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PLAN FOR THE PARTIAL DEMERGER

of “**FIBRE OTTICHE SUD – F.O.S. S.R.L.**”

to “**PRYSMIAN S.P.A.**”

Drafted pursuant to the requirements of art. 2506-*bis* of the Italian Civil Code

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Introduction.

Fibre Ottiche Sud – F.O.S. S.r.l. is the owner of a building complex for industrial use located in Milan, Viale Sarca 336, consisting of a plot of land of approximately 22,000 sq.m. and a main shed, as well as various ancillary technological buildings (consisting of Energy House, a former plant called "spinning tower" and an interchange electricity substation), already leased to third parties.

On expiry of the lease, the building complex was no longer operating and its reuse as a capital good was not envisaged.

Given that the land on which the property in question was built is located in the so-called "Bicocca" area, the Prysmian Group found it the most suitable place to build its new offices, replacing the current that, in addition from being leased, are insufficient in terms of size and characteristics to meet the changing needs of the Prysmian Group in Milan, subject to the complete renovation of the main shed, i.e. its demolition and reconstruction.

For this purpose, F.O.S. S.r.l. has presented a project for the construction of a new building by means of a notice of commencement, on which the silent consent of the Municipality of Milan applied on 7 September 2012, and has paid the required planning fees.

Since the new offices will be used by all the Prysmian Group's companies located in Milan, it was deemed appropriate to separate the land and the buildings thereon that will not be knocked down from the assets of F.O.S. S.r.l., so that the new building complex

becomes a part of the assets of the parent company Prysmian S.p.A.

This transfer to Prysmian S.p.A. also takes into account the fact that the new offices will mainly host Prysmian S.p.A.'s employees, as well as the employees of other Prysmian Group's companies located in Milan. Moreover, the costs for the construction of the new buildings shall be borne by Prysmian S.p.A., which has employees possessing the skills necessary for the daily management of the constructed buildings.

Finally, it is hereby preliminarily stated that, pursuant to the provisions of art. 2505, paragraph 1, of the Italian Civil Code (referred to in art. 2506-ter, paragraph 5) arts. 2501-ter, paragraph 1, no. 3, 4, 5 and arts. 2501-quinquies and 2501-sexies of the Italian Civil Code shall not be applicable - and therefore, the following clauses are not required: the share swap ratio, the procedures for the assignment of the acquiring company's shares, the date from which the shares will participate in the profits, the report of the administrative body and the valuation report of experts on the fairness of the swap ratio, since the project in question is an intercompany transaction for the partial demerger in favour of a pre-existing company, in which the share capital of the demerged company is wholly owned by the acquiring company.

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1. Type, name, company name and registered office of the Companies participating in the demerger.

Demerged company

"FIBRE OTTICHE SUD – F.O.S. S.R.L.", a sole shareholder Company, *subject to the management and coordination of Prysmian S.p.A. and belonging to the Prysmian Group*, with registered office in Battipaglia (Province of Salerno), Strada Provinciale No. 135, registered capital of Euro 47,700,000.00, tax code and registration number with the Salerno Companies' Register 01003490651, (hereinafter "FOS" or the Demerged Company).

Acquiring company

“PRYSMIAN S.P.A.”, with registered office in Milan, Viale Sarca 222, share capital of Euro 21,459,171.00, Tax code and registration number with the Milan Companies’ Register 04866320965, (hereinafter “Prysmian” or the Acquirer).

The acquiring company “PRYSMIAN S.P.A.” is the single member of the demerged company “FIBRE OTTICHE SUD – F.O.S. S.R.L.”.

The partial demerger as per this plan will take place, pursuant to art. 2506 *et seq.* of the Italian Civil Code, through transfer of a portion of FOS’ assets to Prysmian, as described under paragraph 9 below.

2. By-laws of the Demerged Company and the Acquirer

No amendments will be made to the By-laws of the Demerged Company or the Acquirer as a result of this transaction.

The Demerged Company will be governed by the by-laws in force, attached hereto as Annex "A".

The Acquirer will be governed by the by-laws in force, attached hereto as Annex "B".

3. Share swap ratio and possible cash adjustment

As the Acquirer is the single member of the Demerged Company and will continue to be so on the date the partial demerger will become effective, no new shares will be issued by the Acquirer as a result of the planned partial demerger and there will be no changes to its share capital. As a result of this, no share swap ratio is envisaged. Similarly, no cash adjustments are envisaged.

4. Procedures for the assignment of shares

As per the information provided in the above paragraph, since no issue and therefore assignment of the Acquirer’s new shares is provided, it is not necessary to establish a procedure for the assignment of shares.

5. Date from which the newly issued shares will participate in the profits

As per the information provided above, since no issue and therefore assignment of the

Acquirer's new shares is provided, it is not necessary to establish the date of participation in the profits.

6. Effective Demerger Date

The demerger is effective as from the last registration of the demerger deed at the Companies Register office in which the companies participating in the demerger are registered, or as from any later date set in the demerger deed.

The demerged assets will be recognised in the financial statements of Prysmian from the effective demerger date indicated in the above paragraph.

7. Specific treatment reserved to particular classes of shareholders and holders of securities other than shares

There are no particular classes of shareholders and no particular treatments or benefits are provided for holders of securities other than shares.

8. Particular benefits for directors

There are no particular advantages or benefits for the directors of the companies participating in the demerger.

9. Description of the assets involved in the partial demerger

The assets owned by FOS subject to transfer through a partial demerger in favour of the Acquirer are the industrial land owned by FOS, located in the Municipality of Milan, Viale Sarca 336, the cadastral area of which is 22,248 sq.m., with ancillary technological buildings thereon that will be reused for the new construction, consisting of Energy House, a former plant called "spinning tower" and an interchange electricity substation.

The real estate complex being demerged is identified as follows:

- in the Land Registry of the Municipality of Milan

Municipality	Plot	Sheet	Parcel	Sub-plot	Total area sq.m.:	Quality	Cl.:	Rental Income €:	Agricultural income €:	Lot
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Milan	NCT (New Land Registry)	55	84		22,184	land for building				1
Milan	NCT (New Land Registry)	55	89		64	land for building				1

- in the Property Registry:

Municipality	Plot	Location	Sheet	Parcel	Sub-plot	Quality	Cl.:	Income €:
Milano	NCEU (New Urban Property Registry)	MILAN (PROVINCE OF MILAN) VIALE SARCA, 336, T- 1 - 2-3 Floor	55	84	703	F/3		
Milano	NCEU (New Urban Property Registry)	MILAN (PROVINCE OF MILAN) VIALE SARCA, 336, T Floor	55	89		D/1		612.00

It is acknowledged that the aggregate book value of such assets resulting from the Demerged Company's balance sheet as at 30 June 2013 is equal to Euro 11,169,593, taking into account the depreciation amount of these assets. To these, Euro 2,531,171 must be added, relating to expenses incurred for the renovation of the site being demerged and, as shown in the Demerged Company's balance sheet as at 30 June 2013, recognised as fixed assets under construction.

All the assets and liabilities and the ratios, without exception, other than those listed above, will continue to be owned by the Demerged Company.

The proposed demerger is based on the Demerged Company's balance sheet and on the Acquirer's half-year financial statements, both as at 30 June 2013.

The decrease in the book value of the Demerged Company shall be equal to the book value of the items assigned on the effective demerger date and will be posted to the reserves existing at that time, excluding any decrease in the registered capital depending on the demerger, as the sole shareholder has already notified its intention to make payments to increase equity so as to offset the decrease in the book value

resulting from the demerger.

This plan shall be submitted for final approval to the General Meeting of the Demerged Company and to the Board of Directors of the Acquirer pursuant to art. 2505 of the Italian Civil Code, as permitted by art. 17 of Prysmian by-laws, without prejudice to the right of those shareholders who hold at least 5% of the share capital to request, with a petition addressed to the company within eight days from the filing described in art. 2501-ter, paragraph 3 of the Italian Civil Code, that the approval of the demerger should be issued by the General Meeting according to art. 2502, paragraph 1 of the Italian Civil Code.

Annexes:

- A) Fibre Ottiche Sud – F.O.S. S.r.l. By-laws
- B) Prysmian S.p.A. By-laws

Milan, 1st August 2013

FIBRE OTTICHE SUD – F.O.S. S.R.L.

Director

Milan, 1st August 2013

PRYSMIAN S.P.A.

Director

- ATTACHMENTS OMITTED -