–Press release–
Amsterdam, 9 March 2006

ANNUAL FIGURES 2005[1]

NET INCOME € 6.5 MILLION (EXCLUDING NON-RECURRING ITEMS)

OPERATING CASH FLOW € 98 MILLION THANKS TO SHARP INCREASE IN OPERATING RESULT AND REDUCTION IN OPERATING WORKING CAPITAL (€ 83 MILLION)

NET INTEREST-BEARING DEBT REDUCED TO € 286 MILLION (€ 96 MILLION REDUCTION)

(in millions of euros, unless stated otherwise)		2005		2004
Revenue	€	1,878.7	€	1,684.3
EBITDA[2]	€	88.6	€	55.7
Operating result, excluding non-recurring items	€	37.6	€	20.9
Operating result[2]	€	30.5	€	–4.3
Net income, excluding non-recurring items	€	6.5	€	6.3
Net income[2]	€	4.4	€	–9.0
Earnings per ordinary share (€)[2]		0.12		–0.67[3]
Cash flow from operating activities	€	97.6	€	–12.7

- **Volume growth 3%, thanks to positive developments at Draka Cableteq and growth in the second half of 2005 at Draka Comteq.**
- **Operating result (excluding non-recurring items) up 80% to € 37.6 million, thanks in particular to good 2H 2005 with sharp improvement in operating result to € 25.4 million (2H 2004: € 1.3 million negative).**
- **Net income € 6.5 million (excluding non-recurring items), somewhat better than the previously published profit forecast.**
- **Operating working capital substantially reduced to 21.3% of revenue (2004: 27.3%), partly due to positive contribution by dedicated task force set up in the second quarter of 2005.**
- **Considerable improvement in balance sheet position thanks to € 96 million reduction in interest-bearing debt (excluding preference shares) to € 286 million.**
- **Outlook for 2006: volume growth on global cable market anticipated. Prices of important raw materials (copper and polymers) are likely to remain volatile. Draka is organisationally well positioned to benefit in full from further market recovery. Partly as a result of this, progress is expected to be made towards achieving Draka's strategic objectives for 2007.**

[1] The information in this press release has been drawn up on the basis of International Financial Reporting Standards (IFRS). The comparative figures for 2004 have been adjusted accordingly, with the exception of the standards for financial instruments (IAS 32/39) which have been adopted as of 1 January 2005.
[2] 2005: including non-recurring items of € 7.1 million negative (2004: € 25.2 million negative).
[3] Per ordinary share after appropriation of preference dividend in 2004.

Annual Results 2005

Commenting on developments in 2005, Garo Artinian, Chairman and CEO of Draka Holding N.V., stated: *'In the past year Draka has taken important steps towards the achievement of its strategic objectives for 2007. 2005 may be characterised as a transitional year in which necessary organisational changes were made. These changes provide the basis for the realisation of a structurally healthy level of profitability in the medium term. The first positive effects already became evident in 2005, which was earlier than expected. Partly as a result, the operating result increased sharply, especially in the second half. The company's financial position improved significantly at the same time thanks to a strong operating cash flow. The challenge for 2006 will be to sustain this positive momentum. We are convinced that Draka has the right people to do this. Given the new strategic focus and the long-term financing structure that were put in place in 2005, Draka is convinced that the foundations have been laid for the creation of value for all stakeholders.'*

(in millions of euros)	2005	2004[1]	2H 2005	2H 2004[1]
Revenue				
Draka Cableteq	€ 1,379.9	€ 1,282.7	€ 715.1	€ 660.4
Draka Comteq	€ 498.8	€ 401.6	€ 265.7	€ 234.0
Total	€ 1,878.7	€ 1,684.3	€ 980.8	€ 894.4
Operating result[2]				
Draka Cableteq	€ 57.7	€ 45.5	€ 29.2	€ 21.0
Draka Comteq	€ –7.6	€ –16.2	€ 1.1	€ –18.7
Not attributed	€ –12.5	€ –8.4	€ –4.9	€ –3.6
Total	€ 37.6	€ 20.9	€ 25.4	€ –1.3

[1] Including consolidation of Alcatel's optical fibre activities as from 1 July 2004.
[2] Excluding non-recurring items. In 2005 these items were € 7.1 million negative compared with € 25.2 million negative in 2004; in 2H 2005 the non-recurring items were € 23.0 million negative compared with € 23.1 million negative in 2H 2004.

General
Following the buoyant demand for cable in 2004 (up by around 7%), the growth in demand slipped slightly in 2005 to the long-term average of around 2–3%. Growth in 2005 suffered in particular from a sluggish start. This was due to end-users using up their existing stocks in the first six months of 2005, thereby reducing the demand for cable in comparison with the high level in the first half of 2004. Demand in 2005 was driven in particular by positive developments in emerging markets, while the West European market – Draka's most important geographical market – contracted by around 2%.

At product level all segments contributed towards the growth of the cable market, with the exception of copper telecommunication cable. Draka managed to achieve a growth in volume in 2005 of 2.7%. Margins remained under pressure, due in particular to the sustained increase in raw material prices (copper and polymers).

The impact resulting from the fundamental change of Draka's organisational structure from a country to a divisional structure in the course of the second half of 2004 gathered momentum in 2005 and made a positive contribution to the result. New projects for the optimisation of production and the resultant efficiency programmes were implemented and are now coming on stream well. The worldwide marketing approach also contributed to Draka's growth.

Thanks in part to the sustained focus on cost control and the positive contribution made by the overhauled organisational structure, Draka managed to record a sharp improvement in the result (excluding non-recurring items) in 2005. Draka Cableteq benefited from favourable market developments in the special-purpose cable segments, while the result of the low-voltage segment improved largely as a result of the organisational and cost-saving measures. Draka Comteq managed to reduce the negative result of 2004 substantially in 2005, despite the continuing price pressure. During the second-half of the year Draka Comteq achieved a small positive result. This was based on cost savings in combination with volume growth.

IFRS
The information in this press release has been drawn up on the basis of International Financial Reporting Standards (IFRS). The comparative financial information for 2004 has been adjusted accordingly, except for financial instruments (IAS 32/39) which are applied as from 1 January 2005.

Revenue
Draka's revenue in 2005 amounted to € 1,878.7 million, an increase of 11.5% on 2004. The organic growth amounted to 11.2%, while changes in the consolidation contributed 0.3% to the growth in revenue.

Approximately 2.7% of the organic revenue growth of 11.2% was attributable to an increase in volume. The remaining 8.5% of organic growth was attributable to the following factors:

1) The continuing sharp rise in the copper price (by an average 28.9% in relation to 2004) had the effect of pushing up revenue by 8.0%.
2) Currency effects increased revenue by 0.5%.

The changes in the consolidation (0.3%) related in particular to:
– the consolidation of Alcatel's optical fibre and cable activities as from 1 July 2004 and of Neva Cables Ltd as from 1 January 2005 (combined effect: +5.0%), and
– the sale of NK Networks & Services GmbH, NKF Electronics B.V. as well as the sale of the electronic cable and datacommunication copper cable activities in the United States (–4.7%).

Operating result
The operating result including non-recurring items amounted in 2005 to € 30.5 million positive as against € 4.3 million negative in 2004. The non-recurring charge forming part of the operating result amounted to a net € 7.1 million and related to three disposals and a provision for the 'Stop, Swap and Share' project. In 2004 Draka reported a non-recurring charge of € 25.2 million. On a like-for-like basis – excluding non-recurring items – the operating result rose by 79.9% to € 37.6 million compared with € 20.9 million in 2004. The improvement in the result was wholly confined to the second half of 2005. During this period the operating result improved to € 25.4 million compared with € 1.3 million negative in the corresponding period in 2004.

Operating margin
The operating margin – the operating result excluding non-recurring items expressed as a percentage of revenue – rose to 2.0% as compared with 1.2% in 2004. The growth in volume, leading to improved capacity utilisation at the plants, the sustained attention to cost-control and projects aimed at the optimisation of production made a positive contribution.

Other financial items
The net financial expenses rose in 2005 by 22.2% to € 40.8 million (2004: € 33.4 million). The figures for 2005 are not, however, entirely comparable with those for 2004 due to the change in treatment of the preference dividend. Financial expenses for 2005 include the preference dividend payable (€ 9.2 million), whereas this sum was not included in 2004[4]. In addition, financial expenses include the extra costs in relation to the application of IFRS for the two convertible bond loans. The effect of this for 2005 was € 5.9 million, but did not result in any cash outflow.

[4] Under IFRS the preference shares have been treated as debt as from 1 January 2005. The preference dividend has consequently been recognised in the profit and loss account under financial expenses. The comparative figures have not been adjusted, which is in accordance with IFRS 1.

Taxation (excluding tax impact on non-recurring items) amounted to € 9.0 million positive, due among other things to the utilisation of tax losses carried forward and attributing a value to tax credits due to the improved profitability of the companies and the application of IFRS. The share in the result of associates amounted to € 2.6 million, compared with € 2.0 million in 2004. This was explained in part by positive developments at Draka's associates in Brazil (Telcon) and Oman (OCI).

Net income
Draka's net income in 2005 came in at € 4.4 million, compared with € 9.0 million negative in 2004. On a like-for-like basis, excluding non-recurring items and after the preference dividend, net income was € 6.5 million, compared with € 2.9 million negative in 2004.

Net earnings per share
The net earnings per ordinary share amounted to € 0.12 for 2005 (2004: € 0.67 negative). Excluding non-recurring items net earnings per share was € 0.18 (2004: € 0.11 negative). The Board of Management proposes that no dividend be paid to the ordinary shareholders in respect of 2005. The net earnings per share for 2005 are based on an average number of shares in issue of 35,567,406 (2004: 27,024,255). At year-end 2005, the number of ordinary shares in issue was unchanged on 31 December 2004 (35,567,406).

Draka Cableteq

General
The markets in which Draka Cableteq operates displayed a limited growth in volume, with demand being driven in particular by the emerging countries and the American market. In Western Europe the market performed weakly. The special-purpose cable segment once again exhibited stronger growth than the low-voltage cable segment. The opening of the new plant in Suzhou took place in the fourth quarter of 2005. In this plant Draka Cableteq will be producing automotive cable, rubber cable and other lines.

Financial result
Draka Cableteq substantially improved both its revenue and operating result in 2005. Virtually all the divisions contributed to the growth. Draka Cableteq's turnover rose by 7.6% in 2005 to € 1,379.9 million. On an organic basis turnover rose by 13.0%, adjusted for the sale of NK Networks & Services GmbH and NKF Electronics BV in the first quarter of 2005. The sharp increase in the price of copper once again pushed up turnover.

	2005	2004	2H 2005	2H 2004
Revenue	€ 1,379.9 million	€ 1,282.7 million	€ 715.1 million	€ 660.4 million
Operating result[1]	€ 57.7 million	€ 45.5 million	€ 29.2 million	€ 21.0 million
Operating margin	4.2%	3.5%	4.1%	3.2%

[1] Excluding non-recurring items of € 4.7 million negative in 2005 and € 6.4 million negative in 2004. As a result of IFRS changes for pensions, the operating result increased by € 3.1 million in 2004, of which € 1.2 million was in the second half.

The operating result excluding non-recurring items rose by 26.8% to € 57.7 million. Positive developments, such as a better product mix, cost control and the positive contribution from the fundamental change in Draka's organisational structure, more than offset the negative impact of the ongoing squeeze on margins due to higher raw material prices (copper and polymers).

The 'Stop, Swap and Share' project launched by Draka Cableteq in September 2005 is on schedule. The measures arising from this project, such as the closure of the plant in Leeds in the UK, the reduction in the number of employees in the Netherlands and the downsizing of the European wire and cable assembly activities, are scheduled for completion in 2006. In order to cover the costs of these measures Draka formed a provision in the second half of 2005 of € 23 million. The annual cost savings of approximately € 15 million are expected to be achieved from 2006 onwards.

Developments per division

Elevator Products
Elevator Products was able to benefit in 2005 from the positive market developments, with the large suppliers of elevators and escalators performing particularly well. The successful strategy of delivering not just elevator cable but also products not manufactured in-house, so that a complete toolkit can be offered, was further expanded with the introduction of new products. Elevator Products also markedly increased its storage and distribution facilities worldwide with new establishments in Spain, Turkey, Brazil, Singapore and Hong Kong. Thanks to the worldwide network, Elevator Products is excellently equipped to provide its global customers with an optimum service.

Low-Voltage Cable
The European market grew slightly by 1–2% in 2005, with prices remaining under sustained pressure. Apart from the buoyant demand for special-purpose cable products, the utility and infrastructure markets grew particularly strongly. The Low-Voltage Cable division succeeded in maintaining its market share in Europe. In certain market segments, however, such as fire-resistant cables, market share was increased. Internationally the division grew with the opening of sales offices in Australia and Indonesia. These concentrated in particular on special-purpose cable products: halogen-free and fire-resistant cables and cable solutions for the petrochemical industry. In addition, the division benefited from the favourable market conditions in the United States and the Asia/Pacific region.

Despite the price pressure and the negative influence of rising raw material prices the division reported higher results. This was attributable to a better product mix, the streamlining of the organisation and the first positive effects of the 'Stop, Swap & Share' cost-reduction programme.

Marine, Oil & Gas
The Marine, Oil & Gas division benefited last year from the unparalleled growth in the offshore market due to the high oil prices and increase in offshore oil drilling. In addition, the shipbuilding market grew strongly thanks to the rapidly expanding economies in Asia (especially China) and the resultant increase in transport flows. The maintenance market benefited from high capacity utilisation (approximately 95%) of offshore oil drilling facilities and from hurricane damages. Despite these favourable market conditions, the increased international competition, especially from Korea, led to prices tending to decline.

The Marine, Oil & Gas division managed to increase its market share and to improve its results. The expansion of its worldwide network means that the division is better placed to respond to the requirements of the global oil companies, which had hitherto been obliged to work with local market players. With distribution centres in Houston, Singapore and Aberdeen and the close cooperation with various partners, including ECS in Canada, DME in the Middle East and Oakwell in Asia, the division is now capable of providing ships and oil platforms in each of the major regions with an optimum service.

Mobile Network Cable
The market for Mobile Network Cable remained stable worldwide. The division was, however, confronted by price erosion, especially in Asia. Another clear trend is that emerging markets (Latin America, Asia and Eastern Europe) are currently working on second-generation mobile telephony networks, where the main concern is with the basic functionality. In North America and Western Europe the second-generation networks are being expanded and market players are currently investing in third-generation networks.

The division has managed to capture market share by means of good service, flexible marketing and attractively priced products. In particular the good results for 2005 reflect the lower manufacturing costs in combination with high capacity utilisation at the production facilities.

Rubber Cable
By placing the emphasis on solar and wind energy, mining and cranes, the Rubber Cable division recorded good results in 2005 while also capturing market share. The prospects for these market segments are also positive and Rubber Cable aims to continue increasing its market share. In 2005, for example, the division presented a new product line for the solar energy market known as Drakaflex Sun. In doing so the division is setting out to become a leading player in this segment. In the United States the division positioned itself more clearly in the wind energy market with its Windflex cable, in collaboration with GE Energy.

Transport
Demand for cable products by the automotive industry in Western Europe remained stable. The special-purpose cable segment was under pressure from the ongoing cost-reduction drive in the automotive industry. In the aircraft industry new orders for aircraft reached record levels. Aircraft production rose correspondingly.

The Transport division performed in line with market developments in 2005 and once again managed to achieve good results. Market conditions within the automotive sector in Spain were difficult since cable harness manufacturers have relocated their production to North Africa and have switched to local suppliers. In China (Suzhou), production was transferred to a new plant. In the case of the aircraft activities the division achieved double-digit growth, in line with the production growth of Airbus.

Draka Comteq

General
The communication cable market showed a healthy growth in 2005, with the strongest performance coming from the optical fibre segment. The growth in the optical fibre cable market amounted to approximately 12-13%, thanks in particular to a number of fibre-to-the-home projects in the United States and various European markets. Draka Comteq maintained its position as market leader in the European and Chinese markets and increased its market share in the rapidly growing American market. More and more telecom operators are increasing their investment budgets, so that continuing growth in 2006 can be expected. The pressure on prices, however, continues unabated.

Financial results
Draka Comteq managed to achieve a substantial improvement in its results in 2005 in comparison with 2004. On a like-for-like basis, whereby Alcatel's optical fibre activities would have been consolidated for 12 months in 2004 instead of the reported six months (from 1 July 2004), the result improved sharply.

Draka Comteq achieved a 24.2% growth in revenue in 2005 to € 498.8 million. Adjusted for the consolidation of Alcatel's optical fibre activities (as from 1 July 2004) and the sale of the electronic cable and data communication copper cable activities in the US (as from 15 March 2005), revenue rose organically by 6.4%. Draka Comteq achieved a growth in volume in all market segments. The organic increase in revenue was, however, held back by the ongoing pressure on selling prices.

	2005	2004[1]	2H 2005	2H 2004[1]
Revenue	€ 498.8 million	€ 401.6 million	€ 265.7 million	€ 234.0 million
Operating result[2]	€ –7.6 million	€ –16.2 million	€ 1.1 million	€ –18.7 million
Operating margin	–1.5%	–4.0%	0.4%	–8.0%

[1] Including consolidation of Alcatel's optical fibre activities as from 1 July 2004.
[2] Excluding non-recurring items of € 2.4 million negative in 2005 and € 19.9 million negative in 2004.

The operating result excluding non-recurring items improved to € 7.6 million negative, as against € 16.2 million negative in 2004. The underlying recovery in the result was even stronger: Alcatel's optical fibre activities were consolidated for the first time in the second half of 2004, when Draka Comteq reported an operating result of € 18.7 million negative. During the corresponding period in 2005, Draka Comteq recorded an operating profit of € 1.1 million.

Apart from volume growth, a major factor in the improvement of the result was the integration programme undertaken in 2005. This generated annual cost savings of € 19 million and industrial synergy benefits of € 6 million. The consequences of the lower average selling prices and higher raw material prices (copper and polymers) depressed the result.

Developments per market segment

Telecommunications
The demand for telecommunication cable increased worldwide in 2005. This increase was accounted for entirely by the optical fibre segment, where worldwide demand rose by around 12-13%. The construction of Fibre-To-The-Home (FTTH) networks led to a sharp increase in demand for optical telecommunication cable, especially in the United States (+30%). In Western Europe this development took place at a lower pace (10%). Lack of investment meant that in the Far East the growth figures were modest. The demand for copper telecommunication cable remained stable worldwide in 2005. The pressure on selling prices was sustained.

Draka Comteq benefited from its improved operating conditions, capturing market share, especially in the US. The organisation in North America was expanded and further optimised, thereby making it possible to respond more effectively to local customer requirements. Among other things this resulted in the award of a sizeable order for the delivery of optical fibre drop cable from a major North American telecommunications provider. In Europe, Draka Comteq managed to capture market share thanks to a number of FTTH projects in the Netherlands and Denmark, thereby consolidating its position as European market leader. In China, Draka Comteq maintained its position. In the case of the copper telecommunication cable activities, Draka Comteq achieved a slight growth in volume.

Data Communication
The data communication market has been exhibiting slight growth for a number of years. In 2005 the growth amounted to around 6%, particularly on account of the new 1–10 Gigabit protocols for broadband applications. A clear technological development is the advent of data applications requiring ever more bandwidth. In addition, corporate and consumer demand for high-quality triple-play solutions (voice, video and data), and hence for even more bandwidth, is set to increase in the coming years.

Draka Comteq has a strong position as market leader in the field of both copper and optical fibre data communication cable in Europe. Given this leading position the group is concentrating on a new generation of products for applications requiring a lot of bandwidth. Draka Comteq has laid the basis for these applications with the MaxCap 10 Gigabit optical fibre solutions. In Europe, Draka Comteq slightly outperformed the limited growth of the market. The market for central office switching cables has been growing rapidly. In Asia, the increased level of activity in Singapore stood out positively.

Optical Fibre
The growth of the total optical fibre market accelerated in 2005 to approximately 12-13% (2004: 2%) or approximately 66 million optical-fibre kilometres. The growth rates for both market segments (single mode and multimode) were comparable, but there were clearly discernible regional differences: the North American market exhibited the strongest growth (+30%) in 2005, the growth in demand in Northwestern Europe was limited and demand in the Far East remained stable. Optical fibre prices, which are quoted in US dollars, once again came under pressure. In the case of singlemode the fall was limited and prices stabilised in the second half of the year. Multimode was subject to continuing price pressures.

Thanks in part to its ColorLock optical fibre, Bendbrite optical fibre and the MaxCap multimode broadband products, Draka Comteq maintained its leading position in the market for singlemode and multimode optical fibre. Following the commissioning of a part of the optical fibre production facility in Claremont, North Carolina (United States), Draka Comteq is better placed to respond as required to local market needs in the US. This has also created a balanced production structure, with two optical fibre plants in Europe and one in the US.

Financial position

Cash flow
The cash flow from operating activities amounted during the financial year to € 97.6 million (2004: € 12.7 million negative). Per share this comes out at € 2.74 and is a sharp rise in relation to the 2004 financial year (€ 0.47 negative). Both the 80% higher operating result, excluding non-recurring items, and the reduction in the operating working capital contributed to the improvement in the operating cash flow.

The operating working capital was reduced by € 83.4 million in 2005. As a percentage of revenue the operating working capital amounted to 21.3% as against 27.3% at 31 December 2004. This decline was achieved despite a further substantial rise in the average price of copper (29%), which normally leads to an increase in the absolute operating working capital. However, the formation of a dedicated task force and an accelerated reorganisation of the cable production activities clearly bore fruit in 2005.

Balance sheet
The balance sheet total increased in 2005 by 2.1% to € 1,637.6 million. This increase was mainly due to a € 24.3 million increase in non-current assets. The net investments in intangible and tangible fixed assets amounted to € 48.5 million and remained below depreciation.

Net interest-bearing debt (excluding preference shares, including subordinated convertible bonds valued at face value) was reduced substantially in 2005 by € 95.7 million to € 286.0 million. Shareholders' equity amounted to € 360.2 million at year-end 2005. The decline of 19.0% in relation to 31 December 2004 was the result of the IFRS reclassification of the preference shares (€ 128.8 million) to long-term liabilities as from 1 January 2005. This was partly offset by the net income for 2005, currency translation effects and the equity component of the existing 5% convertible bond loan 2007 and the 4% convertible bond loan 2010 issued in September (adjustment in accordance with IFRS on the basis of IAS 32/39 from 1 January 2005 onwards).

As a result of the adjustment of shareholders' equity due to the reclassification of the preference shares, the solvency (shareholders' equity as a percentage of the balance sheet total) fell to 22.0% as against 27.7% at year-end 2004. The guarantee capital (consisting of shareholders' equity, the provision for deferred tax liabilities, the long-term portion of the subordinated loans and the cumulative preference shares) amounted to € 701.7 million, equivalent to 42.8% of the total invested capital (year-end 2004: 38.9%). The increase in the guarantee capital as a percentage of the balance sheet total can mainly be attributed to the issue of the 4% subordinated convertible bond loan 2010.

Prospects and objectives for 2006

Prospects
Economic conditions in the European market, which is of particular importance to Draka, are gradually improving. Industrial activity is also increasing in virtually all West European countries. Together with a continuation of the growth in the United States and Asia, the global cable market can be expected to display a further growth in volume in 2006.

Prices of important raw materials (copper polymers) are likely to remain volatile in 2006. The price pressure in various market segments will also be sustained. In view of the above mentioned developments Draka does not consider it possible to make a reliable forecast at this stage regarding revenue and profit development for 2006. Draka is however convinced that the company is now well positioned organisationally to benefit in full from a further market recovery. Partly as a result of this, progress is expected to be made this year towards achieving Draka's strategic objectives for 2007 as explained when the 2005 interim figures were published.

Objectives
In accordance with Draka’s new strategic focus the following objectives have been formulated for 2006:

- Further strengthening of the marketing organisations with the emphasis on the special-purpose cable segment with the aim of stimulating organic growth.
- Continuation of the policy to strengthen Draka’s organisation.
- Ongoing investment in research & development with the emphasis on the introduction of new innovative products.
- Continuation of programmes aimed at greater focus at the production facilities.
- Successful completion of the ‘Stop, Swap and Share’ project within Draka Cableteq, leading to anticipated annual cost savings of approximately € 15 million in 2006.
- Stabilisation of the operating working capital ratio at the current level.
- The achievement of an optimum free cash flow together with a selective investment policy. The investments in intangible and tangible fixed assets are expected to amount to approximately € 45 million, or around 80% of depreciation. The free cash flow will be used to reduce the interest-bearing debt further.

Board of Management
Amsterdam, 9 March 2006

Consolidated income statement

For the year ended 31 December

In millions of euro	**2005**	**2004**
Revenue	1,878.7	1,684.3
Cost of sales	(1,703.9)	(1,507.9)
Gross profit	**174.8**	**176.4**
Selling and distribution expenses	(146.1)	(148.9)
Other operating income and expenses	1.8	(31.8)
Operating result	**30.5**	**(4.3)**
Net financing costs	(40.8)	(33.4)
Share of result of associates and joint ventures	2.6	2.0
Result before tax	**(7.7)**	**(35.7)**
Income tax benefit	14.0	10.0
Result for the year	**6.3**	**(25.7)**
Attributable to:		
Equity holders of the parent	4.4	(9.0)
Minority interests	1.9	(16.7)
Result for the year	**6.3**	**(25.7)**
Basic earnings per share (euro)	0.12	(0.67)
Diluted earnings per share (euro)	0.12	(0.67)

Consolidated balance sheet

As at 31 December

In millions of euro	2005	2004
Assets		
Non-current assets		
Property, plant and equipment	535.8	552.2
Intangible assets	101.2	86.2
Investments in associates and joint ventures	95.5	84.1
Deferred tax assets	52.5	49.0
Other non-current financial assets	33.3	22.5
Total non-current assets	**818.3**	**794.0**
Current assets		
Inventories	363.6	367.8
Trade and other receivables	439.0	419.5
Income tax receivable	2.2	9.3
Cash at bank and in hand	14.5	13.7
Total current assets	**819.3**	**810.3**
Total assets	**1,637.6**	**1,604.3**
Equity		
Shareholders' equity		
Share capital	17.9	22.3
Share premium	237.3	361.7
Other reserves	105.0	60.5
Total equity attributable to equity holders of the parent	**360.2**	**444.5**
Minority interests	**10.1**	**153.5**
Total equity	**370.3**	**598.0**
Liabilities		
Non-current liabilities		
Interest-bearing loans and borrowings	392.0	290.1
Other interest-bearing liability	137.0	-
Provision for employee benefits	92.9	92.8
Other provisions	35.7	21.6
Deferred tax liabilities	34.1	35.3
Total non-current liabilities	**691.7**	**439.8**
Current liabilities		
Bank overdrafts	27.6	7.9
Interest-bearing loans and borrowings	31.0	128.1
Trade and other payables	468.4	353.5
Income tax payable	23.1	8.0
Other provisions	25.5	69.0
Total current liabilities	**575.6**	**566.5**
Total liabilities	**1,267.3**	**1,006.3**
Total equity and liabilities	**1,637.6**	**1,604.3**

Draka

Consolidated statement of cash flows

For the year ended 31 December *In millions of euro*	**2005**	**2004**
Operating result	30.5	(4.3)
Depreciation	48.5	49.3
Amortisation	4.5	6.6
Impairments	5.1	4.1
Operating profit before changes in working capital and provisions	**88.6**	**55.7**
Non recurring items	7.1	25.2
Changes in operating working capital		
(Trade receivables, Inventories and Trade payables)	83.4	(115.8)
Changes in other working capital	(28.6)	65.2
Cash generated from the operations	**150.5**	**30.3**
Net financing costs	(31.7)	(29.4)
Income tax (expense) benefit	25.1	(1.9)
Application of provisions	(46.3)	(11.7)
Net cash from operating activities	**97.6**	**(12.7)**
Dividends received	3.2	0.8
Proceeds from sale of intangible assets	2.2	-
Proceeds from sale of property, plant and equipment	4.1	4.3
Disposal of subsidiaries and associates, net of cash disposed	25.2	-
Acquisition of subsidiaries and associates, net of cash acquired	(9.2)	28.3
Acquisition of intangible assets	(4.1)	(4.0)
Acquisition of property, plant and equipment	(41.0)	(21.1)
Net cash from investing activities	**(19.6)**	**8.3**
Dividends paid	(9.2)	(9.8)
Issue of equity	-	147.5
Convertible subordinated bond issued	100.0	-
Convertible subordinated bond redeemed	(48.6)	-
Movements in other bank loans	(138.5)	(132.9)
Net cash from financing activities	**(96.3)**	**4.8**
Net increase/(decrease) in cash and cash equivalents	**(18.3)**	**0.4**
Cash and cash equivalents at 1 January	5.8	5.5
Exchange rate fluctuations on cash held	(0.6)	(0.1)
Cash and cash equivalents at 31 December	**(13.1)**	**5.8**

Segment reporting

In millions of euro	Draka Cableteq 2005	Draka Cableteq 2004	Draka Comteq 2005	Draka Comteq 2004	Not allocated to segments / Eliminations 2005	Not allocated to segments / Eliminations 2004	Consolidated 2005	Consolidated 2004
Revenue	1,379.9	1,282.7	498.8	401.6	-	-	1,878.7	1,684.3
Operating result (excluding non- recurring items)	57.7	45.5	(7.6)	(16.2)	(12.5)	(8.4)	37.6	20.9
Non-recurring items	(4.7)	(6.4)	(2.4)	(19.9)	-	1.1	(7.1)	(25.2)
Operating result	53.0	39.1	(10.0)	(36.1)	(12.5)	(7.3)	30.5	(4.3)
Net financing costs							(40.8)	(33.4)
Share of results of associates and joint ventures	0.9	1.2	1.7	0.8	-	-	2.6	2.0
Income tax benefit							14.0	10.0
Result for the year							6.3	(25.7)
Capital expenditure	33.6	20.9	12.9	4.9	2.0	0.7	48.5	26.5
Depreciation and amortisation	38.6	39.2	14.1	15.6	0.3	1.1	53.0	55.9
Impairments	4.6	-	0.5	4.1	-	-	5.1	4.1
Segment liabilities	980.7	935.8	266.6	248.8	20.0	(178.3)	1,267.3	1,006.3
Segment assets	1,251.2	1,183.6	388.5	409.3	(97.6)	(72.7)	1,542.1	1,520.2
Investments in associates and joint ventures	19.2	17.9	76.3	66.2	-	-	95.5	84.1
Total assets	1,270.4	1,201.5	464.8	475.5	(97.6)	(72.7)	1,637.6	1,604.3