

Coloplast

Financial results
Q1 2004/05

10 February 2005



Highlights first quarter 2004/05

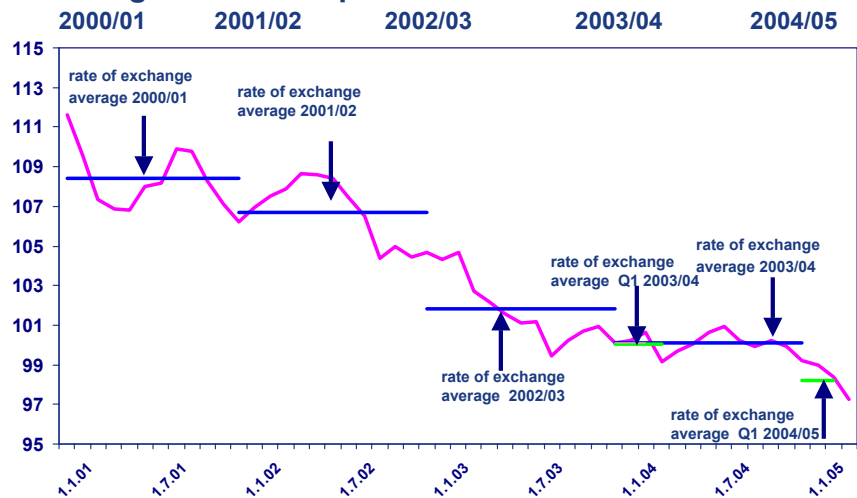
- Coloplast maintains expectations for the full year despite a relatively low revenue growth and profit for the first quarter. The results are primarily related to two specific factors, namely the German healthcare reform and a reduction of inventories
- Sales growth was 5% in local currencies, 3% in terms of Danish kroner, mainly owing to significant extra sales in Germany in the first quarter last year
- This sales growth and the planned inventory reductions resulted in a profit margin for the quarter of 12% compared with 17% last year
- Expectations for the full year 2004/05 remain an organic revenue growth of 8-9% and a profit margin of 15-16%, as sales growth and profit margin are expected to readjust over the remaining three quarters
- Free cash flow for the first quarter was DKK 163m, which was DKK 203m up on last year's figure
- Sales of ostomy products continued to make strong headway, achieving a growth rate of 13%

Key figures first quarter 2004/05



mDKK	3 months 2004/05	3 months 2003/04	Index vs 2003/04
Revenue	1,565	1,516	103
EBIT	182	254	72
Financial items	-30	-26	115
Profit before tax	152	228	67
Tax	53	75	71
Minority interests	-1	-4	25
Group profit	98	149	66
Profit margin	12%	17%	

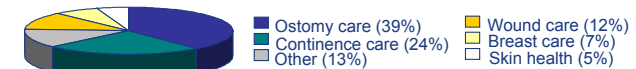
Exchange rate development 1999-2004



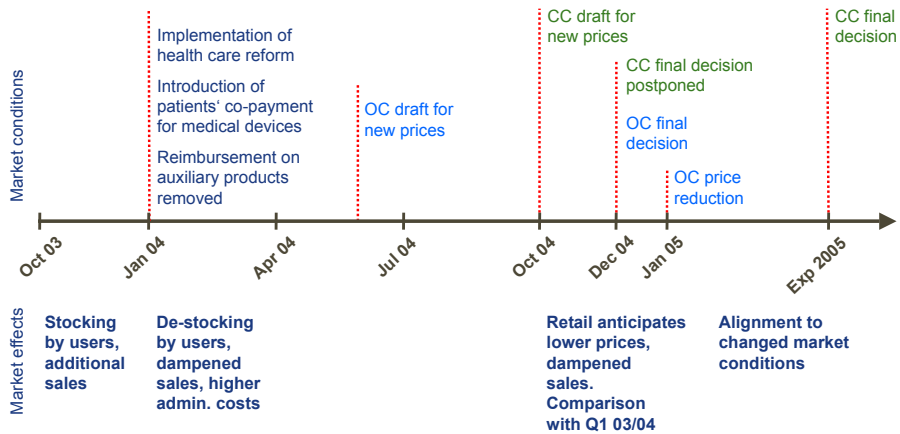
Growth first quarter 2004/05 - local currencies

	Growth Q1 2004/05	Growth Q1 2003/04	Est. market growth
Ostomy care	13%	19%	2-6%
Continence care	8%	11%	5-8%
Chronic care segment*	6%	14%	
Wound care	4%	17%	9-11%
Skin health	12%	29%	9-12%
Breast care	(3)%	4%	(3)-(1)%
SBU segment	4%	15%	
Coloplast total	5%	14%	
Europe	4%	15%	
Americas	8%	11%	
ROW	18%	20%	

*Includes
homecare



Effects of changing market conditions in Germany



Effects of reduced inventories

- Inventories built up during 2003/04
 - Relocation to Hungary
 - ERP system rollout in manufacturing
 - Inventories reduced faster than expected in Q1 2004/05 and Q4 2003/04
 - Low revenue growth compared with last year
- ⇒ Financial effects on profit margin
- Stock reduction ⇒ -3 percentage point on EBIT
 - Low revenue growth ⇒ -1 percentage point on EBIT
- ⇒ Financial effects on cash flow
- Free cash flow was DKK 163m, up DKK 203m on last year's figure

Highlights business areas



Ostomy sales up 13% despite a very strong Q1 last year - **Easiflex** product launches - US growing strongly - **Corsinel** as new product area



Catheters continue to grow - **Speedicath** Compact very well accepted by European customers - **Peristeen** analirrigation well received as expected



Advanced wound care products, including **Contreet** silver dressings, showing strong performance



Expectations and targets

2004/05

- Sales growth of 8-9% in local currencies
- Profit margin 15-16%

2008

- Sales exceeding DKK 9 billion through organic growth
- Profit margin (EBIT) reaching 18%
- ROAIC of 20%
- Acquisitions and divestments

Analysts' estimates

Q1 2004/05

MDKK	Net sales	Operating profit	Profit margin	PBT
High	1,636	268	16.8%	246
Mean	1,573	245	15.6%	224
Low	1,516	216	14.2%	197
Coloplast actual	1,565	182	11.6%	152
Index to mean	100%	74%	75%	68%

