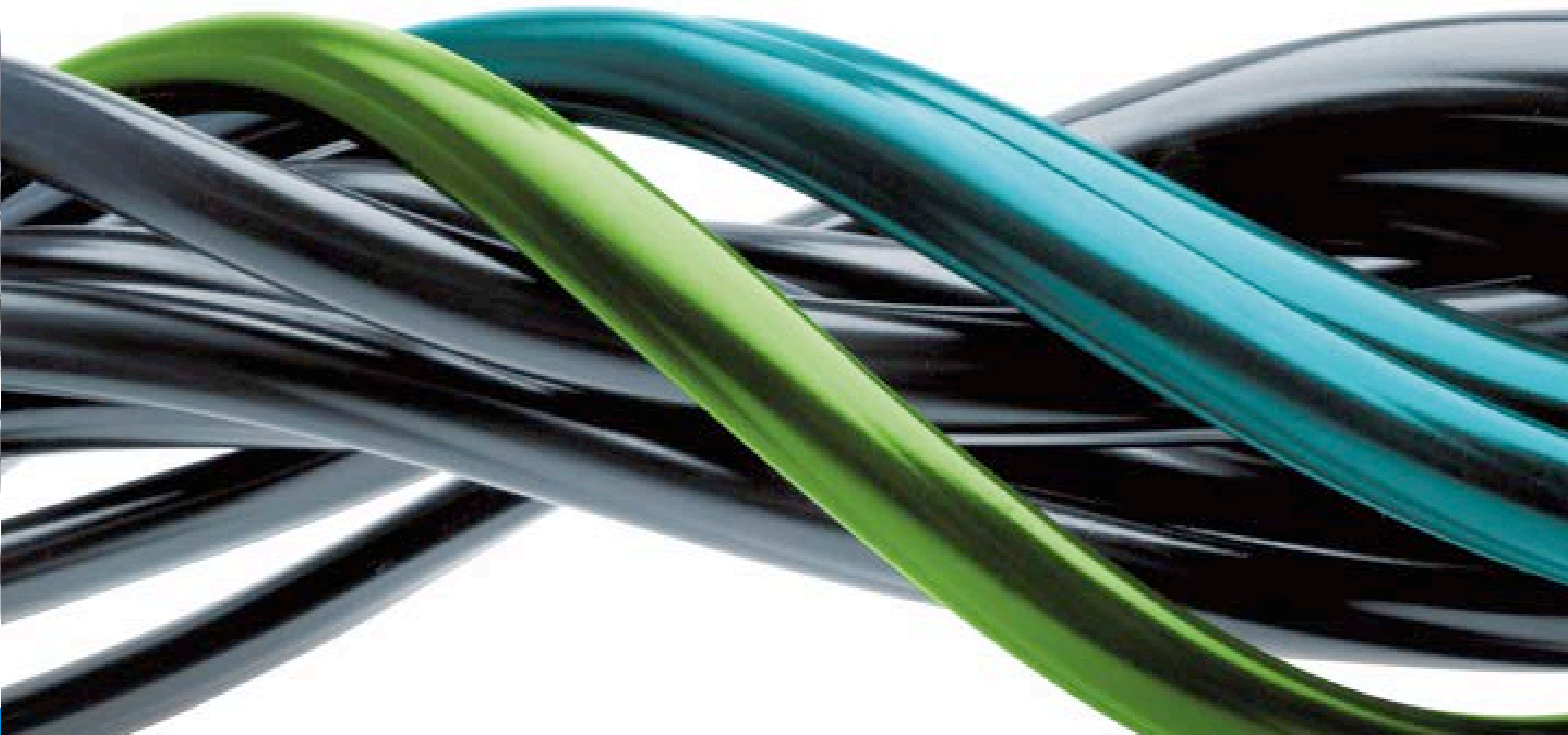
2013 Half Year results

July 25, 2013



Safe Harbor

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 the risks and uncertainties, known or unknown at this date, that may impact on the Company's future performance, and which may differ considerably. Such factors may include the trends in the economic and commercial conditions and in the regulatory framework and also the risk factors set out in the 2012 Registration Report, including confirmation of the risks linked to the authorities' antitrust investigations in Europe, the United States, Canada, Brazil, Australia and South Korea (in addition to the on-going procedures regarding local business) for anticompetitive behavior in the submarine and underground power cable sectors. An unfavorable outcome of these investigations and follow-on consequences could have a significant material adverse effect on the results and Nexans' financial situation, even above the potential fine that may be imposed by the European Commission.

In addition to the risk factors, the main uncertainties weighing on the second half of 2013 concern in particular:

- The project of plans for savings under study which could lead to consultations with the employee representative bodies in the second half and which may have a negative impact on the balance sheet and the net profit, and significant negative consequences for operations;
- The operating performance of the High Voltage business, in particular compliance with delivery times and successful results of the tests requested by customers, together with the positive outcomes from managing turnkey project complaints;
- In Libya, the resumption of High Voltage projects that had been suspended;
- Customers' maintaining their Oil & Gas projects in North America and an upturn in the LAN market in the United States
- A sufficient level of demand maintained in Europe;
- Volumes level in Australia where demand slowed in the first half and where Nexans has implemented actions aimed at improving its competitiveness;
- A safeguarded value of assets in unstable economies, such as Argentina and Egypt;
- Increased credit risk, which in some cases cannot be insured, or fully insured, in Southern Europe, especially Greece, and in some customer segments in China;
- The assumption of limited impact in 2013 of the antitrust investigations begun in 2009 and in any event consistent with the accounting options adopted.

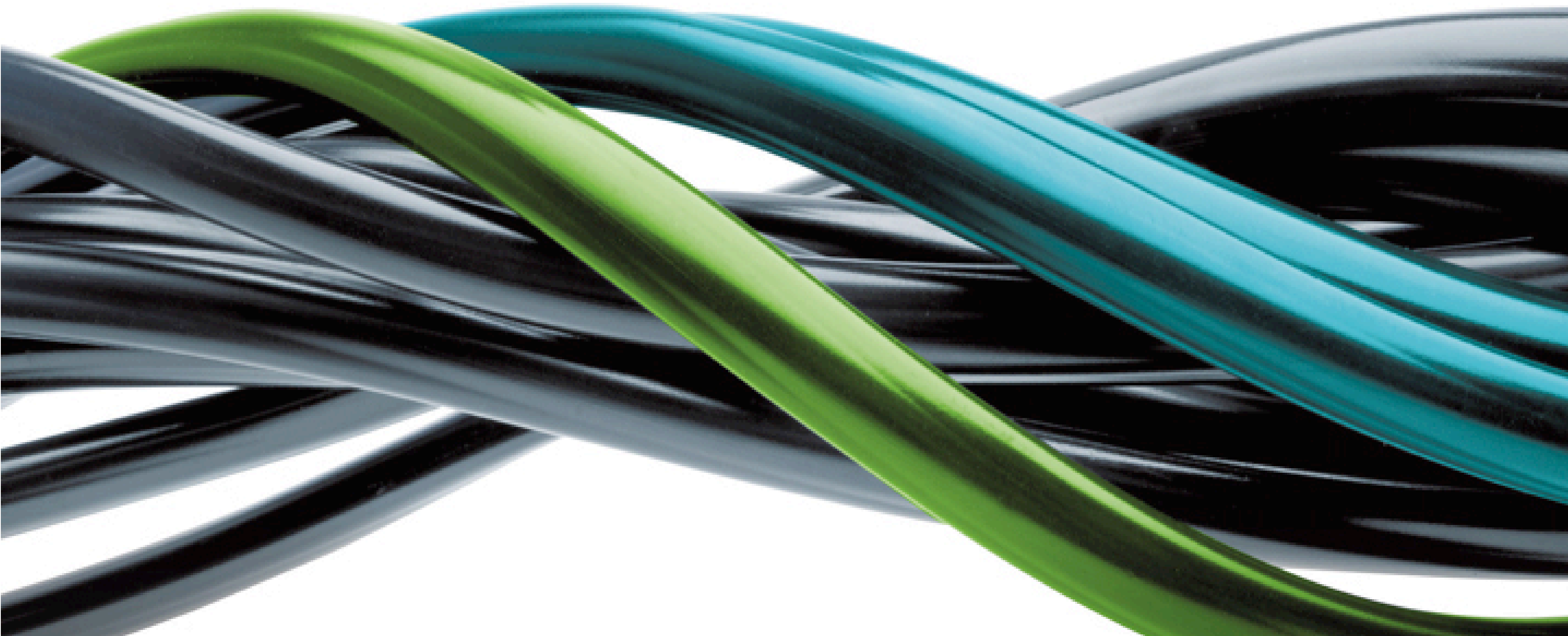
Investor relations :

Michel Gédéon	+ 33 1 73 23 85 31	Michel.gedeon@nexans.com
Laura Duquesne	+ 33 1 73 23 84 61	Laura.duquesne@nexans.com
Carole Vitasse	+ 33 1 73 23 84 56	Carole.vitasse@nexans.com

Frédéric Vincent

Chairman & CEO

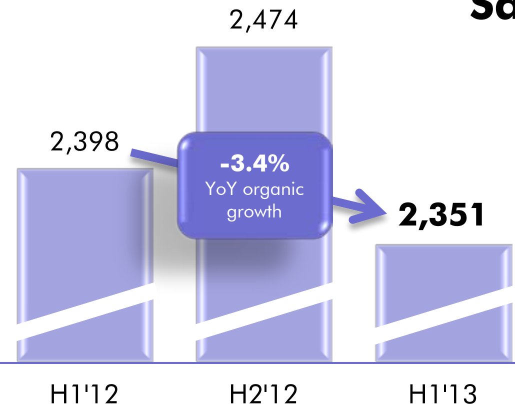
Activity overview



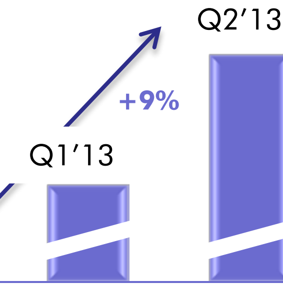
Key figures (in M€)

SALES

Sales at constant metal prices

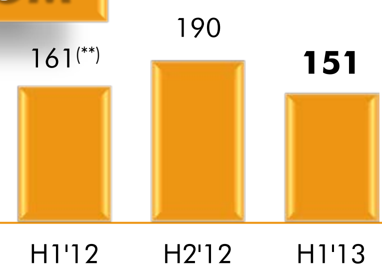


- Significant improvement in Q2
- Particularly true for **all emerging markets**



EBITDA(*) & OM

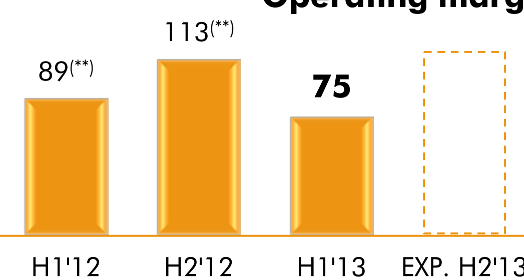
EBITDA(*)



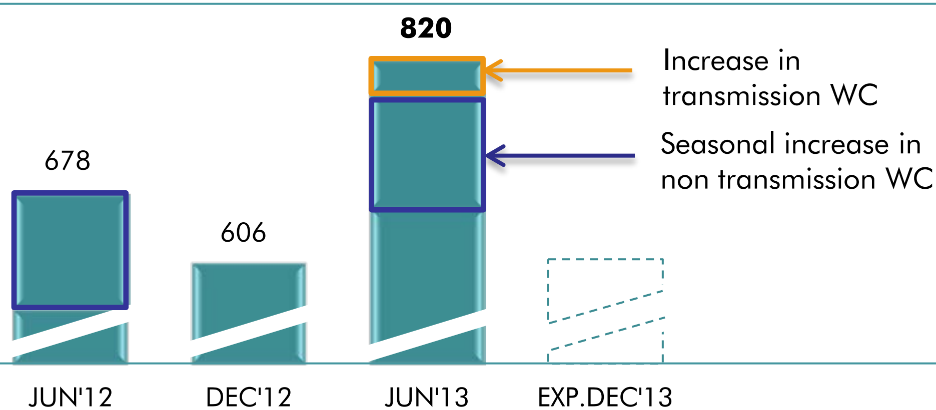
(*) Operating margin before depreciations

(**) 2012 restated after adoption of IAS 19 Revised

Operating margin



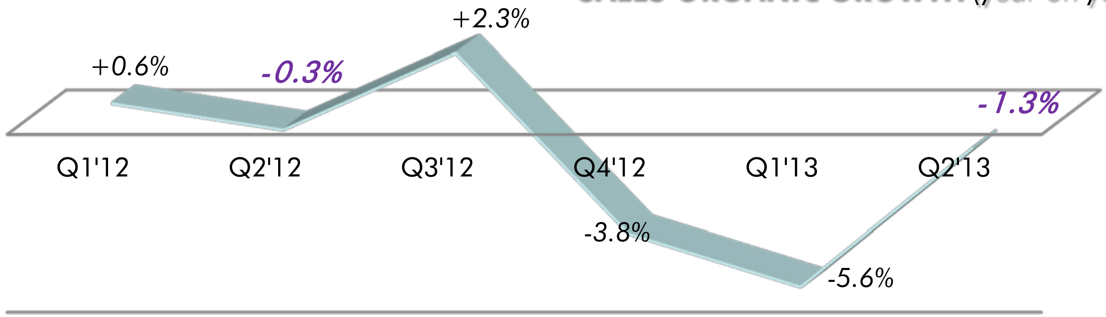
DEBT



Temporary inflation of net debt due to regular seasonality + specific increase of WC in transmission (to be deflating after 90M€ payments to be received in Q3)

H1 2013: a difficult but expected start

SALES ORGANIC GROWTH (year on year)



Sales

Pick up in Q2'13 vs 2 previous quarters

Slowdown in Europe starting in Q3'12 → Slowdown in the other areas starting Q4'12 → Sales pick up in all areas in Q2'13, sales close to Q2'12 level

Submarine transmission: continuing recovery

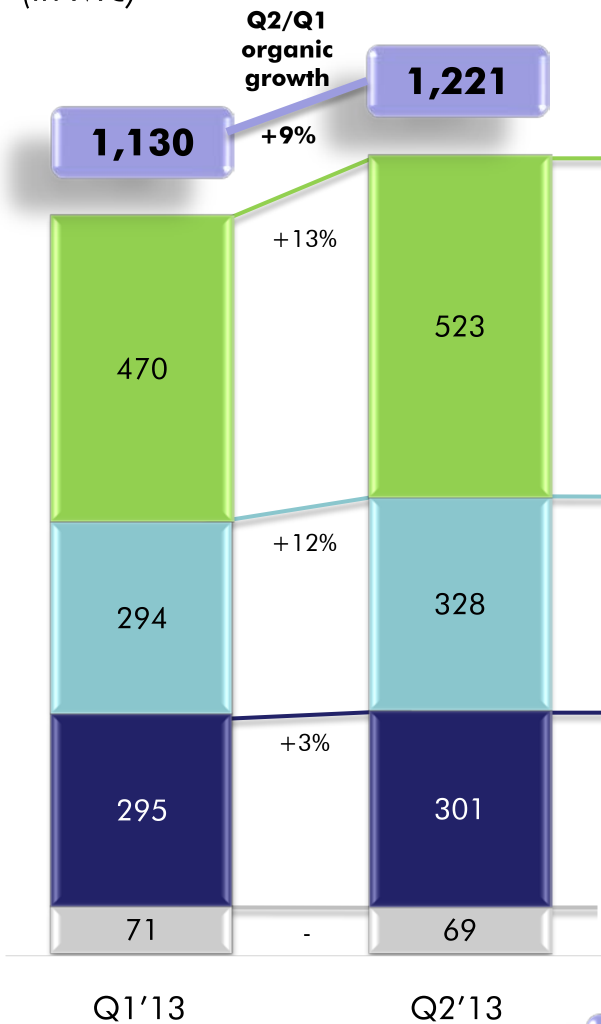
Operating margin

Reminder of elements weighing in guidance given during Full Year 2012 publication *(February 7, 2013)*

	Realization over H1'13
+	
Progressive recovery in Submarine (not yet normative)	
Strong push of Nexans AmerCable	
Positive outlook in North America	
Positive expectations on China	
−	
Legal costs unpredictable, possibly higher	
H1'13 probably low (Europe, Brazil)	
Nexans Yanggu ramp up and Falcon start up costs	

Sales(*) and profitability by business

(in M€)

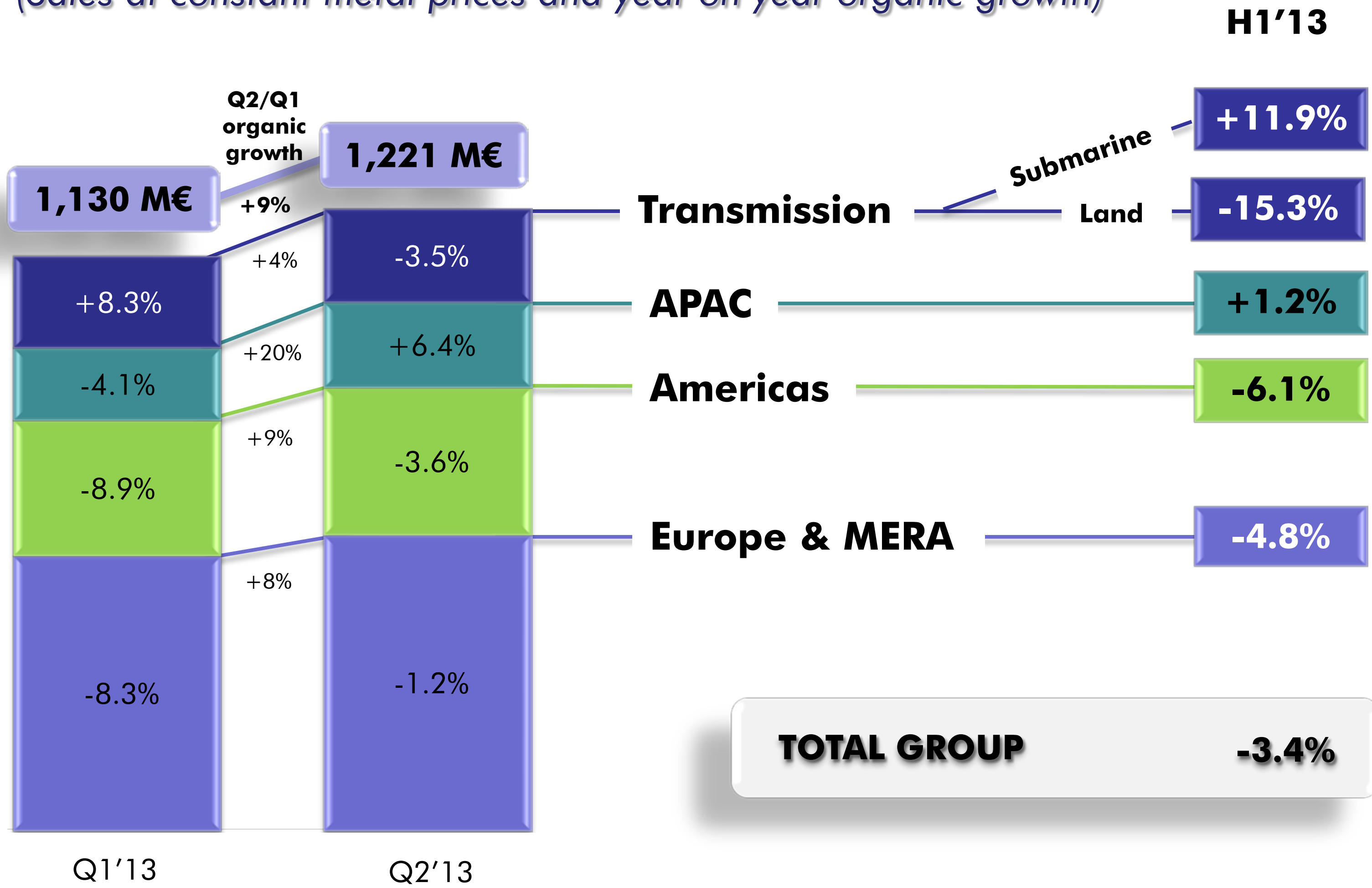


	Sales(*) & YoY organic growth H1'12	Sales(*) & YoY organic growth **H1'13**	YoY organic growth	Operating Margin H1'12(**)	Operating Margin **H1'13**
TD&O	1,006	**993**	-3.9%	23	**34**
Industry	585	**622**	+2.7%	21	**21**
D&I	652	**596**	-7.3%	43	**24**
Other	156	**140**	-7.5%	2	**-4**
TOTAL GROUP	2,398	**2,351**	-3.4%	89	**75**

(*) *Sales at constant metal prices*
(**) *2012 restated after adoption of IAS 19 Revised*

Sales evolution by area

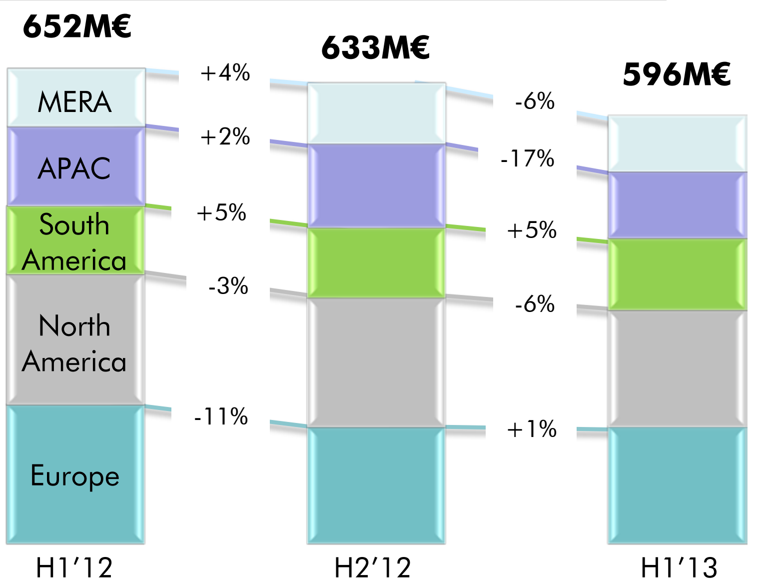
(Sales at constant metal prices and year on year organic growth)



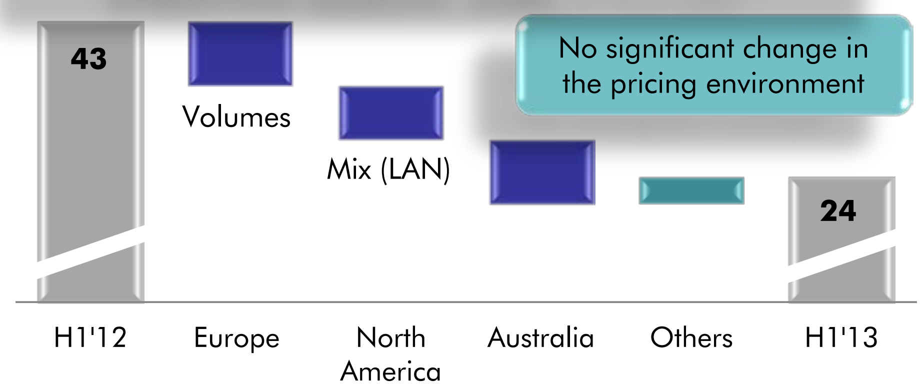
TOTAL GROUP **-3.4%**

Distributors and Installers: few upsides in the market environment during the first 6 months

Sales(*) and organic growth by area



OPERATING MARGIN: 24M€, *4.1% of sales(*)*



No significant change in the pricing environment

SALES(*): 596M€
-7.3% H1'13 vs H1'12
+2.5% Q2'13 vs Q1'13

Europe
Stable at low level since H2'12

North America
Slow start in Q1'13, improving over Q2

South America
Engine for growth, driven by Brazil and Colombia

APAC
Australia: slowdown in the building market & mining channeled through distributors

LAN: Q2 shows first signs of positive results of synergies after commercial partnership signed with Leviton

(*) *Sales at constant metal prices*

Nexans

Industry: a well-oriented first half-year

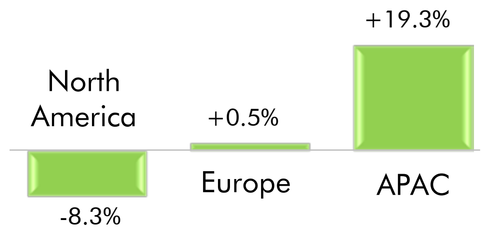
Sales(*)

622M€, +2.7%(**)

OM

21M€, 3.4% of sales(*)

Sales growth by area (**)

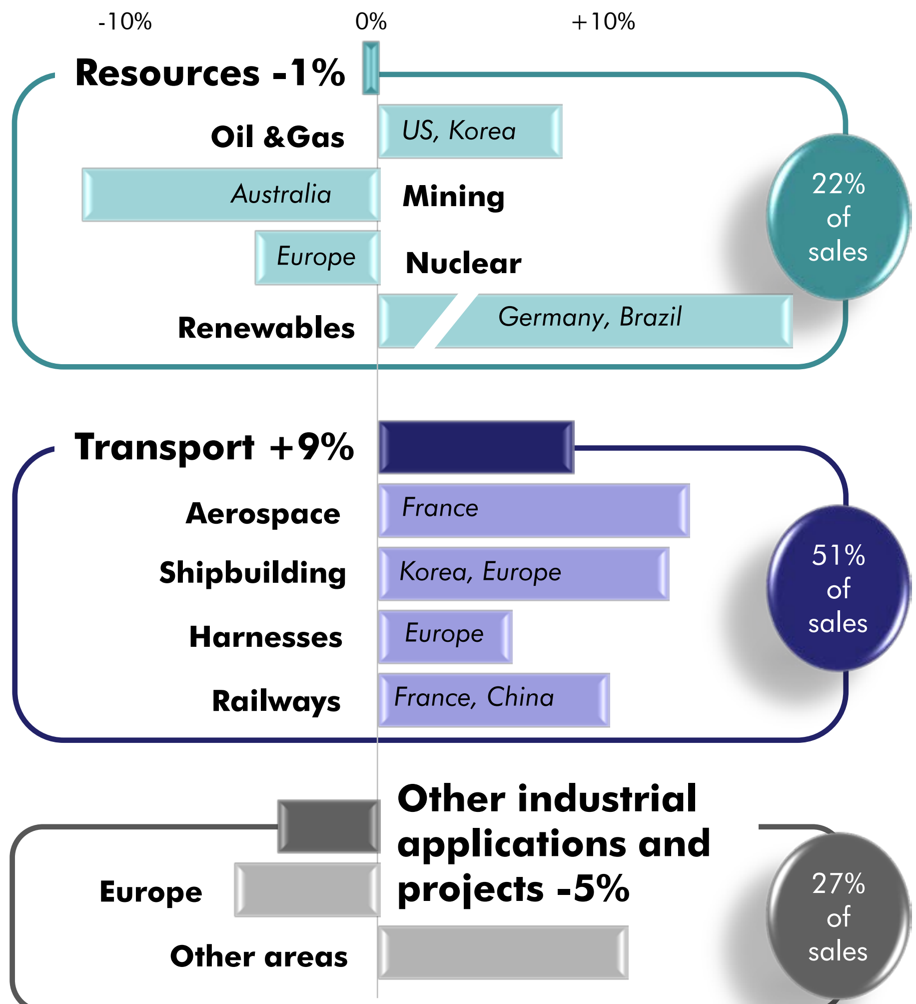


Trends

Weak market in Europe for other industrial applications

Strong performance of APAC, driven by Korea (shipbuilding, Oil & Gas)

Sales growth by sector (**)

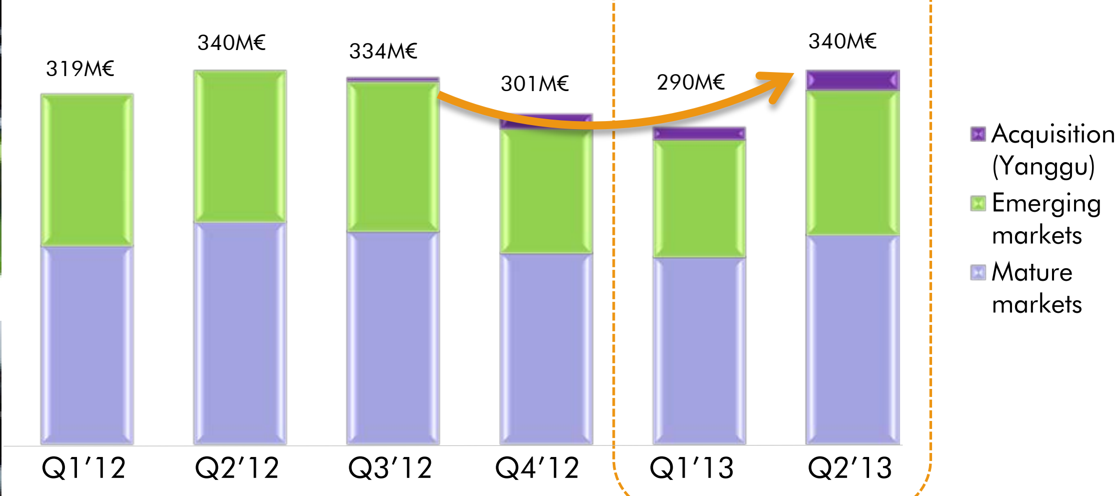


(*) *Sales at constant metal prices* (**) *Year on year organic growth*

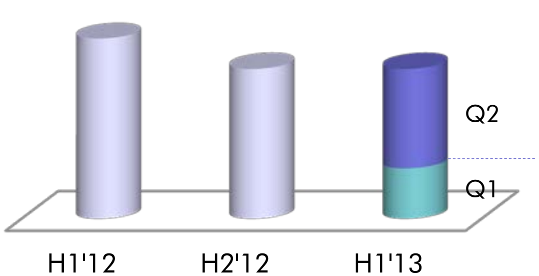
Utilities & Operators: Europe and emerging markets under opposite trends

Sales(*) quarterly evolution

H1'13: 630M€



Operating margin on sales(*)



Stability of operating margin over the past 12 months

Significant improvement Q2 vs Q1, mainly driven by emerging markets

Utilities: 540M€

Stronger Q2 not sufficient to pull H1 up to last year level.

Europe

Slower activity in a market in excess of energy supply

Emerging markets

Good performance in some countries (Korea, China, Peru, Lebanon)

Accessories

Good performance partly driven by demand in France

Operators: 90M€

Continuous improvement over the past 6 months, driven by FTTH sales in Europe.

(*) *Sales at constant metal prices*

Transmission: sales repositioning ongoing in land, recovery in submarine

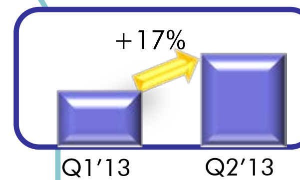
LAND

Sales organic growth: -15% vs H1'12

Projects postponed from Q1 to Q2, leading to significant improvement Q2 over Q1.
No upside in the market environment in Middle-East.

Backlog: up to1.2 years of sales after entry of Sino-Hydro project (Ecuador), Beijing underground network and extra high voltage cable contracts in Italy and Germany.

Charleston: construction according to planning, with delivery in Q3'14. Tendering activity has started.
Ramp up costs of Charleston and Nexans Yanggu weighing c.4M€ in the operating margin.



SUBMARINE

Production back to normal → **Sales organic growth: +12% vs H1'12**

Margins impacted by 2012 legacy projects → **Operating margin improving but not yet normative**

Strong growth expected in H2'13

Backlog: 1.2Bn€

Nicolas Badré

CFO

Financial Results

Key Figures

(in M€)	H1 2012(*)	**H1 2013**
Sales At current metal prices	3,577	3,412
Sales At constant metal prices	**2,398**	**2,351**
EBITDA(**)	161	151
Operating margin	89	75
Operating margin rate at constant metal prices	*3.7%*	*3.2%*
Operating margin rate at current metal prices	*2.5%*	*2.2%*
Restructuring	(8)	(32)
Net income (Group share)	**13**	**(145)**
Operational Cash Flow	**64**	**66**
Net debt	**678**	**820**

(*) 2012 restated after adoption of IAS 19 Revised
(**) Operating margin before depreciation

Nexans

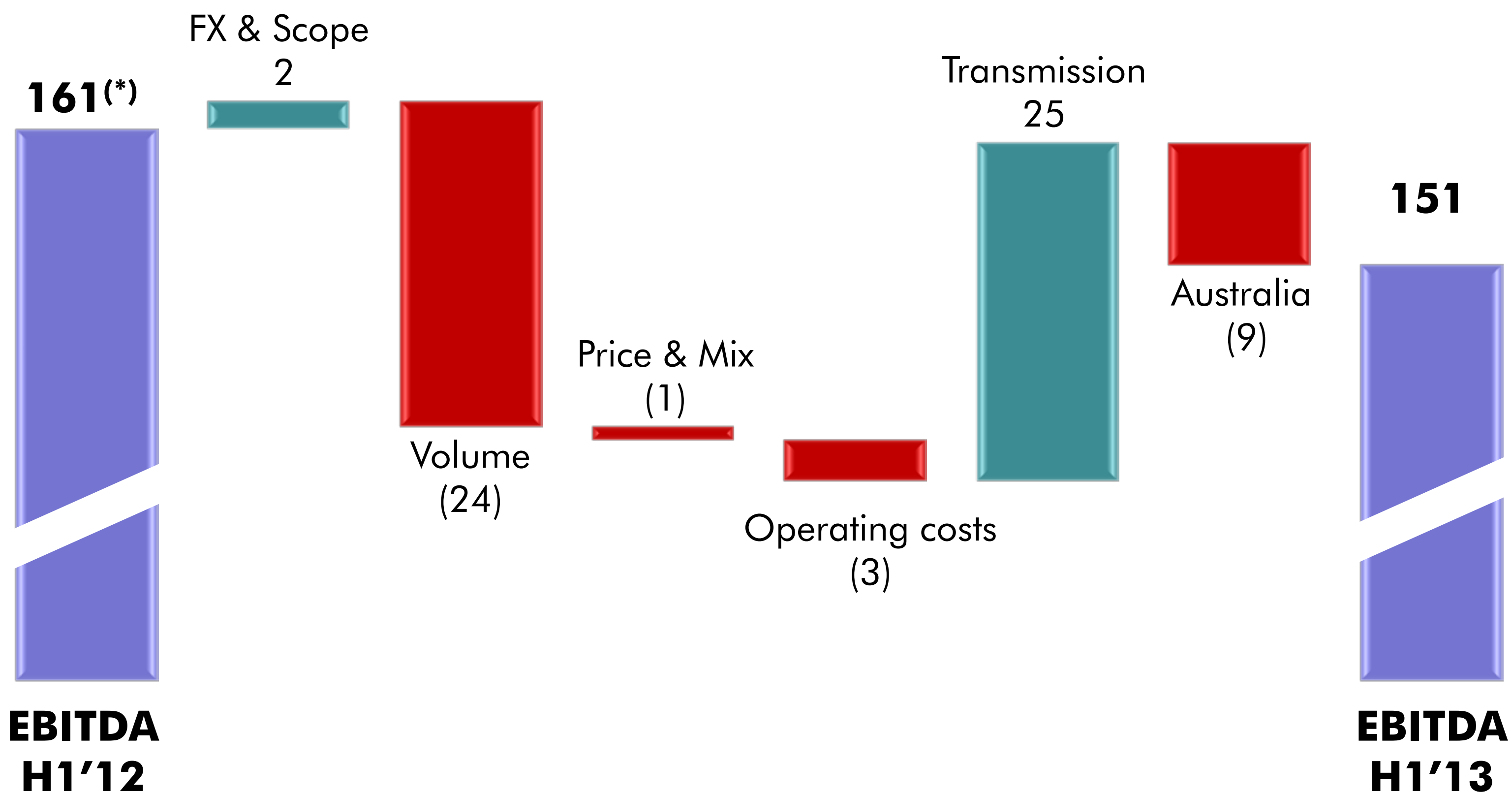
Income statement (1/3)

(in M€)	H1 2012(*)		**H1 2013**	
Sales At constant metal prices	2,398		2,351	
Margin on variable costs	736	30.7%	727	30.9%
Indirect costs	(575)		(576)	
EBITDA(**)	**161**	**6.7%**	**151**	**6.4%**
Depreciation	(73)		(76)	
Operating margin	**89**	**3.7%**	**75**	**3.2%**
Core exposure impact	3		(27)	
Asset impairment	(2)		(92)	
Change in fair value of metal derivatives and other	(0)		(2)	
Capital gain and loss on asset divestitures(***)	(6)		1	
Restructuring	(8)		(32)	
Operating income	**76**		**(78)**	

(*) 2012 restated after adoption of IAS 19 Revised
(**) Operating margin before depreciation
(***) Including transaction costs on external acquisitions

EBITDA evolution

(in M€)



(*) *2012 restated after adoption of IAS 19 Revised*

Income statement (2/3)

(in M€)	H1 2012(*)		**H1 2013**	
Sales At constant metal prices	2,398		2,351	
Margin on variable costs	736	30.7%	727	30.9%
Indirect costs	(575)		(576)	
EBITDA(**)	**161**	**6.7%**	**151**	**6.4%**
Depreciation	(73)		(76)	
Operating margin	**89**	**3.7%**	**75**	**3.2%**
Core exposure impact	3		(27)	
Asset impairment	(2)		(92)	
Change in fair value of metal derivatives and other	(0)		(2)	
Capital gain and loss on asset divestitures(***)	(6)		1	
Restructuring	(8)		(32)	
Operating income	**76**		**(78)**	

(*) 2012 restated after adoption of IAS 19 Revised
(**) Operating margin before depreciation
(***) Including transaction costs on external acquisitions

Income statement (3/3)

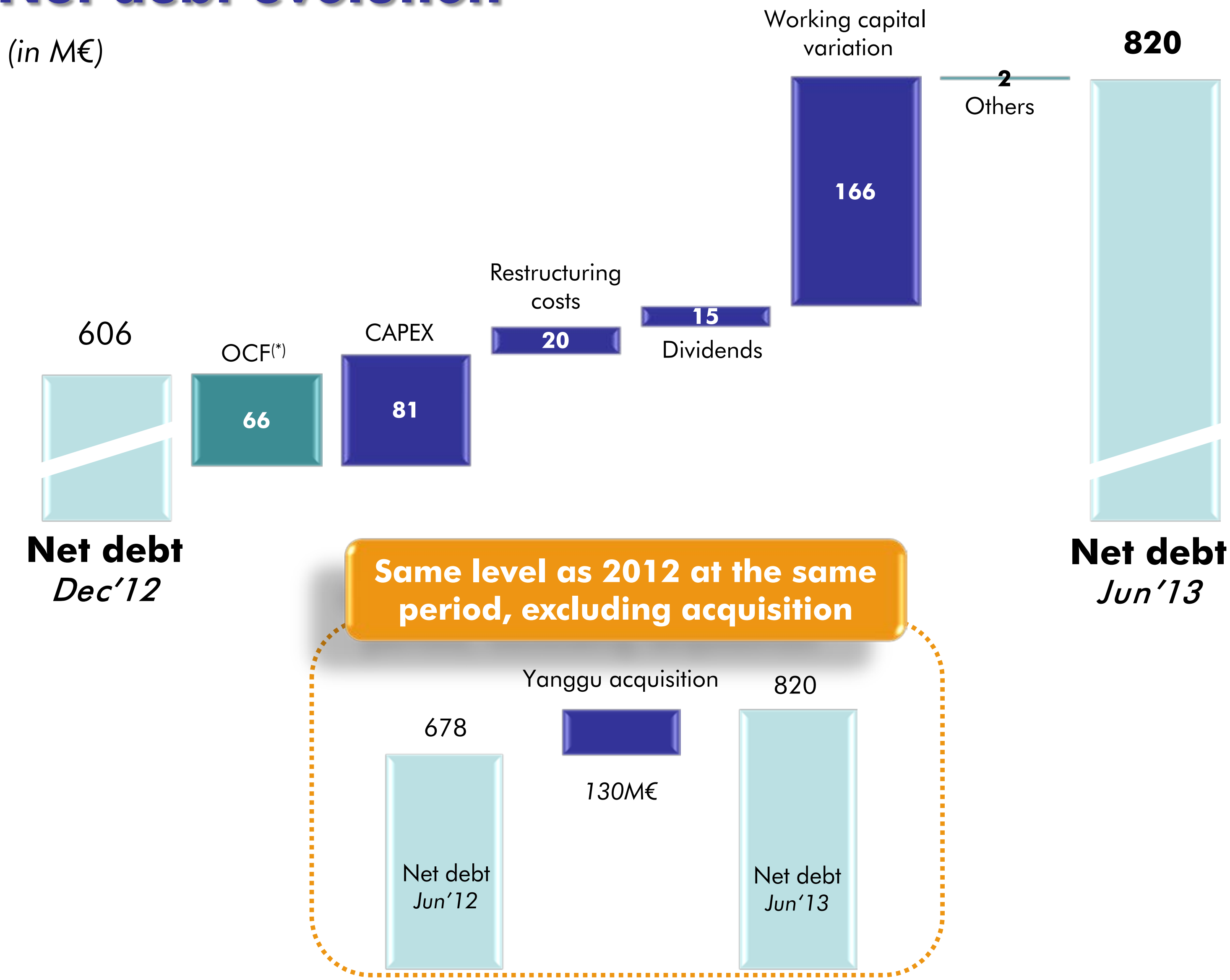
(in M€)	H1 2012[*]	**H1 2013**
Operating income	**76**	**(78)**
Financial charge	(58)	(46)
Income before tax	**18**	**(124)**
Income tax	(5)	(21)
Net income from operations	**13**	**(145)**
Net income Group share	**13**	**(145)**

[*] 2012 restated after adoption of IAS 19 Revised

Balance sheet

(in M€)	Dec 31, 2012	**Jun 30, 2013**
Long-term fixed assets	**2,069**	**1,912**
of which goodwill	*509*	*442*
Deferred tax assets	141	137
Non-current assets	**2,210**	**2,049**
Working Capital	1,124	1,181
Other	-	24
Total to finance	**3,335**	**3,254**
Net financial debt	**606**	**820**
Reserves	772	763
Deferred tax liabilities	114	99
Shareholders' equity and Minority interests	**1,843**	**1,572**
Total financing	**3,335**	**3,254**

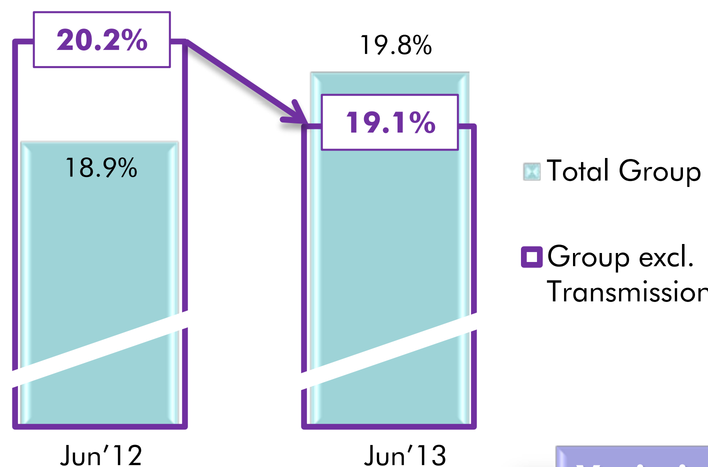
Net debt evolution



(*) Operating cash flow is defined in note 4 to the Consolidated statement of cash-flows

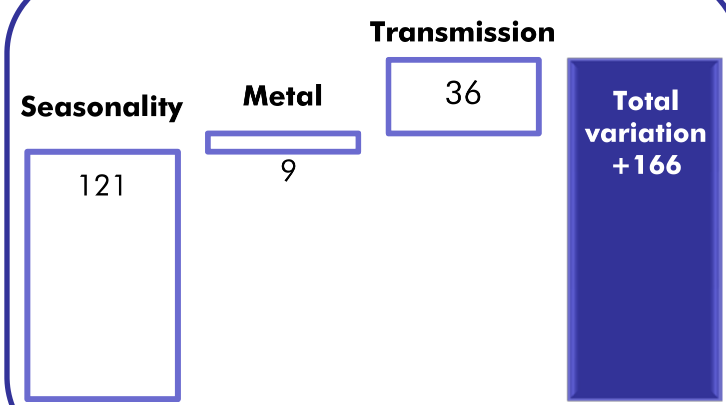
Working Capital evolution

% of working capital based on last quarter sales at current metal prices multiplied by 4



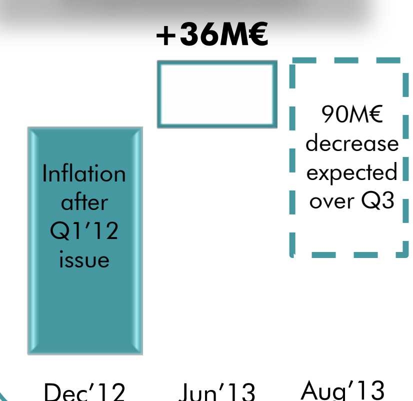
Increase of total WC due to a significant payment to receive in August, but important decrease of WC excluding transmission

Variation vs June 30, 2012



Variation in M€ vs December 31, 2012

Transmission



Frédéric Vincent

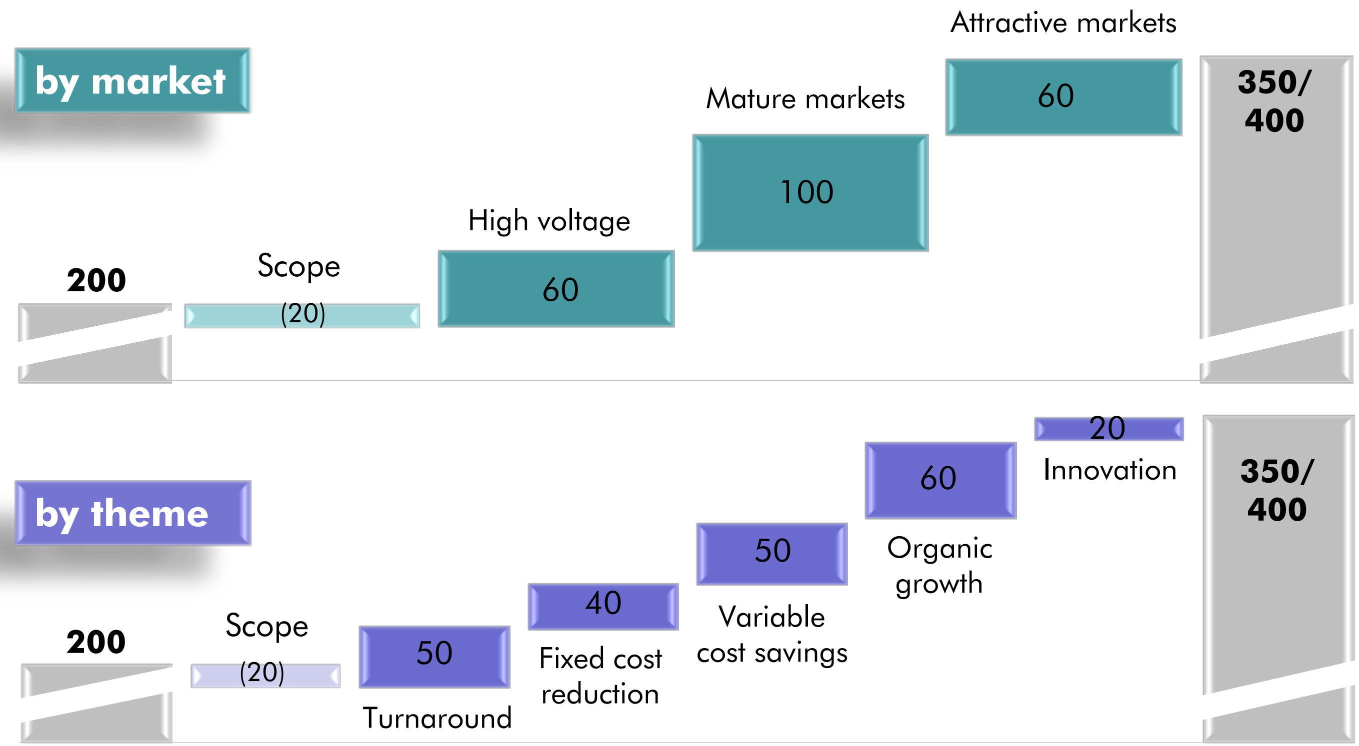
Chairman & CEO

2013-2015: Accelerating the transformation

Reminder of strategic plan 2013-2015

	2012 - Actual	2015 - Target
Sales (constant metal prices)	4,872M€	**5,600M€**
Operating Margin	200M€	**350/400M€**
OM/Sales	4.2%	**7.1%**
Return on Capital Employed	6.6%	**11.6%**

(in M€)



H1 2013: initiate the transformation plan

Team strengthened
Appointment of Arnaud Poupart-Lafarge, COO

Bringing a new trend

Simplify the decision-making process

Structuring the transformation

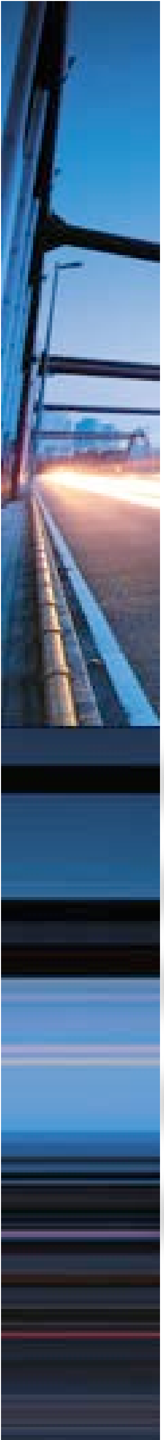
Implement a Project Management Office

Shaping the future

Propose a new organization reflecting the key-businesses to develop

Initial transformation plan integrated into 18 streams

- One owner for each stream with sound understanding, involvement and incentive
- Financial targets secured through KPI's in place
- Extensive monthly progress reviews by the Management Committee for each stream



H1 2013: structure the transformation

Example of initiatives included in the 18 followed streams

30% Organic Growth	20% Fixed cost reduction	25% Turnaround	10% Innovation	25% Variable cost savings	-10% Perimeter
Recovery plan in Brazil	*Land High Voltage*	*Industrial situation in Halden*	*Harnesses*	*Manufacturing performance*	*Identify tradable assets and clean up the portfolio*
Develop Falcon project	*European specialty cables*	*Australia recovery plan*	*Fire resistant cables*	*Purchasing & sourcing*	
YG integration & Synergies	*G&A streamlining*		*Smart grids*	*Redesign to cost*	
AmerCable integration & Synergies					
Subsea activity					
14 initiatives	**4 initiatives**	**2 initiatives**	**3 initiatives**	**3 initiatives**	**1 initiative**

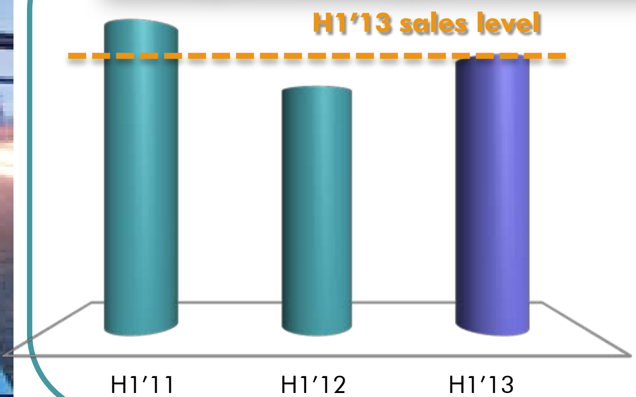
COMEX Sponsors

Program Leaders

Nexans

H1 2013: all initiatives launched, some delivering first results

High voltage - Submarine



FY'13: catch up of 2/3 of 2012 missing sales

Significant progress in the completion of legacy contracts

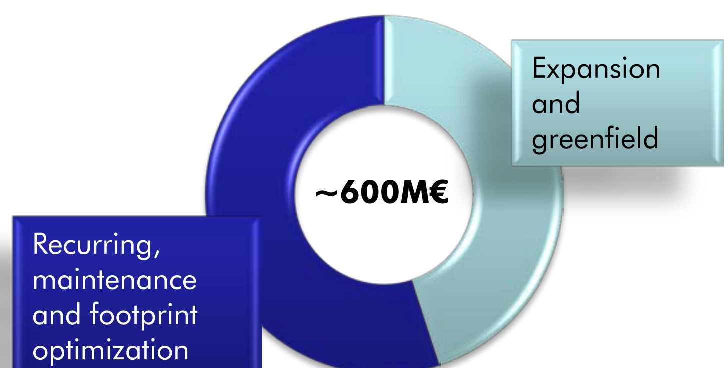
Mature markets

Cost saving study ongoing with a target of 40M€ by 2015
(to be finalized and communicated at latest together with the Q3 sales)

Manufacturing and Purchasing cost reduction
All levers identified, of which 10M€ in the Redesign to cost initiative

Investments in boosting countries to capture growth

2013-2015 spending plan



H1'13 progression

Peru: new CV line in production to double our capacity in MV

Chile: 45% capacity extension operational in H1'14

Lebanon: new CV-HV line allowing to be ready for the Lebanon Electricity program

Turkey: new production capacities in O&G Instrumentation and Railways Signaling

Development of a new business model in APAC on the back of Yanggu integration

Significant changes in environment

CHINA

New low cost platform available

- Acquisition of Yanggu late 2012
- Redefinition of the business model in APAC leveraging Nexans Yanggu

AUSTRALIA

Deterioration of the situation…

- End of mining boom
- Lowering electricity consumption
- No-tariff policies & sustained high currency favouring importers

… accelerating in H1'13

Consequences on Nexans Olex:

New strategic positioning necessary

- Simplify flows by rationalizing the local product portfolio and number of manufacturing processes
- Integrate the Australian business into new Nexans regional supply chain

Impairment of goodwill & PPE: 80M€

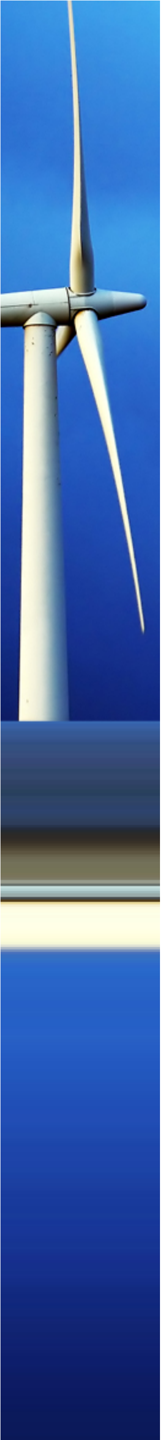
Nexans

FY 2013 guidance

EBITDA(*)	330-350M€
Operating Margin	H2'13~H2'12
Additional loss in Net Income in H2'13 *(if saving plan study results in restructuring reserves)*	
Net Debt at Dec.13	~600M€(**)

(*) *Operating margin before depreciation*
(**) *Excluding eventual EEU fine, at stable non ferrous metal prices*

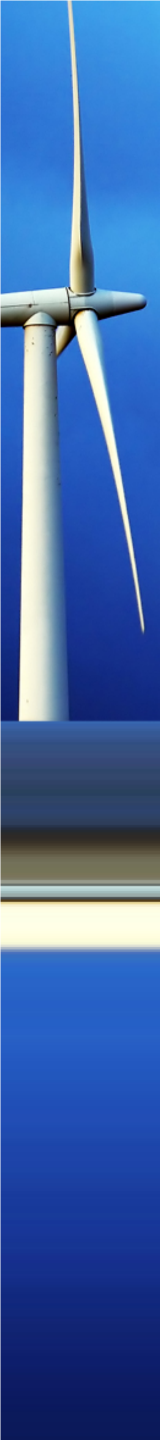
Appendices



Sales and profitability by segment

(in M€)	H1 2012(*)			H1 2013		
	Sales	OM	OM %	Sales	OM	OM %
Transmission, Distribution & Operators	1,006	23	2.3%	993	34	3.4%
Industry	585	21	3.5%	622	21	3.4%
Distributors and Installers	652	43	6.6%	596	24	4.1%
Other	156	2	1.3%	140	-4	-3.3%
Total Group	**2,398**	**89**	**3.7%**	**2,351**	**75**	**3.2%**

(*) 2012 restated after adoption of IAS 19 Revised



Impact of foreign exchange and consolidation scope

(in M€)	H1 2012	FX	Organic growth	Scope	H1 2013
Transmission, Distributors & Operators	1,006	-11	-39	37	993
Industry	585	-	15	22	622
Distributors & Installers	652	-7	-47	-2	596
Other	156	-3	-11	-2	140
Total Group	**2,398**	**-21**	**-81**	**55**	**2,351**