H1 2011 Financial Results

Milan, 26th August 2011

Prysmian Group

PRYSMIAN
Draka

AGENDA

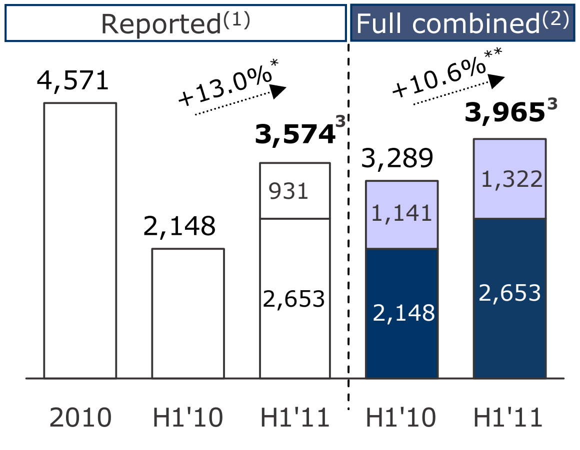
- H1 2011 Highlights & Outlook 2011
- Draka integration
- Financial Results
- Appendix

H1 2011 Key Financials

Euro Millions, % on Sales

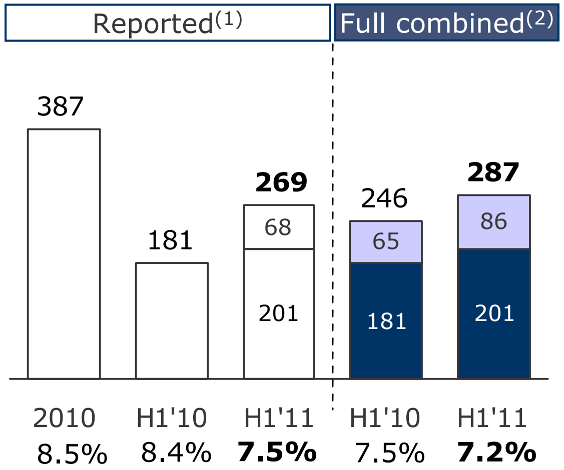
Draka
Prysmian

Sales

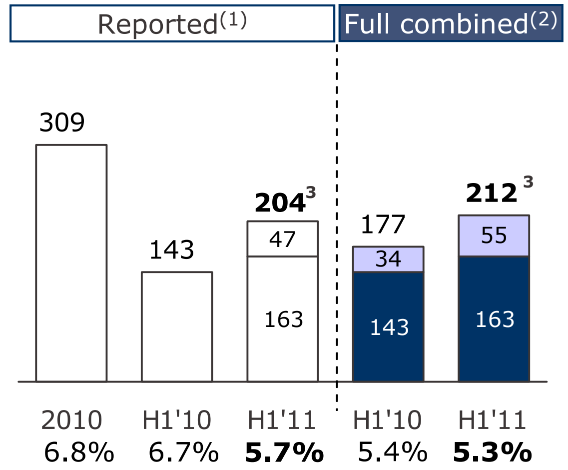


* Org. Growth (excl.Draka) **Org. Growth combined

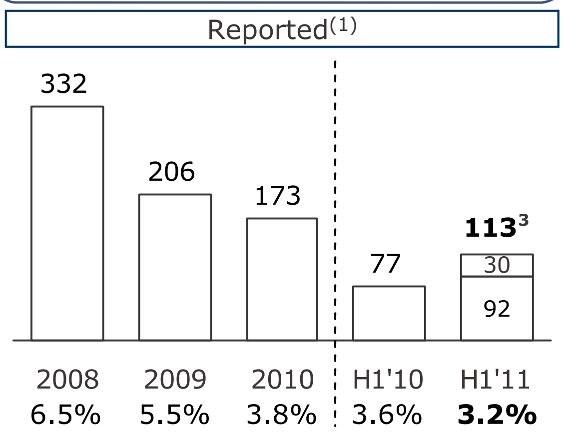
Adjusted EBITDA (4)



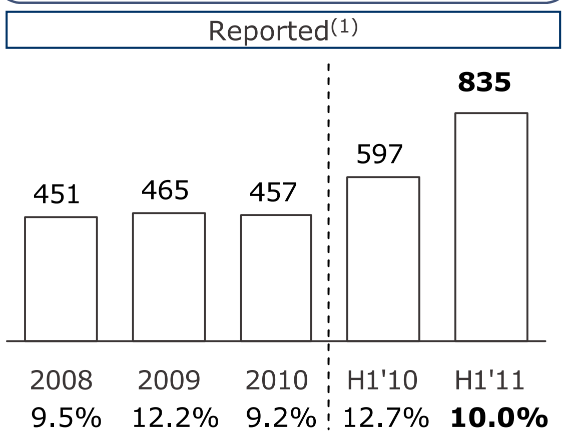
Adjusted EBIT (5)



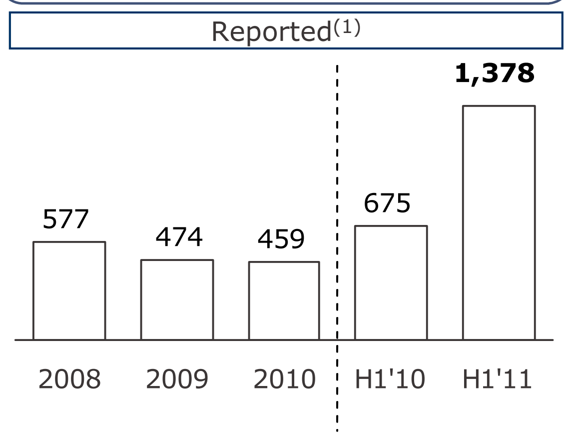
Adjusted Net Income (6)



Operative Net Working Capital (7)



Net Financial Position



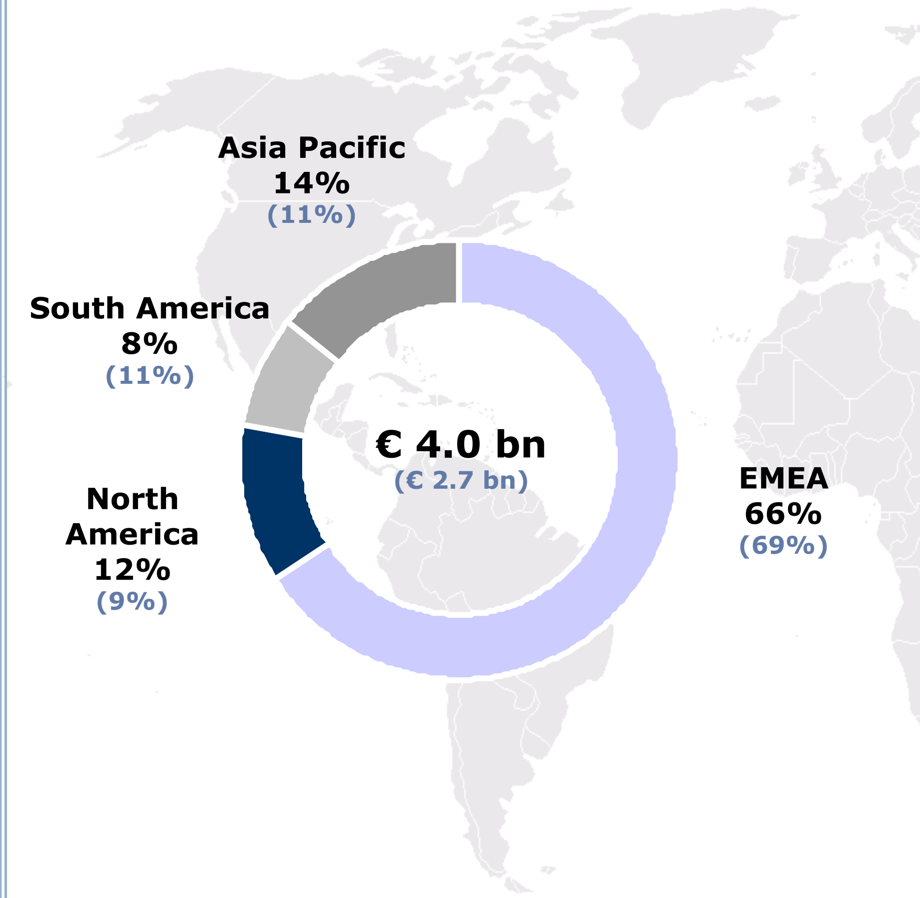
(1) Draka consolidated for the period 1 March 2011 – 30 June 2011; (2) Draka consolidated for the period 1 January – 30 June; (3) Includes consolidation adjustments; (4) Adjusted excluding non-recurring income/expenses; (5) Adjusted excluding non-recurring income/(expenses) and the fair value change 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

The new Prysmian Group

Leading player in all market segments with a wider geographical presence

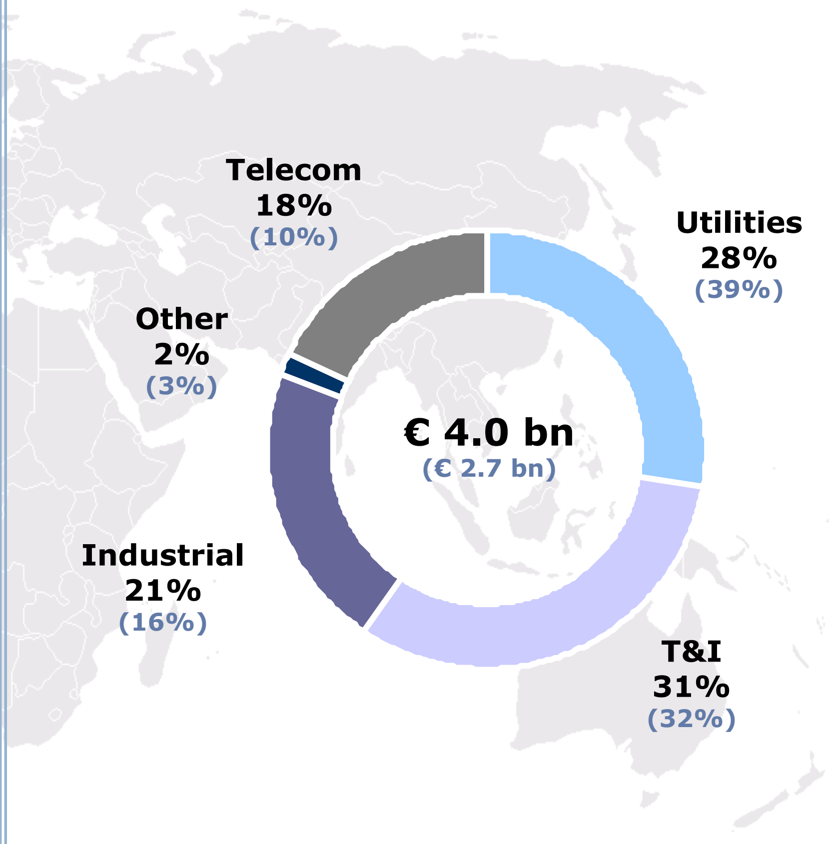
Sales breakdown by geographical area

Full H1 2011 combined
(H1 2011 Prysmian excl.Draka)



Sales breakdown by business area

Full H1 2011 combined
(H1 2011 Prysmian excl.Draka)



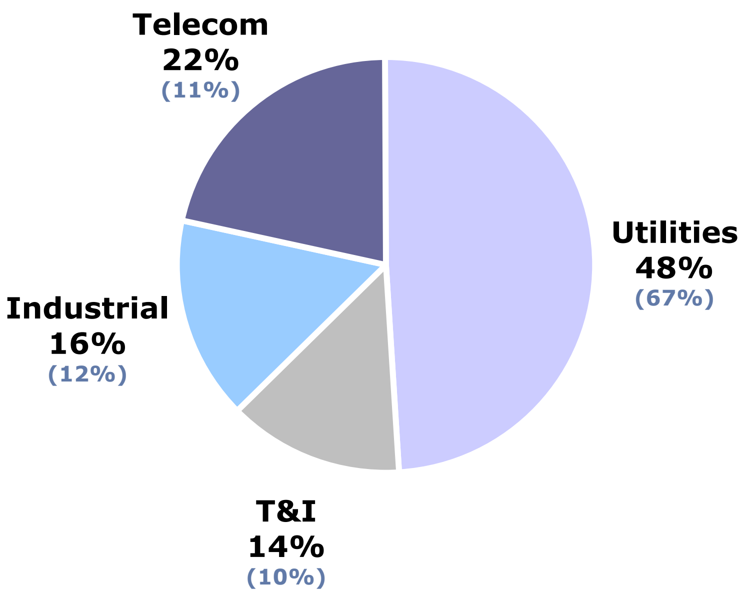
Sound organic growth supporting profitability increase across all segments

Utilities and Telecom as key drivers

Adj. EBITDA breakdown

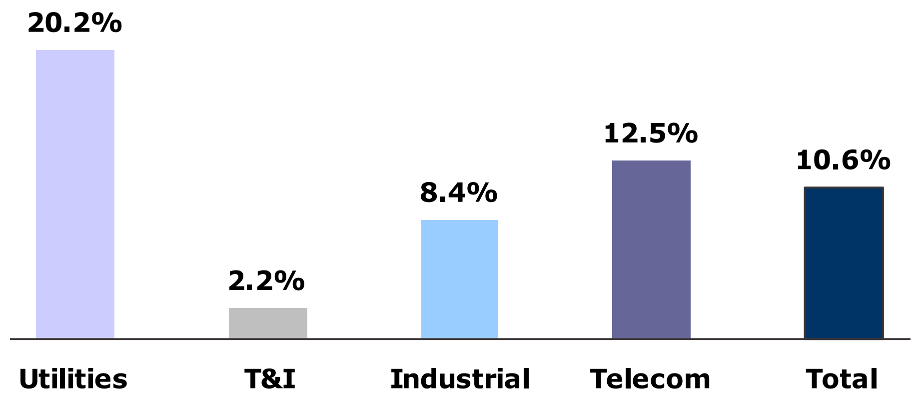
Full H1 2011 combined
(H1 2011 Prysmian excl.Draka)

€ 287 mln
(€ 201 mln)



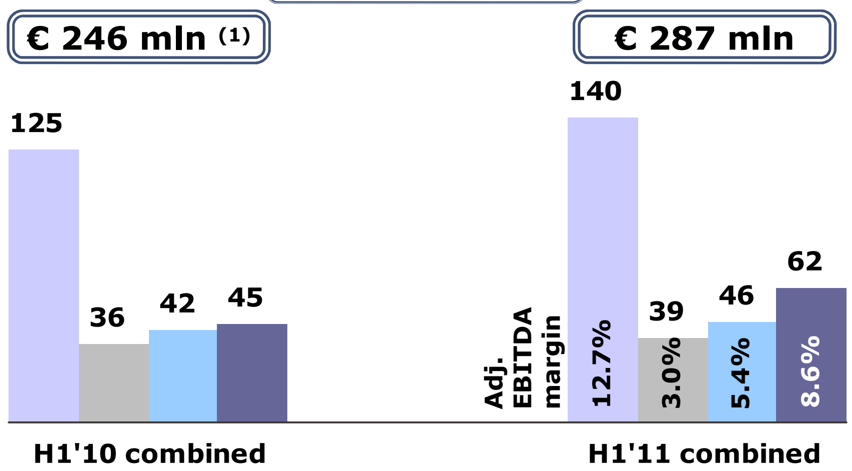
H1’11 Combined Organic Growth (Vs H1’10)

Full H1 combined



Adj. EBITDA evolution by business

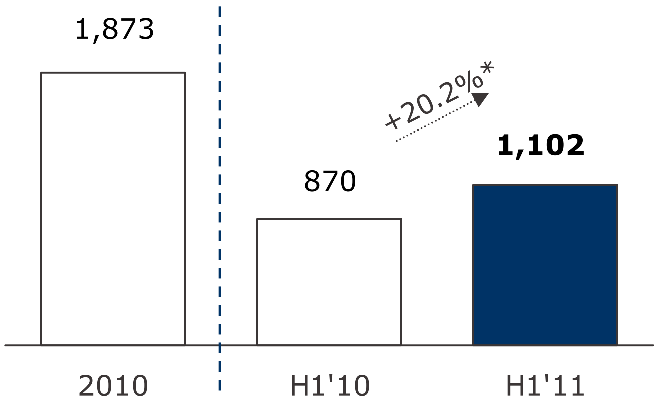
Full H1 combined



(1) *Includes Other (-€ 2mln)*

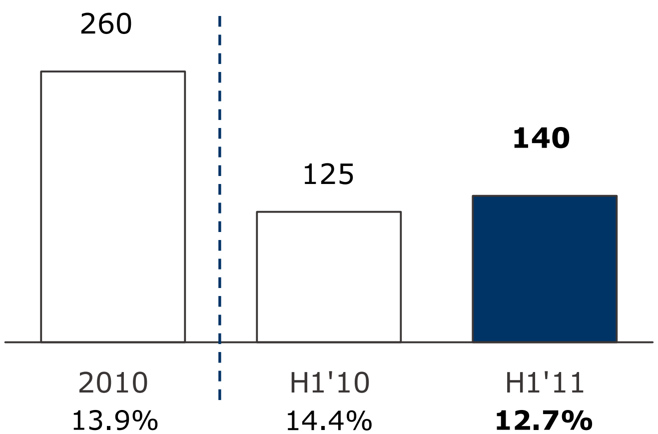
Utilities
Euro Millions, % of Sales – Full Combined Results

Sales Vs Third Parties



* Organic Growth

Adjusted EBITDA (1)



(1) Adjusted excluding non-recurring income/expenses

Highlights

DISTRIBUTION

- Grid maintenance capex coming back to pre-crisis level
- Double digit volume growth confirmed in Q2'11 (Vs Q2'10) driven by all geographical areas excluding North America
- Australia and India leading strong performance in Asia-Pacific region
- Gradual improvement in profitability expected during the year thanks to better operating leverage despite still high oil derivatives price
- 10,000 km of P-laser cables installed in Italy; introduction to other European countries from H2

TRANSMISSION – HV

- Sales increase in H1 mainly driven by new projects in Europe and land connections of renewable energies
- Higher contribution expected in H2 (Vs H1) based on strong order book in Europe and sound demand in emerging markets (China, Russia and Middle East)
- Slight sales increase in US but demand still at low level
- New underground projects in South America and first in India

TRANSMISSION – Submarine

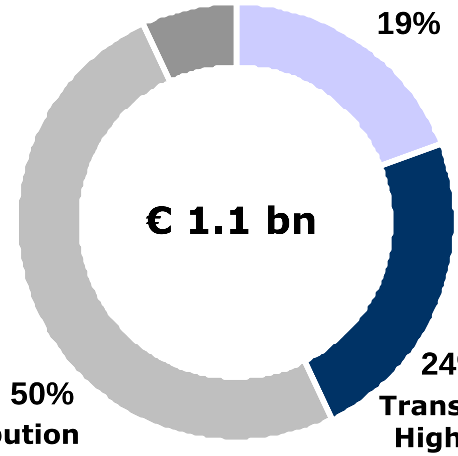
- Orders backlog expected to increase during the year thanks to new sub sea interconnections and off-shore wind-farms in Europe
- Limited growth in 2011 due to capacity saturation; new capacity in place from Q3 to grow next year
- Leadership confirmed in large projects with new Hudson and Helwin II awards
- Order book in the new inter-array business covering 1 year of production capacity

Utilities – Transmission

Long term drivers supporting orders backlog at peak level with potential to further increase

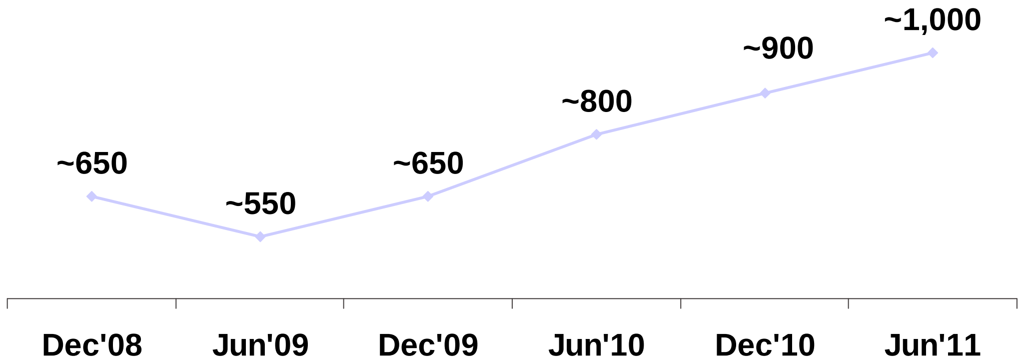
Utilities – Sales breakdown

Full H1 2011 combined



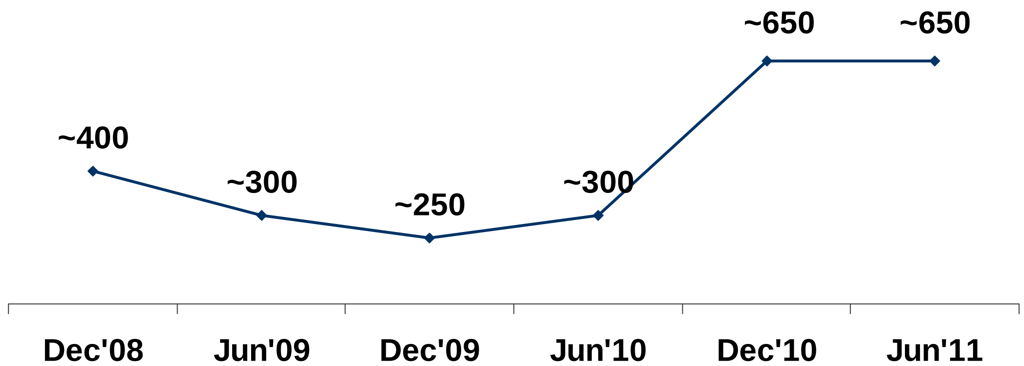
Submarine (€ million)

Orders Backlog evolution



High Voltage (€ million)

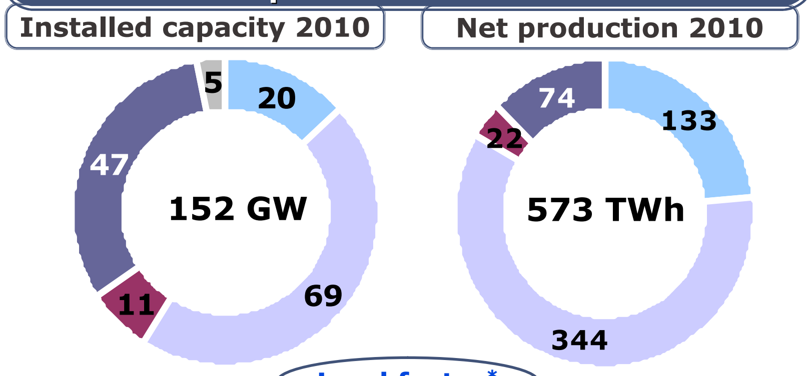
Orders Backlog evolution



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



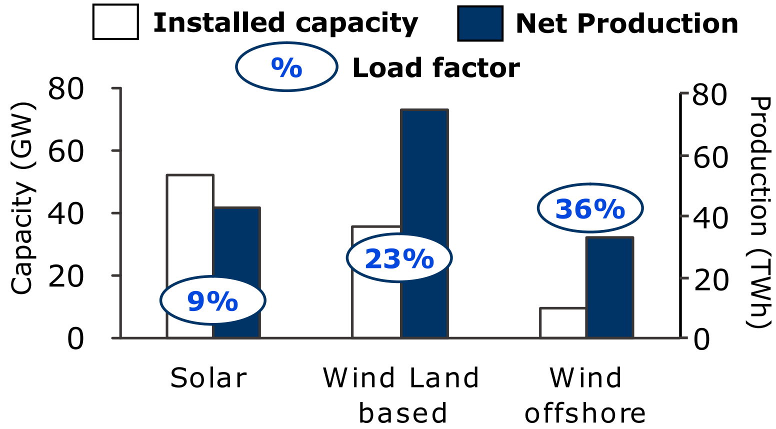
Load factor*

Nuclear	Fossil fuels	Hydro	Renewables	Other
75%	57%	23%	18%	

** 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)



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

Source: National Renewable Energy Action Plans (June 2010)

Total European electricity system

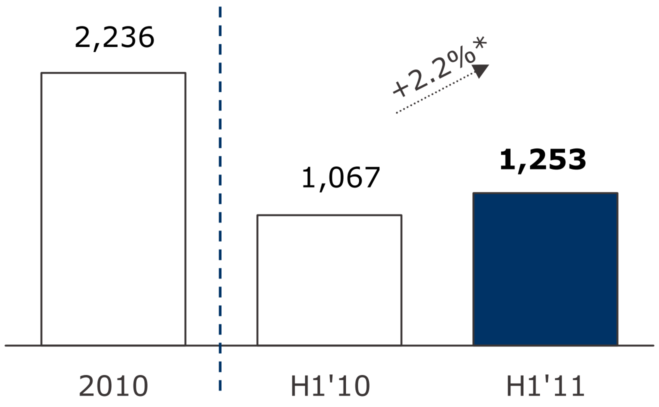
Nuclear covers over 25% of energy produced in Europe while Renewables account for less than 10%

Source: ENTSO-E Memo 2010

Trade & Installers

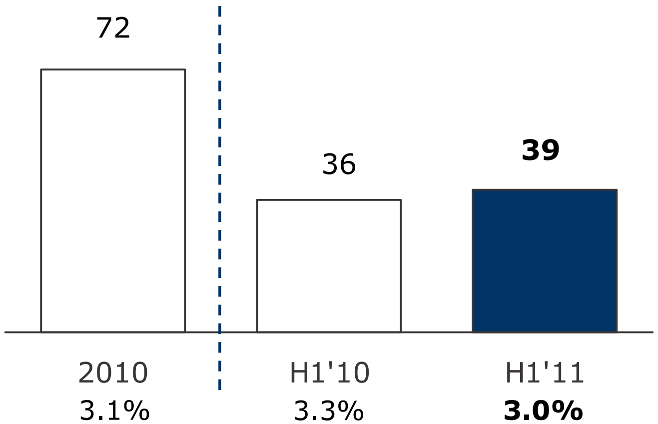
Euro Millions, % of Sales – Full Combined Results

Sales Vs Third Parties



* Organic Growth

Adjusted EBITDA (1)



(1) Adjusted excluding non-recurring income/expenses

Highlights

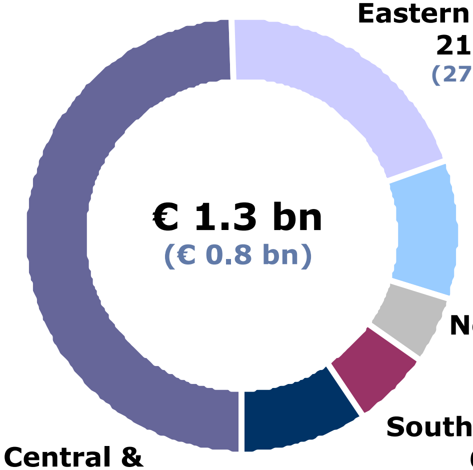
- Metal price volatility negatively affected volume in Q2’11 mainly in Europe
- Gradual recovery trend in underlying demand driven by Eastern Europe, Scandinavian countries and North/South America.
- Still low demand in Central/South European countries with further deterioration in Spain
- Draka integration as key driver for production capacity optimization, growing exposure to high profitable countries, lean costs structure and better customer service
- Lower volume in the high profitable solar products due to incentives reduction in Italy and Germany (expected to recover from H2’11)
- Slight price improvement in H1’11 but still far from reasonable level

Trade & Installers

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

Sales breakdown by geographical area

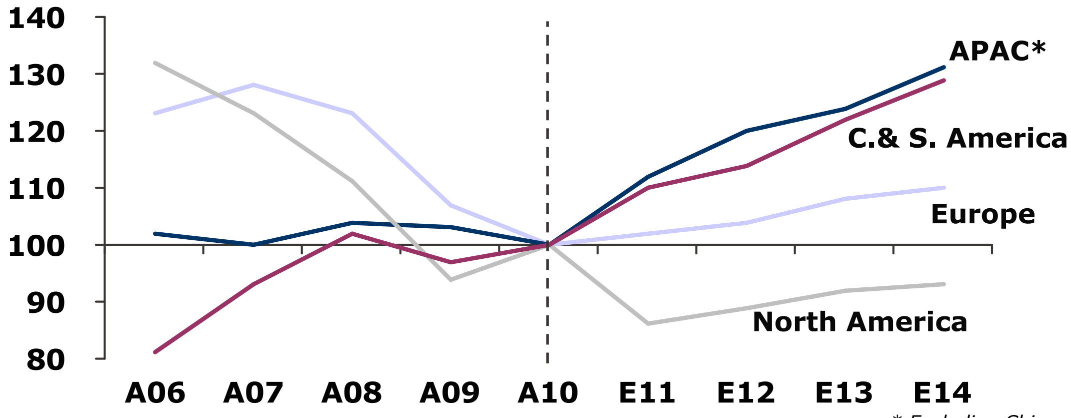
Full H1 2011 combined
(H1 2011 Prysmian excl.Draka)



Nordics: Norway, Sweden, Finland, Denmark, Estonia
Eastern Europe: Austria, Czech Rep, Slovakia, Hungary, Romania, Turkey, Russia

Total New Construction Output Worldwide

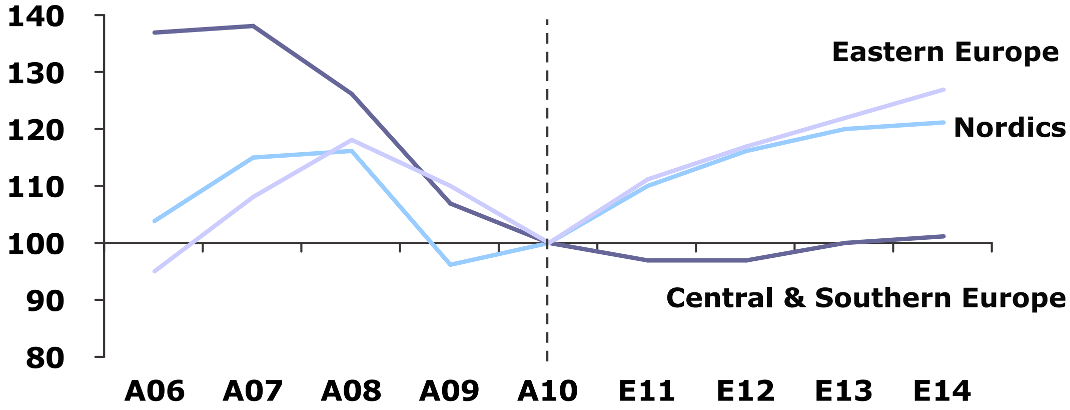
2010 = 100



** Excluding China*

Focus on New Construction Output in Europe

2010 = 100

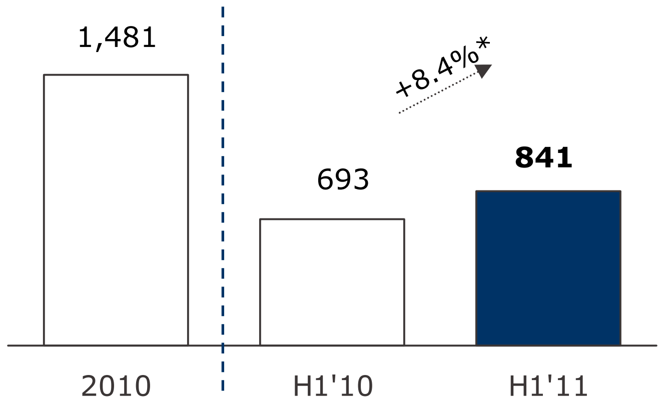


Source: Cresme Ricerche - Euroconstruct, June 2011

Industrial

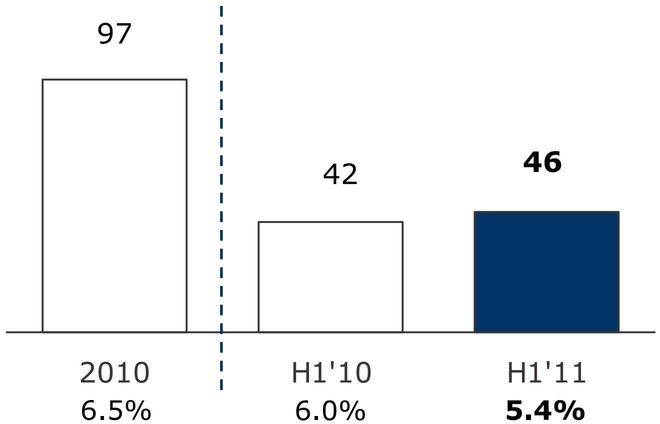
Euro Millions, % of Sales – Full Combined Results

Sales Vs Third Parties



* Organic Growth

Adjusted EBITDA (1)



(1) Adjusted excluding non-recurring income/expenses

Highlights

OGP

- Growing order-book driven by Extra European countries to increase sales contribution in H2 (Vs H1). Positive demand in APAC, US, Middle East and new projects in South America
- Still low volumes in Europe and weak business in North Africa due to political unrest

SURF

- Flexible pipes plant up and running with first test deliveries of 4.0" and 2.5" flowlines to Petrobras in Q2. Strong orders intake in umbilicals to support growth in H2

Renewable

- High growth in Wind in China and Australia offsetting low demand in Europe. Australia and Latin America as new drivers for the wind market
- Solar: lower volumes in H1 due to incentives reduction in Europe, higher volumes expected in H2 thanks to order-book recovery in Germany. New projects in Turkey and North America

Automotive

- Increase in US market balancing lower volumes in the Japanese market. Stable demand and pricing in Europe with first deliveries in Russia

Elevator

- Growing volume in China but stable demand in the key US market

Specialties & OEM

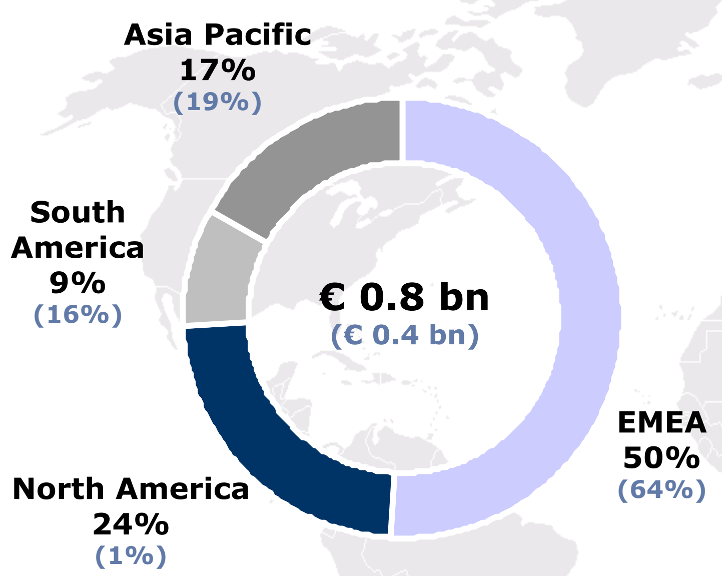
- Positive trend in Mining, Railway, Aerospace and Nuclear. Still weak demand in Marine and Crane

Industrial

A leading presence worldwide

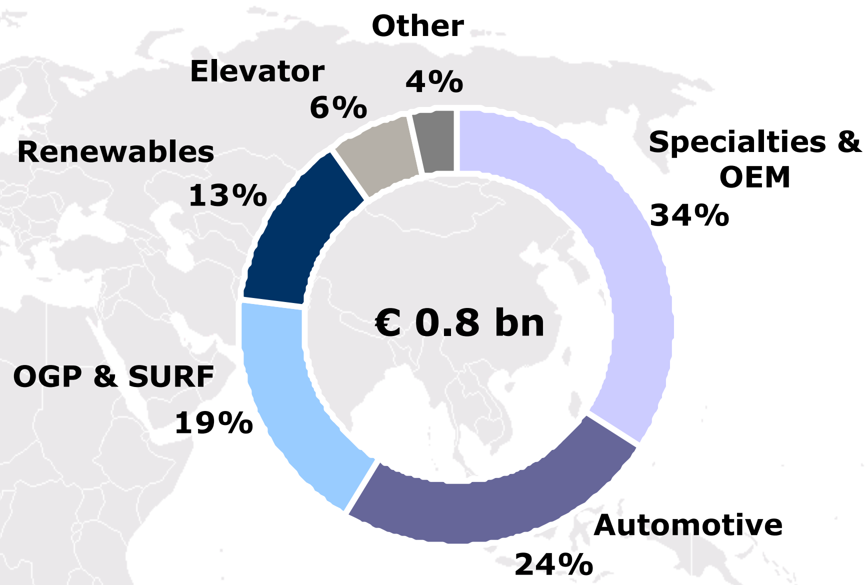
Sales breakdown by geographical area

Full H1 2011 combined
(H1 2011 Prysmian excl.Draka)



Sales breakdown by business segment

Full H1 2011 combined



Increased exposure to North America

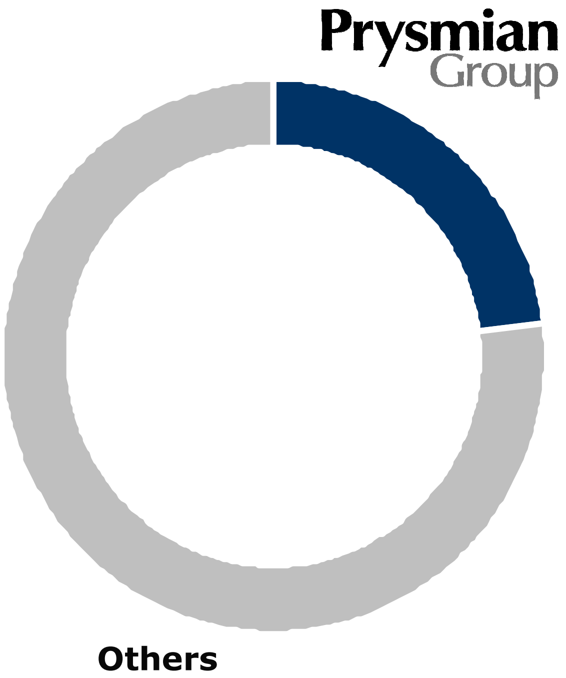
Wider presence in all the market segments

Industrial

Leadership in the most promising segment

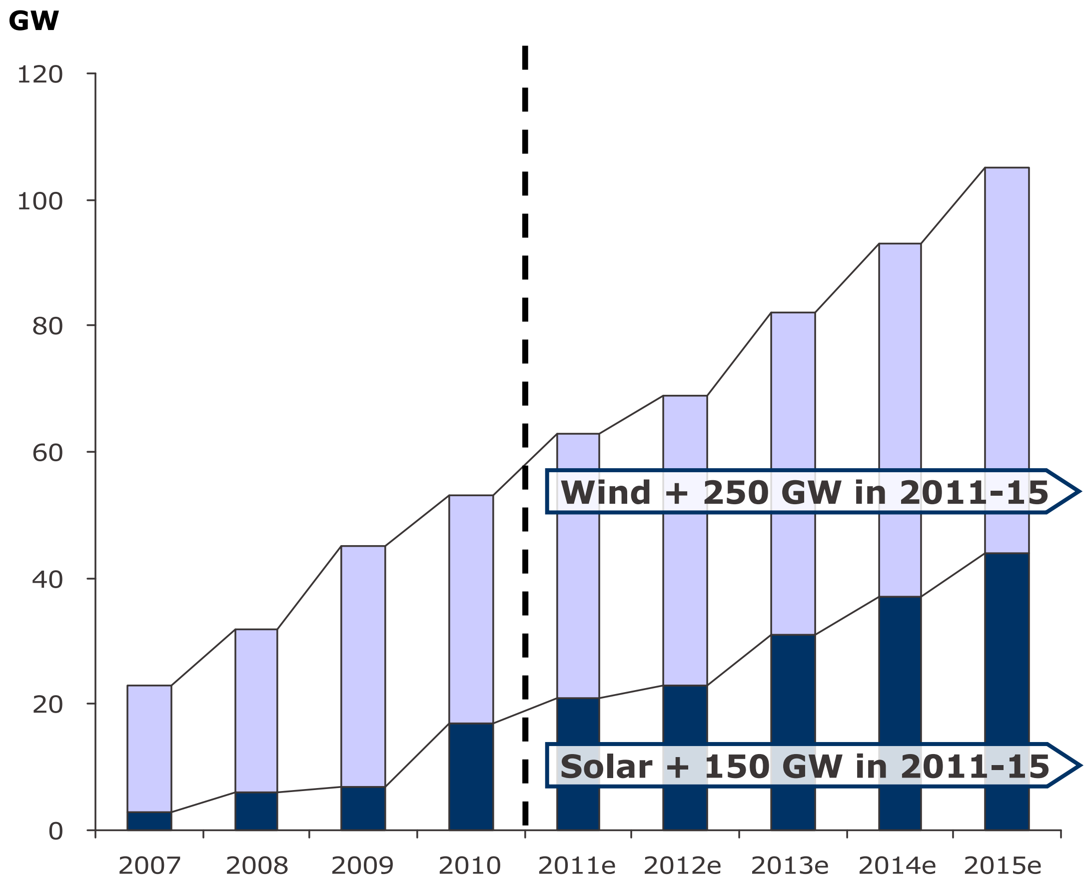
New Leader in Renewables...

Prysmian Group market share*



...leveraging on global exposure to high growth trend

Worldwide annual capacity increase

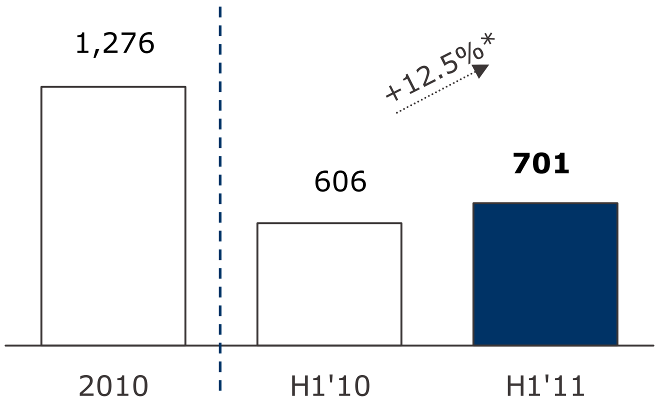


** Company estimates based on GWEC and EPIA. Market share related to combined Solar and Wind on-shore segments*

Source: EPIA Global Market Outlook 2015(March 2011), GWEC Global Wind Report (March 2011)

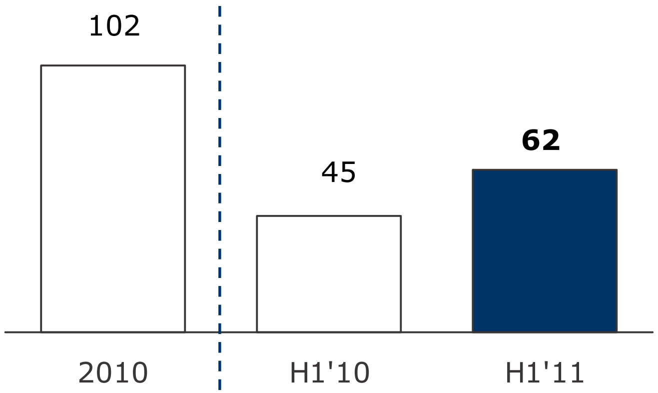
Telecom
Euro Millions, % of Sales – Full Combined Results

Sales Vs Third Parties



* Organic Growth

Adjusted EBITDA (1)



2010	H1'10	H1'11
7.7%	7.1%	**8.6%**

(1) Adjusted excluding non-recurring income/expenses

Highlights

Optical / Fiber

- Growing demand in optical across all geographical areas
  - Upgrade of metropolitan ring networks in developed countries and new backbone connections in emerging markets
  - Improving demand in Europe mainly driven by UK, Nordics, Eastern Europe, Benelux and Spain. New projects in Russia
  - Stimulus packages sustaining positive trend in US
  - High double digit sales growth expected in Brazil and Australia thanks to new backbone connections. First deliveries to NBN in Q3
  - Profitability improvement thanks to better geographical mix, operating leverage and higher fibre capacity

Multimedia & Specials

- Sales increase in H1 driven by Europe, particularly in Germany and France
- Improvement in profitability due to fixed costs optimization and production capacity rationalization

OPGW

- Positive demand in Italy and France. Lower volumes in Libya offset by North Africa/Middle East and Asia

Copper

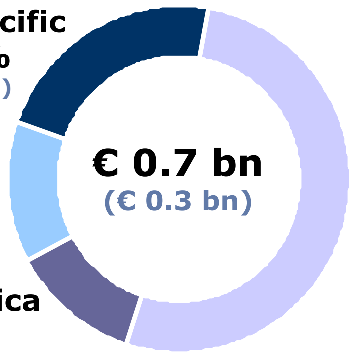
- Volumes recovery driven by Brazil, Australia and France

Telecom

A more diversified portfolio to strengthen market presence worldwide

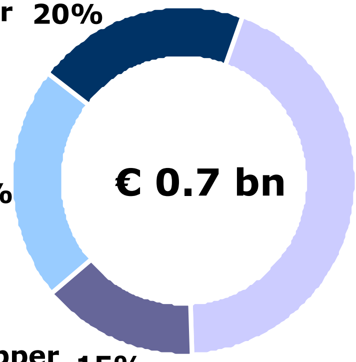
Sales breakdown by geographical area

Full H1 2011 combined
(H1 2011 Prysmian excl.Draka)



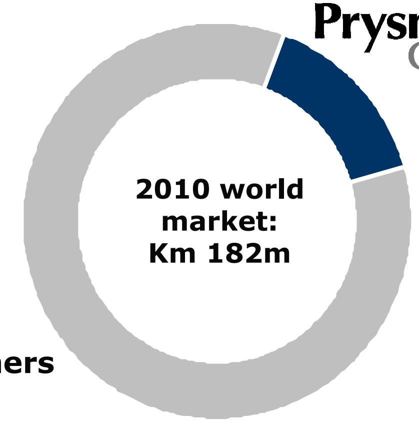
Sales breakdown by business segment

Full H1 2011 combined



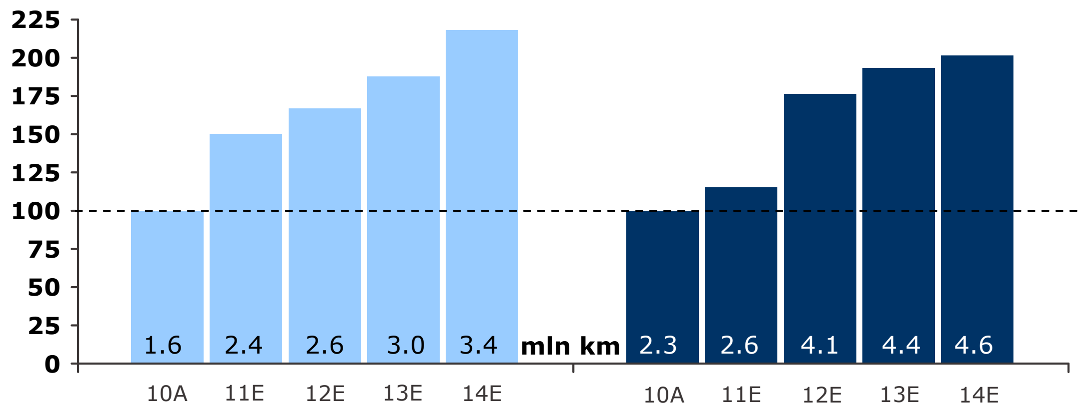
New Leader in Optical fiber cables…

Prysmian Group market share*



…with strong presence in the fastest growing markets (e.g. Brazil & Australia)

Consumption of fiber optic cable (2010 = 100)



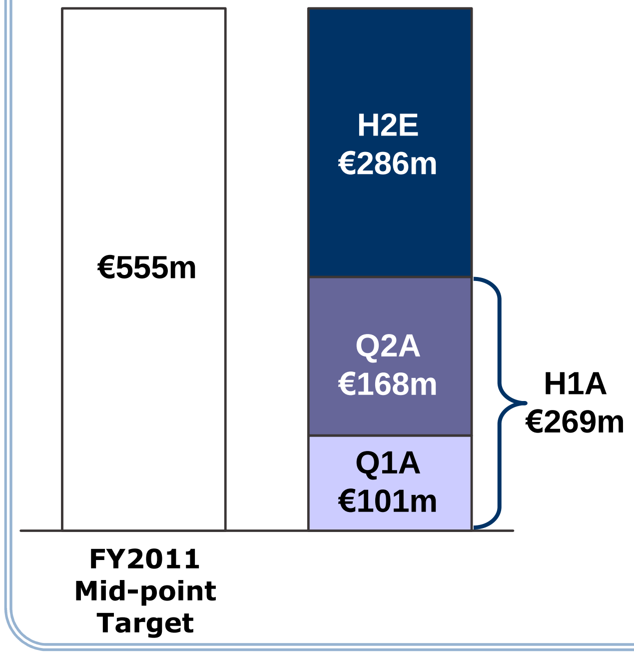
*Company estimates based on CRU

Source: CRU, April 2011

2011 Outlook

H1 profitability fully confirm FY mid-point Target

FY 2011 Adj. EBITDA Target confirmed [1]



<u>Higher Result in H2 based on</u>:

- Full contribution from Draka acquisition in H2 (consolidated from March'11 - Draka adj.EBITDA in Jan-Feb 2011: € 18m)
- Strong transmission orderbook to support profitability in H2'11
- Limited volume recovery expected in cyclical business with no major improvements in profitability
- Growing contribution from umbilicals/Flexible pipes and high value added industrial segments (high visibility on orderbook)
- Continuous strong demand in Optical and Multimedia & Specials
- First synergies from Draka integration

(1) Draka consolidated from 1 March 2011 (10 months)

AGENDA

- H1 2011 Highlights & Outlook 2011
- **Draka integration**
- Financial Results
- Appendix

Integration process

Overview

Q2 2011

Design

- **New Group Organization and Key People Appointment** ☑ *done*
- **Base Business Protection** ☑ *done*
- **Corporate Brand** ☑ *done*
- **Mission & Vision** ☑ *done*
- **Kick-off of main integration workstreams** ☑ *done*

H2 2011

Execution

- **Start deployment of new organization and processes**
- **Synergies plan completed, start delivering first costs reduction in:**
  - **Procurement**
  - **Overheads rationalization**

The new organization model

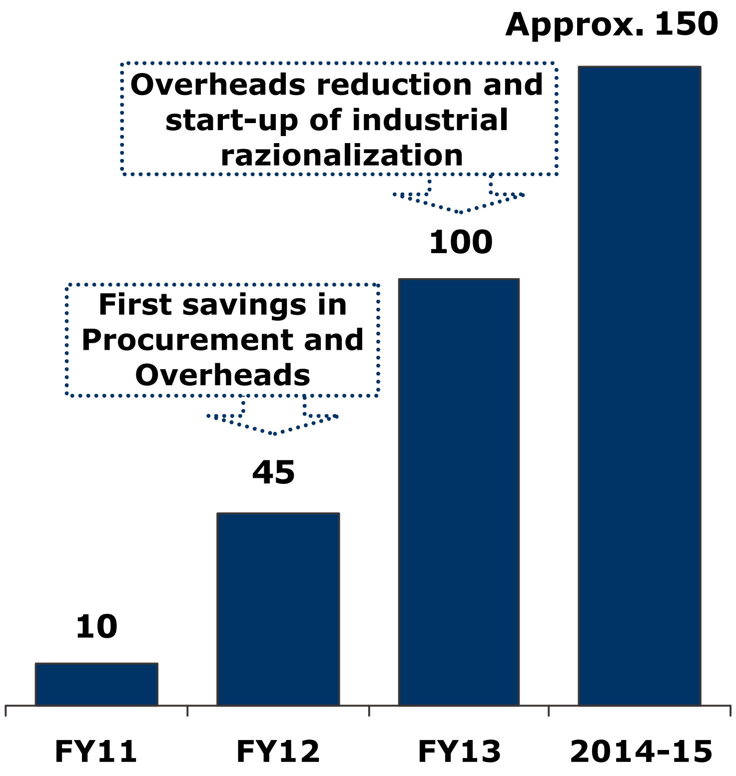
To strengthen leadership in all business segments leveraging on a global platform

Synergies Plan

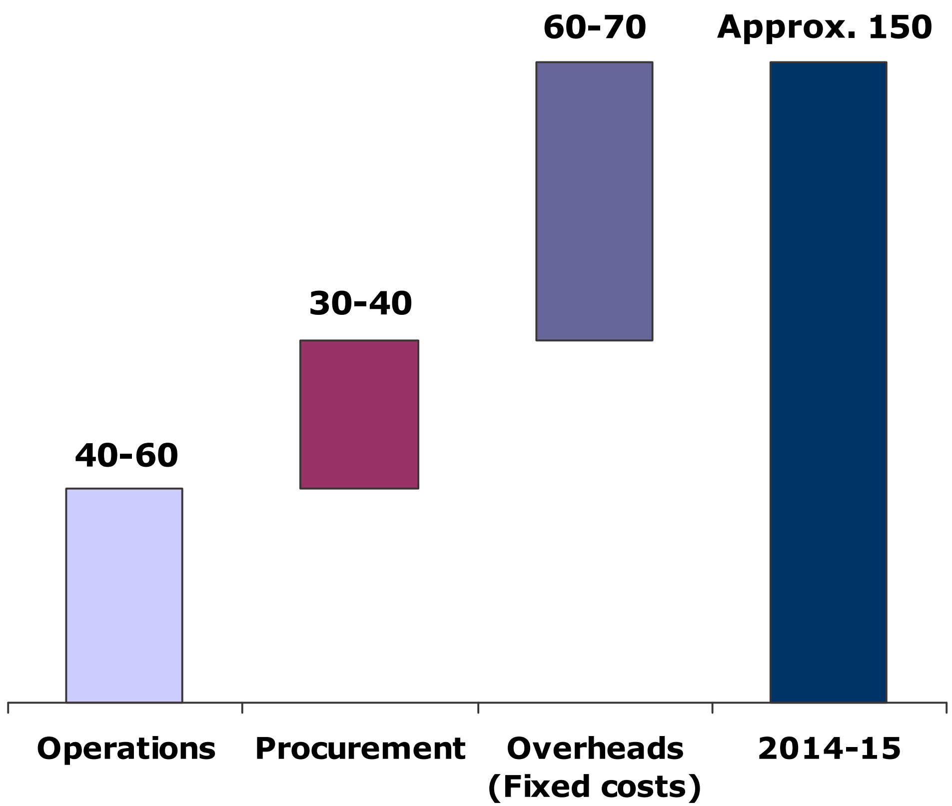
Upgrading initial synergies target

New Synergies plan (€ m)

- **Strong contribution to FY2012 Adj.EBITDA**
- **Target of € 100 mln in FY2013**



- **Upgrade to € 150m yearly synergies at run-rate**
- **Restructuring process to be completed within 2014 (run-rate in 2015)**



Net Restructuring costs (cash) in the region of € 200 mln over the integration period

AGENDA

- H1 2011 Highlights & Outlook 2011
- Draka integration
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Profit and Loss Statement

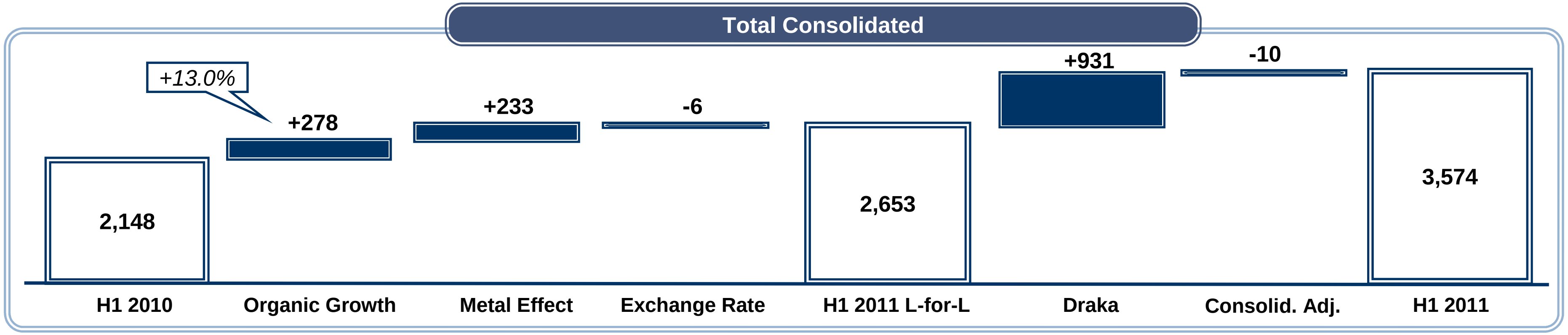
Euro Millions

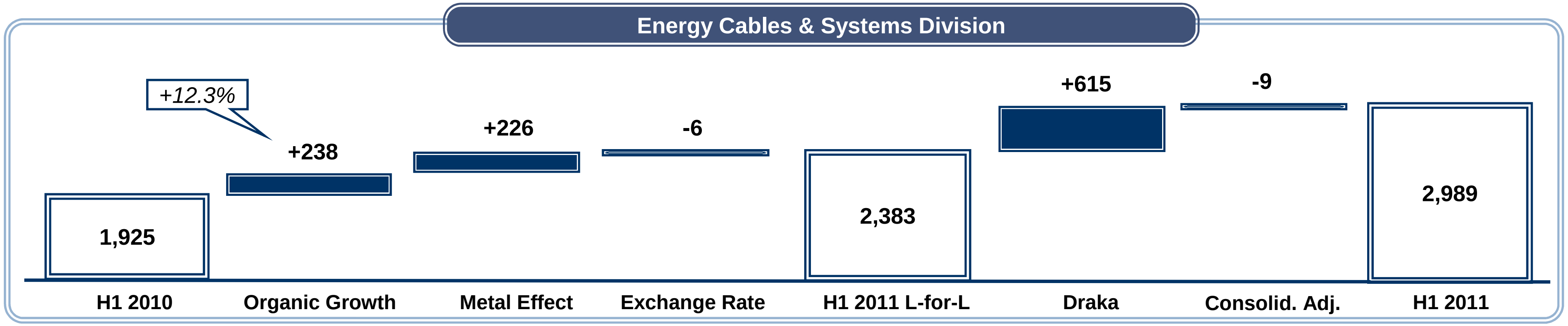
	H1 2011 Reported a)				Full H1 2010 Combined b)			Full H1 2011 Combined b)			
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total	PRY	DRAK	Cons. adj.	Total
Sales	**2,653**	**931**	**(10)**	**3,574**	**2,148**	**1,141**	**3,289**	**2,653**	**1,322**	**(10)**	**3,965**
YoY total growth	*23.6%*	*13.1%*		*66.4%*	*16.2%*	*12.3%*	-	*23.6%*	*15.8%*		*20.6%*
YoY organic growth	*13.0%*	*6.5%*			*-3.4%*	*-0.6%*	-	*13.0%*	*6.0%*		*10.6%*
Adj.EBITDA	**201**	**68**	**-**	**269**	**181**	**65**	**246**	**201**	**86**	**-**	**287**
% on sales	*7.6%*	*7.3%*		*7.5%*	*8.4%*	*5.7%*	*7.5%*	*7.6%*	*6.5%*		*7.2%*
Non recurring items	*(222)*	*(7)*	*(14)*	*(243)*	*(6)*	*(22)*	*(28)*				
EBITDA	**(21)**	**61**	**(14)**	**26**	**175**	**43**	**218**				
% on sales	*-0.8%*	*6.6%*		*0.7%*	*8.2%*	*3.8%*	*6.6%*				
Adj.EBIT	**163**	**47**	**(6)**	**204**	**143**	**34**	**177**	**163**	**55**	**(6)**	**212**
% on sales	*6.1%*	*5.0%*		*5.7%*	*6.7%*	*3.0%*	*5.4%*	*6.1%*	*4.2%*		*5.3%*
Non recurring items	*(222)*	*(7)*	*(14)*	*(243)*	*(6)*	*(22)*	*(28)*				
Special items	*(30)*	*(3)*	*-*	*(33)*	*(22)*	*-*	*(22)*				
EBIT	**(89)**	**37**	**(20)**	**(72)**	**115**	**12**	**127**				
% on sales	*-3.4%*	*4.0%*		*-2.0%*	*5.4%*	*1.1%*	*3.9%*				
Financial charges	*(47)*	*(6)*	*(5)*	*(58)*	*(51)*	*(11)*	*(62)*				
EBT	**(136)**	**31**	**(25)**	**(130)**	**64**	**1**	**65**				
% on sales	*-5.1%*	*3.3%*		*-3.7%*	*3.0%*	*0.1%*	*2.0%*				
Taxes	(21)	(10)	5	(26)	(20)	1	(19)				
% on EBT	*n.m.*	*n.m.*		*n.m.*	*31.9%*	*35.8%*	*29.2%*				
Net income	**(157)**	**21**	**(20)**	**(156)**	**44**	**2**	**46**				
Extraordinary items (after tax)	*(249)*	*(9)*	*(11)*	*(269)*	*(33)*	*(19)*	*(52)*				
Adj.Net income	**92**	**30**	**(9)**	**113**	**77**	**21**	**98**				

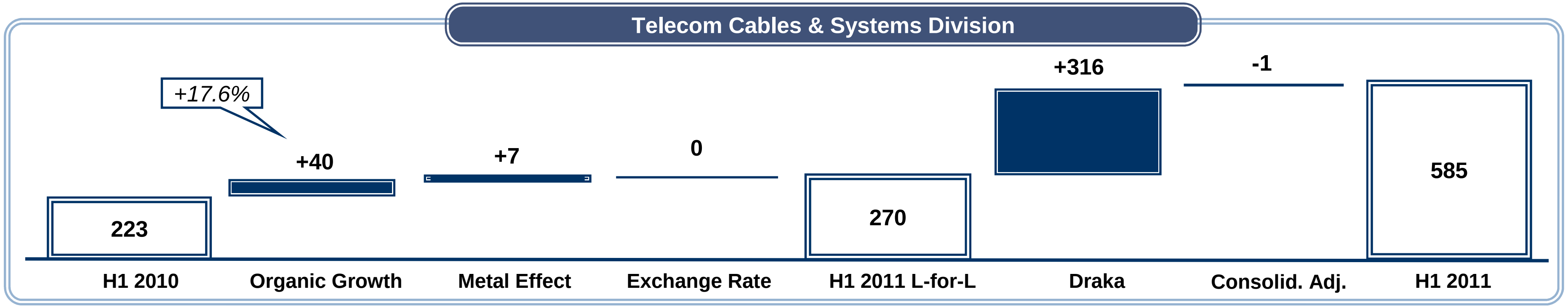
a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 6 months

Bridge Reported Consolidated Sales

Euro Millions







Extraordinary Effects
Euro Millions

	H1 2011 Reported a)				Full H1 2010 Combined b)		
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total
Antitrust investigation	(200)	-		(200)	-	-	-
Restructuring	(5)	(7)		(12)	(4)	(22)	(26)
Legal costs	-	-		-	-	-	-
Draka transaction costs	(6)	-		(6)	-	-	-
Draka integration costs	(6)	-		(6)	-	-	-
Draka change of control effects	(2)	-		(2)	-	-	-
Inventory step-up (PPA)	-	-	(14)	(14)	-	-	-
Other	(3)	-		(3)	(2)	-	(2)
EBITDA adjustments	**(222)**	**(7)**	**(14)**	**(243)**	**(6)**	**(22)**	**(28)**
Special items	(30)	(3)		(33)	(22)	-	(22)
Gain/(loss) on metal derivatives	*(30)*	*(3)*		*(33)*	*(17)*	*-*	*(17)*
Assets impairment	*-*	*-*		*-*	*(5)*	*-*	*(5)*
Other	*-*	*-*		*-*			*-*
EBIT adjustments	**(252)**	**(10)**	**(14)**	**(276)**	**(28)**	**(22)**	**(50)**
Gain/(Loss) on other derivatives (1)	7	5		12	(24)	(3)	(27)
Gain/(Loss) exchange rate	(15)	(6)		(21)	3	2	5
Other one-off financial Income/exp.	-	-		-	2	-	2
EBT adjustments	**(260)**	**(11)**	**(14)**	**(285)**	**(47)**	**(23)**	**(70)**
Tax	11	2	3	16	14	4	18
Net Income adjustments	**(249)**	**(9)**	**(11)**	**(269)**	**(33)**	**(19)**	**(52)**

Notes

(1) Includes currency and interest derivatives

a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 6 months

Financial Charges

Euro Millions

	H1 2011 Reported a)				Full H1 2010 Combined b)		
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total
Net interest expenses	**(39)**	**(8)**	**-**	**(47)**	**(30)**	**(13)**	**(43)**
Bank fees Amortization	(6)	-		(6)	(3)	(1)	(4)
Gain/(loss) on exchange rates	(15)	(6)		(21)	3	2	5
Gain/(loss) on derivatives (1)	7	5		12	(24)	(3)	(27)
Non recurring effects	-	-		-	2	-	2
Net financial charges	**(53)**	**(9)**	**-**	**(62)**	**(52)**	**(15)**	**(67)**
Share in net income of associates	6	3	(5)	4	1	4	5
Total financial charges	**(47)**	**(6)**	**(5)**	**(58)**	**(51)**	**(11)**	**(62)**

Notes

(1) Includes currency and interest derivatives

a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 6 months

Opening balances 01.03.2011 and PPA adjustments - Draka

Euro Millions

	Opening balance 1 Mar 2011 DRAK	of which Adj.PPA DRAK
Net fixed assets	901	198
of which: intangible assets	*214*	*101* a)
of which: property, plants & equipment	*621*	*97*
Net working capital	302	9
Provisions & deferred taxes	(67)	(76)
Net Capital Employed	**1,136**	**131**
Employee provisions	93	
Shareholders' equity	686	131
of which: attributable to minority interest	*28*	*1*
Net financial position	357	
Total Financing and Equity	**1,136**	**131**

Provisional Goodwill of € 320m

(Purchase price € 978m – Fair value acquired net assets[b] € 658m)

a) € 182 m step-up of intangible assets (net of € 81 mln eliminated goodwill existing in Draka's accounts pre-acquisition)
b) Excluding minority interest

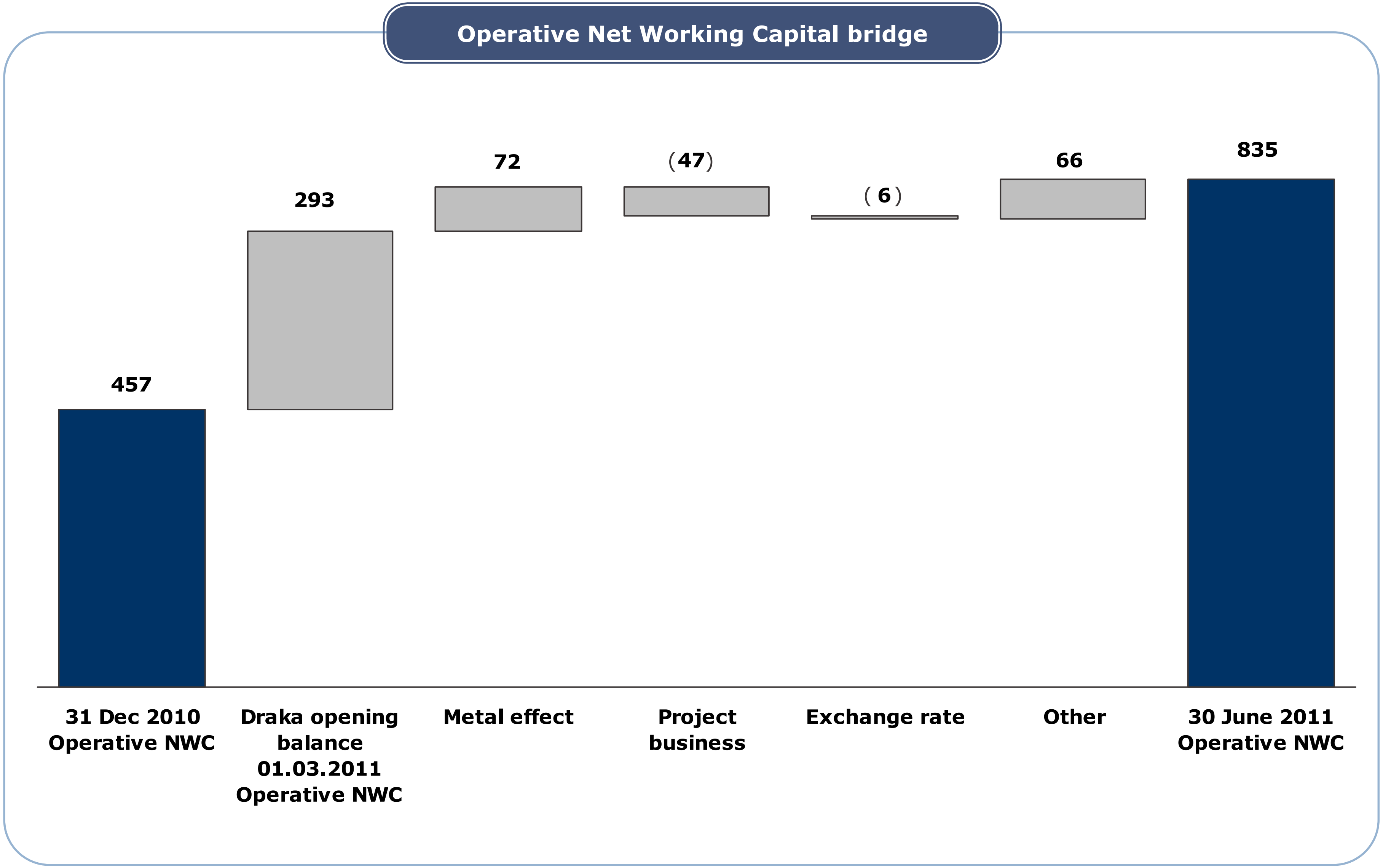
Statement of financial position (Balance Sheet)

Euro Millions

	30 Jun 2011 Total	30 Jun 2010 PRY	31 Dec 2010 PRY
Net fixed assets	2,201	1,034	1,029
of which: intangible assets	*593*	*67*	*59*
of which: property, plants & equipment	*1,535*	*956*	*958*
Net working capital	865	570	494
of which: derivatives assets/(liabilities)	*30*	*(27)*	*37*
of which: Operative Net working capital	*835*	*597*	*457*
Provisions & deferred taxes	(357)	(104)	(120)
Net Capital Employed	**2,709**	**1,500**	**1,403**
Employee provisions	234	158	145
Shareholders' equity	1,097	667	799
of which: attributable to minority interest	67	39	43
Net financial position	1,378	675	459
Bank Fees	*(32)*	*(23)*	*(20)*
Net financial position vs Third Parties	*1,410*	*698*	*479*
Total Financing and Equity	**2,709**	**1,500**	**1,403**

Evolution of Operative Net Working Capital

Euro Millions



Cash Flow
Euro Millions

	H1 2011 Rep. [a)] Total	H1 2010 Rep. PRY	FY 2010 Rep. PRY
Adj.EBITDA	**269**	**181**	**387**
Non recurring items	(243)	(6)	(22)
EBITDA	**26**	**175**	**365**
Net Change in provisions	176	(15)	(17)
Release of inventory step-up	14	-	-
Cash flow from operations (before WC changes)	**216**	**160**	**348**
Working Capital changes	(107)	(140)	(6)
Paid Income Taxes	(37)	(20)	(59)
Cash flow from operations	**72**	**-**	**283**
Acquisitions	(419) [(1)]	(20)	(21)
Net Operative CAPEX	(46)	(31)	(95)
Net Financial CAPEX	4	5	5
Free Cash Flow (unlevered)	**(389)**	**(46)**	**172**
Financial charges	(89)	(36)	(52)
Free Cash Flow (levered)	**(478)**	**(82)**	**120**
Dividends	(36)	(75)	(75)
Other Equity movements	1	13	13
Net Cash flow	**(513)**	**(144)**	**58**
NFP beginning of the period	**(459)**	**(474)**	**(474)**
Net cash flow	(513)	(144)	58
Perimeter Change	(439) [(2)]	-	-
Other variations	33	(57)	(43)
NFP end of the period	**(1,378)**	**(675)**	**(459)**

a) Includes Draka consolidated 4 months from 1 March 2011

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

AGENDA

- H1 2011 Highlights & Outlook 2011
- Draka integration
- Financial Results
- **Appendix**

Profit and Loss Statement – backup

Euro Millions

	H1 2011 Reported a)				H1 2010 Rep.	FY 2010 Rep.	FY 2010 Combined b)		
	PRY	DRAK	Cons. adj.	Total	PRY	Total	PRY	DRAK	Total
Sales	**2,653**	**931**	**(10)**	**3,574**	**2,148**	**4,571**	**4,571**	**2,419**	**6,990**
YoY total growth	*23.6%*	*13.1%*		*66.4%*	*16.2%*	*22.5%*	*22.5%*	*18.7%*	*21.2%*
YoY organic growth	*13.0%*	*6.5%*		*-*	*-3.4%*	*3.2%*	*3.2%*	*3.5%*	*3.3%*
Adj.EBITDA	**201**	**68**	**-**	**269**	**181**	**387**	**387**	**148**	**535**
% on sales	*7.6%*	*7.3%*		*7.5%*	*8.4%*	*8.5%*	*8.5%*	*6.1%*	*7.7%*
Non recurring items	*(222)*	*(7)*	*(14)*	*(243)*	*(6)*	*(22)*	*(22)*	*(56)*	*(78)*
EBITDA	**(21)**	**61**	**(14)**	**26**	**175**	**365**	**365**	**92**	**457**
% on sales	*-0.8%*	*6.6%*		*0.7%*	*8.2%*	*8.0%*	*8.0%*	*3.8%*	*6.5%*
Adj.EBIT	**163**	**47**	**(6)**	**204**	**143**	**309**	**309**	**85**	**394**
% on sales	*6.1%*	*5.0%*		*5.7%*	*6.7%*	*6.8%*	*6.8%*	*3.5%*	*5.6%*
Non recurring items	*(222)*	*(7)*	*(14)*	*(243)*	*(6)*	*(22)*	*(22)*	*(56)*	*(78)*
Special items	*(30)*	*(3)*	*-*	*(33)*	*(22)*	*20*	*20*	*-*	*20*
EBIT	**(89)**	**37**	**(20)**	**(72)**	**115**	**307**	**307**	**29**	**336**
% on sales	*-3.4%*	*4.0%*		*-2.0%*	*5.4%*	*6.7%*	*6.7%*	*1.2%*	*4.8%*
Financial charges	*(47)*	*(6)*	*(5)*	*(58)*	*(51)*	*(94)*	*(94)*	*(24)*	*(118)*
EBT	**(136)**	**31**	**(25)**	**(130)**	**64**	**213**	**213**	**5**	**218**
% on sales	*-5.1%*	*3.3%*		*-3.7%*	*3.0%*	*4.7%*	*4.7%*	*0.2%*	*3.1%*
Taxes	(21)	(10)	5	(26)	(20)	(63)	(63)	2	(61)
% on EBT	*n.m.*	*n.m.*		*n.m.*	*31.9%*	*29.8%*	*29.8%*	*37.5%*	*28.0%*
Net income	**(157)**	**21**	**(20)**	**(156)**	**44**	**150**	**150**	**7**	**157**
Extraordinary items (after tax)	*(249)*	*(9)*	*(11)*	*(269)*	*(33)*	*(23)*	*(23)*	*(57)*	*(80)*
Adj.Net income	**92**	**30**	**(9)**	**113**	**77**	**173**	**173**	**64**	**237**

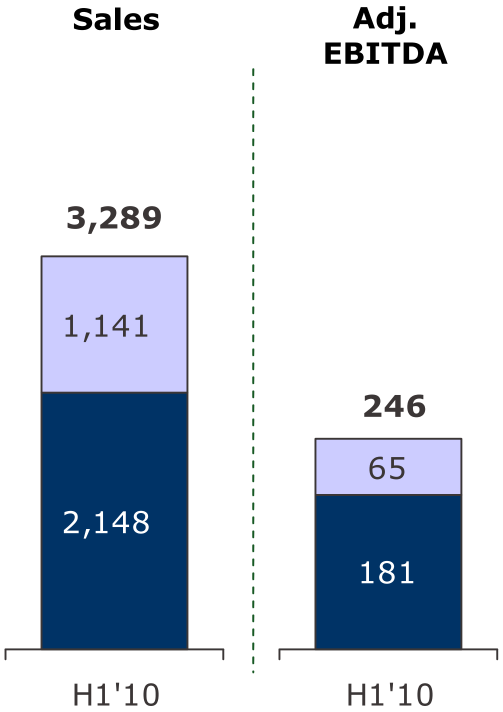
a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 12 months

Combined adj.EBITDA margin H1 2011 Vs H1 2010

Euro million - % on Sales

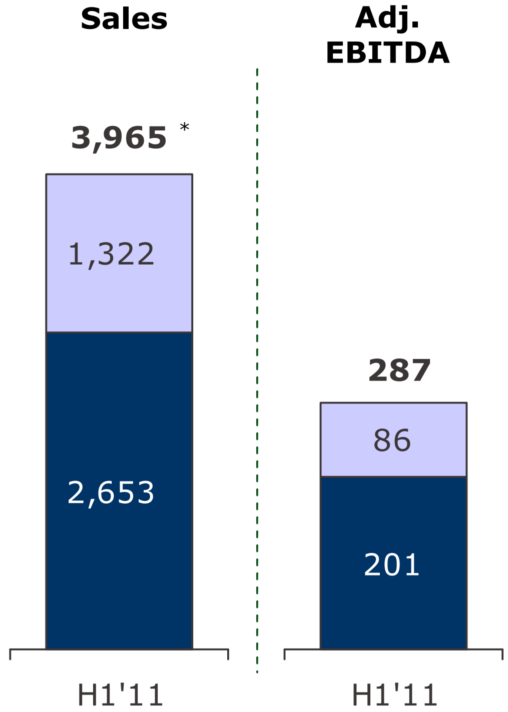
Draka
Prysmian

Full H1 2010 Combined



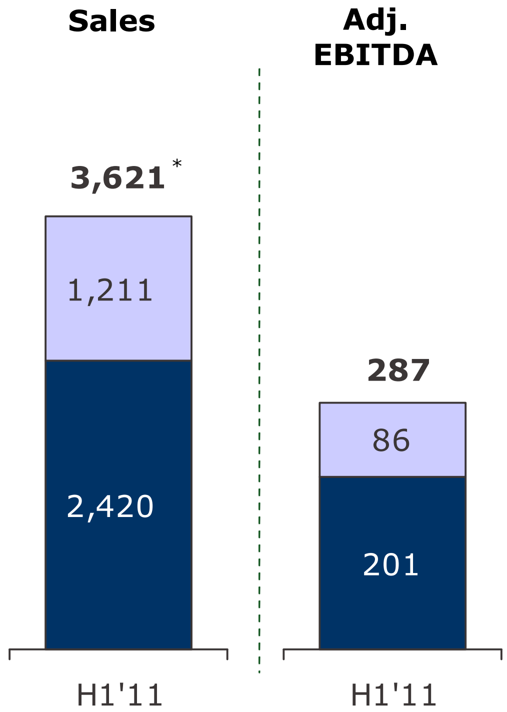
Adj. EBITDA margin **7.5%**

Full H1 2011 Combined



Adj. EBITDA margin **7.2%**

Full H1 2011 Combined Sales excluding metal effect



Adj. EBITDA margin **7.9%**

Higher adj.EBITDA margin excluding metal effect

* *Includes consolidation adjustments*

Extraordinary Effects – backup

Euro Millions

	H1 2011 Reported a)				H1 2010 Rep.	FY 2010 Rep.	FY 2010 Combined b)		
	PRY	DRAK	Cons. adj.	Total	PRY	Total	PRY	DRAK	Total
Antitrust investigation	(200)	-		(200)	-	-	-	-	-
Restructuring	(5)	(7)		(12)	(4)	(11)	(11)	(48)	(59)
Legal costs	-	-		-	-	(5)	(5)	-	(5)
Draka transaction costs	(6)	-		(6)	-	(6)	(6)	(8)	(14)
Draka integration costs	(6)	-		(6)	-	-	-	-	-
Draka change of control effects	(2)	-		(2)	-	-	-	-	-
Inventory step-up (PPA)	-	-	(14)	(14)	-	-	-	-	-
Other	(3)	-		(3)	(2)	-	-	-	-
EBITDA adjustments	**(222)**	**(7)**	**(14)**	**(243)**	**(6)**	**(22)**	**(22)**	**(56)**	**(78)**
Special items	(30)	(3)		(33)	(22)	20	20	-	20
Gain/(loss) on metal derivatives	*(30)*	*(3)*		*(33)*	*(17)*	*28*	*28*	*-*	*28*
Assets impairment	*-*	*-*		*-*	*(5)*	*(8)*	*(8)*	*(0)*	*(8)*
Other	*-*	*-*		*-*		*-*	*-*	*-*	*-*
EBIT adjustments	**(252)**	**(10)**	**(14)**	**(276)**	**(28)**	**(2)**	**(2)**	**(56)**	**(58)**
Gain/(Loss) on other derivatives (1)	7	5		12	(24)	(38)	(38)	1	(37)
Gain/(Loss) exchange rate	(15)	(6)		(21)	3	7	7	(3)	4
Other one-off financial Income/exp.	-	-		-	2	2	2	(3)	(1)
EBT adjustments	**(260)**	**(11)**	**(14)**	**(285)**	**(47)**	**(31)**	**(31)**	**(61)**	**(92)**
Tax	11	2	3	16	14	8	8	4	12
Net Income adjustments	**(249)**	**(9)**	**(11)**	**(269)**	**(33)**	**(23)**	**(23)**	**(57)**	**(80)**

Notes

(1) Includes currency and interest derivatives

a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 12 months

Financial Charges – backup

Euro Millions

	H1 2011 Reported a)				H1 2010 Rep.	FY 2010 Rep.	FY 2010 Combined b)		
	PRY	DRAK	Cons. adj.	Total	PRY	Total	PRY	DRAK	Total
Net interest expenses	**(39)**	**(8)**	**-**	**(47)**	**(30)**	**(61)**	**(61)**	**(23)**	**(84)**
Bank fees Amortization	(6)	-	-	(6)	(3)	(6)	(6)	(4)	(10)
Gain/(loss) on exchange rates	(15)	(6)	-	(21)	3	7	7	(3)	4
Gain/(loss) on derivatives (1)	7	5	-	12	(24)	(38)	(38)	1	(37)
Non recurring effects	-	-	-	-	2	2	2	(3)	(1)
Net financial charges	**(53)**	**(9)**	**-**	**(62)**	**(52)**	**(96)**	**(96)**	**(32)**	**(128)**
Share in net income of associates	6	3	(5)	4	1	2	2	8	10
Total financial charges	**(47)**	**(6)**	**(5)**	**(58)**	**(51)**	**(94)**	**(94)**	**(24)**	**(118)**

Notes

(1) Includes currency and interest derivatives

a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 12 months

Energy Segment: Profit and Loss Statement – backup 1/2

Euro Millions

	H1 2011 Reported a)				Full H1 2010 Combined b)			Full H1 2011 Combined b)			
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total	PRY	DRAK	Cons. adj.	Total
Sales	**2,398**	**628**		**3,026**	**1,935**	**787**	**2,722**	**2,398**	**914**		**3,312**
Sales vs. Third Parties	**2,383**	**615**	**(9)**	**2,989**	**1,925**	**758**	**2,683**	**2,383**	**890**	**(9)**	**3,264**
YoY total growth	*23.8%*	*11.8%*		*55.3%*	*17.3%*	*15.3%*		*23.8%*	*17.3%*		*21.7%*
YoY organic growth	*12.3%*	*2.6%*			*-3.6%*	*-5.0%*		*12.3%*	*4.3%*		*10.0%*
Adj. EBITDA	**178**	**37**	**-**	**215**	**164**	**37**	**201**	**178**	**47**		**225**
% on sales	*7.5%*	*5.8%*		*7.1%*	*8.5%*	*4.7%*	*7.4%*	*7.5%*	*5.2%*		*6.8%*
Adj. EBIT	**144**	**25**	**(1)**	**168**	**130**	**20**	**150**	**144**	**30**	**(1)**	**173**
% on sales	*6.0%*	*4.0%*		*5.6%*	*6.7%*	*2.5%*	*5.5%*	*6.0%*	*3.2%*		*5.2%*

a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 6 months

Energy Segment: Profit and Loss Statement – backup 2/2

Euro Millions

	H1 2011 Reported a)				H1 2010 Rep.	FY 2010 Rep.	FY 2010 Combined b)		
	PRY	DRAK	Cons. adj.	Total	PRY	Total	PRY	DRAK	Total
Sales	**2,398**	**628**		**3,026**	**1,935**	**4,145**	**4,145**	**1,630**	**5,775**
Sales vs. Third Parties	**2,383**	**615**	**(9)**	**2,989**	**1,925**	**4,121**	**4,121**	**1,593**	**5,714**
YoY total growth	*23.8%*	*11.8%*		*55.3%*	*17.3%*	*23.8%*	*23.8%*	*21.9%*	*23.3%*
YoY organic growth	*12.3%*	*2.6%*		*-*	*-3.6%*	*3.4%*	*3.4%*	*0.4%*	*2.6%*
Adj. EBITDA	**178**	**37**	**-**	**215**	**164**	**351**	**351**	**82**	**433**
% on sales	*7.5%*	*5.8%*		*7.1%*	*8.5%*	*8.5%*	*8.5%*	*5.0%*	*7.5%*
Adj. EBIT	**144**	**25**	**(1)**	**168**	**130**	**280**	**280**	**47**	**327**
% on sales	*6.0%*	*4.0%*		*5.6%*	*6.7%*	*6.8%*	*6.8%*	*2.9%*	*5.7%*

a) Includes Draka consolidated 4 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 – Full H1 combined

Sales

	Full H1 2011 Comb. Total	Full H1 2010 Comb. Total	Total growth Total	Organic growth Total
Utilities	1,104	870		
of which to third parties	*1,102*	*870*	*31.1%*	*20.2%*
Trade & Installers	1,302	1,097		
of which to third parties	*1,253*	*1,067*	*60.2%*	*2.2%*
Industrial	847	704		
of which to third parties	*841*	*693*	*107.6%*	*8.4%*
Others	83	63		
of which to third parties	*68*	*53*	*n.m.*	*n.m.*
Eliminations	(24)	(12)		
Total Energy	**3,312**	**2,722**		
of which to third parties	***3,264***	***2,683***	***55.3%***	***10.0%***

	Full H1 2011 Comb. Total	Full H1 2010 Comb. Total	H1'11 % on Sales Total	H1'10 % on Sales Total
Adj. EBITDA				
Utilities	140	125	12.7%	14.4%
Trade & Installers	39	36	3.0%	3.3%
Industrial	46	42	5.4%	6.0%
Others	0	(2)	n.m.	n.m.
Total Energy	**225**	**201**	**6.8%**	**7.4%**
Adj. EBIT				
Utilities	120	107	10.9%	12.3%
Trade & Installers	23	20	1.8%	1.8%
Industrial	30	26	3.5%	3.7%
Others	0	(3)	n.m.	n.m.
Total Energy	**173**	**150**	**5.2%**	**5.5%**

Telecom Segment: Profit and Loss Statement – backup 1/2

Euro Millions

	H1 2011 Reported a)				Full H1 2010 Combined b)			Full H1 2011 Combined b)			
	PRY	DRAK	Cons. adj.	Total	PRY	DRAK	Total	PRY	DRAK	Cons. adj.	Total
Sales	**272**	**327**		**599**	**225**	**405**	**630**	**272**	**449**		**721**
Sales vs. Third Parties	**270**	**316**	**(1)**	**585**	**223**	**383**	**606**	**270**	**432**	**(1)**	**701**
YoY total growth	*21.1%*	*13.1%*		*162.3%*	*8.1%*	*6.9%*		*21.1%*	*12.8%*		*15.7%*
YoY organic growth	*17.6%*	*14.2%*			*-1.2%*	*7.8%*		*17.6%*	*9.5%*		*12.5%*
Adj. EBITDA	**23**	**31**		**54**	**17**	**28**	**45**	**23**	**39**		**62**
% on sales	*8.3%*	*9.4%*		*9.0%*	*7.4%*	*7.0%*	*7.1%*	*8.3%*	*8.7%*		*8.6%*
Adj. EBIT	**19**	**22**	**(5)**	**36**	**13**	**14**	**27**	**19**	**25**	**(5)**	**39**
% on sales	*6.8%*	*6.7%*		*6.0%*	*5.8%*	*3.6%*	*4.3%*	*6.8%*	*5.6%*		*5.4%*

a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 6 months

Telecom Segment: Profit and Loss Statement – backup 2/2

Euro Millions

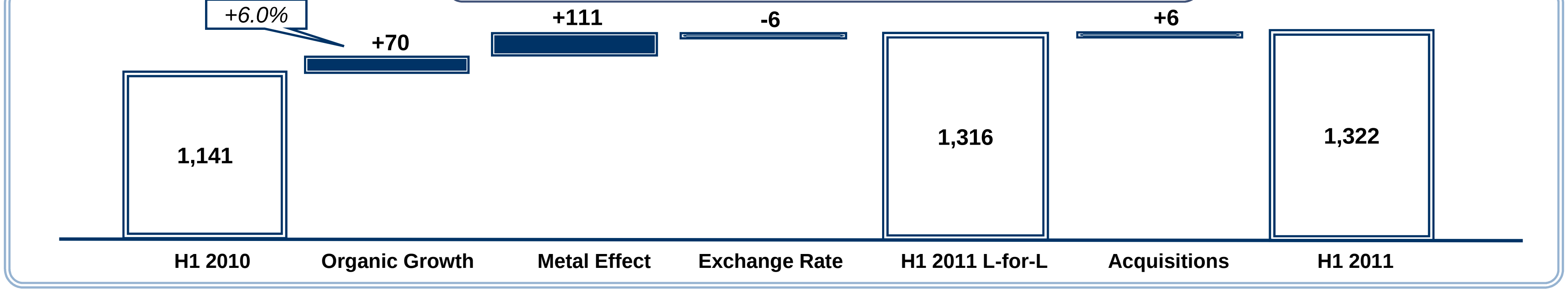
	H1 2011 Reported a)				H1 2010 Rep.	FY 2010 Rep.	FY 2010 Combined b)		
	PRY	DRAK	Cons. adj.	Total	PRY	Total	PRY	DRAK	Total
Sales	**272**	**327**		**599**	**225**	**454**	**454**	**865**	**1,319**
Sales vs. Third Parties	**270**	**316**	**(1)**	**585**	**223**	**450**	**450**	**826**	**1,276**
YoY total growth	*21.1%*	*13.1%*		*162.3%*	*8.1%*	*11.7%*	*11.7%*	*13.0%*	*12.4%*
YoY organic growth	*17.6%*	*14.2%*		*-*	*-1.2%*	*1.2%*	*1.2%*	*9.5%*	*6.5%*
Adj. EBITDA	**23**	**31**	**-**	**54**	**17**	**36**	**36**	**66**	**102**
% on sales	*8.3%*	*9.4%*		*9.0%*	*7.4%*	*7.9%*	*7.9%*	*7.6%*	*7.7%*
Adj. EBIT	**19**	**22**	**(5)**	**36**	**13**	**29**	**29**	**38**	**67**
% on sales	*6.8%*	*6.7%*		*6.0%*	*5.8%*	*6.3%*	*6.3%*	*4.4%*	*5.1%*

a) Includes Draka consolidated 4 months from 1 March 2011
b) Includes Draka consolidated all 12 months

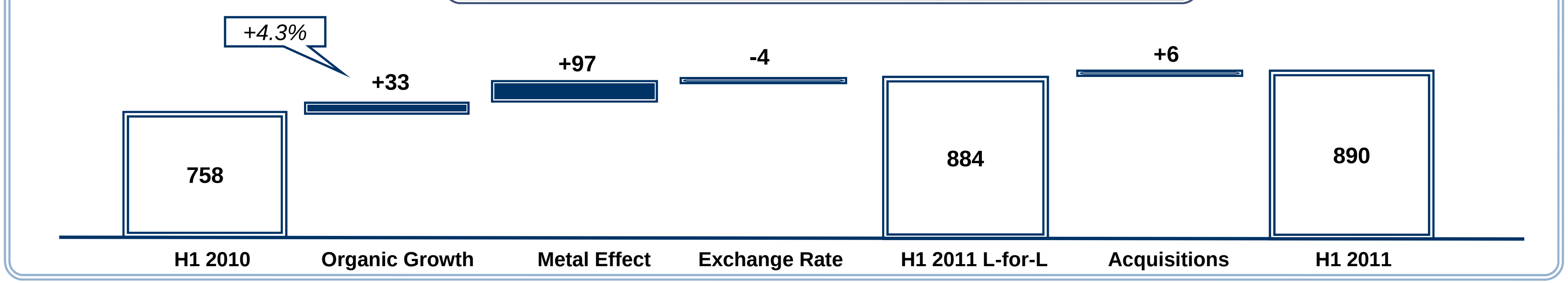
Bridge Reported Consolidated Sales (Draka)

Euro Millions

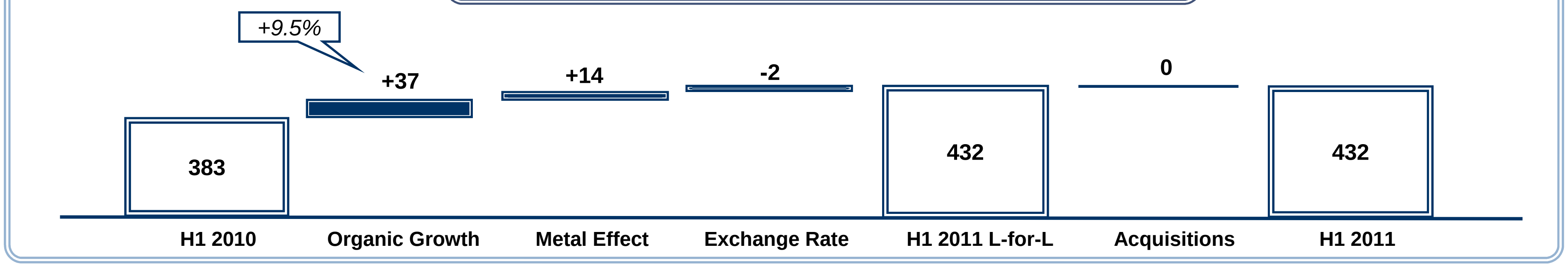
Total Consolidated



Energy Cables & Systems Division



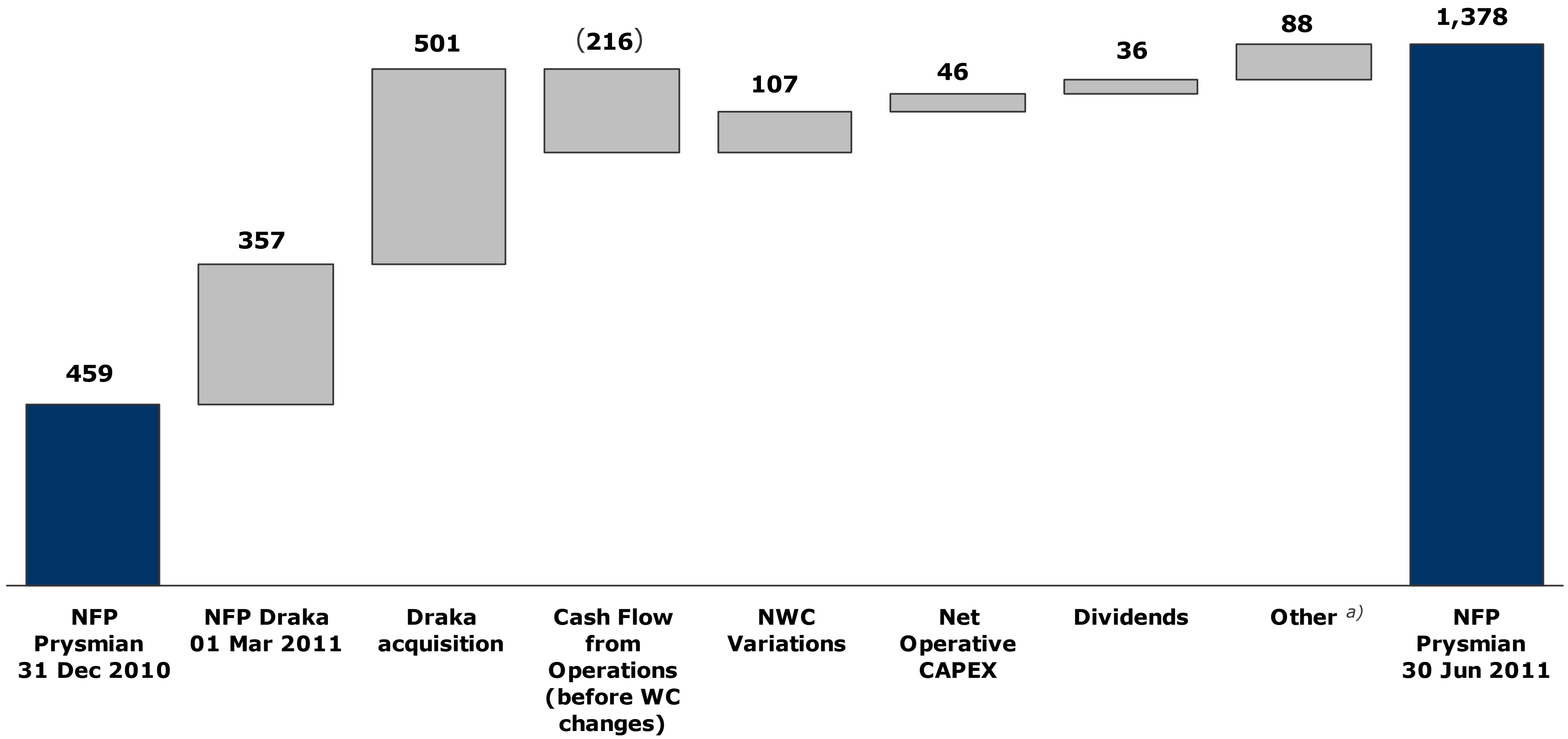
Telecom Cables & Systems Division



Evolution of Net Financial Position

Euro Millions

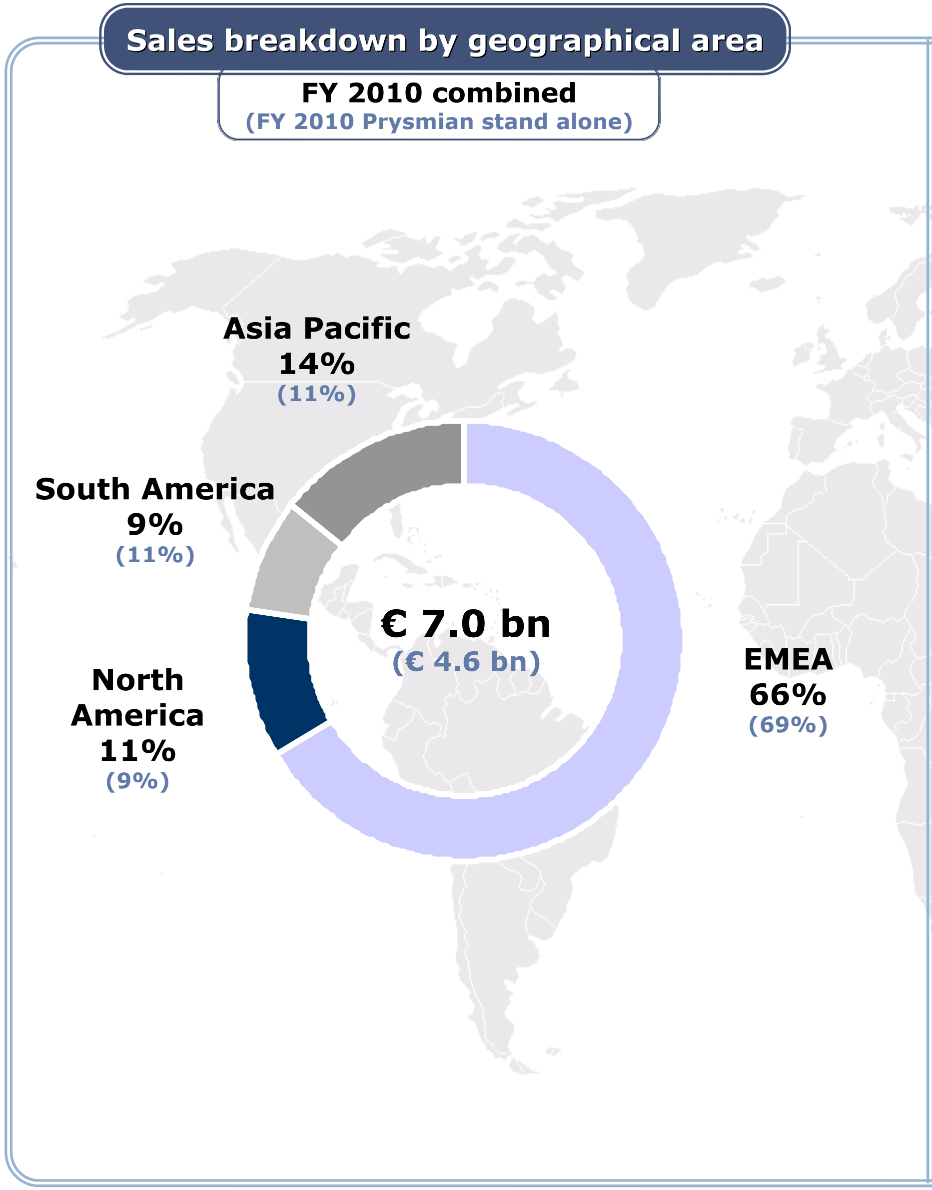
Net Financial Position bridge

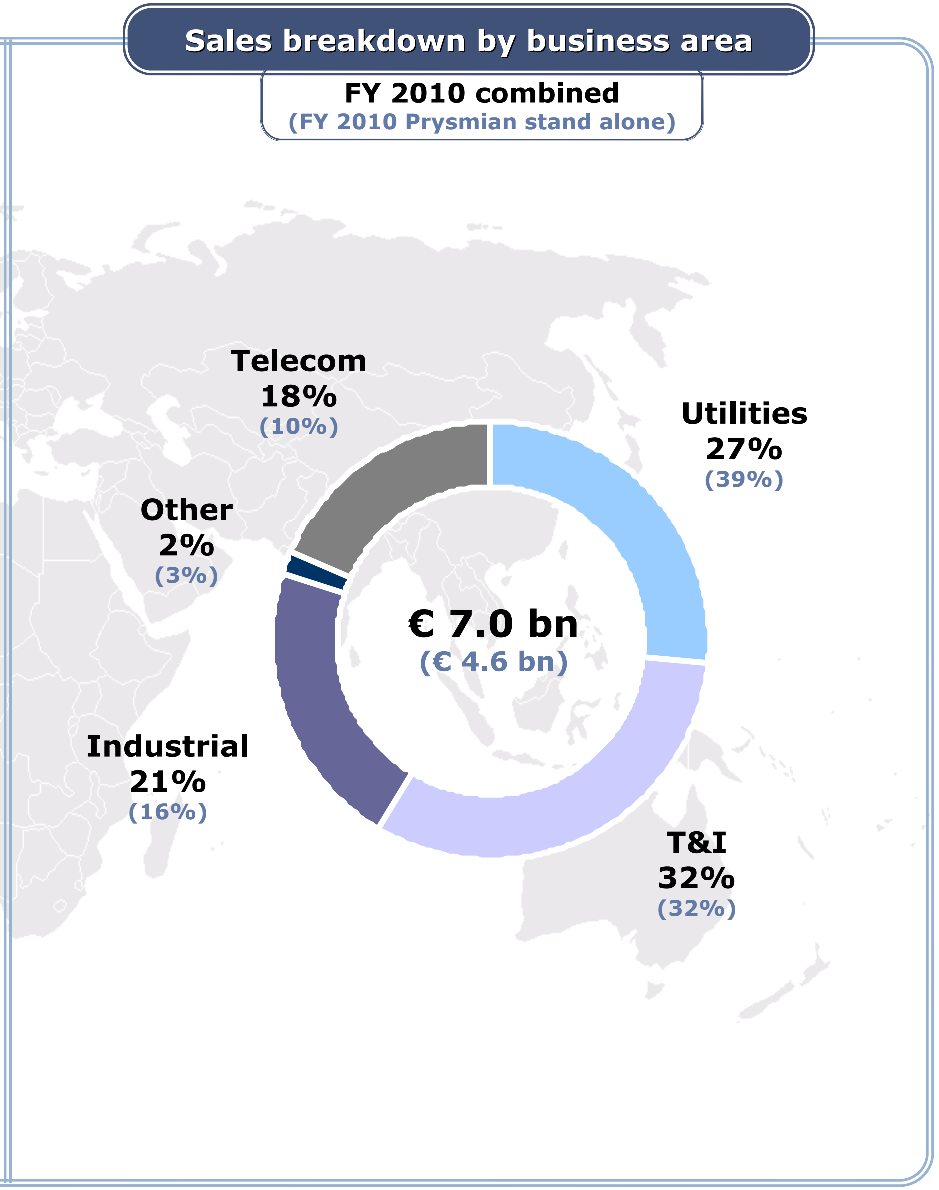


a) Includes taxes, financial charges and other items

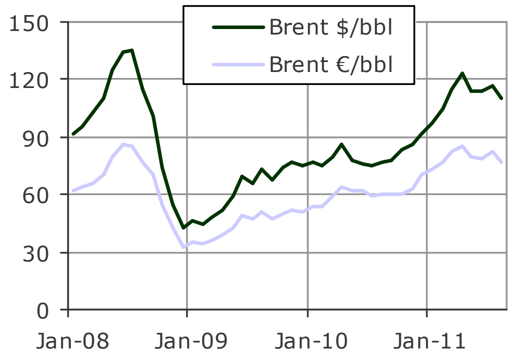
Prysmian Group at a glance

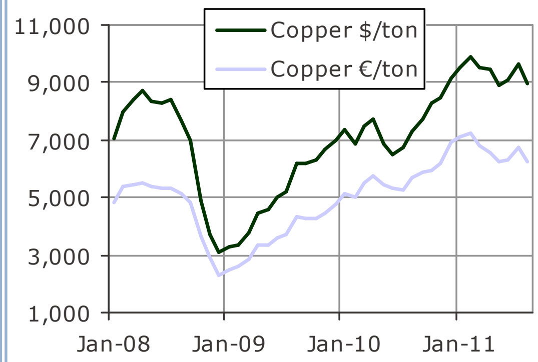
Leading player in all market segments with a wider geographical presence

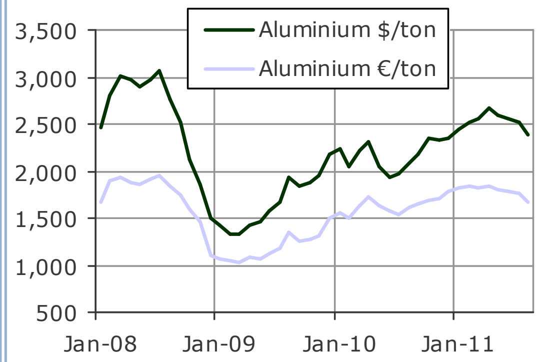


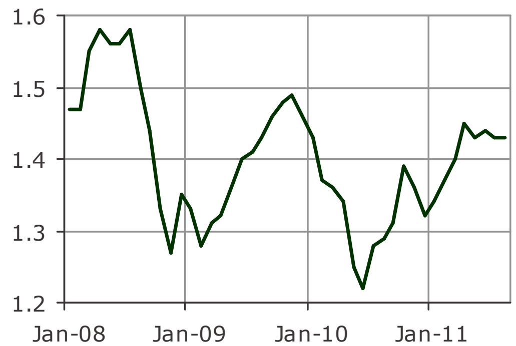


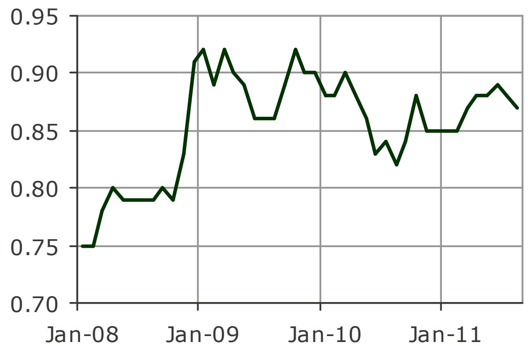
Reference Scenario
Commodities & Forex

Brent


Copper


Aluminium


EUR / USD


EUR / GBP


EUR / BRL


Monthly average. August 2011 considered up to 23 August.
Source: Thomson Reuters

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- The managers responsible for preparing the company's financial reports, M.Branda and J.Calvo, 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.

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- In addition to the standard financial reporting formats and indicators required under IFRS, this document contains a number of reclassified tables and alternative performance indicators. The purpose is to help users better evaluate the Group's economic and financial performance. However, these tables and indicators should not be treated as a substitute for the standard ones required by IFRS.