



NASDAQ OMX Copenhagen  
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## **NKT Cables expands Chinese production of high voltage cables**

NKT Cables has today signed a conditional agreement with a Chinese partner concerning sales and production of high voltage cables in China. The agreement provides for the establishment during the months ahead of a joint venture company owned 51% by NKT Cables and 49% by the Chinese partner.

### **Scope of agreement**

Under the agreement the joint venture company will acquire an existing high voltage cable factory. The factory consists of a plant that hitherto has been operated by a separate company belonging to the Chinese partner. The factory is newly established and entered service relatively recently, and the acquisition will therefore not include current activities or commitments. The operation of the cable factory by the joint venture company is not expected to commence until 4<sup>th</sup> quarter of 2009.

The establishment of the joint venture company and the transfer of the cable factory are conditional upon successive fulfilment of various compliance issues over the months ahead, including regulatory approvals. The final decision on investment is further conditional upon NKT Cables' completion of due diligence enquiries.

### **Financial aspects**

The investment by NKT Cables with regard to establishment of the joint venture company and transfer of the cable factory is expected to amount to a cash sum of around 80 mDKK that can be contained in the Group's existing capital resources.

The investment will not affect NKT's earnings forecasts for 2009 announced in the NKT 2008 Annual Report issued on 5 March 2009.



## **Perspectives**

We view this cooperation as a unique and attractive way of creating a foothold for NKT Cables in the expanding Chinese market for high voltage cables (> 110 kV).

The investment must also be viewed in context with NKT Cables' existing Chinese sales and production of medium voltage cables and catenary wires for high speed trains.

A stock market announcement will be issued, when establishment of the joint venture company and transfer of the cable factory are finally completed.

Please address any questions concerning the contents of this announcement to the undersigned on telephone no. +45 4348 2000.

Yours faithfully

**NKT Holding A/S**

*Thomas Hofman-Bang*

President and CEO of NKT Holding A/S