–Press release–
Amsterdam, 1 September 2008

FIRST-HALF RESULTS 2008

OPERATING RESULT, EXCLUDING NON-RECURRING ITEMS, 7% HIGHER AT € 75.7 MILLION; OPERATING RESULT AT CONSTANT EXCHANGE RATES 17% HIGHER

RESULT FOR PERIOD, EXCLUDING NON-RECURRING ITEMS, UP 25% TO € 49.3 MILLION

(€ million, unless stated otherwise)	H1 2008	H1 2007
Revenue	1,406.5	1,416.3
EBITDA, excluding non-recurring items[1]	102.9	97.4
Operating result, excluding non-recurring items[1]	75.7	70.5
Operating result	70.7	70.5
Result for the period, excluding non-recurring items[2]	49.3	39.6
Result for the period	51.5	39.6
EPS, excluding non-recurring items (€)[2,3]	1.31	1.04
Cash flow from operating activities	1.4	(34.3)

- **Revenue at constant currencies up 3% and volume growth of around 2%, in line with comparable cable segments on global market.**
- **Operating result (excluding non-recurring items[1]) 7% higher at € 75.7 million driven by volume growth and cost savings. Higher raw material prices are so far having only limited effect. Operating result at constant currencies € 82.2 million (+17%).**
- **Operating result improved fastest at Communications Group (+15%); healthy growth at Energy & Infrastructure Group (+7%) and Industry & Specialty Group (+10%).**
- **Total net non-recurring items € 2.2 million positive. These consist of impairment charges gross € 5 million negative (€ 4.0 million net), with respect to proposed closure of factories in Vigo (Spain) and Llanelli (UK), and a tax gain of € 6.2 million net.**
- **Result for the period (excluding non-recurring items[2]) 25% higher at € 49.3 million (EPS € 1.31, +26%).**
- **Operating working capital improves further to 17.8% of revenue (H1 2007: 18.6%). Cash flow from operating activities strongly up to € 1.4 million positive (H1 2007: € 34.3 million negative).**
- **Outlook for 2008: Modest volume growth is expected in most segments of global cable market. Barring unforeseen circumstances, Draka continues to take a cautiously optimistic view for 2008.**

[1] Non-recurring items in H1 2008 were an impairment totalling € 5.0 million (€ 4.0 million net). No non-recurring items were reported in H1 2007.
[2] Total net non-recurring items in H1 2008 were € 2.2 million positive, comprising an impairment (€ 4.0 million net) and a tax gain (€ 6.2 million). No non-recurring items were reported in H1 2007.
[3] Earnings per ordinary share after preference dividend of € 2.7 million in H1 2008 and H1 2007.

First-half results 2008

Commenting on developments in the first half of 2008, Sandy Lyons, Chairman and CEO of Draka Holding N.V., said: *'In the first six months of 2008, Draka sustained the good progress made in the past three years. Reflecting further volume growth and cost savings, operating profit[4] increased to 5.4% of revenue (H1 2007: 5.0%). Excluding exchange-rate effects, the profit margin would have been 5.6%. In the light of the macroeconomic developments of the past six months, we rate this as a good performance.*

Against a background of growing economic uncertainty and raw material prices that are generally higher than they were six or twelve months ago, Draka continues to pursue its strategy centred on operational excellence, commercial dynamism and investment in growth markets. Given our clear strategic objectives, the strong foundation of the company and the opportunities presented by the market environment, we have every confidence in Draka's future development.'

(€ million)	**H1 2008**	**H1 2007**	**H2 2007**
Revenue			
Energy & Infrastructure	559.6	565.9	541.6
Industry & Specialty	496.7	499.0	501.7
Communications	350.2	351.4	356.6
Draka total	1,406.5	1,416.3	1,399.9
Operating result[1]			
Energy & Infrastructure	42.8	39.9	42.3
Industry & Specialty	31.7	28.8	28.1
Communications	10.7	9.3	12.0
Unallocated	(9.5)	(7.5)	(7.2)
Draka total	75.7	70.5	75.2

[1] Excluding non-recurring items. There was a total non-recurring charge of € 5.0 million in H1 2008, relating to impairment of property, plant and equipment at Energy & Infrastructure (€ 1.5 million) and Industry & Specialty (€ 3.5 million) in connection with the proposed closure of the factories in Llanelli (UK) and Vigo (Spain). No non-recurring items were reported in 2007.

General

Global cable demand grew 2-3% in the first half of 2008 (based on constant copper prices and exchange rates), down from 4.5% in the first half of 2007. The growth was driven entirely by emerging markets such as Eastern Europe, the Far East, India and Latin America. The North American market recorded negative growth, while the West European market was flat. Once again with the exception of copper telecommunication cable, all product segments contributed to the growth in the cable market.

[4] Excluding non-recurring items. An impairment loss of € 5.0 million was taken in H1 2008. No non-recurring items were reported in H1 2007.

Revenue
Draka generated revenue of € 1,406.5 million in the first six months of 2008, down 0.7% on the same period last year. On a like-for-like basis, excluding acquisitions and at constant currencies, revenue was up 2.6%. Adverse exchange-rate effects, mainly reflecting the weakness of the US dollar and UK pound against the euro, depressed revenue with 3.9 percentage points. Volume growth accounted for 2.1 percentage points of the organic revenue growth. The slightly higher copper price also had a modest positive effect on revenue (0.5 percentage points).

Acquisitions added 0.6 percentage points to revenue. These comprised DeBiase Lift Components s.r.l. (Italy), which has been included in the consolidation since January 2008, and Nantong Zhongyao Mechanic Electric Co, Ltd (China), which was acquired in the course of 2007 and has fully contributed to revenue for the first six months of 2008.

Operating result
On a like-for-like basis excluding non-recurring items, the operating result was 7.4% higher at € 75.7 million, compared with € 70.5 million in the first half of 2007. Including non-recurring items, the operating result was € 70.7 million (+0.3%). Total non-recurring items, amounting to € 5.0 million negative (€ 4.0 million net), related to the impairment of property, plant and equipment in connection with the proposed closure of the factories in Vigo (Spain) and Llanelli (UK), which was announced earlier this year. No non-recurring items were reported in the same period in 2007.

Non-recurring charges
In addition to the impairments referred to above, Draka expects to take further non-recurring charges in the second half of 2008 in connection with the proposed closure of the factories in Vigo (Spain) and Llanelli (UK). When the total amount of these charges is known, it will be announced by Draka in a separate press release.

Operating margin
The operating margin – the operating result excluding non-recurring items expressed as a percentage of revenue – increased to 5.4% from 5.0% for the same period in 2007. The margin benefited from volume growth, which resulted in better capacity utilisation at Draka's factories, improvements in the product mix and gains from efficiency and Triple S (€ 5 million) programmes.

Other financial items
Net finance expense amounted to € 22.1 million, a slight increase compared with the same period in 2007 (€ 21.4 million). Taxation amounted to € 6.5 million. Draka and the Dutch tax authorities reached agreement in the first half of 2008 on several open issues relating to the 2004 financial year. This resulted in a net tax gain of € 6.2 million, which reduced the tax burden for the first half of 2008. Excluding the tax gain, the effective tax burden was 26.1% (H1 2007: 27.9%). The share of the profit of equity-accounted investees more than doubled to € 11.1 million, compared with € 5.4 million in the first half of 2007. This increase is attributed largely to the improved results of Draka's equity-accounted investees in Oman (OCI) and Brazil (Telcon).

Result for the period
In the first half of 2008, the result attributable to shareholders, excluding non-recurring items, increased 24.5% to € 49.3 million (H1 2007: € 39.6 million). Including non-recurring items (net € 2.2 million, the product of a net impairment loss of € 4.0 million and a tax gain of € 6.2 million), the result attributable to shareholders increased 30.1% to € 51.5 million.

Net earnings per share
After appropriation of preference dividend (€ 2.7 million), the net result for the period attributable to shareholders, excluding non-recurring items, was € 1.31 per ordinary share, an increase of 26.0% compared with the same period in 2007 (€ 1.04). Including non-recurring items, the net result was € 1.37 (+31.7%) per ordinary share. The number of ordinary shares in issue increased by 2,719 to 35,573,728 (as at 30 June 2008) due to the conversion of a small part of the convertible bond loan. The average number of ordinary shares in issue was 35,562,589.

Energy & Infrastructure

Profile
The Energy & Infrastructure Group generates around 39% (€ 1.1 billion in 2007) of Draka's total revenue. The Group consists of three divisions: Europe, Australasia and Greater China. The Europe division is the largest, accounting for 85–90% of the Group's revenue. The products comprise low-voltage and medium-voltage cable, ranging from installation and instrumentation cables to fire-resistant and halogen-free cables. Most of these products are supplied to technical wholesalers, direct to construction and installation companies and to end-users such as energy companies.

Analysed by application, housing construction accounts for around 30% of revenue, industrial and commercial construction accounts for 35–40% and the infrastructure sector generates the remaining 30–35% of revenues. Within Europe, sales are spread fairly evenly over Scandinavia, the UK, Benelux and Spain, with a limited sales volume in France and Eastern Europe. Outside Europe, the division is active mainly in Asia and China, where primarily special-purpose cable products are supplied for infrastructure and commercial projects that are not housing-related.

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.

Financial result

(€ million, unless stated otherwise)	**H1 2008**	**H1 2007**	**H2 2007**
Revenue	559.6	565.9	541.6
Operating result[1]	42.8	39.9	42.3
Operating margin (%)	7.6	7.1	7.8

[1] Excluding non-recurring items. There was a non-recurring charge of € 1.5 million in H1 2008, relating to impairment of property, plant and equipment in connection with the proposed closure of the factory in Llanelli (UK). No non-recurring items were reported in 2007.

Draka Energy & Infrastructure's revenue was 1.1% lower in the first half of 2008 at € 559.6 million. The decrease was due entirely to adverse exchange-rate effects (–3.1%). Volume grew 1.0%, in line with the market. The remaining 1.0% of the increase was due to movements in the copper price.

The operating result excluding non-recurring items rose again in the first half of 2008 to € 42.8 million (+7.3%). The main factors in this increase were volume growth, which resulted in better capacity utilisation at Draka's factories, and an improved product mix. Although raw material prices (copper and polymers) have been highly volatile for the past half-year, this had no negative effect on margins.

Analysis by division

Europe
The markets on which Energy & Infrastructure is active within Europe showed a mixed picture in the first half of 2008. The housing sector was the worst performer, largely as a result of the considerable weakening of the Spanish and UK markets. The housing markets in the Scandinavian countries were slightly lower, but there was still modest growth in the Benelux countries and Eastern Europe.

The infrastructure and industry segments performed significantly better, with further growth in demand for cable in most European countries.

In the countries where Draka is faced with a weaker housing market, its strategy is to expand its share of the other two market segments, infrastructure and industry. Draka is also continuing to improve the product mix, with ongoing promotional campaigns for halogen-free fire-resistant cable and products for special applications such as renewable energy systems. Where necessary, production capacity has been tailored to changes in the market.

Given the market conditions outlined above, the Europe division delivered a strong performance, generating slightly higher profit from a similar level of sales (in local currency) and pushing the profit margin to a new record.

Australasia
The Australasia division benefited from the relatively good local market conditions in the countries in which it operates. Investment in infrastructure, industrial and commercial projects (shopping centres, hospitals, schools etc.) remained at a high level and continued to grow. The result remained stable at the level of the first half of 2007, due to the completion of a major project last year and adverse exchange effects.

Greater China
The trend in China remained positive, with double-digit growth in corporate investment in the first six months of 2008 from which the construction market derived maximum benefit. Reflecting the favourable market conditions, sales grew rapidly and the result was sharply higher.

Industry & Specialty

Profile
The Industry & Specialty Group, which generates around 36% (€ 1.0 billion in 2007) of Draka's total revenue, comprises a number of divisions supplying (special-purpose) cable to original equipment manufacturers (OEMs), many of which operate on a global scale. Most of the multitude of different cable types are developed and produced in accordance with customer specifications.

The Industry & Specialty Group comprises five divisions. Automotive & Aviation, which generates about 40% of the Group's revenue, is the world leader among independent suppliers of advanced cables for the automotive sector and supplies around 50% of Airbus' cable requirement. Since 1 April 2008, the Rubber Cable and Marine, Oil & Gas divisions have been combined to form the Industrial division, which generates 35–40% of the Group's revenue. The former divisions have been amalgamated because many of the cables used for oil and gas production platforms and shipping are rubber cables, so there is scope for synergy gains. The Industrial division's product range comprises cable and related products for oil and gas platforms, shipping, machinery, mining and renewable energy systems such as wind and solar power. The other divisions are Elevator Products, which generates 10–15% of the Group's revenue from cable and other products for lifts, Cableteq USA, which also contributes 10–15% by supplying cable for the defence industry, infrastructure and other applications, and Wire & Cable Assemblies (less than 5% of the Group's revenue), whose products include cable harnesses for agricultural vehicles.

Highlights
- Record result for Industrial, reflecting very 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.

Financial result

(€ million, unless stated otherwise)	H1 2008	H1 2007	H2 2007
Revenue	496.7	499.0	501.7
Operating result[1]	31.7	28.8	28.1
Operating margin (%)	6.4	5.8	5.6

[1] Excluding non-recurring items. There was a non-recurring charge of € 3.5 million in H1 2008, relating to impairment of property, plant and equipment in connection with the proposed closure of Automotive & Aviation's factory in Vigo (Spain). No non-recurring items were reported in 2007.

Draka Industry & Specialty reported stable revenue of € 496.7 million (–0.5%) for the first half of 2008. As with Energy & Infrastructure, the Group's revenue was adversely affected by exchange-rate movements (–6.0%). The two recent acquisitions, DeBiase Lift Components s.r.l. (Italy) and Nantong Zhongyao Mechanic Electric Co, Ltd (China), contributed 1.7% to revenue. Volume growth turned out at 1.9%, driven mainly by the strong performance of the Industrial division. The copper price had an effect of +1.9% on revenue.

The operating result, excluding non-recurring items, was 10.1% higher at € 31.7 million. The Industrial division's very strong performance and Elevator Products' improved result more than compensated for Automotive & Aviation's weakness and negative impact from exchange-rate movements. Higher raw material prices (copper and polymers) had a minor negative effect on the operating result.

Analysis by division

Automotive & Aviation
The Automotive & Aviation division reported limited lower volume in the first six months of 2008, mainly due to the weakness of the US car market. Another factor was the closure of the plant in Vigo (Spain), which was announced earlier this year, in response to customers relocating their production facilities to low-labour cost countries. This decline in volume in the automotive segment was partly offset by the strong performance of the aviation business (cables for Airbus) and the rapidly growing demand for cables that can withstand high temperatures (in car motor rooms).

The Automotive & Aviation division's results were disappointing, falling well short of its performance in the first half of 2007. The effect of lower sales on the results was compounded by the weakening of the US dollar against the euro.

Industrial
The newly formed Industrial division performed well and reported substantial growth, driven mainly by the renewable energy, mining and material handling segments in the US, India, China and Asia-Pacific. Sales of products for the oil and gas industry fell short of expectations owing to customers changing their specifications. Capacity utilisation is expected to recover in the second half of this year. The capital expenditure projects relating to submarine cable and expansion of wind-turbine cable capacity are proceeding according to plan. The new wind-turbine cable capacity will come on stream in the second half of 2008 and will then start contributing to the result.

The division's results were sharply higher, reflecting the excellent market conditions in the renewable energy, mining and material handling segments. The results from the oil and gas segment remained stable.

Cableteq USA
Thanks to Cableteq USA's strategy of focusing on a limited number of niches in the US market, such as defence and infrastructure, the weakness of the local market had no significant impact. Benefiting from strong demand from the defence industry and increased investment in infrastructure, Cableteq USA was able to equal (in local currency) the excellent result it reported for the first six months of 2007.

Elevator Products
The Elevator Products division also performed very well and reported a significantly higher result, helped by sustained rapid growth in China. A second joint venture was set up in China in 2007 and contributed to the result for the whole of the first half of 2008. The acquisition of DeBiase Lift Components s.r.l. (Italy) in early 2008 has greatly strengthened Elevator Products' position in Europe and also contributed to profit.

Wire & Cable Assemblies
The Wire & Cable Assemblies division benefited from the stable level of investment in agriculture. While this translated into stable sales, the result was lower in an extremely competitive market environment.

Communications

Profile
The Communications Group, which accounts for some 25% (around € 700 million in 2007) of Draka's revenue, specialises in the development, production and sale of optical fiber and copper cable and communication infrastructure solutions. The Communications Group is a world leader in optical fiber technology, cable solutions and applications and possesses considerable expertise in managing broadband infrastructure projects. Telecom operators are the Group's largest customer category. Europe accounts for the bulk of its sales (around 80% of revenue), with the remaining 20% split more or less equally between the US and Asia.

The Communications Group comprises four divisions: Cable Solutions EMEA, Cable Solutions Americas, Mobile Networks and Optical Fiber. The Cable Solutions EMEA division generates around 75% of the Group's revenues, supplying copper and optical fiber cable solutions for broadband infrastructures and multimedia. Cable Solutions Americas supplies optical fiber and optical fiber cable solutions for telecom networks in the US. Mobile Networks supplies complete antenna line products for mobile telephone base stations. Optical Fiber develops, produces and sells optical fiber products supporting both internal use and sale to third parties on a global scale.

Highlights
- 10% growth in global optical fiber market to 65 million km in H1 2008.
- Strong growth in number of fiber-to-the-home (FTTH) projects in Europe.
- Operating result higher despite sustained pressure on selling prices in H1 2008.
- First optical fiber cable price adjustment in US in August, to compensate for higher raw material prices.

Financial result

(€ million, unless stated otherwise)	H1 2008	H1 2007	H2 2007
Revenue	350.2	351.4	356.6
Operating result	10.7	9.3	12.0
Operating margin (%)	3.1	2.6	3.4

Draka Communications generated revenue of € 350.2 million (–0.3%) in the first half of 2008. Excluding exchange effects, revenue was 1.8% higher. Volume growth accounted for 4.0%, and the effect of the copper price on revenue was -2.2%. Volume growth was constrained in the first half of 2008 by the significant lower sales of copper telecommunication cable.

The operating result was up 15.1% at € 10.7 million. One factor contributing to this improvement, apart from volume growth, was the cost savings of approximately € 5 million yielded by the Triple S programme at the Cable Solutions EMEA division. Negative factors were the sustained pressure on selling prices and the adverse consequences of the weaker US$/€ exchange rate on the European optical fiber activities.

Analysis by market segment

Telecommunications
Driven entirely by the rapid development of the optical fiber segment, the market for telecommunication cable continued to grow in the first half of 2008. Demand is being fuelled by a growing number of telecom operators in several countries rolling out large-scale fiber-to-the-home projects. Demand for copper telecommunication cable continued to decline, however, with the market in Western Europe in particular severely depressed.
Despite the growth in demand, competition on the telecommunication cable market is still intense and selling prices are under pressure.

Draka Communications benefited from the positive market trends, driven by growth in deliveries under fiber-to-the-home contracts in France, Spain, the Netherlands and Scandinavia. The Group is now also supplying Verizon (USA) under a multi-year contract signed at the end of 2006. It was mentioned in the trading update of 11 June 2008 that, in response to the favourable market conditions, Draka had been more selective in the new contracts it enters into in the past six months. Draka will continue to pursue this policy in the coming period.

Draka Communications posted an improved result for the first six months of 2008, the product of volume growth and cost savings. The improvement was tempered to some extent by the sustained pressure on selling prices in the optical fiber cable segment and falling sales in the copper cable segment. In early August 2008, Draka Communications USA raised its optical fiber prices by 6–10% to compensate for the higher raw material prices.

Data communications
In the data communications market, demand in both the copper cable and optical fiber cable segments recorded further steady growth of 3–4%. Draka is achieving volume growth in this market, benefiting from its strong position among the leading system integrators in Europe.

Draka Communications' results in the data communication cable segment continued to improve, driven by volume growth, higher capacity utilisation and efficiency improvements at the factories.

Mobile network Cable
The mobile network cable market was stable at the global level in the first six months of 2008, with growth mainly in several countries in Asia (Indonesia and India) and Eastern Europe and declining demand in Western Europe. Prices in the emerging markets were under heavy pressure from Chinese competition.

Although Draka Communications successfully defended its market share, the result was constrained by growing price competition.

Optical fiber
In line with the projections, the optical fiber market grew by around 10% in the first half of 2008, mainly reflecting the rising demand in Europe and Asia and rapid growth in emerging economies such as Brazil, India and Russia. The prices (in US dollars) of optical fiber products were consistent with the heavy demand and remained stable in the past six months.

Thanks to the volume growth achieved by Draka Communications in the optical fiber segment, the result increased in the first half of 2008. This good performance was realised despite the negative effect of the weakening of the US dollar against the euro, since the 'reference prices' for optical fiber are in US dollars.

Financial position

Cash flow and operating working capital

Cash flow from operating activities improved sharply to € 1.4 million positive, compared with € 34.3 million negative for the first six months of 2007. The improvement in cash flow was mainly due to slower growth in operating working capital and an increase in profitability.

The increase in operating working capital, which Draka normally experiences in the first half of the year due to seasonal effects, amounted to € 68.2 million, over € 25 million less than in the same period in 2007. As well as the seasonal effects, volume growth also contributed to the increase in operating working capital in absolute terms.

Operating working capital as a percentage of revenue fell to 17.8%, from 18.6% for the same period in 2007. This is in line with the target for 2008 of keeping the operating working capital ratio within a bandwidth of 16-18%.

Investments and acquisitions

Net investments in intangible assets and property, plant and equipment amounted to € 23.8 million, less than the amortisation and depreciation of € 27.2 million. The majority of these investments were normal maintenance and replacement investments (€ 16 million). The remainder (approximately € 8 million) related to two special investment projects at the Industrial division, namely expanding production capacity for cable for wind turbines and installing new capacity for submarine cable (medium voltage).

The wind turbine cable expansion project will be completed this year and the investment in submarine cable capacity will be concluded in 2009. Draka expects the total investment in these projects to amount to approximately € 14 million in 2008 and € 12 million in 2009.

Regarding acquisitions, Draka completed the purchase of DeBiase Lift Components s.r.l. (Italy) for € 1.6 million in the first half of 2008.

Balance sheet and financing

The balance sheet total as at 30 June 2008 amounted to € 1,907.5 million, an increase of 8.8% on year-end 2007. This was due almost entirely to the € 153.4 million increase in current assets (mainly inventories and trade receivables) due to seasonal effects (increase in working capital).

Shareholders' equity amounted to € 440.5 million, an increase of 6.2% compared with 31 December 2007. The increase was mainly the product of the net result for the first six months of 2008 (€ 51.5 million) and the payment of the 2007 dividend (€ 29.6 million). The solvency ratio (shareholders' equity as a percentage of balance sheet total) decreased slightly to 23.1%, from 23.7% as at year-end 2007. The guarantee capital (comprising shareholders' equity, the provision for deferred tax liabilities and the long-term portion of the subordinated loans) amounted to € 568.4 million, or 29.8% of the total invested capital (year-end 2007: 30.7%).

Net interest-bearing liabilities were € 55.8 million (10.1%) higher at € 608.3 million, attributable entirely to the increase in operating working capital in absolute terms (€ 68.2 million). Net gearing (total net interest-bearing liabilities as a percentage of shareholders' equity) increased to 138.1%, from 133.1% as at year-end 2007.

Outlook for 2008

Given the increasing economic uncertainty, it is justifiable to assume that growth in global construction and industrial activity in 2008 will be limited. This will also affect volume growth in the global cable market, which is expected to lie at the lower end of the 2–3% bandwidth which was communicated at the beginning of this year.

The prices of the raw materials (copper, aluminium and polymers) which are relevant to the cable industry are expected to remain volatile.

In an environment of growing economic uncertainty and higher raw material costs, Draka will continue to pursue its strategy based on innovative strength, cost leadership and focus on segments that are expected to exhibit above-average growth. Barring unforeseen circumstances, Draka continues to take a cautiously optimistic view for 2008.

Board of Management
Amsterdam, 1 September 2008

Condensed consolidated statement of income

(unaudited)

In millions of euro	Six months ended 30 June 2008	Six months ended 30 June 2007
Revenue	1,406.5	1,416.3
Cost of sales	(1,256.6)	(1,263.8)
Gross profit	**149.9**	**152.5**
Selling, distribution and other expenses	(79.2)	(82.0)
Operating result	**70.7**	**70.5**
Net finance expense	(22.1)	(21.4)
Share of profit of equity accounted investees (net of income tax)	11.1	5.4
Result before income tax	**59.7**	**54.5**
Income tax expense	(6.5)	(13.7)
Result for the period	**53.2**	**40.8**
Attributable to:		
Equity holders of the company	51.5	39.6
Minority interests	1.7	1.2
Result for the period	**53.2**	**40.8**
Basic earnings per share (euro)	1.37	1.04
Diluted earnings per share (euro)	1.21	0.97

Draka

Condensed consolidated balance sheet

(unaudited)

In millions of euro	30-06-2008	31-12-2007	30-06-2007
Assets			
Non-current assets			
Property, plant and equipment	523.2	538.0	532.4
Intangible assets	108.0	101.0	97.3
Investments in equity accounted investees	94.6	87.0	90.4
Deferred tax assets	48.3	46.3	44.9
Other non-current financial assets	24.7	24.9	30.4
Total non-current assets	**798.8**	**797.2**	**795.4**
Current assets			
Inventories	486.0	441.0	457.3
Trade and other receivables	555.9	470.1	574.0
Income tax receivable	1.0	4.8	2.3
Held-for-sale assets	21.9	-	-
Cash and cash equivalents	43.9	39.4	39.1
Total current assets	**1,108.7**	**955.3**	**1,072.7**
Total assets	**1,907.5**	**1,752.5**	**1,868.1**
Equity			
Shareholders' equity			
Share capital	20.4	20.4	20.4
Share premium	311.4	311.4	311.4
Retained earnings	118.9	98.8	127.3
Other reserves	(10.2)	(15.8)	5.4
Total equity attributable to equity holders of the company	**440.5**	**414.8**	**464.5**
Minority interests	13.7	**12.8**	**13.5**
Total equity	**454.2**	**427.6**	**478.0**
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	602.8	527.3	424.6
Other interest-bearing liability	-	-	130.4
Provision for employee benefits	86.3	92.2	90.7
Other provisions	13.2	13.2	26.1
Deferred tax liabilities	34.9	31.1	30.2
Total non-current liabilities	**737.2**	**663.8**	**702.0**
Current liabilities			
Bank overdrafts	40.2	34.9	11.7
Interest-bearing loans and borrowings	27.9	49.4	30.7
Trade and other payables	602.8	534.4	605.3
Income tax payable	27.4	29.9	25.9
Held-for-sale liabilities	9.5	-	-
Other provisions	8.3	12.5	14.5
Total current liabilities	**716.1**	**661.1**	**688.1**
Total liabilities	**1,453.3**	**1,324.9**	**1,390.1**
Total equity and liabilities	**1,907.5**	**1,752.5**	**1,868.1**

Draka

Condensed consolidated statement of cash flows

(unaudited)

In millions of euro	Six months ended 30 June 2008	2007
Result for the period	53.2	40.8
Depreciation	24.9	24.8
Amortisation	2.3	2.1
Impairments	5.0	-
Net finance expense	22.1	21.4
Share of profit of equity accounted investees	(11.1)	(5.4)
Equity-settled share based payments	1.3	0.6
Income tax expense	6.5	13.7
	104.2	**98.0**
Changes in inventories	(58.8)	(23.6)
Changes in trade receivables	(79.1)	(102.5)
Changes in trade payables	69.7	31.7
Changes in other working capital and other	(0.7)	0.8
	35.3	**4.4**
Interest paid	(18.6)	(21.1)
Income tax paid	(6.5)	(3.5)
Application of provisions	(8.8)	(14.1)
Net cash from operating activities	**1.4**	**(34.3)**
Dividends received	4.6	11.2
Proceeds from sale of property, plant and equipment	1.3	-
Acquisition of subsidiaries and associates, net of cash acquired	(1.6)	-
Acquisition of intangible assets	(2.5)	(1.9)
Acquisition of property, plant and equipment	(21.3)	(27.4)
Net cash used in investing activities	**(19.5)**	**(18.1)**
Dividends paid (ordinary and preference shares)	(29.6)	(14.6)
Convertible subordinated bond redeemed	-	(95.2)
Shares acquired and delivered under long-term incentive plans	(0.6)	-
Movements in other bank loans	49.5	179.1
Net cash from financing activities	**19.3**	**69.3**
Net increase in cash and cash equivalents	**1.2**	**16.9**
Cash and cash equivalents at 1 January (net of bank overdrafts)	4.5	10.1
Exchange rate fluctuations on cash and cash equivalents	(2.0)	0.4
Cash and cash equivalents at 30 June (net of bank overdrafts)	**3.7**	**27.4**

Draka

Condensed consolidated statement of changes in total equity
(unaudited)

In millions of euro	Share capital	Share premium	Translation reserve	Hedging reserve	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**	**98.8**	**414.8**	**12.8**	**427.6**
Foreign exchange translation differences	-	-	(3.4)	-	-	-	(3.4)	(0.8)	(4.2)
Effective portion of fair value changes of cash flow hedges (net of income tax)	-	-	-	11.7	-	-	11.7	-	11.7
Total income and expenses recognised directly in equity	**-**	**-**	**(3.4)**	**11.7**	**-**	**-**	**8.3**	**(0.8)**	**7.5**
Result for the period	-	-	-	-	2.7	48.8	51.5	1.7	53.2
Total recognised income and expense	**-**	**-**	**(3.4)**	**11.7**	**2.7**	**48.8**	**59.8**	**0.9**	**60.7**
Share-based payments	-	-	-	-	-	1.3	1.3	-	1.3
Shares aquired and delivered under long-term incentive plans	-	-	-	-	-	(0.6)	(0.6)	-	(0.6)
Dividends paid	-	-	-	-	(5.4)	(24.2)	(29.6)	-	(29.6)
Adjustment provisional cost of acquisition	-	-	-	-	-	(5.2)	(5.2)	-	(5.2)
Total direct changes in equity	**-**	**-**	**-**	**-**	**(5.4)**	**(28.7)**	**(34.1)**	**-**	**(34.1)**
Balance as at 30 June 2008	**20.4**	**311.4**	**(21.6)**	**8.7**	**2.7**	**118.9**	**440.5**	**13.7**	**454.2**
Balance as at 31 December 2006	**20.4**	**311.4**	**(5.1)**	**(4.2)**	**1.4**	**103.0**	**426.9**	**12.2**	**439.1**
Foreign exchange translation differences	-	-	(0.8)	-	-	-	(0.8)	0.1	(0.7)
Effective portion of fair value changes of cash flow hedges (net of income tax)	-	-	-	12.8	-	-	12.8	-	12.8
Total income and expenses recognised directly in equity	**-**	**-**	**(0.8)**	**12.8**	**-**	**-**	**12.0**	**0.1**	**12.1**
Result for the period	-	-	-	-	2.7	36.9	39.6	1.2	40.8
Total recognised income and expense	**-**	**-**	**(0.8)**	**12.8**	**2.7**	**36.9**	**51.6**	**1.3**	**52.9**
Share-based payments	-	-	-	-	-	0.6	0.6	-	0.6
Shares aquired and delivered under long-term incentive plans	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	(1.4)	(13.2)	(14.6)	-	(14.6)
Total direct changes in equity	**-**	**-**	**-**	**-**	**(1.4)**	**(12.6)**	**(14.0)**	**-**	**(14.0)**
Balance as at 30 June 2007	**20.4**	**311.4**	**(5.9)**	**8.6**	**2.7**	**127.3**	**464.5**	**13.5**	**478.0**

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 2008 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 1 September 2008. The condensed consolidated interim financial statements have not been audited.

2. Significant accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with IFRS and its interpretations issued by the IASB, as adopted by the EU.
The accounting policies applied in these condensed consolidated interim financial statements are the same accounting policies as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2007 as included in the Annual Report 2007 issued on 6 March 2008, except for segment reporting.

3. Basis for presentation

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 2007. The consolidated financial statements of the Group as at and for the year ended 31 December 2007 are available upon request at the Company's office or at www.draka.com.

4. Estimates

The condensed consolidated interim financial statements 2008 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.
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 2007.

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.

As from 1 January 2008 the Group made certain changes to the organisational structure: as of this date the organisation is divided into three business segments – Energy & Infrastructure, Industry & Specialty and Communications – which are in turn split into various divisions. Apart from the transfer of certain activities, the divisions have remained unchanged.

Comparative numbers for 2007 are adjusted to reflect the change in business segments.

Six months ended 30 June (unaudited)	Energy & Infrastructure		Industry & Specialty		Communications		Not allocated to segments / eliminations		Consolidated	
In millions of euro	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
Revenue from external customers	559.6	565.9	496.7	499.0	350.2	351.4	-	-	1,406.5	1,416.3
Intersegment transactions	54.6	59.5	4.1	2.4	33.3	37.3	(92.0)	(99.2)	-	-
Revenue	**614.2**	**625.4**	**500.8**	**501.4**	**383.5**	**388.7**	**(92.0)**	**(99.2)**	**1,406.5**	**1,416.3**
Operating result (excluding non-recurring items)	42.8	39.9	31.7	28.8	10.7	9.3	(9.5)	(7.5)	75.7	70.5
Non-recurring items	(1.5)	-	(3.5)	-	-	-	-	-	(5.0)	-
Operating result	**41.3**	**39.9**	**28.2**	**28.8**	**10.7**	**9.3**	**(9.5)**	**(7.5)**	**70.7**	**70.5**
Net finance expense									(22.1)	(21.4)
Share of profit of equity accounted investees									11.1	5.4
Income tax expense									(6.5)	(13.7)
Result for the period									**53.2**	**40.8**

6. Non-recurring items

On 21 April 2008 Draka announced that is has decided to close its factory in Vigo (Spain), which is part of its Automotive & Aviation division. In relation to this closure the Group incurred an impairment charge of € 3.5 million on buildings and land.

In line with its Stop, Swap and Share programme (Triple S programme), Draka announced to stop production of copper wire in its Llanelli (UK) copper wire factory. See for further details note 12 (subsequent events). With respect to this closure the Group incurred an impairment charge of € 1.5 million on plant and equipment.

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

7. Acquisitions and disposals of subsidiaries

On 10 January 2008, the Group acquired 100% of the shares of DeBiase Lift Components S.R.L in Milan. The purchase consideration was satisfied partly in cash and partly through a contingent consideration based on the future performance of the company. In the first half of 2008 an amount of € 1.6 million (net of cash acquired) was paid in cash with respect to this acquisition.

DB Lift Components' product scope covers distribution of cable, wire rope, electrical & mechanical components and hardware. The acquisition is consolidated in the Group's financial statements as from January 2008.

With respect to the acquisition an amount of € 7 million is added to goodwill (part of intangible assets), of which over € 5 million (net of taxation) relates to the agreed earn-out arrangement with the prior shareholder. The value of the corresponding liability depends on the performance of DeBiase Lift Components S.R.L in the five years after acquisition.

8. Dividend

During the first half year of 2008 € 24.2 million dividend on ordinary shares and € 5.4 million dividend on redeemable preference shares was paid out for the 2007 financial year.

9. Held-for-sale assets and liabilities

In relation to the anticipated sale of certain activities of the Group, an amount of € 21.9 million is presented as current held-for-sale assets and an amount of € 9.5 million as current held-for-sale liabilities.

10. Interest-bearing loans and borrowings

Total interest-bearing loans and borrowings (non-current and current) increased with € 54 million compared to 31 December 2007, mainly due to an increase of the Multicurrency revolving credit facility to finance the seasonal increase in operating working capital.

11. Adjustment provisional cost of acquisition of Draka Comteq B.V.

On 27 December 2007 the Group acquired the remaining 49.9% share in Draka Comteq B.V. from Alcatel Lucent N.V for € 209 million in cash. In the first half year of 2008 the Group made a € 5.2 million adjustment of the provisional cost of the acquisition of Draka Comteq B.V. In accordance with the accounting principles of the Group this amount was recognised directly in equity.

12. Subsequent events

On 14 August 2008 Draka announced that in line with its Stop, Swap and Share programme (Triple S programme), the Group intends to stop production of copper wire in its Llanelli (UK) copper wire factory and consolidate production in other factories, within Europe, where wire drawing is already part of the integrated manufacturing process. The Llanelli factory, which is dedicated for the production of copper wire, is part of the division Energy & Infrastructure Europe and employs approximately 135 people. The third party sales served by the Llanelli facility will be absorbed by Draka's Derby site (UK).

Amsterdam, 1 September 2008

Board of Management

Appendix:

Draka's new organizational structure as from 1 January 2008: