2013 Third-Quarter Financial Information and Group Initiatives

- **Sales for the nine months ended September 30, 2013 down 2.9% on an organic basis**
- **Operating margin for full-year 2013 expected to reach a level between 130 and 150 million euros, representing an EBITDA[1] between 285 and 305 million euros**
- **Proposed reorganization for Nexans Group operations in Europe in order to preserve its competitiveness**
- **Rights issue of approximately 284 million euros, with preferential subscription rights for existing shareholders**

Paris, October 15, 2013 – Nexans today announced that its sales for the third quarter of 2013 amounted to 1,655 million euros at current metal prices.
At constant metal prices[2] the sales figure was 1,171 million euros, down 1.9%[3] on an organic basis versus the same period of 2012.

Sales for the first nine months of 2013 decreased 2.9% compared with the corresponding prior-year period.

Opposite trends underlie the Group's overall performance.

Thanks to the recovery plan launched over a year ago, high-voltage submarine cables delivered significant growth. Industrial cables sales also progressed.

Demand in both the Distributors & Installers businesses and in medium- and low-voltage cables for power utilities slowed in Europe in the third quarter, however.

In North America, low-voltage industrial cables and mining cables were hit by a slowdown in Canada linked to reduced activity in oil shale. In the United States, the flat LAN cable market hampered the progress of the partnership with Leviton announced in April 2013; in addition oil & gas projects have been postponed to 2014.

[1].EBITDA is defined as Operating margin before depreciation
[2] To neutralize the effect of fluctuations in non-ferrous metal prices and therefore measure the underlying trend in its business, Nexans also presents its sales figures based on a constant price for copper and aluminum.
[3] 2012 sales on the basis of comparable data correspond to constant non-ferrous metal sales, recalculated after adjustments for comparable scope and exchange rates. The exchange effect on sales at constant non-ferrous metal prices, for the third quarter 2012, came to a negative 67 million euros and the scope effect came to a positive 11 million euros.

Mining activities remained weak in Australia.

On this basis, the Group has revised its 2013 EBITDA and operating margin target levels[4] to the ranges of 285 to 305 million euros, and 130 to 150 million euros, respectively, assuming a normal operating environment[5]. Taking this into account together with potential reserves related to the reorganization project, the net result for the second half of 2013 should be negative.

The Group is currently conducting the periodic detailed review of its activities and strategic initiatives for 2015 and will communicate on this at the time of the publication of its 2013 results. In view of the steps already taken or those contemplated to restore competitiveness (savings projects and actions for direct cost reduction), and to turn around under-performing businesses (high-voltage submarine activity and Nexans Olex), the Group remains confident in its outlook for the medium-term.

Third-quarter 2013 consolidated sales

(in millions of euros)	**2012**	**2013**
	At constant metal prices	**At constant metal prices**
Third quarter	1,249	1,171
Second quarter	1,245	1,221
First quarter	1,153	1,130
Year to date at September 30	**3,647**	**3,522**

4 On July 25, 2013, the Company announced that: (i) the operating margin in the second half of 2013 should be higher than that of the first half of 2013 and be at a level in the same order of magnitude as that for the second half of 2012 (or 115 million euros); (ii) EBITDA (operating margin before depreciation) for 2013 should range between 330 million euros and 350 million euros; and (iii) the draft cost saving plans under consideration could result in reserves that could produce a negative net result in the second half.

5 Assumptions which form the basis of the profit forecasts are detailed in paragraph 6.2 of the update to the registration document filed with the AMF on October 14, 2013.

Organic growth

	H1 2013	Q3 2013	YTD at Sept. 30, 2013
Transmission	+2.1%	+5.0%	+3.1%
Distribution & Operators	-7.1%	-4.1%	-6.1%
Total Transmission, Distribution & Operators	-3.9%	-0.7%	-2.8%
Industry	+2.7%	+1.4%	+2.3%
Distributors & Installers	-7.3%	-7.3%	-7.3%
Other	-7.5%	-1.1%	-5.4%
Group total	**-3.4%**	**-1.9%**	**-2.9%**

Distributors & Installers

The Distributors & Installers segment posted sales of 280 million euros at constant metal prices for the third quarter of 2013, down 7.3% year on year on an organic basis.

In Europe, business remained sluggish and price pressure began to be felt in some markets, such as France.

In Australia, where the Group had expected to experience difficulties for the full year, the situation seemed to stabilize in the residential construction sector but remained challenging for mining cables. This trend is expected to continue into the fourth quarter although the outlook is still fragile.

The Middle East, Russia and Africa Area saw vigorous growth, fueled by the dynamic Lebanese market and strong demand in Turkey on both the domestic and export markets.

In South America, after a period of very strong growth in the the first half of the year, Brazil saw sales taper off in the third quarter, an effect only partially offset by Peru and Colombia, where business was again driven by urban development programs.

In North America, sales to distributors were satisfactory in the US building sector but slowed significantly in Canada for cables for industrial construction and oil shale. Meanwhile, market conditions remained difficult for LAN cables.

Industry

Sales for the Industry segment came to 303 million euros at constant metal prices, representing 1.4% organic growth.

The underlying trends for the segment as a whole in the third quarter of 2013 were similar to those observed in the first six months of the year. The only exception was the oil & gas sector in North America, for which there were fewer projects during the third quarter and the projects initially planned for the fourth quarter of the year have been postponed to 2014. Korea saw high oil & gas sales (oil rigs). Business levels for the rest of the energy resources segment remained unchanged.

The transportation sector also performed well in third-quarter 2013. Sales of automotive harnesses maintained their high level, and the aeronautical business remained extremely upbeat. Performance in the railways sector was driven by favorable market conditions in Europe and, to a lesser extent, by the repositioning of business in the subway sector in China.
Shipbuilding continued to trend upwards in Europe and Korea, thanks largely to halogen-free products.

Lastly, there were no significant signs of improvement in sales of cables to other industrial sectors during the period.

Transmission, Distribution & Operators

The Transmission, Distribution & Operators segment reported sales of 516 million euros at constant metal prices, representing an organic decrease of 0.7% on the 541 million euros reported for third-quarter 2012.

Submarine transmission

Sales for the submarine transmission business kept up their brisk momentum in third-quarter 2013, with year-on-year organic growth reaching 24%. For the nine months ended September 30, 2013 the organic growth figure was 16% compared with the same period of 2012.
The Group continued to implement its contracts in line with its production and installation schedules, as demonstrated by the near-90 million euro payment received in August for the execution of a contract that had been delayed, contributing to the gradual improvement in working capital requirement.
The order book is currently running at about two years of sales, including a contract of over 120 million euros signed with Scottish Hydro Electric Transmission for a subsea power link between the Kintyre peninsula and the mainland in Southwest Scotland. The delivery of this cable is scheduled for 2015.

The umbilical cables business also turned in a very good performance in third-quarter 2013 and the order book has grown thanks to contracts won with Statoil and ExxonMobil.

Land high-voltage

At the end of September 2013, sales were down 19% (-26% over the third quarter).

The order book stood at over 250 million euros, reflecting the entry into backlog of extra high-voltage cable systems to two major European power supply networks.
The integration of Nexans Yanggu is going according to plan and the technological upgrade planned for completion by the first quarter of 2014 is making good progress. Bids for contracts continue to be submitted, especially to Chinese EPCs (Engineering Procurement and Construction Companies).

Construction of the production plant in Charleston, South Carolina, is on schedule.

Distribution & Operators

Sales posted by the Distribution and Operators segment retreated 4.1% year on year in the third quarter of 2013.

In Europe, sales were down 9% over the quarter and were particularly sluggish during the summer months, especially in France, where all electricity operators slashed their investments.

Conversely, the Asia-Pacific Area saw a sharp improvement in sales during the period, with New Zealand and Korea delivering good results. Nexans Yanggu's low- and medium-voltage sales were in line with targets.

In South America, positive trends continued in Brazil, which saw strong organic growth propelled by overhead power line projects despite a slowdown in medium-voltage business.

Third-quarter sales in the Middle East, Russia and Africa Area were lower than in 2012, reflecting the fact that the production unit in Egypt is still in the process of being sold and did not therefore have any sales activity during the period. Momentum in Lebanon was once again robust. Business in Morocco remained solid – despite a tough domestic market – thanks to growth in transformer sales and exports.

The picture was extremely mixed during the period for telecom infrastructure cables, with, on the one hand, very high sales of optical fiber cables due to the development of 4G networks in Europe, and on the other hand, a decline in sales of copper cables in South America.

Proposed reorganization for Nexans Group operations in Europe in order to preserve its competitiveness

The Nexans Group operates in a global cable market which is currently facing a number of major challenges. This is particularly the case in Europe, where a lack of growth, overcapacity and fierce competition mean that the Group companies need to consider measures to address the situation.
Consequently, in order to restore its competitiveness, Nexans commenced a study in the second quarter of 2013 of a cost-savings analysis in Europe.
A document setting out a reorganization project for the operations of the Group's European subsidiaries has been presented today to employee representatives.

This document will form the basis of the information and consultation process with the employee representatives that is starting.

The overall project – contemplated to meet new market requirements and preserve the Group’s competitiveness – contains several components:

1. Streamline the manufacturing base of the Industry segment in Europe.
2. Optimize the organizational structure and production sites of the land high-voltage business.
3. Streamline and adapt support functions in line with the requirements of the Group's European subsidiaries.
4. Strengthen R&D resources.

The project would be implemented in all of the European countries but would primarily concern France, Germany, Switzerland, Italy and Belgium. The adaptation measures would lead to 468 job cuts in Europe but would also involve the transfer of 462 jobs and the creation of 39 new positions. Internal mobility – which the Group’s European subsidiaries would do all they can to facilitate – is a key factor of the overall project.

Nexans has set itself the objective of minimizing any adverse consequences that may arise from the project, while taking into account specific local operating conditions and contexts. To this end, Nexans wishes to encourage close collaboration with employee and union representatives both on a European level and at the level of each of the subsidiaries concerned. The amount of the provisions that should be set aside for the reorganization project presented today will be determined based on the negotiations with the representatives of the employees involved.

Excluding the cost of the plan, the financial return from (i) the above-described reorganization project, (ii) the other plans launched since the beginning of the year, and (iii) the plans currently under way, including those outside Europe (in particular in Asia Pacific) would be in line with the figures announced in February 2013, namely an estimated 73 million euro recurring annual impact on consolidated operating margin in 2017, of which 48 million euros should be achieved as early as 2015.

The Group's debt position

The Group's consolidated net debt amounted to 734 million euros at September 30, 2013 and is expected to decrease through to the end of 2013. However, this figure could rise in 2014 as a result of major investment plans (600 million euros over three years). This estimate does not take account of the payment of a fine that may be imposed on Nexans France following the Statement of Objections received from the European Commission's Directorate General for Competition on July 5, 2011 for alleged anti-competitive behavior, in respect of which a provision has been set aside in the Nexans Group's consolidated financial statements for an amount of 200 million euros as of June 30, 2013.

Capital increase with preferential subscription rights for existing shareholders

In addition to the operational and strategic measures described above, Nexans emphasizes on anticipation and rigorous financial management. As such, Nexans (holding company) has decided to carry out a capital increase with preferential subscription rights for existing shareholders by issuing approximately 12.6 million new shares representing approximately 284 million euros.

This capital increase will enable the Group to strengthen its balance sheet (improving its capital structure and consolidating its financial ratios), to support its credit profile (supporting its credit ratings, optimizing financing costs and perpetuating its access to funding markets) and to provide flexibility in the implementation of its strategic initiatives.

Each shareholder will be given a preferential subscription right for each share that it holds at the close of trading on 16 October 2013; 7 preferential subscription rights will entitle to purchase 3 new shares at a price of 22.50 euros per share.

As part of this transaction, the Quiñenco Group (which owns through its subsidiary Invexans 22.54% of Nexans' capital), has irrevocably committed to subscribe a number of shares, allowing it to hold a minimum of 24.9% of Nexans' share capital and voting rights post transaction, provided that sufficient shares are available for subscription. In addition, in accordance with the March 2011 shareholders' agreement amended in November 2012, Quiñenco reserves its right to increase its stake up to 28% of Nexans share capital through the purchase of shares and/or preferential subscription rights, during or outside the subscription period.

Moreover, Bpifrance Participations SA which owns approximately 5.5% of Nexans capital has declared its intention to subscribe to the capital increase at minimum in the amount of its rights.

The subscription period for the new shares will run from 17 October 2013 to the close of trading on 30 October 2013 inclusive. During this period the preferential subscription rights will be listed and traded on the regulated market of NYSE Euronext in Paris.

The scheduled date for the settlement-delivery and listing of the new shares on Euronext Paris is scheduled on November 8, 2013.

The new shares will be fully fungible with Nexans' existing shares and will carry full rights as from January 1, 2013. As such, their holders will be entitled to the dividends payable for 2013 and subsequent years.

This capital increase will be open to the public only in France.

The detailed terms of this operation are covered in a specific press release available on Nexans' website.

Financial calendar

- November 26, 2013: individual shareholder information meeting in Bordeaux*
- February 11, 2014: 2013 full-year results

** Provisional date to be confirmed*

Information for the public

A prospectus, which is composed of (i) Nexans' Registration Document, filed with the AMF on April 3, 2013 under number D.13-0273 (the "2012 Registration Document"); (ii) an update to the Registration Document filed with the AMF on October 14, 2013 under number D.13-0273-A01 (the "Update to the Registration Document"); and (iii) a securities note (including the summary of the prospectus), which was filed with the AMF under number 13-541 on October 14, 2013 (the "Securities Note"), is available free on request from the Company's headquarters (8, rue du Général Foy, 75008 Paris), as well as on the AMF's website (www.amf-france.org) and the Company's website (www.nexans.com).

Information of a prospective nature in this press release is dependent on the risks and uncertainties, known or unknown at this date, that may impact on the Company's future performance, and which may differ considerably.

Nexans draws public attention to the risk factors described on pages 34-42 and 185-197 of the 2012 Registration Document, on Chapters 3 and 4 of the Updated Registration and on Chapter 2 of the Securities Note, especially the risks relating to the antitrust investigations in Europe, the United States, Canada, Brazil, Australia and Korea (in addition to the on-going procedures regarding local business) for anticompetitive behavior in the submarine and underground power cable sectors. An unfavorable outcome of these investigations and follow-on consequences could have a significant material adverse effect on the results and Nexans' financial situation, even above the potential fine that may be imposed by the European Commission. Following the Statement of Objections received from the European Commission's Directorate General for Competition on July 5, 2011 by Nexans and its subsidiary Nexans France SAS for alleged anticompetitive behavior, Nexans France SAS recorded a 200 million euro provision in its statutory financial statements for a potential fine that could be imposed on it, for which a provision has also been included in the Group's consolidated financial statements since June 30, 2011. As the outcome of the proceedings will likely be known within 12 months, the 200 million euro provision has been reclassified within current items in the 2013 interim consolidated financial statements.

In addition to the risk factors, the main uncertainties for the fourth quarter are included in the updated Registration Document filed with the AMF of October 14, 2013.

This press release and the information contained herein do not constitute either an offer to sell or purchase or the solicitation of an offer to sell or purchase the securities or preferential subscription rights of Nexans.

The release, publication or distribution of this press release may be restricted in certain countries by applicable laws and regulations. Persons who are physically located in those jurisdictions and in which this press release is released, published or distributed must inform themselves about and observe such restrictions.

This announcement is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003, as amended, in *particular by the Directive 2010/73/EU of the European Parliament and the Council of November 24, 2010 and as implemented in each member State of the European Economic Area.*

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About Nexans

With energy at the basis of its development, Nexans, worldwide expert in the cable industry, offers an extensive range of cables and cabling solutions. The Group is a global player in the energy transmission and distribution, industry and building markets. Nexans addresses a wide series of market segments: from energy and telecom networks to energy resources (wind turbines, photovoltaic, oil and gas, and mining) to transportation (shipbuilding, aerospace, automotive and automation, and railways).

Nexans is a responsible industrial company that regards sustainable development as integral to its global and operational strategy. Continuous innovation in products, solutions and services, employee development and commitment, customer orientation and the introduction of safe industrial processes with limited environmental impact are among the key initiatives that place Nexans at the core of a sustainable future.

With an industrial presence in 40 countries and commercial activities worldwide, Nexans employs 25,000 people and had sales in 2012 of nearly 7.2 billion euros. Nexans is listed on NYSE Euronext Paris, compartment A.

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

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APPENDIX 1

(in millions of euros)

	Third-quarter		YTD at Sept. 30,	
	2012	**2013**	**2012**	**2013**
At current metal prices	**1,819**	**1,655**	**5,396**	**5,067**
At constant metal prices	**1,249**	**1,171**	**3,647**	**3,522**
Sales at current metal prices by business				
Transmission, Distribution & Operators	651	620	1,886	1,845
Industry	399	382	1,155	1,172
Distributors & Installers	553	469	1,685	1,485
Other	216	183	670	565
Total Group	**1,819**	**1,655**	**5,396**	**5,067**
Sales at constant metal prices by business				
Transmission, Distribution & Operators	541	516	1,546	1,510
Industry	305	303	890	925
Distributors & Installers	325	280	977	876
Other	78	71	234	211
Total Group	**1,249**	**1,171**	**3,647**	**3,522**