

PRYSMIAN GROUP SIGNS MAJOR CONTRACTS WITH BRAZILIAN PETROBRAS**NEW FRAME AGREEMENT FOR UMBILICALS WORTH TOTAL \$ 260 M****EXTENSION OF FLEXIBLE PIPES FRAME AGREEMENT WORTH TOTAL \$ 95 M**

Milan, 1 October 2013 – Prysmian Group, world leader in the energy and telecom cable systems industry, has been awarded new major contract worth a total of up to approximately \$ 260 Million, related to a frame agreement for Umbilical products for offshore oil and gas extraction, by Brazilian oil company Petrobras.

The award refers to a frame agreement for 360 km of Umbilicals, most of it to be used in pre-salt fields, in 16 different cross sections and related ancillaries, offshore services and qualifications, worth approximately \$ 260 Million with 50% minimum purchasing commitment and call-off orders to be placed within a two-year period.

The Group has also been awarded by Petrobras the extension to 2016 of the existing frame agreement for flexible pipes, worth a total of \$ 95 Million of which \$ 20 Million have already been called off for the Macabu, Jubarte and Marlim Leste fields.

Both the Umbilicals and the Flexible Pipes for the new contracts will be manufactured in the Group's state-of-the-art plants in Vila Velha, Brazil, an industrial plant with high production capacity and a strategic location (on the Vitoria channel - Espirito Santo State) fully dedicated to Subsea Umbilicals, Risers and Flowlines (SURF).

The Group has a long-standing tradition of more than 35 years of technical and commercial partnerships with Petrobras, with Technical Cooperation Agreements and supplies of flexible pipes and umbilicals - both Steel Tube and Thermoplastic- for several Petrobras' projects. "The partnership with Petrobras has represented a major step forward for Prysmian in expanding its business in the Oil Gas & Petrochemicals industry, confirming the Group's strategic commitment to investing in value-added, high-tech businesses requiring specialist know-how" jointly declare Prysmian Group CEO Valerio Battista and Prysmian Brazil CEO Armando Comparato Jr.

"We have achieved important results and we are about to finalise the on-going qualification process for 6" flexible pipes, thus taking another significant step forward in our technological cooperation agreement with Petrobras" adds José Luiz Dacal Castro, VP and Head of Prysmian's SURF BU. "We are also strongly engaged to develop products and technologies for the harsher Pre-Salt layer".

Over the past years Prysmian has been investing in the construction of the Vila Velha plants for umbilicals and flexible pipes with the aim of diversifying and further expanding its activities in the market of technology and products for the OG&P industry. The flexible pipes plant has complemented the umbilical plant, opened in 2007, and the addition of flexible pipes to its product range has enabled Prysmian to offer the OG&P industry a comprehensive range of SURF products (Subsea Umbilicals, Risers and Flowlines). Now thanks to the merger between Prysmian and Draka, the Group can rely also on two plants in North America, thus broadening the available range of products technology to special Down Hole Technology (DHT) systems (manufactured in Massachusetts and New Jersey) and creating interesting cross-selling opportunities to accelerate the business's expansion also in new strategic areas such as ASEAN, Northern Europe and Western Africa.

With a presence in Brazil since 1929, the Group is active in all of the most strategic businesses of the cable industry, from high and extra high voltage systems to high-tech cables for the oil industry and optical cables for telecommunications. With six plants and one R&D centre, Prysmian has more than one thousand employees in Brazil. Recently, the Group has also launched production of its full portfolio of cabling solutions for the offshore Oil&Gas industry in its Brazil units, in order to be ready to face the challenges offered by the Brazilian market by supplying local-to-local with the strong support of global expertise, track record and reliability.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cables and systems industry. With over 130 years of experience, sales of some €8 billion in 2012, about 20,000 employees across 50 countries and 91 plants, the Group is strongly positioned in high-tech markets and offers the widest range of products, services, technologies and know-how. In the Energy sector, Prysmian Group operates in the business of underground and submarine power transmission cables and systems, special cables for applications in many different industrial sectors and medium and low voltage cables for the construction and infrastructure industry. In the Telecom sector, the Group manufactures cables and accessories for the voice, video and data transmission industry, offering a complete range of optical fibres, optical and copper cables and connectivity systems. Prysmian is a public company, listed on the Milan Stock Exchange in the FTSE MIB index.

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