

JOINT PRESS RELEASE

EDISON SELLS TECNIMONT TO MAIRE HOLDING FOR MORE THAN 180 MILLION EUROS

The sale will help create a hub of Italian engineering expertise.

Milan, July 20, 2005 – Edison SpA today signed a contract to sell 100% of the Tecnimont SpA shares it owns to Maire Holding SpA.

The price of the Tecnimont sale was 180 million euros, plus the finance charges that Edison will incur to monetize the deferred portion of the purchase price. A portion of the purchase price (150 million euros) will be paid in cash. Payment of the balance is due in 36 months.

Maire Holding will transfer its interest in Maire Engineering (formerly Fiat Engineering) to a newly established company that will purchase Tecnimont, thereby creating a hub of Italian engineering expertise. To support the growth of this new venture, Edison will underwrite up to 50 million euros of a capital increase issued by the company that is purchasing Tecnimont, acquiring, as a result, a 19.5% interest in that company. The remaining 80.5% will be held by Maire Holding. The transaction has been structured so that Edison's investment is assisted by a put-and-call option, exercisable within three years, with a minimum value of 50 million euros, plus the finance charges that Edison will incur to monetize the option.

Edison intends to monetize in 2005 the deferred portion of the purchase price and the proceeds that would be generated by the exercise of the put option, both of which are secured by a bank guarantee.

Under the sales agreement, once ownership of the Tecnimont shares has been transferred, the buyer will take over the guarantees that Edison has provided to Tecnimont and its subsidiaries.

The transaction is expected to close in October 2005, after it has been approved by the relevant antitrust authorities and certain conditions precedent, which Edison can waive, have been fulfilled.

Upon its execution, the sale of Tecnimont will generate a net gain of about 80 million euros in Edison's consolidated financial statements but will not have a material effect on the consolidated net financial position, since the company that is being sold and, therefore, deconsolidated has a positive net financial position.

“With this transaction, we have completed the process of focusing Edison’s operations on its electric power and natural gas businesses. From 2001 to today, we have sold nonstrategic assets valued at more than 9.5 billion euros,” said Umberto Quadrino, Edison’s Chairman and Chief Executive Officer. “Our goal is to continue strengthening our leadership position in the industries in which we operate, deploying cutting-edge technologies that are respectful of the environment.”

“This transaction will help create a major hub of Italian engineering expertise capable of playing a leading role at the European level,” added Fabrizio Di Amato, Chief Executive Officer of Maire Holding. “It also highlights the outstanding capabilities of Italy’s great engineering enterprise, which, in the past few decades, have left their mark throughout the world.”

Banca Imi acted as financial advisor to Maire Holding, which also received tax advice from Studio Signori in Rome and legal advice from Roberto Santucci, attorney at law in Rome.

Edison conducted the negotiations directly, relying on the legal advice of Paolo Casella, Esquire, and Luca Minoli, Esquire, from the firm of Dewey Ballantine.

Tecnimont is a global engineering and construction company that develops and builds turnkey manufacturing facilities and infrastructural projects, primarily for companies in the petrochemical, electric power generation and natural gas industries. In 2004, it reported production value of 802 million euros and EBITDA of 26 million euros. At December 31, 2004, its order backlog amounted to 900 million euros.

The Maire Group was created when the holding company of the Di Amato Group acquired Fiat Engineering. It is Italy’s largest general contractor with operations in the areas of residential and industrial construction, infrastructural projects, energy and environmental facilities, and total facility management. At December 31, 2004, it reported revenues of 500 million euros and an order backlog of 1,028 million euros. New orders booked during the year totaled 473 million euros

Public disclosure required by Consob Resolution No. 11971 of May 14, 1999, as amended.

For additional information contact:

Edison SpA Press Office – ufficiostampa@edison.it Ivan Dompé +39-02-6222-7276 Emi Colombo +39-02-6222-7345 www.edison.it	Maire Holding SpA Communications Francesca Rinaldo + 39-06-4122-35305 Ludovica Allegretti +06-4122-35312 www.maireengineering.com
--	---