

PRESS RELEASE

PRYSMIAN SECURES THE HIGHEST VALUE CABLE PROJECT EVER AWARDED, WORTH €800 MILLION

THE WESTERN HVDC LINK, CONNECTING THE SCOTTISH AND THE ENGLISH POWER GRIDS, SETS A RECORD IN TERMS OF VOLTAGE (600 kV) AND HAS A CURRENTLY UNMATCHED TRANSMISSION CAPACITY FOR LONG-HAUL SYSTEMS OF 2200 MW

THE NEW STATE-OF-THE ART HVDC SUBMARINE CABLE LINK IS STRATEGIC FOR THE UK, ALLOWING POWER TRANSMISSION FROM RENEWABLE SOURCES IN SCOTLAND TO CONSUMPTION CENTERS IN ENGLAND

PRYSMIAN, WHICH WON THE CONTRACT IN CONSORTIUM WITH SIEMENS, RECONFIRMS ITS UNDISPUTED PROMINENT ROLE IN THE SUBMARINE CABLE SECTOR IN TERMS OF MARKET SHARE, TRACK RECORD, TECHNOLOGY AND KNOW-HOW

Milan, February 16, 2012. Prysmian Group, world leader in the energy and telecom cables and systems industry, has been awarded a record contract worth approximately 800 million Euro, the highest value ever awarded in the cable business, for the development of Western HVDC Link, a new submarine High Voltage Direct Current (HVDC) interconnector between Scotland and England. The whole turnkey project will be executed by a consortium of Prysmian and Siemens who will be responsible for the HVDC converter stations. Total value of the contract awarded to the Consortium by NGET/SPT Upgrades Ltd, a JV set up by the system operator National Grid Electricity Transmission and its Scottish counterpart Scottish Power Transmission, is around 1.1 billion Euro. Commissioning is scheduled by late 2015.

The Western HVDC Link interconnection is strategic for the upgrade of the entire British transmission grid, as the UK is heading towards a low carbon economy with a massive utilization of power from renewable sources. The project represents a milestone not only for its value but also in terms of technological features, setting new industry records. The interconnection, designed as a low loss High Voltage Direct Current (HVDC) transmission system, will operate at the record voltage level of 600 kV, the highest ever reached by an insulated cable (to date the record is 500 kV) with a rating of 2200 MW - both currently unmatched for long-haul systems. The main purpose of the cable link is to connect renewable generation sources in Scotland to the consumption centers in England, although it also allows bi-directional flow of power. The choice of a submarine cable link versus a land interconnection offers remarkable benefits in terms of project approval and execution time.

"This milestone reconfirms our undisputed prominent role in the submarine cables sector - states Fabio Romeo Executive Vice President Energy Business - both in terms of market share and track record and in terms of know-how and innovation capabilities. In addition, I would also like to highlight our ever-increasing commitment to the renewable energies sector, with a wide range of high-end products and technologies available to support the development of greener and smarter power grids".

The project requires full turnkey provision of an HVDC link (design, manufacture, installation, testing and commissioning) and considers a bi-pole of cables using PPL (Paper Polypropylene Laminate) insulation, with enhanced electrical and thermal performance. Prysmian has been a forerunner in bringing on the market Mass Impregnated PPL cables an innovative material technology that allows reaching higher voltage classes, reduced cables dimensions for equivalent transmission capacity and optimized power losses. The undisputed expertise in the field of MI PPL cables represented a key success factor for Prysmian in winning the award.

With a route length in excess of 400 km the link includes a short land section in Scotland and a significant land portion in England-Wales; the submarine part will be installed in the Irish Sea. Offshore installation will be performed by Prysmian's own cable ship Giulio Verne.

Prysmian has been taking part in the development of some of the most strategic submarine power interconnections worldwide, supporting the global upgrade of power grids for a better use of available resources with its state-of-the-art cable technology. In particular, the Group is currently involved, in the USA, in the execution of the Hudson Transmission Project which will bring clean power to about 600,000 new homes in Manhattan, New York, and has commissioned the Transbay Cable Project in San Francisco. In Europe, Prysmian is playing a key role in the development of power connections for offshore wind farms, with projects either

completed or ongoing in Denmark, Holland, UK and in Germany. In particular, Prysmian can boast its valuable contribution within the most important programme for the development of renewable energies in Europe launched by the German government, with multiple contracts for offshore HVDC grid connection awarded over the last 18 months, namely BorWin2, HelWin1, Helwin2 and SylWin1.

The Group is also strongly committed to the promotion of largest scale initiatives like "Friends of the Supergrid", for the development of a new concept of Pan-European power grid, and Medgrid for the future submarine grid to bring renewable energy from Northern Africa to Europe.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cables and systems industry. With sales of some €7 billion (pro-forma 2010 Prysmian/Draka) and 22,000 employees across 50 countries and 98 plants, the Group is strongly positioned in high-tech markets and provides 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, producing optical fibres, optical cables and connectivity. Prysmian is listed on the Milan Stock Exchange in the Blue Chip index.

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