



Press release

2011 first quarter financial information

- **Sales organic growth of +13% compared with the first quarter of 2010**
- **Activity maintained at a level comparable with fourth quarter 2010, recovered to the level of first quarter 2009**
- **Confirmed improved market conditions in all businesses**
- **Better profitability thanks to volume recovery**

Paris, April 27, 2011 – Nexans today announced 2011 first quarter sales of 1,754 million euros. At constant non-ferrous metal prices*, sales reached 1,129 million euros, which corresponds to organic growth of +13%** at constant exchange rates and scope. At comparable data, this figure is equivalent to that of the first quarter 2009.

The business trends observed during the second half of 2010 are confirmed. Energy infrastructures activities grow by almost 11%. The Group reports a very strong growth in the high voltage submarine business thanks to a return to normal in projects execution. This growth is partially offset by the land high voltage business which has experienced delay in the starting of contracts in the Gulf countries and contract execution interruption in Libya. As far as power distribution is concerned, Nexans fully benefits from the restarting of large projects in Brazil and from a slight growth in Europe and North America, but suffers from a drop in business in the Middle-East. At Group level, political events in that area have weighed down organic growth by about 200 basis points.

Industry cables activities reported the highest organic growth (+20.1%), thanks to a further strong demand in automotive and to a solid recovery of specialty cables in Europe and Asia.

The Building segment reported a strong recovery, with an organic growth of +10% in all geographic areas, except the Middle-East.

Lastly, Telecom businesses grew by 8% compared with the first quarter of 2010.

(*) 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 sales on the basis of comparable data correspond to constant non-ferrous metal sales, recalculated after adjustments for comparable scope and exchange rates. The exchange effect on sales at constant non-ferrous metal prices, at the end of March 2010, is 30 million euros. The scope effect amounts to (2) million euros.

On March 28, 2011, the Group announced the conclusion of an agreement with the Chilean group Madeco. This agreement could result in Madeco acquiring a lead position in Nexans' share capital, through the increase of its ownership from 9% to 20%.

At the end of March 2011, the Group's net debt was 307 million euros against 144 million euros at the end of December 2010. Half of this rise is attributable to the very strong increase in the copper price since the beginning of 2011 and half to the acceleration of sales during the quarter.

2011 FIRST QUARTER CONSOLIDATED SALES AND ORGANIC GROWTH

	Q1 2010	Q1 2011	Organic growth Q1 2011 vs Q1 2010	Organic growth Q1 2011 vs Q4 2010
(in millions of euros)	At constant metal prices*	At constant metal prices*		
Energy				
- Energy Infrastructures	410	468	10.7%	0.7%
- Industry	201	243	20.1%	6.6%
- Building	199	227	10.0%	-4.3%
Telecom				
-Telecom Infrastructures	40	47	12.3%	-11.7%
- Private Networks (LAN)	56	60	4.8%	1.6%
Others	6	8	N/S	N/S
Electrical Wires	59	75	21.8%	0.3%
Group total	971	1 129	13.0%	0.6%

ENERGY

Energy business sales came to 939 million euros in the first quarter 2011. At constant exchange rate and scope, the figure is 12.8% higher than in 2010.

- **Energy Infrastructures: better execution of high voltage submarine contracts, uneven recovery in power distribution**

Sales at constant exchange rate and scope rose by 10.7% compared with the first quarter 2010.

This figure reflects a significant improvement in the submarine high voltage business. The Group is starting to take advantage of the new organization put in place in 2010 at the Halden plant in Norway with a quasi normal execution of the projects. This trend offsets the drop in sales of the land high voltage activities which suffered from

the political events in Libya and from delays in the progression of some contracts in the Gulf area.

Significant order intake during the quarter has maintained the order book of high voltage activities at a level comparable with the end of 2010 (1,300 million euros and 18 months of activity).

As far as power distribution is concerned, sales rose by about 6% compared with the first quarter of 2010 but the different areas reported very uneven situations. Europe grew by about 2%. Sales in France declined after a very strong export activity in 2010. Sales in North America grew by about 4%. Asia-Pacific area recorded a rise by about 9%, mostly driven by Australia. Thanks to the solid level of projects in Brazil, in the continuation of the trends observed in the second half of 2010, sales rose in the South America area by more than 50%. Lastly, the Middle East, Russia and Africa area has suffered from the political events in the region.

As the result of those combined various factors, profitability is stable compared with the first quarter 2010.

- **Industry: sales growth driven by automotive, resources and aeronautics**

At constant exchange rate and scope, sales were 20.1% higher than in the first quarter 2010 and 6.6% higher than in the last quarter 2010.

The harnesses activities, mainly dedicated to automotive, recorded further growth of more than 40% compared with the first quarter 2010 and by more than 10% compared with the last quarter 2010.

Specialty cables dedicated to industrial applications grew by 12% compared with the first quarter 2010 and by 5% compared with the last quarter of 2010. Market segments related to energy resources (oil and gas, renewable, mining) reported a solid turnaround during the first quarter. Regarding the transportation segment, shipbuilding declined by about 10%. Demand related to aeronautics cables rose by about 15%, driven by the acceleration of the manufacturing programs of the Group's clients. The railways transportation segment continued to grow but at a reduced pace compared with the previous quarters.

Margins significantly improved compared with the first quarter of 2010.

- **Building: solid sales improvement in all areas (excluding Middle-East)**

Sales dedicated to the Building market rose by 10% compared with the first quarter of 2010. Compared with the last quarter of 2010, the activity declined by about 4% and resumed the usual seasonality of the business. The positive trend enjoyed by this activity since the end of 2010 is continuing in all areas except the Middle East.

In Europe, sales rose by about 7% with France growing more than 10%. A strong increase in sales was recorded in Spain and the United Kingdom.

In Asia-Pacific, North and South America the activity recorded a double digits growth. The Middle East, Russia Africa area declined.

Margins further improved.

TELECOM

Telecom business sales came to 107 million euros in the first quarter 2011. At constant exchange rate and scope, this figure is up by 8% compared with the first quarter 2010.

- **Telecom Infrastructures: recovery in telecom operators' investments**

Sales rose by close to 12% compared with the first quarter 2010. Copper cable business recorded a limited growth, mainly driven by increased demand in Brazil. In the optical fiber and accessory business, sales reported a double digit growth thanks to the recovery in the telecom operators' investments, especially in Europe in relation to the *Fiber to the Home* market (FTTH).

- **Private Networks (LAN): confirmed turnaround in the USA**

Private Network cable business rose by about 5% compared with the first quarter of 2010. This growth is mainly driven by a strong demand in North America where the Group enjoys a leading position on the data centers cabling systems market.

ELECTRICAL WIRES: Group production facilities operating at capacity thanks to external sales

The increased demand for Electrical Wires allows the Group to fully utilize its capacities thanks to external sales which rose by more than 20% compared with the first quarter 2010 and allowed to better absorb fixed costs.

Financial calendar:

May 10, 2011: Individual shareholder meeting in Nancy*

May 31st, 2011: Mixed Shareholder's Meeting

July 27, 2011: First-half 2011 financial results

* Provisional date subject to change

Readers should also consult the Group's web site on which is available the 2010 Registration Document, which includes the Group's risk factors and a description of legal proceedings, in particular relating to the antitrust investigations announced on February 12, 2009.

About Nexans :

With energy as the basis of its development, Nexans, 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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Appendix 1

	First quarter	
	2010	2011
At actual metal prices	1 350	1 754
At constant metal prices	971	1 129
Sales at actual metal prices by business segment		
Energy	1 075	1 351
Energy Infrastructures	487	585
Industry	254	323
Building	334	443
Telecom	113	133
Telecom Infrastructures	46	57
Local Area Networks (LAN)	67	76
Others	7	9
Electrical Wires	155	261
Group total	1 350	1 754
Sales at constant metal prices by business segments		
Energy	810	939
Energy Infrastructures	410	468
Industry	201	243
Building	199	227
Telecom	96	107
Telecom Infrastructures	40	47
Local Area Networks (LAN)	56	60
Others	6	8
Electrical Wires	59	75
Group total	971	1 129
Sales at actual metal prices by geographical area		
Europe	751	939
North America	179	290
Asia-Pacific	159	202
Middle-East, Russia, Africa	120	109
South America	143	216
Corporate	-2	-2
Group total	1 350	1 754
Sales at constant metal prices by geographical area		
Europe	597	695
North America	100	130
Asia-Pacific	113	128
Middle-East, Russia, Africa	79	65
South America	84	113
Corporate	-2	-2
Group total	971	1 129

(in million euros)