

FY Financial Statement 2006/07

Conference call presentation
20 November 2007

Summary

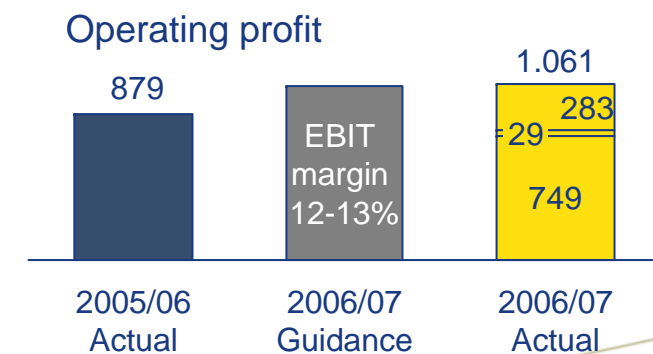
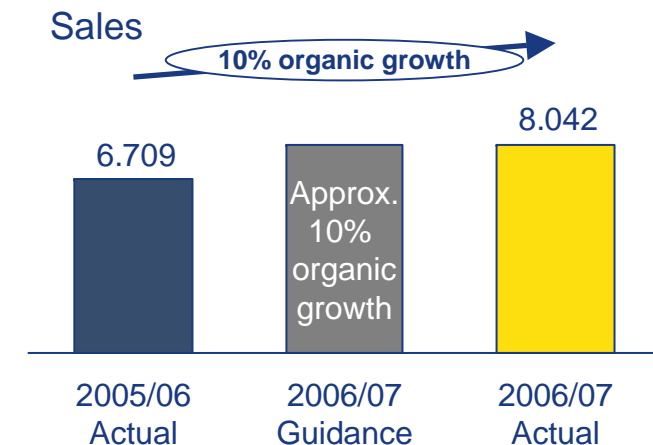
Highlights

- ❑ Organic sales growth increased from 8% to 10% driven by solid performance in Ostomy (9%) and Urology and Continence Care (11%).
- ❑ Divestments of Breastcare and Brachy completed
- ❑ Successful integration of urology activities
- ❑ Continued relocation of manufacturing to Hungary and now also to China
- ❑ EBIT margin adjusted for HSC-write down was 13% and in line with expectations
- ❑ Underlying EBIT-margin maintained at 16%
- ❑ Strong cash flow generation used for share-buy-back and doubling of dividend payments

Low lights:

- ❑ Goodwill write-off in HSC of DKK 283 million taking reported EBIT-margin to 9%
- ❑ Organic growth in Wound and Skin care of 6%

Ostomy care
Urology & Continence care
Wound & Skin care



Sales overview

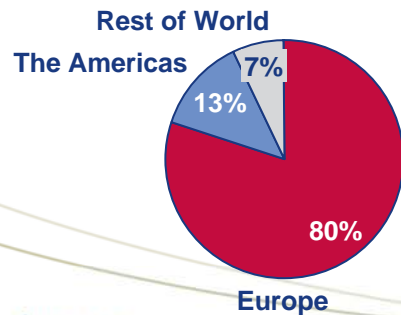
Q4

Organic sales of 8% in Q4 impacted by tough comparison to last year where large orders just before year-end had a positive impact.

- Ostomy and urology sales were impacted by backorders
- Sales growth picked up from 4% to 6% in Wound and Skin Care

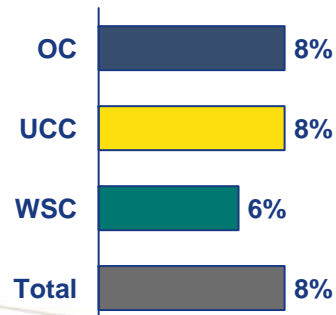
The export region and Americas continue as the fastest growing markets

Sales distribution



Ostomy care
Urology & Continence care
Wound & Skin care

Organic sales growth



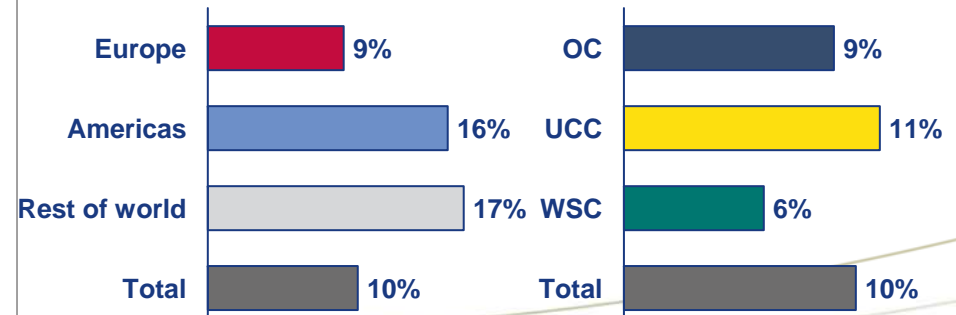
Full Year

Organic sales growth accelerated from 8% last year to 10%

- Urology and Continence Care up 11%
- Ostomy up 9%
- Wound and Skin Care underperforming

New product launches are major contributors to growth: Sensura and Conveen Optima.

Organic sales growth



Ostomy Care

DKK million	2006/07	2005/06	Organic Growth
Full Year	3.107	2.867	9%
Q4	804	753	8%

Primary driver: SenSura ostomy bag continues to gain market share and has been launched in 18 markets. With the continued global roll-out we expect this momentum to be maintained

Easiflex and Assura 2 piece continued sale growth

US growth exceeded 20%

Solid product pipeline and new launches will ensure growth momentum is maintained.



Urology and Continence Care

DKK million	2006/07	2005/06	Organic Growth
Full Year	3.199	2.233	11%
Q4	823	754	8%

Note: FY 05/06 includes acquired business from June



Continence:

Sales growth driven by intermittent catheters and urine bags.

Conveen Optima is now launched in 11 countries and continues growth momentum

Urology:

Acquired urology business shows growth in line with market growth.

Bolt-on acquisition in November 2007 of Levera, the next generation of sling therapy for male Stress Urinary Incontinence (SUI)

Wound and Skin Care

DKK million	2006/07	2005/06	Organic Growth
Full Year	1.269	1.223	6%
Q4	330	318	6%



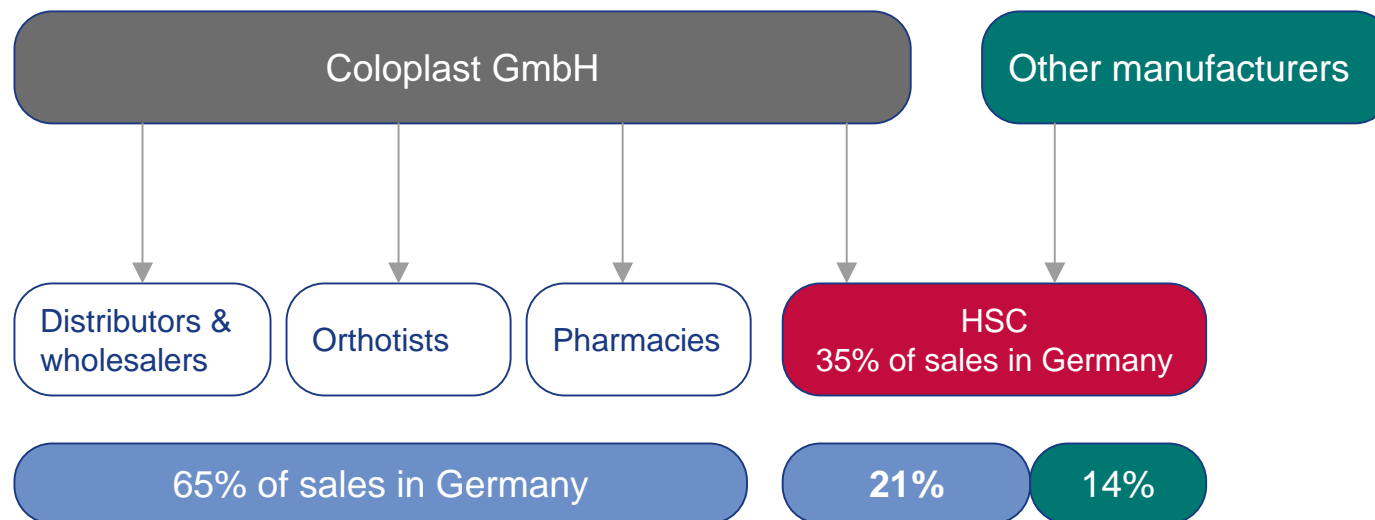
Sales growth driven by Biatain foam dressings

The concept of Biatain-ibu is well received by customers, but sales performance is still below expectations

New strategy under implementation, which is expected to deliver double-digit growth within 2 years.

HSC channels approx. 21% Coloplast products in Germany.

- Goodwill write-off DKK 283 million



DKK 283 million goodwill write off in HSC because of:

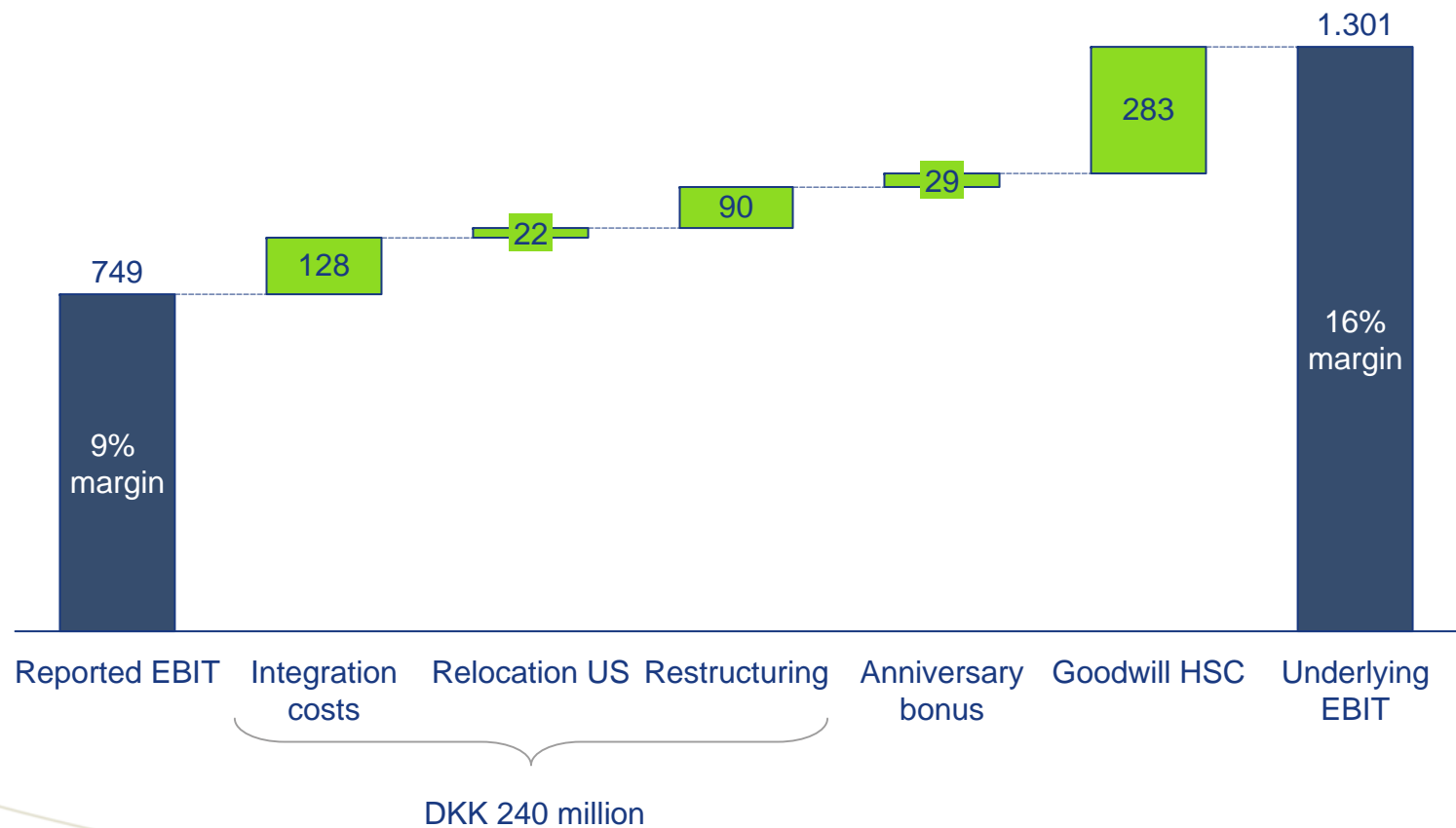
- Increased competition among distributors
- Significant loss of employees in Q4 impacts expected growth and earnings
- Low profitability

Income statement

DKK million	Q4		Full Year	
	2006/07	2005/06	2006/07	2005/06
Net revenue	2.060	1.933	8.042	6.709
Gross profit <i>Gross margin</i>	1.273 <i>61,8%</i>	1.067 <i>55,2%</i>	4.834 <i>60,1%</i>	4.022 <i>59,9%</i>
Operating profit before special items	275	132	1.061	939
Operating profit (EBIT) <i>EBIT margin</i>	-37 <i>-1,8%</i>	124 <i>6,4%</i>	749 <i>9,3%</i>	879 <i>13,1%</i>
Net financial items	-57	-60	-154	-222
Pre-tax profit	-94	64	595	657
Net profit, continuing activities	-143	49	370	466
Net profit, discontinuing activities	-15	18	468	149
Minority interest	-1	-1	-1	-1
Coloplast share of net profit	-159	66	837	614

- EBIT 2006/07 is impacted by DKK 283 million goodwill write off
- Total non-recurring costs are DKK 552 million against DKK 230 million last year
- Underlying EBIT margin of 16%

Underlying EBIT-margin was 16%



Ostomy care
Urology & Continence care
Wound & Skin care

On track for higher efficiency

- impact of DKK 240 million non-recurring costs



Acquired urology and continence business

Restructuring costs of DKK 90 million

Relocation of manufacturing

Organisational change

Production costs impacted by DKK 35 million

Administrative costs impacted by DKK 55 million

Integration costs of DKK 128 million

Integration of Mentor Business

Production costs impacted by DKK 35 million

Distributions costs impacted by DKK 68 million

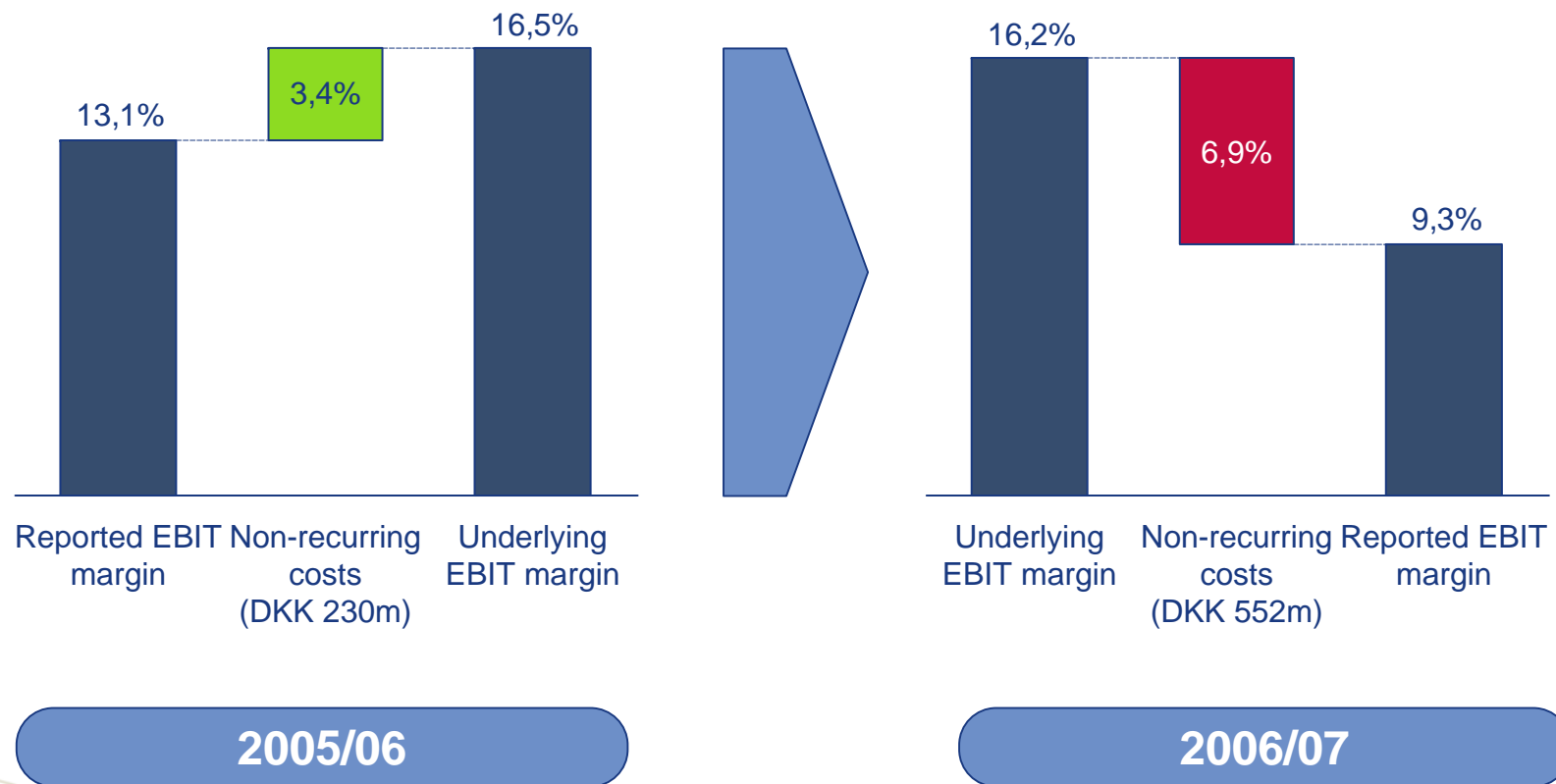
Administration costs impacted by DKK 25 million

Relocation costs of DKK 22 million

New joined US head quarter in Minneapolis

Administrative costs impacted by DKK 22 million

Underlying EBIT-margin in line with last year



Cash flow

DKK million	Full Year 2006/07	Full Year 2005/06
EBITDA	1.590	1.304
Change in working capital	-83	109
Interest and tax	-459	-550
Other	16	128
Cash flow from operations	1.064	991
CAPEX	-688	-387
M&A	723	-2.631
Cash flow from investments	35	-3.018
Free cash flow	1.099	-2.027
Dividends	-184	-163
Share buy-back	-1.024	-103
Other cash changes	-3	91
Total	-1.211	-175
Increase in net debt	112	2.202

Balance sheet

DKK million	30/9 2006/07	30/9 2005/06
Balance sheet total	7.750	7.982
Equity	2.398	2.804
Equity ratio (%)	31%	35%
Net interest bearing debt	3.181	3.069
Net debt to equity (%)	133%	109%
Net debt to EBITDA	2,00	2,20
Invested capital	6.874	7.996
ROAIC %	10%	15%
Economic profit	-227	349

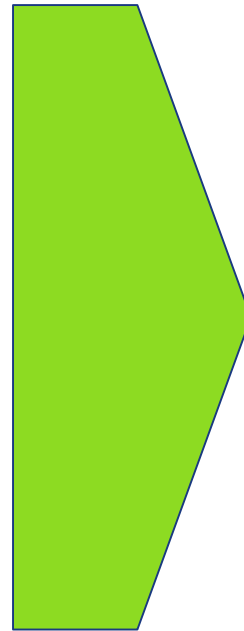
- Share buy-back program of DKK 1.0bn completed. Target for Net debt to EBITDA is 2.0-3.5
- Economic profit is impacted by DKK 658 million goodwill write-off. Underlying growth in economic profit was 22%

Updated long term financial targets

Old targets

Targets for 2012 are:

1. Economic Profit to double every five years towards 2012 based on financial results in 2004/05
2. Revenue of at least DKK 14bn in 2012
3. EBIT margin of at least 18% in 2012



New targets

Long term targets are:

1. Economic Profit to double at least every five years
2. Long term organic sales growth of approx. 10% p.a.
3. EBIT margin of 18-20%

Guidance for 2007/08

	2006/07 Guidance	2006/07 Actual	2007/08 Guidance
Organic sales growth	Approx 10%	10%	Approx 10%
EBIT margin	12-13%	9% (13%)	16-17%
CAPEX (DKKm)	600+200	839	Approx 700-800
Tax rate	Approx 26%	38% (26%)	Approx 28%



Coloplast