Consolidated income statement

(in millions of euros)	**2010**	**2009**	**2008 adjusted*** **
Net sales	**6 179**	**5 045**	**6 799**
*Metal price effect**	*(1 870)*	*(1 019)*	*(2 023)*
Sales at constant metal prices*	***4 309***	***4 026***	***4 776***
Cost of sales	(5 439)	(4 293)	(5 846)
*Cost of sales at constant metal prices**	*(3 569)*	*(3 274)*	*(3 823)*
Gross profit	**740**	**752**	**953**
Administrative and selling expenses	(462)	(447)	(467)
R&D costs	(71)	(64)	(63)
Operating margin*	**207**	**241**	**423**
*Core exposure effect***	89	18	(165)
Net asset impairment	(43)	(21)	(19)
Changes in fair value of non-ferrous metal derivatives	(4)	16	(12)
Net gains on asset disposals	15	17	4
Transaction costs on external acquisitions	(2)	-	-
Restructuring costs	(67)	(119)	(22)
Operating income	**195**	**153**	**210**
Cost of debt (gross)	(79)	(62)	(66)
Income from cash and cash equivalents	11	5	18
Other financial expenses	(16)	(45)	(31)
Share in net income of associates	(1)	(0)	(0)
Income before taxes	**110**	**51**	**131**
Income taxes	(26)	(39)	(45)
Net income from continuing operations	**84**	**12**	**85**
Net income from discontinued operations	-	-	-
Net income	**84**	**12**	**85**
Attributable to owners of the parent	82	8	83
Attributable to non-controlling interests	2	4	2
Net income per share attributable to owners of the parent (in euros)			
- basic earnings per share	2,92	0,29	3,21
- diluted earnings per share	2,84	0,29	3,12

* *Performance indicators used to measure the Group's operating performance.*

** *Effect relating to the revaluation of Core Exposure at its weighted average cost. In 2010 and 2009, this line 'Core exposure effect' also includes a material impact related to the strong decrease of the Core Exposure volume during the year (-37 million euros each year) due to a strong slowdown in business levels on 2009 and to the Group's intensified efforts to reduce its working capital requirement. These effects are offset by a positive impact (+ 37 million euros each year) included in the Operating margin.*

*** *Taking into account the fair value adjustments made following the completion of the initial accounting for Madeco and Intercond acquisitions.*

Consolidated statement of comprehensive income

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in millions of euros	**2010**	**2009**	**2008 adjusted***
Net income for the year	**84**	**12**	**85**
Available-for-sale financial assets			
- Gains (losses) generated during the year (net of tax)	-	0	(2)
- Amount recycled to the income statement (net of tax)	-	-	-
Currency translation differences			
- Gains (losses) generated during the year (net of tax)	178	132	(118)
- Amount recycled to the income statement (net of tax)	1	-	-
Cash flow hedges			
- Gains (losses) generated during the year (net of tax)	78	194	(172)
- Amount recycled to the income statement (net of tax)	(57)	(14)	(7)
Share of other comprehensive income of associates	-	-	-
Total other comprehensive income (loss)	**200**	**312**	**(299)**
Total comprehensive income (loss)	**284**	**324**	**(213)**
Attributable to owners of the parent	279	320	(217)
Attributable to non-controlling interests	5	4	4

** Taking into account the fair value adjustments made following the completion of the initial accounting for Madeco and Intercond acquisitions.*

Consolidated statement of financial position

as at December 31, in millions of euros	**2010**	**2009**	**2008 adjusted***
ASSETS			
Goodwill	378	335	308
Other intangible assets	193	189	174
Property, plant and equipment	1 170	1 117	1 040
Investments in associates	7	8	4
Other non-current financial assets	44	42	35
Deferred tax assets	82	57	92
Other non-current assets	23	2	4
NON-CURRENT ASSETS	**1 897**	**1 750**	**1 657**
Inventories and work in progress	1 059	803	922
Amounts due from customers on construction contracts	189	215	195
Trade receivables	1 126	955	1 110
Other current financial assets**	322	162	320
Current income tax receivables	18	15	26
Other current non-financial assets	106	97	84
Cash and cash equivalents	795	817	398
Assets and groups of assets held for sale	1	1	1
CURRENT ASSETS	**3 616**	**3 065**	**3 056**
TOTAL ASSETS	**5 513**	**4 815**	**4 713**
EQUITY AND LIABILITIES			
Capital stock	29	28	28
Additional paid-in capital	1 283	1 258	1 256
Retained Earnings	603	538	555
Other components of equity	249	52	(260)
Equity excluding non-controlling interests	**2 164**	**1 876**	**1 579**
Non-controlling interests	43	42	39
TOTAL EQUITY	**2 207**	**1 918**	**1 618**
Pension and other retirement benefit obligations	308	309	317
Other long-term employee benefit obligations	16	12	13
Long-term provisions	58	49	43
Convertible bonds	479	459	271
Other long-term debt	354	359	389
Deferred tax liabilities	130	109	70
NON-CURRENT LIABILITIES	**1 345**	**1 297**	**1 103**
Short-term provisions	92	120	65
Short-term debt	255	140	274
Liabilities related to construction contracts	202	174	111
Trade payables	1 077	845	908
Other current financial liabilities	97	96	376
Accrued payroll costs	179	168	160
Current income tax payables	27	28	43
Other current non-financial liabilities	32	29	54
Liabilities related to groups of assets held for sale	1	1	1
CURRENT LIABILITIES	**1 961**	**1 601**	**1 992**
TOTAL EQUITY AND LIABILITIES	**5 513**	**4 815**	**4 713**

* *Taking into account the fair value adjustments made following the completion of the initial accounting for Madeco and Intercond acquisitions.*

** *Of which 150 million euros of short term financial assets included in the Net Debt of the Group as at December 31, 2010.*

Consolidated statement of cash flows

(in millions of euros)	**2010**	**2009**	**2008 adjusted[1]**
Net income attributable to owners of the parent	82	8	83
Non-controlling interests	2	4	2
Depreciation, amortization and impairment of assets (including goodwill)[5]	196	143	128
Cost of debt (gross)	79	62	66
Core exposure effect [2]	(89)	(18)	165
Other restatements [3]	(2)	59	6
Cash flow from operations before gross cost of debt and tax [4]	**268**	**258**	**451**
Decrease (increase) in receivables	(75)	193	31
Decrease (increase) in inventories	(126)	186	176
Increase (decrease) in payables and accrued expenses	197	(118)	(59)
Income tax paid	(62)	(47)	(62)
Impairment of current assets and accrued contract costs	5	(11)	4
Net change in current assets and liabilities	**(61)**	**203**	**90**
Net cash generated from operating activities	**207**	**461**	**541**
Proceeds from disposals of property, plant and equipment and intangible assets	13	8	16
Capital expenditures	(129)	(164)	(172)
Decrease (increase) in loans granted	(157)	181	(187)
- of which margin calls on metal derivatives	*(1)*	*140*	*(140)*
Purchase of shares in consolidated companies, net of cash acquired	0	(2)	(311)
Proceeds from sale of shares in consolidated companies, net of cash transferred	19	0	19
Net cash generated from (used in) investing activities	**(253)**	**23**	**(635)**
Net change in cash and cash equivalents after investing activities	**(46)**	**484**	**(94)**
Proceeds from (repayment of) long-term borrowings	(2)	138	22
- of which proceeds from new borrowings	*0*	*172*	*29*
- of which repayments	*(2)*	*(34)*	*(7)*
Proceeds from (repayments of) short-term borrowings	43	(164)	14
Cash capital increases (reductions)	22	39	(23)
Interest paid	(38)	(45)	(54)
Transactions with owners not resulting in a change of control	-	9	-
Dividends paid	(32)	(57)	(52)
Net cash used in financing activities	**(7)**	**(80)**	**(93)**
Net effect of currency translation differences	26	18	(19)
Net increase (decrease) in cash and cash equivalents	**(27)**	**422**	**(206)**
Cash and cash equivalents at beginning of year	**810**	**388**	**594**
Cash and cash equivalents at year-end	**783**	**810**	**388**
Of which cash and cash equivalents recorded under assets	*795*	*817*	*398*
Of which short-term bank loans and overdrafts recorded under liabilities	*(12)*	*(7)*	*(10)*

1 *Taking into account the fair value adjustments made following the completion of the initial accounting for the Madeco and Intercond acquisitions.*
2 *Effect relating to the revaluation of Core exposure at its weighted average cost, which has no cash impact.*
3 *Other restatements in 2010 mainly include (i) a positive 26 million euros in relation to offsetting the Group's income tax charge, (ii) a negative 61 million euros to offset changes in operating reserves (among which restructuring), and (iii) a positive 24 million euros to cancel the impact of changes in fair value of metal and foreign exchange derivatives.*
In 2009, this item mainly related to offsetting the Group's income tax charge (+39 million euros).
In 2008, this item included (i) 45 million euros in relation to offsetting the Group's income tax charge and (ii) a negative 28 million euros to cancel the impact of changes in fair value of metal and foreign exchange derivatives.
4 *The Group also uses the "operating cash flow" concept which is mainly calculated after adding back restructuring costs (68 million euros, 44 million euros and 24 million euros in 2010, 2009 and 2008 respectively) and deducting gross cost of debt and the current income tax paid over the period.*
5 *Including assets depreciation which is part of restructuring costs.*

Information by reportable segment

December 31, 2010 (in millions of euros)	Electrical wires	Energy	Telecom	Other	Group total
Contribution to Net sales at current metal prices	817	4 833	501	29	**6 179**
Contribution to Net sales at constant metal prices	289	3 568	426	26	**4 309**
Operating margin	7	188	25	(13)	**207**
Depreciation, amortization and impairment of assets (including goodwill)	(2)	(163)	(13)	(3)	**(181)**

December 31, 2009 (in millions of euros)	Electrical wires	Energy	Telecom	Other	Group total
Contribution to Net sales at current metal prices	450	4 126	445	24	**5 045**
Contribution to Net sales at constant metal prices	216	3 381	406	23	**4 026**
Contribution to Net sales at constant metal prices and 2010 exchange rates	237	3 603	427	23	**4 290**
Operating margin	1	229	22	(11)	**241**
Depreciation, amortization and impairment of assets (including goodwill)	(5)	(121)	(13)	(4)	**(143)**

*December 31, 2008 adjusted** (in millions of euros)	Electrical wires	Energy	Telecom	Other	Group total
Contribution to Net sales at current metal prices	899	5 292	594	14	**6 799**
Contribution to Net sales at constant metal prices	325	3 929	508	14	**4 776**
Contribution to Net sales at constant metal prices and 2009 exchange rates	321	3 874	509	14	**4 718**
Operating margin*	(3)	398	41	(13)	**423**
Depreciation, amortization and impairment of assets (including goodwill)*	(7)	(104)	(14)	(3)	**(128)**

** Taking into account the fair value adjustments made following the completion of the initial accounting for Madeco and Intercond acquisitions.*

5) A management indicator used by the Group to measure its operating performance. The operating margin rate is expressed as a percentage of the sales at constant non-ferrous metal prices.
6) Proposed dividend that will be submitted to the 2011 General Shareholders' Meeting for approval.
7) To neutralize the effect of variations in the purchase price of non-ferrous metals and thus measure the underlying sales trend, Nexans also calculates its sales using a constant price for copper and aluminum.
8) Presentation of 2009 sales on the basis of comparable data corresponds to constant non-ferrous metal sales, recalculated after adjustments for comparable scope and exchange rates. The exchange rate effect on sales at constant non-ferrous metal prices amounts to 264 million euros, and there is no scope effect.

Information by major geographical area

December 31, 2010 (in millions of euros)	France**	Germany	Norway	Other	Group total
Contribution to Net sales at current metal prices*	962	640	577	4 001	**6 179**
Contribution to Net sales at constant metal prices*	735	520	531	2 523	**4 309**
Non-current assets IFRS 8*	143	126	157	1 322	**1 748**

* *By origin of sales*

** *Including 'Corporate' activities*

December 31, 2009 (in millions of euros)	France**	Germany	Norway	Other	Group total
Contribution to Net sales at current metal prices*	920	555	532	3 038	**5 045**
Contribution to Net sales at constant metal prices*	786	475	500	2 265	**4 026**
Contribution to Net sales at constant metal prices and 2010 exchange rates*	786	475	545	2 485	**4 290**
Non-current assets IFRS 8*	150	129	123	1 247	**1 649**

* *By origin of sales*
** *Including 'Corporate' activities*

December 31, 2008 adjusted (1) (in millions of euros)	France**	Germany	Norway	Other	Group total
Contribution to Net sales at current metal prices*	1 481	829	596	3 893	**6 799**
Contribution to Net sales at constant metal prices*	1 042	623	549	2 562	**4 776**
Contribution to Net sales at constant metal prices and 2009 exchange rates*	1 042	623	518	2 535	**4 718**
Non-current assets IFRS 8* (1)	146	128	95	1 157	**1 526**

* *By origin of sales*
** *Including 'Corporate' activities*
1) *Taking into account the fair value adjustments made following the completion of the initial accounting for Madeco and Intercond acquisitions.*

Information about major customers

The group did not have one single customer representing more than 10% of net sales neither over the year 2010 nor over the years 2009 and 2008.