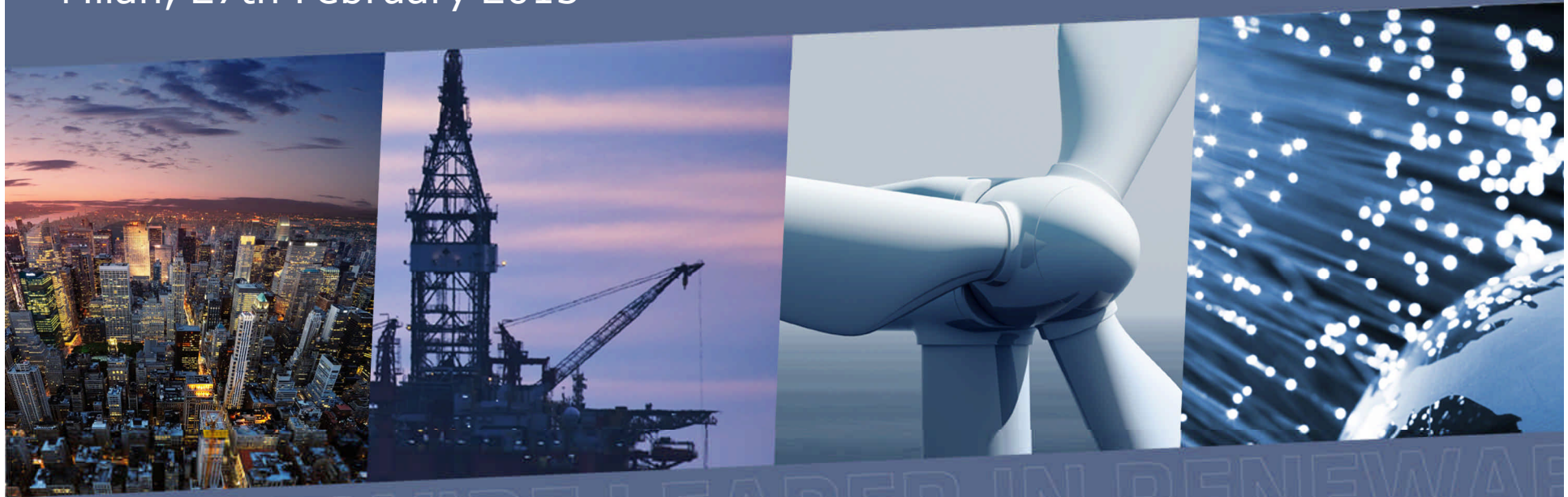


# FY 2012 Financial Results

Milan, 27th February 2013



WORLDWIDE LEADER IN RENEWABLE  
ARTER AND GREENER POWER GRIDS **LINKING THE FUTURE** SUPPORTING GLOBAL  
STRONGER PLATFORM TO ENHANCE CUSTOMER

**Prysmian**  
Group

 **PRYSMIAN**

 **Draka**

# AGENDA

- FY 2012 Highlights

- Group Overview

- Results by business

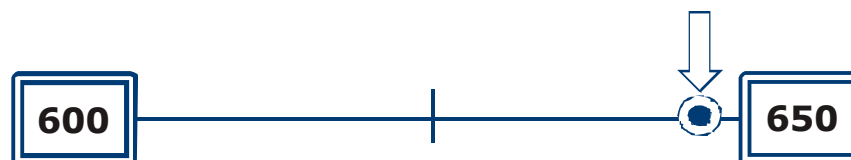
- Financial Results

- Appendix

## 2012 Key Achievements

All targets fully achieved despite a worsening economic environment

- Adj. EBITDA at **€ 647 million**:  
top of initial guidance (€ 600-650 million)

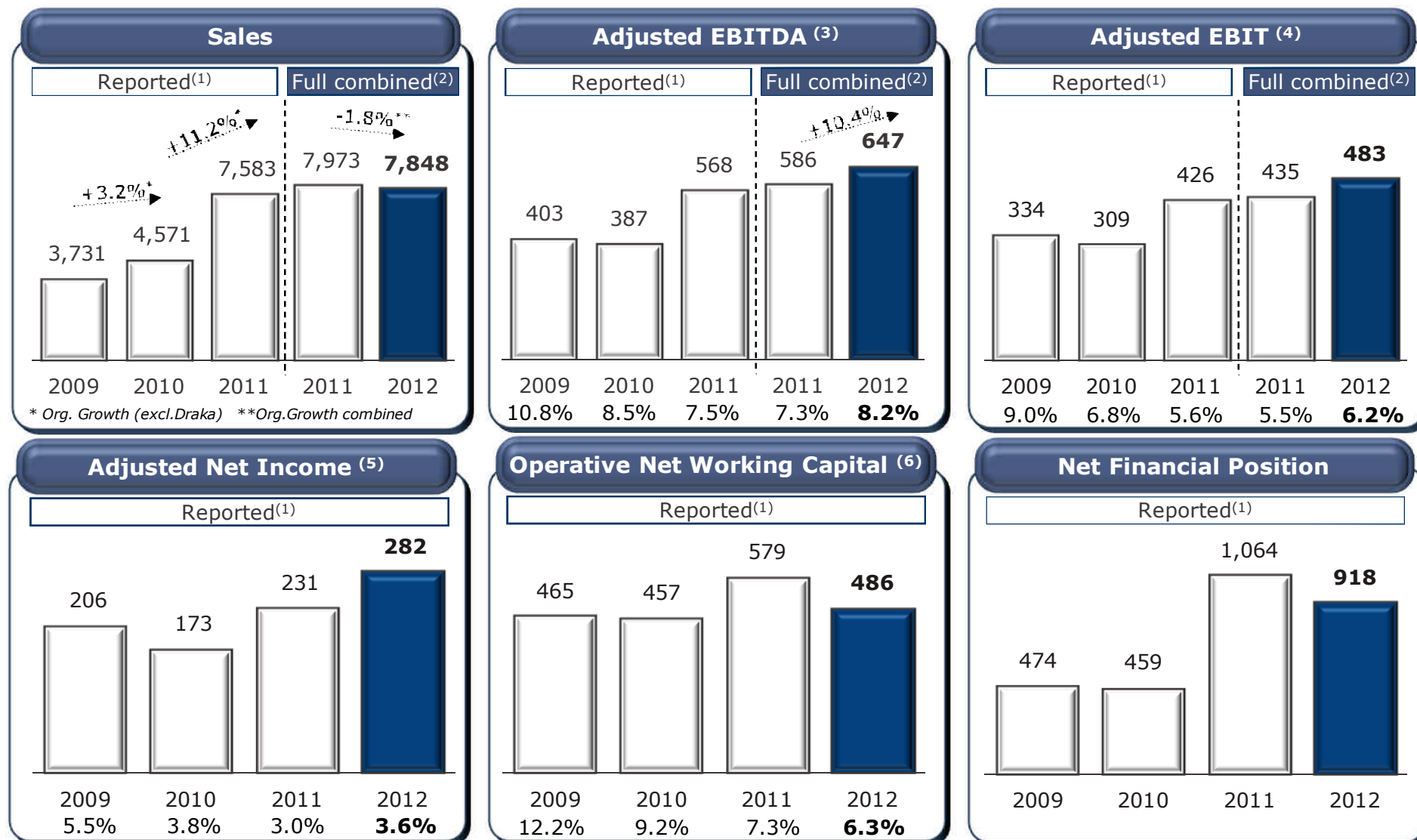


- Net Financial Position at **€ 918 million**:  
strong improvement vs. initial target and previous year (FY2011: € 1,064 million)
- Sound balance sheet:  
Net Financial Position / Adj. EBITDA at **1.4x** (from 1.8x in FY2011)
- Strong Free Cash Flow at **€ 284 million** <sup>(1)</sup> (from € 209 million in FY2011)
- Cumulated Synergies at **€ 65 million** (vs. € 45 million target)

(1) Free Cash Flow levered excluding acquisitions, dividends paid and other equity movements

# FY 2012 Key Financials

Euro Millions, % on Sales



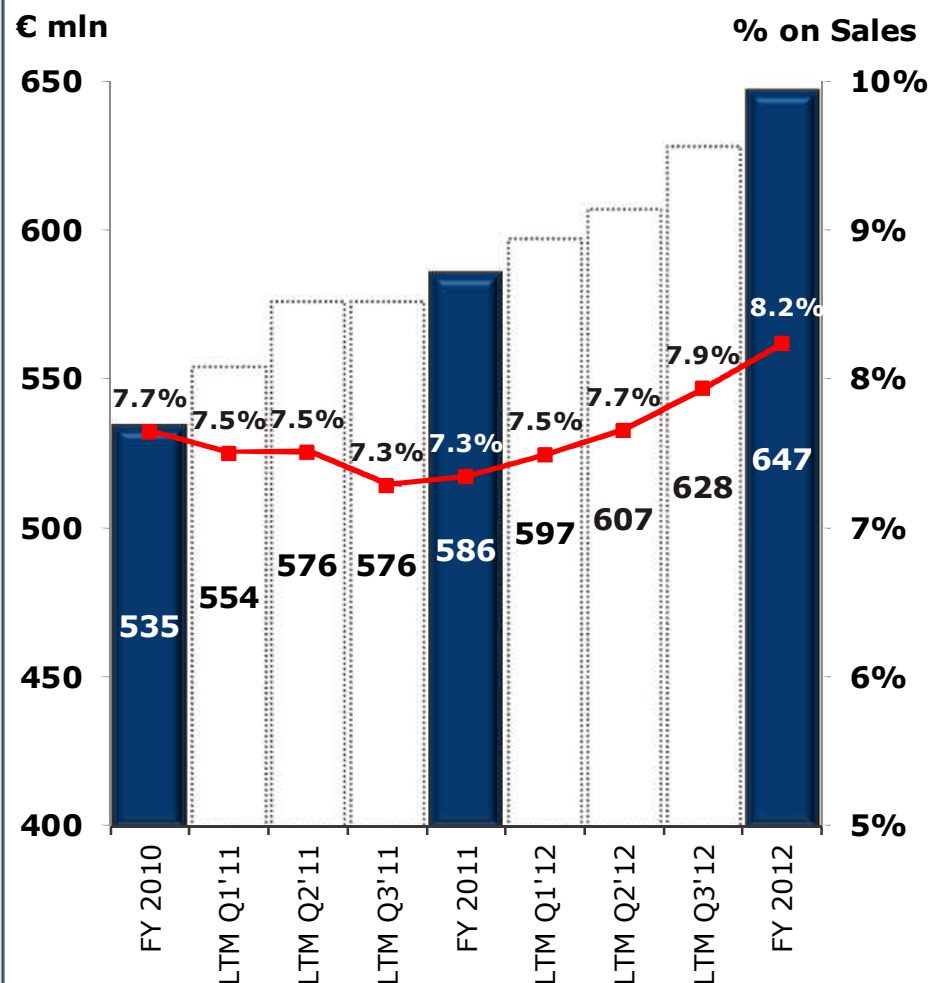
(1) Reported figures include Draka Group's results since 1 March 2011; (2) Full combined figures include Draka Group's results for the period 1 January – 31 December; (3) Adjusted excluding non-recurring income/expenses; (4) Adjusted excluding non-recurring income/(expenses) and the fair value change in metal derivatives and in other fair value items; (5) Adjusted excluding non-recurring income/(expenses), the fair value change in metal derivatives and in other fair value items, exchange rate differences and the related tax effects; (6) Operative Net Working capital defined as NWC excluding the effect of derivatives; % of sales is defined as Operative Net Working Capital on annualized last quarter sales

# Increasing profitability and margins across all businesses

Selective growth in high value added businesses and synergies as key drivers

## LTM\* Adj. EBITDA Evolution

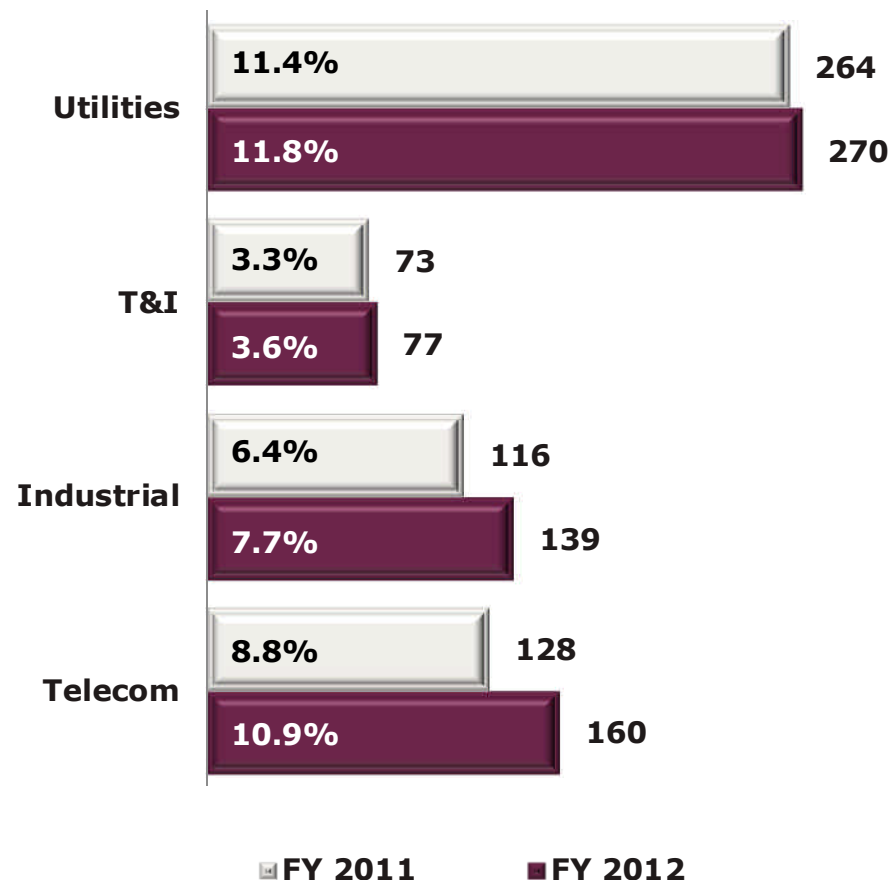
€ million - % on Sales



\* LTM = Last Twelve Months. Full combined figures

## Adj. EBITDA breakdown

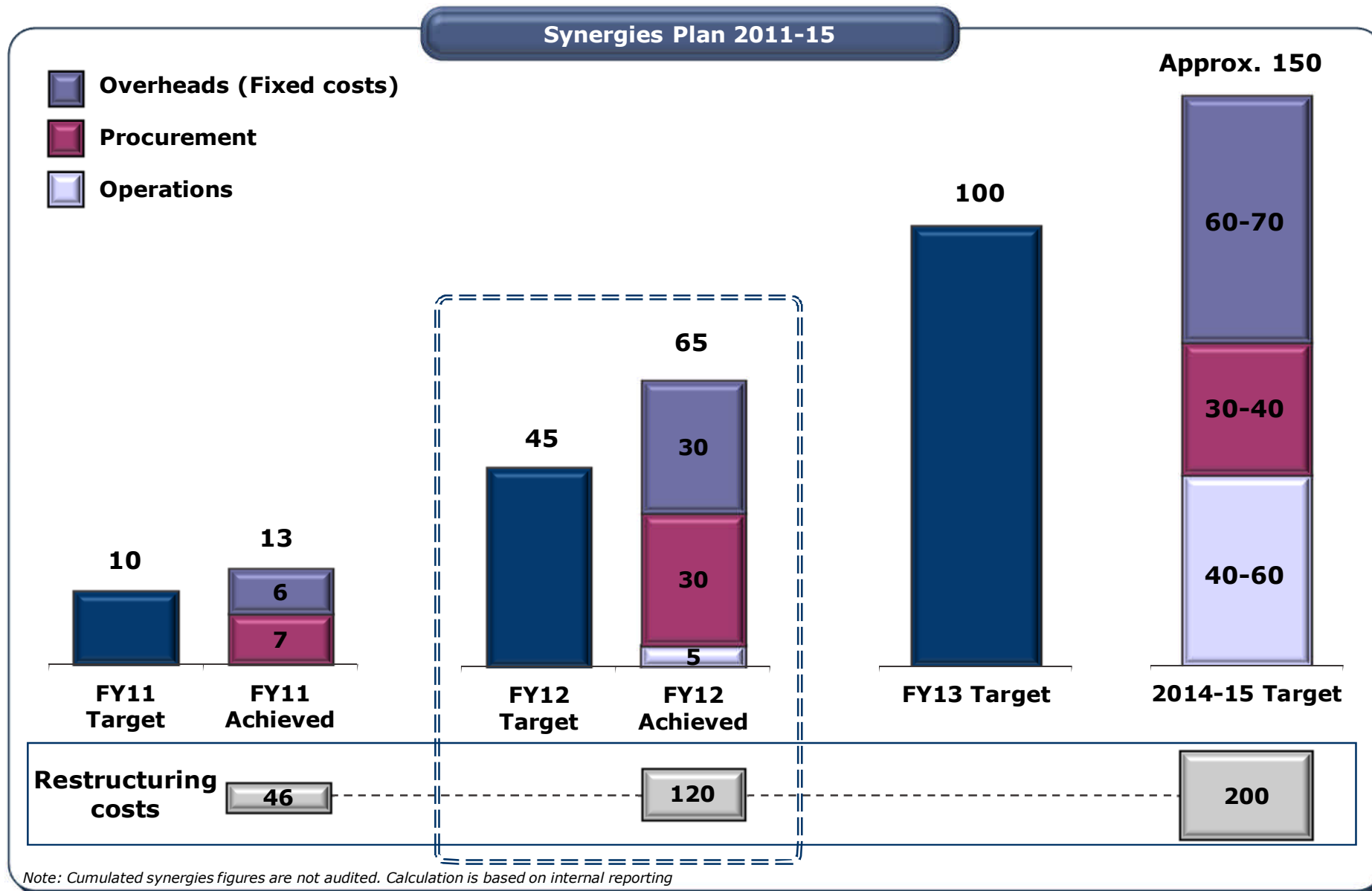
€ million - % on Sales



Note: Other Energy Business not included (€5 mln in 2011, €1 mln in 2012).  
FY 2011 reclassified to reflect new segment reporting

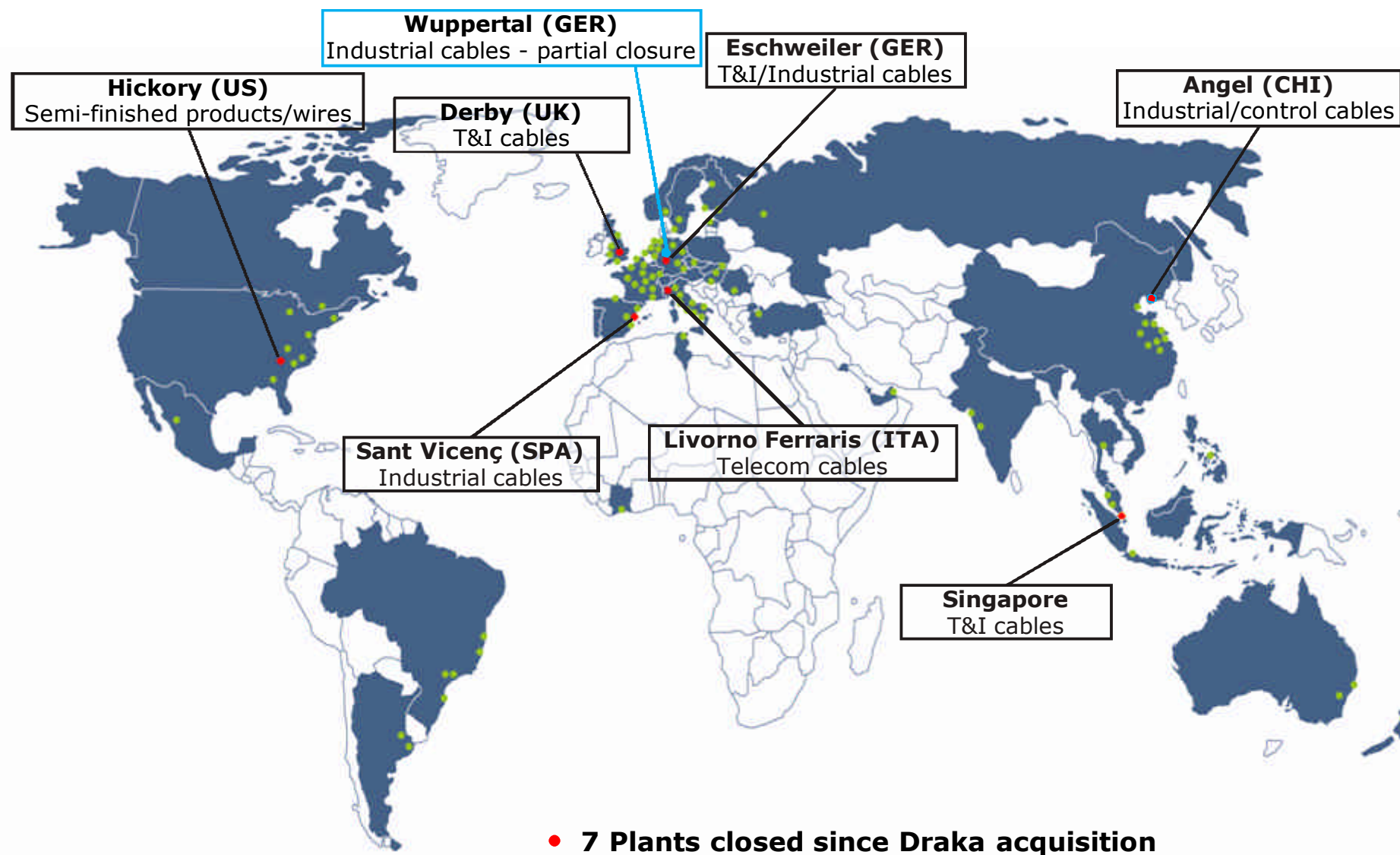
# On the right track towards 2015 Target

Euro Millions



# First step of production footprint optimization completed

7 plants closed and 1 plant restructured since Draka acquisition





# AGENDA

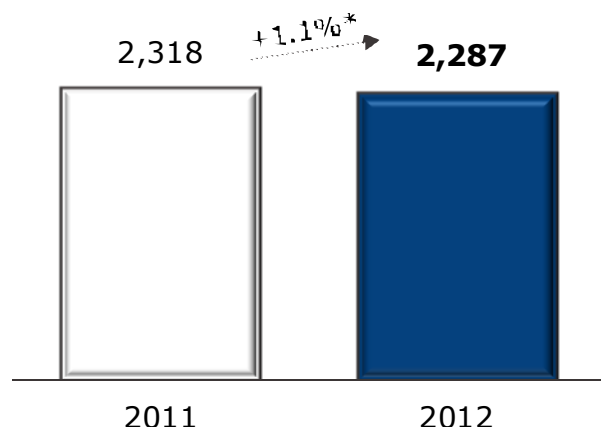
- FY 2012 Highlights
  - Group Overview
  - Results by business
- Financial Results
- Appendix



# Utilities

Euro Millions, % on Sales – Full Combined Results

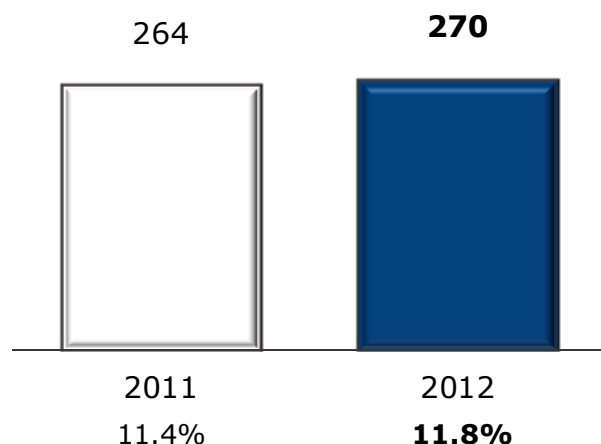
## Sales to Third Parties



\* Organic Growth

Note: 2011 reclassified to reflect new segment reporting

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



(1) Adjusted excluding non-recurring income/expenses  
Note: 2011 reclassified to reflect new segment reporting

## Highlights

### DISTRIBUTION

- Further volume decrease in Europe, partially offset by positive demand in extra-European countries
  - Europe: weak demand expected to continue next quarters in all countries except Nordics and UK
  - North America: continuous positive trend in volume and profitability
  - South America: growing volume in Brazil
  - Asia: extending presence in all main regions to benefit from the positive demand. Still low volume in Australia
- Slight margin improvement thanks to industrial efficiencies and better sales geographical mix

### TRANSMISSION – HV

- In line with expectations, strong Q4'12 contribution due to project phasing
- Stable profits with low double digit adj. ebitda margin achieved in FY despite Transco project
- Reasonable visibility on 2013 based on order-book
- Growing demand in US and Asia (e.g. Singapore, Indonesia and Australia)
- European demand sustained by land portion of submarine connections

### TRANSMISSION – Submarine

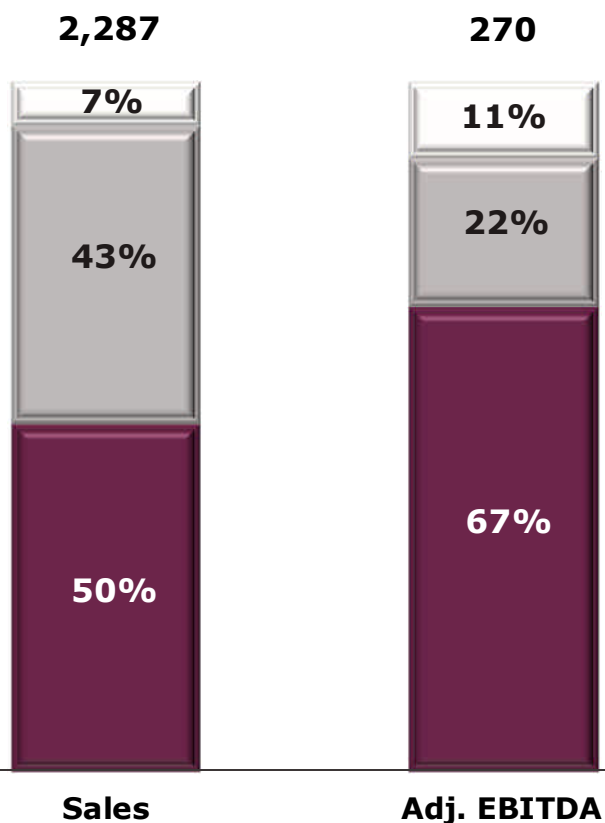
- Double digit organic growth in FY with large order book to support growth in 2013
- Sound market demand, particularly in off-shore wind farm projects, expected to drive strong order intake in 2013
- Germany, UK and Netherlands as major drivers of off-shore wind in Europe. First projects expected in US
- Strong focus on projects execution to maintain profitability

# Utilities – Positive transmission outlook in 2013

Record Order-intake in submarine and good coverage for HV sales

## Utilities – FY2012 Results

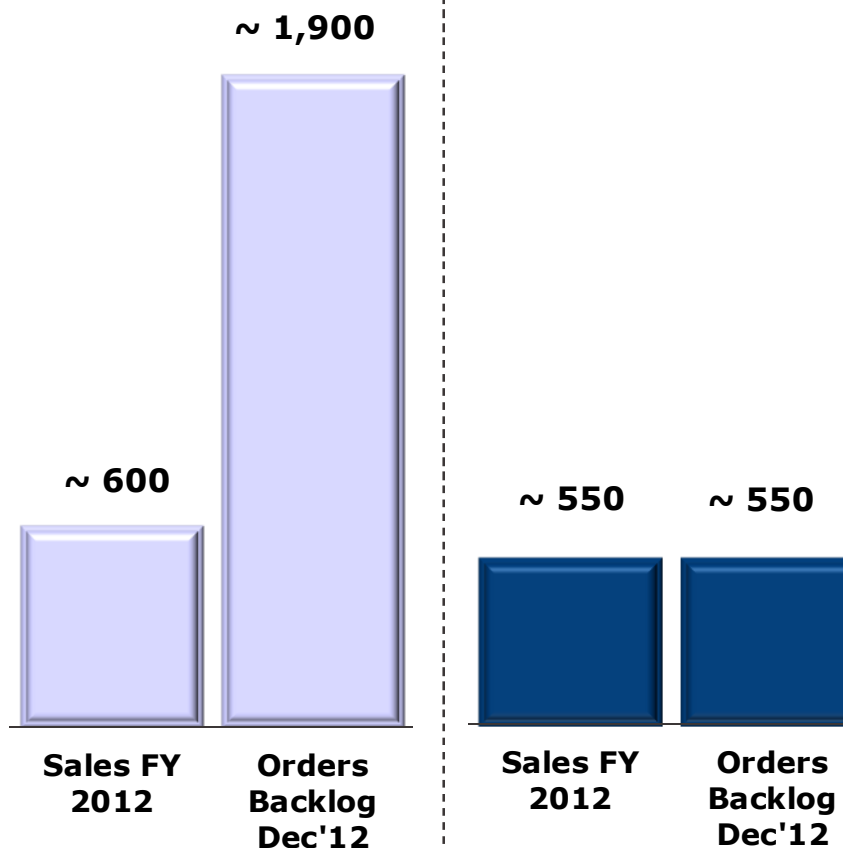
€ million



- Network Components
- Distribution
- Transmission

## Transmission – Sales & Orders Backlog

€ million



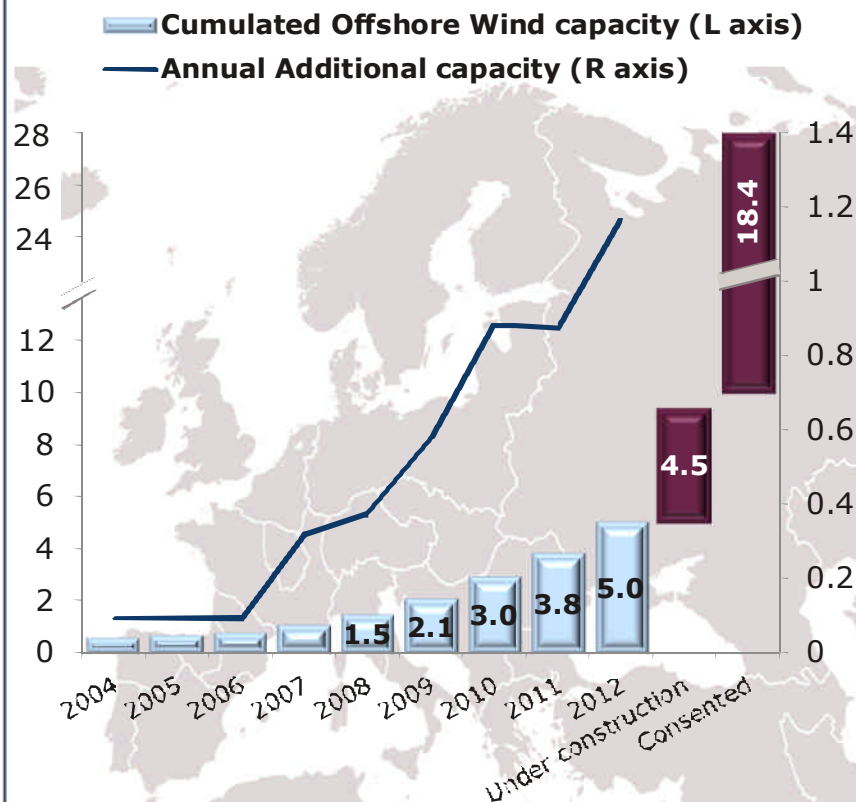
Submarine

High Voltage

# Utilities – Off-shore wind development in Europe still at early stage

High visibility on new projects to be awarded next quarters

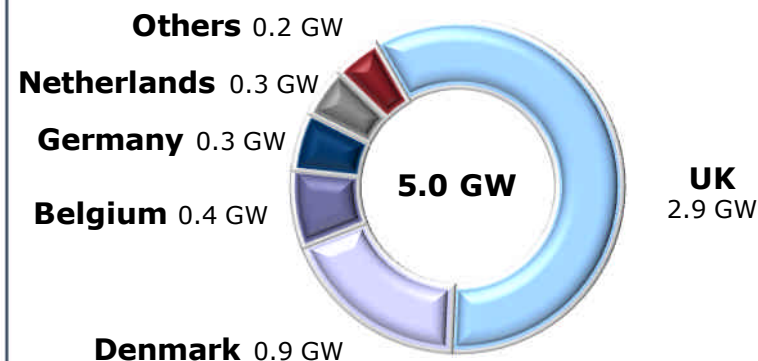
## Europe Offshore Wind capacity (GW)



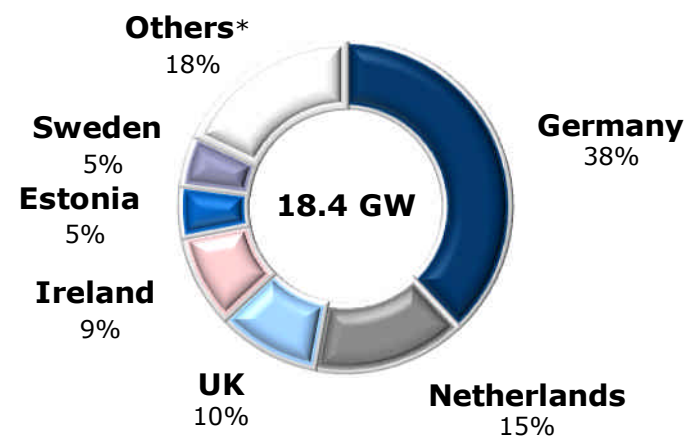
- **Capacity Increase: 1.2 GW** in 2012
- **Total capacity: 5.0 GW** at end 2012 (+30% vs. 2011)
- **Under construction: 4.5 GW** at end 2012
- **Consented: 18.4 GW**

Source: EWEA (January 2013)

## Europe 2012 Cumulated Capacity by Country



## Consented Offshore Capacity by Country



\* Include Finland, Belgium, Greece, Italy, Latvia, France

# Trade & Installers

Euro Millions, % on Sales – Full Combined Results

## Sales to Third Parties

2,233  $\xrightarrow{-2.6\%*}$  2,159



2011

2012

\* Organic Growth

Note: 2011 reclassified to reflect new segment reporting

## Highlights

- Weak volume in Q4'12 expected to continue due to lower construction activity in Europe
  - Europe: focus on profitability and cash flow in a declining demand in Central and South Europe. Ongoing production capacity rationalization
  - Positive demand in US and Canada expected to drive higher contribution in profitability
  - Growing volume in South America and APAC (e.g. Singapore, Malaysia, HK, Indonesia)
- Focus on product portfolio rationalization and service to the customers

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

73 77



2011

2012

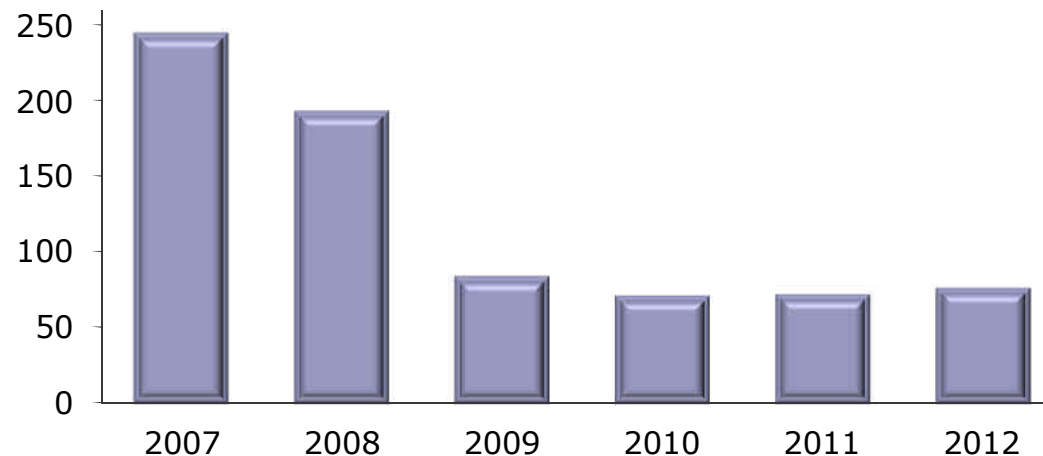
3.3%

3.6%

(1) Adjusted excluding non-recurring income/expenses  
Note: 2011 reclassified to reflect new segment reporting

## Adj.EBITDA<sup>a)</sup> evolution from peak to bottom

Euro millions

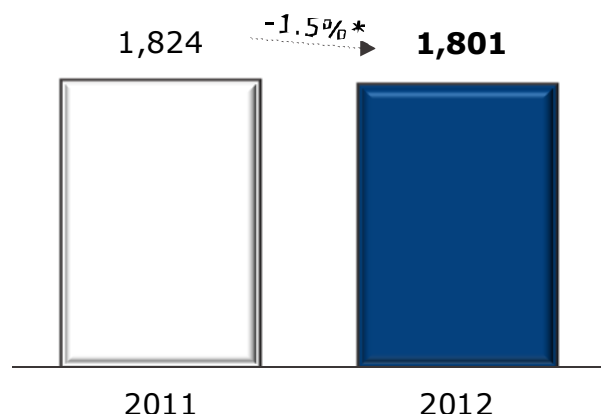


a) Full combined. 2007-2009: T&I business for Prysmian and E&I business for Draka; 2010-2012 T&I for both Prysmian and Draka according to Prysmian definitions

# Industrial

Euro Millions, % on Sales – Full Combined Results

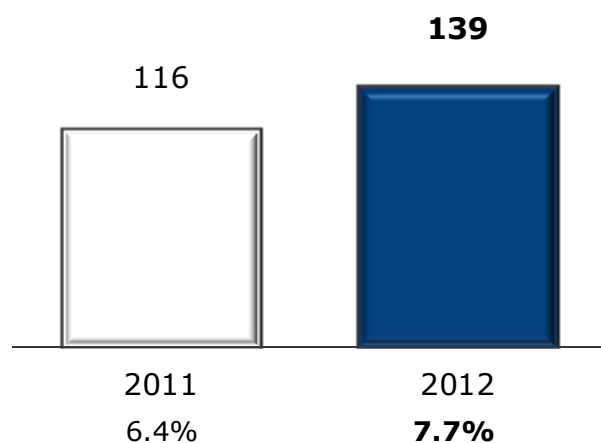
## Sales to Third Parties



\* Organic Growth

Note: 2011 reclassified to reflect new segment reporting

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



(1) Adjusted excluding non-recurring income/expenses  
Note: 2011 reclassified to reflect new segment reporting

## Highlights

### OGP

- Positive performance in off-shore during 2012 with growing order-book in North Europe and Asia. Increasing exposure to large Asian markets (e.g. China, Singapore) to benefit from strong demand

### SURF

- 2012 deliveries lower than expected. Still limited visibility on 2013 for flexible pipes; growing order book in umbilicals
- DHT: double digit growth in sales and profitability in 2012. Positive outlook on 2013 based on strong order-book

### Elevator

- Sales and profitability increase supported by the US market. Leveraging on wide customer base to enlarge presence in Europe, APAC and South America

### Renewable

- Lower demand in Europe. Incentives renewed in US expected to drive volume recovery mainly from H2'13

### Automotive

- Focus on efficiencies and production costs optimization in a difficult European market. Positive demand in Apac and North/South America partially offsetting Europe

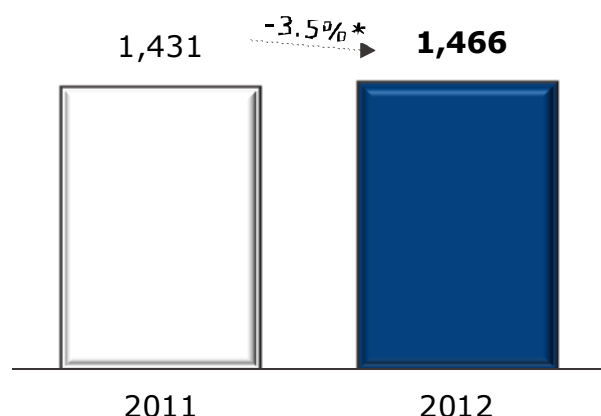
### Specialties & OEM

- Expected to keep a stable trend next quarters thanks to positive demand in North/South America and Asia. Lower investments in Europe

# Telecom

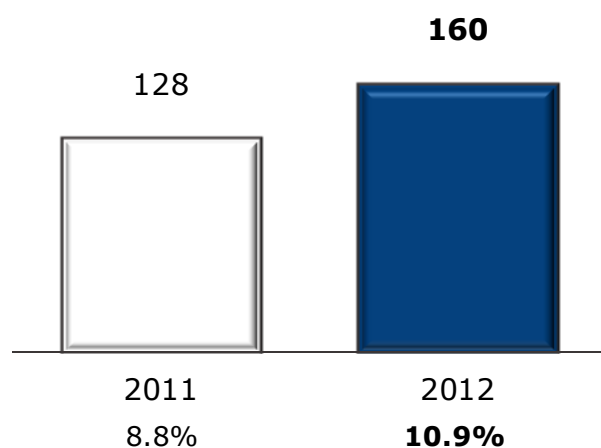
Euro Millions, % on Sales – Full Combined Results

## Sales to Third Parties



\* Organic Growth

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



(1) Adjusted excluding non-recurring income/expenses

## Highlights

- Weak sales performance in H2'12 mainly due to lower volumes in North/South America for optical and overall declining trend in copper cables
- Record adj.ebitda margin achieved in 2012. Profitability increase attributable to better sales mix, industrial efficiencies and fixed costs reduction

### Optical / Fiber

- **Europe:** positive volume trend supported by major countries (e.g. UK, Italy and Spain)
- **North America:** low H2'12 due to incentives suspended. Volume down to pre-stimulus level (2010)
- **Australia:** Strong performance expected in H1'13 due to a low comparable basis. High investments confirmed
- **Brazil:** volume recovery mainly expected from H2'13 thanks to reintroduction of stimulus packages
- **China:** high investments in all applications (Backbone, Metropolitan Ring and Access network) supporting positive demand

### Multimedia & Specials

- Increased profitability confirmed on back of extended commercial footprint (products and regions), and sustainable cost reduction

### OPGW

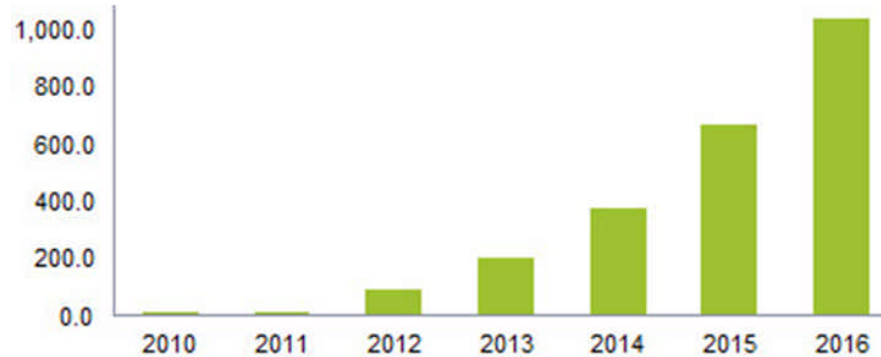
- Growing sales in Spain, Middle East & Africa

# Telecom – FTTA as key driver of optical demand

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

**Number of Global LTE Subscribers Forecast**

Millions of users



Source: IHS iSuppli Research, January 2013

**Roof top antenna  
towers for urban  
applications**

**Antenna towers  
used by 4G and LTE  
networks**

**Distributed antenna  
systems for dense mobile  
populations areas**



# AGENDA

- FY 2012 Highlights
  - Group Overview
  - Results by business

- Financial Results

- Appendix

# Profit and Loss Statement

Euro Millions

	FY 2012	FY 2011 Reported <sup>a)</sup>	FY 2011 Combined <sup>b)</sup>
<b>Sales</b>	<b>7,848</b>	<b>7,583</b>	<b>7,973</b>
<i>YoY total growth</i>	<i>(1.6%) c)</i>		
<i>YoY organic growth</i>	<i>(1.8%) c)</i>		
<b>Adj.EBITDA</b>	<b>647</b>	<b>568</b>	<b>586</b>
<i>% on sales</i>	<i>8.2%</i>	<i>7.5%</i>	<i>7.3%</i>
<i>Non recurring items</i>	<i>(101)</i>	<i>(299)</i>	
<b>EBITDA</b>	<b>546</b>	<b>269</b>	
<i>% on sales</i>	<i>7.0%</i>	<i>3.4%</i>	
<b>Adj.EBIT</b>	<b>483</b>	<b>426</b>	<b>435</b>
<i>% on sales</i>	<i>6.2%</i>	<i>5.6%</i>	<i>5.5%</i>
<i>Non recurring items</i>	<i>(101)</i>	<i>(299)</i>	
<i>Special items</i>	<i>(20)</i>	<i>(108)</i>	
<b>EBIT</b>	<b>362</b>	<b>19</b>	
<i>% on sales</i>	<i>4.6%</i>	<i>0.3%</i>	
<i>Financial charges</i>	<i>(118)</i>	<i>(120)</i>	
<b>EBT</b>	<b>244</b>	<b>(101)</b>	
<i>% on sales</i>	<i>3.1%</i>	<i>(1.3%)</i>	
<i>Taxes</i>	<i>(73)</i>	<i>(44)</i>	
<i>% on EBT</i>	<i>30.0%</i>	<i>n.m.</i>	
<b>Net income</b>	<b>171</b>	<b>(145)</b>	
<i>Extraordinary items (after tax)</i>	<i>(111)</i>	<i>(376)</i>	
<b>Adj.Net income</b>	<b>282</b>	<b>231</b>	

a) Includes Draka Group's results since 1 March 2011

b) Includes Draka Group's results since 1 January 2011

c) Variation calculated on FY 2011 Combined

# Extraordinary Effects

Euro Millions

	FY 2012	FY 2011 Reported <sup>a)</sup>
Antitrust investigation	(1)	(205)
Restructuring	(74)	(56)
Draka transaction costs	-	(6)
Draka integration costs	(9)	(12)
Draka change of control effects	-	(2)
Inventory step-up (PPA)	-	(14)
Other	(17)	(4)
<b>EBITDA adjustments</b>	<b>(101)</b>	<b>(299)</b>
Special items	(20)	(108)
Gain/(loss) on metal derivatives	14	(62)
Assets impairment	(24)	(38)
Other	(10)	(8)
<b>EBIT adjustments</b>	<b>(121)</b>	<b>(407)</b>
Gain/(Loss) on other derivatives <sup>(1)</sup>	18	7
Gain/(Loss) exchange rate	(29)	(21)
Other one-off financial Income/exp.	(5)	-
<b>EBT adjustments</b>	<b>(137)</b>	<b>(421)</b>
Tax	26	45
<b>Net Income adjustments</b>	<b>(111)</b>	<b>(376)</b>

## Notes

(1) Includes currency and interest derivatives

a) Includes Draka Group's results since 1 March 2011

# Financial Charges

Euro Millions

	FY 2012	FY 2011 Reported <sup>a)</sup>
<b>Net interest expenses</b>	<b>(109)</b>	<b>(104)</b>
Bank fees Amortization	(10)	(11)
Gain/(loss) on exchange rates	(29)	(21)
Gain/(loss) on derivatives <sup>(1)</sup>	18	7
Non recurring effects	(5)	-
<b>Net financial charges</b>	<b>(135)</b>	<b>(129)</b>
Share in net income of associates	17	9
<b>Total financial charges</b>	<b>(118)</b>	<b>(120)</b>

## Notes

(1) Includes currency and interest derivatives

a) Includes Draka Group's results since 1 March 2011

# Statement of financial position (Balance Sheet)

Euro Millions

	31 December 2012	31 December 2011
Net fixed assets	2,311	2,255
<i>of which: intangible assets</i>	655	618
<i>of which: property, plants &amp; equipment</i>	1,543	1,544
Net working capital	479	552
<i>of which: derivatives assets/(liabilities)</i>	(7)	(27)
<i>of which: Operative Net working capital</i>	486	579
Provisions & deferred taxes	(369)	(371)
<b>Net Capital Employed</b>	<b>2,421</b>	<b>2,436</b>
Employee provisions	344	268
Shareholders' equity	1,159	1,104
<i>of which: attributable to minority interest</i>	47	62
Net financial position	918	1,064
<b>Total Financing and Equity</b>	<b>2,421</b>	<b>2,436</b>

# Cash Flow

Euro Millions

	FY 2012	FY 2011 Combined <sup>a)</sup>
<b>Adj. EBITDA</b>	<b>647</b>	<b>586</b>
Non recurring items	(101)	(303)
<b>EBITDA</b>	<b>546</b>	<b>283</b>
Net Change in provisions & others	(1)	197
Release of inventory step-up	-	14
<b>Cash flow from operations (before WC changes)</b>	<b>545</b>	<b>494</b>
Working Capital changes	75	91
Paid Income Taxes	(74)	(98)
<b>Cash flow from operations</b>	<b>546</b>	<b>487</b>
Acquisitions	(86)	(501)
Net Operative CAPEX	(141)	(150)
Net Financial CAPEX	8	4
<b>Free Cash Flow (unlevered)</b>	<b>327</b>	<b>(160)</b>
Financial charges	(129)	(132)
<b>Free Cash Flow (levered)</b>	<b>198</b>	<b>(292)</b>
<b>Free Cash Flow (levered) excl. acquisitions</b>	<b>284</b>	<b>209</b>
Dividends	(45)	(37)
Other Equity movements	1	1
<b>Net Cash Flow</b>	<b>154</b>	<b>(328)</b>
<b>NFP beginning of the period</b>	<b>(1,064)</b>	<b>(732)</b>
Net cash flow	154	(328)
Other variations	(8)	(4)
<b>NFP end of the period</b>	<b>(918)</b>	<b>(1,064)</b>

a) Includes Draka Group's results since 1 January 2011

# Dividends

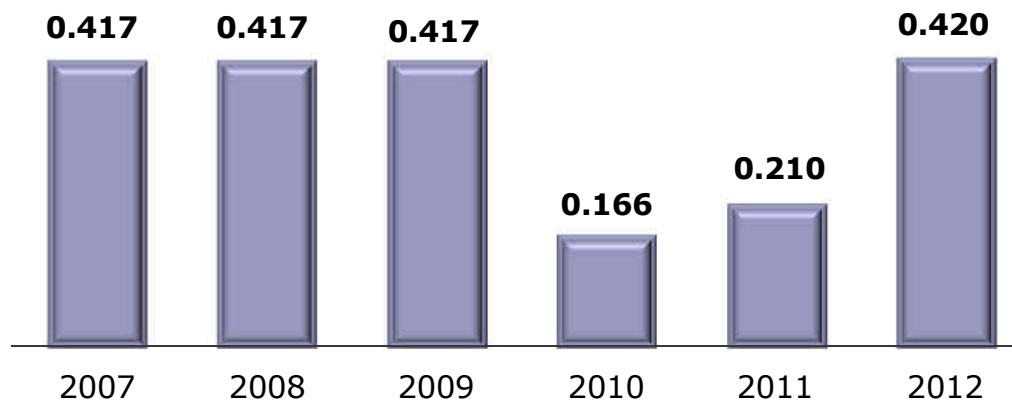
Strong dividend increase supported by high cash generation

## Proposed DPS doubled vs. 2011

- **Dividend Per Share** **€ 0.420**
  - Total payout: € 89 millions
  - Ex-dividend date: 22 April 2013
  - Payment date: 25 April 2013
- **Dividend Yield:** 2.7% <sup>(3)</sup>

## DPS evolution

Euro per share



**Total Shares <sup>(1)</sup>**

**214,508,781**

**Shares with dividend right <sup>(2)</sup>**

**211,480,281**

**Dividend Per Share**

**€ 0.420**

<sup>(1)</sup> Outstanding as of February 27, 2013

<sup>(2)</sup> Shares with dividend right: Total shares outstanding (214,508,781) – Treasury shares owned by the Company (3,028,500)

<sup>(3)</sup> Based on last 30 trading days average share closing price (€ 15.675) at February 22, 2013

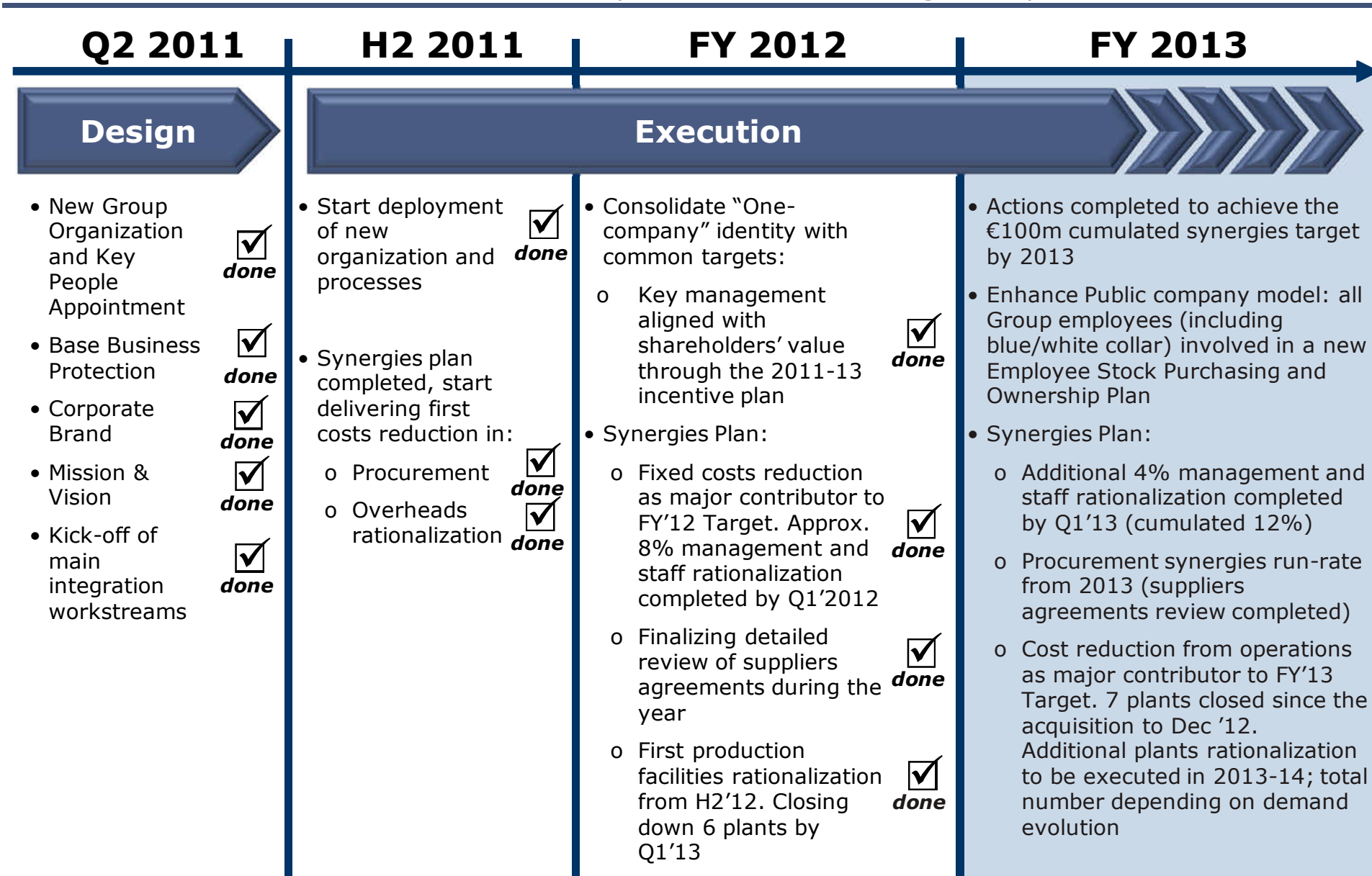


# AGENDA

- FY 2012 Highlights
  - Group Overview
  - Results by business
- Financial Results
- Appendix

# Integration process update

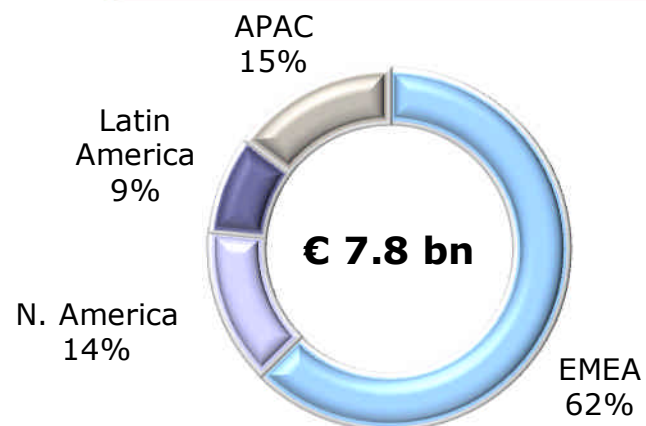
In 2011-12 executed over 50% of actions planned in the full integration process



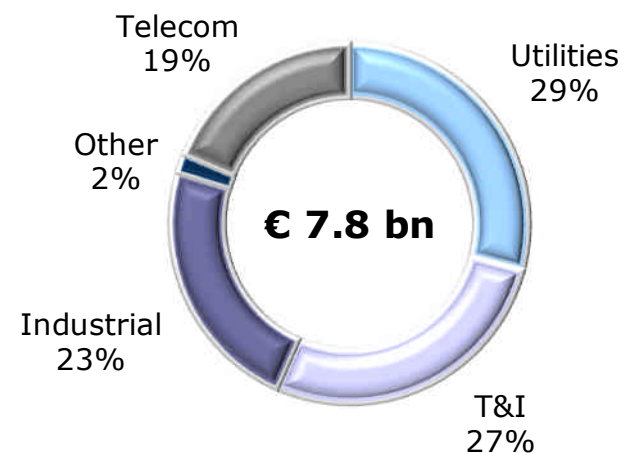
# Prysmian Group at a glance

FY 2012 Results

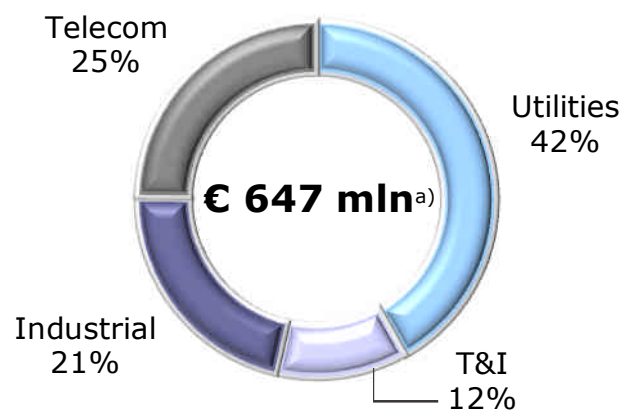
## Sales breakdown by geography



## Sales breakdown by business

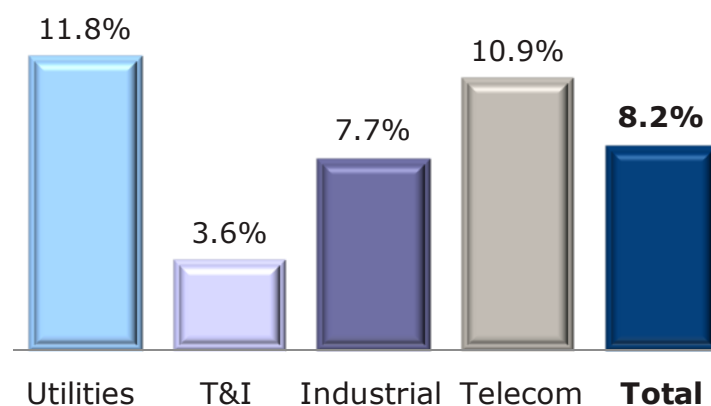


## Adj. EBITDA by business



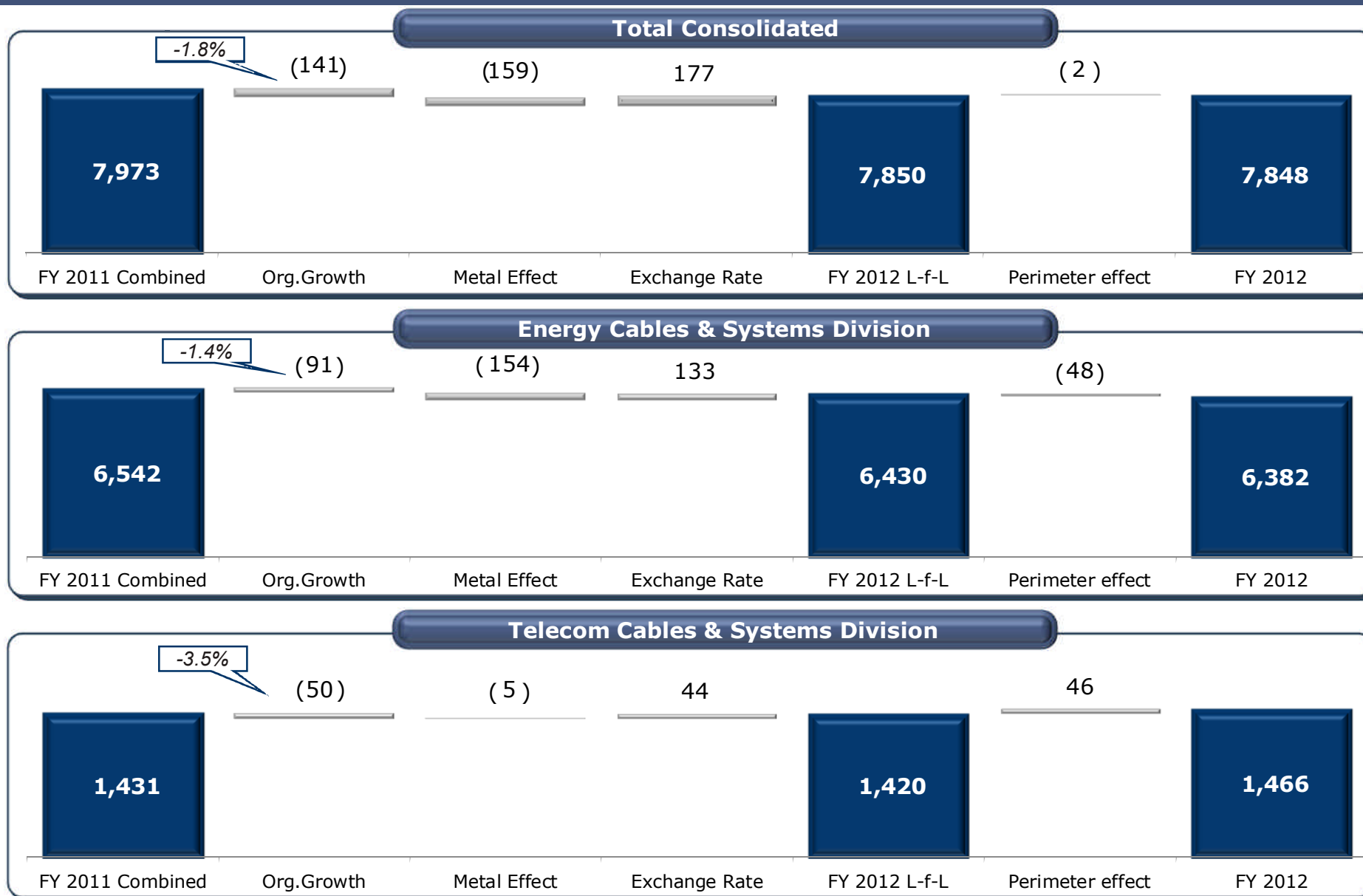
<sup>a)</sup> Includes Other Energy Business (€1 mln)

## Adj. EBITDA margin by business



# Bridge Consolidated Sales

Euro Millions – Full Combined



# Energy Segment – Profit and Loss Statement

Euro Millions

	FY 2012	FY 2011 Reported <sup>a)</sup>	FY 2011 Combined <sup>b)</sup>
<b>Sales to Third Parties</b>	<b>6,382</b>	<b>6,268</b>	<b>6,542</b>
<i>YoY total growth</i>	<i>(2.4%) <sup>c)</sup></i>		
<i>YoY organic growth</i>	<i>(1.4%) <sup>c)</sup></i>		
<b>Adj. EBITDA</b>	<b>487</b>	<b>447</b>	<b>458</b>
<i>% on sales</i>	<i>7.6%</i>	<i>7.1%</i>	<i>6.9%</i>
<b>Adj. EBIT</b>	<b>379</b>	<b>348</b>	<b>354</b>
<i>% on sales</i>	<i>5.9%</i>	<i>5.5%</i>	<i>5.3%</i>

<sup>a)</sup> Includes Draka Group's results since 1 March 2011  
<sup>b)</sup> Includes Draka Group's results since 1 January 2011  
<sup>c)</sup> Variation calculated on FY 2011 Combined

# Energy Segment – Sales and Profitability by business area

Euro Millions, % of Sales Growth – FY combined

		FY 2012	FY 2011 Comb.	Total growth	Organic growth
Sales to Third Parties	Utilities	2,287	2,318	(1.3%)	1.1%
	Trade & Installers	2,159	2,233	(3.3%)	(2.6%)
	Industrial	1,801	1,824	(1.3%)	(1.5%)
	Others	135	167	n.m.	n.m.
	<b>Total Energy</b>	<b>6,382</b>	<b>6,542</b>	<b>(2.4%)</b>	<b>(1.4%)</b>
Adj. EBITDA	Utilities	270	264	11.8%	11.4%
	Trade & Installers	77	73	3.6%	3.3%
	Industrial	139	116	7.7%	6.4%
	Others	1	5	n.m.	n.m.
	<b>Total Energy</b>	<b>487</b>	<b>458</b>	<b>7.6%</b>	<b>6.9%</b>
Adj. EBIT	Utilities	234	238	10.2%	10.3%
	Trade & Installers	49	35	2.3%	1.6%
	Industrial	99	79	5.5%	4.3%
	Others	(3)	2	n.m.	n.m.
	<b>Total Energy</b>	<b>379</b>	<b>354</b>	<b>5.9%</b>	<b>5.3%</b>

Note: FY2011 reclassified to reflect new segment reporting

# Telecom Segment – Profit and Loss Statement

Euro Millions

	FY 2012	FY 2011 Reported <sup>a)</sup>	FY 2011 Combined <sup>b)</sup>
<b>Sales to Third Parties</b> <i>YoY total growth</i> <i>YoY organic growth</i>	<b>1,466</b> 2.4% <sup>c)</sup> (3.5%) <sup>c)</sup>	<b>1,315</b>	<b>1,431</b>
<b>Adj. EBITDA</b> <i>% on sales</i>	<b>160</b> 10.9%	<b>121</b> 9.1%	<b>128</b> 8.8%
<b>Adj. EBIT</b> <i>% on sales</i>	<b>104</b> 7.1%	<b>78</b> 5.8%	<b>81</b> 5.6%

a) Includes Draka Group's results since 1 March 2011  
b) Includes Draka Group's results since 1 January 2011  
c) Variation calculated on FY 2011 Combined

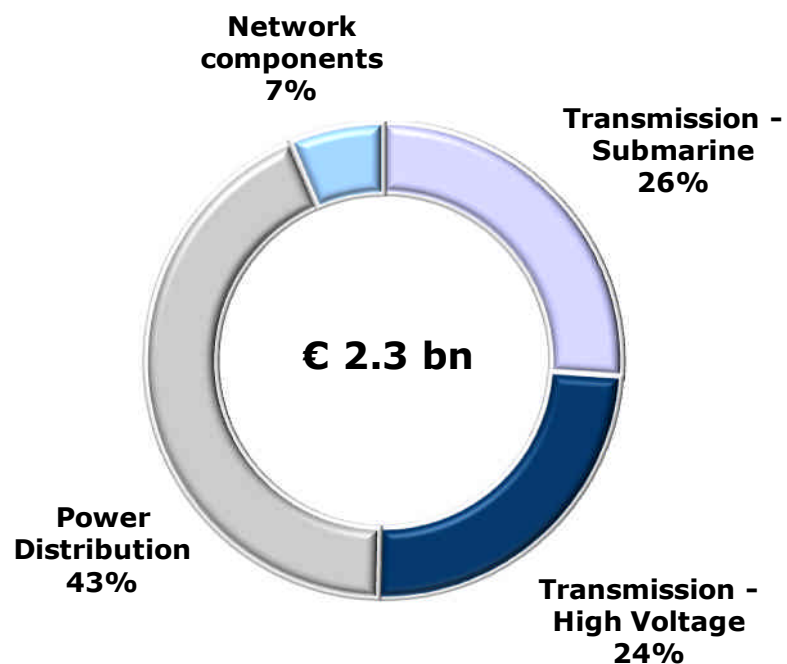


# Utilities – Submarine as key driver of profitability increase

Record Order-book despite European outlook confirms commitment on renewables and interconnections

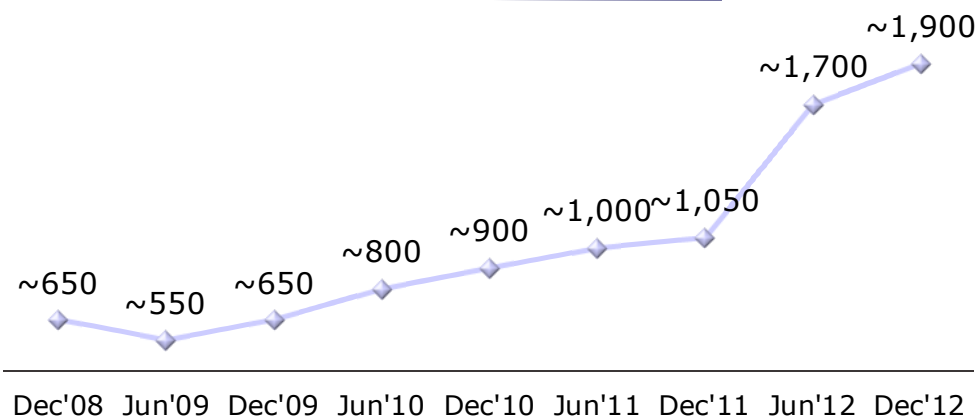
## Sales breakdown

FY 2012



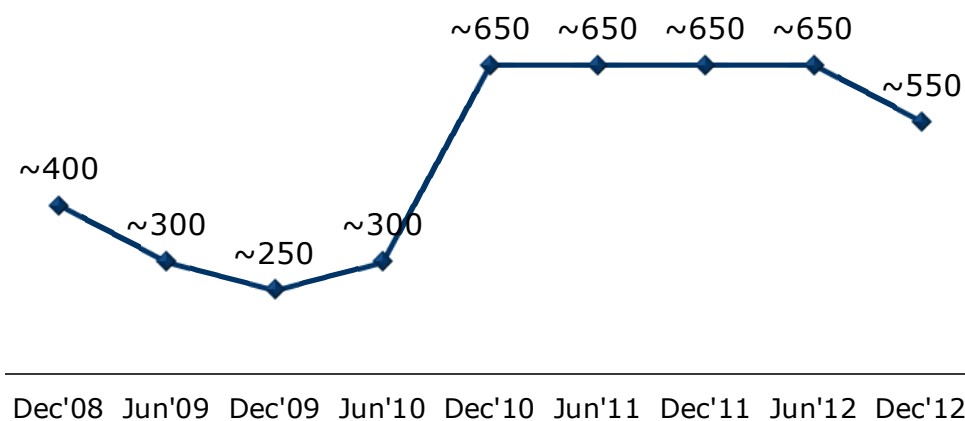
## Orders Backlog Evolution

Submarine (€ million)



## Orders Backlog Evolution

High Voltage (€ million)

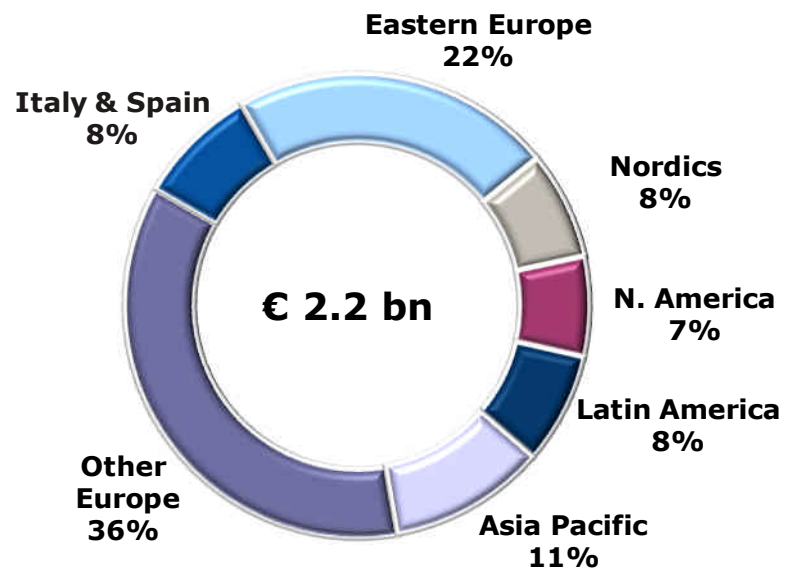


# Trade & Installers

## Sales breakdown

### Sales breakdown by geographical area

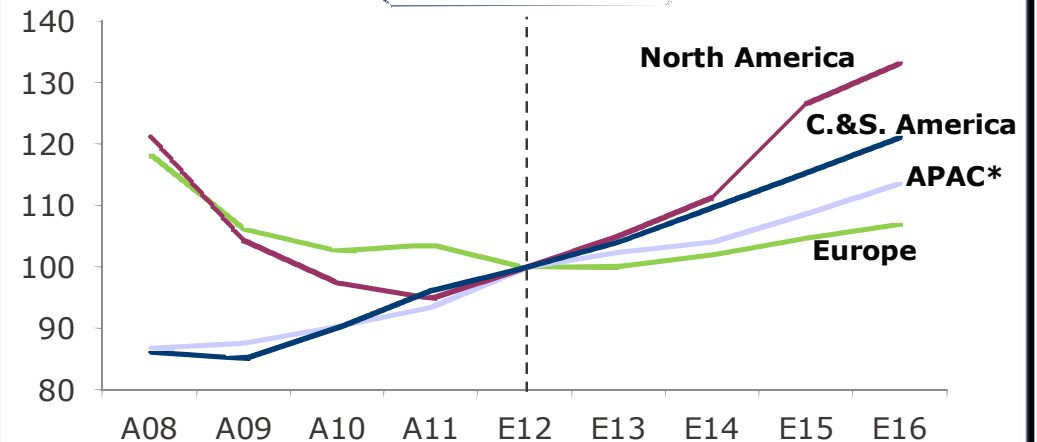
FY 2012



Nordics: Norway, Sweden, Finland, Denmark, Estonia  
 Eastern Europe: Austria, Czech Rep, Slovakia, Hungary, Romania, Turkey, Russia

### Total Construction Investments

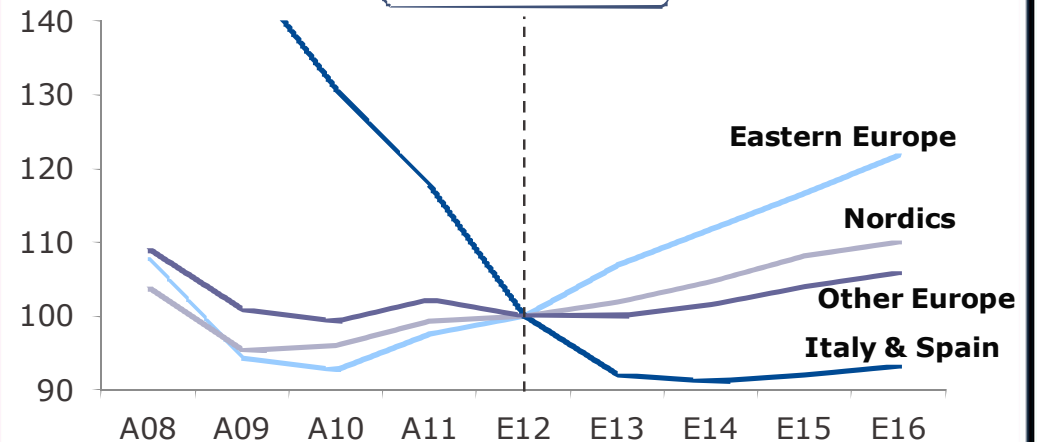
2012 = 100



\* Excl. China

### Focus on Europe

2012 = 100



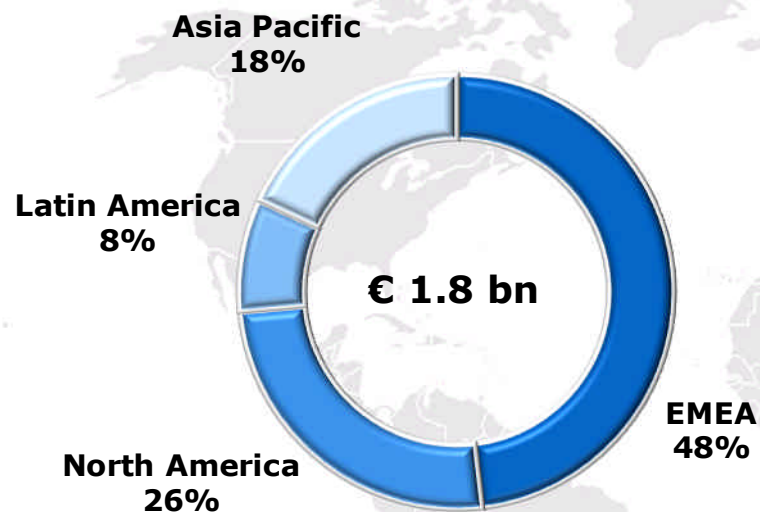
Source: Cresme Ricerche - Euroconstruct, December 2012

# Industrial

## Sales breakdown

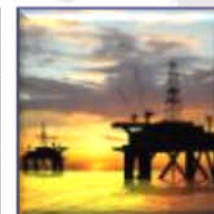
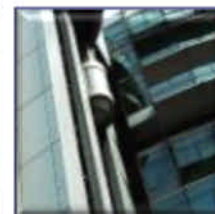
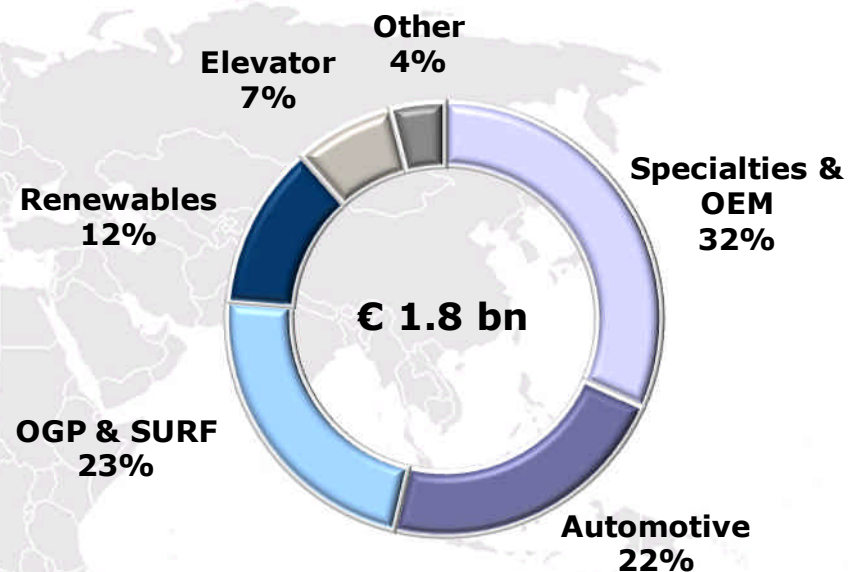
### Sales breakdown by geographical area

FY 2012



### Sales breakdown by business segment

FY 2012

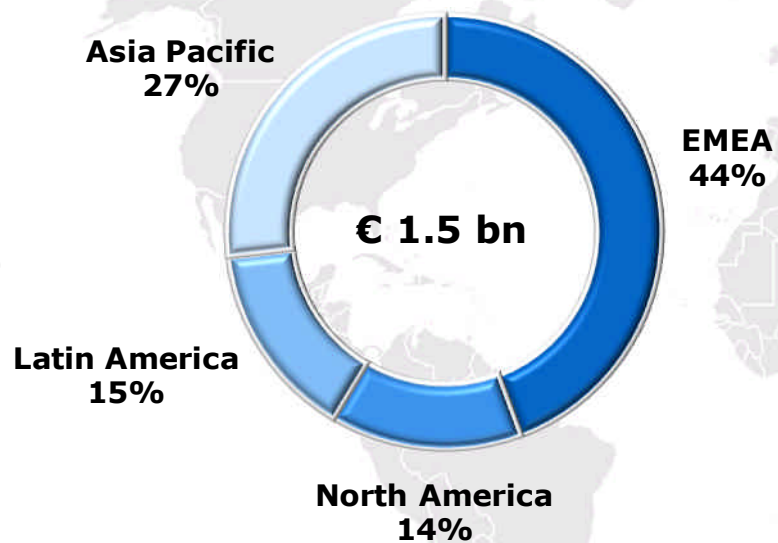


# Telecom

Sales breakdown

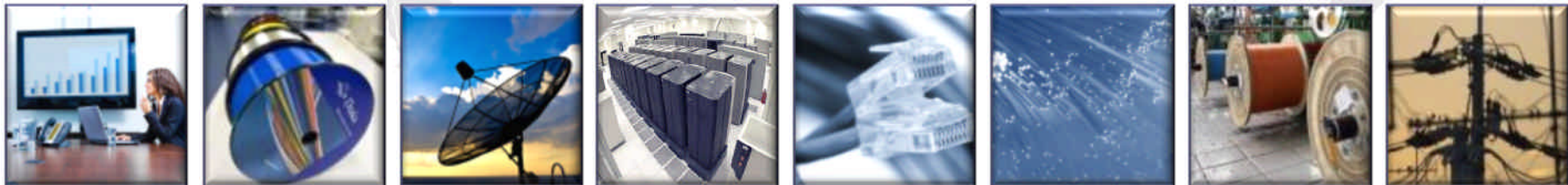
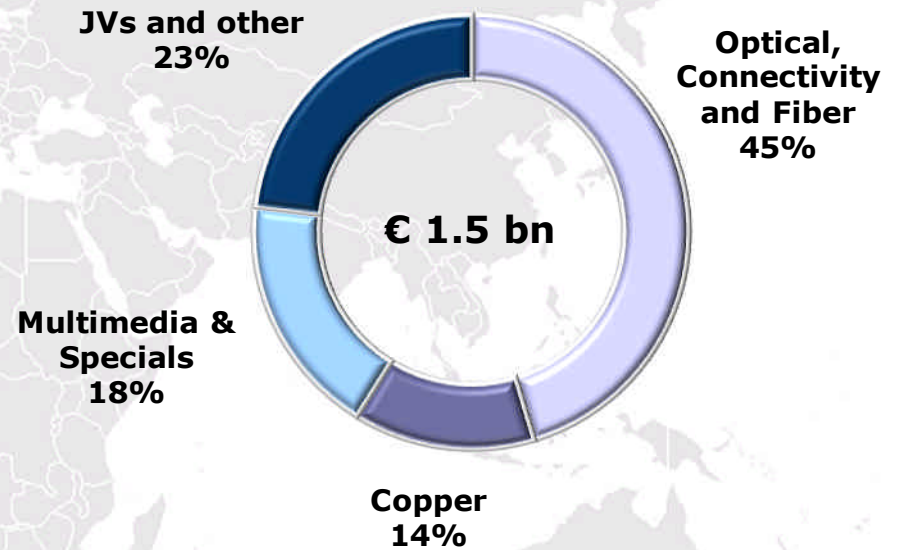
## Sales breakdown by geographical area

FY 2012



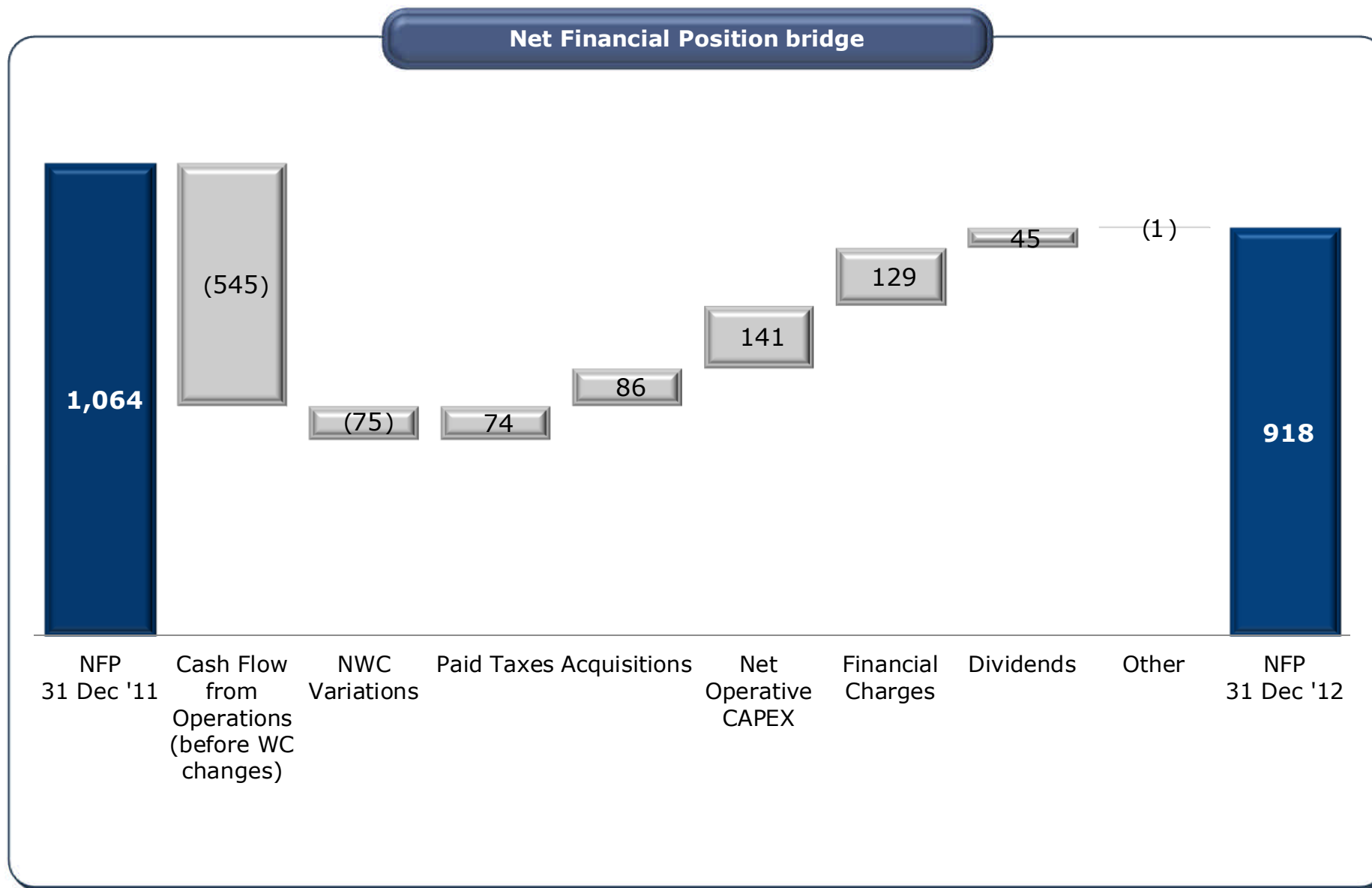
## Sales breakdown by business segment

FY 2012



# Evolution of Net Financial Position

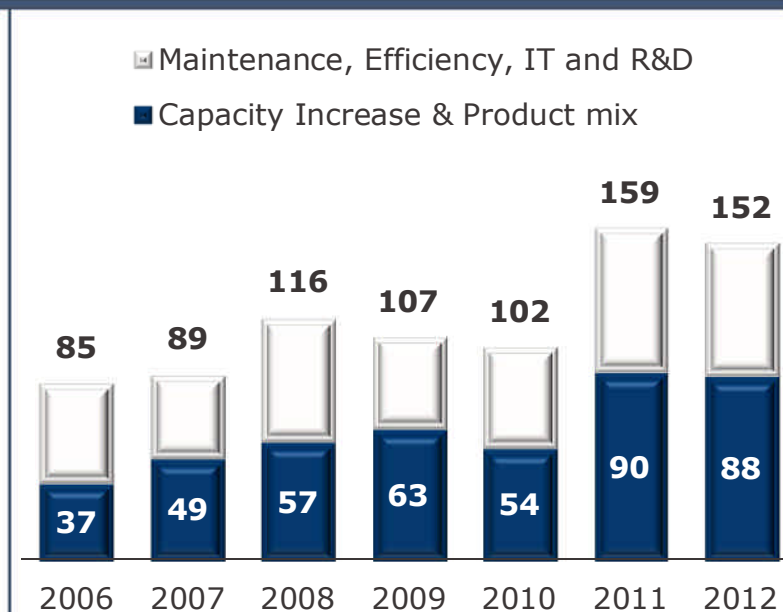
Euro Millions



# CAPEX evolution

Investments focused on high value added businesses

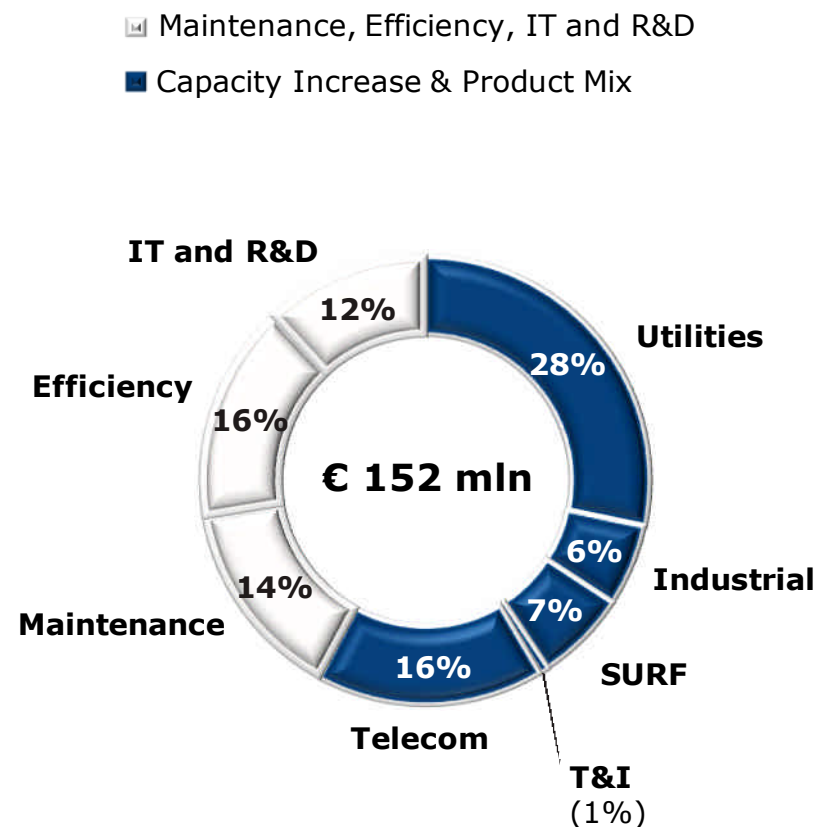
## Capacity Increase & Product mix (€m)



Utilities	35%	73%	72%	43%	22%	60%	<b>49%</b>
Industrial	3%	14%	9%	6%	2%	7%	10%
Surf	57%	-	4%	43%	65%	21%	<b>12%</b>
T&I	-	10%	2%	-	-	1%	1%
Telecom	5%	3%	13%	8%	11%	11%	<b>28%</b>
Total <sup>(1)</sup>	100%	100%	100%	100%	100%	100%	100%

(1) % of Capacity Increase & Product mix  
Note: Draka consolidated since 1 March 2011

## 2012 Capex by destination

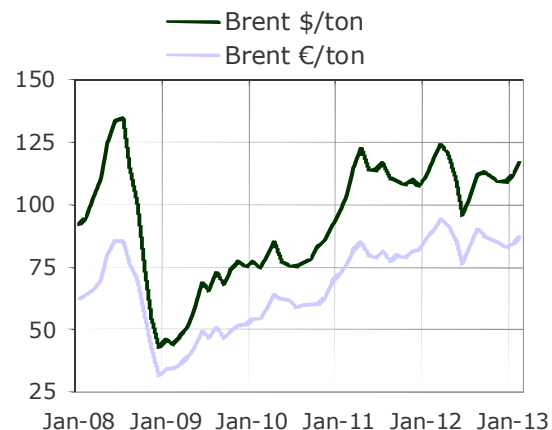




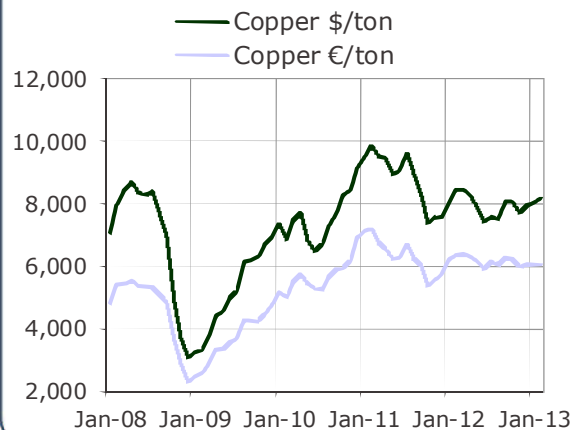
# Reference Scenario

## Commodities & Forex

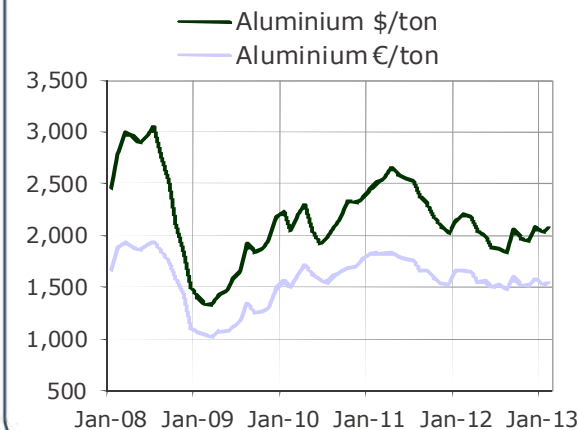
**Brent**



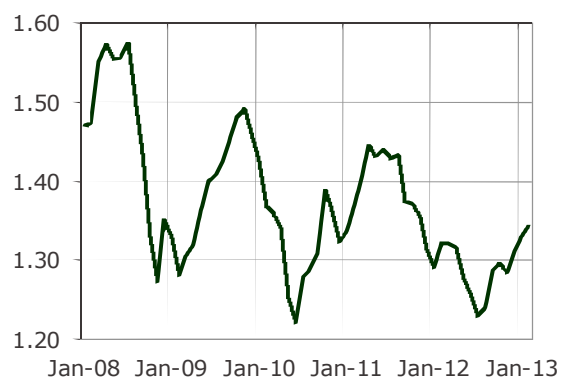
**Copper**



**Aluminium**



**EUR / USD**



**EUR / GBP**



**EUR / BRL**



Based on monthly average data  
Source: Thomson Reuters

# Disclaimer

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- 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.
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