

January 20, 2014

**To our Valued Customers:**

Subject: Aluminum Cable Pricing Increase Due to Rapid Rise of Midwest US Premium


The Midwest US Premium for aluminum has increased to 20 cents per pound from 11.5 to 12 cents in late December. A lack of available material outside of China and a pick-up in global manufacturing have been the primary drivers behind the rapid rise.

The gap between the London Metal Exchange (LME) basis price and the "all-in" price paid by manufacturers to get physical metal has never been wider. The Midwest US Premium is the cost of freight and handling of shipments from the LME warehouses to the Midwest USA.

Prysmian will increase base pricing for cables with aluminum due to the higher value of the Midwest US Premium.

We appreciate your business and look forward to continuing to serve your needs. Please contact your local Prysmian sales representative with any questions.

Sincerely,



John Halferty  
Business Unit Manager  
Energy & Infrastructure