

Nexans



Group
presentation

November 2007

This presentation contains forward-looking statements relating to the Group's expectations for future financial performance, including sales and profitability.

The forward looking statements contained in this presentation are dependent on known and unknown risks, expectations and assumptions, uncertainties and other factors which may cause the Group's actual results, performance and objectives to be materially different from those indicated by the forward looking statements.

These forward looking statements depend amongst others on the following assumptions and risks :

(1) the rates of economic growth in the zones where Nexans is active remaining at current levels until 2007; (2) the continued strong demand of the energy infrastructure market in particular in developing countries and of the Oil & Gas sector; (3) the possibility to pass on to final customers increases in the costs of raw materials, energy and transport; (4) the management of risks associated with sales in turnkey projects; (5) the effect of currency fluctuations being neutral; (6) the Company being able to modify customer and supplier payment terms for metals; (7) the Company being able to reduce its cost base through realization of restructuring actions in the anticipated time frame; (8) the Company being able to achieve productivity improvements; and (9) the Company successfully integrating acquisitions.

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- I. Nexans in the Cable Industry**
- II. Financial performance**
- III. Our Objectives & MT Target**

■ A worldwide market of \$140 bn in 2006

■ Three end-user markets



Industry

- Automotive,
- Shipbuilding, Aeronautics
- Oil & gas and petrochemicals
- Automation, mining, handling, nuclear..

Building

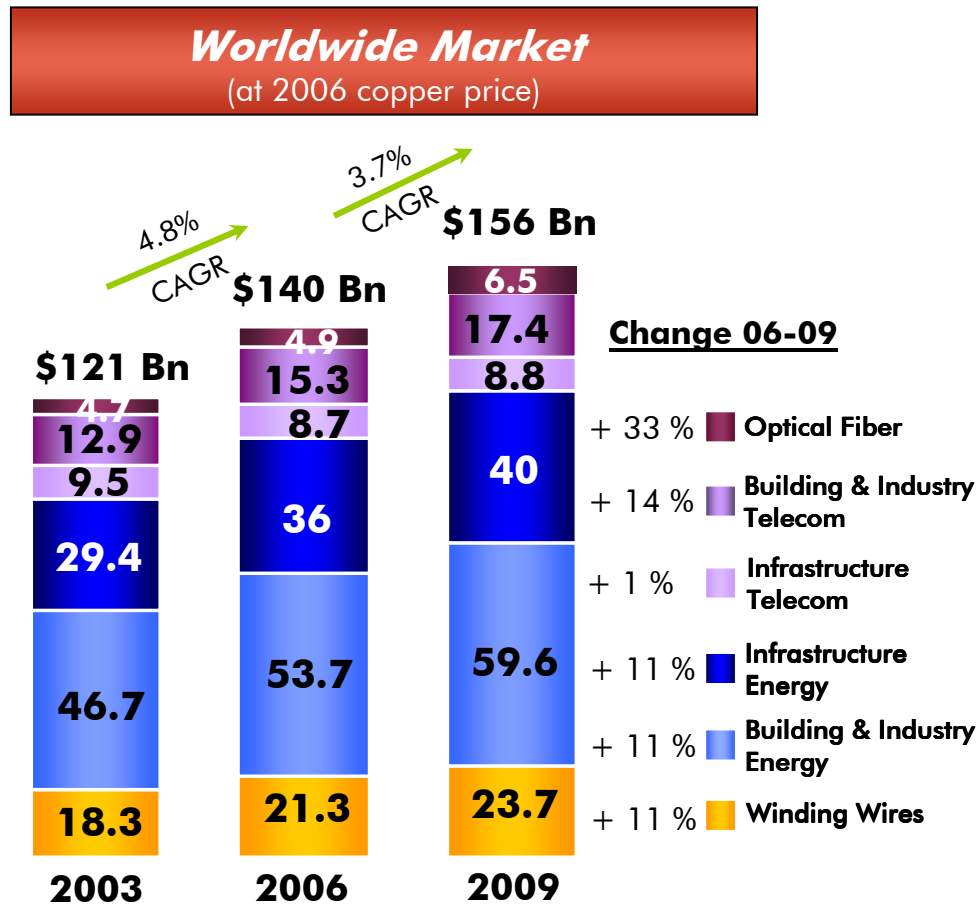
**Industrial, Public
& Residential
Buildings**

- Medium & Low Voltage energy cables
- Data & communication private networks (LAN, ..)

Infrastructures

- Energy networks (T&D)
- Telecom networks
- Transport infrastructures (Railway networks, airports..)

An old industry with a bright future



Source : CRU January 2007, Nexans estimates

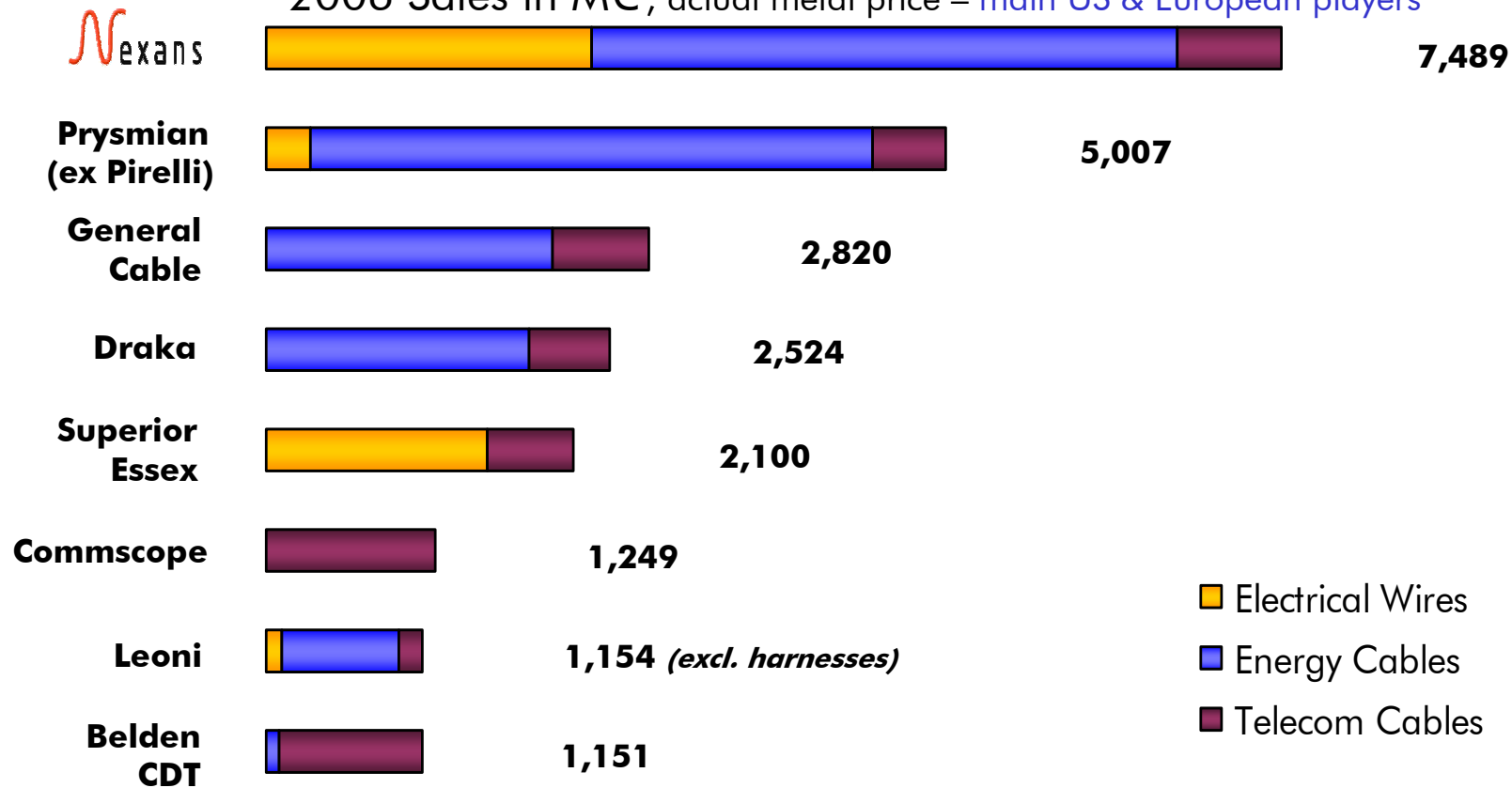
Long-term drivers

- Energy networks :
 - ✓ Need to replace aging lines and interconnect the networks
 - ✓ Electrification programs in emerging countries
 - ✓ New forms of energy production
- Oil & Gas
 - ✓ Offshore, onshore
- Development of international trade and transportation
 - ✓ Shipbuilding, aeronautics, handling ..
 - ✓ Railways infrastructures
- Safety / Standardization
- Telecom :
 - ✓ Favorable product mix evolution
- Strong growth in emerging countries

2006 Sales of 7,5 billion euro

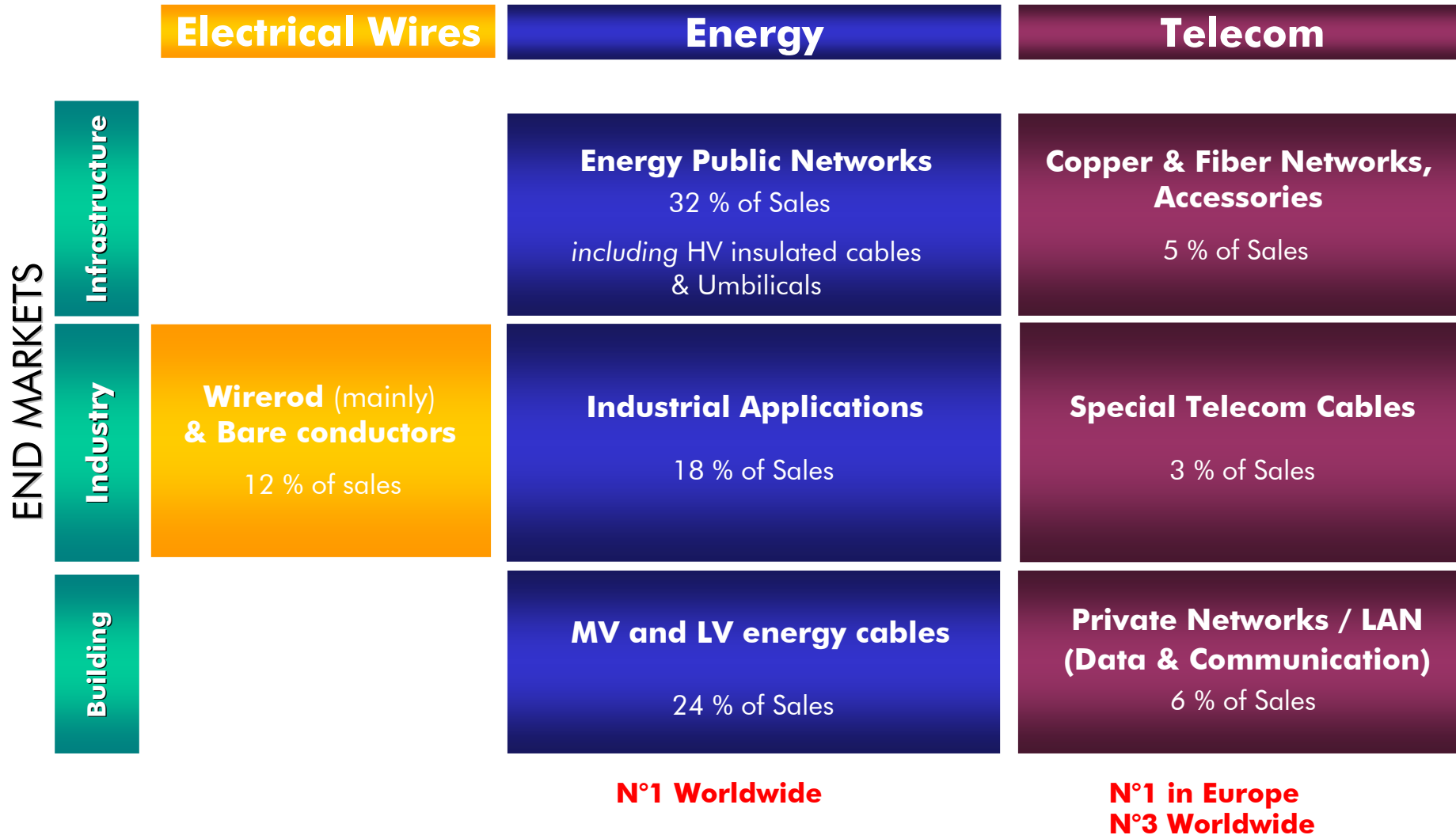
Full-line player

2006 Sales in M€, actual metal price – main US & European players



Note : 1 € = 1.30 USD

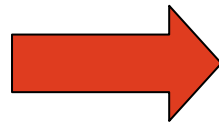
Sources : Financial communication of corresponding companies, Nexans estimates



Note : percentages based on Half year 2007 Sales at standard metal

**Our markets are of multi-regional nature
with a need for local presence**

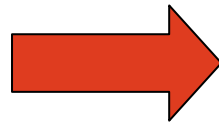
Europe
55 % of sales*



Leader strategy

- ✓ Above 10% market shares

North America
20 % of sales*



Challenger position, present only in selected business segments :

- ✓ Strong positions in Canada (Energy)
- ✓ 15% of LAN market in the USA

Asia-Pacific
13 % of sales*

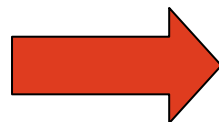


Selective approach in North-East Asia

- ✓ Profitable market shares on selected business (HV, Shipyards, ..)

Leading player in Australasia

ROW
12 % of sales*



Leading player on selected areas

- ✓ Middle East, Brazil

I. Nexans in the Cable Industry



II. Financial performance

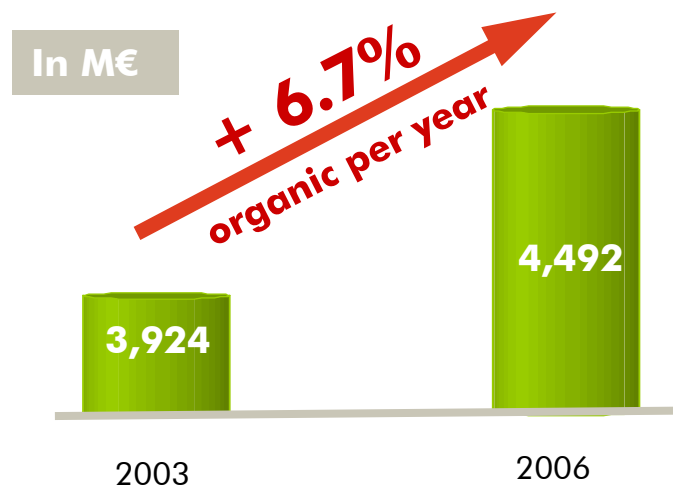
III. Our Objectives & MT Target

Nexans is growing faster than the market:

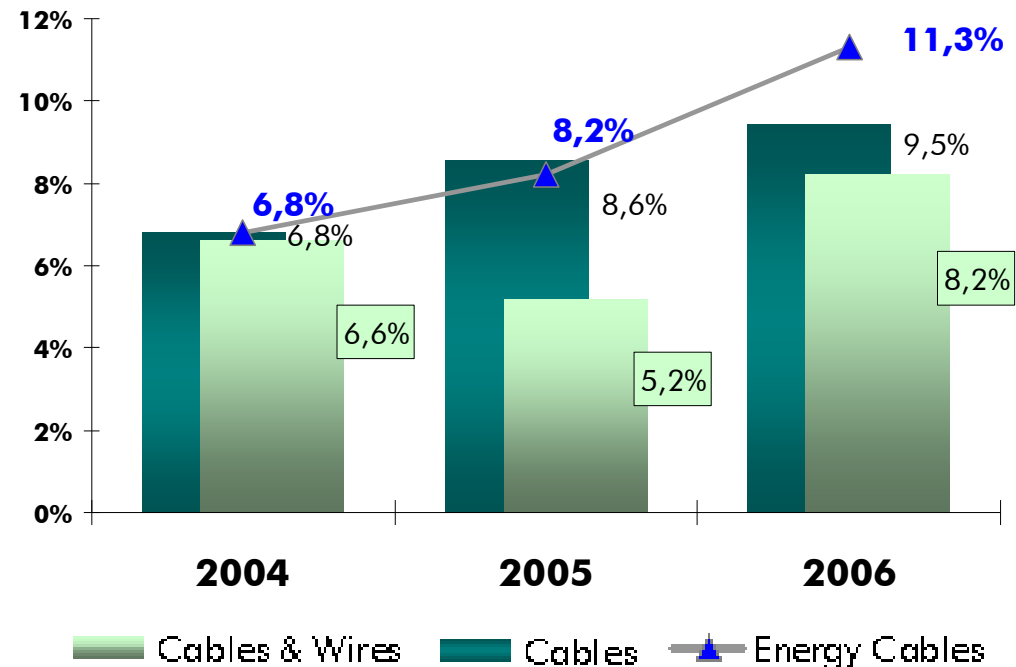
- ✓ organic CAGR(*) of **+6.7%** since 2003 vs **+4.8%** for the market
- ✓ driven by Energy cables (average +8.8%)

Sales

(at constant metal prices)



CAGR(*) by cable types

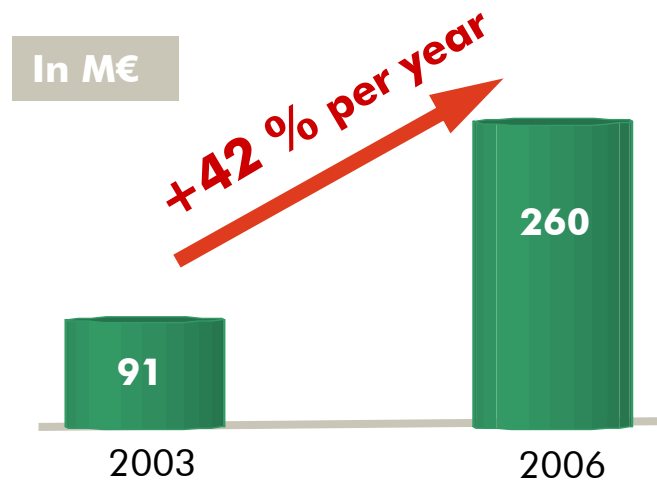


(*) Compounded Annual Growth rate

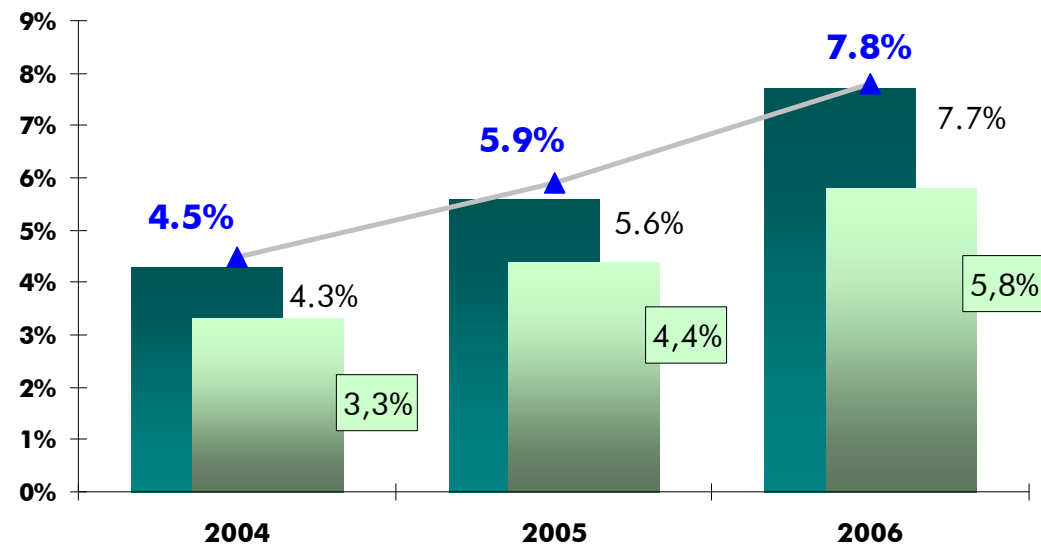
Strong improvement of profitability:

- ✓ Operating Margin rate from **2.3%** in 2003 **to 5.8%** of Sales (*)
- ✓ profitability restored both in **Energy** and **Telecom cables**

Operating Margin



OM rate (*)
by cable types



Cables & Wires
 Cables
 Energy Cables

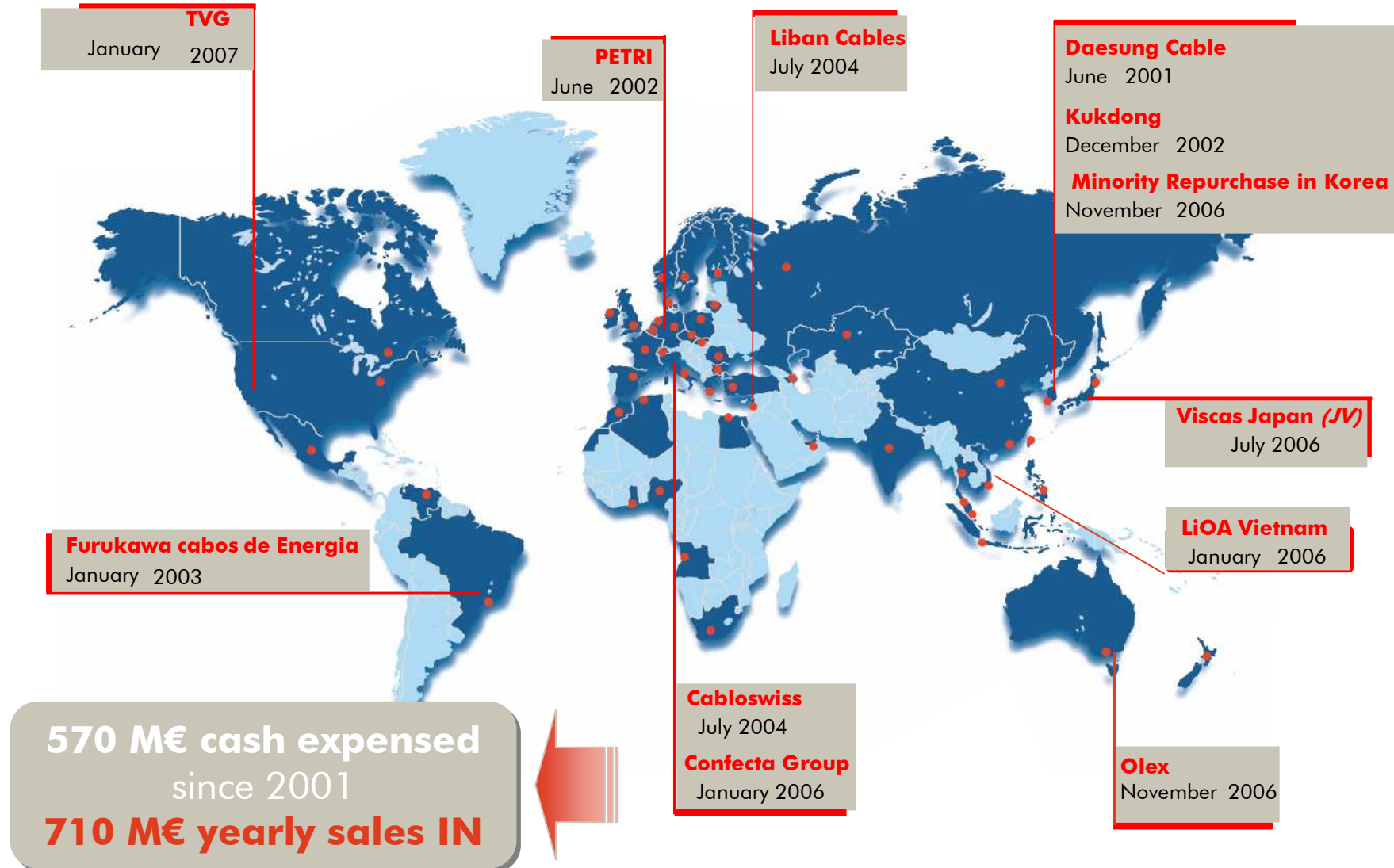
(*) based on Sales at constant metal

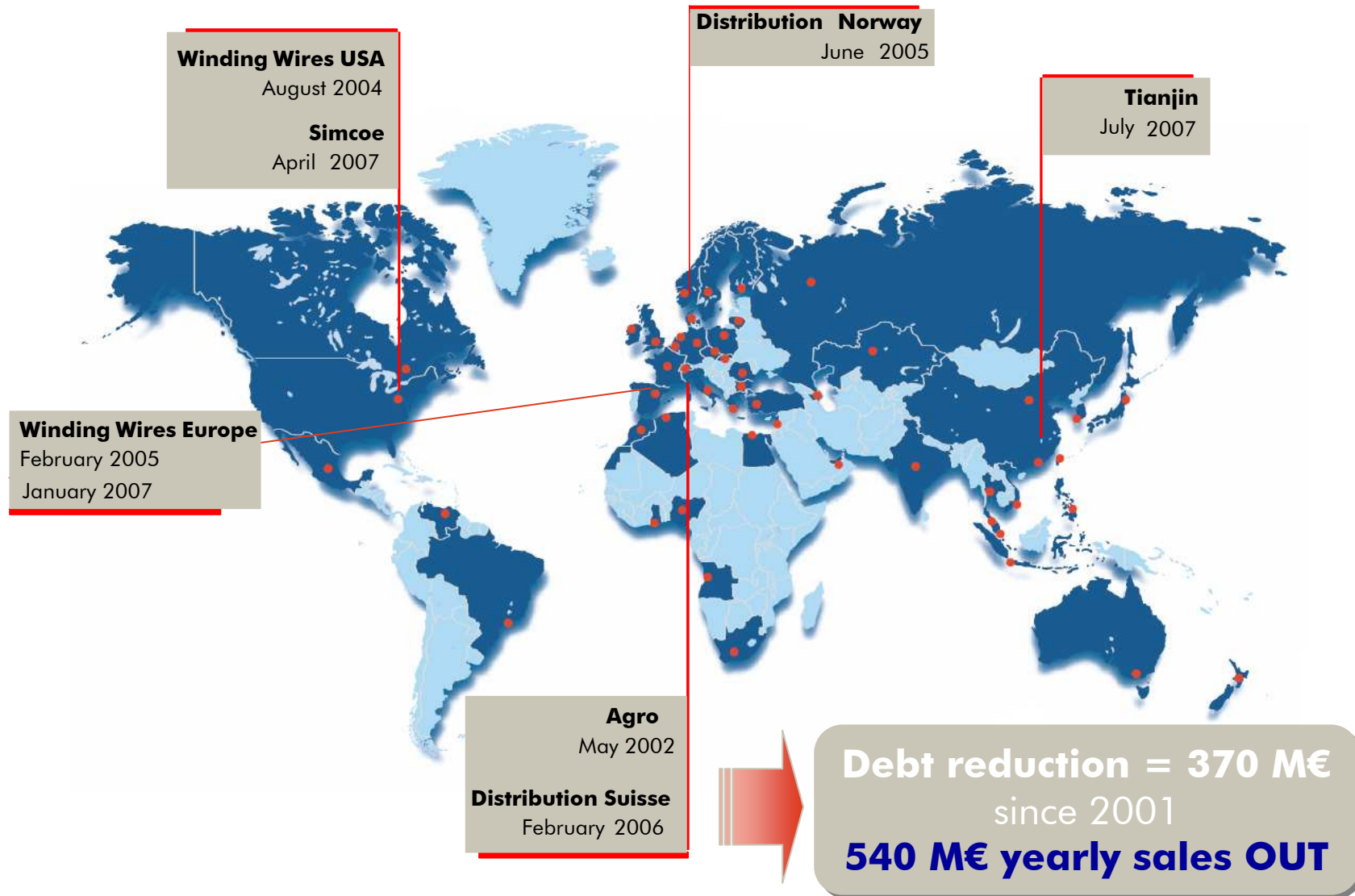
- Massive restructuring
 - Break-even point lowered by 100 M€ since 2001
- Selective M&A policy and organic development focused on:
 - Higher added value segments
 - Fast growing geographic areas



Powerful operating leverage created

- Strong financial structure maintained





(in Million €)

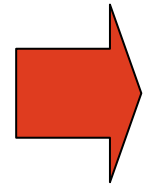
	Dec. 31, 05 (*)	Dec. 31, 06	Jun. 30, 07
Capital employed			
Non-current assets	999	1,255	1,234
Working capital	1,093	1,465	1,520
Assets (net) held for sale	42	38	31
Total to finance	2,134	2,758	2,785
Financed by			
Net financial debt	374	633	533
Reserves	450	469	460
Other liabilities	33	67	54
Shareholders' equity and Minority interests	1,277	1,589	1,738
Total financing	2,134	2,758	2,785

(*) Restated for
Core-exposure
accounting change

Gearing = 31%
Leverage (Net debt / EBITDA) = 1.1 x
 As of June 30th 2007, annualized

I. Nexans in the Cable Industry

II. Financial performance



III. Our Objectives & MT Target

A Nexans group:

- More **Profitable**
- Less **Cyclical**
- More **Streamlined**
- With more **Synergies** between businesses

- A strategy that requires several types of actions:

- ✓ Focus on our core businesses

Energy infrastructures



Consolidating our leadership

Industry (Energy & telecom)



Commercial development

Building



Expanding the offer

- ✓ Arbitrage within the Telecom activities

Telecom (Infrastruct./ LAN)



Selective growth & opportunistic attitude

- ✓ Down-sizing of high copper content activities

Electrical Wires



Refocusing on internal needs only

- **Generating Cash (**) starting from 2007 (> 100 M€ during First Half 2007)**
- **... while financing important Capex programs**
 - around 500 M€ over three years

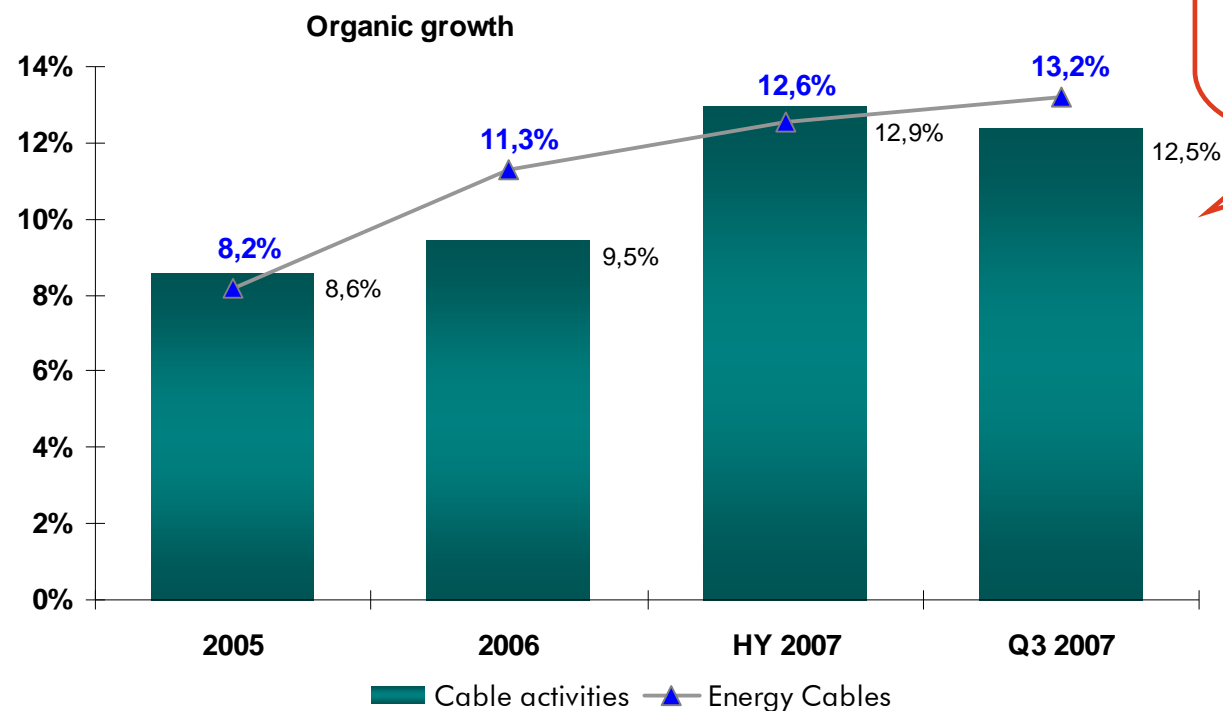


Increased M&A capacity

(*) At HY 2007 metal prices, same economic trends and constant perimeter

(**) Free Cash flow = Operating Cash flow + ▲ Working Capital – Capex

- Robustness of the growth confirmed
- Further improvement of operating margin
- Focus on Energy Cables



Cable activities growing **12.5%** organically, of which:

- ✓ Energy infrastructures +9%
- ✓ Industry +18.3%
- ✓ Building +15.5%

Objectives for FY 2007:

- Double digit organic growth for the Cable activities
- Operating margin above HY level of 7.6%
- Decrease of net debt compared to December 2006 level (*)
- ROCE improvement compared with 2006 (*) (**)
- Restructuring of 30 M €
- Investments around 195 M€

(*) at Q3 2007 copper prices

(**) 2006 ROCE before Tax, pro-forma with Olex, was 11.3%

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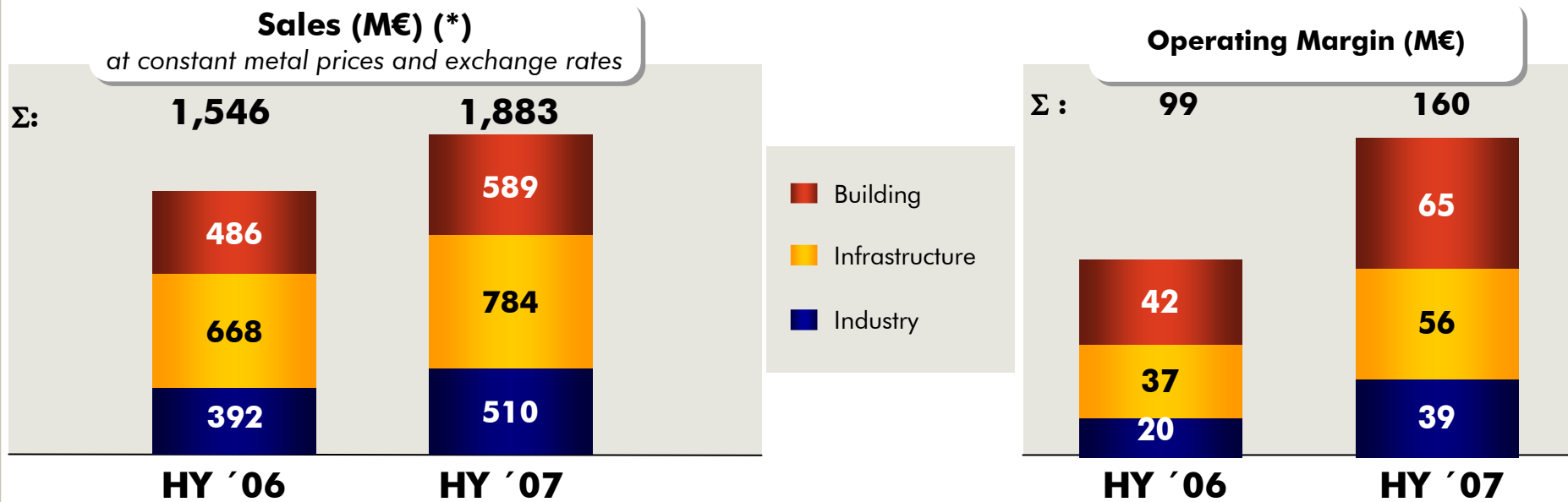
Appendices

(in Million €)	2004		2005		2006
Sales at current metal price	4,732		5,449		7,489
Sales at constant metal price	4,005	258	4,263	179	4,442
Margin on variable costs	1,022		1,104		1,209
<i>Margin on variable costs (%)</i>	<i>25.5 %</i>		<i>26 %</i>		<i>27.2%</i>
Indirect costs (*)	(800)		(823)		(854)
EBITDA	223		281		355
<i>EBITDA margin (%)</i>	<i>5.6 %</i>		<i>6.6 %</i>		<i>8 %</i>
Depreciation	(89)		(95)		(95)
Operating Margin	133	53	186	74	260
<i>Operating margin rate (on constant metal Sales)</i>	<i>3.3 %</i>	21%	<i>4.4%</i>	41%	<i>5.8%</i>
Impact of rise in copper price	43		92		107
OP as measured by the cable Industry	177		278		367

(*) Includes factory indirect costs excluding depreciation + R&D + SG&A



Energy



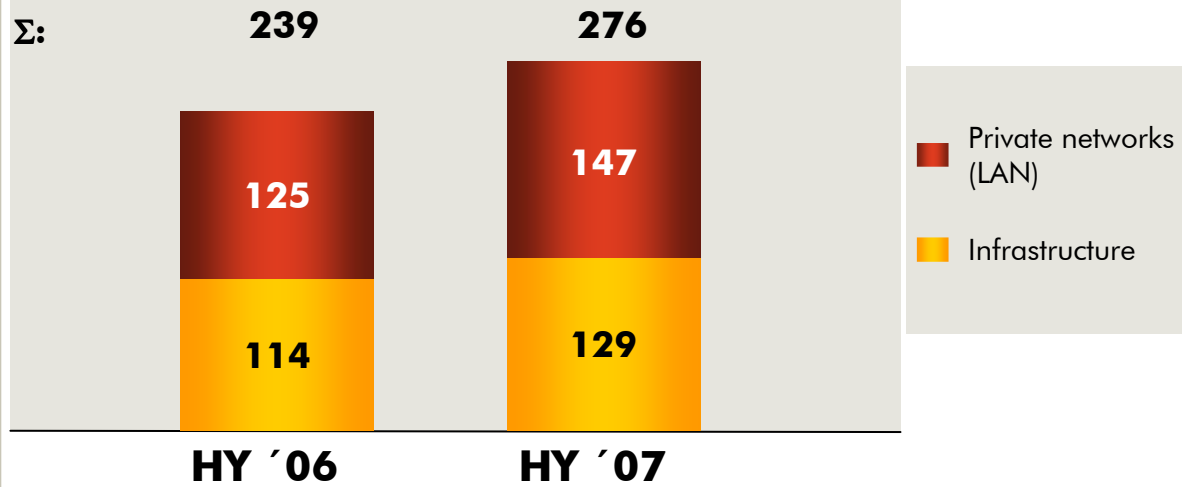
(*) Annual change in sales = + 12.6 % organic



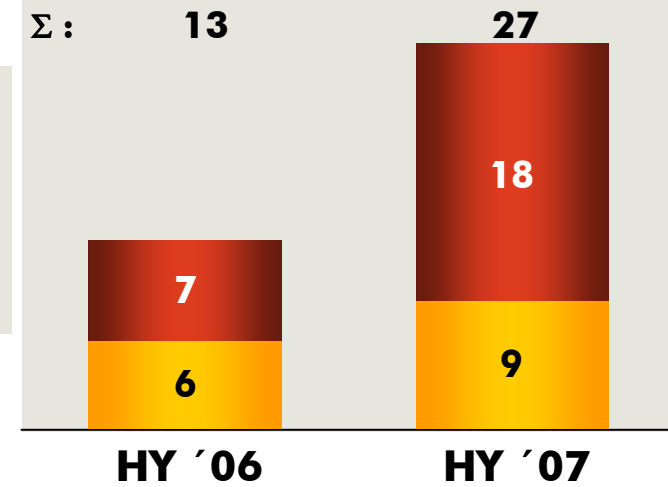
Telecom

Sales (M€) (*)

at constant metal prices and exchange rates



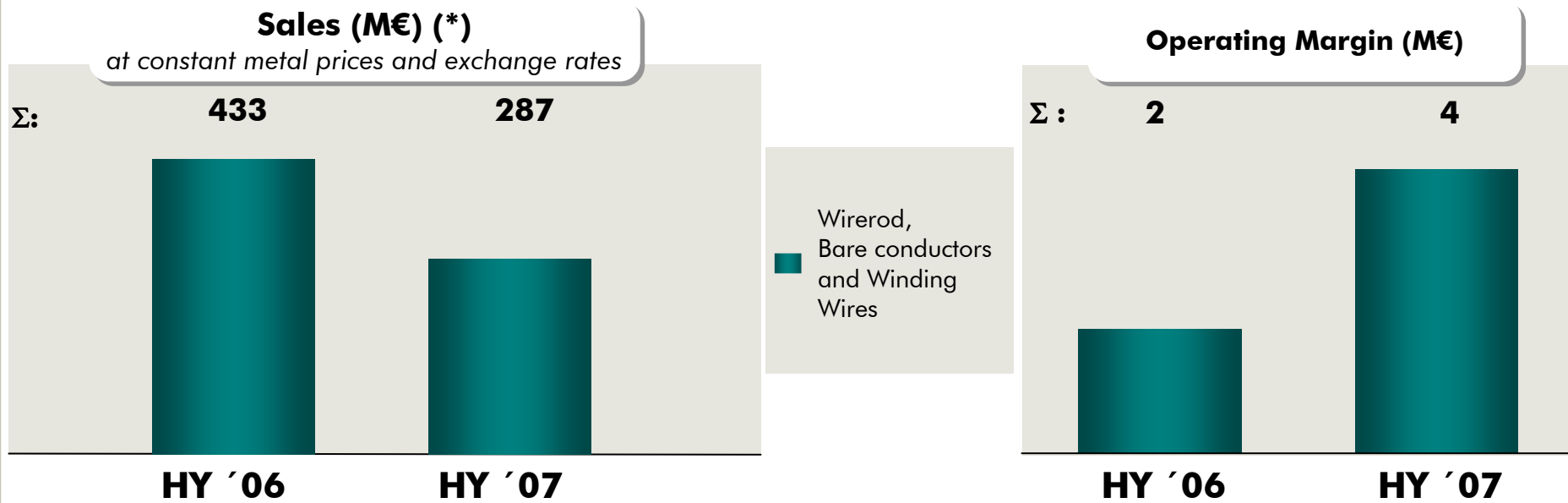
Operating Margin (M€)



(*) Annual change in sales = + 15.5 % organic



Electrical Wires



(*) Annual change in sales = - 33 % organic

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