

PRESS RELEASE

PRYSMIAN AWARDED A \$300 MILLION OPTICAL CABLE SUPPLY AGREEMENT FROM VERIZON COMMUNICATIONS

THE GROUP WILL MAKE SIGNIFICANT INVESTMENTS IN NORTH AMERICA OPTICAL CABLE ORGANIZATION TO SUPPORT THE DEVELOPMENT OF 5G AND NEW BROADBAND NETWORKS

Milan, 8 May, 2017 - Prysmian Group, world leader in the energy and telecom cable systems industry, has been awarded a significant supply agreement from the US telecom company Verizon Communications (NYSE, Nasdaq: VZ) to support the company's US network expansion around a next-generation fiber platform that will speed the deployment of 5G services, while improving 4G LTE and other broadband capacity. The three-year contract is worth approximately \$300 million and will include supply of more than 17 million fibre kilometres of ribbon and loose tube cables.

"As a recognized global leading producer of optical cables, supporting the most advanced infrastructure of many of the world's telecom operators, Prysmian Group is proud to have been chosen by Verizon as partner for the development of such a strategic project, says Hakan Ozmen, CEO of Prysmian Group North America.

Both Prysmian and Verizon feel strongly that demand and supply for next-generation passive optical network (NGPON2) will last well beyond 2020 as new technologies like 5G and the IoT become reality. Prysmian will make a significant investment through 2018 in its US based optical cable organization to support this project and the growth of major telecoms carriers in North America. The Group has a strong heritage in manufacturing optical fiber and cable for a broad range of applications, and has three telecom production sites in the United States, two for the production of optical cable and one for optical fiber, thus continuing its tradition as global leader in the development and design of fiber optic cabling solutions.

Prysmian Group's telecom division has qualified as an optical fiber, optical cable and connectivity solutions provider to Verizon for more than a decade.

Viju Menon, Verizon's chief supply chain officer, said, "Prysmian Group's telecom division is an established optical cable and connectivity solutions provider to Verizon. This strategic supply agreement helps ensure we can ramp supply in order to expand our network capacity and speed 5G deployment."

Philippe Vanhille, SVP Telecom at Prysmian Group, commented "As the world goes wireless, wireless is drawn to fiber. Economic growth and consumer demand depend largely on superfast, gigabit broadband connectivity that is always available. Our pronouncement is that this is best delivered over a fixed optical network."

An aspect of the Prysmian Group and Verizon supply deal involves diversity partnerships, a concept of innovation that goes beyond technology, to include social and sustainability imperatives. A percentage of business will flow through material management services offered by third party handlers that are owned and operated by certified woman business owned enterprises.

Prysmian North America

With 10 plants employing over 2.000 people and revenue of \$1.4B in 2016, Prysmian Group North America serve both the telecom and energy cable markets. Telecom Cables & Systems produces optical fibers, optical cables and connectivity for video, data and voice transmission. Prysmian Group has two fiber optic manufacturing facilities in the United States, including the only co-located fiber and cable facility in North America. In the energy business, Prysmian design and produce cables and systems for the transmission and distribution of low, medium, high and extra high voltage systems.

Prysmian Group

Prysmian Group is world leader in the energy and telecom cable systems industry. With nearly 140 years of experience, sales of over €7.5 billion in 2016, 21,000 employees across 50 countries and 82 plants, the Group is strongly positioned in high-tech markets and offers the widest possible range of products, services, technologies and know-how. It operates in the businesses of underground and submarine cables and systems for power transmission and distribution, of special cables for applications in many different industries and of medium and low voltage cables for the construction and infrastructure sectors. For the telecommunications industry, the Group manufactures cables and accessories for voice, video and data transmission, offering a comprehensive range of optical fibres, optical and copper cables and connectivity systems. Prysmian is a public company, listed on the Italian Stock Exchange in the FTSE MIB index.

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