–Press release–
Amsterdam, 22 February 2010

2009 FULL-YEAR FIGURES

OPERATING RESULT € 75.3 MILLION AND NET RESULT € 48.3 MILLION [1]

STRONGLY PLACED TO PROFIT FROM FUTURE GROWTH OPPORTUNITIES:
BALANCE SHEET STRENGTHENED BY € 250 MILLION DEBT REDUCTION
SIGNIFICANTLY LOWER COST BASE

(x € million, unless stated otherwise)	2009	2008	Δ%
Revenue	2,048.3	2,828.9	(28)
EBITDA, excluding non-recurring items[1]	138.2	202.5	(32)
Operating result, excluding non-recurring items[1]	75.3	142.0	(47)
Operating result	8.8	95.3	(91)
Result for the year, excluding non-recurring items[1,2]	48.3	83.5	(42)
Result for the year [2]	(18.2)	69.3	-
Earnings per share, excluding non-recurring items (€)[1,3]	1.01	2.18	(54)
Proposed dividend per ordinary share (€)	-	-	-
Cash flow from operating activities	189.2	110.7	71

- **Revenues down 28%, mainly due to lower volumes (–18%) and lower copper prices (–9%).**
- **Operating result, excluding non-recurring items, € 75.3 million (–47%); cost savings and improvements in the product mix did not compensate fully the adverse effects of reduced volume and competitive landscape.**
- **Energy & Infrastructure and Industry & Specialty mainly responsible for lower result. Profit held up relatively well at Communications, 14% higher in H2 vs. H2 2008.**
- **Cost-reduction programmes expected to yield annual savings of € 60 million from 2010 onwards, of which € 30 million were realized in 2009.**
- **Result for the year, excluding non-recurring items, was € 48.3 million (–42%); earnings per share € 1.01. Proposal not to distribute dividend on ordinary shares for 2009.**
- **Historically low operating working capital ratio of 13.7% (2008: 15.0%), due to focus on reducing working capital and partly utilization of standby arrangement for securitization of debtors.**
- **Net debt reduced by € 250 million to € 295 million, reflecting substantial free cash flow (€ 160 million, +165%) and a successful share issue (€ 100 million).**

Frank Dorjee, Chairman and CEO: *'In the face of extremely difficult market conditions, Draka delivered a good performance in 2009, in line with our earlier forecasts, while at the same time sharply reducing net debt through strict management of working capital and a successful share issue in October last year. Although demand on many of our end-user markets has been stable since the second half of 2009, the recovery is still fragile. By pursuing a strategy centred on cost management and maintenance of a sound balance sheet position, Draka is ideally placed to derive maximum benefit when the end-user markets recover.'*

[1] Excluding non-recurring items. Total non-recurring items in 2009 were € 66.5 million negative and related mainly to restructuring costs. Non-recurring items in 2008 were € 46.7 million negative gross and € 14.2 million negative net in 2008.
[2] Attributable to the equity holders of the Company.
[3] Per ordinary share after preference dividend of € 5.4 million.

2009 in brief

In accordance with IFRS, Draka's joint ventures Telcon Fios e Cabos Para Telecomunicacoes in Brazil (50%), Precision Fiber Optics Ltd. In Japan (50%) and Yangtze Optical Fibre & Cable Co. Ltd. in China (37.5%) have been **proportionally consolidated** since 1 January 2009. These joint ventures are all part of Draka's Communications Group. All comparative figures for 2008 have been restated accordingly.

- Turbulent market conditions in 2009: global cable market volume was on balance down about 8%; volume in Europe and North America was 19–22% lower. In contrast, demand in China and India increased by 15% and 5% respectively, partly due to government action to stimulate their economies.

- **Revenues in 2009** were 27.6% lower at € 2,048.3 million, reflecting the 18.0% decline in volume and the 9% negative effect of the lower average copper price compared with 2008. The effects on revenues of exchange-rate movements and consolidations were 0.1% positive and 0.7% negative, respectively.

- **Operating result excluding non-recurring items** amounted to € 75.3 million, down 47.0% compared with 2008. Cost savings (some € 30 million) and an improvement in the product mix were not enough to compensate fully for the adverse effects of reduced volume and competitive landscape.

- **Operating margin** was 3.7%, compared with 5.0% in 2008. Energy & Infrastructure was primarily responsible for this deterioration (4.8% compared with 6.8% in 2008), but it was also due to a lesser extent to Industry & Specialty (5.2% compared with 6.2% in 2008). In contrast, the margin at Communications increased from 3.5% to 3.6% over the year, with all of this increase being realized in H2 2009 (4.5% compared with 3.4% in H2 2008).

- **Operating result**, including non-recurring items, turned out at € 8.8 million compared with € 95.3 million in 2008. The non-recurring charges were € 66.5 million and related mainly to restructuring costs.

- Status of current **Triple S projects and cost-reduction measures:** preparations were commenced for the proposed closure of plants in Ystad (Sweden), under the joint management of the Europe and Industrial divisions, and Årnes (Norway), which is part of the Communications group. Other additional measures are proceeding according to plan. The headcount was reduced by approximately 1,300 in 2009, a decrease of 12% compared with 2008. Total cost savings are estimated at € 60 million from 2010, of which some € 30 million was realized in 2009.

- **Result for the year, excluding non-recurring items**, was € 48.3 million (2008: € 83.5 million) and earnings per share amounted to € 1.01 (2008: € 2.18).

- It is proposed not to distribute a **dividend** on ordinary shares for 2009.

- Including non-recurring items, the **result for the year** turned out at € 18.2 million negative, compared with € 69.3 million positive in 2008. The net non-recurring charge of € 66.5 million related mainly to restructuring costs.

- Historically low **operating working capital ratio** of 13.7% (2008: 15.0%), due to focus on reducing working capital and partly utilization of a standby arrangement for the securitization of debtors. Cash flow from operating activities increased 70.9% to € 189.2 million.

- Sound balance sheet ratios: **net debt** reduced by € 249.5 million to € 295.0 million, reflecting substantial free cash flow (€ 160.6 million, +165.5%) and a successful share issue (€ 100 million). The covenant net debt/EBITDA ratio turned out at 2.2, well below the limit of 3.5.

Cost reduction and capital discipline

The global economic downturn in 2009 had serious repercussions for the cable industry. Although market demand has stabilized since the second half of 2009, Draka is still focused on further reducing its cost base and maximizing free cash flow.

Cost-reduction measures and status

Triple S programme
Triple S (Stop, Swap & Share) is an ongoing programme at Draka, aimed at achieving and/or maintaining cost leadership in all segments in which the company is active. Draka has announced several new projects as part of this programme since the autumn of 2009 which are all scheduled for completion by the end of this year. These include the intended closure of the plant in Ystad (Sweden), which is under the joint management of the Europe division (Energy & Infrastructure group) and the Industrial division (Industry & Specialty group), and the copper data communication cable plant in Årnes (Norway), which is part of the Communications group. A start has also been made on downsizing the automotive cable production operations in several countries (Automotive & Aviation) and implementing various efficiency-raising measures in the Communications Group.

Human resources
As a result of the taken measures, the number of employees was reduced by around 1,300 in 2009, or 12% of Draka's total workforce as at year-end 2008. The headcount has been reduced by 1,900 or 17% since mid-2008 when the economic recession started. Because some of the programmes run into 2010, the number of employees is expected to fall further by over 200, taking the total reduction to about 2,100, or over 18% of Draka's total workforce.

Projected cost savings
Annual cost savings of around € 60 million are expected, which will be realized in full in 2010. Savings of some € 30 million were made in 2009 and savings of a further € 30 million are therefore expected in 2010. Non-recurring expenses in 2010 are estimated at € 25 million.

Maximizing free cash flow

Working capital
Cash flow from operating working capital amounted to € 143.4 million positive in 2009. The measures announced in early 2009, including negotiating longer payment terms with the main raw material suppliers and targeted action to reduce inventory levels, contributed around € 60 million. The negotiation and partly utilization of a standby arrangement for the securitization of debtors added approximately € 30 million to the working capital reduction. As a result of these measures, operating working capital as a percentage of revenues fell to a historically low 13.7%, compared with 15.0% in 2008. Draka expects this percentage to remain low; within a bandwidth of 14–16% in 2010.

Investments
Investments amounted to € 42.3 million in 2009, or € 20.6 million less than the amortization and depreciation charge. The investment budget for 2010 is approximately € 35 million, or about 60% of the amortization and depreciation charge.

Annual results 2009

General

The worldwide financial crisis which manifested itself in all its dimensions in the second half of 2008 had a substantial impact on the global cable market in 2009. After dropping 4–5% in the fourth quarter of 2008, demand fell even faster in the first quarter of 2009, down 9–10% (in volume terms, based on constant exchange rates and copper prices). There was no further decline from the second quarter onwards and demand remained stable for the rest of 2009 at the first-quarter level. Over the full year, volume was down around 8%.
The downturn was strongest in North America (around 22%), while the market in Western Europe was down around 19%. In contrast, demand in China and India increased by 15% and 5% respectively, partly due to government action to stimulate their economies. Despite the significant fall in total demand, optical fiber cable was the only segment of the cable market to report higher volume. Most of the 15% growth was due to China, where demand for optical fiber was up over 75% compared with 2008.

Revenue

Draka's revenues in 2009 totalled € 2,048.3 million, down 27.6% compared with 2008. Revenues were adversely affected both by the substantial decline in demand and the significant fall (21.5%) in the average copper price. On revenues, the volume effect was 18.0 percentage points and the copper price effect was 9.0 percentage points. The fall in the copper price had a negative effect on revenues because of the delay in passing on changes in raw material prices in the price of cable products. This copper price effect was most evident in the first half of 2009. On the other hand, the effect of exchange-rate movements was 0.1 percentage points positive, mainly reflecting the stronger US dollar against the euro.

Disposals, comprising the sale of Draka's OPGW activities (Germany) in June 2009 and the 55% interest in Draka Comteq SDGI Co Ltd (China) in December 2009, accounted for 0.7 percentage points of the decrease in revenues.

(€ million)	2009	2008	H2 2009	H2 2008
Revenue				
Energy & Infrastructure	664.3	1,024.0	328.9	464.4
Industry & Specialty	647.8	960.0	321.0	463.3
Communications	736.2	844.9	376.6	439.4
Draka total	2,048.3	2,828.9	1,026.5	1,367.1
Operating result[1]				
Energy & Infrastructure	31.8	69.5	13.5	26.7
Industry & Specialty	33.4	59.2	12.8	27.5
Communications	26.7	29.4	16.9	14.8
Unallocated	(16.6)	(16.1)	(8.9)	(6.6)
Draka total	75.3	142.0	34.3	62.4

[1] Excluding non-recurring items. There was a total non-recurring charge of € 66.5 million in 2009. The non-recurring charge in 2008 was € 46.7 million.

Operating result

Draka's operating result in 2009 was € 8.8 million, compared with € 95.3 million in 2008. On a like-for-like basis – excluding non-recurring items – the operating result was € 75.3 million, compared with € 142.0 million in 2008. The non-recurring charges of € 66.5 million related to a provision for and current costs of overhead reduction and Triple S projects within Draka's three groups. Total non-recurring charges in 2008 were € 46.7 million.

Operating margin

The operating margin – operating result excluding non-recurring items as a percentage of revenues – turned out at 3.7% compared with 5.0% in 2008. Profitability was severely affected by the substantially lower volume and the consequent reduction in the capacity utilization rate at Draka's plants. Margins were also under pressure from the increased competitive market circumstances. Positive factors, including a further improvement in the product mix and the effect of the additional efficiency and Triple S programmes (some € 30 million), were not sufficient to offset the negative factors completely.

Other financial items

Net finance expense amounted to € 31.2 million, down 19.0% compared with 2008. In 2008 this item included a book profit of € 12.6 million on Draka's bid for the € 100 million 4% convertible bond loan. Excluding this book profit, net finance expense amounted to € 51.1 million in 2008. Therefore, on a like-for-like basis – excluding non-recurring items – the decline amounted to 38.9% in 2009 and reflected the lower average net debt and lower interest rates. The taxation item was € 1.9 million positive, which translates into an effective tax rate of (4.3)% (2008: 21.9%).

The share in the profit of equity-accounted investees amounted to € 5.0 million, compared with € 5.8 million in 2008. The result in 2008 was adversely affected by an inventory revaluation of € 8.0 million at Draka's associate Oman Cables Industry in Oman (OCI). Adjusted for this one-off there was a sharp decline in 2009 which was almost fully caused by the sharply lower profitability at OCI.

Result for the year

The result for the year attributable to shareholders was € (18.2) million, compared with € 69.3 million in 2008. Excluding non-recurring items, the result was € 48.3 million as against € 83.5 million in 2008.

Basic earnings per share

After appropriation of a dividend on preference shares of € 5.4 million, basic earnings per ordinary share amounted to € 0.56 negative, compared with € 1.78 positive in 2008. Excluding non-recurring items, basic earnings per ordinary share amounted to € 1.01, compared with € 2.18 in 2008. As at year-end 2009, there were 48,736,597 ordinary shares in issue, an increase of 8,119,437 compared with 2008. The increase was due to a share issue in October 2009. The average number of ordinary shares in issue was 42,349,572.

Dividend proposal

It is proposed that no dividend on ordinary shares be paid in respect of 2009. In these difficult market conditions, Draka's focus is on maintaining a strong liquidity position. Capital discipline and the proposal to forego this year's dividend are consistent with this policy.

Financial position

Cash flow and operating working capital
Cash flow from operating activities in 2009 amounted to € 189.2 million, an increase of 70.9% on 2008 (€ 110.7 million). Cash flow per share was € 4.47, compared with € 3.09 in 2008. This improvement in cash flow can be mainly attributed to the reduction in the operating working capital.

The € 143.4 million decrease in operating working capital (2008: € 63.9 million decrease) was due to three factors: the significantly lower volume, which meant that less working capital was needed; the action taken by Draka to reduce inventory levels and agree longer payment terms with suppliers; and the entering into and partly utilization of a standby arrangement for the securitization of accounts receivable (maximum of € 50 million). Operating working capital as a percentage of revenues turned out at 13.7%, compared with 15.0% in 2008, exceeding the target of stabilizing the operating working capital ratio at 16–18% in 2009.

Investments and acquisitions
Net investments in intangible assets and property, plant and equipment amounted to € 42.3 million, less than the amortization and depreciation charge of € 62.9 million. These investments related partly to a special investment project within the Industrial division to create new capacity for submarine cable (medium voltage). Regular maintenance and replacement investments amounted to approximately € 33 million.

Draka spent € 7.2 million on acquisitions in 2009, mainly in the form of expansion of the interests in several equity-accounted investees of Draka's proportionally consolidated associate Yangtze Optical Fibre & Cable Co. Ltd. (China). Draka undertook four disposals in 2009. It sold its OPGW activities in Mönchengladbach (Germany), part of the Communications Group, to AFL Telecommunications (USA); Wagner Kablo (71%) in Turkey; its interests in Oakwell Engineering Ltd. (29.9%) in Singapore; and Draka Comteq SDGI Co Ltd (55%) in China. The proceeds from these disposals, excluding Draka Comteq SDGI Co Ltd, which will be collected in the first quarter of 2010, totalled € 6.9 million.

Balance sheet and financing
The balance sheet total as at year-end 2009 was € 1,589.3 million, a decrease of 6.7% compared with year-end 2008. This was due mainly to a decrease of € 87 million in current assets (inventories, trade and other receivables), reflecting the lower volumes and Draka's focus on reducing working capital.

Shareholders' equity as at year-end 2009 amounted to € 549.5 million. The increase of 24.8% compared with 31 December 2008 was mainly due to the issue of 8,119,370 new shares at a price of € 12.40 per share, which generated proceeds of € 100.7 million. Shareholders' equity also benefited from changes in the fair value of copper and interest-rate derivatives. Reflecting the lower balance sheet total and higher shareholders' equity, the solvency ratio (shareholders' equity as a percentage of balance sheet total) rose significantly to 34.6% (year-end 2008: 25.9%). The guarantee capital (consisting of shareholders' equity, the provision for deferred tax liabilities and the long-term portion of the subordinated loans) amounted to € 568.5 million, or 35.8% of the total invested capital (year-end 2008: 28.8%).

Net interest-bearing debt (including the subordinated convertible bond loan carried at nominal value) was reduced by € 249.5 million to € 295.0 million in 2009. The free cash flow and the share issue accounted for most of the decrease. This significantly improved net gearing (total net interest-bearing debt as a percentage of shareholders' equity), which fell to 53.7% (2008: 123.6%).

Energy & Infrastructure

Headlines

- Sharply lower revenues in the Europe division; stabilization in the construction and industrial sectors in H2
- Revenues down in the Asia-Pacific division in H2; the industrial sector generally lags six months behind the economic trend
- Fast and effective action to reduce costs, including job cuts and plant closures in Europe
- Government investment, especially in China, is expected to have a beneficial effect, but most projects have a long lead-time
- Continuing focus on new segments in the industrial, infrastructure and renewable energy markets

Financial result

(x € million, unless stated otherwise)	2009	2008	H2 2009	H2 2008
Revenues	664.3	1,024.0	328.9	464.4
Operating result[1]	31.8	69.5	13.5	26.7
Operating margin (%)	4.8	6.8	4.1	5.7

[1] Excluding non-recurring items. In 2009 there was a non-recurring charge of € 13.8 million relating *inter alia* to the closure of the plant in Ystad (Sweden) and other restructuring exercises. Non-recurring items in 2008 were € 23.1 million negative.

Revenues were down 35.1% in 2009 at € 664.3 million, due primarily to the 22.0% decline in volume. The remaining 13.1% can be attributed to movements in the copper price (11.2 percentage points) and exchange-rate effects (1.9 percentage points).

The operating result, excluding non-recurring items, was € 31.8 million, down 54.2% compared with 2008. The lower result was mainly due to lower capacity utilization at Draka's plants, reflecting the substantial decline in volumes, and slightly lower market prices. These negative factors were partly offset by a further improvement in the product mix and additional Triple S cost savings (approximately € 9 million).

Analysis by division

Europe
The Europe division's revenues were 35–40% down, across the board, compared with 2008 and the result was sharply lower. The steep decline in activity in the construction sector (both housing and commercial) in the second half of 2008 continued in the first quarter of 2009 and then stabilized in most countries (except the Benelux, where the trend continued downward for the rest of the year). The division took swift action to make significant cost savings and maintain margins. In the interests of greater production efficiency, part of a plant in Drammen (Norway) and the entire plant in Llanelli (Wales) were closed in 2009. Closure of the production facility in Ystad (Sweden), which is shared with the Industrial division, is scheduled for completion in mid-2010.

Asia-Pacific
Sales remained close to the budgeted level until mid-2009, because the industrial sector lags about six months behind the economic trend. The economic downturn at the end of 2008 began to work through into demand in the first half of 2009 and sales declined sharply in all the major markets and segments. The tide is now starting to turn, but it is likely to be mid-2010 before there can be any question of a full recovery. Helped by the division's good performance in the first six months, the full-year result for 2009 held up relatively well.

Industry & Specialty

Headlines

- Industry & Specialty's profitability was under pressure from lower results in all divisions
- Conditions in the automotive market stabilized in H2 after an extremely steep decline in the first six months; substantial cost-reduction measures were taken
- Renewable energy (wind and solar): sharp fall in demand in 2009, outlook for 2010 moderately optimistic
- Resilient performance by Cableteq USA, thanks to niche-market strategy and first signs of economic recovery
- Sharp fall in demand for elevator cable in H2, reflecting the market's late-cycle nature; additional cost-saving measures implemented

Financial result

(x € million, unless stated otherwise)	2009	2008	H2 2009	H2 2008
Revenues	647.8	960.0	321.0	463.3
Operating result[1]	33.4	59.2	12.8	27.5
Operating margin (%)	5.2	6.2	4.0	5.9

[1] Excluding non-recurring items. In 2009 there was a non-recurring charge of € 31.6 million relating to the implementation of various restructuring programmes. The non-recurring charge in 2008 was € 20.3 million.

The Industry & Specialty group generated revenues of € 647.8 million, down 32.5% compared with 2008, mainly due to the 22.0% decline in volume and the adverse effect of the lower copper price (11.6 percentage points). Exchange-rate movements had a positive effect on revenues (1.1 percentage points).

The operating result, excluding non-recurring items, was € 33.4 million (–43.6%). With the exception of Cableteq USA, where the result was only slightly down, the low capacity utilization rate in the other divisions translated into a substantially lower result for the group as a whole. The decline was tempered by drastic cost-reduction measures, which contributed some € 10 million.

Analysis by division

Industrial
Demand bottomed out in the first half of 2009 and has started to recover, but there is considerable variation among sectors. Although prices in general are under pressure from over-capacity, the division was able to defend its market share while maintaining a relatively good level of profitability.

Automotive & Aviation
The automotive sector is plagued by financial problems throughout the supply chain, with substantial production cutbacks and revenues down 25–30% in North America and Europe. Thanks to rigorous cost-reduction programmes and the good performance of the aviation business (cables for Airbus), the Automotive & Aviation division was able to break even.

Cableteq USA
The division achieved a satisfactory performance, helped by the wide diversity of the markets into which it sells. Despite price erosion in some markets, the division was able to maintain good margins in sectors where there is demand for highly specialized products.

Elevator Products
The completion of several major projects in the first half of the year impacted on the division's performance in the second half and the result was considerably lower.

Communications

Headlines

- Solid performance by Communications, thanks to strong growth in demand for optical fiber and rigorous cost cutting; result in H2 2009 up 14% on H2 2008
- Growth in global optical fiber market of around 15%, driven mainly by strong growth in China
- Lower level of network investment by telecom companies in Europe and USA
- Substantial decline in demand for data communication cable and mobile network cable
- Excellent performance by Optical Fiber division, reflecting high capacity utilization

Financial result

(x € million, unless stated otherwise)	2009	2008	H2 2009	H2 2008
Revenues	736.2	844.9	376.6	439.4
Operating result[1]	26.7	29.4	16.9	14.8
Operating margin (%)	3.6	3.5	4.5	3.4

[1] Excluding non-recurring items. In 2009 there was a non-recurring charge of € 17.7 million relating to various efficiency projects in the Communications group. The non-recurring charge in 2008 was € 3.3 million.

The Communications group generated revenues of € 736.2 million in 2009, down 12.9% compared with 2008. Lower volume was responsible for 8.7 percentage points of this decrease; the growth in optical fiber volume was cancelled out completely by the fall in demand for copper communication cable (telecommunication and data communication). Movements in the copper price accounted for 3.0 percentage points of the decline in revenues, while exchange-rate movements added 1.2 percentage points. The sale of the OPGW operations was responsible for 2.4 percentage points of the decline in revenues.

The operating result was down 9.2% at € 26.7 million. However, thanks to cost savings amounting to around € 11 million, the higher result posted by the Optical Fiber division and strong performance of Draka's joint ventures in China, the second-half result was 14.2% higher at € 16.9 million.

Analysis by division

Telecom Solutions
The Communications group was held back in 2009 by the fall in demand for optical fiber in Europe and North America, reflecting the reluctance to invest on the part of major telecom operators. In contrast, demand in China rose sharply, driven by large-scale projects including FTTH (Fiber to the Home). Draka was able to maintain its share of the European, American and Chinese markets. Demand for copper telecommunication cable in Europe was substantially lower. The result improved thanks to the strong performance in China and further cost savings.

Multimedia & Specials
The market continued to decline at the start of 2009, but stabilized in the second half of the year. Demand for copper cable fell sharply in the mobile network segment and demand for data communication cable contracted in line with the steep decline in construction activity in Europe. The division was able to retain most of its market share, but its result was under heavy pressure from the rapid drop in demand.

Optical Fiber
Demand for optical fiber continued to grow strongly in China in 2009; because the division is active on a global scale, it was possible to divert part of the capacity from Europe and the US to China. The growing demand in China is being driven by investment in 3G networks by three large competing telecom providers. High capacity utilization at its plants enabled the division to generate a considerably higher result.

Prospects for 2010

Driven by the expected economic recovery, global industrial activity is expected to expand again. The main uncertain factor is the level at which recovery can be maintained. Based on current economic forecasts, the global cable market is expected to show a modest growth in volume, in line with the level of industrial activity. Given the forecast of slow economic growth in Europe, Draka's most important market, growth in the wire and cable segment in this region will be only marginal.

The prices of the cable industry's main raw materials (copper, aluminium and polymers) are predicted to remain volatile in 2010 and competition in several segments of the cable market is expected to remain strong, exerting sustained pressure on selling prices.

In light of these developments, there will be no relaxation in 2010 of Draka's policy of focusing on reducing its cost base, grasping opportunities for growth and maintaining its healthy balance sheet position, in accordance with its strategic objectives. Growth opportunities will also be created by Draka's ongoing investment in innovation, both in new products and new production methods, because innovation remains part of the basis of future growth.

The Triple S projects and other actions to raise efficiency are expected to generate annual cost savings of some € 60 million in 2010. Approximately € 30 million of these savings having been realized in 2009, additional cost savings of some € 30 million are expected in 2010.

To preserve its healthy balance sheet position, Draka aims to maximize its free cash flow by focusing constantly on maintaining the operating working capital ratio at 14–16% and investment at around € 35 million, or about 60% of the amortization and depreciation charge (€ 60 million).

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Draka

Cautionary note regarding forward-looking statements
This announcement contains forward-looking statements. Forward-looking statements are statements that are not based on historical fact, including statements about our beliefs and expectations. Any statement in this announcement that expresses or implies our intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. Such statements are based on plans, estimates and projections as currently available to the management of Draka. Forward-looking statements therefore speak only as of the date they are made and we assume no obligation to publicly update any of them in the light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of significant factors could therefore cause actual future results to differ materially from those expressed or implied in any forward-looking statement. Such factors include but are not limited to conditions on the markets in Europe, the United States and elsewhere from which we derive a substantial portion of our revenue, potential defaults on the part of borrowers or trading counterparties, the implementation of our restructuring programme including the envisaged reduction in headcount and the reliability of our risk management policies, procedures and methods. For more information on these and other factors, please refer to our annual report. The forward-looking statements contained in this announcement are made as of the date hereof and the companies assume no obligation to update any forward-looking statement contained in this announcement.

2010 financial calendar (provisional)

General Meeting of Shareholders, the Rosarium (Amsterdam)	**Tuesday, 20 April 2010, starting at 14:30h**
Publication of trading update for the first half of 2010	**Tuesday, 18 May 2010 (before start of trading)**
Publication of 2010 half-year figures	**Thursday, 19 August 2010 (before start of trading)**
Publication of trading update for the second half of 2010	**Thursday, 11 November 2010 (before start of trading)**

Company profile

Draka Holding N.V. ('Draka') is the holding company of a number of operating companies that are active worldwide in the development, production and sale of cable and cable systems. Draka's activities are divided into three groups: Energy & Infrastructure, Industry & Specialty and Communications.

Within these three groups, the activities are organised into divisions. Energy & Infrastructure consists of the Europe and Asia-Pacific divisions; Industry & Specialty consists of the Automotive & Aviation, Elevator Products, Cableteq USA and Industrial divisions and the Communications Group comprises the Telecom Solutions, Multimedia and Specials, Americas and Optical Fiber divisions.

Draka has 68 operating companies in 30 countries throughout Europe, North and South America, Asia and Australia. Worldwide, the Draka companies employ some 9,600 people. Draka Holding N.V.'s head office is in Amsterdam. In 2009, Draka reported revenue of € 2.0 billion and net income of € 48.3 million (excluding non-recurring items).

Draka Holding N.V. ordinary shares and subordinated convertible bonds are listed on NYSE Euronext Amsterdam. The company is included in the Next150 index and the AMX index (Amsterdam Midkap index). Options on Draka shares are also traded on the NYSE Euronext Amsterdam Derivative Markets.

More information on Draka Holding N.V. can be found at www.draka.com.

Appendix

The financial information included in the appendix is extracted from the company's financial statements 2009. These financial statements were authorised for issue on 19 February 2010. The financial statements have been audited and an unqualified auditor's report has been issued. The annual report is yet to be approved in the Annual General Meeting of Shareholders at 20 April 2010 and will be published approximately 3 weeks in advance.

Consolidated statement of income

For the year ended 31 December

In millions of euro	2009	2008
Revenue	2,048.3	2,828.9
Cost of sales	(1,855.2)	(2,565.1)
Gross profit	**193.1**	**263.8**
Selling and distribution expenses	(124.8)	(148.2)
Other income and expenses	(59.5)	(20.3)
Operating result	**8.8**	**95.3**
Finance income	3.7	15.7
Finance expense	(34.9)	(54.2)
Net finance expense	**(31.2)**	**(38.5)**
Share of profit of equity accounted investees (net of income tax)	5.0	5.8
Result before income tax	**(17.4)**	**62.6**
Income tax benefit	1.9	8.0
Result for the year	**(15.5)**	**70.6**
Attributable to:		
Equity holders of the company	(18.2)	69.3
Minority interests	2.7	1.3
Result for the year	**(15.5)**	**70.6**
Basic earnings per share (euro)	(0.56)	1.78
Diluted earnings per share (euro)	(0.56)	1.61

Consolidated statement of comprehensive income

In millions of euro	2009	2008
Result for the year	**(15.5)**	**70.6**
Foreign exchange translation differences	6.2	(10.0)
Effective portion of fair value changes of cash flow hedges (net of income tax)	23.3	(25.3)
Share of other comprehensive income of equity accounted investees	2.6	0.5
Other comprehensive income for the year	**32.1**	**(34.8)**
Total comprehensive income for the year	**16.6**	**35.8**
Attributable to:		
Equity holders of the company	14.5	33.1
Minority interests	2.1	2.7
Total comprehensive income for the year	**16.6**	**35.8**

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Consolidated balance sheet

As at 31 December

In millions of euro	2009	2008
Assets		
Non-current assets		
Property, plant and equipment	541.7	562.2
Intangible assets	114.3	113.5
Investments in equity accounted investees	49.7	41.7
Deferred tax assets	51.9	58.0
Derivative financial instruments	0.6	-
Other non-current financial assets	15.0	24.7
Total non-current assets	**773.2**	**800.1**
Current assets		
Inventories	350.3	375.5
Trade and other receivables	381.4	432.1
Derivative financial instruments	9.5	-
Income tax receivable	0.9	2.7
Held for sale assets	-	18.2
Cash and cash equivalents	74.0	74.6
Total current assets	**816.1**	**903.1**
Total assets	**1,589.3**	**1,703.2**
Equity		
Shareholders' equity		
Share capital	27.2	22.8
Share premium	457.5	360.9
Retained earnings	84.5	108.8
Other reserves	(19.7)	(52.1)
Total equity attributable to equity holders of the company	**549.5**	**440.4**
Minority interests	21.0	25.4
Total equity	**570.5**	**465.8**
Liabilities		
Non-current liabilities		
Interest-bearing loans and borrowings	286.8	544.8
Provision for employee benefits	82.7	81.9
Derivative financial instruments	5.6	5.9
Other provisions	20.0	18.7
Deferred tax liabilities	19.0	25.2
Total non-current liabilities	**414.1**	**676.5**
Current liabilities		
Bank overdrafts	6.9	33.4
Interest-bearing loans and borrowings	74.7	39.5
Derivative financial instruments	5.0	35.0
Trade and other payables	489.3	425.3
Income tax payable	6.3	7.5
Held for sale liabilities	-	9.6
Other provisions	22.5	10.6
Total current liabilities	**604.7**	**560.9**
Total liabilities	**1,018.8**	**1,237.4**
Total equity and liabilities	**1,589.3**	**1,703.2**

Consolidated statement of cash flows

For the year ended 31 December

In millions of euro	**2009**	**2008**
Result for the year	(15.5)	70.6
Depreciation	56.6	55.2
Amortisation	6.3	5.2
Impairments	4.1	5.0
Finance income	(3.7)	(15.7)
Finance expense	34.9	54.2
Share of profit of equity accounted investees	(5.0)	(5.8)
Equity-settled share based payments	2.4	2.2
Income tax benefit	(1.9)	(8.0)
	78.2	**162.9**
Changes in inventories	26.7	68.7
Changes in trade receivables	43.6	97.3
Changes in trade payables	73.1	(102.1)
Changes in other working capital	3.0	(42.1)
Changes in provisions	30.1	11.8
Other	(1.6)	0.6
	253.1	**197.1**
Interest received	2.4	3.1
Interest paid	(40.9)	(44.1)
Income tax paid	(6.8)	(20.5)
Application of provisions	(18.6)	(24.9)
Net cash from operating activities	**189.2**	**110.7**
Dividends received	2.2	3.1
Proceeds from sale of property, plant and equipment and intangible assets	4.6	4.0
Cash from consolidation of entities, previous years classified as equity accounted investees	-	2.9
Disposal of subsidiaries and associates, net of cash disposed	6.9	-
Acquisition of subsidiaries and associates, net of cash acquired	(7.2)	(2.1)
Acquisition of intangible assets	(6.9)	(7.8)
Acquisition of property, plant and equipment	(35.4)	(52.4)
Net cash used in investing activities	**(35.8)**	**(52.3)**
Issue of shares	98.7	-
Dividends paid (ordinary and preference shares)	(5.4)	(29.6)
Conversion of convertible subordinated bond notes	-	(22.3)
Movement in multicurrency facility	(241.0)	87.9
Shares acquired under long-term incentive plans	(1.7)	(1.2)
Shares delivered under long-term incentive plans	0.9	0.7
Movements in other bank loans	22.3	(25.6)
Net cash from financing activities	**(126.2)**	**9.9**
Net increase in cash and cash equivalents	**27.2**	**68.3**
Cash and cash equivalents at 1 January (net of bank overdrafts)	41.2	(14.5)
Exchange rate fluctuations on cash and cash equivalents	(1.3)	(12.6)
Cash and cash equivalents at 31 December (net of bank overdrafts)	**67.1**	**41.2**

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Consolidated statement of changes in total equity

As at 31 December

In millions of euro	Share capital	Share premium	Translation reserve	Hedging reserve	Reserve for treasury shares	Preference shares dividend reserve	Retained earnings	**Share-holders' equity**	Minority Interests	**Total equity**
Balance as at 31 December 2007	**20.4**	**311.4**	**(18.2)**	**(3.0)**	**-**	**5.4**	**84.5**	**400.5**	**12.8**	**413.3**
Foreign exchange translation differences	-	-	(11.4)	-	-	-	-	(11.4)	1.4	(10.0)
Effective portion of fair value changes of cash flow hedges (net of income tax)	-	-	-	(24.8)	-	-	-	(24.8)	-	(24.8)
Total income and expenses recognised directly in equity	**-**	**-**	**(11.4)**	**(24.8)**	**-**	**-**	**-**	**(36.2)**	**1.4**	**(34.8)**
Result for the year	-	-	-	-	-	5.4	63.9	69.3	1.3	70.6
Total recognised income and expense	**-**	**-**	**(11.4)**	**(24.8)**	**-**	**5.4**	**63.9**	**33.1**	**2.7**	**35.8**
Conversion of convertible subordinated bond notes	2.4	49.5	-	-	-	-	(17.2)	34.7	-	34.7
Share-based payments	-	-	-	-	-	-	2.2	2.2	-	2.2
Shares aquired under long-term incentive plans	-	-	-	-	(1.2)	-	-	(1.2)	-	(1.2)
Shares delivered under long-term incentive plans	-	-	-	-	1.1	-	(0.4)	0.7	-	0.7
Dividends paid	-	-	-	-	-	(5.4)	(24.2)	(29.6)	-	(29.6)
Consolidation of entities, previous years classified as equity accounted investees	-	-	-	-	-	-	-	-	9.9	9.9
Total direct changes in equity	**2.4**	**49.5**	**-**	**-**	**(0.1)**	**(5.4)**	**(39.6)**	**6.8**	**9.9**	**16.7**
Balance as at 31 December 2008	**22.8**	**360.9**	**(29.6)**	**(27.8)**	**(0.1)**	**5.4**	**108.8**	**440.4**	**25.4**	**465.8**
Foreign exchange translation differences	-	-	6.8	-	-	-	-	6.8	(0.6)	6.2
Effective portion of fair value changes of cash flow hedges (net of income tax)	-	-	-	25.9	-	-	-	25.9	-	25.9
Total income and expenses recognised directly in equity	**-**	**-**	**6.8**	**25.9**	**-**	**-**	**-**	**32.7**	**(0.6)**	**32.1**
Result for the year	-	-	-	-	-	5.4	(23.6)	(18.2)	2.7	(15.5)
Total recognised income and expense	**-**	**-**	**6.8**	**25.9**	**-**	**5.4**	**(23.6)**	**14.5**	**2.1**	**16.6**
Issue of shares	4.4	96.6	-	-	-	-	(2.3)	98.7	-	98.7
Share-based payments	-	-	-	-	-	-	2.4	2.4	-	2.4
Shares aquired under long-term incentive plans	-	-	-	-	(1.7)	-	-	(1.7)	-	(1.7)
Shares delivered under long-term incentive plans	-	-	-	-	1.4	-	(0.5)	0.9	-	0.9
Dividends paid	-	-	-	-	-	(5.4)	-	(5.4)	-	(5.4)
Effect of acquisition minority interest	-	-	-	-	-	-	(0.3)	(0.3)	-	(0.3)
Effect of acquisitions and divestments	-	-	-	-	-	-	-	-	(6.5)	(6.5)
Total direct changes in equity	**4.4**	**96.6**	**-**	**-**	**(0.3)**	**(5.4)**	**(0.7)**	**94.6**	**(6.5)**	**88.1**
Balance as at 31 December 2009	**27.2**	**457.5**	**(22.8)**	**(1.9)**	**(0.4)**	**5.4**	**84.5**	**549.5**	**21.0**	**570.5**

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Segment reporting

In millions of euro	Energy & Infrastructure 2009	Energy & Infrastructure 2008	Industry & Specialty 2009	Industry & Specialty 2008	Communications 2009	Communications 2008	Not allocated to segments / eliminations 2009	Not allocated to segments / eliminations 2008	Consolidated 2009	Consolidated 2008
Revenue from external customers	664.3	1,024.0	647.8	960.0	736.2	844.9	-	-	2,048.3	2,828.9
Intersegment transactions	34.3	95.9	18.9	7.4	30.6	54.0	(83.8)	(157.3)	-	-
Revenue	**698.6**	**1,119.9**	**666.7**	**967.4**	**766.8**	**898.9**	**(83.8)**	**(157.3)**	**2,048.3**	**2,828.9**
Operating result (excluding non-recurring items)	31.8	69.5	33.4	59.2	26.7	29.4	(16.6)	(16.1)	75.3	142.0
Non-recurring items	(13.8)	(23.1)	(31.6)	(20.3)	(17.7)	(3.3)	(3.4)	-	(66.5)	(46.7)
Operating result	**18.0**	**46.4**	**1.8**	**38.9**	**9.0**	**26.1**	**(20.0)**	**(16.1)**	**8.8**	**95.3**
Net finance expense									(31.2)	(38.5)
Share of profit of equity accounted investees	1.6	2.1	2.0	2.6	1.4	1.1	-	-	5.0	5.8
Income tax benefit									1.9	8.0
Result for the year									**(15.5)**	**70.6**
Capital expenditure	10.4	14.9	20.2	25.4	10.8	18.8	0.9	1.1	42.3	60.2
Depreciation and amortisation	17.3	18.5	15.5	15.8	29.3	25.5	0.8	0.6	62.9	60.4
Impairments	2.5	2.1	1.1	2.9	0.5	-	-	-	4.1	5.0
Segment operating liabilities	187.2	167.2	228.7	200.3	228.4	253.9	374.5	616.0	1,018.8	1,237.4
Segment non-current assets	192.1	195.3	234.8	234.0	313.2	298.1	(16.6)	31.0	723.5	758.4
Investments in equity accounted investees	14.4	15.0	17.7	17.9	17.6	8.8	-	-	49.7	41.7
Segment current assets	347.8	340.0	425.0	407.2	356.4	330.4	(313.1)	(174.5)	816.1	903.1
Total assets	**554.3**	**550.3**	**677.5**	**659.1**	**687.2**	**637.3**	**(329.7)**	**(143.5)**	**1,589.3**	**1,703.2**