



Press release

2010 First-Quarter Financial Information

- **Confirmation that activity in the first three months of the year has held steady in a difficult operating context.**
- **Upturn anticipated in the second quarter 2010.**
- **Operating margin expected in the range of 4% at June 30, 2010.**
- **2010 operating margin higher than expected on June 30.**

Paris, April 22, 2010 – Nexans today announced 2010 first-quarter sales of 1.350 billion euros, 971 million euros at constant non-ferrous metal prices*, down 11.1% at constant exchange rates and comparable scope.

After four quarters of negative growth in 2009, sales stabilized in the first months of 2010 at a level close to that of the fourth quarter 2009, especially in Europe and North America, while the figure rose by nearly 10% in the MERA (Middle East, Russia and Africa) area.

While medium and low voltage Energy infrastructure suffered severely from particularly unfavorable weather conditions in the first quarter, special cables for industry and LAN cables both reported a net upturn compared with the fourth quarter 2009, confirming the positive signs observed at the end of last year. Building remains very weak in a context of declining market prices.

Finally, despite the sharp rise in copper prices, the Group's net debt was 197 million euros on March 31, 2010, compared with 362 million euros on March 31, 2009.

In the first quarter, the Group finalized the restructuring operations begun in the second half 2009, especially in France, furthering its efforts to lower the Group's breakeven, and continued to streamline its production facilities. Fixed costs are down by 6% at constant exchange rates compared with what they were at the end of March 2009. Additionally, the Group rolled out a series of marketing and manufacturing initiatives that should contribute to a structural improvement in its operational profitability.

* To neutralize the effect of variations in the purchase price of non-ferrous metals and therefore measure the underlying sales trend, Nexans also calculates its sales using a constant price for copper and aluminum.

2010 FIRST-QUARTER CONSOLIDATED SALES

	Q1 2009	Q1 2010	Organic growth Q1 2010 vs. Q1 2009	Organic growth Q1 2010 vs. Q4 2009
(in millions of euros)	At constant metal prices**	At constant metal prices**		
Energy				
- Infrastructure	444	410	-12.8%	-8.5%
- Industry	196	201	3.3%	9.5%
- Building	238	199	-22.4%	1.4%
Telecoms				
- Infrastructure	48	40	-19.3%	-8.2%
- LAN	55	56	2.8%	3.0%
Other	5	6	N/S	N/S
Sub-total: Cable businesses	986	912	-11.5%	-2.1%
Electrical wires	57	59	-4.7%	20.4%
Group total	1,043	971	-11.1%	-1.0%

ENERGY

First-quarter 2010 energy sales came to 810 million euros. At constant exchange rates, they were down 12.1% compared with the first quarter 2009.

- **Energy infrastructure: soft investment in networks in Brazil and North America was compounded by particularly unfavorable weather conditions in Europe.**

Sales at constant exchange rates and comparable scope contracted by 12.8% compared with the first quarter 2009 and by 8.5% compared with the final quarter 2009.

This contraction reflects weaker activity at the start of the year in Australia, North America and Brazil. In the latter country, the successive deferrals of certain infrastructure projects have resulted in a significant drop in the workload at the Group's plants compared with the situation at the end of the same quarter 2009 when activity was particularly strong.

In Europe, the situation varies significantly between countries: sales in Northern Europe have fallen due to the unfavorable weather conditions; in Germany, utilities have continued to apply the brakes on investment; whereas in France, sales rose by nearly 23% bolstered by strong domestic demand and increased sales to Africa.

** 2009 sales on the basis of comparable data correspond to constant non-ferrous metal sales, recalculated after adjustments for exchange rates. The exchange effect on sales at constant non-ferrous metal prices is 48 million euros.

Sales in the MERA zone were also up sharply, especially due to the gradual ramp-up of the Group's Russian unit.

For high voltage, first-quarter 2010 sales were comparable to the same period a year earlier. The Group expects to sign some significant contracts in the next coming weeks.

With regard to submarine cables, the good level of tenders points to an increase in the order backlog in the years ahead. Adapting the production facilities and the rollout of additional investments are the keys to maintain this activity's profitability.

- **Industry: initial signs of recovery in the latter months of 2009 confirmed**

Sales at constant exchange rates and comparable scope rose 3.3% compared with the first quarter 2009 and by 9.5% against the final quarter of the same year, thereby confirming the stronger activity observed at the end of last year.

Harnesses activities, mainly for the automotive industry, rose by more than 44% compared with the first quarter 2009 and by 17.5% compared with the trend at the end of last year.

Special cables for industry rose 5.6% compared with the last quarter 2009, back to more or less the same level as the first quarter 2009, after dropping steadily throughout 2009. After a particularly sharp freefall in 2009, cables for the robot industry reported their best quarter for a year. The restructuring operations implemented by Nexans in 2009 in Germany, and to a lesser extent in France, helped stabilize the situation. Nonetheless, the Group is still continuing its efforts to streamline production between France and Germany to ensure a more even workload distribution between its various European production sites. Sales of cables to the transportation sector (excluding automotive) remain strong. Rail, aeronautics, shipbuilding and offshore continue on their upward trend.

Finally, activity seems to be picking up again for nuclear power plant cables, which should help boost the workload at certain plants in the coming months.

- **Building: activity remains very weak in a context of declining prices compared with second half 2009**

Building cable sales in the first quarter 2010 are up slightly compared with the fourth quarter 2009, but down sharply compared with the first quarter 2009. This stabilization is undermined by prices trending down compared with 2009 levels. This should lead to undermining this segment's contribution to the Group's operating margin in the first half 2010.

In Europe, the Group's main markets (France, Belgium and the Scandinavian countries) are all reporting sales down by between 12% and 17% compared with the

first quarter 2009. The UK and Spanish markets are continuing to fall with sales down by nearly 40% compared with the first quarter 2009.

In the other countries, with the exception of Australia, sales rose compared with the previous quarter and with the first quarter 2009.

TELECOM

First-quarter 2010 Telecom sales came to 96 million euros. At constant exchange rates, they were down 7.7% compared with the first quarter 2009.

- **Telecom infrastructure: operators defer investments**

Sales dropped 19.3% at constant exchange rates and comparable scope compared with the first quarter 2009.

This activity, mainly in Europe, suffered from operators deferring copper cable and fiber optic cable investment projects. Projects involving the rollout of fiber optic had already slowed significantly in 2009 and did not manage to regain their past level in the first quarter 2010.

- **Private networks (LAN): upturn in the United States confirmed**

In the first quarter 2010, LAN cable activity posted organic growth rates of about 3% compared with the first and last quarters 2009.

In the United States, where this activity had in particular suffered from the economic slowdown, the upturn is especially strong. First-quarter 2010 sales in the United States have outpaced the previous quarter by more than 8.6%, and by nearly 20% compared with the first three months of 2009.

In Europe, the 4%-plus growth in systems sales compared with the first quarter 2009 was not sufficient to offset the ongoing contraction in sales of low end cables in France. In this first quarter, the Group finalized the adaptation plan started last September at its main plant.

ELECTRICAL WIRES: improved fit between the Group's production facilities and its needs

Following the European restructuring it has conducted, the Group's production facilities in Europe now provide a better fit with its internal needs.

In Canada and Chile, electrical wire activity is growing due to the recovery of the automotive and household appliance sectors.

The return to breakeven announced at the end of 2009 is confirmed.

OUTLOOK

In line with its initial expectations, the Group confirms that the first quarter has been difficult (although stable compared with last quarter 2009), which will penalize profitability in the first half 2010.

The second quarter should see a sizeable upturn in activity, due to the end of the unfavorable weather conditions and the tangible signs of recovery noted in industrial sectors, LAN, and even in the North American building cable market.

Given this situation, the Group foresees negative organic growth of 4% to 5% and an operating margin in the range of 4% at June 30, 2010. The level of sales should continue to improve in the second semester, together with a stronger operating margin.

Financial calendar

May 25, 2010: Ordinary General Shareholders' Meeting

May 31, 2010: Individual shareholder information meeting in Biarritz*

July 28, 2010: First-half 2010 financial results

**Provisional date subject to change*

Readers should consult the Group's Web site where they can find the Registration Document regarding the 2009 Financial Year, which includes the full set of 2009 financial statements and the management report of the Board. This document includes the risk factors and risk confirmation relating to the anti-trust investigation announced on February 3, 2009.

About Nexans

With energy as the basis of its development, Nexans, the worldwide leader in the cable industry, offers an extensive range of cables and cabling systems. The Group is a global player in the infrastructure, industry, building and Local Area Network markets. Nexans addresses a series of market segments from energy, transportation and telecom networks to shipbuilding, oil and gas, nuclear power, automotive, electronics, aeronautics, handling and automation.

A responsible manufacturer, Nexans incorporates sustainable development in its strategy. Nexans focuses squarely on a sustainable future by providing increasingly innovative products, solutions and services, guaranteeing the development and the commitment of its teams, and ensuring safe and environmentally friendly manufacturing processes.

With an industrial presence in 39 countries and commercial activities worldwide, Nexans employs 22,700 people and had sales in 2009 of 5 billion euros. Nexans is listed on NYSE Euronext Paris, compartment A. More information on: www.nexans.com.

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Appendix 1

	First quarter	
	2009	2010
At actual metal prices	1,245	1,350
At constant metal prices	1,043	971
Sales at actual metal prices by business segment		
Energy	1,036	1,075
Infrastructure	508	487
Industry	230	254
Building	298	334
Telecom	110	113
Infrastructure	50	46
LAN	60	67
Other	5	7
Electrical wires	94	155
Group total	1,245	1,350
Sales at constant metal prices by business segment		
Energy	878	810
Infrastructure	444	410
Industry	196	201
Building	238	199
Telecom	103	96
Infrastructure	48	40
LAN	55	56
Other	5	6
Electrical wires	57	59
Group total	1,043	971
Sales at actual metal prices by geographic area of activity		
Europe	731	751
North America	141	179
Asia-Pacific	140	159
Middle East-Russia-Africa	89	120
South America	147	143
Corporate area	(3)	(2)
Group total	1,245	1,350
Sales at constant metal prices by geographic area of activity		
Europe	644	597
North America	110	100
Asia-Pacific	110	113
Middle East-Russia-Africa	71	79
South America	111	84
Corporate area	(3)	(2)
Group total	1,043	971