

Press Release

PRYSMIAN: FIRST ORDER IN CHINA IN THE STRATEGIC SECTOR OF EXTRA HIGH VOLTAGE POWER INTERCONNECTIONS WITH A 500 kV LINK FOR CHINA STATE GRID

NEW € 20 MILLION INVESTMENT TO INCREASE THE PRODUCTION CAPACITY IN THE HIGH AND EXTRA HIGH VOLTAGE CABLES MANUFACTURING UNIT OF BAOYING

TODAY PRYSMIAN WILL RECEIVE THE "CHINA AWARD" FOR "BEST ITALIAN TECHNOLOGY IN CHINA"

Milan, November 25th, 2009. Prysmian, worldwide leading player in the energy and telecommunications cable industry, has been awarded a strategic contract in the sector of Extra High Voltage power transmission links in China. The Group will provide Anhui Xiangshuijian Pumped Storage Co. Ltd, a China State Grid affiliate company, a 500 kV underground cable system. The project completion is due by January 2011 and will be a significant step for Prysmian to provide the Chinese market with technology developed locally.

With the purpose of a further strengthening in China in the growing sector of Extra High Voltage cable systems, Prysmian has also planned a further € 20 million investment to increase the production capacity in the Baoying manufacturing unit. The plant will be enlarged with the building of a new vertical tower for the production of extruded cables through VCV (Vertical Continuous Vulcanization) process, one of the ultimate technologies. The Baoying plant had already been enhanced in 2008 with an investment of approximately € 10 million and will become one of the most advanced cable factories in the country, when the second phase is completed.

To witness the commitment to strengthen the Italian presence in China in sectors with the most advanced level of technology and added value, the Italy-China Association chaired by Cesare Romiti has entrusted Prysmian with the China Award 2009 as "best Italian technology example in China." The award ceremony will take place tonight in Milan during an official event with the presence of the People's Chinese Republic Ambassador in Italy, Sun Yuxi.

More specifically the new contract includes the supply and installation of a cable system consisting of 2,370 meters of extruded insulation (XLPE) 500 kV cables and 12 sets of GIS (Gas Insulated Switchgear) sealing-ends. The system will link the underground and ground Gas Insulated Switchgears in the Xiangshuijian hydroelectric power plant, located in the Anhui Province, between Nanjing and Shanghai, which has a total capacity of 1,000 MW.

"The value of this contract is for several million dollar but it is very strategic also because it opens the top end of the market characterized by a higher content of technology and we are investing in this field" says Paolo Bazzoni, CEO of Prysmian China. "China represents approximately 20% of the worldwide cable market, with growth expectations higher than the average. Recently, the Chinese Government has announced the construction of approximately 26,000 kilometers of new power lines and Prysmian is ready to seize these opportunities of development, thanks to the local investments made in recent years in terms of both technology and products as well as production capacity and human resources development."

Prysmian in China

The Prysmian Group ranks among the top Italian multinational groups in China, with a turnover of around € 150 million in 2008. Headquartered in Beijing, with 5 manufacturing plants located in Tianjin (special cables for industrial applications), Baoying (Extra High Voltage and High Voltage cables and systems), Wuxi (fiber optic and copper cables for telecommunications) and Shanghai (network components), Prysmian currently employs more than 1,000 people in the country.

Prysmian

A leading player in the industry of high-technology cables and systems for energy and telecommunication, the Prysmian Group is a truly global company with sales exceeding Euro 5 billion in 2008 and a strong position in higher value-added market segments. With its two businesses, Energy Cables & Systems (submarine and underground cables for power transmission and distribution, for industrial applications and for the distribution of electricity to residential and commercial buildings) and Telecom Cables & Systems (optical cables and fibres and copper cables for video, data and voice transmission), Prysmian boasts a global presence with subsidiaries in 38 countries, 53 plants in 21 countries, 7 Research & Development Centres in Europe, USA and South America, and about 12,000 employees. Specialising in the development of products and services designed to meet customers' specific requirements, Prysmian's key strengths include: a focus on Research & Development, the capacity to innovate products and production processes, and the use of advanced proprietary technologies. Prysmian is listed at the Milan Stock Exchange in the Blue Chip index.

Media Relations

Lorenzo Caruso
Marketing & Corporate Communications Director
Ph. 0039 02 6449.1
lorenzo.caruso@prysmian.com

Investor Relations

Luca Caserta
Head of Investor Relations
Ph. 0039 02 6449.1
luca.caserta@prysmian.com