



FIRST HALF 2015 RESULTS

Milan – July 29th, 2015

- **Business Environment**
- **First half 2015 results:**
 - Electric power and hydrocarbons sources and uses
 - Consolidated financial highlights and capital expenditures
 - Operating performance
 - Net financial position and cash flow

MARKET REFERENCE SCENARIO

FY2014		1Q2015	1Q2014	Δ	2Q2015	2Q2014	Δ	1H2015	1H2014	Δ
99,5	ICE Brent swap (\$/bbl)	55,2	107,9	(49%)	63,6	109,7	(42%)	59,4	108,8	(45%)
1,33	Exchange rate (€/€)	1,13	1,37	(18%)	1,10	1,37	(19%)	1,12	1,37	(19%)
74,6	ICE Brent swap (€/bbl)	49,1	78,8	(38%)	57,5	80,0	(28%)	53,3	79,4	(33%)
402,2	Gas Release 2 (€/000 scm) a)	397,2	391,5	1%	337,5	395,3	(15%)	367,4	393,4	(7%)
244,8	PSV (€/000 scm)	254,7	269,8	(6%)	238,2	220,6	8%	246,5	245,2	1%
220,8	TTF (€/000 scm)	225,1	257,2	(13%)	222,5	200,7	11%	223,8	229,0	(2%)
52,1	PUN TWA (€/MWh)	51,9	52,4	(1%)	47,9	46,5	3%	49,9	49,5	1%
58,9	PUN Peak (€/MWh)	59,1	62,6	(6%)	50,3	49,8	1%	54,7	56,2	(3%)
48,3	PUN Off Peak (€/MWh)	47,9	46,8	2%	46,6	44,6	5%	47,2	45,7	3%
2,2	Spark Spread TWA (€/MWh)	0,0	-2,3	100%	-1,1	1,4	n.a.	-0,6	-0,4	(25%)
9,0	Spark Spread Peak (€/MWh)	7,3	7,9	(8%)	1,2	4,8	(74%)	4,2	6,3	(33%)
-1,6	Spark Spread Off Peak (€/MWh)	-4,0	-7,9	49%	-2,4	-0,5	n.a.	-3,2	-4,2	23%
6,0	CO2 (€/ton)	7,0	5,9	20%	7,3	5,3	38%	7,2	5,6	28%

a) At PSV of Snam Rete Gas

Source: Edison

ELECTRIC POWER AVAILABILITY MIX AND GAS DEMAND IN ITALY

Electricity supply mix_{a)}

FY14	(TWh)	1Q15	1Q14	Δ	2Q15	2Q14	Δ	1H15	1H14	Δ
165,7	Thermoelectric production	44,5	42,7	4,2%	38,7	37,2	4,1%	83,2	79,9	4,1%
58,1	Hydroelectric production	9,5	12,8	(26,1%)	13,8	17,5	(20,8%)	23,3	30,3	(23,0%)
43,8	Other renewable production	11,1	10,0	11,0%	13,7	12,6	8,1%	24,7	22,6	9,4%
267,6	Net production	65,1	65,5	(0,7%)	66,2	67,3	(1,6%)	131,2	132,8	(1,2%)
43,7	Net import	13,5	13,4	0,8%	9,4	8,8	6,6%	22,9	22,3	3,1%
(2,3)	Pumping	(0,5)	(0,7)	(38,9%)	(0,5)	(0,6)	(20,7%)	(0,9)	(1,4)	(30,5%)
309,0	Total sources	78,1	78,2	(0,1%)	75,1	75,5	(0,5%)	153,2	153,7	(0,3%)

a) Gross of losses

Source: Terna data and Edison estimates

Gas demand

FY14	(bcm)	1Q15	1Q14	Δ	2Q15	2Q14	Δ	1H15	1H14	Δ
25,5	Services & residential users	13,8	12,0	14,3%	3,3	3,1	5,8%	17,0	15,1	12,6%
16,5	Industrial users	4,4	4,5	(0,5%)	3,9	4,0	(1,9%)	8,3	8,5	(1,2%)
17,8	Thermoelectric users	5,1	4,6	11,3%	4,0	3,8	6,1%	9,1	8,4	9,0%
1,6	Auto consumption and losses	0,4	0,3	10,5%	0,4	0,4	2,6%	0,8	0,7	6,2%
61,4	Total demand	23,7	21,4	10,6%	11,6	11,3	3,1%	35,2	32,7	7,9%

Source: Ministry of Economic Development, SRG and Edison estimates

- **Business Environment**
- **First half 2015 results:**
 - Electric power and hydrocarbons sources and uses
 - Consolidated financial highlights and capital expenditures
 - Operating performance
 - Net financial position and cash flow

ELECTRIC POWER SOURCES AND USES IN ITALY (TWh)

SOURCES	1H2015	1H2014	Δ%
Edison production:	9,0	8,4	5,9%
- thermoelectric	6,7	5,6	19,3%
- hydroelectric	1,7	2,3	(30,7%)
- wind and other renewables	0,6	0,5	28,3%
Other purchases (a)(wholesalers, IPEX, etc.)	35,1	36,6	(4,0%)
Total sources	44,1	45,0	(2,2%)

USES	1H2015	1H2014	Δ%
End customers (b)	9,1	10,3	(12,4%)
Other sales (c) (wholesalers, IPEX, etc.)	35,0	34,7	0,9%
Total uses	44,1	45,0	(2,2%)

a) *Gross of losses , excluding trading portfolio.*

b) *Gross of losses.*

c) *Excluding trading portfolio*

HYDROCARBONS VOLUMES

Gas portfolio in Italy (bcm)

SOURCES	1H2015	1H2014	Δ%
Productions	0,2	0,1	51,5%
Imports (pipeline + LNG)	6,2	4,9	25,8%
Other purchases	1,3	1,3	(1,2%)
Change in stored gas inventory	0,3	0,1	<i>nm</i>
Total sources in Italy	8,0	6,4	24,8%

USES	1H2015	1H2014	Δ%
Residential use	1,6	1,3	17,6%
Industrial use	1,6	1,7	(1,3%)
Thermoelectric fuel use	2,4	2,1	17,4%
Other sales	2,4	1,3	75,4%
Total uses in Italy	8,0	6,4	24,8%

E&P operations

GAS PRODUCTION (mcm)	1H2015	1H2014	Δ%
Domestic production	253	167	51,5%
International production a)	780	892	(12,6%)
Total gas production	1.033	1.059	(2,5%)

OIL PRODUCTION (Kbbl)	1H2015	1H2014	Δ%
Domestic production	1.320	1.190	10,9%
International production a)	805	800	0,6%
Total oil production	2.125	1.990	6,8%

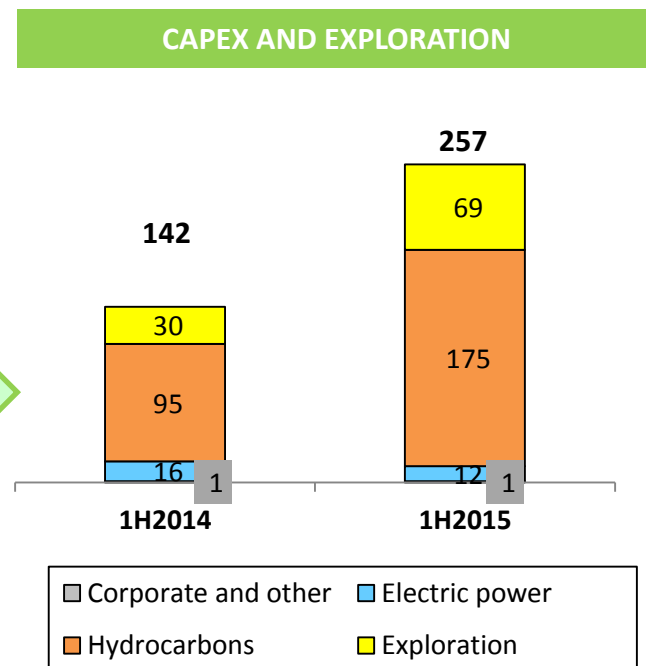
a) International production includes volumes withheld as production tax

EDISON GROUP – CONSOLIDATED HIGHLIGHTS

(€ mln)

FY2014		1H2015	1H2014 a)	Δ
12.325	Sales revenues	5.619	6.111	(8,1%)
814	EBITDA	204	423	(51,8%)
292	EBIT	(155)	324	nm
214	Profit (loss) before taxes	(152)	249	nm
40	Group net income (loss)	(207)	116	nm
387	Total capex	257	142	81,0%

FY2014		1H2015	1H2014 a)
8.903	Net invested capital	8.754	9.694
1.766	Net financial debt	1.679	2.264
7.137	Total shareholders' equity	7.075	7.430
6.627	of which Group's net interest	6.618	7.315
0,25	Debt/Equity ratio	0,24	0,30
3.101	Employees (nr.)	3.086	3.145

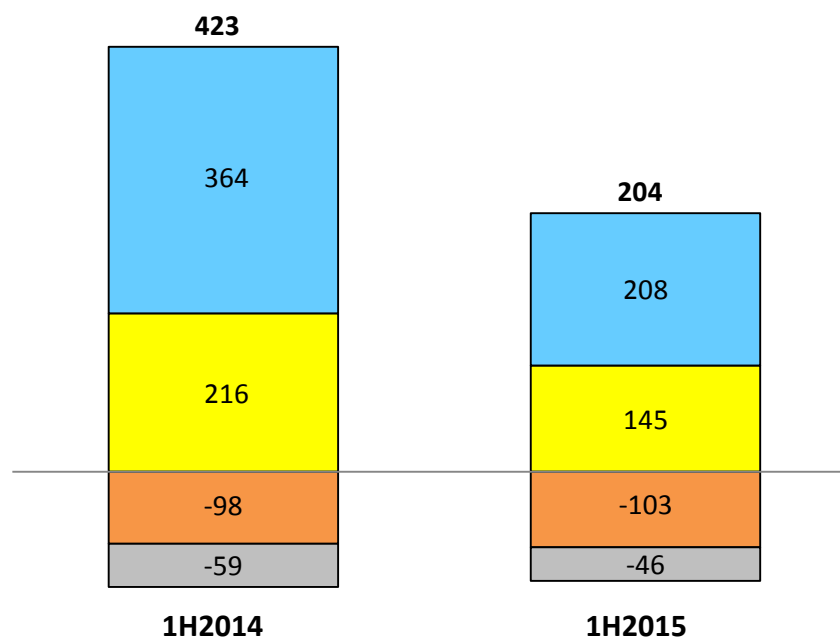


(a) 1H2014 data were restated for a new presentation of derivatives and other non recurring expenses.

OPERATING PERFORMANCE BREAKDOWN

	Electric Power			Hydrocarbons			Corporate, adj. and other			Total Edison Group		
	1H2015	1H2014	Δ	1H2015	1H2014	Δ	1H2015	1H2014	Δ	1H2015	1H2014	Δ
(€ mln)												
Sales revenues	3.284	3.869	(15,1%)	2.717	2.585	5,1%	(382)	(343)	(11,4%)	5.619	6.111	(8,1%)
EBITDA	208	364	(42,9%)	42	118	(64,4%)	(46)	(59)	22,0%	204	423	(51,8%)

EBITDA BREAKDOWN (€ mln)



- Hydrocarbons E&P
- Electric power merchant activities
- Gas supply and sales and regulated activities
- Corporate, adj. and other

EDISON GROUP – FROM EBITDA TO NET RESULT

FY2014	(€ mln)	1H2015	1H2014 a)	△
814	EBITDA	204	423	(219)
(761)	Depreciation, amortization and writedowns	(300)	(247)	(53) b)
250	Net change in fair value of commodity derivatives	(48)	157	(205)
(11)	Other income (expense), net	(11)	(9)	(2)
292	EBIT	(155)	324	(479)
(91)	Net financial income (expense)	6	(82)	88
13	Income from (Expense on) equity investments	(3)	7	(10)
214	Profit (loss) before taxes	(152)	249	(401)
(159)	Income taxes	(40) c)	(125)	85
55	Profit (loss) from continuing operations	(192)	124	(316)
0	Profit (loss) from discontinued operations	0	0	0
55	Profit (loss)	(192)	124	(316)
	<i>of which:</i>			
15	Minority interest in profit (loss)	15	8	7
40	Group interest in profit (loss)	(207)	116	(323)

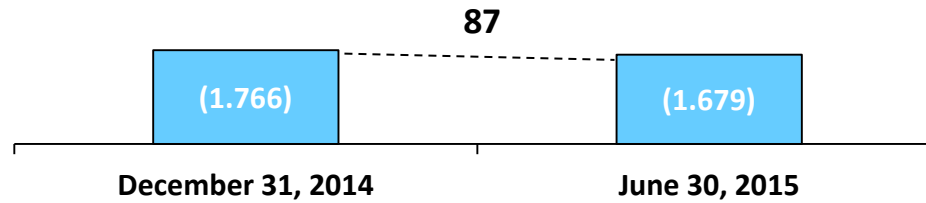
a) 1H2014 data were restated for a new presentation of derivatives and other non recurring expenses.

b) Higher D&A due to higher exploration costs (39 mln€) and write-down of some E&P activities abroad (11 mln€).

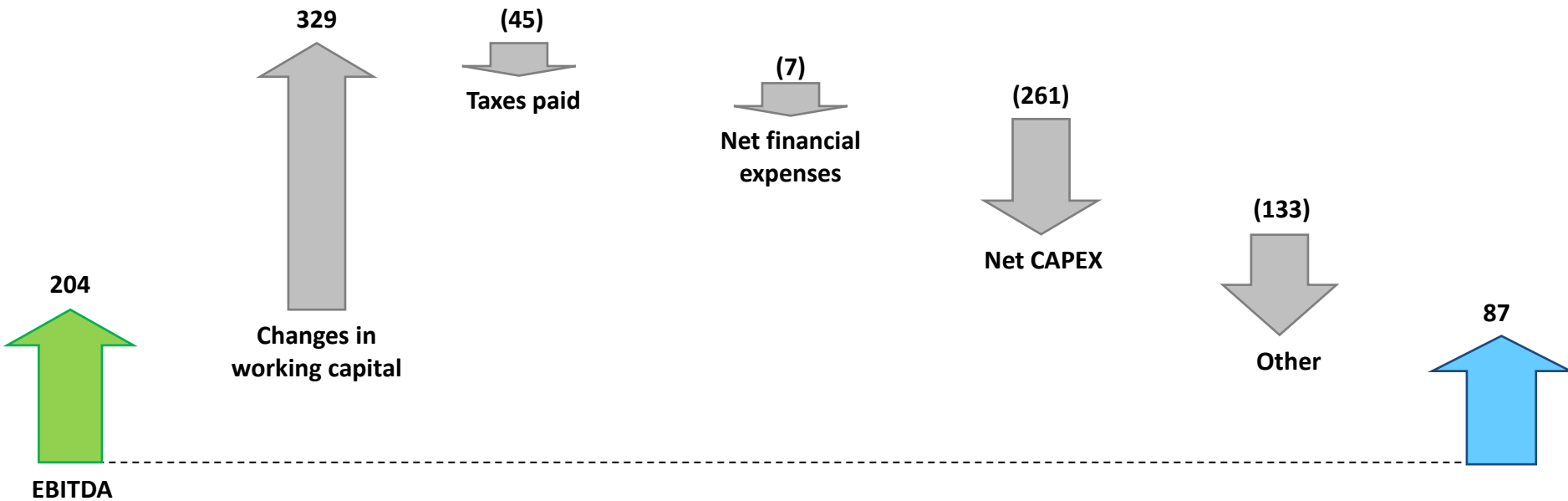
c) Following the ruling of unconstitutionality of the Robin Hood Tax, the deferred tax assets and the provision for deferred tax were eliminated.

NET FINANCIAL POSITION AND CASH FLOW

NET FINANCIAL POSITION (€ mln)



1H2015 CASH FLOW (€ mln)



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.