Press release

Strong growth in first half-year results

- **Organic sales growth of cable businesses*: +12.9%**
- **Operating margin: +73%**
- **Net debt reduced by 100 million euros**

Paris, July 25, 2007 - The Board of Directors of Nexans chaired by Gérard Hauser, met on July 24, 2007 and reviewed the Group's consolidated financial statements for the 2007 first half-year.

- *First half-year* ***sales*** reached 3,792 million euros compared to 3,686 million euros at June 30, 2006.
  *At constant non-ferrous metal prices***, sales reached 2,451 million euros compared to 2,273 million euros in the first half of 2006. The organic growth of the cable businesses was 12.9% (4.6% including the electrical wires business).

- The ***operating margin*** totaled 187 million euros over the period, compared to 108 million euros in the first half of 2006, an increase of 73%. Operating margin as a percentage of sales has increased from first half 2006 to first half 2007 from 4.8% to 7.6% at constant non-ferrous metal prices.

- ***Net income*** (Group share) for the first half of the year totaled 119 million euros, compared to 211 million euros at June 30, 2006. In the first half of 2006, net income included a capital gain of 149 million euros from the sale of distribution activities in Switzerland.

- ***Net financial debt*** totaled 533 million euros at June 30, 2007, 100 million euros lower than at December 31, 2006, reflecting a 141% increase in cash flow and good control of the working capital in an environment of strong growth.

* Cable businesses and associated products (accessories), excluding electrical wires.
** To neutralize the effect of variations in the purchase price of non-ferrous metals and thus measure the underlying sales trend, Nexans also calculates its sales using a constant price for copper and aluminium (see note 1 h. in the appendix to the 2006 financial statements, in the 2006 Annual Report).

Strategic priorities confirmed by excellent first half-year results

Commenting on the first half-year results, Gérard Hauser, Nexans' Chairman and CEO, said: "*The excellent results achieved by the Group in the first half of 2007 demonstrate the validity of the direction set by the Strategic Plan presented in January. The focus on energy infrastructures, industry priority markets such as transport and oil and gas businesses, and the withdrawal from upstream sectors, is orienting the Group to businesses with longer economic cycles. Growth is being achieved alongside an improvement in the balance sheet.*

These characteristics, together with an ambitious investment program and an ongoing culture of operational improvement constitute the Group's specific strengths. They will enable us to continue applying our policy of strong and profitable growth in the second half [1]. *In view of these factors, we expect to achieve annual double-digit sales growth in our cable businesses, with second-half operating margin as a percentage of sales higher than in the first half. Furthermore, we are continuing to pursue our target of reducing debt, at a constant consolidation scope and at constant copper prices, compared with December 31, 2006.*"

Detailed analysis of business results

Key figures - First-half 2007

(in millions of euros)	**At constant non-ferrous metal prices**	
	HY 2006	**HY 2007**
Sales	2,273	2,451
Sales at constant exchange rates	2,223	**2,451**
Operating margin (% of sales)	4.8%	**7.6%**
Net income (Group share)	211[2]	**119**

[1] This outlook, at constant metal prices, is based on the assumption that the worldwide economic context will remain favorable and comparable with that of the first half-year.

[2] Including the capital gain from the sale of the Swiss distribution activities amounting to 149 million euros.

Sales and operating margin by business sector (*)

(in millions of euros)	HY 2006	**HY 2007**	**% change**
Sales at constant metal prices and exchange rates	2,223	**2,451**	+10.3%
Energy	1,546	**1,883**	+21.8%
Telecom	239	**276**	+15.5%
Other	5	**5**	-
Sub-total: Cable businesses	1,790	**2,164**	+20.9%
Electrical wires	433	**287**	-33.7%
Operating margin	108	**187**	+73.1%
Energy	99	**160**	+61.6%
Telecom	13	**27**	+107.7%
Other	(6)	**(4)**	-
Sub-total: Cable businesses	106	**183**	+72.6%
Electrical wires	2	**4**	+100%
Operating margin as % of sales	4.8%	**7.6%**	
Energy	6.4%	**8.5%**	
Telecom	5.4%	**9.9%**	
Other	n/s	**n/s**	
Sub-total: Cable businesses	5.9%	**8.4%**	
Electrical wires	0.4%	**1.4%**	

(*) In accordance with the new segmentation set out in the Strategic Plan, submarine cables used to control submarine vehicles and robots, and electronic cables, have been included in the energy infrastructure and industry segments respectively.
The following comments are based on the new segmentation.

Energy

Sales in the Energy business totaled 1,883 million euros in the first half of 2007, reflecting 12.6% organic growth. The main consolidation scope effect resulted from the integration of Olex, whose first half-year sales totaled 139 million euros at constant non-ferrous metal prices.

Operating margin increased by 61.6%, rising from 99 million euros in the same period last year to 160 million euros at June 30, 2007.

Energy infrastructures: strong growth in high voltage cables
Energy infrastructure cable sales totaled 784 million euros, reflecting organic growth of more than 6.5% compared with the first half of 2006. Demand was particularly high in the energy accessories and high voltage cables segments. Alongside the strong sales growth, there has also been a clear improvement in profitability. Backlog in high voltage cables (970 million euros) represents 18 months of activity.

Industry: strong growth in sales of special cables
With an organic increase of 21%, sales of special cables, to major industrial manufacturers, totaled 510 million euros in the first half of 2007. The Group's development is accelerating in high value-added sectors defined as priorities in the 2007-2009 Strategic Plan (shipbuilding, railways, oil and gas, etc.).

Building: exceptional profitability
Sales of cables for building markets totaled 589 million euros at constant non-ferrous metal prices, representing 14.5% organic growth compared to the first half of 2006. In Europe, market conditions resulted in strong earnings growth. In North America, following a slowdown in the second half of 2006, organic growth in sales amounted to 4.4% in the first half of 2007.

Telecom

The sales of the Telecom activity totaled 276 million euros at constant non-ferrous metal prices, representing organic growth of 15.5% compared to the first half of 2006.

Over the same period, operating margin doubled, rising from 13 million to 27 million euros.

Telecom infrastructures: accelerating sales of high capacity telecom cables
Organic growth in sales of telecom infrastructure cables amounted to 13.5% in the first half of 2007. Sales totaled 129 million euros compared with 114 million euros at June 30, 2006. This good performance reflects accelerating sales of optical fiber cables and an increase in copper cable sales, driven by investments in telecommunications infrastructure.

Local area networks (LAN): product offering moving upmarket
Organic growth in sales of local area network cables amounted to 17.3%, confirming the trend observed since the end of 2006. Sales of LAN cables totaled 147 million euros compared to 125 million euros at June 30, 2006. Sales were boosted by the development of private infrastructure projects such as airports. Nexans is now concentrating on the supply of high capacity cables and cabling systems.

Electrical Wires

The sales of the Electrical Wires businesses totaled 287 million euros in the first half of 2007, compared with 433 million euros at June 30, 2006, reflecting a reduction of approximately 33% in line with the Group's policy of refocusing only on its internal requirements.

The sale of the remaining winding wires businesses is in the process of finalization.

Operating margin increased from 2 million to 4 million euros.

Analysis of sales and operating margin by geographical areas, excluding electrical wires

(in millions of euros)	**HY 2006**			**HY 2007**		
	Sales (1)	OM	*OM/sales*	Sales (1)	OM	*OM/sales*
Europe	1,315	59	*4.5%*	1,476	108	*7.4%*
North America	214	32	*15%*	217	41	*19.2%*
Asia-Pacific	113	5	*4.4%*	287	23	*7.9%*
Rest of the World	148	10	*6.8%*	184	11	*6.3%*
Sub-total: Cable businesses	**1,790**	**106**	**5.9%**	**2,164**	**183**	**8.4%**

(1) Sales at constant metal prices and exchange rates

Europe: clear increase in profitability

Sales in Europe in the first half of 2007 totaled 1,476 million euros, compared to 1,315 million euros in the first half of 2006, representing organic growth of 13.5%.

Operating margin in Europe amounted to 108 million euros in the first half of 2007, compared with 59 million euros in 2006, representing an increase of 83%.

Nexans benefits from a generally favorable economic environment, and is reinforcing its presence in all sectors, particularly in industrial cables (+18.4%) for the oil and gas industry, handling and shipbuilding markets.

North America: strong activity in the industry and telecom network markets

Sales totaled 217 million euros in the first half of 2007 compared with 214 million euros at constant exchange rates in the same period of 2006.

Despite the unfavorable impact of the temporary closure of a production site in Canada for the first 5 months of 2007, demand for medium voltage cables for energy infrastructures continues to be strong as the upgrading of the distribution network continues, both in Canada and the United States. At the same time, sales of electronic cables (aerospace and shipbuilding) grew by 17%. In the telecom network segment, sales of LAN cables grew by 15.8%.

Operating margin increased from 32 million euros at June 30, 2006 to 41 million euros in the first half of 2007.

Asia-Pacific: steady organic growth in sales and contribution of Olex

Asia-Pacific sales totaled 287 million euros in the first half of 2007 compared with 113 million euros in the same period last year. Much of this increase is attributable to the acquisition of Olex, included for the first time in the first half year consolidation. Organic growth in the area also remained high at 13.2%.

Operating margin in the area totaled 23 million euros in the first half of 2007, compared with 5 million euros at June 30, 2006. Operating margin as a percentage of sales, at constant scope and exchange rates, rose from 5.7% in the first half of 2006 to 7.9% in the first half of 2007. This growth particularly reflects the extension of the Group's industrial capacities in China, and the improved performance in Vietnam.

Rest of the World: strong growth in Mediterranean basin

Sales totaled 184 million euros in the first half of 2007, compared with 148 million euros at June 30, 2006, representing organic growth of more than 24%. Sales growth was particularly high in Turkey, Lebanon and Brazil.

Operating margin amounted to 11 million euros in the first half of 2007, compared with 10 million euros at June 30, 2006.

Capital increase reserved for Nexans employees

Nexans announces the launch of a capital increase reserved for Group employees through a group employee share savings plan, with the issue of a maximum of 500,000 new shares. This will be the third international employee share offer carried out by the Group. Two subscription formulas will be offered through the company sponsored mutual funds (subject to compliance with local regulation): a conventional formula enabling employees to subscribe to Nexans shares at a price discounted by 20% compared to the reference market price, and a structured formula offering a leverage effect, which provides a guarantee for the amount invested by the employees.

Nexans' aim is to strengthen the employee links with the Group, both inside and outside France, by the association through the plan with the Group's future developments and results.

The precise conditions of the offer, called "Act 2007," which should be carried out by the end of the year, will be communicated to employees at a later date, and a second news release will be issued on this subject.

Financial calendar
September 24, 2007: Individual shareholder information meeting in Versailles*
October 18, 2007: Publication of 2007 third quarter sales
November 13, 2007: Individual shareholder information meeting in Strasbourg*
November 19, 2007: Individual shareholder meeting in Bordeaux*
January 31, 2008: Publication of 2007 annual consolidated results
(* dates may be subject to change)

A full set of slides presenting the results, including the results by business, is available on the following link www.nexans.com/finance/financialpresentations. A detailed presentation of the financial statements, the first half-year sales report and the full text of the first half-year financial report will be available from July 27 on the Nexans Internet site at www.nexans.com

About Nexans
With energy as the basis of its development, Nexans, the worldwide leader in the cable industry, offers an extensive range of cables (copper, aluminium and optical fiber) and cabling systems. The Group is a global player in the infrastructure, industry and building markets. Nexans addresses a series of market segments from energy, transport and telecom networks to shipbuilding, oil and gas, nuclear, automotive, electronics, aeronautics, handling and automation.
With an industrial presence in more than 30 countries and commercial activities worldwide, Nexans employs 21,000 people and had sales in 2006 of 7.5 billion euros. Nexans is listed on the Paris stock exchange, compartment A of the Eurolist of Euronext. More information on http://www.nexans.com/

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Appendices

1. Consolidated income statement
2. Consolidated balance sheet
3. Consolidated statement of cash flows
4. Information by business sector

Consolidated income statement

in millions of euros	1st Half-year 2007	1st Half-year 2006 restated **	1st Half-year 2006 reported
Net sales	**3 792**	**3 686**	**3 686**
*Metal price effect **	*(1 341)*	*(1 413)*	*(1 413)*
Net sales at constant metal prices *	***2 451***	***2 273***	***2 273***
Cost of sales	(3 369)	(3 364)	(3 364)
*Cost of sales at constant metal prices **	*(2 028)*	*(1 951)*	*(1 951)*
Gross profit	**423**	**322**	**322**
Administrative and selling expenses	(207)	(186)	(186)
R&D costs	(29)	(28)	(28)
Operating margin *	***187***	***108***	***108***
Core exposure effect ***	48	160	
Net asset impairment	(11)	(124)	
Change in fair value of non ferrous metal derivatives	(5)	49	49
Gains or losses on asset disposals	4	148	148
Restructuring costs	(12)	(36)	(36)
Operating Income	**210**	**306**	**269**
Cost of debt (gross)	(26)	(25)	(25)
Income from cash and cash equivalents	6	8	8
Other financial expenses	(17)	(21)	(21)
Share in net income of associates		1	1
Income before taxes	**173**	**269**	**233**
Income taxes	(49)	(30)	(15)
Net income from continuing operations	**124**	**239**	**218**
Net income / (loss) from discontinued operations	0	(3)	(3)
Consolidated net income	**124**	**236**	**215**
Attributable to equity holders of the Company	119	232	211
Attributable to minority interests	5	4	4
Net income from continuing operations per share (in euros)			
- Basic earnings per share	4,67	10,76	9,78
- Diluted earnings per share	4,16	9,18	8,35
Net income / (loss) from discontinued operations per share (in euros)			
- Basic earnings / (loss) per share		(0,12)	(0,12)
- Diluted earnings / (loss) per share		(0,10)	(0,10)
Net income per share attributable to equity holders of the company (in euros)			
- Basic earnings per share	4,67	10,64	9,66
- Diluted earnings per share	4,16	9,08	8,25

* Business management indicator held to measure the Group's operational performance

** From December 31, 2006 the Group financial statements were prepared following a change relating to the recognition of non-ferrous metal inventories (see note 1.c). The impact of the change is shown in the restated column for 2006 1st Half.

*** Effect relating to the revaluation of the core exposure at the weighted average unit cost

Consolidated balance-sheet

in millions of euros

ASSETS	June 30, 2007	December 31, 2006
Goodwill	285	253
Intangible assets	14	16
Property, plant and equipment	846	815
Investments in associates	-	22
Other non current financial assets	26	50
Deferred tax assets	64	100
Other non-current assets	-	-
NON-CURRENT ASSETS	**1 234**	**1 256**
Inventories and work in progress	1 417	1 328
Amounts due from customers on construction contracts	103	77
Trade receivables	1 374	1 272
Current tax receivables	90	86
Other current financial assets	167	105
Cash and cash equivalents	354	287
Assets and group of assets held for sale	42	60
CURRENT ASSETS	**3 547**	**3 214**
TOTAL ASSETS	**4 781**	**4 470**
EQUITY & LIABILITIES		
Capital stock	26	25
Additional paid-in capital	1 132	1 127
Treasury stock	-	-
Reserves	420	158
Net income attributable to equity holders of the Company	119	241
Equity excluding minority interests	**1 696**	**1 551**
Minority interests	42	39
TOTAL EQUITY	**1 738**	**1 589**
Pension and other post-employment benefit obligations	330	336
Long-term provisions	34	36
Convertible bonds	253	247
Other long-term financial debt	350	7
Deferred tax liabilities	54	67
Other non-current payables	-	-
NON-CURRENT LIABILITIES	**1 021**	**693**
Short-term provisions	95	97
Short-term financial debt	285	665
Customers' deposits and advances	44	39
Amounts due to customers on construction contracts	124	71
Trade payables	1 067	917
Current tax payables	90	86
Other current financial liabilities	305	290
Liabilities related to group of assets held for sale	11	22
CURRENT LIABILITIES	**2 022**	**2 187**
TOTAL EQUITY AND LIABILITIES	**4 781**	**4 470**

Consolidated statement of cash flows

in millions of euros	1st Half-year 2007	1st Half-year 2006 restated **	1st Half-year 2006 reported
Net income attributable to equity holders of the Company	119	232	211
Minority interests	5	4	4
Depreciation, amortization and impairment of assets	63	171	47
Cost of Debt	26	16	16
Core exposure impact *	(48)	(160)	-
Other restatements ***	69	(150)	(165)
Cash flow from operations before interests and taxes ****	**235**	**113**	**113**
Decrease (increase) in receivables	(148)	(346)	(346)
Decrease (increase) in inventories	(43)	(191)	(191)
Increase (decrease) in payables and accrued expenses	206	196	196
Other assets and liabilities	-	3	3
Income tax paid	(40)	(37)	(37)
Depreciation of current assets and accrued contract costs	(5)	(3)	(3)
Net change in current assets and liabilities	**(30)**	**(379)**	**(379)**
Net cash generated from / (used in) operating activities	**205**	**(265)**	**(265)**
Proceeds from disposals of property, plant and equipment and intangible assets	4	3	3
Capital expenditures	(69)	(62)	(62)
Decrease (increase) in loans granted	8	(8)	(8)
Purchase of consolidated entities, net of cash acquired	(29)	(19)	(19)
Proceeds from sale of consolidated entities, net of cash transferred	48	184	184
Net cash used in investing activities	**(38)**	**99**	**99**
Net change in cash and cash equivalents after investing activities	**166**	**(167)**	**(167)**
Proceeds from / (repayment of) long-term borrowings	350	-	-
Proceeds from / (repayment of) short-term borrowings	(388)	232	232
Proceeds from issuance of shares paid up in cash	6	7	7
Interest paid	(26)	(16)	(16)
Dividends paid	(32)	(23)	(23)
Net cash generated from financing activities	**(91)**	**200**	**200**
Net effect of currency translation differences	(10)	1	1
Impact of change in scope of discontinued operations	0	3	3
Net increase (decrease) in cash and cash equivalents	**66**	**37**	**37**
Cash and cash equivalents at beginning of year	**288**	**117**	**117**
Cash and cash equivalents at year-end	**354**	**154**	**154**

* Impact relating to the revaluation of the core exposure at the weighted average unit cost – no cash impact (see Note 1.c)

** From December 31, 2006 the Group financial statements were prepared following a change relating to the recognition of non-ferrous metal inventories (see note 1.c). The impact of the change is shown in the restated column for 2006 1st Half.

*** 1st Half-year 2006 restated :Including the capital gains on the disposal of Electro-Matériel (- 149 million euros), offsetting of the tax charge (+ 37 million euros), non-cash impact of the change in fair value of derivatives (-54 million euros). 1st Half-year 2007:Including offsetting of the tax charge (+ 40 million euros), non-cash impact of the change in fair value of derivatives (+24 million euros)

**** The Group also uses the "operating cash flow" concept which is calculated after adding back in restructuring costs (9 million euros in H1 2007 and 14 million euros in H1 2006), and deducting interest and tax paid.

Information by business segment

in millions of euros	Electrical wires	Energy**	Telecom	Others (or non-allocated)	Eliminations inter-segment *	**Total Group**
June 30, 2007						
Net sales at current metal prices	1 437	2 598	334	5	(582)	**3 792**
Net sales at constant metal prices	470	1 883	276	5	(182)	**2 451**
Operating margin	4	160	27	(4)		**187**
June 30, 2006						
Net sales at current metal prices	1 763	2 056	381	4	(518)	**3 686**
Net sales at constant metal prices	631	1 491	327	4	(180)	**2 273**
Net sales at constant metal prices and 2007 exchange rates	612	1 467	319	4	(179)	**2 223**
Operating margin	2	97	15	(6)		**108**

** Inter-segment eliminations mostly stem from the upstream Electrical Wires business*
*** Following the segmentation of the Group 2007-2009 Strategic Plan, two businesses (Electronic & Data Communication cables & Remote Operating vehicles underwater cables) were reclassified from January 1st 2007 from the Telecom segment to the Energy segment. 2006 H1 figures have not been restated in the above table. These businesses were representing a turnover of 111 millions of euros on H1 2007 and 81 millions of euros on H1 2006.*

Information by geographical area

in millions of euros	France	Germany	Other Europe	North America	Asia-Pacific	Rest of the world	**Total Group**
June 30, 2007							
Net sales at current metal prices (before inter-segment eliminations)	1 485	459	1 187	736	444	289	**4 600**
Inter-segment sales at current metal prices	(538)	(44)	(206)		(5)	(15)	**(808)**
Net sales at current metal prices	947	415	981	736	439	274	**3 792**
Net sales at constant metal prices	559	299	757	357	295	184	**2 451**
Operating margin	32	26	52	42	24	11	**187**
June 30, 2006							
Net sales at current metal prices (before inter-segment eliminations)	1 529	419	1 071	938	190	233	**4 380**
Inter-segment sales at current metal prices	(470)	(24)	(173)	-	(1)	(26)	**(694)**
Net sales at current metal prices	1 059	395	898	938	189	207	**3 686**
Net sales at constant metal prices	540	284	718	453	126	152	**2 273**
Net sales at constant metal prices and 2007 exchange rates	540	284	711	419	120	149	**2 223**
Operating margin	12	12	34	32	6	12	**108**

Net sales at current metal prices by geographical market

in millions of euros	France	Germany	Other Europe	North America	Asia-Pacific	Rest of the world	**Total Group**
June 30, 2007	529	371	1178	753	494	467	**3 792**
June 30, 2006	486	394	1212	939	234	421	**3 686**