



NOT FOR PUBLICATION OR DISTRIBUTION IN THE UNITED STATES, CANADA,  
JAPAN OR AUSTRALIA.

–Press release–  
Amsterdam, 1 October 2009

## DRAKA ANNOUNCES OFFERING OF NEW ORDINARY SHARES

### PROCEEDS TO BE USED FOR STRENGTHENING OF FINANCIAL POSITION AND FURTHER OPERATIONAL RESTRUCTURING MEASURES

- Draka Holding N.V. ("Draka" or the "Company") today announces its intention to raise approximately €100 million through the **issue of up to 8,119,370 new ordinary Shares** (the "Shares"), representing up to 19.99% of the Company's issued ordinary share capital.
- **Up to 4,057,654 Shares**, representing 9.99% of the Company's issued ordinary share capital **will be offered** (the "Offering") to **eligible institutional and other qualified investors** through an **accelerated bookbuild offering**, on a non pre-emptive basis.
- In addition, Draka's large shareholder, **Flint Beheer B.V. ("Flint")**, **has committed to buy 4,061,716 Shares** at the same terms and conditions that will be established through the Offering.
- Around €75 million will be used to **strengthen the Company's financial position**, enabling Draka to take advantage of future growth opportunities.
- The remaining proceeds of €25 million of the proceeds will be used for **additional restructuring measures** to lower the cost base. Measures include the intended closure of a factory in Ystad (Sweden), further downscaling of the automotive cable production activities and various efficiency measures in the Communications Group. In addition to the already announced expected cost savings of €50 million, these measures are currently expected to result in savings of approximately €10 million in 2010.
- Draka entered into a **€50 million standby arrangement** for the securitization of accounts receivable.

Commenting on the announced share issue, Frank Dorjee, CFO of Draka Holding N.V., said: *'In the first half of 2009 we have made substantial progress in further reducing Draka's cost levels and strengthening its balance sheet ratios by generating a strong cash flow of almost €75 million. Nonetheless, we have decided to further improve our capital base. We will use part of the proceeds to pursue additional optimisation measures, which we have identified within our ongoing Triple S cost savings programme. In addition, the issuance reinforces our financial position preparing ourselves for future growth. We believe that our current and future shareholders will reap the benefits of these initiatives.'*

#### The Issuance

Draka intends to issue in the aggregate up to 8,119,370 Shares (approximately €100 million) through a combination of the Offering and a private placement to large shareholder Flint. Draka will issue up to 9.99% of the Company's issued share capital or 4,057,654 Shares in connection with the accelerated bookbuild to eligible institutional and other qualified investors. The Shares issued in connection with the Offering will be admitted to listing on NYSE Euronext Amsterdam following such issuance. The Offering will start Friday 2 October 2009 at 8:00 am CET.

An extraordinary general meeting of shareholders to be held on 22 October 2009 will be convened to, inter alia, approve the private placement of 4,061,716 Shares to Flint and to approve the issue of preference shares to the two holders of Draka's preference shares that currently hold more than 5%

of its issued share capital allowing such holders to maintain their holdings above 5%. Flint has committed to vote in favor of the above at the meeting.

Draka will request admission to listing and trading of the Shares issued to Flint within 90 days of the date of issue of these Shares and following publication of a prospectus to be published in connection with the listing of these Shares.

Draka has agreed certain lock-up arrangements with the Sole Global Coordinator which will be effective for a period of 180 days after the closing of the Offering.

Fortis Bank Nederland / MeesPierson Corporate Finance & Capital Markets will be acting as Sole Global Coordinator and Sole Bookrunner for the Offering.

### **Use of proceeds**

#### *Strengthening financial structure*

Draka will use around €75 million to strengthen the Company's financial position by lowering its debt position. As a result, Draka's net debt/EBITDA ratio mid 2009 would have been 2.4 instead of 2.9, and well below its covenant (maximum of 3.5). The strengthening of its financial position enables Draka to take advantage of future growth opportunities.

#### *Additional cost-saving measures*

In the light of ongoing challenging market conditions, new projects have been identified to extend Draka's Triple S cost savings programme whereby its cost base will be lowered further. The new measures are being implemented across the organisation: Draka intends to close its factory in Ystad (Sweden), jointly managed by the Europe division (Energy & Infrastructure Group) and Industrial division (Industry & Specialty Group). Furthermore, within the Automotive & Aviation division Draka will downscale its automotive cable production in several countries. Finally, in the Communications Group, various efficiency measures will be implemented to further reduce the cost base.

In addition to the earlier announced measures and cost savings of approximately €50 million in 2010, the projected annual cost savings of the new projects are currently expected to be approximately €12 million, of which approximately €10 million is expected to be realised in 2010. The costs associated with these new projects are expected to be around €40 million. The cash outflow will be approximately €25 million.

### **Standby arrangement**

Draka entered into a standby arrangement with ING Commercial Finance, part of ING Group. The arrangement offers Draka the opportunity to sell accounts receivable of several of its European entities to ING Commercial Finance with a maximum of €50 million. Draka considers the arrangement as an insurance policy to be able to further strengthen the balance sheet if so desired. Draka is entitled to activate the arrangement, which runs for at least 24 months, at any time.

*Amsterdam, 1 October 2009*

### **NOTE FOR EDITORS: for more information, please contact:**

#### **Draka Holding N.V.:**

Michael Bosman – Director Investor Relations  
T: +31 20 568 9805 / E: michael.bosman@draka.com

**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.

**2009 financial calendar (provisional)****Publication of 2009 second-half trading update****Thursday, 12 November 2009  
(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 9,900 people. Draka Holding N.V.'s head office is in Amsterdam. In 2008, Draka reported revenue of € 2.7 billion and net income of € 83.5 million (excluding non-recurring items).*

*Draka Holding N.V. ordinary shares and subordinated convertible bonds are listed on NYSE Euronext Amsterdam. The company has been included in the Next150 index since 2001 and the AMX index (Amsterdam Midkap index) since 4 March 2008. 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](http://www.draka.com).*

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration. The Company does not intend to register any portion of the Offering in the United States or to conduct a public offering of securities in the United States.

In relation to each member State of the European Economic Area which has implemented the Prospectus Directive (as defined below) (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), the Offering will not be made to the public in that Relevant Member State, except, with effect from and including the Relevant Implementation Date:

(i) to qualified investors (as defined in the Prospectus Directive or implementing legislation in the Relevant Member State) ("Qualified Investors");

(ii) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or

(iii) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision and when used elsewhere in this announcement, the expression an "offer of Shares to the public", or any similar expression, in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" when used in this announcement means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.