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–Press Release–
Amsterdam, 30 August 2005

FIRST HALF-YEAR FIGURES 2005[1]

NET INCOME € 1.0 MILLION POSITIVE (EXCLUDING NON-RECURRING ITEMS)

NEW STRATEGIC FOCUS AIMS TO RAISE OPERATING MARGIN TO AROUND 5% IN 2007

€ 450 MILLION REFINANCING PLAN, INCLUDING LAUNCH OF € 100 MILLION CONVERTIBLE BOND OFFERING TODAY

(in millions, unless stated otherwise)		1st half 2005		1st half 2004[2]		2nd half 2004
Revenues	€	897.9	€	789.9	€	894.4
EBITDA[3]	€	54.1	€	48.2	€	9.9
Operating result excluding non-recurring items	€	12.2	€	22.2	€	–1.3
Operating result [3]	€	27.6	€	20.1	€	–24.4
Net income excluding non-recurring items	€	1.0	€	5.8	€	0.5
Net income [3]	€	16.4	€	3.7	€	–12.7
Earnings per share (€)[3,4]		0.48		–0.04		–0.49
Operating cash flow	€	–27.6	€	–10.7	€	–2.8

- **Organic revenue growth of 8%, driven by good performance of Draka Cableteq.**
- **Operating result (excluding non-recurring items) down to € 12.2 million from € 22.2 million in 1H 2004, but substantially better than 2H 2004 (€ 1.3 million loss).**
- **Net income € 1.0 million (excluding non-recurring items), ahead of earlier forecast.**
- **New strategic focus towards the specialty cable segments, selected geographical markets and continuous optimisation of the organisation aims to raise operating margin to around 5% in 2007 (2004: 1.2%).**
- **Draka Cableteq is launching a 'Stop, Swap and Best Practices'-project, designed to bring about a structural cost reduction of € 15 million from 2006 onwards.**
- **Refinancing, consisting of a € 350 million syndicated credit facility and a € 100 million subordinated convertible bond offering.**
- **Outlook for 2H 2005: Barring unforeseen circumstances, Draka expects (based on current copper prices and currency exchange rates and excluding non-recurring items) the operating margin to improve compared to the first half of 2005.**

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[1] The financial data in this report have been prepared under International Financial Reporting Standards (IFRS). The comparative financial information for 2004 has been restated in accordance with IFRS, except for the implications of the standards on financial instruments (IAS 32/39) which have been adopted as of 1 January 2005.
[2] Excluding consolidation of Alcatel's optical-fibre activities.
[3] 2005 including non-recurring items totalling a net € 15.4 million positive (1st half 2004: € 2.1 million negative; 2nd half 2004: € 23.1 million negative).
[4] Per ordinary share after dividend on preference shares.

Half-year results 2005

Commenting on developments in the first half of 2005, Garo Artinian, Chairman and CEO of Draka Holding N.V., said: *"The first six months of 2005 was an important period for our company. Operationally, Draka managed to become profitable again after reporting a loss in the second half of 2004. The organisational change already contributed to the improved operational performance; it gained momentum and is expected to show additional benefits from now onwards. In the first half of 2005 Draka also evaluated its strategy. The outcome is that the company will focus to its core competences and aims to expand its position in those markets that are expected to show above-average growth, in particular in the specialty cable segments and certain selected geographical areas. Moreover, the company will continue to optimise its organisation. With the announced new long-term financing structure Draka will be able to execute its new strategic focus, which aims to create value for all Draka's stakeholders."*

(in millions)		**1st half 2005**		**1st half 2004[1]**		**2nd half 2004**
Revenues						
Draka Cableteq	€	664.8	€	622.3	€	660.4
Draka Comteq	€	233.1	€	167.6	€	234.0
Total	€	897.9	€	789.9	€	894.4
Operating result[2]						
Draka Cableteq	€	28.5	€	24.5	€	21.0
Draka Comteq	€	–8.7	€	2.5	€	–18.7
Not allocated	€	–7.6	€	–4.8	€	–3.6
Total	€	12.2	€	22.2	€	–1.3

[1] Excluding consolidation of Alcatel's optical fibre activities
[2] Excluding non-recurring items of € 15.4 million positive in the 1st half 2005, € 2.1 million negative in the 1st half 2004 and € 23.1 million negative in the 2nd half 2004

General

The fundamental change in Draka's organisational structure from a country management model to a divisional management model, which became effective in the second half of 2004, started to have a positive impact in the first half of 2005. In this new organisational structure, production optimisation projects and related efficiency programmes have become easier to implement and are gaining momentum. The global market approach facilitated by the new organisational structure is also contributing to Draka's growth.

Growth in the international cable market levelled off in the first half of 2005 after strong volume growth of around 7% (at constant exchange rates and constant copper prices) in 2004. In Western Europe, Draka's most important geographical market, market growth was slow with an estimated volume growth of around 1%. Draka succeeded in achieving volume growth of around 1.5%. Margins remained under pressure, mainly from the continuing rise in raw-material prices (copper and polymers).

Draka's sustained focus on cost control and the early benefits of this fundamental change in its organisational structure had a positive impact on the operating result. Draka Cableteq performed well, with better results compared with both the first and second halves of 2004. Draka Comteq continued to suffer from the combined effects of price and margin pressure. As a result, Draka Comteq's operating result turned from a small profit in the first half of 2004 into a loss in the first six months of 2005. However, this result was sharply better than the second half of 2004. The second half 2004 results have been added in this report in order to reflect the first time inclusion of Alcatel's optical-fibre and cable activities in the consolidation of Draka's results.

Reflecting Draka Comteq's unsatisfactory results, Draka's operating result (excluding non-recurring items) for the first six months of 2005 was down on the same period last year, but showed a substantial improvement on the second half of 2004.

IFRS

The figures in this report are based on International Financial Reporting Standards (IFRS). The comparative 2004 financial information has been restated in accordance with IFRS, except for the implications of the standards on financial instruments (IAS 32/39), which have been adopted as of 1 January 2005. The transition note, which explains the conversion from Dutch GAAP to IFRS, is posted on Draka's website (www.Draka.com).

Revenues

Draka posted revenues of € 897.9 million in the first six months of 2005, up 13.7% on the same period last year. Organic growth amounted to 8.0%, while changes in the consolidation accounted for 5.7% of revenue growth.

Organic revenue growth amounted to 8.0%, or € 62.8 million, of which 1.5% was due to a slight increase in volume. The remaining organic growth of 6.5% was a result of the following factors:

1) the continuing rise in the copper price (by an average of 15.3% compared with the first half of 2004), which inflated revenues; however, the continuous pressure on selling prices had a negative effect on revenues. On balance, this resulted in a net increase of 6.8%;
2) exchange rate effects reduced revenues by 0.3%.

The changes in consolidation (5.7%) were primarily a result of:

- the consolidation of Alcatel's optical fibre and cable activities as from 1 July 2004 and Neva Cables Ltd as from 1 January 2005 (combined effect: +10.7%) and
- the sale of NK Networks & Services GmbH, NKF Electronics B.V. and the electronic cable and copper data communication cable activities in the United States (–5.0%).

Operating result

The operating result, including non-recurring items, amounted to € 27.6 million, up 37.3% on the first half of 2004 (€ 20.1 million). The non-recurring income included in the operating result, amounting to a net € 15.4 million, came from the three disposals referred to above. Draka reported a non-recurring charge of € 2.1 million in the first half of 2004. On a like-for-like basis, i.e. excluding non-recurring items, the operating result declined to € 12.2 million, compared with € 22.2 million in the first half of 2004, but improved substantially compared with the second half of 2004 (€ 1.3 million negative), when Alcatel's optical-fibre and cable activities were included in the consolidation for the first time (with effect from 1 July 2004).

Operating margin
The operating margin – the operating result excluding non-recurring items as a percentage of revenues – declined to 1.4% from 2.8% in the corresponding period in 2004, due to the combined effects of price and margin pressures on Draka Comteq and an increase in Holding costs. Sustained focus on cost control and production-optimisation projects made a positive contribution.

Other financial items
Net financial expenses remained virtually unchanged at € 17.0 million. However, the figures for the first half of 2005 do not compare to those in the corresponding period of 2004 due to a different accounting treatment of the preference dividend. The financial expenses in the first half of 2005 include costs for preference dividend (€ 4.6 million) whereas the amount reported for 2004 excludes this dividend[5]. The financial expenses for the first six months of 2005 other than the preference dividend were € 4.3 million lower than the same period in 2004, reflecting the positive effect of the proceeds of the share issue in July 2004. Taxation was € 2.5 million positive, thanks in part to the utilisation of tax losses and non-taxable book profits. The results of non-consolidated participating interests totalled € 1.0 million negative, compared with € 0.0 million for the first six months of 2004.

Net income
Net income for the first half of 2005 was € 16.4 million, as against € 3.7 million in the first six months of 2004. On a like-for-like basis, excluding non-recurring items and after preference dividend, net income for the first half of 2005 was € 1.0 million, compared with € 1.2 million for the same period last year.

Earnings per share
Net earnings per ordinary share turned out at € 0.48 (1H 2004: € 0.04 negative). Excluding non-recurring items, net earnings per ordinary share amounted to € 0.03 (1H 2004: € 0.06). There were 35,567,406 ordinary shares in issue, the same as at 31 December 2004.

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[5] Under the newly applied IFRS, preference shares are accounted for as debt as from 1 January 2005. Preference dividend is now included in financial expenses in the profit and loss account. The comparative figures have not been changed, which is in accordance with IFRS.

Draka Cableteq

General

Although the trends on the markets served by the Draka Cableteq group were comparable to those in 2004, volume growth levelled off in the first six months of 2005. Demand for special-purpose cable was stronger than in the low-voltage cable segment. Draka Cableteq's investments in China contributed to growth. Draka Cableteq plans to start production of automotive cable, rubber cable and other lines at its new plant in Suzhou in the second half of 2005.

Financial results

Draka Cableteq's revenues for the first half of 2005 were 6.8% higher at € 664.8 million. Adjusted for the sale of NK Networks & Services GmbH and NKF Electronics B.V. in the first six months of the year, organic revenue growth was 11.7%. Almost all divisions contributed to this growth.

	1st half 2005	1st half 2004	2nd half 2004
Revenues	€ 664.8 million	€ 622.3 million	€ 660.4 million
Operating result[1]	€ 28.5 million	€ 24.5 million	€ 21.0 million
Operating margin	4.3%	3.9%	3.2%

[1] Excluding non-recurring items of € 17.8 million positive in 1st half 2005 and € 3.2 million negative in the first and second halves of 2004; the operating result has been adjusted upwards by € 1.9 million in the 1st half 2004 and € 1.2 million in the 2nd half 2004, relating mainly to curtailments due to changes in the funding basis of one pension plan (under IFRS).

The operating result excluding non-recurring items was 16.3% higher at € 28.5 million, but the underlying performance (excluding the effects of IFRS) was even better, growing by 26.1%. Positive factors, including a better product mix, a lower cost base and the benefits which are starting to accrue from the fundamental change in the organisational structure, more than offset the negative impact of the continued pressure on margins from higher raw-material prices (copper and polymers).

Divisional review

Low-Voltage Cable

The European market was stable, with selling prices still constrained by the continuing low level of activity in the construction market in some Northwest European countries. Draka Cableteq maintained its market share in Europe, supported by healthy demand for security cables. The division performed well in the United States and the Asia/Pacific region, helped by its strategic focus on specialty cables and the favourable market conditions.

Despite the pressure on margins from the continuing rise in raw material prices, the Low-Voltage Cable division reported improved results. A better product mix and the positive impact of the improvement actions implemented in 2004, including a project to reduce overheads in the UK, affected the results positively.

Elevator Products
The Elevator Products division performed well, testifying to the success of its strategic combination of sales of high-quality elevator cable products and value-added services. The joint venture with Haixun in China (75% Draka Cableteq), formed in 2004, has already started making a positive contribution to the results. Having strengthened its position on the Chinese market, the Elevator Products division was able to benefit from several major construction projects.

Marine, Oil & Gas
A global structure for the Marine, Oil & Gas division was established in the first half of 2005. The MRO (maintenance, repair and operations) business is now served by distribution centres in Aberdeen, Houston and Singapore, thus preserving the division’s presence in local markets. Acquisition of international projects is organised centrally. The division significantly strengthened its position in May 2005 with the acquisition of a 29.9% stake in Oakwell Engineering Ltd, a leading supplier to the marine, oil and gas industries in the fast-growing markets in Asia and China.

The Marine, Oil & Gas division posted improved results, thanks to higher levels of exploration and production investment by oil companies and increased production of tankers and container vessels.

Mobile Network Cable
The Mobile Network Cable division reported good results. Increased UMTS instalments in Europe and additional projects in Central Europe and Asia contributed to the division’s good performance. Strong price pressures, particularly in Asia, were offset by effective cost-cutting, thus maintaining healthy sales margins.

Rubber Cable
The results of the Rubber Cable division improved, helped by buoyant demand for cable for alternative energy sources. The division offers a complete range of market-specific products for this fast-growing segment, including value-added services. The division secured an entrance into the US market in the first half of 2005 by winning a contract to supply low-smoke, zero-halogen windmill cables to one of the leading US companies in this segment.

Transport
The Transport division produces cable for the automotive and aerospace industries. Improved sales in the aerospace market (Airbus) supported the good results in the Transport division. Despite lower car production in Europe, the results posted by the division’s automotive business unit were close to those achieved in the first half of 2004.

Draka Comteq

General

Demand for communication cable showed some growth (in the low single digits), at a similar rate to 2004. While remained relatively flat across most product groups compared with year-end 2004, the prices of some copper products were raised where contractual arrangements allowed for adjustment based on the copper price. Growth in the global optical fibre cable market amounted to around 11% in the first six months of 2005, helped by a number of fibre-to-the-home projects in the United States and some European markets. This trend is expected to continue. Draka Comteq was able to maintain its market share in Europe and China and improve its share of the growing US market.

Financial results

Draka Comteq reported revenue growth of 39.1% to € 233.1 million in the first half of 2005 compared to the first half of 2004. Adjusted for the consolidation of Alcatel’s optical-fibre activities (as from 1 July 2004) and the sale of the electronic cable and copper data communication cable activities in the US (as from 15 March 2005), revenues declined organically by 0.6%. The volume increase experienced in all divisions was negated by the lower selling prices compared with the first half of 2004.

	1st half 2005	1st half 2004[1]	2nd half 2004
Revenues	€ 233.1 million	€ 167.6 million	€ 234.0 million
Operating result[2]	€ –8.7 million	€ 2.5 million	€ –18.7 million
Operating margin	–3.7%	1.5%	–8.0%

[1] Excluding consolidation of Alcatel’s optical-fibre activities
[2] Excluding non-recurring items of € 2.4 million negative in the 1st half 2005 and € 19.9 million negative in the 2nd half 2004

The operating result excluding non-recurring items amounted to € 8.7 million negative, reflecting lower selling prices, exchange rate effects (the US dollar depreciated against the euro) and higher raw-material costs (copper and polymers) compared with the first half of 2004. The effect of these negative factors was only partly offset by the integration programme announced in November 2004, which is designed to save € 19 million per year. This programme, which is on schedule, lowered the cost base by around € 7 million (including industrial synergies of € 2 million) in the first half of 2005.

Compared with the operating result of € 18.7 million negative for the second half of last year, when Alcatel’s optical-fibre activities were consolidated for the first time, Draka Comteq’s performance showed a sharp improvement in the first half of 2005.

Divisional review

Telecommunication Cable
Copper telecommunication cable volumes were down slightly compared with the first half of 2004, with the sustained positive trends in the Baltic states and Russia unable to make up for the weakening demand in Europe. Draka Comteq strengthened its position in the Russian market by increasing its interest in Neva Cables Ltd. (St. Petersburg) from 51% to 75%.

Draka Comteq reported double-digit volume growth in the European optical fibre market, but a middle single-digit decline in demand in China due to a temporary delay in investments by telecom operators. Margins remained under pressure due to continuing pressure on selling prices. Draka Comteq strengthened its position in North America by securing a supply contract with a major carrier for optical fibre drop cable.

Multimedia Cable
The Multimedia Cable division turned in respectable performance, supported by higher demand for both optical-fibre and copper cable products. To meet this increased demand, Draka Comteq has taken steps to expand capacity in its existing operations. Margins continued to be under pressure from higher raw-material prices (especially copper). The market for central office switching cables experienced rapid growth - the resurgence in this segment of the business reflecting strong demand for XDSL technology from the network operators.

Optical Fibre
Demand for optical fibre, especially singlemode, was higher in the first half of 2005, driven mainly by FTTH projects in the USA and some European countries. Margins remained under pressure due to lower prices compared with the first six months of last year. In anticipation of continuing growth in demand in North America, Draka Comteq restarted production at its facility in Claremont, North Carolina, at the end of the second quarter. The market for multimode optical fibre for local area networks grew in line with expectations, but prices were still under pressure. The shift towards 10 Gb Ethernet fibre continued, a segment in which Draka Comteq is well positioned with its MaxCap™ fibre.

When Draka entered into the joint venture with Alcatel, it was agreed that Draka Comteq would obtain a majority stake in its Chinese joint venture Yangtze Optical Fibre Cable (YOFC). Continuing discussions are held with YOFC's co-shareholders vis-à-vis obtaining a majority stake in YOFC; alternative solutions are being discussed to enable the transfer of technology and equipment. As already indicated in Draka's trading statement (15 June 2005), Draka Comteq now expects that the industrial synergies in 2005 will not reach the forecasted € 20 million[6], but amount to € 6million, all of which are attributable to its European operations.

[6] *Including 100% of synergies expected in YOFC at the time*

Financial position

Cash flow
Although the free cash flow was still negative, Draka's focus on generating an optimum free cash flow (cash flow generated from the normal course of business, taking into account the required level of capital investments) had a positive impact in the first half of the year. The operating cash flow, excluding non-recurring items and utilisation of provisions, amounted to € 3 million negative compared with € 8 million negative in the first six months of 2004. This improvement was achieved despite a € 10 million reduction in the operating result, excluding non-recurring items, in the first half of 2005.

The increase in operating working capital, which is normal for Draka in the first half-year due to seasonal effects, was € 44.3 million. Draka set up a dedicated working capital task force that already started to bear fruit in the second quarter. The operating working capital as a percentage of revenues increased to 29.4% compared with 28.0% in the corresponding period in 2004. This increase can be explained by: 1) the further increase in the price of copper (on average 15.3% compared with first half-year 2004) that translated into a rise in the value of the copper element of the inventories; 2) the consolidation of Alcatel's optical fibre and cable activities as from 1 July 2004.

Balance sheet
The balance sheet total as at 30 June 2005 stood at € 1,710.2 million, up 6.3% on year-end 2004. Higher current assets accounted for most of this increase. Net investments in intangible and tangible fixed assets amounted to € 16 million, which was less than the amortisation/depreciation charge.

Shareholders' equity as at 30 June 2005 amounted to € 356.6 million, down 19.8% on 31 December 2004. The decline in shareholders' equity was due to the reclassification of preference shares (€ 128.9 million), which are included in non-current liabilities as from 1 January 2005. This was partly offset by the net income for the first six months of 2005 (€ 16.4 million), exchange rate effects (€ 10.9 million) and the equity element of the outstanding convertible bond (€ 14.6 million, adjustments under IAS 32/39 as from 1 January 2005).

Due to the adjustment to equity relating to preference shares, the solvency ratio (equity to total assets) declined to 20.9% from 27.6% at year-end 2004. The guarantee capital, consisting of shareholders' equity, provision for deferred tax liabilities and the long-term element of the subordinated loans and cumulative preference shares, amounted to € 649.5 million, representing 38.0% of the total invested capital (year-end 2004: 38.9%). The decline in the guarantee capital as a percentage of balance sheet total is due to the increase in the balance sheet total.

Building future growth

Draka's new strategic focus, named 'Building future growth', is based on three cornerstones: a strategic update, the strengthening of Draka's organisation and a refinancing project to secure Draka's financial structure through 2009.

Strategic update

Draka has updated its strategy in the light of the changes it has made during the last eighteen months. The company is shifting its strategic focus to its core competences and aims to expand its position in those markets that are expected to show above-average growth, in particular in the specialty cable segments and certain selected geographical areas (such as China).

The company will continue to optimise its organisation, which may include disposing of non-core activities and reorganisations. Furthermore, Draka aims to extend its position in the specialty cable segments and selected geographical areas, both organically and by add-on acquisitions. Draka aims to increase its revenues derived from these markets from the current c.40% to around 50% of its total revenues in the medium term. In principle, the costs incurred in optimising its organisation will be covered by disposals of non-core businesses and/or additional cash inflows generated within each group.

Draka plans to expand its product and service offering to customers by leveraging its core activities, while increasing the global recognition of the Draka brand. Draka Cableteq's main focus will be on increasing the profitability of its low-voltage cable business in Europe and expanding its operations in Asia and Eastern Europe. The primary focus for Draka Comteq is restoring profitability and looking for opportunities in the US.

Draka will continue to invest in research and development in the field of materials, cables and systems, from which innovation flows. The company's size provides a sound basis for maintaining and extending its leading position in research and development and application engineering. The drive for further progress in materials development will be encouraged and experience exchanged within and between Draka's divisions.

Draka's new divisional organisational structure enables a more effective use of its expertise in research and development, as well as a more efficient production structure within each division. In addition, sales and marketing departments within each division are better positioned to benefit from market circumstances and to recognize client needs.

This strategic approach is aimed at increasing the operating margin (excluding non-recurring items and based on the current revenue level) to around 5% in 2007, compared with 1.2% in 2004.

Strengthening Draka's organisation
Draka is continuing its policy of optimising and strengthening its organisation with a strong focus on profit improvement and reducing capital employed by lowering operating working capital. The new organisational structure creates the conditions required for both a focused market approach (product and market development, including dedicated channels to the market) and a strong efficiency drive at the operational level, mainly in Europe. This emphasis on profits and cash flow will guide Draka's future actions.

Draka Cableteq
Consistent with the strategy outlined above, Draka Cableteq is launching a 'Stop, Swap and Best Practices'-project in September, which will focus mainly on the Low-Voltage Cable and Rubber Cable divisions in Europe and is designed to bring about a structural reduction in costs from 2006 onwards.

The 'Stop, Swap and Best Practices'-project covers:
1) stopping production of cable products which do not enhance the product mix;
2) swapping cable production within the divisions to achieve an optimally efficient production portfolio and focused factories;
3) sharing best practices across and within the divisions, in such areas as production, compounding, logistics and marketing.

This project, which includes the closure of the factory in Leeds (UK), reducing workforce in the Netherlands and downsizing the European wire and cable assembly activities, are expected to result in a reduction in the workforce of around 330. The works councils and unions in the various countries will be consulted on the implementation of these plans. Draka will form a provision of approximately € 23 million in the second half of 2005 to cover the costs of these measures. The net effect after taxation is approximately € 18 million. Annual cost savings of around € 15 million are expected to be achieved, starting in 2006.

Draka Comteq
Draka Comteq will finalise its integration programme this year which aims to lower the cost base by around € 19 million in 2005. As already announced at the end of 2004 this programme consists of, amongst others, closing down an optical fibre plant in Finland and the termination of the optical fibre production in Mönchengladbach (Germany).

Operating working capital
In order to lower the operating working capital (defined as inventories plus trade receivables minus trade payables), Draka has set up a dedicated task force in the second quarter of 2005 which reports directly to the CFO. Operating working capital targets have been set per division and action plans are implemented. Working groups have also been formed at divisional level, which are responsible for carrying out the action plans and meeting the targets. Draka has set the goal of reducing operating working capital from 29.4% of revenues in June 2005 to around 27% at year-end 2005 (based on current copper prices). At year-end 2004 this ratio stood at 27.4%.

€ 450 million refinancing plan
Draka announces a comprehensive refinancing package consisting of a new € 350 million syndicated credit facility and a € 100 million subordinated convertible bond offering. As a result Draka will be funded through 2009, allowing the company to focus on further enhancing its operational performance, while taking advantage of the current favourable market conditions with attractive funding rates.

The net proceeds of the refinancing operation will be used to (i) repay and cancel the existing € 150 million syndicated credit facility maturing in March 2006, (ii) repay and cancel existing bilateral credit facilities at subsidiary level and (iii) buy back and/or refinance up to € 75 million of the existing € 144 million of 5% subordinated convertible bonds due 2007. To this end, Draka plans to make a tender offer to all bondholders.

Syndicated credit facility
Agreement has been reached with a syndicate of banks to fully underwrite a € 350 million syndicated credit facility with a term of three years with an option to extend it for a further year. The facility will be a multi-currency revolving credit facility. The signing and closing of the syndicated facility is conditional on – amongst others – the settlement and closing of the new subordinated convertible bonds. The syndicated facility will be syndicated further and is expected to be signed in October 2005, and will contain customary covenants.

Subordinated convertible bond offering
The issuance of € 100 million subordinated convertible bonds demonstrates Draka's ability to tap a diversified source of funding while simultaneously strengthening the company's guaranteed capital base (shareholders' equity, provision for deferred tax liabilities and the long-term element of the subordinated loans and cumulative preference shares).

The convertible bonds, with a maturity of five years, will be offered at 100% of the principal amount and will be offered to qualified (institutional) investors only. Subscription will start at 8:00am CET today, 30 August. The final terms are expected to be determined today and will be announced in a separate press release. The bonds will be sold outside the US in reliance on Regulation S. Draka will call an Extraordinary General Meeting of shareholders on Monday, 19 September 2005, to obtain the necessary shareholder authorisation. Please refer to Annex I of this press release for more information on the new convertible bond issue.

Tender offer for up to € 75 million of the existing 5% 2007 subordinated convertible bonds
As part of the refinancing plan, Draka also announces a public offer for up to € 75 million of the 5% 2007 convertible bonds. The tender process will commence today and close on 12 September. Please refer to Annex II of this press release for more information on the tender offer.

Position of Draka's main shareholder
Flint Beheer B.V., Draka's major shareholder, has committed to participate in the new convertible bond offering for an amount of € 46 million and to participate in the tender for an amount of c.€ 46 million.

Outlook for 2005

Draka expects conditions in the cable market in the second half of 2005 to be broadly similar to the first six months with stable demand and continuing pressure on selling prices in certain product segments. The copper price is expected to remain volatile.

Given these market circumstances, Draka will continue to pursue its programmes to focus its production plants and strengthen its marketing organisations. For Draka Cableteq this means implementing the 'Stop, Swap and Best Practices'-project, which aims to result in annual cost savings of around € 15 million in 2006. Draka Comteq will finalise its integration programme, aimed at lowering the cost base by around € 19 million in 2005.

In line with its revised strategic focus, Draka will intensify its sales efforts in specialty cable segments and selected geographical markets and closely monitor its low-value-added product range: important first steps in pursuit of Draka's strategy for raising its revenue share of these selected markets from the current c.40% to around 50% of its total revenues in the medium term.

Draka's focus on generating an optimum free cash flow is expected to result in a positive free cash flow in 2005 (excluding non-recurring items, the utilisation of provisions and the effect of disposals and acquisitions), compared with € 35.1 million negative in 2004. Draka expects to achieve this by reducing the operating working capital (to 27% of revenues) and keeping investments below the level of amortisation/depreciation.

Barring unforeseen circumstances, Draka expects (based on current copper prices and currency exchange rates and excluding non-recurring items) the operating margin to improve in the second half of 2005 compared to the first half.

Board of Management
Amsterdam, 30 August 2005

Annexes:

I: Draka to issue € 100 million five year subordinated convertible bonds
II: Draka launches tender offer for up to € 75 million of its outstanding € 143.75 million 5.00% Convertible Bonds due 2007
III: Financial report for the first half-year 2005

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Financial agenda 2005 (subject to change)

Publication of trading update for second half of 2005	**November (week 46)**

Company profile

Draka Holding N.V. ('Draka') is the holding company of a number of operating companies which are engaged worldwide in the development, production and sale of cable and cable systems. Draka focuses on two groups: communication cable (Draka Comteq) and low-voltage and special-purpose cable (Draka Cableteq).

The activities within these two groups are organised into divisions. Draka Comteq consists of the Telecommunication Cable, Multimedia Cable and Optical Fibre divisions. Draka Cableteq consists of the Low-Voltage Cable, Elevator Products, Marine, Oil & Gas, Mobile Network Cable, Rubber Cable and Transport divisions.

Draka has 65 operating companies in 26 countries in Europe, America, Asia and Australia. The company has a flat, decentralised organisational structure with short lines of communication. The divisions enjoy a large measure of independence and are accountable for their own net revenue and results. Draka companies worldwide employ approximately 8,600 people. Draka Holding N.V. has its head office in Amsterdam. In 2004, Draka generated revenues of € 1.7 billion and net income of € 5.8 million (excluding non-recurring items).

Draka Holding N.V. ordinary shares and subordinated convertible bonds are listed on Euronext Amsterdam. The company has been included in the Next150 index since 2001 and in the new AScX index (Amsterdam Small Cap index) since 2 March 2005. Options on Draka shares have been traded on the Euronext Amsterdam Derivative Markets since 8 July 2002.

Also visit our website: www.draka.com

Legends

General

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The Convertible Bonds

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