



We conduct concrete actions for sustainable development

As the world's leader in the cable industry, our Group is committed to sustainable and responsible economic development on a daily basis. Whether with regard to economic, social or environmental concerns, Nexans has implemented several concrete, clear and efficient actions to serve its customers, its shareholders, its employees and the environment. Owing to its dynamic marketing, the optimization of its purchases, and a policy of targeted acquisitions and divestments, our Group is building long-term profitability for its shareholders. Nexans supports its customers throughout their medium and long-term projects with customized solutions; the Group anticipates their needs and conducts research and development that correspond to changes in technologies and markets. Our Group monitors the skills development of its employees, encourages their creativity, and motivates their sales performance while strengthening their commitment to the Company. Finally, Nexans participates in community interests and in efforts to show respect for and to protect the environment. Our expertise includes environmental safety and efforts to reduce the impact of our manufacturing activities as well as saving energy and recycling. Thanks to a regular and effective environmental auditing system, our Group meets the most advanced quality standards throughout the world.

With regard to our shareholders and customers

Objective: build sustainable profitability

Actions: promising acquisitions, sustained investments

Objective: develop engines for growth

Actions: value-added products and services, R&D in line with customers' needs

Objective: respond better to customers' needs

Actions: customized solutions, long-term and valued relationships

With regard to our employees

Objective: strengthen the company's attractiveness

Actions: an attractive remuneration policy, recognition for performance

Objective: promote social dialogue

Actions: clear and transparent information, the NEWCO - European Work Council

Objective: develop skills

Actions: more frequent and specialized training programs, sharing "best practices"

With regard to our environment

Objective: environmentally friendly manufacturing and recycling

Actions: regular environmental audits, a subsidiary specializing in waste reclamation

Objective: measure and certify

Actions: monitoring the impacts of our manufacturing activities, an internal EHP quality label

Objective: environmentally friendly R&D

Actions: improved fire-resistant and flame-retardant cables, elimination of toxic substances in cable components, etc.

WITH REGARD TO OUR SHAREHOLDERS

We build a sustainable profitability

In 2004, Nexans' share price rose by 9.13% whereas the SBF 120 index increased 8.16%. Nexans' share price thus significantly outperformed its reference index.

A BALANCED SHAREHOLDER BASE

Following the sale of Alcatel shares on March 16, 2005, institutional investors hold 80% of the share capital. Half of them represent French institutional investors. The percentage of individual shareholders (8%) declined following the share price's increase above its introductory price, yet it remains at a very satisfactory level. Through employee profit sharing and corporate savings plans, Nexans employees collectively hold 1% of the share capital, ranking them among the Group's top thirty shareholders.

AN INCREASING DIVIDEND

Confident in its prospects and financial stability, Nexans wishes to encourage the shareholders supporting its growth. In line with this, at the Ordinary General Shareholders' Meeting on June 2, 2005, the Board of Directors will propose the payment of a 0.50 euro dividend per share, more than two times the dividend paid in 2003 (0.20 euro).

SUSTAINED COMMUNICATION

Providing regular, transparent and rigorous information remains a priority for Nexans. To this end, a series of tools adapted to the needs of each category of investor was made available in 2004:

- briefings for all market players upon the publication of the half-year and year-end results and meetings with the Group's executive management,
- information meetings and presentations for individual shareholders,
- Shareholders' Newsletters. Two issues were published in May and November 2004,
- availability of all Group financial information on the corporate web site: www.nexans.com.

KEY SHAREHOLDER INFORMATION

		2004	2003	2002
Number of shares issued (at December 31)		23,189,947	23,128,972	23,121,472
Net earnings per share ⁽¹⁾		2.71 euros	0.06 euro	(1.78) euro
Net assets per share ⁽²⁾		46.83 euros	45.01 euros	46.73 euros
Global dividend		11.9 millions of euros	4.6 millions of euros	4.6 millions of euros
Share price	highest	34.60 euros	27.09 euros	24.30 euros
	lowest	25.09 euros	10.27 euros	9.50 euros
	period end	28.93 euros	26.51 euros	15.22 euros

⁽¹⁾ Calculated from the average weighted number of shares in circulation.

⁽²⁾ Calculated from the number of shares in circulation at December 31.

2005 FINANCIAL CALENDAR

Annual Shareholders' Meeting	June 2, 2005
Individual shareholders' information meeting in Toulon (France)	June 16, 2005
Publication of 2005 first-half sales	July 21, 2005
Publication of 2005 third-quarter sales	October 18, 2005
Individual shareholders' information meeting in Grenoble (France)	November 14, 2005
Individual shareholders' information meeting in Lille (France)	December 5, 2005

NEXANS' SHARE PRICE (from January 1st, 2004 to March 31, 2005)



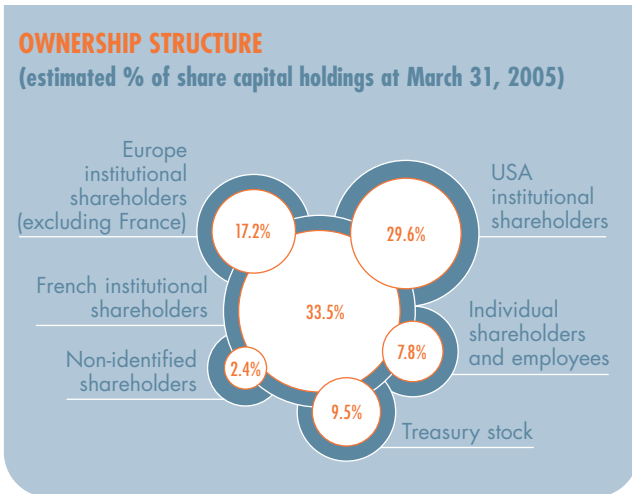
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 www.nexans.com

we are able to develop more value-added solutions. Working in synergy with Nexans' Global Product Managers and Key Account Managers, who know the ins and outs of Nexans' product offering and, above all, their customers' plans and expectations, is critical. This strategy allows the Group to identify technological needs and define the developments that should have priority.

A WELL-PERFORMING, GLOBAL ORGANIZATION

Nexans' R&D organization consists of several different levels. First and foremost, the Nexans Research Center (NRC) employs fundamental research advances and essentially works on researching and improving cable components (sheath, conductor and insulation). In 2004, the addition of materials research teams based in Lyon and Nuremberg to the NRC strengthened this area. By bringing together the skills and expertise of NRC's researchers (60 employees), Nexans is equipped with a unique tool and strengthened expertise in the areas of polymer research and notably thermoplastic materials. The second level of Nexans' R&D involves applied research. The Group's nine Competence Centers conduct applied research globally and are specialized by key products or technologies. Furthermore, Nexans is working to reinforce its research and development teams in areas outside of Europe, and notably in Asia.



WITH REGARD TO OUR CUSTOMERS

Anticipating customers' needs for tomorrow

Owing to Research and Development that is in touch with our customers' needs and that integrates the marketing priorities defined by the Strategic Operations Department, Nexans strives to develop innovative solutions, thereby continuously adapting to changes in its markets. Likewise, every day the Group improves the quality of its products and processes.

R&D GEARED TOWARDS OUR CUSTOMERS

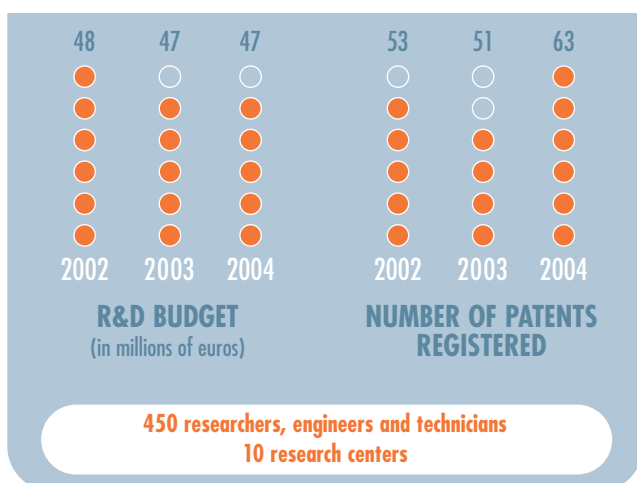
Innovation is a key factor of success. After identifying the most promising market segments and sectors, Nexans restructured its R&D in 2004 to align it more with the Group's marketing priorities. The goal of the new organization is to shorten development lead-time and facilitate the transition from research on materials to product applications. By always listening to the customer and attentively observing the manufacturing processes and customers' uses of Nexans products,

STATE-OF-THE-ART TECHNOLOGY PROGRAMS TO MEET NEW EXPECTATIONS

The R&D programs implemented involve all of Nexans' activities. In the area of energy, efforts are focused particularly on high-temperature superconductivity and further innovation in submarine cables. In telecommunications, the priority area of development remains high speed rates for data transmission and modifying cable structures: micro blown fiber cables, combined copper and fiber-optic networks, high-bandwidth data cables for Local Area Networks (LANs), and plastic optical Fiber-To-The-Home applications. Improved performance and ease of installation are areas of particular interest. However, governmental and consumer requirements in environmental and safety matters represent another set of large-scale challenges for Nexans. Our research thus involves not only the performance of cables in the event of fire and adapting to more stringent standards particularly in Europe, but also focuses on eliminating toxic compounds in cable components and recycling cables at the end of their useful lives.

SHARING KNOWLEDGE AND EXCHANGING "BEST PRACTICES"

Because knowledge of the R&D programs and advanced technologies are critical to driving innovation and guaranteeing that identical quality standards are disseminated throughout the Group, Nexans strongly encourages communication and information exchanges. All Competence Center managers regularly attend technical conventions. The exchange of "best practices" is organized through Nexans' dedicated Intranet network, and technical information newsletters are distributed throughout the Group. Finally, constant contacts with the Global Product Managers and the marketing network enable Nexans to adapt the R&D programs underway at any time to changes in customers' expectations and needs.



RESEARCH PARTNERS AND PARTICIPATING IN STANDARDIZATION COMMITTEES

Fundamental research partners link Nexans with the world's most prestigious universities and research centers in areas such as super-conductor research and research in materials and plastic optical fibers in particular. With regard to standardization, the Group plays a major role in the cable and cabling systems industry and participates in international standardization meetings in all of the sectors and activities in which it is involved. As an example, Nexans actively participated in 2004 in the efforts of committees working to develop the EC Construction Products Directive.

WITH REGARD TO OUR PERSONNEL

We promote a dynamic human resources management

Recognizing performance, developing assessment, career management, professional growth... Nexans is working to mobilize its personnel, to diversify and to develop skills. In an especially competitive market, the Group's value-added depends first and foremost on dynamic human resources management.

THE SUCCESS OF THE REORGANIZATION

The Group's new organization, launched in 2003, was handled and accompanied by the Human Resources Department. Along with the training sessions that were implemented in 2003 and that continued in 2004, a new information collection system was developed to equip Nexans with a more complete set of data on its personnel. New indicators were developed with regard to the employee structure, training, safety and work conditions, etc. As a complement to the annual "Organization & People" review, which draws up a country-by-country report on the available skills, this tool will enable the Group to measure in particular the impact of training and growth programs that will be launched in 2005.

MANAGED GROWTH IN PERSONNEL

In 2004, Nexans' restructuring programs were continued in Europe and North America essentially. These reorganizations, necessary to adapt the Company to its markets, were conducted according to local restructuring plans. For example, in France, owing to the efforts of grade-adjustment cells, out of the 279 jobs affected, only a dozen people are still waiting for a solution. In the United States, the sale of the winding wire activities led to the closing of the production plant in Lagrange. Nexans' consolidated growth in its workforce, which increased from 17,000 in 2003 to 20,000 at January 1st, 2005, is related to the acquisition of Liban-Câble in the Middle East (Lebanon), Cabloswiss in Italy, and the consolidation of the personnel in the Autoelectric subsidiaries, entities specialized in automotive cables and harnesses in Germany, Eastern European countries and Mexico.

MAKING NEXANS STILL MORE ATTRACTIVE

Remuneration, training and career management are the primary tools for motivating personnel and constitute important concerns for skills development within the Company. With regard to salaries, Nexans aligns its pay with other large international corporations. Based on the objective evaluation of each employee's results, remuneration is broken down into a fixed portion and an individual bonus, calculated on the basis of collective and individual criteria. In addition, commercial team members also enjoy profit sharing and bonuses tied to their entity's results. With regard to training, several programs aimed at improving performance were implemented for each category of personnel. In addition to the individual, technical-marketing, or sales training offered by the countries, ongoing cross-organizational improvement programs for industrial performance, such as "Program +", aim to develop know-how and exchange of best practices within the Group. For some fifteen senior executives of different nationalities, the second session of "Nexans Executive Training", spearheaded by the European School of Management, ESCP-EAP, and various Group executives, was also organized in 2004. Finally, an important training program intended to improve sales methodologies for Nexans salespeople, "Sales +", was conceived and is currently being implemented.

AN OPEN COMPANY DIALOGUE

Through Newco (Nexans European Work Council), Nexans maintains a constructive and open dialogue between labor and management based on sharing information and the presentation of the Group's plans and strategic options. In 2004, this Council continued to meet twice a year.

DEVELOPING BETTER PEOPLE MANAGEMENT

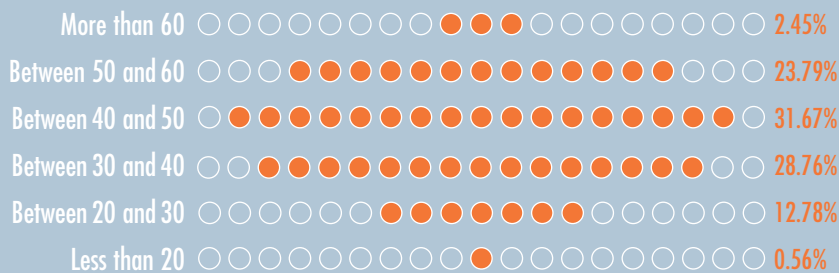
Nexans' Strategic Plan includes an important "human resources" component. The objective is to ensure that the Group has the skills available that it needs today as well as those that it requires to attain its objectives. This policy relies on a strong commitment by the Country Managers and a specific action plan implemented at the Group level. It calls for the widespread and systematic use of tools already existing within the Group. Each employee has the right to an annual "career review" with his or her manager. From this, the Country Manager draws up a balance sheet of the skills available and training required to fulfill the entity's objectives. Succession plans will be systematized in every country. New methods will be developed: a "career committee" will be established and adapted for each country based on the career review regularly conducted by the local human resource managers; Internet job exchanges will be developed; and emphasis will be placed on recruiting candidates who wish to work abroad in order to encourage mobility. These actions will be subject to an annual review by the Executive Committee, which will assess their implementation and organize follow-up actions.

224,000 hours of training
(internal or external in technical areas, languages or management)

26.7 workplace accidents with stoppages
(per million work hours)

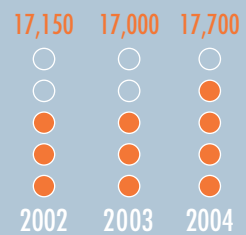
4.58% average absenteeism
(due essentially to sickness: 54.2%; maternity leave: 14.1%; leave without pay: 13.8%; and accidents at or on the way to work: 12%)

0.92 day lost
(per thousand work hours)



AVERAGE AGE

16% women • 84% men



EMPLOYEES

WITH REGARD TO THE ENVIRONMENT

We control our production processes and the impact of our activities

Today, managing the environmental impacts of their activities has become an imperative for most industrial companies. Nexans' investments in optimizing its energy consumption, innovation, and recycling have enabled the Group to plan its growth in a transparent and environmentally friendly way.

RIGOROUS ORGANIZATION AND MANAGEMENT

The Group's environmental policy and action are managed by Nexans' Corporate Industrial Management, which reports directly to the Strategic Operations Department. The role of corporate Industrial Management is to define and oversee industrial strategy, the investment budget, the engineering aspect of major industrial projects. The department also manages the Group's machinery. The environmental guidelines and objectives laid down by Corporate Industrial Management apply to the entire company worldwide, including the Group's subsidiaries abroad. Nexans voluntarily implemented this environmental management system based on a structured approach and clearly defined principles set out in a Charter entitled "Maîtrise des risques" (Managing Risks) and, as of 2004, in a Group Environmental Manual. The initial objective of this system, as defined in the Charter signed by the Chairman, is the continuous improvement of our production facilities through safety and environmental audits and assessment of the risks associated with our products and manufacturing techniques. The Group Environmental Manual describes in detail all of the policies and systems in place as well as the tools available to the production facilities.

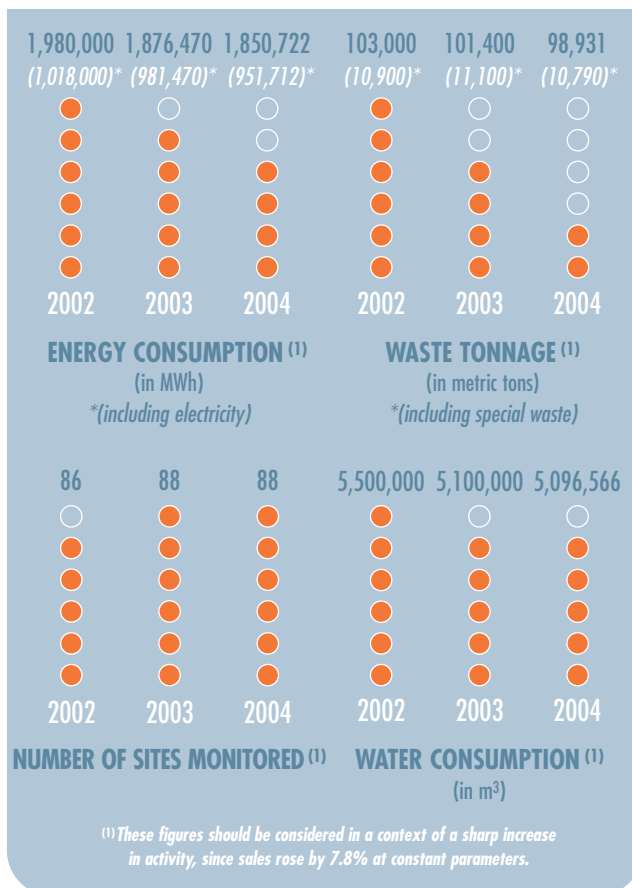
BETTER MEASUREMENT AND MANAGEMENT OF THE IMPACTS OF OUR ACTIVITIES

Cables are not pollutants in themselves. Their production, however, consumes energy and raw materials and thus has an impact on the environment. To better measure and manage this impact, Nexans has relied for more than ten years on the "Environment Questionnaire". This questionnaire, sent to the safety and environmental managers of every one of the Group's industrial sites, reviews all of the key points of good environmental management. Among others, it assesses the

degree to which the entities comply with legal regulations; consume raw materials, water and energy; manage industrial waste, volatile components and noise emissions; and the level of protection of the soil and groundwater. The questionnaire also allows the Group to account for investments made by the production facility in each of these areas. The Group's Environmental Management Department scores each production facility on a scale of 1 (excellent) to 4 (corrective action immediately required) on each question, according to a scoring key that is updated annually. In 2004, additional points were added relating to recycling and waste reuse, as well as questions relating to the identification of major environmental risks (accompanied by specific crisis management plans) and the storage of hazardous liquids.

A CONSISTENT AND EFFICIENT AUDIT SYSTEM

As a complement to the "Environment Questionnaire", in 2003 Nexans implemented an environmental audit program and developed an internal label, EHP (Highly Protected Environment), denoting compliance with the highest environmental standards.



This audit program is intended to disseminate proper environmental management practices within the Nexans Group. At a pace of 25 sites audited per year by an outside specialized company, the goal is to award the EHP label to 80% of Nexans' industrial sites in the next three years. At the end of 2005, nearly all of Nexans' factories will have been subject to an audit. Nonetheless, the intensive and consistent pace of these audits will continue in order to measure the implementation of the recommendations made. It is worthy to note that, to date, approximately twenty Nexans sites have obtained ISO 14001 certification.

THE ENVIRONMENTAL MANUAL, A REFERENCE TEXT FOR EVERY NEXANS PRODUCTION SITE MANAGER

The Group's Environmental Manual, published in 2004 after approval by Nexans' Executive Committee, was widely distributed to all country and production site managers in the Group. The Manual provides a comprehensive and detailed description of all Nexans' Group objectives, procedures, tools and environmental policies: samples of the Environment Questionnaire, examples of the scoring key, audit procedures, and procedures for obtaining the EHP label... With this tool, Nexans has equipped itself with a corporate reference guide for proper environmental management that is shared among all its factories.

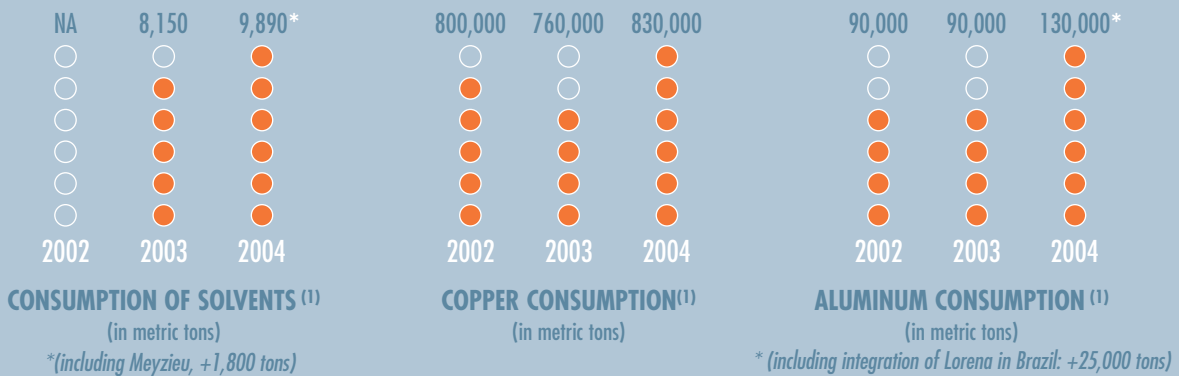
SPECIFIC INVESTMENTS IN 2004

Nexans' production facilities undertook numerous environmental investments in 2004. One action focused notably on eliminating transformers insulated with askarel (PCB), mainly in France (5 sites involved in 2004). Particular attention was

also devoted to the protection of stored liquid: several improvements (dedicated zones, building construction, purchases of cabinets, etc.) were made, for example, in Nuremberg (Germany) to store softening agents, and in Weyburn (Canada), with the purchase of liners for fuel oil tanks, for example. Similar efforts will continue in the coming years. The Group is particularly vigilant in phasing out single-wall underground storage tanks. With regard to power consumption, the production sites are systematically encouraged to adopt cleaner, more economical natural gas heaters, as was done in the Fergus (Canada) factory in 2004. The treatment and disposal of wastewater are among Nexans' major concerns and accounted for numerous investments, such as in Buizingen and Charleroi (Belgium), Chauny and Fumay (France), New Holland (USA) and Mönchengladbach (Germany). Effort and investment were devoted to retaining water for fire extinction in Paillart and Mehun (France), Neunburg and Arolsen (Germany). In total, specific investment programs launched in 2004 for the environment amounted to 2.33 million euros (versus 1.8 million in 2003). In addition, the Group dedicated investment to design and offer new environmentally and friendly products on the market, such as the Alsecure program launched in six European countries, superconductor links in the USA, cables for wind turbines in Norway, etc.

R&D THAT ANTICIPATES ENVIRONMENTAL IMPACT AND COMMUNITY EXPECTATIONS

Nexans perfected its use of EIME calculation software to evaluate the environmental impact of a product from its conception and throughout its life cycle. The indicators concerned involve the acidity and toxicity of cables, energy and water leakage, impacts on the ozone layer, etc. Nexans' Research



⁽¹⁾ These figures should be considered in a context of a sharp increase in activity, since sales rose by 7.8% at constant parameters.

and Development considers these indicators in the design and development of new products. In 2004, the Group developed processes that consume less energy and worked to develop new products for wind turbines, to replace lead stabilizers in cables, to reduce solvents in varnishes for winding wires and more generally, to develop new, cleaner, halogen-free and fire-resistant/flame-retardant materials.

RECYCLING AND WASTE RECOVERY

The Nexans Group has for many years been very involved in recycling its manufacturing waste. Its RIPS subsidiary recycled

18,700 tons of cable waste in 2004 (versus 16,420 in 2003) originating from all of the Group's European production facilities. RIPS serves producers of manufacturing waste (cable factories) and also handles discarded cables, which the entity collects and recycles by grinding the material for reuse. Furthermore, Nexans systematically sorts waste in its factories, allowing for the reuse or recycling of discarded wood, paper, cardboard, ferrous metals and oils. Nexans made specific investments in this area in 2004, including the integration of color-coded waste bins to optimize sorting efforts in Charleroi (Belgium), the purchase of a bin loader in Chauny (France), etc.

Main impact of Nexans' activities

Activity	Resources used	Action by Nexans to end 2004
Copper and aluminum metallurgy	<ul style="list-style-type: none"> The main resources consumed are energy (natural gas) for metal casting and water for steam and cooling 	<ul style="list-style-type: none"> → 95% of the consumed water is recycled <i>Several countries made specific investments in 2004 relating to water consumption and treatment of used water</i> → Efforts to reduce the amount of copper dust released into the atmosphere
Copper power and telecom cables	<ul style="list-style-type: none"> Conductor manufacturing consumes electrical power for annealing and oily water for drawing lubrication Cooling water Low air emissions Consumption of solvents is very low compared with the volume of cables manufactured (mainly for marking inks) 	<ul style="list-style-type: none"> → Wastewater is filtered, treated, and recycled <i>In 2004, Nexans invested 60,000 euros for filtration of drawing lubrication, notably in Lens (France)</i> → Recycled water <i>In 2004, specific investments were made in Buizingen and Charleroi (Belgium), Fumay (France), New Holland (USA) and Mönchengladbach (Germany)</i> → Treated by filtered vacuum cleaners → Handled specifically: small storage cabinets or fume hoods
Winding wires	<ul style="list-style-type: none"> Compared with other products manufactured by Nexans, the manufacture of winding wires requires more solvents (4,900 tons in 2004) for making varnishes and energy for varnish baking Cooling water Enameling varnish 	<ul style="list-style-type: none"> → Specific investments are made to reduce the release of solvent vapors into the air <i>In Chauny (France) in 2004, 75,000 euros were spent on varnish-laying techniques to meet the requirements of new European legislation on emissions</i> → Low consumption → Manufactured at a single Nexans site classified Seveso 2 (low level), which meets all requirements of the legislation, more specifically with regard to a crisis plan in the event of accident or pollution