



NASDAQ OMX Copenhagen
Nikolaj Plads 6
DK1007 Copenhagen K

5 January 2009
Release No.1

NKT Holding issues share warrants

In accordance with Article 3 B of the Articles of Association of NKT Holding A/S the Board of Directors has exercised its authorisation to issue 200,000 share warrants to the Board of Management and employees of NKT Holding A/S. This takes place in accordance with the remuneration policy approved by the Annual General Meeting in April 2008.

Recipients, exercise periods and subscription price

The warrants have been issued to a total of 27 persons at NKT Holding A/S: 144,400 to the Group Management (3 persons), 30,600 to senior executives (6 persons) and 25,000 to other employees (18 persons). Warrants and options will not be issued to members of the Board of Directors of NKT Holding A/S.

The warrants can be exercised during a two-week period following publication of the annual financial statements in the years 2012, 2013 and 2014, respectively.

Each warrant conveys the right to subscribe for one share of nominally 20 DKK at a price that is based on the average NKT share price for December 2008, 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 154.58 DKK, 166.95 DKK and 180.30 DKK, respectively, depending on whether exercise takes place in 2012, 2013 or 2014.



Purpose

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

Conditions

The principal condition for exercise of the warrants is that the warrantholder has not terminated his/her employment with the company prior to 1 January 2012. If the warrantholder is given notice of employment termination by the company for any reason except misconduct, the warrantholder shall be entitled to retain and exercise his/her warrants.

If possible, the warrants will be taxable according to Section 7 H of the Danish Tax Assessment Act.

The terms governing the warrants are further described in the enclosure, 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 the average NKT share price for December 2008 (calculated as 122,71 DKK) plus an annual hurdle rate of 8% and minus yearly dividends until the time of exercise.

Based on a price per share of 122,71 DKK and a dividend policy equal to an annual distribution of dividends in the level of 1/3 of the year's net result, the value of the new warrants is calculated using the Black-Scholes formula as 5.4 mDKK assuming that the share warrants are exercised at the earliest possible time. The calculation assumes volatility of 40% and an interest rate of 5% per annum.

The value of the warrants constitutes an average of 19% 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 43 48 20 00.

Yours faithfully

NKT Holding A/S

Thomas Hofman-Bang

President and CEO

Enclosure: Amendments to the Articles and Association in connection with the issuance of Warrants in 2009



Enclosure to Stock Exchange Release No. 1 of 5 January 2009

Amendments to the Articles and Association in connection with the issuance of Warrants in 2009

The decision of the Board of Directors containing the conditions for subscription and exercise of warrants has been added to the articles of association of the company as a new article 3 B VII and as new Exhibit H with reference to the existing article 3 B.

Article 3 B VII has the following wording:

"In accordance with article 3.B.3 the Board of Directors of NKT Holding A/S has in January 2009 decided to issue warrants to the employees of the Company with a right to subscribe for up to nominally DKK 4.000.000 shares in the Company. No separate payment shall be effected for the warrants. In accordance with article 3.B.3 the Board of Directors has also passed a resolution regarding the related capital increase. The General Meeting's authorisation of April 10, 2008 stated in article 3.B.3 is hereby reduced to nominally DKK 6.000.000. The terms and conditions for exercise of the warrants are stated in Exhibit H to the articles of association."

Exhibit H has the following wording:

"With reference to the articles of association art. 3 B sec. 3 and 3 B VII the board of directors has in January 2009 decided to issue 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 2012, 2013 and 2014 (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 2012 in the period from the publication of the preliminary statement of annual accounts for 2011 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 2014, two weeks after the publication of the statement of annual accounts for 2013 – 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 DKK 20 is set as a fixed subscription price less any dividend approved by the general meeting of the company during the period from 1 January 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 DKK 20 is set as (i) DKK 154.58 if subscription is effected in 2012, (ii) DKK 166.95 if subscription is effected in 2013, and (iii) DKK



180.30 if subscription is effected in 2014. If, for example, a fixed yearly dividend of DKK 10 per share of nominally DKK 20 is paid during the period up to 2014, the subscription price shall be adjusted accordingly to DKK 130.30 in case of subscription in 2014, 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 date mentioned under section 2 shall be 1 January 2012."

Article 3 B together with the amendments stated in Article 3 B VII and exhibit H can be summarized as follows:

- I.
 - I.1. The new shares which may be subscribed in accordance with the warrants shall belong to the same class of shares as the existing shares and shall in all respects be subject to the same conditions as the existing shares. The shares shall carry a right to dividend from the time of registration of the new subscription with the Danish Commerce and Companies Agency.
 - I.2. The holder of a warrant shall exercise a warrant by written notification to the company's office within a period of exercise. The company shall confirm receipt of the notification to the holder of the warrant. Payment shall be effected in cash to the company simultaneously with entry on the subscription list and within 14 days after the company's confirmation has been forwarded to the holder of the warrant.
 - I.3. A warrant is personal and may under no circumstances become subject to transfer or assignment, nor in the case of division of an estate, and cannot be charged or in any other way serve as satisfaction of the warrant holder's creditors.
2.
 - 2.1. If the warrant holder terminates his/her employment prior to 1 January 2012, the warrant holder's right to exercise his/her warrant shall cease without warning and compensation. However, if the warrant holder terminates his/her employment on grounds of gross misconduct by the employer, article 2.2 shall apply.
 - 2.2. If the warrant holder is given notice of termination before 1 January 2012 by the employer, or if the warrant holder's employment terminates after 1 January 2012, the warrant holder shall be entitled to retain and exercise his/her warrant according to the conditions contained herein. However, if the employer terminates the warrant holder's employment on grounds of gross misconduct including cases of immediate dismissal, article 2.1 shall apply.
 - 2.3. If, before 1 January 2012 the warrant holder (i) retires on a pension after reaching the age of 60; or (ii) the general ability to work on grounds of ill-health (i.e. physical or mental invalidity) has been permanently decreased by two thirds (2/3) or more; (iii) or the warrant holder dies, the conditions of article 2.2 shall apply.
 - 2.4. The Board of Directors of the Company is at its sole discretion entitled to decide on a departure from the conditions of articles 2.1 and 2.2 in favour of the warrant holder,



giving the warrant holder right to retain and exercise his/her warrant irrespective of termination of the employment.

3.

3.1. If one or several of the following capital changes are implemented before the exercise of a warrant the holder of the warrant shall receive compensation at the exercise of the relevant warrant in relation to the number of shares which may be subscribed in accordance with the warrant and/or the subscription price for the shares so that the warrant holder, both financially and in relation to the share interest (rounded down), is placed in the same situation as if the warrant had been exercised immediately before the implementation of the relevant resolution:

- Capital increase by the issue of bonus shares.
- Capital increase whereby shares may be subscribed at a price which is more than 10 per cent lower than the market value at the time of subscription (cf. paragraph 3.3 below).
- Issue of warrants, convertible debt certificates or the like whereby shares may be subscribed at a price which is more than 10 per cent lower than the market value at the time of subscription (cf. paragraph 3.3 below). No adjustment shall be effected in connection with subsequent exercise/conversion.
- Capital reduction where payment is effected to existing shareholders of amounts which exceed the market value of the relevant shares by more than 10 per cent at the time when the capital reduction is decided.
- Capital reduction to cover loss.

3.2. The circumstances mentioned in paragraph 3.1 shall be administered by the company's board of directors, who shall make the final and binding decision on implementation and calculation of any adjustment of the warrants, also in relation to the subscription price and share interest.

3.3. Notwithstanding paragraph 3.1 and the subscription price the following circumstances shall not result in adjustment:

- Issue and subsequent exercise/conversion of warrants, convertible debt certificates or the like to board members or employees of the company or of a subsidiary.
- Capital increase by subscription of new shares, including employee shares, without a preferential right of subscription for the company's shareholders.

4.

If, before the exercise of the warrants,

- (i) a resolution is passed to dissolve the company, also by merger or demerger where the company ceases to exist,
- (ii) a resolution is passed regarding delisting of the company's shares at the Copenhagen Stock Exchange, or
- (iii) if a shareholder together with the company's board of directors decides that the other shareholders in the company must let their shares be redeemed by the shareholder, cf. section 20 b of the Danish Companies Act,

the company must, before the implementation of such a resolution, enable the holders of warrants to exercise their warrants for subscription of new shares in the company. The subscription price shall be fixed at the subscription price applicable for the closest period of exercise. The holders of the warrants are then given a deadline by the company of four weeks within which they shall notify the company in writing of whether the warrants will be



exercised. After the expiry of this period the warrants in respect of which no notification has been given about exercise shall lapse automatically without notice and without compensation.

5. If, before the exercise of the warrants, a public bid is made for the company's shares – either voluntarily or involuntarily – whereby one shareholder directly or indirectly acquires more than 2/3 of the company's nominal share capital the company shall enable the holders of warrants to exercise their warrants for subscription of new shares in the company. The holders of the warrants are then given a deadline by the company of four weeks within which they shall notify the company in writing whether the warrants will be exercised. The subscription price shall be fixed at the subscription price applicable for the closest period of exercise. The holders shall be entitled but not obliged to exercise the warrants, and warrants which are not exercised within the above-mentioned period shall continue unchanged and may be exercised for subsequent subscription of shares within the ordinary periods of exercise. If the situations in paragraphs 4 and 5 become relevant at the same time paragraph 4 shall take precedence.
6. Resolutions regarding other matters of the company than the matters mentioned in paragraphs 2-5 shall not affect the conditions for exercise of the warrants.

5 January, 2009