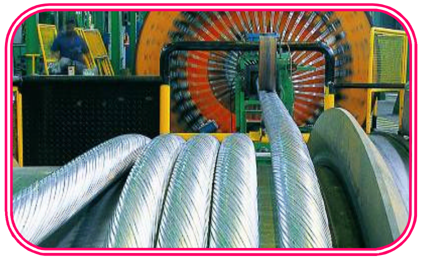
PRYSMIAN
CABLES & SYSTEMS







Company Presentation

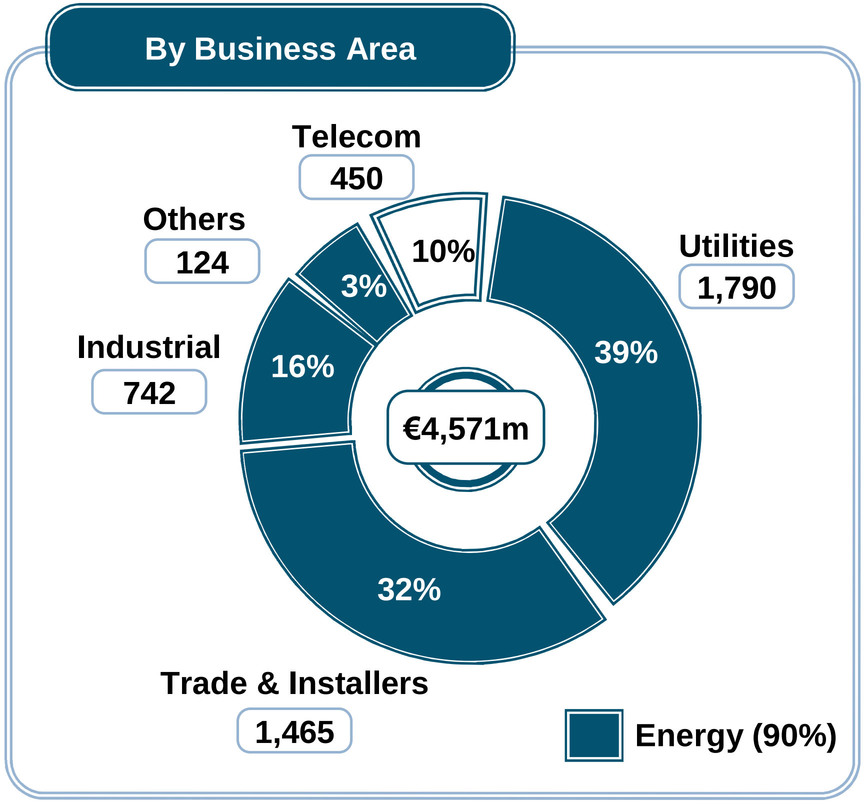
March 2011

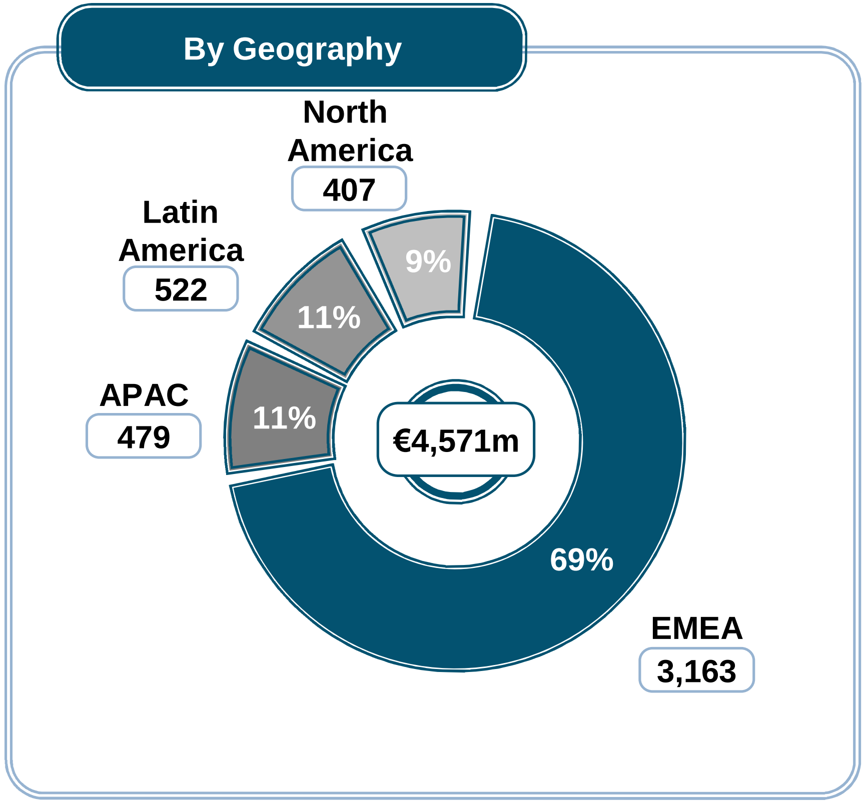
Agenda

- Group Overview
- Division Results FY 2010
- Prysmian-Draka Combination
- Appendix

A Complete and Diversified Presence and Product Offering

Sales FY 2010 Euro Millions

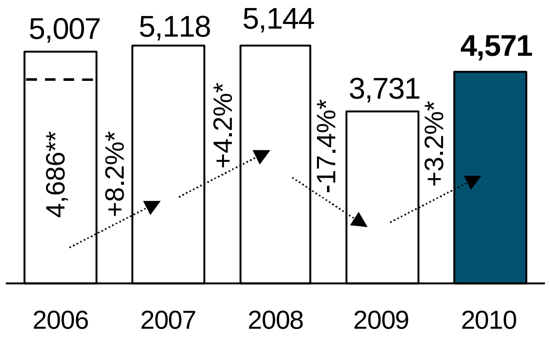




FY 2010 Key Financials

Euro Millions, % of Sales

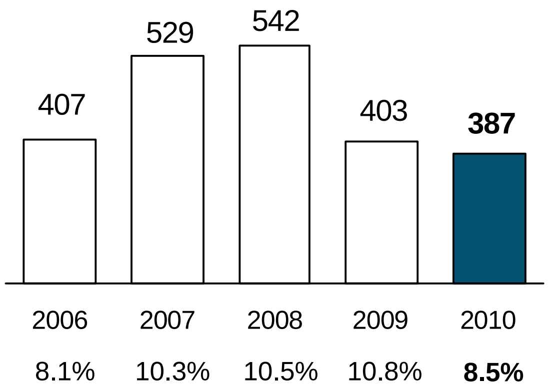
Sales



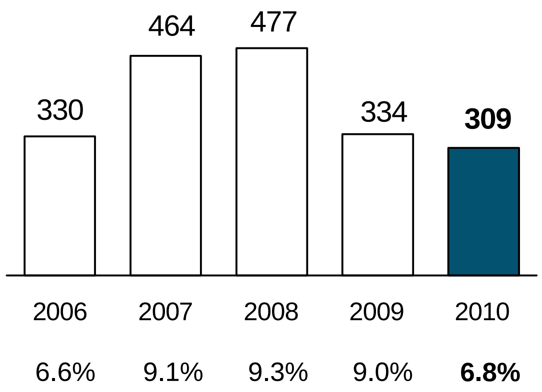
* Organic Growth

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

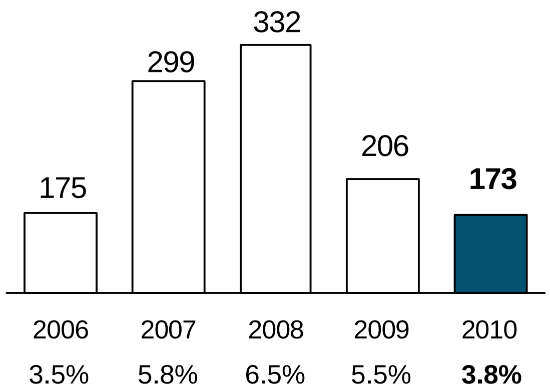
Adjusted EBITDA (1)



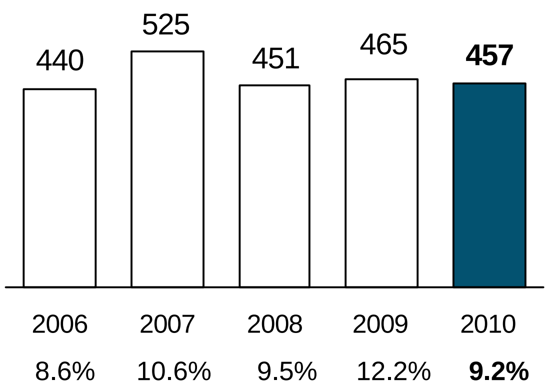
Adjusted EBIT (1)



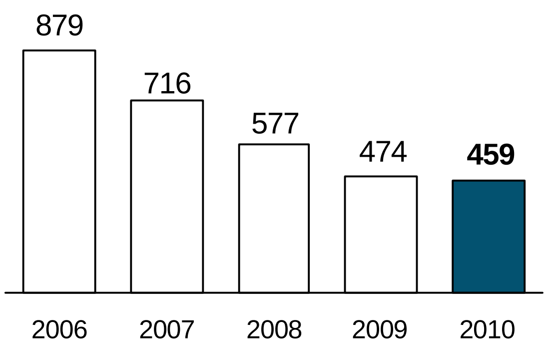
Adjusted Net Income (2)



Operative Net Working Capital (3)

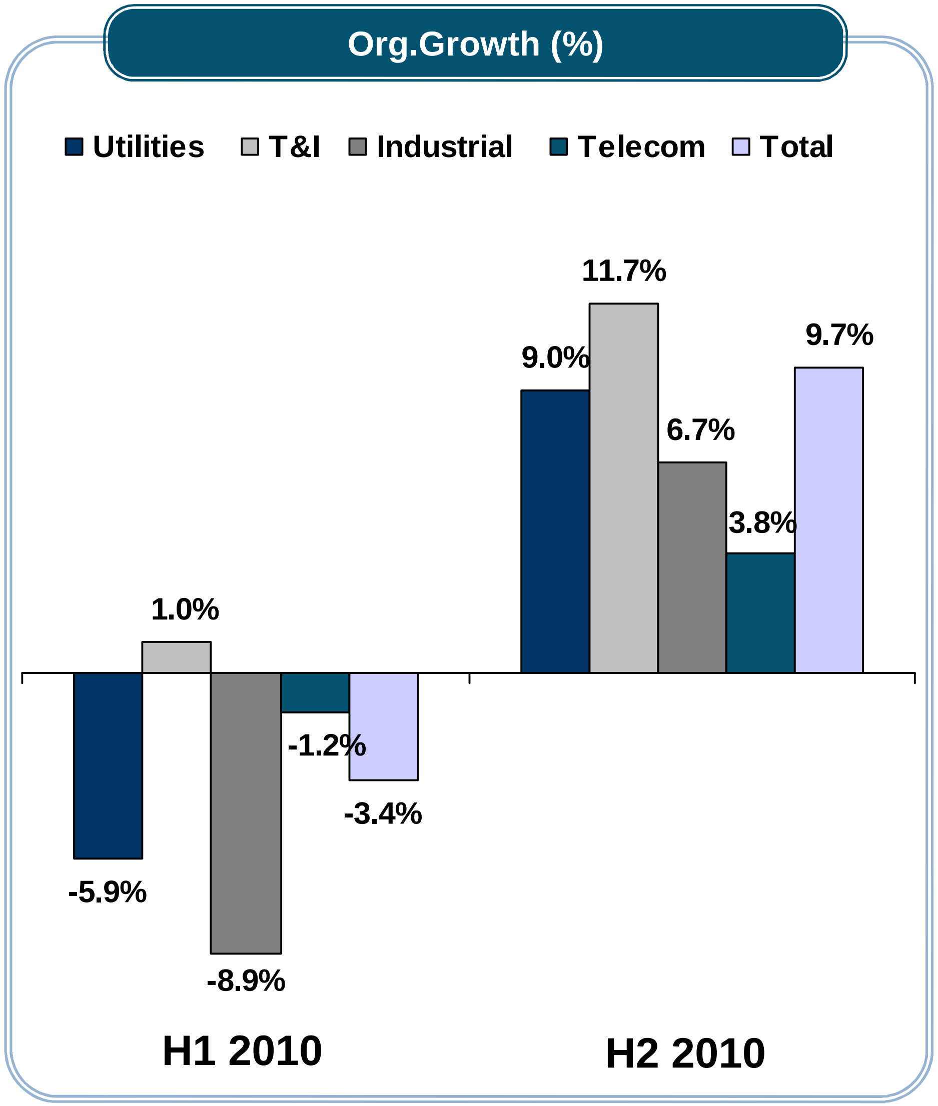


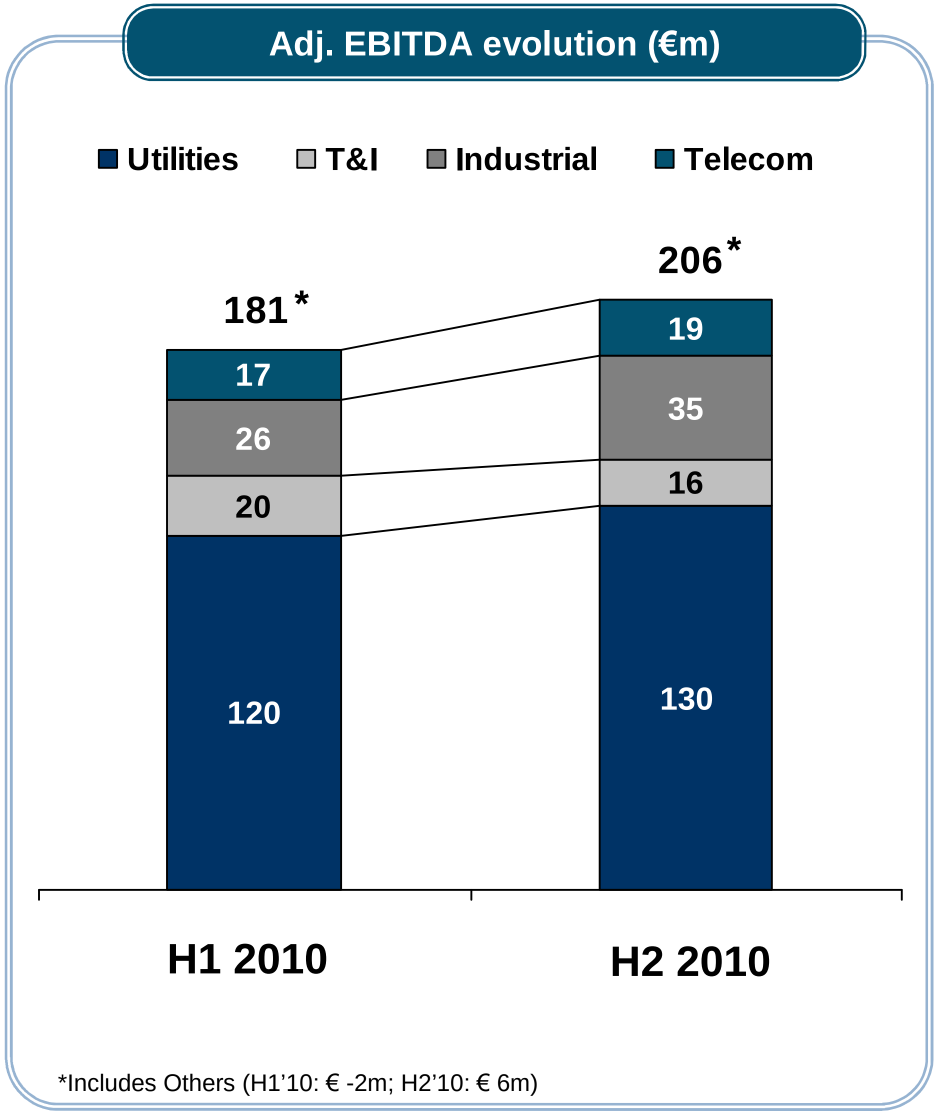
Net Financial Position



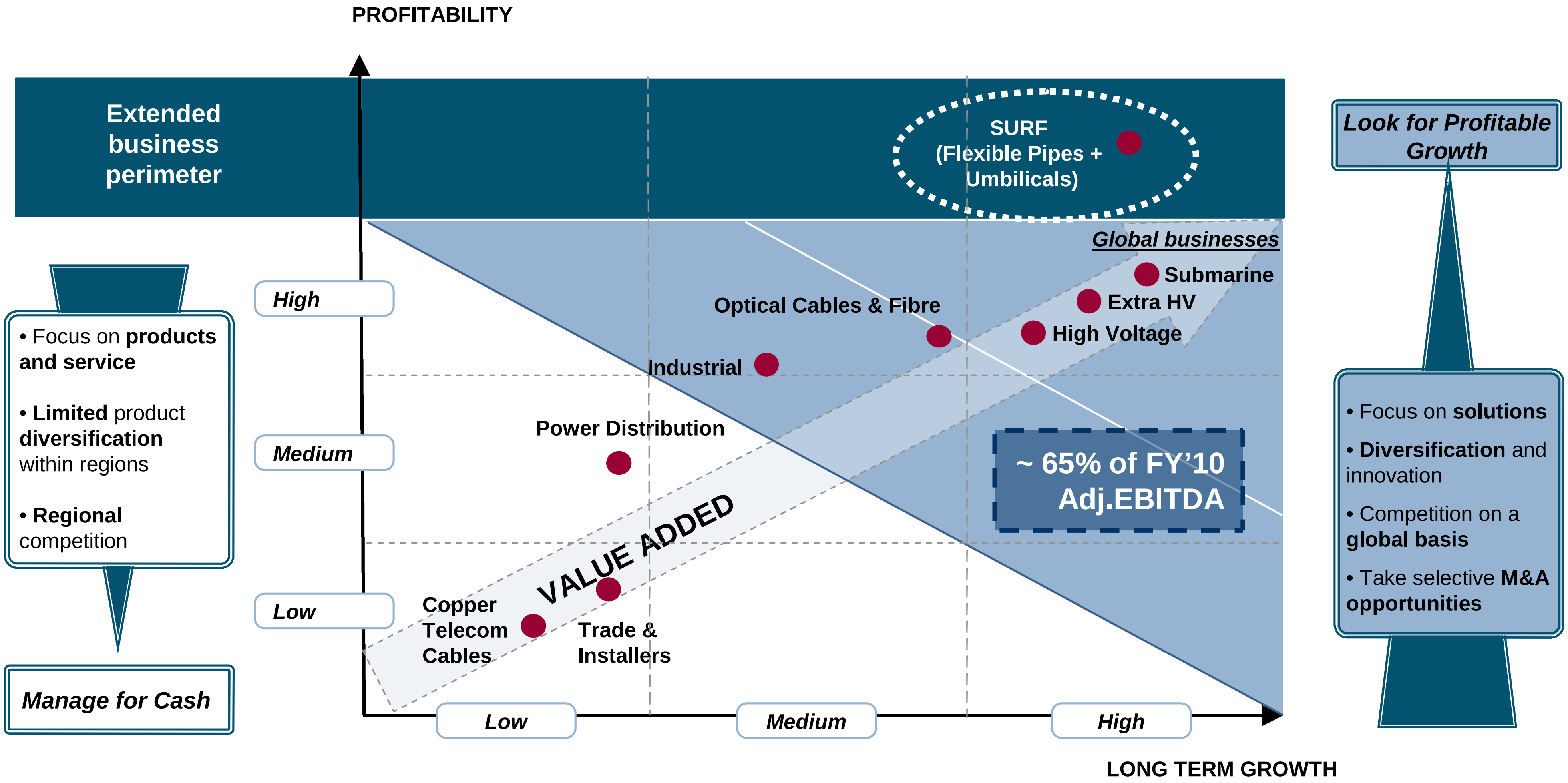
(1) Adjusted excluding non-recurring income/expenses and fair value change in derivatives; (2) Adjusted excluding non-recurring income/expenses, the effect of derivatives and exchange rate differences and the related tax effects; (3) Operative Net Working capital defined as Net Working Capital excluding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

Growing volume across all the segments starting to convert into profits



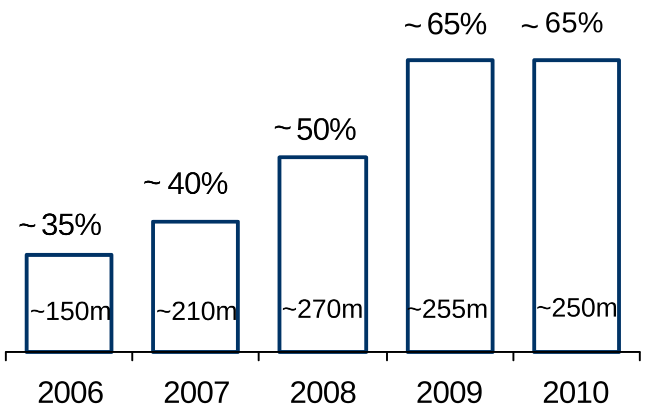


Leadership in high resilience businesses



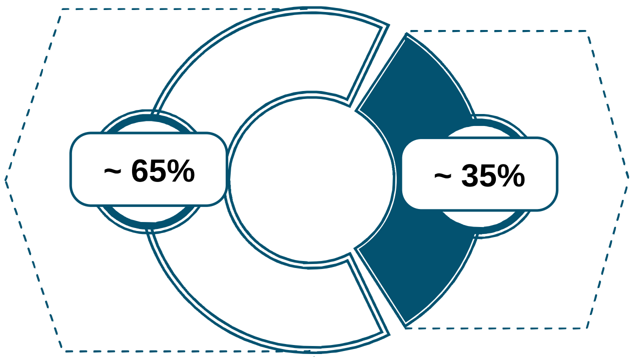
Confident in the strength of High technology segments and recovery in cyclical business

High technology business [1]
% on total Adj.EBITDA

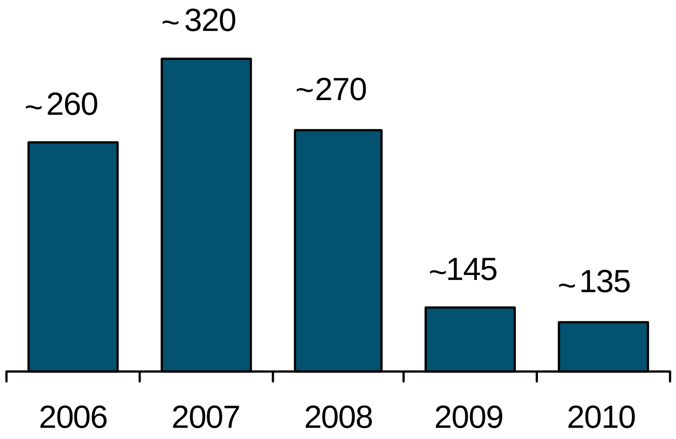


(1) Includes Utilities Transmission, Industrial (Priority), TLC Optical

FY2010 Adj. EBITDA
€ 387 m



Cyclical business [2]
Adj.EBITDA (€m)



(2) Includes Trade&Installer, Power Distribution, Industrial (no priority segments), TLC copper

- Resilient profitability during the global downturn sustained by long visibility order book
- Transmission, Oil&Gas and Renewable confirmed as long term trends with a peak order book achieved year-end 2010
- Group capex focused on capacity increase in High value added businesses to maintain leadership and benefit from demand pick-up
- Growing exposure to emerging markets to increase exposure to high growth countries

- Volume recovery from Q2'10 to drive higher capacity utilization
- Price recovery as main driver of profitability improvement
- Potential upside (over 50% adj.EBITDA decrease compared to 2007) from cycle recovery
- Diversified geographical presence as key asset to benefit from demand recovery

Long term drivers to keep growing in high technology segments

Utilities Transmission

- First tangible signs of start in European interconnections
- Grid expansion and replacement of ageing networks
- Leading player in fast-growing off-shore wind farms

Industrial Priority Segments

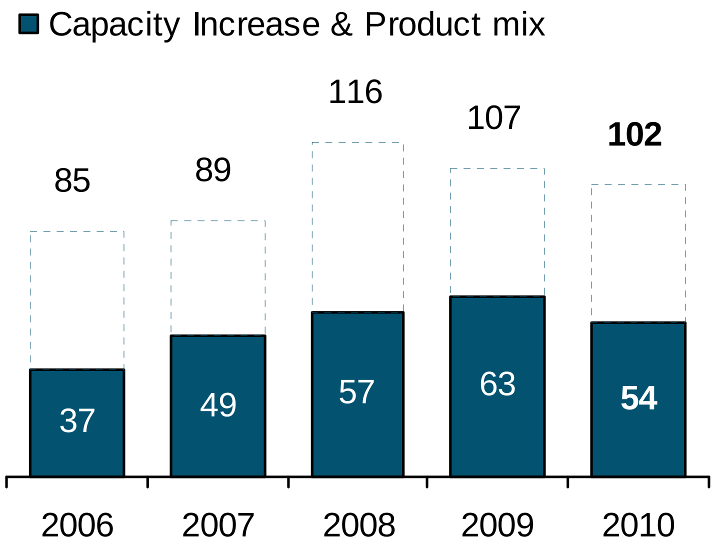
- Recovery in oil off-shore exploitation activities
- Growing investments in Asia-Pacific
- Development of renewable energy sources

Telecom Optical

- Optical cables: network expansion in developed countries and infrastructure demand in APAC
- Europe lagging behind US in optical infrastructure as growth driver for the future

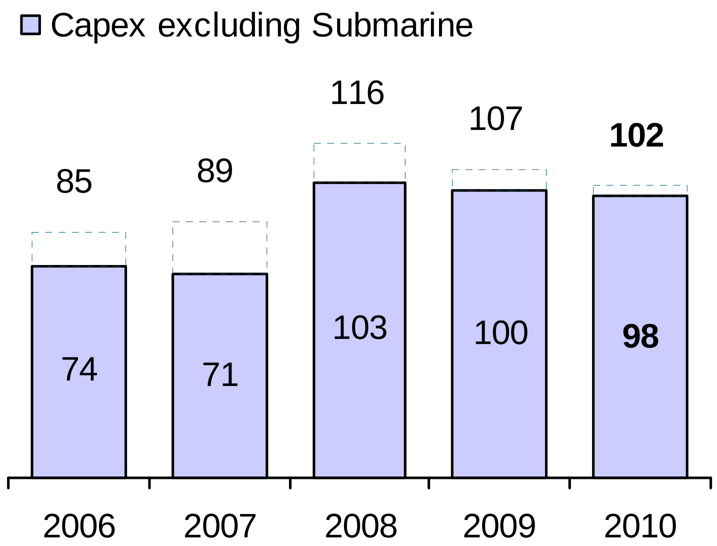
Building up future growth in high value added business and expansion in emerging markets

Capacity Increase & Product mix development (1) (€m)



	2006	2007	2008	2009	2010
Utilities	**35%**	**73%**	**72%**	**43%**	**22%**
Industrial	3%	14%	9%	6%	2%
Surf	**57%**	-	4%	**43%**	**65%**
T&I	-	10%	2%	-	-
Telecom	5%	3%	13%	8%	11%
Total (2)	100%	100%	100%	100%	100%

Capex development by geographical area (€m)



	2006	2007	2008	2009	2010
APAC	14%	20%	10%	8%	7%
Latin Am.	34%	8%	18%	34%	39%
North Am.	3%	3%	20%	15%	13%
EMEA	50%	69%	52%	43%	41%
Total (3)	100%	100%	100%	100%	100%

(1) Total Capex includes Capacity increase & Product mix, Maintenance, Efficiency, IT and R&D
(2) % of Capacity Increase & Product mix
(3) % of Total Capex excluding Submarine

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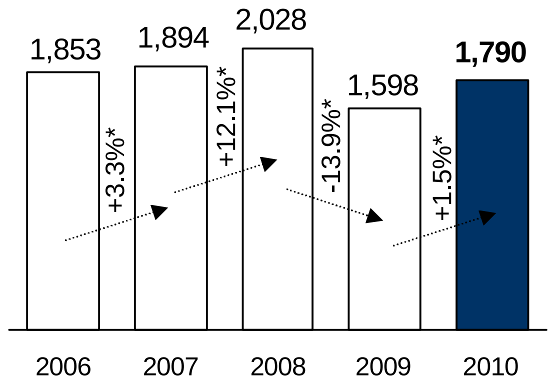
Utilities

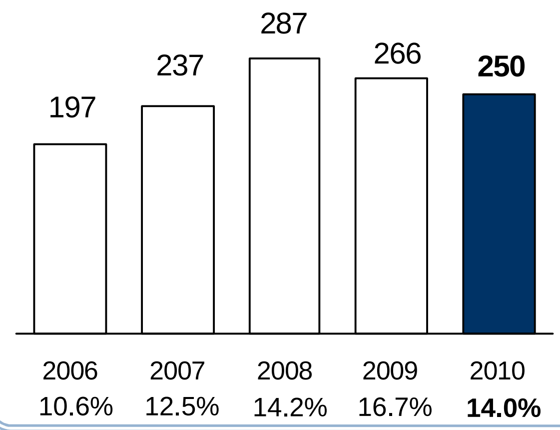
Euro Millions, % of Sales

Sales Vs Third Parties

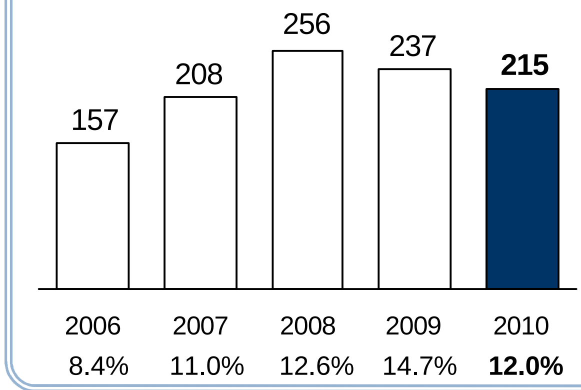


* Organic Growth

Adjusted EBITDA (1)



Adjusted EBIT (1)



Distribution

- Double digit volume growth in H2'10 (vs both H1'10 and H2'09) driven by capex recovery and strengthened position with key European clients
- Continuous positive development in Brazil with signs of recovery in North America
- High raw material price (non metal) still limiting profitability improvement
- P-Laser now the leading technology in Italy with 7,000 km already delivered

Transmission

HV

- Strengthened leadership in the underground market with an order intake close to 1bn during FY 2010
- Record orders backlog covering over 1 year sales
- Europe confirmed as largest transmission market with increasing capex spending to enhance grid efficiency and develop renewable energies
- Ongoing capacity increase in China to benefit from the strong position achieved in a fast growing market

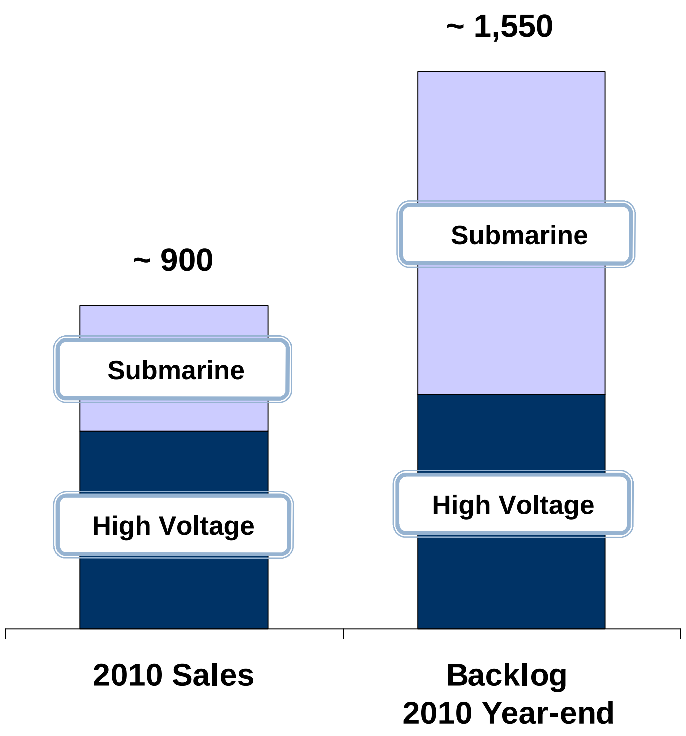
SUBMARINE

- Improving demand in submarine mainly driven by Off-shore wind farms projects
- Large wind-farms projects recently awarded to Prysmian confirming leadership in the sector and excellent track record in execution
- First application of new HVDC 320Kv technology with Sylwin1 in Germany
- Ongoing capacity increase to support growth from 2012 onwards based on strong order-book.

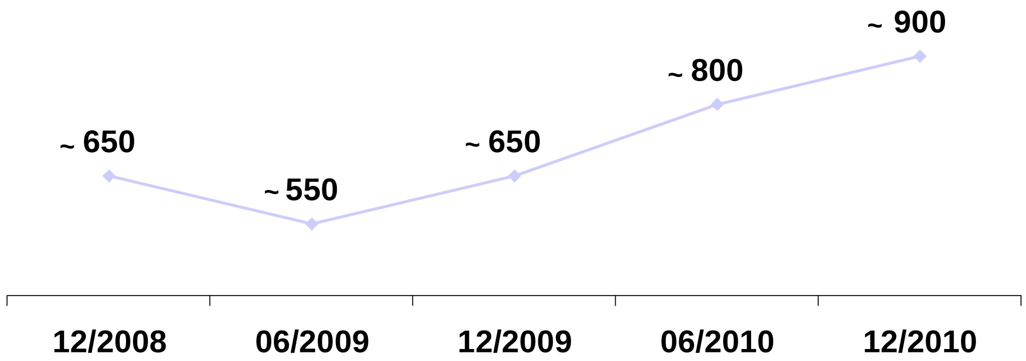
(1) Adjusted excluding non-recurring income/expenses and fair value change in derivatives

Transmission – Growing orders intake boosting backlog at record level

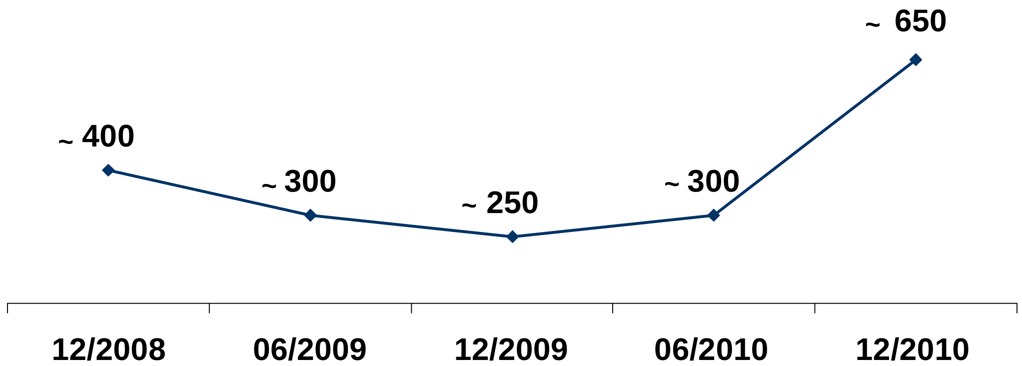
Transmission (€ million)
2010 Sales and Backlog



Submarine (€ million)
Orders Backlog evolution



High Voltage (€ million)
Orders Backlog evolution

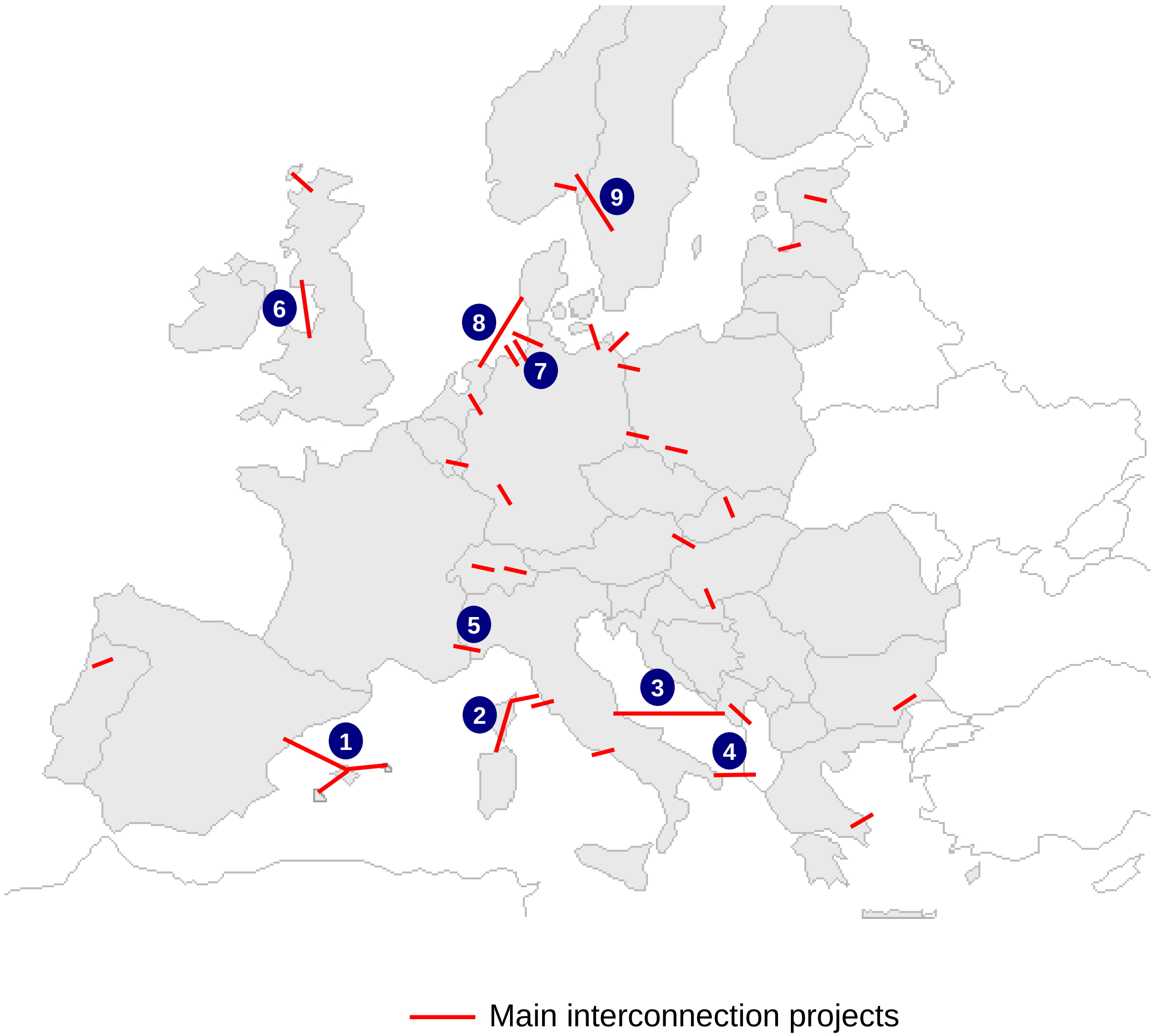


PRYSMIAN
CABLES & SYSTEMS

Transmission – Major European underground and submarine interconnection projects already in permitting phase or under construction

Major projects to be awarded

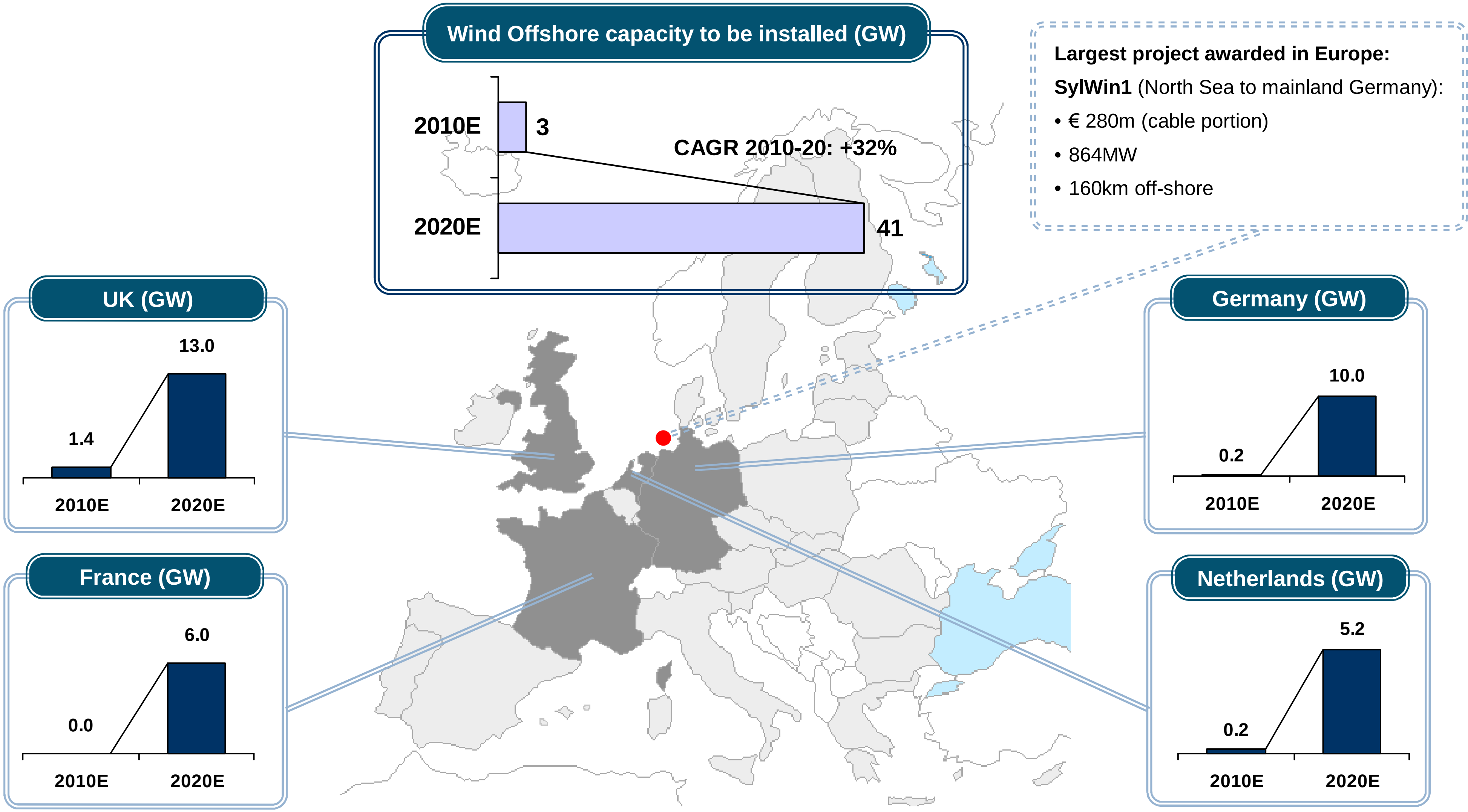
1. Balearic Islands – Mainland Spain
2. Sa.Co.I. (Sardinia-Corsica-Italy)
3. Italy – Montenegro
4. Italy – Albania
5. Italy – France
6. Scotland – Wales
7. Germany (Borwin III, Dolwin II, Helwin II)
8. Netherlands – Denmark
9. Sweden – Norway



Source: ENTSO-E (European Network of Transmission System Operators for Electricity) - TEN-YEAR NETWORK DEVELOPMENT PLAN 2010-2020 (June 2010)

Wind Offshore – 38GW of new capacity by 2020 to achieve EU Target

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



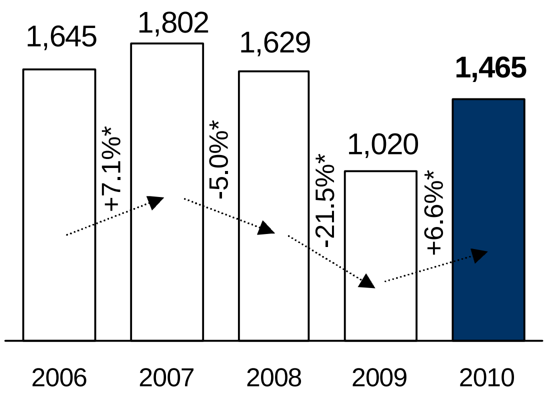
Note: includes EU-27 countries

Source: National Renewable Energy Action Plans (June 2010)

Trade & Installers

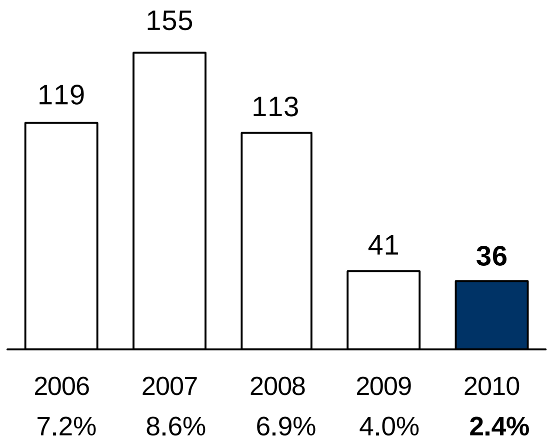
Euro Millions, % of Sales

Sales Vs Third Parties

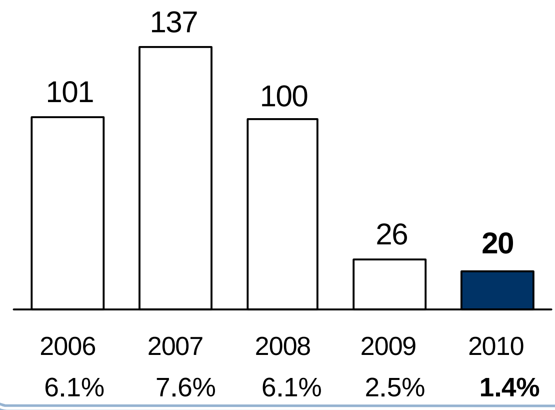


* Organic Growth

Adjusted EBITDA (1)



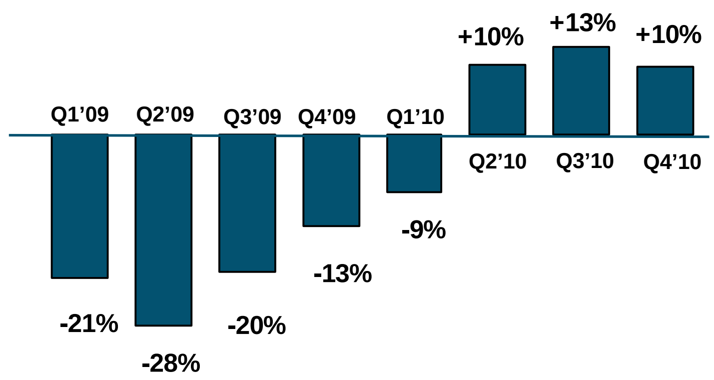
Adjusted EBIT (1)



Highlights

- Ongoing volume recovery from Q2'10 with main improvements in Germany, Italy, Eastern Europe and South America
- Entering 2011 with better capacity utilization to drive profitability increase despite still high raw material prices
- Continuous focus on fire resistant/LSOH and solar applications to improve product mix
- Cost and customer service optimization to strengthen market position
- Increase of 3% expected in new residential construction in Europe (Euroconstruct Dec'10) after 3 years of sequential decline

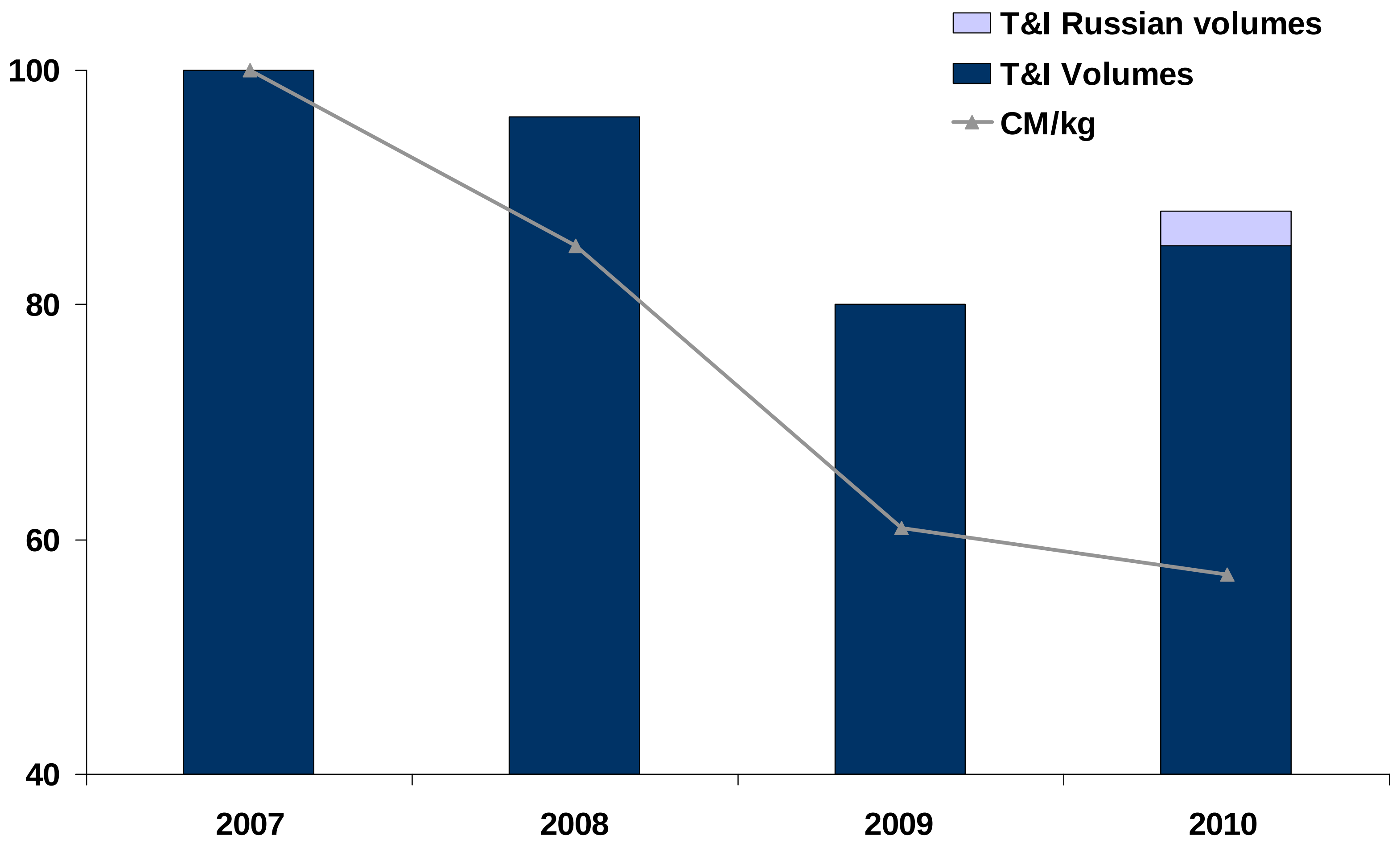
Sales Org.growth development



(1) Adjusted excluding non-recurring income/expenses and fair value change in derivatives

Trade & Installers – Ongoing volume recovery still not driving profitability improvement

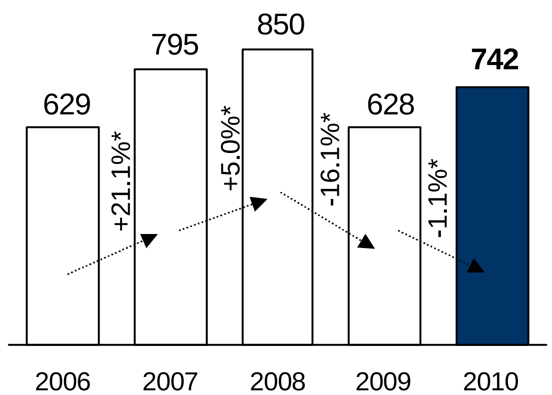
Volumes and Contribution margin / kg (2007 = 100)



Industrial

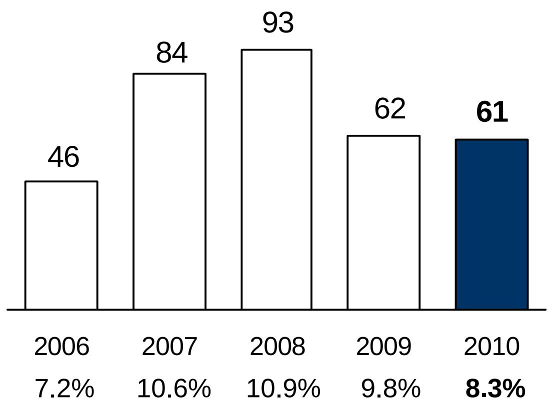
Euro Millions, % of Sales

Sales Vs Third Parties

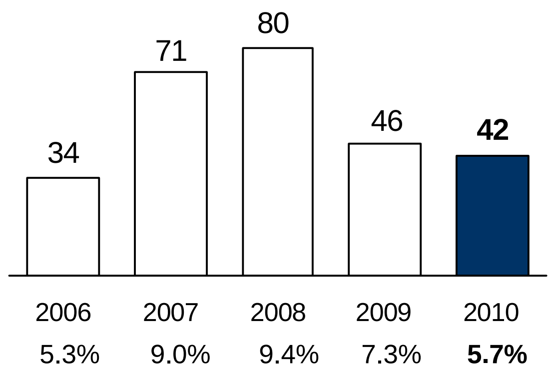


* Organic Growth

Adjusted EBITDA [1]



Adjusted EBIT [1]



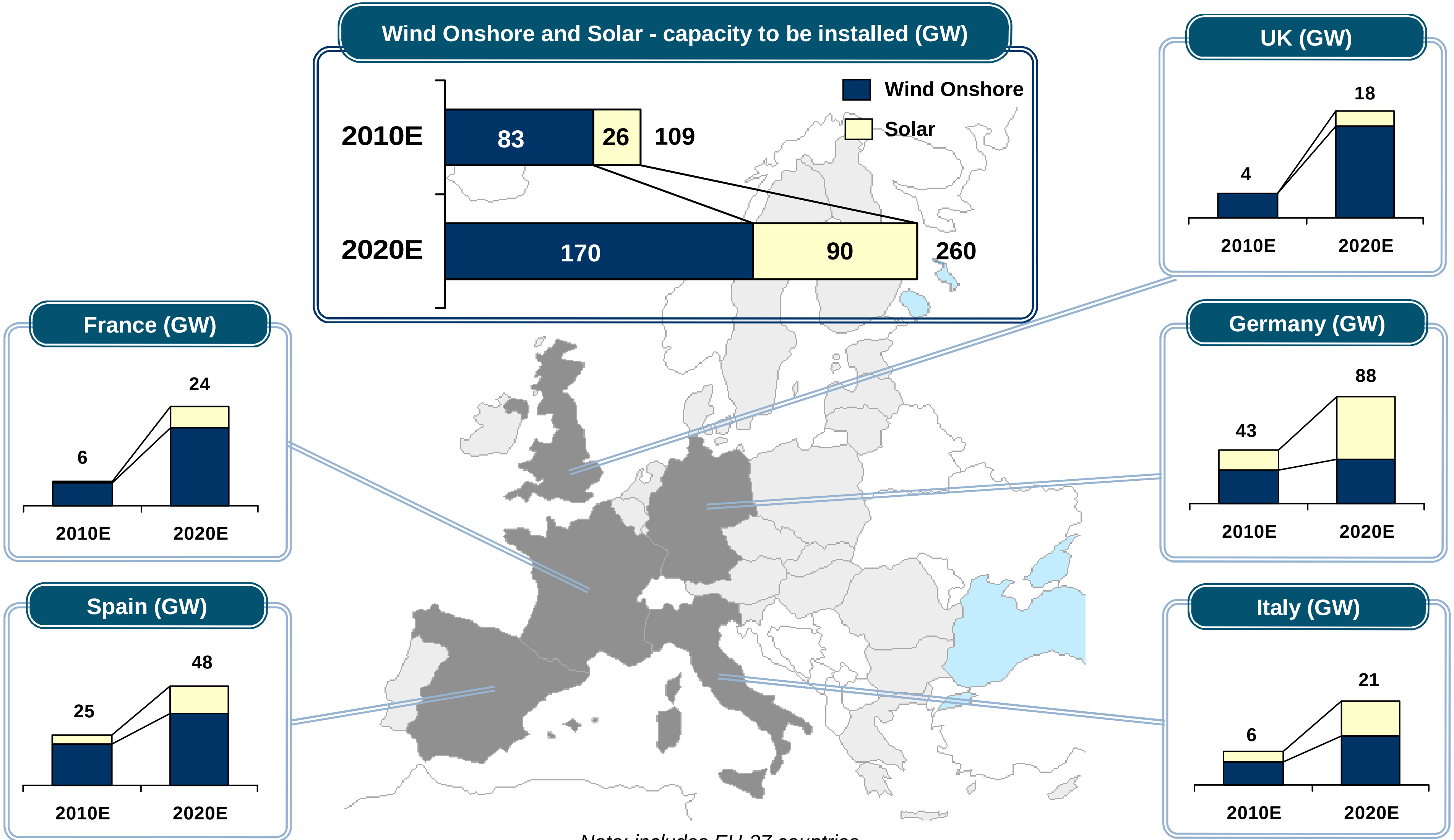
Highlights

- Higher profitability in Q4 mainly driven by positive demand in Oil&Gas, SURF and Renewable. Still low volumes in all other applications with first signs of order book recovery in Q4
  - OGP: positive development in H2'10 supported by new off-shore projects in Brazil and Singapore. Growing order intake in on-shore from Australia and Middle East
  - SURF: strong Q4 in umbilicals driven by recovery in oil demand. Completed qualification of 2.5" and 4.0" flexible pipes; new plant expected to be up and running by H1'11
  - Renewable energy: capacity increase in wind outside Europe to support higher market share and growing demand. Sales in Solar and Wind towers increased by 47% in 2010 (Vs '09) to over € 100m with strong orders book at year-end
  - Others: significant recovery in emerging markets for Mining and Auto. Growing trend in nuclear but still bottom levels for all other applications

(1) Adjusted excluding non-recurring income/expenses and fair value change in derivatives

Solar and Wind Onshore – 150GW of new capacity by 2020 to achieve EU Target

Five major countries accounting for about 75% of total new capacity



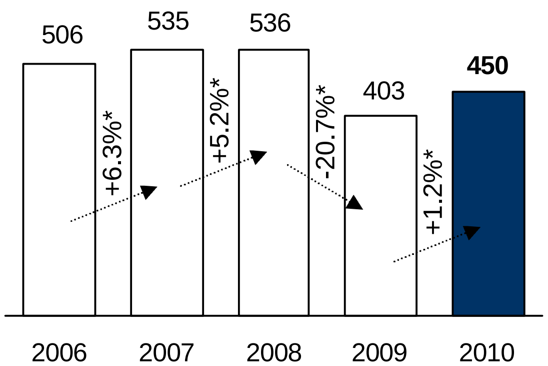
Note: includes EU-27 countries

Source: National Renewable Energy Action Plans (June 2010)

Telecom Division

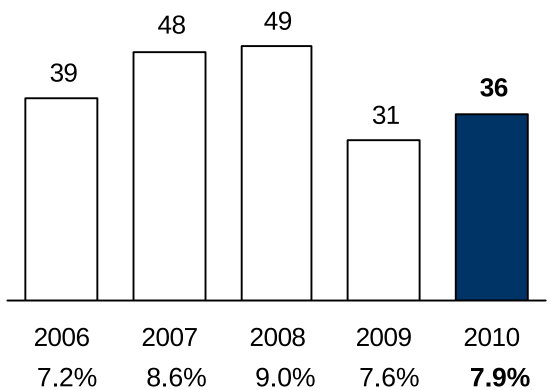
Euro Millions, % of Sales

Sales Vs Third Parties

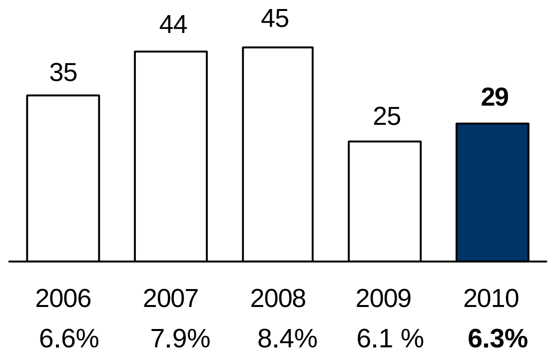


* Organic Growth

Adjusted EBITDA (1)



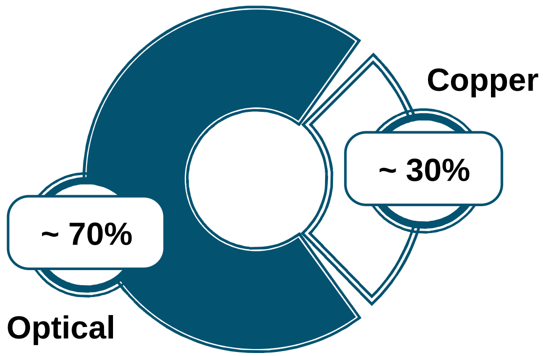
Adjusted EBIT (1)



Highlights

- Growing volume in optical cables (FY’10: +8% Vs 2009) outperforming market demand thanks to enlarged customer and channel base
  - Positive development in the US market also driven by stimulus packages
  - Lower volume in China not expected to recover due to higher import duties
  - Leadership achieved in key emerging markets (e.g. Brazil) to benefit from large capex plan
- Start-up of next generation broadband network in Australia with new frame agreements signed with NBN and Telstra
- Slight improvement in profitability due to better volume and product mix

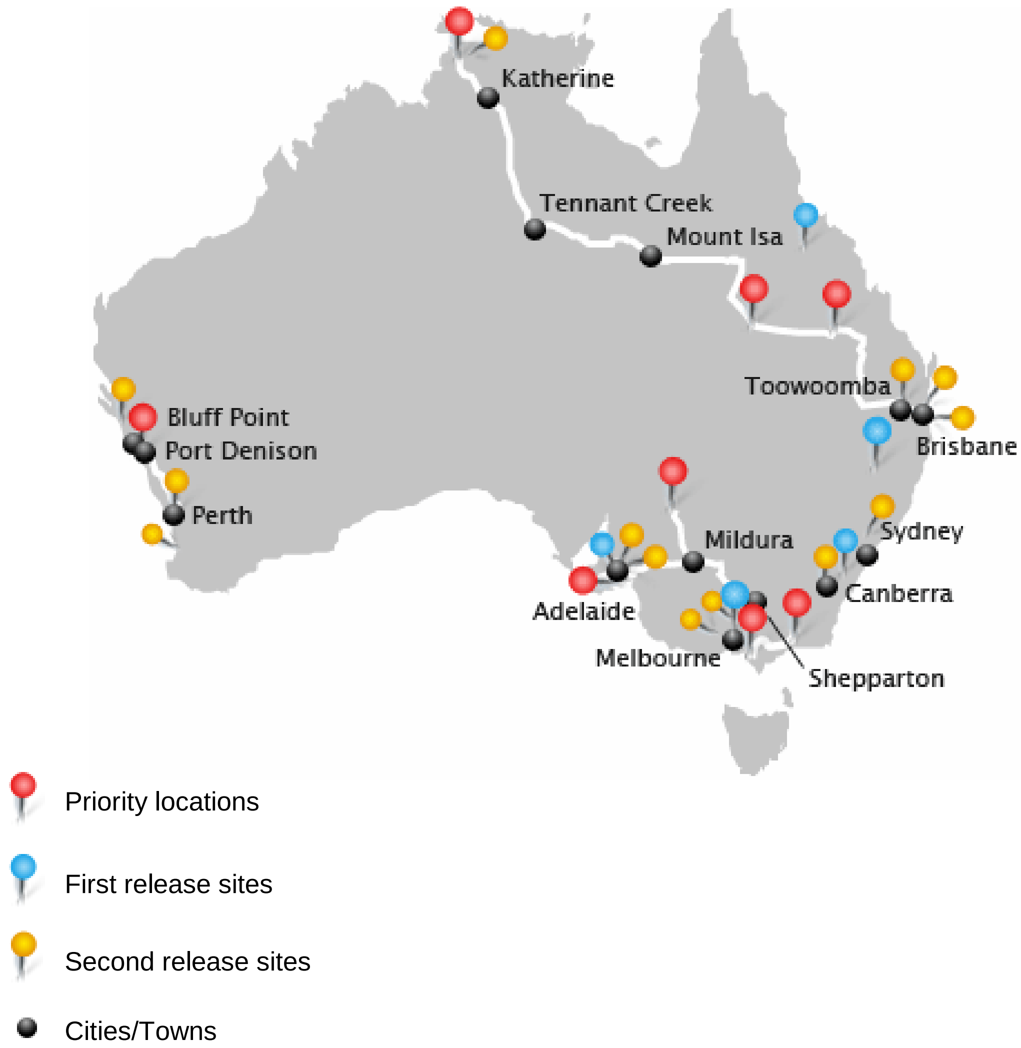
2010 Sales by business



(1) Adjusted excluding non-recurring income/expenses and fair value change in derivatives

Telecom – Consolidated leadership in Australia to benefit from new NBN project

Start-up of National broadband network in 2011

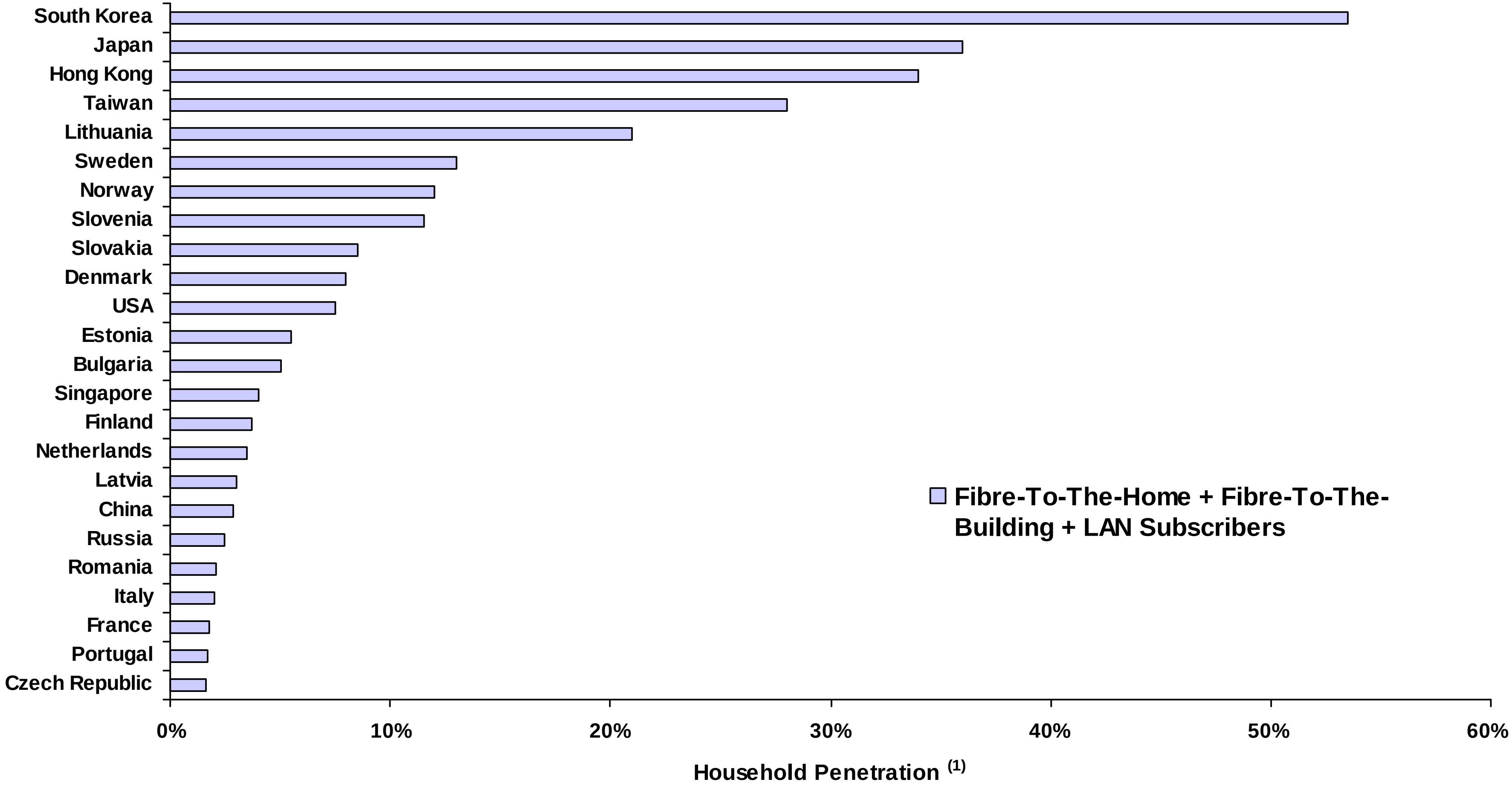


Rollout plan for National Broadband Network

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

Telecom – Asian markets leading Fiber to the home penetration

Weak optical cables infrastructure in Europe to drive higher investments by large incumbents



Source: IDATE and FTTH Council (October 2010)

(1) Economies with at least 200,000 households and with greater than 1% household penetration

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- Group Overview
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- **Prysmian-Draka Combination**
- Appendix

Full support from Draka shareholders to the new Prysmian industrial project

- **99.0% of Draka ordinary shares tendered (48,257,719 shares)**
  - 90.4% tendered during the Offer Period (06 Jan – 03 Feb). Settlement on the 22nd of February
  - 8.6% tendered during the Post Closing Acceptance Period (09 Feb – 22 Feb). Settlement on the 8th of March
- **Prysmian capital increase of 31,824,570 shares**
  - 29,059,677 on the first settlement (22nd of February)
  - 2,764,893 on the second settlement (8th of March)
- **New Prysmian total share capital of 213,853,872 (*) shares**
- **First consolidation of Draka from 1st March 2011**
- **Holding more than 95% of the shares, squeeze-out procedure to start before Draka delisting**
- **Delisting of Draka shares from NYSE Euronext Amsterdam on 7 April 2011**

(*) includes treasury shares (3,028,500)

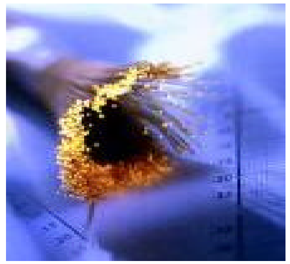
The new global market leader

Combined Financials (€m)

	SALES		Adj.EBITDA
Total	6,999		535
Draka	2,428	35%	148
Prysmian	4,571	65%	387
	FY'10		FY'10

New organizational structure will be defined by Q1 2011

Sales 2010 €7.0 bn [(1)]

Utilities	T&I [(2)]	Industrial [(3)]	Telecom
€ 1.8 bn	€ 2.3 bn	€ 1.6 bn	€ 1.3 bn
			
Leading	Leading	Leading	Leading

1. *Preliminary segmentation based on existing reporting by Prysmian and Draka. Actual segmentation post-transaction may differ from the one presented above*
2. *Trade and Installers Business segment for Prysmian, Energy and Infrastructure Business segment for Draka*
3. *Includes: Other Prysmian Energy Business*

Transaction Rationale

Creation of a World's Leading Cables & Systems Company

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

Strengthened Leadership in All Value Added Market Segments

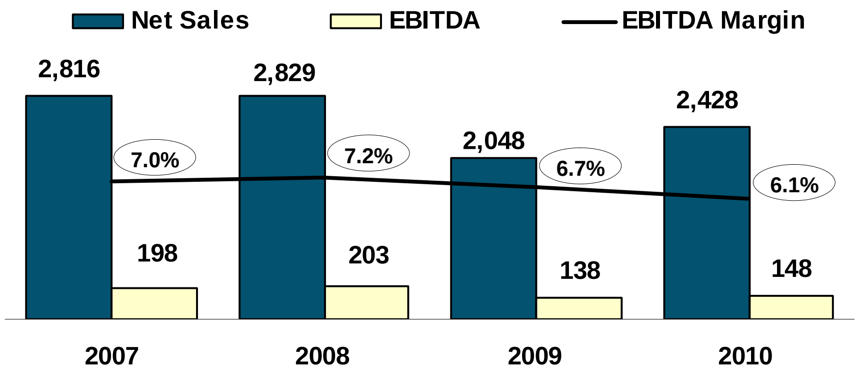
Significant Synergy Potential

Strong Platform for Future Organic Growth and Industry Consolidation

Significant Value for All Stakeholders

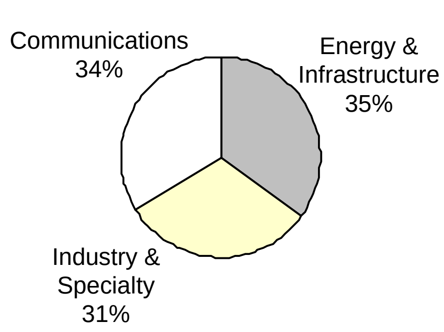
Draka – Company Overview

Historical Net Sales and EBITDA[1,2] (€m)

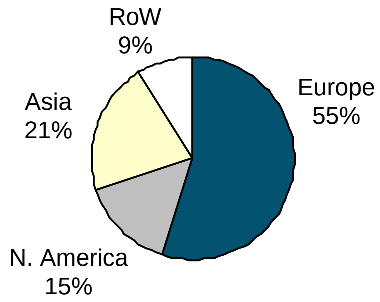


2010A Net Sales Breakdown

By Business



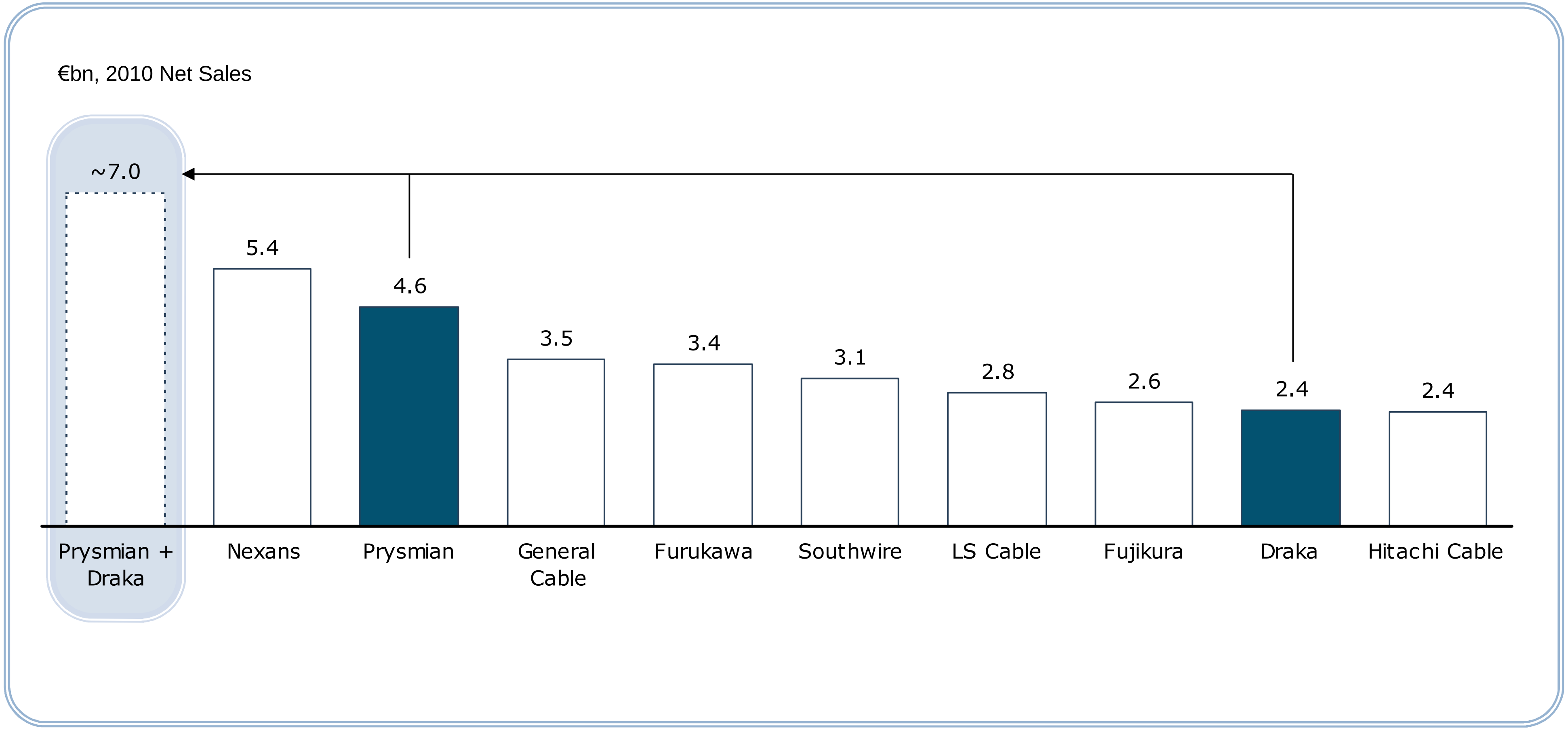
By Geography



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

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

Creation of a World's Leading Cables & Systems Company



Source: Companies' Annual Reports and Press Releases

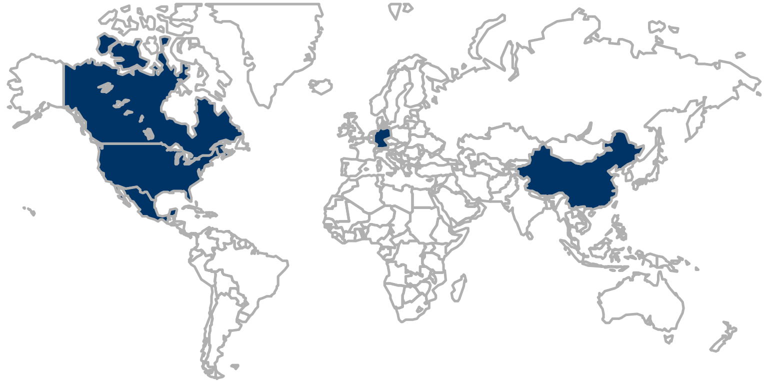
Note: Nexans excluding Electrical Wire Segment, General Cable excluding Rod Mill Products, Southwire as of December 2008 (€ 2.0bn sales in 2009), Furukawa considering only Electric Telecommunications and Energy & Industrial Products segments, LTM figures as of 31-Dec-2010, Fujikura including Telecom and Metal Cables & Systems segments, LTM figures as of 31-Dec-2010, Hitachi considered Sales to Customers, including Wires & Cables and Information & Telecom Networking segments, LTM figures as of 31-Dec-2010, LS Cable non-consolidated sales (Cables and Components segments) pro forma for sales of acquired Superior Essex (Communications Cable segment) as of December 2007. All sales are in € based on the average exchange rate of the reference period

PRYSMIAN CABLES & SYSTEMS

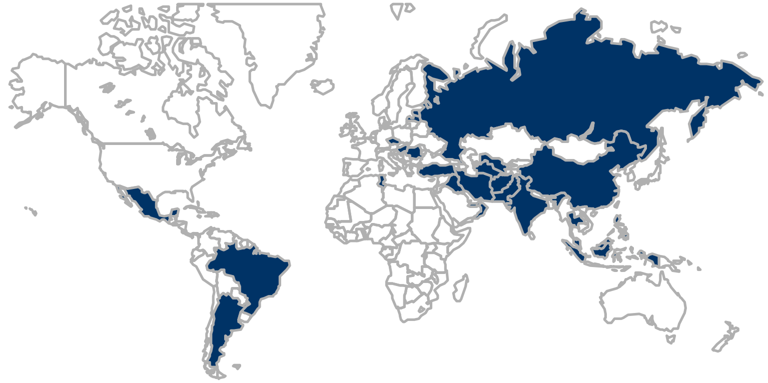
Unique and Highly Complementary Combination

Strengthening Geographical Presence

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

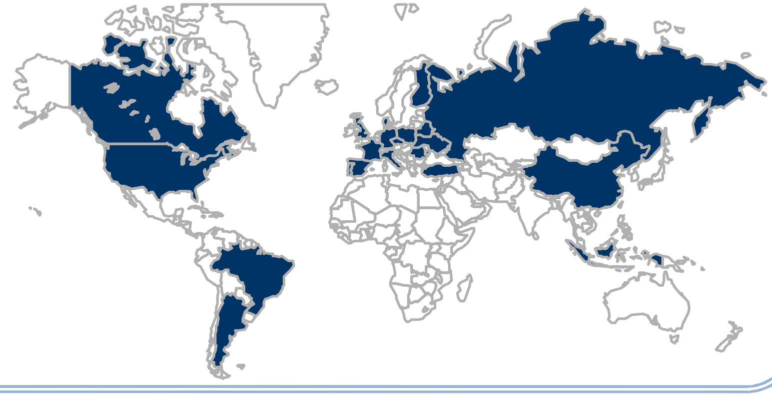


- Increased presence in attractive emerging markets (e.g. China, Middle East, Brazil, ASEAN, India and Russia)



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

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



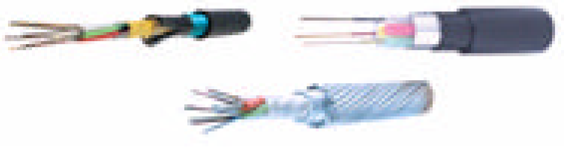
Unique and Highly Complementary Combination (Cont'd)

Excellent Business Fit

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



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



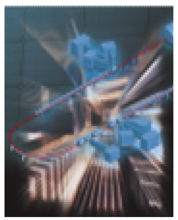

- Complementary industrial presence to better serve the needs of customer worldwide
- Improved manufacturing footprint will increase service level and op. efficiencies on the T&I segment

New Group Will Have a Leading Presence in All Market Segments

Utilities

- Underground EHV, HV dc/ac
- Submarine EHV dc/ac (extruded, laminated, PPL, O.F.)

- MV “P-Laser[R]”
- Network components (from MV to EHV joints and terminations)

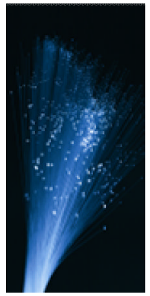


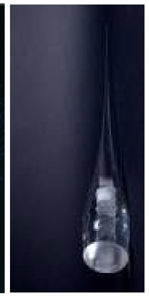
T&I

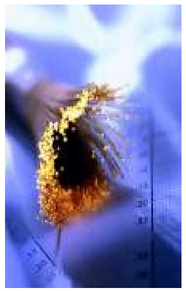
- LV cable for residential and non residential construction
- Wide range of product including:
  - Fire retardant
  - Environmental friendly
  - Application specific products
  - Low smoke-zero halogen (LS0h)

Telecom

- Coaxial cables (CATV)
- Last mile micro duct optical cables (Jet Net[R])
- Bend bright optical fiber
- EPFU (Enhanced Performance Fibre Units) telecom cables, data cables
- Micro modules based tlc cables
- Connectivity (FTTH)







High-end Industrials

- On-shore and off-shore wind farm
- Aerospace and automotive
- Umbilicals, flexible pipes
- Elevators cables
- Oil & gas, crane, mining cables and solar
- Railway & rolling stock

Best in Class R&D Capabilities

High Synergy Potential Expected for the Benefit of All Stakeholders

- Global industrial presence with opportunities for: cross-fertilization in lean manufacturing and R&D know-how, manufacturing footprint optimization, improved logistic flows in Europe, natural hedge against currency fluctuations in the Telecom business
- Opportunity to increase scale benefits
- Improved procurement opportunities
- Leverage on recognized cost and working capital leadership
- Preliminary estimate of yearly synergies at run-rate: approx. €100 million, run-rate within three years
  - Net restructuring costs estimated at €170 million, spread over 3 years
  - Multiple sources of synergies, including: manufacturing footprint, materials procurement, overhead, optical fiber sourcing, complementary product portfolio

Mainly cost synergies, under management control
Extensive management track record in integration of cable assets

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

Draka

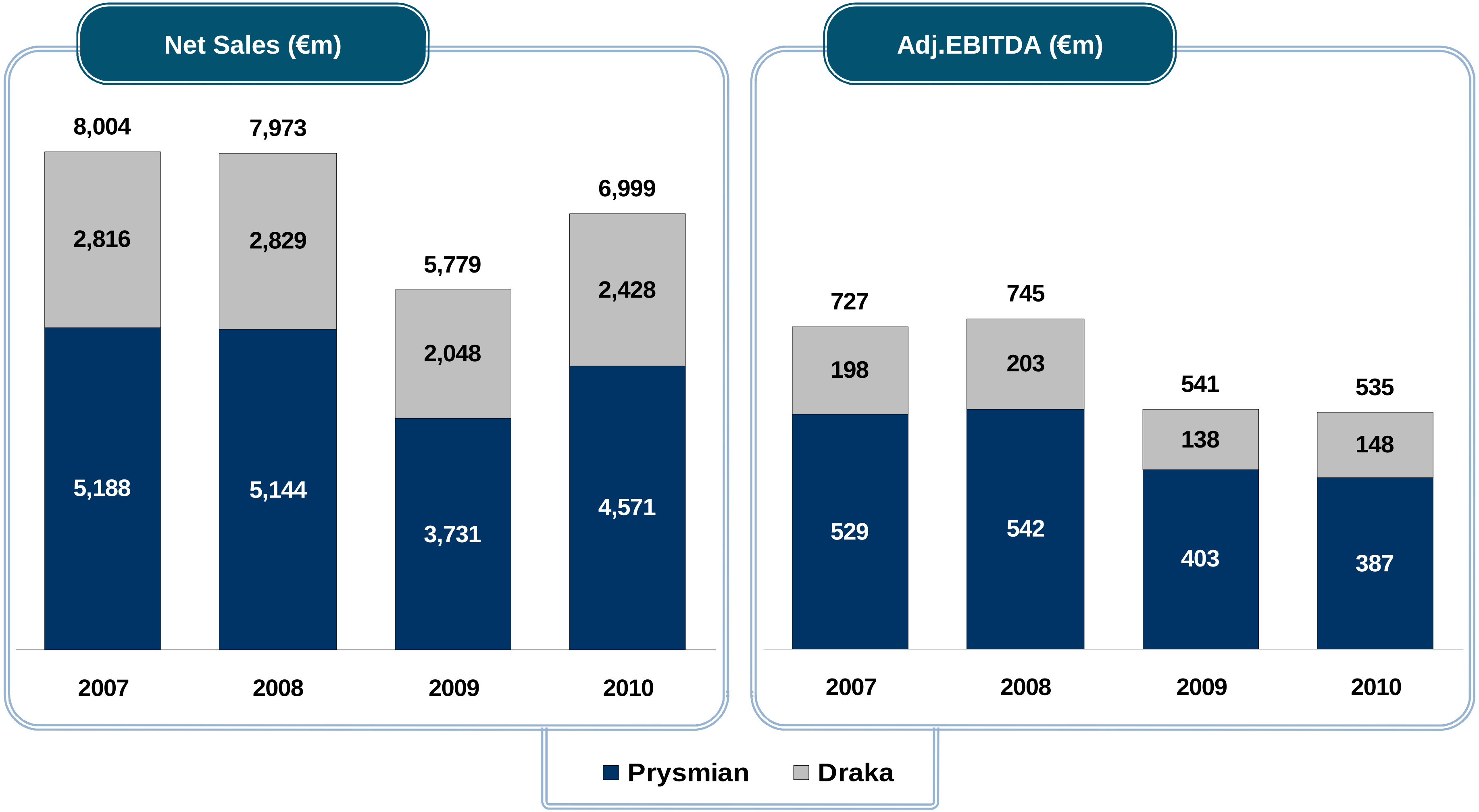
- Value enhancement for Draka products through the creation of a larger platform with global reach and resources
- Opportunity to take a leading role in the consolidation wave of the industry
- Offer price represents a premium to Draka's market price
- Opportunity to benefit from synergies thanks to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

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

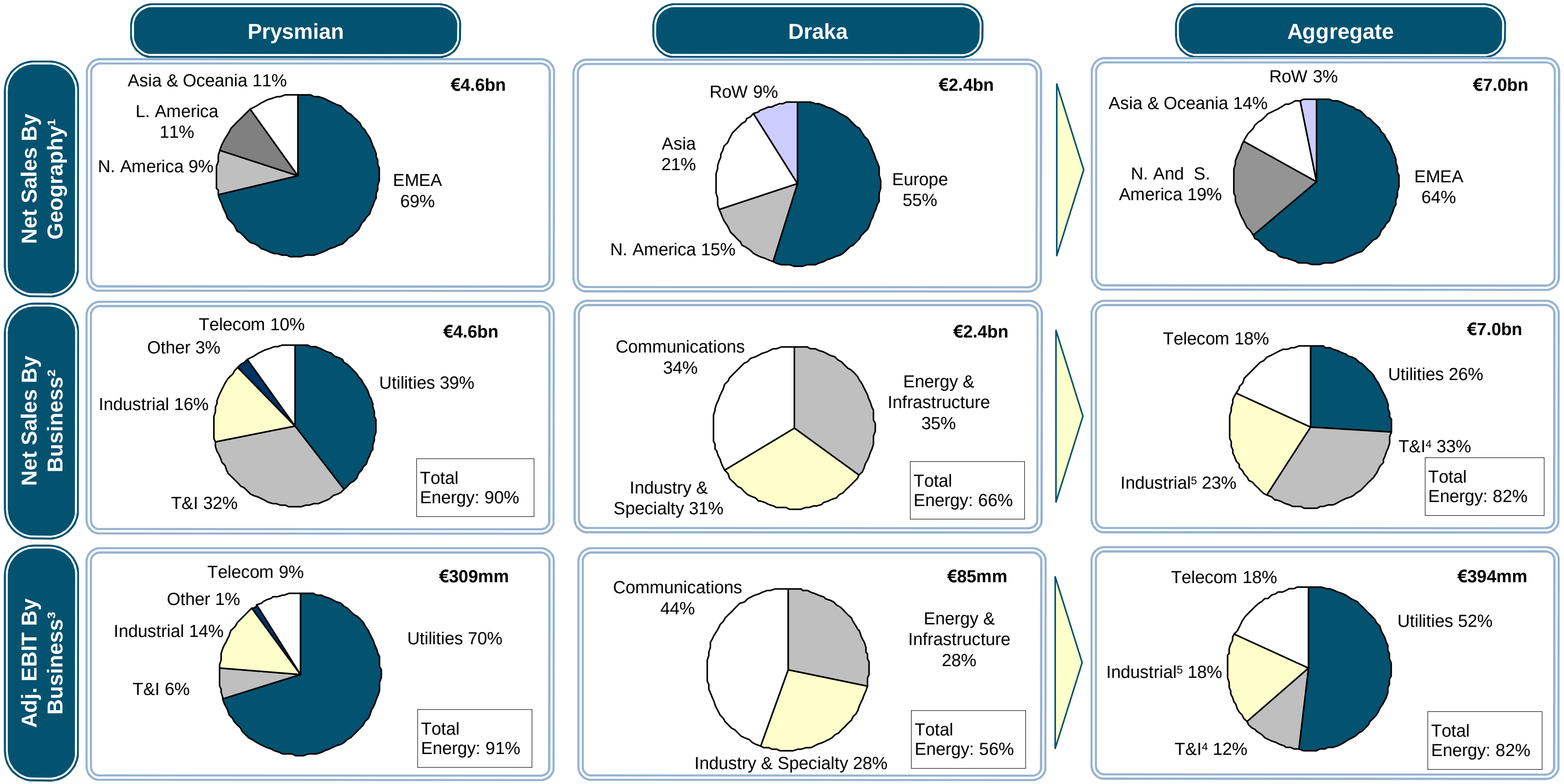
Prysmian Cables & Systems

- Creation of a leader in the cable industry with global presence and strong, sustainable and profitable growth
- Merger of strengths between highly complementary businesses
- Expansion of footprint to attractive emerging markets
- Increase presence in attractive industrial cable market
- Very significant value creation opportunity: preliminary estimate of synergies at an annual run-rate of approx. €100 million

Combined Financials – 2010A Figures



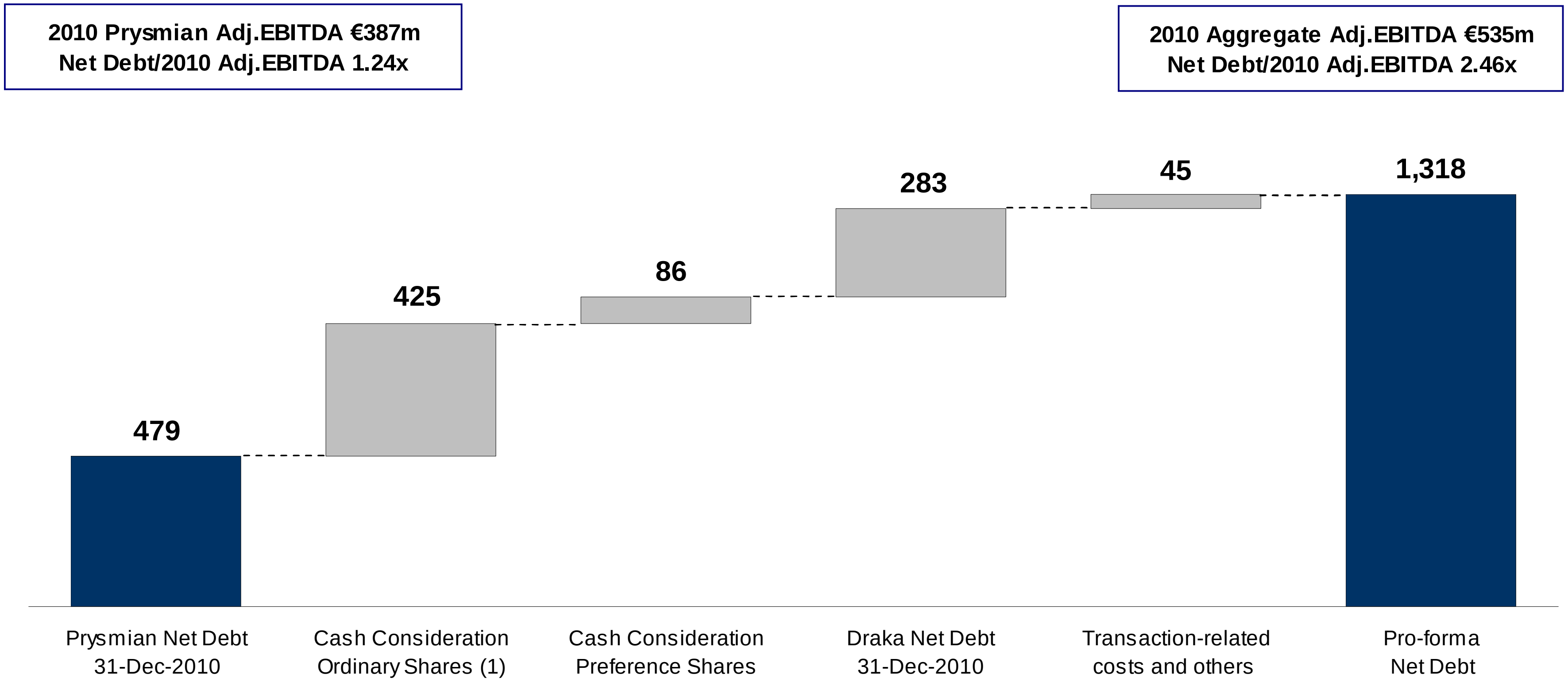
Combined Financials – 2010A Figures



1. *Preliminary estimate segmentation based on existing reporting by Prysmian and Draka. Actual segmentation may differ from the one presented above as the two Companies reported geographic segmentation is not fully consistent*
2. *Preliminary segmentation based on existing reporting by Prysmian and Draka. Actual segmentation post-transaction may differ from the one presented above*
3. *Draka and Aggregate percentage split excludes €(17)m EBIT unallocated by Draka*
4. *Trade and Installers Business segment for Prysmian, Energy and Infrastructure Business segment for Draka*
5. *Includes: Other Prysmian Energy Business*

Aggregate Net Debt at 31.12.2010 – Pro-forma including Draka

Net Financial Position Vs Third Parties



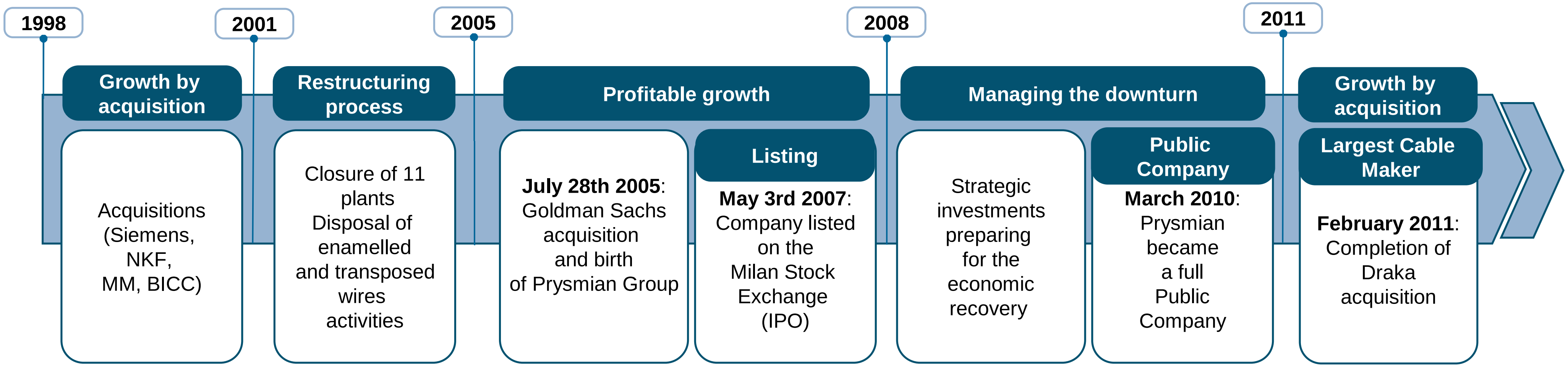
(1) Includes 100% of Draka ordinary shares

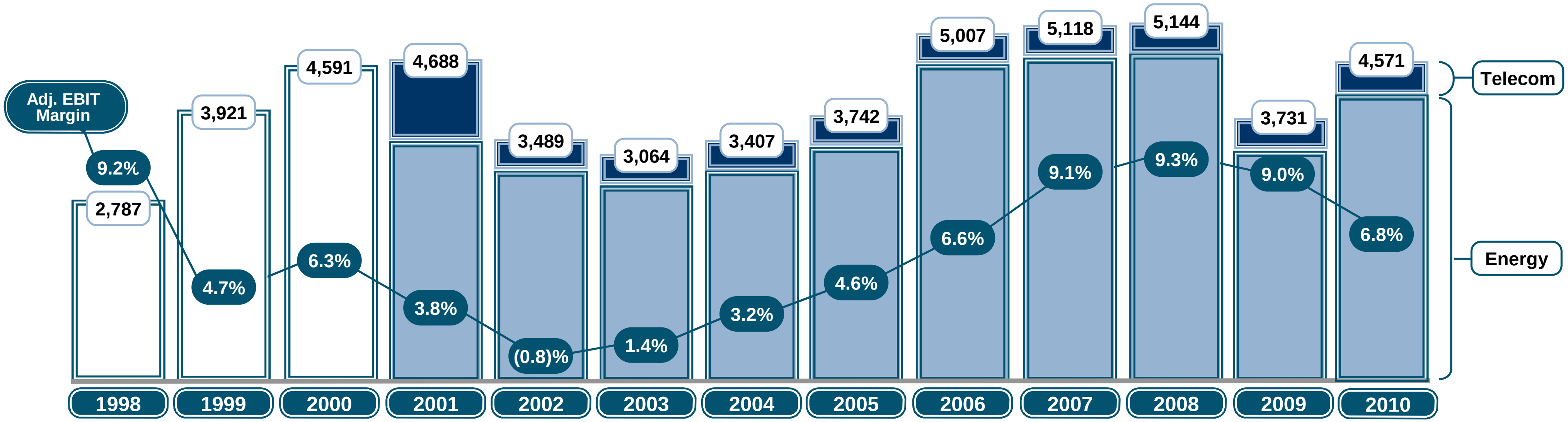
PRYSMIAN
CABLES & SYSTEMS

Agenda

- Group Overview
- Division Results FY 2010
- Prysmian-Draka Combination
- **Appendix**

Prysmian Key Milestones

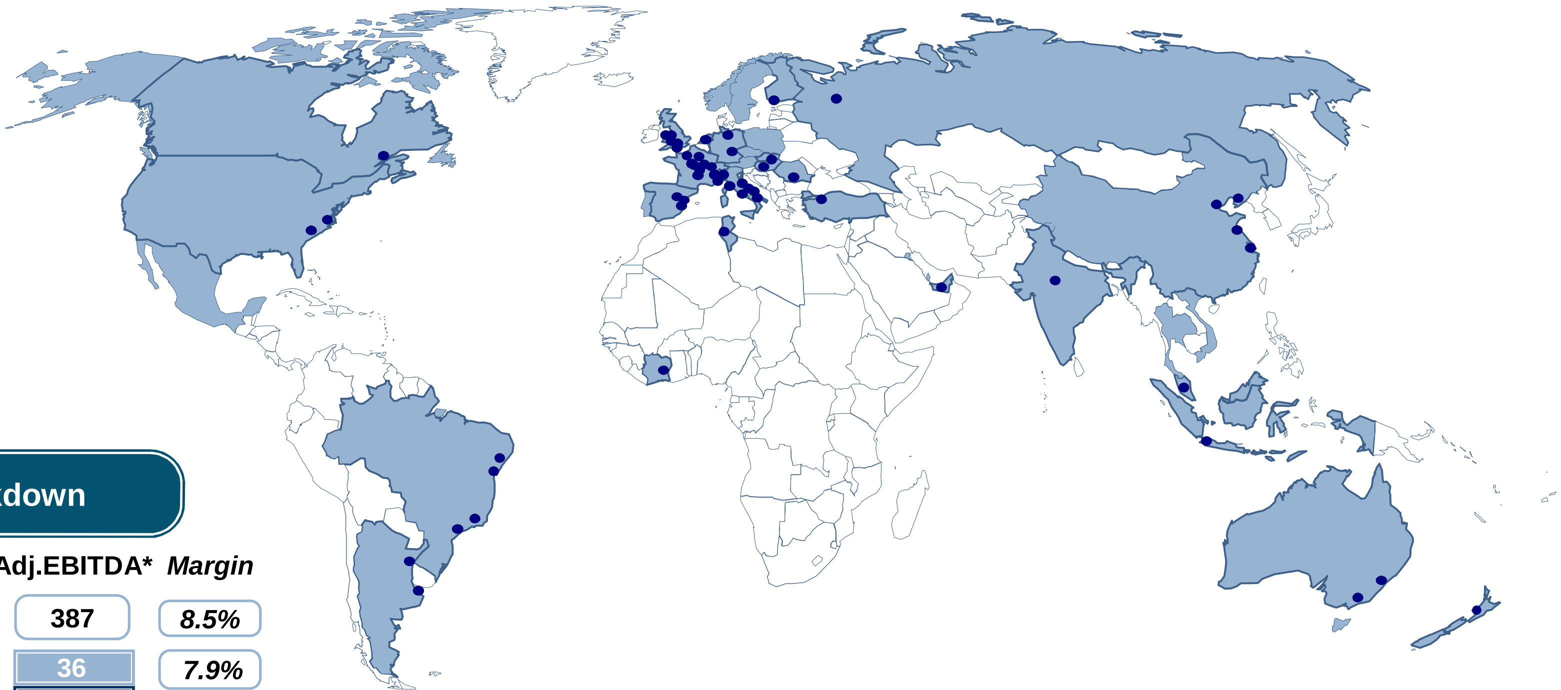




Source: 1998-2003 Pirelli Group Annual Reports, data reported under Italian GAAP; 2004-2010 Prysmian accounts, data reported under IFRS.

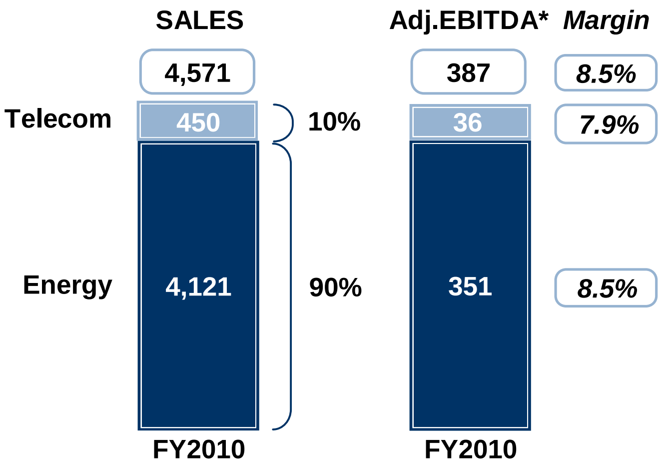
A Global Cable Manufacturer

Prysmian Global Presence



- Production plant
- Countries with physical presence

Business Breakdown



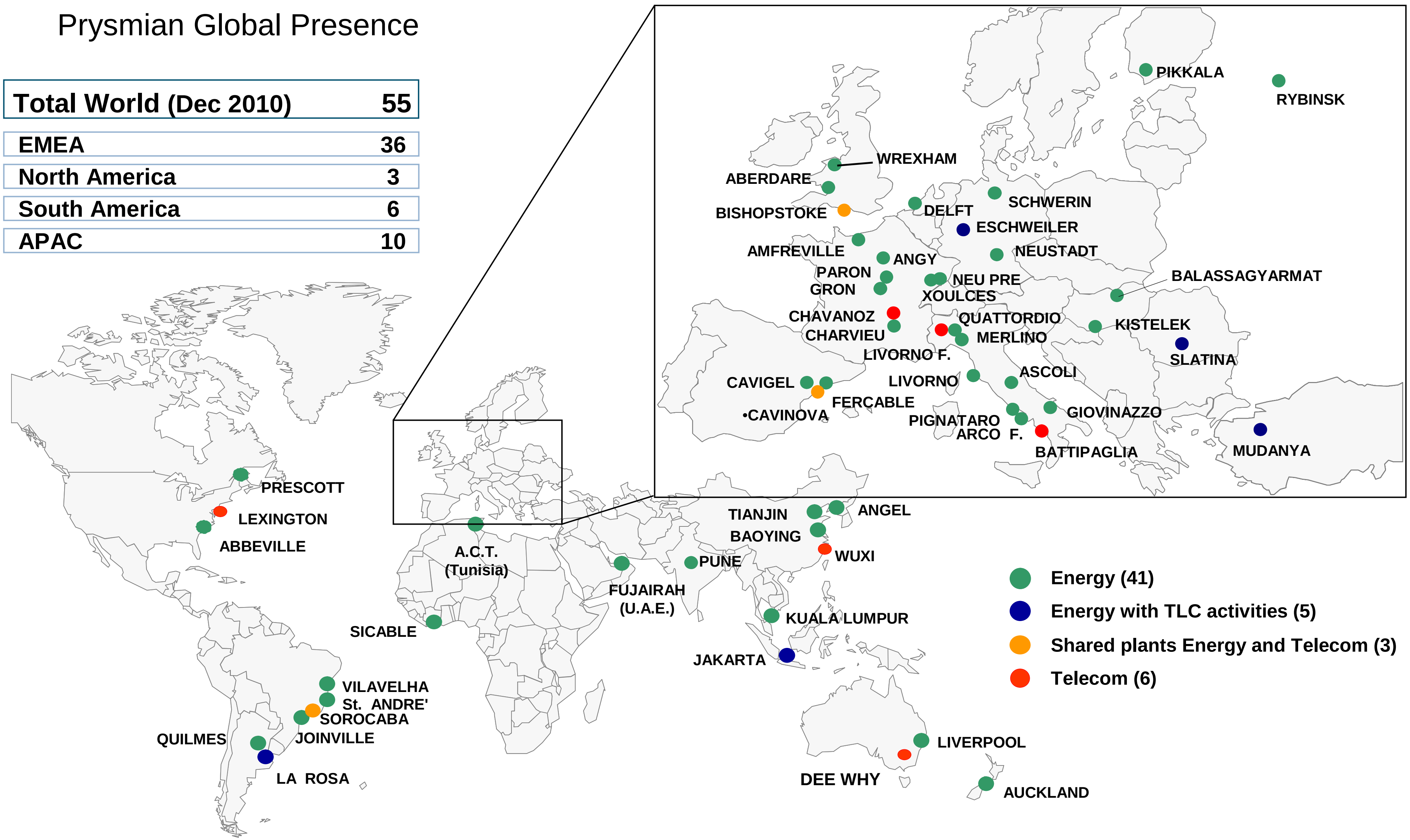
The Prysmian Group operates **55 plants**, manages **7 R&D centres**, has subsidiaries in **39 countries** with approx. **12,000 employees** (Dec10) and sells its products worldwide

*EBITDA adjusted excluding non-recurring items.

A Global Cable Manufacturer

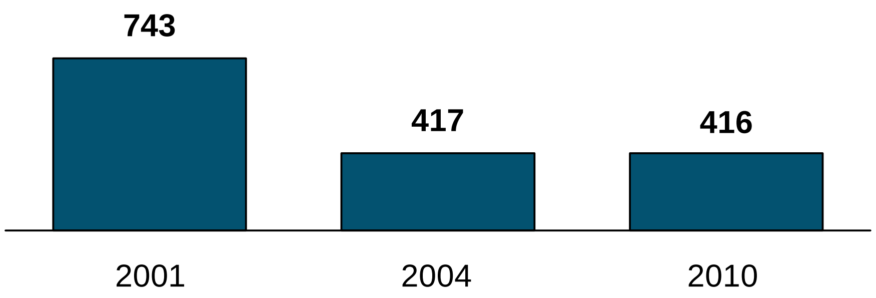
Prysmian Global Presence

Total World (Dec 2010)	55
EMEA	36
North America	3
South America	6
APAC	10



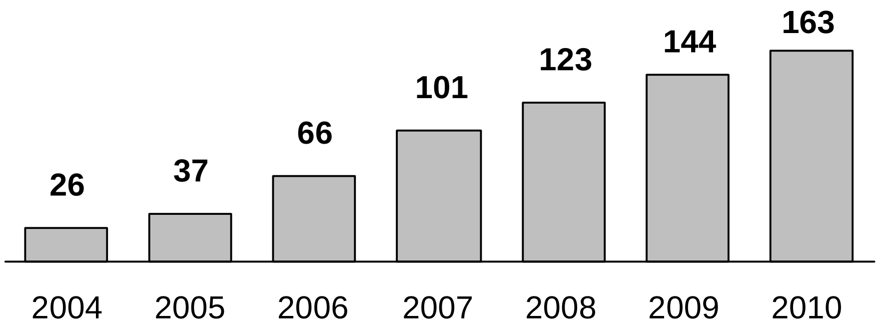
Laying the future
Ideally positioned to cope with industry challenges and benefit from recovery

Prysmian Focus on Fixed Costs Reduction
(Total Fixed Costs p.a. in €m)



- Continuous optimization of geographical production footprint
- Improve plants productivity through optimized production process
- Lean organizational structure at Headquarter and subsidiaries level

Prysmian Continuous Focus on Industrial Efficiencies
(Cumulative Gross Efficiencies in €m)



- Continue improving material efficiency, reducing scrap and over-usage
- More effective cable design
- Optimize organization and process to achieve further manpower efficiency
- Reduce impact of other costs (logistic, utilities, maintenance, …)

Prysmian Divisions and Business Areas

Euro Millions, FY 2010

Division	Business area	Business line		Sales	Adj. EBITDA[1]	Adj. EBITDA %
Energy Cables & Systems	Utilities	• Power Distribution • High Voltage & Extra High Voltage	Cables for **power transmission** and **distribution** networks	1,790	250	14.0%
		• Submarine	**Power submarine** cables			
		• Network Components	**Components** for **power distribution and transmission** networks			
	Trade & Installers	• Trade & Installers	Cables for **construction projects** and **civil engineering, building wires**	1,465	36	2.4%
	Industrial	• Industrial	Special application cables for **OEMs** and **industrial contractors** (e.g. OGP, renewable, transportation, crane, mining, marine, etc.)	742	61	8.3%
Telecom Cables & Systems	Telecom	• Optical Cables & Fibre • Copper Cables	Cables and components for **Telecom networks**	450	36	7.9%
	Prysmian[2]			**4,571**	**387**	**8.5%**

1 EBITDA adjusted excluding non-recurring items

2 Including Other activities (Sales: €124m, Adj. EBITDA € 4m)

Metal Price Impact on Profitability

Supply Contract	Main Application	Metal Influence on Cable Price	Impact	Metal Fluctuation Management	Impact
Predetermined delivery **date**	• Projects • Cables for industrial applications	• **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 **stematic 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	

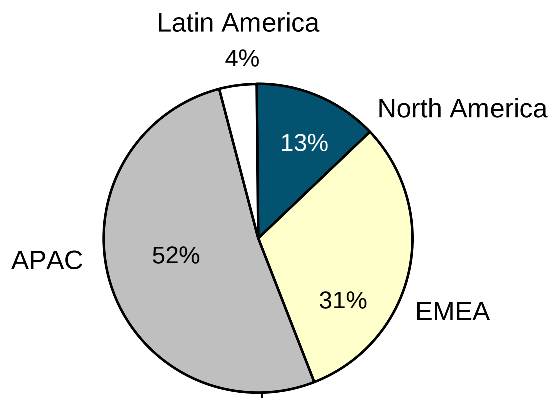
- ***Metal price fluctuations** are normally **passed through** to **customers** through supply contracts*
- ***Hedging strategy** is performed in order **to systematically minimize** profitability **risks***

High
Low

The Global Cables Reference Market

World-Wide Cable Reference Market Size, 2009

100% = €68bn



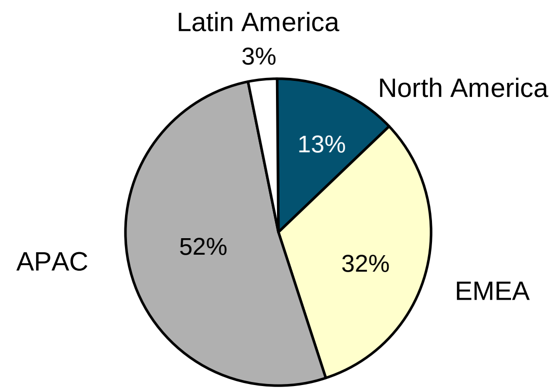
Energy Cables Reference Market ≅€60bn

- Trade and Installers
- Utilities
- Industrial

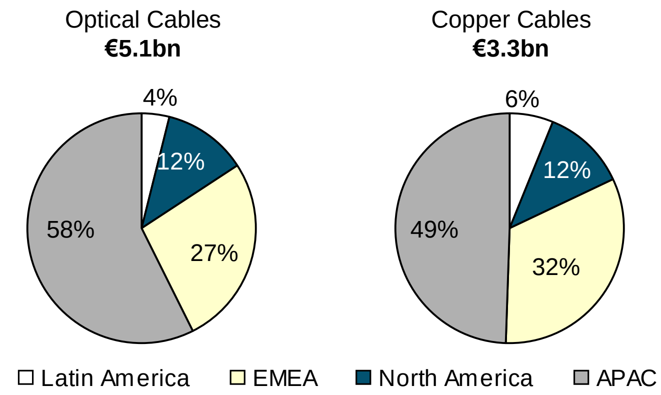
Telecom Cables Reference Market ≅€8bn

- Fibre Optical Cables
- Copper Cables

Energy Cables Reference Market (~€60bn)



Telecom Cables Reference Market (~€8bn)



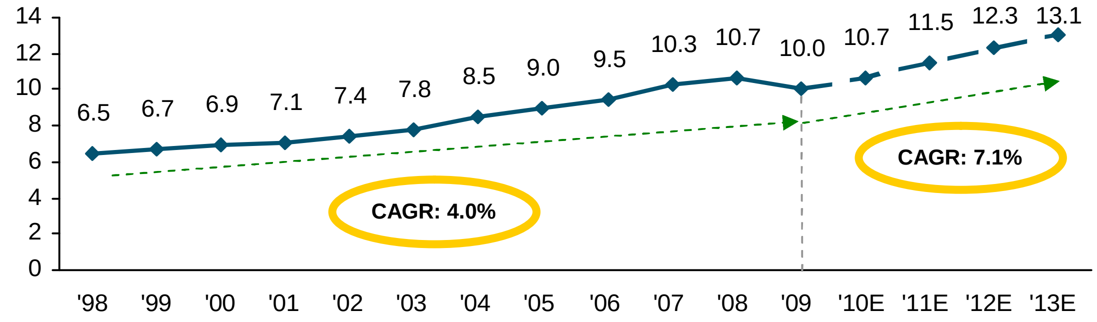
Source: Company analysis based on CRU data- Wire and Cable Quarterly October 2010. Prysmian reference markets are obtained by excluding from the global cable market the segments where the company does not compete (winding wire for the energy sector and internal telecom data and copper LAN cables for the telecom sector). Energy = Low Voltage and Power Cable; TLC = External Copper Tlc Cable, Fibre Optic

PRYSMIAN
CABLES & SYSTEMS

Market Volumes Trend

Energy Cables Reference Market

Million Tons Conductor

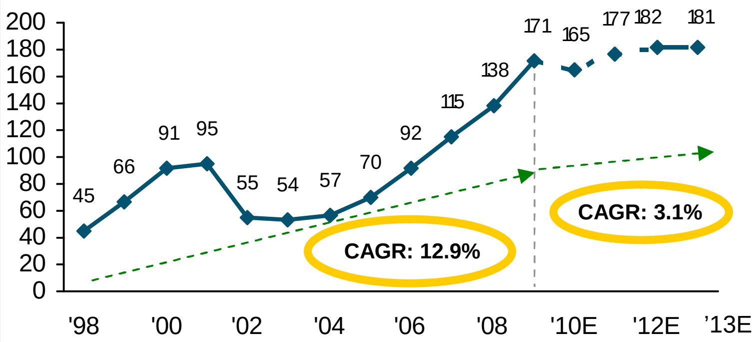


- Long term growth driven by:
  - Energy consumption
  - Investments in power grid interconnections
  - Investments in power transmission and distribution
  - Infrastructure investments
  - Renewable energy

Telecom Cables Reference Market

Optical Cables

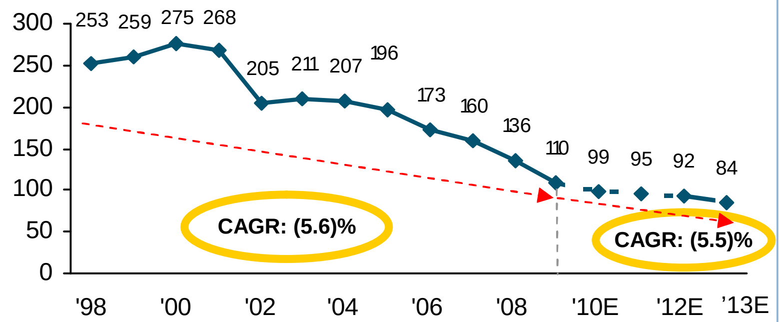
Million Km Fibre



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

Copper Cables

Million Km Pair



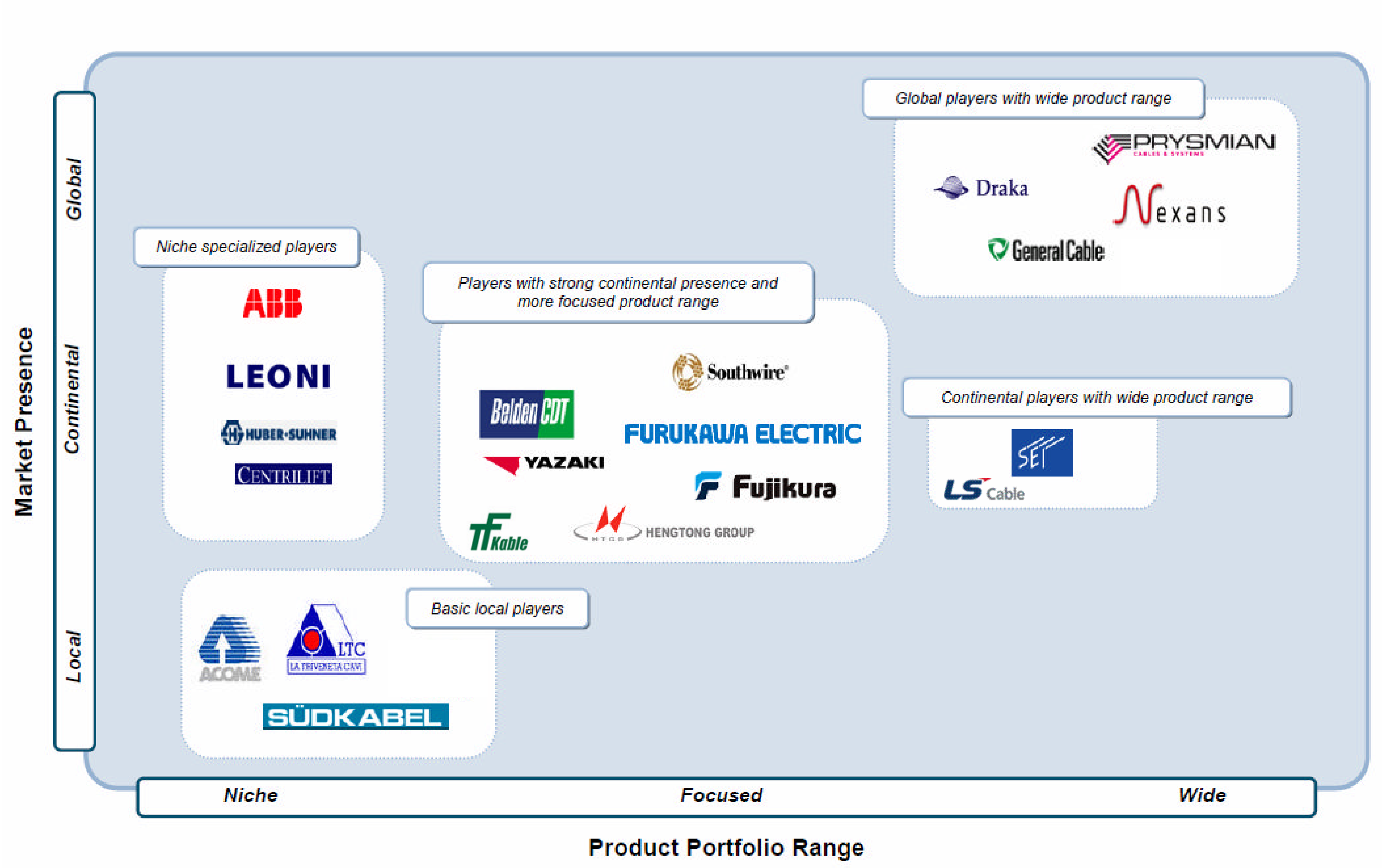
- Declining historical development in copper cables expected to continue

Source: Company analysis based on October '10 CRU data. Energy = Low Voltage and Power Cable; TLC = External Copper Tlc Cable, Fibre Optic.

Appendix - Energy

Clusters of Cable Manufacturers in the Industry

Competitive scenario – Energy Cables



Utilities - Submarine Systems

Key success factors

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

Action plan

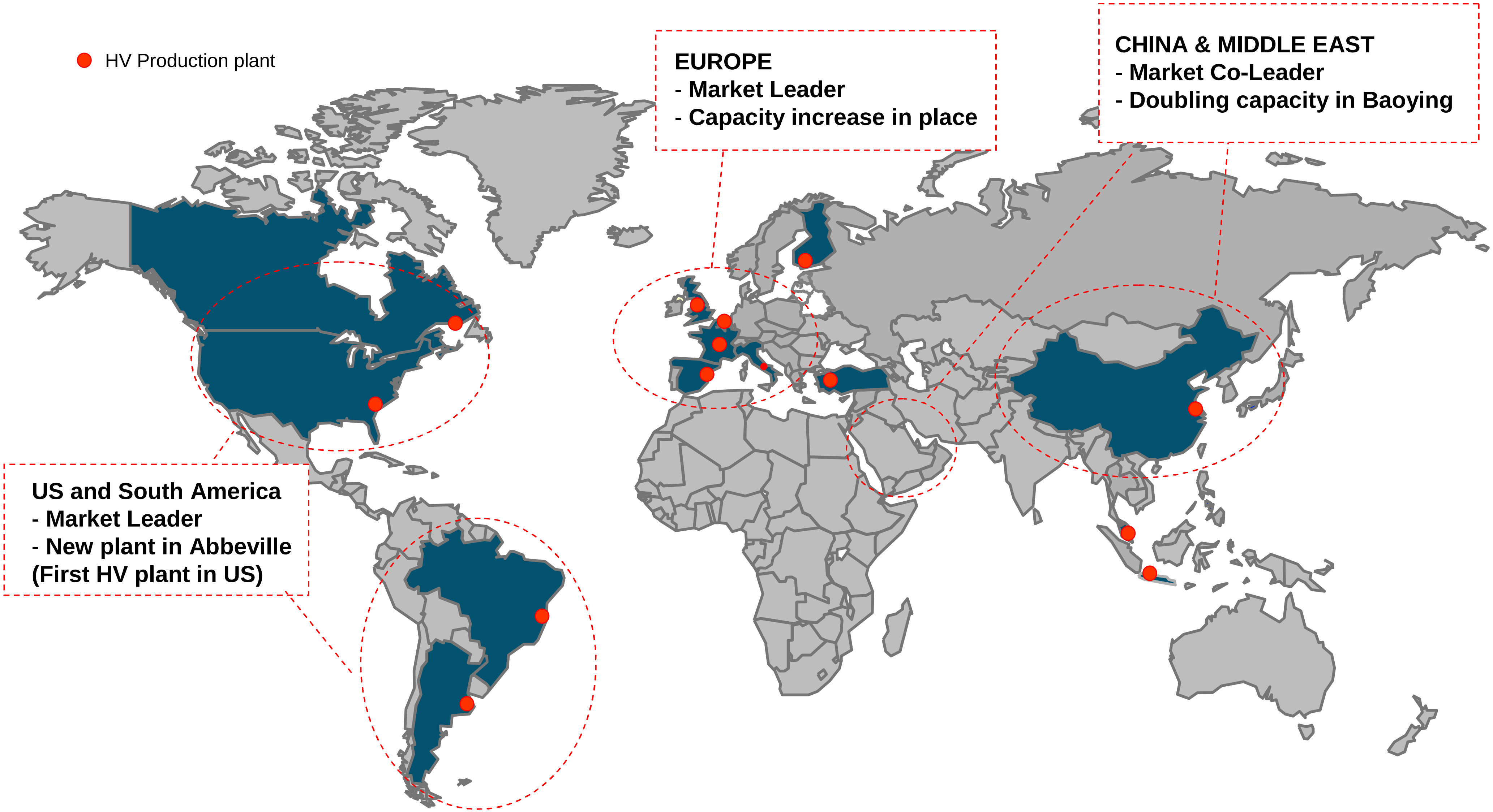
Capacity expansion completed to support growth in 2011-12 (production capacity fully saturated for 2011 and 2012) through:

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

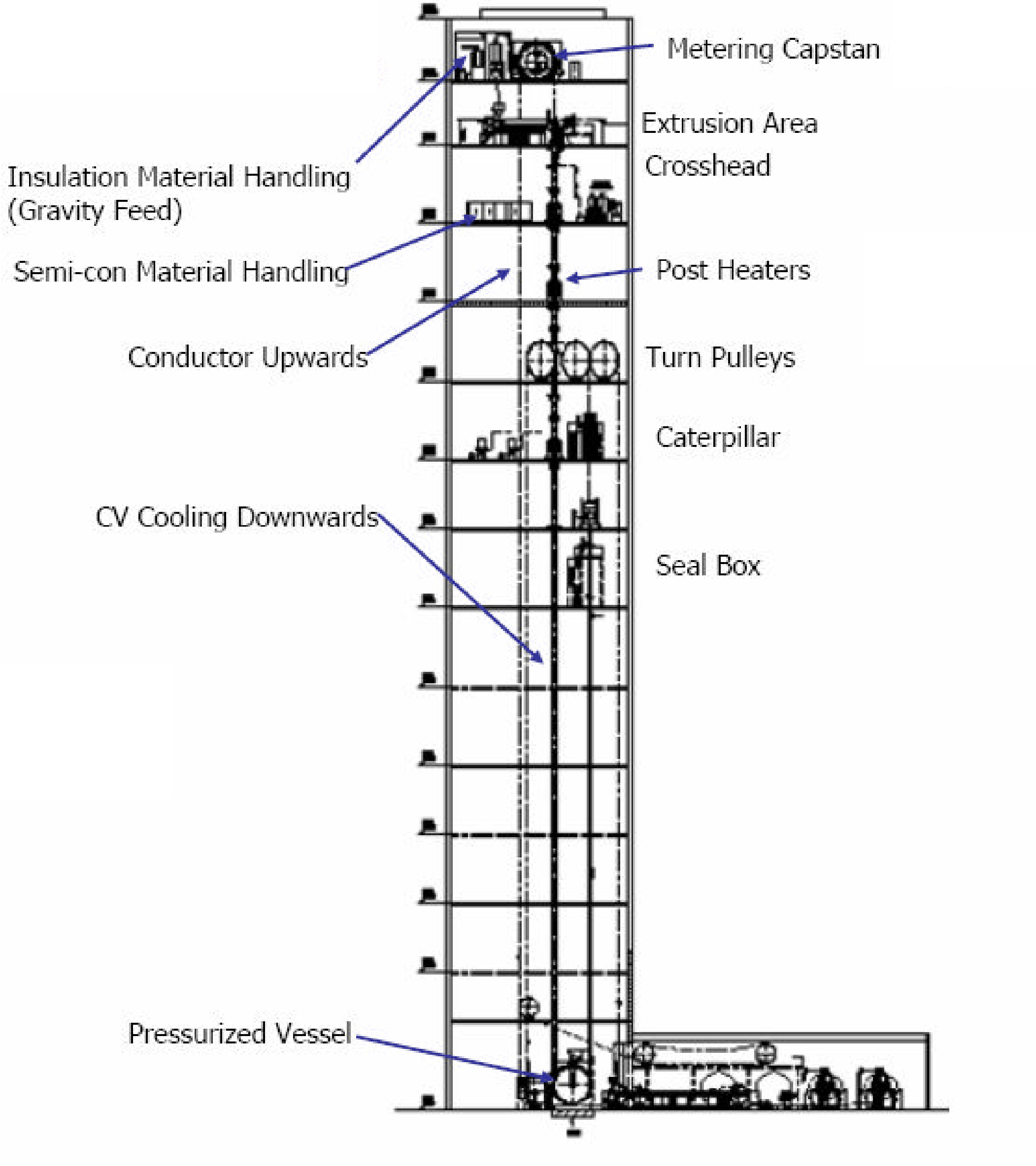
Key Projects	Customer	Period	€m (1)
SylWin1	TenneT	2012-14	280
HelWin1	TenneT	2011-13	150
BorWin2	TenneT	2010-13	250
Messina	Terna	2010-13	300
Kahramaa	Qatar General Electricity	2009-10	140
Greater Gabbard	Fluor Ltd	2009-10	93
Cometa	RED Electrica de España	2008-11	119
Trans Bay	Trans Bay Cable LLC	2008-10	$125m
Sa.Pe.I	Terna	2006-10	418
Neptune	Neptune RTS	2005-07	159
GCC Saudi – Bahrain	Gulf Cooperation Council Interconnection Authority	2006-10	132
Angel development	Woodside		
Rathlin Island	Northern Ireland Electricity		
Ras Gas WH10-11	J. Ray Mc Dermott		

(1) Prysmian portion of the project

Utilities - Leading position in underground HV with a global reach



Utilities - New HV plant in Abbeville (US)



Utilities - Power Distribution

Market drivers

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

Key customers

Key customers are all major national distribution network operators

Key success factors

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

Action plan

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

Trade & Installers

Business Description

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

Key customers

- Key customers include major:
  - Specialised distributors
  - General distributors
  - Wholesalers
  - Installers

Trade & Installers

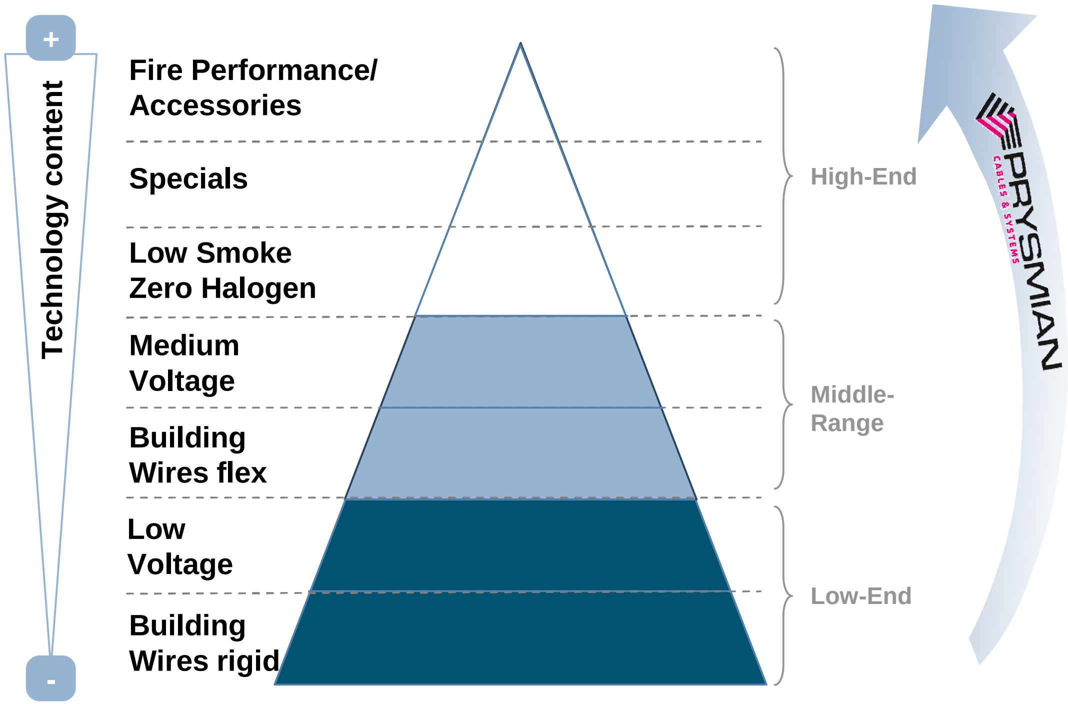
Key success factors

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

Action plan

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

Product overview



Industrial

Business description

Integrated cable solutions for industrial and infrastructure activities

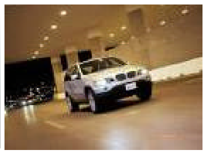
- **Oil Gas & Petrochemical**
  Cabling solutions to oil and petrochemicals industries such as umbilical cables for platforms (Up-stream Off-shore) and cable solutions for refineries (Down-Stream On-shore)

- **Renewable Energy**
  Products for wind and solar energy generation

- **Infrastructure**
  Products for port, railway, and airport

- **Mining**
  Products for harsh environment application

- **Transportation**
  Products for trains, ships, automobiles



- **Other niches:**
  Defence, nuclear, electromedical, branchement, ...

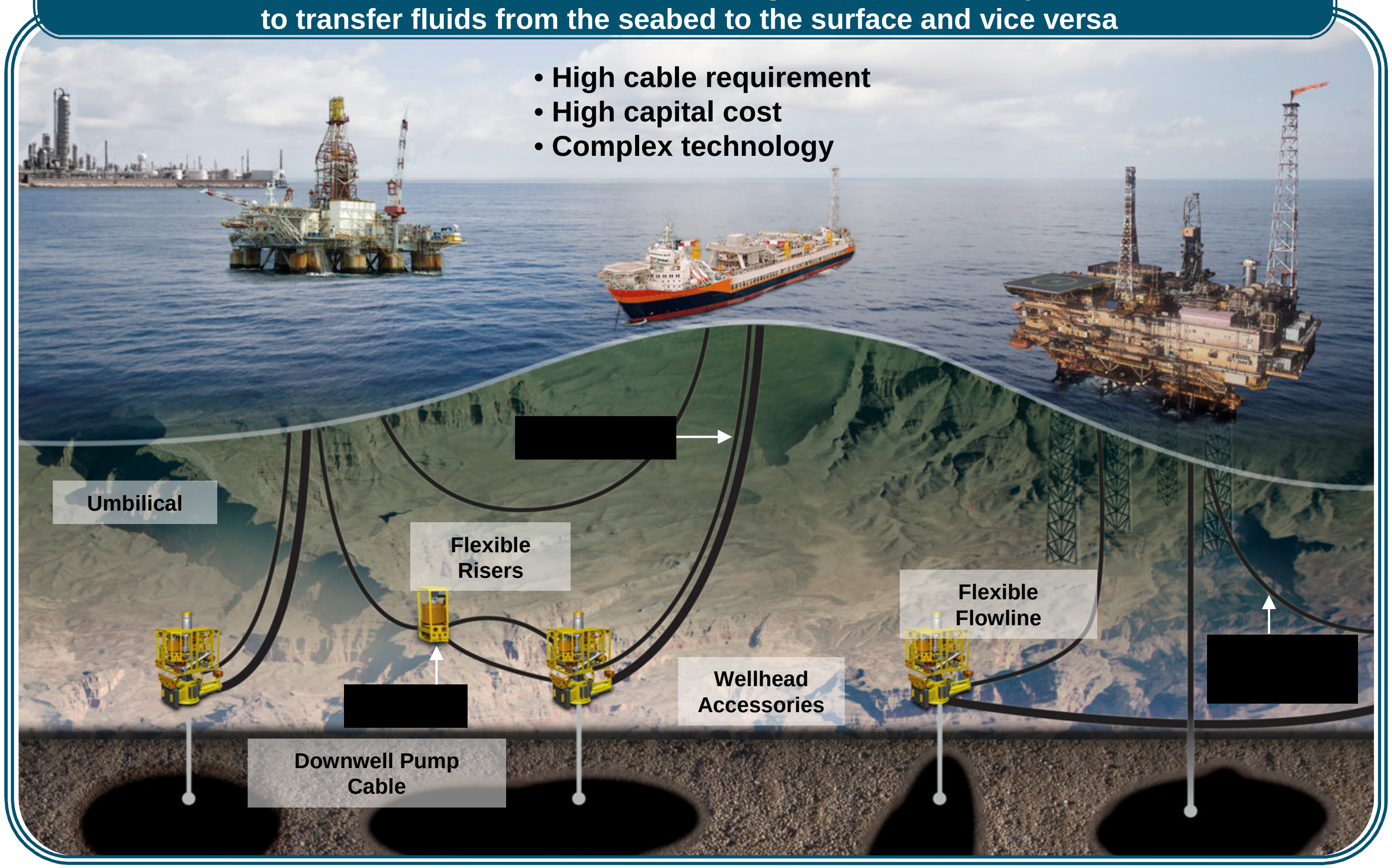
Key customers

Large and differentiated customer base generally served through direct sales

- BR Petrobras
- ZPMC Shanghai Zhenhua Port Machinery
- SNCF
- Noskab
- wampfler solutions for a moving world
- R&M Electrical Group Limited
- Siemens
- Yazaki
- Alstom
- RFI
- Aker Kværner
- SAM Electronics STN Schiffselektrik
- Valeo
- Elektroskandia En vaken grossist
- Snamprogetti
- Peugeot

Industrial - SURF (Subsea Umbilicals, Risers and Flowline)

SURF is a subsector of the Subsea market covering all the Flexible Pipes and Umbilicals to transfer fluids from the seabed to the surface and vice versa

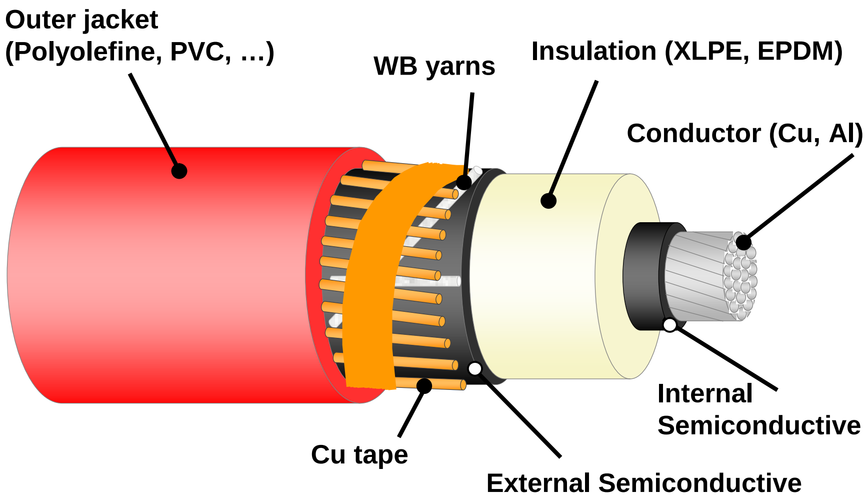


Umbilical

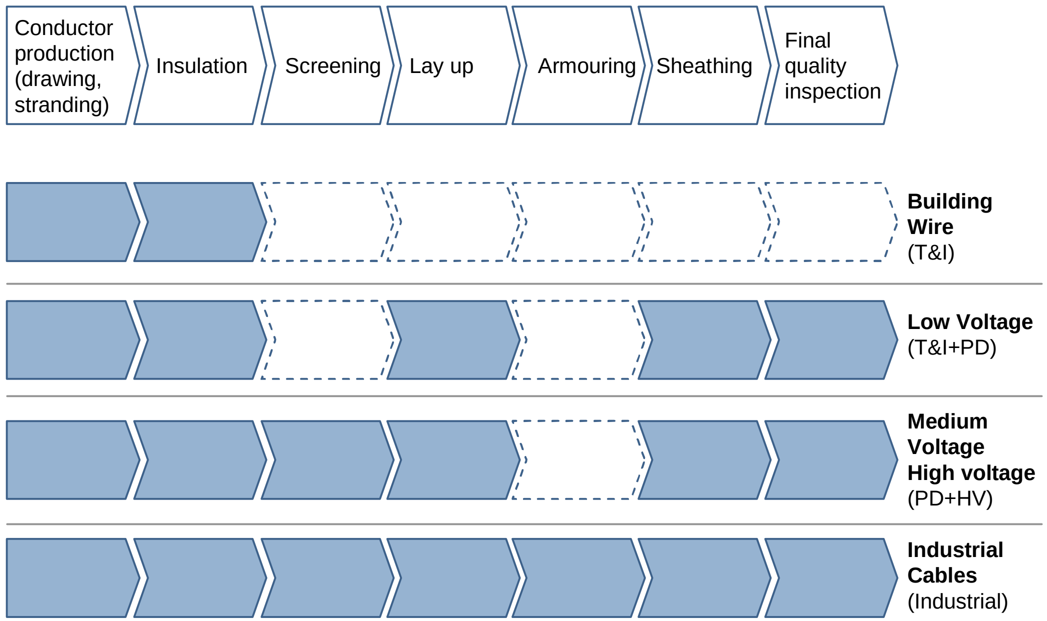
Flexible Pipe

Macro-structure of Energy Cables

Product macro structure



Production process

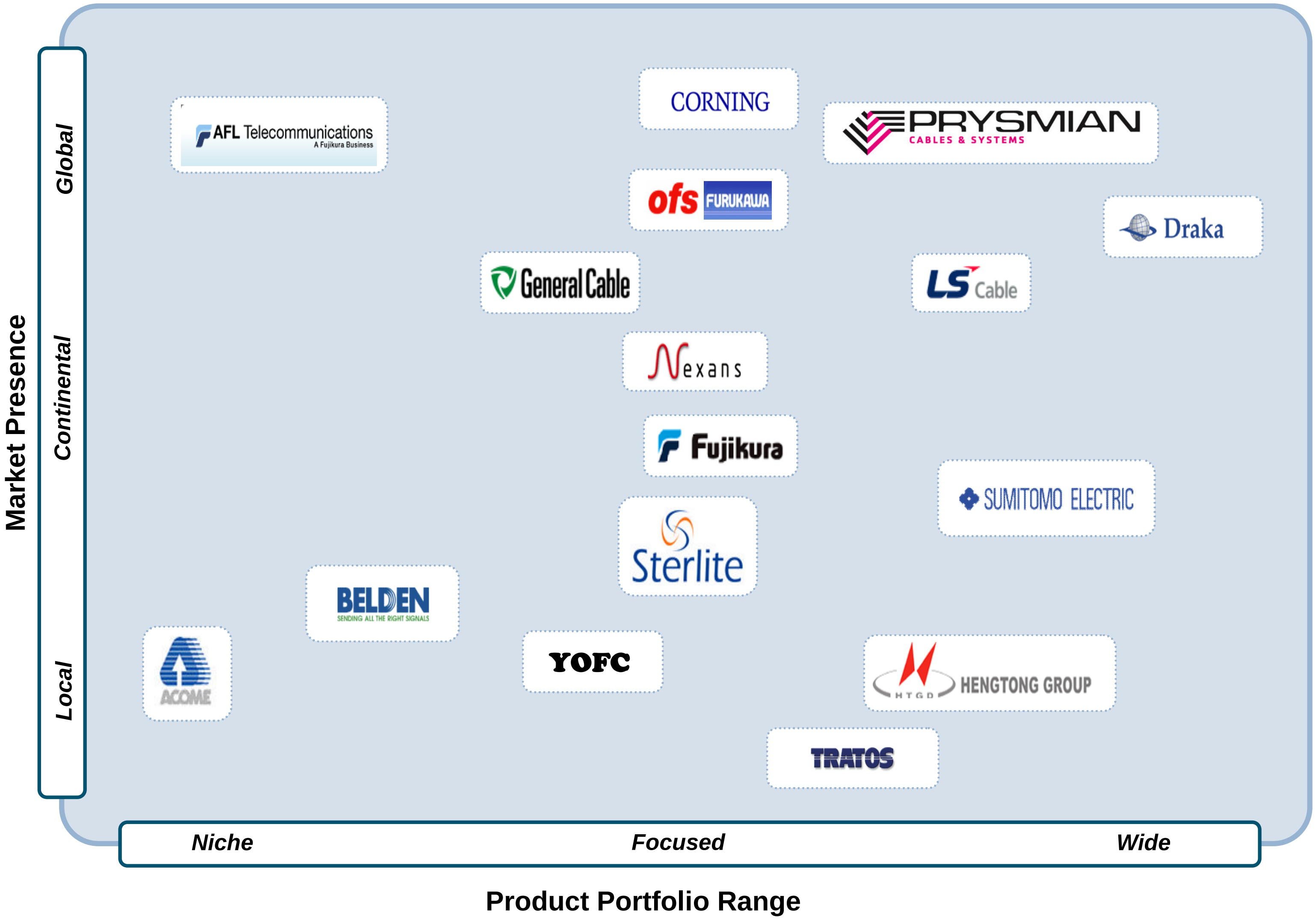


PRYSMIAN
CABLES & SYSTEMS

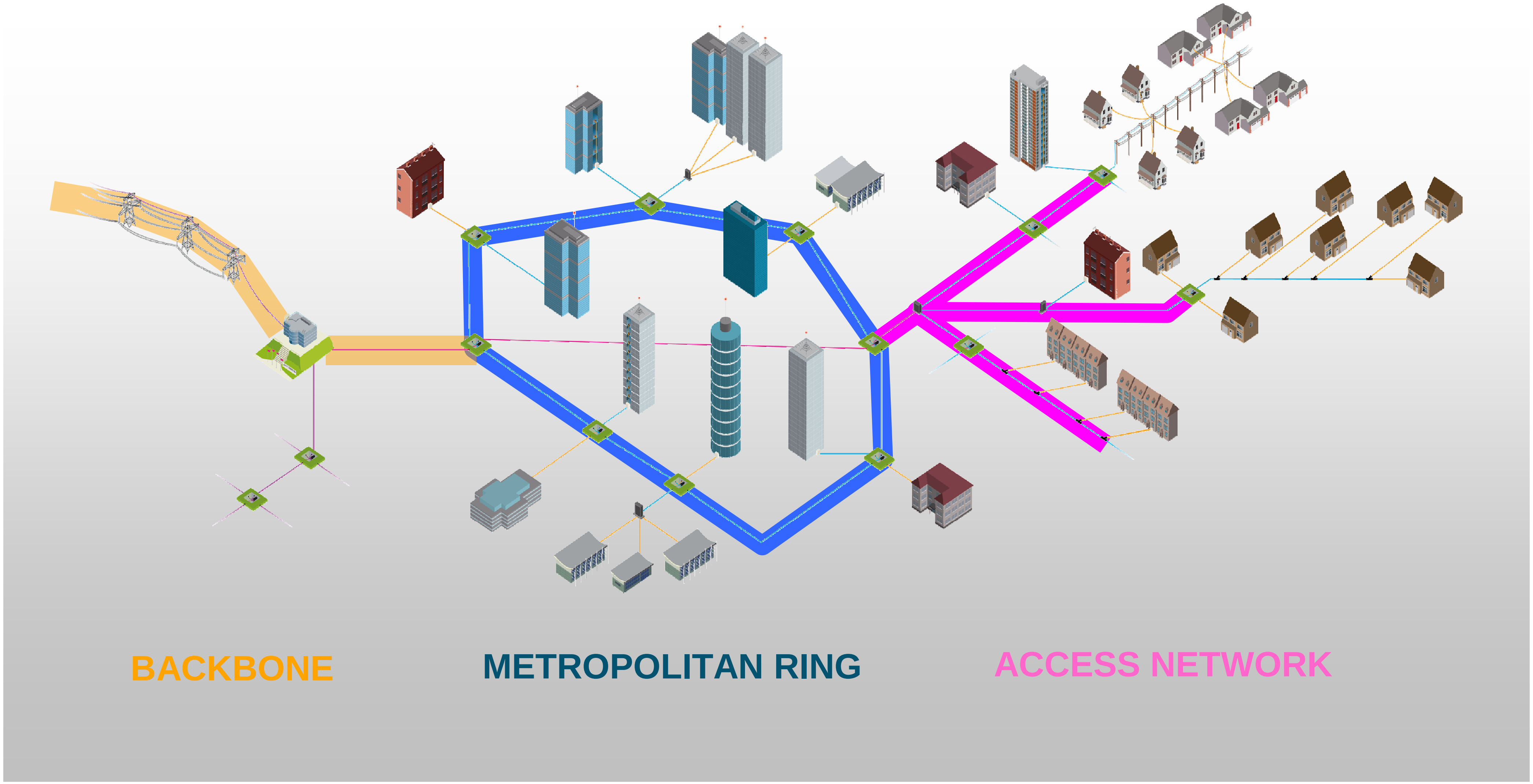
Appendix - Telecom

Major Players within the Telecom Industry

Competitive scenario

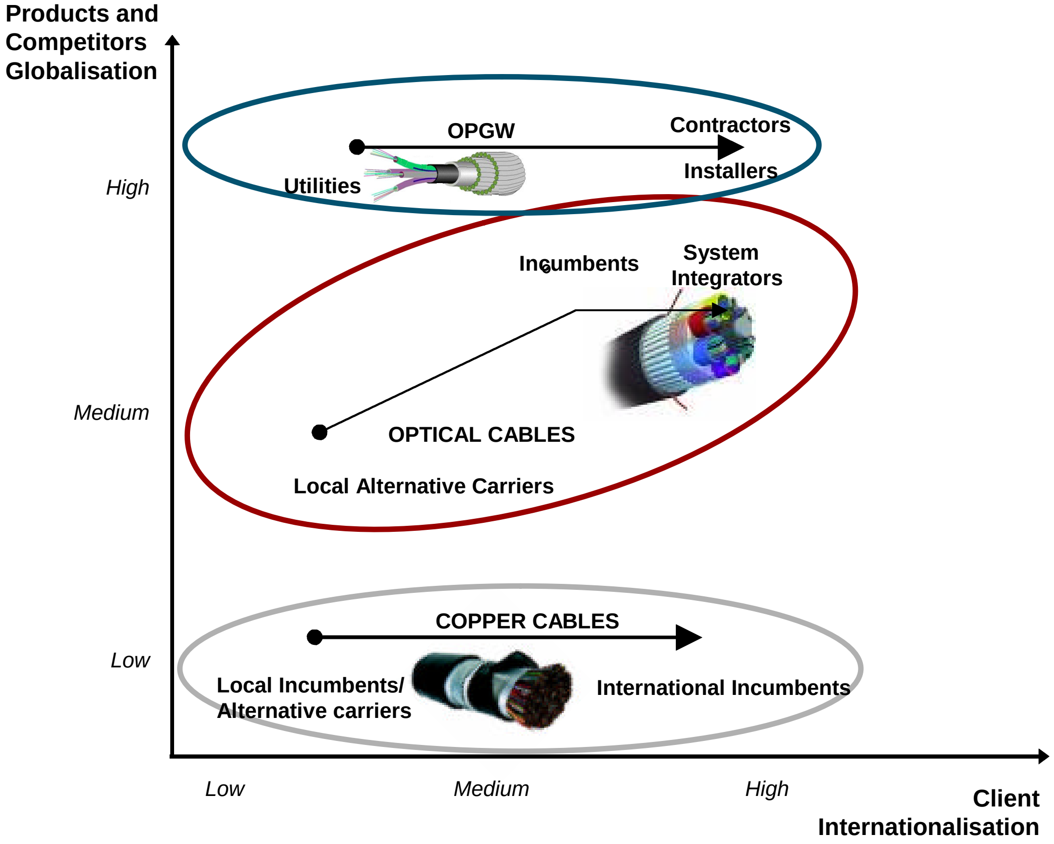


Telecom Cables Main Applications



Telecom - Key Products and Customers

Key products



Key customers

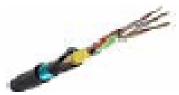
Key customers include some of the main operators of the telecom sectors

TELCO Carriers

System Integrators

Other Operators

Overview of Telecom Business Lines

	Business Area	Business Line		Level of Technology	Product Standardisation
1	**Optical**	 Optical	Optical cables	High	Medium
			Optical Fibre	Very High	High
2	**Copper**	 Communication Copper Cables	xDSL	High	Medium
			Standard multi-pair cable	Low	High

Optical cables

- A complete range of fibre optic products suitable for the transmission of voice/video/data signals in a wide variety of applications (from long-haul through to metro/access systems and finally the last mile access)

Copper cables

- A complete range of copper telecommunication cables suitable for the transmission of voice/video/data signals including a range of xDSL cable products for high speed broadband applications

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Optical cables

Market Trends

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

Key success factors

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

Strategic value of Fibre

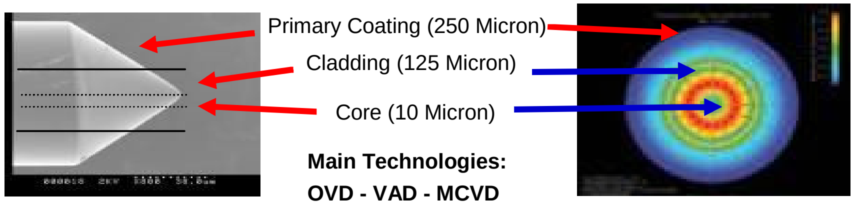
- Fibre optic represents the major single component cost of optical cables
- Fibre optic production has high entry barriers:
  - Owned licenses difficult to obtain
  - Long time to develop know-how
  - Capital intensity
- When fibre optic is short, vertically integrated cable manufacturers leverage on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

Action plan

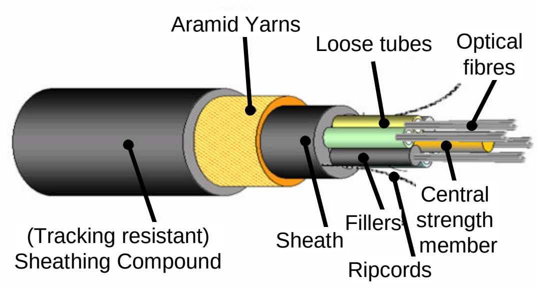
- Maintain & reinforce position with key established clients
- Further penetration of large incumbents in emerging regions
- Optimize utilization of low cost manufacturing units
- Expand distribution model in Domestic & Export
- Streamline the intercompany process
- Fully integrated products sales
-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

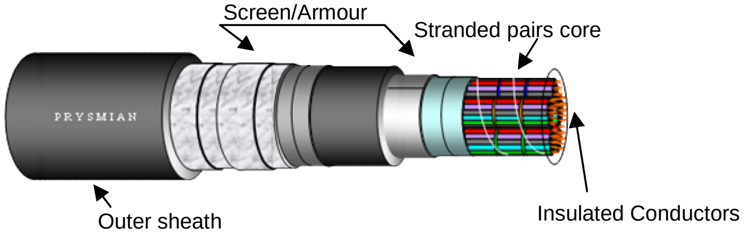
Macro-structure of Telecom Cables

	Product macro structure	Production process
Fibre optic	See figure 1 below. **Main Technologies: OVD - VAD - MCVD**	Pre form deposition → Consolidation → Drawing → Final quality inspection
Optical cables	See figure 2 below.	Colouring → Buffering → Lay up → Armouring (yarn or metal) → Sheathing → Final quality inspection
Copper cables	See figure 3 below.	Conductor production → Insulation → Twinning → Lay up → Armouring → Sheathing → Final quality inspection



Main Technologies:
OVD - VAD - MCVD





Appendix - Financials

Profit and Loss Statement

Euro Millions

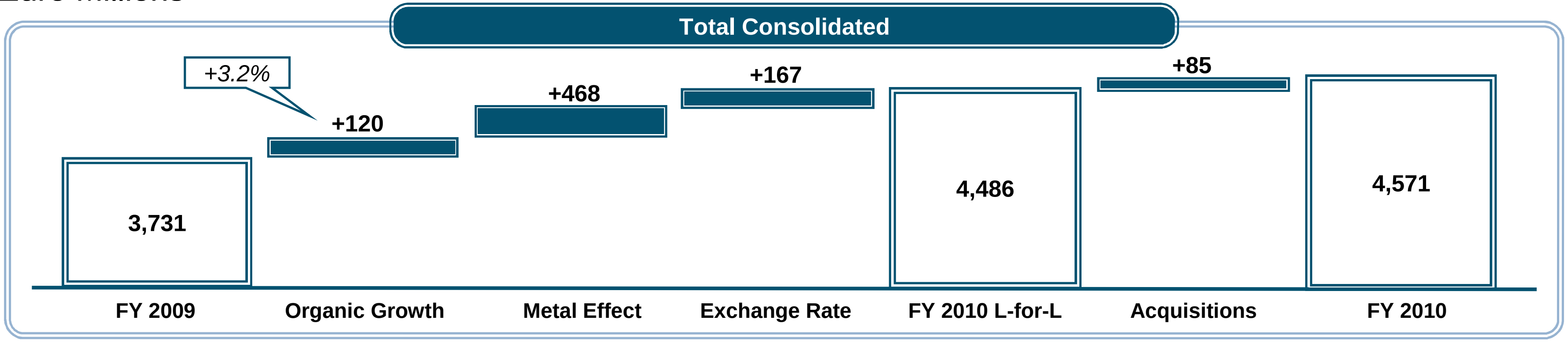
	FY 2009	FY 2010
Sales	**3,731**	**4,571**
YoY total growth	*-27.5%*	*22.5%*
YoY like for like growth	*-27.8%*	*20.3%*
YoY organic growth	*-17.4%*	*3.2%*
Contribution Margin	**791**	**803**
% on sales	*21.2%*	*17.6%*
Fixed Costs	(388)	(416)
Adj.EBITDA	**403**	**387**
% on sales	*10.8%*	*8.5%*
Non recurring items	*(37)*	*(22)*
EBITDA	**366**	**365**
% on sales	*9.8%*	*8.0%*
Adj.EBIT	**334**	**309**
% on sales	*9.0%*	*6.8%*
Non recurring items	*(37)*	*(22)*
Special items (1)	*89*	*20*
EBIT	**386**	**307**
% on sales	*10.3%*	*6.7%*
Financial charges	*(49)*	*(94)*
EBT	**337**	**213**
% on sales	*9.0%*	*4.7%*
Taxes	(85)	(63)
% on EBT	*25.2%*	*29.8%*
Net income	**252**	**150**
Extraordinary items (after tax)	*46*	*(23)*
Adj.Net income	**206**	**173**

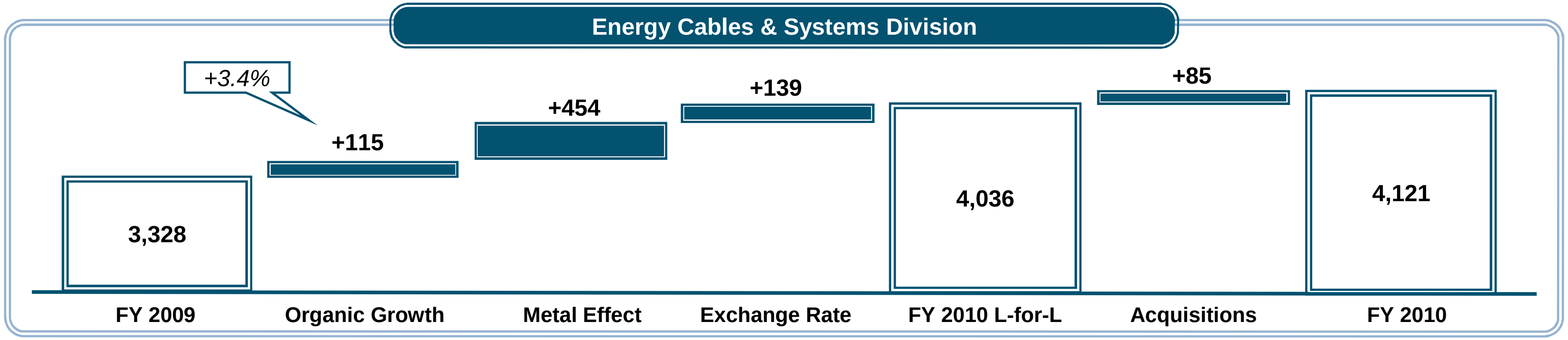
Notes

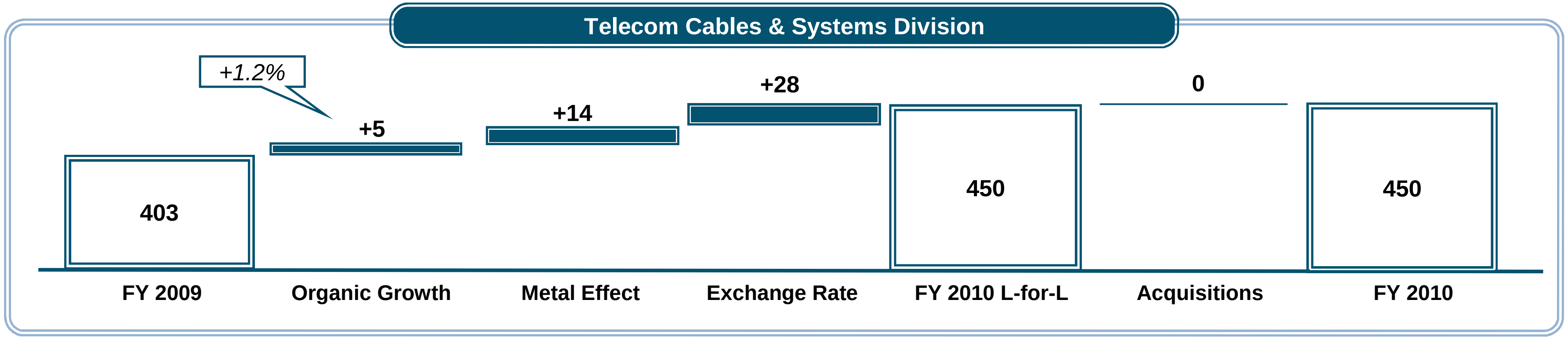
(1) Starting from Q3'09 fair value of raw material derivatives (previously included in Financial charges) is included in Special items.

Sales Drivers Vs Third Parties

Euro Millions







Extraordinary Effects

Euro Millions

	FY 2009	FY 2010
Restructuring	(19)	(11)
Legal costs	(11)	(5)
Other	(7)	(6)
EBITDA adjustments	**(37)**	**(22)**
Special items	89	20
Gain/(loss) on metal derivatives	*91*	*28*
Assets impairment (1)	*(2)*	*(8)*
EBIT adjustments	**52**	**(2)**
Gain/(Loss) on other derivatives (2)	(2)	(38)
Gain/(Loss) exchange rate	(1)	7
Other one-off financial Income/exp.	9	2
EBT adjustments	**58**	**(31)**
Tax	(12)	8
Net Income adjustments	**46**	**(23)**

Notes

(1) Includes put option fair value change
(2) Includes currency and interest derivatives

Financial Charges

Euro Millions

	FY 2009	FY 2010
Net interest expenses	**(44)**	**(59)**
- One-off effects	*9*	*2*
Bank fees Amortization	(5)	(6)
Gain/(loss) on exchange rates	(1)	7
Gain/(loss) on derivatives (1)	(2)	(38)
Net financial charges	**(52)**	**(96)**
Share in net income of associates	3	2
Total financial charges	**(49)**	**(94)**

Notes

(1) Including currency and interest derivatives.

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Balance Sheet

Euro Millions

	FY 2009	FY 2010
Net fixed assets	958	1,029
Net working capital	479	494
of which Derivatives assets/(liabilities)	14	37
Operative Net working capital	465	457
Provisions	(123)	(120)
Net Capital Employed	**1,314**	**1,403**
Employee provisions	142	145
Shareholders' equity	698	799
of which attributable to minority interest	21	44
Net financial position	474	459
Bank Fees	(11)	(20)
Net financial position vs Third Parties	485	479
Total Financing and Equity	**1,314**	**1,403**

Affected by (FY'10 Vs FY'09):

- **Metal price: ~€ +100m**
- **Acquisitions: ~€ +14m**
- **Project Business: ~€ -32m**

Cash Flow

Euro Millions

Including ~€ 100m negative metal price effect

	FY 2009	FY 2010
Adj.EBITDA	**403**	**387**
Non recurring items	(37)	(22)
EBITDA	**366**	**365**
Equity Compensation IFRS2	1	-
Net Change in provisions	(12)	(17)
Cash flow from operations (before WC changes)	**355**	**348**
Working Capital changes	36	(6)
Paid Income Taxes	(62)	(59)
Cash flow from operations	**329**	**283**
Acquisitions	(3)	(21)
Net Operative CAPEX	(106)	(95)
Net Financial CAPEX	9	5
Free Cash Flow (unlevered)	**229**	**172**
Financial charges	(46)	(52)
Free Cash Flow (levered)	**183**	**120**
Dividends	(75)	(75)
Other Equity movements	5	13
Net Cash flow	**113**	**58**
Net financial position at the beginning of the period	**(577)**	**(474)**
Net cash flow	113	58
Other variations	(10)	(43)
Net financial position at the end of the period	**(474)**	**(459)**

Energy Division: Profit and Loss Statement

Euro Millions

	FY 2009	FY 2010
Sales	**3,344**	**4,145**
Sales vs. Third Parties	**3,328**	**4,121**
YoY total growth	*-27.8%*	*23.8%*
YoY like for like growth	*-28.1%*	*21.3%*
YoY organic growth	*-17.0%*	*3.4%*
Contribution Margin	**706**	**711**
% on sales	*21.1%*	*17.2%*
Fixed Costs	(334)	(360)
Adj. EBITDA	**372**	**351**
% on sales	*11.1%*	*8.5%*
Adj. EBIT	**309**	**280**
% on sales	*9.3%*	*6.8%*

Energy – Sales by business

Euro Millions, % of Sales Growth

	FY 2009	FY 2010	Total Growth	Organic Growth
Utilities	1,598	1,790		
of which to third parties	*1,598*	*1,790*	*12.0%*	*1.5%*
Trade & Installers	1,021	1,467		
of which to third parties	*1,020*	*1,465*	*43.6%*	*6.6%*
Industrial	628	742		
of which to third parties	*628*	*742*	*18.3%*	*-1.1%*
Others	97	146		
of which to third parties	*82*	*124*	*n.m.*	*n.m.*
Total Energy	**3,344**	**4,145**		
of which to third parties	***3,328***	***4,121***	***23.8%***	***3.4%***

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Energy – Profitability by business

Euro Millions, % of Sales

	FY 2009	FY 2010	FY 2009 % on Sales	FY 2010 % on Sales
Adjusted EBITDA				
Utilities	266	250	16.7%	14.0%
Trade & Installers	41	36	4.0%	2.4%
Industrial	62	61	9.8%	8.3%
Others	3	4	n.m.	n.m.
Total Energy	**372**	**351**	**11.1%**	**8.5%**
Adjusted EBIT				
Utilities	237	215	14.7%	12.0%
Trade & Installers	26	20	2.5%	1.4%
Industrial	46	42	7.3%	5.7%
Others	-	3	n.m.	n.m.
Total Energy	**309**	**280**	**9.3%**	**6.8%**

Telecom Division: Profit and Loss Statement

Euro Millions

	FY 2009	FY 2010
Sales	**411**	**454**
Sales vs. Third Parties	**403**	**450**
YoY total growth	*-24.8%*	*11.7%*
YoY like for like growth	*-24.9%*	*11.7%*
YoY organic growth	*-20.7%*	*1.2%*
Contribution Margin	**85**	**92**
% on sales	*20.7%*	*20.2%*
Fixed Costs	(54)	(56)
Adj. EBITDA	**31**	**36**
% on sales	*7.6%*	*7.9%*
Adj. EBIT	**25**	**29**
% on sales	*6.1%*	*6.3%*

Net Working Capital

Euro Millions

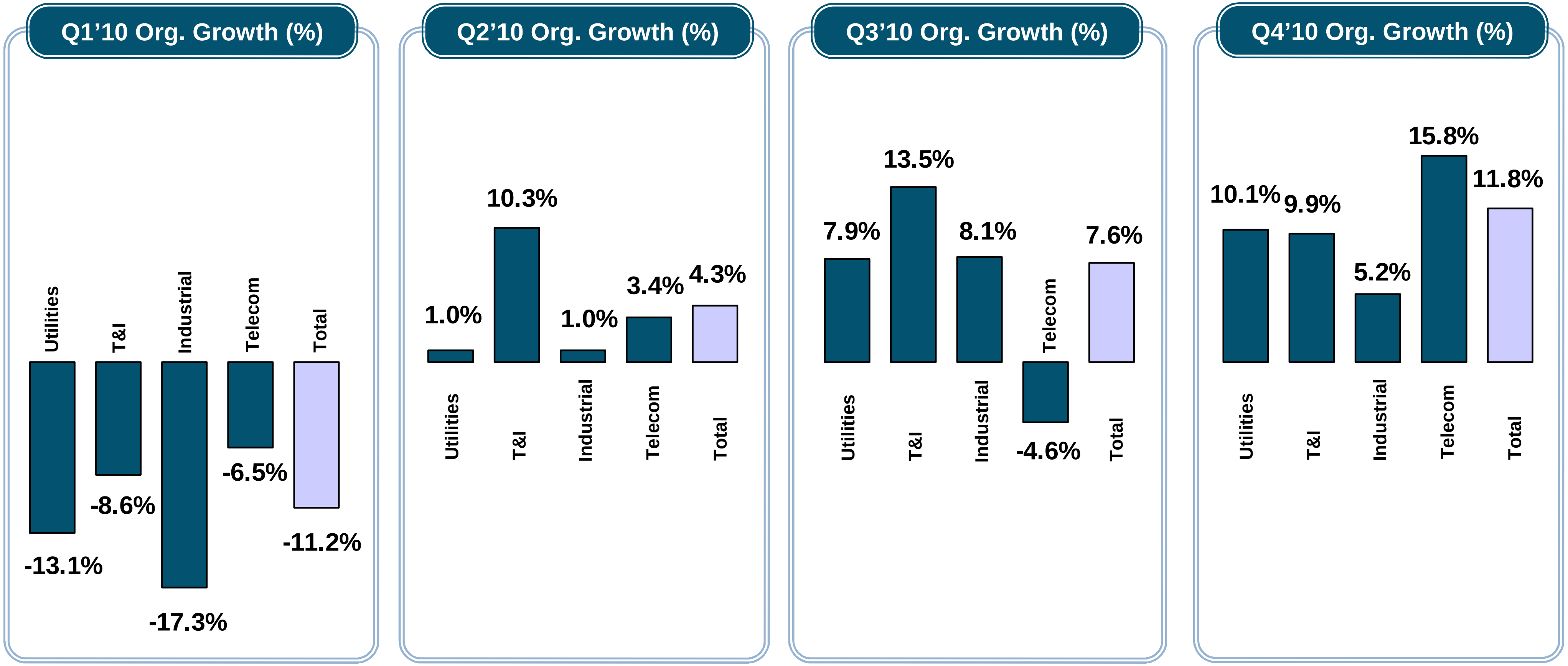
	FY 2009	FY 2010
Inventories	443	600
Trade accounts receivables	622	764
Trade accounts payables	(561)	(862)
Other receivables/(payables)	(39)	(45)
Operative Net working capital	**465**	**457**
Derivatives assets/(liabilities)	14	37
Net working capital	**479**	**494**
% Operative NWC on sales *(1)*	***12.2%***	***9.2%***

Notes

(1) Defined as Operative Net Working Capital on annualized last quarter sales

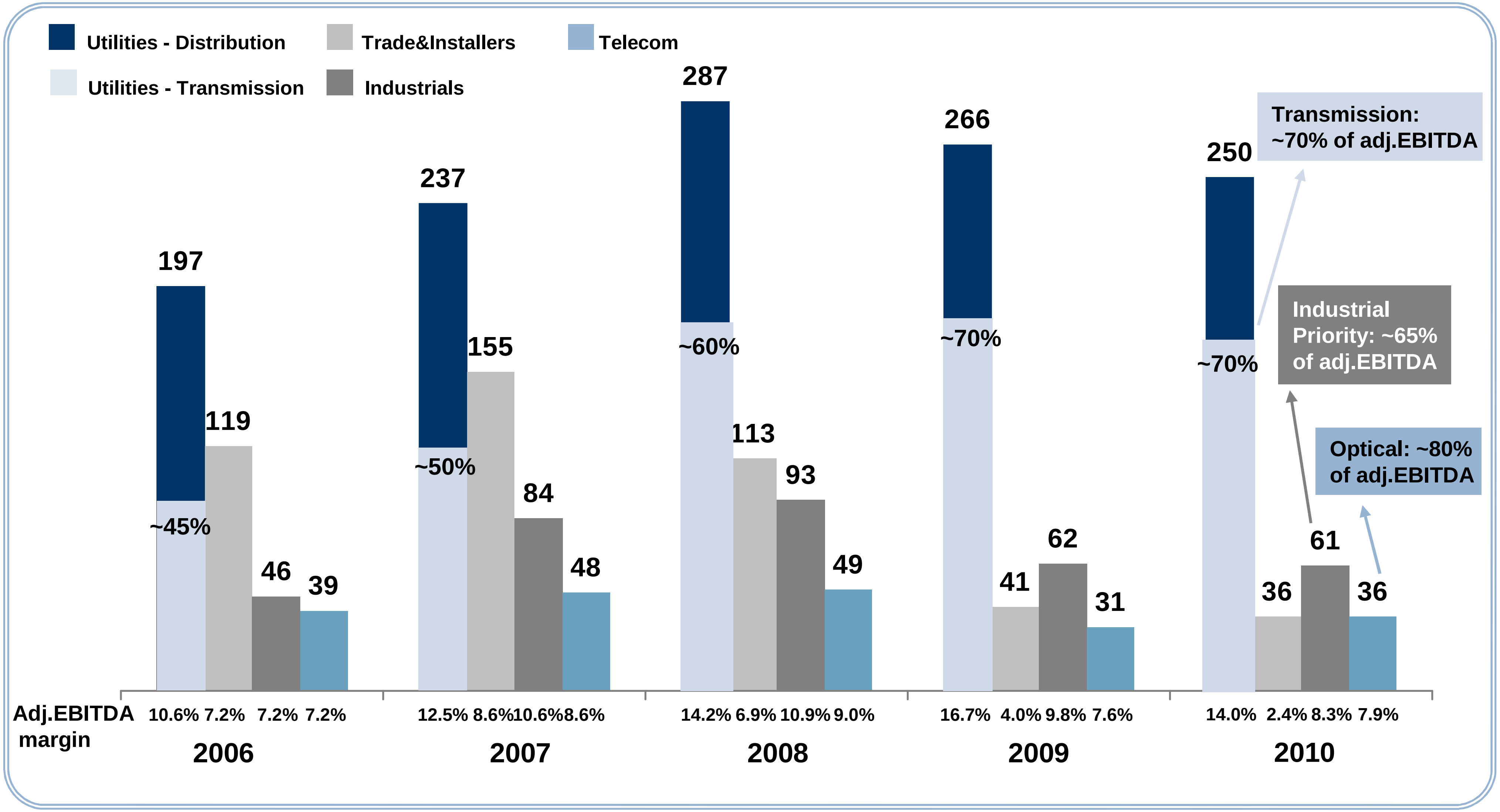
Organic growth improvement confirmed across all the segments

% Variation



A unique portfolio driving sustainable margin growth

Adj.EBITDA (€ Millions); Adj.EBITDA margin (%)



Dividend Proposal

Dividend payment confirmed despite re-leverage related to Draka Acquisition

- **Dividend x share at € 0.166**
  - Total payout: € 35m (1)
  - Ex-dividend date: 18 April 2011
  - Payment date: 21 April 2011
- **Pay-out ratio:** 24% on reported Net Income
- **Dividend Yield:** 1.1% (2)

(1) Based on 210,825,372 shares with dividend right:
Total shares (213,853,872) – Treasury shares (3,028,500)

(2) Based on last 30 trading days average share price (€ 15.17) at 28/02/2011

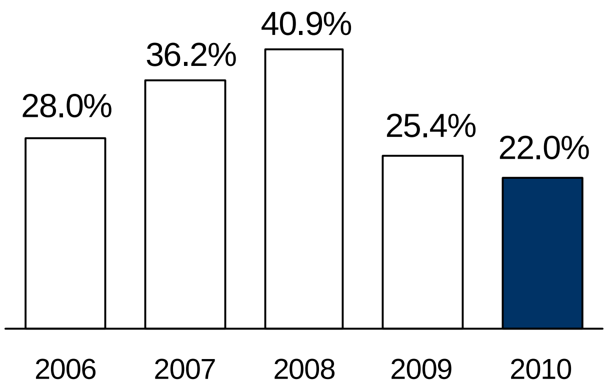
(3) Incuding 3,028,500 Treasury shares

(4) Based on 178,860,000 shares (average n° of shares in 2010; excl.Treasury shares)

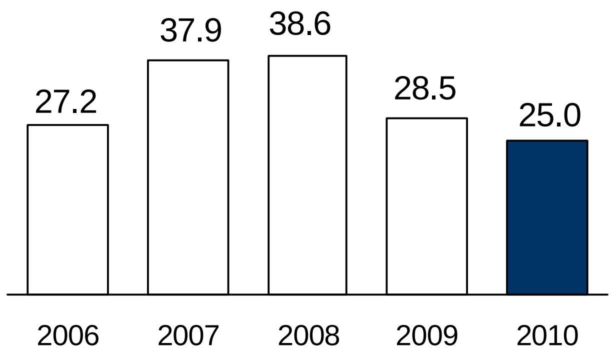
Total Shares (3)	**213,853,872**
Earning Per Share (4)	**€ 0.82**
Dividend Per Share	**€ 0.166**

Key Performance Ratios

ROCE (1)

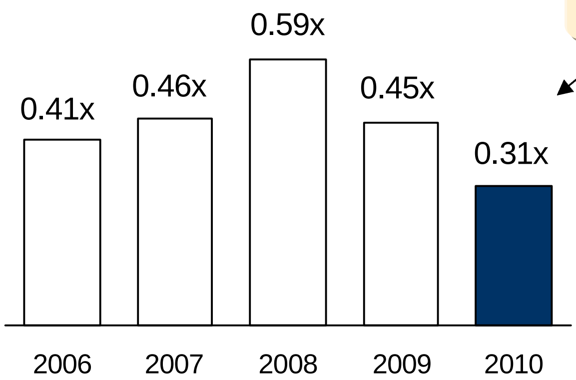


Adj. EBIT / Employee (€'000) (2)

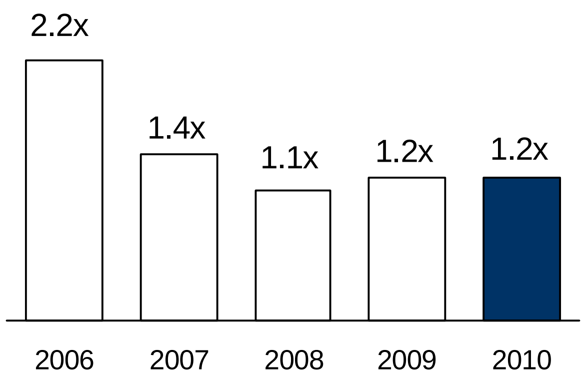


FCF levered / Adj. EBITDA (3)

Keeping strong Cash Conversion



NFP / Adj. EBITDA (4)



(1) Calculated as Adj. EBIT / (Shareholder's Equity YE + Net Debt YE + Employee provisions YE)

(2) Year end employees: 12,143 (2006); 12,243 (2007); 12,372 (2008); 11,704 (2009); 12,352 (2010)

(3) Calculated as Free Cash Flow levered (before dividends, shares buy back and other equity movements) / Adj.EBITDA

(4) Net Financial Position to Third Parties YE/ Adj. EBITDA

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