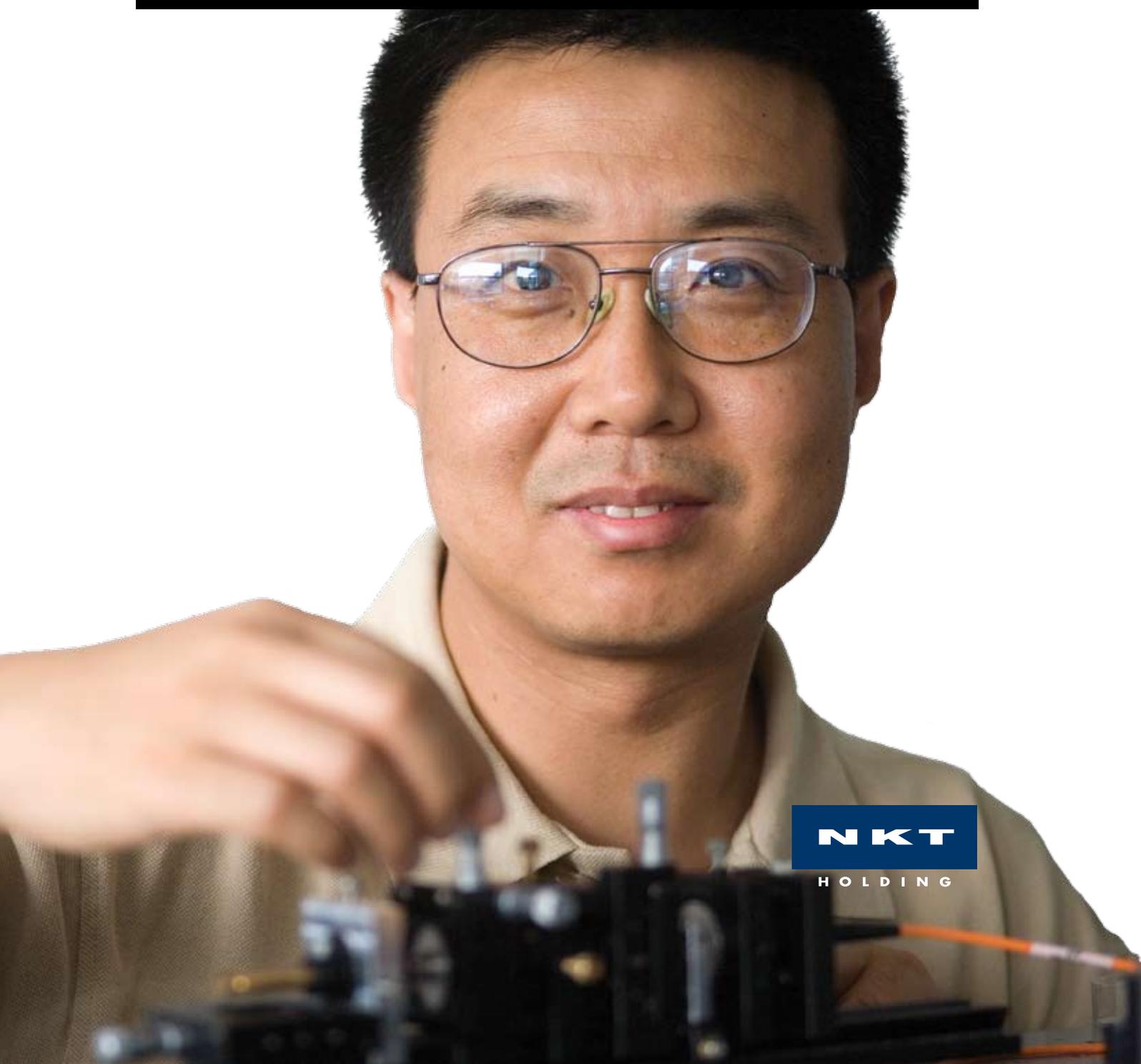


NKT Holding A/S  
Interim report  
3rd quarter > 2007



**NKT**  
HOLDING



## Continued progress in 3rd quarter 2007

With Group revenue for the first nine months of the year of 10.1 bnDKK (+27%), operating income (EBIT) of 770 mDKK (+42%), and net income before tax of 683 mDKK (+35%), there has been very satisfactory development compared with the same period in 2006. This development is in harmony with the plans made for the year by NKT's companies, and there is a basis for an upward revision of expected Group net income before tax to around 925-950 mDKK.

Group revenue for the 3rd quarter was 3,356 mDKK (+24% compared with last year) and operating income (EBIT) was 248 mDKK (+23% compared with last year). An EBITDA margin of 9.9% was realised in 3rd quarter 2007, as against 9.4% in the same period last year. Net income before tax comprised 215 mDKK, as against 193 mDKK last year, an increase of 11%.

The Group's overall organic growth developed satisfactorily and amounted to 9% in the 3rd quarter. This progress was due to continued high organic growth at NKT Cables (13%), while growth at Nilfisk-Advance (5%) was influenced by SAP implementation, which delayed product shipments in late September and thereby reduced September revenue. After adjustment for this effect - which has been neutralised in October and November - 3rd quarter organic growth at

Nilfisk-Advance was 7%. In addition, NKT Photonics Group again had a positive quarter with organic growth of 61%, and the 51%-owned NKT Flexibles had a strong third quarter with organic growth of 30%.

### Expectations for 2007

The financial expectations for 2007 have been revised upwards regularly during the year - most recently to a revenue of 13.3 bnDKK and net income before tax of around 900 mDKK.

Based on realised 3rd quarter development the Group revenue has been revised upward from 13.3 to around 13.4 bnDKK, and Group net income before tax has been revised from 900 upward to around 925-950 mDKK.

### HIGHLIGHTS

Amounts in mDKK	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 <sup>1)</sup> 2006	2006 <sup>1)</sup>
Revenue	3,356	2,703	10,098	7,952	10,815
Earnings (EBITDA)	333	255	986	804	1,022
Earnings (EBIT)	248	202	770	650	818
Earnings before tax	215	193	683	615	769
Equity	2,989	2,677	2,989	2,677	2,806
Net interest bearing items			(2,306)	(1,168)	(1,023)

1) Operating income and net income before tax were increased by one-off items of 108 mDKK attributable to Nilfisk-Advance.

# Group review

## PERIOD 1.1.-30.9.2007

Revenue in the first nine months of the year was 10.1 bnDKK, as against 7.9 bnDKK in the same period in 2006. The nominal increase was thus 2.2 bnDKK (27%). Revenue development in the period has been influenced by metal prices (+3%), exchange rates (-1%) and acquisitions (+14%). After adjustment for these factors, aggregate organic growth was 14%.

Operating income (EBIT) in the first nine months of the year was 770 mDKK, as against 650 mDKK for the same period in 2006 when, however, the figure was increased by one-off items of 108 mDKK. After adjustment for this, EBIT increased by 228 mDKK (42%) on the same period last year.

Group net income before tax was 683 mDKK in the first nine months of the year, as against 507 mDKK for the same period in 2006, after adjustment for the one-off items above.

## 3RD QUARTER 2007

### Revenue

Group revenue in 3rd quarter 2007 was 3,356 mDKK. This was a nominal increase of 24% on the 3rd quarter of last year when revenue was 2,703 mDKK. After adjustment for exchange rates, metal prices and acquisitions there was organic growth of 9%. Revenue for the period was reduced by around 50 mDKK due to deferred sales resulting from running-in of a new ERP system (SAP) at Nilfisk-Advance. After adjustment for this effect - which will increase revenue correspondingly in the 4th quarter - organic growth was 11%.

### Operating income

3rd quarter operating income before interest, tax, depreciation and amortisation (EBITDA) was 333 mDKK, as against 255 mDKK last year, an increase of 78 mDKK (31%)

Of this increase, 67 mDKK was attributable to NKT Cables, while NKT Photonics and NKT Flexibles accounted for 4 mDKK and 6 mDKK, respectively.

Growth in operating income at Nilfisk-Advance was 8 mDKK, but this was reduced by around 10 mDKK due to the deferred revenue along with increased costs to redress the situation.

Despite the income shortfall at Nilfisk-Advance, earnings capacity is increasing and an EBITDA margin of 9.9% was realised in 3rd quarter 2007, as against 9.4% in the same period last year.

The NKT Group realised operating income (EBIT) of 248 mDKK for 3rd quarter 2007, as against 202 mDKK for the 3rd quarter of last year. This corresponds to a margin of 7.4%, which is similar to the same period last year.

### Financials and net income before tax

Financial items in the 3rd quarter amounted to (33) mDKK, as against (9) mDKK in the same period last year. This primarily reflects the fact that in line with our strategic objectives our financial gearing has risen through an increase in interest bearing debt as a result of acquisitions.

Net income before tax was 215 mDKK, as against 193 mDKK last year, an increase of 11%.

### Capital structure and cash flow

Net interest bearing debt was reduced by 13 mDKK in 3rd quarter 2007. Since the start of the year this debt has therefore increased by 1,283 mDKK, which is in line with our previously published expectations. At year end 2007, net interest bearing debt is expected to be around 1.8 x EBITDA (realised operating income for the last 12 months before depreciation and amortisation).

The fall of 13 mDKK in net interest bearing debt in the 3rd quarter consisted of positive cash flow of 425 mDKK from operating activities minus negative cash flow of 408 mDKK from investing activities. The former comprised both the operating income of 333 mDKK and a reduction in working capital of around 195 mDKK, around 45 mDKK was attributable to NKT Cables and 150 mDKK to Nilfisk-Advance. The cash flows from investing activities include ordinary investments in non-current assets, amounting to 84 mDKK, plus the effect of the Viper Group acquisition, amounting to around 300 mDKK, in August 2007.

### Expansionary measures 2007

As mentioned in earlier interim reports, NKT Cables acquired CCC GmbH, Berlin, a general contractor and consultant in high voltage cable systems, as at 1 May 2007, and in July the company signed a contract with the Chinese railway authorities for the supply of very large quantities of electrical catenary equipment. This contract resulted in an agreement to set up a new joint venture-owned factory in China for production of catenary equipment with a view to meeting the demand that will be linked to the expansion and electrification of the Chinese rail network.

As part of the expansion of its presence in new and existing markets Nilfisk-Advance has realised a number of acquisitions in 2007. In May, agreement was signed for acquisition of China's Viper Group, a leading manufacturer and supplier of cleaning equipment in China. The Viper Group became an independent business entity within Nilfisk-Advance as at 1 August 2007. During the spring Nilfisk-Advance also acquired dealerships in Denmark and the UK, and in October the company acquired its existing South African dealer - WAP South Africa (Pty) Ltd. For both NKT Cables and Nilfisk-Advance the measures taken represent significant market positioning initiatives.

## NKT GROUP 2007

### NKT Holding

NKT Cables Group	Nilfisk-Advance Group	NKT Photonics Group	NKT Flexibles
<ul style="list-style-type: none"> <li>&gt; Northern Europe</li> <li>&gt; Central Europe</li> <li>&gt; Eastern Europe</li> <li>&gt; China</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Europe</li> <li>&gt; North America</li> <li>&gt; Oceania</li> <li>&gt; Asia</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Crystal Fibre</li> <li>&gt; KOHERAS</li> <li>&gt; LIOS Technology</li> </ul>	<ul style="list-style-type: none"> <li>Ownership:</li> <li>&gt; NKT: 51%</li> <li>&gt; Acergy: 49%</li> </ul>

At NKT Flexibles, the organisational expansion continued and the company employed 519 people at the end of 3rd quarter 2007, an increase of 36 on the 2nd quarter.

### Board meeting of 21 November 2007

Pursuant to the authority granted and Article 3B of the Company's Articles, the Board of Directors has approved the issue of up to 75,000 share options to the employees and management of NKT Holding A/S in January 2008.

The subscription price will be based on the mean NKT share price for December 2007 plus an annual hurdle rate of 8% - corresponding to the internal Weighted Average Cost of Capital (WACC).

The precise conditions regarding number, subscription price, allocation date, value, etc. will be published when the options have been issued. At the present share price the value of the issue - based on the Black-Scholes formula - is around 5.1 mDKK.

### NKT shares

NKT shares are expected to be included in the OMX C20 index in 1st half 2008. At mid-November, NKT shares were in 16th position, and with less than 10 trading days left in the



reference period expiring on 30 November 2007 it is expected that NKT shares will be a component of the OMX C20 index effective from 27 December 2007 for 1st half 2008.

At 30 September 2007 NKT's share price stood at 586 DKK. This was 17% above the opening price for 2007 (503 DKK). After adjustment for dividend paid, amounting to 10 DKK per share, the real value increase for the first nine months of the year is 18%.

Since 1 January 2007, daily trading in NKT shares has averaged 82 mDKK, as against 37 mDKK in the same period last year.

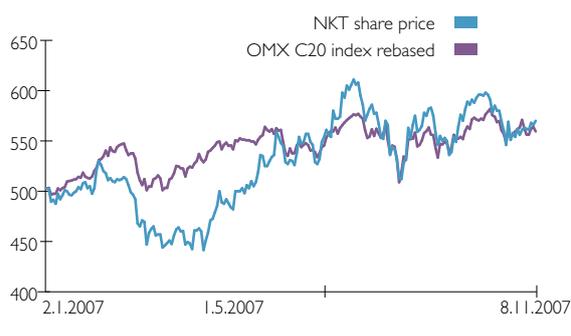
Supplementary Pension Fund). NKT's treasury share portfolio was unchanged at 77,675, corresponding to 0.3%.

NKT's equity consists of 23,637,555 shares, each of 20 DKK nominal value. The nominal share capital is therefore 472,751,100 DKK.

At the end of September 2007, NKT had 15,091 registered shareholders who owned 74% of the equity.

More information on NKT shares, together with other relevant shareholder information, is available at [www.nkt.dk](http://www.nkt.dk) under "Investor".

#### SHARE PRICE TREND



NKT's market capitalisation at 30 September 2007 was 13.9 bnDKK. After adjustment for net interest bearing items and minority interests, the NKT Group's enterprise value was 16.2 bnDKK.

At 30 September, only one investor held more than 5% of NKT's share capital - ATP (Danish Labour Market

# Group companies

At the end of 3rd quarter 2007 the NKT Group employed a total of 8,042 people, including 1,236 in Denmark and 6,806 in the Group's companies in the rest of Europe, North America, Asia and Oceania. NKT Cables Group employed 3,202 people, Nilfisk-Advance 4,679 and NKT Photonics Group 119. Furthermore, NKT Flexibles had 519 employees.

## NKT CABLES GROUP

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

### Financial expectations for 2007

NKT Cables is expected to realise revenue of around 7.5 bnDKK in 2007 and a profit margin (EBIT) of around 6.6%, against 7.4 bnDKK and 6.5% forecast previously.

Expectations regarding organic growth are unchanged at around 15% for 2007 as a whole. The revenue expectations are based on an average copper price for 2007 that is similar to last year.

The above expectations are supported by 3rd quarter developments, which were very satisfactory.

### Revenue

NKT Cables Group realised 3rd quarter revenue of 1,977 mDKK. This was a nominal increase of 42% on 3rd quarter 2006. After adjustment for metal prices, exchange rates and acquisitions, this corresponds to organic growth of around 13%.

Aggregate 3rd quarter revenue was reduced by around 35 mDKK due to the development in metal prices, the average price of copper and aluminium in the 3rd quarter being slightly lower than in the same period last year.

Kablo Elektro, which was acquired with effect from 1 January 2007, realised revenue of 306 mDKK in the 3rd quarter (909 mDKK in the first nine months). Developments in this company are proceeding to plan.

NKT Cables' revenue for the first nine months of 2007 amounts to 5,699 mDKK, a nominal increase of 50% from 3,796 mDKK for the same period in 2006. After adjustment for metal prices, exchange rates and acquisitions, this corresponds to an organic growth of around 18%.

The driving force for this organic growth has been the primary product segment power cables, which represented around 80% of revenue for the first nine months. Low, medium, and high voltage cables all contributed to the organic growth of 18% achieved in this segment. OPGW and catenary wire for rail electrification, which together represented 10% of revenue for the first nine months, realised organic growth of 23%.

The development in revenue reflects continuing high levels of grid maintenance and expansion activity in the electricity

sector. In the building and construction sector, sales of low voltage products are being positively influenced by a combination of new building and renovation projects. While some markets are showing early signs of more normal activity levels, which is expected to be offset by high demand in several other markets.

## Operating income

3rd quarter operating income before interest, tax, depreciation and amortisation (EBITDA) was 187 mDKK, a margin of 9.5%. The figure for the same period last year was 120 mDKK, corresponding to 8.6%. EBITDA for the first nine months of 2007 is 488 mDKK (margin 8.6%), an increase of 74% on the corresponding period last year when EBITDA was 281 mDKK (margin 7.4%).

Income development is very satisfactory, the rolling 12-month EBITDA margin based on standard prices improving to 12.2% from 11.7% at the end of 2nd quarter 2007.

3rd quarter EBIT amounted to 145 mDKK, a margin of 7.3%. EBIT for 3rd quarter 2006 was 104 mDKK, a margin of 7.5%.

## Business development

Activity levels in the market for high voltage cable products remain high, while more diversified market development is expected for medium and low voltage cables.

Organic growth was a very pleasing 13% in the 3rd quarter, and work continues on broadening the company's market presence and optimising product portfolio with a view to reducing possible consequences of negative development in individual markets.

Development in the field of railway products is slightly slower than expected - particularly in Western Europe, and the start of several major projects in the Chinese market has been delayed. However, this is creating time for optimal and effective implementation of the new joint venture project with Daqo for construction of a new production unit.

The continuing positive sales prospects for high voltage cables have led to deliberations regarding use and optimisation of the production capacity existing at NKT Cables' various factories. As a result of these deliberations NKT Cables in China now also produces 110 kV cables for the global market, and it is planned to expand the manufacture of high voltage products in China with a view to the continued expansion of NKT Cables' production capacity in the area of high voltage cables.

NKT Cables' new "Adapro system", which enables high voltage cable systems to be monitored when in service, has met with a positive market response. The new system includes technology from sister company LIOS Technology, a member of NKT Photonics Group.

A number of high voltage projects have reached very satisfactory conclusions in the course of the current year. Positive development has also taken place in the market for cable accessories.

NKT Cables has appointed a number of key personnel to focus on areas such as business development and access to new markets not previously addressed by the company.

Acquisitions by the NKT Cables group in 2007 are described on page 3.



## NILFISK-ADVANCE GROUP

*Nilfisk-Advance is a world leading manufacturer of professional cleaning equipment with a product portfolio consisting of vacuum cleaners, indoor and outdoor floor washers, sweepers and polishers, and an extensive range of high pressure cleaners.*

### Financial expectations for 2007

Nilfisk-Advance is expected to achieve revenue of around 5.8 bnDKK in 2007, corresponding to underlying organic growth of around 7%. Expected profit margin (EBIT) is unchanged at around 8.5%.

Nilfisk-Advance's exposure to developments in the USD is considered relatively limited and is primarily related to translation risk. A change in USD of +/-5% will affect NKT Cables' revenue by around +/- 80 mDKK and its income before tax (EBT) by around +/- 5 mDKK.

It is NKT policy for net risks in leading currencies to be hedged, as is the case for USD which is hedged for around 12 months ahead.

### Revenue

Nilfisk-Advance realised revenue of 1,347 mDKK in the 3rd quarter. This corresponds to organic growth of 5% compared with 3rd quarter 2006. Exchange rate changes had a negative impact of 30 mDKK on 3rd quarter revenue compared with the same period last year. Taking this and acquisitions into consideration, Nilfisk-Advance realised nominal growth of 4%.

3rd quarter organic growth reflected the continuing upward trend of recent years and was in line with expectations for 2007. On a regional basis, the organic growth is driven by

Europe (around 6%), the United States (around 2%) and Asia (around 3%).

As previously mentioned, Nilfisk-Advance implemented a new ERP system at the start of September that temporarily delayed product shipments and thus reduced 3rd quarter revenue by around 50 mDKK. After adjustment for this effect, 3rd quarter organic growth was around 7%. The reduction of around two percentage points primarily affected Europe. The deferred revenue will be realised in October and November, organic growth in October thus being 13%.

Revenue for the first nine months of 2007 was 4,309 mDKK, a nominal increase of around 6% from 4,083 mDKK for the same period in 2006. After adjustment for exchange rates and acquisitions, this corresponded to organic growth of around 7%.

### Operating income

3rd quarter operating income before interest, tax, depreciation and amortisation (EBITDA) was 134 mDKK, a margin of 10%, compared with 9.8% for the same period last year. EBITDA for the first nine months of 2007 was 454 mDKK (margin 10.5%), a rise of 12% on the same period last year when 404 mDKK (margin 9.9%) was achieved. 2nd quarter 2006 performance was increased by one-off items of 108 mDKK (profits on property sales), and adjustment has been made for this in the comparison with accumulated figures for 2007. EBITDA for 3rd quarter 2007 was reduced by around 10 mDKK due to SAP implementation, most of which is expected to be reflected in 4th quarter income in step with realisation of the sales deferred.



3rd quarter EBIT was 93 mDKK, a margin of 6.9% (8.1% y.t.d), as against 7.2% (7.3% y.t.d) for the same period last year.

### Business development

The positive development that characterised 1st half 2007 also continued at Nilfisk-Advance. The Viper Group was acquired at 1 August, and the work of integrating the company and identifying and effecting operating synergies has begun.

With a number of acquisitions in 2007 (see review on page 3), Nilfisk-Advance has further expanded its market presence, the company now having sales subsidiaries in 36 countries.

As part of the ongoing optimisation of business at Nilfisk-Advance it has been decided to integrate the production activities of two of the three production units in China. Chinese production of vacuums and high pressure cleaners will therefore be consolidated into one unit. The integration has now been announced and is expected to be concluded by the end of 2007. The annual saving from this integration is expected to be around 7 mDKK and to take full effect from 2009. Production at the newly acquired Viper factory will not be affected.

As an element in the continuing upgrade of Nilfisk-Advance's internal business systems a new SAP system entered service in the company's Danish organisation at the start of September. Nilfisk-Advance currently has some 15 different IT systems and it is intended to reduce these to fewer than five over a five-year period. SAP will therefore be implemented throughout the company's European organisation within the next few years, and in the longer term the global use of IT systems will also be harmonised.

Nilfisk-Advance's aim of continuously offering the market new products or significant improvements to existing products has this year been realised with an average of one new market launch every month. In 3rd quarter 2007, products launched included a battery carpet sweeper, a new burnisher and a new polisher. The massive focus on new products has been prompted by the need to constantly improve the price/efficiency ratio of the equipment the company offers its customers.

The pressure from the high prices of raw materials continued in the 3rd quarter, and the price of lead in particular has increased (doubled). This is affecting the prices of batteries, and a price supplement that reflects the increase in lead prices will be introduced on batteries.

### NKT PHOTONICS GROUP

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

### Financial expectations for 2007

The NKT Photonics Group of companies is expected to realise increased turnover of 20% compared with 2006. This corresponds to revenue of around 115 mDKK (95 mDKK in 2006). Operating income before depreciation and amortisation (EBITDA) is expected to be around (15-20) mDKK in 2007, as compared with (18) mDKK in 2006.

## Revenue

Compared with 3rd quarter 2006, NKT Photonics realised a very pleasing increase in revenue that reflects a growing market acceptance of company products. Revenue amounted to 29 mDKK, as against 18 mDKK in 3rd quarter 2006. This corresponds to organic growth of 61%.

Revenue for the first nine months of 2007 comprised 80 mDKK, as against 63 mDKK for the same period in 2006 (+27%).

## Operating income

The increase in revenue has led to improved operating performance, although operating income remained negative due to the maintenance of highly intensive development aimed at further maturing the company's products. EBITDA amounted to (3) mDKK, as against (7) mDKK in 3rd quarter 2006.

Aggregate operating income for the first nine months of 2007 was (14) mDKK, as against (18) mDKK for the same period in 2006.

## Business initiatives

At **Crystal Fibre**, focus continues on qualifying the company's sub-assemblies for high output levels, which includes long-term testing of components in correct configurations. In July, Crystal Fibre began supplying beta version 350 W sub-assemblies to selected customers, at the same time as work continues on developing the product for still higher outputs.

**KOHERAS** experienced positive revenue growth. Beta versions of the company's white light sources are now being tested by microscopy customers of Leica Microsystems. Research results from these tests are expected to be published in 1st quarter 2008. Strong interest in the company's SuperK products is also being shown by the test & measurement market.

In the area of ultra-precise lasers the number of customers conducting seismic field trials (primarily oil exploration) and LIDAR field trials (primarily wind speed measurement) has increased. The feedback from these first field installations is still awaited.

**LIOS Technology** continues to experience very positive development in revenue, earnings and new orders. The company's primary business is the supply of fire detection systems and high voltage cable monitoring systems. LIOS' development and sales resources have recently been strengthened with a view to addressing the market for the use of sensor systems in the field of oil and gas recovery.

For the NKT Photonics Group as a whole we expect an improvement during the next quarters in the development of revenue and profits compared to same periods last year.

## NKT FLEXIBLES (51%)

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

### Financial expectations for 2007

NKT Flexibles is expected to report substantially increased revenue compared with 2006 when revenue reached 884 mDKK. Operating income (EBITDA) is also expected to be significantly better than in 2006 when the figure was 138 mDKK.

Based on the satisfactory development in the first nine months of the year, NKT's share of NKT Flexibles' net profit is expected to be around 110-115 mDKK, as against around 90 mDKK previously expected.

### Revenue and operating income

NKT Flexibles realised 3rd quarter revenue of 289 mDKK, as against 222 mDKK last year (+30%). Aggregate revenue for the year is 844 mDKK, as against 614 mDKK (+37%) in 2006.

Operating income (EBITDA) was 50 mDKK, a margin of 17%, as against 38 mDKK in 3rd quarter 2006 when the margin was also 17%.

New orders during 3rd quarter 2007 amounted to 221 mDKK, and the order backlog at 30 September was 1,170 mDKK, equivalent to around one year's production.



51% of NKT Flexibles' net earnings after depreciation, amortisation and financials is recognised in the NKT Group's operating income (EBITDA). 21 mDKK was recognised for the 3rd quarter, as against 15 mDKK for the same period last year (the aggregate for 2007 is 72 mDKK, as against 37 mDKK for the same period in 2006).

The 3rd quarter of 2007 was characterised by a slight slowdown in general allocation of orders for flexible pipe systems. However, the scale of demand remains considerable, and the view is that the number of orders received for implementation in the years ahead will rise again in the coming quarters.

The offshore oil and gas market is to some degree inhibited by the shortage of experienced and qualified professionals. Many oil companies have therefore opted to let projects run into 2009 in order to avoid overheating the market further in 2008. This has impacted on the award of new orders for the entire subsea segment and thus also - as stated - for the flexible pipes market.

The Kalundborg factory is operating at full capacity and the supply situation is continuously improving. The situation that developed in 1st half 2007, with delays in raw material supplies and subsequent reorganisation of production flow, is gradually normalising. By the end of 2007 we therefore expect to have achieved our planned volume for the year as a whole.

The 3rd quarter saw NKT Flexibles supply the company's biggest and most complex pipe system to date to the French oil company Total. The order was effected through the joint venture partner Acergy and consisted of more than 20 km of dynamic risers and static flowlines for installation at depths of more than 800 m in the "Moho" field off the coast of Angola. The supply of flexible pipes for this project include 8" ID production pipes, 6"- 8" ID water injection pipes, 6" ID very high pressure gas injection pipes, and a 15" ID oil export pipe. With this project NKT Flexibles has demonstrated its credentials in earnest as a potential pipe supplier to large EPIC (turnkey) projects.

NKT Flexibles further supplied eight dynamic risers to SBM, a global supplier of floating storage, production and offloading vessels (FPSOs). The flexible risers are used as connecting links to an entirely new type of pipeline solution, Gravity Actuated Pipe (GAP). The system has been installed in Malaysia where the flexible risers connect a floating production platform and an FPSO to the GAP pipeline system itself.

As a result of NKT Flexibles' strategy of focusing on the technically complex system solutions in the subsea market, the expansion of the company continued. At the end of 3rd quarter 2007 the company's payroll had therefore increased to a total of 519 persons based at the Kalundborg production centre, the head office in Brøndby, and a small development-oriented department in Aalborg.

# Management statement

The Board of Directors and the Management have today discussed and adopted the interim financial report of NKT Holding A/S for the period 1 January - 30 September 2007.

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

We consider the accounting policies adopted to be correct, so that the report gives a fair view of the Group's assets, liabilities and financial position at 30 September 2007 and of the results of the Group's operations and cash flows for the period 1 January - 30 September 2007.

*Brøndby, 21 November 2007*

## Board of Management

Thomas Hofman-Bang  
*President and CEO*

Søren Isaksen  
*CTO*

Michael Hedegaard Lyng  
*CFO*

## Board of Directors

Christian Kjær  
*Chairman*

Jan Trøjborg  
*Deputy Chairman*

Krister Ahlström

Jan Wraae Folting

Gunnar Karsten Jørgensen

Arne Dan Kjærulff

Jens Maaløe

Jørgen Bjergskov Nielsen

Jens Due Olsen

# Group financial highlights and ratios

Unaudited Amounts in mDKK	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 <sup>1)</sup> 2006	Year <sup>1)</sup> 2006
<b>Income statement</b>					
Revenue	3,356	2,703	10,098	7,952	10,815
Earnings before interest, tax, depreciation and amortisation (EBITDA)	333	255	986	804	1,022
Depreciation and impairment of tangible fixed assets	(56)	(37)	(142)	(104)	(139)
Amortisation and impairment of intangible assets	(29)	(16)	(74)	(50)	(65)
Earnings before interest and tax (EBIT) <sup>2)</sup>	248	202	770	650	818
Financial items, net	(33)	(9)	(87)	(35)	(49)
Earnings before tax <sup>2)</sup>	215	193	683	615	769
Net income	167	146	511	459	603
NKT Holding A/S' share of net income	163	138	502	443	582
<b>Balance sheet and employees</b>					
Equity attributable to shareholders of NKT Holding A/S	2,960	2,663	2,960	2,663	2,787
Minority interests	29	14	29	14	19
Total equity	2,989	2,677	2,989	2,677	2,806
Total assets	9,161	6,890	9,161	6,890	7,350
Net interest bearing items <sup>3)</sup>	(2,306)	(1,168)	(2,306)	(1,168)	(1,023)
Capital employed <sup>4)</sup>	5,295	3,845	5,295	3,845	3,829
Average number of employees y.t.d.	7,355	6,026	7,355	6,026	6,016
<b>Cash flows</b>					
Cash flows from operating activities	425	186	615	49	265
Investments in tangible assets, net	(84)	(46)	(258)	63	(29)
Acquisition of business activities	(297)	-	(1,353)	(10)	(14)
<b>Financial ratios</b>					
Equity share	33%	39%	33%	39%	38%
Number of 20 DKK shares ('000)	23,638	23,500	23,638	23,500	23,500
Number of treasury shares ('000)	78	78	78	78	78
Earnings after tax per outstanding share (EPS), DKK	6.9	5.9	21.3	18.9	24.9
Dividend paid during accounting period, DKK per share	-	-	10.0	12.0	12.0
Equity value, DKK per outstanding share circulation	126	114	126	114	119
Market price, DKK per share	586	442	586	442	503

<sup>1)</sup> Operating income etc. for 2006 was increased by one-off items of 108 mDKK attributable to Nilfisk - Advance

<sup>2)</sup> For 2006, EBIT before special item, and earnings before tax and special item cf. 2006 financial statements

<sup>3)</sup> Interest bearing cash items and receivables less interest bearing debt

<sup>4)</sup> Equity and net interest bearing items

# Balance sheet and equity

Unaudited Amounts in mDKK	30 Sept. 2007	30 Sept. 2006	Year 2006
Balance sheet			
Intangible assets	1,331	995	820
Tangible assets	1,414	767	809
Investments and deferred tax	605	409	556
<b>Total non-current assets</b>	<b>3,350</b>	<b>2,171</b>	<b>2,185</b>
Inventories	2,553	2,036	1,894
Receivables	2,908	2,310	2,205
Securities	24	67	49
Cash at bank and in hand	326	306	1,017
<b>Total current assets</b>	<b>5,811</b>	<b>4,719</b>	<b>5,165</b>
<b>Total assets</b>	<b>9,161</b>	<b>6,890</b>	<b>7,350</b>
Equity attributable to shareholders of NKT Holding A/S	2,960	2,663	2,787
Minority interests	29	14	19
<b>Total equity</b>	<b>2,989</b>	<b>2,677</b>	<b>2,806</b>
Deferred tax	124	8	7
Pensions	290	287	288
Provisions	49	27	22
Credit institutions etc.	1,718	980	1,477
<b>Total non-current liabilities</b>	<b>2,181</b>	<b>1,302</b>	<b>1,794</b>
Credit institutions etc.	937	572	624
Other current liabilities	3,054	2,339	2,126
<b>Total current liabilities</b>	<b>3,991</b>	<b>2,911</b>	<b>2,750</b>
<b>Total equity and liabilities</b>	<b>9,161</b>	<b>6,890</b>	<b>7,350</b>
Changes in equity			
Equity, 1 January	2,806	2,735	2,735
Net income	511	459	603
Currency adjustment of foreign subsidiaries and value adjustment of cash flow hedges etc.	(109)	(102)	(94)
Gains on securities available for sale transferred to income statement	-	(6)	(6)
Shares options paid / share-based payment	1	(63)	(82)
Dividend treasury shares	1	13	13
Acquisition / disposal minority interest	-	(65)	(69)
Paid on exercise of share options	15	-	-
Dividend paid	(236)	(294)	(294)
<b>Equity at the end of the period</b>	<b>2,989</b>	<b>2,677</b>	<b>2,806</b>

## Cash flows and interest bearing items

Unaudited Amounts in mDKK	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 2006	Year 2006
Earnings before interest, tax, depreciation and amortisation (EBITDA)	333	255	986	804	1,022
Financial items, net	(33)	(9)	(87)	(35)	(49)
Change in working capital, utilised provision proceeds from sale of non-current assets reversed etc.	125	(60)	(284)	(720)	(708)
Cash flow from operating activities	425	186	615	49	265
Acquisition of business activities	(297)	-	(1,353)	(10)	(14)
Investments in tangible assets, net	(84)	(46)	(258)	63	(29)
Other investments, etc.	(27)	(84)	(65)	(143)	(144)
Total cash flows from operating and investing activities	17	56	(1,061)	(41)	78
Dividend paid	-	-	(236)	(294)	(294)
Paid on exercise of share options	-	-	15	-	-
Shares options paid / treasury shares dividend	(1)	-	-	(50)	(51)
Change in interest bearing items, net	16	56	(1,282)	(385)	(267)
Net interest bearing items at the beginning of the period	(2,319)	(1,221)	(1,023)	(764)	(764)
Currency and value adjustments relating to interest bearing items	(3)	(3)	(1)	(19)	8
<b>Net interest bearing items at the end of the period</b>	<b>(2,306)</b>	<b>(1,168)</b>	<b>(2,306)</b>	<b>(1,168)</b>	<b>(1,023)</b>

# Segment reporting

Unaudited Amounts in mDKK	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 <sup>1)</sup> 2006	Year <sup>1)</sup> 2006
<b>Revenue</b>					
NKT Cables Group	1,977	1,390	5,699	3,796	5,268
Nilfisk-Advance Group	1,347	1,292	4,309	4,083	5,439
NKT Photonics Group	29	18	80	63	95
Other companies etc.	3	3	10	10	13
	<b>3,356</b>	<b>2,703</b>	<b>10,098</b>	<b>7,952</b>	<b>10,815</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>					
NKT Cables Group	187	120	488	281	363
Nilfisk-Advance Group	134	126	454	512	636
NKT Photonics Group	(3)	(7)	(14)	(18)	(18)
NKT Flexibles, share of profit	21	15	72	37	53
Parent company and eliminations, etc.	(6)	1	(14)	(8)	(12)
	<b>333</b>	<b>255</b>	<b>986</b>	<b>804</b>	<b>1,022</b>
<b>Earnings before interest and tax (EBIT)</b>					
NKT Cables Group	145	104	385	242	301
Nilfisk-Advance Group	93	93	350	408	508
NKT Photonics Group	(7)	(11)	(24)	(28)	(31)
NKT Flexibles, share of profit	21	15	72	37	53
Parent company and eliminations, etc.	(4)	1	(13)	(9)	(13)
	<b>248</b>	<b>202</b>	<b>770</b>	<b>650</b>	<b>818</b>
<b>Capital employed</b>					
NKT Cables Group			2,450	1,290	1,243
Nilfisk-Advance Group			2,553	2,314	2,342
NKT Photonics Group			108	111	100
NKT Flexibles, share of equity etc.			138	109	119
Parent company and eliminations, etc.			46	21	25
			<b>5,295</b>	<b>3,845</b>	<b>3,829</b>
The company Nanon left the NKT Photonics Group with effect from 1/1 2007. The comparative figures have been restated.					
<sup>1)</sup> Operating income etc. for 2006 was increased by one-off items of 108 mDKK attributable to Nilfisk - Advance.					

# Useful information

## STOCK EXCHANGE RELEASES 2007

In 2007 we have issued the following releases via the Nordic Stock Exchange in Copenhagen. The full text may be found on [www.nkt.dk](http://www.nkt.dk).

- > 02.01.07 #1 NKT Holding's stock market diary 2007
- > 08.01.07 #2 NKT Holding A/S issues share warrants
- > 05.03.07 #3 NKT annual report 2006
- > 16.03.07 #4 Exercise of warrants - increase of Group share capital
- > 19.03.07 #5 Announcement - NKT Holding A/S Annual General Meeting 2007
- > 11.04.07 #6 Annual General Meeting 2007
- > 19.04.07 #7 Shareholdings report
- > 19.04.07 #8 Exercise of warrants - increase of Group share capital
- > 08.05.07 #9 Nilfisk-Advance acquires Viper Group
- > 24.05.07 #10 NKT quarterly report 1/2007
- > 25.05.07 #11 NKT shares - insider transactions
- > 29.05.07 #12 NKT shares - insider transactions
- > 01.06.07 #13 Voting rights and capital as per 1 June 2007
- > 08.06.07 #14 NKT shares - insider transactions
- > 11.06.07 #15 NKT shares - insider transactions
- > 18.06.07 #16 NKT shares - insider transactions
- > 07.08.07 #17 Nilfisk-Advance acquires Chinese Viper Group
- > 23.08.07 #18 NKT interim report 2 > 2007
- > 23.08.07 #19 NKT strategy 2008 - 2012
- > 28.09.07 #20 NKT shares - insider transactions
- > 16.10.07 #21 Nilfisk-Advance makes acquisition in South Africa

## STOCK EXCHANGE CALENDAR 2008

5 March	Annual report 2007
10 April	Annual General Meeting
14 May	Interim report 1 quarter
20 August	Interim report 2 quarter
19 November	Interim report 3 quarter

The presentation of NKT's annual and quarterly reports is transmitted online. For details see [www.nkt.dk](http://www.nkt.dk).

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