

EDISON THIRD QUARTER AND NINE MONTHS 2006 RESULTS

Milan, November 8th 2006

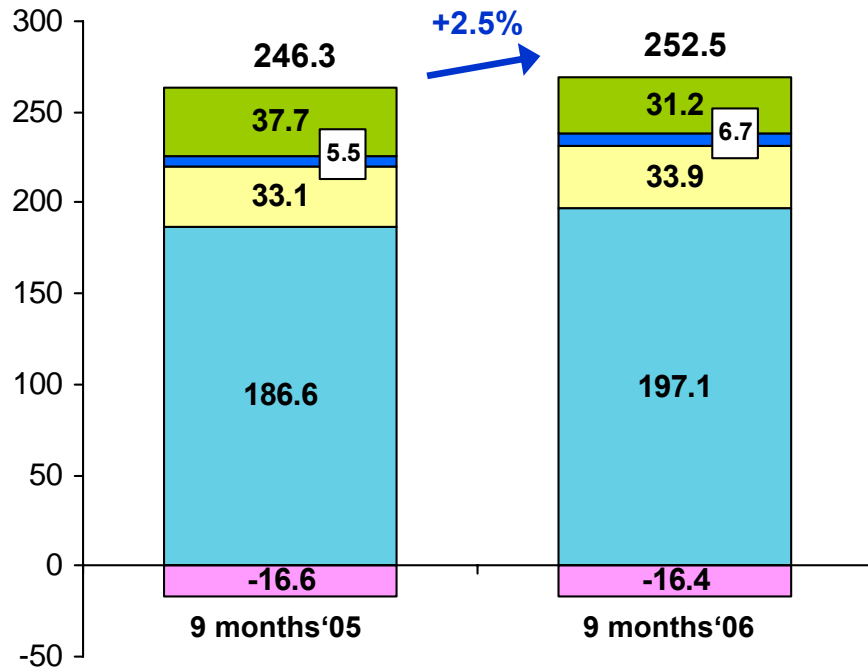
AGENDA

- **Business environment**

- **Third quarter and nine months results:**
 - **Consolidated financial highlights**
 - **Electric power and hydrocarbons operating performance**
 - **Capital expenditures**
 - **Debt evolution**

ELECTRIC POWER AVAILABILITY MIX AND GAS SUPPLY SOURCES IN ITALY

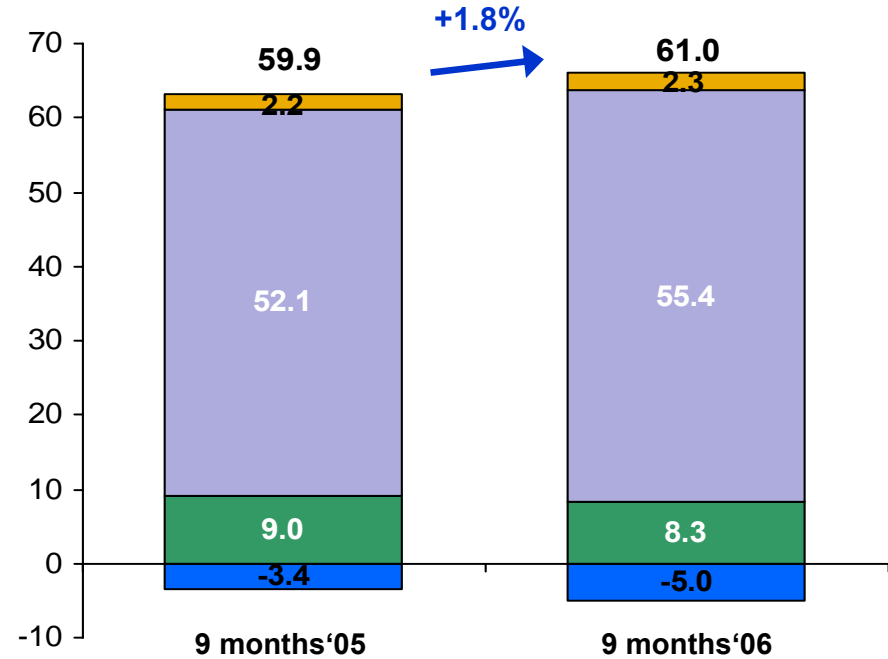
Electricity supply mix (TWh)



	Δ % yoy
Net import	-17.2%
Other renewable sources	+21.8%
Hydroelectric production	+2.5%
Thermoelectric production	+5.6%
Ancillary services and pumping	

Source: Terna

Gas supply mix (bcm)



	Δ % yoy	(bcm)
Import via LNG	+4.5%	Algeria 20.3
Import via pipe	+6.3%	Russia 16.7
		Netherlands 6.6
		Norway 4.7
		Libya 5.4
		Nigeria and other 4.0
Domestic production	-7.8%	
Changes in stock	-	

Source: MAP and Edison estimates

THIRD QUARTER AND NINE MONTHS RESULTS

EDISON GROUP — CONSOLIDATED HIGHLIGHTS

FY 05 ^(a)	(€ mln)	3Q 06	3Q 05 ^(a)	Δ%	9months'06	9months'05 ^(a)	Δ%
6,629	Sales revenues	1,965	1,476	33.1%	6,231	4,701	32.5%
1,288	EBITDA	445	338	31.7%	1,219	935	30.4%
639	EBIT	279	200	39.5%	694	520	33.5%
504	Group net income	133	143	-7.0%	531 ^(b)	343 ^(c)	54.8%
620	CAPEX (including exploration)				356	369	
2,963	Employees				2,974	4,453	
31.12.05 ^(a)					30.09.06		30.09.05 ^(a)
11,251	Net invested capital				11,335	11,348	
4,820	Net borrowings				4,575	4,779	
6,431	Stockholders' equity				6,760	6,569	
6,272	<i>Of which Group's net interest</i>				6,615	6,100	
0.75	Debt / Equity ratio				0.68	0.73	

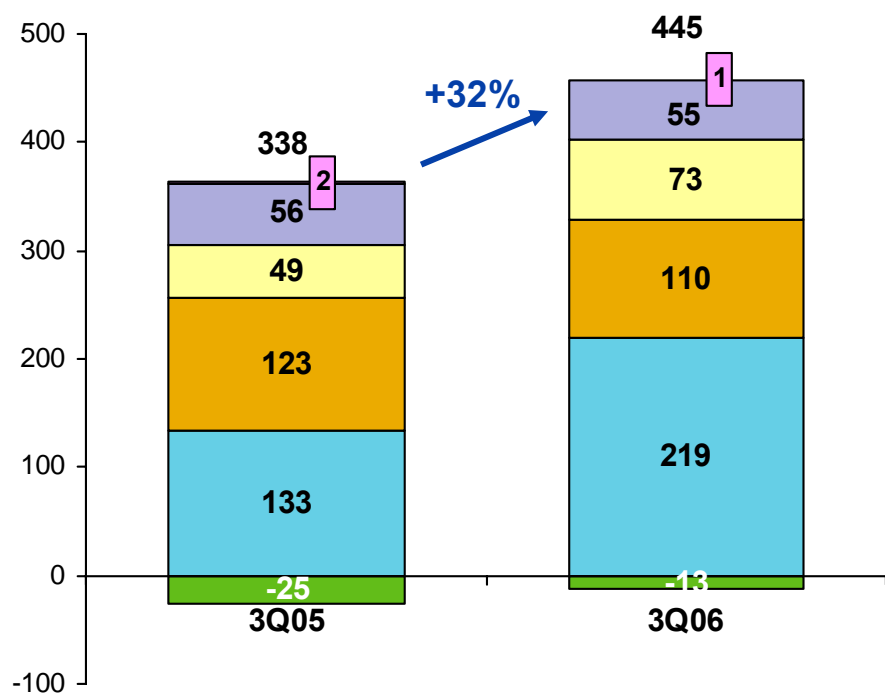
a) Data restated following the adoption of IFRIC 4.

b) This figure includes the net positive impact for 202 million euros due to the realignment of the taxable base of many power plants to higher statutory amounts.

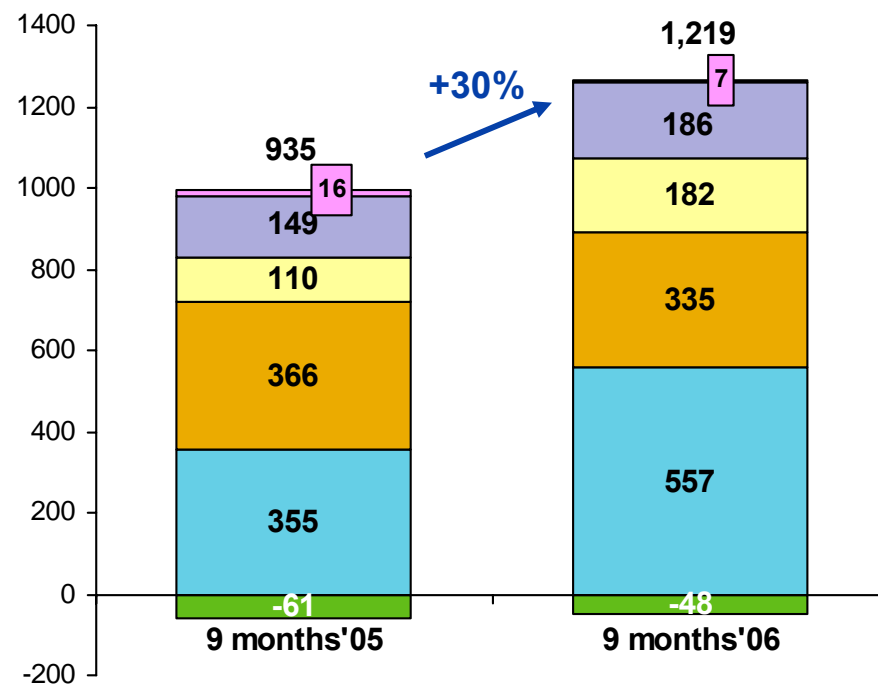
c) This figure includes one off profits for €63 mln from the sale of AEM shares and the settlement of some legal disputes.

EDISON GROUP — EBITDA CHANGE BY ACTIVITY

Third quarter (€ mln)



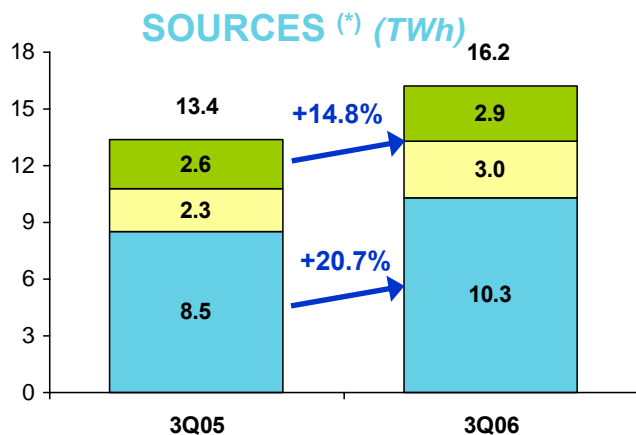
9 Months (€ mln)



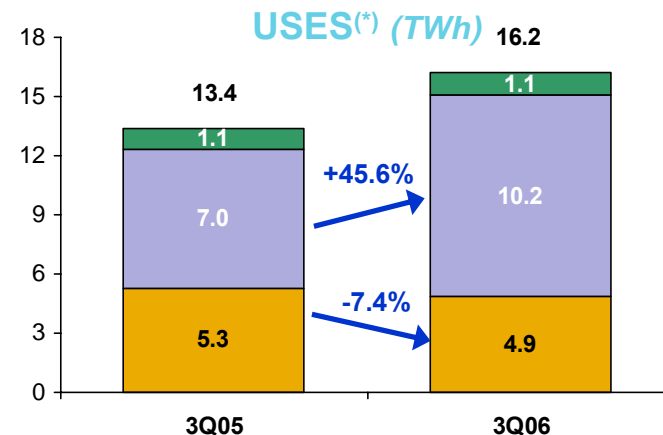
	Δ quarter	Δ 9 months
Other (Engineering and IWH in 2005 and IWH in 2006)	(1)	(9)
Gas E&P (Italy and abroad), oil, logistics and other	(1)	+37
Gas supply and sales	+24	+72
CIP6, captive and other regulated activities	(13)	(31)
Electric power merchant activities	+86	+202
Corporate	12	13

ELECTRIC POWER OPERATIONS — TOTAL SOURCES AND USES

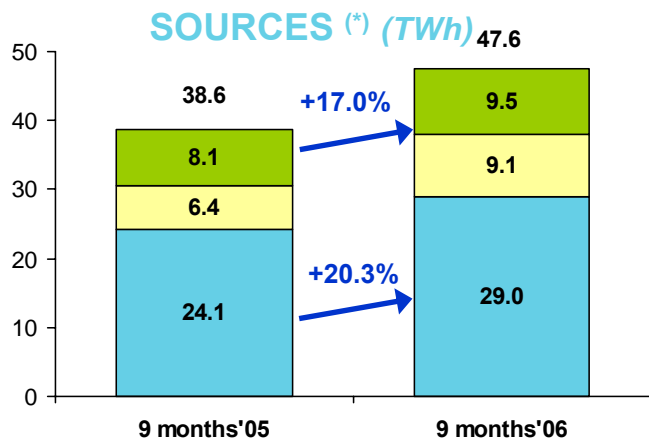
Third quarter



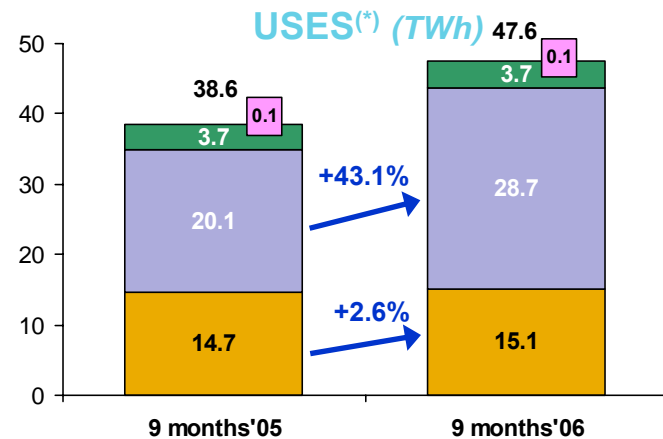
+21.1%



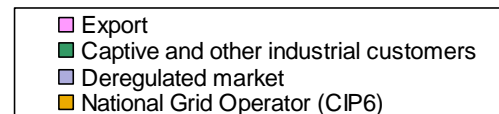
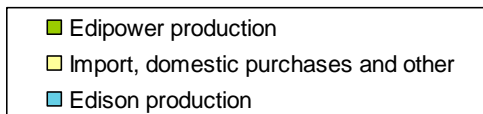
9 months



+23.3%

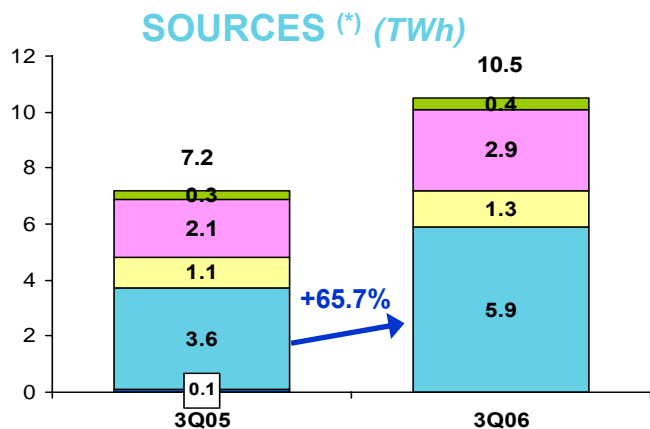


(*) net of losses

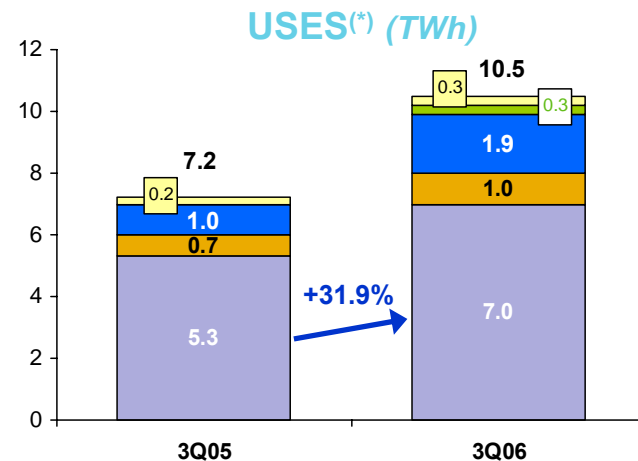


ELECTRIC POWER OPERATIONS — SOURCES/USES ON FREE MARKET

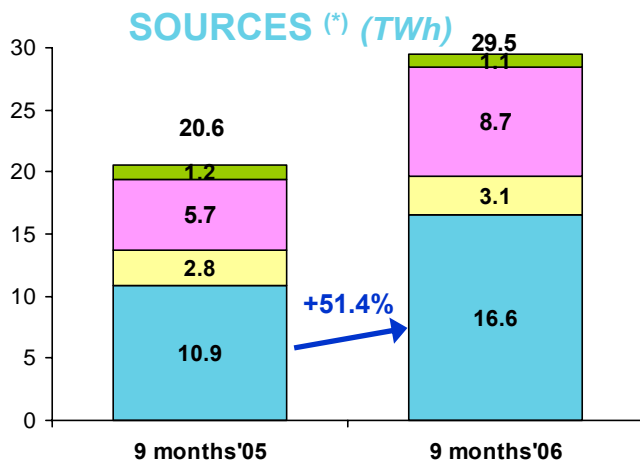
Third quarter



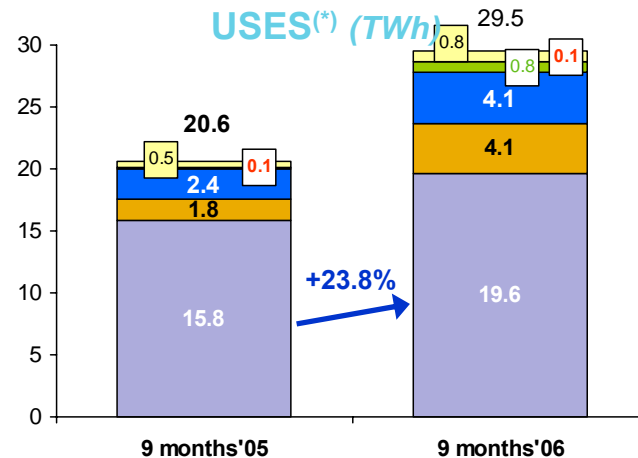
+46.1%



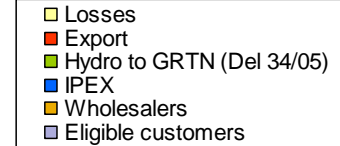
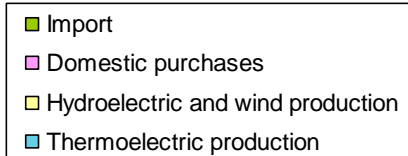
9 months



+43.1%

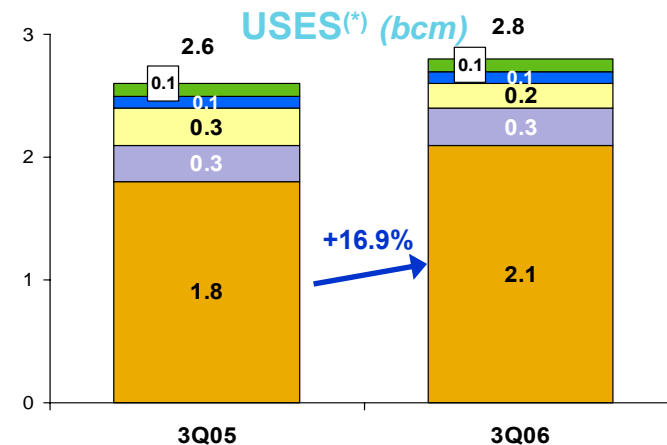
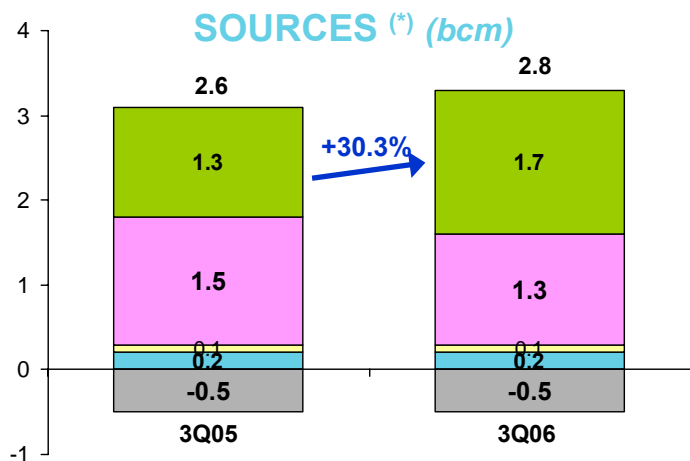


(*) gross of losses

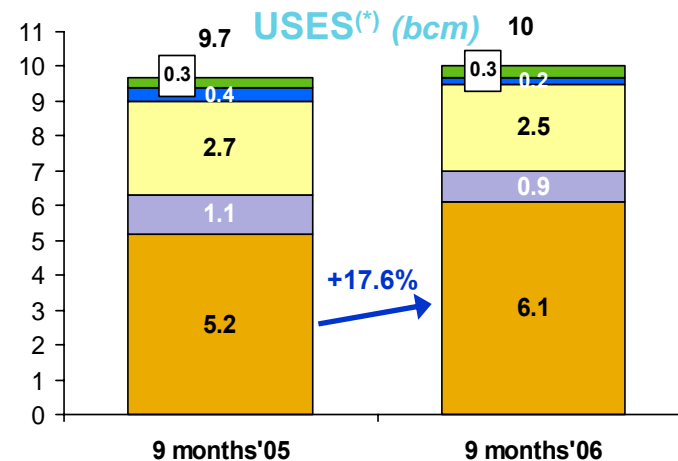
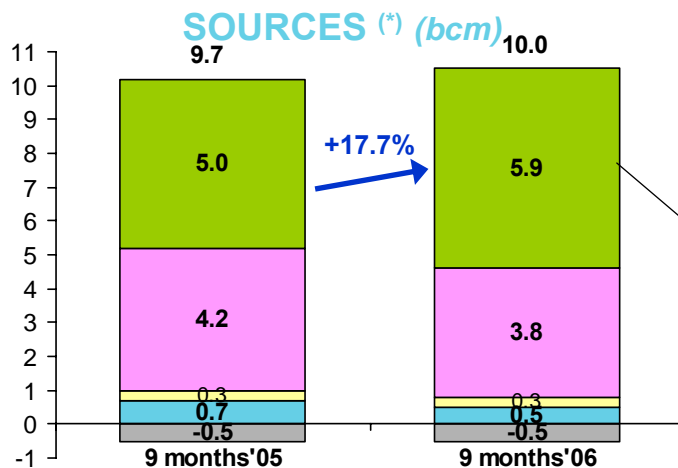


HYDROCARBONS OPERATIONS — TOTAL SOURCES AND USES

Third quarter



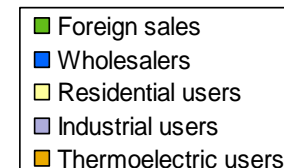
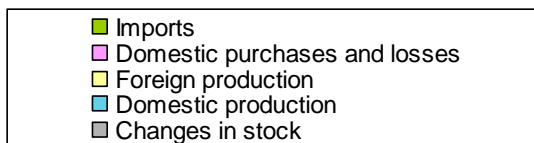
9 months



Imports from:

Libya	3.0 bcm
Russia	1.2 bcm
Norway	1.0 bcm
Spot	0.7 bcm

(*) net of losses



EDISON GROUP — FROM EBITDA TO NET INCOME

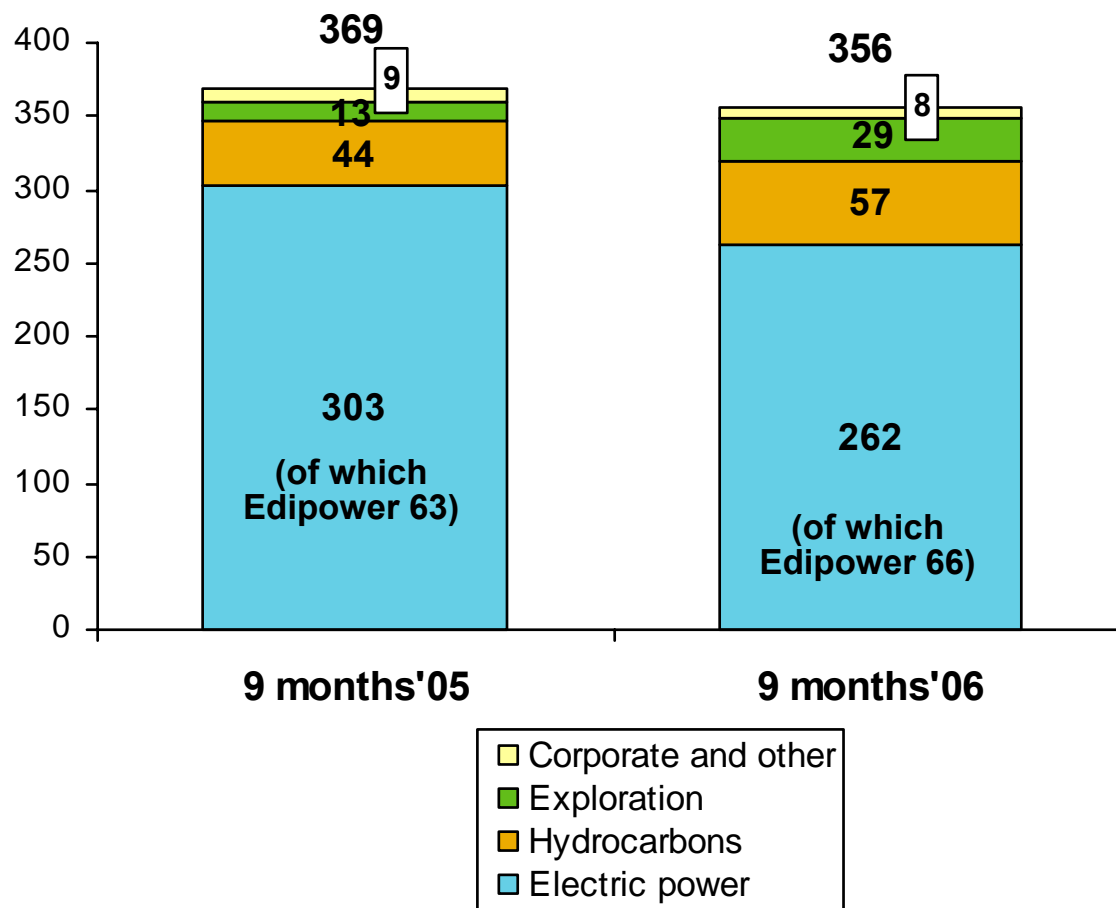
(€ mln)	3Q 06	3Q 05 (a)	Δ	9mo'06	9mo'05 (a)	Δ
EBITDA	445	338	+107	1,219	935	+284
Depreciation, amortization and writedowns	(166)	(138)	-28	(525)	(415)	-110
EBIT	279	200	+79	694	520	+174
Net financial expense	(48)	(57)	+9	(184)	(169)	-15
Other income (expense), net	-	25	-25	5	63	-58
Profit before taxes	231	168	+63	515	414	+101
Net effect of fiscal realignment (b)	-	-	-	202	-	+202
Other income taxes	(99)	(18)	-81	(184)	(55)	-129
Profit (loss) from discontinued operations	3	-	+3	3	-	+3
Minority (income) loss	(2)	(7)	+5	(5)	(16)	+11
Group interest in net income	133	143	-10	531	343	+188

a) Data restated following the adoption of IFRIC 4.

b) Represented by the net impact of the release of provisions for deferred taxes (€298 mln) against the payment of the substitute tax for fiscal value realignment (€96 mln).

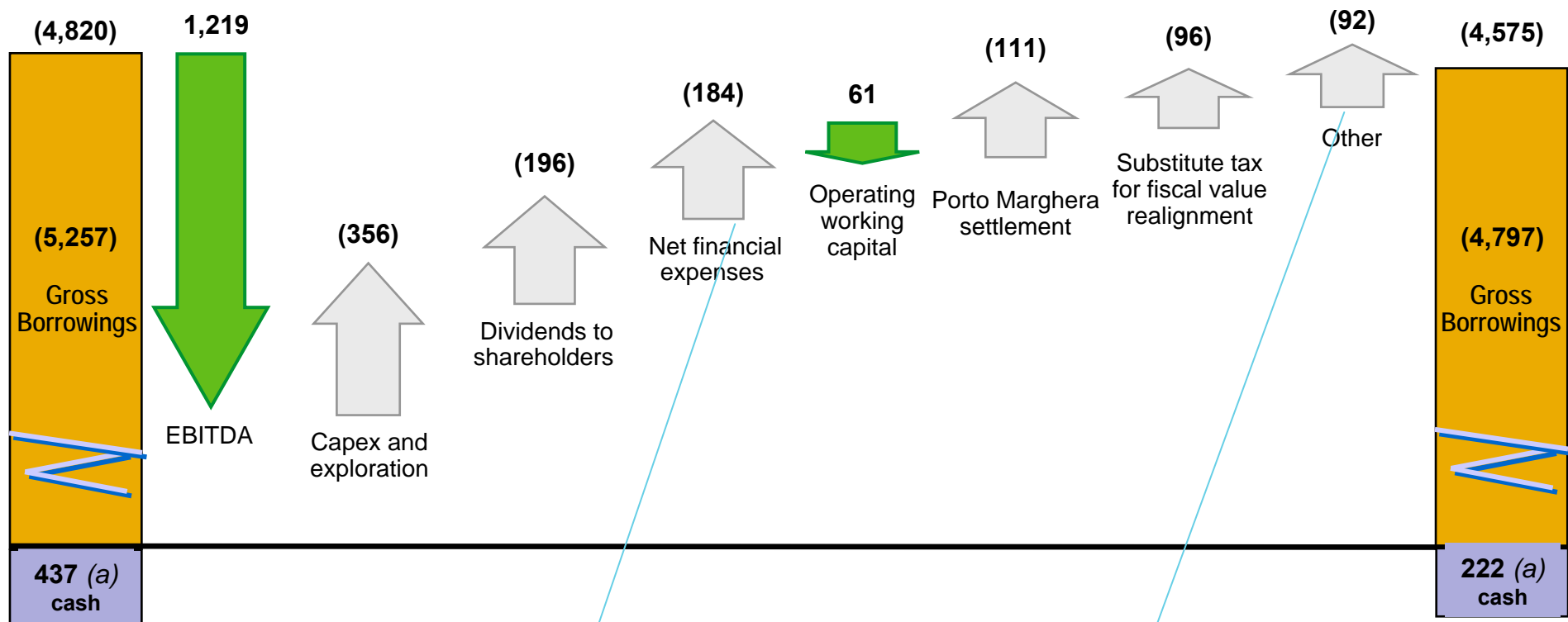
CAPITAL EXPENDITURES AND EXPLORATION

(€ mln)



CONSOLIDATED NET DEBT EVOLUTION IN 2006

(€ mln)



December 31, 2005 (b)

Of which - interests and fees on bonds and bank debt € 179 mln
 - derivatives and gains/losses on forex € 5 mln

September 30, 2006

Including - financial investments (mainly North Adriatic LNG Terminal) € 60 mln
 - purchases of intangible assets, net of sales of intangible assets € 18 mln

- a) Current financial assets, cash in hand and equivalent
- b) Data restated following the adoption of IFRIC 4.

DISCLAIMER

This document has been prepared by EDISON solely for the use at investors and analysts meetings.

This document does not constitute an offer or invitation to purchase or subscribe any shares and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

Some information contained herein and other material discussed at the meetings may include forward looking information based on EDISON's current beliefs and expectations. These statements are based on current plans, estimates, projections, and projects and therefore you should not place undue reliance on them.

Forward looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward looking statement. Such factors include, but are not limited to: changes in global economic business, changes in the price of certain commodities including electricity, gas and coal, the competitive market and regulatory factors.

Moreover, forward looking statements are current only at the date they are made.