



Press Release

Nexans partners with Sumitomo Electric in Fiber-To-The-Home (FTTH) in Europe

Paris, December 5, 2008 – Nexans and Sumitomo Electric Industries, Ltd. (SEI), the worldwide leaders in the cable industry, today announced that they have reached an agreement to collaborate in optical fiber cable business for terrestrial telecommunications in Europe. This agreement concerns more specifically the deployment of Fiber-To-The-Home (FTTH) networks and more generally FTTx applications.

In the frame of this agreement, SEI has entered into a joint venture agreement with Nexans to acquire 40% of the share capital of Opticable, a wholly-owned subsidiary of Nexans, based in Belgium, and fully dedicated to the design and manufacture of optical fiber cables for telecom terrestrial application. The transaction is subject to the approval of antitrust authorities and is expected to close by early 2009.

SEI is a major manufacturer of electric cables, optical fibers and components, and within the TOP 5 of the world fibre producers, recognized as a leader in the FTTH related technology.

Through investing in the Nexans subsidiary of Opticable in Belgium, SEI will join Nexans in enhancing the joint activity of both companies in the growing European FTTH market. The synergies of Nexans' cable manufacturing facilities and its Sales & Network Engineering competences, combined with SEI's optical fiber production capacity and FTTH communications technology are expected to bring added value to the European FTTH market.

A strategic move for further growth in the FTTH market

"This joint venture agreement constitutes the last phase of the Nexans telecom strategy. After divesting in telecom copper infrastructure cable with the sale of its Santander unit, Nexans strengthens its position in the FTTH growing sector. By partnering with Sumitomo, a leader in the FTTH industry, Nexans increases its R&D and production capacity to meet the European telecommunications operators' needs in their broadband deployment, offering the best in class optical fiber cable technologies and solutions", said Pascal Portevin, Chief Corporate Officer in charge of Strategic Operations for Nexans.

About Nexans

With energy as the basis of its development, Nexans, the worldwide leader in the cable industry, offers an extensive range of cables and cabling systems. The Group is a global player in the infrastructure, industry, building and Local Area Network markets. Nexans develops solutions for energy, transport and telecom networks and for customers engaged in shipbuilding, oil and gas, nuclear power, automotive, electronics, aeronautics, handling and automation. With an industrial presence in 39 countries and commercial activities worldwide, Nexans employs 22,800 people and had sales in 2007 of 7.4 billion euros. Nexans is listed on Euronext Paris, compartment A. More information on <http://www.nexans.com/>

About SEI

Sumitomo Electric Industries, Ltd. (TSE: 5802) designs, manufactures, and sells electric cables, optical fibers and components, advanced electronic devices, automotive parts, cemented carbide tools and special steel wires—products that play an essential part in supporting the economic infrastructure. Thanks to the success of its research and development strategy, as well as business strategy, SEI has become one of the world's leading companies in these product fields and is at the forefront of the information-communication technology revolution. The SEI Group employs more than 150,000 people worldwide and had sales in 2007/2008 of \$25.3 billion. More information on <http://www.sei.co.jp/>

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