



# Interim Report 3/2001

Announcement No. 14.2001 to  
The Copenhagen Stock Exchange, Nikolaj Plads 6, DK-1007  
Copenhagen K and to Shareholders of NKT Holding A/S

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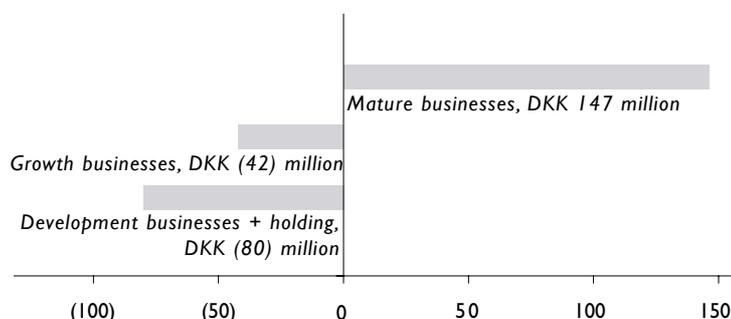
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## SUMMARY

Group turnover for the first nine months of the year was DKK 4.8 billion. This was on a par with turnover for the corresponding period last year.

The Group posted an operating loss of DKK 41 million, which was a marked improvement on the corresponding figure last year, a loss of DKK 420 million. Closure of the submarine cables factory and adjustment of activities in the NKT Cables Group and Nilfisk-Advance contributed to this development.

Operating earnings - excluding goodwill amortisation of DKK 66 million - comprised DKK 25 million (EBITA). The breakdown was as follows:



Cash flows from operations and from net investments balanced in the first nine months. The Group's net interest-bearing debt at 30 September amounted to DKK 162 million.

Net profit for the first nine months after tax and minority interests was DKK 18 million. The corresponding figure in 2000 was DKK 4,578 million, which included an extraordinary gain of DKK 4,919 million from the sale of GIGA.

Our expectations with regard to the Group's final result for 2001 are unchanged, ie. NKT Holding is expected to realize a net loss for the year after tax and minority interests of between DKK 50 and 100 million.

Please address any questions arising from the information in this report to Tom Knutzen, NKT President and CEO, telephone +45 43 48 20 00.

NKT Holding A/S, 19 November 2001.

*Christian Kjer*  
Chairman

*Tom Knutzen*  
NKT President and CEO

# Key figures for the Group

All amounts in DKK million	Q 1-3 2001 Unaudited	Q 1-3 2000 Unaudited	2000 Full year
<b>Profit and loss account</b>			
Net turnover	4,841	4,818	6,509
Earnings before interest, tax, depreciation and amortisation (EBITDA)	247	11	(118)
Depreciation and writeoffs of tangible fixed assets	(223)	(364)	(611)
Amortisation and writeoffs of intangible fixed assets	(66)	(68)	(331)
Earnings before interest and tax (EBIT)	(41)	(420)	(1,060)
Net financial income and expenses	52	38	77
Profit (loss) on ordinary operations	11	(382)	(983)
Profit (loss) on ordinary operations after tax	(3)	(357)	(914)
Extraordinary items, net	0	4,919	4,919
Extraordinary items after tax	0	4,919	4,919
Group profit after tax	(3)	4,562	4,006
NKT's share of Group profit after tax	18	4,578	4,030
<b>Balance sheet and employees</b>			
Shareholders' equity	4,001	7,619	4,149
Balance sheet total	6,876	10,931	9,981
Interest-bearing items *	(162)	2,733	2,758
Capital employed **	4,390	5,136	4,443
Average number of employees	5,720	6,280	6,206
<b>Cash flow</b>			
Cash flow from operations	86	(200)	(111)
Net investment in tangible fixed assets	(51)	(211)	(286)
<b>Key performance indicators</b>			
Equity ratio	58%	70%	42%
Number of shares of DKK 20 nominal value (1000's)	25,000	26,980	26,980
Earnings per share (EPS), DKK	(0)	(13)	(34)
Dividend paid per share of DKK 20 nominal value, DKK	104	16	16
Equity value per share, incl. dividend, DKK	160	282	258
Market price per share of DKK 20 nominal value, DKK	103	501	368

\* Interest-bearing cash holdings and receivables less interest-bearing debt

\*\* Interest-bearing items plus shareholders' equity, minority interests and allocated dividend

# The Group

## NKT Holding – NKT Research & Innovation

Mature businesses	Growth and development businesses		
	Optical communications	Life science components	Materials technology
NKT Cables	IONAS*	SMB	NKT Flexibles*
Nilfisk-Advance	Crystal Fibre	PicoSep	NST
Priorparken	CISILIAS	CANTION	LIOS
NOVATOR	KOHERAS		Watech

\* Growth businesses

### COMMENTS TO ACCOUNTS

Group turnover for the first nine months of the year was DKK 4.8 billion. After adjustment for acquisition and divestment of businesses and exchange rate factors this was on a par with the same period last year. The realized turnover does not meet our original expectations.

The reason for this was primarily the non-achievement of expected sales volumes by IONAS, Nilfisk-Advance and NKT Flexibles owing to the market restraint prevailing during 2001. This principally concerns the telecommunications equipment market, but other areas in which NKT is a player have also been affected by the economic situation in the USA, with reduced growth expectations. All markets for investment goods have been characterised by uncertainty and financial caution.

The Group recorded a DKK 41 million operating loss, in which NKT's development businesses and NKT Holding posted net expenses. After adjustment for this, the result was an operating profit, although not at a satisfactory level. Compared with the same period last year, when an operating loss of DKK 420 million was recorded, a significant improvement has taken place. This applies in particular to the NKT Cables group and Nilfisk-Advance, where closure of factories and adjustment of activities has contributed to the favourable development in the Group's operating performance.

The operating result for the period under review includes goodwill amortisation of DKK 66 million.

*At 30 September 2001, NKT's companies employed a total of 5,671 people. Of this number, 2,860 worked in the NKT Cables group (Europe and China) and 2,252 in the Nilfisk-Advance organisation (Europe, USA and Asia-Pacific). All NKT's other companies except LIOS in Germany are based in Denmark.*

Cash flows from operations and from investments balanced in the first nine months. The Group's net interest-bearing debt at 30 September amounted to DKK 162 million.

The Group's financial income was higher than last year as a result of improved liquidity following the sale of GIGA in spring 2000.

Earnings after tax and minority interests amounted to DKK 18 million for the first nine months of 2001, as against DKK 4,578 million the year before. Last year's figure included proceeds of DKK 4,919 million from the sale of GIGA.

Developments in the individual Group companies are described in the subsequent pages.

### EXPECTATIONS FOR 2001

Our expectations regarding the Group's overall financial performance for 2001 are unchanged, ie. NKT Holding is expected to realize a net loss for the year after tax and minority interests of between DKK 50 and 100 million.

Final expectations for the Group's mature businesses and growth businesses are described in the individual company reviews.

### DECISIONS OF THE BOARD OF DIRECTORS

In accordance with authorisation granted and section 3B of the Articles of Association the Board of Directors has decided to issue up to 175,000 share warrants in January 2001 to employees and executives of NKT Holding A/S and NKT Research & Innovation A/S. The precise conditions regarding number of options and price and date of subscription will be notified when issue takes place.

## OWN SHARES

NKT Holding currently holds 2.5% of NKT's shares. This is an increase of 0.2% on the portfolio held at 30 June 2001. The growth in this portfolio is in line with the previously announced intention of acquiring up to 5% of the Group's own shares.

## NEW DEVELOPMENT BUSINESS

In October, we widened our portfolio of life science businesses with the establishment of a new company - CANTION - to develop and later manufacture biochips for illness diagnosis. NKT thus has three development business players in the life science sector, each oriented towards different market areas. The technological base for CANTION was developed and patented by researchers from Mikroelektronik Centret at the Technical University of Denmark (DTU). Together with NKT, the researchers are now moving the promising development results in a commercial direction. A three-year development process is expected for this company.

## ESTABLISHED IN RESEARCH ENVIRONMENT

At the end of this year, 40 research, development and innovation personnel who work on identification of new business opportunities will relocate to new facilities at the Technical University of Denmark where - in line with plans announced earlier - they will join the group of NKT employees already based there. We have taken this step in order to enhance our capacity to generate new development projects by establishing ourselves in a strong research environment.

## THE NKT ACADEMY

The initiative of establishing a business-oriented research school, the NKT Academy, in collaboration with DTU and other universities inside and outside Denmark is developing as planned. Since summer this year, five PhD projects have been launched and a further six identified, two of which are expected to be started this year. The goal is to start some 10 projects annually with a view to obtaining highly qualified candidates and suitable projects that can eventually become part of our business.

## NKT COMPETENCE NET

Introduced at the start of this year, the NKT Competence Net comprises some 80 people from different Group companies who place their specialist and administrative experi-

se at the disposal of our development businesses. First-year experience has shown the NKT Competence Net to be useful and valuable for these businesses, which can therefore focus on their primary tasks of technology and market development and buildup of personnel resources.

## INNOVATION AWARD

In November, NKT received the Danish Innovation Award for 2001. NKT was chosen for the award by the Danish Patent and Trademark Office, Nordea and Børsens Nyhedsmagasin after consultation with Innovationsforum. In the award citation, NKT's strategic plan Vision 2005 was commended as an inspiring example of targeted focus on innovation.

## NEW BUSINESS OPERATION

An independent business operation, AdSphere, has been established under NKT Research & Innovation. AdSphere markets surface treatment services for industrial applications and its largest customer segment is the automobile industry. This commercial activity will continue under NKT Research & Innovation auspices for the time being as it is integrated in and supports the further development of the technology platform, SoftPlasma.

# Optical communication components

## IONAS

Developments in third quarter 2001 were in line with the reduced expectations set out in the Interim Report. Sales through the partnership with JDS Uniphase were strongly affected by the drastic slowdown in growth in the telecommunications domain.

2001 as a whole is expected to produce turnover of around DKK 90 million and an operating loss before extraordinary income from sale of knowhow.

IONAS posted turnover of DKK 85 million and an operating profit of DKK 26 million in the first nine months of the year. After adjustment for sale of knowhow in connection with transfer of fibre laser activities to a separate undertaking, IONAS returned an operating loss of DKK 5 million. For the same period last year the company posted turnover of DKK 20 million and an operating loss of DKK 9 million.

Expectations regarding IONAS' development as a volume manufacturer of optical chips were considerable at the start of the year. While the lack of results has been a great disappointment, its relative impact on IONAS has been less pronounced than on the sector's primary players.

At IONAS we have been able to postpone planned investment and utilise our personnel resources flexibly, and we are continuously working to

expand our customer portfolio. The market situation is influenced, however, by the fact that the company's customers currently hold large product inventories, so that opportunities for further large-volume product sales are at present very limited. We still view IONAS as one of the technological leaders in the production of optical chips, and the longterm potential for successful company growth remains intact.

## CRYSTAL FIBRE

Developments at Crystal Fibre are proceeding to plan. The company is uniquely placed with regard to patents. Focus is on development of products central to the telecoms sector, but customer contracts have also been signed for development and manufacture of special products.

## CISILIAS

The company presented its first product, an amplifier array consisting of eight parallel amplifiers, at the ECOC Fair. The product's technical specifications are among the market's best, and orders have been received for the first trial deliveries.

## KOHERAS

Fibre laser products from KOHERAS are oriented towards customers outside the telecoms sector, namely the market for displays and sensors. The company is on track to achieve the turnover targets set prior to its establishment, and prospects for the years ahead are consistent with these expectations.

# Life science components

## SMB

The company has reached the point in its development where its first product - slides for DNA testing - is ready for commercial application, while work is well advanced on a flowchip for cell sorting. SMB has signed development agreements with a number of industrial customers.

## PICOSEP

The technological complexity of PicoSep's development project has proven greater than expected. As the potential and perspectives for the company's protein separation concept are very

considerable we have decided to continue the project, with proof of concept being expected at mid 2002. Activity will be accelerated with the establishment of a small laboratory and expansion in personnel resources.

## CANTION

This newly established company (cf. NKT Announcement No.13 of 11.10.2001 to the Copenhagen Stock Exchange) is developing a new type of flowchip for identifying small quantities of bio-molecules in fluid samples. The measuring technique used is based on a very simple principle, and the product's potential principally relates to illness diagnosis in the point-of-care market.

## NKT FLEXIBLES

NKT Flexibles reported turnover of DKK 205 million in the first nine months of the year. This was an increase of 24% on the corresponding period in 2000. The company posted an operating loss of 37 million, which is unchanged from the same period last year. The lack of earnings improvement must be seen in the light of the substantial costs incurred in developing products for application in very deep water. For the third quarter, the company posted turnover of DKK 65 million and an associated operating loss of DKK 14 million.

At the start of the third quarter the company had orders to the value of DKK 96 million (a third of these orders being scheduled for delivery in 2001). Against this background, NKT Flexibles is expected to record a final-quarter turnover of around DKK 50 million. The overall deficit for 2001 is expected to be slightly up on last year.

The company's earnings deficit is due to its level of activity being lower than the relatively high level of fixed costs characteristic of this type of industry. Improved capacity utilisation at the Kalundborg factory is therefore crucial to achievement of satisfactory earnings. We find that in this respect NKT Flexibles' order intake has not lived up to expectations. However, this is considered an issue of timing.

Net interest-bearing debt increased during the first nine months of the year by DKK 107 million, which included payment of interest charges of DKK 11 million. This corresponds therefore to the generation of a negative free cash flow of DKK 96 million in this period. Significant causes of this are outstanding receivables relating to the above development project, inventory build-up to meet expected new orders, and investment in increased reel capacity.

## NST

The market perspectives for use of superconductor technology continue to expand with a growing number of different demo projects. NST supplied the superconducting tapes used in the world's first superconducting cable, which was commissioned at Copenhagen's Amagerværket power station in spring 2001. More recently, NST became the sole non-US partial sub-supplier in superconductor development work being funded by the US Department of Energy under a total programme of more than USD 50 million.

## LIOS TECHNOLOGY

For LIOS, which manufactures temperature monitoring systems, including systems supplied to Siemens Cerberus for tunnel fire prevention, market development is favourable and somewhat exceeds expectations. Efforts are under way to widen the scope of the company's measuring technology to other applications, including supervision of industrial processes.

## WATECH

WATECH's environmental solution to the problem of recycling waste containing PVC has attracted considerable attention in political circles. Continuing development activities have yielded promising results for handling of other products containing heavy metals (electronics scrap and flue gas by-products). Work continues on finding an ownership structure to support the company's future development.

# Mature businesses

## NKT CABLES GROUP

The NKT Cables group recorded turnover of DKK 2,291 million and operating earnings of DKK 69 million in the first nine months of 2001. This was in line with the strategy laid down for the group's business development after closure of the submarine cables factory in Denmark at the start of the year.

Turnover of around DKK 700 million and a small operating profit are expected for the fourth quarter. Overall expectations are therefore unchanged with anticipation of an operating profit of around DKK 75 million including proceeds from sale of submarine cable operations.

Turnover was down by DKK 58 million on the first nine months of last year, while operating earnings improved substantially by DKK 360 million. Third quarter turnover was DKK 811 million, which was unchanged from the previous year. The period under review yielded a small operating deficit of DKK 2 million. This was an improvement of DKK 50 million on 2000.

The decrease in turnover for the year to date is attributable to closure of the submarine cables factory in Kalundborg and the sale at year-end 2000 of operations for special rubber cables in Cologne. After adjustment for these factors and for movements in exchange rates and copper prices, the continuing activities yielded an improvement in turnover of around 3% for the first nine months of the year. In the European market as a whole, volume sales increased slightly in the first nine months, while price levels remained roughly the same. It is therefore believed that we have maintained our market shares.

Operating profit for the first nine months was DKK 69 million. The improvement of DKK 360 million on the same period last year is attributable to profits from sale of fixed assets, significantly reduced capacity costs, and the adverse effect of the extraordinary writedown of fixed assets by DKK 125 million in the first nine months of last year.

The closure of the submarine cables factory and other implemented measures have led to a 15% decrease in cash overheads, from DKK 966 million in the first nine months of 2000 to DKK

824 million in the same period this year, a fall of DKK 142 million. The measures concerned have reduced the group's total European work force by 15%, from 3,097 employees in September last year to 2,617 today.

During the first nine months of the year, net interest-bearing debt was reduced by DKK 7 million after payment of interest charges of DKK 38 million. This corresponds to the generation of a free cash flow of DKK 45 million in the period under review.

## NILFISK-ADVANCE

Nilfisk-Advance recorded turnover of DKK 2,157 million in the first nine months of 2001, and an operating profit of DKK 2 million after goodwill amortisation of DKK 49 million. This result was still not up to expectations.

The final quarter is expected to yield turnover of around DKK 750 million associated with a small operating surplus. Due to events in the USA, however, some doubt surrounds this prediction. The events concerned have increased short and medium term uncertainty regarding market developments, particularly in the US. Overall, the result for the year after goodwill amortisation of around DKK 60 million is expected to be a small operating profit.

Turnover was down on the first nine months of 2000 by DKK 51 million. After adjustment for exchange rate factors, however, the fall in turnover was actually DKK 66 million or almost 3%. This was solely attributable to the US market. The rest of the Nilfisk-Advance group showed moderate progress. This relates to operations both in Europe and Asia, and actually covers an increase in volume terms as the proportion of indirect sales in Europe has increased to 42% against 38% in the same period last year. The third quarter by itself yielded turnover of DKK 681 million, a decrease on last year of DKK 17 million.

The decline in the American market is directly linked to the slowdown in the US economy, and the trend is consistent with statements by the main competitors of Nilfisk-Advance. We believe that we maintained our US market shares in the third quarter. In order to consolidate the position of Nilfisk-Advance among the leaders in its industry, product development has been assigned increased priority. Most recently, this resulted in the launch of a new vacuum cleaner aimed at the consumer market and a new carpet cleaner targeted at the US contract cleaning market.

The group's operating profit for the first nine months of 2001 was DKK 2 million, an improvement of DKK 56

million on the same period last year. This result comprises an operating deficit of DKK 74 million in the US market, while the group's other operations generated an operating surplus of DKK 76 million, corresponding to a 7% profit ratio and an EBITA ratio of 7.7%. Compared with the same period last year, US market earnings were down by DKK 27 million, while earnings for other activities improved by DKK 83 million. Overall, third quarter 2001 operations produced a deficit of DKK 8 million, which was an improvement of DKK 22 million on the previous year. In actual fact, however, the improvement was greater as the third quarter this year was influenced by non-recurring costs of around DKK 17 million resulting from further personnel reductions in the US.

The improved operating performance was partly a result of measures introduced last year to cut the general costs level. Cash overheads have been reduced by 5% from DKK 1,224 million in the first nine months of last year to DKK 1,162 million in the same period this year. As a result of this the total work force has been reduced by 8% from 2,438 in September last year to 2,252 today.

Net interest-bearing debt was reduced by DKK 68 million during the first nine months of the year after payment of interest charges of DKK 40 million. This corresponds to the generation of a free cash flow of DKK 108 million during this period.

### **Production reorganisation**

As part of the continued adjustment of the production structure in the Nilfisk-Advance group it has been decided to work on a plan regarding the transfer of the production of certain models of vacuum cleaner from Brøndby to Nilfisk-Advance's plant in Sweden and to external contract manufacturers. It is expected that the consequence of this plan is a close down of around 55 jobs in Brøndby over a period of five to eight months.

### **NOVATOR**

NOVATOR, NKT's engineering company, has experienced a difficult period with a very low activity level in its operations concerned with design, project management and purchase advice for production and process plant. This has led to a substantial reduction in work force.

NOVATOR continues to work to establish itself as a partner for production companies in the areas of IT integration and control technology.

### **PRIORPARKEN**

Activities in NKT's property management company have focused on the letting of the large production buildings and land areas vacated by NKT Cables.

It remains a strategic objective for the company to reduce capital tie-up through sale of individual buildings.

# Balance sheet

All amounts in DKK million	Q 1-3 2001 Unaudited	Q 1-3 2000 Unaudited	2000 Full year
<b>Balance sheet</b>			
Intangible fixed assets	908	1,283	938
Tangible fixed assets	2,083	2,343	2,154
Financial fixed assets	44	50	46
Total fixed assets	3,035	3,676	3,138
Stocks	1,427	1,782	1,525
Accounts receivable	1,453	1,402	1,384
Securities	113	2,906	1,842
Cash at bank and in hand	847	1,165	2,092
Total current assets	3,840	7,255	6,843
Total assets	6,875	10,931	9,981
Shareholders' equity	4,001	7,619	4,149
Minority interests	226	251	246
Provisions	427	587	508
Long-term debt	572	762	657
Short-term debt to credit institutions	497	576	518
Other short-term debt	1,152	1,136	1,097
Dividend for the year	-	-	2,806
Total liabilities	6,875	10,931	9,981
<b>Equity movements</b>			
Shareholders' equity, 1 January	4,149	3,117	3,117
NKT's share of Group profit	18	4,578	4,030
Currency translation of profits and equity of foreign subsidiaries	8	79	49
Own shares/paid share options	(174)	(155)	(241)
Dividend			(2,806)
Shareholders' equity, 30 September	4,001	7,619	4,149

The interim accounts for 2001 have been prepared according to the same accounting policies as last year, except that the new accounting principle relating to inclusion of taxes has been applied. Under the new accounting guidelines, deferred tax assets are capitalised if circumstances so warrant. After careful overall evaluation no reason was found to include deferred tax assets in the interim accounts.

# Cash flows and interest-bearing items

<b>All amounts in DKK million</b>	<b>Q 1-3 2001 Unaudited</b>	<b>Q 1-3 2000 Unaudited</b>	<b>2000 Full year</b>
Earnings before interest, tax, depreciation and amortisation (EBITDA)	247	11	(118)
Net financial income and expenses	52	38	77
Change in working capital, etc.	(213)	(249)	(70)
Cash flow from operations	86	(200)	(111)
Net investment in tangible fixed assets	(51)	(211)	(286)
Acquisition and divestment of undertakings	-	4,813	4,813
Other investment, etc.	(41)	(133)	(78)
Total operating activities and investment	(6)	4,269	4,338
Dividend paid	(2,806)	(2,121)	(2,121)
Purchase of own shares excl. dividend, etc.	(118)	(155)	(241)
Change in net interest-bearing items	(2,930)	1,993	1,976
Interest-bearing items, 1 January	2,758	784	784
Currency translation relating to interest-bearing assets	10	(44)	(2)
Interest-bearing assets, 30 September	(162)	2,733	2,758

# Segmental data

All amounts in DKK million	Q 1-3 2001 Unaudited	Q 1-3 2000 Unaudited	2000 Full year
<b>Net turnover</b>			
NKT Cables Group	2,291	2,349	3,153
Nilfisk-Advance	2,157	2,208	2,986
Priorparken	76	90	120
NOVATOR	40	31	42
NKT Flexibles	205	166	215
IONAS	85	20	47
Development businesses	41	24	39
Intra-group turnover, etc.	(54)	(70)	(93)
	4,841	4,818	6,509
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>			
NKT Cables Group	187	(16)	(124)
Nilfisk-Advance	99	46	31
Priorparken	36	44	61
NOVATOR	(0)	3	2
NKT Flexibles	(9)	(12)	(21)
IONAS*	9	(6)	(5)
Development businesses*	(54)	(27)	(41)
Parent company and eliminations, etc.*	(21)	(21)	(21)
	247	11	(118)
<b>Earnings before interest and tax (EBIT)</b>			
NKT Cables Group	69	(291)	(865)
Nilfisk-Advance	2	(54)	(99)
Priorparken	18	27	37
NOVATOR	(1)	2	2
NKT Flexibles	(37)	(38)	(55)
IONAS*	(5)	(9)	(11)
Development businesses*	(61)	(30)	(46)
Parent company and eliminations, etc.*	(26)	(27)	(23)
	(41)	(420)	(1,060)
<b>Capital employed</b>			
NKT Cables Group	1,604	2,223	1,573
Nilfisk-Advance	1,777	2,089	1,892
Priorparken	286	276	277
NOVATOR	(1)	3	(1)
NKT Flexibles	522	453	463
IONAS	148	66	74
Development businesses	73	18	15
Parent company and eliminations, etc.	(19)	8	150
	4,390	5,136	4,443

\* Excl. profits from intragroup transfers

# Net turnover, EBITDA and EBIT

All amounts in DKK million	4 quarter	3 quarter	2 quarter	1 quarter
<b>Group on a quarterly basis</b>				
<b>2001</b>				
Net turnover		1,621	1,682	1,538
EBITDA		49	164	34
EBIT		(51)	70	(60)
<b>2000</b>				
Net turnover	1,691	1,608	1,694	1,516
EBITDA	(129)	(1)	(11)	23
EBIT	(640)	(101)	(243)	(76)

# NKT products and services

## **OPTICAL COMMUNICATION COMPONENTS**

### **IONAS**

Optical chips and integrated components for a variety of signal processing tasks in optical telecommunications.

### **CRYSTAL FIBRE**

Crystal fibres are a new type of optical fibre with voids running lengthwise that give them entirely new properties. Both public and private research laboratories are working on these fibres. The focus in the company is on development of fibres for telecoms applications.

### **CISILIAS**

Optical chips with amplifier properties that can compensate for the power loss that occurs when a signal passes through a distributor in the optical telecommunications network.

### **KOHERAS**

Ultra-high precision fibre lasers with component applications in many different contexts, such as acoustic sensor systems for monitoring purposes and for seismic measurements in the oil industry.

## **LIFE SCIENCE COMPONENTS**

### **SMB (SCANDINAVIAN MICRO BIODEVICES)**

Various types of biochips used to carry samples for analysis. Applications can be mass production of analysis results (industrial contexts) or high-speed results analysis (medical diagnostics).

### **PICOSEP**

Development of a new protein separation process that can assist understanding of the causes of illness and how it can be treated.

### **CANTION**

Biochips based on an entirely new principle and capable of identifying the presence of given molecules. Such biochips can be used in a variety of contexts, but priority has been given to development for medical diagnostics.

## **MATERIALS TECHNOLOGY**

### **NKT FLEXIBLES**

Subsea pipelines for carrying oil, gas, water and liquid chemicals.

### **NST (NORDIC SUPERCONDUCTOR TECHNOLOGIES)**

Special superconducting tapes which lose all electrical resistance at low temperatures (  $-196^{\circ}$  C). The tapes can be used as components in a variety of contexts (high voltage cables, transformers, motors and MRI scanners).

### **LIOS TECHNOLOGY**

Optical-fibre based systems that can monitor temperatures over long distances and thus serve as warning systems in areas (tunnels, power stations and the offshore industry) where increase in temperature can lead to fire or other serious damage.

### **WATECH**

Technology for environmentally benign recycling of waste products containing heavy metals (PVC waste, electronics scrap, and flue gas by-products).

## **MATURE BUSINESSES**

### **NKT CABLES**

Cables and wires for electrical installations, energy supply and telecommunications.

### **NILFISK-ADVANCE**

Contract cleaning machines and domestic vacuum cleaners.

### **NOVATOR**

Consultancy services and project management for IT integration and control technology in production companies.

### **PRIORPARKEN**

Property letting and management.

## **GROUP SERVICES**

### **NKT RESEARCH & INNOVATION**

Creates basis for establishment of new development and growth businesses.

### **NKT HOLDING**

Group management and parent company.

# Technologies creating value

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NKT will evolve - through a dynamic process - into a growth and development-oriented industrial group.

Based on NKT's technological platform, the Group's growth and development businesses will be expanded into an integrated portfolio - focused on selected areas of expertise.

NKT Cables and Nilfisk-Advance will be placed among leading suppliers to the international market.

## Useful information

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The Third Quarter 2001 report for the NKT Group was published in Danish and English and issued via the Copenhagen Stock Exchange on 19 November 2001.

In the event of discrepancies between the Danish original and the English translation the Danish text will prevail.

The report is available on [www.nkt.dk](http://www.nkt.dk) and is distributed electronically via Hugin Online to all registered subscribers to this service.

The printed report will be posted to all NKT Holding shareholders who have requested a copy of the accounts.

Questions relating to the electronic or printed versions of the report should be addressed to NKT Holding's Communications Department on +45 43 48 32 92.

