



Press release

Nexans wins a 20 million euro DEH system contract for Statoil's new Fossefall Dompap oil and gas field on the Norwegian Continental Shelf

Direct electrical heating (DEH) provides an eco-friendly and cost-effective method for flow assurance for the subsea production pipeline.

Paris, May 3rd, 2011 – Nexans, a worldwide leading expert in the cable industry, has been awarded a 20 million euro contract by Statoil to design and manufacture the direct electrical heating (DEH) system for the subsea pipelines serving the new Fossefall Dompap oil and gas field on the Norwegian Continental Shelf. The Fossefall Dompap fields tie back to the Norne FPSO (Floating Production Storage and Offloading) where Nexans previously supplied DEH systems for pipelines to Urd and Alve.

The contract covers the delivery of a complete DEH system, including DEH Riser Cable with four power cores, Armoured Feeder Cables, a 25km Piggyback Cable and all associated accessories for connection to- and installation on the pipeline that will connect the Fossefall Dompap subsea facilities with the Norne FPSO. The Piggyback Cable incorporates a new Integrated Protection System which has been qualified by Nexans in order to ensure protection from mechanical loads such as trawling.

Direct electrical heating (DEH) is a technology for flow assurance, developed to safeguard the wellstream flow through the pipeline to the platform. Alternating current (AC) transmitted from the DEH cable runs through the steel in the pipe, which heats up due to its own electrical resistance.

This allows the pipeline to be operated in a cost efficient and environmentally safe manner.

"Nexans has worked in close cooperation with Statoil to pioneer the development and commercial application of DEH and this latest contract for Fossefall Dompap confirms its proven capability as a reliable, eco-friendly and cost-effective method of maintaining flow in subsea production pipelines" says Ragnvald Graff, Sales & Marketing Director, Energy Division, Nexans. "Nexans completed the first DEH system for Statoil in the Åsgard field in 2000 and we already have DEH systems operating from the Norne FPSO that serves the Urd and Alve fields".

The cables for the Fossefall Dompap DEH system will be manufactured at the Nexans factory in Halden, Norway, for delivery in April 2012.

The Fossekall Dompap development, in 330 to 360 metres of water, is part of Statoil's fast-track project portfolio. Statoil plans to start production in December 2012. Statoil estimates to recover a total of 63 million bbl (barrels) of oil and gas, mostly oil.

How DEH works

The principle behind a DEH system is to pass an alternating current (AC) through the pipeline wall. By controlling the current, the pipeline inner wall can at all times be maintained above the critical temperature for wax and hydrate formation. As a result, problem free and reliable transportation is achieved. Traditional methods for flow assurance, by the use of chemical treatments and pressure evacuations, have considerable operational costs with long down times and may present a risk to the environment.

About Nexans

With energy as the basis of its development, Nexans, worldwide leading expert 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 addresses a series of market segments: from energy, transport and telecom networks to shipbuilding, oil and gas, nuclear power, automotives, electronics, aeronautics, material handling and automation. Nexans is a responsible industrial company that regards sustainable development as integral to its global and operational strategy. Continuous innovation in products, solutions and services, employee development and engagement, and the introduction of safe industrial processes with limited environmental impact are among the key initiatives that place Nexans at the core of a sustainable future. With an industrial presence in 40 countries and commercial activities worldwide, Nexans employs 23,700 people and had sales in 2010 of more than 6 billion euros. Nexans is listed on NYSE Euronext Paris, compartment A. For more information, please consult www.nexans.com or <http://www.nexans.mobi>

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