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# First Half 2021 Financial Results

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Milan, 28 July 2021



**1H 2021  
Highlights**

**Financial  
Results**

**ESG**

**Appendix**

# 1H 2021 Key highlights

## SOLID PERFORMANCE CONTINUED IN Q2: +16.9% org. growth\*

Strong recovery of Telecom and Energy Business driven by T&I, OEM & Renewables and Automotive

## RESILIENT MARGINS: 7.8% Adj EBITDA Margin

Solid volume trend, cost efficiency and price management to balance raw materials cost inflation.

Negative forex impact (-22 €M).

## NEW ORDERS ACCELERATING IN PROJECTS BUSINESS

More than 1.2 €Bn of new orders in H1

## LEONARDO DA VINCI

The world's most advanced cable-laying vessel entering in operation to support the Energy Transition



Highest carousel capacity in the market  
Highest pulling/towing capacity in its class  
Deepest power cable installations up to 3,000 meters

# More than 1.2 €Bn of new orders in H1

1

## SOO Green HVDC Underground Link (~ 900 \$M cables)



The biggest single project ever awarded to Prysmian



2

## Sofia offshore wind project (~ 240 €M)

440 km of HVDC submarine export cables and 15 km of land cables for the 1.4 GW Sofia Offshore Wind Farm project

3

## Turkish Crossing (~140 €M)

Two HV submarine power cable links, one between Europe and Asia, the other across the Izmit Gulf in Asia

4

## Ibiza – Formentera link (~ 46 €M)

Two HVAC 132 kV three-core export submarine power cables with XLPE insulation



# 1H 2021 Financial highlights

## SALES

SALES	ORGANIC GROWTH*
6,034 €M	10.5%

### SOLID ORGANIC GROWTH

- +15.5% Telecom, recovery confirmed by a strong Q2 (19.6%)
- +10% E&I, mainly driven by T&I (38.5% in Q2)
- +9.3% Industrial & NWC driven by OEM & Renewables and Automotive

## ADJ. EBITDA

ADJ. EBITDA	ADJ. EBITDA MARGIN
470 €M	7.8%

### RESILIENT MARGINS

- Energy Business Adj. EBITDA higher than pre-Covid 19 level
- Resilient margins despite raw material increase thanks to efficiency initiatives
- Sound volume and strong efficiency measures in Telecom
- Negative forex impact (-22 €M)

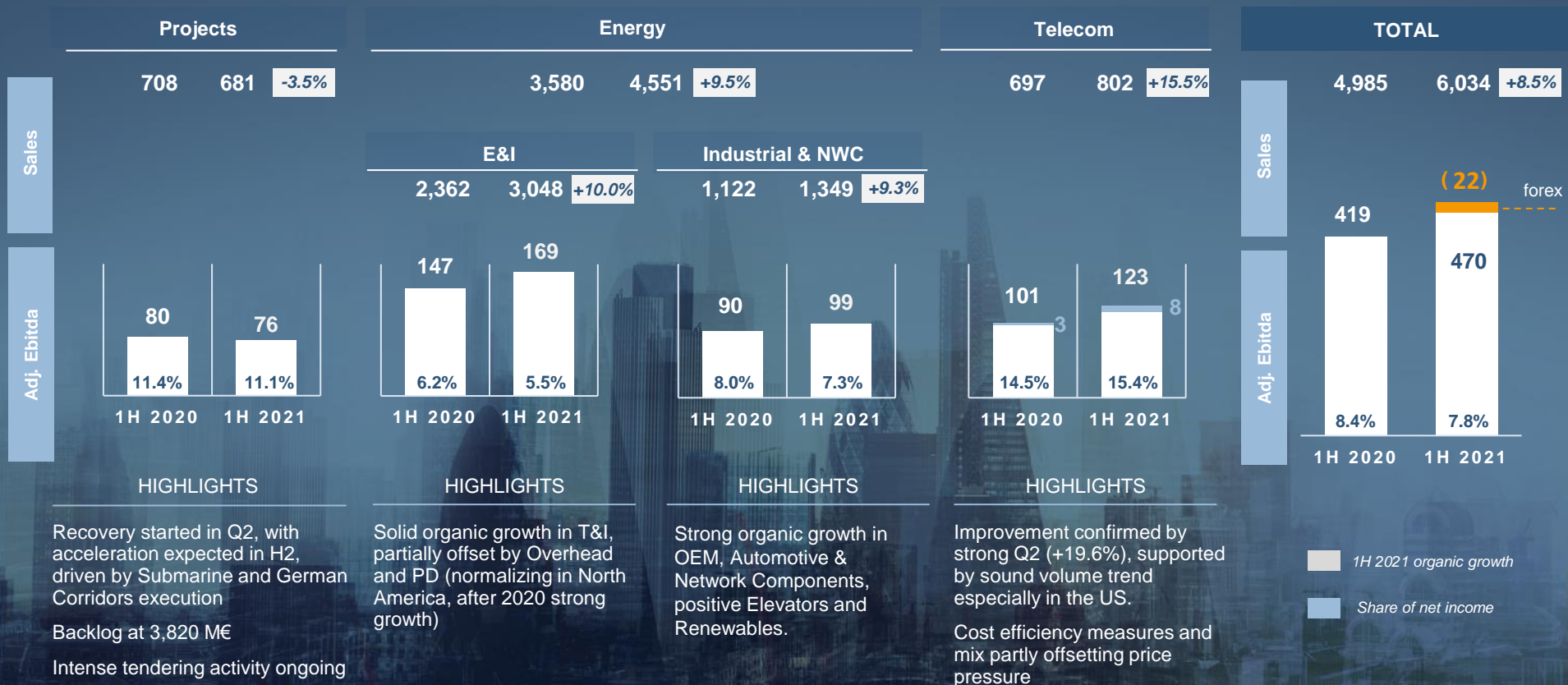
## FREE CASH FLOW

FCF LTM	NET DEBT
447 €M	2,387 €M

### FREE CASH FLOW

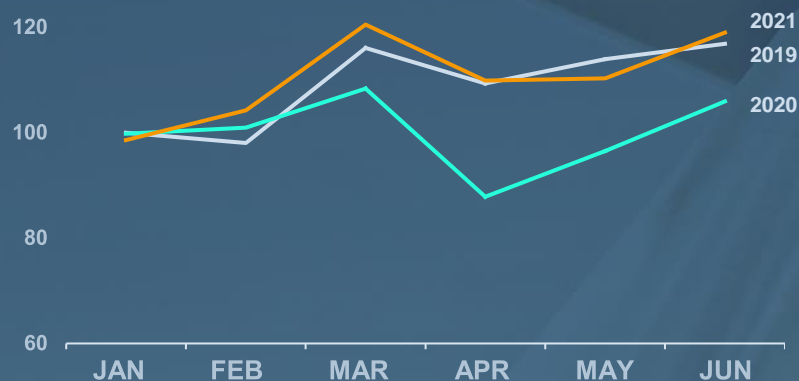
447 €M of FCF LTM excluding antitrust and acquisition cash-out

# Sound performance in Energy and Telecom; Projects improving

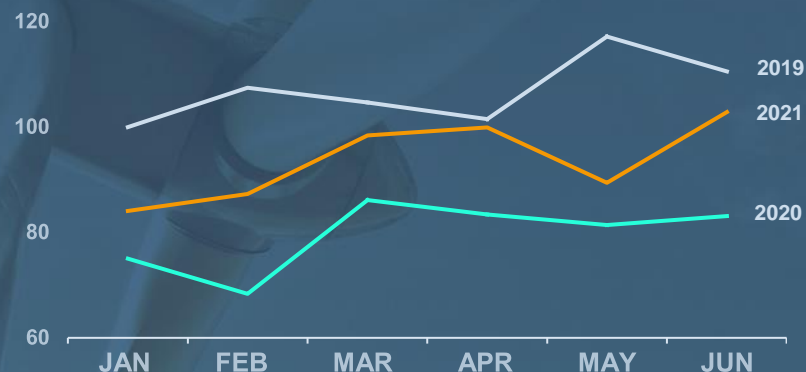


# Energy and Telecom: recovery path

## ENERGY

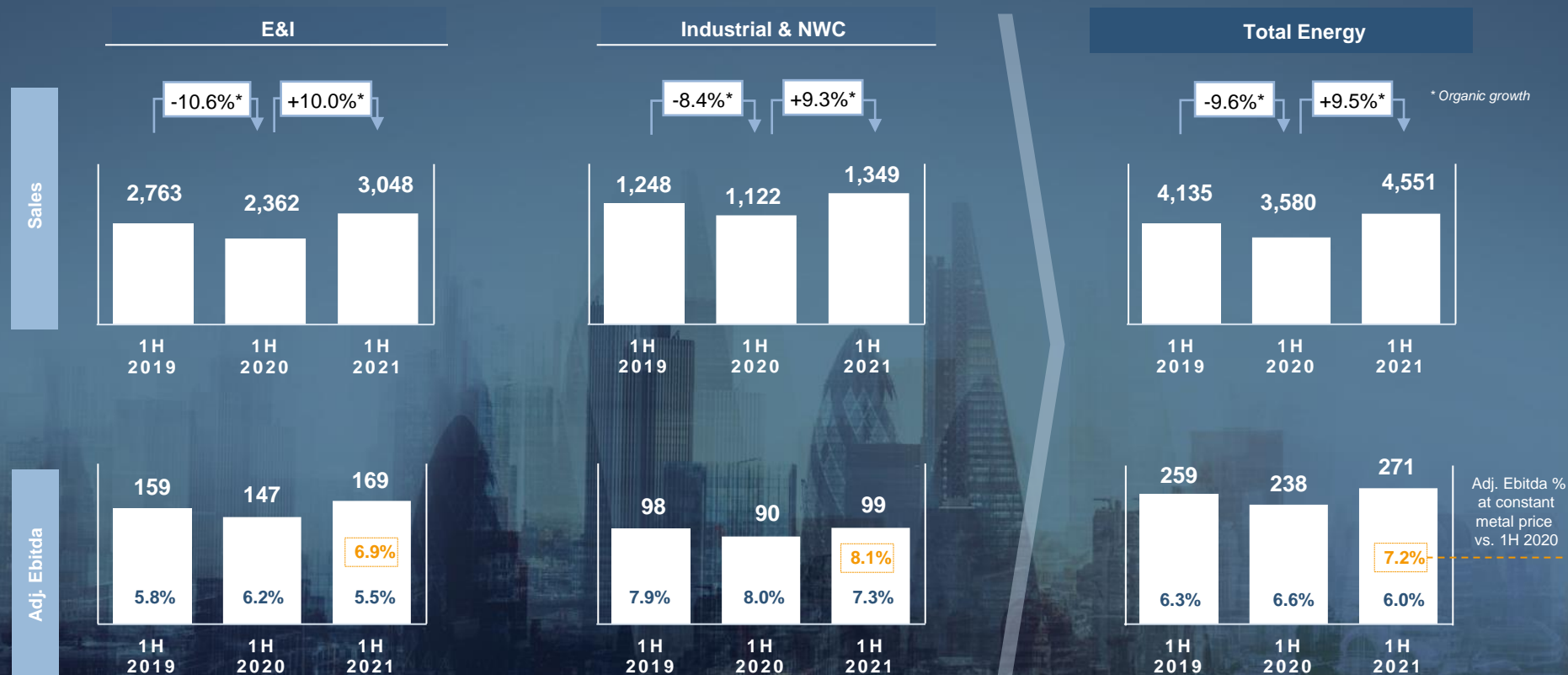


## TELECOM



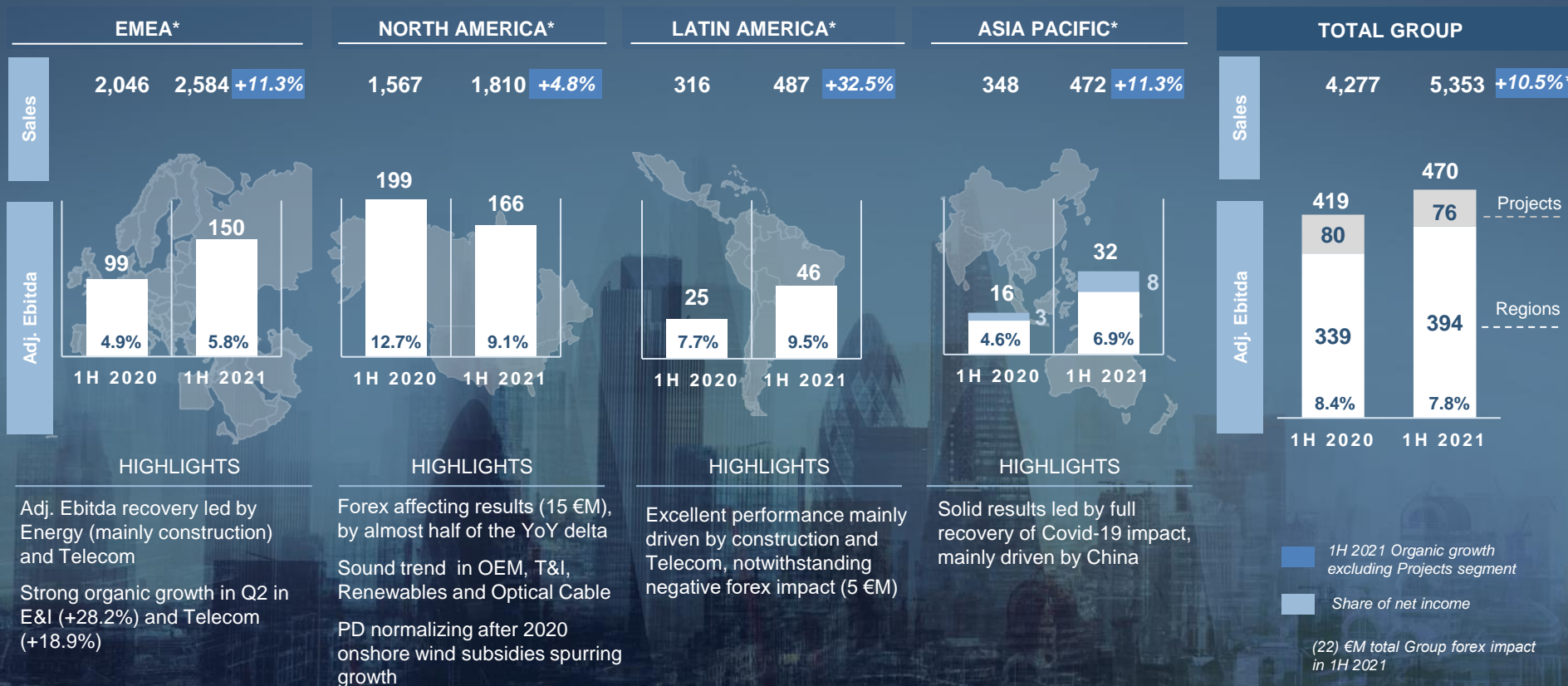
Monthly volume evolution  
baseline: Jan 2019  
Optical cable business only in Telecom

# Energy Business recovery at Pre-pandemic level with better margins





# A global recovery: the value of a wide geographical presence



# Upgrading 2021 outlook

## PREVIOUS 2021 GUIDANCE

2021 ADJ. EBITDA  
TARGET (€M)

870



940

2021 FCF  
TARGET (€M)

FCF before acquisition  
& disposals

~ 300 ±20%

## NEW 2021 GUIDANCE

2021 ADJ. EBITDA  
TARGET (€M)

920



970

2021 FCF  
TARGET (€M)

FCF before acquisition  
& disposals

~ 300 ±20%

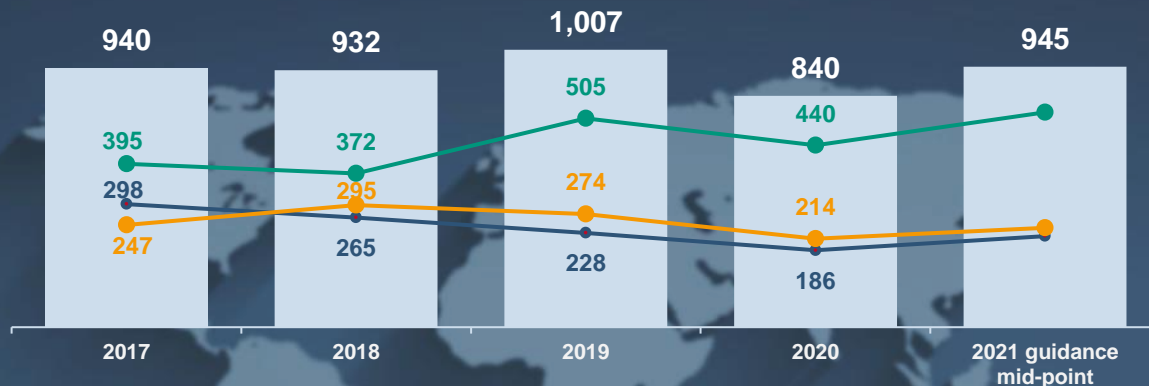
## KEY ASSUMPTIONS

Solid demand continuing in ENERGY and TELECOM; accelerating delivery trend in PROJECTS as expected

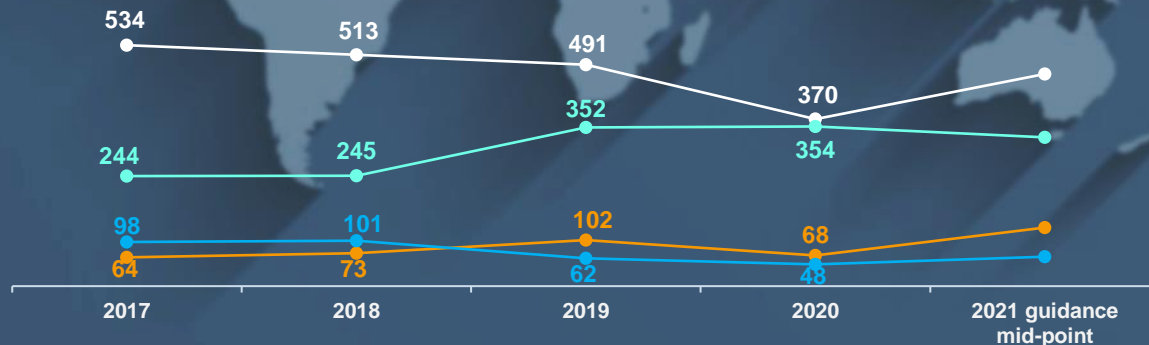
# Resilience and Growth: the strategic fit of each segment and regions

## Adj. EBITDA evolution (€M)

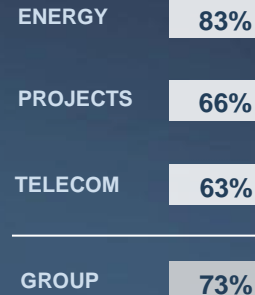
### by Business



### by Geography



## Cash conversion



## FCF & Dividends



Cumulated 2017-2020



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# Profit and Loss Statement

Euro Millions

	1H 2021	1H 2020
<b>SALES</b>	<b>6,034</b>	<b>4,985</b>
<i>YoY total growth</i>	21.0%	
<i>YoY organic growth</i>	8.5%	
<b>Adj. EBITDA</b>	<b>470</b>	<b>419</b>
<i>% on sales</i>	7.8%	8.4%
<i>of which share of net income</i>	9	5
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<b>EBITDA</b>	<b>444</b>	<b>407</b>
<i>% on sales</i>	7.4%	8.2%
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<b>EBIT</b>	<b>278</b>	<b>173</b>
<i>% on sales</i>	4.6%	3.5%
<b>Financial charges</b>	<b>(40)</b>	<b>(55)</b>
<b>EBT</b>	<b>238</b>	<b>118</b>
<i>% on sales</i>	3.9%	2.4%
Taxes	(74)	(42)
<i>% on EBT</i>	31.1%	35.6%
<b>NET INCOME</b>	<b>164</b>	<b>76</b>
<i>% on sales</i>	2.7%	1.5%
Minorities	2	(2)
<b>GROUP NET INCOME</b>	<b>162</b>	<b>78</b>
<i>% on sales</i>	2.7%	1.6%

## Adj. EBITDA Bridge

	Q1	Q2	1H
<b>ADJ. EBITDA 2020</b>	<b>197</b>	<b>222</b>	<b>419</b>
Projects	(7)	3	(4)
Energy	13	20	33
Telecom (ex-share of net income)	5	12	17
share of net income	5	-	5
<b>ADJ. EBITDA 2021</b>	<b>213</b>	<b>257</b>	<b>470</b>
of which Forex effect	(14)	(8)	(22)

## Financial Charges

	1H 2021	1H 2020
<b>Net interest expenses</b>	<b>(40)</b>	<b>(38)</b>
of which non-cash conv.bond interest exp.	(7)	(5)
Financial costs IFRS 16	(2)	(3)
Bank fees amortization	(4)	(3)
Gain/(loss) on exchange rates and derivatives	(7)	(10)
Non recurring and other effects	13	(1)
<b>Net financial charges</b>	<b>(40)</b>	<b>(55)</b>

# Statement of financial position (Balance Sheet) Euro Millions

	30 Jun 2021	30 Jun 2020	31 Dec 2020
<b>Net fixed assets</b>	<b>5,061</b>	<b>5,153</b>	<b>4,971</b>
of which: goodwill	1,596	1,590	1,508
<b>Net working capital</b>	<b>1,129</b>	<b>1,088</b>	<b>523</b>
of which: derivatives assets/(liabilities)	190	-	91
of which: Operative Net working capital	939	1,088	432
<b>Provisions &amp; deferred taxes</b>	<b>(578)</b>	<b>(711)</b>	<b>(579)</b>
<b>Net Capital Employed</b>	<b>5,612</b>	<b>5,530</b>	<b>4,915</b>
<b>Employee provisions</b>	<b>485</b>	<b>499</b>	<b>506</b>
<b>Shareholders' equity</b>	<b>2,740</b>	<b>2,515</b>	<b>2,423</b>
of which: attributable to minority interest	168	181	164
<b>Net financial debt</b>	<b>2,387</b>	<b>2,516</b>	<b>1,986</b>
<b>Total Financing and Equity</b>	<b>5,612</b>	<b>5,530</b>	<b>4,915</b>

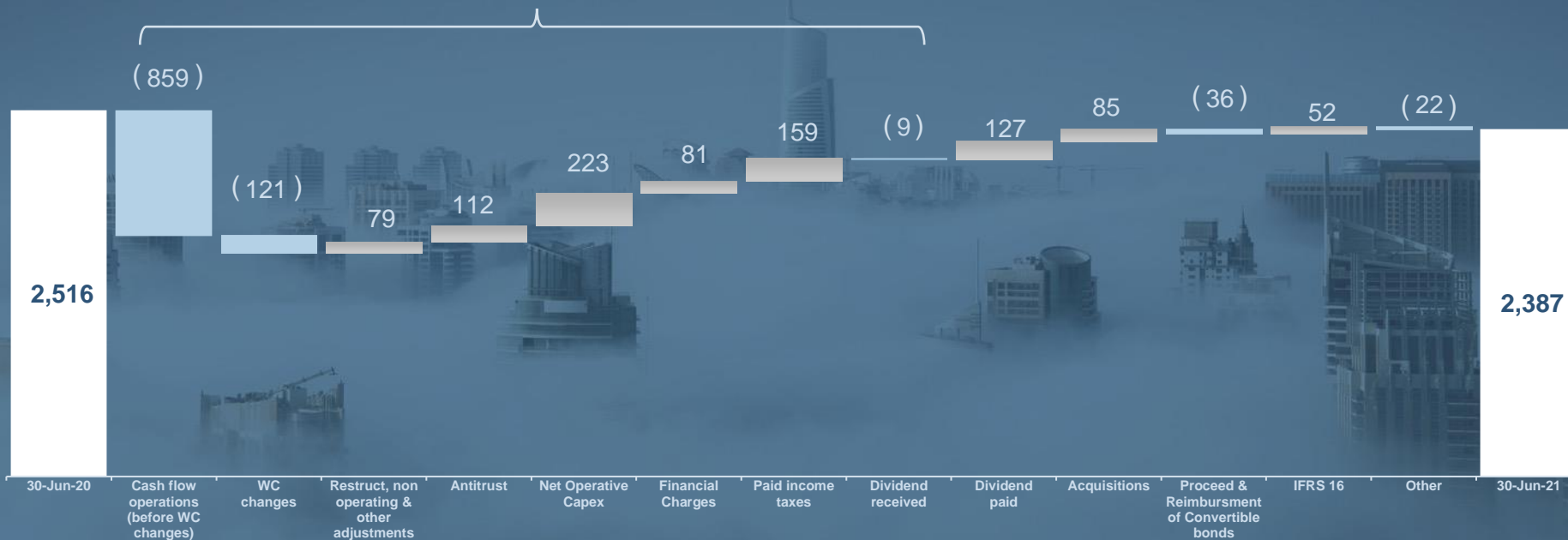


# Cash Flow

Euro Millions

## NET DEBT EVOLUTION

+335 €M Free Cash Flow



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# Sustainability in Prysmian Group DNA

From Public company to People company

## PUBLIC COMPANY

Constituted by a broad shareholder base and committed to ensure the highest international standards of governance: 67% of Board members are independent / 42% are women.

Integrity as corporate value expressed through several policies: ethical code, anti-corruption policies, privacy & data protection, helpline programme, Sustainability Committee within the BoD to improve further sustainability of our business operations, company reputation and cooperation with stakeholders.



## MANAGEMENT COMPANY

Remuneration scheme linked to ESG parameters for all Prysmian Group managers (Principal sustainability indices to which we belong, Gender diversity within management, Reduction of CO2 emissions and Health and Safety). Integrated management of sustainability risks.

Effective and efficient Corporate Governance system: achieve strategic objectives and create long-term sustainable value, comply with the legal and regulatory framework, efficient in terms of cost-effectiveness, fairness towards all the Group's stakeholders.



## PEOPLE COMPANY

Support and recognize workers' abilities:

Almost 40% of our shareholders are ESG investors.

3.5% of the company's total 268.1 million shares are owned by Employees (over 9,200) and Top Management.

Continuous, multi-disciplinary and specialist trainings provided to our employees.

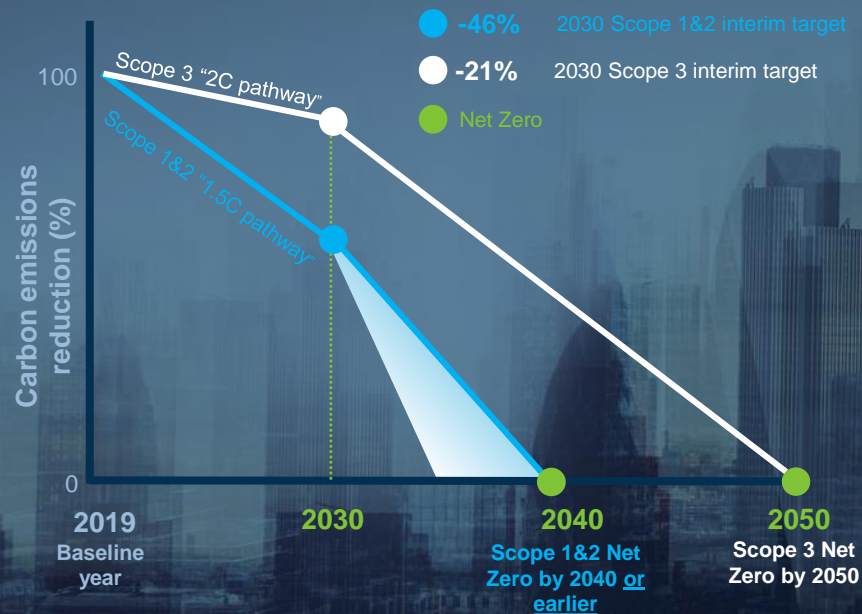




# Prysmian Climate Change Ambition and Targets

## OUR NET ZERO CLIMATE AMBITION

Prysmian Group has set carbon reduction targets aligned with the Science Based Targets initiative and Net Zero ambition



Net Zero between 2035 and 2040 for our Scope 1&2 emissions, and by 2050 for our Scope 3 emissions

Interim 2030 science-based targets, against a 2019 baseline

Signed the **Business Ambition for 1.5C Commitment Letter**<sup>(1)</sup>

Already working for an earlier delivery on carbon reduction targets

### 1 Decarbonise 80% of our Scope 1&2 carbon footprint

- phasing out SF6 emissions
- 100% renewable energy for electricity

### 2 Approx 100 €M of Capex

- Over the next ten years
- Across our global operations of over 130 sites

<sup>(1)</sup> The Business Ambition for 1.5°C is a campaign led by the Science Based Targets initiative in partnership with the UN Global Compact and the We Mean Business coalition.

# Prysmian Social Ambition and Targets



Women STEM program



Reduced inequalities



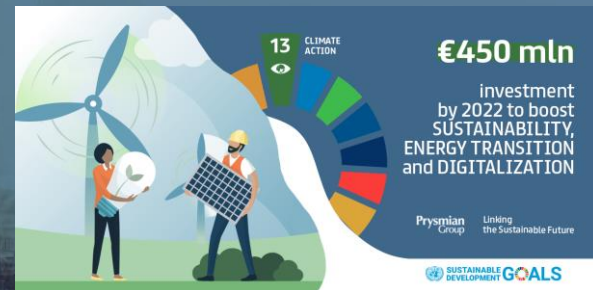
Investments to reduce Scope 1 and Scope 2 emissions



Digital inclusion




Gender balance in recruiting of desk workers



Investment to boost sustainability, energy transition and digitalization

# Prysmian Social Ambition and Targets

UN Goals 2030	Prysmian Goals 2030	Target 2030	Definition	Baseline 2020
 <p><i>Achieve Gender Equality &amp; Empower all Women and Girls</i></p>	<p><b>Gender Equality</b></p>	50/50 in Recruiting of Desk Workers	Yearly hiring of desk workers - Permanent HC from the external market	34/66
		30% of Women in Senior Leadership roles	Grade 20 (Band C) and above	13.3%
		25% of Women in the Total Workforce	Desk and Non Desk Workers	16.9%
		Zero Pay Gap – Desk Workers	Guarantee equal pay for equal work	7-8%*
		+ 500 women in a fully dedicated STEM program	Female STEM representation, involving hiring and development program	702 17%**

\*Fine-tuning to be done with the new Workday platform.

\*\* 17%=702/4060. STEM includes Manufacturing, Quality, Logistics, R&D, IT, Project Service and Installation.



# Prysmian Social Ambition and Targets



UN Goals 2030	Prysmian Goals 2030	Target 2030	Definition	Baseline 2020
 <p>Reduce inequality within and among Countries</p>	Race/ Ethnicity Inclusion	<p>More than 30% of Executives from under-represented nationalities/ethnicities/origins</p>	Increasing the number of Executives coming from under-represented nationalities/ethnicities/origins*	23%
	Empower Local Communities	Local mentoring programs for 500 students coming from minorities	Mentoring programs for students, potentially to be hired	-
		<p>At least a project per year (e.g. build a new school/nursery, with focus on developing countries and vulnerable communities)</p>	Projects aimed at improving the lives of local people. The project will depend on the basis of the region.	-
		Local projects with donation of optical and electric cables	Donation of cables to improve the development of local communities.	-

\*Nationalities within Africa, Asia, GCC, Eastern Europe, Latin America and Oceania

# Prysmian Social Ambition and Targets

UN Goals 2030	Prysmian Goals 2030	Target 2030	Definition	Baseline 2020
 <p><i>Build resilient infrastructure, promote inclusive and sustainable industrialization, foster innovation</i></p>	<b>Digital Inclusion</b>	<b>Connecting 100% (30,000) of our employees through global platforms, achieving a proper level of adoption</b>	All employees will be connected through the group's platforms and digital channels	<b>Around 10,000</b>
	<b>Health &amp; Safety</b>	<b>Injuries Index towards 0</b>	Gravity or Frequency T.B.D.	-

# Prysmian Social Ambition and Targets

UN Goals 2030	Prysmian Goals 2030	Target 2030	Definition	Baseline 2020
  <p>Ensure lifelong learning opportunities for all</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	Up-Skilling and Engagement	40 yearly hours per capita of experienced learning for all employees, including training on company values, unconscious bias and inclusive leadership	40 hours of formal training, training on-the-job, cross functional projects, self-learning, internal projects, to become an even stronger expert and performer	17
		More than 25% of employees is involved in mobility/growth experience every year	25% of our Desk-worker population will have a job change, job enlargement, promotion or lateral move every year	Approx. 10%*
		50% of employees as stable shareholders through share ownership plans (YES)	Employees as Company owners	Approx. 35%
		Higher than 80% response rate to Engagement Survey	Employees engagement	67%
		Leadership Impact Index improved to 70-80%	Leadership Impact Index has been designed to boost managerial skills, in order to make managers and leaders more accountable for the engagement of their teams	57% (2019)

\*HR estimates conducted without the platform

# Prysmian Group Sustainability Governance

**Chief Sustainability Officer**

**ESG Committee (Ind. Board Members)**

**Group Leadership Team**

**Sustainability internal Steering Co.**

**Diversity & Inclusion int. Steering Co.**

**Local Sustainability Ambassadors**

*“The future depends on  
what you do today”  
Mahatma Gandhi*





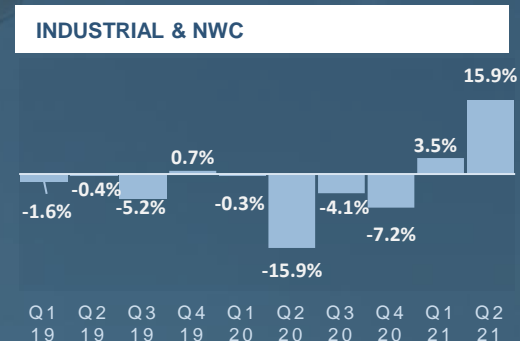
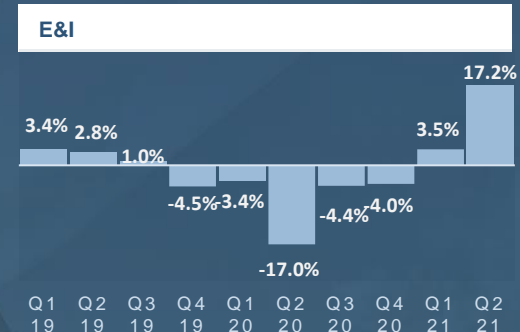
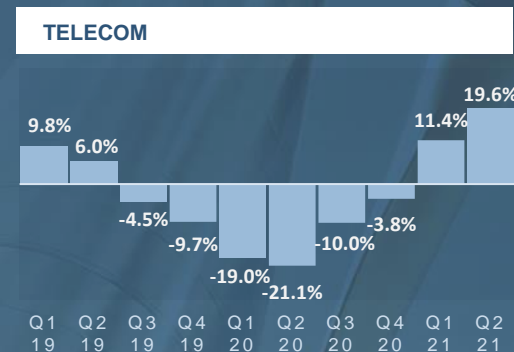
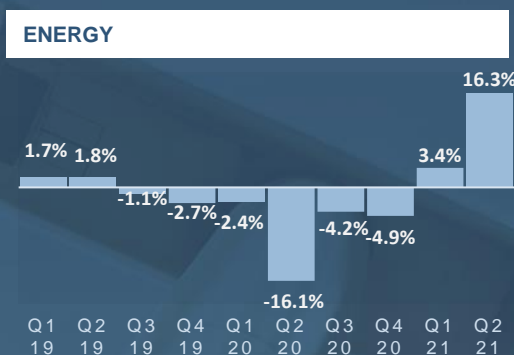
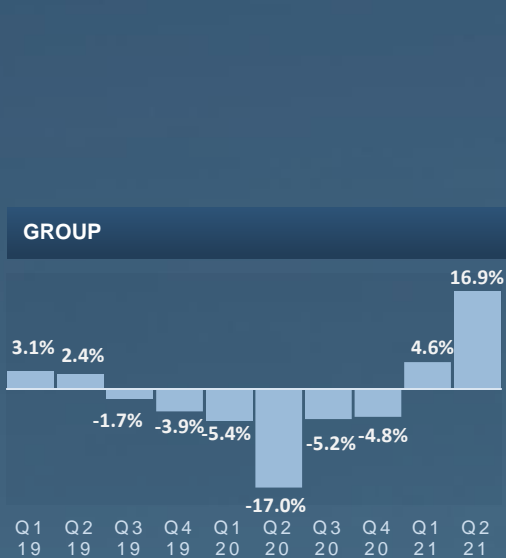
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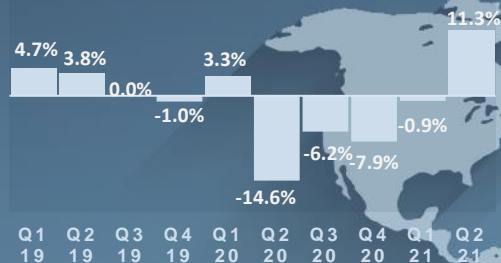
**Appendix**

# Energy and Telecom: a recovery path to pre-pandemic levels

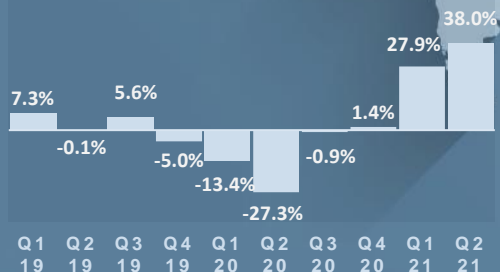


# A global recovery

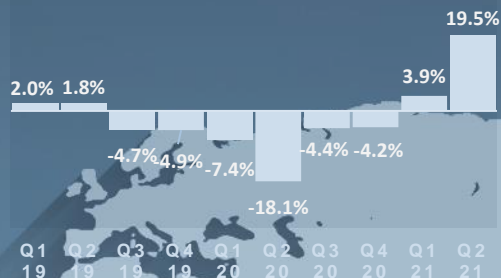
## NORTH AMERICA



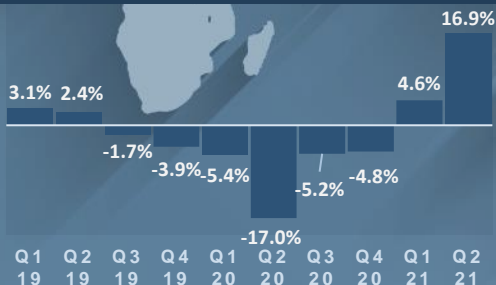
## LATIN AMERICA



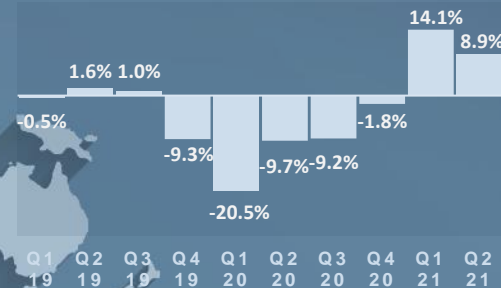
## EMEA



## GROUP



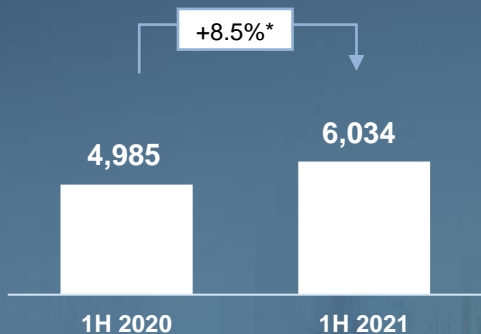
## ASIA PACIFIC



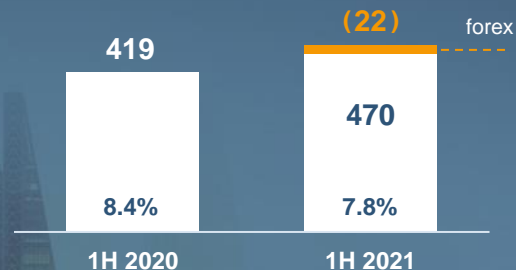
# 1H 2021 Financial highlights

Euro Millions, % on Sales

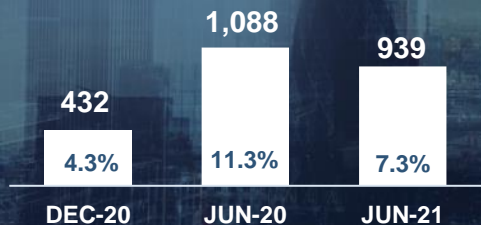
## SALES



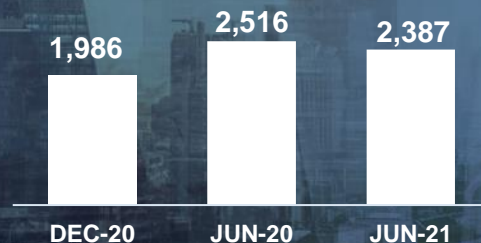
## ADJUSTED EBITDA <sup>(1)</sup>



## REPORTED OPERATIVE NET WORKING CAPITAL <sup>(2)</sup>



## REPORTED NET FINANCIAL DEBT





# Profit and Loss Statement

Euro Millions

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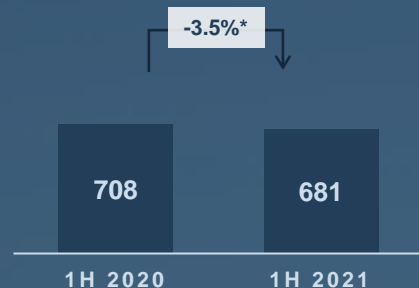
## Adjustments and Special Items on EBIT

	1H 2021	1H 2020
<b>Non-recurring Items</b>	<b>(2)</b>	<b>-</b>
<b>Restructuring</b>	<b>(9)</b>	<b>(9)</b>
<b>Other Non-operating Income / (Expenses)</b>	<b>(15)</b>	<b>(3)</b>
<b>EBITDA adjustments</b>	<b>(26)</b>	<b>(12)</b>
<b>Special items</b>	<b>(8)</b>	<b>(68)</b>
Gain/(loss) on metal derivatives	16	(8)
Assets impairment	(6)	(43)
Share-based compensation	(18)	(17)
<b>EBIT adjustments</b>	<b>(34)</b>	<b>(80)</b>

# Projects

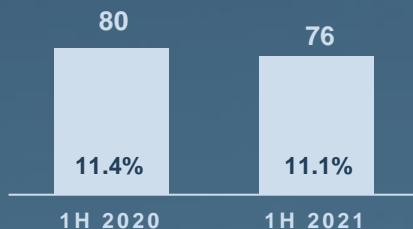
Euro Millions, % on Sales

## SALES



\* Org. Growth.

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

### SUBMARINE

- / Recovery started in Q2, with acceleration expected in H2
- / Tendering activity ongoing, with a solid pipeline of projects (interconnections and off-shore wind farms)
- / Submarine backlog further increased to more than 1.8 €Bn

### UNDERGROUND HIGH VOLTAGE

- / Improving results in Q2, with acceleration expected in H2, mainly driven by German Corridors
- / SOO Green HVDC Link Project awarded in USA for approx. 900 \$M cables value

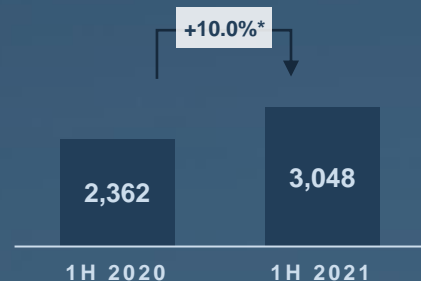
## ORDERS BACKLOG EVOLUTION (€M)

	DEC '13	DEC '14	DEC '15	DEC '16	DEC '17	DEC '18	DEC '19	DEC '20	JUN '21
Underground HV	~450	~450	~600	~350	~400	~435	~310	~1,980	~2,010
Submarine	~2,050	~2,350	~2,600	~2,050	~2,050	~1,465	~1,730	~1,510	~1,820
Group	~2,500	~2,800	~3,200	~2,400	~2,450	~1,900	~2,040	~3,490	~3,830

# Energy & Infrastructure

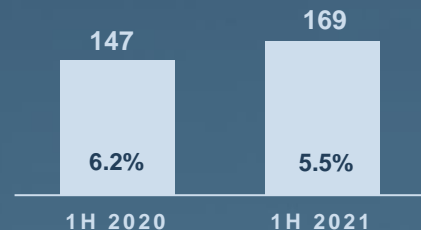
Euro Millions, % on Sales

## SALES



\* Org. Growth

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

### TRADE & INSTALLERS

- / Strong organic growth in all regions
- / Margins improvement driven by volume and costs efficiency offsetting raw material costs increase

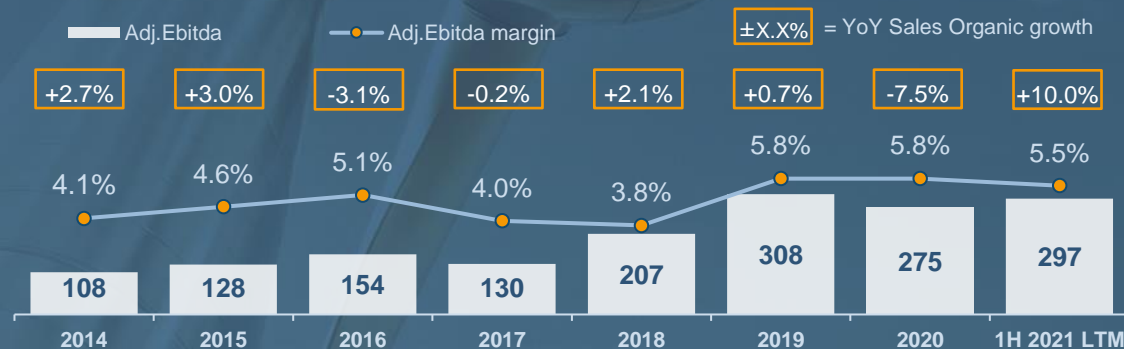
### POWER DISTRIBUTION

- / PD normalizing, after 2020 onshore wind subsidies spurring growth in North America

### OVERHEAD

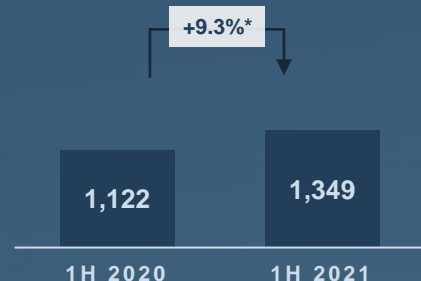
- / Negative organic growth mainly due to LatAm after strong growth in 2020

## ADJ.EBITDA AND % SALES



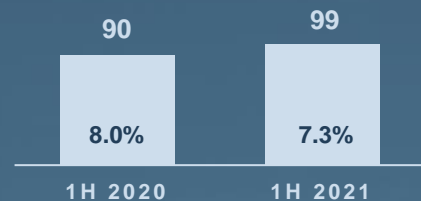
# Industrial & Network Components Euro Millions, % on Sales

## SALES



\* Org. Growth

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

### SPECIALTIES, OEM & RENEWABLES

/ Overall positive performance and resilience to Covid-19. Solid performances of Railways, Infrastructure, Wind and Solar, partially offset by Rolling Stock and Nuclear.

### ELEVATOR

/ Completed the acquisition of EHC Global, leading manufacturer of strategic components and integrated solutions for the vertical transportation industry.

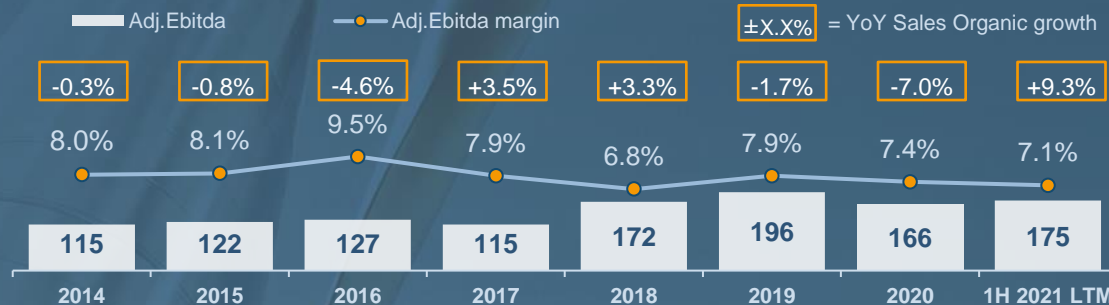
### AUTOMOTIVE

/ Positive trend confirmed in Q2 with a strong organic growth after the material drop in Q2 2020

### NETWORK COMPONENTS

/ Improving results mainly driven by HV

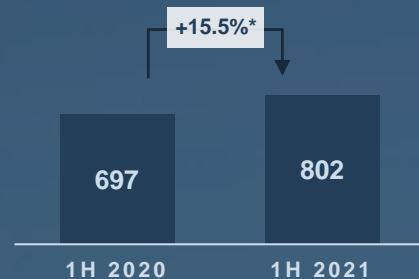
## ADJ. EBITDA AND % SALES





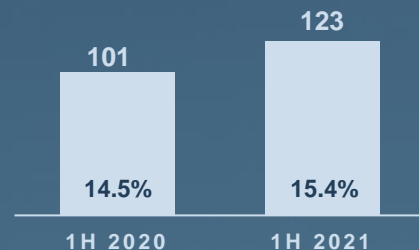
# Telecom Euro Millions, % on Sales

## SALES



\* Org. Growth.

## Adj. EBITDA / % of Sales<sup>(1)</sup>



## HIGHLIGHTS

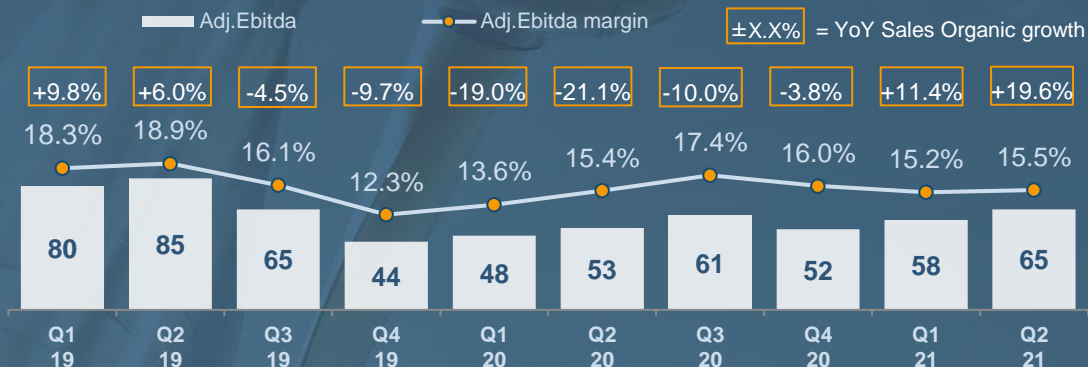
### OPTICAL CABLE & FIBRE

- / Improvement confirmed by strong Q2, supported by sound volume trend especially in the US.
- / Cost efficiency measures and mix partly offsetting price pressure
- / Positive carry-over from YOFC 2020 actual results (4 €M)

### MMS

- / Sequential improvement continued in Q2

## ADJ.EBITDA AND % SALES



# Projects Business: Enabling Energy Transition

WELL POSITION TO CAPTURE MARKET OPPORTUNITIES: 7.2 €BN ORDERS/YEAR EXPECTED

## The highest installation capabilities

3 Vessels

## The highest production capacity

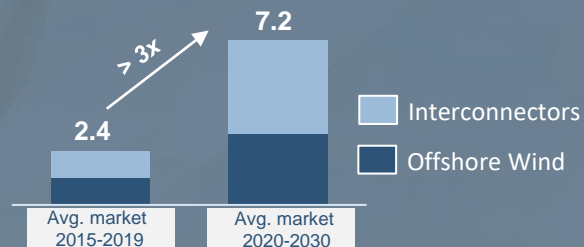
4 dedicated plants for submarine

## Driving Innovation

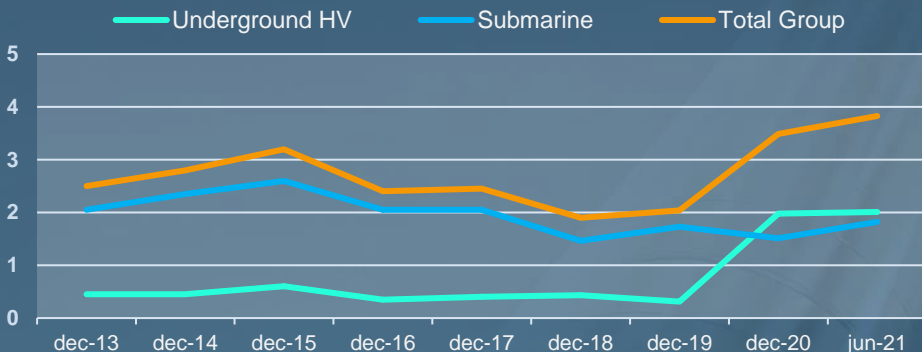
Industry first to qualify both 525kV XLPE and P Laser solutions

1st high depth submarine cable with synthetic armor

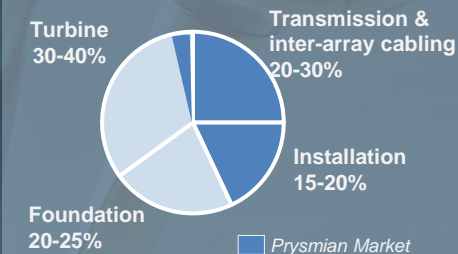
## Robust market growth



## BACKLOG AT THE HIGHEST LEVEL: € 3.8 BILLION



## OFFSHORE WIND: FROM GW INSTALLED TO €M CABLE VALUE



Indicative shares of capital cost by component  
Split based on historical figures and projecting the cost per GW

### 1 GW of offshore wind requires:

- Submarine Transmission cable (AC or DC)
- Land Transmission Cable (AC or DC)
- Interarray cables (MV 33 or 66kV)
- Installation for all

Approx. value for all these items on average **300 € million per Gigawatt**

# Telecom Business

Secular growth drivers

## MARKET OPPORTUNITIES & CUSTOMER NEEDS



### FIBER DENSITY

- / More fiber per mm<sup>2</sup>
- / Ubiquity by optimizing the roll-out Capex

### RELIABILITY / FUTUREPROOFNESS

- / Easy-to-install products for all rights of way
- / No compromise on quality



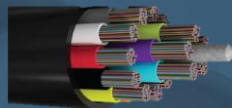
### SUSTAINABILITY

- / Optical networks consume less energy
- / Less invasive products
- / Less plastic material in miniaturized cables
- / Use of recycled materials
- / Shorter supply chains for lighter products



## OUR APPROACH & SOLUTIONS

### World record in DENSITY AND MINIATURIZATION



### Best in class for BEND INSENSITIVITY



### At the forefront regarding SUSTAINABILITY

- / Product miniaturization
- / Local presence and shorter supply chains
- / Development of specifically sustainable solutions



The acceleration of digitalization requests sustainable, reliable and ubiquitous fiber networks, to support the 5G and all the new technologies to come

# Financial Highlights Euro Millions

	Sales			Adj.EBITDA			
	1H 2021		1H 2020	1H 2021		1H 2020	
	€M	organic growth	€M	€M	Adj.EBITDA Margin	€M	Adj.EBITDA Margin
<b>PROJECTS</b>	<b>681</b>	<b>-3.5%</b>	<b>708</b>	<b>76</b>	<b>11.1%</b>	<b>80</b>	<b>11.4%</b>
Energy & Infrastructure	3,048	10.0%	2,362	169	5.5%	147	6.2%
Industrial & Network Components	1,349	9.3%	1,122	99	7.3%	90	8.0%
Other	154	0.0%	96	3	2.0%	1	0.8%
<b>ENERGY</b>	<b>4,551</b>	<b>9.5%</b>	<b>3,580</b>	<b>271</b>	<b>6.0%</b>	<b>238</b>	<b>6.6%</b>
<b>TELECOM</b>	<b>802</b>	<b>15.5%</b>	<b>697</b>	<b>123</b>	<b>15.4%</b>	<b>101</b>	<b>14.5%</b>
<b>Total Group</b>	<b>6,034</b>	<b>8.5%</b>	<b>4,985</b>	<b>470</b>	<b>7.8%</b>	<b>419</b>	<b>8.4%</b>



# Cash Flow Statement

Euro Millions

	30 Jun 2021	30 Jun 2020	12 Months (from 1/7/2020 to 30/6/2021)
<b>Adj.EBITDA</b>	<b>470</b>	<b>419</b>	<b>891</b>
Adjustments	(26)	(12)	(73)
<b>EBITDA</b>	<b>444</b>	<b>407</b>	<b>818</b>
Net Change in provisions & others	(27)	(82)	(128)
Share of income from investments in op.activities	(9)	(5)	(22)
<b>Cash flow from operations (before WC changes)</b>	<b>408</b>	<b>320</b>	<b>668</b>
Working Capital changes	(516)	(378)	121
Dividends received	3	2	9
Paid Income Taxes	(47)	(30)	(159)
<b>Cash flow from operations</b>	<b>(152)</b>	<b>(86)</b>	<b>639</b>
Acquisitions/Disposals	(78)	2	(85)
Net Operative CAPEX	(71)	(92)	(223)
<b>Free Cash Flow (unlevered)</b>	<b>(301)</b>	<b>(176)</b>	<b>331</b>
Financial charges	(54)	(59)	(81)
<b>Free Cash Flow (levered)</b>	<b>(355)</b>	<b>(235)</b>	<b>250</b>
<i>Free Cash Flow (levered) excl. Acquisitions &amp; Disposals</i>	<i>(277)</i>	<i>(237)</i>	<i>335</i>
Dividends	(126)	(69)	(127)
Capital increase, Shares buy-back & other equity movements	-	-	1
<b>Net Cash Flow</b>	<b>(481)</b>	<b>(304)</b>	<b>124</b>
<b>Net Financial Debt beginning of the period</b>	<b>(1,986)</b>	<b>(2,140)</b>	<b>(2,516)</b>
Net cash flow	(481)	(304)	124
Equity component of Convertible Bond 2021	49	-	49
Partial Redemption of the 2017 Convertible Bond	(13)	-	(13)
Consolidation of EHC Net Financial Debt	9	-	9
NFD increase due to IFRS16	(15)	(42)	(52)
Other variations	50	(30)	12
<b>Net Financial Debt end of the period</b>	<b>(2,387)</b>	<b>(2,516)</b>	<b>(2,387)</b>

# Prysmian Group Liquidity and Debt Profile

## COMFORTABLE LIQUIDITY POSITION:

/ Average debt maturity of 3.2 years after 750 €M Equity Linked Bonds issued on 2<sup>nd</sup> February 2021

/ 1,0 €Bn of committed Revolving Credit Facility fully unutilized

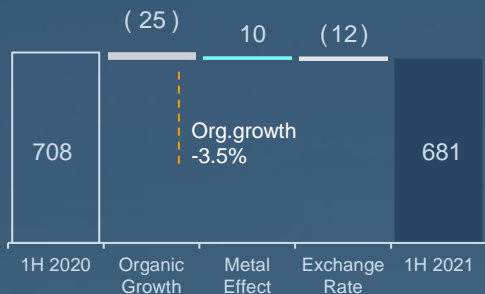
## CURRENT FINANCIAL DEBT MATURITY PROFILE(\*)



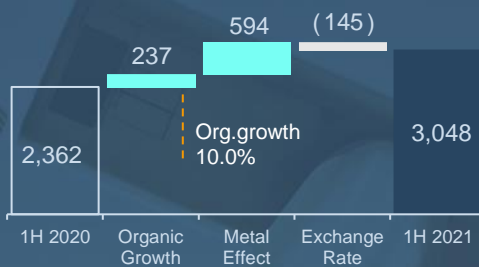
(\*) excluding debt held by local affiliates and debt coming from IFRS 16 (99 €M and 177 €M respectively) at 30.06.2021

# Bridge Consolidation Sales Euro Millions

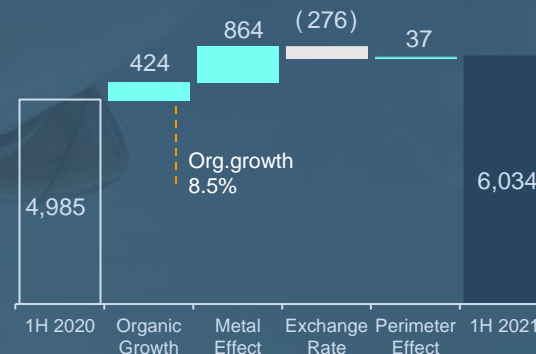
## PROJECTS



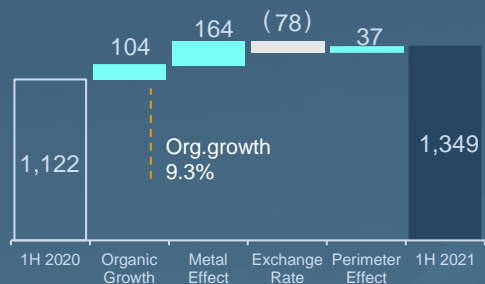
## ENERGY & INFRASTRUCTURE



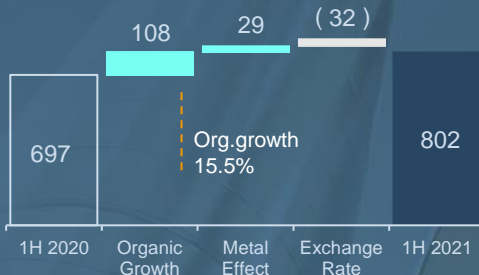
## TOTAL CONSOLIDATED



## INDUSTRIAL & NETWORK COMP.




## TELECOM



# Metal Price Impact on Profitability

Supply Contract	Main Application	Metal Influence on Cable Price	Metal Fluctuation Management
		Impact	Impact
Predetermined delivery date	Projects (Energy transmission) Cables for industrial applications (eg. OGP)	Technology and design content are the main elements of the “solution” offered Pricing little affected by metals	Pricing locked-in at order intake Profitability protection through systematic hedging (long order- to-delivery cycle)
Frame contracts	Cables for energy utilities (e.g. power distribution cables)	Pricing defined as hollow, thus mechanical price adjustment through formulas linked to metal publicly available quotation	Price adjusted through formulas linked to metal publicly available quotation (average last month, ...) Profitability protection through systematic hedging (short order-to-delivery cycle)
Spot orders	Cables for construction and civil engineering	Standard products, high copper content, limited value added	Pricing managed through price lists, thus leading to some delay Competitive pressure may impact on delay of price adjustment Hedging based on forecasted volumes rather than orders



High

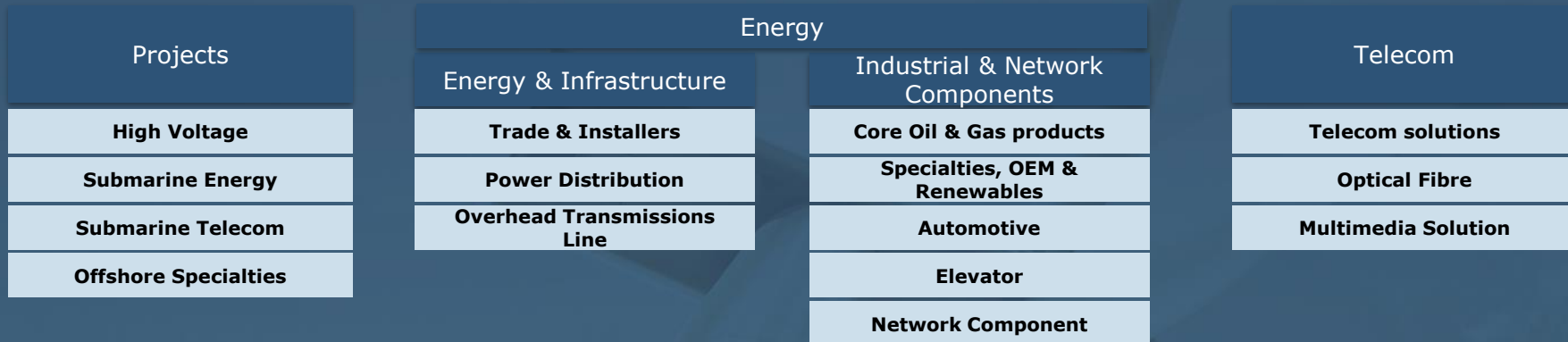
Low

Metal price fluctuations are normally offset through systematic application of hedging strategies



# Prysmian Group

## World leader in the energy and telecom cable systems industry



### PROJECTS BUSINESS

Comprising high-tech and high value-added businesses focused on the design, production and customization of HV and EHV cabling systems for terrestrial and submarine applications.

Prysmian Group also offers advanced services for terrestrial and submarine interconnections between various countries and between offshore wind farms and the mainland, used for both the generation and distribution of electricity.

### ENERGY BUSINESS

Comprising high and medium voltage cable systems to connect industrial and residential buildings to primary distribution grids and low voltage ones used within residential and commercial buildings.

Specialties, OEM & Renewables include cable systems for many specific industrial applications such as Cranes, Mining, Railways, Rolling Stock, Marine and Renewables - cables for the solar energy industry and for the operation of wind turbines).

The product range is completed with accessories and components for connecting cables and other elements contained in networks.

### TELECOM BUSINESS

Comprising businesses devoted to making the cabling systems and connectivity products used in TLC networks. The Group is also among the leaders in the production of optical fibre - the essential component of all types of optical cables.

In both cables and connectivity, the Group focuses on the design of products that provided greater density in a smaller diameter, with ease of use and optimal fibre management.

# Notes

- 1) Adjusted excluding restructuring, non-operating income/expenses and non-recurring income / expenses;
- 2) Defined as NWC excluding derivatives; % on annualized last quarter sales;

Share of net income include Management estimate of YOFC Q2 results

Slide 11: Cash conversion calculated as  $(\text{Adj. EBITDA} - \text{CAPEX}) / \text{Adj. EBITDA}$ . Average 2017-2020. Capex: Excluding Other Capex mainly related to ICT; Adj. EBITDA: 2018 excluding WL impact; 2017 & 2018 combined GC; 2019 and 2020 including IFRS 16 impact of 47 €M and 59 €M.

# Disclaimer

- The managers responsible for preparing the company's financial reports, A.Brunetti and S.Invernici, declare, pursuant to paragraph 2 of Article 154-bis of the Consolidated Financial Act, that the accounting information contained in this presentation corresponds to the results documented in the books, accounting and other records of the company.
- Certain information included in this document is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially. The Company's businesses include its Projects, Energy and Telecom Operating Segments, and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting these businesses.
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- 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.



# Thank you

[prysmiangroup.com](https://prysmiangroup.com)

**Prysmian**  
Group

Linking  
the Future

