First-Half Results 2009

Weathering the storm

Headlines H1 2009[1]

Decent results during a 'perfect storm':

• Volume:	-20%	
• Operating result:	€ 41 million	(–48%)
• Operating margin:	4.0%	(-140bp)
• Result for the period:	€ 19 million	(–61%)
• Earnings per share:	€ 0.41	(–69%)
• Operating working capital ratio:	15.8%	(-260bp)
• Operating cash flow:	€ 75 million	(Nmf)

Outlook for 2009:

- Global cable market is expected to show a marked decline; market conditions appear to be stabilising since Q2
- Continue to focus on cutting costs and reducing debt position by exercising capital discipline and maximising free cash flow

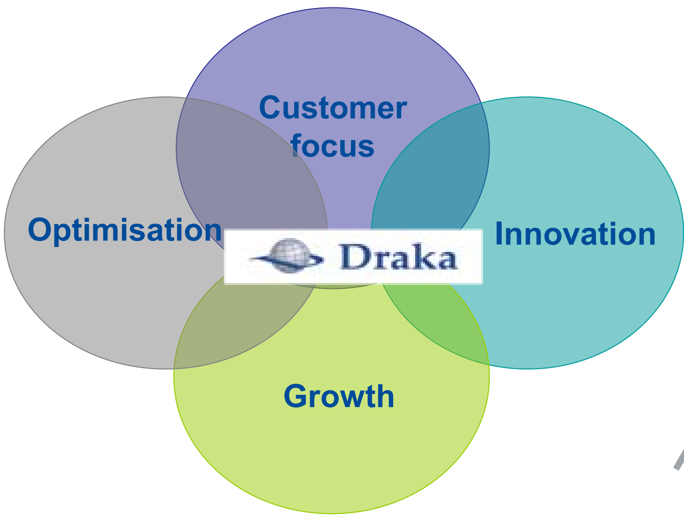
[1] All figures excluding non-recurring items;
Proportionate consolidation of Draka's JV's Telcon (Brazil) and YOFC (China) as from 1 January 2009.
Comparative figures over 2008 have been restated accordingly.

Agenda

- Strategy & progress
- Business environment
- Cost reduction & capital discipline
- Financial Results H1 2009
- Financial Position
- Results per Group
- Outlook

Strategy

Core of Draka's strategy:



Customer focus
Creating innovative product portfolios and solutions that meet its customers' needs, in terms of logistics, services, software and product solutions

Innovation
Widen range of products and services by leveraging Draka's core competences, creating customer-driven and market-led innovations & raising profile of Draka's brand

Growth
Draka's strategic objectives, which it seeks to achieve within the constraints of sound financial practice, are organic growth, selective investment and consolidation

Optimisation
Draka will continue to invest in more efficient and effective design of both the production structure and the sales and marketing structure with undiminished vigour

Progress towards strategic objectives

Objectives	Medium term	H1 2009	H1 2008
• Specialty profile as % of revenues	47% →60%	50%	48%
• Continuous optimisation	Cost leadership	€ 10m savings	€ 5m savings
• Operating margin over economic cycle	≥ 5%	4.0%	5.4%
• Operating working capital as % of revenues	16-18%	15.8%	18.4%
• Free cash flow	Optimum	€ 67m	€ (19)m

Business environment

‘Perfect storm’ continued in H1 2009

- Economic downturn accelerated in Q1, severely affecting global cable demand
- Fall out in global cable demand in Q1, stabilisation in Q2
- Construction related activities, automotive, copper telecom and datacom hit hardest showing volume declines of 25-35%
- Other activities more resilient

Decisive actions

- First mover to reduce cost base further; actions initiated in Summer 2008
- Programmes expanded and intensified in Q1 2009
- Continued focus on maximising free cash flow and strict capital discipline

Cost measures & Capital discipline

Update on cost measures

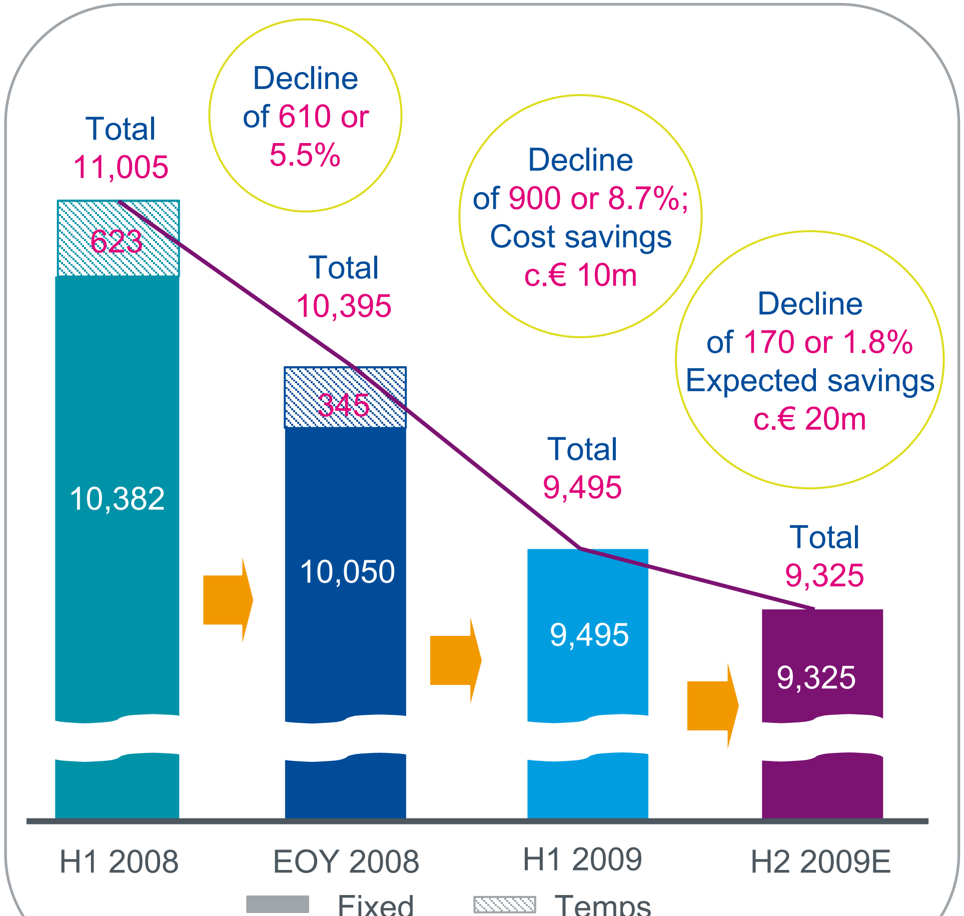
- Triple S projects announced in summer of 2008 were finalised in H1 2009
  - E&I Europe: closure of copper wire plant in UK
  - Automotive & Aviation: closure of plant in Spain and optimisation in Germany
  - Communications: overhead reduction in European plants
- Other initiatives
  - Global moratorium on recruitment since July 2008 and significant reduction in use of temporary staff
  - Shorter working hours in some European countries
  - Reduction in permanent staff in connection with cut-back in shift working
  - Closure of factory in Oudenbosch (the Netherlands); further restructuring within Wire & Cable Assemblies

Annual cost savings c.€ 50 million, fully realised in 2010

Bulk of savings – € 30 million – will be achieved in 2009; € 20 million in H2

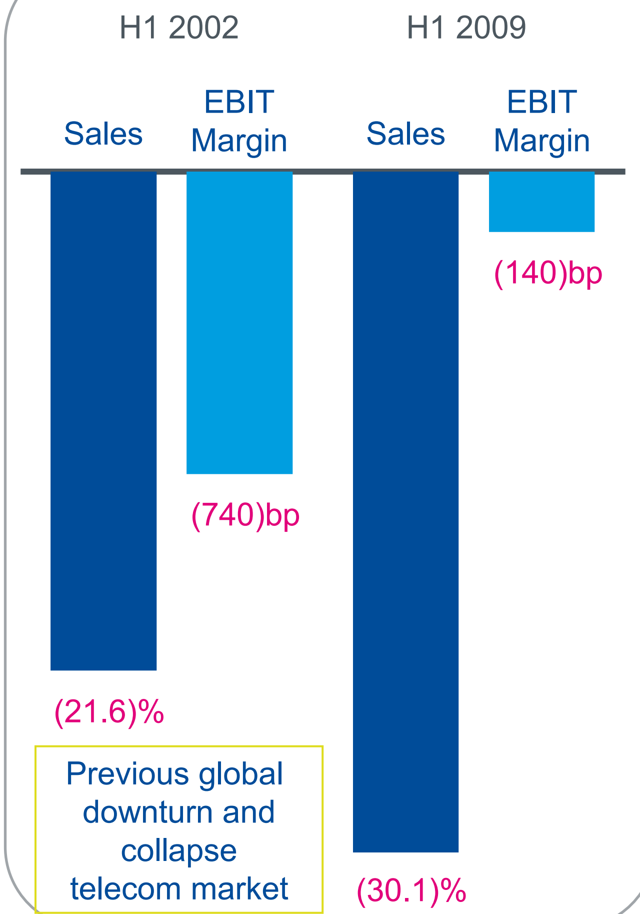
Update on cost measures (II)

Early and decisive restructuring measures[1]…



[1]Excluding impact of changes in consolidation

…dampened fall in margins

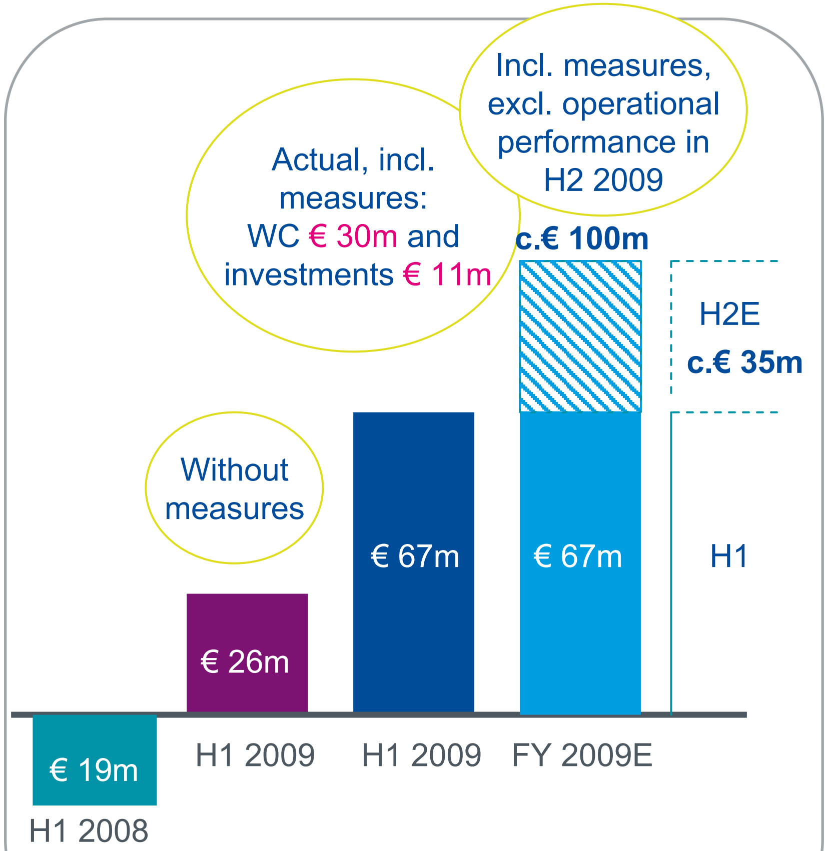


Capital discipline

Maximising free cash flow[1]

Minimize working capital needs	H1 2009
• Inventory	€ 10m
• Trade payables	€ 20m
Contribution to free cash flow	€ 30m
Minimize investments	H1 2009
• Capex = 65% of depreciation	€ 11m
Contribution to free cash flow	€ 11m
To be expected in H2 2009	
Lower inventories	c.€ 5m
Longer payment terms	c.€ 10m
Investments= 35% of depreciation	c.€ 20m
Contribution to free cash flow	€ 35m

Free cash flow generation



[1] All figures excl. impact market conditions

Financial Results H1 2009

Key figures

(x €m)	H1 2009[1]	▲ ch	H1 2008[2]	H2 2008[3]
Revenues	1,022	(30)%	1,462	1,367
EBITDA	71.8	(34)%	108.8	93.6
EBITDA-margin	*7.0%*	(40)bp	*7.4%*	*6.8%*
EBIT	41.0	(48)%	79.6	62.4
EBIT-margin	*4.0%*	(140)bp	*5.4%*	*4.6%*
Net income	19.4	(61)%	49.3	34.2
EPS (€)	0.41	(69)%	1.31	0.87
Operating cash flow	74.7	Nmf	5.1	105.6

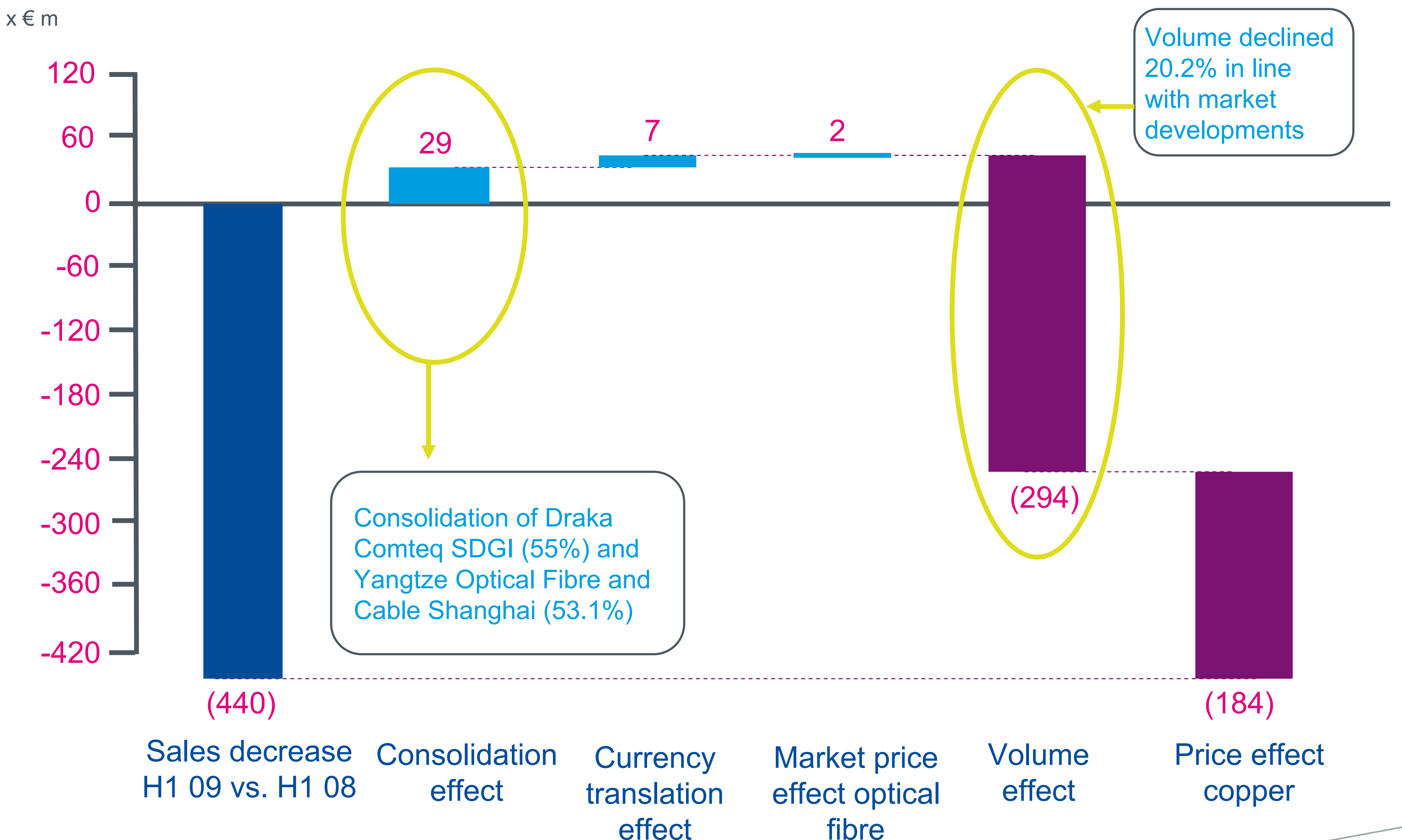
[1] Excluding non-recurring items of net € 13.4m negative in H1 2009 (restructuring charges)
[2] Excluding non-recurring items of net € 2.2m positive in H1 2008
[3] Excluding non-recurring items of net € 16.4m negative in H2 2008

Key figures

(x €m)	H1 2009[1]	H1 2009[1] excl. JV's	H1 2008[2]	H1 2008[2] excl. JV's
Revenues	1,022	951	1,462	1,407
EBITDA	71.8	61.6	108.8	102.9
EBITDA-margin	*7.0%*	*6.5%*	*7.4%*	*7.3%*
EBIT	41.0	33.1	79.6	75.7
EBIT-margin	*4.0%*	*3.5%*	*5.4%*	*5.4%*
Net income	19.4	19.4	49.3	49.3
EPS (€)	0.41	0.41	1.31	1.31
Operating cash flow	74.7	73.1	5.1	1.4

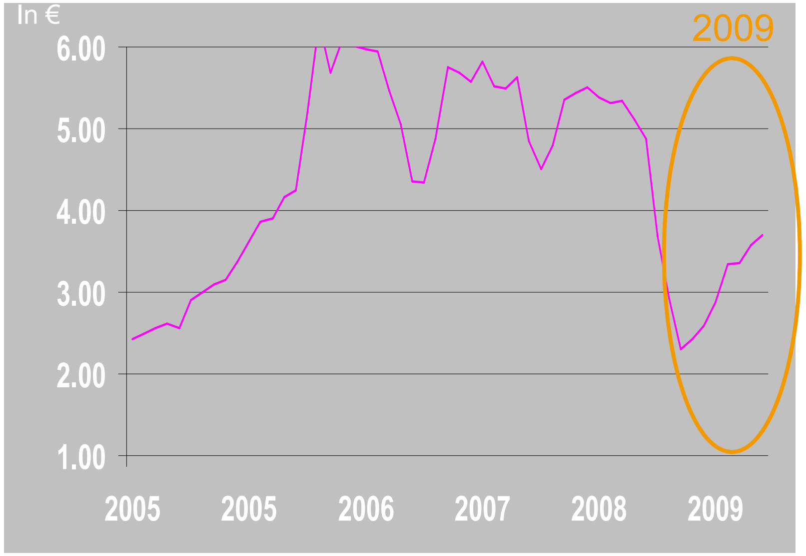
[1] Excluding non-recurring items of net € 13.4m negative in H1 2009 (restructuring charges)
[2] Excluding non-recurring items of net € 2.2m positive in H1 2008

Revenue analysis

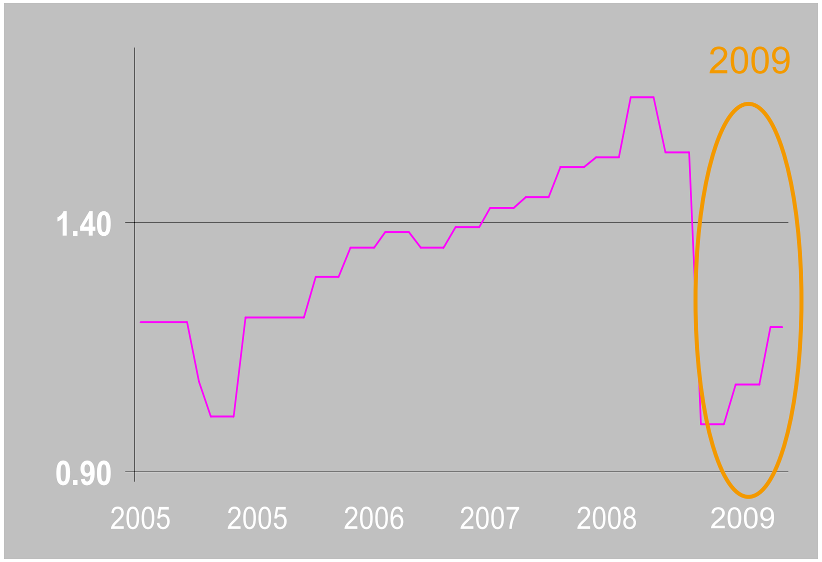


Raw material prices

Copper (per kg)



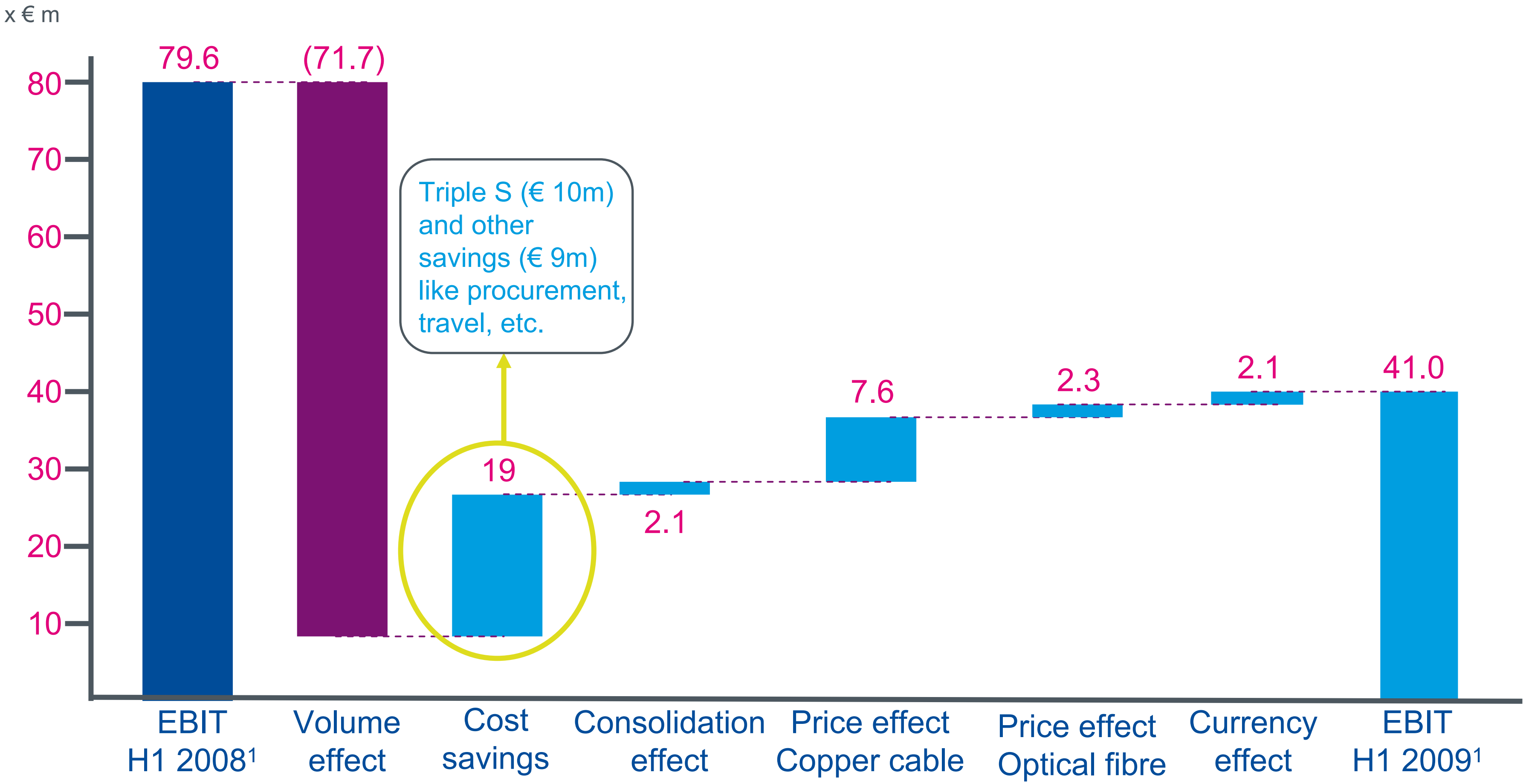
Polyethylene (per kg)



Steep rebound in copper price in H1 2009 (79% vs. EOY ’08)

Decline in polymer prices results in relief on margins

EBIT analysis



[1] Excluding non-recurring items of € 17.9m negative in H1 2009 and € 5.0 million negative in H1 2008

Financial position

Highlights

	H1 2009	H1 2008	Δ
• Operating working capital	€ 378 million	€ 539 million	€ (161) million
• Operating working capital ratio	15.8%	18.4%	-260bp
• Operating cash flow	€ 75 million	€ 5 million	€ 70 million
• Investments	€ 21 million	€ 24 million	€ (3) million
• Depreciation	€ 31 million	€ 29 million	€ 2 million
• Net debt (excl. leases)	€ 456 million	€ 636 million	€ (180) million
• Net debt / EBITDA	2.89	3.07	-18bp
• Equity	€ 471 million	€ 441 million	€ 30 million
• Equity / Total assets	28.5%	22.5%	600bp
• Net gearing	97%	144%	(4700)bp

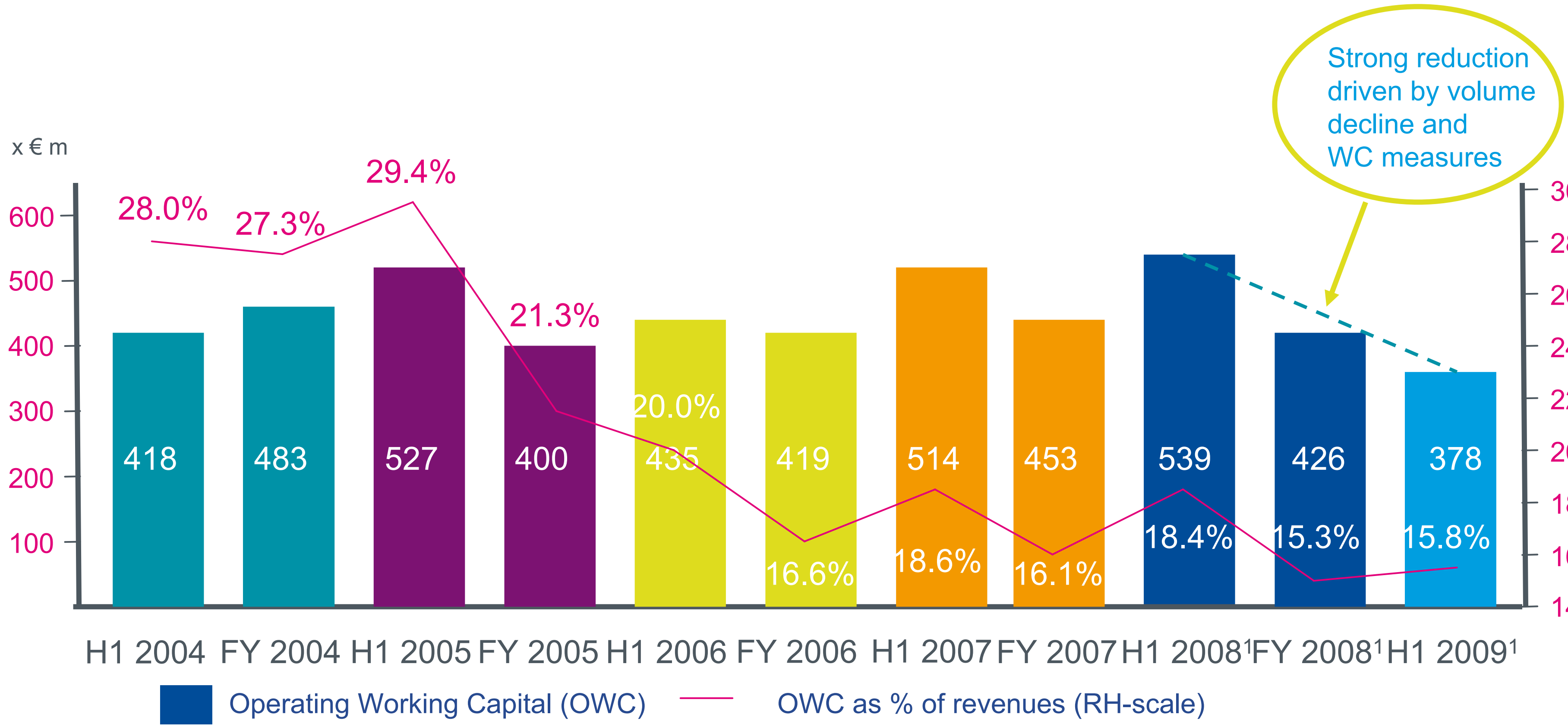
Draka

Cash flow statement

(x €m)	1H 2009	1H 2008	2H 2008
Profit for the period	7	53	18
Depreciation, amortisation	31	29	31
Operating working capital	50	(71)	135
Others (interest, tax, provisions)	(13)	(6)	(79)
Net cash from Operating Activities	75	5	105
Net cash used in Investments	(8)	(24)	(28)
Free cash flow	67	(19)	77
Net cash from Financing	(92)	18	(8)
Net cash flow	(25)	(1)	69

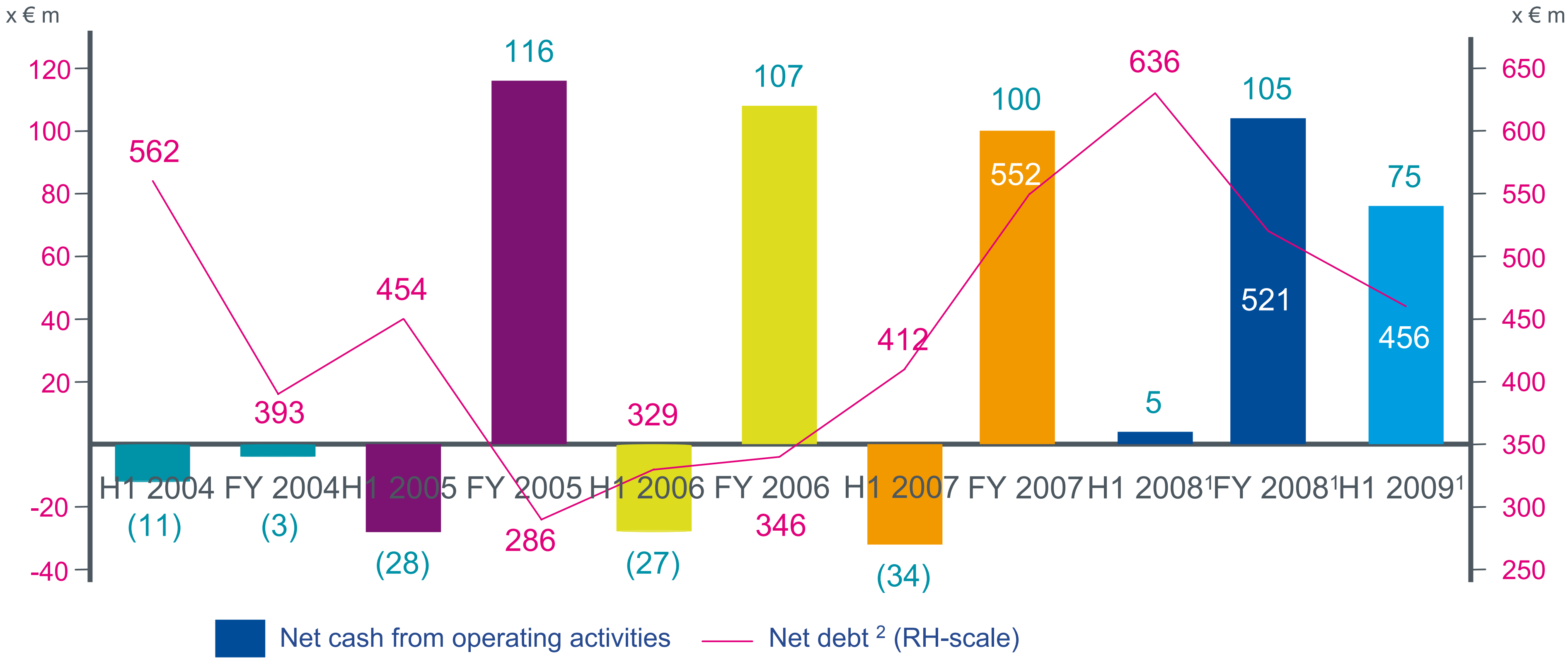
Draka

Operating Working Capital



[1] Restated for proportionate consolidation of joint ventures

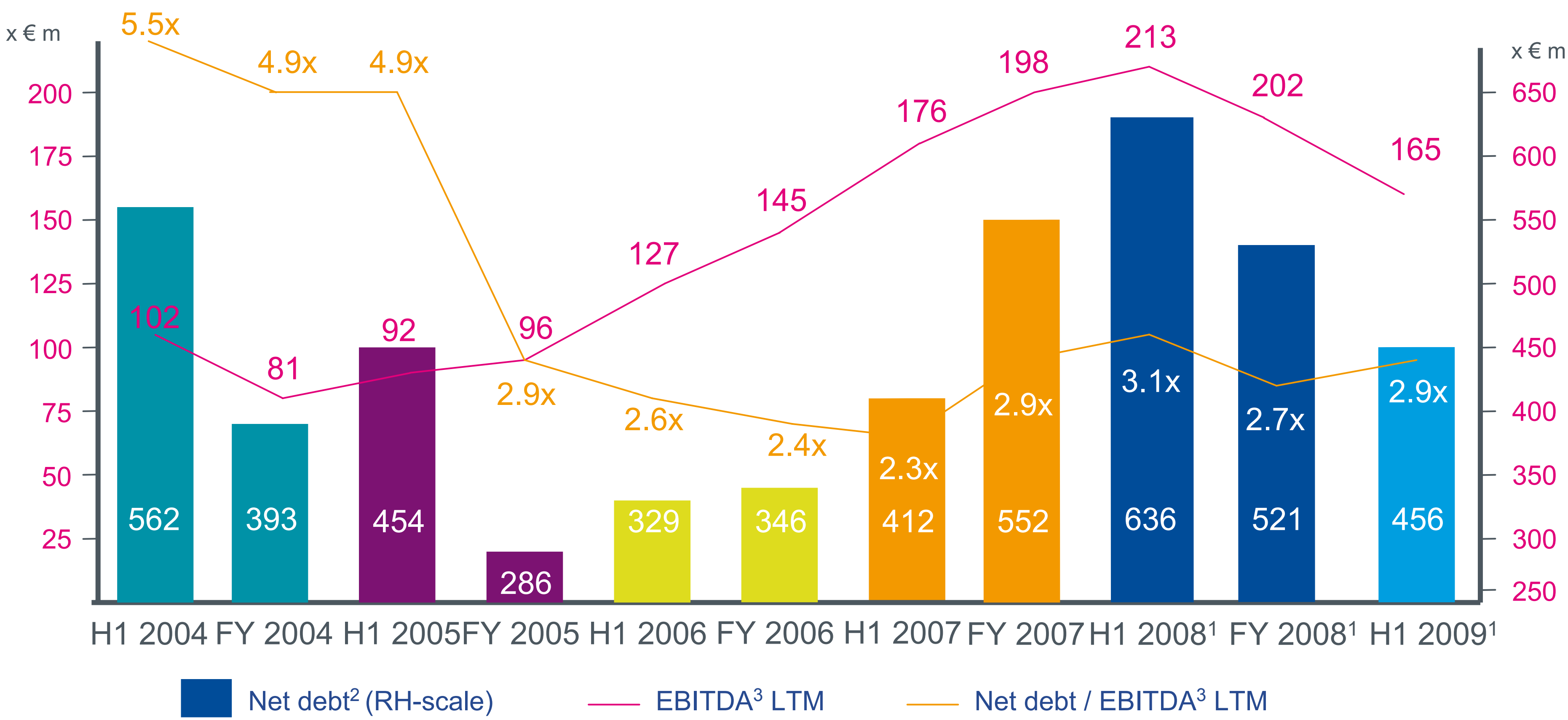
Cash from operating activities & Net interest bearing debt



[1] Restated for proportionate consolidation of joint ventures

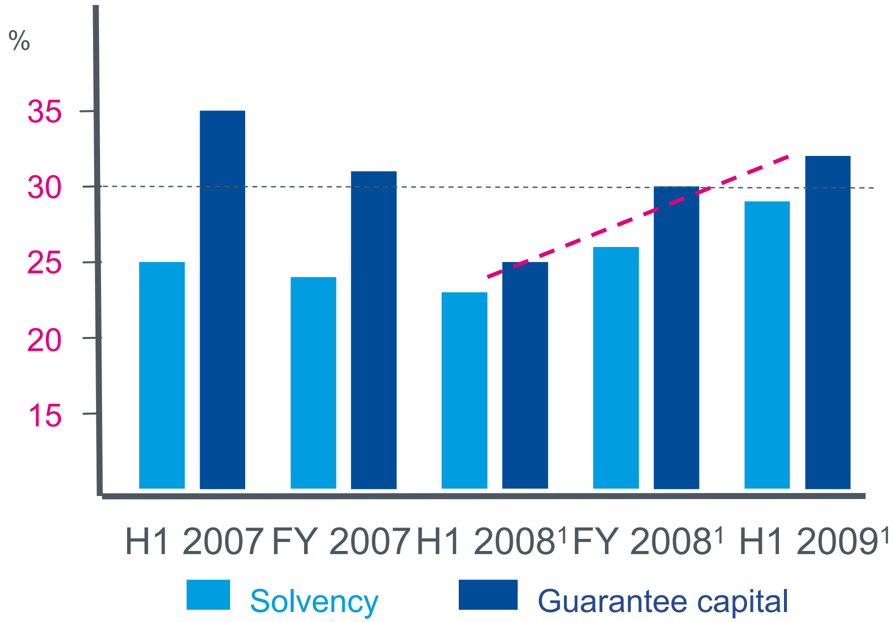
[2] Net debt: incl. convertible bond loan at nominal value

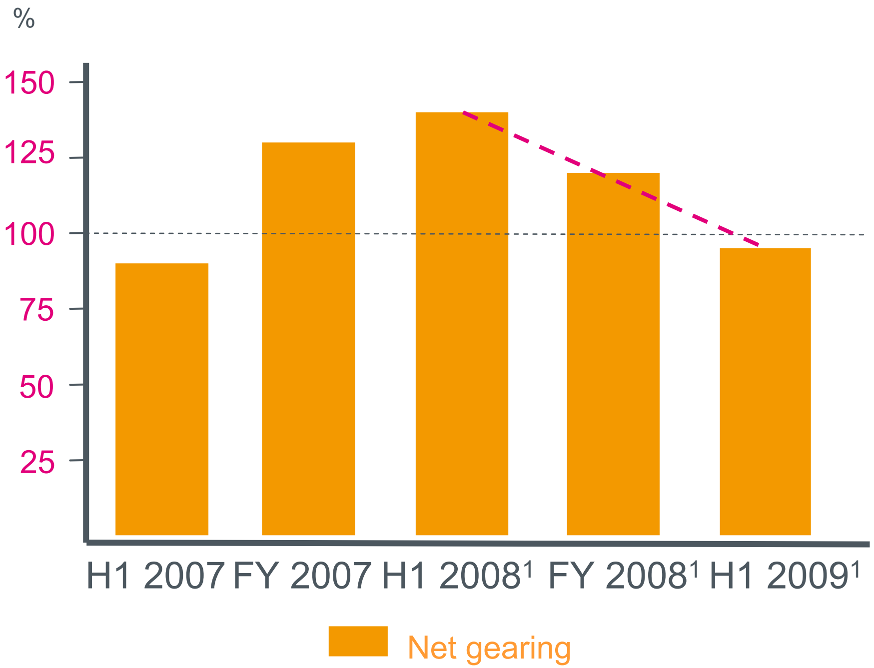
EBITDA (LTM) &
Net interest bearing debt



[1] Restated for proportionate consolidation of joint ventures
[2] Net debt: incl. convertible bond loan at nominal value
[3] Excluding non-recurring items

Balance sheet ratios





Balance sheet ratios improved considerably in H1 2009

[1] Restated for proportionate consolidation of joint ventures

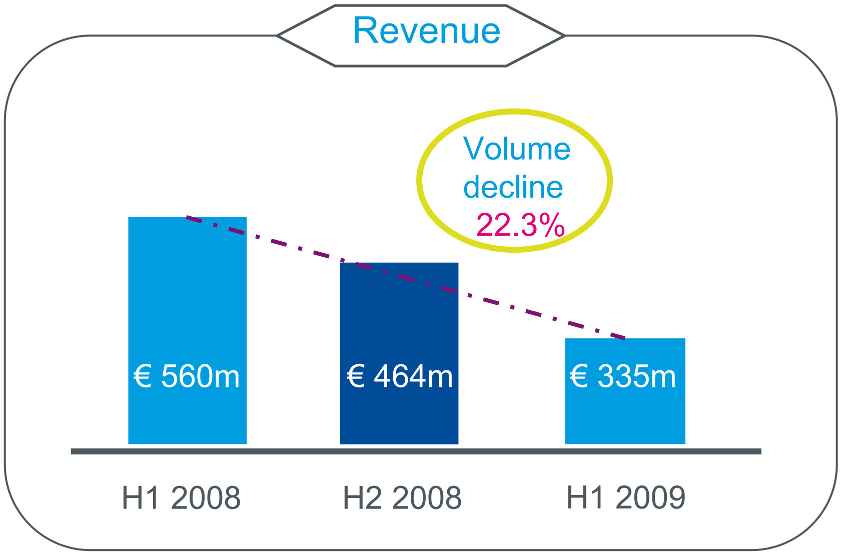
Results per Group

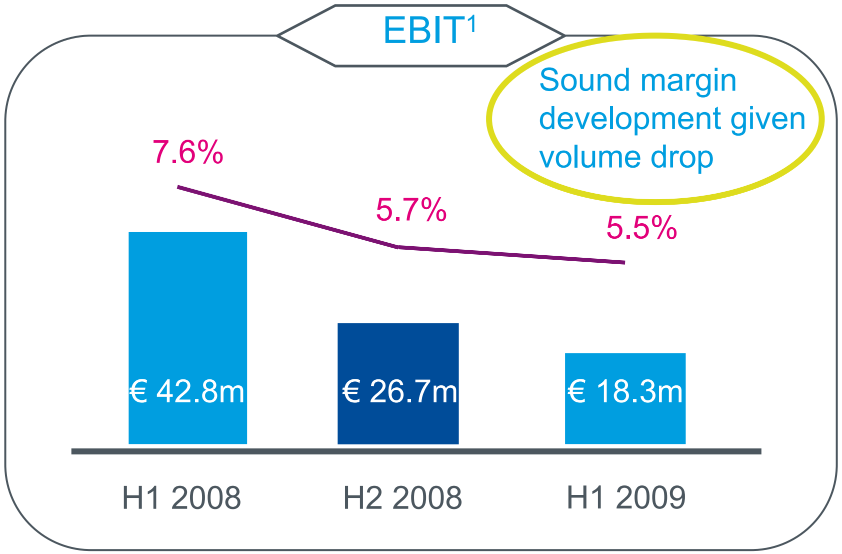
Revenue & EBIT

	Revenue				EBIT			
(x €m)	1H09	▲ ch	1H08	2H08	1H09[1]	▲ ch	1H08[2]	2H08[3]
Energy & Infrastructure	335	(40)%	560	464	18.3	(57)%	42.8	26.7
Industry & Specialty	327	(34)%	497	463	20.6	(35)%	31.7	27.5
Communications	360	(11)%	405	440	9.8	(33)%	14.6	14.8
Others	-	-	-	-	(7.7)	(19)%	(9.5)	(6.6)
Total	1,022	(30)%	1,462	1,367	41.0	(48)%	79.6	62.4

[1] Excluding non-recurring items of € 17.9m negative in H1 2009 (restructuring charges)
[2] Excluding non-recurring items of € 5.0m negative in H1 2008
[3] Excluding non-recurring items of € 41.7m negative in H2 2008

Energy & Infrastructure





[1] Excluding non-recurring items

Headlines

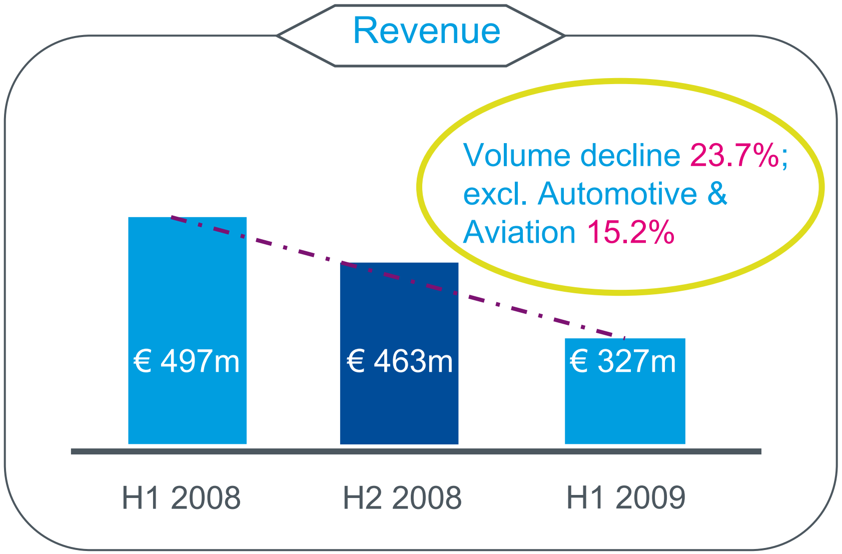
- Downturn in housing and commercial construction markets continued in H1
- Markets in Spain and UK stabilised in Q2; lower volumes expected in Benelux in H2
- Asian market performing strongly
- Cost-saving measures on schedule, closure of factory in Llanelli (UK) completed
- Margins maintained at good level, due to workforce reductions and cost savings

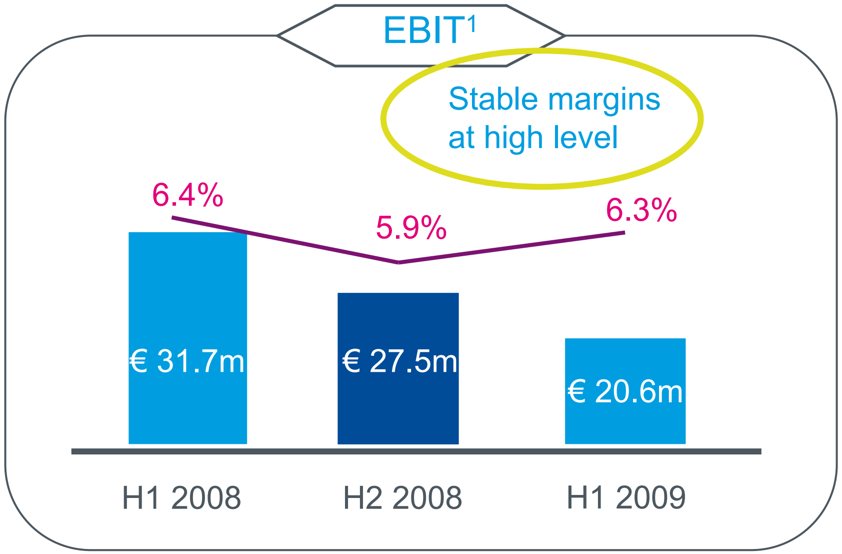
Market developments in Europe

	%-of sales	Residential volume	Commercial volume	Infrastructure volume	Industry volume	Margin	Outlook/ trend compared to H1 2009
Benelux	c.20%	-	-	+/-	-	+/-	--
UK	c.15%	--	-	+/-	-	+/-	+/-
France	5-10%			-		+/-	+/-
Spain	15-20%	--	--	-	+/-	--	+/-
Sweden	5-10%	-	-	-	+/-	+/-	-
Finland	c.10%	--	--	+/-	+/-	--	-
Norway	5-10%	-	-	-	+/-	+/-	+/-
Denmark	<5%	-	-			+/-	-
Baltics	<5%	--	--	-		-	+/-
CZ and East	c.5%	--	--			-	-

Legend: Empty spot in matrix: no market relevance
For volumes: +/- = neutral
\+ = +1-5 %
\- = -1-5 %
++ = > 5 %
-- = < -5 %

Industry & Specialty





[1] Excluding non-recurring items

Headlines

- Good results from Elevator Products and Cableteq USA
- Automotive & Aviation breaks even despite sharp fall in demand (35%)
- Industrial hampered by delays in new renewable energy projects
- Closure of factory in Oudenbosch and further reorganisations within WCA
- Cost-saving programmes on track; closure of Vigo factory (Spain) completed in Q1

Divisions Industry & Specialty

Automotive & Aviation

- Strong decline global car sales
- Restructuring on track; workforce reduced by c.30%
- Additional measures examined
- Good performance aviation business

Industrial

- Oil & gas outperformed; stable vs H1 2008
- Wholesale segment suffered from decline in construction market
- Renewables faced delays in start-up new projects; strong market outlook still intact

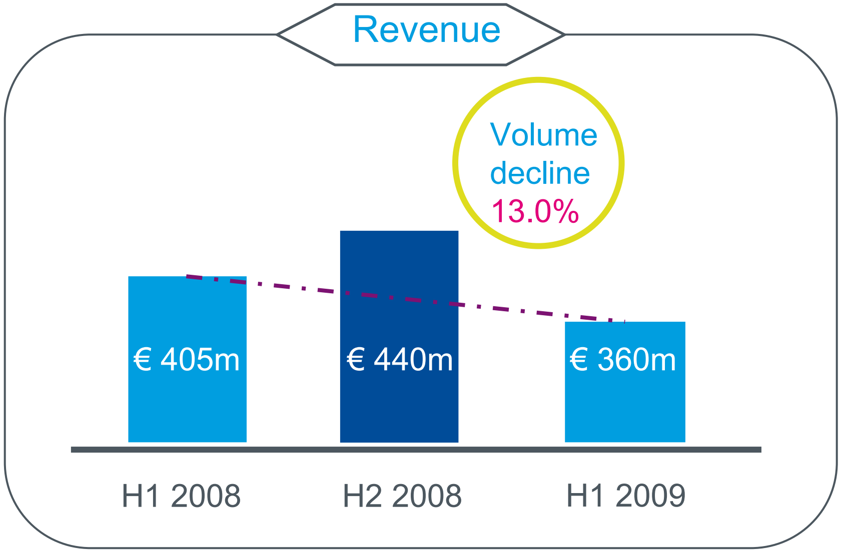
Elevator Products

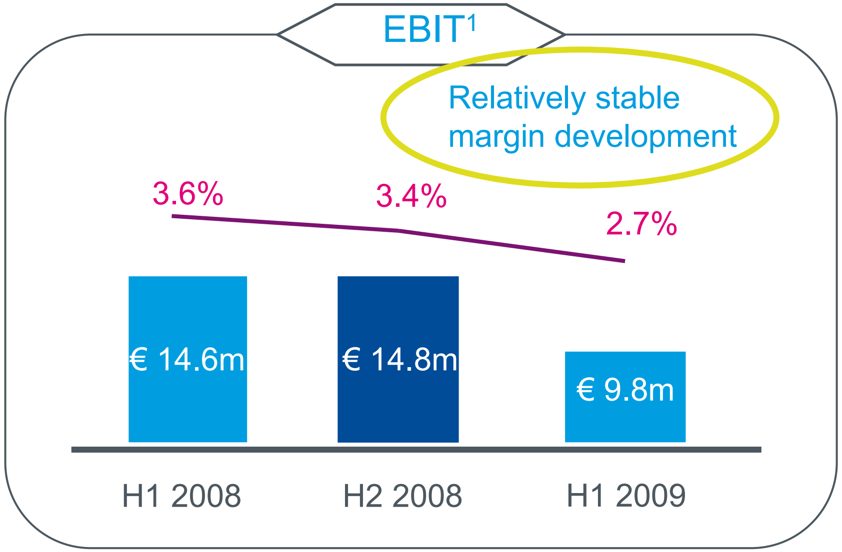
- Difficult market situation in USA and Europe
- Growing demand in China
- Cost containment supported results
- Continued focus on expanding product range

Cableteq USA

- Niche player in US market; not so much impacted by US downturn
- Relatively good performance in defence and infrastructure

Communications



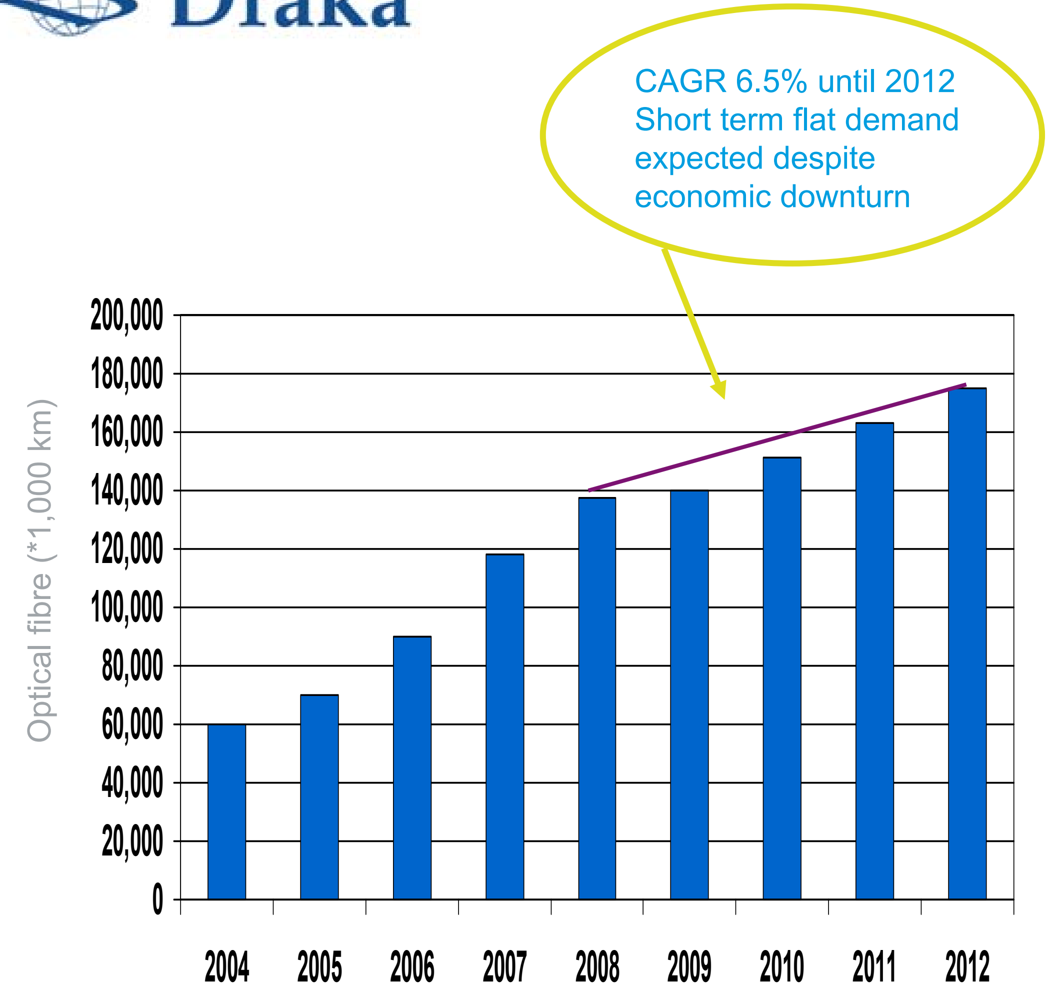


[1] Excluding non-recurring items

Headlines

- Global optical fiber market stable, mainly thanks to rapid growth in China
- Sharp decline in demand for copper telecommunication cable in Europe continued
- Demand for data communication cable substantially lower
- Comprehensive cost-saving programmes on track and intensified

Global fibre market



Source: CRU

World demand	**H1 2009**	**2009LE Mfkm**
SMF total	70-75	c.140
USA	-10%	-c.10%
W-Europe	-10%	-c.10%
China	+20-30%	+c.20%
Global market	Flat	Flat to slightly up

Outlook

Prospects

- Global cable market will show a marked contraction in 2009; market conditions appear to be stabilising since Q2
- Prices of raw materials (copper, aluminium and polymers) will remain highly volatile
- Capacity will be adjusted where necessary to match market conditions
- Draka will continue to pursue its strategy of cutting costs, reducing the debt position and grasping suitable opportunities for growth
- Cost savings of around € 20 million are expected for H2

Thank you for your attention
Any questions?

Appendices

Draka

Three leading businesses

Draka's activities

Clustered in three Groups

Based on customer requirements

Draka

- c.36% of sales — Energy & Infrastructure
- c.34% of sales — Industry & Specialty
- c.30% of sales — Communications

Expected to generate additional growth and further synergies in the future

Organisational structure

- **Draka Holding N.V.**
  - **Energy & Infrastructure**
    - Europe
    - Asia-Pacific
  - **Industry & Specialty**
    - Automotive & Aviation
    - Cableteq USA
    - Elevator Products
    - Industrial
  - **Communications**
    - Telecom solutions
    - Multimedia & Specials
    - Americas
    - Optical Fiber

Draka

Operational exposure

Draka's activities are widely spread

Draka's activities

c.36% of sales

Energy & Infrastructure

30/40/30 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

c.34% of sales

Industry & Specialty

Global businesses serving OEM's

Marine, oil & gas, Renewable energy, Airbus, Elevator

c.30% of sales

Communications

Market leader in Europe and China (fibre & fibre cable) and leading in USA

Draka

Promising mid term prospects

- 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.50% to c.60% of revenues*
- *Average operating margin over economic cycle (of 6–7 years) of ≥5% of revenue*
- *Ongoing focus on free cash flow generation*

Disclaimer

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.