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Press Release

EDISON CLOSES THE SALE OF TECNIMONT TO THE MAIRE GROUP

Milan, October 25, 2005 – Edison has completed the sale of 100% of the share capital of Tecnimont Spa to Maire Tecnimont Spa, a company of the Maire Group. This transaction, which closed today, was cleared by the relevant antitrust agencies.

Concurrently with the sale, Edison subscribed a capital increase at Maire Tecnimont Spa, paying 50 million euros: after this operation, Edison has a 19.5% interest in Maire Tecnimont Spa. The remaining 80.5% of this company is owned by Maire Holding Spa. Edison's investment is assisted by a put-and-call option that can be exercised within three years.

Edison has chosen to exercise its put option immediately. As a result, the shares covered by the option will be transferred to Maire Holding within three years of today's date, unless an earlier exercise becomes possible pursuant to the terms of the contract or Maire Holding exercises its call option.

The sales price for Tecnimont was set at 180 million euros, net of the finance charges that Edison has incurred to monetize the deferred portion of the price (30 million euros) and the receivable of 50 million euros generated by the exercise of the put option. These assets were monetized through a contract assigning these receivables to Sanpaolo IMI Spa.



With regard to the guarantees that Edison has provided on behalf of Tecnimont to secure the performance of outstanding orders, Maire Tecnimont has undertaken a blanket obligation to release Edison from these guarantees as quickly as possible and has provided, or has caused others to provide, certain guarantees on Edison's behalf.

The sale of Tecnimont generated a net gain of about 80 million euros in Edison's consolidated financial statements but will not have a material effect on the net consolidated financial position, since the company that is being sold, and therefore deconsolidated, has a positive net financial position.

Public disclosure required by Consob Resolution No. 11971 of May 14, 1999, as amended.