



Prysmian Group Company Presentation

March 2017

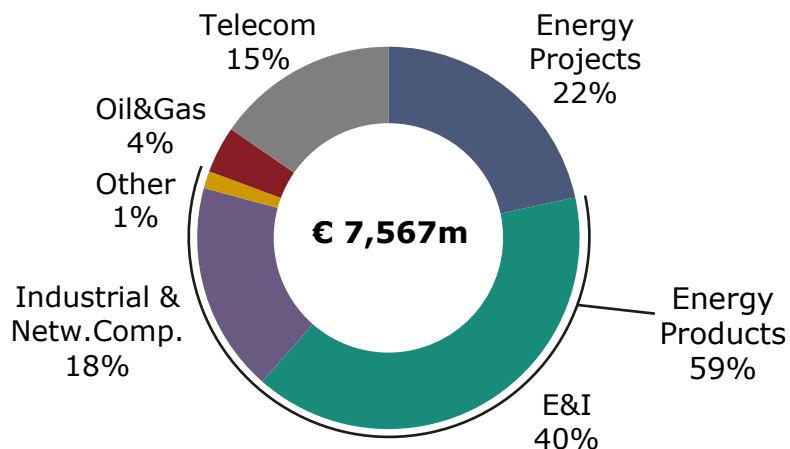
PLATFORM TO ENHANCE CUSTOMER SERVICE **LINKING THE FUTURE** STRONGER
LEADING TECHNOLOGY LEADING TECHNOLOGY
WORLDWIDE LEADER IN RENEWABLE ENERGY
EXTENDED PRODUCT OFFERING IN OGP AND IN

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

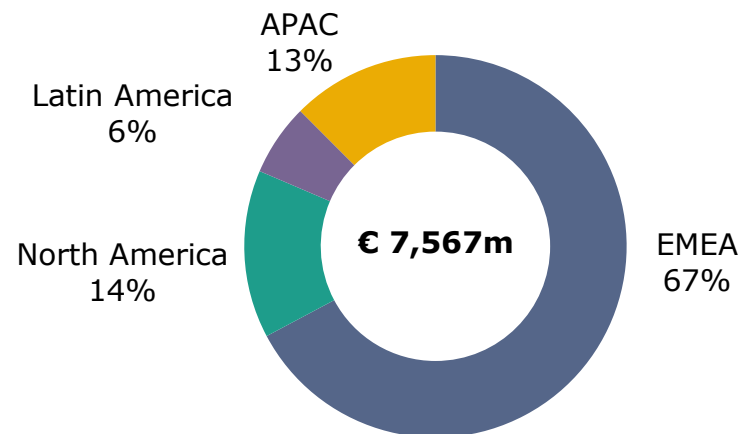
Prysmian group at a glance

FY 2016 Financial Results

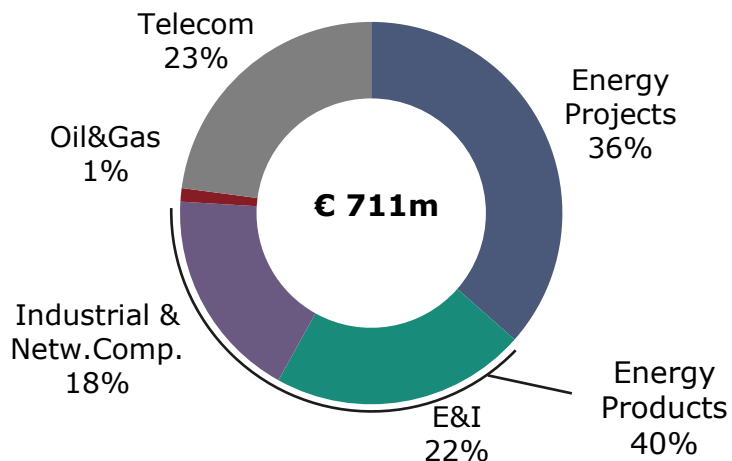
Sales breakdown by business



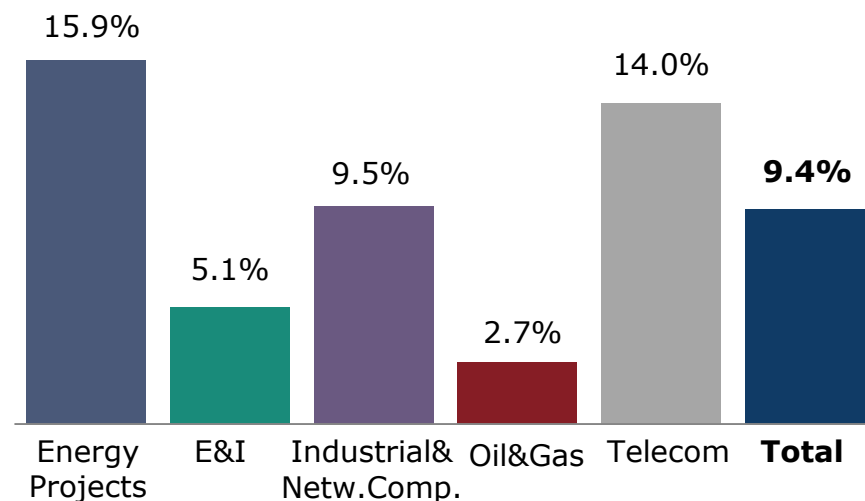
Sales breakdown by geography



Adj. EBITDA by business



Adj. EBITDA margin

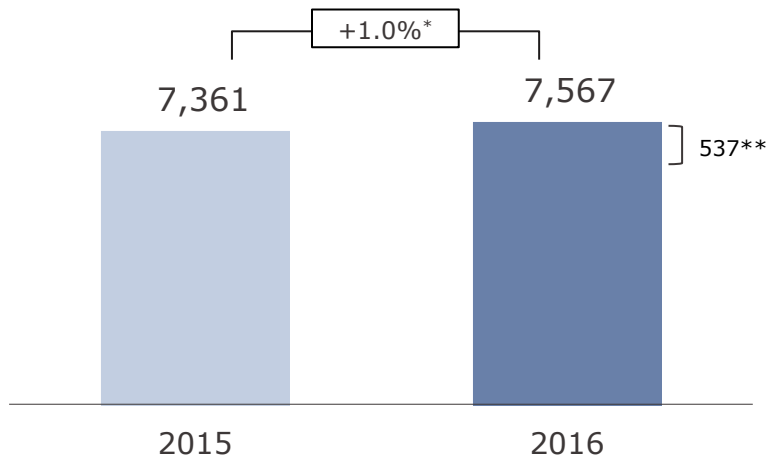


FY 2016 Key Financials

Euro Millions, % on Sales

Sales

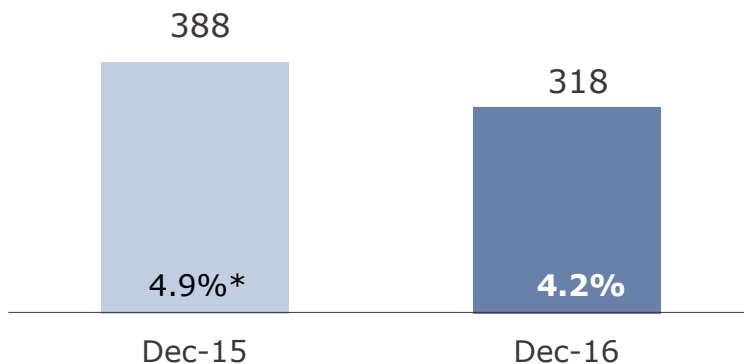
**Δ OCI Contribution FY'16 vs. FY'15



* Org. Growth

Operative Net Working Capital (2)

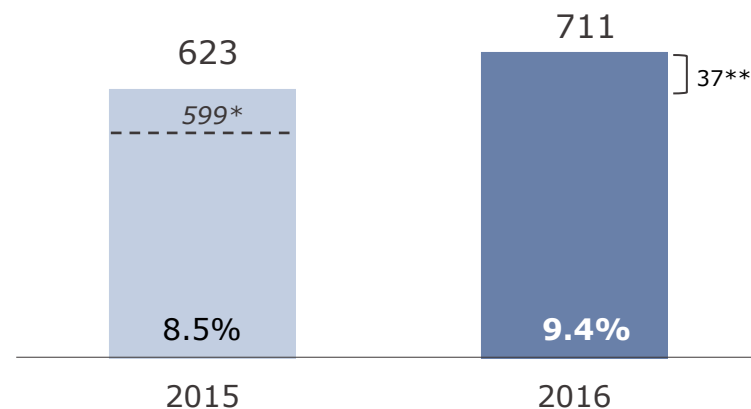
* Calculated on pro-forma annualized Q4 2015 Sales including OCI.



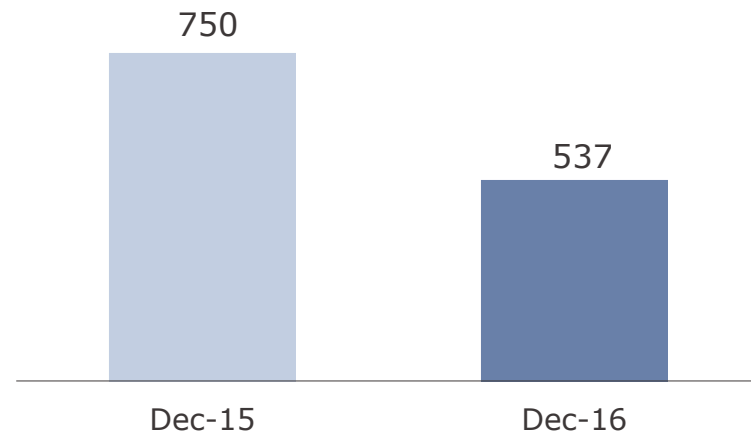
Adjusted EBITDA (1)

* Excl. €24m WL previous loss write-up

**Δ OCI Contribution FY'16 vs. FY'15



Net Financial Position

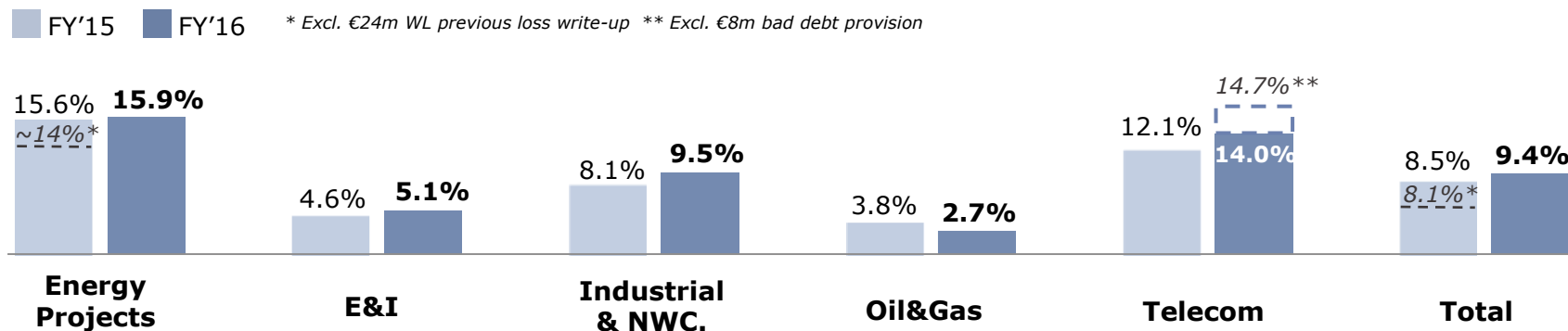


(1) Adjusted excluding non-recurring income/expenses, restructuring costs and other non-operating income (expenses); (2) Defined as NWC excluding derivatives; % on sales is defined as Operative NWC on annualized last quarter sales;

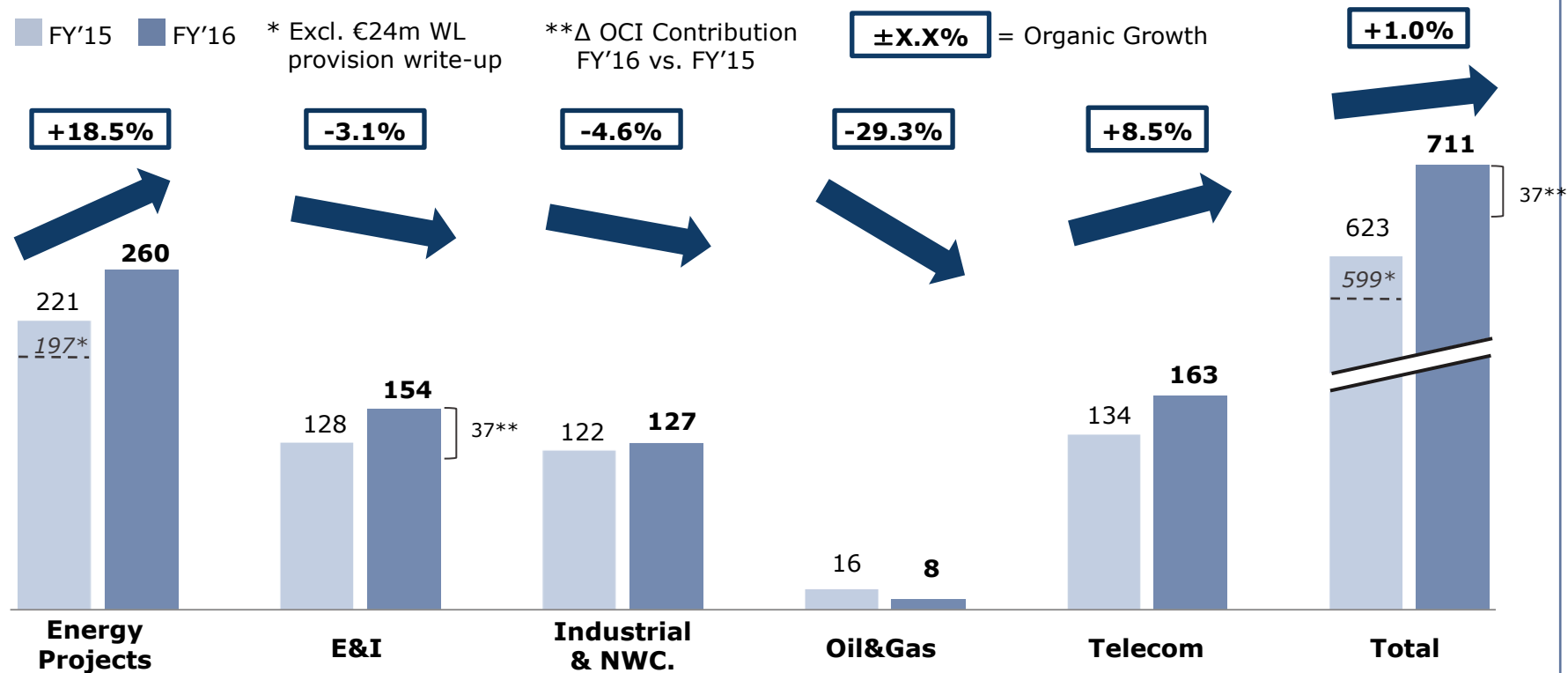
Continued profitability improvement

Underlying margin increase in all business excluding Oil&Gas

Adj. EBITDA Margin



Adj. EBITDA (€ million) / % Org. Growth

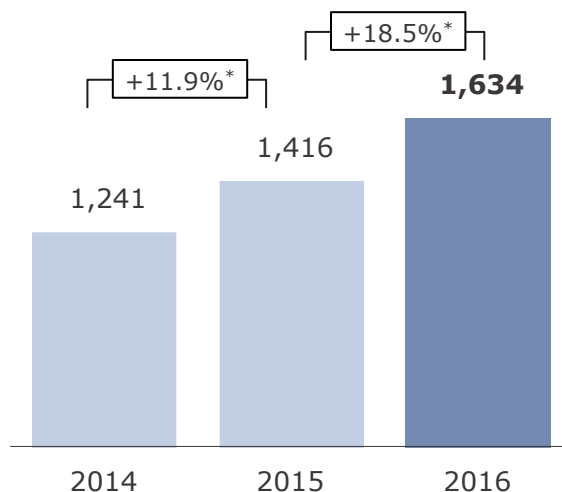


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Energy Projects

Euro Millions, % on Sales

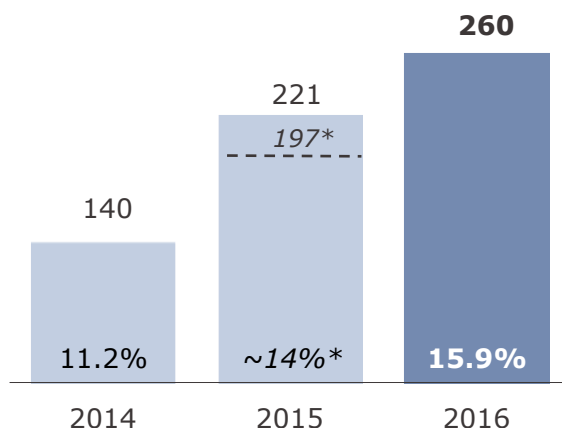
Sales



* Org. Growth

Adj. EBITDA / % of Sales

* Excl. €24m WL previous loss write-up.



Highlights

Submarine

- Sound double-digit organic growth benefitting from a favourable project phasing and effective execution.
- Adj.EBITDA margin driven by strong revenue growth, sound execution and new installation assets.
- Strong market outlook in 2017 with expected awards both in offshore wind farms and interconnections. New contract awarded in Q1 2017 worth more than €300m for offshore wind farm grid connection in France.

Underground High Voltage

- Positive performance, both in terms of sales increase and profitability. North America and APAC recorded a sound growth.
- Strengthened industrial presence in China: acquisition of 100% manufacturing plant focused on HV cables and divestment of the 67% stake in Baosheng JV.
- New contract worth approximately € 79m for a new interconnection between France and UK through the channel tunnel confirms sound market prospective.

Orders Backlog Evolution (€m)

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

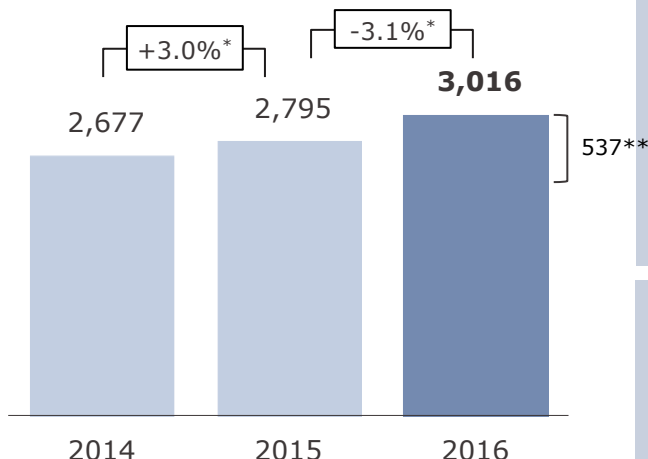
* Excluding € 70m backlog of China and new project awarded in Q1 2017.

Energy & Infrastructure

Euro Millions, % on Sales

Sales

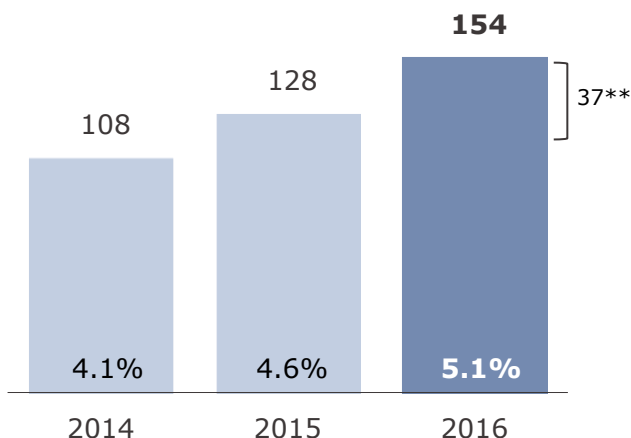
**Δ OCI Contribution FY'16 vs. FY'15



* Org. Growth

Adj. EBITDA / % of Sales

** Δ OCI Contribution FY '16 vs. FY '15



Highlights

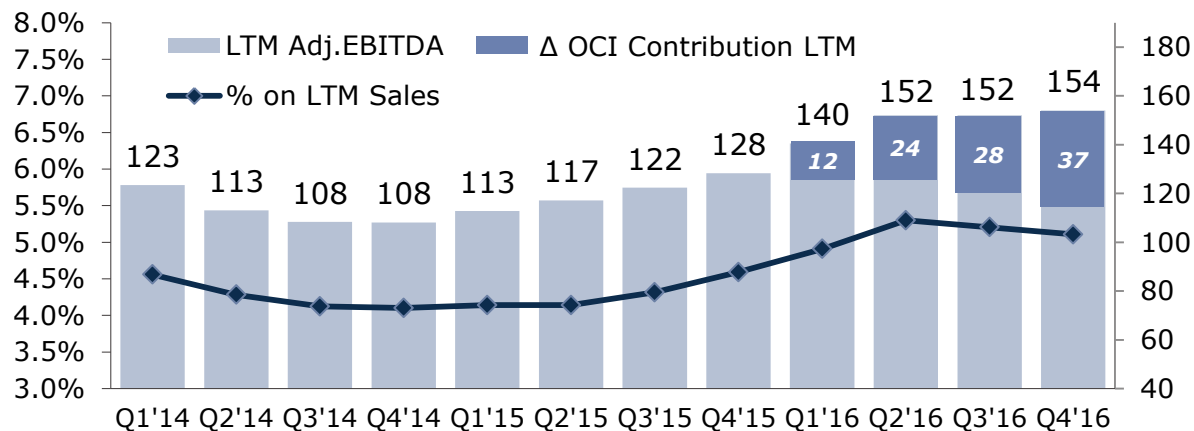
Trade & Installers

- Negative organic trend driven by sharp decline in South America and moderate slowdown in Central Eastern and Southern Europe. Positive performance in the Nordics and Australia.
- Footprint optimization, better mix and full consolidation of OCI supported Adj.EBITDA margin.

Power Distribution

- 2016 sales substantially stable, with slowdown in Q4 in line with expectations. Adj.EBITDA margin benefitted from a better mix.
- Nordics and APAC regions showed a solid trend during the year, offset by slowdown in South America and strong reduction of the utilities investments in Germany in line with expectations.

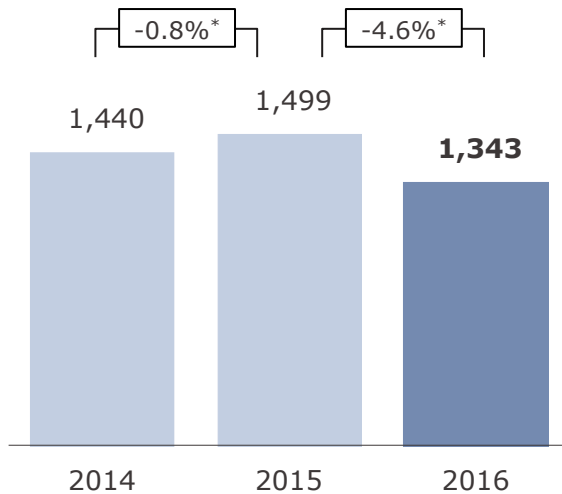
LTM Adj. EBITDA Evolution / % on LTM Sales



Industrial & Network Components

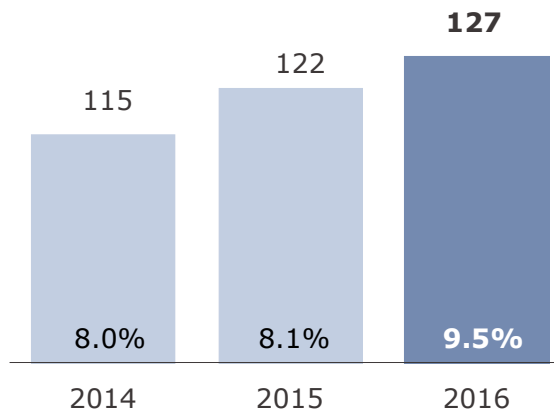
Euro Millions, % on Sales

Sales



* Org. Growth

Adj. EBITDA / % of Sales



Highlights

Specialties, OEMs & Renewables

- Mid single digit organic decline, due to slowdown in Renewables segment (mainly China) and volume drop in Mining, Nuclear and Railway, partially offset by the strong performance in Defense and Marine.
- Sound results in North America; general weakness in Europe, Turkey and Argentina.
- Profitability sustained by favourable product and country mix.

Elevator

- Sound growth driven by a solid performance in North America and EMEA, partially offset by weakening trend in China.
- Increasing penetration in after market products and services supported margin growth.

Automotive

- Stable volume with better margin benefitting from re-footprint in Europe and favourable product mix. Solid market demand in APAC compensated the weakness of Latin America.

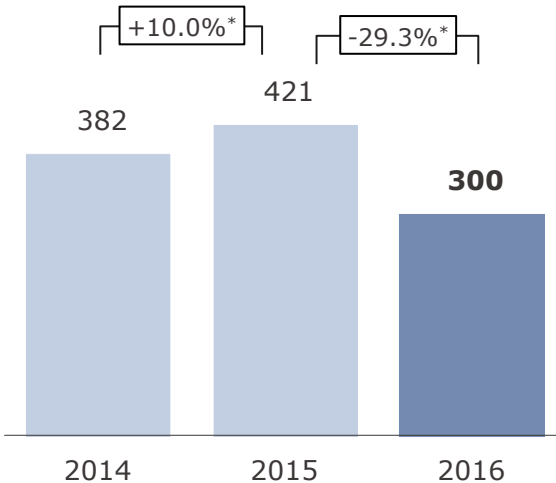
Network Components

- Sound performance in HV and Extra HV supported by footprint optimization in Europe and China and the launch of new products.
- Soft demand in MV and LV accessories in Europe, offset by good performance in North America and APAC.

Oil & Gas

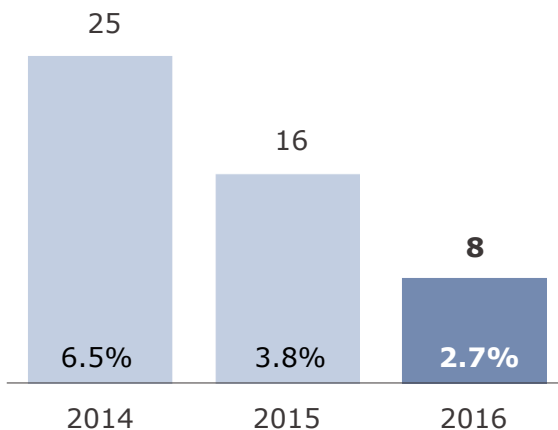
Euro Millions, % on Sales

Sales



* Org. Growth

Adj. EBITDA / % of Sales



Highlights

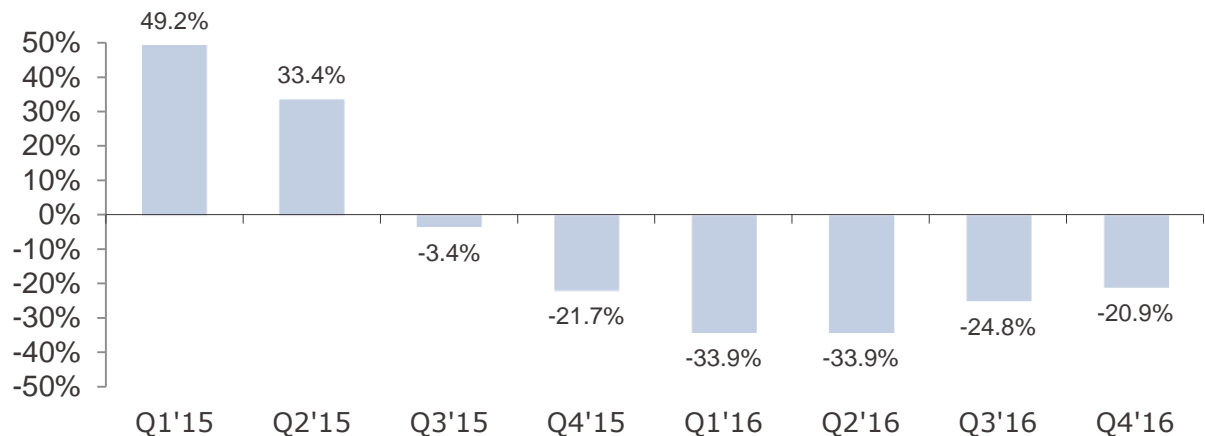
SURF

- Umbilical: Sharp volumes drop, in line with the expected market evolution due to Petrobras limited orders in 2016.
- DHT: Slight decline in Sales and Adj.EBITDA, partially compensated by the consolidation of GCDT since October 2015. Continue pressure from customers' inventory reduction and projects postponement.

Core Oil&Gas Cables

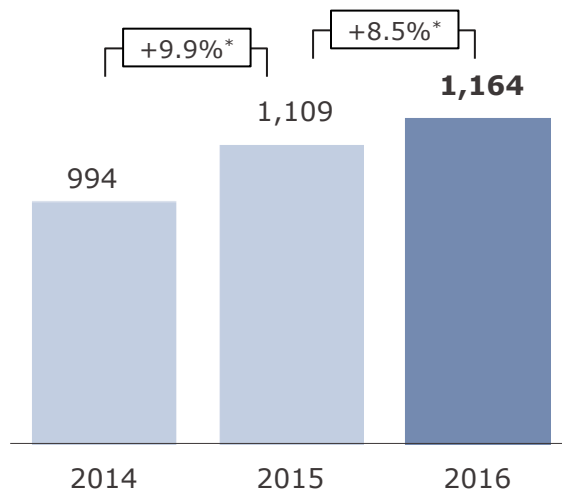
- Organic sales slump driven by the shortfall of market activity in Drilling, Offshore projects and ESP (Electrical Submersible Pump) segments.
- Stabilizing trend in Q4.
- Focus on cost-effective supply chain initiatives and footprint optimization to limit margin erosion.

Quarterly organic growth* evolution



* % change vs. same quarter of previous year

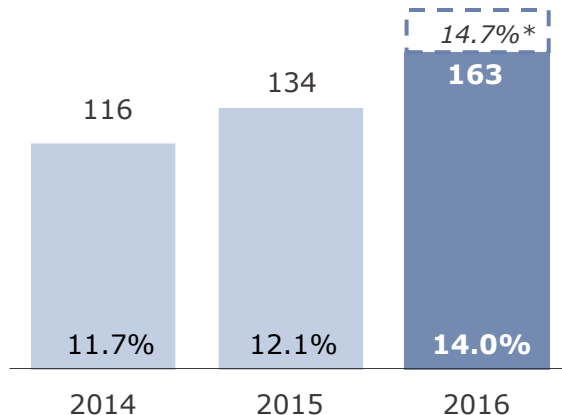
Sales



* Org. Growth

Adj. EBITDA / % of Sales

* Adj. EBITDA margin excl. €8m bad debt provision in Brazil



Highlights

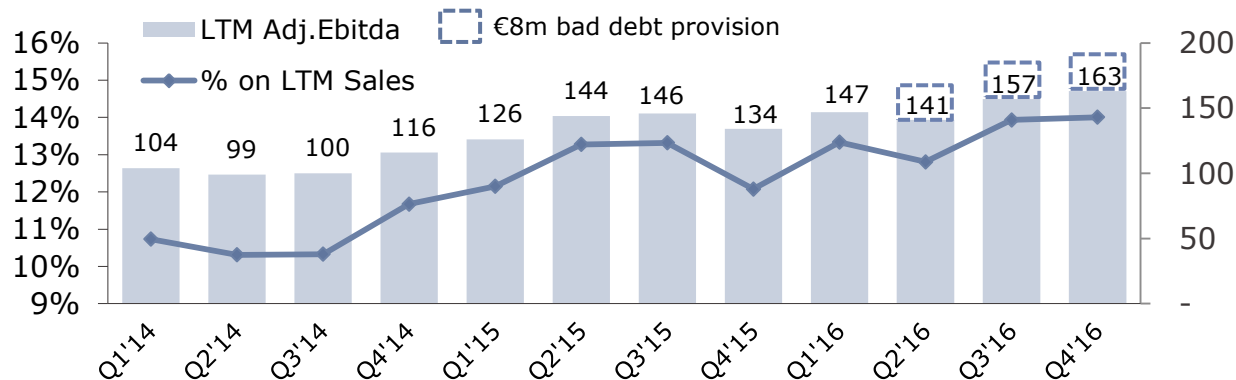
Telecom Solutions

- Positive trend in Optical cables and fiber, accelerating in Q4, driven by solid performance in the US, France, Eastern Europe and Australia.
- Investments in fiber manufacturing efficiency paying off.
- Adj.EBITDA Margin benefitting from production footprint rationalization with the creation of excellence centres worldwide.
- Double-digit organic trend in copper cables fuelled by the positive market momentum in Australia.

MMS

- Profitable growth in Europe supported by production capacity extension in copper cables business and footprint optimization in fiber cable. Positive performance in South America.

Quarterly LTM Adj. EBITDA and % on Sales evolution



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Profit and Loss Statement

Euro Millions

	FY 2016	FY 2015	Δ OCI contrib. FY '16 vs. FY '15
Sales	7,567	7,361	537
<i>YoY total growth</i>	2.8%		
<i>YoY organic growth</i>	1.0%		
Adj.EBITDA	711	623	37
<i>% on sales</i>	9.4%	8.5%	
Adjustments	(66)	(1)	(5)
EBITDA	645	622	32
<i>% on sales</i>	8.5%	8.4%	
Adj.EBIT	538	473	10
<i>% on sales</i>	7.1%	6.4%	
Adjustments	(66)	(1)	(5)
Special items	(25)	(73)	-
EBIT	447	399	5
<i>% on sales</i>	5.9%	5.4%	
Financial charges	(79)	(89)	(2)
EBT	368	310	3
<i>% on sales</i>	4.9%	4.2%	
Taxes	(106)	(96)	(2)
<i>% on EBT</i>	(28.8%)	(31.0%)	
Net Income	262	214	1
<i>% on sales</i>	3.5%	2.9%	
Minorities	16	-	8
Group Net Income	246	214	(7)
<i>% on sales</i>	3.3%	2.9%	

Adjustments and Special Items on EBIT

Euro Millions

	FY 2016	FY 2015
Non-recurring Items (Antitrust Investigation)	1	29
Restructuring	(50)	(48)
Other Non-operating Income / (Expenses)	(17)	18
EBITDA adjustments	(66)	(1)
Special items	(25)	(73)
<i>Gain/(loss) on metal derivatives</i>	54	(27)
<i>Assets impairment</i>	(30)	(21)
<i>Other</i>	(49)	(25)
EBIT adjustments	(91)	(74)

Financial Charges

Euro Millions

	FY 2016	FY 2015
Net interest expenses	(62)	(73)
<i>of which non-cash conv.bond interest exp.</i>	<i>(8)</i>	<i>(8)</i>
Bank fees amortization	(4)	(4)
Gain/(loss) on exchange rates	(9)	(31)
Gain/(loss) on derivatives ¹⁾	(3)	12
Non recurring effects	(2)	(2)
Other	1	9
Net financial charges	(79)	(89)

Statement of financial position (Balance Sheet)

Euro Millions

	31 Dec 2016	31 Dec 2015*
Net fixed assets	2,630	2,581
<i>of which: goodwill</i>	448	452
<i>of which: intangible assets</i>	344	371
<i>of which: property, plants & equipment</i>	1,631	1,552
Net working capital	325	347
<i>of which: derivatives assets/(liabilities)</i>	7	(41)
<i>of which: Operative Net working capital</i>	318	388
Provisions & deferred taxes	(360)	(330)
Net Capital Employed	2,595	2,598
Employee provisions	383	341
Shareholders' equity	1,675	1,507
<i>of which: attributable to minority interest</i>	227	229
Net financial position	537	750
Total Financing and Equity	2,595	2,598

* Restated figures

Cash Flow

Euro Millions

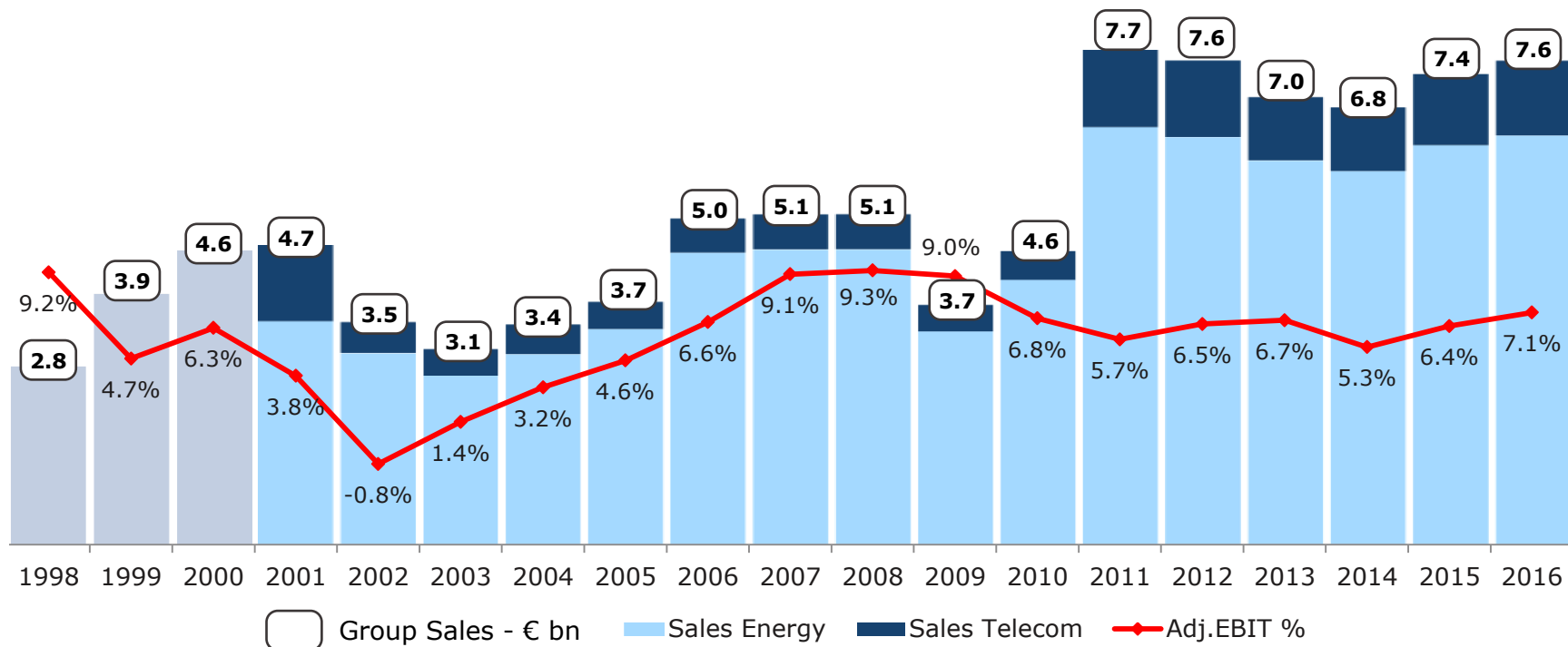
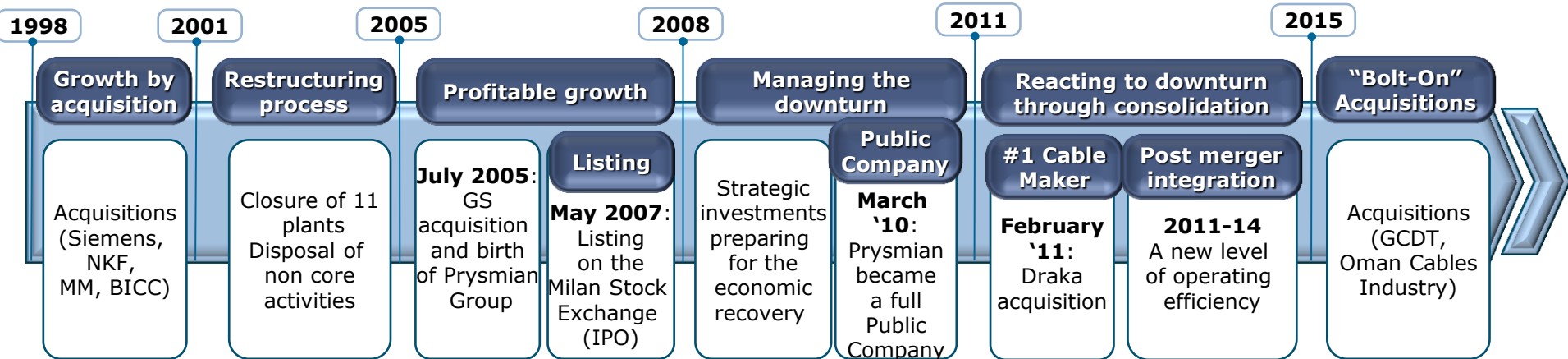
	FY 2016	FY 2015	Full OCI FY 2016 Cash-flow
Adj.EBITDA	711	623	52
Adjustments	(66)	(1)	(5)
EBITDA	645	622	47
Net Change in provisions & others	-	(75)	-
Share of income from investments in op.activities	(31)	(39)	-
Cash Flow from operations (bef. WC changes)	614	508	47
Working Capital changes	67	243	55
Dividends received	10	17	-
Paid Income Taxes	(76)	(71)	(6)
Cash flow from operations	615	697	96
Acquisitions & Disposals	31	(138)	-
Net Operative CAPEX	(227)	(200)	(6)
<i>of which acquisitions of assets of ShenHuan</i>	<i>(11)</i>	<i>-</i>	<i>-</i>
Free Cash Flow (unlevered)	419	359	90
Financial charges	(68)	(100)	(1)
Free Cash Flow (levered)	351	259	89
<i>Free Cash Flow (levered) excl. Acquisitions & Disposals**</i>	<i>331</i>	<i>397</i>	<i>89</i>
Dividends	(102)	(91)	(11)*
Treasury shares buy-back & other equity movements	-	3	-
Net Cash Flow	249	171	78
NFP beginning of the period	(750)	(802)	
Net cash flow	249	171	
Other variations	(36)	(119)	
NFP end of the period	(537)	(750)	

* Considering only dividends paid to minority shareholders

** Calculated as FCF (levered) excluding acquisitions of assets of ShenHuan and "Acquisitions & Disposals".

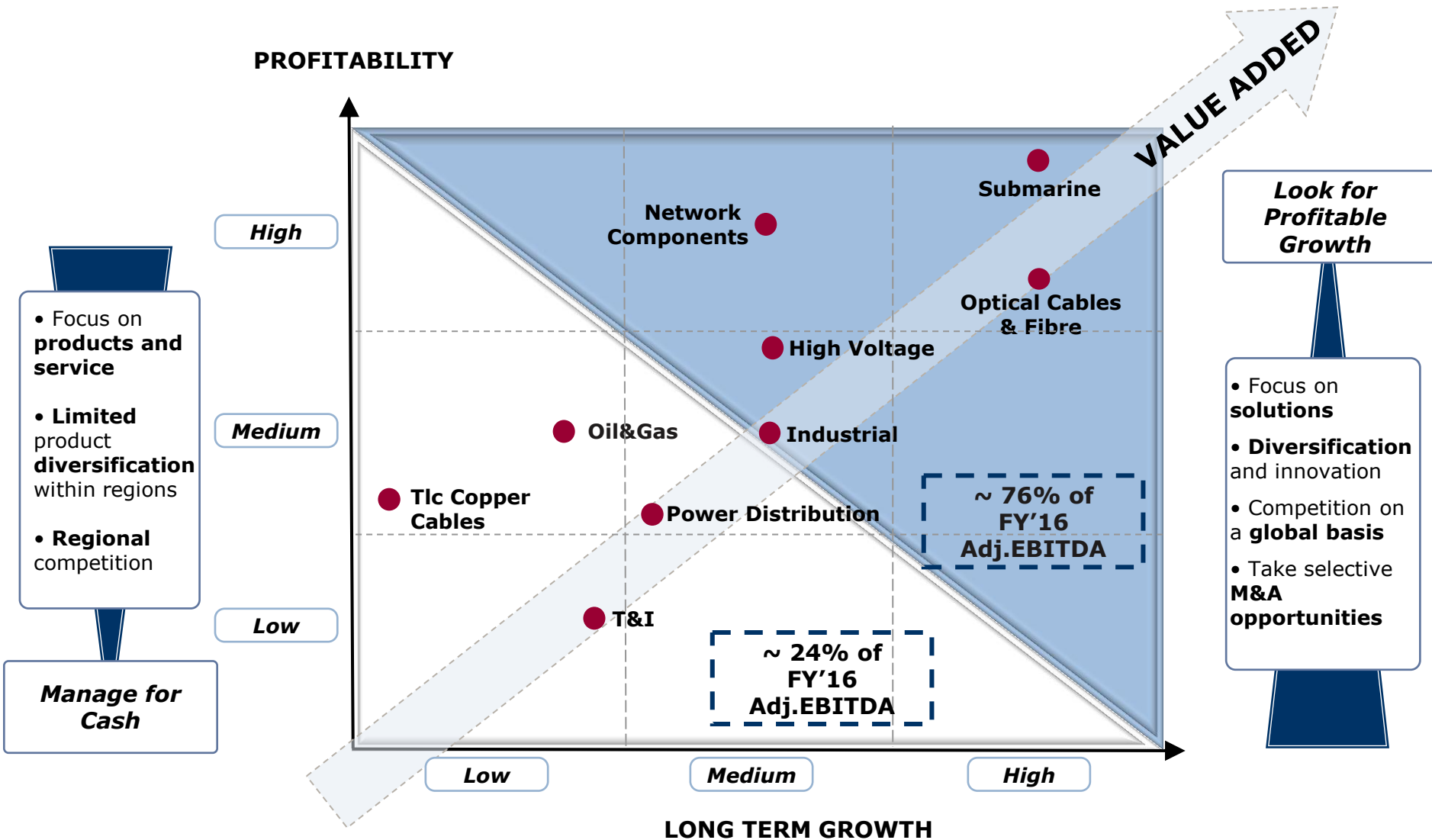
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Key milestones



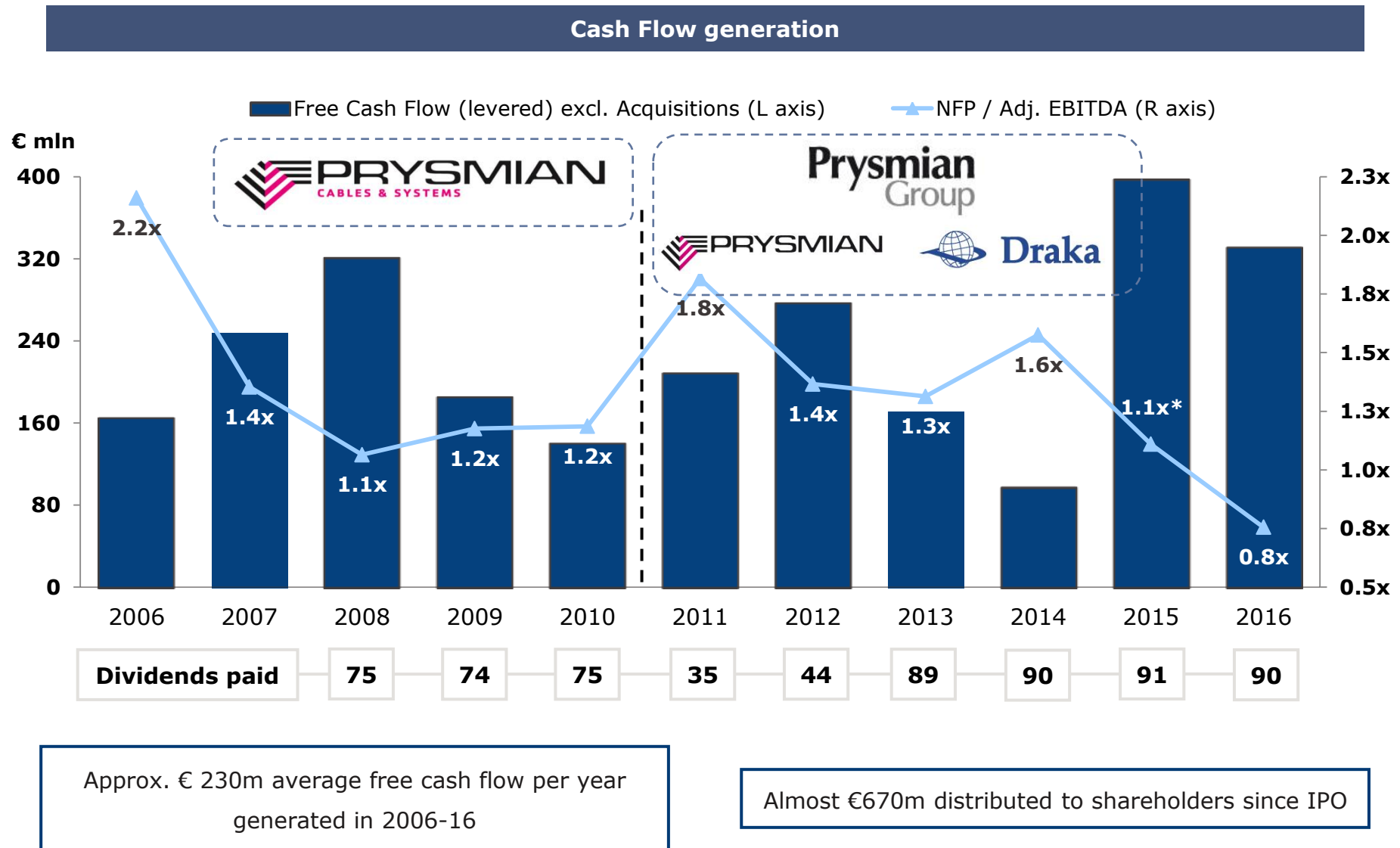
Prysmian Group business portfolio

Focus on high value added segments



Cash Flow generation as key priority to create value for shareholders

Growing capabilities to invest organically/acquisitions and remunerate shareholders



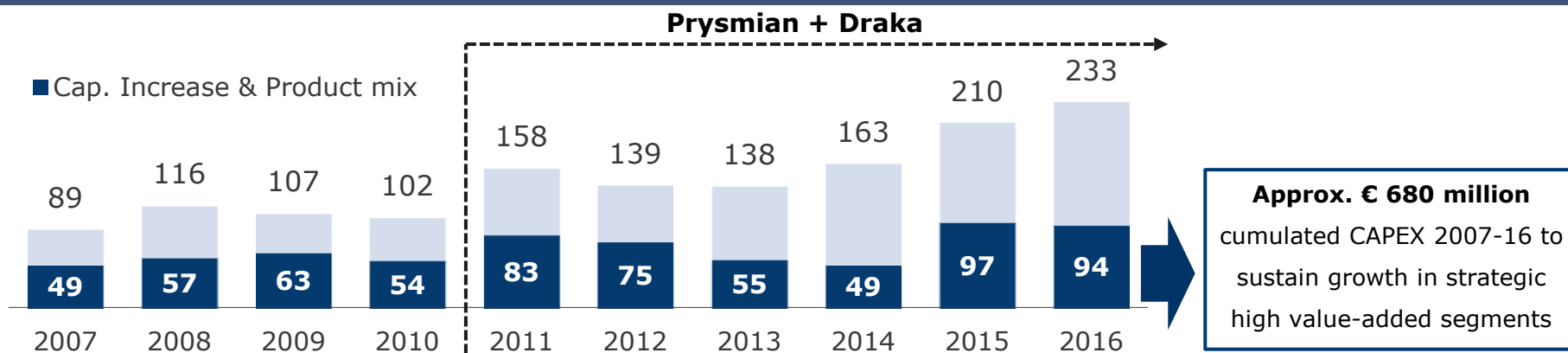
Note: 2011 combined; 2012-13 restated in application of IFRS 10-11 and reclassification of share of net income

*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

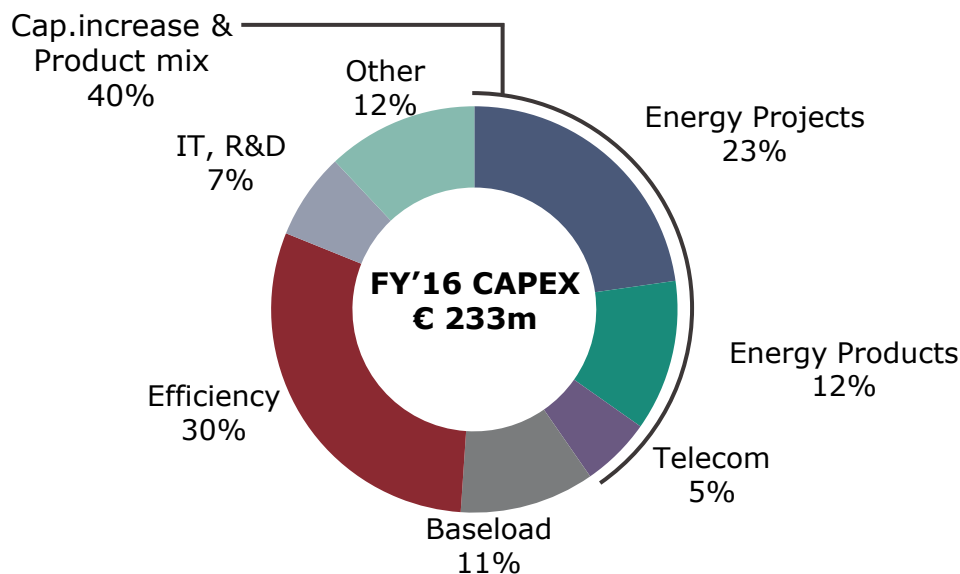
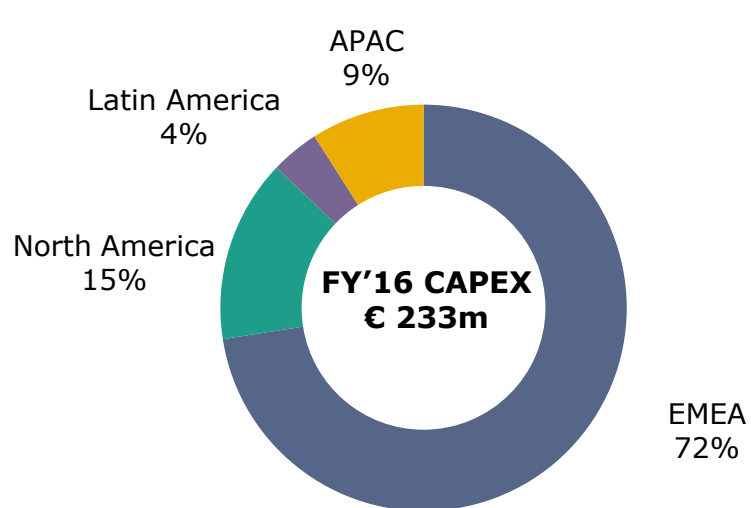
Investments focused on business with long term drivers and high entry barriers

CAPEX 2007-2016 (€ mln)

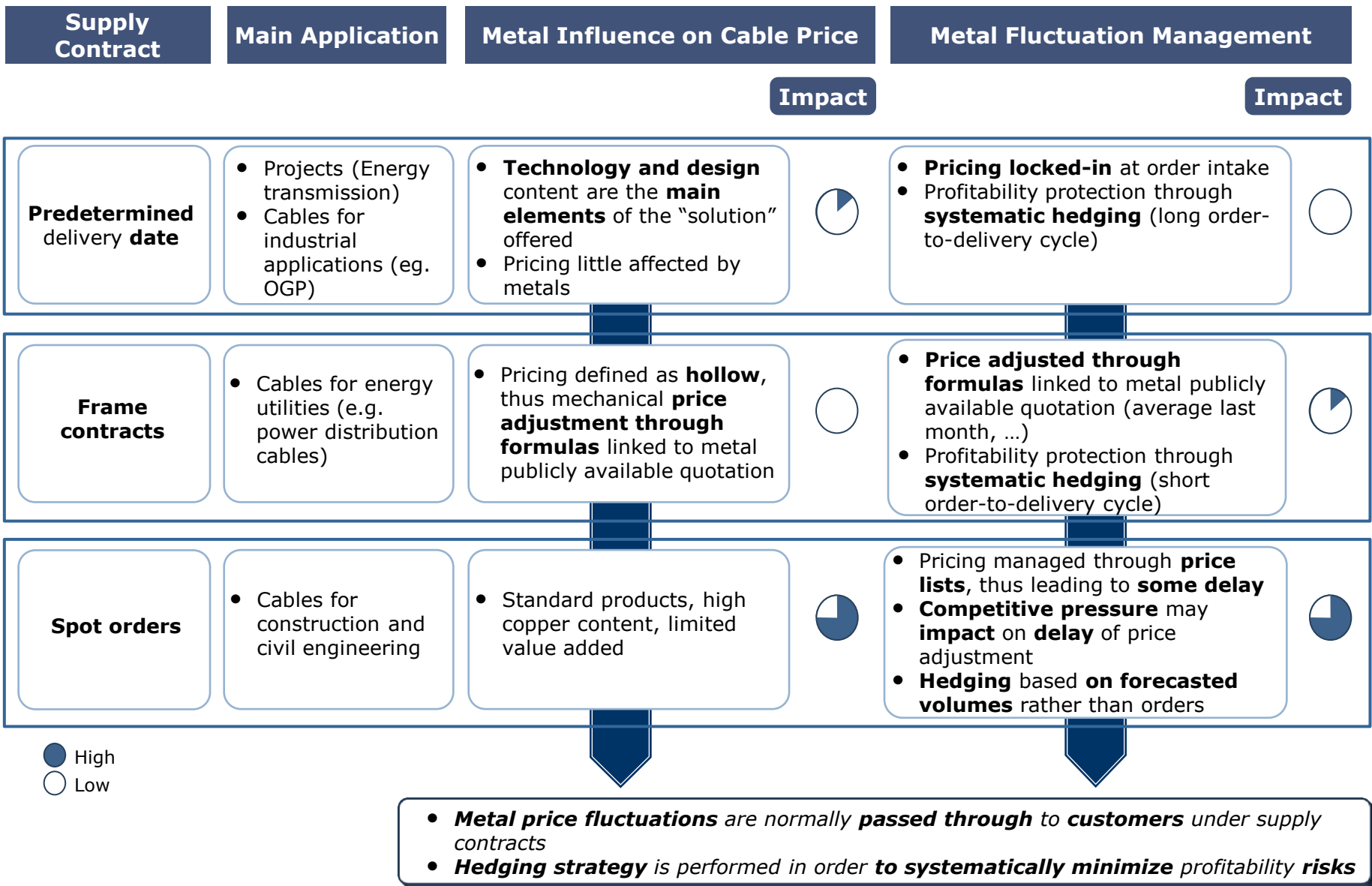


2011 Combined; 2012-13 restated in application of IFRS 10-11 and reclassification of share of net income

CAPEX 2015 breakdown



Metal Price Impact on Profitability



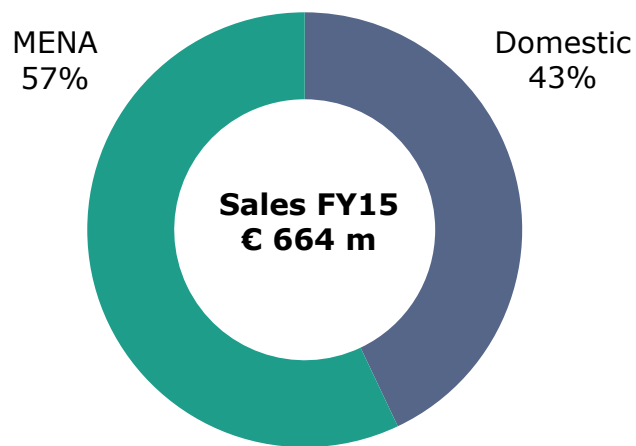
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Focus on Oman Cables Industry Acquisition

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

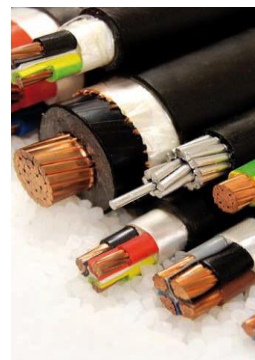
STRUCTURE OF THE DEAL

- 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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<i>YoY organic growth</i>	1.0%			
Adj.EBITDA	711	623	37	52
<i>% on sales</i>	9.4%	8.5%		9.7%
of which share of net income	31	39	(15)	-
Adjustments	(66)	(1)	(5)	(5)
EBITDA	645	622	32	47
<i>% on sales</i>	8.5%	8.4%		8.7%
Adj.EBIT	538	473	10	25
<i>% on sales</i>	7.1%	6.4%		4.6%
Adjustments	(66)	(1)	(5)	(5)
Special items	(25)	(73)	-	-
EBIT	447	399	5	20
<i>% on sales</i>	5.9%	5.4%		3.7%
Financial charges	(79)	(89)	(2)	(2)
EBT	368	310	3	18
<i>% on sales</i>	4.9%	4.2%		3.4%
Taxes	(106)	(96)	(2)	(2)
<i>% on EBT</i>	(28.8%)	(31.0%)		(11.4%)
Net Income	262	214	1	16
<i>% on sales</i>	3.5%	2.9%		3.0%
Minorities	16	-	8	8
Group Net Income	246	214	(7)	8
<i>% on sales</i>	3.3%	2.9%		1.4%

Energy Projects Segment – Profit and Loss Statement

Euro Millions

	FY 2016	FY 2015
Sales to Third Parties	1,634	1,416
<i>YoY total growth</i>	<i>15.4%</i>	
<i>YoY organic growth</i>	<i>18.5%</i>	
Adj. EBITDA	260	221
<i>% on sales</i>	<i>15.9%</i>	<i>15.6%</i>
Adj. EBIT	224	187
<i>% on sales</i>	<i>13.7%</i>	<i>13.2%</i>

Energy Products Segment – Profit and Loss Statement

Euro Millions

		FY 2016	FY 2015	Δ OCI Contribution FY '16 vs. FY '15
Sales to Third Parties	E&I	3,016	2,795	537
	<i>YoY total growth</i>	7.9%		
	<i>YoY organic growth</i>	(3.1%)		
	Industrial & Netw. Comp.	1,343	1,499	-
	<i>YoY total growth</i>	(10.4%)		
	<i>YoY organic growth</i>	(4.6%)		
	Other	110	121	-
	<i>YoY total growth</i>	(8.6%)		
Adj. EBITDA	<i>YoY organic growth</i>	(4.4%)		
	ENERGY PRODUCTS	4,469	4,415	537
	<i>YoY total growth</i>	1.2%		
	<i>YoY organic growth</i>	(3.6%)		
	E&I	154	128	37
	<i>% on sales</i>	5.1%	4.6%	
	Industrial & Netw. Comp.	127	122	-
	<i>% on sales</i>	9.5%	8.1%	
Adj. EBIT	Other	(1)	2	-
	<i>% on sales</i>	(0.8%)	1.9%	
	ENERGY PRODUCTS	280	252	37
	<i>% on sales</i>	6.3%	5.7%	
	E&I	92	93	10
	<i>% on sales</i>	3.0%	3.3%	
	Industrial & Netw. Comp.	108	100	-
	<i>% on sales</i>	8.0%	6.7%	
	Other	(2)	-	-
	<i>% on sales</i>	(1.9%)		
	ENERGY PRODUCTS	198	193	10
	<i>% on sales</i>	4.4%	4.4%	

Oil&Gas Segment – Profit and Loss Statement

Euro Millions

	FY 2016	FY 2015
Sales to Third Parties	300	421
<i>YoY total growth</i>	<i>(28.9%)</i>	
<i>YoY organic growth</i>	<i>(29.3%)</i>	
Adj. EBITDA	8	16
<i>% on sales</i>	<i>2.7%</i>	<i>3.8%</i>
Adj. EBIT	(7)	3
<i>% on sales</i>	<i>(2.4%)</i>	<i>0.7%</i>

Telecom Segment – Profit and Loss Statement

Euro Millions

	FY 2016	FY 2015
Sales to Third Parties	1,164	1,109
<i>YoY total growth</i>	<i>4.9%</i>	
<i>YoY organic growth</i>	<i>8.5%</i>	
Adj. EBITDA	163	134
<i>% on sales</i>	<i>14.0%</i>	<i>12.1%</i>
Adj. EBIT	123	90
<i>% on sales</i>	<i>10.6%</i>	<i>8.1%</i>

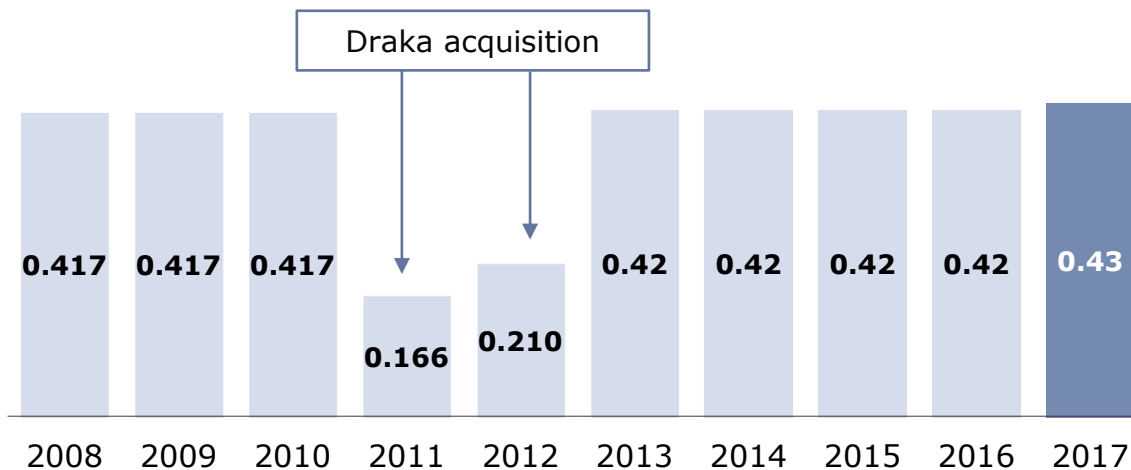
Dividend proposal

Dividend proposed to the forthcoming Shareholders' Meeting

Dividend Per Share € 0.43

- Ex-dividend date: 24 April 2017
- Record date: 25 April 2017
- Payment date: 26 April 2017

DPS evolution (Euro per share)



Total Shares ⁽¹⁾

216,720,922

Shares with dividend right ⁽²⁾

213,014,694

Dividend Yield ⁽³⁾

2.1%

(1) Outstanding shares as of February 24, 2017

(2) Shares with dividend right: Total shares outstanding (216,720,922) – Treasury shares owned by the Company (3,706,228) as of February 24, 2017.

(3) Based on 2016 average price (€ 20.93)

Successful placement of €500m equity-linked bond

Equity-linked Bond

Key Features:

- Total amount: € 500 million
- Coupon: Zero Coupon
- Initial Conversion Price: €34.2949 (41.25% premium)
- Maturity: January 2022 (5 Years)
- Redemption at maturity: 100%
- Issuer call (130% trigger): 1 February 2020

1.

Finance possible M&A deals

2.

Fund shares buy-back

3.

General corporate purposes

New Shares Buy-Back Programme

AMOUNT	TREASURY SHARES CURRENTLY OWNED	PERIOD	OBJECTIVES
<ul style="list-style-type: none">▪ Up to €125 mln	<ul style="list-style-type: none">▪ 3.706.228 shares*▪ Of which 1.087.911 purchased as of February 24, 2017 since the beginning of the program on January 23, 2017.	<ul style="list-style-type: none">▪ Start 23 Jan. 2017▪ End 30 Sep. 2017	<ul style="list-style-type: none">▪ To serve possible M&A deals with shares exchange▪ To serve any conversion right under the bond

* Treasury shares as of February 24, 2017.

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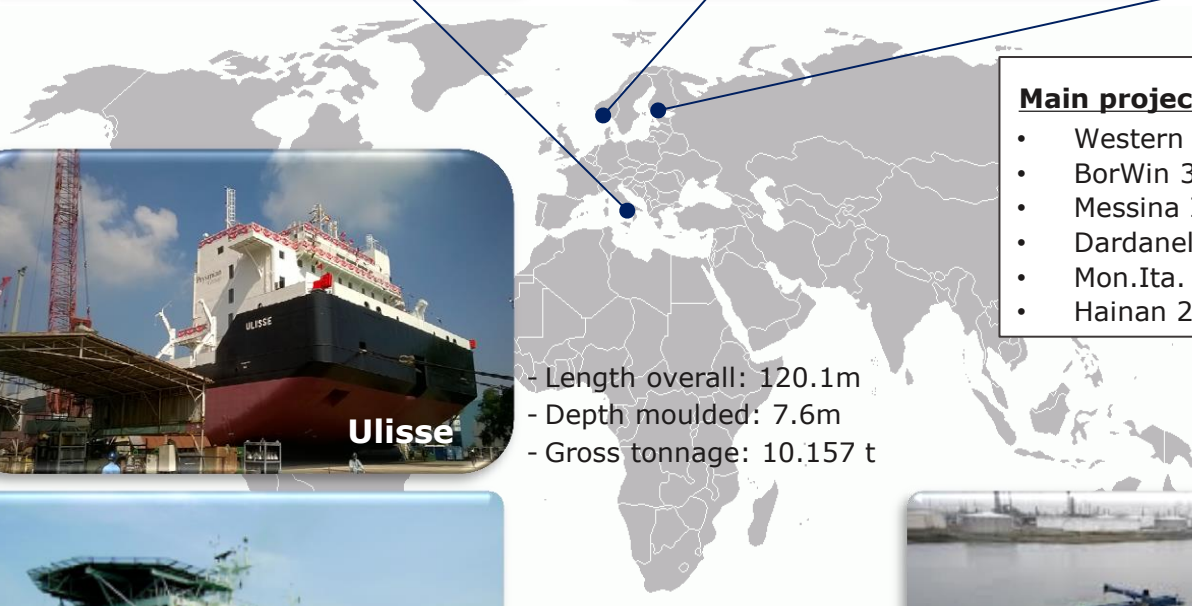
Investing in submarine to increase ROCE

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
- Wikingen
- COBRA cable

- 
- Length overall: 120.1m
 - Depth moulded: 7.6m
 - Gross tonnage: 10,157 t

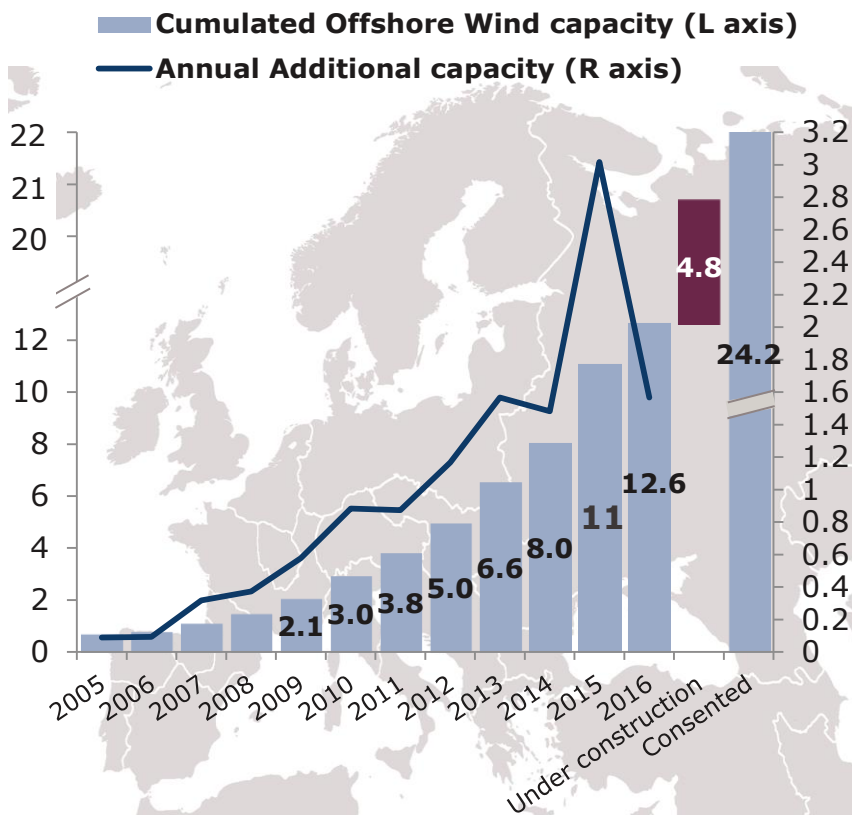
- Length overall: 133.2m
- Depth moulded: 7.6m
- Gross tonnage: 10,617 t

- 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

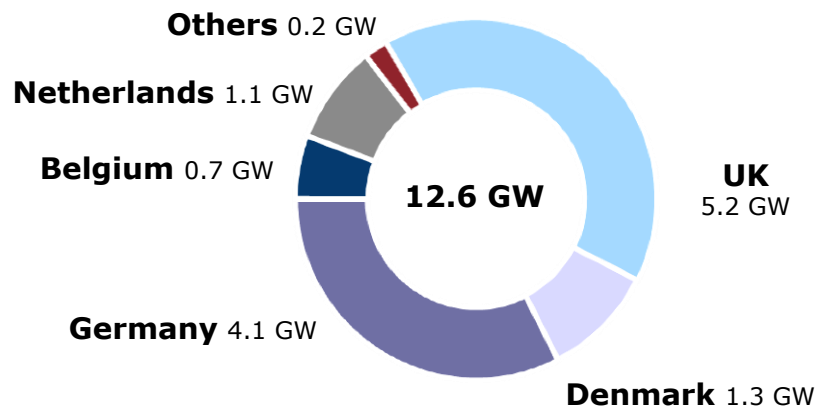
Europe Offshore Wind capacity (GW)



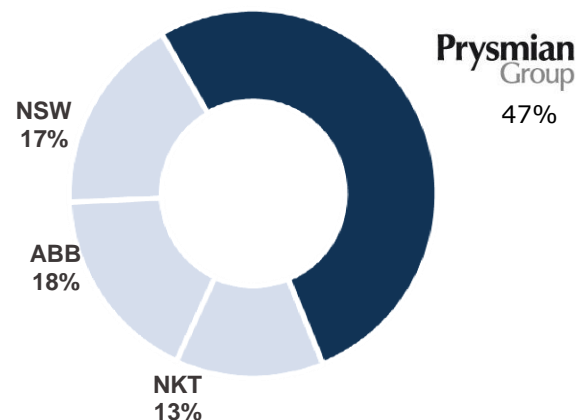
- **Capacity Increase: 1.6 GW** in 2016 (-18% vs. 2015)
- **Total capacity: 12.6 GW** at end 2016 (+14% vs. 2015)
- **Under construction: 4.8 GW** at end 2016
- **Consented: 24.6 GW**

Source: EWEA (January 2017)

Europe 2016 Cumulated Capacity by Country



Mkt share of export cable suppliers in 2016 *

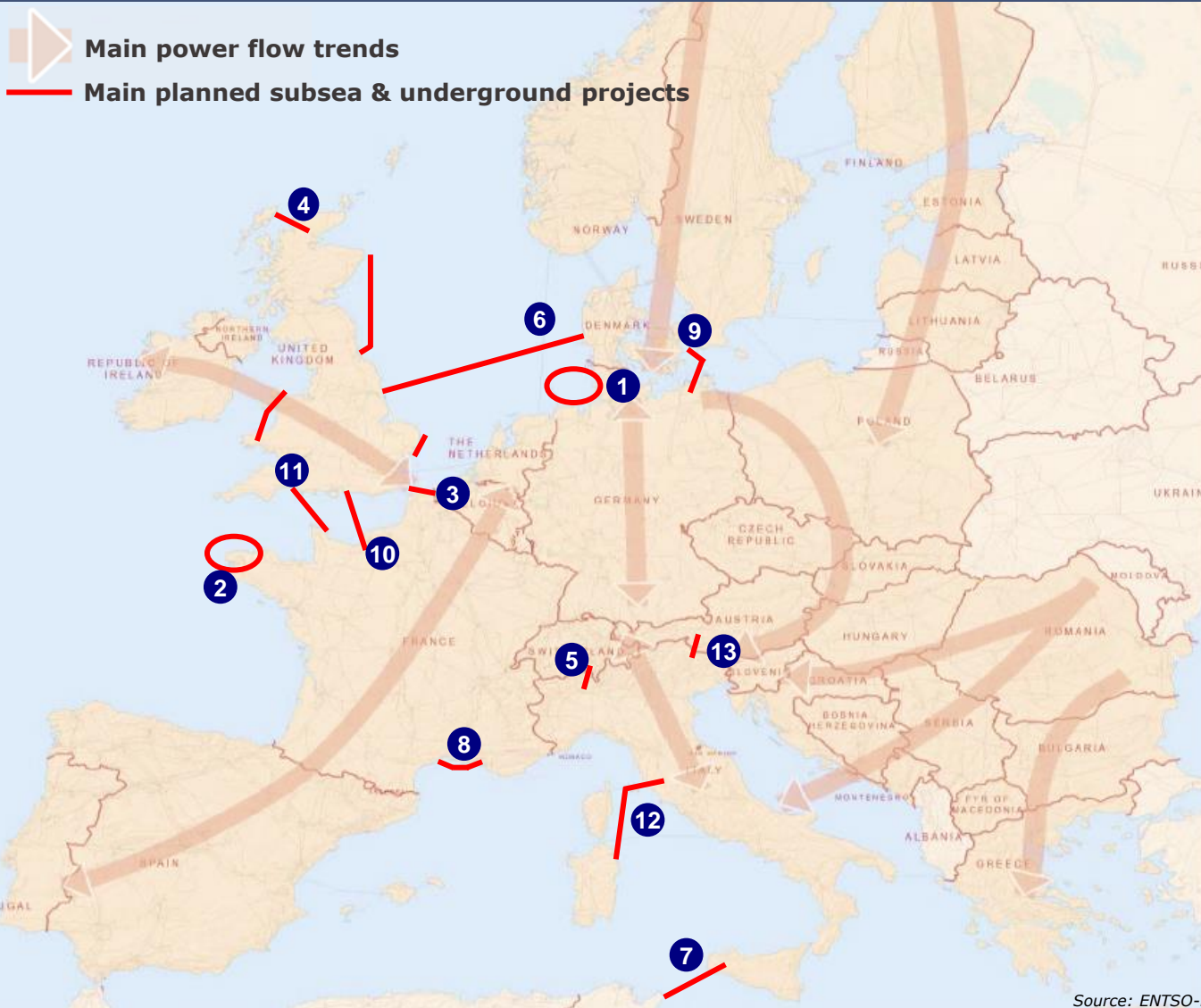


* Calculated on no. of cables fully or partially completed, percentage. EWEA (January 2017)

Major transmission projects to be awarded

Large pipeline of pan-European projects under development

Main subsea and underground projects of pan-European significance



List of main projects

1. Germany (HVDC Grid Offshore)
2. France Off-Shore (Export cable awarder, Inter-array to be awarded)
3. France – UK (Eurotunnel)
4. Western Isles Link
5. Italy-Switzerland
6. Denmark – UK (Viking Link)
7. Tunisia – Italy
8. Marseille – Languedoc
9. Denmark – Germany
10. France – UK (IFA2)
11. France – UK (FAB)
12. SACOI 3
13. Italy - Austria

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

Source: ENTSO-E

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

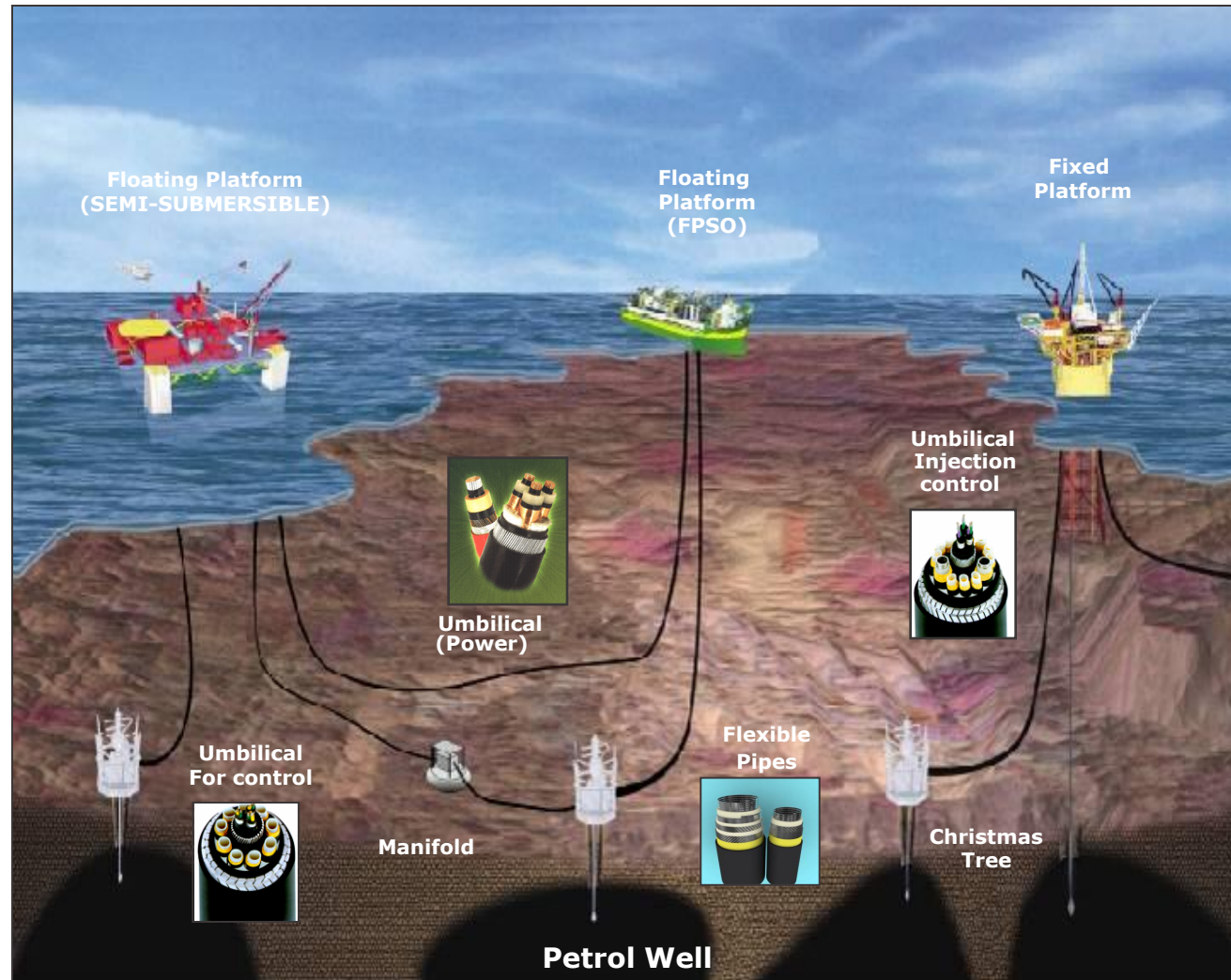
€m*

Frence Offshore	RTE	2018-20	>300
ElecLink	Groupe Eurotunnel	2017-19	79
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

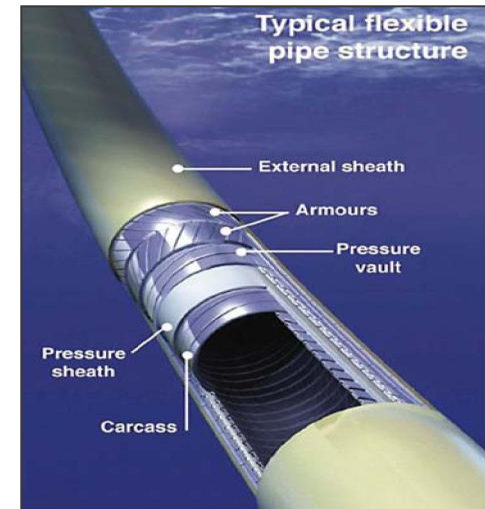
* Prysmian portion of the project

SURF – Off-shore oil exploration

Oilfield structure

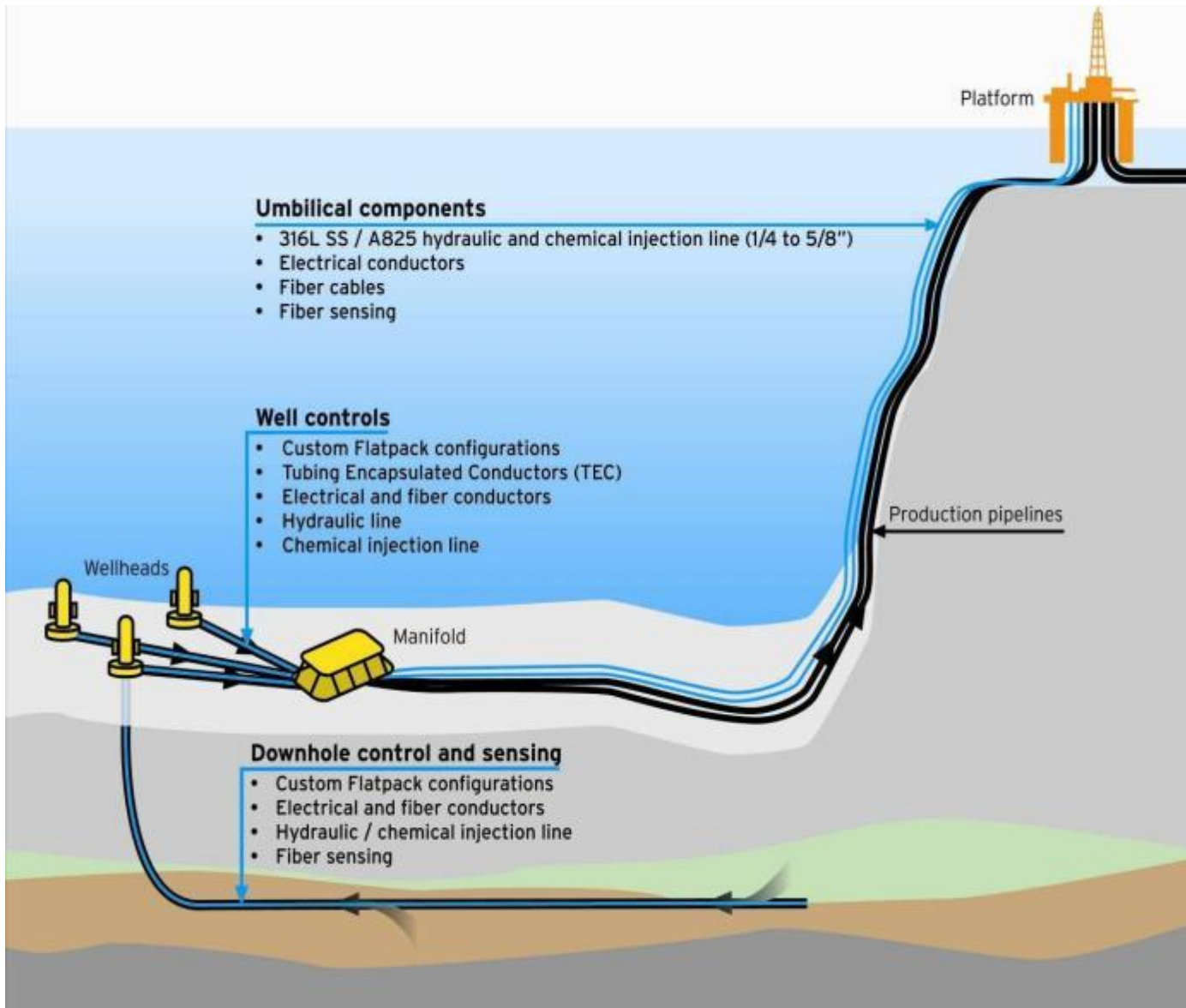


Flexible Pipes

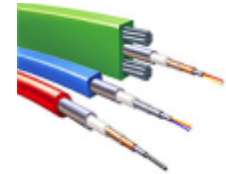


SURF – Off-shore oil exploration

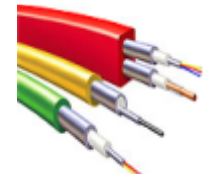
Cross selling opportunities driven by the Downhole technology business contributed by Draka



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 expertise

KEY CUSTOMERS

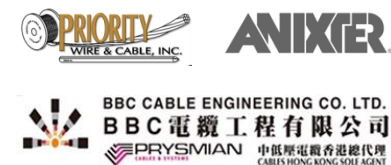
Contractors & Installers



Wholesalers



Specialized distributors

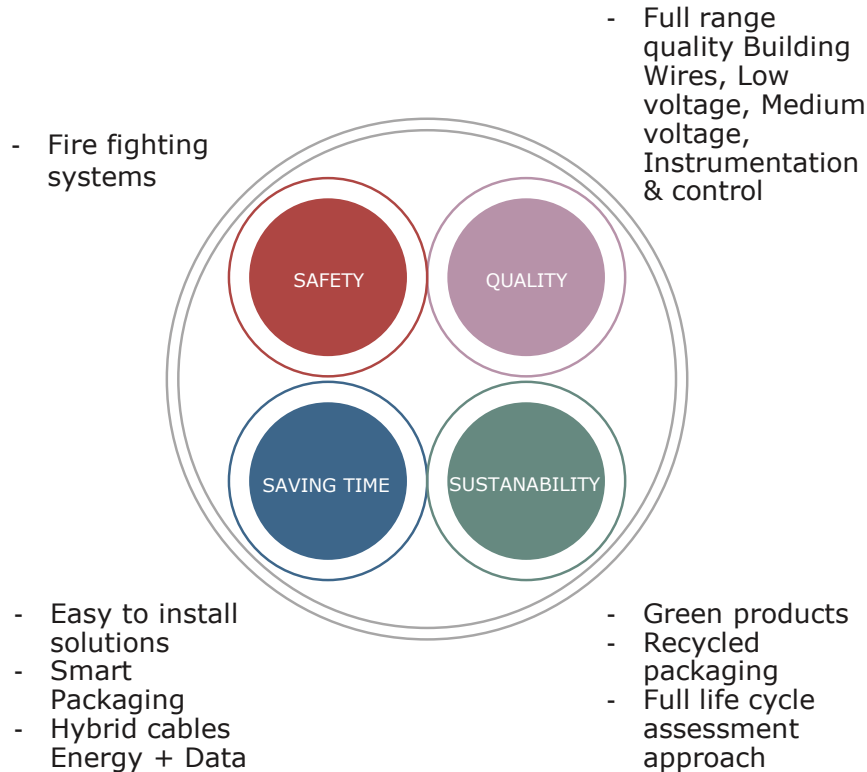


Offer overview

**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



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



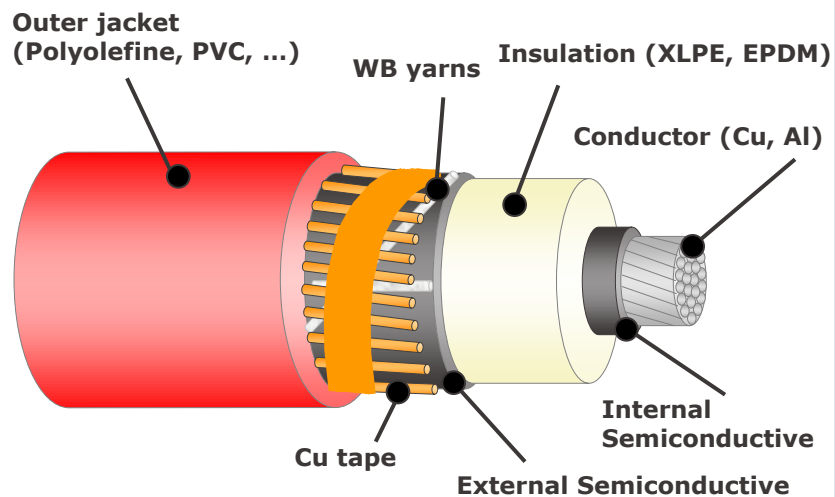
Key customers

Large and differentiated customer base generally served through direct sales

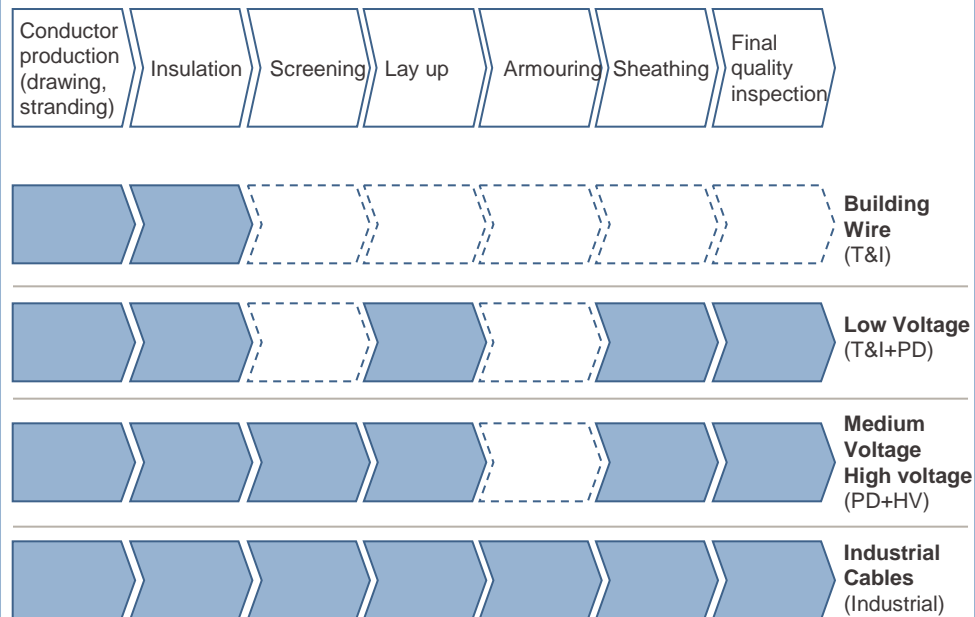


Macro-structure of Energy Cables

Product macro structure



Production process



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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

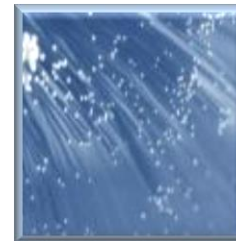
Railway infrastructure: Buried distribution & railfoot cables for long distance telecommunication and advanced signalling cables for such applications as light signalling and track switching



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



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

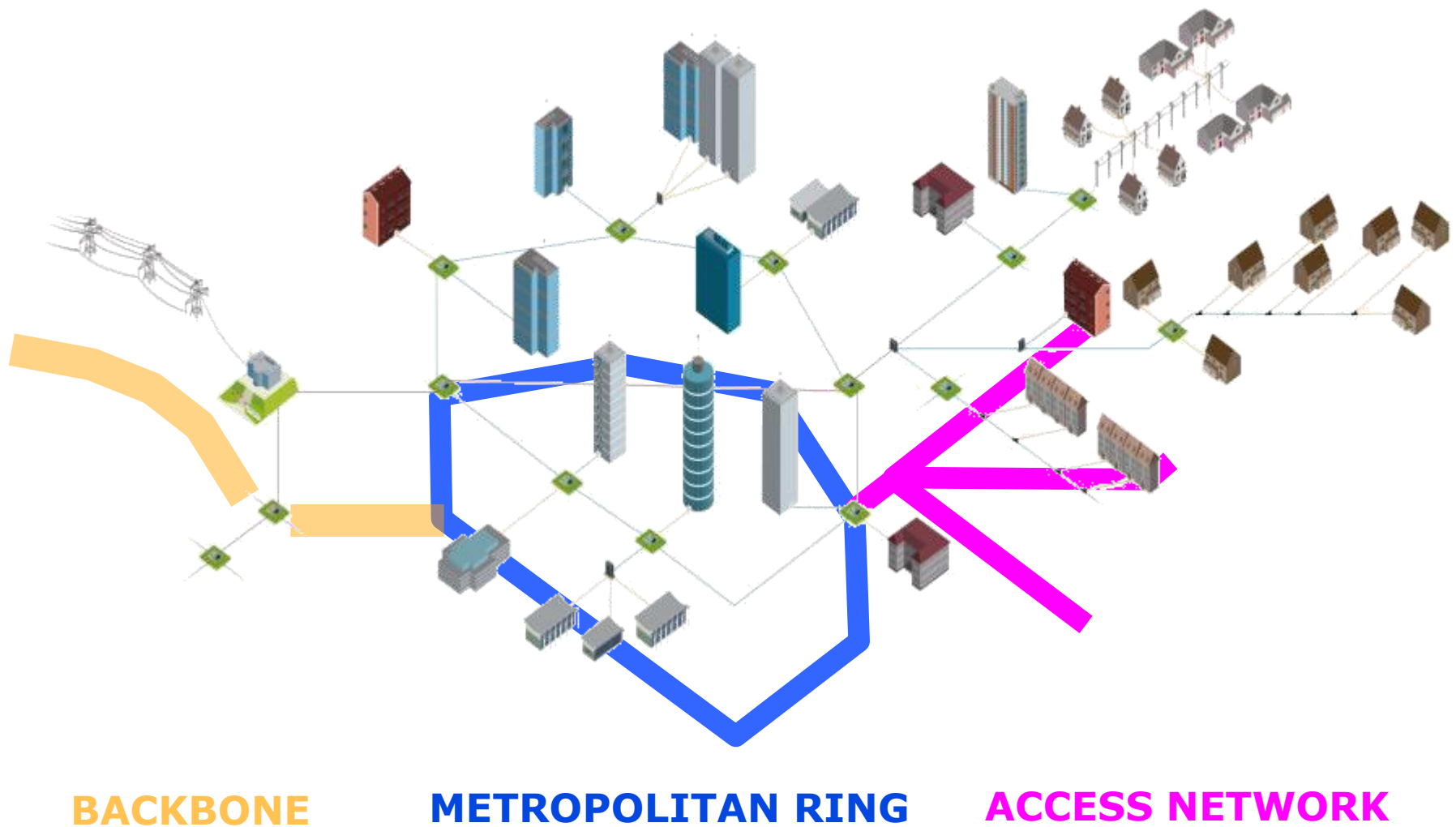
Strategic value of fibre

- 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

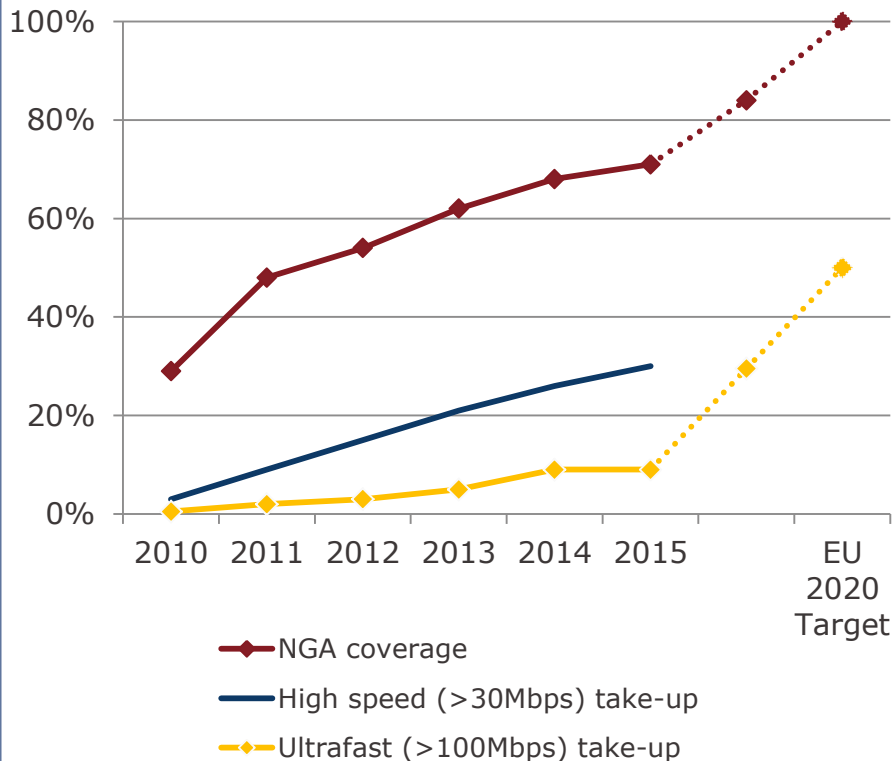
Telecom Cables Main Applications



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



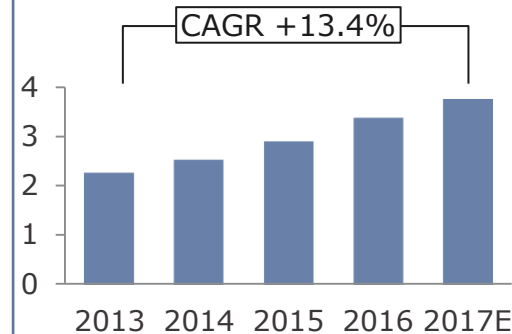
- Coverage of NGA technologies doubled since 2010, but further efforts are requested to meet 2020 target of 100% coverage
- Take-up of ultrafast (>100Mbps) broadband remains marginal (3% of homes) still faraway from 2020 target (50%)

Source: European Commission Digital Agenda Scoreboard 2016

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

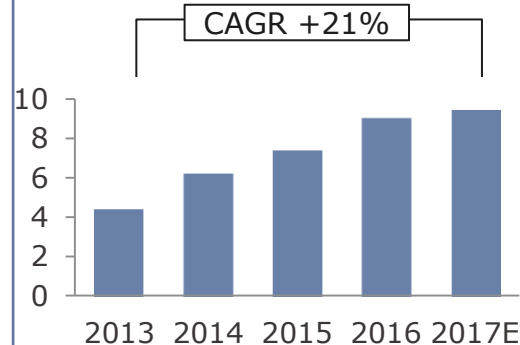
Consumption of fiber optic cable ('000,000 fiber km)

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

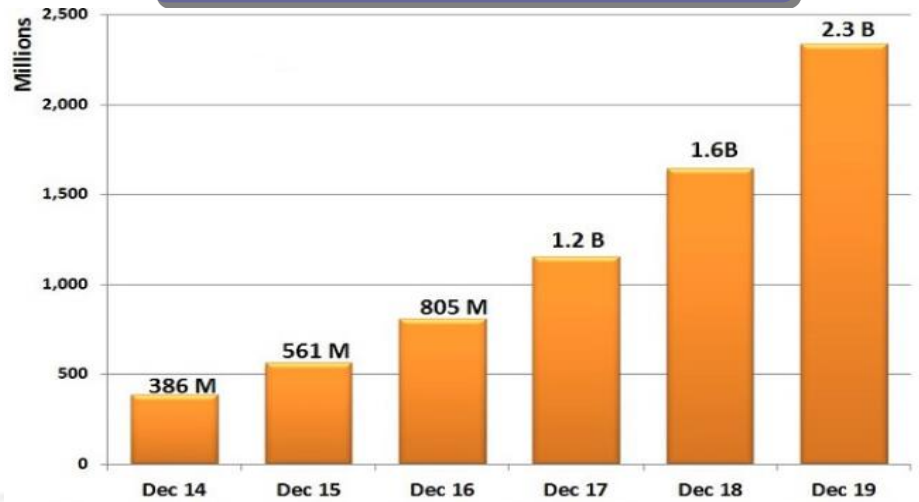
Source: CRU, January 2017; European Commission Digital Agenda Scoreboard 2016

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

Roof top antenna towers for urban applications

Antenna towers used by 4G and LTE networks

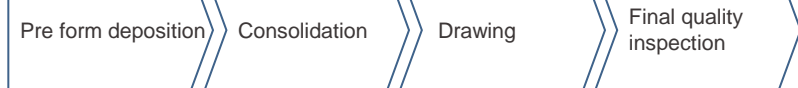
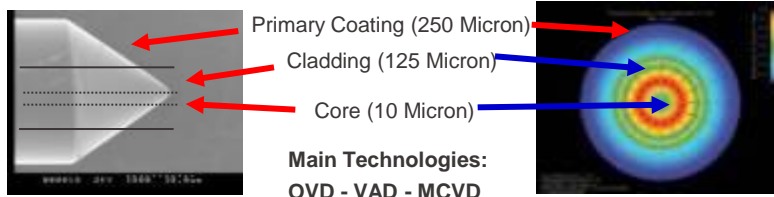
Distributed antenna systems for dense mobile populations areas

Macro-structure of Telecom Cables

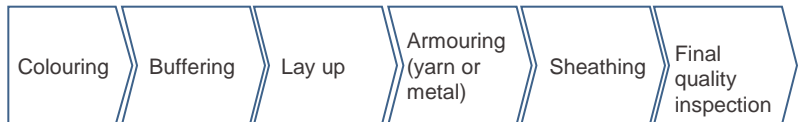
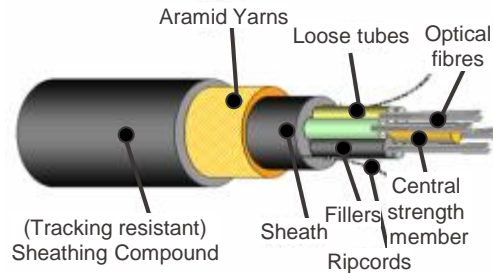
Product macro structure

Production process

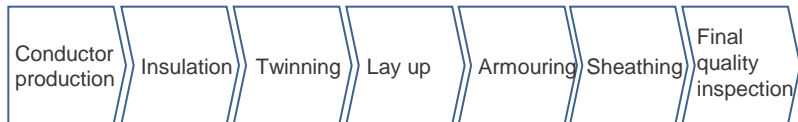
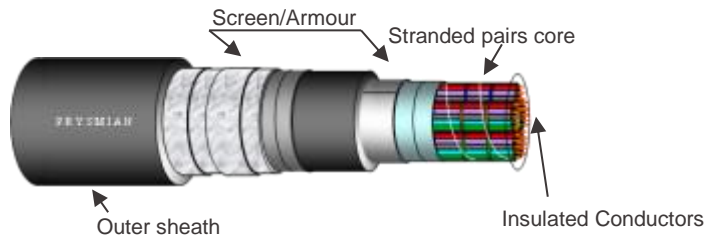
Fibre optic



Optical cables



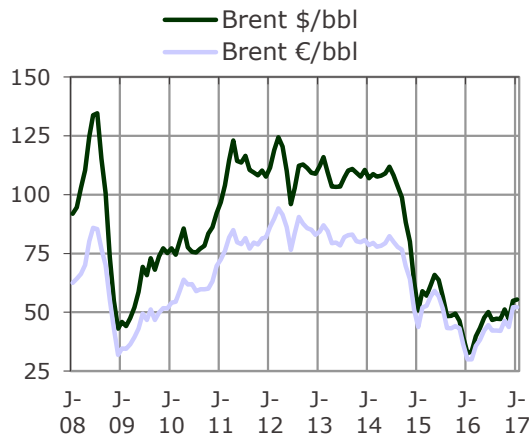
Copper cables



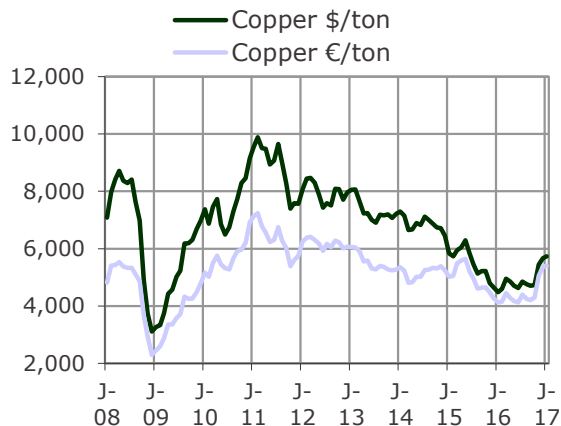
Reference Scenario

Commodities & Forex

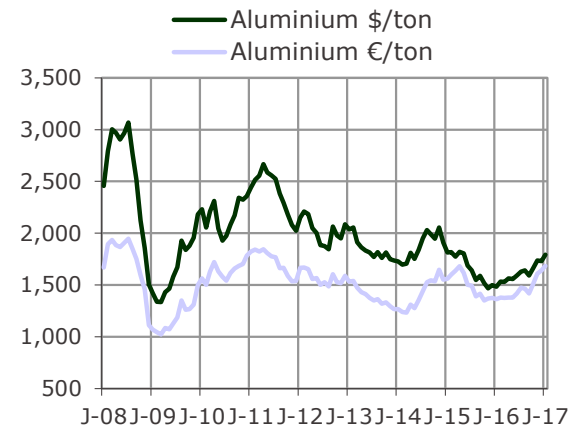
Brent



Copper



Aluminium



EUR / USD



EUR / GBP



EUR / BRL



Based on monthly average data
Source: Nasdaq OMX

- The managers responsible for preparing the company's financial reports, A.Bott 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 Projects, Energy Products and Telecom Operating Segments, 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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