Prysmian Group Company Presentation

November 2016

PLATFORM TO ENHANCE CUSTOMER SERVICE **LINKING THE FUTURE** STRONGE
LEADING TECHNOLOGY LEADING TECHNOLOGY
WORLDWIDE LEADER IN RENEWABLE ENERG
EXTENDED PRODUCT OFFERING IN OGP AND IN

Prysmian Group

PRYSMIAN
Draka

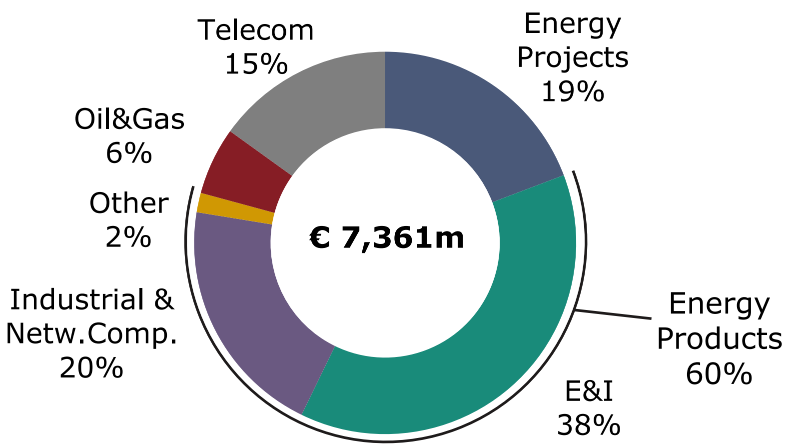
Agenda

- **Group overview**
- Results by business
- Outlook
- Financial Results
- Appendix

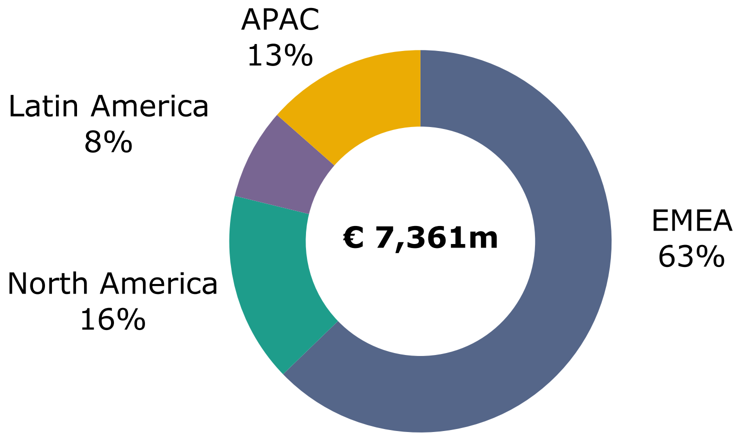
Prysmian group at a glance

FY 2015 Financial Results

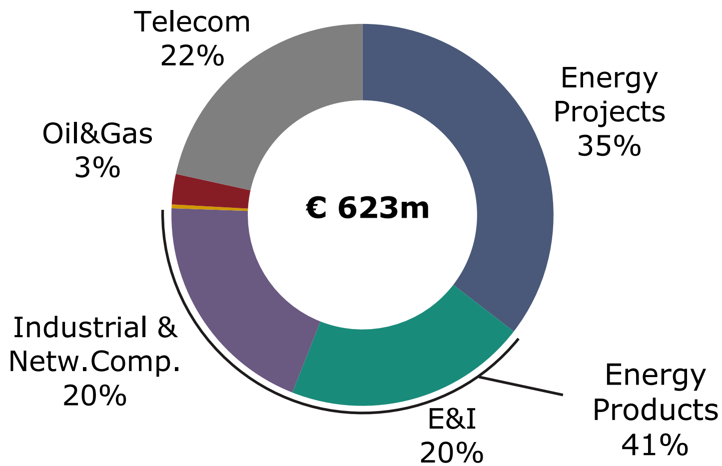
Sales breakdown by business



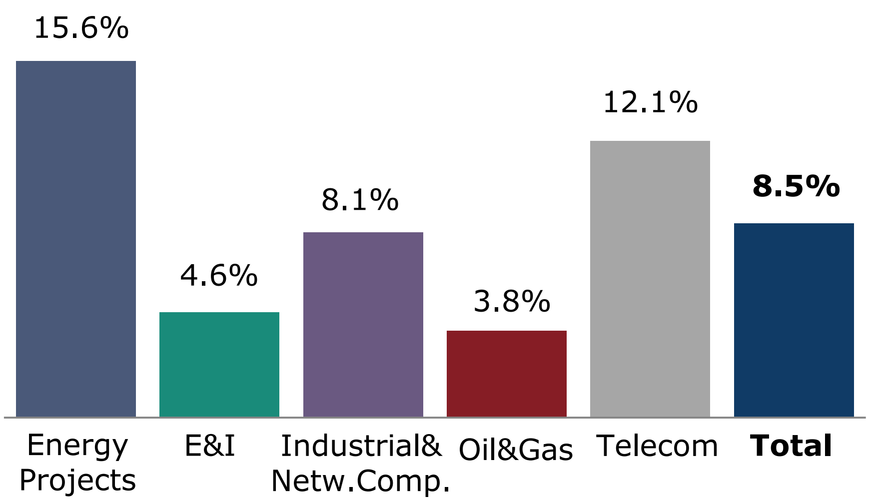
Sales breakdown by geography



Adj. EBITDA by business



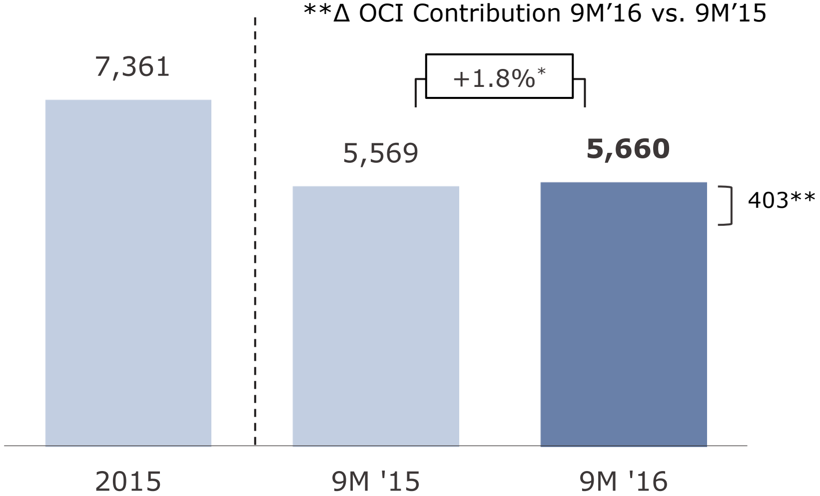
Adj. EBITDA margin



9M 2016 Key Financials

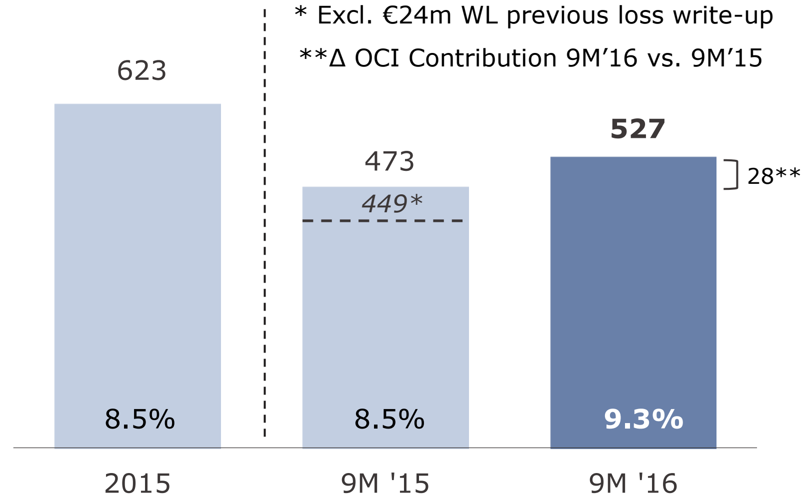
Euro Millions, % on Sales

Sales

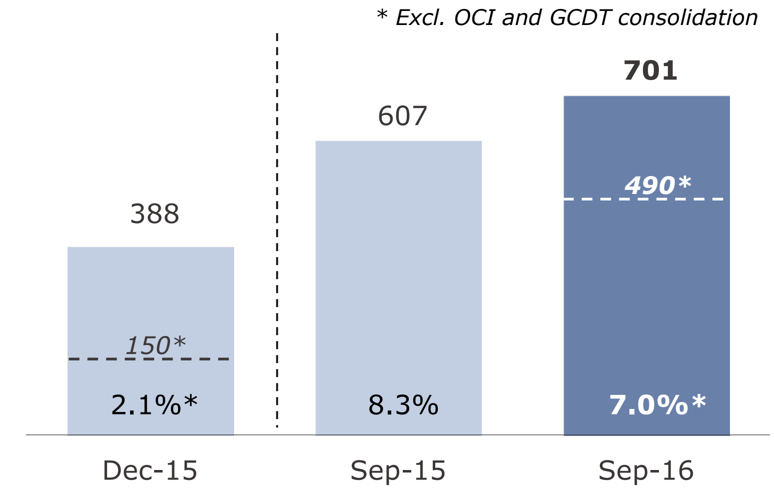


* *Org. Growth*

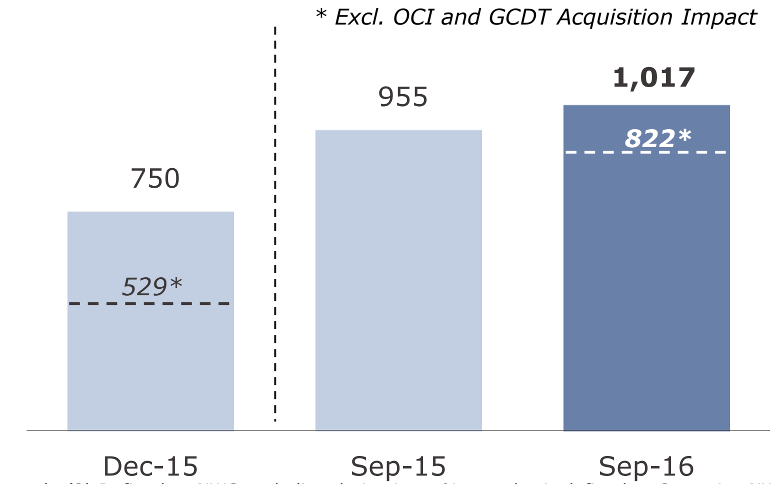
Adjusted EBITDA [1]



Operative Net Working Capital [2]



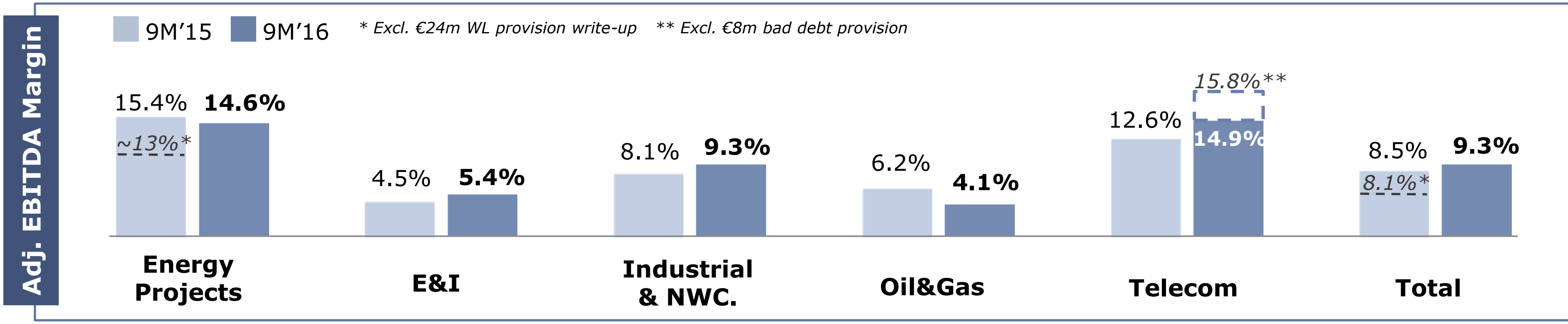
Net Financial Position

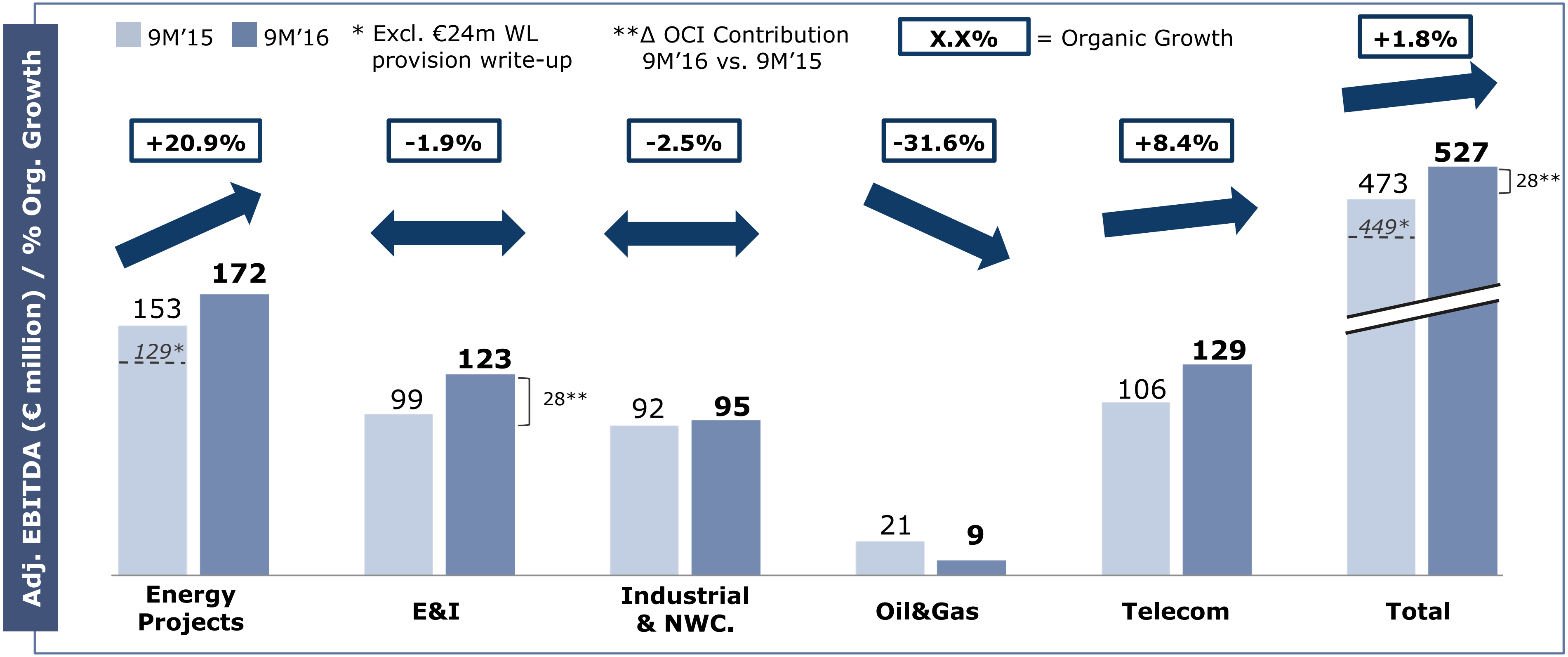


(1) *Adjusted excluding non-recurring income/expenses, restructuring costs and other non-operating income (expenses); (2) Defined as NWC excluding derivatives; % on sales is defined as Operative NWC on annualized last quarter sales;*

Continued profitability improvement

Underlying margin increase in all business excluding Oil&Gas





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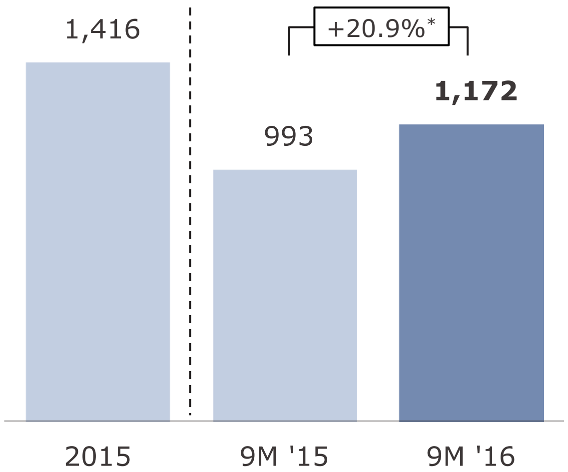
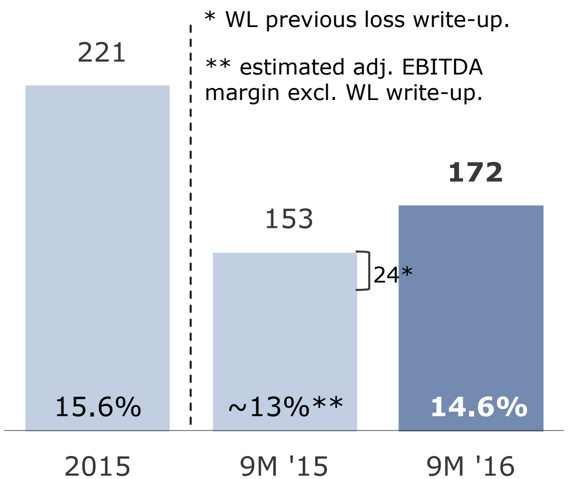
Energy Projects
Euro Millions, % on Sales

Sales



** Org. Growth*

Adj. EBITDA / % of Sales



Highlights

Submarine

- Strong revenue growth driven by solid execution and favourable project phasing in the first 9M.
- Recent investments in execution capabilities and installation assets start paying-off, as shown by the sharp increase in underlying Adj.EBITDA margin vs. last year (excl. €24m WL previous loss write-up).
- Expected pick-up of offshore wind farm projects activity in Europe. Stable outlook in Interconnection market. Market fundamentals remain solid.

Underground High Voltage

- Sound performance mainly driven by execution of France-Italy HVDC project and positive results in North America and APAC.
- Positive market outlook in the Middle-East, APAC and Central Europe in the medium-term.

Orders Backlog Evolution (€m)

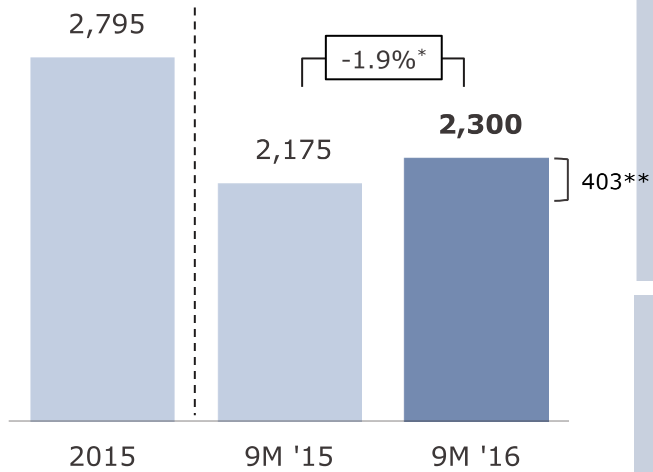
	Dec '13	Dec '14	Dec '15	Jun '16	Sep '16
Underground HV	~450	~450	~600	~500	~400
Submarine	~2,050	~2,350	~2,600	~2,450	~2,200
Group	**~2,500**	**~2,800**	**~3,200**	**~2,950**	**~2,600**

Energy & Infrastructure

Euro Millions, % on Sales

Sales

**Δ OCI Contribution 9M'16 vs. 9M'15

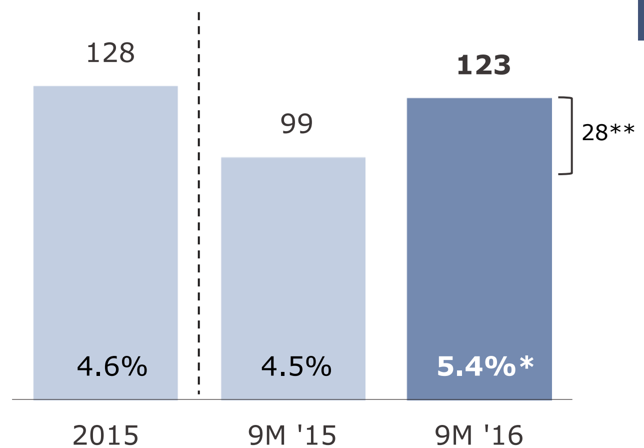


* *Org. Growth*

Adj. EBITDA / % of Sales

* +0.4% Δ OCI Contrib. 9M '16 vs. 9M '15 on margin

**Δ OCI Contribution 9M '16 vs. 9M '15



Highlights

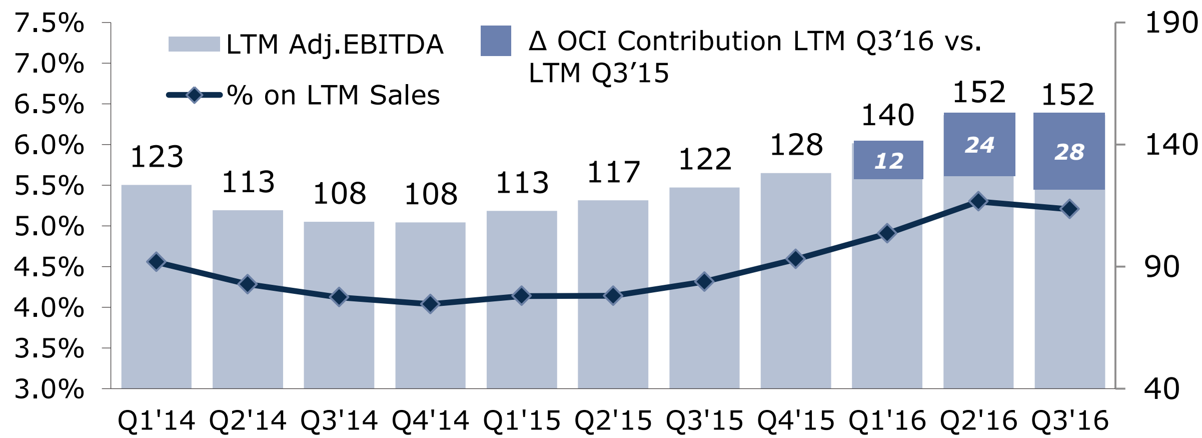
Trade & Installers

- Negative organic trend with an improving Adj. EBITDA margin thanks to OCI consolidation, better mix and footprint optimization.
- Organic decline in South America, APAC and Central & Southern Europe partially offset by positive Nordics.

Power Distribution

- Positive trend, softening in Q3 in line with expectations, with a general improvement in profitability in the first 9M.
- Growth in the Nordics, Netherlands and APAC, offset by the expected slowdown in Germany.

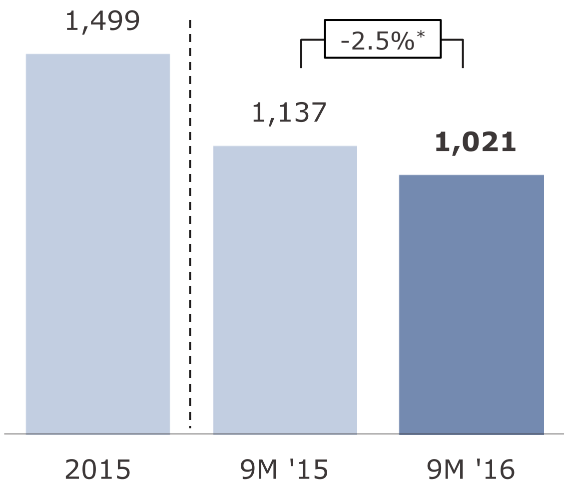
LTM Adj. EBITDA Evolution / % on LTM Sales



Industrial & Network Components

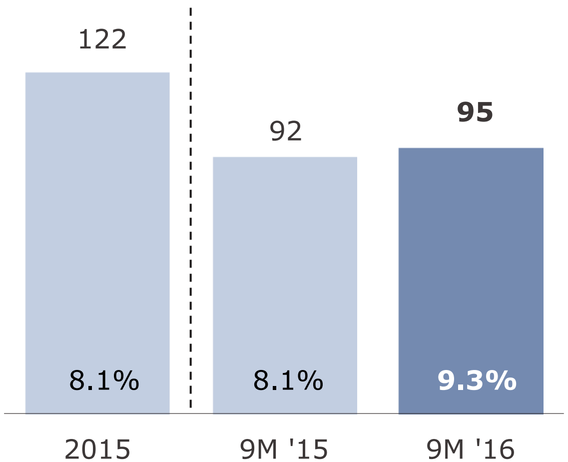
Euro Millions, % on Sales

Sales



** Org. Growth*

Adj. EBITDA / % of Sales



Highlights

Specialties & OEMs

- Negative organic sales in the first 9M driven by soft start in Renewables (mainly in China) and market slowdown in Nuclear, Crane and Mining, partially offset by solid performance in Defense and Marine applications.
- South America underperformance continue as political election in Argentina and macro slowdown in Brazil impact the business.

Elevator

- Positive performance driven by the market share expansion in new product segments and services in North America. Softening trend in APAC in Q3.

Automotive

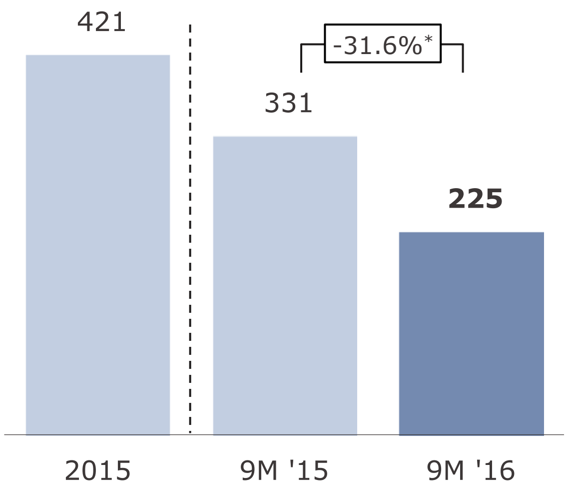
- Recovery in volumes and profitability thanks to positive market trend in APAC and manufacturing set-up in Central-Eastern Europe.

Network Components

- Growth in HV and EHV accessories sales partially offset by soft market conditions of MV business in Europe.

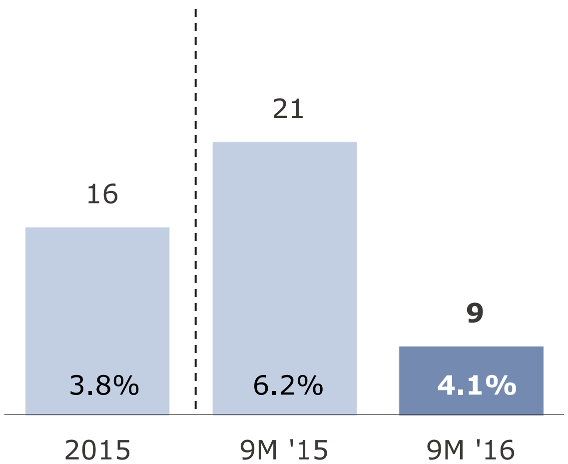
Oil & Gas
Euro Millions, % on Sales

Sales



** Org. Growth*

Adj. EBITDA / % of Sales



Highlights

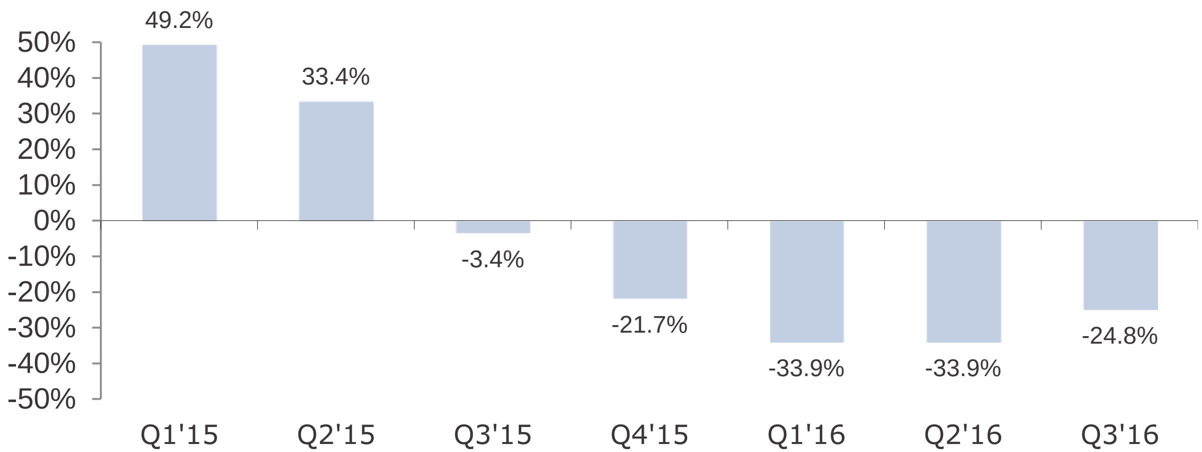
SURF

- Umbilical: Volumes and profitability evolution in line with expectations, reflecting the updated (new contractual terms) framework agreement in Brazil.
- DHT: Results in line with 9M 2015 benefitting from the full impact of GCDT. Continue pressure coming from customers' inventory reduction.

Core Oil&Gas Cables

- Decline in volumes and prices reflects negative projects phasing in Onshore and Offshore segment. Market environment remains challenging.
- Focus on restructuring and footprint optimization, continue to leverage on Asian supply chain.

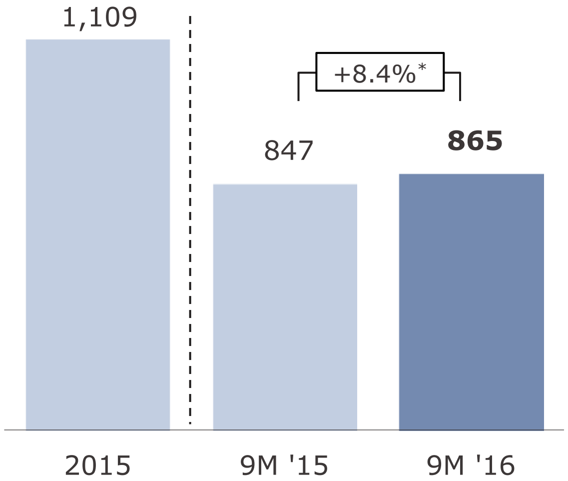
Quarterly organic growth* evolution



Telecom

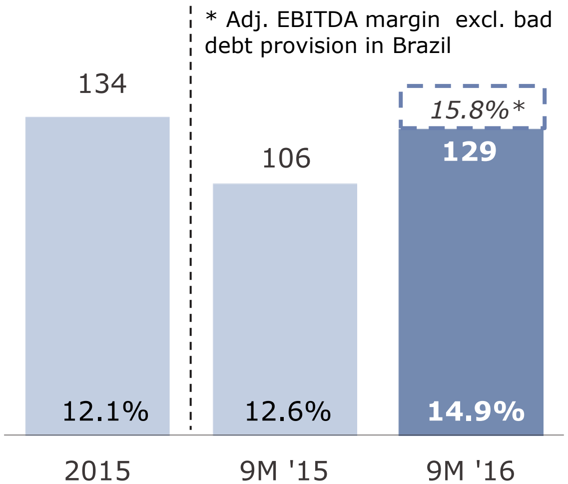
Euro Millions, % on Sales

Sales



** Org. Growth*

Adj. EBITDA / % of Sales



Highlights

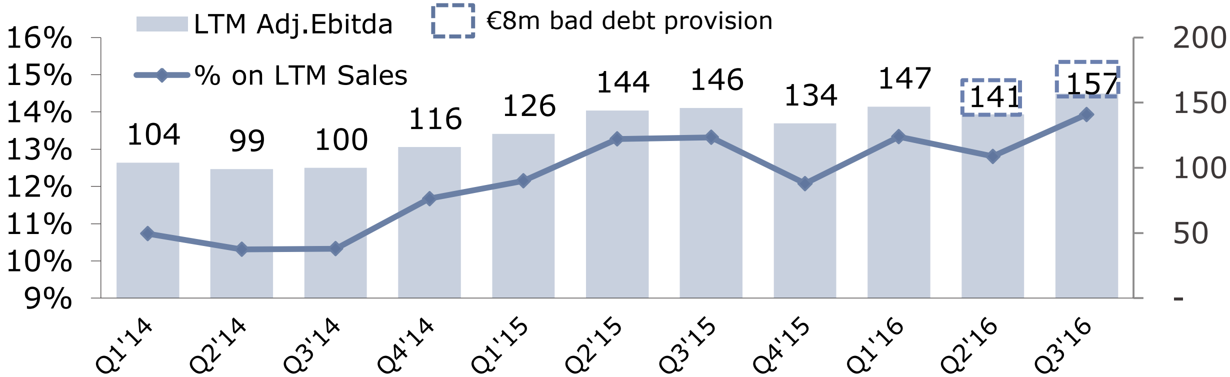
Telecom Solutions

- Growth in optical cables and fiber businesses, with a continued solid trend in Australia, US and France.
- Sharp margin expansion (also considering the €8mln bad-debt provision) fuelled by fiber manufacturing efficiency improvement and footprint optimization.
- Excellent performance in copper telecom cables driven by solid market demand in APAC.

MMS

- Profitable growth in Europe supported by production capacity extension in copper business and footprint optimization.

Quarterly LTM Adj. EBITDA and % on Sales evolution



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FY 2016 Outlook

Margin improvement mainly driven by Energy Projects and Telecom. Negative FX.

2016 Adj.EBITDA Target (€ million)*

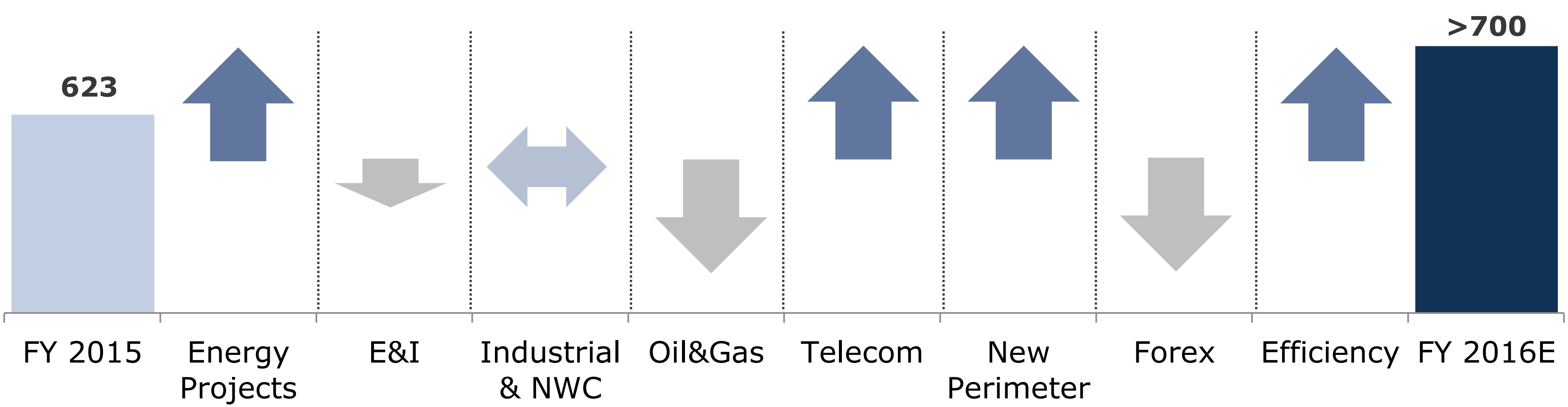
** Includes management expectations on OCI incremental contribution to FY 2016 adjusted EBITDA. Assuming current consolidation perimeter of Prysmian Group.*

2016 Adj.EBITDA Target Assumptions (€ million)

Above mid-point target assumptions:

- Solid execution in Energy Projects
- Strong market trend in Telecom
- Energy Products businesses broadly stable.
- Negative trend in Oil&Gas.
- Adverse Forex impact.

Adj. EBITDA 2015-2016 Bridge (€ million)



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Profit and Loss Statement
Euro Millions

	9M 2016	9M 2015	Δ OCI contrib. 9M '16 vs. 9M '15
Sales	**5,660**	**5,569**	**403**
YoY total growth	*1.6%*		
YoY organic growth	*1.8%*		
Adj.EBITDA	**527**	**473**	**28**
% on sales	*9.3%*	*8.5%*	
Adjustments	(39)	(28)	(5)
EBITDA	**488**	**445**	**23**
% on sales	*8.6%*	*8.0%*	
Adj.EBIT	**398**	**364**	**8**
% on sales	*7.0%*	*6.5%*	
Adjustments	(39)	(28)	(5)
Special items	(26)	(52)	-
EBIT	**333**	**284**	**3**
% on sales	*5.9%*	*5.1%*	
Financial charges	(58)	(77)	(1)
EBT	**275**	**207**	**2**
% on sales	*4.9%*	*3.7%*	
Taxes	(77)	(68)	(1)
% on EBT	*(28.0%)*	*(32.9%)*	
Net Income	**198**	**139**	**1**
% on sales	*3.5%*	*2.5%*	
Minorities	10	(2)	6
Group Net Income	**188**	**141**	**(5)**
% on sales	*3.3%*	*2.5%*	

Adjustments and Special Items on EBIT
Euro Millions

	9M 2016	9M 2015
Non-recurring Items (Antitrust Investigation)	-	21
Restructuring	(27)	(32)
Other Non-operating Income / (Expenses)	(12)	(17)
EBITDA adjustments	**(39)**	**(28)**
Special items	(26)	(52)
Gain/(loss) on metal derivatives	*24*	*(29)*
Assets impairment	*(15)*	*(7)*
Other	*(35)*	*(16)*
EBIT adjustments	**(65)**	**(80)**

Financial Charges
Euro Millions

	9M 2016	9M 2015
Net interest expenses	**(44)**	**(59)**
of which non-cash conv.bond interest exp.	*(6)*	*(6)*
Bank fees amortization	(2)	(3)
Gain/(loss) on exchange rates	-	(30)
Gain/(loss) on derivatives [1)]	(11)	19
Non recurring effects	(2)	(3)
Other	1	(1)
Net financial charges	**(58)**	**(77)**

Statement of financial position (Balance Sheet)

Euro Millions

	30 Sep 2016	New Perimeter Acquired	30 Sep 2015	31 Dec 2015*
Net fixed assets	2,578	*350*	2,224	2,581
of which: goodwill	*442*	*67*	*381*	*452*
of which: intangible assets	*339*	*192*	*164*	*371*
of which: property, plants & equipment	*1,580*	*91*	*1,418*	*1,552*
Net working capital	693	*212*	571	347
of which: derivatives assets/(liabilities)	*(8)*	*1*	*(36)*	*(41)*
of which: Operative Net working capital	*701*	*211*	*607*	*388*
Provisions & deferred taxes	(303)	*(41)*	(279)	(330)
Net Capital Employed	**2,968**	***521***	**2,516**	**2,598**
Employee provisions	393	*4*	357	341
Shareholders' equity	1,558	-	1,204	1,507
of which: attributable to minority interest	223	*190*	32	229
Net financial position	1,017	*55*	955	750
Total Financing and Equity	**2,968**	***59***	**2,516**	**2,598**

Cash Flow
Euro Millions

	9M 2016	9M 2015
Adj.EBITDA	**527**	**473**
Adjustments	(39)	(28)
EBITDA	**488**	**445**
Net Change in provisions & others	(12)	(41)
Share of income from investments in op.activities	(24)	(27)
Cash Flow from operations (bef. WC changes)	**452**	**377**
Working Capital changes	(342)	(198)
Dividends received	7	15
Paid Income Taxes	(53)	(39)
Cash flow from operations	**64**	**155**
Acquisitions	-	-
Net Operative CAPEX	(152)	(117)
Free Cash Flow (unlevered)	**(88)**	**38**
Financial charges	(57)	(88)
Free Cash Flow (levered)	**(145)**	**(50)**
Free Cash Flow (levered) excl. acquisitions	***(145)***	***(50)***
Dividends	(101)	(91)
Treasury shares buy-back & other equity movements	-	3
Net Cash Flow	**(246)**	**(138)**
NFP beginning of the period	**(750)**	**(802)**
Net cash flow	(246)	(138)
Other variations	(21)	(15)
NFP end of the period	**(1,017)**	**(955)**

LTM Q3 2016 Free Cash Flow (levered) excl. acquisitions
302

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Key milestones

1998 – **Growth by acquisition**
Acquisitions (Siemens, NKF, MM, BICC)

2001 – **Restructuring process**
Closure of 11 plants
Disposal of non core activities

2005 – **Profitable growth**
July 2005: GS acquisition and birth of Prysmian Group

Listing
May 2007: Listing on the Milan Stock Exchange (IPO)

2008 – **Managing the downturn**
Strategic investments preparing for the economic recovery

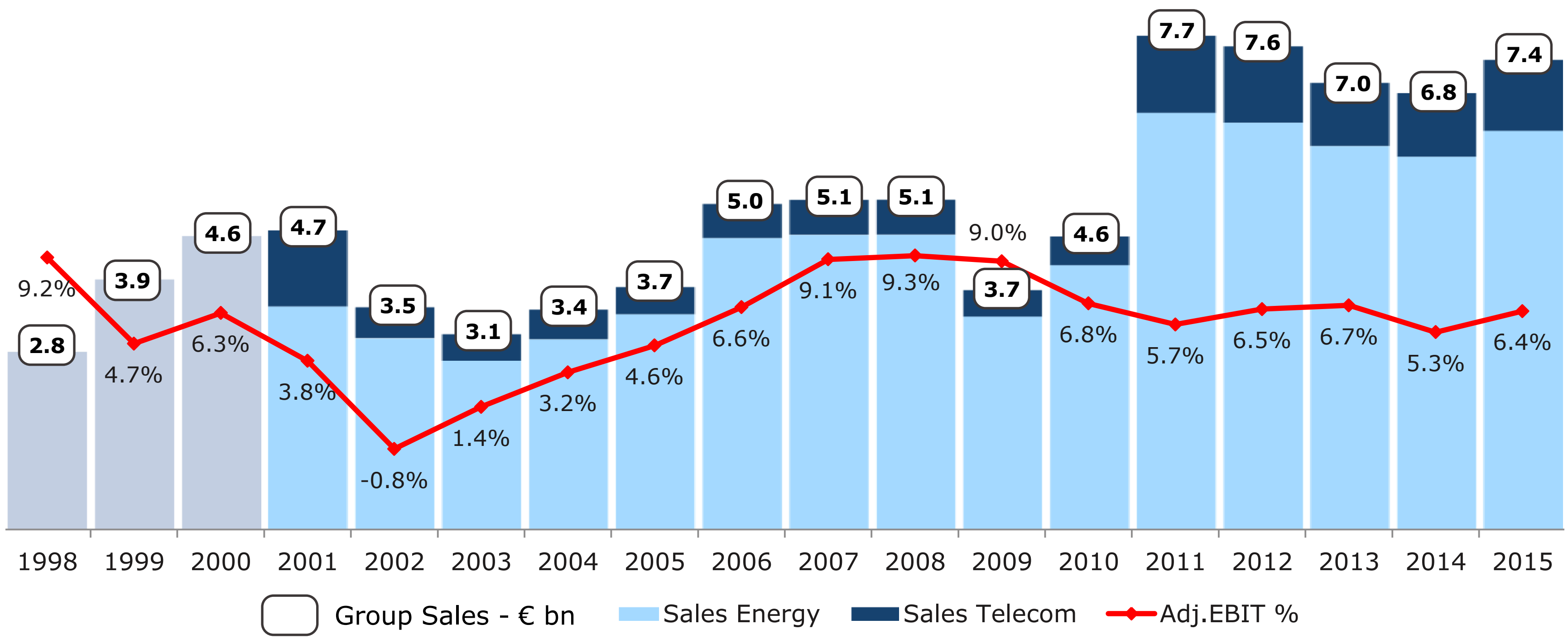
Public Company
March '10: Prysmian became a full Public Company

2011 – **Reacting to downturn through consolidation**

#1 Cable Maker
February '11: Draka acquisition

Post merger integration
2011-14 A new level of operating efficiency

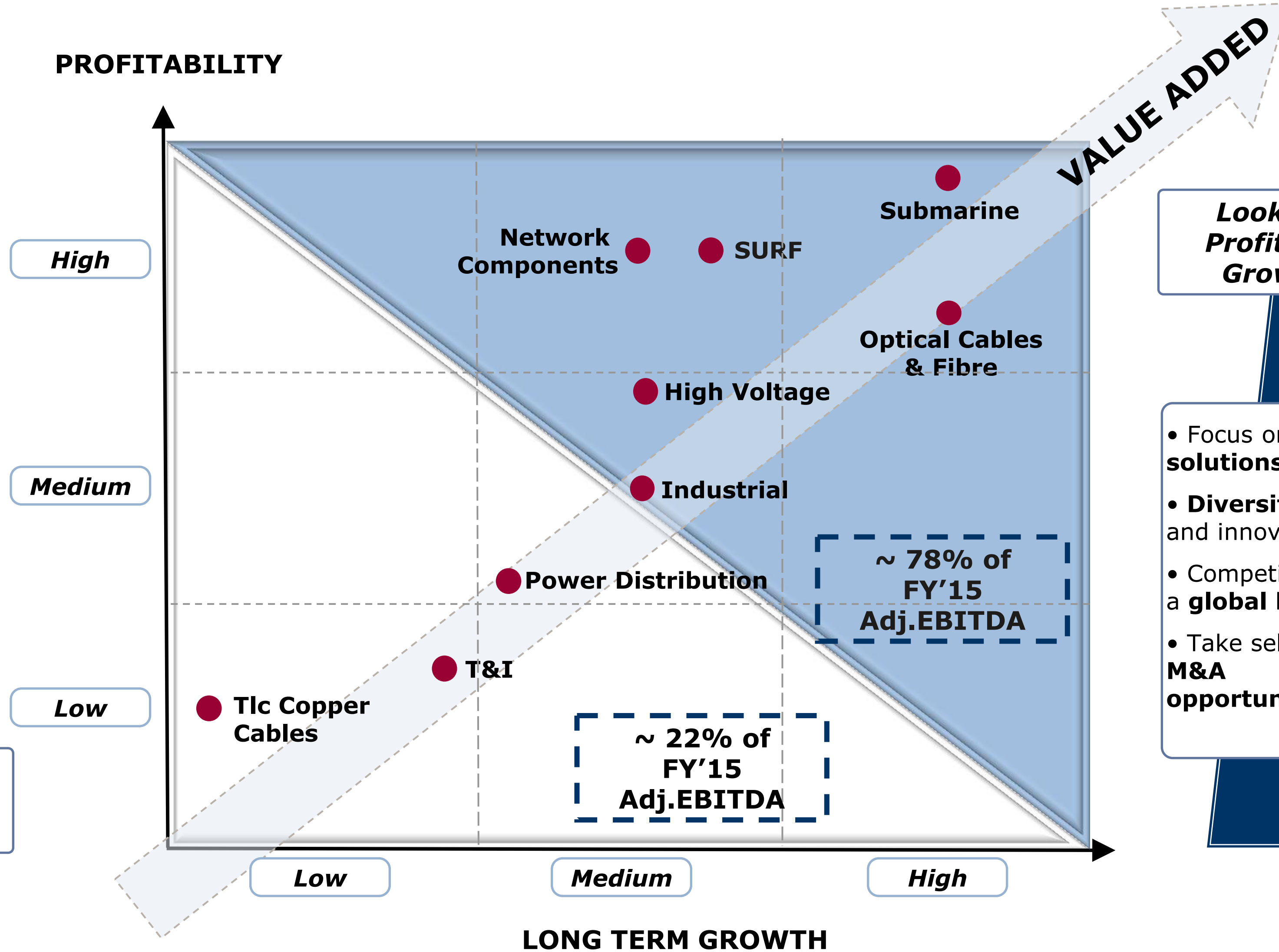
2014 – **"Bolt-On" Acquisitions**
Acquisitions (GCDT, Oman Cables Industry)



Source: 1998-2003 Pirelli Group Annual Reports, data reported under Italian GAAP; 2004-2010 Prysmian accounts, data reported under IFRS; 2011 Draka full combined; 2011-2013 restated in application of IFRS 10-11 and reclassification of share of net income

Prysmian Group business portfolio

Focus on high value added segments



- Focus on **products and service**
- **Limited** product **diversification** within regions
- **Regional** competition

Manage for Cash

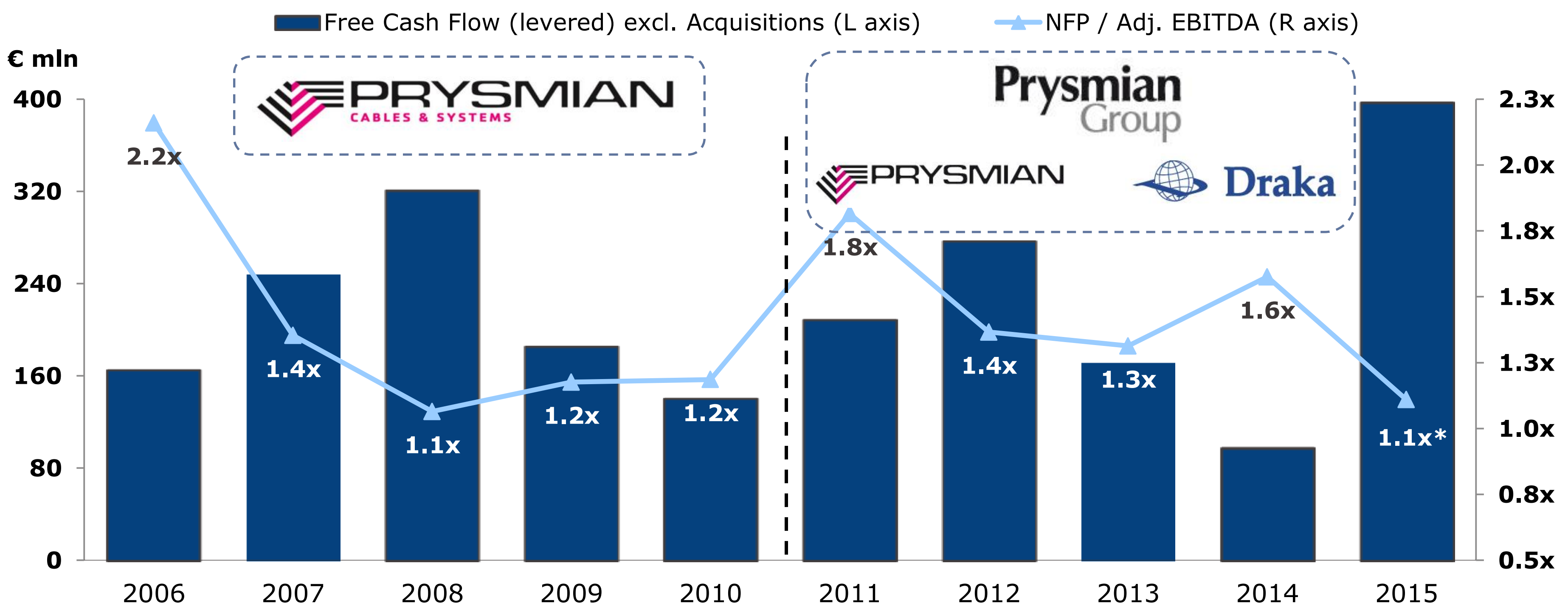
Look for Profitable Growth

- Focus on **solutions**
- **Diversification** and innovation
- Competition on a **global basis**
- Take selective **M&A opportunities**

Cash Flow generation as key priority to create value for shareholders

Growing capabilities to invest organically/acquisitions and remunerate shareholders

Cash Flow generation



Dividends paid	75	74	75	35	44	89	90	91

Approx. € 220m average free cash flow per year generated in 2006-15

Almost €580m distributed to shareholders since IPO

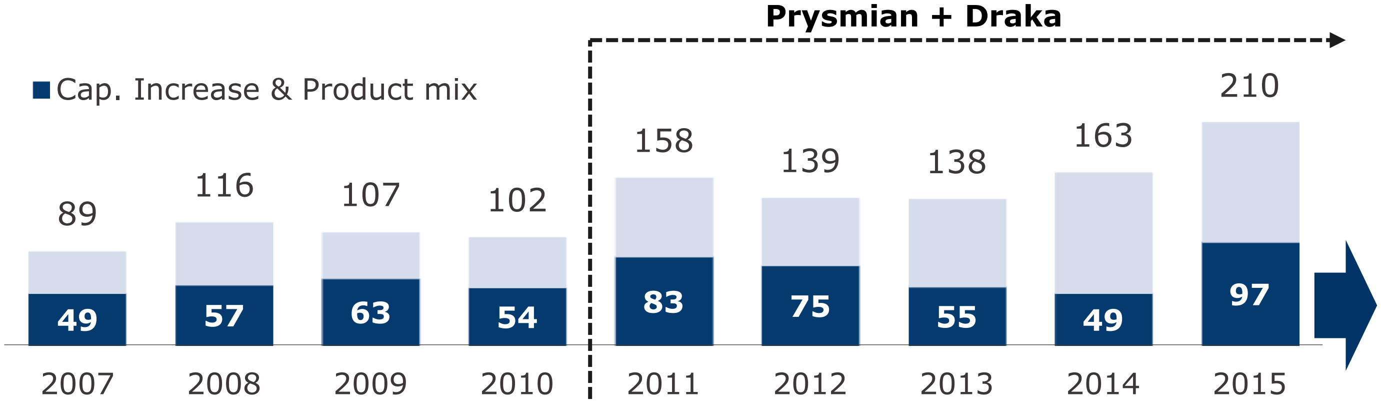
Note: 2011 combined; 2012-13 restated in application of IFRS 10-11 and reclassification of share of net income

**Calculated as NFP reported as of 31 December 2015 divided by Pro-Forma FY2015 EBITDA including OCI and GCDT full contributions.*

Disciplined Capex to grow in high margin business and out of Europe

Investments focused on business with long term drivers and high entry barriers

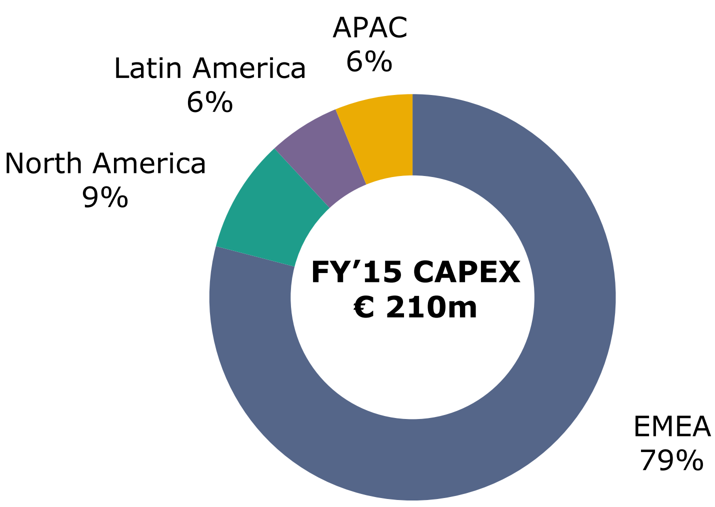
CAPEX 2007-2015 (€ mln)

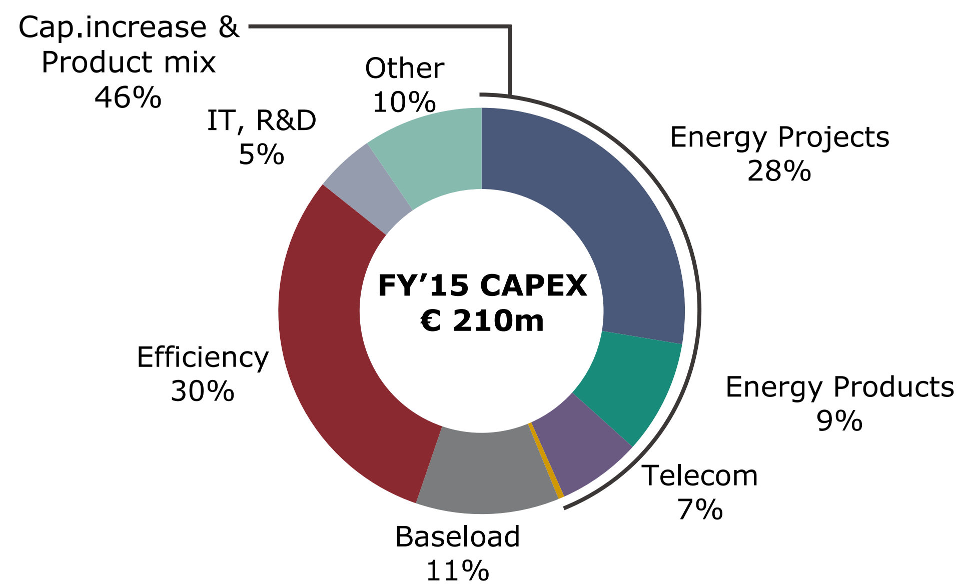


Approx. € 580 million cumulated CAPEX 2007-15 to sustain growth in strategic high value-added segments

2011 Combined; 2012-13 restated in application of IFRS 10-11 and reclassification of share of net income

CAPEX 2015 breakdown





Metal Price Impact on Profitability

Supply Contract	Main Application	Metal Influence on Cable Price	Impact	Metal Fluctuation Management	Impact
Predetermined delivery **date**	• Projects (Energy transmission) • Cables for industrial applications (eg. OGP)	• **Technology and design** content are the **main elements** of the "solution" offered • Pricing little affected by metals		• **Pricing locked-in** at order intake • Profitability protection through **systematic hedging** (long order-to-delivery cycle)	
Frame contracts	• Cables for energy utilities (e.g. power distribution cables)	• Pricing defined as **hollow**, thus mechanical **price adjustment through formulas** linked to metal publicly available quotation		• **Price adjusted through formulas** linked to metal publicly available quotation (average last month, …) • Profitability protection through **systematic hedging** (short order-to-delivery cycle)	
Spot orders	• Cables for construction and civil engineering	• Standard products, high copper content, limited value added		• Pricing managed through **price lists**, thus leading to **some delay** • **Competitive pressure** may **impact** on **delay** of price adjustment • **Hedging** based **on forecasted volumes** rather than orders	

High
Low

- ***Metal price fluctuations*** *are normally* ***passed through*** *to* ***customers*** *under supply contracts*
- ***Hedging strategy*** *is performed in order* ***to systematically minimize*** *profitability* ***risks***

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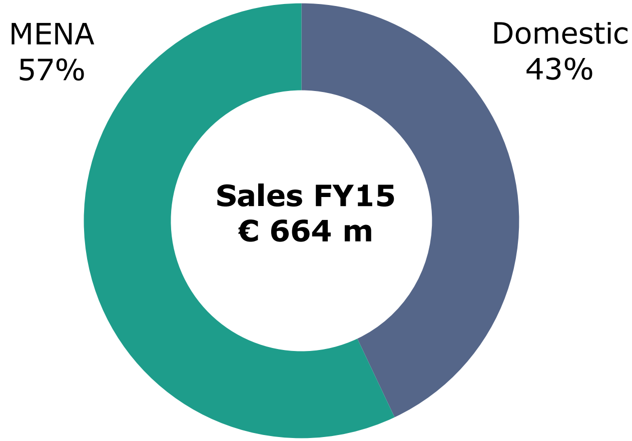
Focus on Oman Cables Industry Acquisition

A perfect example of "Bolt-on" acquisition.

2015 Sales Breakdown (€ million [1])



(1) 2015 average EUROMR spot FX rate 0.4268

Strategic Position

Structure of the Deal

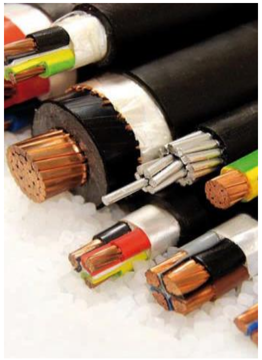
STRUCTURE OF THE DEAL

- Acquisition of approx. 16% stake in listed company OCI
- Total cash consideration € 105 million
- OCI Balance Sheet consolidated at 31 Dec 2015; P&L consolidated as of 1st Jan 2016.

STRATEGIC RATIONALE

- Geographic diversification toward middle-east region.
- No import duties in GCC market.
- Low integration risk. Solid track record.

Product Range



- Building Wire and Cable
- LV and MV power cables (up to 33kV)
- Control cables for industrial applications

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% on sales	*8.6%*	*8.0%*		*8.4%*
Adj.EBIT	**398**	**364**	**8**	**19**
% on sales	*7.0%*	*6.5%*		*4.8%*
Adjustments	(39)	(28)	(5)	(5)
Special items	(26)	(52)	-	-
EBIT	**333**	**284**	**3**	**14**
% on sales	*5.9%*	*5.1%*		*3.5%*
Financial charges	(58)	(77)	(1)	(1)
EBT	**275**	**207**	**2**	**13**
% on sales	*4.9%*	*3.7%*		*3.2%*
Taxes	(77)	(68)	(1)	(1)
% on EBT	*(28.0%)*	*(32.9%)*		*(10.8%)*
Net Income	**198**	**139**	**1**	**12**
% on sales	*3.5%*	*2.5%*		*3.0%*
Minorities	10	(2)	6	6
Group Net Income	**188**	**141**	**(5)**	**6**
% on sales	*3.3%*	*2.5%*		*1.5%*

Energy Projects Segment – Profit and Loss Statement
Euro Millions

	9M 2016	9M 2015
Sales to Third Parties	**1,172**	**993**
YoY total growth	*18.0%*	
YoY organic growth	*20.9%*	
Adj. EBITDA	**172**	**153**
% on sales	*14.6%*	*15.4%*
Adj. EBIT	**146**	**131**
% on sales	*12.4%*	*13.1%*

Energy Products Segment – Profit and Loss Statement

Euro Millions

		9M 2016	9M 2015	Δ OCI Contribution 9M '16 vs. 9M '15
Sales to Third Parties	**E&I**	**2,300**	**2,175**	**403**
	YoY total growth	*5.8%*		
	YoY organic growth	*(1.9%)*		
	Industrial & Netw. Comp.	**1,021**	**1,137**	**-**
	YoY total growth	*(10.2%)*		
	YoY organic growth	*(2.5%)*		
	Other	**77**	**86**	**-**
	YoY total growth	*(11.0%)*		
	YoY organic growth	*(3.9%)*		
	ENERGY PRODUCTS	**3,398**	**3,398**	**403**
	YoY total growth	*(0.0%)*		
	YoY organic growth	*(2.1%)*		
Adj. EBITDA	**E&I**	**123**	**99**	**28**
	% on sales	*5.4%*	*4.5%*	
	Industrial & Netw. Comp.	**95**	**92**	**-**
	% on sales	*9.3%*	*8.1%*	
	Other	**(1)**	**2**	**-**
	% on sales	*(0.8%)*	*1.8%*	
	ENERGY PRODUCTS	**217**	**193**	**28**
	% on sales	*6.4%*	*5.7%*	
Adj. EBIT	**E&I**	**76**	**72**	**8**
	% on sales	*3.3%*	*3.3%*	
	Industrial & Netw. Comp.	**81**	**75**	**-**
	% on sales	*7.9%*	*6.6%*	
	Other	**(2)**	**1**	**-**
	% on sales	*(2.2%)*	*0.6%*	
	ENERGY PRODUCTS	**155**	**148**	**8**
	% on sales	*4.6%*	*4.4%*	

Oil&Gas Segment – Profit and Loss Statement
Euro Millions

	9M 2016	9M 2015
Sales to Third Parties	**225**	**331**
YoY total growth	*(31.8%)*	
YoY organic growth	*(31.6%)*	
Adj. EBITDA	**9**	**21**
% on sales	*4.1%*	*6.2%*
Adj. EBIT	**(2)**	**12**
% on sales	*(1.0%)*	*3.7%*

Telecom Segment – Profit and Loss Statement
Euro Millions

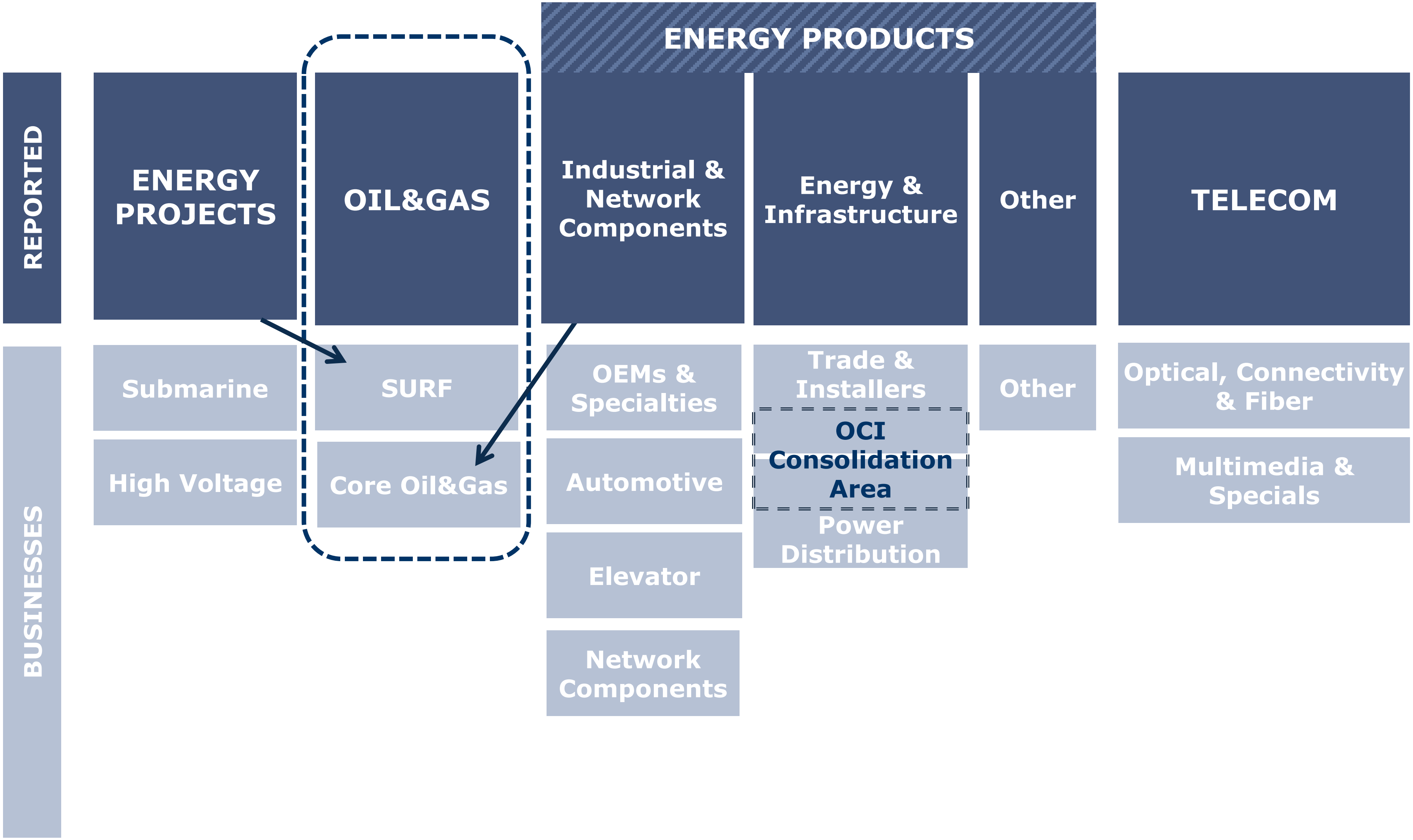
	9M 2016	9M 2015
Sales to Third Parties	**865**	**847**
YoY total growth	*2.2%*	
YoY organic growth	*8.4%*	
Adj. EBITDA	**129**	**106**
% on sales	*14.9%*	*12.6%*
Adj. EBIT	**99**	**73**
% on sales	*11.4%*	*8.6%*

Non Recurring Items – Change in Representation

Implementing ESMA recommendation.

BEFORE		AFTER
Adj. EBITDA		Adj. EBITDA
Non Recurring Items	Antitrust Investigation	Non Recurring Items
	Restructuring	Restructuring
	Others	Other Non Operating Income (Expenses)
EBITDA		EBITDA

New segment reporting

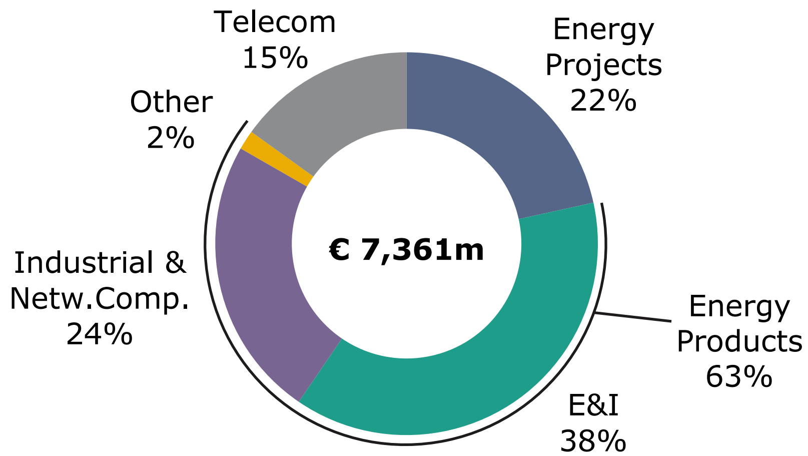


New segment reporting

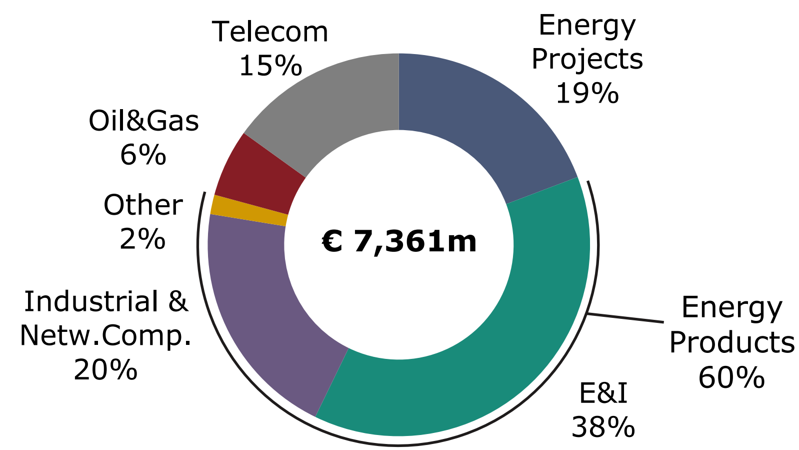
Sales and Adj.EBITDA breakdowns

Previous Segment Reporting FY 2015	New Segment Reporting FY 2015

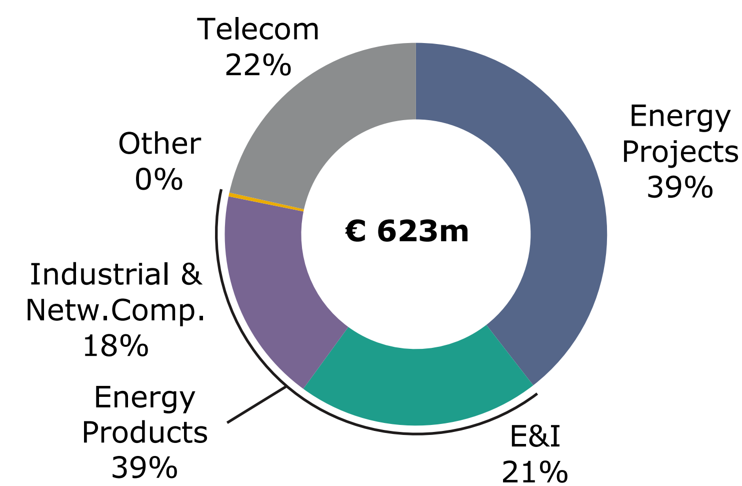
Sales



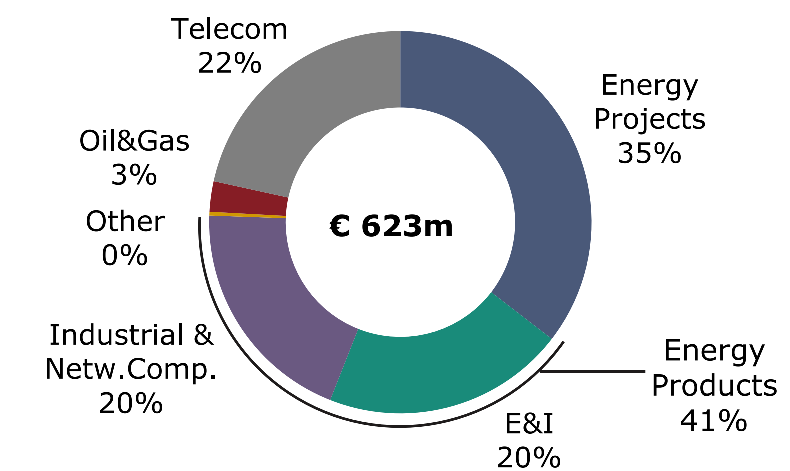
Sales



Adj.EBITDA



Adj.EBITDA



New segment reporting: 2014-15 Sales & Org. Growth by quarter
Euro Millions

	SALES and ORG. GROWTH										
	FY 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015
ENERGY PROJECTS	**1,248**	**250**	**302**	**300**	**389**	**1,241**	**281**	**358**	**355**	**423**	**1,416**
						1.1%	8.4%	14.7%	15.8%	8.9%	11.9%
E&I	**2,747**	**638**	**678**	**699**	**662**	**2,677**	**686**	**782**	**707**	**620**	**2,795**
						2.7%	3.3%	7.1%	1.6%	-0.2%	3.0%
INDUSTRIAL & NETW.C.	**1,507**	**349**	**370**	**350**	**371**	**1,440**	**352**	**400**	**385**	**362**	**1,499**
						-0.6%	-5.8%	-0.6%	4.6%	-1.2%	-0.8%
OTHER	114	23	23	26	34	106	25	30	31	35	121
						-4.8%	1.8%	26.5%	17.6%	4.4%	11.8%
ENERGY PRODUCTS	**4,368**	**1,010**	**1,072**	**1,074**	**1,067**	**4,223**	**1,063**	**1,212**	**1,123**	**1,017**	**4,415**
						1.4%	0.2%	4.8%	3.0%	-0.4%	1.9%
OIL&GAS	**393**	**83**	**83**	**95**	**121**	**382**	**130**	**115**	**86**	**90**	**421**
						3.0%	49.2%	33.4%	-3.4%	-21.7%	10.0%
TELECOM	**986**	**236**	**252**	**257**	**249**	**994**	**279**	**299**	**269**	**262**	**1,109**
						4.0%	13.1%	13.1%	5.1%	8.7%	9.9%
TOTAL	**6,995**	**1,579**	**1,708**	**1,727**	**1,826**	**6,840**	**1,753**	**1,984**	**1,832**	**1,792**	**7,361**
						1.8%	5.9%	9.1%	5.1%	1.4%	5.3%

New segment reporting: 2014-15 Adj. EBITDA by quarter

Euro Millions

	ADJ. EBITDA and % ON SALES										
	FY 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015
ENERGY PROJECTS	**215**	**6**	**26**	**52**	**56**	**140**	**26**	**73**	**53**	**68**	**221**
	17.2%	2.4%	8.6%	17.3%	14.4%	11.3%	9.4%	20.4%	14.9%	16.1%	15.6%
E&I	**127**	**21**	**33**	**31**	**23**	**108**	**26**	**37**	**36**	**29**	**128**
	4.6%	3.3%	4.9%	4.4%	3.5%	4.0%	3.8%	4.8%	5.1%	4.7%	4.6%
INDUSTRIAL & NETW.C.	**124**	**26**	**33**	**29**	**27**	**115**	**26**	**36**	**31**	**30**	**122**
	8.2%	7.4%	8.9%	8.3%	7.3%	8.0%	7.2%	9.0%	8.1%	8.3%	8.1%
OTHER	8	2	3	2	(2)	5	1	1	(0)	0	2
	6.9%	8.7%	13.0%	7.7%	-6.4%	4.6%	4.0%	2.5%	-0.6%	0.0%	1.9%
ENERGY PRODUCTS	**259**	**49**	**69**	**62**	**48**	**228**	**53**	**74**	**67**	**59**	**252**
	5.9%	4.9%	6.4%	5.8%	4.5%	5.4%	4.9%	6.1%	6.0%	5.8%	5.7%
OIL&GAS	**33**	**5**	**6**	**5**	**9**	**25**	**13**	**4**	**4**	**(5)**	**16**
	8.4%	6.0%	7.2%	5.3%	7.4%	6.5%	10.3%	3.5%	4.7%	-5.6%	3.8%
TELECOM	**106**	**18**	**25**	**32**	**41**	**116**	**28**	**43**	**35**	**28**	**134**
	10.8%	7.6%	9.9%	12.5%	16.4%	11.7%	10.1%	14.2%	13.0%	10.7%	12.1%
TOTAL	**613**	**78**	**126**	**151**	**154**	**509**	**120**	**194**	**159**	**150**	**623**
	8.8%	4.9%	7.4%	8.7%	8.4%	7.4%	6.8%	9.8%	8.7%	8.4%	8.5%

Agenda

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  - Prysmian at a glance
  - OCI Acquisition
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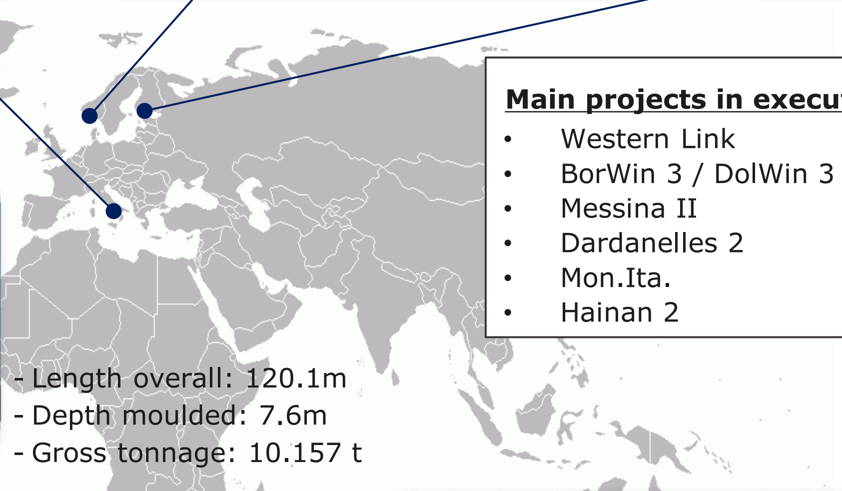
  - **Energy Projects and Energy Products**
  - Telecom

Investing in submarine to increase ROCE

Strengthening production and installation capabilities



Main projects in execution/orders backlog:

- Western Link
- BorWin 3 / DolWin 3
- Messina II
- Dardanelles 2
- Mon.Ita.
- Hainan 2
- Shannon River
- West of Adlergrund
- Cyclades
- Philippines
- Wikinger
- COBRA cable

- Length overall: 120.1m
- Depth moulded: 7.6m
- Gross tonnage: 10.157 t

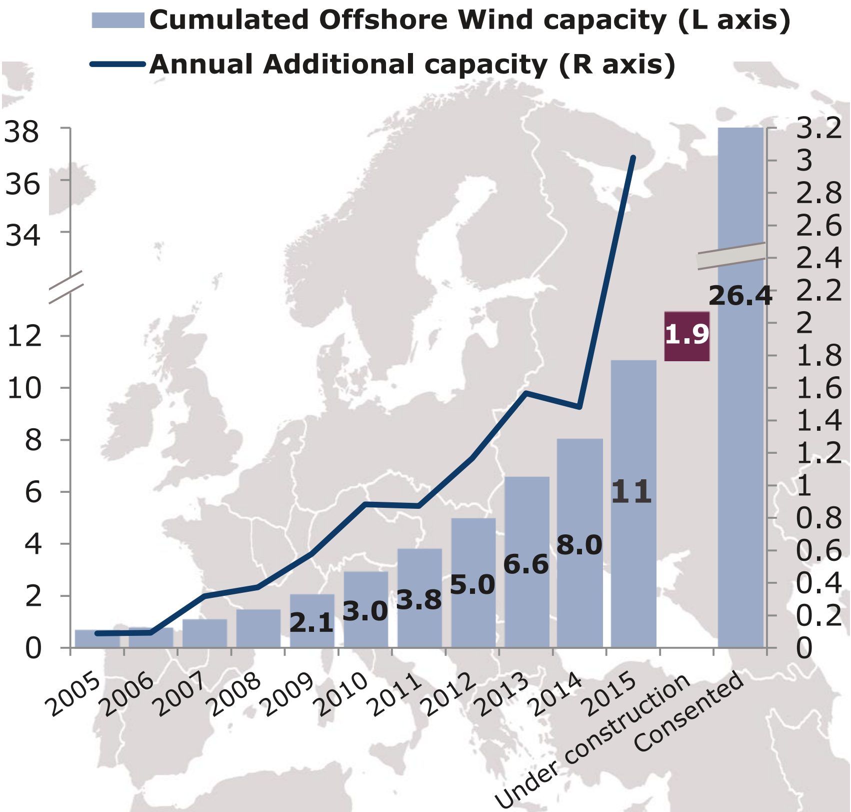
- Length overall: 133.2m
- Depth moulded: 7.6m
- Gross tonnage: 10,617 t

- Length overall: 124m
- Depth moulded: 6.8m
- Gross tonnage: 8,328 t

Off-shore wind development in Europe

High visibility on new projects to be awarded next quarters

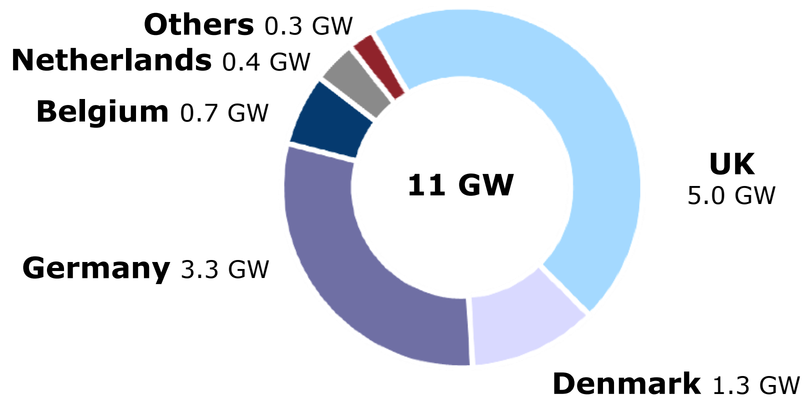
Europe Offshore Wind capacity (GW)



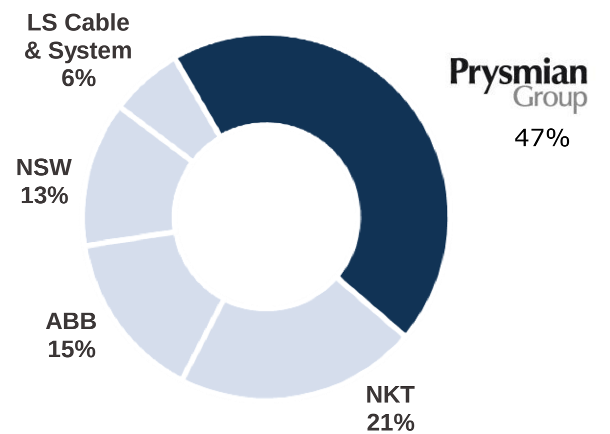
- **Capacity Increase: 3.0 GW** in 2015 (+100% vs. 2014)
- **Total capacity: 11 GW** at end 2015 (+37% vs. 2014)
- **Under construction: 1.9 GW** at end 2015
- **Consented: 26.4 GW**

Source: EWEA (February 2016)

Europe 2015 Cumulated Capacity by Country



Mkt share of export cable suppliers in 2015 *

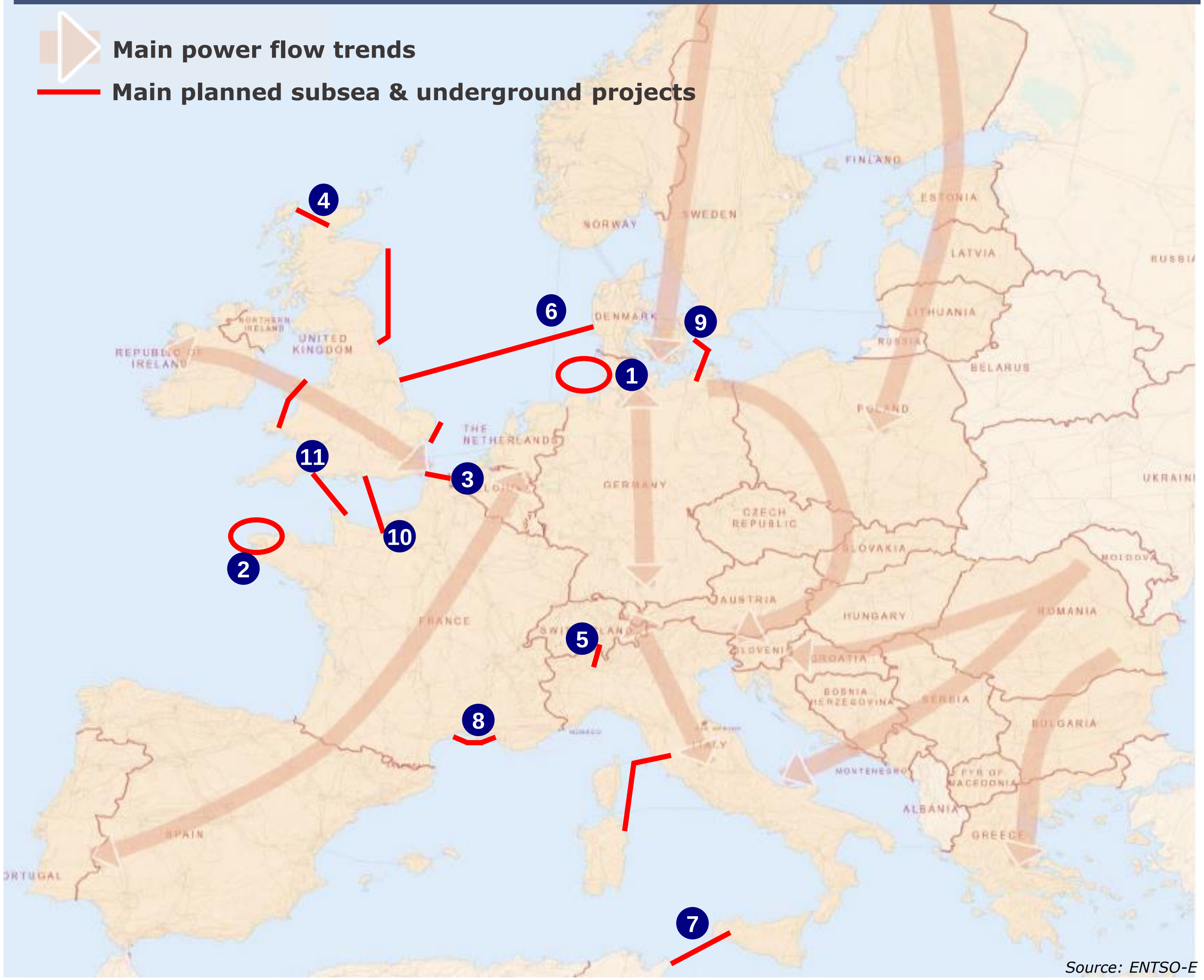


* Calculated on no. of cables fully or partially completed, percentage. EWEA (February 2016)

Major transmission projects to be awarded

Large pipeline of pan-European projects under development

Main subsea and underground projects of pan-European significance



Source: ENTSO-E

List of main projects

1. Germany (HVDC Grid Offshore)
2. France Off-Shore
3. France – UK (Eurotunnel)
4. Western Isles Link
5. Green Connector
6. Denmark – UK (Viking Link)
7. Tunisia – Italy
8. Marseille – Languedoc
9. Denmark – Germany
10. France – UK (IFA2)
11. France – UK (FAB)

Other Projects: Spain-France (sub), Ireland-France (sub), Israel-Cyprus-Crete-Greece (sub), Ireland-UK (sub), Egypt-Saudi Arabia (sub), North-South Germany (underground).

Latest submarine projects awarded

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 ships

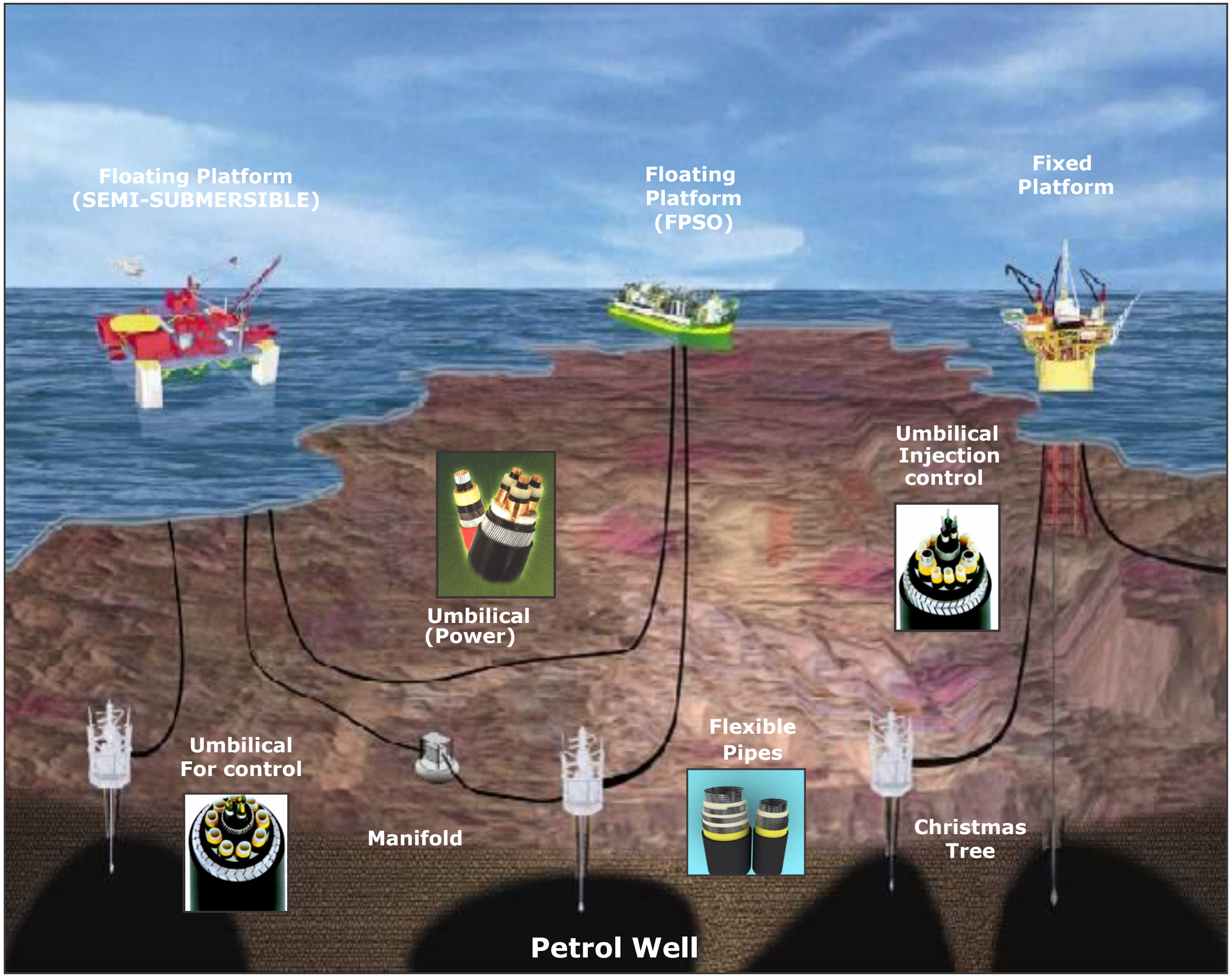
Action plan

- Cable Enterprise vessel conversion to improve installation capacity
- New investment worth approx. €40m in Pikkala and Arco Felice to enhance the production capability to meet the order backlog requirements
- Leverage on strong off-shore wind-farms trend
- Secure orders to protect long-term growth
- Focus on execution

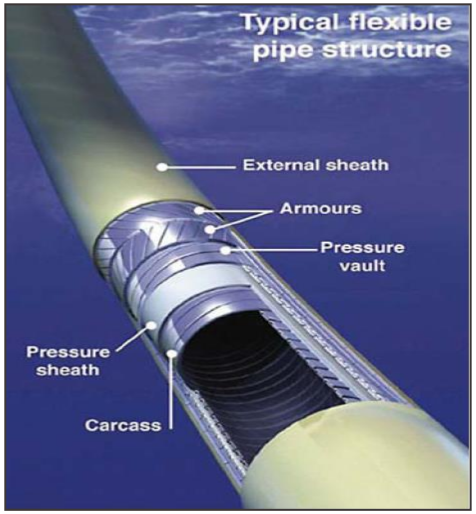
Latest Key projects	Customers	Period	€m*
COBRA cable	TenneT – Energinet.dk	2016-18	**250**
Hainan II	China South Grid	2016-19	**$140m**
NSN Link	Statnett SF – National Grid	2015-21	**550**
West of Adlergrund Option	50Hertz Offshore GmbH	2015-18	**230**
Wikinger	Iberdrola Renovables Offshore	2015-17	**60**
Philippines	NGCP	2015-16	**90**
Dardanelles 2	TEIAS	2015-16	**64**
Cyclades	IPTO	2015-16	**95**
West of Adlergrund	50Hertz Offshore GmbH	2015-18	**480**
Shannon River Crossing	ESB	2014-16	**40**
Zakum offshore oil field	Emirates Holding	2014-15	**30**
BorWin3	TenneT	2014-17	**250**
Capri	Terna	2014-15	**70**
US Offshore platforms	ExxonMobil's	2014-15	**$100m**
Balearic Islands	Red Eléctrica de España	2014-15	**85**
DolWin3	TenneT	2014-16	**350**
Normandie 3	Jersey Electricity plc	2013-14	**45**
Mon.Ita	Terna	2013-17	**400**
Dardanelles	TEIAS	2012-14	**67**
Phu Quoc	EVNSPC	2012-14	**67**
Western Link	National Grid-Scottish Power JV	2012-17	**800**
HelWin2	TenneT	2012-15	**200**
Hudson Project	Hudson Transm. Partners LLC	2012-13	**$175m**
SylWin1	TenneT	2012-15	**280**

** Prysmian portion of the project*

SURF – Off-shore oil exploration
Oilfield structure

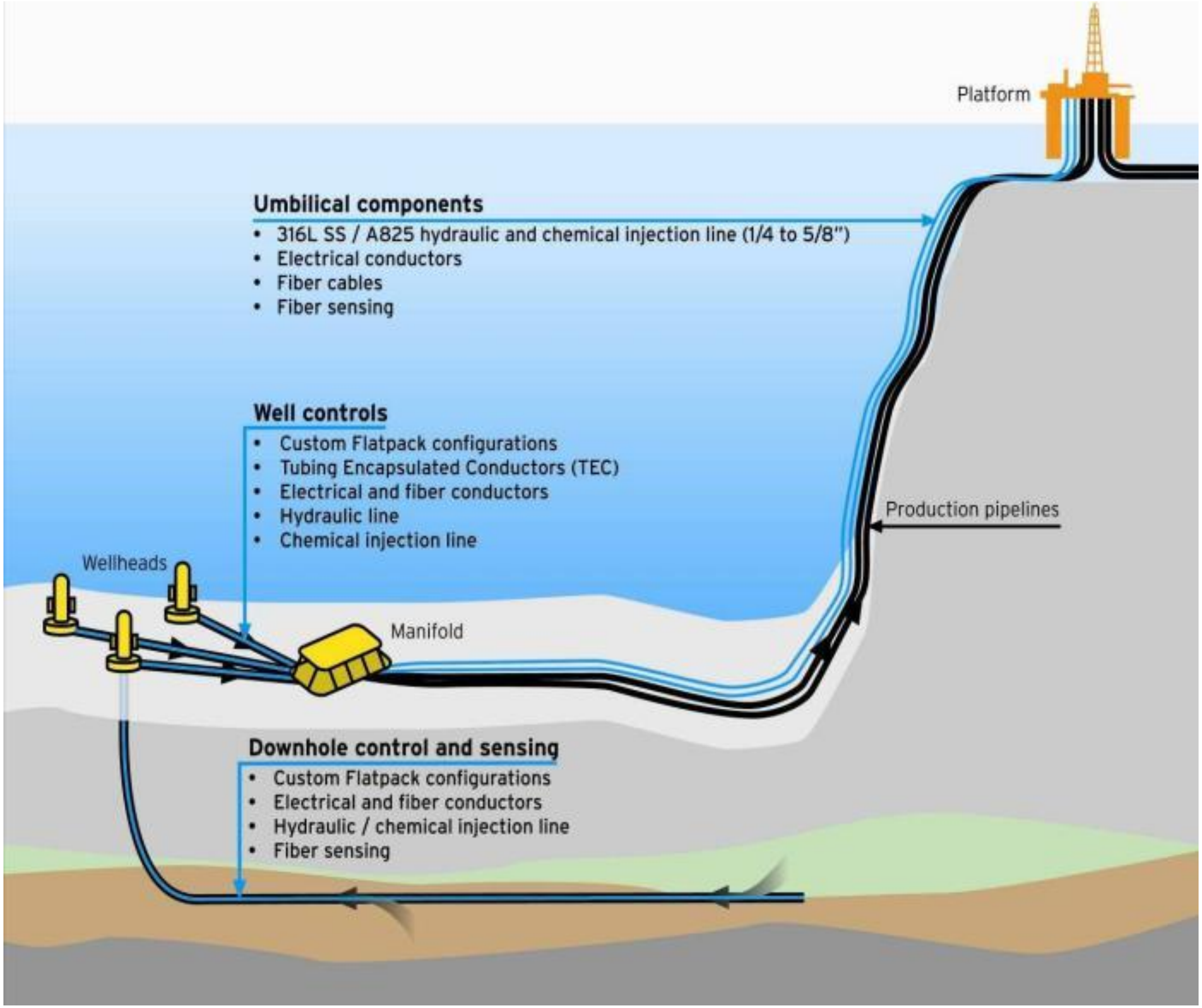


Flexible Pipes

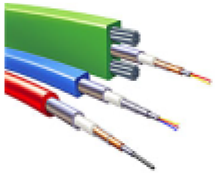


SURF – Off-shore oil exploration

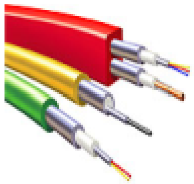
Cross selling opportunities driven by the Downhole technology business contributed by Draka



Downhole Technology (DHT)



HYBRID ELECTRO-OPTIC



FIBER OPTIC

ELECTRICAL

GAS & FLUID TUBING

PACKAGED GAS & FLUID TUBING

Trade & Installers – Overview

BUSINESS DESCRIPTION

- Building wires, Low and Medium voltage cables for residential, commercial, industrial and infrastructure constructions
- Partner of the World best Wholesalers, Installers, Contractors & Specialized Distributors; with a clear focus on their needs following a Customer Centricity approach
- Complete product range of solutions for the construction world, including residential, commercial, industrial and infrastructure with focus on high performance products: best in class Fire Resistant cables, LSOH, Green cables, Easy to Install and Total Cost of Ownership reduction solutions

KEY SUCCESS FACTORS

- Global partner with strong local presence
- Full Product range
- Technological leadership and product excellence
- Customer centric approach
- Capillary logistical distribution network and service
- Technical support
- Extra services
- Unique industry expertize

KEY CUSTOMERS

Contractors & Installers	Wholesalers	Specialized distributors
Cegelec Solutions & Services, spie batignolles, VINCI, Imtech	sonepar, Fegime, Edmundson Electrical, Rexel, IMELCO, IDEE	Priority Wire & Cable, Inc., Anixter, BBC Cable Engineering Co. Ltd. BBC電纜工程有限公司 Prysmian 中低壓電纜香港總代理 Cables Hong Kong Sole Agent

Trade & Installers

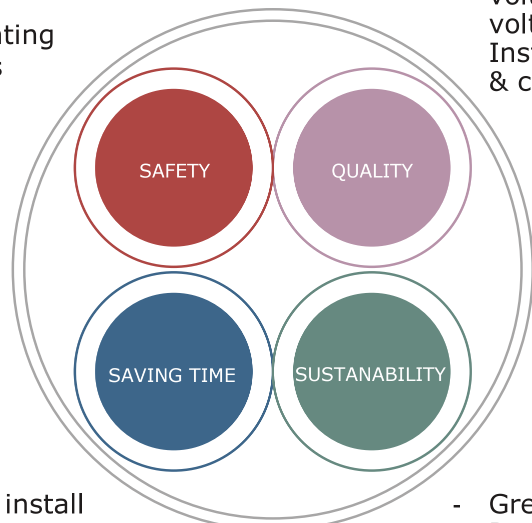
Offer overview

RESIDENTIAL – COMMERCIAL – INDUSTRIAL - INFRASTRUCTURE

- POWER SUPPLY
- EMERGENCY CIRCUITS
- CONNECTIONS
- MACHINERY (MOBILE OR NOT)
- SWITCHBOARD
- LIGHTING (INTERIOR/EXTERIOR)
- BRANCHES
- CONTROL/DATA
- ELECTRICAL APPLIANCES

BEST IN CLASS FIRE RESISTANT AND LSOH CABLES

- Fire fighting systems
- Full range quality Building Wires, Low voltage, Medium voltage, Instrumentation & control



- Easy to install solutions
- Smart Packaging
- Hybrid cables Energy + Data

- Green products
- Recycled packaging
- Full life cycle assessment approach

A MAJOR ROLE IN MILAN 2015 EXPO

Special fire safety and eco-friendly cables for the site hosting the **Milan Universal Exposition** of 2015: 50 km of medium voltage P-Laser cables and 300 km of low voltage Afumex cables

TAKING SAFETY TO NEW HEIGHTS

Approximately 350 km of high-tech fire-resistant cables for power distribution supplied within the **Shard skyscraper**, the tallest building in London and Western Europe. Prysmian chosen as global supplier of BASEC and LPCB certified cables and components, and of support and advice to the construction company on the best installation methods to use

THE LIVES OF THESE PEOPLE DO NOT HANG BY A THREAD

Around 500 km of cables for **Tele2 Arena**, a new, ultra-modern multi-purpose stadium in Stockholm. Prysmian Group has supplied halogen-free cables for the stadium's power, telecommunication, and lighting systems, selected by the customer as the latest technology to guarantee safety

Industrial & Network Components – Overview

Business description

Integrated cable solutions highly customized to our industrial customers worldwide

Specialties & OEM
Products for mining, crane , marine, railway, rolling stock, nuclear, renewables, defense and other niches

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

Automotive
Standard and specialist cables for the automotive and transport industry, collaborating with the sector's leading international manufacturers

Network Components
Network accessories and components to connect cables and other network elements

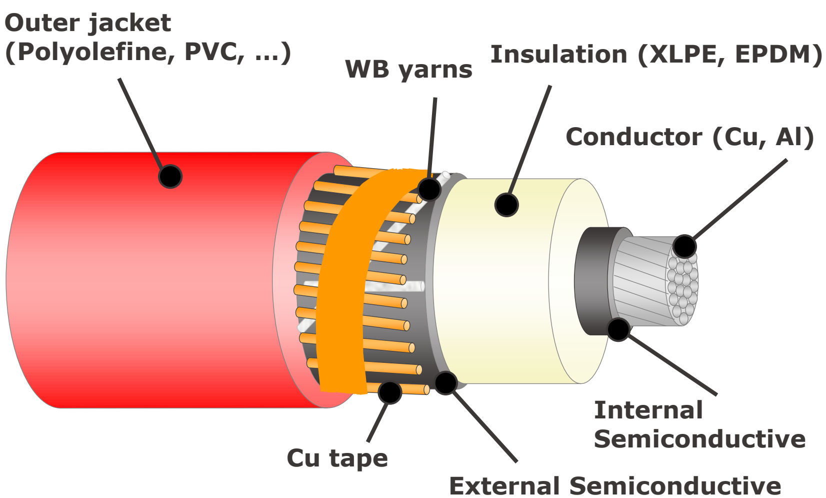
Key customers

Large and differentiated customer base generally served through direct sales

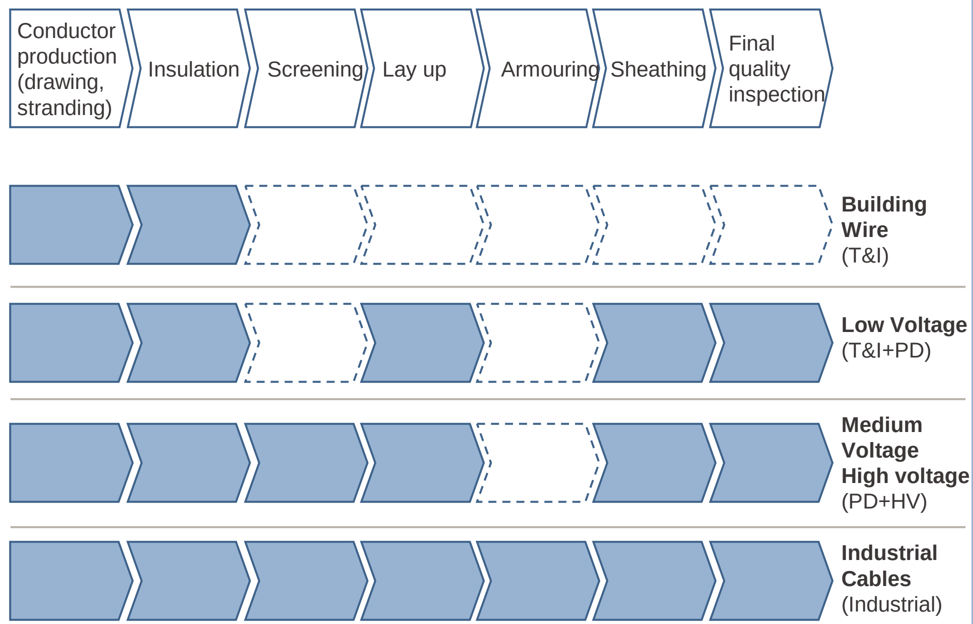
Vestas
RFI
SNCF
wampfler
ZPMC Shanghai Zhenhua Port Machinery
OTIS
SIEMENS
Schindler
DELPHI
GE Wind Energy
Dräxlmaier
YAZAKI
KONE
Valeo
ALSTOM
AKER KVÆRNER
ERG
stx Europe
IBC SOLAR
ThyssenKrupp

Macro-structure of Energy Cables

Product macro structure



Production process



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Telecom – Overview

Business description

Integrated cable solutions focused on high -end Telecom

Telecom solutions
<u>Optical cables</u>**:** tailored for all today's challenging environments from underground ducts to overhead lines, rail tunnels and sewerage pipes
<u>Copper cables</u>: broad portfolio for underground and overhead solutions, residential and commercial buildings
<u>Connectivity</u>: FTTH systems based upon existing technologies and specially developed proprietary optical fibres

MMS
<u>Multimedia specials</u>: solutions for radio, TV and film, harsh industrial environments, radio frequency, central office switching and datacom
<u>Mobile networks</u>: Antenna line products for mobile operators
<u>Railway infrastructure:</u> Buried distribution & railfoot cables for long distance telecommunication and advanced signalling cables for such applications as light signalling and track switching

Optical Fiber
<u>Optical fiber products</u>: single-mode optical fiber, multimode optical fibers and specialty fibers (DrakaElite)
<u>Manufacturing:</u> 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

verizon
orange
BT
kpn
Telstra
Telefónica

Nokia Siemens Networks
ZTE中兴
Alcatel·Lucent

bharti
Airtel
FASTWEB
NetCologne

Optical cables
Global overview

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 data traffic
  - 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

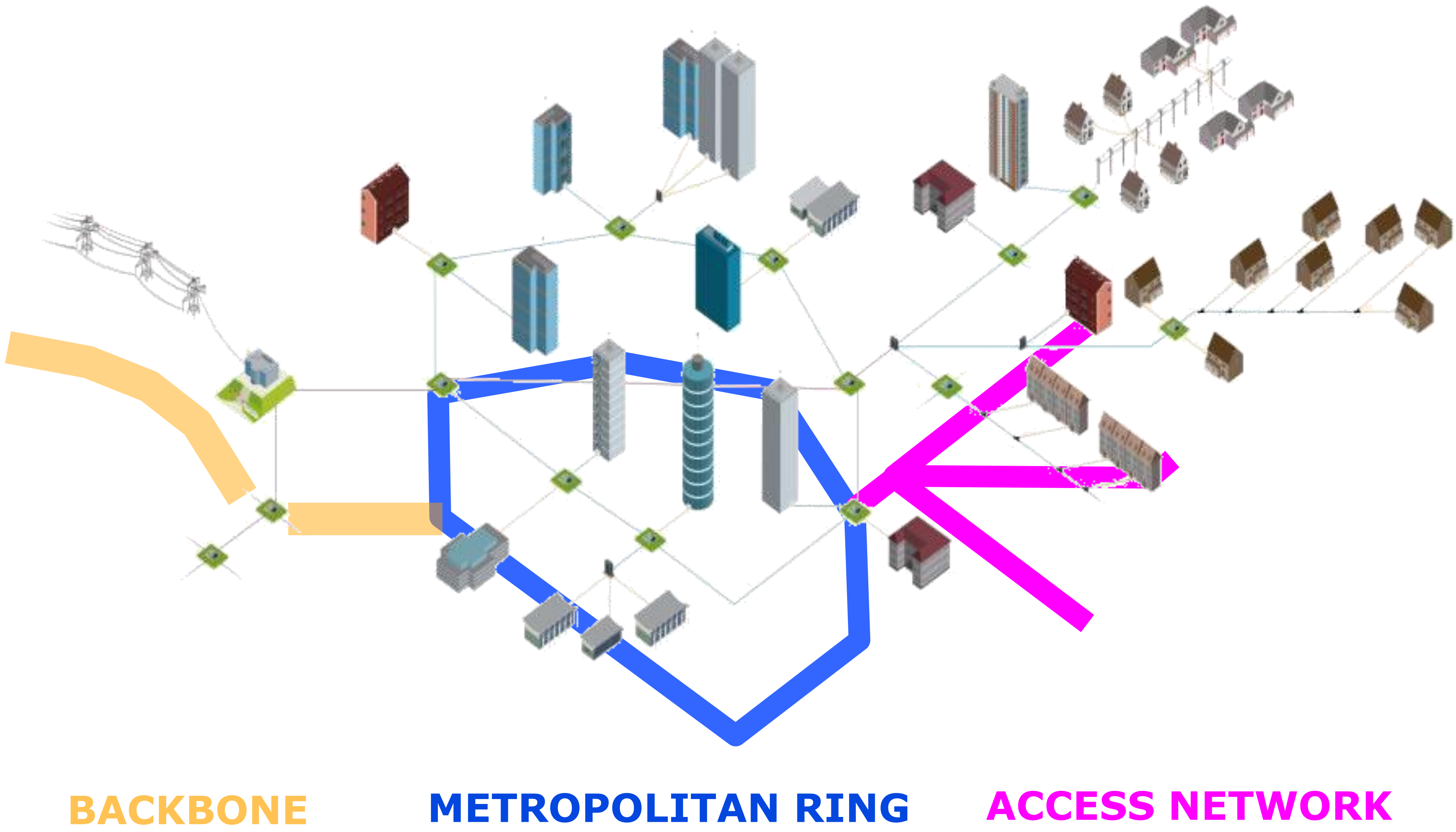
Strategic value of fibre

- Fiber optic represents the major single component cost of optical cables
- Fiber optic production has high entry barriers:
  - Proprietary technology or licenses difficult to obtain
  - Long time to develop know-how
  - Capital intensity
- When fiber 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

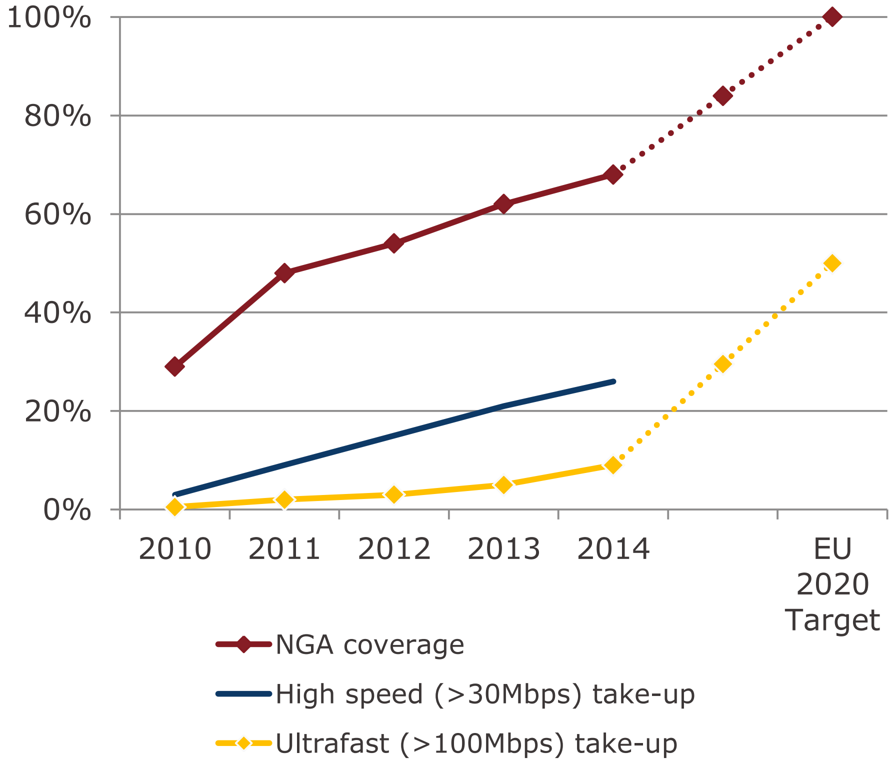
Telecom Cables Main Applications



Telecom – Market trend

Growth opportunities coming from the development of broadband in Europe

Evolution of NGA (Next Generation Access) coverage and high-speed (>30Mbps) / ultrafast (>100Mbps) take-up (% of homes) in the EU



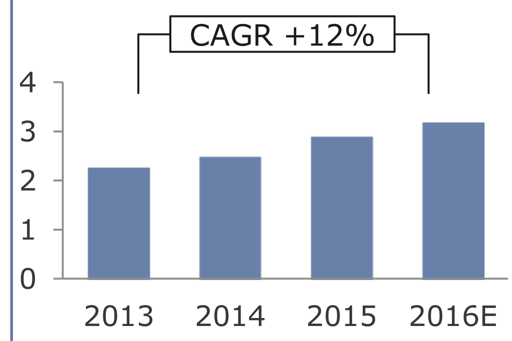
- Coverage of NGA technologies doubled since 2010, but further efforts are requested to meet 2020 target of 100% coverage
- Take-up of ultrafast (>100Mbps) broadband remains marginal (3% of homes) still faraway from 2020 target (50%)

Source: European Commission Digital Agenda Scoreboard 2015

Opportunities coming from national plans to achieve EU 2020 Digital Agenda targets

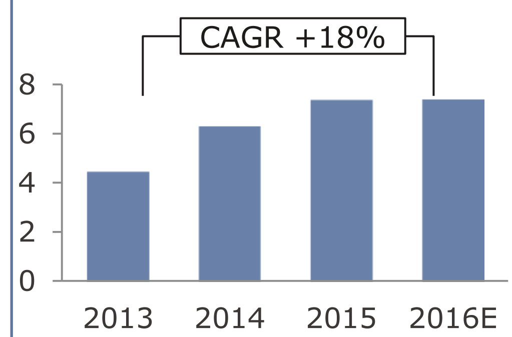
Consumption of fiber optic cable ('000,000 fiber km)

Italy



- NGA coverage at 36% in 2014 Vs EU average of 68%
- More than €10bn investment announced by telecom operators for the development of NGA in the coming years.

France



- Coverage of NGA in France (43%) well below EU average (68%) at end 2014
- THD plan to attract €20bn public/private investments in 2012-22 to develop high speed and ultrafast infrastructures

Source: CRU, January 2016; European Commission Digital Agenda Scoreboard 2015

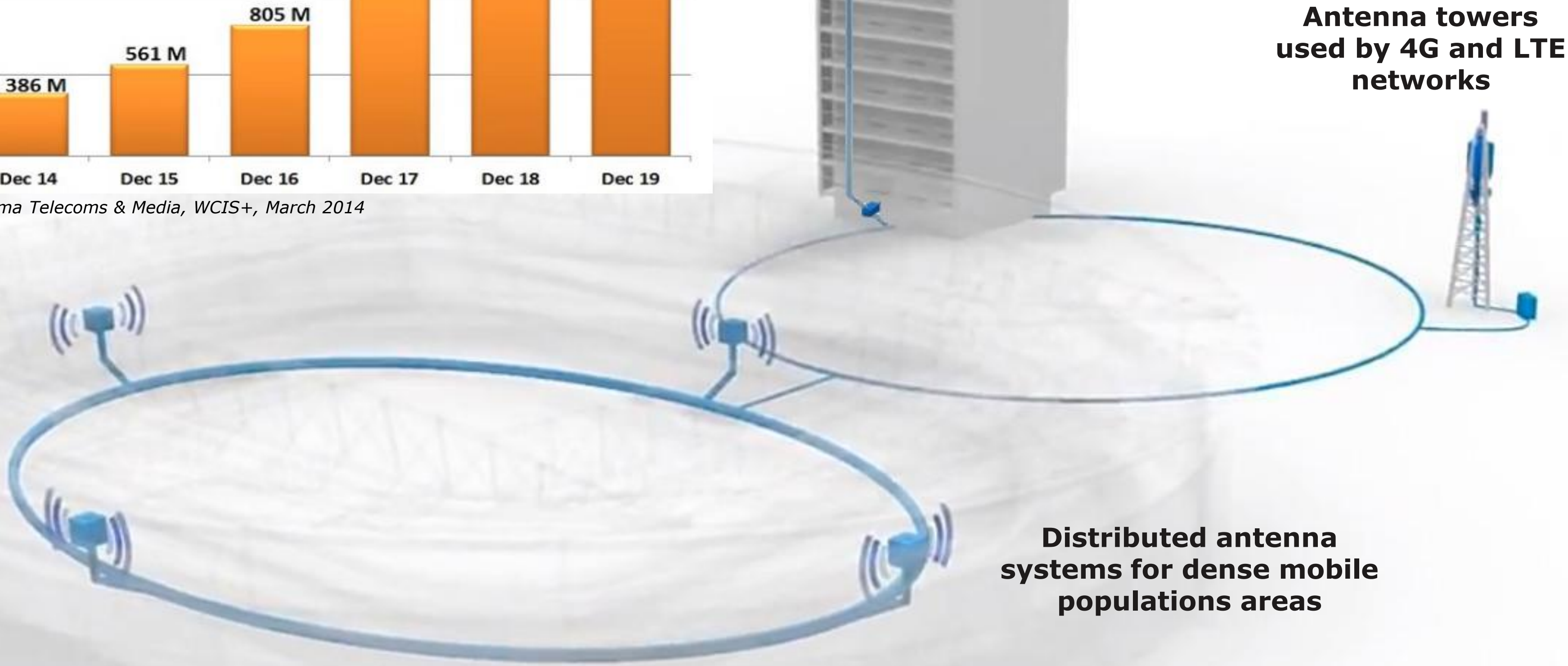
Telecom – FTTA as key driver of optical demand

4G and Long Term Evolution (LTE) deployments require Fiber-to-the-Antenna (FTTA)

Global LTE Growth Forecast

# of users

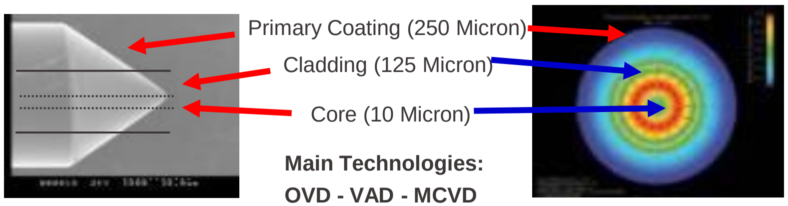
Source: Informa Telecoms & Media, WCIS+, March 2014



Macro-structure of Telecom Cables

Product macro structure / Production process

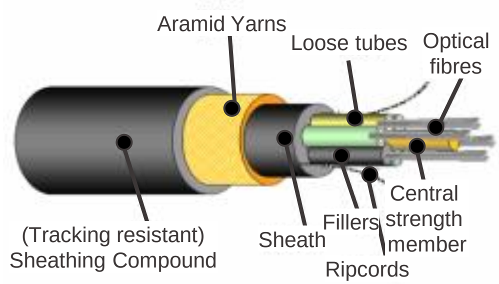
Fibre optic



Main Technologies:
OVD - VAD - MCVD

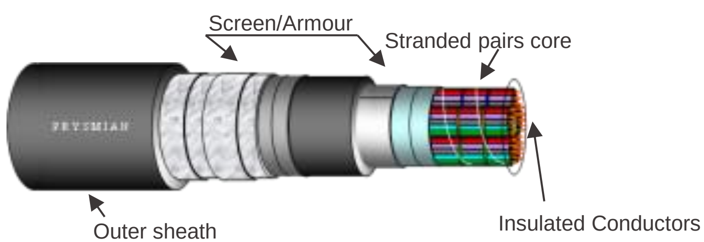
Production process: Pre form deposition → Consolidation → Drawing → Final quality inspection

Optical cables



Production process: Colouring → Buffering → Lay up → Armouring (yarn or metal) → Sheathing → Final quality inspection

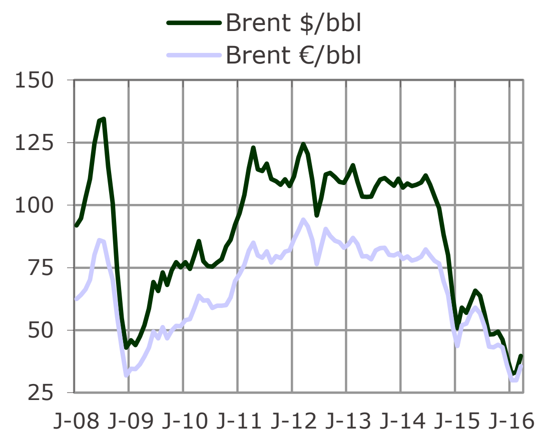
Copper cables



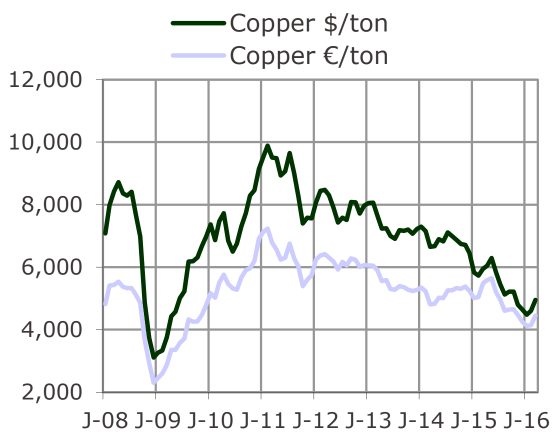
Production process: Conductor production → Insulation → Twinning → Lay up → Armouring → Sheathing → Final quality inspection

Reference Scenario
Commodities & Forex

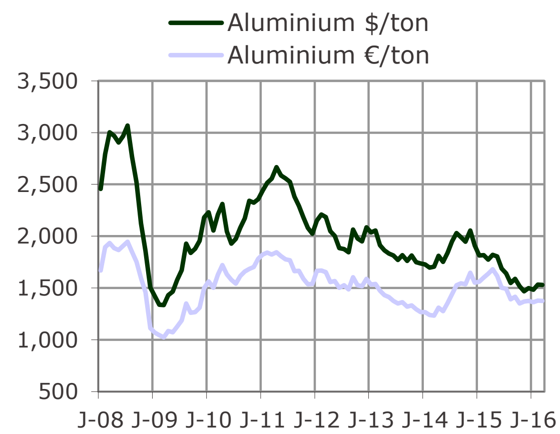
Brent



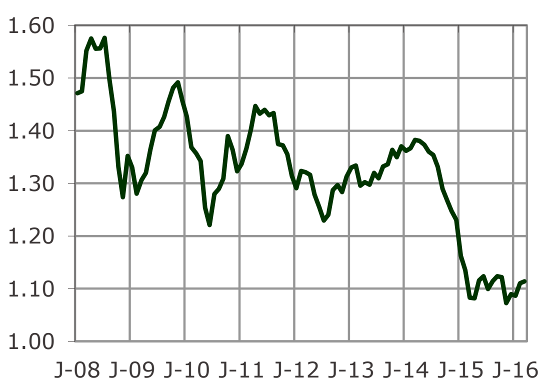
Copper



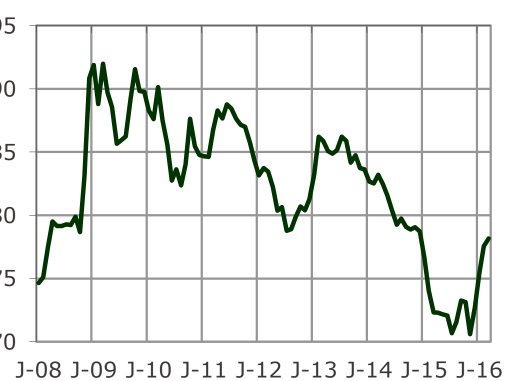
Aluminium



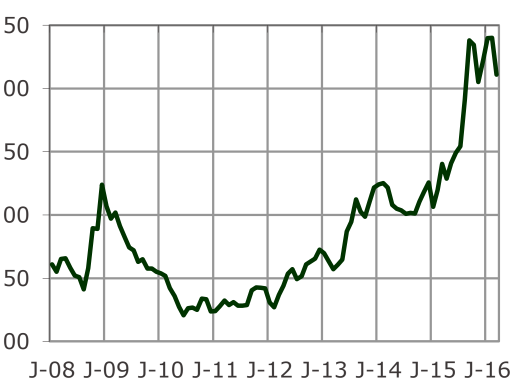
EUR / USD



EUR / GBP



EUR / BRL



Based on monthly average data
Source: Nasdaq OMX

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