



Results by geographical area

Rest of the World



Bruno Thomas
Executive Vice-President,
Rest of the World area

"Latin America, Africa, the Middle East and Russia are all regions where the Group occupies a position that bears no relation to its ranking as a major cable industry player. Owing to its rapid growth rate and massive requirements, the Rest of the World area offers Nexans huge potential for expansion. It offers considerable growth in population, energy and industrial terms. If it is to achieve tangible growth here, Nexans must know how to seize the opportunities that arise while keeping a handle on the various risk factors specific to each of these countries."

Nexans' sales in the Rest of the World area totaled 131 million euros in 2003, compared with 111 million in 2002. The Group has plants in Brazil, Morocco and Turkey, and is opening up to the Middle East and the huge markets of the former Soviet Union.

Three strategic locations

In Brazil this year, Nexans took over the Furukawa Group's Lorena-based plant specialized in the production of welded aluminum cables, and subsequently started up copper telecom and LAN cable activities. Nexans is carving out a favorable position for itself in Brazil at a time when the IMF and investors are looking to resume investment in programs vital to the country's future. Nexans has plans to move into Argentina, Peru and Chile starting in 2005. On the other side of the Atlantic, the Group has been present in Morocco for almost

half a century. Here, on top of its traditional cable production activities, it manufactures batteries, transformers and electrolytic cells. As Morocco's number one cablemaker, Nexans is involved in the Moroccan authorities' massive

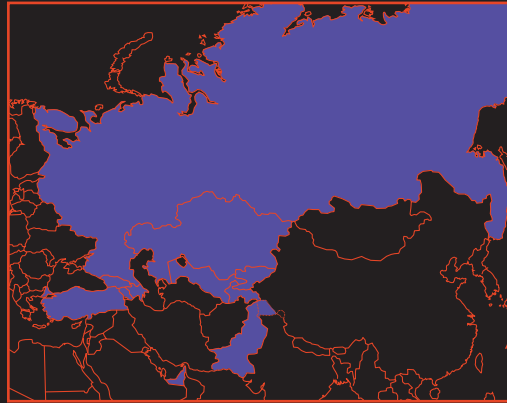
8-year program to bring electricity to the villages. In Turkey, where Nexans owns two plants, the Group is present in energy, special cables - particularly for the petrochemicals industry -, and copper telecom cables.

SIGNIFICANT EVENTS

MARCH 2003

Signing of agreement for the purchase of Furukawa Cabos de Energia SA in Brazil. The purchase of this company, which makes a full range of bare and insulated aluminum cables for power transmission and distribution, strengthens Nexans' position in the Brazilian market. Based at Lorena between Rio de Janeiro and São Paulo, the company employs 250 people and has sales of approximately 50 million dollars.

Sales of **131** million euros (income from operations: 1 million euros)



Latin America (including Brazil), Morocco, Egypt, Tanzania, Nigeria, Ghana, Turkey, Lebanon, South Africa, CIS, Russia, the Middle East, Pakistan.

■ settling without industrial presence

Background

The emerging countries continued to see their economies grow in 2003 despite disparities between regions. We are seeing a marked improvement in the economic situation in Argentina and Brazil, the proactive policies of governments and the central banks giving rise to a fall in inflation and renewed investment. In spite of persistent economic instability, Russia continues to grow. The Middle East and Africa on the other hand have been badly affected by political wrangling and wars.

Partnerships in Africa and Lebanon

In many countries where it does not have its own manufacturing facilities, Nexans has formed joint ventures and partnerships. The Group has interests in Liban Câbles and its Egyptian subsidiary, ICC, which gives it a presence in the region's telecommunications and energy markets. In Nigeria, Nexans holds shares in a mixed cable factory in Lagos and a plant not far from Abuja. Sales in the oil and gas markets are growing. Nexans is also a majority shareholder in a plant in Ghana and is developing a technical and commercial cooperative venture with Câbleries du Sénégal.



Projects in the Middle East and Russia

Nexans' facilities in Turkey open up numerous opportunities for the Group in neighboring markets. There is naturally a market for instrumentation cables and cables for the petrochemicals industry in all the countries surrounding the Caspian Sea, including Azerbaijan, Turkmenistan and Iran. The Middle East is also a promising market and Nexans, which already exports to Jordan, Egypt and Kuwait, intends to take advantage of the prospects offered by reconstruction in Iraq.

The Russian market moreover is a highly attractive one. Nexans' sales of energy and telecom cables are up by almost 6%, LAN and data cables 25-30%.

OUTLOOK The Rest of the World, like Asia, is a growth area for the Group. Demand to equip vast countries like Brazil, Russia and Nigeria extends into bordering countries. The introduction of electronic catalogues translated into local languages has facilitated the sales of Nexans' products in countries as diverse as Libya, Tunisia, Iran, etc.

1,150 employees