



NKT

POWERED BY NKT

2011

ENGLISH



NKT HOLDING



NKT CABLES



NILFISK-ADVANCE



PHOTONICS GROUP



NKT FLEXIBLES

STRATEGY 2011-2015

NKT's financial targets for 2015 are to achieve a revenue of 16 bnDKK, an EBITDA margin of 15%, an earning per share of 50 DKK and a return on investment of 20% based on acquisitions and organic growth in the four business units

NKT FLEXIBLES
20-25%

EBITDA MARGIN 2015

PHOTONICS GROUP

20%

EBITDA MARGIN 2015

NILFISK-ADVANCE

14%

EBITDA MARGIN 2015

NKT CABLES

13%

EBITDA MARGIN 2015

Revenue is calculated in standard metal prices, EBITDA expresses the operational EBITDA which is the Earnings before Interest, Tax, Depreciation and Amortization, adjusted for one-off items. EBITDA margin is operational EBITDA as a ratio of revenue in standard metal prices.

POWERED BY NKT

NKT's corporate business strategy for 2011-2015 is entitled 'Powered by NKT'. As an industrial owner, NKT pledges that its business units are operated in accordance with long-term, global thinking and with focus on financial performance

NKT is a modern industrial conglomerate with 120 years of history. Over time NKT has demonstrated the ability to develop successful industrial businesses under long-term ownership and - if appropriate - to divest those businesses if alternative ownership could realize the new potential and deliver the value created. This is NKT's mission: To create value by exercising long-term and active ownership in segments where NKT is 'best owner'.

We today own the power cable company NKT Cables, the global supplier of professional cleaning equipment Nilfisk-Advance, and 51% of NKT Flexibles, a supplier of flexible pipe systems for offshore oil and gas industry. We also own the Photonics Group of companies in which we are working to develop a new technology platform in the laser industry.

In the period since 2008 when we launched our previous corporate plan, 'Building Power', we have strengthened these businesses significantly, primarily by adding global presence, improving competitiveness through increased production and sourcing in low-cost countries, and focusing on higher-value products and associated manufacturing facilities. The start of the period coincided with the economic downturn. This meant that the financial targets we had set could not be realized. But the planned initiatives were moved forward, and the businesses have today been taken to a new level, enabling a new corporate strategy to be established.

POWERED BY NKT

'Powered by NKT' is a further extension of 'Building Power'. The methodology used will essentially be the same. With the prospect of more normal development free from cyclical extremes we expect, over the period, to deliver annual organic growth of around 7-8%. By developing our business portfolio we also expect to generate EBITDA margin of 15% and return on investment of approx. 20% by 2015. We will maintain our 'best owner' philosophy, and this also means that if there are businesses within our sphere which might benefit being developed with our assistance, we will be open to the possibility.



Christian Kjær,
Chairman of the
Board of Directors

Thomas Hofman-Bang,
Chief Executive Officer

VALUES


'Powered by NKT' is based on NKT's values: To be a credible, open, professional and quality-driven company with focus on long-term ownership. It is these values which guides the everyday decisions taken by Group Management.

This brochure is your travelogue on a brief tour through our four business units.

Enjoy your journey

If you have a mobile phone with internet access:

VIEW THE NKT VIDEO HERE

Scan the code  and go direct to the video



If you do not have a scanner program

- 1: Text 'TAG2GO' to 1220
- 2: Download and install the free program
- 3: Open the scanner on your phone and scan the code with your mobile phone camera

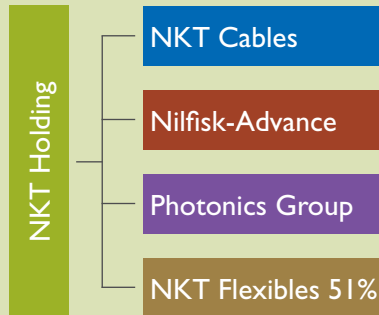
Downloading the scanner to your mobile phone will be charged at normal texting and data rates.



EMERGING MARKETS

NKT's focus in 2010 was to capitalize on the strength built up during the economic downturn. New factories were opened and market shares increased, particularly in emerging growth markets

NKT GROUP 2011



NKT 2010

Revenue beat all records. Organic growth for 2010, initially forecast as 6-10%, ended on 12%, corresponding to 14.5 bnDKK.

Group operational earnings, EBITDA, were broadly on a par with initial expectations. NKT Cables entered the submarine cable market with its outstanding technology, but at the same time had huge temporary challenges and costs in commissioning of the new factory which impacted negatively on Group earnings. Development in NKT Cables' other business segments was positive. The NKT Group's remaining business units, Nilfisk-Advance in particular, delivered results that were better than expected at the start of the year.

Attention in 2010 was focused on the emerging markets of Brazil, Russia, India, China, Mexico and Turkey (the BRIC-MT countries) where all four NKT business units were active and achieved growth. NKT Cables came back on track with very high organic growth rates, particularly towards year-end. For Nilfisk-Advance, the recent transfer of production from high to low-cost countries contributed to the positive earnings.

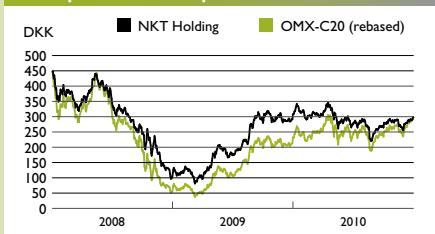
The three companies in Photonics Group focused on conquering industrial market shares, and this contributed to increased sales revenue. For NKT Flexibles, several years of targeting the Brazilian market were rewarded in 2010 with a number of significant offshore orders.

NKT reported operational earnings of 985 mDKK in 2010, against 935 mDKK in 2009, an increase of 50 mDKK. Profit after tax was 270 mDKK, against a profit after tax in 2009 of 238 mDKK.

DIVIDEND

At the annual general meeting on 23 March 2011 the NKT Board of Directors will propose payment of a share dividend of 2.00 DKK, corresponding to a total of 47 mDKK. This comprises 18% of the year's profit after tax. A dividend of 3.50 DKK was paid in 2009.

Development in share price 2010



NKT IN BRIEF

39.300 shareholders
9.200 employees



OWNERS

At the end of 2010 NKT had 39,300 shareholders, including 28,500 registered shareholders. Foreign investors represented 28% of the share capital, the same as in 2009, while 72% was owned by shareholders in Denmark.

SHARE CAPITAL

The NKT share is listed on the NASDAQ OMX stock exchange in Copenhagen and is among the most heavily traded stock (C20 index). The NKT share price increased by 2% in 2010, ending the year on 297.2 kroner, compared with 291.0 kroner at 31 December 2009. Total share capital comprised 475 mDKK, corresponding to 23.7 million shares of 20 DKK nominal value. NKT has one share class and no shares have special rights. Market capitalization at 31 December 2010 was 7.1 bnDKK.

INNOVATION

Product development takes place in close consultation with customers with a view to creating unique solutions and future business for the company. Nilfisk-Advance has charted its customer priorities by means of an international survey. At NKT Cables the production of submarine cables is unique to each individual project. Product development by NKT Flexibles and Photonics Group is usually performed in close interaction with customers.

INTERNATIONAL WORKPLACE

NKT has 9,200 employees worldwide, including 1,700 based in Denmark. NKT is a global company which in 2010 gained new people in countries such as Australia, China, Mexico and Brazil.



NKT's PAST ON VIDEO

NKT's former industrial buildings in Brøndby, Denmark, offer visitors a tangible taste of 120 years of NKT history. The Group's two-storey Exhibition Centre tells the story of NKT, LK and Nilfisk. Since opening in 1998 many thousands of visitors have been invited in to the world of cables and electricity. To enable still more to enjoy the experience, the museum and history has now been filmed and can be viewed on the company website, www.nkt.dk



Five-year financial highlights (extract from annual report 2010)

Amounts in mDKK	2010	2009	2008	2007	2006
Revenue	14.451	11.687	13.828	13.525	10.815
Revenue, std. prices*	11.478	9.950	11.273	10.798	9.000
- Organic growth (%)	12%	-10%	2%	11%	12%
Operational EBITDA*	985	935	1.300	1.363	914
Operational EBITDA margin (%), std. prices	8,6%	9,4%	11,6%	12,6%	10,2%
Equity	4.112	3.740	3.465	3.282	2.806
Total assets	12.556	10.124	9.935	9.909	7.350
Number of employees, year end, - NKT Flexibles	8.589	8.093	8.210	8.324	5.970

* See page 2



POWER CABLES FOR **THE WORLD**

Sales to emerging markets are an element in NKT Cables' growth strategy. Cables made in Europe and China supply power internationally

NKT Cables develops, manufactures and markets a wide selection of cables. From low voltage cables for domestic lighting to catenary wires that supply power for the high-speed trains travelling between China's major cities. And from submarine cables that connect together offshore wind turbines to cables for our cars.

NKT Cables is headquartered in Germany and has factories in Europe and China.

ELECTRICITY FOR EUROPE

The wind of change has come to Europe's power supply system. Electricity from onshore and offshore wind turbines is fed into the existing grid system, which places new demands on grid capacity and reliability. NKT Cables has developed a unique technology which long-length submarine cables to optimize grid availability. NKT Cables produces both high and medium voltage cables that enable overhead lines to be replaced by cables, local grids to be linked together and overall capacity to be expanded.

f2c

NKT Cables' new high voltage and submarine cable factory in Cologne is now fully operational. Designated 'f2c', standing for 'flow to customer', the factory is designed with the flexibility to produce customer-specific solutions. All work procedures are planned so as to minimize throughput time and maximize production efficiency. This dramatically reduces consumption of resources. So as well as improving earnings, the factory will also help achieve NKT's target of reducing carbon consumption by a total of 12% in the period 2009-2012.

CHINA AND AUSTRALIA

In 2010 NKT Cables opened a new high voltage factory in China, a nation currently investing heavily in power infrastructure. Through acquisitions a presence was also established in Australia where NKT Cables offers turnkey projects. This presence also provides a stepping stone to other local markets such as New Zealand. Company's operations in China and Australia are mainly focused on high and medium voltage cables and accessories for cable projects.



Highlights

Amounts in mDKK	2010	2009
Revenue	8.520	6.383
Revenue, std. prices*	5.547	4.646
- Organic growth	16%	-7%
EBITDA*	329	373
EBITDA margin	5,9%	8,0%
Total assets	7.312	5.493
Number of employees, year end	3.490	3.127

* See page 2

CLEANING AROUND THE GLOBE

Emerging markets, customer satisfaction and sustainability are the foundation of Nilfisk-Advance's global growth strategy

CUSTOMERS' PREFERRED CHOICE

'Customers' Preferred Choice', Nilfisk-Advance's new customer-oriented strategy, puts the focus of attention squarely on the customer. In future, customers are set to become even more involved in the development of new products, thereby ensuring that both company and products meet the customer's requirements. The new strategy has five main objectives: To create optimum customer satisfaction. To reduce business complexity. To establish leadership in key, fast-growing markets. To develop a strong culture and good leadership ability in staff. And to meet customer expectations for right-time delivery.

MARKETS IN GROWTH

Improvements in a nation's economy and living standards are accompanied by a growing demand for professional cleaning equipment. Nilfisk-Advance's growth strategy therefore prioritizes early positioning in emerging markets. In 2010, the Brazilian cleaning equipment supplier Plataforma joined the Nilfisk-Advance family. Going forward, this will enable Nilfisk-Advance to provide Brazilian customers with even better service, and will also grant access to local procurement of components, markets and financing facilities.

ECOFLEX

Ecoflex, the new user-friendly and versatile floor cleaning concept, has been well received by customers. At the push of a button a measured quantity of detergent can be added to detergent-free water-based cleaning for dealing with grimey areas. Ecoflex technology minimizes use of water, detergent and energy without compromising on quality, and is available on seven types of floor cleaners.



Nilfisk-Advance supplies indoor and outdoor cleaning equipment to a global, professional clientele as well as vacuum cleaners for private use. Individual service agreements and spare parts sales are also provided, assuring customers of equipment availability at all times.

Nilfisk-Advance is headquartered in Denmark and has factories in Europe, North America, Mexico and China. There are distribution centres in Denmark, Germany and the United States.

Highlights

Beløb i mio. kr.	2010	2009
Revenue	5.747	5.138
- Organic growth	7%	-13%
Operational EBITDA*	612	469
Operational EBITDA margin	10,7%	9,2%
Total assets	5.202	4.705
Number of employees, year end	4.894	4.779

* See page 2



SCIENCE IN THE SERVICE OF INDUSTRY

An example of research benefitting industry is fiber lasers that reveal what was previously 'invisible'

Photonics Group consists of three companies all active in the field of advanced fiber technology. Products are based on the unique light-conducting properties of optical fibers.

NKT Photonics (Denmark), supplies crystal fibers and lasers, including wide-spectrum laser light sources to the life sciences industry. **LIOS Technology** (Germany) supplies temperature measuring equipment for applications such as tunnel fire detection. **Vytran** (USA) supplies equipment for splicing, joining and forming optical fibers.

Priority is attached to collaboration with leading manufacturers and installers in the laser, life sciences, energy, foodstuffs and defence industries.

Highlights

Amounts in mDKK	2010	2009
Revenue	185	160
- Organic growth	14%	-8%
EBITDA*	-10	-31
Total assets	224	214
Number of employees, year end	181	163

* See page 2

SUBSEA OIL FIELDS

Currently, only around 30% of the oil in an oil field is recovered. To increase the recovery ratio it is first necessary to identify where the oil is located. For offshore fields, acoustic-optical methods - 'listening with light' - hold out a considerable promise. In 2010 a fiber-optic cable network equipped with sensors was installed over an area of 60 sq. km. NKT Photonics has supplied KOHERAS fiber lasers for this system and five other pilot installations.

OIL WELL TEMPERATURE

Steam is injected into oil wells to facilitate the extraction of heavy viscous oils. With a distributed temperature measuring system (DTS) installed in the well, the steam front can be located and unintended steam breach can be recorded. With this knowledge, the operator can control the valves so that certain well zones are isolated. In this way, oil discharge is avoided, the environment is safeguarded and the steam is utilized more effectively. In 2010, LIOS Technology successfully supplied a substantial number of DTS systems to the oil and gas industry.



BLOOD VESSEL SURGERY

Vytran's fiber-optic splicing equipment is used to form precise miniature lenses on the fiber ends of Optical Coherence Tomography (OCT) endoscopes. OCT is an optical imaging technique that enables the user to precisely define tissue surfaces inside blood vessels. This patient-friendly method provides clear and detailed live 3D pictures, thereby helping doctors and surgeons to diagnose and treat blood vessel diseases.

FROM DEEP TO ULTRA-DEEP WATERS

With wells now being drilled in ever deeper waters, pipes will soon be needed to withstand the pressure at depths up to 2.5 km

FACTORY EXPANSION IN KALUNDBORG

In 2010, NKT Flexibles increased output capacity at its Kalundborg factory by around 40% by adding a new production line that meets future criteria for oil and gas recovery in ultra-deep water. The added capacity improves supply reliability still further, thereby strengthening the company's position in international competition.

THIRD-PARTY INSPECTION

Quality assurance is an integral part of flexible pipe manufacture. At NKT Flexibles, this task is performed by staff and inspectors from the company's Quality and Environment function. In addition, customers often send their own inspectors to check that products and production conform to specifications. Third-party inspection (BV, DNV, Lloyds, etc.) is carried out at the customer's request, and final pressure-testing of the flexible pipes is always monitored and approved by a third-party inspector as a supplement to NKT Flexibles' own quality control.

TESTING IN DENMARK'S AQUARIUM

All projects are unique, and each individual product must conform to individual specifications. For deliveries to a South American customer, NKT Flexibles in 2010 implemented a wide range of demanding qualification tests to verify products' ability to operate at depths down to 2000m. Among other things, a pressure relief valve was tested in natural surroundings in Denmark's Aquarium, where the valve during half a year was exposed to tropical marine conditions with a constant water temperature of 25°C and high salinity.



NKT Flexibles supplies flexible pipe systems for offshore oil and gas production from its factory in Kalundborg, Denmark. The company is one of only three in the world manufacturing pipes that can withstand internal pressures as high as 600 bar and temperatures up to 130°C. The pipes are used to link the well with the production rig, and the flexibility of the pipes enables them to absorb both wave action and platform movements.

NKT Flexibles is headquartered in Denmark and its most important market is Brazil.

NKT Flexibles is owned and jointly managed by a joint venture comprising NKT Holding (51%) and the offshore contractor Subsea 7 (49%).

Highlights

Amounts in mDKK	2010	2009
Revenue	1.199	1.311
- Nom. growth	-9%	-6%
EBITDA*	224	305
EBITDA margin	18,7%	23,3%
Total assets	1.527	1.408
Number of employees, year end	619	490
Share of net profit recogn. in NKT	90	136

* See page 2



THE BOARD OF

① Christian Kjær, R¹ (1943)

Chairman
 Chamberlain, Master of the Royal Hunt,
 Attorney, LLM 1972
 Member and Deputy Chairman of the Board 1987,
 Chairman 1990-
 Chairman of Nomination Committee 2010-
 Chairman of Remuneration Committee 2010-
 NKT shares at end-2010: 421,753 (2009: 361,325)

Member of the Board of Directors of:

A/S Segalit af I/4 1987, Chairman
 Sankt Gjertruds Stræde 10 A/S, Chairman
 Skærbæk Plantage A/S, Chairman
 Ejendomsselskabet D.F.K. A/S

Member of Board of Representatives of Rudersdal
 Forsyning A/S
 Member of Rudersdal Municipal Council

Special qualifications: Industrial management
 experience at Board of Directors' level

② Jens Due Olsen (1963)**

Deputy Chairman
 MSc. 1990
 Member of the Board 2006, Deputy Chairman 2010-
 Chairman of Audit Committee 2009-
 Member of Nomination Committee 2010-
 Member of Remuneration Committee 2010-
 NKT shares at end-2010: 1,500 (2009: 0)

Member of the Board of Directors of:

Atchik Realtime A/S, Chairman
 Pierre.dk A/S, Chairman
 Cryptomathic A/S
 EG A/S
 Industriens Pension A/S, Investment Committee members
 Royal Unibrew A/S

Member of Investment Committee of LD Equity 2 K/S

Special qualifications: Economic and financial
 experience, and experience from various sectors

DIRECTORS

③ **Krister Ahlström** (1940)

Director; M.Sc.Tech., 1966, bergsråd, Dr.drh.c.
Member of the Board 1995
Retirement age 70 is reached in 2011, re-election is not possible
NKT shares at end-2010: 0 (2009: 0)

Member of the Board of Directors of:

Desigence Oy, Finland
And two Swedish and one Finnish Boards of Trustees

Special qualifications: Experience in international industrial management

④ **Jan Erik Jensen*** (1956)

Production assistant, Nilfisk-Advance, joined 1978
Member of the Board 2010
Elected for four-year period expiring 2014
NKT shares at end-2010: 0

Special qualifications: Experience in production conditions at Nilfisk-Advance

⑤ **Gunnar Karsten Jørgensen*** (1946)

Fitter; NKT Flexibles I/S, joined 1997
Member of the Board 2005
Elected for four-year period expiring 2014
NKT shares at end-2010: 50 (2009: 50)

Special qualifications: Experience in production conditions at NKT Flexibles

⑥ **Arne Dan Kjærulff*** (1948)

Service Technician, Nilfisk-Advance A/S, joined 1974
Member of the Board 2006
Elected for four-year period expiring 2014
NKT shares at end-2010: 994 (2009: 624)

Special qualifications: Experience in production conditions at Nilfisk-Advance

⑦ **Jens Maaløe** (1955) **

President & CEO, Terma A/S
M.Sc. E.Eng. 1979, PhD 1983
Member of the Board 2004
NKT shares at end-2010: 515 (2009: 450)

Member of the Board of Directors of:

Topdanmark A/S
Ingeniørhøjskolen i Århus

Member of Executive Committee and General Council of Confederation of Danish Industry

Special qualifications: Technology know-how, experience in high-tech development activities

⑧ **Lone Fønss Schrøder** (1960)**

LLM 1987, MSc. 1985
Member of the Board 2008
NKT shares at end-2010: 500 (2009: 0)

Member of the Board of Directors of:

Aker ASA, Deputy Chairman, Member of Audit Com.
Det Norske Oljeselskap ASA, Substitute
Svenska Handelsbanken AB, Member of Audit Com.
Vattenfall AB, Member of Audit Committee
Volvo Car Corporation AB

Special qualifications: Experience in globally-oriented industrial activities

⑨ **Jan Trøjborg** (1955)**

MSc. C. Eng. 1986
Mayor of Horsens
Member of the Board 2005
Deputy Chairman 2005-2010
Member of Audit Committee 2009-
NKT shares at end-2010: 796 (2009: 429)

Member of the Board of Directors of:

Bilund Lufthavn A/S

Local Government Denmark, Chairman

Special qualifications: Experience in industrial policy and organization

With the exception of Krister Ahlström, who is due to retire, all non employee-elected Board members are up for re-election for the next one-year term at the annual general meeting on 23 March 2011. The following person is proposed by the Board of Directors as the new elected member:



**Kurt Bligaard
Pedersen**
(født 1959)**

Executive Vice President, Dong Energy A/S.
MSc. 1988
NKT shares at end-2010: 0

Member of the Board of Directors of:

BRF Holding A/S (Deputy Chairman)
BRF Fonden
Copenhagen Zoo
Eurogas

Special qualifications: Energy industry insight, experience in management and economics and in financial and political administration

* Employee-elected

** Independent member as per section 5 of Danish Corporate Governance Recommendations.

Particulars of directorships are provided pursuant to section 107(a) of the Danish Financial Statements Act concerning executive functions in other Danish companies, and NKT's Corporate Governance policies

STOCK MARKET CALENDAR

2011

- 23 March - Annual General Meeting
- 11 May - Interim Report, 1st Quarter
- 23 August - Interim Report, 2nd Quarter
- 15 November - Interim Report, 3rd Quarter

NKT Holding A/S
Vibeholms Allé 25
2605 Brøndby
Denmark
Tel. +45 4348 2000
nkt.holding@nkt.dk
www.nkt.dk

WELCOME INSIDE
On 2 April 2011 NKT will
host a Shareholders Day at
the Exhibition Centre,
Priorparken, Brøndby.
Prior registration is necessary.
More details:
www.nkt.dk



The NKT Group consists of:

NKT HOLDING

Since 1991 the listed parent for the wholly or partly owned companies

NKT CABLES

A European leading supplier of power cables and accessories for both the electricity and transport industries

NILFISK-ADVANCE

A global supplier of professional cleaning equipment

PHOTONICS GROUP

A supplier of fiber lasers, crystal fibers, fiber handling equipment and fiber-based measuring equipment

NKT FLEXIBLES

One of three global suppliers of flexible pipes systems to the offshore oil and gas industry