



# First-Half Results 2008

**Solid performance despite challenging economic environment**

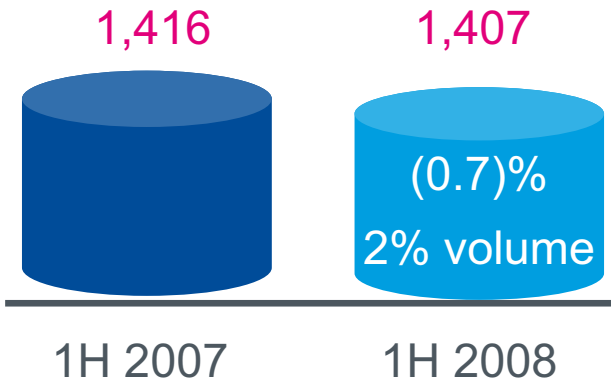
- Highlights & achievements in 1H 2008
- Financial Results 1H 2008
- Results per Group
- Financial Position
- Outlook

- Revenue stable at € 1.4bn; volume growth 2.1%
- Operating result increased 7% to € 75.7 million; excl. exchange-rate effects +17% to € 82.2 million
- Strongest increase at Communications (+15%); healthy development at Energy & Infrastructure (+7%) and Industry & Specialty (+10%)
- Result for the period 25% up to € 49.3 million, EPS € 1.31 (+26%)
- Operating working capital ratio lowered with 80bp to 17.8%
- Outlook 2008: Modest volume growth on global cable market expected. Draka remains cautiously optimistic for 2008

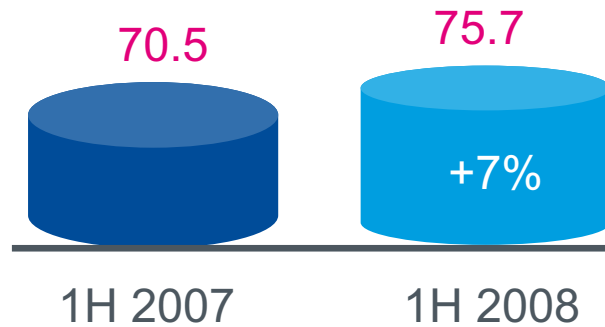
\* All figures excluding non-recurring items

## Good set of results<sup>1</sup> in 1H 2008

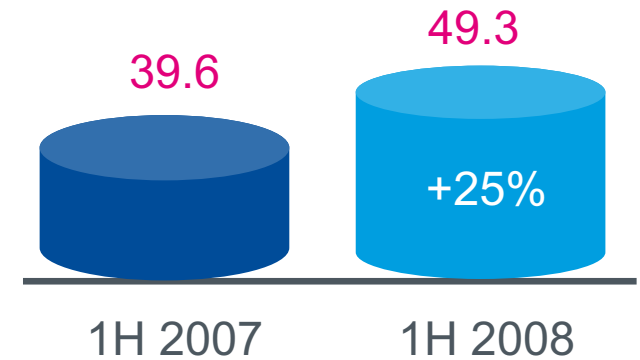
### Revenue (€m)



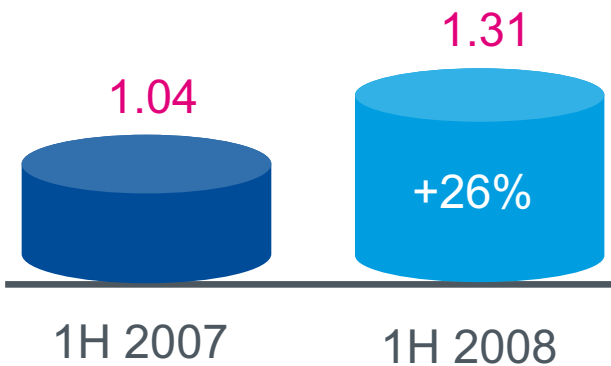
### Operating result (€m)



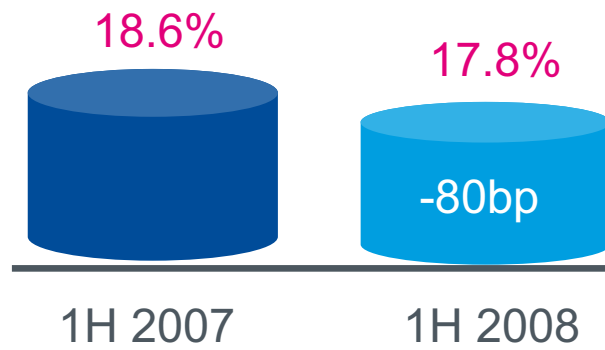
### Net income (€m)



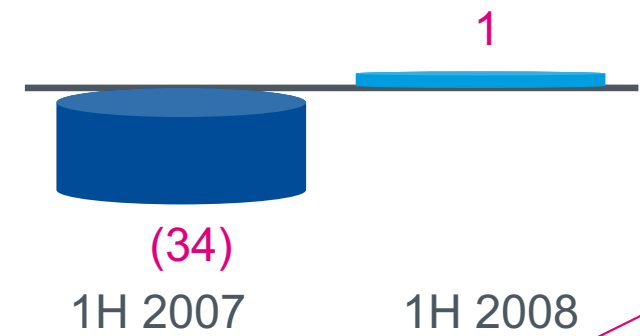
### EPS (€)



### Operating WC ratio

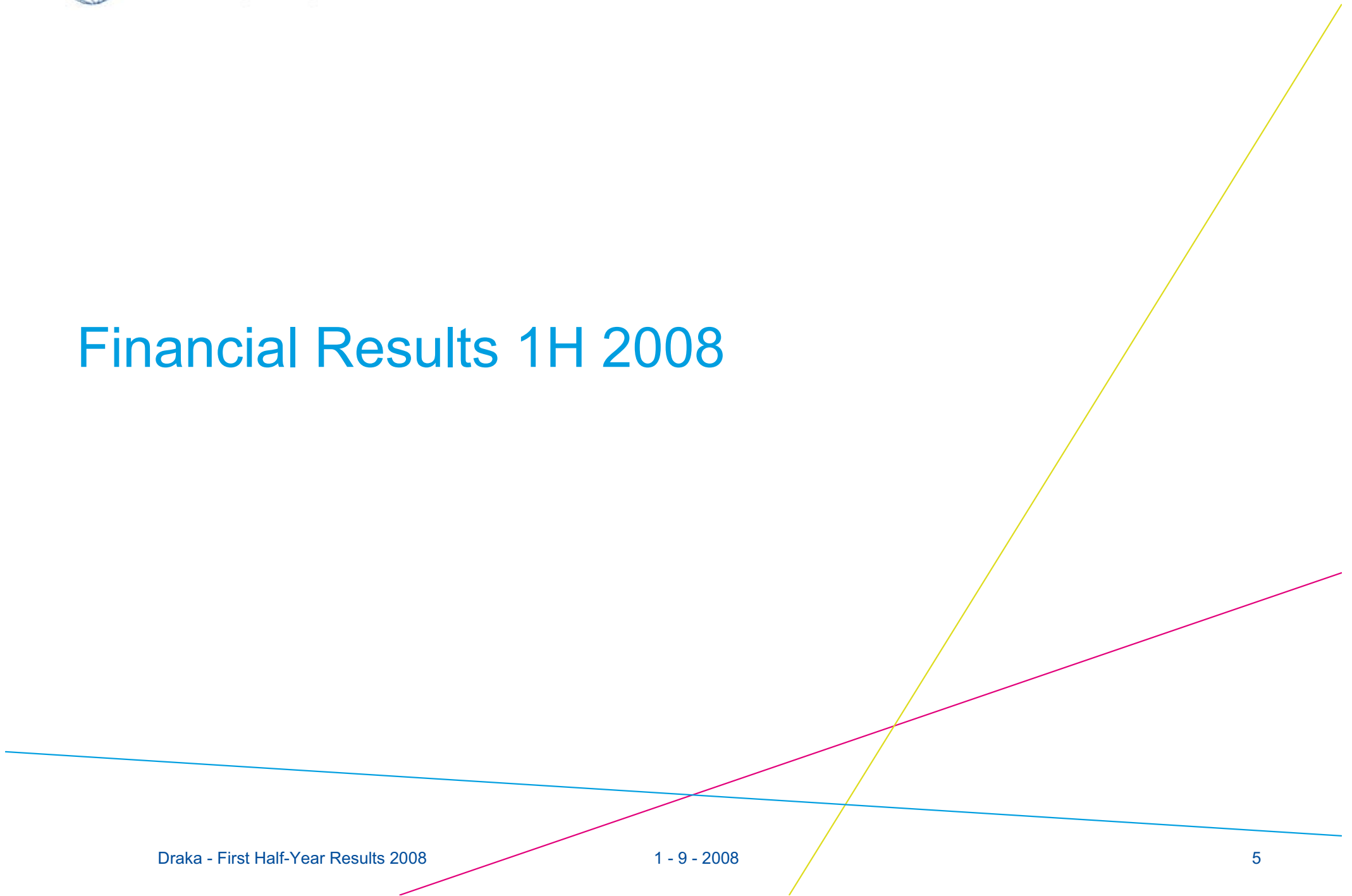


### Operating Cash Flow



<sup>1</sup> All figures excluding non-recurring items

# Financial Results 1H 2008



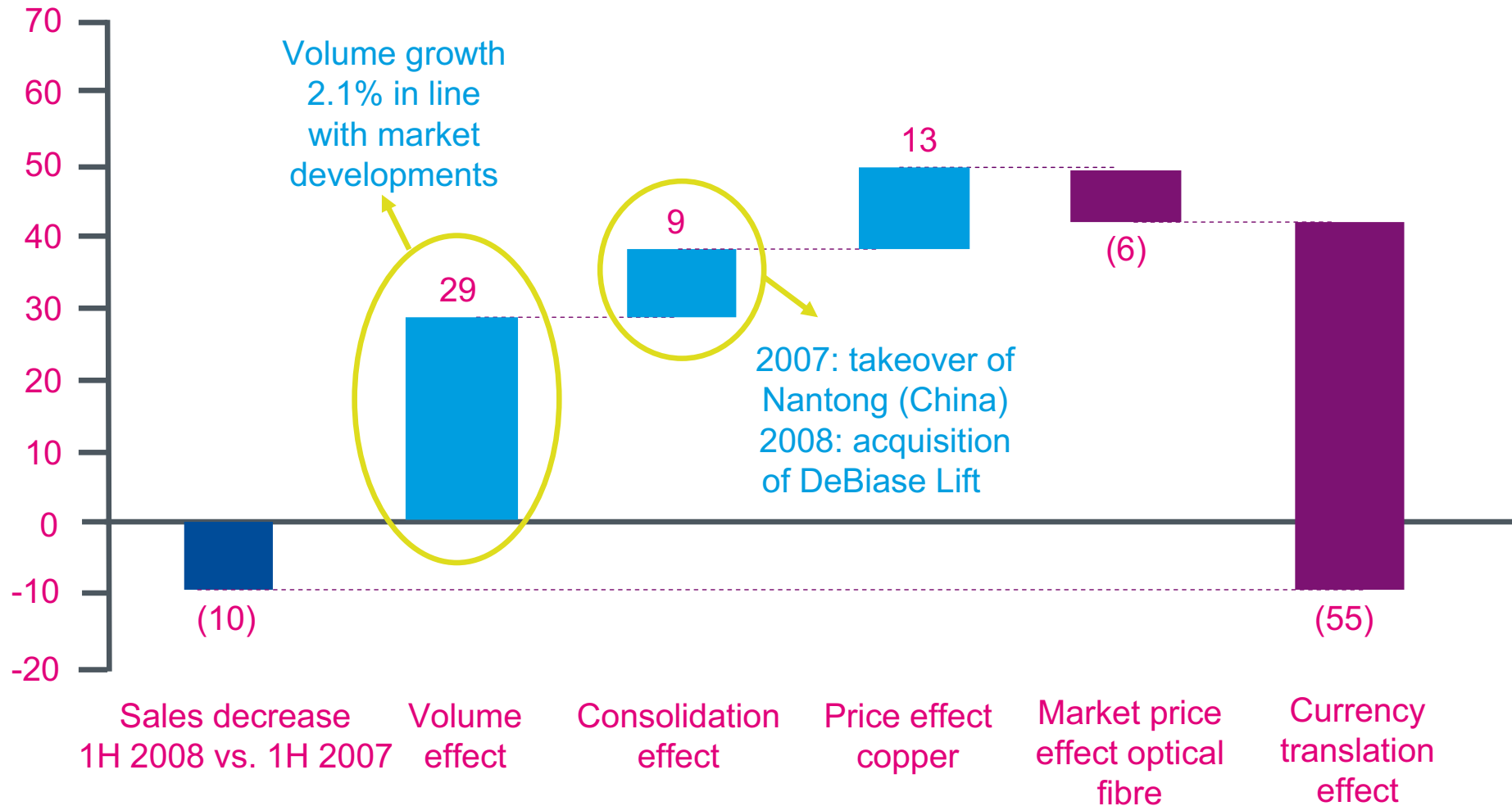
(x €m)	1H 2008 <sup>1</sup>	▲ ch	1H 2007	2H 2007 <sup>2</sup>
Revenues	1,406.5	(1)%	1,416.3	1,399.9
EBITDA	102.9	6%	97.4	100.8
<i>EBITDA-margin</i>	7.3%	40bp	6.9%	7.2%
EBIT	75.7	7%	70.5	75.2
<i>EBIT-margin</i>	5.4%	40bp	5.0%	5.4%
Net income	49.3	25%	39.6	45.7
EPS (€) <sup>2</sup>	1.31	26%	1.04	1.28
Operating cash flow	1.4	nmf	(34.3)	99.5

<sup>1</sup> Excluding non-recurring items of net € 2.2m positive in 1H 2008 (impairment of net € 4 million and tax gain of € 6.2m)

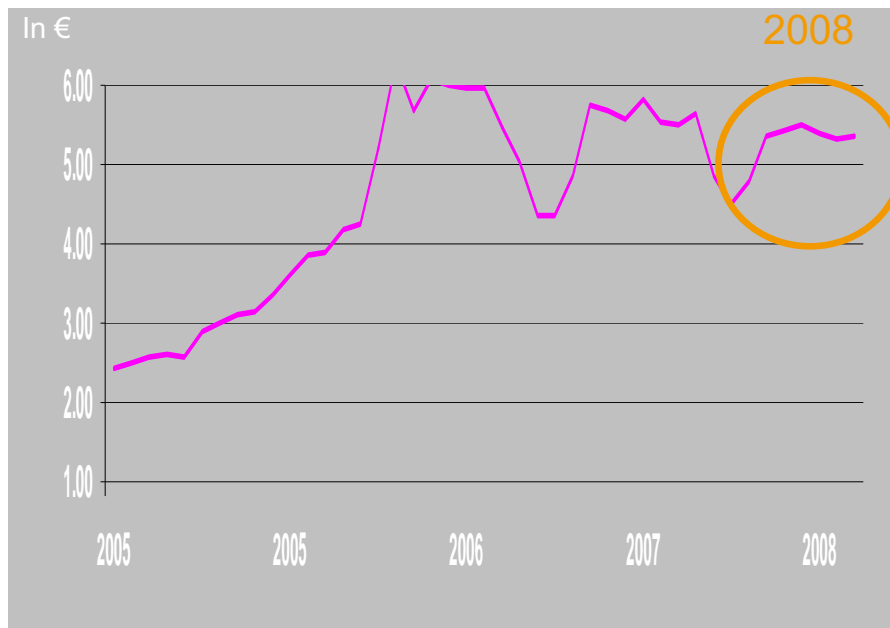
<sup>2</sup> Excluding non-recurring items of € 7.7m positive in 2H 2007 (tax gain)

## Revenue analysis 1H 2008 vs. 1H 2007

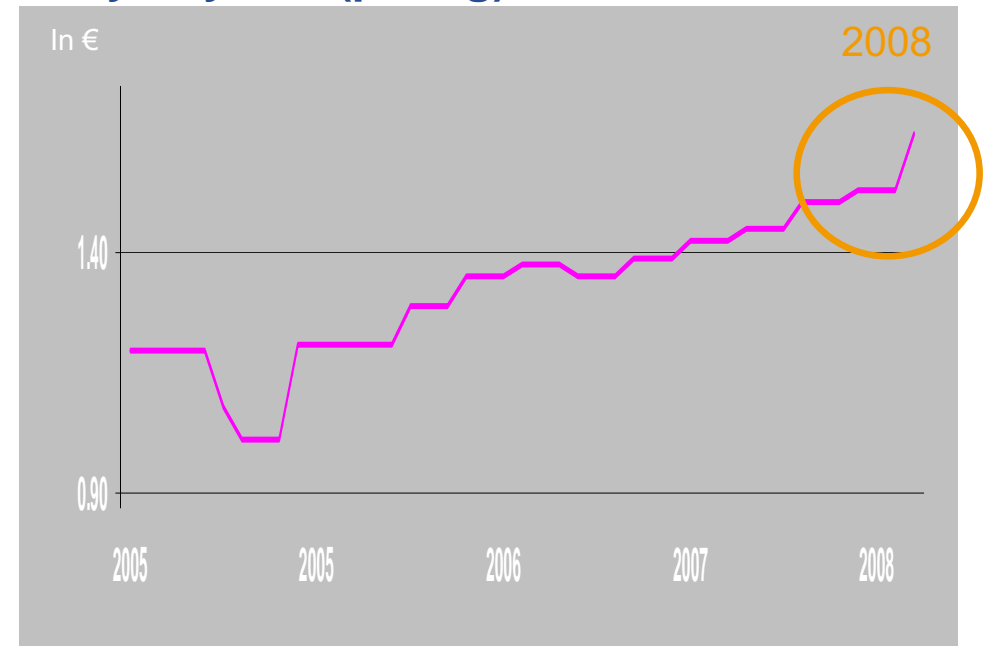
x € m



## Copper (per kg)



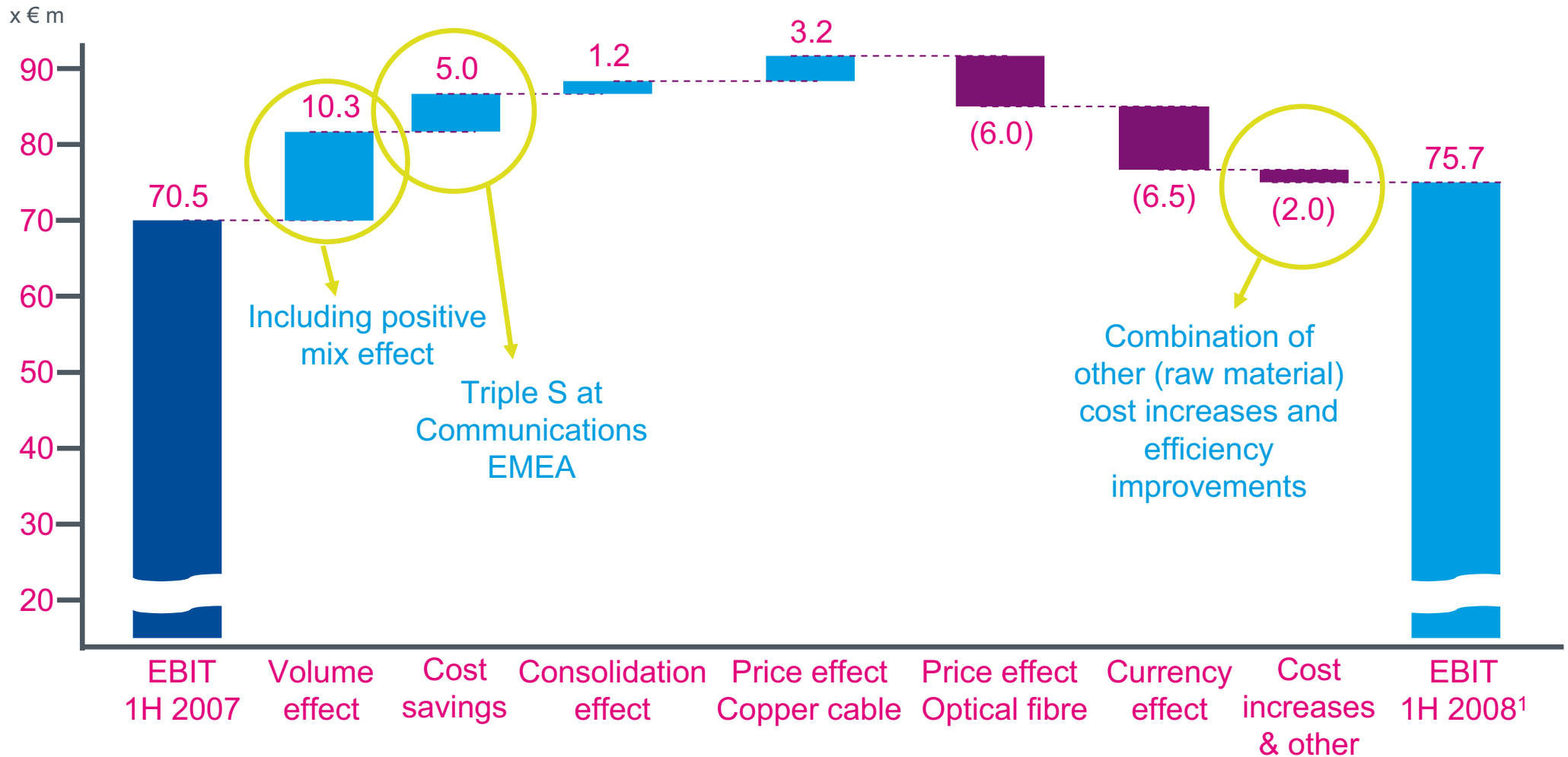
## Polyethylene (per kg)



Raw material prices are rising in 2008; besides copper also polymer & steel prices are increasing significantly

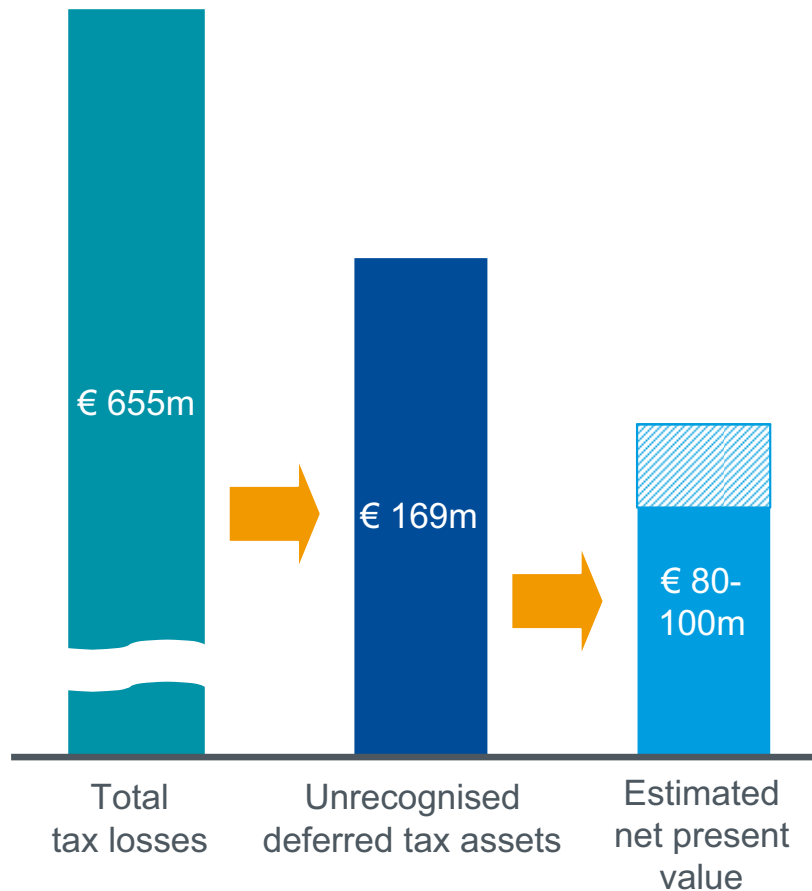


## EBIT analysis 1H 2008 vs. 1H 2007

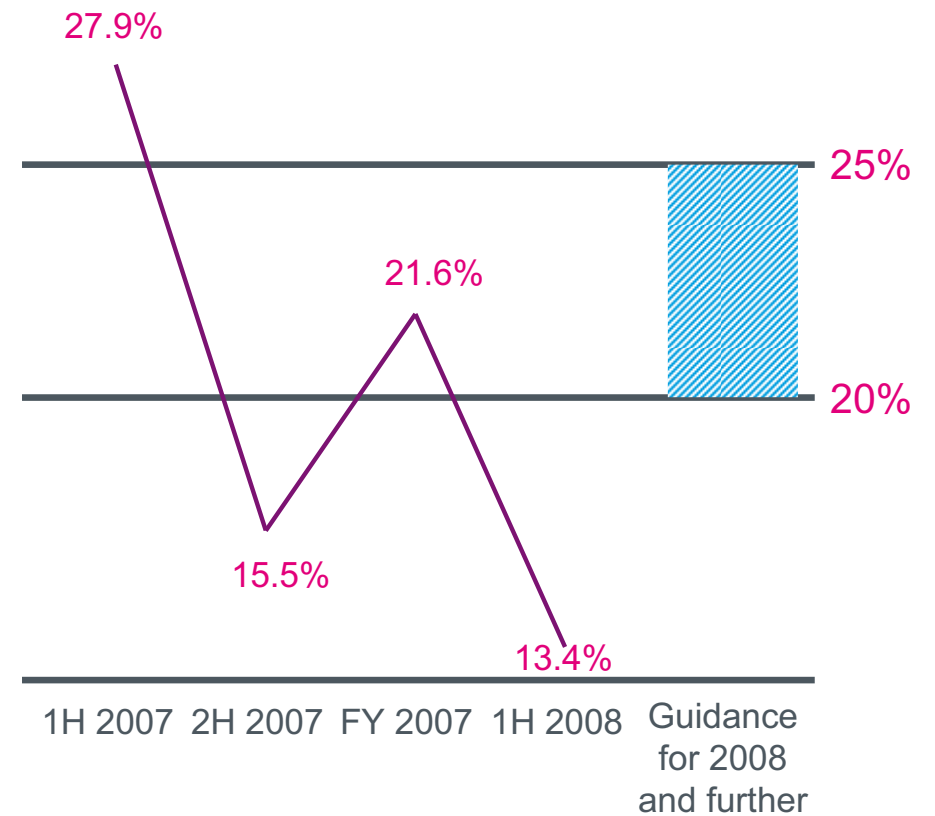


<sup>1</sup> Excluding non-recurring items of € 5.0m negative in 1H 2008

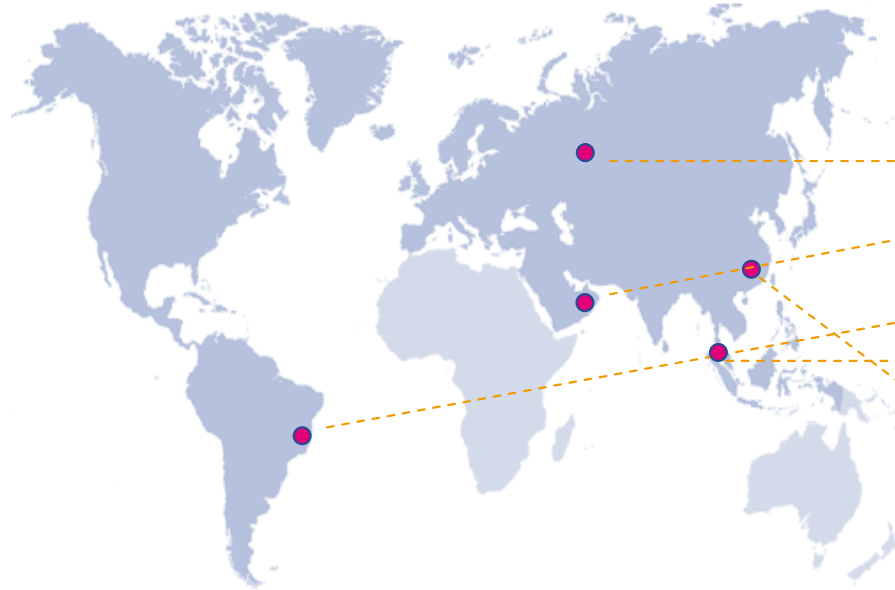
### Balance sheet 2007



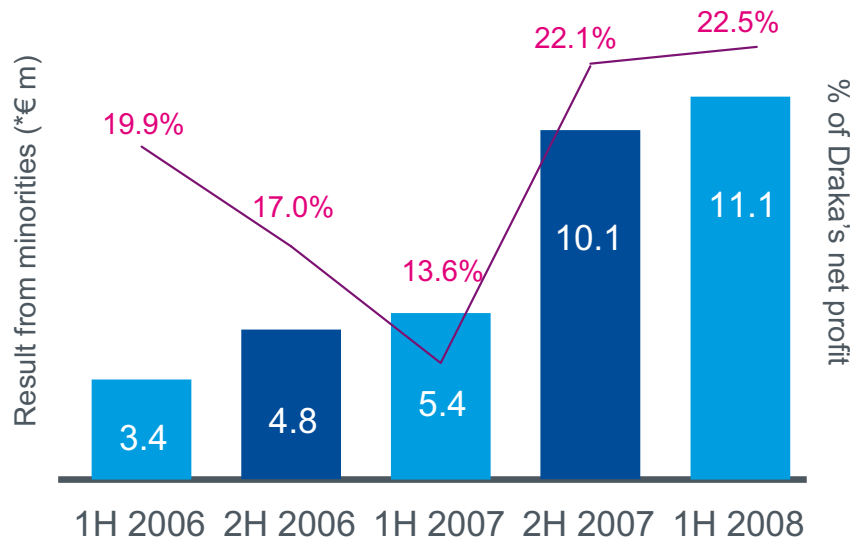
### Tax rate in P&L



## Draka's minority stakes



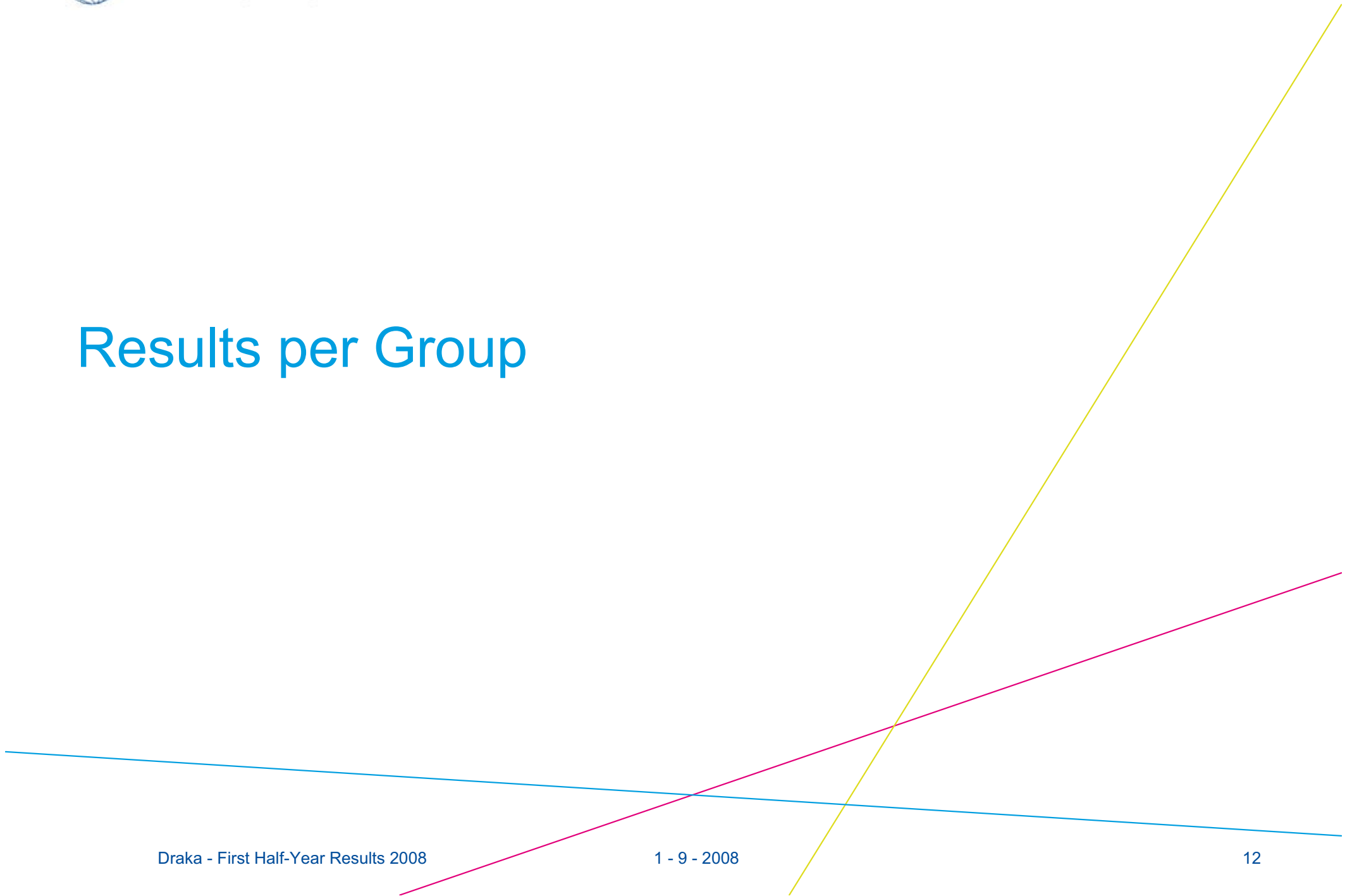
Name	Country	Stake	Revenue 2007 (€m)	Net result 2007 (€m)	Book value 2007 (€m)
Elkat	Russia	40.0%	359.5	3.5	9.0
OCI	Oman	34.8%	413.5	23.1	15.6
Telcon	Brazil	50.0%	73.4	4.9	9.5
Oakwell	Singapore	29.9%	94.9	0.5	4.4
YOFC	China	37.5%	232.2	16.6	41.7
<b>Total</b>			<b>1,173.5</b>	<b>48.6</b>	<b>80.2</b>



Draka - First Half-Year Results 2008

- Participations result from past: penetration in emerging markets via local partners
- Draka has Board seats in all minorities
- Strong financial performance last 3 years
- Preference is majority & control
- Active approach
- Must create long term shareholder value

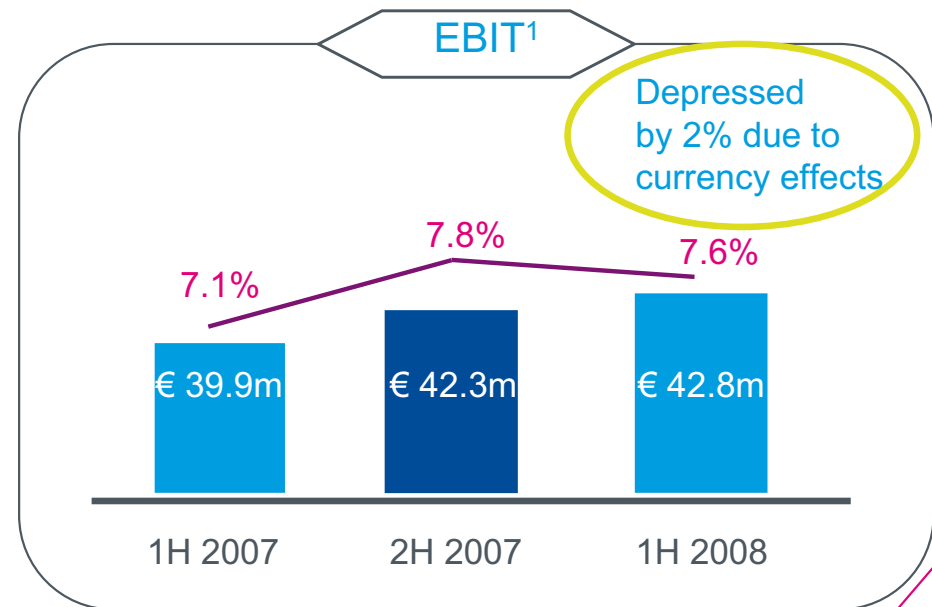
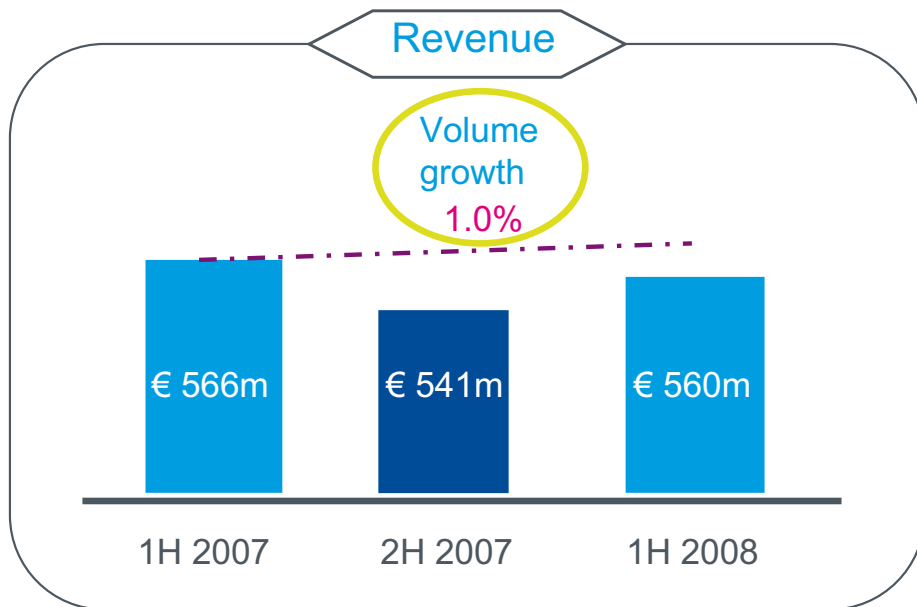
# Results per Group



(x €m)	Revenue				EBIT			
	1H08	▲ ch	1H07	2H07	1H08 <sup>1</sup>	▲ ch	1H07	2H07
Energy & Infrastructure	560	(1)%	566	541	42.8	7%	39.9	42.3
Industry & Specialty	497	(1)%	499	502	31.7	10%	28.8	28.1
Communications	350	-	351	357	10.7	15%	9.3	12.0
Others	-	-	-	-	(9.5)	27%	(7.5)	(7.2)
<b>Total</b>	<b>1,407</b>	<b>(1)%</b>	<b>1,416</b>	<b>1,400</b>	<b>75.7</b>	<b>7%</b>	<b>70.5</b>	<b>75.2</b>

<sup>1</sup> Excluding non-recurring items of gross € 5.0m negative in 1H 2008 (impairment)

## Energy & Infrastructure



<sup>1</sup> Excluding non-recurring items

### Highlights

- Market conditions in Europe still positive for infrastructure and industry segments
- Growth in housing construction in Europe varies by country/region
- Australasia and Greater China benefit from continuing good market conditions
- Record operating result and further increase in profit margin

	%-of sales	Residential volume	Commercial volume	Infrastructure volume	Industry volume	Margin
<b>Benelux</b>	c.20%	+/-	-	+/-	+	+
<b>UK</b>	c.15%	-	+	+/-	++	+/-
<b>France</b>	5-10%			+/-		+/-
<b>Spain</b>	15-20%	--	+/-	+	+	-
<b>Sweden</b>	5-10%	-	+/-	--	+/-	+/-
<b>Finland</b>	c.10%	-	+/-	+/-	+/-	-
<b>Norway</b>	5-10%	-	+/-	+	+	+
<b>Denmark</b>	<5%	-	+/-			+
<b>Baltics</b>	<5%	-	-	-		+/-
<b>CZ and East</b>	c.5%	+/-	-			-

Legend: Empty spot in matrix: no market relevance

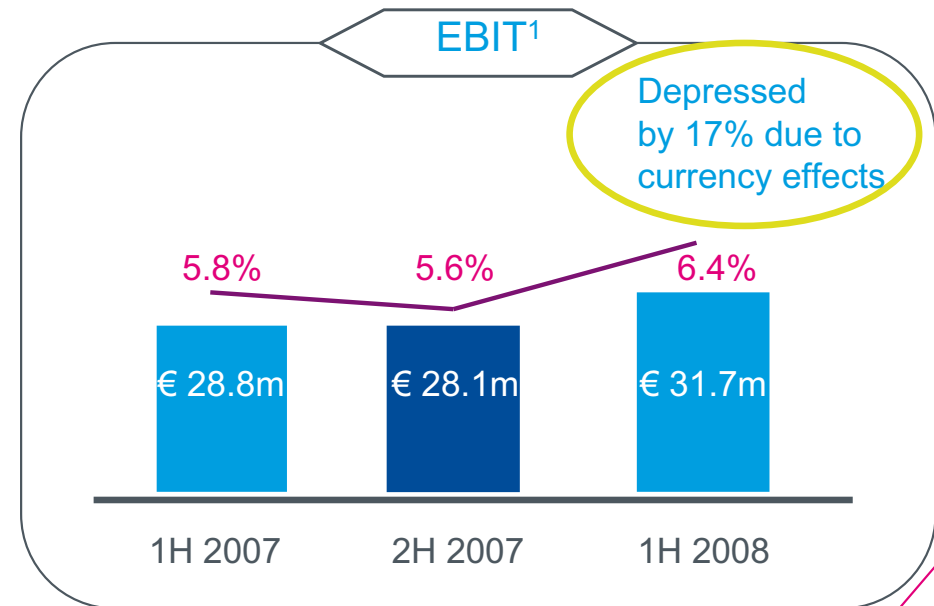
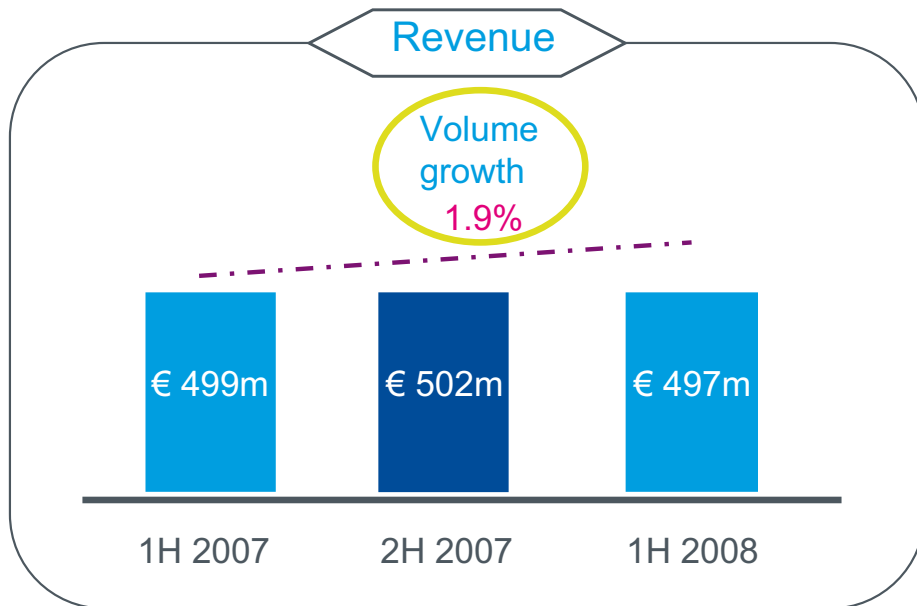
For volumes: +/- = neutral

+ = +1-5 %

- = -1-5 %

++ = > 5 %

-- = < -5 %



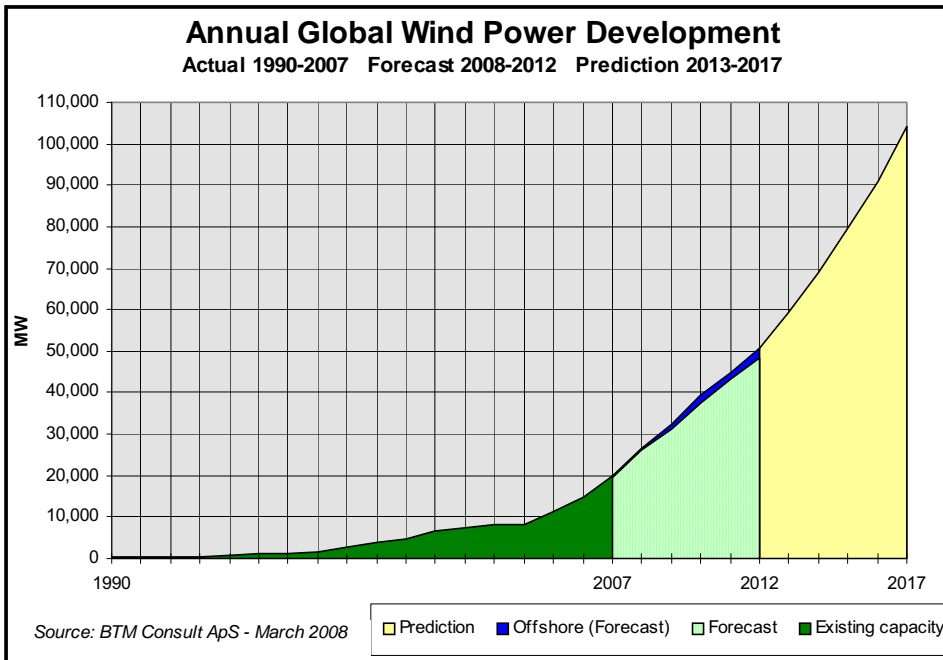
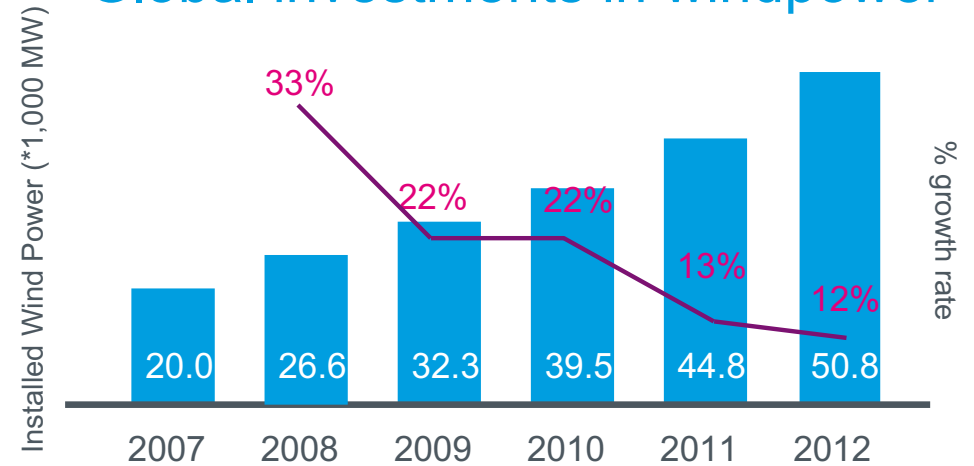
<sup>1</sup> Excluding non-recurring items


### Highlights

- Record result for Industrial, reflecting rapid growth in sustainable energy projects
- Elevator Products continues to grow through expansion in China and Europe
- Automotive & Aviation's profitability under pressure
- Further improvement in operating result and profit margin



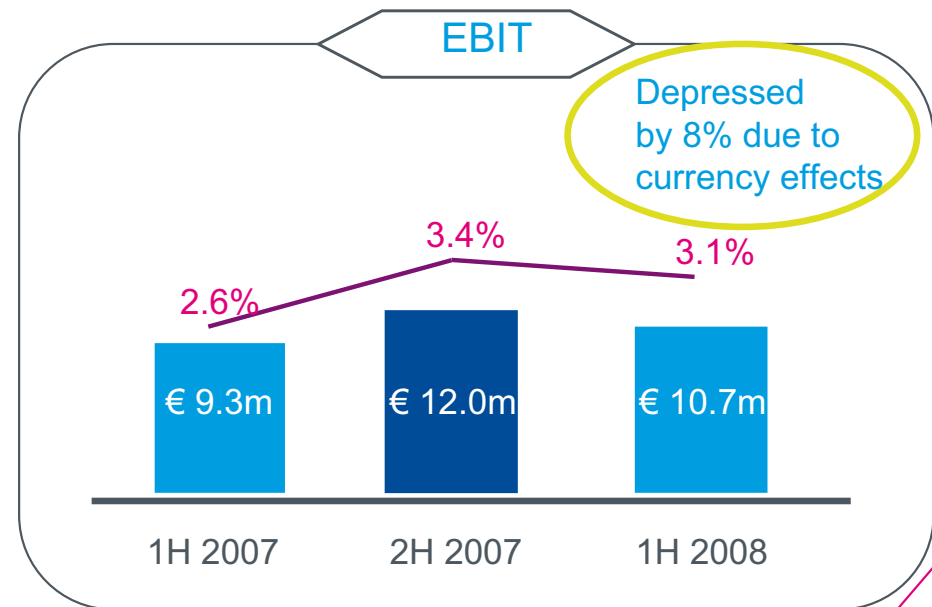
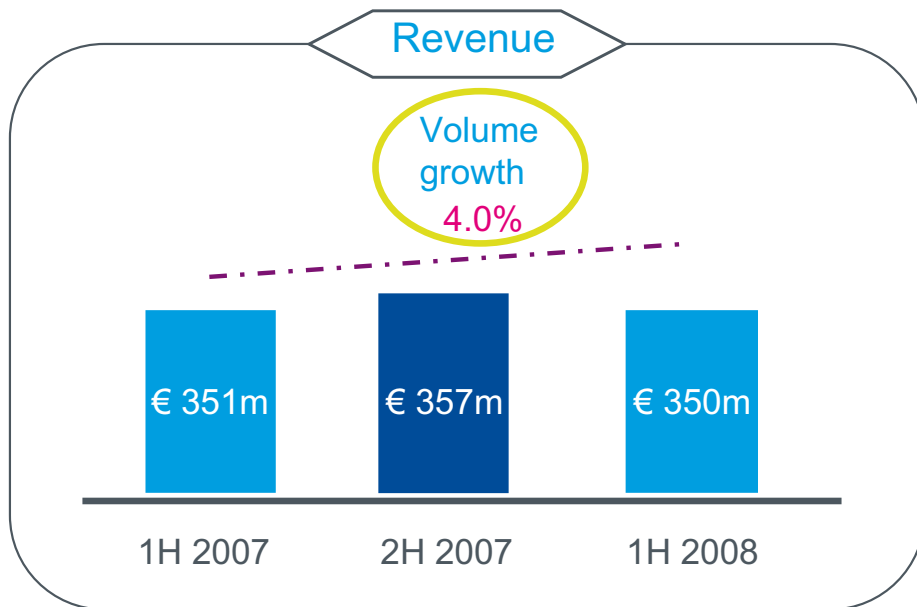
## Global investments in windpower



	Supplied MW 2005	Share 2005 %	Supplied MW 2006	Share 2006 %	Supplied MW 2007	Share 2007 %
 VESTAS (DK)	3,186	27.6%	4,239	28.2%	4,503	22.8%
GE WIND (US)	2,025	17.5%	2,326	15.5%	3,283	16.6%
GAMESA (ES)	1,474	12.8%	2,346	15.6%	3,047	15.4%
ENERCON (GE)	1,640	14.2%	2,316	15.4%	2,769	14.0%
SUZLON (Ind)	700	6.1%	1,157	7.7%	2,082	10.5%
SIEMENS (DK)	629	5.4%	1,103	7.3%	1,397	7.1%
ACCIONA (ES)	224	1.9%	426	2.8%	873	4.4%
GOLDWIND (PRC)	132	1.1%	416	2.8%	830	4.2%
NORDEX (GE)	298	2.6%	505	3.4%	676	3.4%
SINOVEL (PRC)	3	0.0%	75	0.5%	671	3.4%
Others	1,032	8.9%	1,094	7.3%	2,076	10.5%
<b>Total</b>	<b>11,342</b>	<b>98%</b>	<b>16,003</b>	<b>107%</b>	<b>22,207</b>	<b>112%</b>

Source: BTM Consult ApS - March 2008

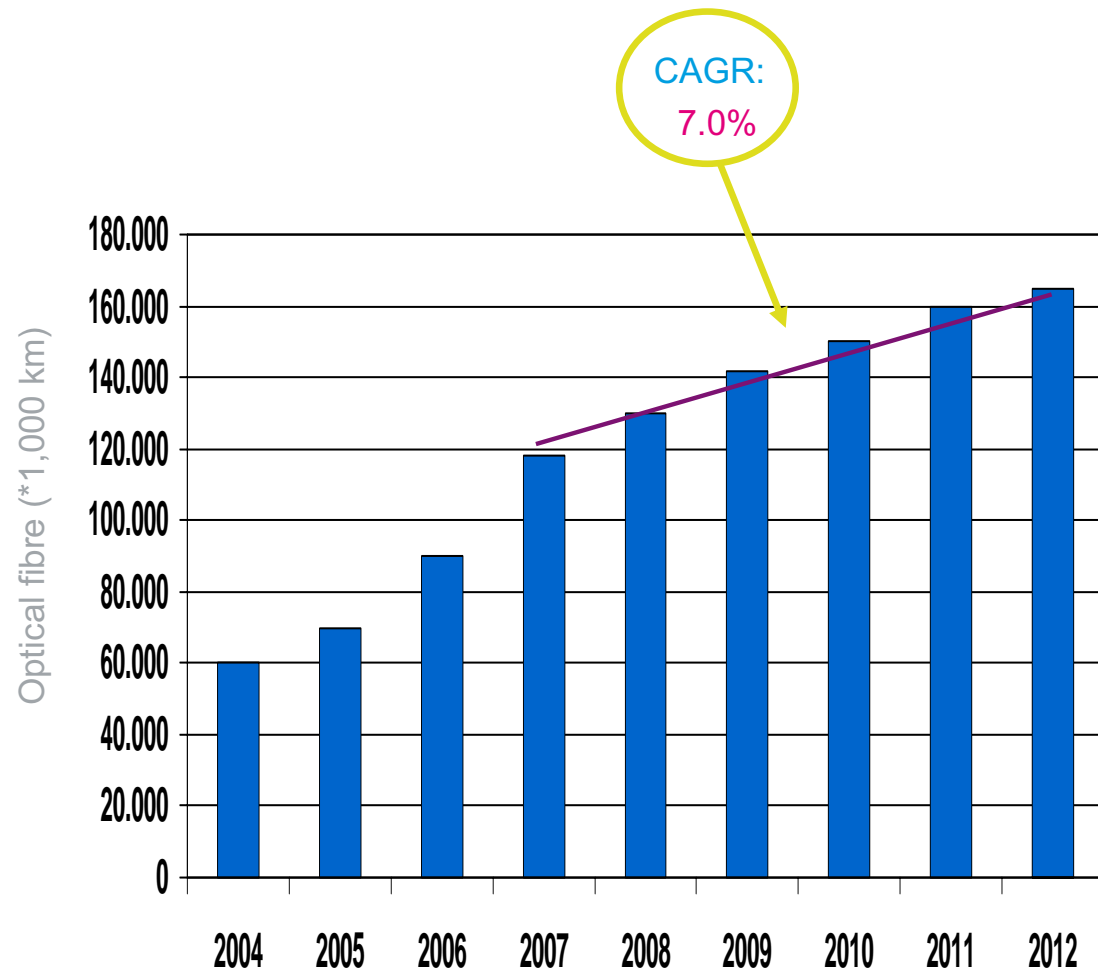
Draka is supplying 8 of the top 10 Wind Turbine Manufacturers



### Highlights

- 10% growth in global optical fiber market to 65 million km in 1H 2008
- Strong growth in number of fiber-to-the-home (FTTH) projects in Europe
- Operating result higher despite sustained pressure on selling prices in 1H 2008
- 1st OF cable price rise in US in August, to compensate higher raw material prices

## Global fibre market



Source: CRU

World demand	2007 Final Mfkm	2008LE Mfkm
Draka SMF total	118	130
CRU SMF total	122	143
Diff. SMF CRU-Draka	4	13

Preform capacity ~ 150 Mkm sufficient for fiber demand of 130 Mkm

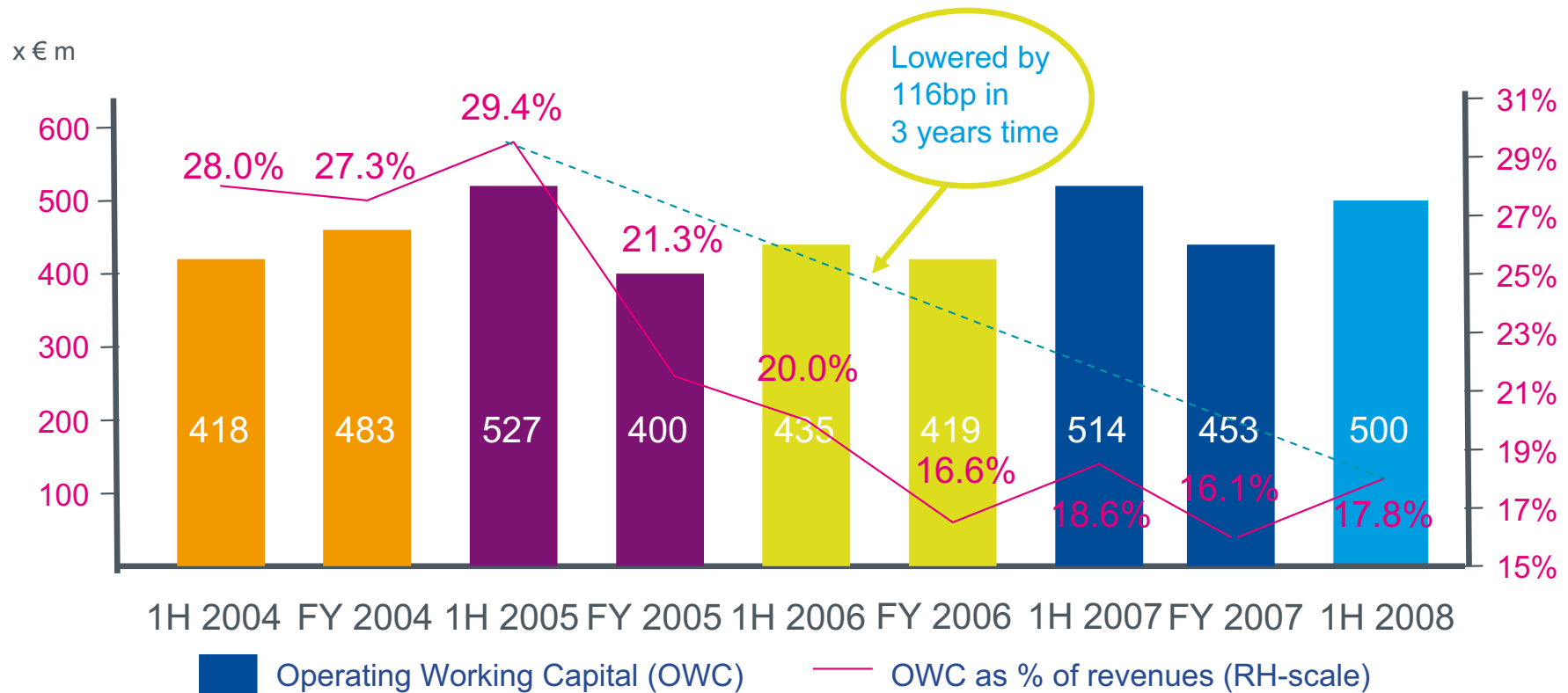
# Financial position



- Cash flow from operating activities strongly improved to € 1 million positive (1H 2007: € 34 million negative)
- Operating working capital ratio further reduced to 17.8% (1H 2007: 18.6%) keeping operating working capital ratio within bandwidth of 16-18%
- Investments (€ 24 million) well below depreciation level (€ 27 million)
- Net interest-bearing debt (incl. subordinated convertible bond at nominal value) increased with € 56 million, fully attributable to higher operating working capital (in absolute terms)

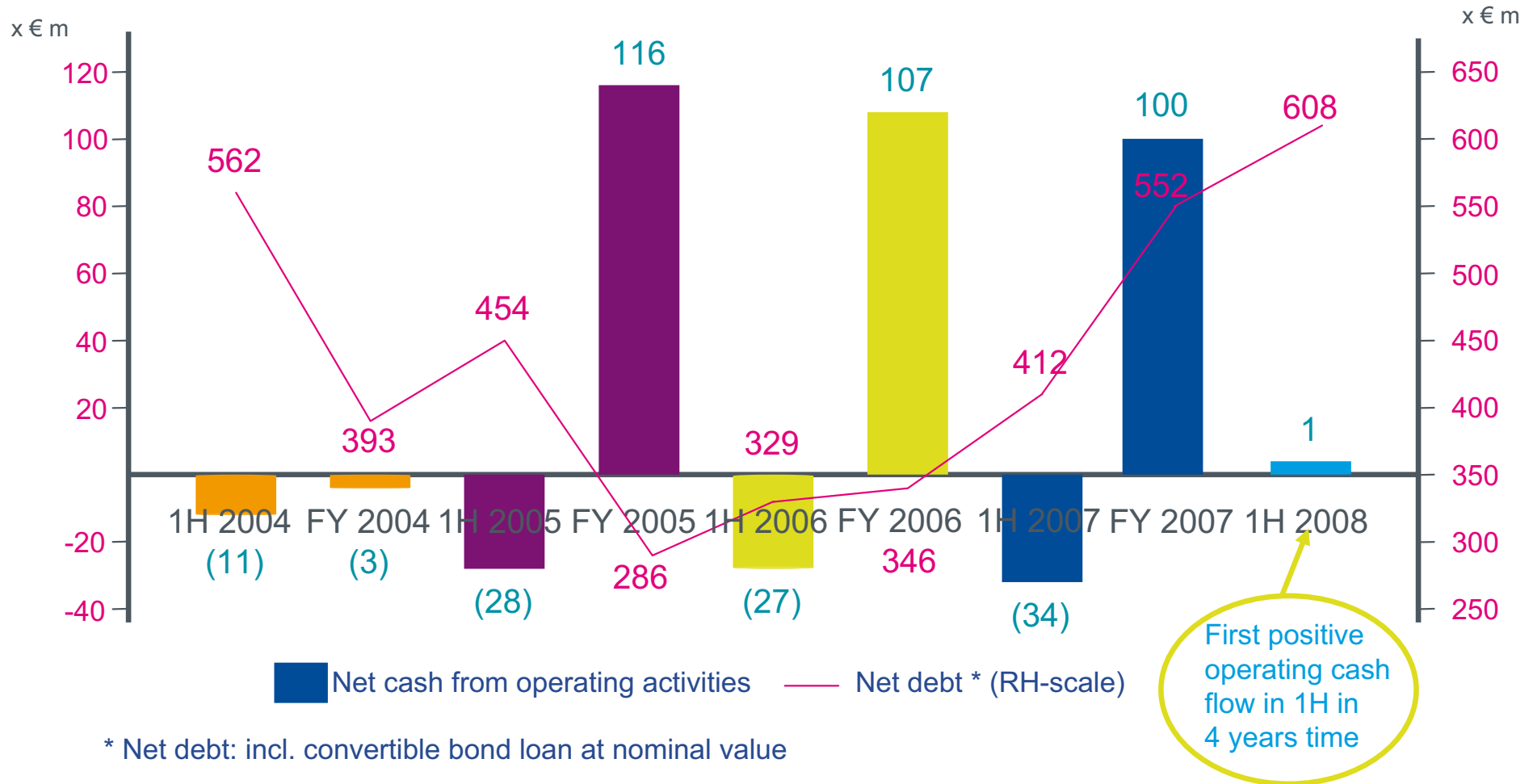
(x €m)	1H 2008	1H 2007	2H 2007
Profit for the period	53	41	53
Depreciation, amortisation	32	27	26
Operating working capital	(68)	(94)	60
Others (interest, tax, provisions)	(16)	(8)	(40)
Net cash from Operating Activities	1	(34)	99
Net cash used in Investments	(19)	(18)	(239)
Free cash flow	(18)	(52)	(140)
Net cash from Financing	19	69	119
Net cash flow	1	17	(21)

## Operating Working Capital



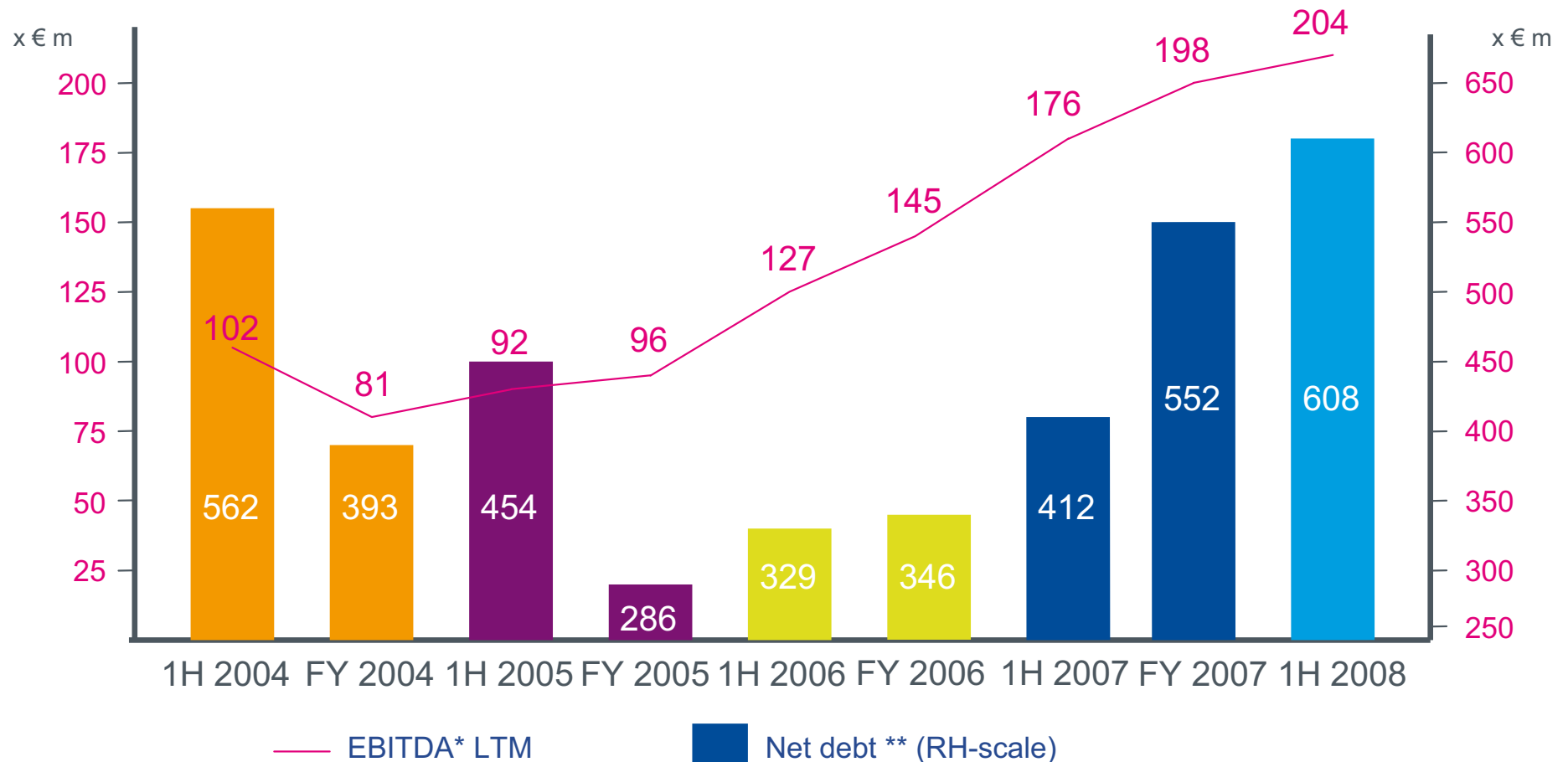
Inventory slightly increased to 63 days in 1H 2008 (1H 2007: 61 days)  
 Payment period with customers shortened to 62 days (1H 2007: 67 days)  
 Payment period with suppliers increased to 60 days (1H 2007: 59 days)

## Cash from operating activities & Net interest bearing debt





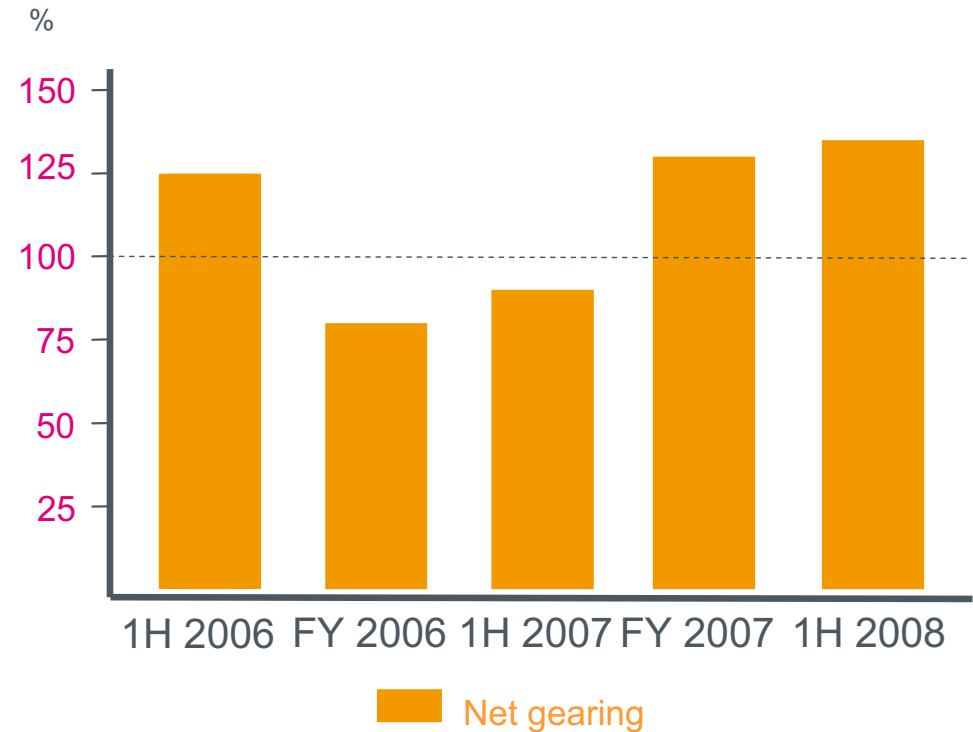
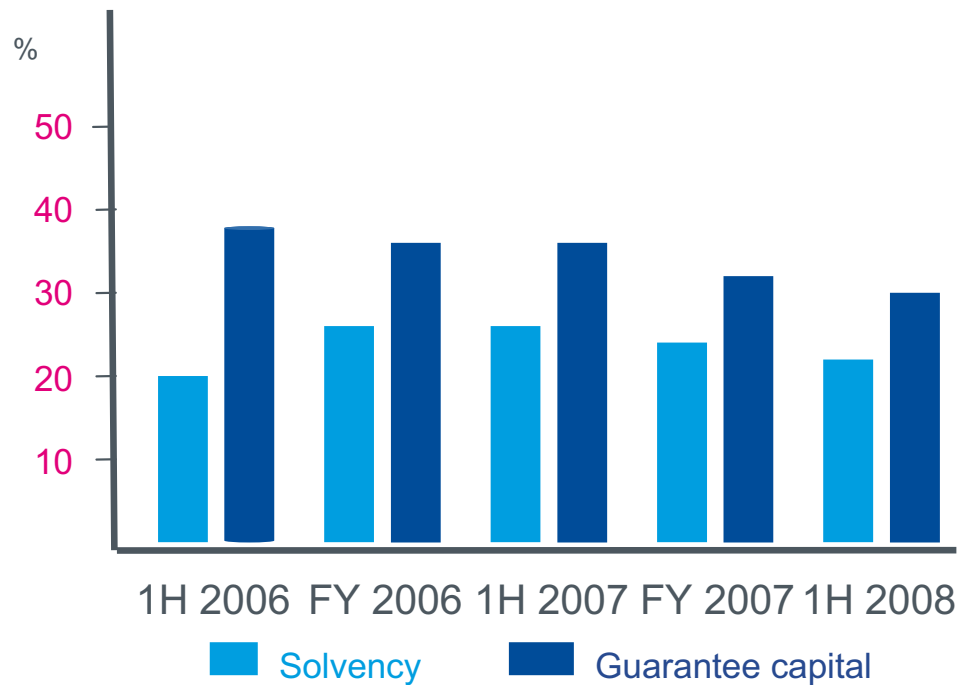
## EBITDA (LTM) & Net interest bearing debt



\* Excluding exceptionals

\*\* Net debt: incl. convertible bonds at nominal value

## Balance sheet ratios



Net gearing expected to be lowered towards 100% in 2H 2008

# Outlook

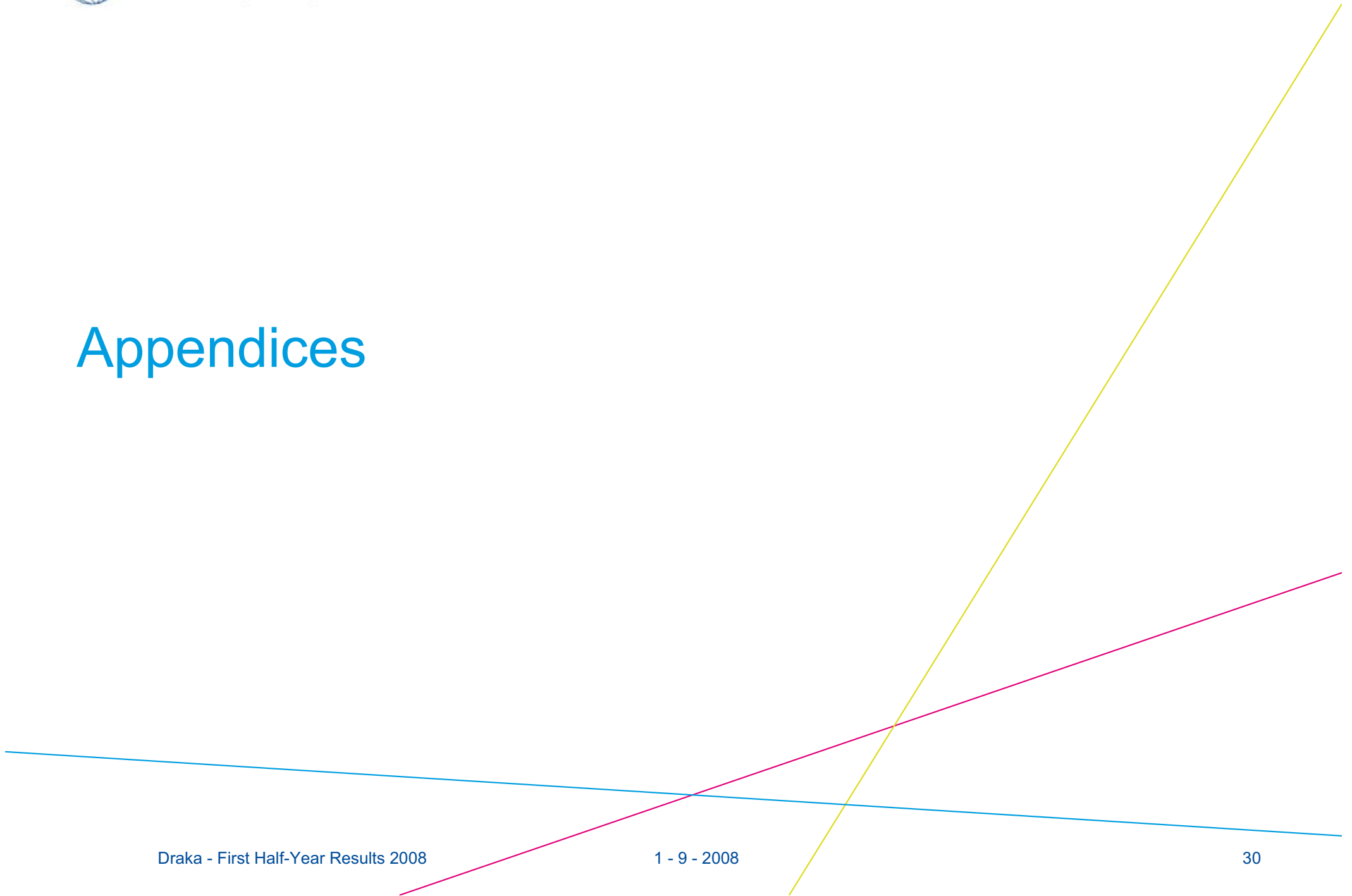


- Economic outlook is uncertain; growth in global construction and industrial activity in 2008 will be limited
- Global cable market expected to display further modest growth
- Draka remains cautiously optimistic for 2008 taking into consideration its clear strategic objectives, strong foundation and opportunities presented by market
- Objectives for 2008 in accordance with Draka's strategic principles:
  - Further reinforcement of sales & marketing organisations, with emphasis on special-purpose cable segment
  - Continued investment in innovation
  - Continuation of programmes aimed at greater focus at production facilities
  - Successful completion of Triple S project at Draka Communications
  - Keeping operating working capital ratio within bandwidth of 16–18% of revenue
  - Achieving an optimum free cash flow. Investments expected of c.€ 50 million, lower than depreciation. Special investment projects for Rubber Cable division (c.€ 14 million) will be in addition to this

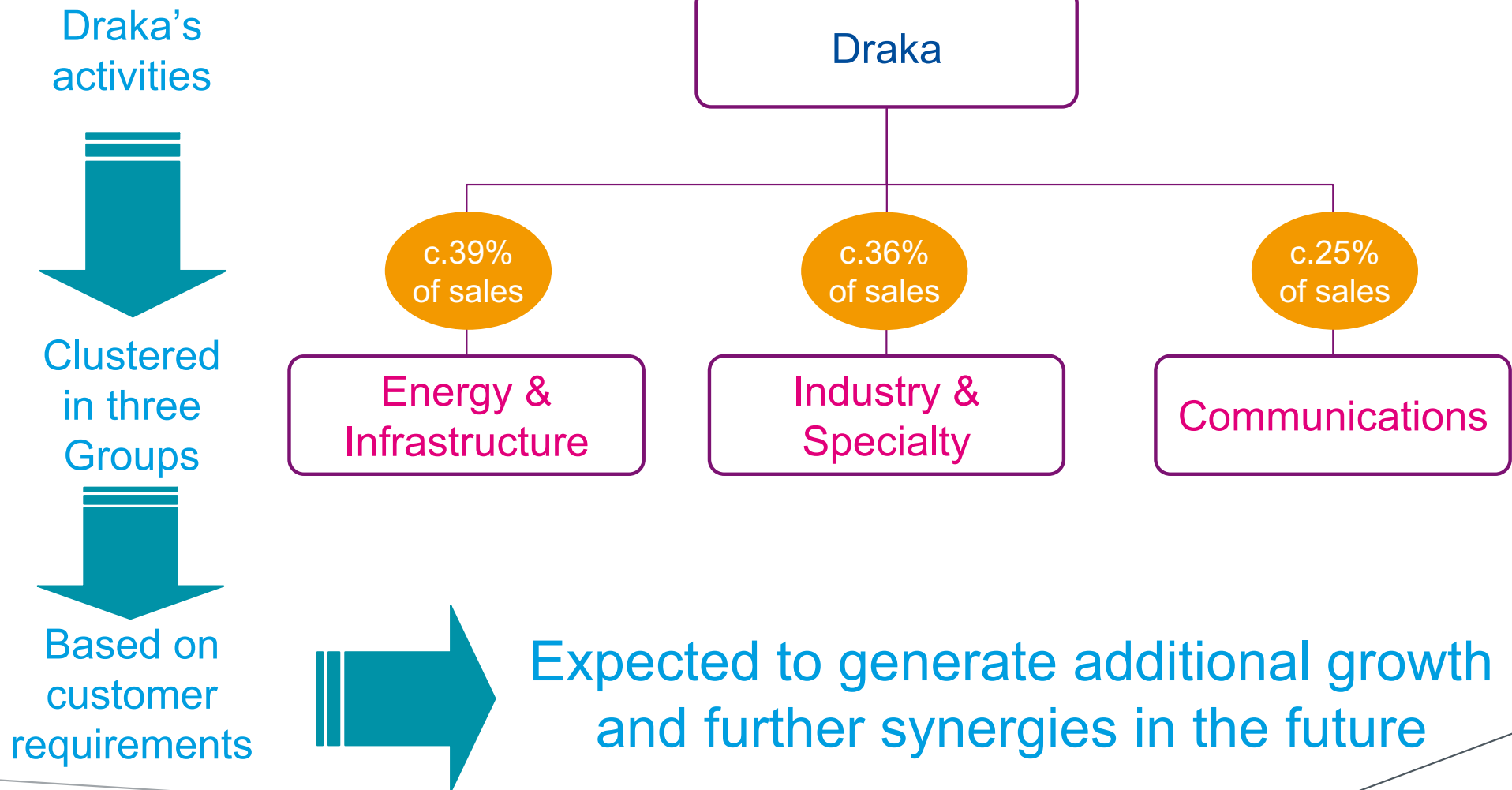


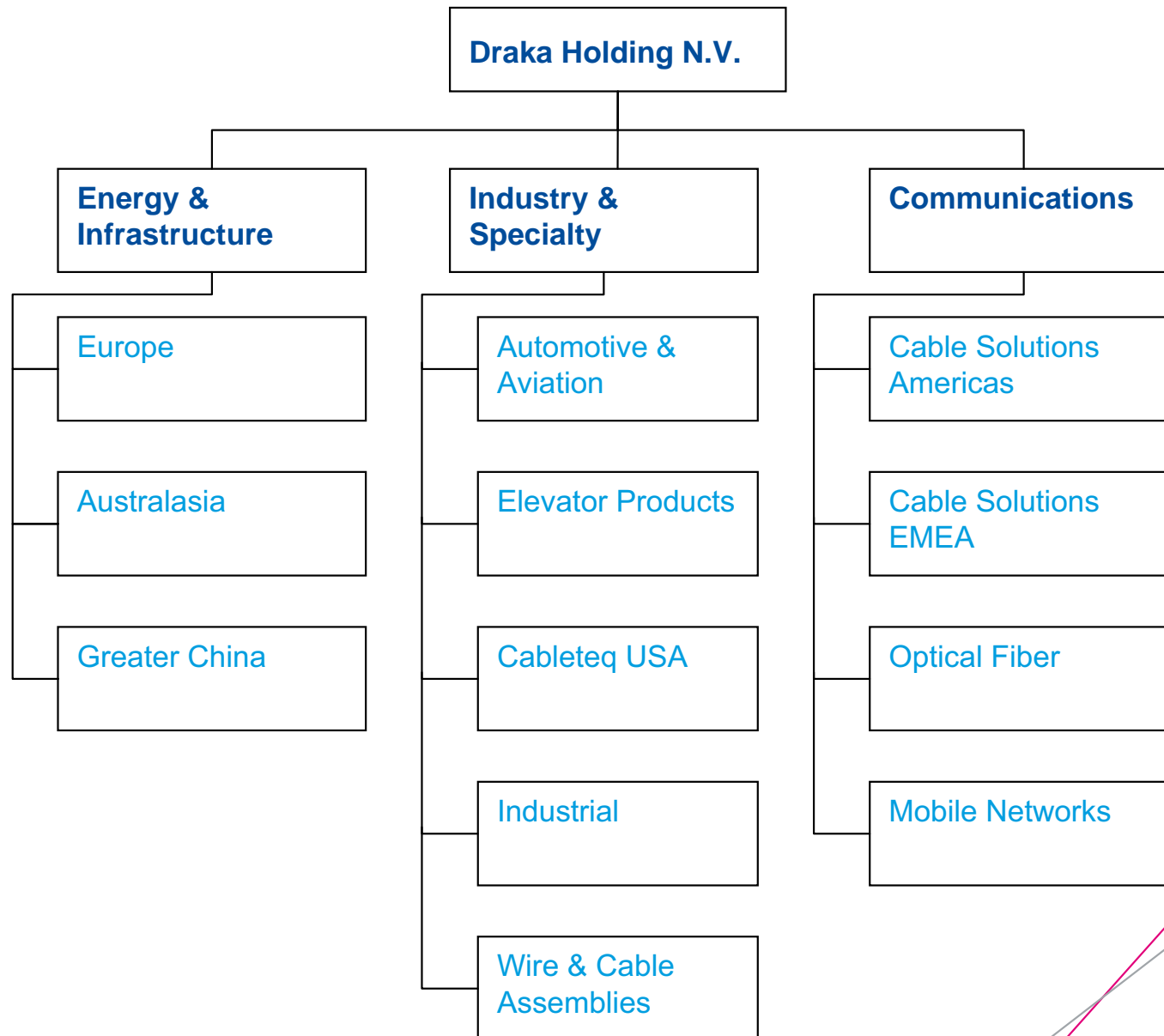
Thank you for your attention  
Any questions?

# Appendices



## Three leading businesses







## Operational exposure

Draka's activities are widely spread

### Energy & Infrastructure

40/30/30 split between residential, infrastructure and commercial construction markets in EU and Asia; European sales fairly evenly spread over Benelux, Scandinavia, Spain, UK, and to lesser extent in France

### Industry & Specialty

Global businesses with sound order backlog: Marine, oil & gas, Renewable energy, Airbus

### Communications

Market leader in Europe and China (fibre & fibre cable) and leading in USA; Increasing investments by Telco's and other network providers

c.39% of sales

c.36% of sales

c.25% of sales

Draka's activities

- Organisational structure reinforced
- Strong management team
- Entrepreneurship on local level
- Continuing investments in people & customers



### Midterm goals

- *Increase special-purpose cable segment and emerging markets from c.47% to c.60% of revenues*
- *Average operating margin over economic cycle (of 6–7 years) of c.5% of revenue*
- *Ongoing focus on free cash flow generation*

This presentation includes forward-looking statements. Other than statements of historical fact, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events, including numerous assumptions regarding our present and future business strategies, operations and the environment in which we will operate in the future. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors relating to the company, including: our ability to enhance operational performance, increase our revenue and improve our margins; our liquidity needs exceeding expected levels; our ability to maintain our relationships with suppliers, insurers and customers; our ability to maintain our market share in the markets in which we operate; the state of the economy in the markets in which we operate; and our anticipated future results. Many of our assumptions are beyond the control of Draka and are inherently subject to substantial uncertainty. Our assumptions involve significant elements of subjective judgment that may or may not prove to be accurate, and consequently no assurances can be made regarding the analyses or conclusions derived from analyses based upon such assumptions. These forward-looking statements exclude the impact of currently unforeseen future fair value adjustments and/or impairments. Actual results may differ materially from those expressed in these forward-looking statements, and one should not place undue reliance on them. The forward-looking statements contained herein speak only as of the date on which they are made and are subject to change without notice. Except when required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no obligation to update forward-looking statements.