

Supplementary Information on Resolution 22

Nexans performance share plan now integrates the performance criteria of "Simplified Economic Value Added" defined as follows: Operating margin – 10% of capital employed.

Capital employed is defined as the sum of Nexans Fixed assets and Working capital (i.e. operating working capital and non-operating working capital) as reported in the year-end financial statements.

The 2017 Performance share plan requires, for shares to vest, a minimum value of Simplified Economic Value Added of 50 million euros (50% achievement for this condition) up to 100 million euros (100% achievement for this condition).

If the formula is applied to historical results from Nexans published accounts, the results would be as follows:

Historical EVA - computed based on "simplified EVA" and historical results of Nexans Group

Group Financial Statements - as published by the Group each year		31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016	Refer to Group financial statements in Reference Document
	Total Assets	5 854	5 461	5 228	5 029	5 296	
	Non-current Liabilities	(1 837)	(1 561)	(1 695)	(1 519)	(1 397)	cf. B/S line
	Current Liabilities	(2 174)	(2 300)	(2 100)	(2 283)	(2 430)	cf. B/S line
A	Net Asset	1 843	1 600	1 433	1 227	1 469	equal to B/S line "Equity"
a)	Net Debt	(606)	(337)	(460)	(201)	(211)	cf. Note to the F/S "Net Debt"
b)	Pension Net Reserve	(462)	(393)	(432)	(449)	(428)	cf. Note to the F/S "Pensions"
c)	Restructuring Reserve	(43)	(151)	(130)	(128)	(81)	cf. Note to the F/S "Provisions"
d)	Antitrust Reserve	(200)	(200)	(80)	(38)	(60)	cf. Note to the F/S "Provisions"
e)	Net derivative assets & liabilities	31	(18)	(43)	(75)	21	cf. Note to the F/S "Derivatives"
A-(a+b+c+d+e)	Operational Capital Employed	3 123	2 699	2 578	2 118	2 228	Computed = A-(a+b+c+d+e)
	Operating Margin	202	171	148	195	242	cf. P&L line
	Simplified EVA (OM -10% * CE)	(110)	(99)	(110)	(17)	19	