



Prysmian Group Company Presentation

January 2017

PLATFORM TO ENHANCE CUSTOMER SERVICE **LINKING THE FUTURE** STRONGER
LEADING TECHNOLOGY LEADING TECHNOLOGY
WORLDWIDE LEADER IN RENEWABLE ENERGY
EXTENDED PRODUCT OFFERING IN OGP AND IN

Prysmian
Group

 **PRYSMIAN**

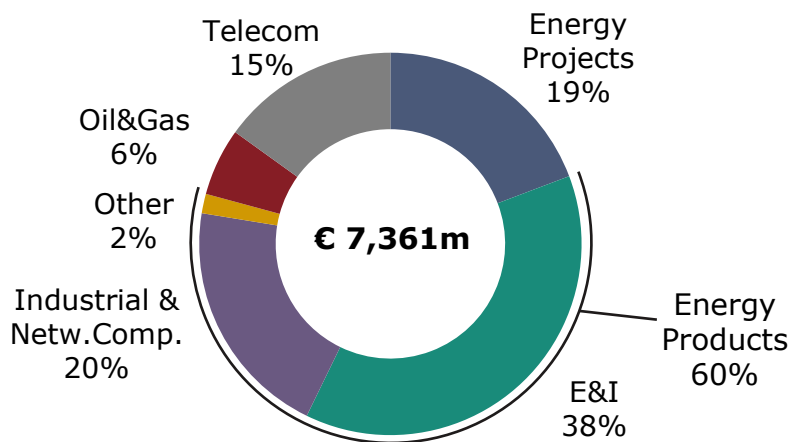
 **Draka**

- **Group overview**
- Results by business
- Outlook
- Financial Results
- Appendix

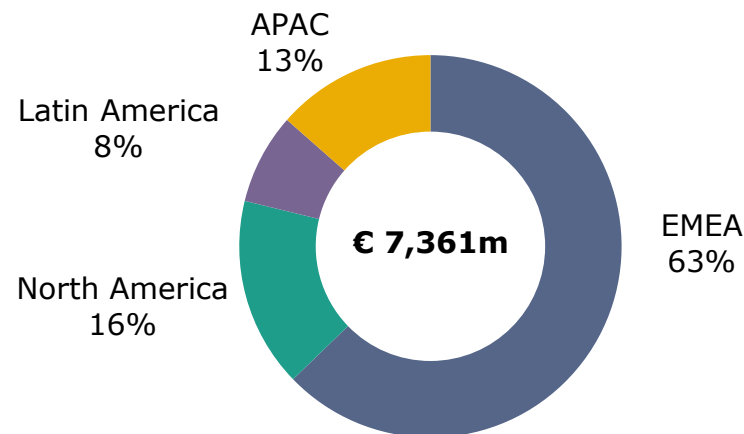
Prysmian group at a glance

FY 2015 Financial Results

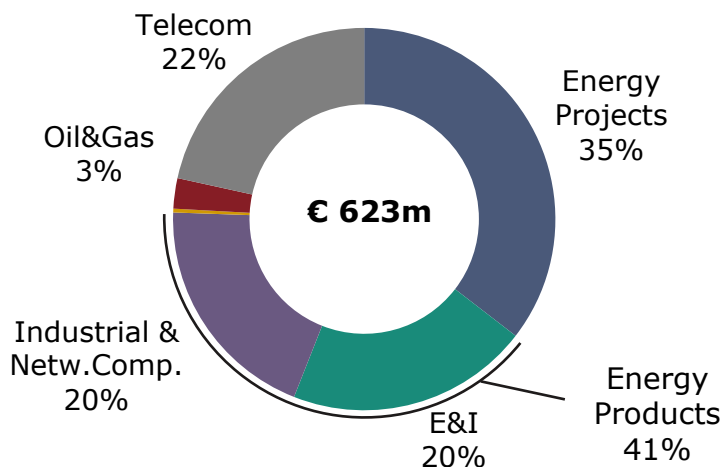
Sales breakdown by business



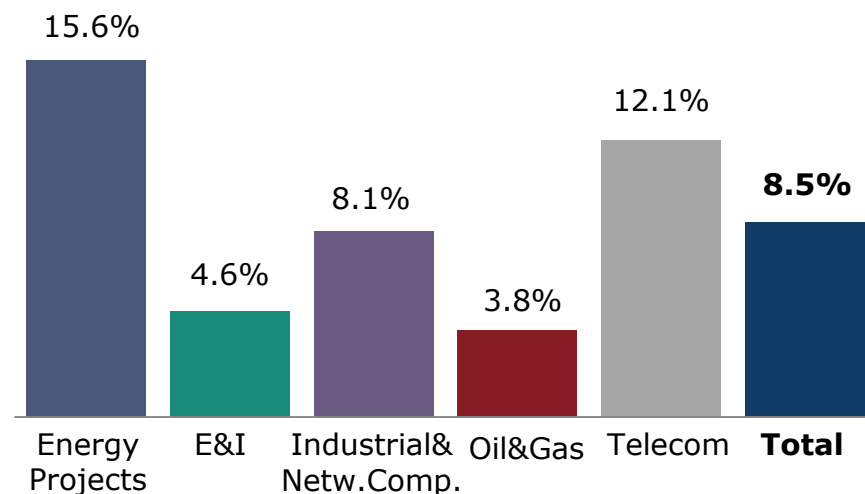
Sales breakdown by geography



Adj. EBITDA by business



Adj. EBITDA margin

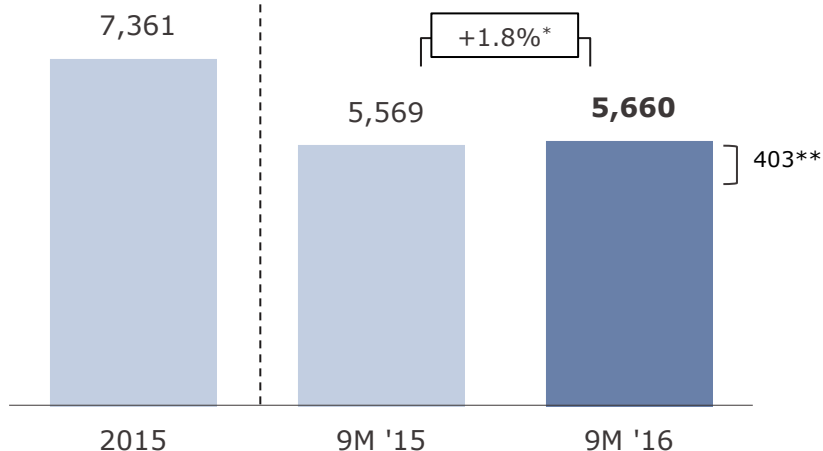


9M 2016 Key Financials

Euro Millions, % on Sales

Sales

**Δ OCI Contribution 9M'16 vs. 9M'15

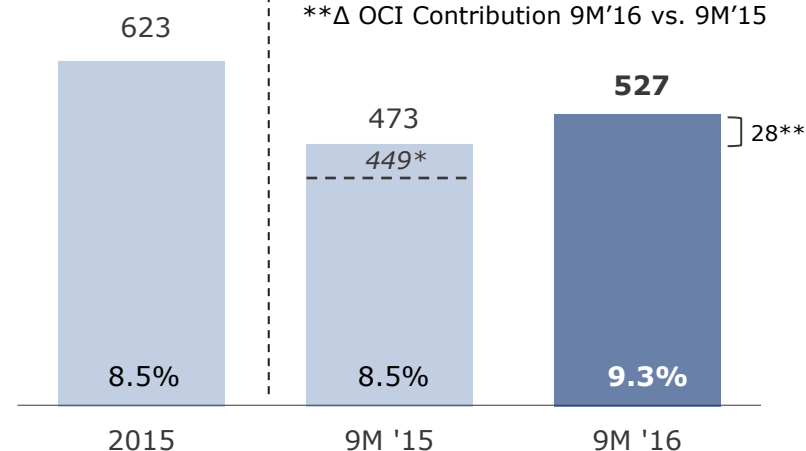


* Org. Growth

Adjusted EBITDA ⁽¹⁾

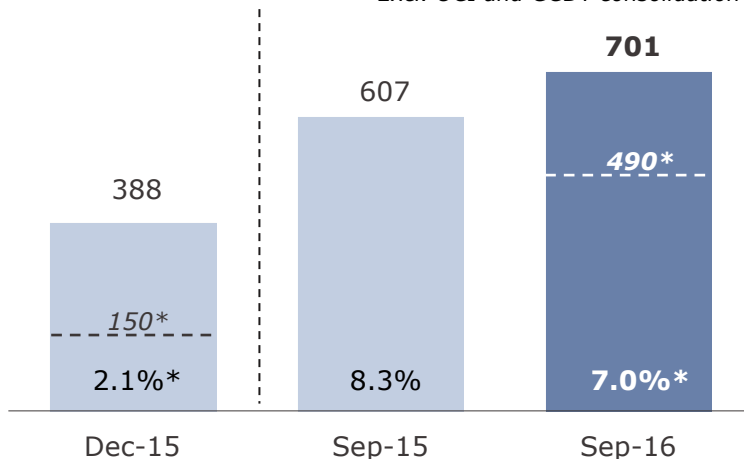
* Excl. €24m WL previous loss write-up

**Δ OCI Contribution 9M'16 vs. 9M'15



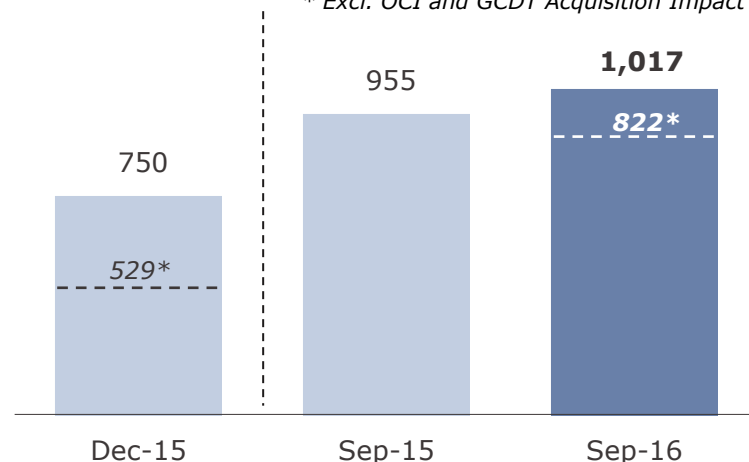
Operative Net Working Capital ⁽²⁾

* Excl. OCI and GCDT consolidation



Net Financial Position

* Excl. OCI and GCDT Acquisition Impact

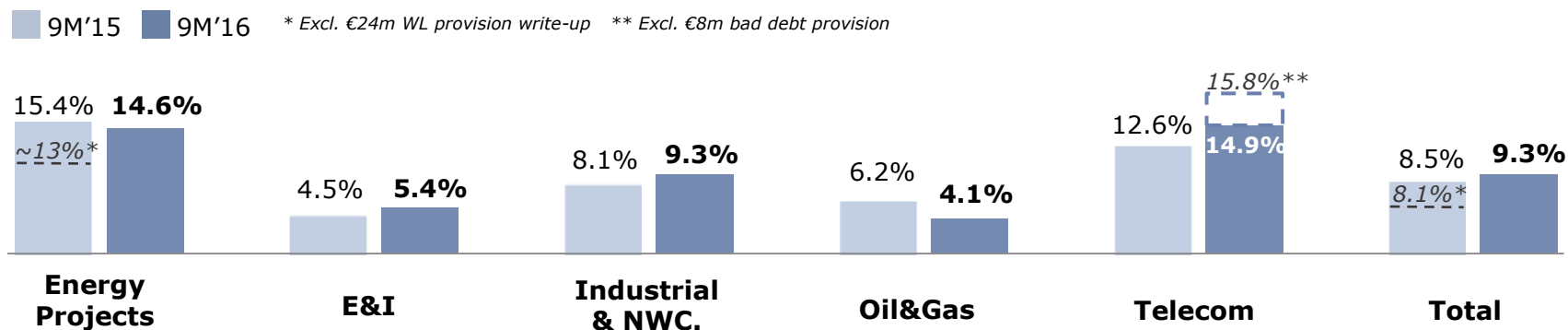


(1) Adjusted excluding non-recurring income/expenses, restructuring costs and other non-operating income (expenses); (2) Defined as NWC excluding derivatives; % on sales is defined as Operative NWC on annualized last quarter sales;

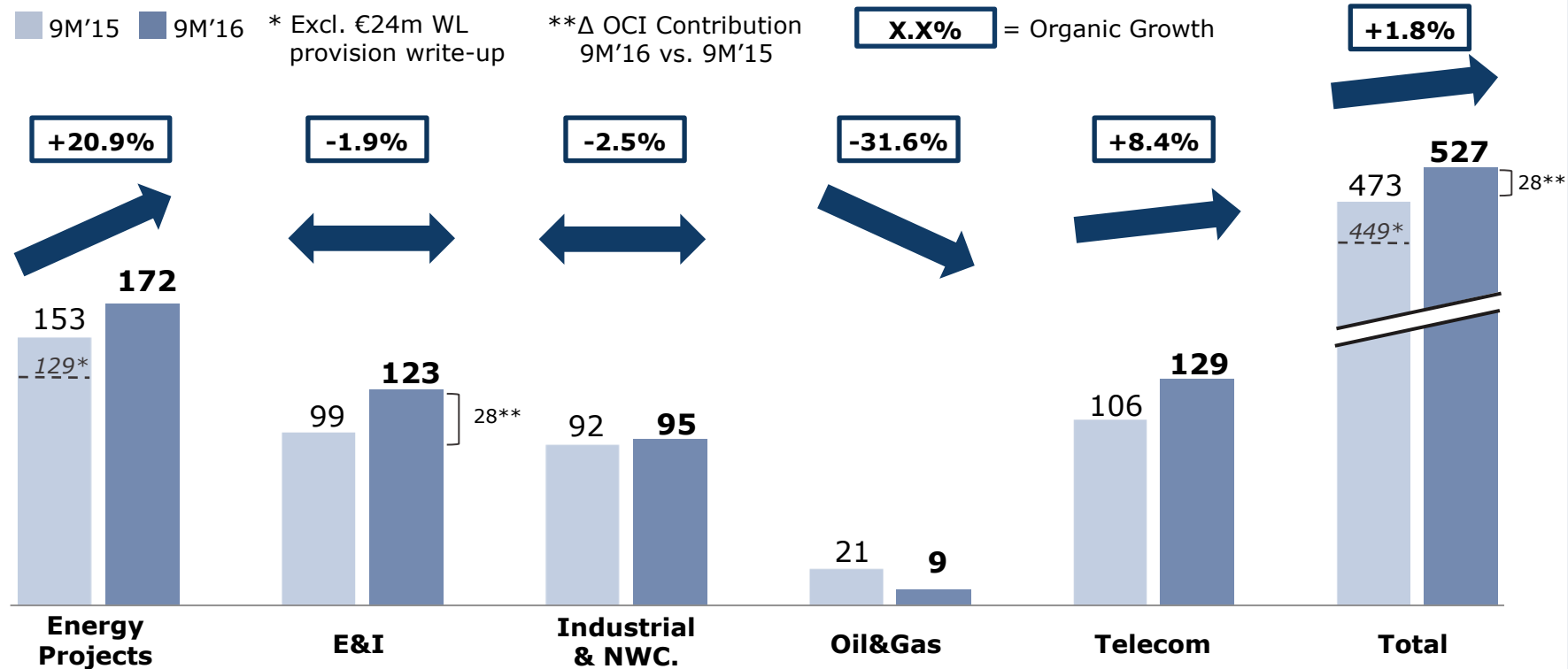
Continued profitability improvement

Underlying margin increase in all business excluding Oil&Gas

Adj. EBITDA Margin



Adj. EBITDA (€ million) / % Org. Growth

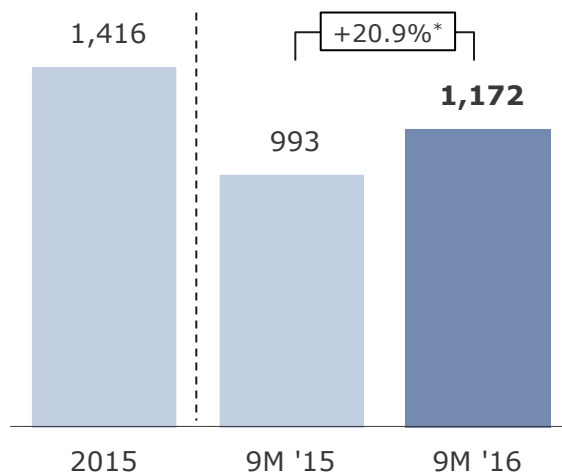


- Group overview
- **Results by business**
- Outlook
- Financial Results
- Appendix

Energy Projects

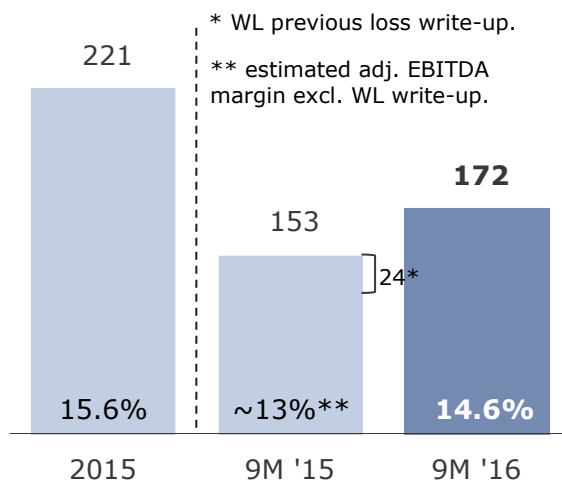
Euro Millions, % on Sales

Sales



* Org. Growth

Adj. EBITDA / % of Sales



Highlights

Submarine

- Strong revenue growth driven by solid execution and favourable project phasing in the first 9M.
- Recent investments in execution capabilities and installation assets start paying-off, as shown by the sharp increase in underlying Adj.EBITDA margin vs. last year (excl. €24m WL previous loss write-up).
- Expected pick-up of offshore wind farm projects activity in Europe. Stable outlook in Interconnection market. Market fundamentals remain solid.

Underground High Voltage

- Sound performance mainly driven by execution of France-Italy HVDC project and positive results in North America and APAC.
- Positive market outlook in the Middle-East, APAC and Central Europe in the medium-term.

Orders Backlog Evolution (€m)

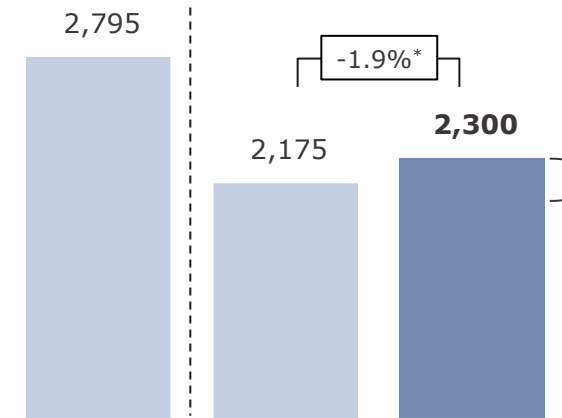
	Dec '13	Dec '14	Dec '15	Jun '16	Sep '16
Underground HV	~450	~450	~600	~500	~400
Submarine	~2,050	~2,350	~2,600	~2,450	~2,200
Group	~2,500	~2,800	~3,200	~2,950	~2,600

Energy & Infrastructure

Euro Millions, % on Sales

Sales

**Δ OCI Contribution 9M'16 vs. 9M'15



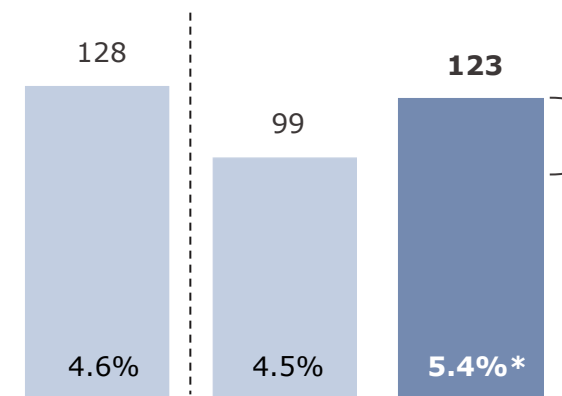
2015 9M '15 9M '16

* Org. Growth

Adj. EBITDA / % of Sales

* +0.4% Δ OCI Contrib. 9M '16 vs. 9M '15 on margin

**Δ OCI Contribution 9M '16 vs. 9M '15



2015 9M '15 9M '16

Highlights

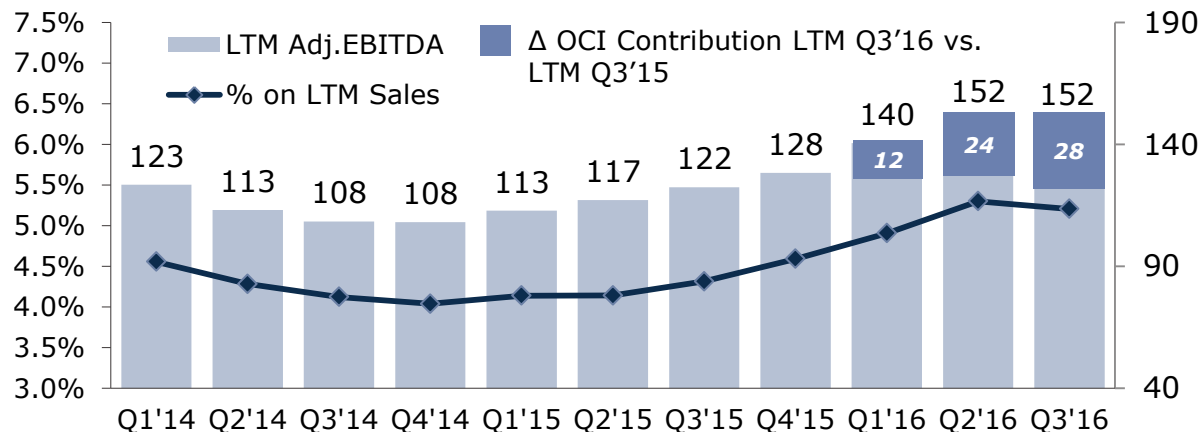
Trade & Installers

- Negative organic trend with an improving Adj. EBITDA margin thanks to OCI consolidation, better mix and footprint optimization.
- Organic decline in South America, APAC and Central & Southern Europe partially offset by positive Nordics.

Power Distribution

- Positive trend, softening in Q3 in line with expectations, with a general improvement in profitability in the first 9M.
- Growth in the Nordics, Netherlands and APAC, offset by the expected slowdown in Germany.

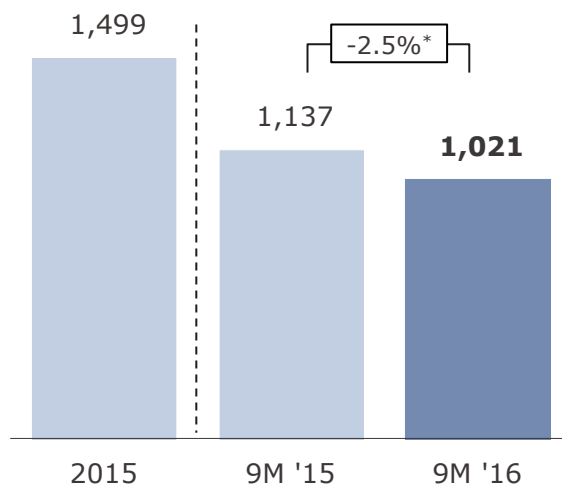
LTM Adj. EBITDA Evolution / % on LTM Sales



Industrial & Network Components

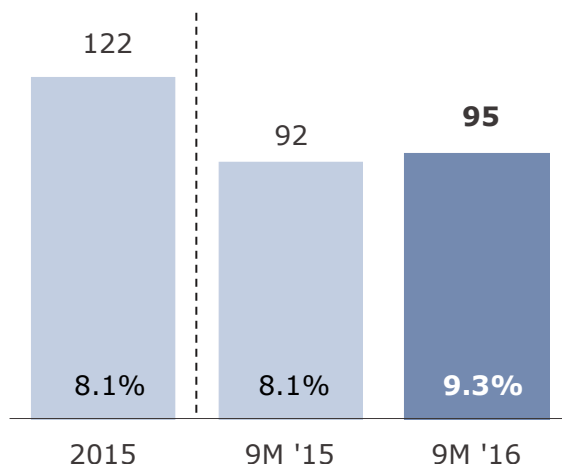
Euro Millions, % on Sales

Sales



* Org. Growth

Adj. EBITDA / % of Sales



Highlights

Specialties & OEMs

- Negative organic sales in the first 9M driven by soft start in Renewables (mainly in China) and market slowdown in Nuclear, Crane and Mining, partially offset by solid performance in Defense and Marine applications.
- South America underperformance continue as political election in Argentina and macro slowdown in Brazil impact the business.

Elevator

- Positive performance driven by the market share expansion in new product segments and services in North America. Softening trend in APAC in Q3.

Automotive

- Recovery in volumes and profitability thanks to positive market trend in APAC and manufacturing set-up in Central-Eastern Europe.

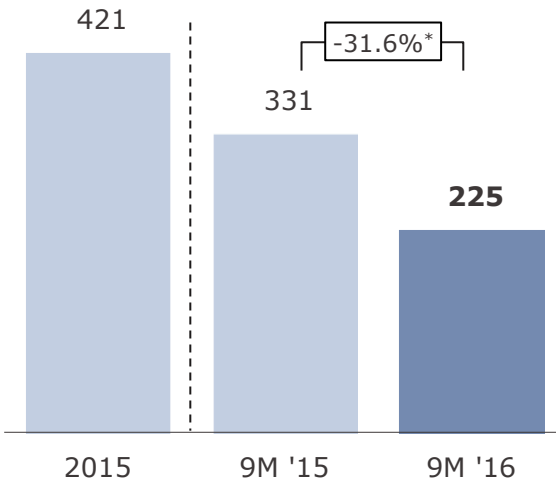
Network Components

- Growth in HV and EHV accessories sales partially offset by soft market conditions of MV business in Europe.

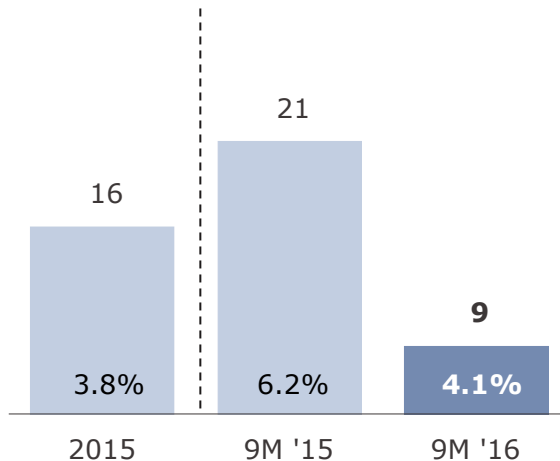
Oil & Gas

Euro Millions, % on Sales

Sales



Adj. EBITDA / % of Sales



Highlights

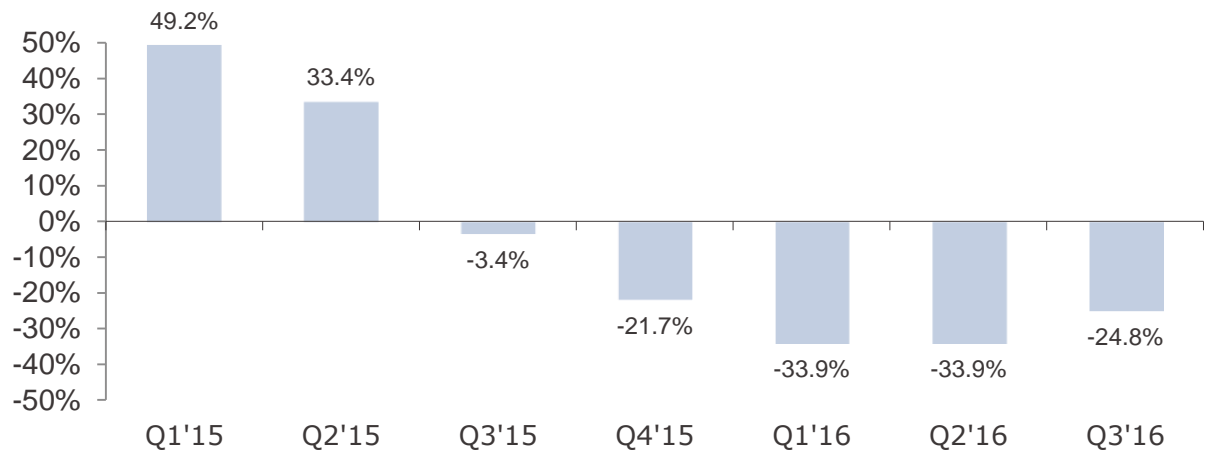
SURF

- Umbilical: Volumes and profitability evolution in line with expectations, reflecting the updated (new contractual terms) framework agreement in Brazil.
- DHT: Results in line with 9M 2015 benefitting from the full impact of GCDT. Continue pressure coming from customers' inventory reduction.

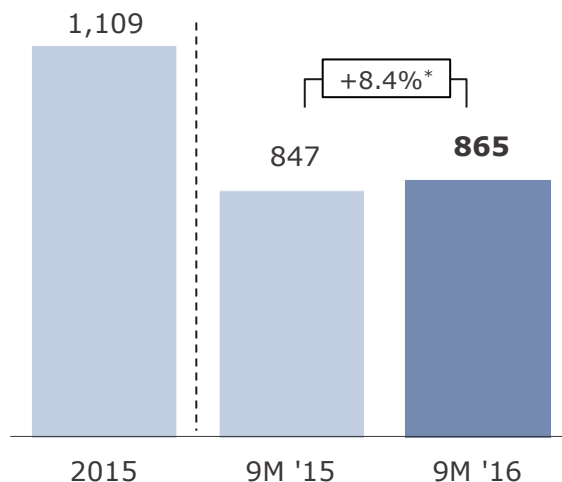
Core Oil&Gas Cables

- Decline in volumes and prices reflects negative projects phasing in Onshore and Offshore segment. Market environment remains challenging.
- Focus on restructuring and footprint optimization, continue to leverage on Asian supply chain.

Quarterly organic growth* evolution

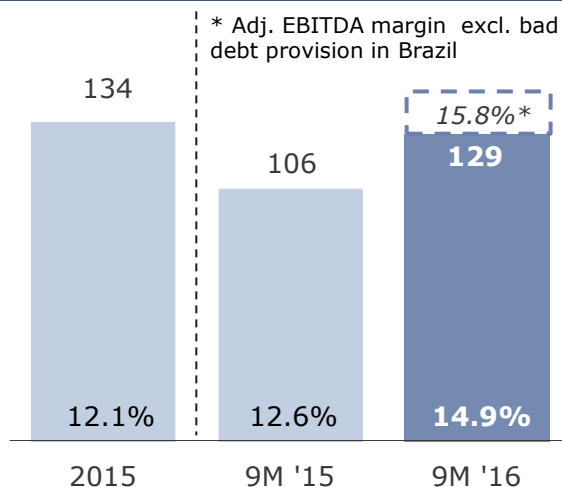


Sales



* Org. Growth

Adj. EBITDA / % of Sales



Highlights

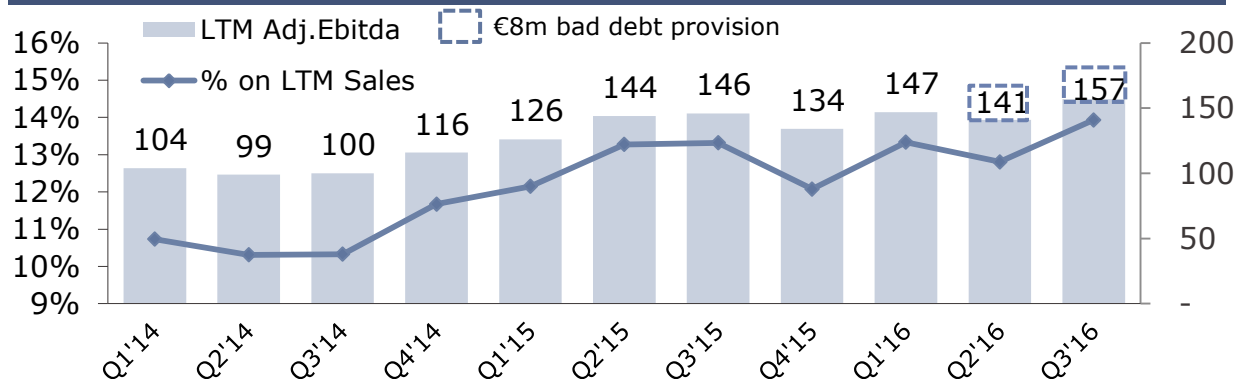
Telecom Solutions

- Growth in optical cables and fiber businesses, with a continued solid trend in Australia, US and France.
- Sharp margin expansion (also considering the €8mIn bad-debt provision) fuelled by fiber manufacturing efficiency improvement and footprint optimization.
- Excellent performance in copper telecom cables driven by solid market demand in APAC.

MMS

- Profitable growth in Europe supported by production capacity extension in copper business and footprint optimization.

Quarterly LTM Adj. EBITDA and % on Sales evolution



- Group overview
- Results by business
- **Outlook**
- Financial Results
- Appendix

FY 2016 Outlook

Margin improvement mainly driven by Energy Projects and Telecom. Negative FX.

2016 Adj.EBITDA Target (€ million)*



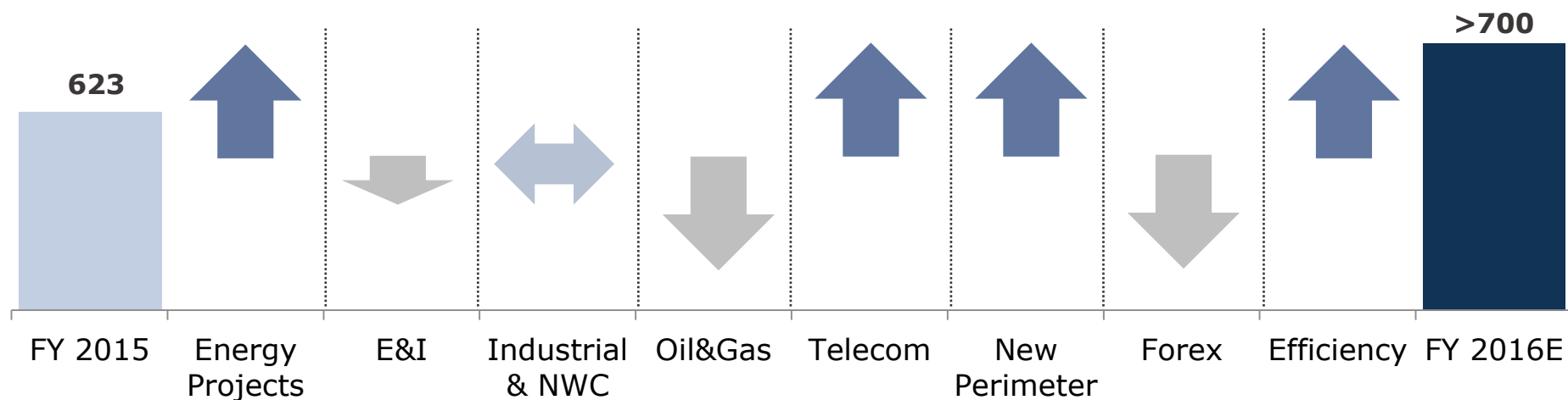
* Includes management expectations on OCI incremental contribution to FY 2016 adjusted EBITDA. Assuming current consolidation perimeter of Prysmian Group.

2016 Adj.EBITDA Target Assumptions (€ million)

Above mid-point target assumptions:

- Solid execution in Energy Projects
- Strong market trend in Telecom
- Energy Products businesses broadly stable.
- Negative trend in Oil&Gas.
- Adverse Forex impact.

Adj. EBITDA 2015-2016 Bridge (€ million)



- Group overview
- Results by business
- Outlook
- **Financial Results**
- Appendix

Profit and Loss Statement

Euro Millions

	9M 2016	9M 2015	Δ OCI contrib. 9M '16 vs. 9M '15
Sales	5,660	5,569	403
<i>YoY total growth</i>	1.6%		
<i>YoY organic growth</i>	1.8%		
Adj.EBITDA	527	473	28
<i>% on sales</i>	9.3%	8.5%	
Adjustments	(39)	(28)	(5)
EBITDA	488	445	23
<i>% on sales</i>	8.6%	8.0%	
Adj.EBIT	398	364	8
<i>% on sales</i>	7.0%	6.5%	
Adjustments	(39)	(28)	(5)
Special items	(26)	(52)	-
EBIT	333	284	3
<i>% on sales</i>	5.9%	5.1%	
Financial charges	(58)	(77)	(1)
EBT	275	207	2
<i>% on sales</i>	4.9%	3.7%	
Taxes	(77)	(68)	(1)
<i>% on EBT</i>	(28.0%)	(32.9%)	
Net Income	198	139	1
<i>% on sales</i>	3.5%	2.5%	
Minorities	10	(2)	6
Group Net Income	188	141	(5)
<i>% on sales</i>	3.3%	2.5%	

Adjustments and Special Items on EBIT

Euro Millions

	9M 2016	9M 2015
Non-recurring Items (Antitrust Investigation)	-	21
Restructuring	(27)	(32)
Other Non-operating Income / (Expenses)	(12)	(17)
EBITDA adjustments	(39)	(28)
Special items	(26)	(52)
<i>Gain/(loss) on metal derivatives</i>	24	(29)
<i>Assets impairment</i>	(15)	(7)
<i>Other</i>	(35)	(16)
EBIT adjustments	(65)	(80)

Financial Charges

Euro Millions

	9M 2016	9M 2015
Net interest expenses	(44)	(59)
<i>of which non-cash conv.bond interest exp.</i>	<i>(6)</i>	<i>(6)</i>
Bank fees amortization	(2)	(3)
Gain/(loss) on exchange rates	-	(30)
Gain/(loss) on derivatives ¹⁾	(11)	19
Non recurring effects	(2)	(3)
Other	1	(1)
Net financial charges	(58)	(77)

Statement of financial position (Balance Sheet)

Euro Millions

	30 Sep 2016	New Perimeter Acquired	30 Sep 2015	31 Dec 2015*
Net fixed assets	2,578	350	2,224	2,581
<i>of which: goodwill</i>	442	67	381	452
<i>of which: intangible assets</i>	339	192	164	371
<i>of which: property, plants & equipment</i>	1,580	91	1,418	1,552
Net working capital	693	212	571	347
<i>of which: derivatives assets/(liabilities)</i>	(8)	1	(36)	(41)
<i>of which: Operative Net working capital</i>	701	211	607	388
Provisions & deferred taxes	(303)	(41)	(279)	(330)
Net Capital Employed	2,968	521	2,516	2,598
Employee provisions	393	4	357	341
Shareholders' equity	1,558	-	1,204	1,507
<i>of which: attributable to minority interest</i>	223	190	32	229
Net financial position	1,017	55	955	750
Total Financing and Equity	2,968	59	2,516	2,598

Cash Flow

Euro Millions

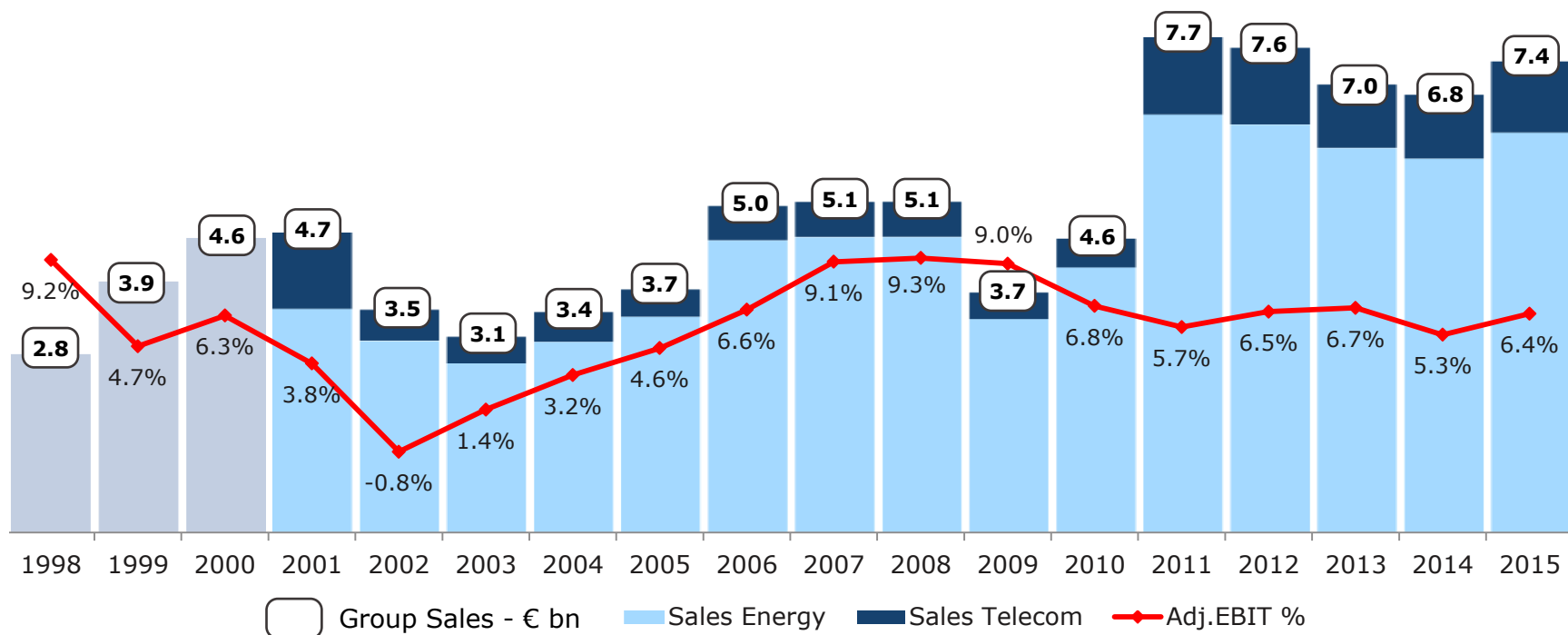
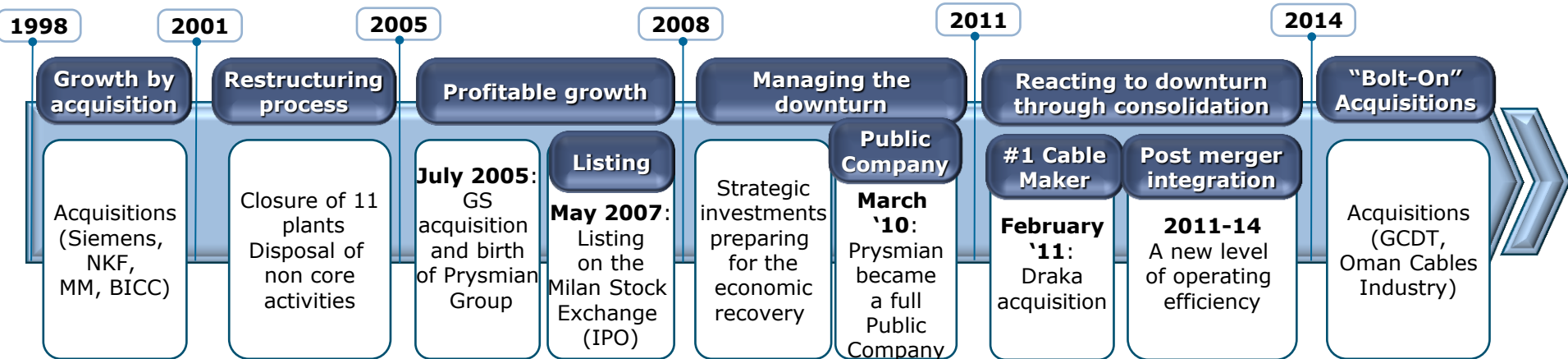
	9M 2016	9M 2015
Adj.EBITDA	527	473
Adjustments	(39)	(28)
EBITDA	488	445
Net Change in provisions & others	(12)	(41)
Share of income from investments in op.activities	(24)	(27)
Cash Flow from operations (bef. WC changes)	452	377
Working Capital changes	(342)	(198)
Dividends received	7	15
Paid Income Taxes	(53)	(39)
Cash flow from operations	64	155
Acquisitions	-	-
Net Operative CAPEX	(152)	(117)
Free Cash Flow (unlevered)	(88)	38
Financial charges	(57)	(88)
Free Cash Flow (levered)	(145)	(50)
<i>Free Cash Flow (levered) excl. acquisitions</i>	<i>(145)</i>	<i>(50)</i>
Dividends	(101)	(91)
Treasury shares buy-back & other equity movements	-	3
Net Cash Flow	(246)	(138)
NFP beginning of the period	(750)	(802)
Net cash flow	(246)	(138)
Other variations	(21)	(15)
NFP end of the period	(1,017)	(955)

LTM Q3 2016 Free
Cash Flow (levered)
excl. acquisitions

302

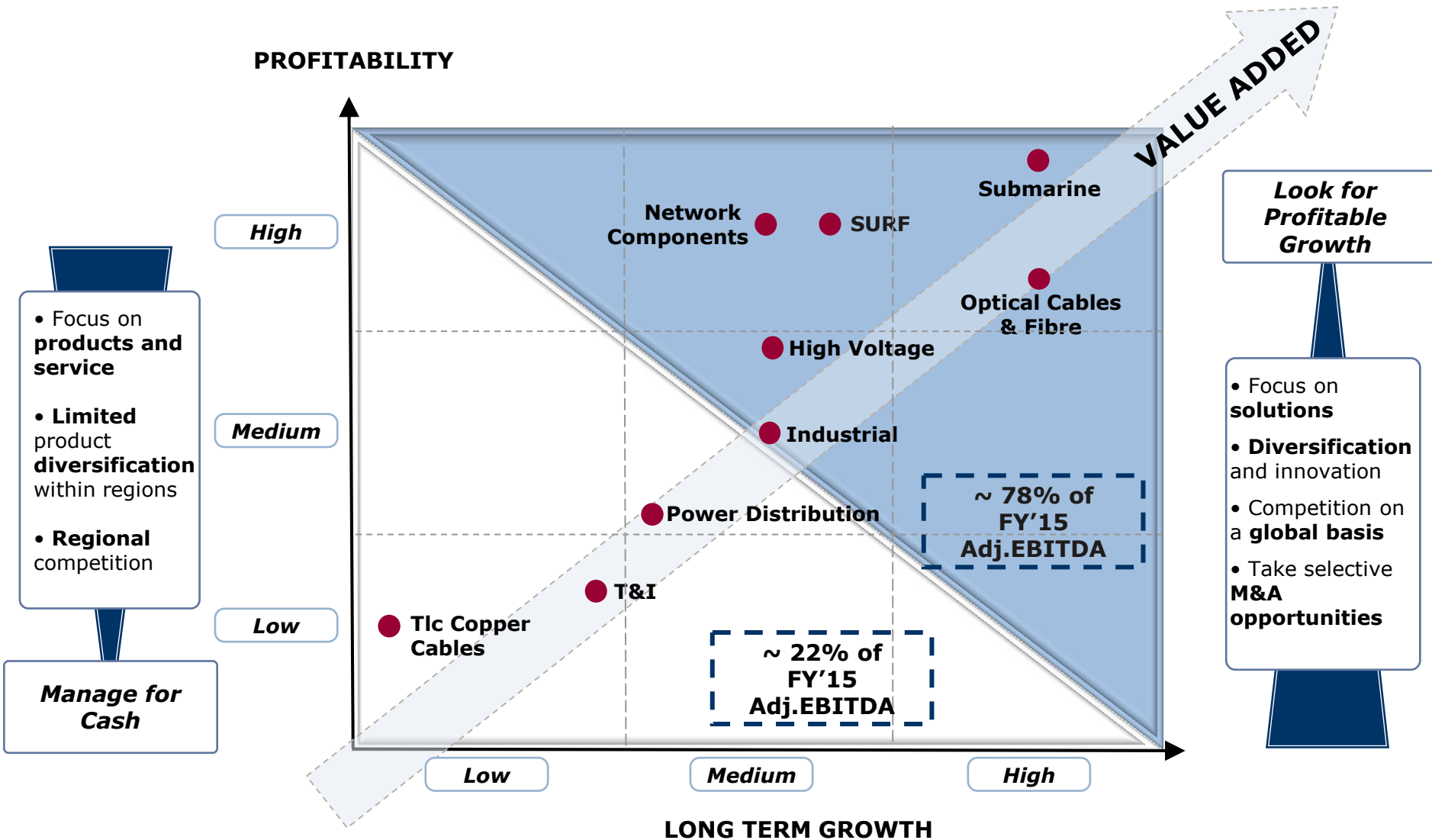
- Group overview
- Results by business
- Outlook
- Financial Results
- **Appendix**
 - **Prysmian at a glance**
 - OCI Acquisition
 - Financials
 - Energy Projects and Energy Products
 - Telecom

Key milestones



Prysmian Group business portfolio

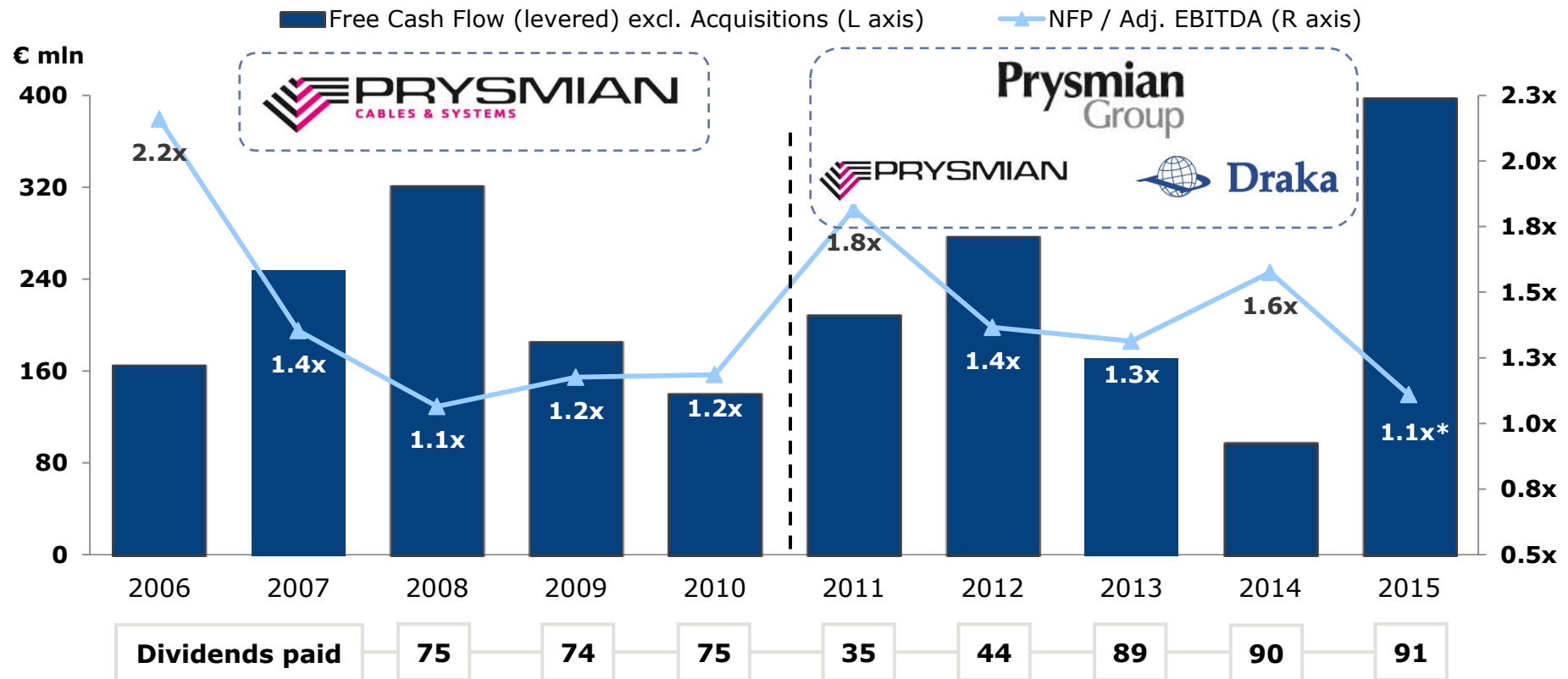
Focus on high value added segments



Cash Flow generation as key priority to create value for shareholders

Growing capabilities to invest organically/acquisitions and remunerate shareholders

Cash Flow generation



Approx. € 220m average free cash flow per year generated in 2006-15

Almost €580m distributed to shareholders since IPO

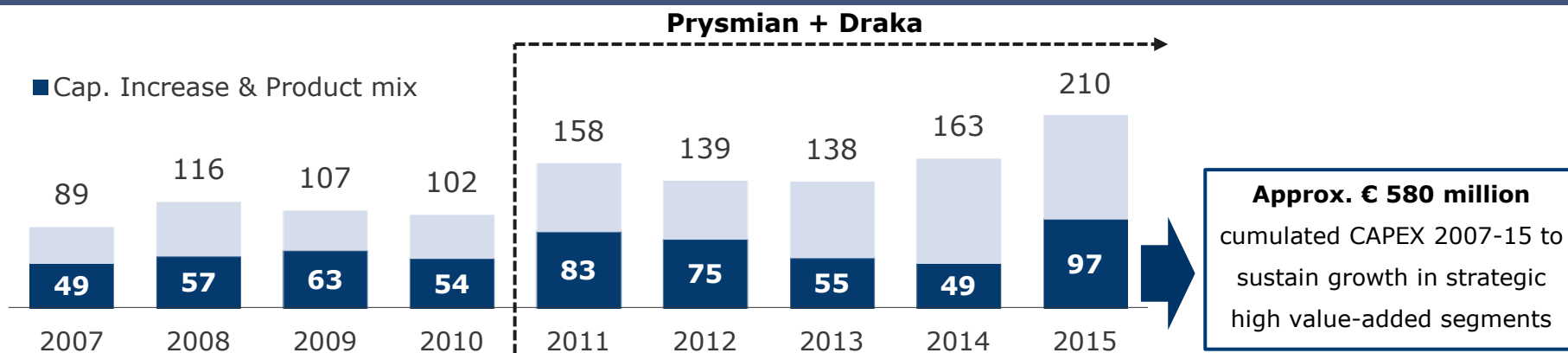
*Calculated as NFP reported as of 31 December 2015 divided by Pro-Forma FY2015 EBITDA including OCI and GCDT full contributions.

Note: 2011 combined; 2012-13 restated in application of IFRS 10-11 and reclassification of share of net income

Disciplined Capex to grow in high margin business and out of Europe

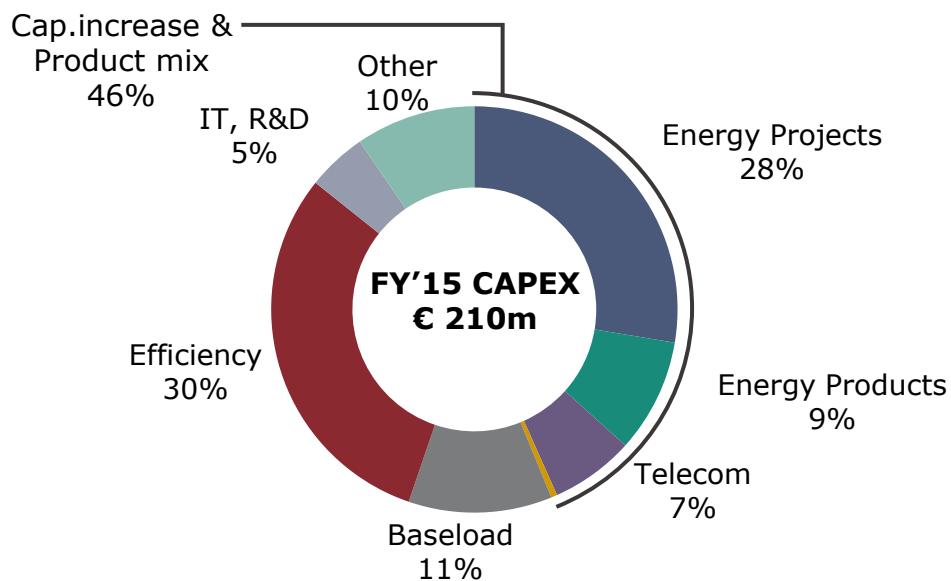
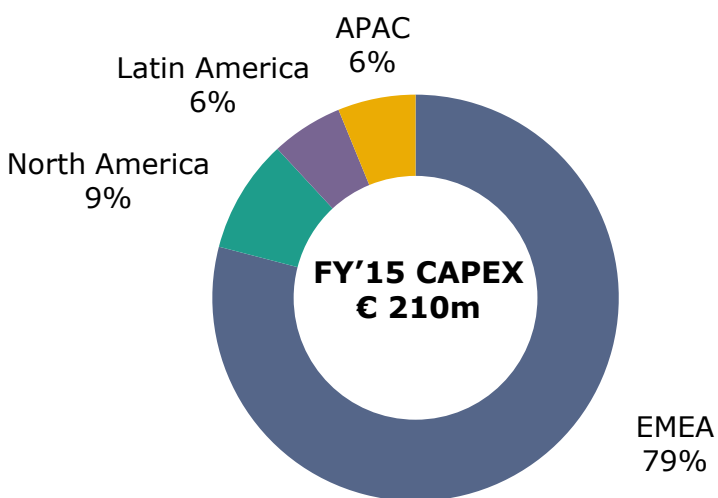
Investments focused on business with long term drivers and high entry barriers

CAPEX 2007-2015 (€ mln)

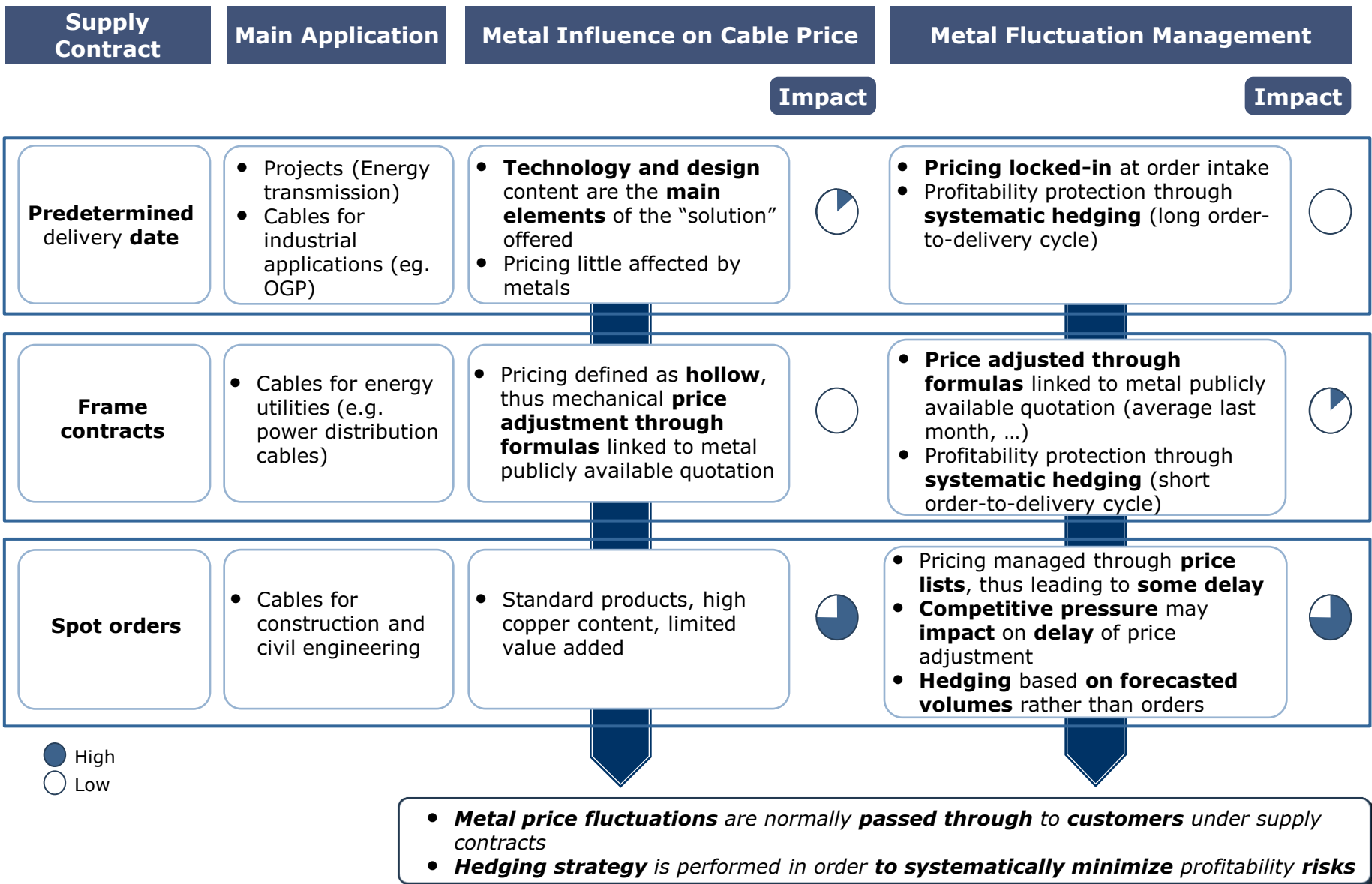


2011 Combined; 2012-13 restated in application of IFRS 10-11 and reclassification of share of net income

CAPEX 2015 breakdown



Metal Price Impact on Profitability



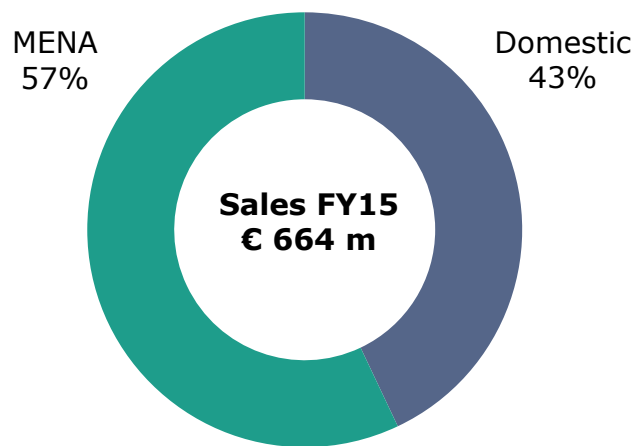
- Group overview
- Results by business
- Outlook
- Financial Results
- **Appendix**
 - Prysmian at a glance
 - **OCI Acquisition**
 - Financials
 - Energy Projects and Energy Products
 - Telecom

Focus on Oman Cables Industry Acquisition

A perfect example of “Bolt-on” acquisition.



2015 Sales Breakdown (€ million ⁽¹⁾)



(1) 2015 average EUROMR spot FX rate 0.4268

Strategic Position



Structure of the Deal

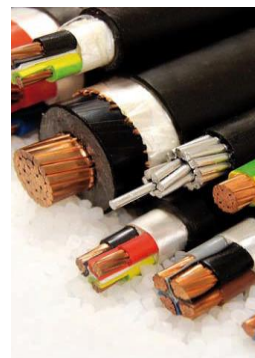
STRUCTURE OF THE DEAL

- Acquisition of approx. 16% stake in listed company OCI
- Total cash consideration € 105 million
- OCI Balance Sheet consolidated at 31 Dec 2015; P&L consolidated as of 1st Jan 2016.

STRATEGIC RATIONALE

- Geographic diversification toward middle-east region.
- No import duties in GCC market.
- Low integration risk. Solid track record.

Product Range



- Building Wire and Cable
- LV and MV power cables (up to 33kV)
- Control cables for industrial applications

- Group overview
- Results by business
- Outlook
- Financial Results
- **Appendix**
 - Prysmian at a glance
 - OCI Acquisition
 - **Financials**
 - Energy Projects and Energy Products
 - Telecom

Profit and Loss Statement

Euro Millions

	9M 2016	9M 2015	Δ OCI contrib. 9M'16 vs. 9M'15	Full OCI 9M'16 Results
Sales	5,660	5,569	403	403
<i>YoY total growth</i>	1.6%			
<i>YoY organic growth</i>	1.8%			
Adj.EBITDA	527	473	28	39
<i>% on sales</i>	9.3%	8.5%		9.7%
of which share of net income	24	27	-	0
Adjustments	(39)	(28)	(5)	(5)
EBITDA	488	445	23	34
<i>% on sales</i>	8.6%	8.0%		8.4%
Adj.EBIT	398	364	8	19
<i>% on sales</i>	7.0%	6.5%		4.8%
Adjustments	(39)	(28)	(5)	(5)
Special items	(26)	(52)	-	-
EBIT	333	284	3	14
<i>% on sales</i>	5.9%	5.1%		3.5%
Financial charges	(58)	(77)	(1)	(1)
EBT	275	207	2	13
<i>% on sales</i>	4.9%	3.7%		3.2%
Taxes	(77)	(68)	(1)	(1)
<i>% on EBT</i>	(28.0%)	(32.9%)		(10.8%)
Net Income	198	139	1	12
<i>% on sales</i>	3.5%	2.5%		3.0%
Minorities	10	(2)	6	6
Group Net Income	188	141	(5)	6
<i>% on sales</i>	3.3%	2.5%		1.5%

Energy Projects Segment – Profit and Loss Statement

Euro Millions

	9M 2016	9M 2015
Sales to Third Parties	1,172	993
<i>YoY total growth</i>	<i>18.0%</i>	
<i>YoY organic growth</i>	<i>20.9%</i>	
Adj. EBITDA	172	153
<i>% on sales</i>	<i>14.6%</i>	<i>15.4%</i>
Adj. EBIT	146	131
<i>% on sales</i>	<i>12.4%</i>	<i>13.1%</i>

Energy Products Segment – Profit and Loss Statement

Euro Millions

		9M 2016	9M 2015	Δ OCI Contribution 9M '16 vs. 9M '15
Sales to Third Parties	E&I	2,300	2,175	403
	<i>YoY total growth</i>	5.8%		
	<i>YoY organic growth</i>	(1.9%)		
	Industrial & Netw. Comp.	1,021	1,137	-
	<i>YoY total growth</i>	(10.2%)		
	<i>YoY organic growth</i>	(2.5%)		
	Other	77	86	-
	<i>YoY total growth</i>	(11.0%)		
Adj. EBITDA	<i>YoY organic growth</i>	(3.9%)		
	ENERGY PRODUCTS	3,398	3,398	403
	<i>YoY total growth</i>	(0.0%)		
	<i>YoY organic growth</i>	(2.1%)		
	E&I	123	99	28
	<i>% on sales</i>	5.4%	4.5%	
	Industrial & Netw. Comp.	95	92	-
	<i>% on sales</i>	9.3%	8.1%	
Adj. EBIT	Other	(1)	2	-
	<i>% on sales</i>	(0.8%)	1.8%	
	ENERGY PRODUCTS	217	193	28
	<i>% on sales</i>	6.4%	5.7%	
	E&I	76	72	8
	<i>% on sales</i>	3.3%	3.3%	
	Industrial & Netw. Comp.	81	75	-
	<i>% on sales</i>	7.9%	6.6%	
Adj. EBIT	Other	(2)	1	-
	<i>% on sales</i>	(2.2%)	0.6%	
	ENERGY PRODUCTS	155	148	8
	<i>% on sales</i>	4.6%	4.4%	

Oil&Gas Segment – Profit and Loss Statement

Euro Millions

	9M 2016	9M 2015
Sales to Third Parties	225	331
<i>YoY total growth</i>	<i>(31.8%)</i>	
<i>YoY organic growth</i>	<i>(31.6%)</i>	
Adj. EBITDA	9	21
<i>% on sales</i>	<i>4.1%</i>	<i>6.2%</i>
Adj. EBIT	(2)	12
<i>% on sales</i>	<i>(1.0%)</i>	<i>3.7%</i>

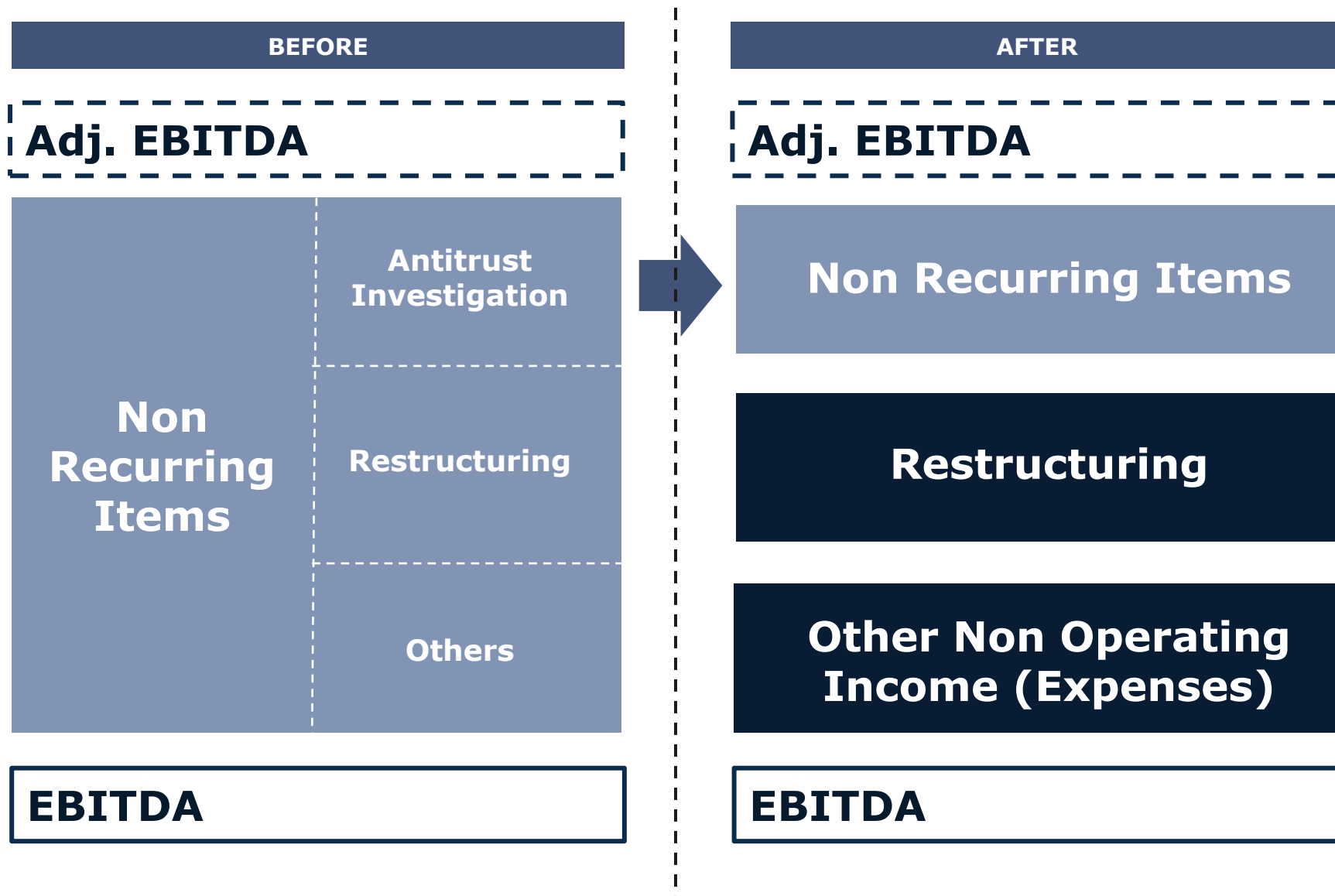
Telecom Segment – Profit and Loss Statement

Euro Millions

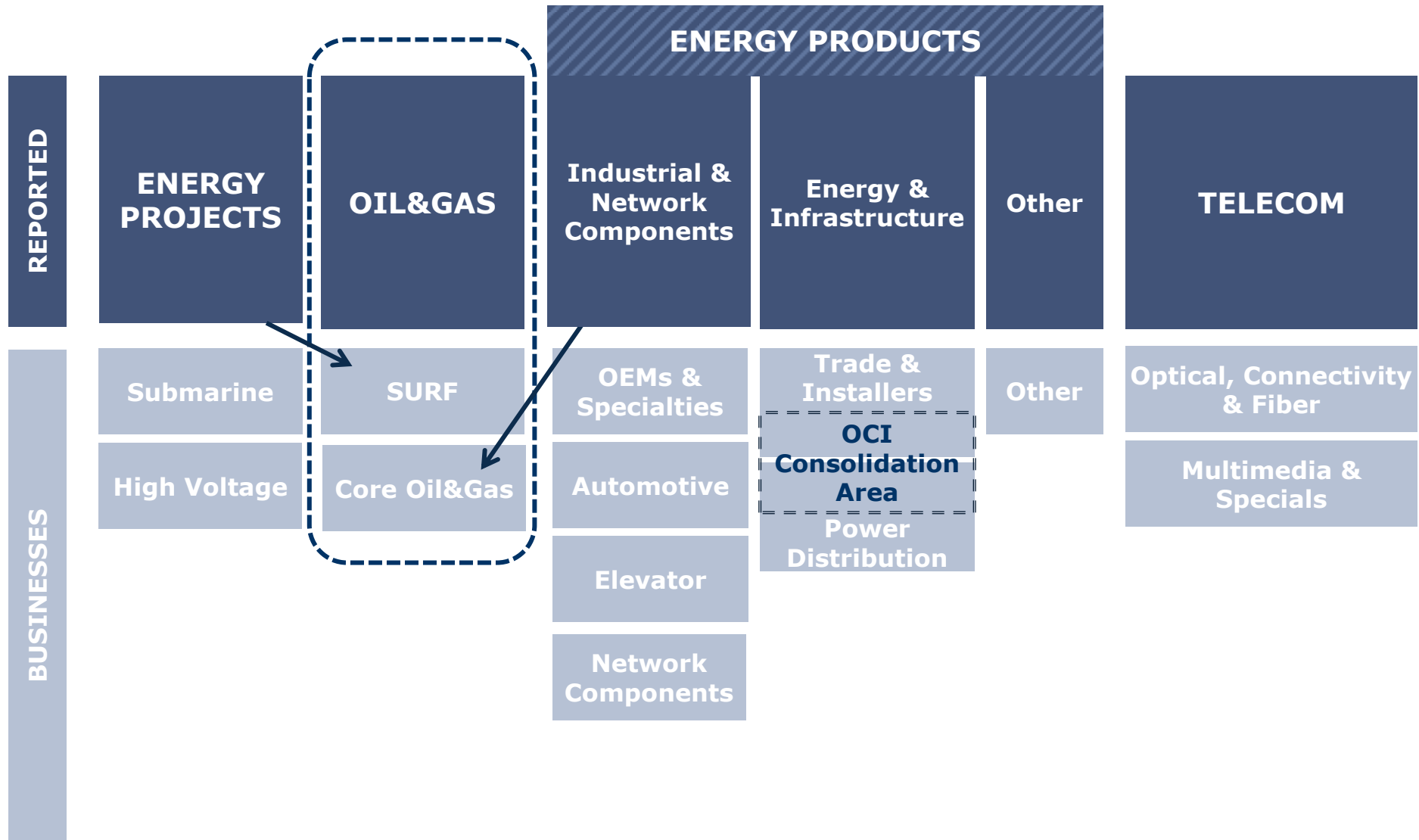
	9M 2016	9M 2015
Sales to Third Parties	865	847
<i>YoY total growth</i>	<i>2.2%</i>	
<i>YoY organic growth</i>	<i>8.4%</i>	
Adj. EBITDA	129	106
<i>% on sales</i>	<i>14.9%</i>	<i>12.6%</i>
Adj. EBIT	99	73
<i>% on sales</i>	<i>11.4%</i>	<i>8.6%</i>

Non Recurring Items – Change in Representation

Implementing ESMA recommendation.



New segment reporting

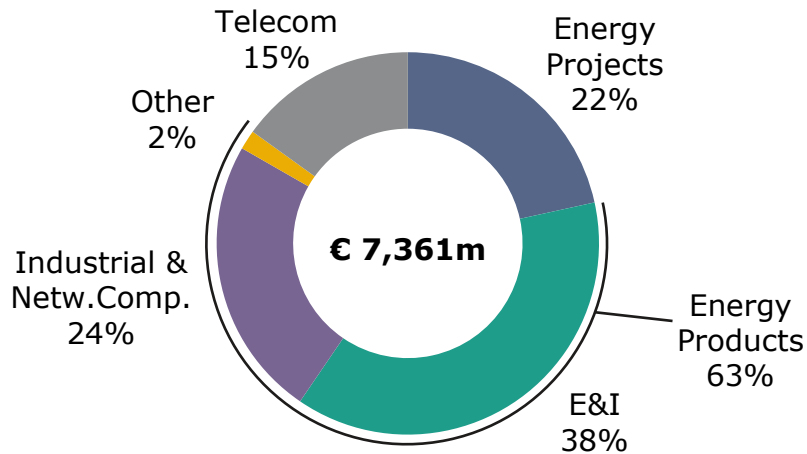


New segment reporting

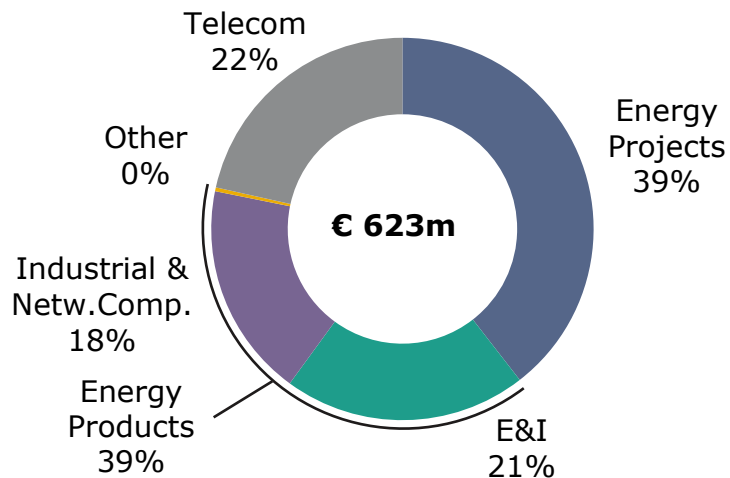
Sales and Adj.EBITDA breakdowns

Previous Segment Reporting FY 2015

Sales

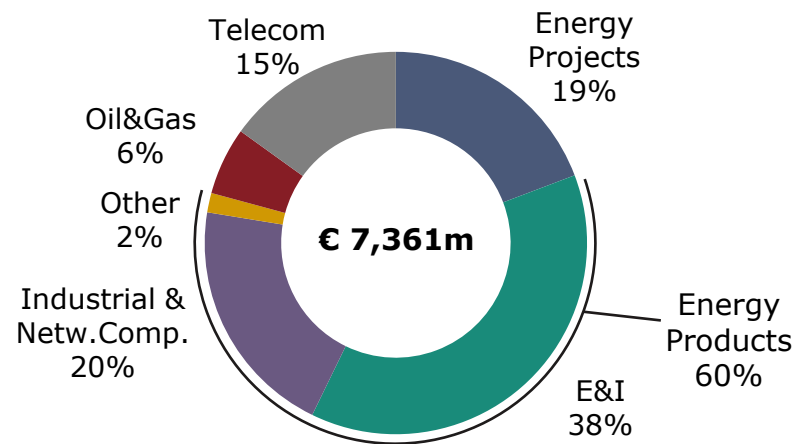


Adj.EBITDA

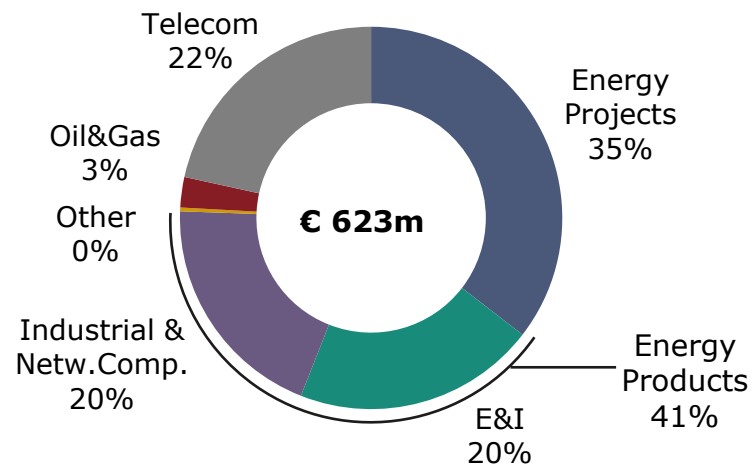


New Segment Reporting FY 2015

Sales



Adj.EBITDA



New segment reporting: 2014-15 Sales & Org. Growth by quarter

Euro Millions

	SALES and ORG. GROWTH										
	FY 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015
ENERGY PROJECTS	1,248	250	302	300	389	1,241 1.1%	281 8.4%	358 14.7%	355 15.8%	423 8.9%	1,416 11.9%
E&I	2,747	638	678	699	662	2,677 2.7%	686 3.3%	782 7.1%	707 1.6%	620 -0.2%	2,795 3.0%
INDUSTRIAL & NETW.C.	1,507	349	370	350	371	1,440 -0.6%	352 -5.8%	400 -0.6%	385 4.6%	362 -1.2%	1,499 -0.8%
OTHER	114	23	23	26	34	106 -4.8%	25 1.8%	30 26.5%	31 17.6%	35 4.4%	121 11.8%
ENERGY PRODUCTS	4,368	1,010	1,072	1,074	1,067	4,223 1.4%	1,063 0.2%	1,212 4.8%	1,123 3.0%	1,017 -0.4%	4,415 1.9%
OIL&GAS	393	83	83	95	121	382 3.0%	130 49.2%	115 33.4%	86 -3.4%	90 -21.7%	421 10.0%
TELECOM	986	236	252	257	249	994 4.0%	279 13.1%	299 13.1%	269 5.1%	262 8.7%	1,109 9.9%
TOTAL	6,995	1,579	1,708	1,727	1,826	6,840 1.8%	1,753 5.9%	1,984 9.1%	1,832 5.1%	1,792 1.4%	7,361 5.3%

New segment reporting: 2014-15 Adj. EBITDA by quarter

Euro Millions

	ADJ. EBITDA and % ON SALES										
	FY 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015
ENERGY PROJECTS	215 17.2%	6 2.4%	26 8.6%	52 17.3%	56 14.4%	140 11.3%	26 9.4%	73 20.4%	53 14.9%	68 16.1%	221 15.6%
E&I	127 4.6%	21 3.3%	33 4.9%	31 4.4%	23 3.5%	108 4.0%	26 3.8%	37 4.8%	36 5.1%	29 4.7%	128 4.6%
INDUSTRIAL & NETW.C.	124 8.2%	26 7.4%	33 8.9%	29 8.3%	27 7.3%	115 8.0%	26 7.2%	36 9.0%	31 8.1%	30 8.3%	122 8.1%
OTHER	8 6.9%	2 8.7%	3 13.0%	2 7.7%	(2) -6.4%	5 4.6%	1 4.0%	1 2.5%	(0) -0.6%	0 0.0%	2 1.9%
ENERGY PRODUCTS	259 5.9%	49 4.9%	69 6.4%	62 5.8%	48 4.5%	228 5.4%	53 4.9%	74 6.1%	67 6.0%	59 5.8%	252 5.7%
OIL&GAS	33 8.4%	5 6.0%	6 7.2%	5 5.3%	9 7.4%	25 6.5%	13 10.3%	4 3.5%	4 4.7%	(5) -5.6%	16 3.8%
TELECOM	106 10.8%	18 7.6%	25 9.9%	32 12.5%	41 16.4%	116 11.7%	28 10.1%	43 14.2%	35 13.0%	28 10.7%	134 12.1%
TOTAL	613 8.8%	78 4.9%	126 7.4%	151 8.7%	154 8.4%	509 7.4%	120 6.8%	194 9.8%	159 8.7%	150 8.4%	623 8.5%

- Group overview
- Results by business
- Outlook
- Financial Results
- **Appendix**
 - Prysmian at a glance
 - OCI Acquisition
 - Financials
 - **Energy Projects and Energy Products**
 - Telecom


Investing in submarine to increase ROCE


Strengthening production and installation capabilities



Main projects in execution/orders backlog:

- Western Link
- BorWin 3 / DolWin 3
- Messina II
- Dardanelles 2
- Mon.Ita.
- Hainan 2
- Shannon River
- West of Adlergrund
- Cyclades
- Philippines
- Wikingen
- COBRA cable

- 
- Ulisse**
- Length overall: 120.1m
 - Depth moulded: 7.6m
 - Gross tonnage: 10,157 t

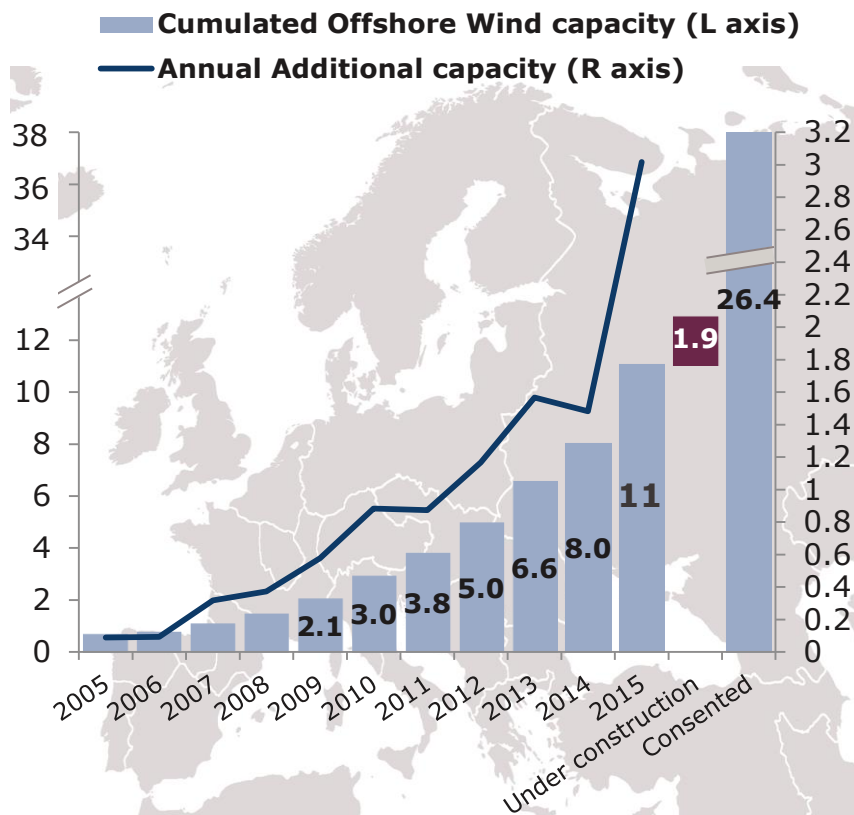
- 
- Giulio Verne**
- Length overall: 133.2m
 - Depth moulded: 7.6m
 - Gross tonnage: 10,617 t



Off-shore wind development in Europe

High visibility on new projects to be awarded next quarters

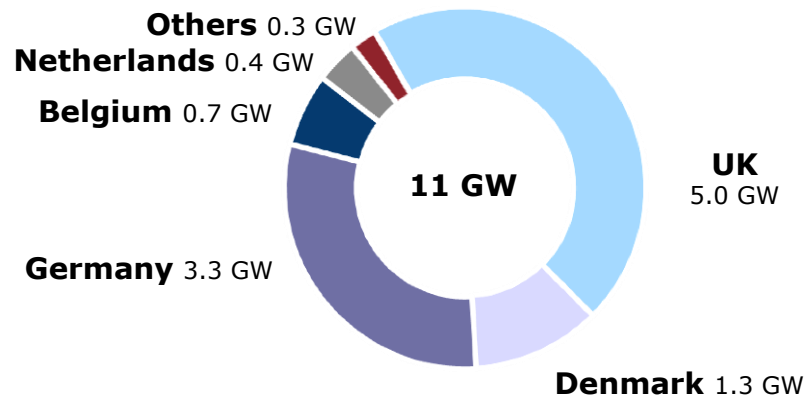
Europe Offshore Wind capacity (GW)



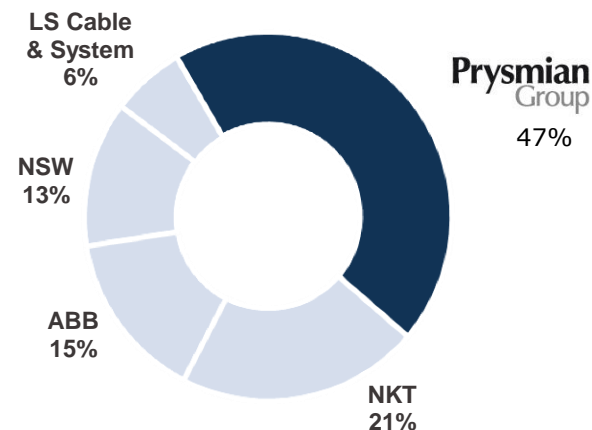
- **Capacity Increase: 3.0 GW** in 2015 (+100% vs. 2014)
- **Total capacity: 11 GW** at end 2015 (+37% vs. 2014)
- **Under construction: 1.9 GW** at end 2015
- **Consented: 26.4 GW**

Source: EWEA (February 2016)

Europe 2015 Cumulated Capacity by Country



Mkt share of export cable suppliers in 2015 *



* Calculated on no. of cables fully or partially completed, percentage. EWEA (February 2016)

Major transmission projects to be awarded

Large pipeline of pan-European projects under development

Main subsea and underground projects of pan-European significance



Main power flow trends



Main planned subsea & underground projects



Source: ENTSO-E

List of main projects

1. Germany (HVDC Grid Offshore)
2. France Off-Shore
3. France – UK (Eurotunnel)
4. Western Isles Link
5. Green Connector
6. Denmark – UK (Viking Link)
7. Tunisia – Italy
8. Marseille – Languedoc
9. Denmark – Germany
10. France – UK (IFA2)
11. France – UK (FAB)

Other Projects: Spain-France (sub), Ireland-France (sub), Israel-Cyprus-Crete-Greece (sub), Ireland-UK (sub), Egypt-Saudi Arabia (sub), North-South Germany (underground).

Latest submarine projects awarded

Key success factors

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

Action plan

- Cable Enterprise vessel conversion to improve installation capacity
- New investment worth approx. €40m in Pikkala and Arco Felice to enhance the production capability to meet the order backlog requirements
- Leverage on strong off-shore wind-farms trend
- Secure orders to protect long-term growth
- Focus on execution

Latest Key projects

Customers

Period

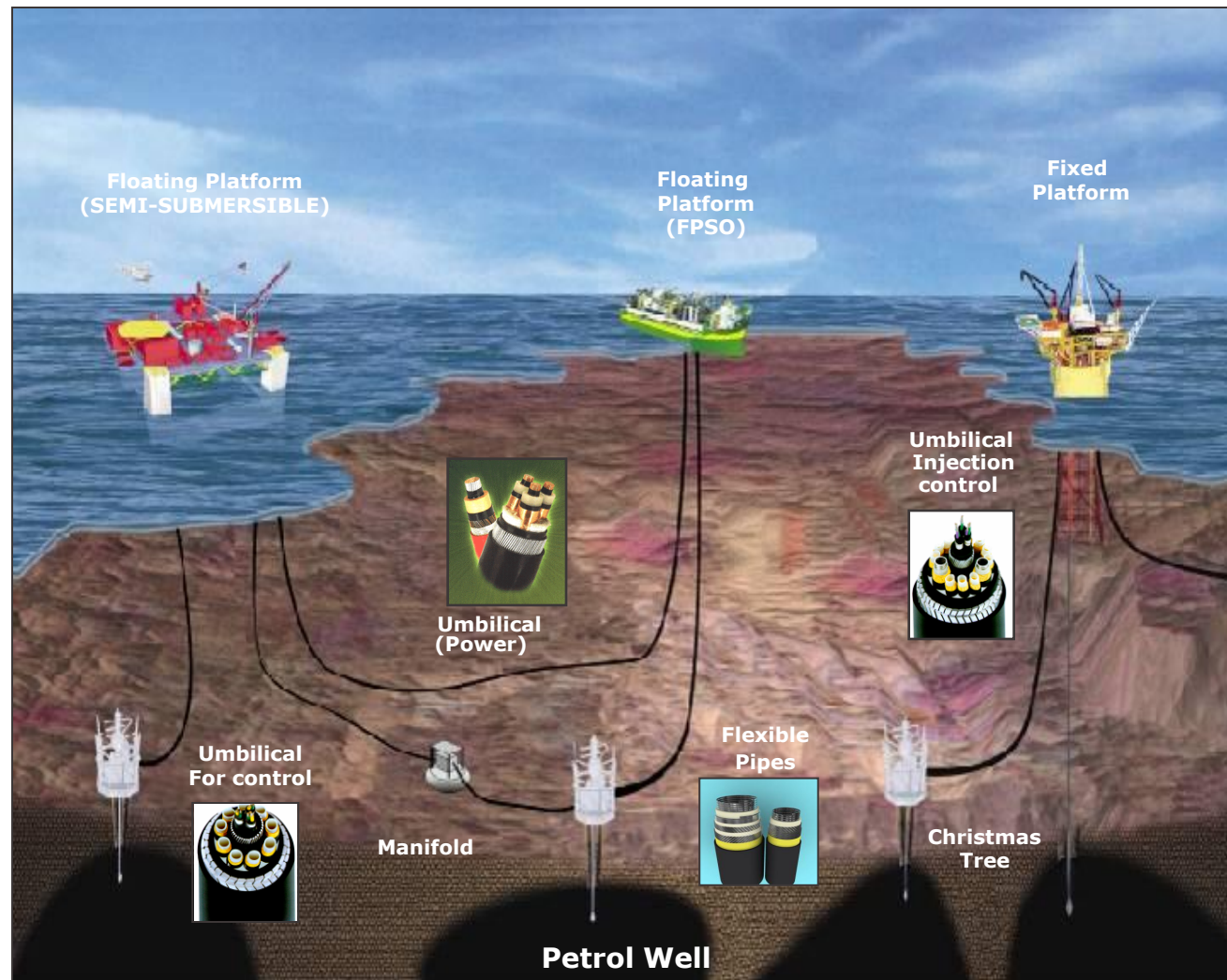
€m*

COBRA cable	TenneT – Energinet.dk	2016-18	250
Hainan II	China South Grid	2016-19	\$140m
NSN Link	Statnett SF – National Grid	2015-21	550
West of Adlergrund Option	50Hertz Offshore GmbH	2015-18	230
Wikinger	Iberdrola Renovables Offshore	2015-17	60
Philippines	NGCP	2015-16	90
Dardanelles 2	TEIAS	2015-16	64
Cyclades	IPTO	2015-16	95
West of Adlergrund	50Hertz Offshore GmbH	2015-18	480
Shannon River Crossing	ESB	2014-16	40
Zakum offshore oil field	Emirates Holding	2014-15	30
BorWin3	TenneT	2014-17	250
Capri	Terna	2014-15	70
US Offshore platforms	ExxonMobil's	2014-15	\$100m
Balearic Islands	Red Eléctrica de España	2014-15	85
DolWin3	TenneT	2014-16	350
Normandie 3	Jersey Electricity plc	2013-14	45
Mon.Ita	Terna	2013-17	400
Dardanelles	TEIAS	2012-14	67
Phu Quoc	EVNSPC	2012-14	67
Western Link	National Grid-Scottish Power JV	2012-17	800
HelWin2	TenneT	2012-15	200
Hudson Project	Hudson Transm. Partners LLC	2012-13	\$175m
SylWin1	TenneT	2012-15	280

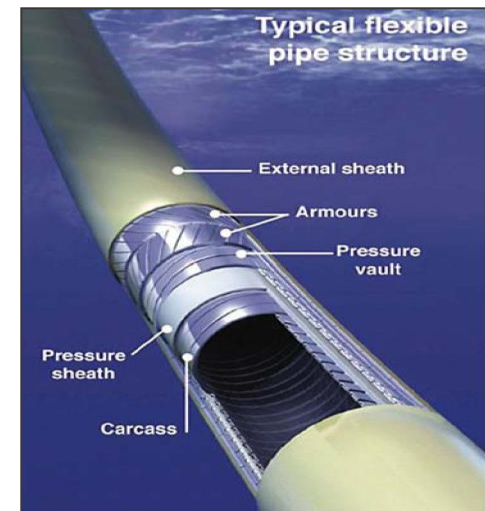
* Prysmian portion of the project

SURF – Off-shore oil exploration

Oilfield structure

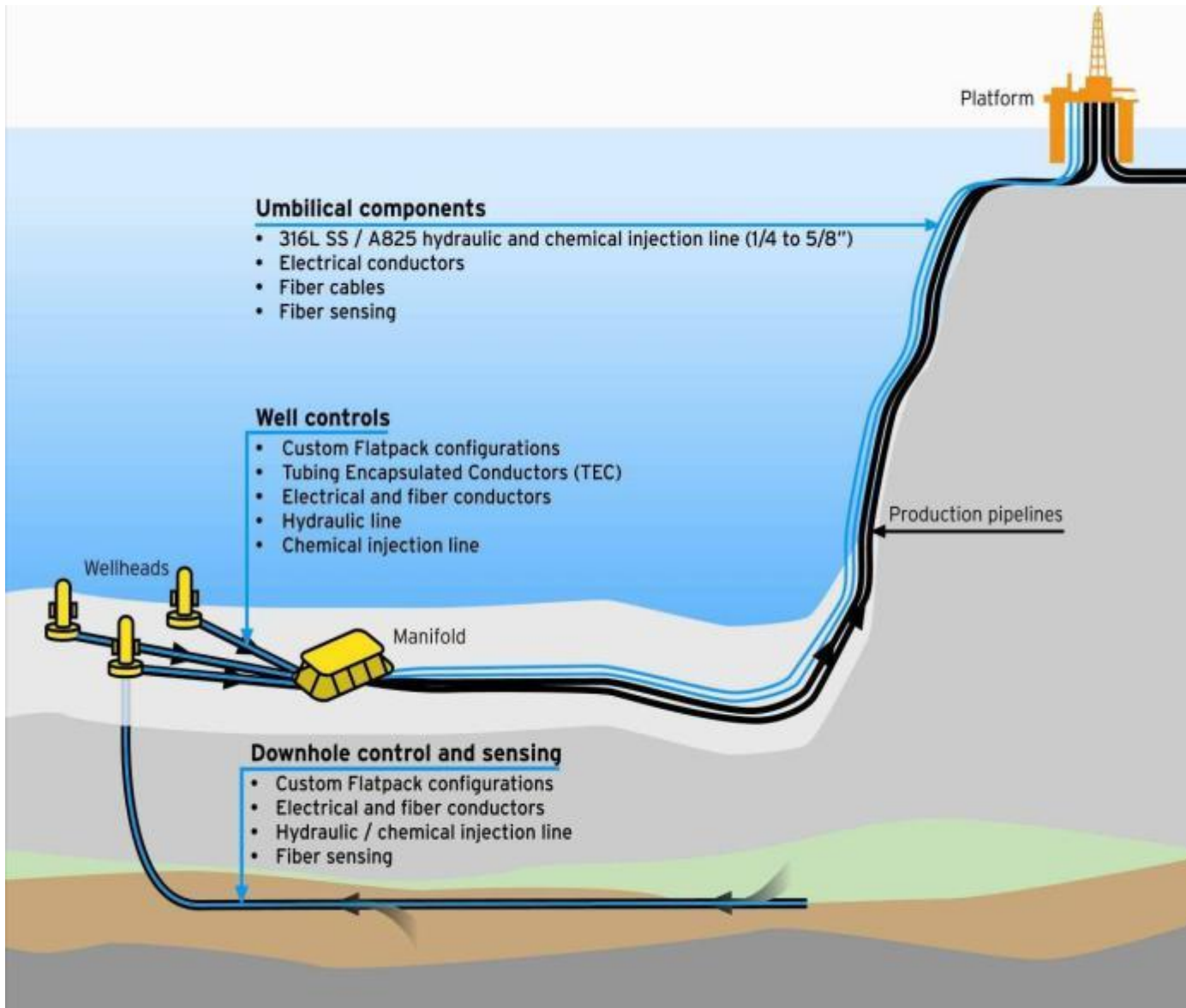


Flexible Pipes

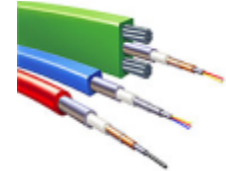


SURF – Off-shore oil exploration

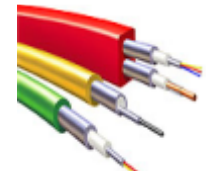
Cross selling opportunities driven by the Downhole technology business contributed by Draka



Downhole Technology (DHT)



HYBRID ELECTRO-OPTIC



FIBER OPTIC



ELECTRICAL



GAS & FLUID TUBING




PACKAGED GAS & FLUID TUBING

Trade & Installers – Overview

BUSINESS DESCRIPTION

- Building wires, Low and Medium voltage cables for residential, commercial, industrial and infrastructure constructions
- Partner of the World best Wholesalers, Installers, Contractors & Specialized Distributors; with a clear focus on their needs following a Customer Centricity approach
- Complete product range of solutions for the construction world, including residential, commercial, industrial and infrastructure with focus on high performance products: best in class Fire Resistant cables, LSOH, Green cables, Easy to Install and Total Cost of Ownership reduction solutions

KEY SUCCESS FACTORS

-  Global partner with strong local presence
-  Full Product range
-  Technological leadership and product excellence
-  Customer centric approach
-  Capillary logistical distribution network and service
-  Technical support
-  Extra services
-  Unique industry expertise

KEY CUSTOMERS

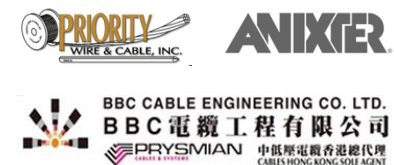
Contractors & Installers



Wholesalers



Specialized distributors

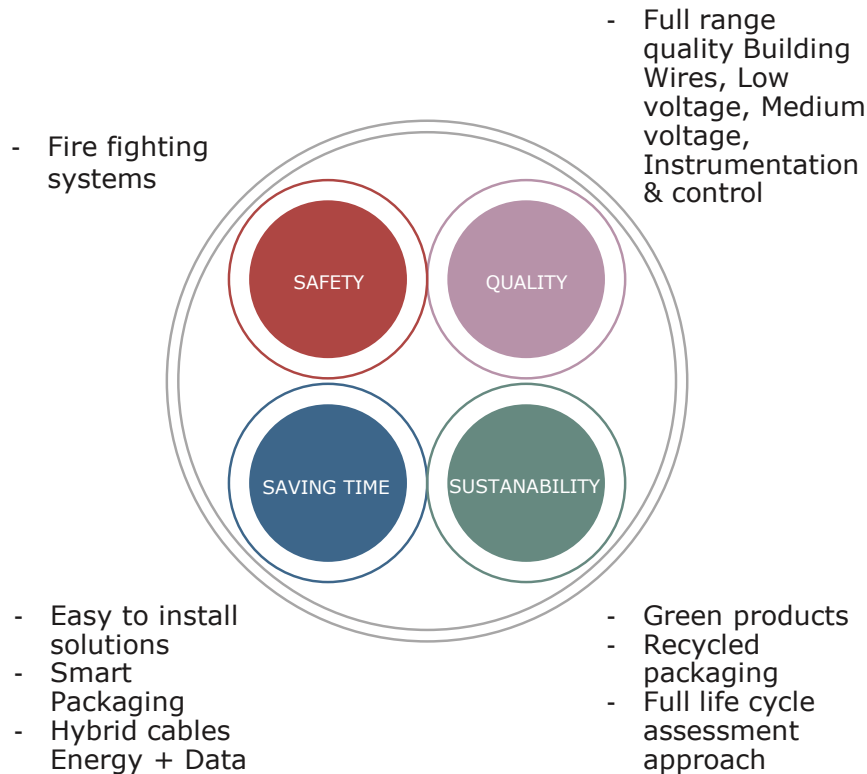


Offer overview

**RESIDENTIAL – COMMERCIAL –
INDUSTRIAL - INFRASTRUCTURE**

- POWER SUPPLY
- EMERGENCY CIRCUITS
- CONNECTIONS
- MACHINERY (MOBILE OR NOT)
- SWITCHBOARD
- LIGHTING (INTERIOR/EXTERIOR)
- BRANCHES
- CONTROL/DATA
- ELECTRICAL APPLIANCES

BEST IN CLASS FIRE RESISTANT AND LSOH CABLES



A MAJOR ROLE IN MILAN 2015 EXPO



Special fire safety and eco-friendly cables for the site hosting the **Milan Universal Exposition** of 2015: 50 km of medium voltage P-Laser cables and 300 km of low voltage Afumex cables

TAKING SAFETY TO NEW HEIGHTS



Approximately 350 km of high-tech fire-resistant cables for power distribution supplied within the **Shard skyscraper**, the tallest building in London and Western Europe. Prysmian chosen as global supplier of BASEC and LPCB certified cables and components, and of support and advice to the construction company on the best installation methods to use

THE LIVES OF THESE PEOPLE DO NOT HANG BY A THREAD



Around 500 km of cables for **Tele2 Arena**, a new, ultra-modern multi-purpose stadium in Stockholm. Prysmian Group has supplied halogen-free cables for the stadium's power, telecommunication, and lighting systems, selected by the customer as the latest technology to guarantee safety

Industrial & Network Components – Overview

Business description

Integrated cable solutions highly customized to our industrial customers worldwide

Specialties & OEM

Products for mining, crane , marine, railway, rolling stock, nuclear, renewables, defense and other niches



Elevator

Meeting the global demand for high-performing, durable and safe elevator cable and components we design manufacture and distribute packaged solutions for the elevator industry



Automotive

Standard and specialist cables for the automotive and transport industry, collaborating with the sector's leading international manufacturers



Network Components

Network accessories and components to connect cables and other network elements



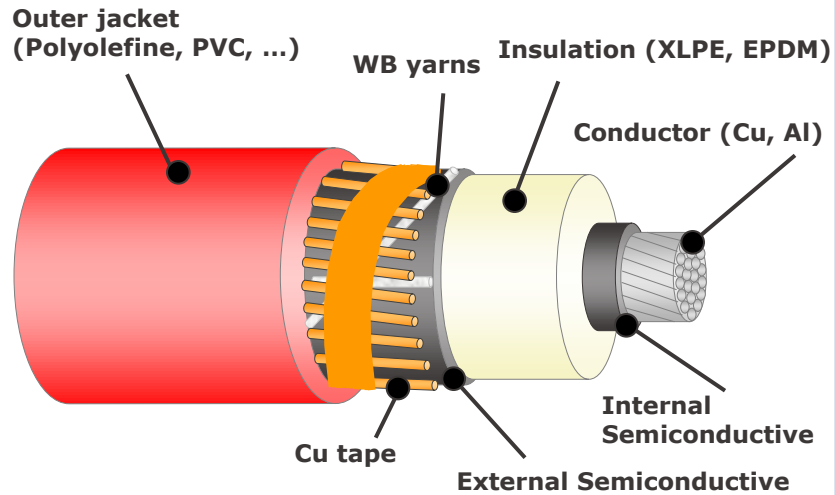
Key customers

Large and differentiated customer base generally served through direct sales

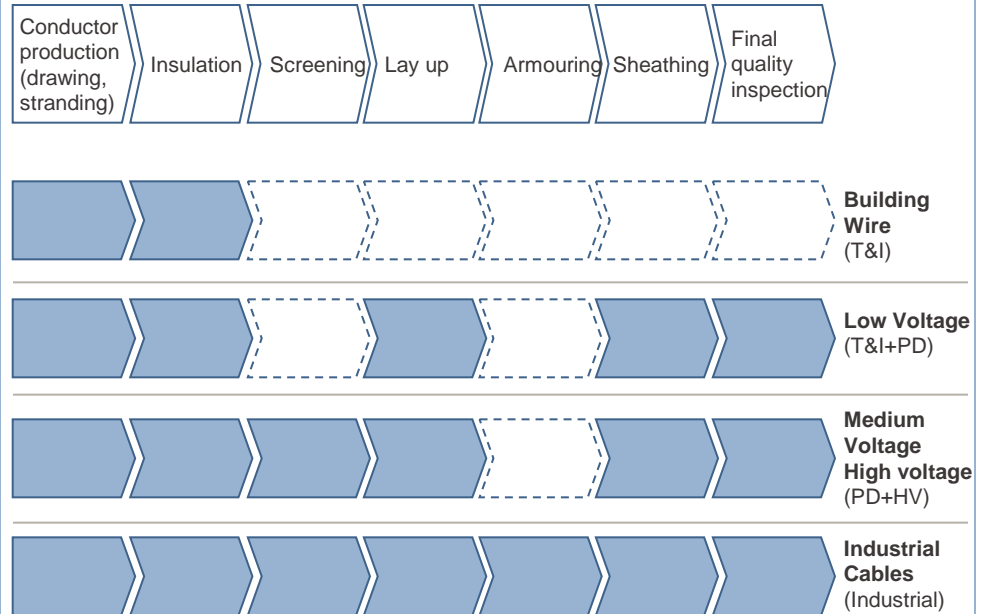


Macro-structure of Energy Cables

Product macro structure



Production process



- Group overview
- Results by business
- Outlook
- Financial Results
- **Appendix**
 - Prysmian at a glance
 - OCI Acquisition
 - Financials
 - Energy Projects and Energy Products
 - **Telecom**

Business description

Integrated cable solutions focused on high -end Telecom

Telecom solutions

Optical cables: tailored for all today's challenging environments from underground ducts to overhead lines, rail tunnels and sewerage pipes

Copper cables: broad portfolio for underground and overhead solutions, residential and commercial buildings

Connectivity: FTTH systems based upon existing technologies and specially developed proprietary optical fibres



MMS

Multimedia specials: solutions for radio, TV and film, harsh industrial environments, radio frequency, central office switching and datacom

Mobile networks: Antenna line products for mobile operators

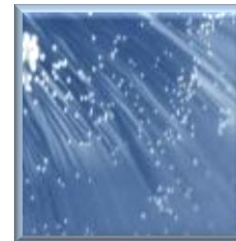
Railway infrastructure: Buried distribution & railfoot cables for long distance telecommunication and advanced signalling cables for such applications as light signalling and track switching



Optical Fiber

Optical fiber products: single-mode optical fiber, multimode optical fibers and specialty fibers (DrakaElite)

Manufacturing: our proprietary manufacturing process for Plasma-activated Chemical Vapor Deposition and Licensed OVD Technology (600 unique inventions corresponding to > 1.4K patents) positions us at the forefront of today's technology



Key customers

Key customers include key operators in the telecom sector



Optical cables

Global overview

Market trends

- Demand function of level of capital expenditures budgeted by large telecom companies (PTT/incumbents as well as alternative operators) for network infrastructures, mainly as a consequence of:
 - Growing number of internet users data traffic
 - Diffusion of broadband services / other high-tech services (i.e. IPTV)

Key success factors

- Continuous innovation and development of new cable & fibre products
- Cable design innovation with special focus on installation cost reduction
- Relentless activity to maintain the highest quality and service level
- Focus on costs to remain competitive in a highly price sensitive environment

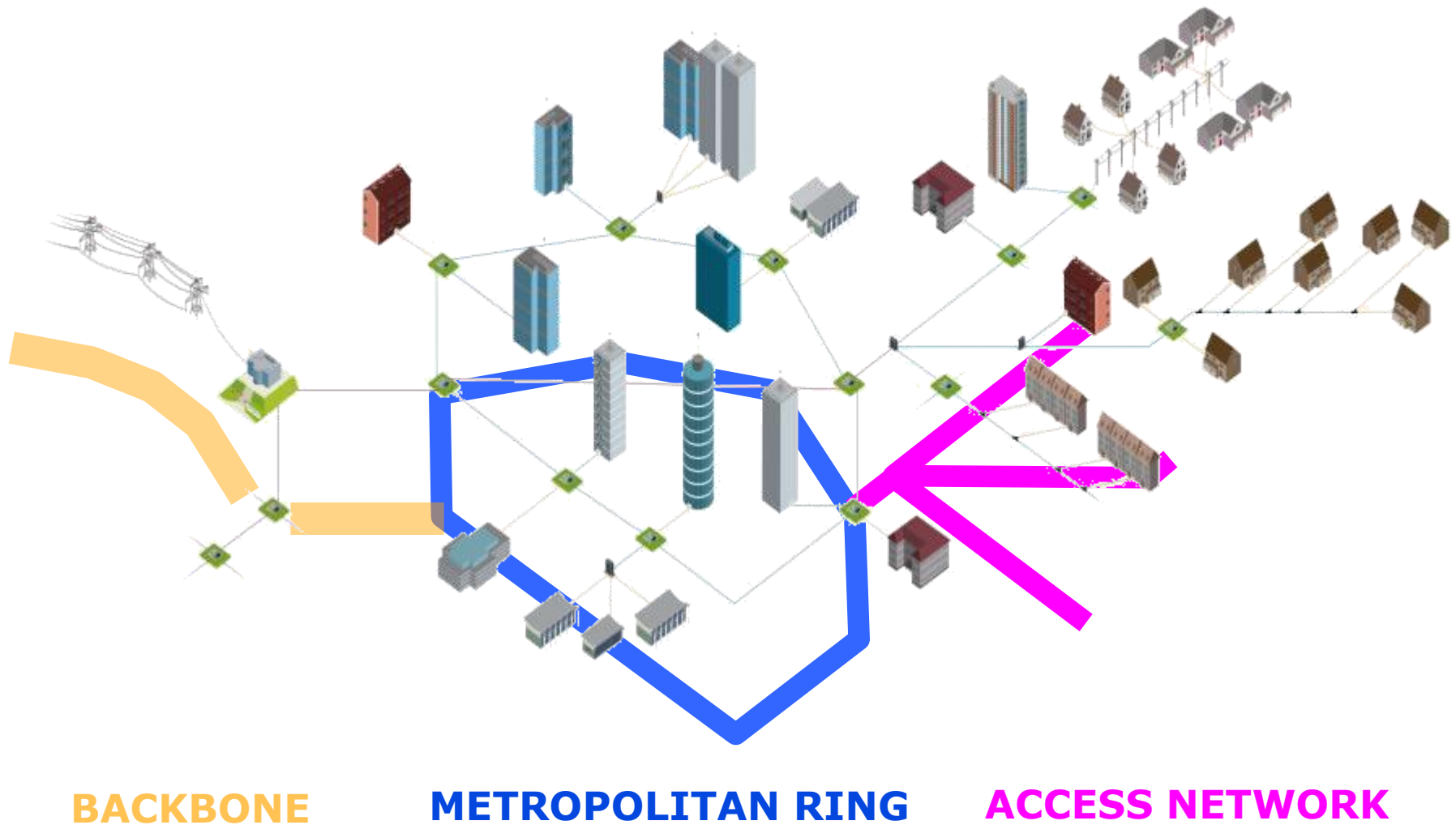
Strategic value of fibre

- Fiber optic represents the major single component cost of optical cables
- Fiber optic production has high entry barriers:
 - Proprietary technology or licenses difficult to obtain
 - Long time to develop know-how
 - Capital intensity
- When fiber optic is short, vertically integrated cable manufacturers leverage on a strong competitive advantage

Action plan

- Maintain & reinforce position with key established clients
- Further penetration of large incumbents in emerging regions
- Optimize utilization of low cost manufacturing units
- Expand distribution model in Domestic & Export
- Streamline the inter-company process
- Fully integrated products sales
- Refocus on export activities
- Increase level and effectiveness of agents

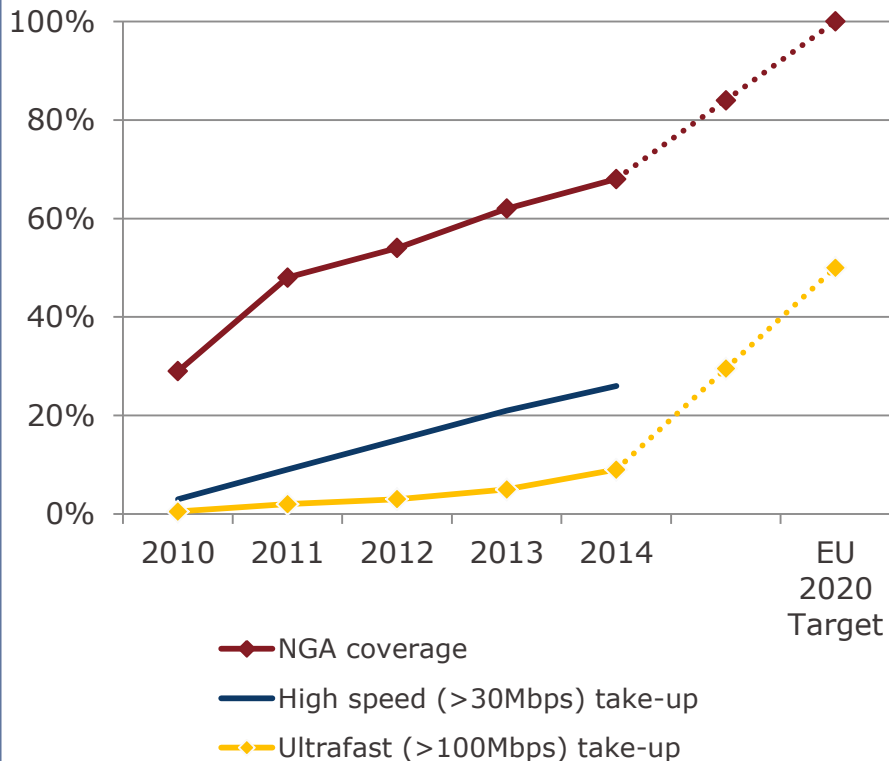
Telecom Cables Main Applications



Telecom – Market trend

Growth opportunities coming from the development of broadband in Europe

Evolution of NGA (Next Generation Access) coverage and high-speed (>30Mbps) / ultrafast (>100Mbps) take-up (% of homes) in the EU



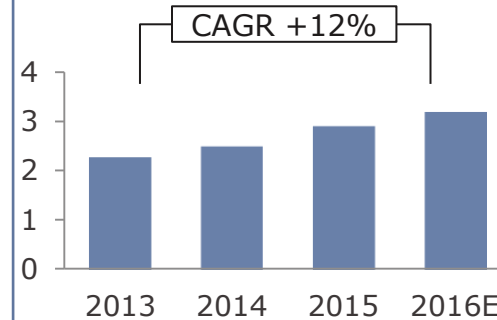
- Coverage of NGA technologies doubled since 2010, but further efforts are requested to meet 2020 target of 100% coverage
- Take-up of ultrafast (>100Mbps) broadband remains marginal (3% of homes) still faraway from 2020 target (50%)

Source: European Commission Digital Agenda Scoreboard 2015

Opportunities coming from national plans to achieve EU 2020 Digital Agenda targets

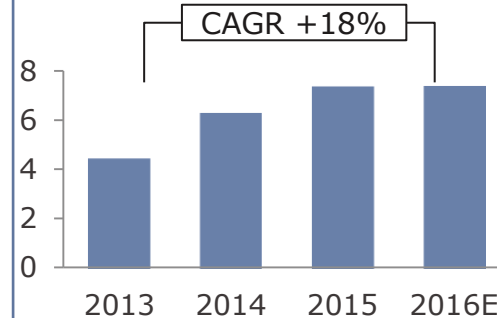
Consumption of fiber optic cable ('000,000 fiber km)

Italy



- NGA coverage at 36% in 2014 Vs EU average of 68%
- More than €10bn investment announced by telecom operators for the development of NGA in the coming years.

France



- Coverage of NGA in France (43%) well below EU average (68%) at end 2014
- THD plan to attract €20bn public/private investments in 2012-22 to develop high speed and ultrafast infrastructures

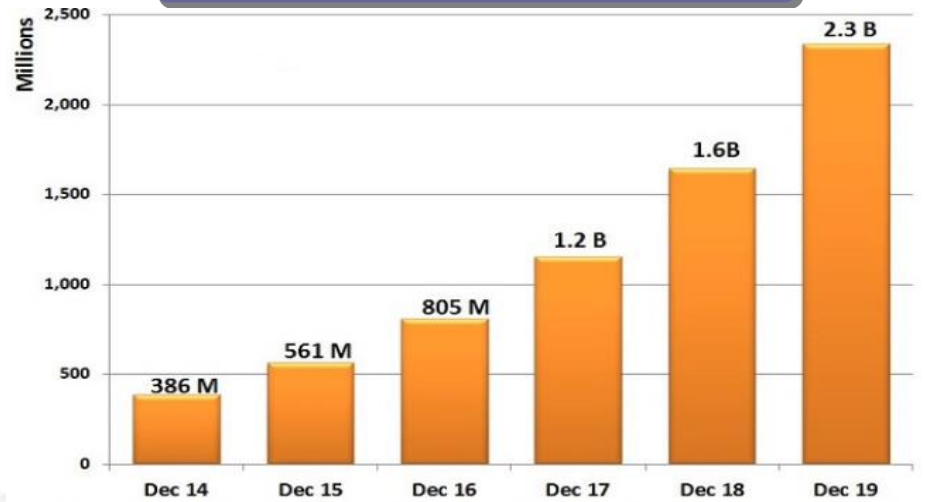
Source: CRU, January 2016; European Commission Digital Agenda Scoreboard 2015

Telecom – FTTA as key driver of optical demand

4G and Long Term Evolution (LTE) deployments require Fiber-to-the-Antenna (FTTA)

Global LTE Growth Forecast

of users



Source: Informa Telecoms & Media, WCIS+, March 2014

Roof top antenna towers for urban applications

Antenna towers used by 4G and LTE networks

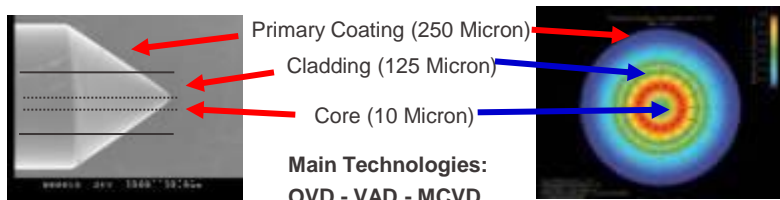
Distributed antenna systems for dense mobile populations areas

Macro-structure of Telecom Cables

Product macro structure

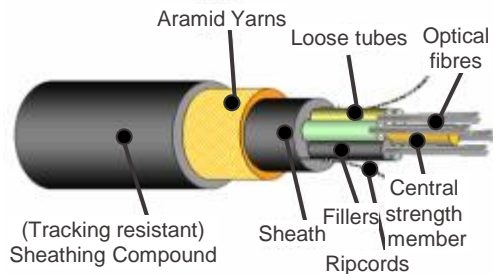
Production process

Fibre optic



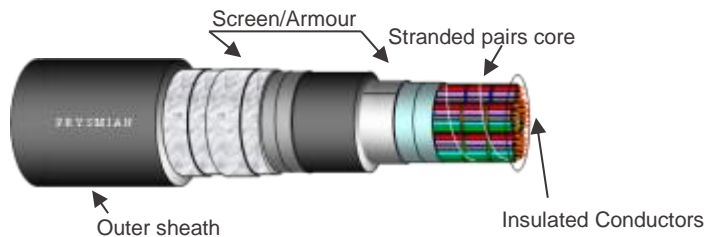
Pre form deposition → Consolidation → Drawing → Final quality inspection

Optical cables



Colouring → Buffering → Lay up → Armouring (yarn or metal) → Sheathing → Final quality inspection

Copper cables

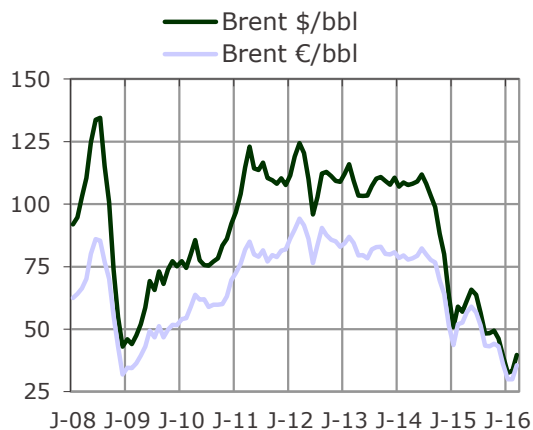


Conductor production → Insulation → Twining → Lay up → Armouring → Sheathing → Final quality inspection

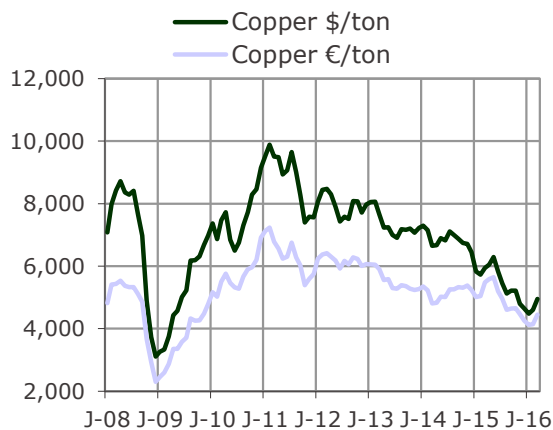
Reference Scenario

Commodities & Forex

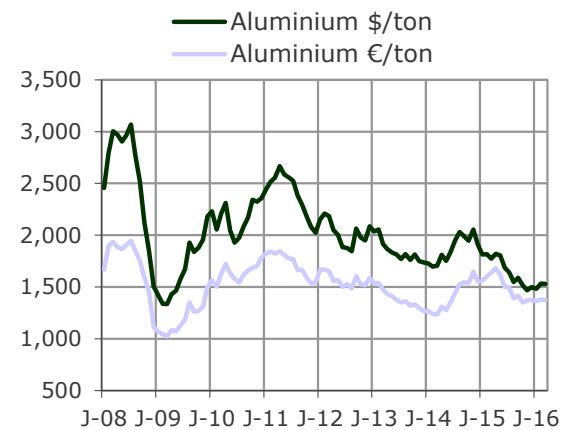
Brent



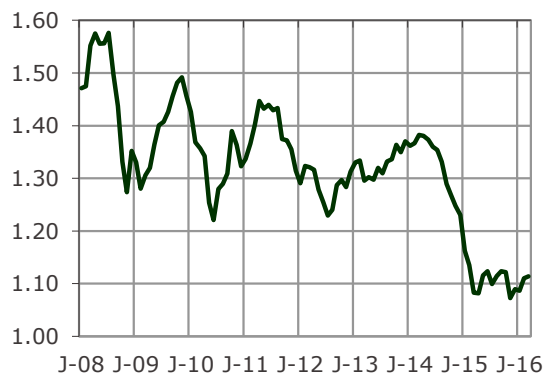
Copper



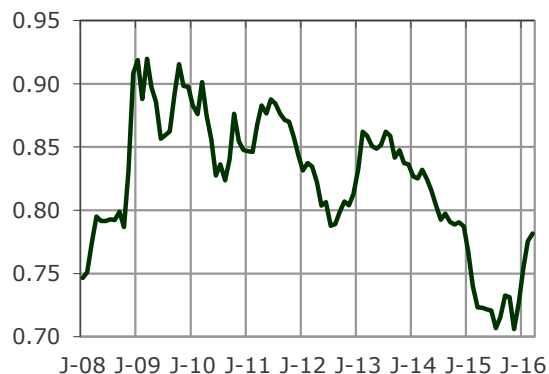
Aluminium



EUR / USD



EUR / GBP



EUR / BRL



Based on monthly average data
Source: Nasdaq OMX

- The managers responsible for preparing the company's financial reports, A.Bott and C.Soprano, 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 Energy Projects, Energy Products 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.
- Any estimates or forward-looking statements contained in this document are referred to the current date and, therefore, any of the assumptions underlying this document or any of the circumstances or data mentioned in this document may change. Prysmian S.p.A. expressly disclaims and does not assume any liability in connection with any inaccuracies in any of these estimates or forward-looking statements or in connection with any use by any third party of such estimates or forward-looking statements. This document does not represent investment advice or a recommendation for the purchase or sale of financial products and/or of any kind of financial services. Finally, this document does not represent an investment solicitation in Italy, pursuant to Section 1, letter (t) of Legislative Decree no. 58 of February 24, 1998, or in any other country or state.
- 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.