

Company Announcement

NKT A/S
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10 October 2017
Announcement No. 23

Financial update before intended demerger of Nilfisk

At the Extraordinary General Meeting to be held today, the split of NKT A/S is expected to be approved. The official listing of shares of Nilfisk Holding A/S on Nasdaq Copenhagen and first day of trading is therefore expected to be 12 October 2017, cf. Company Announcement No. 18 of 11 September 2017.

In that context, NKT A/S provides an update on the financial performance.

Preliminary financial highlights for Q3 2017 for NKT and Nilfisk are as presented below.

NKT (formerly NKT Cables)

The preliminary Q3 2017 financial results was as expected with revenue (std. metal prices) of approx. EUR 303m and operational EBITDA of approx. EUR 44m. In the first nine months of 2017, the operational EBITDA was approx. EUR 104m.

The increase in revenue (std. metal prices) and operational EBITDA of approx. EUR 107m and EUR 23m, respectively, compared with Q3 2016 was primarily driven by the acquired activities in the Projects business. In the Products business, the organic growth development was flat.

As of 30 September 2017, the preliminary high-voltage order backlog amounted to EUR 0.83bn (market prices). The recently announced Preferred Supplier Agreement for the Triton Knoll offshore wind farm project as well as the Borssele Beta project are not included in the order backlog.

The 2017 financial outlook for NKT is unchanged:

- Revenue (std. metal prices) of approx. EUR 1.1bn
- Operational EBITDA of approx. EUR 140m

NKT Photonics

In the beginning of September 2017, NKT Photonics completed the acquisition of Onefive. An updated 2017 financial outlook for the company, including the acquired activities, will be provided in connection with the release of the Interim Report for Q3 2017.

Nilfisk

The preliminary Q3 2017 financial results was in line with expectations with revenue of approx. EUR 253m, corresponding to an organic growth of approx. 3.4%. Excluding the specialty segments, Q3 2017 organic growth was approx. 5.6%. The preliminary EBITDA margin before special items was approx. 9% and approx. 11.7% in the first nine months of 2017.

Revenue growth was driven by strong organic growth in EMEA of 10.6%, particularly within the private label segment. Excluding private label revenue organic growth in EMEA was 3.3%. Organic growth in APAC was slightly negative and in Americas, flat. This should be compared with organic growth of 11% in the same period last year. In the specialty segments, Specialty Professional reported slightly positive growth while Specialty Consumer reported negative organic growth of 13.9%.

The EBITDA margin before special items was, as expected, lower than previous quarters of 2017 due to changes in product mix, higher raw material prices and freight costs.

The 2017 financial outlook for Nilfisk is unchanged:

- Organic growth of 2-4%
- EBITDA margin before special items of 11-11.5%

The Interim Reports for Q3 2017 for NKT and Nilfisk will be released 15 November 2017, where the executive management teams will elaborate further on the results.

Contact

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