

Interim Report
Q2 2017

The NKT logo is rendered in a bold, white, sans-serif font. The letters are thick and blocky, with a distinctive design where the 'K' and 'T' have a stepped, geometric appearance. The logo is centered horizontally and vertically on the page.

NKT



Power to life since 1891



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Intention to split NKT A/S into two listed entities

The Board of Directors of NKT A/S (formerly NKT Holding A/S) intends to split the company into two separately listed entities, cf. Company Announcement No. 45 of 21 September 2016. The timing of the decision was linked to the acquisition of ABB HV Cables, which was completed on 1 March 2017

Following the intended split, NKT A/S will consist of two standalone companies: NKT (formerly NKT Cables) and NKT Photonics. Both companies will continue to report directly to the Board of Directors of NKT A/S. Nilfisk will be a separately listed entity. At the split, current shareholders in NKT A/S will retain their shares and, in addition, receive the same number of shares in Nilfisk A/S.

At the Annual General Meeting held on 21 April 2017, the Board of Directors received the mandate to proceed with the separation process in 2017. NKT A/S intends to call for an Extraordinary General Meeting to be held on 10 October 2017 with the purpose of obtaining final approval of the split. The first day of trading for both NKT A/S and Nilfisk A/S as separately listed entities is expected to be 12 October 2017.

On 19 September 2017, NKT A/S will host a Capital Markets Day in Copenhagen for institutional investors, financial analysts and the media to provide a detailed view of the businesses ahead of the intended split.

Key financials Q2 2017

EURm	NKT (formerly NKT Cables)	NKT Photonics	Nilfisk (discontinued)
Revenue	288.1*	11.2	280.0
Organic growth	8%	26%	2%
Operational EBITDA	42.9	0.7	35.9**
Operational EBITDA margin	14.9%*	6.3%	12.8%**
Operational EBITDA margin, LTM	11.3%*	11.4%	11.9%**
EBITDA	37.8	0.7	33.2
EBIT	19.5	-0.5	33.2***

* std. metal prices, ** before special items, *** Depreciations and amortisations in accordance with IFRS rules for discontinued operations

Nilfisk as discontinued operation

Due to the intended split of NKT A/S, Nilfisk is treated as a discontinued operation in the present Q2 2017 Interim Report, which focuses on the continuing business comprising NKT and NKT Photonics.

Nilfisk's financial performance can be viewed in the Nilfisk Q2 2017 Interim Report at www.nilfisk.com. Nilfisk's report was released at the same time as this report. Nilfisk's financial outlook for 2017 is unchanged from the Annual Report 2016, with organic growth of 2-4% and an EBITDA margin before special items of 11-11.5%.

The treatment of Nilfisk as a discontinued operation is in accordance with IFRS and affects the present Interim Report thus:

Income Statement

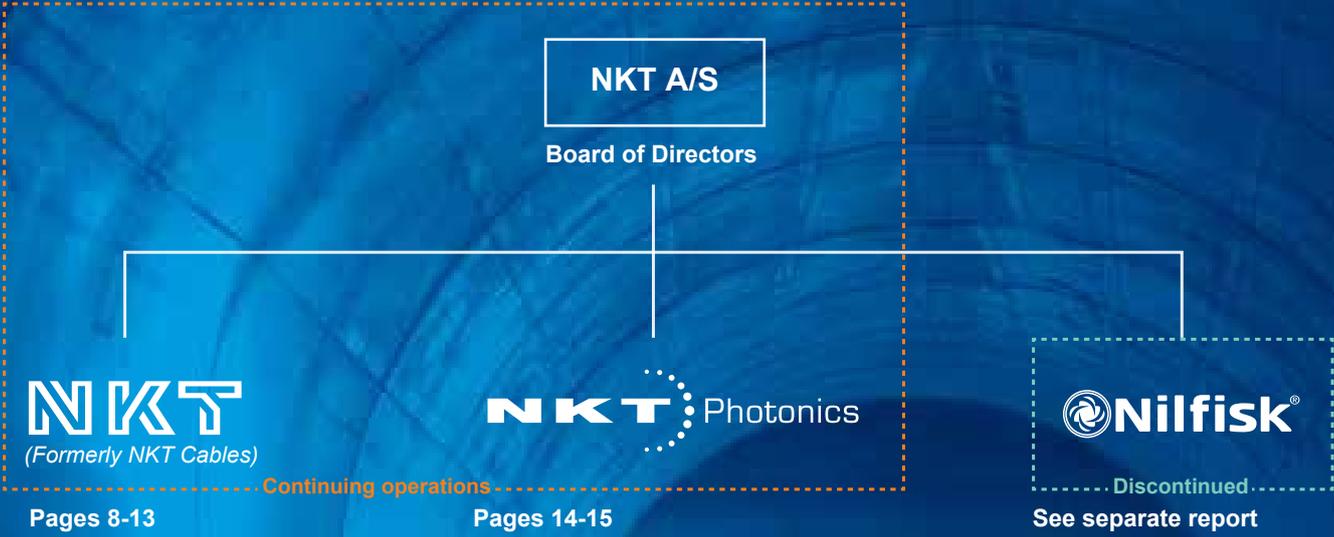
Nilfisk figures are excluded in 2016 and 2017 and comparative figures are adjusted accordingly. Notes and KPI's are based on NKT A/S' continuing business.

Balance Sheet

Nilfisk items are classified as assets held for distribution to owners as from December 2016. KPI's such as RoCE and NIBD leverage include discontinued operations.

A full specification of Nilfisk's Income and Balance Sheet statements is presented in Note 5 in the present Interim Report.

Company structure of NKT A/S



Key messages Q2 2017

Both NKT and NKT Photonics delivered increased revenue and earnings in Q2 2017, and the integration of ABB HV Cables progressed satisfactorily. The Automotive business was divested on 30 April 2017

2017 financial outlook maintained

The financial outlook for 2017 for NKT and NKT Photonics is unchanged from Company Announcement No. 8 of 11 April 2017:

For NKT, expected revenue* is approx. EUR 1.1bn and operational EBITDA is approx. EUR 140m.

For NKT Photonics, expected organic growth is approx. 10% and operational EBITDA margin is approx. 15%.

Amounts in EURm	NKT (formerly NKT Cables)				NKT Photonics			
	Q2 2017	Q2 2016	1st half 2017	1st half 2016	Q2 2017	Q2 2016	1st half 2017	1st half 2016
Revenue	390.3	267.8	664.1	490.8	11.2	8.9	18.7	16.1
Revenue in std. metal prices	288.1	200.1	473.3	363.4	11.2	8.9	18.7	16.1
Organic growth	8%	-13%	1%	-19%	26%	9%	4%	11%
Operational EBITDA	42.9	21.5	60.7	33.6	0.7	-0.3	-1.4	-0.6
Operational EBITDA margin	14.9%*	10.8%*	12.8%*	9.3%*	6.3%	neg.	neg.	neg.
Working capital	-30.6	115.7	-30.6	115.7	16.2	8.9	16.2	8.9
Working capital % of revenue, LTM	3.4%	11.0%	3.4%	11.0%	29.1%	22.7%	29.1%	22.7%
RoCE**	9.2%	6.1%	9.2%	6.1%	1.1%	1.0%	1.1%	1.0%

* Std. metal prices

** RoCE is calculated on Operational EBIT, LTM as a percentage of average capital employed as defined in Note 6 on page 28



(formerly NKT Cables)

EUR 288m

Revenue*

up by EUR 88.0m from Q2 2016, positively influenced by the acquisition of ABB HV Cables

8%

Organic growth

reflecting strong development in the acquired business. The NKT business excluding the acquisition delivered organic growth of -1%

EUR 42.9m

Operational EBITDA

doubled compared with Q2 2016. Operational EBITDA margin* increased from 10.8% to 14.9% driven by the acquisition

Integration on track

The integration of the ABB HV Cables activities progressed satisfactorily with combining the teams from Cologne and Karlskrona to one high-voltage project organisation



EUR 11m

Revenue

up by EUR 2.3m from Q2 2016, driven by growth in Imaging & Metrology and Sensing & Energy segments

26%

Organic growth

developed strongly as expected and advanced towards the financial outlook for 2017

EUR 0.7m

Operational EBITDA

up by EUR 1.0m, driven by increased revenue

Acquisition strengthens strategic direction

agreement to acquire Onefive, a leading ultrafast laser supplier, is another milestone. Closing on 1 September 2017 as the parties have obtained all required approvals

* Std. metal prices

Financial review

In Q2 2017, NKT doubled operational EBITDA, driven by the acquired ABB HV Cables business. The integration progressed as planned. Organic growth was 8% driven by satisfactory development in the Projects business. Excluding the acquired activities, organic growth was -1%. The Automotive business was divested in April 2017

Increased revenue driven by Projects business

In Q2 2017, NKT reported revenue* of EUR 288.1m, up EUR 88.0m from the same period last year. This increase was driven by the acquired ABB HV Cables business supported by continued satisfactory results in the high-voltage offshore business in Cologne. The comparison period also included revenues from the China and Automotive businesses that were since divested as part of the business strategy. The revenue development for the Products business was impacted by competitive challenges in Eastern Europe and by the positive effect from the so-called “photo year” in Germany in 2016.

1st half 2017 revenue for NKT totalled EUR 473.3m compared to EUR 363.4m in the same period last year.

Organic growth in Q2 2017 was 8%, which includes growth from the pro forma revenue for the acquired ABB HV Cables activities for the previous year. Organic growth excluding the acquisition was -1% in Q2 2017. Driven by the Projects business, organic growth for 1st half 2017 was 1%, and -1% excluding the acquired business.

Operational EBITDA margin* increased to 14.9%

Operational EBITDA for Q2 2017 was EUR 42.9m, equivalent to a margin* of 14.9%. This represents an increase of EUR 21.4m compared to Q2 2016. This positive development was driven by higher exposure to the more profitable high-voltage

market. Operational EBITDA for 1st half 2017 reached EUR 60.7m, in line with expectations, as the largest part of earnings is expected to come in 2nd half 2017 due to the acquired ABB HV Cables activities as from 1 March 2017 and finalisation of certain high-voltage offshore projects.

Operational EBITDA margin, LTM, was 11.3%, an increase of 1.2%-points

from end-March 2017 to end-June 2017. With the acquired business gradually contributing more, the operational EBITDA margin is also expected to increase.

One-off costs expensed in Q2 2017 amounted to EUR 5.1m, of which EUR 0.8m related to the intended split of NKT A/S, EUR 0.4m related to the implementation of EXCELLENCE 2020,

Key financials

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	FY 2016
Income statement					
Revenue	390.3	267.8	664.1	490.8	1,003.7
Revenue in std. metal prices	288.1	200.1	473.3	363.4	750.4
Operational EBITDA	42.9	21.5	60.7	33.6	72.5
EBITDA	37.8	19.4	41.0	29.1	26.2
Depreciations and amortisations	-18.3	-9.3	-29.0	-18.7	-36.8
Operational EBIT	24.6	12.2	31.7	14.9	35.7
EBIT	19.5	10.1	12.0	10.4	-10.6
Financial items, net	-5.7	-2.2	-7.3	-3.7	-3.0
EBT	13.8	7.9	4.7	6.7	-13.6
Profit for the year	10.9	5.8	5.4	4.0	-22.3
Cash flow					
Cash flow from operating activities	8.6	1.2	-14.4	-10.0	33.7
Cash flow from investing activities excl. acq. & div.	-16.4	-6.4	-28.9	-11.0	-31.5
Free cash flow	-7.8	-5.2	-43.3	-21.0	2.2
Balance sheet					
Capital employed	1,139.1	404.1	1,139.1	404.1	348.4
Working capital	-30.6	115.7	-30.6	115.7	57.8
Financial ratios and employees					
Organic growth	8%	-13%	1%	-19%	-10%
Gross margin	50.5%	44.5%	48.4%	42.7%	43.4%
Operational EBITDA margin*	14.9%	10.8%	12.8%	9.3%	9.7%
RoCE	9.2%	6.1%	9.2%	6.1%	9.3%
Full-time employees, end of period	3,358	3,148	3,358	3,148	2,769

* Std. metal prices

Revenue development and organic growth

Amounts in EURm	Q2 2017
Q2 2016 revenue*	200.1
Currency effect	-3.3
Acquisitions**	88.0
Divestments	-18.5
Q2 2016 adjusted revenue*	266.3
Organic growth*	21.8
Org. growth excl. ABB HV Cables*	-2.7
Org. growth ABB HV Cables**	24.5
Q2 2017 revenue*	288.1
Organic growth %	8%
Org. growth % excl. ABB HV Cables	-1%

Operational EBITDA



Working capital



and EUR 3.9m related to the integration of the acquired ABB HV Cables activities. Integration costs since announcing the acquisition in September 2016 and up to end-June 2017 amounted to EUR 13m. Total integration costs are still expected to equal approx. EUR 35-40m by end-2018.

Improved working capital

Working capital in Q2 2017 improved by EUR 146.3m against Q2 2016. This was driven primarily by the acquired activities as well as divestments of the Automotive activities in April 2017 and Chinese operations in Q4 2016. The working capital ratio, LTM, at end-June 2017 was 3.4%, down by 3.0%-points versus Q1 2017.

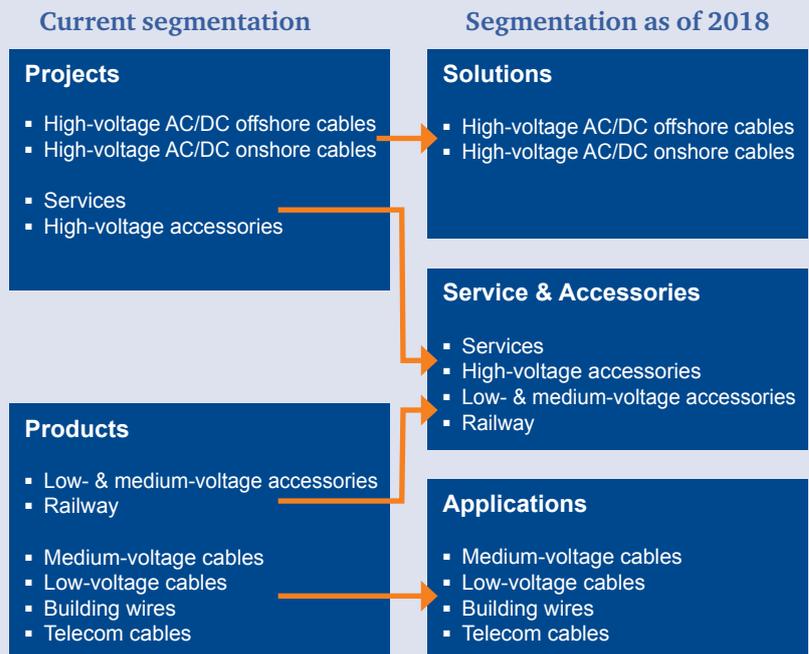
Continued growth in RoCE

As a result of the increased earnings in Q2 2017, RoCE went up to 9.2%, up by 3.1%-points from Q2 2016. Capital employed increased from Q1 2017 to Q2 2017, reflecting the delivery of the cable-laying vessel NKT Victoria in April 2017 leaving the RoCE in Q2 2017 largely on par with RoCE of 9.5% in Q1 2017. The calculation of RoCE by end-June 2017 has been adjusted to reflect the inclusion of the acquired ABB HV Cables business from 1 March 2017.

The NKT financial reporting will as of 2018 reflect the new organisational structure

To support the EXCELLENCE 2020 strategy, NKT implemented a new organisational structure on 1 January 2017 aimed at strengthening customer focus, and leveraging structural synergies and efficiencies. As a consequence of the acquisition of ABB HV Cables on 1 March 2017, the organisational structure was adjusted to support a full integration of these activities. This integration process is progressing to plan and expected to be fully implemented by end-2017.

The new organisational structure will also be reflected in the financial reporting as of 2018, where the current Projects and Products segments will be replaced by **Solutions**, **Applications**, and **Service & Accessories**.



* Std. metal prices

** Based on pro forma revenue

Business review - Projects

164m

Revenue* EUR
(Q2 2016: EUR 51m)

21%

Organic growth
(Q2 2016: EUR -43%)

Growth driven by offshore projects

The organic growth in Q2 2017 was driven by the acquired ABB HV Cables activities that delivered 29% organic growth and contributed with revenue* of EUR 109.1m in Q2 2017. Organic growth excluding the acquired business amounted to 8%. The trend from the previous quarter continued in Q2 2017, with satisfactory execution in the high-voltage offshore segment. Cable production of major projects such as Nordlink and Hornsea advanced well during the quarter. Cable installation for the first campaign of the Caithness Moray project was successfully executed by the cable-laying vessel NKT Victoria on her first campaign following her delivery in April 2017. The AC onshore market remained challenging in Q2 2017 and results were below expectations. NKT continues to execute on several improvement initiatives to improve financial performance in this part of the business in Cologne and has among others strengthened the sales organisation.

Integration of ABB HV Cables on track

The integration progressed according to plans during Q2 2017. The establishment of one high-voltage project organisation, named "Solutions", combining the teams in Cologne and in Karlskrona advanced as planned and is expected to be fully implemented during 2nd half 2017.

Also the integration of operations progressed. Seamless production planning across the two sites is important for realising synergies and efficiencies from the acquisition. The work of qualifying products for

production in both factories has started. In particular, to qualify the Cologne plant to produce high-voltage DC cables of up to 640 kV is important for capturing growth in this market going forward. The Cologne factory is already designed and fitted to manufacture high-voltage DC cables, but will need to perform qualification tests well into 2018 before obtaining the final approval.

Establishing presence in US

Following the expanded product capabilities with the acquisition, NKT is gradually ramping up its presence in the USA with the establishment of an office. With a pipeline of large cable projects gradually evolving, it is viewed as an important step to secure future growth outside of Europe. As a technology-leading company in the high-voltage DC cables field, NKT is well positioned to capture a part of this expected growth market.

Order backlog at EUR 1.0bn

As of 30 June 2017 the high-voltage order backlog amounted to EUR 1.03bn. The backlog contains several projects within offshore wind, interconnectors and oil & gas. Subject to execution of the orders, revenue recognition of the order backlog is expected to be divided into around 40% in the remaining part of 2017 and around 60% for 2018 and onwards.

While there are a limited number of projects in tender potentially impacting 2018, the mid- to long-term tender activity in the high-voltage market is currently intense, and this underpins the positive outlook in this segment. As project order content and timing hereof varies, fluctuations in revenue and earnings over time must be expected.

* Std. metal prices

Business review - Products

124m

Revenue* EUR
(Q2 2016: 139m)

-5%

Organic growth
(Q2 2016: 9%)

Financial development as expected

The Scandinavian markets, led by Sweden, and UK drove sales growth positively, especially in the 1kV aluminium and copper segments. In Sweden, a major supply contract was signed with one of the largest installers, placing NKT as the preferred supplier. Progress in these markets and in particular Sweden has exceeded expectations.

However, the German medium-voltage segment, which performed well in Q2 2016 driven by the so-called “photo-year”, slowed down as expected in 2017. In addition, the Polish market continues to be challenging due to overcapacity and competition in the low-voltage and building wire segments. NKT has initiated several measures in 2017 to counteract the challenging conditions in Poland and initial indications are positive. The Railway business continued to be challenged by delays in projects by customers and low sales volumes

in the main markets, which lead to negative growth. However, signs of improvements for 2nd half 2017 were noted.

Production efficiency

As part of the new organisational structure effective from 1 January 2017, operational management of all factories have been placed with reference to the Chief Operating Officer. As an embedded part of the EXCELLENCE 2020 strategy, several efficiency and planning initiatives were launched in Q2 2017 to further increase throughput on existing factories. The intention is to increase production volumes further on all factories with a unified approach across borders and product categories.

Sale of Automotive business finalised

The Automotive business was divested as per 30 April 2017 and thus only contributed to one month’s revenue during Q2 2017.

New EU standard effective from July 2017

As of 1 July 2017, the CPR (Construction Product Regulation), which aims to ensure reliable information on the performance of products used in buildings in EU, came into force. As a high-quality cable provider with a range of halogen-free flame retardant (HFFR) building wires in the product portfolio, NKT is well positioned to serve the European markets and meeting the increased product requirements. Hence, the enforcement of the new regulation will represent a market opportunity for NKT in certain markets.



More information on
www.nkt.com/cpr

* Std. metal prices

NKT Victoria - Ship of the Year 2017

In May 2017, NKT Victoria was presented with the Ship of the Year 2017 award in Norway. This recognition further underlines the cutting-edge credentials of NKT as a leading turnkey provider of high-voltage cable solutions

NKT wins prestigious Norwegian award

At a ceremony at the Nor-Shipping exhibition in Norway in May 2017, NKT Victoria was proclaimed Ship of the Year 2017. Presented by the Nordic maritime trade journal SKIPSREVIEN, the award was bestowed by Norway's Labour and Social Minister in the presence of HRH Crown Prince Haakon of Norway. The jury commended NKT Victoria's state-of-the-art capabilities and innovations as a world-leading cable-laying vessel that showcases the finest traditions in Norwegian ship design and shipbuilding.

NKT took delivery of NKT Victoria in April 2017 as part of the acquisition of ABB HV Cables. Since then, the vessel has been deployed on laying cables for the Caithness Moray project in Scotland. In the quarters ahead NKT Victoria will continue executing projects in the current order backlog of NKT and will be a solid revenue contributor.

Key asset for NKT as turnkey supplier

NKT Victoria has a key part to play in positioning NKT as a turnkey provider of high-voltage cable solutions, a role which will be increasingly valuable in the industry going forward. With the acquisition of ABB HV Cables and the addition of NKT Victoria, NKT now ranks as a leading player in this field.

As a purpose-built cable-layer, NKT Victoria offers NKT customers a range of strong, competitive features. She delivers state-of-the-art cable-laying accuracy through use of Dynamic Positioning Technology (DP3), and provides improved flexibility and execution stability through her ability to operate in harsh weather conditions. In addition, equipped with a power-from-shore solution when in harbour and an onboard energy storage system, NKT Victoria is much more energy-efficient than comparable vessels. Finally, as professional excellence is key to successful installation, the teams manning NKT Victoria and executing the projects are all highly experienced, highly skilled and among the industry's best.



Michael Hedegaard Lyng, President & CEO of NKT:

“I am proud that NKT Victoria was awarded the Ship of the Year Prize. NKT Victoria is one-of-a-kind not only within this particular area of the shipping industry but also in the cable industry. With this vessel, we are now able to offer our customers complete cable solutions, from design and manufacture to installation and service - as one of very few cable providers in the world”

Key facts

Type: Cable-laying vessel

Year launched: 2017

Cable load: 9,000 tonnes

Length: 140 m

Breadth: 30 m

Deadweight: 12,000 tonnes



Financial & Business review

NKT Photonics delivered organic growth of 26% in Q2 2017, and will with the announced acquisition of Onefive further strengthen its position in the ultrafast laser market

Strongly improved revenue

NKT Photonics posted revenue of EUR 11.2m in Q2 2017, an increase of EUR 2.3m from Q2 2016. The improvement was driven by both the Imaging & Metrology and the Sensing & Energy segments. The sales and development pipeline continues to advance and is expected to generate further revenue growth in the quarters ahead. Revenue for 1st half 2017 was EUR 18.7m.

As expected, organic growth was strong in Q2 2017, ending at 26%. This development was primarily based on progress in the company's Imaging & Metrology and Sensing & Energy activities. Organic growth will, however, fluctuate from quarter to quarter due to the relative size of single orders. Organic growth for 1st half 2017 was 4%.

Operational EBITDA



EBITDA up due to increased revenue

EBITDA was EUR 0.7m in Q2 2017, compared with EUR -0.3m in Q2 2016. The improvement was primarily due to increased revenue. Furthermore,

EBITDA was impacted by ongoing investments in future growth prospects and additional full-time personnel. EBITDA for 1st half 2017 amounted to EUR -1.4m compared with EUR -0.6m for the same period last year.

Working capital impacted by revenue distribution

Working capital at end-June 2017 amounted to EUR 16.2m, an increase of EUR 4.0m compared to the prior quarter. This increase was primarily due to skewed revenue distribution towards the end of the quarter, leading to higher trade receivables.

Acquisition to support commercialisation strategy

On 6 July 2017, NKT Photonics announced an agreement to acquire Onefive, a leading supplier of ultrafast lasers. The acquisition will be completed on 1 September 2017 as the parties have obtained all required approvals. This acquisition will strengthen the Material Processing business by adding complementary know-how and products to the existing portfolio. This is a central part of NKT Photonics' commercialisation strategy of growth through focused acquisitions and introduction of attractive new products.

On the back of continued growth and the commercialisation strategy, NKT Photonics has appointed Don Riddell as Chief Operating Officer (COO). The new COO will be responsible for NKT Photonics' manufacturing sites, which will be an important focus area with increasing production volume. Don Riddell holds extensive experience in laser manufacturing, automation and supply chain

management and will join NKT Photonics as of 1 September 2017.

Imaging & Metrology

The Imaging & Metrology segment continued to progress in Q2 2017. Growth during the quarter was primarily based on large OEM development projects, and another significant imaging development contract was signed. Further acceleration of the projects is expected in the quarters ahead.

Sensing & Energy

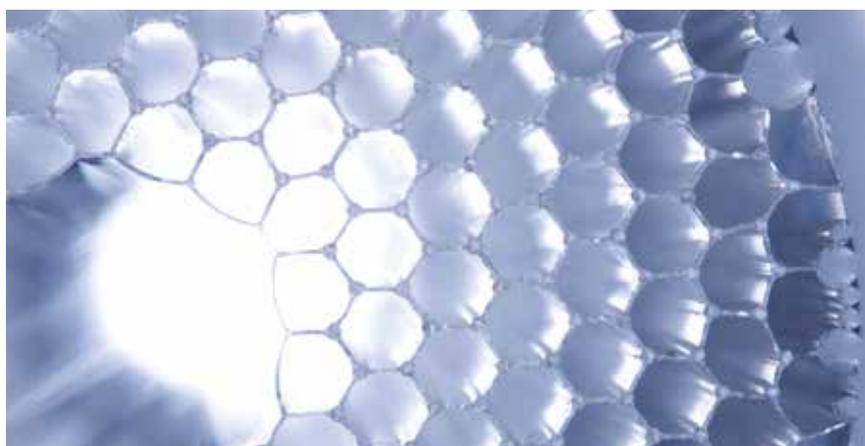
Q2 2017 growth in the Sensing & Energy segment was primarily driven by higher demand for Koheras fiber lasers. However, the temperature sensing business in particular is strongly characterised by major projects and quarter-to-quarter fluctuations are common. Overall, segment growth was as expected.

Material Processing

NKT Photonics' presence in the Material Processing industry is still relatively modest. Through the intended acquisition of Onefive, however, this position will be considerably strengthened in both the medical and industrial segments. In addition, demand for fibers and gain modules as sub-components for ultrafast lasers is increasing with the strong underlying market growth.

Key financials

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	FY 2016
Income statement					
Revenue	11.2	8.9	18.7	16.1	43.1
Operational EBITDA	0.7	-0.3	-1.4	-0.6	6.3
EBITDA	0.7	-0.3	-1.4	-0.6	6.3
Depreciations and amortisations	-1.2	-1.3	-2.2	-2.0	-4.8
Operational EBIT	-0.5	-1.6	-3.6	-2.6	1.5
EBIT	-0.5	-1.6	-3.6	-2.6	1.5
Financial items, net	-0.3	-0.3	-0.6	-0.5	-1.2
EBT	-0.8	-1.9	-4.2	-3.1	0.3
Profit for the year	-0.9	-1.7	-3.3	-2.8	0.2
Cash flow					
Cash flow from operating activities	-2.5	-2.5	-1.0	-1.5	-1.4
Cash flow from investing activities excl. acq. & div.	-2.3	-0.8	-3.3	-1.3	-3.3
Free cash flow	-4.8	-3.3	-4.3	-2.8	-4.7
Balance sheet					
Capital employed	49.8	44.6	49.8	44.6	49.3
Working capital	16.2	8.9	16.2	8.9	18.5
Financial ratios and employees					
Organic growth	26%	9%	4%	11%	7%
Gross margin	74.2%	68.8%	70.7%	71.2%	70.9%
Overhead cost ratio	52.2%	57.8%	60.1%	57.9%	44.6%
Operational EBITDA margin	6.3%	neg.	neg.	neg.	14.7%
RoCE	1.1%	1.0%	1.1%	1.0%	4.1%
Full-time employees, end of period	263	237	263	237	240



Group financials

Group-wide increase in operational EBITDA

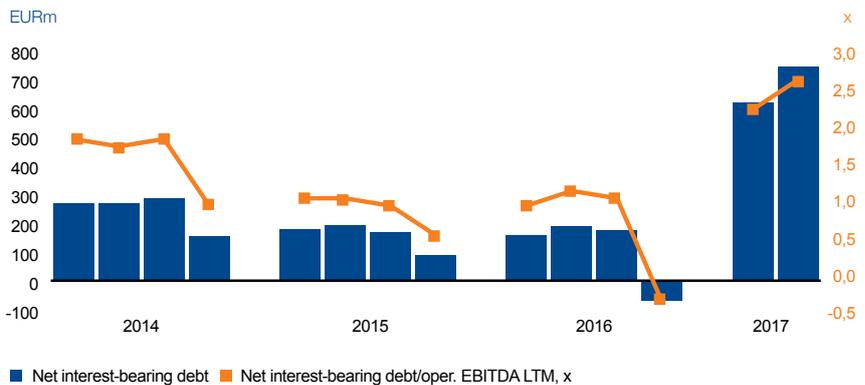
In Q2 2017, NKT A/S posted operational EBITDA of EUR 43.6m, an increase of EUR 23.2m against Q2 2016. The growth was driven by higher earnings in both NKT, driven by the acquisition of ABB HV Cables, and NKT Photonics, and translated into an operational EBITDA margin* of 14.6% compared with 9.8% in Q2 2016. As in Q1 2017, the operational EBITDA in the remaining reporting segment Other, including the parent company, was nil (EUR -0.8m in Q2 2016) as the costs were included in NKT, NKT Photonics and Nilfisk. Operational EBITDA for 1st half 2017 was EUR 59.3m.

Operational EBITDA including Nilfisk (discontinued operation) in Q2 2017 amounted to EUR 79.5m, an increase of EUR 26.6m primarily due to the acquisition in NKT. Operational EBITDA, LTM, was EUR 230.8m.

Financial items, earnings and tax

Due to increasing debt level following the acquisition of ABB HV Cables, net financial items were EUR -6.0m in Q2 2017 compared to EUR 1.4m in Q2 2016. Driven by the solid increase in revenue and earnings margins, the earnings before tax (EBT) increased to EUR 13.0m in Q2 2017 from EUR 9.1m in Q2 2016. The reported tax rate in Q2 2017 was 23.1% in line with expectations.

Net interest-bearing debt



* For the Q1 and Q2 2017 gearing ratios, pro forma EBITDA for the acquired ABB HV Cables activities has been added to LTM EBITDA in the period when NKT was not the owner of ABB HV Cables. The pro forma EBITDA is based on ABB HV Cables' estimated average annual pro forma EBITDA of EUR 79m for 2014-2016.

Cash flow impacted by payment for NKT Victoria

In Q2 2017, cash flow from operating activities amounted to EUR 16.8m, against EUR 28.7m in Q2 2016. The decrease reflected a more normalised level of working capital in Nilfisk and quarterly fluctuations in NKT. Cash flow from acquisitions and divestments amounted to EUR -151.7m, influenced by the payment for NKT Victoria. Investment in tangible and intangible fixed assets amounted to EUR 26.9m in Q2 2017, up from EUR 17.5m in Q2 2016.

Liquidity, debt leverage and equity

Net interest-bearing debt increased to EUR 742.3m at end-June 2017,

which was EUR 125.5m higher than at end-March 2017, reflecting payment of EUR 126m for NKT Victoria. Accordingly, net interest-bearing debt relative to operational EBITDA, including pro forma estimated EBITDA for the acquired ABB HV Cables activities, increased to 2.6x at end-June 2017.

At 30 June 2017, NKT A/S had total available liquidity reserves of EUR 385.8m, comprising cash of EUR 50.3m and undrawn credit facilities of EUR 335.5m. The equity amounted to EUR 982.2m, up from EUR 801.7m at end-June 2016 due to the capital increase completed in October 2016. The solvency ratio was 35%, above the internal target of minimum 30%.

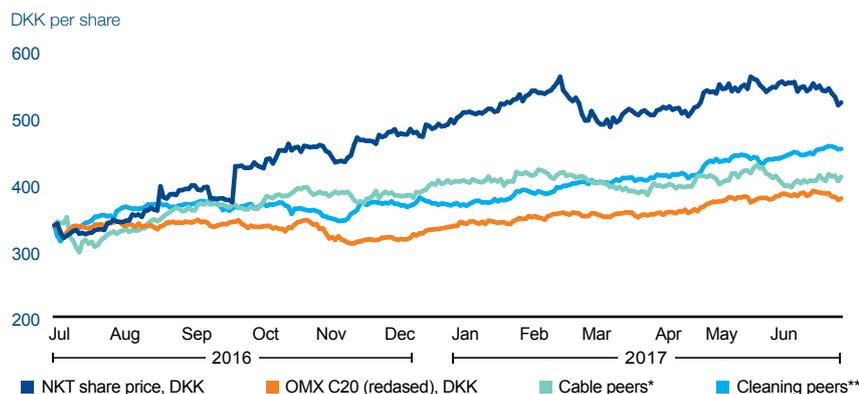
Q2 financial development by business unit

Amounts in EURm	Revenue			Oper. EBITDA			Oper. EBITDA margin	
	Q2 2017	Q2 2016	Change	Q2 2017	Q2 2016	Change	Q2 2017	Q2 2016
NKT	288.1*	200.1*	88.0	42.9	21.5	21.4	14.9%*	10.8%*
NKT Photonics	11.2	8.9	2.3	0.7	-0.3	1.0	6.3%	neg.
Other	0.0	0.0	0.0	0.0	-0.8	0.8	-	-
NKT A/S, continuing oper.	299.3	209.0	90.3	43.6	20.4	23.2	14.6%	9.8%
Nilfisk	280.0	276.5	3.5	35.9	32.5	3.4	12.8%	11.8%
NKT A/S, incl. discontinued oper.	579.3	485.5	93.8	79.5	52.9	26.6	13.7%	10.9%

* Std. metal prices

Shareholder information

NKT share price



* NKT peers are: Nexans S.A., Prysmian S.p.A., and General Cable Corp.

** Nilfisk peers are: Husqvarna AB, Stanley Black & Decker, Inc., Tennant Company, and the Toro Company.

NKT A/S shares basic data

ID code: DK0010287663

Listing: Nasdaq Copenhagen

Share capital: EUR 73m
(DKK 542m)

Number of shares: 27.1 million

Nominal value: DKK 20

Share classes: 1

NKT shares

In Q2 2017, average daily turnover in NKT shares on all trading markets was EUR 12m, compared with EUR 9m in Q2 2016. Average daily trading volume for NKT shares was 166,000, compared with 191,000 in Q2 2016. Nasdaq Copenhagen was the main trading market for NKT shares with 43% of the total traded volume.

At end-June 2017, the NKT share price was DKK 522.00, against DKK 498.90 at 31 December 2016, corresponding to a 5% increase.

As at end-June 2017, four NKT investors reported shareholdings of more than 5%: ATP (Denmark), Nordea Funds Oy, Danish Branch, Kirkbi INVEST A/S (Denmark) and Ferd AS (Norway).

In Q2 2017, the exercise of share warrants by a number of employees increased the share capital of NKT A/S by 40,675 shares with a nominal value of DKK 20, corresponding to a nominal increase in the share capital of EUR 109,195 (DKK 813,500).

The total share capital consists of 27,111,742 shares with a nominal value of DKK 20, corresponding to a total nominal share capital of EUR 72,783,200 (DKK 542,234,840).

Capital Markets Day in September 2017

On 19 September 2017, NKT A/S will invite institutional investors, financial analysts and the media to attend its Capital Markets Day in Copenhagen. The event will focus on the three business units NKT, NKT Photonics and Nilfisk ahead of the proposed split of NKT A/S into two separately listed entities. Presentations will be conducted by members of the senior management teams from each division.



More information about the event can be found on www.nkt.dk/investors.

Financial calendar 2017

19 Sep: Capital Markets Day

10 Oct: Expected Extraordinary General Meeting

12 Oct: Expected 1st trading day with Nilfisk as separately listed entity

15 Nov: Interim Report, Q3

Group Management's statement

The Board of Directors and the Executive Management Board have today considered and adopted the Interim Report of NKT A/S for the period 1 January - 30 June 2017.

The Interim Report, which has not been audited or reviewed by the company auditor, has been prepared in accordance with IAS 34 'Interim Financial Reporting', as approved by the EU, and Danish disclosure requirements for interim reporting by listed companies.

In our opinion the Interim Report gives a true and fair view of the Group's

assets, liabilities and financial position at 30 June 2017 and the results of the Group's activities and cash flow for the period 1 January - 30 June 2017.

We also find that the Management's review provides a fair statement of developments in the activities and financial situation of the Group, financial results for the period, the general financial position of the Group, and a description of major risks and elements of uncertainty faced by the Group.

Brøndby, 17 August 2017

Group Executive Director

Michael Hedegaard Lyng

Board of Directors

Jens Due Olsen, *Chairman*

René Svendsen-Tune, *Deputy Chairman*

Niels-Henrik Dreesen

René Engel Kristiansen

Jens Maaløe

Gitte Toft Nielsen

Jutta af Rosenborg

Anders Runevad

Lars Sandahl Sørensen

Financial Statements

NKT A/S

Income statement

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	Year 2016
Revenue	401.5	276.7	682.8	506.9	1,046.1
Earnings before interest, tax, depreciation and amortisation (EBITDA)	38.5	18.3	39.6	27.0	27.9
Depreciation and impairment of property, plant and equipment	-16.2	-8.5	-25.4	-16.8	-33.0
Amortisation and impairment of intangible assets	-3.3	-2.1	-5.8	-3.9	-8.6
Earnings before interest and tax (EBIT)	19.0	7.7	8.4	6.3	-13.7
Financial items, net	-6.0	1.4	-7.9	2.9	5.7
Earnings before tax (EBT)	13.0	9.1	0.5	9.2	-8.0
Tax	-3.0	-2.6	1.6	-3.3	-9.5
Profit from continuing operations	10.0	6.5	2.1	5.9	-17.5
Profit from discontinued operations	22.5	13.7	43.0	24.9	29.6
Net profit	32.5	20.2	45.1	30.8	12.1
To be distributed as follows:					
Profit attributable to equity holders of NKT A/S	32.5	20.2	45.1	30.8	12.1
Basic earnings, EUR per outstanding share (EPS)	1.2	0.9	1.7	1.3	0.5
Diluted earnings, EUR per share (EPS-D)	1.2	0.9	1.7	1.3	0.5
Earnings from continuing operations, EUR per outstanding share (EPS)	0.4	0.2	0.1	0.2	-0.7
Diluted earnings from continuing operations, EUR per share (EPS-D)	0.4	0.2	0.1	0.2	-0.7

Cash flow

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	Year 2016
Earnings before interest, tax, depreciation and amortisation (EBITDA) from continuing operations	38.5	18.3	39.6	27.0	27.9
Earnings before interest, tax, depreciation and amortisation (EBITDA) from discontinued operations	33.2	32.5	64.1	59.7	96.8
	71.7	50.8	103.7	86.7	124.7
Financial items, net from continuing and discontinued operations	-7.9	-2.9	-12.3	-4.1	-5.3
Changes in provisions, tax and non-cash operating items, profit on sales of non-current assets, etc.	-11.7	-10.2	-22.6	-15.7	-23.1
Changes in working capital	-35.3	-9.0	-90.4	-47.3	57.6
Cash flow from operating activities	16.8	28.7	-21.6	19.6	153.9
Acquisition of business	-151.7	0.0	-785.1	-53.0	-53.3
Divestment of business	23.8	0.0	23.8	0.0	-3.0
Investments in property, plant and equipment	-14.6	-7.5	-28.6	-18.3	-40.7
Disposal of property, plant and equipment	0.2	0.9	1.1	1.4	3.5
Intangible assets and other investments, net	-12.5	-10.9	-21.9	-17.9	-38.5
Cash flow from investing activities	-154.8	-17.5	-810.7	-87.8	-132.0
Free cash flow	-138.0	11.2	-832.3	-68.2	21.9
Changes in non-current loans from credit institutions	138.4	14.7	691.0	69.7	-53.8
Changes in current loans from credit institutions	18.4	-3.2	25.0	6.8	-0.4
Non-controlling interest, dividend, etc.	0.0	-3.0	0.0	-3.0	-4.4
Cash from disposal of treasury shares / share buyback programme	0.0	-20.1	0.0	-24.8	11.0
Dividends paid	0.0	-13.0	0.0	-13.0	-13.0
Cash from issue of new shares / exercise of warrants	1.7	0.0	9.5	6.3	139.5
Cash flow from financing activities	158.5	-24.6	725.5	42.0	78.9
Net cash flow	20.5	-13.4	-106.8	-26.2	100.8
Cash at bank and in hand at the beginning of the period	31.1	45.0	158.1	58.3	58.3
Currency adjustments	-1.3	-0.5	-1.0	-1.0	-1.0
Net cash flow	20.5	-13.4	-106.8	-26.2	100.8
Cash at bank and in hand at the end of the period*	50.3	31.1	50.3	31.1	158.1
*Including cash classified as held for sale/distribution to owners of:	19.7	0.0	19.7	0.0	30.3

Balance sheet

Amounts in EURm	30 June 2017	30 June 2016	31 December 2016
Assets			
Intangible assets	574.1	373.5	73.5
Property, plant and equipment	720.8	359.3	272.8
Other non-current assets	49.6	85.8	36.0
Total non-current assets	1,344.5	818.6	382.3
Inventories	225.9	393.4	142.1
Receivables and income tax	356.5	544.1	209.2
Cash at bank and in hand	30.6	31.1	127.8
Assets classified as held for sale	0.0	0.0	52.7
Assets classified as held for distribution to owners	851.5	0.0	833.0
Total current assets	1,464.5	968.6	1,364.8
Total assets	2,809.0	1,787.2	1,747.1
Equity and liabilities			
Equity attributable to equity holders of NKT A/S	982.2	801.7	951.4
Non-controlling interest	0.0	0.0	0.0
Total equity	982.2	801.7	951.4
Deferred tax	51.2	39.3	8.0
Pension liabilities	53.2	54.7	53.1
Provisions	22.6	18.9	12.8
Interest-bearing loans and borrowings	773.8	212.5	83.0
Total non-current liabilities	900.8	325.4	156.9
Interest-bearing loans and borrowings	27.4	16.3	10.5
Trade payables and other liabilities	605.5	643.8	296.6
Liabilities associated with assets classified as held for sale	0.0	0.0	24.6
Liabilities associated with assets classified as held for distribution to owners	293.1	0.0	307.1
Total current liabilities	926.0	660.1	638.8
Total liabilities	1,826.8	985.5	795.7
Total equity and liabilities	2,809.0	1,787.2	1,747.1

Comprehensive income and Equity

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	Year 2016
Comprehensive income					
Net profit	32.5	20.2	45.1	30.8	12.1
Other comprehensive income:					
<i>Items that may not be reclassified to income statement:</i>					
Actuarial gains/(losses) on defined benefit pension plans	0.0	0.0	0.0	0.0	-4.6
<i>Items that may be reclassified to income statement:</i>					
Currency adjustment of foreign subsidiaries and value adjustment of hedging instruments, etc.	-23.3	1.6	-23.6	-4.2	-1.7
Total comprehensive income for the period	9.2	21.8	21.5	26.6	5.8
Statement of changes in equity					
Group equity, 1 January			951.4	809.5	809.5
Total comprehensive income for the period			21.5	26.6	5.8
Dividends paid			0.0	-13.1	-13.1
Dividend, treasury shares			0.0	0.1	0.1
Issue of shares			0.0	0.0	135.8
Share issue costs			0.0	0.0	-3.8
Share buyback programme			0.0	-24.8	-41.8
Disposal of treasury shares			0.0	0.0	52.8
Acquisition/disposal of non-controlling interest			0.0	-3.0	-4.4
Share-based payment			-0.2	0.1	3.0
Exercise of warrants			9.5	6.3	7.5
Group equity at the end of the period			982.2	801.7	951.4

Notes

Note 1 Accounting policies, accounting estimates, and risks, etc.

The Interim Report is presented in accordance with IAS 34 'Interim Financial Reporting', which has been approved by the EU, and Danish disclosure requirements for interim reports for listed companies.

The accounting policies are unchanged in relation to the 2016 Annual Report, to which reference should be made. The 2016 Annual Report contains the full text of the accounting policies.

NKT has implemented the standards and interpretations that become effective for 2017. The implementation of standards and interpretations has not influenced recognition and measurement in 2017 or is expected to influence future financial years.

Regarding **accounting estimates**, please refer to Note 1.1 on page 59 of the 2016 Annual Report. Regarding **risks**, please refer to Note 6.6 on page 91 of the 2016 Annual Report and the information contained in the sections on risk management on page 22 and on page 33 of the 2016 Annual Report.

On 2 April 2014 NKT received a fine of EUR 4m following the investigation conducted by the European Commission into alleged price-fixing activities with regard to high-voltage power cable projects, cf. Company Announcement No. 8 2014. By defining NKT as a 'fringe player' - as the only European manufacturer - the European Commission explicitly established that the role of NKT was substantially limited. This is further emphasised by the fact that NKT was the only European manufacturer to receive a 10% reduction on the fine amount. While the European Commission has assessed that NKT's role was substantially limited and the fine is considerably smaller than those imposed on other cable manufacturers, NKT disagrees with the Commission's decision and has therefore filed an appeal.

As a consequence of the Commission's decision, NKT and other power cable producers face exposure to claims for damages in proceedings brought by customers or other third parties, including claims that have been filed by National Grid, Scottish Power and Vattenfall in the UK. In line with its appeal against the Commission's decision, NKT contests any civil damages claim that is based on this decision.

During 2016 NKT were notified of claims due to break downs on two offshore cable systems. Although there are no indications that other cable systems are at risk, NKT has as a precautionary and proactive measure decided to analyse and test other similar cable systems. Customers which might be impacted by this issue has been contacted. Analysis and tests are ongoing. Provisions for costs related hereto have in 2016 been made on the projects impacted by the break down.

In relation to the acquisition of ABB HV Cables on 1 March 2017, NKT has assessed preliminary fair values of the acquired net assets and recognised goodwill in the present Interim report. The details can be found in Note 3 on page 26. The figures may be subject to change.

According to the regulation for financial statements preparation, the Group Management is required to determine whether the interim statement can be presented on a 'going concern' basis. Based on outlook estimates, including examination of the latest 'forecast 2017', and future cash flow expectations, existence of credit facilities, etc., it is the opinion of the Group Management that there are no factors giving rise to doubt as to whether NKT can continue operating for at least 12 months from the balance sheet date. Information concerning Group cash resources and expectations for 2017 are included in the Management's review.

Note 2 Segment reporting

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	Year 2016
Revenue					
NKT revenue in market prices	390.3	267.8	664.1	490.8	1,003.7
NKT Photonics	11.2	8.9	18.7	16.1	43.1
Elimination of transactions between segments	0.0	0.0	0.0	0.0	-0.7
NKT A/S revenue in market prices	401.5	276.7	682.8	506.9	1,046.1
<i>NKT revenue in std. metal prices</i>	<i>288.1</i>	<i>200.1</i>	<i>473.3</i>	<i>363.4</i>	<i>750.4</i>
<i>NKT A/S revenue in std. metal prices</i>	<i>299.3</i>	<i>209.0</i>	<i>492.0</i>	<i>379.5</i>	<i>792.8</i>
Operational EBITDA					
NKT	42.9	21.5	60.7	33.6	72.5
NKT Photonics	0.7	-0.3	-1.4	-0.6	6.3
Parent company	0.0	-0.8	0.0	-1.5	-3.9
NKT A/S operational EBITDA	43.6	20.4	59.3	31.5	74.9
Earnings, EBITDA					
NKT	37.8	19.4	41.0	29.1	26.2
NKT Photonics	0.7	-0.3	-1.4	-0.6	6.3
Parent company	0.0	-0.8	0.0	-1.5	-4.6
NKT A/S EBITDA	38.5	18.3	39.6	27.0	27.9
Segment profit, EBIT					
NKT	19.5	10.1	12.0	10.4	-10.6
NKT Photonics	-0.5	-1.6	-3.6	-2.6	1.5
Parent company	0.0	-0.8	0.0	-1.5	-4.6
NKT A/S EBIT	19.0	7.7	8.4	6.3	-13.7
Capital Employed					
NKT			1,139.1	404.1	348.4
NKT Photonics			49.8	44.6	49.3
Parent company			0.0	-4.2	-5.4
Nilfisk, discontinued operations			535.6	545.4	490.7
NKT A/S Capital Employed			1,724.5	989.9	883.0

Note 3 Acquisition of businesses

Acquisitions 2017

Amounts in EURm (preliminary)		ABB HV Cables NKT acquisition
<i>Non-current assets</i>	Intangible assets	114.9
	Tangible assets	451.7
	Deferred tax	0.0
<i>Current assets</i>	Inventories	46.7
	Receivables	76.1
	Cash at bank and in hand	14.4
<i>Non-current liabilities</i>	Deferred tax	-41.1
	Provisions	-10.0
<i>Current liabilities</i>	Interest-bearing loans and borrowings	0.0
	Payables and provisions	-237.7
	Net assets acquired	415.0
	Goodwill	384.5
	Purchase consideration	799.5
	Cash acquired	-14.4
	Cash purchase consideration	785.1
	Interest-bearing loans and borrowings acquired	0.0

Effective from 1 March 2017, NKT acquired ABB HV Cables. Please refer to the Management's review for further details.

Fair value of acquired net assets and recognised goodwill

The integration of ABB HV Cables is ongoing, which means that net assets and goodwill may be adjusted and off-balance sheet items may be recorded for up to 12 months from the date of the acquisition in compliance with IFRS 3.

Goodwill represents the value of personnel and anticipated synergies arising from merger of the existing activities of NKT. Goodwill is not tax deductible.

Impact on income statement

The acquired ABB HV Cables activities contributed with revenue of EUR 160.4m operational EBITDA of EUR 36.7m and net profit of EUR 15.4m for 1st half 2017.

On a pro forma basis, if the business had been acquired as of 1 January 2017, the contribution from revenue would have been EUR 240.2m. As ABB HV Cables not was a stand-alone entity within the ABB Group, it did not have reported stand-alone historical financial statements. On the basis of this, it has not been possible to provide a reliable estimate for the operational EBITDA and net profit, as if it had been part of NKT since 1 January 2017.

Note 4 Divestment of businesses

In October 2016, NKT entered into an agreement to divest its Automotive cable activities to a subsidiary of the German-based Wilms Group. The activities cover automotive cables, flexible cables and special cables and

include a plant located in Vrchlabí, Czech Republic, with around 400 employees. The transaction was closed 30 April 2017 cf. Company Press Release of 28 April 2017.

Note 5 Discontinued operations

Due to the intended split of NKT A/S into two listed entities, Nilfisk is treated as discontinued operations.

Specifications of Nilfisk's income and Balance Sheet statement are disclosed in the table below.

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	Year 2016
Discontinued operations					
Nilfisk:					
Income statement					
Revenue	280.0	276.5	549.0	531.9	1,058.5
Costs and other income	-246.8	-244.0	-484.9	-472.2	-961.7
Depreciation, amortisation and impairment*	0	-9.9	0.0	-19.5	-42.8
Financial items, net	-1.9	-4.3	-4.4	-7.0	-11.0
Earnings from operations before tax (EBT)	31.3	18.3	59.7	33.2	43.0
Tax on operations	-8.8	-4.6	-16.7	-8.3	-13.4
Profit from discontinued operations	22.5	13.7	43.0	24.9	29.6
*Depreciation and amortisation is, in accordance with IFRS rules for discontinued operations, ceased with effect from Dec. 2016.					
Cash flow					
Cash flow from operating activities	10.5	26.2	-6.2	25.3	115.1
Cash flow from investing activities	-8.3	-10.1	-17.2	-50.3	-69.6
Assets and associated liabilities held for distribution to owners					
Intangible assets			297.7	-	299.7
Property, plant and equipment			66.5	-	61.6
Other non-current assets			36.9	-	57.6
Inventories			192.0	-	173.3
Receivables			238.7	-	212.3
Cash at bank and in hand			19.7	-	28.5
Total assets held for distribution to owners			851.5	-	833.0
Deferred tax			21.9	-	41.0
Pension liabilities			7.1	-	7.5
Provisions			6.6	-	6.8
Interest-bearing loans and borrowings			0.4	-	0.2
Interest-bearing loans and borrowings current liabilities			3.0	-	2.7
Trade payables and other liabilities, current liabilities			254.1	-	248.9
Total liabilities associated with assets held for distribution to owners			293.1	-	307.1

Note 6 Definitions

Items below refer to the Financial Highlights contained on page 29.

- 1. Revenue in std. metal prices** - Revenue in std. metal prices for copper and aluminium fixed at EUR/tonne 1,550 and EUR/tonne 1,350 respectively.
- 2. Organic growth** - Absolute organic sales growth (standard price) as a percentage of prior-year adjusted revenue (standard price). Organic growth is a measure of growth, excluding the impact of exchange adjustments from year-on-year comparisons, and including acquisitions and divestments. For acquisitions a pro forma revenue for the prior year is included in the calculation, and for divestments revenue for the prior year is removed from the calculation.
- 3. Operational earnings before interest, tax, depreciation and amortisation (Oper. EBITDA)** - Earnings before interest, tax, depreciation and amortisation (EBITDA) adjusted for one-off items.
- 4. Operational earnings before interest and tax (Oper. EBIT)** - Earnings before interest and tax (EBIT) adjusted for one-off items.
- 5. Net interest-bearing debt** - Cash, investments and interest-bearing receivables less interest-bearing debt.
- 6. Capital employed** - Group equity plus net interest-bearing debt.
- 7. Working capital** - Current assets minus current liabilities (excluding interest-bearing items and provisions).
- 8. Net interest-bearing debt relative to operational EBITDA** - Operational EBITDA is calculated including discontinued operations on a rolling 12-months basis (LTM).
- 9. Solvency ratio (equity as a percentage of total assets)** - Equity excl. non-controlling interest as a percentage of total assets.
- 10. Return on capital employed (RoCE)** - Operational EBIT as a percentage of average capital employed. Calculated including discontinued operations on a rolling 12-months basis (LTM).
- 11. Earnings, EUR per outstanding share (EPS)** - Earnings attributable to equity holders of NKT A/S relative to average number of outstanding shares (EPS).
- 12. Equity value, EUR per outstanding share** - Equity attributable to equity holders of NKT A/S at period end per outstanding share at period end. Dilutive effect from warrants plan for Group Management and employees is not included in this ratio.

Statements made about the future in this report reflect the Group Management's current expectations with regard to future events and financial results. Statements about the future are by their nature subject to uncertainty, and the results achieved may therefore differ from the expectations, among other things due to economic and financial market developments, legislative and regulatory changes in NKT A/S markets, development in product demand, competitive conditions, and energy and raw material prices. See also latest Annual Report for a more detailed description of risk factors.

NKT A/S disclaims any liability to update or adjust statements about the future or the possible reasons for

differences between actual and anticipated results except where required by legislation or other regulations

The NKT A/S Interim Report Q2 2017 was published on 17 August 2017 and released through Nasdaq Copenhagen. The report is also available at www.nkt.dk.

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Financial highlights and ratios

Amounts in EURm	Q2 2017	Q2 2016	1st half 2017	1st half 2016	Year 2016
Income statement					
Revenue	401.5	276.7	682.8	506.9	1,046.1
Revenue in std. metal prices ¹⁾	299.3	209.0	492.0	379.5	792.8
Operational earnings before interest, tax, depreciation and amortisation (Oper. EBITDA) ³⁾	43.6	20.4	59.3	31.5	74.9
Earnings before interest, tax, depreciation and amortisation (EBITDA)	38.5	18.3	39.6	27.0	27.9
Depreciation and impairment of property, plant and equipment	-16.2	-8.5	-25.4	-16.8	-33.0
Amortisation and impairment of intangible assets	-3.3	-2.1	-5.8	-3.9	-8.6
Operational earnings before interest and tax (Oper. EBIT) ⁴⁾	24.1	9.8	28.1	10.8	33.3
Earnings before interest and tax (EBIT)	19.0	7.7	8.4	6.3	-13.7
Financial items, net	-6.0	1.4	-7.9	2.9	5.7
Earnings before tax (EBT)	13.0	9.1	0.5	9.2	-8.0
Net profit from continuing operations	10.0	6.5	2.1	5.9	-17.5
Net profit from discontinued operations	22.5	13.7	43.0	24.9	29.6
Net profit	32.5	20.2	45.1	30.8	12.1
Profit attributable to equity holders of NKT A/S	32.5	20.2	45.1	30.8	12.1
Cash flow					
*Cash flow from operating activities	16.8	28.7	-21.6	19.6	153.9
*Cash flow from investing activities	-154.8	-17.5	-810.7	-87.8	-132.0
*hereof acquisition and divestment of business	-127.9	0.0	-761.3	-53.0	-56.3
*hereof investments in property, plant and equipment	-14.6	-7.5	-28.6	-18.3	-40.7
*Free cash flow	-138.0	11.2	-832.3	-68.2	21.9
Balance sheet					
Share capital	72.8	65.4	72.8	65.4	72.0
*Equity attributable to equity holders of NKT A/S	982.2	801.7	982.2	801.7	951.4
*Non-controlling interest	0.0	0.0	0.0	0.0	0.0
*Group equity	982.2	801.7	982.2	801.7	951.4
*Total assets	2,809.0	1,787.2	2,809.0	1,787.2	1,747.1
*Net interest-bearing debt ⁵⁾	742.3	188.2	742.3	188.2	-68.4
*Capital employed ⁶⁾	1,724.5	989.9	1,724.5	989.9	883.0
*Working capital ⁷⁾	169.9	318.8	169.9	318.8	217.0
Financial ratios and employees					
Operational EBITDA margin, continuing operations (std. metal prices)	14.6%	9.8%	12.1%	8.3%	9.4%
*Gearing (net interest-bearing debt as % of Group equity)	76%	23%	76%	23%	-7%
*Net interest-bearing debt relative to operational EBITDA ⁸⁾	2.6	1.1	2.6	1.1	-0.4
*Solvency ratio (equity as % of total assets) ⁹⁾	35%	45%	35%	45%	54%
*Return on capital employed (RoCE) (LTM) ¹⁰⁾	12.8%	9.3%	12.8%	9.3%	11.7%
Number of DKK 20 shares ('000)	27,112	24,356	27,112	24,356	26,835
Number of treasury shares ('000)	0	589	0	589	0
*Earnings, EUR per outstanding share (EPS) ¹¹⁾	1.2	0.9	1.7	1.3	0.5
Dividend paid, DKK per share	0.0	0.0	0.0	4.0	4.0
*Equity value, EUR per outstanding share ¹²⁾	36	34	36	34	35
*Market price, DKK per share	522	337	522	337	499
*Number of full-time employees, average	9,235	9,130	9,235	9,130	8,958

^{1) - 12)} Definitions appear in Note 6. *) Including discontinued operations

Financial highlights and ratios are calculated as defined in the 2016 Annual Report.



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