

Nexans transforms its value delivery model

Paris La Défense, November 9, 2018 – Nexans announces a transformation roadmap that will allow the change of its value delivery model. Built on the market megatrends that spell out the future growth cycles of the industry, this new roadmap will help build a unique positioning for Nexans as well as drive customer and shareholder value.

Management will initially focus on the renovation of its operational model by reducing operations and organization complexity. Gradually, the focus will shift towards the Group's repositioning.

*"A mindset change is necessary. The complete transformation of the value delivery model of our businesses will allow Nexans to capture new services, build modules and systems. Nexans needs to scale more than it needs to grow", stated **Christopher Guérin, Nexans CEO**. "Nexans will deliver the best value for money to its clients and address market adjacencies while benefiting the excellent long-term perspectives of our markets".*

Nexans faces challenges...

Further transformation to be undertaken. Although 50% of the Group can already be managed for growth, the potential of turnaround remains high. The remaining 50% will be transformed to unlock value.

Change in mindset from volume to value growth. Moving up the value chain and establishing the positioning of Nexans as a service provider will be key in the coming years.

Increased accountability and agility. The empowerment of employees at all levels coupled with a higher discipline in execution will allow Nexans' organization to be leaner and more agile.

...with a great potential to unlock

A turnaround method both proven and scalable. Nexans has internally developed a methodology, called SHIFT, which helped to successfully turnaround Europe and Middle East Africa. The diagnosis has been established and SHIFT is already being deployed in underperforming units.

DNA of differentiation. Nexans has demonstrated capabilities to differentiate through the deployment of services (eg: Building & Territories) and has successfully managed to develop systems in segments (eg: wind turbines).

Long term market potential. Nexans' value chain progression is strongly supported by megatrends which will help the Group expand its offer and address market adjacencies.

2021 Objectives

By 2021, Nexans' ambition is to derive from its current scope of activities:

- An EBITDA¹ of 500 million euros;
- A ROCE² of 15.5%;
- A cumulative Free Cash Flow (before M&A and dividends) over the 2018-2021 period exceeding 200 million euros.

The presentation document, which includes the current outlook for 2018, is available on Nexans internet site www.nexans.com

A conference call is scheduled today at 10:00 a.m. (Paris time).

To take part, please dial one of the following numbers:

- *In France:* +33 (0)1 71 23 01 07
- *In the United Kingdom:* +44 (0)1296 480 180
- *In the United States (toll-free number):* +1 718 354 1176
PIN: 937667#

The local numbers to call to listen to a replay of the conference (available in the afternoon) are:

- *In France:* +33 (0)800 94 41 12
- *In the United Kingdom:* +44 (0)2071 369 233
- *In the United States:* +1 617 213 4164

To listen to the conference, please enter 76259678

Financial calendar

February 14, 2019: 2018 Full-year results

About Nexans

As a global leader in advanced cabling and connectivity solutions, Nexans brings energy to life through an extensive range of best-in-class products and innovative services. For over 120 years, innovation has been the company's hallmark, enabling Nexans to drive a safer, smarter and more efficient future together with its customers. Today, the Nexans Group is committed to facilitating energy transition and supporting the exponential growth of data by empowering its customers in four main business areas: Building & Territories (including utilities, smart grids, e-mobility), High Voltage & Projects (covering off-shore wind farms, submarine interconnections, land high voltage), Telecom & Data (covering data transmission, telecom networks, hyperscale data centers, LAN), and Industry & Solutions (including renewables, transportation, Oil & Gas, automation and others).

Corporate Social Responsibility is a guiding principle of Nexans' business activities and internal practices. In 2013, Nexans became the first cable player to create a Foundation supporting sustainable initiatives bringing access to energy to disadvantaged communities worldwide. The Group's commitment to developing ethical, sustainable and high-quality cables drives its active involvement within several leading industry associations, including Europacable, the National Electrical Manufacturers Association (NEMA), the International Cablemakers Federation (ICF) and CIGRE to name just a few.

Nexans employs nearly 26,000 people and has an industrial footprint in 34 countries and commercial activities worldwide. In 2017, the Group generated 6.4 billion euros in sales.

Nexans is listed on Euronext Paris, compartment A.

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

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¹ Consolidated EBITDA is defined as operating margin before depreciation (cf Registration document 2017). Yearly depreciation amounting to approximately 150 M€, Operating Margin can be computed accordingly. Impact of future application of IFRS#16 not considered.

² Return on Capital Employed: 12 month OM on end of period Capital Employed, restated for Antitrust provision (cf Registration document 2017)