



Press Release

EDISON: BOARD OF DIRECTORS APPROVED 2011 BUDGET

Jean-Louis Mathias and Bruno Lescoeur co-opted on to Board of Directors

Milan, January 14, 2011 - At today's meeting, Edison's Board of Directors, took note of 2010 preliminary operating results and approved the budget for 2011.

The preliminary operating results for 2010 are in line with the average analysts' consensus, which is currently around an EBITDA of 1350 million euros.

As previously announced, at the end of 2010 Edison obtained the early termination, on a voluntary basis, of the CIP 6 contracts for electric power production (Jesi, Milazzo, Porto Viro, Porcari). This transaction had a nonrecurring positive effect of more than 170 million euros on 2010 results and, starting 2011, will lead to a reduction of the results for the lack of the contribution of such contracts. It has to be specified that the differences between 2010 and 2009 results are due to the missed profitability of long-term gas contracts, which are currently in renegotiation.

Within same scope of consolidation and excluding one-off effects above mentioned, budget estimates for 2011 are in line with preliminary operating results for 2010. In 2011 it is expected a recovery in profitability for some of the long-term gas contracts. Without a positive resolution of these renegotiations within 2011, there might be a material impact on expected results.

Furthermore, Jean-Louis Mathias and Bruno Lescoeur have been co-opted as members of the Board of Directors of Edison. Jean-Louis Mathias has been also appointed as member of the Compensation Committee, while Bruno Lescoeur has been appointed as member of the Strategic Committee.

Mr. Mathias and Mr Lescoeur replace respectively the outgoing directors Gerard Wolf and Marc Boudier. Jean-Louis Mathias is Group Senior Executive Vice President in EDF; Bruno Lescoeur is Senior Executive Vice President in EDF. Mr Mathias and Mr. Lescoeur's curricula vitae are available at www.edison.it.

The mid-term strategic plan will be examined during a further Strategic Committee, which will be joint by the newly appointed as member, Bruno Lescoeur.

Duty to notify the public in accordance with Consob decision no. 11971 of 05/14/1999 as amended.

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