PRESS RELEASE

EDISON CLOSES THE FIRST QUARTER WITH REVENUES AT 1.8 BILLION EUROS (-24.4%) AND EBITDA STABLE AT 180 MILLION EUROS (+1.1%).

Net income from continuing operations, i.e. excluding E&P discontinued operations, stood at 44 million euros (69 million euros in the same period of 2019). The Edison Group's net result, which includes E&P, was negative for 12 million euros (+79 million euros in the first quarter of 2019).

Milan, May 14, 2020 – Edison's Board of Directors, which met today, examined the Quarterly Report at March 31, 2020 closing with EBITDA essentially in line with the same period of the previous year (180 million euros compared to 178 million euros), despite the marked deterioration in the macroeconomic scenario caused by the Covid-19 health emergency. The flexibility of pipeline gas import contracts and, in particular, renewable generation contributed to the result. The data of the quarter record the contribution of the acquisitions made in 2019, thanks to which Edison became the second wind operator, laid the foundations for development in the photovoltaic sector and affirmed its position as an integrated player throughout the entire renewables chain, which range from development to production, to the management and sale of sustainable energy.

In light of the agreement for the disposal of the E&P activities, the results of the Exploration & Production business (considered as discontinued operations) did not contribute to sales revenues and EBITDA[1]. These discontinued operations instead impacted the net result of the Edison Group, which was negative for 12 million euros compared to positive 79 million euros in the first quarter of 2019. The result was impacted by the net loss of 52 million euros, which includes the revision to the terms of the agreement for the sale of E&P activities to Energean Oil and Gas, as a result of the changed scenario in the Brent and gas markets.

The health emergency determined a significant worsening in the macroeconomic scenario, with effects on both demand and prices of the electricity and gas. Overall, the impacts of Covid-19 on Edison's results in the first quarter of 2020 were contained, but it is difficult to evaluate the repercussions for the rest of the year. Therefore, Edison believes it premature to confirm the previous forecast for 2020 EBITDA. Despite this context, Edison maintains a solid economic and financial profile and can draw on adequate liquidity reserves to support both its operating requirements and business development plans.

[1] The income statement items which contribute to the net result from Continuing Operations exclude the contribution of E&P activities, classified as Discontinued Operations pursuant to IFRS 5. The values in the first quarter of 2019 were subsequently re-stated to allow a homogeneous comparison (E&P EBITDA of 77 million euros in the first three months of 2019). The comments reported hereunder therefore relate to "Continuing Operations".

Edison Spa

Foro Buonaparte, 31
20121 Milan
Tel. +39 02 6222.7331
Fax +39 02 6222.7379
ufficiostampa@edison.it

www.edison.it

EDISON GROUP HIGHLIGHTS

in millions of euros	**3 months - 2020[2]**	**3 months - 2019[2]**
Sales revenues	**1,815**	**2,401**
EBITDA	**180**	**178**
EBIT	**110**	**112**
Profit (Loss) from continuing operations	**44**	**69**
Group interest in net Profit (Loss)	**(12)**	**79**

Group performance at March 31, 2020

The first quarter of 2020 was dominated by the Covid-19 pandemic, which caused a state of health emergency throughout most of the world and is set to continue all year round. The various countries responded to this situation, albeit by adopting different measures, by stopping all commercial and manufacturing activities and services considered not strictly essential, in order to limit the contagion. The virus had an immediate impact on the global economy, which will be in a recession for at least the whole of 2020.

The demand for electricity and gas in this first quarter of the year saw the first repercussions of this situation. In particular, **electricity consumption fell to 77 TWh, down 4.5% compared to the same period of 2019,** suffering from the decrease recorded in March, when demand decreased by 10% compared to the same month in the previous year. This drop in consumption was absorbed, in particular, by thermoelectric generation (-9.4% to 45.0 TWh in the quarter); wind production was also down (-17.4% to 5.9 TWh). By contrast, hydroelectric generation increased (+17.5% to 8.9 TWh). On the whole, national production met roughly 86% of total electricity demand, matched by a slight increase in foreign imports (+8.5% to 11.3 TWh). On the price side, **the PUN (single national price) averaged 39.6 euro/MWh, down by 33.4%** compared to 59.5 euro/MWh in the same period in 2019 (-31.8% in February and -39.5% in March), due to the significant drop in generation costs within the framework of an overall reduction in electricity consumption, due to the gradual measures introduced to counteract the spread of Covid-19.

Even more marked was the reduction in **gas consumption, which dropped by 6.5% in the first quarter of the year compared to the same period in 2019, reaching 23.9 billion cubic meters.** This figure reflects the impact of the Government measures to contain the pandemic, outlined above, combined with milder winter temperatures than the average in the last twenty years. The effect linked to the weather component was mainly reflected in residential uses (-6.2% to 12.7 billion cubic meters compared to the first quarter of 2019),

[2] These values exclude the contribution of E&P activities, classified as Discontinued Operations pursuant to IFRS 5. The values in the first quarter of 2019 were subsequently re-stated to allow a homogeneous comparison (E&P EBITDA of 77 million euros in the first quarter of 2019).

while the lock-down measures influenced gas demand in the industrial sector (-7.3% to 4.5 billion cubic meters) and the thermoelectric sector (- 6.7% to 6.3 billion cubic meters). On the price side, **spot gas in Italy in the first quarter of 2020 averaged 12.0 cents per cubic meter, down 45.5%** compared with the same period last year. Monthly gas prices recorded a downward trend in the first three months of the year, in a context characterised by abundant supply. Oil prices also dropped which, in the first quarter of 2020, averaged 51 dollars per Barrel, recording a 20.2% decline compared to the same period of 2019.

In this context, Edison's **revenues** in the first quarter of the year came to **1,815 million euros**, marking a drop of 24.4% on the same period of 2019. The greater impact was on **Gas Activities**, whose revenues fell to 1,044 million euros (-34% compared to 1,583 million euros in the same period of 2019), mainly due to the price scenario and the reduction in sale volumes. The reduction in **Electric Power Operations revenues** was more contained**,** recording a **8.9% drop to 973 million euros** from 1,068 million euros in the first quarter of 2019, as a result of the context described above.

Despite the depressed scenario, Edison registered **stable EBITDA of 180 million euros (+1.1%) compared to 178 million euros in the first quarter of 2019**, thanks to the positive contribution of both businesses. In particular, the EBITDA of **Gas Activities rose to 90 million euros** from 80 million euros, benefitting from the flexibility of pipeline gas import. The **EBITDA of Electric Power Operations was stable at 115 million euros in the first quarter,** down from 118 million euros in the same period of 2019. The higher profit margin of the hydroelectric sector and the acquisition of EDF EN Italia, consolidated from July 1, 2019, positively impacted the result. These factors balanced the lower contribution from thermoelectric generation as a result of the unavailability of the Altomonte and Simeri Crichi gas plants in the first months of the year and the activities in the energy efficiency segment, which were adversely impacted by the health emergency.

EBIT stood at 110 million euros, in line with the first quarter of 2019, when it closed at 112 million euros, as a result of the trends described above. The result was primarily impacted by depreciation and amortisation of 85 million euros (73 million euros in the first quarter of 2019), which were balanced by the net change in fair value relating to commodity and exchange rate hedging activities for a positive 16 million euros (10 million euros in 2019).

The **net result from Continuing Operations**, i.e. Gas Activities and Electric Power Operations on which Edison has focussed, was a positive 44 million euros (69 million euros in the first quarter of 2019), as a result, in particular, of the higher exchange losses deriving from the valuation of loans denominated in foreign currency granted to the E&P companies being sold. The result was also impacted by financial expenses on debt and the costs of refinancing of the companies acquired in 2019, as well as lower income taxes.

The Edison Group closed the first quarter of the year with a net loss of 12 million euros compared to a net profit of 79 million euros in the same period of 2019. This result includes the net loss of 52 million euros of E&P discontinued operations (reclassified among Discontinued Operations), also as a result of the revision of the terms of the agreement with Energean Oil & Gas triggered by the negative development of the scenario in the Brent and gas markets.

Net financial debt at March 31, 2020 stood at 767 million euros, up from 516 million euros recorded at December 31, 2019. In the first quarter of the year, Edison made investments in the thermoelectric sector, including those for the construction of two gas combined-cycle plants, that will use the most efficient technologies currently available. In addition, the company invested in the energy efficiency sector. Net financial debt was negatively impacted by the increase in working capital, essentially linked to the seasonality of volumes sold, and the payment of CO_2 emission rights.

Outlook

The health emergency led to a significant worsening of the macro economic scenario, resulting into a reduced demand for electricity and gas as well as in a possible deterioration of the counterparties' creditworthiness. The combination of the two factors will determine for Edison economic and financial effects, which are currently difficult to assess.

Therefore, Edison believes it premature to confirm the previous forecast for 2020 EBITDA[3]. The company will continue to monitor the evolution of the situation and reserves the right to update the forecasts as soon as there is more clarity on the macroeconomic scenario and on the times and conditions of the recovery. Thanks to the low level of indebtedness, Edison maintains a solid financial structure and can rely on adequate liquidity reserves to support both operational needs and business development plans.

Main events in the first quarter of 2020

January 22, 2020 – Sustainable watershed in heavy transport for Lidl in collaboration with LC3 Trasporti, thanks to the articulated lorries produced by IVECO, refuelled by biomethane from Edison. Unveiled to the press at a conference organised at the Lidl logistics centre in Somaglia (LO), the new IVECO Stralis NP 460CV CNG trucks are powered by biomethane, a renewable and sustainable fuel both in terms of CO2 levels emitted by the exhaust pipe and life cycle emissions, which are significantly lower than other types of fuel. This is completely new in Italy for the Retail and Large-Scale Retail sector, which is once again demonstrating the concrete commitment of all partners involved to environmental sustainability.

January 29, 2020 – With a view to expanding its range of electrified models, the Toyota Group, has entered into a partnership with Edison, which will install and operate over 300 public-access charging stations powered by renewable energy, at all Toyota and Lexus Dealers and Service Centres. Thanks to the partnership with Toyota, Edison will make its know-how available to the car manufacturer to identify the best energy efficiency solutions, including the installation of photovoltaic systems for the self-production of electric power, based on an analysis of actual consumption by dealers and service centres. In addition, Edison and Toyota will study solutions dedicated to their respective customers to make their homes and their mobility increasingly sustainable, encouraging the adoption of a responsible lifestyle that is in harmony with the environment.

March 4, 2020 – Edison, together with Elettricità Futura and some companies in the energy sector is among the signatories of the Manifesto of Eurelectric *15 Pledges to Customers*, whose objective is to make consumers the key players in the energy transition, assisting them in taking on a more active role to increase energy efficiency, develop renewable energies and spread electric technologies in sectors such as mobility.

[3] Which was placed between 560 and 620 million euros.

Main events after March 31, 2020

April 2, 2020 - In the midst of the Covid-19 emergency, Edison helped to support the Country by guaranteeing essential services, ensuring its 200 electricity plants fully operational and making sure that supplies of services and energy to clients continue. In this particular instance, Edison continued her concrete commitment of closeness and collaboration with the communities and territories in which it operates, donating around € 2 million, to support the construction of the Fiera Milano hospital and help the health facilities of the most affected regions, as well as to help the research of the Sacco Hospital in Milan on the identification of the most effective diagnostic and therapeutic strategies against the pandemic. In the same month, Edison also launched a crowdfunding campaign among its employees. In two weeks it raised € 200,000, a figure that the company doubled to € 400,000 for immediate aid projects for families and territories, such as mutual aid for the weaker sections of the population and delivery to domicile of basic necessities. Furthermore, with *Edison for Italy*, Edison Energia was the first operator to launch a plan to meet the difficulties of customers most affected by lockdown, such as people receiving redundancy payments and self-employed people, allowing the postponement of the payment of electricity and gas bills in June, pending the progressive restoration of production activities.

April 2, 2020 – Edison's Board of Directors approved some amendments to the agreement for the sale of 100% of Edison Exploration and Production (E&P) to Energean Oil and Gas, including, primarily, the exclusion of Edison E&P's assets located in Algeria from the perimeter of the transaction. The transaction, in continuity with the information communicated on July 4 and December 23, 2019, remains determined on the basis of an enterprise value of 750 million dollars, which will be augmented by an additional consideration of 100 million dollars when production begins at the Cassiopea gas field in Italy. Some tax benefits and the accrual of interest on said consideration were excluded from the consideration, envisaged to take effect from January 1, 2019 (reference date of the transaction) until the closing of the transaction itself. The overall effect is estimated at a lower benefit of approximately 150 million dollars, in terms of the change of the net financial position of Edison following the transaction. In relation to the assets located in Algeria, in compliance with the provisions of the Algerian authorities and in agreement with Sonatrach, Edison decided to retain ownership of these assets, by initiating an intercompany transfer in order to exclude them from the perimeter of the sale. The sale of the Algerian assets can be considered, following the intercompany transfer, if the market conditions allow it. The closing of the disposal of E&P operations to Energean remains forecast in 2020.

April 6, 2020 – Edison and Renergetica tightened their strategic partnership for the development of projects for the construction of photovoltaic plants in Italy. The agreement signed will see Renergetica, a company listed on the AIM Italia market, identify projects that, if approved by Edison, will be developed by Renergetica up to the completion of the authorisation process. The authorised projects will subsequently be transferred to Edison. Renergetica undertakes to develop new solar plants with a total capacity of at least 50 MWp for each year, therefore for a total of at least 150 MWp. The agreement also provides for the possibility of an automatic renewal for an additional two years, under the same conditions, for the development of projects for at least an additional 100 MWp.

Documentation

The Quarterly Report at March 31, 2020 of the Edison Group, approved today by the Board of Directors of Edison Spa, will be available to the public from May 18, 2020 at the company's office, on the Edison Spa website (http://www.edison.it/it/bilanci-e-documenti-correlati), and on the authorised electronic storage site "eMarket STORAGE" (www.emarketstorage.com).

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Edison Press Office
http://www.edison.it/it/contatti-2; http://www.edison.it/it/media
Elena Distaso, 338 2500609, elena.distaso@edison.it;
Lucia Caltagirone, 331 6283718, lucia.caltagirone@edison.it;
Lorenzo Matucci, 337 1500332, lorenzo.matucci@edison.it;

Edison Investor Relations:
https://www.edison.it/it/investor-relations
Valeria Minazzi Investor Relator 02 6222 7889 – valeria.minazzi@edison.it; investor.relations@edison.it

The "Dirigenti Preposti alla redazione dei documenti contabili societari" of Edison Spa, Didier Calvez and Roberto Buccelli, certify that – pursuant to art. 154-bis, paragraph 2 of the TUF (Italian Legislative Decree No. 58/1998) – the accounting disclosures in this press release are consistent with the records, ledgers and accounting entries. The Quarterly Report at March 31, 2020 is not audited.

This press release and, in particular, the section entitled "Outlook", contain forward-looking statements. Such statements are based on the Group's current forecasts and projections in relation to future events and are, by their very nature, subject to intrinsic risk and uncertainty. Actual results could differ materially from the forecasts referenced in these statements due to many different factors, including the continued volatility and deterioration of capital and financial markets, fluctuations in the prices of raw materials, changes in macroeconomic conditions and in economic growth and other changes in business conditions, changes in legislation, including regulations, and in the institutional context (both in Italy and abroad) and many other factors, most of which are beyond the Group's control.

Abridged consolidated economic-equity statements are attached.

Material information pursuant to Consob resolution No. 11971 of May 14, 1999, as amended.

CONSOLIDATED INCOME STATEMENT

(in millions of euros)	1st quarter 2020	1st quarter 2019 (*)
Sales revenues	1,815	2,401
Other revenues and income	16	21
Total net revenues	**1,831**	**2,422**
Commodity and logistic costs (-)	(1,420)	(2,015)
Other costs and services used (-)	(126)	(127)
Labor costs (-)	(78)	(74)
Receivables (writedowns) / reversals	(7)	(13)
Other costs (-)	(20)	(15)
EBITDA	**180**	**178**
Net change in fair value of derivatives (commodity and exchange rate risk)	16	10
Depreciation and amortization (-)	(85)	(73)
(Writedowns) and reversals	-	-
Other income (expense) non Energy activities	(1)	(3)
EBIT	**110**	**112**
Net financial income (expense) on debt	(8)	(1)
Other net financial income (expense)	(26)	(1)
Net financial income (expense) on assigned trade receivables without recourse	(3)	(6)
Income from (Expense on) equity investments	-	1
Profit (Loss) before taxes	**73**	**105**
Income taxes	(29)	(36)
Profit (Loss) from continuing operations	**44**	**69**
Profit (Loss) from discontinued operations	(52)	19
Profit (Loss)	**(8)**	**88**
Broken down as follows:		
Minority interest in profit (loss)	4	9
Group interest in profit (loss)	**(12)**	**79**

(*) The amounts of 1st quarter 2019 were restated pursuant to IFRS 5.

CONSOLIDATED BALANCE SHEET

(in millions of euros)	**03.31.2020**	12.31.2019
ASSETS		
Property, plant and equipment	3,266	3,312
Intangible assets	343	344
Goodwill	2,220	2,220
Investments in companies valued by the equity method	109	91
Other non-current financial assets	66	68
Deferred-tax assets	243	216
Non-current tax receivables	35	35
Other non-current assets	46	43
Fair value	324	100
Assets for financial leasing	2	2
Total non-current assets	**6,654**	**6,431**
Inventories	85	133
Trade receivables	1,114	1,132
Current tax receivables	23	26
Other current assets	456	380
Fair value	985	676
Current financial assets	322	347
Cash and cash equivalents	118	283
Total current assets	**3,103**	**2,977**
Assets held for sale	**1,345**	**1,401**
Total assets	**11,102**	**10,809**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	5,377	5,377
Reserves and retained earnings (loss carryforward)	(66)	417
Reserve for other components of comprehensive income	(116)	12
Group interest in profit (loss)	(12)	(479)
Total shareholders' equity attributable to Parent Company shareholders	**5,183**	**5,327**
Shareholders' equity attributable to minority shareholders	190	186
Total shareholders' equity	**5,373**	**5,513**
Employee benefits	37	38
Provisions for decommissioning and remediation of industrial sites	164	163
Provisions for risks and charges	216	342
Provisions for risks and charges for non Energy activities	264	266
Deferred-tax liabilities	91	95
Other non-current liabilities	4	5
Fair value	363	93
Non-current financial debt	561	615
Total non-current liabilities	**1,700**	**1,617**
Trade payables	1,184	1,425
Current tax payables	101	104
Other current liabilities	220	184
Fair value	1,167	726
Current financial debt	471	342
Total current liabilities	**3,143**	**2,781**
Liabilities held for sale	**886**	**898**
Total liabilities and shareholders' equity	**11,102**	**10,809**

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
Balance at December 31, 2019	**5,377**	**417**	**12**	**(479)**	**5,327**	**186**	**5,513**
Appropriation of the previous year's profit (loss)	-	(479)	-	479	**-**	-	**-**
Dividends and reserves distributed	-	-	-	-	**-**	-	**-**
Other changes	-	(4)	-	-	**(4)**	-	**(4)**
Total comprehensive profit (loss)	-	-	(128)	(12)	**(140)**	4	**(136)**
of which:							
- Change in comprehensive income	-	-	(128)	-	**(128)**	-	**(128)**
- Profit (loss) at March 31, 2020	-	-	-	(12)	**(12)**	4	**(8)**
Balance at March 31, 2020	**5,377**	**(66)**	**(116)**	**(12)**	**5,183**	**190**	**5,373**