

NKT Holding A/S
Quarterly report | > 2007



NKT

HOLDING

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I Positive start to 2007

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NKT's Quarterly Report 1/2007 was issued on 24 May in Danish and English via the Nordic Exchange as NKT Release No. 10/2007.

In the event of any questions of interpretation the Danish text shall prevail.

The quarterly report is available on www.nkt.dk and is emailed to all registered subscribers. A printed copy of the annual report is posted to all NKT shareholders requesting this service.

Questions relating to the annual report should be addressed to our investor service, see page 16.

Cover photo:

Operator Palle Lykke Jensen has been employed with NKT Cables at Asnæs for eight years. He is engaged in the production of installation cables.



Positive start to 2007

The NKT Group's companies made a good start to 2007 in terms of both revenue and earnings. Development has been very satisfactory and prospects for the year have been revised upwards.

The NKT Group's 1st quarter revenue was 3,130 mDKK (+30% compared with last year) and operating income (EBIT) was 191 mDKK (+54% compared with last year). Earnings capacity continues to rise, and an EBITDA margin of 8.2% was realised, as against 7.3% in the same period last year. Pre-tax profit was 160 mDKK, as against 110 mDKK last year, an increase of 45%.

Overall organic growth for the NKT Group was 14%. This advance was attributable to continuing high levels of organic growth in NKT Cables (21%), Nilfisk-Advance (8%) and also NKT Flexibles (54%). The NKT Photonics Group is progressing as planned. Development was therefore very satisfactory.

After the end of the quarter - in April and May - we implemented a number of initiatives having relation to the strategic expansion of NKT's companies; in China we entered into agreement concerning acquisition of a leading manufacturer and supplier of cleaning equipment, while in Germany, UK and Denmark, several small acquisitions were made that support the business platforms of the NKT Cables Group and the Nilfisk-Advance Group, respectively (see report of group companies starting on page 4).

Prospects for 2007 revised upwards

Forecast revenue for the year has increased from around 12.7 bnDKK to around 13.2 bnDKK, and earnings before tax has increased to around 850-900 mDKK, as against 800-850 mDKK forecast previously.

HIGHLIGHTS

Amounts in mDKK	Q1 2007	Q1 2006	2006
Revenue	3,130	2,412	10,815
Earnings (EBITDA)	256	176	1,022
Earnings (EBIT)	191	124	818
Earnings before tax	160	110	769
Equity	2,907	2,775	2,806
Net interest bearing items	(1,987)	(1,176)	(1,023)

Group review

1st quarter 2007

Revenue

The NKT Group's revenue for 1st quarter 2007 was 3,130 mDKK. This was an advance of 30% on the 1st quarter of last year when revenue was 2,412 mDKK. After adjusting for exchange rates and development in metal prices the organic growth was 14%.

Operating income

1st quarter operating income before interest, tax, depreciation and amortisation (EBITDA) was 256 mDKK, against 176 mDKK last year. This was an advance of 80 mDKK or 45%.

The NKT Group's operating income before interest and tax (EBIT) was 191 mDKK for 1st quarter 2007, as against 124 mDKK for the 1st quarter of last year. Profit margin was therefore 6.1%, as compared with 5.1% for the same period last year.

Financial items

1st quarter financial items amounted to (31) mDKK, as against (14) mDKK in the same period last year. This reflects an increase in gearing level which is in line with our strategic objectives.

Pre-tax profit

Pre-tax profit for the 1st quarter was 160 mDKK, as against 110 mDKK in the 1st quarter last year.

Capital structure

In line with the strategic objectives for the NKT Group's capital structure, net interest bearing debt increased from 1,023 mDKK to 1,987 mDKK during the 1st quarter. This corresponded to previously published forecasts.

At the end of the 1st quarter, net interest bearing debt amounted to 1.8 x earnings (EBITDA) for the previous 12 months. The objective remains to achieve a capital structure which corresponds to a gearing level of around 2.5 x EBITDA.

Cash flow

As mentioned above, net interest bearing debt increased by 964 mDKK in the 1st quarter. Of this amount, 953 mDKK related to the acquisitions of Kablo Elektro (Czech Republic) and U.S. Products (USA), both of which were finally completed at the start of the 1st quarter.

Furthermore, cash flow in the 1st quarter is traditionally affected by seasonal factors, to which must be added build-up of working capital resulting from the high level of growth realised. Despite this, 1st quarter cash flow from operations was positive.

NKT Group Management

The Board of Directors was re-elected at the annual general meeting on 11 April 2007 (see page 11 listing the Board members), and subsequently constituted itself with attorney-at-law Christian Kjær as Chairman and mayor Jan Trøjborg as Deputy Chairman.

Events after close of 1st quarter

Resolutions adopted at NKT's general meeting on 11 April are described in stock exchange release 6/2007.

In April 2007, a dividend of 10 DKK per share was paid, corresponding to a total amount of 236 mDKK.

NKT GROUP 2007

NKT Holding

NKT Cables Group	Nilfisk-Advance Group	NKT Photonics Group
> Northern Europe	> Europe	> Crystal Fibre
> Central Europe	> North America	> KOHERAS
> Eastern Europe	> Oceania	> LIOS Technology
> China	> Asia	> NKT Research & Innovation

NKT Flexibles (51%)

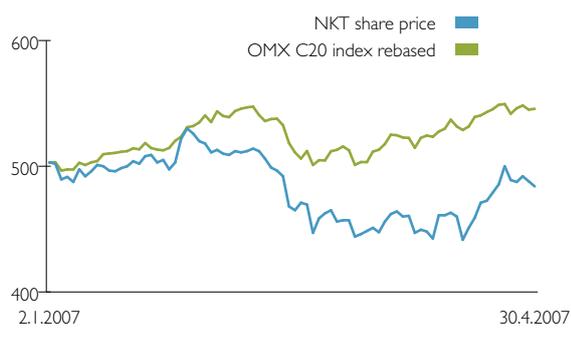
Michael Hedegaard Lyng took up his duties as CFO of NKT Holding A/S on 1 April.

April and May saw the acquisition of CCC GmbH, Berlin, Germany, which is now a part of the NKT Cables Group. Acquisitions effected in relation to Nilfisk-Advance comprised Søndergaard Maskinfabrik of Kolding, Denmark, Doug Tolson of Burton on Trent, England, and the Viper Group, China. The Viper Group comprises Dongguan Viper Cleaning Equipment Company Limited, Viper Cleaning Equipment (Shanghai) Limited, Viper (Hong Kong) Company Limited, and the independent US company Viper Industrial Products (see reviews for NKT Cables and Nilfisk-Advance).

NKT shares

NKT's share price stood at 449 DKK at 31 March 2007. This was 11% below the price at 1 January.

SHARE PRICE TREND



The average daily trading turnover in NKT shares was 53 mDKK in the 1st quarter; compared with 30 mDKK in the same period last year.

The NKT Group's market capitalisation at the end of March 2007 was 10.5 bnDKK, excluding treasury shares. After adjustment for net interest bearing items and minority interests, enterprise value was 12.5 bnDKK.

At 31 March only one shareholder controlled more than 5% of NKT's share capital: ATP (Danish Labour Market Supplementary Pension Fund). NKT owns 77,675 treasury shares, corresponding to a 0.3% holding.

NKT's share capital comprises 23,637,555 shares with a nominal value of DKK 20. The share capital increased in March and April as a result of a number of employees exercising share options issued in 2003 and 2004, and the nominal share capital is therefore 472,751,100 DKK.

In January 2007, share warrants were issued to the management and employees of NKT Holding A/S, a total of 23 persons. The warrants comprised 42,100 issued to the Board of Management (two persons), 20,800 issued to senior staff (five persons) and 11,050 issued to other employees (16 persons). The warrants may be exercised in 2010, 2011 or 2012. Share warrants or options are not issued to the Board of Directors of NKT Holding A/S.

Strategy

As notified in the 2006 annual report, the goals contained in NKT's corporate growth strategy - Upgrade to Next Level - for the period 2004-2008 are being reviewed as a result of the positive development achieved by the Group companies in the period 2004-2006.

The revised goals will be published in August together with the report for 2nd quarter 2007.

Group companies

At the end of 1st quarter 2007 NKT employed 3,016 people in the NKT Cables Group, 3,893 in the Nilfisk-Advance Group, 460 in NKT Flexibles and 102 in the NKT Photonics Group. NKT is represented by 1,600 employees in Denmark and 5,900 in the rest of Europe, North America, Asia and Oceania.

NKT CABLES GROUP

NKT Cables is among the leading European suppliers of power cables, principally to markets in Central, Northern and Eastern Europe. In China, NKT Cables has its own production facilities from which the Chinese market is serviced with selected products.

Earnings forecast 2007

NKT Cables is expected to achieve revenue of around 7.3 bnDKK in 2007 and a profit margin (EBIT) of around 6.1%. This corresponds to expected operating income of around 450 mDKK, as compared with around 435 mDKK forecast previously.

Forecast revenue is 0.5 bnDKK higher than previously predicted, and reflects a continued expectation of around 15% organic growth for 2007 as a whole. The forecast revenue is based on an average copper price for 2007 that is 5% lower than for 2006.

Developments in the 1st quarter, which were very satisfactory, support this expectation.

Revenue

The NKT Cables Group realised 1st quarter revenue of 1,674 mDKK, an increase of 62% on the 1st quarter of last year. After adjustment for developments in metal prices, exchange rates and acquisitions, this corresponds to growth of around 21%.

Around 120 mDKK of aggregate 1st quarter revenue was attributable to continuing rise in metal prices. The average price of copper in the 1st quarter was 10% higher than in the same period last year.

Power cables are the prime mover in organic growth at NKT Cables and represented 78% of 1st quarter revenue. Organic growth in this core segment was 25%, which was achieved in all three product categories - low, medium and high voltage cables. OPGW and catenary wire for rail electrification together represented 13% of revenue, corresponding to organic growth of 14%. Other segments represented 10% of revenue, equal to organic growth of 7%.

1st quarter revenue of 280 mDKK was realised by Kablo Elektro, which was acquired with effect from 1 January 2007.



Developments within Kablo Elektro are proceeding as planned.

The development in revenue reflected the continuing high level of activity in the electricity sector resulting from expansion and maintenance of electricity supply networks, and in the building and construction industry, sales of low voltage products were positively influenced by a combination of new building and renovation projects.

The growth was achieved in all European main markets.

Operating income

1st quarter operating income before depreciation and amortisation (EBITDA) was 106 mDKK, a margin of 6.4%. For the same period last year, EBITDA was 62 mDKK, a 6.0% margin.

Earnings development was satisfactory, and the rolling 12-month EBITDA margin remained at 6.9%. When assessing this, allowance must be made for metal prices, which are this year higher than for the same period last year. Furthermore, earnings by Kablo Elektro were negatively influenced by the highly volatile metal prices in the 1st quarter due to the practice hitherto not using hedging transactions. Based on post-1st quarter developments, it is expected that this situation will in future correct itself. Work is in progress on implementing the NKT Group's hedging procedures. Underlying operating earnings at Kablo Elektro are as planned.

1st quarter operating income before interest and tax (EBIT) amounted to 77 mDKK, a margin of 4.6%. EBIT for 1st quarter 2006 was 51 mDKK, a margin of 4.9%.

Net interest bearing debt

Net interest bearing debt had increased by 999 mDKK to 1,452 mDKK at the end of the 1st quarter. Of this amount, 881 mDKK related to the acquisition of Kablo Elektro.

Development in working capital is satisfactory and is closely shadowing the development in revenue. The level of working capital remains unchanged at around 17%.

Business initiatives

The substantial demand for high and medium voltage cables that manifested itself in 2006 continued into 2007. The level of pressure on prices is now less than a few years ago due to the capacity constraint that is currently a general feature of the cable sector.

Building industry demand for low voltage cables also remained at a high level during the 1st quarter - not least due to the mild winter throughout Europe. Unlike the situation in the area of high and medium voltage cables, sales of low voltage cables are sensitive to the differences in building and construction traditions that are characteristic of the individual markets. The level of activity is currently highest in Eastern Europe, something which is expected to continue for the next few years. The level of activity is also high in Germany, while activity in Northern Europe is expected to decline in second-half 2007.

While 2006 was a busy year for sales of catenary wires in China, activity weakened at the start of 2007. With the number of rail projects increasing, however, NKT Cables expects - via its unique copper/magnesium technology - to retain its position as leading supplier of catenary wires to the Chinese market.

Sales of high voltage cable accessories shadowed the positive trend for high and medium voltage cables, and NKT Cables has benefited strongly from the reduced number of suppliers in this product segment.

In the period April - July 2007 new production facilities will be commissioned by NKT Cables in Denmark, Poland and Germany that will enable the company to meet the marked increase in demand for medium and low voltage cables and for catenary wires.

On 2 January 2007, NKT Cables acquired the operations of the Czech company Kablo Elektro (cf. stock exchange releases 17 and 23/2006). The integration of this company commenced during the 1st quarter.

In April, negotiations with CCC GmbH in Berlin led to an agreement for the acquisition of that company by NKT Cables. Founded in 2000, CCC GmbH is a specialist general contractor and consultant in high voltage cable systems. The company employs around 80 engineers and has subsidiaries in the Netherlands, Italy, Asia and the Middle East. It is planned to operate CCC as an independent supplier of high voltage solutions.

NILFISK-ADVANCE GROUP

Nilfisk-Advance is a world leading manufacturer of professional cleaning equipment with a product portfolio consisting of vacuum cleaners, indoor and outdoor washing, sweeping and polishing machines, and an extensive range of high pressure cleaners.

Earnings forecast 2007

Nilfisk-Advance is expected to achieve revenue in 2007 of around 5.8 bnDKK, corresponding to organic growth around 6-7%, as compared with original expectations of 5%. Expected profit margin (EBIT) has been revised upwards from around 8.2% to around 8.5%. This corresponds to expected operating income of around 500 mDKK, as against around 475 mDKK forecast previously.

Revenue

Nilfisk-Advance recorded revenue of 1,432 mDKK in the 1st quarter. This was a rise of 5.8% on 1st quarter 2006. Changes in foreign exchange rates reduced 1st quarter revenue by around 36 mDKK compared with the same period last year. After adjustment for this and for the revenue of the acquired company U.S. Products, satisfactory organic growth of 7.9% was realised.

The organic growth for the period corresponds to the growth rate achieved consistently by Nilfisk-Advance since 2003. On a regional basis, organic growth is strongest in Europe at 8.9% and in the United States at 7.5%. 1st quarter revenue development in Asia was similar to last year.



U.S. Products was acquired with effect from 1 January 2007 and is progressing as planned.

Operating income

1st quarter operating income before interest, tax, depreciation and amortisation (EBITDA) was 146 mDKK, a margin of 10.2%. In the same period last year Nilfisk-Advance realised an EBITDA margin of 8.6%.

Rolling 12-month EBITDA continued its rise during the quarter and now stands at 10.1%.

Operating income before interest and tax (EBIT) was 114 mDKK, a margin of 8.0%, as against 5.9% in the same period last year.

The development in operating income is very satisfactory and reflects the effect of the many structural improvements implemented in recent years, and the effect of the continuing high level of organic growth fuelled by intensive focus on product development.

Net interest bearing debt

Net interest bearing debt in the 1st quarter increased by 7 mDKK to 1,055 mDKK. This includes a negative impact of 72 mDKK from acquisition of U.S. Products.

Working capital was reduced in the 1st quarter. The current level corresponds to 22.1% of revenue, which must be seen against 22.6% at January 1. In the first instance the aim is to reduce this to 20% before the end of 2007.

Business initiatives

The ongoing introduction of new cleaning equipment resulted in marketing of three new products in 1st quarter 2007. A compact sweeper was introduced under the Nilfisk-ALTO brand, in addition to which Nilfisk-Advance launched a new compact high-pressure coldwater cleaner, "Poseidon 4" for professional use, and a larger industrial sweeper, "Exterra". The latter strengthens the sweeper product portfolio.

The 1st quarter saw a significant sale of high pressure cleaners to the consumer segment as a result of an improved product portfolio and new sales outlets.

Relocations and integrations within Nilfisk-Advance's manufacturing units in Europe, the United States and China have resulted in an improved production flow and thus also increased supply capability.

On 1 February, Morten Johansen joined the Board of Management of the Nilfisk-Advance Group as Chief Financial Officer.

In April Nilfisk-Advance acquired the operations of Søndergaard Maskincenter A/S of Kolding, Denmark, which markets and services cleaning equipment. Nilfisk-Advance also signed a contract for acquisition of a controlling interest in Doug Tolson Engineering Limited, England. Doug Tolson is a small production, sales and service organisation specialising in high pressure cleaners aimed at the car industry. These acquisitions represent a substantial strengthening of Nilfisk-Advance's customer focus in these two markets.



It was reported in May that Nilfisk-Advance had signed an agreement to acquire China's Viper Group - a leading producer and supplier of professional cleaning equipment comprising three Asian companies based in Dongguan in Southern China (headquarters), Shanghai and Hong Kong, respectively. The transaction also includes an independent US company. The acquisition of Viper is conditional upon the sale of the Asian companies being approved by the Chinese authorities. The transaction is expected to be finalised in the coming months. With the acquisition of Viper, Nilfisk-Advance will increase its employee complement by 600 and its full-year revenue by around 140 mDKK. Viper services the commercial cleaning market with products in the medium price range. When the acquisition is complete Nilfisk-Advance will become the leader in the rapid growing Chinese market and gain opportunity for accelerated access to new markets.

NKT PHOTONICS GROUP

The NKT Photonics Group was created to exploit the specialist competences possessed by NKT's companies in optical technologies. Focus is on development, manufacture and sales of advanced light sources (optical fibres) and laser components.

As from 1 January 2007, **Nanon**, which was represented in NKT Photonics' financial reporting for the whole of 2006, no longer forms part of the NKT Photonics Group. The company's business base has no natural affinity with the future activities of the NKT Photonics Group and a process has been initiated to determine whether more appropriate

ownership can be found. The comparative figures for 2006 have been restated.

Earnings forecast 2007

The NKT Photonics Group of companies is expected to achieve a 20% increase in revenue compared with 2006, which corresponds to a revenue amount of around 115 mDKK (95 mDKK in 2006). Operating income before interest, tax, depreciation and amortisation (EBITDA) is expected to be around (15-20) mDKK in 2007, as compared with (18) mDKK in 2006.

Revenue

1st quarter revenue by NKT Photonics was 20 mDKK, as against 23 mDKK in 1st quarter 2006.

Operating income

Operating income before interest, tax, depreciation and amortisation (EBITDA) was (9) mDKK, as against (5) mDKK in 1st quarter 2006. As previously reported, the increased deficit was due to intensified development activities, principally at KOHERAS but also at Crystal Fibre, not yet being reflected in increased sales.

Business initiatives

At **Crystal Fibre**, efforts are focused on qualifying the company's sub-assemblies for higher power levels - in the first instance 350 W. As part of this work effort, crystal fibre-based sub-components are also being developed for these products. The first high power sub-assembly product is expected to be launched in mid-2007.

In 1st quarter 2007 **KOHERAS** maintained focus on its partnership with Leica for development of a white light source, principally for microscope applications. White light sources are now also in demand from the telecom sector for characterisation of optical components (ie. measurement of the component specifications).

In the area of ultra-precise lasers the first results are awaited from field trials carried out in the oil exploration sector and with characterisation of wind profiles in future wind farms.

LIOS Technology continues to make steady progress. 1st quarter orders received were very satisfactory - particularly for systems used for monitoring high voltage cables.

For NKT Photonics overall, increasing revenue and a corresponding reduction in deficit are expected in the upcoming financial periods.

NKT FLEXIBLES (51%)

NKT Flexibles IIS supplies flexible subsea pipe systems to the offshore industry. The pipes connect production wells on the seabed to production platforms on the surface. 49% of the company's equity is owned by Acergy (offshore contractor).

Earnings forecast 2007

NKT Flexibles is expected to report an increase in revenue compared with 2007 when revenue amounted to 884 mDKK.

Operating income (EBITDA) is expected to be significantly higher than in 2006 when 138 mDKK was achieved.

NKT's share of NKT Flexibles' net earnings is expected to be around 90 mDKK, an increase on the original forecast of around 70 mDKK.

Revenue

NKT Flexibles realised 1st quarter revenue of 258 mDKK compared with 168 mDKK last year.

Operating income (EBITDA) was 40 mDKK, a profit margin of 16%, as against 20 mDKK in 1st quarter 2006 (profit margin 12%).

New orders in 1st quarter 2007 amounted to 135 mDKK, and the order backlog totalled 1,182 mDKK at the end of the quarter.

51% of NKT Flexibles' net earnings after depreciation, amortisation and financials is recognised in the NKT Group's operating income (EBITDA). In the 1st quarter 16 mDKK was recognised, as against 6 mDKK for the same period last year.

Business initiatives

In the 1st quarter NKT Flexibles continued to expand its organisation against the background of the very high activity levels in the offshore and gas industry. At 31 March, 460 people were employed, as against 335 at the end of the 1st quarter last year and 413 at the end of 2006.



Product development activities, which are focused on development and field testing of offshore pipes for deep-water applications (depths to 2000 m) have been successfully concluded in regard to 6" and 8" pipes (dynamic risers). Development work has now commenced with a view to 10" deep-water pipes.

In 1st quarter 2007, NKT Flexibles' factory in Kalundborg largely completed its most complex and challenging pipe project to date - Moho Bilondo - comprising more than 20 km of high-insulation dynamic risers and static flowlines. Project handover is scheduled for summer 2007. At the same time the company's huge order book kept the factory operating at full capacity in the 1st quarter, and this will continue until mid-2008.

At the start of the year NKT Flexibles already had an order book stretching into 2008. New orders in 1st quarter 2007 have resulted in an order backlog corresponding to around 50% of the company's production capacity.

Activity levels in the offshore sector remain very high, which continues to be reflected in intensive bidding activity for NKT Flexibles. This supports the company's expectations of continuing positive development, also into 2008.

Management statement

The Board of Directors and the Management have today discussed and adopted the report of NKT Holding A/S for the period 1 January - 31 March 2007.

The report is unaudited and has been presented in accordance with the provisions for recognition and measurement in International Financial Reporting Standards as approved by the EU, and in accordance with Danish disclosure requirements concerning the quarterly reports of listed companies.

We consider the accounting policies adopted to be correct, so that the report gives a fair view of the Group's assets, liabilities and financial position at 31 March 2007 and of the results of the Group's operations and cash flows for the period 1 January - 31 March 2007.

Brøndby, 24 May 2007

Board of Management

Thomas Hofman-Bang
President and CEO

Søren Isaksen
CTO

/Michael Hedegaard Lyng
CFO

Board of Directors

Christian Kjær
Chairman

Jan Trøjborg
Deputy Chairman

Krister Ahlström

Jan Wraae Folting

Gunnar Karsten Jørgensen

Arne Dan Kjærulff

Jens Maaløe

Jørgen Bjergskov Nielsen

Jens Due Olsen

Key figures for the Group

Unaudited

Amounts in mDKK

Q1 2007 Q1 2006 Year 2006

Income statement			
Revenue	3,130	2,412	10,815
Earnings before interest, tax, depreciation and amortisation (EBITDA)	256	176	1,022
Depreciation and impairment on tangible assets	(43)	(35)	(139)
Amortisation and impairment on intangible assets	(22)	(17)	(65)
Earnings before interest and tax (EBIT)	191	124	818
Financial items, net	(31)	(14)	(49)
Earnings before tax	160	110	769
Net income	120	85	603
NKT Holding A/S share of net income	119	85	582
Balance sheet and employees			
Equity attributable to shareholders of NKT Holding A/S	2,887	2,711	2,787
Minority interests	20	64	19
Total equity	2,907	2,775	2,806
Total assets	7,990	6,457	7,350
Net interest bearing items ¹⁾	(1,987)	(1,176)	(1,023)
Capital employed ²⁾	4,894	3,951	3,829
Average number of employees y.t.d.	7,052	6,093	6,016
Cash flows			
Cash flows from operating activities	50	(216)	265
Investments in tangible assets, net	(89)	(67)	(29)
Acquisition of business activities	(953)	(10)	(14)
Financial ratios			
Equity share	36%	43%	38%
Number of 20 DKK shares ('000)	23,561	24,500	23,500
Treasury shares ('000)	78	1,105	78
Earnings after tax per outstanding share (EPS), DKK	5.1	3.6	24.9
Dividend paid, DKK per share	-	-	12.0
Equity value, DKK per outstanding share	123	116	119
Market price, DKK per share	449	389	503

¹⁾ Interest bearing cash items and receivables less interest bearing debt

²⁾ Equity and net interest-bearing items

Balance sheet and equity

Unaudited

Amounts in mDKK

Q1 2007

Q1 2006

Year 2006

	Q1 2007	Q1 2006	Year 2006
Balance sheet			
Intangible assets	1,165	1,013	820
Tangible assets	1,057	841	809
Investments and deferred tax	547	412	556
Total non-current assets	2,769	2,266	2,185
Inventories	2,222	1,788	1,894
Receivables	2,587	2,135	2,205
Other investments	37	105	49
Cash at bank and in hand	375	163	1,017
Total current assets	5,221	4,191	5,165
Total assets	7,990	6,457	7,350
Equity attributable to shareholders of NKT Holding A/S	2,887	2,711	2,787
Minority interests	20	64	19
Total equity	2,907	2,775	2,806
Deferred tax	31	11	7
Pensions	289	285	288
Provisions	26	29	22
Credit institutions etc.	1,713	981	1,477
Total non-current liabilities	2,059	1,306	1,794
Current liabilities, credit institutions	661	474	624
Other current liabilities	2,363	1,902	2,126
Total current liabilities	3,024	2,376	2,750
Total equity and liabilities	7,990	6,457	7,350
Changes in equity			
Equity, 1 January	2,806	2,735	2,735
Net income	120	85	603
Currency adjustment of foreign subsidiaries and value adjustment of cash flow hedges etc.	(26)	19	(94)
Gains on securities available-for-sale transferred to income statement	-	-	(6)
Shares options paid / share based payment	-	(64)	(82)
Dividends on treasury shares	-	-	13
Acquisitions and disposals, minority interests	-	-	(69)
Paid on exercise of share options	7	-	-
Dividend paid	-	-	(294)
Equity at the end of the period	2,907	2,775	2,806

Cash flows and interest bearing items

Unaudited

Amounts in mDKK

Q1 2007

Q1 2006

Year 2006

	Q1 2007	Q1 2006	Year 2006
Earnings before interest, tax, depreciation and amortisation (EBITDA)	256	176	1,022
Financial items, net	(31)	(14)	(49)
Change in working capital, utilised provision for restructuring and proceeds from sale of non-current assets reversed etc.	(175)	(378)	(708)
Cash flow from operating activities	50	(216)	265
Acquisition of business activities	(953)	(10)	(14)
Investments in tangible assets, net	(89)	(67)	(29)
Other investments, etc.	13	(38)	(144)
Total cash flows from operating and investing activities	(979)	(331)	78
Dividend paid	-	-	(294)
Paid on exercise of share options	7	-	-
Shares options paid / treasury shares dividend	-	(64)	(51)
Change in interest bearing items, net	(972)	(395)	(267)
Net interest bearing items, 1 January	(1,023)	(764)	(764)
Currency and value adjustments relating to interest bearing items, net	8	(17)	8
Net interest bearing items at the end of the period	(1,987)	(1,176)	(1,023)

Segment reporting

Unaudited

Amounts in mDKK

Q1 2007 Q1 2006 Year 2006

Revenue			
NKT Cables Group	1,674	1,033	5,268
Nilfisk-Advance Group	1,432	1,353	5,439
NKT Photonics Group	20	23	95
Intra-group revenue, etc.	4	3	13
	3,130	2,412	10,815
Earnings before interest, tax, depreciation and amortisation (EBITDA)			
NKT Cables Group	106	62	363
Nilfisk-Advance Group	146	117	636
NKT Photonics Group	(9)	(5)	(18)
NKT Flexibles, share of profit	16	6	53
Parent company and eliminations, etc.	(3)	(4)	(12)
	256	176	1,022
Earnings before interest and tax (EBIT)			
NKT Cables Group	77	51	301
Nilfisk-Advance Group	114	79	508
NKT Photonics Group	(12)	(8)	(31)
NKT Flexibles, share of profit	16	6	53
Parent company and eliminations, etc.	(4)	(4)	(13)
	191	124	818
Capital employed			
NKT Cables Group	2,278	1,176	1,243
Nilfisk-Advance Group	2,400	2,568	2,342
NKT Photonics Group	100	104	100
NKT Flexibles, share of equity etc.	96	87	119
Parent company and eliminations, etc.	20	16	25
	4,894	3,951	3,829

Useful information

STOCK EXCHANGE RELEASES 2007

In 2007 we have issued the following releases via the Copenhagen Stock Exchange. The full text may be found on www.nkt.dk.

- > 02.01.07 #1 NKT Holding's stock market diary 2007
- > 08.01.07 #2 NKT Holding A/S issues share warrants
- > 05.03.07 #3 NKT annual report 2006
- > 16.03.07 #4 Exercise of warrants - increase of Group share capital
- > 19.03.07 #5 Announcement - NKT Holding A/S Annual General Meeting 2007
- > 11.04.07 #6 Annual General Meeting 2007
- > 19.04.07 #7 Shareholdings report
- > 19.04.07 #8 Exercise of warrants - increase of Group share capital
- > 08.05.07 #9 Nilfisk-Advance acquires Viper Group

STOCK EXCHANGE CALENDAR 2007

24 May	Quarterly report 1
23 August	Quarterly report 2
21 November	Quarterly report 3

The presentation of NKT's annual and quarterly reports is transmitted on-line. For details see www.nkt.dk.

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