



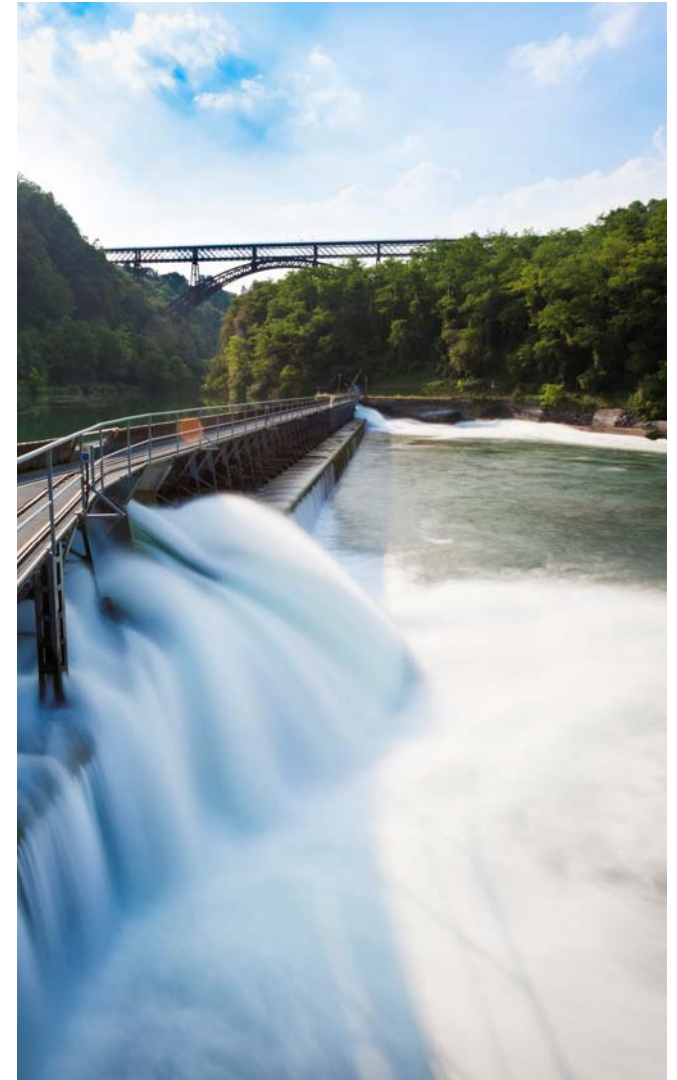
FIRST HALF 2017 RESULTS

Milan, July 2017



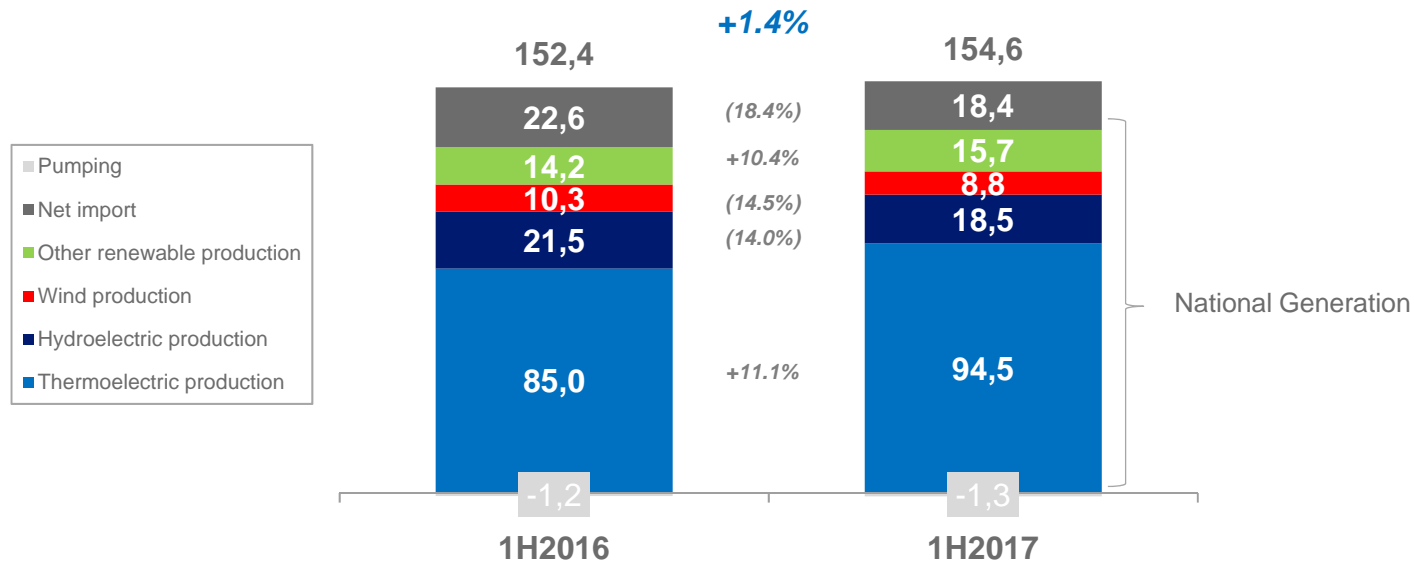
Full Year 2016 results | Feb. 17

BUSINESS ENVIRONMENT



ELECTRIC POWER AVAILABILITY MIX IN ITALY

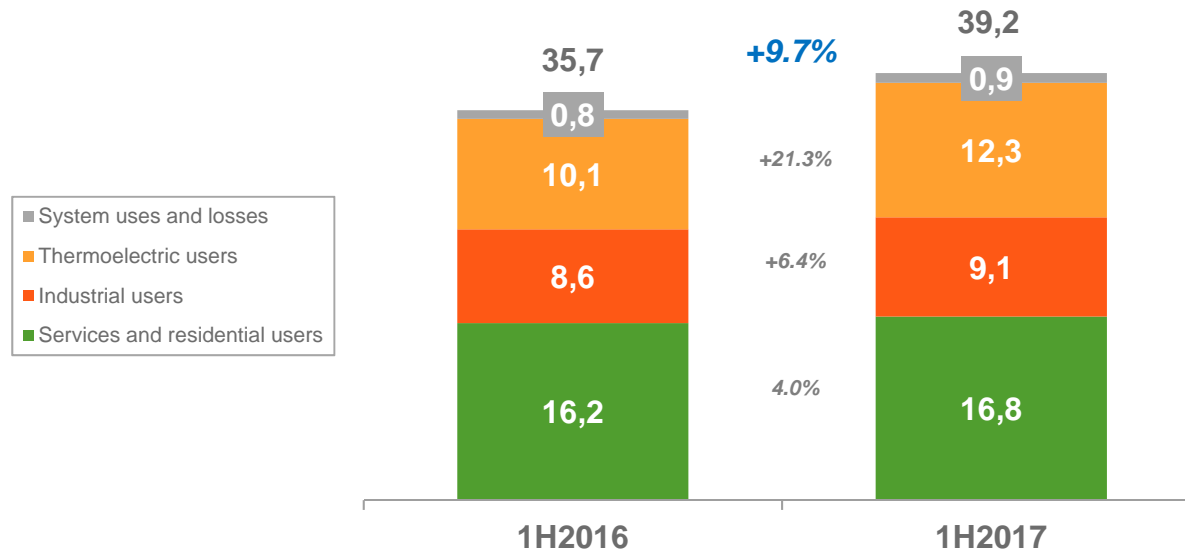
(TWh)



National generation increased by 1.4% thanks to exceptional temperatures in January and June. Higher thermoelectric generation more than compensated for lower net import and scarce hydroelectric production.

GAS DEMAND IN ITALY

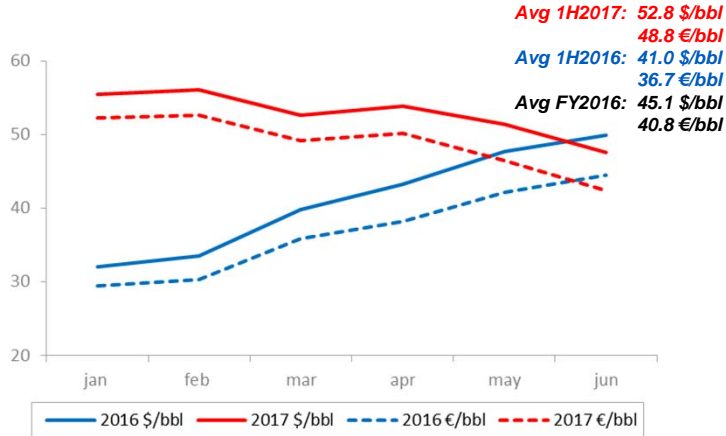
(bcm)



Gas demand increased by 9.7% thanks to higher gas powered generation, a recovery in industrial consumption and higher residential uses as a result of cold weather in January.

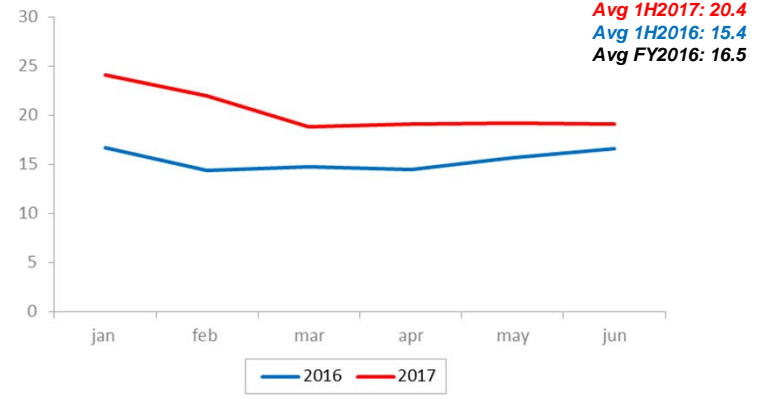
MARKET REFERENCE SCENARIO

BRENT



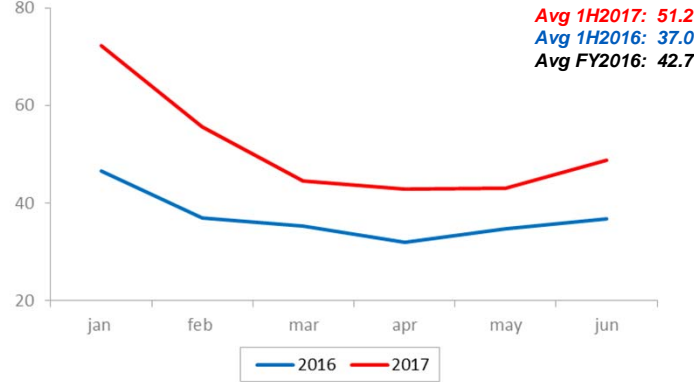
PSV

(€/scm)



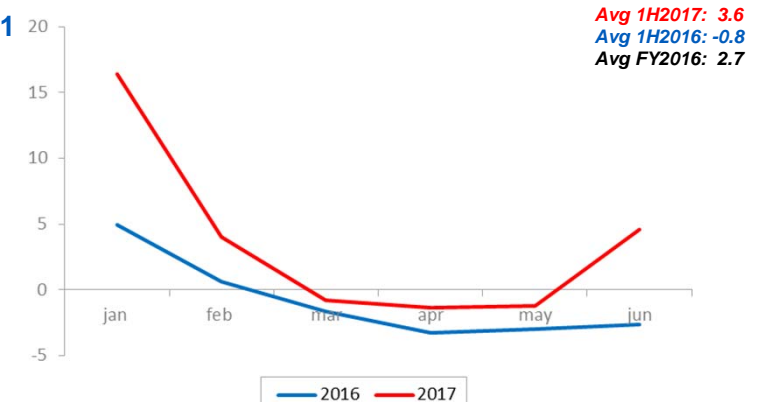
PUN TWA

(€/MWh)



CSS¹

(€/MWh)



1. Clean Spark Spread
 Source: Edison

FIRST HALF 2017 RESULTS

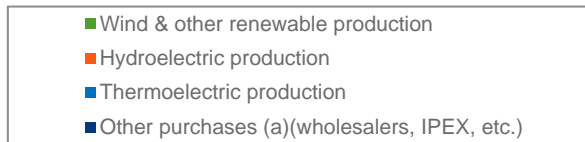
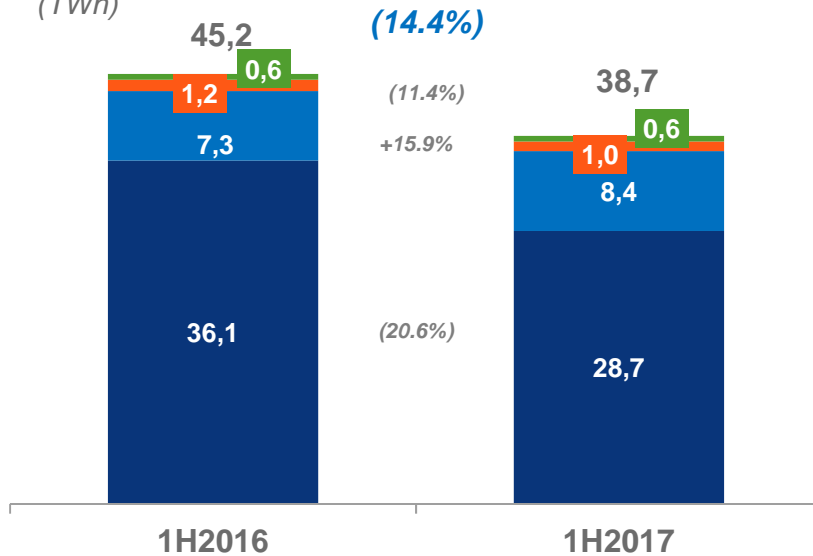
- Electric power and hydrocarbons sources and uses
- Consolidated financial highlights and capital expenditures
- Operating performance
- Net financial debt and cash flow



ELECTRIC POWER VOLUMES IN ITALY

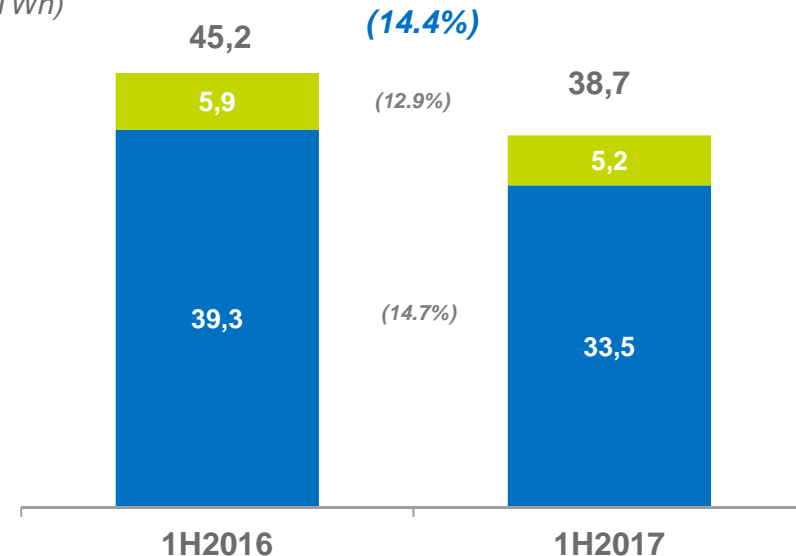
SOURCES

(TWh)



USES

(TWh)

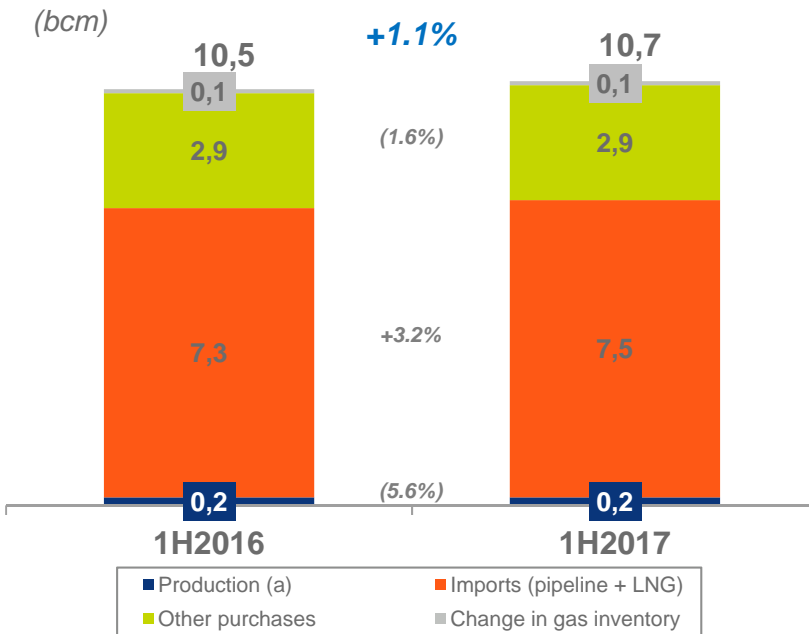


a) Gross of losses, excluding trading portfolio
 b) Excluding trading portfolio
 c) Gross of losses

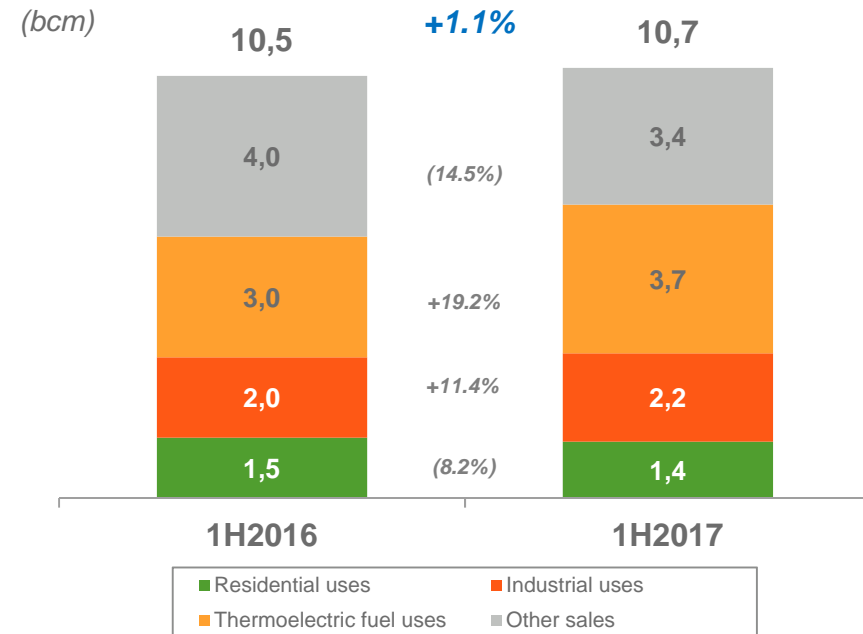
HYDROCARBONS VOLUMES

GAS PORTFOLIO IN ITALY

SOURCES



USES

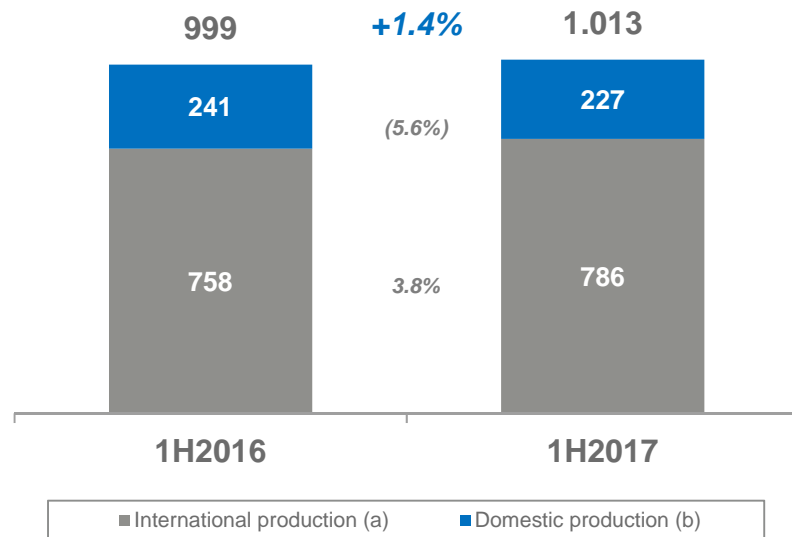


HYDROCARBONS VOLUMES

E&P OPERATIONS

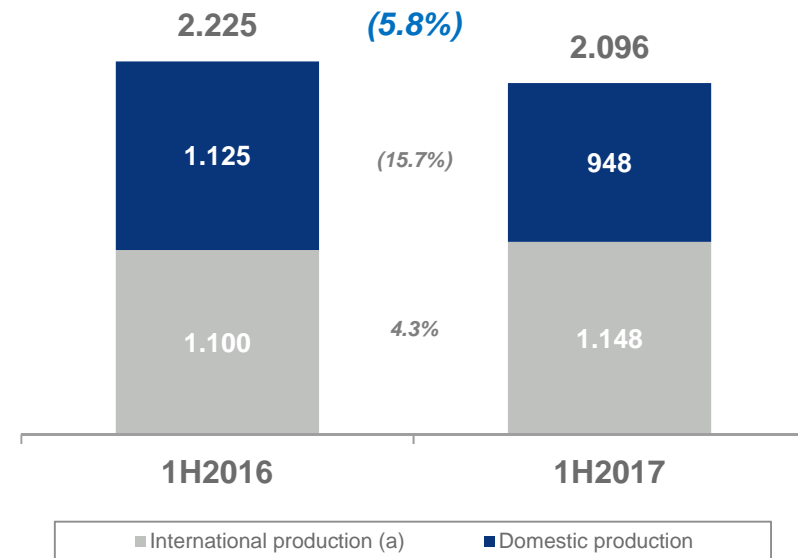
GAS PRODUCTION

(mcm)



OIL PRODUCTION

(kbbbl)



a) International production includes volumes withheld as production tax
 b) Including production from Izabela concession in Croatia imported in Italy

GROUP CONSOLIDATED HIGHLIGHTS^{a)}

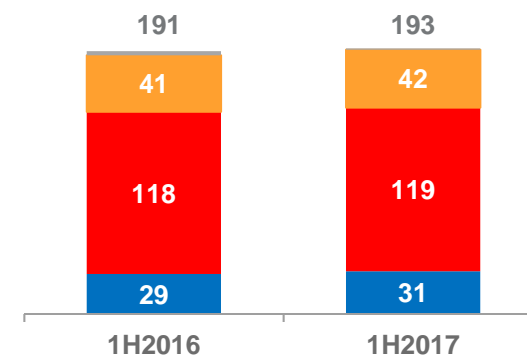
(€ mln)

| FY2016 | | 1H2016 | 1H2017 | Δ |
|--------|----------------------------|--------|--------|---------|
| 11.034 | Sales revenues | 5.468 | 4.968 | (9,1%) |
| 653 | EBITDA | 340 | 426 | 25,3% |
| (260) | EBIT | 21 | 19 | (9,5%) |
| (347) | Profit (loss) before taxes | (36) | (57) | (58,3%) |
| (389) | Group net income (loss) | (67) | (140) | nm |

| | | | |
|-----|---|-----|-----|
| 379 | Net capex & net financial investments ^{b)} | 191 | 193 |
|-----|---|-----|-----|

| FY2016 | | 1H2016 | 1H2017 |
|--------|--------------------------------------|--------|--------|
| 7.327 | Net invested capital | 7.337 | 6.884 |
| 1.062 | Net financial debt | 1.067 | 780 |
| 6.265 | Total shareholders' equity | 6.270 | 6.104 |
| 5.955 | <i>of which Group's net interest</i> | 5.922 | 5.817 |
| 0,17 | Debt/Equity ratio | 0,17 | 0,13 |

Net capex & financial investments^{b)}

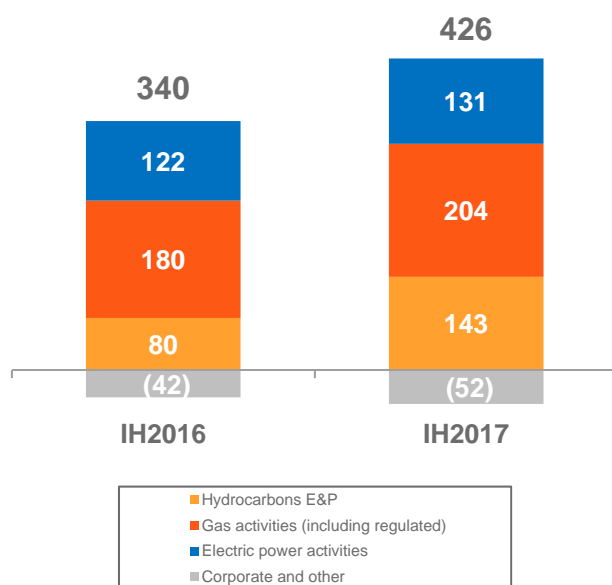


a) Including Fenice fully consolidated from April 1 2016 and the swap of Edison participations in Hydros and Sel Edison with 100% of Cellina Energy, fully consolidated from June 1 2016. In view of the binding offer received from Snam for the sale of 100% of Infrastrutture Trasporto Gas and 7.3% in Terminale GNL Adriatico, 1H2017 results include the non recurring negative effect of the sale of such non strategic gas assets. The relevant assets and liabilities have been reclassified among assets and liabilities held for sale.

b) Including additions to non-current financial assets, net price paid on business combinations and net proceeds from the sale of intangibles and property, plant and equipment

OPERATING PERFORMANCE BREAKDOWN

| (<i>€ mln</i>) | Electric Power | | | Hydrocarbons | | | Corporate and other | | | Total Edison Group | | |
|---------------------|----------------|--------|--------|--------------|--------|--------|---------------------|--------|---------|--------------------|--------|--------|
| | 1H2016 | 1H2017 | Δ | 1H2016 | 1H2017 | Δ | 1H2016 | 1H2017 | Δ | 1H2016 | 1H2017 | Δ |
| Sales revenues | 2.650 | 2.544 | (4,0%) | 3.111 | 2.821 | (9,3%) | (293) | (397) | (35,5%) | 5.468 | 4.968 | (9,1%) |
| Adjusted EBITDA (*) | 122 | 131 | 7,4% | 260 | 347 | 33,5% | (42) | (52) | (23,8%) | 340 | 426 | 25,3% |



EBITDA increased mainly as a result of:

- the recovery of the oil scenario
- the higher margins in the thermoelectric sector, despite lower hydroelectric production

2016 power EBITDA includes Fenice consolidation since April 1, 2016 and €33mln positive one off from the swap of hydroelectric assets with Alperia

FROM CONSOLIDATED EBITDA TO NET RESULT

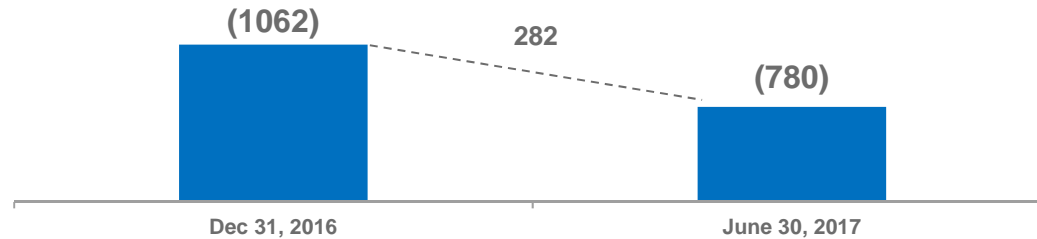
| (€ mln) | 1H2016 | 1H2017 | Δ |
|---|-------------|--------------|-------------|
| EBITDA | 340 | 426 | 86 |
| Depreciation, amortization and writedowns | (241) | (240) | 1 |
| <i>Of which: exploration costs</i> | <i>(41)</i> | <i>(42)</i> | <i>(1)</i> |
| Net change in fair value of commodity derivatives | (77) | (161) | (84) |
| Other income (expense), net | (1) | (6) | (5) |
| EBIT | 21 | 19 | (2) |
| Net financial income (expense) | (60) | (33) | 27 |
| Income from (Expense on) equity investments | 3 | (43) | (46) |
| Profit (loss) before taxes | (36) | (57) | (21) |
| Income taxes | (20) | (77) | (57) |
| Profit (loss) | (56) | (134) | (78) |
| <i>of which:</i> | | | |
| Minority interest in profit (loss) | 11 | 6 | (5) |
| Group interest in profit (loss) | (67) | (140) | (73) |

Despite the improvement in industrial activities, the Group recorded a loss of €-140mln mainly due to the negative effect of change in fair value of derivatives. Improvement in net financial expenses as a result of non recurring costs incurred in 2016.

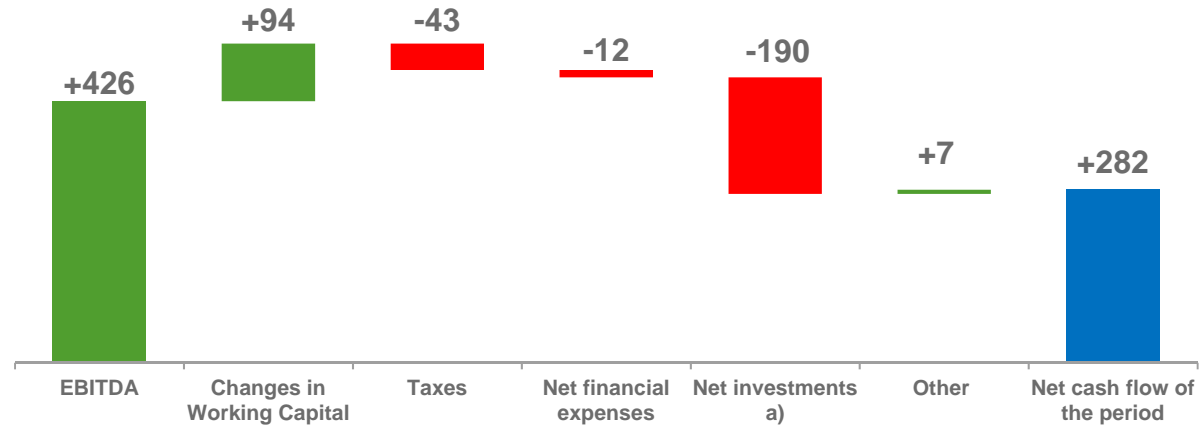
NET FINANCIAL DEBT AND CASH FLOW

(€ mln)

**FURTHER
REDUCTION OF NET
FINANCIAL DEBT
BELOW €0.8 BLN**



**POSITIVE CASH
INFLOW
GENERATED BY
INDUSTRIAL
PERFORMANCE**



a) Including capex, disposals, net financial investments and changes in perimeter.

STATEMENT

As required by Article 154-bis, Section 2, of the Uniform Finance Law (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 presentation is consistent with the data in the Company’s documents, books of accounts and other accounting records.