



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

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

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

Millions of Euros

	31 December 2018 (1)	31 December 2017 (1)	Difference	% Var.
ASSETS				
NON-CURRENT ASSETS	26,001	25,507	494	1.9
Property, Plant and Equipment	21,840	21,727	113	0.5
Investment Property	62	9	53	588.9
Intangible Assets	1,355	1,196	159	13.3
Goodwill	479	459	20	4.4
Investments Accounted for using the Equity Method	249	205	44	21.5
Non-Current Financial Assets	858	769	89	11.6
Deferred Tax Assets	1,158	1,142	16	1.4
CURRENT ASSETS	5,655	5,530	125	2.3
Inventories	1,473	1,267	206	16.3
Trade and other Receivables	2,955	3,100	(145)	(4.7)
Current Financial Assets	983	764	219	28.7
Cash and Cash Equivalents	244	399	(155)	(38.8)
Non-Current Assets Held for Sale and Discontinued Operations				n/a
TOTAL ASSETS	31,656	31,037	619	2.0
EQUITY AND LIABILITIES				
EQUITY	9,181	9,233	(52)	(0.6)
Of the Parent Company	9,037	9,096	(59)	(0.6)
Of non-Controlling Interests	144	137	7	5.1
NON-CURRENT LIABILITIES	14,781	14,269	512	3.6
Deferred Income	4,587	4,730	(143)	(3.0)
Non-Current Provisions	3,325	3,382	(57)	(1.7)
Non-Current Interest-Bearing Loans and Borrowings	4,975	4,414	561	12.7
Other non-Current Liabilities	757	646	111	17.2
Deferred Tax Liabilities	1,137	1,097	40	3.6
CURRENT LIABILITIES	7,694	7,535	159	2.1
Current Interest-Bearing Loans and Borrowings	1,046	978	68	7.0
Current Provisions	571	425	146	34.4
Trade Payables and other Current Liabilities	6,077	6,132	(55)	(0.9)
Liabilities Associated with non-Current Assets classified as Held for Sale and Discontinued Operations				n/a
TOTAL EQUITY AND LIABILITIES	31,656	31,037	619	2.0

(1) Audited

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

Millions of Euros

	January - December 2018 (1)	January - December 2017 (1)	Difference	% Var.
INCOME	20,195	20,057	138	0.7
Revenue	19,555	19,556	(1)	(0.0)
Other Operating Revenues	640	501	139	27.7
PROCUREMENTS AND SERVICES	(14,567)	(14,569)	(2)	(0.0)
Power Purchased	(4,784)	(4,933)	(149)	(3.0)
Cost of Fuel Consumed	(2,269)	(2,294)	(25)	(1.1)
Transmission Costs	(5,463)	(5,652)	(189)	(3.3)
Other Variable Procurements and Services	(2,051)	(1,690)	361	21.4
CONTRIBUTION MARGIN	5,628	5,488	140	2.6
Self-Constructed Assets	270	222	48	21.6
Personnel Expenses	(947)	(917)	30	3.3
Other Fixed Operating Expenses	(1,324)	(1,251)	73	5.8
GROSS PROFIT FROM OPERATIONS (EBITDA)	3,627	3,542	85	2.4
Depreciation and Amortisation, and Impairment Losses	(1,708)	(1,511)	197	13.0
PROFIT FROM OPERATIONS (EBIT)	1,919	2,031	(112)	(5.5)
NET FINANCIAL PROFIT / (LOSS)	(139)	(123)	(16)	13.0
Financial Income	36	51	(15)	(29.4)
Financial Expense	(173)	(178)	(5)	(2.8)
Net Exchange Differences	(2)	4	(6)	(150.0)
Net Profit / (Loss) of Companies Accounted for using the Equity Method	35	(15)	50	(333.3)
Gains / (Losses) from other Investments				n/a
Gains / (Losses) on Disposal of Assets	3	7	(4)	(57.1)
PROFIT / (LOSS) BEFORE TAX	1,818	1,900	(82)	(4.3)
Income Tax Expense	(392)	(427)	(35)	(8.2)
PROFIT AFTER TAX FOR THE PERIOD FROM CONTINUING OPERATIONS	1,426	1,473	(47)	(3.2)
PROFIT AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS				n/a
PROFIT FOR THE PERIOD	1,426	1,473	(47)	(3.2)
Parent Company	1,417	1,463	(46)	(3.1)
Non-Controlling Interests	9	10	(1)	(10.0)

(1) Audited

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

Millions of Euros

	January - December 2018 (1)	January - December 2017 (1)
Profit Before Tax	1,818	1,900
Adjustments for:	1,910	1,579
Depreciation and Amortisation, and Impairment Losses	1,708	1,511
Other Adjustments (Net)	202	68
Changes in Working Capital	(653)	(370)
Trade and Other Accounts Receivables	298	(387)
Inventories	(361)	(241)
Current Financial Assets	(285)	(554)
Trade Payables and Other Current Liabilities	(305)	812
Other Cash Flows from / (used in) Operating Activities:	(655)	(671)
Interest Received	29	44
Dividends Received	30	27
Interest Paid	(142)	(134)
Income Tax Paid	(326)	(350)
Other Receipts from and Payments for Operating Activities	(246)	(258)
NET CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES	2,420	2,438
Acquisitions of Property, Plant and Equipment and Intangible Assets	(1,425)	(1,078)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	8	15
Purchase of Investments in Group Companies	(136)	(2)
Proceeds from Sale of Investments in Group Companies	20	16
Purchase of other Investments	(226)	(187)
Proceeds from Sale of other Investments	46	29
Cash flows from Changes in the Consolidation Scope		
Grants and other Deferred Income	86	92
NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES	(1,627)	(1,115)
Cash Flows from Equity Instruments	5	(3)
Proceeds from Borrowings, non-Current	721	315
Repayment of Borrowings, non-Current	(56)	(74)
Net Cash Flows used in Current Borrowings	(146)	(165)
Dividends of the Parent Company Paid	(1,463)	(1,411)
Payments to non-Controlling Interests	(9)	(4)
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	(948)	(1,342)
TOTAL NET CASH FLOWS	(155)	(19)
Effect of Exchange Rate Fluctuations on Cash and Cash Equivalents		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(155)	(19)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	399	418
CASH AND CASH EQUIVALENTS AT END OF PERIOD	244	399

(1) Audited

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

Millions of Euros

	January - December 2018 (1)			January - December 2017 (1)		
	Of the Parent Company	Of Non-Controlling Interests	Total	Of the Parent Company	Of Non-Controlling Interests	Total
PROFIT FOR THE PERIOD	1,417	9	1,426	1,463	10	1,473
OTHER COMPREHENSIVE INCOME:						
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	14		14	165		165
Items that Can Be Reclassified to Profit or Loss:	43		43	65		65
Cash Flow Hedges	54		54	86		86
Translation Differences	1		1	(1)		(1)
Companies Accounted for using the Equity Method	1		1	1		1
Other Income and Expenses Recognised directly in Equity						
Tax Effect	(13)		(13)	(21)		(21)
Items not to Be Reclassified to Profit or Loss in Subsequent Periods:	(29)		(29)	100		100
From Revaluation / (Reversal of Revaluation) of Property, Plant and Equipment and Intangible Assets						
From Measurement of Financial Instruments						
Financial Assets at Fair Value						
Other Income / (Expenses)						
From Actuarial Gains and Losses and other Adjustments	(33)		(33)	127		127
Tax Effect	4		4	(27)		(27)
AMOUNTS TRANSFERRED TO INCOME STATEMENT AND/OR INVESTMENTS	(58)		(58)	(79)		(79)
Cash Flow Hedges	(77)		(77)	(108)		(108)
Translation Differences						
Companies Accounted for using the Equity Method				2		2
Other Income and Expenses Recognised directly in Equity						
Tax Effect	19		19	27		27
TOTAL COMPREHENSIVE INCOME	1,373	9	1,382	1,549	10	1,559

(1) Audited

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD JANUARY - DECEMBER 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		(29)		1,417		(15)	9	1,382
TRANSACTIONS WITH SHAREHOLDERS OR OWNERS		(1,463)					(2)	(1,465)
Capital Increases / (Reductions)							(1)	(1)
Conversion of Liabilities into Equity								
Dividends Paid		(1,463)					(9)	(1,472)
Transactions with Treasury Shares or Own Equity Instruments (Net)								
Increases / (Reductions) due to Business Combinations							2	2
Other Transactions with Shareholders and Owners							6	6
OTHER CHANGES IN EQUITY		1,463		(1,463)				
Share-Based Payments								
Transfers between Equity Items		1,463		(1,463)				
Other Changes								
BALANCE AT 31 DECEMBER 2018	1,271	6,416		1,417		(67)	144	9,181

(1) Audited

ENDESA S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD JANUARY - DECEMBER 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		100		1,463		(14)	10	1,559
TRANSACTIONS WITH SHAREHOLDERS OR OWNERS		(1,405)					(9)	(1,414)
Capital Increases / (Reductions)								
Conversion of Liabilities into Equity								
Dividends Paid		(1,411)					(3)	(1,414)
Transactions with Treasury Shares or Own Equity Instruments (Net)								
Increases / (Reductions) due to Business Combinations								
Other Transactions with Shareholders and Owners		6					(6)	
OTHER CHANGES IN EQUITY		1,411		(1,411)				
Share-Based Payments								
Transfers between Equity Items		1,411		(1,411)				
Other Changes								
BALANCE AT 31 DECEMBER 2017	1,271	6,414		1,463		(52)	137	9,233

(1) Audited

ENDESA S.A. AND SUBSIDIARIES
BREAKDOWN CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2018

Millions of Euros

	31 December 2018 ⁽¹⁾				
	Generation and Supply	Distribution	Structure and Services	Consolidation Adjustments and Eliminations	Total
ASSETS					
NON-CURRENT ASSETS	13,235	13,349	29,981	(30,564)	26,001
Property, Plant and Equipment	9,856	11,916	68		21,840
Investment Property		56	6		62
Intangible Assets	991	223	141		1,355
Goodwill	378	97	4		479
Investments Accounted for using the Equity Method	229	18	2		249
Non-Current Financial Assets	1,093	718	29,623	(30,576)	858
Deferred Tax Assets	688	321	137	12	1,158
CURRENT ASSETS	5,083	1,106	2,910	(3,444)	5,655
Inventories	1,348	125			1,473
Trade and other Receivables	2,622	671	1,941	(2,279)	2,955
Current Financial Assets	889	304	955	(1,165)	983
Cash and Cash Equivalents	224	6	14		244
Non-Current Assets Held for Sale and Discontinued Operations					
TOTAL ASSETS	18,318	14,455	32,891	(34,008)	31,656
EQUITY AND LIABILITIES					
EQUITY	7,194	3,472	17,388	(18,873)	9,181
Of the Parent Company	7,057	3,465	17,388	(18,873)	9,037
Of non-Controlling Interests	137	7			144
NON-CURRENT LIABILITIES	6,079	8,522	12,111	(11,931)	14,781
Deferred Income	44	4,562		(19)	4,587
Non-Current Provisions	1,995	954	323	53	3,325
Non-Current Interest-Bearing Loans and Borrowings	3,022	2,197	11,707	(11,951)	4,975
Other non-Current Liabilities	281	474	19	(17)	757
Deferred Tax Liabilities	737	335	62	3	1,137
CURRENT LIABILITIES	5,045	2,461	3,392	(3,204)	7,694
Current Interest-Bearing Loans and Borrowings	59	4	1,916	(933)	1,046
Current Provisions	444	65	62		571
Trade Payables and other Current Liabilities	4,542	2,392	1,414	(2,271)	6,077
Liabilities Associated with non-Current Assets classified as Held for Sale and Discontinued Operations					
TOTAL EQUITY AND LIABILITIES	18,318	14,455	32,891	(34,008)	31,656

(1) Audited

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 - DECEMBER 2018

Millions of Euros

	31 December 2018 ⁽¹⁾				
	Generation and Supply	Distribution	Structure and Services	Consolidation Adjustments and Eliminations	Total
INCOME	17,621	2,784	614	(824)	20,195
Revenue	17,203	2,509	596	(753)	19,555
Other Operating Revenues	418	275	18	(71)	640
PROCUREMENTS AND SERVICES	(14,464)	(201)	(81)	179	(14,567)
Power Purchased	(4,781)	(3)			(4,784)
Cost of Fuel Consumed	(2,269)				(2,269)
Transmission Costs	(5,457)	(6)			(5,463)
Other Variable Procurements and Services	(1,957)	(192)	(81)	179	(2,051)
CONTRIBUTION MARGIN	3,157	2,583	533	(645)	5,628
Self-Constructed Assets	83	167	20		270
Personnel Expenses	(520)	(263)	(180)	16	(947)
Other Fixed Operating Expenses	(1,103)	(428)	(419)	626	(1,324)
GROSS PROFIT FROM OPERATIONS (EBITDA)	1,617	2,059	(46)	(3)	3,627
Depreciation and Amortisation, and Impairment Losses	(1,029)	(630)	(49)		(1,708)
PROFIT FROM OPERATIONS (EBIT)	588	1,429	(95)	(3)	1,919
NET FINANCIAL PROFIT / (LOSS)	(150)	(75)	86		(139)
Financial Income	27	7	422	(420)	36
Financial Expense	(173)	(82)	(338)	420	(173)
Net Exchange Differences	(4)		2		(2)
Net Profit / (Loss) of Companies Accounted for using the Equity Method	29	4	2		35
Gains / (Losses) from other Investments			1,666	(1,666)	
Gains / (Losses) on Disposal of Assets	1	5	(3)		3
PROFIT / (LOSS) BEFORE TAX	468	1,363	1,656	(1,669)	1,818
Income Tax Expense	(64)	(316)	(13)	1	(392)
PROFIT AFTER TAX FOR THE PERIOD FROM CONTINUING OPERATIONS	404	1,047	1,643	(1,668)	1,426
PROFIT AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS					
PROFIT FOR THE PERIOD	404	1,047	1,643	(1,668)	1,426
Parent Company	396	1,046	1,643	(1,668)	1,417
Non-Controlling Interests	8	1			9

(1) Audited

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

Millions of Euros

	31 December 2017 ⁽¹⁾				
	Generation and Supply	Distribution	Structure and Services	Consolidation Adjustments and Eliminations	Total
INCOME	17,509	2,750	560	(762)	20,057
Revenue	17,223	2,492	541	(700)	19,556
Other Operating Revenues	286	258	19	(62)	501
PROCUREMENTS AND SERVICES	(14,725)	(160)	146	170	(14,569)
Power Purchased	(4,933)				(4,933)
Cost of Fuel Consumed	(2,294)				(2,294)
Transmission Costs	(5,652)				(5,652)
Other Variable Procurements and Services	(1,846)	(160)	146	170	(1,690)
CONTRIBUTION MARGIN	2,784	2,590	706	(592)	5,488
Self-Constructed Assets	42	156	24		222
Personnel Expenses	(478)	(267)	(192)	20	(917)
Other Fixed Operating Expenses	(998)	(429)	(393)	569	(1,251)
GROSS PROFIT FROM OPERATIONS (EBITDA)	1,350	2,050	145	(3)	3,542
Depreciation and Amortisation, and Impairment Losses	(862)	(597)	(52)		(1,511)
PROFIT FROM OPERATIONS (EBIT)	488	1,453	93	(3)	2,031
NET FINANCIAL PROFIT / (LOSS)	(132)	(96)	105		(123)
Financial Income	43	6	421	(419)	51
Financial Expense	(180)	(102)	(315)	419	(178)
Net Exchange Differences	5		(1)		4
Net Profit / (Loss) of Companies Accounted for using the Equity Method	(18)	3			(15)
Gains / (Losses) from other Investments			1,502	(1,502)	
Gains / (Losses) on Disposal of Assets	(24)	19	17	(5)	7
PROFIT / (LOSS) BEFORE TAX	314	1,379	1,717	(1,510)	1,900
Income Tax Expense	(41)	(331)	(56)	1	(427)
PROFIT AFTER TAX FOR THE PERIOD FROM CONTINUING OPERATIONS	273	1,048	1,661	(1,509)	1,473
PROFIT AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS					
PROFIT FOR THE PERIOD	273	1,048	1,661	(1,509)	1,473
Parent Company	263	1,048	1,661	(1,509)	1,463
Non-Controlling Interests	10				10

(1) Audited