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For further information contact:

Jaime Montero
Investor Relations Director
Endesa Chile
(56-2) 634-2329
jfmv@endesa.cl

Juan Pablo Reitze
Head of Investor Relations
jprv@endesa.cl

Irene Aguiló
iaguilo@endesa.cl

Jacqueline Michael
jmc@endesa.cl

**ENDESA CHILE ANNOUNCES CONSOLIDATED RESULTS FOR
THE PERIOD ENDED MARCH 31, 2008**

(Santiago, Chile, April 24, 2008) – Endesa Chile (NYSE: EOC), announced today its consolidated financial results for the period ended March 31, 2008. All figures are in constant Chilean pesos and are in accordance with the Chilean Generally Accepted Accounting Principles (Chilean GAAP) as required by Chilean authorities. March 2007 figures have been adjusted by the year-over-year CPI variation of 8.1%. The figures expressed in US Dollars for both periods were calculated based on the March 31, 2008 exchange rate of 437.71 pesos per dollar.

The consolidated financial statements of Endesa Chile for such period include all of its Chilean subsidiaries, as well as its Argentine subsidiaries (Hidroeléctrica El Chocón S.A. and Endesa Costanera S.A), its Colombian subsidiary (EMGESA S.A. E.S.P.) and its Peruvian subsidiary (Edegel S.A.A.).

Highlights for the Period

Endesa Chile's net income in the first quarter of 2008 amounted to Ch\$ 77,649 million, 44.5% higher over Ch\$ 53,730 million reported in the same period of the year before. This is mainly explained by a better non-operating result derived from improved results and tariffs in Brazil, additionally to a positive effect of the exchange rate difference, minority interest and lower financial expenses.

Operating income in the first quarter 2008 was Ch\$ 155,045 million, a decrease of 15.9% compared to the Ch\$ 184,398 million reported in the same quarter of 2007. This lower result is mainly due to higher fuel costs in Chile, caused by reduced hydrology and to a lesser degree due to the effect of the higher appreciation of the Chilean peso compared to the currencies of the other countries where we operate, which produces a negative effect on the comparative operating income when converting their amounts into Chilean pesos.

Endesa Chile's consolidated Ebitda, or operating income plus depreciation and amortization, amounted to Ch\$ 203,093 million as of March 31, 2008, 14% lower than the same period of 2007. The Ebitda distribution per country is as following: Chile, 56.3%; Colombia, 24.5%; Peru, 10.1% and Argentina, 9.1%. Since Endesa Chile does not consolidate Endesa Brasil, its Ebitda is not considered under the distribution.

The most important events in the first quarter of 2008 were the following:

- The highest rating of AAA+ obtained for the Sustainability Report 2007 by Global Reporting Initiative (GRI), a further demonstration of the commitment assumed by Endesa Chile to provide transparent information to all interested parties and stakeholders. The United Nations Global Compact placed this document in its "notable" category.
- The inauguration and start-up of the San Isidro II combined cycle power plant which contributes with 353 MW to the SIC. The plant will reach a capacity of 377 MW once it operates with LNG in 2009. The plant's first stage, in open cycle, began operating in April 2007 and the second stage, in combined cycle, started operating on January 21, 2008, two months ahead of schedule.
- On March 19, the unit No.1 of the Taltal plant began its dual operation with an installed capacity of 120 MW to the SIC. Although this plant was originally designed to operate with natural gas, may also now operate with diesel oil to meet continual and unrestricted energy-supply standards even under adverse conditions.

Consolidated revenues as of March 2008 were Ch\$ 480,560 million, 12.7% higher than the Ch\$ 426,373 million reported in the same period of 2007. This is explained by higher revenues in Chile as a result of higher average sales prices.

Our subsidiaries in Colombia and Peru, even though their sales volumes were higher than in the same period of 2007, operating revenues were negatively affected after their conversion to Chilean pesos. This was the result of the strong appreciation of the Chilean peso which negatively affected operating revenues of those subsidiaries in the first quarter of 2008, despite the slight tariff increase in dollar terms of those countries. In Argentina, higher average sales prices were offset by a slight decrease in energy volume sold, and also to the appreciation of the Chilean peso.

Consolidated sales volume in the first quarter of 2008 amounted to 13,754 GWh, a decrease of 1% compared to the same quarter of 2007, mainly due to a 9.0% decrease of the sales volume in Chile as a consequence of drier hydrology and the lower energy demand derived from the public and private campaigns regarding energy saving.

Consolidated operating expenses as of March 2008 amounted to Ch\$ 317,050 million, which represent a 37.2% increase over 2007. Higher thermal generation in Chile, Argentina and Peru, and the major use of liquid fuels additionally to their higher price mainly explain the increase in consolidated operating expenses. Selling, general and administrative expenses declined by 22.4% to Ch\$ 8,464 million in the first quarter of 2008, mainly explained by lower general expenses in Chile and Peru.

Consolidated electricity generation was 12,827 GWh during the first quarter of 2008, 2.2% lower compared to 13,118 GWh generated in 2007 as a consequence of the lower hydrology.

TABLE OF CONTENTS

| | |
|--|-----------|
| HIGHLIGHTS FOR THE PERIOD | 1 |
| TABLE OF CONTENTS | 3 |
| CONSOLIDATED INCOME STATEMENT (Chilean GAAP, Thousand US\$) | 4 |
| CONSOLIDATED INCOME STATEMENT (Chilean GAAP, Million Ch\$) | 5 |
| MAIN EVENTS DURING THE PERIOD..... | 6 |
| OPERATING INCOME ANALISIS BY COUNTRY | 7 |
| NON OPERATING INCOME | 8 |
| | |
| CONSOLIDATED BALANCE SHEET ANALYSIS..... | 10 |
| Assets (Chilean GAAP, Thousand US\$) | 10 |
| Assets (Chilean GAAP, Million Ch\$) | 10 |
| Liabilities (Chilean GAAP, Thousand US\$) | 11 |
| Liabilities (Chilean GAAP, Million Ch\$) | 11 |
| Financial Debt Maturities with Third Parties | 12 |
| Ratios..... | 13 |
| | |
| CONSOLIDATED BALANCE SHEET (Chilean GAAP) | 14 |
| Assets (Million Ch\$, Thousand US\$) | 14 |
| Liabilities and shareholder's equity (Million Ch\$, Thousand US\$)..... | 15 |
| | |
| CONSOLIDATED CASH FLOW (Chilean GAAP)..... | 16 |
| Cash flows originated from operating activities (Million Ch\$, Thousand US\$)..... | 16 |
| Cash flows originated from financing activities (Million Ch\$, Thousand US\$)..... | 16 |
| Cash flows originated from investing activities (Million Ch\$, Thousand US\$)..... | 16 |
| | |
| CONSOLIDATED CASH FLOW FROM FOREIGN OPERATIONS (Chilean GAAP)..... | 16 |
| Cash flow (Million US\$) | 26 |
| | |
| CONSOLIDATED CASH FLOW (Chilean GAAP)..... | 17 |
| Consolidated cash flow (Thousand US\$) | 17 |
| Consolidated cash flow (Million Ch\$) | 17 |
| | |
| MOST IMPORTANT CHANGES IN THE MARKETS WHERE THE COMPANY OPERATES | 18 |
| | |
| MARKET RISK ANALYSIS..... | 19 |
| | |
| EXCHANGE AND INTEREST RATE RISK ANALYSIS..... | 20 |
| | |
| BUSINESS INFORMATION, MAIN OPERATING FIGURES IN GWh..... | 21 |
| | |
| ENDESA CHILE'S OPERATING REVENUES AND EXPENSES BREAK DOWN BY COUNTRY (Chilean GAAP) | 23 |
| | |
| ENDESA CHILE'S OPERATING INCOME BREAK DOWN BY COUNTRY (Chilean GAAP)..... | 24 |
| | |
| ENDESA CHILE'S OWNERSHIP STRUCTURE..... | 25 |
| | |
| CONFERENCE CALL INVITATION | 26 |

**Consolidated Income Statement
(Chilean GAAP, thousand US\$)**

Table 1

| (Chilean GAAP, Thousand US\$) | | | | |
|--|------------------|------------------|-----------------|----------------|
| | 1st Quarter 2007 | 1st Quarter 2008 | Variance | Change |
| Operating Revenues | 974,099 | 1,097,895 | 123,796 | 12.7% |
| Operating Expenses | (527,896) | (724,339) | (196,443) | (37.2%) |
| Operating Margin | 446,204 | 373,556 | (72,647) | (16.3%) |
| SG&A | (24,925) | (19,338) | 5,587 | 22.4% |
| Operating Income | 421,279 | 354,219 | (67,060) | (15.9%) |
| Net Financial Income (Expenses) | (100,659) | (79,710) | 20,949 | 20.8% |
| Interest Income | 10,581 | 10,381 | (200) | (1.9%) |
| Interest Expense | (111,240) | (90,091) | 21,149 | 19.0% |
| Net Income from Related Companies | 13,539 | 55,182 | 41,643 | 307.6% |
| Equity Gains from Related Companies | 18,543 | 55,813 | 37,270 | 201.0% |
| Equity Losses from Related Companies | (5,004) | (632) | 4,373 | 87.4% |
| Net other Non Operating Income (Expense) | (78,110) | (120,889) | (42,779) | (54.8%) |
| Other Non Operating Income | 19,934 | 22,867 | 2,933 | 14.7% |
| Other Non Operating Expenses | (98,043) | (143,756) | (45,712) | (46.6%) |
| Positive Goodwill Amortization | (548) | (583) | (35) | (6.3%) |
| Price Level Restatement | 40 | (1,616) | (1,657) | (4095.0%) |
| Exchange differences | (1,447) | 26,969 | 28,416 | 1963.6% |
| Non Operating Income | (167,185) | (120,648) | 46,537 | 27.8% |
| Net Income before Taxes, Min. Interest and Neg. Goodwill Amortization | 254,094 | 233,571 | (20,523) | (8.1%) |
| Income Tax | (98,597) | (83,771) | 14,827 | 15.0% |
| Extraordinary Items | - | - | - | |
| Minority Interest | (35,504) | 25,314 | 60,818 | 171.3% |
| Negative Goodwill Amortization | 2,761 | 2,285 | (476) | (17.2%) |
| NET INCOME | 122,753 | 177,399 | 54,645 | 44.5% |

Consolidated Income Statement
(Chilean GAAP, Million Ch\$)

Table 1.1

| (Chilean GAAP, Million Ch\$) | | | | |
|--|------------------|------------------|-----------------|----------------|
| | 1st Quarter 2007 | 1st Quarter 2008 | Variance | Change |
| Operating Revenues | 426,373 | 480,560 | 54,187 | 12.7% |
| Operating Expenses | (231,065) | (317,050) | (85,985) | (37.2%) |
| Operating Margin | 195,308 | 163,509 | (31,798) | (16.3%) |
| SG&A | (10,910) | (8,464) | 2,446 | 22.4% |
| Operating Income | 184,398 | 155,045 | (29,353) | (15.9%) |
| Net Financial Income (Expenses) | (44,059) | (34,890) | 9,169 | 20.8% |
| Interest Income | 4,631 | 4,544 | (87) | (1.9%) |
| Interest Expense | (48,691) | (39,434) | 9,257 | 19.0% |
| Net Income from Related Companies | 5,926 | 24,154 | 18,228 | 307.6% |
| Equity Gains from Related Companies | 8,116 | 24,430 | 16,314 | 201.0% |
| Equity Losses from Related Companies | (2,190) | (276) | 1,914 | 87.4% |
| Net other Non Operating Income (Expense) | (34,189) | (52,914) | (18,725) | (54.8%) |
| Other Non Operating Income | 8,725 | 10,009 | 1,284 | 14.7% |
| Other Non Operating Expenses | (42,915) | (62,923) | (20,009) | (46.6%) |
| Positive Goodwill Amortization | (240) | (255) | (15) | (6.3%) |
| Price Level Restatement | 18 | (707) | (725) | (4095.0%) |
| Exchange differences | (633) | 11,805 | 12,438 | 1963.6% |
| Non Operating Income | (73,178) | (52,809) | 20,370 | 27.8% |
| Net Income before Taxes, Min. Interest and Neg. Goodwill Amortization | 111,220 | 102,236 | (8,983) | (8.1%) |
| Income Tax | (43,157) | (36,667) | 6,490 | 15.0% |
| Extraordinary Items | - | - | - | - |
| Minority Interest | (15,541) | 11,080 | 26,621 | 171.3% |
| Negative Goodwill Amortization | 1,208 | 1,000 | (208) | (17.2%) |
| NET INCOME | 53,730 | 77,649 | 23,919 | 44.5% |

Main events during this period

Investments

Endesa Chile is actively developing and studying a series of projects mainly in Chile and also in Colombia and Peru, in line with its role at the different markets. The projects on which the Company is working in Chile will contribute approximately 900 MW to the electricity grid in the period 2008-2010.

Reinforcing Endesa Chile's commitment with sustainability and among the initiatives for the development of non-conventional renewable energy (NCRE) projects, the Company brought into service, through its subsidiary Endesa ECO, the 18.15 MW Canela wind farm in December 2007. The Company has now committed itself to the acquisition of adjoining land for an immediate expansion of the wind farm of approximately 60 MW of additional energy.

In mid January 2008, two month ahead of the original schedule, the San Isidro II plant completed the closing of the combined cycle to achieve a total capacity of 353 MW. Taking into account the first stage in open cycle in 2007 and adding this last stage in combined cycle, this implied a total investment of US\$ 229 million. In 2009, once liquefied natural gas (LNG) is available in Chile, the plant will reach its full capacity of 377 MW. The bringing forward of this investment, provided an important support for the difficult energy supply in the first months of 2008.

As part of its strategy for ensuring reliable and diversified energy sources, the Company is actively taking part in the initiative promoted by the Government to expand the diversification of the energy matrix through the Quintero LNG project, with a 20% holding in the ownership of the re-gasification terminal, together with Enap, Metrogas and British Gas, the latter being the gas supplier. This project will require an estimated investment of US\$ 940 million and will be operating in fast-track mode in the first half of 2009, and definitively in 2010.

Endesa Chile, concerned of the delicate supply situation of the country in the next few years, and in addition to the advanced start-up of the San Isidro II combined-cycle plant, began the operation with diesel in March of unit No.1 of the Taltal plant, with an installed capacity of 120 MW. This investment is an important contribution to the needed capacity for this period.

The Company also submitted the environmental impact assessment for an open-cycle plant with a total capacity of 240 MW at a site alongside the Quintero re-regasification plant, which will start operating with diesel in the first quarter of 2009 and later with LNG. On September 2007, Endesa Chile awarded General Electric the supply of two 120 MW turbines each. On January 2008, the EPC contract was awarded to Sigdo Koppers. The total investment of the Project amounts to US\$ 120 million.

Regarding the development and progress of the hydroelectric project HidroAysén, in which Endesa Chile has a 51% shareholding and Colbún S.A. the remaining 49%, the environmental impact assessment by the international consortium comprising the companies SWECO, POCH Ambiental and EPS is still in progress. Mid 2007, HidroAysén presented the final project to the authority and local community, demonstrating the company's efforts to reduce the areas flooded and leaving important and emblematic fishing, tourism, landscape and environmental zones untouched. The total installed capacity of the project will be approximately 2,750 MW. HidroAysén continues its negotiations with the transmission company Transelec for the transmission service to bring the plants' energy to the SIC. The anti-trust court approved the form of constitution of the project management company, thus advancing one step further in its progress.

Construction works have continued and are highly advanced on the Bocamina II coal-fired plant, located in the town of Coronel in Chile's Eighth's Region. This 350 MW plant will have the latest technologies for emissions reduction and its start up is expected by mid 2010. The estimated investment amounts to US\$ 625 million.

On April 16, 2008, the environmental authority of the Maule Region in Chile approved the environmental impact assessment of the Los Cóndores hydroelectric project, a pass-through power plant with a capacity of approximately 150 MW and an average annual generation of 560 GWh. This plant will use the waters of the lake Maule and will be located in the town of San Clemente, Talca. The estimated investment is US\$ 185 million and its start up is planned for early 2012. Construction works will start once coming winter ends.

Endesa ECO will bring into service its Ojos de Agua pass-through mini hydroelectric plant on May 2008, located approximately 100 kilometers from the city of Talca, in the valley of the river Cipreses, downstream from the lake La Invernada. The investment in this 9 MW plant is estimated in US\$ 25 million.

In Peru, a turnkey contract was signed in January 2008 with Siemens Power Generation for the installation of a 183 MW turbine at the Santa Rosa plant which will operate with gas from Camisea, a project that will require an investment of approximately US\$ 90 million. This project will increase Edegel's installed capacity to 1,654 MW and enable it to face the fast-growing demand in the Peruvian market.

Due to the continuous increase in energy demand in Colombia, Emgesa is evaluating its participation in the energy and power bidding process planned for this year. It will participate in this process by presenting generation projects, such as the development of the Quimbo 400 MW hydroelectric plant located upstream from the Betania plant.

Regarding the FONINVEMEM project in Argentina, Endesa Chile, through its subsidiaries Endesa Costanera S.A. and Hidroeléctrica El Chocón S.A., has contributed with an investment of US\$ 160 million as of December 31, 2007, which includes US\$ 42 million of financing. Endesa Chile has 21% shareholding in the companies Termoeléctrica José de San Martín S.A. and Termoeléctrica Manuel Belgrano S.A., which are building combined-cycle power plants of 800 MW each. Last March, senior Argentine authorities inaugurated the operation in open cycle of the Manuel Belgrano plant. The José de San Martín plant will also soon start operating in open cycle and, in the first semester 2009, both plants will be operating in combined cycle. At that moment, the companies will begin to recover their credits from the flows generated by the project through their 10-year production sales contracts with MEM, managed by CAMMESA.

Operating Income

The following is an analysis of the business by country:

In Argentina, operating income as of March 2008 was Ch\$ 9,351 million, compared to Ch\$ 9,433 million in the previous year, a decrease of 0.9%, despite physical sales were 2.8% lower at that market. This performance is mainly due to better operating results of Endesa Costanera, which increased by 60.7% to Ch\$ 6,815 million as a result of higher operating revenues of 6.1% while operating expenses remained at similar levels to the corresponding in the first quarter of 2007. A more efficient management in generation and in its commercial policy enabled Endesa Costanera to increase its operating income, also considering that sales volume increased by 5.1% together with a rise in average tariffs. El Chocón reported a 51.2% decrease in its operating income to Ch\$ 2,537 million in the first quarter 2008, as a consequence of 26.5% lower energy sales compared to the previous year, derived from the management of the water flows of the river Limay and the plant's lower operation due to the extraordinary operation framework as a consequence of the dry hydrology.

Operating income in Colombia was Ch\$ 42,539 million in the first quarter of 2008, Ch\$ 1,542 million more than in the same period of 2007. This better result is mainly explained by a 15.5% decrease in operating expenses

compared to a 6.3% reduction in revenues. These lower revenues and expenses are explained by the stronger appreciation of the Chilean peso against the Colombian peso compared to the same period in 2007, affecting these amounts once converted to Chilean GAAP. However, in local currency terms, there was an improvement in average sales prices due to a higher reliability charge, and a 9.1% increase in sales volume to 3,760 GWh, while energy generation rose by 5.0% to 2,882 GWh, thus evidencing a good performance of our operations in that country.

The Peruvian subsidiary of Endesa Chile, Edegel, reported an operating income of Ch\$ 13,171 million, representing a 42% decrease compared to the Ch\$ 22,694 million in the first quarter of 2007. Energy generation increased by 3.6% to 2,074 GWh, however operating revenues decreased by 20.5%, from Ch\$ 48,226 million to Ch\$ 38,323 million and operating expenses increased by 2.6% to Ch\$ 22,976 million. The revenues decrease is mainly attributable to the higher appreciation of the Chilean peso compared to the Peruvian sol, additionally to a 38% decrease in the average spot price. The slightly higher operating expenses are due to 15.4% higher thermal generation compared to the first quarter of 2007.

In Chile, operating income was Ch\$ 89,637 million, 19.2% lower than the Ch\$ 110,924 million of the first quarter of 2007, even though operating revenues amounted to Ch\$ 305,541 million, compared to Ch\$ 234.677 million in the same period of the year before, showing an increase of 30.2%. This improvement was the result of the average node price over US\$100 per MWh during the first quarter of 2008, with high spot energy prices, which were largely offset by higher operating expenses which rose by 79% to Ch\$ 211,629 million, including Ch\$ 102,348 million of higher fuel costs following the greater thermal generation with diesel at high production costs in the same period, among other things, to the dry hydrology. It should be mentioned that Endesa Chile's commercial policy has enabled it to sell at the spot market despite its generation of 4,830 GWh, a 6.9% decrease compared to the first quarter 2007.

Non-Operating Income

Non-operating result in the first quarter of 2008 was a loss of Ch\$ 52,809 million, compared to a loss of Ch\$ 73,178 million in the same period of 2007, thus positively affecting the Company's net income compared to the year before. The following are the main changes to the non-operating result:

Net result of investments in related companies increased by Ch\$ 18,227 million in the first quarter of 2008 compared to the same period of 2007, basically explained by an improved result of Ch\$ 12,889 million by the affiliate company Endesa Brasil S.A.

Price-level restatements and exchange rate differences showed a net positive change of Ch\$ 11,711 million in the first quarter of 2008 compared to the same period of 2007, from a loss of Ch\$ 615 million as of March 2007 to a gain of Ch\$ 11,096 million as of March 2008. This is basically due to changes in the exchange rate between both periods. During the quarter ended March 31, 2008, the Chilean peso appreciated against the US dollar by 11.9% versus a depreciation of 1.3% in the same period of 2007.

Consolidated financial expenses decreased by Ch\$ 9,257 million from Ch\$ 48,691 million in the first quarter of 2007 to Ch\$ 39,434 million in the same period of 2008, a reduction of 19.0%, mainly in Chile due to the effect of the lower exchange rate. Financial income declined slightly, from Ch\$ 4,631 million in the first quarter of 2007 to Ch\$ 4,544 million in the first quarter of 2008.

Net result of other non-operating income and expenses produced a lower result of Ch\$ 18,724 million, basically explained by Ch\$ 35,455 million of reduced income from the conversion adjustment, required by Technical Bulletin No.64 of the Chilean Institute of Accountants, with respect to our foreign subsidiaries, mainly Colombia and Peru, Ch\$ 2,703 million of higher provisions for contingencies and litigation, partially offset by Ch\$ 7,283

million of less provisions for the resettlement of energy and power and Ch\$ 11,260 million of reduced provision for tax on the equity of the Colombian subsidiaries.

The conversion adjustment required by Technical Bulletin No.64, related to the Colombian and Peruvian subsidiaries, as in the abovementioned paragraph, negatively affected the net income of these subsidiaries once converted into Chilean GAAP. This is the reason that mainly explains the positive variation of the minority interest from a loss of Ch\$ 15,541 million in the third quarter of 2007 to a gain of Ch\$ 11,080 in the first quarter of 2008.

Income tax and deferred taxes declined by Ch\$ 6,490 million in the first quarter of 2008 compared to the first quarter of 2007. Consolidated accumulated income tax amounted to Ch\$ 36,667 million, comprising a charge for income tax of Ch\$ 20,308 million and Ch\$ 16,359 million of deferred taxes. Accumulated income tax was Ch\$ 16,840 million lower than the year before, related to a reduced taxable income, mainly in Endesa Chile and Pangué in Chile, and Emgesa in Colombia. Deferred tax represents an increase of Ch\$ 10,350 million over the same period of 2007.

Financing

During the first quarter of 2008, Endesa Chile made disbursements under its revolving credit facilities for a total of US\$ 57 million. The Company thus maintains a total amount withdrawn of US\$ 273 million out of the total US\$ 650 million available.

With respect to the financial activities of Endesa Chile's consolidated foreign subsidiaries, a series of operations were carried out in 2008 to refinance short-term loans and increase the average life of the debt.

The most active foreign subsidiary in terms of debt issues was Edegel, in Peru, which accumulated a total of two issuances for an approximate total of US\$ 20 million in the first quarter 2008:

- A domestic bond was issued on January 25, 2008 for US\$ 10 million, for 20 year term and an interest rate of 6.35%.
- A domestic bond was issued on March 7, 2008 for 28.3 million soles (approximately US\$ 10 million), for a 7 year term and an interest rate of 6.59%.

The proceeds of these issues have been used to refinance programmed maturities.

In addition, on March 25, 2008 Edegel contracted a US\$ 90 million new leasing contract at an interest rate of Libor +1.8%, to finance the 183 MW gas turbine expansion project of the Santa Rosa plant. As of March 31, 2008 Edegel has withdrawn US\$ 25 million.

At the end of March 2008, the consolidated financial debt of Endesa Chile amounted to US\$ 4,348 million, 10.2% higher than at the end of the same quarter of 2007, thus financial ratios remain their level and the Company's capacity expansion plan stays in line.

Sustainability and Environment

Endesa Chile's sixth Sustainability Report was published in March 2008, providing a full account of the objectives met by the Company during 2007, in compliance with the seven commitments established in the sustainability policy.

Continuing with the challenges of showing the greatest transparency, the Company used the version 3 of the Global Reporting Initiative (GRI) guide in the preparation of the report, obtaining for the second consecutive year a final rating of AAA+, coinciding with the Company's self-evaluation, that of the external auditors and finally Global Reporting Initiative itself. In this report, the first effort has been made for incorporating the indicators of the pilot version of the electricity utility sector supplement, also prepared by GRI.

In order to ensure compliance with its high-standard environmental policy, Endesa Chile began in 2001 to introduce the environmental management systems certification of its installations under the ISO 14,001 standard. This certification, as of March 2008, covered 95.9% of the Company's total installed capacity, equivalent to 12,293.28 MW.

Finally, on January 4, 2008 Endesa Chile's Peruvian subsidiary, Edegel, obtained the registration of the re-powering project of the Callahuanca hydroelectric plant in the clean development mechanism (CDM) with the United Nations Office on Climate Change.

Conclusion

Endesa Chile's operating result has been affected due to the dryer hydrology and higher fuel purchases in Chile. Nevertheless, the Company's adequate commercial policy and the highly-efficient investment portfolio have mitigated these effects. The latter enables Endesa Chile to be in a satisfactory position to face the next challenges and convert them into growth opportunities, like the various projects on which Endesa Chile is working responsibly to meet the medium and long-term energy requirements resulting from a growing demand for energy and a difficult scenario with dry hydrology and high fuel prices.

Consolidated Balance Sheet Analysis

The evolution of the key financial figures has been as follows:

Table 2

| Assets (Thousand US\$) | As of March 31, 2007 | As of March 31, 2008 | Variance | Change |
|------------------------|----------------------|----------------------|--------------------|----------------|
| Current Assets | 1,219,147 | 1,570,429 | 351,282 | 28.8% |
| Fixed Assets | 10,308,506 | 8,989,460 | (1,319,047) | (12.8%) |
| Other Assets | 1,790,211 | 1,151,722 | (638,489) | (35.7%) |
| Total Assets | 13,317,865 | 11,711,611 | (1,606,253) | (12.1%) |

Table 2.1

| Assets (Million Ch\$) | As of March 31, 2007 | As of March 31, 2008 | Variance | Change |
|-----------------------|----------------------|----------------------|------------------|----------------|
| Current Assets | 533,633 | 687,393 | 153,760 | 28.8% |
| Fixed Assets | 4,512,136 | 3,934,776 | (577,360) | (12.8%) |
| Other Assets | 783,594 | 504,120 | (279,474) | (35.7%) |
| Total Assets | 5,829,363 | 5,126,289 | (703,074) | (12.1%) |

As of March 31, 2008 the Company's total assets show a decrease of Ch\$ 703,074 million compared to the same period of the year before:

Current assets increased by Ch\$ 153,760 million, mainly explained by an increase in notes and accounts receivable from related companies of Ch\$ 128,879 million, principally the transfer from long to short term of accounts receivable from the affiliate company Atacama Finance Co. and notes receivable from the affiliate GNL

Quintero S.A.; increase in inventories and recoverable taxes of Ch\$ 69,663 million, basically fuels and VAT credits. This was partially offset by reductions in cash and banks, time deposits and marketable securities of Ch\$ 24,975 million, principally the payment of dividends and obligations and a reduction in accounts receivable and other accounts receivable of Ch\$ 19,402 million.

Fixed assets decreased by Ch\$ 577,360 million, mainly explained by the depreciation of fixed assets for Ch\$ 188,674 million, sales of fixed assets of Ch\$ 2,536 million and the effect of the real exchange rate on fixed assets of foreign subsidiaries, using the methodology of keeping non-monetary assets in US dollars in accordance with Technical Bulletin No.64 of the Chilean Institute of Accountants, of Ch\$ 590,000 million approximately, partially offset by acquisitions of fixed assets of Ch\$ 204,000 million.

Other assets show a decrease of Ch\$ 279,474 million, basically explained by a reduction in investments in related companies of Ch\$ 186,281 million, mainly the affiliate companies Endesa Brasil S.A. and GasAtacama, a reduction in notes and accounts receivable from related companies of Ch\$ 99,110 million, mainly the transfer to short term of accounts receivable from the affiliate Atacama Finance Co., other assets by Ch\$ 13,200 million, basically amortization of the discount on bond placements and deferred costs and the transfer to short term of recoverable taxes of El Chocón, partially offset by an increase in long-term debtors of Ch\$ 10,782 million, mainly the Wholesale Electricity Market Investment Fund (FONINMEM) in Argentina, plus a reduction in negative goodwill of Ch\$ 16,236 million.

Table 3

| Liabilities (Thousand US\$) (1) | As of March 31, 2007 | As of March 31, 2008 | Variance | Change |
|---------------------------------|----------------------|----------------------|--------------------|----------------|
| Current liabilities | 1,291,905 | 1,615,013 | 323,108 | 25.0% |
| Long-term liabilities | 5,172,269 | 3,947,776 | (1,224,493) | (23.7%) |
| Minority interest | 2,283,520 | 1,679,687 | (603,833) | (26.4%) |
| Equity | 4,570,171 | 4,469,135 | (101,036) | (2.2%) |
| Total Liabilities | 13,317,865 | 11,711,611 | (1,606,253) | (12.1%) |

Table 3.1

| Liabilities (Million Ch\$) | As of March 31, 2007 | As of March 31, 2008 | Variance | Change |
|----------------------------|----------------------|----------------------|------------------|----------------|
| Current liabilities | 565,480 | 706,907 | 141,427 | 25.0% |
| Long-term liabilities | 2,263,954 | 1,727,981 | (535,973) | (23.7%) |
| Minority interest | 999,520 | 735,216 | (264,304) | (26.4%) |
| Equity | 2,000,409 | 1,956,185 | (44,224) | (2.2%) |
| Total Liabilities | 5,829,363 | 5,126,289 | (703,074) | (12.1%) |

Current liabilities rose by Ch\$ 141,427 million, mainly due to an increase in bonds payable of Ch\$ 164,491 million, related to the transfer from long term of bonds of Endesa Chile, partially offset by repayments of bonds issued by Endesa Chile and Edegel; an increase in notes and accounts payable to related companies of Ch\$ 11,572 million; and an increase in accounts payable and other current liabilities of Ch\$ 32,157 million, basically larger purchases of energy and fuels and swap transactions, and an increase in dividends payable of Ch\$ 30,466 million. This was partially offset by a reduction in bank borrowings of Ch\$ 8,075 million, mainly repayments made by the subsidiaries Pehuenche, Edegel and Emgesa; a reduction in sundry creditors of Ch\$ 23,456 million, basically the repayment of leases by Edegel and capital taxes in Emgesa; a reduction in income tax of Ch\$ 59,689 million, mainly Endesa Chile, Pangué, Pehuenche and Emgesa, and a reduction in obligations with other institutions of Ch\$ 44,179 million, basically a payment due by Costanera to Mitsubishi.

Long-term liabilities decreased by Ch\$ 535,973 million, mainly due to a reduction in bonds payable of Ch\$ 476,731 million, explained principally by transfers to short term of Endesa Chile and Edegel net of new issues by Endesa Chile, Emgesa and Edegel, and a sharp reduction in the real exchange rate; a reduction in sundry creditors of Ch\$ 24,201 million, basically reduced leasing obligations of Edegel and a reduction in bank

borrowings of Ch\$ 44,179 million, mainly because of transfers to short term in Costanera and Chocón, repayments in Edegel and the effect of exchange rate, net of the increase in obligations in Endesa Chile. The above was partially offset by increases in deferred taxes of Ch\$ 19,226 million.

The minority interest fell by Ch\$ 264,304 million, mainly due to the increase in the holding in Central Hidroeléctrica de Betania S.A. (merged with Emgesa) from 85.62% to 99.99%, following an exchange of assets between the Corfivalle and Endesa groups, and reductions in the shareholders' equity of companies due to dividend payments, capital reductions and the effect of the US dollar-Chilean peso exchange rate.

Shareholders' equity decreased by Ch\$ 44,224 million over March 2007. This is mainly explained by the reduction in other reserves of Ch\$ 147,183 million, partially offset by the increase in retained earnings of Ch\$ 79,817 million and increase in the net income for the period of Ch\$ 23,919 million.

Financial Debt Maturities with Third Parties

Table 4

| (Thousand US\$) | 2008 | 2009 | 2010 | 2011 | 2012 | Balance | TOTAL |
|------------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|
| Chile | 450,470 | 631,105 | 101,341 | 203,730 | 24,480 | 1,285,173 | 2,696,298 |
| Endesa Chile (*) | 450,470 | 631,105 | 101,341 | 203,730 | 24,480 | 1,285,173 | 2,696,298 |
| Argentina | 51,888 | 84,250 | 65,023 | 78,765 | 21,094 | 17,965 | 318,985 |
| Costanera | 40,222 | 60,916 | 41,690 | 37,098 | 21,094 | 17,965 | 218,985 |
| Chocón | 11,667 | 23,333 | 23,333 | 41,667 | | | 100,000 |
| Perú | 124,630 | 90,690 | 46,378 | 50,863 | 73,396 | 120,997 | 506,954 |
| Edegel | 124,630 | 90,690 | 46,378 | 50,863 | 73,396 | 120,997 | 506,954 |
| Colombia | 33,391 | 174,505 | | 219,587 | 167,440 | 230,567 | 825,489 |
| Emgesa | 33,391 | 174,505 | | 219,587 | 167,440 | 230,567 | 825,489 |
| TOTAL | 660,379 | 980,549 | 212,742 | 552,945 | 286,410 | 1,654,702 | 4,347,726 |

Table 4.1

| (Million Ch\$) | 2008 | 2009 | 2010 | 2011 | 2012 | Balance | TOTAL |
|------------------|----------------|----------------|---------------|----------------|----------------|----------------|------------------|
| Chile | 197,175 | 276,241 | 44,358 | 89,175 | 10,715 | 562,533 | 1,180,197 |
| Endesa Chile (*) | 197,175 | 276,241 | 44,358 | 89,175 | 10,715 | 562,533 | 1,180,197 |
| Argentina | 22,712 | 36,877 | 28,461 | 34,476 | 9,233 | 7,863 | 139,623 |
| Costanera | 17,605 | 26,664 | 18,248 | 16,238 | 9,233 | 7,863 | 95,852 |
| Chocón | 5,107 | 10,213 | 10,213 | 18,238 | | | 43,771 |
| Perú | 54,552 | 39,696 | 20,300 | 22,263 | 32,126 | 52,962 | 221,899 |
| Edegel | 54,552 | 39,696 | 20,300 | 22,263 | 32,126 | 52,962 | 221,899 |
| Colombia | 14,615 | 76,383 | | 96,116 | 73,290 | 100,921 | 361,325 |
| Emgesa | 14,615 | 76,383 | | 96,116 | 73,290 | 100,921 | 361,325 |
| TOTAL | 289,054 | 429,196 | 93,119 | 242,030 | 125,364 | 724,279 | 1,903,043 |

(*) Includes: Endesa Chile, Pangué and Celta.

(*) Includes exercise in 2009 of put option of Yankee Bond for US\$ 220 million.

Table 5

| Indicator | Unit | As of March 31, 2007 | As of March 31, 2008 | Change |
|---------------------|-------|----------------------|----------------------|---------|
| Liquidity | Times | 0.94 | 0.97 | 3.2% |
| Acid ratio test (*) | Times | 0.73 | 0.70 | (4.1%) |
| Leverage (**) | Times | 0.94 | 0.90 | (4.3%) |
| Short-term debt | % | 20.0 | 29.0 | 45.2% |
| Long-term debt | % | 80.0 | 71.0 | (11.3%) |

* Current assets net of inventories and pre-paid expenses

** Leverage = Total debt / (equity + minority interest)

The current ratio at March 2008 was 0.97:1, an improvement of 3.2% over March 2007. The acid test ratio was 0.70:1, a decrease of 4.1% compared to March 2007. This reflects a company that continues to show a solid liquidity position, reducing its bank debt with its surplus cash and with a satisfactory debt maturity pattern.

The debt ratio at March 2008 was 1.24:1, a reduction of 12.1% compared to the same period of the previous year.

**Consolidated Balance Sheet
(Chilean GAAP)**

Table 6

| ASSETS | Million Ch\$ | | Thousand US\$ | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | As of March 31, 2007 | As of March 31, 2008 | As of March 31, 2007 | As of March 31, 2008 |
| CURRENT ASSETS | | | | |
| Cash | 14,928 | 11,727 | 34,105 | 26,793 |
| Time Deposits | 91,147 | 74,288 | 208,236 | 169,719 |
| Marketable Securities | 9,195 | 4,280 | 21,007 | 9,777 |
| Accounts Receivable, net | 192,046 | 175,805 | 438,751 | 401,647 |
| Notes receivable | - | - | - | - |
| Other accounts receivable | 62,020 | 58,858 | 141,692 | 134,467 |
| Amounts due from related companies | 44,468 | 173,346 | 101,591 | 396,030 |
| Inventories, net | 25,269 | 36,116 | 57,730 | 82,512 |
| Income taxes recoverable | 8,416 | 67,232 | 19,227 | 153,600 |
| Prepaid expenses | 3,744 | 3,464 | 8,553 | 7,913 |
| Deferred taxes | 2,590 | 3,709 | 5,918 | 8,474 |
| Other current assets | 79,810 | 78,568 | 182,336 | 179,497 |
| Total current assets | 533,633 | 687,393 | 1,219,147 | 1,570,429 |
| PROPERTY, PLANT AND EQUIPMENT | | | | |
| Property | 56,031 | 50,910 | 128,009 | 116,311 |
| Buildings and Infrastructure | 6,126,556 | 5,659,250 | 13,996,838 | 12,929,222 |
| Plant and equipment | 1,293,671 | 1,004,182 | 2,955,545 | 2,294,171 |
| Other assets | 200,820 | 201,418 | 458,798 | 460,164 |
| Technical appraisal | 12,913 | 12,939 | 29,502 | 29,562 |
| Sub - Total | 7,689,992 | 6,928,700 | 17,568,690 | 15,829,430 |
| Accumulated depreciation | (3,177,855) | (2,993,923) | (7,260,184) | (6,839,970) |
| Total property, plant and equipment | 4,512,136 | 3,934,776 | 10,308,506 | 8,989,460 |
| OTHER ASSETS | | | | |
| Investments in related companies | 580,213 | 393,932 | 1,325,564 | 899,983 |
| Investments in other companies | 4,287 | 3,995 | 9,794 | 9,126 |
| Positive Goodwill | 11,872 | 8,790 | 27,122 | 20,083 |
| Negative goodwill | (47,832) | (31,597) | (109,279) | (72,186) |
| Long-term receivables | 75,398 | 86,180 | 172,256 | 196,889 |
| Amounts due from related companies | 99,110 | - | 226,429 | 1 |
| Intangibles | 28,169 | 22,900 | 64,356 | 52,317 |
| Accumulated amortization | (10,130) | (9,368) | (23,144) | (21,401) |
| Others | 42,507 | 29,287 | 97,113 | 66,911 |
| Total other assets | 783,593 | 504,120 | 1,790,211 | 1,151,722 |
| TOTAL ASSETS | 5,829,363 | 5,126,289 | 13,317,865 | 11,711,611 |

Consolidated Balance Sheet
 (Chilean GAAP)

Table 6.1

| LIABILITIES AND SHAREHOLDERS' EQUITY | Million Ch\$ | | Thousand US\$ | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | As of March 31, 2007 | As of March 31, 2008 | As of March 31, 2007 | As of March 31, 2008 |
| CURRENT LIABILITIES | | | | |
| Due to banks and financial institutions: | | | | |
| Short Term | 18,850 | 36,083 | 43,065 | 82,435 |
| Current portion of long-term debt | 85,537 | 60,229 | 195,419 | 137,600 |
| Notes Payable | - | - | - | - |
| Current portions of bonds payable | 134,427 | 298,918 | 307,115 | 682,913 |
| Current portion of other long-term debt | 43,174 | 30,446 | 98,636 | 69,558 |
| Dividends payable | 1,787 | 32,253 | 4,083 | 73,686 |
| Accounts payable and accrued expenses | 125,510 | 144,899 | 286,742 | 331,038 |
| Miscellaneous payables | 41,555 | 18,098 | 94,937 | 41,348 |
| Amounts payable to related companies | 5,084 | 16,657 | 11,616 | 38,054 |
| Provisions | 27,434 | 30,388 | 62,677 | 69,425 |
| Withholdings | 14,984 | 17,625 | 34,234 | 40,266 |
| Income Tax | 65,222 | 6,533 | 149,007 | 14,925 |
| Deferred Income | 298 | 393 | 680 | 898 |
| Deferred Taxes | - | - | - | - |
| Other current liabilities | 1,617 | 14,386 | 3,695 | 32,866 |
| Total current liabilities | 565,480 | 706,907 | 1,291,905 | 1,615,013 |
| LONG-TERM LIABILITIES | | | | |
| Due to banks and financial institutions | 326,401 | 282,222 | 745,703 | 644,770 |
| Bonds payable | 1,569,182 | 1,092,451 | 3,584,980 | 2,495,833 |
| Due to other institutions | 54,768 | 45,399 | 125,124 | 103,720 |
| Accounts payable | 101,160 | 76,959 | 231,111 | 175,821 |
| Amounts payable to related companies | - | - | - | - |
| Accrued expenses | 33,271 | 29,962 | 76,013 | 68,451 |
| Deferred taxes | 153,423 | 172,649 | 350,513 | 394,436 |
| Other long-Term liabilities | 25,749 | 28,339 | 58,826 | 64,745 |
| Total Long-term liabilities | 2,263,954 | 1,727,981 | 5,172,269 | 3,947,776 |
| Minority interest | 999,520 | 735,216 | 2,283,520 | 1,679,687 |
| SHAREHOLDERS' EQUITY | | | | |
| Paid-in capital, no par value | 1,230,848 | 1,222,878 | 2,812,018 | 2,793,809 |
| Capital revaluation reserve | 2,462 | 9,783 | 5,624 | 22,350 |
| Additional paid-in capital-share premium | 241,929 | 241,802 | 552,715 | 552,425 |
| Other reserves | (36,865) | (184,049) | (84,223) | (420,481) |
| Total Capital and Reserves | 1,438,374 | 1,290,414 | 3,286,134 | 2,948,103 |
| Retained Earnings | | | | |
| Retained earnings | 508,305 | 588,122 | 1,161,284 | 1,343,634 |
| Net Income | 53,730 | 77,649 | 122,753 | 177,399 |
| Interim dividend | - | - | - | - |
| Accumulated surplus during development period of certain subsidiaries | - | - | - | - |
| Total Retained Earnings | 562,036 | 665,771 | 1,284,037 | 1,521,033 |
| Total Shareholders' Equity | 2,000,409 | 1,956,185 | 4,570,171 | 4,469,135 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 5,829,363 | 5,126,289 | 13,317,865 | 11,711,611 |

**Consolidated Cash Flow
(Chilean GAAP)**

Table 7

| Effective Cash Flow (Thousand US\$) | 1st Quarter 2007 | 1st Quarter 2008 | Variance | Change |
|-------------------------------------|------------------|------------------|---------------|---------------|
| Operating | 298,883 | 289,182 | (9,701) | (3.2%) |
| Financing | (23,223) | 8,252 | 31,476 | 135.5% |
| Investment | (223,056) | (153,524) | 69,532 | 31.2% |
| Net cash flow of the period | 52,604 | 143,911 | 91,307 | 173.6% |

Table 7.1

| Effective Cash Flow (Million Ch\$) | 1st Quarter 2007 | 1st Quarter 2008 | Variance | Change |
|------------------------------------|------------------|------------------|---------------|---------------|
| Operating | 130,824 | 126,578 | (4,246) | (3.2%) |
| Financing | (10,165) | 3,612 | 13,777 | 135.5% |
| Investment | (97,634) | (67,199) | 30,435 | 31.2% |
| Net cash flow of the period | 23,025 | 62,991 | 39,966 | 173.6% |

Main aspects to the current period on the effective cash flow statement are:

- a) Operating activities generated a positive cash flow of Ch\$ 126,578 million, a reduction of 3.2% compared to March 2007. This is mainly composed of the net income for the year of Ch\$ 77,649 million, plus charges to income not representing net cash flows of Ch\$ 57,262 million, changes in assets affecting cash flow of (Ch\$ 63,952) million, changes in liabilities affecting cash flow of Ch\$ 66,760 million, loss on the sale of assets of (Ch\$ 61) million, and minority interest of (Ch\$ 11,080) million.
- b) Financing activities generated a positive cash flow of Ch\$ 3,612 million at March 2008, an increase of 135% compared to March 2007. This mainly consisted of the drawing of loans and bonds for Ch\$ 64,864 million and loans received from related companies of Ch\$ 729 million. This was offset by the repayment of loans and bonds of Ch\$ 32,506 million, the dividend payment of Ch\$ 29,113 million and other disbursements of Ch\$ 362 million.
- c) Investment activities generated a negative flow of Ch\$ 67,199 million, mainly explained by acquisitions of fixed assets of Ch\$ 61,328 million, documented loans to related companies of Ch\$ 13,141 million and other investment disbursements of Ch\$ 157 million, offset by fixed asset sales proceeds of Ch\$ 44 million and other investment income ones and sales of permanent investments of Ch\$ 7,383 million.

**Consolidated Cash Flow from Foreign Operations
(Chilean GAAP)**

Table 8

| Cash Flow (Th US\$) (1) | Interests | | Dividends | | Capital Red. | | Intercompany Amortiz. | | Others | | Total | |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | As of Mar. 2007 | As of Mar. 2008 | As of Mar. 2007 | As of Mar. 2008 | As of Mar. 2007 | As of Mar. 2008 | As of Mar. 2007 | As of Mar. 2008 | As of Mar. 2007 | As of Mar. 2008 | As of Mar. 2007 | As of Mar. 2008 |
| Argentina | | 177.7 | | | | | | | 706.5 | 470.6 | 706.5 | 648.3 |
| Peru | | | 2,927.0 | | | | | | | | 2,927.0 | |
| Brazil | | | | 30,688.8 | | | | | | | | 30,688.8 |
| Colombia | | | | 21,527.3 | | | | | | | | 21,527.3 |
| Total | | 177.7 | 2,927.0 | 52,216.1 | | | | | 706.5 | 470.6 | 3,633.5 | 52,864.4 |

(1) The figures are expressed at exchange rate of Ch\$ 437.71 per dollar.

Consolidated Cash Flow (Chilean GAAP)
Table 9

| | Million Ch\$ | | Thousand US\$ | |
|--|------------------|------------------|------------------|------------------|
| | 1st Quarter 2007 | 1st Quarter 2008 | 1st Quarter 2007 | 1st Quarter 2008 |
| CASH FLOWS ORIGINATED FROM OPERATING ACTIVITIES | | | | |
| Net income (loss) for the period | 53,730 | 77,649 | 122,753 | 177,399 |
| (Profit) loss in sale of assets | | | | |
| (Profit) loss in sale of fixed assets | 8 | (61) | 18 | (140) |
| (Profit) loss in sale of investments | - | - | - | - |
| Charges (credits) which do not represent cash flows: | 55,904 | 57,262 | 127,718 | 130,822 |
| Depreciation | 51,862 | 47,560 | 118,484 | 108,656 |
| Amortization of intangibles | 299 | 488 | 684 | 1,115 |
| Write-offs and provisions | - | 107 | - | 245 |
| Amortization of positive goodwill | 240 | 255 | 548 | 583 |
| Amortization of negative goodwill (less) | (1,208) | (1,000) | (2,761) | (2,285) |
| Accrued profit from related companies (less) | (8,116) | (24,430) | (18,543) | (55,813) |
| Accrued loss from related companies | 2,190 | 276 | 5,004 | 632 |
| Net, price-level restatement | (18) | 707 | (40) | 1,616 |
| Net exchange difference | 633 | (11,805) | 1,447 | (26,969) |
| Other credits which do not represent cash flow (less) | (289) | (53) | (660) | (122) |
| Other charges which do not represent cash flow | 10,311 | 45,156 | 23,556 | 103,164 |
| Assets variations which affect cash flow: | (79,102) | (63,952) | (180,719) | (146,105) |
| Decrease (increase) in receivable accounts | (56,246) | 25,676 | (128,501) | 58,661 |
| Decrease (increase) in inventories | (14,014) | (58,513) | (32,017) | (133,680) |
| Decrease (increase) in other assets | (8,842) | (31,115) | (20,201) | (71,086) |
| Liabilities variations which affect cash flow: | 84,744 | 66,760 | 193,607 | 152,521 |
| Accounts payable related to operating results | 62,115 | 79,494 | 141,908 | 181,613 |
| Interest payable | (23,061) | (26,503) | (52,686) | (60,548) |
| Income tax payable | 14,175 | 33,515 | 32,384 | 76,569 |
| Accounts payable related to non operating results | 29,562 | 6,332 | 67,537 | 14,466 |
| Accrued expenses and withholdings | 1,954 | (26,078) | 4,464 | (59,579) |
| Minority Interest | 15,541 | (11,080) | 35,504 | (25,314) |
| Net Positive Cash Flow Originated from Operating Activities | 130,824 | 126,578 | 298,883 | 289,182 |
| CASH FLOWS ORIGINATED FROM FINANCING ACTIVITIES | | | | |
| Shares issued and subscribed | - | - | - | - |
| Proceeds from loans wired | 44,326 | 55,976 | 101,269 | 127,884 |
| Proceeds from debt issuance | 54,394 | 8,888 | 124,270 | 20,306 |
| Proceeds from loans obtained from related companies | 10 | 729 | 23 | 1,666 |
| Capital distribution | - | - | - | - |
| Other financing sources | - | - | - | - |
| Dividends paid | (32,599) | (29,113) | (74,477) | (66,511) |
| Loans, debt amortization (less) | (58,768) | (19,998) | (134,262) | (45,688) |
| Issuance debt amortization (less) | (17,487) | (12,508) | (39,950) | (28,576) |
| Amortization of loans obtained from related companies | - | - | - | - |
| Amortization of expenses in issuance debt | - | - | - | - |
| Other disbursements related to financing (less) | (42) | (362) | (95) | (828) |
| Net Cash Flow Originated from Financing Activities | (10,165) | 3,612 | (23,223) | 8,252 |
| CASH FLOWS ORIGINATED FROM INVESTING ACTIVITIES | | | | |
| Sale of fixed assets | 526 | 44 | 1,202 | 101 |
| Sale of related companies | - | 7,381 | - | 16,862 |
| Sale of other investments | - | - | - | - |
| Collection upon loans to related companies | - | - | - | - |
| Other income on investments | - | 2 | - | 5 |
| Additions to fixed assets (less) | (59,117) | (61,329) | (135,059) | (140,112) |
| Investments in related companies (less) | (34,564) | - | (78,967) | - |
| Investments in marketable securities | - | - | - | - |
| Loans provided to related companies (less) | (4,479) | (13,141) | (10,232) | (30,022) |
| Other investment disbursements (less) | - | (157) | - | (358) |
| Net Cash Flow Originated from Investment activities | (97,634) | (67,199) | (223,056) | (153,524) |
| Net Positive Cash Flow for the period | 23,025 | 62,991 | 52,604 | 143,911 |
| EFFECT OF PRICE-LEVEL RESTATEMENT UPON CASH AND CASH EQUIVALENT | | | | |
| | 3,383 | 3,355 | 7,728 | 7,665 |
| NET VARIATION OF CASH AND CASH EQUIVALENT | 26,408 | 66,346 | 60,332 | 151,575 |
| INITIAL BALANCE OF CASH AND CASH EQUIVALENT | 168,446 | 101,793 | 384,835 | 232,557 |
| FINAL BALANCE OF CASH AND CASH EQUIVALENT | 194,854 | 168,139 | 445,167 | 384,133 |

MOST IMPORTANT CHANGES IN THE MARKETS WHERE THE COMPANY OPERATES

ARGENTINA

- On March 18, the Manuel Belgrano thermal plant (TBM) located in Campana was inaugurated with the operational start-up of its first 271 MW natural-gas turbine in open cycle. A second natural-gas turbine will also start operating in open cycle in June 2008. Operations in combined cycle will begin in the first semester of 2009 when the plant will achieve its total capacity of 827 MW. TMB can also use liquid fuels when no gas is available.

CHILE

- The third call for bids, the first in 2008, for the supply of distributors was held on March 11 in two blocks: 1,800 GWh/year for the years 2011 to 2021 and 1,500 GWh/year for the years 2022 and 2023. The 1.8 GWh-year was awarded to AES Gener at an average price of US\$ 65.8 per MWh.
- On January 21, the San Isidro II power plant began commercial operations in combined cycle, increasing the plant's installed capacity from 105 MW to 353 MW. In a third phase, it is expected that this thermal plant will reach a capacity of 377 MW during 2009.
- Endesa, Gener and Colbún submitted offers to distribution companies to motivate a reduction in consumption by customers, producing savings of between Ch\$ 45 and Ch\$ 56 per kWh during the period March 8 through March 14.
- On April 1st, 2008 Law 20,257 was enacted, whose purpose is to promote the use of non-conventional renewable energy (NCRE). The principal aspect of this law is that it obliges generators to produce at least 5% of their energy contracted from non-conventional renewable energy sources between 2010 and 2014, this percentage then increasing progressively by 0.5%/year between 2015 and 2024, when it will reach 10%.
- The publication of Resolution 127/2008 by the Argentine Ministry of the Economy and Production increased the withholding of natural gas exports from 45% to 100%. It also set a new price for exports of this fuel, which will be the highest of all import contracts signed by Argentina. The cost that Chile pays will therefore increase from approximately US\$ 6 to US\$ 10 per million BTU. The Argentine government resolution (official state bulletin) applies as the basis for valuing exports of natural gas the highest price applicable at that time set for this fuel in Argentine natural gas import contracts.
- The CNE published the node prices for the SIC for the price-setting of April 2008, which are US\$ 102.17/MWh in energy and US\$118.28/MWh monomic for the Alto Jahuel 220 node, representing increases in dollar terms of 15% and 14% respectively. In Chilean pesos terms, the prices are Ch\$ 45.3/kWh in energy and Ch\$ 52.4/kWh monomic (compared to the tariff-setting in October 2007, decreases are 1.4% in energy and of 2.6% monomic).
- The CNE informed the node prices for the SING corresponding to the price-setting of April 2008, which are US\$ 103.6/MWh in energy and US\$ 115.9/MWh monomic for the Crucero 220 node, no variation compared to the indexation made in February 2008. In Chilean pesos terms, the values are Ch\$ 45.9/kWh in energy and Ch\$ 51.3/kWh monomic (representing a decrease of 8% in energy and monomic with respect to the indexation of February 2008).

COLOMBIA

- There were no important events.

PERU

- The Official Gazette published the Laws 29,179 and 29,178. The first permits distributors to buy energy at the bar price when without supplies after having invited at least three bidding processes according to the current legislation. Generators are obliged to sell this energy, which is shared as a function of the firm efficient energy of each generator, after discounting their contracts. Law 29,178 reduces the term for investors to carry out project studies and the accomplishment of projects related to temporary concessions.
- The Congress's Economic Commission approved the regulations for the law for promoting generation using renewable resources. The new law contemplates, among other things, that the MEM will publish every five years a percentage of the system's generation that should be covered by this type of generation.
- Indexation was applied to the bar tariff on January 4. New energy prices are US\$ 28.64/MWh and US\$8.3/MWh for power, which represent a reduction of 6.8% in the energy price and an increase of 0.2% for power. In monomic terms, the price fell by 5.3%.

MARKET RISK ANALYSIS

ARGENTINA

- Hydrological risk: The Chocón reservoir ended the quarter with a water level of 367.10 msl. This corresponds to the minimum level for the reservoir concession. It therefore has no available energy (this does not take into account energy stored in the other Comahue reservoirs). Flows in the Limay (Chocón) basin were around 80% of the historical average for March, thus being a dry condition.
- Fuels risk: Gas imports from Bolivia in the first quarter of 2008 were approximately 54% of the volume imported during the same period of 2007.
- The supply of natural gas for Costanera during the first quarter of 2008 continued to be based on monthly supply agreements with a group of producers. Costanera is currently in the process of signing a firm contract for a longer term, and is negotiating contracts for additional volumes.
- Variation in demand: Domestic energy demand grew by 3.8% in the first quarter of 2008 compared to the same period last year.

CHILE

- Hydrological risk: The hydrological year ended with a 74.5% probability of surplus, which represents a normal-dry year. As of March 31, reservoir water levels represent approximately 3,636 GWh of energy equivalent.
- Fuels risk: During this first quarter, restrictions on natural gas supplies from Argentina continued to be high. On March 12, 2008, the Argentine Ministry of the Economy and Production issued its Resolution MEP No.127, which amends Resolution MEP No.534, setting the highest import price for this fuel as the basis for

the valuation of natural-gas exports, and raises the right to export from 45% to 100% for certain commodity, including natural gas.

- Variation in demand: Demand increased near 0.7% in the SIC and 1.4% in the SING as of March 31, 2008 compared to the same period last year.

COLOMBIA

- Hydrological risk: The total flows on the SIN in the first quarter of 2008 were 125% of the historic average (wet hydrology). For Guavio, the tributaries for the same period were 71.7% (dry condition) and for Betania were 133.1% (wet hydrology).
- Variation in demand: Demand increased near 1.6% in the first quarter of 2008 compared to the same period last year.

PERU

- Hydrological risk: Edegel's total volume stored in lakes and reservoirs in March 2008 reached approximately 249 MMm³, which represents 89% of total capacity. Flows in the Rimac basin in the first quarter were 102% of average (semi-wet condition). On the rivers Tulumayo and Tarma, the flows remained in the semi-dry category, at 97% and 81% of average, respectively.
- Fuels risk: the fuels used by the thermal plants continue to be mainly indexed to international prices. However, these fuels have reduced their relative importance with the arrival of natural gas, especially in the Lima area. It should also be remembered that the volatility of the natural gas price, originally indexed to international liquid fuel prices, continues to be cushioned by the effect of DS 64-2006-EM (14-nov-06) by which the maximum price of Camisea natural gas is indexed to US-PPI.
- Variation in demand: Demand increased by 9.4% in the first quarter of 2008 versus the same period of the previous year.

ANALYSIS OF EXCHANGE AND INTEREST RATE RISKS

In consolidated terms, the Company has a considerable percentage of its loans denominated in US dollars, and its sales show a high degree of indexation to that currency. On the other hand, the markets where we operate show a lower indexation to the dollar, thus having a higher portion of this financing in local currency.

Despite the natural exchange rate hedge, the Company, in a scenario of high dollar volatility, has continued with its policy of partially hedging its dollar liabilities in order to minimize fluctuations in its results caused by exchange rate variations. Considering the important reduction in the mismatched accounting position in recent years, which has reached prudent levels, the Company has modified its dollar-peso hedging policy by setting a maximum accounting mismatched position above which hedging transactions are undertaken.

As of March 31, 2008, the Company has hedged US\$ 125 million through dollar-peso swap and dollar-peso forward contracts in Chile. This figure is the same as the one at the end of March 2007.

Regarding the consolidated interest rate risk, the Company has a proportion of fixed to variable rate debt of approximately 80% / 20% as of March 31, 2008. The percentage at fixed rates has reduced marginally from the 83% / 17% fixed / variable at the same date in 2007, thus reducing the interest-rate fluctuation risk.

Business Information of Chilean and Foreign Operations
Main Operating Figures in GWh

Table 10

| 1st Quarter 2008 (GWh) | Costanera | Chocón | Tot. Argentina | Chile | Colombia | Peru | Abroad | TOTAL Cons. |
|--|-----------|----------|----------------|----------|----------|---------|---------|----------------|
| Total generation | 2,574.9 | 465.7 | 3,040.6 | 4,830.3 | 2,881.8 | 2,074.1 | 7,996.4 | 12,826.7 |
| Hydro generation | - | 465.7 | 465.7 | 2,646.1 | 2,749.9 | 1,343.8 | 4,559.4 | 7,205.6 |
| Thermo generation | 2,574.9 | - | 2,574.9 | 2,177.9 | 131.9 | 730.2 | 3,437.0 | 5,614.9 |
| Wind generation | - | - | - | 6.3 | - | - | - | 6.3 |
| Purchases | 24.8 | 134.4 | 159.2 | 27.3 | 915.3 | 38.0 | 1,112.5 | 1,139.8 |
| Purchases to related companies | - | - | - | 1,343.9 | - | - | - | 1,343.9 |
| Purchases to other generators | - | - | - | 27.3 | 225.9 | - | 225.9 | 253.2 |
| Purchases at spot | 24.8 | 134.4 | 159.2 | - | 689.4 | 38.0 | 886.6 | 886.6 |
| Transmission losses, pump and other consumption | 24.3 | - | 24.3 | 102.9 | 37.0 | 48.8 | 110.1 | 213.0 |
| Total electricity sales | 2,575.4 | 600.1 | 3,175.5 | 4,754.9 | 3,760.0 | 2,063.3 | 8,998.8 | 13,753.7 |
| Sales at regulated prices | - | - | - | 3,069.9 | 2,031.1 | 910.5 | 2,941.6 | 6,011.5 |
| Sales at unregulated prices | 280.4 | 341.5 | 621.9 | 1,217.1 | 598.8 | 1,029.0 | 2,249.7 | 3,466.9 |
| Sales at spot marginal cost | 2,295.0 | 258.6 | 2,553.6 | 467.9 | 1,130.0 | 123.8 | 3,807.4 | 4,275.3 |
| Sales to related companies generators | - | - | - | 1,343.6 | - | - | - | 1,343.6 |
| TOTAL SALES OF THE SYSTEM | 26,499.0 | 26,499.0 | 26,499.0 | 13,197.4 | 17,698.9 | 6,517.8 | | |
| Market Share on total sales (%) | 9.7% | 2.3% | 12.0% | 36.0% | 21.2% | 31.7% | | |

| 1st Quarter 2007 (GWh) | Costanera | Chocón | Tot. Argentina | Chile | Colombia | Peru | Abroad | TOTAL Cons. |
|--|-----------|----------|----------------|----------|----------|---------|---------|----------------|
| Total generation | 2,445.0 | 735.2 | 3,180.1 | 5,190.5 | 2,745.2 | 2,002.1 | 7,927.3 | 13,117.9 |
| Hydro generation | - | 735.2 | 735.2 | 4,091.0 | 2,600.0 | 1,369.3 | 4,704.4 | 8,795.4 |
| Thermo generation | 2,445.0 | - | 2,445.0 | 1,099.5 | 145.2 | 632.8 | 3,222.9 | 4,322.4 |
| Wind generation | - | - | - | - | - | - | - | - |
| Purchases | 22.2 | 81.6 | 103.8 | 252.2 | 734.7 | 7.1 | 845.6 | 1,097.8 |
| Purchases to related companies | - | - | - | 1,498.3 | - | - | - | 1,498.3 |
| Purchases to other generators | 22.2 | - | 22.2 | 224.3 | 106.6 | - | 128.8 | 353.1 |
| Purchases at spot | - | 81.6 | 81.6 | 27.9 | 628.1 | 7.1 | 716.8 | 744.7 |
| Transmission losses, pump and other consumption | 17.4 | - | 17.4 | 216.0 | 32.4 | 58.0 | 107.7 | 323.7 |
| Total electricity sales | 2,449.8 | 816.8 | 3,266.5 | 5,226.4 | 3,447.5 | 1,951.2 | 8,665.2 | 13,891.6 |
| Sales at regulated prices | - | - | - | 2,789.4 | 1,911.3 | 806.3 | 2,717.6 | 5,507.0 |
| Sales at unregulated prices | 221.8 | 346.6 | 568.4 | 1,364.9 | 595.8 | 889.3 | 2,053.5 | 3,418.4 |
| Sales at spot marginal cost | 2,227.9 | 470.2 | 2,698.1 | 1,072.1 | 940.4 | 255.6 | 3,894.1 | 4,966.2 |
| Sales to related companies generators | - | - | - | 1,498.3 | - | - | - | 1,498.3 |
| TOTAL SALES OF THE SYSTEM | 25,539.2 | 25,539.2 | 25,539.2 | 13,083.7 | 17,295.1 | 5,931.6 | | |
| Market Share on total sales (%) | 9.6% | 3.2% | 12.8% | 39.9% | 19.9% | 32.9% | | |

**Business Information in Chilean Operations
Main Operating Figures in GWh**

Table 10.1

| 1st Quarter 2008 (GWh) | Endesa and Non-Registered Subsidiaries | Pehuenche | Endesa SIC Consolidated | Endesa SING | Total Chile Consolidated CONSOLIDADO |
|--|---|------------------|--------------------------------|--------------------|---|
| Total generation | 3,901.0 | 671.2 | 4,572.2 | 258.1 | 4,830.3 |
| Hydro generation | 1,974.9 | 671.2 | 2,646.1 | - | 2,646.1 |
| Thermo generation | 1,919.8 | - | 1,919.8 | 258.1 | 2,177.9 |
| Wind generation | 6.3 | - | 6.3 | - | 6.3 |
| Purchases | 1,371.2 | - | 27.3 | - | 27.3 |
| Purchases to related companies | 1,343.9 | - | 1,343.9 | - | 1,343.9 |
| Purchases to other generators | 27.3 | - | 27.3 | - | 27.3 |
| Purchases at spot | - | - | - | - | - |
| Transmission losses, pump and other consumption | 98.7 | 3.1 | 101.8 | 1.1 | 102.9 |
| Total electricity sales | 5,173.3 | 668.1 | 4,497.9 | 257.0 | 4,754.9 |
| Sales at regulated prices | 2,978.7 | 91.2 | 3,069.9 | - | 3,069.9 |
| Sales at unregulated prices | 968.0 | 35.2 | 1,003.2 | 213.9 | 1,217.1 |
| Sales at spot marginal cost | 252.9 | 171.9 | 424.8 | 43.1 | 467.9 |
| Sales to related companies generators | 973.8 | 369.8 | 1,343.6 | - | 1,343.6 |
| TOTAL SALES OF THE SYSTEM | 10,044.2 | 10,044.2 | 10,044.2 | 3,153.2 | 13,197.4 |
| Market Share on total sales (%) | 41.8% | 3.0% | 44.8% | 8.2% | 36.0% |

| 1st Quarter 2007 (GWh) | Endesa and Non-Registered Subsidiaries | Pehuenche | Endesa SIC Consolidated | Endesa SING | Total Chile Consolidated |
|--|---|------------------|--------------------------------|--------------------|---------------------------------|
| Total generation | 4,037.3 | 924.9 | 4,962.2 | 228.3 | 5,190.5 |
| Hydro generation | 3,166.0 | 924.9 | 4,091.0 | - | 4,091.0 |
| Thermo generation | 871.3 | - | 871.3 | 228.3 | 1,099.5 |
| Wind generation | - | - | - | - | - |
| Purchases | 1,722.6 | - | 224.3 | 27.9 | 252.2 |
| Purchases to related companies | 1,498.3 | - | 1,498.3 | - | 1,498.3 |
| Purchases to other generators | 224.3 | - | 224.3 | - | 224.3 |
| Purchases at spot | - | - | - | 27.9 | 27.9 |
| Transmission losses, pump and other consumption | 209.2 | 3.8 | 213.1 | 3.0 | 216.0 |
| Total electricity sales | 5,550.4 | 921.1 | 4,973.2 | 253.2 | 5,226.4 |
| Sales at regulated prices | 2,748.1 | 41.3 | 2,789.4 | - | 2,789.4 |
| Sales at unregulated prices | 1,099.6 | 34.3 | 1,134.0 | 231.0 | 1,364.9 |
| Sales at spot marginal cost | 615.2 | 434.6 | 1,049.9 | 22.2 | 1,072.1 |
| Sales to related companies generators | 1,087.4 | 410.9 | 1,498.3 | - | 1,498.3 |
| TOTAL SALES OF THE SYSTEM | 9,974.4 | 9,974.4 | 9,974.4 | 3,109.3 | 13,083.7 |
| Market Share on total sales (%) | 44.7% | 5.1% | 49.9% | 8.1% | 39.9% |

**Endesa Chile's Operating Revenues and Expenses break down by country
(Chilean GAAP)**

Table 11

| | Million Ch\$ | | Thousand US\$ | | % Var. |
|--|------------------|------------------|------------------|------------------|----------------|
| | 1st Quarter 2007 | 1st Quarter 2008 | 1st Quarter 2007 | 1st Quarter 2008 | |
| OPERATING REVENUES | 426,373 | 480,560 | 974,099 | 1,097,895 | 12.7% |
| Energy sales revenues: | 408,969 | 469,622 | 934,338 | 1,072,908 | 14.8% |
| Endesa Chile and subs. in Chile | 217,778 | 295,048 | 497,540 | 674,072 | 35.5% |
| Costanera | 43,835 | 46,497 | 100,146 | 106,229 | 6.1% |
| Chocón | 13,706 | 9,711 | 31,313 | 22,185 | (29.2%) |
| Emgesa | 85,773 | 80,329 | 195,958 | 183,520 | (6.3%) |
| Edegel | 47,877 | 38,038 | 109,381 | 86,902 | (20.6%) |
| Other revenues: | 17,404 | 10,937 | 39,761 | 24,988 | (37.2%) |
| Endesa Chile and subs. in Chile | 16,898 | 10,493 | 38,606 | 23,973 | (37.9%) |
| Costanera | - | - | - | - | |
| Chocón | - | - | - | - | |
| Emgesa | 156 | 159 | 357 | 363 | 1.7% |
| Edegel | 349 | 285 | 798 | 652 | (18.3%) |
| OPERATING EXPENSES | 231,065 | 317,050 | 527,896 | 724,339 | 37.2% |
| Fixed Costs: | 21,478 | 20,563 | 49,069 | 46,979 | (4.3%) |
| Endesa Chile and subs. in Chile | 10,125 | 10,863 | 23,133 | 24,819 | 7.3% |
| Consolidation adjustments of Argentine subsidiaries | (314) | (319) | (718) | (728) | (1.4%) |
| Costanera | 2,423 | 2,422 | 5,536 | 5,533 | (0.0%) |
| Chocón | 656 | 521 | 1,498 | 1,190 | (20.6%) |
| Emgesa | 4,494 | 4,319 | 10,267 | 9,867 | (3.9%) |
| Edegel | 4,094 | 2,757 | 9,354 | 6,298 | (32.7%) |
| Depreciation and Amortization: | 52,032 | 47,887 | 118,873 | 109,403 | (8.0%) |
| Endesa Chile and subs. in Chile | 24,467 | 24,356 | 55,898 | 55,645 | (0.5%) |
| Costanera | 6,081 | 6,409 | 13,892 | 14,643 | 5.4% |
| Chocón | 3,500 | 2,635 | 7,997 | 6,019 | (24.7%) |
| Emgesa | 9,284 | 7,287 | 21,211 | 16,649 | (21.5%) |
| Edegel | 8,700 | 7,199 | 19,875 | 16,447 | (17.3%) |
| Variable Costs: | 157,555 | 248,601 | 359,953 | 567,958 | 57.8% |
| Costanera | 30,472 | 30,256 | 69,617 | 69,124 | (0.7%) |
| Chocón | 4,110 | 3,740 | 9,390 | 8,545 | (9.0%) |
| Emgesa | 29,748 | 25,174 | 67,963 | 57,514 | (15.4%) |
| Edegel | 9,605 | 13,020 | 21,944 | 29,746 | 35.6% |
| Fuels and Lubricants in Chile | 40,386 | 142,734 | 92,267 | 326,093 | 253.4% |
| Energy purchases in Chile | 12,353 | 5,566 | 28,223 | 12,716 | (54.9%) |
| Other variable costs in Chile | 30,880 | 28,109 | 70,550 | 64,219 | (9.0%) |

(*) On September 1, the Colombian companies Emgesa S.A. E.S.P. and Central Hidroeléctrica Betania S.A. E.S.P. were merged into the latter, which then changed its name to Emgesa S.A. E.S.P.

(**) The information disclosed for each subsidiary and country is net of intercompany transactions. Chile includes Chilean investments and all investments vehicles.

**Endesa Chile's Operating Income break down by country
(Chilean GAAP)**

Table 11.1

| | Million Ch\$ | | Thousand US\$ | | % Var. |
|---|------------------|------------------|------------------|------------------|----------------|
| | 1st Quarter 2007 | 1st Quarter 2008 | 1st Quarter 2007 | 1st Quarter 2008 | |
| OPERATING REVENUES | 426,373 | 480,560 | 974,099 | 1,097,895 | 12.7% |
| Endesa Chile and subs. in Chile | 234,677 | 305,541 | 536,146 | 698,045 | 30.2% |
| Consolidation adjustments of Argentine subsidiaries | - | - | - | - | |
| Costanera | 43,835 | 46,497 | 100,146 | 106,229 | 6.1% |
| Chocón | 13,706 | 9,711 | 31,313 | 22,185 | (29.2%) |
| Emgesa | 85,929 | 80,487 | 196,315 | 183,883 | (6.3%) |
| Edegel | 48,226 | 38,323 | 110,179 | 87,554 | (20.5%) |
| OPERATING EXPENSES | 231,065 | 317,050 | 527,896 | 724,339 | 37.2% |
| Endesa Chile and subs. in Chile | 118,213 | 211,629 | 270,070 | 483,492 | 79.0% |
| Consolidation adjustments of Argentine subsidiaries | (314) | (319) | (718) | (728) | (1.4%) |
| Costanera | 38,976 | 39,088 | 89,045 | 89,300 | 0.3% |
| Chocón | 8,266 | 6,896 | 18,884 | 15,754 | (16.6%) |
| Emgesa | 43,526 | 36,781 | 99,441 | 84,030 | (15.5%) |
| Edegel | 22,399 | 22,976 | 51,173 | 52,491 | 2.6% |
| OPERATING MARGIN | 195,308 | 163,509 | 446,204 | 373,556 | (16.3%) |
| Endesa Chile and subs. in Chile | 116,464 | 93,912 | 266,076 | 214,552 | (19.4%) |
| Consolidation adjustments of Argentine subsidiaries | 314 | 319 | 718 | 728 | 1.4% |
| Costanera | 4,859 | 7,410 | 11,101 | 16,929 | 52.5% |
| Chocón | 5,440 | 2,815 | 12,428 | 6,431 | (48.3%) |
| Emgesa | 42,403 | 43,707 | 96,874 | 99,853 | 3.1% |
| Edegel | 25,828 | 15,347 | 59,006 | 35,063 | (40.6%) |
| GENERAL AND ADMINISTRATIVE COSTS | 10,910 | 8,464 | 24,925 | 19,338 | (22.4%) |
| Endesa Chile and subs. in Chile | 5,540 | 4,275 | 12,658 | 9,767 | (22.8%) |
| Consolidation adjustments of Argentine and Colombian subsidiaries | (36) | (28) | (81) | (63) | 22.4% |
| Costanera | 620 | 595 | 1,416 | 1,360 | (3.9%) |
| Chocón | 247 | 278 | 563 | 636 | 12.9% |
| Emgesa | 1,405 | 1,167 | 3,211 | 2,667 | (16.9%) |
| Edegel | 3,134 | 2,176 | 7,159 | 4,971 | (30.6%) |
| OPERATING INCOME | 184,398 | 155,045 | 421,279 | 354,219 | (15.9%) |
| Endesa Chile and subs. in Chile | 110,924 | 89,637 | 253,418 | 204,786 | (19.2%) |
| Consolidation adjustments of Argentine and Colombian subsidiaries | 350 | 346 | 799 | 791 | (1.0%) |
| Costanera | 4,239 | 6,815 | 9,685 | 15,569 | 60.7% |
| Chocón | 5,194 | 2,537 | 11,865 | 5,795 | (51.2%) |
| Emgesa | 40,997 | 42,539 | 93,663 | 97,186 | 3.8% |
| Edegel | 22,694 | 13,171 | 51,847 | 30,092 | (42.0%) |
| INTERNATIONAL GENERATOR CONTRIBUTION | 73,474 | 65,408 | 167,860 | 149,433 | (11.0%) |

(*) On September 1, the Colombian companies Emgesa S.A. E.S.P. and Central Hidroeléctrica Betania S.A. E.S.P. were merged into the latter, which then changed its name to Emgesa S.A. E.S.P.

(**) The information disclosed for each subsidiary and country is net of intercompany transactions. Chile includes Chilean investments and all investments vehicles.

Endesa Chile's Ownership Structure, as of March 31, 2008
Total Shareholders: 20,544. Total Outstanding Shares: 8,201,754,580

Table 12

| Shareholders | % Holding |
|-----------------------|-----------|
| Enersis | 59.98% |
| Chilean Pension Funds | 19.72% |
| ADRs | 4.72% |
| Individuals | 4.55% |
| Others | 11.03% |

| |
|-----------------------------------|
| Conference Call Invitation |
|-----------------------------------|

Endesa Chile is pleased to inform you that it will conduct a conference call to review its results for the period ended March 31, 2008, on Monday, April 28, 2008, at 10:00 am (Eastern Time). To participate, please dial:

Conference Call Information:

Dial-In number: **1 (617) 213 48 54**, international.

Dial-In number: **1 (888) 680 08 69**

Passcode I.D.: 59455674

Replay Information:

Dial-In number: **1 (617) 801 68 88**, international.

Dial-In number: **1 (888) 286 80 10**

Passcode I.D.: 18288566

In order for you to have an easier access to our conference call, we suggest to pre-register your attendance and obtain your PIN code at the following link:

<https://www.theconferencingservice.com/prereg/key.process?key=PFLYETR8B>

Please connect approximately 10 minutes prior to the scheduled starting time.

If you would like to take part in the Conference Call via Internet and **watch an online presentation**, or listen to a webcast replay of the call, you may access **www.endesachile.cl**, (please note that this is a listen only mode)

This Press Release may contain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may appear in a number of places in this announcement and include statements regarding the intent, belief or current expectations of Endesa Chile and its management with respect to, among other things: (1) Endesa Chile's business plans; (2) Endesa Chile's cost-reduction plans; (3) trends affecting Endesa Chile's financial condition or results of operations, including market trends in the electricity sector in Chile or elsewhere; (4) supervision and regulation of the electricity sector in Chile or elsewhere; and (5) the future effect of any changes in the laws and regulations applicable to Endesa Chile or its affiliates. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of various factors. These factors include a decline in equity capital markets of the United States or Chile, an increase in market interest rates in the United States or elsewhere, adverse decisions by government regulators in Chile or elsewhere, and other factors described in Endesa Chile's Annual Report on Form 20-F. Readers are cautioned not to place undue reliance on those forward-looking statements, which speak only as of their dates, Endesa Chile undertakes no obligation to release publicly the result of any revisions to these forward-looking statements.