

AGREEMENT

BETWEEN:

NEXANS S.A., a *société anonyme* having its registered office at 8, rue du Général Foy, 75008 Paris – France, registered with the *Registre du commerce et des sociétés de Paris* under number 393 525 852, duly represented by Mr. Frédéric Vincent, in his capacity as Président-Directeur Général (the “Company”);

and

MADECO S.A., a *sociedad anónima* having its registered office at San Francisco 4760, San Miguel – Santiago – Chile, registered under RUT number 91.021.000-9 and registered with the Commerce Registry of Santiago under page 1099N.946 in the year 1994, duly represented by Mr. Francisco Pérez Mackenna, in his capacity as Board Director, duly authorized pursuant to a power of attorney dated 24 March 2011, (“MADECO”, and together with the Company, the “Parties”).

WHEREAS:

- A. The Shares of the Company are admitted to trading and listed on the Euronext Paris market of NYSE Euronext under ISIN Code FR0000044448.
- B. As of the date hereof, the shareholding interest in the Company of MADECO is equal to approximately 9% of the Shares and 8,9% of the Voting Rights.
- C. MADECO has indicated to the Company that the Shareholder intends to increase its shareholding interest up to 20% of the Shares within 3 years as from the Execution Date.
- D. Accordingly, and in furtherance of their respective corporate interest, the Parties have decided to enter into the Agreement to set forth the terms and conditions that shall govern certain of their respective rights and obligations *vis-à-vis* each other.
- E. Prior to the execution of the Agreement, the terms and conditions hereunder were submitted to the Board of Directors, which approved them at its meeting held on March 25, 2011.

THE PARTIES HAVE AGREED AS FOLLOWS:

Article 1 – Definitions

Capitalized terms used and not specifically defined herein (including the Preamble) shall have the meaning set forth in this Article 1, unless the context otherwise requires:

Accretive Transaction: Any share capital reduction of the Company, Share buy-back by the Company or loss of double voting rights by any shareholder other than the Shareholder.

Affiliate: In respect of any entity, any person controlling, controlled by or under common control with such entity (where “control” has the meaning set forth in Article L.233-3 of the French *Code de commerce*) as well as any of their employees, officers and directors



and, as far as the Shareholder is concerned, its representatives elected as Directors.

Agreement:	This agreement.
Articles of Association:	The articles of association (<i>statuts</i>) of the Company.
Accounts and Audit Committee:	The accounts and audit committee of the Company.
Board of Directors:	The board of directors of the Company.
Convertible Instruments:	Any financial instrument (<i>instrument financier</i> within the meaning of Article L.211-1 of the French <i>Code monétaire et financier</i>) other than Shares, that may give access to the Company's share capital (or Voting Rights), including, in particular, securities giving access, directly or indirectly, to Shares (<i>valeurs mobilières donnant accès au capital</i> within the meaning of Article L.228-91 et seq. of the French <i>Code de commerce</i>).
Director:	Any member of the Board of Directors.
Execution Date:	The execution date of the Agreement.
Financial Information:	All and any information that is required or needed for the Shareholder and/or its Affiliates to perform equity accounting and/or comply with its accounting and reporting obligations under applicable laws.
First Shareholding Interest Event:	The Shareholder comes to hold no less than 15% of the Shares.
Options:	Any options, rights, undertakings or commitments (including derivative instruments) to purchase Shares or securities giving access, directly or indirectly, to Shares or having Shares as underlying asset.
Public Offer:	Any public offer (<i>offre publique d'achat, d'échange, alternative ou mixte</i>).
Second Shareholding Interest Event:	The Shareholder comes to hold no less than 20% of the Shares.
Shares:	Any and all shares of common stock of the Company.
Shareholder:	MADECO and/or any of its Affiliates that it controls.

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Shareholding Interest Negative Event:

As from the date of the first occurrence of the First Shareholding Interest Event and up to the first occurrence of the Second Shareholding Interest Event (excluded), the Shareholder (i) comes to hold less than 15% of the Shares other than as a result of a Transfer (save a Transfer made in compliance with paragraph (a) of Article 2.3.2 of this Agreement) or any other action contemplated by paragraph (a) of Article 2.3.1 of this Agreement and (ii) does not restore its shareholding interest up to no less than 15% of the Shares within 9 months thereafter; or

as from the first occurrence of the Second Shareholding Interest Event (included), the Shareholder comes to hold less than 20% of the Shares other than as a result of a Transfer (save a Transfer made in compliance with paragraph (a) of Article 2.3.2 of this Agreement) or any other action contemplated by paragraph (a) of Article 2.3.1 of this Agreement, provided that a Shareholding Interest Negative Event shall only be deemed to occur if the Shareholder comes to hold (i) less than 20% but no less than 15% of the Shares and does not restore its shareholding interest up to no less than 20% of the Shares within 18 months thereafter; or (ii) less than 15% of the Shares and does not restore its shareholding interest up to no less than 15% of the Shares within the next 9 months thereafter and then to no less than 20% of the Shares within 18 additional months thereafter.

Third Party:

Any individual, person, company or entity other than the Shareholder and the Company.

Threshold:

The holding by the Shareholder (whether directly or through derivative instruments giving right to Shares) of 20.50% of the Shares, 20.50% of the Voting Rights (excluding any double voting rights) and 20.00% of the Convertible Instruments.

Transfer:

Means to offer, give, transfer, sell, assign, pledge, encumber, grant a security interest in or otherwise dispose or convey, whether in one transaction or a series of related transactions.

Voting Rights

Voting rights attached to the Shares.

Article 2 – Increase in the shareholding interest in the Company of the Shareholder

Article 2.1 – Intention of the Shareholder to increase its shareholding interest in the Company

(a) MADECO has indicated to the Company that the Shareholder intends to increase and maintain its shareholding interest in the Company, by any means (including by way of on or off-market purchases and subscription to capital increases of the Company):

- o up to 15% of the Shares, within 18 months as from the Execution Date; and
- o up to 20% of the Shares, within 3 years as from the Execution Date.

(b) The Company undertakes to inform MADECO of any opportunity of off-market purchases by the Shareholder of which it is aware, in compliance with applicable laws and contractual obligations of the Company.

Article 2.2 – Standstill

Article 2.2.1 – Standstill undertaking of the Shareholder

As from the Execution Date and for a period of 3 years after the first occurrence of the First Shareholding Interest Event (if any), the Shareholder shall at all times limit its direct or indirect shareholding interest, individually or in concert, to the Threshold.

Accordingly, the Shareholder shall refrain from, individually or in concert, subscribing, acquiring or entering into, directly or indirectly or through an intermediary, any Share or Convertible Instrument, where any of these transactions is likely to cause its shareholding interest to exceed the Threshold.

Article 2.2.2 – Exceptions to the standstill undertaking of the Shareholder

- (a) In the event of a crossing upward of the Threshold as a result of any Accretive Transaction, the Shareholder shall not be deemed to have violated its standstill undertaking under Article 2.2.1 of the Agreement, but shall nonetheless comply with its other obligations under the Agreement.
- (b) Moreover, the Shareholder's standstill undertaking under Article 2.2.1 of the Agreement shall not apply if the Shareholder crosses upward the Threshold as a result of the exercise of its rights to obtain Shares under any Convertible Instrument acquired in compliance with this Agreement, provided that the Shareholder shall comply with such standstill undertaking again on the earlier of (i) the day prior to the record date of the first shareholders' meeting following the crossing upward of the Threshold, or (ii) 3 months after the crossing upward of the Threshold. In such event, the Shareholder: (i) shall not be deemed to have violated its standstill undertaking under Article 2.2.1 of the Agreement; (ii) may freely Transfer this excess number of Shares over the Threshold without being deemed to have violated its lock-up undertaking under Article 2.3.1 of the Agreement; and (iii) shall nonetheless comply with its other obligations under the Agreement.
- (c) The Shareholder's standstill undertaking under Article 2.2.1 of the Agreement shall also not apply if the Company's share price falls below €40 per Share, provided that, in such event, the Shareholder shall be entitled to increase its shareholding interest in the Company only by up to an additional 2% of the Shares (i.e., the Shareholder may not hold more than 22.50% of the Shares). In such event, the Shareholder: (i) shall not be deemed to have violated its standstill undertaking under Article 2.2.1 of the Agreement; (ii) may freely Transfer this additional 2% of the Shares without being deemed to have violated its lock-up undertaking under Article 2.3.1 of the Agreement; and (iii) shall nonetheless comply with its other obligations under the Agreement.

Article 2.3 – Lock-up

Article 2.3.1 – Lock-up undertaking of the Shareholder

- (a) As from the Execution Date and for a period of 3 years after the first occurrence of the First Shareholding Interest Event (if any), the Shareholder agrees not to Transfer or grant option or right for the Transfer of (including by means of derivative instruments) any Share, or announce its intention to do any of the foregoing, in each case without the prior written consent of the Company.

- (b) After 3 years as from the first occurrence of the First Shareholding Interest Event (if any), this lock-up undertaking shall no longer apply, but the Shareholder shall consult with the Company in the event the Shareholder intends to Transfer or grant option or right for the Transfer of (including by means of derivative instruments) blocks of Shares representing more than 3% of the Company's share capital in a single transaction or series of related transactions, it being provided that the Shareholder shall remain entitled to freely Transfer or grant option or right for the Transfer of (including by means of derivatives instruments) Shares without prejudice to any of the Company's other rights hereunder.

Article 2.3.2 – Exceptions to the lock-up undertaking of the Shareholder

- (a) The Shareholder's lock-up undertaking under Article 2.3.1 of the Agreement shall not apply to the Transfer of Shares to legal entities controlled by the Shareholder (where control has the meaning provided by Article L. 233-3 of the French Commercial Code), provided that the party receiving such Shares agrees to be bound by this Agreement.
- (b) Moreover, the Shareholder's lock-up undertaking under Article 2.3.1 of the Agreement shall not apply in the circumstances provided for in paragraph (b) of Article 2.2.2 of the Agreement nor to the additional 2% of the Shares as contemplated under paragraph (c) of Article 2.2.2 of the Agreement.

Article 3 – Representation of the Shareholder at the Board of Directors

Article 3.1 – Nomination of two additional Shareholder's representatives for election as Directors

- (a) The Company shall cause the Board of Directors to propose the ordinary general meeting to be held on 31 May 2011 to elect Mr. Francisco Pérez Mackenna as Director for an initial 2-year term.
- (b) Upon the first occurrence of the First Shareholding Interest Event (if any), the Company shall cause the Board of Directors to (i) convene, as soon as practicable, an extraordinary shareholders' meeting (which the Company procures, in any event, to hold within 5 months) and (ii) propose such shareholders' meeting to elect as Director a third Shareholder's representative (i.e., as a result the Shareholder shall have 3 representatives as Directors), subject to such representative satisfying the applicable requirements under French law, French corporate governance rules and best practices and the internal regulations of the Board of Directors.
- (c) In the event the office as Director of any Shareholder's representative becomes vacant prior to the end of its term, the Company shall cause the Board of Directors to appoint (*cooptation*) a new Shareholder's representative as Director and propose the next ordinary general shareholders' meeting to approve such appointment (*ratification*), subject to such representative satisfying the applicable requirements under French law, French corporate governance rules and best practices and the internal regulations of the Board of Directors.
- (d) In the event the office as Director of any of the three Shareholder's representative ends prior to the term of the Agreement, the Company shall cause the Board of Directors to propose the ordinary general shareholders' meeting to renew as Director such representative or to elect as Director any other Shareholder's representative, subject to such representative satisfying the applicable requirements under French law, French corporate governance rules and best practices and the internal regulations of the Board of Directors.

Article 3.2 – Appointment of one Shareholder’s representative as member of the Accounts and Audit Committee

Upon request of MADECO, the Company shall cause the Board of Directors to appoint one of the Shareholder’s representatives as member of the Accounts and Audit Committee at its first meeting following the first occurrence of the First Shareholding Interest Event, subject to such representative satisfying the applicable requirements under French law, French corporate governance rules and best practices and the internal regulations of the Board of Directors.

Article 3.3 – Working language

French language shall remain the working language of the Board of Directors and the Accounts and Audit Committee; should the Shareholder’s representatives as Directors and/or member of the Accounts and Audit Committee so desire, the Company shall organize for them to be assisted by an interpreter and to have the relevant documentation translated into the English language.

Article 4 – Shareholders’ meeting of the Company

Article 4.1 – Amendments to the Articles of Association

(a) Upon the first occurrence of the First Shareholding Interest Event, the Company shall cause the Board of Directors to (i) convene, as soon as practicable, an extraordinary shareholders’ meeting (which the Company procures, in any event, to hold within 5 months) and (ii) propose such shareholders’ meeting to vote for the following amendments to the Articles of Association:

1. the removal of Article 21, al. 2 and 3 of the Articles of Association relating to double voting rights;
2. the modification of Article 21, al. 4 relating to voting rights limit, as follows:
 - the deletion of the 8% and 16% voting limits and the provision for a single 20% voting rights limit;
 - the new 20% voting rights limit shall be applicable only to the following resolutions of extraordinary shareholders’ meetings: (i) any resolution relating to any reorganization transaction to which the Company is a party that has an impact on the share capital and/or equity of any participating or resulting entity, including without limitation in the forms of contribution of assets (*apport partiel d’actif*), hive-down (*apport partiel d’actifs soumis au régime des scissions*), contribution in kind (*apport en nature*), merger (*fusion*), absorption (*fusion-absorption*), demerger, spin-off (*scission partielle*), split-up (*scission*), split-off, reverse merger or other similar reorganization transaction; (ii) any resolution relating to any Public Offer initiated by or with respect to the Company, including resolutions relating to Public Offer defenses; (iii) any resolution other than in connection with a transaction referred to in (i) or (ii) above, relating to the increase in the Company’s share capital through the issuance of Shares resulting in an increase of the share capital of more than 10% of the Shares as at the date of the relevant extraordinary shareholders’ meeting, and/or securities giving access to the Company’s share capital (*valeurs mobilières donnant accès au capital*) within the meaning of articles L.228-91 et seq. of the French *Code de commerce* that may result in an increase of more than 10% of the share capital of the Company as at the date of the relevant extraordinary shareholders’ meeting; (iv) any resolution relating to equal distribution in kind (*distribution en nature*) between shareholders; (v) any resolution relating to voting rights except for

resolutions relating to (a) the creation of double voting rights, (b) the lowering of the 20 % voting rights limit or (c) the extension of the list of resolutions subject the 20 % voting rights limit); and (vi) any resolution relating to any delegation of powers and authority (*délégations de pouvoirs ou de compétence*) to the Board of Directors in connection with any of the transactions referred to in paragraphs (i) to (v) immediately above.

- (b) The Company shall cause the Board of Directors to also convene a special meeting of the double voting rights holders concurrently with the extraordinary shareholders' meeting referred to in the first paragraph of this Article 4.1 of the Agreement and propose such special meeting to approve the removal of Article 21, al. 2 and 3 of the Articles of Association referred to above.
- (c) The Company shall cause the Board of Directors to address, as soon as practicable after the first occurrence of the First Shareholding Interest Event, to MADECO and its legal advisors (i) a draft of the resolutions to be proposed to the extraordinary shareholder's meeting in accordance with Article 4.1 (a) of the Agreement together with a draft of the amended Articles of Association and (ii) a draft of the resolutions to be proposed to the special meeting of the double voting rights holders in accordance with Article 4.1 (b) of the Agreement, in order for the Parties to agree on the terms of those resolutions before any communication of them to the Company's shareholders and/or to the Company's holders of double voting rights.

Article 4.2 – Loyalty

- (a) The Shareholder undertakes not to act in (and to terminate any current) concert (within the meaning of Article L.233-10 of the French *Code de commerce*) with any Third Party (save in circumstances referred to in Article L.233-10, II, 1°, 2° and 3°), nor to solicit a Third Party for purposes of acting in concert or conclude any agreement relating to a Public Offer with respect to the Company.
- (b) The Shareholder undertakes (i) to vote in favor of the resolutions of the extraordinary shareholders' meeting and special meeting of double voting right holders referred to in Article 4.1 of the Agreement (relating to the removal of double voting rights and limitation to voting rights), and (ii), for the term of the Agreement, not to propose or vote in favor of any other resolution on the same subject matter (double voting rights and limitation to voting rights) not proposed or recommended by the Board of Directors.
- (c) For the term of the Agreement, the Shareholder undertakes not to propose any resolution nor vote in favor of any resolution relating to the appointment or renewal as Director of any of its representatives other than in compliance with the provisions of the Agreement.
- (d) For the term of the Agreement, the Shareholder shall hold its Shares and Convertibles Instruments in registered form (*au nominatif*) to the extent such registration form is available.
- (e) For the term of Agreement, the Shareholder shall refrain from, individually or in concert, subscribing, acquiring or entering into, directly or indirectly or through an intermediary, any Option, except for purposes of achieving any First Shareholding Interest Event or Second Shareholding Interest Event including, in particular, to remedy any Shareholding Interest Negative Event, in each case in accordance with the provisions hereunder.

Article 4.3 – Support of current strategy

MADECO shall make a general support declaration in favor of the Company's current strategy in its press release announcing the execution of the Agreement referred to in Article 8 of the Agreement.

Article 5 – Access to Financial Information

The Company shall grant the Shareholder and its Affiliates (on a need-to-know basis) access to the Company's Financial Information under appropriate procedure to be determined in consultation with the statutory auditors of the Company and MADECO, in each case in compliance with applicable laws and the Company's internal reporting procedures and schedule.

Article 6 – Term and termination

Article 6.1 – Normal term

The Agreement shall terminate:

- i. 18 months after the Execution Date where the First Shareholding Interest Event has not occurred within such time period; or
- ii. 3 years after the Execution Date where the Second Shareholding Interest Event has not occurred within such time period; or
- iii. 10 years after the first occurrence of the First Shareholding Interest Event (if any).

Upon termination of the Agreement under paragraph (ii) immediately above, the Shareholder shall cause its representatives (other than its representative holding a position as Director as of the Execution Date (or his successor)) to immediately resign from their position as Director.

Article 6.2 – Early termination of the Agreement

Article 6.2.1 – Right for MADECO to terminate the Agreement

Subject to a 3-day prior written notice, MADECO shall have the unilateral and discretionary right to terminate the Agreement in the event of:

- i. a breach by the Company of any of its obligations under the Agreement; or
- ii. the absence of amendments to the Articles of Association as contemplated in Article 4.1 of the Agreement within 6 months from the first occurrence of the First Shareholding Interest Event; or
- iii. the absence of appointment of a third Shareholder's representative as contemplated in Article 3.1 of the Agreement within 6 months from the first occurrence of First the Shareholding Interest Event.

For the avoidance of doubt, upon termination of the Agreement for any circumstances referred to in paragraphs (i) to (iii) above, none of the Shareholder's representatives shall have to resign from its position as Director.

Article 6.2.2 – Right for the Company to terminate the Agreement

Subject to a 3-day prior written notice, the Company shall have the unilateral and discretionary right to terminate the Agreement in the event of:

- i. a breach by the Shareholder of any of its obligations under the Agreement; or
- ii. a Public Offer initiated by a Third Party not acting in concert with the Shareholder; or

- iii. the absence of amendments to the Articles of Association as contemplated in Article 4.1 of the Agreement within 6 months from the first occurrence of the First Shareholding Interest Event; or
- iv. the absence of appointment of a third Shareholder's representative as contemplated in Article 3.1 of the Agreement within 6 months from the first occurrence of First the Shareholding Interest Event; or
- v. a Shareholding Interest Negative Event; or
- vi. after the expiration of the Shareholder's standstill undertaking under Article 2.2.1 of the Agreement, the holding by the Shareholder of a shareholding interest in excess of the Threshold other than (a) if the Shareholder crosses upward the Threshold as a result of the exercise of its rights to obtain Shares under any Convertible Instrument acquired in compliance with this Agreement provided the Shareholder's shareholding interest shall fall below the Threshold, on the earlier of (i) the day prior to the record date of the first shareholders' meeting following the crossing upward of the Threshold, or (ii) 3 months after the crossing upward of the Threshold, or (b) as a result of an Accretive Transaction, in both cases, as such Threshold may be or may have been increased by up to an additional 2% of the Shares (i.e., in that event, the Company may terminate the Agreement if the Shareholder holds more than 22.50% of the Shares), prior to or after the expiration of such standstill undertaking (as the case may be), if the Company's share price falls below €40 per Share; or
- vii. after the expiration of the Shareholder's lock-up undertaking under Article 2.3 of the Agreement, the Shareholder comes to hold less than 20% of the Shares as a result of any transaction contemplated by paragraph (a) of Article 2.3.1 of this Agreement save a Transfer made in compliance with paragraph (a) of Article 2.3.2 of this Agreement.

In the event of the early termination of the Agreement by the Company under paragraphs (i), (v) or (vii) immediately above, the Shareholder shall cause its representatives (other than its representative holding a position as Director as of the Execution Date (or his successor)) to immediately resign from their position as Director.

Article 6.3 – Early termination by MADECO of certain of the Shareholder's obligations

Subject to a 3-day prior written notice, MADECO shall have the unilateral and discretionary right to terminate the Shareholder's standstill undertaking under Article 2.2.1 of the Agreement and/or the Shareholder's lock-up undertaking under Article 2.3.1 of the Agreement and/or the Shareholder's loyalty undertaking under Article 4.2 of the Agreement, in the event of:

- i. a Public Offer initiated by a Third Party not acting in concert with the Shareholder; or
- ii. a Third Party coming to hold a shareholding interest greater than the lower of (i) 15% of the Shares, or (ii) the percentage of Shares held by the Shareholder.

Article 7 – Confidentiality

The Parties shall ensure and maintain the strict confidentiality of the Financial Information (including, for the avoidance of doubt, the Financial Information granted to the Shareholder's Affiliates), it being provided that such confidentiality undertaking shall not apply to:

- i. Information that, at the time of supply, is or subsequently comes in the public domain, except through a breach of its confidentiality undertakings hereunder by the relevant Party;

- ii. Information that becomes available to any Party from a Third Party, provided that the disclosure by such Third Party is not in breach with any of its legal obligations or any of its contractual obligations of which the relevant Party would be aware;
- iii. Information that may be disclosed on a need-to-know basis, subject to execution of a similar confidentiality undertaking by any person to whom it is disclosed; and
- iv. Information that is required to be disclosed under applicable laws, including by any court or any judicial, governmental, supervisory or regulatory body, provided that the relevant Party will notify the other Party in writing and co-operate with the other Party regarding the timing and content of such disclosure in accordance with applicable laws.

Article 8 – Communication

The Parties acknowledge and accept that the execution of the Agreement shall be announced by means of the press releases in a form to be agreed-upon by the Parties and published on March 28, 2011 (Paris time) before opening of the French stock exchange.

Except where required by applicable laws, the Shareholder and the Company shall consult with each other, to the extent reasonably practicable, with respect to any other public communication relating to the Agreement.

Article 9 – Guarantee (*porte-fort*)

Each of the Parties shall cause the Agreement to be complied with by those of its respective Affiliates that it controls.

Any breach of the Agreement by any such controlled Affiliate of any Party shall be deemed to be a direct breach by such Party.

Article 10 – Entire Agreement - Language

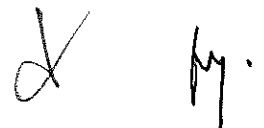
The Agreement constitutes the whole agreement between the Parties with respect to the subject matter hereof, and supersedes as from the Execution Date any previous negotiations, agreements or arrangements between the Parties relating thereto, save for the purchase agreement entered into on February 21, 2008 by the Parties.

A translation in French of the Agreement has been prepared for purposes of the press release of the Company. In the event of any conflict between the Agreement and the text of any translation, the text of the Agreement (in English) shall prevail.

Article 11 – Applicable law and jurisdiction

The Agreement shall be governed by, and construed in accordance with, the laws of the French Republic.

Any dispute or claim arising out of or related to the Agreement, including without limitation any dispute or claim concerning the existence, interpretation, validity or enforcement hereof, shall be submitted to the exclusive jurisdiction of the competent court within the Paris Court of Appeal's jurisdiction.

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Executed in Paris, on March 27, 2011, in two original copies,

NEXANS S.A.

A handwritten signature in black ink, consisting of a stylized 'F' followed by a horizontal line that ends in a small upward tick.

By,

Name: Frédéric Vincent

Position: Président-Directeur Général

MADECO S.A.

A handwritten signature in black ink, featuring a large, circular initial 'F' followed by a long, flowing cursive line.

By,

Name: Francisco Pérez Mackenna

Position: Board Director, duly authorized
pursuant to a power of attorney dated 24 March
2011

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