PRESS RELEASE

EDISON CLOSES THE FIRST NINE MONTHS OF 2020 WITH REVENUES OF 4.5 BILLION EUROS AND EBITDA UP 7% TO 511 MILLION EUROS THANKS TO RENEWABLES

Despite the economic crisis triggered by Covid-19, which had an estimated negative impact of 63 million euros on EBITDA for the period, net profit from Continuing Operations, i.e. excluding the E&P activities held for sale, came to 102 million euros (147 million euros in the same period of 2019). The Edison Group's net result, which includes the E&P activities held for sale, was a negative 78 million euros (-373 million euros in the first 9 months of 2019).

The 2020 EBITDA forecast issued before the Covid 19 emergency, included in a range between 560 and 620 million euros, is revised upwards between 585 and 635 million euros thanks to the positive industrial performance recorded in the period, despite the effects of the pandemic.

Milan, November 6, 2020 – Edison's Board of Directors, which met yesterday, examined the Quarterly Report at September 30, 2020, which highlighted the effectiveness of the Group's strategic choices and the ability to register a positive industrial performance in a market context heavily compromised by the Covid-19 pandemic and the measures adopted to contain its spread.

In the first nine months of the year, **Edison recorded 7.1% growth in EBITDA, up to 511 million euros** (477 million euros in the same period of the previous year), **thanks primarily to the contribution of renewables** and, in particular, to hydroelectric and wind production, which offset both the lower contribution from thermoelectric generation and the decline in downstream volumes, especially due to the lockdown. Please recall that last year, Edison expanded its perimeter in renewables, becoming the second wind operator in Italy, laying the foundations for development in the photovoltaic sector, and affirming its position as an integrated player throughout the entire business segment.

Net financial debt at September 30, 2020 stood at 645 million euros from 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	**9 months 2020[1]**	**9 months 2019[1]**
Sales revenues	**4,521**	**6,114**
EBITDA	**511**	**477**
EBIT	**169**	**207**
Profit (Loss) from continuing operations	**102**	**147**
Group interest in Profit (Loss)	**(78)**	**(373)**

Group performance at September 30, 2020

In the first nine months of 2020, Italian demand for **electricity dropped by 6.9% to 225.1 TWh** from 241.8 TWh in the same period of 2019, as a result of the Covid-19 emergency and the measures introduced to contain the pandemic. The decrease was absorbed, in particular, by thermoelectric production (-8.3% to 129.5 TWh) and partly by wind production (-2.5% to 14 TWh), while hydroelectric generation (+4.0% to 36.4 TWh) and photovoltaic production (+7.5% to 22.3 TWh) rose during the period. On the price side, the **Single National Price (PUN) averaged 35.6 euro/MWh, down by 33.8%** compared to the same period in 2019, due to the drop both in demand and in generation costs.

This decreasing trend is even more pronounced in the gas segment, albeit mitigated by a recovery in economic activities in August and September. In particular, **in the first 9 months of the year, gas demand fell by 8.1% to 49.6 billion cubic meters**, from 53.9 billion cubic meters in the same period of 2019. All sectors recorded a drop, due to the effects of both the lockdown and winter temperatures above the seasonal average: gas consumption for thermoelectric generation dropped by 8.3% to 18.0 billion cubic meters, industrial uses by 8.2% to 12.1 billion cubic meters, residential uses by 7.7% to 17.9 billion cubic meters. On the prices side, the **spot gas price in Italy in the period averaged 9.5 cents of euro per cubic meter, marking a reduction of 45.6%**. The drop in prices is the result of a combination of multiple factors, the abundant supply on the European market, the reduction in consumption generated by the pandemic and the mild winter. Oil prices also dropped in the first 9 months of 2020 to an average of 42.6 dollars per barrel, a decline of 34.2% compared to the same period of 2019.

Edison closed the first 9 months of the year with **sales revenues of 4,521 million euros**, down from 6,114 million euros of the same period in 2019, suffering the effects of the reference scenario which, as highlighted

[1] Pursuant to IFRS 5, the economic items that contribute to the result from Continuing Operations: (i) exclude the contribution from E&P activities falling under the scope of the sale to Energean and classified as *Discontinued Operations*; (ii) include the contribution of E&P activities in Algeria and Norway which remain under the ownership of Edison, whose sale was no longer considered likely in the short-term, and which were re-consolidated retrospectively from January 1, 2020. The values of the first 9 months of 2019 were subsequently re-stated to allow a homogeneous comparison.

above, showed a significant reduction in terms of both volumes and sales prices. The greatest impact was on **Gas Operations and E&P**, whose **revenues** stood **at 2,257 million euros**, down by 38.8% compared to 3,687 million euros in the same period in 2019. The contraction of **Electric Power Operations was more contained, with revenues down to 2,789 million euros**, down by 9.4% compared to the first 9 months of 2019.

Despite the context, Edison managed to offset the impact of Covid-19 on profitability, and in the first 9 months of the year, registered an **increase of 7.1% in EBITDA to 511 million euros** compared to 477 million euros in the same period of 2019. An increase gained thanks to the performance of **Electric Power Operations** which **recorded a 13.4% growth in EBITDA to 346 million euros** (305 million euros in the same period of 2019), thanks in particular to the contribution from renewables following the acquisition of EDF EN activities in Italy, which took place in the second half of 2019. A factor that offset the lower contribution of thermoelectric generation determined not only by the drop in demand highlighted above, but also by the unavailability of the Altomonte and Simeri Crichi gas plants in the first months of the year. The EBITDA of energy efficiency activities also decreased (47 million euros in the first 9 months of the year compared to 50 million euros in the same period of 2019), due mainly to the slowdown in all activities in industrial and environmental services, brought about by the lockdown. The **EBITDA** of **Gas Operations and E&P**, which includes the result of regulated activities and the E&P business in Algeria and Norway[2], stood at 237 million euros, down by 9 million euros compared to the same period in 2019, due to a combination of the mild temperatures and the reduction in consumption triggered by the lockdown. This impact was only partially offset by the optimisation of the flexibility of pipeline gas import contracts.

On the whole, Covid-19 had a negative impact on EBITDA in the period estimated at 63 million euros.

EBIT amounted to 169 million euros from 207 million euros in the same period of 2019. The result was impacted by amortisation and write-downs for 280 million euros (251 million euros in the same period of 2019) and other expenses related to Non-Energy Activities for 47 million euros (16 million euros in 2019).

Net profit from Continuing Operations, i.e. Electric Power Operations and Gas Operations and E&P, was a **positive 102 million euros**, down from the 147 million euros recorded in the first 9 months of 2019, as a result of the trend outlined above and of an unfavourable exchange rate effect.

The Edison Group closed the first nine months of the year with a net loss of 78 million euros compared to -373 million euros in the same period of 2019. This result includes the net loss of 170 million euros from E&P activities being divested (classified under Discontinued Operations), also as a result of the revisions of the terms of the agreement with Energean Oil & Gas triggered by the negative development of Brent and the natural gas market scenarios.

Net financial debt at September 30, 2020 stood at 645 million euros from 516 million euros at December 31, 2019. During the period, Edison made investments in the wind, energy efficiency and thermoelectric sectors, for the construction of two gas combined-cycle plants that will use the most efficient technologies currently available.

[2] Following the agreements of April 2, 2020 and June 28, 2020, the E&P activities in Algeria and Norway were excluded from the perimeter of the assets disposed of to Energean Plc and reconsolidated as of January 2020 pursuant to IFRS 5. The results of the first 9 months of 2019 were subsequently re-stated.

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 granted by the EIB in the first half of 2020.

Outlook

The 2020 EBITDA forecast issued before the Covid-19 emergency, included in a range between 560 and 620 million euros, is revised upwards between 585 and 635 million euros thanks to the positive industrial performance recorded in the period, despite the effects of the pandemic.

Main events in the third quarter of 2020

August 5, 2020 – Edison announced that during the period of voluntary conversion of the Edison Spa savings shares (listed on the MTA - Mercato Telematico Azionario - of the Italian Stock Exchange) into Edison Spa common shares (not listed on the MTA), a period extended to ensure the effective exercise in consideration of the Covid-19 epidemiological emergency and the associated consequent regulatory provisions, from April 14, 2020 to July 31, 2020, requests for conversion were submitted for a total of 165,932 savings shares, equal to 0.151% of the share capital represented in the same category. As a result of the conversion, Edison's share capital is unchanged in the amount of 5,377,000,671.00 euros, divided into 5,267,390,650 common shares and 109,610,021 savings shares, with a par value of 1.00 euro each.

August 6, 2020 – Edison Energia and Cogne Acciai Speciali have entered into a 5-year renewable energy Power Purchase Agreement (PPA). On the basis of the agreement, Edison will make available part of the electricity generated in its renewable fields, which boast of a capacity from green sources in excess of 2,000 MW, and Edison Energia will handle the energy supply and the performance of all activities connected to the renewable procurement of the Cogne Acciai Speciali plant.

September 8, 2020 – Edison announced that it has begun negotiations with F2i Fondi Italiani per le Infrastrutture for the acquisition of 70% of E2i Energie Speciali, a company already 30% held by Edison and consolidated line-by-line. Edison also announced that 2i Rete Gas, an investee company of investment funds managed by F2i, Ardian and APG, sent an expression of interest for the purchase of 100% of Infrastrutture Distribuzione Gas, the company-wholly owned by Edison that manages the gas distribution networks and systems in 58 municipalities in the regions of Abruzzo, Emilia-Romagna, Lazio, Lombardy and Veneto. Edison therefore granted 2i Rete Gas an exclusive period for due diligence activities and for the negotiation of the possible transaction.

September 21, 2020 – Edison announced that the Board of Directors approved the plan for the cross-border merger by incorporation of Edison International Holding NV (a Dutch company directly and wholly-owned by Edison Spa) into Edison Spa. The operation is incorporated in the Group's strategic repositioning strategy in Italy and is accompanied by a subsequent reduction in structure costs, a simplification of cash flows and of the Group's corporate structure.

September 28, 2020 – Edison Energia and BNL BNP Paribas Group announced a strategic partnership to facilitate the adoption of smart solutions for the energy efficiency of residential buildings and the consumption of green energy; practical initiatives in favour of decarbonisation and the country's energy transition.

Main events after September 30, 2020

October 1, 2020 – Edison presented its project with Kuwait Petroleum Italia (Q8) relating to a small scale coastal LNG (Liquefied Natural Gas) depot at Darsena Petroli in the Port of Naples. The strategic nature of this investment was recently confirmed by the recognition of a European loan for its design, thanks to CEF funds for the authorisation engineering. The location of a coastal depot at Darsena Petroli in the Port of Naples will make liquid natural gas easily available as fuel, for both road and sea transport, throughout the Central-Southern Tyrrhenian area and will enable the Port of Naples to build a hub especially attractive to lower environmental impact ship traffic, stimulating the area's tourism and commercial sectors.

October 5, 2020 – Edison inaugurated a new public service in Milan M2 subway stations to fill up on energy even while travelling. The energy company has installed 20 charging stations in the M2 green line stations with the highest number of travellers, at the Porta Genova, Cadorna, Porta Garibaldi, Stazione Centrale and Piola stops. The service enables passengers to easily charge their mobile devices at no cost.

October 9, 2020 – Edison Energia is once again confirmed at the top of the ranking of the most reliable energy operators in the 2020 survey performed by Altroconsumo. The investigation by the consumer association reviewed the main 21 electricity and gas companies, where the difference is made not only by cost effectiveness, but first and foremost by reliability and the overall quality of the service offered. Edison Energia is one of the top operators with national coverage (specifically, in third place amongst the electricity operators), obtaining high scores across all indicators under review, including that of overall satisfaction.

October 23, 2020 - Edison sold 19% of the capital of Depositi Italiani GNL (DIG) to Scale Gas Solutions, a subsidiary of Enagás specialized in small scale LNG. The Spanish company therefore became a new shareholder of DIG, the newco created in 2018 by Edison and PIR (Petrolifera Italo Rumena) for the development and management of the first LNG coastal deposit in Italy. After the transaction, the shareholding structure of Depositi Italiani GNL is the following: 51% PIR, 30% Edison and 19% Scale Gas Solutions. Edison and Scale Gas Solutions have agreed to collaborate for the development of Small Scale LNG in the Mediterranean, promoting the establishment of a strong LNG supply chain from Enagás' Mediterranean LNG terminals, led by the Barcelona terminal, to Edison customers, fostering sustainability through the introduction of LNG as an alternative fuel.

Documentation

Please note that the Quarterly Report at September 30, 2020 of the Edison Group is available to the public from November 6, 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), as well as on the electronic storage mechanism "eMarket STORAGE" (www.emarketstorage.com).

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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 as at September 30, 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.

PRESENTATION FORMATS

CONSOLIDATED INCOME STATEMENT

(in millions of euros)	9 months 2020	9 months 2019 (*)
Sales revenues	4,521	6,114
Other revenues and income	75	80
Total net revenues	**4,596**	**6,194**
Commodity and logistic costs (-)	(3,393)	(5,024)
Other costs and services used (-)	(380)	(398)
Labor costs (-)	(237)	(225)
Receivables (writedowns) / reversals	(20)	(11)
Other costs (-)	(55)	(59)
EBITDA	**511**	**477**
Net change in fair value of derivatives (commodity and exchange rate risk)	(15)	(3)
Depreciation and amortization (-)	(256)	(251)
(Writedowns) and reversals	(24)	-
Other income (expense) non Energy activities	(47)	(16)
EBIT	**169**	**207**
Net financial income (expense) on debt	(9)	(8)
Other net financial income (expense)	(18)	(4)
Net financial income (expense) on assigned trade receivables without recourse	(11)	(13)
Income from (Expense on) equity investments	3	3
Profit (Loss) before taxes	**134**	**185**
Income taxes	(32)	(38)
Profit (Loss) from continuing operations	**102**	**147**
Profit (Loss) from discontinued operations	(170)	(511)
Profit (Loss)	**(68)**	**(364)**
Broken down as follows:		
Minority interest in profit (loss)	10	9
Group interest in profit (loss)	**(78)**	**(373)**

(*) The amounts of 9 months 2019 w ere restated pursuant to IFRS 5.

CONSOLIDATED BALANCE SHEET

	09.30.2020	12.31.2019
(in millions of euros)		
ASSETS		
Property, plant and equipment	3,559	3,312
Intangible assets	316	344
Goodwill	2,230	2,220
Investments in companies valued by the equity method	120	91
Other non-current financial assets	64	68
Deferred-tax assets	244	216
Non-current tax receivables	35	35
Other non-current assets	195	43
Fair value	142	100
Assets for financial leasing	2	2
Total non-current assets	**6,907**	**6,431**
Inventories	122	133
Trade receivables	922	1,132
Current tax receivables	29	26
Other current assets	372	380
Fair value	496	676
Current financial assets	166	347
Cash and cash equivalents	140	283
Total current assets	**2,247**	**2,977**
Assets held for sale	**1,014**	**1,401**
Total assets	**10,168**	**10,809**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	5,377	5,377
Reserves and retained earnings (loss carryforward)	(74)	374
Reserve for other components of comprehensive income	(15)	12
Group interest in profit (loss)	(78)	(436)
Total shareholders' equity attributable to Parent Company shareholders	**5,210**	**5,327**
Shareholders' equity attributable to minority shareholders	149	186
Total shareholders' equity	**5,359**	**5,513**
Employee benefits	33	38
Provisions for decommissioning and remediation of industrial sites	182	163
Provisions for risks and charges	308	342
Provisions for risks and charges for non Energy activities	304	266
Deferred-tax liabilities	81	95
Other non-current liabilities	6	5
Fair value	134	93
Non-current financial debt	612	615
Total non-current liabilities	**1,660**	**1,617**
Trade payables	1,148	1,425
Current tax payables	133	104
Other current liabilities	178	184
Fair value	561	726
Current financial debt	289	342
Total current liabilities	**2,309**	**2,781**
Liabilities held for sale	**840**	**898**
Total liabilities and shareholders' equity	**10,168**	**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**	**374**	**12**	**(436)**	**5,327**	**186**	**5,513**
Appropriation of the previous year's profit (loss)	-	(436)	-	436	**-**	-	**-**
Dividends and reserves distributed	-	-	-	-	**-**	(33)	**(33)**
Changes in the scope of consolidation	-	-	-	-	**-**	(14)	**(14)**
Other changes	-	(12)	-	-	**(12)**	-	**(12)**
Total comprehensive profit (loss)	-	-	(27)	(78)	**(105)**	10	**(95)**
of which:							
- Change in comprehensive income	-	-	(27)	-	**(27)**	-	**(27)**
- Profit (loss) at September 30, 2020	-	-	-	(78)	**(78)**	10	**(68)**
Balance at September 30, 2020	**5,377**	**(74)**	**(15)**	**(78)**	**5,210**	**149**	**5,359**