



NASDAQ OMX Copenhagen  
Nikolaj Plads 6  
DK-1007 Copenhagen K

17 December 2009  
Release No. 17

## **NKT Holding issues share warrants**

With reference to authorization granted at the Company's general meeting on 10 April 2008 (Article 3 B of the Articles of Association) the Board of Directors of NKT Holding A/S has at its meeting on 23 November 2009 decided to grant 80,000 share warrants to the management and employees of NKT Holding A/S. The issuance also takes place in accordance with the remuneration policy approved by the general meeting in April 2008.

### **Recipients, exercise periods and subscription price**

The warrants have been issued to a total of 24 persons at NKT Holding A/S: 60,400 to the management (3 persons), 12,100 to senior executives (6 persons) and 7,500 to other employees (15 persons). Warrants and options will not be issued to the Board of Directors of NKT Holding A/S.

The warrants may be exercised during a two-week period following publication of the annual financial statements in the years 2013, 2014 and 2015, respectively.

Each warrant conveys the right to subscribe for one share of nominally 20 DKK at a subscription price of 289.29 DKK that is based on the average NKT share price for the period 24 November - 11 December 2009, plus an annual hurdle rate of 8% - corresponding to the internal WACC (Weighted Average Cost of Capital) - and minus dividends paid to the shareholders until the time of exercise. Accordingly, the subscription price per share of nominally 20 DKK before deduction of dividends shall be 364.42 DKK, 393.57 DKK and 425.06 DKK, respectively, depending on whether exercise takes place in 2013, 2014 or 2015.

### **Purpose**

The purpose of the allocation of warrants is to create a link between the efforts of employees and the company's long-term value creation.



### **Conditions for exercise**

The principal condition for exercise of the warrants is that the warrantholder has not terminated his/her employment with the company prior to 23 November 2012. If the warrantholder is given notice of employment termination by the company for any reason except misconduct, the employee shall be entitled to retain and exercise his/her warrants.

The warrants are taxable under Section 7 H of the Danish Tax Assessment Act and the Company's auditors have been requested to certify that the warrants comply with the conditions therefore.

The terms governing the warrants are further described in the enclosed Exhibit I, which contains the full text of the amendments made to the Company's Articles of Association by virtue of the warrant allocation.

### **Market value**

As described above, the exercise price for the warrants is based on a share price of 289.29 DKK plus an annual hurdle rate of 8% and minus yearly dividends until the time of exercise.

Based on a price per share of 289.29 DKK and including the expected dividend payments during the term of the warrant, the value of the allocated warrants is calculated using the Black-Scholes formula as 5.1 mDKK assuming that the share warrants are exercised at the earliest possible time. The calculation assumes volatility of 34% and an interest rate of 5% per annum.

The value of the warrants constitutes an average of 20% of the annual salary expenditure relating to the persons allocated warrants.

### **Further information**

Please address questions regarding the above to the undersigned on telephone +45 4348 2000.

Yours faithfully,

**NKT Holding A/S,**

*Thomas Hofman-Bang,*

President and CEO

Exhibit: Exhibit I - Issue and grant of warrants 23 November 2009



## **EXHIBIT I**

### **Issue and grant of warrants 23 November 2009**

With reference to the articles of association art. 3 B sec. 3 and 3 B VIII the board of directors has on 23 November 2009 decided to issue and grant warrants to the employees of the company on the following terms and conditions:

The warrants may be wholly or partly exercised to subscribe for shares two weeks after the publication of the company's statement of annual accounts during each of the years 2013, 2014 and 2015 (hereinafter referred to as "the period of exercise"). This means that the warrants may be exercised for the first time for the subscription of shares in 2013 in the period from the publication of the preliminary statement of annual accounts for 2012 and two weeks onwards. The warrants may not be exercised for subscription of shares outside a period of exercise. After the expiry of the last period of exercise - i.e. in 2015, two weeks after the publication of the statement of annual accounts for 2014 - non-exercised warrants shall automatically lapse without notice and without compensation. The period of exercise may be changed solely by the Board of Directors, if required, in order to observe stock exchange rules, including prohibition against insider trading, in force at the time of exercise. The warrants only entitle the holder to subscribe for shares in one transaction. Partial exercise of a warrant for subscription of shares shall therefore result in a lapse of the remaining part of the warrant.

The subscription price per share of nominally 20 DKK is set as a fixed subscription price less any dividend approved by the general meeting of the company during the period from 23 November 2009 up to and including the date of the general meeting which is held immediately prior to the warrantholder's exercise of the warrant and registration of the newly subscribed shares, cf. below. If newly subscribed shares convey entitlement to dividend at the company's general meeting during the year in which the warrant is exercised, no reduction in the subscription price shall be effected for dividend paid during the relevant year.

The fixed subscription price per share of nominally 20 DKK is set as (i) 364.42 DKK if subscription is effected in 2013, (ii) DKK 393.57 if subscription is effected in 2014, and (iii) 425.06 DKK if subscription is effected in 2015. If, for example, a fixed yearly dividend of 10 DKK per share of nominally 20 DKK is paid during the period up to 2015, the subscription price shall be adjusted accordingly to 375.06 DKK in case of subscription in 2015, provided registration of the



new shares is effected prior to the company's general meeting in the relevant year with entitlement to dividend.

The warrants are further subject to the terms and conditions set out in Exhibit A, although the dates mentioned under section 2 shall be 23 November 2012.