



Press Release

EDISON STRENGTHENS ITS POWER GENERATION BUSINESS THROUGH THE ACQUISITION OF 90 MW IN THE FRIULI VENEZIA GIULIA REGION (CELLINA)

Edison signed an agreement with SEL to swap Edison stakes in Hydros and SelEdison with SEL hydroelectric assets in the Friuli Venezia Giulia Region

The transaction will increase Edison installed capacity by 90 MW with a positive impact on 2016 EBITDA of about 30 million euro

Bolzano, December 29th, 2015 – **Edison** and **SEL (Società Elettrica Altoatesina)** reached an agreement to swap Edison stakes in Hydros and SelEdison in the province of Bolzano with SEL hydroelectric plants in the Friuli Venezia Giulia Region. Through this agreement, that will be concluded in the next few hours, **Edison strengthens its activities in the Hydroelectric sector, which is key for the company's development strategy, and extends the average life of its hydroelectric portfolio reducing at the same time the risks related to the concessions renewals. The transaction will have a positive impact on Edison results already in 2016.**

The acquisition has a total value of about 190 million euro and provides that **Edison sell its stakes in Hydros (40%) and SelEdison (42%) in exchange for the 100% of Cellina hydroelectric plant.** Thanks to this transaction Edison, that would have deconsolidated both participations starting from 2016, will fully consolidate the asset company which includes Cellina plants with a positive impact on 2016 EBITDA of about 30 million euro per year. The closing of the transaction is expected in the first quarter of 2016.

*"Hydroelectric assets are strategic for our company. Today's agreement confirms Edison's commitment to the hydropower generation sector. It testifies Edison intention to play an active role in the consolidation of the Italian electricity industry - states **Bruno Lescoeur**, Edison CEO -. We want to extend the life of our plants' concessions and increase the Edison hydroelectric plants fleet through operations like this: on the one hand we sell financial interests, on the other we gain new power capacity. This transaction is the result of the strong relationship between Edison and the Regions of Alto Adige and Friuli Venezia Giulia - adds **Lescoeur** -. The collaboration with SEL has always been positive and it will continue also in the future thanks to new industrial cooperation agreements between the two companies."*

The hydroelectric plants on Cellina river, whose concessions expire in 2029, includes **23 plants between large and small hydro**, in the Province of Pordenone, for a total installed power capacity of **90 MW**. Cellina plants have entered the perimeter of SEL as a result of a redefinition of Edipower ownership structure, of which Edison has been 50% shareholder till 2012.

Active in the hydroelectric power sector since 1898, Edison has an extensive experience in renewable energy production. The presence in the North East of Italy dates back to the late '20s with the Prati di Vizze plant, followed in the period immediately before and after the Second World War by the strong expansion in the hydroelectric power sector. Edison currently operates in Friuli Venezia Giulia with Valina, Chievolis, Meduno, Colle e Istrago plants in Val Meduna and now also with the hydroelectric plants on the Cellina river. **Edison hydroelectric fleet consists of 47 hydroelectric power plants with an installed capacity of 1.4 GW. In 2014 Edison hydroelectric power plants produced 5 TWh of electricity, equal to 28% of the total production of Edison.**

Edison

Edison is one of the main companies in Italy and Europe in the supply, production and sale of energy and in the E&P. With over 130 years of history, Edison has contributed to the electrification and development of the Country. Today Edison operates in 10 countries worldwide in Europe, Africa, Middle East and South America, employing 3,000 people. The electric sector can count on a plants fleet with a total installed capacity of 7,700 MW. In 2014 Edison produced 17.6 TWh with a 6.7% market share. In the upstream sector, the company can count on hydrocarbons reserves of 347 million barrels of oil equivalent. Edison gas supply portfolio is equal to 13.2 billion cubic meters

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Edison's External Relations Department

Edison Press Office

Elena Distaso

T 338-2500609; E elena.distaso@edison.it

Lucia Caltagirone

T 331-6283718 ; E lucia.caltagirone@edison.it

Edison's Investor Relations: T 02 6222 8849; E investor.relations@edison.it