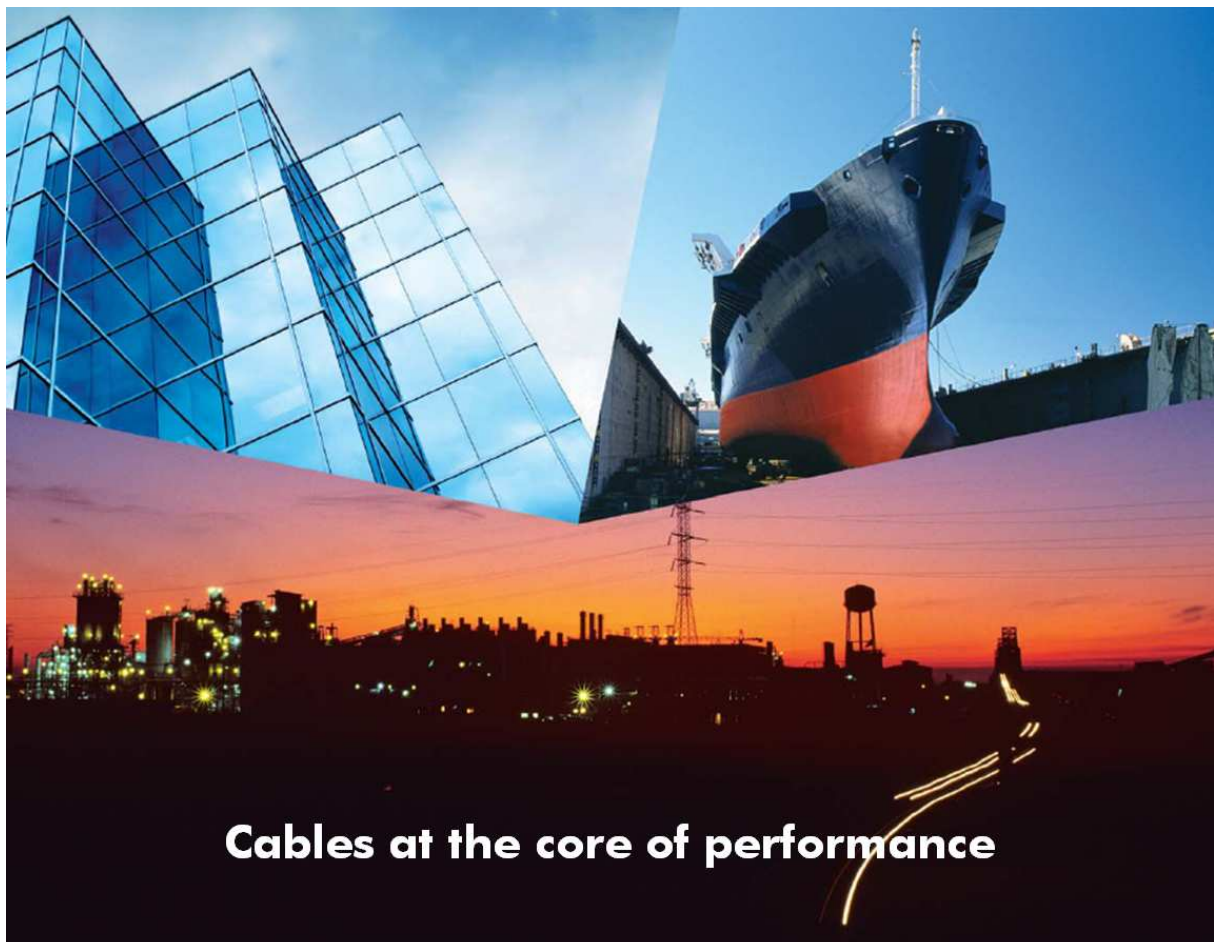




Annual Shareholders' Meeting

26th May 2009



Notice

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- Voting and attendance instruction form for the Annual Shareholders’ Meeting (all options)
(documents attached)

The **notice of this Annual Shareholders’ Meeting**, including the agenda, the text of the proposed resolutions and the main conditions to participate and vote at this Meeting, which is scheduled to be published (in French) in the Bulletin des Annonces Légales Obligatoires (“BALO”) on April 20, 2009, is available online on the website www.nexans.com.

The **2008 Annual report** can be consulted on the website www.nexans.com or may be obtained free of charge upon request from the Financial Communications Department, 16, rue de Monceau, 75008 Paris (FRANCE)

Tel number: 00 33 (0)1 56 69 84 56

Fax number: 00 33 (0)1 56 69 86 40

Email: investor.relation@nexans.com



Dear Shareholder,

I would be very pleased if you could participate in the:

ANNUAL GENERAL SHAREHOLDERS' MEETING

which will be held on:

Tuesday 26 May 2009 at 3pm

Palais Brongniart

Grand Auditorium

Place de la Bourse

75002 Paris

You will find attached hereto information relating to the holding and the business of this Shareholders' Meeting as well as to the conditions for participation and methods of participation.

If you are unable to attend the Shareholders' Meeting personally, you may either:

- vote by post; or
- appoint either your spouse or another shareholder as your proxy, to attend and vote on your behalf; or
- authorize the President of the meeting to vote on your behalf.

Yours faithfully,

A handwritten signature in blue ink, appearing to be 'G. Hauser', written over a horizontal line.

Gérard Hauser
Chairman and Chief Executive Officer

PARTICIPATING IN THE ANNUAL SHAREHOLDERS' MEETING

GENERAL CONDITIONS

Shareholders' meetings

Shareholders' meetings are convened and deliberate in accordance with applicable law. The Shareholders' meeting, provided it has been properly convened and conducted, represents all the shareholders of the company. Its decisions bind all the shareholders, including absent or dissenting shareholders.

Voting rights

Subject to applicable law and the articles of incorporation of Nexans, each person attending the shareholders' meeting has the number of voting rights corresponding to the number of shares that he/she holds or represents. However a double voting right is attributed to all registered, fully paid up shares which have been held in registered form in the name of the same holder for at least two years.

Limitations on voting rights

Regardless of the number of shares held directly and/or indirectly, when voting on resolutions at Shareholders' Meetings either in person or by proxy, a shareholder's voting rights are limited to 8%, or 16% in the case of double voting rights, of the voting rights attached to shares held by all shareholders present or represented at the Shareholders' Meeting.

RIGHT TO ATTEND SHAREHOLDERS' MEETINGS

All shareholders are entitled to attend shareholders' meetings provided that they can provide proof of their identity and of their ownership of shares.

FORMALITIES

Shareholders no longer need to block their shares from being traded in order to vote or attend the shareholders' meeting.

In accordance with article R.225-85 of the French Commercial Code, shareholders whose shares are registered in a share account in their name or in the name of their financial intermediary at least 3 business days prior to the Shareholders' Meeting, namely by Wednesday 20 May 2009 at 0 AM Paris time (hereafter referred to as J-3), will be allowed to vote in and/or attend the Shareholders' Meeting due to be held on first call:

- Shareholders holding their share in registered form must be registered in a registered shareholders' account maintained for the company by its representative, Société Générale (French bank), at the 3rd day before the Shareholders' Meeting at 0 AM Paris Time ; this registration is enough to allow the admission to the Shareholders' Meeting ;
- Shareholders holding their shares in bearer form who want to participate to the Shareholders' Meeting, have to send back, as soon as possible, to their financial intermediary who maintains the bearer shareholders' account, the voting form duly completed and signed (ticking the box A request for an admission card). The financial intermediary will send such form to Société Générale together with a share certificate (*certificate de participation*). If a bearer shareholder who wishes to participate in person at a Shareholders' Meeting has not received his or her admission card by 20 may 2009, he or she must obtain from his or her financial intermediary a certificate of participation confirming that he or she was a shareholder on J-3, which certificate will allow him or her to gain admission to the Shareholders' Meeting.

Recommendations for shareholders who will attend the shareholders' meeting

The meeting of 26 may 2009 will start at 3 pm. To allow the meeting to start on time, please:

- Make sure you have your admission card with you and go to the welcome desk before the meeting is due to start to sign the attendance register. You are advised to arrive one hour before the start to leave you time to complete all the necessary formalities.
- Take into the meeting room the file for the general meeting and the command box for the electronic vote which were given to you when you signed the attendance register.
- Follow the instructions given during the meeting for voting.

HOW TO PARTICIPATE

Nexans hopes that as a shareholder of the company, you will be able to attend the annual Shareholders' Meeting personally. To gain entry to the meeting, you will need to obtain an admission card.

If you are unable to attend the meeting personally, you may nevertheless vote on the resolutions either by appointing a proxy or by sending a postal vote.

In all cases, you have to return the voting and attendance instruction form attached to the present notice.

You will find below the relevant information and instructions regarding each of these methods for participating in the annual Shareholders' Meeting.

1. Attending personally

To gain entry to the meeting and vote, you will need to obtain **an admission card**, which will be provided to you on request.

- Tick box A at the top of the attached voting and attendance instruction form.
- Date and sign at the bottom of the form.
- Return the form as soon as possible so as to receive your admission card in sufficient time, either:
 - if you are a **registered shareholder**, to *Société Générale – Service des Assemblées* (Shareholders' Meeting department) (BP 81236, 32 rue du Champ du Tir, 44312, Nantes Cedex 03, France), in the enclosed pre-paid envelope;
 - if you are a **bearer shareholder**, to the financial intermediary where your share account is maintained.

2. By proxy

If you are unable to attend the shareholders' meeting personally, you may choose between the 2 following alternatives:

✓ to appoint the Chairman as your representative

- Tick box B at the top of the attached form.
- Date and sign at the bottom of the form.
- Return the form as soon as possible to your financial intermediary if you are a bearer shareholder, or to *Société Générale* in the enclosed pre-paid envelope if you are a registered shareholder.

✓ to appoint either your spouse or another shareholder as your representative

- Tick box B at the top of the attached form.
- Tick box "I hereby appoint .../Je donne pouvoir à ..." providing all the requested information (name and address of your representative).
- Date and sign at the bottom of the form.
- Give the form to your proxy, or return it to your financial intermediary if you are a bearer shareholder, or to *Société Générale* in the enclosed pre-paid envelope if you are a registered shareholder.

3. By postal vote

- Tick box B at the top of the attached form.

- Tick box "I vote by post / Je vote par correspondance".
- If you wish to vote against or abstain from one or several resolutions, shade in the appropriate boxes next to the resolutions that you are opposed to sign; do not forget to fill in the box relating to " amendments to or new resolutions presented during the meeting", indicating your choice by shading in the appropriate boxes.
- Date and sign at the bottom of the form.
- Return the form as soon as possible to your financial intermediary if you are a bearer shareholder, or to *Société Générale* in the enclosed pre-paid envelope if you are a registered shareholder.

Reminder:

- postal votes and proxies will only be valid if the duly completed and signed forms are received at the registered office of the Company or by the Shareholders' Meeting department (*Service des Assemblées*) of *Société Générale* (at the address indicated above) **by Monday 25 may 2009 at 3 pm (Paris time) the latest;**
- once a shareholder has voted by postal vote or sent a power of attorney or requested an admission card, he or she can no longer change their method of participation in the Meeting, but may sell all or part of their shares.

**PRESENTATION OF PROPOSALS SUBMITTED TO THE ANNUAL SHAREHOLDERS' MEETING
TO BE HELD ON 26 MAY 2009**

(Report of the Board on the resolutions)

First, we propose that you adopt the following 9 resolutions that are within the purview of the Ordinary Shareholders' Meeting.

ANNUAL ACCOUNTS – CONSOLIDATED ACCOUNTS – ALLOCATION OF INCOME – RELATED PARTY TRANSACTIONS

The **first two resolutions** relate to the approval of the annual and consolidated accounts for the fiscal year ended on December 31, 2008 and to the discharge of the Directors from their duties for the 2008 fiscal year. The accounts that are submitted were prepared in accordance with applicable regulations, using IFRS (International Financial Reporting Standards) for the consolidated accounts and in accordance with French legal and regulatory requirements for the annual accounts.

The **third resolution** relates to the allocation of income for the 2008 fiscal year and the payment of dividends. We propose that you approve, as you did in 2008, the distribution of a dividend of €2 per share, which would be paid on **June 3, 2009**, on the 6th trading day following the date of the Shareholders' Meeting, which means an ex-dividend **on May 29, 2009**.

The purpose of the **fourth resolution** is the approval, pursuant to article L.225-38 of the French Commercial Code (*Code de commerce*), of the following **related party transactions entered into during the 2008 fiscal year**, which are the subject of a special report by the Company's Statutory Auditors:

- amendment n°4 to the syndicated loan agreement of December 28, 2004 (as previously amended on October 17, 2005 and on June 30 and October 30, 2006) relating to the adhesion by Nexans Services, newly created Nexans financing company; and
- amendments, dated October 1st and November 25, 2008, to the defined benefits pension plan set up by the Group to the benefit of certain employees and corporate officers, in particular Gérard Hauser and Frédéric Vincent, relating to (i) the grant to the surviving spouse of the possibility to benefit from the pension, (ii) the limitation of the cases where pension payments are suspended because the beneficiary resumes a professional activity, (iii) the possibility to choose a reduced pension in consideration for the guarantee of 10 years of pension payments and (iv) a 5-year seniority requirement applicable to new corporate officers, in accordance with the AFEP-MEDEF Code of Corporate Governance of December 2008.

It is reminded that the following related-party transactions and commitments authorized by the Board in 2008 and approved by the Shareholders' Meeting of April 10, 2008 have also been entered into : (i) the allocation of a termination indemnity to the benefit of Frédéric Vincent in case of termination of his duties as Chief Operating Officer, subject to performance conditions and (ii) the conclusion, on March 1st, 2008, of a amendment n°2 to the suspended employment agreement of Frédéric Vincent of May 15, 2006, relating in particular to the submission of the possible contractual termination indemnity to performance conditions identical to those applicable to the payment of the termination indemnity as Chief Operating Officer and to the fact that the contractual termination indemnity cannot be cumulated with the termination indemnity granted by the Board on February 22, 2008.

In addition, we submit to your approval **related party commitments, which were authorized by the Board on April 3, 2009** and referred to in the special report of the Statutory Auditors to the shareholders, confirming the benefit, by Frédéric Vincent as future Chairman and Chief Executive Officer, of the defined benefits pension plan set up by the Group to the benefit of certain employees and corporate officers and the social benefits plan applicable to Nexans employees.

The purpose of the **fifth resolution** is the approval, in accordance with the provisions of article L.225-42-1 of the French Commercial Code, of related party commitments in favor of Frédéric Vincent in his capacity as Chairman and Chief Executive Officer, which are reported in the special report of the Company's Statutory Auditors.

In accordance with the announced reorganization of the Company's senior management, the Board of Directors at its meeting on April 3, 2009, appointed Frédéric Vincent as Chairman of the Board of Directors and Chief Executive Officer of the Company, to take effect at the end of the Shareholders' Meeting on May 26, 2009 called to approve the financial statements for the 2008 fiscal year.

Frédéric Vincent stated that he was resigning from his employment contract with the Company (which had been suspended during his term of office) effective on the date when he takes up his duties as Chairman and Chief Executive Officer of the Company. When this resignation becomes effective, he will thus lose the benefit of his contractual indemnity in case of removal, as well as the removal indemnification provided for in the applicable collective bargaining agreement and the retirement indemnity (*allocation de fin de carrière*) to which he would have been entitled under the terms of the employment contract. It is further stated that the indemnity for removal from office of Frédéric Vincent as Chief Operating Officer, as ratified by the Shareholders' Meeting of April 10, 2008, will become null and void when Frédéric Vincent takes up his duties as Chairman of the Board and Chief Executive Officer.

Consequently, on April 3, the Board of Directors, upon proposal of the Appointments and Compensation Committee, authorized the following two related party commitments in favor of Mr. Frédéric Vincent in his capacity as Chairman of the Board and CEO: (i) a termination indemnity payable in case of removal from office, subject to performance criteria and (ii) a non-compete indemnity.

The performance criteria applicable to the termination indemnity as Chairman and CEO would be identical to those approved in 2008 by the Shareholders' Meeting in connection with the indemnity in case of removal of Frédéric Vincent from the office of Chief Operating Officer and are related to (a) quantitative goals linked to the financial performance of the Group set by the Board of Directors at the beginning of each year in connection with the setting of the performance criteria that determine the variable part of Frédéric Vincent's compensation, with the goal achievement rate being determined by the Board at the beginning of the following year and published by the Company; and (b) the share price performance of the Company as compared with that of the SBF 120 index.

In accordance with the provisions of the Internal Regulations of the Board of Directors of the Company, the total termination indemnities (namely the indemnity for removal from office and the non-compete indemnity) may not exceed two years' compensation (fixed and variable). In accordance with law and with the provisions of the Internal Regulations of the Company, details of these commitments were published on the Company website following the Board Meeting on April 3, and were reported in the special report of the Statutory Auditors.

The Board therefore proposes that you:

- ratify the granting to Frédéric Vincent of an indemnity payable in case of removal from his office of Chairman and CEO resulting from a forced departure linked to a change in control or strategy (which will be presumed unless decided otherwise by the Board) of an amount equal to 12 months' of his total compensation. In accordance with the provisions of article L.225-42-1 of the French Commercial Code resulting from the law of August 21, 2007, payment of the termination indemnity would be subject to the performance conditions described above; and
- ratify the granting to Frédéric Vincent of a non-compete indemnity equal to 12 months' of his total compensation and paid in 24 equal successive installments in consideration for his undertaking not to exercise, for a two-year period as from the expiration of his duties as Chairman and CEO, whatever the cause of such expiration, directly or indirectly, an activity that competes with the activity of the Company.

DETERMINATION OF THE AMOUNT OF THE DIRECTORS' FEES

In the **sixth resolution**, you are requested to set the amount of the directors' fees allocated annually to the Board of Directors, for the 2009 fiscal year (effective on January 1st) and for each following fiscal year until a new decision is taken, at €600,000 to take into account the increase of the number of directors in 2008.

RATIFICATION OF THE CHANGE OF ADDRESS OF THE REGISTERED SEAT

In the **seventh resolution**, you are asked to ratify the change of address of the registered seat as decided by the Board of Directors on April 3, effective on June 1st, 2009. The new registered seat of the Company will be located at 8, rue du Général Foy, Paris (75008). The formalities associated to the changing of registered seat will be completed following the Shareholders' Meeting.

APPOINTMENT OF A STATUTORY AUDITOR AND A SUBSTITUTE AUDITOR

In the **eighth resolution**, given that the mandates of Salustro Reydel, member of KPMG International (Statutory Auditor) and of Mr. François Chevreux (Substitute Auditor) are about to expire, and that Salustro Reydel, which became a subsidiary of KPMG during its mandate, did not apply for the renewal of its mandate, you are asked to appoint KPMG, 3 cours du Triangle, 92939 Paris La Défense Cedex, as Statutory Auditor and to appoint Mr. Denis Marangé as Substitute Auditor for a term of 6 fiscal years, to expire at the end of the Shareholders' Meeting that will be called to approve the financial statements for the fiscal year ending on December 31, 2014.

In accordance with law and the provisions of the Internal Regulations of the Company, the procedure for appointing the Statutory Auditor and Substitute Auditor was steered by the Accounts and Audit Committee which presented its conclusions to the Board of Directors meeting on April 3, 2009.

AUTHORIZATION TO THE BOARD OF DIRECTORS TO PURCHASE OR SELL SHARES OF THE COMPANY

In the **ninth resolution**, in accordance with the provisions of articles L. 225-209 *et seq.* of the French Commercial Code (*Code de commerce*), you are requested to authorize the Board of Directors, with the power to sub-delegate, to purchase or cause the purchase of shares of the Company, with a view to carrying out the following transactions: the delivery of shares in connection with external growth transactions; the delivery of shares in connection with the exercise of rights relating to securities convertible into or exchangeable for shares (*valeurs mobilières donnant accès au capital*); the implementation of stock option plans; the allocation of free shares ; the allocation or transfer of shares to employees in order to allow them to participate in the Company's performance and the implementation of any employees savings plan; the cancellation of all or part of repurchased shares; the stimulation of the secondary market or of the liquidity of the Nexans share through an investment services provider and in connection with a liquidity contract.

The share purchases may relate to a number of shares such that:

- the total number of purchased shares does not exceed 10% of the total number of shares making up the capital of the Company at the date on which these purchases are made; it being specified that the number of shares acquired for the purpose of being subsequently exchanged or given as payment in connection with a merger, spin-off or contribution shall not exceed 5% of the Company's capital;
- the number of shares held by the Company at any given time does not exceed 10% of the number of shares making up the share capital of the Company.

Shares may be bought, sold or transferred at any time within the limits authorized by legal and regulatory provisions in force, except during a public tender offer, and by any means. The maximum purchase price per share pursuant to this resolution is €60. In case of re-sale of shares on the stock market, the minimum price at which treasury shares may be sold is set at €30 per share. The amount that may be spent by the company to buy back its own shares may not exceed €100 million.

This authorization will expire at the end of the Shareholders' Meeting called to approve the financial statements for the 2009 fiscal year.

The Board then proposes the adoption of the following 9 resolutions that are within the purview of the Extraordinary Shareholders' Meeting.

AUTHORIZATION TO THE BOARD OF DIRECTORS TO REDUCE THE COMPANY'S SHARE CAPITAL BY CANCELLING TREASURY SHARES

In the **tenth resolution**, and in relation to the ninth resolution authorizing the Board of Directors to purchase or cause the purchase of Company shares, in particular for the purpose of cancelling all or part of the shares so bought-back, the Board of Directors requests, for a 26 month duration as of the date of the Shareholders' Meeting, the authorization to cancel all or part of the shares that the Company may acquire by virtue of any authorization given by the Ordinary Shareholders' Meeting under the conditions set in article L. 225-209 of the French Commercial Code (*Code de commerce*) and up to a maximum amount equal to 10% of the shares comprising the Company capital.

AUTHORIZATIONS TO BE GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL

The Board of Directors wishes to retain its flexibility in the choices of issuances and to retain a quick and flexible access to the financial resources necessary for the development of the Nexans Group.

Consequently, in light of the soon-to-expire delegations of authority currently in force, the Board of Directors submits the following resolutions for your approval under the conditions and limits presented in the summary table and explanations below.

These resolutions may be divided into **two main categories**: those that allow share capital increases with preferential subscription right to the existing shareholders and those that allow share capital increases with a cancellation of the shareholders' preferential subscription right.

Any share capital increase in cash gives existing shareholders a "**preferential subscription right**" which can be detached and negotiated during the subscription period: every shareholder benefit from a right to subscribe, for a 5-days trading period at least after the subscription period has opened, of a number of newly issued shares proportional to its share in the share capital.

Nexans Board asks that you allow it, for certain resolutions, to cancel the shareholders' preferential subscription right. As a matter of fact, depending on market conditions, investors concerned and securities that are issued, it may be preferable (or necessary) to cancel the preferential subscription right in order to place the shares in the best conditions, in particular when time is of the essence for the completion of certain transactions or when the transactions are implemented on foreign markets. Such a cancellation may allow attracting more investments thanks to more favorable issuance terms.

In particular, in view of the forthcoming expiration at the end of 2012 of the Group's financial debt¹ the Company wishes to make plans in anticipation of this due date and to preserve its capacity to take such steps as a restructuring of the OCEANE bonds now in circulation, market conditions permitting (**thirteenth resolution**).

Finally, the cancellation of the shareholders' preferential subscription right is sometimes provided by law: the voting of authorizations to issue shares reserved to participants of an employee savings plan (**seventeenth resolution**), or, to grant stock options (**eighteenth resolution**) shall result, by

¹ The due date on January 1st, 2013 of 3,794,037 OCEANE bonds issued by the Company in 2006 for a total of about 280 million Euros and the term date on October 30, 2012 of the syndicated loan agreement for 580 million Euros.

application of law, in the renunciation by the shareholders to their preferential subscription right to the benefit of the beneficiaries to those issuances or grants.

Resolutions 11 to 18 ⁽¹⁾	Limit per resolution ⁽²⁾	Sub-limit applicable to several resolutions	Limit applicable to several resolutions ⁽²⁾	Overall Limit
Issuance of ordinary shares with preferential subscription right (R11) with a possible over-allotment option in case of success (R13)	€14,000,000	-	€14,000,000	€24,800,000
Issuance of securities convertible into capital (<i>valeurs mobilières représentatives de créances donnant accès au capital</i>) (OC, ORA, OBSA, OCEANE...) without preferential subscription right (R12) with a possible over-allotment option in case of success (R14)	Shares = €4,000,000 (<i>< 15 % of the capital</i>) Debt securities €350,000,000	€4,000,000		
Issuance of securities convertible into capital or exchangeable for shares (<i>valeurs mobilières représentatives donnant accès au capital</i>) in case of an exchange offer initiated by the Company on its own securities or on the securities of another company, without preferential subscription right (R13) with a possible over-allotment option in case of success (R14)	€4,000,000 (<i>< 15 % of the capital</i>)	(<i>< 15 % of the capital</i>)		
Issuance of shares as payment for contributed securities (R15)	5 % of the share capital			
Issuance of shares by way of incorporation of premiums, reserves or benefits (R16)	€10,000,000			
Issuance of securities giving access to the share capital (<i>actions ou valeurs mobilières donnant accès au capital</i>) for participants in employee savings plans (R17)	€400,000			
Allocation of stock options (R18)	€400,000			

(1) The abbreviation « R... » indicates the number of the resolution proposed to the Shareholders' Meeting of May 26, 2009.

(2) The maximum nominal amount of capital increases that may be realized corresponds to the maximum number of shares that may be issued since the nominal value of a Company share is equal to one euro.

The Board of Directors requests that the Shareholders' Meeting delegate to it the authority, for a 26-month period as from the date of the Shareholders' Meeting, to do the following:

- decide a capital increase, up to a maximum amount of €14 million, by issuance of ordinary shares with preferential subscription right (**eleventh resolution**) ;
- decide a capital increase, up to a maximum amount of €4 million (*i.e.*, for information purposes, less than 15% of the capital) with the twelfth resolution, by way of issuance - without preferential subscription right – so as to be in a position to carry out such a capital increase as quickly as possible – of shares or securities convertible or exchangeable for shares (*valeurs mobilières représentatives de créances donnant accès au capital*), such as convertible bonds and/or bonds exchangeable into and/or redeemable for shares and/or bonds with a share subscription option (**twelfth resolution**); in addition, the total nominal amount of issuances of debt securities is limited to €350 million;
- decide an issuance of shares or securities convertible into capital (*valeurs donnant accès au capital*), in the event of a public exchange offering introduced by the Company on its own securities or the securities of another company, up to a maximum amount of €4 million (*i.e.*, for information purposes, less than 15% of the capital) with the eleventh resolution, by way of issuance - without preferential subscription right so as to be in a position to carry out such a capital increase as quickly as possible – of shares or securities convertible or exchangeable for shares (*valeurs mobilières représentatives de créances donnant accès au capital*) (**thirteenth resolution**); the Company could in particular use such a resolution with a view to the restructuring of the OCEANE 2013 bonds in circulation, for example by exchanging the OCEANE with new securities ;
- in case of successful issuances realized with or without preferential subscription right, increase the number of shares to be issued at the same price as the one set for the initial issuance (and necessarily without preferential subscription right if the initial issuance was realized without preferential subscription right) but always within the limits set for such issuances in the eleventh, twelfth and thirteenth resolutions, as well as within the time frame and limits provided for by applicable regulations in force on the date of the issuance, (*i.e.*, currently, within thirty days of the closing of the subscription period and up to an amount equal to 15% of the initial issuance) (**fourteenth resolution**) ;
- issue shares or securities exchangeable for or convertible into shares (*valeurs mobilières donnant accès au capital*), up to 5% of the share capital, as payment for contributions in kind to the Company of shares or securities exchangeable for or convertible into shares (*valeurs mobilières donnant accès au capital*) (**fifteenth resolution**). It is specified that in accordance with law, the compensation paid in consideration for such a contribution would have to be the object of a special report by contribution appraisers appointed by the President of the Commercial Court (*Tribunal de Commerce*);
- decide a capital increase, for an amount up to €10 million, by way of incorporation of premiums, reserves or benefits (**sixteenth resolution**) ;
- decide a capital increase, for an amount up to €400,000, by way of issuance of shares or securities convertible into or exchangeable for shares (*actions ou valeurs mobilières donnant accès au capital*) reserved for participants in employee savings plans (**seventeenth resolution**);
- grant stock options (**eighteenth resolution**), provided that such options may not give right to a total number of shares representing a total nominal amount greater than €400,000 and that their exercise by executive directors and members of the Nexans Executive Committee shall be subject to performance requirements that will be set by the Board of Directors.

It should be noted that the nominal amount of the capital increases that could be carried out by virtue of the delegations of authority sought in resolutions 12 to 14 would be subject to an overall limit of €14 million. Finally, the total maximum nominal amount of all capital increases that may be carried out by virtue of the delegations of authority sought in resolutions 11 to 18 is limited to €24.8 million.

Employee shareholding (seventeenth resolution)

Subject to your approval, this resolution aims at enabling the Board of Directors to offer to the Group's employees in France and abroad the possibility to subscribe to shares or securities convertible into or exchangeable for shares (*valeurs mobilières donnant accès au capital*), in order to associate employees more closely with the performance of the Group. The capital increases that may be carried out by virtue of this resolution will entail a suppression of the shareholders' preferential subscription right.

This resolution would satisfy the requirements of article L.225-129-6 of the French Commercial Code (*Code de commerce*), pursuant to which the Shareholders' Meeting must vote on a draft resolution providing for a capital increase reserved for participants in a company savings plan when the agenda of such Shareholders' Meeting includes the adoption of resolutions deciding on a capital increase to be subscribed to in cash, except if such capital increase results from a prior issuance of securities convertible into or exchangeable for shares (*valeurs mobilières donnant accès au capital*).

The issuance price of the new shares or securities convertible into or exchangeable for shares (*valeurs mobilières donnant accès au capital*) would be determined under the conditions set by article L.3332-18 of the French Labor Code (*Code du travail*) and would be equal to at least 80 % of the average opening price of the Company's shares on the Euronext market over the twenty trading days preceding the day of the decision setting the date of opening of the subscription reserved for participants in a company savings plan (the « Reference Price »).

In this resolution, the Board of Directors would also be authorized to allocate to participants in a company savings plan, free of charge, in addition to shares or securities convertible into or exchangeable for shares to be subscribed to in cash (*valeurs mobilières donnant accès au capital à souscrire en numéraire*), shares or securities convertible into or exchangeable for shares (*actions ou valeurs mobilières donnant accès au capital*) to be issued or already issued, in lieu of all or part of the discount with regard to the Reference Price and/or the employer's contribution, provided that the benefits resulting from this allocation may not exceed the legal or regulatory limits applicable pursuant to the provisions of articles L.3332-10 *et seq.* of the French Labor Code (*Code du travail*). Finally, the Board of Directors would be authorized to transfer shares to members of an employee savings plan as provided for by article L.3332-24 of the French Labor Code (*Code du travail*), provided that in the case where such transfers would be carried out with a discount, the nominal value of the shares so transferred would be deducted from the €400,000 limit applicable to transactions carried out pursuant to the sixteenth resolution.

In 2007, Nexans announced the launch of an employee share ownership plan to be carried out through the issue of a maximum 500,000, new shares reserved to Group employees participating in a company savings plan. The execution of the plan was postponed until the first quarter of 2008 and resulted in the issuance of 91,525 new shares on 28 March 2008. The total charge for this plan accounted for fiscal year 2008 was not significant (less than 1 million euros). This plan consisted of a "standard" formula that enabled employees to subscribe Nexans shares with a 20% discount compared to the reference price. In line with CNC recommendations, this plan was recorded by applying the financing rate of 6.36% applicable to the market for private individuals.

This plan also included a structured "leveraged" formula which guaranteed the employees' investments and a return corresponding to a multiple of the potential increase in the Nexans share price. The charge pertaining to this plan was valued by simulating the gain that an employee would receive from the immediate resale on the market of the various underlying financial instruments established under this formula. As a point of information, the recording of the charges for the entire 20% discount would have reduced the Group operating margin by only an additional 0.3 million euros.

Stock options (eighteenth resolution)

With a view to associating a more significant number of key executives with the performance of the Group and to introduce further conditions to be met as regards the variable part of their compensation, the Board has since 2007 modified the stock option allocation policy of the Group and proposes (absent exceptional circumstances) an annual allocation of options along with a long term incentive plan directed at an enlarged executive pool. This combination of cash elements and options along with the implementation of an annual allocation enables to reduce the number of shares allocated each year and therefore to limit share dilution.

Pursuant to articles L.225-177 to L.225-186-1 of the French Commercial Code (*Code de commerce*), the Board of Directors request that the Shareholders' Meeting delegate to the Board of Directors its authority to grant to individuals of its choice among the company's employees and possibly officers of the Company and of companies or groups linked to the Company, under the conditions set forth in article L.225-180 of the French Commercial Code (*Code de commerce*), options granting the right to subscribe to new Company shares to be issued by way of a capital increase or to purchase existing treasury shares, purchased by the Company under the conditions provided for by law.

The term of these options will not exceed ten years as from their date of allocation.

The unit price payable upon the exercise of options to subscribe to or acquire shares will not be less than 100% of the average opening price of the shares quoted on Euronext market over the twenty trading days preceding the day on which the options are granted and, in the case of options to purchase shares, to a minimum unit price equal to 80% of the average purchase price of the treasury shares held by the Company pursuant to articles L.225-208 and L.225-209 of the French Commercial Code (*Code de commerce*).

It is hereby specified that the allocation of stock options by the Board to executive directors and members of the Nexans Executive Committee shall comply with the principles governing the compensation policy for executive directors provided in the Appendix to the Internal Regulations of the Board of the Company, available on the website www.nexans.com.

In particular, the exercise of options by those individuals shall be conditional upon the acknowledgement by the Appointments and Compensation Committee that ***performance conditions*** have been met, which conditions will be set by the Board upon allocation in accordance with Group policy. In accordance with the provisions of the Internal Regulations of the Board, any allocation of stock options or performance (free) shares to executive directors will be made public by the Company, which such publicity specifying the performance conditions applicable.

Finally, the Board proposes the adoption of the following resolution that is within the purview of the Ordinary Shareholders' Meeting:

FORMALITIES

The **nineteenth resolution** is a customary resolution relating to the granting of the powers required for the purpose of accomplishing any formalities relating to the resolutions taken by this Meeting.

**AGENDA OF THE MIXED SHAREHOLDERS' MEETING
TO BE HELD ON MAY 26, 2009 AND TEXT OF RESOLUTIONS**

Agenda

- Report of the Board of Directors on the results and the activity of the company and the Group during the year ended 31 December 2008
- Auditors' reports on (i) the company accounts for the year ended 31 December 2008 (ii) the consolidated accounts for the year ended 31 December 2008, (iii) the report of the Chairman and Chief Executive Officer governed by article L. 225-37 of the French Commercial Code, (iv) agreements governed by articles L. 225-38 of the French Commercial Code, including the granting in accordance with article L.225-42-1 of the French Commercial Code to the future Chairman and Chief Executive Officer, Mr. Frédéric Vincent, of a termination indemnity and a non-compete indemnity, and (v) the authorizations to be given by the shareholders to the Board of Directors to enable the company to reduce the share capital by cancellation of treasury shares, the issuance of securities not subject to preferential subscription rights, the increase of the share capital not subject to preferential subscription rights and reserved to members of employee share savings plans, the granting of options to purchase or subscribe to shares.

Resolutions to be voted on by the Ordinary Shareholders' Meeting

1. Approval of the Company's financial statements for the year ended on December 31, 2008 – Board of Director's report – Discharge of the Directors.
2. Approval of the consolidated financial statements for the year ended on December 31, 2008.
3. Allocation of income and Determination of dividends.
4. Approval of agreements governed by articles L.225-38 of the French Commercial Code.
5. Approval of related party agreements to the benefit of Frederic Vincent as Chairman and Chief Executive Officer.
6. Determination of the amount of the Directors' attendance fees.
7. Ratification of the transfer of the Company's registered seat.
8. Appointment of a statutory auditor and a substitute auditor.
9. Authorization to be given to the Board of Directors to purchase or sell shares of the company.

Resolutions to be voted on by the Extraordinary Shareholders' Meeting

10. Authorization to be given to the Board of Directors to reduce the Company's share capital by cancellation of treasury shares.
11. Authorization to be given to the Board of Directors to increase the share capital by issuance of shares with preferential subscription rights.

12. Authorization to be given to the Board of Directors to increase the share capital, without preferential subscription rights, by issuance of debt securities, giving access to the share capital of the company (*valeurs mobilières représentatives de créances donnant accès au capital*), subject to a maximum nominal amount of €4 million, through the 13th resolution
13. Authorization to be given to the Board of Directors to decide an issuance of shares, or securities giving access to the share capital of the company (*valeurs donnant accès au capital*), in the event of a public exchange offer introduced by the Company on its own shares or the shares of another company, up to a maximum amount of €4 million, nominal amount, through the 12th resolution.
14. Authorization to be given to the Board of Directors to increase the amount of an issuance of ordinary shares or securities, with or without preferential subscription rights, within the limits set in the eleventh, twelfth and thirteenth resolutions.
15. Possibility to issue ordinary shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) up to 5% of the share capital as payment for contributions in kind of shares of another company or securities exchangeable for or convertible into shares (*valeurs mobilières donnant accès au capital*) of another company.
16. Authorization to be given to the Board of Directors to increase the share capital by way of incorporation of premiums, profits or reserves.
17. Authorization to be given to the Board of Directors to increase the share capital through an issuance, reserved for members of employee share savings plans and without preferential subscription rights, of shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) up to €400,000.
18. Authorization to be given to the Board of Directors to grant options giving the right to subscribe to or purchase shares of the Company, up to €400,000.

Resolution to be voted on by the Ordinary Shareholders' Meeting

19. Power to accomplish legal formalities.

TEXT OF RESOLUTIONS

ORDINARY SHAREHOLDERS' MEETING

First Resolution – Approval of the parent company financial statements for the year ended on December 31, 2008 – Board of Directors' report – Discharge of the Directors

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, and having considered the parent company financial statements for the year ended on December 31, 2008 which include the balance sheet, the income statement, the annexes, the Board of Directors' report and the Auditors' report, approves in their entirety the parent company's financial statements for the year ended on December 31, 2008, showing a profit of €94,460,905, together with the transactions reflected in these financial statements or summarized in the reports.

In accordance with article 39-4 of the General Tax Code, the Shareholders' Meeting acknowledges that there were no expenses or charges that were not tax-deductible in the 2008 financial year.

The Shareholders' Meeting discharges all members of the Board of Directors for the financial year ended on December 31, 2008.

Second Resolution – Approval of the consolidated financial statements for the year ended on December 31, 2008

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, and having considered the Board of Directors' report and the Auditors' report concerning the consolidated financial statements for the year ended on December 31, 2008 which include the balance sheet, the income statement and the annexes, approves in their entirety the consolidated financial statements for the year ended on December 31, 2008, as presented by the Board of Directors, showing a net profit (group share) of €82 million, together with the transactions reflected in these financial statements or summarized in the reports.

Third Resolution – Allocation of income – Determination of dividend

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, and having considered the Board of Directors' report and the Auditors' report, decides to allocate the profit for the financial year, i.e.; an amount of €94,460,905, as follows:

Distributable income amounts to:

- Retained earnings from previous years	€200,906,310
- Profit from last financial year	€94,460,905
- Compulsory reserve	€225,859
Total distributable income	€295,141,356

Distribution of income

(based on the number of shares making up the share capital as of December 31, 2008, i.e. 27,936,953 shares)

- €2 per share i.e. a dividend distribution of	€55,873,906
- Retained earnings after distribution	€239,267,450
Total	€295,141,356

The dividend payable for each share of the company carrying the right to receive a dividend will be €2 per share. The total amount of dividends to be paid is therefore €55,973,906, based on the number of shares making up the share capital as of December 31, 2008.

However, this total may be increased (and the retained earnings accordingly reduced) by an additional maximum amount of €1,571,174, reflecting the maximum number of 785,587 additional shares which may be issued between January 1st, 2009 and the date of payment of the dividend, pursuant to the exercise of existing options.

The dividend will be paid on June 3, 2009 i.e. the 6th trading day following the date of the Shareholders' Meeting.

If Nexans holds treasury stock at the date of payment of the dividend, the amounts corresponding to unpaid dividends on these shares will be allocated to retained earnings.

Pursuant to article 243 *bis* of the French Tax Code (CGI), it is specify that all the shares are the same category and that the total amount of dividends paid will qualify for the 40% allowance provided for in paragraphs 2 and 3 of Article 158 of the French Tax Code.

The Shareholders' Meeting acknowledges to the Board of Directors that the amount of dividends paid over the last three financial years as well as the amount of the dividends qualifying for the 40% relief were as follows:

	Fiscal year 2005 (distribution in 2006)	Fiscal year 2006 (distribution in 2007)	Fiscal year 2007 (distribution in 2008)
Gross dividend by share	€1.00	€1.20	€2.00
Number of eligible shares	21,661,745	25,539,805	25,372,103
Total distribution	€21,661,745	€30,647,766*	€50,744,206

*this amount does not include a supplementary dividend of €10,650 relating to fiscal year 2006 and paid on February 22, 2008.

For fiscal years 2005, 2006 and 2007 all of the shares were of the same category.

Fourth Resolution – Approval of agreements governed by articles L.225-38 of the French Commercial Code

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, and having considered the auditors' report with respect to agreements governed by articles L.225-38 of the French Commercial Code, approves the transactions referred to in the report.

Fifth Resolution – Approval of related-party commitments in favor of Mr. Frédéric Vincent in his capacity as Chairman and Chief Executive Officer

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, and after reviewing the Board of Directors' report and the special report of the Statutory Auditors, the latter having been submitted as stipulated by the provisions of Article L.225-40 of the French Commercial Code on the transactions and commitments provided for in Article L.225-42-1 of said Code, approves the commitments presented in these reports relating to the termination indemnity and the non-compete indemnity, which would be due or may become due to Frédéric Vincent when his term of office ends.

Sixth Resolution – Determination of the amount of the Directors' attendance fees allocated to the members of the Board of Directors

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, and having considered the Board of Directors' report, decides to raise the annual amount of the Directors' Fees allocated to the members of the Board of Directors to €600,000 per fiscal year, until a new decision is taken on this matter, effective as of the fiscal year that began on January 1st, 2009.

The Shareholders' Meeting decides that the Board will be responsible for deciding how these Director's attendance fees shall be distributed and when they should be paid.

Seventh Resolution – Ratification of the change of address of the Company's registered seat

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings and pursuant to the provisions of Article L.225-36 of the French Commercial Code, ratifies the change of address of the registered seat, as resolved by the Board of Directors on April 3, 2009, from 16 rue de Monceau (75008 Paris) to 8, rue du Général Foy (75008 Paris), effective on June 1st, 2009.

Eighth Resolution – Appointment of a Statutory Auditor and a Substitute Auditor

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings and acknowledging that the mandate of the firm Salustro Reydel, member of KPMG International, as Statutory Auditor has expired, appoints KPMG, located at 3, cours du Triangle, 92 939 Paris La Défense Cedex, as Statutory Auditor for a term of six fiscal years, to expire at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2014.

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings and noting that the mandate of the Substitute Auditor François Chevreux has expired, appoints Denis Marangé as Substitute Auditor for a term of six fiscal years, to expire at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2014.

Ninth Resolution – Authorization to be given to the Board of Directors to purchase or sell shares of the company

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to ordinary shareholders' meetings, and having considered the Board of Directors' report, authorizes the Board of Directors, in accordance with articles L.225-209 *et seq.* of the French Commercial Code, with the power to sub-delegate as permitted by law, to acquire shares, either directly or through an

authorized intermediary, for the purposes of:

- delivering shares (as exchange consideration, as payment or other) in connection with acquisitions, mergers, split offs or contributions; or
- delivering shares in connection with the exercise of rights attached to securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*); or
- implementing any Company stock options plan in accordance with articles L.225-177 et seq. of the French Commercial Code or any similar plan; or
- allocating or selling shares to employees as part of their involvement in the performance of the company or pursuant to employee savings plans (PEE) in accordance with applicable law and in particular articles L.3332-1 et seq. of the French Labor Code;
- canceling all or part of the shares so acquired, subject to the approval of the tenth resolution set forth below by the Extraordinary Shareholders' Meeting, in accordance with the terms and conditions set out in such resolution; or
- stimulating the secondary market or the liquidity of the Nexans share through an investment services provider operating totally independently and pursuant to a liquidity contract compliant with the ethical rules defined by the French regulatory authority (the *Autorité des Marchés Financiers*).

The Company may also carry out any operations on its shares for any reason permitted or that may come to be permitted by applicable laws and regulations. In this case, the Company will inform its shareholders through a press release.

The Company may acquire a number of shares such that:

- the number of shares acquired by the Company does not exceed 10% of the number of shares making up the capital of the Company on the day of purchase, provided however that the number of shares which can be acquired for the purpose of being held in treasury and subsequently exchanged or given as payment in connection with a merger, spin-off or contribution shall not exceed 5% of the share capital of the Company;
- the number of shares held by the Company at any given time does not exceed 10% of the number of shares making up the share capital of the Company.

Shares may be bought, sold or transferred at any time within the limits authorized by the legal and regulatory provisions in force at any given time, except during a public tender offer, by any method, either through the regulated markets, multilateral trading systems, systematic internalizers or by way of a private agreement, including by buying or selling blocks of shares (without limiting the part of the share buy-back program which may be undertaken in this way), or through a public offer, a purchase or exchange of shares, the use of options or other derivatives whether traded on regulated markets, multilateral trading systems, through systematic internalizers or by way of private agreement, or by allocating shares in connection with the issuance of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*), either directly or indirectly, through an investment services provider.

The maximum purchase price per share pursuant to this resolution shall be €60 (or the exchange value of this amount on the same date in all other currencies), this maximum price shall only apply to approved purchases starting from the date of this Meeting and not to futures transactions entered into by virtue of an approval granted by a previous shareholders' meeting which provide for purchases of shares to take place after the date of this Meeting.

In case of re-sale of shares on the stock market, the minimum price at which treasury shares acquired pursuant to the buy-back program authorized by the present Shareholders' Meeting or any prior

Shareholders' Meetings may be sold is set at €30 per share. This price shall also apply to the allocation of treasury shares held by the Company further to the issuance, at any time after the date of this Shareholders' Meeting, of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*). Notwithstanding the foregoing, in the event that the Company makes use of the possibilities provided by the fifth paragraph of article L.225-209 of the French Commercial Code, the price per share shall be determined in accordance with applicable laws and regulations. Furthermore, the minimum sales price shall not apply in the case of treasury shares exchanged or given as payment in connection with an acquisition, such price being applicable both to transfers decided after the date of this Shareholders' Meeting and to futures the terms of which have been set prior to this Meeting and which provide for sales of shares due to take place after this Meeting.

The amount that may be spent by the company to buy back its own shares may not exceed €100 million.

This authorization cancels, as from the date hereof, any remaining unused balances under any prior authorization granted to the Board of Directors for the purpose of allowing the company to sell or purchase its own shares. This authorization shall expire at the end of the Shareholders' Meeting called to approve the financial statements for the year ending on December 31, 2009 and, in any event, no later than eighteen months after the date of this Shareholders' Meeting.

In the event of any change in the nominal value of the shares of the Company, of any increase of the share capital by way of incorporation of retained earnings, of allocation of free shares, of a share split or consolidation of shares, of the distribution of retained earnings or of any other assets, of repayment of the share capital and of any and all other transactions affecting shareholders' equity, the Shareholders' Meeting decides to delegate to the Board of Directors the necessary powers to adjust the abovementioned purchase price to take into account the effect of these transactions on the value of the shares.

The Shareholders' delegate to the Board of Directors the necessary powers, with the power to sub-delegate as permitted by law, for the purposes of implementing this authorization and, if necessary, defining the terms and conditions of the operation of the buy-back program, in particular by placing orders on the stock market, entering into any and all agreements in particular for the keeping of a registry of shares purchases and sales, making all declarations required to be made to the *Autorité des marchés financiers* and any regulatory authority that may take its place, to carry out all formalities and, generally, take all required actions.

EXTRAORDINARY SHAREHOLDERS' MEETING

Tenth Resolution – Authorization to be given to the Board of Directors to reduce the Company's share capital by cancellation of treasury shares

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the Board of Directors' and Auditors' reports, authorizes the Board of Directors to reduce the share capital at its sole discretion, in one or several steps, in such proportion and at such periods as it may deem appropriate, by canceling all or part of the treasury shares held by the Company, subject to any limits imposed by law, and in accordance with article L.225-209 *et seq.* of the French Commercial Code.

The maximum number of shares which may be cancelled by the Company pursuant to this resolution, over a 24-month period, is 10% of the number of shares comprising the capital of the Company, it being recalled that this limit applies to a portion of the Company's share capital which shall, as needed, be adjusted to take into account the transactions affecting the Company's share capital after this Shareholders' Meeting.

This authorization cancels, as from the date hereof, any remaining unused balances under any previous authorization granted to the Board of Directors for the purpose of reducing the share capital by cancellation of treasury shares. This authorization shall expire at the end of a period of twenty-six months starting from the date of this Meeting.

The Shareholders' Meeting delegates to the Board of Directors the necessary powers, with the power to sub-delegate, for the purpose of canceling any treasury shares and reducing the share capital as may be carried out pursuant to this resolution, to amend the bylaws accordingly and complete all necessary formalities.

Eleventh Resolution - Authorization to be given to the Board of Directors to increase the share capital by issuance of shares with preferential subscription rights

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the report prepared by the Board of Directors and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129 and in particular L.225-129-2 of the French Commercial Code:

1. delegates to the Board of Directors, with the power to sub-delegate as permitted by law, the necessary powers in order to increase the share capital, on one or more occasions, in France or abroad, in such proportion and at such periods as it may deem appropriate, in euros, in foreign currency or in any other monetary unit set by reference to several currencies, by issuance of ordinary shares (therefore excluding preferred shares), which shares may be subscribed to either in cash, or by compensation of claims, or by way of incorporation of retained earnings, income or premiums;

2. decides to set the following limits on the amounts of authorized issuances, should the Board of Directors decide to exercise the powers granted to it by the present resolution:

- the overall maximum par value of capital increases that may be carried out pursuant to this resolution is set at €14 million; provided however that (i) the maximum overall par value of capital increases that may be carried out pursuant to this resolution and the twelfth, thirteenth, fourteenth and fifteenth resolutions of this meeting is also set at €14 million; and (ii) the maximum overall par value of capital increases which may be carried out pursuant to this resolution and the twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth and eighteenth resolutions of this Meeting, is set at €24.8 million;
- the above limits shall be increased by the par value of any shares that may be issued as part of any new financial transactions, in order to protect the rights of holders of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*);

3. decides that the authorization granted by the present resolution shall expire at the end of a period of twenty-six months starting from the date of this Meeting;

4. should the Board of Directors decide to exercise the powers granted to it by the present delegation:

- decides that the related issuance or issuances will be reserved in priority to existing shareholders who shall have the right to subscribe in proportion to the number of shares held by them in the Company;
- acknowledges that the Board of Directors may grant a right to subscribe to shares which is not proportional to the number of shares held in the Company, in accordance with Article L.225-133 of the French Commercial Code,
- acknowledges that, in accordance with Article L.225-134 of the French Commercial Code, if any unsubscribed shares remain in the issuance after the exercise by the shareholders of their preferential subscription rights and, as the case may be, of any additional right to subscribe to shares granted by the Board of Directors, the Board of Directors shall, subject to applicable law and in such order as it determines, have the choice between one or more of the following options:

- to limit the issuance to the amount of the subscriptions received, provided that subscriptions have been made for at least three-quarters of the issuance;
- to allocate at its discretion all or part of any unsubscribed shares remaining in the issuance;
- to make a public offering of all or part of any unsubscribed shares on the French market and/or abroad;

5. decides that the Board of Directors shall have full authority, with the power to sub-delegate as permitted by law, to implement this authorization, in particular for the purposes of:

- deciding to increase the capital;
- deciding the amount of the capital increase, the issue price and the amount of the issue premium which may be requested upon issuance, as the case may be;
- determining the dates and the conditions under which the capital may be increased and the manner in which shares to be issued will be paid-up;
- determining, where necessary, the terms and conditions of exercise of the rights attached to the shares to be issued and, in particular, the period, which may be retroactive, from which dividends will be payable on the new shares, as well as all other terms and conditions of the issuance;
- at its sole initiative, deciding to charge costs incurred in connection with the capital increase to the proceeds thereof and deducting from such proceeds any amount necessary to increase the legal reserve;
- acknowledging the completion of each capital increase and amending the bylaws accordingly;
- generally, entering into any and all agreements required to ensure the successful completion of the contemplated issuances, taking all measures and accomplishing all formalities required for the issuance, the listing and the financial services to be provided in connection with the shares issued pursuant to this authorization and the exercise of all rights attached thereto;

6. acknowledges that this authorization cancels, as of today, any remaining unused balance under any authorization granted previously for the same purpose, namely any authorization to increase the share capital with preferential subscription rights as set out in this resolution;

7. acknowledges that, in the event that the Board of Directors uses the authorization granted to it under this resolution, the Board of Directors shall report on the use made by it of such authorization to the next Ordinary Shareholders' Meeting, in accordance with applicable laws and regulations.

Twelfth Resolution – Authorization to be given to the Board of Directors to increase the share capital by issuance of debt securities, without preferential subscription rights, giving access to the share capital (*valeurs mobilières représentatives de créances donnant accès au capital*), subject to a maximum nominal amount of €4 million together with the 13th resolution

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the Board of Directors' report and the Statutory Auditors' special report, in accordance with Article L.225-129 *et seq.* of the French Commercial Code, in particular L.225-129-2, L.225-135 and L.225-136, and with the provisions of Articles L.228-91 *et seq.* of the same Code:

1. delegates to the Board of Directors, with the power to sub-delegate as permitted by law, the

necessary powers in order to increase the share capital, on one or more occasions and in such proportion and at such periods as it may deem appropriate, subject to the provisions of article L.233-32 of the French Commercial Code, in France and abroad, through an offer made to the public (*offre au public*) or through an offer as stipulated in Article L.411-2, II of the French Monetary and Financial Code [*Code monétaire et financier*] (as amended by Ordinance No. 2009-80 of January 22, 2009) in euros, in foreign currency or in any other monetary unit set by reference to several currencies, by issuance of debt securities giving access to the share capital of the company (*valeurs mobilières représentatives de créances donnant accès au capital*) (whether existing or new shares), issued for consideration or not, pursuant to article L 228-91 and the following articles of the French Commercial Code, which shares may be subscribed to either in cash or by compensation of claims;

2. delegates to the Board of Directors, with the power to sub-delegate as permitted by law, the necessary powers to issue debt securities giving access to the share capital (*valeurs mobilières représentatives de créances donnant accès au capital*) further to issuances of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) made by companies in which the Company directly or indirectly holds more than half the share capital;

This authorization operates as a waiver given by the shareholders of the Company, in favor of the holders of securities that may be issued by Group companies, of their preferential subscription rights to subscribe to the securities granting access to the Company's capital to which such securities give right.

3. delegates to the Board of Directors, with the power to sub-delegate as permitted by law, the necessary powers in order to issue securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) of companies in which the Company directly or indirectly holds more than half the share capital;

4. decides to set the following limits on the amounts of authorized increases of capital, should the Board of Directors decide to exercise the powers granted to it by the present resolution:

- the overall maximum par value of capital increases which may be carried out, whether immediately or in the future pursuant to this authorization and, provided that it is adopted, to the authorization set out in the thirteenth resolution (or to any authorization of a similar nature which might replace this authorization during the period of validity of this authorization) is set at €4 million, which maximum amount will be deducted from both the maximum amount of €14 million set in paragraph 2(i) of the eleventh resolution of this meeting as well as the maximum global amount set out in paragraph 2(ii) of the eleventh resolution of this Shareholders' Meeting and it being specified that where the securities are issued through an offer as stipulated under Article L.411-2, II of the French Monetary and Financial Code (as amended by Ordinance No. 2009-80 of January 22, 2009), these amounts shall be limited in accordance with the law;
- the above limits shall be increased by the nominal amount of any shares that may be issued as part of any new financial transactions, in order to protect the rights of holders of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*);
- the maximum par value amount of debt securities giving access to the share capital (*valeurs mobilières représentatives de créances donnant accès au capital*) which may be issued is set at €350 million or the euro equivalent of such amount on the date of issuance, which will be increased by the amount of any repayment premium over the par value;

5. decides that the authorization granted by the present resolution shall expire at the end of a period of twenty-six months as of the date of this Meeting;

6. decides to suppress the preferential subscription rights of shareholders to the securities issued pursuant to this resolution. However, the Board of Directors shall have the right, for all or part of any issuance, in accordance with paragraph 2 of article L.225-135 of the French Commercial Code, to grant shareholders, for a period and in accordance with terms and conditions that it shall determine subject to compliance with applicable laws and regulations, for all or part of any issuance, a priority subscription period, which may not confer rights to negotiable instruments, in proportion to the number of shares held

by each shareholder and with the possibility to allocate any remaining unsubscribed securities on a non pro rata basis. Any shares which would not be subscribed to would be sold through a public offering (placement public) on the French market and/or abroad;

7. acknowledges that if any unsubscribed securities remain in the issuance, including, as the case may be, after the shareholders have been granted the right to subscribe, the Board of Directors may limit the issuance to the amount of the subscriptions received, provided that at least three-quarters of the issuance is subscribed to;

8. acknowledges that this authorization operates as a waiver by the shareholders, in favor of the holders of securities (*valeurs mobilières donnant accès au capital*) of the Company, of their preferential subscription rights relating to the shares issued as a result of the conversion or exchange of securities;

9. acknowledges that, in accordance with paragraph 1 of Article L. 225-136 1° of the French Commercial Code, the issuance price of the securities giving access to the share capital (*valeurs mobilières donnant accès au capital*) and the number of shares, to which they may be granted the right to subscribe due to the conversion, repayment or generally the transformation of any securities giving access to share capital of the company, shall be such that any consideration immediately received by the Company, together with any consideration to be received subsequently, be, in respect of each share issued in connection with such securities at least equal to the minimum amount fixed by laws and regulations in force at the time of issuance.

10. decides that the Board of Directors shall have full authority, with the power to sub-delegate as permitted by law, to implement this authorization, in particular for the purposes of:

- deciding to increase the capital and determining the nature of the securities to be issued;
- deciding the amount of the capital increase, the issue price and the amount of the issue premium which may be requested upon issuance, as the case may be;
- determining the dates and the conditions under which the capital may be increased as well as the nature, number and characteristics of any securities to be issued, deciding whether or not such securities shall be subordinated (and their repayment rank, if any, pursuant to Article L.228-97 of the French Commercial Code), setting the interest rate (which may be fixed or variable, zero coupon or index-linked), determining any mandatory or optional cases in which the payment of interest may be skipped or suspended, the term (fixed or indefinite), the possibility of reducing or increasing the nominal value and any other conditions of issuance (including the granting of security or liens) and repayment (including repayment by delivery of assets of the company), and deciding to amend any of the above conditions during the term of such securities, subject to compliance with applicable formalities;
- determining the method of payment for shares or other securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*), whether they are to be issued immediately or in the future;
- setting, where necessary, the terms and conditions of the exercise of the rights (which may relate to the conversion, exchange or redemption, including by delivery of assets of the Company such as treasury shares or securities already issued by the Company) attached to the shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*), including defining the period, which may be retroactive, from which dividends will be payable on the new shares, as well as all other terms and conditions of the issuance;
- setting the terms and conditions under which the Company may, if applicable, at any time or during predefined periods, purchase or exchange on the stock exchange securities issued or to be issued whether immediately or in the future, whether for cancellation or otherwise, as permitted by applicable law;
- suspending the exercise of rights attached to the issued securities, subject to applicable laws and regulations;

- at its sole initiative, deciding to charge the costs incurred in connection with the capital increase to the proceeds thereof and deducting from such proceeds any amount necessary to increase the legal reserve;
- carrying out any adjustments required to take into account the consequences of transactions on the Company's share capital, in particular in the event of a modification of the nominal value of shares, a capital increase through the incorporation of reserves, an allocation of free shares, share splits or consolidation of shares, distribution of retained earnings or of any other asset, repayment of share capital or any other transactions affecting shareholders' equity (including through a public tender offer and/or in the case of change of control), and determining, if necessary, how the rights of the holders of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) will be protected;
- acknowledging the completion of each capital increase and amending the bylaws accordingly;
- generally, entering into any and all agreements to ensure the successful completion of the contemplated issuances, taking all measures and accomplishing all formalities required for the issuance, the listing and the financial services to be provided in connection with the securities issued pursuant to this authorization and the exercise of all rights attached thereto;

11. acknowledges that this authorization cancels, as of today, any remaining unused balance under any authorization given previously for the same purpose, namely any global authorization to increase the share capital without preferential subscription rights relating to the securities and transactions described in this resolution;

12. acknowledges that, if the Board of Directors uses the authorization granted to it under this resolution, the Board of Directors shall report on the use made by it of such authorization to the next Ordinary Shareholders' Meeting, in accordance with applicable laws and regulations.

Thirteenth Resolution – Authorization to be given to the Board of Directors to decide an issuance of shares, securities or securities giving access to the share capital of the company (*valeurs donnant accès au capital*), in the event of a public exchange offer introduced by the Company on its own securities or the securities of another company, up to a maximum nominal amount of €4 million together with the 12th resolution

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the Board of Directors' Report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code, in particular Articles L.225-129-2, L.225-135 and L.225-148 of the same Code, and the provisions of Articles L.228-91 *et seq.* of the same Code:

1. delegates to the Board of Directors, with the power to sub-delegate, as permitted by law, the necessary powers to decide to issue, on one or more occasions, in such proportion and at such periods as it may deem appropriate, subject to the provisions of Article L.233-32 of the French Commercial Code, in France or abroad, ordinary shares of the Company or securities giving access to the share capital of the Company by any means, immediately and/or in the future, as regulated by Articles L.228-91 *et seq.* of the French Commercial Code, by way of payment for securities contributed to a public tender offer which has an element of exchange to it (OPE [Public Exchange Offer]), this includes all alternative offers to purchase or exchange, individual offers proposing the purchase or exchange of the securities concerned in exchange for payment by way of securities and cash or offers to purchase or exchange on principal terms accompanied by a public exchange or purchase offer on secondary terms, or any other type of public tender offer which complies with applicable laws and regulations, introduced by the Company on its own securities or the securities of another company listed on one of the regulated markets provided for in Article L.225-148 of the French Commercial Code or, subject to the same conditions, to decide to issue securities in exchange for rights to the granting of debt securities governed by Articles L.228-91 *et seq.* of the French Commercial Code.

2. decides to set, should the Board of Directors decide to exercise the powers granted to it by the present resolution, the limits on the maximum amount of authorized increases of capital as follows:

- a. the overall maximum par value of capital increases that may be carried out immediately or in the future pursuant to this resolution and, subject to the approval of such resolution, pursuant to the authorization set out in the twelfth resolution (or to any other authorization of a similar nature which may succeed said authorization during the period of validity of this authorization) is set at €4 million provided, however, that this amount will be deducted from the limit of €14 million set in paragraph 2(i) of the eleventh resolution and also from the global maximum limit provided for in paragraph 2(ii) of the eleventh resolution of this Shareholders' Meeting.
- b. the above limits shall be increased by the par value of any shares that may be issued as part of any new financial transactions, in order to protect the rights of holders of securities giving access to the share capital (*valeurs mobilières donnant accès au capital*);

3. decides that the authorization granted by the present resolution shall expire at the end of a period of twenty-six months starting from the date of this Meeting;

4. decides to suppress the preferential subscription rights of shareholders to shares or securities, which may be issued by virtue of this resolution;

5. acknowledges that if any unsubscribed securities remain in the issuance, including, as the case may be, those of the shareholders after the shareholders have been granted the right to subscribe, the Board of Directors may limit the issuance to the amount of the subscriptions received, provided that at least three-quarters of the issuance is subscribed to;

6. acknowledges that this authorization carries the full right, in favor of the beneficiaries of securities giving access to the share capital of the Company (*valeurs mobilières donnant accès au capital de la Société*), which may be issued pursuant to this authorization, for the shareholders to expressly renounce to their preferential subscription right to the equity securities, which they may be entitled to by virtue of the securities;

7. decides that the Board of Directors shall have full authority, with the power to sub-delegate as permitted by law, to implement this authorization, in particular for the purposes of:

- deciding to increase the capital in order to pay for the securities contributed by way of a public exchange offer (OPE);
- determining the list of securities to be contributed to the exchange;
- setting the terms and conditions of issuance, in particular the exchange rate parity and, where applicable, the amount of any required cash payment (*soulte*);
- determining the dates and the conditions of issuance, in particular the nature and characteristics of any securities to be issued for the purposes of paying for the securities contributed by way of an OPE; deciding, in the case of debt securities, whether or not such securities shall be subordinated (and their repayment rank, if any, pursuant to Article L.228-97 of the French Commercial Code), setting the interest rate (which may be fixed or variable, zero coupon or index-linked), determining any mandatory or optional cases in which the payment of interest may be skipped or suspended, the term (fixed or indefinite), the possibility of reducing or increasing the nominal value and any other conditions of issuance (including the granting of security or liens) and repayment (including repayment by delivery of assets of the company), and deciding to amend any of the above conditions during the term of such securities, subject to compliance with applicable formalities;

- determining the method of payment for shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*), whether they are to be issued immediately or in the future;
- setting, where necessary, the terms and conditions of the exercise of the rights (which may relate to the conversion, exchange or redemption, including by delivery of assets of the Company such as treasury shares or securities already issued by the Company) attached to the shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*), including defining the period, which may be retroactive, from which dividends will be payable on the new shares, as well as all other terms and conditions of the increase of capital;
- setting the terms and conditions under which the Company may, if applicable, at any time or during predefined periods, purchase or exchange on the stock exchange securities issued or to be issued whether immediately or in the future, whether for cancellation or otherwise, as permitted by applicable law;
- suspending the exercise of rights attached to the issued securities, subject to applicable laws and regulations;
- at its sole initiative, deciding to charge the costs incurred in connection with the capital increase to the proceeds thereof and deducting from such proceeds any amount necessary to increase the legal reserve;
- carrying out any adjustments required to take into account the consequences of transactions on the Company's share capital, in particular in the event of a modification of the nominal value of shares, a capital increase through the incorporation of reserves, an allocation of free shares, share splits or consolidation of shares, distribution of retained earnings or of any other asset, repayment of share capital or any other transactions affecting shareholders' equity (including through a public tender offer and/or in the case of change of control), and determining, if necessary, how the rights of the holders of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) will be protected;
- acknowledging the completion of each capital increase and amending the bylaws accordingly;
- generally, entering into any and all agreements to ensure the successful completion of the contemplated issuances, taking all measures and accomplishing all formalities required for the issuance, the listing and the financial services to be provided in connection with the securities issued pursuant to this authorization and the exercise of all rights attached thereto;

8. acknowledges that, if the Board of Directors uses the authorization granted to it under this resolution, the Board of Directors shall report on the use made by it of such authorization to the next Ordinary Shareholders' Meeting, in accordance with applicable laws and regulations.

Fourteenth Resolution - Authorization to be given to the Board of Directors to increase the amount of an issuance of ordinary shares or securities, with or without preferential subscription rights, within the limits set in the eleventh, twelfth and thirteenth resolutions

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the Board of Directors' Report and the Statutory Auditors' special report, in accordance with Article L.225-135-1 of the French Commercial Code:

1. delegates to the Board of Directors, with the power to sub-delegate as permitted by law, the necessary powers to decide to increase the number of securities to be issued pursuant to a capital increase, with or without preferential subscription rights, at the same price as the one set for the initial issuance, in accordance with the limits and time periods set by the regulations applicable at the date of

issuance (which currently provide that such increase must occur within 30 days of the end of the subscription period for the initial issuance and must be limited to 15% of the initial issuance), in particular for the purpose of granting an over-allotment right (*greenshoe*) in accordance with market practice;

2. decides that the nominal amount of any capital increase realized pursuant to this resolution will be deducted from (i) the maximum global amount of €14 million fixed in paragraph 2(i) of the eleventh resolution of this Meeting in the event of an issuance with preferential subscription rights, or the limit of €4 million fixed in paragraph 3 of the twelfth and thirteenth resolutions of this Meeting in the event of an issuance without preferential subscription rights, and, in any case, (ii) from the maximum global amount of €24.8 million set in paragraph 2(ii) of the eleventh resolution of this meeting or, as the case may be, from the maximum global amounts provided by a resolution of the same nature, which could potentially succeed such resolutions during the term of validity of this authorization.

The authorization granted by the present resolution shall expire at the end of a period of twenty-six months starting from the date of this Meeting.

Fifteenth Resolution - Possibility to issue ordinary shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) up to 5% of the share capital as payment for contributions in kind of shares of another company or securities exchangeable for or convertible into shares (*valeurs mobilières donnant accès au capital*) of another company.

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings and having considered the Board of Directors' Report and the Statutory Auditors' special report, in accordance with the provisions of Article L.225-129 *et seq.* of the French Commercial Code, in particular paragraph 6 of Article L.225-147 thereof:

1. authorizes the Board of Directors, with the power to sub-delegate as permitted by law, to carry out a capital increase, in one or several steps, subject to a limit of 5% of the share capital at the date of the increase of capital, to issue ordinary shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) in consideration for in-kind contributions of shares of another company or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) of another company, provided Article L.225-148 of the French Commercial Code does not apply, by way of issuance, on one or more occasions, of ordinary shares (excluding preferential shares) or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) of the Company, it being specified that the maximum nominal amount of any capital increases that may be realized pursuant to this resolution will be deducted from the limit of €14 million set in paragraph 2(i) of the eleventh resolution and also from the global maximum limit of €24.8 million provided for in paragraph 2(ii) of the eleventh resolution of this Shareholders' Meeting (or, as the case may be, by the maximum limits set by resolutions of a similar nature which could succeed such resolutions during the term of validity of this present authorization);

2. decides that the Board of Directors shall have full authority, with the power to sub-delegate as permitted by law, to implement this authorization, in particular for the purposes of:

- deciding to increase the capital and determining the securities to be issued;
- determining which securities are to be contributed, approving the valuation of the contribution, determining the terms and conditions of issuance of the securities to be issued and the amount of any required cash payment (*soulte*), approving specific rights to be granted (*avantages particuliers*) and reducing, subject to the consent of the contributors, the value of the contributions to be made or the consideration payable in respect of any specific rights granted;
- determining the nature and characteristics of the securities to be issued and determining the terms and conditions pursuant to which the rights of holders of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) of the Company will be protected, if necessary;

- at its sole initiative, charging the costs incurred in connection with the capital increase to the proceeds thereof and deducting from such proceeds any amount necessary to increase the legal reserve;
- acknowledging the completion of each capital increase and amending the bylaws accordingly;
- generally, entering into any and all agreements required to ensure the successful completion of the contemplated issuances, the listing and the financial services to be provided in connection with the securities issued pursuant to this authorization and the exercise of all rights attached thereto;

3. acknowledges that this authorization cancels, as of today, any remaining unused balance under any authorization given previously for the same purpose, namely any authorization for the issuance of shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) without preferential subscription rights in consideration for in-kind contributions of shares of an other company or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) of an other company. The authorization granted by the present resolution shall expire at the end of a period of twenty-six months starting from the date of this Shareholders' Meeting.

Sixteenth Resolution - Authorization to be given to the Board of Directors to increase the share capital by way of incorporation of premiums, profits or reserves

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the Board of Directors' report and in accordance with the provisions of Article L. 225-130 of the French Commercial Code:

1. delegates to the Board of Directors, with the power to sub-delegate as permitted by law, the necessary powers to increase the share capital, on one or more occasions, in such proportion and at such periods as it may deem appropriate, by way of incorporation of premiums, profits or reserves, through the issuance of new shares or the increase of the nominal value of existing shares or a combination of these methods. The maximum nominal amount of any capital increase that may be realized pursuant to this resolution is limited to €10 million and the amount of any capital increase pursuant to this resolution will be deducted from the overall maximum limit set in paragraph 2(ii) of the eleventh resolution of this Shareholders' Meeting or, where applicable, from the maximum global limit which could potentially be provided for by a resolution of a similar nature which could succeed said resolution during the term of validity of this present authorization;

2. delegates to the Board of Directors, should the Board of Directors decide to exercise the powers granted to it by the present resolution, the necessary powers, with the power to sub-delegate as permitted by law, to implement this authorization, in particular for the purposes of:

- deciding the amount and the nature of sums to be incorporated into the share capital, the number of new shares to be issued and/or the amount by which the nominal amount of existing shares shall be increased and the period, which may be retroactive, from which dividends will be payable on the new shares or from which the nominal value of existing shares will be increased;
- deciding, in the event that new shares are issued:
 - that the rights relating to fractions of shares may not be traded, that the corresponding shares will be sold and that the proceeds of such sale will be allocated to the holders of such rights as provided for by applicable laws and regulations;
 - that shares allocated by virtue of this delegation in respect of existing shares with double voting rights will benefit from double voting rights immediately upon issuance;

- to proceed with any adjustments required to take into account the consequences of transactions on the company's share capital, in particular in the event of a modification of the nominal value of shares, of a capital increase through the incorporation of reserves, an allocation of free shares or securities, share splits or consolidation of shares, the distribution of retained earnings or of any other asset, the repayment of share capital or any other transactions affecting shareholders' equity (including in the event of a public offer and/or in the case of a change of control), and, if necessary, determining how the rights of holders of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) will be protected;
- acknowledging the completion of each capital increase and amending the bylaws accordingly;
- generally, entering into any and all agreements to ensure the successful completion of the contemplated issuances, taking all measures and accomplishing all formalities required for the issuance, the listing and the financial services to be provided in connection with the securities issued pursuant to this authorization and the exercise of all rights attached thereto;

3. acknowledges that this authorization cancels, as of today, any remaining unused balance under any authorization given previously for the same purpose, namely any authorization to increase the share capital through incorporation of premiums, profits or reserves. The authorization granted by the present resolution shall expire at the end of a period of twenty-six months starting from the date of this Shareholders' Meeting.

Seventeenth Resolution – Authorization to be given to the Board of Directors to increase the share capital through an issuance, reserved for members of employee share savings plans and without preferential subscription rights, of shares or securities exchangeable for or convertible into shares (*valeurs mobilières donnant accès au capital*) up to €400,000.

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the Board of Directors' report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code and of Articles L.3332-18 to L.3332-24 of the French Labor Code:

1. delegates to the Board of Directors, with the power to sub-delegate as permitted by law, the necessary powers to increase the share capital, on one or more occasions, up to a global maximum par value of €400,000 (the nominal amount of the shares that may issued, in addition, in the event of new financial transactions, to preserve the rights of holders of securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) will be added to this limit, as applicable), by issuance(s) of shares or securities exchangeable for or convertible into shares (*valeurs mobilières donnant accès au capital*) reserved for members of one or several employee share savings plans (or members of any other plan to whom a capital increase may be reserved on similar conditions pursuant to Articles L.3332-1 *et seq.* of the French Labor Code or any similar law or regulation which would permit the reservation of an increase in capital in similar conditions) which may be put in place by the group made up of the Company and all foreign and French companies within the scope of consolidation of the Company in accordance with Article L.3344-1 of the French Labor Code; provided that this resolution may be used to introduce systems with a leverage effect and that the maximum par value of any capital increase which may be made pursuant to this resolution shall be deducted from the overall maximum limit set in paragraph 2(ii) of the eleventh resolution of this meeting or from the global maximum limit potentially provided by a resolution of the same nature which could succeed such resolution during the term of this delegation;

2. decides that the authorization granted by the present resolution shall expire at the end of a period of twenty-six months as from the date of this Meeting;

3. decides that the issue price for the new shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) which may be issued under this resolution will be determined in accordance with Article L.3332-18 *et seq.* of the French Labor Code and shall be equal to at least 80% of the Reference Price (as defined hereafter); however, the Board of Directors is hereby expressly authorized to reduce or not grant the aforementioned discount if the Board deems this advisable, to the extent permitted by applicable laws and regulations, in particular in order to take into account, *inter alia*, applicable laws, taxes, accounting and social security regimes. For the purposes of this paragraph, the Reference Price shall mean the average of the opening price of the shares on the regulated market by Euronext Paris over the twenty trading days preceding the day on which the decision is taken to open the subscriptions to members of employee share savings plans;

4. authorizes the Board of Directors to allocate to the beneficiaries mentioned above, in addition to the shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) to be subscribed to in cash, new or existing free shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*), in lieu of all or part of the discount on the Reference Price and/or in substitution for the employer's contribution; provided however that the benefit procured by the grant of such free shares or securities does not exceed the applicable legal and regulatory limits set by Articles L.3332-10 *et seq.* of the French Labor Code;

5. decides to suppress, in favor of the abovementioned beneficiaries, the preferential subscription rights of existing shareholders to subscribe to the shares and securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) issued pursuant to this authorization and also decides that the shareholders renounce, for no consideration, in the case of an allocation of free shares, of any right they may have to receive such free shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*), including their right to any part of the premiums, profits or reserves incorporated to the capital for the purpose of issuing the free shares allocated pursuant to this resolution;

6. authorizes the Board of Directors, subject to the terms and conditions set out in this authorization, to sell shares to the members of employee share savings plans as provided for by Article L.3332-24 of the French Labor Code, it being specified that the nominal amount of the shares so transferred with a discount to the members of one or several employee share savings plans mentioned in this resolution shall be deducted from the overall maximum limits mentioned in paragraph 1 above;

7. decides that the Board of Directors shall have full authority, with the power to sub-delegate as permitted by law, and subject to the limits and conditions defined above, for the purposes of carrying out the authorization granted to it by the present resolution, and in particular by:

- determining, in accordance with applicable law, the list of companies whose beneficiaries as mentioned above may subscribe to shares or securities issued pursuant to this resolution and, as the case may be, be allocated free shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*);
- deciding that the issuance may be subscribed to either directly by members of share savings plans or through employee share funds or through any other structures or entities permitted by applicable laws and regulations;
- determining the conditions, in particular in terms of length of employment within the Company, which the beneficiaries of the capital increases must satisfy;
- setting the opening and closing dates for the subscriptions;
- determining the amount of any issuances made pursuant to this resolution and deciding in particular, the issue prices, the dates, time-periods, terms and conditions of the subscriptions, the methods of payment and delivery and the date from which from which dividends will be payable on new shares, which may be retroactive, the rules of reduction in the case of over-allotment, as well as the other terms and conditions applicable to the issuances, in accordance with applicable laws and regulations;

- when free shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) are allocated, determining the nature, characteristics and number of shares or securities to be issued and the number to be allocated to each beneficiary, deciding the dates, time-periods and terms and conditions under which free shares and securities will be allocated, in compliance with applicable laws and regulations, and in particular deciding whether to allocate free shares or securities giving the right to acquire shares in the Company in lieu of all or part of the discount on the Reference Price referred to above or in substitution for the employer's contribution, up to the value of the free shares or securities, or a combination of these two methods;
- in the case of issuance of new shares, deducting, as may be required, from the reserves, profits or issue premiums, the amounts necessary to pay up such shares;
- acknowledging the completion, by the amount of capital subscribed, of each capital increase and amending the bylaws accordingly;
- charging the costs incurred in connection with the capital increase, as the case may be, to the proceeds thereof and deducting from such proceeds any amount necessary to increase the legal reserve to one-tenth of the new share capital after each capital increase;
- entering into any and all agreements, taking all measures and accomplishing all formalities required, whether directly or indirectly through a service provider, subsequent to the capital increases and amending the bylaws accordingly;
- generally, entering into any and all agreements to ensure the successful completion of the contemplated issuances, taking all measures and accomplishing all formalities required for the issuance, the listing and the financial services to be provided in connection with the securities issued pursuant to this authorization and the exercise of all rights attached thereto or subsequent to the increases of capital;

8. decides that this authorization cancels, as of today, any remaining unused balance under any authorization given previously for the same purpose, namely any authorization to increase the share capital through the issuance, without preferential subscription rights, of shares or securities giving access to the share capital of the company (*valeurs mobilières donnant accès au capital*) reserved for members of employee share savings plans.

Eighteenth Resolution - Authorization to be given to the Board of Directors to grant options giving the right to subscribe to or purchase shares of the Company, up to €400,000.

The Shareholders' Meeting, voting in accordance with the quorum and majority rules applicable to extraordinary shareholders' meetings, and having considered the Board of Directors' report and the Auditors' special report:

1. authorizes the Board of Directors, in accordance with the provisions of articles L.225-177 to L.225-186-1 of the French Commercial Code, to grant, on one or more occasions, options to certain employees or officers (*mandataires sociaux*) of the Company and of related companies as defined by article L.225-180 of the French Commercial Code, giving them the right to subscribe to new shares to be issued by the Company pursuant to a capital increase as well as to purchase treasury shares acquired by the Company, as permitted by applicable law;

2. decides that any options granted to subscribe to or purchase shares pursuant to this resolution shall give rights to a total number of shares with a maximum overall par value of €400,000, it being specified that (i) the global maximum nominal amount of the shares to which the subscription and purchase options granted by virtue of the present authorization would give right is set at €400,000 (the nominal amount of the shares that may issued, in addition, in the event of new financial transactions, to preserve the rights of holders of securities exchangeable for or convertible into shares (*valeurs mobilières donnant accès au capital*) will be added to this limit, as applicable) and (ii) the par value

amount of any capital increases resulting from the exercise of options to subscribe to shares granted pursuant to this resolution will be deducted from the overall maximum limit set in paragraph 2(ii) of the eleventh resolution of this Shareholders' Meeting or, where applicable, from the maximum of the limits set by resolutions of a similar nature which could succeed said resolutions during the term of validity of this present authorization;

3. decides that as regards the executive directors and the members of the Executive Committee of the Company, the exercise of said options will only be possible subject to the achievement of the performance criteria to be definitively set by the Board of Directors upon allocation ;

4. decides that the price payable on the exercise of options to subscribe to or acquire shares will be set by the Board of Directors on the day that the options are granted and that (i) in the case of the granting of options to subscribe, this price shall not be less than 100% of the average the opening price of the Company' shares on the regulated market by Euronext Paris over the twenty trading days preceding the day on which the options to subscribe are granted, and (ii) in the case of options to acquire shares, this price shall not be less than the value indicated under (i) above, nor shall it be less than 80% of the average purchase price of the treasury shares held by the Company pursuant to articles L225-208 and L.225-209 of the French Commercial Code. If the Company enters into any of the transactions contemplated by article L.225-181 of the French Commercial Code or by Article R.225-138 of the French Commercial Code, the Company shall take all measures required, as permitted by the regulations then in force, to protect the rights of the holders of options, including, as the case may be, by adjusting the number of shares which may be allocated to the holders of options on the exercise thereof, in order to take into account the consequences of such transactions;

5. recognizes that this authorization operates as a waiver given by the shareholders, in favor of the abovementioned option holders, of their preferential subscription rights to the shares issued upon exercise of the options to subscribe shares. The capital increase will be considered definitive as soon as the option exercise notice is received together with the subscription form and the related payments, which may be made either in cash or by compensation of claims held on the Company;

6. accordingly, the Board of Directors will have full power to implement this resolution and in particular shall be authorized to:

- draw up the list of the beneficiaries of the options and the number of options to be allocated to each beneficiary;
- determine the conditions on which the options are granted, and in particular:
 - the validity period of the stock options, provided however that the stock options are exercisable at the latest 10 years after the date when they have been granted;
 - the dates or periods during which the stock options may be exercised, it being stated that the Board of Directors may (a) bring forward the dates or periods during which stock options may be exercised, or (b) maintain the exercise rights, or (c) modify the dates or periods during which the transfer or the conversion to bearer form of shares obtained pursuant to the exercise of stock options is prohibited;
 - any restrictions on the immediate resale of all or part of the shares, provided that the restriction on resale does not exceed three years from the time of exercise of the option, and provided that in the case of options granted to officers (*mandataires sociaux*) of the Company, the Board of Directors must either (a) decide that the options cannot be exercised by the beneficiaries thereof so long as they remain in office, or (b) determine the number of shares that they are required to hold in registered form so long as they remain in office.
- as the case may be, limit, suspend, restrict or prohibit the exercise of stock options or prohibit the transfer or the conversion to bearer form of shares obtained pursuant to the

exercise of stock options during certain periods or following certain events, which decision may apply to all or part of the stock options or shares or to all or only some of the beneficiaries;

- determine the date from which new shares issued upon the exercise of stock options will carry dividends, which may be retroactive;

7. decides that the Board of Directors will have full authority, with the power to sub-delegate as permitted by law, to acknowledge the successive capital increases by the amount of the shares effectively subscribed to pursuant to the exercise of the stock options, to amend the bylaws accordingly, and, if it so decides, to charge the costs incurred in connection with the capital increase to the proceeds thereof and to deduct from such proceeds any amount necessary to increase the legal reserve to one-tenth of the new share capital after each capital increase, and to complete the formalities required for the listing of the new shares, make all declarations required and generally do all that is necessary;

8. decides that this authorization cancels, as of today, any remaining unused balance under any authorization given previously for the granting of stock options, whether exercisable through purchase or subscription. The authorization granted by the present resolution shall expire at the end of a period of twenty-six months as of this Shareholders' Meeting.

ORDINARY SHAREHOLDERS' MEETING

Nineteenth Resolution – Powers to accomplish legal formalities

The Shareholders' Meeting, voting in accordance with quorum and majority rules applicable to ordinary shareholders' meetings, confers all necessary powers on any bearer of an original, a copy or an extract of these minutes, for the purpose of carrying out any and all formalities relating to the resolutions adopted by this Shareholders' Meeting.

* * *

Overview for the 2008 financial year and outlook

- 1. Operations during 2008**
 - 2. Other Components of the Consolidated Results**
 - 3. Progress Made and Difficulties Encountered**
-

1- Operations during 2008

1.1 Nexans Group Consolidated Results

1.1.1 Overview

The 2008 net sales were determined to be 6.799 billion euros versus 7.412 billion euros in 2007, which represents an 8.3% decrease.

At constant non-ferrous metals prices, it was 4.776 billion euros, as compared with 4.822 billion euros in 2007.

The 2008 sales takes into account the consolidation of two recent acquisitions by the Group: Intercond, effective 1 August, and Madeco cable operations, effective 1 October 2008. These change in the scope of consolidation represented a contribution of 101 million euros in net sales at constant non-ferrous metals prices.

In 2007, the main change in the scope of consolidation concerned the sale of enameled wire operations in Canada (Simcoe plant), which was executed at the end of April, and the sale of enameled wire operations in China (Nexans' majority equity stake in the company Nexans Tianjin Magnet Wires and Cables), which was finalized at the end of July 2007. These operations represented a total sales value at constant non-ferrous metals prices of 26 million euros in 2007.

At constant non-ferrous metals prices and with the currency exchange rate and the scope of consolidation unchanged, net sales increased 1.5% in 2008.

This growth encompassed developments that varied by operation:

- cable operations (Energy and Telecom operations combined) posted a sales organic growth of 6.0%,
- electrical wires, for which the Group pursued in 2008 a transition toward refocusing on its own internal needs and requirements, showed a 36.8% contraction of sales year over year.

The operating margin was 427 million euros, which represented 8.9% of net sales at constant non-ferrous metals prices (and 6.3% of net sales at current metals prices).

In 2007, the operating margin was 409 million euros, which represented 8.5% of sales at constant non-ferrous metals prices (and 5.5% of sales at current metals prices).

The EBITDA (operating margin before depreciation of tangible and intangible fixed assets) amounted to 533 million euros in 2008 (11.2% of sales at constant metals prices) as compared with 510 million euros in 2007 (10.6% of sales at constant metals prices).

The income before tax of consolidated companies was 135 million euros in 2008 as compared with 281 million euros in 2007, a reduction of 146 million euros.

The very sharp decline in the prices of non-ferrous metals and copper in particular (showing a drop exceeding 50% in the last quarter of 2008) led to posting an accounting charge of 165 million euros in 2008, with no cash effect.

In fact, the hedging principles implemented by the Group guarantee that the purchase prices of metal used in the industrial process and the metal price included in the cable sold to the customer shall be the same. The valuation of inventory at a weighted average unit price resulted in posting on the books the impact of the temporary price difference between the copper actually consumed and the copper that is implicitly allocated to orders through hedging. That was made possible by the existence of a minimum copper inventory (referred to as "core exposure" of a plant) which is consumed on an ongoing basis and replenished in order to assure the continuity of the production cycle (see Note 26.D regarding the base inventory in the appendix to the consolidated financial statements).

It must be noted that continued implementation of the LIFO principle (Last In First Out—which was in effect until 2004 prior to the transition to IFRS standards) would not have resulted in posting this charge caused by this difference over time.

Counting a tax charge of 50 million euros, the Group's net income was 82 million euros in 2008 as compared with 189 million in 2007.

1.1.2 Analysis of Group Consolidated Results

(Sales figures by origin at constant non-ferrous metals prices)

ENERGY

Energy sector sales reached 3.929 billion euros in 2008 (a 3.9% increase compared with 2007, and 6.7% on a like-for-like basis).

The principal impact on scope of consolidation pertained to the acquisition of Madeco's cable operations. Its contribution to sales at constant non-ferrous metals prices for a three month period was 64 million euros, which was mainly realized by the subsidiaries acquired in Brazil and Peru.

Energy Infrastructure Cables:

Sales growth was 19.5% for the year 2008, with a constant scope of consolidation and constant currency exchange rates. It was comparable to the growth posted for the first half of 2008, which was 19.7%.

The sales for **high voltage cable** operations increased 37.9%, on a like-for-like basis.

In order to deal with the increased investments made in network interconnections and in the oil and gas sector, in 2008 the Group increased the production capacity of its Belgian and Norwegian plants. For this reason, the significant increase in sales continued in the second half of the year (+ 16.3% above the first half of the year), due to full utilization of the capacity of the plants dedicated to the production of this type of cable (Norway, Belgium, and Japan in a joint venture with Viscas), on as well as the establishment within the Group of subcontracting of up to 220 kV cables at the plants in Hanover (Germany), Cortaillod (Switzerland), Bourg-en-Bresse (France) or Tottenham (Australia).

In the area of land cables, most notably Nexans participated in interconnection projects in the Middle East (Qatar Phase VII, Abu Dhabi, Libya) and in China (connection of the Shibo and Shanlin stations in Shanghai by means of a 500 kV cable), to which was added a significant volume of business in Russia.

This business also continued to benefit from the significant investments made by electrical power network operators in France, Belgium, and Spain.

In submarine cables, the principal achievements concerned projects for connecting various islands to continental networks (interconnection of the island of Hainan to the Chinese province of Guangdong, the island of Delma to Abu Dhabi's network, the island of Bahrain to Saudi Arabia), connection projects of wind farms to networks on the continent (Horns Rev 2 contract in Denmark), as well the delivery of umbilical cables.

New orders taken for execution in the coming months and years remained very strong. Thus, in 2008 Nexans brought in significant contracts: Phase II of the underground high voltage cable contract in Libya, Phase VIII of the land cable contract in Qatar, the Fenno-skan 2 submarine cable project (new power line connecting southern Finland to Sweden), the LINCS wind farms project in England, and the project for umbilical cables for the Usan offshore oil drilling platform in Nigeria.

In 2008, overall these projects were carried out according to estimates, despite the significant technical challenges inherent to some of them.

The net sales realized in **medium and low voltage cables** increased 10.8% for the entire year, on a like-for-like basis. This increase exceeds the one posted in the first half of the year. While sales to the operators of electrical power networks experienced a slight decrease in the second half of the year in certain countries due to the deterioration in the economic situation (Italy, Germany, Morocco), the growth in exports and in "low high voltage" constituted a significant basis for growth for certain plants, for example, Hanover in Germany.

Growth varied from more to less strong depending upon the geographic area.

In Europe, sales increased 16.5% over 2007, with a constant scope of consolidation and constant currency exchange rates. The situation in various countries was contrasted.

Germany experienced a 20.2% increase in its net sales, brought on by growth in renewable energy (wind) and the production of "low high voltage" cables designed for infrastructure projects in the export market (Russia, Denmark, among others).

The sales realized by France increased by 3.1%, due to the sustained demand of the national operator.

Sales in Scandinavian countries decreased slightly from the year 2007.

Italy experienced a drop in orders from its historical operator in the second half of the year, which resulted in a 5.9% reduction in its sales for the year, but it nevertheless confirmed its return to profitability in 2008 after the restructuring carried out in 2007.

Lastly, the Group consolidated its positions in Spain, with the acquisition of Multinacional Trade at the end of 2007.

In North America, business volume increased 6.6% at constant currency exchange rates, after a year 2007 marked by a strike at the Quebec plant lasting several months. Volumes were on the increase in the second half of the year in Canada, but declined in the United States with certain operators, whose infrastructure cable needs and requirements were directly impacted by the slowdown in the construction market.

In Asia and the Pacific, sales were stable in relation to 2007, with a constant scope of consolidation and constant currency exchange rates.

In Australia and New Zealand, sales in the second half of 2008 increased over the two previous semiannual periods, thereby limiting the drop in one year net sales to -4.2%. The demand for energy infrastructure cables nevertheless continued to be sustained in Australia, while New Zealand suffered from a damaged economy.

In Korea, the non-renewal of the contract with the principal Korean energy network operator had only a small impact on overall activity for the year; the growth in export sales made it possible to offset the drop in the domestic market and to post 25.9% growth in the end.

In Vietnam, net sales decreased 15.1% due to the decline in the country's overall economic condition, which made the financing of projects more difficult.

In the MERA Area (Middle East, Russia, Africa), sales sharply increased in each of the countries. In Morocco, sales increased 6.1% despite the completion of the national rural electrification program, which was a large consumer of distribution cables. The increase in exports of low and medium voltage cables to West Africa made it possible to deal with the slowdown in the domestic market.

In Egypt, sales increased 52.5% as a result of the investments made in 2007 at the Cairo plant. Local demand remained at a high level throughout the year 2008, and the necessary new equipment (in particular, a medium and high voltage insulated line) was placed in service successfully. The first high voltage cable samples were approved by Egyptian authorities and the unit for that reason brought in its first order in this more technical area. That should contribute to an improvement in its profitability. The first deliveries of high voltage cables were made in December, 2008.

In Lebanon, 2008 sales increased 5.5% over 2007. Local operators suffered from recurring financing problems which caused them to reduce their investments. On the other hand, the unit continued its own growth in exports, to Africa and the Middle East, an area in which Lebanon benefits from favorable customs agreements.

In Russia, the Group on 20 November inaugurated the plant in Ouglich, which was constructed near Moscow. The first sales were realized in the fourth quarter.

In South America, sales excluding the cable operations acquired from Madeco amounted to 69 million euros. Sales were stable in Brazil in relation to 2007, and were limited due to the delay in certain infrastructure projects awaiting environmental permits. The traditional markets for electrical power transport and distribution via overhead power lines are still very buoyant thanks to the infrastructure development programs carried out by the Brazilian government.

Sales in **Energy Accessories** increased 6.6% over 2007, on a like-for-like basis. The acquisition of Australmold in Australia consolidated the Group's positions in the Asia and Pacific Area.

Industrial Cables:

Sales dropped 1.3% from 2007, on a like-for-like basis, specifically due to the effect of the sharp slowdown in the automotive market cables and harnesses operations. Excluding these two segments, the organic increase in industrial cables operations would have been on the order of 1.5%.

Sales of **special cables for industrial applications** increased 2.5% in the year 2008 over 2007, on a like-for-like basis. Sales declined in the second half of the year and experienced a sharp slowdown in the automotive cable segment, which affected certain plants in Europe, Morocco, and Korea. On the other hand, the other priority segments in which the Group is seeking to strengthen stood up well during this period of economic slowdown, such as cables for shipbuilding, railroad cables, and cables for the gas and oil industry. Conversely, the gradual disengagement from segments with less added value (control cables in Germany, for example) accelerated, making it possible to better utilize available capacity. These programs for the optimization of the profitability of products portfolios, which were carried out mainly in Europe, sometimes were implemented to the detriment of growth in net sales.

In Europe, France saw its sales increase 3.0% over 2007, mainly due to sales of cables for the oil industry and shipbuilding. Less significant sectors were affected by the economic slowdown.

In Germany, net sales decreased 3.6% due to the reduction in the second half of the year in sales of cables for the mining, maintenance, and automotive industries as well as sales to the navy. By contrast, sales for the railroad and robotics industries confirmed their strong growth.

Sweden and Romania in the second half of the year experienced a slowdown in the automotive market, but to a lesser degree, due to their positioning in the least affected sectors, such as cables for heavy trucks and for vehicles at the low end of the product range.

Italy, which is positioned in the robotics market, experienced a decline in its profitability due to the heavy pressure on prices. The acquisition of Intercond in that market in August, 2008 should make it possible to promote synergies among the units.

In Asia, Korea posted stable sales in relation to 2007 (- 0.5%). The shipbuilding market remained profitable. While orders for transport vessels slowed in the fourth quarter of 2008 due to the worldwide crisis, demand from shipyards continued to be sustained for specialized ships and oil drilling platforms. By contrast, sales of cables for the automotive industry suffered from the general downward trend which was accentuated by a transfer of demand to the more competitive Chinese production.

In China, the Shanghai plant dedicated to the production of industrial cables continued its strong growth, and posted sales growth of 15.4% over 2007 as well as an improvement in productivity. The placement in service of additional capacity in 2008 shall enable it to expand its product range and pursue its sales growth.

In Australia, sales of cables for the mining sector made it possible to post sustained growth of 23.9%.

In the MERA Area, sales of cables for the automotive industry in Morocco increased 3.2% in 2008 over 2007. Several important technical approvals were received in 2008 in order to permit Nexans Morocco to produce and sell in the future higher technology cables, with a higher added value. Nevertheless, the crisis which gripped this industry in the fourth quarter of 2008 had immediate repercussions on the business operations of customers who are harness manufacturers, which experienced a very considerable slowdown beginning in the month of October.

In Turkey, a very good second half of the year made it possible to achieve 43.0% growth for the year, due to sales of instrumentation cables for the oil industry and growth in sales of cables for shipbuilding.

In South America, Nexans Brazil's insulated copper conductor cable business, which started up at the beginning of 2007, increased 38.3%.

Sales of **electronic cables for industry** dropped 3.2%. Sales growth continued to be sustained both in France and in the United States, particularly in the aviation industry cable market. By contrast, sales from China of electronic cables for major telecom equipment manufacturers dropped sharply. The completion of large projects in Great Britain and Australia was late in relation to the initial projections. Nevertheless, demand in the Chinese market remains strong and it should be taken over by several export projects (Great Britain in particular).

The net sales for the **harnesses** business, after a half year of growth, ended the year with a decrease of 8.8% from 2007. This decrease was related to the sharp slowdown in the automotive market. Nevertheless, this business maintained a positive operating margin in 2008 due to immediate production capacity adjustment actions, particularly in the Czech Republic. The plan for the sale of the harnesses business which was being studied at the beginning of the year was abandoned at the beginning of the summer due to the destabilization of the financial markets.

Building Cables:

The Group posted a decrease of 4.9% in its sales, on a like-for-like basis.

In Europe, in 2008 the drop in sales was 10.9% for the entire year after a 6.2% decrease in sales in the first half of the year. The decline worsened in the second half of the year, particularly in countries affected by the sharp slowdown in the real estate sector. Nevertheless, some countries posted satisfactory performance.

France, where sales had decreased 7.9% in the first half of the year, posted a 9.4% drop in sales for the year. Profitability remained satisfactory thanks to a marketing policy that gave priority to prices to the detriment of volume.

The Belgian and Dutch markets were spared, and posted growth of 0.8% and 9.4%, respectively.

Sweden and Norway, despite a drop in the fourth quarter, posted for the total year sales increases of 12.9% and 7.2%, respectively, which were brought about, among others, by growth in sales of heating cables in the Scandinavian countries and in Central Europe.

Germany, after a drop in the first half of the year, saw its volumes increase in the second half, but to the detriment of its margins. In total, sales decreased slightly (-1.3%) from 2007, and remains insufficient to

enable a return to profitability, despite the 25% reduction in staff carried out at the Vacha site in the first half of the year.

Spain, the United Kingdom, and Ireland experienced a sharp drop in sales from 2007 which is connected to the collapse of their residential market, a decline which worsened in the second half of the year. To address the situation, the Athlone plant in Ireland was shut down at the end of July.

In North America, net sales increased 4.7% over 2007 due to a sharp increase in the second half of the year. The investments made in 2006 made it possible to expand the product range for the commercial building market and thereby gain market share in the United States. In Canada, the strengthening of the U.S. dollar in relation to the Canadian dollar in the second half of the year limited competitive pressure from American cable manufacturers in Nexans Canada's domestic market.

In Australia, sales of cables for the distributor and wholesaler market sharply increased (+ 9.4%).

In the MERA Area, in Turkey as well as in Lebanon, the second half of the year was characterized by a sharp increase compared to the first half of the year and to the prior year due to growth in sales of building security cables.

Madeco Cable Operations (Included in the Scope of Consolidation Beginning on 1 October 2008):

The Madeco cable business (which was acquired on 30 September 2008) was consolidated for three months of 2008. Most of the cable operations purchased from Madeco are focused on Energy cables. The latter represent approximately 78% of net sales, as compared with 18% for Electrical Wire and 4% for Telecom cables.

A new management area was created: South America. In addition to operations in the former Madeco scope of consolidation, it includes Nexans Brazil, with which synergies are to be developed.

The Nexans management and reporting rules were disseminated to the new subsidiaries and were gradually implemented.

The end of the year 2008 in South America was marked by a business slowdown. Therefore in Brazil (Ficap), certain copper cable operations, which are closely correlated to the investments made by major export industries, were particularly affected. The level of business activity was also impacted by the wait-and-see attitude of distributors and the delayed startup of certain projects. In fact, the general drop in raw materials prices and the sharp depreciation of the Real greatly destabilized the behavior of market players. In other countries and especially in Chile and Peru, margins were preserved despite a significant reduction in volumes.

In total, the operating margin of the former Madeco subsidiaries acquired by the Group nevertheless represented 8.5% of sales at constant non-ferrous metals prices.

The Energy business operating margin reached 402 million euros in 2008, and represented 10.2% of sales at constant metals prices. The acquisitions of Madeco cable operations and Intercond contributed increases of 8 and 3 million euros, respectively. With a constant scope of consolidation and constant currency exchange rates, the operating margin increased from 342 to 391 million euros, which represented 10.2% of the sales at standard metal prices in 2008, as compared with 9.5% in 2007. This improvement in profitability is connected to the increase in the weight of Energy Infrastructure cables, which went from 44% to 49% of sales in the Energy area, as well as the improvement in the profitability of its principal areas of specialization, and especially high voltage. Energy Infrastructure profitability therefore went from 9.0% to 11.7% with a constant scope of consolidation and constant currency exchange rates, thereby offsetting the decrease in the profitability of cables for Industry (from 7.8% to 6.7%, due to the marked decrease in the profitability of the automotive harness business) and the slight decrease in the profitability of the Building business (from 11.5% in 2007 to 10.3% in 2008).

TELECOM

Telecom cable sales amounted to 508 million euros (-3.8% from 2007 but +1.2 % with a constant consolidation scope and constant currency exchange rates). The contribution of the Madeco cable operations in 2008 amounted to 4 million euros. In a copper telecom infrastructure market that was

not very dynamic, Nexans at the end of May sold its Santander plant to the British company B3. The Group maintained its positions in optical fiber cables and LAN with, however, situations that varied among the continents.

Telecom Infrastructure:

Sales increased 1.5% with on a like-for-like basis, despite the termination of the joint venture in Vietnam at the end of June 2007. If this impact were excluded, the net sales would have increased 5.1% in 2008 over 2007.

Within Telecom Infrastructure, there were differing trends:

Copper Telecom cables, sales declined 3.0% (an increase of 3.7% excluding the impact of Vietnam).

Organic growth in Europe was 9.9% over 2007. In certain countries, the Group maintained significant volumes with local operators (Norway, Sweden) and developed an innovative product offering aimed at niche markets (DuoTrack® cables for railroad equipment in Germany).

In the MERA Area, by contrast, the decline was marked by the Group's decision to give priority to a selective approach to its markets and the most profitable projects, which led to a decline in net sales in Turkey and Egypt. These decreases nevertheless did not affect the overall profitability of these countries, which reallocated their production capacity to other segments.

In optical fiber cables, sales increased 2.8%.

In Northern Europe, developments of local FTTH (Fiber To The Home) systems, which were numerous in the first half of the year, were limited in the second half of the year, but cumulative growth remained high.

In Korea, after a difficult first half of the year, the second half of the year posted a sharp increase in sales.

In Accessories, particularly in optical connection, the increase with a constant scope of consolidation was determined to be 12.5% in 2008 over 2007. Sales grew both with domestic operators and in export markets (xDSL or FTTX projects).

In order to benefit from this segment's growth potential, Nexans and Sumitomo Electric Industries Ltd. decided to cooperate in the area of optical fiber cables for terrestrial networks in Europe, by means of a joint venture. This agreement covers all FTTx applications and more specifically the deployment of FTTH (Fiber To The Home) networks.

Local Networks:

The Group posted a 1.0% organic growth in sales for the year 2008 after a first half of the year which increased 3.2%.

A slowdown was observed at the end of the year in systems sales in North America and in Europe due to the crises in the building and financial sectors.

In Europe (37% of segment sales), volumes dropped 2.0%. Export net sales increased for projects in the Middle East, but nevertheless could not offset the decrease in investments in the banking sector in the United Kingdom.

In the United States (48% of segment sales), sales increased 5.0% on a like-for-like basis in a stable market. Pursuing a strategy focused on high end, very high output (10 Gbit) copper cables made it possible to post an increase in net sales, particularly in "data center" equipment, despite a slowdown at the end of the year. The increase in optical fiber cables was very strong at nearly 15%.

In the Asia and Pacific Area (7% of segment sales), the Group has a presence in Local Networks in Korea and China. Net sales, mainly consisting of low end products, posted a decrease of 17%.

In the MERA Area, the investments made in new production lines in 2007 enabled Turkey to post organic growth of 40.2%.

In Brazil, net sales increased 1.2%.

Operating margin in the Telecom business in 2008 posted a decrease to 41 million euros, representing 8.0% of sales at constant metals prices, as compared with 49 million euros, representing 9.3% of sales at constant metals prices in 2007. Weak volumes and the shutdown of the operation in Vietnam basically explain this decrease. Profitability nevertheless remained very high in North America, while it declined slightly in Europe.

ELECTRICAL WIRE

Electrical Wire sales in 2008 amounted to 325 million euros. With a constant scope of consolidation and constant currency exchange rates, the turnover decreases 36.8% from 2007, in line with the trend from the first half of the year. Change in scope of consolidation impacts were mainly related to the sales of winding wires activities of Simcoe in Canada and Tianjin in China, which represented net sales of 26 million euros at constant copper prices in 2007, as well as the acquisition of the Madeco Group cable operations in 2008, whose sales in this area represented 15 million euros in 2008 at constant copper prices.

Wirerods: There was a 43.1% reduction from 2007, on a like-for-like basis. This drop is a result of the refocusing policy of continuous casting on solely the Group's internal needs and requirements.

In North America, the sustained volumes of the cable units as well as the increase in tolling sales made it possible to maintain a production load that was sufficient to ensure financial equilibrium. In France, after a negative first half of the year, losses increased in the second half of 2008.

In fact, the drop in external volumes was accompanied by an overall decrease of approximately 10% in the volumes sold within the Group, due to the combined effect of the slowdown in the building market, which is a large copper consumer, and the action plan aimed at reducing inventories.

Bare Wires:

The decrease in sales was 11.3%, on a like-for-like basis. There was a marked decrease in France, which has a presence in a market with standardized products. In Germany and the United Kingdom, which are positioned in specialty products with a higher added value, sales, which increased slightly in the first half of the year, slowed down during the second half of the year, particularly with the drop in demand from the automotive market.

The operating margin for the Electrical Wire business went from 8 million euros in 2007 to -2 million euros in 2008. In 2007, the enameled wire operations, which were subsequently sold, had made a positive contribution of 4 million euros to results. In addition, in 2008, the sharp reduction in direct costs expected from the investment made in 2006-2007 in a copper waste refining furnace (and which should offset the loss of margin caused by the reduction in the volume of activity) did not materialize due to technical problems which are currently being resolved.

UNALLOCATED ACTIVITIES

Certain specific activities generate expenses which cannot be allocated to specific sectors. These amounts are not significant on the Group level. In 2008 they represented a negative operating margin of 13 million euros, compared with a negative operating margin of 14 million euros in 2007. In 2008, in particular the Group increased the support given to subsidiaries in the financing of research and development projects of common interest.

2- Other Components of the Consolidated Results

2.1 The Core Exposure Effect

As of 31 December 2008, the core exposure effect was negative by 165 million euros, whereas it was positive by 20 million euros in 2007.

This effect represents the impact indicated hereinabove (Paragraph 1.1.1, before tax income trends) of the valuation of the core exposure effect at the weighted average cost.

The core exposure effect is not included in operating margin as changes in value of inventories that are included in operating margin are measured based on replacement cost in accordance with the Group's management principles whereby the price of the metals contained in the cables sold to customers is hedged.

2.2 Net impairment on fixed assets

The net charge of 19 million euros posted for fiscal year 2008 basically represents full depreciation of the tangible fixed assets of the Cash Generating Unit (CGU) in Vietnam (9 million euros). Beyond the stop of the operations of copper cable the country experienced also erosion in its principal economic indicators. The residual depreciation stated for fiscal year 2008 concerns the maintenance investments made in CGUs that were previously fully depreciated in prior fiscal years, specifically metallurgy and energy cables in Italy.

2.3 Restructuring

Restructuring charges amounted to 22 million euros in 2008 as compared with 14 million euros in 2007. They mainly represented the costs of restructuring actions taken in the building operations in Ireland in the amount of 14 million euros (Athlone plant) and in Germany (Vacha plant), following reductions in the volumes posted in those markets. These plans involved 184 persons. They were accompanied by labor measures negotiated with the employee representative bodies, which were intended to reduce the consequences of the restructuring for the employees affected.

2.4 Change in Fair Value of non ferrous metal derivatives

Nexans uses futures contracts negotiated primarily on the London Metal Exchange (LME) to reduce its exposure to non-ferrous metal price fluctuations (copper and aluminum).

However, due to the sharp volatility in non-ferrous metal prices, the Group has taken measures to enable a large portion of these derivative instruments to be classified as cash flow hedges as defined in IAS 39. Therefore when these instruments (i) are used to hedge future transactions (e.g., copper cathode purchases) that are highly probable but not yet invoiced, and (ii) meet the requirements in IAS 39 for cash flow hedge accounting; they are accounted for similarly to foreign exchange hedges that qualify for hedge accounting as follows: the portion of the unrealized gain or loss on the hedging instrument that is determined to be an "effective" hedge is recognized directly in equity, and the ineffective portion is recognized in "Changes in fair value of non-ferrous metal derivatives". Gains or losses previously recognized in equity are taken to the income statement in the period in which the hedged item (e.g. copper cathode purchases) affects income.

On that basis, in 2008 the amount posted in equity resulted in a 127 million euros reduction. The impact on the income statement of the change in the fair value of non-ferrous metals financial instruments was a charge of 12 million euros.

2.5 Net Gains and Losses on Asset Disposals

Capital gains amounted to 4 million euros and mainly pertained to the capital loss connected to the sale of the telecom infrastructure copper cable business in Santander, Spain, net of a capital gain of 8 million euros from sales of buildings.

2.6 Net Financial Results

The total financial charges amounted to 79 million euros in 2008 as compared with 81 million euros in 2007.

Net debt costs increased by 4 million euros due to the financing of the acquisitions made at the end of the year, which went from 44 to 48 million euros. However, in total, the average net debt calculated on a 12 month basis was lower in 2008 compared to 2007 (523 million euros as compared with 565 million euros).

Other financial charges decreased by 6 million euros mainly due to exchange rates less unfavorable in 2008 than 2007.

2.7 Income Taxes

The charge for the tax on profits was 50 million euros, as compared with a tax charge of 84 million euros in 2007. The effective tax rate was 37.1% as compared with 29.9% in 2007.

This increase in the effective tax rate is essentially explained by a limited recognition of active deferred taxes in the countries which generated a negative fiscal result in 2008.

2.8 Principal Cash Flows for the Period

In 2008, Nexans generated an operational cash flow of 346 million euros, as compared with 374 million euros in 2007. Specifically, the latter was used to finance:

- investment expenditures in the net amount of 156 million euros,
- the payment of a 50.7 million euro of Group dividend,
- a share buyback program in the amount of 29 million euros,
- the financing of acquisitions made by the Group in 2008: basically Intercond and the Madeco cable operations (for a total cash out, including debt take-over in the amount of 366 million euros). The sale of the Santander operation resulted in the collection of 17 million euros.

Working capital requirements decreased by 231 million euros and went from 1.235 billion euros as of 31 December 2007 to 1.004 billion euros as of 31 December 2008. On a comparable scope of consolidation the reduction in operational working capital requirements (customer receivables, inventory, and payables) amounted to 360 million euros. This very large reduction was achieved due to the Group's renewed efforts to reduce its inventory. Therefore, tons of metals on hand as of 31 December 2008 show the reduction compared to the end of 2007. The very sharp drop in metals prices in comparison with 2007 also contributed to this improvement in operational working capital requirements.

In total, the Group's net debt was 536 million euros as of 31 December 2008, as compared with 290 million euros one year earlier.

2.9 Balance Sheet

The balance sheet for the period ending 31 December 2008 showed:

- the Group capital and reserves of 1.578 billion euros,
- net debt of 536 million euros. The "gearing" ratio (net debt/total equity) was 33.1% working capital requirements of 1.004 billion euros, provisions for contingencies and charges, including for pensions and retirement benefit obligations, in the amount of 421 million euros, on a par with the 434 million euros recorded at December 31, 2007.,
- fixed assets in the amount of 1.525 billion euros on 31 December 2008, as compared with 1.179 billion euros in December 2007, after the reintegration of the fixed assets of the

Harnesses business in the amount of 40 million euros (in 2007, in view of its planned sale, the Group had applied the IFRS 5 standard to its Harnesses operations) and the posting of the goodwill for the Madeco cable operations and Intercond in the amount of 219 million euros.

2.10 Other Significant Events During the Fiscal Year

a) Acquisition of the Madeco Group Cable Operations

In accordance with the final agreement executed on 21 February 2008, on 30 September 2008 Nexans acquired all of the cable operations of the Madeco Group, a leader in this sector in South America. Through this acquisition, Nexans acquired a first rank presence in energy cables in a high growth area.

The acquisition was financed by:

- issuing 2.5 million new Nexans shares to Madeco, which committed not to sell its shares until 30 September 2009 (with the exception of intercompany transfers); Madeco also undertook not to sell more than 50% of its shares until 31 March 2010,
- payment of a total amount, excluding acquisition expenses, of 393 million dollars (which amount is subject to final adjustment on the basis of the accounting statement for the period ending 30 September 2008), partly in cash and partly by the assumption of existing debt.

As a result of the issuance of 2.5 million Nexans shares to it, the Madeco Group holds approximately 9% of Nexans' share capital. In accordance with the 8th resolution adopted by Nexans Shareholders' Meeting on 10 April 2008, the appointment of Mr. Guillermo Luksic, Chairman of Madeco, as a Nexans director took effect on 30 September 2008, for a four year term.

This acquisition resulted in posting goodwill of 163 million euros to the Nexans Group consolidated financial statements for the period ending 31 December 2008, prior to allocation to the fair value of identifiable assets and liabilities. In compliance with the provisions of IFRS 3, said allocation shall be made in 2009 and the pro forma 2008 accounts shall be submitted with the Group's 2009 accounts.

The Madeco cable operations' contribution to the 2008 Group consolidated financial statements represented current net sales of 132 million euros and operating margin of 7 million euros. These figures do not take into account the impacts of the forthcoming allocation of the goodwill.

On a 12 month basis, based on the hypothesis that Madeco cable operations had been acquired as of 1 January 2008, this sub-group's contribution to current net sales and operating margin would have been in the order of 753 million euros and 32 million euros, respectively.

b) Optical Fiber Cable Cooperation Agreement with SEI

Nexans and Sumitomo Electric Industries Ltd. (SEI) announced on 5 December 2008 that they had reached an agreement to cooperate in the area of optical fiber cables for terrestrial networks in Europe. This agreement covers all FTTx applications and more specifically the deployment of FTTH (Fiber To The Home) networks.

For such purpose, SEI and Nexans entered into a joint venture agreement under which SEI shall hold 40% of the share capital of Opticable, a Nexans Group company based in Belgium whose operations are dedicated to the design, manufacture and marketing of optical fiber cables for terrestrial networks. In fiscal year 2008, Opticable contribution to Nexans' consolidated operating margin and current net sales was 4 million euros and 7 million euros, respectively.

This transaction, which is subject to prior approval by competition authorities, was executed at the beginning of 2009, see Section 7; "Events That Occurred After the End of the Fiscal Year."

c) Other changes in scope of Consolidation

The other principal changes that occurred in the scope of consolidation during fiscal year 2008 were as follows:

- Nexans confirmed on 1 August 2008 the acquisition of 100 % of the Italian company Intercond, one of the European leaders in the area of special cables, mainly dedicated to industrial equipment, including undersea operations.
Through this acquisition, Nexans strengthened its position as a leader in the field of cables for industrial applications. This acquisition was completed for an enterprise value of 87 million euros, and generated goodwill in the amount of 56 million euros, prior to allocation to identifiable assets and liabilities. In compliance with the provisions of IFRS 3, said allocation shall be made in the first half of 2009, and 2008 pro forma accounts shall be submitted along with the Group 2009 accounts. The final price paid was subject to a final adjustment on the basis of the accounting statement for the period ending 31 August 2008.
Intercond's contribution to the Group's 2008 consolidated financial statements consisted of current net sales of 19 million euros and an operating margin of 3 million euros. These figures do not take into account the impacts of the forthcoming allocation of the goodwill.
On a 12 month basis, positing the hypothesis that Intercond had been acquired as of 1 January 2008, this sub-group's contribution to current net sales and to operating result would have been to the order of 57 million euros and 12 million euros, respectively.
- Pursuant to the publication of its accounts for the period ending 31 December 2007, the Group had announced that it had commenced negotiations with a third party regarding the sale of the "Telecom Infrastructure Copper Cables" business in Spain. This sale to the British company B3 Cable Solutions, one of the principal European manufacturers of copper telecommunications cables, was finalized at the end of May 2008, for an enterprise value of 19.5 million euros.
In 2007, this business made a current net sales contribution of 61 million euros (29 million euros as of the end of May 2008). This sale, which did not have a significant impact on the Group 2008 operating margin, generated a capital loss of 5.8 million euros, which was recorded in the line "Net Gains and Losses from Asset Disposals" on the income statement.

d) Other Significant Transactions

- Share Buyback Program:
 - The Board of Directors, at its meeting on 30 January 2008, decided upon a share buyback program in the maximum amount of 70 million euros. 420,777 shares were bought back under this program (for a total amount of 29 million euros), which were cancelled in full by the Board of Directors at its meeting on 23 June 2008.
 - On 22 April 2008, the Board of Directors decided to initiate a share buyback program in the total maximum amount of 26 million euros, representing a maximum of 257,000 shares. According to the description published by the Company on 7 May 2008, the objective of this program was to cancel the repurchased shares. As of 31 December 2008, no shares had been bought back under this program.
- Employee Share Ownership Plan:
 - In 2007, Nexans announced the launch of an employee share ownership plan to be carried out through the issue of a maximum 500,000, new shares reserved to Group employees participating in a company savings plan. The execution of the plan was postponed until the first quarter of 2008 and resulted in the issuance of 91,525 new shares on 28 March 2008. The total charge for this plan accounted for fiscal year 2008 was not significant (less than 1 million euros). This plan consisted of a "standard" formula that enabled employees to subscribe Nexans shares with a 20% discount compared to the reference price. In line with CNC recommendations, this plan was

recorded by applying the financing rate of 6.36% applicable to the market for private individuals.

This plan also included a structured “leveraged” formula which guaranteed the employees’ investments and a return corresponding to a multiple of the potential increase in the Nexans share price. The charge pertaining to this plan was valued by simulating the gain that an employee would receive from the immediate resale on the market of the various underlying financial instruments established under this formula. As a point of information, the recording of the charges for the entire 20% discount would have reduced the Group operating margin by only an additional 0.3 million euros.

3- Progress Made and Difficulties Encountered

Controlling costs and allocated resources:

Controlling of fixed and variable costs was a central concern for the Group. That fact was reinforced by the downturn in the world economy and the sharp drop in raw materials prices.

The attention paid to variable costs and the evolution of “mix products” resulted in an improvement in the margin on variable costs of practically 1% of the net sales at constant non-ferrous metals prices in 2008 in comparison with 2007, despite the high price volatility and an uncertain environment for certain business sectors, such as building.

In 2008, the price of copper dropped more than 50% in the last quarter. Because the Group’s policy has always been to systematically hedge its purchase and sale obligations, metals balances were monitored more strictly than ever, and increased support was provided to subsidiaries. A large training program was provided to units in the “Madeco area.” Full implementation of this program shall be pursued in the first quarter of 2009.

In the second half of the year, due to increasing uncertainties in the market and an increase in the cost of financing sources, a large program for the reduction of working capital requirements was initiated, and all Group units were mobilized.

Lastly, Nexans continued to enhance quality and quantity control by its Purchasing teams with respect to the procurement of the products and services utilized. The Group is continuing its efforts for the continuous and systematic renegotiation of purchasing terms and conditions. This process is based upon an approach that links all the units as well as upon a regular comparison of prices and suppliers worldwide.

Support for Operations and Industrial Coordination:

- Management of Major Projects: for all the large investment projects, the industrial department provides to units the support of expertise in the selection of equipment that is in line with the Group’s technological options as well as assistance in the resolution of any possible technical problems at startup. In 2008 these teams provided assistance at the Ouglich site in Russia, the capacity expansion project at the Shanghai plant in China, as well as for the aviation project in Mohammedia, Morocco. The industrial department also conducted studies of the project for investment in an industrial cable plant with the Indian partner Polycab.
- Production Capacity Management: cross-divisional projects for the optimization of industrial capacity were pursued in 2008 so as to make the best utilization of existing plant and equipment in order to rapidly meet high demand, while limiting investment expenditures. In the industrial cable area, actions specifically concerned the Nuremberg plant in Germany, to enable it to respond to the significant growth in the market for cables with robotics applications.
- Industrial Performance: every plant has a set of standardized key industrial performance management indicators. These indicators are the subject of regular review and analysis, and

specific support programs are implemented at the most critical sites. For this purpose, progress plans were established in Italy and Turkey which enhanced the value of the restructuring actions taken in 2007 and consolidated the improvement in the results of those sites.

- Inventory Reduction: a program for the improvement of flows, including intercompany flows was also initiated by targeting the plants where the potential savings were judged to be the most significant. The programs established by our production units for the purpose of reducing their inventories of raw materials, semi-finished products, and finished products largely bore fruit in 2008. The inventory level indicator saw continual improvement throughout the year. Service quality was not impacted by this reduction in inventories. It even continued to improve in 2008.
- Training and the Exchange of Best Practices: pursuant to the Group's training policy, the Industrial Department attached great importance to optimal utilization of existing technological and ensuring that such expertise is shared. The year 2008 saw the number of participants in "Continuous Improvement" training increase 10% over 2007 with enhanced participation by non-European countries (72 participants in the four major modules). Priority was given to the "core" extrusion operations: training was developed, a pilot program was conducted in Australia for 30 engineers and one dozen internal experts shall be trained in disseminating to all technical teams Nexans' best know-how in this area.
- "Business Segment Clubs" Meetings: numerous meetings were organized to enable dissemination of best practices. For example, the "Medium and High Voltage" Club brought together 45 technical experts from 17 countries for a three days seminar that included exchanges with equipment suppliers in conjunction with the Düsseldorf trade fair.
- Accident Prevention: despite two fatal accidents at the beginning of the year, the accident rate improved in 2008. The Group has undertaken major programs to reduce work accidents and has made it a priority for coming years.

Optimization of Purchasing:

Nexans continued its efforts with respect to cost control, optimization of purchasing costs, risk reduction, and the professionalization of its "Purchasing" function. This strategy was based on the following orientations:

- Optimizing reduction of total purchase costs and achieving a competitive advantage: despite the extremely high volatility of materials throughout 2008, Nexans was able to profit from opportunities to purchase at better prices due to its global presence and a better global perspective of its supply markets. The program for purchasing in low-cost countries was extended to all of Asia. New suppliers were qualified. Nexans also derived benefits from fluctuations in currency exchange rates, by utilizing suppliers in the different currency areas according to opportunities. The integration of new entrants was continued: Olex is now completely integrated into the Nexans Purchasing network, Intercond was able to benefit from the initial synergies, and the work of optimization with the sites in the "Madeco area" commenced.
- Controlling Supply Risks: the Group policy consists of having a minimum of two suppliers for every material or service employed in the manufacture of products. The program which, with the assistance of Research and Development units, is aimed at eliminating critical single supplier situations was continued. In 2008, Nexans did not have to experience production shutdowns connected to procurements from suppliers.
- Enhancing cost control: the Purchasing Department initiated numerous projects aimed not only at purchasing at lower costs, but also spending better through continuous improvement programs. The main areas concerned were the handling and recycling of wooden drums, energy cost control at production sites, control and optimization of maintenance expenses, the

“travel” policy, and optimization of shipping flows. These projects were managed in close cooperation with the Group functions involved.

- Enhancing Supplier Relationships: while maintaining the multiplicity of sources of supply, in 2008 Nexans continued to adopt Group contracts aimed at enhancing the contractual relationships with certain strategic suppliers, pursuant to a policy of continuous improvement. For example, an optimization of aluminum rod supply flows was implemented in Europe with the two main suppliers. In addition, a new investment project management model was established with a major equipment supplier in order to ensure optimal delivery of equipment in terms of quality and timeliness. New materials are in the process of being tested pursuant to the development of new energy cables.

In parallel, supplier audit and assessment tools were established, including in the area of social responsibility, specifically for indirect purchasing.

- Increasing the Professionalism of the “Purchasing” Function: the training program initiated in 2008 was enhanced and strengthened, and enabled the acquisition of new technical skills and expertise and therefore increased effectiveness. The sharing of best purchasing practices was made systematic.

Development of Information Systems:

In 2008, Nexans implemented several projects in response to the strategic plan’s major priorities for information systems in 2007–2009, and consolidated the durability of its information systems in a constantly changing information technology market, by establishing partnership relationships with some of its suppliers.

The first challenge was to replace infrastructure so that it could continue to support the plan for ongoing modernization of systems serving the businesses and could continue to support the Group’s external growth. After the signing of the framework agreement with BT, with a minimum term of five years, for the supplying and operation of a private virtual long distance network, the integration of sites was successfully carried out and completed in June 2008. That also made it possible to connect the units newly acquired from the Madeco Group. At the end of 2008, 112 sites throughout the world and more than 2,300 work stations were connected via the Remote Access System (RAS).

At the same time, Nexans continued the group-wide installation of its integrated management software, while optimizing its operating costs. In October, the integration into the Nexans Group of the subsidiaries dedicated to the Madeco Group’s cables operations was completed. Corporate teams continued the finalization of the installation of SAP in Chile, Peru, Argentina, and Colombia.

A production planning tool was installed on the basis of an existing product. This tool was deployed in Sweden, Australia, and France (electrical wire business) in 2008.

As a result of the further development of the Internet and E-service portals, visitors have the ability to utilize a personalized extranet to monitor their business relationship with Nexans, and specifically to follow their orders better. Site traffic has more than quadrupled since this unified site was placed online.

Security remains a priority. Participation in CIGREF work groups enables Nexans to expand its prevention program by benefitting from the experience of other major French groups.

Difficulties encountered in 2008 principally concerned:

- the heavy load at certain plants in the Industry market in the first half of the year, which sometimes led to delays in deliveries to customers,
- the need to deal with strong growth in the high voltage market while at the same time upgrading the efficiency of industrial plant and equipment within a short period of time,

- the implementation of high voltage contracts, which were sometimes subject to execution problems,
- the high volatility of raw materials prices and currency exchange rates,

the sudden and very sharp drop in metals prices, which required continuation of the improvement of monitoring tools and control of the hedging of metals risks within the Group.

FIVE- YEAR FINANCIAL SUMMARY – PARENT COMPANY

TYPE OF INFORMATION	2008	2007	2006	2005	2004
I- Share Capital at the end of the fiscal year					
a) Share Capital (in thousands of euros)	27,936	25,678	25,265	23,507	23,190
b) Number of shares issued	27,936,953	25,678,355	25,264,955	23,507,322	23,189,947
II- Fiscal Year Activity and Income (in thousands of euros)					
a) Sales before taxes	18,262	13,263	13,061	10,809	10,265
b) Income before taxes, employee profit-sharing, depreciation, amortization, and provisions	106,864	92,939	134,305	44,704	-8,067
c) Income Taxes	3,199	672	-249	249	169
d) Employee profit-sharing due during the fiscal year	124	74	152	117	124
e) Income after tax, employee profit-sharing, depreciation, amortization, and provisions	94,461	110,031	88,095	43,228	-12,231
f) Dividends		50,744	31,648	21,662	10,568
III- Income per share (in euros)					
a) Income after tax and employee profit-sharing, but before depreciation, amortization, and provisions	3.71	3.59	5.32	1.90	-0.35
b) Income after tax and employee profit-sharing, depreciation, amortization, and provisions	3.38	4.28	3.49	1.84	-0.53
c) Dividend per share	-	2.00	1.20	1.00	0.50
IV- Personnel					
a) Average staffing levels for employees during the fiscal year (in numbers of employees)	6	6	6	7	7
b) Total fiscal year payroll (in thousands of euros)	4,719	3,351	3,556	3,401	2,947
c) Total amount paid for employee benefits during the fiscal year (in thousands of euros)	1,573	1,117	1,185	1,134	973

DOCUMENT REQUEST

**Annual Shareholders' Meeting
of 26 May 2009**

I, the undersigned

Name or company name

First name

Address

Postcode

Holder of registered shares

And/or bearer shares

wish to receive the documents and information for the next Annual Shareholders' Meeting specified in Article R.225-83 of the French Commercial Code.

Dated _____ 2009

Signature

NOTE: Pursuant to Article R.225-88 alinea 3 of the French Commercial Code, registered shareholders may request that the documents and information specified in section R.225-83 of the the French Commercial Code be sent to them for all subsequent Shareholders' Meetings. If a registered shareholder wishes to benefit from this possibility, they should specify so in this document.

**This request must be returned to the bank
or financial intermediary that maintains your share account**