
Internal Control Report*

Statutory Auditors' report, prepared in accordance with the last paragraph of article L.225-235 of the French Commercial Code (*Code de Commerce*), on the report prepared by the Chairman of the Board of Directors of Nexans, S.A. Company, describing the internal control procedures relating to the preparation and processing of financial and accounting information.

To the Shareholders,

In our capacity as Statutory Auditors of Nexans, S.A. Company, and in accordance with the last paragraph of article L.225-235 of the French Commercial Code (*Code de Commerce*), we hereby present our report on the report prepared by the Chairman of your company in accordance with article L.225-37 of the French Commercial Code (*Code de Commerce*) for the year ended December 31, 2003.

Under the responsibility of the Board of Directors, it is for management to determine and implement appropriate and effective internal control procedures. It is for the Chairman to give an account, in his report, of the conditions in which the tasks of the Board of Directors are prepared and organized and the internal control procedures in place within the company.

It is our responsibility to report to you our observations on the information and assertions set out in the Chairman's report on the internal control procedures relating to the preparation and processing of financial and accounting information.

In accordance with the professional guidelines applicable in France we have obtained an understanding of the objectives and general organization of internal control, as well as the internal control procedures relating to the preparation and processing of financial and accounting information, as set out in the Chairman's report.

On the basis of the procedures we have performed, we have no matters to report in connection with the description of the internal control procedures relating to the preparation and processing of financial and accounting information, contained in the Chairman of the Board of Directors' report, prepared in accordance with article L.225-37 of the French Commercial Code (*Code de Commerce*).

Neuilly-sur-Seine and Paris, March 18, 2004

The Statutory Auditors

RSM Salustro
Reydel
Benoît Lebrun

Barbier Frinault et Autres
Alain Gouverneyre

*Free translation from the original French report

Person responsible for the reference document

Paris, April 28, 2004

" To my knowledge, the information provided in this reference document is true and gives all elements necessary for investors to evaluate the assets, the business, the financial situation, the revenue and the outlook of the Company. No information has been omitted which is likely to affect the reliability of this reference document. "

The Chairman of the Board,
G rard Hauser

Auditors' Report on the information presented in the Reference Document ("Document de R f rence")

This is a free translation into English of the Statutory Auditors' Report on the reference document issued in the French language and is provided solely for the convenience of English speaking readers. The Statutory Auditors' reports on financial statements and consolidated financial statements, referred to in this report, include information specifically required by French law in all audit reports, whether qualified or not, and this is presented after the Opinion on the financial statements. This information includes explanatory paragraphs discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the annual and consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the annual and consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with French law and professional auditing standards applicable in France.

In our capacity as Statutory Auditors of Nexans, S.A. and in compliance with the French Stock Exchange Regulation Body (COB) Regulation n  98-01, we have verified, in accordance with French professional standards, the information in respect of the financial position and historic financial statements included in the accompanying Reference Document (*Document de R f rence*).

This Reference Document is the responsibility of the Chairman of the Board of Directors of Nexans. Our responsibility is to issue an opinion on the fairness of the information contained therein with respect to the financial position and financial statements.

We conducted our review in accordance with French professional standards. This review consisted in assessing the fairness of the information on the financial position and financial statements and to verify their consistency with the audited accounts. We also reviewed other financial information contained in the Reference Document in order to identify any significant inconsistency with information in respect of the financial position and financial statements and to bring to your attention any obvious misstatements we noted based on our general understanding of the company gained through our audit. The forecasts provided in the Document are the application of the expectations and intentions of Management's strategy.

The prospective information is based on management's expectations and intentions and not on properly prepared projections on individual components of the prospective information.

Barbier Frinault & Autres and Ernst & Young Audit issued an unqualified opinion on the annual and consolidated accounts for the year ended December 31, 2001 drawn up by the Board of Directors, in accordance with French professional standards.

Barbier Frinault & Autres and Ernst & Young Audit issued an unqualified opinion on the annual and consolidated accounts for the year ended December 31, 2002 drawn up by the Board of Directors, in accordance with French professional standards. In their report on individual statements for the fiscal year 2002, without calling into question their opinion, Barbier Frinault & Autres and Ernst & Young Audit have drawn the attention of the shareholders to Note 2 to the financial statements that discloses the change in accounting method corresponding to the first application, from January 1st, 2002, of the "R glement CRC 2000-06" on liabilities. In their report on consolidated statements for the fiscal year 2002, without calling into question their opinion, Barbier Frinault & Autres and Ernst & Young Audit have drawn the attention of the shareholders on Note 1.a) to the financial statements that discloses the change in accounting method corresponding to the first application, from January 1st, 2002, of the "R glement CRC 2000-06" on liabilities.

We issued an unqualified opinion on the annual and consolidated accounts for the year ended December 31, 2003, drawn up by the Board of Directors, in accordance with French professional standards. In accordance with the requirements of article L. 225-235 of French Commercial Code (*Code de Commerce*), introduced by the Financial Security Act of August 1st, 2003, and which came into effect for the first time this year, we reported on the justification of our assessments in our report on the annual and consolidated accounts.

Annual accounts

Justification of our assessments

Financial estimates

Your company records an impairment of the investments it holds when their net book value, which is estimated on the basis of their value in use, is lower than their gross value, as described in note 2.1 to the financial statements.

Our works consisted in assessing the data and hypotheses on which those estimates were made, in reviewing the calculation made by the company, in verifying the consistency of those estimates with those retained in the consolidated financial statements in accordance with the first application, from January 1st, 2003 of the "Règlement CRC N° 2002-10", and in reviewing the acceptance process by management of those estimates.

In the field of our opinion, we verified the reasonable assessment of those estimates.

Consolidated accounts

Comments

Without calling into question our opinion, we draw attention to the matter discussed in Note 1.a) to the financial statements relating to the change in accounting methods that occurred during the year, and that results from the first application, from January 1st, 2003 by anticipation, of the "Règlement CRC 2002-10" on fixed assets.

Justification of our assessments

Change in accounting methods

As mentioned in our comments, Note 1.a) to the financial statements details the change in accounting methods that occurred during the year, and that results from the first application, from January 1st, 2003 by anticipation, of the "Règlement CRC 2002-10" on fixed assets. Our works consisted in verifying the reasonableness of this change in accounting methods and of the presentation made thereof.

Financial estimates

Your company recognizes deferred tax assets in its consolidated financial statements on the basis of business plans, as described in Notes 1.p) and 6 to the financial statements.

Our works consisted in assessing the data and hypotheses on which those estimates were made, in reviewing the calculation made by the company, in comparing the accounting estimates of the former years with the corresponding actual results, in verifying the consistency of those estimates with those retained in accordance with the first application, from January 1st, 2003 of the "Règlement CRC N° 2002-10", and in reviewing the acceptance process by management of those estimates.

In the field of our opinion, we verified the reasonable assessment of those estimates.

The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the unqualified opinion expressed in our reports on annual and consolidated accounts.

We have nothing to report with respect to the fairness of the information on the financial position and financial statements contained in the Reference Document (*Document de Référence*).

Neuilly-sur-Seine and Paris, April 28, 2004

The Statutory Auditors

RSM Salustro
Reydel
Benoît Lebrun

Barbier Frinault et Autres
Alain Gouverneyre

Additional information

The Reference Document includes at page 117 the report of the Statutory Auditors drawn up in accordance with article 225 – 235 of the Commercial Code, on the President of the Board of Directors' report, which describes the internal procedures for compiling and presenting accounting and financial information.