



FIRST QUARTER 2011 RESULTS

Milan – May 9th, 2011

- **Business environment**

- **First quarter 2011 results:**

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

MARKET REFERENCE SCENARIO 1/2

FY2010		4Q2010	IQ2011	IQ2010	Δ
80,3	ICE Brent swap (\$/bbl)	87,3	105,2	77,3	36%
1,3	Exchange rate (€/\$)	1,4	1,4	1,4	(1%)
60,6	ICE Brent swap (€/bbl)	64,3	76,9	55,9	38%
295,4	Gas Release 2 (€/000 scm)*	300,1	309,5	265,8	16%
270,0	Gas CCI (€/000 scm)**	283,3	292,5	244,3	20%
64,1	PUN TWA (€/MWh)	64,0	66,5	62,9	6%
77,2	PUN F1 (€/MWh)	75,5	76,7	77,8	(1%)
58,0	PUN F2-F3 (€/MWh)	58,7	61,6	56,3	9%
9,9	Spark Spread TWA (€/MWh)	13,0	12,0	9,0	33%
23,0	Spark Spread F1 (€/MWh)	24,5	22,2	23,9	(7%)
3,8	Spark Spread F2-F3 (€/MWh)	7,7	7,1	2,4	n.s.
14,5	CO2 (€/ton)	14,8	15,3	13,1	17%

* At PSV of Snam Rete Gas

** At the border, D. 134/06 AEEG updated according to D. 192/08, D.40/09 and D. 64/09.

Source: Edison

ELECTRIC POWER AVAILABILITY MIX AND GAS DEMAND IN ITALY

Electricity supply mix ^{a)} (TWh)

FY2010		IQ2011	IQ2010	Δ
222,2	Thermoelectric production	58,1	57,7	0,7%
49,4	Hydroelectric production	9,8	10,5	(6,9%)
15,0	Other renewable production	4,0	3,9	2,7%
286,6	Net production	71,9	72,1	(0,3%)
43,9	Net import	12,0	11,7	2,5%
(4,3)	Pumping	(0,6)	(1,4)	(52,7%)
326,2	Total sources	83,3	82,4	1,1%

a) Gross of losses, net of auxiliary services

b) Same variation on a seasonally adjusted basis

Source: Terna, Edison estimates

Gas demand (bcm)

FY2010		IQ2011	IQ2010	Δ
33,9	Services & residential users	15,3	16,1	(5,6%)
17,4	Industrial users	4,8	4,7	3,8%
30,1	Thermoelectric users	7,7	7,7	(0,1%)
1,4	Auto consumption and losses	0,3	0,4	(2,8%)
82,8	Total demand	28,1	28,9	(2,6%)

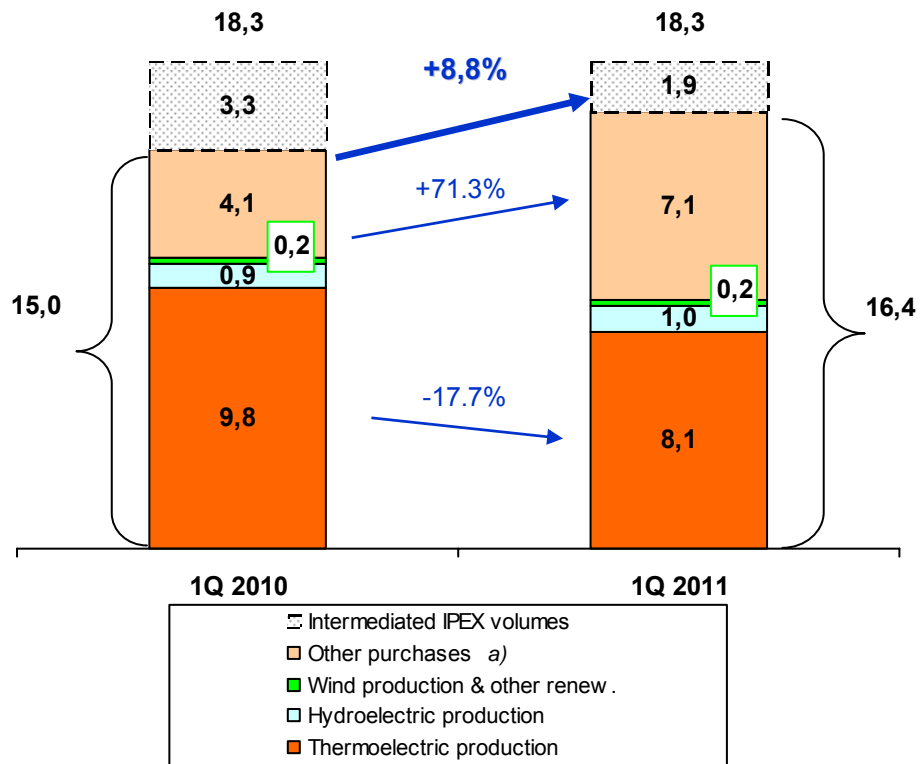
Source: Ministry of Economic Development, Edison estimates

- **Business environment**

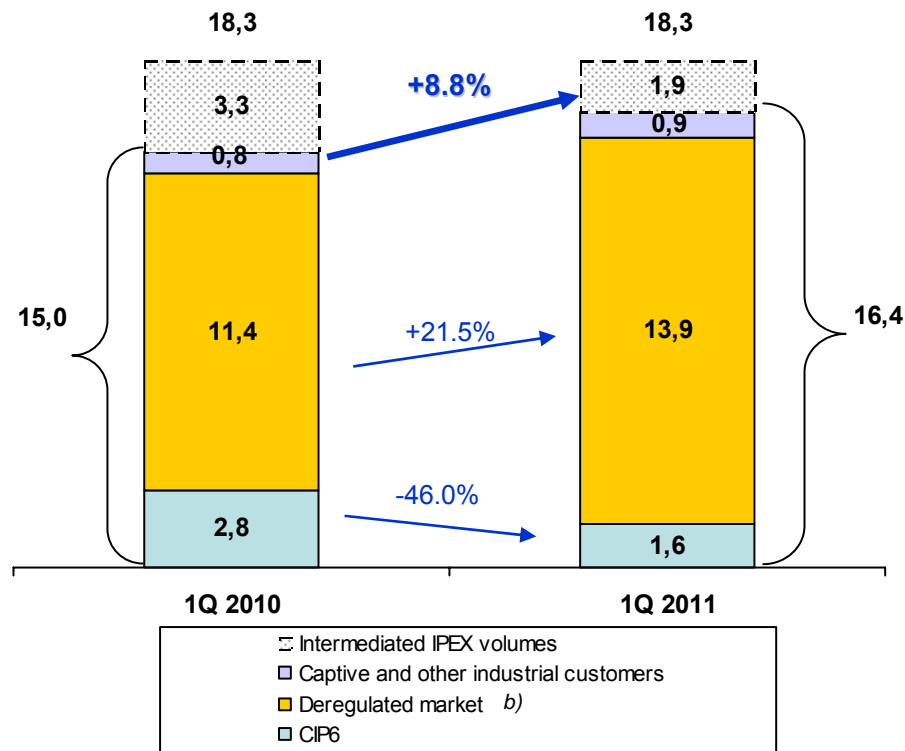
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EDISON ELECTRIC POWER OPERATIONS — TOTAL SOURCES AND USES

SOURCES IN ITALY (TWh)



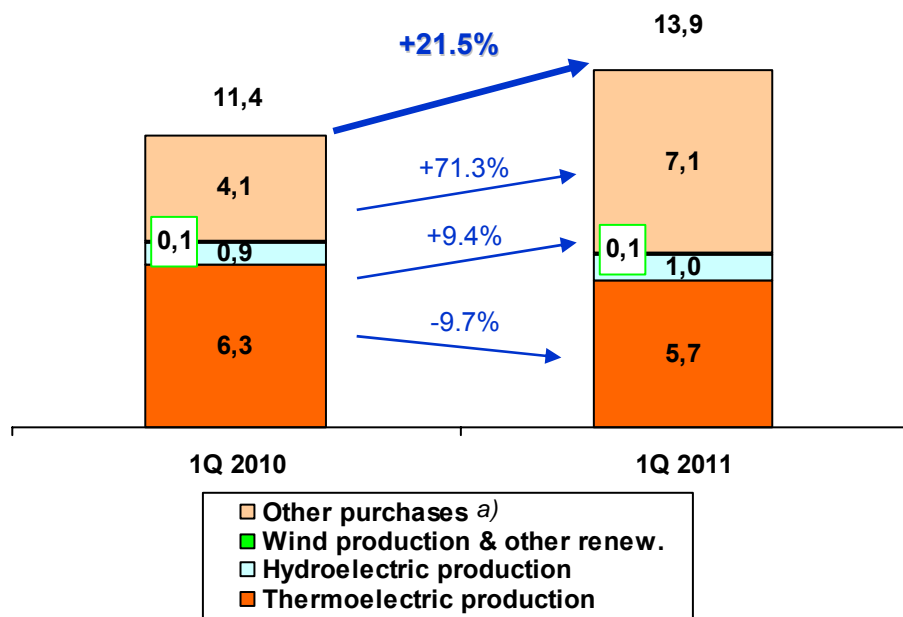
USES IN ITALY (TWh)



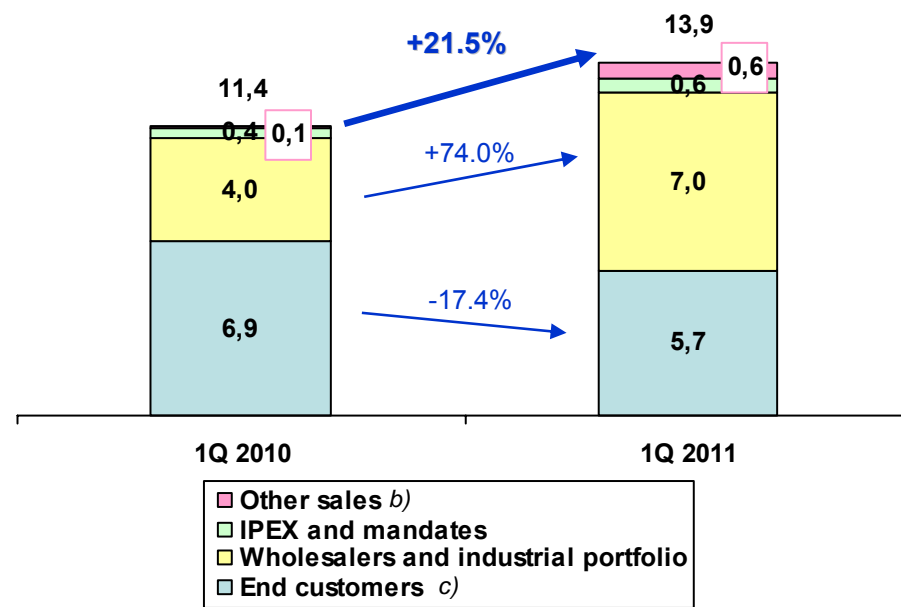
a) Gross of losses and excluding trading portfolio.

EDISON ELECTRIC POWER OPERATIONS — FREE MARKET IN ITALY

SOURCES (TWh)



USES (TWh)



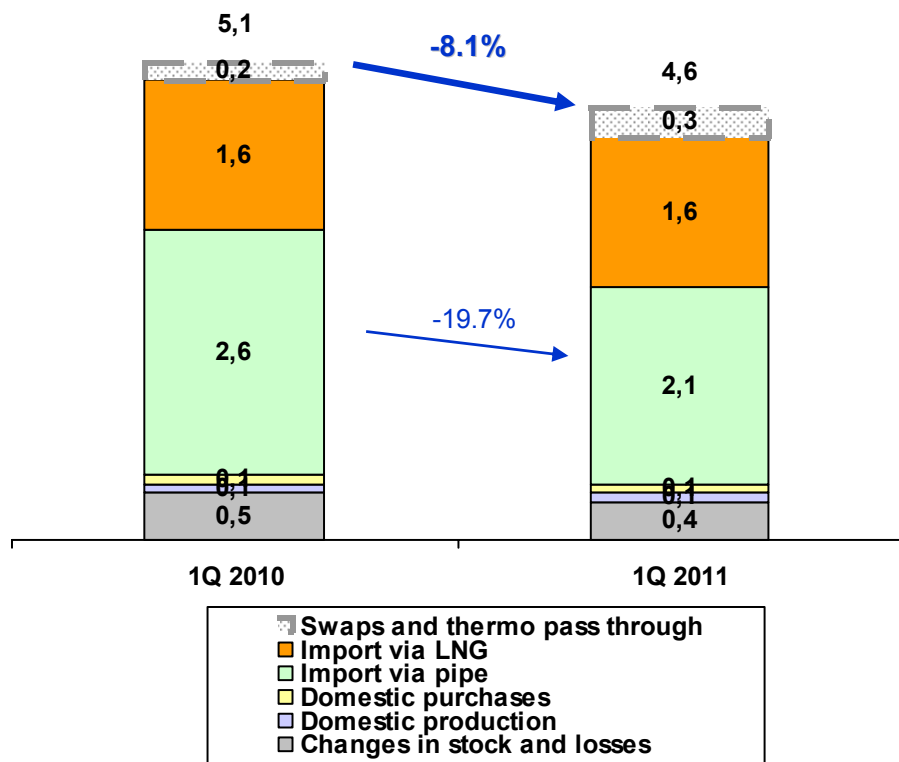
a) Gross of losses, excluding trading portfolio and intermediated IPEX volumes

b) Excluding trading portfolio and intermediated IPEX volumes

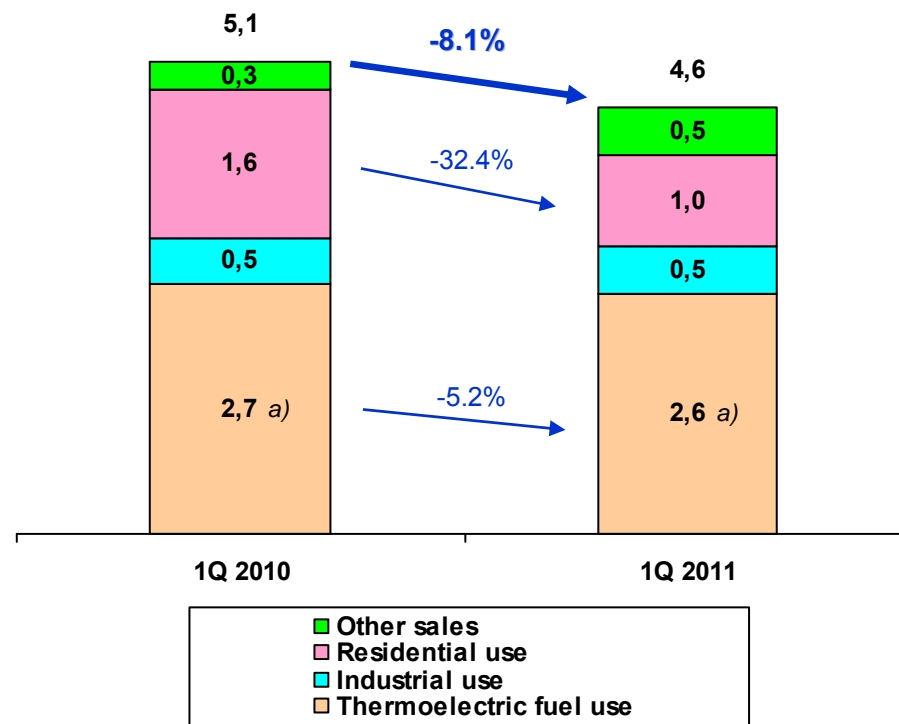
c) Gross of losses

EDISON GAS PORTFOLIO IN ITALY — SOURCES AND USES

SOURCES (bcm)



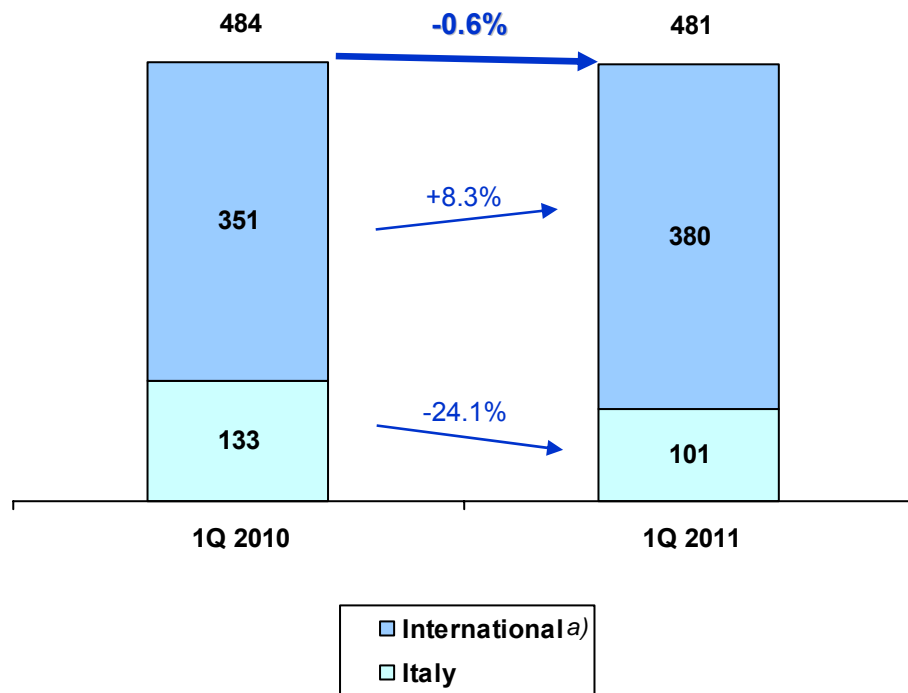
USES (bcm)



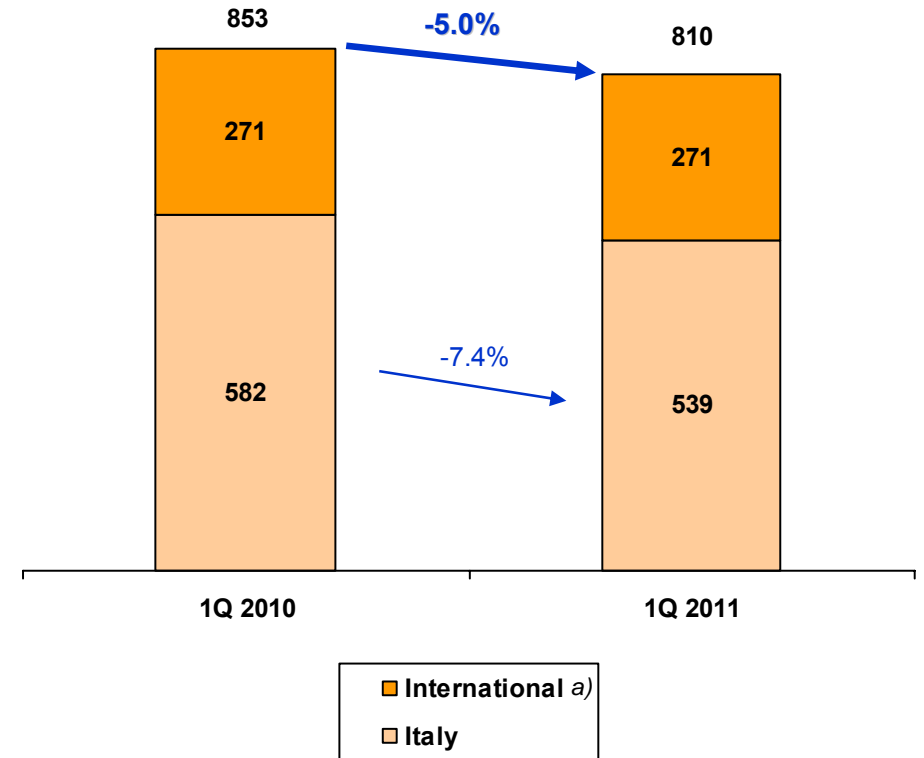
a) Of which respectively 0.9 bcm and 1.1 bcm thermoelectric sales to third parties in 1Q 2010 and 1Q 2011.

EDISON GROUP E&P OPERATIONS

GAS PRODUCTION (mcm)



OIL PRODUCTION (Kbbl)



a) International productions include volumes withheld as production tax

EDISON GROUP — CONSOLIDATED HIGHLIGHTS

FY2010	€ mln	IQ2011	IQ2010	Δ
10.446	Sales revenues	2.966	2.742	8,2%
1.369	EBITDA	183	321	(43,0%)
273	EBIT	26	149	(82,6%)
172	Profit (loss) before taxes	(13)	131	n.s.
21	Group net income (loss)	(20)	67	n.s.

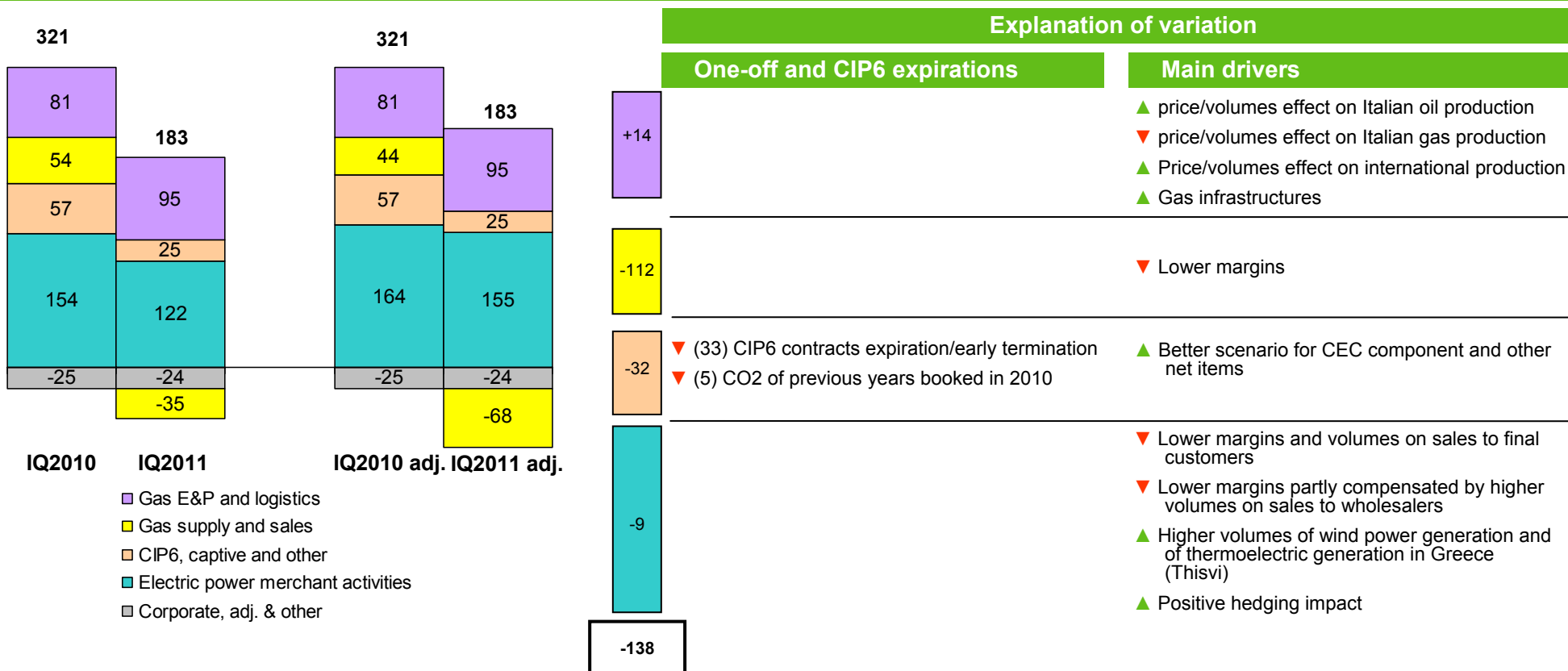
557	Total capex	104	161	(35,4%)
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31.12.2010	€ mln	31.03.2011	31.03.2010
11.845	Net invested capital	12.152	12.086
3.708	Net financial debt	4.054	3.970
8.137	Stockholders' equity	8.098	8.116
7.939	<i>of which Group's net interest</i>	7.932	7.944
0,46	Debt/Equity ratio	0,50	0,49
3.939	Employees	3.922	3.928

OPERATING PERFORMANCE BREAKDOWN

(€ mln)	Electric Power			Hydrocarbons			Corporate, adj. and other			Total Edison Group		
	IQ2011	IQ2010	Δ	IQ2011	IQ2010	Δ	IQ2011	IQ2010	Δ	IQ2011	IQ2010	Δ
Sales revenues	1.882	1.746	7,8%	1.511	1.503	0,5%	(427)	(507)	(15,8%)	2.966	2.742	8,2%
EBITDA	147	211	(30,3%)	60	135	(55,6%)	(24)	(25)	(4,0%)	183	321	(43,0%)
EBITDA adjusted ^{a)}	180	221	(18,6%)	27	125	(78,4%)	(24)	(25)	(4,0%)	183	321	(43,0%)

EBITDA breakdown (€ mln)



a) **Adjusted EBITDA** reflect the reclassification of the results of Brent and foreign exchange hedging transactions executed in connection with natural gas import contracts. In the framework of the Group's risk management strategy, such hedging transactions have the purpose of mitigating the risk of fluctuation of the cost of gas used for the production and sale of electric power, as well as for the sales of natural gas. The economic result of these hedging activities, which for the reasons above is recorded in the Hydrocarbons operations, has been reclassified in the Electric Power operations for the portion related to the same business.

EDISON GROUP — FROM EBITDA TO NET INCOME

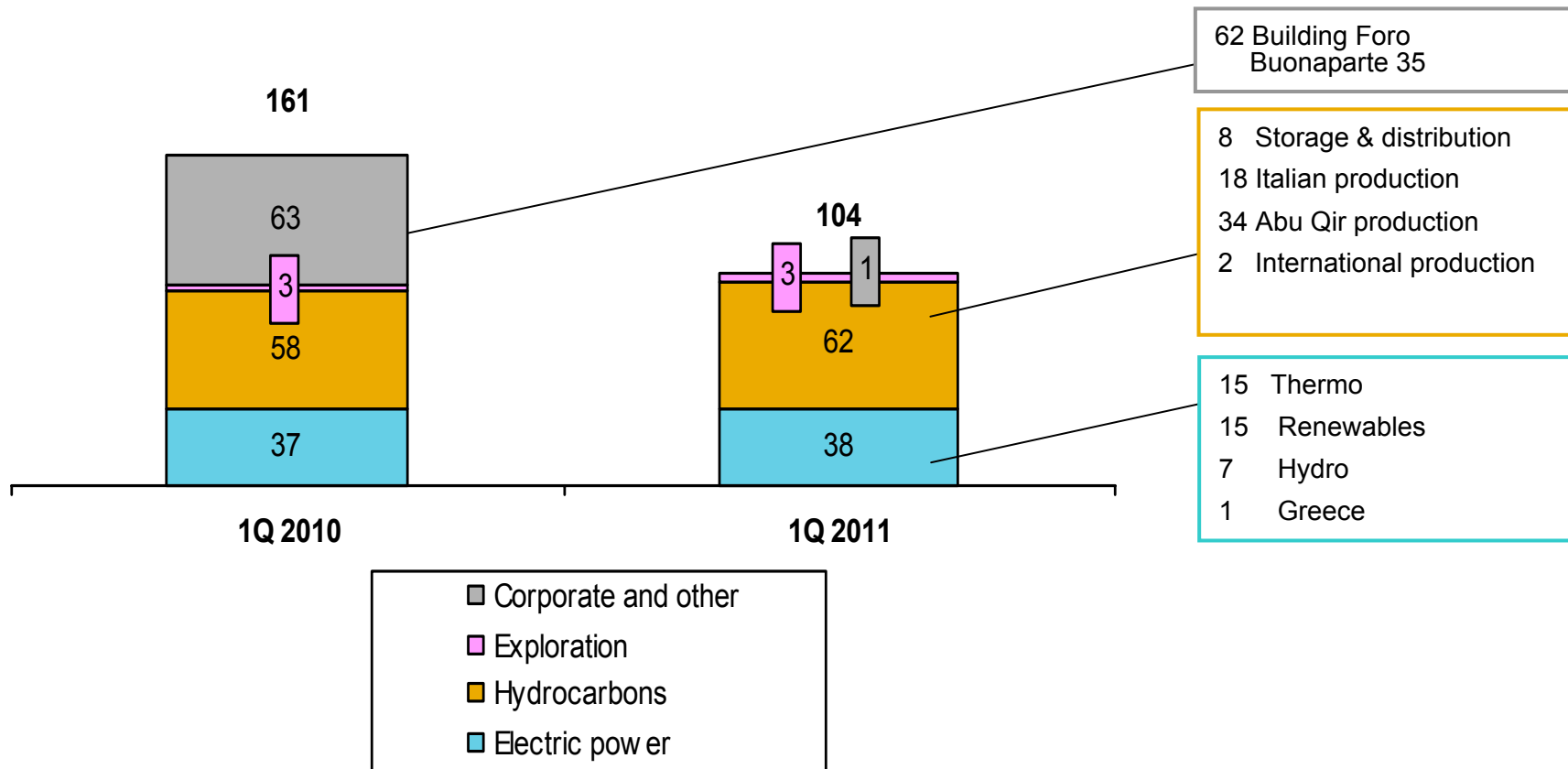
FY2010	(€ mln)	IQ2011	IQ2010	Δ
1.369	EBITDA	183	321	(138)
(1.096)	Depreciation, amortization and writedowns	(157)	(172)	15
273	EBIT	26	149	(123)
(144)	Net financial income (expense)	(42)	(25)	(17) a)
43	Income (expense) on equity investments & other	3	7	(4)
172	Profit (loss) before taxes	(13)	131	(144)
(83)	Income taxes	(8) b)	(63)	55
89	Profit (loss) from continuing operations	(21)	68	(89)
(40)	Profit (loss) from discontinuing operations	-	-	-
49	Net income (loss)	(21)	68	(89)
(28)	Minority (income) loss	1	(1)	2
21	Group interest in net income (loss)	(20)	67	(87)

a) The difference is mainly related to higher net currency translation losses incurred in connection with fuel procurement transactions.

b) The tax burden is negatively affected by regional taxes (IRAP) and non deductible costs.

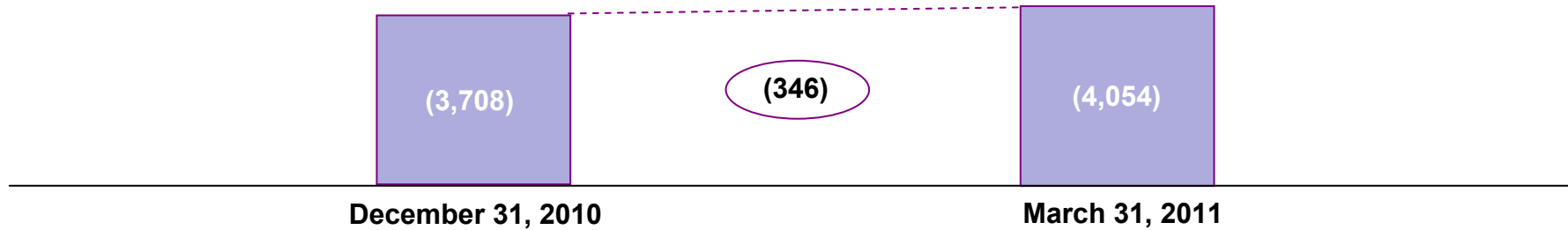
CAPITAL EXPENDITURES AND EXPLORATION

€ mln

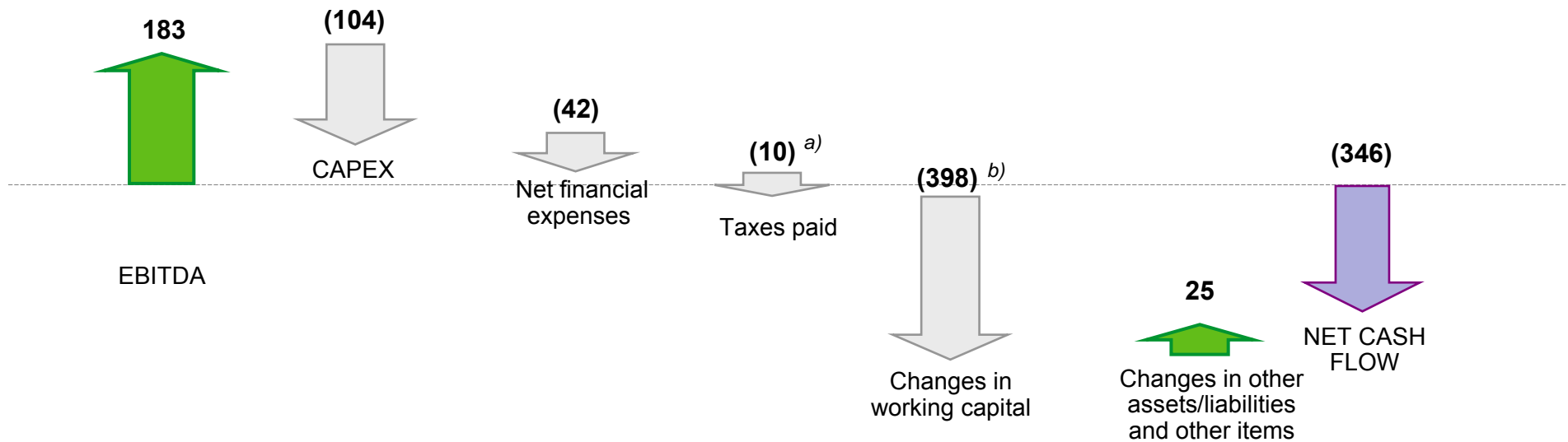


NET FINANCIAL DEBT AND CASH FLOW

Net Financial Debt (€ mln)



Cash Flow in 1Q 2011 (€ mln)



a) Taxes paid on Abu Qir

b) Mainly due to increased receivables, the lengthening of payment terms on receivables and higher receivables in arrears from EGPC

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Projected data and estimates entail risks and uncertainties. There are a number of factors that could produce significant differences between projected results and actual results. In addition, results may be affected by trends that are often difficult to anticipate, are generally beyond Edison's control and could produce results and developments that are substantially different from those explicitly or implicitly described or computed in the abovementioned projected data and estimates. The non-exhaustive list that follows being provided merely by way of example, these risks include: significant changes in the global business scenario; fluctuations in the prices of certain commodities, such as electric power, natural gas and coal; and changes in the market's competitive conditions and in the general regulatory framework.

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STATEMENT

As required by Article 154-bis, Section 2, of the Uniform Finance Law (Legislative Decree No 58/1998), Marco Andreasi, in his capacity as "Dirigente preposto alla redazione dei documenti contabili societari" of Edison S.p.A., attests that the accounting information contained in this presentation is consistent with the data in the Company's documents, accounting records and other records.