



Press release

Nexans signs agreement with the Shandong Yanggu Cables Group in China to acquire a majority stake in its power cable business

This transaction will give Nexans a strategic footprint in the rapidly growing Chinese Energy Infrastructure market

Paris, June 21st, 2011 – Nexans, a worldwide leading expert in the cable industry, announced the signing of an agreement with the Shandong Yanggu Cable Group (“Shandong Yanggu”) to create a joint venture based on Shandong Yanggu’s power cable business in China. Nexans will hold 75% and Shandong Yanggu will hold 25% of the JV.

Founded in 1985 and located in Shandong province in Northern China, Shandong Yanggu is one of the leading manufacturers of power cables in China. In 2010, the sales of its power cable businesses totaled 1.3 billion RMB* (approximately 150 million euros). The company has three manufacturing facilities producing extra and high voltage, medium voltage, and low voltage power cables and employs approximately 1,200 people. The company has also recently completed a major investment program to enhance its industrial capability.

Shandong Yanggu is fully qualified by the State Grid Corporation of China (“SGCC”) to produce 110kV and 220KV cables. The company supplies energy infrastructure cables to SGCC, power generation groups and various other industries.

“China is the largest, fastest growing market for Energy Infrastructure in the world. This investment reinforces our presence in this exciting market and is consistent with our long term strategy to grow in emerging markets. We are pleased to be entering this joint venture with the Shandong Yanggu Cable Group. They are a well respected supplier in the Chinese market and we look forward to building this business and serving Chinese and Asian based customers with them”, says Frédéric Vincent, Chairman and CEO of Nexans.

“Nexans is a worldwide cable leader; to co-operate with Nexans will further reinforce our positioning in the market. We are confident that our joint venture, being welcomed by the relevant authorities, will be developed as one of the most significant cable manufacturers in China and in Asia”, quoted by Mr Li Ming Suo, Chairman of Shandong Yanggu.

(*) non audited figures

The transaction would value the new business on a debt and cash free basis at approximately 1,240 million RMB (approximately 140 million euros). The transaction is expected to take 6 to 8 months to complete and is subject to various conditions precedent including the approval of the Chinese regulatory authorities.

About Nexans

With energy as the basis of its development, Nexans, a worldwide leading expert 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, transport and telecom networks to shipbuilding, oil and gas, nuclear power, automotives, electronics, aeronautics, material handling and automation. Nexans is a responsible industrial company that regards sustainable development as integral to its global and operational strategy. Continuous innovation in products, solutions and services, employee development and engagement, and the introduction of safe industrial processes with limited environmental impact are among the key initiatives that place Nexans at the core of a sustainable future. With an industrial presence in 40 countries and commercial activities worldwide, Nexans employs 23,700 people and had sales in 2010 of more than 6 billion euros. Nexans is listed on NYSE Euronext Paris, compartment A. For more information, please consult www.nexans.com or <http://www.nexans.mobi>

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