

# Company Presentation

**BoA Merrill Lynch Pan European Capital Goods Conference**  
London - March 21<sup>st</sup>, 2012



**Prysmian**  
Group



# AGENDA

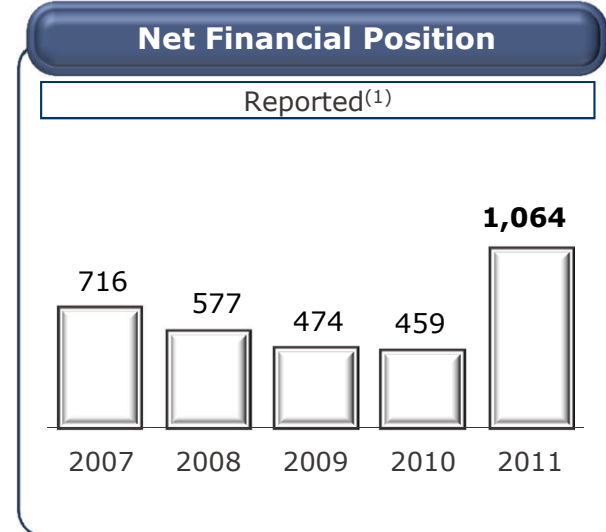
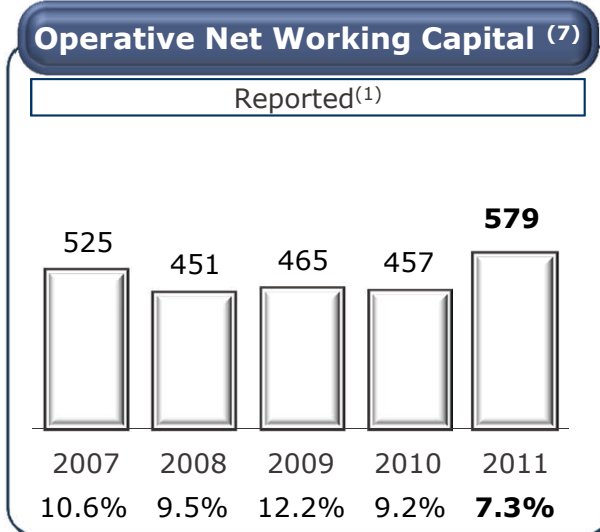
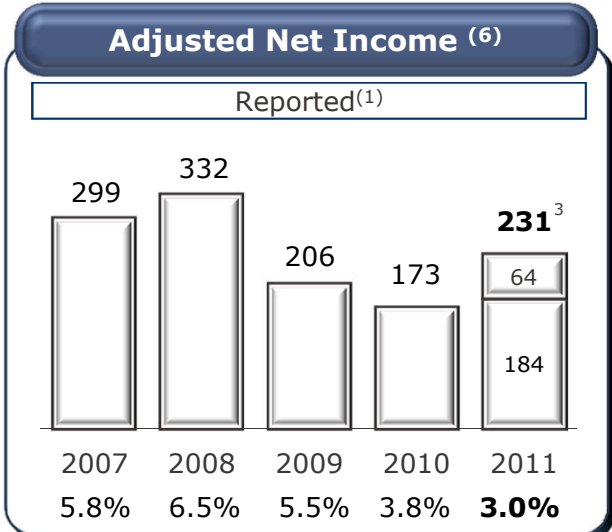
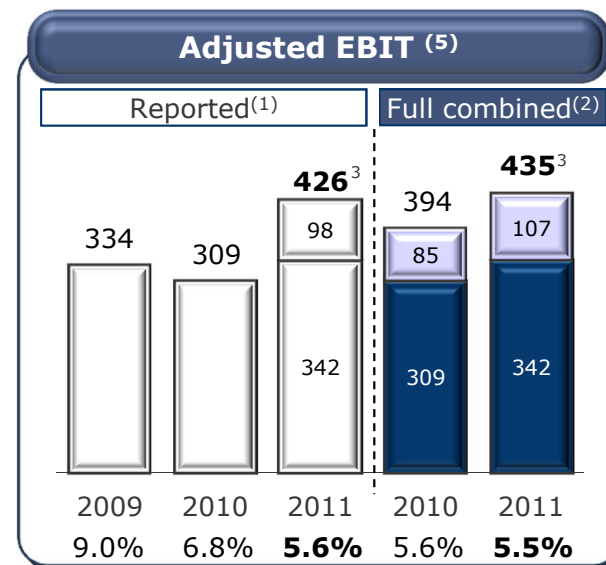
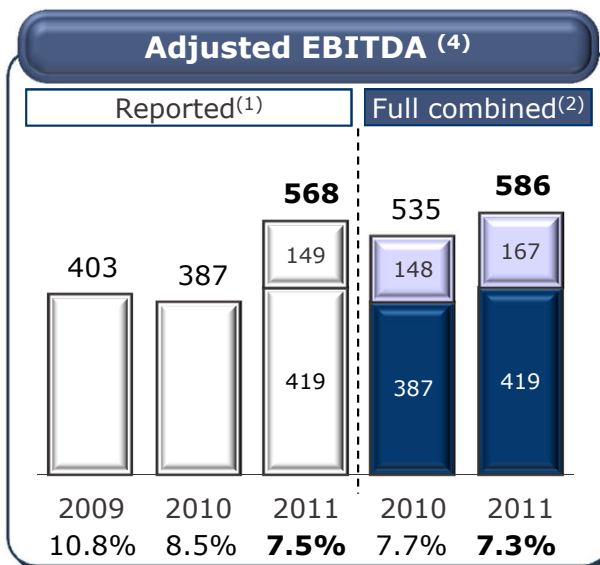
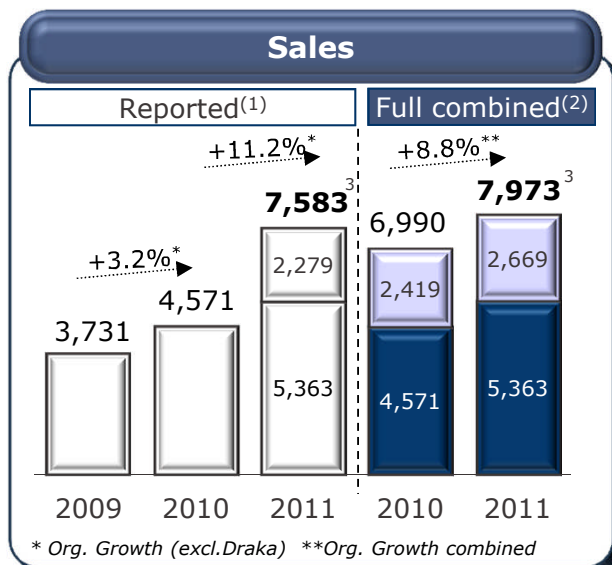
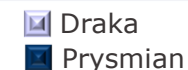
## ➤ Group Overview

### ➤ Financial Results

### ➤ Appendix

# FY 2011 Key Financials

Euro Millions, % on Sales



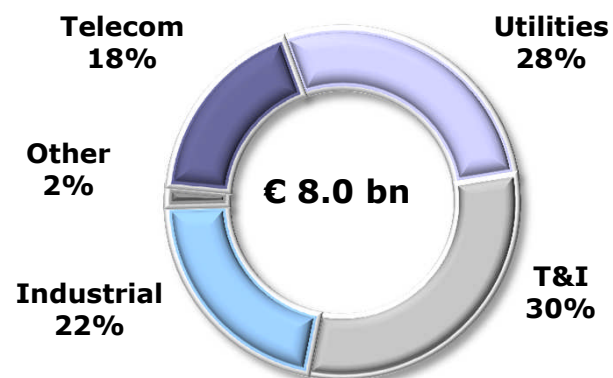
(1) Draka consolidated for the period 1 March 2011 – 31 December 2011; (2) Draka consolidated for the period 1 January – 31 December; (3) Includes consolidation adjustments; (4) Adjusted excluding non-recurring income/expenses; (5) Adjusted excluding non-recurring income/(expenses) and the fair value change in metal derivatives and in other fair value items; (6) Adjusted excluding non-recurring income/(expenses), the fair value change in metal derivatives and in other fair value items, exchange rate differences and the related tax effects; (7) Operative Net Working Capital defined as Net Working Capital excluding the effect of derivatives; % of sales is defined as Operative Net Working Capital on annualized last quarter sales

# Profitability recovery across all segments

Euro Millions, % on Sales

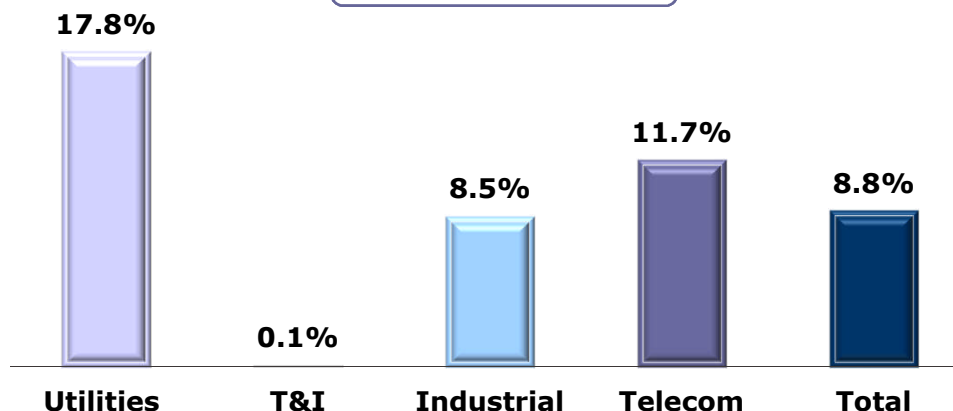
## Sales breakdown by business

FY 2011 combined



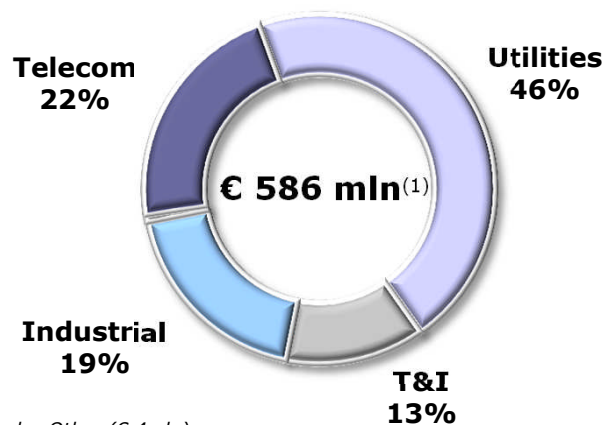
## Organic Growth

FY 2011 combined



## Adj. EBITDA breakdown by business

FY 2011 combined

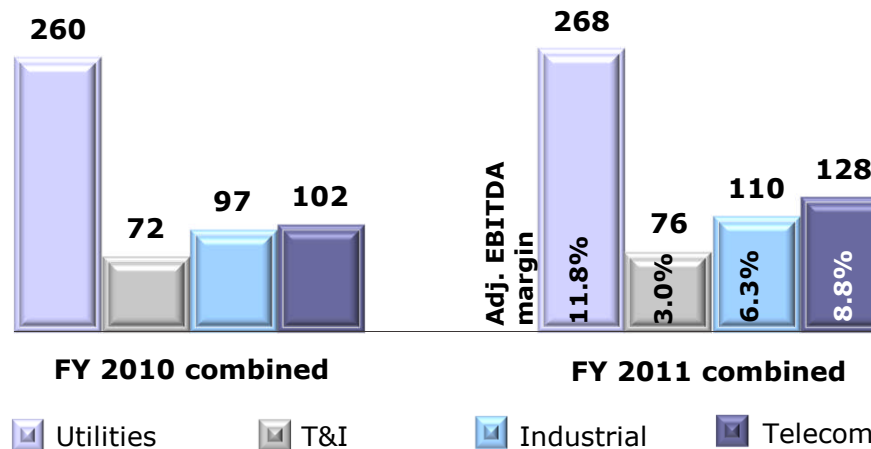


(1) Includes Other (€ 4mln)

## Adj. EBITDA evolution by business

€ 535 mln <sup>(1)</sup>

€ 586 mln <sup>(1)</sup>





# Increasing exposure to Emerging markets (30% of 2011 sales)

Selective growth in High value added businesses to protect ROCE

## 2011 Combined Sales breakdown by geographical area

	% on tot	€ bn
EMEA	64%	5.1
Of which Eastern Europe	10%	0.8
North America	12%	1.0
Latin America	9%	0.7
Asia Pacific	15%	1.2
Of which APAC excl.Australia	11%	0.9
<b>Total</b>	<b>100%</b>	<b>8.0</b>

### Growth drivers:

- Industrial OGP Off-shore
- Telecom Optical
- Other Industrial (Renewables, Automotive)
- Utilities HV

**Latin America**  
9%

**Eastern Europe\***  
10%

### Growth drivers:

- Telecom (Optical, MMS)
- Utilities HV
- Industrials (Renewables, Mining, Railway, OGP, Automotive)

**Asia Pacific**  
(excl.Australia)  
11%

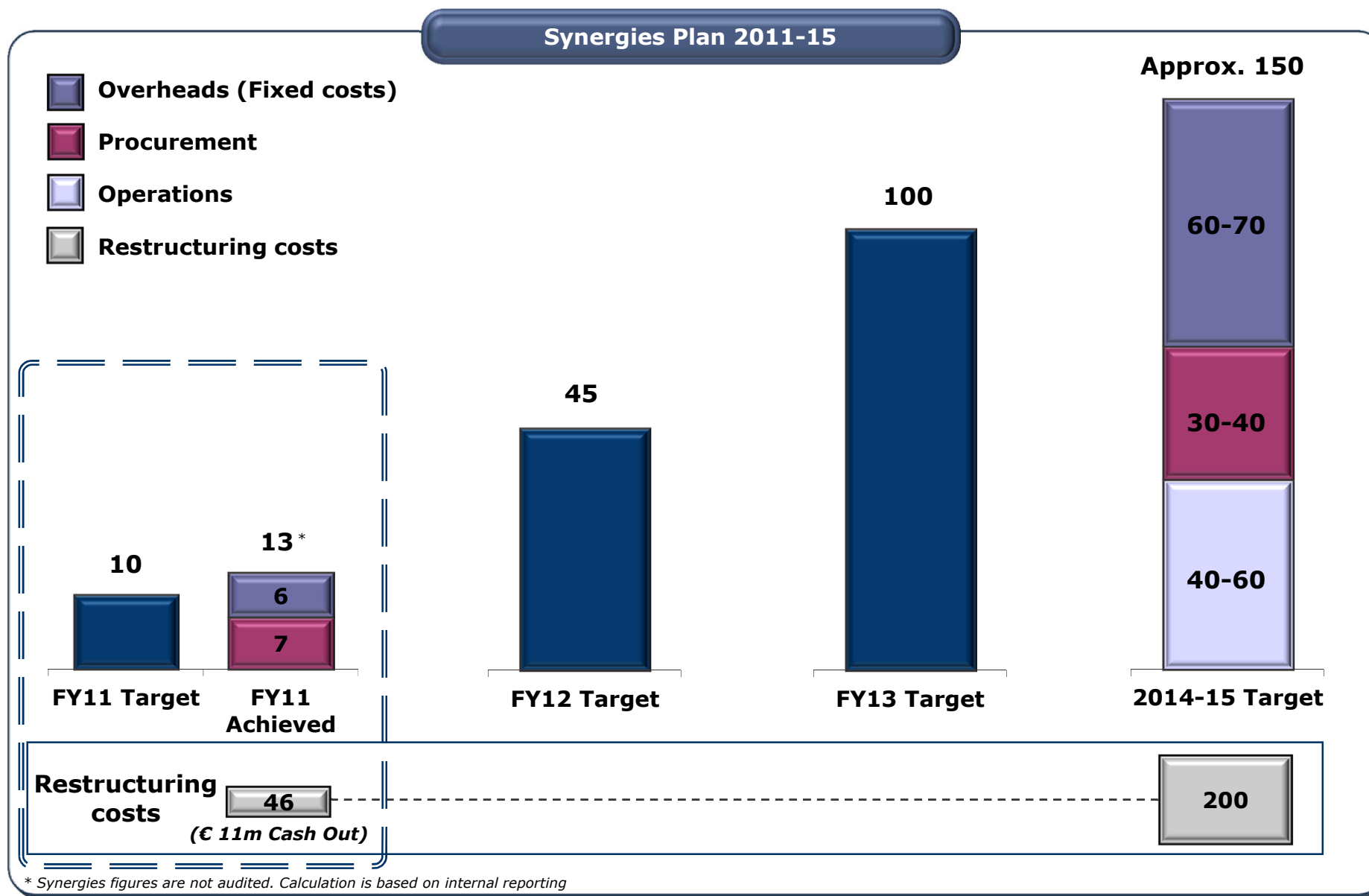
### Growth drivers:

- Telecom Optical
- Utilities HV
- Industrials (e.g. Renewables, Elevators, OGP)

\* Eastern Europe includes Austria, Czech Rep, Slovakia, Hungary, Romania, Turkey, Russia

# First year of integration increasing confidence on Synergies Targets

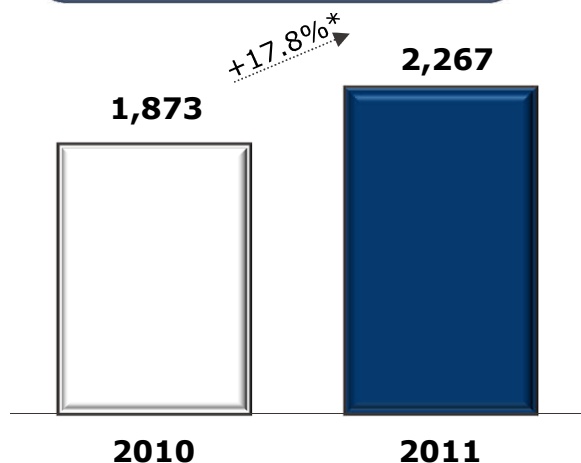
Euro Millions



# Utilities

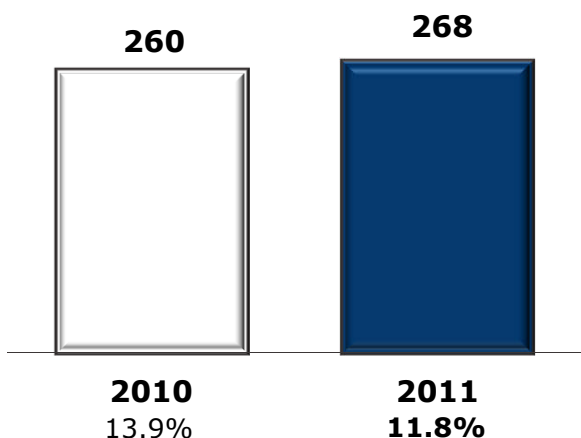
Euro Millions, % of Sales – Full Combined Results

## Sales to Third Parties



\* Organic Growth

## Adjusted EBITDA <sup>(1)</sup>



(1) Adjusted excluding non-recurring income/expenses

## Highlights

### DISTRIBUTION

- Double digit volume growth in FY'11 (vs FY'10) with no signs of downturn in H2'11
- Stable demand in Central/South Europe; positive trend in Northern countries
- First signs of profitability improvement in North America despite still limited volumes
- After successful development in Italy, introduction of P-Laser in Netherland
- Still low profitability despite volume recovery

### TRANSMISSION – HV

- Higher contribution in Q4 due to expected projects phasing
- Strong order-book in Europe driven by interconnections and land portion of wind-farm projects
- New production capacity in China to grow in local extra-HV projects and increase exposure to India, Australia and Middle East
- Focus on extra-HV to improve projects mix and margins. Higher competition on low technology projects

### TRANSMISSION – Submarine

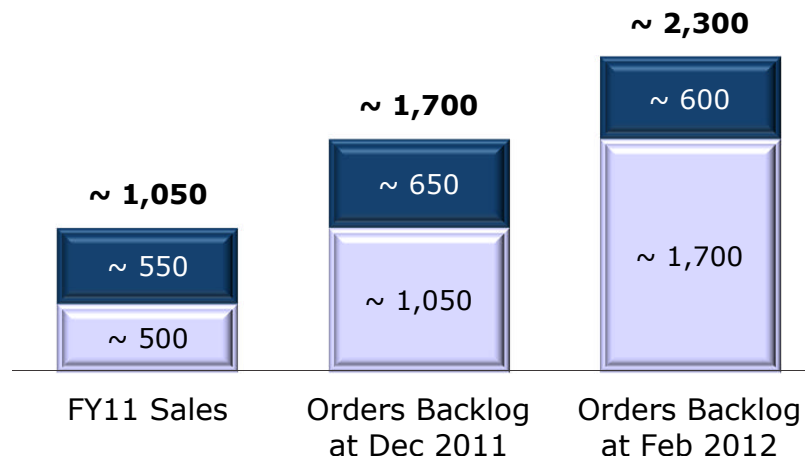
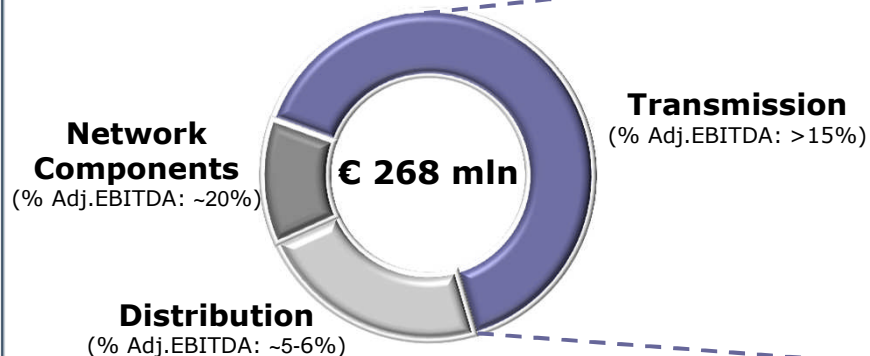
- Continuous strong demand
- Record Order-book covers over 3 years of current sales
- Western Link project as a milestone in technology (HVDC 600kV) and capacity (2200MW)
- 11GW new wind capacity planned in Scotland
- Strong increase in inter-array order-book complementing product portfolio
- Capacity increase to support strong order-book and new orders inflow

# Utilities – Record visibility on current Order-book

Capacity increase in submarine to support sales growth next years

## Strong increase in transmission Orders Backlog to support margins recovery in Utilities

Adj. EBITDA 2011 Combined



## Leader in all submarine applications with largest production capabilities

New capacity to support wind off-shore growth

Capacity increase planned



Pikkala (Finland)

High Voltage



Drammen (Norway)

Inter-array Medium Voltage

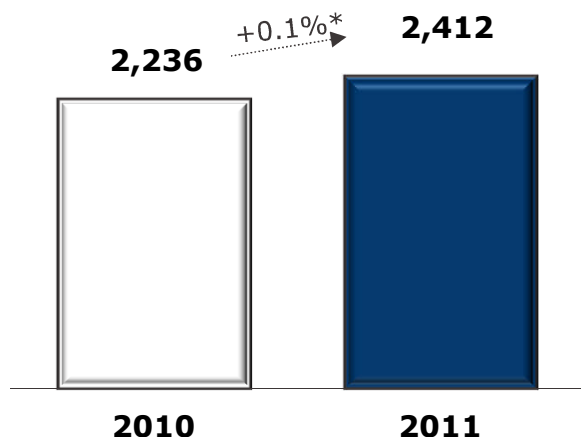


Arco Felice (Italy)

# Trade & Installers

Euro Millions, % of Sales – Full Combined Results

## Sales to Third Parties

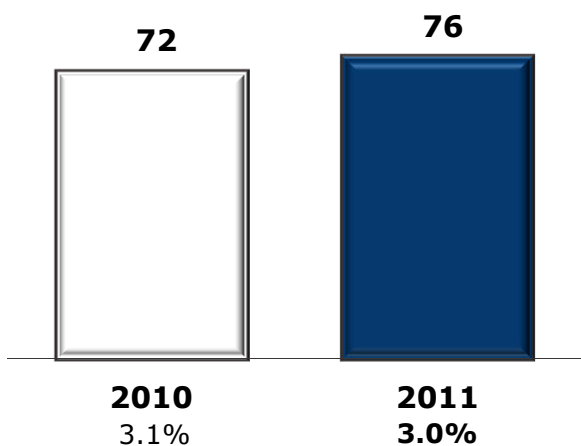


\* Organic Growth

## Highlights

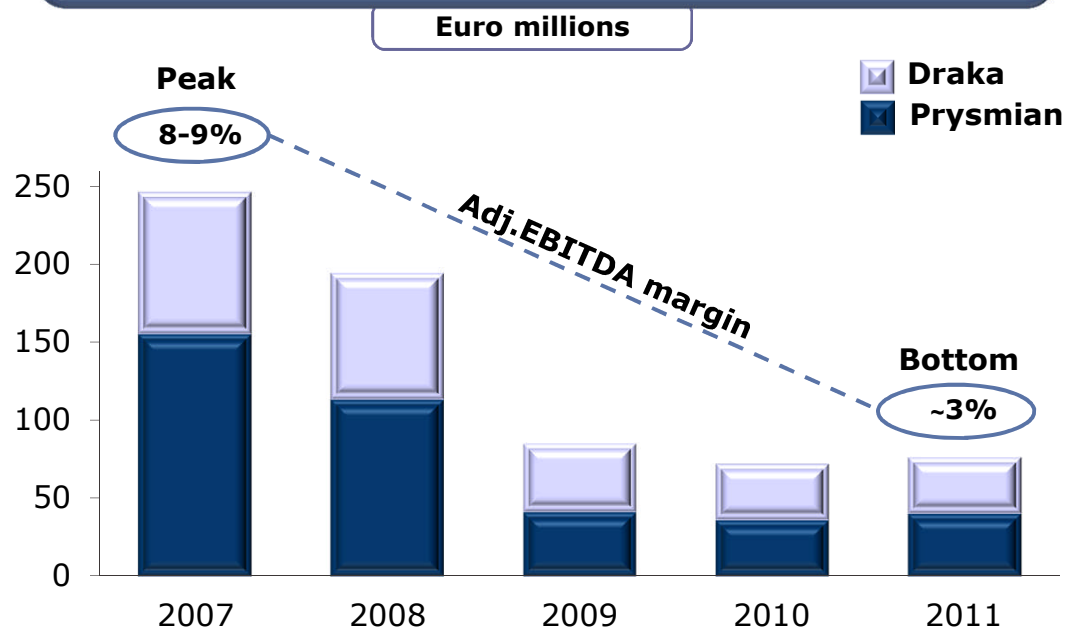
- Stable organic growth as result of still weak demand in major European countries and strategic focus on cash/ROCE
- Volume and price recovering in North America
- Leverage on strong market position in South America and increase presence in APAC to improve geographical mix

## Adjusted EBITDA <sup>(1)</sup>



(1) Adjusted excluding non-recurring income/expenses

## Adj.EBITDA<sup>a)</sup> evolution from peak to bottom



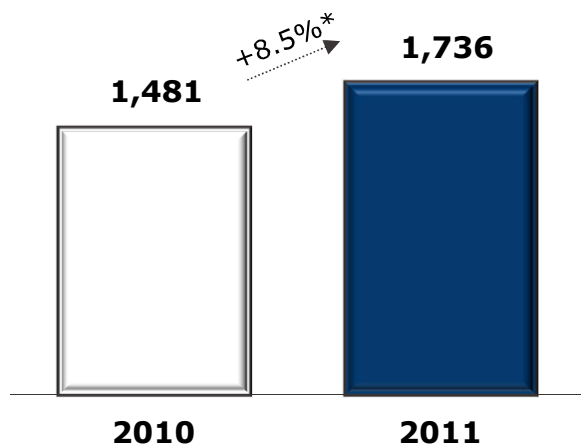
a) 2007-2009: T&I business for Prysmian and E&I business for Draka; 2010-2011 T&I for both Prysmian and Draka as reclassified according to Prysmian accounting



# Industrial

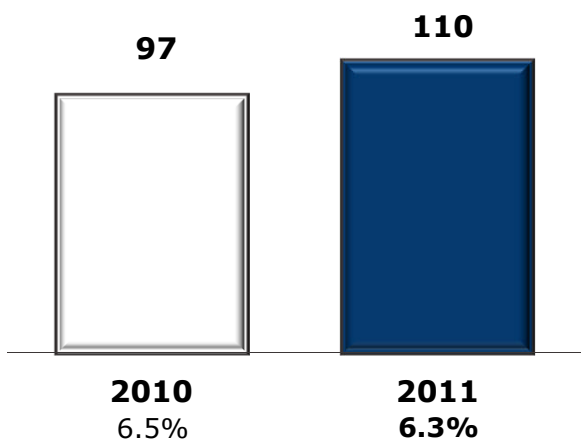
Euro Millions, % of Sales – Full Combined Results

## Sales to Third Parties



\* Organic Growth

## Adjusted EBITDA <sup>(1)</sup>



(1) Adjusted excluding non-recurring income/expenses

## Highlights

### OGP

- Double digit increase mainly driven by Offshore with strong order-book in all geographical areas (e.g. Asia, North Sea, South America and US)

### SURF

- Positive demand confirmed in South America (Flexible pipes, Umbilicals) and US (Downhole Technology) expected to increase sales contribution during 2012. Flexible pipes 6.0" to be qualified in 2012 to enlarge product offer and market share

### Renewable

- Wind sales growth expected to accelerate in 2012 in all regions
- Leverage on wider geographical presence thanks to Draka to further consolidate global leadership and partnership with large developers

### Automotive

- Enlarging capacity in Philippines in Mexico to benefit from fast growing Asian and Latam markets. Stable demand in Europe

### Elevator

- Volume stability in US and growing demand in Europe and China

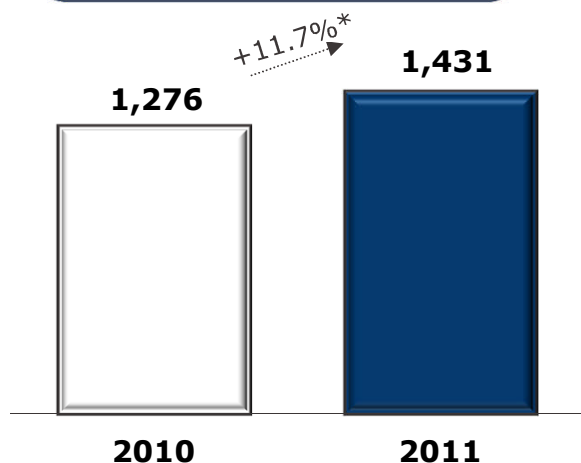
### Specialties & OEM

- Growing order-book in Asia offsetting weak demand in Europe and US. Profitability still at low levels in most of the applications

# Telecom

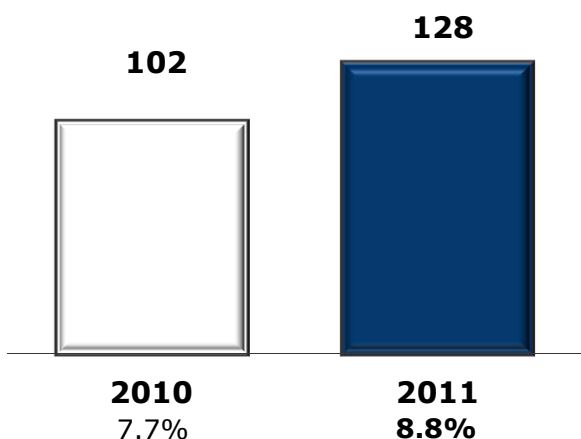
Euro Millions, % of Sales – Full Combined Results

## Sales to Third Parties



\* Organic Growth

## Adjusted EBITDA (1)



(1) Adjusted excluding non-recurring income/expenses

## Highlights

### Optical / Fiber

- Q4 confirming high speed of growth driven by all geographical areas and gradual improvement in margins thanks to operating leverage/costs reduction
  - Strong demand in US driven by stimulus packages
  - Still low capex in all major European countries (Italy, France, Germany and Spain) except UK and Netherland
  - Large capex by incumbents also supported by government stimulus packages in Brazil. Australia and South America as long term drivers of optical demand
  - First material synergies and optimization of global fiber production capacity to keep increasing margins

### Multimedia & Specials

- Positive demand in Office communications and Data centers driven by Germany, France and North Europe.

### OPGW

- Keeping positive volume trend in all major markets, particularly in South America and Spain

# AGENDA

➤ Group Overview

➤ Financial Results

➤ Appendix

# Profit and Loss Statement

Euro Millions

	FY 2011 Reported a)				FY 2010 Combined b)			FY 2011 Combined b)			
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total	PRY	DRAK	Cons. adj.	Total
<b>Sales</b>	<b>5,363</b>	<b>2,279</b>	<b>(59)</b>	<b>7,583</b>	<b>4,571</b>	<b>2,419</b>	<b>6,990</b>	<b>5,363</b>	<b>2,669</b>	<b>(59)</b>	<b>7,973</b>
YoY total growth	17.3%	8.5%		65.9%	22.5%	18.7%		17.3%	10.4%		14.1%
YoY organic growth	11.2%	4.0%			3.2%	3.5%		11.2%	4.2%		8.8%
<b>Adj.EBITDA</b>	<b>419</b>	<b>149</b>	<b>-</b>	<b>568</b>	<b>387</b>	<b>148</b>	<b>535</b>	<b>419</b>	<b>167</b>	<b>-</b>	<b>586</b>
% on sales	7.8%	6.5%		7.5%	8.5%	6.1%	7.7%	7.8%	6.3%		7.3%
Non recurring items	(247)	(38)	(14)	(299)	(22)	(56)	(78)				
<b>EBITDA</b>	<b>172</b>	<b>111</b>	<b>(14)</b>	<b>269</b>	<b>365</b>	<b>92</b>	<b>457</b>				
% on sales	3.2%	4.9%		3.4%	8.0%	3.8%	6.5%				
<b>Adj.EBIT</b>	<b>342</b>	<b>98</b>	<b>(14)</b>	<b>426</b>	<b>309</b>	<b>85</b>	<b>394</b>	<b>342</b>	<b>107</b>	<b>(14)</b>	<b>435</b>
% on sales	6.4%	4.3%		5.6%	6.8%	3.5%	5.6%	6.4%	4.0%		5.5%
Non recurring items	(247)	(38)	(14)	(299)	(22)	(56)	(78)				
Special items	(98)	(10)	-	(108)	20	-	20				
<b>EBIT</b>	<b>(3)</b>	<b>50</b>	<b>(28)</b>	<b>19</b>	<b>307</b>	<b>29</b>	<b>336</b>				
% on sales	0.1%	2.2%		0.3%	6.7%	1.2%	4.8%				
Financial charges	(102)	(13)	(5)	(120)	(94)	(24)	(118)				
<b>EBT</b>	<b>(105)</b>	<b>37</b>	<b>(33)</b>	<b>(101)</b>	<b>213</b>	<b>5</b>	<b>218</b>				
% on sales	-1.8%	1.6%		-1.3%	4.7%	0.2%	3.1%				
Taxes	(32)	(17)	5	(44)	(63)	2	(61)				
% on EBT	n.m.	n.m.		n.m.	29.8%	37.5%	28.0%				
<b>Net income</b>	<b>(137)</b>	<b>20</b>	<b>(28)</b>	<b>(145)</b>	<b>150</b>	<b>7</b>	<b>157</b>				
Extraordinary items (after tax)	(321)	(44)	(11)	(376)	(23)	(57)	(80)				
<b>Adj.Net income</b>	<b>184</b>	<b>64</b>	<b>(17)</b>	<b>231</b>	<b>173</b>	<b>64</b>	<b>237</b>				

a) Includes Draka consolidated 10 months from 1 March 2011

b) Includes Draka consolidated all 12 months

# Statement of financial position (Balance Sheet)

Euro Millions

	31 Dec 2011	31 Dec 2010
	Total	PRY
Net fixed assets	2,255	1,029
<i>of which: intangible assets</i>	618	59
<i>of which: property, plants &amp; equipment</i>	1,544	958
Net working capital	552	494
<i>of which: derivatives assets/(liabilities)</i>	(27)	37
<i>of which: Operative Net working capital</i>	579	457
Provisions & deferred taxes	(371)	(120)
<b>Net Capital Employed</b>	<b>2,436</b>	<b>1,403</b>
Employee provisions	268	145
Shareholders' equity	1,104	799
<i>of which: attributable to minority interest</i>	62	43
Net financial position	1,064	459
<i>Bank Fees</i>	(28)	(20)
<i>Net financial position vs Third Parties</i>	1,092	479
<b>Total Financing and Equity</b>	<b>2,436</b>	<b>1,403</b>

31 Dec 2010 Combined:  
€ 684 mln



# Cash Flow

Euro Millions

	FY 2011 Comb. <sup>a)</sup>	FY 2011 Rep. <sup>b)</sup>	FY 2010 Rep. <sup>c)</sup>
	Total	Total	PRY
<b>Adj.EBITDA</b>	<b>586</b>	<b>568</b>	<b>387</b>
Non recurring items	(303)	(299)	(22)
<b>EBITDA</b>	<b>283</b>	<b>269</b>	<b>365</b>
Net Change in provisions & others	197	198	(17)
Release of inventory step-up	14	14	-
<b>Cash flow from operations (before WC changes)</b>	<b>494</b>	<b>481</b>	<b>348</b>
Working Capital changes	91	183	(6)
Paid Income Taxes	(98)	(97)	(59)
<b>Cash flow from operations</b>	<b>487</b>	<b>567</b>	<b>283</b>
Acquisitions	(501)	(419) <sup>(1)</sup>	(21)
Net Operative CAPEX	(150)	(145)	(95)
Net Financial CAPEX	4	4	5
<b>Free Cash Flow (unlevered)</b>	<b>(160)</b>	<b>7</b>	<b>172</b>
Financial charges	(132)	(130)	(52)
<b>Free Cash Flow (levered)</b>	<b>(292)</b>	<b>(123)</b>	<b>120</b>
Dividends	(37)	(37)	(75)
Other Equity movements	1	1	13
<b>Net Cash Flow</b>	<b>(328)</b>	<b>(159)</b>	<b>58</b>
<b>NFP beginning of the period</b>	<b>(732)</b>	<b>(459)</b>	<b>(474)</b>
Net cash flow	(328)	(159)	58
Perimeter Change	-	(439) <sup>(2)</sup>	-
Other variations	(4)	(7)	(43)
<b>NFP end of the period</b>	<b>(1,064)</b>	<b>(1,064)</b>	<b>(459)</b>

## Notes

(1) Includes € 82m of cash and cash equivalents in Draka consolidated accounts as of 28.02.2011  
 (2) Gross financial debt in Draka consolidated accounts as of 28.02.2011

- a) Includes Draka consolidated all 12 months  
 b) Includes Draka consolidated 10 months from 1 March 2011  
 c) Prysmian only

# AGENDA

- Group Overview
- Financial Results
- Appendix – Draka Acquisition

## Full support from Draka shareholders to the new Prysmian industrial project

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- **99.0% of Draka ordinary shares tendered (48,257,719 shares)**
  - 90.4% tendered during the Offer Period (06 Jan '11 – 03 Feb '11). Settlement on the 22nd of February
  - 8.6% tendered during the Post Closing Acceptance Period (09 Feb '11 – 22 Feb '11). Settlement on the 8th of March
- **Prysmian capital increase of 31,824,570 shares**
  - 29,059,677 on the first settlement (22nd of February)
  - 2,764,893 on the second settlement (8th of March)
- **New Prysmian total share capital of 214,393,481<sup>a)</sup> shares**
- **First consolidation of Draka since 1st March 2011**
- **Delisting of Draka shares from NYSE Euronext Amsterdam on 7 April 2011**
- **Squeeze-out procedure successfully completed in February 2012**



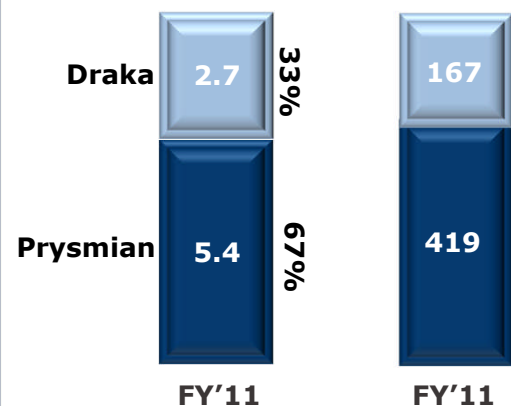
*a) As of March 2011, including treasury shares (3,039,169)*

# The new global market leader

## Combined Financials

**SALES**  
€ 8.0 bn <sup>a)</sup>

**Adj.EBITDA**  
€ 586 mln



(1) Includes consolidation adjustments

### Global presence:

- 50 countries
- 97 plants
- 22,000 people
- 20 R&D centres

## Leader in the cable industry

Sales 2011: €8.0 bn

**Utilities**

€ 2.3 bn

**T&I**

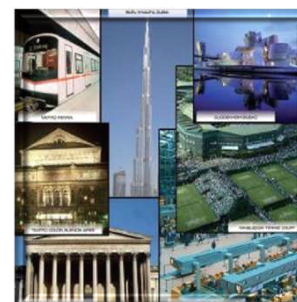
€ 2.4 bn

**Industrial <sup>(1)</sup>**

€ 1.9 bn

**Telecom**

€ 1.4 bn



**Leading**

**Leading**

**Leading**

**Leading**

(1) Includes: Other Prysmian Energy Business

# Transaction Rationale

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**Creation of a World's Leading Cables & Systems Company**

**Unique and Highly Complementary Combination, with Increased Coverage of Emerging Markets**

**Strengthened Leadership in All Value Added Market Segments**

**Significant Synergy Potential**

**Strong Platform for Future Organic Growth and Industry Consolidation**

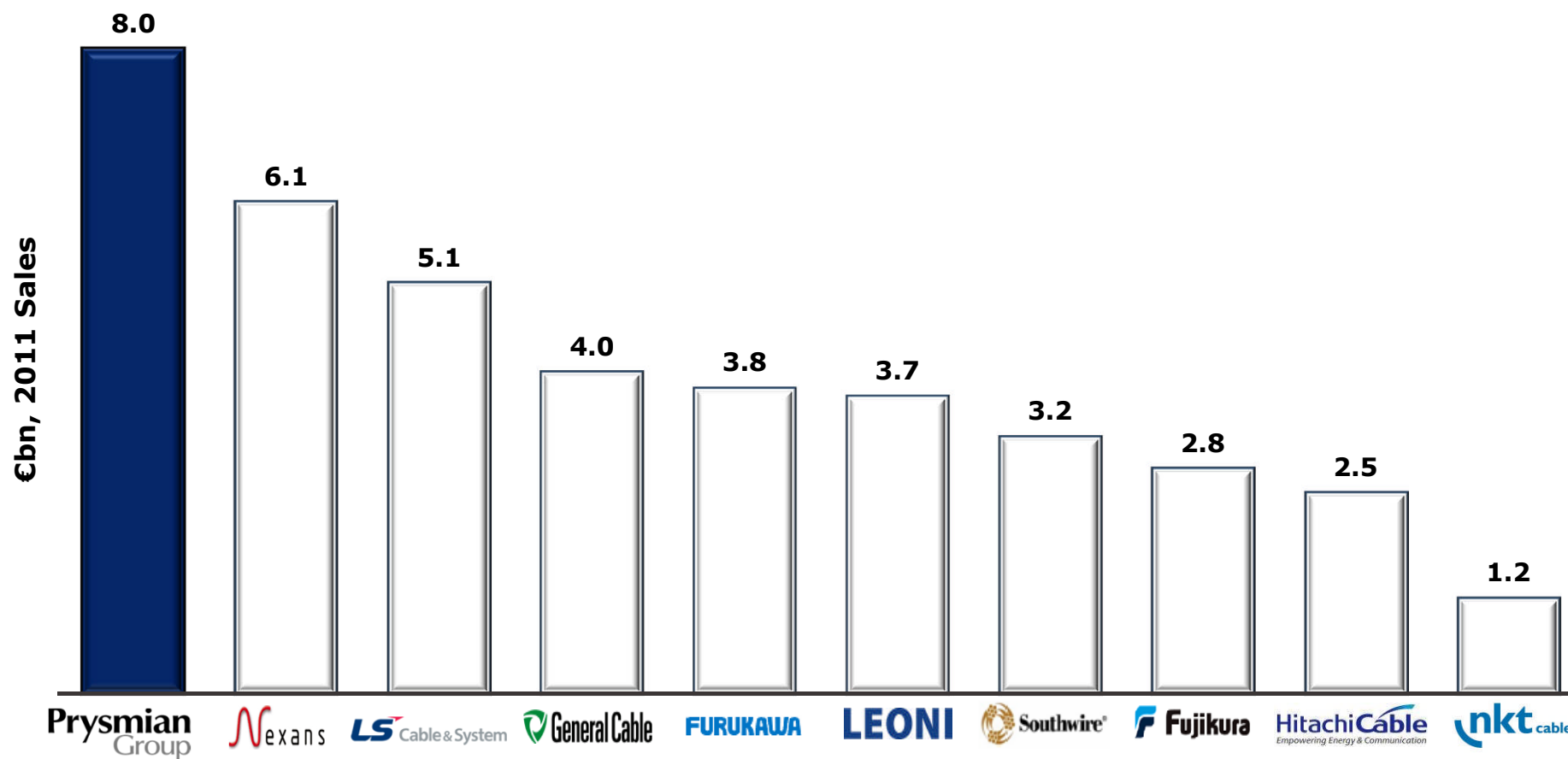


**Significant Value for All Stakeholders**



# Creation of a World's Leading Cables & Systems Company

N°1 in cable solutions for the energy and telecommunication business



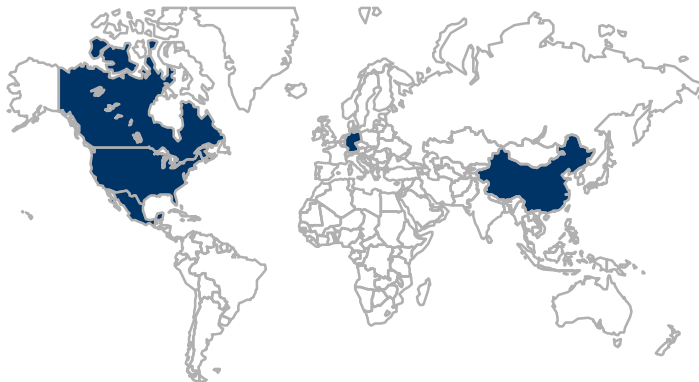
Source: Companies' public documents.

Note: Nexans excluding Electrical Wire Segment; LS Cable as of December 2010; General Cable excluding Rod Mill Products; Furukawa considering only Telecommunications and Energy & Industrial Products segments, LTM figures as of 31-Dec-2011; Southwire as of December 2010; Furukawa considering only Telecommunications and Metal Cable & Systems segments, LTM figures as of 31-Dec-2011; Hitachi Cable considering Sales to Customers only for Industrial Infrastructure Products, Electronic & Automotive Products and Information Systems Devices & Materials segments, LTM figures as of 31-Dec-2011. All figures are expressed in € based on the average exchange rate of the reference period

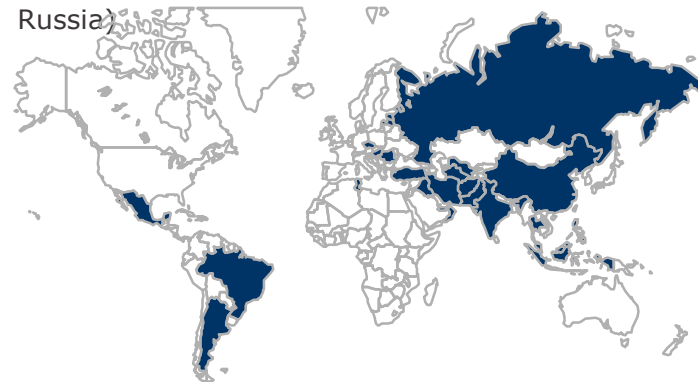
# Unique and Highly Complementary Combination 1/2

## Strengthening Geographical Presence

- Enlarged presence in Industrial cables in key markets of North America, Germany and China



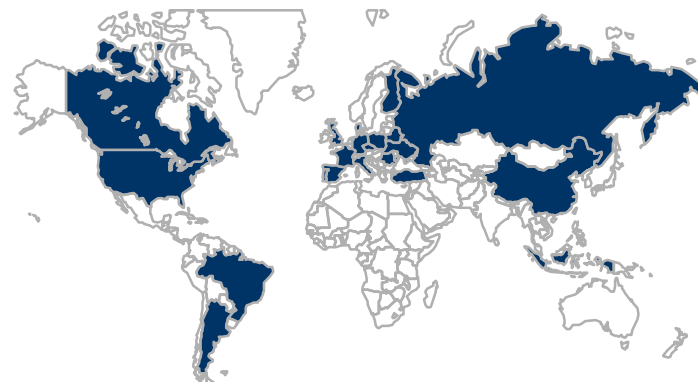
- Increased presence in attractive emerging markets (e.g. China, Middle East, Brazil, ASEAN, India and Russia)



- Improved country mix in Europe as a result of complementary geographical presence; Draka in Northern Europe and Prysmian in Southern Europe



- Increased presence in the Telecom business across EMEA, North and South America and China



## Unique and Highly Complementary Combination 2/2

### Excellent Business Fit

- The combination will leverage on leading technology in all key cable segments
- Excellent business fit in Energy and Telecom businesses creating leadership positions in high-technology sub-segments

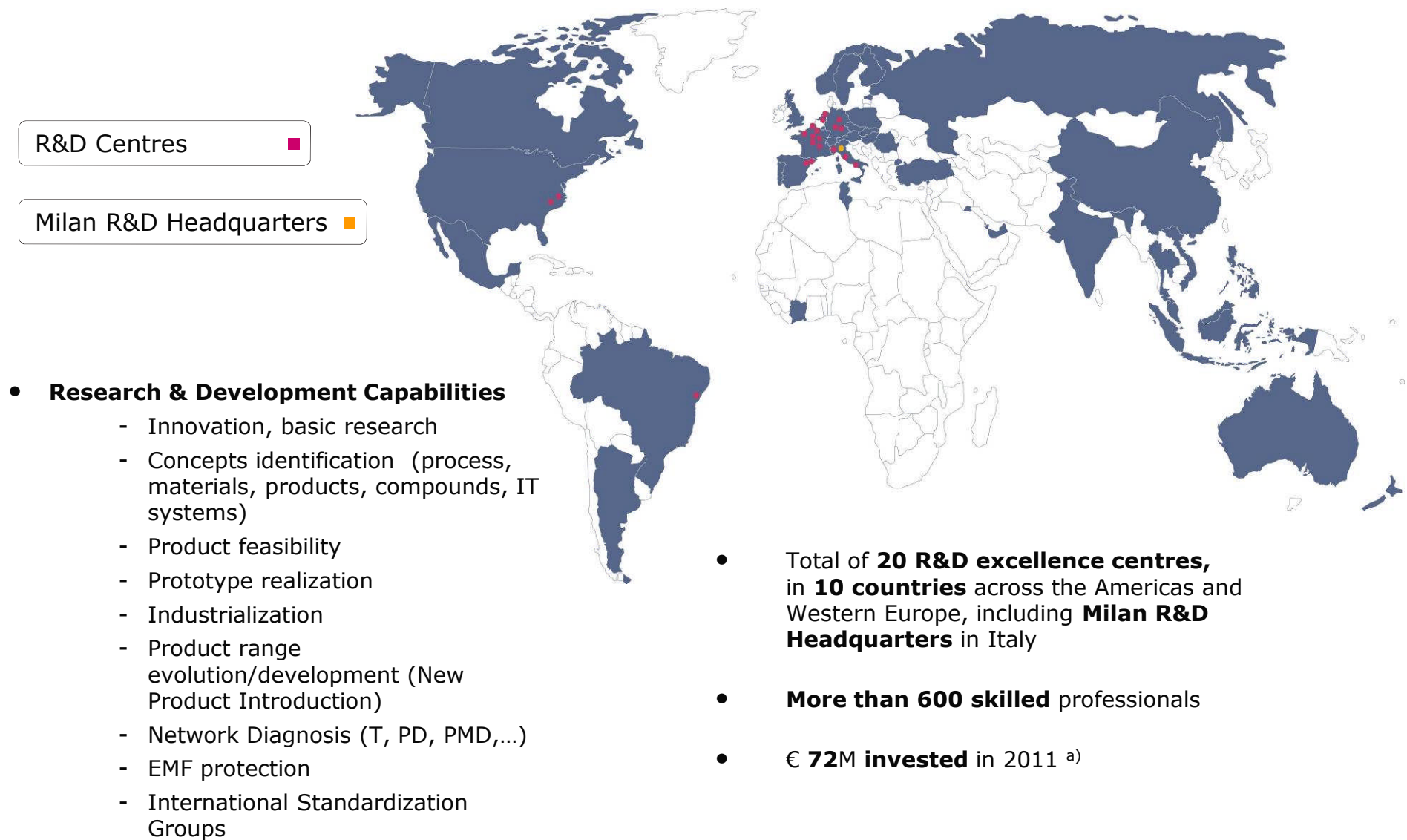


- Leader in Optical Cables with global fiber production facilities
- Access to Draka fiber production technology
- Leading position in Submarine, Underground High Voltage, Wind and Elevator businesses
- Extended product offering and cross selling opportunities in industrial cables portfolio (mining, solar, crane, oil & gas,...)



- Complementary industrial presence to better serve the needs of customer worldwide
- Improved manufacturing footprint will increase service level and op. efficiencies on the T&I segment

# R&D drives our business



*a) Draka included for 12 months*

# Prysmian's Offer Creates Value for all Draka's Stakeholders While Preserving the Interests of its Own Shareholders



- Value enhancement for Draka products through the creation of a larger platform with global reach and resources
- Opportunity to take a leading role in the consolidation wave of the industry
- Offer price represents a premium to Draka's market price
- Opportunity to benefit from synergies thanks to the share component of the Offer
- Employees become part of the world leader in the cable industry with enhanced career opportunities



The integration of teams will respect the existing corporate cultures and businesses and will focus on compelling and value creating industrial projects

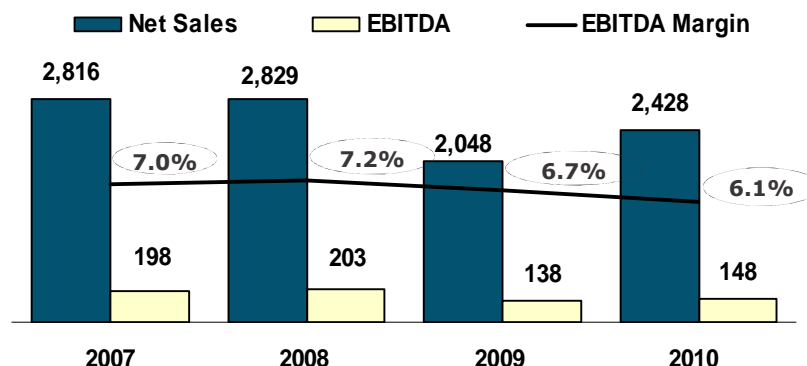


- Creation of a leader in the cable industry with global presence and strong, sustainable and profitable growth
- Merger of strengths between highly complementary businesses
- Expansion of footprint to attractive emerging markets
- Increase presence in attractive industrial cable market
- Very significant value creation opportunity: synergies at an annual run-rate of approx. €150 million in 2014-2015



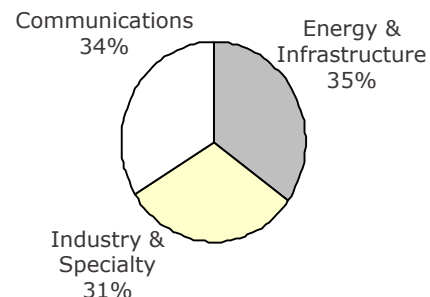
# Draka – Company Overview

## Historical Net Sales and EBITDA<sup>1,2</sup> (€m)

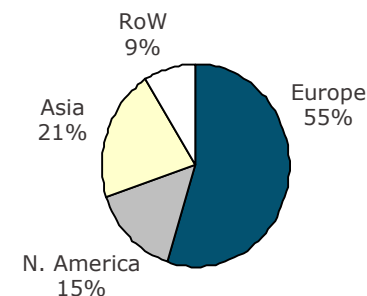


## 2010A Net Sales Breakdown

### By Business



### By Geography



- 9,375 employees as at 2010 year end
- Operating companies in 31 countries throughout Europe, North and South America, Asia and Australia
- Energy & Infrastructure - supplier of cable for construction and utilities market
  - Top 3 position in Europe
  - No.1 in Singapore and Hong Kong
- Industry & Specialty – automotive & aviation, elevator products, wind, mining, crane, oil & gas
  - Market leader in elevator cables in North America with a strong position in Europe and recent entrance in the fast growing Chinese market
  - Leading presence in wind tower business globally
  - World no. 1 independent supplier of advanced automotive cable; principal supplier to Airbus
  - Entrance in the growing energy submarine business
- Communications – optical fiber cable, copper cable, data communication cable, mobile network cable
  - Optical fiber: no. 2 worldwide, no. 1 in Europe and China; no. 1 in optical fiber cable in Europe and also no. 1 in datacom within Europe

1. Draka's joint ventures Telcon Fios e Cabos Para Telecomunicacoes SA in Brazil (50%), Precision Fiber Optics Ltd. in Japan (50%) and Yangtze Optical Fibre & Cable Co. Ltd. in China (37.5%) have been proportionally consolidated since 1 January 2009. These joint ventures are all part of Draka's Communications Group. All comparative figures for 2008 have been restated accordingly. 2007 data may not be entirely comparable.

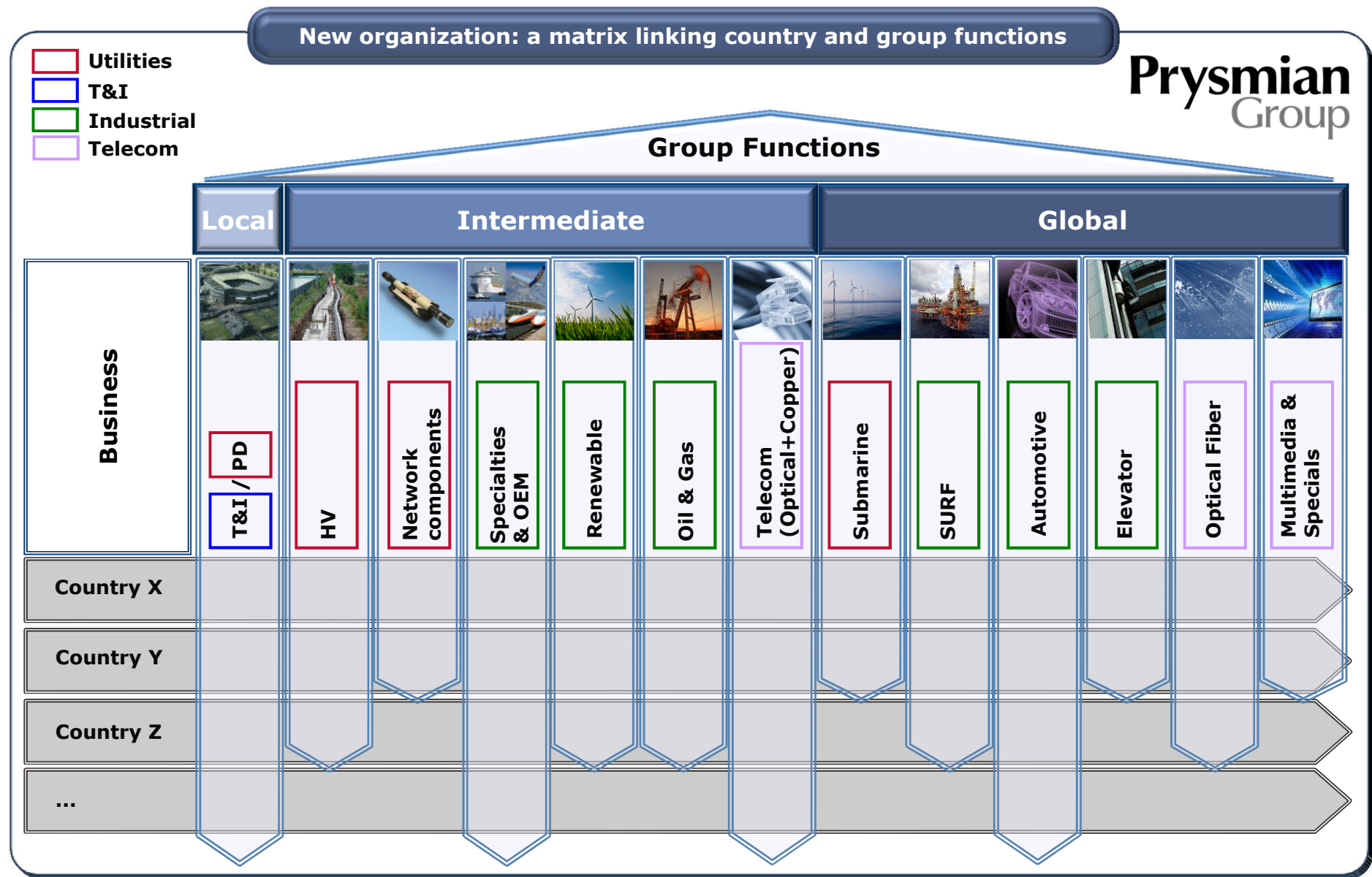
2. EBITDA adjusted for non recurring items as reported by Draka.  
Note: all figures as reported by Draka pre acquisition

# AGENDA

- Group Overview
- Financial Results
- Appendix – Draka Integration

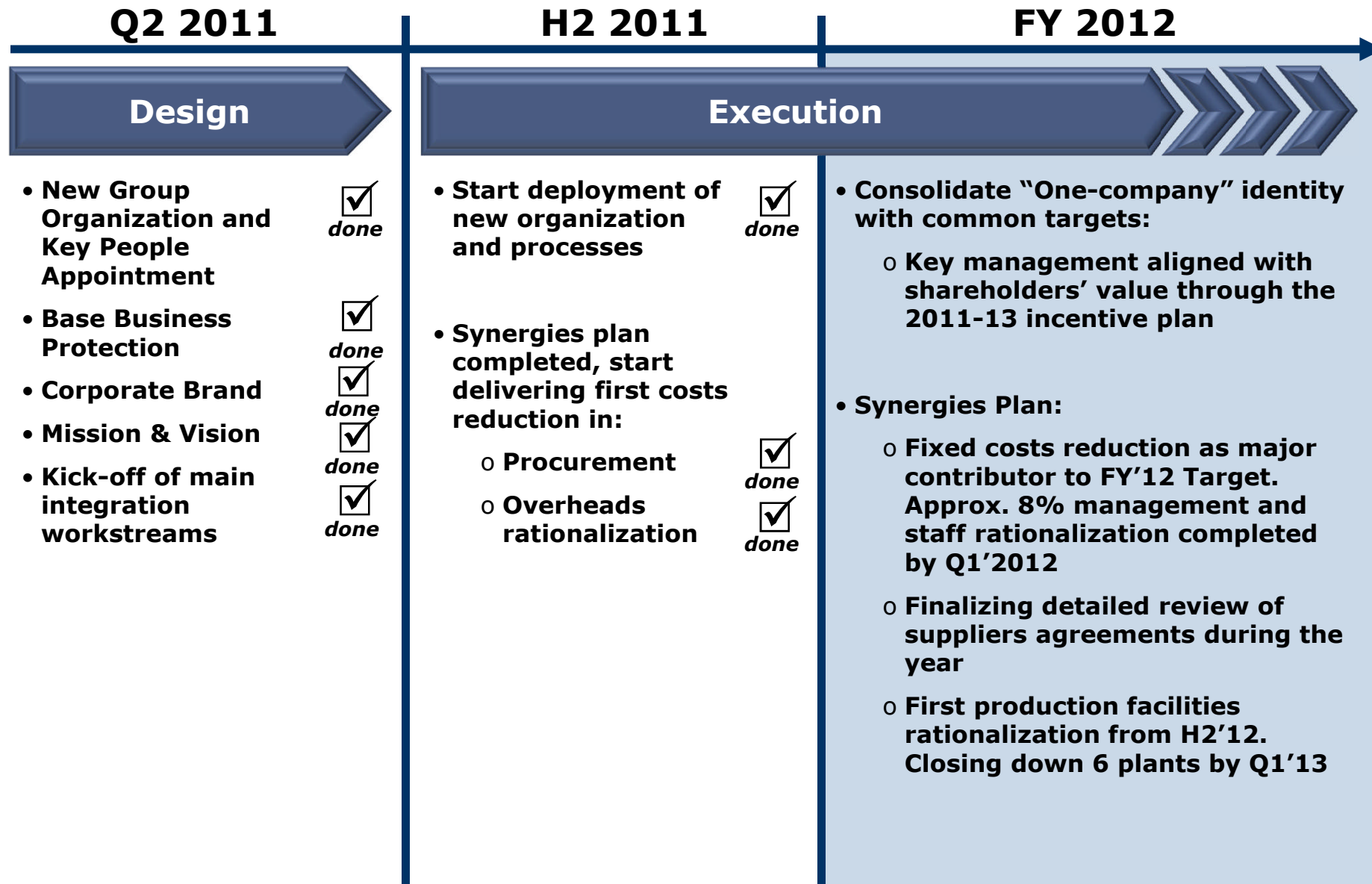
# The new organization model

To strengthen leadership in all business segments leveraging on a global platform



# Integration process update

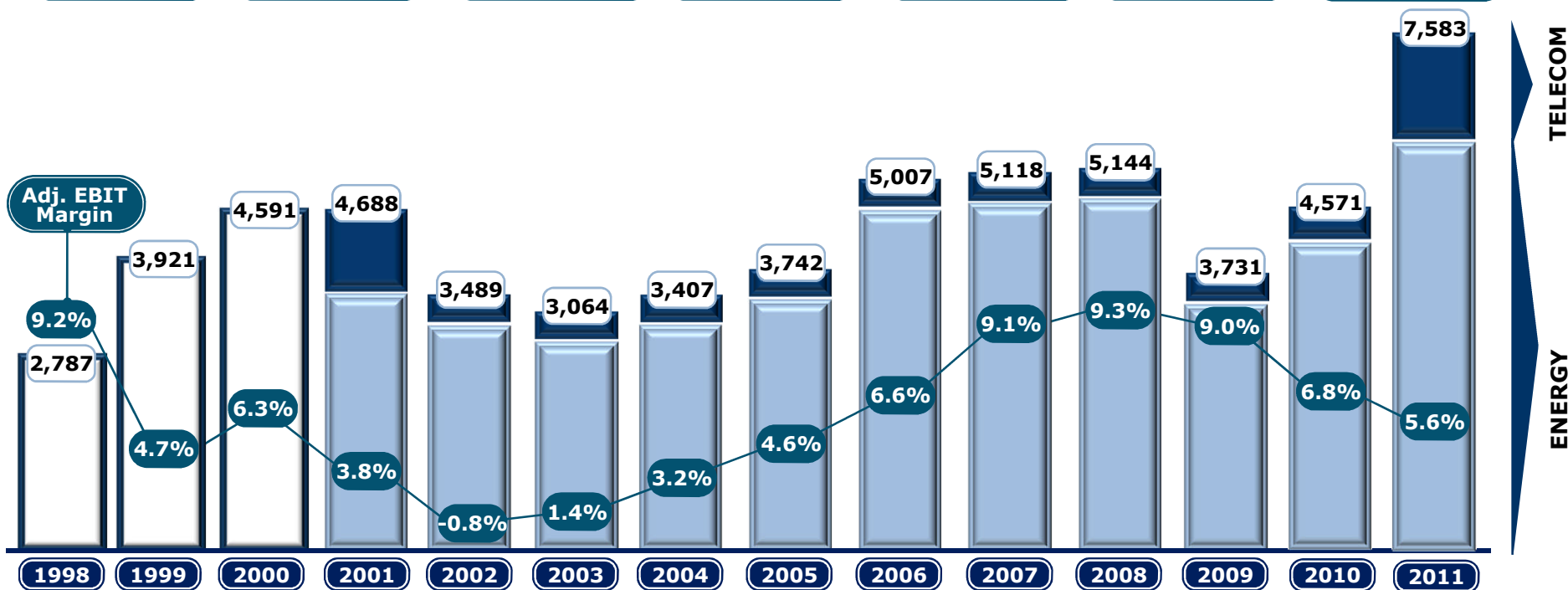
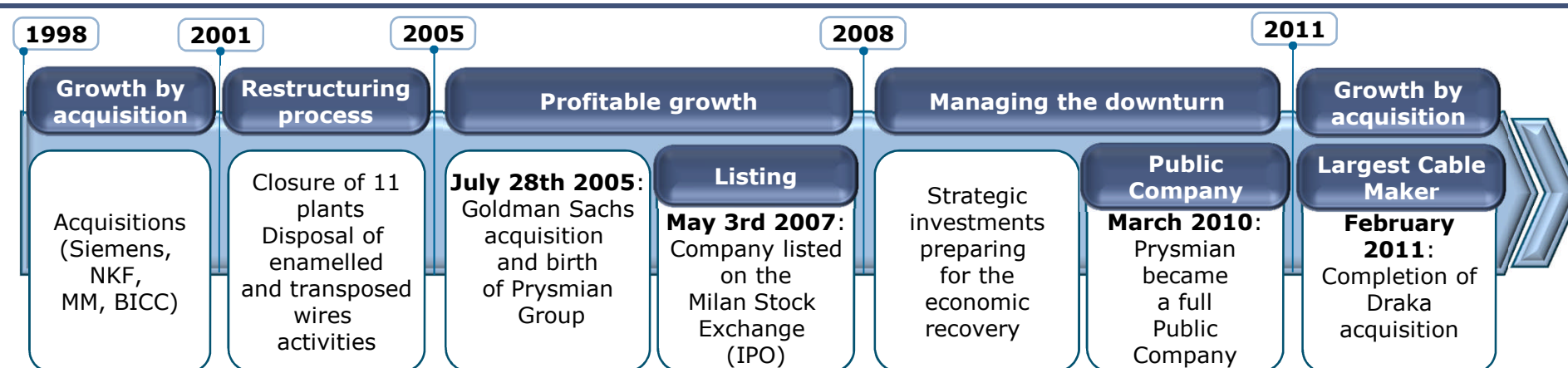
Successful deployment of new organization and common processes



# AGENDA

- Group Overview
- Financial Results
- Appendix – Prysmian at a Glance

# Key Milestones



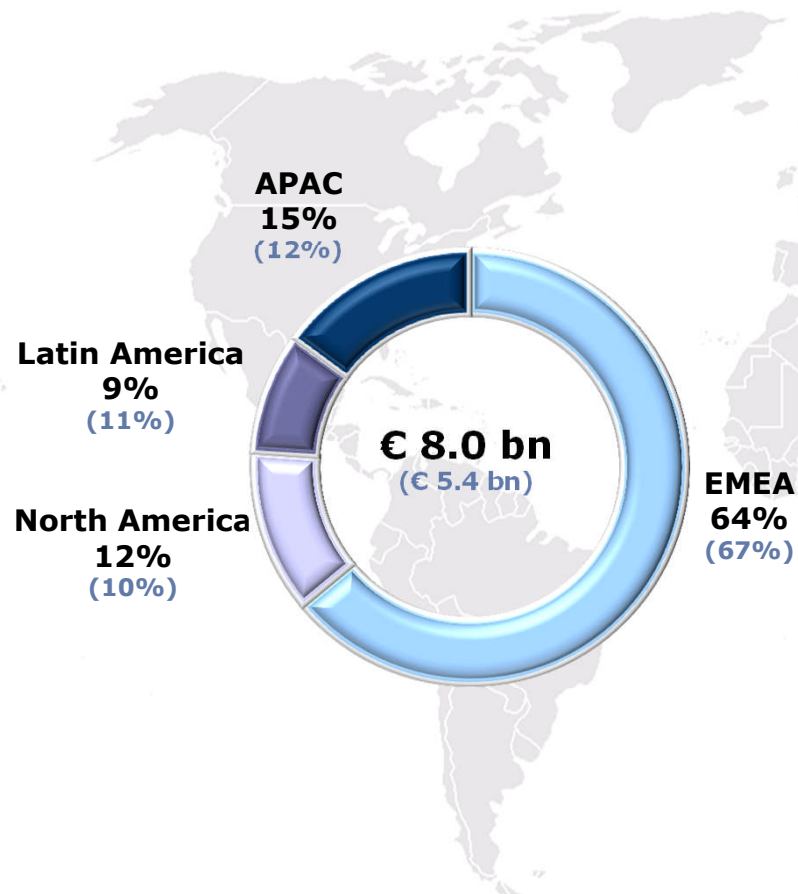
Source: 1998-2003 Pirelli Group Annual Reports, data reported under Italian GAAP; 2004-2011 Prysmian accounts, data reported under IFRS.

# Leading player in all market segments

## Sales breakdown

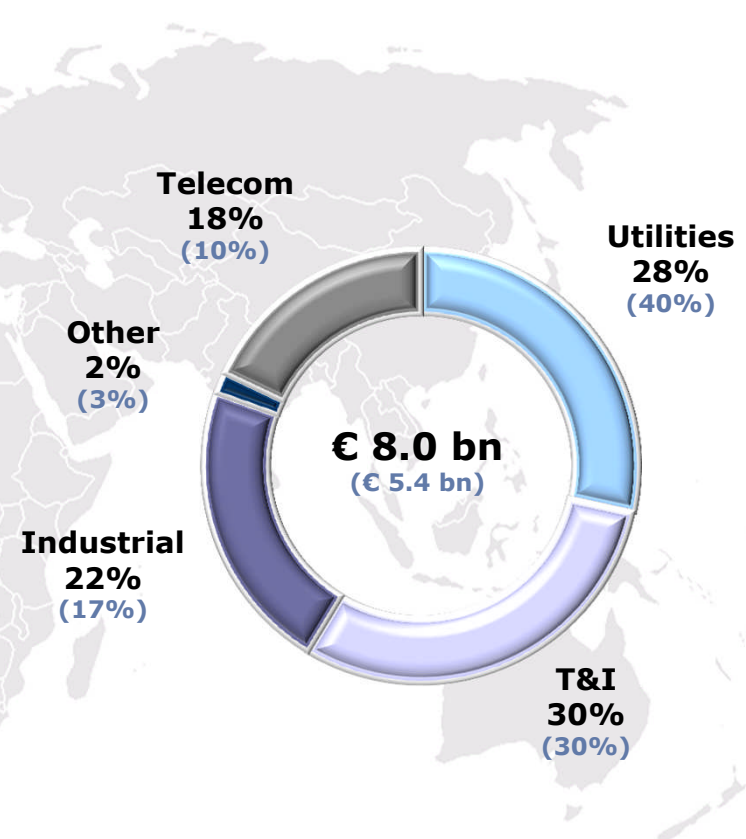
### Sales breakdown by geographical area

**FY 2011 combined**  
(FY 2011 Prysmian excl.Draka)



### Sales breakdown by business area

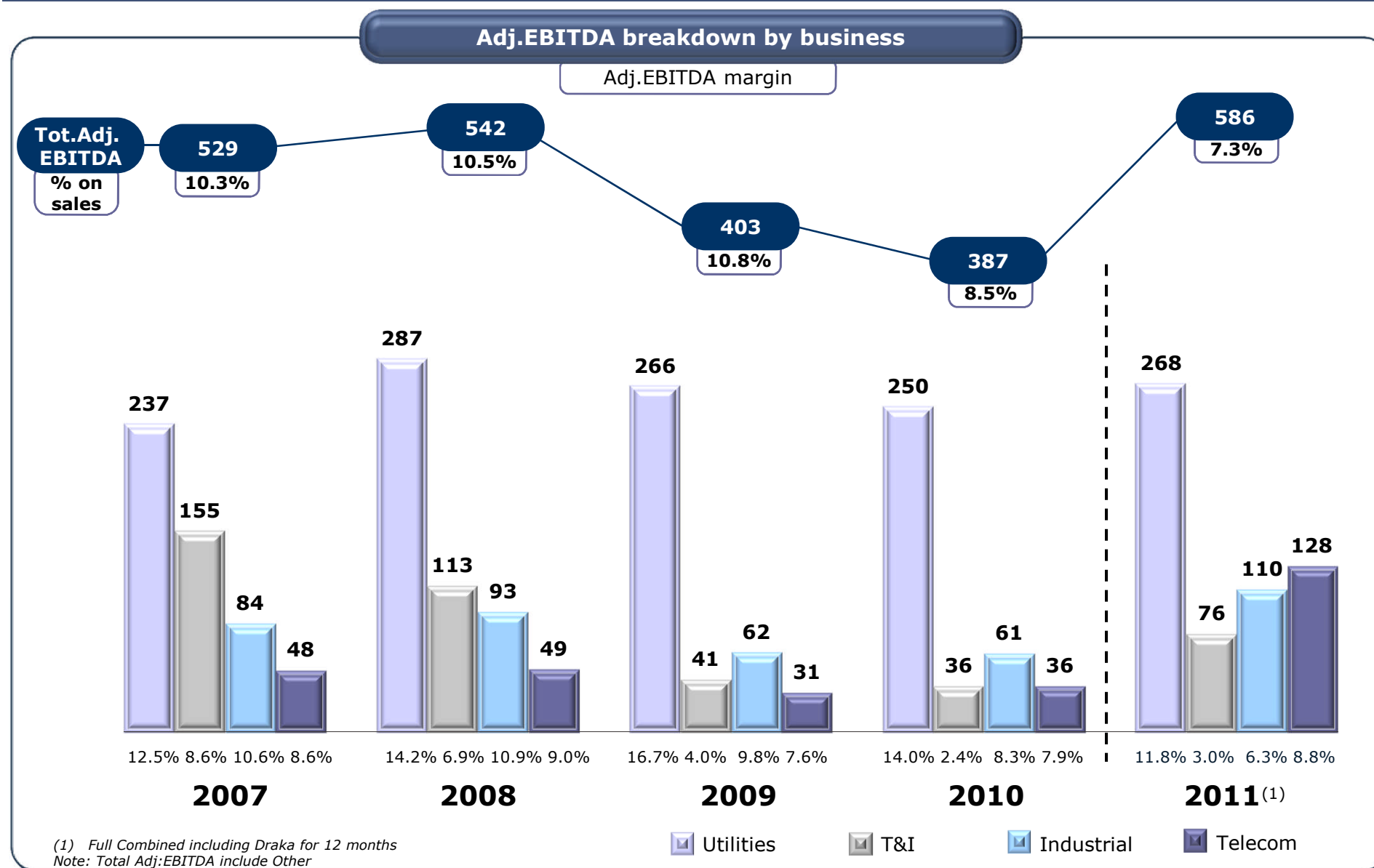
**FY 2011 combined**  
(FY 2011 Prysmian excl.Draka)





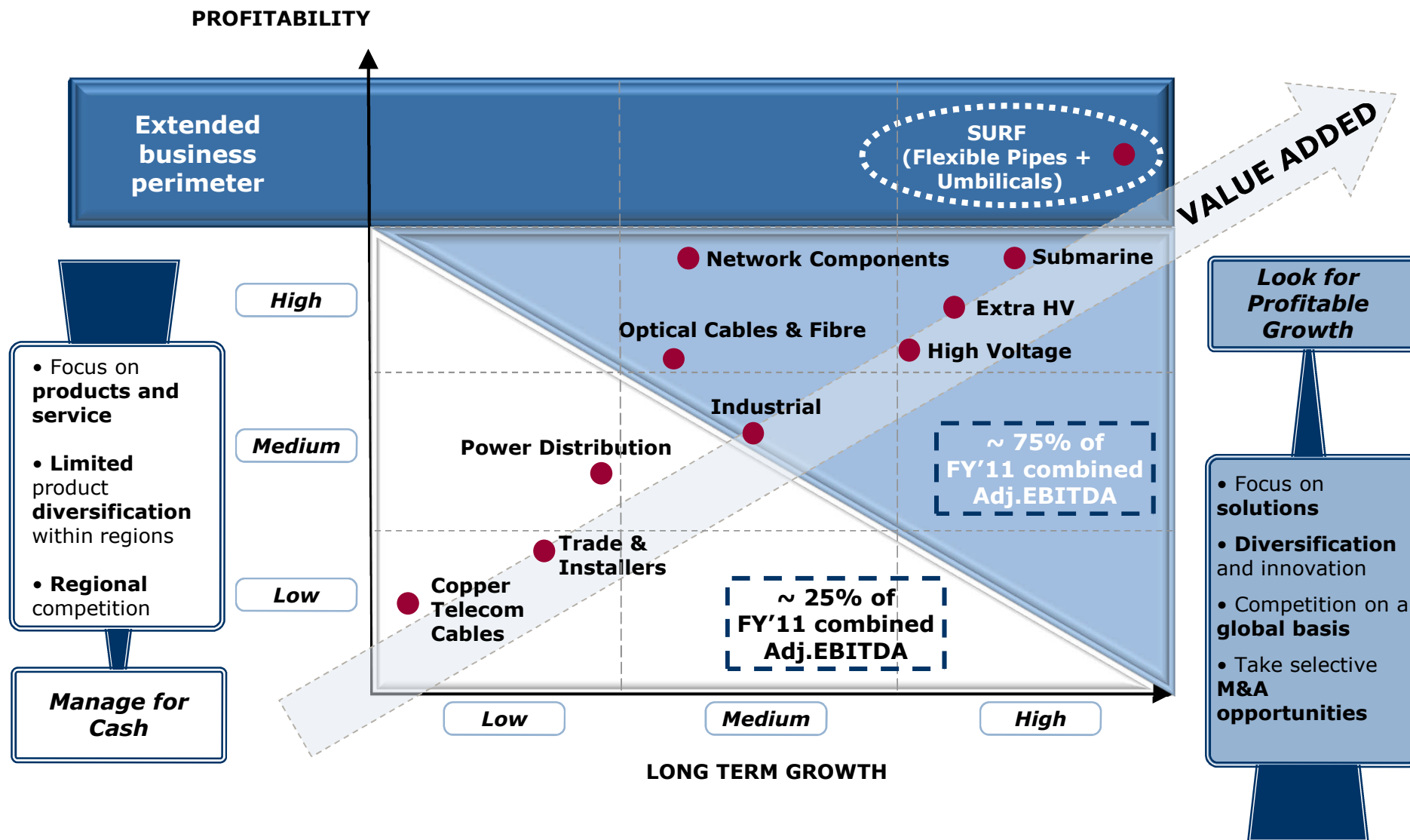
# A unique portfolio driving sustainable margin growth

Euro millions and % on Sales



# Prysmian Group business portfolio

Focus on high value added segments

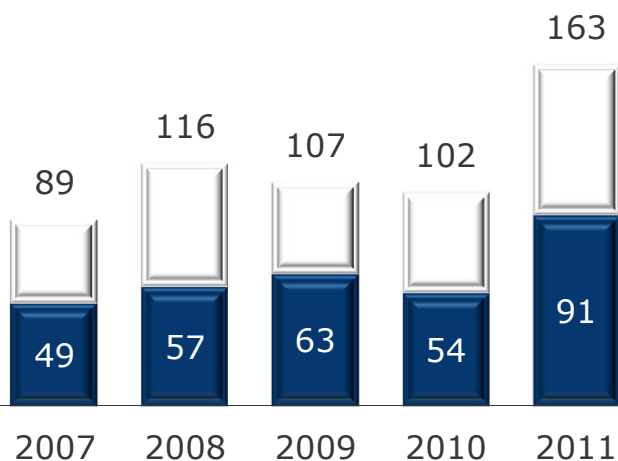


# Targeting High-tech segments and profitable extra-EU markets

CAPEX evolution in the last 5 years

## Capacity Increase & Product mix <sup>(1)</sup> (€m)

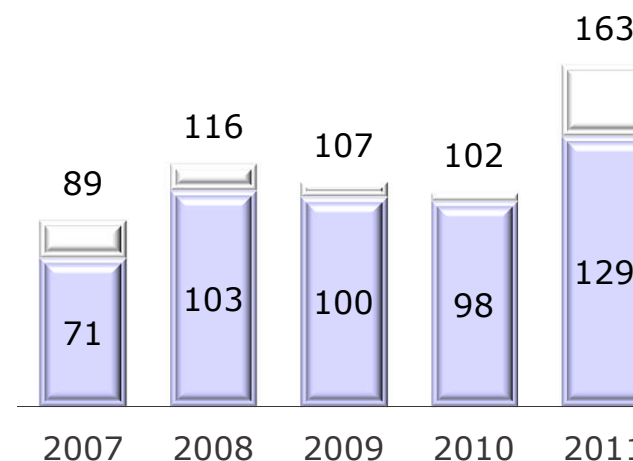
▣ Maintenance, Efficiency, IT and R&D  
■ Capacity Increase & Product mix



Utilities	<b>73%</b>	<b>72%</b>	<b>43%</b>	<b>22%</b>	<b>59%</b>
Industrial	14%	9%	6%	2%	7%
Surf	-	4%	<b>43%</b>	<b>65%</b>	<b>21%</b>
T&I	10%	2%	-	-	2%
Telecom	3%	13%	8%	11%	11%
Total <sup>(2)</sup>	100%	100%	100%	100%	100%

## Capex by Geographical area (€m)

▣ Capex Submarine  
■ Capex (excl. Submarine)



APAC	20%	10%	8%	7%	15%
Latin Am.	8%	18%	34%	39%	26%
North Am.	3%	20%	15%	13%	5%
EMEA	69%	52%	43%	41%	54%
Total <sup>(3)</sup>	100%	100%	100%	100%	100%

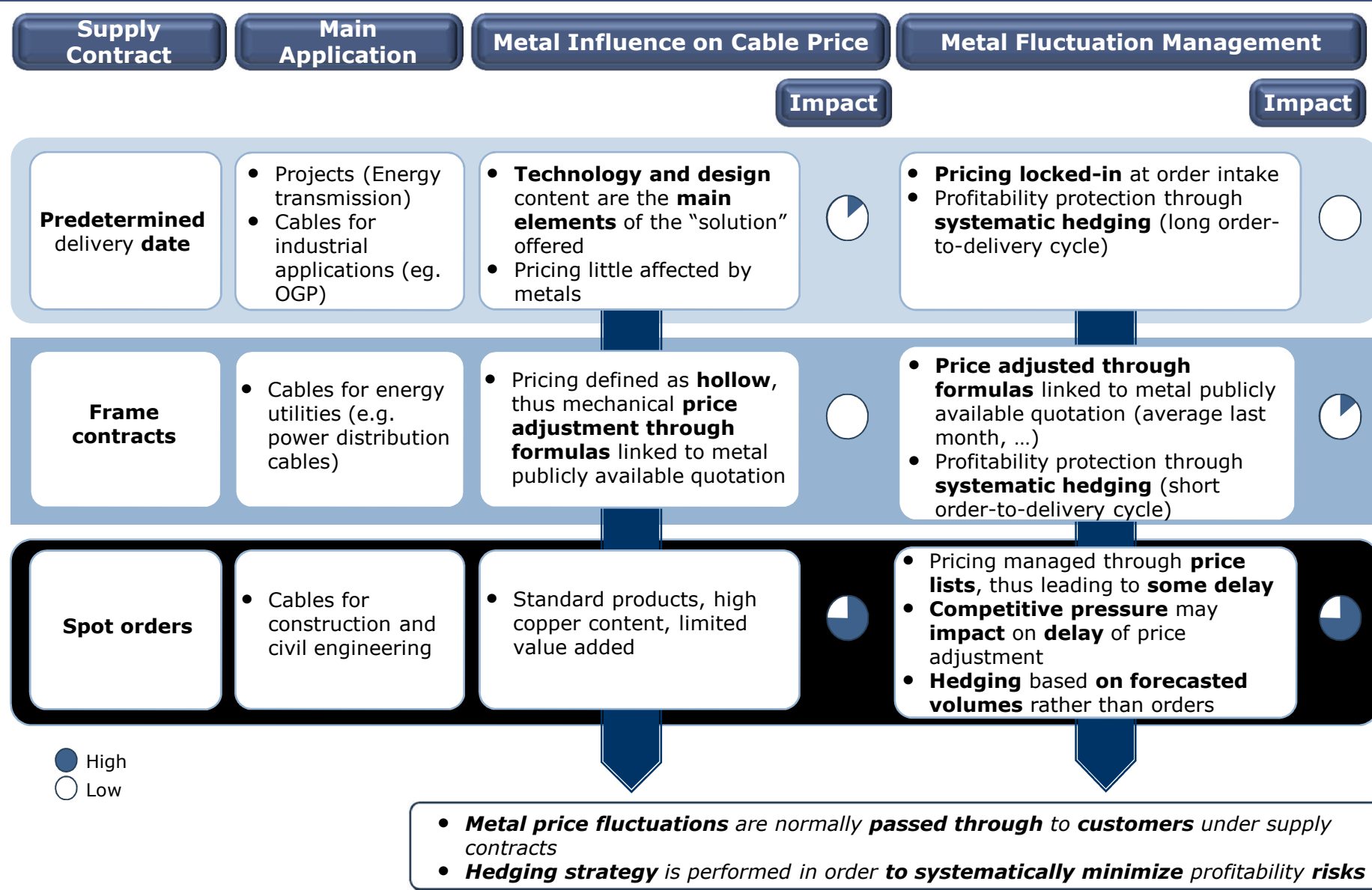
(1) Total Capex includes Capacity increase & Product mix, Maintenance, Efficiency, IT and R&D

(2) % of Capacity Increase & Product mix

Note: 2011 figures include Draka for 12 months

(3) % of Total Capex excluding Submarine

# Metal Price Impact on Profitability

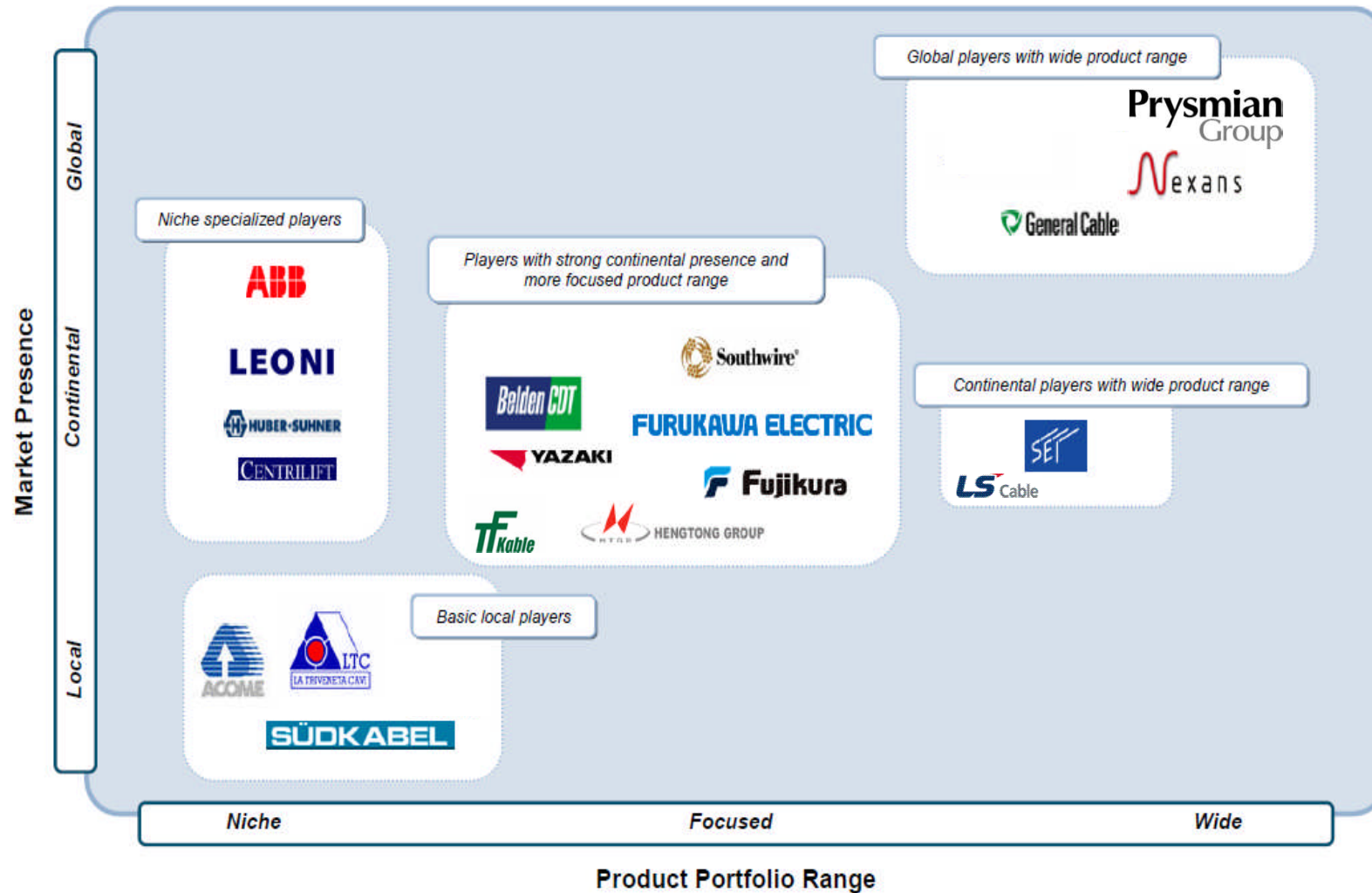


# AGENDA

- Group Overview
- Financial Results
- Appendix – Energy

# Clusters of Cable Manufacturers in the Industry

Competitive scenario – Energy Cables



# Full package of solutions for Energy Business

## Utilities

- **Power Transmission**

- Underground EHV, HV-DC/AC
- Submarine (turn-key) EHV-DC/AC (extruded, mass impregnated and SCFF) and MV

- **Power Distribution**

- LV, MV (P-Laser)

- **Network components**

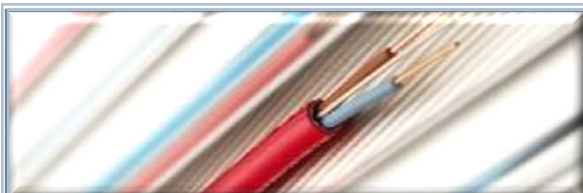
- joints, connectors and terminations from LV to EHV



## Trade & Installers

- **LV cables for construction**

- Fire performing
- Environmental friendly
- Low smoke-zero halogen (LSOH)
- Application specific products



## Industrial

- **Specialties & OEM** (rolling stock, nuclear, defence, crane, mining, marine, electro medical, railway, other infrastructure)

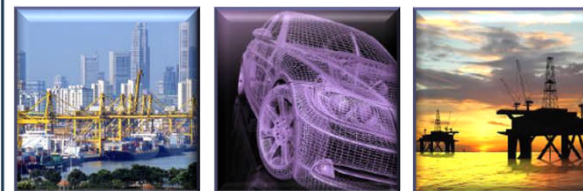
- **Automotive**

- **OGP & SURF**

- **Renewables**

- **Elevator**

- **Other industrial (aviation, branchment, other)**





# Utilities – Power Transmission

## Business description

*High/extra high voltage power transmission solutions for the utilities sector*

- **Underground High Voltage**

Cabling solutions for power plant sites and primary distribution networks



- **Submarine High Voltage**

Turnkey cabling solutions for submarine power transmission systems at depths of up to 2,000 meters



- **Network components**

Joints, connectors and terminations for low to extreme high voltage cables suitable for industrial, building or infrastructure applications and for power transmission and distribution



## Key customers

Customer base drawn from all major national distribution networks

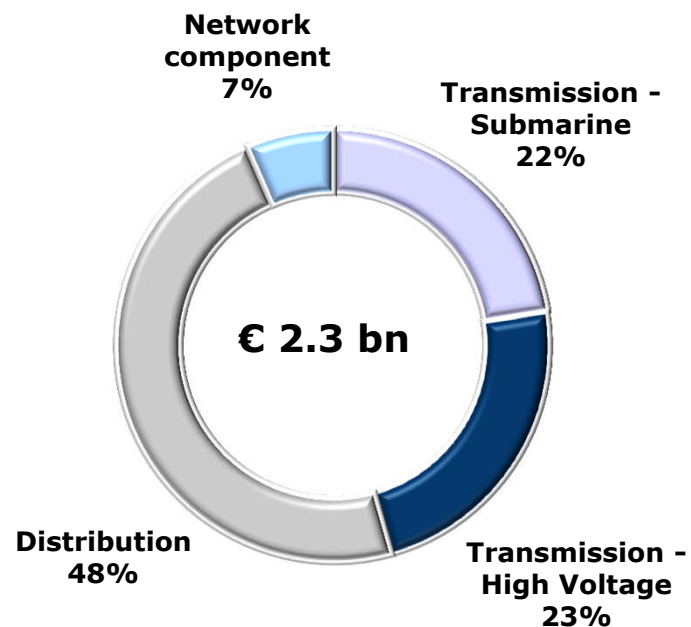


# Utilities – Power Transmission

Long term drivers supporting orders backlog at peak level

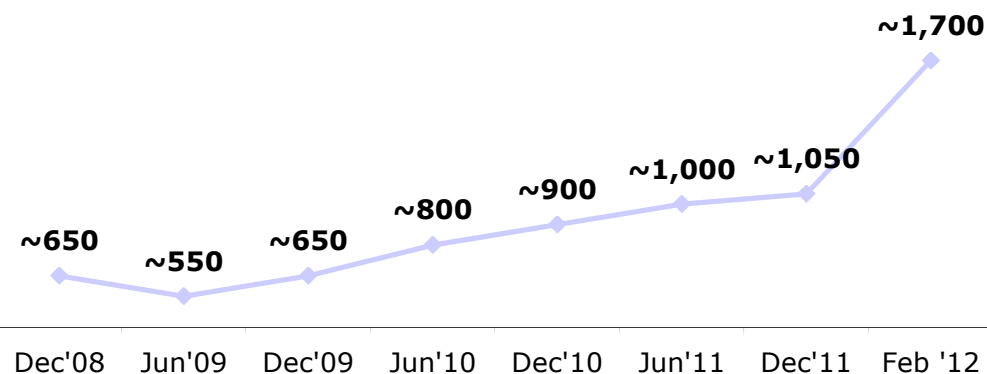
## Utilities – Sales breakdown

FY 2011 combined



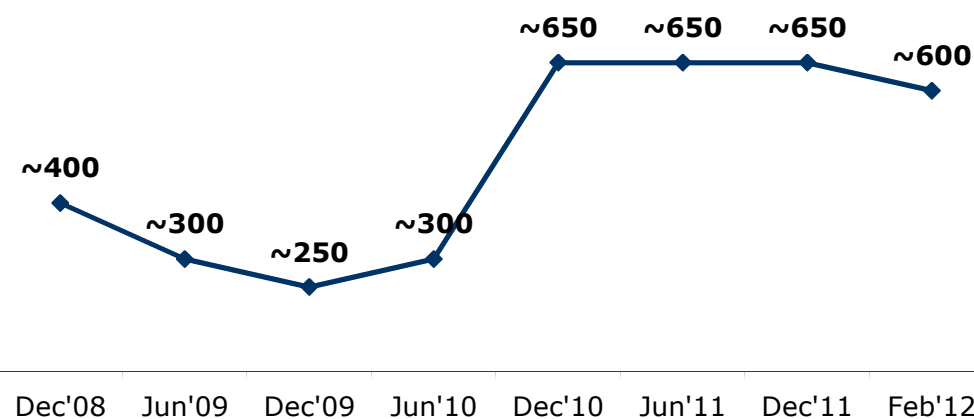
## Submarine (€ million)

Orders Backlog evolution



## High Voltage (€ million)

Orders Backlog evolution



# Utilities – Submarine Transmission Systems

Excellent track record and reliability make Prysmian Group undisputed worldwide leader

## Key success factors

- Track record and reliability
- Ability to design/execute turnkey solution
- Quality of network services
- Product innovation
- State-of-the-art cable laying ship

## Action plan

Capacity expansion completed in Pikkala. Capacity increase planned in Arco Felice and Drammen to support growth next years through:

- Leverage on strong off-shore wind-farms trend
- Secure orders to protect long-term growth
- Focus on flawless execution

## Key Projects

## Customer

## Period

## €m<sup>(1)</sup>

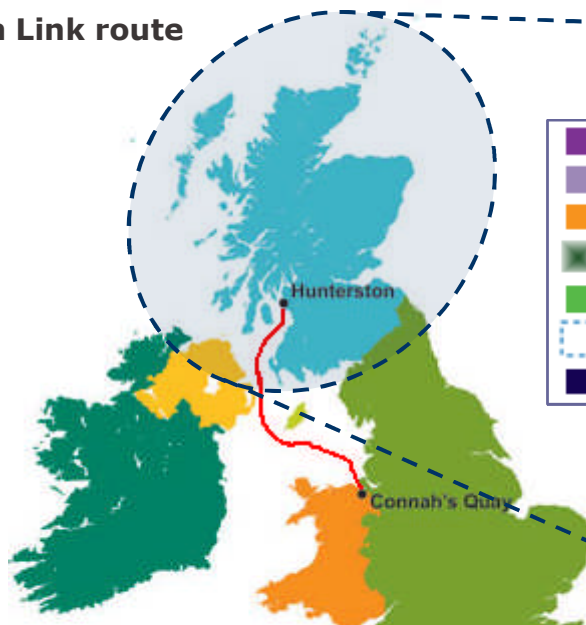
Western Link	NGET/SPT Upgrades Ltd	2012-15	800
HelWin2	TenneT	2012-15	200
Hudson Project	Hudson Transmission Partners LLC	2012-13	\$175m
SylWin1	TenneT	2012-14	280
HelWin1	TenneT	2011-13	150
BorWin2	TenneT	2010-13	250
Messina	Terna	2010-13	300
Kahramaa	Qatar General Electricity	2009-10	140
Greater Gabbard	Fluor Ltd	2009-10	93
Cometa	RED Electrica de España	2008-11	119
Trans Bay	Trans Bay Cable LLC	2008-10	\$125m
Sa.Pe.I	Terna	2006-10	418
Neptune	Neptune RTS	2005-07	159
GCC Saudi – Bahrain	Gulf Cooperation Council Interconnection Authority	2006-10	132
Angel development	Woodside		
Rathlin Island	Northern Ireland Electricity		
Ras Gas WH10-11	J. Ray Mc Dermott		

(1) Prysmian portion of the project

# Utilities – Western Link a milestone in the submarine sector

Confirmed leadership in terms of know-how and innovation capabilities

## Western Link route



## Western Link milestones

- The highest value cable project ever awarded, worth **€800 mln**
- The highest voltage level (**600kV**) ever reached by an insulated cable
- Currently unmatched transmission capacity for long-haul systems of **2,200MW**
- **Over 400km** of HVDC cable, bi-directional allowing electricity to flow north or south according to future supply and demand
- First time HVDC technology has been used as an integral part of the GB Transmission System
- Commissioning scheduled by late 2015

## Large Off-shore Wind investments planned in Scotland

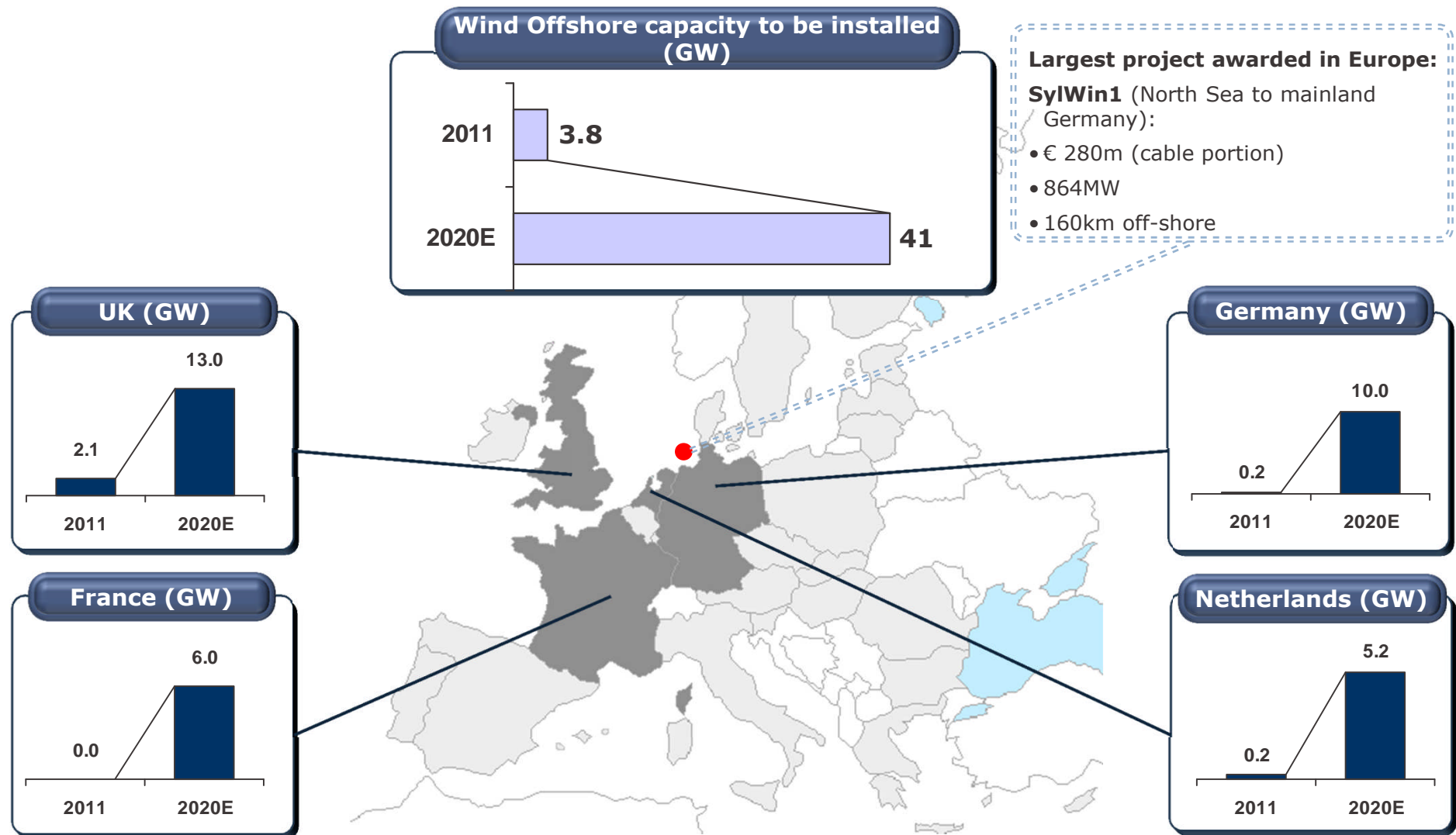
- Round 1 Offshore Wind Zones
- Round 3 Offshore Wind Zones
- Scottish Territorial Waters Short Term Options
- Scottish Territorial Waters Medium Term Options
- N-RIP Port Sites
- N-RIP Clusters (Phase 1)
- Offshore Wind Demonstration Sites



Source: [www.offshorewindscotland.org](http://www.offshorewindscotland.org), [www.westernhvdclink.co.uk](http://www.westernhvdclink.co.uk)

# Utilities – 37GW of new Wind Offshore capacity by 2020 to achieve EU Target

Four major countries accounting for about 85% of total new capacity



Source: 2011: EWEA (Jan 2012); 2020: Targets as from National Renewable Energy Action Plans (June 2010)

Note: includes EU-27 countries



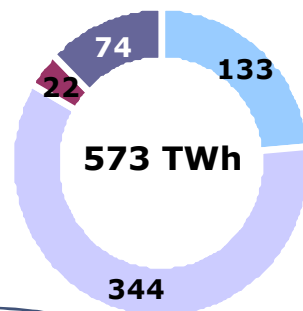
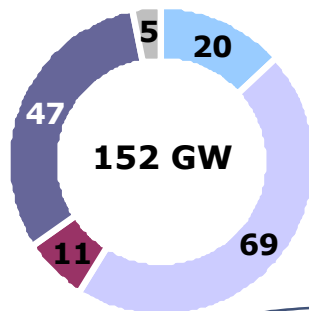
# Utilities – Nuclear decrease as new driver for Renewables

Germany exit from nuclear to potentially lower nuclear investments in other countries

## German electricity system highly dependent on nuclear

Installed capacity 2010

Net production 2010



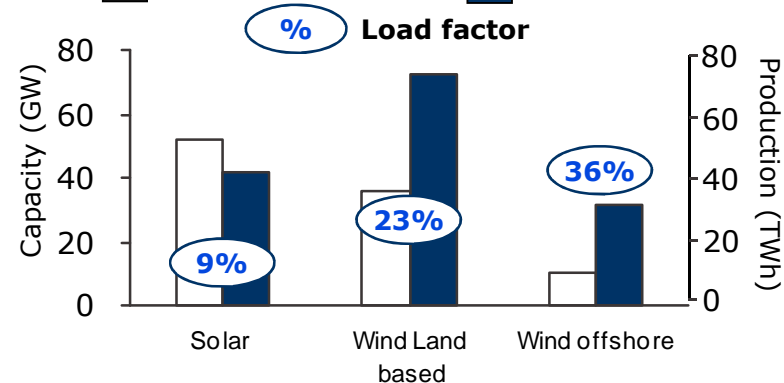
Load factor\*



\* Load factor is defined as net production on theoretic maximum production [calculated as Net production GWh / (Installed capacity GW \* 8760h)]  
Source: ENTSO-E Memo 2010

## Renewables load factor at run rate capacity utilization (2020)

Installed capacity Net Production



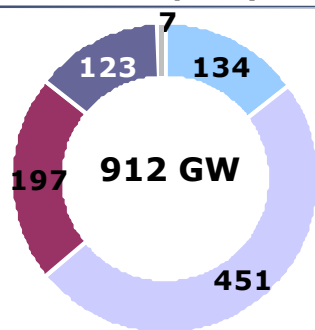
Wind off-shore the renewable energy with higher conversion in energy produced

Source: National Renewable Energy Action Plans (June 2010)

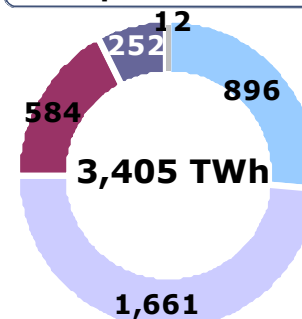
## Total European electricity system

Installed capacity 2010

Net production 2010



Nuclear  
Fossil fuels  
Hydro  
Renewables  
Other



Nuclear covers over 25% of energy produced in Europe while Renewables account for less than 10%

Source: ENTSO-E Memo 2010

# Utilities – Power Distribution

## Market drivers

- Long term growth in electricity consumption
- Mandated improvements in service quality
- Investment incentives to utilities
- Urbanization

## Key success factors

- Time to market
- Quality of service
- Technical support
- Cost leadership
- Customer relationship

## Key customers

Key customers are all major national distribution network operators



## Action plan

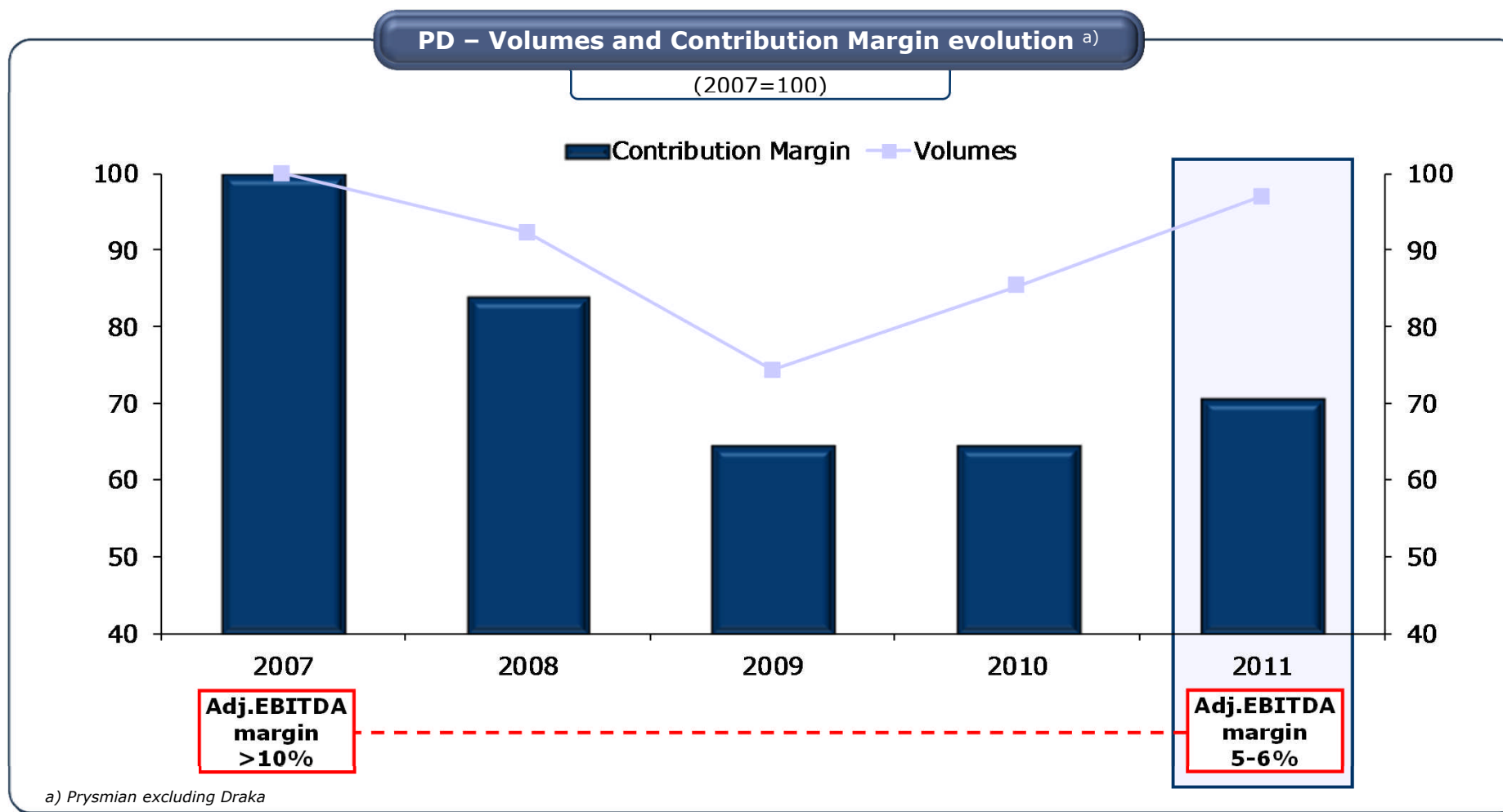
- Improve service level and time to market
- Reduce product cost
  - Cable design optimization
  - Alternative materials / compounds introduction
  - Process technologies improvement
- Innovate
  - New insulation materials
  - P-LASER launch in Europe



# Limited downside for cyclical businesses on current profitability

## The Power Distribution case

- Minor profitability improvement in 2011 despite volume recovery
- Low downside risk on current ebitda margin level (5-6%)



# Trade & Installers

## Business description

- Low voltage cables for residential and non residential construction
- Channel differentiation with both:
  - Direct sales to end customers (Installers)
  - Indirect sales through
    - Specialized distributors
    - General distributors
    - Wholesalers
    - Do-it-yourself/modern distribution
- Wide range of products including
  - Value added fire retardant
  - Environmental friendly
  - Specialized products

## Key customers

- Key customers include major:
  - Specialized distributors



- General distributors



- Wholesalers



- Installers



# Trade & Installers

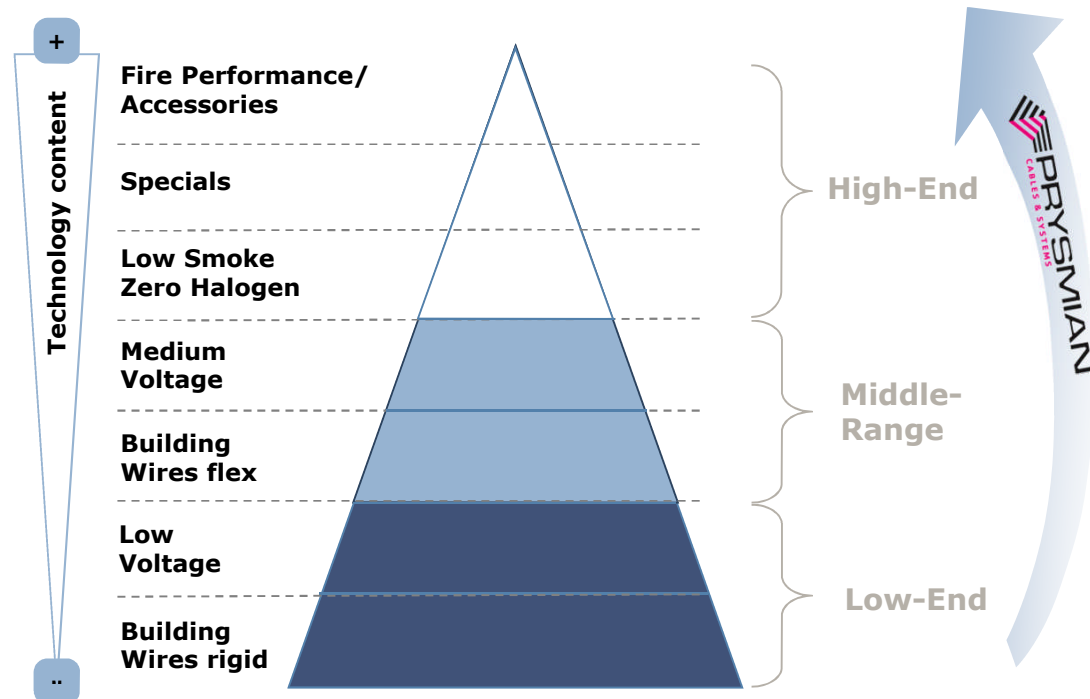
## Key success factors

- Product range
- On-time delivery / Product availability
- Inventory/WC management
- Cost leadership
- Channel management
- Customers' relationship

## Action plan

- Continuously redefine product portfolio
  - Focus on high-end products (e.g. Fire Performance)
- Exploit channel/market specificity
  - Focus on wholesalers and installers
  - Protect positioning in high margin countries
  - Grow global accounts
- Continuously improve service level
- Benefit from changes in regulatory regime

## Product overview

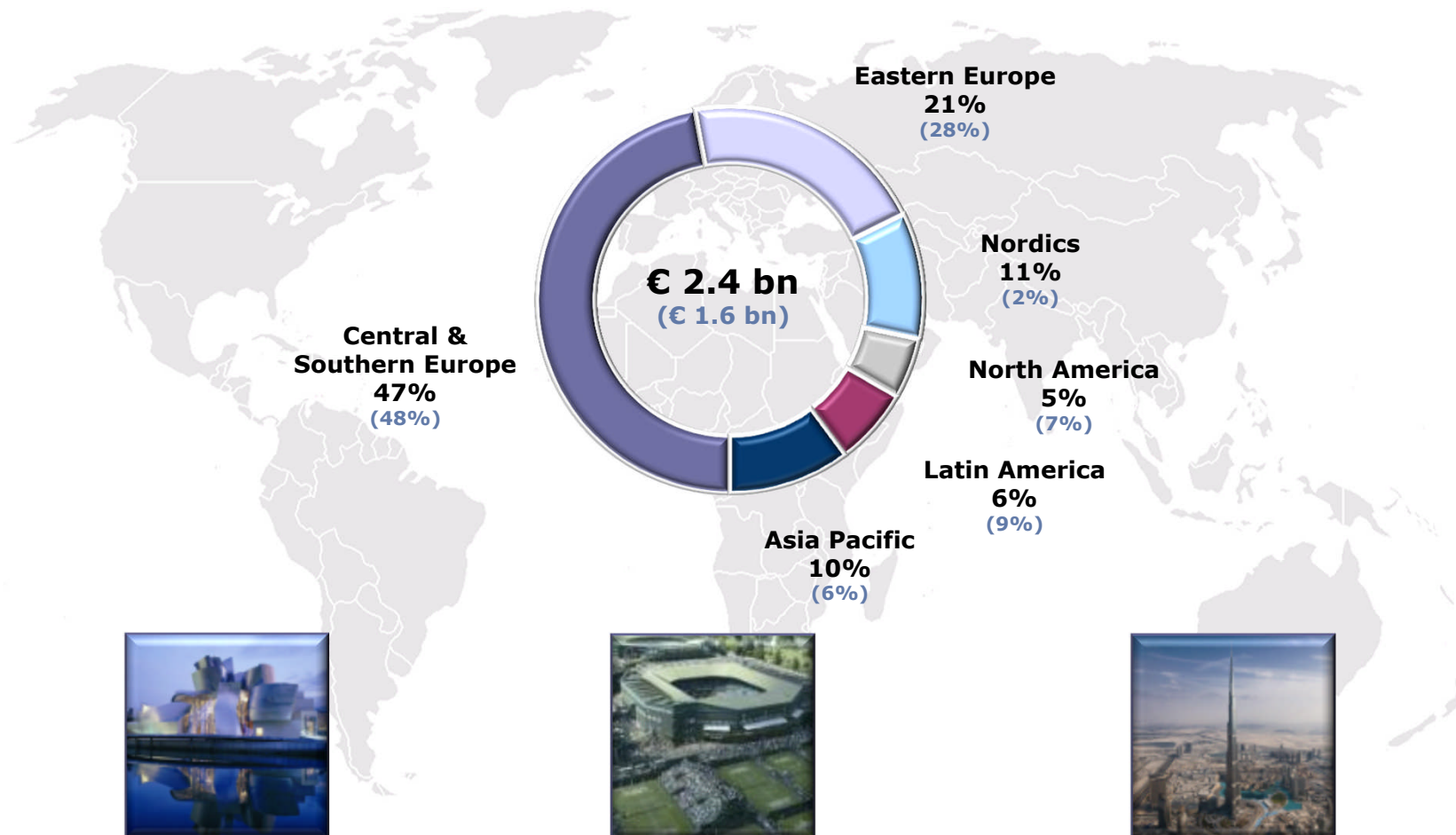


# Trade & Installers

Improving geographical mix with higher exposure to Nordics and APAC (excl.China)

## Sales breakdown by geographical area

**FY 2011 combined**  
(FY 2011 Prysmian excl.Draka)



Nordics: Norway, Sweden, Finland, Denmark, Estonia

Eastern Europe: Austria, Czech Rep, Slovakia, Hungary, Romania, Turkey, Russia

# Industrial

## Business description

*Integrated cable solutions highly customized to our industrial customers worldwide*

### Oil & Gas

Addressing the cable needs of research and refining, exploration and production. Products range from low & medium voltage power and control cables to dynamic multi-purpose umbilicals for transporting energy, telecommunications, fluids and chemical products



### Renewable

Advanced cabling solutions for wind and solar energy generation contribute to our clients increased efficiency, reliability and safety



### Surf (Subsea umbilical, riser and flowline)

SURF provides the flexible pipes and umbilicals required by the petro-chemicals industry for the transfer of fluids from the seabed to the surface and vice versa



### Elevator

Meeting the global demand for high-performing, durable and safe elevator cable and components we design manufacture and distribute packaged solutions for the elevator industry



### Auto & Transport

Products for trains, automobiles, ships and planes including the Royal Caribbean's Genesis fleet (world's biggest ship) & Alstom designed TGV (world's fastest train)



### Specialties & OEM

Products for mining, crane and other niches

## Key customers

Large and differentiated customer base generally served through direct sales

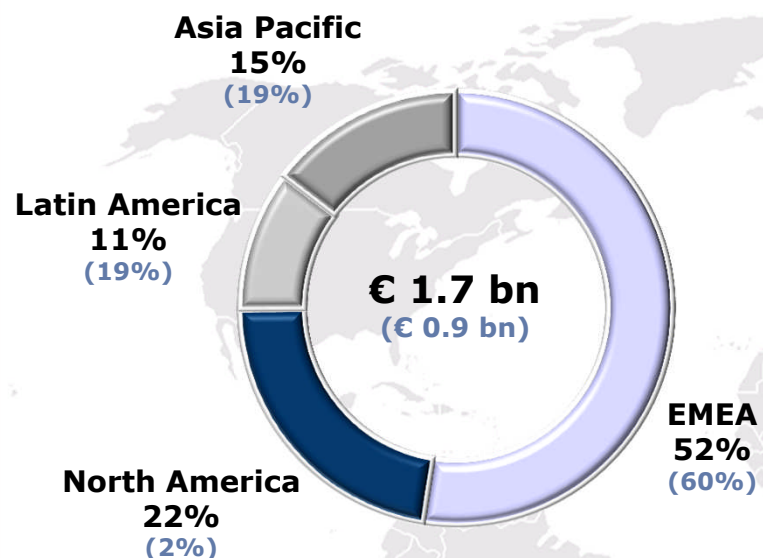


# Industrial

A leading presence worldwide

## Sales breakdown by geographical area

FY 2011 combined  
(FY 2011 Prysmian excl. Draka)

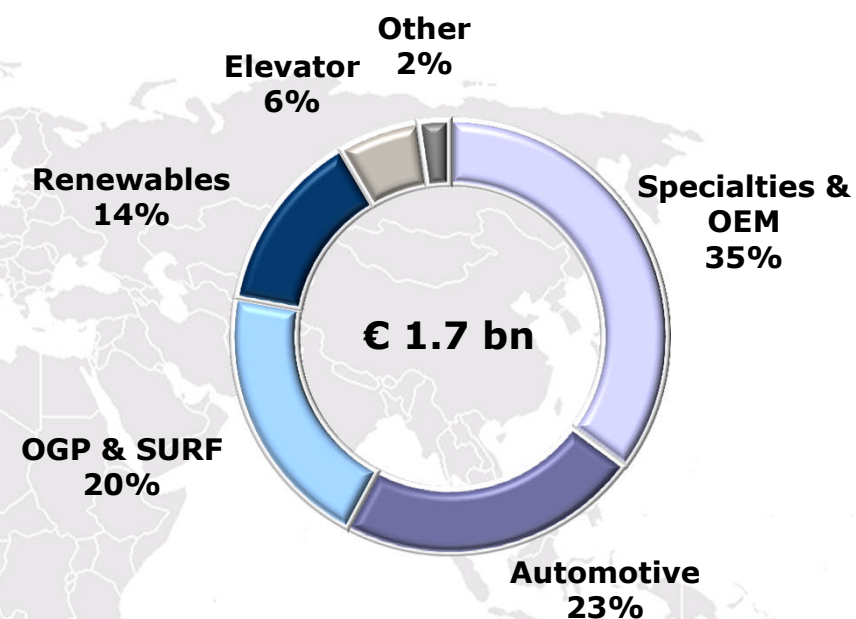


Increased exposure to North America

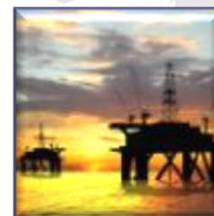
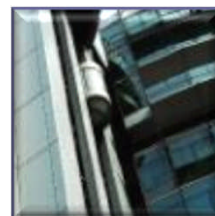


## Sales breakdown by business segment

FY2011 combined



Wider presence in all the market segments





# Industrial – Investing in the high value added off-shore oil business

New flexible pipes plant in Brazil and acquired downhole technology from Draka

**Vila Velha (BRA): new flexible pipes plant built next to the pre-existing umbilical plant**



**Over US\$ 100m sales in FY2011**



## Flexible Pipes

Production line and chemical injection



## Umbilical Control/Injection

Controlling valves on the sea bed. Can use thermoplastic hoses or steel tubes (STU)



## Umbilical for Power

Connecting platforms to platforms to transmit power or feed pumps for upstream exploration

**Bridgewater (USA): plant contributed by Draka specialized in downhole technology (DHT)**



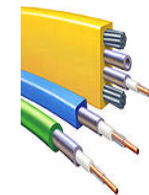
**Approx. US\$ 40m sales in FY2011**

Sales breakdown: N.A.(50%)-Europe(20%)-S.A.(20%)-MiddleEast/Apac(10%)



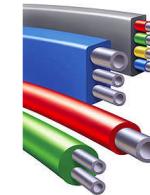
## Hybrid Electro-Optical

Monitoring in real time the performance of the well. Tube of SS, Inconel, Duplex, etc



## Electrical

Supplying power to the sensors or to the well



## Packaged Gas & Fluid

For chemical/hydraulic injection, fiber sensing

Main customers: Schlumberger, Baker-Hughes, BJ Services, GCDT

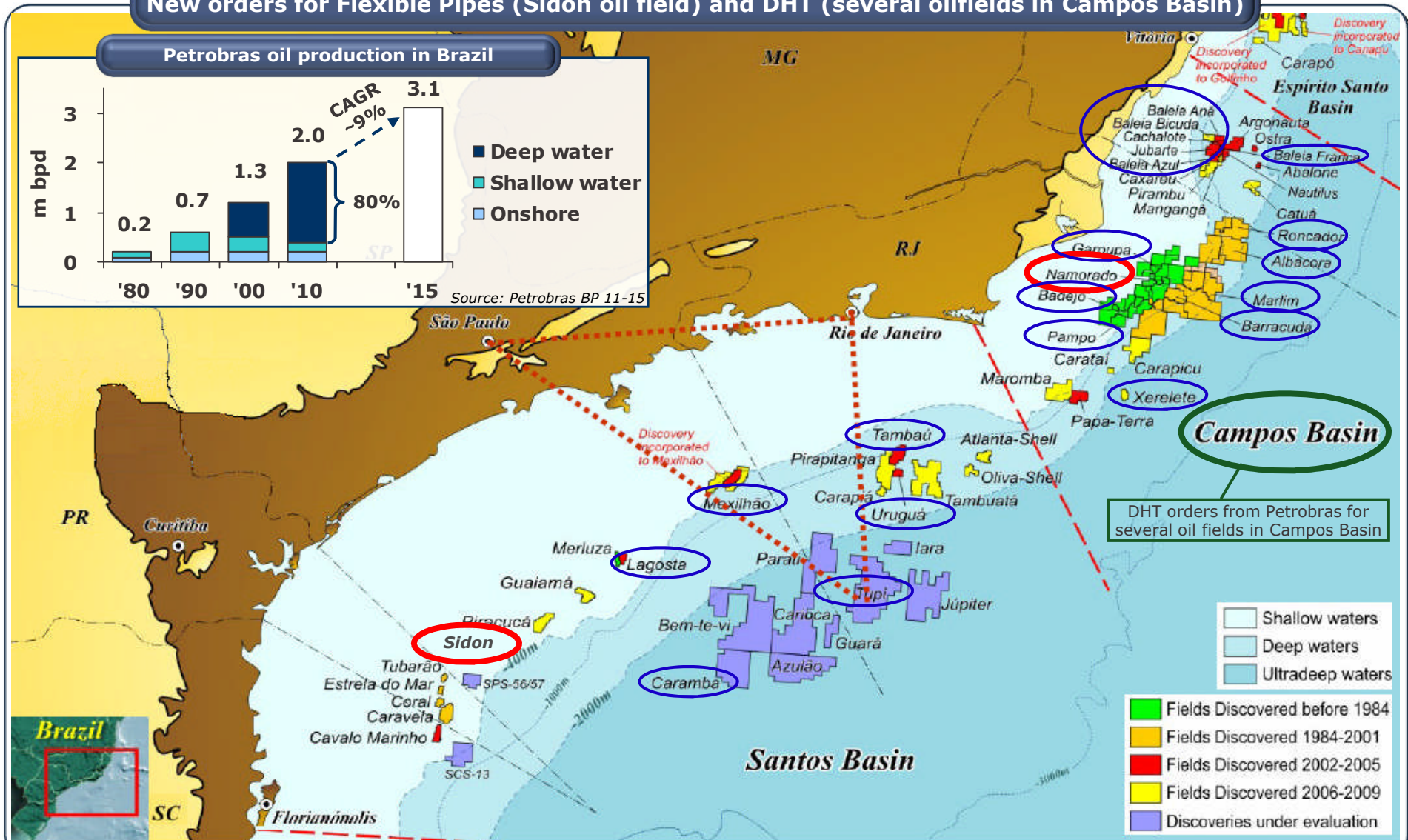
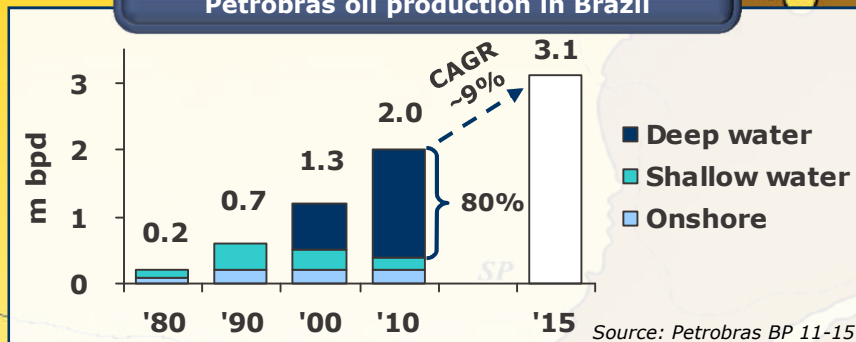


# Industrial – Strengthening presence in the key Brazilian market

First flexible Pipes delivered (Namorado field) and new orders for both Flexible Pipes and DHT (several oilfields in Campos Basin)

New orders for Flexible Pipes (Sidon oil field) and DHT (several oilfields in Campos Basin)

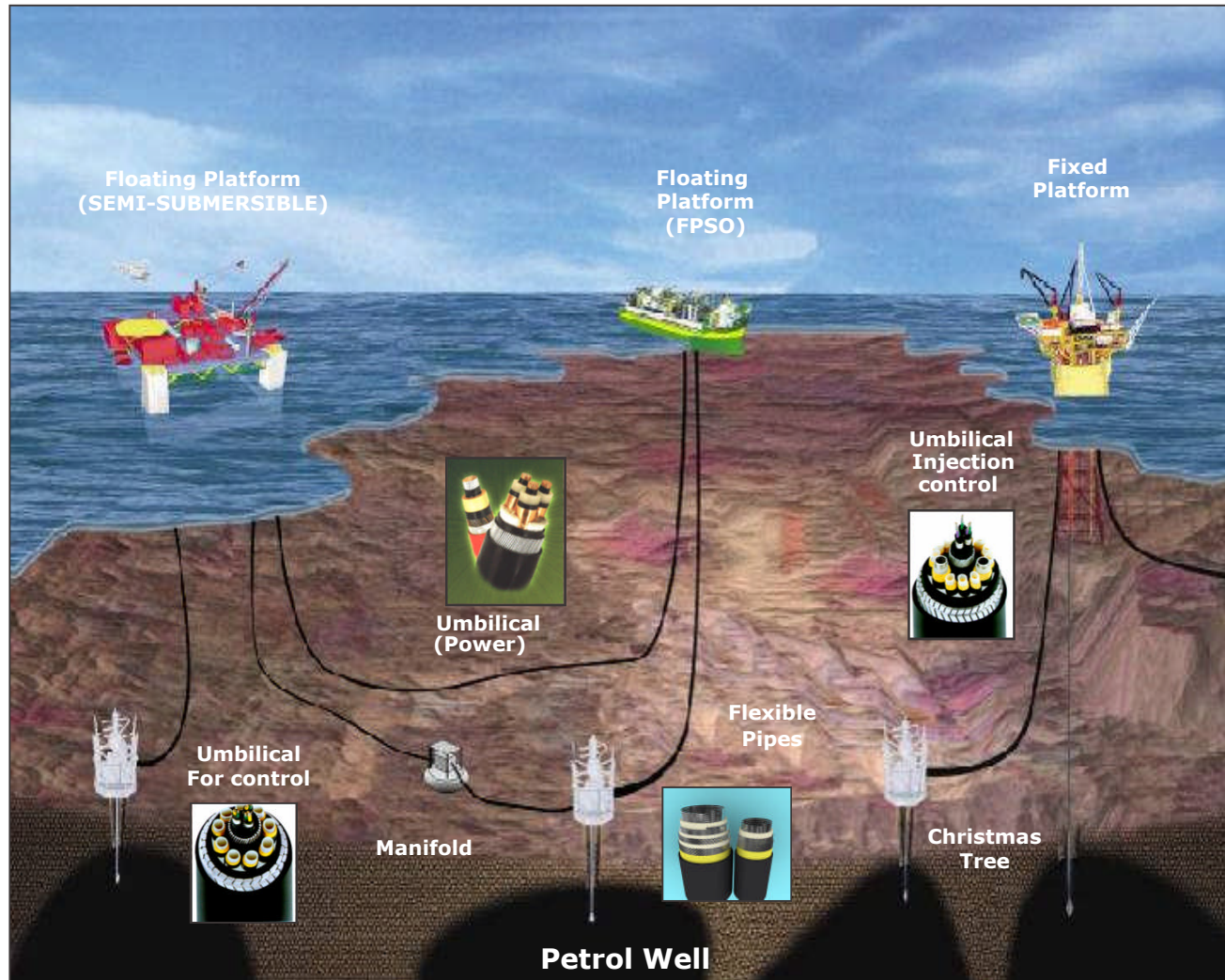
Petrobras oil production in Brazil



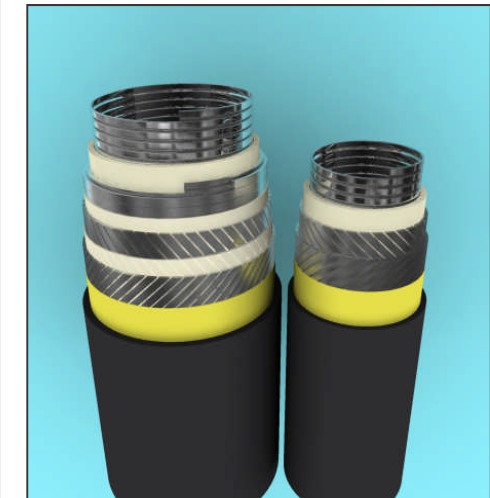
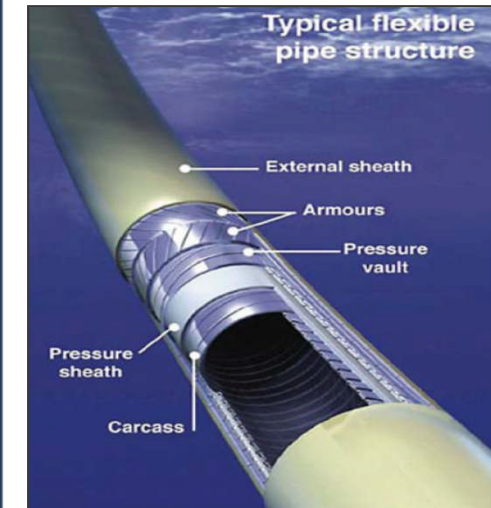
Source: Petrobras

# Industrial – Off-shore oil exploration

## Oilfield structure



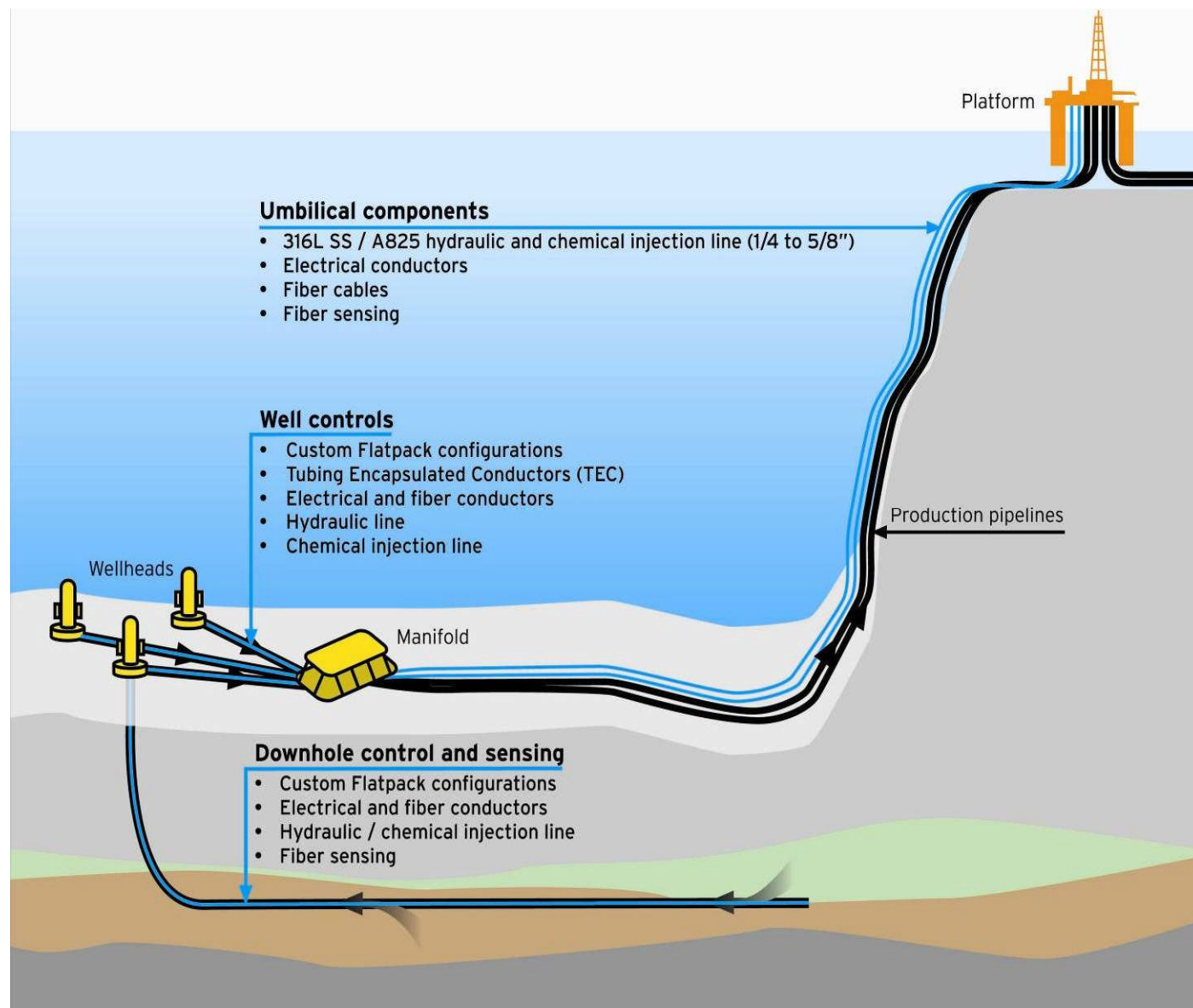
### Flexible Pipes



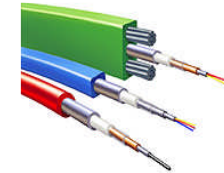


# Industrial – Off-shore oil exploration

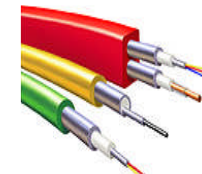
Cross selling opportunities driven by the new Downhole technology business contributed by Draka



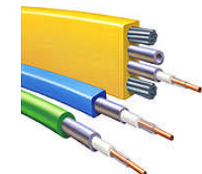
## Downhole Technology (DHT)



HYBRID ELECTRO-OPTIC



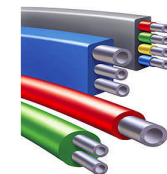
FIBER OPTIC



ELECTRICAL



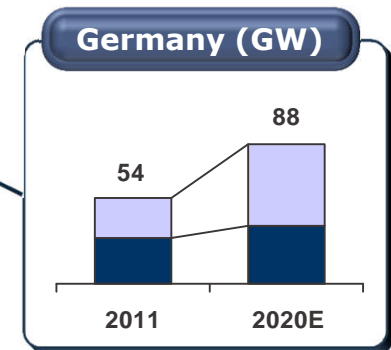
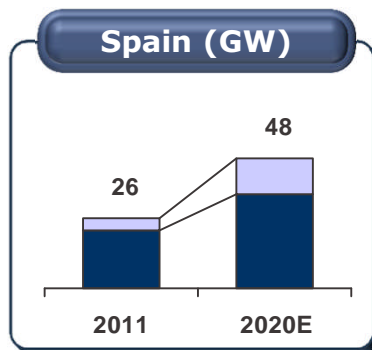
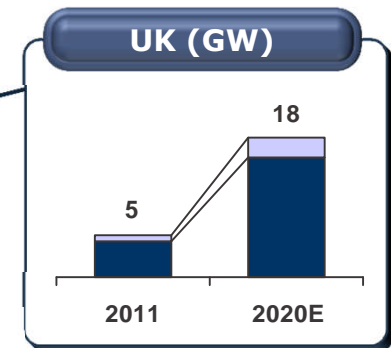
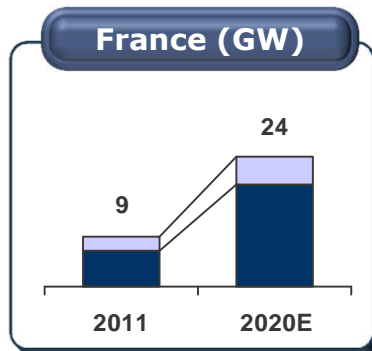
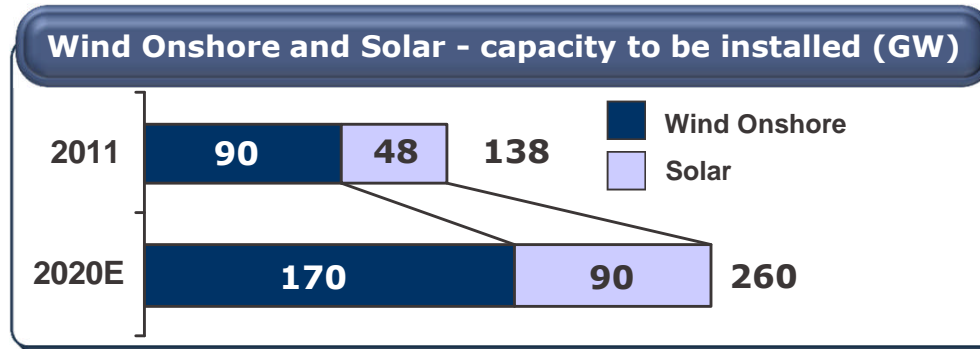
GAS & FLUID TUBING



PACKAGED GAS & FLUID TUBING

# Industrial – 120GW of new Solar and Wind Onshore capacity by 2020

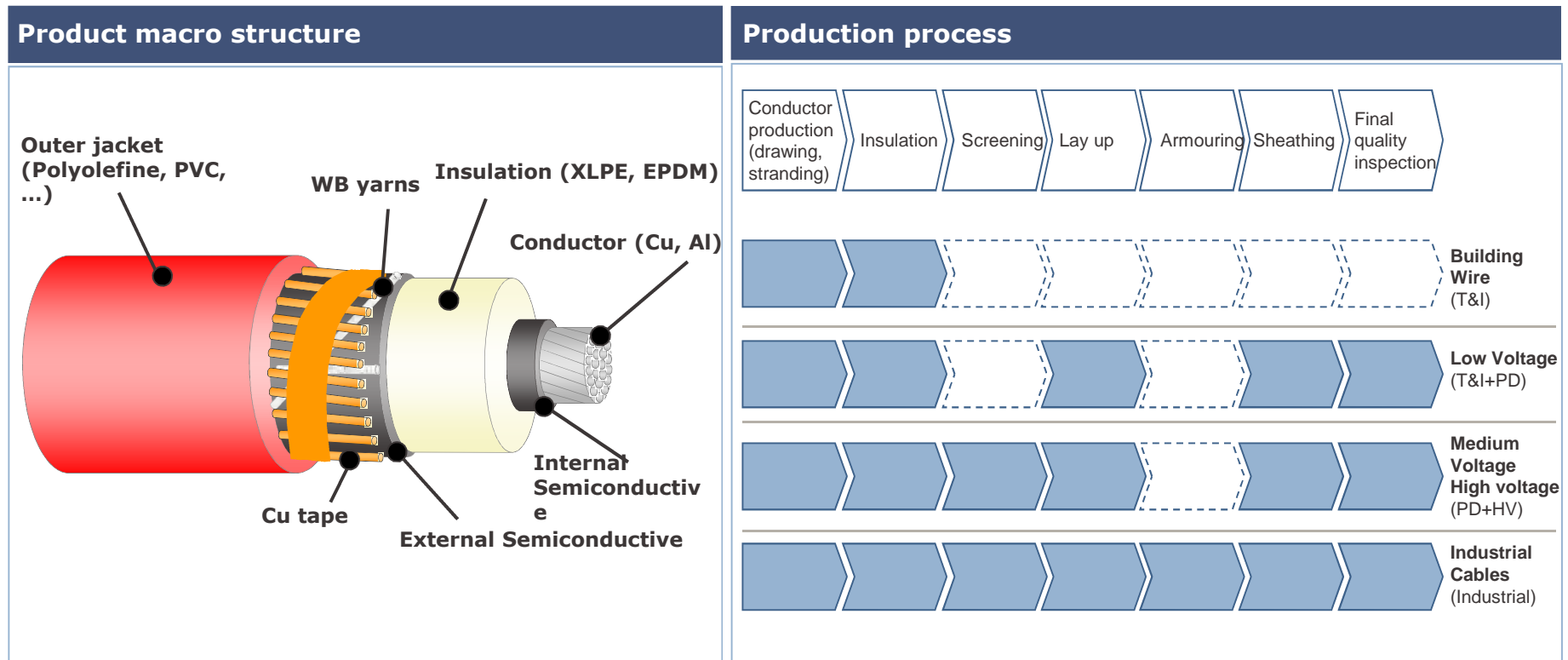
Four major countries accounting for about 70% of total new capacity



Source: 2011: EPIA and EWEA (Jan 2012); 2020: Targets as from National Renewable Energy Action Plans (June 2010)

Note: includes EU-27 countries

# Macro-structure of Energy Cables

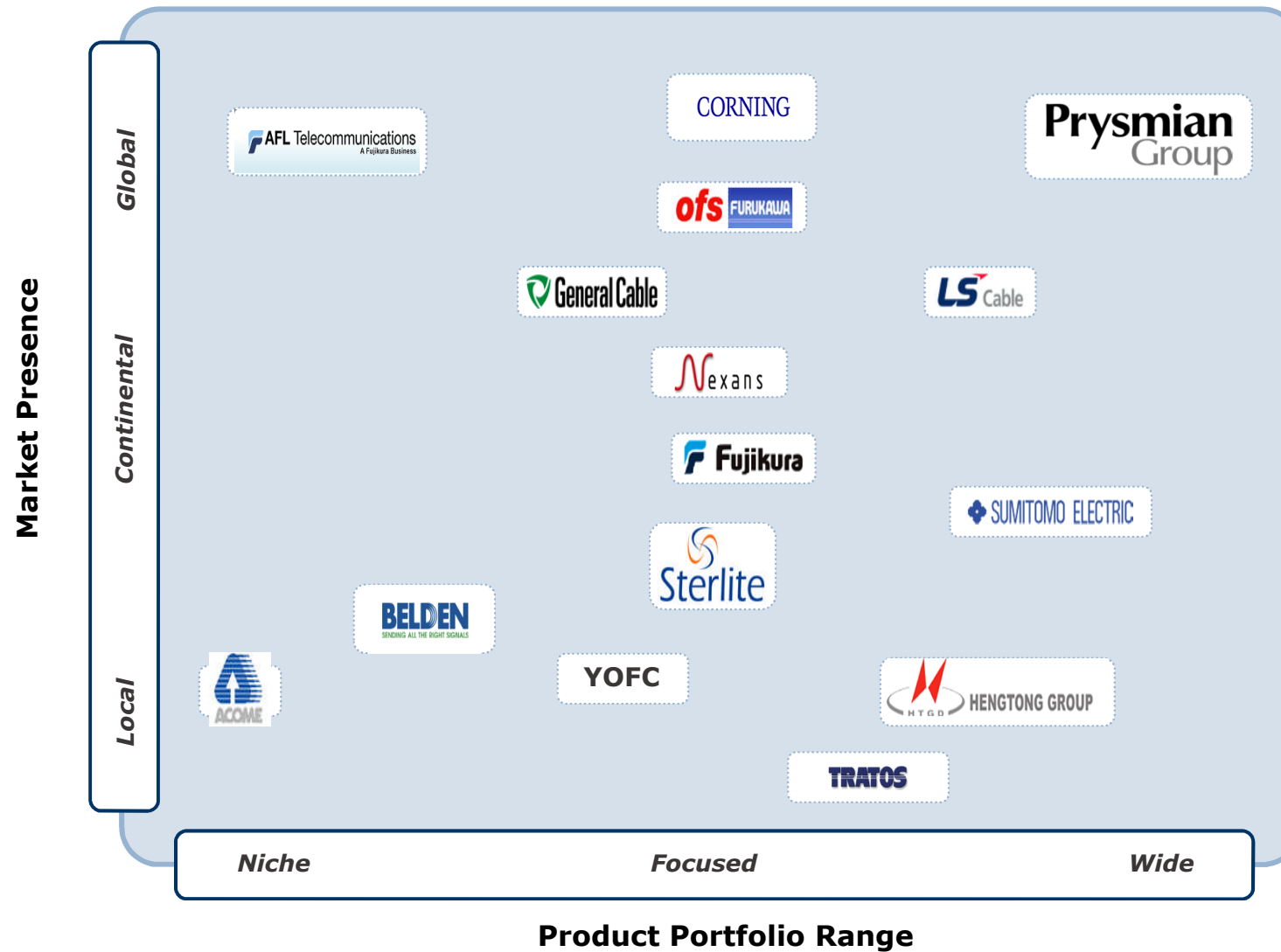


# AGENDA

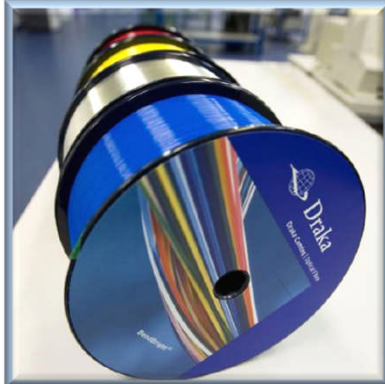
- Group Overview
- Financial Results
- Appendix – Telecom

# Major Players within the Telecom Industry

Competitive scenario

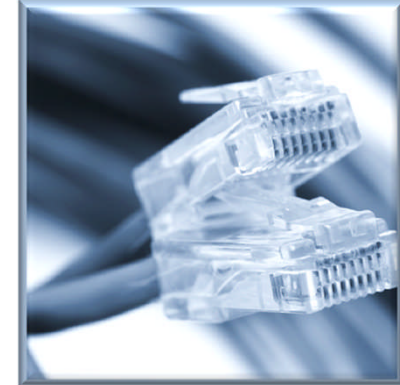
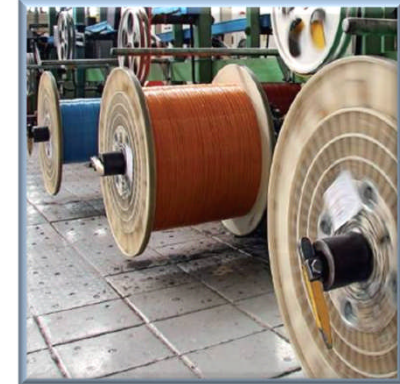
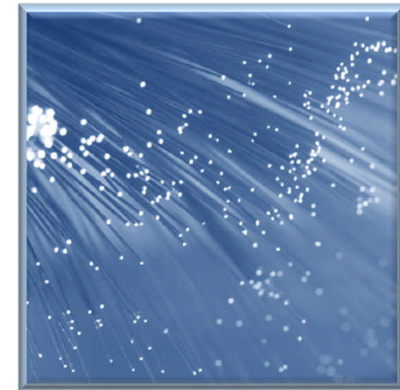


# All cable solutions for Telecom Business



## Telecom

- **Optical Cables**
- **Connectivity/FTTx passive systems**
- **Optical Fiber**
- **Copper Cables**
- **Multimedia Solutions**
- **Telecom Solutions**





# Our Telecom Business

## Business description

*Integrated cable solutions focused on high -end Telecom*

### Telecom solutions

Optical cables: tailored for all today's challenging environments from underground ducts to overhead lines, rail tunnels and sewerage pipes

Copper cables: broad portfolio for underground and overhead solutions, residential and commercial buildings

Connectivity: FTTH systems based upon existing technologies and specially developed proprietary optical fibres



### MMS

Multimedia specials: solutions for radio, TV and film, harsh industrial environments, radio frequency, central office switching and datacom

Mobile networks: Antenna line products for mobile operators

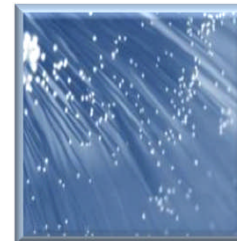
Railway infrastructure: Buried distribution & railfoot cables for long distance telecommunication and advanced signalling cables for such applications as light signalling and track switching



### Optical Fiber

Optical fiber products: single-mode optical fiber, multimode optical fibers and specialty fibers (DrakaElite)

Manufacturing: our proprietary manufacturing process for Plasma-activated Chemical Vapor Deposition and Licensed OVD Technology (600 unique inventions corresponding to > 1.4K patents) positions us at the forefront of today's technology



## Key customers

Key customers include key operators in the telecom sector

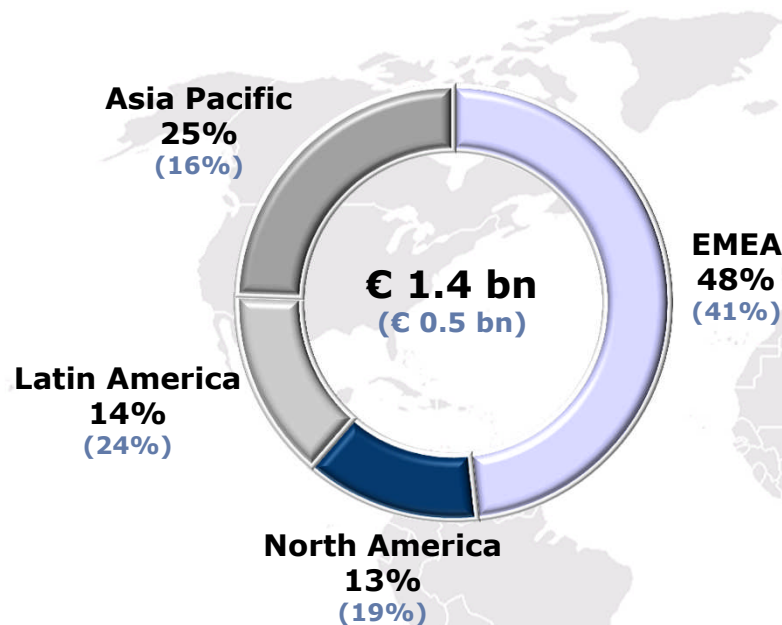


# Telecom

A more diversified portfolio to strengthen market presence worldwide

## Sales breakdown by geographical area

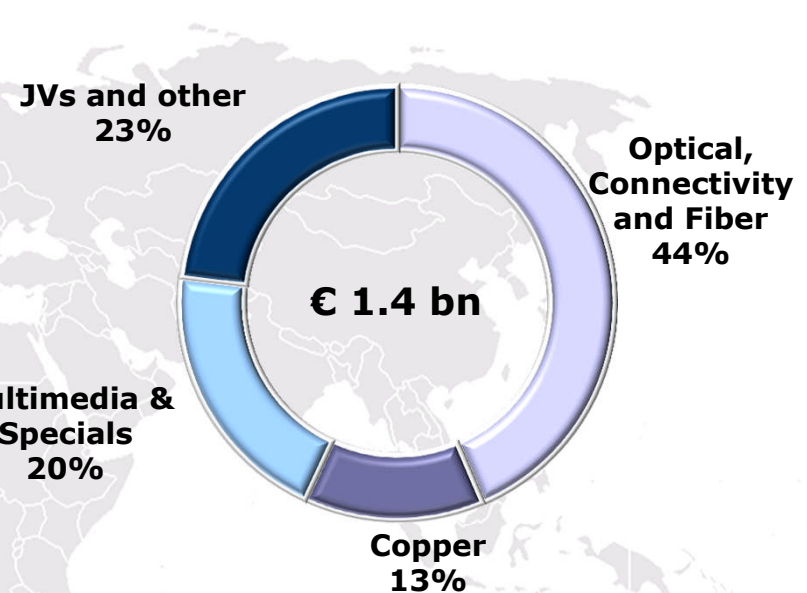
**FY 2011 combined**  
(FY 2011 Prysmian excl. Draka)



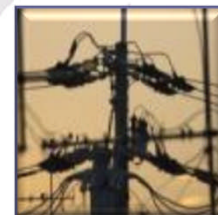
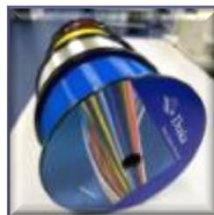
Increased exposure to Asia Pacific

## Sales breakdown by business segment

**FY2011 combined**



New leader in optical fibre cables



# Optical cables

## Global overview

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### Market trends

- Demand function of level of capital expenditures budgeted by large telecom companies (PTT/incumbents as well as alternative operators) for network infrastructures, mainly as a consequence of:
  - Growing number of internet users
  - Diffusion of broadband services / other high-tech services (i.e. IPTV)

### Key success factors

- Continuous innovation and development of new cable & fibre products
- Cable design innovation with special focus on installation cost reduction
- Relentless activity to maintain the highest quality and service level
- Focus on costs to remain competitive in a highly price sensitive environment

### Strategic value of fibre

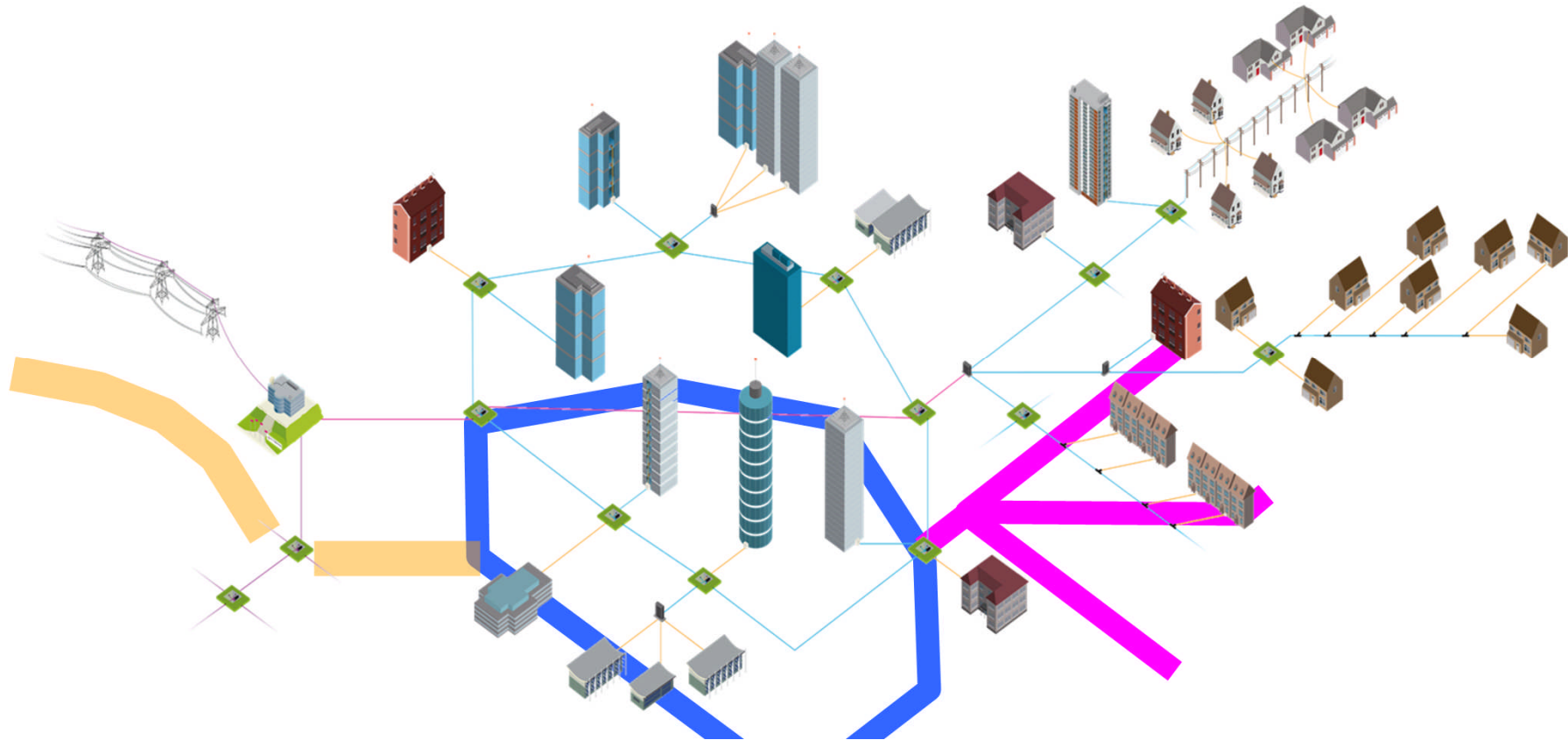
- Fibre optic represents the major single component cost of optical cables
- Fibre optic production has high entry barriers:
  - Proprietary technology or licenses difficult to obtain
  - Long time to develop know-how
  - Capital intensity
- When fibre optic is short, vertically integrated cable manufacturers leverage on a strong competitive advantage

### Action plan

- Maintain & reinforce position with key established clients
- Further penetration of large incumbents in emerging regions
- Optimize utilization of low cost manufacturing units
- Expand distribution model in Domestic & Export
- Streamline the inter-company process
- Fully integrated products sales
- Refocus on export activities
- Increase level and effectiveness of agents

# Telecom Cables Main Applications

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**BACKBONE**

**METROPOLITAN RING**

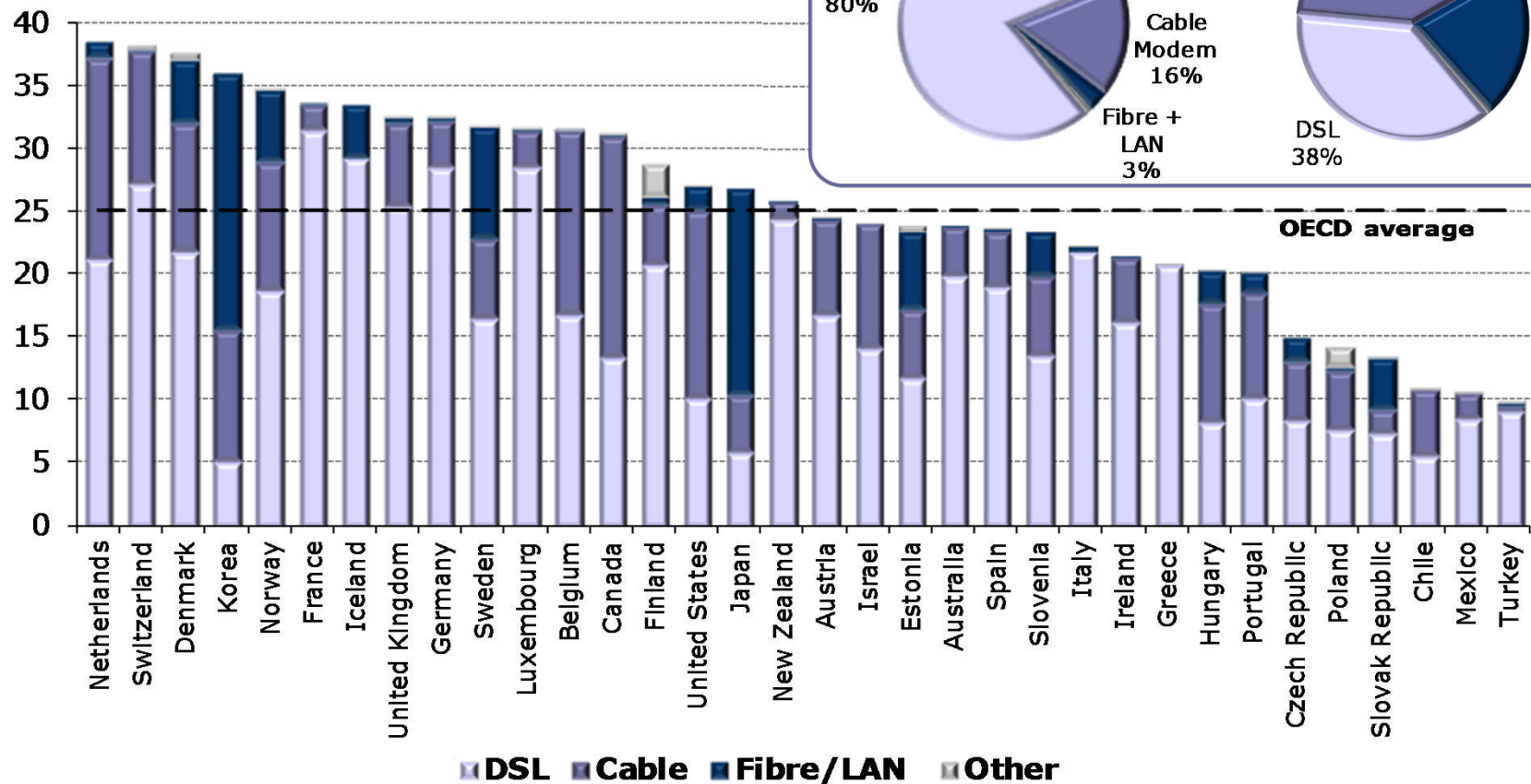
**ACCESS NETWORK**

# Telecom - Europe as major opportunity in optical cables development

FTTH investments continue to grow but still at 3% of total subscribers in Europe

## OECD fixed (wired) broadband subscribers by country

Prysmian Group Leader in most of the European countries







Source: OECD, June 2011



# Consolidated leadership in Australia to benefit from new NBN project

Start-up of National broadband network in 2011

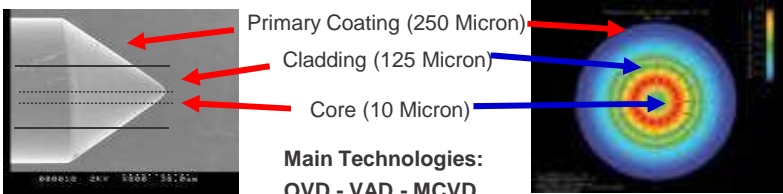

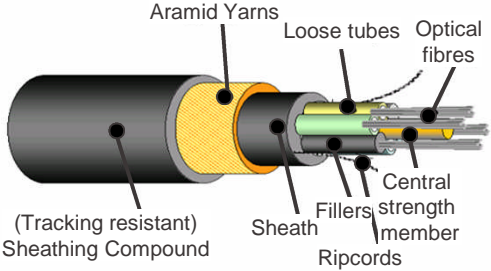
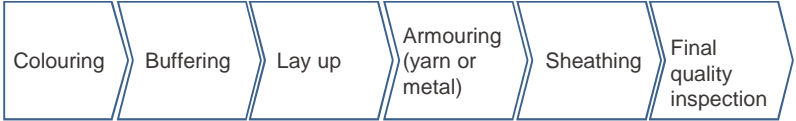
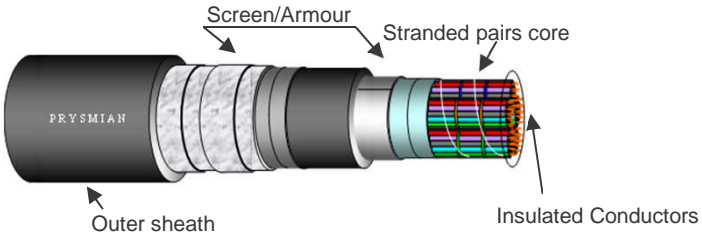
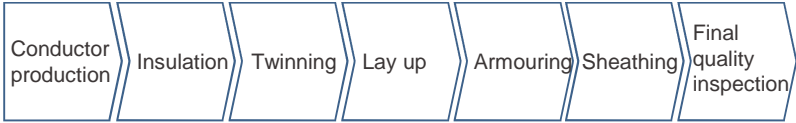


-  Priority locations
-  First release sites
-  Second release sites
-  Cities/Towns

## Rollout plan for National Broadband Network

- Government initiative to provide direct fibre connection to 93% of Australian subscribers (residential and business)
- AUD 43 bn capex planned during the period (2011-2019); construction started in 2011
- Telstra and NBN agreed to jointly develop the new network
- Prysmian signed a 5-year agreement with NBN as major supplier of optical cables for the network (AUD 300m)
- Prysmian signed new 4-year frame agreement with Telstra to supply optical and copper cables
- Large part of existing and new Telstra cable infrastructure being used within the NBN network
- Prysmian doubling optical cable capacity in Australian Dee Why site

# Macro-structure of Telecom Cables

	Product macro structure	Production process
<b>Fibre optic</b>	 <p>Primary Coating (250 Micron) Cladding (125 Micron) Core (10 Micron)</p> <p>Main Technologies: OVD - VAD - MCVD</p>	 <pre> graph LR     A[Pre form deposition] --&gt; B[Consolidation]     B --&gt; C[Drawing]     C --&gt; D[Final quality inspection]     </pre>
<b>Optical cables</b>	 <p>(Tracking resistant) Sheathing Compound Aramid Yarns Loose tubes Optical fibres Central strength member Fillers Ripcords Sheath</p>	 <pre> graph LR     A[Colouring] --&gt; B[Buffering]     B --&gt; C[Lay up]     C --&gt; D[Armouring (yarn or metal)]     D --&gt; E[Sheathing]     E --&gt; F[Final quality inspection]     </pre>
<b>Copper cables</b>	 <p>Outer sheath Screen/Armour Stranded pairs core Insulated Conductors</p>	 <pre> graph LR     A[Conductor production] --&gt; B[Insulation]     B --&gt; C[Twining]     C --&gt; D[Lay up]     D --&gt; E[Armouring]     E --&gt; F[Sheathing]     F --&gt; G[Final quality inspection]     </pre>

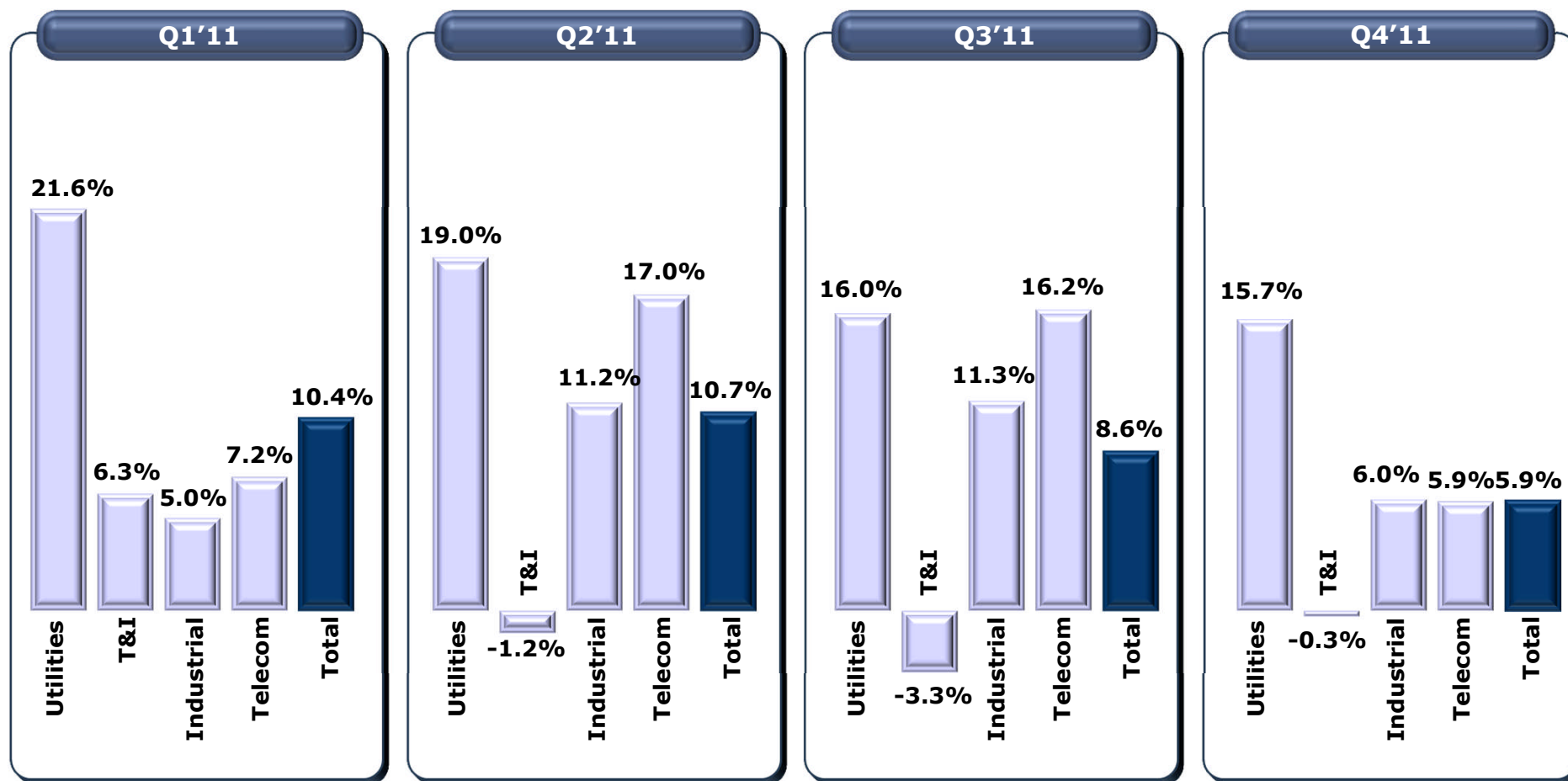
# AGENDA

- Group Overview
- Financial Results
- Appendix – Financials



# Organic Growth<sup>(1)</sup> in 2011

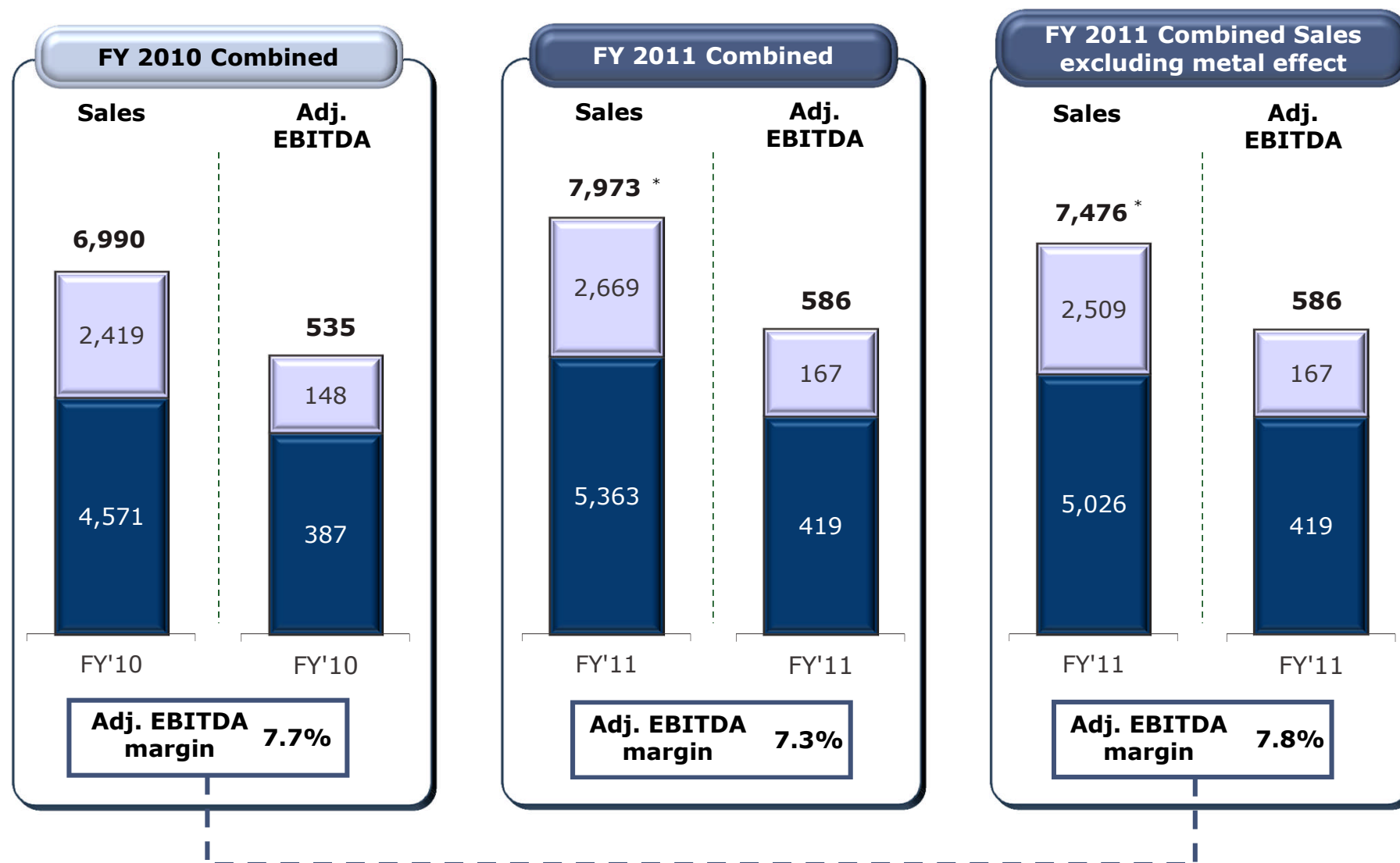
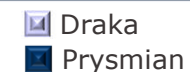
% Variation on the same quarter of the previous year



(1) Calculated on combined figures

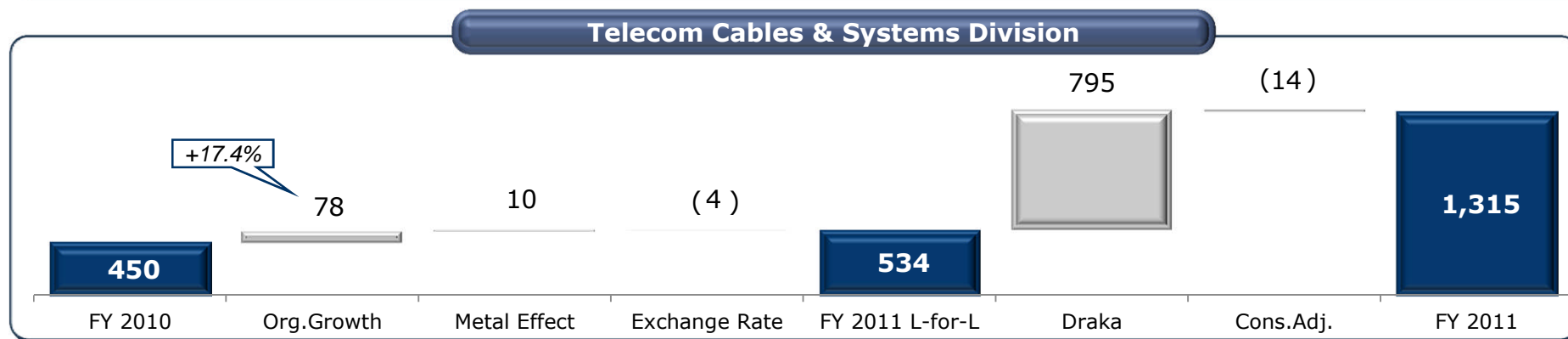
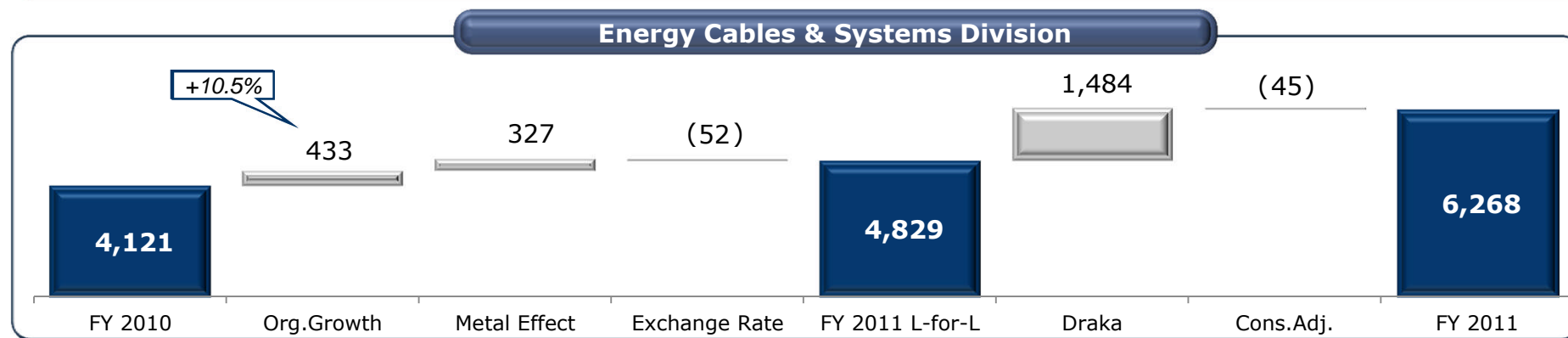
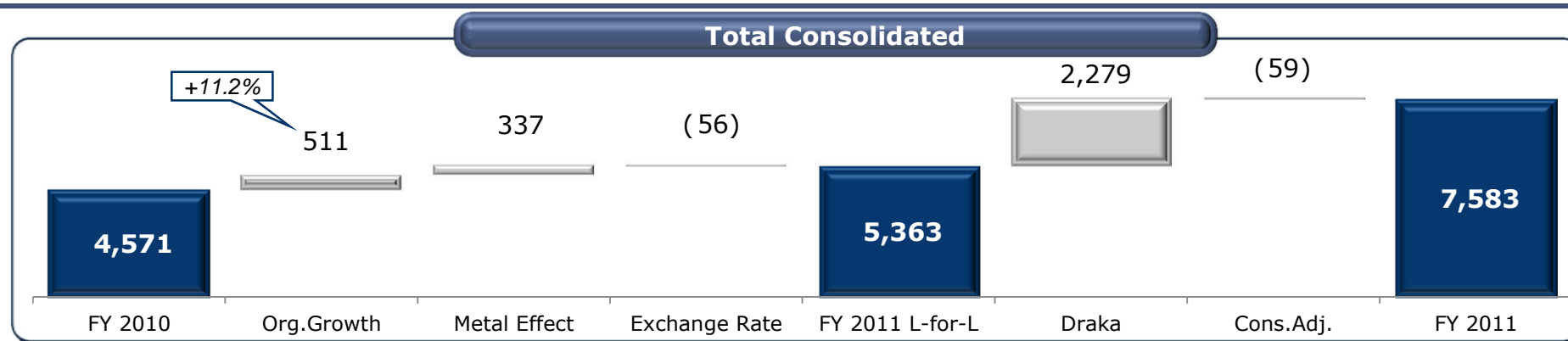
# Combined Adj.EBITDA margin 2011 Vs 2010

Euro million - % on Sales



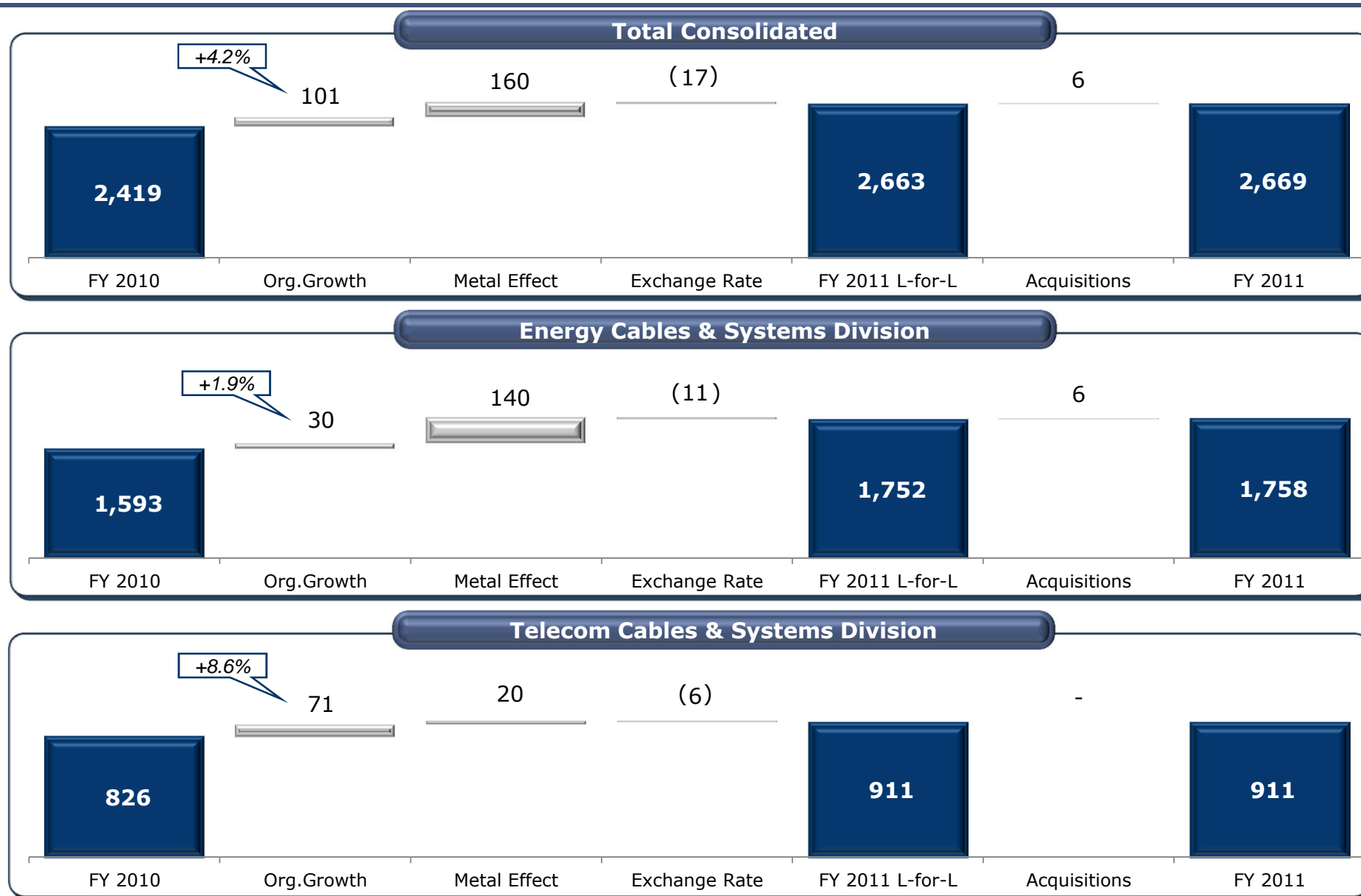
# Bridge Reported Consolidated Sales

Euro Millions



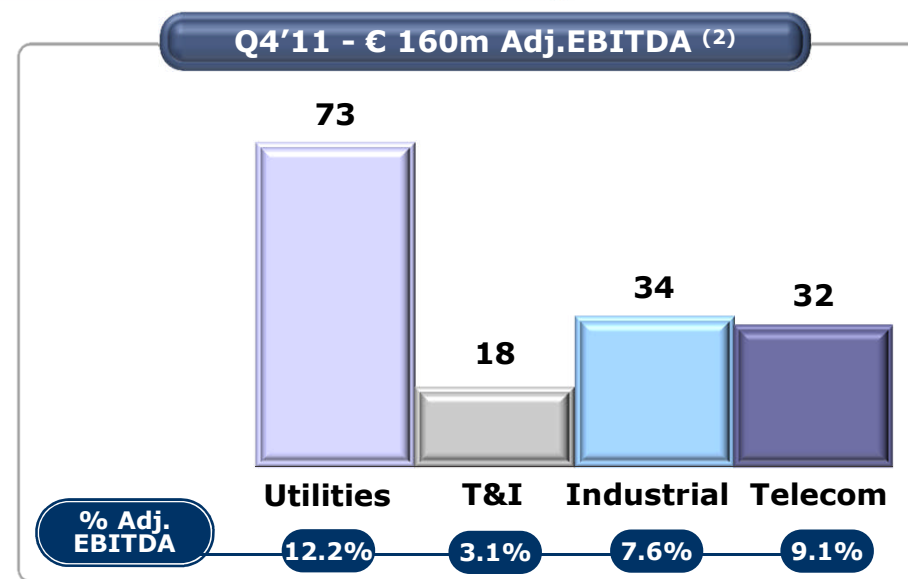
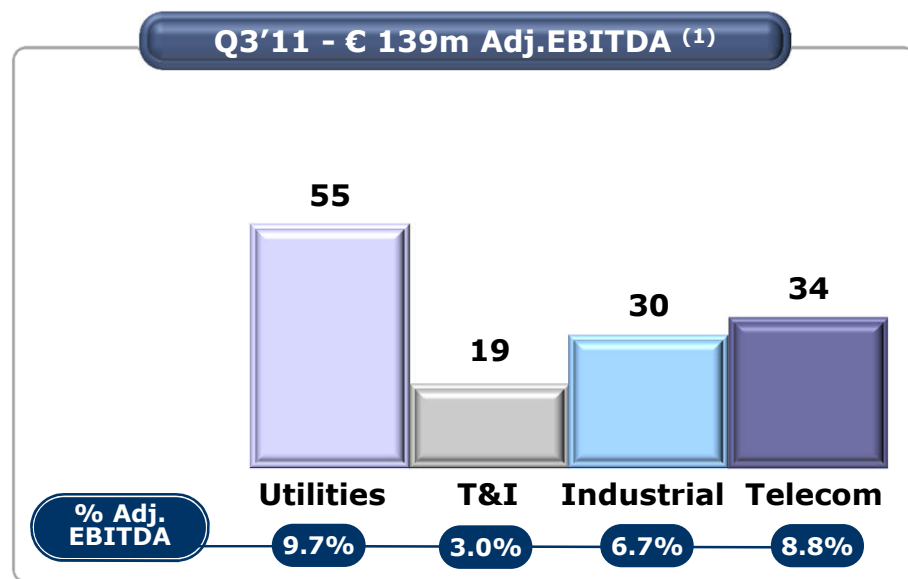
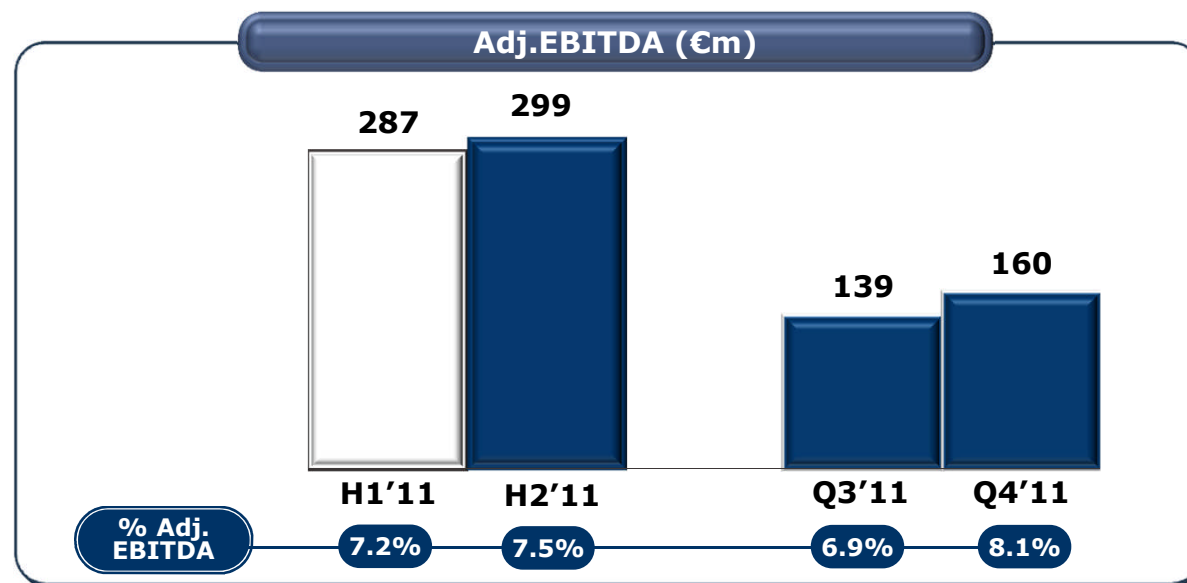
# Draka - Bridge Full FY Sales

Euro Millions



# Adj.EBITDA evolution

Utilities driving Group margins recovery



Note: full combined figures . (1) Includes Other (€ 1 mln) (2) Includes Other (€ 3 mln)

# Extraordinary Effects

Euro Millions

	FY 2011 Reported <sup>a)</sup>				FY 2010 Combined <sup>b)</sup>		
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total
Antitrust investigation	(205)	-	-	(205)	-	-	-
Restructuring	(22)	(34)	-	(56)	(11)	(48)	(59)
Legal costs	-	-	-	-	(5)	-	(5)
Draka transaction costs	(6)	-	-	(6)	(6)	(8)	(14)
Draka integration costs	(10)	(2)	-	(12)	-	-	-
Draka change of control effects	(2)	-	-	(2)	-	-	-
Inventory step-up (PPA)	-	-	(14)	(14)	-	-	-
Other	(2)	(2)	-	(4)	-	-	-
<b>EBITDA adjustments</b>	<b>(247)</b>	<b>(38)</b>	<b>(14)</b>	<b>(299)</b>	<b>(22)</b>	<b>(56)</b>	<b>(78)</b>
Special items	(98)	(10)	-	(108)	20	-	20
Gain/(loss) on metal derivatives	(56)	(6)	-	(62)	28	-	28
Assets impairment	(36)	(2)	-	(38)	(8)	-	(8)
Other	(6)	(2)	-	(8)	-	-	-
<b>EBIT adjustments</b>	<b>(345)</b>	<b>(48)</b>	<b>(14)</b>	<b>(407)</b>	<b>(2)</b>	<b>(56)</b>	<b>(58)</b>
Gain/(Loss) on other derivatives <sup>(1)</sup>	5	2	-	7	(38)	1	(37)
Gain/(Loss) exchange rate	(19)	(2)	-	(21)	7	(3)	4
Other one-off financial Income/exp.	-	-	-	-	2	(3)	(1)
<b>EBT adjustments</b>	<b>(359)</b>	<b>(48)</b>	<b>(14)</b>	<b>(421)</b>	<b>(31)</b>	<b>(61)</b>	<b>(92)</b>
Tax	38	4	3	45	8	4	12
<b>Net Income adjustments</b>	<b>(321)</b>	<b>(44)</b>	<b>(11)</b>	<b>(376)</b>	<b>(23)</b>	<b>(57)</b>	<b>(80)</b>

## Notes

<sup>(1)</sup> Includes currency and interest derivatives

a) Includes Draka consolidated 10 months from 1 March 2011

b) Includes Draka consolidated all 12 months



# Financial Charges

Euro Millions

	FY 2011 Reported <sup>a)</sup>				FY 2010 Combined <sup>b)</sup>		
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total
<b>Net interest expenses</b>	<b>(84)</b>	<b>(20)</b>	<b>-</b>	<b>(104)</b>	<b>(61)</b>	<b>(23)</b>	<b>(84)</b>
Bank fees Amortization	(11)	-	-	(11)	(6)	(4)	(10)
Gain/(loss) on exchange rates	(19)	(2)	-	(21)	7	(3)	4
Gain/(loss) on derivatives <sup>(1)</sup>	5	2	-	7	(38)	1	(37)
Non recurring effects	-	-	-	-	2	(3)	(1)
<b>Net financial charges</b>	<b>(109)</b>	<b>(20)</b>	<b>-</b>	<b>(129)</b>	<b>(96)</b>	<b>(32)</b>	<b>(128)</b>
Share in net income of associates	7	7	(5)	9	2	8	10
<b>Total financial charges</b>	<b>(102)</b>	<b>(13)</b>	<b>(5)</b>	<b>(120)</b>	<b>(94)</b>	<b>(24)</b>	<b>(118)</b>

## Notes

<sup>(1)</sup> Includes currency and interest derivatives

<sup>a)</sup> Includes Draka consolidated 10 months from 1 March 2011

<sup>b)</sup> Includes Draka consolidated all 12 months

# Energy Segment – Profit and Loss Statement

Euro Millions

	FY 2011 Reported a)				FY 2010 Combined b)			FY 2011 Combined b)			
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total	PRY	DRAK	Cons. adj.	Total
<b>Sales</b>	<b>4,860</b>	<b>1,517</b>	<b>(45)</b>	<b>6,332</b>	<b>4,145</b>	<b>1,630</b>	<b>5,775</b>	<b>4,860</b>	<b>1,802</b>	<b>(45)</b>	<b>6,617</b>
<b>Sales vs. Third Parties</b>	<b>4,829</b>	<b>1,484</b>	<b>(45)</b>	<b>6,268</b>	<b>4,121</b>	<b>1,593</b>	<b>5,714</b>	<b>4,829</b>	<b>1,758</b>	<b>(45)</b>	<b>6,542</b>
<i>YoY total growth</i>	17.2%	7.3%		52.1%	23.8%	21.9%		17.2%	10.4%		14.5%
<i>YoY organic growth</i>	10.5%	0.8%			3.4%	0.4%		10.5%	1.9%		8.1%
<b>Adj. EBITDA</b>	<b>373</b>	<b>74</b>	<b>-</b>	<b>447</b>	<b>351</b>	<b>82</b>	<b>433</b>	<b>373</b>	<b>85</b>		<b>458</b>
<i>% on sales</i>	7.7%	4.9%		7.1%	8.5%	5.0%	7.5%	7.7%	4.8%		6.9%
<b>Adj. EBIT</b>	<b>304</b>	<b>46</b>	<b>(2)</b>	<b>348</b>	<b>280</b>	<b>47</b>	<b>327</b>	<b>304</b>	<b>52</b>	<b>(2)</b>	<b>354</b>
<i>% on sales</i>	6.2%	3.0%		5.5%	6.8%	2.9%	5.7%	6.2%	2.8%		5.3%

a) Includes Draka consolidated 10 months from 1 March 2011

b) Includes Draka consolidated all 12 months

# Energy Segment – Sales and Profitability by business area

Euro Millions, % of Sales Growth – FY combined

		FY 2011 Comb.	FY 2010 Comb.	Total growth	Organic growth
		Total	Total	Total	Total
Sales	Utilities	2,269	1,873		
	<i>of which to third parties</i>	2,267	1,873	25.8%	17.8%
	Trade & Installers	2,500	2,300		
	<i>of which to third parties</i>	2,412	2,236	55.7%	0.1%
	Industrial	1,742	1,500		
	<i>of which to third parties</i>	1,736	1,481	116.7%	8.5%
	Others	154	146		
	<i>of which to third parties</i>	127	124	n.m.	n.m.
Eliminations		(48)	(44)		
<b>Total Energy</b>		<b>6,617</b>	<b>5,775</b>		
<i><b>of which to third parties</b></i>		<b>6,542</b>	<b>5,714</b>	<b>52.1%</b>	<b>8.1%</b>
				FY'11 % on Sales	FY'10 % on Sales
				Total	Total
Adj. EBITDA	Utilities	268	260	11.8%	13.9%
	Trade & Installers	76	72	3.0%	3.1%
	Industrial	110	97	6.3%	6.5%
	Others	4	4	n.m.	n.m.
<b>Total Energy</b>		<b>458</b>	<b>433</b>	<b>6.9%</b>	<b>7.5%</b>
Adj. EBIT	Utilities	242	223	10.7%	12.0%
	Trade & Installers	38	39	1.5%	1.8%
	Industrial	73	62	4.2%	4.1%
	Others	1	3	n.m.	n.m.
<b>Total Energy</b>		<b>354</b>	<b>327</b>	<b>5.3%</b>	<b>5.7%</b>

# Telecom Segment – Profit and Loss Statement

Euro Millions

	FY 2011 Reported a)				FY 2010 Combined b)			FY 2011 Combined b)			
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total	PRY	DRAK	Cons. adj.	Total
<b>Sales</b>	<b>537</b>	<b>813</b>	<b>(14)</b>	<b>1,336</b>	<b>454</b>	<b>865</b>	<b>1,319</b>	<b>537</b>	<b>935</b>	<b>(14)</b>	<b>1,458</b>
<b>Sales vs. Third Parties</b>	<b>534</b>	<b>795</b>	<b>(14)</b>	<b>1,315</b>	<b>450</b>	<b>826</b>	<b>1,276</b>	<b>534</b>	<b>911</b>	<b>(14)</b>	<b>1,431</b>
<i>YoY total growth</i>	18.7%	10.9%		192.2%	11.7%	13.0%		18.7%	10.2%		12.1%
<i>YoY organic growth</i>	17.4%	10.2%			1.2%	9.5%		17.4%	8.6%		11.7%
<b>Adj. EBITDA</b>	<b>46</b>	<b>75</b>	<b>-</b>	<b>121</b>	<b>36</b>	<b>66</b>	<b>102</b>	<b>46</b>	<b>82</b>	<b>-</b>	<b>128</b>
<i>% on sales</i>	8.5%	9.2%		9.1%	7.9%	7.6%	7.7%	8.5%	8.8%		8.8%
<b>Adj. EBIT</b>	<b>38</b>	<b>52</b>	<b>(12)</b>	<b>78</b>	<b>29</b>	<b>38</b>	<b>67</b>	<b>38</b>	<b>55</b>	<b>(12)</b>	<b>81</b>
<i>% on sales</i>	7.0%	6.4%		5.8%	6.3%	4.4%	5.1%	7.0%	4.6%		5.6%

a) Includes Draka consolidated 10 months from 1 March 2011

b) Includes Draka consolidated all 12 months

# PPA allocation

Euro Millions

	Opening balance 1 March 2011	Of which Adj.PPA
	DRAK	DRAK
Net fixed assets	903	203
<i>of which: intangible assets</i>	214	104 <sup>a)</sup>
<i>of which: property, plants &amp; equipment</i>	614	89
<i>of which: equity investments</i>	69	10
Net working capital	286	7
Provisions & deferred taxes	(85)	(74)
<b>Net Capital Employed</b>	<b>1,104</b>	<b>136</b>
Employee provisions	92	
Shareholders' equity	655	136
<i>of which: attributable to minority interest</i>	23	-
Net financial position	357	
<b>Total Financing and Equity</b>	<b>1,104</b>	<b>136</b>

**Final Goodwill of € 352m**  
**(Purchase price € 978m – Fair value acquired net assets<sup>(b)</sup> € 626)**

<sup>a)</sup> € 185 m step-up of intangible assets (net of € 81 mln eliminated goodwill existing in Draka's accounts pre-acquisition)

<sup>b)</sup> Excluding minority interest

# Net Working Capital

Euro Millions

	31 Dec 2011	31 Dec 2010 combined
	Total	Total
Inventories	929	1,000
Trade accounts receivables	1,197	1,179
Trade accounts payables	(1,421)	(1,363)
Other receivables/(payables)	(126)	(132)
<b>Operative Net working capital</b>	<b>579</b>	<b>684</b>
Derivatives assets/(liabilities)	(27)	48
<b>Net working capital</b>	<b>552</b>	<b>732</b>
<b>% Operative NWC on sales <sup>(1)</sup></b>	<b>7.3%</b>	<b>9.0%</b>

## Notes

(1) Defined as Operating NWC on annualized last quarter sales



# Sound Financial Structure

Euro Millions

Debt structure (€m)			31.12.2011 (€m)		
	31.12.11	31.12.10	Used	Available Funds <sup>(2)</sup>	Maturity
Term Loan	674	773	674	-	12/2014
Eurobond	412	411	412	-	04/2015
Revolving Credit Facility	-	-	-	394	12/2014
Securitization	111	-	111	239	07/2012
Term Loan 2011	400	-	400	-	03/2016
Revolving 2011	-	-	-	400	03/2016
Other Debt	325	184	325	-	-
<b>Total Gross Debt</b>	<b>1,922</b>	<b>1,368</b>	<b>1,922</b>	<b>1,033</b>	<b>2.9 y <sup>(1)</sup></b>
Cash & Cash equivalents	(727)	(630)	(727)	727	
Other Financial Assets	(103)	(258)	(103)	79	
<b>NFP Vs third parties</b>	<b>1,092</b>	<b>480</b>	<b>1,092</b>	<b>1,839</b>	
Bank Fees	(28)	(21)			
<b>NFP</b>	<b>1,064</b>	<b>459</b>			

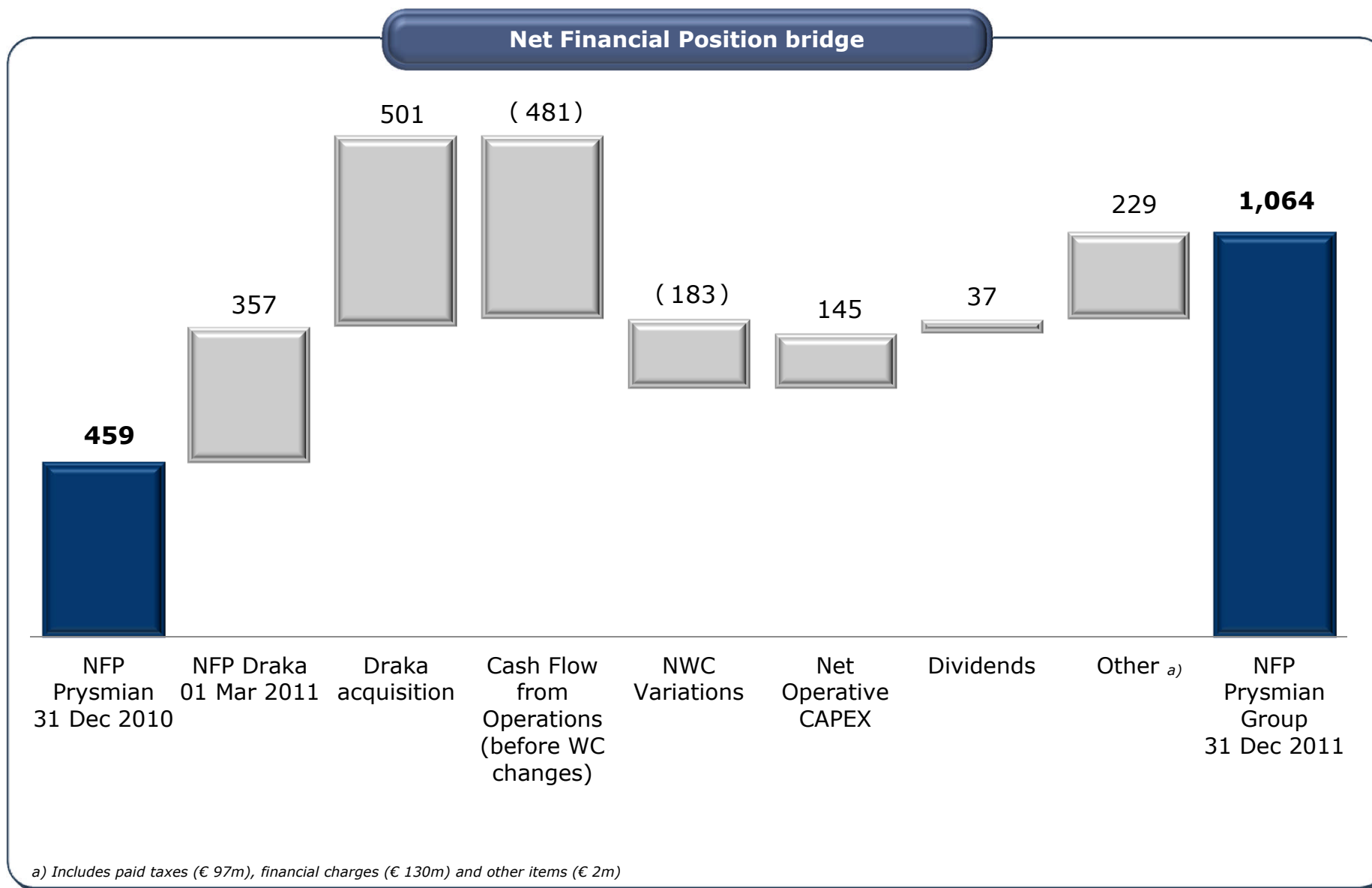
(1) Average maturity as of 31 Dec 2011

(2) Defined as Cash and Unused committed credit lines

Note: Average spread on utilized credit lines of 2.0%

# Evolution of Net Financial Position

Euro Millions



# Dividends

Dividend increase driven by sound cash generation

## Proposed DPS +27% vs 2010

- **Dividend x share** **€ 0.210**
  - Total payout: € 44 millions <sup>(1)</sup>
  - Ex-dividend date: 23 April 2012
  - Payment date: 26 April 2012
- **Dividend Yield:** 1.7% <sup>(2)</sup>

*(1) Based on 211,354,312 shares with dividend right:  
Total shares outstanding as of March 7, 2012 (214,393,481) – Treasury shares (3,039,169)*

*(2) Based on last 30 trading days average share price (€ 12.27) at 29/02/2012*

*(3) Outstanding as of March 7, 2012; including 3,039,169 Treasury shares*

### Total Shares <sup>(3)</sup>

214,393,481

### Shares with dividend right <sup>(1)</sup>

211,354,312

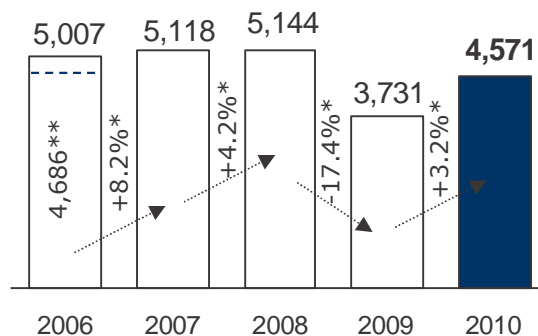
### Dividend Per Share

€ 0.210

# Prysmian Historical Key Financials

Euro Millions, % of Sales – Pre Draka acquisition

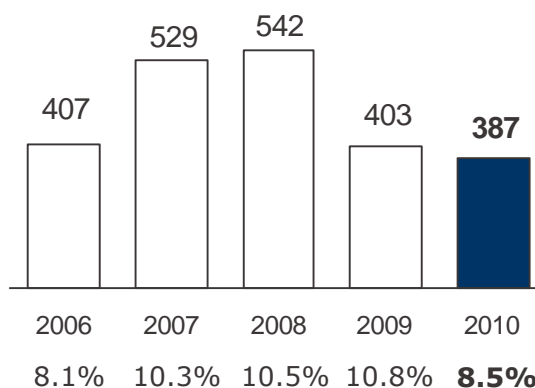
## Sales



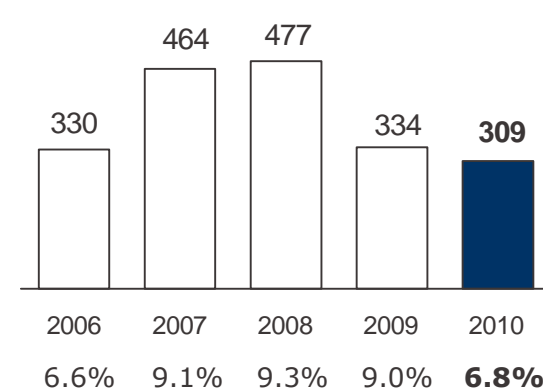
\* Organic Growth

\*\* Like for like excl. UK ROD business (€321m)

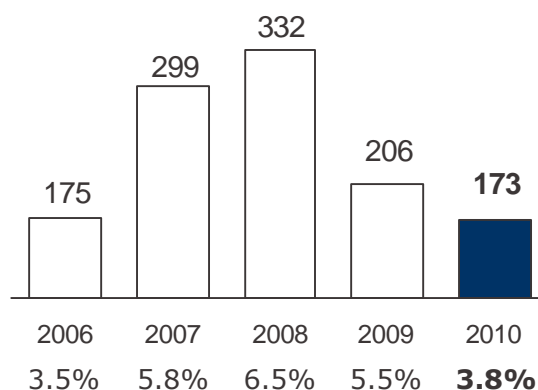
## Adjusted EBITDA (1)



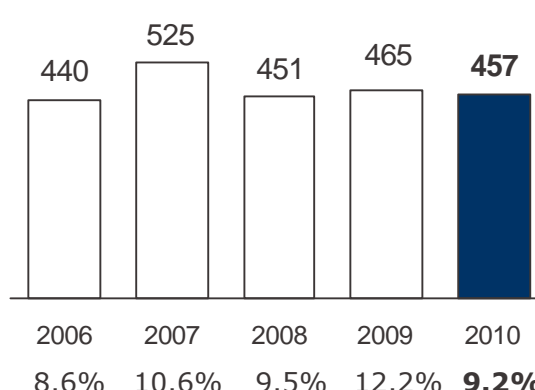
## Adjusted EBIT (2)



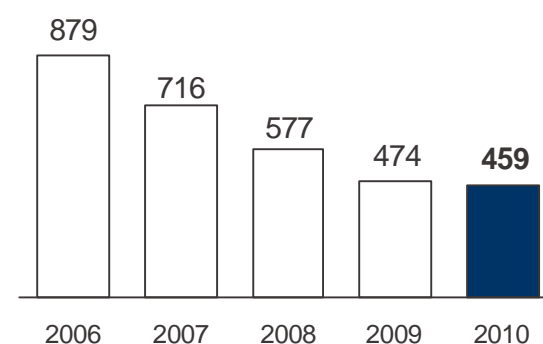
## Adjusted Net Income (3)



## Operative NWC (4)



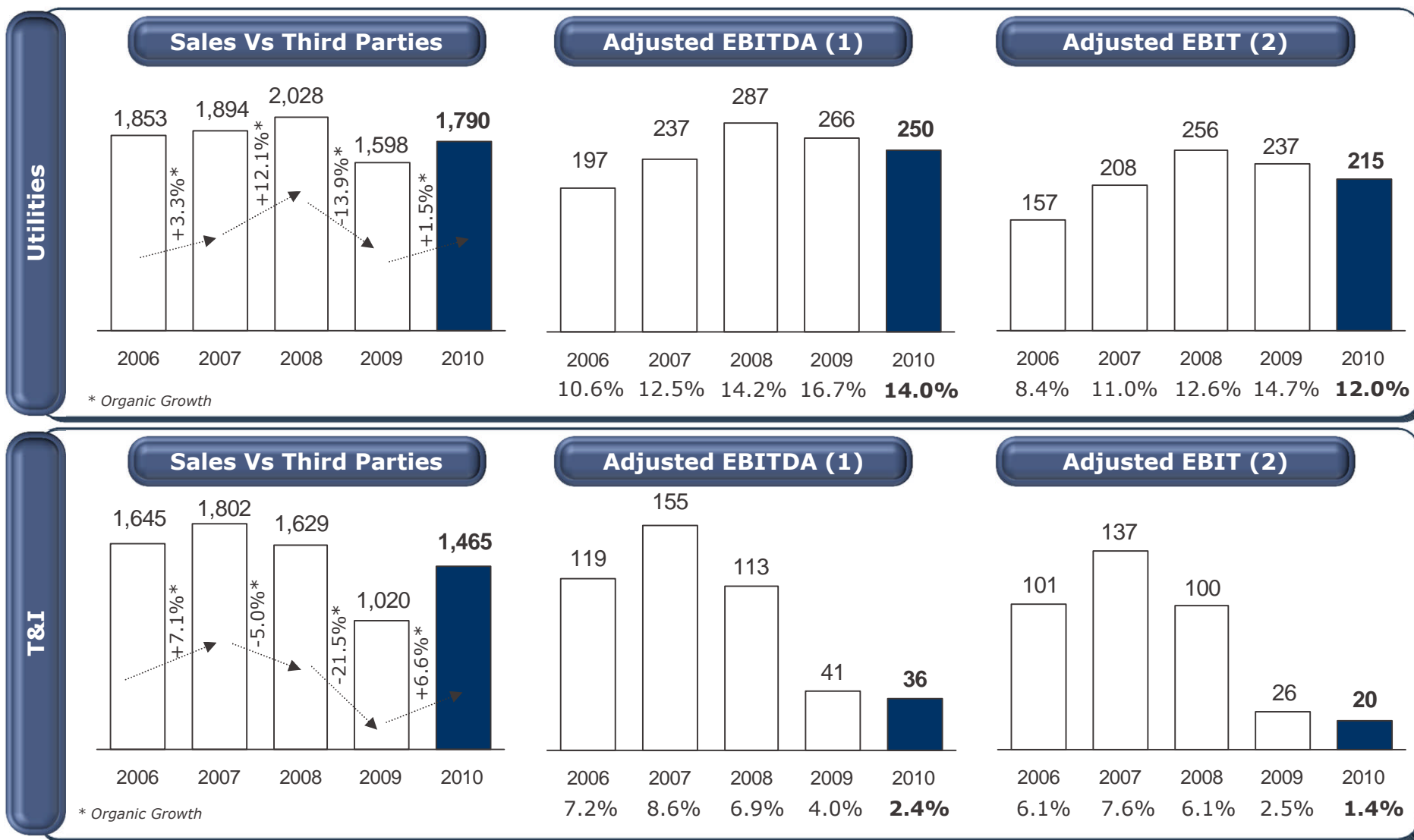
## Net Financial Position



(1) Adjusted excluding non-recurring income/expenses; (2) Adjusted excluding non-recurring income/expenses and the fair value change in metal derivatives and in other fair value items; (3) Adjusted excluding non-recurring income/expenses, the fair value change in metal derivatives and in other fair value items, exchange rate differences and the related tax effects; (4) Operative Net Working capital defined as Net Working Capital excluding the effect of derivatives; % of sales is defined as Operative Net Working Capital on annualized last quarter sales

# Historical Key Financials by Business Area – Utilities and T&I

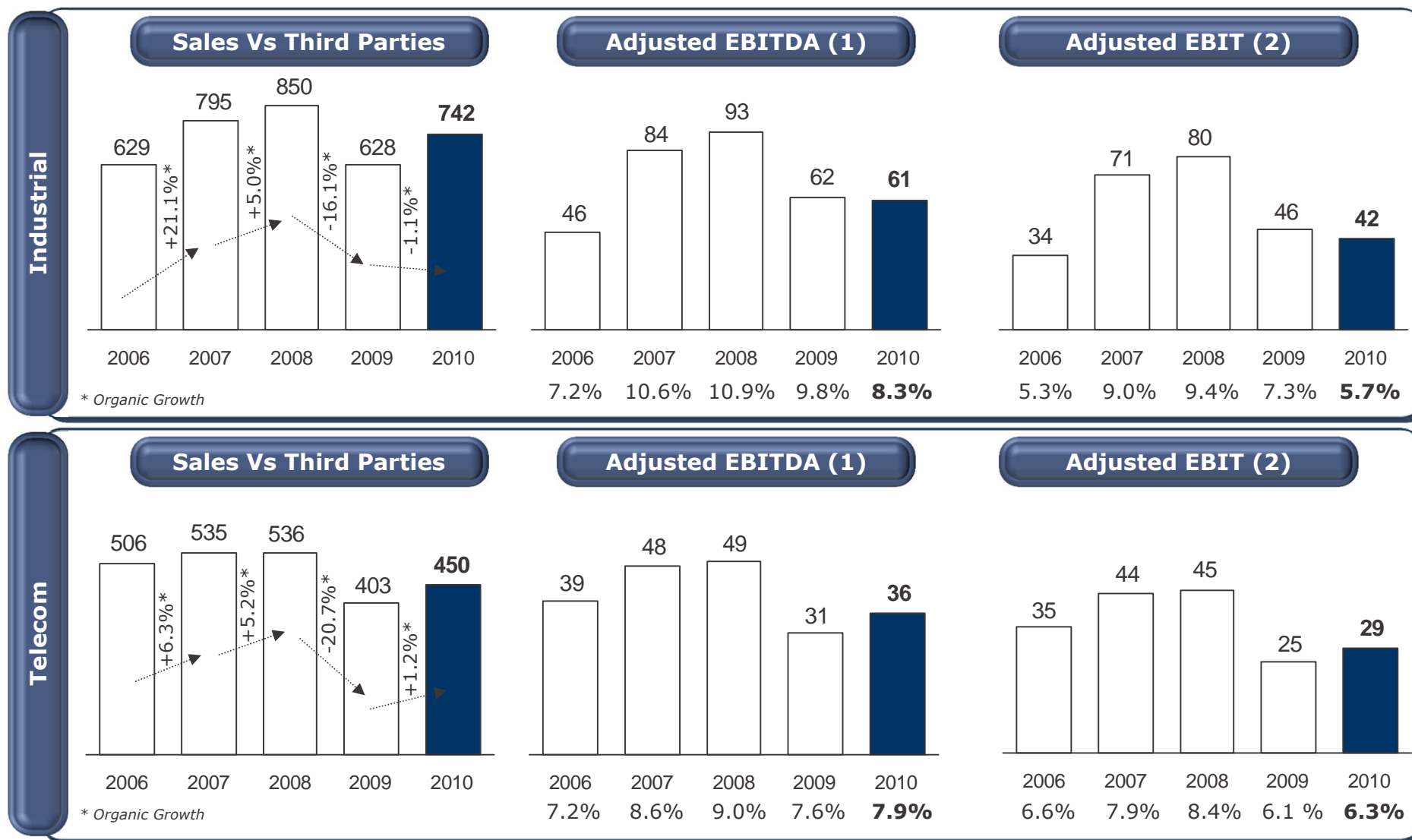
Euro Millions, % of Sales – Pre Draka acquisition



(1) Adjusted excluding non-recurring income/expenses; (2) Adjusted excluding non-recurring income/expenses, the fair value change in metal derivatives and in other fair-value items

# Historical Key Financials by Business Area – Industrial and Telecom

Euro Millions, % of Sales – Pre Draka acquisition



(1) Adjusted excluding non-recurring income/expenses; (2) Adjusted excluding non-recurring income/expenses, the fair value change in metal derivatives and in other fair-value items

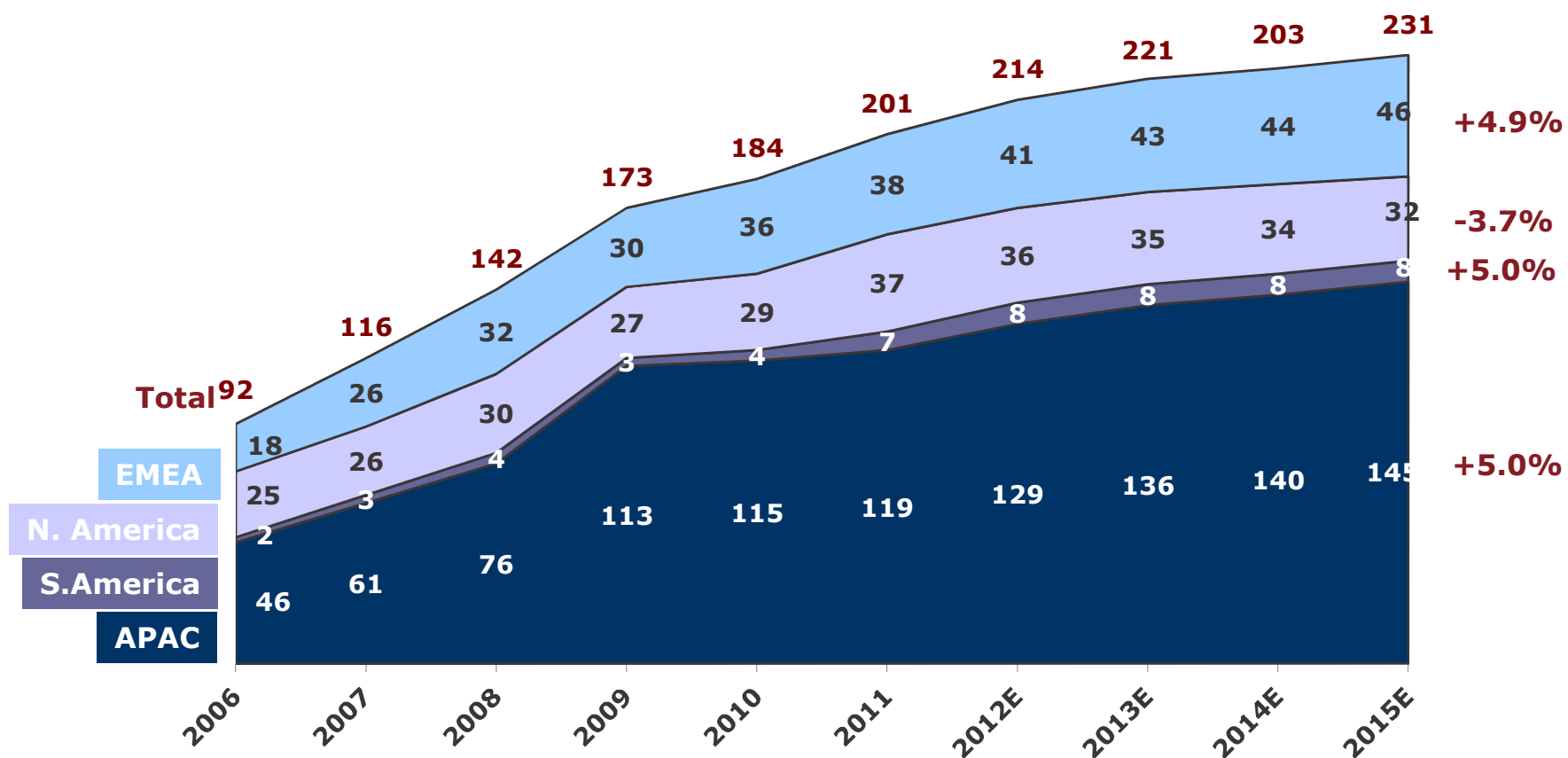


# AGENDA

- Group Overview
- Financial Results
- Appendix – Cable Industry Reference Scenario

# Telecom – Demand evolution by geographical area

Optical fibre cable (Million km)



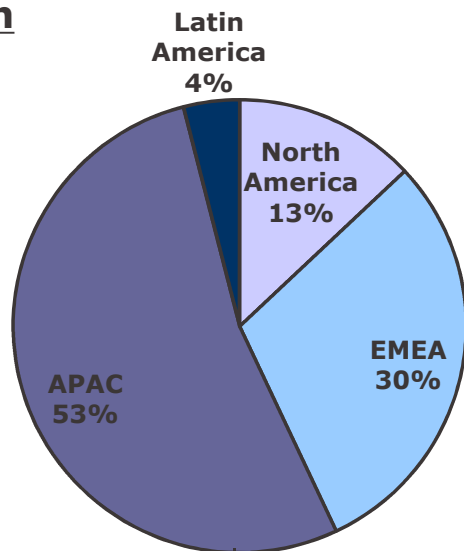
Source: CRU, January 2012

# The Global Cables Reference Market

World-Wide Cable Reference Market Size, 2011

## Global Cables Reference Market

**€ 99 bn**



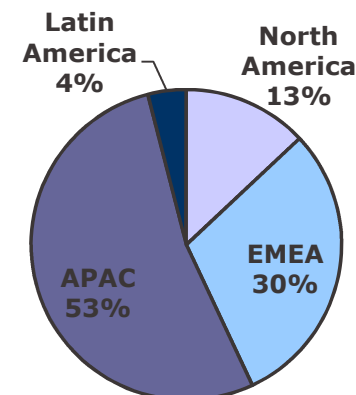
### Energy Cables Reference Market ~€89bn

- Trade and Installers
- Utilities
- Industrial

### Telecom Cables Reference Market ~€10bn

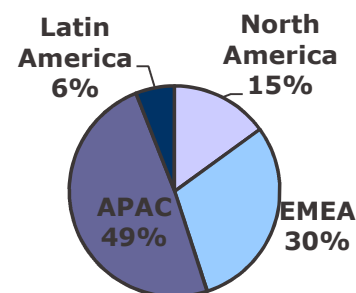
- Fibre Optical Cables
- Copper Cables

## Energy Cables Reference Market (~€89bn)

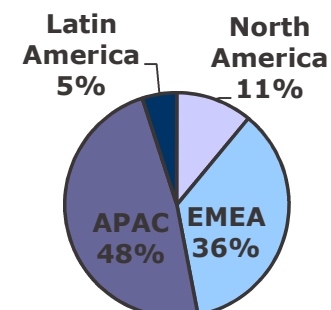


## Telecom Cables Reference Market (~€10bn )

### Optical Cables €5.8bn



### Copper Cables €3.9bn

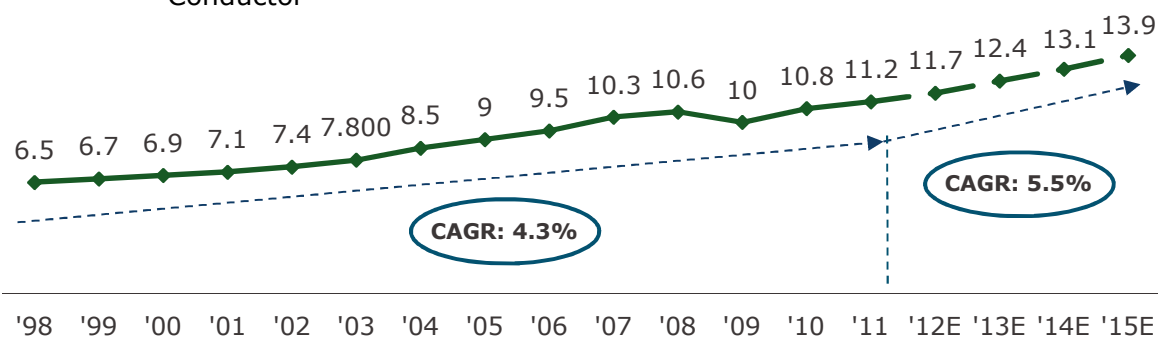


Source: Company analysis based on CRU data- Wire and Cable Quarterly January 2012. Prysmian reference markets are obtained by excluding from the global cable market the segments where the company does not compete (winding wire for the energy sector and internal telecom data and copper LAN cables for the telecom sector). Energy = Low Voltage and Power Cable; TLC = External Copper Tlc Cable, Fibre Optic

# Market Volumes Trend

## Energy Cables Reference Market

Million Tons  
Conductor

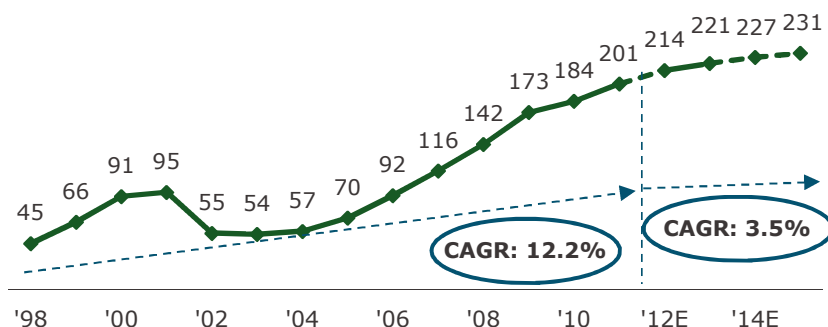


- Long term growth driven by:
  - Energy consumption
  - Investments in power grid interconnections
  - Investments in power transmission and distribution
  - Infrastructure investments
  - Renewable energy

## Telecom Cables Reference Market

### Optical Fiber Cables

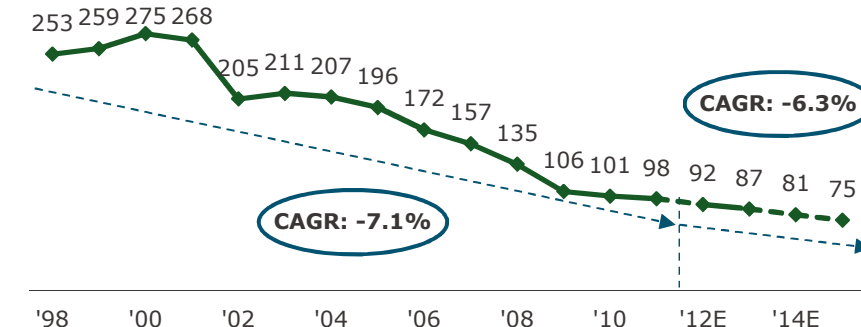
Million Km Fibre



Market growth driven by increased investment in fibre access networks (FTTx) and Next Generation Networks

### Copper Cables

Million Km Pair



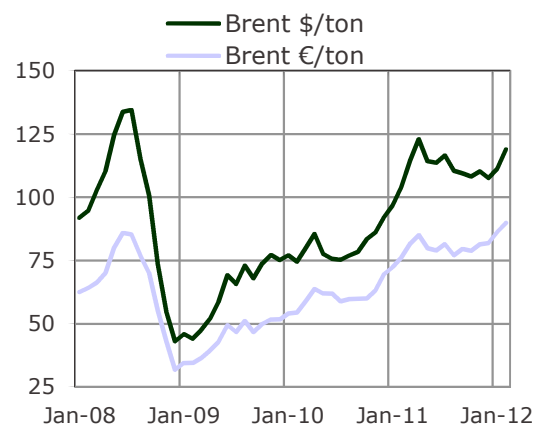
Declining historical development in copper cables expected to continue

Source: Company analysis based on January 2012 CRU data. Energy = Low Voltage and Power Cable; TLC = External Copper Tlc Cable, Fibre Optic.

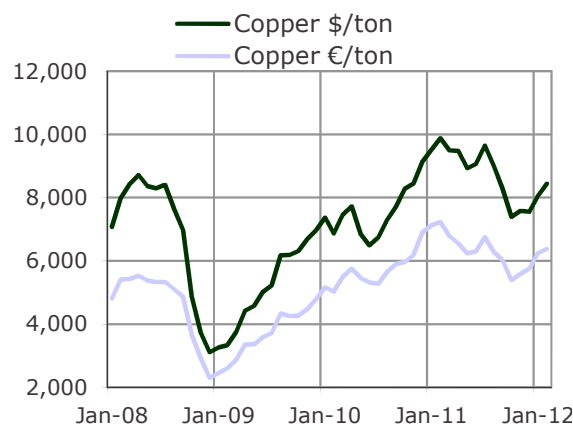
# Reference Scenario

## Commodities & Forex

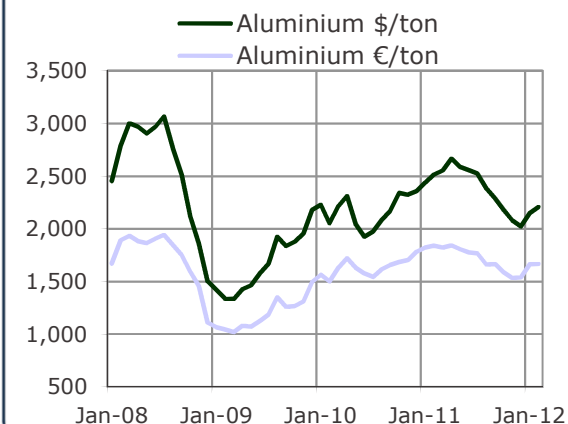
**Brent**



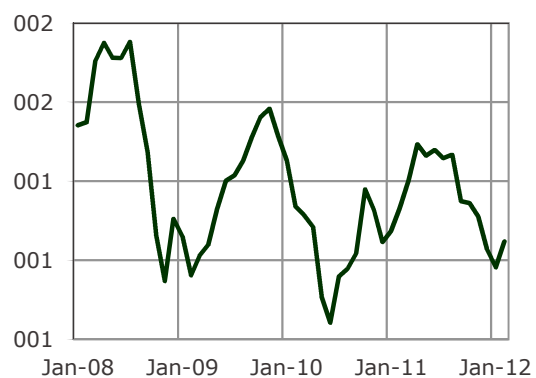
**Copper**



**Aluminium**



**EUR / USD**



**EUR / GBP**



**EUR / BRL**



Based on monthly average data  
Source: Thomson Reuters

# Disclaimer

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- The managers responsible for preparing the company's financial reports, J.Calvo and C.Soprano, declare, pursuant to paragraph 2 of Article 154-bis of the Consolidated Financial Act, that the accounting information contained in this presentation corresponds to the results documented in the books, accounting and other records of the company.
- Certain information included in this document is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially. The Company's businesses include its Energy and Telecom cables and systems sectors, and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting these businesses.
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