



**2001 Full Year Results
February 13, 2002**

G rard Hauser

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

Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance and achievements to be materially different from those implied in the forward looking statements.

Such expectations depend amongst others on the following assumptions and risks : (1) the European and North American economies will recover; (2) drop in demand for LAN and winding wire will reverse ; (3) telecom operators return to normal levels of infrastructure spending; (4) the effect of metal price and currency fluctuations will be neutral; (5) the company will be able to reduce its cost base through realization of restructuring actions in the anticipated time frame; (6) the company will be able to achieve productivity improvements ; and (7) the company will successfully integrate acquisitions "

Investor Relations:

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- **2001 : A difficult year impacted by a sharp 2nd semester decline in certain markets.**
- **Capacity proven for fast reaction**
- **Weaker outlook in selected areas triggering need for stepped up restructuring**
- **Solid fundamentals and sound Balance sheet as a basis for mid term growth**


(In millions of €)	FY 2000(*)	FY 2001
Sales at Current Metal price	4 783	4 777
Sales Constant metal	4 361	4 467
EBITDA	301	280
Operating Profit	169	139
Operating Profit Margin	3.9%	3.1%
Net Income	75	30
Cash Flow from Operations	225	210
Earnings Per Share	3.00	1.22

(*) pro forma


- **Global: Economic slowdown in US, spread to Europe in Q4 leading to Challenging Market Conditions**
- **Telecom: Over investment led to abrupt volume reduction in public Networks since September.**
- **Energy: Stronger Demand from Power Utilities**



NEXANS Reaction



Cash
=
Reduce Capital
Employed



Flexibility
=
Reduce Cost Base

- **Generation of 176 m€ since June, 30**

- **Initial 2001 (Debt)/Cash Target (200)**
 - **Copper price reduction 62**
 - **Share Buy Back Program (*) (33)**

- **Capital Employed reduction 100**

- (Debt)/Cash at closing (71)**

(*) 1 990 k shares (7.9% of Capital) acquired as of Dec, 31 at an average price of 16.92 €

2001

- Quick reaction to market slowdown
 - Headcount decrease of 1 500 in six months
 - Continuation of “Program +” effort

Going Forward

- Pursue stepped up restructuring
 - Capacity reduction focused mainly on LAN and EWD
 - Further 1000 headcount reduction over two years
- Cash Cost of approximately 80 m€ over 2 years
 - 30 m€ more than initial target (25 m€ per year)

Summary

Sales and Operating Profit by Division

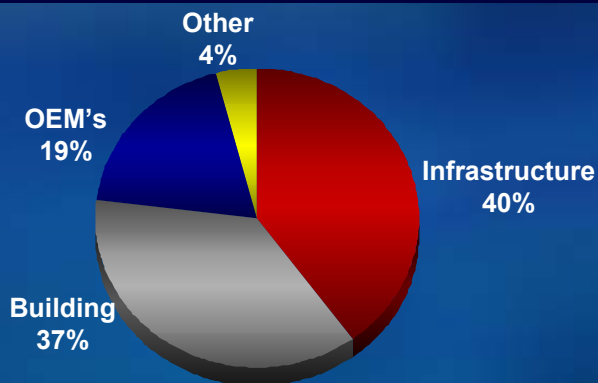
(m€ at constant metal)	Full Year 1999 (*)			Full Year 2000 (*)			Full Year 2001		
	sales	op	%	sales	op	%	sales	op	%
Energy	2 060	46	2.2 %	2 062	64	3.1 %	2 189	80	3.7 %
Telecom	821	36	4.4 %	876	46	5.2 %	835	30	3.6 %
Electrical Wires	945	43	4.6 %	1 095	43	3.9 %	1 102	15	1.4 %
Distribution	318	17	5.3 %	327	12	3.7 %	340	17	5 %
Other	5	(4)	-	1	4	-	-	(3)	-
TOTAL	4 148	138	3.3 %	4 361	169	3.9 %	4 467	139	3.1 %

(*) *Pro forma*

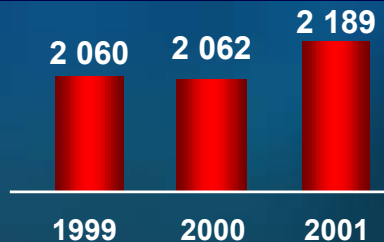
Energy

A positive first step

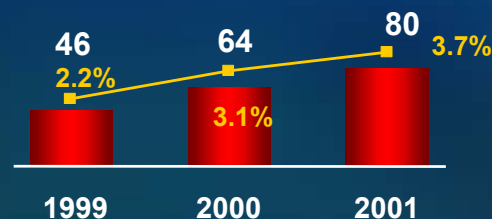
2001 Sales: 2 189 m€ (a)



Sales (m€)^(a)



Operating Profit (m€)



(a) Sales at constant copper price

- EBIT Growth outpacing Revenue growth
- Demonstrated market recovery
- Robust bidding activity and backlog
- Industrial efficiency improvements progressing

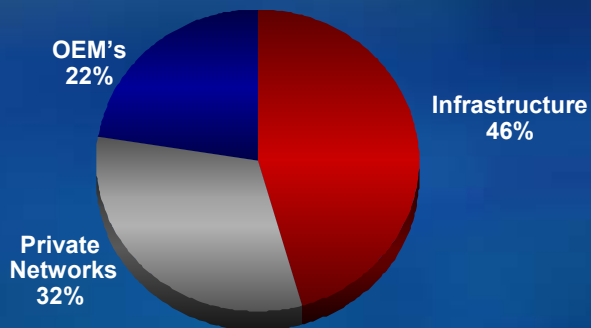


OP Margins	OEM's		Building		Infrastructure	
	2000	2001	2000	2001	2000	2001
	3.4%	3.2%	4 %	3.6%	1.5%	3.4%

(*) at constant perimeter & +17.7% currently.

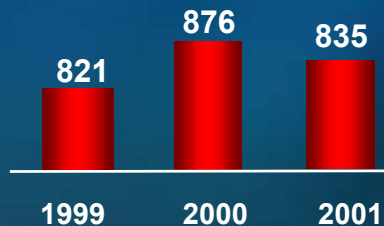
Telecom Two semesters with opposite trends

2001 Sales: 835 m€ (a)

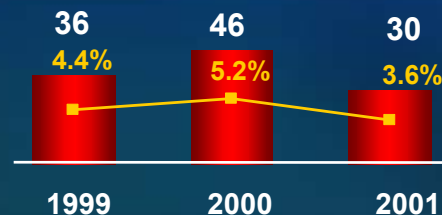


- Revenue growth in all segments but LAN.
- Private Networks (LAN) down in Europe (IT spending cuts) and significantly down in the US (-30%)
- Double digit increase in Fibre Optics slowing starting Q4
- Good global performance in OEM's slowing starting Q4

Sales (m€)^(a)



Operating Profit (m€)



(a) At constant metal price



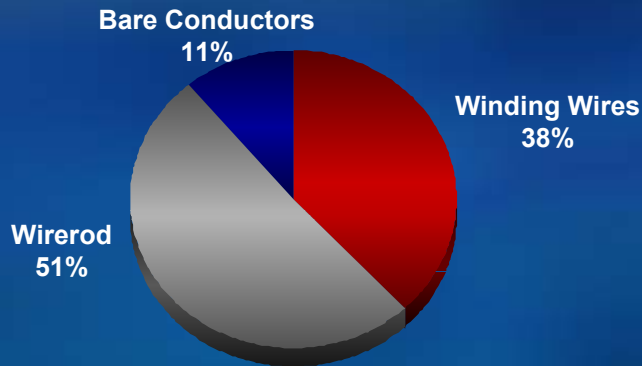
OP Margins	OEM's		Private Networks		Infrastructure	
	2000	2001	2000	2001	2000	2001
	9.2%	6.9%	1.9 %	-5.8%	6.6%	8.6%

(*) at constant perimeter & + 14.3% currently

Electrical Wires Division

Very sensitive to economic slowdown

2001 Sales: 1 102 m€ (a)



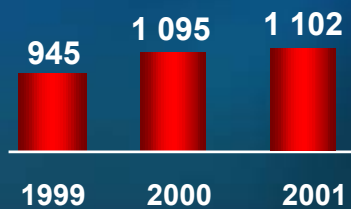
Winding Wires:

- Market strong drop in Volumes
 - N.Am: - 13%
 - Europe: -7%
- Partly due to Customer delocalisation process
- Reduction in demand for specialties

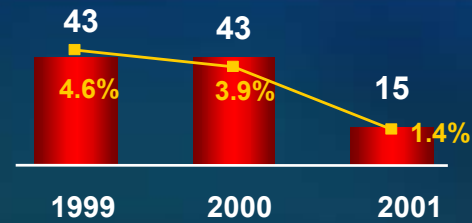


- Higher Competition & Price reduction
- Less fixed costs absorption

Sales (m€)^(a)



Operating Profit (m€)



(a) At constant copper price



OP Margins	Bare Conductors		Winding Wires		Wirerod	
	2000	2001	2000	2001	2000	2001
	6.7%	2.1%	4.7 %	-0.7%	2.5%	2.6%

(*) at constant perimeter & +3.2% currently

Financials

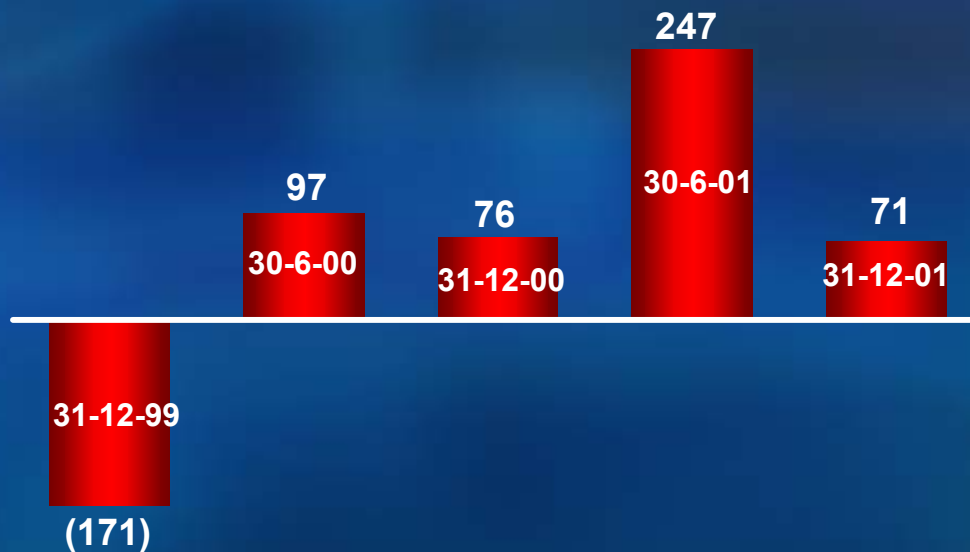
m€	Full Year 2000 ^(*)	HY 1 2001	HY 2 2001	Full Year 2001
Sales at constant metal	4 361	2 320	2 147	4 467
EBITDA ^(**)	301	151	129	280
<i>EBITDA margin (%)</i>	<i>6.9</i>	<i>6.5</i>	<i>6.0</i>	<i>6.3</i>
Operating Profit	169	79	60	139
<i>Operating profit margin (%)</i>	<i>3.9</i>	<i>3.4</i>	<i>2.8</i>	<i>3.1</i>
Financial charge	(20)	(20)	(13)	(33)
Restructuring	(30)	(12)	(24)	(36)
Other revenues	1	2	1	3
<hr/>				
Income before taxes	120	49	24	73
Income tax	(40)	(25)	(3)	(28)
Goodwill amortization	-	(1)	(1)	(2)
Minority interests	(5)	(4)	(9)	(13)
NET INCOME	75	19	11	30

(*) Proforma

(**) Operating profit before
depreciation and amortization

Debt Reduction in HY2

■ Debt (cash)



Financial Charge

	2000	2001
Financial Interests (*)	(2)	(24)
Pension: Financial cpt	(10)	(10)
All Other	(8)	1
	(20)	(33)
(*) of which Turkey + Brazil	(4)	(11)

Income Tax Charge

	December 31 2000			December 31 2001		
	NIBT	Tax	%	NIBT	Tax	%
Profit Making Countries	140	(38)	28%	132	(31)	24%
Loss Making Countries	(20)	(1)	n/s	(59)	3	n/s
Group	120	(40)	33%	73	(28)	39%

- **Income Tax Charge influenced by Geographical Breakdown**
 - Germany moving from loss to profit making country where TLCF's available
 - Norway (because of restructuring) and USA (business issue), moving from profit to loss making countries
 - Italy from slightly to largely negative

Balance Sheet

A sound structure

m€	Dec 31, 2000 ^(*)	Dec 31, 2001
Intangible assets	5	44
Property, plant & equipment	826	921
Investments & other non-current assets	63	75
Total Non-Current Assets	894	1 040
Working Capital Needs	782	645
TOTAL TO FINANCE	1 676	1 685
Net Debt (cash) position	76	71
Reserves	440	414
Minority interests	49	104
Shareholders' equity	1 111	1 096
TOTAL FINANCING	1 676	1 685

(*) Proforma

Fund Statement

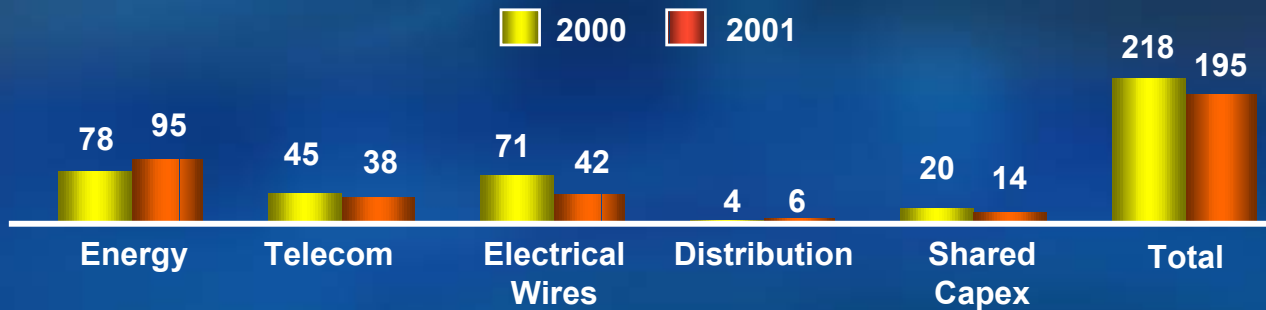
Significant Cash Flow generated

m€	FY 2000 ^(*)	HY1 2001	HY2 2001	FY 2001
Net Income (incl. Minority interests)	80	23	20	43
Depreciation and Amortization	132	73	70	143
Other non-cash items	13	15	9	24
Cash flow from operations	225	111	99	210
Change in working capital needs	(115)	(122)	248	126
Capital Expenditure, Net	(218)	(93)	(102)	(195)
Cash cost acquisition of consolidated companies	(31)	(20)	0	(20)
Share Buy-Back	-	-	(33)	(33)
Restructuring expense	(79)	(14)	(25)	(39)
Dividends paid	(25)	(23)	(1)	(24)
Other	(4)	(10)	(10)	(20)
NET Increase / Decrease in Debt	(247)	(171)	176	5

(*) Proforma

Investments to reduce costs

Capital Expenditures (net) by Division (m€)



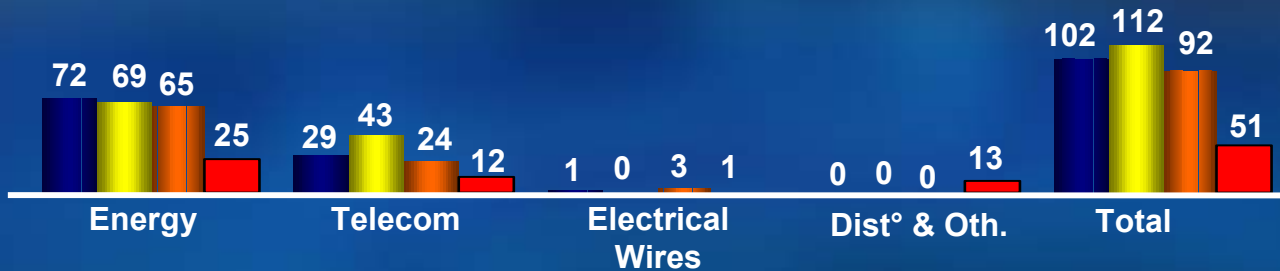
Key Comments

- **Main orientations in 2001 Capex**
 - **Energy: Capacity extension & modernization(HV)**
 - **Telecom: - Capacity extension (public networks)**
- New products (Cat 6 connector)
 - **EWD: Site specialization by process**

FY 2001 Performance Restructuring

Restructuring (Expense) by Division (m€)

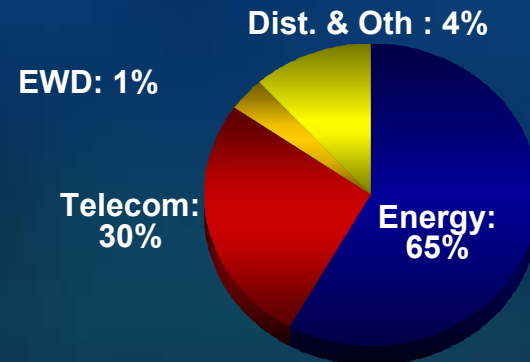
1998 1999 2000 2001



Key Comments

- 2001 significantly lower than past years (36 m€ in P&L)
- Future expenses (02/04)
 - Same yearly magnitude as 2001
 - Different allocation

Breakdown of 1998-2001 Restructuring Expense



Headcount & Productivity

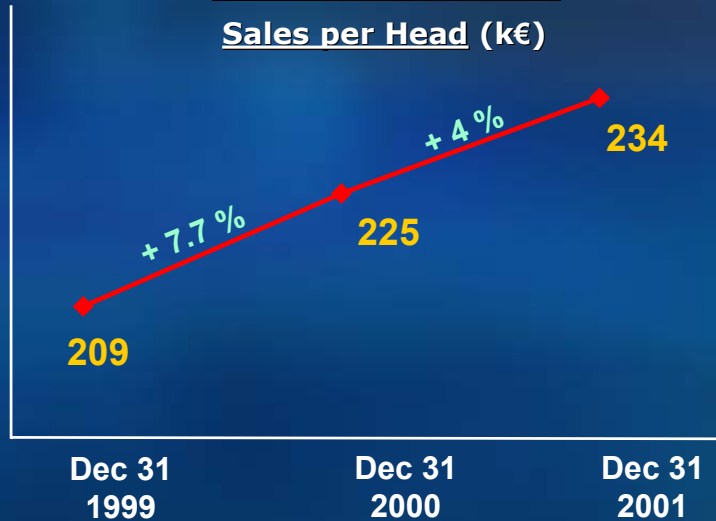
HEADCOUNT

(including temporary workers)

- End 2000 = 18 860
- End June, 2001 = 19 950
- End 2001 = 18 430

PRODUCTIVITY

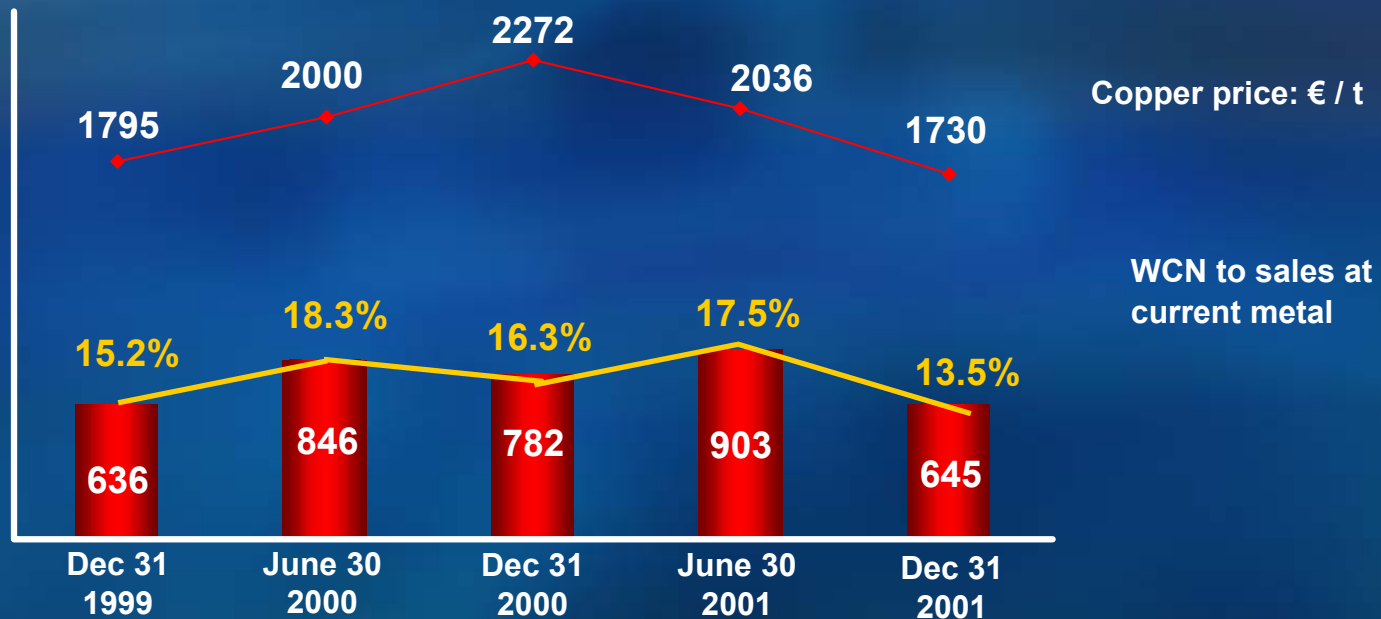
Sales per Head (k€)



- Major reduction in HY2
- Permanent productivity effort

Working Capital Needs

A good performance at HY2



- **Reduction of 126 m€ in 2001 related to:**
 - Actions taken to reduce Working Capital launched in September 2001
 - Copper price reduction (62 m€)

Unchanged Reserves

m€	Dec 31, 2000	Allocation / Reversal	Utilization	Other	Dec 31, 2001
Business Risks	124	5	(16)	6	119
Restructuring	57	36	(51)	(4)	38
Pensions	259	28	(31)	1	257
TOTAL	440	69	(98)	3	414

- **Very limited business visibility in Telecom**
- **Weak consolidated HY1 performance to be expected**
- **Capex below depreciation**
- **Debt targeted to 150 m€ year average**
- **One off 120 m€ accrual for restructuring**

Mid term target

Be the GLOBAL cable maker

**Balanced
Geographical mix**

**Balanced
Business mix**

**Leader strategy on
Infrastructure
businesses**

**Seize margin
opportunities from
Special cables**

**OP margin at 5% by 2004
ROCE at 16% to 20% by 2004**

HOW ?

- **Eliminate loss contributors**
- **Emphasize Infrastructure endmarkets**
- **Monitor resource usage**
 - **Cost reduction effort**
 - **Cash & Capital employed**
- **New products through R&D**
- **Pursue selective external growth**

Main scope:

- Winding Wires
- LAN
- **WHY ?**
 - React to economic recession
- **HOW ?**
 - Adjust our capacities
 - Improve our cost level
 - Increase productivity



A Plan of 80 m€ cash over two years

Joint action on:

2002 to 2004

- Profitability
- Capex
- Working Capital (all parameters)

Sustain

Keep below
Depreciation

Reduce

Internal
Cash Generation

80 m€ Restructuring

- **Telecom: Strong group position in the local loop with**
 - Copper remaining the privileged medium as new technologies arise (SDSL, VDSL,..)
 - Fibre development as a part of a bundled global offer (Copper + Fibre + Components)
- **Energy: Combination of a recovering market and a restructured cost base**
 - Demonstrated strong European demand (HV, MV)
 - LT fundamental drivers
 - Deregulation
 - Ecological (Wind mills, Underground,...)
 - Umbilicals

- **Transrapid**
- **Windmill global offer**
- **POF**
- **Supra conductivity**

Consolidated 2004 Targets

Sales (m€)^(a)



Operating Profit (m€)^(a)



(a) At constant metal price

- **Notwithstanding limited visibility in 2002 ...**
- **Strict monitoring of Capital employed will ...**
- **Ensure continuing cash generation ...**
- **To finance improved profitability.**

The image features a stylized logo for 'Mexans' centered on a blue gradient background. The letter 'M' is rendered in a thick, orange, wavy, 3D-style font. The remaining letters 'e', 'x', 'a', 'n', and 's' are in a black, lowercase, sans-serif font with a slight drop shadow.

Mexans