONS	756	658	98	14.9
PROFIT AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-	-	n/a
PROFIT FOR THE PERIOD	756	658	98	14.9
Parent Company	752	653	99	15.2
Non-Controlling Interests	4	5	(1)	(20.0)

(1) Unaudited

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS JANUARY - JUNE 2018 AND 2017

Millions of Euros

	January - June 2018 ⁽¹⁾	January - June 2017 ⁽¹⁾
Profit Before Tax	984	848
Adjustments for:	805	677
Depreciation and Amortisation, and Impairment Losses	751	704
Other Adjustments (Net)	54	(27)
Changes in Working Capital	(1,047)	(687)
Trade and Other Accounts Receivables	182	(139)
Inventories	(159)	(101)
Current Financial Assets	(209)	(537)
Trade Payables and Other Current Liabilities	(861)	90
Other Cash Flows from / (used in) Operating Activities:	(103)	(163)
Interest Received	16	29
Dividends Received	6	4
Interest Paid	(73)	(74)
Income Tax Paid	72	7
Other Receipts from and Payments for Operating Activities	(124)	(129)
NET CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES	639	675
Acquisitions of Property, Plant and Equipment and Intangible Assets	(664)	(593)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	3	5
Purchase of Investments in Group Companies	(46)	(1)
Proceeds from Sale of Investments in Group Companies	20	16
Purchase of other Investments	(122)	(85)
Proceeds from Sale of other Investments	20	21
Cash flows from Changes in the Consolidation Scope	-	-
Grants and other Deferred Income	40	29
NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES	(749)	(608)
Cash Flows from Equity Instruments	(1)	-
Proceeds from Borrowings, non-Current	522	1,047
Repayment of Borrowings, non-Current	(49)	(498)
Net Cash Flows used in Current Borrowings	867	159
Dividends of the Parent Company Paid	(741)	(741)
Payments to non-Controlling Interests	(7)	(1)
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	591	(34)
TOTAL NET CASH FLOWS	481	33
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	481	33
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	399	418
CASH AND CASH EQUIVALENTS AT END OF PERIOD	880	451

(1) Unaudited

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE PERIODS JANUARY - JUNE 2018 AND 2017

Millions of Euros

	January - June 2018 <small>(1)</small>			January - June 2017 <small>(1)</small>		
	Of the Parent Company	Of Non-Controlling Interests	Total	Of the Parent Company	Of Non-Controlling Interests	Total
PROFIT FOR THE PERIOD	752	4	756	653	5	658
OTHER COMPREHENSIVE INCOME:						
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	54	-	54	16	-	16
Items that Can Be Reclassified to Profit or Loss:	63	-	63	16	-	16
From Revaluation / (Reversal of Revaluation) of Property, Plant and Equipment and Intangible Assets	-	-	-	-	-	-
From Measurement of Financial Instruments	-	-	-	-	-	-
Available-for-Sale Financial Assets	-	-	-	-	-	-
Other Income / (Expenses)	-	-	-	-	-	-
Cash Flow Hedges	81	-	81	21	-	21
Translation Differences	1	-	1	(1)	-	(1)
Companies Accounted for using the Equity Method	1	-	1	2	-	2
Other Income and Expenses Recognised directly in Equity	-	-	-	-	-	-
Tax Effect	(20)	-	(20)	(6)	-	(6)
Items not to Be Reclassified to Profit or Loss in Subsequent Periods:	(9)	-	(9)	-	-	-
From Actuarial Gains and Losses and other Adjustments	(11)	-	(11)	-	-	-
Tax Effect	2	-	2	-	-	-
AMOUNTS TRANSFERRED TO INCOME STATEMENT AND/OR INVESTMENTS	(16)	-	(16)	(57)	-	(57)
From Measurement of Financial Instruments	-	-	-	-	-	-
Available-for-Sale Financial Assets	-	-	-	-	-	-
Other Income / (Expenses)	-	-	-	-	-	-
Cash Flow Hedges	(21)	-	(21)	(76)	-	(76)
Translation Differences	-	-	-	-	-	-
Companies Accounted for using the Equity Method	-	-	-	(1)	-	(1)
Other Income and Expenses Recognised directly in Equity	-	-	-	-	-	-
Tax Effect	5	-	5	20	-	20
TOTAL COMPREHENSIVE INCOME	790	4	794	612	5	617

(1) Unaudited

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD JANUARY - JUNE 2018

Millions of Euros

	Equity attributable to the Parent Company ⁽¹⁾						Non-Controlling Interests	Total equity
	Capital and reserves							
	Share Capital	Share premium, Reserves and interim dividend	Treasury shares and own equity instruments	Profit for the period	Other equity instruments	Valuation adjustments		
BALANCE AT 1 JANUARY 2018	1,271	6,414	-	1,463	-	(52)	137	9,233
Adjustments due to Changes in Accounting Policies	-	31	-	-	-	-	-	31
Correction of Errors	-	-	-	-	-	-	-	-
ADJUSTED BALANCE AT 1 JANUARY 2018	1,271	6,445	-	1,463	-	(52)	137	9,264
TOTAL COMPREHENSIVE INCOME	-	(9)	-	752	-	47	4	794
TRANSACTIONS WITH SHAREHOLDERS OR OWNERS	-	(722)	-	-	-	-	(8)	(730)
Capital Increases / (Reductions)	-	-	-	-	-	-	(1)	(1)
Conversion of Liabilities into Equity	-	-	-	-	-	-	-	-
Dividends Paid	-	(722)	-	-	-	-	(7)	(729)
Transactions with Treasury Shares or Own Equity Instruments (Net)	-	-	-	-	-	-	-	-
Increases / (Reductions) due to Business Combinations	-	-	-	-	-	-	-	-
Other Transactions with Shareholders and Owners	-	-	-	-	-	-	-	-
OTHER CHANGES IN EQUITY	-	1,463	-	(1,463)	-	-	-	-
Share-Based Payments	-	-	-	-	-	-	-	-
Transfers between Equity Items	-	1,463	-	(1,463)	-	-	-	-
Other Changes	-	-	-	-	-	-	-	-
BALANCE AT 30 JUNE 2018	1,271	7,177	-	752	-	(5)	133	9,328

(1) Unaudited

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD JANUARY - JUNE 2017

Millions of Euros

	Equity attributable to the Parent Company ⁽¹⁾						Non-Controlling Interests	Total equity
	Capital and reserves							
	Share Capital	Share premium, Reserves and interim dividend	Treasury shares and own equity instruments	Profit for the period	Other equity instruments	Valuation adjustments		
BALANCE AT 1 JANUARY 2017	1,271	6,308	-	1,411	-	(38)	136	9,088
Adjustments due to Changes in Accounting Policies	-	-	-	-	-	-	-	-
Correction of Errors	-	-	-	-	-	-	-	-
ADJUSTED BALANCE AT 1 JANUARY 2017	1,271	6,308	-	1,411	-	(38)	136	9,088
TOTAL COMPREHENSIVE INCOME	-	-	-	653	-	(41)	5	617
TRANSACTIONS WITH SHAREHOLDERS OR OWNERS	-	(670)	-	-	-	-	-	(670)
Capital Increases / (Reductions)	-	-	-	-	-	-	-	-
Conversion of Liabilities into Equity	-	-	-	-	-	-	-	-
Dividends Paid	-	(670)	-	-	-	-	-	(670)
Transactions with Treasury Shares or Own Equity Instruments (Net)	-	-	-	-	-	-	-	-
Increases / (Reductions) due to Business Combinations	-	-	-	-	-	-	-	-
Other Transactions with Shareholders and Owners	-	-	-	-	-	-	-	-
OTHER CHANGES IN EQUITY	-	1,411	-	(1,411)	-	-	-	-
Share-Based Payments	-	-	-	-	-	-	-	-
Transfers between Equity Items	-	1,411	-	(1,411)	-	-	-	-
Other Changes	-	-	-	-	-	-	-	-
BALANCE AT 30 JUNE 2017	1,271	7,049	-	653	-	(79)	141	9,035

(1) Unaudited

ENDESA S.A. AND SUBSIDIARIES
BREAKDOWN CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2018

Millions of Euros

	30 June 2018 ⁽¹⁾				Total
	Generation and Supply	Distribution	Structure and Services	Consolidation Adjustments and Eliminations	
ASSETS					
NON-CURRENT ASSETS	12,596	13,158	24,175	(24,184)	25,745
Property, Plant and Equipment	9,845	11,869	63	-	21,777
Investment Property	-	2	6	-	8
Intangible Assets	975	180	141	-	1,296
Goodwill	379	76	4	-	459
Investments Accounted for using the Equity Method	183	20	3	-	206
Non-Current Financial Assets	521	684	23,822	(24,198)	829
Deferred Tax Assets	693	327	136	14	1,170
CURRENT ASSETS	4,855	1,111	3,120	(2,969)	6,117
Inventories	1,097	125	-	-	1,222
Trade and other Receivables	2,766	702	712	(1,058)	3,122
Current Financial Assets	808	281	1,715	(1,911)	893
Cash and Cash Equivalents	184	3	693	-	880
Non-Current Assets Held for Sale and Discontinued Operations	-	-	-	-	-
TOTAL ASSETS	17,451	14,269	27,295	(27,153)	31,862
EQUITY AND LIABILITIES					
EQUITY	4,647	2,519	16,940	(14,778)	9,328
Of the Parent Company	4,519	2,514	16,940	(14,778)	9,195
Of non-Controlling Interests	128	5	-	-	133
NON-CURRENT LIABILITIES	8,841	9,629	5,955	(8,930)	15,495
Deferred Income	51	4,692	-	(21)	4,722
Non-Current Provisions	1,961	987	330	64	3,342
Non-Current Interest-Bearing Loans and Borrowings	5,819	3,149	5,547	(8,959)	5,566
Other non-Current Liabilities	235	466	19	(17)	703
Deferred Tax Liabilities	775	335	59	3	1,172
CURRENT LIABILITIES	3,963	2,121	4,400	(3,445)	7,039
Current Interest-Bearing Loans and Borrowings	542	4	3,136	(2,395)	1,287
Current Provisions	192	59	54	-	305
Trade Payables and other Current Liabilities	3,229	2,058	1,210	(1,050)	5,447
Liabilities Associated with non-Current Assets classified as Held for Sale and Discontinued Operations	-	-	-	-	-
TOTAL EQUITY AND LIABILITIES	17,451	14,269	27,295	(27,153)	31,862

(1) Unaudited

ENDESA S.A. AND SUBSIDIARIES
BREAKDOWN CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2017

Millions of Euros

	31 December 2017 ⁽¹⁾				
	Generation and Supply	Distribution	Structure and Services	Consolidation Adjustments and Eliminations	Total
ASSETS					
NON-CURRENT ASSETS	12,936	13,149	25,134	(25,712)	25,507
Property, Plant and Equipment	9,779	11,881	68	(1)	21,727
Investment Property	-	2	7	-	9
Intangible Assets	864	181	151	-	1,196
Goodwill	379	76	4	-	459
Investments Accounted for using the Equity Method	186	19	-	-	205
Non-Current Financial Assets	1,078	665	24,759	(25,733)	769
Deferred Tax Assets	650	325	145	22	1,142
CURRENT ASSETS	4,387	1,319	1,977	(2,153)	5,530
Inventories	1,191	76	-	-	1,267
Trade and other Receivables	2,647	956	478	(981)	3,100
Current Financial Assets	366	281	1,289	(1,172)	764
Cash and Cash Equivalents	183	6	210	-	399
Non-Current Assets Held for Sale and Discontinued Operations	-	-	-	-	-
TOTAL ASSETS	17,323	14,468	27,111	(27,865)	31,037
EQUITY AND LIABILITIES					
EQUITY	4,350	2,328	17,367	(14,812)	9,233
Of the Parent Company	4,218	2,323	17,367	(14,812)	9,096
Of non-Controlling Interests	132	5	-	-	137
NON-CURRENT LIABILITIES	8,526	10,076	6,572	(10,905)	14,269
Deferred Income	50	4,704	-	(24)	4,730
Non-Current Provisions	1,889	1,020	369	104	3,382
Non-Current Interest-Bearing Loans and Borrowings	5,694	3,564	6,133	(10,977)	4,414
Other non-Current Liabilities	193	450	13	(10)	646
Deferred Tax Liabilities	700	338	57	2	1,097
CURRENT LIABILITIES	4,447	2,064	3,172	(2,148)	7,535
Current Interest-Bearing Loans and Borrowings	319	4	1,823	(1,168)	978
Current Provisions	309	60	55	1	425
Trade Payables and other Current Liabilities	3,819	2,000	1,294	(981)	6,132
Liabilities Associated with non-Current Assets classified as Held for Sale and Discontinued Operations	-	-	-	-	-
TOTAL EQUITY AND LIABILITIES	17,323	14,468	27,111	(27,865)	31,037

(1) Audited

ENDESA S.A. AND SUBSIDIARIES
BREAKDOWN CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD JANUARY - JUNE 2018

Millions of Euros

	30 June 2018 ⁽¹⁾				
	Generation and Supply	Distribution	Structure and Services	Consolidation Adjustments and Eliminations	Total
INCOME	8,649	1,387	275	(377)	9,934
Revenue	8,374	1,265	265	(344)	9,560
Other Operating Revenues	275	122	10	(33)	374
PROCUREMENTS AND SERVICES	(7,058)	(101)	(41)	89	(7,111)
Power Purchased	(2,363)	-	-	-	(2,363)
Cost of Fuel Consumed	(941)	-	-	-	(941)
Transmission Costs	(2,770)	-	-	1	(2,769)
Other Variable Procurements and Services	(984)	(101)	(41)	88	(1,038)
CONTRIBUTION MARGIN	1,591	1,286	234	(288)	2,823
Self-Constructed Assets	17	57	6	-	80
Personnel Expenses	(269)	(125)	(83)	4	(473)
Other Fixed Operating Expenses	(544)	(206)	(159)	283	(626)
GROSS PROFIT FROM OPERATIONS (EBITDA)	795	1,012	(2)	(1)	1,804
Depreciation and Amortisation, and Impairment Losses	(424)	(305)	(22)	-	(751)
PROFIT FROM OPERATIONS (EBIT)	371	707	(24)	(1)	1,053
NET FINANCIAL PROFIT / (LOSS)	(83)	(36)	49	-	(70)
Financial Income	15	4	238	(239)	18
Financial Expense	(95)	(40)	(191)	239	(87)
Net Exchange Differences	(3)	-	2	-	(1)
Net Profit / (Loss) of Companies Accounted for using the Equity Method	14	3	3	-	20
Gains / (Losses) from other Investments	-	-	324	(324)	-
Gains / (Losses) on Disposal of Assets	(19)	2	(2)	-	(19)
PROFIT / (LOSS) BEFORE TAX	283	676	350	(325)	984
Income Tax Expense	(60)	(162)	(7)	1	(228)
PROFIT AFTER TAX FOR THE PERIOD FROM CONTINUING OPERATIONS	223	514	343	(324)	756
PROFIT AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-	-	-	-
PROFIT FOR THE PERIOD	223	514	343	(324)	756
Parent Company	219	514	343	(324)	752
Non-Controlling Interests	4	-	-	-	4

(1) Unaudited

ENDESA S.A. AND SUBSIDIARIES
BREAKDOWN CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD JANUARY - JUNE 2017

Millions of Euros

	30 June 2017 ⁽¹⁾				
	Generation and Supply	Distribution	Structure and Services	Consolidation Adjustments and Eliminations	Total
INCOME	8,818	1,290	261	(365)	10,004
Revenue	8,718	1,157	251	(334)	9,792
Other Operating Revenues	100	133	10	(31)	212
PROCUREMENTS AND SERVICES	(7,363)	(66)	(38)	87	(7,380)
Power Purchased	(2,566)	-	-	-	(2,566)
Cost of Fuel Consumed	(1,056)	-	-	-	(1,056)
Transmission Costs	(2,833)	-	-	1	(2,832)
Other Variable Procurements and Services	(908)	(66)	(38)	86	(926)
CONTRIBUTION MARGIN	1,455	1,224	223	(278)	2,624
Self-Constructed Assets	11	60	8	-	79
Personnel Expenses	(236)	(133)	(90)	8	(451)
Other Fixed Operating Expenses	(532)	(215)	(168)	268	(647)
GROSS PROFIT FROM OPERATIONS (EBITDA)	698	936	(27)	(2)	1,605
Depreciation and Amortisation, and Impairment Losses	(407)	(269)	(28)	-	(704)
PROFIT FROM OPERATIONS (EBIT)	291	667	(55)	(2)	901
NET FINANCIAL PROFIT / (LOSS)	(50)	(46)	34	3	(59)
Financial Income	28	7	214	(215)	34
Financial Expense	(97)	(53)	(162)	218	(94)
Net Exchange Differences	19	-	(18)	-	1
Net Profit / (Loss) of Companies Accounted for using the Equity Method	7	3	-	-	10
Gains / (Losses) from other Investments	1	-	349	(349)	1
Gains / (Losses) on Disposal of Assets	(14)	5	4	-	(5)
PROFIT / (LOSS) BEFORE TAX	235	629	332	(348)	848
Income Tax Expense	(43)	(153)	4	2	(190)
PROFIT AFTER TAX FOR THE PERIOD FROM CONTINUING OPERATIONS	192	476	336	(346)	658
PROFIT AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-	-	-	-
PROFIT FOR THE PERIOD	192	476	336	(346)	658
Parent Company	187	476	336	(346)	653
Non-Controlling Interests	5	-	-	-	5

(1) Unaudited