



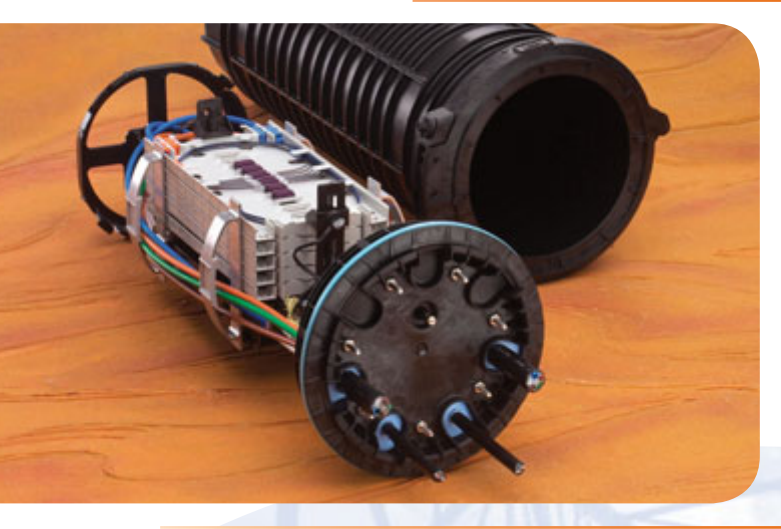
PREFORMED LINE PRODUCTS
The connection you can count on.

ANNUAL REPORT 2007





PREFORMED LINE PRODUCTS
The connection you can count on.



Preformed Line Products Company (PLP), headquartered in Cleveland, Ohio, is a designer and manufacturer of products and systems employed in the construction and maintenance of overhead and underground networks for **energy and communications companies**. Serving several specialized markets including solar energy, tower/antenna and metal buildings, PLP operates four domestic manufacturing centers and serves the worldwide market through international operations in 10 different countries.

Our mission is to achieve **profitable growth** through leadership in the **innovative development**, manufacture and marketing of **superior** products and services.

FINANCIAL POSITION & HIGHLIGHTS

FINANCIAL POSITION

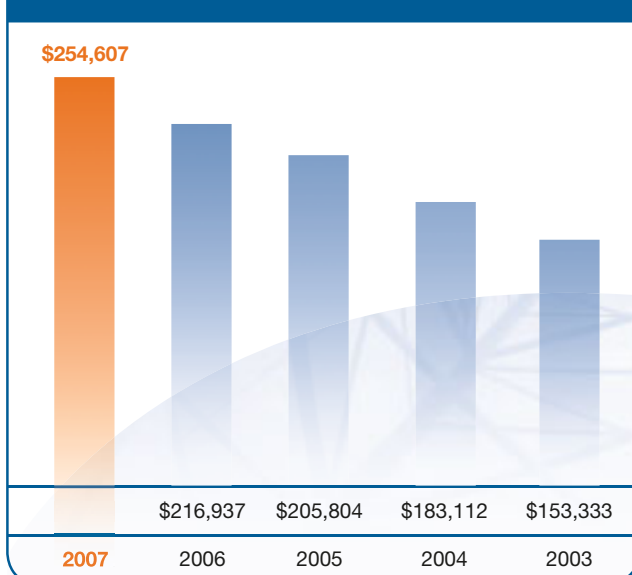
Sales of \$254.6 million in 2007 were the highest in our history. This represented a 17% increase over the prior year. Net income reached levels not attained since the boom years of the late 1990s. The balance sheet remains impressive with a cash balance of \$23 million and only \$9 million of bank debt on assets exceeding \$200 million.

FINANCIAL HIGHLIGHTS

In thousands of dollars, except per share data

	2007	2006
Net sales	\$ 254,607	\$ 216,937
Income before income taxes and minority interests	21,969	17,641
Net income	14,159	12,103
Net income per-share-basic	2.64	2.16
Net income per-share-diluted	2.61	2.14
Shareholders' equity	149,721	131,148
Shareholders' equity per share	27.64	24.47

CONSOLIDATED NET SALES



CONSOLIDATED NET INCOME





Once again I am both pleased and proud to share this year's Annual Report with you and to provide you with a brief overview of the Company's performance in 2007. You may notice that both my letter and the accompanying narrative are somewhat shorter than they have been in the past. The fact of the matter is that as a publicly traded company we are required to bare our soul to you the shareholder, as well as our competition, through the accompanying Proxy Statement and 10-K, so we are attempting to limit redundancy in this section.

PLP celebrated its 60th year in business this past year and we were joined in that celebration by a 40th anniversary in Brazil, a 50th at PLP – GB and a 60th anniversary for the newest member of the team, PLP – Belos. Fittingly, we celebrated with record sales figures as a Corporation and in eight of our subsidiaries.

Worldwide sales were up 17% over 2006, with a 17% increase in sales of our international subsidiaries and, validating the optimism expressed last year at this time, a 17% increase in domestic sales. This increase in domestic sales, coupled with ever increasing operating efficiencies, helped support a profit growth of 17% over 2006.

We completed two major acquisitions in 2007 and while they are two entirely different organizations, they have been integrated nearly seamlessly with the overall operation and have been solid contributors from day one.

Belos in Bielsko-Biala, Poland brings added strength to our transmission initiative and will allow us to capitalize on previous efforts which led to a 40% sales growth in 2007, compounding the impressive growth achieved in this area in 2006. Belos is but one example of how we are making very good use of the time being provided to us as implementation



of The Energy Policy Act of 2005 drags on. However, our increasing capability and expertise in transmission hardware is serving us well in many locations throughout the world, in keeping with our devotion to international teamwork and collaboration across all our subsidiaries.

Direct Power and Water (DPW) in Albuquerque, New Mexico is the cornerstone of our movement into the alternative energy market. As a designer, manufacturer and integrator of both grid-tied and stand alone solar energy systems, DPW further enhances our commitment to the energy industry as a provider of systems and hardware for the transmission and distribution of electrical energy. To answer an often asked question, no, DPW does not produce solar panels. But keep in mind that we've done quite nicely in the energy industry for over sixty years without manufacturing conductors or building generating plants!

In reviewing my letter to you from last year, I noticed many similarities between 2007 and the early part of 2008. I alluded to the slow uptake on the much needed transmission rebuild earlier. In communications, much like last year, we continue to position ourselves in anticipation of further deployment of fiber-to-the-home (FTTH). The FTTH programs have been

marked by fits and starts all along and the current housing retrenchment will likely delay some major programs, yet again. As in transmission, we are making good use of the time available to further strengthen our product lines in this area through both refinements and additions.

While all other segments of our company continue to perform solidly as we begin 2008, my crystal ball remains hazy for the remainder of the year; as I am sure it does for many. What I do know beyond a shadow of a doubt, is that as our worldwide team approaches 2,000 people collaborating, cooperating and thereby allowing us to compete as never before, despite over-zealous regulation, this company has a very bright future in front of it.

On behalf of our talented, hardworking, enthusiastic team, we thank you for your ongoing support and interest in your Company.

Robert G. Ruhlman

Chairman and Chief Executive Officer

2007 was a year of strong growth in the Energy market with sales increasing 19% over last year. In the United States (U.S.), growth was spread over all three market segments (transmission, distribution and utility fiber optics), with each achieving double digit increases.

PLP's Energy business serves all segments of the market including investor-owned utility companies, rural electric cooperatives and municipal power systems. The strength of the global economy and resulting demand for electricity allowed our power utility customers to fully fund their budgets for new line construction as well as maintenance and repair of existing lines.

The steep decline in new U.S. housing, beginning in the second half of the year, did not immediately impact demand for our products as we typically lag such slowdowns. PLP anticipates that the effects of this slowdown will translate into reduced demand for distribution voltage products in 2008.

Other contributing factors to growth in 2007 included exciting new opportunities in renewable energy sources like wind and solar along with continued implementation of "smart grid" technologies, which require PLP's fiber optic products. PLP realized significant increases in sales of repair and restoration products as the central part of the U.S. was hit by severe winter storms at both the beginning and end of the year.



Transmission

It was a very active year in transmission as this segment led the way with a 40% increase over last year. It appears that the long deferred boom in transmission network investment may be upon us with growing capacity constraints and improving economics finally overcoming the risks involved in upgrading existing lines and building new ones.

As mentioned previously, the increased interest in renewable energy has indirectly contributed to intensified demand for PLP transmission products. Many countries are mandating that utility companies supply a specified minimum percentage of their total generated output from renewable energy sources such as wind, geothermal and solar. These installations are often located in remote areas far from existing power lines, thereby requiring the construction of new transmission lines to deliver the power to the grid.

PLP's newest products continue to gain market acceptance and contribute significantly to sales. Products such as the CUSHION-GRIP™ Spacers and Spacer Dampers, VORTX™ Vibration Dampers and THERMOLIGN® High Temperature Hardware were brought to the market just as demand for such products accelerated.

Future products will allow PLP to address a wider variety of customer needs. Products currently in the development pipeline will further expand PLP's transmission hardware line in 2008. The synergies between these new products and existing products will complete PLP's package of end-to-end transmission hardware solutions.

Transmission sales are expected to be strong again in 2008. A significant number of projects have already been identified and included in customers' budgets. In addition, PLP continues to track a large number of projects that are still in the design and planning stages.

To further enhance the Company's presence in the global transmission market, PLP acquired 83.7% of the shares of Belos S.A. in Bielsko-Biala, Poland in September. For sixty years, Belos has been the most significant supplier of transmission fittings to the Polish electricity market and is one of the largest such companies in central Europe. Belos, now named Belos-PLP S.A., has capabilities for heavy stamping, steel forging, aluminum casting, galvanizing and machining. Belos will form the center of PLP's European Transmission business that will extend into Africa and the Middle East.

The future looks promising for transmission for the next several years. PLP is well positioned to seize these opportunities as the rebuilding and expansion of the transmission grid continues to accelerate.

Distribution

Sales of distribution products, although flat globally, increased by almost 14% in the U.S. in 2007. A significant portion of this increase was driven by sales of restoration and repair products resulting from the unusually severe winter storm season in the central part of the U.S. The strength of the general economy and healthy business climate experienced for most of the year also contributed to a steady demand for these products. Distribution products are heavily weighted toward maintenance and repair and a healthy economy allows customers to fully fund their normal maintenance budgets.

The crisis in the U.S. real estate and credit markets that began to unfold in 2007 does raise a cause for concern. The impact of a collapse in new residential construction would be felt most directly by PLP in the distribution market segment. Experience has demonstrated that the negative effect on demand for PLP products typically lags the economy in general. However, while it is expected that PLP will experience negative pressure on sales growth in 2008 in the U.S. distribution market, other global markets will be unaffected.

In the middle of 2007, PLP began delivering spacer cable hardware and polymer insulators to cable partner, Southwire Company, as they initiated market introduction of their spacer cable system. In October, PLP rolled out its own polymer

insulator line for applications outside of spacer cable. This new product line represents new distribution business for PLP and made a meaningful contribution to sales increases for the year. PLP anticipates that efforts to secure standards approvals and market acceptance of these new products will generate additional sales in 2008.

Fiber Optic Hardware

Sales in this product segment continue to grow, finishing 2007 with a 2% increase over 2006. PLP was a leader in developing innovative products for utility fiber cable applications during the early years of overhead fiber optic cable development and remains so today. As the market for these products has expanded, PLP continued to lead the way with customer specific solutions. This willingness and ability to partner with customers to meet their individual needs has continued to set PLP apart from its competitors.

A portion of the current growth in fiber hardware products has come from the municipal utility market. Municipalities around the U.S. built their own fiber-based systems to deliver a variety of services to their citizens. These include such services as high-speed internet access, broadband entertainment and improved electrical service and reliability through deployment of smart grid technologies. PLP expects this growth to continue as additional municipal systems embrace this initiative.

The market development for Broadband Over Power Lines (BPL) as a component of smart grid deployment has been slow. However as this technology matures, it has the potential to drive demand for our fiber optic hardware.

PLP's close working relationships with the major overhead fiber optic cable manufacturers continues to drive growth. PLP hardware products are packaged with the fiber optic cable and delivered by the cable company as a complete solution for a customer's needs. Working with these partners has provided PLP with access to international projects particularly in the Middle East, Central and South America and Asia. These developing markets represent significant future potential for fiber optic hardware sales.



COMMUNICATIONS

The continued evolution of next generation networks has provided opportunities for growth in PLP's COYOTE® Fiber Optic product lines. As businesses and consumers worldwide continue to increase demand for broadband voice, data and video services, global service providers like Verizon and AT&T as well as independent telcos and municipalities in the U.S. continue to build out networks that reach ever closer to the end-user. In the industry, it is most often referred to as FTTH or FTTx depending on the architecture. Improvements to network technology provided growth of 15% in 2007 with PLP's comprehensive line of fiber optic devices. Spending on the copper infrastructure remained flat and provided no growth from the previous year.

Competitive pressure to win and retain customers between the telecommunication providers, CATV operators and other service providers has led to industry consolidation throughout the last decade. This consolidation results in larger customers with increased buying power and larger competitors. Consolidation continued in 2007 as AT&T completed its acquisition of Bell South Telephone. As expected, price competitive bids and serious product rationalization programs are being considered and implemented by AT&T.

PLP's goals have been to remain flexible and responsive to the needs of its customers. Product innovation, through platform design approaches, has been well received. Investments several years ago in the COYOTE Dome, In-Line RUNT and AXCESS Solutions™ product lines have continued to fuel growth and provided our customers with innovative and cost effective installation methods for FTTx deployment. Furthermore, continued emphasis on market share opportunities and initiatives to drive these sales is essential. With PLP's capacity to provide domestic products, at a competitive price, gaining and maintaining market share continues to be a very important key to success. PLP's comprehensive distributor marketing efforts and extensive field service support make it a worldwide leader in this area.

As PLP continues to expand its product portfolio, it is increasing investment in resource deployment across all global regions. With the continued pressure to compete, PLP believes that its global business model can drive company-wide innovation, while defining methods to contain cost in order to maintain profit and provide operating efficiencies.

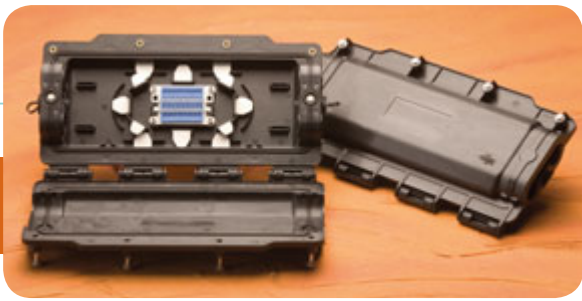


SPECIAL INDUSTRIES

PLP's traditional product technologies are at work in a variety of diverse industries including tower and antenna, metal buildings, arborist, agriculture and marine. Each industry continues to have its own special requirements and unique applications for PLP's product concepts. Although industry growth in the key markets has peaked in past years, strengthening customer relationships and recent new product introductions have helped fuel sales growth in this segment.

In 2007, PLP continued to focus on new applications for traditional products and released the BRACE-GRIP® Dead-end for metal building rod cross bracing applications. A unique cable termination and a trellis support wrap were also introduced for the tree care industry.

In 2008 and beyond, PLP will continue to focus on driving growth by expanding both customer relationships and product line offerings.



PLP has focused on expanding its communications business by reaching out to new markets and addressing emerging network applications. Opportunities with a Broadband Over Power Line project continued to support PLP's existing COYOTE Fiber Optics brand while leading to the development of a few new products to support the application. Additionally, emphasis on CATV, military, municipalities and data communications marketing has continued to drive diversification in this product line.

With a very strong brand, PLP looks forward to 2008 and beyond with the introduction of several new products to support last mile applications as the service providers continued to drive enhanced broadband services.

The planned introduction of the COYOTE Dome High Capacity Closure will round out PLP's line of dome style fiber optic closures in 2008. It will provide solutions for multiple splicing applications and feature an extensive capacity exceeding 864 fibers. In addition, it will offer the flexibility of providing multiple drop-off points through the use of patented, segmented endplate technology. We expect this versatile product to support many of the needs of a wide array of service providers in the communications market including: telco, CATV, municipalities, transportation and long distance carriers.

At the end of the network where fiber counts get smaller, PLP has addressed an ongoing maintenance need for a quick, easy-to-use, full restoration splice closure. PLP intends to introduce the COYOTE Drop/Repair Closure in 2008.

Lastly, in an effort to address the unique challenges of connecting fiber optic networks to multi-dwelling unit buildings, PLP will introduce the COYOTE MPC, Multi-Purpose Closure. The COYOTE MPC Closure was designed from the ground up to provide flexibility for storing and routing fiber drop cable at apartments and other multiple-dwelling applications. Beyond fiber, this device will provide a means for converting to coaxial cable when splitting the video signal to multiple rooms within the dwelling.

PLP expects the industry to continue its push toward next generation networks in the coming years. PLP's communications product offering supports various connectivity solutions as PLP stands ready to serve both the public and enterprise customers. The reliability of our COYOTE Fiber Optics product line will continue to provide value for service providers deploying advanced fiber optic networks worldwide.

DATA COMMUNICATIONS

In 2007, PLP's subsidiary SMP Data Communications (SMP) continued its technology leadership role in the development of interconnection devices for the high-speed data network environment. SMP's products continue to fill multiple applications in the residential and commercial marketplaces. An important patent was issued for a new secure enterprise network outlet in 2007 with additional patents pending on a new green residential network outlet.

SMP achieved positive overall growth in sales and profit in 2007, even with the downturn in the U.S. residential market. Initiatives for increasing international sales succeeded well beyond expectations, as International sales almost doubled the level of sales in 2006. The deployment of innovative copper and

fiber products for emerging markets such as data centers and wind farms continued to drive substantial growth in 2007.

SMP launched its Custom Design Engineering Group strategy in 2007. This effort resulted in the successful design and sale of specialty SMP product to support a new product launch from a market leading network company and several other manufacturers.

SMP is positioned to remain a market leader in the structured cable industry in 2008 and beyond. Its patented products for emerging 10-gigabit per second technologies along with its increasing focus on international markets and deployment of lean manufacturing principals will continue to drive growth in the future.



RENEWABLE ENERGY

After several years of researching areas that would provide significant growth opportunities outside their core markets, PLP entered the renewable energy market with the acquisition of DPW in April of 2007.

Located in Albuquerque, New Mexico, DPW is a leader in the engineering, design and manufacture of hardware systems and components for a wide array of solar power applications. In addition, DPW offers system design and installation services throughout the Western U.S. Most of DPW's solar power applications involve the use of photovoltaic module technology that takes energy from the sun and uses a silicon based wafer or "cell" to convert solar energy into electricity for use in the home, office or for areas that can not be reached by the conventional electric grid.

DPW hardware systems are used for residential and commercial roof mounting applications, "off-grid" applications including top-of-pole mounting, fixed ground mounts, water pumping, roadside power and remote wireless telecommunications stations. DPW has also provided specialized solutions for the U.S. military and other government agencies.

The renewable energy market in general, and solar energy in particular, have benefited from growing concerns about the environmental impact of traditional fossil fuel electricity generation. This, along with increased attention on federal, state and local utility incentives to stimulate the deployment of alternative energy technologies, have resulted in industry growth of 25% per year over the last several years.

PLP's acquisition of DPW and subsequent entry into the renewable energy market complements the Company's existing operational expertise and market leading position in the power utility industry. As power utility companies continue to look to offset growing peak energy demands with alternative energy sources, PLP and DPW will be well-positioned to assist these customers by providing turnkey solutions. DPW also provides PLP with an opportunity to expand its core manufacturing capabilities in the area of metal fabrication and will assist in product expansion efforts both at DPW and within PLP's core markets.

While the focus of DPW's business is in the U.S., solar power is growing rapidly globally, and PLP is well-positioned with its network of international subsidiaries to take advantage of these opportunities on a broad scale. Selected subsidiaries are in the process of developing business plans to incorporate DPW's business model into their local operations with the goal of making PLP Solar a truly global business.

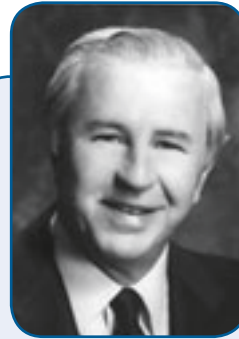


MANUFACTURING OPERATIONS

2007 saw a great deal of change with regard to PLP's manufacturing operations. PLP was challenged with significant sales growth and responded with the enhancement of its systems to support customer expectations. Process changes were implemented and the deployment of lean tools to reduce cycle times, improve materials management and further develop the supply chain continued. This resulted in improved quality and reduced labor and overhead costs to help offset the continuing rise in material costs.

PLP also implemented a collaborative effort with its network of international subsidiaries to enhance worldwide manufacturing capabilities and product offerings across all global regions. In addition, PLP has shortened product development time and increased efficiency in the supply chain in order to meet escalating demand in our markets.

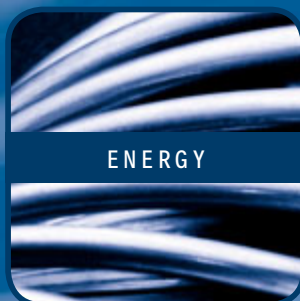
In 2007, the Company continued to invest in new technologies in manufacturing operations and workforce training in an effort to enhance overall efficiency. PLP has positioned itself for a continued assault on waste in a relentless pursuit for competitive advantage. Operations management now looks forward to continued change in global markets and responding by utilizing global manufacturing resources to produce products and provide services that help differentiate PLP from its competitors.



This Annual Report is dedicated to the memory of **John D. Drinko**.

Mr. Drinko served as a Board Member, mentor and friend of Preformed

Line Products Company for more than 50 years. His dedication and service to the Company significantly contributed to its success over the years and the leadership and guidance he provided will be greatly missed.



PREFORMED LINE PRODUCTS COMPANY CORPORATE INFORMATION

DIRECTORS

Robert G. Ruhlman
Chairman and CEO

Frank B. Carr
Private Investor

Glenn E. Corlett
Former Dean and Professor
at the College of Business
at Ohio University

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Randall M. Ruhlman
President
Ruhlman Motor Sports

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Chief Executive Officer

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Human Resources

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International Operations

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Marketing and
Business Development

David C. Sunkle
Vice President
Research and Engineering

Caroline S. Vaccariello
General Counsel and
Corporate Secretary

R. Steven Kestner
Assistant Secretary

DOMESTIC PLANT LOCATIONS

Arkansas
Rogers

North Carolina
Albemarle

SUBSIDIARIES
Superior Modular Products, Inc.
Asheville, North Carolina

Direct Power and Water Corporation
Albuquerque, New Mexico

INTERNATIONAL OPERATIONS

SUBSIDIARIES

Australia
Preformed Line Products (Australia) Ltd.
Sydney, Australia

Brazil
PLP-Produtos Para Linhas
Preformados Ltd.
Sao Paulo, Brazil

Canada
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COMMON SHARES

PLP common shares are traded on the NASDAQ
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The Company has adopted a code of conduct.
A copy of the code of conduct is posted on
our Internet Site at www.preformed.com in
our About Us section.

If you would like to receive an electronic copy
of this or future Annual Reports of Preformed
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Investor Relations and follow the instructions;
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