

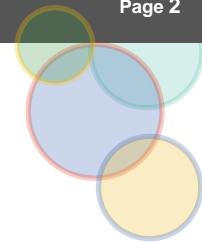


NKT Holding

Interim Report Q3 2012

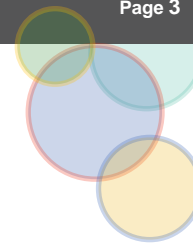
Audiocast presentation

8 November 2012 at 10:00 am CET

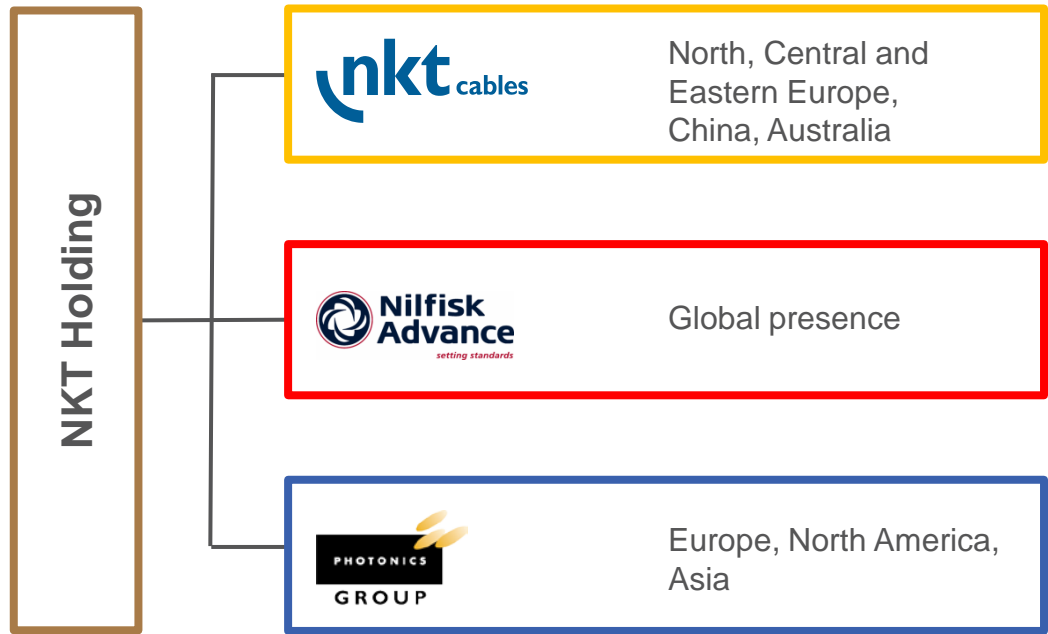


Agenda

- **NKT Group – Highlights Q3 2012**
- Financial results Q3 2012
- Companies
 - NKT Cables
 - Nilfisk-Advance
 - Photonics Group
- Expectations 2012
- Questions & Answers



Group structure November 2012



Highlights Q3 2012

- **Revenue** 3.816 mDKK vs. 3.912 mDKK in Q3 2011
- **Organic growth** -2% in Q3 2012 and -3% in Q1-Q3 2012

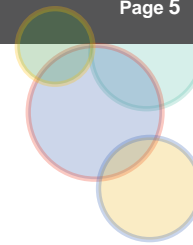
Organic growth	Q3 2012	Q1-Q3 2012
NKT Cables	0%	-6%
Nilfisk-Advance	-4%	-1%
Photonics Group	-11%	6%

- **Operational EBITDA** 251 mDKK (8,3%) vs. 225 mDKK (7,4%) in Q3 2011
- **Earnings before tax (EBT)** of continuing operations amount to 58 mDKK vs. -11 mDKK in Q3 2011
- **Earnings of discontinued operations** amounts to 0 mDKK vs. 67 mDKK in Q3 2011
- **Profit** 37 mDKK vs. 43 mDKK in Q3 2011

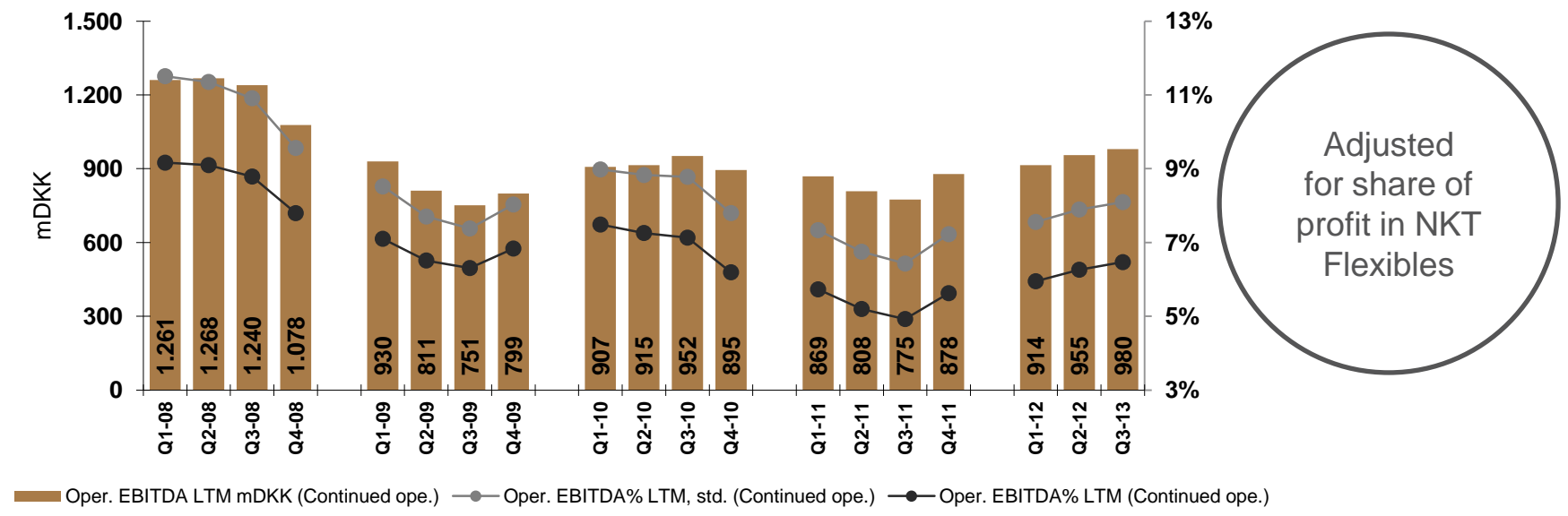
- **WC** amounts to 3,2 bnDKK vs. 3,0 bnDKK end Q2. LTM at 20,4% vs. 20,6%
- **NIBD** increased to 2,8 bnDKK from 2,7 bnDKK end Q2 2012

Expectations for 2012

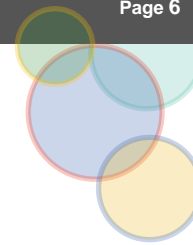
- The general **economic uncertainty** has further slowed the development in organic growth rates compared with expectations in August 2012
- Expected **negative organic growth** in revenue of approx. **2-3%**, compared with previous forecasts of a flat organic growth
- **Operational EBITDA** is now expected to be approx. **1.000** mDKK
- Expected **Group net profit** is unchanged at approx. **1,6** bnDKK



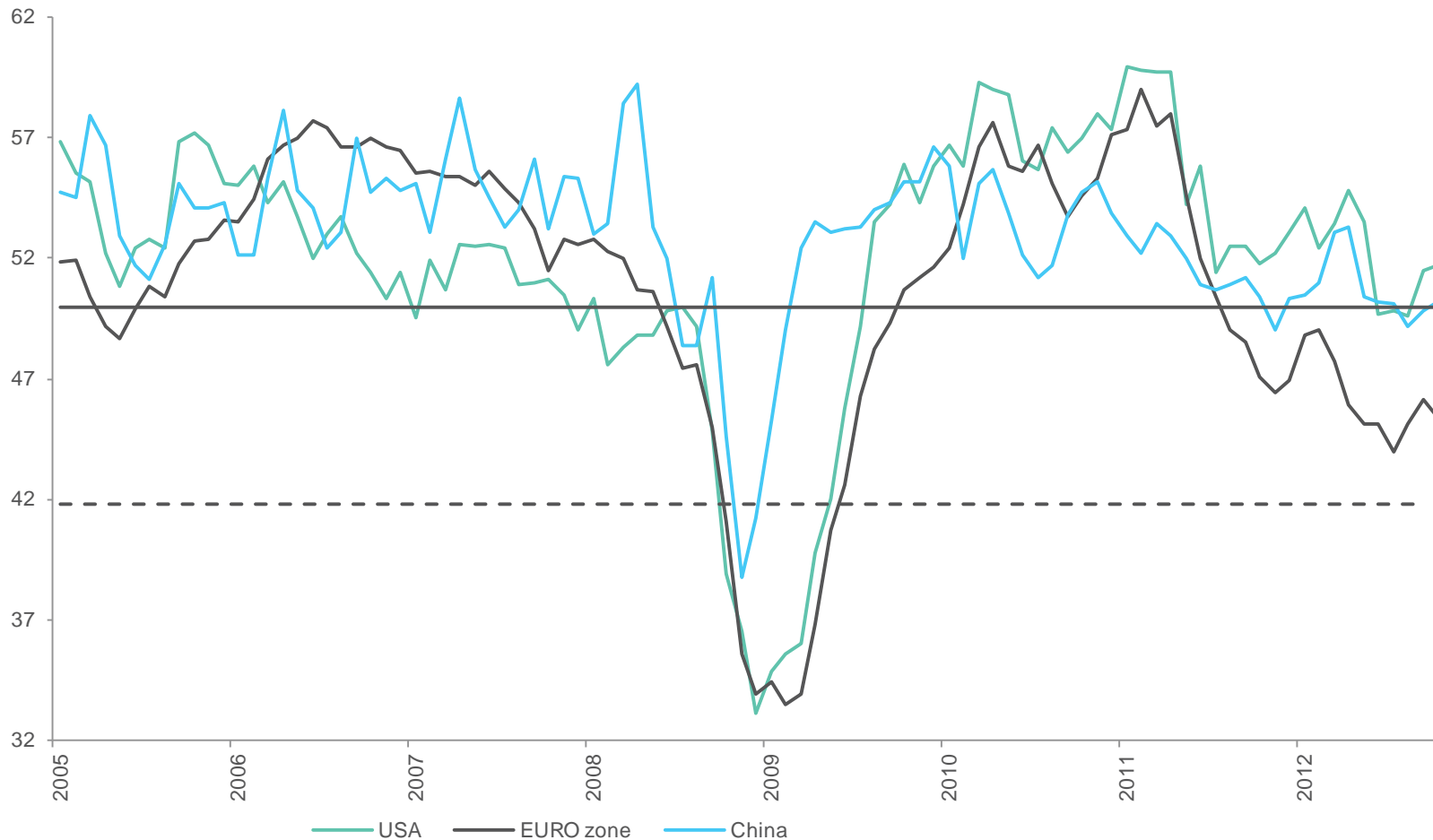
Operational EBITDA Group



- Organic growth of **-2%** for Q3 2012
- EBITDA margin std. LTM Q3 2012 of **8,1%** or **980** mDKK – an increase from 7,9% (955 mDKK) in Q2 2012



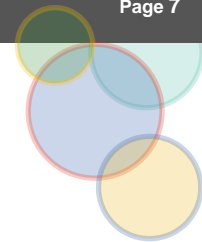
Manufacturing PMI



— Expectation indicator – Above the line indicates positive expectations for the manufacturing sector and below the line indicates declining expectations for the manufacturing sector

- - - Below the line indicates expectations of recession

(Updated as of 2 November 2012)



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Realised Q3 2012 vs. Q3 2011

Organic growth Q3 -2%:

- NKT Cables 0%
- Nilfisk-Advance -4%
- Photonics Group -11%

mDKK	Q3 2012	Q3 2011	Change		Consensus
Revenue	3.816	3.912	-96	-2%	3.970
<i>Revenue, std. metal prices</i>	3.036	3.027	9		3.107
EBITDA (operational)	251	225	26	12%	272
One-off's	-12	-3	-9		-12
EBITDA	239	222	17		260
Depreciation	-137	-127	-10		-129
EBIT	102	95	7		131
Financial items, net	-44	-106	62		-39
EBT from continuing operations	58	-11	69		92
Tax from continuing operations	-21	-13	-8		-24
Profit from continuing operations	37	-24	61		68
Profit from discontinued operations	0	67	-67		0
Profit	37	43	-6		68
<i>Oper. EBITDA margin std.</i>	8,3%	7,4%			8,8%

Realised Q3 2012 vs. Q3 2011

mDKK	Q3 2012	Q3 2011	Change
Revenue	3.816	3.912	-96
<i>Revenue, std. metal prices</i>	3.036	3.027	9
EBITDA (operational)	251	225	26
One-off's	-12	-3	-9
EBITDA	239	222	17
Depreciation/Amortisation	-137	-127	-10
EBIT	102	95	7
Financial items, net	-44	-106	62
EBT from continuing operations	58	-11	69
Tax from continuing operations	-21	-13	-8
Profit from continuing operations	37	-24	61
Profit from discontinued operations	0	67	-67
Profit	37	43	-6

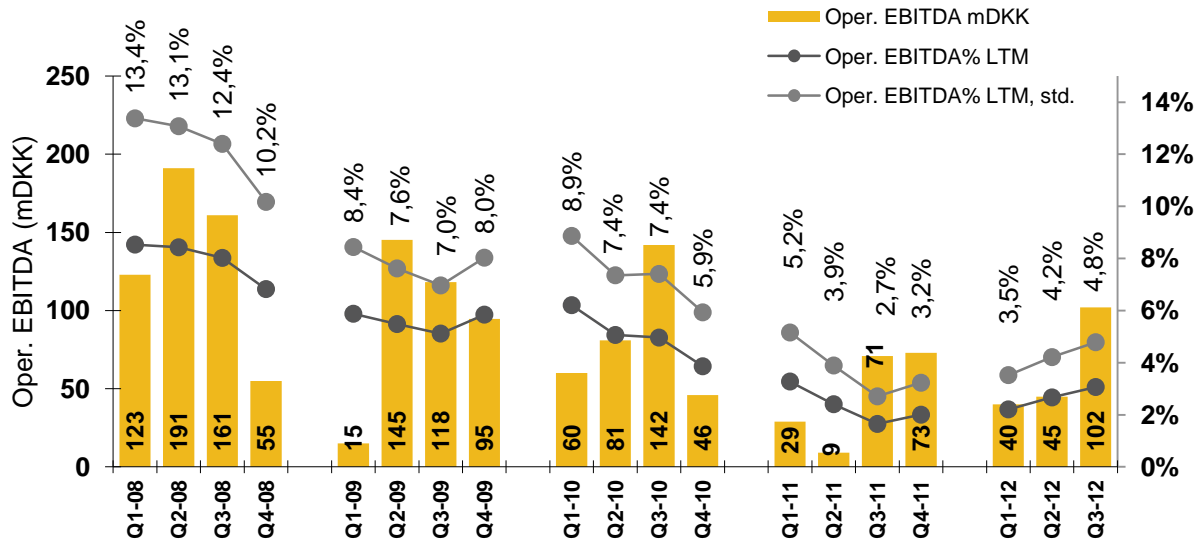
Oper. EBITDA margin std. 8,3% 7,4%

	mDKK
Revenue decreased by	-96
Metal prices	-115
FX changes	98
Acquisitions	0
-2% organic growth	-79
- NKT Cables	0%
- Nilfisk-Advance	-4%
- Photonics Group	-11%

	mDKK
Operational EBITDA increased by	26
NKT Cables Margin 7,0% (Q3 2011: 4,8%)	31
Nilfisk-Advance Margin 10,4% (Q3 2011: 10,7%)	-2
Photonics Group and other	-3

	mDKK
Financial items (Q3 2011: -106 mDKK)	-44
Net interest expense (Q3 2011: -66 mDKK)	-42
Net exchange loss (Q3 2011: -40 mDKK incl. cap. int.)	-2

NKT Cables – Trends



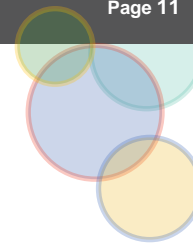
Realised 0% organic growth in Q3 2012 (Q1-Q3: -6%):

- Electricity Infrastructure 4% (Q1-Q3: 2%)
- Construction 0% (Q1-Q3: 2%)
- Railway -2% (Q1-Q3: -41%)
- Automotive -25% (Q1-Q3: -18%)

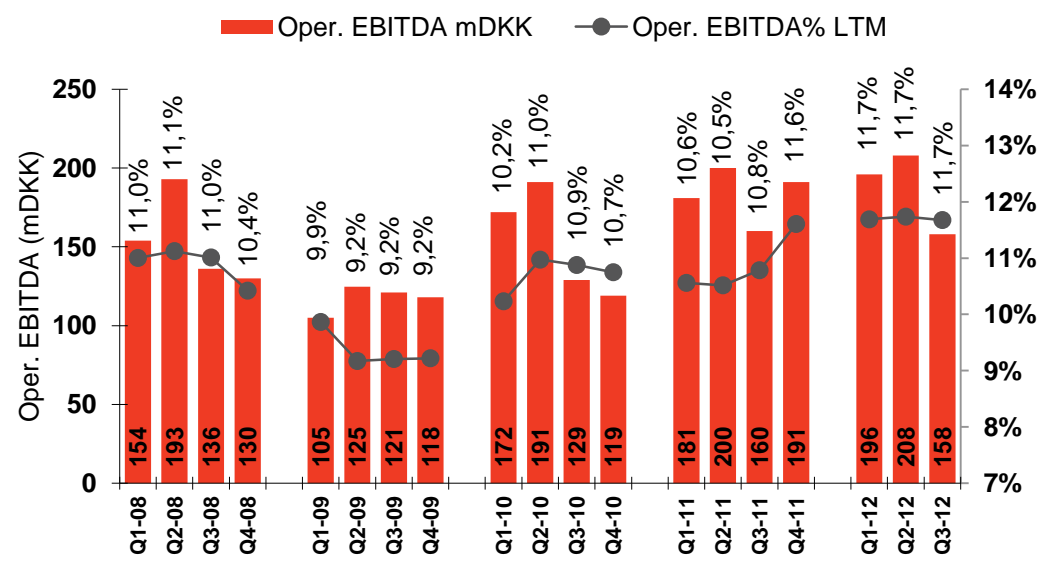
Q3 2012 organic growth peer 2%:

- Energy Infrastructure 3%
- Industry 3%
- Buildings 0%

	2008				2009				2010				2011				2012			
Organic growth - Quarterly (Y/Y)	4%	3%	3%	0%	-14%	3%	-10%	-8%	4%	1%	25%	34%	20%	0%	-4%	-6%	-13%	-4%	0%	
- Annually	3%				-7%				16%				1%				-6%			



Nilfisk-Advance – Trends



Realised -4% organic growth in Q3 2012 (Q1-Q3: -1%):

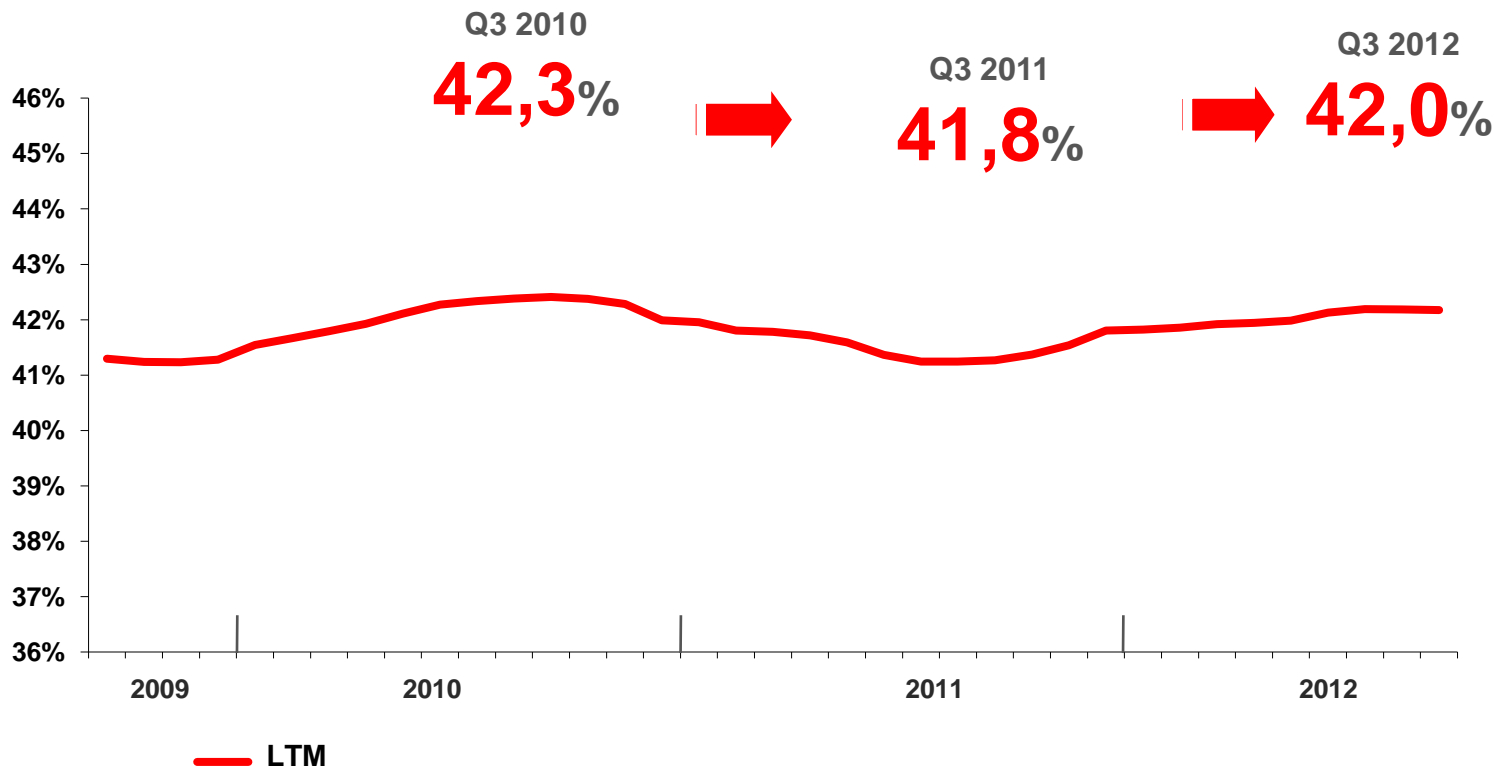
- EMEA -1% (Q1-Q3: 0%)
- Americas -11% (Q1-Q3: -2%)
- APAC -1% (Q1-Q3: 1%)

Organic growth peer -2% in Q3 2012:

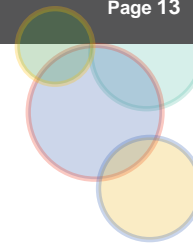
- EMEA -6%
- Americas -1%
- APAC 1%

	2008				2009				2010				2011				2012			
Organic growth - Quarterly (Y/Y)	4%	6%	5%	-12%	-12%	-20%	-13%	-3%	6%	10%	5%	7%	5%	8%	9%	9%	4%	-1%	-4%	
- Annually	1%				-13%				7%				8%				-1%			

Nilfisk-Advance - Gross profit development



Despite declining revenue and tight world market, the company's **gross profit** as a percentage of revenue continued to develop positively in Q3 2012

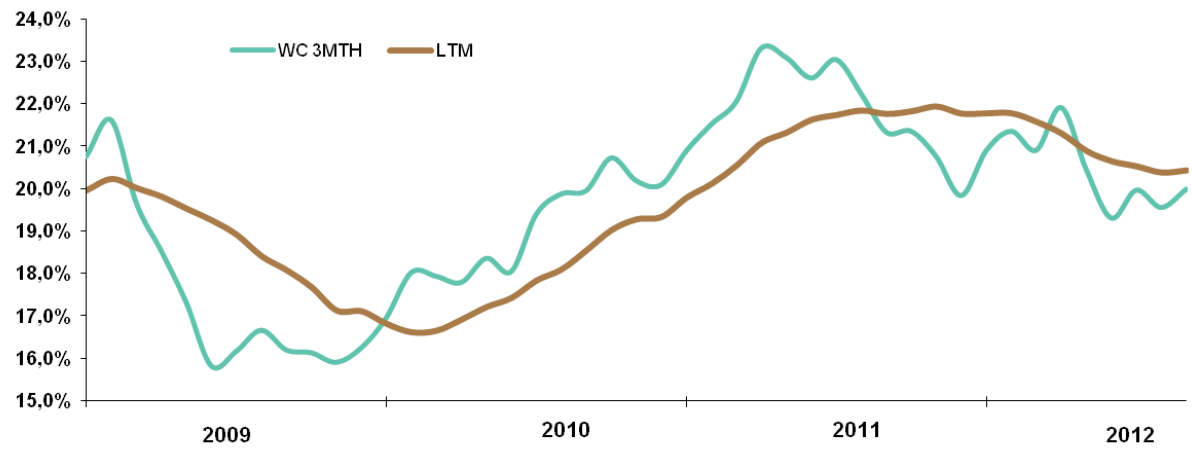


Working Capital (in % of revenue) – Group

Q3 2011 **21,8%**
3.106 mDKK

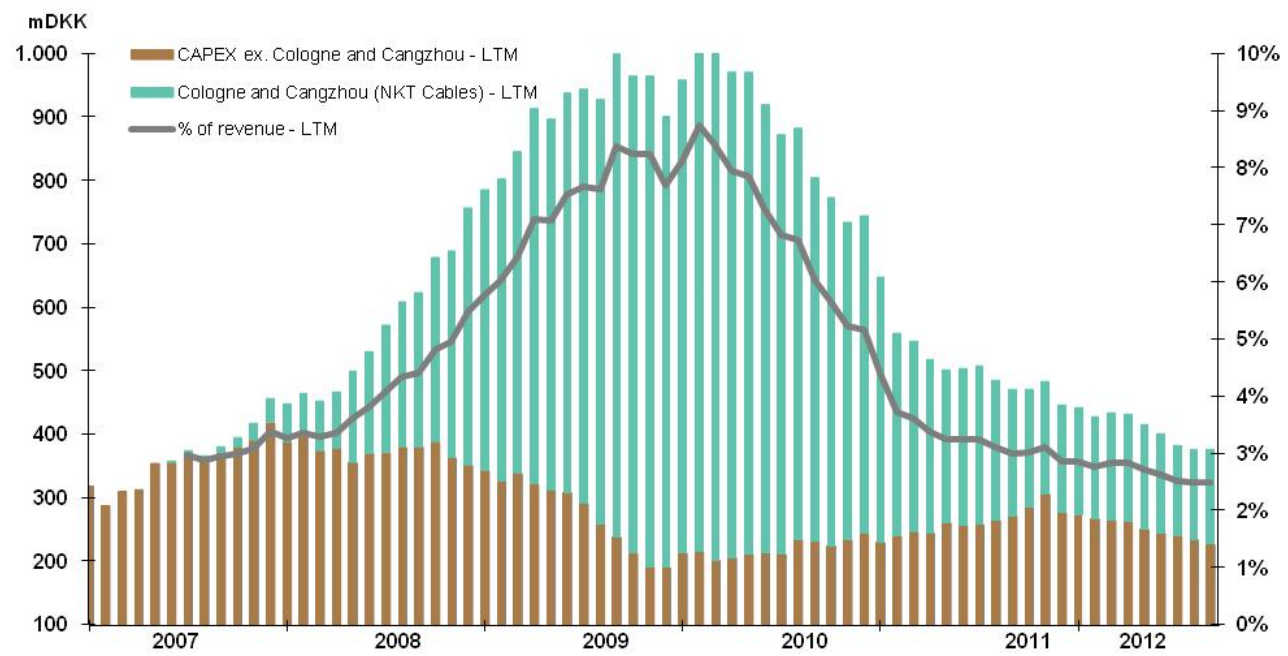
➔

Q3 2012 **20,4%**
3.186 mDKK

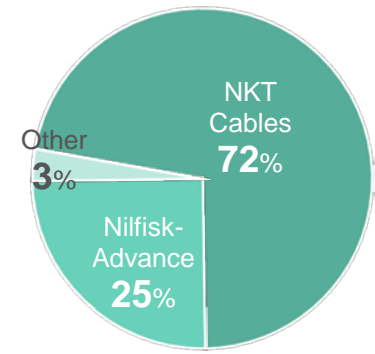


- WC of **3.186** mDKK vs. 2.969 mDKK end Q2 2012
- Still **high focus** area in both NKT Cables and Nilfisk-Advance
- **Strategic target** remains 18% in Nilfisk-Advance and <17% in NKT Cables
- WC decreased to **20,4%** (LTM) vs. 20,6% end Q2 2012
- **NKT Cables** decreased to **20,4%** (LTM) vs. 20,7% end Q2 2012
- **Nilfisk-Advance** decreased to **20,1%** (LTM) vs. 20,2% end Q2 2012

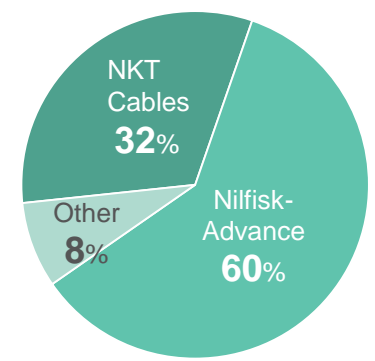
12 months investments in tangible assets (gross)



Gross CAPEX in Q3 2012 was 77 mDKK (Q3 2011: 102 mDKK)



Investments in intangible assets, etc. in Q3 2012 were 61 mDKK (Q3 2011: 37 mDKK)

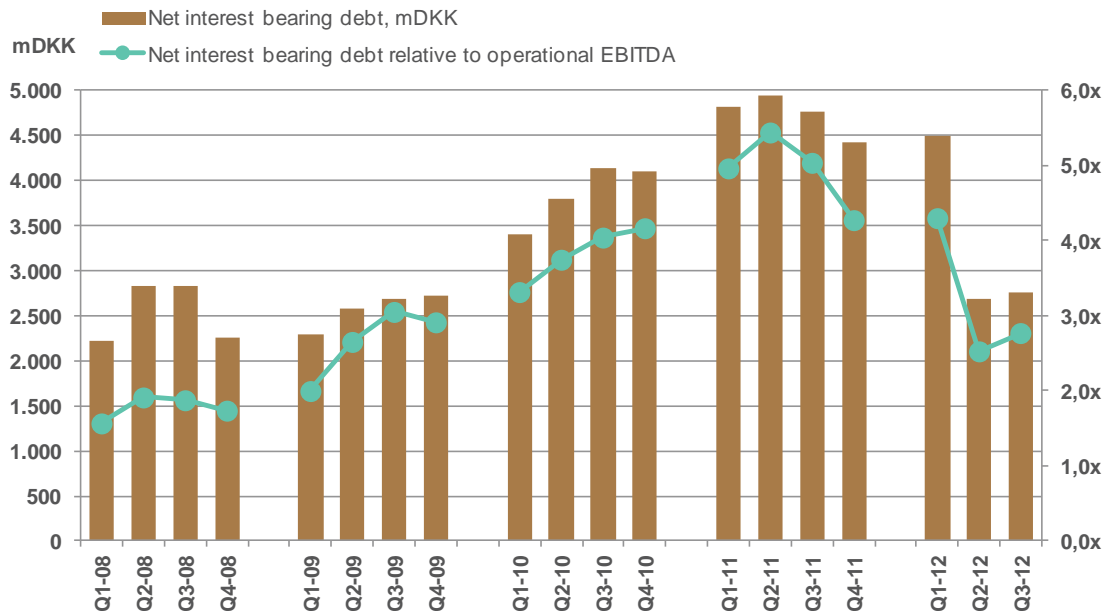


Net interest bearing debt – Group

Q3 2011
5,0x
4.771 mDKK

➔

Q3 2012
2,8x
2.751 mDKK



- **NIBD of 2.751 mDKK** vs. 2.692 mDKK as per 30 June and 4.429 mDKK as per 31 December 2011
- End September 2012 **net interest bearing debt** amounts to **2,8x** operational EBITDA (end Q2 2012: 2,5x). Max. NIBD of 2,5x operational EBITDA remains the internal target.
- **Gearing of 49%** (Q2 2012: 48%). Max. ratio of 100% remains the internal target.
- **Solvency ratio of 43%** (Q2 2012: 41%). Ratio >30% remains the internal target.

Gross debt and Cash Resources – Group

Gross debt:

- 40% in DKK (end 2011: 62%), 29% in CZK (end 2011: 18%), 15% in CNY (end 2011: 10%) and the remaining part in EUR, USD & PLN
- Largest part is at variable interest
- +/- 1% change in interest will impact net interest with +/- **28** mDKK (end 2011: +/- 34 mDKK)

Cash resources:

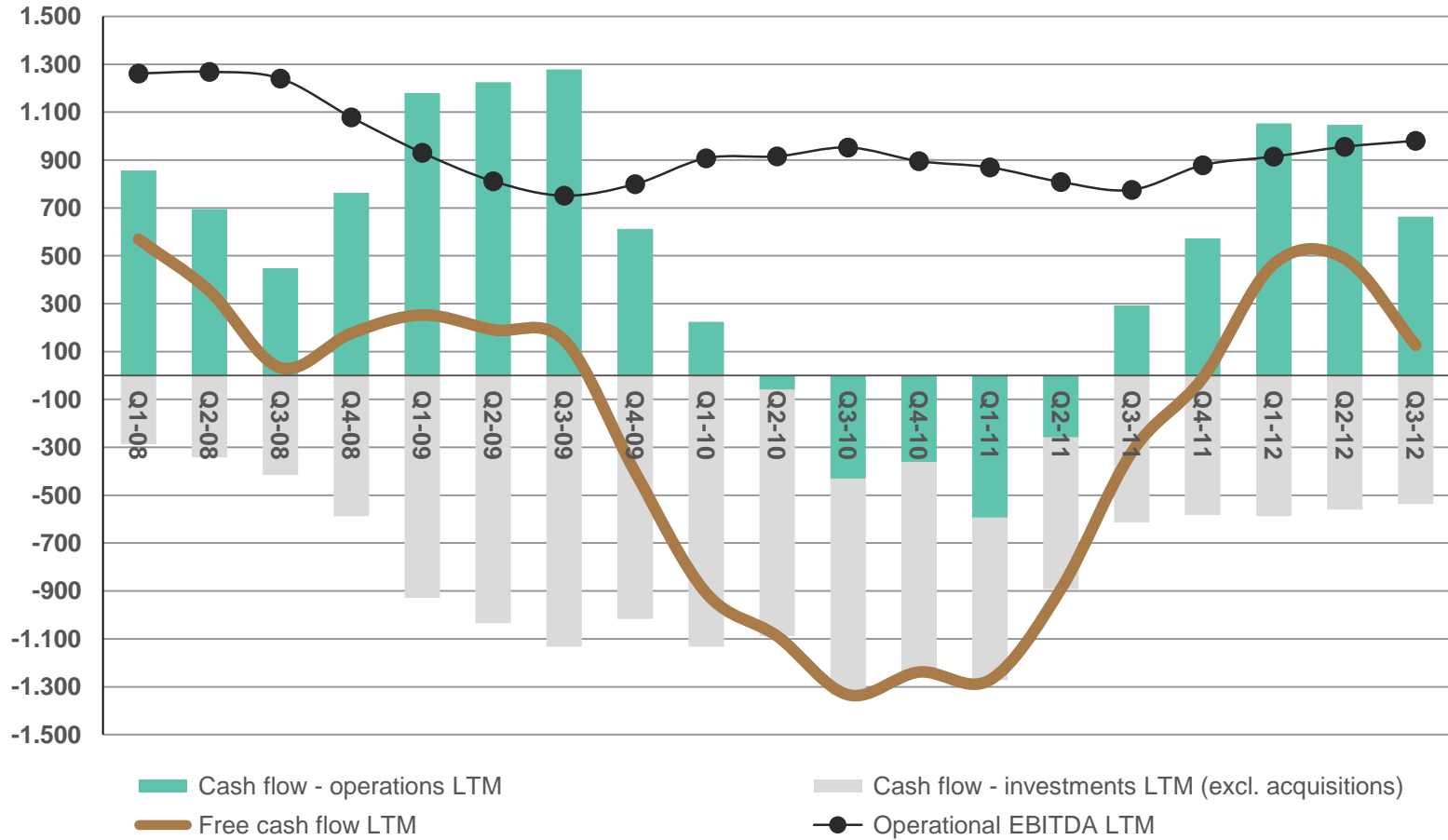
- Undrawn facilities of 3,4 bn.DKK + cash of 0,3 bn.DKK. In total **3,7** bn.DKK
- The debt is not subject to any kind of financial covenants

Amounts in bnDKK	30.09.12	30.06.12	30.09.11
Committed (>3 years)	3.6	3.7	3.8
Committed (1-3 years)	1.0	1.0	0.9
Committed (<1 year)	0.5	0.5	0.4
Committed total	5.1	5.2	5.1
% of total	78%	75%	74%
Uncommitted	1.4	1.7	1.8
% of total	22%	25%	26%
Total	6.5	6.9	6.9
Cash	0.3	0.2	0.2
Drawn	-3.1	-3.0	-5.0
Cash resources	3.7	4.1	2.1



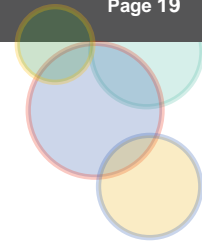
Cash generation

mDKK



Cash flow

mDKK	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011
EBITDA	239	222	696	599
Financial items, net	-44	-106	-155	-210
Change in working capital	-136	301	-336	-280
Other	-29	-3	-82	-76
Cash flows from operating activities	30	414	123	33
Acquisition of business activities	-3	-54	-10	-202
Acq. of property, plant and equipment, net	-53	-100	-208	-302
Other investments, net	-61	-37	-152	-104
Cash flows from investing activities	-117	-191	-370	-608
Cash flows from operating and investing activities	-87	223	-247	-575
Change in long- and short-term loans	127	-265	-1.680	601
Dividend paid	0	0	-48	-47
Cash from exercise of share warrants and minorities	0	0	20	0
Cash flows from financing activities	127	-265	-1.708	554
Cash flow from discontinued operations (NKT Flexibles)	0	-15	1.961	-15
Net cash flow	40	-57	6	-36



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NKT Cables

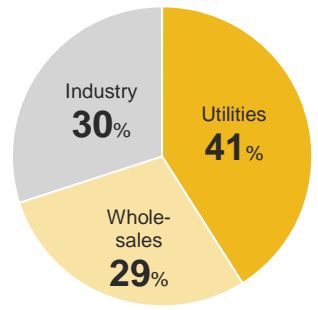
VISION

NKT Cables is creating value for its customers by providing solutions with cables

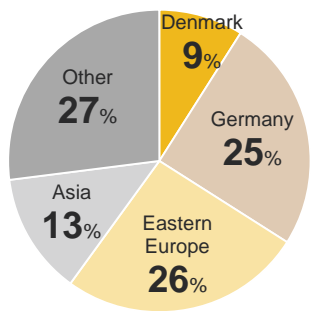


NKT Cables

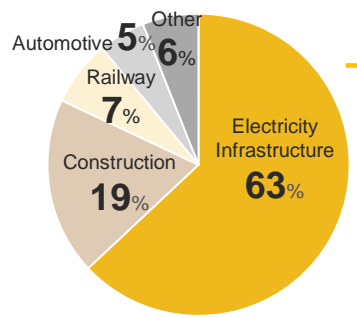
Sales by Customers 2011



Sales by Markets 2011



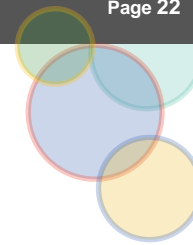
Sales by Fields of Applications (Products) 2011



- Manufacturing and Sales Companies
- Sales Entities

Field of Application	Percentage
Electricity Infrastructure	63%
HV+offshore	33%
MV	18%
Other	12%

Sales by Customers and Fields of Applications are based on std. metal prices for FY 2011. Sales by Markets are based on market prices for FY 2011.

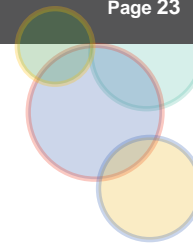


Nilfisk-Advance

MISSION

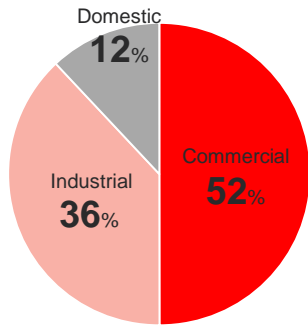
We enable sustainable cleaning worldwide to improve quality of life



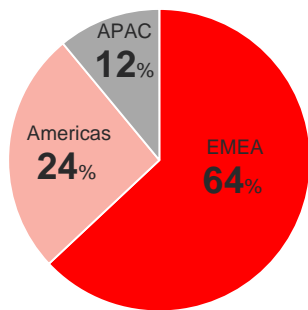


Nilfisk-Advance

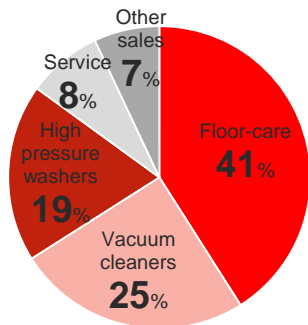
Sales by Customers 2011



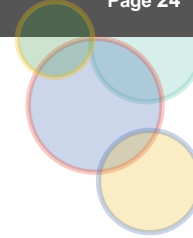
Sales by Markets 2011



Sales by Products 2011



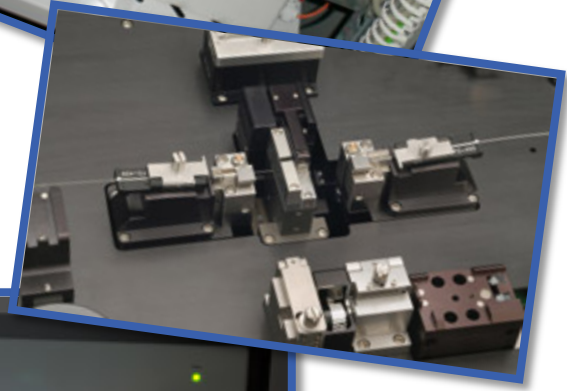
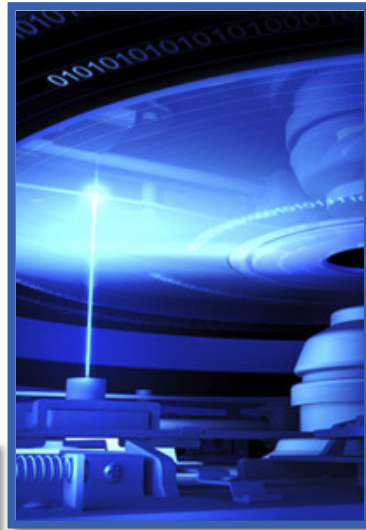
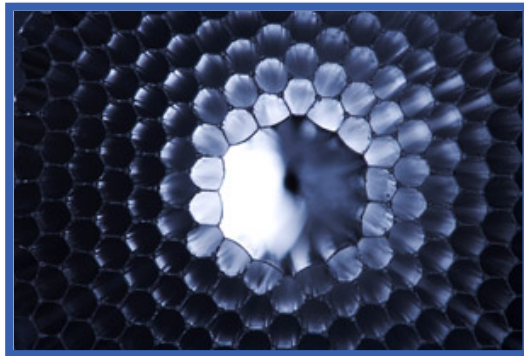
All data based on FY 2011



Photonics Group

VISION

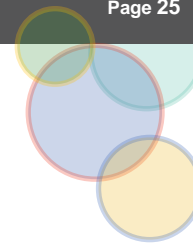
To lead the way in transforming the Photonics Industry



NKT Photonics

LIOS
TECHNOLOGY

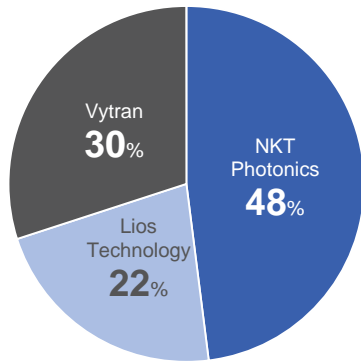
VYTRAN



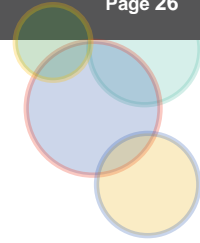
Photonics Group



Sales by entities 2011



All data based on FY 2011



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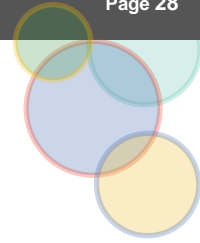


Expectations 2012

The general **economic uncertainty** has further slowed the development in organic growth rates compared with expectations in August 2012

mDKK	Organic growth	Oper. EBITDA
Guided August 2012	0%	~1.050
- Reduced expectation		-50
Guided November 2012	Negative 2-3%	~1.000

Expected Group profit is unchanged at around **1,6** bnDKK



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Q&A

