A WORLDWIDE LEADING PLAYER IN THE CABLE INDUSTRY

First Quarter Report 2008

PRYSMIAN
CABLES & SYSTEMS

Disclaimer

This document contains forward-looking statements, specifically in the section entitled "Business outlook", that relate to future events and operating, economic and financial results of the Prysmian Group. By their nature such forecasts involve certain risks and uncertainties because they depend on the occurrence of future events and developments. Therefore, actual future results may differ materially from what is forecast in forward-looking statements for a number of reasons.

CONTENTS

DIRECTORS' REPORT

Prysmian S.p.A.

Board of Directors	**Chairman**	Paolo Zannoni
	Chief Executive Officer	Valerio Battista
	Directors	Wesley Clark*
		Giulio Del Ninno* (1)
		Pier Francesco Facchini
		Hugues Lepic (2)
		Francesco Paolo Mattioli* (1) (2)
		Michael Ogrinz
		Fabio Ignazio Romeo
		Udo Gunter Werner Stark* (1) (2)

**Independent directors*

(1) Members of the Internal Control Committee

(2) Members of the Compensation Committee

Board of Statutory Auditors	**Chairman**	Marcello Garzia
	Auditors	Luigi Guerra
		Paolo Francesco Lazzati
	Alternate auditors	Alessandro Ceriani
		Giovanni Rizzi
Independent Auditors	**PricewaterhouseCoopers S.p.A.**	

Foreward

This quarterly report at 31 March 2008 (Interim management statement pursuant to art. 154 ter of Italian Decree 58/1998) has been drawn up and prepared:

- in compliance with the above decree and subsequent amendments and with the Issuer Regulations published by Consob (Italy's securities regulator);
- in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and in accordance with IAS 34 – Interim Financial Reporting.

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

(in millions of Euro)	1st quarter 2008	1st quarter 2007	% change	FY 2007
Sales	1,216	1,205	0.9%	5,118
Contribution margin (1)	234	222	5.5%	960
EBITDA (2)	128	152	-16.3%	573
Adjusted EBITDA (3)	129	116	10.6%	529
Operating income	112	135	-17.3%	508
Adjusted operating income (4)	113	99	13.9%	464
Income before taxes	135	71	90.2%	387
Net income	103	52	97.6%	302

(in millions of Euro)	31 March 2008	31 March 2007	Change	31 December 2007
Net capital employed	1,392	1,247	145	1,282
Employee benefit obligations	110	126	(16)	112
Equity	524	222	302	454
of which attributable to minority interests	21	22	(1)	21
Net financial position	758	899	(141)	716

(in millions of Euro)	1st quarter 2008	1st quarter 2007	% change	FY 2007
Investments	16	14	14.3%	89
Employees (at period end)	12,544	12,364	1.5%	12,243
Earnings/(loss) per share				
- basic	0.56	0.27		1.67
- diluted	0.56	0.27		1.65

(1) *Contribution margin is defined as adjusted EBITDA before fixed costs.*

(2) *EBITDA is defined as earnings/(loss) for the period, before finance income/costs, tax, depreciation and amortisation and the share of income/loss from associates and dividends from other companies.*

(3) *Adjusted EBITDA is defined as EBITDA before non-recurring income/expenses.*

(4) *Adjusted operating income is defined as operating income before non-recurring income/expenses.*

SIGNIFICANT EVENTS DURING THE PERIOD

The Prysmian Group reported a 3.4% organic growth in sales in the first quarter of 2008 relative to the same period of 2007 (excluding changes in metal prices and exchange rates). Organic growth by segment was as follows:

- Energy + 3.6%
- Telecom + 2.3%

The Group's adjusted EBITDA for the period was Euro 129 million (excluding non-recurring expenses of Euro 1 million), reporting an increase of 10.6% on the same period of last year.

The revaluation of the euro against the US dollar and other currencies (eg. the British pound) compared to the first quarter of 2007 caused approximately Euro 2 million reduction of adjusted EBITDA contributed by units operating in local currencies other than the consolidation one.

In February Prysmian signed an EPC (Engineering Procurement Construction) contract worth Euro 23 million with Emirates Aluminium Company Ltd. for the supply and installation of high voltage cables and systems that will be used in the world's largest aluminium smelter, currently being built in the Taweelah district of Abu Dhabi.

At the end of March, Prysmian was chosen by Petrobras, a Brazilian oil company, as a partner for developing Plangas, a strategically important project under which Brazil intends to increase its national gas production significantly. Prysmian has been appointed to design, produce and install special high-tech umbilical cables used in the operation of offshore gas fields. The contract is worth approximately USD 18 million for a total of 35 km in umbilical steel cable.

Prysmian has also secured a major contract in Libya worth over Euro 35 million and an extension to the Syria project for the supply of copper telecoms cables; it will also continue to supply both optical and copper cables under the three-year contract won last year in Australia (Telstra).

At the end of March 2008, the Group's net financial position amounted to Euro 758 million, compared to Euro 899 million at 31 March 2007. The improvement was mainly attributable to the large amount of cash flow driven by operating income in the past twelve months.
The slight increase of Euro 42 million in net financial position since 31 December 2007 reflects the rising seasonal trend in sales.

GROUP PERFORMANCE AND RESULTS

(in millions of Euro)

	1st quarter 2008	1st quarter 2007	% change	FY 2007
Sales	1,216	1,205	0.9%	5,118
Adjusted EBITDA	**129**	**116**	**10.6%**	**529**
% of sales	10.6%	9.6%		10.3%
EBITDA	**128**	**152**	**-16.3%**	**573**
% of sales	10.5%	12.6%		11.2%
Amortisation, depreciation and impairment	(16)	(17)	-8.4%	(65)
Operating income	**112**	**135**	**-17.3%**	**508**
% of sales	9.2%	11.2%		9.9%
Net finance income (costs)	23	(64)	-135.1%	(123)
Share of income from investments accounted using the equity method	-	-		2
Income before taxes	**135**	**71**	**90.2%**	**387**
% of sales	11.1%	5.9%		7.6%
Taxes	(32)	(19)	69.8%	(85)
Net income	**103**	**52**	**97.6%**	**302**
% of sales	8.4%	4.3%		5.9%
Attributable to:				
Equity holders of the parent	101	49		300
Minority interests	2	3		2

Reconciliation of operating income/EBITDA to adjusted operating income/EBITDA

Operating income (A)	**112**	**135**	**-17.3%**	**508**
EBITDA (B)	**128**	**152**	**-16.3%**	**573**
Non-recurring expenses (income):				
IPO costs	-	2		8
Shutdown of operating facilities	-	1		6
IT segregation	1	-		1
Settlement with Pirelli & C. S.p.A.	-	-		(21)
Acquisition price adjustment of the Energy and Telecom Cables & Systems divisions from Pirelli & C. S.p.A.	-	(39)		(39)
Disposal of Submarine Telecoms Business	-	-		1
Total non-recurring expenses (income) (C)	1	(36)		(44)
Adjusted operating income (A+C)	**113**	**99**	**13.9%**	**464**
Adjusted EBITDA (B+C)	**129**	**116**	**10.6%**	**529**

Income statement

Group sales amounted to Euro 1,216 million in the first quarter of 2008 compared with Euro 1,205 million in the same period of 2007, reporting an increase of Euro 11 million (+0.9 %).
The substantially stable sales performance was actually the product of a combination of factors:

- a rise of Euro 1 million in sale prices due to higher metal prices;
- negative exchange rate movements of Euro 31 million (-2.5%);
- sales organic growth of Euro 41 million (+3.4%) due to improved volumes and mix.

Adjusted EBITDA reached Euro 129 million in the first quarter of 2008 compared with Euro 116 million in 2007, reporting an increase of Euro 13 million (+10.6%). This improvement came entirely from the growth in contribution margin with fixed costs stable compared to the prior year.

Contribution margin increased from Euro 222 million in the first quarter of 2007 to Euro 234 million this year. Relative to the same period last year there was:

- strong growth in volumes for high voltage and submarine projects business, after increasing production capacity in the prior year;
- general stability relative to the first quarter of 2007 in volumes and profitability of the other businesses (Trade & Installers, Power Distribution, Industrial and Telecom), despite a slowdown in demand already evident in the last quarter of 2007. The slight downturn in global demand varied in the different areas of the world and in the different businesses; nonetheless Prysmian managed to maintain or increase its profitability thanks to selective measures involving its product portfolio designed to favour the more profitable segments and/or markets.

Group EBITDA amounted to Euro 128 million in the first quarter of 2008 compared with Euro 152 million in the same period of last year. The reduction of Euro 24 million (-16.3%) was the combined effect of the following factors:

- improvement of Euro 13 million of recurring results;
- absence this year of last year's acquisition price adjustment of Euro 39 million from Pirelli & C. S.p.A.;
- absence this year of Euro 2 million in non-recurring expenses relating to last year's IPO.

First-quarter depreciation and amortisation amounted to Euro 16 million, staying in line with the corresponding prior-year figure of Euro 17 million.

Group operating income amounted to Euro 112 million at the end of March 2008, compared with Euro 135 million in the prior year, reporting a decrease of Euro 23 million (-17.3%), due to the non-recurring factors described above for EBITDA.

Finance income and costs reported in the first-quarter of 2008 a net income of Euro 23 million compared with net costs of Euro 64 million in the first quarter of 2007, representing an improvement of Euro 87 million. This increase was due to:

- the absence this year of Euro 59 million in write-offs of bank fees in the first quarter of 2007 following the refinancing of the previous Credit Agreement with the New Credit Agreement;

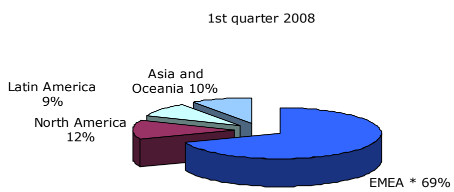
- recognition in the income statement of the positive effect from the fair value of derivatives (Euro 50 million in 2008 compared to Euro 18 million in the first quarter of 2007);
- net exchange rate losses higher for Euro 7 million, due to the depreciation of the US dollar and other currencies;
- lower finance costs thanks to the significant cash flow generated in the past twelve months and the reduction in interest rates obtained under the New Credit Agreement;
- absence this year of the benefit of Euro 4 million from releasing a cash flow hedge equity reserve to income in 2007.

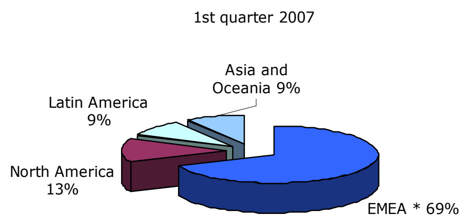
Taxes amounted to Euro 32 million in the first quarter of 2008, representing a tax rate of 24.0%.

Net income for the first quarter of 2008 surged to Euro 103 million, almost doubling the figure of Euro 52 million reported in the first three months of 2007.

Sales by geographical area

The following charts provide a comparison of sales by geographical area in the first quarter of 2007 and the first quarter of 2008.





* EMEA: Europe, Middle East and Africa

The breakdown of sales by geographical area reports a slight reduction in the weight of sales in North America in favour of Asia and Oceania. The underlying factors are the growth in sales in the various markets and the appreciation of the Euro (the consolidation currency) against the US dollar and other currencies.

Sales in EMEA increased by 2.2% thanks to a combination of the following factors:

- negative exchange rate effect of Euro 16 million (-1.9%) due to appreciation of the euro against other currencies in which Prysmian European companies operate (British pound, Romanian new lei, etc.);
- decrease of Euro 2 million (-0.2 %) due to change in metal prices (lower than last year thanks to the EUR/USD exchange rate which more than made up for the growth in copper and aluminium prices);
- organic growth of Euro 36 million (+4.3%) entirely driven by high voltage and submarine cables projects.

Sales in North America decreased by Euro 12 million (-7.7%) entirely due to exchange rates. In fact, Prysmian's sales volumes in this part of the world were broadly unchanged thanks to the growth in the high voltage cables business which more than compensated the lower demand in the other areas of business (particularly Power Distribution).

Sales in Latin America remained stable.

The area with the highest sales growth was Asia and Oceania (+ 5.0% in absolute value and + 8.1% net of metal prices and exchange rates effects), thanks to the growth in volumes in the Telecom and the Trade & Installers businesses.

SEGMENT PERFORMANCE

ENERGY

(in millions of Euro)

	1st quarter 2008	1st quarter 2007	% change	FY 2007
Sales	1,077	1,081	-0.4%	4,618
of which to third parties	1,074	1,059	1.4%	4,583
Adjusted EBITDA	**115**	**103**	**10.5%**	**481**
% of sales	10.6%	9.5%		10.4%
EBITDA	**115**	**102**	**11.9%**	**475**
% of sales	10.6%	9.4%		10.3%
Amortisation, depreciation and impairment	(15)	(16)	-9.6%	(61)
Operating income	**100**	**86**	**15.9%**	**414**
% of sales	9.2%	8.0%		9.0%
Adjusted operating income	**100**	**87**	**14.2%**	**420**
% of sales	9.2%	8.0%		9.1%
Contribution margin	**204**	**192**	**6.4%**	**851**
% of sales	18.9%	17.8%		18.4%

Reconciliation of operating income/EBITDA to adjusted operating income/EBITDA

Operating income (A)	**100**	**86**	**15.9%**	**414**
EBITDA (B)	**115**	**102**	**11.9%**	**475**
Non-recurring expenses:				
Shutdown of operating facilities	-	1		6
Launch of the Prysmian trademark	-	-		-
Total non-recurring expenses (C)	-	1		6
Adjusted operating income (A+C)	**100**	**87**	**14.2%**	**420**
Adjusted EBITDA (B+C)	**115**	**103**	**10.5%**	**481**

The criteria of Corporate fixed costs allocation to the segments has changed from the second quarter of 2007, with all such costs now being allocated to the Energy and Telecom segments. This allocation uses parameters associated with the absorption of resources by each operating segment. The first-quarter results in 2007 have been restated accordingly for comparative purposes.

Sales

Sales to third parties in the Energy Cables and Systems segment rose from Euro 1,059 million in the first quarter of 2007 to Euro 1,074 million in the quarter just ended. The increase of Euro 15 million (+1.4%) was mainly due to the following factors:

- rise of Euro 4 million (+0.4%) for changes in sale prices due to higher metal prices;
- negative exchange rate effects of Euro 27 million (-2.6 %);

- organic growth in sales of Euro 38 million (+3.6%) due to improved volumes and mix.

Sales by the Trade & Installers business increased by Euro 5 million (+1.1%) on the prior year due to the following factors:

- increase in sale prices of Euro 7 million (+1.8%), due to higher metal prices, which further climbed in March 2008;
- negative exchange rate effects of Euro 4 million (-1.1%), almost entirely due to the Euro appreciation against the British pound;
- organic growth of Euro 2 million (+0.4%).

Despite facing stationary or contracting markets, like in Spain and North America, resulting from the downturn in the construction sector Prysmian managed to increase sales volumes by approximately 3% on the prior year.
This was the result of a strategy that combined stability of the pricing applied at the end of 2007, the ability to react quickly to changes in specific markets and a focus on high value-added products (eg. LSOH/Afumex fire resistant cables). In Europe, our subsidiary in Spain reacted to a drastic reduction in demand by redirecting its efforts to medium voltage cables, while in the UK the weaker pound and the decrease in imports' competitiveness provided an opportunity to boost sales of building wires.
In North America, Prysmian focused on sales in highly specialised building sectors, while in Australia it concentrated on direct rather than intermediated channels.

Sales of cables in the Utilities business rose by Euro 23 million (+5.5%) versus the first three months of last year, due to the following factors:

- slight drop in sale prices of Euro 2 million (-0.5%) following a reduction in metal prices at the end of 2007;
- negative exchange rate effects of Euro 23 million (-5.3%), due to the Euro appreciation against the British pound and US dollar;
- organic growth of Euro 48 million (+11.3%).

Growth was concentrated in the high voltage and submarine cables segments thanks to strong demand and major projects worldwide, to which Prysmian has responded in the past two years by expanding production capacity at its plants in Arco Felice (Italy), Pikkala (Finland), Delft (Holland) and Gron (France).
Both segments enjoyed a large organic sales growth relative to the first quarter of last year thanks to projects like the Sardinia – Italian Peninsula link (Sa.pe.i) and those for Northeast Utilities (USA) and Kharamaa (Qatar).

As a partial consequence of the above trends, sales by the Accessories business also reported a strong organic growth, equally divided between products for high and medium voltage cables.

The high price of oil, the growing worldwide demand for energy and the need to make transmission networks more efficient and eco-sustainable allows to anticipate a steadily positive outlook.

The Power Distribution business reported a slight organic drop in sales on the prior year. This reduction was mainly concentrated in the North American market, where the main Utilities have stopped or slowed the ordinary network maintenance in favour of major transmission projects.

The Industrial business reported an organic decrease in sales of 7.6% on the first quarter of 2007. This drop in sales, which did not affect the business profitability, was due to a number of factors, such as demand evolution in Europe, which focussed was on special-use products (crane cables for port installations, instrumentation cables), and the different timing of sales to contractors and large customers for projects in the Oil & Gas sector.

Profitability

Contribution margin increased by Euro 12 million (+6.4%) from Euro 192 million in the first quarter of 2007 to Euro 204 million at the end of March 2008. This improvement is directly related to the expansion of high value-added businesses, like high voltage and submarine cables.

The better commercial results were fully reflected in EBITDA, which increased by Euro 13 million (+11.9%) from Euro 102 million in the first quarter of 2007 to Euro 115 million this year.

The current order book offers a good visibility in coming months, especially for those businesses driven by long-term projects.

Fixed costs were in line with the previous year, while operating income improved by Euro 14 million (+15.9%) to Euro 100 million, up from Euro 86 million in the first quarter of 2007.

The positive trend in operating income confirms the effectiveness of the Group's strategy of focusing on higher value-added products and sales channels.

The following tables report sales to third parties, adjusted EBITDA and adjusted operating income of the Energy segment's various businesses, compared with the corresponding prior year period.

(in millions of Euro)	Sales			
	1st quarter 2008	1st quarter 2007	% change	% organic change
Utilities	444	421		
of which to third parties	*444*	*421*	*5.5%*	*11.3%*
Trade & Installers	424	419		
of which to third parties	*423*	*418*	*1.1%*	*0.4%*
Industrial	186	204		
of which to third parties	*186*	*203*	*-8.2%*	*-7.6%*
Other	23	37		
of which to third parties	*21*	*17*		
Total Energy	**1,077**	**1,081**		
of which to third parties	***1,074***	***1,059***	***1.4%***	***3.6%***

(in millions of Euro)	Adjusted EBITDA		% of sales	
	1st quarter 2008	1st quarter 2007	1st quarter 2008	1st quarter 2007
Utilities	58	43	13.1%	10.3%
Trade & Installers	35	37	8.2%	9.0%
Industrial	21	21	11.2%	10.3%
Other	1	1		
Total Energy	**115**	**103**	**10.6%**	**9.5%**

(in millions of Euro)	Adjusted operating income		% of sales	
	1st quarter 2008	1st quarter 2007	1st quarter 2008	1st quarter 2007
Utilities	51	35	11.6%	8.4%
Trade & Installers	31	33	7.3%	8.0%
Industrial	18	18	9.4%	8.8%
Other	-	1		
Total Energy	**100**	**87**	**9.2%**	**8.0%**

TELECOM

(in millions of Euro)	1st quarter 2008	1st quarter 2007	% change	FY 2007
Sales	144	151	-4.3%	548
of which to third parties	142	146	-2.7%	535
Adjusted EBITDA	**14**	**14**	**11.3%**	**48**
% of sales	10.2%	9.0%		8.6%
EBITDA	**14**	**14**	**7.9%**	**47**
% of sales	9.9%	9.0%		8.5%
Amortisation, depreciation and impairment	(1)	(1)	-7.2%	(4)
Operating income	**13**	**13**	**9.0%**	**43**
% of sales	9.3%	8.3%		7.8%
Adjusted operating income	**13**	**13**	**12.7%**	**44**
% of sales	9.6%	8.3%		7.9%
Contribution margin	**30**	**30**	**-0.5%**	**109**
% of sales	21.1%	20.2%		20.0%

Reconciliation of operating income/EBITDA to adjusted operating income/EBITDA

Operating income (A)	**13**	**13**	**9.0%**	**43**
EBITDA (B)	**14**	**14**	**7.9%**	**47**
Non-recurring expenses:				
Shutdown of operating facilities	-	-		-
Disposal of Submarine Telecoms Business	-	-		1
Total non-recurring expenses (C)	-	-		1
Adjusted operating income (A+C)	**13**	**13**	**12.7%**	**44**
Adjusted EBITDA (B+C)	**14**	**14**	**11.3%**	**48**

The criteria of Corporate fixed costs' allocation to the segments has changed from the second quarter of 2007, with all such costs now being allocated to the Energy and Telecom segments. This allocation uses parameters associated with the absorption of resources by each operating segment. The first-quarter results in 2007 have been restated accordingly for comparative purposes.

Sales to third parties by the Telecom segment reached Euro 142 million, down from Euro 146 million in the first quarter of 2007 (-2.7%).

This decrease was due to:

- lower sale prices of Euro 3 million (-2.2%) following a reduction in metal prices;
- negative exchange rate effects of Euro 4 million (-2.8%);
- organic growth of Euro 3 million (+ 2.3%).

Contribution margin and EBITDA were unchanged relative to the same period of 2007, respectively at Euro 30 million, and Euro 14 million.

Within the segment, optical cables continued to benefit from the recovery of demand in Europe; good results were also achieved in Australia (thanks to the contract with Telstra). This enabled the Group to limit the negative effects of a weaker Indian market.

Prysmian has recently launched on several projects in the field of optic fibres, including:

- CasaLight optic fibre, which is specially designed to meet the necessary requirements when fibre is bent; these are particularly demanding in the case of FTTH fibre and cables;
- VertiCasa project, which involves a new cabling system designed for installation of optic fibre cables in very high buildings.

Sales held up in the copper cable segment thanks to high volumes in Turkey, Italy and Romania. Prysmian has secured a major contract worth over Euro 35 million to supply telecom cables in Libya. The contract has been made with the Libyan General Post and Telecommunications Company and involves supplying a wide range of cables for the national operator's telephone network.
In South America, performance in Brazil was good, with high volumes achieved on both the domestic and export market (North and Central America).

Contribution margin benefited not only from the commercial factors mentioned above, but also from measures to improve industrial efficiency.

GROUP BALANCE SHEET AND FINANCIAL POSITION

Balance sheet

(in millions of Euro)	31 March 2008	31 March 2007	Change	31 December 2007
Net fixed assets	855	867	(12)	881
Net working capital	665	513	152	536
Provisions	(128)	(133)	5	(135)
Net capital employed	**1,392**	**1,247**	**145**	**1,282**
Employee benefit obligations	110	126	(16)	112
Total equity	524	222	302	454
of which attributable to minority interests	21	22	(1)	21
Net financial position	758	899	(141)	716
Total equity and sources of funds	**1,392**	**1,247**	**145**	**1,282**

Net fixed assets were Euro 26 million lower than at 31 December 2007, mainly reflecting the depreciation of the US dollar, the British pound and other currencies against the Euro.

Investments in the period amounted to Euro 16 million, matching the depreciation and amortisation charges.

Net working capital was Euro 129 million higher than at 31 December 2007, reflecting seasonal factors. The increase of Euro 152 million relative to 31 March 2007 was due to higher inventories, the negative impact of other receivables and payables mostly associated with the work-in-progress of high voltage and submarine projects, and an increase in the fair value of derivatives having a commercial nature (mainly metals and currency derivatives).

Net financial position was up by Euro 42 million relative to 31 December 2007, reflecting the following factors:

- negative impact of the seasonal change in working capital and the growing orders backlog for long-term projects;
- net cash flow from operating activities in the first quarter of 2008;
- cash-in of Euro 16 million from Pirelli & C. S.p.A. for final acquisition price adjustment.

Net financial position decreased by Euro 141 million relative to 31 March 2007 thanks to the cash flow in the period, including the cash-in of price adjustments of Euro 21 million from Pirelli & C. S.p.A., and despite the negative impact of repaying the shareholders' loan of Euro 28 million (residual amount included in equity).

Net working capital

The main components of net working capital are analysed in the following table:

(in millions of Euro)	31 March 2008	31 March 2007	Change	31 December 2007
Inventories	660	594	66	582
Trade receivables	961	912	49	833
Trade payables	(801)	(792)	(9)	(738)
Other receivables/(payables)	(155)	(201)	46	(141)
Net working capital	**665**	**513**	**152**	**536**

Net working capital amounted to Euro 665 million (13.7% of sales) at 31 March 2008, compared with Euro 536 million (10.5% of sales) at 31 December 2007 and Euro 513 million (10.6% of sales) at 31 March 2007.

This increase was attributable to the following factors:

- higher absorption of net working capital, arising from the growth in long-term projects for the high voltage and submarine business (Euro 68 million relative to December 2007 and Euro 102 million relative to March 2007);
- increase in receivables due to higher fair value of derivatives, (Euro 53 million relative to December 2007 and Euro 44 million relative to March 2007);
- increase in inventories due to investments in production capacity for high voltage products in France, Finland and Holland;
- effect of seasonal factors on other business (relative to December 2007);
- shorter payment terms for copper suppliers (relative to March 2007).

Net financial position

The following table provides a detailed breakdown of net financial position:

(in millions of Euro)

	31 March 2008	31 March 2007	Change	31 December 2007
Long-term financial payables				
Credit agreement	983	1,054	(71)	990
Bank fees	(8)	(1)	(7)	(8)
Shareholders' loan	-	43	(43)	-
Other financial payables	10	10	0	11
Total long-term financial payables	**985**	**1,106**	**(121)**	**993**
Short-term financial payables				
Credit agreement	18	-	18	5
Bank fees	-	-	-	-
Securitization	30	200	(170)	-
Other financial payables	62	51	11	63
Total short-term financial payables	**110**	**251**	**(141)**	**68**
Total financial liabilities	**1,095**	**1,357**	**(262)**	**1,061**
Long-term financial receivables	18	22	(4)	22
Long-term bank fees	9	4	5	10
Short-term financial receivables	21	13	8	18
Short-term bank fees	2	1	1	3
Financial assets held for trading	35	31	4	40
Cash and cash equivalents	252	387	(135)	252
Total financial assets	**337**	**458**	**(121)**	**345**
Net financial position	**758**	**899**	**(141)**	**716**

Cash flow statement

(in millions of Euro)

	1st quarter 2008	1st quarter 2007	Change	FY 2007
EBITDA	**128**	**152**	**(24)**	**573**
Acquisition price adjustment and other settlements	-	(40)	40	(60)
Share-based compensation	-	1	(1)	6
Changes in provisions (including employee benefit obligations)	(2)	(2)	-	(6)
(Gains)/losses from disposal of property, plant and equip. and intangible assets	-	(1)	1	(1)
Net cash flow provided by operating activities (before changes in net working capital	**126**	**110**	**16**	**512**
Changes in net working capital	(112)	(65)	(47)	(60)
Taxes paid	(14)	(16)	2	(86)
Net cash flow provided by (used in) operating activities	**-**	**29**	**(29)**	**366**
Acquisition price adjustment and other settlements	16	40	(24)	45
Net cash flow used in investing activities [(1)]	(16)	(10)	(6)	(83)
Free cash flow (unlevered)	**-**	**59**	**(59)**	**328**
Net finance costs	(14)	(22)	8	(83)
Free cash flow (levered)	**(14)**	**37**	**(51)**	**245**
Capital contribution	1	-	1	(2)
Repayment of shareholders' loan	-	-	-	(28)
Net cash flow provided (used) in the period	**(13)**	**37**	**(50)**	**215**
Net financial position at the beginning of the period	**(716)**	**(879)**	**163**	**(879)**
Net cash flow provided (used) in the period	(13)	37	(50)	215
Other changes	(29)	(57)	28	(52)
Net financial position at the end of the period	**(758)**	**(899)**	**141**	**(716)**

(1) This does not include cash flow relating to "Financial assets held for trading", classified in net financial position.

Net cash flow provided by operating activities (before changes in net working capital) amounted to Euro 126 million in the first three months of the year. Most of this cash flow was absorbed by the increase of Euro 112 million in net working capital described above; after deducting Euro 14 million in taxes paid, net cash flow from operating activities in the period was substantially nil..

Net investments in the first three months of 2008 amounted to Euro 16 million, Euro 6 million more than in the same period of 2007. This increase is due to an expansion in production capacity at the plants working on high voltage and submarine products needed to satisfy growing demand.

Net finance costs were a positive Euro 23 million for the period and included significant non-cash items, mainly relating to an increase in the fair value of derivatives. Consequently, net of these effects, net cash finance costs reflected in the cash flow statement were a negative Euro 14 million.

Net cash flow for the period also benefited from Euro 16 million in price adjustments received from Pirelli & C. S.p.A.

ALTERNATIVE PERFORMANCE INDICATORS

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

The alternative indicators used for reviewing the income statement include:
• **Adjusted operating income**: operating income before non-recurring income and expenses, as reported in the consolidated income statement. The purpose of this indicator is to present the Group operating profitability without the effects of events considered to be outside its recurring operations;
• **EBITDA**: operating income gross of amortisation, depreciation and impairment. The purpose of this indicator is to present the Group operating profitability before the main non-monetary items;
• **Adjusted EBITDA**: EBITDA as defined above calculated before non-recurring income and expenses, as reported in the consolidated income statement. The purpose of this indicator is to present the Group operating profitability before the main non-monetary items, without the effects of events considered to be outside the Group recurring operations;
• **Contribution margin**: the difference between income from sales of goods and services and the total of all production, distribution and commercial costs which are considered variable in relation to sales. The purpose of this indicator is to enable an assessment of the sensitivity of the Group income to a change in sales;
• **Organic growth**: change in sales calculated net of changes in group perimeter, changes in metal prices and effects of exchange rates.

The alternative indicators used for reviewing the balance sheet include:
• **Net fixed assets:** sum of the following items contained in the consolidated balance sheet:
- Intangible assets
- Property, plant and equipment
- Investments in associates
- Available-for-sale financial assets, net of long term securities classified as long-term financial receivables in net financial position

• **Net working capital:** sum of the following items contained in the consolidated balance sheet:

- Inventories
- Trade receivables
- Trade payables
- Other non-current receivables and payables, net of long-term financial receivables classified in net financial position
- Other current receivables and payables, net of short-term financial receivables classified in net financial position
- Derivatives net of financial instruments on interest rates and of financial instruments on exchange rates relating to financial transactions, classified in net financial position
- Current tax payables

• **Provisions:** sum of the following items contained in the consolidated balance sheet:
- Provisions for risks and charges – current portion
- Provisions for risks and charges – non-current portion
- Provisions for deferred tax liabilities
- Deferred tax assets

• **Net capital employed:** sum of Fixed assets, Net working capital and Provisions.

• **Employee benefit obligations** and **Total equity:** these indicators correspond to Employee benefit obligations and Total equity reported in the consolidated balance sheet.

• **Net financial position:** sum of the following items:
- Borrowings from banks and other lenders - non-current portion
- Borrowings from banks and other lenders - current portion
- Derivatives for financial transactions recorded as Non-current derivatives and classified under Long-term financial receivables
- Derivatives for financial transactions recorded as Current derivatives and classified under Short-term financial receivables
- Derivatives for financial transactions recorded as Non-current derivatives and classified under Long-term financial payables
- Derivatives for financial transactions recorded as Current derivatives and classified under Short-term financial payables
- Medium/long-term financial receivables recorded in Other non-current receivables
- Bank fees on loans recorded in Other non-current receivables
- Short-term financial receivables recorded in Other current receivables
- Bank fees on loans recorded in Other current receivables
- Long-term securities classified under Available-for-sale financial assets
- Financial assets held for trading
- Cash and cash equivalents

SUBSEQUENT EVENTS AND BUSINESS OUTLOOK

On 15 April 2008, the shareholders of Prysmian S.p.A. voted in general meeting to allocate net income for 2007 of Euro 60.619 million as follows:
- Euro 0.827 million to the legal reserve;
- Euro 59.792 million to the shareholders.

The shareholders then resolved to distribute a total dividend of Euro 75.253 million, using Euro 59.792 million in net income for 2007 and Euro 15.461 million from the Company's "Other reserves". The dividend, of Euro 0.417 per share, was paid on 24 April 2008.

The shareholders also approved a share buy-back programme. Under this programme it will be possible to buy back up to 18,000,000 of the Company's ordinary shares, in one or more blocks. The purchases must not exceed the amount of undistributed earnings and distributable reserves reported in the most recently approved annual financial statements. The programme will last for a maximum of 18 months commencing 15 April 2008. The purpose of the programme is to allow the Company's capital to be effectively managed and to create a portfolio of treasury shares that can be used for any extraordinary transactions, or to service any share-based incentive schemes for the Group employees or for any other purpose allowed by current law.

The first quarter of the year confirmed a relative slowdown in the economic macro scenario which is expected to continue throughout 2008, particularly due to a lower growth rate of the US economy. Despite these signs of slowdown, the Group expects to confirm its profit drivers, which should continue to benefit from growing demand of high voltage cable for power transmission and cables for industrial applications such as OGP and renewable energy, as well as from steady strong demand for optic fibre cables by Telecom operators.
Based on the very positive first-quarter results, combined with a strong order book in higher value-added businesses, operating profitability is expected to improve for the full year 2008 and, in particular, adjusted EBITDA is expected above 2007 level.
The Group also intends to continue investing in its higher value-added businesses, thus further enhancing its presence in the most profitable and high-growth segments.

Milan, 14 May 2008

ON BEHALF OF THE BOARD OF DIRECTORS

THE CHAIRMAN

Paolo Zannoni

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

BALANCE SHEET

(in millions of Euro)

	Note	31 March 2008	Related parties (Note 18)	31 December 2007	Related parties (Note 18)
Non-current assets					
Property, plant and equipment	1	813		838	
Intangible assets	1	21		21	
Investments in associates		9		9	
Available-for-sale financial assets		12		13	
Derivatives	4	36	8	32	10
Deferred tax assets		29		29	
Trade receivables	2	2		2	
Other non-current receivables	2	31		34	
Total non-current assets		**953**		**978**	
Current assets					
Inventories	3	660		582	
Trade receivables	2	959	3	831	1
Other current receivables	2	244		276	
Financial assets held for trading		35		40	
Derivatives	4	77		25	
Cash and cash equivalents	5	252		252	
Total current assets		**2,227**		**2,006**	
Total assets		**3,180**		**2,984**	
Equity attributable to the Group:		**503**		**433**	
Share capital	6	18		18	
Reserves	6	384		115	
Net income (loss) for the period	6	101		300	
Equity attributable to minority interests:		**21**		**21**	
Share capital and reserves	6	19		19	
Net income (loss) for the period	6	2		2	
Total equity		**524**		**454**	
Non-current liabilities					
Long-term borrowings from banks and other lenders	7	983		991	
Other non-current payables	8	39		43	
Provisions for risks and charges	9	26		27	
Derivatives	4	2		2	
Deferred tax liabilities		57		62	
Employee benefit obligations	10	110		112	
Total non-current liabilities		**1,217**		**1,237**	
Current liabilities					
Borrowings from banks and other lenders	7	104		61	
Trade payables	8	801	1	738	1
Other current payables	8	373	2	356	4
Derivatives	4	31		29	
Provisions for risks and charges	9	74		75	
Current tax payables		56		34	
Total current liabilities		**1,439**		**1,293**	
Total liabilities		**2,656**		**2,530**	
Total equity and liabilities		**3,180**		**2,984**	

INCOME STATEMENT

(in millions of Euro)

	Note	1/1 - 31/3/2008	Related parties (Note 18)	1/1 - 31/3/2007	Related parties (Note 18)
Sales of goods and services		1,216		1,205	
Change in inventories of work in progress, semi-finished and finished goods		76		56	
Other income		13		45	
of which non-recurring other income		-		*39*	
Raw materials and consumables used		(814)		(806)	
Personnel costs		(142)		(135)	
Amortisation, depreciation and impairment		(16)		(17)	
Other expenses		(221)	(1)	(213)	(1)
of which non-recurring other expenses		*(1)*		*(3)*	
Operating income	**11**	**112**		**135**	
Finance costs	12	(85)		(106)	(1)
of which non-recurring finance costs		-		*(59)*	
Finance income	12	108	2	42	
of which non-recurring finance income		-		*4*	
Share of income from investments in associates and dividends from other companies		-		-	
Income before taxes		**135**		**71**	
Taxes	13	(32)		(19)	
Net income/(loss) for the period		**103**		**52**	
Attributable to:					
Equity holders of the parent		101		49	
Minority interests		2		3	
Basic earnings/(loss) per share (in Euro)	**14**	**0.56**		**0.27**	
Diluted earnings/(loss) per share (in Euro)	**14**	**0.56**		**0.27**	

STATEMENT OF INCOME AND EXPENSE RECOGNISED IN EQUITY

(in millions of Euro)

	1/1-31/3/2008	1/1-31/3/2007
Fair value gains / (losses) on available-for-sale financial assets	-	-
Fair value gains / (losses) on cash flow hedges - gross of tax	3	-4
Tax effect of fair value gains / (losses) on cash flow hedges	-1	2
Currency translation differences	(36)	1
Actuarial gains / (losses) - net of tax effect	-	-
Net income recognised directly in equity	**-34**	**-1**
Net income / (loss) for the period	103	52
Total income / (loss) for the period	**69**	**51**
Attributable to:		
Equity holders of the parent	69	48
Minority interests	-	3

CASH FLOW STATEMENT

(in millions of Euro)

	1/1-31/3/2008	Related parties (Note 18)	1/1-31/3/2007	Related parties (Note 18)
Income before taxes	135		71	
Depreciation of property, plant and equipment	15		15	
Amortisation of intangible assets	1		2	
Price adjustment and other indemnification relating to the acquisition of the Energy and Telecom Cables & Systems divisions from Pirelli & C. S.p.A.	-		(40)	
Net gains from disposal of property, plant and equipment and intangible assets and other non-current assets	-		(1)	
Share-based payments (1)	-		1	
Net finance costs	(23)		64	
Changes in inventories	(100)		(58)	
Changes in trade receivables and payables	(62)	(4)	(10)	(2)
Changes in other receivables and payables (1)	48		-	
Changes in derivatives	2		3	
Taxes paid	(14)		(16)	
Utilization of provisions (including employee benefit obligations)	(9)		(13)	
Increases in provisions (including employee benefit obligations)	7		11	
A. Net cash flow provided by/(used in) operating activities	**-**		**29**	
Price adjustment and other indemnification relating to the acquisition of the Energy and Telecom Cables & Systems divisions from Pirelli & C. S.p.A.	16		40	
Investments in property, plant and equipment	(16)		(14)	
Disposal of property, plant and equipment	-		4	
Investments in financial assets held for trading	(2)		(6)	
Disposal of financial assets held for trading	5		-	
B. Net cash flow provided by/(used in) investing activities	**3**		**24**	
Capital contribution and other changes in equity	1		-	
Net finance costs	(14)		(22)	
Changes in financial payables	16		(37)	
C. Net cash flow provided by/(used in) financing activities	**3**		**(59)**	
D. Exchange gains/(losses) on cash and cash equivalents	(6)		-	
E. Total cash flow provided / (used) in the period (A+B+C+D)	**-**		**(6)**	
F. Net cash and cash equivalents at the beginning of the period	**252**		**393**	
G. Net cash and cash equivalents at the end of the period (E+F)	**252**		**387**	

(1) In March 2007 "Share-based payments" were reported under "Changes in other receivables and payables".

A. GENERAL INFORMATION

Prysmian S.p.A. ("the Company") is a company incorporated and domiciled in Italy and organised under the laws of the Republic of Italy.

The Company has its registered office in Viale Sarca, 222 - Milan (Italy).

The Company and its subsidiaries (together "the Group" or "Prysmian Group") produce, distribute and sell worldwide, cables and systems and related accessories for the energy and telecommunications industries.

All the amounts shown in the tables in the following Notes are expressed in millions of Euro, unless otherwise indicated. The consolidated financial statements contained herein were approved by the Board of Directors on 14 May 2008.

B. FORM AND CONTENT

The Prysmian Group has prepared its quarterly report in compliance with IAS 34 "Interim Financial Reporting".

B.1 FINANCIAL STATEMENTS AND REPORTING

The Group has opted to present its income statement based on the nature of expenses, while assets and liabilities in the balance sheet are classified as either current or non-current. The cash flow statement has been prepared using the indirect method.

As required by IAS 1 (paragraph 96) and IAS 19 (paragraph 93 B), the financial statements contain a "Statement of recognised income and expense", reporting income and expenses recognised directly in equity.

B.2 ACCOUNTING STANDARDS

The consolidation principles, the methods applied for converting financial statements from foreign currencies, the accounting standards as well as the accounting estimates adopted are the same as those used for the consolidated financial statements at 31 December 2007, to which reference should be made for more details.

The principal new standards, revisions and interpretations of existing standards, which are not yet compulsory and have not been adopted early by the Group, are outlined below.

On 30 November 2006, the IASB issued IFRS 8 - Operating Segments, applicable from 1 January 2009 in replacement of IAS 14 - Segment Reporting. The new accounting standard requires companies to base segment reporting on the components used by management for making operating decisions. Operating segments must therefore be identified on the basis of internal reporting which is regularly reviewed by management in order to allocate resources to the different segments of the business and to analyse performance. The adoption of this standard will have no effect on the valuation and measurement of the contents of the financial statements.

On 29 March 2007, the IASB issued a revised IAS 23 - Borrowing Costs, which is applicable from 1 January 2009. This version has eliminated the option under which companies could immediately expense to income finance costs relating to assets that take a substantial period of time to get ready for their intended use or sale. The standard will apply in the future to finance costs relating to assets capitalised as from 1 January 2009. At the current reporting date, the European Union had not yet completed the endorsement process needed to apply this standard.

On 5 July 2007, the IFRIC issued interpretation IFRIC 14 on IAS 19 - Defined Benefit Assets and Minimum Funding Requirements, applicable as from 1 January 2008. General guidelines are given on how to determine the limit established by IAS 19 for recognition of plan assets and an explanation is provided regarding the accounting effect caused by the presence of a minimum funding requirement clause. At the current reporting date, the European Union had still not completed the endorsement process needed to apply this interpretation.

On 6 September 2007, the IASB issued a revision of IAS 1 - Presentation of Financial Statements, applicable as from 1 January 2009. This requires companies to present a statement of changes in equity showing all the changes generated by transactions with shareholders. All transactions with third parties ("comprehensive income"), on the other hand, must be shown in a single statement of comprehensive income or in two separate statements (income statement and a statement of comprehensive income). In any case, the changes generated by transactions with third parties cannot be shown in the statement of changes in equity. At the current reporting date, the European Union had not yet completed the endorsement process needed to apply this standard.

On 17 January 2008 the IASB issued an amendment to IFRS 2 – Vesting conditions and cancellations, under which:
- for the purposes of valuing share-based payments, only service and performance-related conditions may be treated as vesting conditions;
- all cancellations, whether by the company or by other parties, must receive the same accounting treatment.
At the current reporting date, the European Union had not yet completed the endorsement process needed to apply this amendment.

On 14 February 2008 the IASB issued an amendment to IAS 32 – Financial instruments: presentation and IAS 1 – Presentation of financial statements – puttable financial instruments and instruments with obligations arising on liquidation. Puttable financial instruments and instruments that carry an obligation to deliver to another party a pro-rata share of the company's net assets must be classified as equity instruments. This amendment will be applicable as from 1 January 2009; at the current reporting date, the European Union had still not completed the endorsement process needed to apply this amendment.

Lastly, the following interpretations address situations and cases which are not applicable to the Group:

- IFRIC 12 - Service Concession Arrangements, applicable as from 1 January 2008 and not yet endorsed by the European Union;
- IFRIC 13 - Customer Loyalty Programmes, applicable as from 1 January 2009 and not yet endorsed by the European Union.

The preparation of interim financial statements involves making estimates and assumptions which have an impact on the value of assets and liabilities and on the disclosure of contingent assets and liabilities at the quarterly reporting date. Some valuation processes, particularly those involving more complex procedures, are carried out more fully only at year end, unless there is intervening evidence of impairment. Income taxes have been recognised using the best estimate of the weighted average rate for the full year.

During 2007 the Group defined and implemented a securitization programme for trade receivables involving a series of Group companies. The accounting policies adopted by the Group to represent the impact of this programme in the consolidated financial statements at 31 March 2008 are described below.

The Prysmian Group's securitization programme involves the weekly transfer of a significant portion of trade receivables by some of the Group's operating companies in France, Germany, Italy, Spain, the United Kingdom and the United States. This programme started on 30 January 2007 and will end on 31 July 2012.
The structure of the programme involves transferring receivables from the operating companies, directly or indirectly, to an Irish special purpose entity (Prysmian Financial Services Ireland Ltd), set up solely for the securitization programme.
To buy the receivables, the Irish company uses available liquidity, as well as the loan received from the vehicles issuing Commercial Paper, i.e. A-1/P-1 rated credit instruments backed by the receivables and sponsored by the banks which organised and underwrote the programme (the instruments are placed with institutional investors).
Subordinated loans granted by the Group's treasury companies are also used.
In accordance with the provisions of SIC 12 - Consolidation - Special Purpose Entities (SPEs), the special purpose entity has been included in the scope of consolidation of the Prysmian Group because it was created to accomplish a narrow and well-defined objective. Until effectively collected, receivables transferred to the SPE are recognised in the Group's consolidated financial statements, together with the payables owed by the SPE to third-party lenders.
Group companies can be identified as the sponsors, meaning the companies on whose behalf the entity was created.

B.3 CHANGES IN THE SCOPE OF CONSOLIDATION

The Group's scope of consolidation includes the financial statements of Prysmian S.p.A. (the Parent Company) and of the companies over which it exercises direct or indirect control, which are consolidated from the date when control is acquired until the date when such control ceases.

Fipla S.A. (Argentina) and Trans-Power Cables PTE Limited (Singapore) have no longer been consolidated at 31 March 2008 because both companies have been finally wound up.

C. BUSINESS COMBINATIONS

No business combinations have taken place in the first quarter of 2008.

D. SEGMENT INFORMATION

D.1 BUSINESS SEGMENTS

Business segment information is provided in the tables below.

(in millions of Euro)					1/1-31/3/2008
	Energy Cables and Systems	Telecom Cables and Systems	Corporate	Intersegment elimination	Group total
Sales of goods and services:					
- third parties	1,074	142	-	-	1,216
- Group companies	3	2	12	(17)	-
Total sales of goods and services	**1,077**	**144**	**12**	**(17)**	**1,216**
Operating income	**100**	**13**	**(1)**	**-**	**112**
Share of income from investments in associates and dividends from other companies			-	-	-
Finance costs					**(85)**
Finance income					**108**
Taxes					**(32)**
Net income / (loss) for the period					**103**
Attributable to:					
Equity holders of the parent					**101**
Minority interests					**2**

(in millions of Euro)					1/1-31/3/2007
	Energy Cables and Systems	Telecom Cables and Systems	Corporate	Intersegment elimination	Group total
Sales of goods and services:					
- third parties	1,059	146	-	-	1,205
- Group companies	22	5	10	(37)	-
Total sales of goods and services	**1,081**	**151**	**10**	**(37)**	**1,205**
Operating income	**86**	**13**	**36**	**-**	**135**
Share of income from investments in associates and dividends from other companies			-	-	-
Finance costs					**(106)**
Finance income					**42**
Taxes					**(19)**
Net income / (loss) for the period					**52**
Attributable to:					
Equity holders of the parent					**49**
Minority interests					**3**

The method of allocating fixed Corporate costs to the segments has changed as from the second quarter of 2007, with all such costs now being allocated to the Energy and Telecom segments. This allocation uses parameters associated with the absorption of resources by each operating segment. The first-quarter results in 2007 have been restated accordingly for comparative purposes.

D.2 GEOGRAPHICAL SEGMENTS

Information by geographical area is provided in the tables below.

(in millions of Euro)					1/1-31/3/2008
	EMEA*	North America	Latin America	Asia and Oceania	Total
Sales of goods and services	843	146	111	116	1,216

(in millions of Euro)					1/1-31/3/2007
	EMEA*	North America	Latin America	Asia and Oceania	Total
Sales of goods and services	824	158	111	112	1,205

* EMEA**:** Europe, Middle East and Africa

1. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Details of these balances and related movements are as follows:

(in millions of Euro)	Property, plant and equipment	Intangible assets
Balance at 31 December 2007	**838**	**21**
Movements in period:		
- Investments	16	-
- Disposals	(1)	-
- Depreciation and amortisation	(15)	(1)
- Currency translation differences and others	(25)	1
Totale movements	**(25)**	**-**
Balance at 31 March 2008	**813**	**21**
Of which:		
- Historical cost	976	98
- Accumulated depreciation/amortisation and impairment	(163)	(77)
Net book value	**813**	**21**

2. TRADE AND OTHER RECEIVABLES

These are detailed as below.

Trade and other receivables are reported net of the allowance for doubtful accounts, amounting to Euro 41 million at both 31 March 2008 and 31 December 2007.

(in millions of Euro)			31 March 2008
	Non-current	Current	Total
Trade receivables	2	1,000	1,002
Allowance for doubtful accounts	-	(41)	(41)
Total trade receivables	**2**	**959**	**961**
Other receivables:			
Tax receivables	10	45	55
Financial receivables	1	14	15
Prepaid finance costs	9	2	11
Receivables from employees	2	1	3
Receivables for pension funds	-	-	-
Receivables from long-term contracts	-	125	125
Others	9	57	66
Total other receivables	**31**	**244**	**275**
Total	**33**	**1,203**	**1,236**

(in millions of Euro)			31 December 2007
	Non-current	Current	Total
Trade receivables	2	872	874
Allowance for doubtful accounts	-	(41)	(41)
Total trade receivables	**2**	**831**	**833**
Other receivables:			
Tax receivables	11	43	54
Financial receivables	1	15	16
Prepaid finance costs	10	3	13
Receivables from employees	3	1	4
Receivables for pension funds	-	2	2
Receivables from long-term contracts	-	147	147
Others	9	65	74
Total other receivables	**34**	**276**	**310**
Total	**36**	**1,107**	**1,143**

3. INVENTORIES

These are detailed as follows:

(in thousands of Euro)	31 March 2008	31 December 2007
Raw materials	178	159
Work-in-progress and semi-finished goods	192	148
Finished goods	290	275
Total	**660**	**582**

4. DERIVATIVES

These are detailed as follows:

(in millions of Euro)		31 March 2008
	Asset	**Liability**
Non-current		
Interest rate swaps (cash flow hedges)	14	2
Forward currency contracts on commercial transactions (cash flow hedges)	8	-
Total hedging derivatives	**22**	**2**
Conversion option: Invex S.p.A. bond	-	-
Forward currency contracts on commercial transactions	11	-
Forward currency contracts on financial transactions	3	-
Interest rate swaps	-	-
Total other derivatives	**14**	-
Total non-current	**36**	**2**
Current		
Forward currency contracts on commercial transactions (cash flow hedges)	5	1
Total hedging derivatives	**5**	**1**
Forward currency contracts on commercial transactions	38	22
Forward currency contracts on financial transactions	7	6
Commodity futures	27	2
Total other derivatives	**72**	**30**
Total current	**77**	**31**
Total	**113**	**33**

(in millions of Euro)	31 December 2007	
	Asset	Liability
Non-current		
Interest rate swaps (cash flow hedges)	20	1
Forward currency contracts on commercial transactions (cash flow hedges)	2	-
Total hedging derivatives	**22**	**1**
Conversion option: Invex S.p.A. bond	-	-
Forward currency contracts on commercial transactions	9	-
Forward currency contracts on financial transactions	1	1
Interest rate swaps	-	-
Total other derivatives	**10**	**1**
Total non-current	**32**	**2**
Current		
Forward currency contracts on commercial transactions (cash flow hedges)	1	-
Total hedging derivatives	**1**	-
Forward currency contracts on commercial transactions	20	10
Forward currency contracts on financial transactions	3	7
Commodity futures	1	12
Total other derivatives	**24**	**29**
Total current	**25**	**29**
Total	**57**	**31**

5. CASH AND CASH EQUIVALENTS

These are detailed as follows:

(in millions of Euro)	31 March 2008	31 December 2007
Cash	8	17
Bank and postal deposits	244	235
Total	**252**	**252**

Cash and cash equivalents are centrally managed by Group treasury companies or by subsidiaries under the supervision of the Finance Department of Prysmian S.p.A. Cash is invested with leading financial institutions, mostly in short-term and overnight deposits.

Cash and cash equivalents managed by Group treasury companies amount to Euro 126 million at 31 March 2008 compared with Euro 96 million at 31 December 2007.

6. SHARE CAPITAL AND RESERVES

Consolidated equity has increased by Euro 70 million since 31 December 2007, mainly due to net income for the period of Euro 103 million.

Following the exercise of options under the first block of the Stock Option Plan, share capital amounts to Euro 18,023,003.90 at 31 March 2008, corresponding to 180,230,039 shares.

The following table provides details of the movement in share capital and reserves during the period:

(in millions of Euro)	Share capital	Fair value gains and losses for available-for-sale financial assets	Actuarial gains/(losses) - employee benefits	Cash flow hedges	Currency translation reserve	Other reserves	Net income for the period	Minority interests	Total
Balance at 31 December 2007	**18**	**2**	**11**	**(5)**	**(26)**	**133**	**300**	**21**	**454**
Allocation of net income	-	-	-	-	-	300	(300)	-	-
Capital contributions	-	-	-	-	-	1	-	-	1
Fair value gains and losses on cash flow hedges, net of tax effect	-	-	-	2	-	-	-	-	2
Currency translation differences	-	-	-	-	-	(34)	-	(2)	(36)
Net income (loss) for the period	-	-	-	-	-	-	101	2	103
Balance at 31 March 2008	**18**	**2**	**11**	**(3)**	**(26)**	**400**	**101**	**21**	**524**

7. BORROWINGS FROM BANKS AND OTHER LENDERS

These are detailed as follows:

(in millions of Euro)			**31 March 2008**
	Non-current	**Current**	**Total**
Borrowings from banks and other lenders	979	103	1,082
Finance lease obligations	4	1	5
Total	**983**	**104**	**1,087**

(in millions of Euro)			**31 December 2007**
	Non-current	**Current**	**Total**
Borrowings from banks and other lenders	987	60	1,047
Finance lease obligations	4	1	5
Total	**991**	**61**	**1,052**

Borrowings from banks and other lenders are analysed as follows:

(in millions of Euro)	**31 March 2008**	**31 December 2007**
Credit Agreement	993	987
Other borrowings	89	60
Total	**1,082**	**1,047**

Under the credit agreement signed on 18 April 2007 ("New Credit Agreement"), Prysmian S.p.A. and some of its subsidiaries have been granted a total of Euro 1,700 million in credit, analysed as follows:

(in millions of Euro)	
Term Loan Facility	1,000
Revolving Credit Facility	400
Bonding Facility	300
Total	**1,700**

The Bonding Facility is used to finance endorsement credits relating to bid bonds, performance bonds and warranty bonds.
The Revolving Credit Facility is used to finance ordinary working capital requirements, as well as part of the endorsement credits relating to other types of bonds not covered by the Bonding Facility.
At 31 March 2008 an amount of Euro 141 million had been drawn down against the Bonding Facility, and Euro 37 million against the Revolving Credit Facility.

The credit facility of Euro 350 million relating to the trade receivables securitization programme had been drawn down by Euro 30 million at 31 March 2008.

The following table reports the movement in borrowings from banks and other lenders:

(in millions of Euro)	Credit Agreement	Other borrowings	Total
Balance at 31 December 2007	**987**	**60**	**1,047**
Currency translation differences	(8)	7	(1)
Drawings	-	32	32
Repayments	-	(2)	(2)
Amortisation of bank and financial fees and other expenses	-	-	-
Others	14	(8)	6
Total changes	6	29	35
Balance at 31 March 2008	**993**	**89**	**1,082**

NET FINANCIAL POSITION

The Group's net financial position at 31 March 2008 is as follows:

(in millions of Euro)

	Note	31 March 2008	Related parties (Note 18)	31 December 2007	Related parties (Note 18)
Long-term financial payables					
Senior Credit Agreement				-	
New Credit Agreement		983		990	
Senior credit lines		**983**		**990**	
Bank fees		(8)		(8)	
Financing agreement	7	**975**		**982**	
Finance leases	7	4		4	
Forward currency contracts	4	-		1	
Interest rate swaps (cash flow hedges)	4	2		1	
Other payables	7	4		5	
Total long-term financial payables		**985**		**993**	
Short-term financial payables					
New Credit Agreement	7	18		5	
Finance leases	7	1		1	
Securitization	7	30		-	
Forward currency contracts	4	6		7	
Other payables	7	55		55	
Total short-term financial payables		**110**		**68**	
Total financial liabilities		**1,095**		**1,061**	
Long-term financial receivables	2	1		1	
Long-term bank fees	2	9		10	
Interest rate swaps	4	14	8	20	10
Forward currency contracts (non-current)	4	3		1	
Forward currency contracts (current)	4	7		3	
Short-term financial receivables	2	14		15	
Short-term bank fees	2	2		3	
Financial assets held for trading		35		40	
Cash and cash equivalents	5	252		252	
Net financial position		**758**		**716**	

8. TRADE AND OTHER PAYABLES

These are detailed as follows:

(in millions of Euro)			31 March 2008
	Non-current	Current	Total
Trade payables		801	801
Total trade payables	**-**	**801**	**801**
Other payables:			
Tax and social security payables	31	65	96
Advances	2	94	96
Payables to employees	-	43	43
Accrued expenses	6	110	116
Others	-	61	61
Total other payables	**39**	**373**	**412**
Total	**39**	**1,174**	**1,213**

(in millions of Euro)			31 December 2007
	Non-current	Current	Total
Trade payables	-	738	738
Total trade payables	**-**	**738**	**738**
Other payables:			
Tax and social security payables	33	61	94
Advances	-	81	81
Payables to employees	-	42	42
Accrued expenses	2	103	105
Others	8	69	77
Total other payables	**43**	**356**	**399**
Total	**43**	**1,094**	**1,137**

Advances include amounts due to customers for contract work in progress of Euro 42 million at 31 March 2008 and Euro 26 million at 31 December 2007. This liability represents the gross amount by which work invoiced exceeds costs incurred plus recognised profits (or losses).

9. PROVISIONS FOR RISKS AND CHARGES

These are detailed as follows:

(in millions of Euro)			31 March 2008
	Non-current	Current	Total
Restructuring costs	-	8	8
Contractual and legal risks	22	47	69
Environmental risks	-	2	2
Tax inspections	4	7	11
Other risks and charges	-	10	10
Total	**26**	**74**	**100**

(in millions of Euro)			31 December 2007
	Non-current	Current	Total
Restructuring costs	-	9	9
Contractual and legal risks	27	49	76
Environmental risks	-	2	2
Tax inspections	-	8	8
Other risks and charges	-	7	7
Total	**27**	**75**	**102**

The following table reports the movements in these provisions during the period:

(in millions of Euro)	Restructuring costs	Contractual and legal risks	Environmental risks	Tax inspections	Other risks and charges	Total
Balance at 31 December 2007	**9**	**76**	**2**	**8**	**7**	**102**
Currency translation difference	-	(3)	-	(1)	(1)	(5)
Increases	-	2	-	-	3	5
Utilisations/Releases	(1)	(2)	-	-	(1)	(4)
Other	-	(4)	-	4	2	2
Total movements	**(1)**	**(7)**	**-**	**3**	**3**	**(2)**
Balance at 31 March 2008	**8**	**69**	**2**	**11**	**10**	**100**
	-	-	-	-		-

10. EMPLOYEE BENEFIT OBLIGATIONS

These are detailed as follows:

(in millions of Euro)	31 March 2008	31 December 2007
Pension funds	60	59
Employee indemnity liabilities (Italian TFR)	23	25
Medical assistance plans	12	14
Termination benefits and others	15	14
Total	**110**	**112**

The impact of employee benefit obligations on the income statement is as follows:

(in millions of Euro)	1/1-31/3/2008	1/1-31/3/2007
Pension funds	2	1
Employee indemnity liabilities (Italian TFR)	-	1
Medical assistance plans	-	-
Total	**2**	**2**

The average headcount in the period is reported below, compared with the final headcounts at the end of each period:

				2008
	Average 1/1-31/3/2008	%	As of 31 March 2008	%
Blue collar	9,390	75%	9,448	75%
White collar and management	3,109	25%	3,096	25%
Total	**12,499**	**100%**	**12,544**	**100%**

				2007
	Average 1/1-31/3/2007	%	As of 31 December 2007	%
Blue collar	9,156	74%	9,126	75%
White collar and management	3,165	26%	3,117	25%
Total	**12,321**	**100%**	**12,243**	**100%**

NOTES TO THE INCOME STATEMENT

11. OPERATING INCOME

Operating income is Euro 112 million in the first three months of 2008, compared with Euro 135 million in the first quarter of 2007.
Operating income includes the following non-recurring items:

(in millions of Euro)	1/1-31/3/2008	1/1-31/3/2007
Shutdown of operating facilities	-	(1)
IPO costs	-	(2)
Acquisition price adjustment	-	39
IT system segregation	(1)	-
Total non-recurring (expenses) / income	**(1)**	**36**

12. FINANCE INCOME AND COSTS

Finance costs are detailed as follows:

(in millions of Euro)	1/1-31/3/2008	1/1-31/3/2007
Interest on borrowings	14	19
Amortisation of bank and financial fees and other expenses	1	3
Interest costs on employee benefits	1	1
Other bank costs	5	4
Costs for undrawn credit lines	-	1
Sundry bank commissions	2	2
Other	2	3
Other non-recurring finance costs:		
Amortisation of bank fees	-	*59*
Total other non-recurring finance costs	-	59
Finance costs	**25**	**92**
Net losses on foreign exchange derivatives	-	1
Losses on derivatives	**-**	**1**
Foreign currency exchange losses	60	13
Total finance costs	**85**	**106**

Finance income is detailed as follows:

(in millions of Euro)		
	1/1-31/3/2008	**1/1-31/3/2007**
Interest income from banks and other financial institutions	3	7
Other finance income	3	-
Other non-recurring finance income:		
Release of cash flow hedge reserve	-	*4*
Total other non-recurring finance income	-	*4*
Finance income	**6**	**11**
Net gains on commodity futures	35	19
Net gains on forward currency contracts	15	-
Gains on derivatives	**50**	**19**
Foreign currency exchange gains	52	12
Total finance income	**108**	**42**

13. TAXES

The total tax charge has been estimated on the basis of the expected weighted average tax rate for the full year. Taxes are analysed as follows for each of the periods presented:

(in millions of Euro)		
	1/1-31/3/2008	**1/1-31/3/2007**
Current income taxes	(38)	(23)
Deferred income taxes	6	4
Total	**(32)**	**(19)**

14. EARNINGS/(LOSS) PER SHARE

Earnings per share have been calculated by dividing net income for the period attributable to the Group by the average number of outstanding shares. With regard to the denominator used for calculating earnings per share, the average number of outstanding shares includes the 230,039 shares issued following exercise of the first block of stock options at the end of March 2008.

Diluted earnings per share are determined by taking into account, when calculating the number of outstanding shares, the potential dilutive effect deriving from all existing stock options.

(in millions of Euro)

	1/1-31/3/2008	1/1-31/3/2007
Net income attributable to equity holders of the parent	101	49
Weighted average number of ordinary shares issued (thousands)	180,077	180,000
Basic earnings per share (in Euro)	**0.56**	**0.27**
Net income attributable to equity holders of the parent	101	
Weighted average number of ordinary shares issued (thousands)	180,077	
Adjustments for:		
Incremental shares for assumed conversion of stock options (thousands)	1,768	
Weighted average number of ordinary shares issued to calculate diluted earnings per share (thousands)	181,845	
Diluted earnings per share (in Euro)	**0.56**	

15. CONTINGENT LIABILITIES

Different types of legal and fiscal proceedings are in progress, having arisen in the ordinary course of the Group's business. The Company's management believes that none of these proceedings will give rise to relevant contingent liabilities that are not already covered by existing provisions at 31 March 2008.

16. COMMITMENTS

Contractual commitments to purchase property, plant and equipment, and intangible assets, already given to third parties at 31 March 2008 and not yet reflected in the financial statements, amount to Euro 19 million.

17. RECEIVABLES FACTORING

As part of its factoring programme, the Group has factored without recourse Euro 23 million in trade receivables due after 31 March 2008.

18. RELATED PARTY TRANSACTIONS

As of 31 March 2008, Prysmian (Lux) II S.à r.l. (registered in Luxembourg) directly owns approximately 30.3% of share capital in Prysmian S.p.A. and is in turn indirectly controlled by The Goldman Sachs Group Inc. which owns, through Goldman Sachs International, another 1.47% of share capital in Prysmian S.p.A.

Transactions between Prysmian S.p.A. and its subsidiaries, associates and ultimate parent company mainly refer to:

- business relations involving intercompany purchases and sales of raw materials and finished products;
- services (technical, organisational and general) provided by head office to subsidiaries worldwide;
- financial relations maintained by Group treasury companies on behalf of, and with, Group companies.

All the above transactions fall within the Group's ordinary course of business.

The following tables provide a summary of the related party transactions in the period ending 31 March 2008:

(in millions of Euro)				31 March 2008
	Trade and other receivables	Financial receivables	Trade and other payables	Financial payables
Ultimate parent company	-	-	-	-
Associates	3	-	3	-
Other related parties:				
The Goldman Sachs Group Inc.	-	8	-	-
Total	**3**	**8**	**3**	**-**

(in millions of Euro)				31 December 2007
	Trade and other receivables	Financial receivables	Trade and other payables	Financial payables
Ultimate parent company	-	-	-	-
Associates	1	-	4	-
Other related parties:				
The Goldman Sachs Group Inc.	-	10	1	-
Total	**1**	**10**	**5**	**-**

(in millions of Euro)			1/1-31/3/2008
	Sales of goods and services	Expenses	Finance income/ (costs)
Ultimate parent company	-	-	-
Associates	-	1	-
Other related parties:			
The Goldman Sachs Group Inc.	-	-	2
Total	**-**	**1**	**2**

(in millions of Euro)			1/1-31/3/2007
	Sales of goods and services	Expenses	Finance income/ (costs)
Ultimate parent company	-	-	(1)
Associates	-	1	-
Other related parties:			
The Goldman Sachs Group Inc.	-	-	-
Total	**-**	**1**	**(1)**

Transactions with associates

Trade and other payables refer to services provided in relation to the Group's ordinary activities.

Transactions with The Goldman Sachs Group Inc.

Financial receivables report the net position with The Goldman Sachs Group Inc., with whom the Group made an interest rate swap agreement in September 2005.

Expenses refer to the fees earned by The Goldman Sachs Group Inc. for advisory services provided to the Prysmian Group.

19. SEASONALITY

The Group's business features a certain degree of seasonality in its revenues, which are usually higher in the second and third quarters. This is due to the fact that utilities projects in the northern hemisphere are mostly concentrated in the warmer months of the year. The Group's level of debt is generally higher in the period May-July, with funds being absorbed by higher working capital.

20. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

There were no atypical and/or unusual transactions in the first three months of 2008.

21. EXCHANGE RATES

The exchange rates used to translate financial statements in foreign currencies for consolidation purposes are reported below:

	Closing rate at		Average rate	
	31/3/2008	31/12/2007	1/1/2008 - 31/3/2008	1/1/2007 - 31/3/2007
Europe				
British Pound	0.796	0.733	0.757	0.670
Swiss Franc	1.574	1.655	1.601	1.616
Hungarian Forint	259.430	253.730	259.302	252.314
Slovak Koruna	32.582	33.583	33.069	34.351
Norwegian Krone	8.051	7.958	7.958	8.172
Swedish Krona	9.397	9.442	9.400	9.188
Romanian New Lei	3.727	3.608	3.689	3.381
Turkish New Lira	2.025	1.718	1.802	1.848
North America				
US Dollar	1.581	1.472	1.498	1.310
Canadian Dollar	1.623	1.445	1.502	1.535
South America				
Brazilian Real	2.766	2.608	2.603	2.763
Argentine Peso	5.009	4.636	4.722	4.058
Chilean Peso	696.519	732.664	693.436	708.071
Oceania				
Australian Dollar	1.733	1.676	1.653	1.667
New Zealand Dollar	2.008	1.902	1.896	1.883
Africa				
Tunisian Dinar	1.812	1.791	1.796	1.714
Asia				
Chinese (Yuan) Renminbi	11.087	10.752	10.295	10.167
Singapore Dollar	2.182	2.116	2.111	2.007
Indonesian Rupiah	14,570.760	13,826.700	13,681.777	11,931.686
Malaysian Ringgit	5.058	4.868	4.832	4.583

22. SUBSEQUENT EVENTS

On 15 April 2008, the shareholders of Prysmian S.p.A. voted in general meeting to allocate net income for 2007 of Euro 60.619 million as follows:

- Euro 0.827 million to the legal reserve;
- Euro 59.792 million to the shareholders.

The shareholders then resolved to distribute a total dividend of Euro 75.253 million, using Euro 59.792 million in net income for 2007 and Euro 15.461 million from the Company's "Other reserves". The dividend, of Euro 0.417 per share, was paid on 24 April 2008.

The shareholders also voted to start a share buy-back programme. Under this programme it will be possible to buy back up to 18,000,000 of the Company's ordinary shares, in one or more blocks. The purchases must not exceed the amount of undistributed earnings and distributable reserves reported in the most recently approved annual financial statements. The programme will last for a maximum of 18 months commencing 15 April 2008. The purpose of the programme is to allow the Company's share capital to be effectively managed and to create a portfolio of treasury shares that can be used for any extraordinary operations, or to service any share-based incentive schemes for the Group's employees or for any other purpose allowed by current law.

****

Pursuant to paragraph 2 of article 154 bis of Italy's Financial Markets Consolidation Act, Pier Francesco Facchini, manager responsible for preparing corporate accounting documents, declares that the information contained in this quarterly report corresponds to the underlying documents, accounting books and records.

Milan, 14 May 2008

ON BEHALF OF THE BOARD OF DIRECTORS
THE CHAIRMAN
Paolo Zannoni

ATTACHMENT A

The following companies have been consolidated line-by-line:

Legal name	Office	Share capital		% ownership	Direct parent company
Europe					
Austria					
Prysmian OEKW GmbH	Vienna	Euro	2.071.176	100,00%	Prysmian Energia Holding S.r.l.
Finland					
Prysmian Cables and Systems OY	Kirkkonummi	Euro	2.000.000	100,00%	Prysmian Energia Holding S.r.l.
France					
Prysmian (French) Holdings S.A.S.	Paron de Sens	Euro	173.487.250	100,00%	Prysmian Energia Holding S.r.l.
GSCP Athena (French) Holdings II S.A.S.	Paron de Sens	Euro	18.500	100,00%	Prysmian (French) Holdings S.A.S.
Prysmian Cables et Systèmes France S.A.S.	Paron de Sens	Euro	136.800.000	100,00%	Prysmian (French) Holdings S.A.S.
Eureletric S.A.	Paron de Sens	Euro	19.131.584	100,00%	Prysmian Cables et Systèmes France S.A.S.
Germany					
Prysmian Kabel und Systeme GmbH	Berlin	Euro	15.000.000	93,75%	Prysmian Energia Holding S.r.l.
				6,25%	Prysmian S.p.A.
Bergmann Kabel und Leitungen GmbH	Schwerin	Euro	1.022.600	100,00%	Prysmian Kabel und Systeme GmbH
UK					
Prysmian Cables & Systems Ltd.	Eastleigh	British Pound	95.329.120	100,00%	Prysmian Cavi e Sistemi Energia S.r.l.
Prysmian Construction Company Ltd.	Eastleigh	British Pound	8.000.000	100,00%	Prysmian Cables & Systems Ltd.
Prysmian Cables (2000) Ltd.	Eastleigh	British Pound	118.653.473	100,00%	Prysmian Cables & Systems Ltd.
Prysmian Cables (Industrial) Ltd.	Eastleigh	British Pound	9.010.935	100,00%	Prysmian Cables & Systems Ltd.
Prysmian Cables (Supertension) Ltd.	Eastleigh	British Pound	5.000.000	100,00%	Prysmian Cables & Systems Ltd.
Prysmian Cables and Systems International Ltd.	Eastleigh	Euro	100.000	100,00%	Prysmian Energia Holding S.r.l.
Cable Makers Properties & Services Limited	Kingston upon Thames	British Pound	33	63,53%	Prysmian Cables & Systems Ltd.
				36,47%	Third parties
Prysmian Cables Limited	Eastleigh	British Pound	100.000	100,00%	Prysmian Cables & Systems Ltd.
Prysmian Telecom Cables and Systems Uk Ltd.	Eastleigh	British Pound	100.000	100,00%	Prysmian Cables & Systems Ltd.
Prysmian Metals Limited	Eastleigh	British Pound	100.000	100,00%	Prysmian Cables & Systems Ltd.
Prysmian Focom Limited	Eastleigh	British Pound	6.447.000	100,00%	Prysmian Cables & Systems Ltd.
Comergy Ltd.	Eastleigh	British Pound	1.000.000	100,00%	Prysmian Energia Holding S.r.l.
Prysmian Pension Scheme Trustee Limited	Eastleigh	British Pound	1	100,00%	Prysmian S.p.A.
GSCP Athena (UK) Holdings Limited	Eastleigh	British Pound	1	100,00%	Prysmian S.p.A.
Ireland					
Prysmian Financial Services Ireland Limited	Dublin	Euro	1.000	100,00%	Third parties
Italy					
Prysmian Cavi e Sistemi Energia S.r.l.	Milan	Euro	100.000.000	100,00%	Prysmian S.p.A.
Prysmian Energia Holding S.r.l.	Milan	Euro	10.000	99,99%	Prysmian Cavi e Sistemi Energia S.r.l.
				0,01%	Prysmian Cavi e Sistemi Energia Italia S.r.l.
Prysmian Cavi e Sistemi Energia Italia S.r.l.	Milan	Euro	59.749.502	100,00%	Prysmian Cavi e Sistemi Energia S.r.l.
Prysmian Telecom S.r.l.	Milan	Euro	10.000	100,00%	Prysmian S.p.A.
Prysmian Cavi e Sistemi Telecom S.r.l.	Milan	Euro	31.930.000	100,00%	Prysmian Telecom S.r.l.
Prysmian Treasury S.r.l.	Milan	Euro	4.242.476	100,00%	Prysmian Cavi e Sistemi Energia S.r.l.
Prysmian (US) Energia Italia S.r.l.	Milan	Euro	10.000	100,00%	Prysmian Energia Holding S.r.l.
Prysmian (US) Telecom Italia S.r.l.	Milan	Euro	10.000	100,00%	Prysmian Cavi e Sistemi Telecom S.r.l.
Prysmian Cavi e Sistemi Telecom Italia S.r.l.	Milan	Euro	20.000.000	100,00%	Prysmian Cavi e Sistemi Telecom S.r.l.
Prysmian PowerLink S.r.l.	Milan	Euro	50.000.000	84,80%	Prysmian Cavi e Sistemi Energia S.r.l.
				15,20%	Prysmian Cavi e Sistemi Energia Italia S.r.l.
Fibre Ottiche Sud - F.O.S. S.r.l.	Battipaglia	Euro	47.700.000	100,00%	Prysmian Cavi e Sistemi Telecom S.r.l.

Legal name	Office	Share capital		% ownership	Direct parent company
Luxembourg					
Prysmian Treasury (Lux) S.à r.l.	Luxembourg	Euro	50.000	100,00%	Prysmian Cavi e Sistemi Energia S.r.l.
Norway					
Prysmian Kabler og Systemer A.S.	Ski	Norwgian Krone	100.000	100,00%	Prysmian Cables and Systems OY
Netherland					
Prysmian Cable Holding B.V.	Delft	Euro	54.503.013	100,00%	Prysmian Cavi e Sistemi Energia S.r.l.
Prysmian Cables and Systems B.V.	Delft	Euro	5.000.000	100,00%	Prysmian Energia Holding S.r.l.
Prysmian (Dutch) Holdings B.V.	Delft	Euro	18.000	100,00%	Prysmian Energia Holding S.r.l.
Prysmian Cable Overseas B.V.	Delft	Euro	10.000.000	100,00%	Prysmian Cavi e Sistemi Telecom S.r.l.
Prysmian Special Cables B.V.	Delft	Euro	2.400.000	100,00%	Prysmian (Dutch) Holdings B.V.
Romania					
Prysmian Cabluri Si Sisteme S.A.	Slatina	Ron	21.367.920	2,22%	Prysmian (Dutch) Holdings B.V.
				97,78%	Prysmian Cabluri Si Sisteme S.A.
Slovakia					
Prysmian Kablo s.r.o.	Bratislava	Slovak Koruna	640.057.000	99,995%	Prysmian Energia Holding S.r.l.
				0,005%	Prysmian S.p.A.
Spain					
Prysmian Cables y Sistemas S.L.	Villanova i la Geltru	Euro	14.000.000	85,71%	Prysmian Energia Holding S.r.l.
				14,29%	Prysmian Cavi e Sistemi Telecom S.r.l.
Fercable S.L.	Sant Vicent dels Horts	Euro	3.606.073	100,00%	Prysmian Cables y Sistemas S.L.
Prysmian Servicios de Tesoreria Espana S.L.	Madrid	Euro	3.100	100,00%	Prysmian Financial Services Ireland Limited
Sweden					
Prysmian Kablar och System AB	Hoganas	Swedish Krona	100.000	100,00%	Prysmian Cables and Systems OY
Switzerland					
Prysmian Cables and Systems SA	Manno	Swiss Franc	500.000	100,00%	Prysmian (Dutch) Holdings B.V.
Turkey					
Turk Prysmian Kablo Ve Sistemleri A.S.	Mudanya Bursa	Lira	39.312.000	83,75%	Prysmian (Dutch) Holdings B.V.
				16,25%	Third parties
Hungary					
Prysmian MKM Magyar Kabel Muvek KFT	Budapest	Hungarian Forint	5.000.000.000	100,00%	Prysmian Energia Holding S.r.l.
Kabel Keszletertekesito BT	Budapest	Hungarian Forint	1.239.841.361	99,999%	Prysmian MKM Magyar Kabel Muvek KFT
				0,001%	Third parties
Noth America					
Canada					
Prysmian Power Cables and Systems Canada Ltd.	New Brunswick	Canidian Dollar	1.000.000	100,00%	Prysmian (Dutch) Holdings B.V.
U.S.A.					
Prysmian Power Cables and Systems USA LLC	Lexington	US$	10	100,00%	Prysmian (US) Energia Italia S.r.l.
Prysmian Construction Services Inc	Lexington	US$	1.000	100,00%	Prysmian Power Cables and Systems USA LLC
Prysmian Communications Cables and Systems USA LLC	Lexington	US$	10	100,00%	Prysmian (US) Telecom Italia S.r.l.
Prysmian Communications Cables Corporation	Lexington	US$	1	100,00%	Prysmian Communications Cables and Systems USA LLC
Prysmian Power Financial Services US LLC	Wilmington	US$	100	100,00%	Prysmian Power Cables and Systems USA LLC
Prysmian Communications Financial Services US LLC	Wilmington	US$	100	100,00%	Prysmian Communications Cables and Systems USA LLC
Central/South America					
Argentina					
Prysmian Energia Cables y Sistemas de Argentina S.A.	Buenos Aires	Argentinian Peso	66.966.667	24,69%	Prysmian (Dutch) Holdings B.V
				74,92%	Prysmain Consultora Conductores e Instalaciones SAIC
				0,39%	Third parties
Pirelli Telecomunicaciones Cables y Sistemas de Argentina S.A.	Buenos Aires	Argentinian Peso	12.000	99,99%	Prysmian Telecomunicacoes Cabos e Sistemas do Brasil S.A.
				0,01%	Azionista Fiduciario
Prysmian Consultora Conductores e Instalaciones SAIC	Buenos Aires	Argentinian Peso	48.571.242	95,00%	Prysmian (Dutch) Holdings B.V.
				5,00%	Prysmian Cavi e Sistemi Energia S.r.l.

Legal name	Office	Share capital		% ownership	Direct parent company
Brasil					
Prysmian (Brazil) Holdings Limitada	Sao Paulo	Brasilian Real	4.700	99,98%	Prysmian Cavi e Sistemi Energia S.r.l.
				0,02%	Prysmian S.p.A.
Prysmian Energia Cabos e Sistemas do Brasil S.A.	Sorocaba	Brasilian Real	106.824.993	99,44%	Prysmian Cavi e Sistemi Energia S.r.l.
				0,56%	Third parties
Prysmian Telecomunicacoes Cabos e Sistemas do Brasil S.A.	Sorocaba	Brasilian Real	58.309.129	99,57%	Prysmian Energia Cabos e Sistemas do Brasil S.A.
				0,43%	Third parties
Sociedade Produtora de Fibras Opticas S.A.	Sorocaba	Brasilian Real	1.500.100	51,00%	Prysmian Telecomunicacoes Cabos e Sistemas do Brasil S.A.
				49,00%	Third parties
Chile					
Prysmian Instalaciones Chile S.A.	Santiago	Peso cileno	1.270.617.185	100,00%	Prysmian Consultora Conductores e Instalaciones SAIC
Prysmian EYT S.A.	Santiago	Peso cileno	3.342.150.047	99,82%	Prysmian Instalaciones Chile S.A.
				0,18%	Third parties
Africa					
Ivory Coast					
SICABLE - Sociète Ivorienne de Cables S.A.	Abidijan	Cfa Franc.	740.000.000	51,00%	Prysmian Cables et Systèmes France S.A.S.
				49,00%	Third parties
Tunisia					
Auto Cables Tunisie S.A.	Grombalia	Tun.Dinar	3.024.700	51,00%	Prysmian Cables et Systèmes France S.A.S.
				49,00%	Third parties
Oceania					
Australia					
Prysmian Power Cables & Systems Australia Pty Ltd.	Liverpool	$ Austr.	15.000.000	100,00%	Prysmian Cavi e Sistemi Energia S.r.l.
Prysmian Telecom Cables & Systems Australia Pty Ltd.	Liverpool	$ Austr.	38.500.000	100,00%	Prysmian Cavi e Sistemi Telecom S.r.l.
New Zealand					
Prysmian Power Cables & Systems New Zealand Ltd.	Auckland	$Nz	10.000	100,00%	Prysmian Power Cables & Systems Australia Pty Ltd.
Asia					
China					
Prysmian Tianjin Cables Co. Ltd.	Tianjin	$US	13.100.000	67,00%	Prysmain Cable Holding B.V.
				33,00%	Third parties
Prysmian Cables (Shanghai) Co.Ltd.	Shanghai	$US	500.000	100,00%	Prysmian Cables Asia-Pacific Pte Ltd.
Prysmian Baosheng Cable Co.Ltd.	Jiangsu	$US	19.500.000	67,00%	Prysmian Cables Asia-Pacific Pte Ltd.
				33,00%	Third parties
Prysmian Wuxi Cable Co. Ltd .	Wuxi	$US	29.941.250	100,00%	Prysmain Cable Overseas B.V.
Prysmian Angel Tianjin Cable Co. Ltd.	Tianjin	$US	14.000.000	100,00%	Prysmian Special Cables B.V.
Prysmian Hong Kong Holding Limited	Hong Kong	Euro	200.000	83,00%	Prysmian Energia Holding S.r.l.
				17,00%	Prysmian Cavi e Sistemi Telecom S.r.l.
India					
Pirelli Cables (India) Private Limited	New Dehli	Indonesian Rupiah	10.000.000	99,998%	Prysmian Cable Holding B.V.
				0,002%	Prysmian Cavi e Sistemi Energia S.r.l.
Indonesia					
P.T.Prysmian Cables Indonesia	Jakarta	$US	67.300.000	99,48%	Prysmian (Dutch) Holdings B.V.
				0,52%	Prysmian Cavi e Sistemi Energia S.r.l.
Malaysia					
Bicc (Malaysia) Sdn Bhd	Kuala Lumpur	Ringgit	0	100,00%	Prysmian Cables Asia-Pacific Pte Ltd.
Submarine Cable Installation Sdn Bhd	Kuala Lumpur	Ringgit	10.000	100,00%	Prysmian Cavi e Sistemi Energia S.r.l.
Singapore					
Prysmian Cables Asia-Pacific Pte Ltd	Singapore	$Sing.	213.324.290	100,00%	Prysmian (Dutch) Holdings B.V.
Prysmian Cable Systems Pte Ltd	Singapore	$Sing.	25.000	50,00%	Prysmian (Dutch) Holdings B.V.
				50,00%	Prysmian Cables & Systems Ltd.

The following companies have been consolidated on a proportionate basis:

Legal name	Office		Share capital	% ownership	Direct parent company
Malaysia					
Power Cables Malaysia Msdn Bhd	Selangor Darul Eshan	Ringgit	8.000.000	40,00%	Prysmian Cables Asia-Pacific Pte Ltd.
				60,00%	Third parties
Power Cable Engineering Services Sdn Bhd	Selangor Darul Eshan	Ringgit	100.000	100,00%	Power Cables Malaysia Sdn Bhd

The following companies have been accounted for using the equity method:

Legal name	Office	Share capital		% ownership	Direct parent company
Germany					
Kabeltrommel GmbH & CO.KG	Column	Euro	10.225.838	1,00%	Bergmann Kabel und Leitungen GmbH
				27,48%	Prysmian Kabel und Systeme GmbH
				71,52%	Third parties
UK					
Rodco Ltd.	Weybridge	Sterline	5.000.000	40,00%	Prysmian Cables & Systems Ltd.
				60,00%	Third parties
Poland					
Eksa Sp.Zo.o	Varsavia	Sloto polacco	394.000	20,05%	Prysmian Energia Holding S.r.l.
				79,95%	Third parties
Arabian Emirates					
Cuomo Cable Company L.L.C.	Abu Dhabi	AED	150.000	49,00%	Prysmian (Dutch) Holdings B.V.
				51,00%	Third parties

dega design group

Prysmian S.p.A. - Viale Sarca 222, 20126 Milan, Italy - phone +39 02 6449.1

PRYSMIAN CABLES & SYSTEMS