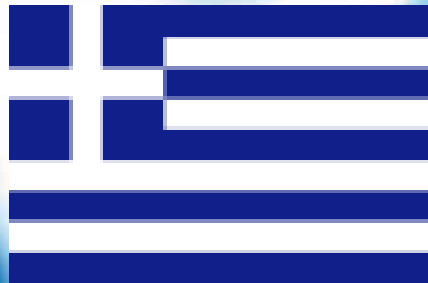


Endesa Hellas

'Endesa Hellas a new strong player in the electricity market'

12th "Energy & Development 2007" Conference

Mr. José Luis Gutierrez – Chief Executive Officer



Athens, October 25th, 2007



Endesa Hellas

Contents

- **The Joint Venture agreement**

- **Our View of the Market**

- **Strategic Plan and Objectives**

- **Market Perception**

Endesa Hellas

Joint Venture

- **Endesa Hellas** is a joint venture between Endesa Europa (50.01%) and Mytilineos Holdings (49.99%), created with the aim of **becoming the largest independent power operator in Greece**. We believe the strong need for new capacity justifies the entrance of new private players.
- After this contribution process, Endesa Hellas will have an extremely **strong financial position**, allowing it to invest up to **2.4 bn € in new capacity**, without additional capital calls on its shareholders.

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An Excellent Partnership

Endesa, S.A.

- 6th European electricity company
- Enterprise value of 61 bn. €
- Total installed capacity: 47 GW
- Sales: 220 TWh
- Customers: 23 million
- Workforce: 26,730
- Leading Spanish electric utility
- Largest private electricity multinational in Latin America
- Substantial presence in the Mediterranean basin

Proven track record of profitable growth in international markets and best practice industry know-how

Optimal collaboration for the JV agreement and implementation based on a common vision of the electricity market

Mytilineos Holding, S.A.

- 13th industrial group of ATHEX
- Market cap: 2.0 bn. €
- Four stock listed companies in base metals, energy and defense
- Sales: 850 M €
- Workforce: 4,500
- One of the largest mining, metallurgical and industrial complexes in Greece

Proven track record of growth, building up local presence and industrial dimension

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Joint Venture

- Endesa Hellas pursues a **diversified portfolio of energy assets**, to enable **hedging** against possible volatilities of the electricity market:
 - ✓ portfolio of **generation plants**, diversified across **different technologies**
 - ✓ presence across **various parts of the value chain** (generation, trading and commercialization)
 - ✓ **expansion into neighboring countries** with needs for new capacity while offering export opportunities to Greece
 - ✓ **Cooperating** closely with incumbent companies
- Endesa Hellas aims to reach **1 GW by 2010** and **2.5-3 GW by 2015**, allowing for a 10-15% market share

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- The Joint Venture Agreement

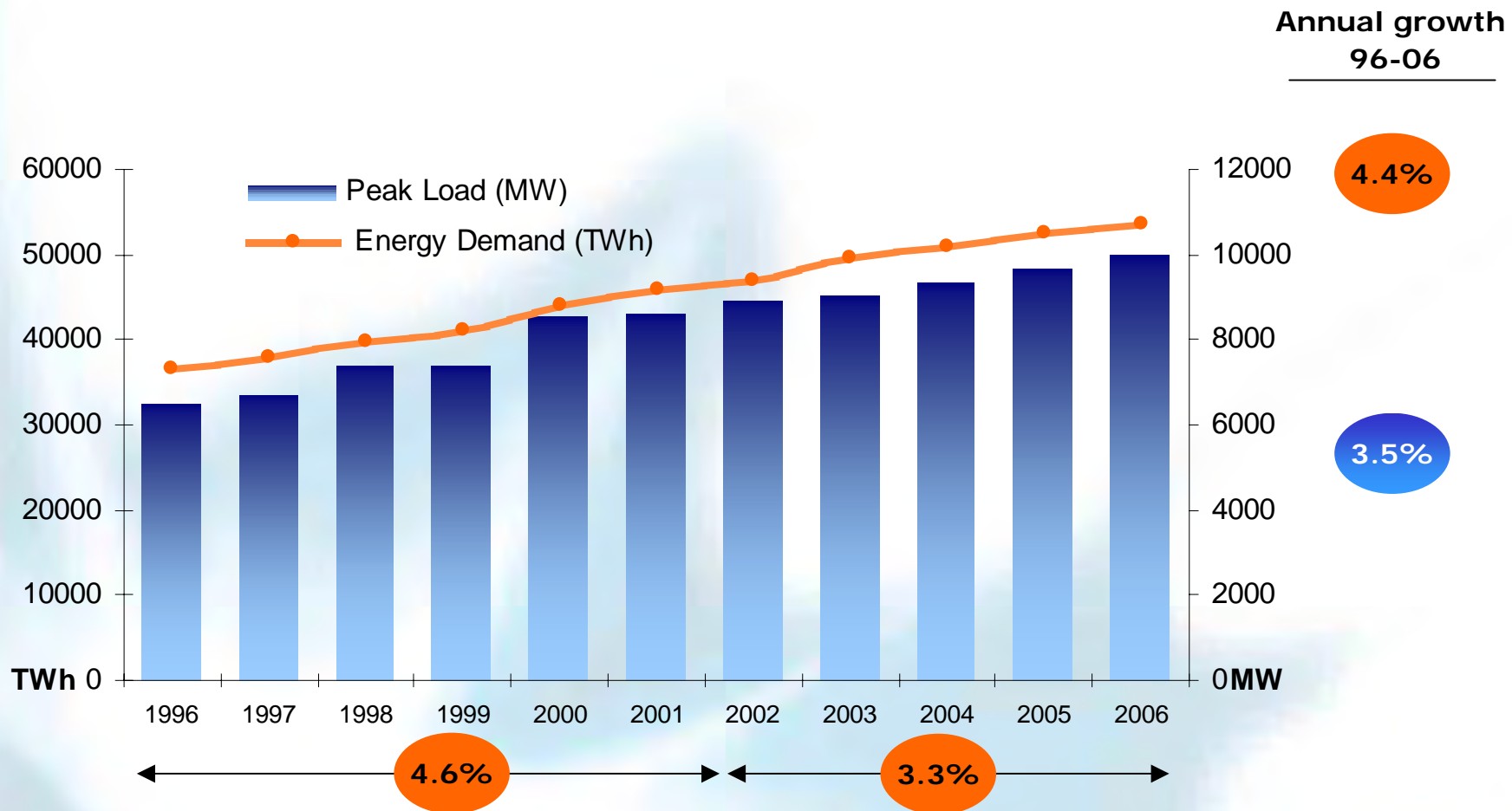
- **Our view of the market**

- Strategic Plan and Objectives

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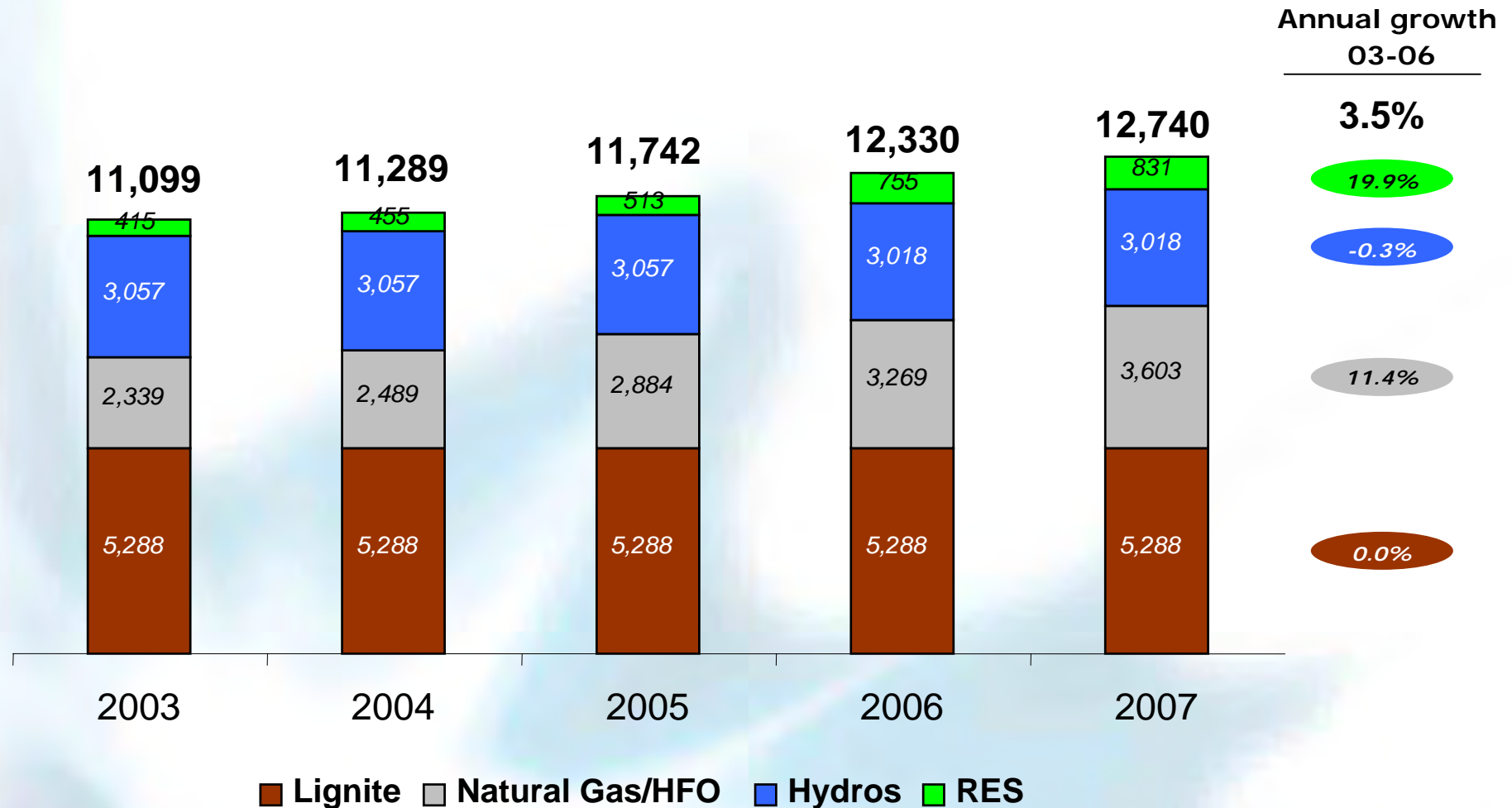
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Historically, electricity **demand** has grown at ~ 4% per year, while ...



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.. **installed capacity** has grown at a similar rate, but in less available (RES) and more expensive technologies (gas).



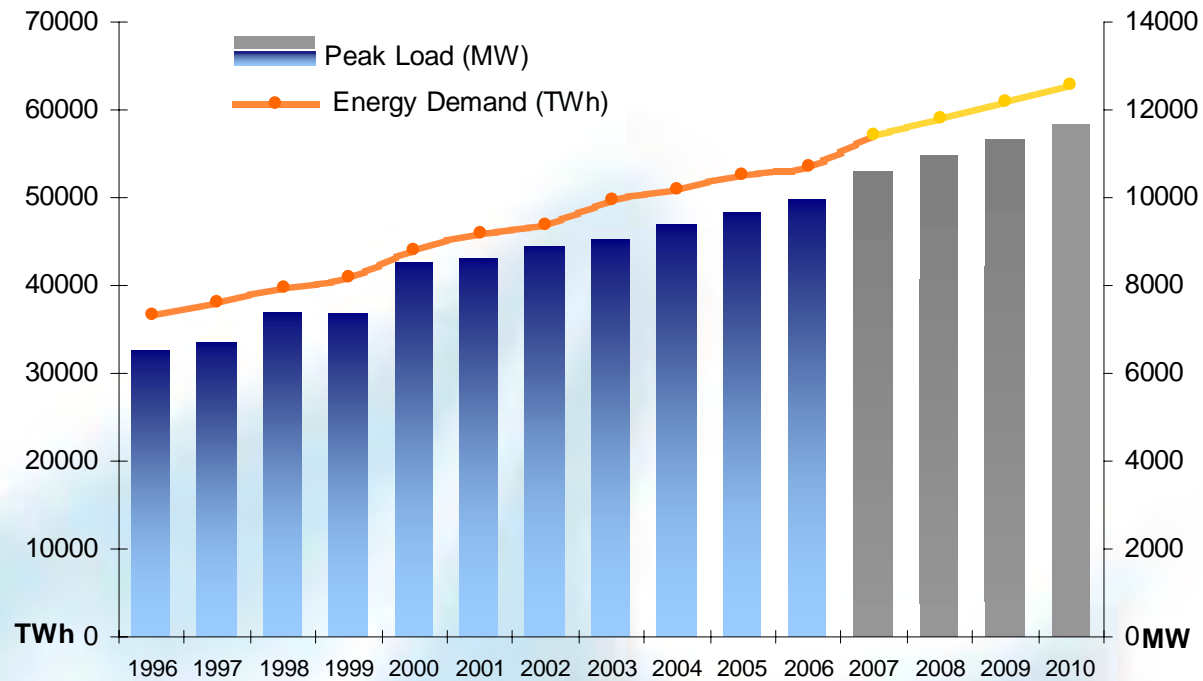
Over 95% of installed capacity is owned by PPC



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From **2007-2010**, electricity demand is expected to continue to grow while insufficient capacity will be developed ...

Demand

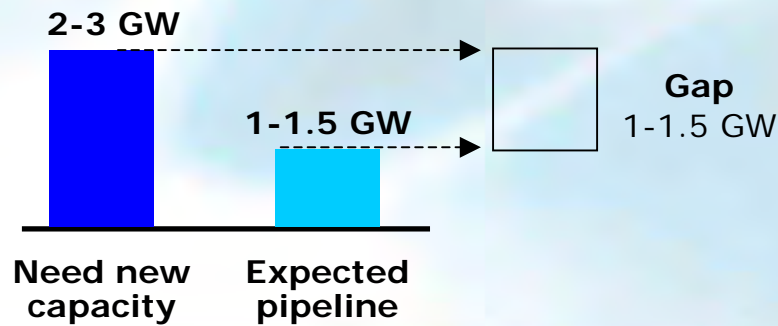


CAGR 07-10

3.3%

3.3%

Supply

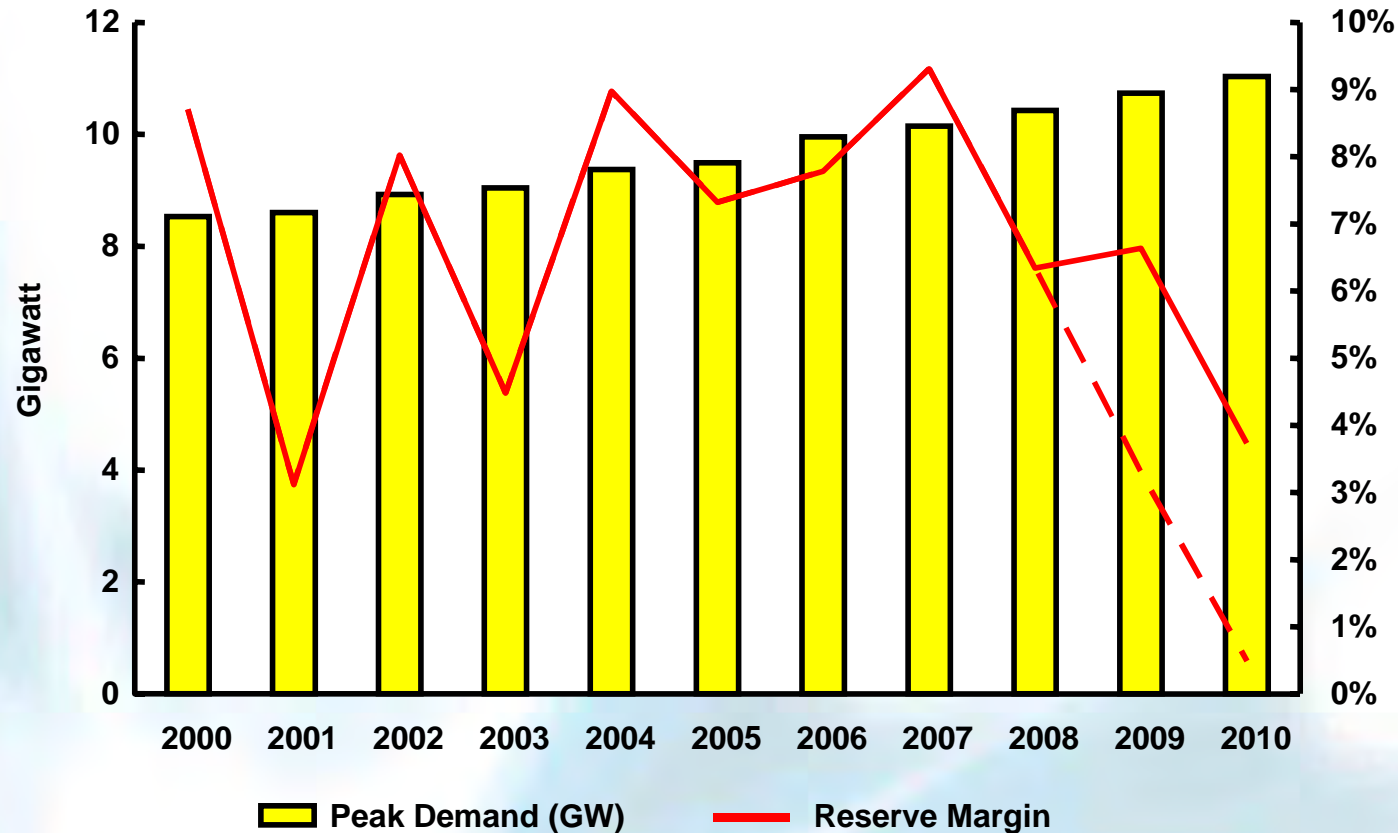


Greece needs new capacity faster than planned by strategic players



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... a situation that will lead to a decrease in **reserve margin** while ...



Due to the high increase in demand, new capacity is needed. Since too few new projects are planned before 2010, a shortage in generating capacity is likely to occur (falling reserve margins)

Endesa Hellas

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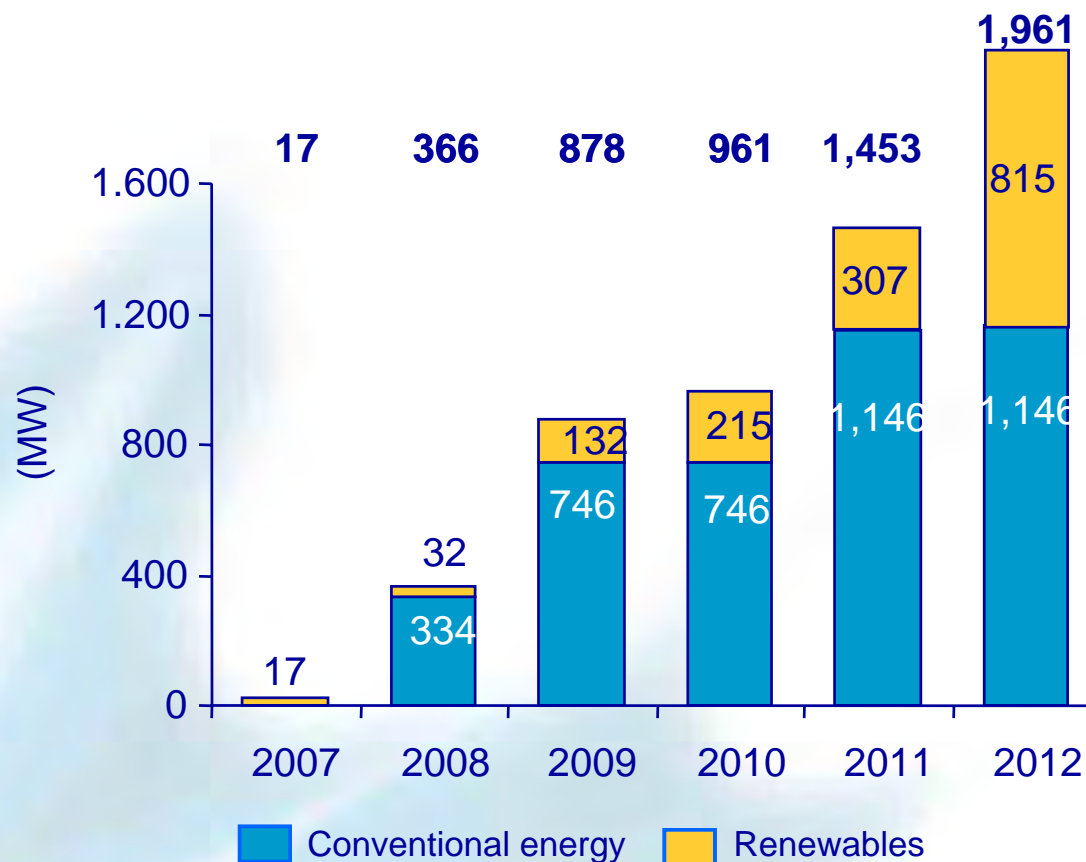
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Endesa Hellas

Strategic Plan and Objectives

Within the context of a tight reserve margin and competitive wholesale prices, Endesa Hellas aspires to:

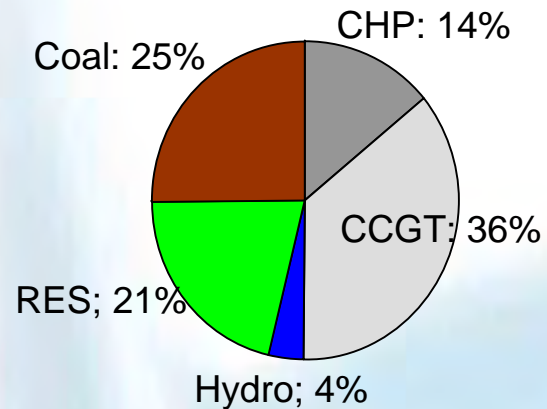
- reach around **900 MW** in the Greek electricity generation market by 2010, representing a **10% market share**
- reach **2,500-3,000 MW** in the Greek electricity generation market by 2015, a **15% market share**
- develop of a **retail commercial platform** in Greece



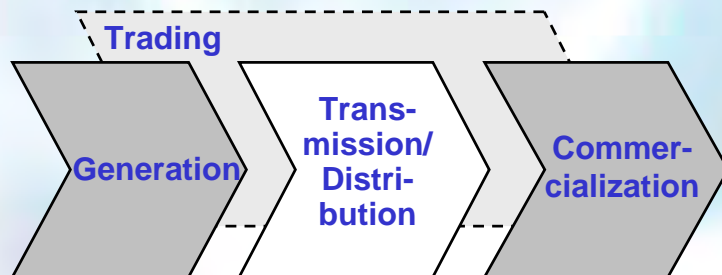
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Pursuing Interesting Opportunities for a Diversification Strategy

A future portfolio of generation assets, diversified across technologies

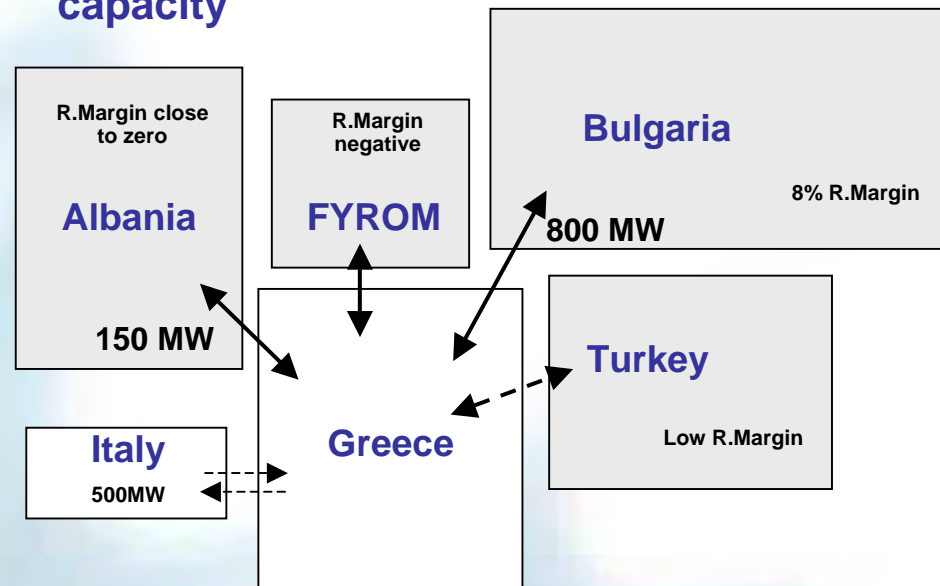


A simultaneous presence across various parts of the value chain



□ Endesa Hellas presence

A plan to expand into neighboring countries with significant needs for new capacity



- Possibilities to expand into countries with inter-connection capacity and low reserve margins.
- Electricity can be sold either locally or exported to Greece

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Initial Portfolio

CHP

- Combined Heat Power Plant in Viotia (334 MW), to be commissioned shortly

CCGT 1

- CCGT, merchant power plant in Viotia (430 MW)
- Construction has commenced. To be commissioned in 2009

CCGT 2

- CCGT, merchant power plant (400 MW)
- Production license, expected to be commissioned by 2011

Coal

- Clean technology coal fired power plant (600 MW)
- Positive recommendation from RAE

RES

- Renewable assets portfolio with a pipeline of up to 1,000 MW of capacity (2010 onward)

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The JV has been very well received by the market

"We are very positive on the development [of Endesa Hellas] as we think it can be a springboard for significant growth going forward."

P&K research, April 2007

"We value the energy assets of Endesa Hellas at 1.370 MM€, outperforming in almost 15% the starting capitalization of 1.200 MM€."

Alpha Finance, May 2007

"The company is well positioned to capture the second place regarding production of energy in Greece after PPC."

Beta Securities, May 2007

"For the time being we stick to the JV's current financials, though acknowledging that it is a very promising deal ... given the significant growth opportunities that such an investment vehicle could potentially capture."

P&K research, April 2007

"The potential for operating synergies from this strategic co-operation is also significant, stemming from Endesa's expertise and MG's successful track record in Greece."

HSBC, May 2007

"The deal with Endesa helps Mytilineos crystallize its energy portfolio value, leading to considerable valuation upgrades."

HSBC, May 2007