

2015 Full Year results



Safe Harbor

- Forward-looking statements in this presentation are subject to various risks and uncertainties that could affect the Company's future performance. Actual results could therefore differ significantly from those currently expected or anticipated.
- Readers are also invited to log onto the Group's website where they can view and download the press release of the annual results and the 2015 financial statements, which include information on the investigations launched in 2009 on anti-competitive behavior in the submarine and underground high-voltage cable sector in various countries (see Note 29a to the consolidated financial statements, "Antitrust Investigation").
- The Group's outlook for 2016-2017 is subject to several major uncertainties:
 - the economic and political environment in certain emerging countries where Nexans generates – or plans to generate – significant sales volumes, notably Brazil, China, Lebanon, Libya, Nigeria, Russia and Turkey;
 - the impact of falling prices of oil and numerous metals which is triggering a sharp decline in capital expenditure projects for oil exploration and drilling as well as in the gas and mining sectors, and is destabilizing the economies of countries and regions such as Australia and North America that are highly dependent on these commodities;
 - certain markets in which Nexans plans to develop sales might not grow as rapidly as expected, which could lead to critical under capacity in some of the Group's plants;
 - risks related to the costs and implementation timeframes of the reorganization plans, as well as a risk that these plans could give rise to temporary inefficiencies or even loss of market share;
 - the risk that market conditions will prevent the projected restructuring of the Group's business portfolio from being carried out at the planned pace;
 - inherent risks related to carrying out major turnkey projects for submarine cables;
 - the risk that certain R&D and innovation programs or programs designed to improve the Group's competitiveness experience delays or do not fully meet their objectives.
- Audit procedures on the consolidated financial statements have been carried out. The Statutory Auditor's report will be issued following the review of the management report.

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1. Nexans brings Energy to Life

Arnaud Poupart-Lafarge

CEO

A few moments of pride

 **Nexans**
BRINGS ENERGY TO LIFE

Nexans brings Energy to Life

Energy transition and efficiency

Connecting countries to secure and optimize Power networks

NSN Link, the world's longest subsea power link incorporating Nexans' HVDC cable technology



NordLink HVDC interconnector between Norway and Germany



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Energy transition and efficiency

Strengthening network connections to Renewable Energy sources

“Safety net Brittany” project with RTE

Nexans 225 kV power link across Brittany to secure the network and provide optimal delivery of electricity from land and off-shore renewable energy



“HyWind” pilot floating wind farm by Statoil

Nexans to supply static and dynamic cabling systems and accessories for the Hywind Scotland Pilot Power Park, 30 km off the coast of Aberdeenshire



Copyright Statoil

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Energy transition and efficiency

Supporting the development of major Solar Power Plants

The Fonte Solar I & II in Brazil

The biggest photovoltaic complex of Brazil, is equipped with 210 km of Nexans Energyflex solar cables



Cestas Solar Farm in France

5,000 km of Nexans photovoltaic cables to connect Europe's largest solar farm



Nexans brings Energy to Life

Demographic development and urbanization

Providing reliable cables for intra-city transport infrastructures

Nexans MV and LV Alsecure cables to equip the new 20 km long metro line in Istanbul, Turkey.



Once completed in 2017, the new metro line will be able to carry 65,000 passengers in one hour/direction.

Nexans brings Energy to Life

Economic development

Full cable solutions for Oil & Gas off-shore platforms

Nexans unic provider of cables for TOTAL deep sea Egina Oil floating platform

2,200 km of Nexans cables
for the largest FPSO project to date



Photo Copyright by SHI

Nexans subsea cables to bring Power to the offshore super complex serving Abu Dhabi's Nasr oil field

90 M€ contract with Hyundai Heavy
Industries covering High Voltage
Power and infield cables

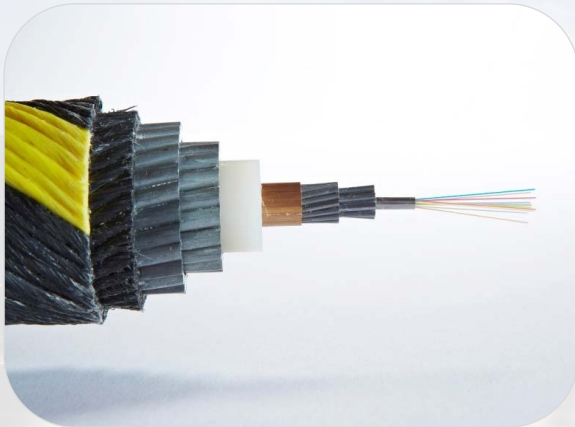


Nexans brings Energy to Life

Increasing Data exchange

Optical Fiber and LAN solutions for high-speed Data traffic

High speed broadband Optical Fiber cable “**Nexans ROC-2**” chosen by **Nigeria & Cameroon**



~1,100 km of Repeated Optical Cables for the Nigeria-Cameroon Submarine Cable System

High performance cables for **BNP Paribas Data Center**



Nexans to design and deliver ultra high density fibre optic cabling systems for the new campus data centre

Nexans Excellence Way

Experience in Lean Manufacturing extended to an Enterprise wide initiative



Focus on performance improvement

LEAN Manufacturing

Standard Management Routines



- Visual management
- Structured problem solving approach
- SQCDE focus



S Safety

Q Quality

C Cost

D Delivery

E Environment

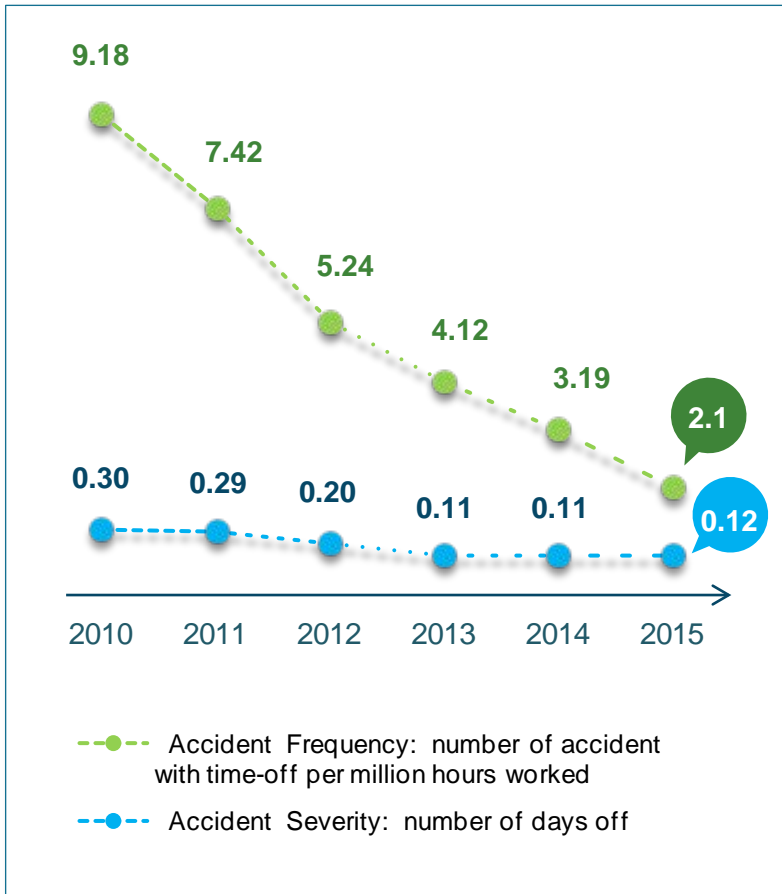
Continuous Improvement

- For the people by the people
- Standardized processes to optimize value creation for the customer

Nexans Excellence Way

Safety first

Accident frequency rate has been divided by 4 in 5 years



Safety rate is tracked as our **prime industrial performance indicator**

GROUP SAFETY DAY

Over **25,000 employees on 160 sites** participated in our second Group Safety Day in June 2015.

Best practices were shared locally and on a virtual forum.

Each site set itself a specific safety target with an appropriate roadmap.



Nexans Foundation

4th Call for projects



The poster features a photograph of two men sitting at a table covered with a red and blue checkered tablecloth. They are looking at a document on the table. On the table, there is a laptop, a white mug, and some electronic equipment. The background is dark, and the scene is lit from above, creating a focused atmosphere.

Nexans
Foundation
For fair access to electrical power

PARTICIPATE
IN THE 4th CALL
FOR PROJECTS
FROM JANUARY 26
TO APRIL 8, 2016

ARE YOU AN NGO/NPO?

Foundation Antenna

A man with a beard and safety glasses is working on a server rack. He is wearing a blue and white polo shirt and grey gloves with the 'Moxiflex' logo. The server rack is filled with cables and components. The background is a blurred server room.

2. Business Performance

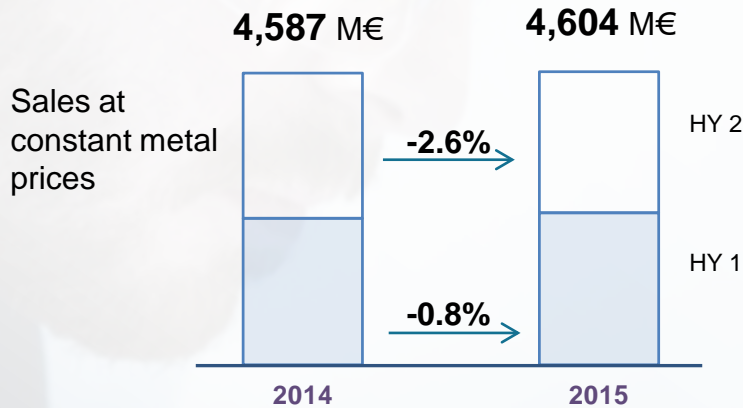
Arnaud Poupart-Lafarge

CEO

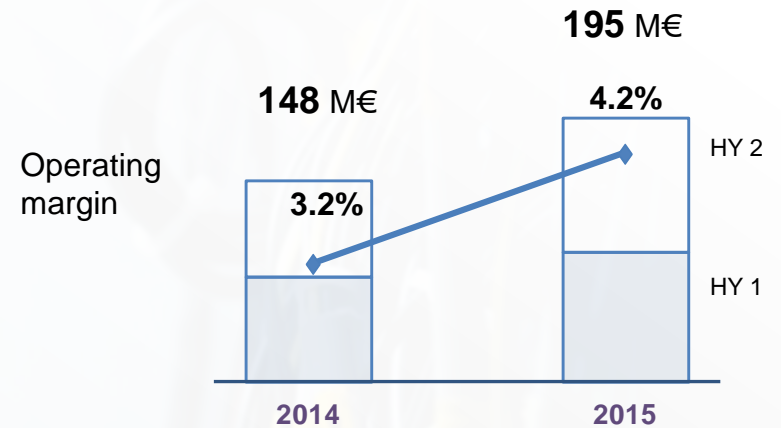
 **Nexans**
BRINGS ENERGY TO LIFE

Nexans accelerates its transformation

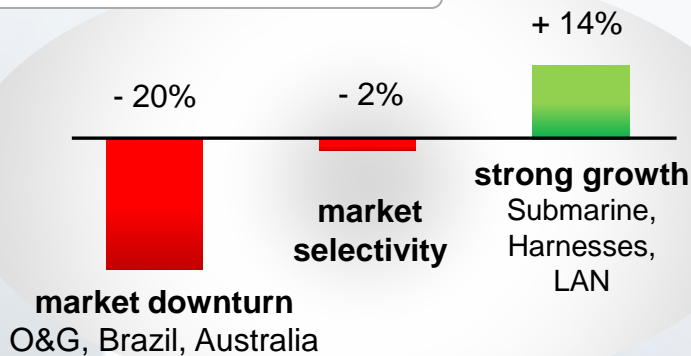
- 1.7% organic growth



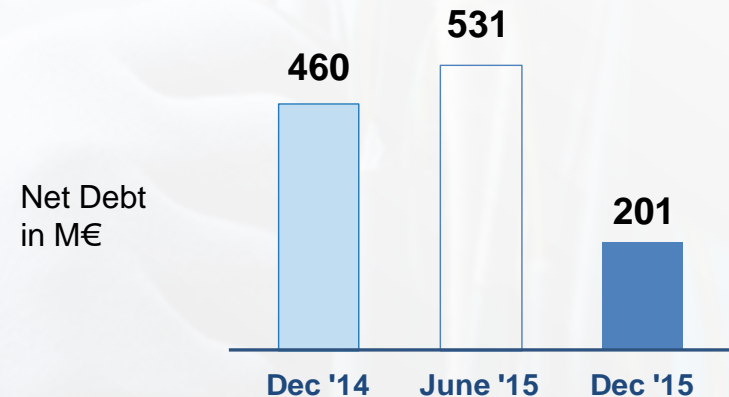
Operating margin + 32%



3 different dynamics

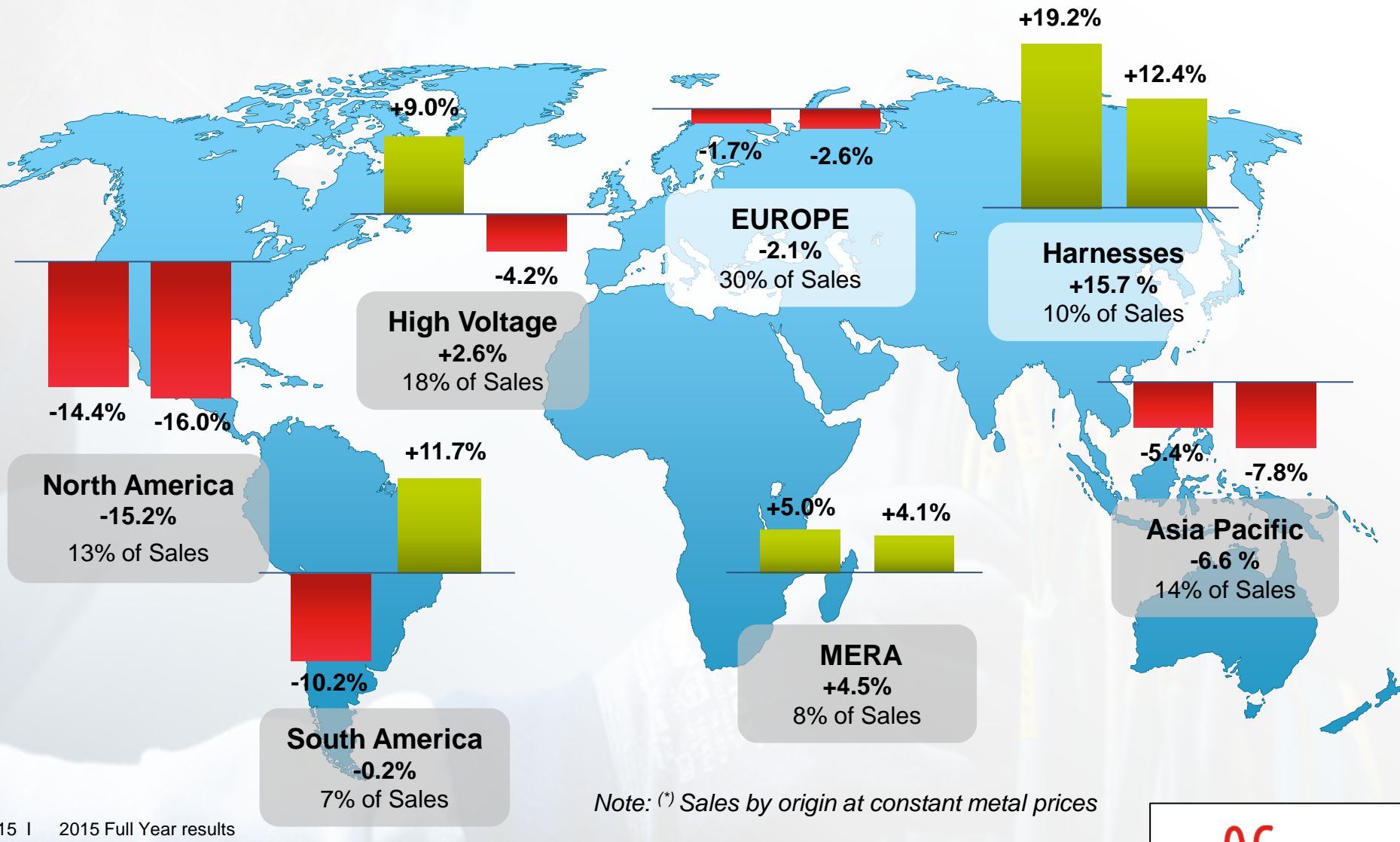


Strong cash generation



Navigating in a contrasted business environment

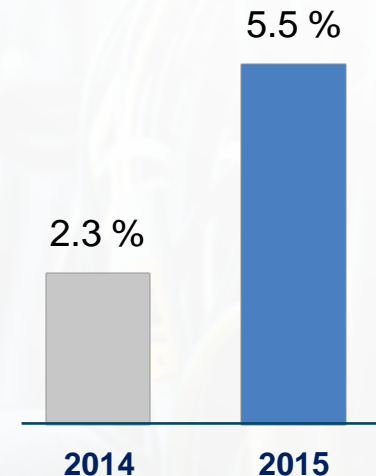
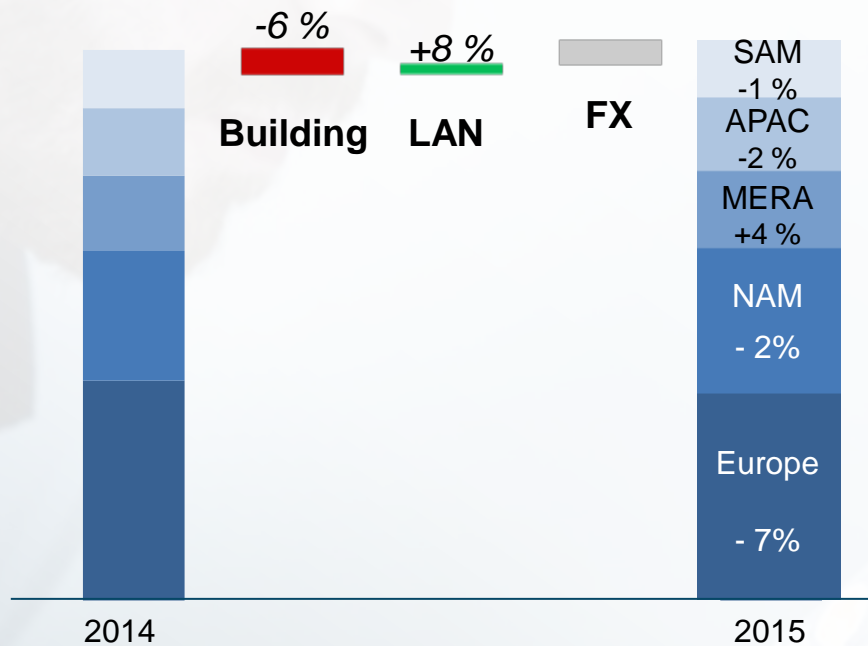
Organic growth by region in First and Second Half 2015 and % of yearly Sales by origin^(*)



Distributors & Installers: Strong margin recovery driven by portfolio selectivity and LAN performance

Sales (constant metal prices): **1,136 M€**
 Yoy organic growth: **- 2.7 %**

Operating margin: 63 M€
 OM on sales: **5.5 %**



Positive operating levers:

- Strong momentum in LAN & Cabling Systems confirmed in HY2
- Portfolio selectivity

Building: Decrease of demand in some large contributing countries (France, Brazil, Australia, NAM).

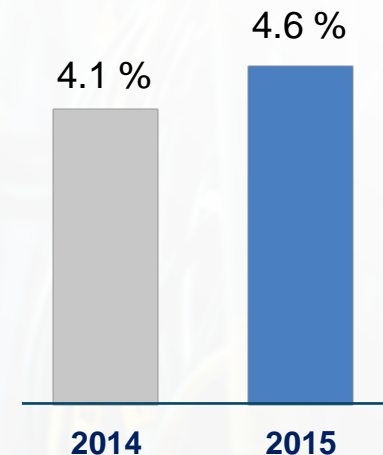
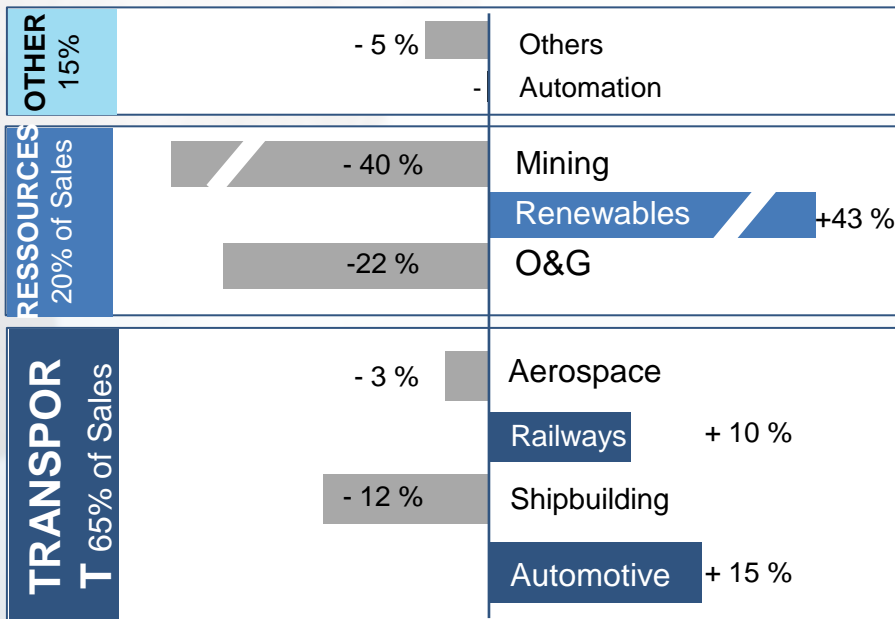
Signs of recovery in HY2 in SAM and APAC

Industry: Profitability gains confirmed despite flat markets in second half

Sales (constant metal prices): **1,250 M€**
 Yoy organic growth: **- 0.4 %**

Operating margin: **57 M€**
 OM on sales: **4.6 %**

Yoy organic growth by sector:



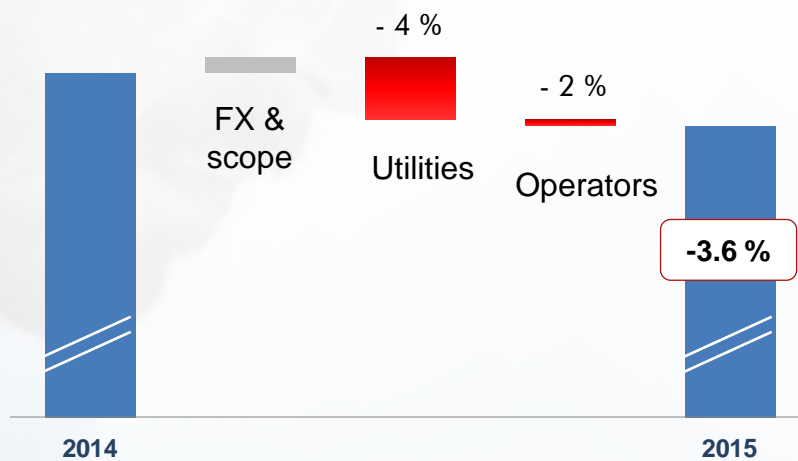
- (+) Automotive harnesses driving the growth with record high Sales in 2015. Strong momentum in Wind Power cables, in North West Europe and Brazil.
- (-) Depressed Mining and O&G activity, particularly upstream. Shipbuilding penalized by order delays.

Improved profitability despite negative price pressure in O&G and Mining:

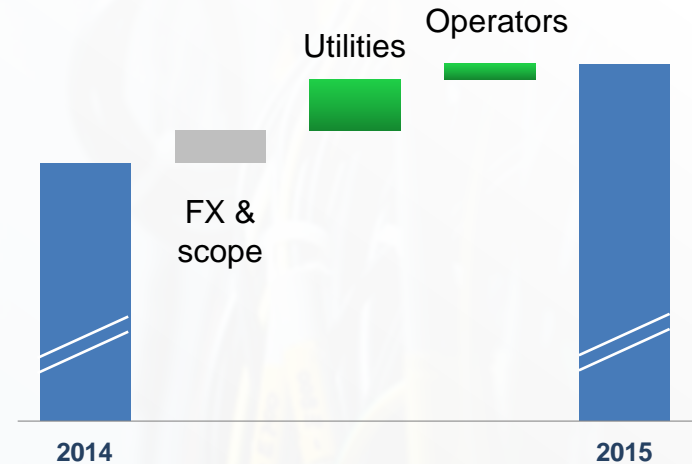
- Fixed cost reduction run-rate
- Automotive harnesses performance
- Portfolio management

Utilities & Operators: margins improved while markets remain challenging

Sales evolution in M€ and organic growth



Operating margin improvement



Utilities:

- Activity globally stable in Europe, in a context of low volumes and price pressure
- Positive momentum in MERA
- Lower activity elsewhere

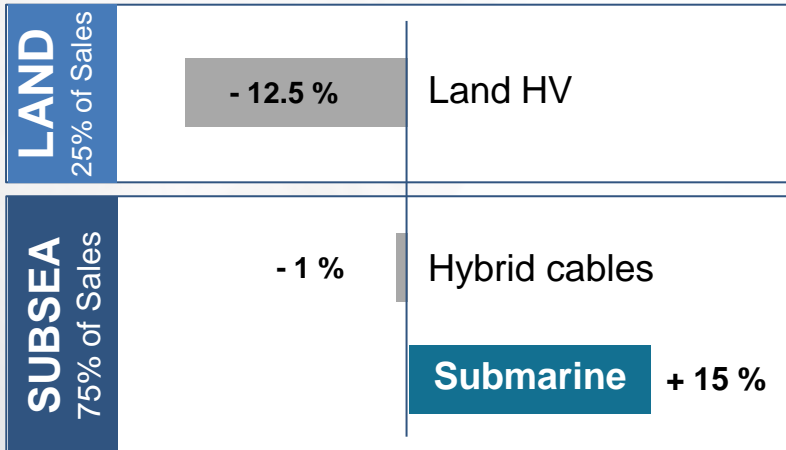
Operators:

Contrasted activity in Europe, globally stable despite improved momentum in France and Belgium.

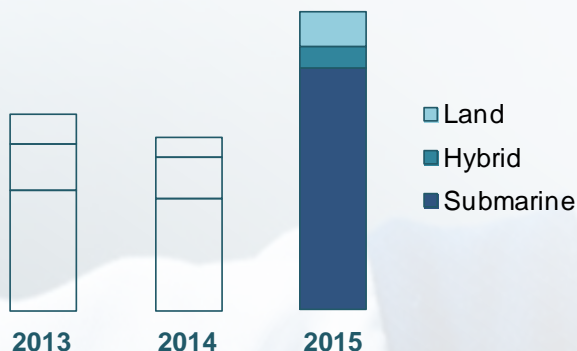
Margins improved thanks to product selectivity in Europe and strong performance in MERA. Signs of recovery in South America.

Transmission: Dynamic tender activity in contrasted markets

Organic Growth: + 2.9 %



Order Backlog: + 75%



Land high voltage:

- Slow ramp-up of Chinese and US new plants
- Plant load optimization and cost reduction programs in Europe where market conditions remain uncertain
- Active tendering activity

Backlog:
>1 year of sales

Submarine high voltage:

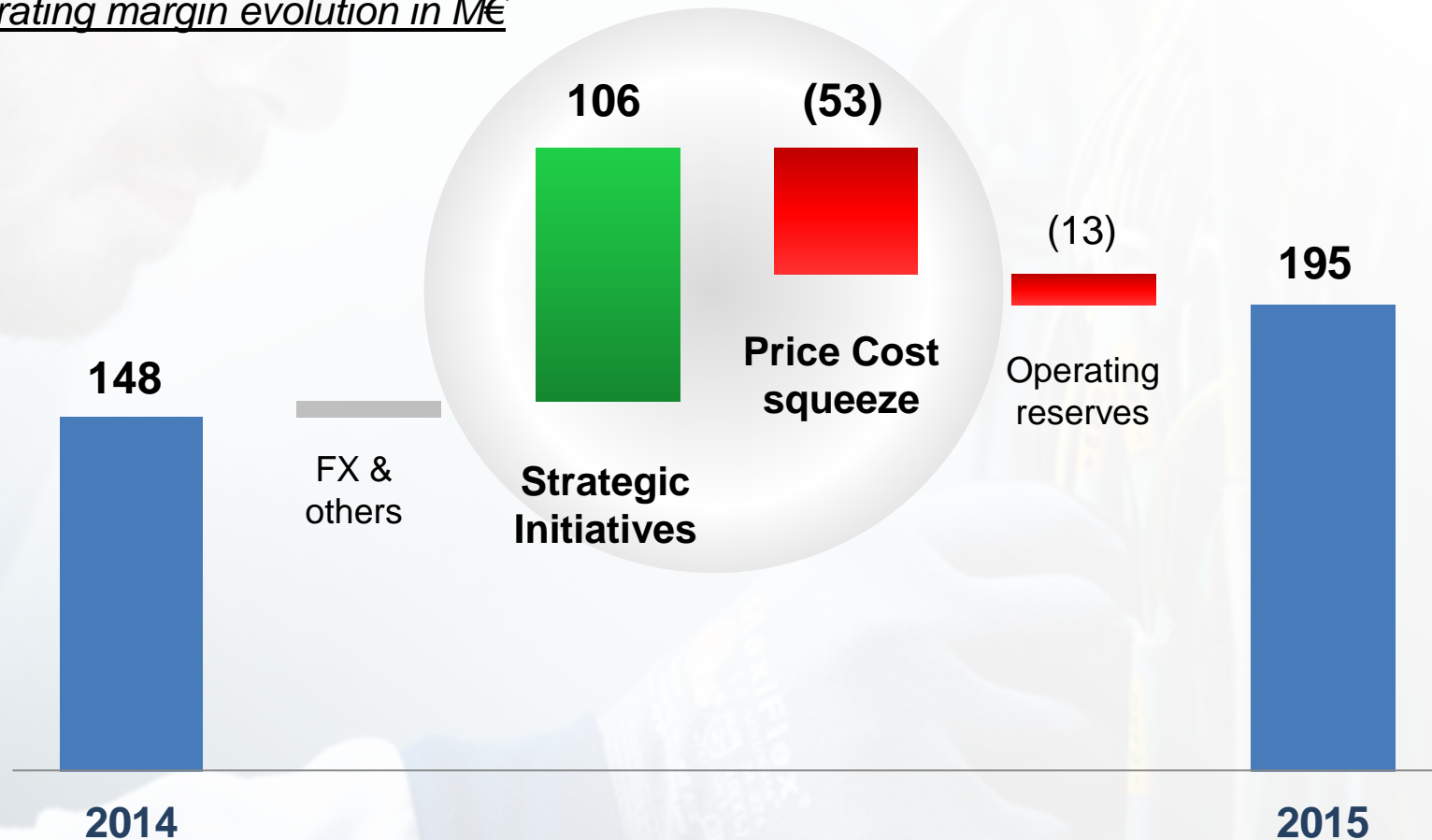
Flat activity in S2 due to Project timing and strong headwinds in umbilical cables

- Optimum execution of major projects:
- Dynamic tendering and engineering activity, including in umbilicals:
 - NordLink + 500 M€
 - NSN + 340 M€

Backlog:
2.7 year of sales

Strategic initiatives delivered as expected to overcome volume & price pressure effects

Operating margin evolution in M€



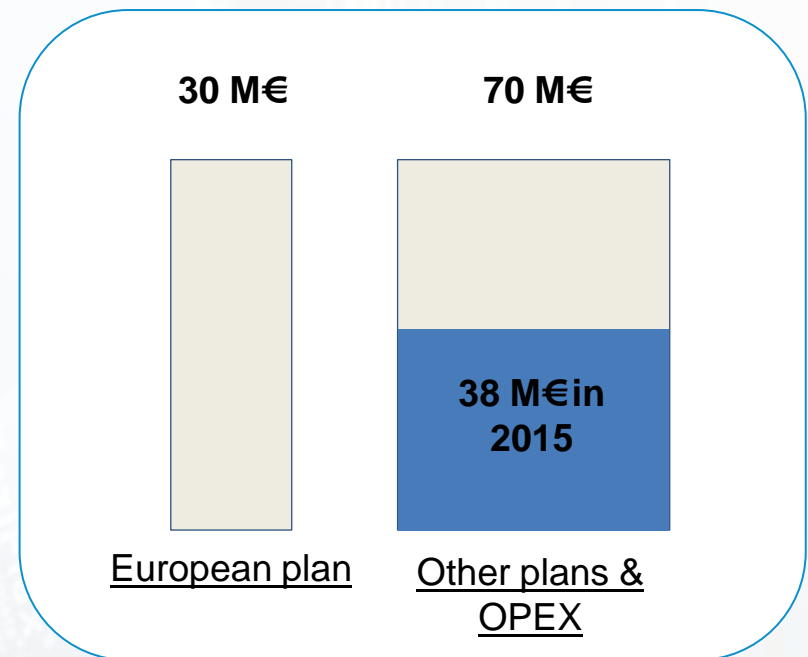
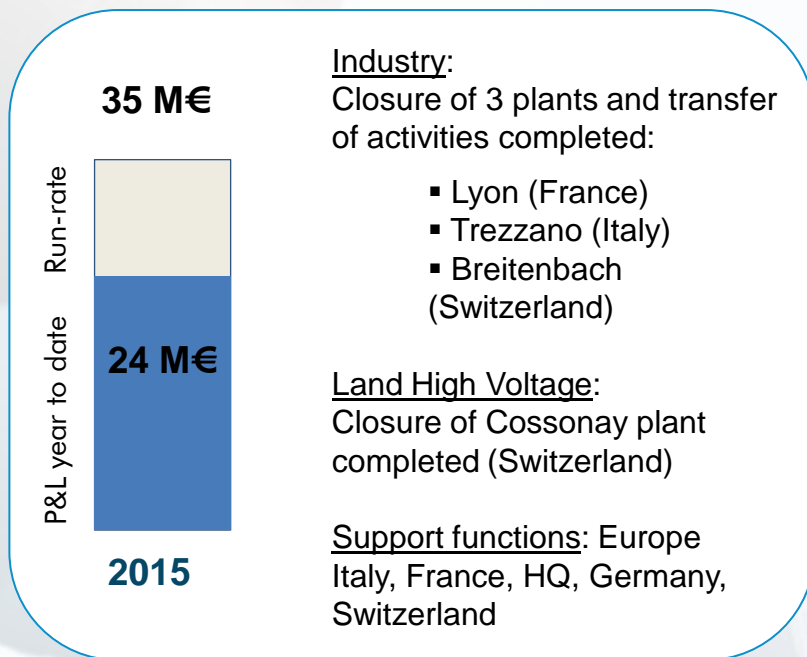
Fixed cost reduced ahead of schedule: + 62 M€ impact in 2015

⇒ 2013 European restructuring plan fully implemented

Savings run-rate reached end of 2015

⇒ New European restructuring plan approved and launched

⇒ Other plans well under way



Zoom on other initiatives

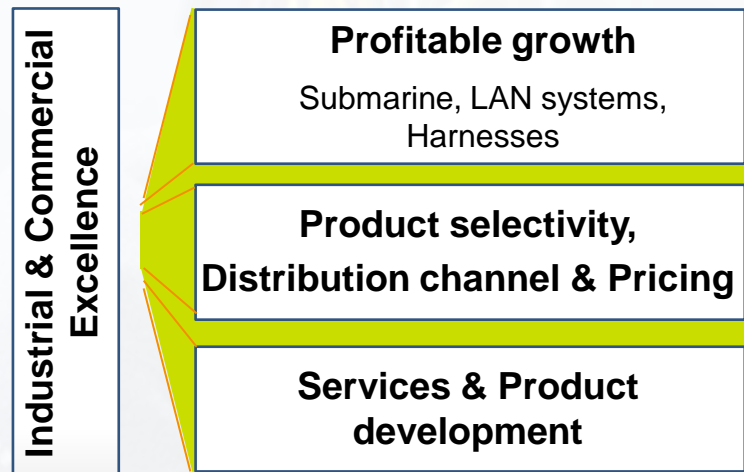
**Variable cost reduction:
+ 10 M€**

- **Purchasing Saving plans delivering as expected**, through three main levers
 - Negotiation lever
 - Supplier management
 - Enforcement of purchasing policies
- **Industrial Efficiency gains** in plants below expectations
 - **challenged businesses** brought limited to negative contributions (O&G, Hybrid cables, Australia & Brazil..)

➔ **Initial targets are maintained, net of volume attrition impacts.**

**Market Leadership:
+ 34 M€**

- **Market Leadership initiatives well on track**
 - Business strategy roll-out
 - Common methodologies deployed throughout the group



2. Financial Results

Nicolas Badré

CFO

Key Figures

<i>In M€</i>	2014	2015
Sales at current metal prices	6,403	6,239
Sales at constant metal prices	4,587	4,604
EBITDA ^(*)	288	333
Operating margin	148	195
Restructuring costs	(51)	(100)
Net income (Group share)	(168)	(194)
Operational Cash Flow	101	191
Net debt	460	201

Note: ^(*) Operating margin before depreciation

Income Statement (1/2)

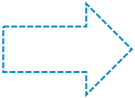


<i>In M€</i>	2014		2015	
Sales at constant metal prices	4,587		4,604	
Margin on variable costs	1,390	30.3%	1,428	31.0%
Indirect costs	(1,102)		(1,095)	
EBITDA^(*)	288	6.3%	333	7.2%
Depreciation	(140)		(138)	
Operating margin	148	3.2%	195	4.2%
Core exposure effect	(4)		(52)	
Restructuring costs	(51)		(100)	
Other operational income (expenses) ^(**)	(129)		(110)	
Share in net income of associates	1		1	
Operating income	(35)		(66)	

Notes: ^(*) Operating margin before depreciation

^(**) Including net asset impairments, change in fair value of metal derivatives, net gain on asset disposal, transaction costs on external acquisitions

Significant impairments: environment changes in 2015

Total: 129 M€(*)

NAM 63 M€		<ul style="list-style-type: none">▪ Main impact: further drop of prices in O&G and Mining in 2015 have led to reduced perspectives from main customers▪ Residual goodwill: 29 M€
SAM 39 M€		<ul style="list-style-type: none">▪ Changes in local macro-economical and political environment. Impacts of lower commodity prices in Brazil▪ Residual goodwill: 68 M€
APAC 27 M€		<ul style="list-style-type: none">▪ Further drop in O&G, metal and mineral prices leading to investment reductions from mining companies in Australia▪ Delays in homologation process for products sourced from China▪ Residual goodwill: 83 M€

Note: (*) Total charge including deferred tax impacts amounts to 142 M€

Income Statement (2/2)

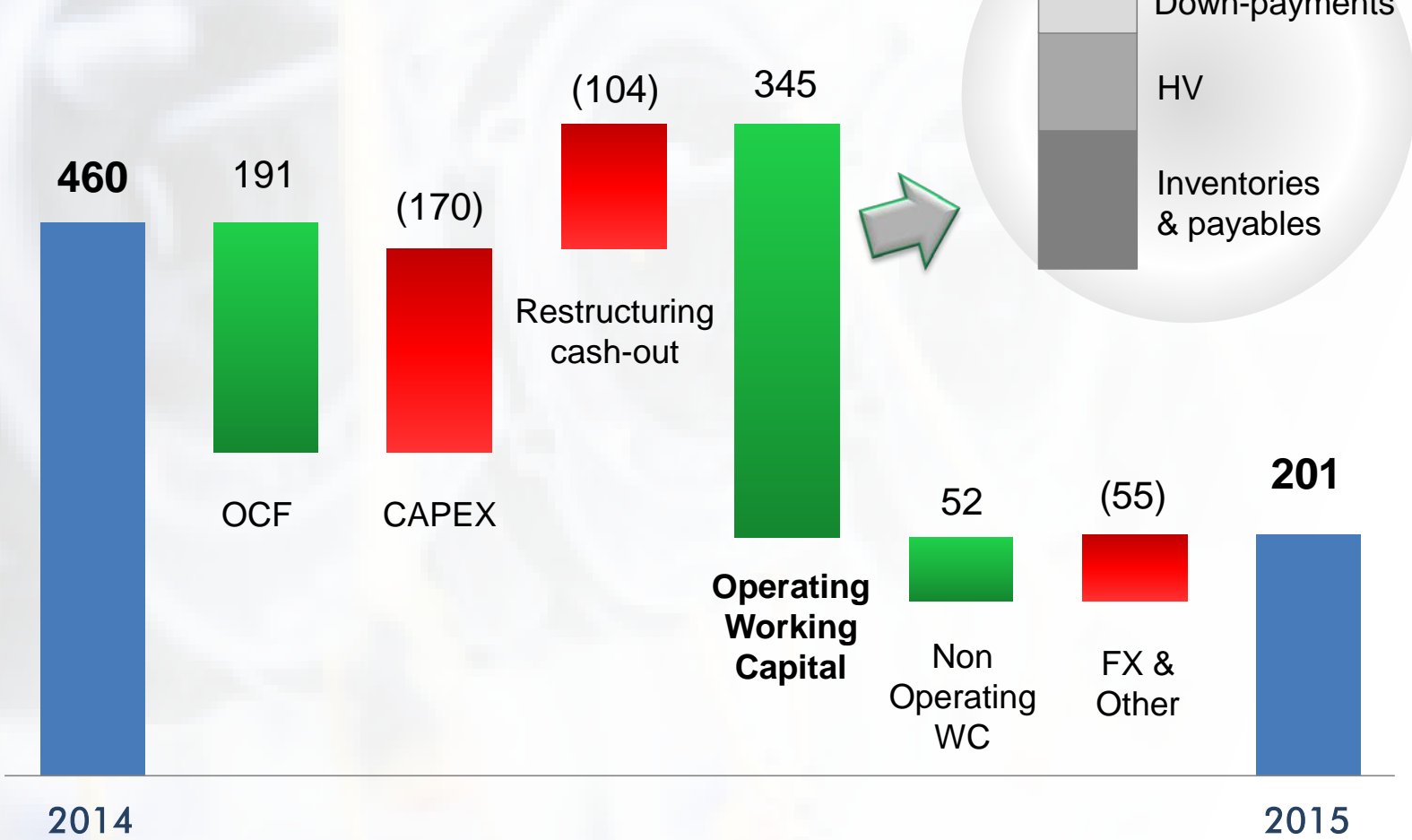
<i>In M€</i>	2014	2015
Operating income	(35)	(66)
Financial charge	(103)	(105)
Income before tax	(138)	(171)
Income tax	(32)	(25)
Net income from operations	(170)	(196)
Net income Group share	(168)	(194)

Balance Sheet

<i>In M€</i>	Dec 31, 2014	Dec 31, 2015
Long-term fixed assets	1,737	1,643
<i>of which goodwill</i>	303	250
Deferred tax assets	153	192
Non-current assets	1,890	1,835
Working Capital	803	405
Total to finance	2,693	2,240
Net financial debt	460	201
Reserves	709	690
Deferred tax liabilities	91	84
Derivative liabilities non current	-	38
Shareholders' equity and Minority interests	1,433	1,227
Total financing	2,693	2,240

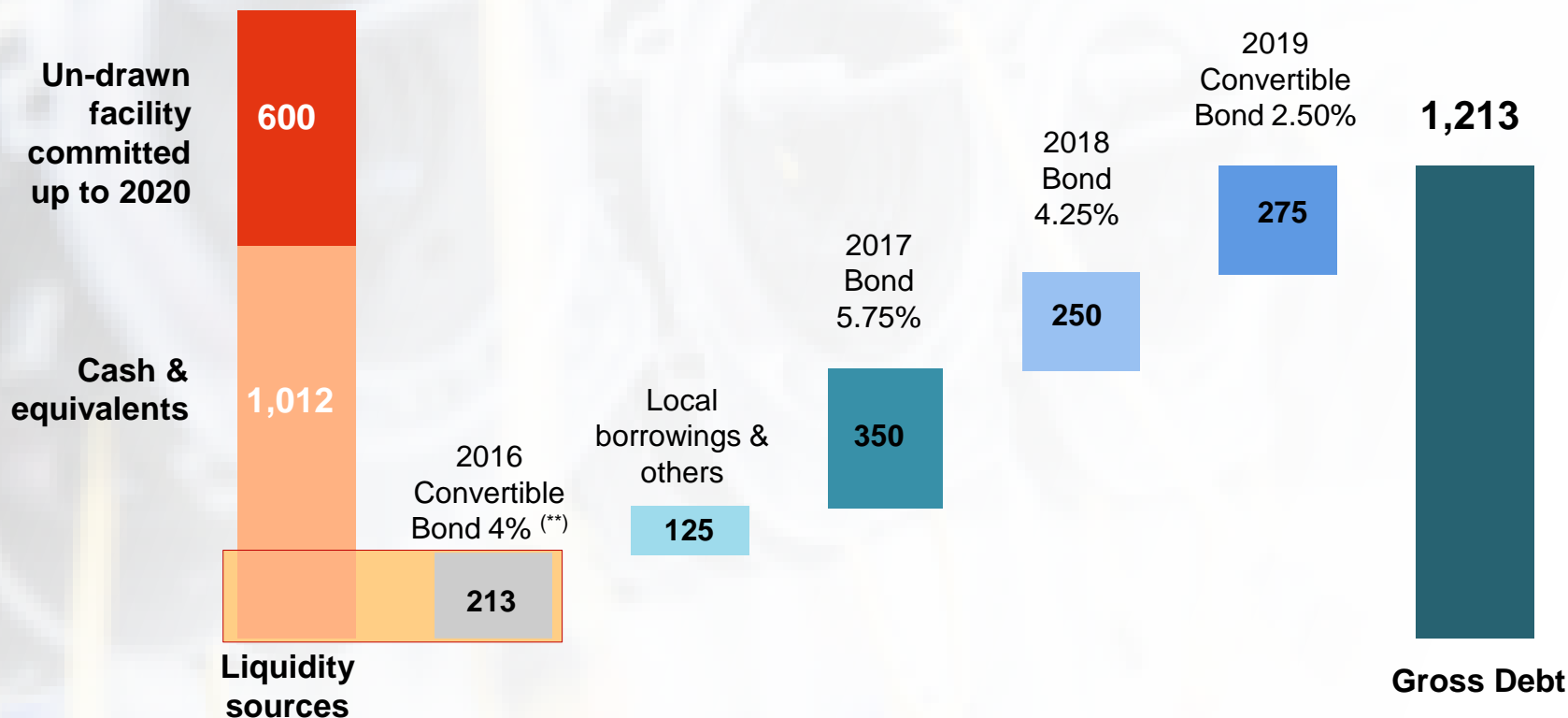
Strong cash generation

Net debt evolution in M€



Strong liquidity covering future debt refinancing needs

Liquidity and debt redemption(*) as of December 2015, in M€



Notes: (*) Bond redemption in nominal values
 (**) 2016 Convertible Bond was redeemed on January 1st 2016

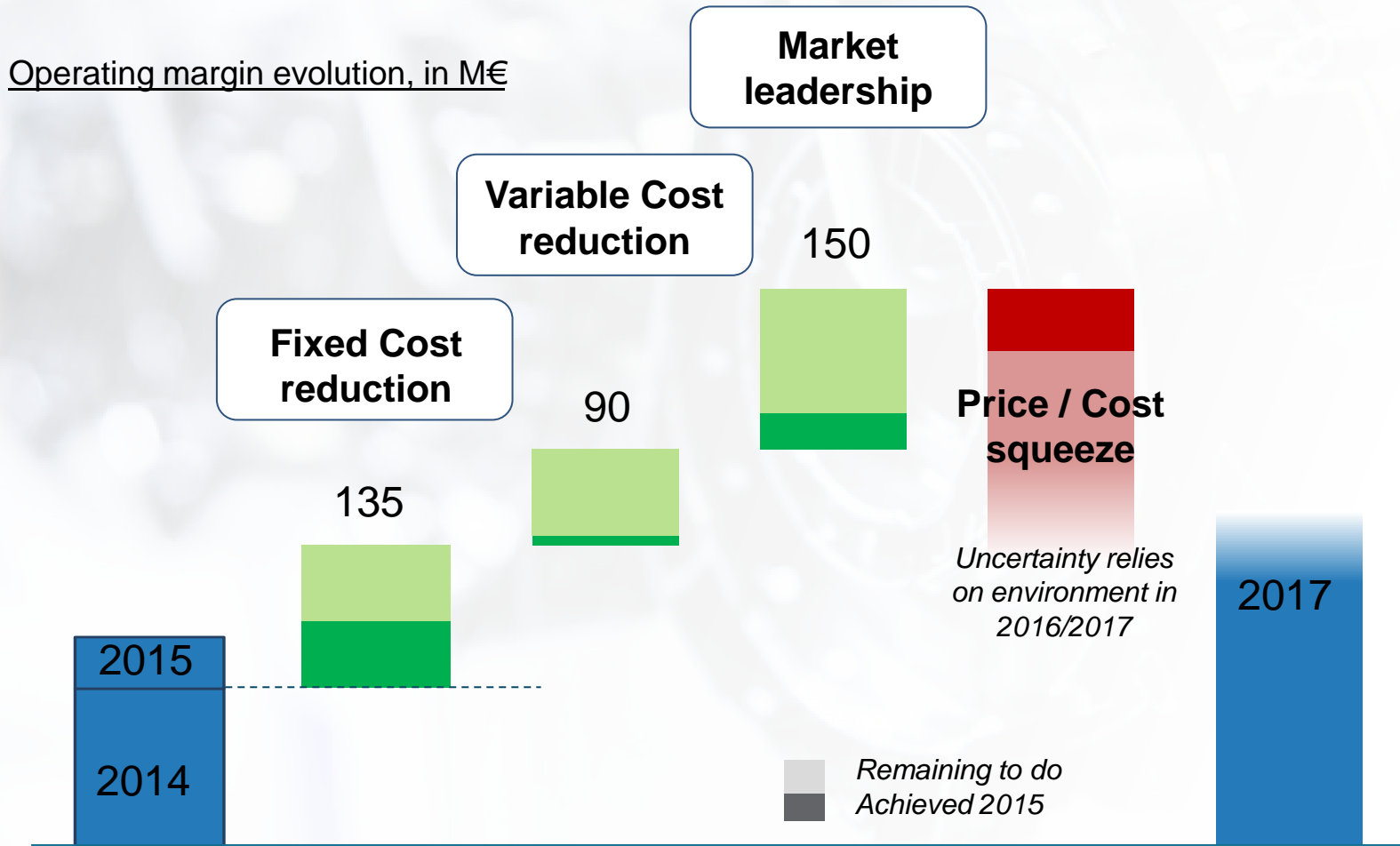
3. Perspectives

Arnaud Poupart-Lafarge

CEO

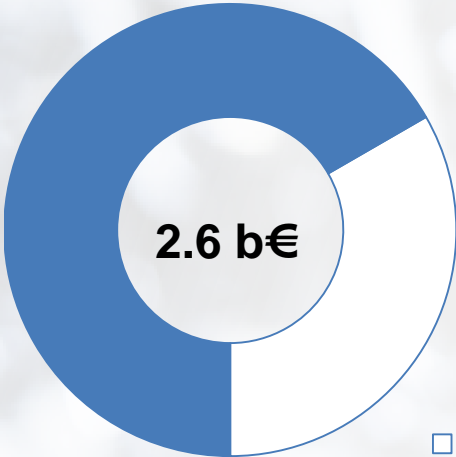
On the way to 2017

Target contribution of Strategic initiatives is confirmed

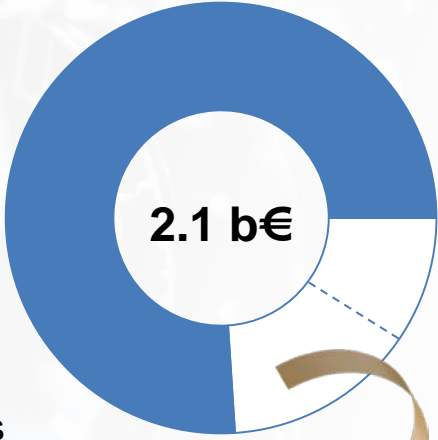


Zoom on portfolio management

Capital Employed
End of 2014



Capital Employed
End of 2015



- Underperforming Businesses
- Other Businesses

c.350 M€ that could be tested for best owner or business combination

Divested to date:
Confecta (Germany)
Indelqui (Argentina)

2016 priorities:



Keep momentum on Strategic initiatives to ensure:

- ✓ **Further improvement of ROCE and Operating margin**
- ✓ **Limited cash consumption in 2016**

Fixed Cost Reduction

- Capture the full impact of completed plans
- Execute the new European plan

Variable Cost Reduction

- Continue to deploy Purchasing saving plans
- Reinforce labor flexibility in plants

Market Leadership

- Face depressed O&G markets
- Compensate timing in Hybrid Cables
- Pursue portfolio selectivity

Questions & Answers

2015 Full Year results



Appendices

Sales and profitability by segment

<i>In M€</i>	2014			2015		
	Sales	OM	OM %	Sales	OM	OM %
Transmission, Distribution & Operators	1,978	98	5.0%	1,935	108	5.6%
Industry	1,213	50	4.1%	1,250	57	4.6%
Distributors & Installers	1,120	26	2.3%	1,136	63	5.5%
Other	276	(26)	n/a	283	(33)	n/a
Total Group	4,587	148	3.2%	4,604	195	4.2%

Impact of foreign exchange and consolidation scope

<i>Sales at constant metal prices, in M€</i>	2014	FX	Organic growth	Scope	2015
Transmission, Distribution & Operators	1,978	(12)	(23)	(8)	1,935
Industry	1,213	56	(5)	(14)	1,250
Distributors & Installers	1,120	48	(32)	-	1,136
Other	276	12	(19)	14	283
Total Group	4,587	104	(79)	(8)	4,604