QUARTERLY REPORT
at September 30, 2015

EDISON

Contents

QUARTERLY REPORT AT SEPTEMBER 30, 2015

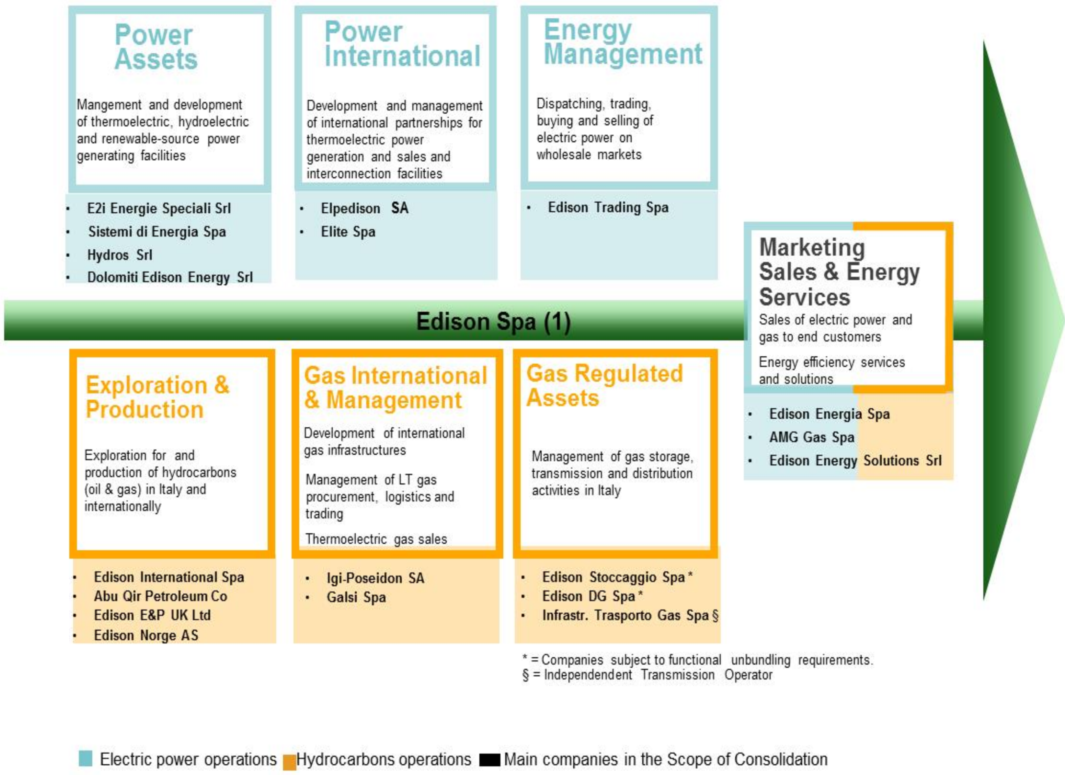
The document has been translated into English for the convenience of readers outside Italy. The original Italian document should be considered the authoritative version.

REPORT ON OPERATIONS
at September 30, 2015

INTRODUCTION TO EDISON

Simplified Structure of the Group at September 30, 2015

Organization and Activities of the Divisions, Business Units and Main Companies in the Scope of Consolidation



(1) Edison Spa, working through its various Divisions and Business Units and Corporate Activities, is directly engaged in the production of electric power from thermoelectric and hydroelectric power plants, and produces, imports and distributes hydrocarbon products.

Financial Highlights

In order to help the reader obtain a better understanding of the Group's operating and financial performance, the tables that follow contain alternative performance indicators that are not included among those provided in the IFRS accounting principles. The methods used to compute these indicators, consistent with the guidelines of the European Securities and Markets Authority (ESMA), are described in the footnotes to the tables.

Edison Group

2014 full year	(in millions of euros)	9 months 2015	9 months 2014(*)	*% change*	Q3 2015	Q3 2014(*)	*% change*
12,325	Sales revenues	8,309	8,930	*(7.0%)*	2,690	2,819	*(4.6%)*
814	EBITDA	272	652	*(58.3%)*	68	229	*(70.3%)*
6.6%	*as a % of sales revenues*	*3.3%*	*7.3%*		2.5%	*8.1%*	
292	EBIT	(157)	387	*n.m.*	(2)	63	*n.m.*
2.4%	*as a % of sales revenues*	*n.m.*	*4.3%*		n.m.	*2.2%*	
55	Profit (Loss) from continuing operations	(208)	193	*n.m.*	(16)	69	*n.m.*
-	Profit (Loss) from discontinued operations	-	-	-	-	-	-
40	Group interest in net profit (loss)	(231)	177	n.m.	(24)	61	n.m.
320	Capital expenditures	281	198	*41.9%*	93	86	*8.1%*
67	Investments in exploration	106	46	*n.m.*	37	16	*n.m.*
8,903	Net invested capital (A + B)[1]	8,523	9,631	*(4.3%)*			
1,766	Net financial debt (A)[1][2]	1,718	2,145	*(2.7%)*			
7,137	Shareholders' equity before minority interest (B)[1]	6,805	7,486	*(4.7%)*			
6,627	Shareholders' equity attributable to the shareholders of the parent company [1]	6,338	7,363	*(4.4%)*			
3.25%	ROI [3]	n.m.	5.53%				
0.58%	ROE [4]	n.m.	3.26%				
0.25	Debt / Equity (A/B)	0.25	0.29				
20%	Gearing (A/A+B)	20%	22%				
3,101	Number of employees [1][5]	3,071	3,146	*(1.0%)*			

(1) End-of-period data. The changes are computed against the data at December 31, 2014.

(2) A breakdown of this item is provided in the "Net Financial Debt" section of the Review of the Group's Operating Performance and Financial Results.

(3) Annualized EBIT/Average net invested capital from continuing operations. Net invested capital from continuing operations does not include the value of equity investments held as non-current assets and is computed as the arithmetic average of the net invested capital at the end of the period and at the end of the previous year.

(4) Annualized Group interest in net result/Average shareholders' equity attributable to Parent Company shareholders. Average shareholders' equity is the arithmetic average of the Group interest in shareholders' equity at the end of the period and at the end of the previous year.

(5) Companies consolidated line by line.

(*) The data for the first nine months and third quarter of 2014 were restated consistent with a new presentation of derivatives and nonrecurring expense.

Key Events in the Third Quarter of 2015

Edison Refocuses on Developing Hydroelectric Production with the Pizzighettone and Maleo Power Plants

In July 2015, Edison acquired from the AGS (Alto Garda Servizi) Group 100% of the shares of SHEN Spa which operates the Maleo generating facility on the Adda River. The Maleo plant which has been operational since 2003, has an installed capacity of 3 MW and produces about 15 GWh a year. Because its structure is completely below ground, this facility is fully integrated into the surrounding landscape.

In addition in the month of June 2015, Edison started the construction of the new facility of Pizzighettoni (Cremona); this 4.5 MW power plant, scheduled to go on stream in 2016, will produce 17.5 GWh of electric power. Also the Pizzighettone facility will be built below ground and will thus be fully integrated into the surrounding landscape.

These two power plants will strengthen the Company’s operations in the historically strategic hydroelectric sector and round out Edison’s current portfolio of production facilities, which currently boasts an installed capacity of 7,300 MW.

Significant Events Occurring After September 30, 2015

Information about events occurring after the end of the three-month period covered by this Report is provided in the section of the Review of the Group’s Operating Performance and Financial Results entitled “Significant Events Occurring After September 30, 2015.”

EXTERNAL CONTEXT

Economic Framework

The slowing of economic growth and global commerce appeared to be continuing as of September 2015, reflecting unresolved problems both in the advanced countries and the emerging economies. However, the most significant development is the fact that the emerging countries are no longer acting as the engines driving international trade. More specifically, several factors account for their reduced contribution: the persisting geopolitical conflicts in the Middle East, Russia and Ukraine; the decline of oil prices, which reduced consumption by countries that are net exporters of crude; and a deeper than anticipated slowing of the Chinese economy. China's performance was adversely affected by an incomplete and poorly handled transition from an export driven economy to one based on growth in internal consumption, which created uncertainties about China's economic growth expectations that affected financial and raw material markets, creating enormous fluctuations.

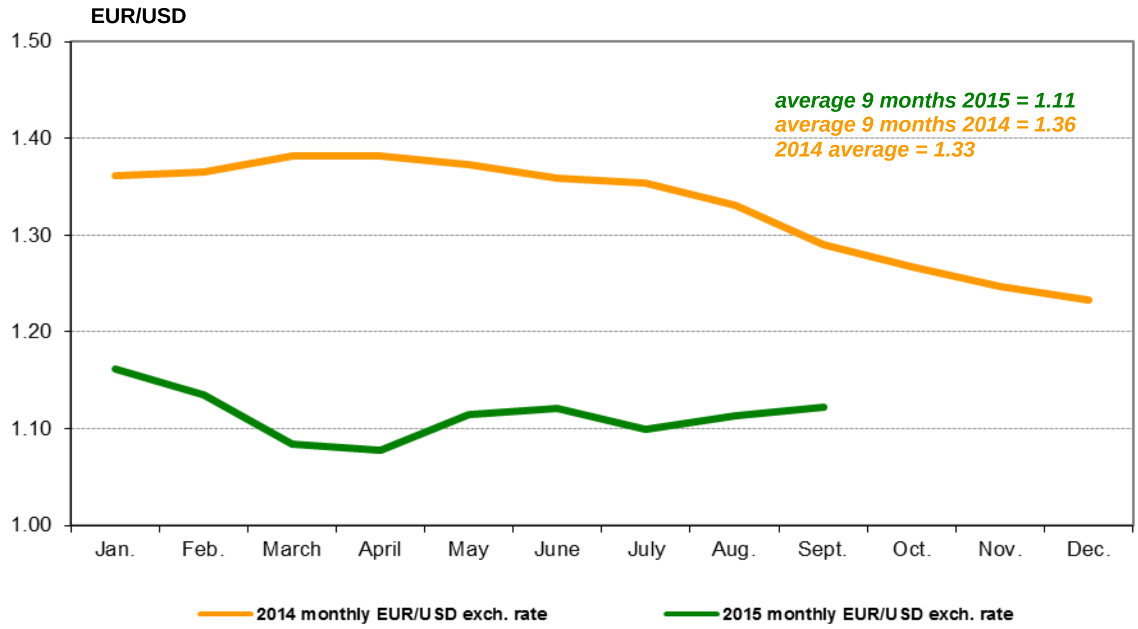
The advanced countries did provide a positive contribution, but it was not enough to help the global economy fully regain its upward momentum. During the first nine months of 2015, Great Britain continued on its growth path and Japan, after a negative 2014, should end 2015 on a positive note.

The United States continue to present several contradictions: while, on the one hand, employment levels are growing, internal demand is getting stronger and the real estate and automobile markets are showing renewed vigor, on the other hand, wages are not growing and the U.S. economy is weighted down by an increase in the value of the dollar and lower oil prices, as well as by uncertainties in the emerging countries. These developments caused the Federal Reserve to hold interest rates unchanged from the lows set in 2008.

A similar decision was made by the European Central Bank (ECB), which at its September meeting held unchanged the current cost of money (all-time low), as the recovery in the Eurozone is still viewed as fragile and subject to the risk of a retrenchment due to a weakening of foreign demand directly related to the emerging countries. More specifically regarding the Eurozone, GDP performance was disappointing in Germany and France, but positive in Spain. In an environment of persistent uncertainty there were some tentative indications of change in Italy during the summer: industrial production data improved, internal demand is showing positive signs and employment data are on the upswing. The recovery in Italy is not based just on manufacturing but also, and more importantly, on the service sector, an area in which employment has grown to a level higher than the one achieved before the economic crisis.

During the first nine months of 2015, the EUR/USD exchange rate averaged 1.11 USD for one euro, or about 18% less than in the same period last year (1.36 USD for one euro). The decrease was particularly pronounced during the first four months of the year, with the exchange rate falling to the lowest level of the past 10 years (1.06 USD for one euro) in April and holding relatively steady subsequently. This performance reflects the impact of a persisting divergence in the monetary policies pursued by the ECB and the Fed. About seven months after the start of the quantitative easing program, Chairman Draghi does not exclude the possibility that the program may be extended beyond its scheduled expiration if, despite the planned injection of liquidity in the European banking system, the stated inflation objective (2%) cannot be achieved.

On the other hand, the Federal Reserve completed its quantitative easing program in October and is now waiting for solid growth indicators that will enable it to begin raising interest rates from the crisis lows of 2008. At the same time, the slowdown that affected the Chinese market in recent months resulted in a revision of global growth estimates. The result was a more detailed reassessment of the effects that an increase in U.S. interest rates could have on emerging economies that with a dollar-denominated debt exposure. These considerations provided additional arguments against raising interest rates, a decision that, in any case, is still viewed as unnecessary, given the low inflation level.



During the first nine months of this year, crude oil prices averaged 56.7 USD/barrel, for a year-over-year decrease of about 47%. More specifically, the price fell to 51.2 USD/barrel in the third quarter of 2015, or about 50% less than in the same period last year. The downward trend of recent months represents a continuation of a decline that started in June 2014 and culminated this past August with a Brent crude price of 42.7 USD/barrel, the lowest level since the 2008 crisis.

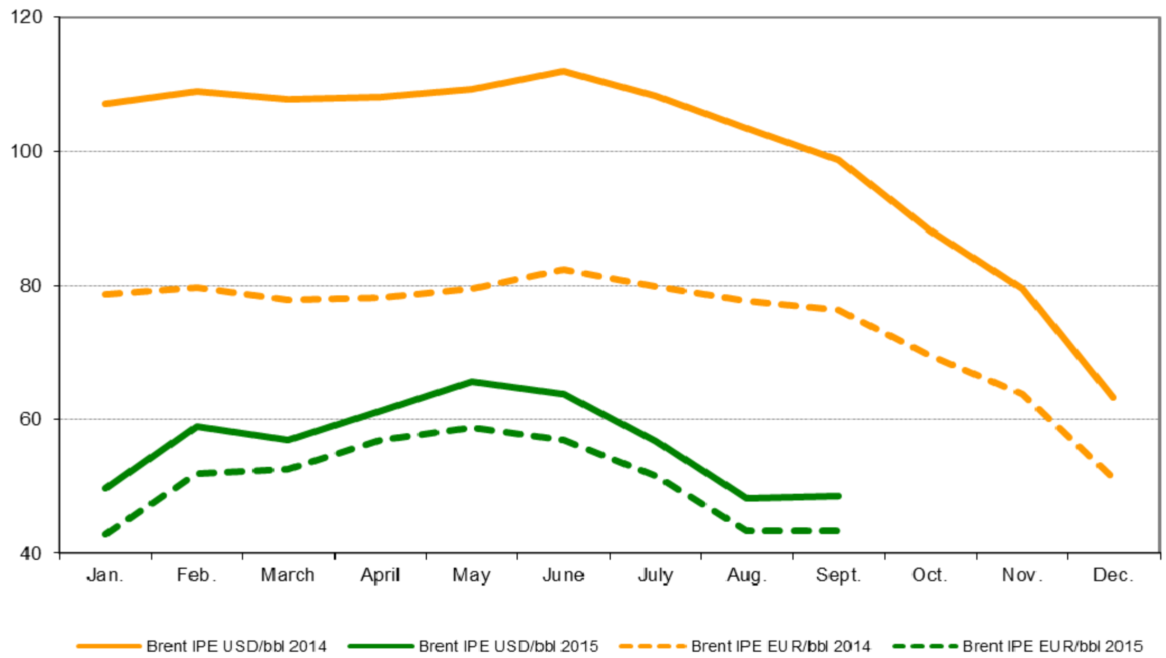
With data stated in euros, the effect of falling oil prices is less pronounced due to the concurrent loss in value of the E.U.'s single currency, with the price decreasing to 50.9 EUR/barrel, or about 35% less than in the first nine months of 2014. Overall, the fluctuations that characterized the first nine months of the year mainly reflect changes in the demand/supply balance and expectations of a market rebalancing over the medium term. In effect, the increased volatility is a consequence of the continuing presence of a supply surplus in a context of a limited increase in demand. More specifically, even though some of its members requested an extraordinary meeting to contain the market supply overhang, OPEC is continuing to pursue a strategy focused on maintaining market share, waiting for other producers to reduce output.

The only concrete sign of a reduction in excess supply is coming from the United States, where production, after appearing to be unaffected by the slump in prices of the earlier months, decreased slightly in the third quarter of 2015. On the other hand, the process of reducing the production surplus is being hampered by the recent slowing of the economy in China, one of the world's top oil importers. In a global economic system, it is important not to underestimate the possibility of a domino effect from this crisis both on emerging and other countries, given the preeminent role played by China as an importer of raw materials and exporter of finished goods. These concerns were reflected in oil prices, which fell by about 8 dollars in just a few days at the end of August, partially recovering in September. Lastly, prices are also being driven lower by the effects of the nuclear agreement reached in July by the so-called P5+1 countries and Iran, which could be able to return to the market as early as 2016. In addition, the effect of projections that supply will not decrease is being magnified by expectations that global demand will hold relatively steady.

The table and chart that follow show the average data for the first nine months of the year and the monthly trends for 2015 and 2014:

2014 full year		9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
99.5	Oil price in USD/bbl(1)	56.7	107.0	*(47.1%)*	51.2	103.4	*(50.5%)*
1.33	USD/EUR exchange rate	1.11	1.36	*(17.8%)*	1.11	1.33	*(16.1%)*
74.9	Oil price in EUR/bbl	50.9	79.0	*(35.5%)*	46.1	78.0	*(41.0%)*

(1) Brent IPE



The trend in oil prices also had an impact on distilled products in the first nine months of 2015. More specifically, the price of gasoil decreased by about 40%, falling from USD 894.9 per metric ton to USD 531.7 per metric ton, while that of fuel oils contracted by about 53% and 51%, respectively, for low sulfur and high sulfur products.

On the Atlantic market, coal prices were also down, falling to USD 58.9 per ton (-22.6% in the first nine months of 2015). This downward slide, which caused prices to decrease by almost USD 20 per ton compared with 2014, is chiefly the result of a persisting imbalance in market fundamentals, characterized by shrinking global demand and excess supply. In addition, in the third quarter, an already weak Asian demand was adversely affected by the monetary policy of the Chinese government, which, by devaluing the renminbi versus the U.S. dollar, further reduced the propensity to import in a context of abundant internal supply. Despite the fact that prices have been low for several months, there has been no indication that the process of curtailing production from the more costly mines had begun, even though Indonesia, Poland and Australia are beginning to feel its effects.

Gas prices were up slightly on the main European hubs, with the price of natural gas on the TTF (Europe's main hub) improving to 21.9 EUR/scm, for an increase of about 1.3% compared with the first nine month of 2014, a gain in line with the trends at other hubs.

The European market for CO_2 emissions rights, bucking the downward trends that characterized the markets for energy commodities in the first nine months of 2015, averaged 7.4 EUR/ton, for a gain of about 30% compared with the same period in 2014. After a period of volatility in the first quarter of the year, the upward trend that characterized the months that followed reflects expectations of a rebalanced market, following the approval by the European Council and introduction in September of the market stability reserve, a mechanisms through which a portion of the emissions rights will be set aside in order to reduce the market supply overhang.

In August, prices rose further to 8,35 EUR/ton, the highest level of the past three years.

The Italian Energy Market

Demand for Electric Power in Italy and Market Environment

2014 full year	TWh	9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
269.1	Net production:	205.8	204.0	*0.9%*	73.7	69.9	*5.4%*
167.1	*- Thermoelectric*	*133.1*	*122.7*	*8.5%*	49.1	42.0	*16.9%*
59.6	*- Hydroelectric*	*36.3*	*47.1*	*(23.1%)*	12.3	16.1	*(23.5%)*
21.8	*- Photovoltaic*	*20.4*	*18.6*	*9.5%*	8.2	7.2	*13.3%*
15.1	*- Wind power*	*11.7*	11.4	*2.5%*	2.7	3.2	*(15.8%)*
5.6	*- Geothermal*	*4.3*	4.2	*4.3%*	1.4	1.4	*2.0%*
43.7	Net imports	32.9	30.8	*6.8%*	10.0	8.5	*16.6%*
(2.3)	Pumping consumption	(1.3)	(1.8)	*(27.4%)*	(0.4)	(0.4)	*2.3%*
310.5	**Total demand**	**237.4**	**233.0**	***1.9%***	**83.3**	**78.1**	***6.7%***

Source: Analysis of 2014 actual data and pre-closing 2015 Terna data, before line losses.

In the third quarter of 2015, total gross demand for electric power from the Italian grid increased to 83.3 TWh (TWh = 1 billion kWh), or 6.7% more than in the same period last year.

This significant increase is primarily attributable to consumption of electric power for air conditioning of buildings caused by the exceptionally hot weather recorded in July and August, compared with significantly cooler than average weather in the same months the previous year.

The increase in demand during the quarter was covered by a gain of 3.8 TWh in net national production and an increase of 1.4 TWh in net electric power imports. National production for the quarter, net of pumping consumption, was equal to 88% of demand, the same as in the third quarter of 2014, with net imports covering the remaining 12%.

National production reflects the impact of a reduction in hydroelectric output, which decreased by 3.8 TWh (-23.5% compared with last year's record production levels), while thermoelectric output, which benefited from the combined effect of a reduction in the availability of water resources and higher demand, increased by 7.1 TWh (+16.9%).

Photovoltaic production grew by 1 TWh (+13.3%), while the output of wind power facilities was down slightly (-0.5 TWh), due to more stable weather conditions that the previous summer.

Overall, gross demand for electric power totaled 237.4 TWh in the first nine months of 2015, for a gain of 1.9% compared with the same period last year.

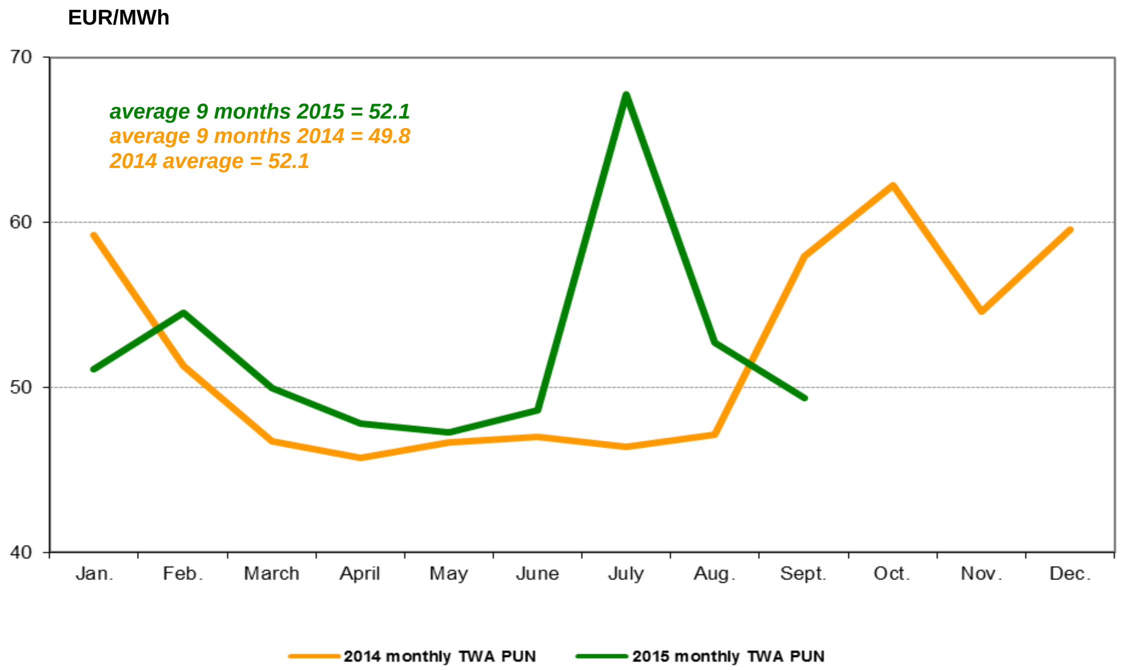
It is worth mentioning that a new record in peak consumption was achieved in Italy on July 21, 2015, with demand for electric power reaching 59.350 GW.

Insofar as the pricing scenario is concerned, the time-weighted average (TWA) for the Single National Price (abbreviated as PUN in Italian) increased to 52.1 euros per MWh at September 30, 2015, up almost 5% compared with the same period a year ago (49.8 euros per MWh).

Aside from the month of January, when the PUN posted a decrease of 14% compared with January 2014, in the first and second quarter the price of electric power followed the same trend as in the previous year. On the other hand, in quarter just ended electric power prices increased by about 12%. The exceptionally hot weather recorded in Italy and Europe as a whole in July pushed demand to record levels, with price peaks close to 150 euros per MWh. Based on data reported by Terna, the demand for electric power in July was the largest ever recorded for the Italian electric power system, both in absolute and percentage term increases. This higher demand, coupled with a reduction in renewable source production, translated into a price increase of about 46% compared with July 2014. In subsequent months, as demand returned to normal, prices decreased showing a slight downward bias and bucking the trend in the other electric power markets in Europe.

During the first nine months of 2015, the F1 and F3 hourly time periods posted increases of 4.1% and 8.6%, respectively, while the F2 hourly time period held relatively steady.

The chart below shows the monthly trend compared with the previous year:



As for prices in foreign countries, record high temperatures in Germany helped stop the downward trend of the first half of the year (-6.3% compared with the same period in 2014), with prices rising by 4.1% in the third quarter of 2015 compared with the third quarter of 2014. In France, on the other hand, the upward trend that began in the first half of 2015 continued at a faster pace, with the price rising to 37.9 EUR/MWh, for a gain of 16.2% compared with the first nine months of 2014: increased demand, coupled with scheduled and extraordinary maintenance at nuclear power plants, which due to the extremely hot weather developed cooling system problems, contributed to this increase.

As a result, compared with the first nine months of 2014, the Italy/France differential narrowed by 17.2%, amounting to 14.3 €/MWh, while the Italy-Germany differential increased to 21.0 euros per MWh (+18,4%).

Demand for Natural Gas in Italy and Market Environment

2014 full year	in billions of cubic meter	9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
25.5	Services and residential customers	18.9	17.1	*10.0%*	1.9	2.0	*(5.6%)*
16.5	Industrial users	12.1	12.3	*(1.7%)*	3.8	3.9	*(2.7%)*
17.8	Thermoelectric power plants	15.0	12.9	*16.2%*	5.8	4.6	*27.9%*
1.6	System usage and leaks	1.2	1.1	*7.5%*	0.5	0.4	*9.6%*
61.4	**Total demand**	**47.2**	**43.5**	***8.5%***	**12.0**	**10.9**	***10.1%***

Source: 2014 preclosing data and 2015 preliminary data from Snam Rete Gas and the Ministry of Economic Development and Edison estimates.

In the third quarter of 2015, Italian demand for natural gas increased by 10.1% compared with the same period last year to a total of about 12 billion cubic meters, for a gain of about 1.1 billion cubic meters. This improvement is chiefly the result of higher thermoelectric production (+1.3 billion cubic meters; +27.9% compared with the same period in 2014) that reflects the combined impact of the increased demand for electric power caused by extremely hot weather and a reduced contribution by hydroelectric power plants.

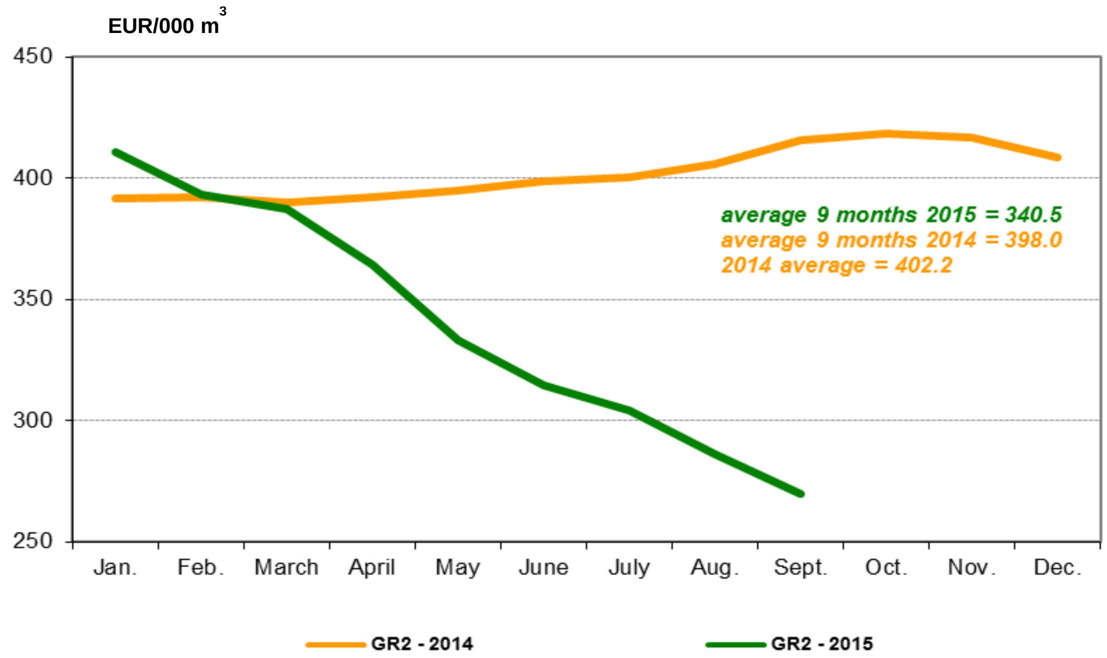
Consumption was down slightly both by industrial users and residential customers, contracting by 2.7% and 5.6%, respectively.

On the procurement side, the following developments characterized the third quarter of 2015:

- lower domestic production (-8% compared with the third quarter of 2014);
- higher gas imports compared with the third quarter of 2014 (+2.9 billion cubic meters; +23%);
- an increase in the volumes added to stored inventory (1.6 billion cubic meters; +47% compared with the third quarter of 2014).

As for the first nine months of the year, demand for natural gas totaled 47.2 billion cubic meters, for an increase of 3.7 billion cubic meters (+8.5%) compared with the same period in 2014, benefiting not only the weather effects mentioned above but also the increase in demand for services and residential customers which has been pushed upward in the first months of 2015 from colder temperatures.

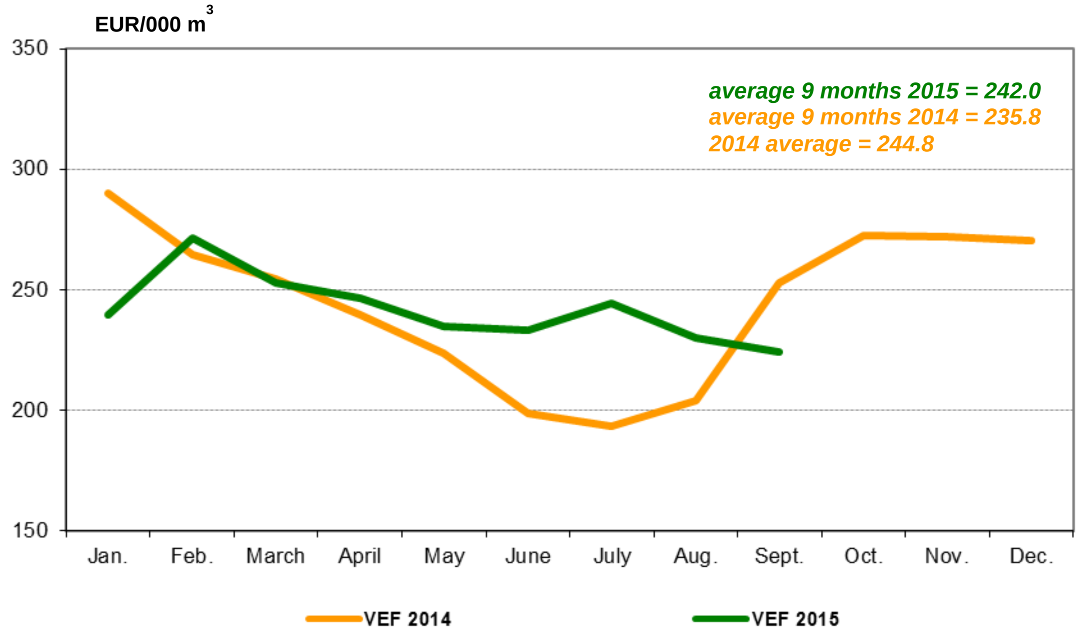
The price for indexed gas (shown in the chart that follows, which uses the Gas Release 2 formula as a benchmark) continued to follow the downward trend that began in the first half of the year, with the average price for the first nine months of 2015 contracting by 15% to 340.5 EUR/000 scm, or about 15% less than in the same period in 2014. The price increases recorded in the first quarter of 2015 compared 2014 reflected the effect of a decrease in the exchange rate that was larger than the one recorded in the moving averages for Brent crude and the derivative products included in the formula; however, starting in April, they fully reflected the reduction in the prices of crude oil and petroleum products.



The monthly trend for gas prices on the spot market depicted in the chart that follows, which uses the price on the Virtual Exchange Facility (VEF) as a benchmark, shows that gas prices were up slightly in the first nine months of 2015, increasing by 2.7% to 242.0 EUR/000 scm, compared with the same period in 2014 when VEF dropped below 200 €/000 scm in the summer months, recording one of its lowest values in recent years.

During the first half of year, with the exception of January when a decrease of 17% was recorded, gas prices at the VEF mirrored the performance in 2014, both in terms of trend and price levels. However, during the third quarter of 2015, prices diverged from the seasonal trend, according to which there is usually a decrease during the summer months followed by an upturn in anticipation of the start of the new thermal year. Specifically, in July, the price at the VEF rose to 245.0 EUR/000 scm, or 27% more than in July 2014: the increase in demand was substantial, growing both on a year-over-year and a sequential basis by 16.8% and 25.4%, respectively, driven by the thermoelectric sector (+36.4% compared with July 2014) and reflected the exceptional heat wave recorded in July. Overall, gas consumption increased by about 8% during the first nine months of the year, causing a 63% reduction in gas held in storage facilities at the beginning of the injection phase. The expected sharp increase of imported volumes, which being tied to long-term contract reflect with some time lag the effect of lower oil prices, primarily materialized in the third quarter, when imports grew by 23% compared with 2014.

On the main European hubs, gas prices followed the same trend as on the VEF, but fluctuations in terms of the average price for the first nine months of the year less pronounced, ranging between 0.7% and 1.6%. Likewise, prices in July, which were affected by an increase in electric power demand for air conditioning, posted an increase of about 27% at all hubs compared with 2014.



Legislative and Regulatory Framework

The main legislative and regulatory measures enacted in the third of 2015 that had an impact on the various businesses of the Group are reviewed below.

Hydrocarbons

Infrastructures

Storage – Balancing: With regard to the balancing of the natural gas system, the AEEGSI (the "Authority"), by Consultation Document No. 422/2015/R/gas, asked operators to put forth their considerations about the possibility of postponing the start of the new balancing system. Edison Stoccaggio pointed out the need to first develop a rules framework that is as clear, exhaustive and mutually agreeable as possible, so as to be able to correctly implement the operational and IT system adjustments that the storage operators will be required to carry out within the context of the new balancing market.

As for selecting the most appropriate starting date, a recommendation was made to avoid the introduction of disruptions during the upcoming winter months and proceed with the testing phase of the new procedures at the beginning of the new 2016-2017 thermal year (April 1, 2016).

Storage – Rates

The publication by the Authority of a resolution approving the storage rates for 2015 and, consequently, the provisional rates for 2016, originally expected at the end of July, was postponed to the end of September beginning of October, due to the Authority's request, on August 7, of an addendum to the rate proposal regarding the operating cost of the S. Potito e Cotignola facility. The Company submitted this addendum on September 14.

Issues Affecting Multiple Business Segments

Alternative Dispute Resolution (ADR): Legislative Decree No. 130 of August 6, 2015 implementing Directive No. 2013/11/EU on the alternative resolution of consumer disputes, which amended EC Regulation No. 2006/2004, and Directive No. 2009/22/EC (Consumer ADR Directive), was published in the *Official Gazette of the Italian Republic* on August 19, 2015. The purpose of this decree is to regulate the procedures for the out-of-court resolution of national and transnational disputes concerning contractual obligations that arise from sales or service contracts between professionals established in the European Union and consumers residing in the European Union through the intervention of an Alternative Dispute Resolution entity. In addition to the "mediation" entities, the system will now include the "Alternative Dispute Resolution entities," which will offer alternative procedures for the resolution of consumer disputes through "independent, impartial, transparent, effective, quick and equitable" ADR systems.

ECONOMIC AND FINANCIAL RESULTS AT SEPTEMBER 30, 2015

Sales Revenues and EBITDA of the Group and by Business Segment

2014 full year	(in millions of euros)	9 months 2015	9 months 2014(*)	% change	Q3 2015	Q3 2014(*)	% change
	Electric Power Operations (1)						
7,859	Sales revenues	4,997	5,781	*(13.6%)*	1,713	1,912	*(10.4%)*
652	Reported EBITDA	325	492	*(33.9%)*	122	136	*(10.3%)*
690	Adjusted EBITDA(2)	287	510	*(43.7%)*	79	146	*(45.9%)*
	Hydrocarbons Operations (1)						
5,168	Sales revenues	3,873	3,660	*5.8%*	1,156	1,075	*7.5%*
293	Reported EBITDA	16	251	*(93.6%)*	(31)	125	*n.m.*
255	Adjusted EBITDA(2)	54	233	*(76.8%)*	12	115	*(89.6%)*
	Corporate Activities and Other Segments (3)						
48	Sales revenues	36	35	*2.9%*	12	12	-
(131)	EBITDA	(69)	(91)	*24.2%*	(23)	(32)	*28.1%*
	Eliminations						
(750)	Sales revenues	(597)	(546)	*(9.3%)*	(191)	(180)	*(6.1%)*
	EBITDA						
	Edison Group						
12,325	**Sales revenues**	**8,309**	**8,930**	***(7.0%)***	**2,690**	**2,819**	***(4.6%)***
814	**EBITDA**	**272**	**652**	***(58.3%)***	**68**	**229**	***(70.3%)***
6.6%	***as a % of sales revenues***	***3.3%***	***7.3%***		***2.5%***	***8.1%***	

(1) See the simplified structure of the Group on page 4.
(2) Adjusted EBITDA reflect the effect of the reclassification from the Hydrocarbons Operations to the Electric Power Operations of the portion attributable to the Electric Power Operations of the results of commodity and foreign exchange hedges executed in connection with contracts to import natural gas. This reclassification is being made to allow a better operational presentation of the Group's industrial results.
(3) Includes those operations of Edison Spa, the Group's Parent Company, that engage in activities that are not industrial in nature and certain holding companies and real estate companies.

(*) The data for the first nine months and third quarter of 2014 were restated consistent with a new presentation of derivatives and nonrecurring expense.

In the third quarter of 2015, the Group's sales revenues totaled 2,690 million euros, down 4.6% compared with the same period last year.
EBITDA for the period amounted to 68 million euros, for a decrease of 161 million euros compared with 229 million euros in the third quarter of 2014.

See the sections of the report that follow for a detailed analysis of the performance of the individual business segments.

Electric Power Operations

Sources

2014 full year	GWh (*)	9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
17,616	**Edison's production**	**14,339**	**12,957**	***10.7%***	**5,370**	**4,485**	***19.7%***
11,756	*- Thermoelectric*	*10,874*	*8,441*	*28.8%*	*4,161*	*2,816*	*47.7%*
4,954	*- Hydroelectric*	*2,673*	*3,878*	*(31.1%)*	*1,033*	*1,511*	*(31.6%)*
906	*- Wind power and other renewables*	*792*	*638*	*24.0%*	*176*	*158*	*11.2%*
78,564	**Other purchases (wholesalers, IPEX, etc.)(1)**	**53,314**	**58,476**	***(8.8%)***	**18,225**	**21,909**	***(16.8%)***
96,180	**Total sources in Italy**	**67,653**	**71,433**	***(5.3%)***	**23,595**	**26,394**	***(10.6%)***

(1) Before line losses and excluding the trading portfolio.
(*) One GWh is equal to one million kWh, referred to physical volumes.

Uses

2014 full year	GWh (*)	9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
20,409	**End customers (1)**	**13,276**	**15,452**	***(14.1%)***	**4,203**	**5,100**	***(17.6%)***
75,771	**Other sales (wholesalers, IPEX, etc.)(2)**	**54,377**	**55,981**	***(2.9%)***	**19,392**	**21,294**	***(8.9%)***
96,180	**Total uses in Italy**	**67,653**	**71,433**	***(5.3%)***	**23,595**	**26,394**	***(10.6%)***

(1) Before line losses.
(2) Excluding trading portfolio.
(*) One GWh is equal to one million kWh.

The Group operates in accordance with a business model that calls for the separation of power generation activities (thermoelectric and renewables), sales to the end-user market (business and retail), proprietary trading activities and buying and selling activities, aimed at implementing adequate segregation and risk hedging policies for the abovementioned portfolios and at maximizing their profitability through their optimization.

Within the framework of this model, Edison's net production in Italy totaled 5,370 GWh in the third quarter of 2015, for an increase of 19.7% compared with the third quarter of 2014; more specifically, thermoelectric output posted a gain of 47.7% that mirrored in part the prevailing national trend and is attributable to the effects of extremely hot weather, which during the summer months drove increases both in demand for electric power and prices on the spot markets, with a corresponding effect on thermoelectric generation spreads. As for production from renewable sources, the performance in the third quarter of 2015 was characterized, on the one hand, by a significant reduction in hydroelectric production (-31.6%), in line with the national trend and reflective of the volume of water resources available during the period, which was considerably lower than the exceptional volume of 2014, and, on the other hand, by an increase in production from wind power and other renewable source facilities (+11.2%), as the contribution provided by the Andretta Bisaccia and Rignano Garganico wind farm, acquired in October 2014, and the Baselice facility, which went on stream this past January, more than offset the effect of less windy conditions during the reporting period.

Sales to end customers decreased by 17.6% due to lower volumes sold to the Business and Public Administration segments and a reduction in the number of residential customers that reflects a more selective new customer acquisition policy in terms of payment reliability.
In the third quarter of 2015, other purchases and sales were down slightly compared with the same period the previous year; however, it is worth mentioning that this category includes, in addition to buy and sell transactions on the wholesale market, purchases and sales on the IPEX, which are characterized by lower unit margins as they are related to production from facilities operating in bidding mode, the balancing of individual portfolios and make-or-buy activity.

During the first nine months pf 2015:

- Edison's net production totaled 14,339 GWh (+10.7% compared with the first nine months of 2014);
- total Group sales amounted to 67,653 GWh (-5.3%), as sales to end customers declined to 13,276 GWh, contracting by 14.1% compared with the first nine months of 2014 for the reasons described above.

Economic Data

2014 full year	(in millions of euros)	9 months 2015	9 months 2014 (*)	% change	Q3 2015	Q3 2014 (*)	% change
7,859	Sales revenues	4,997	5,781	*(13.6%)*	1,713	1,912	*(10.4%)*
690	Adjusted EBITDA [(1)]	287	510	*(43.7%)*	79	146	*(45.9%)*

(1) See note on page 16.
(*) The data for the first nine months and third quarter of 2014 were restated consistent with a new presentation of derivatives and nonrecurring expense.

In the third quarter of 2015, sales revenues totaled 1,713 million euros, or 10.4% less than in the same period in 2014, mainly due to a reduction in sales volumes.
Adjusted EBITDA amounted to 79 million euros (146 million euros in the third quarter of 2014) for a decrease of 45.9% mainly attributable to the exceptionally high level of water resources that were available in third quarter of 2014 and the effect resulting from higher thermoelectric generation.

Overall, sales revenues for the first nine months of the year amounted to 4,997 million euros, for a decrease of 13.6% compared with the same period in 2014 attributable both to a contraction in sales volumes and a negative price effect. Adjusted EBITDA totaled 287 million euros, falling sharply compared with the 510 million euros reported at September 30, 2014 due to the same factors that characterized result trends in the third quarter.

Hydrocarbons

Sources of Natural Gas

2014 full year	in millions of m³ of natural gas	9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
417	Production (1)	373	285	*30.9%*	120	118	*1.7%*
9,915	Imports (Pipeline + LNG)	9,235	7,109	*29.9%*	3,039	2,182	*39.3%*
2,739	Other purchases	2,355	2,003	*17.6%*	1,100	733	*50.0%*
172	Change in stored gas inventory (2)	106	(130)	*n.m.*	(233)	(212)	*9,8%*
13,243	**Total sources in Italy**	**12,069**	**9,267**	***30.2%***	**4,026**	**2,821**	***42.7%***
1,734	**Production outside Italy** (3)	**1,135**	**1,314**	***(13.6%)***	**355**	**422**	***(15.8%)***

(1) Net of self-consumption and at Standard Calorific Power. It includes the production from the Izabela concession in Croatia imported into Italy.
(2) Includes pipeline leaks. A negative change reflects additions to the stored gas inventory.
(3) Counting volumes withheld as production tax.

Uses of Natural Gas

2014 full year	in millions of m³ of natural gas	9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
2,314	Residential use	1,713	1,486	*15.3%*	124	135	*(7.8%)*
3,413	Industrial use	2,445	2,497	*(2.1%)*	789	820	*(3.8%)*
4,407	Thermoelectric fuel use	4,046	3,186	*27.0%*	1,623	1,122	*44.7%*
3,109	Other sales	3,865	2,098	*84.2%*	1,489	744	*100.0%*
13,243	**Total uses in Italy**	**12,069**	**9,267**	***30.2%***	**4,026**	**2,821**	***42.7%***
1,734	**Sales of production outside Italy**(1)	**1,135**	**1,314**	***(13.6%)***	**355**	**422**	***(15.8%)***

(1) Counting volumes withheld as production tax..

Production of natural gas, counting the combined output of the Italian and international operations, totaled 475 million cubic meters in the third quarter of 2015, down 12% compared with the same period last year. Production marketed in Italy was up slightly (+1.7%), as activities carried out in 2014 to develop some wells and the contribution of the Fauzia field, which came on stream in November 2014, helped offset the effects of the normal decline of production curves at some fields, especially outside Italy, where output was down 15.8%.
There were substantial increases both in total gas imports (up 857 million cubic meters) and in Other purchases (up 366 million cubic meters) in response to the need to meet rising sales during the period.
Gas volumes sold totaled 4,026 million cubic meters, for an increase of 42.7% compared with the third quarter of 2014. Specifically, sales to thermoelectric users grew by 44.7%, as the Group's thermoelectric power plants and external customers increased their gas consumption to meet peak demand for electric power during the summer months.

On a cumulative basis for the first nine months, Edison's sources-uses balance grew to more than 12 billion cubic meters, for a gain of over 30% compared with 2014, thanks to a significant increase in consumption both by residential and thermoelectric users attributable to the effect of weather conditions (winter colder on average and summer hotter on average) and to higher sales volumes (+84%) on the wholesale and spot markets.

Crude Oil Production

2014 full year	in thousands of barrels	9 months 2015	9 months 2014	% change	Q3 2015	Q3 2014	% change
2,620	Production in Italy	1,953	1,906	*2.5%*	633	716	*(11.6%)*
1,541	Production outside Italy [(1)]	1,253	1,169	*7.2%*	448	369	*21.1%*
4,161	**Total production**	**3,206**	**3,075**	***4.3%***	**1,080**	**1,085**	***(0.5%)***

(1) Counting volumes withheld as production tax.

In the third quarter of 2015, crude oil production held relatively steady overall, as production outside Italy (+79,000 barrels, thanks to the output contributed by the new Scott and Telford (UK) fields acquired in May) offset the decrease in production from fields in Italy (-83,000 barrels).

On a nine-month cumulative basis, crude oil production was up both in Italy (+2.5%), thanks to the output of the Sarago field, which was taken offline for maintenance in the first nine months of 2014, and abroad (+7.2%), thanks to the abovementioned contribution of the Scott e Telford fields, which more than offset the normal depletion of the Egyptian concessions.

Economic Data

2014 full year	in millions of euros	9 months 2015	9 months 2014 (*)	% change	Q3 2015	Q3 2014 (*)	% change
5,168	Sales revenues	3,873	3,660	*5.8%*	1,156	1,075	*7.5%*
255	Adjusted EBITDA [(1)]	54	233	*(76.8%)*	12	115	*(89.6%)*

(1) See note on page 16.

(*) The data for the first nine months and third quarter of 2014 were restated consistent with a new presentation of derivatives and nonrecurring expense.

Sales revenues grew to 1,156 million euros in the third quarter of 2015, for a gain of 7.5% compared with the same period in 2014, thanks to an increase in sales volumes that more than offset the impact of a decline in average sales prices consistent with the negative oil market scenario, mitigated in part by the revision of the price for the gas produced in Egypt. These developments also had an impact on the results for the first nine months of 2015, during which sales revenues increased by 5.8% to 3,873 million euros.

As a result of the slump in oil prices and the unfavorable comparison with the adjusted EBITDA for the third quarter of 2014, which benefited from positive extraordinary items related to the Promgas arbitration, EBITDA for the period show year-over-year declines of 103 million euros in the third quarter and 179 million euros at September 30, 2015.

Corporate Activities and Other Segments

2014 full year	in millions of euros	9 months 2015	9 months 2014 (*)	% change	Q3 2015	Q3 2014 (*)	% change
48	Sales revenues	36	35	*2.9%*	12	12	-
(131)	EBITDA	(69)	(91)	*24.2%*	(23)	(32)	*28.1%*

(*) The data for the first nine months and third quarter of 2014 were restated consistent with a new presentation of derivatives and nonrecurring expense.

Corporate Activities and Other Segments include those operations of Edison Spa, the Group's Parent Company, that engage in activities that are not industrial in nature and certain holding companies and real estate companies.
Sales revenues both for the third quarter and the first nine months of 2015 were in line with those for the same periods last year and EBITDA, while negative by 23 million euros in the third quarter and by 69 million euros for the first nine months of 2015, improved thanks in part to the ongoing implementation of a program to curb operating expenses and to the absence of the nonrecurring charges recognized in the first nine months of 2014.

Other Components of the Group's Income Statement

2014 full year	in millions of euros	9 months 2015	9 months 2014 (*)	% change	Q3 2015	Q3 2014 (*)	% change
814	**EBITDA**	**272**	**652**	***(58.3%)***	**68**	**229**	***(70.3%)***
250	Net change in fair value of derivatives (commodities and foreign exchange)	43	120	*(64.2%)*	91	(37)	*n.m.*
(761)	Depreciation, amortization and writedowns	(450)	(370)	*(21.6%)*	(150)	(123)	*(22.0%)*
(11)	Other income (expense) net	(22)	(15)	*46.7%*	(11)	(6)	*(83.3%)*
292	**EBIT**	**(157)**	**387**	***n.m.***	**(2)**	**63**	***n.m.***
(91)	Financial income (expense), net	(22)	(99)	*(77.8%)*	(28)	(17)	*(64.7%)*
13	Income from (Expense on) equity investments	(1)	11	*n.m.*	2	4	*(50.0%)*
(159)	Income taxes	(28)	(106)	*73.6%*	12	19	*(36.8%)*
55	**Profit (Loss) from continuing operations**	**(208)**	**193**	***n.m.***	**(16)**	**69**	***n.m.***
40	**Group interest in profit (loss)**	**(231)**	**177**	***n.m.***	**(24)**	**61**	***n.m.***

(*) The data for the first nine months and third quarter of 2014 were restated consistent with a new presentation of derivatives and nonrecurring expense.

Negative EBIT of 157 million euros are after depreciation, amortization and writedowns totaling 450 million euros, a positive net change in the fair value of derivatives hedging commodity and foreign exchange transactions amounting to 43 million euros (positive by 120 million euros in 2014) and net other expense of 22 million euros.
Depreciation, amortization and writedowns increased by 80 million euros compared with the same period last year, mainly due to higher exploration costs (60 million euros) and the impairment of some E&P assets abroad (11 million euros).
The net result from continuing operations was a loss of 208 million euros (profit of 193 million euros in the first nine months of 2014), after net financial expense of 22 million euros—a significant improvement compared with the same period last year also thanks to gains realized due to a favorable trend in the euro/dollar exchange rate—and income taxes of 28 million euros. It is worth mentioning that following the ruling of unconstitutionality of the Robin Hood Tax (Constitutional Court Decision No. 10 of February 11, 2015), the deferred tax assets and the

provision for deferred taxes recognized on the 6.5% corporate income tax (IRES) surcharge were eliminated, with a negative one-off effect of 68 million euros on the income statements for the reporting period.

Net Financial Debt and Cash Flows

At September 30, 2015, net financial debt amounted to 1,718 million euros (2,145 million euros at September 30 2014), for a decrease of 48 million euros compared with the 1,766 million euros owed at the end of December 2014. More detailed information about the individual components of this item is provided in the "Net Financial Debt" section of the Review of the Group's Operating Performance and Financial Results.

The table below provides a breakdown of the changes that occurred in net financial debt:

2014 full year	in millions of euros	September 30, 2015	September 30, 2014 (*)
(2,451)	**A. NET FINANCIAL (DEBT) AT BEGINNING OF PERIOD**	**(1,766)**	**(2,451)**
814	EBITDA	272	652
(25)	Elimination of non-cash items included in EBITDA	20	(11)
(98)	Net financial expense paid	(17)	(106)
(249)	Income taxes paid (-)	(53)	(188)
9	Dividends collected	5	5
(21)	Other items from operating activities	(83)	(8)
430	**B. CASH FLOW FROM OPERATING ACTIVITIES**	**144**	**344**
408	Change in operating working capital	521	220
23	Change in non-operating working capital	(137)	15
(92)	Net investments (-)	(396)	(207)
769	**C. CASH FLOW AFTER NET INVESTMENTS AND CHANGE IN WORKING CAPITAL**	**132**	**372**
(76)	Dividends paid (-)	(61)	(66)
(8)	Other items	(23)	-
685	**D. NET CASH FLOW FOR THE PERIOD**	**48**	**306**
(1,766)	**E. NET FINANCIAL (DEBT) AT END OF PERIOD**	**(1,718)**	**(2,145)**

(*) The data at September 30, 2014 were restated to reflect the new presentation of derivatives.

In addition to the EBITDA effect reviewed above, the main cash flows for the period derived from:

- A positive change in operating working capital generated by programs implemented to optimize collection and payment timing .
- A negative change in non-operating working capital the main component of which, related to the contracts to purchase natural gas, consists of the advances paid for volumes that the Company could not take delivery of in 2014 and which Edison is required to pay for pursuant to take-or-pay clauses.
- Investment activities that absorbed cash flow totaling 396 million euros, mainly for Exploration and Production activities in Italy, including development of the Clara Northwest field (42 million euros) and workover projects for some wells in the Vega A concession (8 million euros).

  Investment projects outside Italy focused on the Abu Qir concession in Egypt, for the construction of the NAQ PIII platform and for workover activities and drilling activities on some wells (90 million euros), the Zidane concession in Norway, for the construction of the Polarled pipeline that will link Zidane with the mainland (21 million euros), Algeria for the development of the Reggane concession (22 million euros) and Great Britain for the acquisition of interests in the Scott and Telford fields (38 million euros) and development activities at this fields (6 million euros).

In addition, about 106 million euros were invested in exploration activities in Norway, mainly to drill the Tvillingen well (29 million euros) and the Haribo well (9.5 million euros), in Great Britain for exploration activities in the Handcross concession (17 million euros), in Egypt (4 million euros) for exploration activities at the South Idku e North Thekah blocks and in the Falkland Islands for hydrocarbon exploration activities in the southern area (35 million euros).

It is worth mentioning in the hydroelectric sector, the acquisition of Shen Spa (7 million euros) which operates the hydroelectric plant of Maleo (LO) on the Adda river.

- The payment of dividends to minority shareholders of E2i Energie Speciali Srl.

Rating

		Current	December 31, 2014
Standard & Poor's			
	Medium/long-term rating	BBB+	BBB+
	Medium/long-term outlook	Stable	Stable
	Short-term rating	A-2	A-2
Moody's			
	Rating	Baa3	Baa3
	Medium/long-term outlook	Stable	Stable

Outlook

Edison confirms the guidance of 2015 EBITDA of about 1 billion euros, an amount that includes, inter alia, the full impact in the fourth quarter of the expected effects of the arbitration regarding the contract for gas supply from Libya.

Considering the present deteriorating business conditions on the Italian power market and the current low Brent prices, 2016 EBITDA, at same perimeter and without one off, could be negatively affected compared with 2015. A quantitative evaluation will be performed and presented at December Board.

Risks and Uncertainties

Please consult the "Group Financial Risk Management" section of the Review of the Group's Operating Performance and Financial Results, which explains the risk management activities of the Edison Group.

Other Information

Related-Party Transactions

In the Review of the Group's Operating Performance and Financial Results, please consult the section entitled "Intercompany and Related-Party Transactions," which provides information on material transactions with related parties.

Additional Information

The Company chose to avail itself of the options provided under Article 70, Section 8, and Article 71, Section 1-*bis,* of the Issuers' Regulations. Consequently, it is not complying with the requirement to make available to the public an Information Memorandum in connection with significant transactions involving mergers, demergers, capital increases through conveyances of assets in kind, acquisitions and divestments.

REVIEW OF THE GROUP'S OPERATING PERFORMANCE AND FINANCIAL RESULTS

at September 30, 2015

EDISON

Income Statement

(in millions of euros)	See Note	9 months 2015	of which related parties	9 months 2014 (*)	of which related parties	3rd quarter 2015	3rd quarter 2014 (*)
Sales revenues	1	8,309	298	8,930	243	2,690	2,819
Other revenues and income	2	101	1	193	3	31	97
Total net revenues		**8,410**	**299**	**9,123**	**246**	**2,721**	**2,916**
Raw materials and services used (-)	3	(7,968)	(245)	(8,309)	(194)	(2,596)	(2,636)
Labor costs (-)	4	(170)		(162)		(57)	(51)
EBITDA	5	**272**		**652**		**68**	**229**
Net change in fair value of commodity derivatives	6	43		120		91	(37)
Depreciation, amortization and writedowns (-)	7	(450)		(370)		(150)	(123)
Other income (expense), net	8	(22)		(15)		(11)	(6)
EBIT		**(157)**		**387**		**(2)**	**63**
Net financial income (expense)	9	(22)	69	(99)	(13)	(28)	(17)
Income from (Expense on) equity investments	10	(1)	(4)	11	7	2	4
Profit (Loss) before taxes		**(180)**		**299**		**(28)**	**50**
Income taxes	11	(28)		(106)		12	19
Profit (Loss) from continuing operations		**(208)**		**193**		**(16)**	**69**
Profit (Loss) from discontinued operations		-		-		-	-
Profit (Loss)		**(208)**		**193**		**(16)**	**69**
Broken down as follows:							
Minority interest in profit (loss)		23		16		8	8
Group interest in profit (loss)		**(231)**		**177**		**(24)**	**61**
Earnings (Loss) per share (in euros)	12						
Basic earnings (loss) per common share		(0.0455)		0.0329			
Basic earnings per savings share		0.0375		0.0629			
Diluted earnings (loss) per common share		(0.0455)		0.0329			
Diluted earnings per savings share		0.0375		0.0629			

(*) The amounts have been restated as a result of the new presentation of derivatives and nonrecurring expense.

Other Components of the Comprehensive Income Statement

(in millions of euros)	See Note	9 months 2015	9 months 2014	3rd quarter 2015	3rd quarter 2014
Profit (Loss)		**(208)**	**193**	**(16)**	**69**
Other components of comprehensive income:					
A) Change in the Cash Flow Hedge reserve	23	**(57)**	**90**	**(246)**	**(34)**
- Gains (Losses) arising during the period		(84)	126	(360)	(51)
- Income taxes		27	(36)	114	17
B) Change in reserve for available-for-sale investments	23	-	-	**(1)**	-
- Gains (Losses) not realized		-	-	(1)	-
- Income taxes		-	-	-	-
C) Differences on the translation of assets in foreign currencies		**2**	**29**	**(13)**	**21**
- Gains (Losses) not realized		7	41	(13)	31
- Income taxes		(5)	(12)	-	(10)
D) Pro rata interest in other components of comprehensive income of investee companies		-	-	-	-
E) Actuarial gains (losses) (**)		**1**	-	-	-
- Actuarial gains (losses)		1	-	-	-
- Income taxes		-	-	-	-
Total other components of comprehensive income net of taxes (A+B+C+D+E)		**(54)**	**119**	**(260)**	**(13)**
Total comprehensive profit (loss)		**(262)**	**312**	**(276)**	**56**
Broken down as follows:					
Minority interest in comprehensive profit (loss)		23	16	8	8
Group interest in comprehensive profit (loss)		**(285)**	**296**	**(284)**	**48**

(**) Items not reclassificable in Income Statement.

Balance Sheet

09.30.2014 (*)		(in millions of euros)		09.30.2015		12.31.2014	
	of which related parties		See Note		**of which related parties**		of which related parties
		ASSETS					
4,254		Property, plant and equipment	13	4,448		4,348	
6		Investment property	14	6		6	
3,231		Goodwill	15	3,070		3,070	
803		Hydrocarbon concessions	16	723		739	
118		Other intangible assets	17	118		118	
148	148	Investments in associates	18	140	140	149	149
177		Available-for-sale investments	18	170		174	
39	5	Other financial assets	19	76	4	47	5
294		Deferred-tax assets	20	525		501	
171		Other assets	21	299		171	
9,241		**Total non-current assets**		**9,575**		**9,323**	
624		Inventories		455		479	
2,529	76	Trade receivables		1,768	56	2,848	75
25		Current-tax assets		48		45	
1,186	176	Other receivables		1,796	218	1,634	185
156	86	Current financial assets		131	83	132	85
407	145	Cash and cash equivalents		249		473	12
4,927		**Total current assets**	22	**4,447**		**5,611**	
-		**Assets held for sale**		-		-	
-		**Eliminations of assets from and to discontinued operations**		-		-	
14,168		**Total assets**		**14,022**		**14,934**	
		LIABILITIES AND SHAREHOLDERS' EQUITY					
5,292		Share capital		5,292		5,292	
1,787		Reserves and retained earnings (loss carryforward)		1,782		1,746	
107		Reserve for other components of comprehensive income		(505)		(451)	
177		Group interest in profit (loss)		(231)		40	
7,363		**Total shareholders' equity attributable to Parent Company shareholders**		**6,338**		**6,627**	
123		Shareholders' equity attributable to minority shareholders		467		510	
7,486		**Total shareholders' equity**	23	**6,805**		**7,137**	
35		Provision for employee severance indemnities and provisions for pensions	24	36		37	
82		Provision for deferred taxes	25	41		45	
922		Provisions for risks and charges	26	1,105		923	
598		Bonds	27	599		598	
1,014	796	Long-term financial debt and other financial liabilities	28	976	797	990	796
6		Other liabilities	29	2		2	
2,657		**Total non-current liabilities**		**2,759**		**2,595**	
569		Bonds		49		553	
527	377	Short-term financial debt		474	324	230	33
1,972	70	Trade payables		1,709	54	2,321	77
29		Current taxes payable		20		20	
928	217	Other liabilities		2,206	302	2,078	240
4,025		**Total current liabilities**	30	**4,458**		**5,202**	
-		**Liabilities held for sale**		-		-	
-		**Eliminations of liabilities from and to discontinued operations**		-		-	
14,168		**Total liabilities and shareholders' equity**		**14,022**		**14,934**	

(*) The amounts have been restated as a result of the new presentation of fair value on physical contracts included in trading portfolios.

Cash Flow Statement

The table below analyzes the **cash flow** as it applies to short-term liquid assets (i.e., due within 3 months) in the first nine months of 2015. In order to provide a better understanding of the Group's cash generation and utilization dynamics, the information provided below is supplemented by the data presented in a separate statement, included in the Report on Operations, which shows the changes in the Group's net financial debt.

(in millions of euros)	See Note	9 months 2015	of which related parties	9 months 2014 (*)	of which related parties
Profit (Loss) before taxes		**(180)**		**299**	
Depreciation, amortization and writedowns	7	450		370	
Net additions to provisions for risks		(7)		(5)	
Interest in the result of companies valued by the equity method (-)		4	4	(7)	(7)
Dividends received from companies valued by the equity method		3	3	3	3
(Gains) Losses on the sale of non-current assets		2		(6)	
Change in the provision for employee severance indemnities and provisions for pensions	24	(1)		-	
Change in fair value recorded in EBIT		(37)		(114)	
Change in operating working capital		521	(4)	220	22
Change in non-operating working capital		(137)	29	15	26
Change in other operating assets and liabilities		(65)		14	
Net financial (income) expense	9	22	(69)	99	13
Net financial expense paid		(17)	73	(106)	(6)
Net income taxes paid		(53)		(188)	
A. Cash flow from continuing operations		**505**		**594**	
Additions to intangibles and property, plant and equipment (-)	13-17	(387)		(244)	
Additions to non-current financial assets (-)		(6)	(6)	-	
Net price paid on business combinations		(7)		-	
Proceeds from the sale of intangibles and property, plant and equipment		-		32	
Proceeds from the sale of non-current financial assets		-		-	
Repayment of capital contribution by non-current financial assets		4		5	
Change in other current financial assets		1	2	(4)	
B. Cash used in investing activities from continuing operations		**(395)**		**(211)**	
Receipt of new medium-term and long-term loans	27, 28, 30	400	400	350	350
Redemption of medium-term and long-term loans (-)	27, 28, 30	(761)	(250)	(713)	
Other net change in financial debt		88	148	(39)	
Distribution of shareholders' equity and reserves (-)		-		-	
Dividends paid to controlling companies or minority shareholders (-)		(61)		(66)	(57)
C. Cash used in financing activities from continuing operations		**(334)**		**(468)**	
D. Net currency translation differences		**-**		**-**	
E. Net cash flow for the period from continuing operations (A+B+C+D)		**(224)**		**(85)**	
F. Net cash flow for the period from discontinued operations		**-**		**-**	
G. Net cash flow for the period (continuing and discontinued operations) (E+F)		**(224)**		**(85)**	
H. Cash and cash equivalents at the beginning of the year from continuing operations		**473**		**492**	
I. Cash and cash equivalents at the beginning of the year from discontinued operations		**-**		**-**	
L. Cash and cash equivalents at the end of the period (continuing and discontinued operations) (G+H+I)		**249**	-	**407**	145
M. Cash and cash equivalents at the end of the period from discontinued operations		**-**		**-**	
N. Cash and cash equivalents at the end of the period from continuing operations (L-M)		**249**	-	**407**	145

(*) The amounts have been restated as a result of the new presentation.

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					Group interest in profit (loss)	Total shareholders' equity attributable to Parent Company shareholders	Shareholders' equity attributable to minority shareholders (*)	Total shareholders' Equity (*)
			Cash Flow Hedge reserve	Reserve for available-for-sale investments	Differences on the translation of assets in foreign currencies	Interest in other components of comprehensive income of investee companies	Actuarial gains (losses)				
Balance at December 31, 2013	**5,292**	**1,750**	**-**	**-**	**(11)**	**-**	**(1)**	**96**	**7,126**	**113**	**7,239**
Appropriation of the previous year's profit (loss)	-	96	-	-	-	-	-	(96)	-	-	-
Dividends and reserves distributed	-	(63)	-	-	-	-	-	-	(63)	(7)	(70)
Other changes	-	4	-	-	-	-	-	-	4	1	5
Total comprehensive profit (loss)	-	-	90	-	29	-	-	177	296	16	312
of which:											
- Change in comprehensive income	-	-	90	-	29	-	-	-	119	-	119
- Profit (Loss) from 01.01.2014 to 09.30.2014	-	-	-	-	-	-	-	177	177	16	193
Balance at September 30, 2014	**5,292**	**1,787**	**90**	**-**	**18**	**-**	**(1)**	**177**	**7,363**	**123**	**7,486**
Reserve for sale shares without loss of control	-	(35)	-	-	-	-	-	-	(35)	389	354
Other changes	-	(6)	-	-	-	-	-	-	(6)	(1)	(7)
Total comprehensive profit (loss)	-	-	(548)	-	(7)	-	(3)	(137)	(695)	(1)	(696)
of which:											
- Change in comprehensive income	-	-	(548)	-	(7)	-	(3)	-	(558)	-	(558)
- Profit (Loss) from 10.01.2014 to 12.31.2014	-	-	-	-	-	-	-	(137)	(137)	(1)	(138)
Balance at December 31, 2014	**5,292**	**1,746**	**(458)**	**-**	**11**	**-**	**(4)**	**40**	**6,627**	**510**	**7,137**
Appropriation of the previous year's profit (loss)	-	40	-	-	-	-	-	(40)	-	-	-
Dividends and reserves distributed	-	-	-	-	-	-	-	-	-	(66)	(66)
Other changes	-	(4)	-	-	-	-	-	-	(4)	-	(4)
Total comprehensive profit (loss)	-	-	(57)	-	2	-	1	(231)	(285)	23	(262)
of which:											
- Change in comprehensive income	-	-	(57)	-	2	-	1	-	(54)	-	(54)
- Profit (Loss) from 01.01.2015 to 09.30.2015	-	-	-	-	-	-	-	(231)	(231)	23	(208)
Balance at September 30, 2015	**5,292**	**1,782**	**(515)**	**-**	**13**	**-**	**(3)**	**(231)**	**6,338**	**467**	**6,805**

(*) The balance at December 31, 2013 has been restated as a result of the adoption of IFRS 11 "Joint Arrangements".

NOTES TO THE QUARTERLY REPORT AT SEPTEMBER 30, 2015

ACCOUNTING PRINCIPLES AND CONSOLIDATION CRITERIA

Content and Presentation

The Edison Group's Quarterly Report at September 30, 2015 was prepared in accordance with Article 154-ter of Legislative Decree No. 58 of February 24, 1998, as amended, and the interim financial disclosures it provides are consistent with the provisions of IAS 34 - Interim Financial Reporting. The abovementioned report is consistent with the requirements of the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), as published in the Official Journal of the European Union (O.J.E.U.).

Methods applied to the Preparation of the Financial Statements

Please note that the international accounting principles are consistent with those used for the Consolidated Financial Statements at December 31, 2014, and a new interpretation **IFRIC 21 "Levies"** is applicable retrospectively starting in 2015. This new interpretation sets forth the criteria applicable to determine when liabilities for levies should be recognized in the financial statements. These liabilities can be recognized either gradually or in a lump sum upon the occurrence of the obligating event. This interpretation had no impact on the Group.

The Board of Directors, meeting on October 29, 2015, authorized the publication of Edison's Group Quarterly Report at September 30, 2015, which was not audited.

Unless otherwise stated, all amounts in these accompanying notes are in millions of euros.

Use of Estimated Values

The preparation of Edison Group's Quarterly Report at September 30, 2015 and the accompanying notes requires the use of estimates and assumptions both in the measurement of certain assets and liabilities and in the valuation of contingent liabilities. The actual results that will arise upon the occurrence of the relevant events could differ from these estimates. The estimates and assumptions used are revised on an ongoing basis, and the impact of any such revision is immediately recognized in the income statement. Generally the use of estimates is particularly significant for amortization and depreciation, valuation of derivatives, provision for risks and allowance for doubtful accounts, advances paid under long-term natural gas supply contracts (take-or-pay) as well as the impairment test.

For a more detailed description of the valuation processes with a more significant impact on the Group, unchanged compared to previous year, please consult the section of the 2014 Consolidated Financial Statements entitled "Use of Estimated Values".

Significant assumptions in determining control in accordance with IFRS 12

With regard to the definition of control set forth in IFRS 10, please note that the Edison Group consolidates line by line some companies even though it does not hold a majority equity stake; more specifically, Hydros Srl (owned at 40%) and Dolomiti Edison Energy Srl (owned at 49%) in the hydroelectric area and E2i Energie Speciali Srl (owned at 30%) through Edison Partecipazioni Energie Rinnovabili Srl in the renewable energy area. A more detailed description of these issues is provided in the 2014 Consolidated Financial Statements.

Changes in the Scope of Consolidation Compared with December 31, 2014 and Acquisition of Assets

Electric Power Operations

In July the acquisition of Shen Spa, a company held by Edison Spa at 100% which operates in the hydroelectric sector and is consolidated line by line.

Further to the valuation of the acquired company in accordance with IFRS 3 revised, i.e., by measuring the acquired assets, liabilities and contingent liabilities at their fair value at the acquisition date, tangible assets were revalued by 1 million euros together with the related tax effect. It is worth mentioning that these amounts should be viewed as provisional amounts, since, pursuant to IFRS 3 revised, the valuation becomes final 12 months after the date of acquisition. The table below shows in detail the effects of this transaction:

(in millions of euros)	Original values	Fair Value of acquired assets and liabilities
Non-current assets		
Property, plant and equipment	5	6
Current assets		
Trade receivables	1	1
Cash and cash equivalents	1	1
Total assets	**7**	**8**
Non-current liabilities		
Provision for deferred taxes	-	1
Total liabilities	**-**	**1**
Fair Value of net acquired assets	**7**	**7**
- % attributable to Edison (100%)		7
Total acquisition cost		7
Goodwill generated by the acquisition		-

Hydrocarbons Operations

In April the Group purchased, through a newly created company (ST North Sea Ltd now Edison North Sea Ltd), a group of assets that did not meet, at the time of purchase, the definition of a "business" under IFRS 3 revised, not representing a set of integrated activities that can be autonomously managed to produce returns or other benefits directly attributable to the investor. The balance sheet's values, recognized at purchase cost, are listed in the table below:

(in millions of euros)	*Note*	
ASSETS		
Property, plant and equipment (decommissioning)	*13*	151
Hydrocarbon concessions	*16*	36
Total non-current assets		**187**
Total current assets		**11**
Total assets (a)		**198**
LIABILITIES		
Provision for decommissioning and remediation of industrial site:	*26*	151
Total non-current liabilities		**151**
Total current liabilities		**9**
Total liabilities (b)		**160**
Net assets (a-b)		**38**
Price paid		**38**

Comparability

Starting with the 2014 financial statements, the following reclassification were made with the aim of providing e better presentation of the economic and financial data:

- in income statement:
  - (i) recognition as part of sales revenues of gains from realized derivatives that are part of the industrial portfolios and of the financial trading margin, previously included in "Other revenues and income" and "Raw materials and services used";
  - (ii) recognition as part of EBIT of "Other income (expense), net";
- in the balance sheet: recognition of the fair value of physical contracts for energy commodities included in the trading portfolios, in Other receivables / Other liabilities and no longer reflected in Trade receivables / payables.

The comparative data for the first nine months 2014 were restated consistent with those for 2015.

The schedules that follow show the effects of these restatements on the income statement, balance sheet and cash flow statement.

Income Statement at first nine months of 2014

(in millions of euros)	9 months 2014 Published	New presentation	9 months 2014 Restated
Sales revenues	8,794	136	8,930
Other revenues and income	470	(277)	193
Total net revenues	**9,264**	**(141)**	**9,123**
Raw materials and services used (-)	(8,450)	141	(8,309)
Labor costs (-)	(162)	-	(162)
EBITDA	**652**	**-**	**652**
Net change in fair value of commodity derivatives	120	-	120
Depreciation, amortization and writedowns (-)	(370)	-	(370)
Other income (expense), net	-	(15)	(15)
EBIT	**402**	**(15)**	**387**
Net financial income (expense)	(99)	-	(99)
Income from (Expense on) equity investments	11	-	11
Other income (expense), net	(15)	15	-
Profit (Loss) before taxes	**299**	**-**	**299**
Income taxes	(106)	-	(106)
Profit (Loss) from continuing operations	**193**	**-**	**193**
Profit (Loss) from discontinued operations	-	-	-
Profit (Loss)	**193**	**-**	**193**
Broken down as follows:			
Minority interest in profit (loss)	16	-	16
Group interest in profit (loss)	**177**	**-**	**177**
Earnings (Loss) per share (in euros)			
Basic earnings (loss) per common share	0.0329		0.0329
Basic earnings per savings share	0.0629		0.0629
Diluted earnings (loss) per common share	0.0329		0.0329
Diluted earnings per savings share	0.0629		0.0629

Balance Sheet at September 30, 2014

	09.30.2014		
(in millions of euros)	Published	New presentation	Restated
ASSETS			
Property, plant and equipment	4,254	-	4,254
Investment property	6	-	6
Goodwill	3,231	-	3,231
Hydrocarbon concessions	803	-	803
Other intangible assets	118	-	118
Investments in associates	148	-	148
Available-for-sale investments	177	-	177
Other financial assets	39	-	39
Deferred-tax assets	294	-	294
Other assets	171	-	171
Total non-current assets	**9,241**	**-**	**9,241**
Inventories	624	-	624
Trade receivables	2,718	(189)	2,529
Current-tax assets	25	-	25
Other receivables	997	189	1,186
Current financial assets	156	-	156
Cash and cash equivalents	407	-	407
Total current assets	**4,927**	**-**	**4,927**
Assets held for sale	**-**	**-**	**-**
Total assets	**14,168**	**-**	**14,168**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	5,292	-	5,292
Reserves and retained earnings (loss carryforward)	1,787	-	1,787
Reserve for other components of comprehensive income	107	-	107
Group interest in profit (loss)	177	-	177
Total shareholders' equity attributable to Parent Company shareholders	**7,363**	**-**	**7,363**
Shareholders' equity attributable to minority shareholders	123	-	123
Total shareholders' equity	**7,486**	**-**	**7,486**
Provision for employee severance indemnities and provisions for pensions	35	-	35
Provision for deferred taxes	82	-	82
Provisions for risks and charges	922	-	922
Bonds	598	-	598
Long-term financial debt and other financial liabilities	1,014	-	1,014
Other liabilities	6	-	6
Total non-current liabilities	**2,657**	**-**	**2,657**
Bonds	569	-	569
Short-term financial debt	527	-	527
Trade payables	2,133	(161)	1,972
Current taxes payable	29	-	29
Other liabilities	767	161	928
Total current liabilities	**4,025**	**-**	**4,025**
Liabilities held for sale	**-**	**-**	**-**
Total liabilities and shareholders' equity	**14,168**	**-**	**14,168**

Cash Flow Statement in the first nine months of 2014

	(in millions of euros)	9 months 2014 Published	New presentation	9 months 2014 Restated
	Profit (Loss) before taxes	**299**	**-**	**299**
	Depreciation, amortization and writedowns	370	-	370
	Net additions to provisions for risks	(5)	-	(5)
	Interest in the result of companies valued by the equity method (-)	(7)	-	(7)
	Dividends received from companies valued by the equity method	3	-	3
	(Gains) Losses on the sale of non-current assets	(6)	-	(6)
	Change in the provision for employee severance indemnities and provisions for pensions	-	-	-
	Change in fair value recorded in EBIT	(114)	-	(114)
	Change in operating working capital	198	22	220
	Change in non-operating working capital	-	15	15
	Change in other operating assets and liabilities	47	(33)	14
	Net financial (income) expense	96	3	99
	Net financial expense paid	(99)	(7)	(106)
	Net income taxes paid	(188)	-	(188)
A.	**Cash flow from continuing operations**	**594**	**-**	**594**
	Additions to intangibles and property, plant and equipment (-)	(244)	-	(244)
	Additions to non-current financial assets (-)	-	-	-
	Net price paid on business combinations	-	-	-
	Proceeds from the sale of intangibles and property, plant and equipment	32	-	32
	Proceeds from the sale of non-current financial assets	-	-	-
	Repayment of capital contribution by non-current financial assets	5	-	5
	Change in other current financial assets	(4)	-	(4)
B.	**Cash used in investing activities from continuing operations**	**(211)**	**-**	**(211)**
	Receipt of new medium-term and long-term loans	350	-	350
	Redemption of medium-term and long-term loans (-)	(713)	-	(713)
	Other net change in financial debt	(39)	-	(39)
	Capital contributions and reserves (-)	-	-	-
	Dividends paid to controlling companies or minority shareholders (-)	(66)	-	(66)
C.	**Cash used in financing activities from continuing operations**	**(468)**	**-**	**(468)**
D.	**Net currency translation differences**	**-**	**-**	**-**
E.	**Net cash flow for the period from continuing operations (A+B+C+D)**	**(85)**	**-**	**(85)**
F.	**Net cash flow for the period from discontinued operations**	**-**	**-**	**-**
G.	**Net cash flow for the period (continuing and discontinued operations) (E+F)**	**(85)**	**-**	**(85)**
H.	**Cash and cash equivalents at the beginning of the year from continuing operations**	**492**	**-**	**492**
I.	**Cash and cash equivalents at the beginning of the year from discontinued operations**	**-**	**-**	**-**
L.	**Cash and cash equivalents at the end of the period (continuing and discontinued operations) (G+H+I)**	**407**	**-**	**407**
M.	**Cash and cash equivalents at the end of the period from discontinued operations**	**-**	**-**	**-**
N.	**Cash and cash equivalents at the end of the period from Continuing Operations (L-M)**	**407**	**-**	**407**

SEGMENT INFORMATION

The segments, as identified by the Group in accordance with IFRS 8, correspond to the Electric Power Operations, the Hydrocarbons Operations and Corporate Activities and Other Segments, as a residual sector. This segment information disclosure is based on the same structure used for the reports that are periodically analyzed by management and the Board of Directors to manage the Group's business activities and for management reporting, planning and control purposes.

INCOME STATEMENT	*Electric Power Operations*		*Hydrocarbons Operations*		*Corporate Activities and Other Segments*		*Adjustments*		*EDISON GROUP*	
(in millions of euros)	***9 months 2015***	*9 months 2014 (*)*	***9 months 2015***	*9 months 2014 (*)*	***9 months 2015***	*9 months 2014 (*)*	***9 months 2015***	*9 months 2014 (*)*	***9 months 2015***	*9 months 2014 (*)*
Sales Revenues	**4,997**	**5,781**	**3,873**	**3,660**	**36**	**35**	**(597)**	**(546)**	**8,309**	**8,930**
- third parties sales revenues	4,984	5,770	3,321	3,157	4	3	-	-	8,309	8,930
- Intra-Group sales revenues	13	11	552	503	32	32	(597)	(546)	-	-
EBITDA	**325**	**492**	**16**	**251**	**(69)**	**(91)**	**-**	**-**	**272**	**652**
as a % of sales revenues	*6.5%*	*8.5%*	*0.4%*	*6.9%*	*n.m.*	*n.m.*			*3.3%*	*7.3%*
Net change in Fair Value of Commodity derivatives	7	3	36	117	-	-	-	-	43	120
Depreciation, amortization and writedowns	(174)	(175)	(271)	(189)	(5)	(6)	-	-	(450)	(370)
Othet income (expense),net	-	-	-	-	(22)	(15)	-	-	(22)	(15)
EBIT	**158**	**320**	**(219)**	**179**	**(96)**	**(112)**	**-**	**-**	**(157)**	**387**
as a % of sales revenues	*3.2%*	*5.5%*	*(5.7%)*	*4.9%*	*n.m.*	*n.m.*			*(1.9%)*	*4.3%*
Net financial income (expense)									**(22)**	**(99)**
Interest in result of companies valued by equity method									**(4)**	**7**
Income taxes									**(28)**	**(106)**
Profit (Loss) from continuing operations									**(208)**	**193**
Profit (Loss) from discontinued operations									**-**	**-**
Minority interest in profit (loss)									**23**	**16**
Group interest in profit (loss)									**(231)**	**177**

BALANCE SHEET	*Electric Power Operations*		*Hydrocarbons Operations*		*Corporate Activities and Other Segments*		*Adjustments*		*EDISON GROUP*	
(in millions of euros)	***09.30.2015***	*12.31.2014*	***09.30.2015***	*12.31.2014*	***09.30.2015***	*12.31.2014*	***09.30.2015***	*12.31.2014*	***09.30.2015***	*12.31.2014*
Total assets	**7,487**	**8,067**	**6,398**	**6,347**	**4,154**	**4,354**	**(4,017)**	**(3,834)**	**14,022**	**14,934**
Total liabilities	**2,211**	**2,889**	**4,658**	**4,497**	**3,207**	**3,025**	**(2,859)**	**(2,614)**	**7,217**	**7,797**
Net Financial Debt									**1,718**	**1,766**

OTHER INFORMATION	*Electric Power Operations*		*Hydrocarbons Operations*		*Corporate Activities and Other Segments*		*Adjustments*		*EDISON GROUP*	
(in millions of euros)	***9 months 2015***	*9 months 2014*	***9 months 2015***	*9 months 2014*	***9 months 2015***	*9 months 2014*	***9 months 2015***	*9 months 2014*	***9 months 2015***	*9 months 2014*
Capital expenditures	22	30	207	153	1	-	-	-	**230**	**183**
Investments in exploration	-	-	106	46	-	-	-	-	**106**	**46**
Investments in intangibles	1	2	49	12	1	1	-	-	**51**	**15**
Total capital investments	**23**	**32**	**362**	**211**	**2**	**1**	**-**	**-**	**387**	**244**

	Electric Power Operations		*Hydrocarbons Operations*		*Corporate Activities and Other Segments*		*Adjustments*		*EDISON GROUP*	
	09.30.2015	*12.31.2014*	***09.30.2015***	*12.31.2014*	***09.30.2015***	*12.31.2014*	***09.30.2015***	*12.31.2014*	***09.30.2015***	*12.31.2014*
Number of employees	**1,040**	***1,051***	**1,416**	**1,419**	**615**	**631**	**-**	**-**	**3,071**	**3,101**

(*) The amounts have been restated as a result of the new presentation of derivatives and nonrecurring expense.

Thus far, the Group has not viewed **geographic area** segment information as meaningful. In recent years the foreign operations have gained steadily in importance: net non-current assets held totaled 1,453 million euros and are referred to the Hydrocarbons Operations, the largest component of which was located in Egypt. At September 30, 2015, the contribution of foreign operations accounted for about 17% of net invested capital.

The important contribution of the Exploration & Production business is shown in the table below.

(in millions of euros)	**9 months 2015**	9 months 2014	Change	% change
Sales revenues	**383**	**516**	(133)	(25,8%)
EBITDA	**192**	**318**	(126)	(39,6%)
as % of sales revenues	*50,1%*	*61,6%*		
EBIT	**(61)**	**145**	(206)	n.m.
as % of sales revenues	*(15,9%)*	*28,1%*		

Major customers as defined by IFRS 8

The Group's sales are generally not concentrated. In the Electric Power Operations there is one major customer with sales revenues totaling about 1,219 million euros in the period, equal to 24.4% of the total sales revenues of the Electric Power Operations and to 14.7% of the total sales revenues of the Group.

NOTES TO THE INCOME STATEMENT

In the first nine months of 2015 the national demand for electricity increased by 1.9% compared with the first nine months of 2014. The reduced availability of water resources in the period, compared with the same period the previous year, resulted in a sharp reduction of hydroelectric generation, which was offset by an increase in output from thermoelectric and renewable sources. There was a significant increase in Italian consumption of natural gas (+8.5%), particularly for thermoelectric and residential uses, owing in part to colder weather conditions.

In this scenario Group **EBITDA** were positive by 272 million euros (652 million euros in the first nine months of 2014), more specifically:

- The adjusted EBITDA[1] of the **Electric Power Operations**, amounting to 287 million euros compared with 510 million euros in the same period last year, were penalized by the prices scenario and by lower hydroelectric generation due to a reduced availability of water resources during the period compared with the extraordinary levels recorded in the first nine months of 2014.
- The adjusted EBITDA[1] of the **Hydrocarbons Operations** totaled 54 million euros, compared with 233 million euros in the first nine months of 2014, which included a one-off effect resulting from the revision of long-term contract to import natural gas from Russia. This performance was affected by a sharp price contraction in the crude oil market, which had a negative impact on the Exploration & Production operations.

The **Group's interest in the net result** was negative by 231 million euros (positive by 177 million euros in the first nine months of 2014).

In addition to the effects of the industrial margins mentioned above, the main factors affecting the result for the period included:

- the net changes in the fair value of derivatives, positive for 43 million euros;
- depreciation and amortization of 450 million euros;
- net financial expenses of 22 million euros, boosted by a net foreign exchange gain of 37 million euros;
- the derecognition of net deferred tax assets with a negative one-off effect of 68 million euros and lower current taxes for about 15 million euros as a result of the decision of the Constitutional Court, published on February 11, 2015, which found that the so-called Robin Hood Tax was unconstitutional.

[1] Adjusted EBITDA reflects 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 and losses attributable to them (-38 million euros in 2015, +18 million euros in 2014). This reclassification is being made to provide an operational presentation of the industrial results.

1. Sales Revenues - 8,309 millions of euros

(in millions of euros)	9 months 2015	9 months 2014 (*)	Change	% change
Electric power	3,797	4,404	(607)	(13.8%)
Natural gas	2,897	2,547	350	13.7%
Steam	46	56	(10)	(17.9%)
Oil	144	183	(39)	(21.3%)
Green certificates	124	98	26	26.5%
Other sales revenues	15	42	(27)	(64.3%)
Sub-total	**7,023**	**7,330**	**(307)**	**(4.2%)**
Transmission revenues	1,039	1,199	(160)	(13.3%)
Realized commodity derivatives	128	277	(149)	(53.8%)
Margin on trading activities	3	34	(31)	(91.2%)
Storage services	68	59	9	15.3%
Revenues from services provided	7	7	-	0.0%
Other revenues from sundry services	41	24	17	70.8%
Total for the Group	**8,309**	**8,930**	**(621)**	**(7.0%)**

(*) The amounts have been restated as a result of the new presentation of derivatives.

Breakdown by Business Segment

(in millions of euros)	9 months 2015	9 months 2014 (*)	Change	% change
Electric Power Operations	4,997	5,781	(784)	(13.6%)
Hydrocarbons Operations	3,873	3,660	213	5.8%
Corporate Activities and Other Segments	36	35	1	2.9%
Eliminations	(597)	(546)	(51)	(9.3%)
Total for the Group	**8,309**	**8,930**	**(621)**	**(7.0%)**

(*) The amounts have been restated as a result of the new presentation of derivatives.

Sales revenues are booked for the most part in the Italian market.

The sales revenues of the **Electric Power Operations** decreased compared with the same period the previous year, mainly due to a decline in average sales prices, driven by the benchmark scenario, and to lower sales volumes.

The sales revenues of the **Hydrocarbons Operations,** which were up by 5.8% compared with the first nine months of 2014, reflect an increase in sales volumes to residential users, thanks in part to colder weather conditions, and to thermoelectric user that offset the reduction of sales prices.

The income from **Realized commodity derivatives**, 128 million euros, which should be analyzed together with the corresponding cost item included in **Raw materials and services used** (138 million euros), primarily reflects the results of commodities and foreign exchange hedges executed to mitigate the risk of fluctuation in the cost of natural gas used by the Edison Group's facilities portfolios and gas earmarked for direct sales. This result is mainly attributable to drawdown trend in commodity market, in particular those referred to the oil market.

Margin on Trading Activities

(in millions of euros)	9 months 2015	9 months 2014	Change	% change
Margin on physical contracts included in trading portfolios				
Sales revenues	2.162	4.604	(2.442)	(53,0%)
Raw materials and services used	(2.143)	(4.429)	2.286	(51,6%)
Total included in sales revenues	**19**	**175**	**(156)**	**n.m.**
Margin on financial contracts included in trading portfolios				
Sales revenues	42	24	18	75,0%
Raw materials and services used	(58)	(165)	107	n.m.
Total included in sales revenues	**(16)**	**(141)**	**125**	**n.m.**
Total margin on trading activities	**3**	**34**	**(31)**	**(91,2%)**

2. Other Revenues and Income - 101 millions of euros

(in millions of euros)	9 months 2015	9 months 2014 (*)	Change	% change
Recovery of costs from partners in hydrocarbon exploration projects	21	25	(4)	(16.0%)
Net reversals in earnings of provisions for risks on receivables and other risks	1	7	(6)	(85.7%)
Out of period and sundry items	79	161	(82)	(50.9%)
Total for the Group	**101**	**193**	**(92)**	**(47.7%)**

(*) The amounts have been restated as a result of the new presentation of derivatives.

The **Out of period and sundry items** in 2014 included the one-off effect resulting from the revision of long-term contract to import natural gas from Russia.

3. Raw Materials and Services Used - 7,968 millions of euros

(in millions of euros)	9 months 2015	9 months 2014 (*)	Change	% change
Natural gas	2,911	2,700	211	7.8%
Electric power	2,588	3,015	(427)	(14.2%)
Blast-furnace, recycled and coke-oven gas	-	8	(8)	n.m.
Green certificates	-	19	(19)	n.m.
CO2 emissions rights	26	19	7	36.8%
Utilities and other materials	60	63	(3)	(4.8%)
Sub-total	**5,585**	**5,824**	**(239)**	**(4.1%)**
Transmission of electric power and natural gas	1,554	1,708	(154)	(9.0%)
Maintenance	121	102	19	18.6%
Regasification fee	87	80	7	8.8%
Professional services	84	102	(18)	(17.6%)
Writedowns of trade and other receivables	51	120	(69)	(57.5%)
Realized commodity derivatives	138	131	7	5.3%
Additions to provisions for miscellaneous risks	11	11	-	0.0%
Change in inventories	81	(49)	130	n.m.
Use of property not owned	80	84	(4)	(4.8%)
Sundry items	176	196	(20)	(10.2%)
Total for the Group	**7,968**	**8,309**	**(341)**	**(4.1%)**

(*) The amounts have been restated as a result of the new presentation of derivatives.

Breakdown by Business Segment

(in millions of euros)	9 months 2015	9 months 2014 (*)	Change	% change
Electric Power Operations	4,652	5,303	(651)	(12.3%)
Hydrocarbons Operations	3,851	3,465	386	11.1%
Corporate Activities and Other Segments	69	95	(26)	(27.4%)
Eliminations	(604)	(554)	(50)	(9.0%)
Total for the Group	**7,968**	**8,309**	**(341)**	**(4.1%)**

(*) The amounts have been restated as a result of the new presentation of derivatives.

The item **Writedowns of trade and other receivables** (51 million euros) includes additions to allowances for doubtful accounts and losses on uncollectible accounts, net of specific utilizations. The changes in Allowance for doubtful accounts are shown in Note 22.

4. Labor Costs - 170 millions of euros

Labor costs were up slightly compared with the same period previous year (162 million euros).

5. EBITDA - 272 millions of euros

(in millions of euros)	9 months 2015	as a % of sales revenues	9 months 2014	as a % of sales revenues
Reported EBITDA				
Electric Power Operations	325	6.5%	492	8.5%
Hydrocarbons Operations	16	0.4%	251	6.9%
Corporate Activities and Other Segments	(69)	n.m.	(91)	n.m.
Total for the Group	**272**	**3.3%**	**652**	**7.3%**
Adjusted EBITDA				
Electric Power Operations	287	5.7%	510	8.8%
Hydrocarbons Operations	54	1.4%	233	6.4%
Corporate Activities and Other Segments	(69)	n.m.	(91)	n.m.
Total for the Group	**272**	**3.3%**	**652**	**7.3%**

The adjusted EBITDA reflect the reclassification to the Electric Power Operations of a portion of the result from transactions executed to hedge natural gas importation contracts, since, from an operational standpoint, the margins earned on sales of electric power also benefit from these hedges.

The performance of the Group's businesses is reviewed below:

- the adjusted EBITDA of the **Electric Power Operations,** totaling 287 million euros, is in decrease by 43.7% compared with the same period the previous year (510 million euros), mainly due to the scenario effect and a reduction in hydroelectric production, which in 2014 was boosted by an extraordinary abundance of water resources; renewable-source facilities provided a positive contribution;

- the adjusted EBITDA of the **Hydrocarbons Operations,** amounting to 54 million euros (233 million euros in first nine months of 2014, including the one-off effect resulting from the revision of long-term contract to import natural gas from Russia), reflect, on the one hand, the performance of the activities engaged in buying and selling natural gas, which, pending the completion of a second round of renegotiations, continue to experience negative average unit sales margins and on the other hand, the impact of a reduced contribution by the Exploration & Production activities, which, while benefiting from the positive effects from the sales price review negotiated in Egypt, are penalized by the slump in oil market prices.

6. Net Change in Fair Value of Commodity - **43 millions of euros**

(in millions of euros)	9 months 2015	9 months 2014	Change	% change
Change in fair value in hedging the price risk on energy products:	**41**	**97**	**(56)**	(57.7%)
- definable as hedges pursuant to IAS 39 (CFH) (*)	(15)	(12)	(3)	25.0%
- not definable as hedges pursuant to IAS 39	56	109	(53)	(48.6%)
Change in fair value in hedging the foreign exchange risk on commodities:	**2**	**23**	**(21)**	(91.3%)
- definable as hedges pursuant to IAS 39 (CFH) (*)	(6)	18	(24)	n.m.
- not definable as hedges pursuant to IAS 39	8	5	3	60.0%
Total for the Group	**43**	**120**	**(77)**	**(64.2%)**

(*) Referred to the ineffective portion.

This line item reflects the change in fair value for the period of commodity and foreign exchange derivatives executed as economic hedges of the Industrial Portfolio. This amount decreased, compared with the previous reporting period, when the fair value was positive by a substantial amount: the net change for the period mainly reflects the partial reversal of the positive fair value of December 2014 as a consequence of the commodities' delivery and the realization of related derivatives, offset by the positive effect due to the decrease in prices referred to the hydrocarbons market.

7. Depreciation, Amortization and Writedowns - **450 millions of euros**

(in millions of euros)	9 months 2015	9 months 2014	Change	% change
Depreciation and amortization of:	**439**	**369**	**70**	**19.0%**
- property, plant and equipment	269	255	14	5.5%
- hydrocarbon concessions	51	57	(6)	(10.5%)
- other intangible assets (*)	119	57	62	n.m.
Writedowns of:	**11**	**1**	**10**	**n.m.**
- property, plant and equipment	11	1	10	n.m.
Total for the Group	**450**	**370**	**80**	**21.6%**

(*) Included the exploration costs (106 million euros in 2015, 46 million euros in 2014).

Breakdown by Business Segment

(in millions of euros)	9 months 2015	9 months 2014	Change	% change
Electric Power Operations:	**174**	**175**	**(1)**	**(0.6%)**
- depreciation and amortization	174	175	(1)	(0.6%)
Hydrocarbons Operations:	**271**	**189**	**82**	**43.4%**
- depreciation and amortization (*)	260	189	71	37.6%
- writedowns of property, plant and equipment	11	-	11	n.m.
Corporate Activities and Other Segments:	**5**	**6**	**(1)**	**(16.7%)**
- depreciation and amortization	5	5	-	-
- writedowns of property, plant and equipment	-	1	(1)	n.m.
Total for the Group	**450**	**370**	**80**	**21.6%**

(*) Included the exploration costs (106 million euros in 2015, 46 million euros in 2014).

Please refer to Note 17 for information about writedowns of property, plant and equipment.

8. Other Income (Expense), Net - **(22) millions of euros**

Net other expense reflects nonrecurring items that are not directly related to the Group's industrial operations. They mainly includes costs referred to legal disputes.

9. Net Financial Income (Expense) – (22) millions of euros

(in millions of euros)	9 months 2015	9 months 2014	Change
Financial income			
Financial income from financial derivatives	16	58	(42)
Interest earned on trade receivables	14	13	1
Other financial income	11	6	5
Total financial income	**41**	**77**	**(36)**
Financial expense			
Interest accrued on bond issues	(22)	(48)	26
Fair Value Hedge adjustment on bonds	9	4	5
Financial expense from financial derivatives	(13)	(43)	30
Interest accrued to banks	(3)	(2)	(1)
Fees	(19)	(26)	7
Financial expense on decommissioning projects and provisions for risks	(20)	(19)	(1)
Financial expense in connection with employee severance benefits	(1)	(1)	-
Interest accrued to other lenders	(25)	(29)	4
Other financial expense	(6)	(9)	3
Total financial expense	**(100)**	**(173)**	**73**
Net foreign exchange translation gains (losses)	**37**	**(3)**	**40**
Net financial income (expense) for the Group	**(22)**	**(99)**	**77**

The improvement compared with the previous year is mainly the result of an increase in foreign exchange gains resulting from a favorable trend in the EUR/USD exchange rate, which produced positive results from the derivatives executed to hedge the foreign exchange risk associated with payment of invoices for fuel procurement activities. Another important contributing factors was a reduction in financial expense due to a reduced debt level and the lower cost resulting from a different mix of financial resources.

10. Income from (Expense on) from Equity Investments - (1) millions of euros

(in millions of euros)	9 months 2015	9 months 2014	Change
Income from Equity Investments			
Dividends	3	3	-
Revaluations of trading securities	-	2	(2)
Valuations of investments by the equity method	11	10	1
Total income from equity investments	**14**	**15**	**(1)**
Expenses on equity investments			
Writedowns and valuations of investments by the equity method	(15)	(3)	(12)
Writedowns of available for sale investments	-	(1)	1
Total expenses on equity investments	**(15)**	**(4)**	**(11)**
Total Group income from (expenses on) equity investments	**(1)**	**11**	**(12)**

11. Income Taxes - 28 millions of euros

(in millions of euros)	9 months 2015	9 months 2014	Change
Current taxes	36	161	(125)
Net deferred-tax liabilities (assets)	-	(88)	88
Income taxes attributable to previous years	(8)	33	(41)
Total for the Group	**28**	**106**	**(78)**

A significant development in the first nine months of 2015 was the repeal of the Robin Hood tax, an IRES surcharge levied on companies in the oil and energy sector, at a rate of 6.5% in 2014, pursuant to Decree Law No. 112/2008, converted into Law No. 133/2008, as amended. By a decision handed down on February 11, 2015 and published in the Official Gazette of the Italian Republic the same day, the Constitutional Court ruled that the abovementioned IRES surcharge was unconstitutional, effective as of the day after the publication of its decision. Consequently, the deferred tax assets and the provision for deferred taxes recognized for this corporate income tax surcharge were derecognized, with a negative one-off effect of 68 million euros. Instead, the current taxes of the period benefit from the reduction in the tax rate. It is worth mentioning that due to the realignment of the tax bases of some components of property, plant and equipment to the corresponding carrying amounts (Law No. 147/2013), a net positive effect was recognized for 59 million euros in 2014.

12. Earnings (Loss) per Share

	9 months 2015		9 months 2014	
(in millions of euros)	**Common shares**	**Savings shares** [1]	Common shares	Savings shares [1]
Group interest in profit (loss)	(231)	(231)	177	177
Profit (Loss) attributable to the different classes of shares	(235)	4	170	7
Weighted average number of shares outstanding (common and savings) determined for the purpose of computing earnings (loss) per share:				
- basic (B)	5.181.545.824	110.154.847	5.181.545.824	110.154.847
- diluted (C) [2]	5.181.545.824	110.154.847	5.181.545.824	110.154.847
Earnings (Loss) per share (in euros)				
- basic (A/B)	(0,0455)	0,0375	0,0329	0,0629
- diluted (A/C) [2]	(0,0455)	0,0375	0,0329	0,0629

(1) 3% of par value for the higher dividend paid to the savings shares compared with the common shares. Savings shares are treated as common shares, since the portion of net income attributable to the savings shares has been deducted from Group interest in profit (loss).

(2) When the Group reports a loss, potential shares are deemed to have no dilutive effect.

NOTES TO THE BALANCE SHEET

Assets

13. Property, Plant and Equipment - 4,448 millions of euros

(in millions of euros)	Land and buildings	Plant and machinery	Assets transferable at no cost (*)	Assets acquired under finance leases (**)	Manufact. and distrib. equipment	Other assets	Constr. in progress and advances	Total
Balance at 12.31.2014 (A)	**428**	**3,467**	**84**	**4**	**3**	**6**	**356**	**4,348**
Changes in the first 9 months of 2015:								
- Additions	1	30	1	-	-	-	198	230
- Disposals (-)	-	(2)	-	-	-	-	-	(2)
- Depreciation (-)	(11)	(244)	(13)	-	-	(1)	-	(269)
- Writedowns (-)	-	(11)	-	-	-	-	-	(11)
- Changes in scope of consolidation	-	6	-	-	-	-	-	6
- Decommissioning	-	151	-	-	-	-	-	151
- Other changes	3	27	1	-	-	1	(37)	(5)
Total changes (B)	**(7)**	**(43)**	**(11)**	**-**	**-**	**-**	**161**	**100**
Balance at 09.30.2015 (A+B)	**421**	**3,424**	**73**	**4**	**3**	**6**	**517**	**4,448**

(*) Referred to 40 hydroelectric concessions, of which one has been acquired in 2015.
(**) Recorded as required by IAS 17 revised; the relative financial debt is exposed in "Long-term financial debt and other financial liabilities" (about 3 million of euros) and in "Short-term financial debt" (less than 1 million of euros).

The **additions** for the period (230 million euros) are reviewed below:

(in millions of euros)	9 months 2015	9 months 2014
Electric Power Operations	**22**	**30**
broken down as follows:		
- Thermoelectric area	*14*	*12*
- Hydroelectric area	*6*	*9*
- Renewable sources area	*2*	*9*
Hydrocarbons Operations	**207**	**153**
broken down as follows:		
- Hydrocarbon fields in Italy	*60*	*83*
- Hydrocarbon fields outside Italy	*139*	*45*
- Transmission and storage infrastructures	*8*	*25*
Corporate Activities and Other Segments	**1**	**-**
Total for the Group	**230**	**183**

Additions by the **Hydrocarbons Operations** mainly focused on international development projects in the Exploration & Production area, carried out in Egypt, Algeria and Norway, and on the development of the Vega and Clara fields in Italy.

A more detailed analysis of **depreciation** is provided in the Note 7 "Depreciation, amortization and writedowns".

The change in **scope of consolidation**, amounting to 6 million euros, is related to the acquisition of Shen Spa.

The increase shown for **decommissioning** (151 million euros) reflects the recognition of new items due to the acquisition of a group of exploration and production assets in Great Britain; this amount is aligned with the one reflected in the corresponding provision for risks (please refer to the paragraph "Changes in the Scope of Consolidation Compared with December 31, 2014 and Acquisition of Assets").

The borrowing costs capitalized as part of property, plant and equipment, consistent with the requirements of IAS 23 Revised were not material.

Please note that assets valued at 37 million euros are encumbered as collateral for loans provided by financial institutions.

14. Investment Property - 6 millions of euros

The Group's investment property, which consists of land and buildings that are not used for production purposes, was unchanged compared with December 31, 2014.

15. Goodwill - 3,070 millions of euros

(in millions of euros)	09.30.2015	12.31.2014
Electric Power Operations	2,367	2,367
Hydrocarbons Operations	703	703
Total for the Group	**3,070**	**3,070**

The balance in this account is an intangible assets with an indefinite useful life. As such, it cannot be amortized in regular installments, but must be tested for impairment at least once a year (Note 17).

16. Hydrocarbon Concessions - 723 millions of euros

The change compared with December 31, 2014 (739 million euros) is mainly due to the increase of 38 million euros for the acquisition of a group of assets in Great Britain (please refer to the paragraph "Changes in the Scope of Consolidation Compared with December 31, 2014 and Acquisition of Assets") and the decrease of 51million euros for the amortization for the period. The Group holds 117 mineral rights in Italy and abroad (including 3 storage concessions).

17. Other Intangible Assets - 118 millions of euros

(in millions of euros)	Concessions, licenses, patents and similar rights (*)	CO_2 emissions rights	Exploration costs	Other intangible assets	Work in progress and advances	Total
Balance at 12.31.2014 (A)	**100**	**-**	**-**	**15**	**3**	**118**
Changes in the first 9 months of 2015:						
- Additions	6	-	106	-	7	119
- Amortization (-)	(12)	-	(106)	(1)	-	(119)
- Other changes	1	-	-	-	(1)	-
Total changes (B)	**(5)**	**-**	**-**	**(1)**	**6**	**-**
Balance at 09.30.2015 (A+B)	**95**	**-**	**-**	**14**	**9**	**118**

(*) Included the infrastructures used to distribute natural gas (62 concessions) as required by IFRIC 12.

Exploration costs for the period, which were amortized in full when incurred, totaled 106 million euros compared with 46 million euros in 2014.

Impairment Test of Assets in Accordance with IAS 36

In the first nine months of 2015, as required by IAS 36, the Group performed updated impairment tests of the individual Cash Generating Units (CGUs), whenever specific impairment indicators affecting recoverable values were detected.

Specifically with regard to goodwill, waiting for the Group to draw up a new industrial plan, the short-term economic and scenario variables were analyzed and did not show, also with regard to the 2015 budget, specific triggers pointing to the need for an impairment test at September 30, 2015.

Also with regard to other assets, no specific triggers were detected; nevertheless, given the persistence of a penalizing scenario, in particular for the trend in the price of Brent crude, specific sensitivity analyses were carried out, consistent with the methods applied at the end of 2014. These sensitivity analyses led to an 11 million euro writedown for an Exploration & Production CGU located abroad. This writedown was recognized at June 30, 2015.

18. Investments in Associates and Available-for-sale Investments - 310 millions of euros

(in millions of euros)	Investments in associates	Available-for-sale investments	Total
Balance at 12.31.2014 (A)	**149**	**174**	**323**
Changes in the first 9 months of 2015:			
- Changes in shareholders' equity reserves	-	(4)	(4)
- Changes in share capital	6	-	6
- Valuations at equity	(4)	-	(4)
- Dividend (-)	(5)	-	(5)
- Other changes (+/-)	(6)	-	(6)
Total changes (B)	**(9)**	**(4)**	**(13)**
Balance at 09.30.2015 (A+B)	**140**	**170**	**310**

The total includes 140 million euros in investments in unconsolidated subsidiaries, joint ventures and affiliated companies and 170 million euros in available-for-sale investments. The latter amount includes investments in Terminale GNL Adriatico Srl (161 million euros) and in RCS Mediagroup Spa (5 million euros).

Changes in shareholders' equity reserves, negative by 4 million euros, refer to the distribution of the reserves for advances on capital contributions by Terminale GNL Adriatico Srl.

This line item includes the equity stakes held in businesses that operate in Greece, with regard to which a negative value adjustment of about 13 million euros was recognized in the first nine months of 2015.

Moreover, the Group is exposed financially towards companies located in Greece, as explained in Note 22 below. While being mindful of the current financial and political situation, management believes that the adoption of additional measures would have been premature, given the high variability of the scenarios, choosing instead to wait for a clearer indication of future developments, while continuing to monitor closely and vigilantly the variables of economic, financial and regulatory context.

19. Other Financial Assets - 76 millions of euros

(in millions of euros)	09.30.2015	12.31.2014	Change
Escrow bank deposits	59	16	43
Sundry items	17	31	(14)
Total other financial assets	**76**	**47**	**29**

Other financial assets consist of financial receivable due in more than one year.

20. Deferred-tax Assets - 525 millions of euros

(in millions of euros)	09.30.2015	12.31.2014	Change
Deferred-tax assets:			
Tax loss carryforward	98	71	27
Taxed provisions for risks	91	83	8
Adoption of IAS 39 to value financial instruments with impact:			
- on shareholders' equity	242	215	27
Valuation differences of property, plant and equipment and intangibles	94	132	(38)
Deferred-tax assets	**525**	**501**	**24**

Deferred-tax assets were valued based on assumptions that they would probably be realized and the tax benefits recovered within the limited time horizon covered by the industrial plans of the various companies. The change compared with December 31, 2014 in deferred-tax assets reflects, inter alia, the repeal of the 6.5% IRES surcharge, also known as the Robin Hood Tax. For more details, see the information provided in Note 11 "Income Taxes", earlier in this Report.

21. Other Assets - 299 millions of euros

(in millions of euros)	09.30.2015	12.31.2014	Change
Advances for natural gas contracts in take-or-pay (*)	267	144	123
Tax refunds receivable	9	9	-
Security deposits / others	23	18	5
Total Other assets	**299**	**171**	**128**

(*) Related to gas volumes that the Edison Spa was unable to take delivery of but was required to pay for, due to take-or-pay contract clauses.

22. Current Assets - 4,447 millions of euros

(in millions of euros)	09.30.2015	12.31.2014	Change
Inventories	455	479	(24)
Trade receivables	1,768	2,848	(1,080)
Current-tax assets	48	45	3
Other receivables	1,796	1,634	162
Current financial assets	131	132	(1)
Cash and cash equivalents	249	473	(224)
Total current assets	**4,447**	**5,611**	**(1,164)**

- The table that follows shows a breakdown of **inventories** by business segment:

(in millions of euros)	Engineering consumables	Stored natural gas	Fuels	Green certificates	CO_2 emission rights	Other	Total at 09.30.2015	Total at 12.31.2014	Change
Electric Power Operations	9	-	-	92	79	36	216	157	59
Hydrocarbons Operations	33	188	18	-	-	-	239	322	(83)
Total for the Group	**42**	**188**	**18**	**92**	**79**	**36**	**455**	**479**	**(24)**

The net decrease for the period refers mainly to inventory reduction of stored natural gas and to the increase of Green certificates and CO_2 mainly related to the trading activity. The inventories included 82 million euros of stored natural gas the use of which is restricted either as a strategic reserve or to secure performance under the balancing system.

- A breakdown of **trade receivables** by business segment is provided in the table below:

(in millions of euros)	**09.30.2015**	12.31.2014	Change
Electric Power Operations	1,116	1,916	(800)
Hydrocarbons Operations	674	946	(272)
Corporate Activities and Other Segments and Eliminations	(22)	(14)	(8)
Total trade receivables	**1,768**	**2,848**	**(1,080)**
Of which Allowance for doubtful Accounts	**(368)**	**(365)**	**(3)**

Specifically, trade receivables stem from contracts to supply electric power and steam, contracts to supply natural gas and Power Exchange transactions.

The table that follows shows the changes in "Allowance for doubtful accounts":

(in millions of euros)	**12.31.2014**	Additions	Utilizations	**09.30.2015**
Allowance for doubtful accounts (*)	**(365)**	(60)	57	**(368)**

(*) Included default interests.

Additions to the allowance reflect the result of an assessment, performed consistent with the Group's policy, of the different status of the receivables, taking into account each customer segment, the corresponding past-due receivables and the aging; utilizations were recognized for receivables deemed uncollectible during the period.

It is worth mentioning that the Group executes on a regular basis transactions involving the irrevocable assignment of receivables without recourse; for additional details please consult the disclosure in the section entitled "Group Financial Risk Management".

- **Current-tax assets** of 48 million euros include amounts owed by the tax authorities for overpayments of regional taxes (IRAP) and corporate income taxes (IRES) by companies that are not included in the consolidated income tax return filed by Transalpina di Energia Spa.
- A breakdown of **other receivables**, is provided in the table below:

(in millions of euros)	**09.30.2015**	12.31.2014	Change
Fair Value on industrial portfolio derivatives and trading activities	1,116	1,120	(4)
Amounts owed by partners and associates in hydrocarbon exploration projects	89	118	(29)
Advances to suppliers	14	13	1
Amounts owed by the controlling company in connection with the filing of the consolidated income tax return	206	174	32
VAT credit	125	14	111
Sundry items	246	195	51
Total other receivables	**1,796**	**1,634**	**162**

The receivable amount shown for **Fair Value on industrial portfolio derivatives and trading activities** should be analyzed in conjunction with the corresponding liability included in **Other liabilities** (which decreased from 1,523 million euros to 1,507 million euros).

A comprehensive review of the economic effects of derivatives is provided in a special disclosure, reported in the Section entitled "Group Financial Risk Management".

- A breakdown of **current financial assets**, which are included in the computation of the Group's net financial debt, is as follows:

(in millions of euros)	**09.30.2015**	12.31.2014	Change
Loans receivable	83	85	(2)
Derivatives	46	45	1
Equity investments held for trading	2	2	-
Total current financial assets	**131**	**132**	**(1)**

The main component of loans receivable is a loan provided to Elpedison Sa (formerly Elpedison Power Sa) maturing in September 2015 and renewed until September 2016. Thus far, principal and interest payments on this facility have been made on schedule, included the portion of September 30, 2015.

- **Cash and cash equivalents** of 249 million euros (473 million euros at December 31, 2014) consist of short-term deposits in bank and postal accounts and other short-term investments.

Liabilities and Shareholders' Equity

23. Shareholders' Equity Attributable to Parent Company Shareholders - 6,338 millions of euros - and Shareholders' Equity Attributable to Minority Shareholders - 467 millions of euros

The shareholders' equity attributable to Parent Company shareholders was 289 million euros less than at December 31, 2014 (6,627 million euros) mainly due to the effect of the net loss for the period (231 million euros) and the negative effect of changes in the Cash Flow Hedge reserves (57 million euros).

The shareholders' equity attributable to minority shareholders was 43 million euros less than at December 31, 2014 (510 million euros), mainly due to the distribution of dividends (66 million euros) and the net profit for the period (23 million euros).

A breakdown of the shareholders' equity attributable to Parent Company shareholders and to minority shareholders is provided in the schedule entitled "Changes in Consolidated Shareholders' Equity".

A breakdown of share capital, which consists of shares with a par value of 1 euro each, all with regular ranking for dividends, is as follows:

Share class	Number of shares	Millions of euros
Common shares	5,181,545,824	5,182
Savings shares	110,154,847	110
Total	**5,291,700,671**	**5,292**

Shareholder's Equity per share Attributable to Parent Company Shareholders	09.30.2015	12.31.2014
Shareholder's Equity Attributable to Parent Company Shareholders (in millions of euros)	6,338	6,627
Shareholder's Equity per share Attributable to Parent Company Shareholders (in euros)	1.198	1.252

The table below provides a breakdown of the changes that occurred in the Cash Flow Hedge reserve, established upon the adoption of IAS 39 for the accounting treatment of derivatives. The change refers to the provisional recognition in equity of effective portion of derivatives executed to hedge price and foreign exchange risks on energy commodities and interest rates. The amounts recognized directly in equity are reflected in the income statement in line with the effects of the hedged item.

Cash Flow Hedge reserve (in millions of euros)	Gross reserve	Taxes	Net reserve
Reserve at December 31, 2014	(673)	215	(458)
Changes in the period	(84)	27	(57)
Reserve at September 30, 2015	**(757)**	**242**	**(515)**

24. Provision for Employee Severance Indemnities and Provisions for Pensions - 36 millions of euros

These provisions, which decreased by 1 million euros compared with December 31, 2014, reflect the accrued severance indemnities and other benefits owed to employees. The actuarial gains and losses are recorded in equity. A valuation in accordance with the actuarial criteria of IAS 19 is performed only for the liability corresponding to the provision for Employee Severance Indemnities that is still held at the Company.

25. Provision for Deferred Taxes - 41 millions of euros

The table shows a breakdown of the provision by type of underlying temporary difference and the deferred-tax assets led to offset when they meet the requirements of IAS 12.

(in millions of euros)	09.30.2015	12.31.2014	Change
Deferred-tax liabilities:			
Valuation differences of property, plant and equipment and intangibles	68	113	(45)
Adoption of IAS 39 to value financial instruments with impact:			
- on the income statement	-	10	(10)
Other deferred-tax liabilities	40	40	-
Total (A)	**108**	**163**	**(55)**
Deferred-tax assets usable for offset purposes:			
Taxed provisions for risks	-	45	(45)
Tax-loss carryforward	-	12	(12)
Valuation differences of property, plant and equipment and intangibles	41	39	2
Other deferred-tax assets	26	22	4
Total (B)	**67**	**118**	**(51)**
Total provision for deferred taxes (A-B)	**41**	**45**	**(4)**

For additional details, see the information provided in Note 11 "Income Taxes" and in Note 20 "Deferred-tax Assets", earlier in this Report.

26. Provisions for Risks and Charges - 1,105 millions of euros

(in millions of euros)	12.31.2014	Additions	Utilizations	Other changes	09.30.2015
Risks for disputes, litigation and contracts	139	4	(10)	-	133
Charges for contractual guarantees on sale of equity investments	75	-	-	-	75
Environmental risks	69	5	(2)	(1)	71
Other risks and charges	10	-	-	-	10
Disputed tax items	55	4	(4)	(2)	53
Total for legal and tax disputes	**348**	**13**	**(16)**	**(3)**	**342**
Provisions for decommissioning and remediation of industrial sites	521	18	(6)	151	684
Provision for CO2 emission rights	-	-	-	22	22
Other risks and charges	54	7	(3)	(1)	57
Total for the Group	**923**	**38**	**(25)**	**169**	**1,105**

The **Provisions for legal and tax disputes**, 342 million euros, decreased in the period mainly due to utilizations for risks related to non-core business activities (10 million euros).

More detailed information about the issues that resulted in the current composition of these provisions is provided in the paragraph as entitled "Risks and Contingent Liabilities Related to Legal and Tax Disputes" of the 2014 Consolidated Financial Statements and of the Semiannual Report at June 30, 2015 and the corresponding updates provided later in these notes.

The **Provisions for decommissioning and remediation of industrial sites**, 684 million euros, reflect the valuation, discounted to the reporting date, of the decommissioning costs that the Group expects to incur for industrial sites and mineral extraction facilities; the increase recorded in the period for 151 million euros reflects the recognizing of a provisions for decommissioning related to the acquisition of a group of assets in Great Britain in the Exploration & Production business (please refer to the paragraph "Changes in the Scope of Consolidation Compared with December 31, 2014 and Acquisition of Assets").

Provision for other risk and charges of 57 million euros include 35 million euros for possible future charges related to the Electric Power Operations and 8 million euros for risk hedges of activities outside Italy.

27. Bonds - 599 millions of euros

The balance of 599 million euros (598 million euros at December 31, 2014), represents the non-current portion of an Edison Spa bond issue; the table below shows the total amount outstanding at September 30, 2015 and the term of the bond issue.

(in millions of euros)	Market where traded	Currency	Par value outstanding	Coupon	Rate	Maturity	Carrying value Non-current portion	Carrying value Current portion	Carrying value Total	Fair value
Edison Spa	Luxembourg Secur. Exch.	EUR	600	Annual in arrears	3.875%	11.10.2017	599	49	648	664

The valuation at amortized cost of the bond issue, a portion of which was hedged with derivatives against the risk of changes in fair value caused by the interest rate fluctuation, was adjusted in accordance with hedge accounting rules to reflect the change in hedged risk.

28. Long-term Financial Debt and Other Financial Liabilities - 976 millions of euros

(in millions of euros)	09.30.2015	12.31.2014	Change
Due to banks	172	184	(12)
Due to other lenders	804	806	(2)
Total for the Group	**976**	**990**	**(14)**

The amount **due to other lenders** includes the loan provided to Edison Spa by EDF Investissement Groupe Sa (face value of 800 million euros).

29. Other Liabilities - 2 millions of euros

Unchanged compared with December 31, 2014.

30. Current Liabilities - 4,458 millions of euros

(in millions of euros)	09.30.2015	12.31.2014	Change
Bonds	49	553	(504)
Short-term financial debt	474	230	244
Trade payables	1,709	2,321	(612)
Current taxes payable	20	20	-
Other liabilities	2,206	2,078	128
Total current liabilities	**4,458**	**5,202**	**(744)**

- **Bonds**, amounting to 49 million euros, include the total accrued interest at September 30, 2015. The decrease compared with the December 31, 2014 is related to the repayment at its maturity date on March 17, 2015 of a 500-million-euro bond issue.
- **Short-term financial debt** includes:

(in millions of euros)	09.30.2015	12.31.2014	Change
Debt due to banks	80	55	25
Debt due to EDF companies	243	17	226
Debt due to unconsolidated Edison Group companies	16	16	-
Debt due to other lenders	135	142	(7)
Total Short-term financial debt	**474**	**230**	**244**

- A breakdown of **trade payables** is provided below:

(in millions of euros)	09.30.2015	12.31.2014	Change
Electric Power Operations	942	1,247	(305)
Hydrocarbons Operations	777	1,057	(280)
Corporate Activities and Other Segments and Eliminations	(10)	17	(27)
Total trade payables	**1,709**	**2,321**	**(612)**

Trade payables reflect mainly purchases of electric power, natural gas and other utilities, as well as services related to plant maintenance.

- **Current taxes payable** of 20 million euros represent the income taxes liability which are paid directly by the companies upon which they are levied.
- A breakdown of **other liabilities** is as follows:

(in millions of euros)	09.30.2015	12.31.2014	Change
Fair Value on industrial portfolio derivatives and trading activities	1,507	1,523	(16)
Amount owed to the controlling company in connection with the filing of a consolidated tax return	296	234	62
Amounts owed to joint holders of permits for hydrocarbon exploration	190	161	29
Payables owed to Tax Administration (other than current tax payables)	7	12	(5)
Amount owed to employees	27	27	-
Payables owed to social security institutions	19	21	(2)
Sundry items	160	100	60
Total other liabilities	**2,206**	**2,078**	**128**

The **Fair Value on industrial portfolio derivatives and trading activities** should be analyzed in conjunction with the corresponding receivables included in **Current assets** (decreased from 1,120 million euros to 1,116 million euros).

NET FINANCIAL DEBT

At September 30, 2015, net financial debt totaled 1,718 million euros, or 48 million euros less than the 1,766 million euros owed at December 31, 2014.

Consistent with the practice followed at the end of 2014, the table below provides a simplified breakdown of the Group's net financial debt:

(in millions of euros)	*See note*	**09.30.2015**	12.31.2014	Change
Bonds - non-current portion	*27*	599	598	1
Non-current bank loans	*28*	172	184	(12)
Amounts due to other lenders - non-current portion	*28*	804	806	(2)
Non current net financial debt		**1,575**	**1,588**	**(13)**
Bonds - current portion	*30*	49	553	(504)
Short-term financial debt	*30*	474	230	244
Current financial assets	*22*	(131)	(132)	1
Cash and cash equivalents	*22*	(249)	(473)	224
Current net financial debt		**143**	**178**	**(35)**
Net financial debt		**1,718**	**1,766**	**(48)**

The net decrease for the period is mainly due to the improvement in operating working capital (521 million euros) which more than offsets the outlays for capital expenditures (387 million euros), dividends (61 million euros) and taxes (53 million euros).

Net financial debt includes the loans outstanding with EDF Group companies for a face value of 950 million euros.

Short-term financial debt also includes:

- the current account established by Edison Spa with EDF Sa that has a debit balance for 83 million euros;
- debt owed to unconsolidated Edison Group companies for 16 million euros.

COMMITMENTS, RISKS AND CONTINGENT ASSETS

Commitments - 1,411 millions of euros

(in millions of euros)	09.30.2015	12.31.2014	Change
Guarantees provided	1,195	1,179	16
Collateral provided	65	69	(4)
Other commitments and risks	151	293	(142)
Total for the Group	**1,411**	**1,541**	**(130)**

Guarantees provided (1,195 million euros) were determined based on the undiscounted amount of contingent commitments on the balance sheet date Guarantees provided by the Group's Parent Company or by banks with the Parent Company's counter-guarantee to secure the performance of contractual obligations by its subsidiaries account for most of the balance. They also include 71 million euros in guarantees provided to the Revenue Office on behalf of subsidiaries for the offsetting of VAT credits and those provided in connection with the intra-Group assignment of tax credits.

Collateral provided (65 million euros) reflects the carrying amounts of the assets or rights pledged as collateral on the balance sheet date. This account consists for the most part of mortgages and encumbrances granted on facilities of the Electric Power Operations to secure financing provided by financial institutions (37 million euros).

Other commitments and risks (151 million euros) reflect primarily commitments undertaken to complete investment projects under construction in Italy and abroad (103 million euros).

With reference to the long-term contracts for the importation of natural gas, which contain take-or-pay clauses that obligate the buyer to pay any shortage between the stipulated minimum quantities and the quantity actually used, please note that no commitments were recorded at September 30, 2015 (116 million euros at December 31, 2014). Concerning the advance paid in the period please refer to Note 21 "Other Assets".

Unrecognized Commitments and Risks

There were no significant changes regarding the main risks and commitments not included in the amounts above in the period compared with disclosures in the 2014 Consolidated Financial Statements, which should be consulted for more complete and comprehensive information. In particular, the **Hydrocarbons Operations** entered into long term contracts for the importation of natural gas from Algeria, Libya, Qatar and Russia.

The table below provides a breakdown of the timing for the supply of natural gas, based on minimum contractual deliveries:

		within 1 year	from 2 to 5 years	over 5 years	**Total**
Natural Gas	Billions of m^3	12.4	51.1	119.5	**183.0**

The economic data are based on prospective pricing formulas.

Risks and contingent liabilities associated with legal and tax disputes

A review, based on information currently available, of the developments affecting the main legal and tax disputes that occurred in the third quarter of 2015 is provided in this paragraph, listing separately actions involving Edison Spa and actions involving other Group companies, with a further differentiation between:

• **probable liabilities**, for which it was possible to develop a reliable estimate of the underlying expected obligation and recognize a corresponding provision for risks, even though the timing of any resulting monetary outlay cannot be objectively predicted; and

• **contingent liabilities**, which are dependent on the occurrence of events that are possible, but not probable, or are probable but their impact cannot be quantified reliably and that are likely to result in a cash outlay of an amount that cannot reasonably be estimated, with regard to which only a disclosure is provided in the notes to the financial statements.

Please see the disclosure provided in the 2014 Consolidated Financial Statements and in the Semiannual Report at June 30, 2015 for a comprehensive review of these issues.

Probable liabilities associated with legal disputes

A) **Liabilities for which a provision for disputes, litigation and contracts risks was recognized in the balance sheet**:

Edison Spa

Actions for Damages and Administrative Proceedings Arising from the Operation of Chemical Facilities Conveyed to Enimont

Mantua Petrochemical Facility –Administrative Proceedings

With regard to the Mantua Site of National Interest ("SNI"), in June and July 2015, the Mantua Provincial Administration served Edison with four remediation and environmental restoration orders pursuant to Article 244 of Legislative Decree No. 152/2006 concerning, respectively, the areas within the Mantua Site of National Interest called "Basso Mincio", "N", "L" and "B+I".

The Company filed separate challenges against the abovementioned orders before the Administrative Court of Lombardy in Brescia.

* * * * *

C) **Liabilities for which a provision for environmental risks was recognized in the balance sheet**:

Edison Spa

Industrial Site in Bussi sul Tirino – Environmental Proceedings

With regard to the Bussi sul Tirino SNI, on September 24, 2015, the Pescara Provincial Administration served Edison Spa with a remediation and environmental restoration order pursuant to Article 244 of Legislative Decree No. 152/2006 concerning the so-called "*former Montecatini*" site in Piano d'Orta, located in the municipality of Bolognano (PE), where Montecatini operated a chemical plant which was abandoned in the sixties of the last century.

The Company is in the process of filing a challenge with the Regional Administrative Court of Abruzzo contesting the legality of this order.

* * * * *

Contingent Liabilities Associated with Legal Disputes

Edison Spa

Criminal Proceedings for the Montefibre Spa Site in Verbania

In August 2015, in connection with the criminal proceedings filed by the public prosecutor at the Court of Verbania in 2011 (currently pending before the Preliminary Hearing Judge at the Court of Verbania) against some former employees and executives of Montefibre Spa in connection with events resulting in employees of the Pallanza factory being exposed to asbestos, Edison Spa, in its capacity as the former parent company of Montefibre (until 1989), was served with three summonses as the "civilly liable party" pursuant to Article 83 of the Code of Criminal Procedure.

The Company is contesting the legality of these summonses on the merit and is taking the necessary steps to join the proceeding.

* * * * *

Probable Liabilities Associated with Tax Disputes

Edison Spa

IRES and IRAP Assessments – for the 2005-2009 Tax Years

In July 2015, the Revenue Agency agreed to a settlement by which it voided the part of the IRES and IRAP assessments for 2008 related to costs attributable to "black-list" suppliers. Consequently, the dispute regarding the 2008 tax year is continuing limited to costs disallowed due to their accrual timing.

* * * * *

Contingent assets

There were no developments compared with the disclosure provided in the 2014 Consolidated Financial Statements.

GROUP FINANCIAL RISK MANAGEMENT

This Section synthetically describes the policies and principles adopted by the Edison Group to manage and control the commodity price risk that arises from the volatility of the prices of energy commodities and environmental securities (CO2 emissions rights, green certificates and white certificates) and other risks related to financial instruments (foreign exchange risk, interest rate risk, credit risk and liquidity risk).

Additional information can be found in the extensive remarks provided in the notes to the 2014 Consolidated Financial Statements.

In accordance with IFRS 7, the paragraphs that follow provide information about the nature of the risk related to financial instruments, based on accounting and management sensitivity considerations.

1. Commodity Price Risk and Exchange Rate Risk Related to Commodity Transactions

Consistent with its Energy Risk Policies, the Edison Group manages this risk within the limit of an Economic Capital amount — measured in terms of Profit at Risk (PaR[1]) — approved by the Board of Directors for the Industrial Portfolio, including both transactions that hedge contracts to buy or sell commodities and the Group's production and assets. The Economic Capital represents the risk capital, stated in millions of euros, available to hedge market risks.

A simulation is carried out for the derivatives instruments that hedge the Industrial Portfolio, some of which qualify for hedge accounting under IAS 39 (Cash Flow Hedge) while others qualify as Economic Hedge, to assess the potential impact that fluctuations in the market prices of the underlying assets could have on the fair value of outstanding derivatives. Issues concerning the Italian forward market for electric power are discussed in the 2014 Consolidated Financial Statements.

The table below shows the maximum negative variance in the fair value of outstanding derivatives expected over the time horizon of the reporting period, with a 97.5% probability, compared with the fair value determined at September 30, 2015. In other words, compared with the fair value determined for financial derivatives outstanding at September 30, 2015, the probability of a negative variance greater than 497.5 million euros by the end of 2015 is limited to 2.5% of the scenarios.

Profit at Risk (PaR) (in millions of euros)	**09.30.2015**	09.30.2014	12.31.2014
Maximum negative variance in the fair value (*)	**497,5**	296,7	452,8

(*) With a level of probability of 97.5%.

The increase in hedging activity and the increased volatility of Brent crude prices is the main reason why the expected level of variance is greater than in the previous year. Derivative activities consisted mainly of executing hedging transaction for 2015, 2016 and 2017.

The hedging strategy deployed during the period enabled the Group to comply with its risk management objectives; the Industrial Portfolio's commodity price risk profile within the approved limit of Economic Capital in terms of absorption of economic capital is the following:

Industrial Portfolios	**9 months 2015**		9 months 2014	
Economic Capital absorbed	**without derivatives**	**with derivatives**	without derivatives	with derivatives
Average absorption of the approved limit of Economic Capital	61%	50%	106%	58%
Maximum absorption	88% - Jan. '15	91% - Jan. '15	138% - Jan. '14	94% - Mar. '14

These data reflect the impact of a significant drop in oil prices, which resulted in a major decrease of exposure to foreign exchange rates, already hedged, arising from long term contracts. The increase in sales that occurred during the gas sales campaign determined an increase of the exposure on the foreign exchange rates of long term contracts that allowed an absorption of exposure to foreign exchange rates of these contracts.

[1] Profit at Risk is a statistical measurement of the maximum potential negative variance in the projected margin in response to unfavorable market fluctuations, within a given time horizon and confidence interval.

Approved activities that are part of the core businesses of the Edison Group include physical and financial commodity trading, which must be carried out in accordance with special procedures and segregated at inception in special Trading Portfolios, separated from the Group's Industrial Portfolio. Trading Portfolios are monitored based on strict risk ceilings. Compliance with these ceilings is monitored by an organizational unit independent of the trading unit.

Value at Risk (VaR) (*)	**09.30.2015**	09.30.2014
Daily VaR Limit (**)	2,7 million euros	3.4 million euros
Stop Loss limit	13,9 million euros	17.7 million euros
Utilized VaR limit at the end of the period	15%	24%
Average utilized VaR limit in the period	21%	32%

(*) Value at Risk: is a statyistical measurement of the maximum potential negative variance in the portfolio's fair value in response to unfavorable market moves, within a given time horizon and confidence interval.
(**) With a level of probability of 95%.

As is the case for the Industrial Portfolio, an Economic Capital that represents the total risk capital available to support the market risks entailed by trading activities is allocated to the entire set of Trading Portfolios. In this case, the Economic Capital ceiling takes into account the risk capital associated with the VaR of the portfolios and the risk capital estimated by means of stress tests for potentially illiquid positions.

Trading Portfolios Economic Capital absorbed	**9 months 2015**	**9 months 2014**
Economic Capital's limit	42.0 million euros	52.9 million euros
Utilization at the end of the period	20%	26%
Average utilization	26%	36%

2. Foreign Exchange Risk

The foreign exchange risk arises from the fact that part of the activities of the Edison Group are carried out in currencies other than the euro or are influenced by changes in foreign exchange rates through contractual components indexed to a foreign currency. Additional information about types of risk and objectives of foreign exchange risk management can be found in the extensive remarks provided in the notes to the 2014 Consolidated Financial Statements.

3. Interest Rate Risk

The Edison Group is exposed to fluctuations in interest rates specifically with regard to the measurement of debt service costs. Consequently, it values on a regular basis its exposure to the risk of fluctuations in interest rates, which it manages with hedging derivatives, some of which qualify for hedge accounting under IAS 39 (Cash Flow Hedges or Fair Value Hedges), while others qualify as Economic Hedges.

Gross Financial Debt	**09.30.2015**			**12.31.2014**		
Mix fixed and variable rate: (in millions of euros)	without derivatives	with derivatives	% with deriv.	without derivatives	with derivatives	% with deriv.
- fixed rate portion (included structures with CAP)	1,404	804	38%	1,904	1,304	55%
- variable rate portion	694	1,294	62%	467	1,067	45%
Total gross financial debt	**2,098**	**2,098**	**100%**	**2,371**	**2,371**	**100%**

On March 17, 2015, the derivative position hedging a 500-million-euro bond issue was closed out concurrently with the repayment of the bonds at their scheduled maturity. The Interest Rate Swaps indexed to the six-month Euribor, which qualify as fair value hedges, executed to hedge a fixed-rate bond issue of 600 million euros maturing on November 10, 2017, are still outstanding.

The table below provides a sensitivity analysis that shows the impact on the income statement and shareholders' equity, respectively, of a hypothetical shift of the forward curve of plus or minus 50 basis points compared with the rates actually applied in the first nine months of 2015 and provides a comparison with the 2014.

Sensitivity analysis (in millions of euros)	9 months 2015 Impact on financial expense (P&L)			09.30.2015 Impact on the Cash Flow Hedge reserve (S.E.)		
	+50 bps	base	-50 bps	+50 bps	base	-50 bps
Edison Group	34	30	26	-	-	-

Sensitivity analysis (in millions of euros)	9 months 2014 Impact on financial expense (P&L)			12.31.2014 Impact on the Cash Flow Hedge reserve (S.E.)		
	+50 bps	base	-50 bps	+50 bps	base	-50 bps
Edison Group	51	46	40	-	-	-

4. Credit Risk

The credit risk represents Edison Group's exposure to potential losses that could be incurred if a commercial or financial counterpart fails to meet its obligations.

To control this risk, the Edison Group implemented procedures and programs designed to evaluate customer credit worthiness (using specially designed scoring grids) and subsequently monitor the expected cash flows and any collection actions.

Edison Group is currently a party to contracts assigning trade receivables without recourse on a monthly revolving basis and by the transfer of the credit risk on a without recourse basis. The receivables assigned with such transactions during the first nine months of 2015 totaled 4,460 million euros (4,823 million euros at September 30, 2014). At September 30, 2015, these receivables were exposed to the risk of recourse for an amount lower than 1 million euros.

When it comes to choosing counterparties for transactions to manage temporary excess liquidity or execute financial hedging contracts (derivatives), the Edison Group deals only with entities with a high credit rating. At September 30, 2015, there were no significant exposures to risks related to a possible further deterioration of the overall financial environment and no significant levels of concentration held by non-institutional individual counterparties. The table below provides an overview of gross trade receivable, the corresponding allowance for doubtful accounts and the guarantees held to secure the receivables.

(in millions of euros)	**09.30.2015**	12.31.2014
Gross trade receivables	2,136	3,213
Allowance for doubtful accounts (-)	(368)	(365)
Trade receivables	**1,768**	**2,848**
Guarantees held (*)	392	530
Receivables less than 6 in arrears	183	241
Receivables 6 to 12 months in arrears	95	128
Receivables more than 12 months in arrears	462	441

(*) Including 115 million euros to hedge receivables outstanding at September 30, 2015.

With regard to foreign activities, which were adversely affected by the local political and economic situation, it is worth noting that the past-due receivables owed in Egypt at September 30, 2015 by the Egyptian General Petroleum Corporation (EGPC) (161 million euros), increased by 43 million euros compared with December 31, 2014.

5. Liquidity Risk

The liquidity risk is the risk that the Group may not have access to sufficient financial resources to meet its financial and commercial obligations in accordance with agreed terms and maturities. The table that follows provides a worst-case scenario; the future cash outflows referred to the liabilities include, in addition to principal and accrued interest, also all interest payments estimated for the entire length of the underlying debt obligation and the effect of interest rate derivatives. Therefore, the aggregate liability amount, evaluated in this manner, is larger than the gross financial debt amount used to compute the Group's net financial debt. In addition, assets (cash and cash equivalents, trade receivables, etc.) are not taken into account and financing facilities are treated as if repayable on demand, in the case of revocable lines of credit, or on the first due date when repayment can be demanded, in other cases.

Worst-case scenario (in millions of euros)	09.30.2015			12.31.2014		
	1 to 3 months	More than 3 months and up to 1 year	After 1 year	1 to 3 months	More than 3 months and up to 1 year	After 1 year
Bonds	23	-	647	516	23	647
Financial debt and other financial liabilities	352	30	1,045	29	37	1,070
Trade payables	1,685	24	-	2,291	30	-
Total	**2,060**	**54**	**1,692**	**2,836**	**90**	**1,717**
Guarantees provided to third parties (*)	**741**	**153**	**301**	**683**	**185**	**311**

(*) These guarantees, mainly of a commercial nature and related to the Group's core businesses, are shown based on their remaining contractual maturity. For further details, see the "Commitments, Risks and Contingent Assets" section of this Report.

The financial debt due within one year (405 million euros) is mainly due to the recourse of flexible financial funding, readily usable at the discretion of Edison, such as the overdraft facility on a cash pooling current account with EDF Sa for 83 million euros and the revolving credit line provided by EDF Sa for 150 million euros. In addition the funds that Transalpina di Energia made available to Edison Spa as a short-term deposit for 65 million euros, with the aim of optimization of financial resources. Interest payments and amortization installments on outstanding loans account for the balance.

The financial debt maturing after one year (1,692 million euros) includes a bond issue with a face value of 600 million euros, maturing on November 10, 2017, a loan from EDF Investissements Groupe Sa for 800 million euros, maturing on April 9, 2020, and the amount drawn down on a medium/long-term direct credit line (136 million euros at September 30, 2015) provided by the European Investment Bank (EIB) to finance gas storage projects.

The financial resources needed to meet funding requirements for the coming months are being provided by two revolving credit line:

- a 600-million-euros credit line provided by EDF Sa, with maturity date in April 2017, available for 450 million euros at September 30, 2015; and
- secondly a 500-million-euro revolving credit line with maturity date in November 2016 provided by a group of banks on a Club Deal basis, currently available for its full amount.

6. Default Risk and Debt Covenants

This type of risk arises from the possibility that loan agreements or bond indentures to which Group companies are a party may contain provisions that, if certain events were to occur, would empower the lenders, be they banks or bondholders, to demand that the borrower repay immediately the loaned amounts, which, consequently, would create a liquidity risk (see the "Liquidity Risk" paragraph above).

The following bond issue floated by the Group (Euro Medium Term Note) with a total face value of 600 million euros was outstanding at September 30, 2015:

Description	Issuer	Market where traded	ISIN Code	Term (years)	Maturity	Face value (in millions of euros)	Coupon	Current rate
EMTN 11/2010	Edison Spa	Luxembourg Stock Exch.	XS0557897203	7	11.10.2017	600	Fixed annual	3.875%

Outstanding debt obligations of the Group include non-syndicated facilities totaling 1,597 million euros, the unused portion of which was 455 million euros at September 30, 2015, and syndicated facilities amounting to 500 million euros fully unused at September 30, 2015.

With regard to the transactions currently outstanding, including the corresponding loan agreements and bond indentures and the covenants they include, nothing changed compared with December 31, 2014. Additional information can be found in the extensive remarks provided in the notes to the 2014 Consolidated Financial Statements.

At present, the Group is not aware of the existence of any default situation or non-compliance with covenants.

Analysis of Forward Transactions and Derivatives

Forward Transactions and Derivatives

The Edison Group engages in trading for its own account in physical energy commodities and financial derivatives based on such commodities, in a manner consistent with special Energy Risk Policies. Accordingly, it defined an appropriate risk control structure and the necessary guidelines and specific procedures. The Group views this activity as part of its regular operations and the results derived from it are recognized in the Income Statement and are included in EBIT. Whenever possible, the Group uses hedge accounting, provided the transactions comply with the requirements of IAS 39.

Forward transactions and derivatives can be classified as follows:

1) **Derivatives that qualify as hedges in accordance with IAS 39**. This category includes transactions that hedge the risk of fluctuations in cash flow (Cash Flow Hedges - CFH) and those that hedge the fair value of the hedged item (Fair Value Hedge - FVH).
2) **Forward transactions and derivatives that do not qualify as hedges in accordance with IAS 39**. They can be:
   a. Transactions to manage interest rate and foreign exchange and price risk on energy commodities. For all derivatives that comply with internal risk policies and procedures, realized results and expected values are either included in EBIT, if they refer to activities related to the Industrial Portfolio, or recognized as financial income or expense, in the case of financial transactions.
   b. Trading Portfolios. As explained above, they include physical and financial energy commodity contracts; both realized results and expected values of these transactions are included in EBITDA.

Fair Value Hierarchy According to IFRS 13

The classification of financial instruments at fair value, provided by IFRS 13, based on the reliability of inputs used to measure it, is based on the following hierarchy:

- **Level 1**: Determination of fair value based on quoted prices (unadjusted) for identical assets or liabilities in active markets. Instruments with which Edison Group operates directly in active markets (e.g., futures) are included in this category.
- **Level 2**: Determination of fair value based on inputs other than the quoted prices of Level 1 but which are directly or indirectly observable (e.g., forward contracts or swaps in futures markets).
- **Level 3**: Determination of fair value based on valuation models with inputs not based on observable market data (unobservable inputs). At this time, as at December 31, 2014, the Group hold a category of instruments classified at this level.

The valuation of financial instruments can entail significant subjective judgment. However, Edison uses prices quoted in active markets, when available, as the best estimate of the fair value of all derivatives.

The table below provides a breakdown of the amounts recognized on the Balance Sheet following the measurement at fair value of the derivatives and physical contracts outstanding at September 30, 2015 and their classification on the fair value hierarchy as required by IFRS 13:

(in millions of euros)	09.30.2015		12.31.2014	
	Receivables	**Payables**	Receivables	Payables
Foreign exchange transactions	306	(27)	342	(16)
Interest rate transactions	46	-	45	(2)
Physical Trading transactions	222	(148)	317	(247)
Other commodity transactions	588	(1,332)	461	(1,260)
Fair value recognized as current assets or current liability (a)	**1,162**	**(1,507)**	**1,165**	**(1,525)**
Broken down as follows:				
- recognized as "Other receivables" and "Other liabilities"	1,116	(1,507)	1,120	(1,523)
- recognized as "Current financial assets" and "Short-term financial debt"	46	-	45	(2)
Broken down on fair value hierarchy:				
- Level 1	43	(19)	33	(21)
- Level 2	1,119	(1,487)	1,129	(1,504)
- Level 3 (*)	-	(1)	3	-
IFRS 7 potential offsetting (b)	**(561)**	**561**	**(478)**	**478**
Potential net Fair Value (a+b)	**601**	**(946)**	**687**	**(1,047)**

(*) The fair value classified at Level 3 is recognized for a negative amount for about 1 milolion euros in the margin on physical trading activities.

A negative Cash Flow Hedges reserve amounting to 757 million euros (before tax effects) was recognized in equity. This reserve refers to receivables and payables from valuation at fair value for 693 million euros and to the suspension of results from realized derivatives whose underlying physical item has not yet produced an economic effect for 64 million euros.

INTERCOMPANY AND RELATED-PARTY TRANSACTIONS

Consistent with the applicable policies adopted by the Group, transactions with related parties affecting the income statement and balance sheet that were outstanding at September 30, 2015 are reviewed below. The information provided is sufficient to meet the disclosure requirements of IAS 24. These transactions were executed in the normal course of business and on contractual terms that were consistent with standard market practices.

(in millions of euros)	*Related Parties pursuant to IAS 24*			Total for related parties	Total for financial stat. line item	Impact %
	With unconsolidated Edison Group companies	*With controlling companies*	*With other EDF Group companies*			
Balance Sheet transactions:						
Investments in associates	140	-	-	**140**	**140**	**100,0%**
Other financial assets	4	-	-	**4**	**76**	**5,3%**
Trade receivables	2	-	54	**56**	**1.768**	**3,2%**
Other receivables	4	208	6	**218**	**1.796**	**12,1%**
Current financial assets	83	-	-	**83**	**131**	**63,4%**
Long-term financial debt and other financial liabilities	-	-	797	**797**	**976**	**81,7%**
Short-term financial debt	16	298	10	**324**	**474**	**68,4%**
Trade payables	2	2	50	**54**	**1.709**	**3,2%**
Other liabilities	1	297	4	**302**	**2.206**	**13,7%**
Income Statement transactions:						
Sales revenues	2	1	295	**298**	**8.309**	**3,6%**
Other revenues and income	1	-	-	**1**	**101**	**1,0%**
Raw materials and services used	(22)	(11)	(212)	**(245)**	**(7.968)**	**3,1%**
Financial income	5	-	4	**9**	**41**	**22,0%**
Financial expense	-	(2)	(17)	**(19)**	**(100)**	**19,0%**
Net foreign exchange translation gains (losses)	-	79	-	**79**	**37**	**n.m.**

A) Transactions with unconsolidated Edison Group companies

These transactions, which represent outstanding transaction with unconsolidated Group companies, joint venture and affiliated companies, primarily include:

- financial transactions, such as lending facilities;
- commercial transactions, mainly related to electric power sector.

Consolidated VAT Return

Edison Spa files a consolidated VAT return (so-called VAT Pool) that includes those companies of the Edison Group that meet the requirements of Article 73, Section 3, of Presidential Decree No. 633/72. The VAT Group return for September 30, 2015 showed a credit of 110 million euros.

B) Transactions with controlling companies

Consolidated IRES Return held by Transalpina di Energia Spa

For a more detailed information please see the disclosure provided in the 2014 Consolidated Financial Statements. Further to the decision handed down by the Constitutional Court in February 2015 ruling that the so-called Robin Hood Tax, the IRES surcharge levied on companies in the energy sector, is unconstitutional, the Companies of the Group are no longer required to pay the abovementioned tax, which in any event had to be paid independently by the individual companies, event when they were included in the consolidated IRES return.

Short term deposit

With the aim to optimize available financial resources, Transalpina di Energia granted to Edison Spa facilities in the form of short term deposit; this deposit totaled 65 million euros at September 30, 2015.

Centralized Cash Management System by EDF Sa

Please note that at September 30, 2015, the current account established by Edison Spa with EDF Sa had a debit balance for 83 million euros;

Loan by EDF Sa

The credit line granted by EDF Sa to Edison Spa (face amount of 600 million euros) was renewed for two years at its maturity date of April 9, 2015. The loan was provided on terms in line with those granted in the financial market to companies with Edison's credit rating. At September 30, 2015 a total of 150 million euros had been drawn down against this credit line.

Other intercompany transactions with EDF Sa

With regard to contracts for services rendered by EDF Sa (mainly financial and insurance) and other recharges of expenses, the costs for the period amounted to about 11 million euros. It is worth mentioning that in the context of financial transactions Edison entered into transactions to hedge the exchange rate risk that, affected by the EUR/USD exchange rate trend, generated net realized gains for 79 million euros.

C) Transactions with other EDF Group companies

An analysis of the main transactions with other EDF Group companies is provided below.

1) Operational Transactions

(in millions of euros)	EDF Trading Ltd	EDF EN Service Italia	Fenice Group	Others	**Total**
Balance Sheet transactions					
Trade receivables	53	-	1	-	**54**
Other receivables	5	1	-	-	**6**
Trade payables	45	5	-	-	**50**
Other liabilities	4	-	-	-	**4**
Income Statement transactions					
Sales Revenues	**289**	**-**	**5**	**1**	**295**
Electric power and natural gas	260	-	5	-	265
Realized commodity derivatives	35	-	-	-	35
Margin on physical trading activities	(5)	-	-	-	(5)
Margin on financial trading activities	(1)	-	-	-	(1)
Others	-	-	-	1	1
Raw materials and services used	**(191)**	**(21)**	-	-	**(212)**
Electric power and natural gas	(149)	-	-	-	(149)
Realized commodity derivatives	(42)	-	-	-	(42)
Plant maintenance	-	(21)	-	-	(21)

2) Financial Transactions

The only financial transaction executed with other companies of the EDF Group is reviewed below:

Loan by EDF Investissement Groupe Sa

The full amount of the long-term loan provided to Edison Spa (face amount of 800 million euros with maturity on April 9, 2020) had been drawn down at September 30, 2015. The loan was provided on terms consistent with those granted in the financial market to companies with Edison's credit rating.

Financial expenses for the period totaled 17 million euros.

OTHER INFORMATION

Significant Nonrecurring Events and Transactions

The Edison Group declares that it did not execute significant nonrecurring events and transactions in the first nine months of 2015, pursuant to CONSOB Communication No. DEM/6064293 of July 28, 2006,

Transactions Resulting from Atypical and/or Unusual Activities

The Edison Group declares that it did not execute atypical and/or unusual transactions in the first nine months of 2015 as defined in the CONSOB Communication No. DEM/6064293 of July 28, 2006.

* * * * *

SIGNIFICANT EVENTS OCCURRING AFTER SEPTEMBER 30, 2015

No relevant events occurred after September 30, 2015.

Milan, October 29, 2015

The Board of Directors
By Bruno Lescoeur
Chief Executive Officer

SCOPE OF CONSOLIDATION

at September 30, 2015

SCOPE OF CONSOLIDATION AT SEPTEMBER 30, 2015
List of equity investments

A) Investments in companies included in the scope of consolidation									
Company Name	Head office	Currency	Share capital	Consolidated Group interest (a)		Interest held in share capital		Type of investment relationship	Notes
				09.30.2015	12.31.2014	% (b)	by	pazione (e)	
A.1) Companies consolidated line by line									
GROUP PARENT COMPANY									
EDISON SPA	MILANO (I)	EUR	5,291,700,671						
ELECTRIC POWER OPERATIONS									
COMPAGNIA ENERGETICA BELLUNESE CEB SPA (SINGLE SHAREHOLDER)	MILANO (I)	EUR	1,200,000	86.12	86.12	100.00	SISTEMI DI ENERGIA SPA	S	(i)
DOLOMITI EDISON ENERGY SRL	TRENTO (I)	EUR	5,000,000	49.00	49.00	49.00	EDISON SPA	S	
E2i ENERGIE SPECIALI SRL	MILANO (I)	EUR	4,200,000	24.99	24.99	30.00	EDISON PARTECIPAZIONI ENERGIE RINNOVABILI SRL	S	(i)
EDISON ENERGIA SPA (SINGLE SHAREHOLDER) Attività Energia Elettrica	MILANO (I)	EUR	23,000,000	100.00	100.00	100.00	EDISON SPA	S	(i)
EDISON ENERGY SOLUTIONS SPA (SINGLE SHAREHOLDER) Attività Energia Elettrica	MILANO (I)	EUR	5,000,000	100.00	100.00	100.00	EDISON ENERGIA SPA (SINGLE SHAREHOLDER)	S	(i)
EDISON ENGINEERING SA	ATENE (GR)	EUR	260,001	100.00	100.00	100.00	EDISON SPA	S	
EDISON PARTECIPAZIONI ENERGIE RINNOVABILI SRL	MILANO (I)	EUR	20,000,000	83.30	83.30	83.30	EDISON SPA	S	(i)
EDISON TRADING SPA (SINGLE SHAREHOLDER)	MILANO (I)	EUR	30,000,000	100.00	100.00	100.00	EDISON SPA	S	(i)
GEVER SPA	MILANO (I)	EUR	10,500,000	51.00	51.00	51.00	EDISON SPA	S	
HYDROS SRL - HYDROS GMBH	BOLZANO (I)	EUR	30,018,000	40.00	40.00	40.00	EDISON SPA	S	
JESI ENERGIA SPA	MILANO (I)	EUR	5,350,000	70.00	70.00	70.00	EDISON SPA	S	(i)
PRESENZANO ENERGIA SRL	MILANO (I)	EUR	120,000	90.00	90.00	90.00	EDISON SPA	S	(i)
SHEN SPA	MILANO (I)	EUR	120,000	100.00	-	100.00	EDISON SPA	S	(i)
SISTEMI DI ENERGIA SPA	MILANO (I)	EUR	10,083,205	86.12	86.12	86.12	EDISON SPA	S	(i)
SOCIETA' IDROELETTRICA CALABRESE SRL	MILANO (I)	EUR	10,000	100.00	100.00	100.00	EDISON SPA	S	(i)
TERMICA COLOGNO SRL	MILANO (I)	EUR	9,296,220	65.00	65.00	65.00	EDISON SPA	S	(i)
TERMICA MILAZZO SRL	MILANO (I)	EUR	23,241,000	60.00	60.00	60.00	EDISON SPA	S	(i)
HYDROCARBONS OPERATIONS									
AMG GAS SRL	PALERMO (I)	EUR	100,000	80.00	80.00	80.00	EDISON SPA	S	(i)
EDISON D.G. SPA (SINGLE SHAREHOLDER)	SELVAZZANO DENTRO (PD) (I)	EUR	460,000	100.00	100.00	100.00	EDISON SPA	S	(i)
EDISON E&P UK LTD	RICHMOND UPON THAMES -SURREY (GB)	GBP	81,867,411	100.00	100.00	100.00	EDISON INTERNATIONAL HOLDING NV	S	
EDISON ENERGIA SPA (SINGLE SHAREHOLDER) Attività Idrocarburi	MILANO (I)	EUR	23,000,000	100.00	100.00	100.00	EDISON SPA	S	(i)
EDISON ENERGY SOLUTIONS SPA (SINGLE SHAREHOLDER) Attività Idrocarburi	MILANO (I)	EUR	5,000,000	100.00	100.00	100.00	EDISON ENERGIA SPA (SINGLE SHAREHOLDER)	S	(i)
EDISON IDROCARBURI SICILIA SRL (SINGLE SHAREHOLDER)	RAGUSA (I)	EUR	1,000,000	100.00	100.00	100.00	EDISON SPA	S	(i)
EDISON INTERNATIONAL SPA (SINGLE SHAREHOLDER)	MILANO (I)	EUR	75,000,000	100.00	100.00	100.00	EDISON SPA	S	(i)
EDISON NORGE AS	STAVANGER (N)	NOK	2,000,000	100.00	100.00	100.00	EDISON INTERNATIONAL SPA (SINGLE SHAREHOLDER)	S	
EDISON NORTH SEA LTD	LONDRA (GB)	GBP	2	100.00	-	100.00	EDISON E&P UK LTD	S	
EDISON STOCCAGGIO SPA (SINGLE SHAREHOLDER)	MILANO (I)	EUR	90,000,000	100.00	100.00	100.00	EDISON SPA	S	(i)
EUROIL EXPLORATION LTD	LONDRA (GB)	GBP	9,250,000	100.00	100.00	100.00	EDISON INTERNATIONAL HOLDING NV	S	
						0.00	EDISON SPA		
INFRASTRUTTURE TRASPORTO GAS SPA (SINGLE SHAREHOLDER)	MILANO (I)	EUR	10,000,000	100.00	100.00	100.00	EDISON SPA	S	
CORPORATE ACTIVITIES									
ATEMA LIMITED	DUBLINO 2 (IRL)	EUR	1,500,000	100.00	100.00	100.00	EDISON SPA	S	
EDISON HELLAS SA	ATENE (GR)	EUR	263,700	100.00	100.00	100.00	EDISON SPA	S	
EDISON INTERNATIONAL DEVELOPMENT BV	AMSTERDAM (NL)	EUR	18,018,000	100.00	100.00	100.00	EDISON INTERNATIONAL HOLDING NV	S	
EDISON INTERNATIONAL HOLDING NV	AMSTERDAM (NL)	EUR	123,500,000	100.00	100.00	100.00	EDISON SPA	S	
NUOVA ALBA SRL (SINGLE SHAREHOLDER)	MILANO (I)	EUR	2,016,457	100.00	100.00	100.00	EDISON SPA	S	(i)
A.2) Companies consolidated by the proportional method									
ELECTRIC POWER OPERATIONS									
KINOPRAXIA THISVI	N.KIFFISSIA (GR)	EUR	20,000	65.00	65.00	65.00	EDISON ENGINEERING SA	JO	(iii)

SCOPE OF CONSOLIDATION AT SEPTEMBER 30, 2015

List of equity investments

B) Investments in companies valued by the equity method

Company Name	Head office	Currency	Share capital	Consolidated Group interest (a) 12.31.2014	Interest held in share capital % (b)	Interest held in share capital by	Type of investment relationship pazione (e)	Nores
ABU QIR PETROLEUM COMPANY	ALEXANDRIA (ET)	EGP	20,000		50.00	EDISON INTERNATIONAL SPA (SINGLE SHAREHOLDER)	JV	(iii)
ED-INA D.O.O.	ZAGABRIA (HR)	HRK	20,000		50.00	EDISON INTERNATIONAL SPA (SINGLE SHAREHOLDER)	JV	(iii)
ELPEDISON B.V.	AMSTERDAM (NL)	EUR	1,000,000		50.00	EDISON INTERNATIONAL HOLDING NV	JV	(iii)
ELPEDISON SA (EX ELPEDISON POWER S.A.)	MAROUSI, ATENE (GR)	EUR	98,198,000		75.78	ELPEDISON B.V.	JV	(iii)
FAYOUM PETROLEUM CO - PETROFAYOUM	CAIRO (ET)	EGP	20,000		30.00	EDISON INTERNATIONAL SPA (SINGLE SHAREHOLDER)	JV	(iii)
IBIRITERMO SA	IBIRITE' - ESTADO DE MINAS GERAIS (BR)	BRL	7,651,814		50.00	EDISON SPA	JV	(iii)
ICGB AD	SOFIA (BG)	BGL	33,053,560		50.00	IGI POSEIDON SA-NAT.GAS SUBM. INTERC.GRE-ITA-POSEIDON	JV	(iii)
IGI POSEIDON SA-NAT.GAS SUBM.INTERC.GRE-ITA -POSEIDON	HERAKLEIO, ATTIKI (GR)	EUR	33,150,000		50.00	EDISON INTERNATIONAL HOLDING NV	JV	(iii)
PARCO EOLICO CASTELNUOVO SRL	CASTELNUOVO DI CONZA (SA) (I)	EUR	10,200		50.00	EDISON SPA	JV	(iii)
SEL - EDISON SPA	CASTELBELLO (BZ) (I)	EUR	84,798,000		42.00	EDISON SPA	JV	(iii)
CENTRALE ELETTRICA WINNEBACH SOC.CONSORTILE A R.L.	TERENTO (BZ) (I)	EUR	100,000		30.00	HYDROS SRL - HYDROS GMBH	AC	
CENTRALE PRATI SOCIETÀ CONSORTILE ARL	VAL DI VIZZE (BZ) (I)	EUR	300,000		30.00	HYDROS SRL - HYDROS GMBH	AC	
CONSORZIO BARCHETTA	JESI (AN) (I)	EUR	2,100		47.62	JESI ENERGIA SPA	AC	
EDF EN SERVICES ITALIA SRL	BOLOGNA (I)	EUR	10,000		30.00	EDISON SPA	AC	
EL.IT.E. SPA	MILANO (I)	EUR	3,888,500		48.45	EDISON SPA	AC	
ENERGIA SENALES SCARL - ES SCARL	SENALES (BZ) (I)	EUR	100,000		40.00	HYDROS SRL - HYDROS GMBH	AC	
ETA 3 SPA	AREZZO (I)	EUR	2,000,000		33.01	EDISON SPA	AC	
INIZIATIVA UNIVERSITARIA 1991 SPA	VARESE (I)	EUR	16,120,000		32.26	EDISON SPA	AC	
KRAFTWERKE HINTERRHEIN AG	THUSIS (CH)	CHF	100,000,000		20.00	EDISON SPA	AC	
SOC.SVIL.REA.GEST.GASDOT.ALG-ITAV.SARDEG. GALSI SPA	MILANO (I)	EUR	37,419,179		23.53	EDISON SPA	AC	

The currency codes used in this report are those of the ISO 4217 International Standard.

BGL = BULGARIAN LEV	EGP = EGYPTIAN POUND	HRK = CROATIAN KUNA
BRL = BRAZILIAN REAL	EUR = EUR	NOK = NORVEGIAN KRONE
CHF = SWISS FRANC	GBP = BRITISH POUND	

NOTES

(a) The consolidated group interest is computed on the basis of the interest held in the respsective share capital by the Parent company or subsidiaries consolidated on a line-by-line basis, and by jointly controlled companies consolidated by the proportional method.

(b) The interest in the share capital is equivalent to the ratio between the aggregate par value of all equity securities held directly and the total share capital. In ths computation, the denominator (total share capital) is net of any treasury share held.

(e) S = subsidiaries; JO= joint opetation; JV= joint venture; AC= affiliated company.

(f) The carrying value is shown only for companies valued by equity method or at cost. owned directly by the Parent Company. For other companies consolidated on a line-by-line basis or by the proportional method. It is shown only if it is equal to or greater than one million euros.

(i) Company subject to the oversight and coordination of Edison Spa.

(ii) This company is a contractual joint venture.

(iii) From January 1, 2014, company valuated with equity method according to IFRS 11.

CERTIFICATION

Pursuant to article 154-*bis*, Section 2, of Legislative Decree No. 58/1998

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 Spa, declare that the accounting information contained in this Quarterly Report at September 30, 2015 is consistent with the data in documents, accounting records and other records.

Milan, October 29, 2015

"I Dirigenti preposti alla redazione
dei documenti contabili societari"
Didier Calvez
Roberto Buccelli