

Consolidated income statement

<i>in millions of euros</i>	First-half 2011	First-half 2010
Net sales	3,527	2,955
Metal price effect*	(1,241)	(855)
Sales at constant metal prices*	2,287	2,100
Cost of sales	(3,118)	(2,594)
Cost of sales at constant metal prices*	(1,878)	(1,739)
Gross profit	409	361
Administrative and selling expenses	(255)	(241)
R&D costs	(37)	(37)
Operating margin*	117	83
Core exposure effect**	21	50
Net asset impairment	(6)	(26)
Changes in fair value of non-ferrous metal derivatives	(3)	(8)
Net gains on asset disposals	4	2
Acquisition-related costs	(1)	-
Restructuring costs	(13)	(56)
Fines related to antitrust investigations***	(200)	-
Operating income / (loss)	(81)	45
Cost of debt (gross)	(43)	(35)
Income from cash and cash equivalents	6	3
Other financial expenses	(14)	(8)
Share in net income (loss) of associates	(1)	(0)
Income / (Loss) before taxes	(133)	5
Income taxes	(19)	(20)
Net income / (loss) from continuing operations	(152)	(15)
Net income from discontinued operations	-	-
Net income / (loss)	(152)	(15)
Attributable to owners of the parent	(151)	(17)
Attributable to non-controlling interests	(1)	2
Attributable net income / (loss) per share (in euros)		
- basic earnings per share	(5.29)	(0.62)
- diluted earnings per share	(5.29)	(0.62)

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

** Effect relating to the revaluation of Core exposure at its weighted average cost. In first-half 2010, this line also included a 15 million euros negative impact arising from a sharp reduction in the volume of Core exposure during the period, following the restructuring of Nexans' European metallurgy operations, as well as the Group's ongoing efforts to reduce working capital requirement. This effect was offset by a positive impact included in Operating margin.

*** A 200 million euros reserve has been recorded for the risk related to the European Commission proceeding for anticompetitive behavior.

Consolidated statement of comprehensive income

<i>in millions of euros</i>	First-half 2011	First-half 2010
NET INCOME /(LOSS) FOR THE PERIOD	(152)	(15)
Available-for-sale financial assets	(0)	(0)
- Gains (losses) generated during the period (net of tax)	(0)	(0)
- Amounts recycled to the income statement (net of tax)	-	-
Currency translation differences	(50)	165
- Gains (losses) generated during the period (net of tax)	(50)	165
- Amounts recycled to the income statement (net of tax)	-	-
Cash flow hedges	(31)	(27)
- Gains (losses) generated during the period (net of tax)	(14)	(3)
- Amounts recycled to the income statement (net of tax)	(17)	(24)
Share of other comprehensive income of associates	-	-
Total other comprehensive income / (loss)	(81)	138
Total comprehensive income / (loss)	(233)	123
Attributable to owners of the parent	(231)	118
Attributable to non-controlling interests	(2)	5

Consolidated statement of financial position

<i>in millions of euros</i>	June 30, 2011	Dec. 31, 2010
ASSETS		
Goodwill	366	378
Other intangible assets	179	193
Property, plant and equipment	1,140	1,170
Investments in associates	6	7
Other non-current financial assets	39	44
Deferred tax assets	88	82
Other non-current assets	24	23
NON-CURRENT ASSETS	1,842	1,897
Inventories and work in progress	1,149	1,059
Amounts due from customers on construction contracts	238	189
Trade receivables	1,225	1,126
Other current financial assets*	309	322
Current income tax receivables	16	18
Other current non-financial assets	107	106
Cash and cash equivalents	558	795
Assets and groups of assets held for sale	21	1
CURRENT ASSETS	3,623	3,616
TOTAL ASSETS	5,465	5,513
EQUITY AND LIABILITIES		
Capital stock	29	29
Additional paid-in capital	1,286	1,283
Retained earnings and other reserves	420	603
Other components of equity	169	249
Equity attributable to owners of the parent	1,904	2,164
Non-controlling interests	41	43
TOTAL EQUITY	1,945	2,207
Pension and other retirement benefit obligations	300	308
Other long-term employee benefit obligations	16	16
Long-term provisions**	241	58
Convertible bonds	490	479
Other long-term debt	354	354
Deferred tax liabilities	125	130
NON-CURRENT LIABILITIES	1,526	1,345
Short-term provisions	92	92
Short-term debt	261	255
Liabilities related to construction contracts	245	202
Trade payables	1,063	1,077
Other current financial liabilities	79	97
Accrued payroll costs	183	179
Current income tax payables	15	27
Other current non-financial liabilities	48	32
Liabilities related to groups of assets held for sale	8	1
CURRENT LIABILITIES	1,994	1,961
TOTAL EQUITY AND LIABILITIES	5,465	5,513

* Of which 181 million euros (150 million euros at December 31, 2010) worth of short-term financial assets included in the calculation of consolidated net debt at June 30, 2011.

** Including a 200 million euros reserve at June 30, 2011 relating to the European Commission proceeding for anticompetitive behavior.

Consolidated statement of cash flows

<i>in millions of euros</i>	First-half 2011	First-half 2010
Net income attributable to owners of the parent	(151)	(17)
Net income attributable to non-controlling interests	(1)	2
Depreciation, amortization and impairment of assets (including goodwill)*	76	104
Cost of debt (gross)	43	35
Core exposure effect**	(21)	(50)
Other restatements***	189	51
Cash flows from operations before gross cost of debt and taxes****	135	125
Decrease (increase) in receivables	(183)	(113)
Decrease (increase) in inventories	(98)	(48)
Increase (decrease) in payables and accrued expenses	80	57
Income tax paid	(33)	(27)
Impairment of current assets and accrued contract costs	3	(3)
Net change in current assets and liabilities	(231)	(134)
Net cash generated from (used in) operating activities	(96)	(9)
Proceeds from disposals of property, plant and equipment and intangible assets	7	2
Capital expenditures	(64)	(54)
Decrease (increase) in loans granted and short-term financial assets	(29)	0
- of which margin calls on metal derivatives	-	-
Purchase of shares in consolidated companies, net of cash acquired	(8)	(1)
Proceeds from sale of shares in consolidated companies, net of cash transferred	0	7
Net cash generated from (used in) investing activities	(94)	(46)
Net change in cash and cash equivalents after investing activities	(190)	(55)
Proceeds from (repayment of) long-term borrowings	0	13
- of which proceeds from new borrowings	7	14
- of which repayments	(7)	(1)
Proceeds from (repayment of) short-term borrowings	49	52
Cash capital increases (reductions)	4	3
Interest paid	(54)	(38)
Transactions with owners not resulting in a change of control	-	-
Dividends paid	(32)	(32)
Net cash used in financing activities	(33)	(2)
Net effect of currency translation differences	(10)	26
Net increase (decrease) in cash and cash equivalents	(233)	(31)
Cash and cash equivalents at beginning of period	783	810
Cash and cash equivalents at period-end	550	779
<i>Of which cash and cash equivalents recorded under assets</i>	558	793
<i>Of which short-term bank loans and overdrafts recorded under liabilities</i>	(8)	(14)

* Including the portion of restructuring costs corresponding to impairment of non-current assets.

** Effect relating to the revaluation of Core exposure at its weighted average cost which has no cash impact.

*** In the first half 2011, this item included 200 million euros in relation to offsetting the reserve relating to the European Commission proceeding for anticompetitive behavior, 19 million euros in relation to offsetting the Group's income tax charge and a negative 27 million euros to cancel the net change in operating provisions (among which pensions and restructuring provisions).
In the first half 2010, this item included 20 million euros in relation to offsetting the Group's income tax charge and 22 million euros to cancel the effect of changes in fair value of metal and foreign exchange derivatives.

**** The Group also uses the "operating cash flow" concept which is mainly calculated after adding back cash outflows related to restructurings (30 million euros at first half 2011 and 32 million euros at first half 2010), and deducting gross cost of debt and the current income tax paid over the period.

Information by reportable segment

First-half 2011 <i>(in millions of euros)</i>	Electrical wires	Energy	Telecom	Other	Group total
Contribution to net sales at current metal prices	483	2,752	273	19	3,527
Contribution to net sales at constant metal prices	144	1,906	221	16	2,287
Operating margin	10	106	13	(12)	117
Depreciation, amortization and impairment of assets (including goodwill)	(2)	(66)	(6)	(2)	(76)

First-half 2010 <i>(in millions of euros)</i>	Electrical wires	Energy	Telecom	Other	Group total
Contribution to net sales at current metal prices	368	2,330	242	15	2,955
Contribution to net sales at constant metal prices	137	1,743	206	13	2,100
Contribution to net sales at constant metal prices and 2011 exchange rates	138	1,759	205	14	2,116
Operating margin	6	76	10	(9)	83
Depreciation, amortization and impairment of assets (including goodwill)	(1)	(84)	(6)	(1)	(92)

Information by major geographic area

First-half 2011 <i>(in millions of euros)</i>	France**	Germany	Norway	Other	Group total
Contribution to net sales at current metal prices*	556	383	339	2,249	3,527
Contribution to net sales at constant metal prices*	387	300	309	1,291	2,287
Non-current assets (IFRS 8)*	139	129	168	1,255	1,691

* Based on the location of the assets.

** Including Corporate activities.

First-half 2010 <i>(in millions of euros)</i>	France**	Germany	Norway	Other	Group total
Contribution to net sales at current metal prices*	497	300	289	1,869	2,955
Contribution to net sales at constant metal prices*	388	244	268	1,200	2,100
Contribution to net sales at constant metal prices and 2011 exchange rates**	388	244	274	1,210	2,116
Non-current assets (IFRS 8)*	147	133	137	1,318	1,735

* Based on the location of the assets.

** Including Corporate activities.

Information by major customer

The group did not have any customers that individually accounted for over 10% of its sales neither over half-year 2011 nor over half-year 2010.