

# Consolidated income statement

<i>(in millions of euros)</i>	<b>2013</b>	<b>2012</b>
<b>Net sales</b>	<b>6,711</b>	<b>7,178</b>
Metal price effect <sup>1</sup>	(2,022)	(2,306)
<b>Sales at constant metal prices<sup>1</sup></b>	<b>4,689</b>	<b>4,872</b>
Cost of sales	(5,950)	(6,353)
Cost of sales at constant metal prices <sup>1</sup>	(3,928)	(4,046)
<b>Gross profit</b>	<b>761</b>	<b>825</b>
Administrative and selling expenses <sup>2</sup>	(514)	(548)
R&D costs	(76)	(75)
<b>Operating margin<sup>1</sup></b>	<b>171</b>	<b>202</b>
Core exposure effect <sup>3</sup>	(41)	(11)
Net asset impairment	(130)	(20)
Changes in fair value of non-ferrous metal derivatives	(2)	(1)
Net gains on asset disposals	1	(1)
Acquisition-related costs	(0)	(6)
Restructuring costs	(180)	(21)
Reserve for risk related to EU antitrust procedure	-	-
Share in net income (loss) of associates <sup>4</sup>	(1)	0
<b>Operating income (loss)</b>	<b>(182)</b>	<b>142</b>
Cost of debt (gross)	(95)	(96)
Income from cash and cash equivalents	5	6
Other financial expenses	(19)	(22)
<b>Income (loss) before taxes</b>	<b>(291)</b>	<b>30</b>
Income taxes	(39)	(5)
<b>Net income (loss) from continuing operations</b>	<b>(330)</b>	<b>25</b>
Net income (loss) from discontinued operations	-	-
<b>Net income (loss)</b>	<b>(330)</b>	<b>25</b>
- attributable to owners of the parent	(333)	27
- attributable to non-controlling interests	3	(2)
<b>Attributable net income (loss) per share (in euros)</b>		
- basic earnings (loss) per share	(10.66)	0.91
- diluted earnings (loss) per share	(10.66)	0.90

<sup>1</sup> Performance indicators used to measure the Group's operating performance.

<sup>2</sup> Includes in 2013 a 30 million euros one-off positive impact due to defined benefits pension plan settlement and curtailment effects in Norway and the United States.

<sup>3</sup> Effect relating to the revaluation of Core exposure at its weighted average cost.

<sup>4</sup> The share in net income (loss) of associates whose operational activities is in line with the ones of the Group has been reclassified to Operating income.

# Consolidated statement of comprehensive income

	2013	2012
<i>(in millions of euros)</i>		
<b>Net income (loss) for the period</b>	<b>(330)</b>	<b>25</b>
<b>Recyclable components of the comprehensive income</b>	<b>(205)</b>	<b>25</b>
Available-for-sale financial assets	0	0
Currency translation differences	(144)	(13)
Cash flow hedges	(61)	38
<b>Tax impacts on recyclable components of the comprehensive income</b>	<b>17</b>	<b>(12)</b>
<b>Non-recyclable components of the comprehensive income</b>	<b>12</b>	<b>(75)</b>
Actuarial gains and losses on long term benefits	12	(75)
Share of other non recyclable comprehensive income of associates	-	-
<b>Tax impacts on non-recyclable components of the comprehensive income</b>	<b>(4)</b>	<b>17</b>
<b>Total other comprehensive income (expense)</b>	<b>(180)</b>	<b>(45)</b>
<b>Total comprehensive income (loss)</b>	<b>(510)</b>	<b>(20)</b>
- attributable to owners of the parent	(513)	(18)
- attributable to non-controlling interests	3	(2)

# Consolidated statement of financial position

<i>(in millions of euros)</i>	<b>December 31, 2013</b>	<b>December 31, 2012</b>
<b>Assets</b>		
Goodwill	414	509
Other intangible assets	223	238
Property, plant and equipment	1,135	1,256
Investments in associates	14	13
Other non-current financial assets	51	50
Deferred tax assets	120	141
Other non-current assets	7	3
<b>Non-current assets</b>	<b>1,964</b>	<b>2,210</b>
Inventories and work in progress	1,031	1,125
Amounts due from customers on construction contracts	218	335
Trade receivables	1,012	1,080
Other current financial assets	88	113
Current income tax receivables	28	31
Other current non-financial assets	103	112
Cash and cash equivalents	987	847
Assets and groups of assets held for sale	30	1
<b>Current assets</b>	<b>3,497</b>	<b>3,644</b>
<b>Total assets</b>	<b>5,461</b>	<b>5,854</b>
<b>Equity and liabilities</b>		
Capital stock	42	30
Additional paid-in capital	1,569	1,301
Retained earnings and other reserves	(61)	275
Other components of equity	(1)	187
<b>Equity attributable to owners of the parent</b>	<b>1,549</b>	<b>1,793</b>
Non-controlling interests	51	50
<b>Total equity</b>	<b>1,600</b>	<b>1,843</b>
Pension and other retirement benefit obligations	382	444
Other long-term employee benefit obligations	16	19
Long-term provisions*	32	232
Convertible bonds	445	433
Other long-term debt	604	595
Deferred tax liabilities	82	114
<b>Non-current liabilities</b>	<b>1,561</b>	<b>1,837</b>
Short-term provisions	394	77
Short-term debt	275	425
Liabilities related to construction contracts	126	210
Trade payables	1,108	1,136
Other current financial liabilities	93	65
Accrued payroll costs	205	202
Current income tax payables	25	28
Other current non-financial liabilities	44	31
Liabilities related to groups of assets held for sale	30	0
<b>Current liabilities</b>	<b>2,300</b>	<b>2,174</b>
<b>Total equity and liabilities</b>	<b>5,461</b>	<b>5,854</b>

\* Including a 200 million euro provision set aside over the first half of 2011 to cover the risk relating to the European Commission's current proceedings for anticompetitive behavior.

# Consolidated statement of cash flows

	2013	2012
<i>(in millions of euros)</i>		
Net income (loss) attributable to owners of the parent	(333)	27
Net income (loss) attributable to non-controlling interests	3	(2)
Depreciation, amortization and impairment of assets <i>(including goodwill)</i> <sup>(1)</sup>	278	167
Cost of debt (gross)	95	96
Core exposure effect <sup>(2)</sup>	41	11
Other restatements <sup>(3)</sup>	133	(3)
<b>Cash flows from operations before gross cost of debt and tax<sup>(4)</sup></b>	<b>217</b>	<b>296</b>
Decrease (increase) in receivables	64	110
Decrease (increase) in inventories	(18)	(19)
Increase (decrease) in payables and accrued expenses	33	(100)
Income tax paid	(36)	(73)
Impairment of current assets and accrued contract costs	(3)	(17)
<b>Net change in current assets and liabilities</b>	<b>40</b>	<b>(99)</b>
<b>Net cash used in operating activities</b>	<b>257</b>	<b>197</b>
Proceeds from disposals of property, plant and equipment and intangible assets	5	5
Capital expenditures <sup>(5)</sup>	(194)	(166)
Decrease (increase) in loans granted and short-term financial assets	(10)	46
Purchase of shares in consolidated companies, net of cash acquired	(8)	(289)
Proceeds from sale of shares in consolidated companies, net of cash transferred	2	1
<b>Net cash used in investing activities</b>	<b>(205)</b>	<b>(403)</b>
<b>Net change in cash and cash equivalents after investing activities</b>	<b>52</b>	<b>(206)</b>
Proceeds from long-term borrowings	3	526
Repayments of long-term borrowings	(0)	(1)
Proceeds from (repayment of) short-term borrowings	(114)	(259)
<i>- of which repayment of the OCEANE 2013 convertible/exchangeable bonds</i>	(85)	(241)
Cash capital increases (reductions) <sup>(6)</sup>	281	16
Interest paid	(64)	(73)
Dividends paid	(15)	(33)
<b>Net cash used in financing activities</b>	<b>91</b>	<b>176</b>
Net effect of currency translation differences	7	7
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>150</b>	<b>(23)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>818</b>	<b>840</b>
<b>Cash and cash equivalents at year-end</b>	<b>968</b>	<b>817</b>
<i>of which cash and cash equivalents recorded under assets</i>	987	847
<i>of which short-term bank loans and overdrafts recorded under liabilities</i>	(19)	(30)

(1) Including the portion of restructuring costs corresponding to impairment of non-current assets.

(2) Effect relating to the revaluation of Core exposure at its weighted average cost, which has no cash impact.

(3) Other restatements in 2013 included (i) a positive 39 million euros in relation to offsetting the Group's income tax charge and (ii) a positive 92 million euros to cancel the net change in other provisions (including provisions for pensions and restructuring costs and loss resulting from the measurement at fair value of held-for-sale assets).

Other restatements in 2012 included (i) a positive 5 million euros in relation to offsetting the Group's income tax charge and (ii) a negative 7 million euros to cancel the net change in other provisions (including provisions for pensions and restructuring costs).

(4) The Group also uses the "operating cash flow" concept which is mainly calculated using the "Cash flows from operations before gross cost of debt and tax" balance after adding back cash outflows relating to restructurings (43 million euros and 27 million euros in 2013 and 2012 respectively), and deducting gross cost of debt and the current income tax paid over the period.

(5) The cash outflows in relation to the construction of a high-voltage cable production plant in Charleston in South Carolina amounted to 40 million euros in 2013 and 16 million euros in 2012.

(6) During the second-half 2013, Nexans launched a share capital increase for a net amount of 279 million euros.

## Information by reportable segment

<b>2013</b> (in millions of euros)	<b>Transmission, Distribution &amp; Operators</b>	<b>Industry</b>	<b>Distributors &amp; Installers</b>	<b>Other</b>	<b>Group total</b>
Contribution to Net sales at current metal prices	2,469	1,550	1,952	740	<b>6,711</b>
Contribution to Net sales at constant metal prices	2,034	1,222	1,155	278	<b>4,689</b>
Operating margin	70	42	37	22*	<b>171</b>
Depreciation, amortization and impairment/reversal of impairment of assets (including goodwill)**	(117)	(48)	(76)	(8)	<b>(249)</b>

\* Includes a 30 million euros one-off positive impact due to defined benefits pension plan settlement and curtailment effects

\*\* Amounts reported on this line do not include the loss resulting from the measurement at fair value of held-for-sale assets in the meaning of IFRS 5

<b>2012</b> (in millions of euros)	<b>Transmission, Distribution &amp; Operators</b>	<b>Industry</b>	<b>Distributors &amp; Installers</b>	<b>Other</b>	<b>Group total</b>
Contribution to Net sales at current metal prices	2,544	1,554	2,214	866	<b>7,178</b>
Contribution to Net sales at constant metal prices	2,088	1,195	1,285	304	<b>4,872</b>
Contribution to Net sales at constant metal prices and 2013 exchange rates	2,014	1,181	1,237	290	<b>4,722</b>
Operating margin	70	44	78	10	<b>202</b>
Depreciation, amortization and impairment/reversal of impairment of assets (including goodwill)	(86)	(36)	(32)	(15)	<b>(169)</b>

## Information by major geographic area

<b>2013</b> (in millions of euros)	<b>France**</b>	<b>Germany</b>	<b>Norway</b>	<b>Other***</b>	<b>Group total</b>
Contribution to Net sales at current metal prices*	929	751	699	4,332	<b>6,711</b>
Contribution to Net sales at constant metal prices*	667	636	635	2,751	<b>4,689</b>

\* Based on the location of the Group's subsidiaries.

\*\* Including Corporate activities.

\*\*\* Countries that do not individually account for more than 10% of the Group's Net sales at constant metal prices.

<b>2012</b> (in millions of euros)	<b>France**</b>	<b>Germany</b>	<b>Norway</b>	<b>Other***</b>	<b>Group total</b>
Contribution to Net sales at current metal prices*	1,089	729	673	4,687	<b>7,178</b>
Contribution to Net sales at constant metal prices*	759	600	603	2,910	<b>4,872</b>
Contribution to Net sales at constant metal prices and 2013 exchange rates*	759	600	577	2,786	<b>4,722</b>

\* Based on the location of the Group's subsidiaries.

\*\* Including Corporate activities.

\*\*\* Countries that do not individually account for more than 10% of the Group's Net sales at constant metal prices.

## Information by major customer

The Group does not have any customers that individually accounted for over 10% of its sales in 2013 or 2012.