

EDISON FULL YEAR 2005 RESULTS

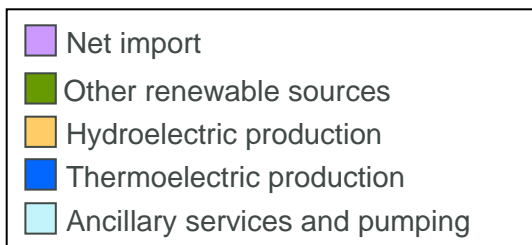
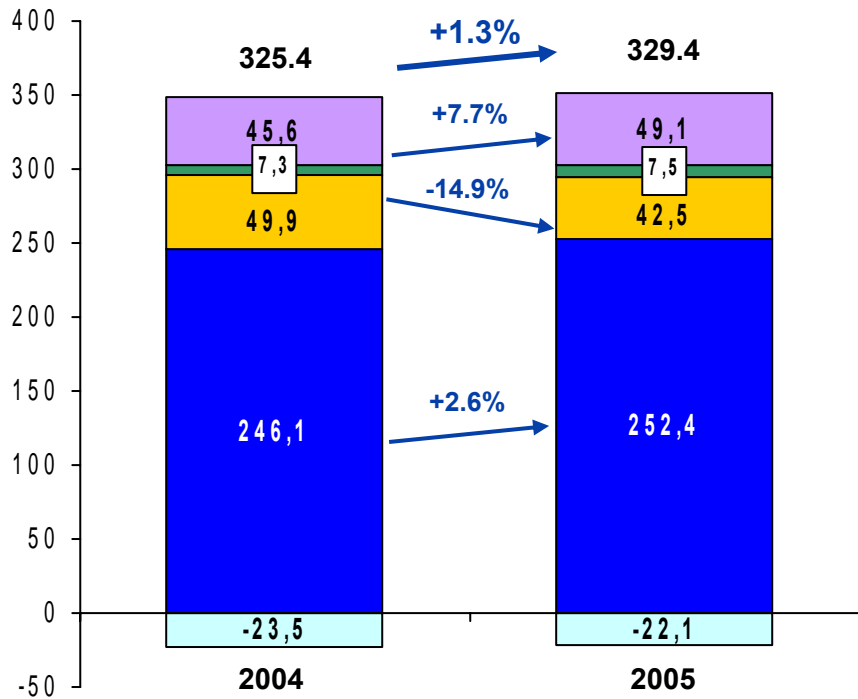
Milan, February 21st 2006

AGENDA

- **Business environment**
- **Full year 2005 results :**
 - **Consolidated financial highlights**
 - **Core business operating performance**
 - **Capital expenditures**
 - **Debt evolution**

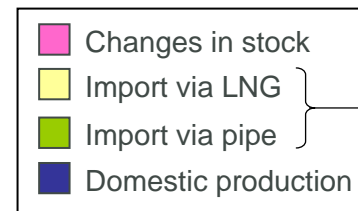
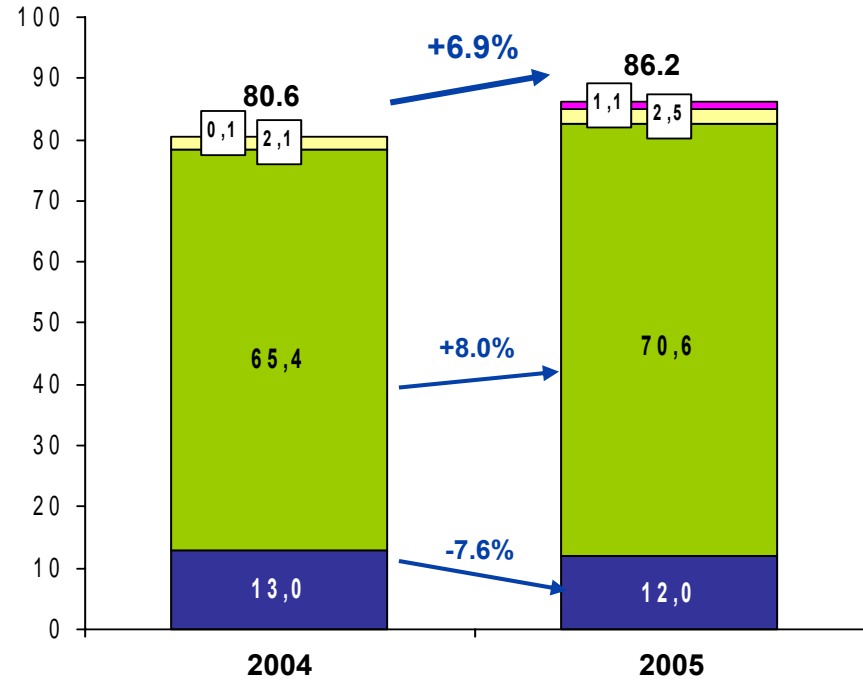
ELECTRIC POWER AVAILABILITY MIX AND GAS SUPPLY SOURCES IN ITALY

Electricity supply mix (TWh)



Source: GRTN

Gas supply mix (bcm)



Algeria	26.7
Russia	20.5
Netherlands	8.2
Norway	8.1
Libya	4.6
Nigeria and other	5.0

Source: MAP and Edison estimates

FULL YEAR 2005 RESULTS

EDISON GROUP – CONSOLIDATED HIGHLIGHTS

<i>(mln €)</i>	2005	2004	Δ %
Sales Revenues	6,650	5,627	18.2
EBITDA	1,306	1,475	(11.5)
EBIT	649	815	(20.4)
Group Net Income	500	354	41.2
CAPEX (including exploration)	620	633	
Employees	2,963	4,536	
Net Invested Capital	11,307	11,082	
Net Borrowings	4,878	4,906	
Stockholders' Equity	6,429	6,176	
<i>of which Group's Interest</i>	<i>6,270</i>	<i>5,707</i>	
Debt / Equity Ratio	0.76	0.79	

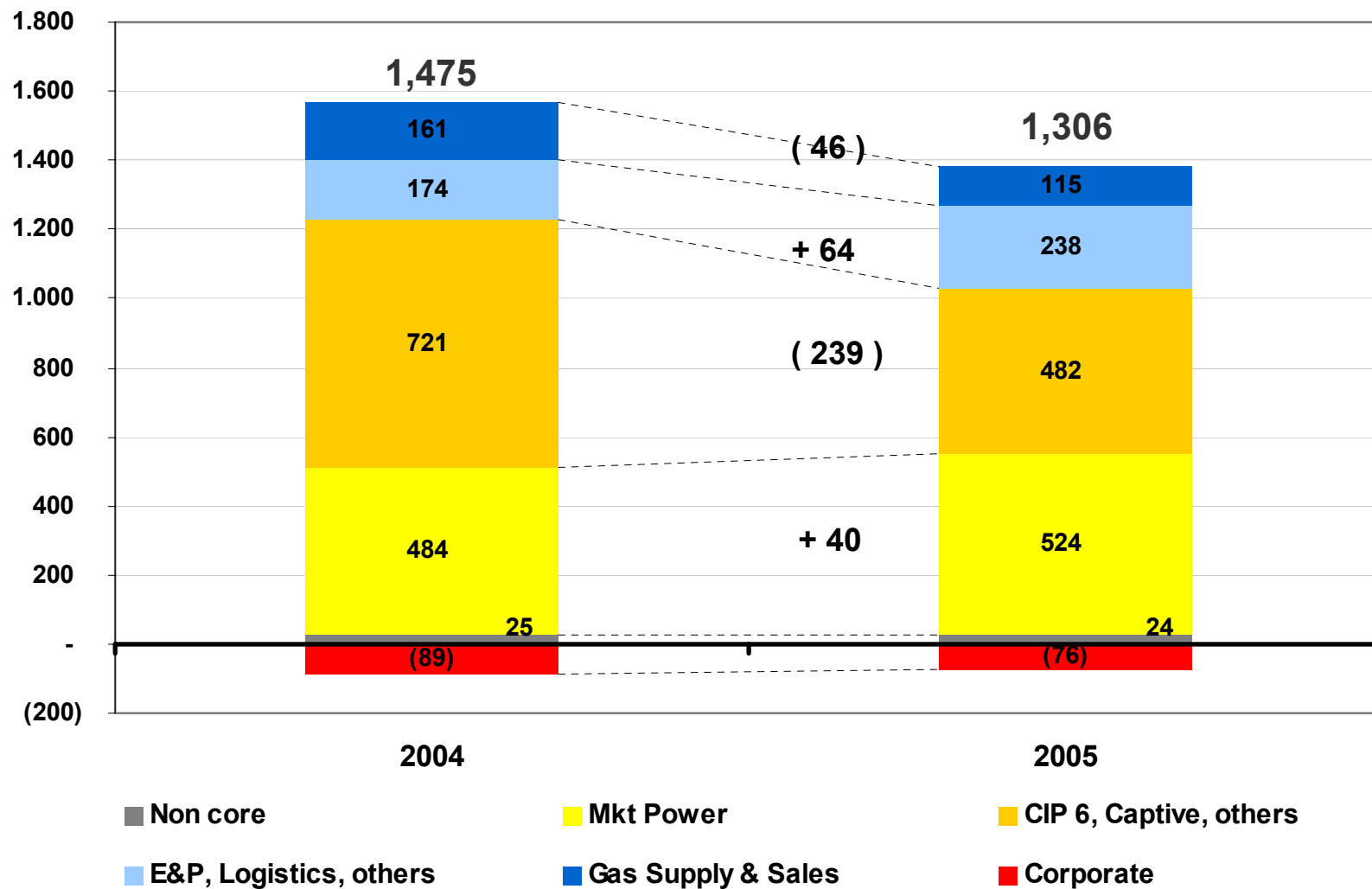
OPERATING PERFORMANCE

<i>(mln €)</i>	Electric Power			Hydrocarbons			Corporate, adj and other (*)		Total Edison Group		
	2005	2004	Δ %	2005	2004	Δ %	2005	2004	2005	2004	Δ %
Sales Revenues	4,993	4,304	+16.0	3,303	2,231	+48.0	(1,646)	(908)	6,650	5,627	+18.2
EBITDA	1,006	1,205	-16.5	353	335	+5.4	(53)	(65)	1,306	1,475	-11.5
Depreciation and writedowns	(546)	(501)		(92)	(134)		(19)	(25)	(657)	(660)	
EBIT	460	704	-34.7	261	201	+29.8	(72)	(90)	649	815	-20.4

(*) *These figures include Tecnimont and IWH results
(EBITDA in 2005 amount respectively to 17 and 7 million euro)*

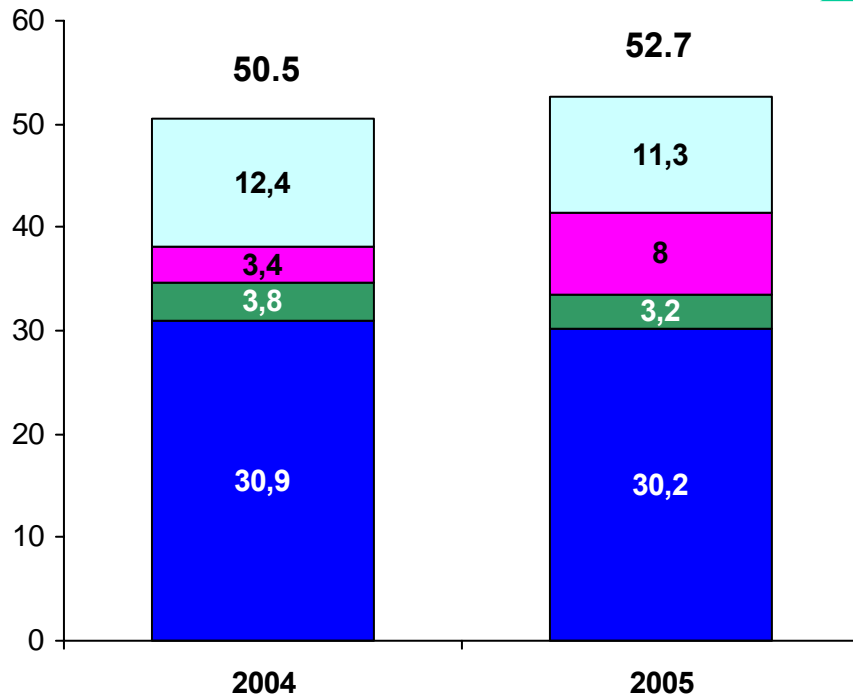
EDISON GROUP – EBITDA CHANGE BY ACTIVITY

(€ mln)



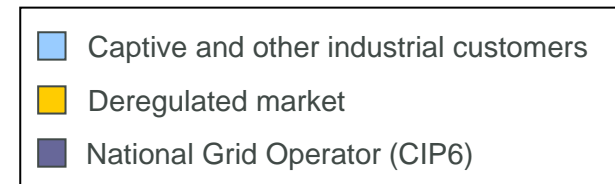
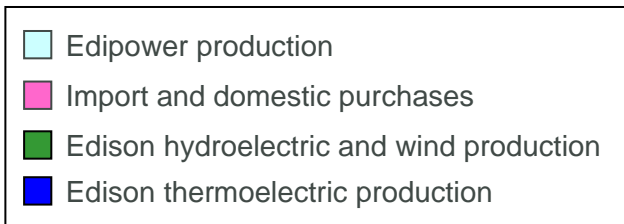
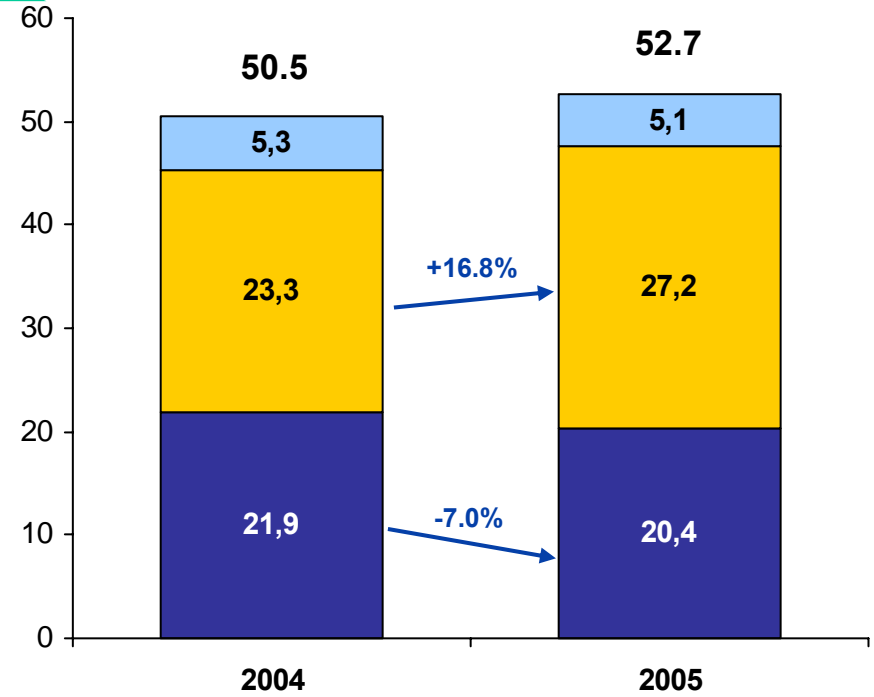
ELECTRIC POWER OPERATIONS – TOTAL SOURCES AND USES

Sources (*) (TWh)



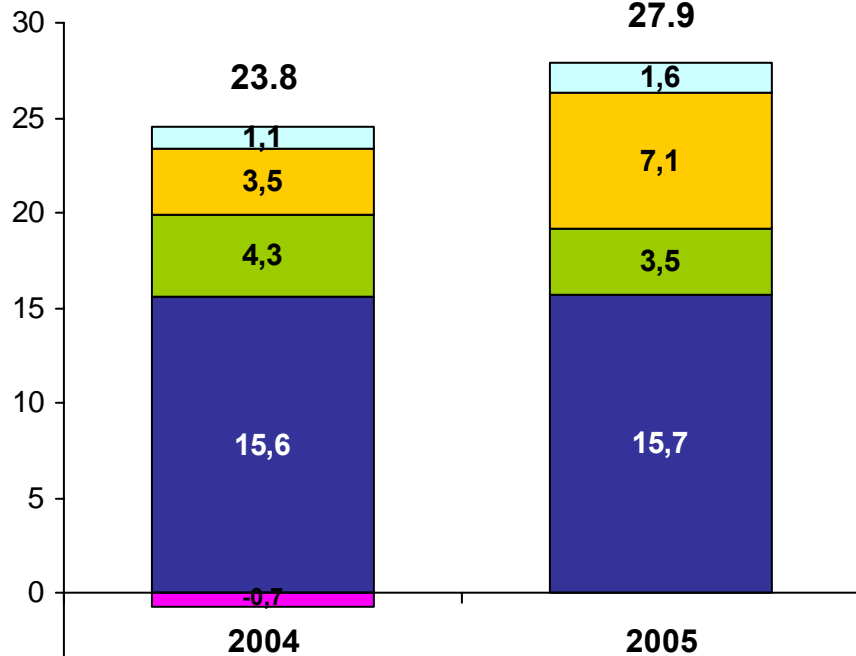
+ 4,3 %

Uses (TWh)



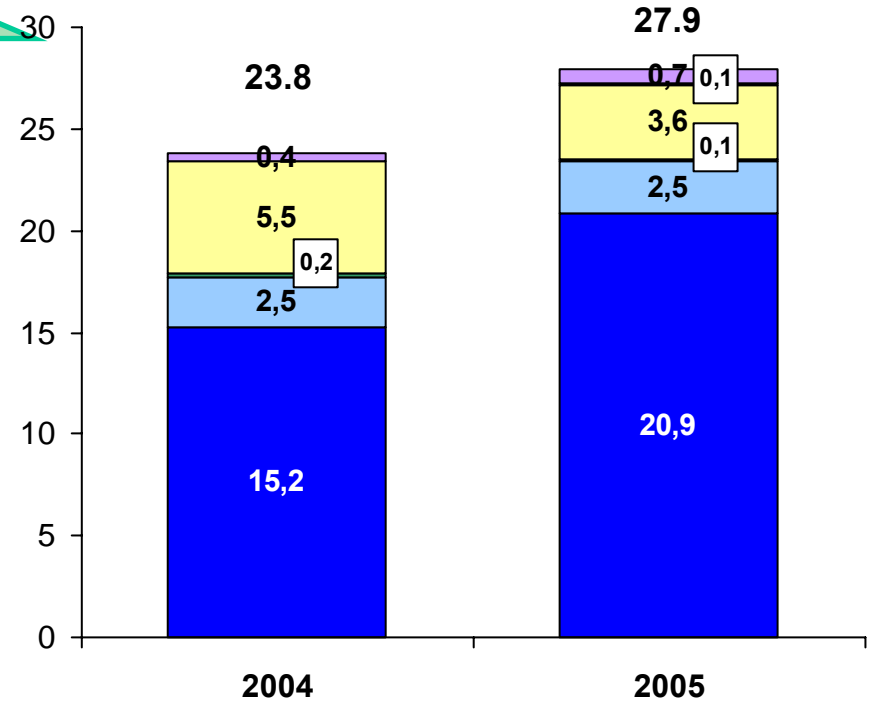
ELECTRIC POWER OPERATIONS – SOURCES/USES ON FREE MARKET

Sources (*) (TWh)



+ 17,3 %

Uses (TWh)



- Import
- Domestic purchases
- Hydroelectric and wind production
- Thermoelectric production
- Other

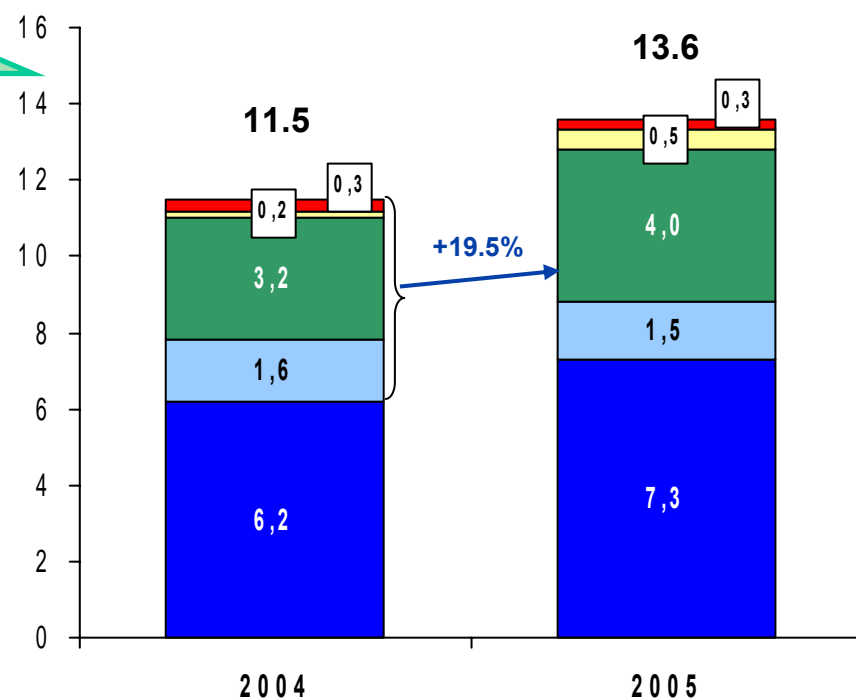
- Losses
- Export
- IPEX - Stove
- Hydro to GRTN
- Wholesalers
- Eligible customers

HYDROCARBONS OPERATIONS - TOTAL SOURCES AND USES

Sources (bcm)



Uses (bcm)



- Imports
- Domestic purchases and changes in stock
- Foreign production
- Domestic production

- Imports from:
- Libya 3,0 bcm
 - Russia 1,8 bcm
 - Norway 1,0 bcm
 - Spot 0,9 bcm

- Foreign sales
- Wholesalers
- Residential users
- Industrial users
- Thermolectric users

EDISON GROUP – LABOUR COST AND EMPLOYEES

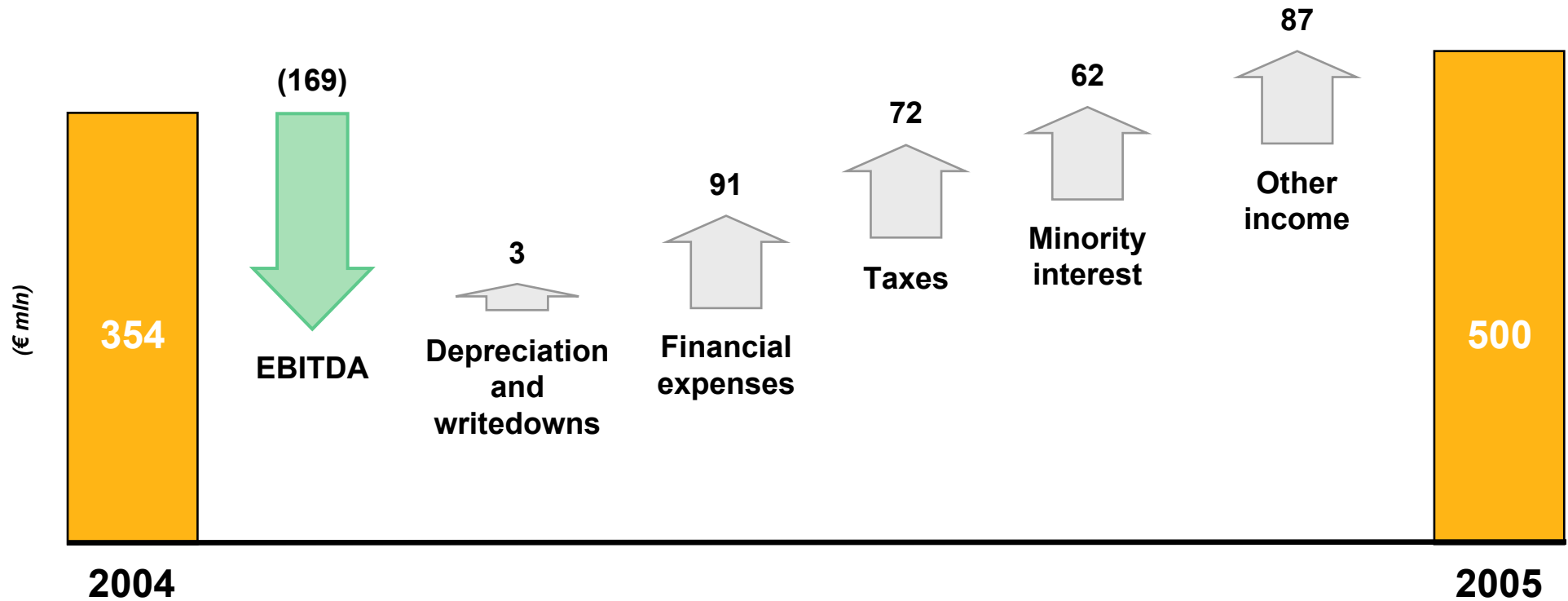
<i>(mln €)</i>	Employees (N.)			Labour Cost		
	2005	2004	Δ	2005	2004	Δ %
Corporate (*)	526	539	(13)	46	47	(1.3)
Electric Power	1,992	1,996	(4)	124	126	(1.7)
Hydrocarbons	441	416	25	30	28	6.7
Edison	2,959	2,951	8	200	201	(1.3)
Edison (average)	2,927	2,943	(16)			
IWH	4	7	(3)	6	6	-
Tecnimont	-	1,578	(1,578)	44	84	(48.3)
TOTAL GROUP (year end position)	2,963	4,536	(1,573)	250	291	(14.3)
TOTAL GROUP (average)	4,137	4,513	(376)			

(*) Corporate Staff & Services to operation activities

EDISON GROUP – FROM EBITDA TO NET INCOME

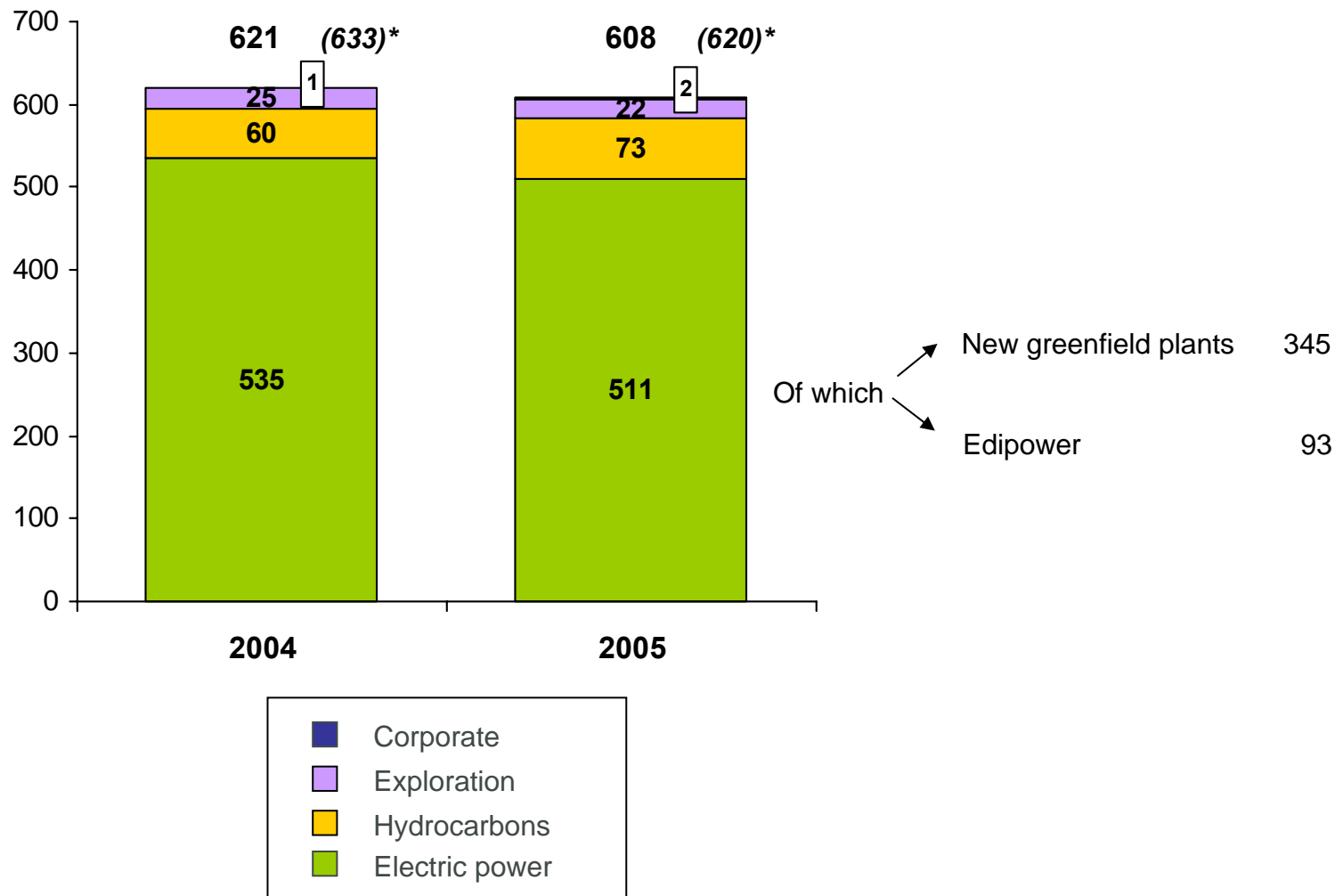
<i>(mln €)</i>	2005	2004
EBITDA	1,306	1,475
Depreciation	(588)	(572)
Writedowns net of reversals	(69)	(88)
EBIT	649	815
Net financial expenses	(219)	(310)
Other income (expense), net	92	5
Taxes	(16)	(88)
Minority (income) loss	(6)	(68)
Group interest in net income	500	354

CHANGE IN GROUP NET INCOME



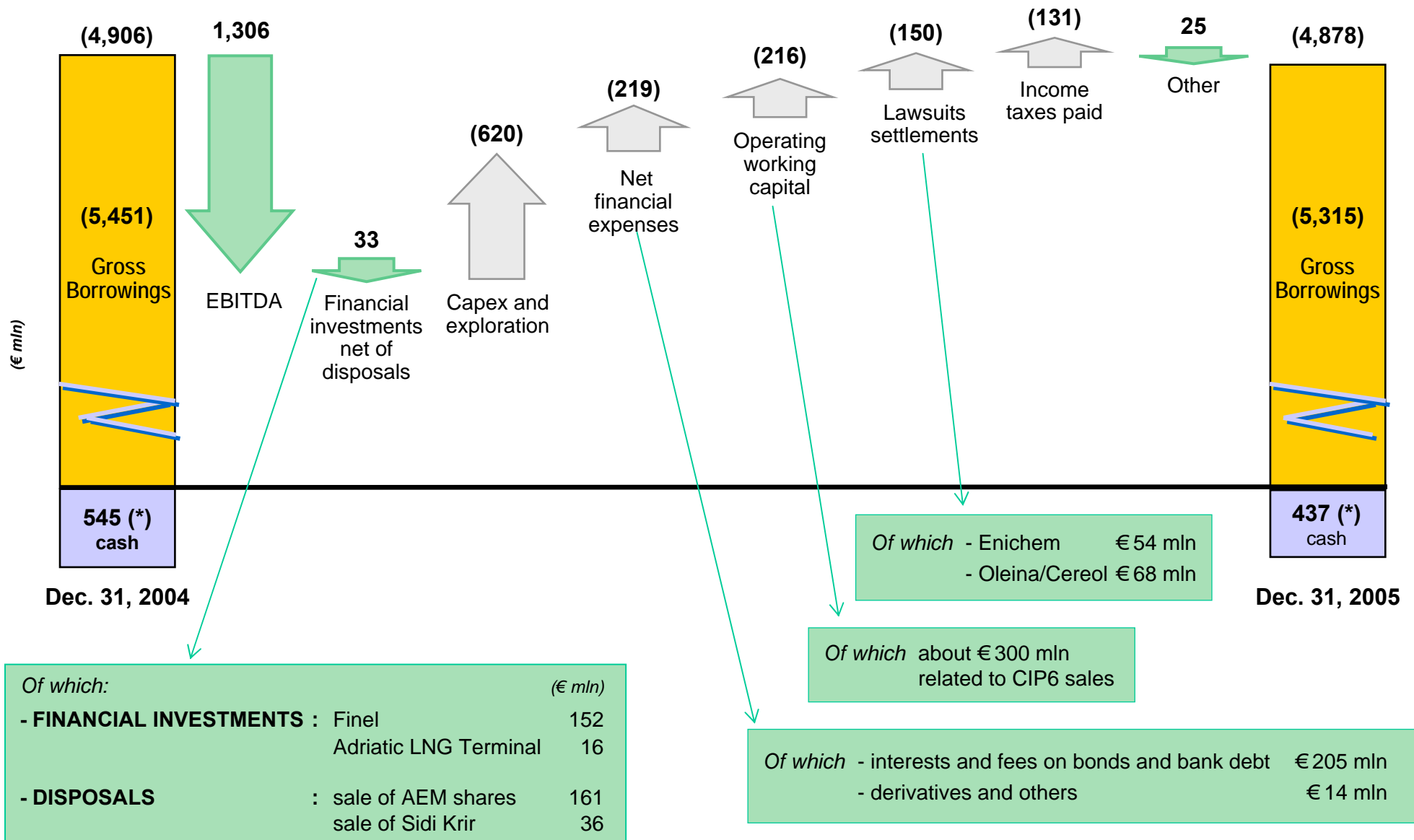
CORE BUSINESS CAPITAL EXPENDITURES

(€ mln)



(*) in parenthesis Group data including non core activities

CONSOLIDATED NET DEBT EVOLUTION IN 2005



(*) Current financial assets, cash in hand and equivalent

EDISON GROUP – BALANCE SHEET

<i>(mln €)</i>	Dec. 31, 2005	Dec. 31, 2004
Intangibles	3,505	3,507
Other fixed assets	9,261	9,467
Total non current assets	12,766	12,974
Net Working Capital	(1,385)	(1,804)
Employees Severance Indemnities	(74)	(88)
Net Invested Capital	11,307	11,082
<i>Covered by</i>		
Stockholders' Equity	6,270	5,707
Min. Interest Stockholders' Equity	159	469
Total Stockholders' Equity	6,429	6,176
Net Borrowings	4,878	4,906
Total coverage sources	11,307	11,082

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