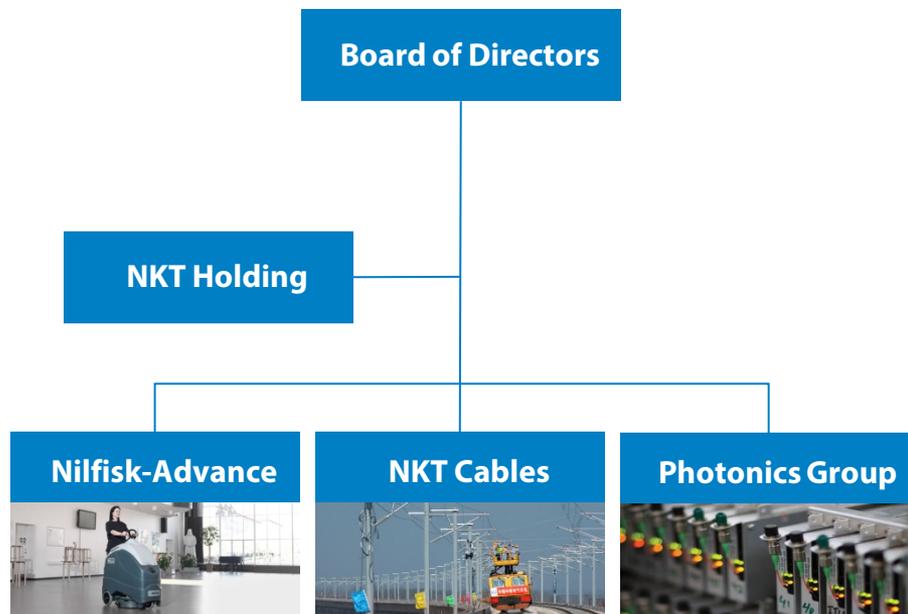


NKT ANNUAL GENERAL MEETING

25 March 2014

2013 in NKT

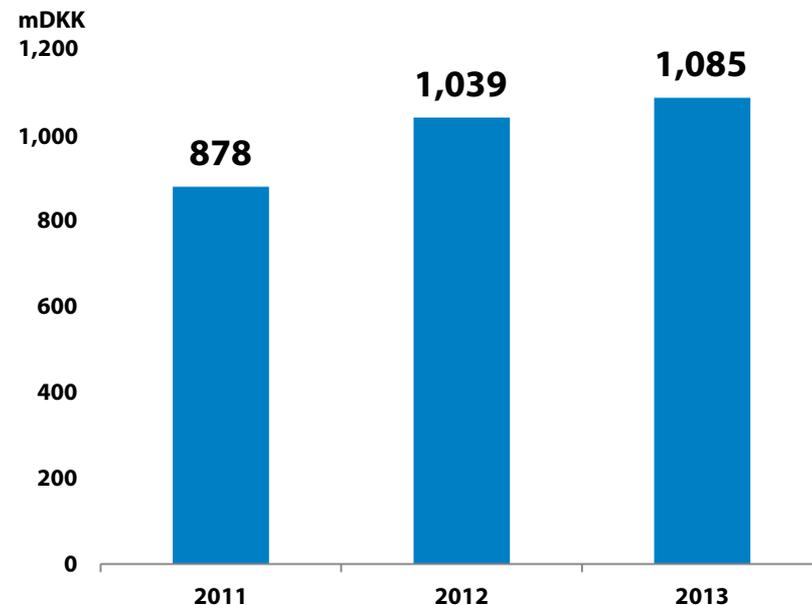


- **New structure** in NKT
- **Change of management** in Nilfisk-Advance
- **Efficiency improvement programme** in NKT Cables
- **Substantial orders** in Photonics Group

Income statement 2013

Amounts in mDKK	2013	2012	Change
Revenue	15,809	15,253	556
Revenue in std. metal prices	12,843	12,148	695
Operational EBITDA	1,085	1,039	46
One-off's	18	-30	48
EBITDA	1,103	1,009	94
Depreciation/Amortisation	-595	-536	-59
EBIT	508	473	35
Financial items, net	-160	-196	36
EBT from continuing operations	348	277	71
Tax from continuing operations	-95	-81	-14
Profit from continuing operations	253	196	57
Profit from discontinuing operations	0	1,410	-1,410
Profit	253	1,606	-1,353

Operational EBITDA, LTM



Strong liquidity reserves

Amounts in bnDKK	2013	2012
Committed total	5.9	5.1
Uncommitted total	1.0	1.5
Total	6.9	6.6
Drawn, net	-2.2	-2.0
Resources available	4.7	4.6

Refinancing of bank facilities provide **substantial financial flexibility** and the availability to **operate** and **further develop** the business areas

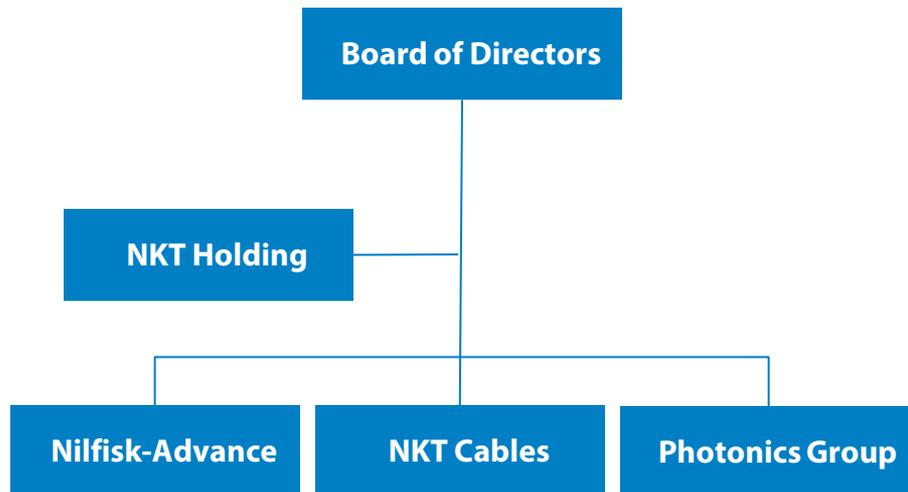
Expectations 2013

mDKK	Expected 2013	Updated Q3 2013	Realised 2013
Revenue, std. metal prices	~12,148		12,843
Organic growth	0%	2-4%	4%
Operational EBITDA	~1,039		1,085
Cash flow from investments (excl. acquisition)	-500		-468
Net interest bearing debt	<2.5x		1.9x

- **NKT realised expectations** for 2013
- **Growth** in terms of **revenue** and **earnings**



New **governance structure** in NKT



Working committee	Chairman	Member
Nilfisk-Advance	Jens Due Olsen	Lars Sandahl Sørensen Michael Hedegaard Lyng
NKT Cables	Jens Due Olsen	Kristian Siem Michael Hedegaard Lyng
Photonics Group	Jens Maaløe	Jens Due Olsen Michael Hedegaard Lyng

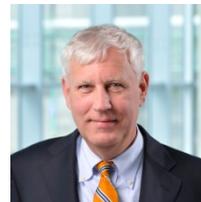
Managements in the NKT Group

NKT Holding



Michael Hedegaard Lyng
Group Executive Director & CFO

NKT Cables



Marc van't Noordende
President & CEO



Henrik Bøggild
President & CFO



Detlev Waimann
President, BU Projects



Peter Becker
President, BU Products

Nilfisk-Advance



Jonas Persson
President & CEO



Morten Johansen
EVP & CFO



Anders Terkildsen
*EVP EMEA and Latin
America Sales & Service*



Lars Gjødbsøl
EVP Global Operations

Photonics Group



Søren Isaksen
*Chairman of
Photonics Group*



Jakob Skov
*CEO
NKT Photonics A/S*



Thomas Oldemeyer
*CEO
Lios Technology GmbH*

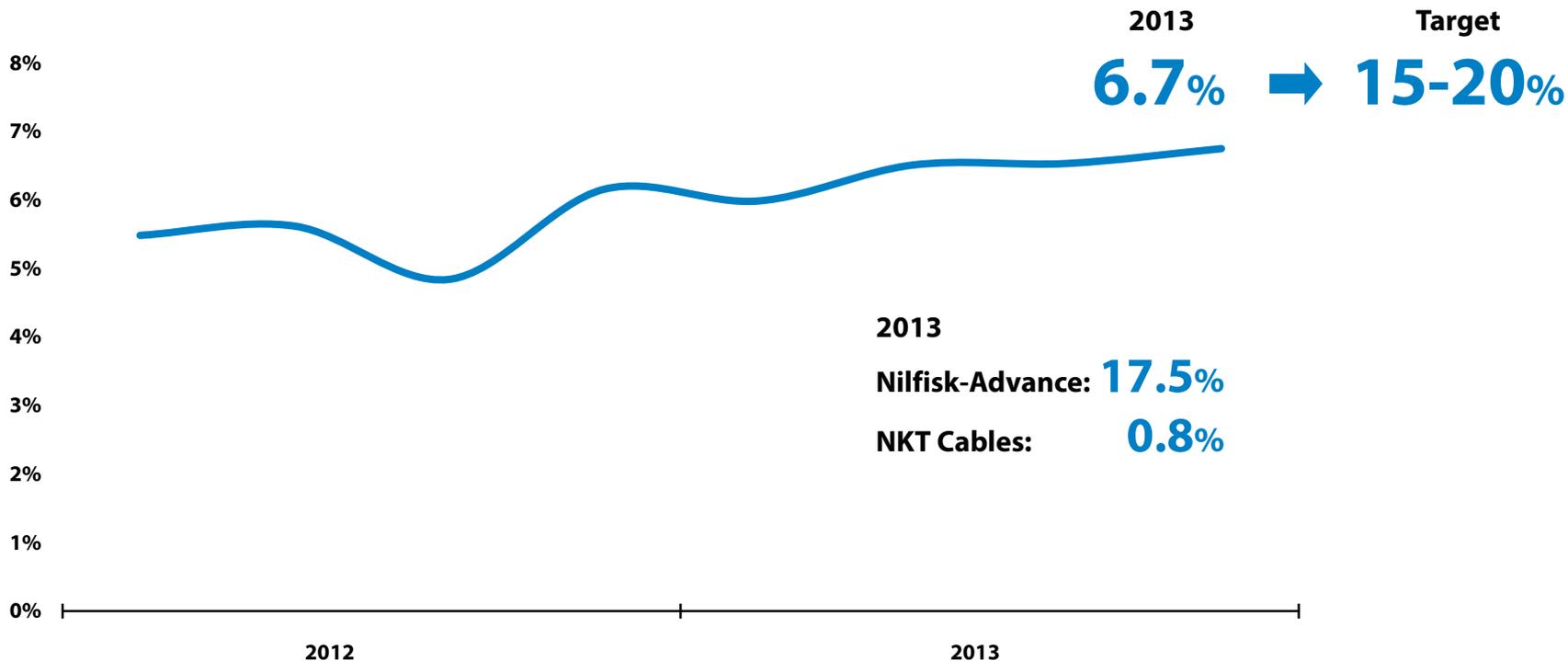


Edward Connor
*CEO
Vytran LLC*

NKT's strategy based on global megatrends

	Global megatrends	Business opportunities	
	Urbanisation, rising welfare and increased environmental focus in growth markets	Automated cleaning processes/new professional cleaning equipment	
	Investments in reliable, efficient and flexible energy supply	High and medium voltage cables and optical sensors	 
	Sustainable energy production	Submarine cables for wind farms; lasers for LIDAR wind sensors	 
	Infrastructure expansion as part of urbanisation	Catenary wires for high speed railways; fire detection in tunnels	 
	Deepwater oil production, and oil and gas production from existing fields	Optical sensors	

Return on invested capital (RoCE)



Strategy



Strategy Powered by NKT

The strong global megatrends on which NKT's strategy builds are still valid. However, the targeted return on capital employed of around 15-20% is yet to be realised. The new governance structure will step up NKT's active ownership with the aim of improving earnings

NKT's primary strategic goal is a return on capital employed (ROCE) of around 15-20%. 2013 realised ROCE of 6.7% based on NKT Cable's value-addition, which was satisfactory, and 0.8% for ongoing efficiency improvement. Consequently, a redeploying efficiency improvement programme, DRIVE, has been significantly improved return within a two-year period.

The first phase of DRIVE consists of a string of initiatives focused primarily on reducing costs in all NKT Cable's European entities. The definitive programme was approved in January 2014 and the first initiatives are being implemented. These include a sub-division of signal cable production in Denmark. The DRIVE programme is described in detail in the NKT Cables section of this report.

More active ownership role

In August 2013, with a view to redefining NKT's active ownership role, a new governance structure was introduced to the NKT Board of Directors. This will ensure further focus on increased growth and improvement in earnings. The primary target of the Board of Directors will be to actively participate in operating support to the active ownership. The change will also make more direct benefits to be obtained from the specific competences possessed by the Board of Directors, and facilitate a more agile and transparent decision-making process.

Continued focus on best owner philosophy

NKT is still perceived as best owner of the existing business areas, and the long-term approach to ownership is unchanged. Thus, NKT does not actively pursue short-term profit at the expense of long-term value creation. Focus remains on maximising value for the shareholders for example by exploiting such opportunities as consolidation and partnerships etc. may create both inside and outside the assets covered by the existing business areas.

Expected increased value creation

In 2014, NKT expects the new initiatives, such as the DRIVE programme at NKT Cables, to stabilise into improved earnings. In addition, with the new governance structure in place and with Jukka Pesonen as new CEO of Nilfisk-Advance, NKT considers the order to update the strategic plan and present it in the 2014 Annual Report. Current strategic performance for Nilfisk-Advance, NKT Cables and Photonics Group is reported on pages 17, 27 and 38.

NKT's strategy based on global megatrends

Global megatrends	NKT Business opportunities
Urbanisation, rising welfare and increased environmental focus in growth markets	Automated cleaning processes/telepresence cleaning equipment
Investments in reliable, efficient and flexible energy supply	High and medium voltage cables and optical sensors
Sustainable energy production	Submarine cables for wind farms, towers for LCOE wind turbines
Infrastructure expansion as part of urbanisation	Catenary wires for high speed railways, the detection in tunnels
Demand for production and of air-gate production from existing fields	Critical sensors

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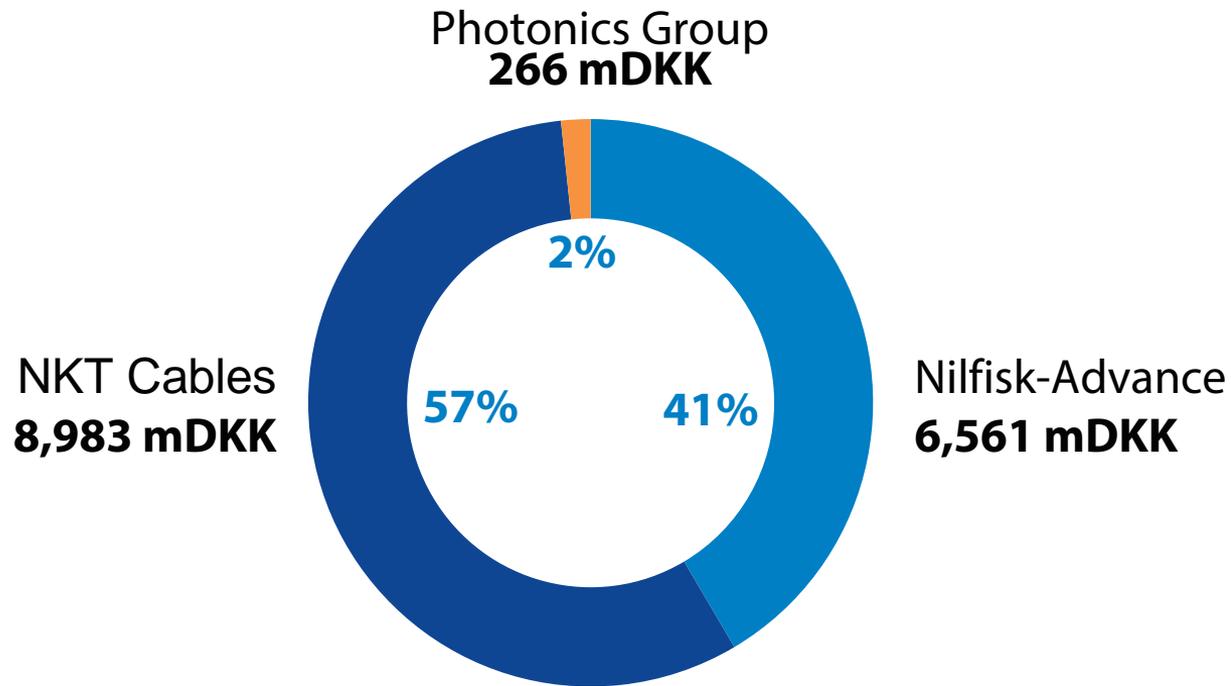
Expectations 2014

EXPECTATIONS 2014

- A consolidated **organic growth of around 0-3%**
- **Operational EBITDA margin in std. metal prices of 9-9.5%** compared to 8.4% in std. metal prices in 2013
- Expectations for the operational EBITDA margin **excluded one-off costs of net 80 mDKK** related to DRIVE (-180 mDKK) and profit from divestment of non-core business activities in Nilfisk-Advance (+100 mDKK)

2014	Assumptions
NKT	
- Organic growth	0-3%
- Operational EBITDA, std. metal prices	9-9.5%
Nilfisk-Advance	
- Organic growth	2-3%
- Operational EBITDA	12-12.5%
NKT Cables	
- Organic growth	Neg. 2-3%
- Operational EBITDA std. metal prices	~ 7.1%
Photonics Group	
- Organic growth	10-20%
- Operational EBITDA	5-10%

Distribution of **revenue** by business area





SC1500 stand-on scrubber

New CEO of Nilfisk-Advance



Jonas Persson (1969)

President & CEO

2009-2013: Assa Abloy, member of Group Management and Head of Asia-Pacific Division

1999-2009: Nolato

1994-1999: Alfa Laval Group

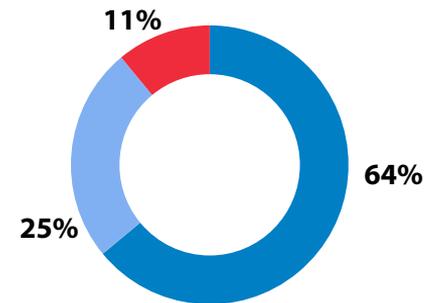
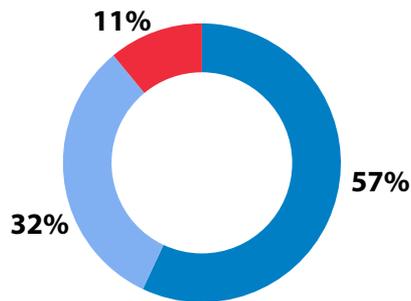
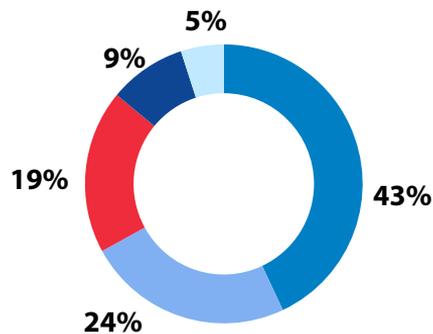
MSc. in Engineering from Lund University, Sweden



Nilfisk-Advance



Nilfisk-Advance



Sales by products

- Floor care
- Vacuum cleaners
- High pressure washers
- Service
- Other

Sales by customers

- Commercial market
- Industrial market
- Private consumer market

Sales by geography

- EMEA
- Americas
- APAC

Nilfisk-Advance

Financials

mDKK	2013	2012
Revenue	6,561	6,491
- Organic growth	3%	0%
Operational EBITDA	778	775
Operational EBITDA margin	11.9%	11.9%
Capital employed	3,074	3,073
FTE	5,321	5,224

Organic growth, regions

	2013
EMEA	5%
Americas	4%
APAC	-4%
BRIC+MT	4%

2013 highlights

- **EMEA and Americas:** Growth mainly driven by the mature markets
- **APAC:** Sales negatively impacted by challenges in China
- **BRIC+MT:** Strong growth in Russia, Mexico and Turkey
- **EBITDA margin maintained** despite tough price competition and changed product mix
- **Focus on costs** maintained
- Investments in future **organic growth** continues

Nilfisk-Advance

Americas

- Argentina
- Brazil
- Canada
- Chile
- Mexico
- Peru
- US

EMEA

- Austria
- Belgium
- Czech Republic
- Denmark
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- The Netherlands
- Norway
- Poland
- Portugal
- Romania
- Russia
- Slovakia
- South Africa
- Spain
- Sweden
- Switzerland
- Turkey
- United Arab Emirates
- United Kingdom

APAC

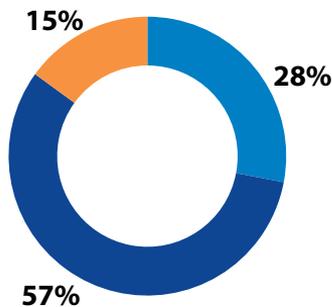
- Australia
- China
- Hong Kong
- India
- Japan
- Korea
- Macau
- Malaysia
- New Zealand
- Singapore
- Taiwan
- Thailand
- Vietnam

Sales units in
45 countries

Dealers in
70+ countries

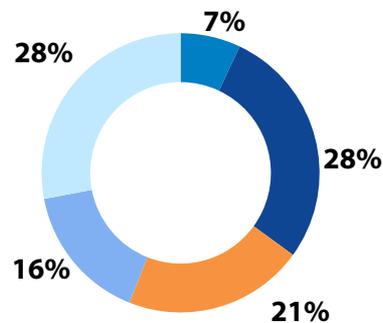
Production facilities
in **11 countries**

**6 distributions
centres**



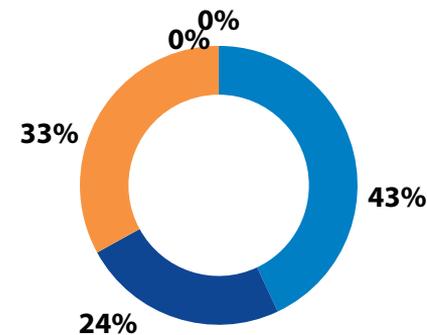
Sales by Business Unit

- BU Projects
- BU Products
- BU APAC



Sales by geography

- Denmark
- Germany
- Eastern Europe
- Asia
- Other, primarily Europe



Sales by fields of application

- Utilities
- Wholesalers
- Industry

Financials

mDKK	2013	2012
Revenue	8,983	8,526
- Revenue, std. metal prices	6,017	5,421
- Organic growth	4%	-4%
Operational EBITDA	335	290
Operational EBITDA margin (std. metal prices)	5.6%	5.3%
Capital employed	4,557	4,346
FTE	3,560	3,395

Organic growth, BU

	2013
BU Projects	13%
BU Products	-10%
BU APAC	49%

2013 highlights

- **BU Projects:** Increased revenue partly due to high voltage projects
- **BU APAC:** Growth in the Railway segment in China. Sales returned to a normalised level after two years' moratorium on construction of high speed railways in China
- **BU Products:** European markets for low and medium voltage products impacted by lower level of investments among utilities and price pressure on e.g. building wires
- **EBITDA margin** increased by 0.3% point

DRIVE: Background and targets

The European power cable market continues to be under pressure:

- Affected by downturn
- Overcapacity

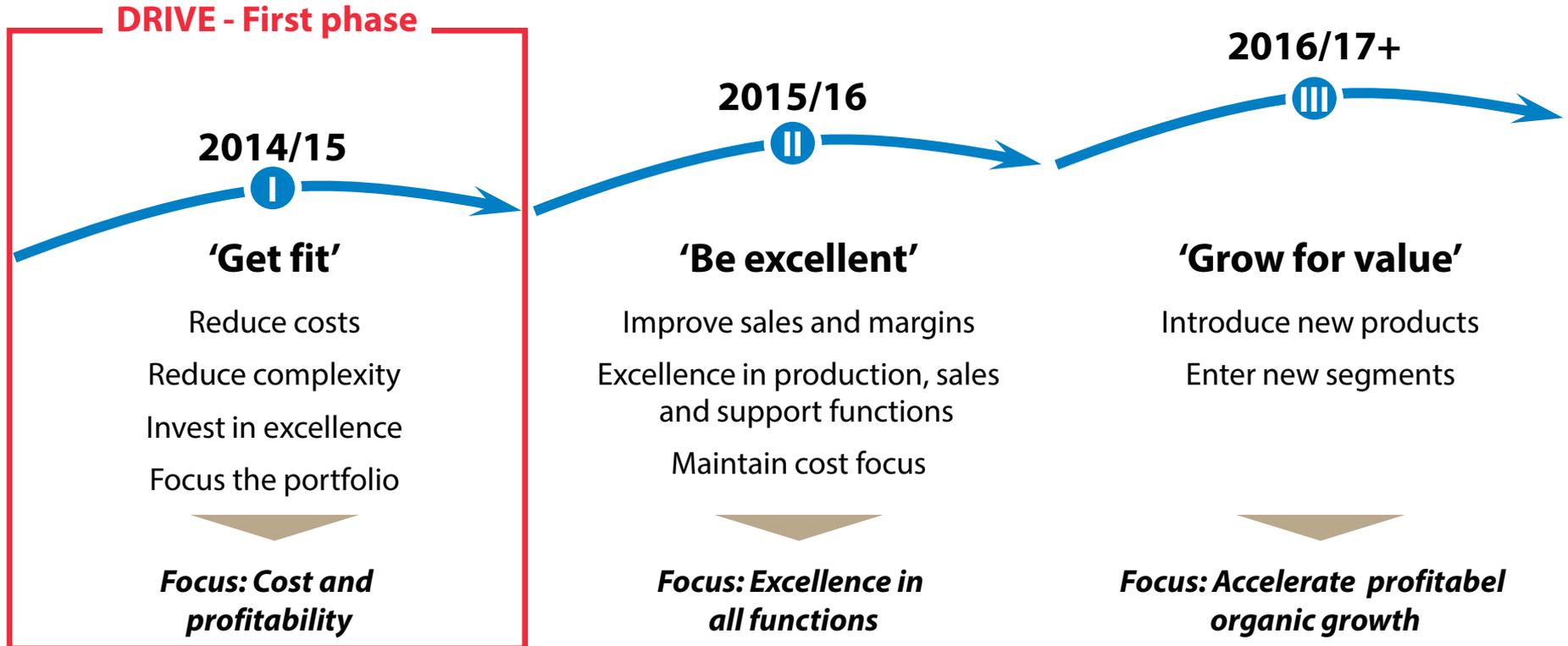
NKT Cables' management takes next step:

- Production in Cologne stabilised - ready to initiate further optimisation
- New BU structure in place meeting the various challenges faced by the specific segment

DRIVE targets:

- Increase earnings
- Strengthen competitiveness
- Improved value creation in terms of higher return on invested capital

DRIVE programme **three phases**



Effect of DRIVE

	Cost improvements	FTE reduction	One-off costs	Investments
Impact 2014	~100 mDKK	~200	~180 mDKK	~50 mDKK
Full impact going into 2016	~300 mDKK	400-450 25% white collars 75% blue collars	~240 mDKK	~50 mDKK



nkt cables

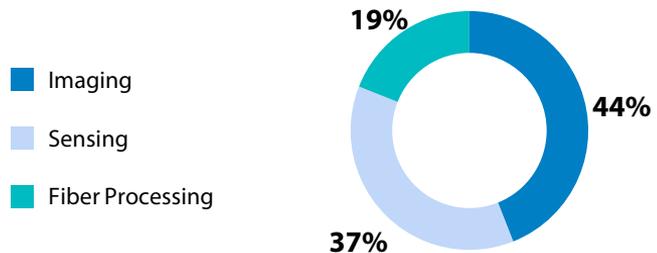
NKT



The factory in Falun, Sweden

Photonics Group

Sales by products



Photonics Group

Financials

mDKK	2013	2012
Revenue	266	237
- Organic growth	13%	10%
EBITDA	6	9
Capital employed	200	210
FTE	205	182

Organic growth, product areas

	2013
Imaging	41%
Sensing	10%
Fiber Processing	-18%

2013 highlights

- **Growth** supplied by Imaging and Sensing.
Low level of activity in Fiber Processing
- Changed emphasis away from focus on research environments towards solutions for industrial products
- **Foundation** created for increased growth





Proposed remuneration for Board of Directors

Amounts in 1,000 DKK	2014	2013
Chairman (3x base amount)	900	900
Deputy Chairman (2x base amount)	600	450
Other directors, each member (base amount)	300	300
Audit Committee - (Chairman 200 and member 100)	300	300
Nomination Committee - (Chairman 100 and member 50)	150	
Remuneration Committee - (Chairman 100 and member 50)	150	
Working Committee Nilfisk-Advance - (Chairman 200 and member 100)	300	
Working Committee NKT Cables - (Chairman 200 and member 100)	300	
Working Committee Photonics Group - (Chairman 150 and member 75)	225	
Total remuneration	5,025	3,750
Extraordinary remuneration to the Chairman		500

Employee-elected Board members



Niels-Henrik Dreesen
Production Engineering Manager
NKT Cables



Gitte Toft Nielsen
Finance Assistant
Nilfisk-Advance



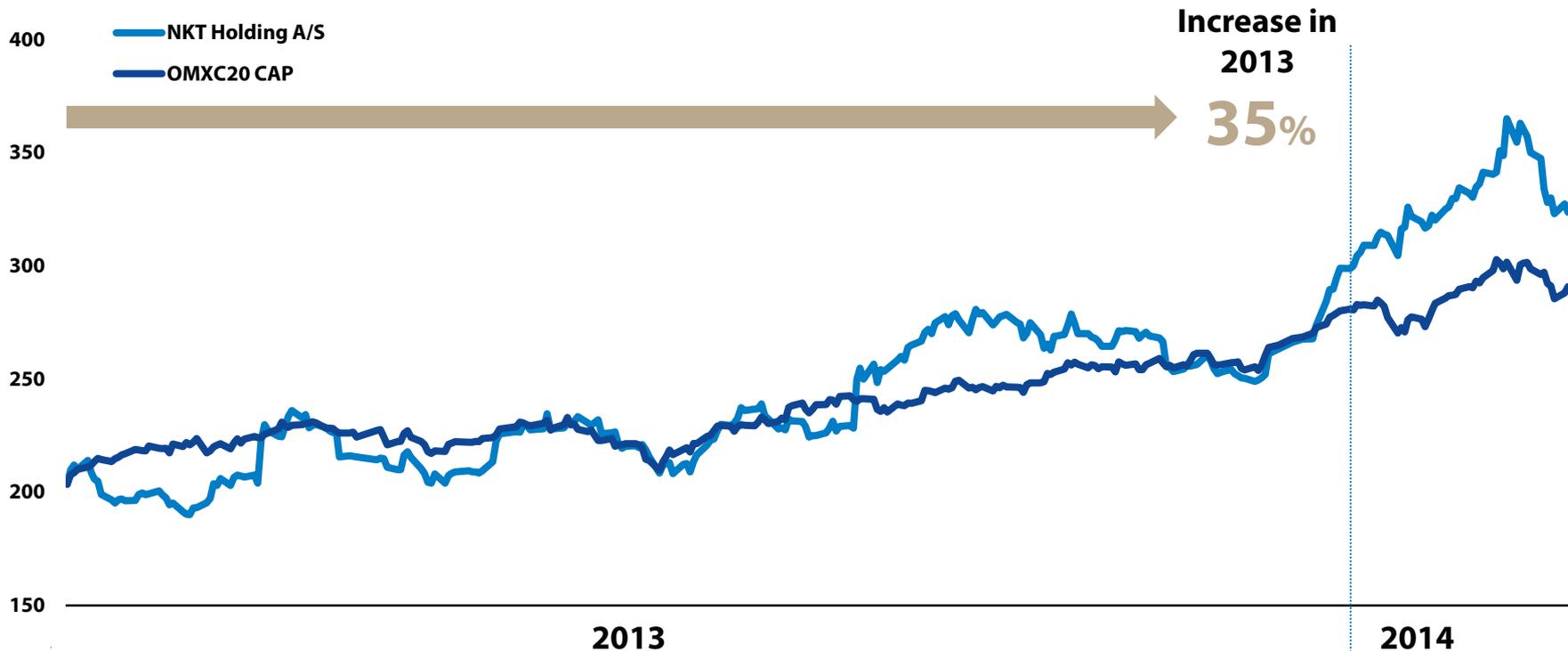
René Engel Kristiansen
Regional Sales Manager
NKT Photonics

Proposed **dividend**

	2013	2012
Proposed dividend for the financial year per share, DKK	3.5	8.0
Total payment, mDKK	83.8	191.1

Dividend will be paid four bank days after the AGM

Development of the NKT share



NKT ANNUAL GENERAL MEETING

25 March 2014