



Press release

Issuance by Nexans of 2.5 million new shares in consideration for the contribution by Madeco of shares in Indelqui and Invercable

This press release has been prepared in accordance with Article 12 of AMF Instruction n°2005-11 dated December 13, 2005.

Paris – September 30, 2008 – On February 21, 2008, Nexans (Code ISIN: FR0000044448) entered into a final agreement with the Chilean company Madeco for the acquisition of the cable-related business of Madeco (the « **Transaction**»). The Transaction is structured as follows:

- for one part as an acquisition of shares in certain Madeco subsidiaries dedicated to the cable business, with the sale price comprised of a cash payment and the assumption of liabilities; and
- for the other part as a contribution by Madeco to Nexans of shares held in two dedicated subsidiaries, the Argentinean company Indelqui and the Chilean company Invercable (the « **Contribution** »).

In consideration for the Contribution, Nexans shall issue 2.5 million new shares to Madeco (the « **Shares** »). Madeco, which shall undertake not to transfer the Shares within 12 months of their issuance, shall hold, as of the date of completion of the share capital increase, approximately 9% of the share capital of Nexans (on the basis of 27.9 million outstanding Nexans shares).

The Transaction has been approved by the management bodies and the shareholders of Nexans and Madeco and has been cleared by the regulatory authorities.

Pursuant to the 15th resolution of the general shareholders meeting of Nexans held on April 10, 2008, the shareholders have delegated to the board of directors of Nexans the power to issue new shares, within the limit of 10% of the share capital, in consideration for in-kind contributions comprised of shares.

The main characteristics of the Contribution, its valuation and the consideration for it are summarized hereinafter.

Contributing company:	Madeco, a company organized and existing under the laws of Chile, with a registered office located at Ureta Cox 930, San Miguel, Santiago, Chile.
Beneficiary company:	Nexans, a <i>société anonyme</i> with a share capital of 25,400,703 euros, with a registered office located at 16 rue de Monceau, 75008 Paris, incorporated with the Paris Registry of Commerce and Companies under number RCS Paris 393 525 852.

NATURE AND CONSIDERATION OF THE CONTRIBUTION:

Contributed assets:	<ul style="list-style-type: none"> ▪ 106,871,901 shares of Indelqui, an Argentinean company qualifying as a <i>société par actions</i> under French company law, with principal offices at Lafayette 1773, Ciudad Autónoma de Buenos Aires, Argentina, and with a share capital of 106,872,501 Argentinean Pesos divided into 106,872,501 shares (« Indelqui ») (the « Indelqui Shares »), and ▪ 3,993,350 shares of Invercable, a Chilean company qualifying as a <i>société par actions</i> under French company law, with principal offices at Ureta Cox 930, San Miguel, Santiago, Chile, and with a share capital of 39,933,600,000 Chilean Pesos divided into 3,993,360 shares (« Invercable ») (the « Invercable Shares »).
Total value of the contributed assets:	The total value of the contributed assets amounts to 225,000,000 euros.
Value of the Nexans shares issued in consideration for the Contribution:	A multicriteria analysis has been conducted to determine the exchange ratio. On the basis of such analysis, Madeco and Nexans agreed that the value of the Shares shall amount to 90 euros per share.
Number of Nexans shares issued in consideration for the Contribution:	In consideration for the contributions completed under the Contribution, Nexans would issue 2.5 million ordinary shares with a par value of 1 euro each, all of the same category, resulting in a share capital increase of a total nominal amount of 2,500,000 euros.
Rights of the Shares:	The Shares shall bear rights as of their date of issuance; on such date, they shall be fully assimilated to the existing Nexans shares and shall benefit from all the dividends which may be distributed after their issue.
Contribution premium:	The contribution premium for the Contribution shall amount to 222,500,000 euros.
Effective date of the Contribution:	Subject to the satisfaction of the conditions precedent to the Transaction, the completion of the Contribution shall be effective on the date of the decision of the board of directors of Nexans, acting upon delegation of Nexans general shareholders meeting of April 10, 2008, held to approve the value of the contributions, to decide to increase the share capital and to issue the Shares accordingly.

CONTROL OF THE CONTRIBUTION:

Two reports have been drawn up in connection with the Contribution by Mr Jean-Luc Dumont and Mr Olivier Marion, appointed by an order of the President of the Paris Commercial Court on February 1st, 2008: a preliminary report dated April 4, 2008 and a final report dated September 18, 2008. These reports have been made available to Nexans shareholders at the registered office within the legal timeframe. The report dated September 18, 2008 has been filed with the Clerk of the Paris Commercial Court within the legal timeframe.

CONSEQUENCES OF THE CONTRIBUTION:

Share capital of Nexans after the Contribution:

Further to the Contribution, the share capital of Nexans shall be increased from 25,400,703 euros (divided into 25,400,703 shares with a par value of 1 euro each) to 27,900,703 euros (divided into 27,900,703 shares with a par value of 1 euro each).

Dilution:

On the basis of a share capital made up of 27,900,703 shares, the equity interest of a shareholder holding 1% of the share capital of Nexans before the issuance of the Shares would be reduced to approximately 0.91% after completion of the Contribution.

DOCUMENTS MADE AVAILABLE TO THE SHAREHOLDERS:

The report of the board of directors to the shareholders meeting of Nexans held on April 10, 2008, the reports of the contribution appraisers dated April 4 and September 18, 2008 as well as the contribution agreement dated September 15, 2008 have been made available to the shareholders at the registered office of Nexans, 16, rue de Monceau, 75008 Paris.

About Nexans

With energy as the basis of its development, Nexans, the worldwide leader in the cable industry, offers an extensive range of cables and cabling systems. The Group is a global player in the infrastructure, industry, building and Local Area Network markets. Nexans addresses a series of market segments from energy, transport and telecom networks to shipbuilding, oil and gas, nuclear power, automotive, electronics, aeronautics, handling and automation.

With an industrial presence in more than 30 countries and commercial activities worldwide, Nexans employs 22,000 people and had sales in 2007 of 7.4 billion euros. Nexans is listed on Euronext Paris, compartment A. More information on www.nexans.com

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