Interim Report
Q2 2014

CONTENTS

20 August 2014, Announcement No. 13
NKT Holding A/S, CVR No. 62 72 52 14

Key messages

NKT improved operational EBITDA by 16% while final settlement of the Baltic 1 project impacted earnings negatively. **Nilfisk-Advance realised 4% organic growth.** NKT Cables increased operational EBITDA and **expected full-year DRIVE impact was raised** to 130 mDKK

Nilfisk-Advance recorded organic growth of 4%. Europe and the Americas were up 6% and 3% respectively while APAC was down 5% despite continued positive development in China. Operational EBITDA margin was 12.4%, down 0.5% points from Q2 2013, mainly due to increased investments in sales and customer oriented initiatives and the divestment of the high-margin non-core floor sanding activities in Q1 2014. Operational EBITDA margin (LTM) for 1st half 2014 was 12.3% against 12.1% in 1st half 2013.

NKT Cables realised negative organic growth of 11% despite 10% organic growth in Products. This positive trend was offset - as expected - by organic growth of -27% in Projects and -36% in APAC. Adjusted for effects of less third party installation work in Projects and a major project in APAC, organic growth would have been 4% for Q2 2014. The operational EBITDA margin in std. metal prices increased to 7.7%, up 2.9% points from Q2 2013 mainly due to organic growth in Products and the effects of DRIVE. Operational EBITDA margin (LTM) was 6.1% against 5.4% end-March 2014. Effects of DRIVE are realised faster than anticipated. Therefore 2014 full-year impact was raised by 30 mDKK, now amounting to 130 mDKK.

In August, NKT Cables has settled a three year old claim relating to the offshore cable project, Baltic 1, resulting in a non-operational provision of 75 mDKK impacting Q2 2014 results.

Photonics Group delivered organic growth of 10% driven by Sensing and Fiber Processing, which were up 24% and 18% respectively. Imaging was down 4%.

NKT's expectations for 2014 are unchanged with consolidated organic growth of 0-3% and an operational EBITDA margin of 9-9.5% (std. metal prices), the upper range of organic growth being achieved if 1st half 2014 market developments continue through the 2nd half of the year. The expectations are further described on page 6 of this report.

NKT

Amounts in mDKK	Q2 2014	Q2 2013
Revenue*	3,337	3,264
Organic growth	-3%	7%
Oper. EBITDA	324	279
Oper. EBITDA margin*	9.7%	8.5%

	Q2 2014	Q2 2013
NIBD	2,008	2,839
NIBD/oper. EBITDA, LTM	1.7x	2.7x
Working capital	2,869	3,291
% of revenue, LTM	19.0%	19.9%

Unchanged expectations 2014

0-3% organic growth

9-9.5% oper. EBITDA margin*

Nilfisk Advance

Amounts in mDKK	Q2 2014	Q2 2013
Revenue	1,763	1,741
Organic growth	4%	4%
Oper. EBITDA	218	224
Oper. EBITDA margin	12.4%	12.9%

nkt cables

Amounts in mDKK	Q2 2014	Q2 2013
Revenue*	1,506	1,463
Organic growth	-11%	10%
Oper. EBITDA	116	70
Oper. EBITDA margin*	7.7%	4.8%

NKT Photonics Group

Amounts in mDKK	Q2 2014	Q2 2013
Revenue	67	62
Organic growth	10%	16%
Oper. EBITDA	-2	-1
Oper. EBITDA margin	neg.	neg.

**Standard metal prices*

Financial **highlights**

Amounts in mDKK	Q2 2014	Q2 2013	1st half 2014	1st half 2013	Year 2013
Income statement					
Revenue	4,028	4,038	7,893	7,547	15,809
Revenue in std. metal prices [1)]	3,337	3,264	6,516	6,123	12,843
Operational earnings before interest, tax, depreciation and amortisation (Oper. EBITDA) [2)]	324	279	578	496	1,085
Earnings before interest, tax, depreciation and amortisation (EBITDA)	222	279	518	496	1,103
Depreciation and impairment of property, plant and equipment	-88	-85	-178	-172	-405
Amortisation and impairment of intangible assets	-48	-45	-93	-87	-190
Earnings before interest and tax (EBIT)	86	149	247	237	508
Financial items, net	-27	-40	-52	-88	-160
Earnings before tax (EBT)	59	109	195	149	348
Net profit	47	76	134	101	253
Profit attributable to equity holders of NKT Holding A/S	46	75	133	100	252
Cash flow					
Cash flow from operating activities	109	-10	308	-531	545
Cash flow from investing activities	-110	-112	-118	-225	-694
hereof investments in property, plant and equipment	-50	-54	-102	-118	-257
Free cash flow	-1	-122	190	-756	-149
Balance sheet					
Share capital	479	479	479	479	479
Equity attributable to equity holders of NKT Holding A/S	5,685	5,603	5,685	5,603	5,667
Minority interests	6	7	6	7	7
Group equity	5,691	5,610	5,691	5,610	5,674
Total assets	13,051	13,345	13,051	13,345	12,995
Net interest bearing debt [3)]	2,008	2,839	2,008	2,839	2,111
Capital employed [4)]	7,699	8,449	7,699	8,449	7,785
Working capital [5)]	2,869	3,291	2,869	3,291	2,812
Financial ratios and employees					
Operational EBITDA margin (std. metal prices)	9.7%	8.5%	8.9%	8.1%	8.4%
Gearing (net interest bearing debt as % of Group equity)	35%	51%	35%	51%	37%
Net interest bearing debt relative to operational EBITDA [6)]	1.7	2.7	1.7	2.7	1.9
Solvency ratio (equity as % of total assets) [7)]	44%	42%	44%	42%	44%
Return on Capital Employed (RoCE) [8)]	7.7%	6.5%	7.7%	6.5%	6.7%
Number of 20 DKK shares ('000)	23,934	23,930	23,934	23,930	23,930
Number of treasury shares ('000)	77	77	77	77	77
Earnings, DKK per outstanding share (EPS) [9)]	2.0	3.2	5.6	4.2	10.6
Dividend paid, DKK per share	0.0	0.0	3.5	8.0	8.0
Equity value, DKK per outstanding share [10)]	238	235	238	235	238
Market price, DKK per share	374	208	374	208	268
Average number of employees	9,204	8,828	9,204	8,828	8,899

[1) - 10)] Explanatory comments appear in Note 5.

Financial highlights and ratios are calculated as defined in the 2013 Annual Report.

Group development

Operational EBITDA increased by 16% while final settlement of Baltic 1 impacted earnings negatively. **Nilfisk-Advance realised 4% organic growth** and operational EBITDA was largely stable. In NKT Cables operational EBITDA improved due to Products and **DRIVE - full-year impact of the latter was raised to 130 mDKK**

NKT recorded negative organic growth of -3% in Q2 2014. Revenue in std. metal prices was 3,337 mDKK compared with 3,264 mDKK in Q2 2013. Revenue in market prices amounted to 4,028 mDKK against 4,038 mDKK in the same period last year.

Nilfisk-Advance achieved organic growth of 4% which was in line with expectations and based on progress in EMEA and the Americas, while sales in APAC decreased by 5%. The late Easter impacted organic growth negatively by some 2% points.

Organic growth for NKT Cables was -11%. This was mainly due to an expected contraction in Projects caused by changes in the type of projects executed, now containing less third party installation work. Products recorded organic growth of 10%, continuing the positive trend from the previous quarter. In APAC, organic growth decreased by 36% compared with the same period in 2013 when a major project was completed. Nominal growth in std. metal prices was 3%, which included 16% relating to the acquisition of the Ericsson power cable business in 2013.

Photonics Group delivered organic growth of 10% driven by Sensing and Fiber Processing, which were up 24% and 18%, respectively. Impacted by challenging market conditions and customers holding back orders, Imaging realised negative growth

Revenue by business area

Amounts in mDKK	**Q2 2013**	**Currency effect**	**Acquisitions**	**Growth**	**Q2 2014**	**Organic growth**
Nilfisk-Advance	1,741	-52	0	74	1,763	4%
NKT Cables	1,463	-26	229	-160	1,506	-11%
Photonics Group	62	-1	0	6	67	10%
Other	-2	3	0	0	1	-
Revenue, std. metal prices	3,264	-76	229	-80	3,337	-3%
Adjustment, metal prices	774	-20	69	-132	691	-
Revenue, market prices	4,038	-96	298	-212	4,028	-

of 4%. However, a frame contract with Photonics Group's biggest OEM customer was renewed shortly after the end of Q2 2014 providing a stable backlog.

In 1st half 2014 NKT realised organic growth of 2%, which was in line with expectations.

NKT Cables settlement of Baltic 1 claim

In August NKT Cables has settled a three year old claim relating to the offshore cable project Baltic 1. The settlement is expected to result in an additional loss of 35-75 mDKK. A provision of 75 mDKK has therefore been made in Q2 2014 with no effect on operational EBITDA. Including the existing outstanding receivables on the project and the settlement, the net cash flow effect is expected to be in the range of 15 mDKK to -25 mDKK.

Continued positive development in operational EBITDA

Operational EBITDA was 324 mDKK compared with 279 mDKK in Q2 2013, equivalent to an increase of 16%. Operational EBITDA margin in std. metal prices increased correspondingly to 9.7% from 8.5% in Q2 2013.

Operational EBITDA is adjusted for one-off items to reflect the underlying earnings associated with normal operations. In Q2 2014 EBITDA has been adjusted with 102 mDKK relating to one-off costs in NKT Cables comprising a provision relating to the Baltic 1 settlement of 75 mDKK and of 27 mDKK related to DRIVE. No other adjustments have been made in Q2 2014.

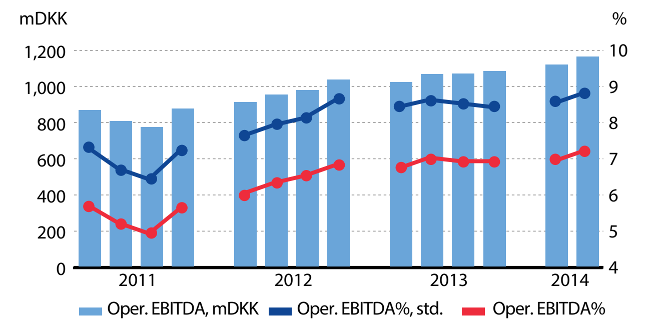
Operational EBITDA by business area

Amounts in mDKK	Q2 2014	Q2 2013	1st half 2014	1st half 2013
Nilfisk-Advance	218	224	431	412
NKT Cables	116	70	165	113
Photonics Group	-2	-1	-2	-6
Other	-8	-14	-16	-23
Operational EBITDA	324	279	578	496
Nilfisk-Advance one-offs	0	0	97	0
NKT Cables one-offs	-102	0	-157	0
EBITDA	222	279	518	496

NKT Cables was the main contributor to the improved operational EBITDA with an increase of 46 mDKK compared with the same period last year. Operational EBITDA in Nilfisk-Advance was down 6 mDKK compared with Q2 2013, mainly due to investment in front-end approach and the impact of the Sanders divestment. Photonics Group performed largely on par with Q2 2013. Operational EBITDA for 1st half 2014 was 431 mDKK, 19 mDKK above same period last year.

Operational EBITDA on a rolling 12-month basis was 1,166 mDKK, an increase of 44 mDKK over end-March 2014. Operational EBITDA margin (LTM) in std. metal prices increased to 8.8% from 8.5% at end-March 2014.

Operational EBITDA (LTM)



At the end of Q2 2014, NKT had around 9,100 employees, a reduction of some 100 since end Q1 2014. The change is mainly a consequence of the DRIVE programme in NKT Cables.

Financial items, Group earnings and tax

Net financial items amounted to -27 mDKK compared with 40 mDKK in Q2 2013. This improvement was mainly due to lower net interest bearing debt.

Earnings before tax decreased to 59 mDKK from 109 mDKK in Q2 2013. Besides the improvement in operational EBITDA, earnings were positively affected by reduced financial items of 13 mDKK and negatively impacted by one-off costs of 75 mDKK relating to the Baltic 1 settlement and 27 mDKK relating to DRIVE.

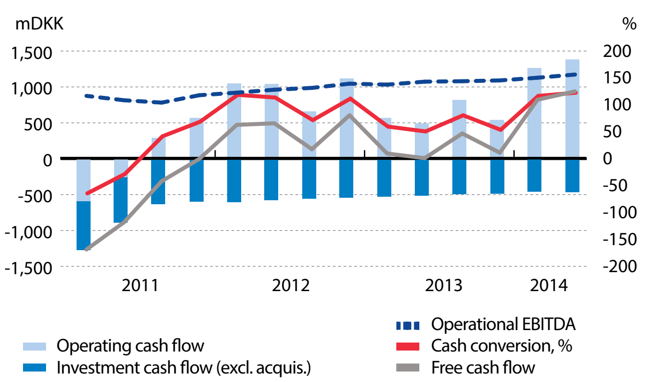
The tax rate in Q2 2014 was 20% and the figure for 1st half 2014 was 31%, which included the effect of the non-deductible fine of 29 mDKK imposed by the European Commission. The tax rate for 1st half 2014, excluding the fine, was 27%. The tax rate for the year as a whole, including the impact of the fine, is expected to be around 30%.

Solid cash flow from operating activities and high cash conversion

Cash flow from operating activities amounted to 109 mDKK against -10 mDKK in the same period last year. This improvement was based on solid operating earnings (operational EBITDA) and lower working capital compared with Q2 2013.

Investments in tangible and intangible fixed assets amounted to 110 mDKK in Q2 2014, on par with the same period last year.

Cash conversion (LTM)



At end-June 2014 the cash conversion rate (operating cash flow in relation to EBITDA) was 119% (LTM), continuing the positive trend from the previous quarter.

Continued improvement in working capital levels

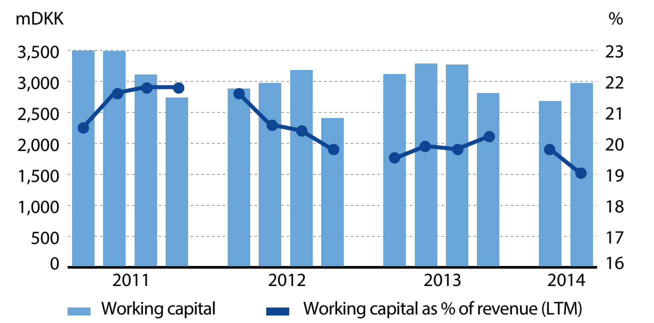
Net working capital at end-June 2014 was 2,869 mDKK compared with 2,681 mDKK recorded at end-March 2014, but 422 mDKK lower than the figure of 3,291 mDKK for the same period last year. This improvement was mainly driven by NKT Cables.

Working capital as an average percentage of revenue (LTM) amounted to 19.0% at 30 June 2014, down from 19.8% at end-March 2014. The decrease was primarily attributable to reduced working capital in projects but also to tight control on all operational working capital items.

Net working capital for Nilfisk-Advance increased in absolute terms due to increased activity. Working capital as a percentage of revenue (LTM) remained largely stable from end-March 2014, amounting to 19.1% at 30 June 2014.

Net working capital for NKT Cables increased during Q2 to 1,459 mDKK at end-June 2014, up 119 mDKK from end-March 2014. From 20.0% at the end of the first quarter, working capital as a percentage of revenue (LTM) continued to decline, ending Q2 2014 on 18.7%.

Working capital



Lowest net interest bearing debt ratio since 2008

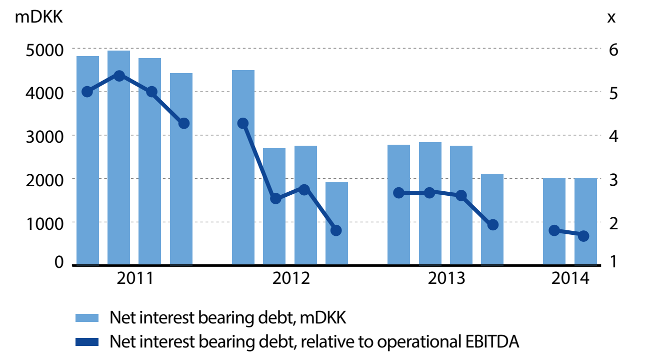
Net interest bearing debt was 2,008 mDKK at end-June 2014, on par with the figure of 1,999 mDKK recorded at end-March 2014 and down from 2,111 mDKK at year-end 2013. The debt amount corresponded to 1.7x operational EBITDA (LTM) compared with 1.8x at end-March 2014 and 1.9x at year-end 2013. The debt ratio has been positively affected by the increase in operational EBITDA and is now at its lowest level since 2008.

Cash resources remain strong

The average duration of the committed loan portfolio is 3.0 years and no facilities are due to mature before January 2016.

At 30 June 2014 NKT's total available cash resources were approx. 4.5 bnDKK, comprising cash of 0.3 bnDKK and undrawn credit facilities of 4.2 bnDKK. Total credit facilities amounted to 6.6 bnDKK, of which 64% were undrawn. At the end of Q2 2014, totally 84% of the facilities were committed by the banks supporting NKT's policy to maintain a high level of committed credit facilities. No committed credit facilities are subject to financial covenants.

Net interest bearing debt



Equity increased slightly

Equity amounted to 5,691 mDKK at the end of Q2 2014 compared with 5,606 mDKK at 31 March 2014. The increase was attributable to a net profit of 47 mDKK combined with 37 mDKK relating jointly to currency adjustments of foreign subsidiaries and value adjustments of hedging instruments, etc.

Equity gearing (the relationship between net interest bearing debt and equity) was 35%, which was slightly lower than 37% at year-end 2013 and considerably down from 51% at end-June 2013.

Solvency ratio was 44%, exceeding the internal target of minimum 30%.

Expectations for full-year 2014

NKT's expectations for 2014 are unchanged with consolidated organic growth of 0-3% and an operational EBITDA margin of 9-9.5% (std. metal prices), the upper range of organic growth being achieved if 1st half 2014 market developments continue through the 2nd half of the year.

The impact from DRIVE is included in the above expectations and amounts to around 130 mDKK against around 100 mDKK previously anticipated. At end-2014 the expected run rate will be 220 mDKK against 180 mDKK previously anticipated.

The above expectations with regard to operational EBITDA margin exclude the following one-off costs:

- Profit of 97 mDKK from the divestment of floor sanding activities in Nilfisk-Advance
- The 29 mDKK fine imposed by the European Commission
- 2014 DRIVE-related one-off costs of 160 mDKK, against 180 mDKK previously forecasted. Total one-off costs relating to the implementation of DRIVE remain unchanged at 240 mDKK
- Provision of 75 mDKK for the Baltic 1 settlement, covering an additional loss of 35-75 mDKK. The net cash flow effect is expected to be in the range of 15 mDKK to -25 mDKK

In total, the above initiatives in Nilfisk-Advance and NKT Cables will have a negative impact on EBITDA of around 167 mDKK in 2014.

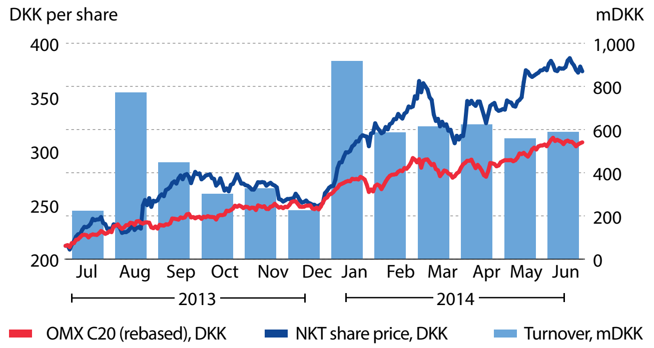
The expectations are furthermore based on the anticipated development for each of the business areas as described in the 2013 Annual Report, page 7.

NKT shares

NKT shares are listed under ID code DK0010287663 on NASDAQ OMX Copenhagen and are among the 30 most traded shares.

In Q2 2014 the daily turnover in NKT shares on NASDAQ OMX Copenhagen averaged 31 mDKK (Q2 2013: 20 mDKK). An average of 86,500 NKT shares was traded daily in Q2 2014 compared with 93,000 in Q2 2013. An estimated 35% of the trading in NKT shares takes place outside of NASDAQ OMX Copenhagen. No corresponding adjustment has been made in the above data.

NKT share price and turnover



As at 30 June 2014, NKT's share price was 374.00 DKK against 267.60 DKK at 31 December 2013. Including the effect of the dividend payment made in March 2014, this represents a 41% increase in share price since the year-end.

At end-June 2014 NKT had three registered investors with shareholdings of more than 5%: ATP (Denmark), EdgePoint Investment Group Inc. (Canada) and Nordea Invest (Luxembourg).

FINANCIAL CALENDAR

13 November 2014	Interim Report Q3
27 February 2015	2014 Annual Report

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Nilfisk-Advance

The Nilfisk scrubber dryer SC8000 in operation. A variant of this floorcare machine was launched in Q2, 2014

Q2 growth was mainly driven by EMEA, and operational EBITDA was stable. Substantial investments were made in **front-end initiatives** and to improve processes and performance, particularly in the US

Financial highlights

	Q2		1st half		Year
Amounts in mDKK	**2014**	**2013**	**2014**	**2013**	**2013**
Income statement					
Revenue	1,763	1,741	3,500	3,396	6,561
Operational EBITDA	218	224	431	412	778
EBITDA	218	224	528	412	778
Depreciation and amortisation	-53	-53	-108	-105	-214
EBIT	165	171	420	307	564
Cash flow					
Cash flow from operating activities	110	100	27	5	500
Cash flow from investing activities	-52	-58	-96	-116	-218
Free cash flow	58	42	-69	-111	282
Balance sheet					
Capital employed	3,325	3,399	3,325	3,399	3,074
Working capital	1,343	1,353	1,343	1,353	1,073
Financial ratios and employees					
Gross margin	41.3%	41.1%	41.4%	41.2%	40.9%
Overhead cost margin	31.6%	30.8%	31.8%	31.6%	31.8%
Operational EBITDA margin	12.4%	12.9%	12.3%	12.1%	11.9%
Organic growth	4%	4%	7%	3%	3%
Return on capital employed (RoCE)	17.8%	17.2%	17.8%	17.2%	17.5%
Number of employees, end of period	5,475	5,285	5,475	5,285	5,321

Nilfisk-Advance recorded 4% organic growth in Q2 2014. This progress was attributable to EMEA in particular and the Americas. The growth rate was negatively impacted by some 2% points, however, due to a late Easter. Total organic growth for 1st half 2014 was 7%. Revenue was 1,763 mDKK compared with 1,741 mDKK in Q2 2013.

Organic growth

	Q2 2014	1st half 2014
EMEA	6%	7%
Americas	3%	6%
APAC	-5%	4%
Total	**4%**	**7%**

Stable earnings despite substantial investments in performance

Operational EBITDA amounted to 218 mDKK against 224 mDKK in Q2 2013. Operational EBITDA margin was 12.4%, down 0.5% points from 12.9% in the same quarter last year.

Operational EBITDA margin was slightly depressed due to the divestment of the high-margin floor sanding activities impacting EBITDA margin by 0.2%

point in the quarter and increased investments in improving front-end processes and performance. These investments have a negative short term impact on operational EBITDA margin, but are expected to support long term growth and earnings positively.

In 1st half 2014 operational EBITDA margin was 12.3%, 0.2% points above the same period last year.

Gross profit margin was 41.3%, up 0.2% points from Q2 2013, despite negative product mix effects. The figure for 1st half 2014 was 41.4% against 41.2% in the same period last year.

Overhead cost margin was 31.6% compared with 30.8% in Q2 2013. The increase is mainly due to the increased investments mentioned above and to negative effects arising from the divestment of floor sanding activities.

Working capital as a percentage of revenue (LTM) was 19.1%, which was in line with expectations and largely on par with the previous quarter.

EMEA

Organic growth in EMEA was 6%. This growth was broad-based in geographical and product terms with positive development in sales of both professional and consumer products.

Nilfisk-Advance also capitalised on the slightly more positive economic situation in Southern Europe, achieving double-digit growth rates in both Iberia and Italy. Russia and Turkey continued to develop strongly, performing well above last year.

Nilfisk-Advance aims to play an active part in the global consolidation of the industry and continues to seek relevant opportunities for acquisitions. In Q2 2014 a small service business in Belgium was acquired.

AMERICAS

Organic growth in the Americas was 3% driven by positive developments in both Latin and North America. Latin America demonstrated solid growth with Brazil leading the way, while Chile and Argentina also reported increased sales in the period.

New US service setup to get closer to the customers
In the US, both commercial and industrial dealers achieved favourable growth due to focused sales initiatives to increase market coverage.

Investments were made in an extended service setup, an initiative which has already proven its value in Europe. The implementation in the US is an important step to bring Nilfisk-Advance closer to its customers.

One of Nilfisk-Advance focus areas is to continuously improve the manufacturing setup to increase overall efficiency and quality. In Q2 , the process of further optimising production, network and logistics has been launched.

APAC

The 5% negative organic growth in APAC was attributable to declining sales of consumer vacuum cleaners in Australia due to loss of a distributor. This development was only partly offset by increased sales of professional products in the same market. Competition in several markets in Asia is also slowing growth.

Outdoor - a strong growth contributor in China
26% organic growth was achieved in China due to sales of Outdoor equipment to municipalities. The share of revenue

COMMERCIAL EXCELLENCE PROGRAMME TO IMPROVE SALES AND SERVICE EFFECTIVENESS

Early in 2014 Nilfisk-Advance formally launched the Commercial Excellence programme as part of its customer focus. This initiative introduces new tools and methods aimed at increasing sales and service effectiveness and enhancing customer satisfaction. During Q2 the programme was partially implemented in Germany and roll-out in France and the US has begun.

The Commercial Excellence programme particularly focuses on three key elements:

1. New tools to enhance cross-sales and make sure that customers are offered the full product portfolio
2. Service must be an integral part of the customer offering. More and more customers require a high quality service setup which is being incorporated in an increasing number of solutions
3. New collaboration models will provide a systematic sales approach to both direct and indirect customers with view to improving service and matching the needs and requirements of the individual customer

The Commercial Excellence programme will be rolled out in sales companies across Nilfisk-Advance with support initiatives implemented in all sales units.

attributable to key account sales increased due to enhanced focus on direct service and nationwide service partnerships. Growth is expected to be stimulated by the roll-out of the Commercial Excellence programme. Additional investments will support expansion of direct sales force and number of distributors and dealers especially in Asia.

End Q2, the APAC management team has been strengthened to support growth ambitions for the entire region.

EXTENDED GROUP MANAGEMENT

With view to further increasing focus on the front-end market approach, a new extended Group Management was introduced for Nilfisk-Advance as of 1 April 2014, adding three positions to the former team comprising four executives. The three new roles represent responsibility for North America Sales, APAC Sales and Global Marketing & Product Management, respectively.

PRODUCT DEVELOPMENT

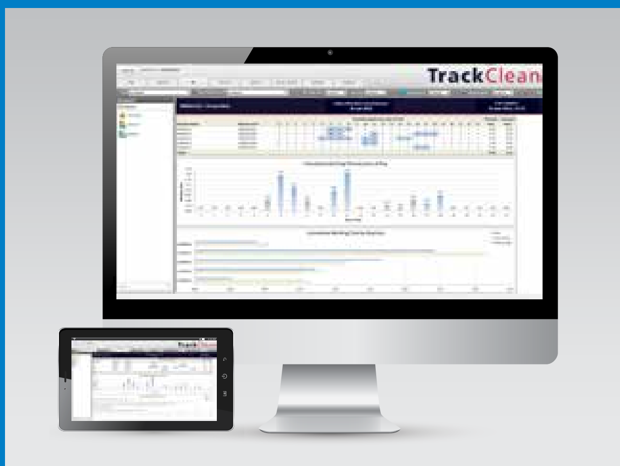
14 new products and product versions were launched in Q2, comprising six floor-care models, three vacuum cleaners, four high-pressure washers and one new product version within the Outdoor range.

Around 3% of Nilfisk-Advance's revenue continues to be invested in product development and a total of 35-40 new products and product versions are expected to be launched in 2014.

Q2 2014 saw continued implementation of Transactional NPS (Net Promoter Score), a measuring tool for customer loyalty. Active in a number of countries at the end of Q2 for service and delivery, Transactional NPS has also been introduced for key product launches.

TRACKCLEAN - OPTIMISING CUSTOMER CLEANING PROGRAMMES

At the ISSA/INTERCLEAN Trade Show in Amsterdam in May 2014 Nilfisk-Advance formally launched its TrackClean solution aimed at contract cleaners and other large customers. TrackClean records and monitors operational data relating to the customer's fleet and transmits it to a secure web portal. This data includes working time for each machine, downtime, time of day for each activity, geographic location of the machine and optionally information about the operator. Based on this data, the customer can intelligently optimise the cleaning programme and reduce cost.



NKT
Cables

Operational EBITDA increased due to Products and DRIVE. **Products realised 10% organic growth** and the order for the Gemini offshore project was confirmed. Baltic 1 was settled and expected **full-year impact of DRIVE was raised to 130 mDKK**

Financial highlights

	Q2		1st half		Year
Amounts in mDKK	**2014**	**2013**	**2014**	**2013**	**2013**
Income statement					
Revenue	2,197	2,237	4,261	4,036	8,983
Revenue in std. metal prices	1,506	1,463	2,884	2,612	6,017
Operational EBITDA	116	70	165	113	335
EBITDA	14	70	8	113	372
Depreciation and amortisation	-75	-73	-149	-145	-357
EBIT	-61	-3	-141	-32	15
Cash flow					
Cash flow from operating activities	5	-89	252	-564	-67
Cash flow from investment	-52	-39	-97	-86	-215
Free cash flow	-47	-128	155	-650	-282
Balance sheet					
Capital employed	4,223	4,820	4,223	4,820	4,557
Working capital	1,459	1,850	1,459	1,850	1,681
Financial ratios and employees					
Gross margin, std. metal prices	39.3%	36.0%	40.1%	37.7%	37.7%
Overhead cost margin, std. metal prices	34.5%	32.1%	38.1%	34.4%	33.5%
Operational EBITDA margin, std. metal prices	7.7%	4.8%	5.7%	4.3%	5.6%
Organic growth	-11%	10%	-3%	7%	4%
Return on capital employed (RoCE)	1.9%	0.4%	1.9%	0.4%	0.8%
Number of employees, end of period	3,373	3,312	3,373	3,312	3,560

NKT Cables recorded negative organic growth of 11% in Q2 2014. Organic growth of 10% in Products could not compensate for the expected negative organic growth of -27% in Projects and -36% in APAC. Adjusted for effects of third party installation work in Projects, and an adjustment for a major project in APAC, organic growth would have been 4% for Q2 2014. Organic growth for 1st half 2014 was -3%.

Organic growth

	Q2 2014	1st half 2014
Projects	-27%	-18%
Products	10%	16%
APAC	-36%	-30%
Total	**-11%**	**-3%**

Revenue in std. metal prices was 1,506 mDKK compared with 1,463 mDKK in Q2 2013. Nominal revenue growth in std. metal prices was 3%, which included 13% contributed by the former Ericsson power cable business acquired on 1 July 2013. Revenue in std. metal prices for 1st half 2014 amounted to 2,884 mDKK against 2,612 mDKK in the same period last year.

Settlement on Baltic 1 claim

NKT Cables has made a final settlement with 50Hertz regarding the Baltic 1 offshore project. This was the first major turnkey offshore cable project carried out at the new Cologne facility with production startup in 2009.

During the cable installation phase in 2011 it was discovered that the cable could not be buried in the seabed as first planned. Nonetheless, the cable was energised and has operated satisfactorily since 2011. However, the parties have discussed a final solution to the burial issue and have now reached a final settlement. This agreement is expected to result in an additional loss of 35-75 mDKK for NKT Cables. As a consequence, NKT has decided to

400kV ground cable on a 25 tonne drum being transported through Cologne, Germany. The cable made up part of the connection between a new gas and steam power plant and the German grid over a distance of 9 km - at present the longest 400kV ground cable connection in Germany

make a provision of 75 mDKK in the Q2 2014 accounts, the precise amount depending on the estimated cost of finalising certain tests on the project. The provision does not affect operational EBITDA. The existing outstanding receivables on the project and the settlement will result in a future net cash flow effect of 15 mDKK to -25 mDKK.

Operational EBITDA positively impacted by DRIVE and Products
Operational EBITDA amounted to 116 mDKK, up from 70 mDKK in Q2 2013. This increase is mainly due to growth in revenue in Products and the impact of the DRIVE efficiency improvement programme. Operational EBITDA for 1st half 2014 was 165 mDKK, an increase of 52 mDKK on the same period last year.

Operational EBITDA margin in std. metal prices was 7.7% against 4.8% in Q2 2013.

EBITDA negatively impacted by one-offs
EBITDA amounted to 14 mDKK, an decrease of 56 mDKK compared with Q2 2013, and was negatively affected by one-off costs of a 75 mDKK provision relating to the Baltic 1 settlement and 27 mDKK relating to DRIVE. EBITDA for 1st half 2014 was 8 mDKK against 113 mDKK in the same period last year. This was attributable to total one-off costs of 157 mDKK, comprising 75 mDKK relating to the Baltic 1 settlement, 53 mDKK relating to DRIVE and 29 mDKK relating to the fine imposed by the European Commission for alleged price-fixing activities in the power cables industry.

Working capital reduced by improved operating performance
Working capital at 30 June 2014 was 1,459 mDKK, a decrease of 608 mDKK compared with 30 June 2013 and adjusted for the added working capital from the acquired Ericsson power cable business of 217 mDKK. This positive development is due to progress on large construction contracts and to significantly improved performance in all categories of operational working capital.

From Q1 2014 to Q2 2014, working capital increased by 119 mDKK due to normal operational impacts. However, as a percentage of revenue (LTM) working capital continued to decline from 20.0% at the end of Q1 2014 to 18.7% at the end of Q2 2014, signifying that the level of working capital required to support operations is substantially reduced.

DRIVE

Execution of the DRIVE efficiency improvement programme in NKT Cables' European operations continued at full speed in Q2 and made good progress on basically all cost-saving initiatives. At the end of the quarter, 23 sub-projects had been fully implemented and a further 63 are underway. 33 full-time employees left NKT Cables as part of DRIVE during the quarter, the total reduction now being 118.

Expected full-year 2014 impact raised by 30 mDKK
In Q2, cost savings of some 40 mDKK were recorded, bringing the total amount realised in 1st half 2014 to approx. 60 mDKK.

DRIVE impact

	Cost improvements	FTE reduction	One-off costs	Capex
Q2 2014 Realised	~40 mDKK	33 FTE	27 mDKK	2 mDKK
H1 2014 Realised	~60 mDKK (Run rate: -130 mDKK)*	118 FTE	53 mDKK	2 mDKK
FY 2014 Expectation	~130 mDKK (Run rate: ~220 mDKK)*	~200 FTE	~160 mDKK	~20 mDKK
Full impact going into 2016	~300 mDKK p.a.	~400-450 FTE	~240 mDKK**	~50 mDKK**

* *Run rate effect: Estimate for full year effect if fully implemented*
** *Total accumulated effect when fully implemented*
Note: All cash effect

At the end of Q2, the run rate amounted to 130 mDKK, which was 30 mDKK more than at the end of Q1.

Based on a faster ramp-up of DRIVE than planned, expected full-year 2014 impact has been increased by 30 mDKK and now amounts to savings of 130 mDKK. At the same time estimated one-off costs in 2014 relating to DRIVE have been reduced by 20 mDKK, now amounting to 160 mDKK against 180 mDKK expected at the end of first quarter 2014. Furthermore, estimated capex relating to DRIVE has been reduced by 30 mDKK to 20 mDKK.

PROJECTS

Organic growth of -27% in Q2 2014 was mainly due to the planned changes in project profile compared with the same period last year. Adjusted for the reduction in installation the organic growth was -8%. Comparison of quarterly growth rates remains difficult as the level of activity in this business varies with project type (cable supply or turnkey cable project) and the cable production cycle.

At the Cologne plant full utilisation of submarine cable capacity is secured for the rest of 2014 and well into 2015 by the Gemini order described below. As regards production of onshore cables, the existing order book provides almost 100% coverage of the expected 2014 sales.

Gemini - biggest ever offshore order for NKT Cables
The financial closing relating to the order for the Gemini offshore wind farm project was completed in May, cf. Company Announcement No. 11 2014. Representing NKT Cables' biggest ever offshore order both in relation to revenue and to technical terms, Gemini comprises the supply of more than 200 km of 220 kV high voltage submarine cable ready for installation with deliveries starting from early 2015. NKT Cables' order does not comprise installation work. Cable production began in February 2014 under a provisional agreement and is proceeding as planned. As previously reported, the contract value to NKT Cables is approx. 1.2 bnDKK in std. metal prices.

Satisfactory order intake for high voltage onshore business
Q2 saw the completion and handover of one major high voltage onshore project. The current project portfolio mainly consists of a larger number of mid-size orders with lower risk profiles. This is a change from previous years which were dominated by a small number of major projects. Although competition in the high voltage onshore market remains intense, NKT Cables managed to secure a satisfactory order intake in 1st half 2014 with production scheduled for the remainder of 2014 and into 2015.

Appeal against European Commission decision
On 2 April 2014 NKT received a fine of 29 mDKK following an investigation conducted by the European Commission into alleged price-fixing activities in the high-voltage power cable industry, cf. Company Announcement No. 8 2014. The fine was paid early July 2014. However, NKT disagrees with the Commission's decision and has therefore lodged an appeal.

Following the adoption of the Commission's decision, NKT Cables has commenced dialogue with its customers on the issue - an initiative which was met with appreciation from customers.

COST EFFECTIVE, TRENCHLESS REPLACEMENT OF CABLES IN CONGESTED CITY ENVIRONMENTS

Many cities in Europe face replacement of their oil-insulated underground power cables due to approaching obsolescence or environmental concerns. Traditionally, replacing an underground cable means digging wide trenches - a complex process in today's congested city environments.

In Bremen, Germany, the upcoming replacement of oil-insulated cables dating from 1959 would have caused significant traffic disruption and cut down of several hundred large trees. To meet these scenarios NKT Cables has developed a new retrofit technology for single-core oil-insulated cable systems - a solution based on the company's existing CityCable high voltage application. The CityCable is a compact three-core high voltage cable placed in a plastic pipe.

The retrofit uses advanced directional drilling technology which enables the existing oil-insulated cable to be pulled out and the new plastic pipe installed. The result is an eco-friendly, trenchless process compared with conventional methods which also preserves the city's trees for future generations. NKT Cables expects this technology to have a certain market potential over the coming years.

PRODUCTS

With organic growth of 10% in Q2, the positive development for Products continued. The growth is driven by the wholesale segment with increased sales of building wires and 1 kV cables.

Price increases implemented in selected markets
NKT Cables' business development in the wholesale segment reflects the improved building market in each individual country. Markets such as Sweden, Germany, Czech Republic and Poland reported growth, while the Danish market is flat. The segment remains very price sensitive, but the price increases implemented by NKT Cables in Q1 in selected markets have been widely accepted by customers and were extended in Q2 to further markets.

Outlook for the medium voltage segment still unclear
In line with expectations, sales in the medium voltage segment decreased, although less than anticipated.

Overall, the outlook for the market for medium voltage cables remains uncertain. Renewable energy offers growth potential in most of Western Europe, but demand is dependent on political decisions regarding changes in energy subsidy regimes.

SYNERGIES FROM INTEGRATION OF ERICSSON POWER CABLE BUSINESS

The former power cable business of Sweden's Ericsson AB became part of NKT Cables on 1 July 2013 as a central element in the growth strategy for Products. This strategy includes focus on strengthening the position in the Nordic region in the medium and low voltage cables segment.

A process was immediately launched to integrate the newly acquired production facilities in Falun, Sweden, and some 300 people employed there, with NKT Cables' existing operations in Asnaes, Denmark, to quickly realise the anticipated synergies. Over the past year the synergies gained from production optimisation, sales, procurement and administration have contributed to a successful integration of the Swedish unit.

APAC

Organic growth was 36% down compared with the same period last year when significant deliveries were made to complete a major Australian project. Adjusted for this, a negative organic growth of 2% was realised in Q2 2014, while organic growth in 1st half 2014 was 1%.

Market conditions in China remain challenging
Railway segment activity in China is on par with the same period last year. The trend towards intensified price competition is unchanged, as was also the previously reported decision of the Ministry of Telecommunications to abolish strict supplier certification procedures.

The local Chinese cable industry remains characterised by overcapacity in all product segments. The cable business is impacted by a difficult financial situation affecting other industries characterised by overcapacity such as steel, cement and coal, and by the development in capital investments in infrastructure. A trend is seen towards a changed political focus - away from investments in infrastructure towards consumption.

However, the unchanged strategy of the Chinese government to invest in the railway segment to achieve its GDP growth target ensures that NKT Cables' railway business remains at a satisfactory level and compensated for reduced cable sales.

In order to increase the profitability in China, a number of actions similar to the DRIVE programme in the European operations have been initiated end Q2 2014. The focus is mainly on optimising processes and thereby reducing costs. Examples of identified levers are LEAN, reduction of scrap and working capital, lower overhead and travel costs as well as purchasing. More information on the DRIVE APAC programme and the ongoing strategic review will be presented later this year.

Photonics Group

Q2 saw **organic growth of 10%** and stable operational EBITDA. In Sensing a **new US onshore pipeline monitoring business** was established and in **Fiber Processing the turnaround process is on track**

Financial highlights

Amounts in mDKK	Q2 2014	Q2 2013	1 st half 2014	1 st half 2013	Year 2013
Income statement					
Revenue	67	62	132	117	266
EBITDA	-2	-1	-2	-6	6
Depreciation and amortisation	-8	-4	-14	-8	-24
EBIT	-10	-5	-16	-14	-18
Cash flow					
Cash flow from operating activities	-4	-13	-8	-10	22
Cash flow from investing activities	-7	-12	-11	-17	-35
Free cash flow	-11	-25	-19	-27	-13
Balance sheet					
Capital employed	203	224	203	224	200
Working capital	91	84	91	84	86
Financial ratios and employees					
EBITDA margin	neg.	neg.	neg.	neg.	2.3%
Organic growth	10%	16%	14%	5%	13%
Number of employees, end of period	208	204	208	204	205

Photonics Group achieved organic growth of 10% for Q2 and 14% for 1st half 2014. This performance was driven by Sensing and Fiber Processing, underlining the continued progress in the latter's turnaround.

Revenue was 67 mDKK compared with 62 mDKK in Q2 2013 while EBITDA was -2 mDKK against -1 mDKK for the same quarter last year. The discontinuation of a Fiber Processing product impacted EBITDA negatively by 2 mDKK and EBIT by 6 mDKK due to impairments of 4 mDKK.

Organic growth

	Q2 2014	1st half 2014
Imaging	-4%	-4%
Sensing	24%	30%
Fiber Processing	18%	23%
Total	**10%**	**14%**

IMAGING

Challenging market conditions led to a negative organic growth of 4%. The science segment and R&D labs relying on public funding were impacted by budget constraints which either prevented investment or held back orders in 1st half 2014. In the science segment, order intake is expected to pick up in the 2nd half of the year due to relaxed funding restrictions and the introduction of new products and accessories earlier in 2014.

Development projects with major OEM (Original Equipment Manufacturer) customers are progressing well and new customers have also shown interest. Growing the base of such new blue-chip OEM customers is expected to be the main growth vehicle within Imaging. Shortly after the end of Q2 a frame contract covering the next 18 months was renewed by Photonics Group's biggest OEM customer, ensuring a stable backlog and sales of SuperK™ for this period.

SENSING

The strong organic growth of 24% was mainly attributable to sales of Koheras™ lasers to the oil and gas segment.

Sales support and offerings relating to DTS (Distributed Temperature Sensing) systems were strengthened considerably with the establishment of a new business entity in the US. The new entity focuses on leak detection solutions for onshore oil and gas pipelines. In China a full-service organisation was set up to offer improved support in this important market.

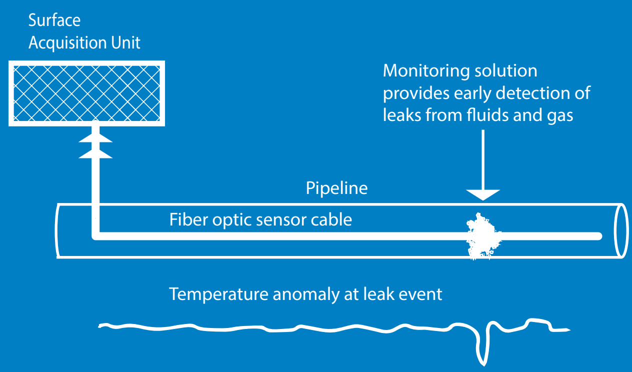
FIBER PROCESSING

The turnaround process is on track. This is reflected in continued organic growth, restored profitability and improved delivery times. A processing solution for fiber tapers was introduced at the CLEO exhibition in June. The solution targets R&D labs developing fiber components with better performance. More product releases are planned in the remainder of 2014 and early next year.

PHOTONICS GROUP OFFERS COMPLETE LEAK DETECTION SOLUTIONS FOR ONSHORE PIPELINES

In order to pursue new business opportunities a new entity in Sensing was established in the US at the end of Q2. This new business called FiOPS (Fiber Optic Pipeline Solutions) will deliver complete monitoring solutions for leak detection in onshore pipelines for oil and gas.

Many new pipelines are planned in North America in the years ahead, and the risk of leaks in pipelines which pass close to residential or environmentally sensitive areas is a major public concern. FiOPS is designed to address these risks by providing complete surveillance solutions, including installation of cables along the pipelines, monitoring and warning equipment etc.



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 - 30 June 2014.

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 2014 and the results of the Group's activities and cash flow for the period 1 January - 30 June 2014.

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, 20 August 2014

Executive Management Board

Michael Hedegaard Lyng, *Group Executive Director & CFO*

Board of Directors

Jens Due Olsen, *Chairman*

Kristian Siem, *Deputy Chairman*

Niels-Henrik Dreesen

René Engel Kristiansen

Jens Maaløe

Gitte Toft Nielsen

Kurt Bligaard Pedersen

Lone Fønss Schrøder

Lars Sandahl Sørensen

Income statement

Amounts in mDKK	Q2 2014	Q2 2013	1st half 2014	1st half 2013	Year 2013
Revenue	4,028	4,038	7,893	7,547	15,809
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**222**	**279**	**518**	**496**	**1,103**
Depreciation and impairment of property, plant and equipment	-88	-85	-178	-172	-405
Amortisation and impairment of intangible assets	-48	-45	-93	-87	-190
Earnings before interest and tax (EBIT)	**86**	**149**	**247**	**237**	**508**
Financial items, net	-27	-40	-52	-88	-160
Earnings before tax (EBT)	**59**	**109**	**195**	**149**	**348**
Tax	-12	-33	-61	-48	-95
Profit	**47**	**76**	**134**	**101**	**253**
To be distributed thus:					
Profit attributable to equity holders of NKT Holding A/S	46	75	133	100	252
Profit attributable to minority interests	1	1	1	1	1
	47	**76**	**134**	**101**	**253**
Basic earnings, DKK per outstanding share (EPS)	2.0	3.2	5.6	4.2	10.6
Diluted earnings, DKK per share (EPS-D)	1.9	3.2	5.5	4.2	10.6

Cash flow

Amounts in mDKK	Q2 2014	Q2 2013	1st half 2014	1st half 2013	Year 2013
Earnings before interest, tax, depreciation and amortisation (EBITDA)	222	279	518	496	1,103
Financial items, net	-27	-40	-52	-88	-160
Changes in provisions, tax and non-cash operating items, profit on sales of non-current assets etc.	75	-32	34	-56	-176
Gain from divestment of business activities	0	0	-101	0	0
Changes in working capital	-161	-217	-91	-883	-222
Cash flow from operating activities	**109**	**-10**	**308**	**-531**	**545**
Acquisition of business activities	0	-4	-22	-5	-226
Divestment of business activities	0	0	108	0	0
Investments in property, plant and equipment	-50	-54	-102	-118	-257
Disposal of property, plant and equipment	1	1	3	5	13
Intangible assets and other investments, net	-61	-55	-105	-107	-224
Cash flow from investing activities	**-110**	**-112**	**-118**	**-225**	**-694**
Free cash flow	**-1**	**-122**	**190**	**-756**	**-149**
Changes in non-current loans from credit institutions	-134	592	-140	1,192	1,611
Changes in current loans from credit institutions	16	-450	-47	-225	-1,249
Dividends paid	0	0	-84	-191	-191
Cash from exercise of warrants	0	0	1	7	7
Cash flow from financing activities	**-118**	**142**	**-270**	**783**	**178**
Net cash flow	**-119**	**20**	**-80**	**27**	**29**
Cash at bank and in hand at the beginning of the period	407	381	376	363	363
Currency adjustments	6	-10	-2	1	-16
Net cash flow	-119	20	-80	27	29
Cash at bank and in hand at the end of the period	**294**	**391**	**294**	**391**	**376**

Balance sheet

Amounts in mDKK	30 June 2014	30 June 2013	31 December 2013
Assets			
Intangible assets	2,038	2,017	2,001
Property, plant and equipment	3,050	3,186	3,138
Other non-current assets	761	774	769
Total non-current assets	**5,849**	**5,977**	**5,908**
Inventories	2,768	3,021	2,657
Receivables and income tax	4,140	3,956	4,054
Cash at bank and in hand	294	391	376
Total current assets	**7,202**	**7,368**	**7,087**
Total assets	**13,051**	**13,345**	**12,995**
Equity and liabilities			
Equity attributable to equity holders of NKT Holding A/S	5,685	5,603	5,667
Minority interests	6	7	7
Total equity	**5,691**	**5,610**	**5,674**
Deferred tax	340	260	346
Employee benefits	342	341	342
Provisions	70	72	70
Interest bearing loans and borrowings	1,953	1,717	2,098
Total non-current liabilities	**2,705**	**2,390**	**2,856**
Interest bearing loans and borrowings	433	1,662	480
Trade and other payables	4,222	3,683	3,985
Total current liabilities	**4,655**	**5,345**	**4,465**
Total liabilities	**7,360**	**7,735**	**7,321**
Total equity and liabilities	**13,051**	**13,345**	**12,995**

Comprehensive income and Equity

Amounts in mDKK	Q2 2014	Q2 2013	1st half 2014	1st half 2013	Year 2013
Comprehensive income					
Net profit	47	76	134	101	253
Other comprehensive income:					
Items that may not be reclassified to income statement:					
Actuarial gains/(losses) on defined benefit pension plans	0	0	0	-28	-30
Items that may be reclassified to income statement:					
Currency adjustment of foreign subsidiaries and value adjustment of hedging instruments, etc.	37	-46	-35	-18	-109
Total comprehensive income for the period	**84**	**30**	**99**	**55**	**114**

Amounts in mDKK	1st half 2014	1st half 2013	Year 2013
Statement of changes in equity			
Group equity, 1 January	5,674	5,737	5,737
Total comprehensive income for the period	99	55	114
Share-based payment	1	2	7
Additions/disposal of minority interests	0	0	0
Cash from exercise of share warrants	1	7	7
Dividend adopted at annual general meeting	-84	-191	-191
Group equity at the end of the period	**5,691**	**5,610**	**5,674**

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.

The accounting policies are unchanged in relation to the 2013 Annual Report, to which reference should be made. The 2013 Annual Report contains the full text of the accounting policies.

NKT has implemented the standards and interpretations that become effective for 2014. The implementation of standards and interpretations has not influenced recognition and measurement in 2014 or is expected to influence future financial years.

Regarding accounting estimates, please refer to Note 1.2 on page 54 of the 2013 Annual Report. Regarding risks, please refer to Note 6.7 on page 85 of the 2013 Annual Report and the information contained in the section on risk management on page 35 and page 16, 26 and 32 of the Annual Report.

On 2 April 2014 NKT received a fine of 29 mDKK following the investigation conducted by the European Commission into alleged price-fixing activities in the power cables industry, cf. Company Announcement No. 8. By defining NKT as a 'fringe player' - as the only European manufacturer - the European Commission explicitly establishes 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 is substantially limited and the fine is considerably smaller than those imposed on the other cable manufacturers, NKT disagrees with the Commission's decision and has therefore lodged an appeal. A provision of 29 mDKK has been made in the financial statements for Q1 2014.

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 2014', 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 2014 are included in the Management's review.

Notes

2 - SEGMENT REPORTING

Amounts in mDKK	Q2 2014	Q2 2013	1st half 2014	1st half 2013	Year 2013
Revenue					
Nilfisk-Advance	1,763	1,741	3,500	3,396	6,561
NKT Cables, revenue in market prices	2,197	2,237	4,261	4,036	8,983
Photonics Group	67	62	132	117	266
Parent company, etc. [1]	1	-1	0	-1	0
Elimination of transactions between segments	0	-1	0	-1	-1
NKT Group revenue in market prices	**4,028**	**4,038**	**7,893**	**7,547**	**15,809**
NKT Cables, revenue in std. metal prices	*1,506*	*1,463*	*2,884*	*2,612*	*6,017*
NKT Group, revenue in std. metal prices	***3,337***	***3,264***	***6,516***	***6,123***	***12,843***
Operational EBITDA					
Nilfisk-Advance	218	224	431	412	778
NKT Cables	116	70	165	113	335
Photonics Group	-2	-1	-2	-6	6
Parent company, etc. [1]	-8	-14	-16	-23	-34
Group operational EBITDA	**324**	**279**	**578**	**496**	**1,085**
Earnings, EBITDA					
Nilfisk-Advance	218	224	528	412	778
NKT Cables	14	70	8	113	372
Photonics Group	-2	-1	-2	-6	6
Parent company, etc. [1]	-8	-14	-16	-23	-53
Group EBITDA	**222**	**279**	**518**	**496**	**1,103**
Segment profit, EBIT					
Nilfisk-Advance	165	171	420	307	564
NKT Cables	-61	-3	-141	-32	15
Photonics Group	-10	-5	-16	-14	-18
Parent company, etc. [1]	-8	-14	-16	-24	-53
Group EBIT	**86**	**149**	**247**	**237**	**508**
Capital Employed					
Nilfisk-Advance			3,325	3,399	3,074
NKT Cables			4,223	4,820	4,557
Photonics Group			203	224	200
Parent company, etc. [1]			-52	6	-46
Group Capital Employed			**7,699**	**8,449**	**7,785**

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

Notes

3 - ACQUISITION OF BUSINESS

Cash purchase consideration for minor acquisitions in Nilfisk-Advance comprised 22 mDKK. Interest bearing payables acquired comprised 4 mDKK. The effect on Group revenue and Group profit is not material.

4 - DIVESTMENT OF BUSINESS

As reported in Company Announcement No. 4 of 28 February 2014, Nilfisk-Advance has divested its wooden floor sanding activities. Divestment proceeds of 98 mDKK are recognised in EBITDA in Q1 2014.

5 - 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 inclusive of 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 inclusive of 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 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 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 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

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Photos: Courtesy of NKT subsidiaries.