PRESS RELEASE

EDISON CLOSED THE FIRST HALF OF THE YEAR WITH REVENUES OF 3.1 BILLION EUROS (-28%) AND EBITDA UP 11.4% TO 380 MILLION EUROS THANKS ESPECIALLY TO THE CONTRIBUTION OF RENEWABLES

Despite the economic crisis triggered by Covid-19, which had a negative impact of 47 million euros on the EBITDA for the period, net profit from Continuing Operations, i.e. excluding the held for sale E&P activities, came to 104 million euros (129 million euros in the same period of 2019). The Edison Group's net result, which includes the held for sale E&P activities, was negative for 65 million euros (-398 million euros in the first half of 2019).

Edison confirms estimates for EBITDA 2020 communicated last February in a range between 560 and 620 million euros.

Milan, July 30, 2020 – Edison's Board of Directors, which met yesterday, examined the Semiannual Report at June 30, 2020 closing with an **EBITDA up by 11.4% to 380 million euros** (341 million euros in the same period of last year) and up by 0.5% at the same perimeter, despite the persistence of a considerably deteriorated macroeconomic scenario due to the crisis triggered by the Covid-19 health emergency, which had a negative impact of 47 million euros on the EBITDA for the period.

The result can be attributed to the good operating performance of Edison's core businesses, particularly Electric Power Operations (+11.2% to 259 million euros), which benefitted from the higher contribution of renewable power generation. Please recall that last year, Edison expanded its perimeter, becoming the second wind operator in Italy and laying the foundations for development in the photovoltaic sector, and affirmed its position as an integrated player throughout the entire renewables business chain.

The contribution of Gas Activities was also positive (+5,0% to 167 million euros), also due to the optimization of the flexibility of pipeline gas import contracts. The result of this business area also takes into account Exploration & Production activities in Algeria and Norway which, following the revisions made to the Energean Plc sale agreement, were excluded from the perimeter of the sale and reconsolidated as of January 2020. The results for the first half of 2019 were therefore restated pursuant to IFRS 5. On the other hand, the remaining assets related to the E&P business in the Mediterranean and the North Sea (UK) were considered discontinued operations, and therefore did not contribute to sales revenues and EBITDA.

Edison has therefore confirmed its strategy of disengagement from E&P activities and investment in energy transition focusing on generation from renewable sources and the latest generation gas, energy efficiency and innovative services for businesses, the public administration and residential customers. The strategy to strengthen in renewables and energy efficiency has found support from the European Investment Bank (EIB), which has signed a 300 million euros Green Framework Loan with Edison, in addition to a 150 million euros loan for upgrade of a latest generation combined cycle plant in Marghera.

Net financial debt at June 30, 2020 rose to 624 million euros (516 million euros at December 31, 2019). Edison maintains a solid economic and financial profile and can draw on significant liquidity reserves to support both its operating requirements and business development plans.

EDISON GROUP HIGHLIGHTS

in millions of euros	**6 months - 2020[1]**	**6 months - 2019[1]**
Sales revenues	**3,107**	**4,321**
EBITDA	**380**	**341**
EBIT	**164**	**172**
Net profit from Continuing Operations	**104**	**129**
Group interest in net Profit/Loss	**(65)**	**(398)**

<u>Group performance at June 30, 2020</u>

Within an economic context weighed down by a deep recession and concerned by a drastic decrease in global GDP in the wake of the measures adopted to limit the Covid-19 pandemic, and in which many uncertainties still remain, national energy demand marked a sharp decline.

More specifically, **electricity consumption fell by 8.9%** in the first half of the year **to 143.5 TWh** compared to 157.6 TWh in the same period of last year. This drop in demand was absorbed, in particular, by thermoelectric generation (-11.5% to 80.9 TWh in the half) along with imports (-28.3% to 13.9 TWh during the period). On the other hand, renewable production was up, especially hydroelectric (+8,0% to 23.1 TWh), due to higher rainfall during the period, and photovoltaic power (+9,0% to 13.7 TWh). On the price front, the **Single National Price (PUN) averaged 32.2 euro/MWh, down by nearly half** compared to 55.1 euro/MWh in the same period in 2019, due to the significant drop in both demand, resulting from the measures introduced to combat the spread of contagion from Covid-19, with limitations on movements and production activities, and generation costs.

The reduction in **natural gas demand** was even sharper, **dropping by 10.8% in the first half of the year to 35.8 billion cubic meters** compared to 40.2 billion cubic meters in the same period of 2019. This figure reflects the impact of the Government measures, outlined above, to contain the pandemic, combined with temperatures that are significantly higher than the average of the last twenty years. The effect linked to the weather component was mainly reflected in residential uses (-8.5% to 16,0 billion cubic metres compared to the first half of 2019). Meanwhile, the lock-down measures influenced natural gas demand in the industrial sector (-12.7% to 8.1 billion cubic metres) and the thermoelectric sector (-12.3% to 10.9 billion cubic metres).

[1] Pursuant to the international accounting standard IFRS 5, the income statement items that contribute to the result of continuing operations: (i) exclude the contribution of E&P activities falling within the perimeter of sale to Energy Class as Discontinued Operations; (ii) including the contribution of the E&P activities in Algeria and Norway which remain Edison's property, the sale of which is no longer considered effective in the short term, retrospectively reconsolidated from 1 January 2020. The values for the first half of 2019 were re-stated to allow a homogeneous comparison.

The price of **spot gas in Italy in the first half of 2020 averaged 9.7 cents per cubic metre, down 51%** compared with the same period last year. The decline in prices was due to the joint effect of multiple factors, or the mild winter, an abundant supply due to the increased availability of LNG at European terminals and the demand crisis generated by the pandemic. Oil prices also dropped in the first half of 2020 to an average of 42.2 dollars per barrel, a decline of 36.2% compared to the same period of 2019.

In this context, Edison closed the first half of the year with **revenues** down 28.1% **to 3,107 million euros**, compared to the same period in 2019. The greatest impact was on **Gas and E&P Operations,** whose revenues fell by 39.6% to 1,630 million euros (compared to 2,700 million euros in the same period of 2019), mainly due to the price scenario described above and to a lesser extent also the reduction in sales volumes. The reduction in **Electric Power Operations was more limited, with revenues** down 11.6% **to 1,831 million euros**, compared to 2,071 million euros in the first half of 2019, also as a result of the reduction in volumes and average sale prices caused by the reference scenario.

Despite the depressed context triggered by the Covid-19 health emergency, Edison's **EBITDA was up by 11.4% to 380 million euros** (341 million euros in the first half of 2019) and up by 0.5% at the same perimeter, thanks to the positive contribution of both businesses. Specifically, the **EBITDA** of **Electric Power Operations rose by 11.2% to 259 million euros** (233 million euros in the same period of 2019), benefitting especially from the higher contribution of renewables due to the acquisition of EDF EN Italia (Edison Renewables, today) and its subsidiaries, consolidated as of July 1, 2019, as well as the increase in wind and hydroelectric production. These factors, along with the good performance of the ancillary services market, offset the lower contribution of thermoelectric generation due to the unavailability of the Altomonte and Simeri Crichi gas plants in the early months of the year. The health emergency instead had a negative impact on margins of electricity sales to industrial customers and activities in the energy efficiency segment. The **Gas and E&P Operations**, which include the result of regulated activities and the E&P business in Algeria and Norway[2], recorded an increase in EBITDA of 5,0% to 167 million euros (159 million euros in the first half of 2019). The positive performance was also due to the optimisation of the flexibility of pipeline gas import contracts, which more than offset the effects of the mild winter and the reduction in margins on natural gas sales to industrial customers as a result of the health crisis. Overall, Covid-19 had a negative impact on EBITDA for the period of 47 million euros.

EBIT amounted to 164 million euros from 172 million euros in the first half of 2019. The result was impacted by amortisation and write-downs totalling 200 million euros (162 million euros in the same period of 2019) and other charges relating to Non-Energy Activities for 19 million euros.

The **net result from Continuing Operations**, i.e. Electric Power Operations and Gas Activities and E&P Operations, was a positive 104 million euros down from 129 million euros in the first half of 2019, mainly due to the unfavourable exchange effect.

The Edison Group closed the first half of the year with a net loss of 65 million euros compared to a loss of 398 million euros in the same period of 2019. This result includes the net loss of 162 million euros from E&P activities being divested (restated as Discontinued Operations), also as a result of the revision of the

[2] Following the agreements of April 2, 2020, and June 28, 2020 the E&P operations in Algeria and Norway were excluded from the perimeter of the assets disposed of to Energean Plc and reconsolidated since January 2020. The results for the first half of 2019 were re-stated pursuant to IFRS 5.

terms of the agreement with Energean Oil & Gas triggered by the negative development of the Brent and natural gas market scenarios.

Net financial debt at June 30, 2020 amounted to 624 million euros from 516 million euros at December 31, 2019. In the first part of the year, Edison made investments in the energy efficiency sector and in the thermoelectric sector, including for the construction of two gas-fired combined-cycle plants that will use the most efficient technologies currently available. Moreover, the payment of CO_2 emission rights also had a negative impact on net financial debt.

Thanks to the low level of debt, Edison maintains a solid economic and financial profile and can draw on significant liquidity reserves to support both its operating requirements and business development plans, also thanks to the 450 million euros in loans recently granted by the EIB.

Outlook

In a market context which is expected to decline, taking into account the performance recorded in the first half of 2020 and the greater visibility on market conditions envisaged for the rest of the year, Edison confirms estimates for 2020 EBITDA communicated last February within a range between 560 and 620 million euros.

The parent company's results of operations

The parent company Edison Spa closed the first half of 2020 with a net loss of 64 million euros compared with the net loss of 364 million euros in the same period of 2019. The result includes the net negative effect from Discontinued Operations related to the agreement for the E&P disposal, which has been partially balanced by the good results of the industrial margins described above.

Merger by incorporation into Edison of Edison International Holding Nv

The Board of Directors approved the merger by incorporation into Edison Spa of Edison International Holding Nv (EIH), public company organised under the laws of the Netherlands. The Merger qualifies as a cross-border merger and will be enacted following the "simplified" procedure not requiring the determination of an exchange ratio as the disappearing company is entirely and directly owned by Edison.

The transaction is part of Edison strategy to focus its development primarily in Italy taking on a leadership role in the national energy transition. The resulting downsizing of foreign development, coupled with the disposal of the E&P business, no longer justifies the existence of a dedicated foreign sub-holding company with consequent cost savings, cash flow and group's corporate structure simplification.

The documentation relating to the transaction, as required by current Italian and Dutch legislation, will be made available to shareholders and the public at the places and under applicable regulatory terms.

Main events of the first half 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.

March 8, 2020 – During the Covid-19 emergency, Edison contributed to supporting the country by guaranteeing an essential and necessary service by ensuring the full operations of its 200 electric power plants as well as energy service and supply activities at its customers' sites. In this unique circumstance, Edison concretely continued its commitment to working closely with and supporting the communities and areas in which it operates by donating roughly 2 million euros to support the construction of the Fiera Milano hospital and help the healthcare facilities of the regions most impacted, aside from providing aid to research at Milan's Sacco Hospital intended to identify the most effective diagnostic strategies and treatments against the pandemic. In April, Edison also launched a crowdfunding campaign amongst its employees. In two weeks, it raised 200 thousand euros, which the company doubled, bringing the final amount to 400 thousand euros to be allocated to projects for immediately aiding households and communities, such as mutual aid for the most vulnerable segments of the population and home delivery of consumer staples. In addition, with *Edison per l'Italia*, Edison Energia was the first operator at national level to launch a plan to meet the needs of its customers most impacted by the blocking of production activities, such as workers receiving unemployment benefits and independent contractors, making it possible to postpone the payment of power and gas bills to June, pending the progressive restoration of production activities. In addition, on June 16, Edison launched a special initiative thanking its doctor and nurse customers, to recognise their work during the Covid-19 emergency: a gift card for a wellness break, to purchase wine or for a gym subscription, with the activation for one year of the Pronto Artigiano 3h service. At that time, the company also announced the expansion of Edison Plug&Go electric mobility solutions, aiming for new micro-mobility services, to support Phase 3 of the reopening post-lockdown and encourage safe, sustainable transportation in cities.

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, until obtainment of the authorisation provision. 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 makes provision 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.

June 15, 2020 – Edison entered into a partnership agreement with METRON, an innovative digital company, to offer industrial customers Edison Analytics powered by METRON: a solution for monitoring and optimising energy consumption which relies on digitalisation and artificial intelligence to meet the growing needs of Italian companies which are dealing with a continuously evolving context every day. The partnership between Edison and METRON provides medium and large Italian industries with the tools they need to understand what and how they consume, and the fundamental know-how to define long-term energy strategies, while also promoting the deployment of an energy management system.

June 22, 2020 – Edison Energia and AS Roma entered into an agreement focused on sustainable energy. On the basis of the technical sponsorship agreement, Edison Energia became the new official energy supplier of AS Roma for all of its locations and stores throughout the country. Edison Energia and AS Roma will look at various solutions to improve environmental sustainability for both the squad and its fans: from projects for the creation of renewable self-production plants at the Trigoria sports centre to the installation of electric vehicle recharging stations and private mobility solutions for all Roma fans.

June 28, 2020 – In relation to the agreement for the sale of Edison Exploration and Production S.p.A. (E&P) and its investments in the hydrocarbons (oil and natural gas) exploration and production sector to Energean Plc, a revision of the terms of the agreement (SPA - Sale and Purchase Agreement) signed on July 4, 2019 and subsequently amended on April 2, 2020 was signed. This review concerns, among other things, the economic terms of the transaction and, in particular, the exclusion from the scope of the transaction of Edison Norge AS, which holds the Edison Group E&P assets located in Norway. Edison will retain the ownership of Edison Norge until market conditions allow the full valorisation of the related assets. The maintenance of the assets in Norway, in addition to those in Algeria that remained within the scope of Edison following the agreement of April 2, 2020, will however allow Edison to basically exit the E&P sector, in line with the company's sustainable development plan. Indeed, the review of the agreement in any event guarantees the sale of the majority of the portfolio and Edison's exit from the operation of production activities, as the assets currently in development in Norway and the production assets in Algeria are not operated by Edison. Edison has therefore confirmed its strategy of disengagement from E&P activities and investment in energy transition focusing on generation from renewable sources and the latest generation gas, energy efficiency and innovative services for businesses, the public administration and residential customers. The enterprise value of the disposed assets, following the review of the agreement, is 284 million dollars, essentially corresponding to the benefit in terms of the change in Edison's net financial position as a result of the transaction. This benefit will be determined in part by the collection of the consideration that will be due from Energean at the closing and in part from the operating cash flows generated by the assets disposed of from January 1, 2019 until the closing, which will be retained by Edison. In addition to this is an additional consideration of up to 100 million dollars subject to the entry into production of Cassiopea and which will be determined on the basis of gas prices (PSV) recorded at the moment of the field's entry into production.

June 2020 – The bank of the European Union supports Edison's green investment plan with 450 million in new resources. The European Investment Bank (EIB) entered into two distinct transactions with the Italian energy group: a Green Framework Loan of 300 million for the development of projects in energy efficiency and the renewables sector throughout the country, and a loan of 150 million to upgrade the power plant in Marghera (Venice) to a latest generation gas-fuelled combined cycle plant. For the EIB, these are transactions in line with the transitional regime of the new Energy Lending Policy (ELP) approved last November, which aims to enhance investments that combat climate change and at the same time guarantee the security and reliability of the electricity system. For Edison, the investments supported by the EIB are part of the strategy for the company's consolidation as a responsible operator with a sustainable business model, aligned with the objectives laid out in the National Energy and Climate Plan. The Green Framework Loan is the first transaction of its type in Italy financed by the EIB. This is a total credit line of 300 million which Edison will use over the next four years for a portfolio of projects throughout the country for energy efficiency and for the construction of small and medium-sized renewable energy plants. The list includes projects regarding the energy enhancement of buildings, also in line with the Italian government's recent fiscal regulations laid out in the "Development Decree". The loan has a duration of 15 years.

Documentation

Please note that the Semiannual Report at June 30, 2020 of the Edison Group will be available to the public on July 31, 2020 at the company's office, on the website of Borsa Italiana Spa (www.borsaitaliana.it) and of Edison Spa (http://www.edison.it/it/bilanci-e-documenti-correlati) and on the electronic storage mechanism "eMarket STORAGE" (www.emarketstorage.com).

***

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 release are consistent with the records, ledgers and accounting entries. The Semiannual Report at June 30, 2020 was subject to a limited audit.

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.

The Group's income statement, showing the other components of the comprehensive income statement, balance sheet, cash flow statement and the statement of changes in consolidated shareholders' equity are annexed to this press release.

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

CONSOLIDATED INCOME STATEMENT

	1st half 2020	1st half 2019 (*)
(in millions of euros)		
Sales revenues	3,107	4,321
Other revenues and income	52	61
Total net revenues	**3,159**	**4,382**
Commodity and logistic costs (-)	(2,321)	(3,566)
Other costs and services used (-)	(246)	(263)
Labor costs (-)	(158)	(152)
Receivables (writedowns) / reversals	(14)	(14)
Other costs (-)	(40)	(46)
EBITDA	**380**	**341**
Net change in fair value of derivatives (commodity and exchange rate risk)	3	8
Depreciation and amortization (-)	(176)	(162)
(Writedowns) and reversals	(24)	-
Other income (expense) non Energy activities	(19)	(15)
EBIT	**164**	**172**
Net financial income (expense) on debt	(7)	(3)
Other net financial income (expense)	(11)	2
Net financial income (expense) on assigned trade receivables without recourse	(7)	(10)
Income from (Expense on) equity investments	1	2
Profit (Loss) before taxes	**140**	**163**
Income taxes	(36)	(34)
Profit (Loss) from continuing operations	**104**	**129**
Profit (Loss) from discontinued operations	(162)	(518)
Profit (Loss)	**(58)**	**(389)**
Broken down as follows:		
Minority interest in profit (loss)	7	9
Group interest in profit (loss)	**(65)**	**(398)**

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

OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT

(in millions of euros)	1st half 2020	1st half 2019 (*)
Profit (Loss)	**(58)**	**(389)**
Other components of comprehensive income:		
A) Change in the Cash Flow Hedge reserve	**(30)**	**7**
- Gains (Losses) arising during the period	(41)	10
- Income taxes	11	(3)
B) Differences on the translation of assets in foreign currencies	**(4)**	**4**
- Gains (Losses) arising during the period not realized	(4)	5
- Income taxes		(1)
C) Pro rata interest in other components of comprehensive income of investee companies	-	-
D) Actuarial gains (losses) (**)	**(1)**	**-**
- Actuarial gains (losses)	(1)	-
- Income taxes	-	-
Total other components of comprehensive income net of taxes (A+B+C+D)	**(35)**	**11**
Total comprehensive profit (loss)	**(93)**	**(378)**
Broken down as follows:		
Minority interest in comprehensive profit (loss)	7	9
Group interest in comprehensive profit (loss)	**(100)**	**(387)**

(*) The amounts of 1st half 2019 were restated pursuant to IFRS 5.
(**) Items not reclassificable in Income Statement.

CONSOLIDATED BALANCE SHEET

	06.30.2020	12.31.2019
(in millions of euros)		
ASSETS		
Property, plant and equipment	3,561	3,312
Intangible assets	320	344
Goodwill	2,219	2,220
Investments in companies valued by the equity method	108	91
Other non-current financial assets	65	68
Deferred-tax assets	244	216
Non-current tax receivables	35	35
Other non-current assets	195	43
Fair value	218	100
Assets for financial leasing	2	2
Total non-current assets	**6,967**	**6,431**
Inventories	103	133
Trade receivables	896	1,132
Current tax receivables	26	26
Other current assets	325	380
Fair value	816	676
Current financial assets	146	347
Cash and cash equivalents	126	283
Total current assets	**2,438**	**2,977**
Assets held for sale	**1,038**	**1,401**
Total assets	**10,443**	**10,809**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	5,377	5,377
Reserves and retained earnings (loss carryforward)	(70)	409
Reserve for other components of comprehensive income	(23)	12
Group interest in profit (loss)	(65)	(471)
Total shareholders' equity attributable to Parent Company shareholders	**5,219**	**5,327**
Shareholders' equity attributable to minority shareholders	160	186
Total shareholders' equity	**5,379**	**5,513**
Employee benefits	36	38
Provisions for decommissioning and remediation of industrial sites	183	163
Provisions for risks and charges	263	342
Provisions for risks and charges for non Energy activities	280	266
Deferred-tax liabilities	85	95
Other non-current liabilities	5	5
Fair value	201	93
Non-current financial debt	569	615
Total non-current liabilities	**1,622**	**1,617**
Trade payables	1,058	1,425
Current tax payables	116	104
Other current liabilities	211	184
Fair value	904	726
Current financial debt	306	342
Total current liabilities	**2,595**	**2,781**
Liabilities held for sale	**847**	**898**
Total liabilities and shareholders' equity	**10,443**	**10,809**

CASH FLOW STATEMENT

(in millions of euros)		1st half 2020	1st half 2019 (*)
	Profit (Loss) before taxes	**140**	**163**
	Depreciation, amortization and writedowns	200	162
	Net additions to provisions for risks	9	11
	Interest in the result of companies valued by the equity method (-)	(1)	(2)
	Dividends received from companies valued by the equity method	2	1
	(Gains) Losses on the sale of non-current assets	1	(2)
	Change in the provision for employee benefits	(2)	(2)
	Change in fair value recorded in EBIT	(3)	(8)
	Change in operating working capital	(99)	56
	Change in non-operating working capital	(40)	(26)
	Change in other operating assets and liabilities	(90)	46
	Net financial (income) expense	25	11
	Net financial income (expense) paid	(17)	(9)
	Net income taxes paid	(23)	(15)
	Operating cash flow from discontinued operations	59	89
A.	**Operating cash flow**	**161**	**475**
	Additions to intangibles and property, plant and equipment (-)	(145)	(118)
	Additions to non-current financial assets (-)	(23)	(6)
	Net price paid on business combinations	-	(2)
	Cash and cash equivalents disposed	-	(1)
	Proceeds from the sale of intangibles and property, plant and equipment	2	3
	Proceeds from the sale of non-current financial assets	-	4
	Cash used in investing activities from discontinued operations	(71)	(29)
B.	**Cash used in investing activities**	**(237)**	**(149)**
	Receipt of new medium-term and long-term loans	20	-
	Redemption of medium-term and long-term loans (-)	(80)	(26)
	Other net change in financial debt	(19)	9
	Change in current financial assets	5	57
	Net liabilities resulting from financing activities	(74)	40
	Capital and reserves contributions (+)	-	-
	Dividends and reserves paid to controlling companies or minority shareholders (-)	(30)	(32)
	Cash used in financing activities from discontinued operations	(7)	(61)
C.	**Cash used in financing activities**	**(111)**	**(53)**
D.	**Net currency translation differences**	**(2)**	**-**
E.	**Net cash flow for the period (A+B+C+D)**	**(189)**	**273**
F.	**Cash and cash equivalents at the beginning of the year**	**344**	**149**
G.	**Cash and cash equivalents at the end of the period (E+F)**	**155**	**422**
H.	**Cash and cash equivalents at the end of the period discontinued operations**	**29**	**23**
I.	**Cash and cash equivalents at the end of the period continuing operations (G-H)**	**126**	**399**

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

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in milioni di euro)	Share capital	Reserves and retained earnings (loss carry-forward)	Reserve for other components of comprehensive				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	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, 2018	**5,377**	**389**	**42**	**28**	**-**	**(4)**	**54**	**5,886**	**255**	**6,141**
Appropriation of the previous year's profit (loss)	-	54	-	-	-	-	(54)	**-**	-	**-**
Dividends and reserves distributed	-	-	-	-	-	-	-	**-**	(32)	**(32)**
Change in the scope of consolidation	-	-	-	-	-	-	-	**-**	-	**-**
Other changes	-	(15)	-	-	-	-	-	**(15)**	-	**(15)**
Total comprehensive profit (loss)	**-**	**-**	**7**	**4**	**-**	**-**	**(398)**	**(387)**	**9**	**(378)**
of which:										
- Change in comprehensive income	-	-	7	4	-	-	-	**11**	-	**11**
- Profit (loss) from 01.01.2019 to 06.30.2019	-	-	-	-	-	-	(398)	**(398)**	9	**(389)**
Balance at June 30, 2019	**5,377**	**428**	**49**	**32**	**-**	**(4)**	**(398)**	**5,484**	**232**	**5,716**
Dividends and reserves distributed	-	-	-	-	-	-	-	**-**	(19)	**(19)**
Change in the scope of consolidation	-	(15)	-	-	-	-	-	**(15)**	(33)	**(48)**
Other changes	-	(4)	-	-	-	-	-	**(4)**	-	**(4)**
Total comprehensive profit (loss)	**-**	**-**	**(63)**	**(1)**	**-**	**(1)**	**(73)**	**(138)**	**6**	**(132)**
of which:										
- Change in comprehensive income	-	-	(63)	(1)	-	(1)	-	**(65)**	-	**(65)**
- Profit (loss) from 07.01.2019 to 12.31.2019	-	-	-	-	-	-	(73)	**(73)**	6	**(67)**
Balance at December 31, 2019	**5,377**	**409**	**(14)**	**31**	**-**	**(5)**	**(471)**	**5,327**	**186**	**5,513**
Appropriation of the previous year's profit (loss)	-	(471)	-	-	-	-	471	**-**	-	**-**
Dividends and reserves distributed	-	-	-	-	-	-	-	**-**	(33)	**(33)**
Change in the scope of consolidation	-	-	-	-	-	-	-	**-**	-	**-**
Other changes	-	(8)	-	-	-	-	-	**(8)**	-	**(8)**
Total comprehensive profit (loss)	**-**	**-**	**(30)**	**(4)**	**-**	**(1)**	**(65)**	**(100)**	**7**	**(93)**
of which:										
- Change in comprehensive income	-	-	(30)	(4)	-	(1)	-	**(35)**	-	**(35)**
- Profit (loss) from 01.01.2020 to 06.30.2020	-	-	-	-	-	-	(65)	**(65)**	7	**(58)**
Balance at June 30, 2020	**5,377**	**(70)**	**(44)**	**27**	**-**	**(6)**	**(65)**	**5,219**	**160**	**5,379**