



Press release

2003 First quarter sales

Paris, April 16, 2003 - Nexans announces sales of euros 978 million for the first quarter of 2003.

At constant non-ferrous metal prices, Group sales totaled 945 million euros, compared with 1.018 billion euros for the first quarter of 2002.

The decline in sales at constant non-ferrous metal prices primarily reflects the impact of exchange rate fluctuations.

At constant exchange rates, sales for the first quarter 2003 were down 3.7% from the first quarter of 2002, reflecting lower sales of low-voltage power cables for the general market and sluggish demand in the Electrical wires division.

This reduction is obviously the result of a still lackluster general economic situation, in particular for the Energy and Electrical Wires activities in North America.

Cost reductions resulting from restructuring measures taken by the Group ensured that this decline did not impact profitability.

Consolidated sales

In millions of euros	At current metal prices and exchange rates		At constant metal prices and exchange rates	
	2002	2003	2002	2003
First quarter	1,081	978	981	945

Sales by sector (at constant metal prices and exchange rates)

In millions of euros	1st quarter 2002	1st quarter 2003
Energy	503	490
Telecom	134	133
Electrical wires	267	248
Distribution and other	77	74
Total	981	945

- **Energy** (main activities) – at constant metal prices and exchange rates:

In millions of euros

	Q1.02	Q1.03
Infrastructure	186	194
Building	188	172
Industry	111	107

Overall sales of power cables for the infrastructure market continued to grow, in spite of the weakness of the North-American market.

Cables sales for the building sector, especially in France and Germany, reflect the impact of price reductions resulting from the pressure exerted by distributors on their suppliers in a contracting market and an increasingly competitive environment.

Special cables for industry recorded sales on a par overall with the final quarter of 2002 – with a slight increase in sales in France.

- **Telecom** – at constant metal prices and exchange rates:

In millions of euros

	Q1.02	Q1.03
Infrastructure	53	51
Private local area networks (LAN)	49	49
Industry	32	33

Sales in the Telecom division now appear to have reached stable levels.

Cables for industry are benefiting from strong growth in ADSL, resulting in larger orders from equipment suppliers and operators.

In North America, the private networks business has begun to benefit from the reorientation of its product offering, focusing on higher value-added products (Cat. 6) and thus offsetting the decline in LAN and fiber cables.

On the industrial level, the division continues the implementation of its restructuring program.

- **Electrical wires**– at constant metal prices and exchange rates:

In millions of euros

	Q1.02	Q1.03
Wirerod	135	126
Bare wires	34	29
Winding wires	98	93

In the Electrical wires division, the Wirerod business benefited from a stable market context in Europe and the slowdown of business in North America.

The Winding wires sales reduction originates mainly from the North American market.

The restructuring program launched in the second half of 2002 is continuing both in Europe and in the USA, with some limited impact on operating results (equipment relocation-restarting costs, etc.).

Outlook for 2003

The wider economic environment remains very unsettled, a situation that is further exacerbated by the current political tensions, and this is impacting all the markets in which Nexans is active – especially low-voltage cables for buildings (industrial, residential and commercial). The restructuring program is producing the desired effects, especially in the Telecom division, where the Group is on course to meet its target to reach a breakeven level.

Nexans continues to implement its policy of stringent operational and financial controls, resulting in a reduced breakeven point and managed debt levels.

The acquisition of the energy cable business of Furukawa (Brazil) has been completed and the final agreement for the acquisition of a controlling block of Kukdong (Korea) has been signed. The Korean authorities are expected to authorize this operation within the next two weeks, allowing the entry of this company into the Group.

Financial calendar 2003

June 5, 2003: General Shareholders' Meeting

July 22, 2003: publication of sales and results for the 1st half of 2003

October 15, 2003: publication of third quarter sales

About Nexans

Nexans is the worldwide leader in the cable industry. The Group brings an extensive range of advanced copper and optical fiber cable solutions to the infrastructure, industry and building markets. Nexans cables and cable systems can be found in every area of people's lives, from telecommunications and energy networks to aeronautics, aerospace, building, automobile, petrochemicals, medical applications, etc. Operating in 28 countries, Nexans employs 17 150 people and had sales of euros 4.3 billion in 2002. Nexans is listed on the Paris stock exchange. More information at www.nexans.com

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