2018 FULL-YEAR RESULTS IN LINE WITH THE COMMUNICATION OF NOVEMBER 2018

- **Sales at current metal prices at 6.490 billion euros. Sales at constant metal prices**[1] **stable at 4.409 billion euros**[2]**. for 2018. Organic growth negative (-0.8%)**[3] **for the Group as a whole but positive (+4.2%) for the cable and wire activities**[4]

- **EBITDA**[5] **of 325 million euros (compared with 411 million euros in 2017), corresponding to operating margin of 188 million euros (272 million euros in 2017)**

- **Attributable net income of 14 million euros versus 125 million euros in 2017, taking into account 53 million euros in restructuring costs and non-recurring real estate capital gains that were offset by asset impairment losses for an equivalent amount**

- **Operational cash flow of 153 million euros, compared with 277 million euros in 2017, mainly reflecting the decline in EBITDA. On the opposite, 149 million euro positive impact from the improvement in operating working capital**

- **Consolidated net debt of 330 million euros, similar to December 31, 2017**

- **Backlog for projects exceeds 1.25 billion euros as of December 31, 2018.**

- **Liquidity and long-term funding strengthened with a five-year bond issue of 325 million euros in August 2018 and the extension of the 600 million euro Revolving Credit Facility until 2023. Redemption of the convertible bonds that matured on January 2, 2019 for 275 million euros**

- **Recommended dividend of 0.30 euro per share**

- **“New Nexans” plan launched on schedule in November 2018**
    - **New executive committee in place**
    - **All initiatives under the plan now launched and implementation of the supervisory bodies**
    - **European restructuring project presented to employee representative bodies on January 24, 2019**

[1] 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.

[2] The 2018 sales figure used for like-for-like comparisons corresponds to sales at constant non-ferrous metal prices, adjusted for the effects of exchange rates and changes in the scope of consolidation. Exchange rates and changes in the scope of consolidation impacted sales at constant non-ferrous metal prices by a negative -129 million euros and a positive 2 million euros respectively.

[3] Organic growth is defined as the difference between (i) standard sales for the current period of the current year (year Y) calculated at constant non-ferrous metal prices, and (ii) standard sales for the same period of the previous year (year Y-1), calculated at constant non-ferrous metal prices and applying the exchange rates prevailing in year Y and based on the year Y scope of consolidation.

[4] The cable and wire activities include all the businesses except High voltage & projects.

[5] Consolidated EBITDA is defined as operating margin before depreciation and amortization.

Nexans
BRINGS ENERGY TO LIFE

Paris, February 14, 2019 – Today, Nexans published its financial statements for the year ended December 31, 2018, as approved by the Board of Directors at its February 13, 2019 meeting chaired by Georges Chodron de Courcel.

I - Overview of 2018

EBITDA amounted to 325 million euros in 2018, down 86 million euros from 411 million euros the previous year. The decline was partly due to a 12 million euro negative currency effect. It also reflected lower contributions from High Voltage & Projects activities for 45 million euros and from Telecom & Data activities for 8 million euros.
A large number of orders were booked in the final months of the year and second half sales were on a par with the first half. However, EBITDA for the period was 19 million euros higher, an increase of +12.3%. The improvement was driven mainly by Building & Territories activities, led by low-voltage power cables for the building market which performed very well in the second half across all geographic areas.
Despite the decline in EBITDA, net debt remained stable thanks to a 149 million euro improvement in operating working capital that was mainly attributable to the advances received on orders booked at the end of the year.

Commenting on the Group's performance in 2018, Christopher Guérin, Nexans' Chief Executive Officer, said:
"At 325 million euros, the Group's 2018 EBITDA performance is in line with the guidance issued in November, reflecting a difficult year despite a gradual improvement in the second half. Net debt has been contained at 330 million euros, thanks in particular to the receipt of significant advance payments following a large number of orders placed in the project-based businesses late in the year.
*After having defined our strategic plan, we launched far-reaching changes that are essential for the roll-out of the **New Nexans**.*
Starting with the implementation of our new executive committee in December, Nexans is pursuing its ongoing transformation with a focus on delivering growth in selected markets, increasing return on capital employed and improving cash generation.
Further measures were announced in January 2019 concerning a reorganization and restructuring plan in Europe.
The three initiatives presented in November 2018 – cost-cutting, operational transformation and growth leverage – have therefore been launched.
For these reasons, we are beginning 2019 with confidence that these measures will start delivering results before the year is out, resulting in a sharp increase in EBITDA."

Numerous successes in the Group's various business sectors

In the energy infrastructure sector, Nexans won several large contracts during the year, notably during the second half. They included a multi-million euro contract for Ørsted's Borssele 1 and 2 wind farms off the Netherlands' coast, a 111 million euro contract for Greece's Cyclades Islands submarine power interconnection, a power export cable contract for the Hornsea 2 wind farm in the United Kingdom for over 150 million euros and a 100 million euro contract in the Philippines to reinforce the national grid.
The Group also strengthened its focus on Inspection, Maintenance & Repair (IMR) services by setting up a dedicated team of IMR experts to support submarine high-voltage cabling and connectivity projects worldwide with emergency response services. The two-year contract for more than 190 million euros, recently awarded to the Group by one of the world's leading utilities, for the supply of low and medium voltage cables to equip its networks in Europe and Latin America, highlights the series of commercial successes in energy cables.

In the Telecom & Data sector, Nexans was awarded a 65 million euro contract by the Swedish government to supply optical fiber cable solutions to upgrade the communication systems serving Sweden's rail network. The Athens municipality chose Nexans to deliver best-in-class Fibre To The Office (FTTO) network infrastructure for its historic City Hall, providing energy savings of up to 45%.
Nexans has also recently been awarded a multi-million euro framework contract by one of China's public Internet and cloud service providers. The Group will supply advanced pre-terminated copper and optical fiber cabling solutions for the customer's hyperscale datacenter projects in China and abroad in 2019. Nexans' offer is the ideal solution to support the development of hyperscale datacenters and an effective response to the exponential growth in data transmission throughout the world.

In the Industry & Solutions segment, Nexans and Marais Laying Technologies Australia, a Tesmec Group subsidiary, have partnered in a consortium to provide a complete collector cable service for Australia's largest onshore wind farm at Stockyard Hill. The contract will represent revenue of over 12 million euros for the consortium. The 530 MW wind farm will have 149 turbines capable of producing enough electricity to power around 390,000 homes while also helping the state reduce CO2 emissions by around two million tons a year.

Furthermore, the Group's corporate social responsibility initiatives have been recognized through the rating upgrades announced by agencies such as Carbon Disclosure Project (CDP), ISS Oekom, Sustainalytics and MSCI.

The above success stories illustrate how the Group is working towards its goal of helping to meet the world's growing energy and data requirements and how it is mobilizing its teams to achieve that objective.

II - Detailed business review for 2018

Sales for 2018 came to 6.490 billion euros at current metal prices and 4.409 billion euros at constant metal prices, representing negative organic growth of -0.8% compared with 2017.

EBITDA totaled 325 million euros compared with 411 million euros in 2017, corresponding to 7.4% of sales at constant metal prices versus 9.0%.

Sales performances in the various geographic areas were as follows:

- In **Europe**, excluding the High Voltage & Projects segment (down -21.3%) and automotive harnesses (up +4.3%), sales grew +2.0%, reflecting solid demand for power cables in the building market and for low- and medium-voltage cables among energy operators.
- In **North America**, sales were stable in the LAN cables and systems segment but grew in all other segments, leading to an overall year-on-year increase of +15.6%, with a positive impact on margins.
- In **South America**, sales grew by +1.2% over the year, with the -3.1% decline in the first half offset by +5.6% organic growth in the second, reflecting a recovery in overhead power line business in Brazil.
- Sales in the **Asia-Pacific** region were stable (up +0.2%), with dynamic performances in Australia and New Zealand offsetting lower sales volumes in South Korea.

- In the **Middle East/Africa** region (up +5.2%), sales increased in all countries except for Lebanon where 2017 represented an unusually high basis of comparison.

2018 key figures

(in millions of euros)	At constant non-ferrous metal prices	
	2017	**2018**
Sales	**4,571**	**4,409**
EBITDA	**411**	**325**
EBITDA margin (as a % of sales)	**9.0%**	**7.4%**
Attributable net income	125	14

Breakdown of sales by segment

	2017	2018	
(in millions of euros)	**At constant non-ferrous metal prices**	**At constant non-ferrous metal prices**	**Organic growth**
Building & Territories	1,757	1,742	+4.5%
High Voltage & Projects	885	683	-21.3%
Telecom & Data	512	496	-1.8%
Industry & Solutions	1,126	1,160	+2.7%
Other Activities	290	329	+19.6%
Total Group	**4,571**	**4,409**	**-0.8%**

EBITDA BY SEGMENT

(in millions of euros)	2017	2018
Building & Territories	126	120
High Voltage & Projects	118	68
Telecom & Data	62	44
Industry & Solutions	89	86
Other Activities	16	7
Total Group	**411**	**325**

Analysis by segment

Building & Territories

Sales generated by the Building & Territories segment amounted to 2,774 million euros at current metal prices and 1,742 million euros at constant metal prices, corresponding to organic growth of +4.5%.

Sales of **power cables for the building market** grew by +9.1% on an organic basis. Positive momentum was restored in the second half, with organic growth rising to +10.2% versus second half 2017. All geographic areas contributed to the improvement and the double-digit growth in sales had a positive impact on margins, which rose significantly in the second half.

- In Europe (+9.1%), growth was strong in main geographic markets. Volumes were solid and the business development plans launched in several product categories started to deliver results. EBITDA improved by 150 basis points compared with 2017.
- A similar trend was observed in North America (+10.1%), helped by robust growth in Canada. In addition, the Group was able to pass on to customers part of the increase in raw material prices and freight costs.
- In South America (+7.4%), the Group continued to benefit from its business development initiatives in Chile and Colombia. However, margins were lower than expected in Brazil.
- In the Asia-Pacific region, sales rose by +12.6% on an organic basis, with growth led by improved business volumes in Australia. In South Korea, sales stabilized in the second half compared with 2017 after rising strongly in the first six months of the year.
- In the Middle East/Africa region (+8.4%), the strong sales dynamic in Turkey and Morocco offset a loss of momentum in Lebanon. On November 9, a new plant was opened in the Ivory Coast. This investment is part of the Group's business development strategy in Africa and will also contribute to economic growth in the Economic Community of West African States (ECOWAS). The initial contribution from the new plant is included in the region's 2018 sales.

Sales of **distribution cables and accessories** were on a par with 2017, despite the non-renewal of several frame agreements. After a weak first quarter when organic growth was a negative -4.7%, sales to energy operators grew organically in the last three quarters of 2018.
The two-year (2018-2020) contract for an amount of more than 190 million euros that the Group was awarded, in late 2018 will boost sales in Italy and the Latin American countries.
Growth in cable sales in Europe and South America offset a slight loss of momentum in the other regions and weaker accessory sales.
The picture in Europe excluding accessories (+2.1%) remained mixed between fast-growing markets (Italy, Norway, Greece and Sweden) and lower volumes with France's national energy operator. Sales of accessories contracted by -7.8% on an organic basis, mainly due to lost medium-voltage accessory volumes in France.

In South America, deliveries under a new overhead power lines contract in Brazil drove faster growth in the second half (period-on-period organic growth of +41.1%), lifting the

segment's total sales in the region by +7.8%. The Group also won a second big contract in 2018 that will guarantee strong business volumes for the segment in 2019.
Sales in the other regions retreated by some -1.2%.

These sales performances led Building & Territories EBITDA to reach 120 million euros in 2018 compared with 126 million euros in 2017, representing 6.9% of sales at constant metal prices versus 7.2%. This corresponds to an operating margin of 72 million euros versus 77 million euros in 2017.
Overall margins continued to be affected by raw materials price inflation. However, the situation varied depending on activity, with building market margins boosted by higher volumes and distribution cable margins eroded by tough market conditions.

High Voltage & Projects

Sales generated by the High Voltage & Projects segment amounted to 745 million euros at current metal prices and 683 million euros at constant metal prices. Organic growth was a negative -21.3%, reflecting the exceptionally high 2017 basis of comparison, especially for installation services.
The fourth quarter saw an upturn in order intake, with new contracts totaling some 400 million euros booked during the period. As of December 31, 2018, the order backlog stood at over 1,250 million euros, or the equivalent of more than 18 months' worth of sales. Work on existing contracts is progressing on schedule.

With organic growth for **land high-voltage projects** at a negative -21.9%, capacity utilization rates at the plants in Europe and China were very low throughout the year. This severely affected the business's profitability, despite the cost-cutting and short-term working initiatives introduced during the year, and a more ambitious cost reduction plan is currently being drawn up.
In addition, based on the revised long-term projections used for impairment testing purposes, impairment losses were recorded on the land high-voltage in China in first half 2018 (18 million euros) and in Europe in the fourth quarter (28 million euros).
In Europe, the Group has strengthened its technological positioning by successfully qualifying a 525 kV HVDC underground cable system to German TSO standards. This technological breakthrough opens up very promising commercial opportunities.
Also, work is continuing to convert the Goose Creek facility into a submarine cables production plant.

In the **submarine high-voltage cables** segment, after an exceptional 2017 which saw organic growth of +41.0%, sales contracted by -21.1% on an organic basis in 2018, due to weak umbilical cable volumes and deferrals of projects and contracts originally planned for the second half.
Two of the deferred contracts were recorded in the order book in the fourth quarter of 2018 and have been added to the 2019 backlog, leading to a full workload for Energy projects (interconnections and wind farms).

High Voltage & Projects EBITDA came to 68 million euros in 2018 compared with 118 million euros in 2017, representing 9.9% of sales at constant metal prices versus 13.3%. This corresponds to an operating margin of 34 million euros versus 80 million euros in 2017.

In the submarine cables segment, the margin rate improved slightly following an excellent contract execution performance in the second half. However, in the land high-voltage segment, both periods were adversely affected by low workloads, an unfavorable mix and litigation costs.

Telecom & Data

The Telecom & Data segment's sales totaled 561 million euros at current metal prices and 496 million euros at constant metal prices. After a weak first half when sales contracted by -4.2% on an organic basis, the second half saw organic growth of +0.7%, thereby limiting the organic decline over the full year to -1.8% versus 2017.

Sales of **LAN cables and systems** were down -1.5% compared with 2017, after taking into account sequential organic growth of +1.1% in the second half.
In North America, the return to organic growth observed in the third quarter continued in the last three months, leading to +11.9% growth in the second half and stable sales over the full year. Increased sales of copper cables offset the sharp fall in optical fiber cable sales that was partly due to the narrower market for combined copper and fiber cabling solutions. The segment held onto its market share, but at the expense of margins.
In other geographic areas, stable European volumes failed to offset the impact of lower volumes in the Asia-Pacific region.

Sales of **telecom infrastructure cables** grew by +5.1% year-on-year, helped by strong +8.6% organic growth in the second half. Growth was led by the Europe region, where monomode optical fiber cables and accessories market shows clear development potential. To take advantage of this opportunity, in mid-2018, the Group launched a 10 million euro project to increase its European production capacity.

The -25.8% reduction in **special telecom** sales adversely affected the segment's overall momentum.

Telecom & Data EBITDA amounted to 44 million euros compared with 62 million euros in 2017, representing 8.9% of sales at constant copper prices versus 12.1%. This corresponds to an operating margin of 34 million euros versus 52 million euros in 2017.
The decline was mainly due to lower margins in the LAN cables and systems segment. However, in the United States, which accounts for roughly 50% of the LAN segment, aggressive cost-cutting measures launched in the second half restored profitability to a normative level in the last six months of the year.

Industry & Solutions

Sales for the Industry & Solutions segment totaled 1,390 million euros at current metal prices and 1,160 million euros at constant metal prices, representing organic growth of +2.7% for the year and a strong +4.4% in the second half.

The **Transportation** sub-segment delivered growth of +3.7%.

- Sales of automotive harnesses were up by +4.3%; reflecting the deployment of contracts in Europe and North America that were accompanied by an erosion of margins. The activity responded efficiently to program adjustments made by customers as they struggled to comply with the new WLTP vehicle emission standards. In Europe, measures are in progress to optimize production costs.
- Sales of railway cables grew by +11.7%, reflecting high export volumes delivered from European plants (in France and Germany) and solid volumes in the Asia-Pacific region (in China and Australia).
- Sales of cables for shipyards started to level off (contracting by -1.7% on an organic basis) after falling steadily for more than three years. The decline in aeronautical cable sales slowed from -3.8% in the first half to -1.7% in the second.

Sales in the **Resources** sub-segment fell by -3.0% on an organic basis over the year, but this represented a marked improvement compared with the -12.2% drop recorded in the first half.

- The recovery in sales of mining and energy (including renewable energy) production cables accelerated, with organic growth rates reaching +13.8% and +37.0% respectively.
- However, sales of wind turbine cables continued to be hit by weak demand in Europe.
- Sales in the Oil & Gas[6] sector (excluding umbilical cables and shipyard operations) were down -14.6% year-on-year, reflecting the steep decline in extraction cable sales in South Korea that could not be offset by the strong +16.9% increase in sales by AmerCable.

Industry & Solutions EBITDA came to 86 million euros in 2018 compared with 89 million euros in 2017, representing 7.4% of sales at constant metal prices versus 7.9%. This corresponds to an operating margin of 51 million euros versus 56 million euros in 2017.
The decline was due to narrower margins on automotive harnesses, after taking into account the extra costs generated by changes to the various production flows. In addition, substantial R&D costs were once again incurred in 2018, especially for electric vehicle projects.

[6] Oil & Gas activities cover (i) cables for oil and gas production and refining and for Asian shipyards, and (ii) umbilical cables.

Other Activities

Sales in the Other Activities sector mainly concern external sales of copper wire, which amounted to 1,020 million euros at current metal prices and 329 million euros at constant metal prices, representing organic growth of +19.6% led by sales in Canada.

EBITDA generated by Other Activities corresponds to the profit earned on external sales of copper wire less corporate costs that cannot be allocated to the other segments. It amounted to 7 million euros (compared with 16 million euros in 2017), corresponding to an operating margin of a negative 2 million euros (positive 7 million euros in 2017).

III - Analysis of net income and other income statement items

(in millions of euros)	2017	2018
EBITDA	**411**	**325**
Depreciation and amortization	(139)	(137)
Operating margin	**272**	**188**
Core exposure effect	64	(15)
Restructuring costs	(37)	(53)
Other operating income and expenses	(19)	*(9)*
o/w net asset impairment losses	*(8)*	*(44)*
Share in net income of associates	2	0
Operating income	**281**	**112**
Net financial expense	(62)	(56)
Income taxes	(91)	(44)
Attributable net income	**125**	**14**

The Group's **operating income** came in at 112 million euros in 2018, compared with 281 million euros in 2017. The main changes were as follows:

- The **Core exposure effect** was a negative 15 million euros in 2018 versus a positive 64 million euros in 2017, reflecting lower copper prices as well as reduced volumes over the year.

- **Restructuring costs** amounted to 53 million euros in 2018 versus 37 million euros in 2017. They corresponded to the cost of new transformation and downsizing plans, mainly in the United States, Brazil and the Asia-Pacific region, and to costs incurred under existing plans for which no provisions could be recorded.

- **Net asset impairment charge** represented 44 million euros versus 8 million euros in 2017. They concerned land high-voltage activities in China and Europe.

- **Other operating income and expenses** represented a net expense of 9 million euros compared with 19 million euros in 2017. Besides the asset impairment mentioned above, they included a 44 million euro gain on the sale of non-strategic land and buildings.

- The Group recorded a **net financial expense** of 56 million euros in 2018 compared with 62 million euros the previous year. The decrease was mainly attributable to the reduction in borrowing costs following the refinancing of bond debt in April 2017 and August 2018, which led to interest savings of 10 million euros.

Income tax expense for 2018 amounted to 44 million euros, compared with 91 million euros in 2017.

Attributable net income came in at 14 million euros versus 125 million euros in 2017. At the Annual Shareholders' Meeting, the Board of Directors will recommend paying a 2018 dividend of 0.30 euro per share.

Net debt amounted to 330 million euros at December 31, 2018, virtually unchanged from 332 million euros one year earlier, reflecting:

- Operating cash flow of 153 million euros, compared with 277 million euros in 2017.
- Restructuring cash outflows of 61 million euros, unchanged from 2017.
- Cash payments for investments, net of disposals, of 156 million euros, down 5 million euros versus 2017.
- A 149 million euro decline in operating working capital, due mainly to the advances received in the fourth quarter on orders booked during the period. The cable activities' working capital improved during the year, offsetting the increase that resulted from higher volumes.
- Dividend payments of 33 million euros, share buybacks for 24 million euros and operations of shares acquisitions net of transfers for 7 million euros, partly offset, in particular, by 13 million euros in subscriptions to the employee share issue.
- A leverage ratio (average of the last two reported net debt/EBITDA ratios) of 1.3 versus 0.9 at end 2017.

IV – Significant events since the year-end

On January 24, 2019, the Group submitted a restructuring plan to the European Works Council representatives in accordance with the information and consultation procedure.

The project includes several proposals:

- Adapting the Group's organization on the basis of five Business Groups and eliminating the regional structures. The aim is to put in place a more streamlined, profitable and agile organization by simplifying and reducing the number of reporting levels. It will also be an opportunity to empower the Group's operating teams.
- Implementing a European restructuring plan aimed at enhancing industrial and operational efficiency. The proposed project would also reflect the impact of any changes made at the level of the Group's organization, and would include:
    - resizing business activities at head office level,
    - pooling certain functional activities between countries,
    - reducing the number of reporting levels,
    - making targeted adjustments to our industrial footprint.

- Optimizing the Group's Innovation & Technology department, in order to align it more closely with the business transformation currently being carried out to improve agility and services.

The planned project would impact 939 jobs and could lead to the creation of 296 new positions. Germany, France, Switzerland and, to a lesser extent, Belgium, Norway and Italy would be impacted most.

The presentation of the results including the 2019 outlook, will be available on the Nexans website at www.nexans.com from 7:00 a.m. (Paris time) today.

A Q&A session by conference call is scheduled today at 9:00 a.m. (Paris time).

To take part, please dial one of the following numbers and ask for "Nexans Conference Call":

- From France: +33 (0)1 70 73 27 27
- From other European countries: +44 (0) 203 009 5710
- From the United States: + 1 866 869 23 21

Confirmation code: 5158949

Financial calendar

May 2, 2019:	2019 First Quarter Financial Information
May 15, 2019:	Annual Shareholders' Meeting
July 24, 2019:	2019 First Half Results

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 log onto the Group's website where they can view and download the presentation of the 2018 annual results to analysts as well as Nexans' 2018 financial statements and 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 – as well as an overview of the Group's strategy and outlook.

The major uncertainties for 2019 and for the New Nexans transformation plan unveiled on November 9, 2018 as well as its roll-out in Europe, which led to the presentation of a proposed European reorganization and restructuring plan to Nexans' employee representative bodies on January 24, 2019, are mainly related to (i) the geopolitical and macroeconomic environment, (ii) potential changes to trends on the markets we serve, and (iii) operating performance risks.

- *The uncertain economic and political environments in the United States and Europe, with the risk of growth being slowed by potential major changes in US trade policy on one side of the Atlantic and the possible 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, nationalism and populism uprise in Europe.*
- *Geopolitical instability, including the embargoes in Qatar and Iran, political instability in Libya and Côte d'Ivoire and persistent tensions in Lebanon and the Persian/Arabian Gulf.*
- *Political and economic uncertainty in South America, particularly in Brazil, which is affecting the building market and major infrastructure projects in the region as well as creating exchange rate volatility and an increased risk of customer default.*
- *Sudden fluctuations in metal prices that could affect customer purchasing patterns in the short term.*
- *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,) and labor costs, which could affect competitiveness depending on the extent to which they can be passed on to customers in selling prices.*
- *The impact of exchange rate fluctuations on the conversion of the financial statements of Group subsidiaries located outside the Eurozone.*

- *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.*
- *The risk of delays or cost-overruns affecting implementation of the transformation and reorganization plan in the land high-voltage and submarine medium-voltage activities and the time required for these activities to return to break-even.*
- *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 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.*

About Nexans

Nexans brings energy to life through an extensive range of advanced cabling systems, solutions and innovative services. For over 120 years, Nexans has been providing customers with cutting-edge cabling infrastructure for power and data transmission. Today, beyond cables, the Group advises customers and designs solutions and services that maximize performance and efficiency of their projects in four main business areas: Building & Territories (including utilities, e-mobility), High Voltage & Projects (covering offshore wind farms, submarine interconnections, land high voltage), Telecom & Data (covering data transmission, telecom networks, hyperscale data centers, LAN), and Industry & Solutions (including renewables, transportation, Oil & Gas, automation, and others).
Corporate Social Responsibility is a guiding principle of Nexans' business activities and internal practices. In 2013, Nexans became the first cable player 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, NEMA, ICF or CIGRE to mention a few.
Nexans employs nearly 27,000 people and has an industrial footprint in 34 countries and commercial activities worldwide. In 2018, the Group generated 6.5 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

1. Consolidated income statement
2. Consolidated statement of comprehensive income
3. Consolidated statement of financial position
4. Consolidated statement of cash flows
5. Information by reportable segment
6. Information by major geographic area
7. Information by major customer

The audit procedures have been carried out and the Statutory Auditors' report is being issued.

CONSOLIDATED INCOME STATEMENT

(in millions of euros)	**2018**	**2017**
NET SALES	**6,490**	**6,370**
Metal price effect[1]	*(2,081)*	*(1,799)*
SALES AT CONSTANT METAL PRICES[1]	***4,409***	***4,571***
Cost of sales	(5,728)	(5,510)
Cost of sales at constant metal prices[1]	*(3,646)*	*(3,711)*
GROSS PROFIT	**762**	**860**
Administrative and selling expenses	(469)	(489)
R&D costs	(105)	(99)
OPERATING MARGIN[1]	**188**	**272**
Core exposure effect[2]	(15)	64
Other operating income and expenses[3]	(9)	(19)
Restructuring costs	(53)	(37)
Share in net income of associates	0	2
OPERATING INCOME	**112**	**281**
Cost of debt (net)[4]	(47)	(56)
Other financial income and expenses	(9)	(6)
INCOME BEFORE TAXES	**56**	**219**
Income taxes	(44)	(91)
NET INCOME FROM CONTINUING OPERATIONS	**13**	**127**
Net income from discontinued operations	-	-
NET INCOME	**13**	**127**
- attributable to owners of the parent	14	125
- attributable to non-controlling interests	(1)	2
ATTRIBUTABLE NET INCOME PER SHARE (in euros)		
- basic earnings per share	0.32	3.04
- diluted earnings per share	0.32	2.71

1 *Performance indicators used to measure the Group's operating performance.*
2 *Effect relating to the revaluation of Core exposure at its weighted average cost.*
3 *"Other operating income and expenses" included a 44 million euro net disposal gain and 44 million euros in net asset impairment. In 2017 they included 8 million euros in net asset impairment.*
4 *Financial income amounted to 4 million euros in 2018 versus 3 million euros in 2017.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of euros)	2018	2017
NET INCOME	**13**	**127**
Recyclable components of comprehensive income	**(82)**	**(105)**
Currency translation differences	(14)	(133)
Cash flow hedges	(68)	28
Tax impacts on recyclable components of comprehensive income	**17**	**(8)**
Non-recyclable components of comprehensive income	**(8)**	**23**
Actuarial gains and losses on pensions and other long-term employee benefit obligations	(7)	23
Financial assets at fair value through other comprehensive income	(1)	-
Share of other non-recyclable comprehensive income of associates	-	-
Tax impacts on non-recyclable components of comprehensive income	**2**	**(9)**
Total other comprehensive income (loss)	**(70)**	**(99)**
Total comprehensive income	**(58)**	**28**
- attributable to owners of the parent	(57)	29
- attributable to non-controlling interests	(1)	(1)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(At December 31, in millions of euros)	**2018**	**2017 restated**[(1)]
ASSETS		
Goodwill	243	236
Intangible assets	131	127
Property, plant and equipment	1,135	1,129
Investments in associates	39	40
Deferred tax assets	162	135
Other non-current assets	60	100
NON-CURRENT ASSETS	**1,770**	**1,767**
Inventories and work in progress	1,110	1,107
Contract assets	95	134
Trade receivables	1,021	1,033
Current derivative assets	38	59
Other current assets	184	177
Cash and cash equivalents	901	805
Assets and groups of assets held for sale	0	0
CURRENT ASSETS	**3,349**	**3,315**
TOTAL ASSETS	**5,119**	**5,082**
EQUITY AND LIABILITIES		
Capital stock, additional paid-in capital, retained earnings and other reserves	1,339	1,367
Other components of equity	(14)	52
Equity attributable to owners of the parent	**1,325**	**1,419**
Non-controlling interests	42	48
TOTAL EQUITY	**1,367**	**1,468**
Pensions and other long-term employee benefit obligations	363	387
Non-current provisions	84	94
Convertible bonds	-	267
Other non-current debt	778	451
Non-current derivative liabilities	11	3
Deferred tax liabilities	109	102
NON-CURRENT LIABILITIES	**1,345**	**1,304**
Current provisions	63	79
Current debt	453	420
Contract liabilities	252	165
Current derivative liabilities	51	36
Trade payables	1,290	1,280
Other current liabilities	298	331
Liabilities related to groups of assets held for sale	0	0
CURRENT LIABILITIES	**2,407**	**2,310**
TOTAL EQUITY AND LIABILITIES	**5,119**	**5,082**

(1) The December 31, 2017 data have been restated to include the effects of applying IFRS 15.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of euros)	**2018**	**2017**
Net income	13	127
Depreciation, amortization and impairment of assets (*including goodwill*)[1]	180	147
Cost of debt (gross)	51	60
Core exposure effect[1]	15	(64)
Current and deferred income tax charge (benefit)	44	91
Net gains (losses) on asset disposals	(44)	(1)
Other restatements[2]	(68)	(28)
CASH FLOWS FROM OPERATIONS BEFORE GROSS COST OF DEBT AND TAX[3]	**191**	**332**
Decrease (increase) in working capital [(4)]	117	(109)
Income taxes paid	(45)	(56)
Impairment of current assets and accrued contract costs	0	(2)
NET CHANGE IN CURRENT ASSETS AND LIABILITIES	**72**	**(167)**
NET CASH GENERATED FROM OPERATING ACTIVITIES	**263**	**165**
Proceeds from disposals of property, plant and equipment and intangible assets	51	8
Capital expenditure	(207)	(169)
Decrease (increase) in loans granted and short-term financial assets	10	(5)
Purchase of shares in consolidated companies, net of cash acquired	(13)	(25)
Proceeds from sale of shares in consolidated companies, net of cash transferred	-	1
NET CASH USED IN INVESTING ACTIVITIES	**(158)**	**(191)**
NET CHANGE IN CASH AND CASH EQUIVALENTS AFTER INVESTING ACTIVITIES	**105**	**(26)**
Proceeds from (repayments of) long-term and short-term borrowings [(5)]	88	(90)
- of which proceeds from 2018-2023 ordinary bond issue	*323*	-
- of which proceeds from 2017-2024 ordinary bond issue	-	199
- of which repayment of the 2012-2018 ordinary bonds	*(250)*	-
- of which repayment of the 2007-2017 ordinary bonds	-	(350)
Cash capital increases (reductions)	(10)	(7)
Interest paid	(47)	(61)
Transactions with owners not resulting in a change of control	-	3
Dividends paid	(33)	(23)
NET CASH USED IN FINANCING ACTIVITIES	**(2)**	**(178)**
Net effect of currency translation differences	(10)	(19)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**93**	**(223)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**794**	**1,016**
CASH AND CASH EQUIVALENTS AT YEAR-END	**886**	**794**
of which cash and cash equivalents recorded under assets	*901*	*805*
of which short-term bank loans and overdrafts recorded under liabilities	*(15)*	*(11)*

1 *Effect relating to the revaluation of Core exposure at its weighted average cost, which has no cash impact.*

2 *"Other restatements" in 2018 primarily included (i) a negative 75 million euros to cancel the net change in operating provisions (including provisions for pensions, restructuring costs and antitrust proceedings), (ii) a negative 7 million euros related to the cash impact of hedges and (iii) a positive 9 million euros to cancel the cost of share-based payments. "Other restatements" in 2017 primarily included (i) a negative 52 million euros to cancel the net change in operating provisions (including provisions for pensions, restructuring costs and antitrust proceedings) and (ii) a positive 23 million euros related to the cash impact of hedges.*

3 *The Group also uses the "operating cash flow" concept, which is mainly calculated after adding back cash outflows relating to restructurings (61 million euros and 63 million euros in 2018 and 2017 respectively), and deducting gross cost of debt and current income tax paid during the year.*

4 *During 2018 the Group sold tax receivables which had a net cash impact of 20 million euros (9 million euros in 2017). As the sales concerned transferred substantially all the risks and rewards of ownership they meet the derecognition criteria in IAS 39 and have therefore been derecognized.*

5 *The 2018 figure for this item includes a 6 million impact from the partial redemption of the Group's 2019 OCEANE bonds.*

INFORMATION BY REPORTABLE SEGMENT

2018 *(in millions of euros)*	**Building & Territories**	**High Voltage & Projects**	**Telecom & Data**	**Industry & Solutions**	**Other Activities**	**Group total**
Net sales at current metal prices	2,774	745	561	1,390	1,020	**6,490**
Net sales at constant metal prices	1,742	683	496	1,160	329	**4,409**
EBITDA	120	68	44	86	7	**325**
Depreciation and amortization	(48)	(34)	(11)	(35)	(10)	**(137)**
Operating margin	72	34	34	51	(2)	**188**
Net impairment of non-current assets (including goodwill)	(2)	(46)	-	-	3	**(44)**

2017 *(in millions of euros)*	**Building & Territories**	**High Voltage & Projects**	**Telecom & Data**	**Industry & Solutions**	**Other Activities**	**Group total**
Net sales at current metal prices	2,685	954	571	1,332	828	**6,370**
Net sales at constant metal prices	1,757	885	512	1,126	290	**4,571**
Net sales at constant metal prices and 2018 exchange rates	1,687	865	495	1,112	283	**4,442**
EBITDA	126	118	62	89	16	**411**
Depreciation and amortization	(49)	(38)	(10)	(33)	(9)	**(139)**
Operating margin	77	80	52	56	7	**272**
Net impairment of non-current assets (including goodwill)	-	(7)	-	-	(1)	**(8)**

The Executive Committee also analyzes the Group's performance based on geographic area.

INFORMATION BY MAJOR GEOGRAPHIC AREA

2018 *(in millions of euros)*	**France**	**Germany**	**Norway**	**Other****	**Group total**
Net sales at current metal prices*	1,038	829	693	3,930	**6,490**
Net sales at constant metal prices*	644	745	631	2,389	**4,409**
Non-current assets (IFRS 8)* *(at December 31)*	169	161	204	1,015	**1,548**

** Based on the location of the assets of the Group's subsidiaries.*

*** Countries that do not individually account for more than 10% of the Group's net sales at constant metal prices.*

2017 *(in millions of euros)*	**France**	**Germany**	**Norway**	**Other****	**Group total**
Net sales at current metal prices*	1,023	841	858	3,647	**6,370**
Net sales at constant metal prices*	663	753	800	2,355	**4,571**
Net sales at constant metal prices and 2018 exchange rates*	663	753	777	2,249	**4,442**
Non-current assets (IFRS 8)* *(at December 31)*	175	168	180	1,009	**1,532**

** Based on the location of the assets of the Group's subsidiaries.*

*** Countries that do not individually account for more than 10% of the Group's net sales at constant metal prices.*

INFORMATION BY MAJOR CUSTOMER

The Group does not have any customers that individually accounted for over 10% of its sales in 2017 or 2018.