PRYSMIAN
CABLES & SYSTEMS

Company Presentation

European Small/Mid Cap Conference – Citigroup

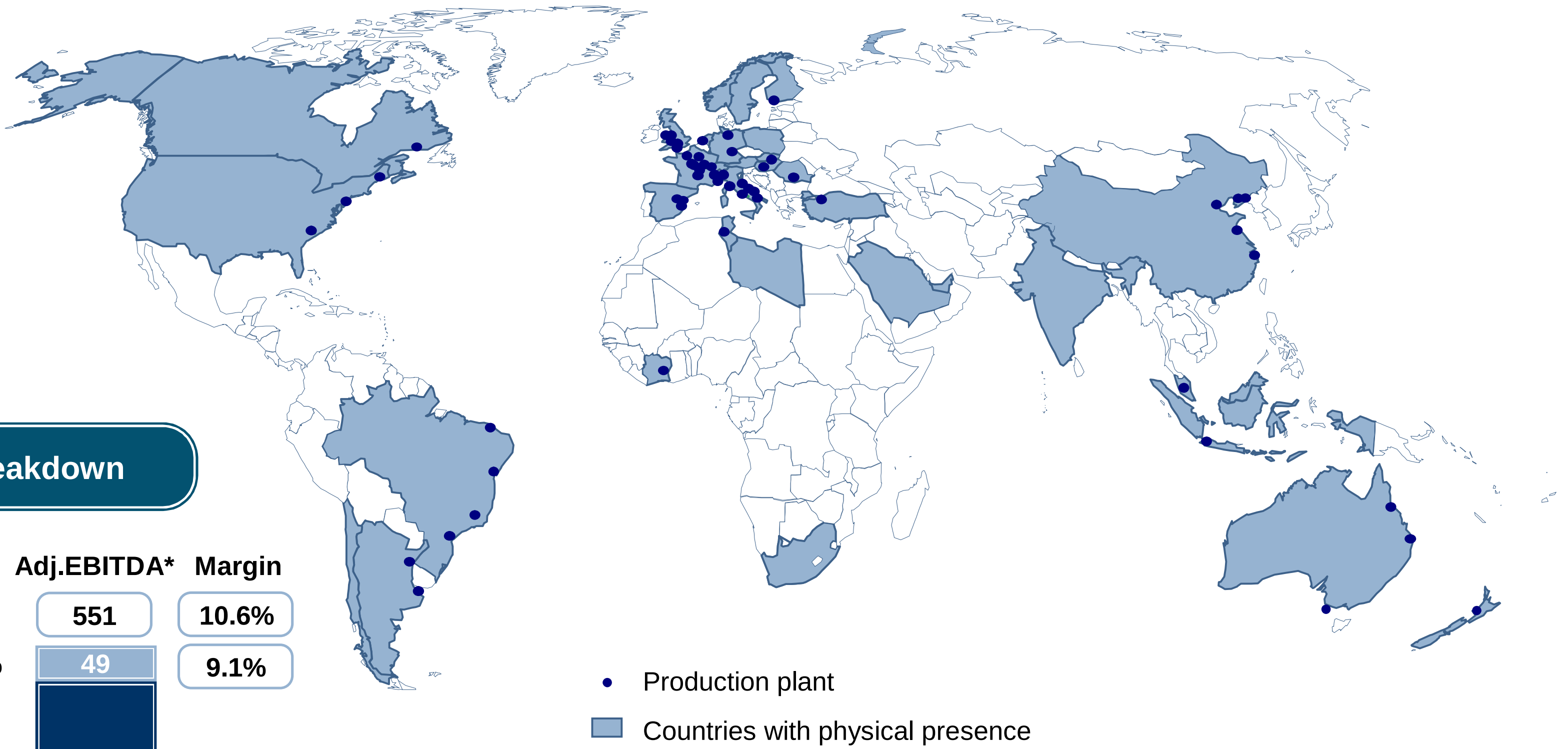
London, 6th October 2008

Agenda

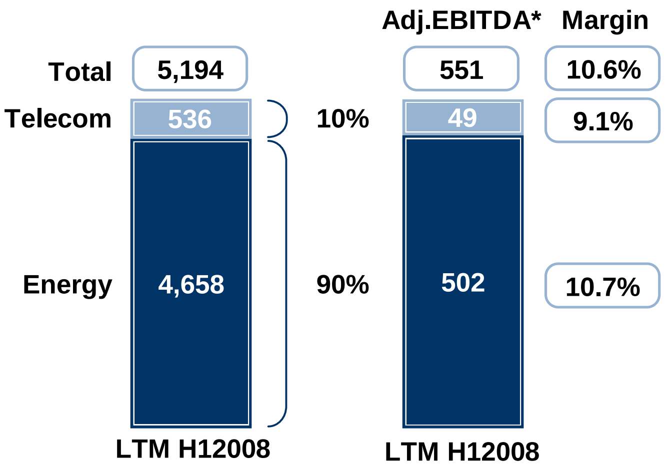
- Group Overview
- Division Results & Outlook 2008
- Financials
- Appendix

PRYSMIAN CABLES & SYSTEMS

A Global Cable Manufacturer



Business Breakdown

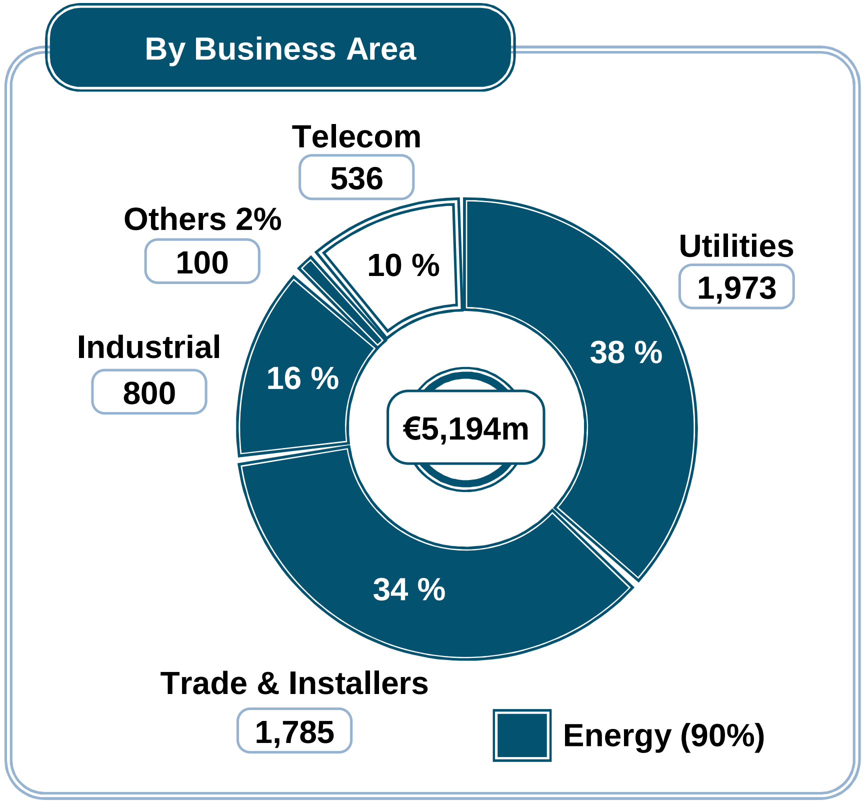


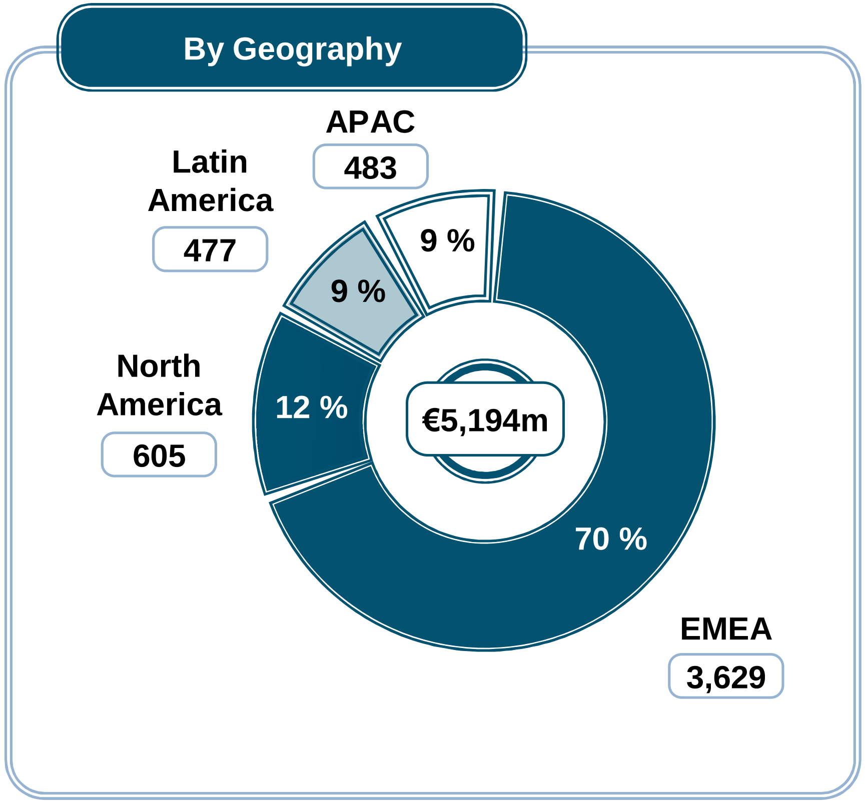
The Prysmian Group operates **55** plants, has subsidiaries in **36** countries with **13,087** (Jun.2008) employees and sells its products worldwide

*EBITDA adjusted excluding non-recurring items.

A Complete and Diversified Presence and Product Offering

Sales LTM H12008 Euro Millions

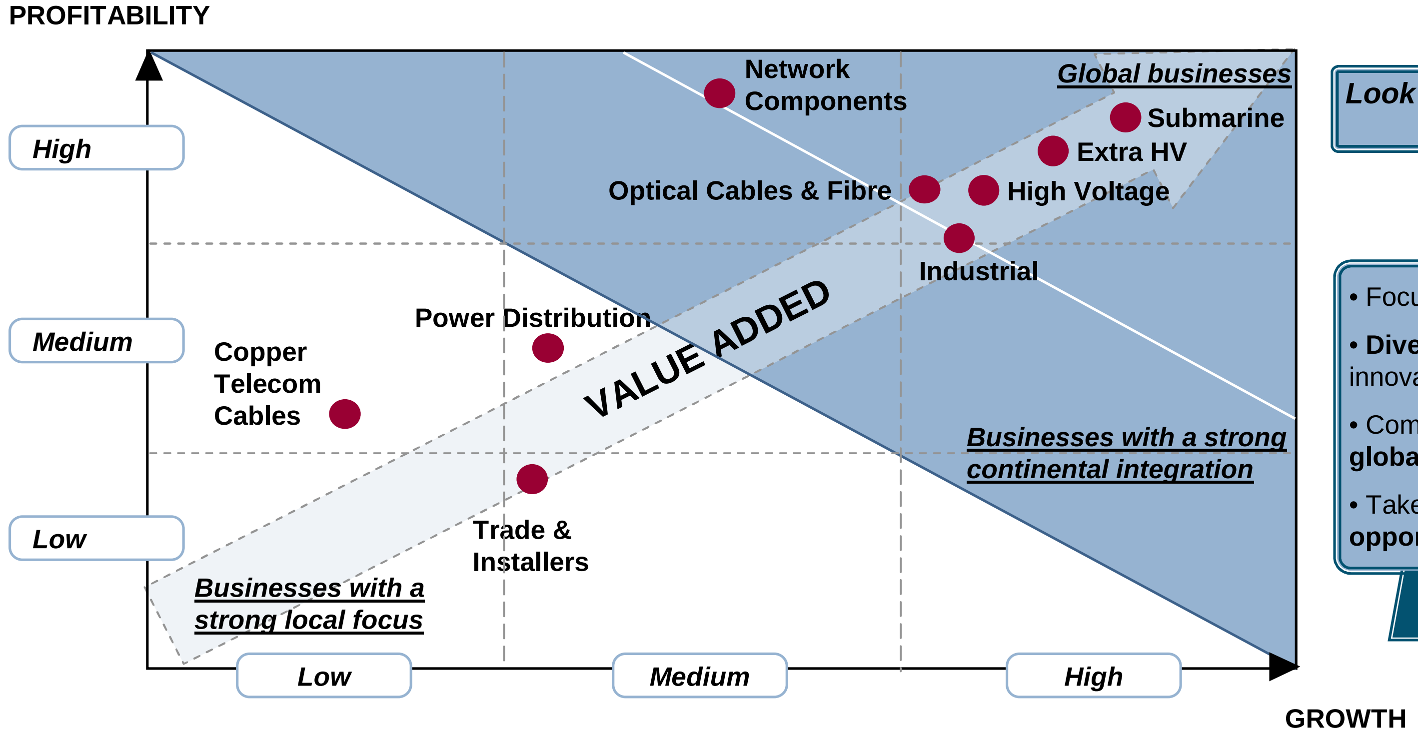




Clear Segmentation Strategy Focused on High Value-Added Products

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

Manage for Cash



Look for Profitable Growth

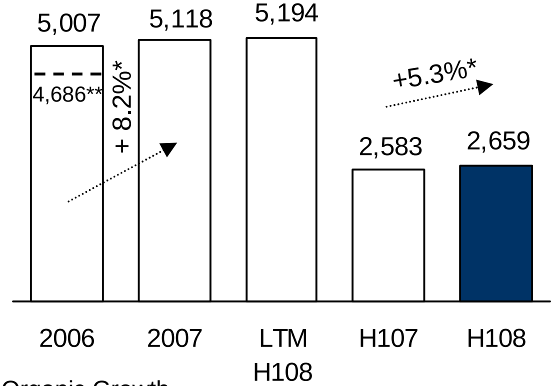
- Focus on **solutions**
- **Diversification** and innovation
- Competition on a **global basis**
- Take selective **M&A opportunities**

Research Innovation & Product Development	Operations	Purchasing	Logistics
• Product engineering driven by customer needs • Telecom: innovative fibres and products	• Continuous efficiencies on variable costs: reducing labour costs, minimizing waste and reducing per unit raw material costs	• Tight centralized control on strategic materials	• Excellence in customer service: reliability and speed

H1 2008 Key Financials

Euro Millions, % of Sales

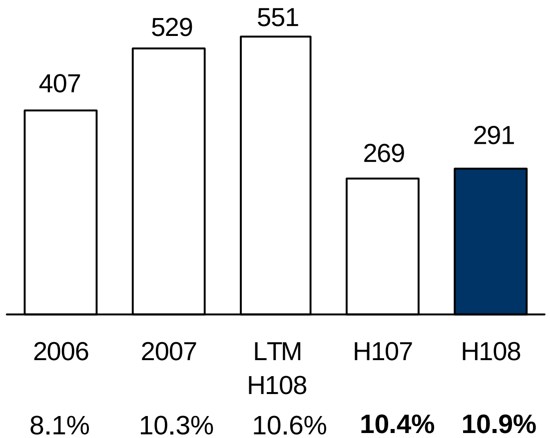
Sales



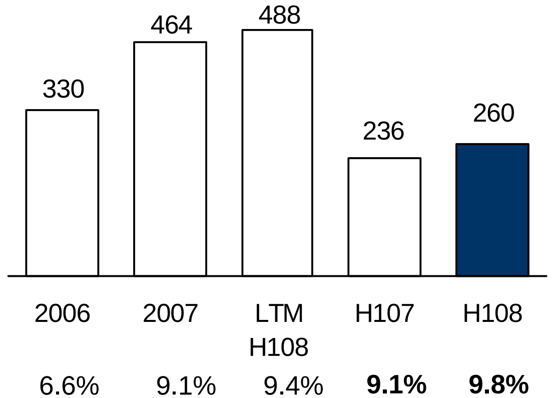
* Organic Growth

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

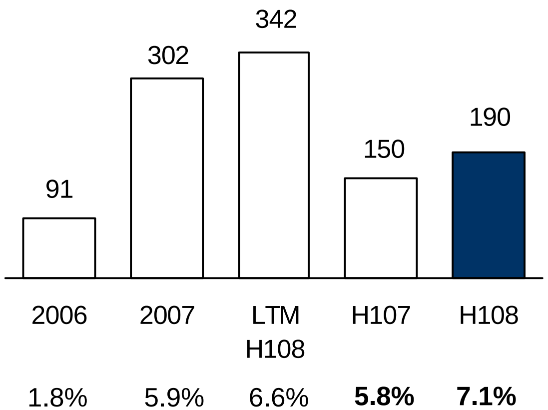
Adjusted EBITDA[1]



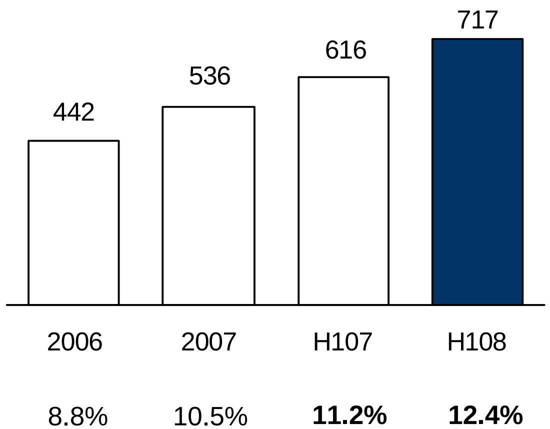
Adjusted EBIT[1]



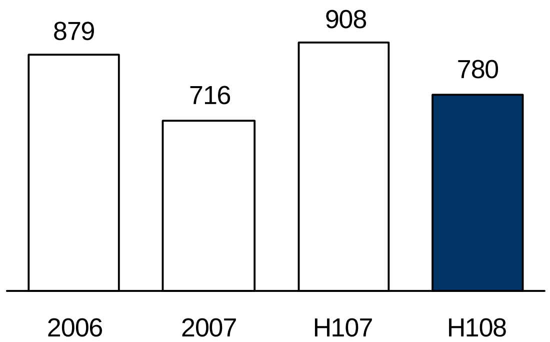
Net Income



Net Working Capital



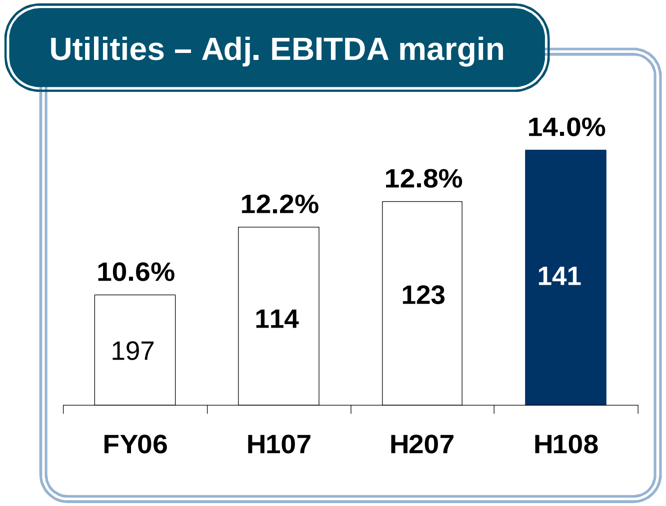
Net Financial Position

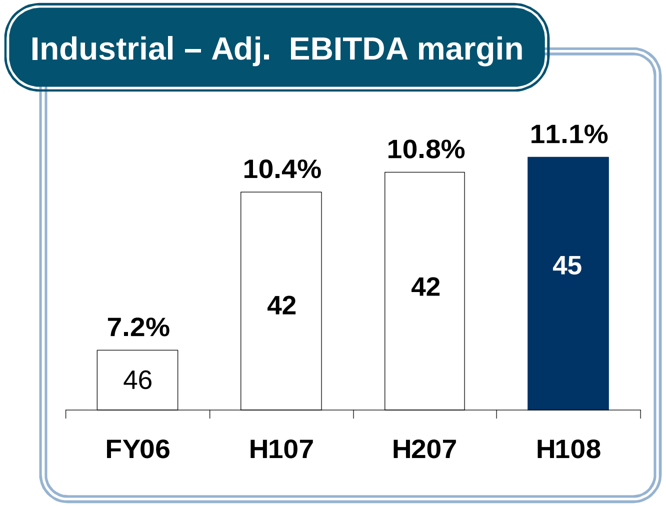


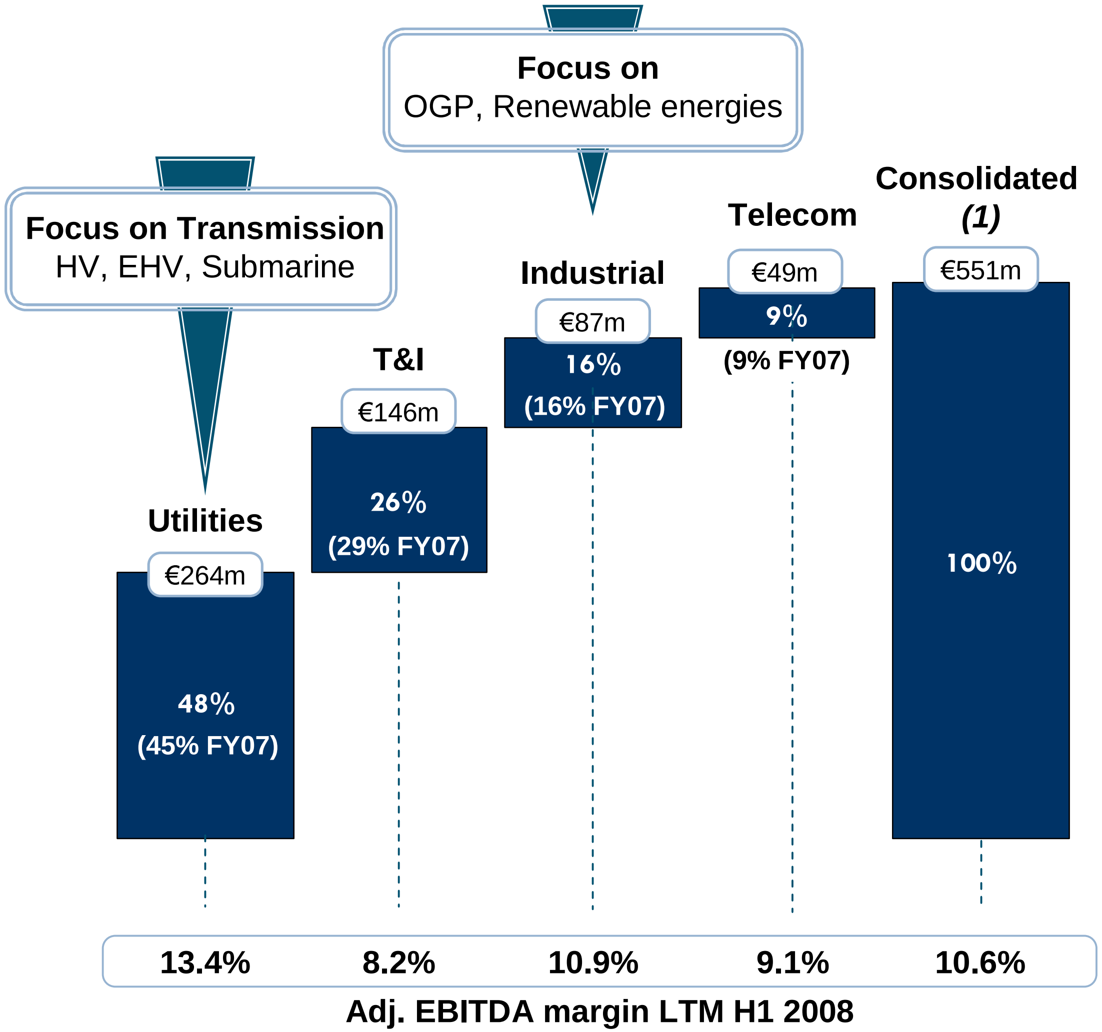
[1] EBITDA and EBIT adjusted excluding non-recurring items.

A unique portfolio driving sustainable margin growth

Euro Millions, % of Sales







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

PRYSMIAN
CABLES & SYSTEMS

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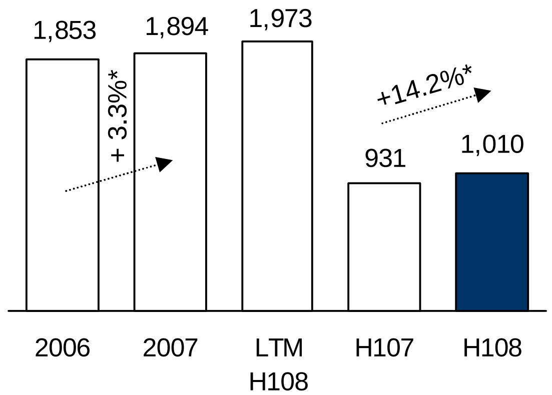
Utilities

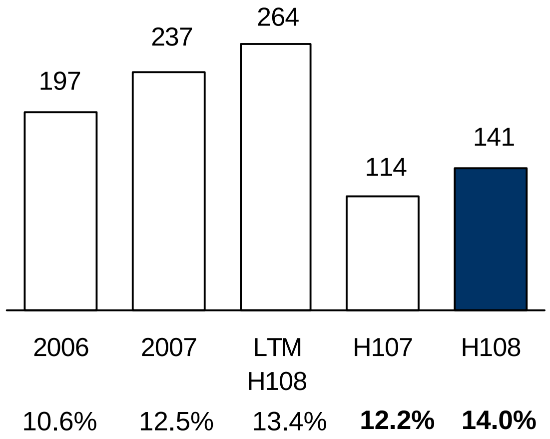
Euro Millions, % of Sales

Sales Vs Third Parties

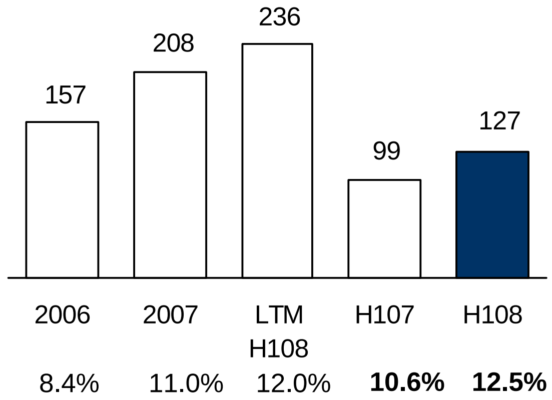


* Organic Growth

Adjusted EBITDA



Adjusted EBIT



Distribution

- Europe keeps stable volumes development Vs H1'07
- Utilities investments in North America still weak
- APAC confirming positive trend
- Slight reduction in profitability mainly due to higher raw material costs and exchange rate

Transmission

HIGH VOLTAGE

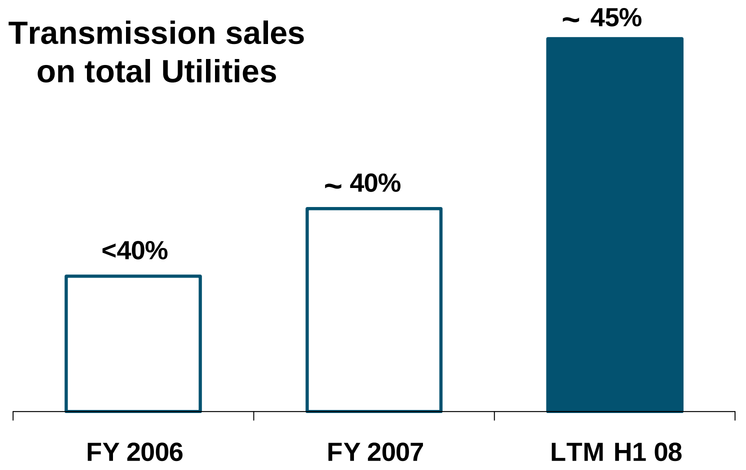
- High double digit organic growth (accelerating Vs Q1'08)
- Strong focus on extra-HV and network components (400kv projects tripled Vs H1'07) to further increase profitability
- Sound demand (e.g. Middle East, Russia, China, Western Europe) driving long visibility orders backlog
- Capacity increase based on orders backlog to avoid over-capacity

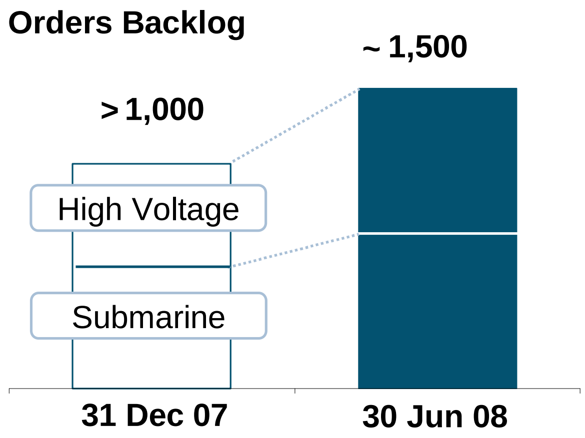
SUBMARINE

- 2008 is confirming utilities long cycle investments with growing projects size
- Ongoing investments to increase +50% extruded cables capacity in 2008 to keep leadership in fast growing off-shore wind farms business

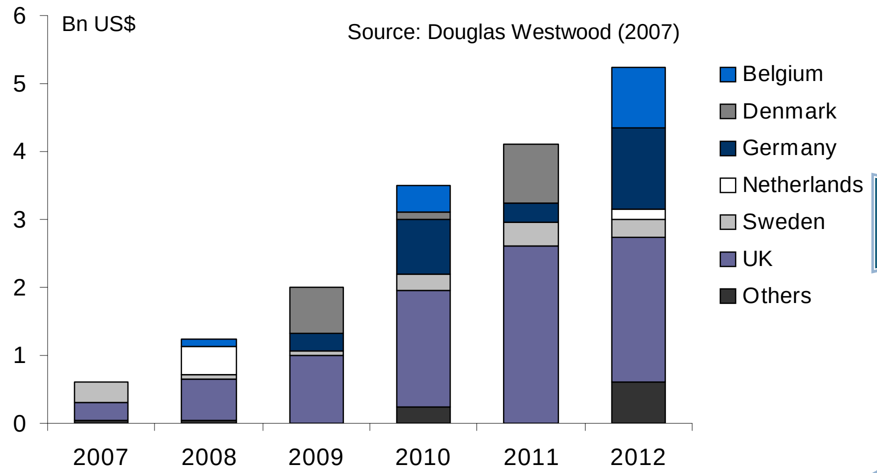
Utilities – Global Leader in Transmission

Transmission





Off-shore Wind farms – Capital Expenditure

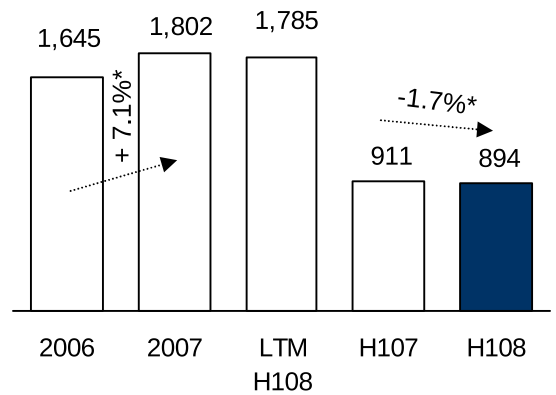


- Over US$ 15 bn of capital expenditure in the 2008-12 period
- Limited number of players
- High entry barriers both in assets and know-how
- Transmission requirement moving from MV to HV and EHV
- Governments are stimulating investments
- 10 projects already awarded to Prysmian

Trade & Installers

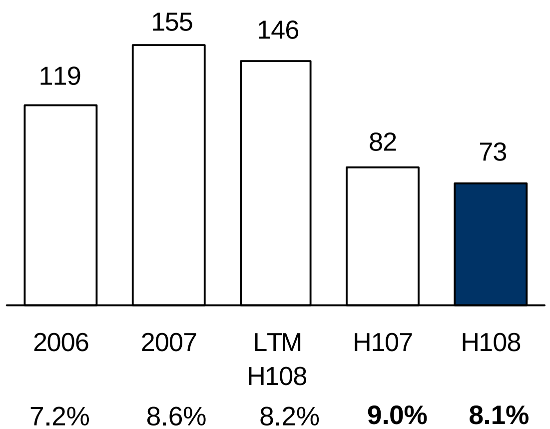
Euro Millions, % of Sales

Sales Vs Third Parties

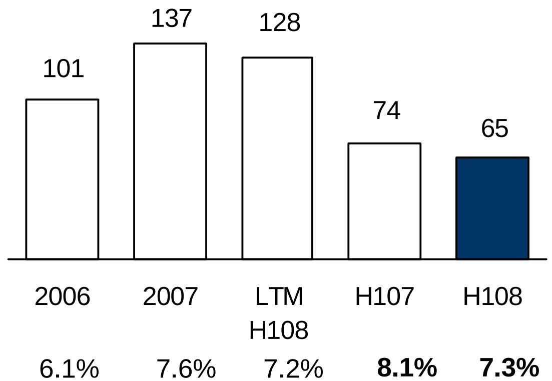


* Organic Growth

Adjusted EBITDA



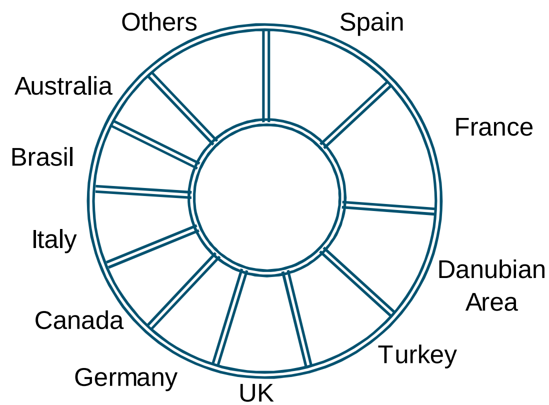
Adjusted EBIT



Highlights

- Weak residential demand in some European countries (started in 2007) partially offset by positive development Extra-Europe
- Stable volumes achieved in unfavourable market thanks to selective growth in high performance cables (e.g. LSOH, Fire resistant) and non-residential applications
- Margin erosion mainly due to non-metal raw materials increase and exchange rate effect

FY2007 Sales by geography

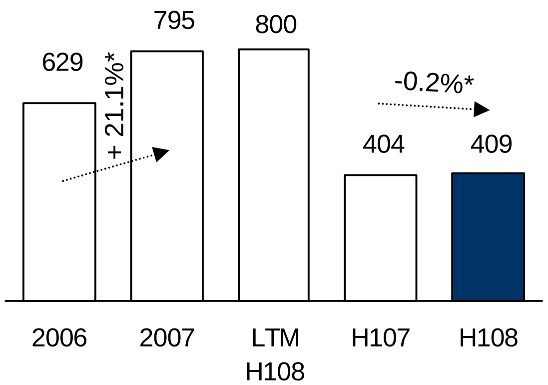


PRYSMIAN CABLES & SYSTEMS

Industrial

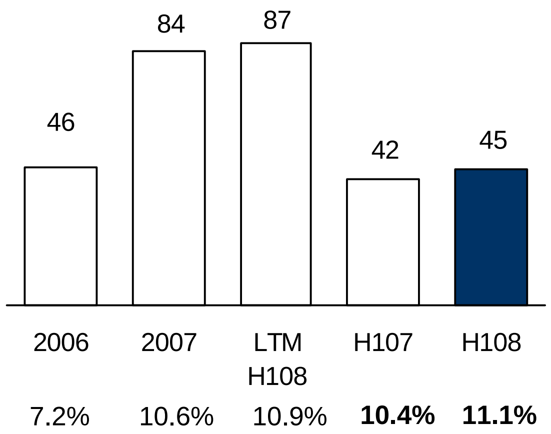
Euro Millions, % of Sales

Sales Vs Third Parties

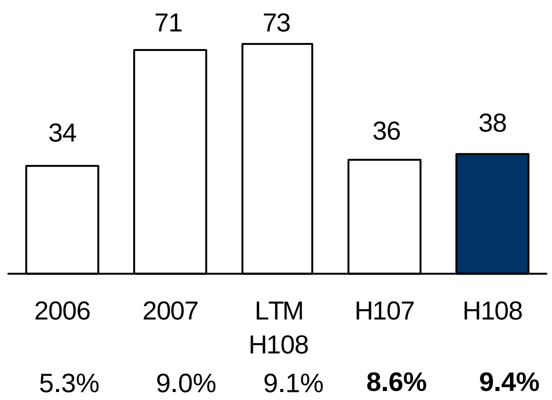


* Organic Growth

Adjusted EBITDA



Adjusted EBIT

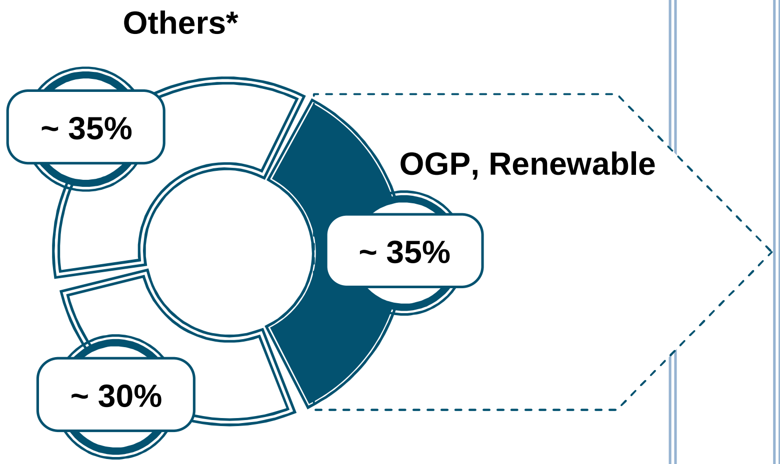


Highlights

- Q2'08 results in line with expectations to achieve FY target
  - Q2'08 organic growth: +7.4% Vs Q2'07
  - Umbilical business in Brazil started to deliver in Q2'08 (orders backlog mainly loaded on H2'08)
  - Growing performance (Vs Q1'08) in high profitable segments: OGP, mining and renewable energies
- Flexible pipes: 4-years frame agreement with Petrobras in Brazil to enlarge presence in oil services market
- Facab-Lynen acquisition in Germany to strengthen high profitable segments (Crane, Mining, On-shore Wind farms)
  - Strong opportunity to increase capacity on high value added industrial cables

Industrial – High growth expected in Priority segments

2007 Industrial Sales Breakdown



Other Priority Segments
Crane, Mining, Marine, Railway & Rolling Stock

OGP

- Strong demand with high visibility
- Focus on major projects requiring international capability and presence
- Leverage accessories capability – glands, joints, terminations etc.
- Expand international presence (e.g. Middle East & Russia)

RENEWABLE ENERGY

- EU set individual country target to reach the overall 20% of total energy from renewable sources by 2020 from 8.5% in 2005
- Strong growth expected in wind and solar business

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

Industrial - New Flexible Pipes & Umbilicals Plant in Brazil

Existing Umbilicals Plant (Vila Velha - Brazil)

Over US$ 1Bn sales expected in SURF (Flexible Pipes & Umbilicals) in the period 2010-2014

Project of New Flexible Pipes & Umbilicals Plant

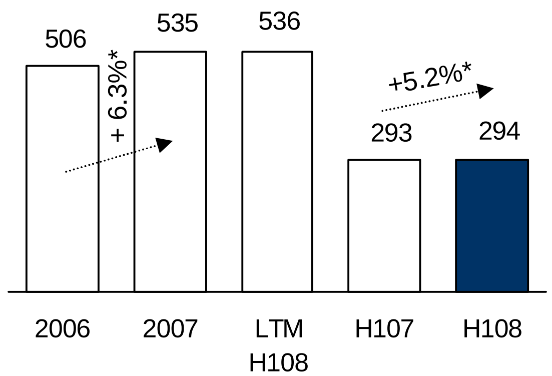
New Flexible Pipes business

- US$110m investment (2008-10) to build up new plant in Vila Velha (Brazil) by H1 2010
- Over US$600m Sales in 2010-2014 (excl.umbilicals)
  - US$135m initial supply to Petrobras
- Approx. 30% EBITDA margin
- Up to 6” diameter risers and flowlines pipes to be installed at great depths

Telecom Division

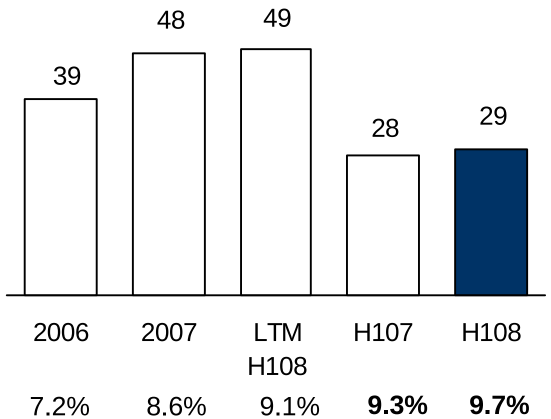
Euro Millions, % of Sales

Sales Vs Third Parties

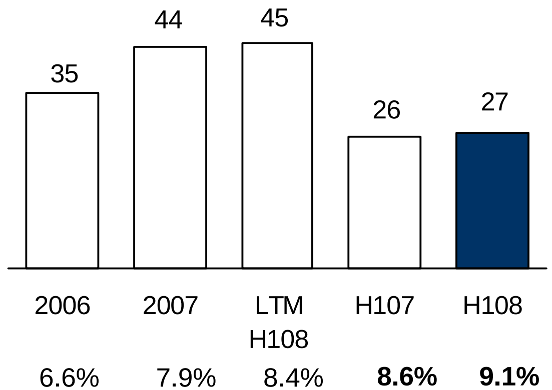


* Organic Growth

Adjusted EBITDA



Adjusted EBIT



Highlights

- **Optical cables:**
  - Volume growth accelerated in Q2 Vs Q1 outperforming market trend
  - Investments mainly supported by alternative players (e.g. US and Europe)
  - Keeping profitability despite weak US$ negatively impacting European producers
  - Focus on innovation both in Fibers (as the newest bend insensitive fiber – CasaLight) and FTTx solutions/components (as the VertiCasa system) to improve product mix

- **Copper cables:**
  - Selective growth (geography and products) in steady market demand
  - Increase xDSL sales through system integrators

Upgrading 2008 Targets in a challenging market environment

- Strong performance in Utilities sales and margin expected to continue
- Order book in OGP and Other Priority segments to drive H2 Industrial growth
- FY Adj.EBITDA expected above € 550m (Vs FY2007: € 529m)
- Strict control over costs and working capital
- Selective investments on high value added businesses with high visibility
- Keep strong cash generation

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Profit and Loss Statement

Euro Millions

	H1 2007	H1 2008	FY 2007
Sales	**2,583**	**2,659**	**5,118**
YoY total growth		*3.0%*	*2.2%*
YoY like for like growth		*2.7%*	*9.2%*
YoY organic growth		*5.3%*	*8.2%*
Contribution Margin	**482**	**511**	**960**
% on sales	*18.7%*	*19.2%*	*18.8%*
Fixed Costs	(213)	(220)	(431)
Non recurring items	*30*	*(11)*	*44*
EBITDA	**299**	**280**	**573**
% on sales	*11.6%*	*10.5%*	*11.2%*
Adjusted EBITDA	**269**	**291**	**529**
% on sales	*10.4%*	*10.9%*	*10.3%*
EBIT	**266**	**248**	**508**
% on sales	*10.3%*	*9.3%*	*9.9%*
Non recurring items	*30*	*(12)*	*44*
Adjusted EBIT	***236***	***260***	***464***
% on sales	*9.1%*	*9.8%*	*9.1%*
Financial charges	*(66)*	*(9)*	*(121)*
EBT	***200***	***239***	***387***
% on sales	*7.8%*	*9.0%*	*7.6%*
Taxes	*(50)*	*(49)*	*(85)*
% on EBT	*25.2%*	*20.5%*	*21.9%*
Net income	**150**	**190**	**302**
Net income attributable to the Group	*149*	*190*	*300*

Notes

(1) Defined as: Adjusted EBITDA + Fixed costs

(2) Excluding non recurring items

Balance Sheet

Euro Millions

	H1 2007	H1 2008	FY 2007
Net fixed assets	877	892	881
Net working capital	616	717 (1)	536
NWC as % on sales	*11.2%*	*12.4%*	*10.5%*
Provisions	(150)	(143)	(135)
Net Capital Employed	**1,343**	**1,466**	**1,282**
Employee provisions	117	122	112
Shareholders' equity	318	564	454
of which attributable to minority interest	*21*	*19*	*21*
Net financial position	908	780 (2)	716
Debt Shareholders Loans	-	-	-
Bank Fees	*(23)*	*(18)*	*(20)*
Net financial position vs Third Parties	*931*	*798*	*736*
Total Financing and Equity	**1,343**	**1,466**	**1,282**

Notes

(1) NWC includes € 21m from Facab Lynen acquisition (sales consolidated 1 month from 1st June 2008)

(2) Includes € 16m related to Facab Lynen acquisition (€ 14 NFP; € 2m net consideration paid)

Cash Flow

Euro Millions

	H1 2007	H1 2008	FY 2007	LTM H108
EBITDA	**299**	**280**	**573**	**554**
Price adj. and other settlements with Pirelli	(39)	-	(60)	(21)
Badwill FACAB Acquisition	-	(2)	-	(2)
Equity Compensation IFRS2	2	1	6	5
Gains/losses on disposals	(2)	-	(1)	1
Net Change in provisions	8	11	(6)	(3)
Cash flow from operations (before WC changes)	**268**	**290**	**512**	**534**
Working Capital changes	(155)	(172)	(60)	(77)
Paid Income Taxes	(39)	(34)	(86)	(81)
Cash flow from operations	**74**	**84**	**366**	**376**
Price adj. and other settlements with Pirelli	39	16	45	22
Net CAPEX (1)	(22)	(40)	(83)	(101)
Acquisitions	-	(2)	-	(2)
Free Cash Flow (unlevered)	**91**	**58**	**328**	**295**
Financial charges	(63)	(26)	(83)	(46)
Free Cash Flow (levered)	**28**	**32**	**245**	**249**
Reserves distribution & Minorities movements (2)	-	(74)	(2)	(76)
Shareholders Loan (Equity component)	(28)	-	(28)	-
Net Cash flow	**-**	**(42)**	**215**	**173**
Net financial position at the beginning of the period	**(879)**	**(716)**	**(879)**	**(908)**
Net cash flow	-	(42)	215	173
Other variations (3)	(29)	(22)	(52)	(45)
Net financial position at the end of the period	**(908)**	**(780)**	**(716)**	**(780)**

(1) Not including movements of the item "Securities held for trading" (included in Net Financial Position)
(2) H108 and LTM H108 include € 2m capital contribution
(3) H108 and LTM H108 include € 14m NFP consolidated from Facab Lynen acquisition

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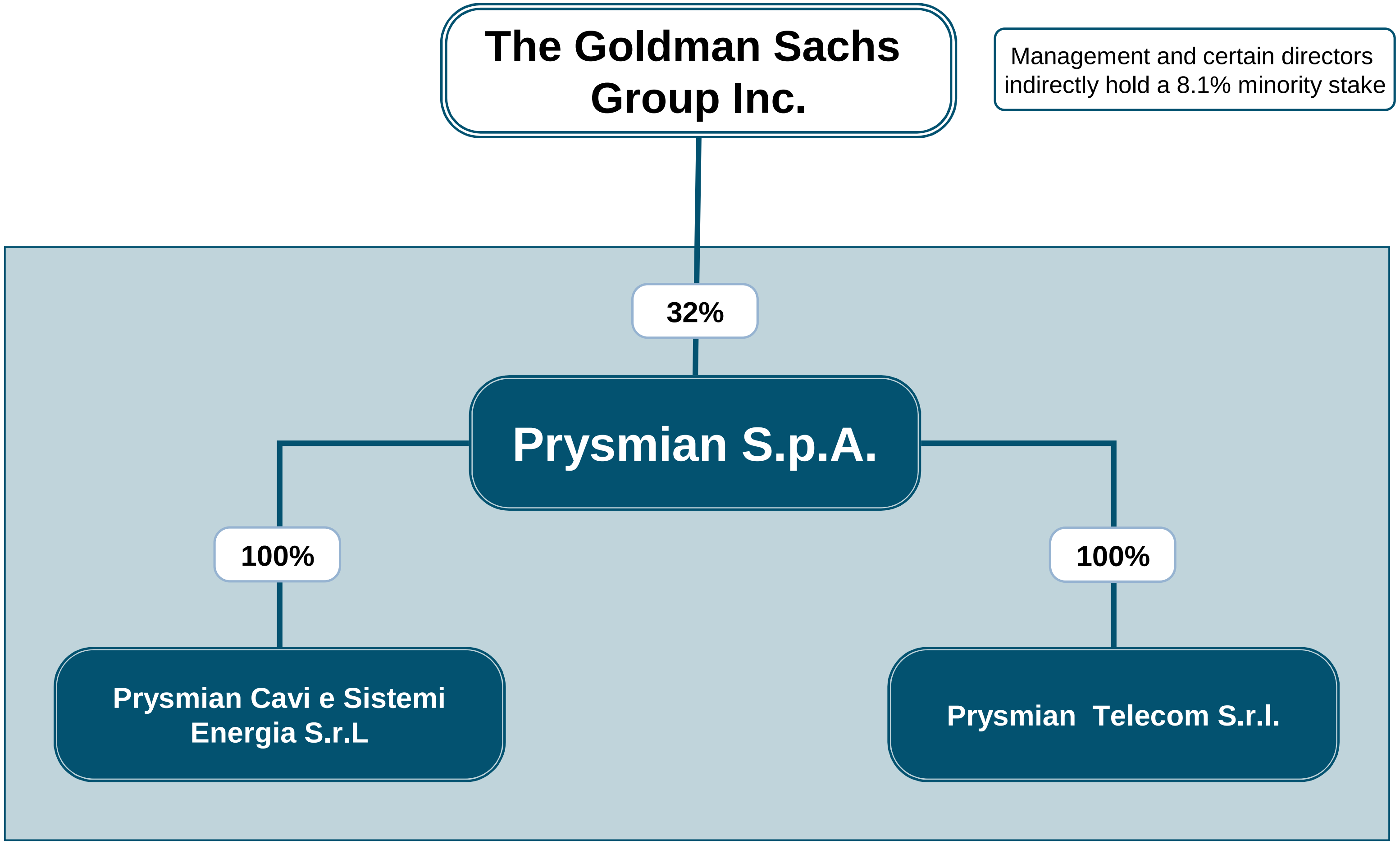
Prysmian Group Structure



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) As of 31 Dec 2007; 180,463,802 shares from 11 Apr. 2008
(3) Based on 180,463,802 shares as of 11 Apr. 2008

Number of Shares (2)
180,000,000

Earning Per Share
€ 1.67

Dividend Per Share (3)
€ 0.417

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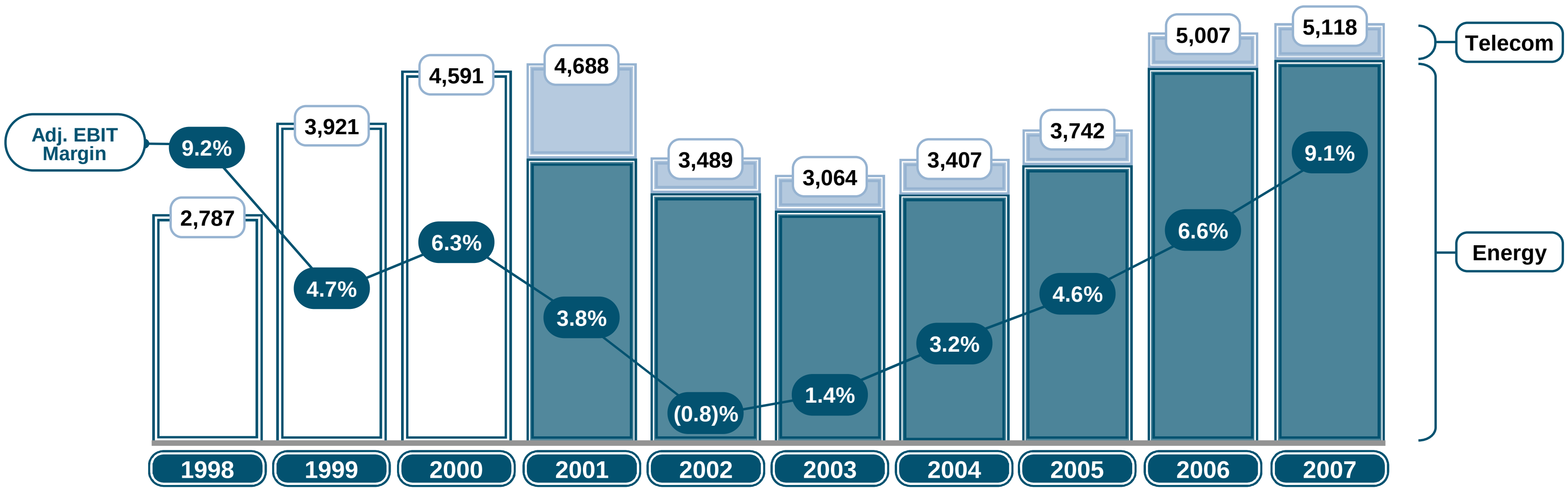
Prysmian Key Milestones

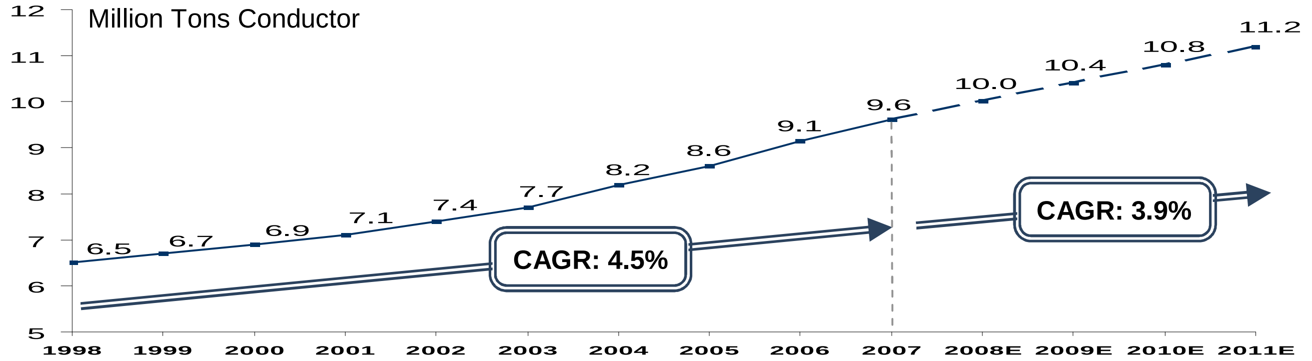
1879	1902	1998	2001	2005	
Establishment	**Organic Growth**	**Growth by acquisition**	**Restructuring process**	**Profitable growth**	**Listing**
Company founded as "Pirelli Cavi" Establishment of first operations in Italy	Product range enlargement Internationalisation	Acquisitions (Siemens, NKF, MM, BICC)	Closure of 11 plants Disposal of enamelled and transposed wires activities	July 28th 2005: Goldman Sachs acquisition and birth of Prysmian Group	May 3rd 2007: Company listed on the Milan Stock Exchange (IPO)



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

Expected Solid Volume Growth Across End-Markets

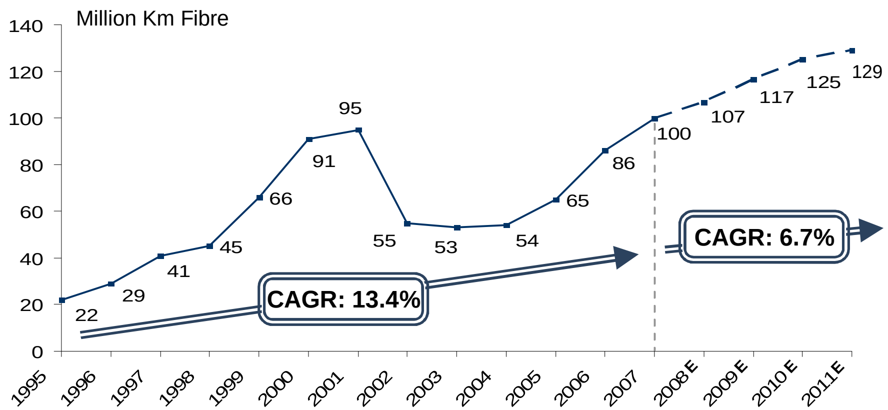
Energy Cables Reference Market (1)



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

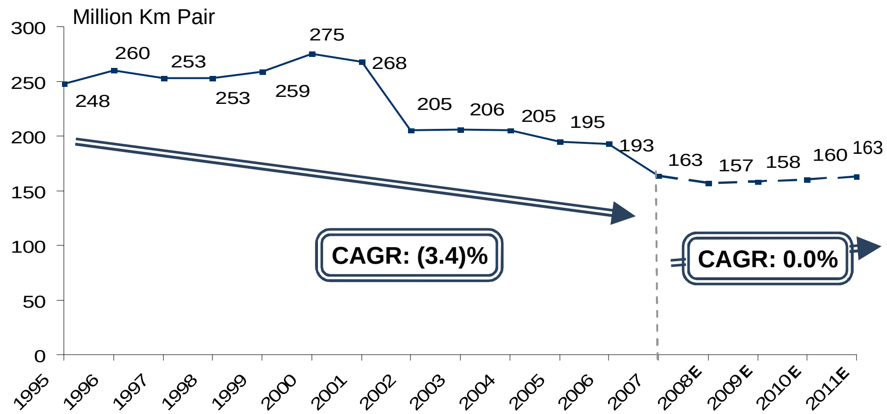
Telecom Cables Reference Market

Optical Cables (1)



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

Copper Cables (1)

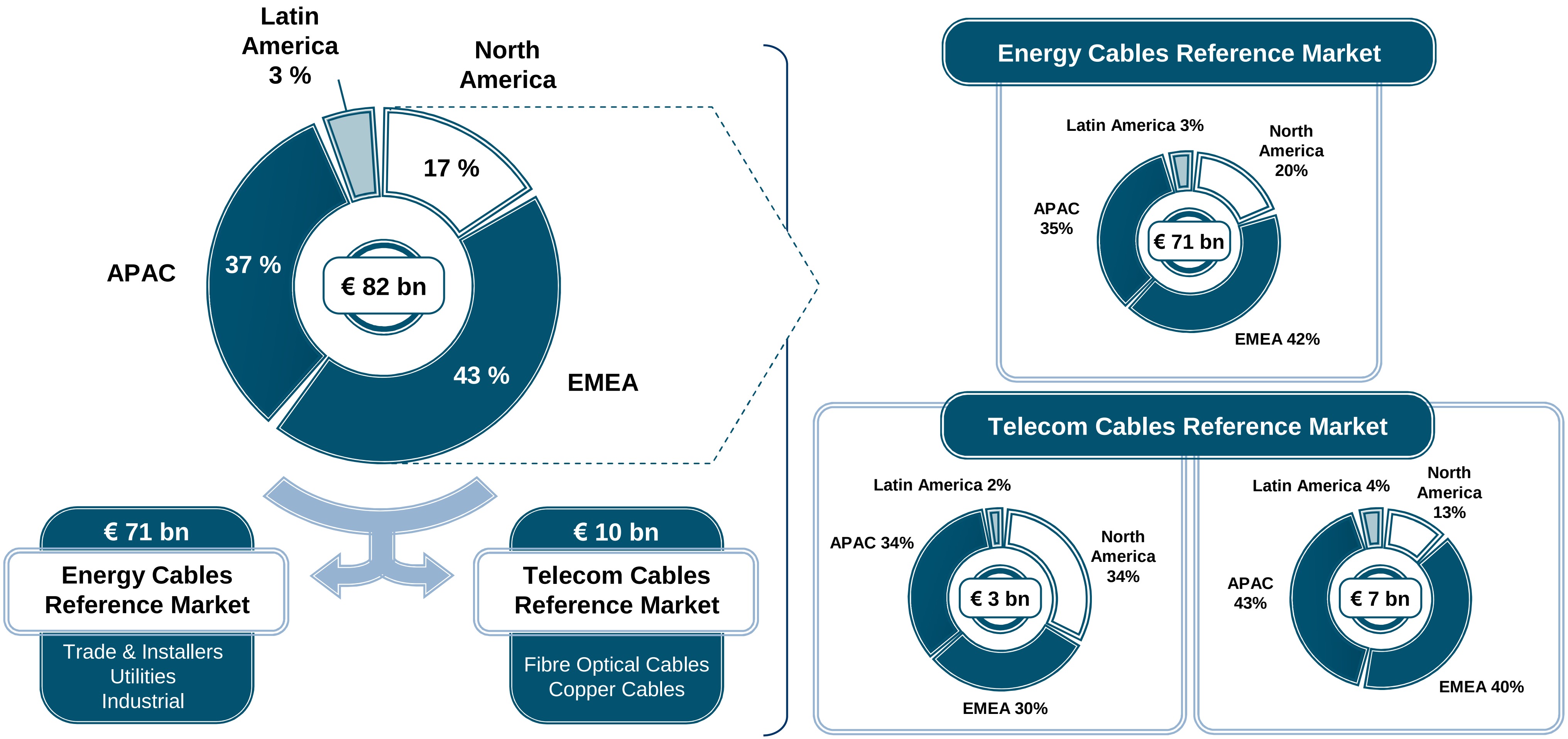


- Demand supported by investments in emerging markets

(1) Source: CRU data, Jan 2008 Energy = Low Voltage and Power Cable; TLC = External Copper Tlc Cable, Fibre Optic. For Optical cable producers

The Global Cables Reference Market

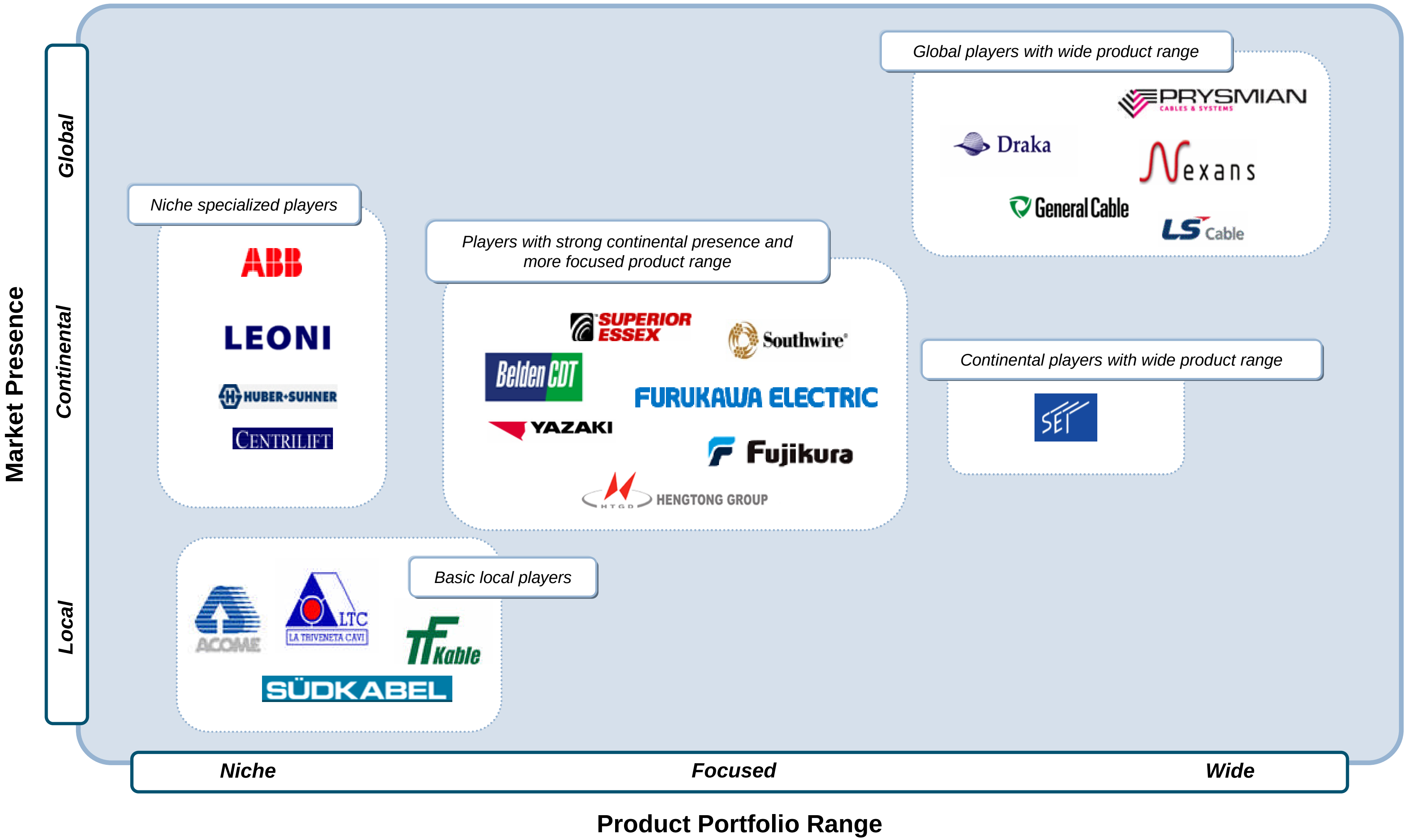
World-Wide Cable Reference Market Size, 2006



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



PRYSMIAN CABLES & SYSTEMS

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

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	Customer	Period	€m (1)
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		
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

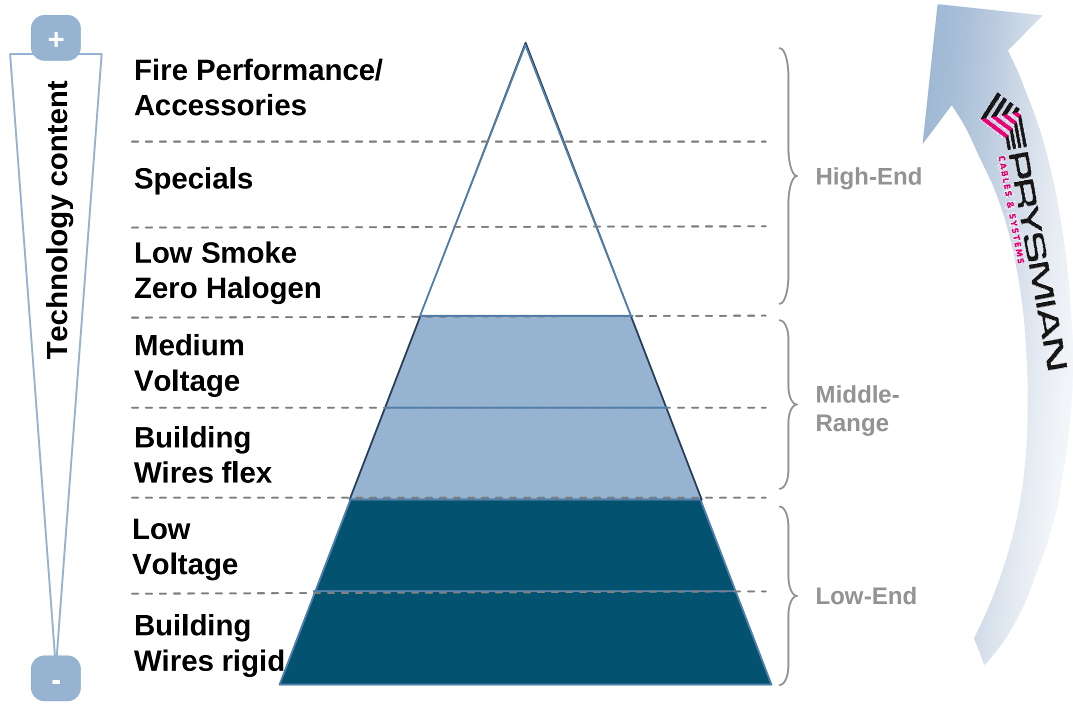
Key success factors

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

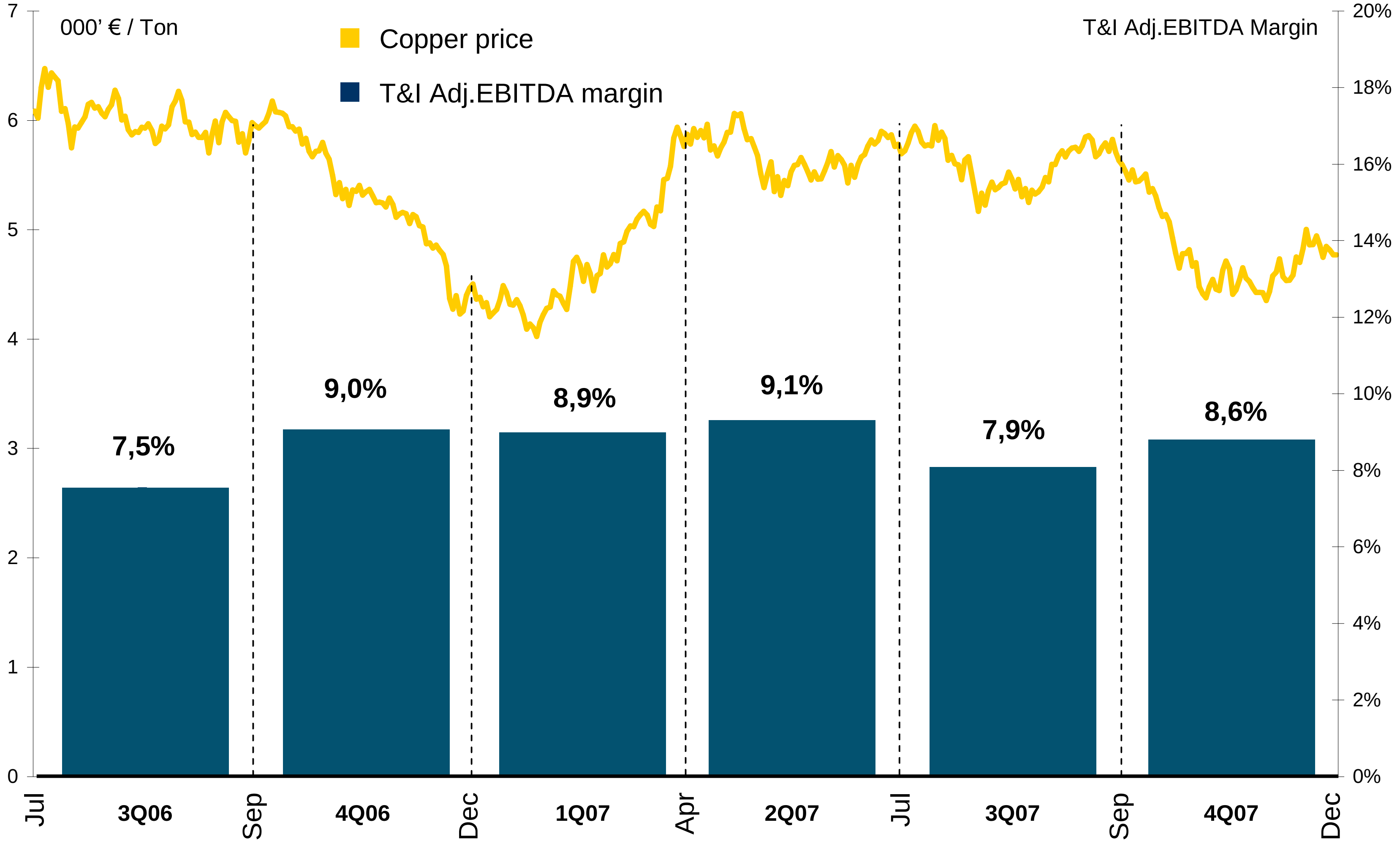
Action plan

- 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



Trade & Installers – profitability drivers



Profitability impacted by geographical and product mix development

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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, ...

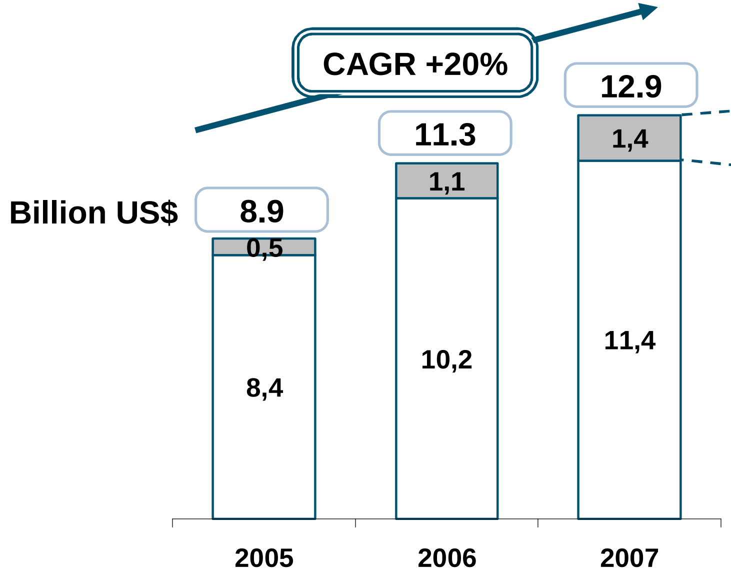
Key customers

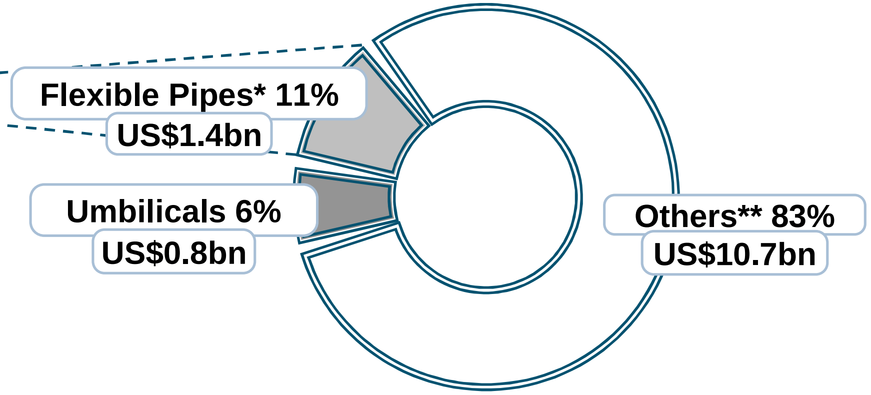
Large and differentiated customer base generally served through direct sales

BR PETROBRAS
ZPMC Shanghai Zhenhua Port Machinery
NOSKAB
SNCF
wampfler solutions for a moving world
R&M Electrical Group Limited
SIEMENS
ALSTOM
RFI
YAZAKI
AKER KVÆRNER
SAM Electronics STN Schiffselektrik
Valeo
Elektroskandia En vaken grossist
Snamprogetti
PEUGEOT

Industrial - Global Subsea Market

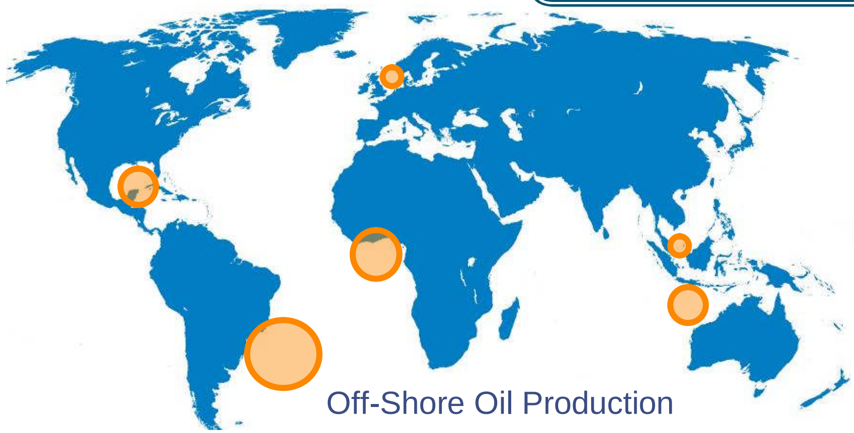
Subsea Market





Source: Quest Offshore Report, Dec. 2007
* Source: Douglas Westwood, Feb. 2007
** Others include templates & manifolds, christmas trees, wellheads...

Surf Market (Flexible Pipes + Umbilicals)

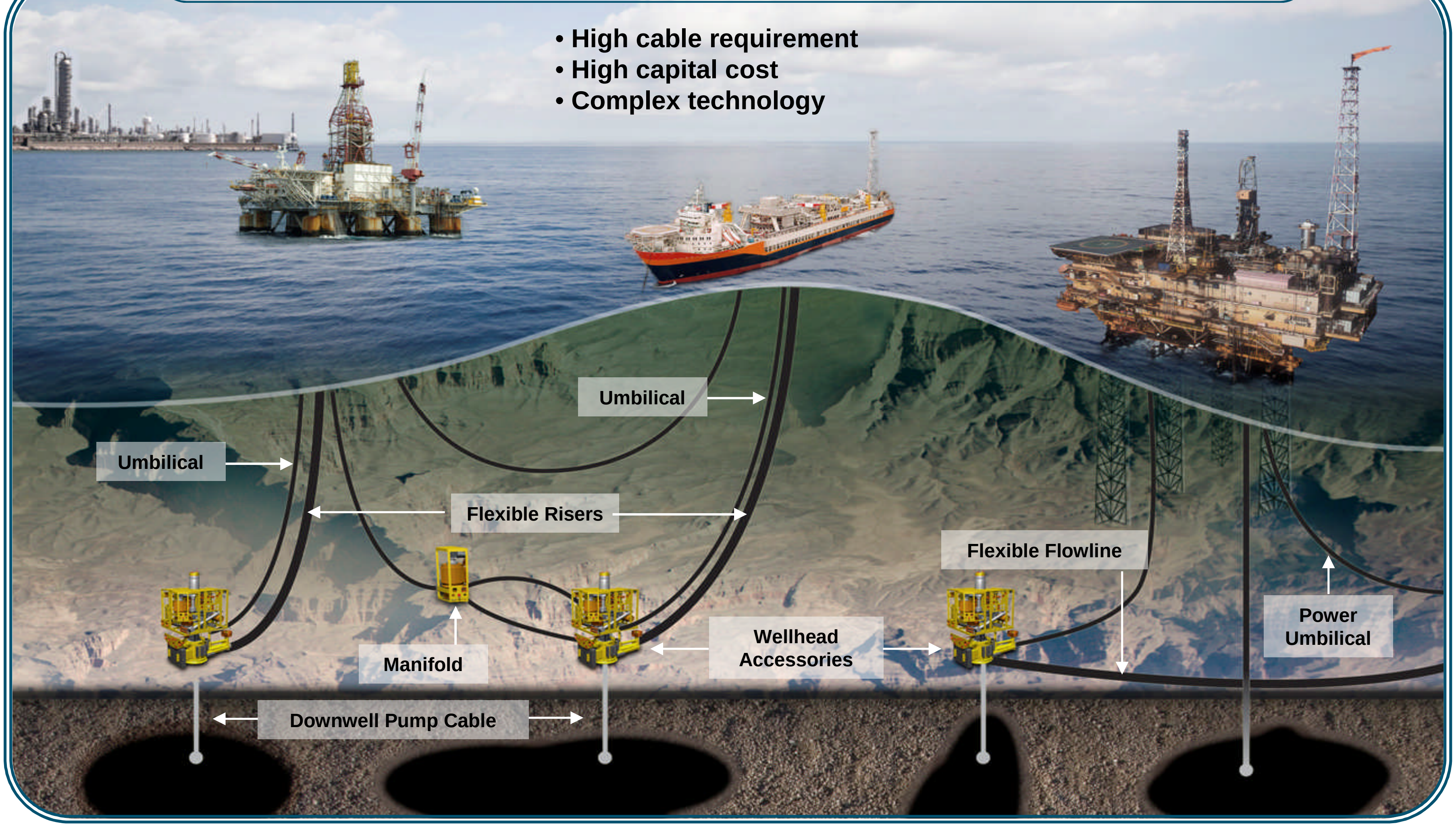


- Strong growth expected to continue
- Phenomenal increase in Exploration, Production and Refining activity focused on several geographical areas
- Continued growth of exploration in deepwater and ultra deepwater presenting new technological challenges

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

- High cable requirement
- High capital cost
- Complex technology



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Upstream cables and Flexible Pipes

Down-well pump cable

Connects the downhole pump motor to the surface power supply

Umbilicals

Electro/Hydraulic

Control the operation of subsea valves by supplying hydraulic fluid to the valve actuators. Low voltage power may also be supplied to operate subsea instrumentation devices

Power

Supply medium voltage power (up to 66kV) to subsea pumps, compressors and interconnecting floating platforms/FPSO's as well as providing connections to land

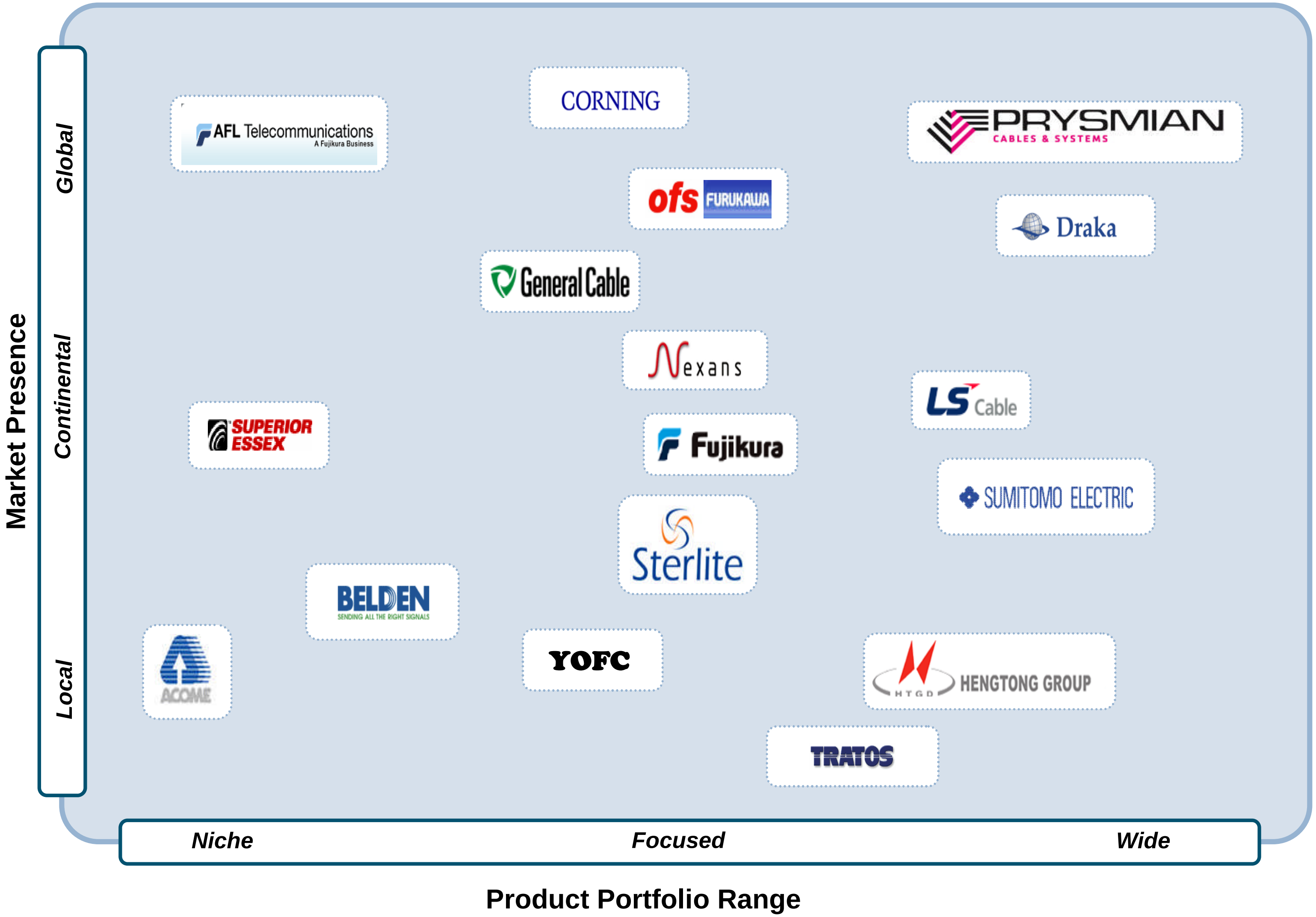
Flexible Pipes

Connect subsea wellheads to floating platforms/FPSO's and transport oil fluid from the well. They are also used to inject water into the wellhead to accelerate oil recovery

1) **Carcass** (prevents collapse under external hydrostatic pressure)
2) **Internal Pressure Sheath** (act as the boundary for conveyed fluid)
3) **Interlocked Pressure Armour** (resists internal and external pressure in the hoop directions)
4) **Inner Layer & Outer Layer of Tesile Armour** (provide both hoop and axial strength)
5) **Outer Sheath** (protects against seawater ingress and other mechanical damage)

Appendix - Telecom

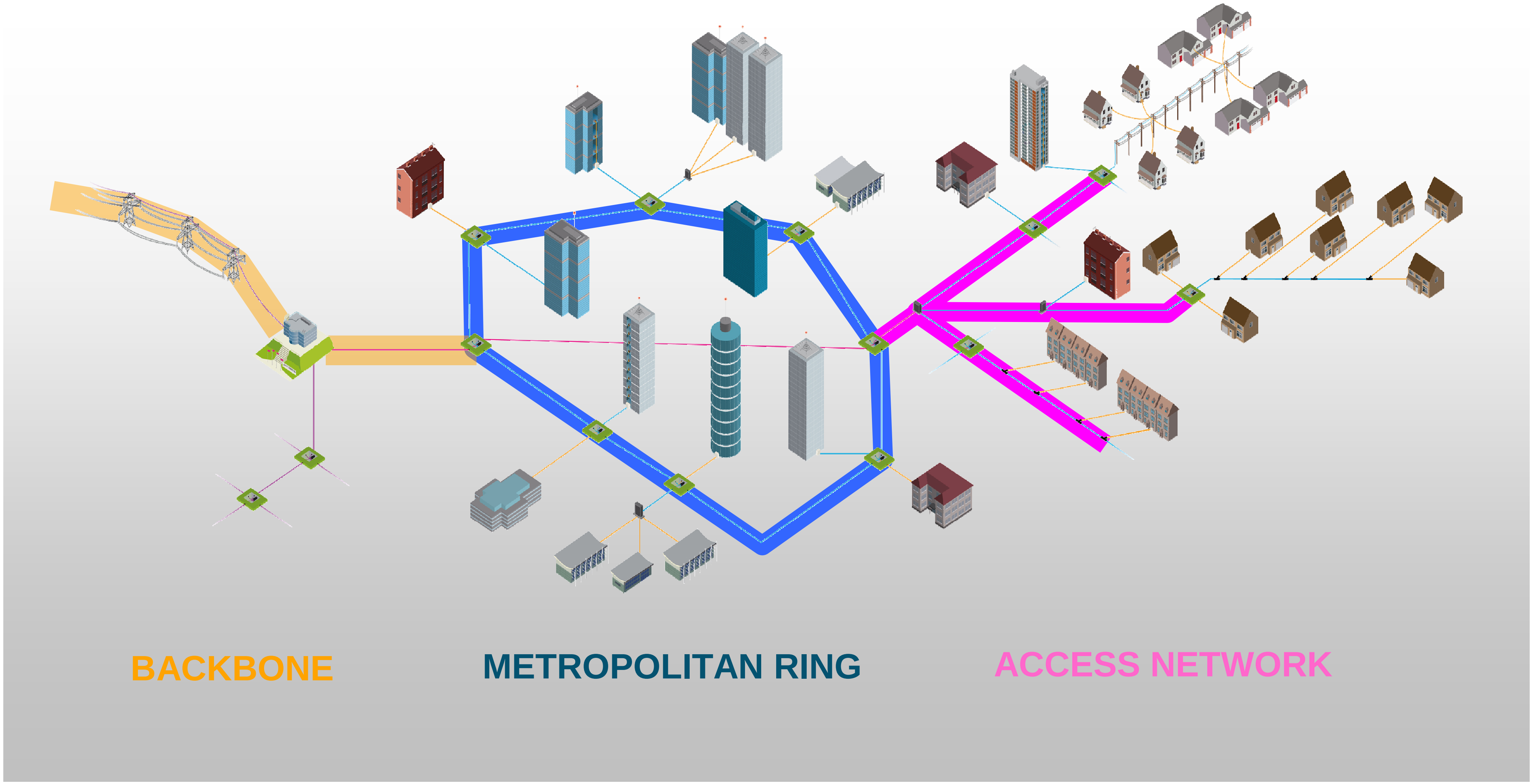
Major Players within the Telecom Industry



Top Optical Cables Producers

- Corning
- Prysmian
- Furukawa
- Draka

Telecom Cables Main Applications



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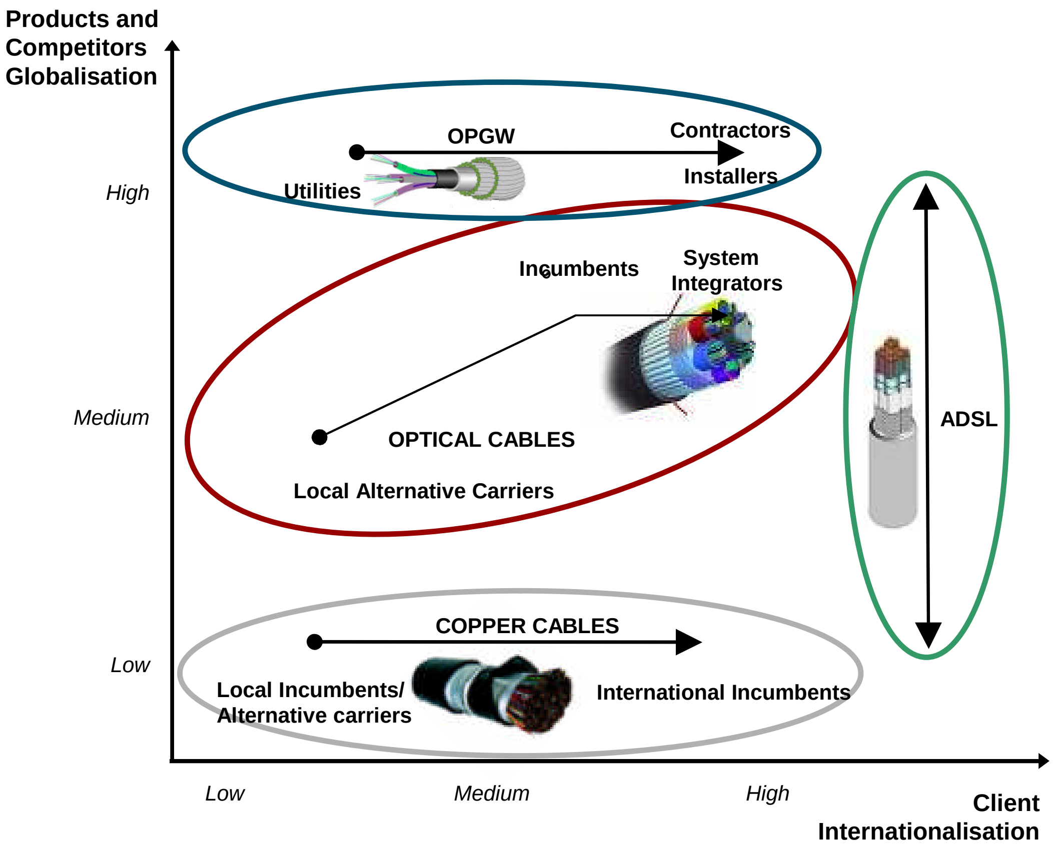
Prysmian Current Product Portfolio and Key Customers

Key products



Key customers

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

TELCO Carriers

verizon
Telstra
BT

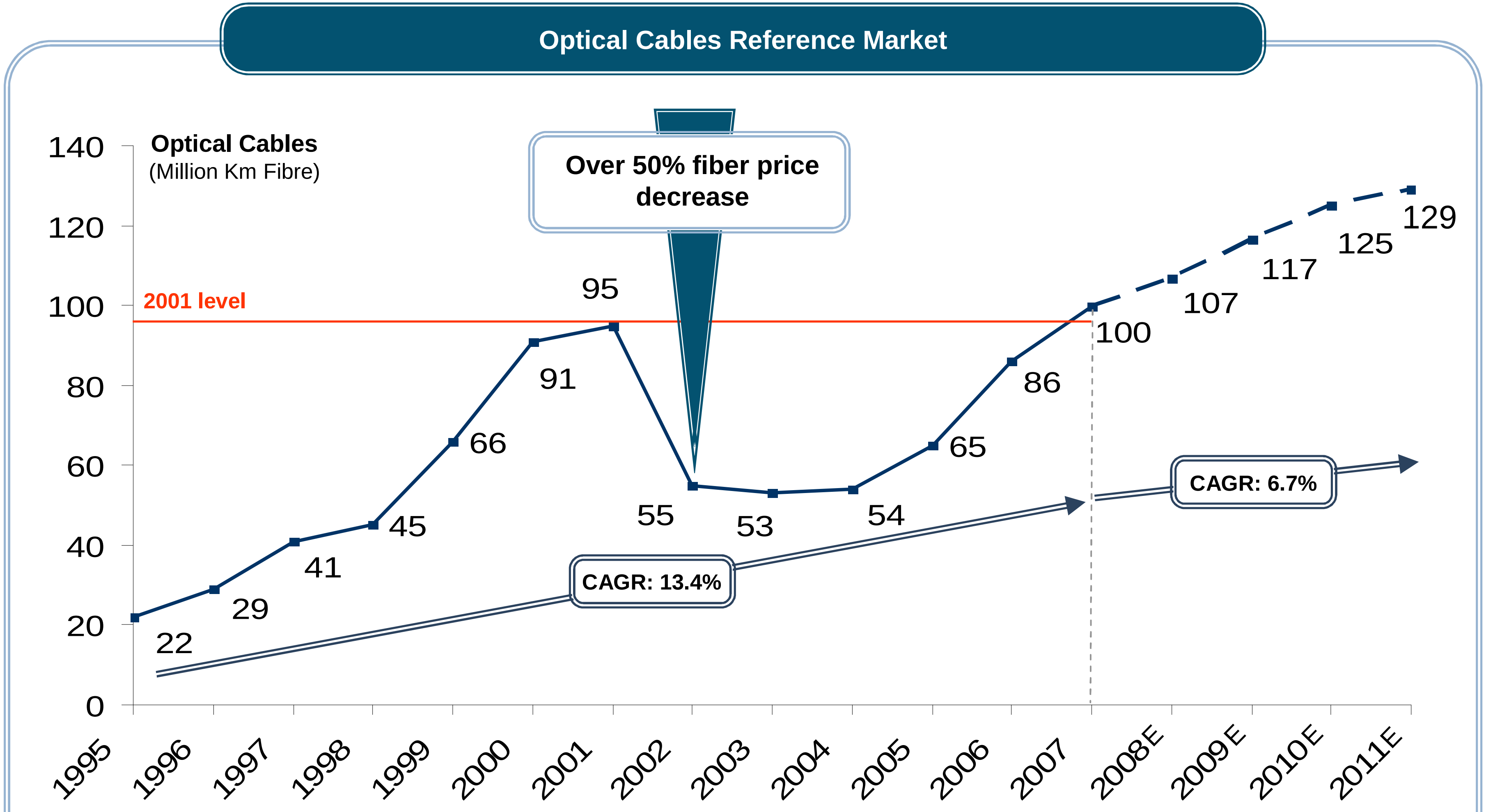
System Integrators

SIEMENS
ALCATEL
ZTE中兴

Other Operators

bharti
building telecom building partnerships
FASTWEB
NetCologne

Telecom – Optical cables demand evolution



Source: CRU data, Jannuary 2008

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Appendix – Operations and R&D

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Operations and R&D Strategic Plan

Operations and R&D focus

Key actions

Product innovation

- Support top line growth focusing on innovation and customers needs
- Development of distinctive cable solutions

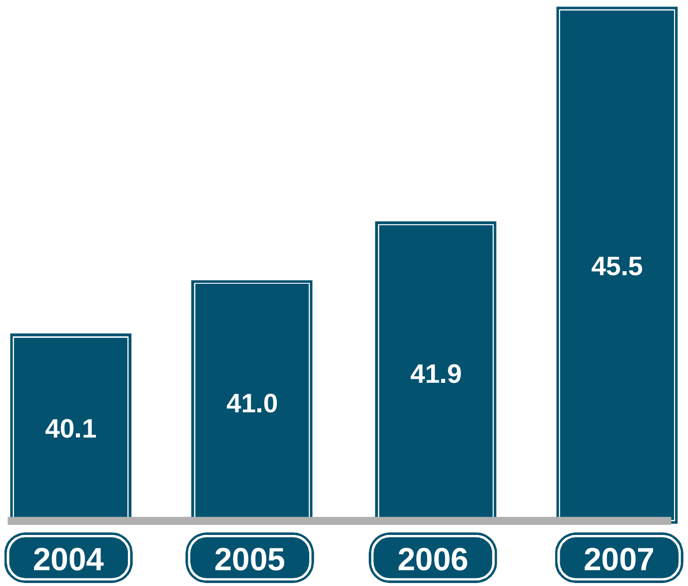
Efficiency and competitiveness on variable costs

- Continue improving material efficiency, reducing scrap and over-usage
- Minimize material consumption through a more effective cable design (Design to Cost)
- Optimize organization and process to achieve further manpower efficiency

Research & Development

Euro Millions

R&D Expenses



Comments

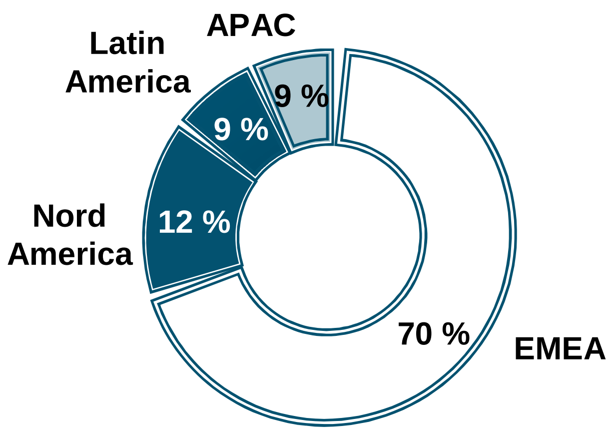
- **2 Functions** involved:
  - **Research & Innovation**
    - Concepts identification (process, materials, products, IT systems)
    - Feasibility
    - Prototype realization
  - **Product Development and Quality**
    - First industrial trial
    - Optimized industrial trial
    - Product range evolution
    - 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

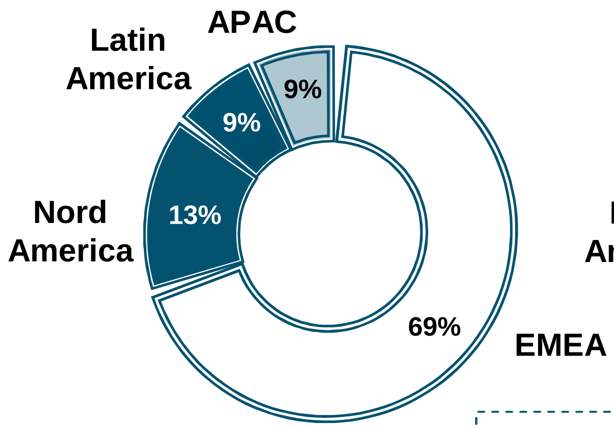
Sales Breakdown by Geographical Area

Euro Millions, % on Total Sales

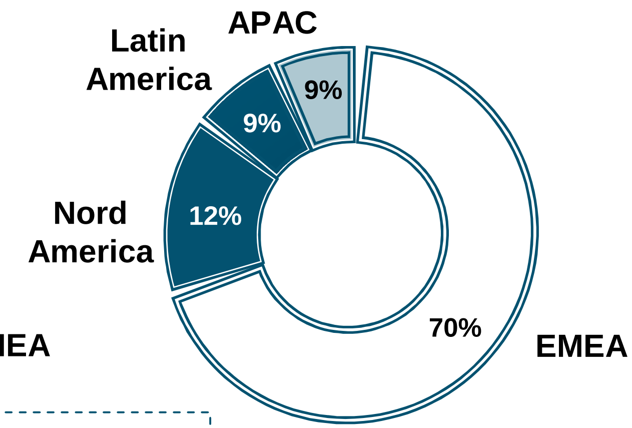
FY 2007



H1 2007



H1 2008

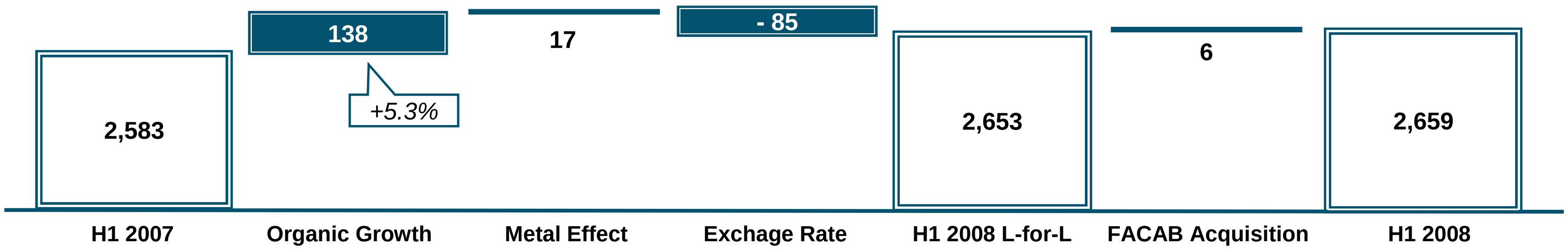


	Total Growth	Organic Growth
EMEA	*+4.1%*	*+5.9%*
North America	*-8.3%*	*-0.4%*
Latin America	*+7.2%*	*+6.0%*
APAC	*+6.5%*	*+8.9%*

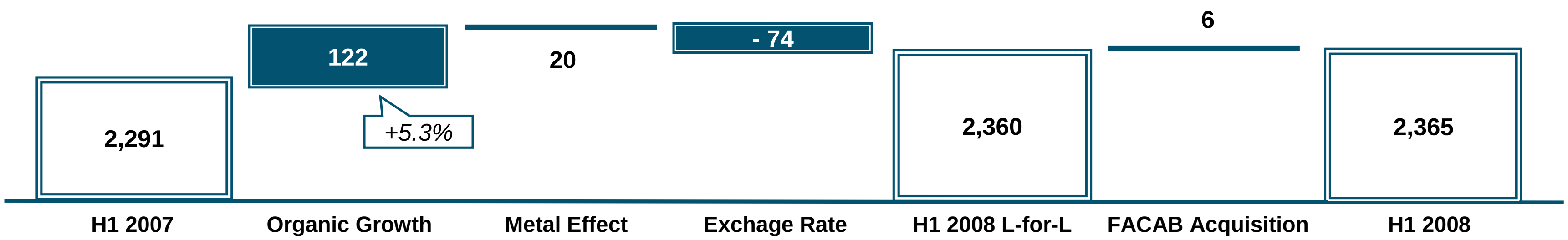
Sales Drivers Vs Third Parties

Euro Millions

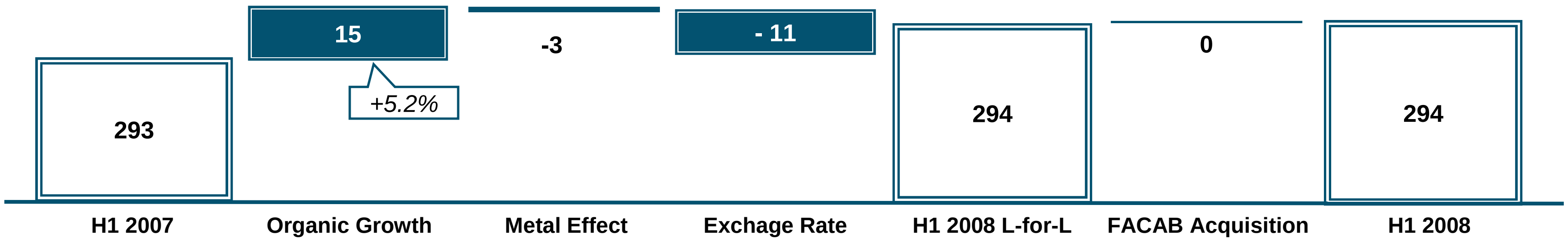
Total Consolidated



Energy Cables & Systems Division



Telecom Cables & Systems Division



PRYSMIAN CABLES & SYSTEMS

Energy Division: Profit and Loss Statement

Euro Millions

	H1 2007	H1 2008	FY 2007
Sales	**2,310**	**2,372**	**4,618**
Sales vs. Third Parties	**2,291**	**2,365**	**4,583**
YoY total growth		*3.2%*	*1.8%*
YoY like for like growth		*3.0%*	*9.6%*
YoY organic growth		*5.3%*	*8.4%*
Contribution Margin	**420**	**450**	**851**
% on sales	*18.2%*	*19.0%*	*18.4%*
EBITDA	**239**	**252**	**475**
% on sales	*10.3%*	*10.6%*	*10.3%*
Non recurring items	*(2)*	*(10)*	*(6)*
Adjusted EBITDA	***241***	***262***	***481***
% on sales	*10.4%*	*11.0%*	*10.4%*
EBIT	**208**	**222**	**414**
% on sales	*9.0%*	*9.3%*	*9.0%*
Non recurring items	*(2)*	*(11)*	*(6)*
Adjusted EBIT	***210***	***233***	***420***
% on sales	*9.1%*	*9.8%*	*9.1%*

Notes

(1) Defined as: Adjusted EBITDA + Fixed costs

PRYSMIAN CABLES & SYSTEMS

Telecom Division: Profit and Loss Statement

Euro Millions

	H1 2007	H1 2008	FY 2007
Sales	**300**	**299**	**548**
Sales vs. Third Parties	**293**	**294**	**535**
YoY total growth		*0.3%*	*5.7%*
YoY like for like growth		*0.3%*	*5.7%*
YoY organic growth		*5.2%*	*6.3%*
Contribution Margin	**61**	**61**	**109**
% on sales	*20.2%*	*20.5%*	*20.0%*
EBITDA	**28**	**29**	**47**
% on sales	*9.3%*	*9.7%*	*8.5%*
Non recurring items	-	*0*	*(1)*
Adjusted EBITDA	***28***	***29***	***48***
% on sales	*9.3%*	*9.7%*	*8.6%*
EBIT	**26**	**27**	**43**
% on sales	*8.6%*	*9.1%*	*7.8%*
Non recurring items	-	*0*	*(1)*
Adjusted EBIT	***26***	***27***	***44***
% on sales	*8.6%*	*9.1%*	*7.9%*

Notes

(1) Defined as: Adjusted EBITDA + Fixed costs

PRYSMIAN CABLES & SYSTEMS

Energy – Sales by business

Euro Millions

	H1 2007	H1 2008	Total Growth	Organic Growth
Utilities	931	1.010		
of which to third parties	*931*	*1.010*	*8,5%*	*14,2%*
Trade & Installers	912	896		
of which to third parties	*911*	*894*	*-1,9%*	*-1,7%*
Industrial	405	409		
of which to third parties	*404*	*409*	*1,2%*	*-0,2%*
Others	62	57		
of which to third parties	*45*	*52*	*n.m.*	*n.m.*
Total Energy	**2.310**	**2.372**		
of which to third parties	**2.291**	**2.365**	**3,2%**	**5,3%**

Energy – Profitability by business

Euro Millions

	H1 2007	H1 2008	H1 2007 % of Sales	H1 2008 % of Sales
Adjusted EBITDA				
Utilities	114	141	12.2%	14.0%
Trade & Installers	82	73	9.0%	8.1%
Industrial	42	45	10.4%	11.1%
Others	3	3	n.m.	n.m.
Total Energy	**241**	**262**	**10.4%**	**11.0%**
Adjusted EBIT				
Utilities	99	127	10.6%	12.5%
Trade & Installers	74	65	8.1%	7.3%
Industrial	36	38	8.6%	9.4%
Others	1	3	n.m.	n.m.
Total Energy	**210**	**233**	**9.1%**	**9.8%**

Extraordinary Effects

Euro Millions

	H1 2007	H1 2008	FY 2007
Price adjustment	39	-	39
Other settlements with Pirelli	-	-	21
Restructuring	(2)	-	(6)
IPO costs	(7)	-	(8)
Badwill FACAB Acquisition	-	2	-
Tax Provision	-	(12)	-
Other	-	(1)	(2)
EBITDA adjustments	**30**	**(11)**	**44**
of which attributable to Energy Business	*(2)*	*(10)*	*(6)*
of which attributable to Telecom Business	*-*	*-*	*(1)*
of which Corporate	*32*	*(1)*	*51*
Assets impairment (plant closure)	**-**	**(1)**	**-**
EBIT adjustments	**30**	**(12)**	**44**
of which attributable to Energy Business	*(2)*	*(11)*	*(6)*
of which attributable to Telecom Business	*-*	*-*	*(1)*
of which Corporate	*32*	*(1)*	*51*
Bank Fees Write-Off (non cash)	(59)	-	(59)
Gain/(Loss) Derivatives	39	23	8
Gain/(Loss) Exchange Rate	(5)	4	3
Gain/(Loss) Cash Flow Hedge (1)	4	-	4
EBT adjustments	**10**	**15**	**(1)**
Tax	(2)	(5)	4
Net Income Adjustments	**8**	**10**	**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

	H1 2007	H1 2008	FY 2007
Net interest expenses	**(38)**	**(35)**	**(69)**
- Gain on cash flow hedge	*4*	*-*	*4*
Bank fees Amortization	(4)	(2)	(6)
Bank fees Write-Off	(59)	-	(59)
Gain/(loss) on exchange rates	(5)	4	3
Gain/(loss) on derivatives	39	23	8
Net financial charges	**(67)**	**(10)**	**(123)**
Share in net income of associates	1	1	2
Total financial charges	**(66)**	**(9)**	**(121)**

Net Working Capital

Euro Millions

	H1 2007	H1 2008	FY 2007
Inventories	648	712	582
Trade accounts receivables	1,012	1,078	833
Trade accounts payables	(878)	(906)	(738)
Other receivables/(payables)	(166)	(167)	(141)
Net working capital	**616**	**717**	**536**
% on sales	***11.2%***	***12.4%***	***10.5%***

Financial structure

Two long term financing contracts (ca. €700m committed facilities currently unutilized)

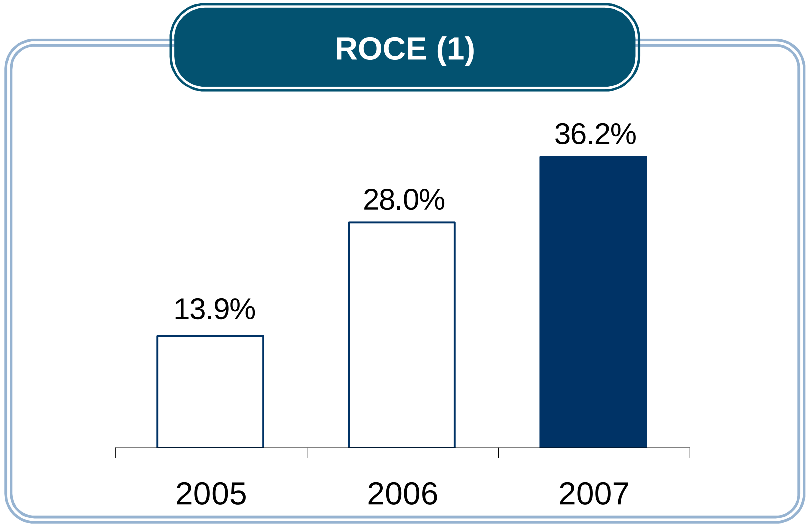
	Amount €m	Current Pricing NFP/EBITDA < 1.5x spread	Current Pricing NFP/EBITDA < 1.5x comm.fee	NFP/EBITDA < 2.0x spread	NFP/EBITDA < 2.0x comm.fee
Securitization	350	0.325%	0.20%	0.375%	0.225%
Term Loan	1,000	0.40%	n/a	0.50%	n/a
Revolving Facility	400	0.40%	0.12%	0.50%	0.15%
Bonding Facility	300	0.30%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

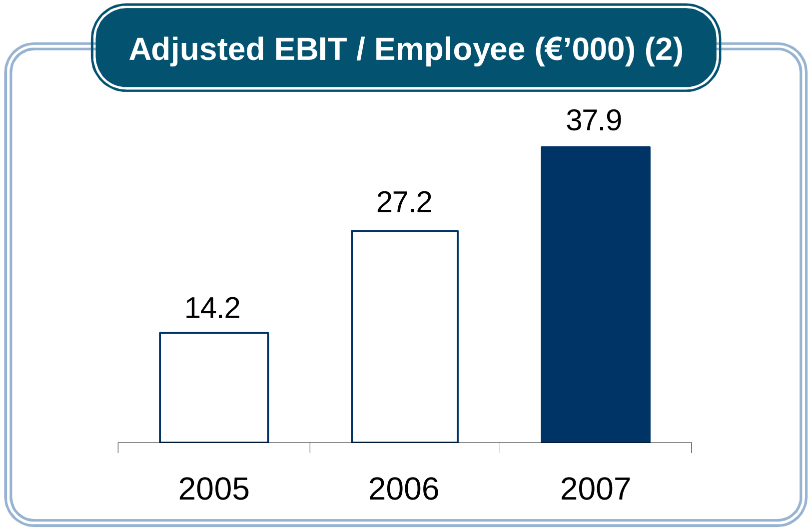
	30.06.07 €m	*31.12.07* €m	*30.06.08* €m
Term Loan	1,001 (2)	995 (2)	987 (2)
Securitization	180	0	60
Other Debt	62	73	90
Total Gross Debt	**1,243**	**1,068**	**1,137**
Cash & Other Financial Assets	(312)	(332)	(339)
NFP Vs third parties	**931**	**736**	**798**
Bank Fees	(23)	(20)	(18)
SHL (Debt component) (1)	0	0	0
NFP	**908**	**716**	**780**

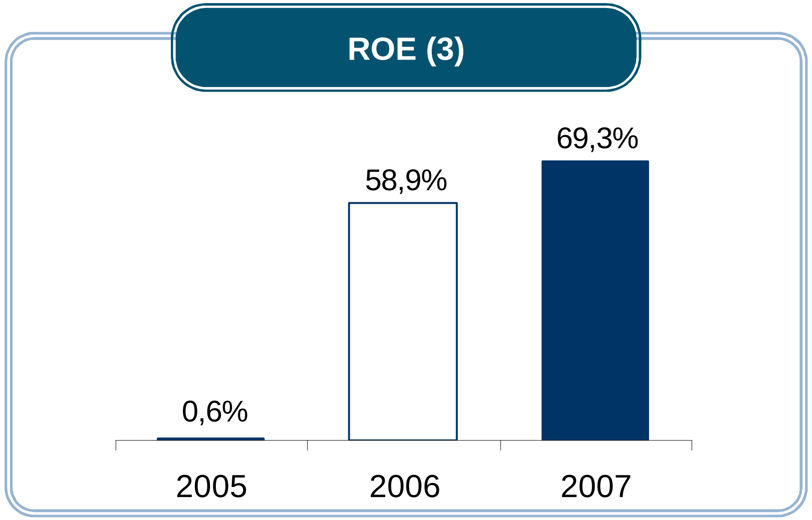
(1) Total shareholders loan paid back in May 2007 equal to €71m

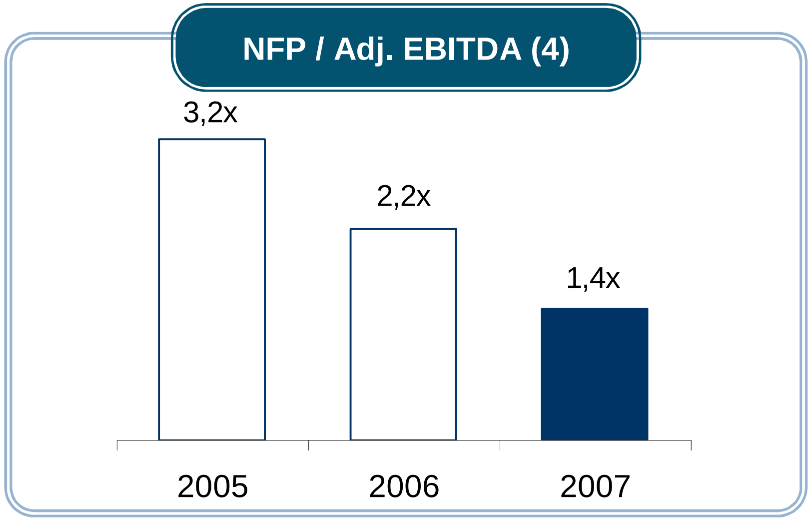
(2) Including interest accrued: €0.1m as at 30.06.07; €4.7m as at 31.12.07; €4.3m as at 30.06.08

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

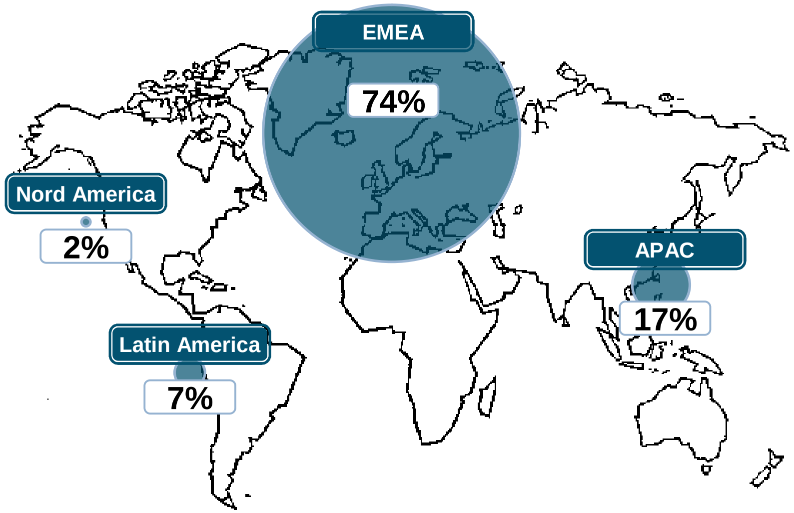
(4) Net Financial Position to Third Parties YE/ Adj. EBITDA

Prysmian Capex

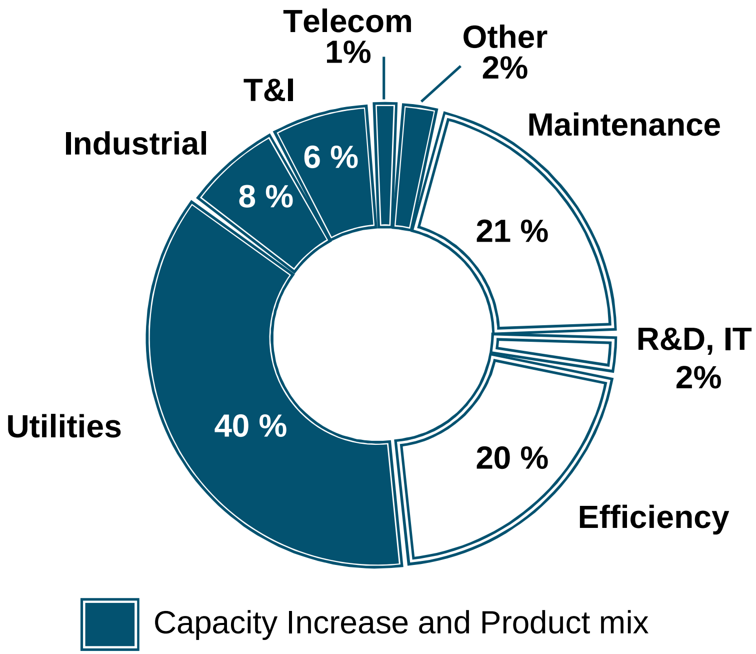
Euro Millions

€ 89 m of Capital Expenditure in 2007

Capital expenditure by Geography



Capital Expenditure by destination



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.