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Press Release

EDISON: 2013 FIRST HALF RESULTS
REVENUES AT 6.2 BILLION EUROS (5.8 BLN EUROS IN 1ST HALF OF 2012)
EBITDA AT 670 MILLION EUROS (301 MILLION IN 1ST HALF OF 2012)
PROFIT AT 152 MILLION (-49 MILLION IN 1ST HALF OF 2012)

The successful conclusion of the arbitration for the gas procurement contract with Algeria in April and the new agreements for the Algerian and Qatari gas contracts in July 2013 had a positive impact on first half results.

Milan, July 30, 2013 – Edison's Board of Directors met yesterday to review the Semiannual Report at June 30, 2013.

Edison recorded a positive performance both in the Electric Power and Hydrocarbons despite an environment of weak demand in gas and power and an increased competitive pressure. The Electric Power business benefited from good hydro conditions and the optimization of the portfolio. The Hydrocarbons activities benefited from the successful conclusion of the arbitration for the Algerian gas procurement contract in April 2013 and further agreements in July 2013 on the Algerian and Qatari gas supply contracts.

HIGHLIGHTS OF EDISON GROUP

in millions of euros	**6 months 2013**	**6 months 2012[1]**	**Δ %**
Sales revenues	**6,248**	**5,809**	*7.6%*
EBITDA	**670**	**301**	*n.m.*
EBIT	**355**	**(50)**	*n.m.*
Profit (Loss) before taxes	**289**	**(118)**	*n.m.*
Group interest in profit (loss)	**152**	**(49)**	*n.m.*

[1] The reported data were prepared in accordance with IFRS 5, treating the effect of the sale of Edipower and the negative contribution to EBITDA from the tolling contract to supply natural gas to Edipower as discontinued operations.

HIGHLIGHTS OF THE ELECTRIC POWER AND HYDROCARBONS OPERATIONS

in millions of euros	**6 months 2013**	**6 months 2012**	**Δ %**
Electric Power Operations [2]			
Sales revenues	**3,631**	**3,217**	*12.9%*
Adjusted EBITDA [3]	**369**	**239**	*54.4%*
Hydrocarbons Operation			
Sales revenues	**3,047**	**3,391**	*(10.1%)*
Adjusted EBITDA [3]	**349**	**115**	*n.m.*

Operating Performance of the Group at June 30, 2013

In the first six months of 2013, **Italian electricity demand decreased to 155.7 TWh, a drop of 3.9% compared to the same period in 2012**. This contraction exclusively affected the thermoelectric production due to both the structural growth of renewable energy capacity and the abundance of water resources during the period.

Similarly, **Italian natural gas consumption declined by 7.1% to 38.1 billion cubic meter during the first half of 2013 versus the same period last year,** mainly due to the strong contraction of gas uses for the thermoelectric power generation. Gas sales prices were also under pressure over the period due to increased competition.

In this context, Edison's **sales reached 6,248 million euros** for the first half of 2013.

EBITDA for 1H 2013 reached 670 million euros (versus 301 million euros in the first half of 2012) due to improved overall profitability both in the Electric Power and Hydrocarbons activities. The Electric Power business benefited from a 29.3% increase of hydroelectric output versus the same period in 2012 and from the optimization of the portfolio. The Hydrocarbons business benefited from the important contribution of E&P activity and from the successful conclusion of the arbitration on price review for the Algerian gas procurement contract in April 2013 (first renegotiation round related to the period 2010-2012[4]) and the further agreement in July 2013 for the Qatari gas procurement contract with RasGas (second round of renegotiation related to the period 2012-2015[4]).
In July 2013, Edison also successfully finalized the agreement with Sonatrach for the Algerian gas procurement contract, related to the second renegotiation cycle.

[2] The data for 2012 were prepared excluding Edipower's contribution, classified under "discontinued operations." The data are comparable for the purpose of commenting the Group's industrial performance.

[3] Adjusted EBITDA reflect the reclassification of the results of commodity and foreign exchange hedges executed in connection with contracts to import natural gas from the Hydrocarbons Operations to the Electric Power Operations, for the portion of gains or losses attributable to them, in order to provide an operational presentation of the Group's industrial results.

[4] Edison entered into two renegotiation cycles for its long term gas procurement contracts with its four suppliers: Gazprom for the Russian supply, Eni for the Libyan supply, RasGas for the Qatari supply and Sonatrach for the Algerian one. The second renegotiation cycle related to the period 2012-2015 was launched during the second half of 2012.

In relation to the gas procurement contracts from Russia and Libya, Edison started two arbitration procedures with Gazprom and ENI, with the aim of obtaining a price reduction consistent with gas price on the market.

Profit Before Taxes reached 289 million euros compared to a loss of 118 million euros in the same period in 2012.

The **Group interest in net profit was 152 million** compared to the loss of 49 million euros registered in the same period of 2012, which included the 80 million euros of positive contribution from Edipower disposal.

The Group's net financial debt reached 2,852 million euros as of June 30, 2013 (versus 2,613 million euros as of December 31, 2012), which doesn't include the financial benefits produced by the positive conclusion of gas contracts revision.

In April Edison executed and drew two intercompany loans for a total amount of 1.4 billion euros and in July has entered into a 500 million euros bank loan. With reference to the debt maturing within 18 months, the fix rate bond with a total face value of 700 million euros issued in 2009 will mature on July 22, 2014.

2013 Outlook

With the positive effect of the gas contracts review and the positive performance of the Electric Power business, Edison expects 2013 EBITDA to be around 1 billion euros.

Pertinent Documents

The Semiannual Report at June 30, 2013 approved by the Board of Directors of Edison Spa, is available to the public, starting from today July 30, at the Company's head office and on the websites of Borsa Italiana Spa (www.borsaitaliana.it) and Edison Spa (www.edison.it).

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*As required by Article 154-*bis*, Section 2, of the Uniform Finance Code (Legislative Decree No. 58/1998), Didier Calvez and Roberto Buccelli, in their capacity as "Dirigenti Preposti alla redazione dei documenti contabili societari" of Edison S.p.A., attest that the accounting information contained in this press release is consistent with the data in the Company's documents, books of accounts and other accounting records. The Semiannual Report at June 30, 2013has been reviewed by independent auditors.*

This press release and, specifically, the section entitled "Business Outlook" contains forward-looking statements. These statements are based on the Group's current projections and expectations with regard to future events, which, by their very nature, are subject to an intrinsic component of risk and uncertainty. Actual results could be materially different from those contained in the abovementioned statements due to a number of factors, including continued volatility and a deterioration of the capital and financial markets, fluctuations in raw material prices, changes in macroeconomic conditions and economic growth rates and other changes in business conditions, changes in the statutory and regulatory framework and institutional scenario (both in Italy and abroad), and many other factors, most of which are beyond the Group's control.

The Group's income statement, showing the other components of the comprehensive income statement, balance sheet, cash flow statement and the statement of changes in consolidated shareholders' equity are annexed to this press release.

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

CONSOLIDATED INCOME STATEMENT
(in millions of euros)

2012 full year (*)		1st half 2013	1st half 2012 (*)
12.014	Sales revenues	6.248	5.809
830	Other revenues and income	468	230
12.844	**Total net revenues**	**6.716**	**6.039**
(11.523)	Raw materials and services used (-)	(5.936)	(5.630)
(218)	Labor costs (-)	(110)	(108)
1.103	**EBITDA**	**670**	**301**
(6)	Net change in fair value of commodity derivatives	(18)	5
(868)	Depreciation, amortization and writedowns (-)	(297)	(356)
229	**EBIT**	**355**	**(50)**
(121)	Net financial income (expense)	(41)	(49)
6	Income from (Expense on) equity investments	2	2
(37)	Other income (expense), net	(27)	(21)
77	**Profit (Loss) before taxes**	**289**	**(118)**
(41)	Income taxes	(144)	18
36	**Profit (Loss) from continuing operations**	**145**	**(100)**
50	Profit (Loss) from discontinued operations	-	50
86	**Profit (Loss)**	**145**	**(50)**
	Broken down as follows:		
5	Minority interest in profit (loss)	(7)	(1)
81	**Group interest in profit (loss)**	**152**	**(49)**
	Earnings (Loss) per share (in euros)		
0,0147	Basic earnings (loss) per common share	0,0281	(0,0100)
0,0447	Basic earnings per savings share	0,0581	0,0250
0,0147	Diluted earnings (loss) per common share	0,0281	(0,0100)
0,0447	Diluted earnings per savings share	0,0581	0,0250

(*) 2012 amounts reflect the application of IAS 19 revised.

OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT
(in millions of euros)

2012 full year (*)		1st half 2013	1st half 2012 (*)
86	**Profit (Loss)**	**145**	**(50)**
	Other components of comprehensive income:		
(8)	**A) Change in the Cash Flow Hedge reserve**	**(13)**	**17**
(16)	- Gains (Losses) arising during the period	(22)	27
8	- Income taxes (-)	9	(10)
4	**B) Change in reserve for available-for-sale investments**	**(4)**	**-**
4	- Gains (Losses) arising during the period not realized	(4)	-
-	- Income taxes (-)	-	-
(6)	**C) Differences on the translation of assets in foreign currencies**	**-**	**4**
-	**D) Pro rata interest in other components of comprehensive income of investee companies**	**-**	**-**
-	**E) Actuarial gains (losses) (*) (**)**	**(2)**	**-**
-	- Actuarial gains (losses)	(2)	-
-	- Income taxes (-)	-	-
(10)	**Total other components of comprehensive income net of taxes (A+B+C+D+E)**	**(19)**	**21**
76	**Total comprehensive profit (loss)**	**126**	**(29)**
	Broken down as follows:		
5	Minority interest in comprehensive profit (loss)	(7)	(1)
71	**Group interest in comprehensive profit (loss)**	**133**	**(28)**

(*) 2012 amounts reflect the application of IAS 19 revised.

(**) Items not reclassificable in Income Statement.

CONSOLIDATED BALANCE SHEET
(in millions of euros)

06.30.2012 (*)		06.30.2013	12.31.2012 (*)
	ASSETS		
4.996	Property, plant and equipment	4.664	4.786
10	Investment property	9	9
3.231	Goodwill	3.231	3.231
992	Hydrocarbon concessions	906	948
120	Other intangible assets	105	105
51	Investments in associates	50	51
193	Available-for-sale investments	183	194
78	Other financial assets	69	75
132	Deferred-tax assets	178	145
124	Other assets	497	108
9.927	**Total non-current assets**	**9.892**	**9.652**
365	Inventories	315	390
3.330	Trade receivables	3.625	3.391
28	Current-tax assets	19	25
677	Other receivables	573	562
114	Current financial assets	97	99
453	Cash and cash equivalents	516	753
4.967	**Total current assets**	**5.145**	**5.220**
1	**Assets held for sale**	**1**	**1**
-	**Eliminations of assets from and to discontinued operations**	**-**	**-**
14.895	**Total assets**	**15.038**	**14.873**
	LIABILITIES AND SHAREHOLDERS' EQUITY		
5.292	Share capital	5.292	5.292
1.692	Reserves and retained earnings (loss carryforward)	1.752	1.693
20	Reserve for other components of comprehensive income	(30)	(11)
(49)	Group interest in profit (loss)	152	81
6.955	**Total shareholders' equity attributable to Parent Company shareholders**	**7.166**	**7.055**
141	Shareholders' equity attributable to minority shareholders	118	132
7.096	**Total shareholders' equity**	**7.284**	**7.187**
35	Provision for employee severance indemnities and provisions for pensions	36	35
169	Provision for deferred taxes	77	79
915	Provisions for risks and charges	898	863
1.795	Bonds	1.797	1.796
265	Long-term financial debt and other financial liabilities	1.291	174
29	Other liabilities	30	31
3.208	**Total non-current liabilities**	**4.129**	**2.978**
107	Bonds	100	104
1.663	Short-term financial debt	341	1.461
2.114	Trade payables	2.308	2.440
26	Current taxes payable	45	11
681	Other liabilities	831	692
4.591	**Total current liabilities**	**3.625**	**4.708**
-	**Liabilities held for sale**	**-**	**-**
-	**Eliminations of liabilities from and to discontinued operations**	**-**	**-**
14.895	**Total liabilities and shareholders' equity**	**15.038**	**14.873**

(*) 2012 amounts reflect the application of IAS 19 revised.

CASH FLOW STATEMENT

2012 full year (*)	(in millions of euros)	1st half 2013	1st half 2012 (*)
77	**Profit (Loss) before taxes**	**289**	**(118)**
868	Depreciation, amortization and writedowns	297	356
14	Net additions to provisions for risks	7	73
(2)	Interest in the result of companies valued by the equity method (-)	-	(2)
1	Dividends received from companies valued by the equity method	1	1
1	(Gains) Losses on the sale of non-current assets	1	1
(1)	Change in the provision for employee severance indemnities and provisions for pensions	(2)	(1)
13	Change in fair value recorded in EBIT	4	(12)
(294)	Change in operating working capital	(291)	(534)
115	Financial income (expense)	52	65
(93)	Net financial expense paid	(47)	(47)
(190)	Income taxes paid	(67)	(90)
45	Change in other operating assets and liabilities	(348)	20
554 A.	**Cash flow from continuing operations**	**(104)**	**(288)**
(459)	Additions to intangibles and property, plant and equipment (-)	(111)	(213)
-	Additions to non-current financial assets (-)	-	-
(2)	Price paid on business combinations (-)	-	-
6	Proceeds from the sale of intangibles and property, plant and equipment	-	4
684	Proceeds from the sale of non-current financial assets	-	684
8	Repayment of capital contribution by non-current financial assets	2	3
529	Change in other current financial assets	2	514
766 B.	**Cash used in investing activities from continuing operations**	**(107)**	**992**
603	Receipt of new medium-term and long-term loans	1.547	403
(1.323)	Redemption of medium-term and long-term loans (-)	(1.520)	(803)
(110)	Change in short-term net financial debt	(33)	(135)
(14)	Distribution of shareholders' equity and reserves (-)	-	-
(14)	Dividends paid to controlling companies or minority shareholders (-)	(20)	(7)
(858) C.	**Cash used in financing activities from continuing operations**	**(26)**	**(542)**
- D.	**Cash and cash equivalents from changes in the scope of consolidation**	**-**	**-**
- E.	**Net currency translation differences**	**-**	**-**
462 F.	**Net cash flow for the period from continuing operations (A+B+C+D+E)**	**(237)**	**162**
(35) G.	**Net cash flow for the period from discontinued operations**	**-**	**(35)**
427 H.	**Net cash flow for the period (continuing and discontinued operations) (F+G)**	**(237)**	**127**
291 I.	**Cash and cash equivalents at the beginning of the year from continuing operations**	**753**	**291**
35 L.	**Cash and cash equivalents at the beginning of the year from discontinued operations**	**-**	**35**
753 M.	**Cash and cash equivalents at the end of the period (continuing and discontinued operations) (H+I+L)**	**516**	**453**
- N.	**Cash and cash equivalents at the end of the period from discontinued operations**	**-**	**-**
753 O.	**Cash and cash equivalents at the end of the period from continuing operations (M-N)**	**516**	**453**

(*) 2012 amounts reflect the application of IAS 19 revised.

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in millions of euros)	Share capital	Reserves and retained earnings (loss carry-forward)	Reserve for other components of comprehensive income: Cash Flow Hedge reserve	Reserve for available-for-sale investments	Differences on the translation of assets in foreign currencies	Interest in other com-ponents of comprehen-sive income of investee companies	Actuarial gains (losses) (*)	Group interest in profit (loss)	Total shareholders' equity attributable to Parent Company shareholders	Shareholders' equity attributable to minority shareholders	Total shareholders' Equity
Balance at December 31, 2011	**5.292**	**2.568**	**(8)**	**-**	**7**	**-**	**-**	**(871)**	**6.988**	**158**	**7.146**
Appropriation of the previous year's profit (loss)	-	(871)	-	-	-	-	-	871	**-**	-	**-**
Dividends distributed	-	-	-	-	-	-	-	-	**-**	(16)	**(16)**
Other changes	**-**	(5)	**-**	**-**	**-**	**-**	**-**	**-**	**(5)**	**-**	**(5)**
Total comprehensive profit (loss)	-	-	17	-	4	-	-	(49)	**(28)**	(1)	**(29)**
of which:											
- Change in comprehensive income for the period	-	-	17	-	4	-	-	-	**21**	-	**21**
- Profit (Loss) from 01.01.2012 to 06.30.2012	-	-	-	-	-	-	-	(49)	**(49)**	(1)	**(50)**
Balance at June 30, 2012	**5.292**	**1.692**	**9**	**-**	**11**	**-**	**-**	**(49)**	**6.955**	**141**	**7.096**
Dividends and reserves distributed	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	(14)	**(14)**
Other changes	**-**	1	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**-**	**1**
Total comprehensive profit (loss)	-	-	(25)	4	(10)	-	-	130	**99**	5	**104**
of which:											
- Change in comprehensive income for the period	-	-	(25)	4	(10)	-	-	-	**(31)**	-	**(31)**
- Profit (Loss) from 07.01.2012 to 12.31.2012	-	-	-	-	-	-	-	130	**130**	5	**135**
Balance at December 31, 2012	**5.292**	**1.693**	**(16)**	**4**	**1**	**-**	**-**	**81**	**7.055**	**132**	**7.187**
Appropriation of the previous year's profit (loss)	-	81	-	-	-	-	-	(81)	**-**	-	**-**
Dividends distributed	-	(17)	-	-	-	-	-	-	**(17)**	(7)	**(24)**
Other changes	-	(5)	-	-	-	-	-	-	**(5)**	-	**(5)**
Total comprehensive profit (loss)	-	-	(13)	(4)	-	-	(2)	152	**133**	(7)	**126**
of which:											
- Change in comprehensive income for the period	-	-	(13)	(4)	-	-	(2)	-	**(19)**	-	**(19)**
- Profit (Loss) from 01.01.2013 to 06.30.2013	-	-	-	-	-	-	-	152	**152**	(7)	**145**
Balance at June 30, 2013	**5.292**	**1.752**	**(29)**	**-**	**1**	**-**	**(2)**	**152**	**7.166**	**118**	**7.284**

(*) The amounts reflect the application of IAS 19 revised.