

9 Months



Consolidated results
November 3rd, 2021



Key highlights of the period



Market context

Global gas market unbalances causing record high prices across Europe

European policies

European toolbox setting the guidance to tackle prices increase

Financial results

3.1 €bn EBITDA despite adverse market context

Decarbonization

~61 GW⁽¹⁾ renewable pipeline
>700 MW under construction to fulfil 2021 guidance

Regulatory update



EU toolbox

- Measures should not distort electricity market nor question the Green Deal
- Marginal and ETS system confirmed as the most efficient
- Clean energy transition is the best insurance against price shocks

Main guidelines:

- Fiscal measures
- Aids to vulnerable customers
- Subsidies to intensive industry
- Renewable investments increase and energy efficiency



Spanish measures

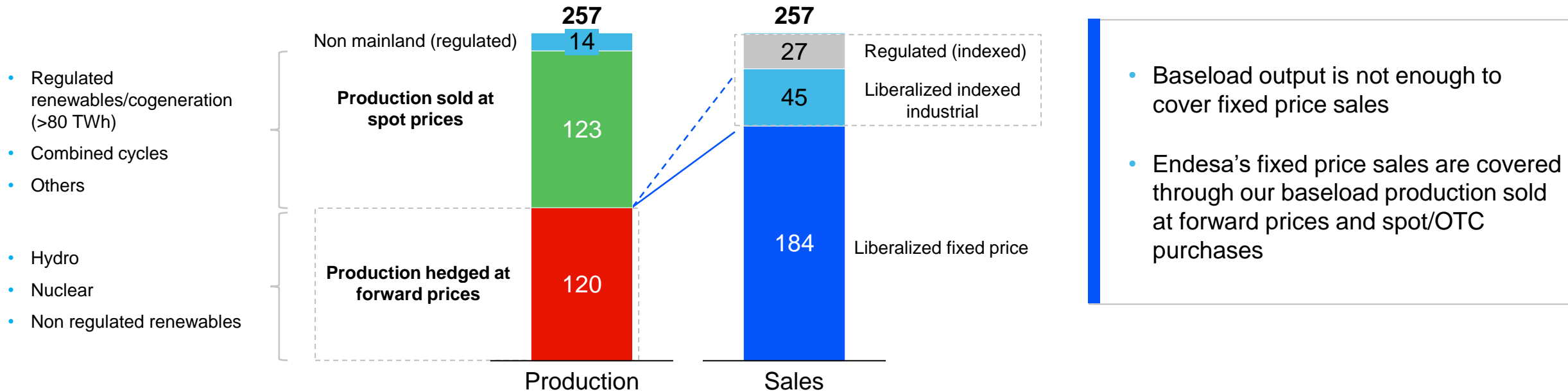
- FNSSE proposal
- Draft Bill on CO₂ levy
- Fiscal measures
- New regulation on urgent measures to protect vulnerable consumers: gas levy and Social Tariff
- Public consultation on regulated tariff

Regulatory efforts to address conjunctural price context

Regulatory update



Spanish 2021e electricity balance⁽¹⁾, TWh



- Baseload output is not enough to cover fixed price sales
- Endesa's fixed price sales are covered through our baseload production sold at forward prices and spot/OTC purchases

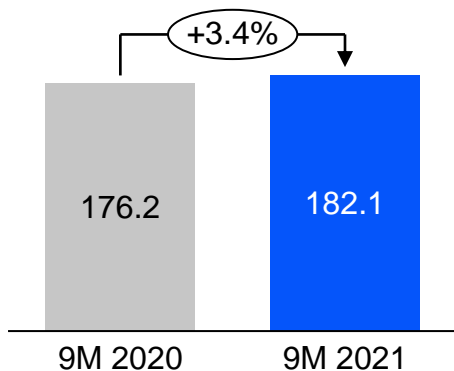
Liberalized fixed price customers shielded from spot price spike

Market context

Spike in commodities impact power prices



Demand in Spain (mainland), TWh⁽¹⁾



Endesa's area ⁽²⁾ :

9M 2021

By segment (Not adjusted):

Adjusted⁽³⁾ +2.3%

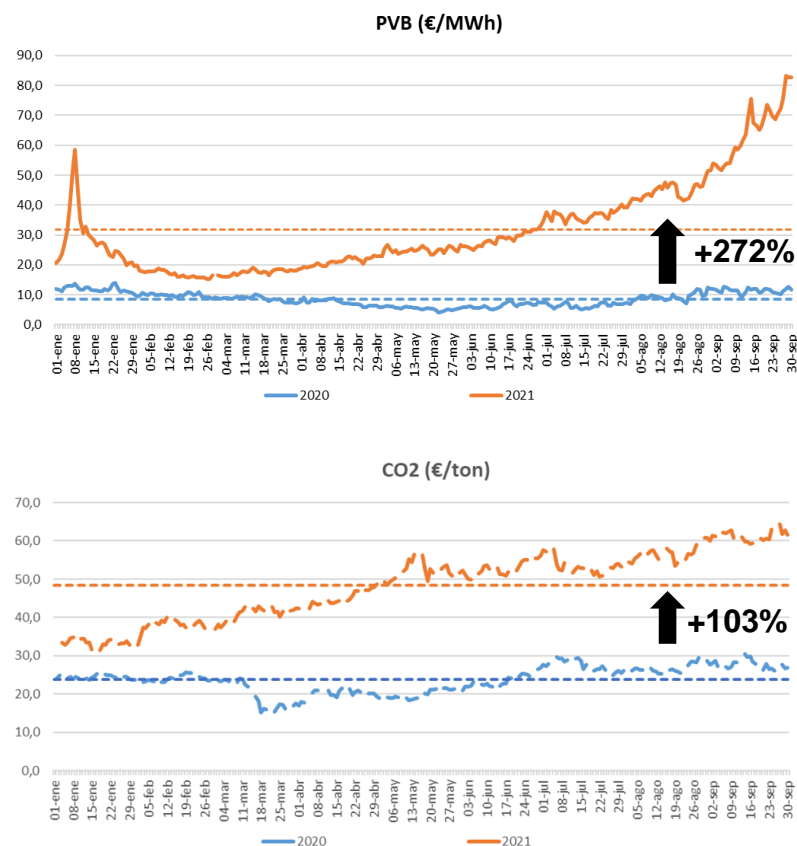
Industry +1.4%

Not adjusted +2.2%

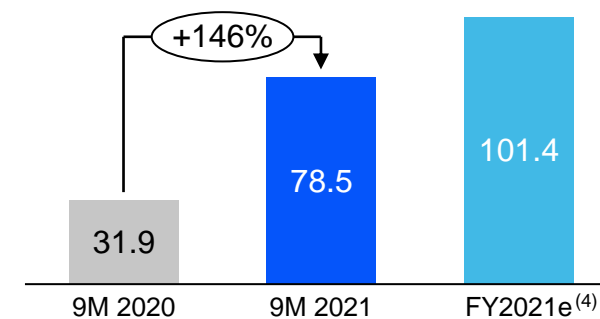
Services +7.5%

Residential -2.3%

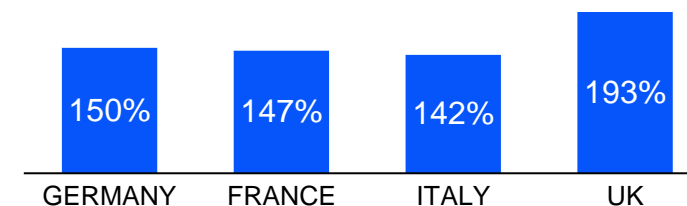
Commodities spot prices



Average pool prices, €/MWh



Y-o-y price increases in Europe, %



(1) Not adjusted demand in mainland. Source: REE
 (2) Source: Endesa's own estimates in mainland. Variation versus 2020

(3) For weather and working days
 (4) FY2021e: average at September 30th + Forward Q4

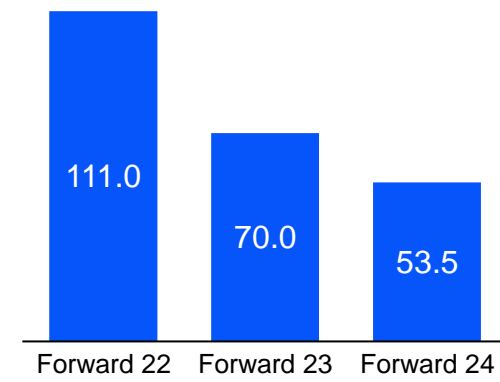
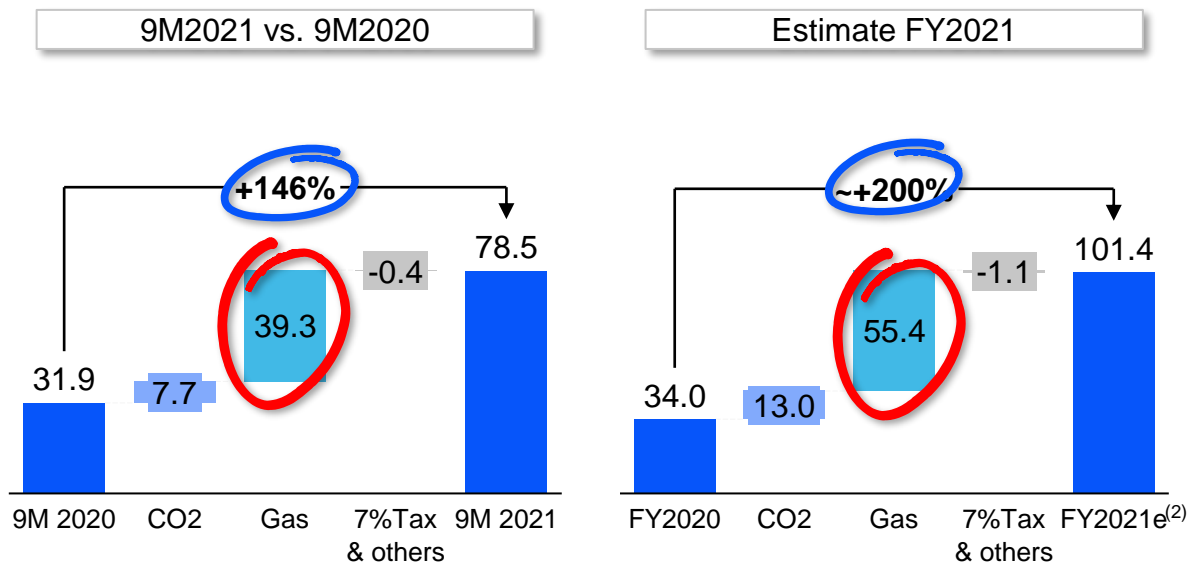
Market context

€/MWh



Impact on pool price⁽¹⁾

Forward prices 2022-24⁽³⁾



- Electricity prices in Iberia increased by ~1.5x yoy, +146%, mainly due to gas price
- Gas is expected to represent 82% of FY2021e pool price increase
- Current forward prices still affected by conjunctural situation, but a gradual normalization is expected.

Pool price increase driven by gas price boost

(1) Source: Own elaboration. Rounded figures
 (2) FY2021e: average at September 30th + Forward Q4
 (3) Forward prices as of 1st November 2021

Decarbonization

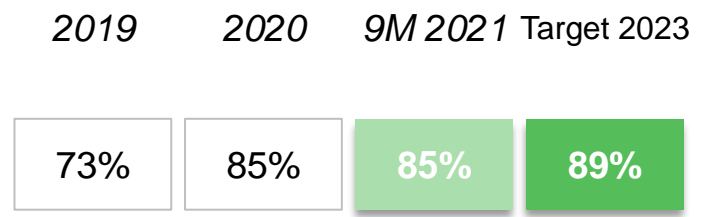
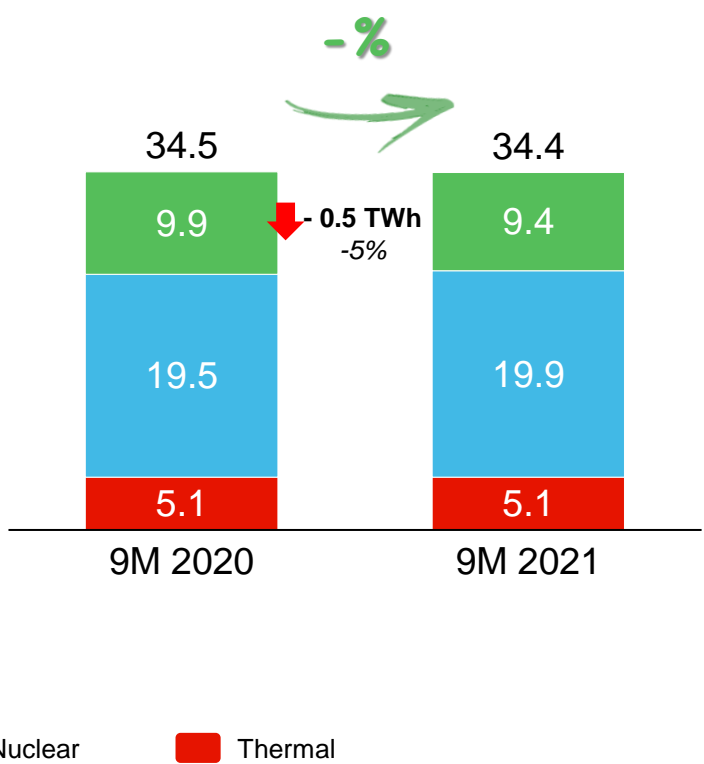
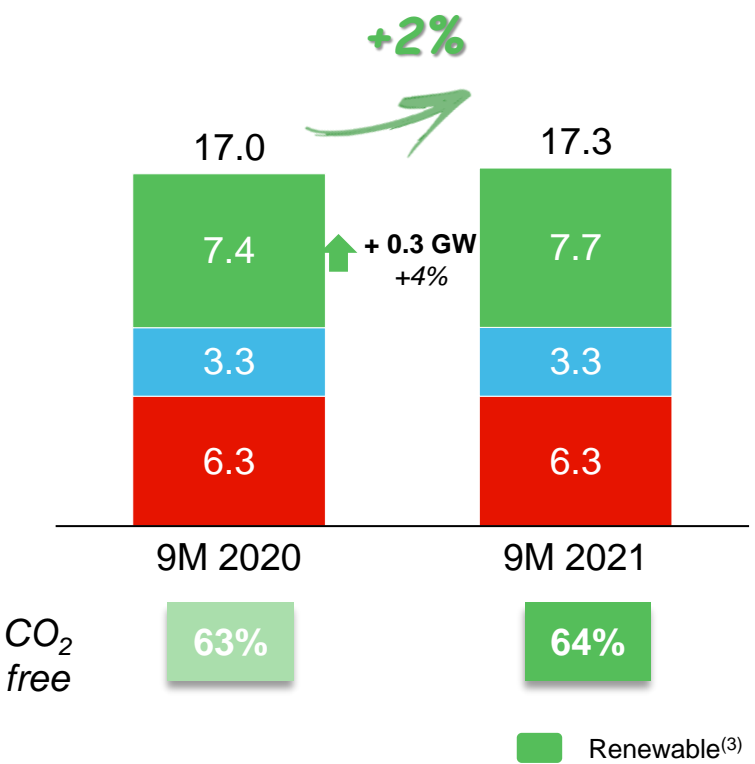
Mainland generation



Installed capacity⁽¹⁾, GW

Production⁽²⁾, TWh

CO₂ emissions free output, %



CO₂ free

63%

64%

Renewable⁽³⁾ Nuclear Thermal

85% CO₂ emissions free output

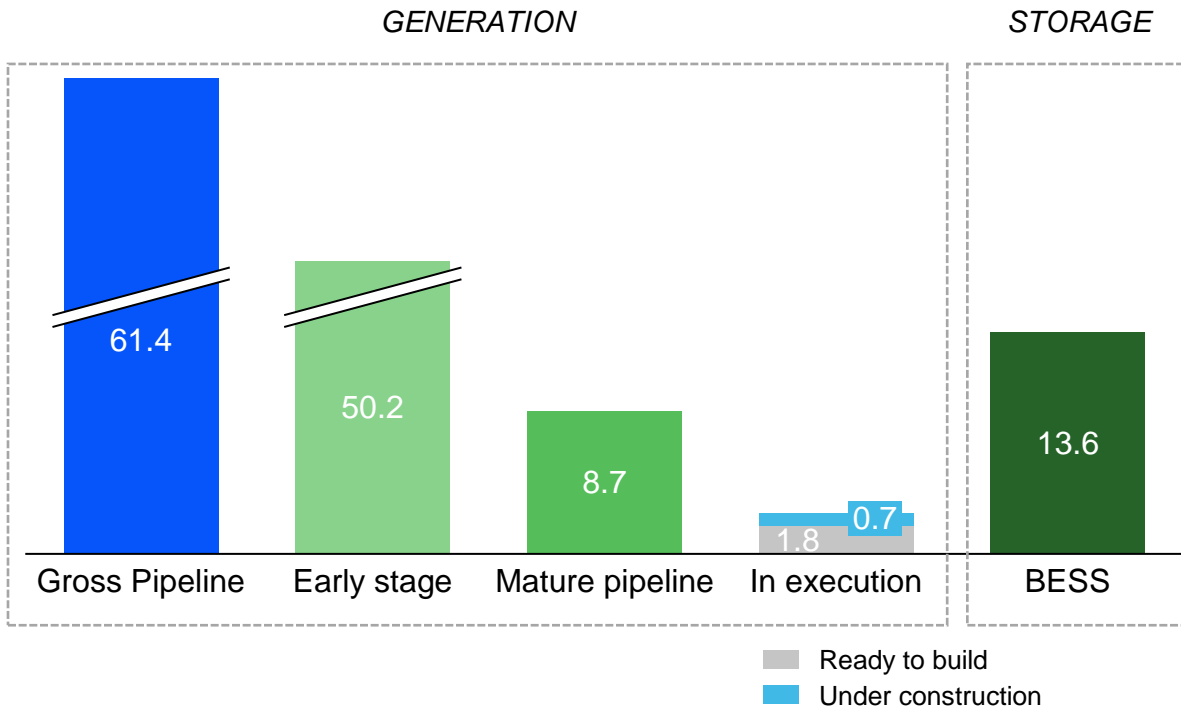
(1) Net capacity. Does not include 77 MW in 9M 2021 and 40 MW in 9M 2020 renewables in non mainland. Rounded figures
 (2) Energy at power plant busbars. Does not include 122 GWh in 9M 2021 and 92 GWh in 9M 2020 renewables in non mainland. Rounded figures
 (3) Includes large hydro

Decarbonization

Growth in renewable generation capacity



Gross pipeline⁽¹⁾ of renewable projects, GW



- Gross pipeline: 61.4 GW
 - **11.2 GW** Generation mature pipeline + In execution
- Storage (BESS): **13.6 GW**

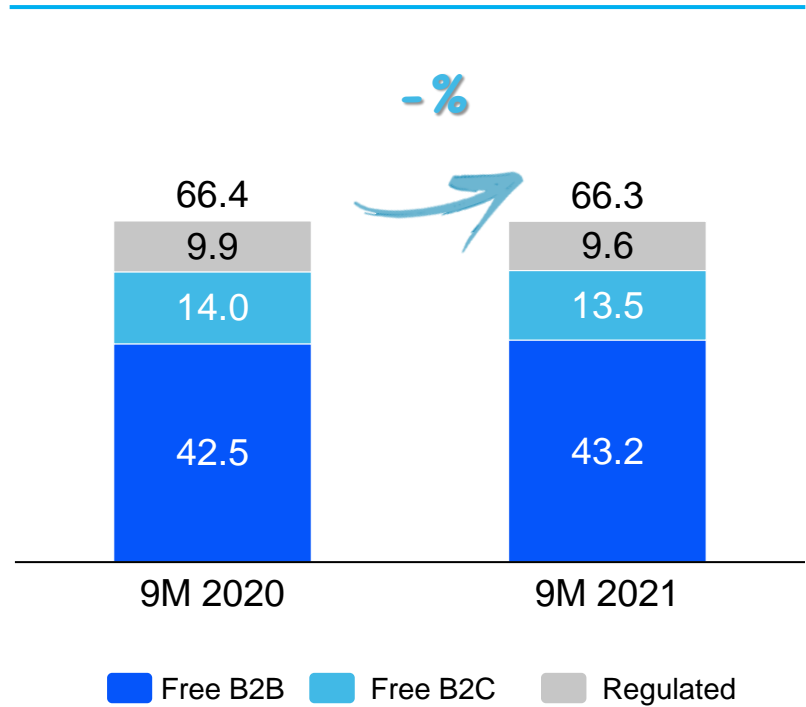
Expanding the renewable pipeline to ease deployment acceleration decisions

Electrification

Retail & Endesa X



Energy sold⁽¹⁾, TWh



Customers, th.

	2020	Q1 2021	H1 2021	9M 2021	% Var. YTD
<i>Liberalized</i>	5,690	5,627	5,568	5,623	-1%
<i>Regulated</i>	4,730	4,681	4,645	4,550	-4%
Total power customers	10,420	10,308	10,213	10,173	-2%
<i>Charging points, k#</i>	7.1			8.4	+19%

Customer losses trend reduction despite competitive pressure

Electrification

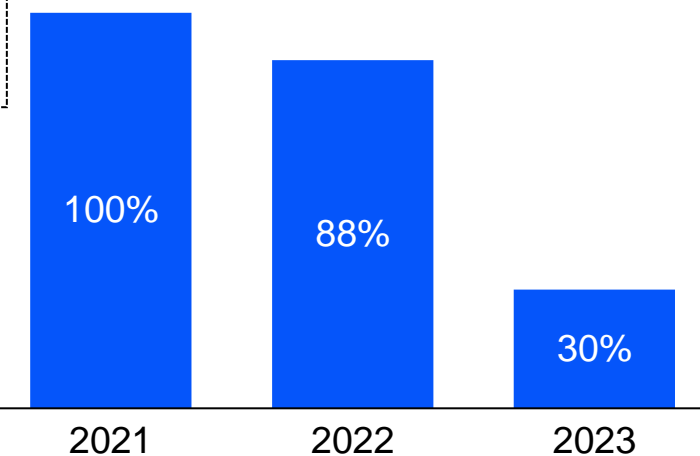
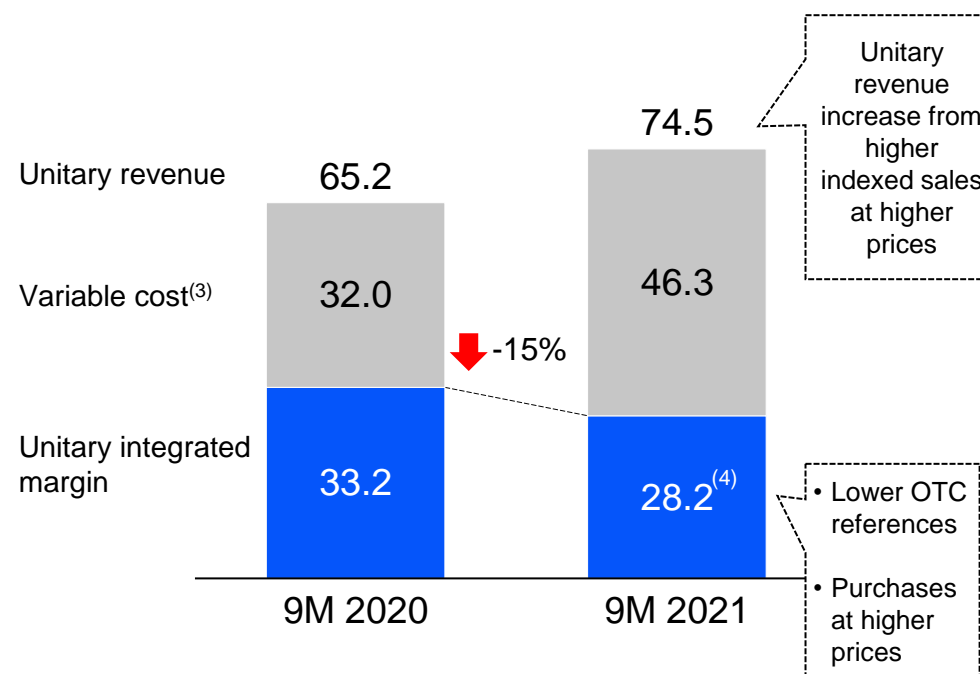
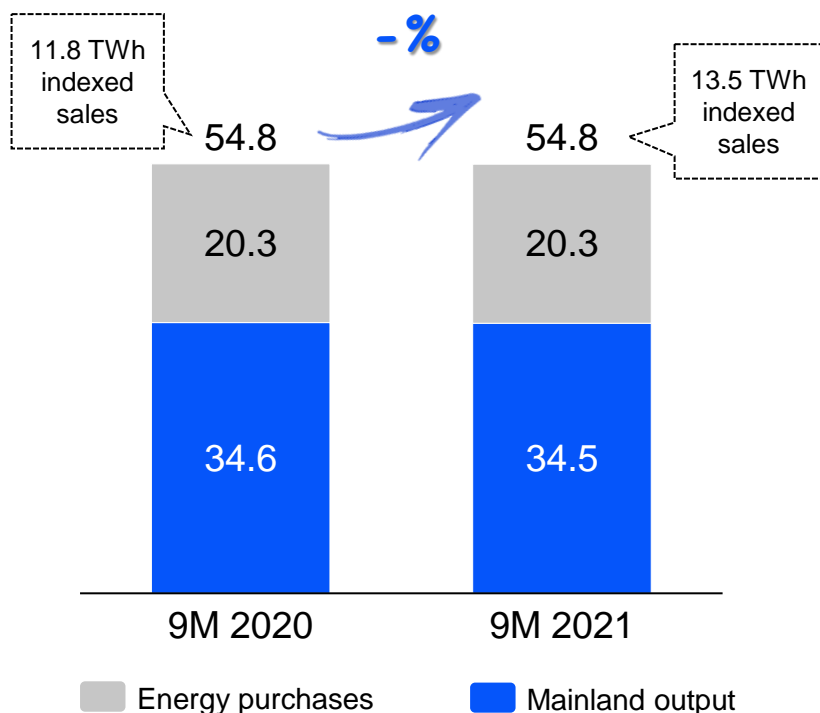
Energy management



Liberalized sales⁽¹⁾, TWh

Power integrated margin⁽¹⁾, €/MWh

Output⁽²⁾ hedged



Integrated margin affected by conjunctural market context

- (1) Total free sales excluding international sales and SCVP, not considered in the integrated margin. Unitary integrated margin, both in 9M 2021 and 9M 2020, includes procurement activities for CCGTs
- (2) Price driven output
- (3) Production cost + energy purchase cost + ancillary services
- (4) 26.7 €/MWh excluding commodities hedge by 85 €mn

9M 2021

Financial results

endesa

Financial highlights

€mn

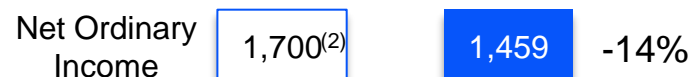
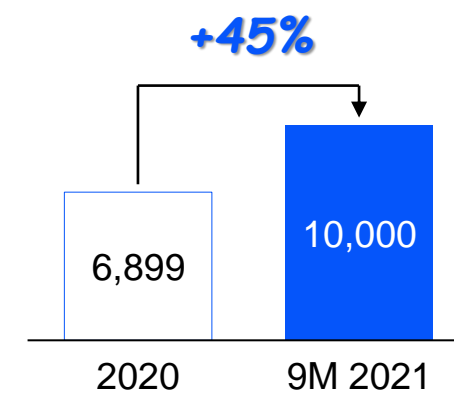
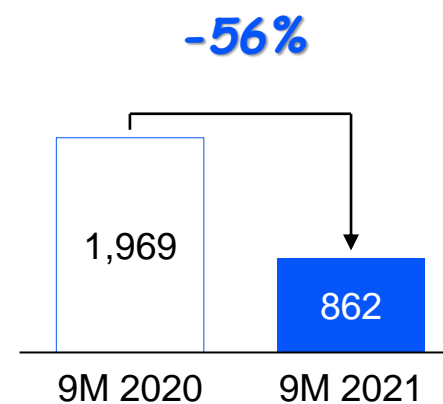
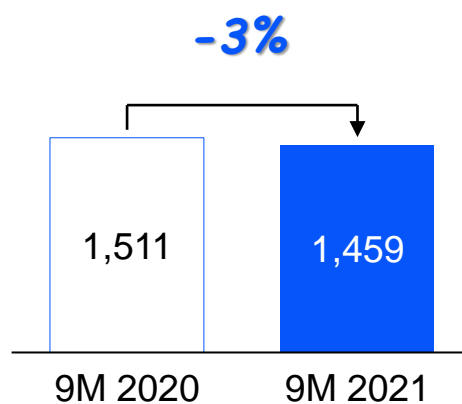
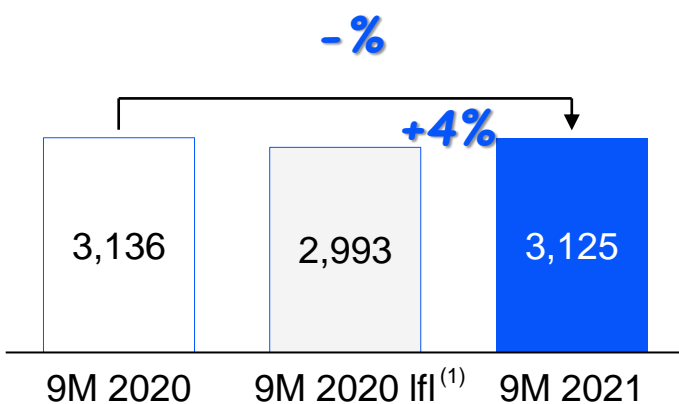


EBITDA

Net Income

FFO

Net Debt



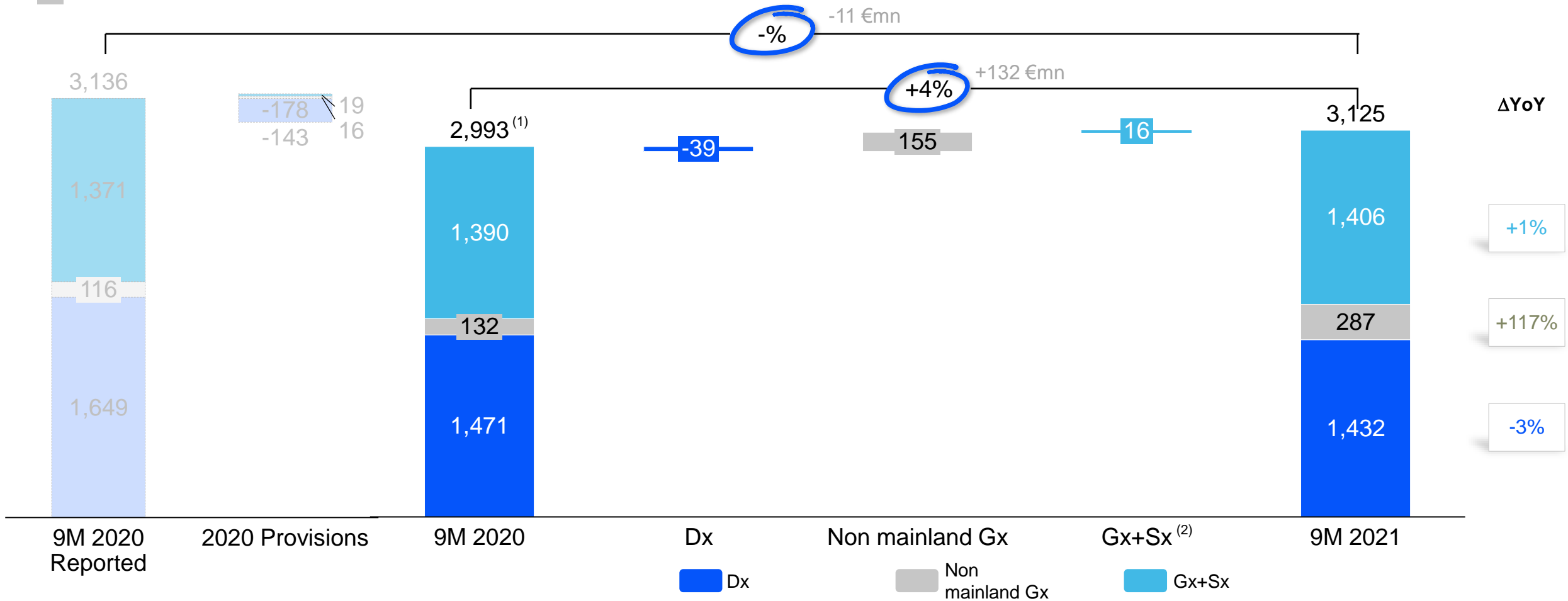
(1) 9M 2020 like for like EBITDA excluding +515 €mn of provision reversal from the commitments contained in the new collective agreement, -159 €mn of additional provision recorded for workforce restructuring plans and -213 €mn of initial net accrual personnel costs due to restructuring plans relating to the decarbonisation process.

(2) Net Ordinary Income 9M2020: Reported Net Income (1,511 €mn) - Net Results on Impairment of Non-Financial Assets over 10 €mn (-14 €mn) - Initial net accrual of personnel costs due to restructuring plans relating to the decarbonisation process (-160 €mn) - Net Costs corresponding to the Public Responsibility Plan for the Health Crisis COVID-19 (-15 €mn) = 1,700 €mn

Like-for-like EBITDA evolution



€mn



Slight EBITDA increase thanks to non recurrent items

(1) See details on slide 12

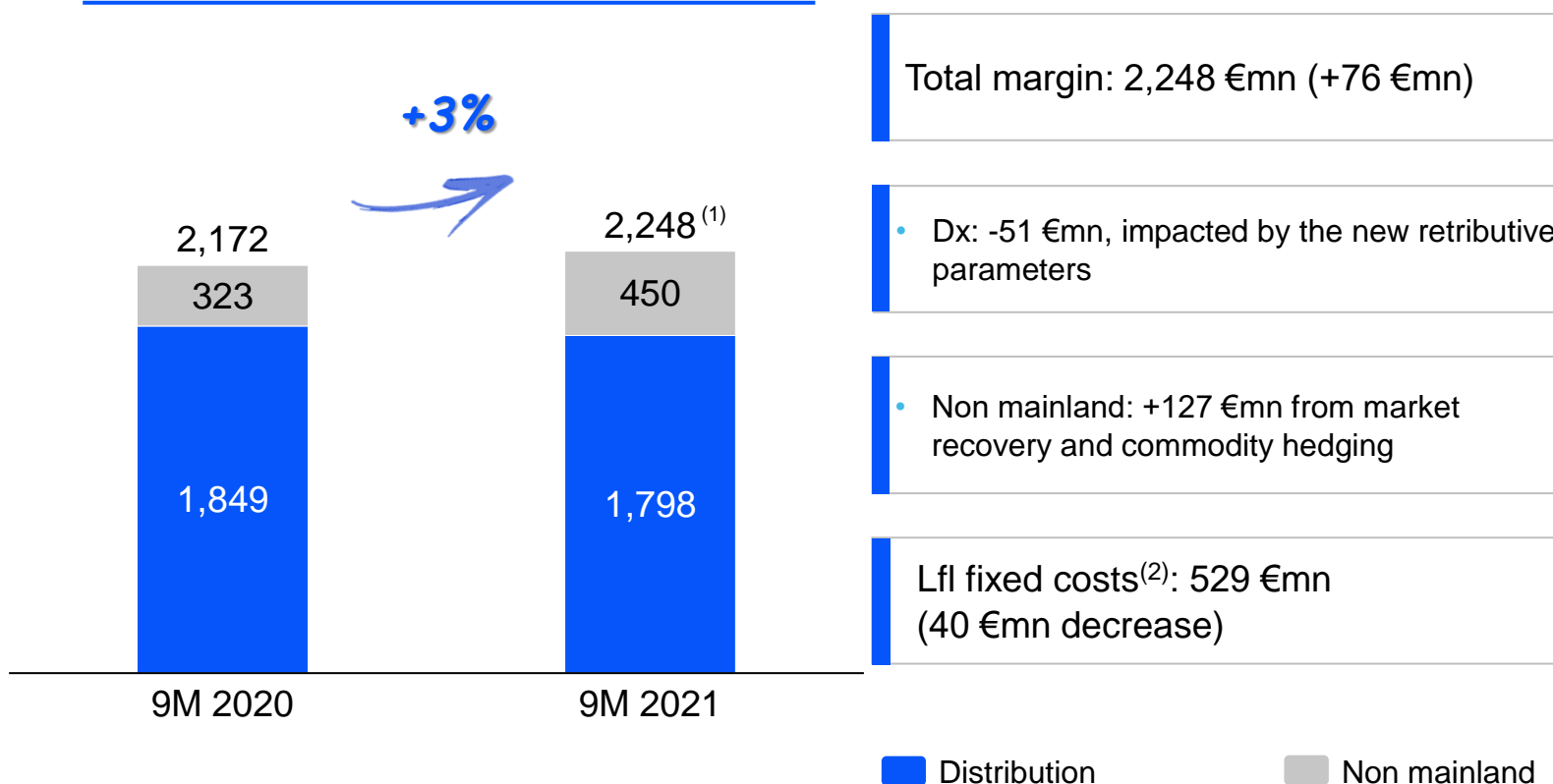
(2) Gx+Sx figures include Generation and Supply business, Corporate Structure, Services and Adjustments, and does not include Non-mainland generation

Regulated business

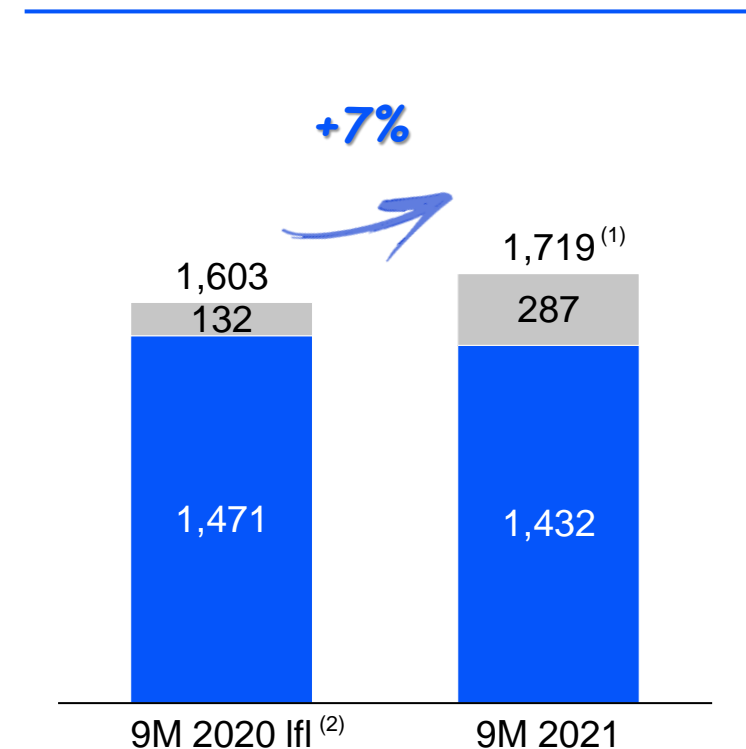
€mn



Gross margin



EBITDA



Regulated businesses perform aligned to expectations

(1) Includes 85 €mn from commodity hedging assigned to non-mainland assets

(2) 9M 2020 reported fixed costs excluding +289 €mn (+269 €mn Dx and + 20 €mn Non mainland) of provision reversal from the commitments contained in the new collective agreement, -99 €mn (-91 €mn Dx and -8 €mn Non mainland) of additional provision recorded for workforce restructuring plans and -28 €mn (Non mainland) of initial net accrual of personnel costs due to restructuring plans relating to the decarbonisation process

Liberalized business⁽¹⁾

€mn



Gross margin

+2%



Liberalized margin: 2,280 €mn (+55 €mn)

- Electricity & Others: 2,213 €mn (+186 €mn):
 - Market context (~-350 €mn)
 - Others: CO₂ regularization (+188 €mn), hydro canon (+48 €mn) and commodity derivatives (+297 €mn)

- Gas⁽⁴⁾: 67 €mn (-131 €mn), negatively affected by market context

Lfl fixed costs⁽⁵⁾: 874 €mn (39 €mn increase)

EBITDA

+1%



1,390
198⁽³⁾

1,192
1,287

9M 2020 lfl⁽⁵⁾ 9M 2021

Liberalized business (exEGPE)
 EGPE

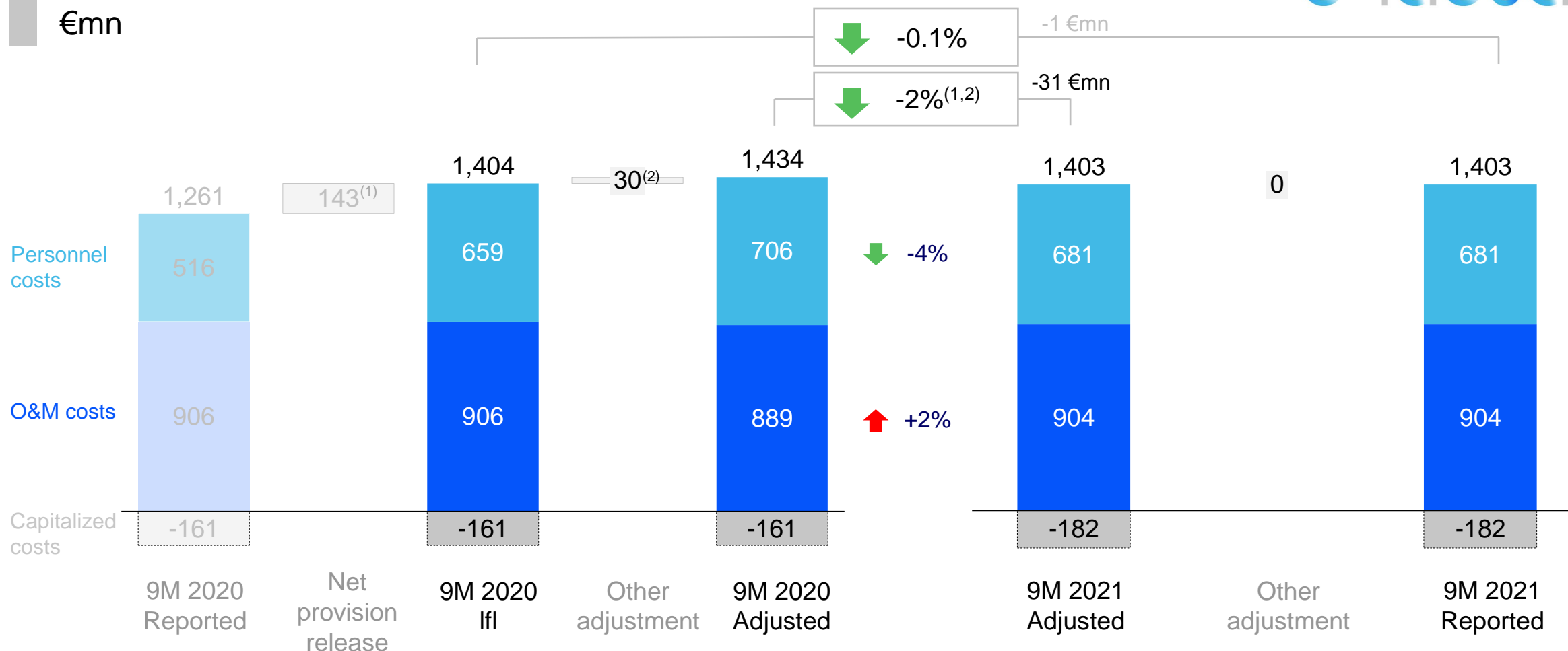
Challenging context in both electricity and gas offset with non recurrent items

- (1) Liberalized business figures include Generation and Supply business, Corporate Structure, Services and Adjustments and does not include Non-mainland generation. Not including +85 €mn of commodity hedging
- (2) Managerial gross margin. Accounting gross margin: 332 €mn in 9M2021 and 216 €mn in 9M2020
- (3) Managerial EBITDA. Accounting EBITDA: 243 €mn in 9M2021 and 133 €mn in 9M2020
- (4) Does not include procurement activities to CCGTs
- (5) 9M 2020 reported fixed costs excluding +226 €mn of provision reversal from the commitments contained in the new collective agreement, -60 €mn of additional provision recorded for workforce restructuring plans and -185 €mn of initial net accrual of personnel costs due to restructuring plans relating to the decarbonisation process.

Fixed costs evolution



€mn



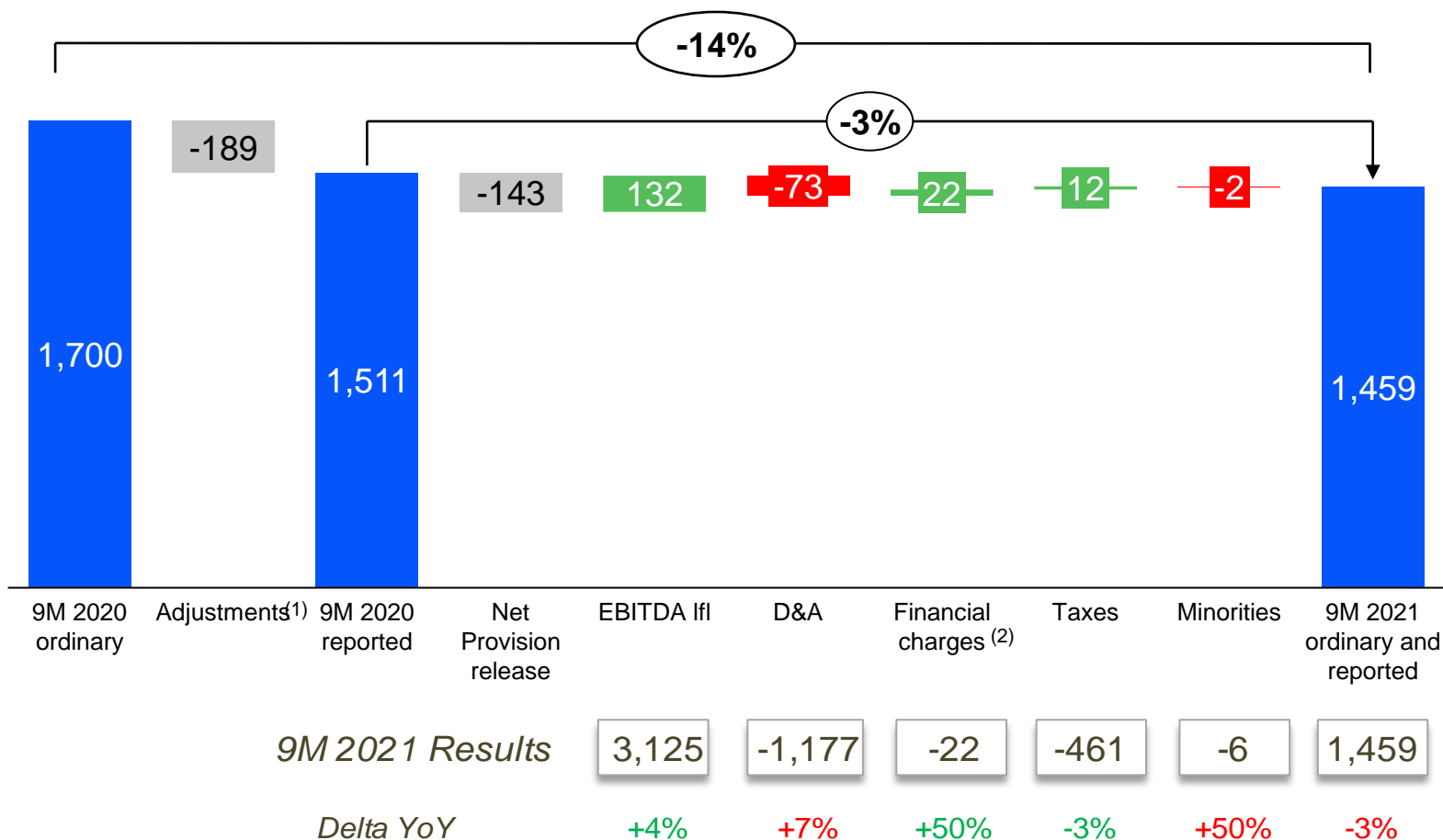
Fixed costs improvements driven by personnel efficiency plans

(1) See details on slide 12

(2) 9M 2020 Fixed costs adjusted by updating of provisions for workforce restructuring plans in place (47 €mn) and the Public Responsibility Plan for the Health Crisis Covid-19 (-17 €mn)

Net Income evolution

€mn

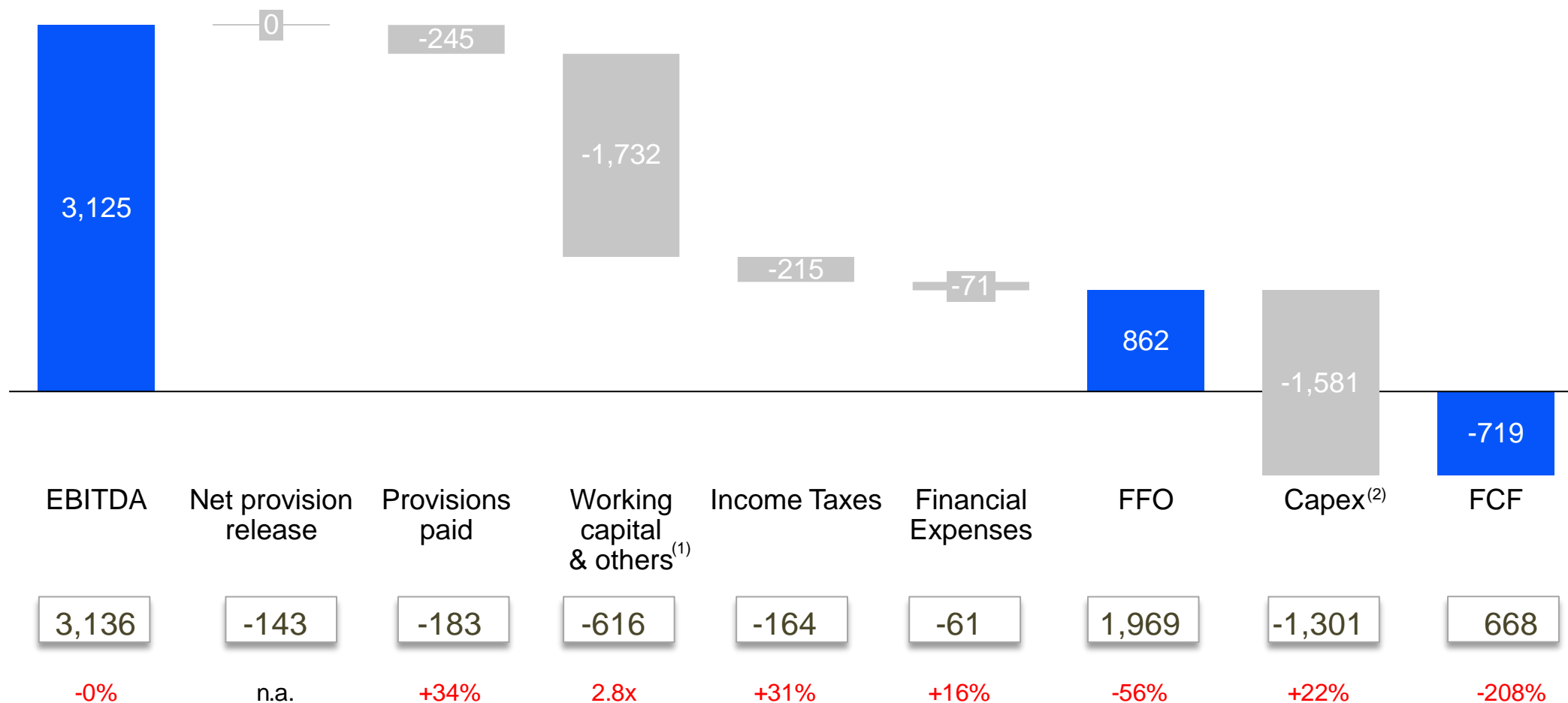


- EBITDA +4% on a like for like basis
- Higher financial income driven by the CO₂ and the Hydro Canon accrued interests (+84 €mn)
- Effective tax rate 23.9% (vs. 23.7% in 9M 2020)

(1) Adjustments in Net Ordinary Income 9M2020: Net Results on Impairment of Non-Financial Assets over 10 €mn (14 €mn) + Initial net accrual of personnel costs due to restructuring plans relating to the decarbonisation process (160 €mn) + Net Costs corresponding to the Public Responsibility Plan for the Health Crisis COVID-19 (15 €mn) = 189 €mn
 (2) Includes income on equity and gains / losses on Disposal of Assets

Cash Flow

€mn



Cash flow affected by regulatory measures, commodities scenario and temporary non cashed items

(1) Net working capital + Net provision release with no cash impact + Regulatory NWC + others. Does not include 143 €mn of net provision release in 9M 2020

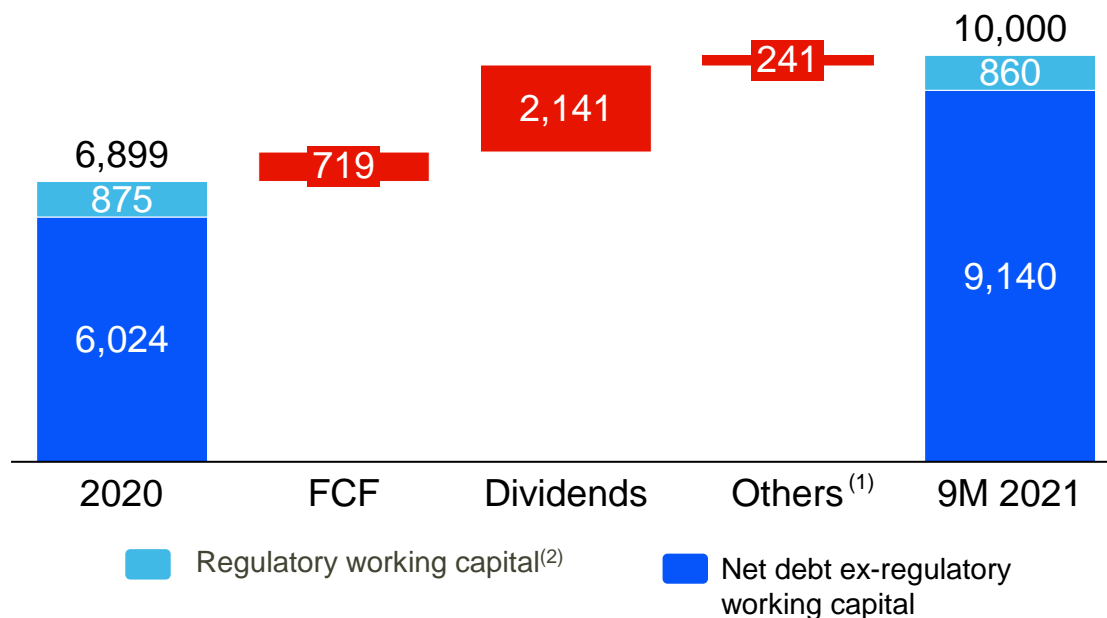
(2) Cash based Capex: Net change of tangible and intangible assets (1,304 €mn) - Subsidies and other deferred incomes (71 €mn) + Net change of other investments (348 €mn)

Net financial debt analysis

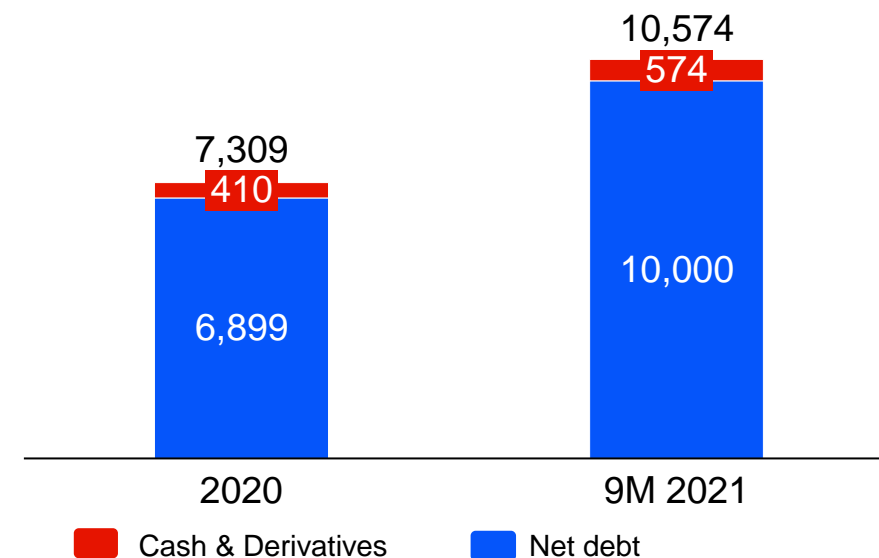
€mn



Net debt evolution



Gross debt



Leverage⁽³⁾ (times) **1.8x**

2.7x

Like for like **2.4x**

Cost of Debt (%) **1.7**

Sustainable Gross Debt (%) **45**

1.5

57

The most competitive financing costs of European integrated utilities

(1) Mainly rights of use, derivatives, and changes in perimeter

(2) Net balance with CNMC settlements

(3) Calculated as Net Debt / EBITDA (12 last months)

Closing remarks



3.1 €bn EBITDA despite adverse market context supported by non recurrent effects

On track to achieve 2021 targets through ongoing managerial efforts

Continuous dialogue to find efficient solutions for the pool price context

Main ESG indexes acknowledge Endesa's leadership

9M 2021

Annexes

endesa

Endesa: 9M 2021 P&L

€mn



	Gx+Sx	Dx	Structure	Adjustments	TOTAL
Income	16,803	1,930	397	-527	18,603
Procurements and services	-14,019	-132	-37	113	-14,075
Gross margin	2,784	1,798	360	(414)	4,528
Self-constructed assets	77	92	13	0	182
Personel expenses	-354	-193	-145	11	-681
Other fixed operating expenses	-803	-265	-239	403	-904
EBITDA	1,704	1,432	(11)	-	3,125
D&A	-658	-471	-48	0	-1,177
EBIT	1,046	961	(59)	-	1,948
Net financial results	15	-42	15	0	-12
Net results from equity method	10	3	0	0	13
Results from other investments	0	0	143	-143	0
Results on disposal of assets	-23	-1	1	0	-23
PROFIT BEFORE TAX	1,048	921	100	(143)	1,926
Income Tax Expense	-241	-226	6	0	-461
Non-Controlling Interests	-5	-1	0	0	-6
NET ATTRIBUTABLE INCOME	802	694	106	(143)	1,459

Endesa: 9M 2020 P&L

€mn

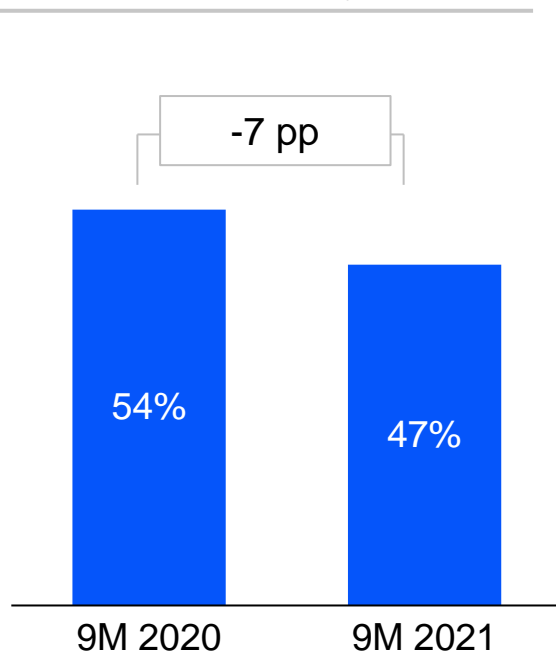


	Gx+Sx	Dx	Structure	Adjustments	TOTAL
Income	11,125	1,971	393	-530	12,959
Procurements and services	-8,524	-122	-32	116	-8,562
Gross margin	2,601	1,849	361	(414)	4,397
Self-constructed assets	52	94	15	0	161
Personel expenses	-365	-7	-154	10	-516
Other fixed operating expenses	-776	-287	-247	404	-906
EBITDA	1,512	1,649	(25)	-	3,136
D&A	-599	-464	-41	0	-1,104
EBIT	913	1,185	(66)	-	2,032
Net financial results	-55	-32	5	0	-82
Net results from equity method	36	3	0	0	39
Results from other investments	0	0	915	-915	0
Results on disposal of assets	-11	10	0	0	-1
PROFIT BEFORE TAX	883	1,166	854	(915)	1,988
Income Tax Expense	-207	-277	11	0	-473
Non-Controlling Interests	-3	-1	0	0	-4
NET ATTRIBUTABLE INCOME	673	888	865	(915)	1,511

Profitability and credit metrics

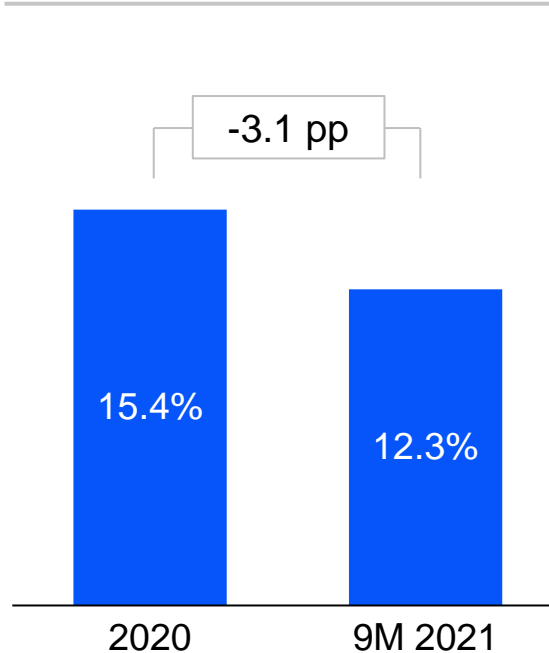


Profitability



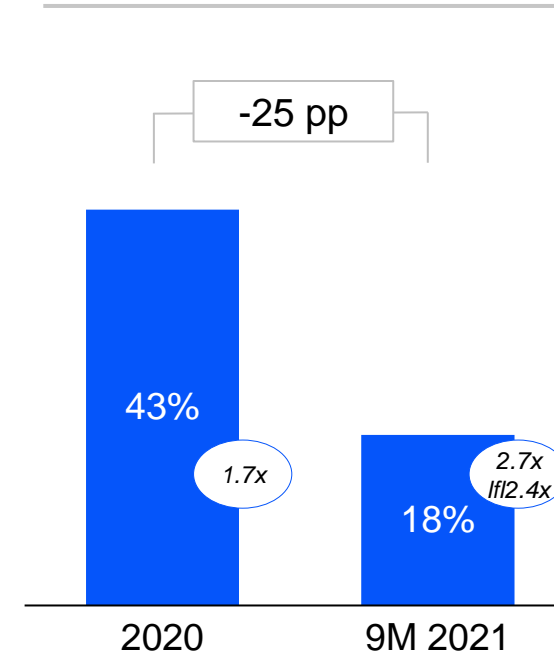
Net Ordinary Income/EBITDA

Return on invested capital



ROIC⁽¹⁾

Credit metrics



FFO⁽²⁾/Net Debt Net debt/EBITDA

(1) Calculated on a like-for-like basis
 (2) FFO last 12 months

Installed capacity and output



Total net installed capacity, MW

	9M 2021	2020	Var. (%)
Mainland	17,397	17,388	+0%
Renewables (2)	7,790	7,781	+0%
Hydro	4,743	4,749	-0%
Wind	2,422	2,423	-0%
Solar	625	609	3%
Others	0	0	0%
Nuclear	3,328	3,328	0%
Coal	2,523	2,523	0%
CCGTs	3,756	3,756	0%
Non mainland territories	4,263	4,264	-0%
Coal	241	241	0%
Fuel - Gas	2,333	2,334	0%
CCGTs	1,688	1,689	0%
Total	21,660	21,652	+0%

Total gross output⁽¹⁾, GWh

	9M 2021	9M 2020	Var. (%)
Mainland	34,494	34,560	-0%
Renewables (2)	9,523	9,943	-4%
Hydro	4,864	6,042	-19%
Wind	3,853	3,481	11%
Solar	805	420	92%
Others	1	0	n.a.
Nuclear	19,895	19,523	2%
Coal	415	975	-57%
CCGTs	4,662	4,119	13%
Non mainland territories	8,086	7,590	+7%
Coal	47	55	-15%
Fuel - Gas	2,965	3,184	-7%
CCGTs	5,074	4,351	17%
Total	42,581	42,150	+1%

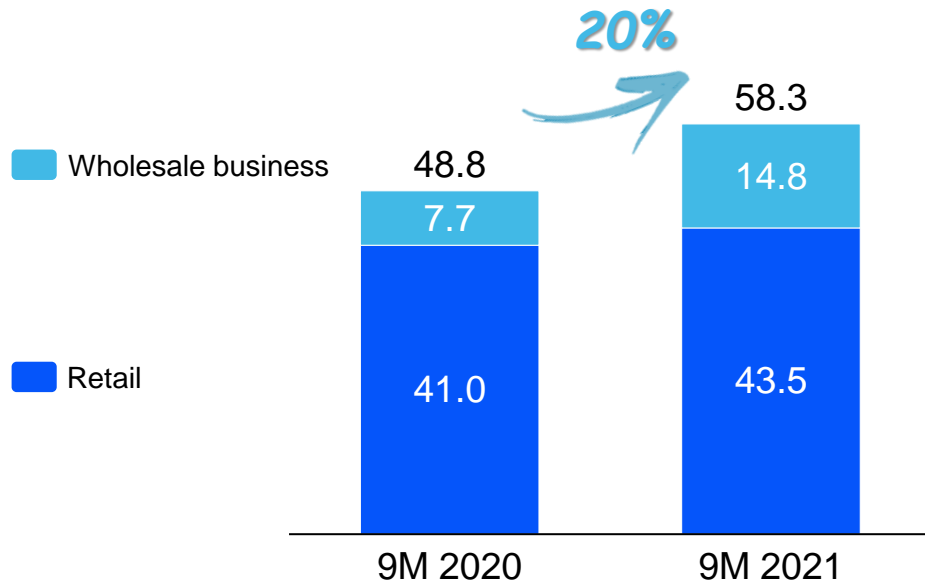
(1) Output at power plant bus bars (Gross output minus self-consumption)

(2) Includes 122 GWh in non-mainland in 9M 2021 (77 MW) vs 92 GWh in 9M 2020 (40 MW). FY2020 net capacity includes 62 MW in non mainland

Gas operational highlights



Volumes sold⁽¹⁾, TWh



Key figures

	2020	9M 2021	Δ
Total customers (mn)	1.7	1.7	-0%
Unitary margin ⁽²⁾ (€/MWh)	4.0	1.1	-72%
Unitary margin exMtM ⁽²⁾ (€/MWh)	3.7	-0.8	-122%

(1) Rounded figures

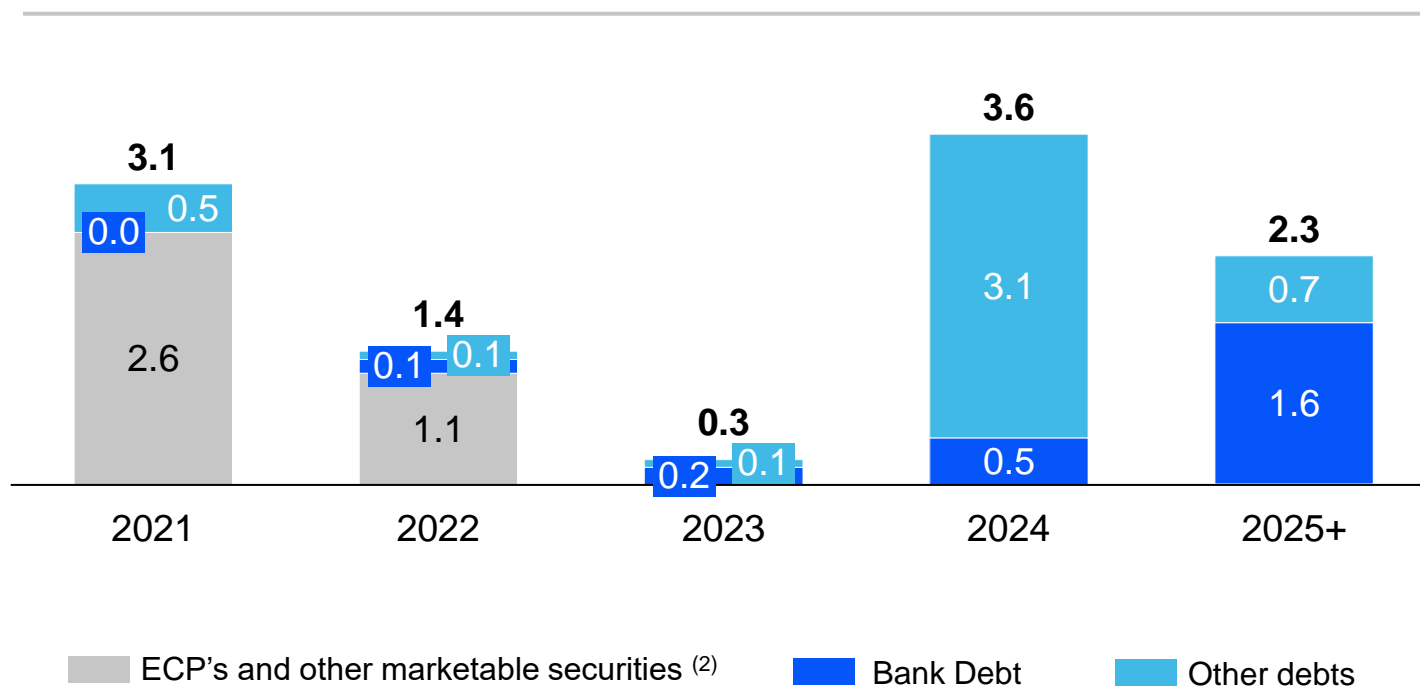
(2) Compared 9M 2021 vs. 9M 2020. Unitary integrated margin, both in 9M 2020 and 9M 2021, excludes procurement activities to CCGTs and MtM effect

Financial debt maturity calendar

€bn



Gross balance of maturities⁽¹⁾



- Average life of debt: 4.2 years
- Coverage of 20 months of debt maturities
- Fixed rate 49% of Gross Debt
- 98% in Euros
- Liquidity 4,629 €mn: 568 €mn in cash and 4,061 €mn available in credit lines
- Liquidity additional strengthening by 4,725 €mn

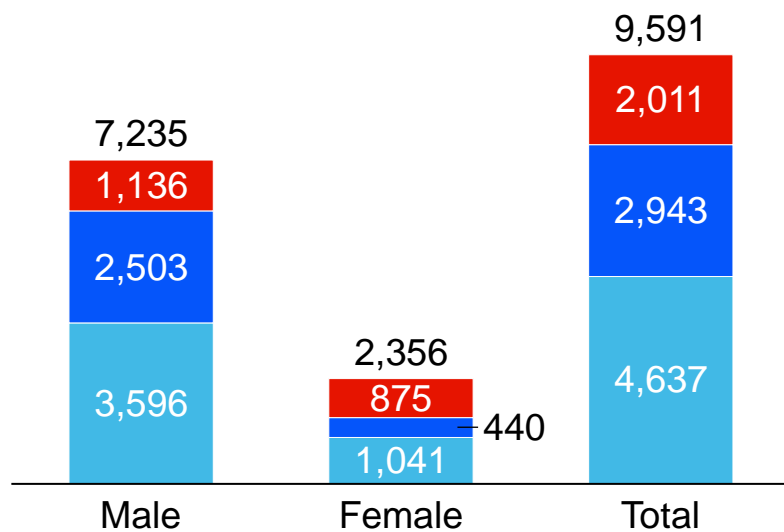
(1) Outstanding at 30 September 2021. Rounded figures. Does not include financial derivatives.

(2) Notes issued are backed by long-term credit lines and are renewed on a regular basis.

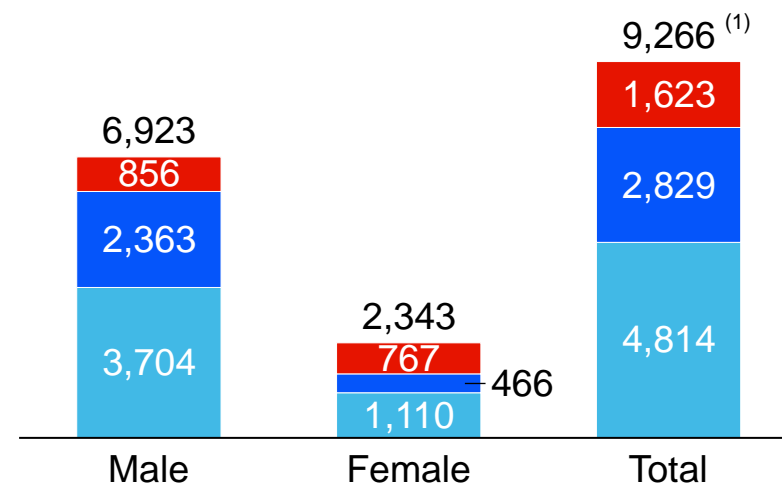
Final headcount



2020



9M 2021



Generation & Supply

Distribution

Structure & others

(1) Final headcount 9M 2021 vs. 9M 2020: -3.4%. Average headcount 9M 2021 vs. 9M 2020: -4.8%

Glossary of terms (I/II)



Item	Calculation	Reference note of Consolidated Management Report
Average cost of debt (%)	Cost of gross financial debt / gross average financial debt: $(99 \text{ €mn} \times (360/270) + 4 \text{ €mn}) / 8,911 \text{ €mn} = 1.5\%$	6.2
Average life of debt (number of years)	$(\text{Principal} \times \text{number of days of term}) / (\text{Principal in force at the end of the period} \times \text{number of days of the period})$: $44,483 / 10,546 = 4.2 \text{ years}$	6.2
Cash flow from operations (€mn)	Net cash provided by operating activities (862 €mn)	6.5
Free cash flow (€mn)	Cash flow from operations (862 €mn) - Net change of tangible and intangible assets (1,304 €mn) + Subsidies and other deferred incomes (71 €mn) - Net change of other investments (348 €mn) = -719 €mn	n/a
Debt maturities coverage (months)	Maturity period (months) for vegetative debt that could be covered with the liquidity available: 20 months	6.2
EBITDA (€mn)	Revenues (18,603 €mn) – Purchases and Services (14,075 €mn) + Work performed by the entity and capitalized (182 €mn) – Personnel expenses (681 €mn) – Other fixed operating expenses (904 €mn) = 3,125 €mn	5.2
EBIT (€mn)	EBITDA (3,125 €mn) - Depreciation and amortization (1,177 €mn) = 1,948 €mn	5.2
Fixed costs (Opex) (€mn)	Personnel expenses (681 €mn) + Other fixed operating expenses (904 €mn) - Work performed by the entity and capitalized (182 €mn) = 1,403 €mn	5.2
Gross margin (€mn)	Revenues (18,603 €mn) – Purchases and Services (14,075 €mn) = 4,528 €mn	5.2
Leverage (times)	Net financial debt (10,000 €mn) / EBITDA (647 €mn from 4Q 2020 + 3,125 €mn from 9M 2021) = 2.7x	n/a

Glossary of terms (II/II)



Item	Calculation	Reference note of Consolidated Management Report
Gross Capex (€mn)	Gross tangible (1,182 €mn) and intangible (212 €mn) Capex - rights of use (164 €mn) = 1,230 €mn	6.6
Net financial debt (€mn)	Long and short term financial debt (6,187 €mn + 4,387 €mn) - Cash and cash equivalents (568 €mn) - Derivatives recognized as financial assets (6 €mn) = 10,000 €mn	6.2
Net financial results (€mn)	Financial Revenues (114 €mn) - Financial Expenses (122 €mn) - Foreign Exchanges (4 €mn) = -12 €mn	5.2
Income (€mn)	Sales (13,425 €mn) + Other operating revenues (4,968 €mn) = 18,393 €mn	5.2
Net ordinary income (€mn)	Reported Net Income (1,459 €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) - Initial Net Provision for Personnel Costs due to Restructuring Plans relating to the Decarbonisation Process (0 €mn) - Net Costs corresponding to the Public Responsibility Plan for the Health Crisis COVID-19 (0 €mn) = 1,459 €mn	5.2
Electric Integrated Margin (€mn)	Contribution margin Gx+Sx (2,784 €mn) - Margin SENP (450 €mn) + Commodities hedge (85 €mn) - Margin SCVP (54 €mn) - Margin gas (67 €mn) - Margin Endesa X (90 €mn) - Others (663 €mn) = 1,546 €mn	n/a
Unitary electric integrated margin (€/MWh)	Electric Integrated Margin / Electric sales in the liberalized market in Spain and Portugal: 1,546 €mn / 54.8 TWh = €28.2/MWh	n/a
Gas unitary margin (€/MWh)	Manageable gas margin / Gas sales : 66.8 €mn / 58.3 TWh = €1.1/MWh	n/a
Endesa X Gross Margin (€mn)	Gross margin generated by the added value products and services commercialized by the Endesa X unit = 90 €mn	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.

IR Team

Contact us



Mar Martinez

Head of Investor Relations

Investor Relations team

Isabel Permuy

Javier Hernandez

Francesc Trilla

Juan Carlos Jimenez

Sonia Herranz

Paloma de Miguel



Discover the new endesa.com, a website open to everybody

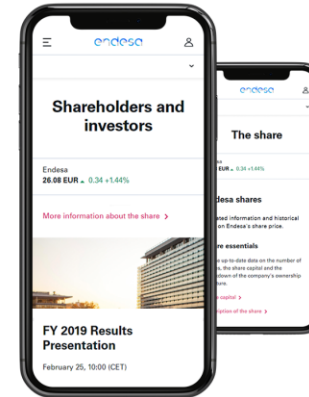


New design, clearer and more intuitive.



All your content, just one click away:

- Results.
- Financial information.
- Annual reports.
- Events calendar.



Alert service to receive the main news from the company on your mobile.



Plus, all the **information about our products and services**, including access to the Endesa Customer Area.

Visit [endesa.com/shareholdersandinvestors](https://www.endesa.com/shareholdersandinvestors): a new way to get to know us

Contacts

Email: ir@endesa.es

Phone: + 34 91 213 15 03
+ 34 91 213 90 49

Website: www.endesa.com