



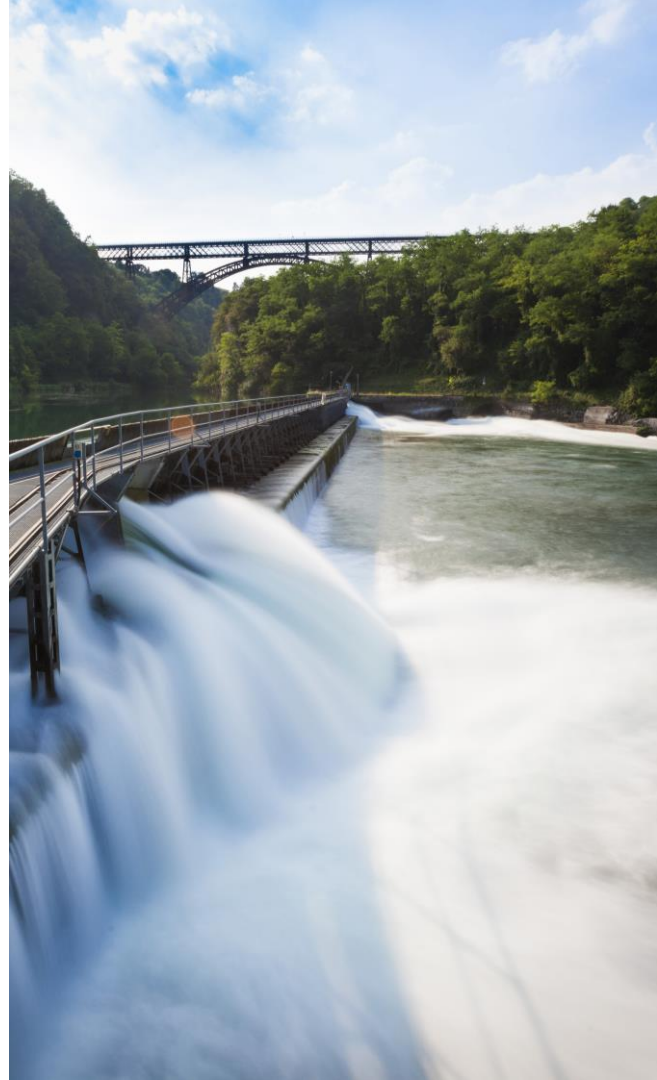
FULL YEAR 2017 RESULTS

Milan, March 2018



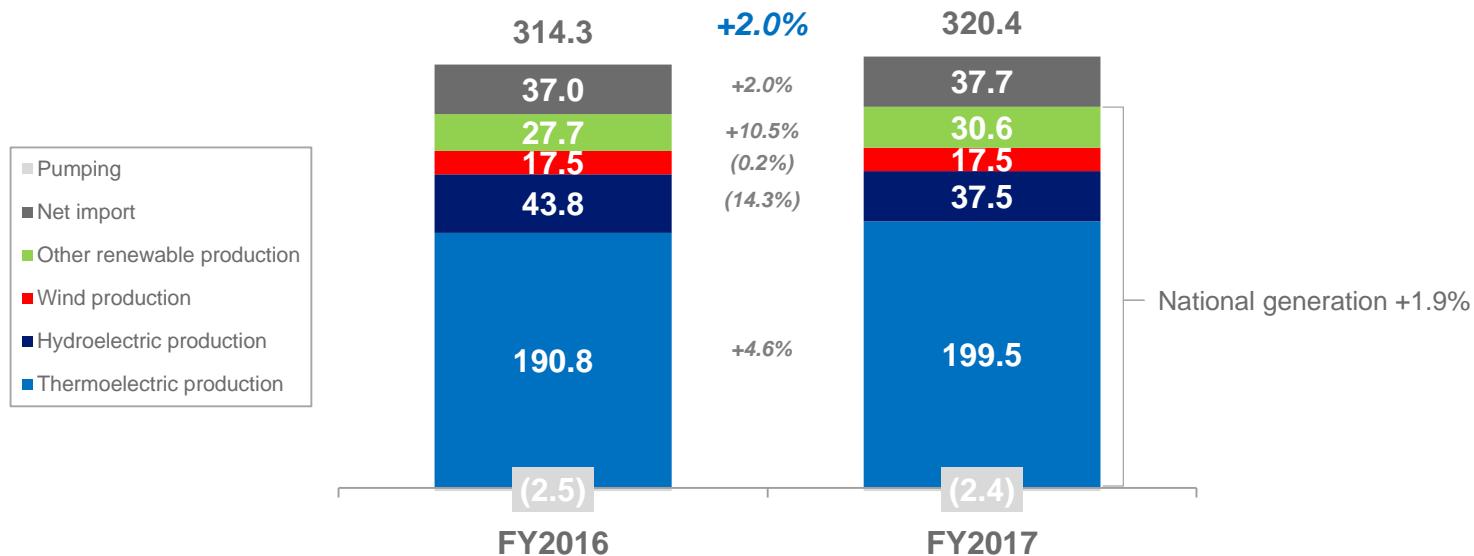
BUSINESS ENVIRONMENT

- Electric power and gas demand in Italy
- Energy prices trend



ELECTRIC POWER AVAILABILITY MIX IN ITALY

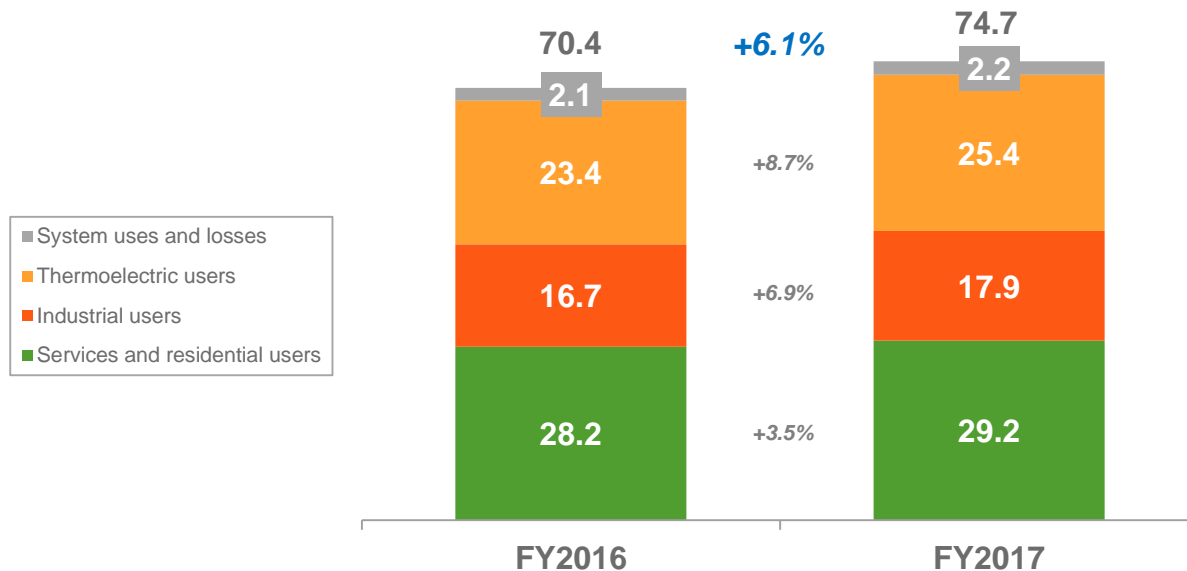
(TWh)



Electricity consumption up +2.0% thanks to exceptional temperatures in the Summer. Thermolectric and renewables generation increased in contrast to exceptionally low hydroelectric generation and substantially stable imports.

GAS DEMAND IN ITALY

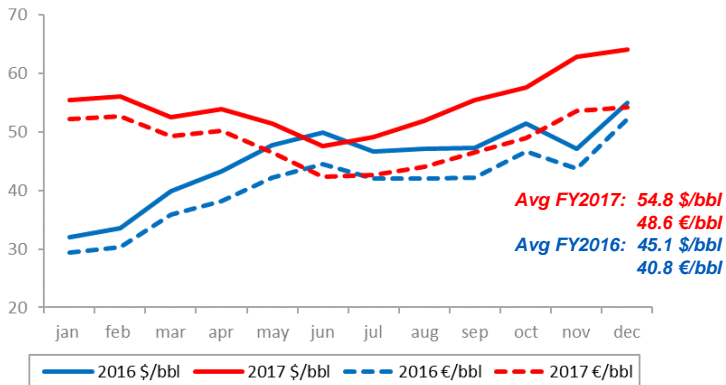
(bcm)



Gas demand increased by +6.1% across all sectors, thanks to higher gas generation, the recovery in industrial uses and higher residential consumption as a result of cold temperatures in Winter months. Higher consumption was covered by increased imports.

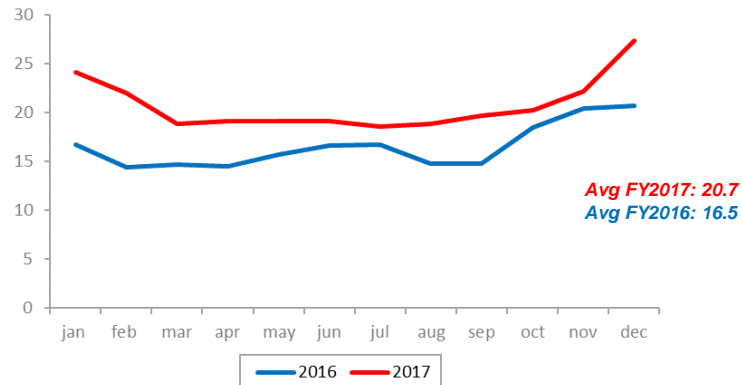
MARKET REFERENCE SCENARIO

BRENT



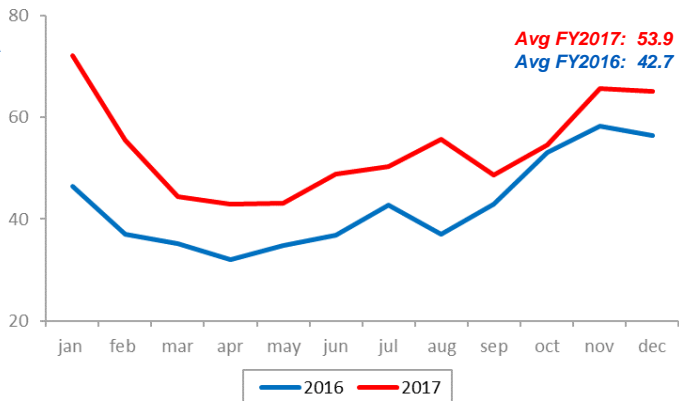
PSV

(€/scm)



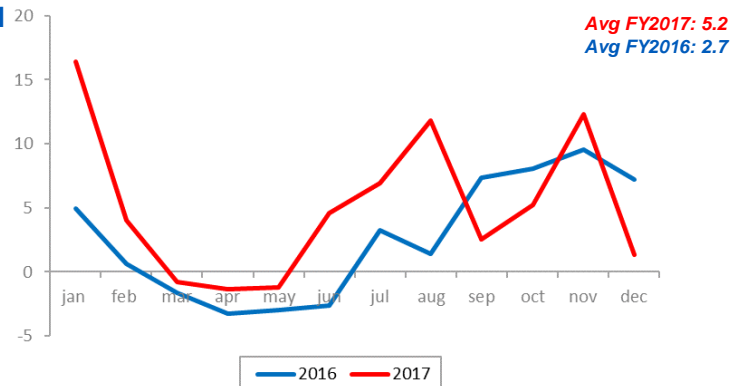
PUN TWA

(€/MWh)



CSS¹

(€/MWh)



FULL YEAR 2017 RESULTS

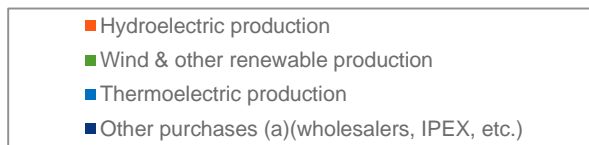
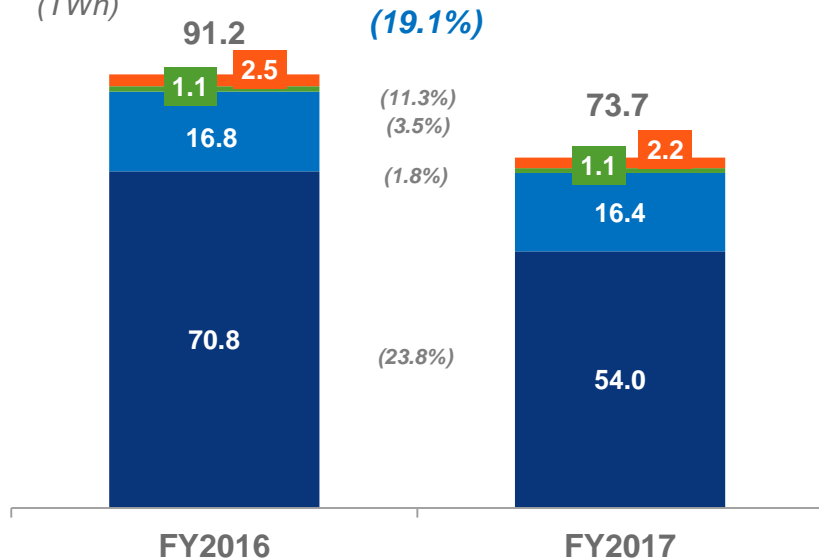
- Electric power and hydrocarbons sources and uses
- Consolidated financial highlights and capital expenditures
- Operating performance
- Net financial debt and cash flow



EDISON - ELECTRIC POWER VOLUMES IN ITALY

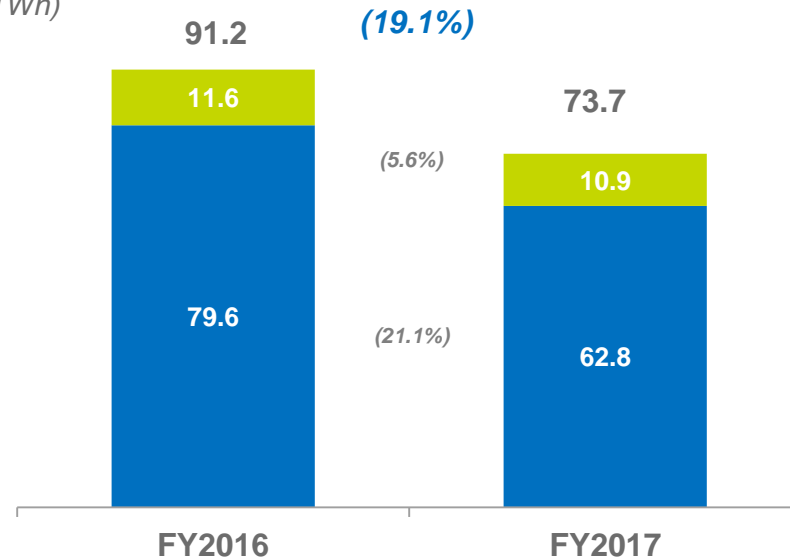
SOURCES

(TWh)



USES

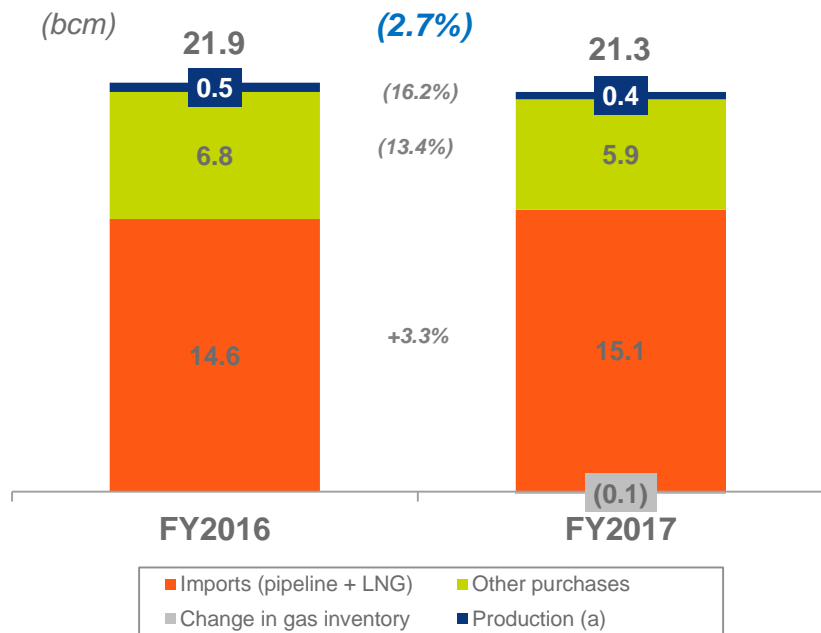
(TWh)



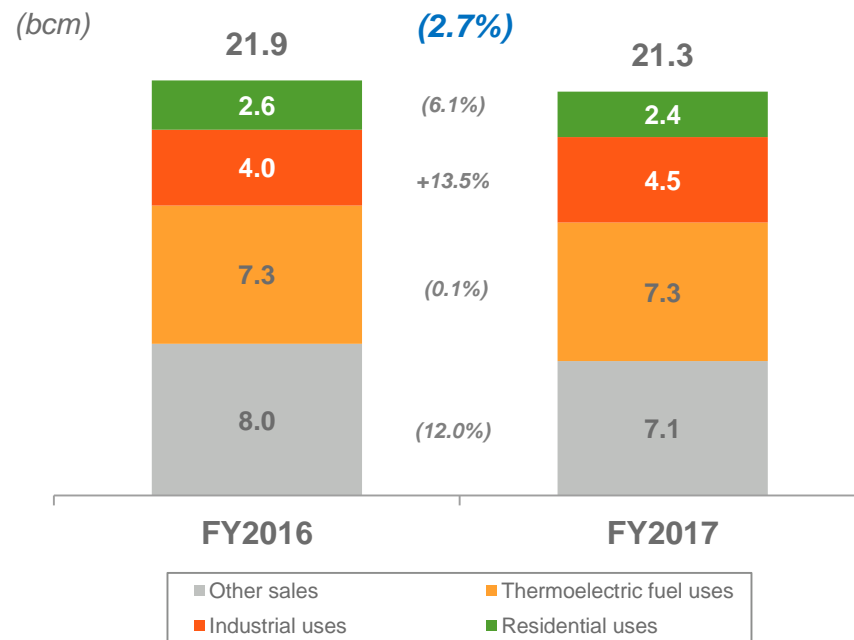
EDISON - HYDROCARBONS VOLUMES

GAS PORTFOLIO IN ITALY

SOURCES



USES

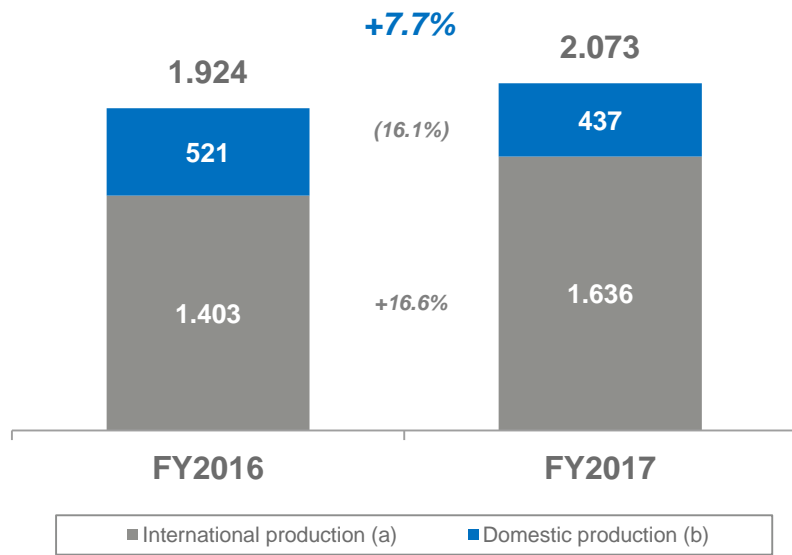


EDISON - HYDROCARBONS VOLUMES

E&P OPERATIONS

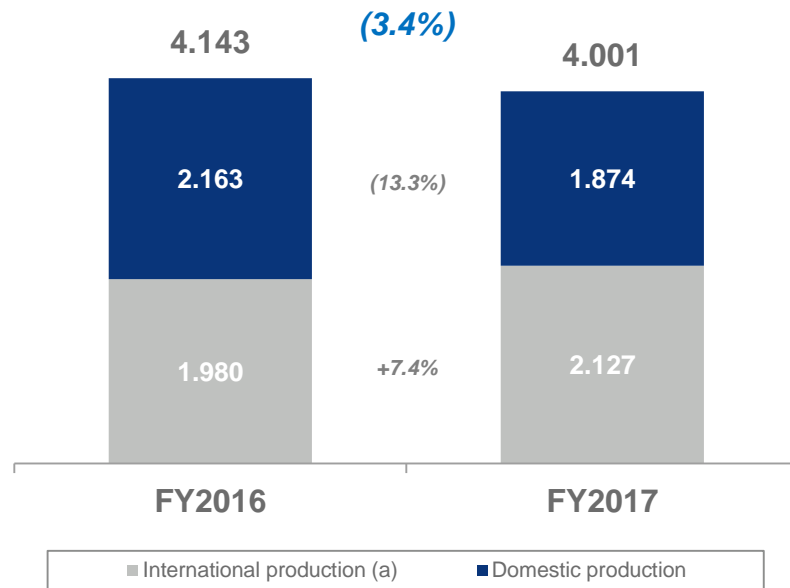
GAS PRODUCTION

(mcm)



OIL PRODUCTION

(kbbbl)

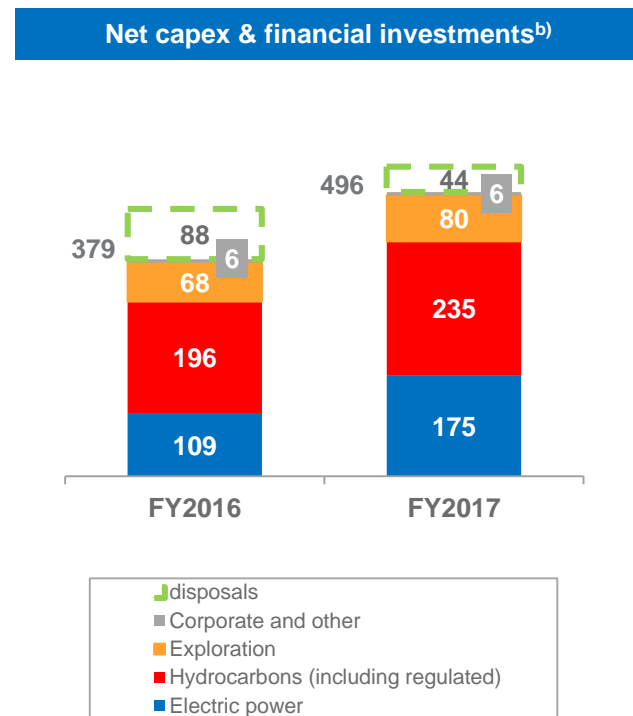


GROUP CONSOLIDATED HIGHLIGHTS

(€ mln)

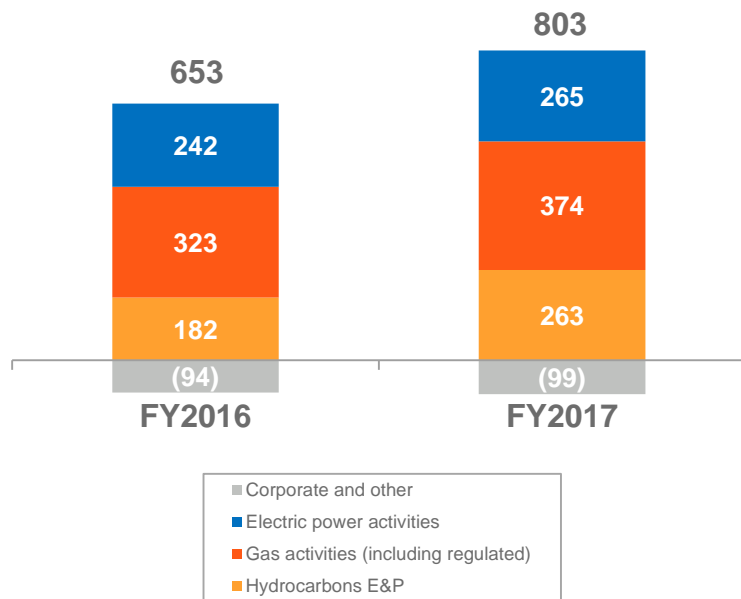
	FY2016 ^{a)}	FY2017	Δ
Sales revenues	11,034	9,940	(9.9%)
EBITDA	653	803	23.0%
EBIT	(260)	42	nm
Profit (loss) before taxes	(347)	(41)	nm
Group net income (loss)	(389)	(176)	54.8%
Net capex & net financial investments^{b)}	379	496	

	FY2016 ^{a)}	FY2017
Net invested capital	7,327	6,319
Net financial debt	1,062	116
Total shareholders' equity	6,265	6,203
<i>of which Group's net interest</i>	<i>5,955</i>	<i>5,915</i>
Debt/Equity ratio	0.17	0.02



OPERATING PERFORMANCE BREAKDOWN

(\$ mln)	Electric Power			Hydrocarbons			Corporate and other			Total Edison Group		
	FY2016	FY2017	Δ	FY2016	FY2017	Δ	FY2016	FY2017	Δ	FY2016	FY2017	Δ
Sales revenues	5,682	5,127	(9.8%)	6,031	5,592	(7.3%)	(679)	(779)	(14.7%)	11,034	9,940	(9.9%)
Adjusted EBITDA (*)	242	265	9.5%	505	637	26.1%	(94)	(99)	(5.3%)	653	803	23.0%



EBITDA improved in all businesses, especially power generation and E&P, thanks to:

- the recovery of the price scenario
- the higher margins in the thermoelectric sector, despite lower hydroelectric production
- further cost savings

2016 power EBITDA included Fenice consolidation since April 1, 2016 and €33mln positive one off from the swap of hydroelectric assets with 100% of Cellina Energy.

FROM CONSOLIDATED EBITDA TO NET RESULT

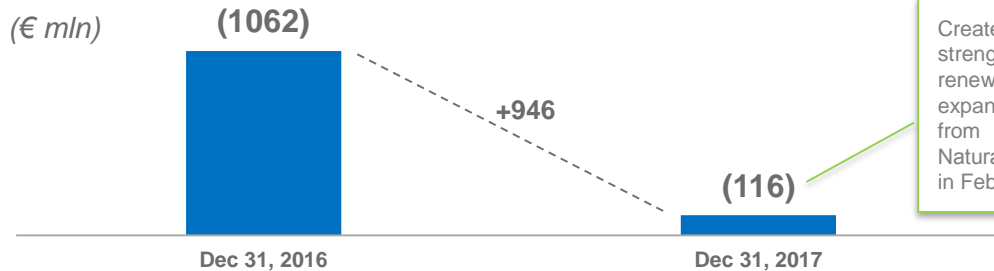
(€ mln)	FY2016	FY2017	Δ
EBITDA	653	803	150
Depreciation, amortization and writedowns	(734)	(655)	79
<i>of which: writedowns</i>	(256)	(169)	87
<i>of which: exploration costs</i>	(68)	(80)	(12)
Net change in fair value of commodity derivatives	(166)	(221)	(55)
Other income (expense), net	(13)	115 ^{a)}	128
EBIT	(260)	42	302
Net financial income (expense)	(94)	(52) ^{b)}	42
Income from (Expense on) equity investments	7	(31) ^{c)}	(38)
Profit (loss) before taxes	(347)	(41)	306
Income taxes	(25)	(122) ^{d)}	(97)
Profit (loss) from continuing operations	(372)	(163)	209
Profit (loss) from discontinued operations	0	0	0
Profit (loss)	(372)	(163)	209
<i>of which:</i>			
Minority interest in profit (loss)	17	13	(4)
Group interest in profit (loss)	(389)	(176)	213

Despite the improvement in the performance of industrial activities, the Group recorded a loss of €176mIn mainly due to:

- the temporary negative effect of change in fair value of derivatives and
- impairment write-downs resulting from the deterioration of the long term view of the commodity scenario

NET FINANCIAL DEBT AND CASH FLOW

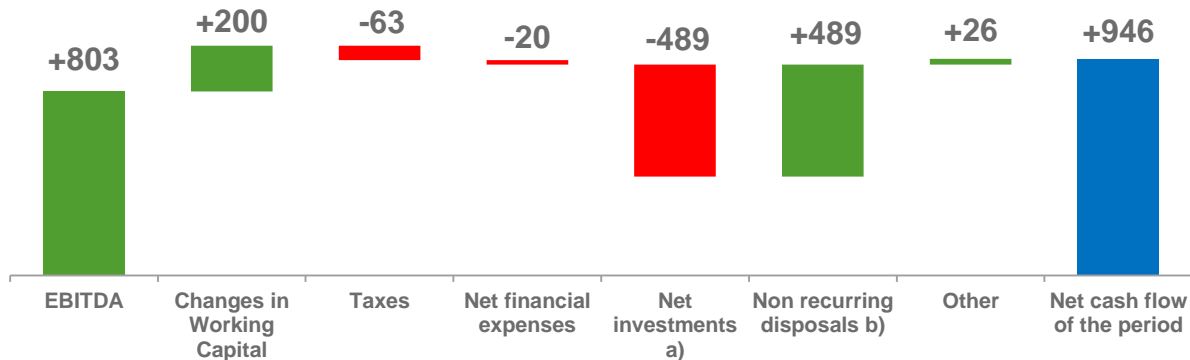
**FURTHER
REDUCTION OF NET
FINANCIAL DEBT
TO € 0.1 BLN**



Creates the best conditions to strengthen the position in renewables, energy efficiency and expand the customer base, starting from the acquisition of Gas Natural's Italian operations closed in February 2018

**POSITIVE CASH
INFLOW GENERATED
BY:**

- INDUSTRIAL PERFORMANCE
- IMPROVEMENT IN WORKING CAPITAL
- NON RECURRING DISPOSALS



STATEMENT

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 S.p.A., attest that the accounting information contained in this presentation is consistent with the data in the Company’s documents, books of accounts and other accounting records.