Interim Report
Q1 2013

NKT Holding A/S, Interim Report Q1 2013
22 May 2013, Announcement No. 11

CONTENTS

NKT

Key messages

Revenue in std. metal prices: 2,859 mDKK
(Q1 2012: 2,806 mDKK)

Organic growth: 2%
NKT Cables: **4**%
Electricity Infrastructure: 11%, Railway: 19%
Construction: -19%, Automotive: -8%
Nilfisk-Advance: **1**%
EMEA: 2%, Americas: 4%, APAC: -10%
Photonics Group: **-6**%

Revenue in market prices: 3,509 mDKK
(Q1 2012: 3,531 mDKK)

Operational EBITDA: 217 mDKK
(Q1 2012: 229 mDKK)

Operational EBITDA margin: 7.6%
in std. metal prices (Q1: 2012: 8.2%)

Profit: 25 mDKK
(Q1 2012: 31 mDKK)

Working capital: 3.119 mDKK
(Q1 2012: 2,884 mDKK)

Dividend paid: 191 mDKK
(2012: 48 mDKK)

NIBD: 2,776 mDKK
(Q1 2012: 4,491 mDKK)

NIBD/Oper. EBITDA LTM: 2.7x
(Q1 2012: 4.3x)

POSITIVE GROWTH
- AND EARNINGS AS EXPECTED

Q1 2013 showed satisfactory organic growth of 2%. NKT Cables led the way by delivering organic growth of 4%, while the growth for Nilfisk-Advance was more subdued at 1% for the period. The NKT Group is negatively influenced by the European markets, where customers remain cautious. In the growth markets, NKT Cables in particular experienced positive development in China and Australia, while Nilfisk-Advance saw continued satisfactory development in the Americas.

Earnings were slightly down, among other things due to changes in product mix and timing differences. Financial expenses showed positive development due to a lower interest rate margin resulting from a reduced level of debt at the end of 2012. As expected, net interest bearing debt increased during Q1 among other things due to rising working capital influenced by seasonal build-up of stocks at Nilfisk-Advance, and dividend payment to shareholders.

NKT Cables: The organic growth came from Electricity Infrastructure and Railway in China. The transshipment and storage terminal in Rotterdam was completed, and a number of new orders were obtained for high voltage cables and for catenary wires for high-speed railways in China. The Construction market was characterised by a harsh winter. EBITDA margin in standard metal prices was 3.7%, a rise of 0.1% points.

Nilfisk-Advance: The organic growth came from the mature markets in Europe and the Americas. Fixed costs were reduced and working capital was largely unchanged from the same quarter last year. EBITDA margin was 11.4%, a fall of 0.6% points, primarily due to fewer working days in the quarter.

Photonics Group: Revenue fell compared with Q1 2012 when there was growth of 31% based on a major project sale. The underlying growth trend in Photonics Group remains satisfactory.

Unchanged expectations
The expectations for 2013 covering the existing part of the Group are unchanged from the forecast in the 2012 Annual Report.

The expected acquisition of Ericsson's power cable operations at the beginning of Q3 2013 increase revenue in standard metal prices, however, by approx. 500 mDKK, but is not expected to influence earnings for 2013. The transaction is expected to positively impact earnings for NKT Cables as from 2014.

Financial **highlights**

Amounts in mDKK	Q1 2013	Q1 2012	Year 2012
Income statement			
Revenue	3,509	3,531	15,253
Revenue in std. metal prices [1)]	2,859	2,806	12,148
Operational earnings before interest, tax, depreciation and amortisation (Oper. EBITDA) [2)]	217	229	1,039
Earnings before interest, tax, depreciation and amortisation (EBITDA)	217	228	1,009
Depreciation and impairment of property, plant and equipment	-87	-86	-360
Amortisation and impairment of intangible assets	-42	-39	-176
Earnings before interest and tax (EBIT)	88	103	473
Financial items, net	-48	-59	-196
Earnings before tax (EBT) from continuing operations	40	44	277
Profit from continuing operations	25	31	195
Profit from discontinued operations	0	0	1,410
Net profit	25	31	1,605
Profit attributable to equity holders of NKT Holding A/S	25	30	1,604
Cash flow			
Cash flow from operating activities	-521	27	1,122
Cash flow from investing activities	-113	-134	-532
herof investments in property, plant and equipment	-64	-89	-364
Free cash flow	-634	-107	590
Balance sheet			
Share capital	479	478	478
Equity attributable to equity holders of NKT Holding A/S	5,571	4,116	5,730
Minority interests	8	6	7
Group equity	5,579	4,122	5,737
Total assets	13,661	13,771	12,936
Net interest bearing debt [3)]	2,776	4,491	1,909
Capital employed [4)]	8,355	8,661	7,646
Working capital [5)]	3,119	2,884	2,409
Financial ratios and employees			
Gearing (net interest bearing debt as % of Group equity)	50%	109%	33%
Net interest bearing debt relative to operational EBITDA [6)]	2.7	4.3	1.8
Solvency (equity as % of total assets) [7)]	41%	30%	44%
Return on capital employed (RoCE) [8)]	6.0%	5.5%	6.2%
Number of 20 DKK shares ('000)	23,930	23,888	23,888
Number of treasury shares ('000)	77	77	77
Earnings cont. ope., DKK per outstanding share (EPS)	1.0	1.3	8.2
Earnings, DKK per outstanding share (EPS) [9)]	1.0	1.3	67.5
Dividend paid, DKK per share	8.0	2.0	2.0
Equity value, DKK per outstanding share [10)]	234	173	241
Market price, DKK per share	216	254	204
Average number of employees	8,846	8,929	8,867

[1) - 10)] Explanatory comments appear in Note 4.
Financial highlights and ratios are calculated as defined in the 2012 Annual Report.

The NKT Group

Developments in the NKT Group were as **expected**. The organic growth was principally attributable to Electricity Infrastructure and Railway in NKT Cables. Nilfisk-Advance maintained organic growth in EMEA and the Americas and despite negative growth the underlying trend in Photonics Group was still **positive**

Fig. 1 Revenue by business unit

Amounts in mDKK	Q1 2012	Currency effect	Growth	Q1 2013	Org.* growth
NKT Cables	1,112	-3	40	1,149	4%
Nilfisk-Advance	1,636	3	16	1,655	1%
Photonics Group	59	-1	-3	55	-6%
Revenue, std. metal prices	2,806	-1	54	2,859	2%
Adjustment, metal prices	725	-4	-71	650	-
Revenue, market prices	3,531	-5	-17	3,509	-

**Organic growth is adjusted for the effect of exchange rates, metal prices and acquisitions*

Positive organic growth

NKT achieved organic growth of 2% and revenue measured in standard metal prices amounted to 2,859 mDKK.

Fig. 1 shows the composition of revenue development by business unit.

Revenue stated in market prices was negatively influenced to the amount of 5% by changes in metal prices.

NKT Cables realised organic growth of 4% which was primarily driven by Electricity Infrastructure and Railway. A long, hard winter delayed the start of activities in Construction and this has impacted on demand.

Nilfisk-Advance achieved organic growth of 1% which was driven by sales in EMEA and the Americas. Revenue was negatively affected by a difference, compared with 2012, in the relative number of working days in Q1 and Q2.

Photonics Group realised negative organic growth of 6% compared with the same period in 2012 which was influenced by a major project sale. Despite the development in revenue Photonics Group maintained the trend anticipated.

Earnings on par with expectations

Operational EBITDA for the NKT Group was 217 mDKK in Q1 2013, a fall of 5%. Earnings were particularly influenced by the reduced number of working days and a changed product mix, but were also affected by special costs of around 15 mDKK relating i.a. to the acquisition of Ericsson's cable operations.

The composition of operational EBITDA by business unit is shown in Fig. 2.

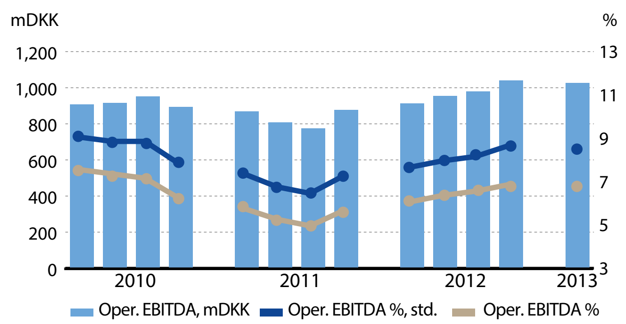
Fig. 2 Operational EBITDA by business unit

Amounts in mDKK	Q1 2013	Q1 2012	Nom. change
NKT Cables	43	40	3
Nilfisk-Advance	188	196	-8
Photonics Group	-5	-1	-4
Other	-9	-6	-3
Operational EBITDA	**217**	**229**	**-12**
Structural initiatives	0	-1	1
EBITDA	**217**	**228**	**-11**

Measured in standard metal prices, the operational EBITDA margin for the quarter was 7.6% (Q1 2012: 8.2%).

Operational EBITDA on a rolling 12-month basis was 1,026 mDKK (31 December 2012: 1,039 mDKK). The operational EBITDA margin, stated in standard metal prices, was 8.4% (31 December 2012: 8.6%). The quarterly development in NKT's operational EBITDA on a rolling 12-month basis is shown in Fig. 3.

Fig. 3 NKT's operational EBITDA, LTM



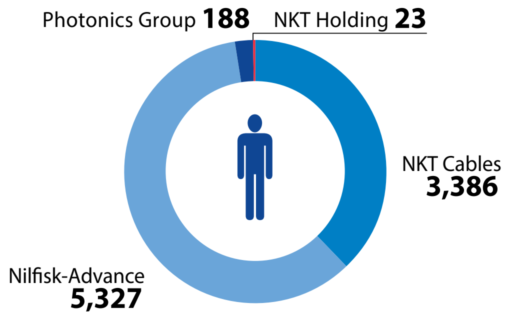
Nilfisk-Advance raised its prices in Q1 2013. The full effect of the price increases is expected in Q2 2013.

At the end of Q1 2013 the NKT Group had around 8,924 employees, approx. 13% in Denmark and approx. 87% outside Denmark. This was the same as Q1 2012.

Financial items, earnings before tax, and tax

Net financial items amounted to -48 mDKK (Q1 2012: -59 mDKK), an improvement of 11 mDKK. The improvement was mainly

Fig. 4 Number of employees



attributable to a lower net interest bearing debt at the start of Q1 and a lower interest rate margin.

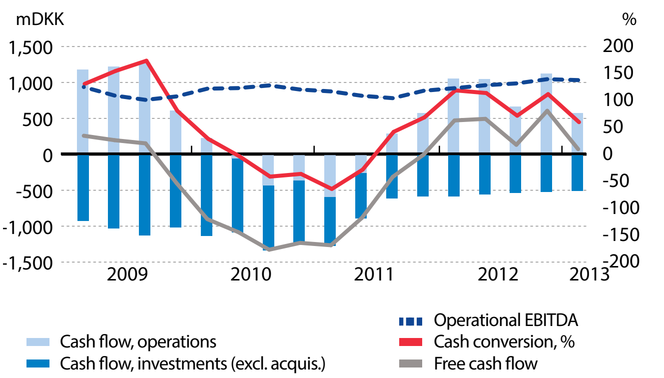
Group earnings before tax (EBT) amounted to 40 mDKK (Q1 2012: 44 mDKK).

The tax rate for Q1 was 37%, while the tax rate for 2013 is expected to be around 31%.

Cash flow

Cash flow from operating activities amounted to -521 mDKK (Q1 2012: 27 mDKK), a decrease of 548 mDKK which was principally driven by an expected increase in working capital, cf. section 'Working capital'.

Fig. 5 Cash conversion, LTM



Cash flow from investing activities amounted to 113 mDKK (Q1 2012: -134 mDKK). In the case of Nilfisk-Advance these investments primarily related to development activities, including development of software. In the case of NKT Cables the investments consisted among other things of the completion of the transhipment and storage terminal in Rotterdam.

Fig. 5 shows the quarterly cash flow trends for operations and investments. The free cash flow are obtained by deducting investment cash flow from cash flow from operations.

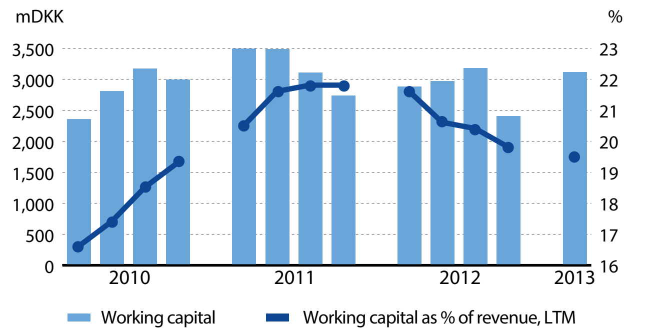
Comparison of cash flow from operations with EBITDA development (the dotted line in Fig. 5), shows that cash conversion performance has improved in recent years. As at 31 March 2013 the cash conversion rate was 56% (LTM). This rate was particularly influenced by the change in working capital.

Working capital

As at 31 March 2013 NKT had working capital of 3,119 mDKK, a rise of 710 mDKK since the turn of the year. The working capital was at a low level (2,409 mDKK) at the end of 2012 and was expected to rise in Q1 as a result of seasonal sales (build-up of stocks) at both NKT Cables and Nilfisk-Advance. In addition, due to Easter, payments received at the end of the quarter were not registered in the bank until April.

The ratio of working capital to revenue was 19.5% as at 31 March 2013 (31 December 2012: 19.8%) measured as an average over 12 months, cf. Fig. 6.

Fig. 6 Working capital



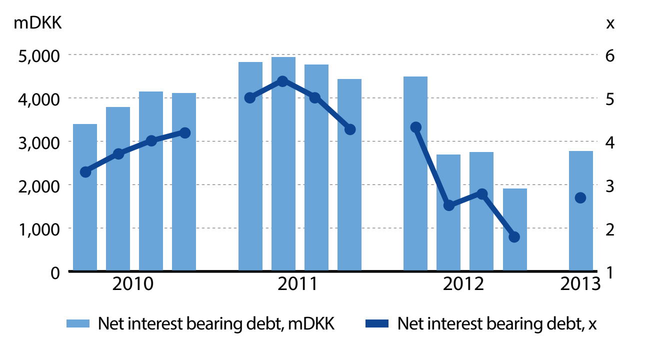
Of the increase in working capital in Q1, 489 mDKK was attributable to NKT Cables and 262 mDKK to Nilfisk-Advance. Working capital as a percentage of revenue (LTM) was 19.5% for NKT Cables (31 December 2012: 19.7%) and 19.1% for Nilfisk-Advance (31 December 2012: 19.5%).

Net interest bearing debt

NKT had net interest bearing debt of 2,776 mDKK as at 31 March 2013 (31 December 2012: 1,909 mDKK), which was on a par with expectations. The increase was primarily driven by the change in working capital of 710 mDKK and the dividend payment of 191 mDKK. As at 31 March 2013, net interest bearing debt corresponded to 2.7x the last 12 months' operational EBITDA.

As at 31 March 2013 the currency mix for the Group's net interest bearing debt was essentially unchanged from 31 December 2012, cf. the 2012 Annual Report. Debt financing was still predominantly based on floating interest rates.

Fig. 7 Net interest bearing debt relative to operational EBITDA



Continued strong cash resources

NKT had total cash resources of approx. 3.6 bnDKK as at 31 March 2013 (31 December 2012: 4.6 bnDKK), consisting of committed credit facilities amounting to 3.0 bnDKK and uncommitted credit facilities of 0.6 bnDKK. The strength of these cash resources helps ensure that the NKT Group has maximum financial flexibility for developing its business units.

Equity

NKT's equity amounted to 5,579 mDKK as at 31 March 2013 (31 December 2012: 5,737 mDKK).

In conjunction with implementation of the amendments to IAS 19, actuarial losses arising from application of the corridor method for pension obligations were recognised in 'Other comprehensive income' at 28 mDKK. Recognised currency adjustment of foreign subsidiaries was 14 mDKK, recognised value adjustment of hedging instruments etc. was 14 mDKK, and recognised dividend paid was 191 mDKK.

The gearing (the ratio between net interest bearing debt and equity) was 50%, which was an improvement in relation to the same period last year. This improvement was due to a significant reduction in net interest bearing debt that was particularly influenced by the sale of NKT Flexibles in Q2 2012.

Solvency ratio was 41%, which exceeds NKT's minimum target of 30%.

Events after the balance sheet date

On 3 May 2013, NKT reported in Company Announcement No. 10 that NKT Cables had signed a conditional purchase agreement with Ericsson for acquisition of Ericsson's power cable operations. The transaction is contingent upon approval by relevant competition authorities and it is expected to be able to complete the transaction at the beginning of Q3 2013. The purchase price is 220 mDKK (Enterprise Value).

With this acquisition NKT Cables will strengthen its position in the Nordic market for medium and low voltage cables. The acquisition represents part of the growth strategy for NKT Cables' Products Business Segment where focus is on strengthening the supply programme with unique products and ensuring cost-efficient manufacture.

Unchanged expectations

Revenue for 2013 measured in standard metal prices for 2013 covering the existing part of the Group is expected to be on a par with 2012, which is unchanged from the forecast in the 2012 Annual Report. The same applies to operational EBITDA.

It remains the basis for these expectations that project timetables are met by NKT Cables and that the development in NKT's main markets is in line with 2012.

The expected acquisition of Ericsson's power cable operations in the beginning of Q3 2013 will, however, increase revenue in standard metal prices with approx. 500 mDKK, but is not expected to influence earnings in 2013. The transaction is expected to positively impact earnings for NKT Cables as from 2014.

Financial calendar 2013

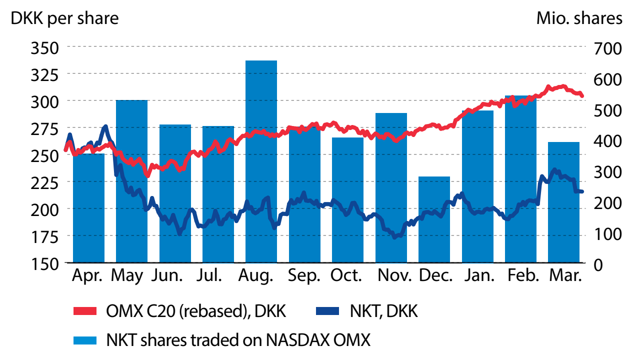
21 August	Interim Report Q2
20 November	Interim Report Q3
28 February 2014	2013 Annual Report

NKT shares

Around 30% of the trading in NKT shares takes place outside NASDAQ OMX Copenhagen, where the NKT share is listed under ID code DK0010287663 OMX Copenhagen and is among the 30 most traded shares.

In Q1 2013 the daily turnover in NKT shares on NASDAQ OMX Copenhagen averaged 23 mDKK (Q1 2012: 33 mDKK). The average number of NKT shares traded daily in Q1 was 111,000 (Q1 2012: 137,000). The number of NKT shares traded monthly on NASDAQ OMX is shown in Fig. 8.

Fig. 8 Development in NKT share price and turnover



As at 31 March 2013 the NKT share price was 215.60 DKK (31 December 2012: 203.50 DKK), a 10% rise since the turn of the year, including the effect of the payment of dividend in March 2013.

In a company announcement made on 20 March 2013 NKT gave notice of a major NKT shareholding when the company EdgePoint Investment Group Inc. of Toronto, Canada, reported an acquisition of NKT shares which surpassed the 5% threshold. As at March 31 2013 there were therefore two NKT investors with registered shareholdings of more than 5%: ATP Group and EdgePoint Investment Group.

In March 2013, through exercise of share warrants by several shareholders, NKT's share capital was increased by the issue of 41,300 shares with a nominal value of 20 DKK each, corresponding to a nominal increase in the share capital of 826,000 DKK. NKT's share capital henceforth consists of 23,929,679 shares with a nominal value of 20 DKK each, corresponding to a nominal share capital of 478,593,580 DKK.

Annual General Meeting

NKT's annual general meeting on 21 March 2013 was attended by 430 shareholders. The general meeting adopted the 2012 Annual Report containing the Management's review, consolidated and parent company financial statements, the Group Management's statement, and independent auditor's reports.

The general meeting approved a dividend of 8 DKK per share of a nominal value of 20 DKK each, corresponding to a total dividend payment of 191 mDKK. Payment of the dividend was made four bank days after the general meeting. It was furthermore decided to maintain the Board of Directors' remuneration level from 2012, comprising 900,000 DKK to the Chairman, 450,000 DKK to the Deputy Chairman, and 300,000 DKK to each of the other directors.

The remunerations for the work of the Board of Directors' committees were approved and were also on a par with 2012, comprising 200,000 DKK to the Audit Committee Chairman and 100,000 DKK to the Committee's other member. The work of the Nomination Committee and of the Remuneration Committee is still not remunerated separately as this work is performed by the Board Chairman and Deputy Chairman, and payment is effected through their higher remunerations.

The general meeting re-elected the Board members Jens Due Olsen, Jens Maaløe, Kurt Bligaard Pedersen and Lone Fønss Schrøder, while Kristian Siem and Lars Sandahl Sørensen were elected for the first time.

The Board subsequently appointed Jens Due Olsen Chairman and Kristian Siem Deputy Chairman. The Audit Committee appointed Lone Fønss Schrøder Chairman and Jens Maaløe member. Jens Due Olsen and Kristian Siem were appointed Chairman and member respectively, of the Nomination Committee and the Remuneration Committee.

Deloitte Statsautoriseret Revisionpartnerskab was new-elected as the company's auditors.

Resolutions adopted at the general meeting were published immediately after the meeting (Company Announcement No. 9 of 21 March 2013).

The announcement, record of decisions, AGM video recording, Chairman's report and presentation, transcript and news 'Highlight' may be seen on www.nkt.dk, where the introductory video on urbanisation's importance to the NKT Group can also be viewed.

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NKT Cables

Fig. 9 Highlights

Amounts i mDKK	Q1 2013	Q1 2012	2012
Revenue	**1,799**	**1,837**	**8,526**
Revenue, std. metal prices	*1,149*	*1,112*	*5,421*
- Organic growth	4%	-13%	-4%
EBITDA	**43**	**40**	**290**
EBITDA margin, std. metal prices	3.7%	3.6%	5.3%
EBIT	-29	-29	-2
Capital Employed	4,795	4,550	4,346
Working capital	1,771	1,497	1,282
Employees, period end	3,386	3,395	3,385

NKT Cables is among the leading suppliers of power cables to the European market with strong positions in on- and offshore cables, as well as medium and low voltage cables, accessories and railway catenary wires. The company increasingly supplies customers with complete cable solutions. Factories in China manufacture for the South-East Asian market, while European factories principally supply customers in Europe and the Middle East.

Fig. 10 Organic growth

	Q1 2013
Electricity Infrastructure	11%
Railway	19%
Construction	-19%
Automotive	-8%
NKT Cables	**4%**

Growth in Q1 2013 came in particular from **Electricity infrastructure** and **Railway** in China

In Q1 2013 NKT Cables had growth in revenue from submarine cables, the railway business in China and from medium voltage cables in Australia, where a large contract was under execution. Construction and medium voltage cables in Europe showed a decline compared to same period last year, driven partly by a longer and colder winter which resulted in a generally lower level of activity in the construction sector.

Q1 revenue stated in standard metal prices was 1,149 mDKK and organic growth for the period was 4%.

Electricity Infrastructure had a strong start to the year with organic growth of 11% compared to same period last year.

The growth was driven by a high activity level in the submarine cable business with both high utilisation of capacity at the factory in Cologne as well as a number of installation works. Installation works offshore are normally not undertaken in Q1, but the weather situation allowed offshore operations to start early this year.

The transshipment and storage terminal in Rotterdam was completed in the quarter and is now fully operational. This terminal has increased the flexibility of the Cologne factory and is enabling the delivery of even longer cables directly onto the installation vessels.

Tender activity for submarine contracts remained at a high level but the tendency to delays in project awards remains unchanged. The activity level for traditional land-based high voltage systems remained high. At the turn of the year the order book corresponded to approx. 75% of the expected high voltage revenue in 2013 and NKT Cables won a number of additional high voltage projects in Q1 for delivery in 2013.

In China the level of activity for high and medium voltage cables was a disappointment. The market is very price competitive, in particular for medium voltage products and at the lower end of the high voltage segment. In China, production continued on the Australian medium voltage cable contract obtained last year. The delivery is scheduled to be completed in Q2 2013.

Testing of a 245 kV cable from NKT Cables' high voltage factory at Cangzhou continues, and NKT Cables is expected to obtain qualification to supply 245 kV cables to China in the first half of 2013.

In **Railway**, the market in China for catenary wires improved further in Q1. NKT Cables won three new contracts in the quarter for execution in 2013 and 2014 and tender activity was higher than in the previous periods, supporting a more positive outlook for this segment. Organic growth for Q1 was 19%, this growth being solely driven by NKT Cables' Chinese railway business.

The current order book supports the expected sales for 2013 and part of 2014.

It was announced in March 2013 that the Chinese Ministry of Railway will be reorganised and this is expected to lead to more competitors being qualified to enter the market. NKT Cables still expects to be market leader for alloys used for high speed rail links.

In Europe, NKT Cables' railway activities were stable, with production in Hettstedt, Germany, mainly related to maintenance projects.

Construction showed negative organic growth of 19% in Q1. Weather conditions, with a long, cold winter in 2013, meant that construction works were postponed, the activity level dropped and price pressure increased.

As notified in Company Announcement No. 10 of 3 May 2013, NKT Cables expects to complete the acquisition of Ericsson's power cable operations, which realised revenue in market prices of approx. 1.3 bnDKK in 2012, at the beginning of Q3. Ericsson is a leading supplier of medium voltage products to the Nordic utility groups and an important supplier of low voltage products to the wholesalers and installers in Sweden. A significant revenue also comes from innovative specialty power cables.

The acquisition will strengthen NKT Cables' position in the medium and low voltage cables segment in selected markets and add a number of unique products to the company's portfolio, strengthen development competences for new and innovative power solutions, and improve scope for servicing Nordic customers.

With the acquisition, NKT Cables will gain approx. 320 employees and a factory in Falun, Sweden, which contains production facilities, a development department as well as sales and administration. The factory's location and product portfolio will be complementary to NKT Cables' factory in Asnæs, Denmark, thereby creating a cost-efficient production and logistics setup for servicing the Nordic market.

Automotive realised negative organic growth of 8% in Q1. The products are manufactured in Vrchlabi in the Czech Republic and supplied under frame agreements with automotive industry subcontractors.

The new organisational structure of **NKT Cables** announced in the Annual Report for 2012 was implemented as of 1 April. NKT Cables consists of three business units: 'Projects' (on- and offshore high voltage activities), 'Products' (European medium and low voltage activities as well as the European railway and automotive businesses) and 'Asia-Pacific' (NKT Cables' activities in the Asia-Pacific region). The new organisation will address the diverse challenges that NKT Cables faces and will enable a faster and more focused response to differing market dynamics.

The operational excellence programme that was started in the middle of 2011 was officially finalised in Q1 2013. New initiatives have been launched to further optimise all parts of the organisation.

EBITDA for Q1 2013 was 43 mDKK, corresponding to an EBITDA margin in standard metal prices of 3.7% (Q1 2012: 40 mDKK and 3.6%). The factory in Cologne and the activities in the Asia-Pacific region contributed more than the year before, but this was offset by lower earnings from Construction. The quarter was also affected by special costs of around 15 mDKK relating i.a. to the acquisition of Ericsson's power cable operations.

On 31 March 2013 working capital amounted to 1,771 mDKK, corresponding to an increase of 274 mDKK in relation to 31 March 2012. The increase is related to an expected shift in funds tied up in construction contracts in the existing order book.

As reported in Company Announcement No. 10 of 6 July 2011 NKT Cables and NKT Holding have received a Statement of Objections from the European Commission in connection with the Commission's investigation of the submarine and underground high voltage cable markets in the period 1998-2008. Please refer to Note 1 for further information.

Nilfisk-Advance

Fig. 11 Highlights

Amounts in mDKK	Q1 2013	Q1 2012	2012
Revenue	**1,655**	**1,636**	**6,491**
- Organic growth	1%	4%	0%
Operational EBITDA*	**188**	**196**	**775**
Operational EBITDA margin	11.4%	12.0%	11.9%
Operational EBIT*	136	143	555
Capital Employed	3,374	3,314	3,073
Working capital	1,301	1,314	1,039
Employees, period end	5,327	5,326	5,224

** Adjusted for structural initiatives in 2012*

Nilfisk-Advance supplies professional indoor and outdoor cleaning equipment to a global clientele as well as products targeted at domestic consumers. There is increasing focus on sustainable, 'green' product solutions that set new standards in low power, water and detergent consumption. Individual service agreements and spare parts sales are also offered, ensuring that equipment availability can always be relied upon.

Fig. 12 Organic growth

	Q1 2013
EMEA	2%
Americas	4%
APAC	-10%
Nilfisk-Advance	**1%**

The Growth in Q1 2013 came from the **Americas** and various markets in **Central** and **North Europe**

Q1 was characterised by moderate growth in mature markets, while the BRIC+MT countries (Brazil, Russia, India, China, Mexico and Turkey) continued to realise double-digit growth rates. Among other things due to Easter, Q1 contained fewer working days than the same period last year and this influenced organic growth negatively.

Nilfisk-Advance recorded revenue of 1,655 mDKK in Q1 2013, corresponding to organic growth of 1% compared with Q1 2012. This development reflects rising revenue in Europe and the Americas, but falling revenue in APAC.

In **EMEA** (Europe, Middle East and Africa), organic growth was 2% compared with Q1 2012. In a market where economic conditions remain difficult, this is considered a satisfactory development which is based on Nilfisk-Advance's local sales representation, with well-established sales companies in most European countries and direct service to customers. Nilfisk-Advance continues to operate with a cost adjustment plan that can be applied in the event of negative market development, as is the case, for example, in Southern Europe.

In the **Americas**, organic growth was 4% compared with the year before. The countries of Central and South America led the way, but Nilfisk-Advance also realised positive growth in the United States.

In **APAC** (Asia/Pacific region), organic growth was negative by 10% and the markets were generally characterised by economic downturn. Customers in Australia remained cautious, but reluctance to close orders was also evident among Asian customers.

Nilfisk-Advance realised operational EBITDA of 188 mDKK in Q1 2013, corresponding to an operational EBITDA margin of 11.4% (Q1 2012: 196 mDKK and 12.0%), a fall of 0.6% points. This was due among other things to a difference between the periods in terms of number of working days.

In Q1 the company raised its list prices by around 2% in order to combat the general increases in costs. However, these price increases are taking longer than expected to take effect due to the widespread caution among customers. It is anticipated that the full effect of the increased sales prices will become apparent during Q2.

The gross profit was 41.3%, a fall of 1.4% points on the previous year. The profit was negatively influenced by market pressure on prices and a change in the sales mix, shifting focus away from the professional market towards domestic customers (the DIY segment). In addition, products manufactured in China became more expensive due to rising exchange rates and increasing costs.

Despite inflationary pressure Nilfisk-Advance succeeded in reducing fixed costs by 1.5% compared with the same period last year. This took place by means of tight cost control combined with specific savings projects. The tight control on costs will be maintained for the remainder of 2013.

Working capital was virtually unchanged compared with 31 March 2012.

Seven new products and product versions were launched in Q1 2013, comprising three floorcare units, two vacuum cleaners, one high pressure washer and one outdoor multi-purpose product. Nilfisk-Advance expects to launch a total of more than 30 new products and product versions in 2013. Around 3% of revenue continues to be invested in product development.

In Q1 Nilfisk-Advance received the prestigious 'Red Dot Design Award' for POSEIDON 5-6-7, a new range of sophisticated high pressure washers for the professional market. Established in 1955 and today one of the world's highest design accolades, the 'Red Dot' award was presented to Nilfisk-Advance in recognition of POSEIDON's innovative industrial styling, ergonomic excellence and modularity in product development and design.

At China Clean Expo, Asia's leading industrial fair, Nilfisk-Advance was presented with two awards, including an innovation prize for its Cyclone outdoor programme, which by combining several technologies enables complex and demanding cleaning tasks to be performed in, for example, streets, pavements and public spaces.

Nilfisk-Advance increased its ownership of a South African company during Q1, and on 1 April a 50% share was acquired in the Turkish company Rottest, a manufacturer of high pressure washers with a strong position in the burgeoning Turkish market.

Photonics **Group**

Fig. 13 Highlights

Amounts in mDKK	Q1 2013	Q1 2012	2012
Revenue	**55**	**59**	**237**
- Organic growth	-6%	31%	10%
EBITDA	**-5**	**-1**	**9**
EBIT	-9	-5	-8
Capital Employed	204	185	210
Working capital	71	72	82
Employees, period end	188	185	182

Photonics Group divides its activities into three core areas:

Imaging	Light sources and optical equipment that enable viewing of microscopic details. Main application areas are the medico and life sciences industry as well as in the semiconductor industry (microchips)
Sensing	Long-range measuring systems based on optical fibers. Current application areas are mainly fire detection and temperature sensing in energy cables and oil wells. Seismic measurements include exploring for new oil fields
Fiber Processing	Precision equipment for production of fiber-related assemblies. Fields of application include the above sectors as well as the fiber laser, defense and telecom industries

For Photonics Group the underlying **growth** during the quarter principally came from **Imaging** and **Sensing**

Photonics Group continued its positive performance in Q1. The 6% fall in revenue was due to a particularly large project sale in the same period of 2012, which led to 31% growth for Q1 2012. As anticipated, Q1 2013 was marked by fine growth in the underlying business.

Imaging continued the positive trend from 2012. Both order intake and sales were up, with new potential industrial customers showing strong interest in the broad-spectrum lasers in the SuperK series.

In the **Sensing** area, the underlying business also generated strong growth in Q1 2013, with sales for monitoring power cables, oil and gas exploration and tunnels as well as similar facilities in which distributed temperature sensing is utilised. Koheras lasers are used in two pilot installations for permanent reservoir monitoring of oil fields. The pilot period has been successfully completed and the results of the measurements are currently awaited, which will be of importance to the future development of this area.

In early 2013, the Chinese authorities approved the products for distributed temperature sensing in fire detection applications for the Chinese market. This means that Photonics Group can now actively market its products in this, the largest market in the world for such equipment and where installations in new metro lines is a market of high potential.

In the **Fiber Processing** equipment area, customers in all markets have been cautious in the past six months, but the US market showed signs of recovery towards the end of Q1 2013. The order intake from industrial customers in the med-tech area was particularly strong.

At the annual industry fair Photonics West, which takes place in January, Photonics Group's products attracted a great deal of interest.

Group Management's **statement**

The Board of Directors and the Executive Management Board have today considered and adopted the Interim Report of NKT Holding A/S for the period 1 January - 31 March 2013.

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 31 March 2013 and the results of the Group's activities and cash flow for the period 1 January - 31 March 2013.

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, 22 May 2013

The Executive Management Board
Thomas Hofman-Bang, *CEO*

Michael Hedegaard Lyng, *CFO*

Søren Isaksen, *CTO*

The Board of Directors
Jens Due Olsen, *Chairman*

Kristian Siem, *Deputy Chairman*

Niels-Henrik Dreesen

Jan Erik Jensen

Arne Dan Kjærulff

Jens Maaløe

Kurt Bligaard Pedersen

Lone Fønss Schrøder

Lars Sandahl Sørensen

Income statement

Amounts in mDKK	Q1 2013	Q1 2012	Year 2012
Revenue	3,509	3,531	15,253
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**217**	**228**	**1,009**
Depreciation and impairment of property, plant and equipment	-87	-86	-360
Amortisation and impairment of intangible assets	-42	-39	-176
Earnings before interest and tax (EBIT)	**88**	**103**	**473**
Financial items, net	-48	-59	-196
Earnings before tax (EBT) from continuing operations	**40**	**44**	**277**
Tax on continuing operations	-15	-13	-82
Profit from continuing operations	**25**	**31**	**195**
Profit from discontinued operation	0	0	1,410
Net Profit	**25**	**31**	**1,605**
To be distributed thus:			
Profit attributable to equity holders of NKT Holding A/S	25	30	1,604
Profit attributable to minority interests	0	1	1
	25	**31**	**1,605**
Basic earnings, DKK per outstanding share (EPS)	1.0	1.3	67.5
Diluted earnings, DKK per share (EPS-D)	1.0	1.3	67.4
Earnings from continuing operations per share	1.0	1.3	8.2
Diluted earnings from continuing operations per share	1.0	1.3	8.2

Cash flow

Amounts in mDKK	Q1 2013	Q1 2012	Year 2012
Earnings before interest, tax, depreciation and amortisation (EBITDA)	217	228	1,009
Financial items, net	-48	-59	-196
Changes in provisions, tax and non-cash operating items, etc.	-24	-26	-77
Changes in working capital	-666	-116	386
Cash flow from operating activities	**-521**	**27**	**1,122**
Acquisition of business activities	-1	-7	-8
Investments in property, plant and equipment	-64	-89	-364
Disposal of property, plant and equipment	4	1	46
Other investments, net	-52	-39	-206
Cash flow from investing activities	**-113**	**-134**	**-532**
Free cash flow	**-634**	**-107**	**590**
Changes in non-current loans from credit institutions	600	285	-3,037
Changes in current loans from credit institutions	225	-151	602
Minority interests, dividend etc.	0	-1	-1
Dividends paid	-191	0	-48
Cash from exercise of share options	7	22	22
Cash flow from financing activities	**641**	**155**	**-2,462**
Cash flow from discontinued operation	**0**	**0**	**1,967**
Net cash flow	**7**	**48**	**95**
Cash at bank and in hand at the beginning of the period	363	271	271
Currency adjustments	11	-4	-3
Net cash flow	7	48	95
Cash at bank and in hand at the end of the period	**381**	**315**	**363**

Balance sheet

Amounts in mDKK	31 March 2013	31 March 2012	31 December 2012
Assets			
Intangible assets	2,037	1,963	2,008
Property, plant and equipment	3,228	3,282	3,252
Other non-current assets	800	664	779
Total non-current assets	**6,065**	**5,909**	**6,039**
Inventories	3,397	3,325	2,744
Receivables and income tax	3,818	3,651	3,790
Cash at bank and in hand	381	315	363
Asset held for sale	0	571	0
Total current assets	**7,596**	**7,862**	**6,897**
Total assets	**13,661**	**13,771**	**12,936**
Equity and liabilities			
Equity attributable to equity holders of NKT Holding A/S	5,571	4,116	5,730
Minority interests	8	6	7
Total equity	**5,579**	**4,122**	**5,737**
Deferred tax	254	167	274
Employee benefits	341	296	300
Provisions	84	100	87
Interest bearing loans and borrowings	1,129	3,874	544
Total non-current liabilities	**1,808**	**4,437**	**1,205**
Interest bearing loans and borrowings	2,094	1,008	1,823
Trade and other payables	4,180	4,204	4,171
Total current liabilities	**6,274**	**5,212**	**5,994**
Total liabilities	**8,082**	**9,649**	**7,199**
Total equity and liabilities	**13,661**	**13,771**	**12,936**

Comprehensive income and Equity

Amounts in mDKK	Q1 2013	Q1 2012	Year 2012
Comprehensive income			
Net profit	25	31	1,605
Other comprehensive income:			
Items that will not be reclassified to income statement:			
Actuarial gains/(losses) defined benefit pension plans	-28	0	0
Items that may be reclassified to income statement:			
Currency adjustment of foreign subsidiaries			
and value adjustment of hedging instruments, etc.	28	50	88
Total comprehensive income for the period	**25**	**81**	**1,693**
Statement of changes in equity			
Group equity, 1 January	5737	4,066	4,066
Total comprehensive income for the period	25	81	1,693
Share-based payment	1	1	5
Additions/disposal of minority interests	0	0	-1
Subscribed by exercise of share options	7	22	22
Dividend adopted at annual general meeting	-191	-48	-48
Group equity at the end of the period	5579	**4,122**	**5,737**

Notes

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.

Apart from the information below, the accounting policies are unchanged in relation to the 2012 Annual Report, to which reference should be made. The 2012 Annual Report contains the full text of the accounting policies.

NKT has implemented the standards and interpretations that become effective for 2013. The implementation of IAS 19R 'Employee benefits' has meant that actuarial gains and losses on defined benefit pension plans are recognised in other comprehensive income as they arise. The change has no material effect on NKT's financial reporting and has, with regard to materiality, been recognised in 2013 without restatement of comparative figures for previous financial years. The implementation has reduced NKT's equity and other comprehensive income by 28 mDKK. The implementation of other standards and interpretations has not influenced recognition and measurement in 2013 or is expected to influence future financial years.

Regarding accounting estimates, please refer to Note 1 on page 51 of the 2012 Annual Report. Regarding risks, please refer to Note 2 on page 52 of the 2012 Annual Report and the information contained in the section on risk management on page 10 of the Annual Report.

As reported in Company Announcement No. 10 of 6 July 2011, and in subsequent annual and interim reports, NKT Cables and NKT Holding received a Statement of Objections from the European Commission in connection with the Commission's investigation of the submarine and underground high voltage cable markets in the period 1998-2008. NKT Cables and NKT Holding examined the documentation from the European Commission and submitted their response by the deadline in early November 2011. Subsequently the European Commission produced additional documents and NKT Cables and NKT Holding launched a review. The findings of this review were submitted on 16 March 2012. NKT Cables and NKT Holding gave an oral presentation of NKT's viewpoints at a hearing held by the European Commission in June 2012. Currently it is not possible to determine whether costs will be incurred, and if so, the magnitude of these costs. As a result, no liability is recognised in the balance sheet at 30 September 2012. The European Commission is expected to reach a decision on this issue within the next few years.

According to the regulation for financial statements preparation the Group Management is required to determine whether the quarterly statement can be presented on a 'going concern' basis. Based on outlook estimates, including examination of the latest 'forecast 2013', 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 2013 are included in the Management review.

Notes

2 - SEGMENT REPORTING

Amounts in mDKK	Q1 2013	Q1 2012	Year 2012
Revenue			
NKT Cables, revenue in market prices	1,799	1,837	8,526
Nilfisk-Advance	1,655	1,636	6,491
Photonics Group	55	59	237
Parent company, etc. [1)]	0	0	0
Elimination of transactions between segments	0	-1	-1
NKT Group revenue in market prices	**3,509**	**3,531**	**15,253**
NKT Cables, revenue in std. metal prices	*1,149*	*1,112*	*5,421*
NKT Group, revenue in std. metal prices	***2,859***	***2,806***	***12,148***
Operational EBITDA			
NKT Cables	43	40	290
Nilfisk-Advance	188	196	775
Photonics Group	-5	-1	9
Parent company, etc. [1)]	-9	-6	-35
Group operational EBITDA	**217**	**229**	**1,039**
Earnings, EBITDA			
NKT Cables	43	40	290
Nilfisk-Advance	188	195	745
Photonics Group	-5	-1	9
Parent company, etc. [1)]	-9	-6	-35
Group EBITDA	**217**	**228**	**1,009**
Segment profit, EBIT			
NKT Cables	-29	-29	-2
Nilfisk-Advance	136	142	518
Photonics Group	-9	-5	-8
Parent company, etc. [1)]	-10	-5	-35
Group EBIT	**88**	**103**	**473**
Capital Employed			
NKT Cables	4,795	4,550	4,346
Nilfisk-Advance	3,374	3,314	3,073
Photonics Group	204	185	210
NKT Flexibles, share of equity, etc.	0	577	0
Parent company, etc. [1)]	-18	35	17
Group Capital Employed	**8,355**	**8,661**	**7,646**

[1)] The segment comprises the parent company and entities of lesser significance with similar economic characteristics

Notes

3 - EVENTS AFTER THE BALANCE SHEET DATE

On 3 May 2013, NKT notified in company announcement no. 10 that NKT Cables has signed a conditional purchase agreement with Ericsson AB concerning acquisition of Ericsson's power cable operations. For further information please refer to the section 'Events after she balance sheet date' in Management's review.

4 - EXPLANATORY COMMENTS TO FINANCIAL HIGHLIGHTS

Items below refer to the Financial Highlights contained on page 3.

1) **Revenue in std. metal prices** - Revenue in std. metal prices for copper and aluminium fixed at 1,550 EUR/tonne and 1,350 EUR/tonne, respectively.
2) **Operational earnings before interest, tax, depreciation and amortisation (Oper. EBITDA)** - Earnings before interest, tax, depreciation and amortisation (EBITDA) adjusted for one-off items.
3) **Net interest bearing debt** - Cash, investments and interest bearing receivables less interest bearing debt.
4) **Capital Employed** - Group equity plus net interest bearing debt.
5) **Working capital** - Current assets less current liabilities (excluding interest bearing items and provisions).
6) **Net interest bearing debt relative to operational EBITDA** - Operational EBITDA is calculated on a rolling 12-month basis (LTM). Operational EBITDA is calculated including discontinued operation (excl. profit from disposal).
7) **Solvency ratio (equity as a percentage of total assets)** - Equity excl. minority interests as a percentage of total assets.
8) **Return on capital employed (RoCE)** - EBIT adjusted for one-off items as a percentage of average capital employed. Calculated on a rolling 12-month basis (LTM). EBIT is calculated including discontinued operation (excl. profit from disposal).
9) **Earnings, DKK per outstanding share (EPS)** - Profit attributable to equity holders of NKT Holding A/S relative to average number of outstanding shares (EPS).
10) **Equity value, DKK per outstanding share** - Equity attributable to equity holders of NKT Holding A/S at period end per outstanding share at period end. Dilutive effect from potential shares from executives' and employees' share option plan is not recognised in the financial 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 markets, development in product demand, competitive conditions, and energy and raw material prices. See also last annual report for more detailed description of risk factors. NKT Holding 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.

NKT's Interim Report Q1 2013 was published on 22 May 2013 in Danish and English and released through NASDAQ OMX Copenhagen. In questions of interpretation the Danish text shall prevail. The report is available on www.nkt.dk and is emailed to all subscribers to NKT's news service.

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