Press release, Paris, France 7th May 2020

Q1 2020 FINANCIAL INFORMATION

Stable Group sales in unprecedented crisis

Transformation program reinforced and implemented group-wide

Paving the way for a stronger Nexans

- Standard sales of 1,569 million euros in the first-quarter 2020, representing organic growth of -0.1% year-on-year
- Strong backlog in Subsea (1.6 billion euros[1]) with no delays in project execution
- China back to full operations, Europe and North America impacted by partial lockdowns
- Strong actions to cope with the sanitary crisis and to preserve liquidity:
    - *Increased cost reduction targets and strict cash management*
    - *Proposed cancelation of dividend payment to shareholders*
    - *Reduced fixed compensation by 30% reduction for the Board of Directors and CEO, and by 15% for Executive Committee*
    - *280 million euros loan guaranteed by the French State, negotiations underway*
- 2020 guidance suspended on March 24, 2020, will be updated when situation firms up

Christopher Guérin, CEO:

"Over the first quarter, the World witnessed an unprecedented outbreak. After a very strong start, Nexans adapted its operational model to anticipate and protect all our employees while maintaining business continuity and focusing on our top customers. Thanks to the anticipated health and safety measures and our employee engagement, 90% of our plants are running. As the sanitary crisis unveiled, we accelerated our efforts to reduce our costs further, reinforced our transformation program (SHIFT) and safeguarded our liquidity, while developing more Services and Solutions. Nexans closed the year 2019 with a solid and resilient backlog of 1.8 billion euros[2], reinforcing our long cycle exposure. Thanks to our solid fundamentals, self-help plan and sound liquidity, we are paving the way for a stronger Nexans both operationally and financially."

[1] Adjusted subsea backlog end of March 2020 including contracts secured not yet enforced

[2] Adjusted subsea backlog end of December 2019 including contracts secured not yet enforced

CONSOLIDATED SALES BY SEGMENT

Revenue in M Euro At constant metal prices Copper reference at €5,000/t	**Q1 2019**	**Q1 2020**	Organic growth
Building & Territories	671	645	*-5.5%*
Industry & Solutions	344	332	*-6.0%*
Telecom & Data	145	114	*-10.0%*
High Voltage & Projects	134	193	*55.8%*
Other Activities	292	285	*0.3%*
Group total	**1,587**	**1,569**	***-0.1%***

I. Q1 2020 Sales Analysis and General Operating Context

In the unprecedented global Covid-19 outbreak, Nexans took immediate action as of mid-February reinforcing and deploying further the “New Nexans”. Leveraging on its in-house methodology, daily routines and strict cost reduction measures, the Group is armed to swiftly and efficiently tackle the sanitary crisis. Nexans mitigation plan, steered by the members of the Executive Committee, is focused on 5 pillars:

1) Workforce protection,
2) Supply chain and operation stabilization,
3) Customer engagement,
4) Liquidity preservation and financial modelization,
5) External stakeholders and hardwire flows with Board of Directors.

Thanks to our strict internal control processes, anticipative actions identified by our Chinese team, employee engagement and trade union support, the group deployed sanitary measures across all units, while maintaining production continuity. To sustain operations and demonstrate social cohesion, a premium of 750 euros per month for frontline workers was set in certain European plants and the top executives of the group agreed for pay cuts between 15 to 30%. Our plants across all geographies witnessed no major disruption. As of end-of-March 2020, 90% of our plants were open, with a high utilization rate.

As part of our SHIFT program, we managed to strengthen customer engagement, serving our top and strategic customers making 90% of our revenues, and to reinforce tight working capital measures to support Group liquidity. Furthermore, the Group suspended the 2020 outlook and withdrew the proposed dividend of 0.40 euro per share for 2019.

As the crisis unveiled, Nexans took further mitigation actions to prepare for the industrial recovery including, accelerating the cost reduction plan, increasing the focus on cash preservation through working capital optimization and stopping the capital expenditures in our cash tanks and value burners units.

In this context, first quarter 2020 sales came to 1,569 million euros (at constant metal prices[3]) stable year-on-year with an organic growth at -0.1%. Across our businesses, the impact of Covid-19 was mixed. Certain end-markets such as Automotive Harnesses, Building, Telecom, Automation-Robotization and Aerospace, witnessed slowdown in demand starting mid-March, translating in weaker sales. Whilst other business segments were resilient, such as Utilities and Rolling Stock. Last, the High Voltage & Projects segment posted a +55.8% sales growth in Q1 2020, driven by sound cable production as well as cable laying activities without any disruption in the submarine high-voltage business and a low activity in Q1 2019.

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At current metal prices, sales amounted to 1,614 million euros in the first quarter of 2020, compared with 1,664 million euros in the same period of 2019.
Nexans' sales performances for the various businesses during the first quarter 2020 were as follows.

| Building & Territories

Sales for the **Building & Territories** segment amounted to 645 million euros at constant metal prices in first-quarter 2020, representing an organic contraction of -5.5% versus first-quarter 2019. The effects of this unprecedented crisis were twofold.

First, a material impact on the **Building** activities mitigated by a lesser impact on the **Territories** (Utilities) segment. The **Building** segment, linked to the construction market and highly GDP-related, after a strong start in January and February, saw demand tighten mid-March as lockdowns of our key customers were enforced across most geographies. Conversely and since less GDP dependent, the **Territories** segment was more resilient. In such crisis, Utilities and grid renewals generally receive fiscal stimulus supported by grid obsolescence and global warming.

Second, the magnitude of the Covid-19 impacts was contrasted as the outbreak gradually spread across the various regions: starting in Asia, moving to Europe and the Middle East, and last in North America.

In Europe, sales were stable over the first quarter at +0.4% organic growth year-on-year, supported by sound demand in North of Europe, notably in Sweden where sales were up +8.9%. However, in South of Europe, sales declined as lockdowns were enforced, notably in France where organic sales landed at -6.6% as demand declined sharply starting mid-March.

In South America, sales were also stable in first quarter 2020 compared to 2019, with no organic growth. Over the period, Chile and Colombia remained quite dynamic focusing on **Utilities** and despite lockdown measures, while Peru and Brazil witnessed punctual disruption as confinement measures were gradually implemented.

First to be concerned by Covid-19 as early as January 15th, the **Asia-Pacific** region saw its sales decline by -11.0% organically in the first quarter 2020. In China, plants were closed several weeks in January and February, progressively reopening mid-March and then swiftly ramping-

[3] To neutralize the effect of fluctuations in non-ferrous metal prices and therefore measure the underlying sales trend, Nexans also calculates its sales using constant prices for copper and aluminum.

up. Both in Korea and New Zealand sales were impacted quite severely, respectively at -14.3% and -12.8% year-on-year, while in Australia, thanks to strong demand and anticipatory measures regarding Covid-19 expansion, sales were up +12.7% year-on-year.

In **North America**, sales in the US and Canada declined by -12.2% versus Q1 2019, reflecting the impacts of the slowdown of the market and the complete shutdown of New York state.

Over the quarter, in the **Middle East** sales dropped by -15.7% year-on-year, with part of the business still up and running throughout the quarter, notably in Morocco, while other parts were hit by Covid-19 constraints and, in the case of Lebanon, also political strain.

Across the board, actions were taken to adapt to the sanitary crisis, by taking actions to reduce costs and preserve liquidity. The SHIFT transformation measures were reinforced and accelerated in all regions. Focus was quickly put on our Tier-1 customers, production was tightly controlled and based on-demand, as measures to drastically reduce inventories were launched and cash closely monitored, with on-time collection.

| Industry & Solutions

Against the backdrop of the sanitary crisis, **Industry & Solutions** segment sales were down -6.0% against first-quarter 2019, at 332 million euros at constant metal prices. Over the quarter, due to Covid-19 and consequent lockdowns most end-markets witnessed a slowdown of which the Automotive industry was the most impacted. Thanks to cost reduction measures triggered by the New Nexans transformation plan over the last 18 months, the Group was able to adapt further the cost structure and mitigate the negative effects.

In light of the general slowdown, sales were significantly down both in **Aerospace & Defense** (-8.5% year-on-year) and **Automation** (-30% year-on-year) while quite resilient in **Railway Infrastructure & Rolling Stock** (-1.4% year-on-year) and, to a lesser extent, in **Shipbuilding** (-3.8% year-on-year). On the contrary, **Wind Turbine** business witnessed good momentum (+26% year-on-year organic sales) buoyed by the Energy Transition trend and where Nexans continued to serve the OEM market leaders like Siemens-Gamesa, GE and Vestas mainly from Germany and Denmark.

Automotive harnesses posted a -6.4% decline in sales for the first-quarter 2020 due to Covid-19 strict shutdown measures of key customer plants in China during February, followed by European customers from mid-March. In line with transformation measures implemented under New Nexans over a year ago, the business mitigated the negative effects by reinforcing cost reductions and notably adapting the labor workforce. Sales impact in **North America** (-6% year-on-year) remained quite limited in the first quarter as General Motors SUV and pick-up trucks production continued to operate. In **China**, despite production was on hold for three weeks at the end of January and beginning of February due to local confinement, demand restarted strongly thereafter more than offsetting the downside. Finally, in **Europe** (-8% year-on-year) most customers started to lockdown their production facilities the last week of March moderately impacting sales for the quarter.

| Telecom & Data

Also, materially impacted by this unprecedented crisis, **Telecom & Data** sales dropped by -10.0% in the first quarter 2020 versus the same period of 2019, and amounted to 114 million euros at constant metal prices.

In **LAN cables and systems**, sales retreated by -2.3% during the quarter, due to the slowdown in China following Covid-19 outbreak in January and consequent lockdown. In Europe and North America sales continued to grow throughout the quarter, respectively at +8.9% and +5.6%, supported by strong local demand.

Given the government policies on confinement measures, preventing most fiber cable installation campaigns in Europe, **Telecom infrastructure** sales were down by -19.1% in first-quarter 2020 compared with last year. Despite the sound demand beginning of the year, most European countries suffered a fall in fiber cable demand as of mid-March, aside Sweden where installation was buoyant with an organic sales growth at +19.7% year-on-year.

Sales in the **Special telecom** (subsea) activity declined year-on-year by -3.2% for the first quarter 2020. Nexans Subsea telecom has a solid and resilient backlog for the next 12 months.

| High Voltage & Projects

Throughout the Covid-19 outbreak, operations continued both in terms of cable manufacturing and cable installation activities in the Subsea and Land high-voltage businesses. Sales generated by the High Voltage & Projects segment jumped +55.8% year-on-year in the first quarter of 2020 to 193 million euros at constant metal prices.

The **Subsea high-voltage** business supported by a solid 1.6 billion euros[4] backlog with long-term visibility, pursued the strong dynamic triggered over 2019 and saw sales increase in the first quarter 2020 at +66.1% versus same period of 2019 supported by a favorable phasing. Thanks to Nexans' geographical footprint, cable production supported the business dynamic and faced no disruption due to confinement measures. The installation activities on the turnkey projects Lavrion-Syros and Majorca-Menorca were according to plan, and two significant repair projects were managed in parallel, reinforcing Nexans' presence in the Inspection, Maintenance and Repair market segment.

Over the quarter, the last milestones of **Land high-voltage** business reorganization have been met. The closure of the Hanover site has been completed, the projects transferred to Charleroi and other sites are under execution. Sales came at 36 million euros in the first quarter 2020, representing year-on-year organic growth of +22.4%.

| Other Activities

The "Other Activities" segment – which essentially corresponds to sales of copper wires – reported organic sales growth of +0.3% for first-quarter 2020.

[4] Adjusted subsea backlog end of March 2020 including contracts secured not yet enforced

II. Accelerating the "New Nexans" 2019-2021 Plan

Launched in November 2018 and rolled out ever since, the "New Nexans" plan in this unprecedented Covid-19 crisis has been reinforced and deployed group-wide, simultaneously across all geographies.

| Cost Reductions

Cost reduction measures implemented over the last 18 months to simplify the organization and reduce indirect costs have proved to be an excellent tool for the Group to mitigate the impacts of the crisis. Cost reduction initiatives are increased further:

- Thanks to a new simplified and leaner structure post-restructuring actions, the Group responded with agility and responsiveness to the Covid-19 crisis, quickly entering in a daily crisis-mode across the organization.
- Indirect cost reduction measures were reinforced and cost saving targets were set for all business units, notwithstanding the positive collateral effects of the crisis on cost reductions, such as travel, consulting and fixed term contract cost reductions.

| SHIFT deployment, Investments and Cash Conversion

Leveraging further on its in-house methodology, the Group deployed the SHIFT transformation program across all business units at the same tempo. All our teams are adapting operations, focusing on profit drivers and managing cash tanks demand accordingly. To preserve cash, capex in all value burner entities have been suspended and non-strategic capex reduced to a minimum in other entities.

Enhanced routines of the top management on cash conversion cycle per units has been deployed with new targets, reinforcing the control of our cash.

| Strategic Growth

Growth initiatives remain focused on High-Voltage subsea as well as in renewable energies onshore, rolling stock and robotics. Ever so more, Nexans is actively engaged in the energy transition, pursuing the convergence of all businesses around the 3 Ps: Profit, People & Planet.

The Group continues to be drastically selective on all commercial opportunities and turnkey projects. Our relentless evaluation process focuses on overall risks, financial rewards, contractual terms and, finally, overall fit with Nexans Group Strategy. As a consequence, although we are always prepared to embrace reasonable commercial and business challenges, we will not accept what, in our discrete judgement, is an excessive or not adequately rewarded commercial risk.

III. Focus on Liquidity Preservation

Nexans liquidity position stands at a sound **1.0 billion euros** as of March 31st, 2020 including a 600 million euros undrawn revolving credit facility. Early April 2020, the Group has drawn down 200 million euros from the revolving credit facility to repay commercial papers at maturity.

In addition, negotiations are underway to secure a 280 million euros bank loan guaranteed by the French State.

In the midst of this unprecedented crisis, the Group has taken strong measures to drastically reduce working capital and preserve cash. Non-strategic capital spending will be reduced to a minimum.

Nexans has sufficient liquidity for its operations and foreseen financial commitments, with no debt repayments date before 2021.

IV. Outlook

On March 24th, 2020 as a consequence of the Covid-19 crisis the restrictive measures undertaken by governments affecting our supply chain and production schedule, Nexans suspended its guidance for 2020. An update will be provided as soon as the situation firms up.

The Board of Directors has decided not to propose at the next Annual Shareholders' Meeting the payment of a dividend for 2019.

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A conference call is scheduled today at 9:00 a.m. (Paris time).
To take part, please sign up using the following link:
emea.directeventreg.com/registration/8978417

Financial calendar
May 13, 2020: Annual Shareholders' Meeting
July 29, 2020: 2020 First Half-Year Financial Information

NB: Any discrepancies are due to rounding

This press release contains forward-looking statements which are subject to various expected or unexpected risks and uncertainties that could have a material impact on the Company's future performance.

Readers are also invited to visit the Group's website where they can view and download the presentation of the 2019 annual results to analysts as well as the 2019 financial statements and Nexans Universal Registration Document, which includes a description of the Group's risk factors - particularly those related to the investigations into anti-competitive behavior launched in 2009.

In addition to the risks inherent in executing the New Nexans Transformation Plan, the uncertainties:

- *The uncertain economic and political environments in the United States and Europe, with the risk of growth being slowed by possible major changes in US trade policy on one side of the Atlantic and the potential consequences of Brexit on the other.*
- *The impact of protectionist trade policies (such as those implemented by the current US government), as well as growing pressure to increase local content requirements.*
- *Geopolitical instability, particularly in certain countries and geographic regions such as Qatar, Libya, Lebanon and the Persian/Arabian Gulf as well as in Hong Kong.*
- *The impact that the coronavirus pandemic and the adoption by State authorities in many countries around the world of national restrictive measures (including prolonged measures to control the pandemic) could have on Group's operations, its operating profit and financial position.*
- *Political and economic uncertainty in Brazil, Chile and Turkey, which is affecting the building market and major infrastructure projects as well as creating exchange rate volatility and an increased risk of customer default.*
- *A marked drop in non-ferrous metal prices resulting in the impairment of Core Exposure, not having an impact on cash or operating margin, but impacting net income.*
- *The impact of growing inflationary pressure, particularly on commodities prices (resins, steel, etc.) and labor costs, which could affect competitiveness depending on the extent to which they can be passed on to customers in selling prices.*
- *The sustainability of high growth rates and/or market penetration in segments related to datacenters, to the development of renewable energy (wind and solar farms, interconnectors, etc.) and to transport.*
- *The rapidity and extent of market take up of LAN cables and systems in the USA and the Group's capacity to seize opportunities relating to the very fast development of data centers.*
- *The risk that the sustained growth expected on the North American automotive markets and on the global electric vehicle market does not materialize.*
- *Fluctuating oil and gas prices, which are leading Oil & Gas sector customers to revise their exploration and production capex programs at short notice. The considerable uncertainty about the implementation of these customers' capex programs also creates uncertainty about the confirmation of cable orders booked by the Oil & Gas segment.*
- *The risk of the award or entry into force of submarine and land cables contracts being delayed or advanced, which could interfere with schedules or give rise to low or exceptionally high capacity utilization rates in a given year.*
- *Inherent risks related to (i) carrying out major turnkey projects for submarine high-voltage cables, which will be exacerbated in the coming years as this business becomes increasingly concentrated and centered on a small number of large-scale projects (Nordlink, NSL, East Anglia One, Hornsea 2 and DolWin6, which will be our first contract to supply and install HVDC extruded insulation cables), (ii) the high capacity utilization rates of the plants involved, and (iii) the projects' geographic location and the political, social and economic environments in the countries concerned (Venezuela, Philippines).*
- *The inherent risks associated with major capital expenditure projects, particularly the risk of completion delays. These risks notably concern the construction of a new submarine cable laying ship and the extension of the Goose Creek plant in North America to increase the production of submarine high voltage cables, two projects that will be instrumental in ensuring that we fulfill our 2021 objectives.*
- *The risk of implementation or customer delivery delays and/or cost-overruns resulting from the transformation and reorganization plan announced in the land High-Voltage and submarine medium-voltage activities and the time required for these activities to return to break-even.*

Without having a major impact on operations, the two following uncertainties could impact the financial statements:

- *sudden fluctuations in metal prices that could affect customer purchasing patterns in the short term;*
- *the impact of exchange rate fluctuations on the conversion of the financial statements of Group subsidiaries located outside the Eurozone.*

About Nexans

Nexans is a key driver for the world's transition to a more connected and sustainable energy future. For over 120 years, the Group has brought energy to life by providing customers with advanced cable technologies for power and data transmission. Today, Nexans goes beyond cables to offer customers a complete service that leverages digital technology to maximize the performance and efficiency of their critical assets. The Group designs solutions and services along the entire value chain in four main business areas: Building & Territories (including utilities and emobility), High Voltage & Projects (covering offshore wind farms, subsea interconnections, land high voltage), Telecom & Data (covering data transmission, telecom networks, hyperscale data centers, LAN), and Industry & Solutions (including renewables, transportation, oil and gas, automation, and others).

Corporate Social Responsibility is a guiding principle of Nexans' business activities and internal practices. In 2013 Nexans was the first cable provider to create a Foundation supporting sustainable initiatives bringing access to energy to disadvantaged communities worldwide. The Group's commitment to developing ethical, sustainable and high-quality cables also drives its active involvement within leading industry associations, including Europacable, the NEMA, ICF and CIGRE.

Nexans employs nearly 26,000 people with an industrial footprint in 34 countries and commercial activities worldwide. In 2019, the Group generated 6.7 billion euros in sales.

Nexans is listed on Euronext Paris, compartment A.

For more information, please visit: www.nexans.com

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Appendices

(in millions of euros)

	First quarter	
	2019	**2020**
Sales at current non-ferrous metal prices by segment		
Building & Territories	709	677
Industry & Solutions	350	335
Telecom & Data	147	115
High Voltage & Projects	136	196
Other Activities	322	290
Group total	**1,664**	**1,614**
Sales at constant non-ferrous metal prices by segment		
Building & Territories	671	645
Industry & Solutions	344	332
Telecom & Data	145	114
High Voltage & Projects	134	193
Other Activities	292	285
Group total	**1,587**	**1,569**

Impact of changes in the scope of consolidation and exchange rates on sales at constant non-ferrous metal prices

	First quarter 2019	Currency effect	Organic growth	Effect of changes in scope of consolida tion	First quarter 2020
Building & Territories	671	-12	-37	+23	645
Industry & Solutions	344	0	-21	+10	332
Telecom & Data	145	0	-13	-18	114
High Voltage & Projects	134	-7	+69	-4	193
Other Activities	292	+4	+1	-12	285
Total	**1,587**	**-16**	**-2**	**0**	**1,569**