



Coloplast A/S
Investor presentation
Financial statement 2005/06

Highlights 2005/06

- Coloplast generated revenue of DKK 7,227m in its continuing business, equal to a 15% growth measured in local currencies
- The acquisition of Mentor's urology business was concluded in June 2006 and contributed revenue of DKK 440m in 2005/06
- Organic revenue growth was 8% measured in local currencies and EBIT margin was just over 13%, thus in line with expectations
- The EBIT margin in the underlying business was 17%. The acquisition of Mentor's urology business lowered the company's operating profit by about DKK 280m
- Economic profit was DKK 349m compared with DKK 279m last year
- Coloplast raises its target for the EBIT margin in 2012 from at least 17% to at least 18%
- The projected synergies are raised to DKK 75-100m after full integration of the acquired urology business. Total integration costs incurred and anticipated for the entire integration period is now expected to amount to approximately DKK 230m.

Income statement 2005/06

DKKm	2005/06	2004/05	Index
Net revenue	7,227	6,232	116
Gross profit	4,343	3,789	115
- Gross profit margin	60%	61%	
EBITDA	1,392	1,348	103
- EBITDA margin	19%	22%	
Net operating profit (EBIT)	955	1,000	96
- Profit margin	13%	16%	
Profit before tax	726	837	87
Tax	-213	-272	78
Discontinued activity, Sterling	102	-10	
Group profit	614	553	111

Impact from acquisition of urology business

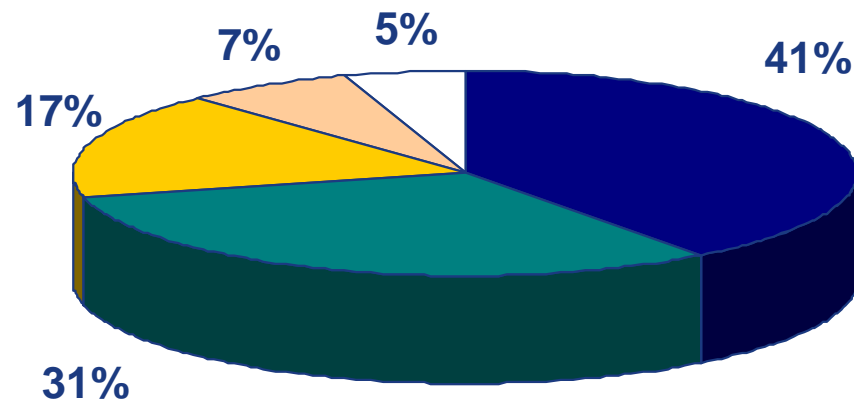
DKKm	2005/06	2006/07	2007/08
Integration costs	70	130	30
US relocation costs	60	30	0
Stock of finished goods	100	0	0
Depreciation of assets	50	150	150
Total impact from acquisition	280	310	180

- Synergies in 2005/06 were insignificant
- In 2006/07, expected synergies amount to DKK 20m.
- Annual synergies after concluded integration estimated to reach DKK 75m-100m with full effect from 2008/09



Revenue development 2005/06 - business areas

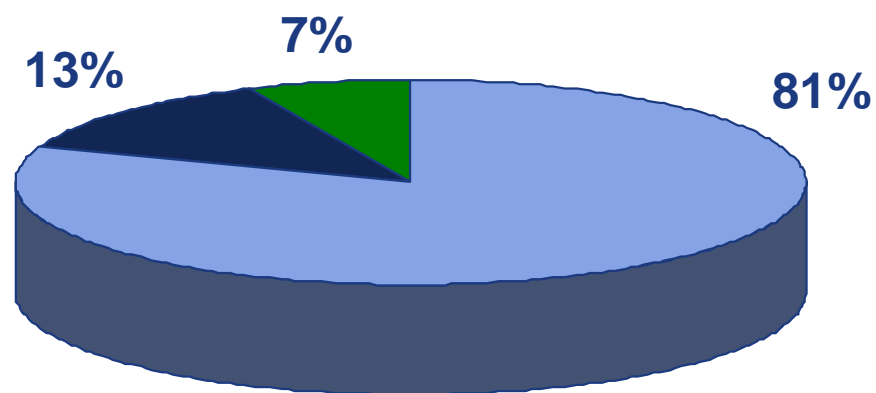
Growth in local currencies	Growth 2005/06	Growth 2004/05	Revenue 2005/06	Market growth
■ Ostomy Care	7%	9%	2,867	1-3%
■ Urology & Continence Care	39%	-	2,265	7%
- <i>Excl. urology business</i>	14%	11%	1,835	-
■ Wound & Skin Care	6%	12%	1,223	6-7%
■ Breast Care	5%	6%	508	2%
□ Other	-	-	364	-
Group net revenue	15%		7,227	4-6%
- <i>Excl. urology business</i>	8%	8%	6,787	-



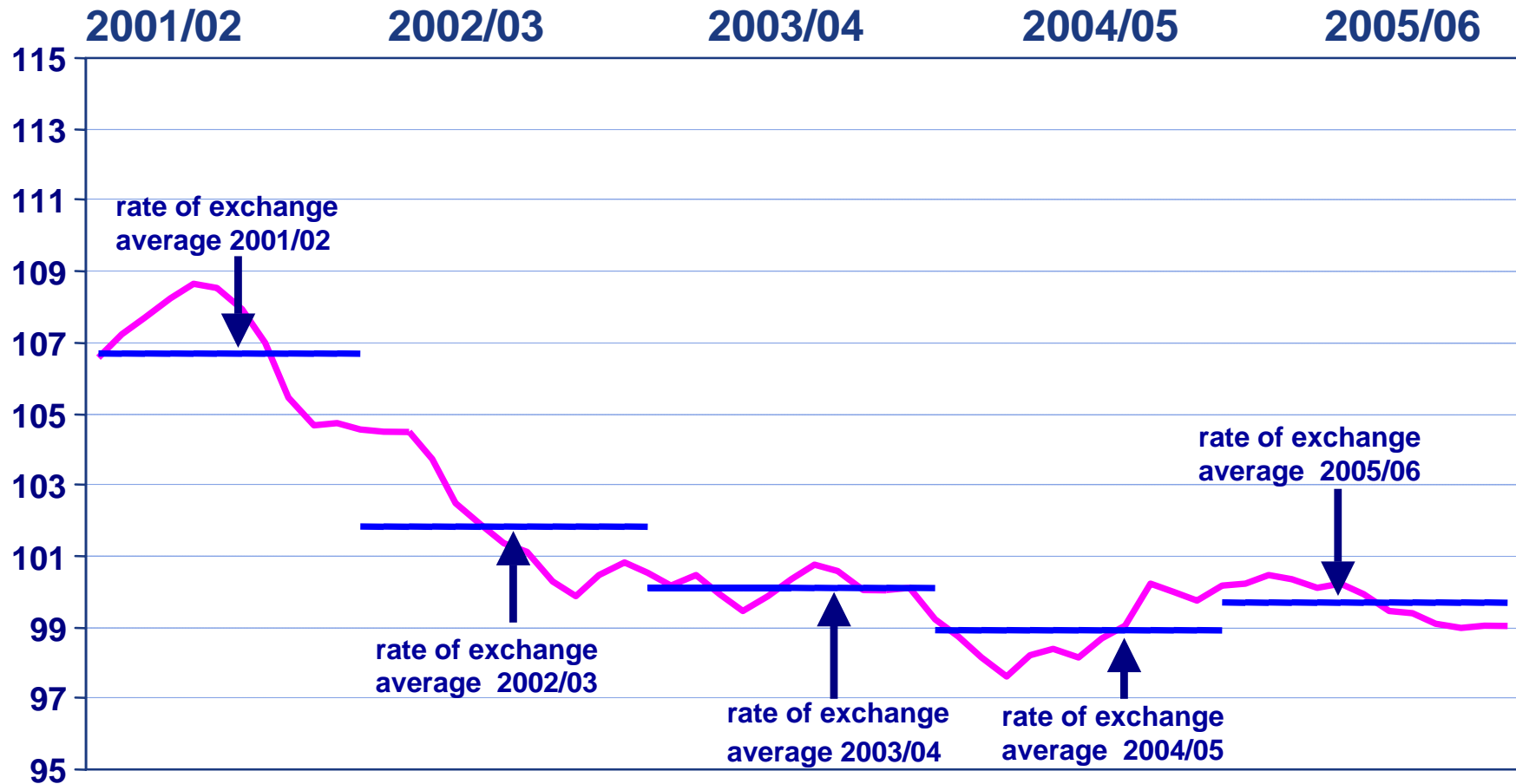
Revenue development 2005/06 - geography

	Growth 2005/06	Organic 2005/06	Growth 2004/05	Revenue 2005/06
Growth in local currencies				
■ Europe	11%	7%	7%	5,835
■ The Americas	50%	12%	13%	916
■ Rest of World	16%	12%	12%	476
Group net revenue	15%	8%	8%	7,227

- The divestment of Sterling Medical Services affects geographical revenue split in 2005/06
- Acquisition of Mentor's urology business doubles Coloplast's revenue in the US from 2006/07



Exchange rate development 2001-2006



Balance sheet, cash flows and key ratios 2005/06

DKKm	2005/06	2004/05
Invested capital	7,996	5,386
Net interest bearing debt	3,069	867
Equity, ultimo	2,804	2,512
Investments in tangible assets	415	399
Free cash flow, reported	-2,027	919
- Free cash flow, organic business	604	919
- Free cash flow, acquisitions and divestments	-2,631	0
ROAIC, %	15	18
Economic profit	349	279
Net debt to EBITDA	2.20	0.64
Price/earnings ratio (PE)	37	33
Earnings per share (EPS)	11	12

Expectations and long-term targets

2006/07

- Sales growth of around 22% in local currencies of which around 9%-points will be organic growth
- EBITDA margin of 18-19% and profit margin (EBIT) of 12-13%
- Investments in tangible assets of DKK 700m
- Corporate tax rate of 30%
- Net costs of integration and restructuring of around DKK 380m

2012

- At least a doubling of economic profit (EP) every five years, based on the 2004/05 figures
- Organic growth of Coloplast's revenue to DKK 15 billion
- A profit margin (EBIT margin) to exceed 18% ← **Profit margin upgraded from at least 17%**

Ostomy Care

	2005/06	2004/05	Q4 05/06	Q4 04/05
Revenue (DKKm)	2,867	2,657	754	711
Growth in local currencies	7%	9%	6%	-

- Revenue growth affected by situation in HSC - excluding sales from HSC, sales growth was approximately 12%
- US revenue growth exceeded 20%
- International launch of **SenSura** in October 2006
- Growth expected to pick-up in 2006/07



Urology & Continence Care

	2005/06	2004/05	Q4 05/06	Q4 04/05
Revenue (DKKm)	2,265	1,615	779	434
- Organic	1,835	1,615	463	434
- Acquired	430	0	316	0
Growth in local currencies	39%	11%	75%	-
- Organic	14%	11%	6%	-
- Acquired	25%	0%	69%	-

- Continued high organic growth
 - Catheters still growing with more than 20%
 - Urine bags growing to expectations
- Global market leader in continence care and among the leaders in urology
- International launch of **Conveen** Optima



Urology & Continence Care - integration

Strategic rationale reconfirmed

- Enlarging the scope of our continence care business into urology
- A solid position in the US urology market
- Strengthening of our European market position

Status on key integration activities

- Establish a new headquarter in the US
- Integrate sales organisations in all countries
- Optimise procurement
- Combine and expand R&D
- Reach one IT platform and reporting system
- Create one company and one culture



*Prof. Daniel Raudrant
Hôtel Dieu, Lyon*

Wound & Skin Care

	2005/06	2004/05	Q4 05/06	Q4 04/05
Revenue (DKKm)	1,223	1,137	316	308
Growth in local currencies	6%	12%	3%	-

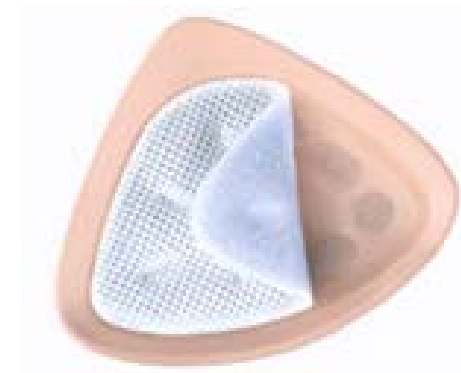
- Revenue performance expected to return to double-digit growth in 2006/07
- Successful launch of **Biatain - Ibu**
- Declining revenue performance primarily related to moist wound healing market developments
- Sale of skin care products developed according to estimates



Breast Care

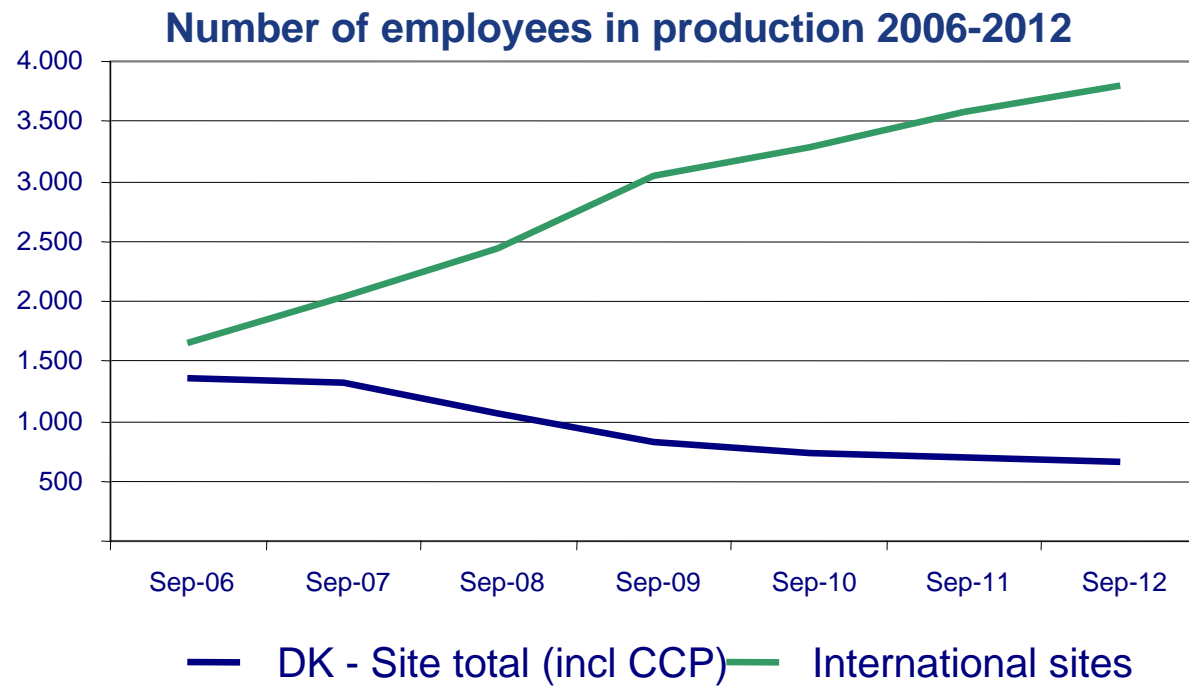
	2005/06	2004/05	Q4 05/06	Q4 04/05
Revenue (DKKm)	508	474	131	124
Growth in local currencies	5%	6%	7%	-

- Sales growth according to expectations, driven by new products
- Growth in sales of all main product areas, i.e. breast forms, partials, and textiles
- Revaluation of the DKK 1 billion market, now estimated to grow approximately 2%



Global Operations

- Coloplast aims at achieving world-class manufacturing within the next three years
- New factories located in China and Hungary
- Production facilities in Denmark will be consolidated from six to three sites



Summary

- Full year 2005/06 earnings results in line with expectations
- Strong underlying business performance
- Revenue growth affected by situation in HSC and sale of wound care products
- Earnings in 2005/06 and 2006/07 affected by acquisition of urology business and restructuring
- Integration process on-track
- Long-term earnings target increased from at least 17% to at least 18%



Analysts' estimates 2005/06

DKKm	Net revenue	EBIT	EBIT margin	PBT
High	7,374	998	13.8%	764
Mean	7,282	937	12.9%	731
Low	7,232	895	12.3%	689
Coloplast actual	7,227	955	13.2%	726
Index to mean	99	102	103	99

Based on estimates collected from 11 financial analysts



Coloplast