



Speech: Christian Kjær

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Ladies and Gentlemen

It gives me great pleasure to be here with you today to celebrate another bold initiative by NKT Cables. As we lay the foundation stone for a new high voltage factory we are also opening the door on a challenging new era. Challenging because an investment of significantly more than 100 million EUROS creates high expectations among those 1) who have invested money in the factory, 2) who will be working there, and 3) who will be buying the cables it produces.

As Chairman of NKT Holding in Copenhagen I have represented the ownership interests of the NKT Group for 18 years. I have been involved in making many of the decisions that have made it possible for NKT Cables to develop into a European cable group that is responsible for large production companies and large numbers of jobs in Germany, Denmark, the Czech Republic, Poland and China.

Cable-making was the NKT Group's pivotal activity for 100 years and was purely a Danish business. In 1999 came the integration with the German cable company Felten & Guillaume. In the wake of this we decided to base NKT Cables' headquarters in Cologne. We did so because we wished to profile ourselves as a Central European company. **This was a good decision.**

The integration of the German and Danish cable companies took place, however, at a time when few cable projects were available and price competition was tough. As I recall it, representing a cable company that was twice as big as before in what was a dormant market posed a particular challenge. **This was a difficult decision.**



But with first-class employees and first-class products you have something to offer. Whether NKT Cables was better than its competitors in the difficult years is hard to assess. But we were certainly good because we successfully captured a fair percentage of the prime cable projects. Today, our problem is not a shortage of available cable projects, but a shortage of production capacity. This is limiting NKT Cables' potential to expand its business, and thus also to expand its earnings. "*Let's build a new factory*". **This sounded like an easy decision.**

I have to say, however, that the decision to build a new high voltage factory was not taken quickly. It was the result of very long deliberation. And it was not until in November last year, after conducting a thorough analysis of our business foundation, that the Board of NKT Holding concluded that making this major investment **would be the right decision.**

For me personally, being involved in the launch of such a visionary project has been a fascinating and instructive process. We are building a brand new high voltage factory, a new workplace, and a new income source. On behalf of all of us I wish the new factory every good fortune and success, so that in a few years we can also say: **This was an inspired decision.**