



## **ENDESA'S CEO PRESENT IN GREECE "ENDESA HELLAS"**

Endesa Hellas will oversee the assets contributed by Mytilineos pursuant to the agreement signed in March, and will spearhead the development of new businesses.

With projects for approximately 2,500 MW of installed capacity between coal, combined-cycle and renewable, it will be Greece's largest independent utility, with potential to expand into other markets in southeast Europe.

The creation of this company, which will be based in Athens, underscores ENDESA's commitment to Europe and marks a step forward in its expansion plans for the Mediterranean Basin.

Greece is one of Europe's most attractive markets both strategically, given its growth prospects, and in terms of its pricing structure and interconnections with Italy, Bulgaria, FYROM and Albania.

The event honoured with their presence the Greek Economy Minister and the Minister of Foreign Affairs, the Ambassador of Spain and Endesa Europe's General Manager, which was also attended by more than 1,800 people, mainly institutional representatives, as well as top-ranking executives from Greek and multinational companies and Media representatives. Madrid 27 June 2007.- The CEO of ENDESA, Mr Rafael Miranda, along with the President and CEO of Mytilineos Group, Mr Evaggelos Mytilineos, have today presented "Endesa Hellas", during an event that took place yesterday in Athens.

The event honoured with their presence the Greek Minister of Foreign Affairs, Mrs Dora Bakoyianni, the Minister of National Economy & Finance, Mr. George Alogoskoufis, deputies of the Greek Parliament, the Ambassador of Spain, Mr Juan Ramon Martinez Salazar and the General Manager of Endesa Europe, Mr Jesús Olmos, as well as top-ranking executives from Greek and multinational companies.

The new company, with the largest independent portfolio in the pipeline and under construction and a well-balanced mix between thermal and renewals, will also be in charge of spearheading new businesses. Endesa Hellas has already started its business activity in Greece and aims at obtaining more than 10% of Greece's power energy generation until 2010.

The company will have start-up capital of Euro 1,200 million and will be Greece's largest independent utility, with potential to expand into other markets in southeast Europe.



Endesa will own a stake of 50.01% and Mytilineos the remaining 49.99%. Endesa Hellas will have the largest order book of power construction and development projects in Greece, including:

- A 334 MW CHP, scheduled to come on stream in June 2007
  - A 430 MW natural-gas fired combined-cycle thermal plant, currently under construction. It should be completed by June 2009.
  - A portfolio of more than 1,000 MW of renewable projects.
  - A 600 Mw coal-fired thermal plant.
  - Other assets, including a 310 MW trading license, a new license for another combined-cycle gas plant and one for an international coal plant
- The new company's activities will include the construction and operation of thermal (natural gas and coal) and renewable (wind farms, hydro and photovoltaic plants) and the trading of electricity and CO2 emission rights. There are also plans for the company to gradually enter the supply business, depending on the market's deregulation in accordance with EU directives of July 2007.

The creation of this company signals a major step forward for ENDESA in its European expansion plan along the Mediterranean Basin, with the aim of consolidating its current position and leveraging existing value-creation tools to aid in the development of new businesses. In addition, ENDESA becomes the first independent entrant in one of Europe's most attractive electricity markets both strategically, given its growth prospects, and in terms of its pricing structure and interconnections with Italy, Bulgaria, FYROM and Albania.