NKT

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INTERIM REPORT
2nd QUARTER 2011

SUMMARY

With revenue of 4,016 mDKK in 2nd quarter 2011, NKT realized organic growth of 3%. Revenue for 1st half 2011 was 7,790 mDKK, corresponding to organic growth of 8%. Low productivity and relocation of machinery neutralized 2nd quarter growth at NKT Cables (1st half 2011: 9%), while Nilfisk-Advance as expected realized organic growth of 8% (1st half 2011: 6%).

NKT's operational EBITDA amounted to 218 mDKK for 2nd quarter 2011, against 282 mDKK for 2nd quarter 2010. This fall of 64 mDKK relates to a decrease of 72 mDKK for NKT Cables, while Nilfisk-Advance realized an increase of 9 mDKK. The decrease relating to NKT Cables includes 62 mDKK attributable to the new factory in Cologne.

Earnings development at NKT Cables was not satisfactory and primarily relates to problems deriving from the commissioning of the new Cologne factory where, i.a., relocation of production lines has resulted in low productivity and challenges with implementation of new production processes. The complexity of commissioning has proven greater than first anticipated and is expected to be progressively resolved in the course of 2011.

Working capital stabilized at an unchanged level relative to 31 March 2011 and amounted at 30 June to 3,492 mDKK, a decrease of 6 mDKK despite the fact that working capital normally increases in the 2nd quarter. Net interest bearing debt at 30 June was 4,940 mDKK, an increase of 119 mDKK in relation to 31 March 2011. As expected, the debt peaked in April/May and further falls are expected in 2nd half 2011. Cash resources were 1.6 bnDKK at 30 June in relation to 1.2 bnDKK at 31 March.

NKT Cables has recorded a strong influx of new orders in recent months, leading to an order backlog that is currently all-time high. No further costs relating to the previously mentioned loss-making submarine cable project were booked in the 2nd quarter, and no further costs are expected. The company's new CEO, Marc van't Noordende, took up his duties on 1 June, which has prompted organizational changes, cf. page 8. On 6 June, NKT Cables and NKT Holding received a Statement of Objections from the European Commission, cf. page 8.

Nilfisk-Advance realized satisfactory organic growth in the 2nd quarter amounting to 8% for the EMEA region, 8% for the Americas and 9% for the Asia/Pacific region. Rising raw material prices continue to negatively influence gross margin, but increases on list prices implemented in the 2nd quarter are expected to neutralize this impact in the 2nd half of the year. Several minor acquisitions have been made and additional sales companies set up leading, inter alia, to establishment of a new Outdoor Division and providing improved direct market coverage in China and Brazil.

NKT Flexibles realized growth of 23% in the quarter and secured a four-year framework agreement with Petrobras worth potentially 9.7 bnDKK, 50% of which is guaranteed. The planning of the new factory in Brazil is now well under way. The previously reported 'steel issue' is approaching conclusion and it remains the view that it will have no financial implications for the NKT Group, cf. page 10.

Expectations with regard to organic growth are unchanged at approx. 5%. As a result of the development for NKT Cables in Cologne, previously declared expectations relating to operational EBITDA for 2011 are no longer tenable. Expected operational EBITDA for 2011 has therefore been revised down to approx. 1,000-1,100 mDKK from approx. 1,200 mDKK. This expectation includes already expensed costs relating to a submarine cable project as well as positive impact resulting from a price adjustment mechanism for NKT Flexibles, cf. page 6.

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FINANCIAL HIGHLIGHTS - NKT GROUP

Amounts in mDKK

	Q2 2011	Q2 2010	Q1-Q2 2011	Q1-Q2 2010	Year 2010
Income statement					
Revenue	4,016	3,635	7,790	6,697	14,451
Revenue at standard prices [1)]	3,077	2,953	5,940	5,447	11,478
Operational earnings before interest, tax, depreciation and amortization (Operational EBITDA) [2)]	218	282	439	517	985
Earnings before interest, tax, depreciation and amortization (EBITDA)	210	258	426	471	899
Depreciation and impairment of property, plant and equipment	-80	-67	-161	-129	-279
Amortization and impairment of intangible assets	-34	-31	-72	-62	-140
Earnings before interest and tax (EBIT)	96	160	193	280	480
Financial items, net	-61	-22	-104	-49	-135
Earnings before tax (EBT)	35	138	89	231	345
Profit	30	97	81	162	270
Profit attributable to equity holders of NKT Holding A/S	30	95	81	160	266
Cash flows					
Cash flows from operating activities	72	-263	-381	-484	-374
Investments in property, plant and equipment	118	159	217	455	744
Balance sheet					
Share capital	475	475	475	475	475
Equity attributable to equity holders of NKT Holding A/S	3,983	4,030	3,983	4,030	4,105
Minority interests	6	23	6	23	7
Group equity	3,989	4,053	3,989	4,053	4,112
Total assets	13,530	12,134	13,530	12,134	12,556
Net interest bearing debt [3)]	4,940	3,790	4,940	3,790	4,105
Capital employed [4)]	8,928	7,843	8,928	7,843	8,218
Working capital [5)]	3,492	2,812	3,492	2,812	2,997
Financial ratios and employees					
Gearing (net interest bearing debt as a percentage of Group equity)	124%	94%	124%	94%	100%
Net interest bearing debt relative to operational EBITDA [6)]	5.4	3.7	5.4	3.7	4.2
Solvency (equity as a percentage of total assets)	29%	33%	29%	33%	33%
Return on Capital Employed (RoCE) [7)]	5.3%	9.9%	5.3%	9.9%	7.5%
Number of 20 DKK shares ('000)	23,738	23,738	23,738	23,738	23,738
Number of treasury shares ('000)	77	77	77	77	77
Earnings, DKK per outstanding share (EPS) [8)]	1.3	4.1	3.4	6.8	11.3
Dividend paid, DKK per share	0.0	0.0	2.0	3.5	3.5
Equity value, DKK per outstanding share [9)]	168	170	168	170	173
Market price, DKK per share	329	274	329	274	297
Average number of employees	8,928	8,346	8,928	8,346	8,454

[1) - 9)] Explanatory comments appear in Note 6.

Financial highlights and ratios are calculated as defined in the 2010 Annual Report.

MANAGEMENT'S REVIEW

Revenue increased to 4,016 mDKK in the 2nd quarter, corresponding to organic growth of 3%. Earnings (EBITDA), amounting to 218 mDKK, failed to follow suit as NKT Cables was impacted abnormally by high commissioning costs and low productivity resulting from transfer of production lines and commissioning of the Cologne factory. As expected, nominal working capital stabilized, which is also reflected in net interest bearing debt development

REVENUE AND EARNINGS

NKT's revenue was 4,016 mDKK in 2nd quarter 2011 (2nd quarter 2010: 3,635 mDKK), corresponding to organic growth of 3% and nominal growth of 10%. Metal prices, exchange rates and acquisitions influenced growth positively by approx. 7%, cf. Fig. 1, which also shows the composition of revenue growth by business unit.

Net revenue for 1st half 2011 was 7,790 mDKK, compared with 6,697 mDKK for the same period in 2010, corresponding to organic growth of 8% and nominal growth of 16%.

Group operational EBITDA for 2nd quarter 2011 was 218 mDKK (2nd quarter 2010: 282 mDKK), a fall of 64 mDKK. This fall primarily related to 72 mDKK for NKT Cables. To this must be added a decrease of 2 mDKK for NKT Flexibles (NKT's profit share), and increases for Nilfisk-Advance and Photonics Group of 9 mDKK and 4 mDKK, respectively. The composition of operational EBITDA is shown in Fig. 2. Measured in standard metal prices, operational EBITDA margin for 2nd quarter 2011 was 7.1% (2nd quarter 2010: 9.5%). Group operational EBITDA for 1st half 2011 was 439 mDKK (1st half 2010: 517 mDKK), a decrease of 78 mDKK that was mainly caused by a decrease of 103 mDKK for NKT Cables.

On a rolling 12-month basis (LTM) operational EBITDA was 908 mDKK, and operational EBITDA margin based on standard metal prices was 7.6%, against 8.2% at 31 March 2011. Quarterly development in operational EBITDA on a rolling 12-month basis (LTM) is shown in Fig. 3.

NKT Cables realized 2nd quarter revenue of 1,377 mDKK based on standard metal prices, which was similar to last year (2nd quarter 2010: 1,374 mDKK). This development was mainly attributable to reduced level of activity caused by relocation and commissioning of production lines in Cologne. 2nd quarter organic growth for the four strategic application areas was: Electrical Infrastructure -3%, Construction -4%, Railway 10% and Automotive 14%. Total organic growth for 1st half 2011 was 9%. For further details, see review for NKT Cables on page 7.

Based on market prices, NKT Cables realized revenue of 2,316 mDKK (2nd quarter 2010: 2,056 mDKK), an increase of 260 mDKK or 13%. Metal prices and exchange rates influenced revenue positively by 255 mDKK, cf. Fig. 1.

NKT Cables realized 2nd quarter EBITDA of 9 mDKK (2nd quarter 2010: 81 mDKK), which corresponds to an EBITDA margin of 0.7% based on standard metal prices (2nd quarter 2010: 5.9%). EBITDA for the 2nd quarter was negatively impacted by costs relating to commissioning of production lines and start-up of the Cologne factory.

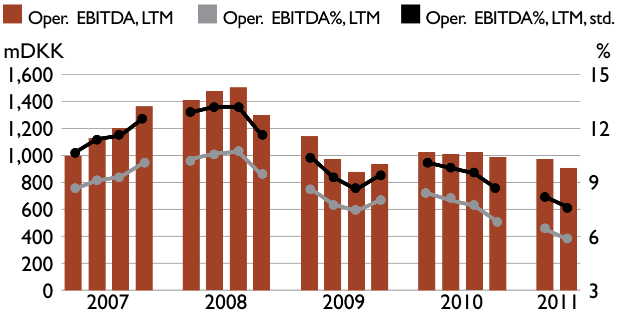
Fig. 2 Operational EBITDA by business segment

Amounts in mDKK	Realized Q2 2011	Realized Q2 2010	Nom. change
NKT Cables	9	81	-72
Nilfisk-Advance	200	191	9
Photonics Group	-1	-5	4
NKT Flexibles (51%)	21	23	-2
Other	-11	-8	-3
Operational EBITDA	**218**	**282**	**-64**
Structural initiatives	-8	-24	16
EBITDA	**210**	**258**	**-48**

Fig. 1 Revenue development by business segment

Amounts in mDKK	2010 Q2	Metal prices	Exchange rates	Acqui-sitions	Growth	2011 Q2	Nominal growth	Org. growth
NKT Cables	2,056	235	20	0	5	2,316	13%	0%
- Revenue, standard metal prices	*1,374*	-	*2*	*0*	*1*	*1,377*	-	-
Nilfisk-Advance	1,532	-	-39	44	114	1,651	8%	8%
Photonics Group	48	-	-1	0	3	50	4%	6%
Other	-1	-	0	0	0	-1	-	-
Revenue, market prices	3,635	235	-20	44	122	4,016	10%	3%
Revenue, standard metal prices	2,953	-	-38	44	118	3,077	-	-

Fig. 3 NKT operational EBITDA



The decrease of 72 mDKK includes 62 mDKK relating to the Cologne factory, while the remaining units over all realized a small fall of 10 mDKK. The decrease in Cologne primarily relates to a reduced gross margin based on standard metal prices, which for 2nd quarter 2011 amounted to 20%, compared with 27% for 2nd quarter 2010. This must be seen in relation to a budgeted gross margin of approx. 35%. Fixed costs in Cologne developed as expected. EBITDA margin in Cologne for 2nd quarter 2011 thereafter amounted to -11%.

Development for the rest of NKT Cables was over all as expected, which was confirmed by a gross margin based on standard metal prices, of approx. 42%, the same as for 2nd quarter 2010. This led to an EBITDA margin of approx. 9%, which was on a par with expectations.

Nilfisk-Advance realized revenue of 1,651 mDKK (2nd quarter 2010: 1,532 mDKK), a nominal increase of 119 mDKK. Net currency and acquisitions amounted to 5 mDKK, cf. Fig, 1, so that organic growth was 8%.

The organic growth consists of 8% for the EMEA region (Europe, Middle East and Africa), 8% for the Americas and 9% for the Asia/Pacific region. For further details, see review for Nilfisk-Advance on page 8.

Nilfisk-Advance realized operational EBITDA of 200 mDKK, an increase of 9 mDKK (2nd quarter 2010: 191 mDKK), which corresponds to an operational EBITDA margin of 12.1%, against 12.5% for 2nd quarter 2010. The reduction in EBITDA margin was mainly due to higher raw material prices.

Costs relating to structural initiatives amounted to 8 mDKK (2nd quarter 2010: 24 mDKK). EBITDA thus comprised 193 mDKK (2nd quarter 2010: 167 mDKK), an increase of 26 mDKK or 16%.

Photonics Group realized revenue of 50 mDKK (2nd quarter 2010: 48 mDKK), equal to organic growth of 6%, cf. Fig. 1. EBITDA was -1 mDKK, a 4 mDKK improvement on 2nd quarter 2010.

NKT Flexibles realized revenue of 390 mDKK for 2nd quarter 2011 (2nd quarter 2010: 318 mDKK), a rise of 72 mDKK. This rise was attributable to increased production at the factory in Kalundborg, Denmark, as a result of the implemented capacity expansion. NKT Flexibles realized revenue of 787 mDKK for 1st half 2011 (1st half 2010: 534 mDKK), an increase of 253 mDKK.

A framework agreement with Petrobras signed in 2008 has represented a considerable part of the production in recent periods. This agreement includes a price adjustment mechanism based on the development in raw material prices, etc. As previously reported, uncertainty exists regarding the method of determination for this mechanism, and no amount has therefore yet been recognized in the financial statements. The mechanism is currently being discussed with the customer and the outcome is expected to positively impact earnings in 2nd half 2011 by an estimated amount of approx. 150 mDKK (100% part).

NKT Flexibles' revenue is not recognized in NKT's consolidated financial statements. Only the net profit share attributable to NKT is recognized.

2nd quarter EBITDA amounted to 57 mDKK (2nd quarter 2010: 52 mDKK) based on increased revenue of 72 mDKK. EBITDA increased therefore by 5 mDKK despite a fall in EBITDA margin from 16.4% in 2nd quarter 2010 to 14.5% in 2nd quarter 2011. EBITDA for 1st half 2011 amounted to 129 mDKK (1st half 2010: 93 mDKK), an increase of 36 mDKK.

51% of NKT Flexibles' profit after depreciation, amortization and financial items is recognized in NKT's consolidated EBITDA. The amount recognized for 2nd quarter 2011 was 21 mDKK (2nd quarter 2010: 23 mDKK).

Operational EBIT by business unit is shown in Fig. 4.

Fig. 4 Operational EBIT by business unit

Amounts in mDKK	Realized Q2 2011	Realized Q2 2010	Nom. change
NKT Cables	-56	30	-86
Nilfisk-Advance	153	147	6
Photonics Group	-4	-8	4
NKT Flexibles (51%)	21	23	-2
Other	-10	-8	-2
Operational EBIT	**104**	**184**	**-80**
Structural initiatives	-8	-24	16
EBIT	**96**	**160**	**-64**

FINANCIAL ITEMS, INCOME BEFORE TAX AND TAX, ETC.

Net financial items amounted to an expense of 61 mDKK (2nd quarter 2010: 22 mDKK), an increase of 39 mDKK. The increase was due to a higher net interest bearing debt and a higher interest margin on the debt. The impact of currency adjustments on financial items was minimal.

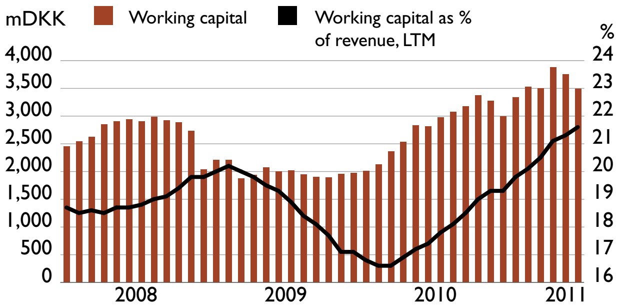
Group EBT was 35 mDKK (2nd quarter 2010: 138 mDKK). Tax on profit for the period was 5 mDKK and the tax rate for 2nd quarter 2011 comprised 14%, while the planned tax rate for 2011 as a whole remains around 28%.

NKT realized a profit of 30 mDKK for the 2nd quarter (2nd quarter 2010: 97 mDKK). Profit for the 1st half of 2011 was 81 mDKK (1st half 2010: 162 mDKK).

CASH FLOWS

Cash flows from operating activities comprised 72 mDKK (2nd quarter 2010: -263 mDKK). The improvement of 335 mDKK

Fig. 5 Working capital



primarily related to improvement in working capital amounting to 408 mDKK and reduced EBITDA amounting to 48 mDKK.

Cash flows from investing activities comprised -186 mDKK (2nd quarter 2010: -137 mDKK), principally consisting of acquisition of tangible assets amounting to 118 mDKK (2nd quarter 2010: 159 mDKK) and business acquisitions amounting to 39 mDKK (2nd quarter 2010: 22 mDKK).

WORKING CAPITAL

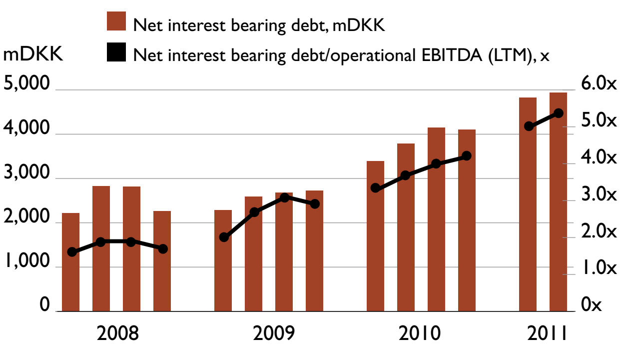
Working capital amounted to 3,492 mDKK at 30 June 2011, which was similar to the figure of 3,498 mDKK at 31 March 2011. Although revenue (LTM) increased during the quarter by 380 mDKK and working capital at 30 June 2011 was similar to 31 March 2011, working capital as a percentage measured as an average over 12 months (LTM) increased from 20.5% at 31 March 2011 to 21.6% at 30 June 2011. Development in working capital is shown in Fig. 5.

For NKT Cables, working capital as a percentage of revenue (LTM) was 22.9% (31 March 2011: 21.2%). The corresponding figure (LTM) for Nilfisk-Advance was 19.3% (31 March 2011: 19.3%).

NET INTEREST BEARING DEBT

Net interest bearing debt was 4,940 mDKK at 30 June 2011 (31 March 2011: 4,821 mDKK), an increase of 119 mDKK. The increase was mainly attributable to 2nd quarter investments of 157 mDKK. The development in net interest bearing debt is shown in Fig. 6.

Fig. 6 Net interest bearing debt in relation to operational EBITDA



The current level of debt corresponds to 5.4x operational EBITDA for the last 12 months (31 March 2011: 5.0x), which exceeds NKT's internal target of 2.5x operational EBITDA for the last 12 months. This ratio is still influenced by the fact that operational EBITDA for the last 12 months does not wholly include normalized earnings for NKT Cables.

Fig. 7 Credit facilities

Amounts in bnDKK	30.06.11 Total	31.03.11 Total	30.06.10 Total
Committed (>3 years)	3.8	3.8	1.3
Committed (1-3 years)	1.0	1.0	2.4
Committed (<1 year)	0.3	0.1	0.6
Committed total	**5.1**	**4.9**	**4.3**
% of total	76%	80%	81%
Uncommitted	1.6	1.2	1.0
% of total	24%	20%	19%
Total	**6.7**	**6.1**	**5.3**
Cash	0.2	0.2	0.2
Drawn	-5.3	-5.1	-4.0
Cash resources	**1.6**	**1.2**	**1.5**

At 30 June 2011 the currency composition of Group net interest bearing debt did not differ materially from 31 December 2010, cf. 2010 Annual Report. Debt financing remains predominantly based on floating interest rates.

CASH RESOURCES

NKT's total cash resources at 31 June 2011 were approx. 1.6 bnDKK, an increase of approx. 400 mDKK on 31 March 2011.

The breakdown of Group cash resources by committed and uncommitted credit facilities is shown in Fig. 7. Committed facilities are not subject to requests from credit institutions for repayment prior to maturity. Group credit facilities remain independent of financial covenants with lenders. For non-financial covenants, see Note 30 of the consolidated financial statements for 2010.

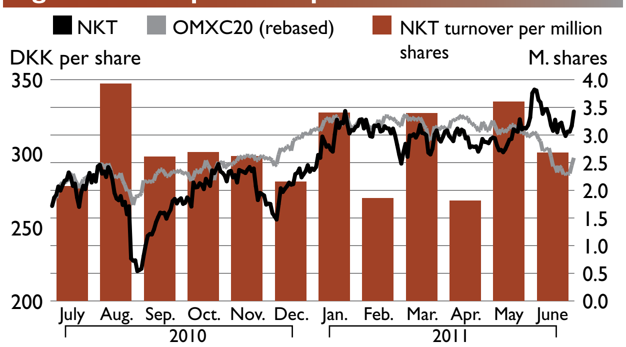
EQUITY

Equity comprised 3,989 mDKK at 30 June 2011 (31 March 2011: 3,994 mDKK). Currency adjustment of foreign subsidiaries and value adjustments of hedging instruments, etc. are recognized directly in equity. The amount recognized for 2nd quarter 2011 was -37 mDKK (1st half 2011: -160 mDKK), which mainly consisted of currency adjustment of net investments resulting from falls in USD and other currencies.

NKT SHARE

The NKT share is listed on the NASDAQ OMX Copenhagen Stock Exchange and is included in C20, the index for the most frequently traded shares. Daily turnover on NKT shares averaged 44 mDKK in 2nd quarter 2011 (2nd quarter 2010: 47 mDKK). An

Fig. 8 Development in price and turnover



average of 139,619 shares were traded daily in the 2nd quarter (2nd quarter 2010: 156,878), cf. Fig. 8.

At 30 June 2011 the NKT share price stood at 328.6 DKK (31 March 2011: 308.5 DKK), an increase of 11% since the turn of the year, including the effect of the dividend payment in March 2011. NKT had a market value of 7.8 bnDKK at 30 June 2011, against 7.1 bnDKK at end-2010.

A Capital Market Day will be held on 29 September 2011. For attendance details, visit NKT's website under 'Investor'/'Share': http://investor.uk.nkt.dk/cmd.cfm

CORPORATE SOCIAL RESPONSIBILITY

On 30 May, NKT reported its CO_2 emissions for 2010 to the Carbon Disclosure Project, an organization dedicated to reducing corporate carbon emissions and representing some 530 institutional investors worldwide.

NKT's total CO_2 emission in 2010 from own energy consumption was 127,865 tonnes (2009: 113,073 tonnes). Relative to production, emission in 2010 was 2% lower than in 2009. The real reduction in energy consumption was, by itself, greater than the 2%, inter alia, because 2010 was substantially colder than 2009, NKT Cables operated two factories in parallel in Cologne, and the new Chinese cable plant was not yet in production.

EXPECTATIONS FOR 2011

The expectations relating to 2011 are based on a number of macro-economic assumptions which are described in depth in the 2010 Annual Report, to which reference should be made. Due to the recent unrest in the financial markets it is once more relevant to point out that these expectations do not allow for significant and sudden changes in exchange rates, energy prices and raw material prices.

The expectations are further based on the assumption that the present macro-economic uncertainty will not lead to significant and sudden slowdown in demand, as occurred in conjunction with the economic crisis in mid-2008.

NKT's expectations of organic growth in revenue of approx. 5% for 2011 is unchanged.

The expectations are still based on the following organic growth rates for the individual business units:

- NKT Cables, approx. 5%
- Nilfisk-Advance, approx. 5%
- Photonics Group, approx. 20%

Due to delays in the commissioning of NKT Cables' Cologne factory and the resultant financial results realized in the 2nd quarter, initial expectations in relation to EBITDA are no longer tenable.

Total EBITDA is now expected to amount to approx. 1,000-1,100 mDKK as compared with approx. 1,200 mDKK previously, excluding unchanged costs of approx. 25 mDKK relating to structural initiatives.

Restructuring costs relating to Nilfisk-Advance (-25 mDKK), losses incurred on a submarine cable project (-58 mDKK) as described in the 1st quarter 2011 interim report, and anticipated impact of a price adjustment mechanism for NKT Flexibles (75 mDKK) are expected to have neutral effect on overall earnings.

This is based on the following assumptions:

- NKT Cables: Expected EBITDA margin based on standard metal prices is now approx. 5%. An increase in EBITDA margin of approx. 2.5-3%-points in relation to 5.9% realized for 2010 was previously expected.
- Nilfisk-Advance: Expected EBITDA margin for 2011 is unchanged an improvement of approx. 1%-point on 10.7% realized in 2010.
- Photonics Group: EBITDA breakeven, as previously expected.
- NKT Flexibles: Expected EBITDA margin is approx. 15%, to which must be added approx. 150 mDKK relating to the price adjustment mechanism mentioned. A reduction in EBITDA margin of up to 5%-points on 18.7% realized in 2010 was previously expected.
- It is also expected that further costs will not accrue in respect to the previously referred to 'steel issue' at NKT Flexibles.
- The earnings interval corresponds to the risk of a general worsening in the economic results.

Debt is expected to be reduced during 2nd half 2011, but due to downward revision of expectations concerning operational EBITDA for 2011, NIBD/operational EBITDA at year-end 2011 is now expected to be approx. 4.0x, compared with 3.5x expected at 31 March 2011. This is based on unchanged metal prices compared with 2nd quarter 2011.

BUSINESS UNITS

NKT consists of NKT Cables, a supplier of power cables, Nilfisk-Advance, a producer of cleaning equipment, the fiber-optics based Photonics Group, and NKT Flexibles (51%), a supplier of flexible pipes to the offshore oil industry. At the end of 2nd quarter 2011 the NKT Group employed approx. 9,800 people. Approx. 20% of the work force is based in Denmark, the remainder abroad

NKT CABLES

Highlights

	Q2		Q1 -Q2		Year
Amounts in mDKK	**2011**	**2010**	**2011**	**2010**	**2010**
Revenue	**2,316**	**2,056**	**4,495**	**3,660**	**8,520**
Revenue std. prices	*1,377*	*1,374*	*2,645*	*2,410*	*5,547*
- Nominal growth (%)	13%	15%	23%	20%	33%
- Organic growth (%)	0%	1%	9%	2%	16%
EBITDA	**9**	**81**	**38**	**141**	**329**
EBITDA margin (std. price) (%)	0.7%	5.9%	1.4%	5.9%	5.9%
EBIT	-56	30	-92	43	109
Capital employed	5,223	4,321	5,223	4,321	4,701
Working capital	2,234	1,668	2,234	1,668	1,856
No. of employees, period end	3,609	3,323	3,609	3,323	3,490

NKT Cables is among the leading suppliers of power cables to the European market and a global player in the production of high voltage and submarine cables. Accessories, catenary wires and special cables are, among other products, supplied by the company. Cable solutions is a growing part of the total business. Factories in China manufacture for the South-East Asian market, while plants in Europe primarily service customers in Europe and the Middle East.

Organic growth in the 2nd quarter evolved neutrally in relation to 2nd quarter 2010. The outlook for organic growth in the quarter was relatively limited due to the relocation and commissioning of production. Organic growth for the 1st half 2011 totalled 9%, compared to the same period in 2010.

A large part of the raw materials used for cable production is comprised by the metals copper and aluminium. At 30 June 2011 the price of copper had fallen by 8% compared with 31 March 2011, and risen by 18% compared with 30 June 2010. The price of aluminium fell by 4% on 31 March 2011 and increased by 8% on June 2010. The development in metal prices is shown in Fig. 9.

EBITDA was 9 mDKK, corresponding to an EBITDA margin of 0.7% (2nd quarter 2010: 81 mDKK and 5.9%). Relocation and commissioning of production lines at the factory in Cologne are the predominant reasons for the unsatisfactory outcome. The previously announced loss-making submarine cable project, which negatively affected earnings in the 1st quarter by 58 mDKK, has not affected the result in the 2nd quarter.

As described in the financial review on page 4, this development is attributable to the Cologne factory. The rest of NKT Cables has over all delivered results on a par with last year and in line with expectations for the current year.

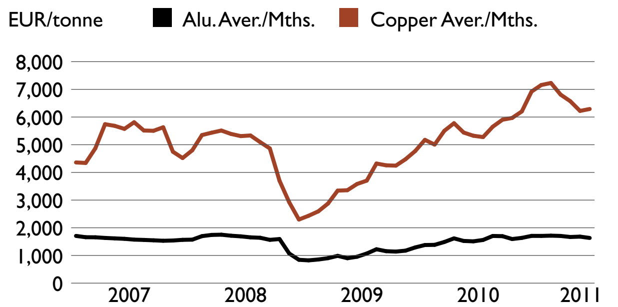
Activity in Electricity Infrastructure remained at a high level despite a negative organic growth of 3% in the 2nd quarter (10% for 1st half 2011). The favourable long-term market conditions for submarine and wind farm cables was further strengthened during the period by energy policy developments in several European countries.

In the 2nd quarter, NKT Cables successfully installed a 245 kV submarine cable in Ireland, and in April the 150 kV cable for the Baltic 1 wind farm in Germany entered into service. The recently announced orders to supply onshore and offshore cables to the West of Duddon Sands and Baltic 2 projects, at a value of 600 mDKK and 750 mDKK respectively, underline the high level of activity in the business segment.

Bidding activity continues at a high level and order backlog is all-time high. In line with the rising order intake, NKT Cables is increasing its turntable capacity in the form of a mobile turntable. With this increased storage capacity NKT Cables will achieve greater flexibility in production and delivery dates.

The transfer of production from the old to the new factory in Cologne, which had a significant negative effect on 2nd quarter EBITDA, was fully finalized at the end of the quarter. The transfer activities led to a low efficiency and productivity in the quarter,

Fig. 9 Metal prices



Standard metal prices, std.
Since 2007 NKT Cables has adjusted and validated data so that the effect of changes in metal prices can be isolated from standard copper and alumenium prices set at 1,550 EUR/tonne and 1,350 EUR/tonne, respectively (2003 price level).

resulting in additional costs. The commissioning of the new factory is taking longer than originally foreseen and will also affect earnings negatively in the third quarter. It is expected, however, that productivity will undergo substantial improvement throughout the 2nd half of the year.

110 kV sales in China are increasing and production at the Cangzhou high voltage factory is satisfactory. The first order for 110 kV cables for the Chinese national grid company has been produced and delivered. Type-testing of 220 kV cables has been successfully completed and prequalification tests are ongoing and are expected to be completed by the end of the year.

Activity level in the medium voltage segment was also high as a result of the existing framework agreements signed in 2010. As expected, profitability was under pressure from rising prices of oil-based raw materials.

In Construction the trend continued with a satisfying level of activity in Eastern Europe, although the expectation for continued growth is more limited. Sales in Nordic countries remain at a low level. 2nd quarter organic growth was -4% (1st half 2011: 1%). During the quarter Qaddy, a new cable trolley aimed at electrical installers in Denmark, was launched and was well received. Roll-out in other countries is scheduled for the remainder of 2011.

Within Railway, activity was high in China early this year but fell in the 2nd quarter, partly due to changes in the top of the railway ministry, which also in the short term are affecting the implementation of Chinese high-speed train projects. Organic growth was 10% in the 2nd quarter of 2011 (1st half 2011: 20%).

Automotive activity remained high with organic growth of 14% in the 2nd quarter of 2011 (1st half 2011: 17%) and production was within existing framework agreements.

On 1 June Marc van't Noordende joined NKT Cables as Chief Executive Officer, cf. Stock Exchange Announcement of 23 March 2011. Following his arrival there will be a generational change at the end of the year with Marc van't Noordende temporarily taking over responsibility for Operations from Asger Bruun-Christensen, who will retire during the first quarter of 2012. Furthermore, as the present CFO is leaving the company, an interim replacement has been recruited and a search process has been initiated to find a permanent solution.

In Stock Exchange Announcement No. 10 of 6 July 2011, NKT Holding reported that NKT Cables and NKT Holding had received a Statement of Objections from the European Commission in connection with its investigation of the submarine and underground high voltage cable markets in the period 1998-2008. As it is customary in these cases, NKT Cables and NKT Holding have now received access to the Commission's case documentation and are currently reviewing it. NKT Cables and NKT Holding will subsequently provide the European Commission with their observations on the Statement of Objections. Currently it is not possible to determine whether costs will be incurred, and if so, the magnitude of these costs. As a result, no liability is recognized in the balance sheet at 30 June 2011.

NILFISK-ADVANCE

Highlights

	Q2		Q1-Q2		Year
Amounts in mDKK	**2011**	**2010**	**2011**	**2010**	**2010**
Revenue	**1,651**	**1,532**	**3,203**	**2,950**	**5,747**
- Nominal growth	8%	16%	9%	12%	12%
- Organic growth	8%	10%	6%	8%	7%
Operational EBITDA*	**200**	**191**	**381**	**363**	**612**
Operational EBITDA margin (%)*	12.1%	12.5%	11.9%	12.3%	10.7%
Operational EBIT*	153	147	283	276	426
Capital employed	3,008	2,978	3,008	2,978	2,898
Working capital	1,180	1,087	1,180	1,087	1,074
No. of employees, period end	5,378	5,019	5,378	5,019	4,894

** Adjusted for structural initiatives*

Nilfisk-Advance supplies professional cleaning equipment for indoor and outdoor applications to a global clientele as well as a variety of products aimed at private consumers. The company also offers individual service agreements and sales of spare parts, ensuring that customers can always depend on equipment availability.

Nilfisk-Advance realized growth of 11% in 2nd quarter 2011. Organic growth represented 8%, the remainder being acquisitions. For 1st half 2011 nominal growth was 9%, of which 6% was organic growth.

Organic growth for the EMEA region (Europe, Middle East and Africa) was 8% in relation to 2nd quarter 2010 and amounted to 6% for 1st half 2011. The 1st quarter growth trend thus continued unchanged.

2nd quarter organic growth for the Americas was 8%, and total organic growth for 1st half 2011 was thus 3%. The progress achieved in this region is due to a combination of improved supply capability and satisfactory order intake, particularly in the industrial segment. Competition in the United States remains high and restraint is particularly evident in the public sector.

In the Asia/Pacific region the positive 1st quarter trend continued with organic growth of 9% for the 2nd quarter and 13% for 1st half 2011. If revenue for 2010 is adjusted for the phasing out of a major customer in 2010/2011, organic growth for 2nd quarter 2011 is 17% and for 1st half 2011 21%.

Initiatives by Nilfisk-Advance in the emerging BRIC+MT markets (Brazil, Russia, India, China + Mexico and Turkey) consisted of the opening of two new sales subsidiaries in Russia, strengthening of management in Brazil, organizational expansion in Turkey by 30%, and acquisition of two Chinese dealerships to improve direct market coverage.

Gross margin was 41.1% for the 2nd quarter (2nd quarter 2010: 42.6%) and 41.7% for 1st half 2011 (1st half 2010: 42.9%). Raw material prices - particularly metals and plastics - continued to rise and were the principal cause of the decrease in gross margin. The growth in raw material prices led to product list prices being raised by approx. 1.5% in May/June, the second rise this year. The full effect of these price rises is expected to positively impact gross margin in the 3rd quarter.

The transfer of production from North America to Mexico is continuously adjusted with a view to optimizing supply. The factory in Mexico is expected to make a positive contribution to gross margin in 2nd half 2011. No additional transfer of production is planned for the current year.

Fixed costs as a ratio of revenue amounted to 31.5% in the 2nd quarter (2nd quarter 2010: 32.7%). For 1st half 2011, fixed costs fell by 0.7%-points, from 33.1% in 2010 to 32.4% in 2011, i.a. as a result of focused cost management combined with rising level of activity. Despite the positive trend, focus continues on reducing fixed costs by efficiency measures and i.a amalgamation of back-office functions.

2nd quarter EBITDA margin was 12.1%, compared with 12.5% in 2nd quarter 2010.

Approx. 3% of revenue is invested in product development, and Nilfisk-Advance expects to launch some 30 new products in 2011. For example, the 2nd quarter saw the introduction to the US market of the first industrial hybrid sweeper-scrubber, the CS 7000, which runs on both diesel and battery power. The CS 7000 is aimed at the industrial market which has been showing strong demand in recent periods. The hybrid motor is environment-friendly and energy-saving and is designed for both outdoor and indoor service. A total of five new products and product versions were launched in the 2nd quarter.

Over the past 6-7 years Nilfisk-Advance has focused on creating a new outdoor business based on compact and mid-size cleaners. With the acquisition of the French development company Jungo Voirie in July, Nilfisk-Advance has strengthened its outdoor sweeper portfolio. Jungo Voirie has specialized in designing multifunctional outdoor models and has been particularly successful with its JungoJet 3500. The JungoJet 3500, which comes with an extensive accessory programme, is highly versatile and can be used for almost all outdoor cleaning tasks. Particularly popular in the public sector, the machine has to date been marketed in nine European countries. Nilfisk-Advance has also acquired JungoJet production itself from the German manufacturer Hecker & Brian.

Together with the 1st quarter acquisition of Egholm, these new acquisitions are compatible with Nilfisk-Advance in both customer and product terms as well as culturally. Against this background, Nilfisk-Advance has set up a dedicated Outdoor Division aimed at significant growth, increased market share and strong earnings in the area of compact and mid-size outdoor cleaning equipment. Establishment of the Outdoor Division is an element in Nilfisk-Advance's strategy for the period 2011-2015.

PHOTONICS GROUP

Highlights

	Q2		Q1-Q2		Year
Amounts in mDKK	2011	2010	2011	2010	2010
Revenue	**50**	**48**	**93**	**87**	**185**
- Nominal growth (%)	4%	28%	6%	5%	16%
- Organic growth (%)	6%	23%	9%	3%	14%
EBITDA	**-1**	**-5**	**-9**	**-11**	**-11**
EBIT	-4	-8	-15	-17	-23
Capital employed	185	165	185	165	172
Working capital	75	57	75	57	63
No. of employees, period end	181	171	181	171	181

Photonics Group consists of three companies: NKT Photonics, LIOS Technology and Vytran, all with activities based on optical fiber technology. Products range from new types of fibers, new types of lasers and advanced measuring devices to fiber handling equipment. The products are primarily aimed at industrial applications, and development frequently takes place in partnership with industry players in areas such as lasers, life sciences, energy, semiconductors and defence segments.

Photonics Group reported organic growth of 6% in 2nd quarter 2011 compared to the same quarter in 2010 and in 1st half year organic growth was 9%. EBITDA was -1 mDKK, an improvement of 4 mDKK (2nd quarter 2010: -5 mDKK).

NKT Photonics realized growth in both revenue and order intake compared to the same period last year. The production and supply of crystal fibers was especially satisfactory, and NKT cemented its market leadership position in this segment with a significantly increased portfolio of industrial customers to which two major projects were supplied in the 2nd quarter. KOHERAS fiber lasers saw a noticeable increase in demand from the oil industry where lasers are used for monitoring and optimizing the utilization of existing oil fields. Delivery was made on the first section of a major order for an offshore field. At the world's largest laser fair in Munich there was considerable customer interest in the Super K product - a broad-spectrum laser used for diagnostic imaging that provides an unprecedented level of detail of for e.g. living cells. The Super K product line is continuously expanding and now features an extensive range of accessories offering customers individual Plug & Play options.

At LIOS Technology order intake continued to rise. This increase was partly based on two new contracts with leading service companies in the oil and gas industry. LIOS Technology's distributed temperature monitoring products are supporting new processes in oil and gas production, including underground storage of CO_2 and increased extraction using high-temperature steam. In Shanghai, China, LIOS Technology opened an office with two employees and expects to increase its presence here. The potential in the Chinese market is considerable, and local presence is a prerequisite for exploiting this potential.

Vytran again experienced growth in both revenue and order intake compared with the same period last year. This growth was principally in the fiber laser, defence and research segments. Prospects for the research segment are uncertain, however, due to government budget cuts. The demand for fully automated fiber processing equipment is growing and Vytran is actively working to qualify these products for use in a range of contexts such as medical devices. The new products launched by Vytran in late 2010 continue to experience customer success.

NKT FLEXIBLES (51%)

Highlights (100% part)

Amounts in mDKK	Q2 2011	Q2 2010	Q1-Q2 2011	Q1-Q2 2010	Year 2010
Revenue	**390**	**318**	**787**	**534**	**1,199**
- Growth (%)	23%	-18%	47%	-26%	-9%
EBITDA	**57**	**52**	**129**	**93**	**224**
EBITDA margin (%)	14.5%	16.4%	16.4%	17.4%	18.7%
EBIT	39	41	94	69	171
Capital employed	1,172	935	1,172	935	1,123
Working capital	487	275	487	275	433
No. of employees, period end	636	568	636	568	619
Profit share recognized in NKT Holding A/S	*21*	*23*	*49*	*39*	*90*

NKT Flexibles supplies flexible pipelines and systems for oil and gas extraction from offshore fields. 49% of the company is owned by the offshore contractor Subsea 7, and NKT Flexibles is therefore not recognized fully in NKT's consolidated financial statements.

Despite some volatility the oil price consistently remained above 100 USD/bbl during 1st half 2011. This price level suggests that the oil companies will increase their oil exploration and the development of offshore oil and gas fields. As floating production units and expansion of existing maritime fields are among the fastest and most cost-effective ways of establishing new offshore development, the demand for flexible pipe systems is expected to grow.

2nd quarter growth in revenue was 23%, which was in line with expectations. Compared with 2nd quarter 2010, output in the current year has increased as a result of the new reinforcement production lines that entered service following completion of factory expansion at Kalundborg, Denmark. This has neutralized otherwise lower selling prices on 2011 orders.

EBITDA for 2nd quarter 2011 was 57 mDKK (2nd quarter 2010: 52 mDKK), corresponding to an EBITDA margin of 14.5% (2nd quarter 2010: 16.4%). EBITDA is still impacted by tight lead times and rising raw material prices.

The interim report for 1st quarter 2011 referred to a price adjustment mechanism relating to a framework agreement. This mechanism is now expected to have a positive impact of approx. 150 mDKK (100% share), which may be realized in 2nd half 2011. The amount primarily relates to 2010.

For 2nd quarter 2011 an amount of 21 mDKK was recognized in NKT's consolidated EBITDA (2nd quarter 2010: 23 mDKK).

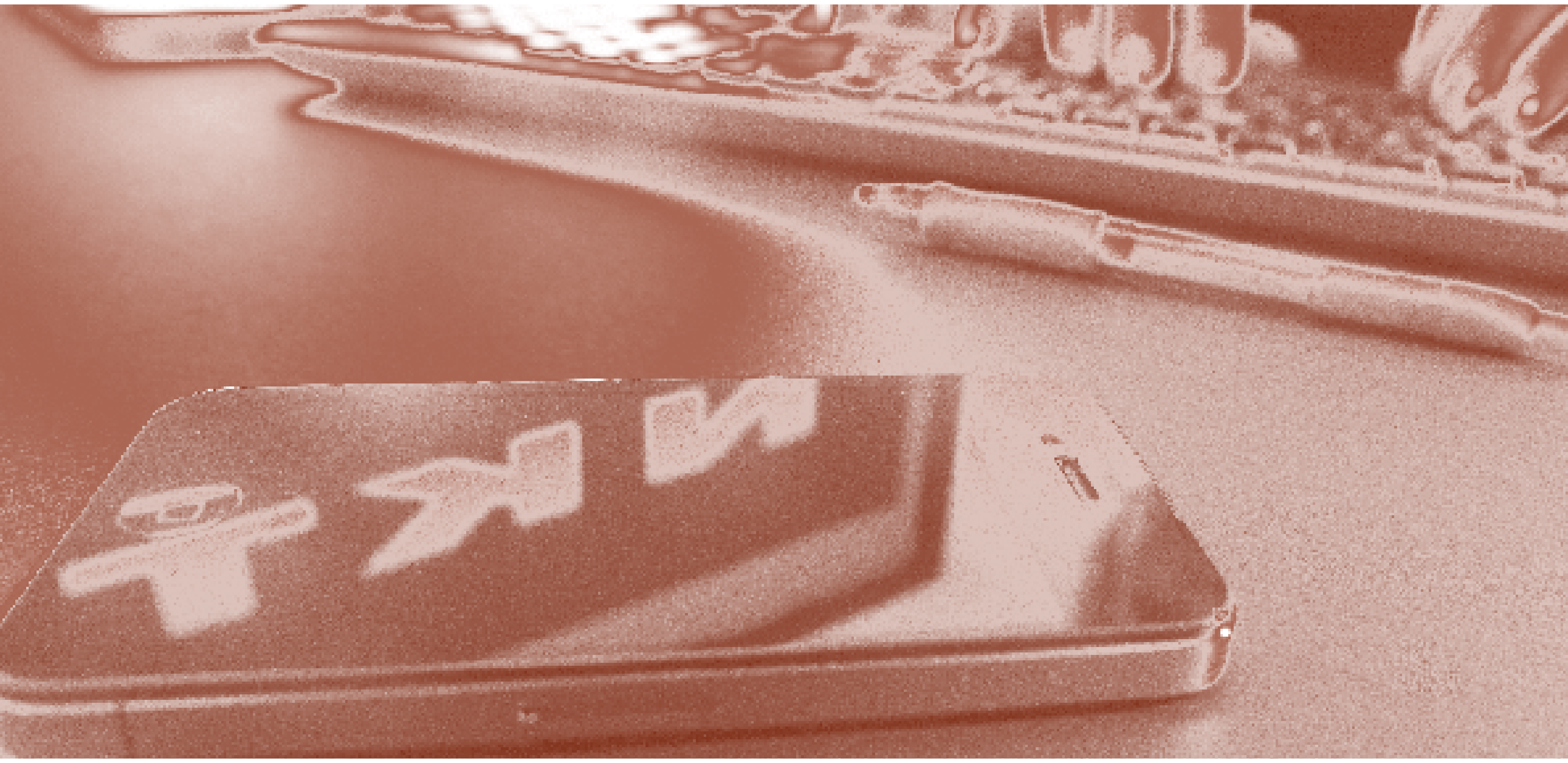
On the order front the outstanding event of 2nd quarter 2011 was the establishment of a four-year framework agreement from Petrobras potentially worth 9.7 bnDKK, 50% of which is guaranteed, cf. Stock Exchange Announcement No. 9 of 30 May 2011. Also during the quarter, NKT Flexibles received an order for a flowline project from the Chinese state oil company CNOOC to be installed in China, as well as an order from another customer for a fast-track riser project for the UK sector of the North Sea. Both projects are to be supplied in the current year. In addition, under an existing contract, Statoil has exercised an option for the supply of a further two riser systems in spring 2012.

At end-June 2011 orders in hand represented approx. 1 bnDKK (31 March 2010: 1 bnDKK). To this may be added approx. 4.85 bnDKK guaranteed under the framework agreement. The combined total is therefore currently 5.85 bnDKK, rising to 10.7 bnDKK if the framework agreement is fully exercised by Petrobras.

During 2nd quarter 2011 NKT Flexibles instituted further measures to increase recruitment both for its production departments and internal service functions. This is part of the preparations for the build-up over the next two year of a new organization for the forthcoming factory in Brazil. The intention is that local personnel from the Brazilian organization will be sent to Denmark for training and skills development.

As referred to in the previous interim report, NKT Flexibles discovered at the start of the year that, despite certification provided, steel received from a supplier in the period 2006-2010 did not in all cases meet the agreed product specifications. Investigation of all the projects affected has revealed that it is not necessary to undertake replacement of end-fittings, something which has so far been confirmed by 90% of the customers concerned. Confirmation from the remaining 10% is still awaited, but clarification is expected in the near future. At present therefore, no financial or other implications are expected for NKT Flexibles beyond the considerable internal resources incurred as part of the investigation.

On the development front the newly established framework agreement with Petrobras has led to an expansion of the product qualification programme already under way. Over the four-year period NKT Flexibles will therefore progressively qualify 4"ID and 6"ID flexible pipes for service at depths to 2,000 metres and 8"ID flexible pipes for service at depths to 1,800 metres. The programme will also include qualifying materials for 'sour service', i.e. transport of highly corrosive oils.



MANAGEMENT STATEMENT

The Board of Directors and the Board of Management have today considered and adopted the Interim Report of NKT Holding A/S for the period 1 January - 30 June 2011.

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 additional 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 2011 and the results of the Group's activities and cash flows for the period 1 January - 30 June 2011.

We also find that 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, 23 August 2011

BOARD OF MANAGEMENT

Thomas Hofman-Bang, *President and CEO*

Søren Isaksen, *Group Executive Director, CTO*

Michael Hedegaard Lyng, *Group Executive Director, CFO*

BOARD OF DIRECTORS

Christian Kjær, *Chairman*

Jens Due Olsen, *Deputy Chairman*

Jan Erik Jensen

Gunnar Karsten Jørgensen

Arne Dan Kjærulff

Jens Maaløe

Kurt Bligaard Pedersen

Lone Fønss Schrøder

Jan Trøjborg

INCOME STATEMENT

Amounts in mDKK

	Q2 2011	Q2 2010	Q1-Q2 2011	Q1-Q2 2010	Year 2010
Revenue	4,016	3,635	7,790	6,697	14,451
Earnings before interest, tax, depreciation and amortization (EBITDA)	210	258	426	471	899
Depreciation and impairment of property, plant and equipment	-80	-67	-161	-129	-279
Amortization and impairment of intangible assets	-34	-31	-72	-62	-140
Earnings before interest and tax (EBIT)	96	160	193	280	480
Financial items, net	-61	-22	-104	-49	-135
Earnings before tax (EBT)	35	138	89	231	345
Tax	-5	-41	-8	-69	-75
Profit	30	97	81	162	270
To be distributed thus:					
Profit attributable to equity holders of NKT Holding A/S	30	95	81	160	266
Profit attributable to minority interests	0	2	0	2	4
	30	97	81	162	270
Earnings per share:					
Basic earnings, DKK per share (EPS)	1.3	4.1	3.4	6.8	11.3
Diluted earnings, DKK per share (EPS-D)	1.3	4.0	3.4	6.7	11.2

CASH FLOW

Amounts in mDKK

	Q2 2011	Q2 2010	Q1-Q2 2011	Q1-Q2 2010	Year 2010
Earnings before interest, tax, depreciation and amortization (EBITDA)	210	258	426	471	899
Financial items, net	-61	-22	-104	-49	-135
Share of profit of NKT Flexibles I/S	-21	-23	-49	-39	-90
Changes in provisions, tax and non-cash operating items etc.	-29	-41	-73	-77	-129
Changes in working capital	-27	-435	-581	-790	-919
Cash flows from operating activities	72	-263	-381	-484	-374
Acquisition of business activities	-39	-22	-148	-22	-48
Investments in property, plant and equipment	-118	-159	-217	-455	-744
Disposal of property, plant and equipment	9	6	15	7	21
Other investments, net	-38	38	-67	12	-77
Cash flows from investing activities	-186	-137	-417	-458	-848
Changes in non-current loans from credit institutions	52	385	676	750	1,462
Changes in current loans from credit institutions	64	18	190	214	-177
Minority interests	0	0	0	-4	-24
Dividends paid	0	0	-47	-83	-83
Cash from exercise of share-based options	0	3	0	4	4
Cash flows from financing activities	116	406	819	881	1,182
Net cash flows	2	6	21	-61	-40
Cash at bank and in hand at the beginning of the period	251	206	247	254	254
Currency adjustments	-4	30	-19	49	33
Net cash flows	2	6	21	-61	-40
Cash at bank and in hand at the end of the period	249	242	249	242	247

BALANCE SHEET

Amounts in mDKK

	30 June 2011	30 June 2010	31 December 2010
Balance sheet			
Intangible assets	1,811	1,806	1,767
Property, plant and equipment	3,263	3,057	3,225
Other non-current assets	991	853	972
Total non-current assets	6,065	5,716	5,964
Inventories	3,232	2,855	2,840
Receivables and income tax	3,984	3,321	3,505
Cash at bank and in hand	249	242	247
Total current assets	7,465	6,418	6,592
Total assets	13,530	12,134	12,556
Equity attributable to equity holders of NKT Holding A/S	3,983	4,030	4,105
Minority interests	6	23	7
Group equity	3,989	4,053	4,112
Deferred tax	109	149	178
Employee benefits	293	294	293
Provisions	105	105	112
Interest bearing loans and borrowings	4,158	2,722	3,452
Total non-current liabilities	4,665	3,270	4,035
Interest bearing loans and borrowings	1,085	1,338	957
Trade and other payables etc.	3,791	3,473	3,452
Total current liabilities	4,876	4,811	4,409
Total liabilities	9,541	8,081	8,444
Total equity and liabilities	13,530	12,134	12,556

COMPREHENSIVE INCOME AND EQUITY

Amounts in mDKK

	Q2 2011	Q2 2010	Q1-Q2 2011	Q1-Q2 2010	Year 2010
Comprehensive income					
Profit	30	97	81	162	270
Other comprehensive income:					
Currency adjustment of foreign subsidiaries					
and value adjustment of hedging instruments, etc.	-37	119	-160	230	200
Total comprehensive income	-7	216	-79	392	470
Statement of changes in equity					
Group equity, 1 January			4,112	3,740	3,740
Share-based payment			3	3	5
Additions/disposal minority interests			0	-3	-24
Subscribed by exercise of share-based options			0	4	4
Paid dividend			-47	-83	-83
Total comprehensive income for the period			-79	392	470
Group equity at the end of the period			3,989	4,053	4,112

NOTES

Amounts in mDKK

1 ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISKS, ETC.

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

Apart from the information below, the accounting policies are unchanged in relation to the 2010 Annual Report, to which reference should be made. The 2010 Annual Report contains the full text of the accounting policies.

With effect from 1 January 2011, NKT has implemented IAS 24 'Related Party Disclosures' (revised 2009), amendments to IFRIC 14, IFRIC 19 and improvements to IFRSs May 2010.

The new accounting standards and interpretations have not influenced recognition and measurement.

Regarding accounting estimates, please refer to Note 1 on page 60 of the 2010 Annual Report. Regarding risks, please refer to Note 30 on page 85 of the 2010 Annual Report and the information contained in the risk section on page 40 of the Annual Report.

According to the regulation for financial statements preparation the Group Management is required to determine whether the quarterly statement can be presented on a 'going concern' basis. Based on outlook estimates, including examination of latest 'forecast 2011', 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 trading for a minimum of 12 months from the balance sheet date. Information concerning Group cash resources and expectations for 2011 are included in Management's review.

2 CONTINGENT LIABILITIES

As referred to in the previous interim report, NKT Flexibles discovered at the start of the year that, despite certification provided, steel received from a supplier in the period 2006-2010 did not in all cases meet the agreed product specifications. Investigation of all the projects affected has revealed that it is not necessary to undertake replacement of end-fittings, something which has so far been confirmed by 90% of the customers concerned. Confirmation from the remaining 10% is still awaited, but clarification is expected in the near future. At present no financial or other implications are therefore expected for NKT Flexibles beyond the considerable internal resources incurred as part of the investigation.

In Stock Exchange Announcement No. 10 of 6 July NKT Holding reported that NKT Cables and NKT Holding had received a Statement of Objections from the European Commission in connection with its investigation of the submarine and underground high voltage cable markets in the period 1998-2008. As it is customary in these cases, NKT Cables and NKT Holding have now received access to the Commission's case documentation and are currently reviewing it. NKT Cables and NKT Holding will subsequently provide the European Commission with their observations on the Statement of Objections. Currently it is not possible to determine whether costs will be incurred, and if so, the magnitude of these costs. As a result, no liability is recognized in the balance sheet at 30 June 2011.

NOTES

Amounts in mDKK

3 SEGMENT REPORTING

	Q2 2011	Q2 2010	Q1-Q2 2011	Q1-Q2 2010	Year 2010
Revenue					
NKT Cables, revenue at market prices	2,316	2,056	4,495	3,660	8,520
Nilfisk-Advance	1,651	1,532	3,203	2,950	5,747
Photonics Group	50	48	93	87	185
Parent company etc. [1]	0	-1	0	0	0
Elimination of transactions between segments	-1	0	-1	0	-1
NKT Group revenue at market prices	4,016	3,635	7,790	6,697	14,451
NKT Cables, revenue at standard prices [2]	*1,377*	*1,374*	*2,645*	*2,410*	*5,547*
NKT Group revenue at standard prices	*3,077*	*2,953*	*5,940*	*5,447*	*11,478*
EBITDA [3]					
NKT Cables	9	81	38	141	329
Nilfisk-Advance	193	167	368	317	526
Photonics Group	-1	-5	-9	-11	-11
NKT Flexibles, share of profit	21	23	49	39	90
Parent company etc. [1]	-12	-8	-20	-15	-35
Group EBITDA	210	258	426	471	899
Segment profit, EBIT					
NKT Cables	-56	30	-92	43	109
Nilfisk-Advance	145	123	270	230	340
Photonics Group	-4	-8	-15	-17	-23
NKT Flexibles, share of profit	21	23	49	39	90
Parent company etc. [1]	-10	-8	-19	-15	-36
Group EBIT	96	160	193	280	480
Capital Employed					
NKT Cables			5,223	4,321	4,701
Nilfisk-Advance			3,008	2,978	2,898
Photonics Group			185	165	172
NKT Flexibles, share of equity etc.			481	391	442
Parent company etc. [1]			31	-12	5
Group Capital Employed			8,928	7,843	8,218

[1] The segment comprises the parent company and entities of lesser significance with similar economic characteristics.
[2] Revenue at standard metal prices for copper and aluminium fixed at 1,550 EUR/tonne and 1,350 EUR/tonne, respectively.
[3] Operational EBITDA, approx. (excl. one-off items):

	Q2 2011	Q2 2010	Q1-Q2 2011	Q1-Q2 2010	Year 2010
NKT Cables	9	81	38	141	329
Nilfisk-Advance	200	191	381	363	612
Photonics Group	-1	-5	-9	-11	-11
NKT Flexibles, share of profit	21	23	49	39	90
Parent company etc. [1]	-11	-8	-20	-15	-35
Group operational EBITDA	218	282	439	517	985

NOTES

Amounts in mDKK

4 BUSINESS COMBINATIONS

Nilfisk-Advance has acquired Egholm Maskiner A/S with effect from 3 January 2011. The acquisition will strengthen Nilfisk-Advance's product programme in the market for outdoor cleaning and maintenance equipment. Furthermore, during the 2nd quarter Nilfisk-Advance has made two minor dealership acquisitions in China. Final purchase price allocation is expected to be available at the time of the 2011 Annual Report. The provisional acquisition balance sheet is stated below (acquisitions since 1 January 2011):

	Fair value on acquisition
Intangible assets	50
Tangible assets	6
Inventories	21
Receivables	15
Cash at bank and in hand	3
Deferred tax	-11
Trade and other payables	-23
Net assets acquired	61
Goodwill	72
Purchase consideration	133
Of which, cash at bank and in hand	-3
Paid re. business combination in previous year	18
Cash purchase consideration	148
Interest bearing payables acquired	3
Effect on interest bearing items	151

Goodwill represents the value of the employees and expected synergies arising from combination with existing Group activities. Effect on Group revenue and Group profit for 2011 is not material.

5 EVENTS AFTER THE BALANCE SHEET DATA

Subsequent to the balance sheet date Nilfisk-Advance has acquired the French development company Jungo Voirie and the German contract manufacturer Hecker & Brian. Effect on the NKT Group's revenue and profit for 2011 is not material.

6 EXPLANATORY COMMENTS TO FINANCIAL HIGHLIGHTS

Items below refer to 'Financial highlights - NKT Group'.

1) Revenue at standard prices - Revenue at standard prices for copper and aluminium fixed at 1,550 EUR/tonne and 1,350 EUR/tonne, respectively.
2) Operational EBITDA - Earnings before interest, tax, depreciation and amortization (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).
7) 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).
8) Earnings, DKK, per outstanding share (EPS) - Profit attributable to equity holders of NKT Holding A/S relative to average number of outstanding shares (EPS).
9) 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 recognized in the financial ratio.

Investor contact

Financial analysts and institutional investors	Private investors	Shareholder service
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PRACTICAL INFORMATION

STOCK MARKET ANNOUNCEMENTS IN 2011

Announcements released through the NASDAQ OMX Copenhagen Stock Exchange in 2011 are listed below. They can be found together with earlier and later announcements on www.nkt.dk.

12.01.11 #1 NKT Cables lands 600 mDKK submarine project
01.03.11 #2 NKT Annual Report 2010 and strategy 2011-2015
01.03.11 #3 Change of NKT Cables Group CEO
01.03.11 #4 Announcement - Annual General Meeting 2011
23.03.11 #5 Annual General Meeting 2011
24.03.11 #6 Articles of Association update
25.03.11 #7 New CEO appointed in NKT Cables Group
11.05.11 #8 Interim Report 1st quarter 2011
30.05.11 #9 NKT Flexibles is awarded 9.7 billion. DKK frame agreement by Petrobras and will build a local flexible pipe plant in Brazil
06.07.11 #10 NKT Cables confirms receipt of Statement of Objections
18.07.11 #11 NKT Cables wins 600 mDKK submarine project for Duddon Sands
09.08.11 #12 NKT Cables lands Baltic 2 submarine project

STOCK MARKET CALENDAR 2011

15 November Interim Report, 3rd quarter

Presentation of NKT's Interim Report for 2nd Quarter 2011 will take place on 23 August at 11:00 GMT+1 - and will be webcast live. The presentation itself will take place at Hotel Skt. Petri, Krystalgade 22, DK-1172 Copenhagen.

An on-demand version of the presentation will subsequently be available on www.nkt.dk, followed by a transcript approx. 24 hours later.

Statements about the future in this report reflect the current expectations of the NKT Group Management with regard to future events and financial results. Statements about the future are naturally subject to uncertainty, and the results achieved may therefore differ from expectations. Issues that may cause this difference include, but are not limited to, economic and financial market developments, legislative and regulatory changes in NKT markets, developments in product demand, competitive conditions and energy and raw material prices.

NKT disclaims all responsibility for revising or adjusting such statements about the future or for revising the possible reasons for any material differences between actual results and statements of future expectations unless required by law.

The NKT Interim Report for 2nd Quarter 2011 was published on 23 August 2011 in Danish and English and released through NASDAQ OMX Copenhagen. In questions of interpretation the Danish text shall prevail. The report is available on www.nkt.dk and is emailed to all subscribers registered for NKT's e-news service.

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