

Press release

Nexans: a 23 million Euro contract with Statoil

To supply subsea direct electrical heating system contract for the Tyrihans oil and gas field in Norway

Paris, 21 April 2006 - Nexans, the worldwide leader in the cables industry, has won a 23 million Euro order from Statoil to supply a direct electrical heating (DEH) system for the subsea flowlines on the Tyrihans oil and gas field in the Norwegian Sea.

The contract covers the delivery of 46 km of Nexans 52 kV cable and associated equipment to Statoil, the operator of the Tyrihans field, for installation on the flowlines that will connect the subsea facilities with the floating production platform. The DEH system will be used to keep the pipelines clear of potential blockages by heating them from the ambient water temperature (approx 6°C) to around 27°C, so preventing the formation of hydrate (hydrocarbon ice) and wax plugs that can occur during production shutdowns and periods of low production rates.

Atle Børnes, Statoil's direct electrical heating specialist, says "Nexans is the world leader in supplying direct electrical heating cables. It was chosen for this contract due to the proven solution it could offer for Tyrihans."

Extensive DEH technology qualification work has been carried out for the Tyrihans project by Sintef Energy Research in collaboration with Nexans. This unique research represents important progress in the application of underwater cables. "The result is that it is now possible to heat much longer pipes", says Børnes.

The DEH system cables will be manufactured at the Nexans factory in Halden, Norway and should be delivered in the spring of 2008.

How DEH works

The DEH system is based on the fact that an electric alternating current (AC) in a metallic conductor generates heat. The pipe to be heated is an active conductor in a single-phase electric circuit, with a single core power cable as the forward conductor. The cable is located parallel with and close ('piggyback') to the heated pipe. The system is supplied via a dynamic riser cable from the platform power supply. The riser cable includes two power cores, one as a feeder and one as return cable.

About Tyrihans

Tyrihans is located on Haltenbanken in the Norwegian Sea, approx, 35 km south-east of the Kristin field and 25 km south-east of the Åsgard field. Total recoverable resources in the deposit are estimated at approx. 29 million cubic meters of oil and 35 billion cubic meters of gas. Production start-up is planned for 2009.

The gas from Tyrihans will be sent via Åsgard Transport to Kristin for processing. Oil and condensate will be stored on the Åsgard C facility.

The deposit will be developed using five subsea templates and 12 wells. Subsea pumps will be used for injection of seawater, while gas will also be injected from the Åsgard field.

Plateau production for gas is expected to be about 13 million cubic meters per day, while plateau production for liquid is expected to be 13,000 cubic meters per day.

Tyrihans is expected to produce oil up to 2025.

About Nexans

Nexans is the worldwide leader in the cable industry. The Group brings an extensive range of advanced copper and optical fibre cable solutions to the infrastructure, industry and building markets. Nexans cables and cabling systems can be found in every area of people's lives, from telecommunications and energy networks, to aeronautics, aerospace, automobile, railways, building, petrochemical, medical applications, etc. With an industrial presence in 29 countries and commercial activities throughout the world, Nexans employs 20,000 people and had sales in 2005 of 5.4 billion euros. Nexans is listed on the Paris stock exchange. More information available on www.nexans.com

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