–Press release–
Amsterdam, 31 August 2007

FIRST-HALF YEAR RESULTS 2007

OPERATING RESULT UP 80% TO € 70.5 MILLION AND NET INCOME MORE THAN DOUBLED TO € 39.6 MILLION

DRAKA EXPECTS TO SUSTAIN POSITIVE TREND: OPERATING RESULT AND NET INCOME IN H2 2007 AT LEAST EQUALLING H1 2007[1]

(€ million, unless stated otherwise)	H1 2007	H1 2006
Revenues	1,416.3	1,189.6
EBITDA, excluding non-recurring items[2]	97.4	66.8
Operating result, excluding non-recurring items[2]	70.5	39.1
Operating result	70.5	34.1
Net income, excluding non-recurring items[2]	39.6	17.1
Net income	39.6	12.1
EPS, excluding non-recurring items (€)[2,3]	1.04	0.48
Cash flow from operating activities	(34.3)	(26.7)

- **Strong performance driven by above-average volume growth (8%), cost savings (€ 3 million) and no adverse copper price effects.**
- **Marked volume growth in both groups: Draka Cableteq benefited from good developments on European construction market and sustained growth in sales to OEMs. Draka Comteq profited from deliveries to several new customers and continuing growth in optical fibre market.**
- **Operating result (excluding non-recurring items) up 80% to € 70.5 million. Draka Cableteq's operating result was over 60% higher and Draka Comteq's more than tripled.**
- **Net income (excluding non-recurring items[2]) rose to € 39.6 million (+132%); earnings per share of € 1.04, an increase of 117% (after preference dividend).**
- **Operating working capital lowered to 18.6% of revenues (H1 2006: 20.0%), despite higher raw material prices and healthy volume growth.**
- **Outlook for 2007: volume growth on the global cable market is expected to continue. The prices of the principal raw materials (copper and polymers) will remain volatile. Draka expects operating result and net income in the second half of 2007 to at least equal the first six months of this year[1].**

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[1] Excluding non recurring items and barring unforeseen circumstances.
[2] There were no non recurring items in H1 2007. There was a non-recurring charge of € 5.0 million in H1 2006 in respect of an impairment at Draka Comteq.
[3] Earnings per ordinary share after appropriation of preference dividend of € 2.7 million in H1 2007.

First-half results 2007

Commenting on developments in the first half of 2007, Ingolf Schulz, Chairman and CEO of Draka Holding N.V., stated: *"Draka posted excellent results for the first six months of 2007. Thanks to our focus on profitability, we have taken another significant step towards our strategic objectives. The operating margin was 5.0% (H1 2006: 3.3%), in line with the target for 2007 that we set in 2005. Strong volume growth (8%) and further cost savings were contributory factors.*

Draka will continue to pursue its strategy of focusing on operational excellence, commercial dynamism and investment in growth markets. On that basis, and given the favourable market conditions, Draka expects both operating result and net income in the second half of 2007 to at least equal the first half[4]."

(€ million)	H1 2007	H1 2006	H2 2006
Revenues			
Draka Cableteq	1,099.7	915.2	1,021.0
Draka Comteq	316.6	274.4	318.8
Total	1,416.3	1,189.6	1,339.8
Operating result[1]			
Draka Cableteq	73.3	45.1	54.5
Draka Comteq	4.7	1.5	4.0
Unallocated	(7.5)	(7.5)	(7.0)
Total	70.5	39.1	51.5

[1] Excluding non-recurring items. There were no non recurring items in H1 2007. In full year 2006, these items amounted to € 32.9 million negative (€ 26.8 million for the Stop, Swap & Share project at Draka Comteq and € 6.1 million for several cost-saving projects at Draka Cableteq).

General
World demand for cable grew at 4–5% in the first half of 2007 (assuming constant copper prices and exchange rates). This growth was comparable with the same period in 2006. Above-average growth was reported in emerging markets in the Far East, Latin America and Eastern Europe, with growth rates of 6–7%. Growth in the West European market, where Draka generates about 70% of its revenues, was around 4%. With the exception of copper telecommunication cable, all product segments contributed to the growth in the cable market.

Revenues
Draka's revenues in the first six months of 2007 amounted to € 1,416.3 million, an increase of 19.1% on the same period last year. Acquisitions accounted for 6.5 percentage points of this growth. This relates to the insulated cable activities of International Wire Group, Inc. (USA) and Cornelia Thies Kabeltechnik GmbH (Germany), which were acquired in 2006.

The organic growth in revenues amounted to 12.6%, or € 150.0 million, of which the very healthy volume growth accounted for 8.0 percentage points. Both groups reported volume growth, of 6.2% in the case of Draka Cableteq and 13.9% for Draka Comteq. The remaining 4.6 percentage points of organic growth reflected the continuing rise in the price of copper (by an average of 3.5% in euros

[4] Excluding non-recurring items and barring unforeseen circumstances.

compared with the first half of 2006), which accounted for 5.7 percentage points of revenue growth, and exchange rate effects (1.1 percentage points negative).

Operating result
On a like-for-like basis – excluding non-recurring items – the operating result was 80.3% higher at € 70.5 million, compared with € 39.1 million in the first half of 2006. Including non-recurring items, the increase amounted to 106.7%, because the operating result for the first half of 2006 included a non-recurring charge of € 5.0 million in respect of an impairment at Draka Comteq.

Operating margin
The operating margin – the operating result excluding non-recurring items as a percentage of revenues – rose to 5.0%, a substantial increase on the 3.3% figure for the same period in 2006. The operating margin benefited from the volume growth, which translated into higher capacity utilisation at Draka's factories, the positive effects of efficiency-raising projects and 'Stop, Swap & Share' programmes. The operating margin thereby met the 5% target for 2007 that was set in the strategic update known as 'Building Future Growth' in September 2005.

Other financial items
Net financing charges were 6.5% higher at € 21.4 million (H1 2006: € 20.1 million), reflecting the increase in the average net interest-bearing debt. Taxation amounted to € 13.7 million, equating to a tax burden of 25.1% compared with 28.2% in the same period in 2006. The share in the results of associates was 58.8% higher at € 5.4 million, compared with € 3.4 million in the first half of 2006. This increase can be attributed mainly to the improved results of Draka's associates in Oman (OCI) and China (YOFC).

Net income
Net income, excluding non-recurring items, in the first half of 2007 was 131.6% higher at € 39.6 million (H1 2006: € 17.1 million). Including non-recurring items, the increase amounted to 227.3%, because net income in the first half of 2006 included a non-recurring charge of € 5 million in respect of an impairment at Draka Comteq.

Net earnings per share
Excluding non-recurring items and after appropriation of the preference dividend, net earnings per ordinary share amounted to € 1.04, compared with € 0.48 in same period in 2006. Including non-recurring items, net earnings per share also turned out at € 1.04, compared with € 0.34 in the first six months of 2006. The number of ordinary shares in issue (35,567,406) remained unchanged compared with 31 December 2006.

Draka Cableteq

General

Draka Cableteq benefited greatly from the good market conditions in Western Europe in the first half of 2007. Demand remained strong in the emerging markets and held steady at a good level in the US. The growth in demand was balanced, with both the special-purpose cable and low-voltage cable segments reporting above-average increases.

Financial result

The sharp growth in Draka Cableteq's result in 2006 continued into the first half of 2007. All divisions contributed again to the improved result, with the Transport and Marine, Oil & Gas divisions recording the fastest growth. Draka Cableteq's revenues rose 20.2% in the first half of 2007 to € 1,099.7 million. Excluding the effects of acquisitions (namely the insulated cable activities of International Wire Group, Inc. and Cornelia Thies Kabeltechnik GmbH in 2006), organic revenue growth turned out at 11.8%, of which the strong volume growth accounted for 6.2 percentage points and the remaining 5.6 points reflected the higher copper price.

(€ million, unless stated otherwise)	H1 2007	H1 2006	H2 2006
Revenues	1,099.7	915.2	1,021.0
Operating result[1]	73.3	45.1	54.5
Operating margin (%)	6.7	4.9	5.3

[1] Excluding non-recurring charges of € 6.1 million in H2 2006.

The operating result for the first half of 2007 was sharply higher at € 73.3 million (+62.5%), mainly due to the volume growth, which translated into higher capacity utilisation at Draka's factories, and a better product mix. In addition, cost savings of around € 2 million were generated by the Stop, Swap & Share project in the Low-Voltage Cable division. Although raw material prices (copper and polymers) were again highly volatile in the first six months of the year, there was no negative impact on margins.

Developments per division

Low-Voltage Cable
Volume growth on the European market turned out at around 4–5%, close to the 2006 figure, with the markets in Western and Eastern Europe growing at generally similar rates. The construction, infrastructure and utility markets all contributed to the growth in demand. Draka further advanced its position in South-East Asia and Australia, thanks to good performance in the special cable products, and maintained its position in the United States in a stable market.

Partly thanks to the favourable market conditions, the Low-Voltage Cable division achieved good volume growth and record results. As well as volume growth and ongoing cost control, coordinated action to further improve the product mix was also a contributory factor. The increasing proportion of products with higher added value translates into a structural improvement in the operating margin.

Transport
With vehicle production rising, demand for cable in the automotive sector was slightly higher in the first six months of 2007. The net growth in the market reflects higher production volumes in Asia and to a lesser extent Europe, but a fall in car production in the United States. Demand for aerospace cabling remained high.

The Transport division’s results improved significantly in the first half of 2007, despite the pressure on margins exerted by the higher raw material prices. This improvement reflects the increased production volume in the automotive and aerospace industries and the stronger market position gained through the acquisition of activities in Cebu (Philippines) and Durango (Mexico) in 2006. These two acquisitions have also enabled the division to organise production at the existing factories more efficiently.

Elevator Products
World market conditions were favourable in the first half of the year. The Asian market posted the fastest growth, with the European and American markets lagging some way behind. Operations in all regions were affected by the rising copper price, which could not be passed on to the customer in all cases.

The Elevator Products division again turned in an excellent performance, reporting growth in volume, results and market share. This growth was generated largely by extending the product range and expanding capacity to meet demand in the fast-growing Chinese market. The Elevator Products division strengthened its position on this market by forming a second joint venture, named Nantong Zhongyao Draka Elevator Products Co. Ltd., which has resulted in further extension of the product range.

Rubber Cable
The market segment continued to perform strongly, with above-average growth in demand for special-purpose cable used in wind and solar energy applications. Growth in the standard cable market was close to that for the cable market as a whole (4-5%).

The Rubber Cable division’s results for the first six months of 2007 were substantially higher, mainly due to the combined effect of sharply increased revenues and a greatly improved product mix (with a larger proportion of products with higher added value). Further major improvements in the product mix are expected to accrue from 2008 onwards from the special investment project designed to strengthen the division’s position in the alternative energy market, including wind farms.

Marine, Oil & Gas
Market demand has recorded above-average growth for several years, keeping pace with the rising level of investment by the major oil companies in new oil exploration and production platforms and ships. To keep existing oil and gas platforms and ships in operation, the maintenance market is showing significant growth as well.

The Marine, Oil & Gas division more than doubled its result in the past six months. The favourable market conditions, the successful completion of a number of highly profitable projects and further optimisation of the worldwide organisation were the principal contributory factors in this increase.

Mobile Network Cable
The global market performed satisfactorily, with most of the growth in Asia and the markets in Europe and America remaining stable. Rapid advances are being made in Asia in developing mobile telephony networks, most notably in India, Indonesia, Vietnam and China.

The Mobile Network Cable division posted a higher result in the first half of 2007, which resulted in a further increase in operating margin. This was mainly attributable by the expansion of its market share in both Europe and Asia, capacity increases to meet demand on the fast-growing Chinese market and the addition of more high-value products to the portfolio.

Draka

Draka Comteq

General
The communication cable market continued to grow. Demand for data communication cable (copper and optical fibre) rose by 4–5% in line with the total cable market. The fastest growth (around 10%) was recorded by optical fibre telecommunication cable, mainly driven by rising demand in Europe and Asia. Demand in the United States remained stable at a high level. Global market demand for copper cable showed no net change, but was lower in Western Europe. The communication cable market remained highly competitive, maintaining the pressure on prices.

Financial result
Despite the highly competitive market, Draka Comteq posted a sharply improved result in the first half of 2007, to which all divisions contributed. Revenues were 15.4% higher at € 316.6 million, all of which was organic growth. Volume growth accounted for 13.9 percentage points of this improvement and the higher average copper price added a further 1.5 points to the increase in revenues. Volume growth was achieved by Draka Comteq in all market segments except copper telecommunication cable. Organic revenue growth was constrained to some extent by the sustained pressure on selling prices.

(€ million, unless stated otherwise)	H1 2007	H1 2006	H2 2006
Revenues	316.6	274.4	318.8
Operating result[1]	4.7	1.5	4.0
Operating margin (%)	1.5	0.5	1.3

[1] Excluding non-recurring charges of € 5.0 million in H1 2006 and € 21.8 million in H2 2006.

The operating result excluding non-recurring items more than tripled to € 4.7 million, compared with € 1.5 million in the first half of 2006. This improvement reflected the strong volume growth, which translated into better capacity utilisation at Draka's factories, and the continuing drive to reduce the cost base, but the sustained pressure on selling prices was a negative factor.

The Stop, Swap & Share programme launched in the Cable Solutions EMEA division of Draka Comteq in the second half of 2006 is proceeding according to plan. The annual cost savings, estimated at around € 12 million, will be realised in full in 2008. The cost savings this year are expected to amount to € 5 million, of which some € 1 million was realised in the first half of this year.

Developments per market segment

Telecommunication
Demand for optical fibre cable again strengthened appreciably in the first six months of 2007. Optical telecommunication cable was around 10% higher, driven by growing investment in installing fibre-to-the-home (FTTH) networks and faster VDSL 2+ connections. The European market grew at a faster pace, the Asian market (especially China and India) continued to develop strongly and demand in the United States remained at a high level. Demand for copper telecommunication cable was stable worldwide. Despite the good level of demand, competition on the telecommunication cable market is still intense and selling prices are under pressure.

Draka Comteq performed satisfactorily in the first half of the year and, due to volume growth and cost control, posted a greatly improved result. It maintained its strong market position and even advanced it in some regions. In Europe, Draka Comteq profited from its large share of the French market, where demand for FTTH projects has grown fastest. On the American market, the second quarter saw the first deliveries under a new contract with Verizon. Through its joint ventures, Draka Comteq maintained its leadership in the growing Chinese market.

Data communication
The data communication cable market continued to grow steadily at 4–5%. Both the copper and optical fibre cable segments contributed to this growth. Demand is driven by new LANs (local area networks), offering enhanced performance in existing and new buildings.

Draka Comteq achieved volume growth in both market segments (copper and optical fibre), thereby retaining its position as European market leader. The results showed further improvement.

Optical fibre
The optical fibre market grew around 10% in the first half of 2007, to a total of some 45 million fibre kilometres. The single-mode market segment (for telecommunications applications) grew over 10%, slightly ahead of the 7% growth in the multi-mode market segment (for data communications). The growth in the optical fibre market was strongest in Europe (+19%), with demand in Asia around 13% higher and the American market showed no change. Optical fibre prices in US dollars were stable in the single-mode segment but were under sustained pressure in the multi-mode segment.

Draka Comteq was able to advance its leading position in the single-mode and multi-mode optical fibre market still further and reported strong growth in the multi-mode segment in particular. Despite the investments in expanding production capacity (mainly in Claremont, North Carolina, USA), the result continued to improve.

Financial position

Cash flow and operating working capital
Cash flow from operating activities amounted to € 34.3 million negative, compared with € 26.7 million negative in the first six months of 2006. The sharp rise in profitability in the first half of 2007 was fully absorbed by the negative movement in the operating working capital.

The increase in Draka's operating working capital, which normally occurs in the first half-year due to seasonal effects, amounted to € 94.4 million, almost € 60 million more than in the same period in 2006. The increase in operating working capital in absolute terms was due to the volume growth, the rising copper price and the shorter payment terms for 2007 which Draka has negotiated with its main raw material suppliers.

However, operating working capital as percentage of revenues fell to 18.6%, compared with 20.0% in the same period in 2006, in line with the target of keeping the operating working capital ratio below 20% in 2007.

Investments and acquisitions
Net investments in intangible and tangible fixed assets amounted to € 29.3 million, slightly exceeding the level of depreciation and amortisation of € 26.9 million. There were no material acquisitions or disposals in the first half of 2007.

Work has started on the special investment project for the Rubber Cable division, which was announced at the beginning of the year, to ensure an effective response to the positive outlook for cabling for alternative energy systems such as wind farms. The investment project, which will cost around € 17 million, should have been completed this year. However, changes to the technical specifications and delays at equipment suppliers mean that completion is now not expected until the first half of 2008. As a consequence, the investment in 2007 will amount to € 7 million and the remainder (€ 10 million) will be accounted for in the first half of 2008.

Balance sheet and financing
The balance sheet total as at 30 June 2007 amounted to € 1,868.1 million, an increase of 7.1% on year-end 2006. This was due entirely to the € 126.1 million increase in current assets (inventories and trade receivables), reflecting the higher volumes and the continuing rise in the copper price.

Shareholders' equity amounted to € 464.5 million, an increase of 8.8% compared with 31 December 2006, due to the net income for the first six months of 2007 (€ 39.6 million). Net interest-bearing debt was € 66.1 million (19.1%) higher at € 412.0 million, attributable entirely to the increase in operating working capital in absolute terms (€ 94.4 million).

The solvency ratio (shareholders' equity as a percentage of balance sheet total) improved slightly to 24.9%, compared with 24.5% as at year-end 2006. The guarantee capital (consisting of shareholders' equity, the provision for deferred tax liabilities and the long-term portion of the subordinated loans) amounted to € 662.5 million, or 35.5% of the total invested capital (year-end 2006: 35.5%).

Net gearing (total net interest-bearing debt as a percentage of shareholders' equity) increased to 88.7%, from 81.0% as at year-end 2006, because net interest-bearing debt increased faster (+19.1%) than shareholders' equity (+8.8%).

Outlook for 2007

Outlook

Draka expects similar conditions on the global cable market in the second half of 2007 to those in the first six months, with market demand growing by 4–5% and the prices of its main raw materials (copper and polymers) remaining volatile.

Given these market conditions and barring unforeseen circumstances, Draka expects its operating result and net income in the second half to at least equal those for the first six months of this year[5].

Board of Management
Amsterdam, 31 August 2007

[5] Excluding non-recurring items.

Condensed consolidated income statement
(unaudited)

In millions of euro	Six months ended 30 June 2007	2006
Revenue	1,416.3	1,189.6
Cost of sales	(1,263.8)	(1,076.2)
Gross profit	**152.5**	**113.4**
Selling, distribution and other expenses	(82.0)	(79.3)
Operating result	**70.5**	**34.1**
Net financing costs	(21.4)	(20.1)
Share of result of associates and joint ventures	5.4	3.4
Result before tax	**54.5**	**17.4**
Income tax expense	(13.7)	(4.9)
Result for the period	**40.8**	**12.5**
Attributable to:		
Equity holders of the company	39.6	12.1
Minority interests	1.2	0.4
Result for the period	**40.8**	**12.5**
Basic earnings per share (euro)	1.04	0.34
Diluted earnings per share (euro)	0.97	0.34

The selected explanatory notes on pages 16-18 are an integral part of the condensed consolidated interim financial statements for the first half year 2007.

Condensed consolidated balance sheet (unaudited)

In millions of euro	30-06-2007	31-12-2006	30-06-2006
Assets			
Non-current assets			
Property, plant and equipment	532.4	531.7	521.8
Intangible assets	97.3	96.5	100.3
Investments in associates and joint ventures	90.4	94.9	92.9
Deferred tax assets	44.9	52.7	50.7
Other non-current financial assets	30.4	32.2	29.9
Total non-current assets	**795.4**	**808.0**	**795.6**
Current assets			
Inventories	457.3	433.7	410.2
Trade and other receivables	574.0	458.8	568.8
Income tax receivable	2.3	2.4	3.9
Cash and cash equivalents	39.1	42.1	31.2
Total current assets	**1,072.7**	**937.0**	**1,014.1**
Total assets	**1,868.1**	**1,745.0**	**1,809.7**
Equity			
Shareholders' equity			
Share capital	20.4	20.4	17.9
Share premium	311.4	311.4	237.3
Retained earnings	99.1	67.7	61.6
Other reserves	33.6	27.4	48.2
Total equity attributable to equity holders of the company	**464.5**	**426.9**	**365.0**
Minority interests	**13.5**	**12.2**	**11.0**
Total equity	**478.0**	**439.1**	**376.0**
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	424.6	268.2	440.5
Other interest-bearing liability	130.4	127.7	136.2
Provision for employee benefits	90.7	93.3	95.6
Other provisions	26.1	26.1	35.7
Deferred tax liabilities	30.2	26.1	32.7
Total non-current liabilities	**702.0**	**541.4**	**740.7**
Current liabilities			
Bank overdrafts	11.7	32.0	37.9
Interest-bearing loans and borrowings	30.7	107.2	29.9
Trade and other payables	605.3	566.6	590.9
Income tax payable	25.9	26.8	21.8
Other provisions	14.5	31.9	12.5
Total current liabilities	**688.1**	**764.5**	**693.0**
Total liabilities	**1,390.1**	**1,305.9**	**1,433.7**
Total equity and liabilities	**1,868.1**	**1,745.0**	**1,809.7**

The selected explanatory notes on pages 16-18 are an integral part of the condensed consolidated interim financial statements for the first half year 2007.

Draka

Condensed consolidated statement of cash flows

(unaudited)

In millions of euro	Six months ended 30 June 2007	2006
Result for the period	40.8	12.5
Adjustments for:		
Depreciation	24.8	25.4
Amortisation	2.1	2.3
Impairments	-	5.0
Net financing costs	21.4	20.1
Share of result of associates and joint ventures	(5.4)	(3.4)
Income tax expense	13.7	4.9
Operating profit before changes in working capital and provisions	**97.4**	**66.8**
Changes in inventories	(23.6)	(46.6)
Changes in trade receivables	(102.5)	(102.1)
Changes in trade payables	31.7	113.9
Changes in other working capital and other	1.4	(30.0)
Cash generated from operations	**4.4**	**2.0**
Interest paid *	(21.1)	(20.8)
Income tax paid	(3.5)	-
Application of provisions	(14.1)	(7.9)
Net cash used in operating activities	**(34.3)**	**(26.7)**
Dividends received	11.2	1.8
Proceeds from sale of property, plant and equipment	-	5.1
Acquisition of subsidiaries and associates, net of cash acquired	-	(1.6)
Acquisition of intangible assets	(1.9)	(2.1)
Acquisition of property, plant and equipment	(27.4)	(16.7)
Net cash used in investing activities	**(18.1)**	**(13.5)**
Dividends paid *	(14.6)	-
Convertible subordinated bond redeemed	(95.2)	-
Movements in other bank loans	179.1	46.5
Net cash from financing activities	**69.3**	**46.5**
Net increase in cash and cash equivalents	**16.9**	**6.3**
Cash and cash equivalents at 1 January (net of bank overdrafts)	10.1	(13.1)
Exchange rate fluctuations on cash and cash equivalents	0.4	0.1
Cash and cash equivalents at 30 June (net of bank overdrafts)	**27.4**	**(6.7)**

* 2006 adjusted for purposes of comparison (see note 8)

Condensed consolidated statement of changes in total equity

(unaudited)

In millions of euro	Share capital	Share premium	Trans-lation reserve	Hedging reserve	Reserve for associates & joint vent.	Retained earnings	**Share-holders' equity**	Minority Interests	**Total equity**
Balance as at 31 December 2006	**20.4**	**311.4**	**(5.1)**	**(4.2)**	**36.7**	**67.7**	**426.9**	**12.2**	**439.1**
Foreign exchange translation differences	**-**	**-**	**(0.8)**	**-**	**-**	**-**	**(0.8)**	**0.1**	**(0.7)**
Effective portion of changes in fair value	-	-	-	12.8	-	-	12.8	-	12.8
Net income directly recognised in equity	**-**	**-**	**(0.8)**	**12.8**	**-**	**-**	**12.0**	**0.1**	**12.1**
Result for the period	-	-	-	-	(5.8)	45.4	39.6	1.2	40.8
Total recognised income and expense	**-**	**-**	**(0.8)**	**12.8**	**(5.8)**	**45.4**	**51.6**	**1.3**	**52.9**
Dividends paid	-	-	-	-	-	(14.6)	(14.6)	-	(14.6)
Share based payments	-	-	-	-	-	0.6	0.6	-	0.6
Total direct changes in equity	**-**	**-**	**-**	**-**	**-**	**(14.0)**	**(14.0)**	**-**	**(14.0)**
Balance as at 30 June 2007	**20.4**	**311.4**	**(5.9)**	**8.6**	**30.9**	**99.1**	**464.5**	**13.5**	**478.0**
Balance as at 31 December 2005	**17.9**	**237.3**	**12.1**	**11.2**	**30.6**	**51.1**	**360.2**	**10.1**	**370.3**
Foreign exchange translation differences	-	-	(6.4)	-	-	-	(6.4)	-	(6.4)
Effective portion of changes in fair value	-	-	-	(0.9)	-	-	(0.9)	-	(0.9)
Net income directly recognised in equity	**-**	**-**	**(6.4)**	**(0.9)**	**-**	**-**	**(7.3)**	**-**	**(7.3)**
Result for the period	-	-	-	-	1.6	10.5	12.1	0.4	12.5
Total recognised income and expense	**-**	**-**	**(6.4)**	**(0.9)**	**1.6**	**10.5**	**4.8**	**0.4**	**5.2**
Effect of acquisitions and divestments	-	-	-	-	-	-	-	0.5	0.5
Total direct changes in equity	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.5**	**0.5**
Balance as at 30 June 2006	**17.9**	**237.3**	**5.7**	**10.3**	**32.2**	**61.6**	**365.0**	**11.0**	**376.0**

The selected explanatory notes on pages 16-18 are an integral part of the condensed consolidated interim financial statements for the first half year 2007.

Draka

Selected explanatory notes

1. General

Draka Holding N.V. (“the Company”) is a company domiciled in Amsterdam, the Netherlands. The condensed consolidated interim financial statements for the first half year 2007 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates and jointly controlled entities.
The condensed consolidated interim financial statements have been prepared by the Board of Management and were authorized for issuance on 31 August 2007. The condensed consolidated interim financial statements have not been audited.

2. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2006.

3. Significant accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same accounting policies as those applied in the consolidated financial statements for the Group for the year ended 31 December 2006 as included in the Annual Report 2006 issued on 8 March 2007.

4. Estimates

The condensed consolidated interim financial statements 2007 are prepared in accordance with IAS 34, which requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
Except as described below, in preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2006.
Please be aware that dividends paid on preference shares included in the condensed consolidated statement of cash flows for the six months ended 30 June 2006 are reclassified (see note 8).

5. Segment reporting

Segment information is presented in respect of the Group's business segments.
The format of the business segments is based on the Group's management and internal reporting structure.

Six months ended 30 June	Draka Cableteq		Draka Comteq		Not allocated to segments / Eliminations		Consolidated	
In millions of euro	**2007**	**2006**	**2007**	**2006**	**2007**	**2006**	**2007**	**2006**
Revenue from external customers	1,099.7	915.2	316.6	274.4	-	-	1,416.3	1,189.6
Intersegment transactions	29.7	33.3	33.2	33.2	(62.9)	(66.5)	-	-
Revenue	**1,129.4**	**948.5**	**349.8**	**307.6**	**(62.9)**	**(66.5)**	**1,416.3**	**1,189.6**
Operating result (excluding non- recurring items)	73.3	45.1	4.7	1.5	(7.5)	(7.5)	70.5	39.1
Non-recurring items	-	-	-	(5.0)	-	-	-	(5.0)
Operating result	**73.3**	**45.1**	**4.7**	**(3.5)**	**(7.5)**	**(7.5)**	**70.5**	**34.1**
Net financing costs							(21.4)	(20.1)
Share of results of associates and joint ventures							5.4	3.4
Income tax expense							(13.7)	(4.9)
Result for the period							**40.8**	**12.5**

6. Non-recurring items

In the first half year of 2007 the Group had no non-recurring items.

In the first half year of 2006 the Group had a non-recurring item in connection with an impairment charge of € 5.0 million related to the proposed termination of Draka Comteq's operations in Oulu (Finland). This impairment related to Comteq's Stop, Swap & Share programme for restructuring of its Cable Solutions EMEA division.

7. Acquisitions and disposals of subsidiaries

No material acquisitions or disposals of subsidiaries took place in the first six months of 2007.

8. Dividend

During the first half year of 2007 € 13.2 million dividend on ordinary shares and € 5.4 million dividend on redeemable preference shares was paid out for the 2006 financial year. Due to the reclassification in the course of 2006 of the redeemable preference shares from liabilities to shareholders' equity as a result of an amendment of the terms, € 4.0 million of the dividend on redeemable preference shares is presented as interest paid in the condensed consolidated statement of cash flows. The remaining € 1.4 million dividend on redeemable preference shares together with the € 13.2 million dividend on ordinary shares are presented as dividends paid in the condensed consolidated statement of cash flows and condensed consolidated statement of changes in total equity.

In the condensed consolidated statement of cash flows for the six months ended 30 June 2006, € 9.3 million paid out dividend on redeemable preference shares was presented under dividends paid on preference shares. For purposes of comparison this has been reclassified to interest paid as part of the net cash used in operating activities.

9. Interest-bearing loans and borrowings

Total interest-bearing loans and borrowings (non-current and current) increased with € 80 million compared to 31 December 2006, mainly due to an increase of the Multicurrency revolving credit facility to finance the increase in operating working capital.

10. Convertible subordinated bond

In April 2007 the 5% convertible subordinated bond was redeemed at its face value of in total € 95.2 million.

11. Subsequent events

No material subsequent events took place after 30 June 2007.

Amsterdam, 31 August 2007

Board of Management