

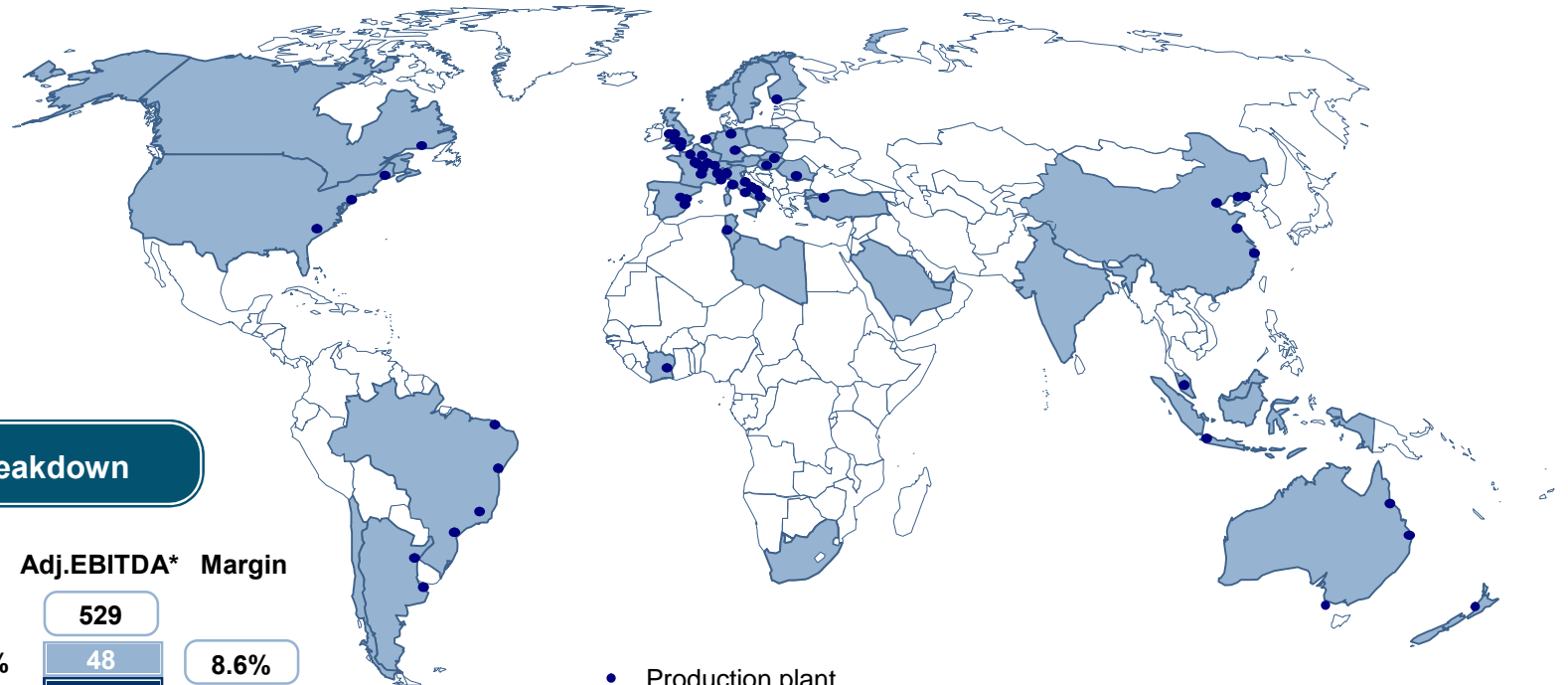


Company Presentation
Italian Investor Conference – Borsa Italiana
New York, 7-8th April 2008

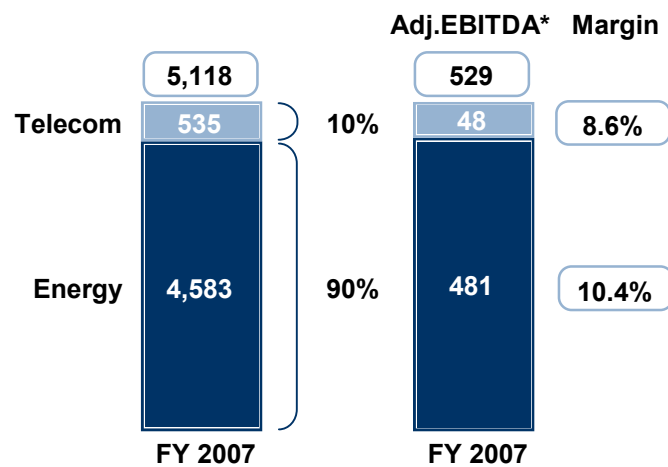
Agenda

- FY 2007 Highlights
 - Group Overview
 - Division Results
- Financials
- Appendix

A Global Cable Manufacturer



Business Breakdown

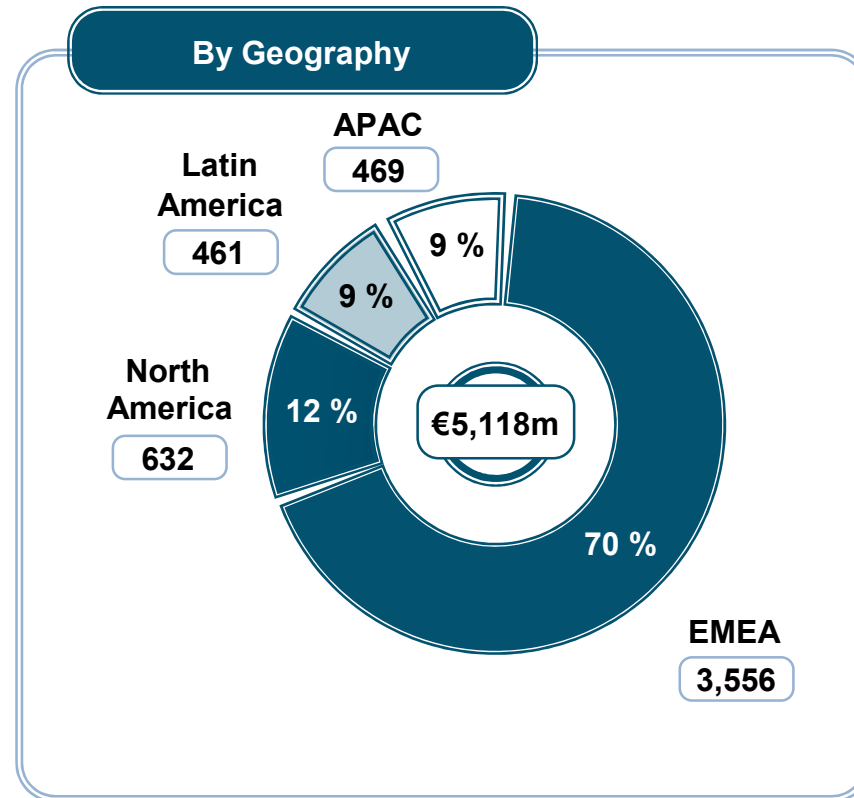


The Prysmian Group operates **54** plants, has subsidiaries in **36** countries with **12,243** employees and sells its products worldwide

*EBITDA adjusted excluding non-recurring items.

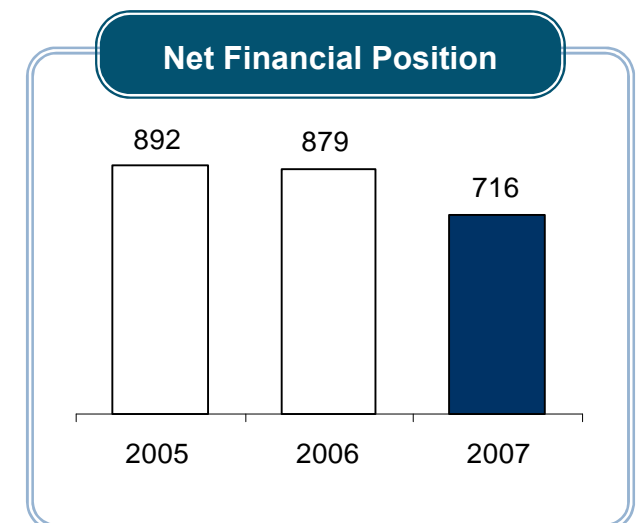
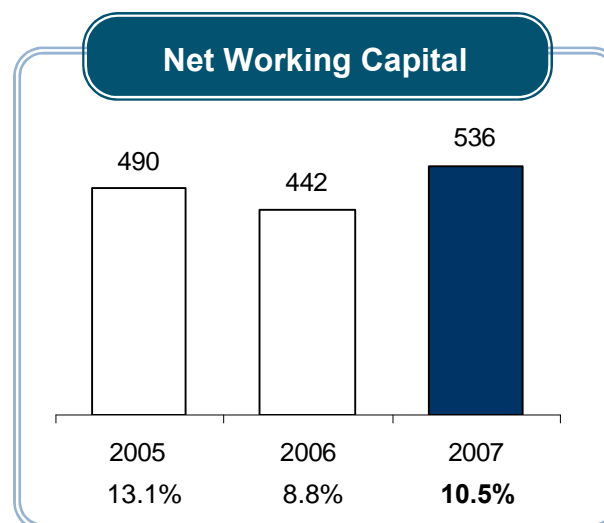
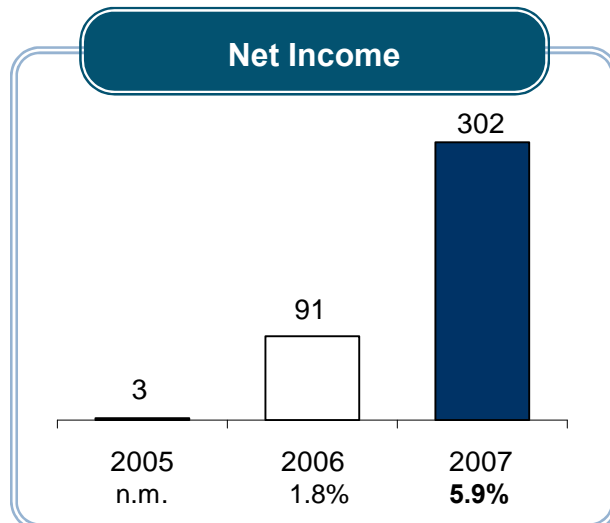
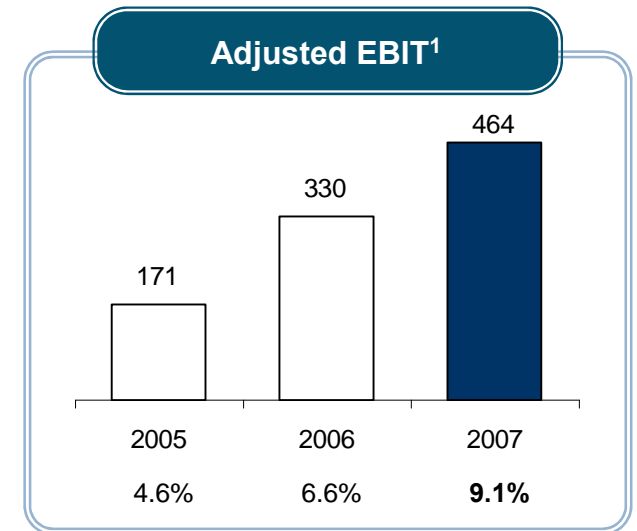
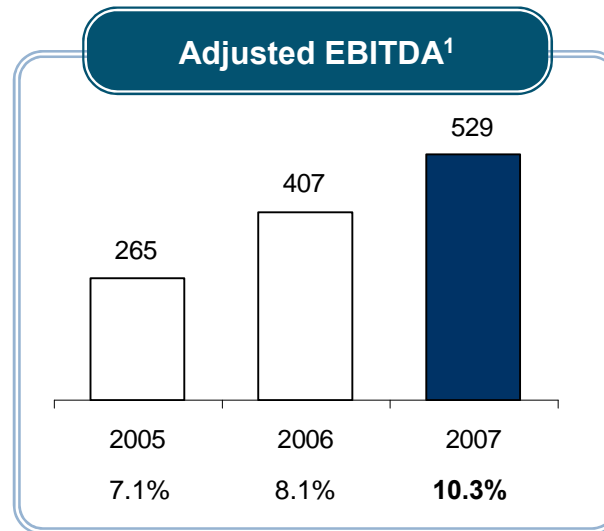
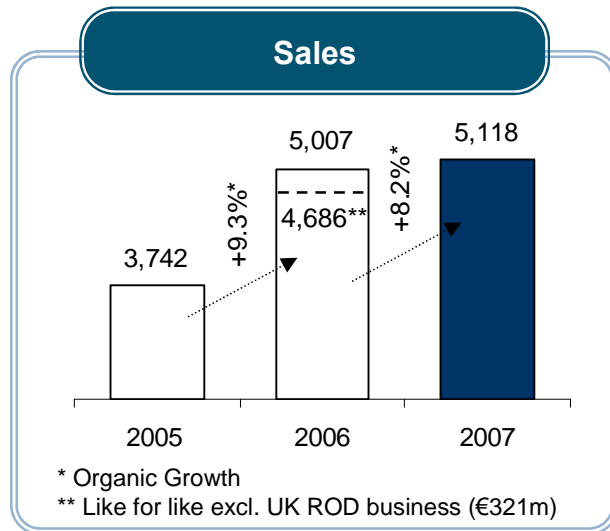
A Complete and Diversified Presence and Product Offering

Sales FY 2007 Euro Millions



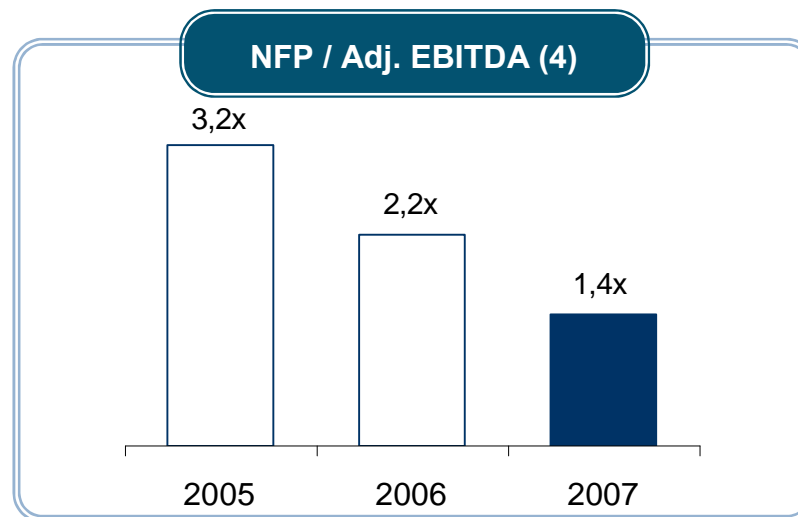
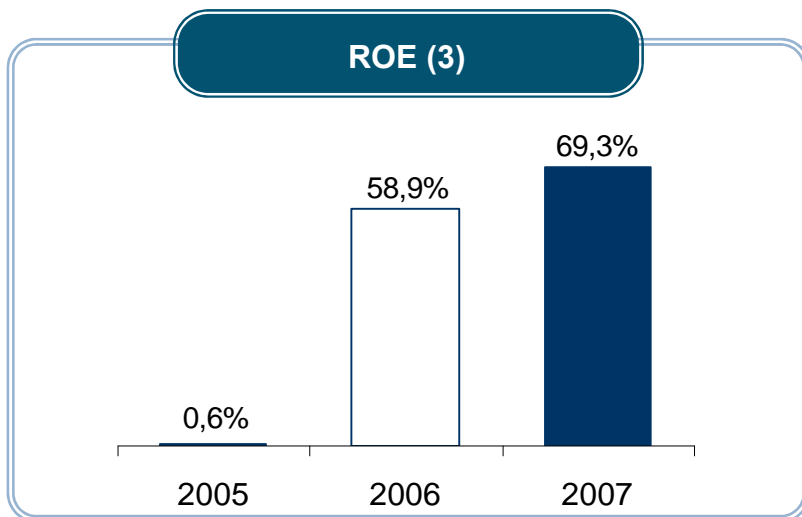
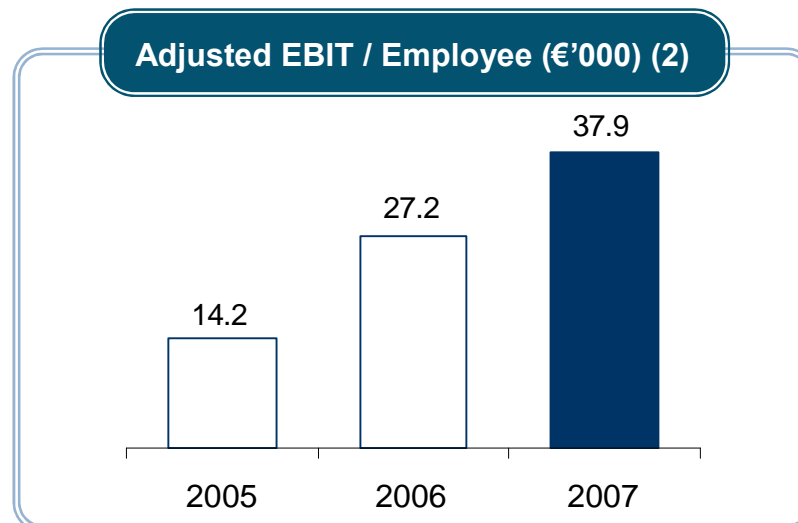
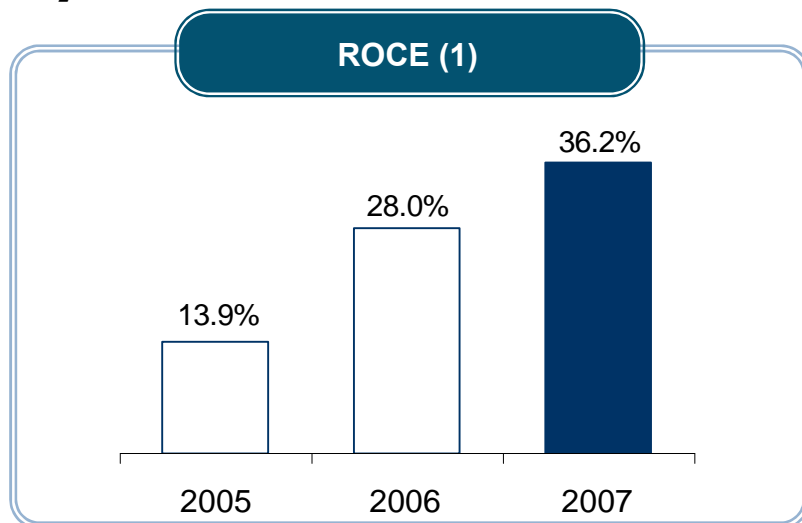
FY 2007 Key Financials

Euro Millions, % of Sales



¹ EBITDA and EBIT adjusted excluding non-recurring items.

Key Performance Ratios



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

(2) Year end employees: 12,082 (2005); 12,143 (2006); 12,243 (2007)

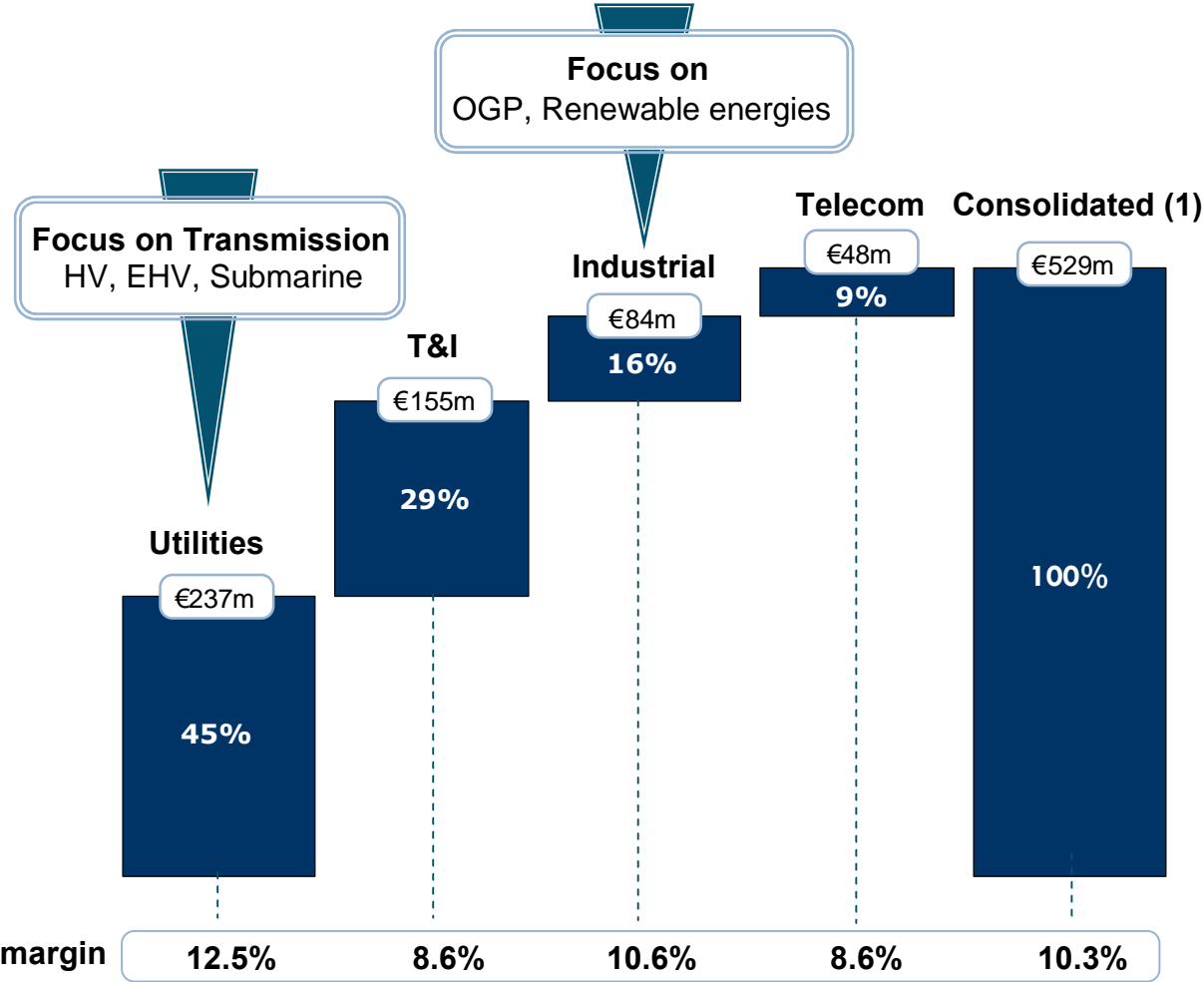
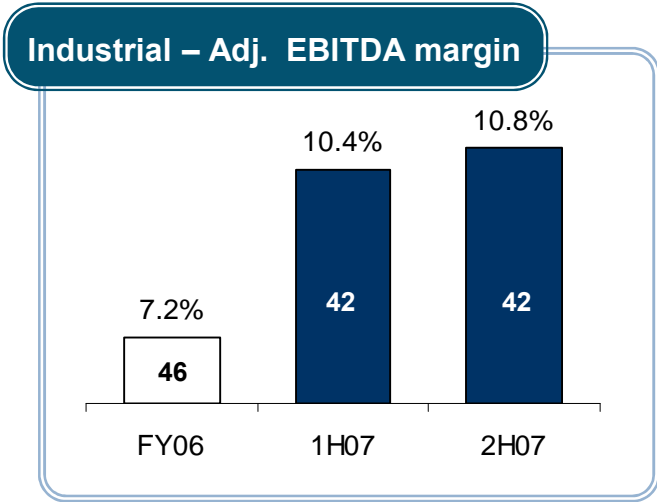
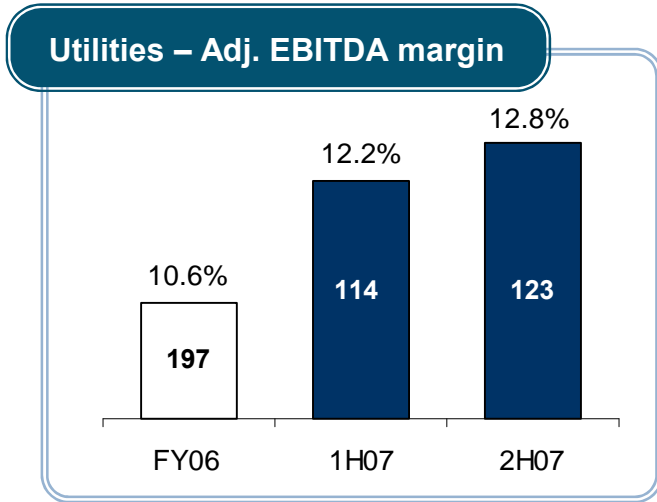
(3) Calculated as Net Income after minorities / Shareholders equity ex. Minorities YE

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

FY 2007 Adj. EBITDA breakdown by business

Euro Millions, % of Sales

Increasing capacity in high profitability businesses to further improve ROCE and exposure to long visibility segments



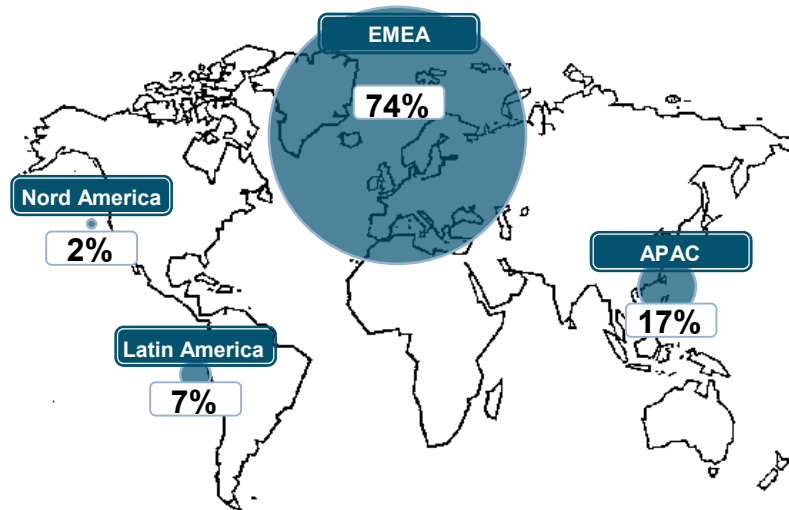
(1) Includes €5m Adj. EBITDA from Other activities

Prysmian Capex

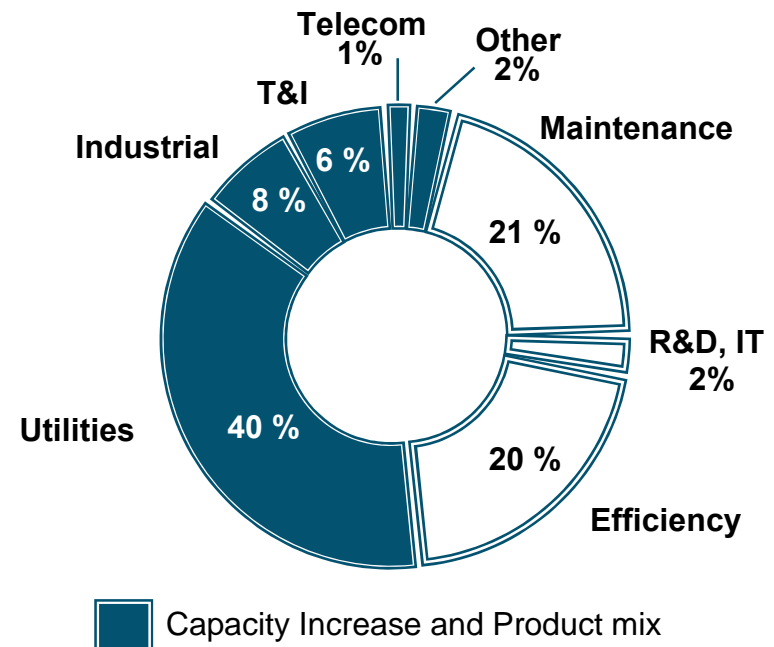
Euro Millions

€ 89 m of Capital Expenditure in 2007

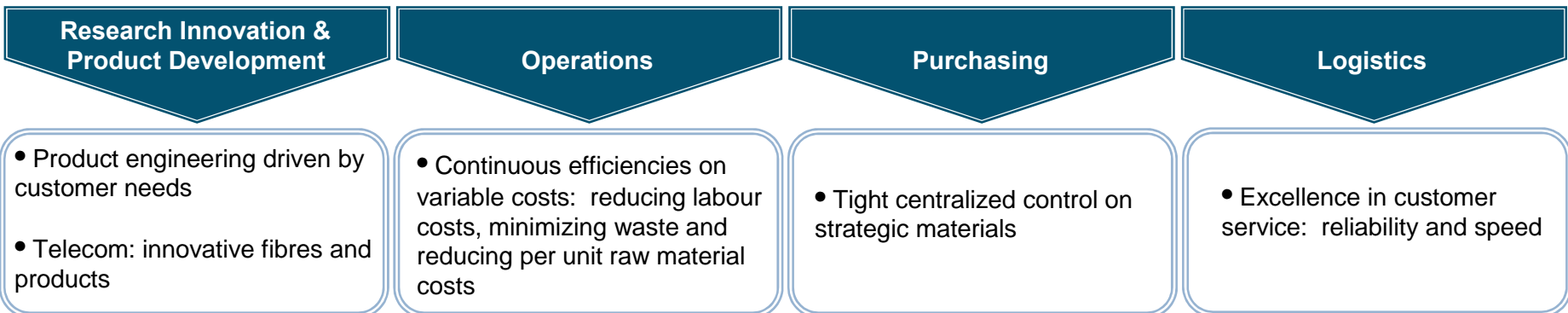
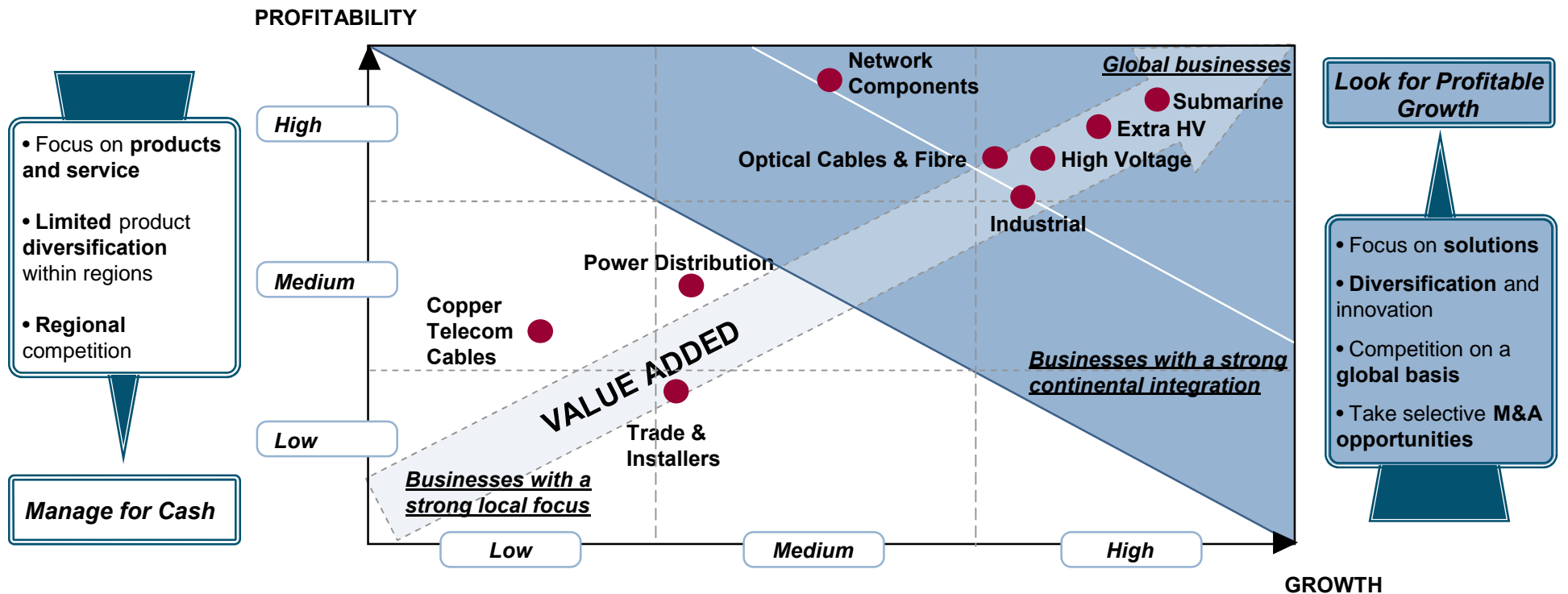
Capital expenditure by Geography



Capital Expenditure by destination

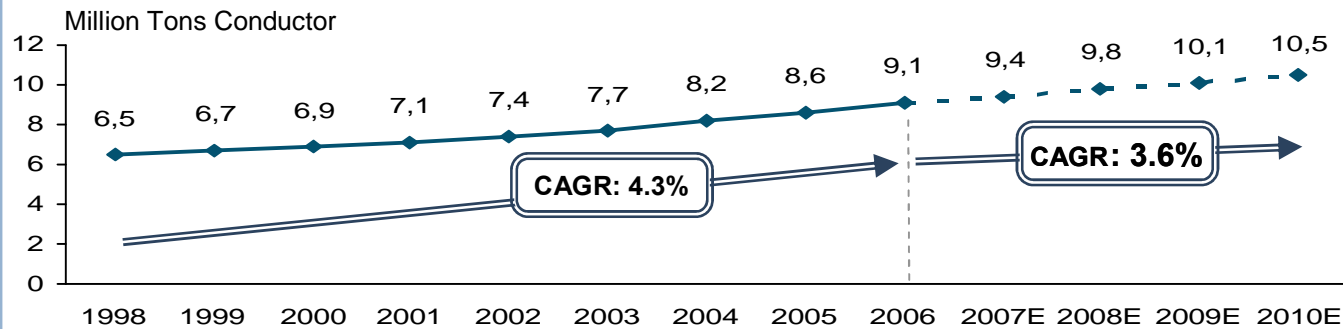


Clear Segmentation Strategy Focused on High Value-Added Products...



...To Benefit From Expected Solid Volume Growth Across End-Markets

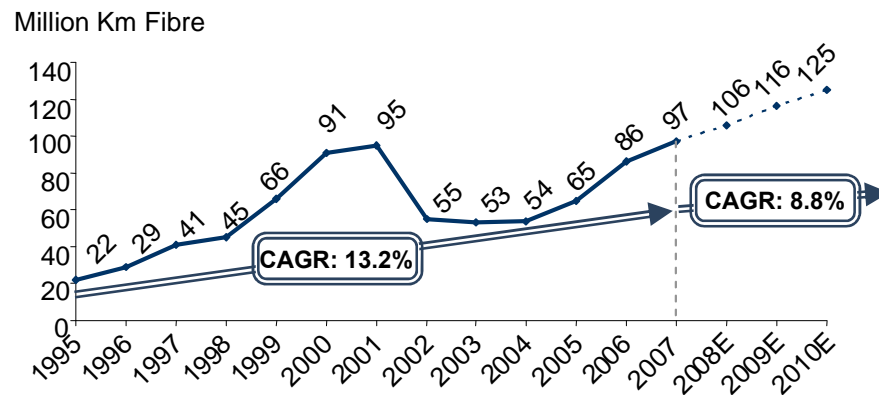
Energy Cables Reference Market (1)



- Historically low correlation with economic cycle
- Growth driven by:
 - Investments in power grid interconnections
 - Investments in power transmission and distribution
 - Infrastructure investments

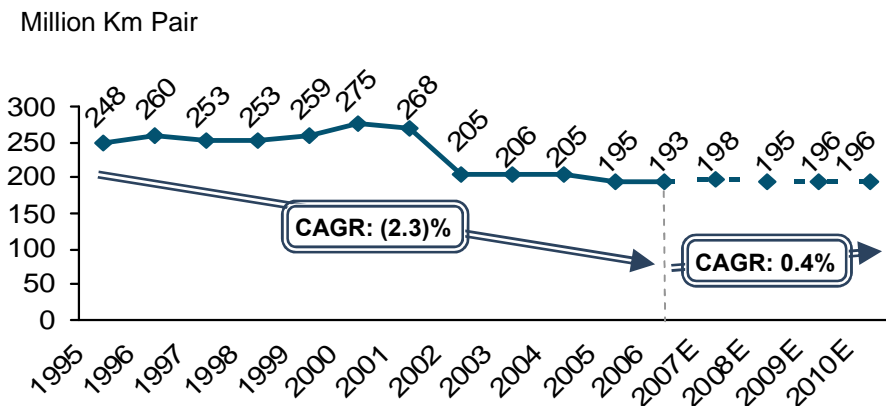
Telecom Cables Reference Market

Optical Cables (2)



- Market growth driven by increased investment in fibre access networks (FTTx)

Copper Cables (1)



- Demand supported by investments in emerging markets

(1) Source: CRU data, April 2007. Energy = Low Voltage and Power Cable; TLC = External Copper Tlc Cable, Singlemode Fibre Optic, Multimode Fibre Optic. For Optical cable producers
 (2) Source: KMI data, November 2007

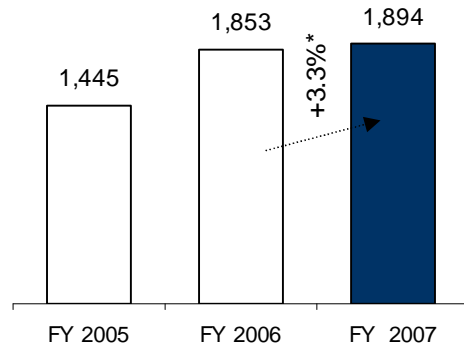
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Utilities

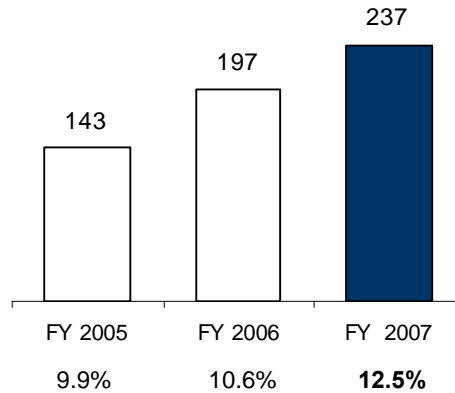
Euro Millions, % of Sales

Sales Vs Third Parties

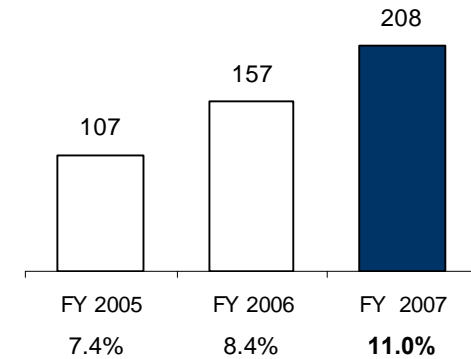


* Organic Growth

Adjusted EBITDA



Adjusted EBIT



Distribution

- Focus on profitability and cash flow generation
- Improvement in profitability achieved in key markets: Italy, Spain, UK
- Strong R&D and Operations to keep leadership in innovation (new technology P-Laser cable) and increase industrial efficiencies

Transmission

HIGH VOLTAGE

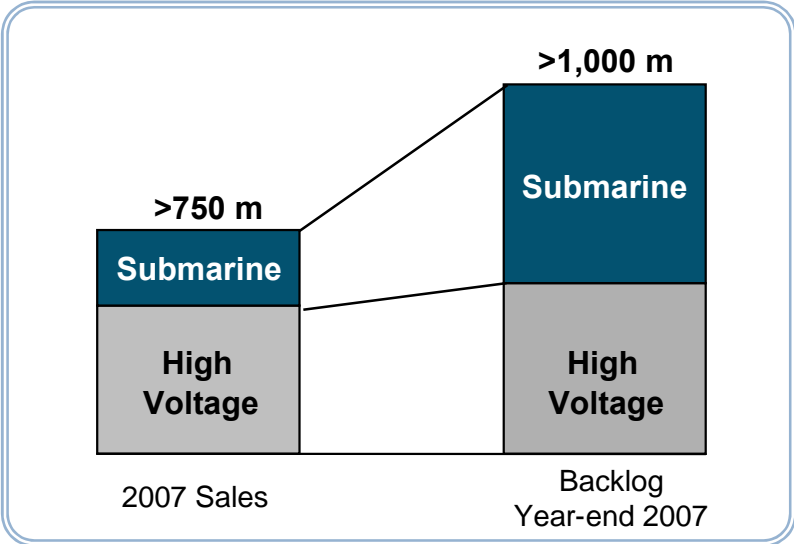
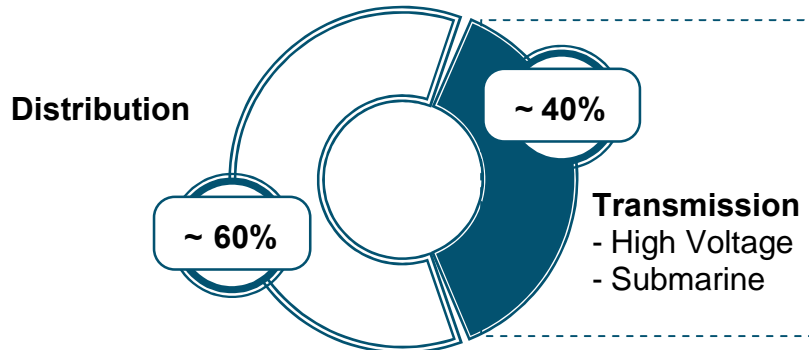
- Global increase in utilities investments due to network expansion and replacement of aging networks
- Substantial growth in project size
- Strong demand coming from Middle East, Russia and Asia
- Increasing production capacity in US and China

SUBMARINE

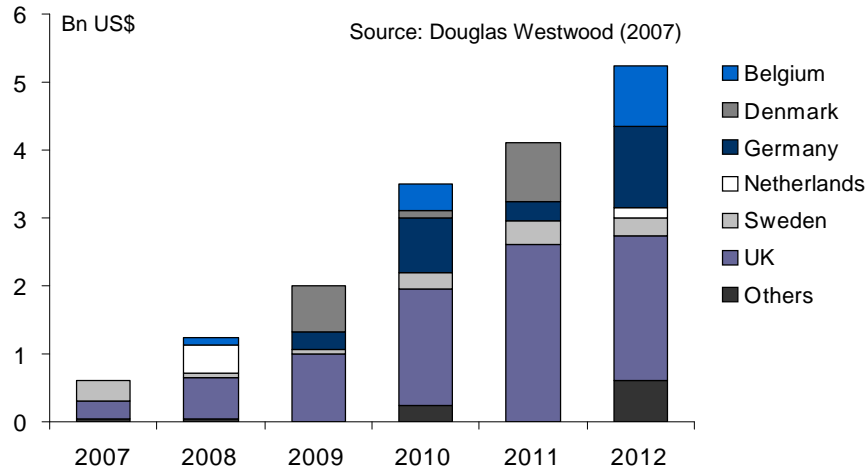
- Market outlook further improved (over 2 years order book)
- Emerging demand from off-shore wind farms
- Further capacity increase to keep leadership in a fast growing market

Global Leader in Transmission

2007 Utilities Sales Breakdown



Off-shore Wind farms – Capital Expenditure

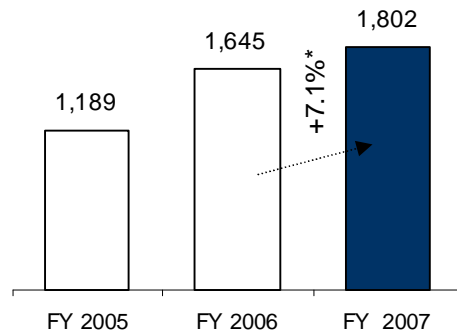


- Over US\$ 15 bn of capital expenditure in the 2008-12 period
- Limited number of players
- High entry barriers both in assets and know-how
- Transmission requirement moving from MV to HV and EHV
- Governments are stimulating investments
- 8 projects already awarded to Prysmian

Trade & Installers

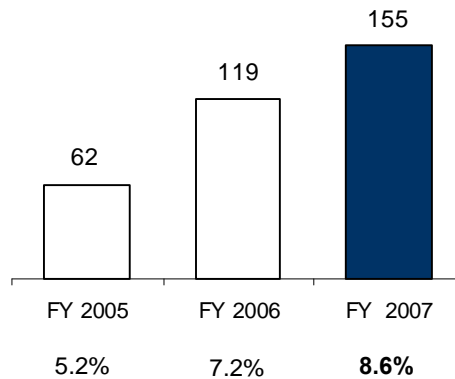
Euro Millions, % of Sales

Sales Vs Third Parties

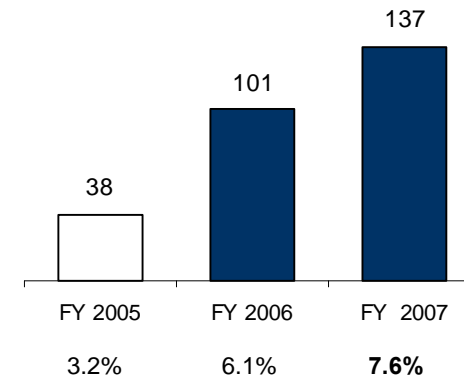


* Organic Growth

Adjusted EBITDA



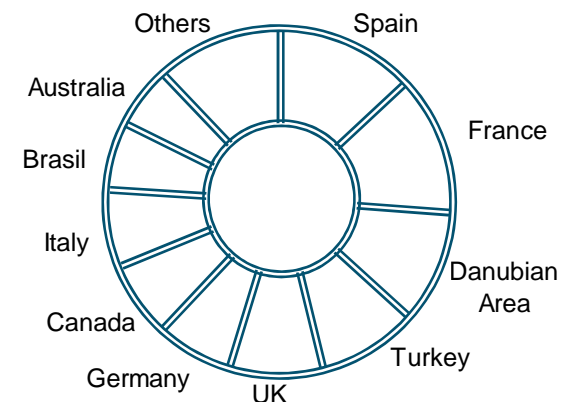
Adjusted EBIT



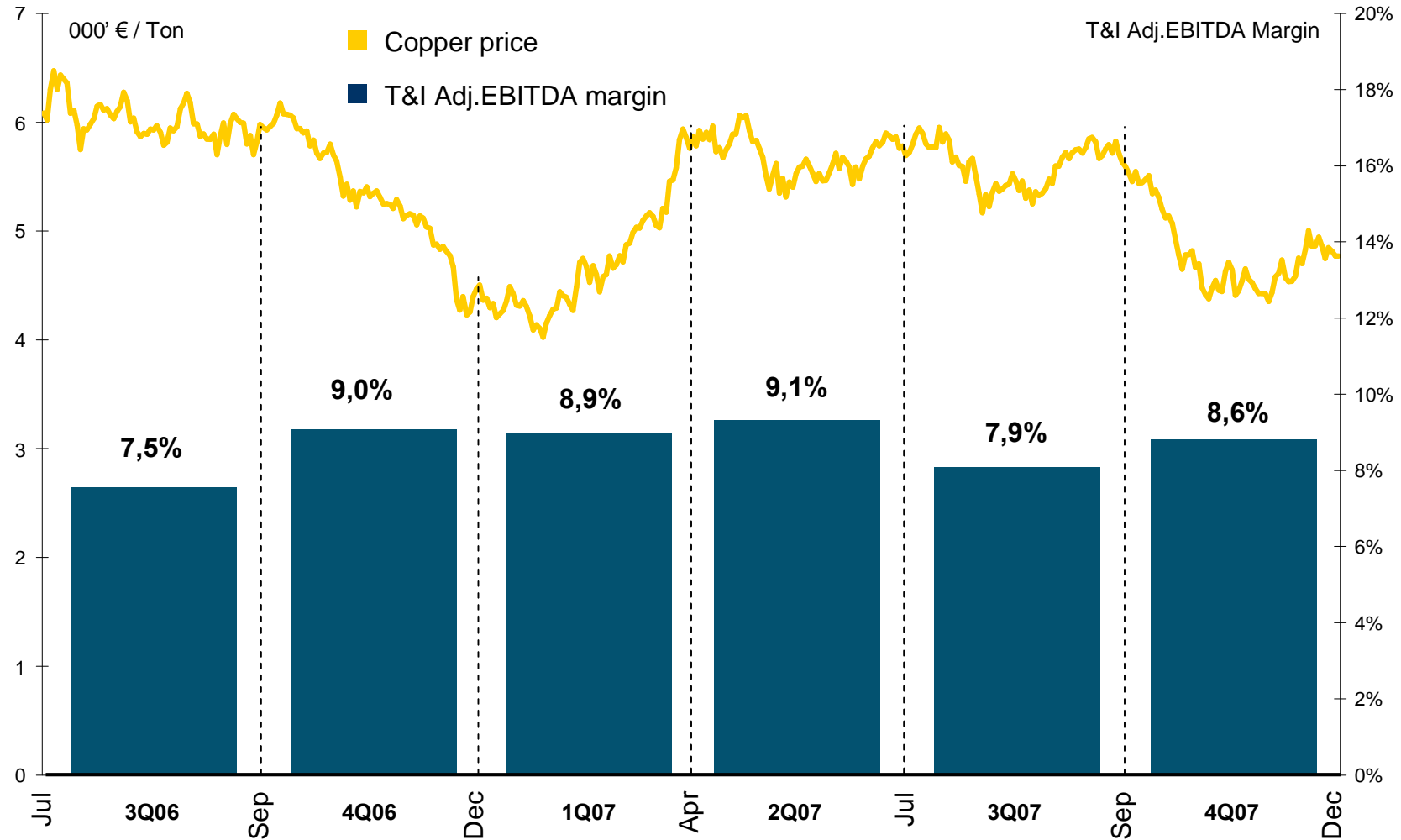
Highlights

- Current market outlook in line with company expectations
- No focus on volumes to protect profitability and working capital even in a challenging market
- High geographical diversification (marginal exposure to US) and product/channel mix improvement during the years
- Increase in profitability achieved in 2007 due to selective geographical approach (focus on more profitable countries) and strong growth in LSOH, fire performance cables

2007 Sales by geography



Trade & Installers – profitability drivers

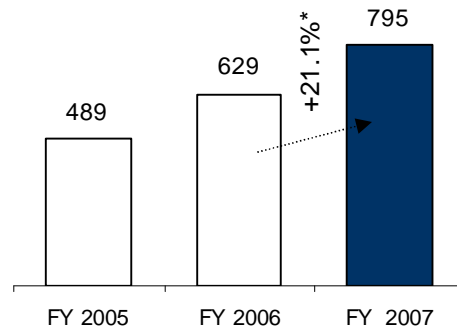


Profitability impacted by geographical and product mix development

Industrial

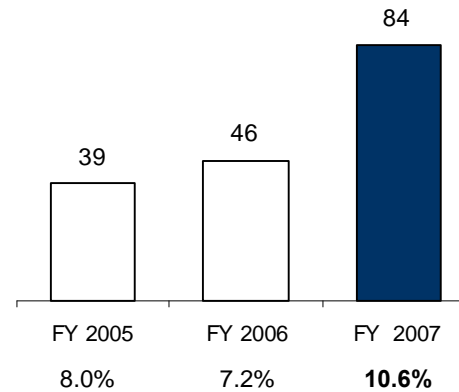
Euro Millions, % of Sales

Sales Vs Third Parties

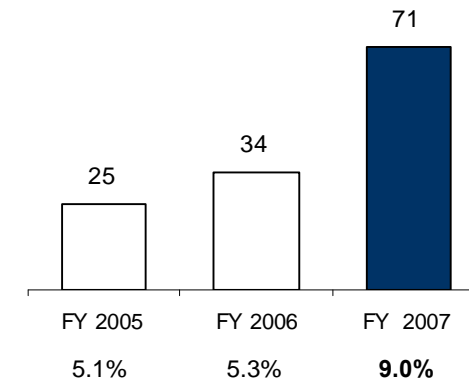


* Organic Growth

Adjusted EBITDA



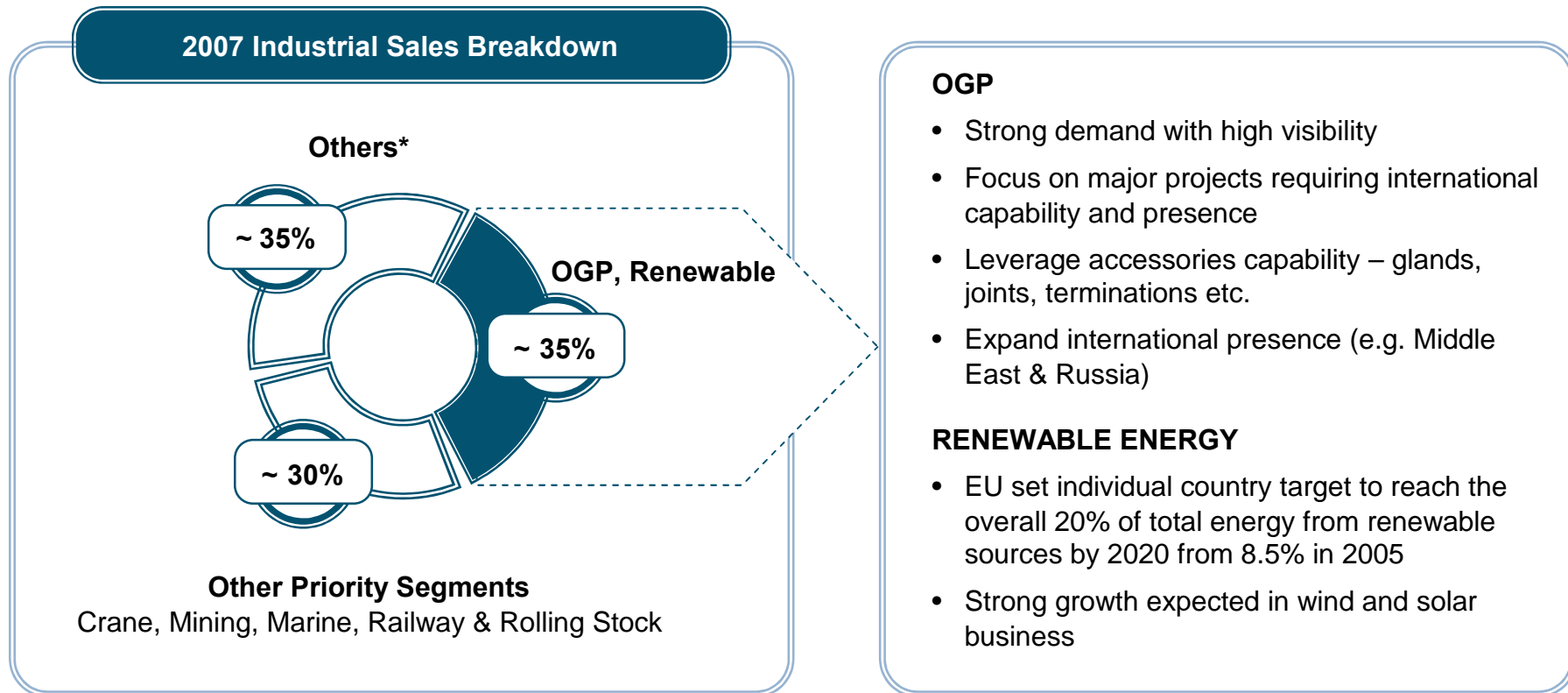
Adjusted EBIT



Highlights

- Growth achieved in Priority fast growing segments:
 - OGP: positive development in Italy, South America, APAC, Middle East and North America with margin improvement due to product mix (e.g. Umbilicals)
 - Renewable energies: fast growth in high value-added wind and solar business (e.g. Germany, Spain, China)
 - Mining: strong increase in Australia, Germany and China
 - Significant revenues growth in Marine and Rolling Stock

Industrial – High growth expected in Priority segments

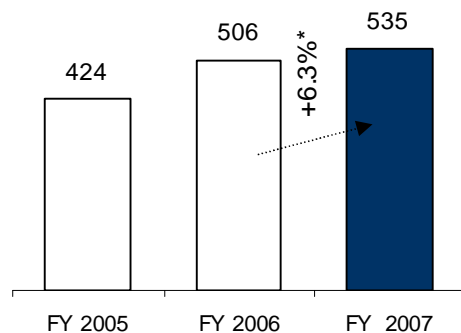


* Others include: Automotive, Branchement, Defence, Electromedical, Nuclear, other niches

Telecom Division

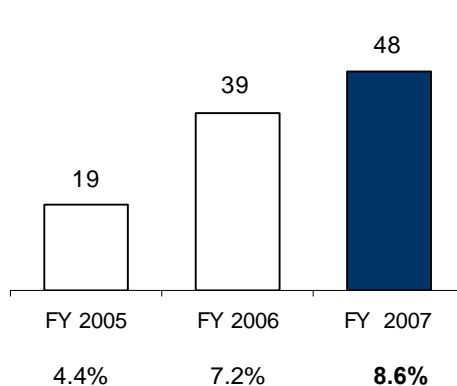
Euro Millions, % of Sales

Sales Vs Third Parties

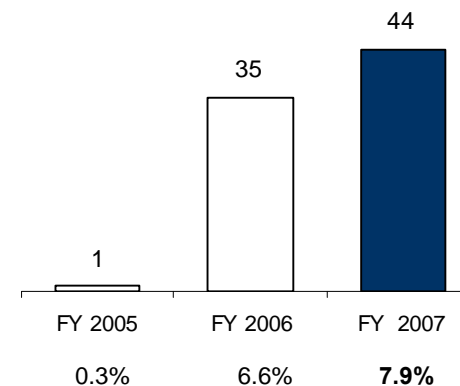


* Organic Growth

Adjusted EBITDA



Adjusted EBIT



Highlights

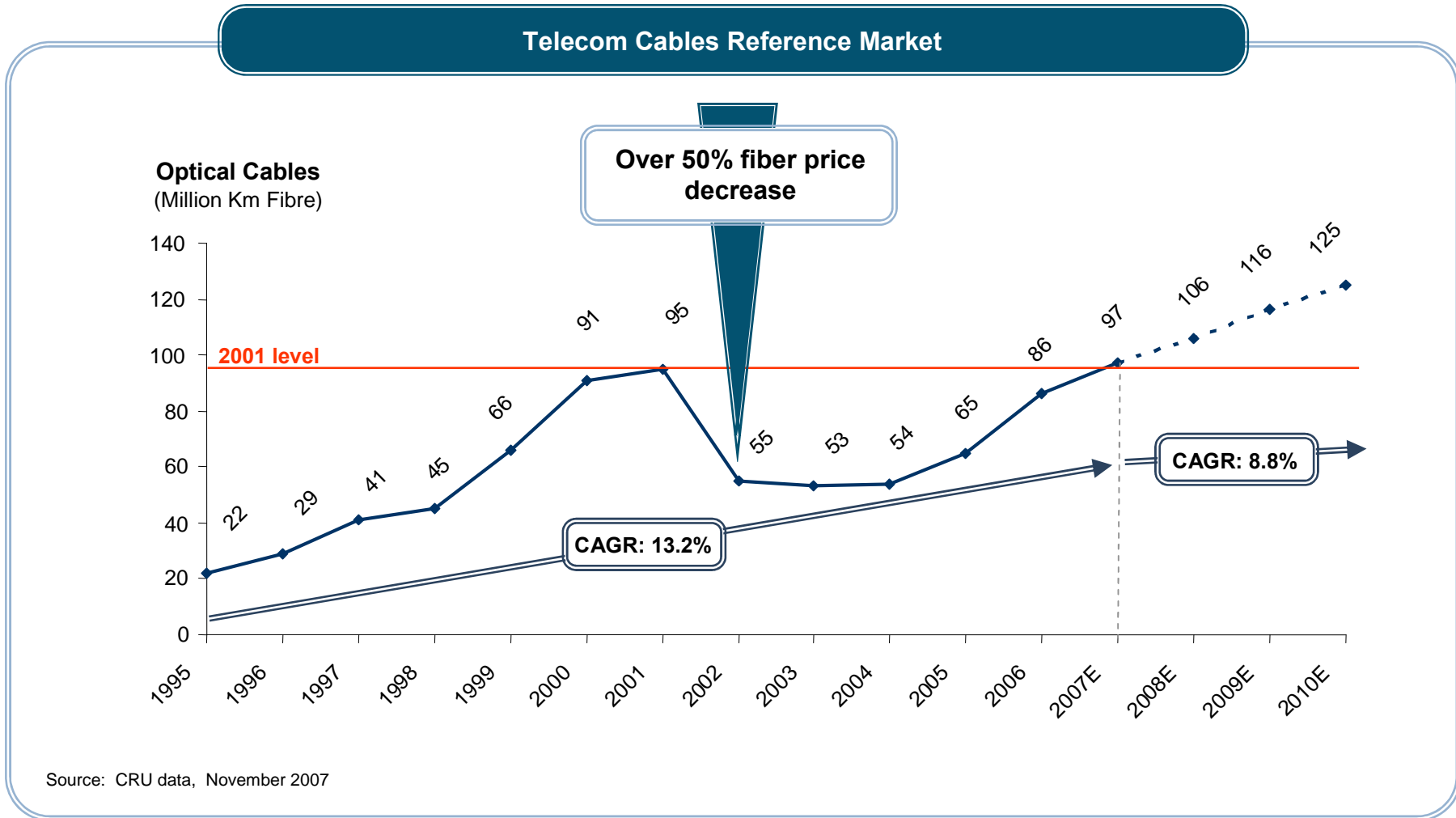
- **Optical cables:**

- Flat market conditions in USA partially offset by higher growth in emerging countries
- Steady demand from traditional incumbent operators in Europe, complemented by new network built activities from alternative operators
- Solid growth of demand in APAC
- Strong demand in aerial cables confirmed (particularly in emerging countries)

- **Copper cables:**

- Continuous growth of demand for xDSL cables in line with the growing broadband market
- Emerging markets confirm solid demand

Telecom – View on optical cables price development



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Profit and Loss Statement

Euro Millions

	FY 2006	FY 2007
Sales	5,007	5,118
<i>YoY total growth</i>	33.8%	2.2%
<i>YoY like for like growth (1)</i>	33.8%	9.2%
<i>YoY organic growth</i>	9.3%	8.2%
Contribution Margin (2)	827	960
<i>% on sales</i>	16.5%	18.8%
Fixed Costs and Others (3)	(420)	(431)
<i>Non recurring items</i>	(36)	44
EBITDA	371	573
<i>% on sales</i>	7.4%	11.2%
Adjusted EBITDA	407	529
<i>% on sales</i>	8.1%	10.3%
EBIT	258	508
<i>% on sales</i>	5.2%	9.9%
<i>Non recurring items</i>	(72)	44
Adjusted EBIT	330	464
<i>% on sales</i>	6.6%	9.1%
<i>Financial charges</i>	(110)	(121)
EBT	147	387
<i>% on sales</i>	2.9%	7.6%
<i>Taxes</i>	(56)	(85)
<i>% on EBT</i>	38.2%	21.9%
Net income	91	302
<i>Net income attributable to the Group</i>	89	300

Notes

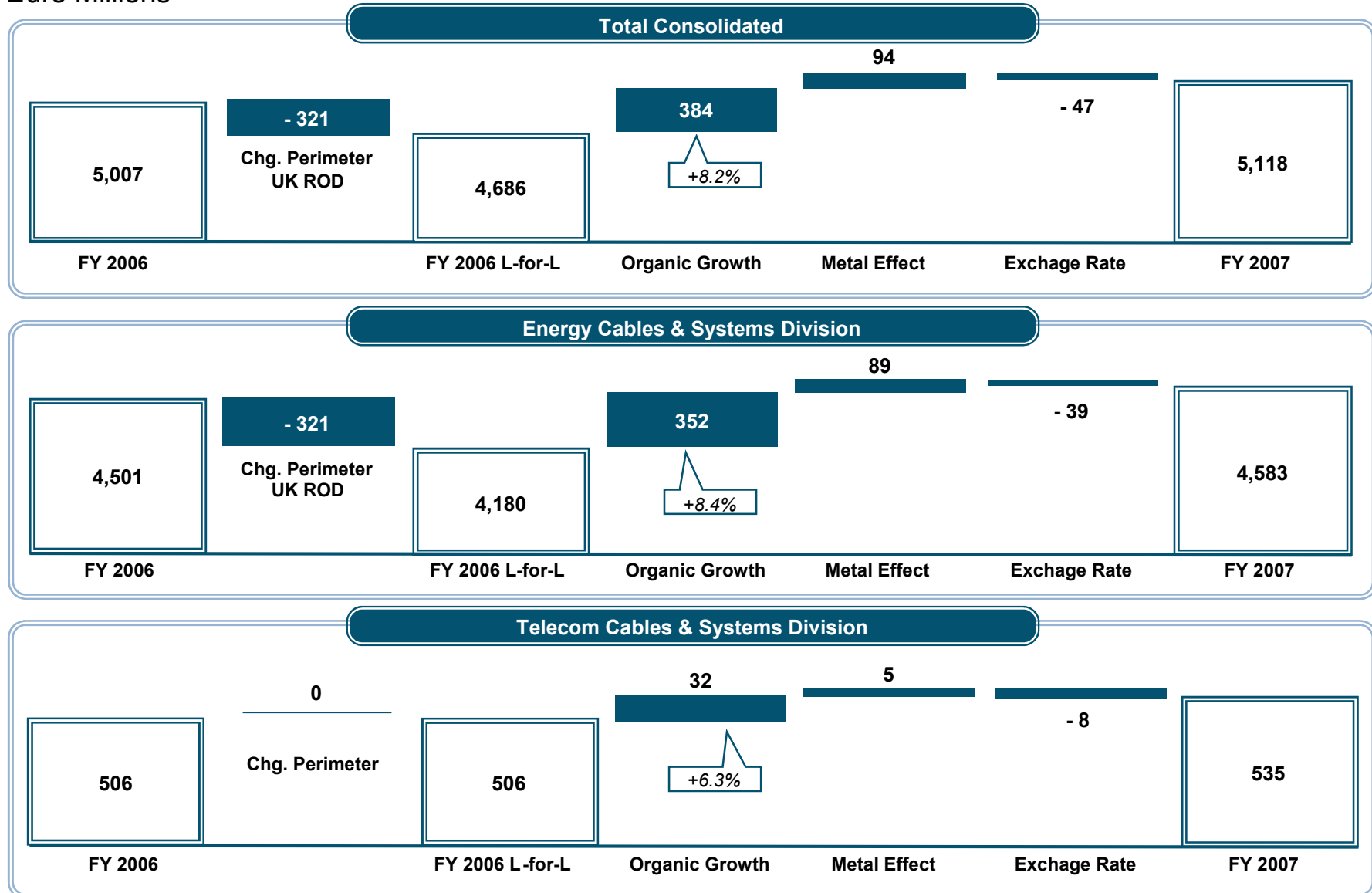
(1) Adjusted for closing of UK ROD business in December 2006 (€321m of sales in FY 2006)

(2) Defined as: Adjusted EBITDA + Fixed costs

(3) Excluding non recurring items

Sales Drivers Vs Third Parties

Euro Millions



Extraordinary Effects

Euro Millions

	FY 2006	FY 2007
Price adjustment	-	39
Other settlements with Pirelli	-	21
Restructuring	(17)	(6)
Launch of Prysmian brand	(6)	-
IPO costs	(10)	(8)
TLC submarine (disposed in 2004)	(1)	(1)
IT Segregation and other fees	(1)	(1)
EBITDA adjustments	(36)	44
<i>of which attributable to Energy Business</i>	<i>(22)</i>	<i>(6)</i>
<i>of which attributable to Telecom Business</i>	<i>(2)</i>	<i>(1)</i>
<i>of which Corporate</i>	<i>(12)</i>	<i>51</i>
Pirelli brand licence D&A	(32)	-
Goodwill reallocation	(5)	-
EBIT adjustments	(72)	44
<i>of which attributable to Energy Business</i>	<i>(54)</i>	<i>(6)</i>
<i>of which attributable to Telecom Business</i>	<i>(2)</i>	<i>(1)</i>
<i>of which Corporate</i>	<i>(16)</i>	<i>51</i>
Bank Fees Write-Off (non cash)	(15)	(59)
(Gain)/Loss Derivatives	(14)	8
(Gain)/Loss Exchange Rate	12	3
(Gain)/Loss Cash Flow Hedge (1)	2	4
EBT adjustments	(87)	(1)
Tax	3	4
Net Income Adjustments	(84)	3

Notes

(1) Release of equity reserve due to temporary mismatch of interest rate derivatives (transition from old to new credit agreement)

Financial Charges

Euro Millions

	FY 2006	FY 2007
Net interest expenses (1)	(87)	(69)
- gain on cash flow hedge	2	4
Bank fees Amortization	(8)	(6)
Bank fees Write-Off	(15)	(59)
Gain/(loss) on exchange rates	12	3
Gain/(loss) on derivatives	(14)	8
Net financial charges	(112)	(123)
Share in net income of associates	2	2
Total financial charges	(110)	(121)

Notes

(1) Including Other financial expenses

Energy Division: Profit and Loss Statement

Euro Millions

	FY 2006	FY 2007
Sales	4,570	4,618
Sales vs. Third parties	4,501	4,583
<i>YoY total growth</i>	35.1%	1.8%
<i>YoY like for like growth (1)</i>	35.1%	9.6%
<i>YoY organic growth</i>	8.9%	8.4%
Contribution Margin (2)	717	851
<i>% on sales</i>	15.7%	18.4%
EBITDA	346	475
<i>% on sales</i>	7.6%	10.3%
<i>Non recurring items</i>	(22)	(6)
Adjusted EBITDA	368	481
<i>% on sales</i>	8.1%	10.4%
EBIT	241	414
<i>% on sales</i>	5.3%	9.0%
<i>Non recurring items</i>	(54)	(6)
Adjusted EBIT	295	420
<i>% on sales</i>	6.5%	9.1%

Notes

(1) Adjusted for closing of UK ROD business in December 2006 (€321m of sales in FY 2006)

(2) Defined as: Adjusted EBITDA + Fixed costs

Telecom Division: Profit and Loss Statement

Euro Millions

	FY 2006	FY 2007
Sales	537	548
Sales vs. Third parties	506	535
<i>YoY total growth</i>	22.8%	5.7%
<i>YoY like for like growth</i>	22.8%	5.7%
<i>YoY organic growth</i>	12.5%	6.3%
Contribution Margin (1)	110	109
<i>% on sales</i>	20.5%	20.0%
EBITDA	37	47
<i>% on sales</i>	6.9%	8.5%
<i>Non recurring items</i>	(2)	(1)
Adjusted EBITDA	39	48
<i>% on sales</i>	7.2%	8.6%
EBIT	33	43
<i>% on sales</i>	6.1%	7.8%
<i>Non recurring items</i>	(2)	(1)
Adjusted EBIT	35	44
<i>% on sales</i>	6.6%	7.9%

Notes

(1) Defined as: Adjusted EBITDA + Fixed costs

Balance Sheet

Euro Millions

	FY 2006	FY 2007
Net fixed assets	875	881
Net working capital	442	536
<i>NWC as % on sales</i>	8.8%	10.5%
Provisions	(140)	(135)
Net Capital Employed	1,177	1,282
Employee provisions	128	112
Shareholders' equity	170	454
<i>of which attributable to minority interest</i>	19	21
Net financial position	879	716
<i>Debt Shareholders Loans</i>	42	-
<i>Bank Fees</i>	(63)	(20)
<i>Net financial position vs Third Parties</i>	900	736
Total Financing and Equity	1,177	1,282

Cash Flow

Euro Millions

	FY 2006	FY 2007
EBITDA	371	573
Price adj. and other settlements with Pirelli	-	(60)
Equity compensation (IFRS 2)	4	6
Gains/losses on disposals	(8)	(1)
Net Change in provisions	(3)	(6)
Cash flow from operations (before WC changes)	363	512
Working Capital changes	39	(60)
Paid Income Taxes	(56)	(86)
Cash flow from operations	346	366
Price adj. and other settlements with Pirelli	-	45
Net CAPEX (1)	(69)	(83)
Free Cash Flow (unlevered)	278	328
Financial charges	(112)	(83)
Free Cash Flow (levered)	166	245
Reserves distribution & Minorities movements	(90)	(2)
Shareholders Loan (Equity component)	(51)	(28)
Net Cash flow	25	215
Net financial position at the beginning of the period	(892)	(879)
Net cash flow	25	215
Other variations	(11)	(52)
Net financial position at the end of the period	(879)	(716)

Notes

(1) Not including movements of the item "Securities held for trading" (included in Net Financial Position)

Strong financial structure

- Two long term financing contracts
- Over €700m committed facilities currently unutilized

	Amount	Current pricing		NFP/EBITDA < 2.0x		NFP/EBITDA < 1.5x	
	€m	spread	comm.fee	spread	comm.fee	spread	comm.fee
Securitization	350	0.45%	0.275%	0.375%	0.225%	0.325%	0.20%
Term Loan	1,000	0.80%	n/a	0.50%	n/a	0.40%	n/a
Revolving Facility	400	0.80%	0.32%	0.50%	0.15%	0.40%	0.12%
Bonding Facility	300	0.55%	0.22%	0.40%	0.12%	0.30%	0.09%

	31.12.06	31.12.07
	€m	€m
Term Loan	1,285	995 (2)
Securitization	0	0
Other Debt	69	73
Total Gross Debt	1,354	1,068
Cash & Other Financial Assets	(454)	(332)
NFP Vs third parties	900	736
Bank Fees)	(63)	(20)
SHL (Debt component) (1)	42	0
NFP	879	716

Notes

(1) Total shareholders loan paid back in May 2007 equal to €71m

(2) Including interest accrued €4.7m

Sustainable Dividend Policy

Dividend Policy

- €75m dividends in 2008 (25% Pay-out ratio)
- Dividend yield of 3.1% (1)
- Keep an efficient financial structure
 - Net Debt to EBITDA ratio
- Cash availability for M&A transactions

(1) Last month average share price (7Feb-7March08)

(2) Based on 180m shares

Number of Shares

180,000,000

Earning Per Share

€ 1.67

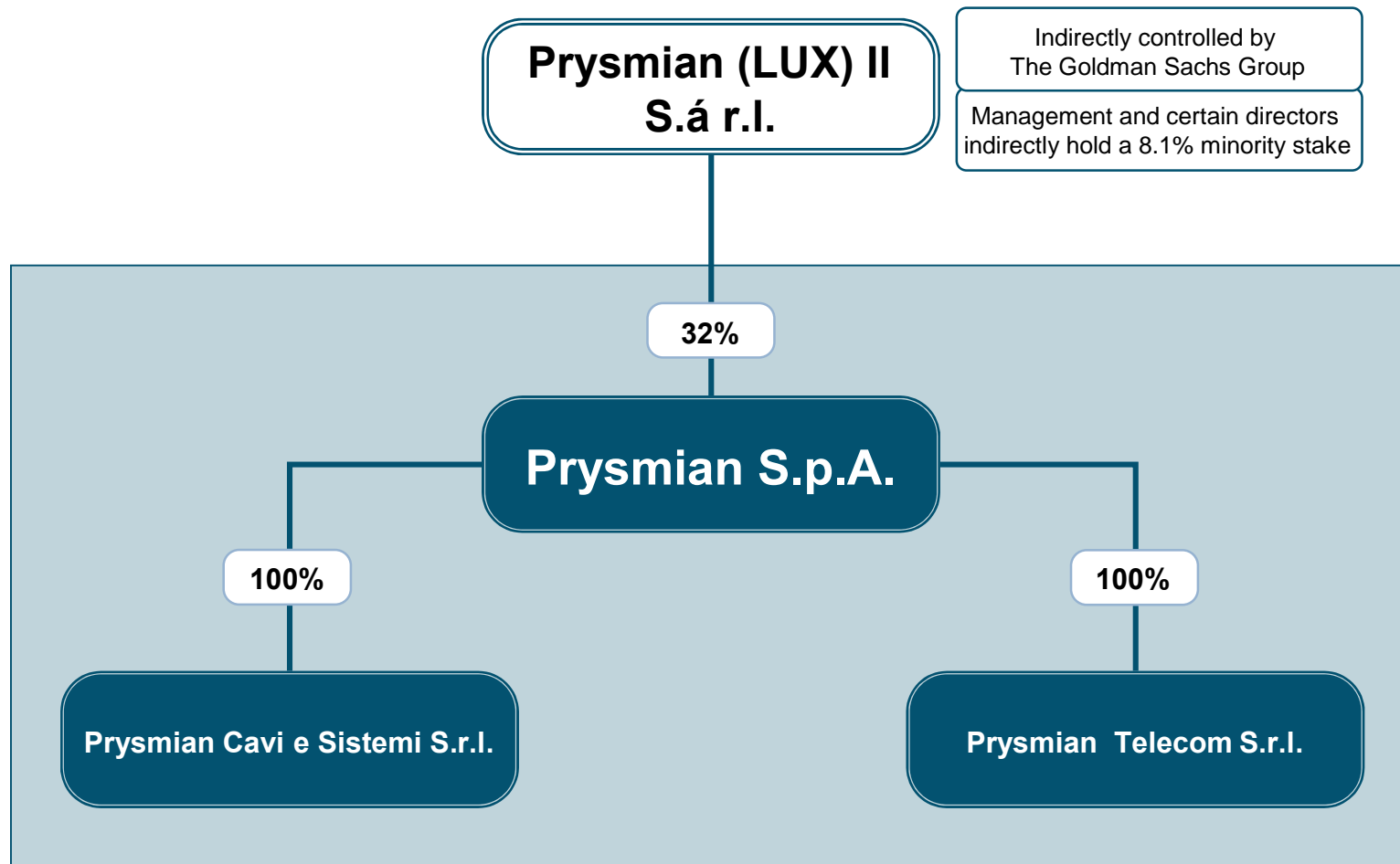
Dividend Per Share (2)

€ 0.417

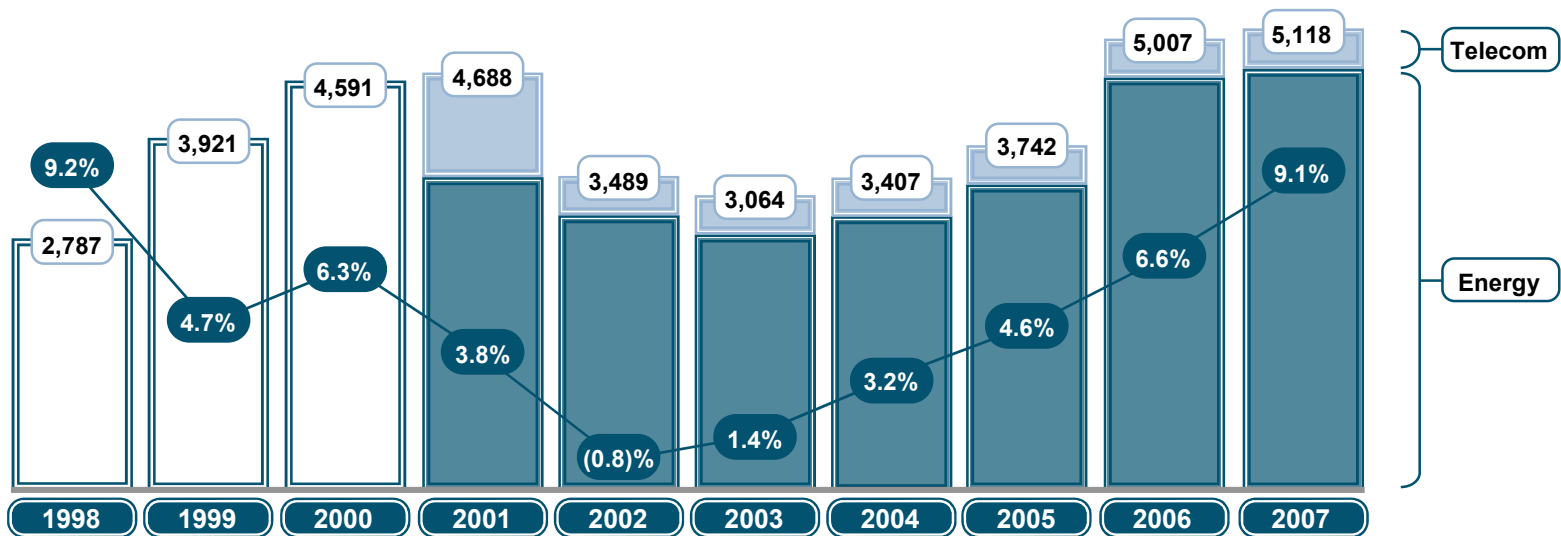
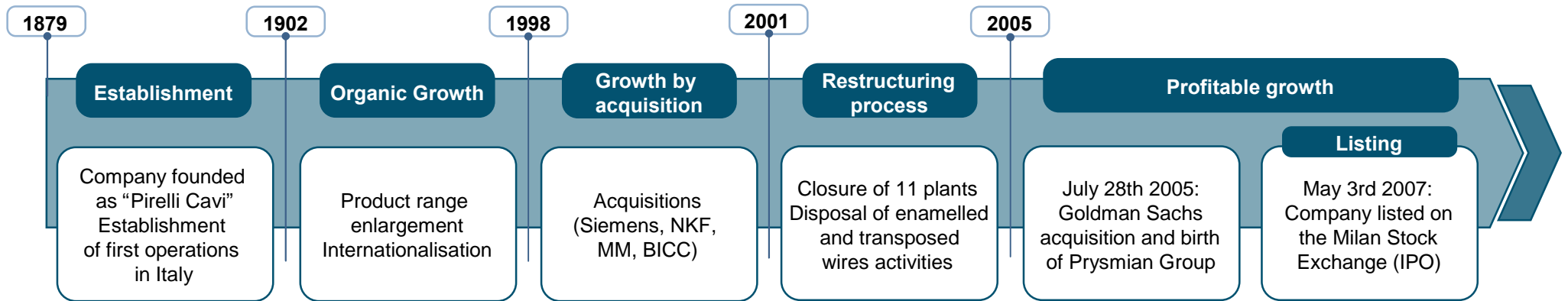
Agenda

- FY 2007 Highlights
 - Group Overview
 - Division Results
- Financials
- Appendix

Prysmian Group Structure



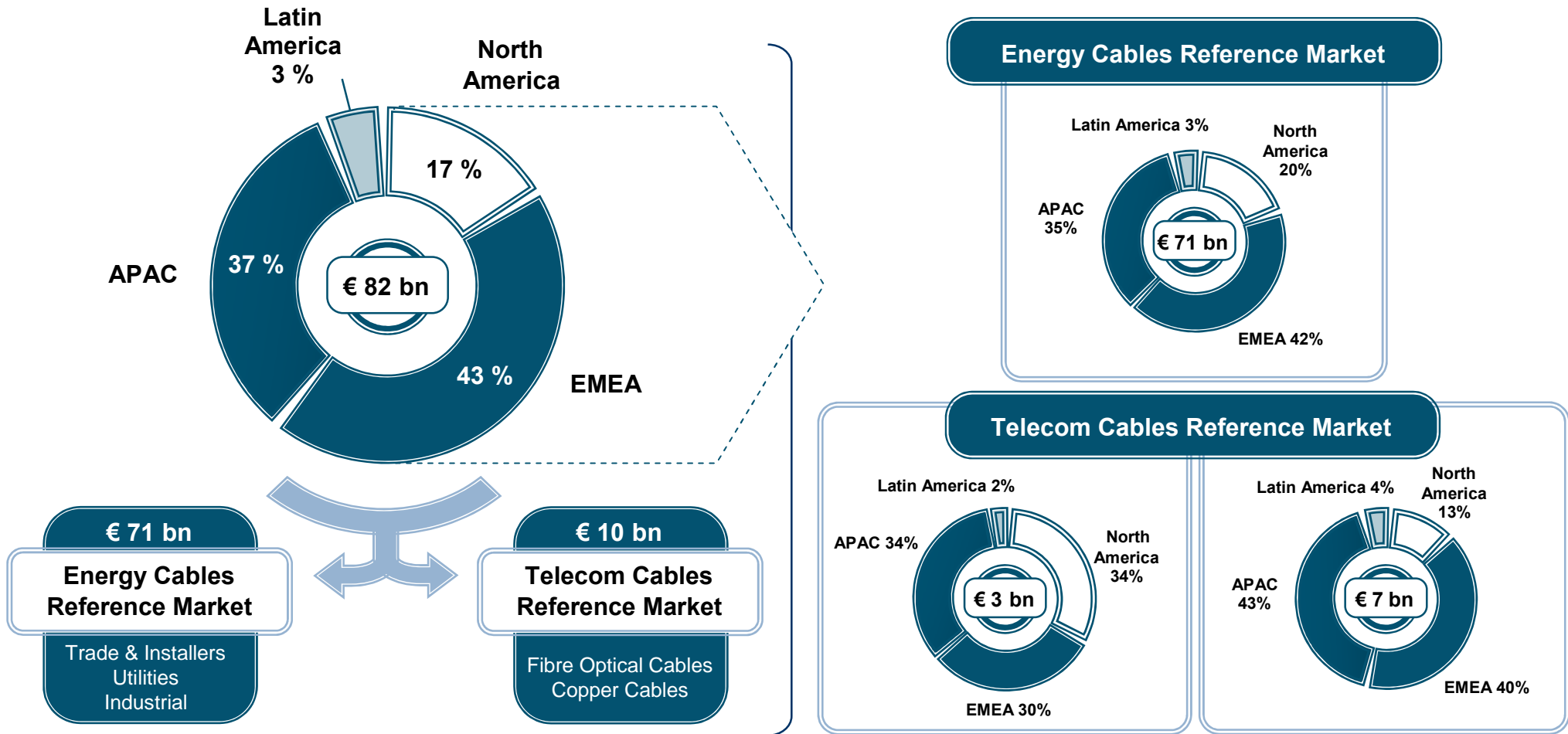
Prysmian Key Milestones



Source: 1998-2003 Pirelli Group Annual Reports, data reported under Italian GAAP; 2004-2007 Prysmian accounts, data reported under IFRS.

The Global Cables Reference Market

World-Wide Cable Reference Market Size, 2006



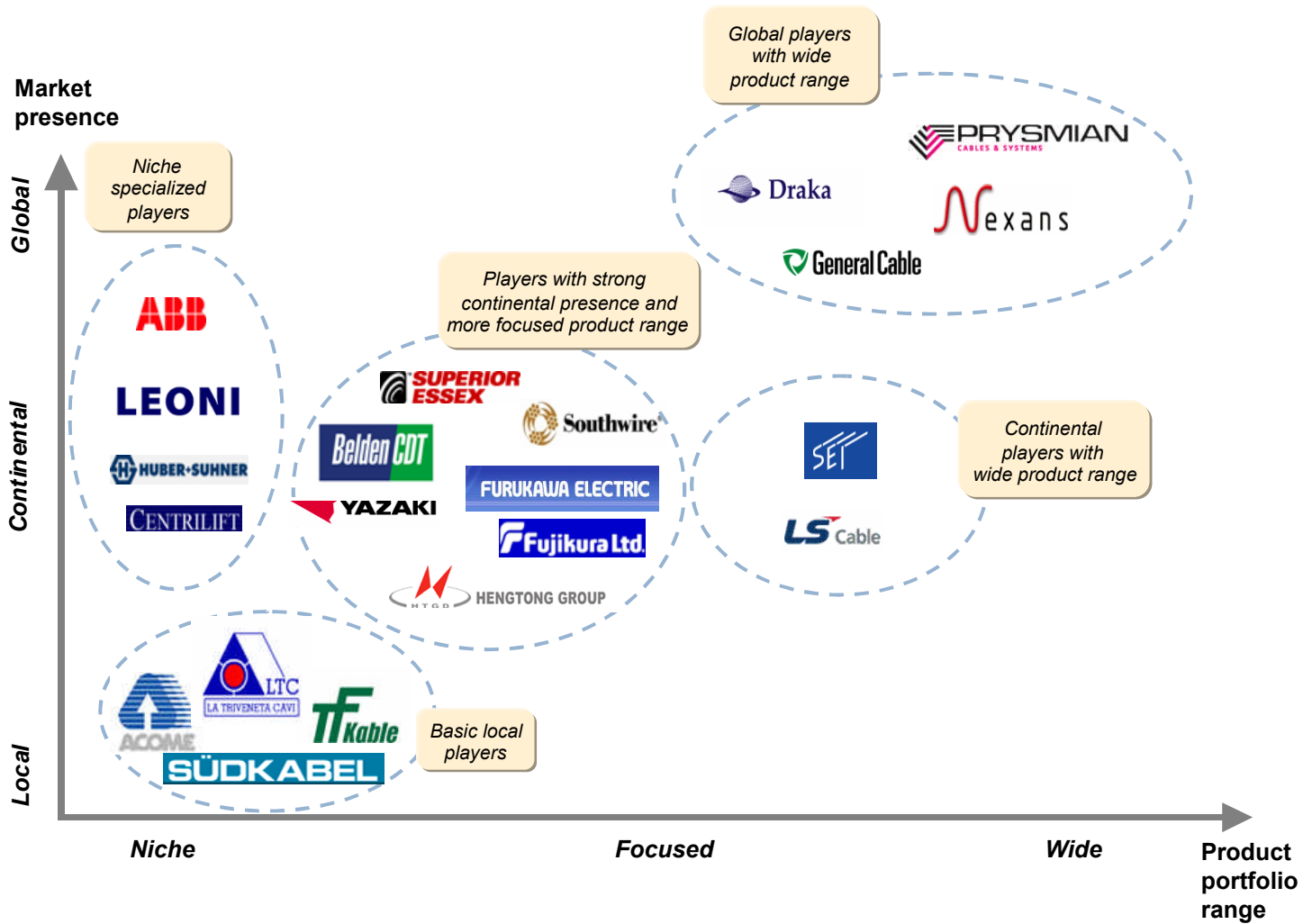
Source: CRU data, April 2007. Prysmian reference markets are obtained by excluding from the global cable market the segments where the company does not compete (winding wire for the energy sector and internal telecom data and copper LAN cables for the telecom sector). Energy = Low Voltage and Power Cable; TLC = External Copper Tlc Cable, Singlemode Fibre Optic, Multimode Fibre Optic.

Conversion rate used: US\$/Euro = 0.803

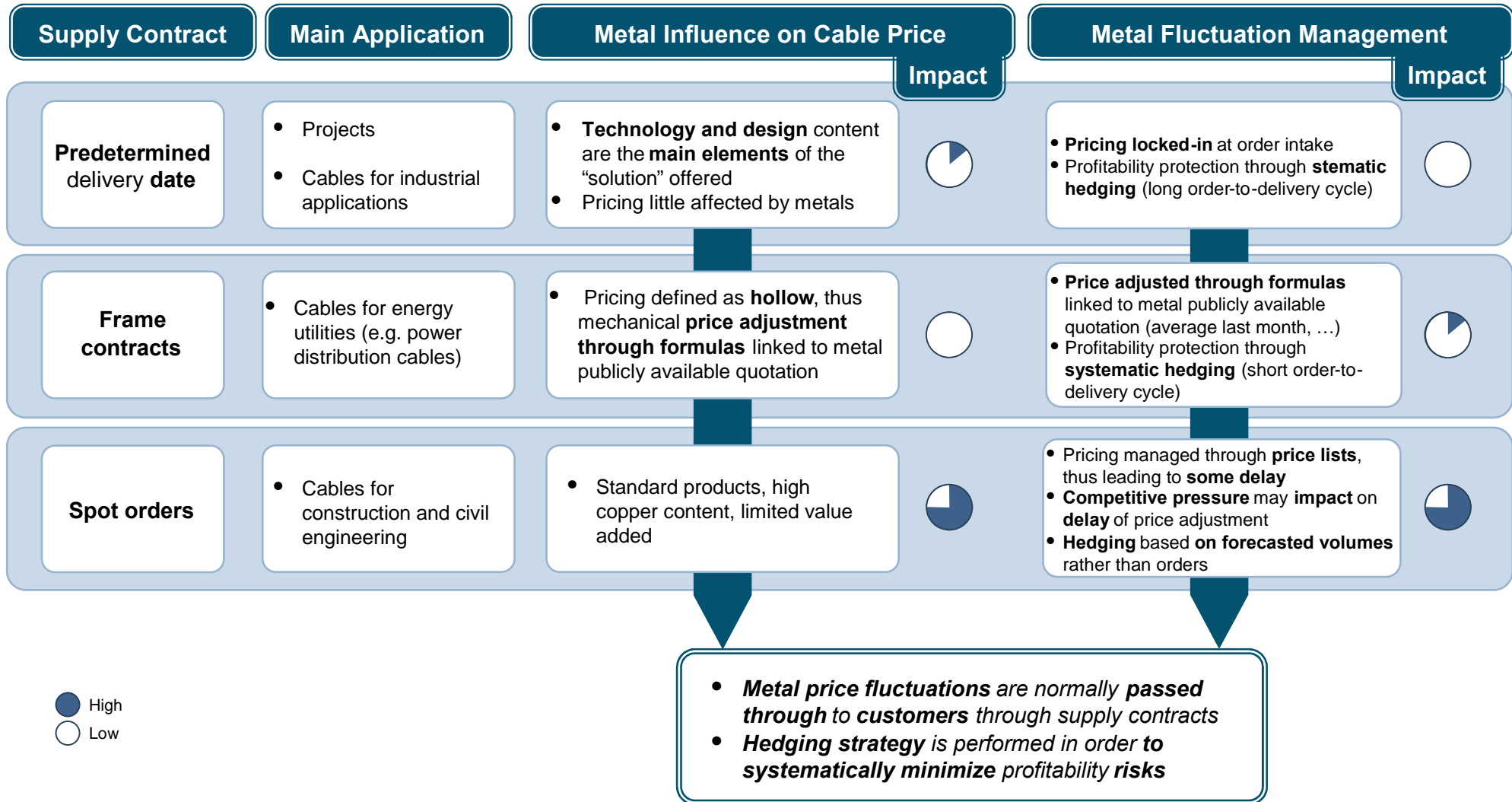
Average copper price over 2005: 2976.75 €. Over 2006: 5341.62 €

Appendix - Energy

Major Players Within the Energy Industry



Metal Price Impact on Profitability



Submarine Systems

Strategic Highlights

Key success factors

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

Action plan

Complete production capacity expansion to support business development (current capacity fully saturated for 2008 and 2009) through:

- New production line at Arco Felice plant, involving a 50% increase in the production capacity
- Debottlenecking of current production capacity

Key Projects under development

Customer

Period

€m (1)

• 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		
• Qatar Gas 2	• NPCC Mepi		

¹ Prysmian portion of the project.

Power Distribution

Strategic Highlights

Market drivers

- Continuing growth in electricity consumption
- Mandated improvements in service quality
- Investment incentives to utilities
- Network expansion following new suburban areas

Key customers

Key customers are all major national distribution network operators



Key success factors

- Quality of service
- Technical support
- Pricing
- Customer relationship

Action plan

- Improve service level
- 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 Overview

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
 - Wholesales
 - Do-it-yourself/modern distribution
- Wide range of products including
 - Value added fire retardant
 - Environmental friendly
 - Specialised products
- Service KPIs
 - Product availability
 - On-time delivery
 - Customer relationship

Key customers

- Key customers include major:
 - Specialised distributors



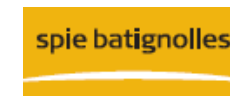
- General distributors



- Wholesalers



- Installers



Trade & Installers

Strategic Highlights

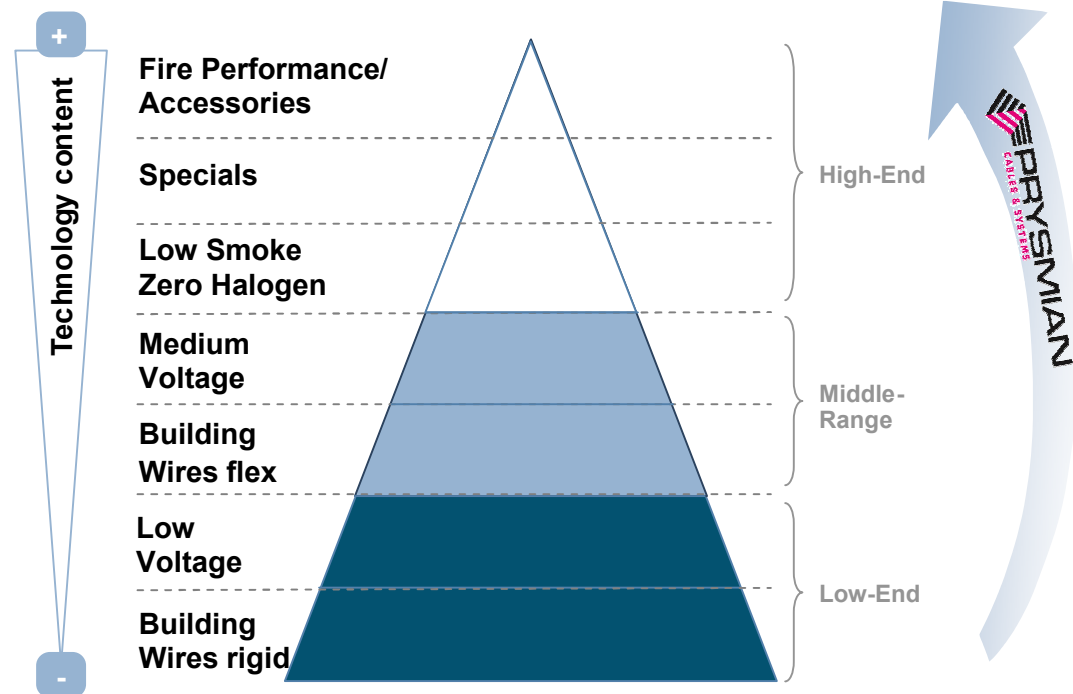
Key success factors

- Product range
- Inventory management/reliability of delivery
- Pricing
- Channel management

Action plan

- Continuously redefine product portfolio
 - Focus on high-end products (e.g. Fire Performance)
 - Selectively trim low-end products
- Exploit channel/market specificity
 - Focus on wholesales and installers
 - Protect positioning in high margin countries
 - Grow global accounts
- Focus on marketing policies (indirect leverages, communication, direct marketing)
- Capitalize on successful launch of new products
- 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)



- Transportation**

Products for trains, ships, automobiles



- Infrastructure**

Products for port, railway, and airport



- Mining**

Products for harsh environment application



- Renewable Energy**

Products for wind and solar energy generation



- Other niches:**

Defence (cables for military applications), nuclear, electromedical, ...

Key customers

Large and differentiated customer base generally served through direct sales

Snamprogetti



ALSTOM

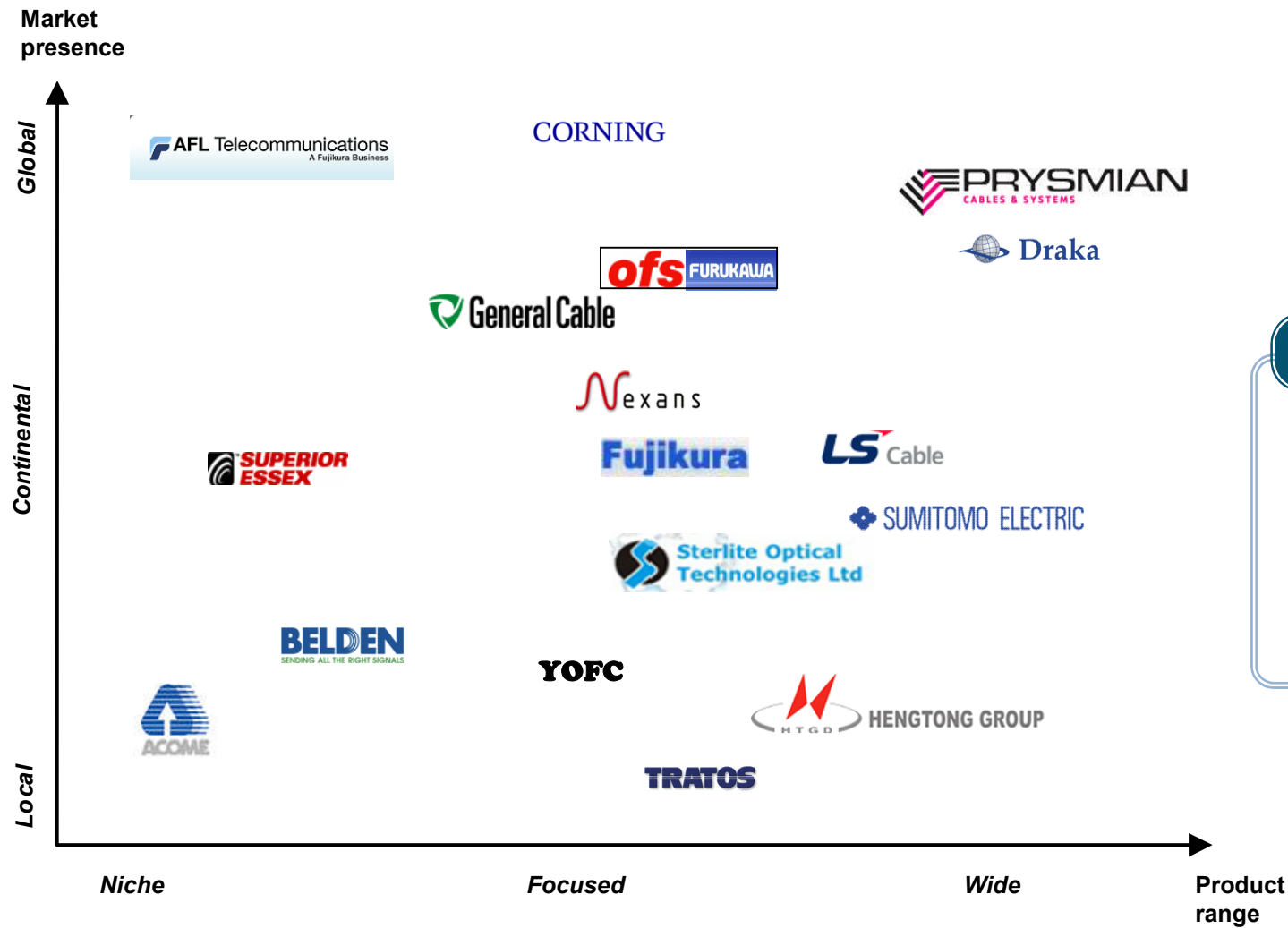


AKER KVÆRNER



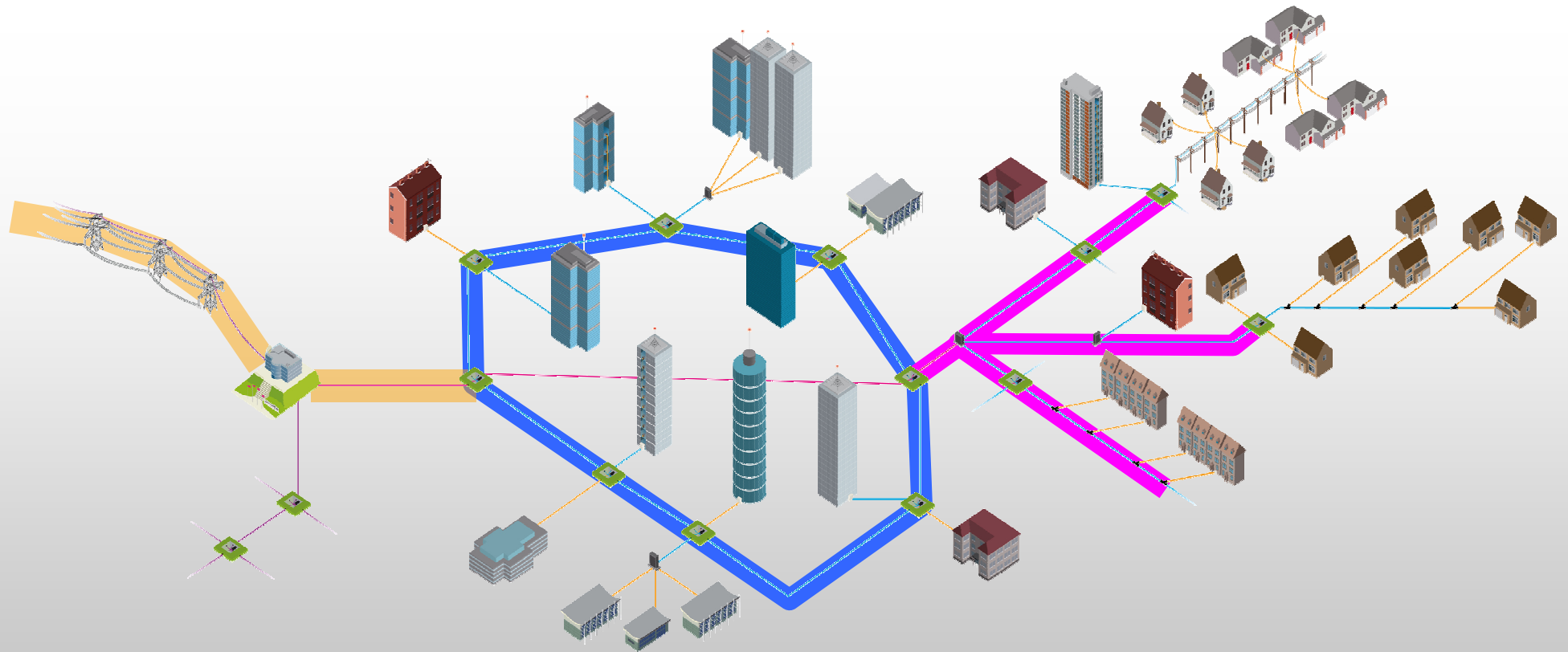
Appendix - Telecom

Major Players within the Telecom Industry



- Optical cable producers**
- Corning
 - Prysmian
 - Furukawa
 - Draka

Telecom Cables Main Applications

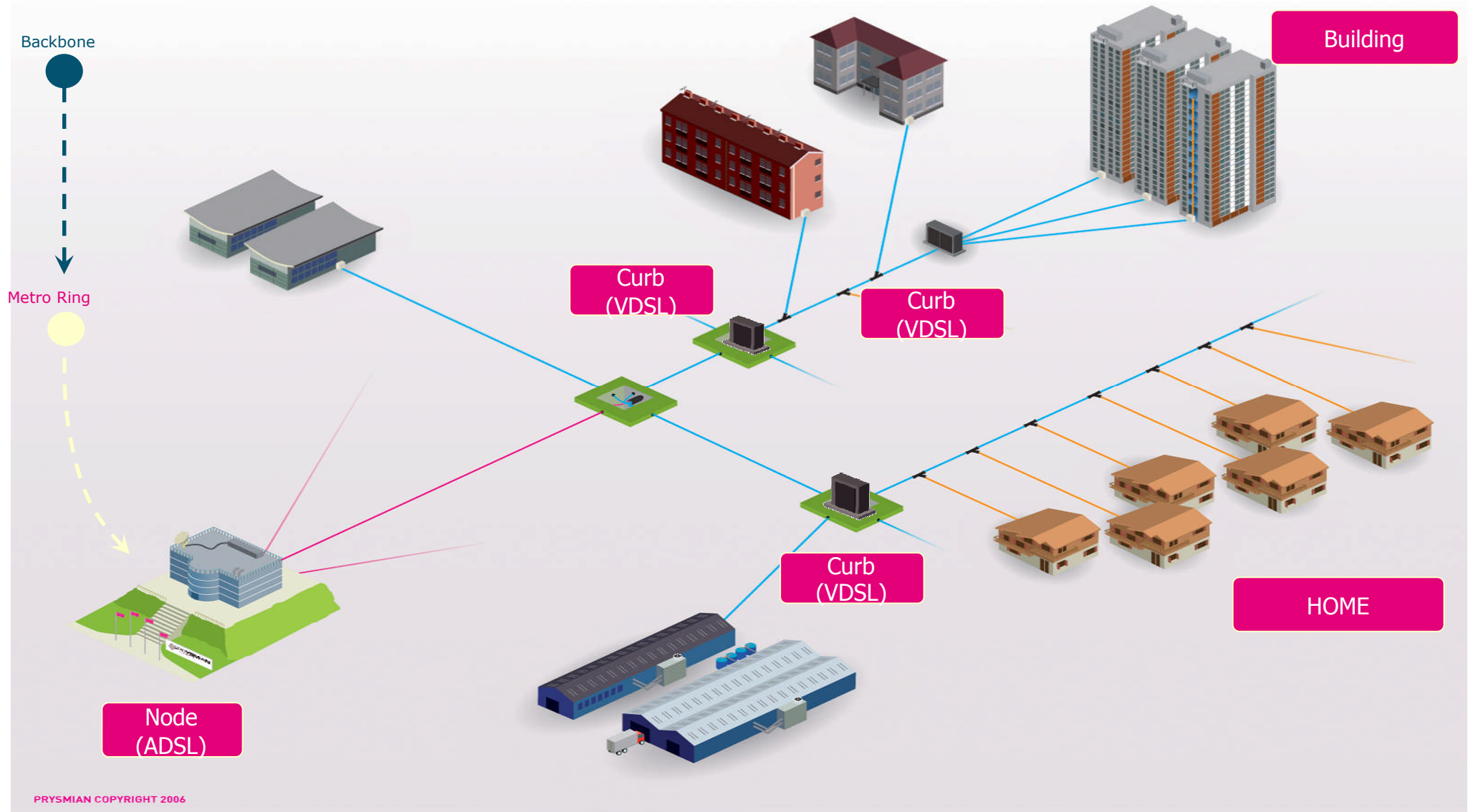


BACKBONE

METROPOLITAN RING

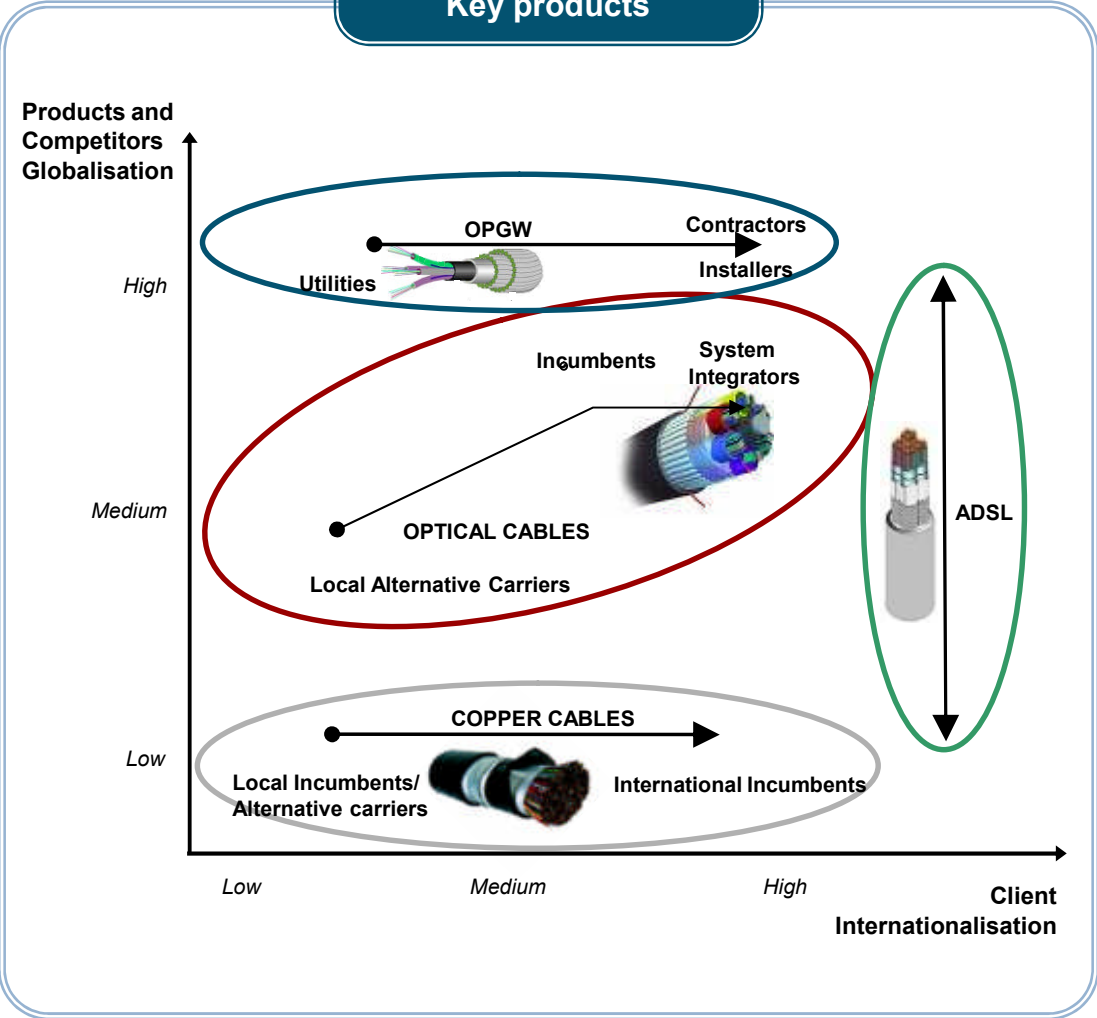
ACCESS NETWORK

Broadband Drive



Prysmian Current Product Portfolio and Key Customers

Key products



Key customers

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

TELCO Carriers



System Integrators

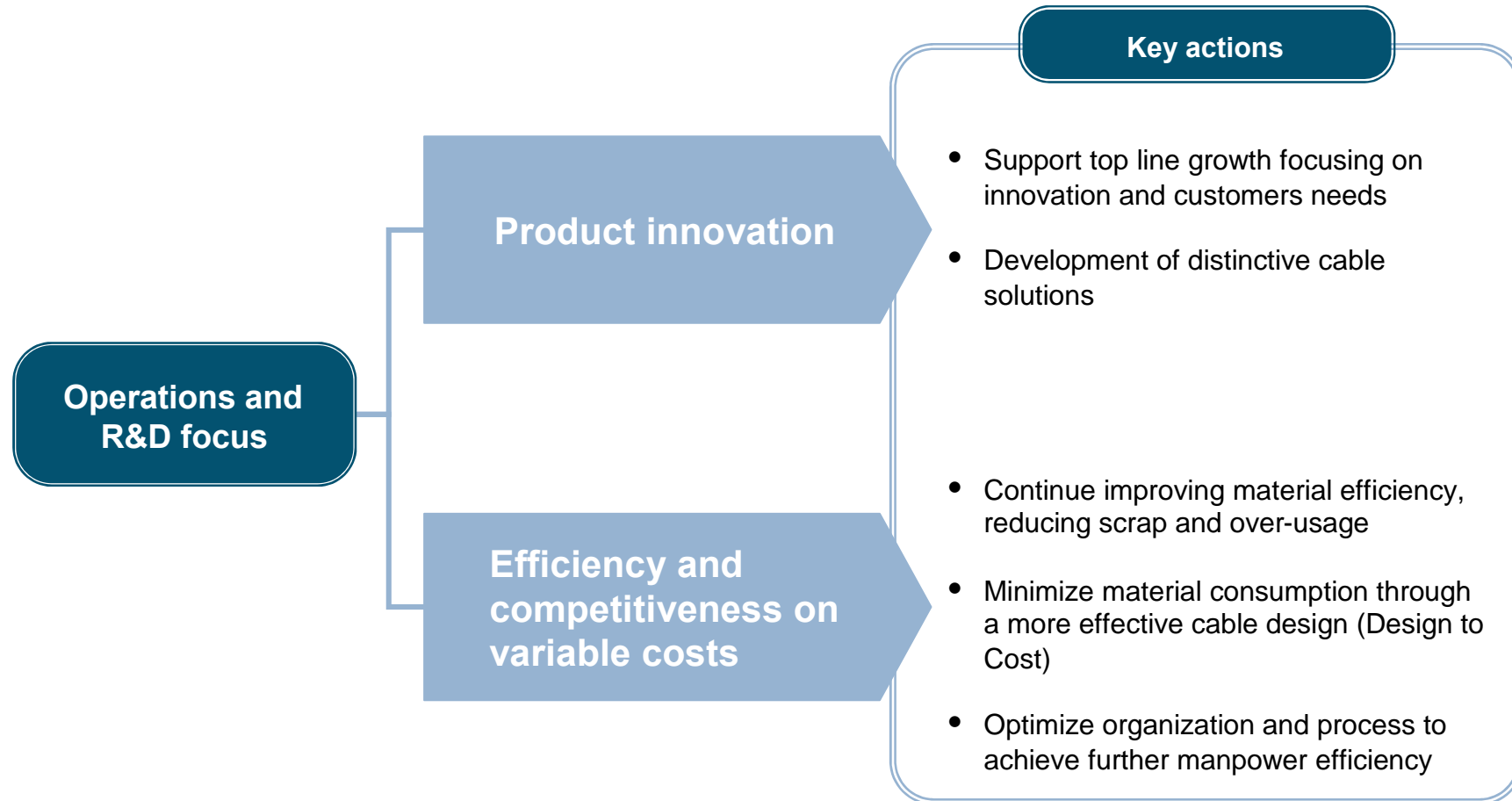


Other Operators



Appendix – Operations and R&D

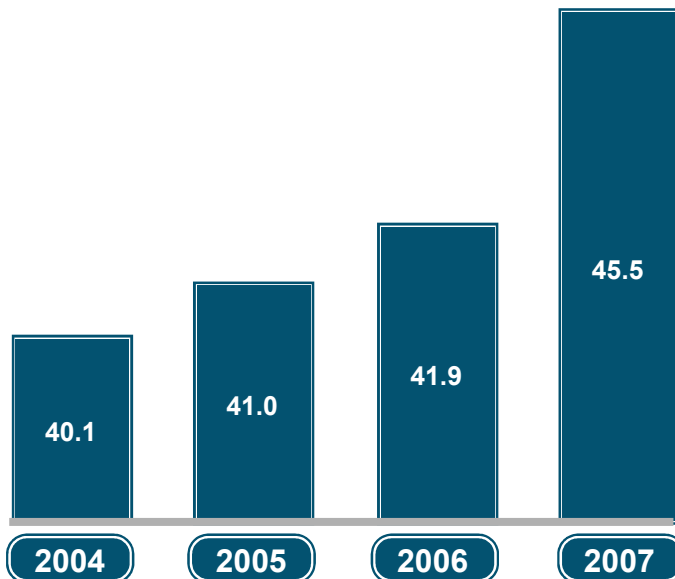
Operations and R&D Strategic Plan



Research & Development

Euro Millions

R&D Expenses



Comments

- **2 Functions** involved:
 - **Research & Innovation**
 - Concepts identification (process, materials, products, IT systems)
 - Feasibility
 - Prototype realization
 - **Product Development and Quality**
 - First industrial trial
 - Optimized industrial trial
 - Product range evolution
 - Quality (products, processes and service)
- **1 central R&D in Milan and 6 main local R&D centres** (North America, Latin America, France, UK, Germany and Spain)
- **More than 400 resources** employed (2007)
- **More than 3,000 patents** granted in 6 countries

Appendix - Financials

Energy – Sales by business

Euro Millions, % of Sales Growth

	FY 2006	FY 2007	Total Growth	L-for-L Growth	Organic Growth
Utilities	1,863	1,895			
<i>of wich to third parties</i>	1,853	1,894	2.2%	2.2%	3.3%
Trade & Installers	1,650	1,803			
<i>of wich to third parties</i>	1,645	1,802	9.5%	9.5%	7.1%
Industrial	637	795			
<i>of wich to third parties</i>	629	795	26.3%	26.3%	21.1%
Other	420	125			
<i>of wich to third parties</i>	374	92	n.m.	n.m.	n.m.
Total Energy	4,570	4,618			
<i>of wich to third parties</i>	4,501	4,583	1.8%	9.7%	8.4%

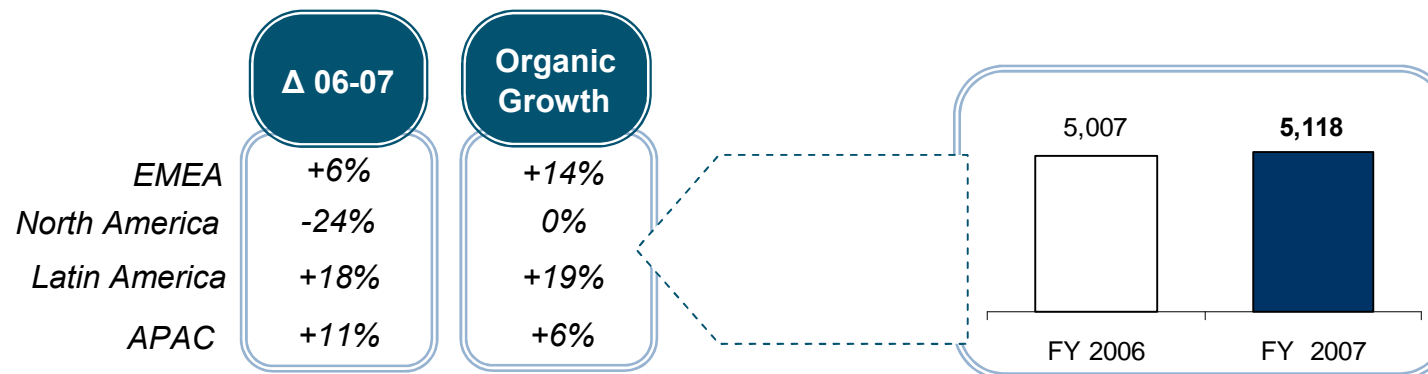
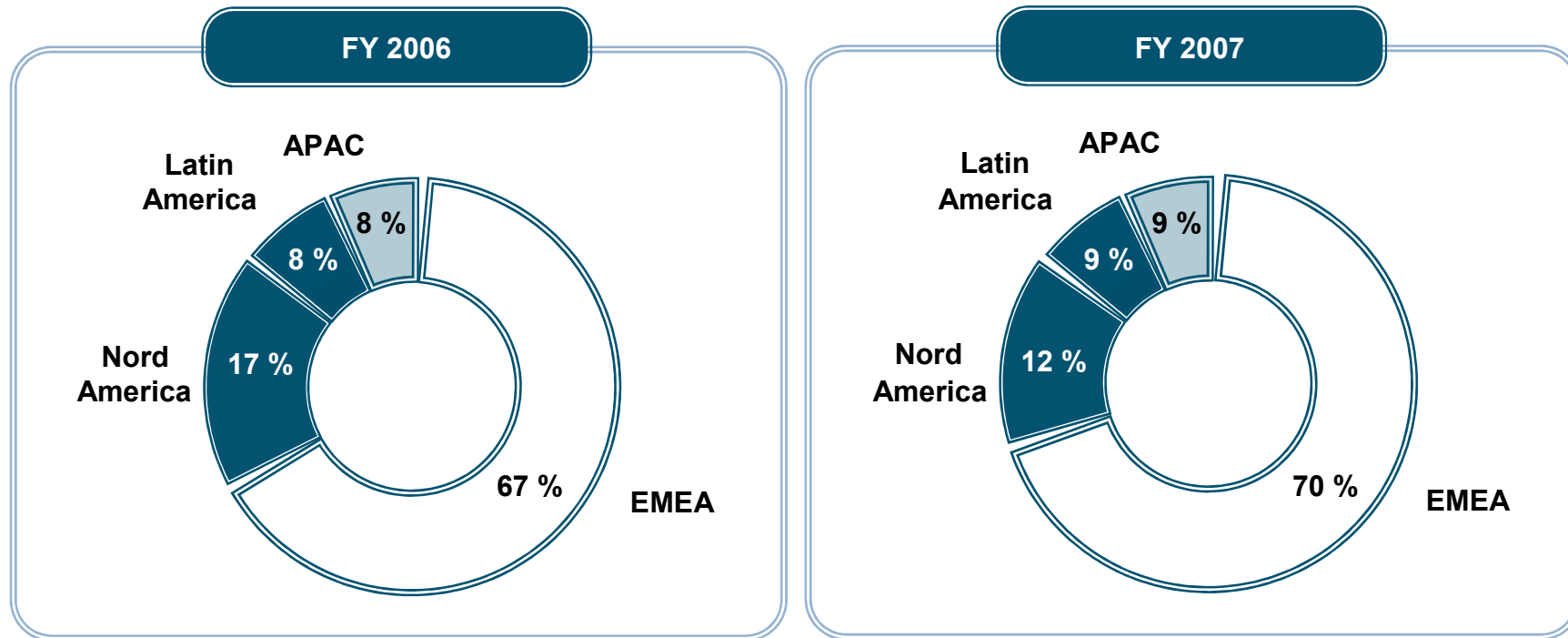
Energy – Profitability by business

Euro Millions, % of Sales

	FY 2006	FY 2007	FY 2006 % of Sales	FY 2007 % of Sales
Adjusted EBITDA				
Utilities	197	237	10.6%	12.5%
Trade & Installers	119	155	7.2%	8.6%
Industrial	46	84	7.2%	10.6%
Others	5	5	1.3%	5.5%
Total Energy	368	481	8.1%	10.4%
Adjusted EBIT				
Utilities	157	208	8.4%	11.0%
Trade & Installers	101	137	6.1%	7.6%
Industrial	34	71	5.3%	9.0%
Others	3	4	0.7%	4.0%
Total Energy	295	420	6.5%	9.1%

Sales Breakdown by Geographical Area

Euro Millions / %



Net Working Capital

Euro Millions

	FY 2006	FY 2007
Inventories	535	582
Trade accounts receivables	848	833
Trade accounts payables	(736)	(738)
Other receivables/(payables)	(205)	(141)
Net working capital	442	536
% on sales	8.8%	10.5%

Disclaimer

- The manager responsible for preparing the company's financial reports, Pier Francesco Facchini, declares, 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.
- This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.