

9 Months

2023

Consolidated results
October 31st, 2023

endesa

9M 2023

Consolidated results

José Bogas
CEO

endesa

Key highlights of the period



Business performance

3.4 €bn

-3% vs PY⁽¹⁾

EBITDA impacted by **negative non-recurrent effects** year on year



Cash generation

2.8 €bn

+2.3 €bn vs PY

Effective management drives **FFO improvement**








2022 Dividend

1.585 €/share

~9% Dividend yield

Solid evolution of main KPIs across all businesses



	9M 2022	9M 2023	
 Renewable Capacity ⁽¹⁾	8.5 GW	9.3 GW	+0.8 GW
 GHG free production on total ⁽¹⁾	73%	79%	+6 p.p.
 Sales covered by GHG free sources ⁽²⁾	77%	73%	-4 p.p.
 Free power customers	6.8 mn	6.9 mn	+0.1 mn
 Charging points ⁽³⁾ (k)	12.0	17.6	+5.6k
 TIEPI ⁽⁴⁾	44 min	38 min	-6 min

(1) In mainland

(2) Fixed price sales

(3) Public and private

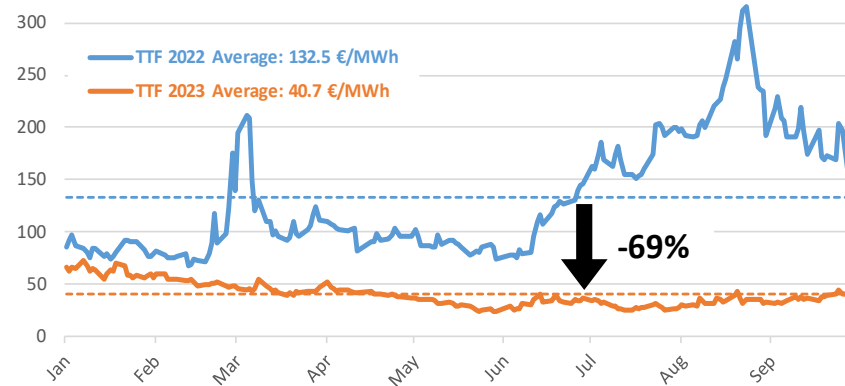
(4) Tiempo de Interrupción Equivalente a la Potencia Instalada (Installed Capacity Equivalent Interruption Time)

Market context

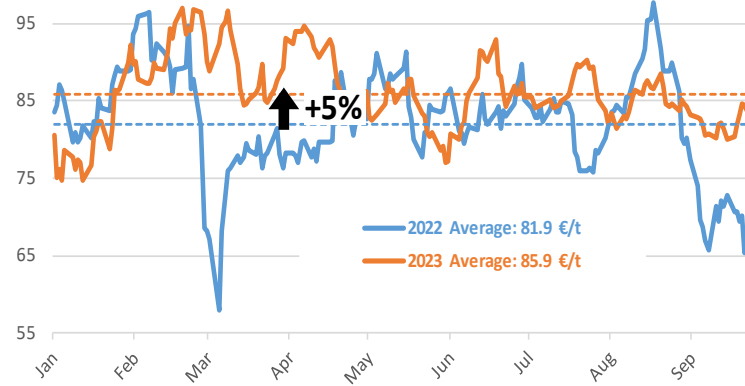
Sustained downward trend on gas and power prices in a demand decline context



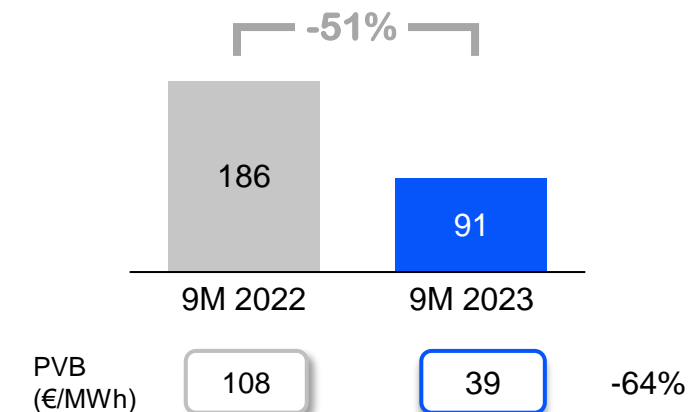
Gas TTF spot prices (€/MWh)



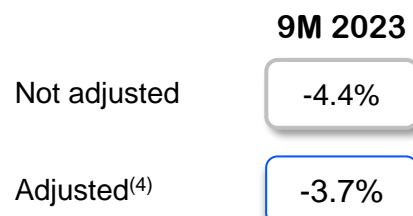
CO₂ spot prices (€/t)



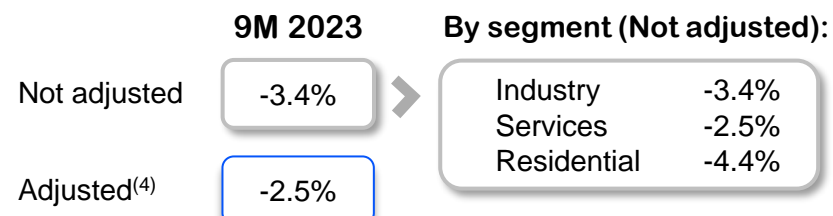
Average Iberian power pool prices (€/MWh)⁽¹⁾



Mainland power demand in Spain (TWh)⁽²⁾



Endesa's mainland area⁽³⁾



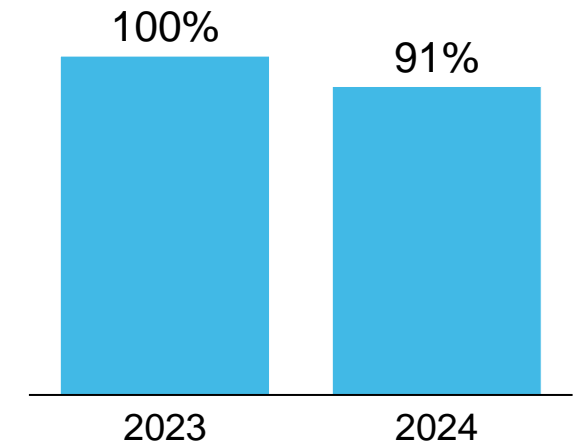
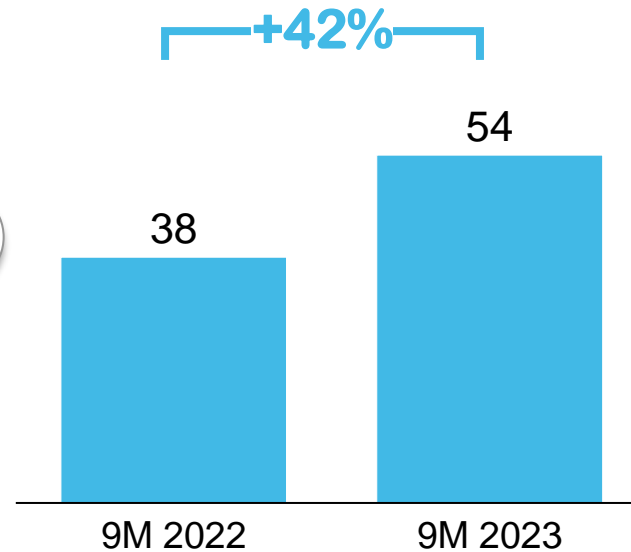
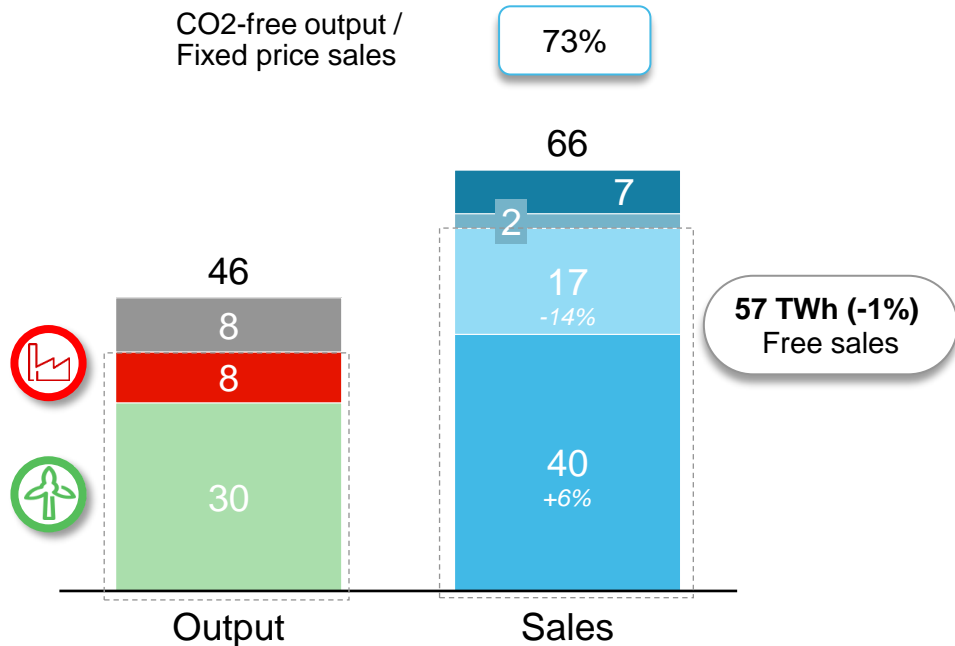
Sound performance of Iberian free power margin gradually returning to normal levels



Output / Sales (TWh)

Free power unitary margin ⁽¹⁾ (€/MWh)

Hedged output ⁽²⁾



- Non mainland
- Thermal
- HNR
- Incl. Free Power margin
- SCVP (regulated)
- International (ex-Iberia)
- Free-indexed price
- Free-fixed price

Supply margin (€/MWh)

~5

~13

Bilateral contract transfer price (€/MWh)

65

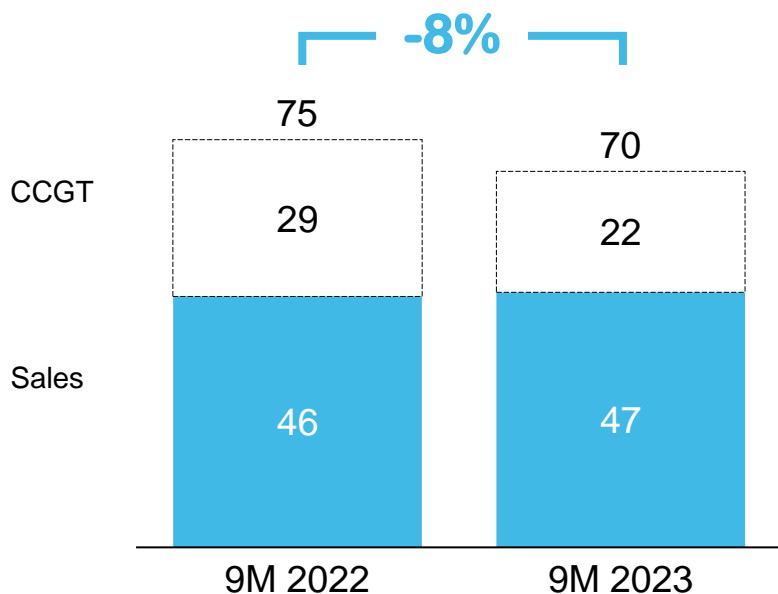
65

(1) See details on slide 29
 (2) Inframarginal output (hydro, nuclear and merchant renewables)

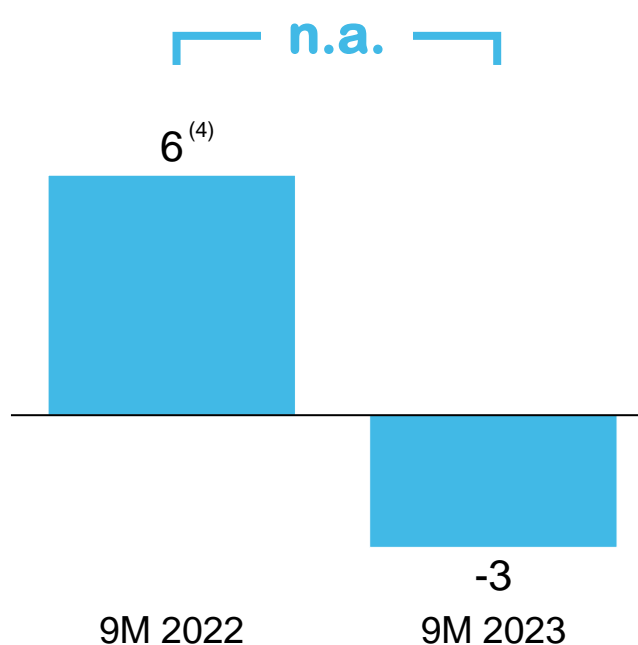
Gas margin impacted by previous year exceptional volatility



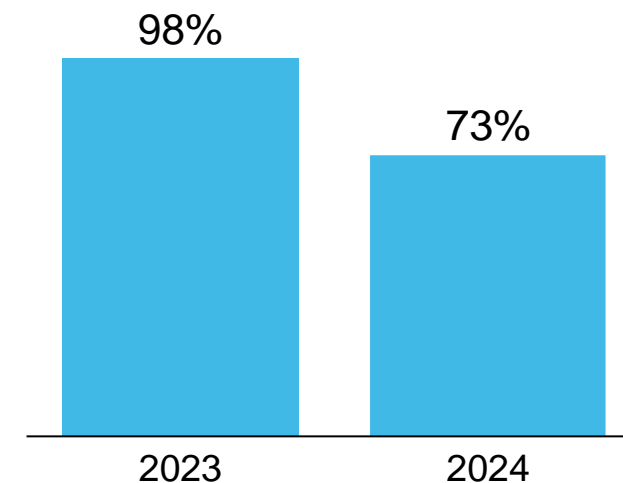
Total volumes ⁽¹⁾ (TWh)



Gas unitary margin ⁽²⁾ (€/MWh)



Volumes hedged ⁽³⁾ (%)



Customers (mn)	1.8	1.8	-%
Liberalized (mn)	1.5	1.4	-7%

4Q recovery expected after weak 3Q

9M 2023

Financial results

Marco Palermo

CFO

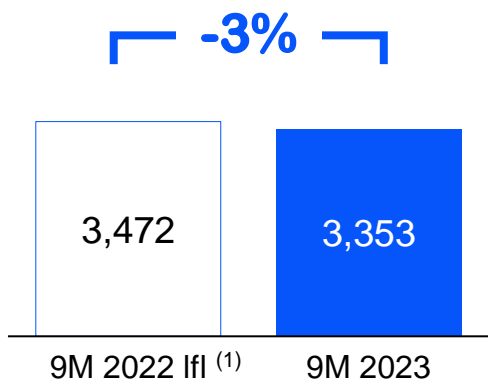
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Key financial highlights

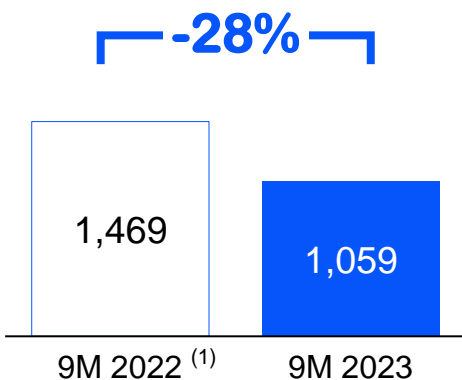
€mn



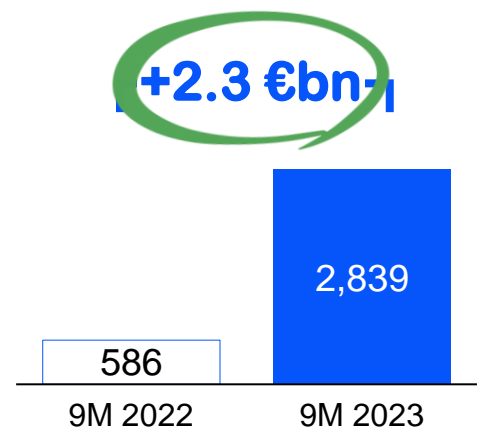
EBITDA



Net Ordinary Income



FFO



Reported EBITDA **3,710** **3,353** -10%

Reported Net Income **1,651** **1,059** -36%

Adjusted FFO⁽²⁾ **1,764** **2,425** +0.7 €bn

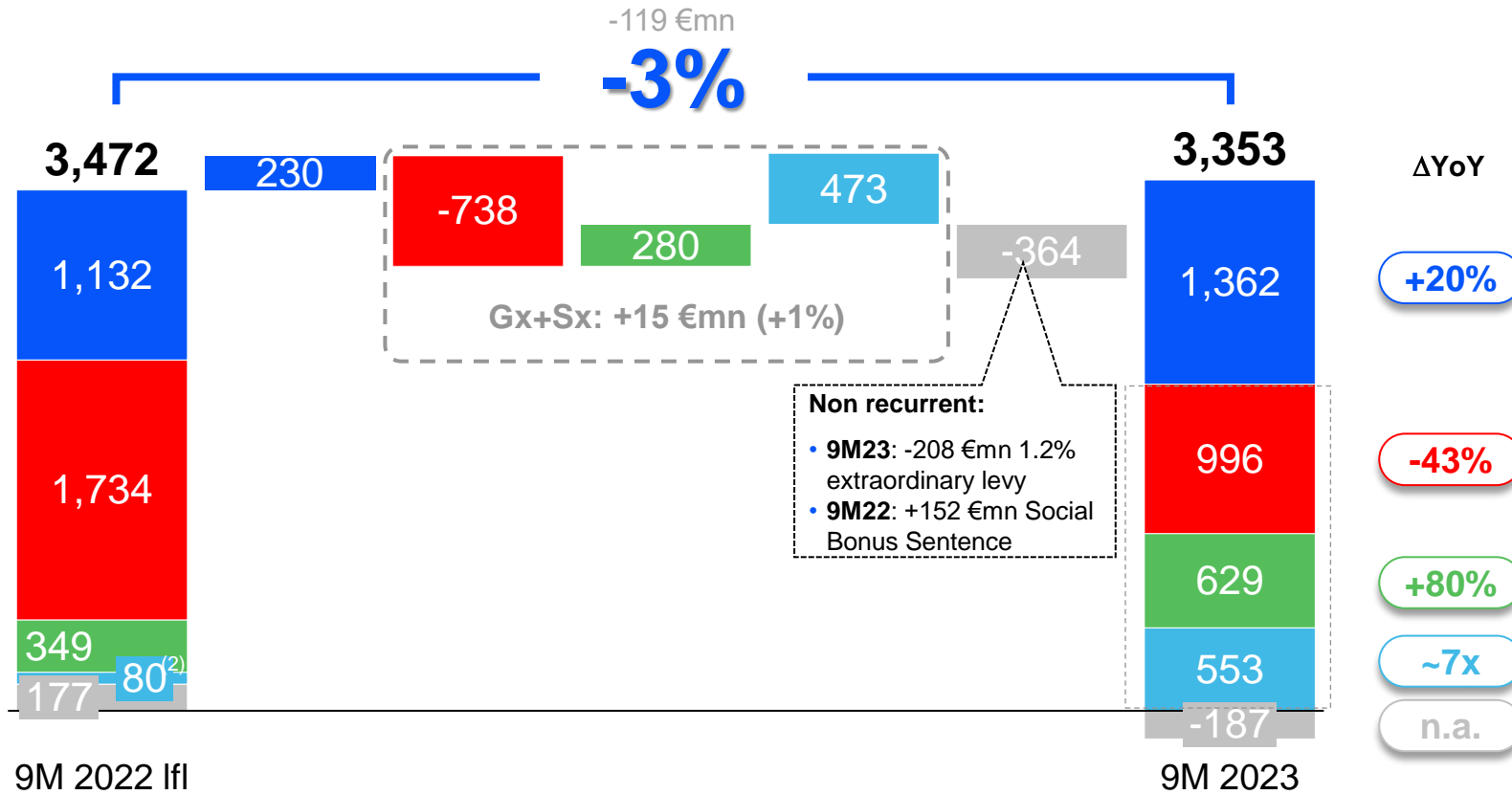
(1) EBITDA 2022 lfi excluding 238 €mn capital gains in Endesa X Way transaction. 182 €mn at net income level
 (2) Adjusted by the variation of Regulatory working capital in the period (+1,178 €mn in 9M2022 and -414 €mn in 9M2023)

EBITDA evolution mostly impacted by negative non recurrent effects

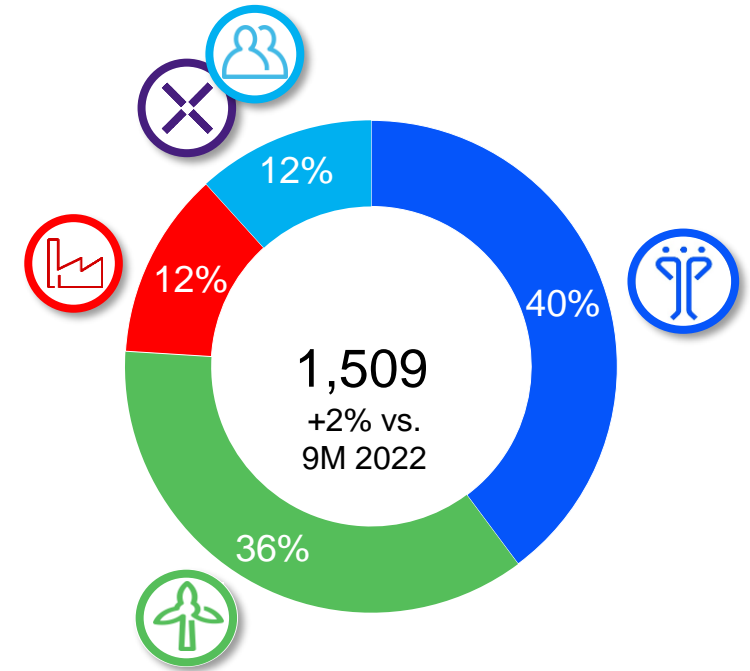
€mn



EBITDA by business (1)



Gross Capex by business

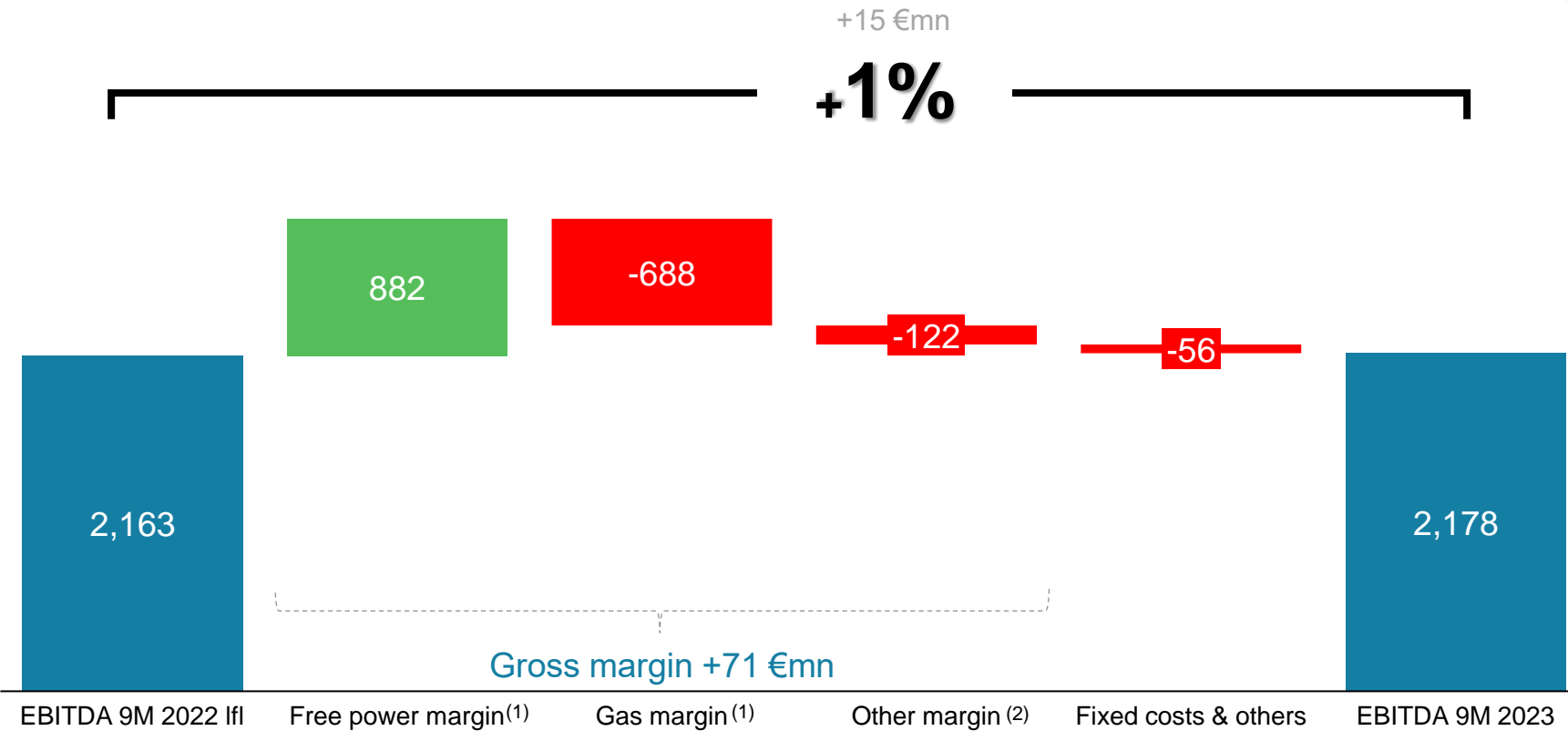


■ Networks ■ Conventional Generation & Others⁽³⁾ ■ Renewables ■ Customers (Retail+Endesa X) ■ Structure&Adjustments

Gx&Sx: Volatile and exceptional impacts in gas offset by strong free power margin



Generation & Supply EBITDA Ifl



Free power margin

- Higher renewable margin
- Supply normalization
- Positive short position management

Gas business

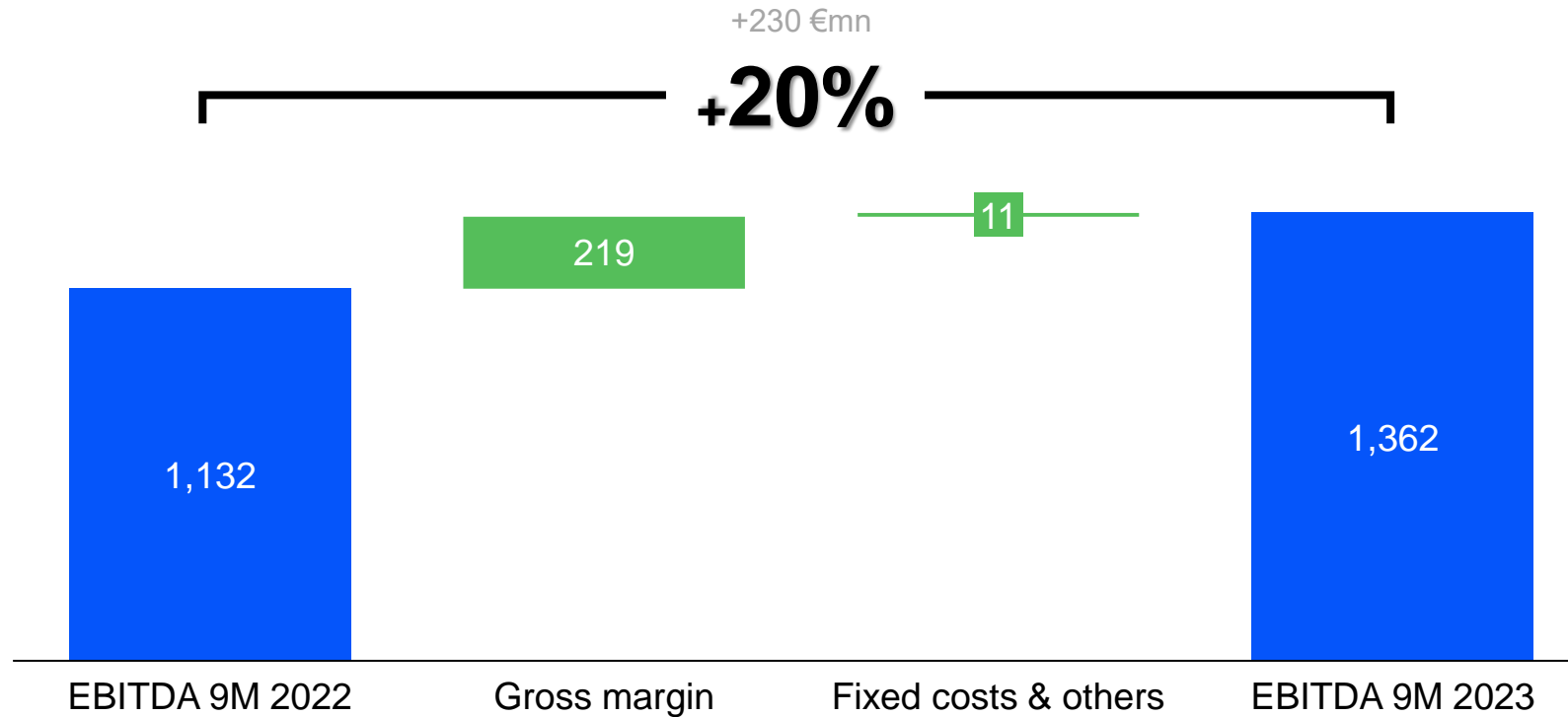
- Negative comparison with extraordinary 2022 margin
- Weak 3Q expected to rebound in 4Q

➤ **Fixed costs** impacted mainly by inflation effect

(1) MtM not included
 (2) Includes Non mainland, Endesa X, SCVP, MtM and Others

Networks EBITDA improvement

Networks EBITDA evolution



Normalization after
**negative
regulatory update**
booked in 9M2022

Net Ordinary Income affected by higher interest rates and extraordinary levy



Profit & loss (€mn)

	9M 2022	9M 2023	Δ yoy	Δ %
EBITDA Ifl⁽¹⁾	3,472	3,353	(119)	-3%
Reported EBITDA	3,710	3,353	(357)	
D&A and Provisions	(1,322)	(1,450)	(128)	
Financial results & Others	(113)	(397)	(284)	
Income taxes	(582)	(433)	149	
Minorities	(42)	(14)	28	
Reported Net Income	1,651	1,059	(592)	
Net Ordinary Income	1,469⁽¹⁾	1,059	(410)	-28%

► **D&A and Provisions:**
Amortization increase mainly due to **higher investment effort**

► **Financial results:**
Impacted by **cost of debt increase** and **provisions update**

► **Income taxes:**
Tax rate **~29%** affected by extraordinary levy (~24.3% adjusted⁽²⁾)

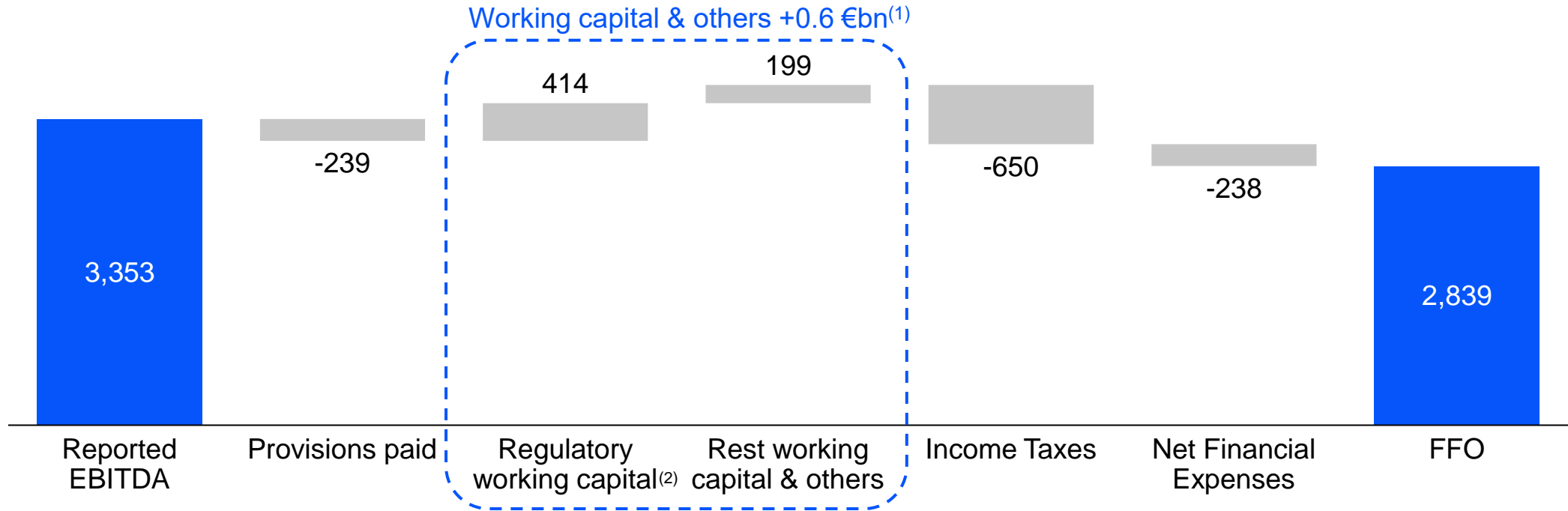
(1) Excluding Endesa X Way transaction in 9M2022

(2) Adjusted by non-deductible expense related to the extraordinary levy amounting to 208 €mn and other minor effects

Sound cash flow generation thanks to effective management of working capital



€mn



9M 2022	3,472 ⁽³⁾	-293	-1,178	-1,026	-306	-83	586
△ vs 9M 2022	-119	+54	+1,592	+1,225	-344	-155	+2,253

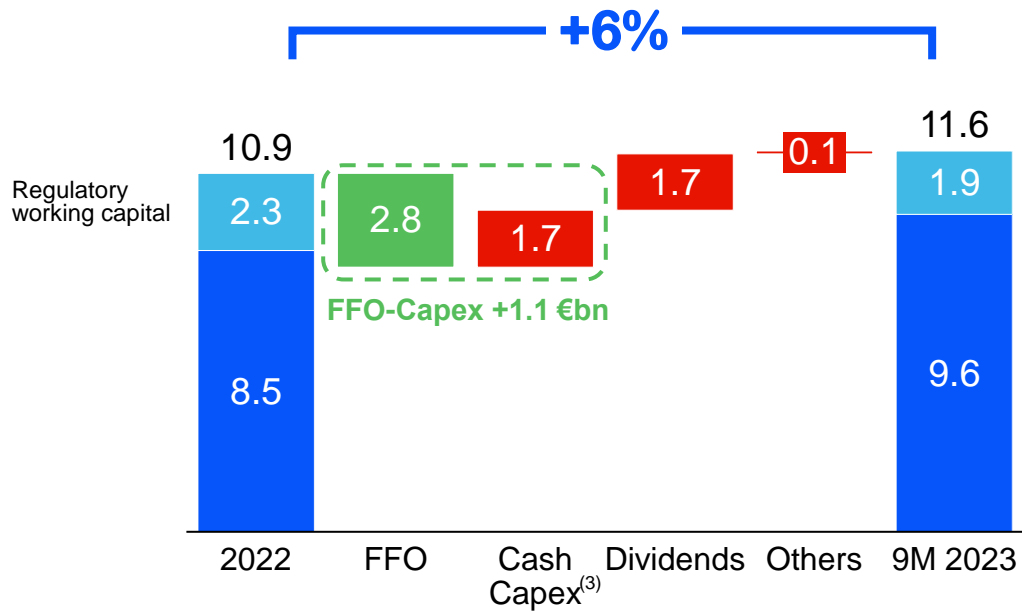
(1) Balance variation year to date
 (2) CNMC settlements balance
 (3) EBITDA Iff

Net debt evolution and credit metrics



€bn

Net debt evolution ⁽¹⁾



Net Debt / EBITDA Ifl⁽⁴⁾

2.0x

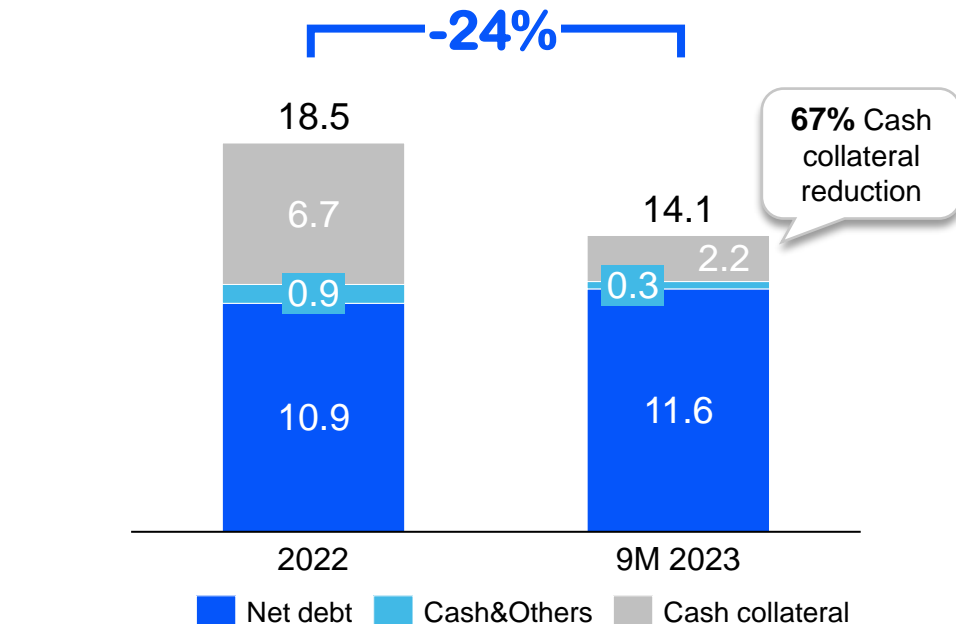
2.2x

FFO⁽⁵⁾ / Net Debt

15%

34%

Gross debt ⁽²⁾



Cost of debt

1.4%

3.0%

(1) Rounded figures

(2) Rounded figures. Cash collateral accounted as Gross Financial Guarantees

(3) Cash basis Capex: Net acquisitions of fixed assets (1,610 €mn) + Acquisitions and disposals of other investments (113 €mn)

(4) Last 12 months. Excluding 238 €mn effect of Endesa X Way transaction in 2022

(5) Last 12 months

9M 2023

Closing remarks

José Bogas
CEO

endesa

Closing Remarks



1 9M results in line with expectations....

2 ...with a significant improvement in cash generation

3 On track to achieve 2023 targets

**2024-26
Strategic Plan
to be presented
on November
23rd, 2023**

9M 2023

Annexes

The Endesa logo is located in the bottom right corner of the page. It consists of the word "endesa" in a lowercase, sans-serif font. The letters are blue, and there are thin grey horizontal lines extending from the bottom of the 'e', 'n', and 's'.

P&L 9M 2023 vs. 9M 2022

€mn



	9M 2023	9M 2022	% Var.
Income	19,211	24,620	-22%
Procurements and services	(11,938)	(17,999)	-34%
Income and expenses from energy derivatives	(2,375)	(1,642)	+45%
Gross margin	4,898	4,979	-2%
Fixed operating costs and other results	(1,545)	(1,269)	+22%
EBITDA	3,353	3,710	-10%
D&A	(1,450)	(1,322)	+10%
EBIT	1,903	2,388	-20%
Net financial results	(410)	(131)	+213%
Net results from equity method	13	18	-28%
PROFIT BEFORE TAX	1,506	2,275	-34%
Income Tax Expense	(433)	(582)	-26%
Non-Controlling Interests	(14)	(42)	-67%
NET ATTRIBUTABLE INCOME	1,059	1,651	-36%
NET ORDINARY INCOME	1,059	1,469	-28%

Endesa: 9M 2023 P&L

€mn



	Conventional Gx	Renewables	Retail	Endesa X	Gx+Sx adjustments ⁽¹⁾	Dx	Structure	Adjustments	TOTAL
Income	8,435	892	15,492	281	(7,644)	1,890	348	(483)	19,211
Procurements and services	(4,927)	(91)	(14,167)	(160)	7,618	(116)	(209)	114	(11,938)
Income and expenses from energy derivatives	(1,934)	12	(453)	-	-	-	-	-	(2,375)
Gross margin	1,574	813	872	121	(26)	1,774	139	(369)	4,898
Fixed operating costs	(578)	(184)	(375)	(65)	26	(412)	(337)	369	(1,556)
Self-constructed assets									210
Personel expenses									(756)
Other fixed operating expenses									(1,010)
Results on disposal of assets							11		11
Fixed operating costs and other results	(578)	(184)	(375)	(65)	26	(412)	(326)	369	(1,545)
EBITDA	996	629	497	56	-	1,362	(187)	-	3,353
D&A	(397)	(197)	(277)	(38)	-	(509)	(32)	-	(1,450)
EBIT	599	432	220	18	-	853	(219)	-	1,903
Net financial results									(410)
Net results from equity method									13
PROFIT BEFORE TAX									1,506
Income Tax Expense									(433)
Non-Controlling Interests									(14)
NET ATTRIBUTABLE INCOME									1,059
NET ORDINARY INCOME									1,059

Endesa: 9M 2022 P&L

€mn



	Conventional Gx	Renewables	Retail	Endesa X	Gx+Sx adjustments ⁽¹⁾	Dx	Structure	Adjustments	TOTAL
Income	12,971	614	22,181	230	(12,903)	1,659	337	(469)	24,620
Procurements and services	(7,670)	(61)	(23,207)	(113)	12,883	(104)	171	102	(17,999)
Income and expenses from energy derivatives	(2,999)	(32)	1,389	-	-	-	-	-	(1,642)
Gross margin	2,302	521	363	117	(20)	1,555	508	(367)	4,979
Fixed operating costs	(568)	(172)	(334)	172	20	(423)	(572)	367	(1,510)
Self-constructed assets									219
Personel expenses									(722)
Other fixed operating expenses									(1,007)
Results on disposal of assets							241		241
Fixed operating costs and other results	(568)	(172)	(334)	172	20	(423)	(331)	367	(1,269)
EBITDA	1,734	349	29	289	-	1,132	177	-	3,710
D&A	(386)	(183)	(166)	(40)	-	(508)	(39)	-	(1,322)
EBIT	1,348	166	(137)	249	-	624	138	-	2,388
Net financial results									(131)
Net results from equity method									18
PROFIT BEFORE TAX									2,275
Income Tax Expense									(582)
Non-Controlling Interests									(42)
NET ATTRIBUTABLE INCOME									1,651
NET ORDINARY INCOME									1,469

Installed capacity and output



	Total net installed capacity (MW)			Total gross output ⁽¹⁾ (GWh)		
	9M 2023	2022	Var. (%)	9M 2023	9M 2022	Var. (%)
Mainland	17,781	17,781	0%	37,496	40,024	-6%
Renewables ⁽²⁾	9,293	9,293	0%	10,159	8,925	14%
Hydro	4,746	4,746	0%	3,488	3,409	2%
Wind	2,882	2,882	0%	4,388	3,990	+10%
Solar	1,665	1,665	0%	2,282	1,525	+50%
Others	0	0	0%	1	1	0%
Nuclear	3,328	3,328	0%	19,357	20,424	-5%
Coal	1,403	1,403	0%	648	682	-5%
CCGTs	3,757	3,757	0%	7,332	9,993	-27%
Non mainland territories	4,263	4,263	0%	8,486	9,300	-9%
Coal	241	241	0%	70	86	-19%
Fuel - Gas	2,334	2,334	0%	3,383	3,339	+1%
CCGTs	1,688	1,688	0%	5,033	5,875	-14%
Total	22,044	22,044	0%	45,982	49,324	-7%

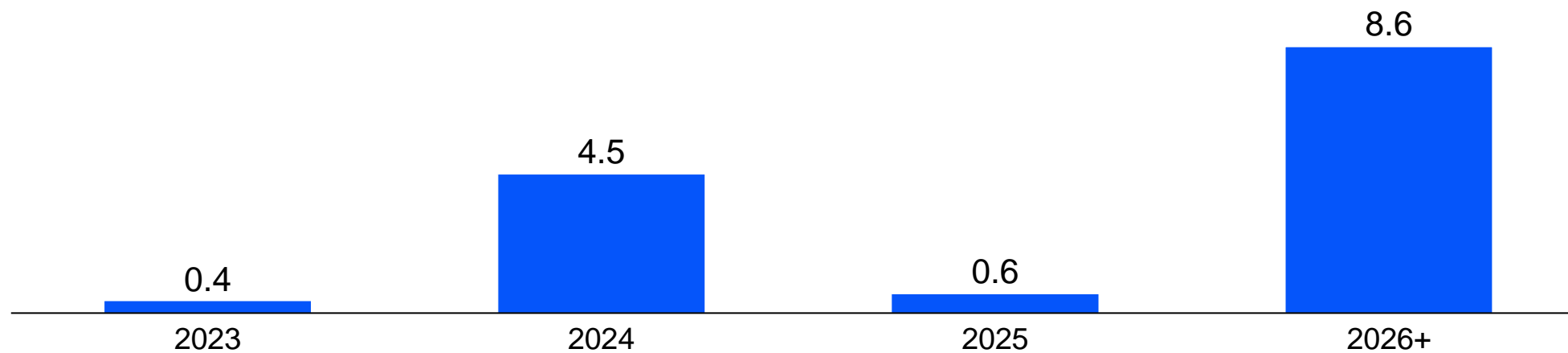
(1) Output at power plant bus bars (Gross output minus self-consumption). Rounded figures

(2) Includes 140 GWh in non-mainland in 9M 2023 (97 MW) vs 142 GWh in 9M 2022 (93 MW in 9M 2022)

Debt maturity



Debt maturity by year⁽¹⁾ (€bn)



Debt average life (years)

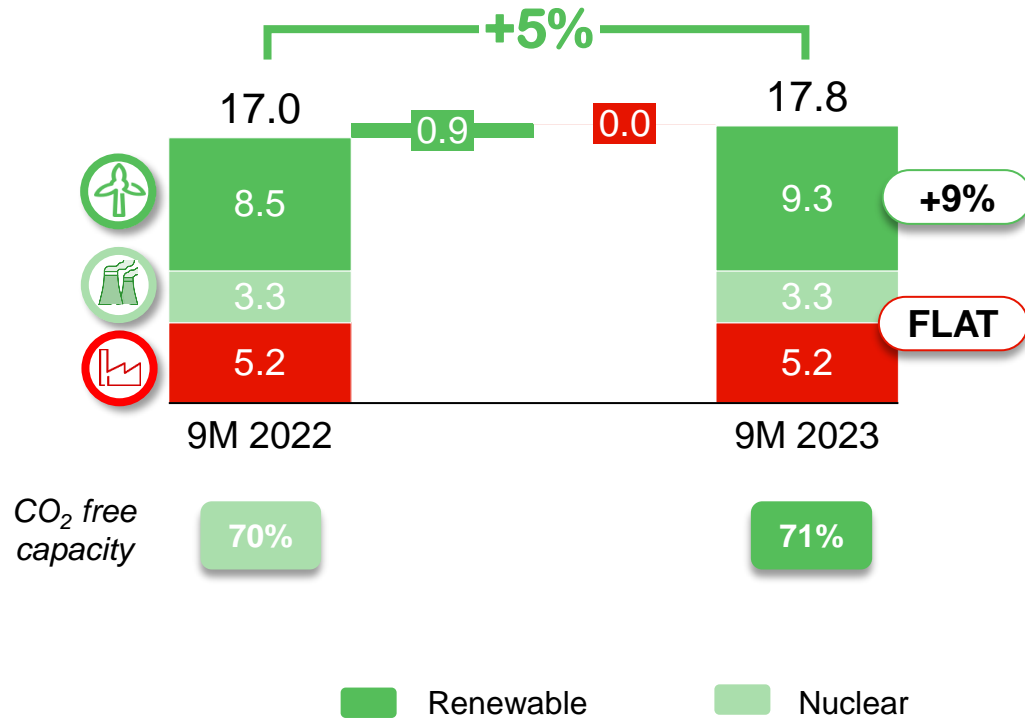
3.6

Liquidity position (€bn)

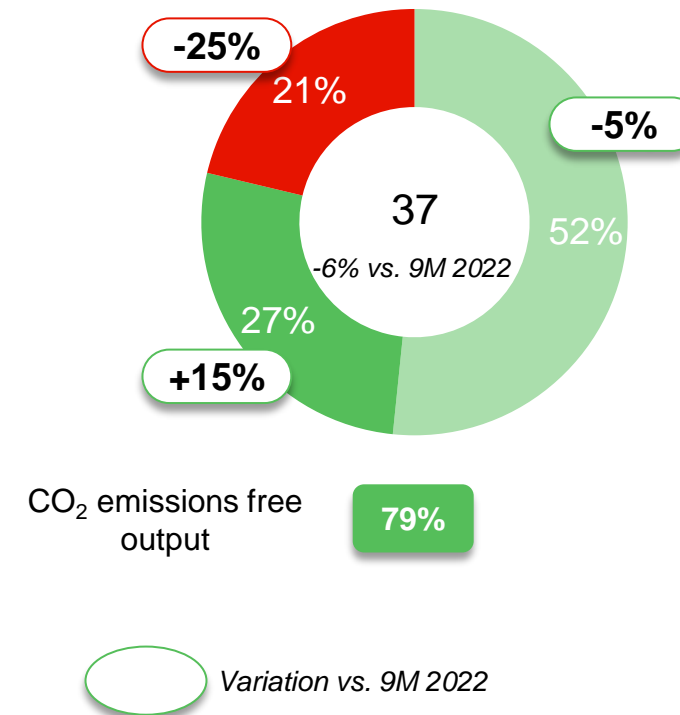
7.9

Mainland installed capacity and production

Installed capacity⁽¹⁾ (GW)



Production⁽²⁾ (TWh)



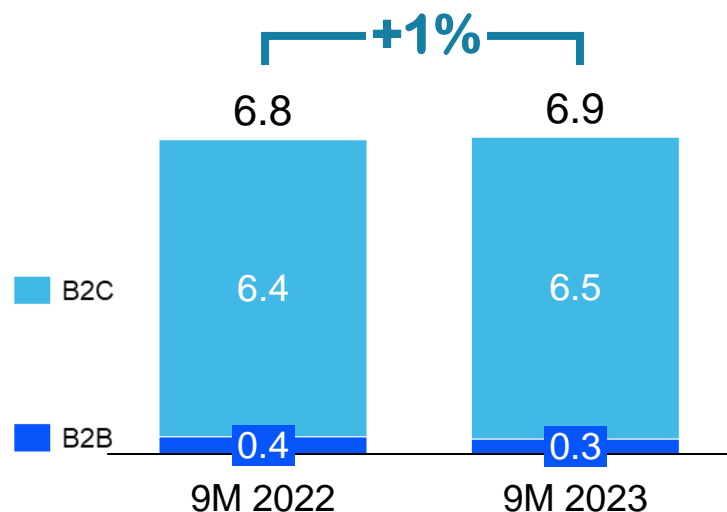
(1) Mainland net capacity. Including 97 MW in 9M 2023 and 93 MW in 9M 2022 renewables in non mainland. Rounded figures

(2) Mainland generation. Energy at power plant busbars. Including 140 GWh in 9M 2023 and 142 GWh in 9M 2022 renewables in non mainland. Rounded figures

Liberalized power sales and customers

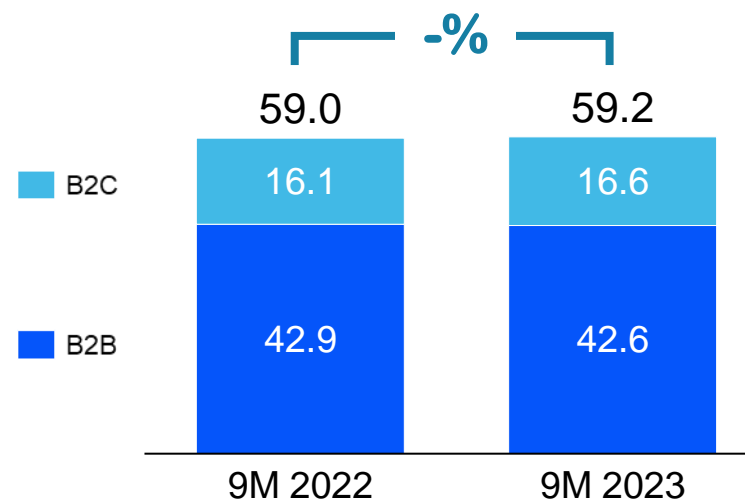


Liberalized power customers⁽¹⁾
(mn)



Regulated (mn)	3.8	3.7	-3%
TOTAL (mn)	10.6	10.5	-1%

Liberalized power sales⁽²⁾ (TWh)

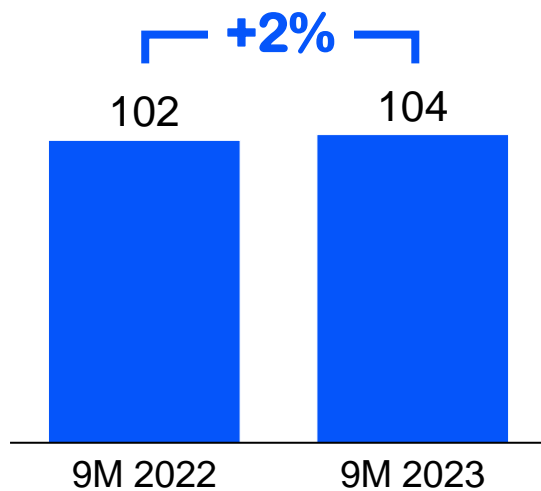


Regulated (TWh)	7.6	6.8	-11%
TOTAL (TWh)	66.7	66.1	-1%

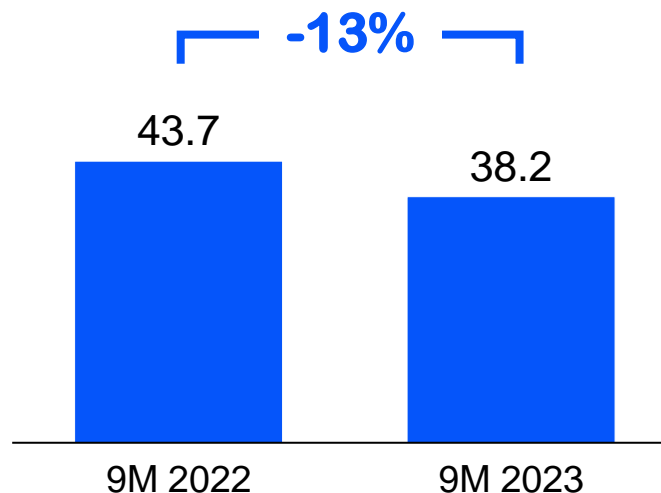
Networks: operational parameters



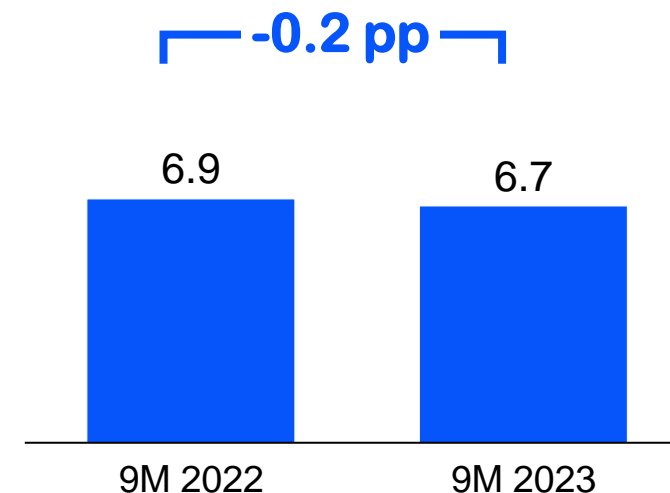
Distributed energy (TWh)



TIEPI ⁽¹⁾ (min.)



Losses (%)



Energy to own customers⁽²⁾ (TWh)



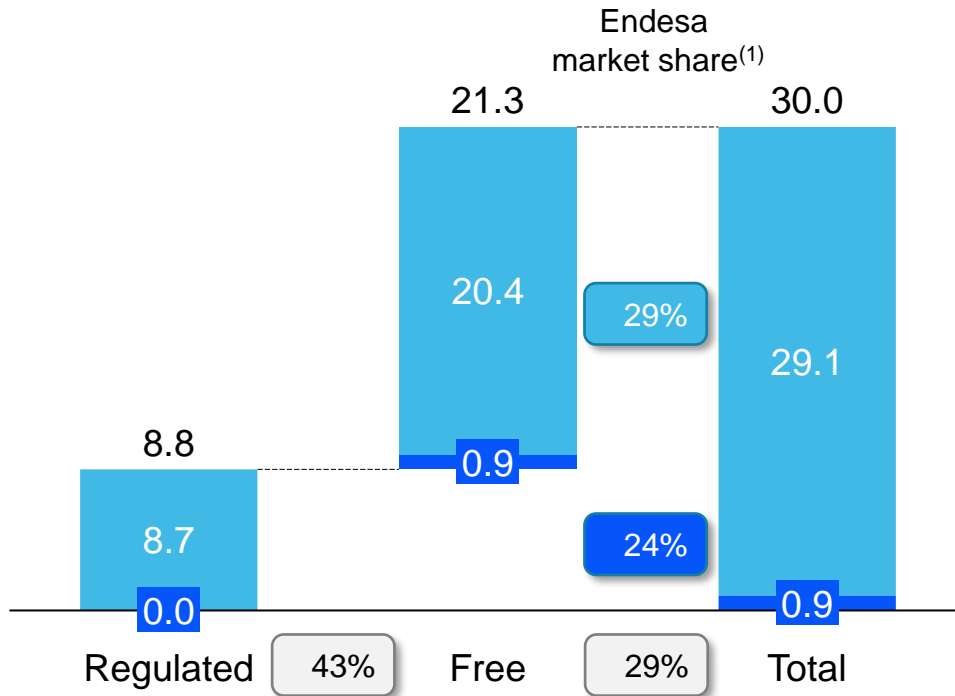
(1) Tiempo de Interrupción Equivalente a la Potencia Instalada (Installed Capacity Equivalent Interruption Time). According to Spanish Regulator. Own + Programmed and Transport minutes of interruption
 (2) At busbars (REE criteria). Country level. Not adjusted

Spanish power market

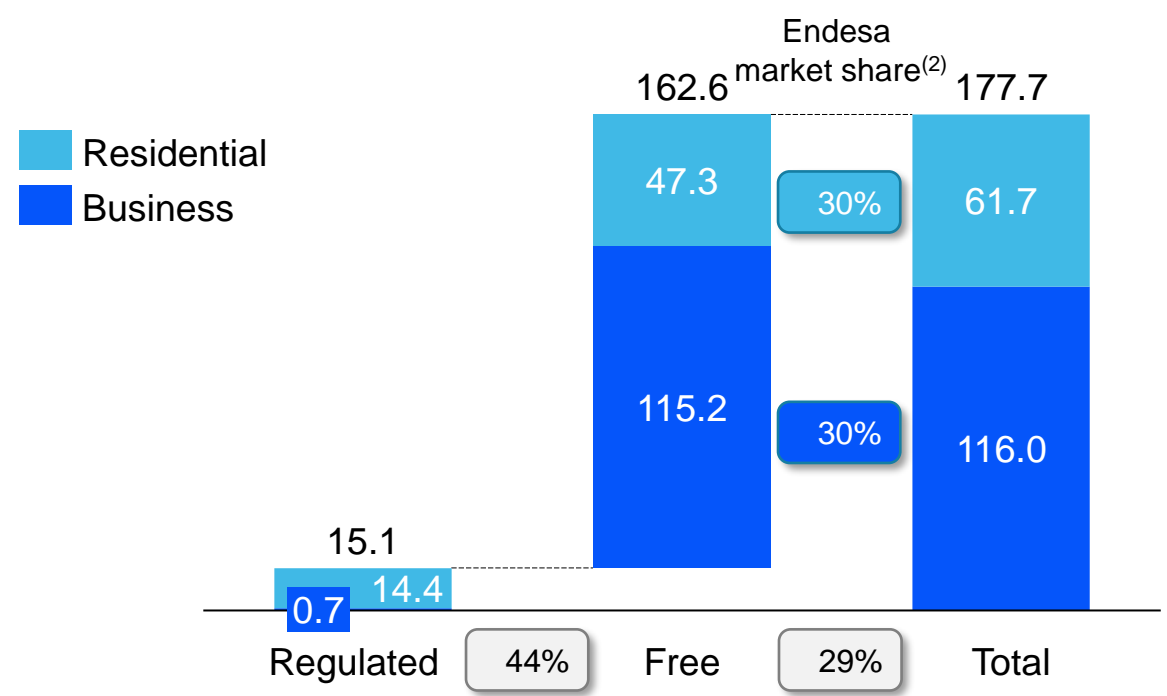
9M 2023



Customers (mn)



Energy sold (TWh)



(1) Customers: CNMC "Informe de supervision de los cambios de comercializador" published 27/07/23. Rounded figures

(2) Energy sold: Internal estimation based on "sectorial energy daily forecast system"

Glossary of terms (I/II)



Item	Calculation	Section number of Consolidated Management Report
Average cost of debt (%)	Cost of gross financial debt / gross average financial debt: $(354 \text{ €mn} \times (365 \text{ days} / 273 \text{ days})) / 15,780 \text{ €mn} = 3.0\%$	12
Average life of debt (number of years)	$(\text{Principal} \times \text{number of days of term}) / (\text{Principal in force at the end of the period} \times \text{number of days of the period}): 51,088 / 14,179 = 3.6 \text{ years}$	12
FFO (€mn)	Net cash flows from operating activities (2,839 €mn)	7
FFO / Net debt 9M 2023	$(\text{FFO from 4Q 2022 (1,086 €mn)} + \text{FFO from 9M 2023 (2,839 €mn)}) / \text{Net financial debt (11,551 €mn)} = 34\%$	n/a
Debt maturities coverage (months)	Maturity period (Number of months) for vegetative debt that could be covered with the liquidity available: 17 months	7
EBITDA (€mn)	Revenues (19,211 €mn) – Purchases and Services (11,938 €mn) + Income and expenses from energy derivatives (-2,375 €mn) + Work performed by the entity and capitalized (210 €mn) – Personnel expenses (756 €mn) – Other fixed operating expenses (1,010 €mn) + Results on disposal of assets (11 €mn) = 3,353 €mn	6
EBIT (€mn)	EBITDA (3,353 €mn) - Depreciation and amortization (1,450 €mn) = 1,903 €mn	6
Fixed costs (Opex) (€mn)	Personnel expenses (756 €mn) + Other fixed operating expenses (1,010 €mn) - Work performed by the entity and capitalized (210 €mn) = 1,556 €mn	6
Gross margin (€mn)	Revenues (19,211 €mn) – Purchases and Services (11,938 €mn) + Income and expenses from energy derivatives (-2,375 €mn) = 4,898 €mn	6
Leverage (times)	Net financial debt (11,551 €mn) / EBITDA (1,855 €mn from 4Q 2022 + 3,353 €mn from 9M 2023) = 2.2x	n/a

Glossary of terms (II/II)



Item	Calculation	Section number of Consolidated Management Report
Gross Capex (€mn)	Gross tangible (1,301 €mn) and intangible (279 €mn) Capex - rights of use (63 €mn) + Others (-8 €mn) = 1,509 €mn	n/a
Net financial debt (€mn)	Long and short term financial debt (12,401 €mn + 1,694 €mn) - Cash and cash equivalents (330 €mn) – Net balance of derivatives recognized as financial assets (18 €mn) – Financial guarantees (2,196 €mn) = 11,551 €mn	12
Net financial results (€mn)	Financial Revenues (34 €mn) - Financial Expenses (486 €mn) + Net results from Derivative Financial Instruments (28 €mn) + Foreign Exchanges (14 €mn) = -410 €mn	6
Income (€mn)	Sales and Services (18,893 €mn) + Other operating revenues (318 €mn) = 19,211 €mn	6
Net ordinary income 9M 2023 (€mn)	Reported Net Income (1,059 €mn) – Gains/(losses) on disposals of non-financial assets of over 10 €mn (0 €mn) – Net Impairment losses on non-financial assets of over 10 €mn (0 €mn) = 1,059 €mn	12
Net ordinary income 9M 2022 (€mn)	Reported Net Income (1,651 €mn) – Gains/(losses) on disposals of non-financial assets of over 10 €mn (182 €mn) – Net Impairment losses on non-financial assets of over 10 €mn (0 €mn) = 1,469 €mn	12
Free power margin (€mn)	Conventional Gx margin contribution (1,574 €mn) + Renewables margin (813 €mn) + Power retail margin (872 €mn) - Non mainland margin (350 €mn) - SCVP margin (32 €mn) - Manageable gas margin exMtM (-233 €mn) - Others (47 €mn) = 3,062 €mn	n/a
Free power unitary margin (€/MWh)	Liberalized power margin / Electric sales in the liberalized market in Spain and Portugal: 3,062 €mn / 56.9 TWh = €53.8/MWh	n/a
Gas unitary margin exMtM (€/MWh)	Manageable gas margin exMtM / Gas sales : -232.6 €mn / 69.6 TWh = €-3.3/MWh	n/a

Disclaimer



This document contains certain "forward-looking" statements regarding anticipated financial and operating results and statistics and other future events. These statements are not guarantees of future performance and they are subject to material risks, uncertainties, changes and other factors that may be beyond Endesa's control or may be difficult to predict.

Forward-looking statements include, but are not limited to, information regarding: estimated future earnings; anticipated changes in generation and market share; expected changes in demand for gas and gas sourcing; management strategy and goals; estimated cost reductions; tariffs and pricing structure; estimated capital expenditures; estimated asset disposals; estimated changes in capacity and capacity mix; repowering of capacity and macroeconomic conditions. The main assumptions on which these expectations and targets are related to the regulatory framework, exchange rates, commodities, counterparties, divestments, increases in production and installed capacity in markets where Endesa operates, increases in demand in these markets, allocation of production amongst different technologies, increases in costs associated with higher activity that do not exceed certain limits, electricity prices not below certain levels, the cost of CCGT plants, and the availability and cost of the gas, coal, fuel oil and emission rights necessary to run our business at the desired levels.

In these statements, Endesa avails itself of the protection provided by the Private Securities Litigation Reform Act of 1995 of the United States of America with respect to forward-looking statements.

The following important factors, in addition to those discussed elsewhere in this document, could cause financial and operating results and statistics to differ materially from those expressed in our forward-looking statements:

Economic and industry conditions; factors related to liquidity and financing; operating factors; strategic and regulatory, legal, fiscal, environmental, political and governmental factors; reputational factors and transaction and commercial factors.

Further details on the factors that may cause actual results and other developments to differ significantly from the expectations implied or explicitly contained in this document are given in the Risk Factors section of the current Endesa regulated information filed with the Comisión Nacional del Mercado de Valores (the Spanish securities regulator or the "CNMV" for its initials in Spanish).

No assurance can be given that the forward-looking statements in this document will be realised. Except as may be required by applicable law, neither Endesa nor any of its affiliates intends to update these forward-looking statements.

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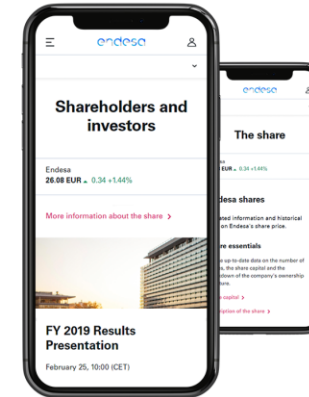


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