

The logo for E.ON, featuring the lowercase letters 'e.on' in a white, stylized, italicized font against a red background.

E.ONs Offer for Endesa
The Only Real Alternative

28 March 2007



E.ON's offer comes with a guaranteed price and concrete timing

E.ON's is the only approved offer

- **40 € per share guaranteed**
 - 100% cash guaranteed
- **Offer expires on 3 April 2007 in Spain and 6 April in USA and will be settled shortly thereafter**
 - No further regulatory hurdles
 - No further legal action



E.ON's offer already accepted by Endesa's management

Acceptance of E.ONs Offer

- **Endesa's Board members have personally accepted E.ON's offer and have unanimously recommended it to shareholders**
 - Endesa's Board has complete understanding of the merits of E.ON's offer as against supposed alternative
 - Endesa's Board has consistently acted in the interests of all shareholders throughout this process
- **Caja Madrid has entered into an equity swap agreement with E.ON**
 - Major long term shareholder with complete understanding of the merits of E.ON's offer against supposed alternative offer
 - Commitment of Caja Madrid to support Endesa's management and strategy
 - Caja Madrid maintains its voting rights

No real and tangible alternative available now, and no certainty of a future bid

- **No certainty that formal bid will materialize after E.ON's offer expires**
 - No obligation to launch formal bid
 - Agreement between Acciona and Enel states that they will launch an offer only if 'legally obliged'
 - Flexible interpretation of Spanish Takeover Code has accommodated anomalous and irregular behavior
 - No financial guarantees posted
- **Public intentions of ENEL and Acciona change constantly**
 - Both stated they had no interest in making a full offer for the company while building stakes
 - Both stated they were not acting in concert
 - These statements appear to lack accuracy given subsequent actions of both parties,
 - Numerous shareholders acting on the basis of these statements sold a total of 46% of Endesa shares
 - No guarantee that current public position won't be changed again after expiration of E.ON offer

There is only one approved offer

Potential alternative subject to huge uncertainty

- **Offer cannot be launched for at least six months after E.ON's bid expires**
 - October is earliest possible launch date following the decision of the CNMV
 - May be further delays caused by legal action
- **Significant regulatory hurdles**
 - CNMV, CNE, European Union
 - Normal approval process takes months after offer
- **Significant legal hurdles**
 - Current process has lasted 19 months due to legal complications
 - E.ON to take further legal action in multiple jurisdictions with allegations of false and misleading disclosures, breach of insider trading and tender offer rules
 - CNMV has already recognized breach of tender offer rules
 - Other Endesa shareholders may consider legal action against Acciona and/or Enel
 - Alleged securities law infringement and fraud

Conclusion

EON's offer

- The only approved bid
- 40 € guaranteed, to be settled quickly
- 100% cash guaranteed

There is no alternative comparable offer



On January 26, 2007, E.ON Aktiengesellschaft ("E.ON"), through its wholly owned subsidiary E.ON Zwölfte Verwaltungs GmbH, filed a tender offer statement on Schedule TO regarding its tender offer for ordinary shares and ADSs of Endesa S.A. ("Endesa") with the U.S. Securities and Exchange Commission ("SEC"). Endesa investors and security holders are urged to read the U.S. tender offer statement (as updated and amended), because it contains important information. Furthermore, Endesa investors and security holders are urged to read the Spanish prospectus from E.ON regarding the Spanish tender offer for Endesa because it contains important information. The Spanish prospectus and certain complementary documentation were authorized in Spain by the Spanish *Comisión Nacional del Mercado de Valores* (the "CNMV"). Investors and security holders may obtain a free copy of the Spanish prospectus and its complementary documentation from E.ON, Endesa, the four Spanish Stock Exchanges, Santander Investment Bolsa SV SA, Santander Investment SA, Corredores de Bolsa, and elsewhere. The Spanish prospectus is also available on the web sites of the CNMV (www.cnmv.es), E.ON (www.eon.com), and elsewhere. Likewise, Endesa investors and security holders may obtain a free copy of the U.S. tender offer statement and other documents filed by E.ON with the SEC on the SEC's web site at www.sec.gov. The U.S. tender offer statement and these other documents may also be obtained for free from E.ON by directing a request to E.ON AG, External Communications, Tel.: 0211- 45 79 - 453.

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