



# Towards our full potential

Enskilda Nordic Seminar

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## Forward-looking statements

The forward-looking statements contained in this presentation, including forecasts of sales and earnings performance, are not guarantees of future results and are subject to risks, uncertainties and assumptions that are difficult to predict. The forward-looking statements are based on Coloplast's current expectations, estimates and assumptions and based on the information available to Coloplast at this time.

Heavy fluctuations in the exchange rates of important currencies, significant changes in the healthcare sector or major changes in the world economy may impact Coloplast's possibilities of achieving the long-term objectives set as well as for fulfilling expectations and may affect the company's financial outcomes.

# Agenda

- **A base for profitable growth**
- Towards our Full Potential



# Coloplast is a leading medtech company specialising in intimate healthcare needs...



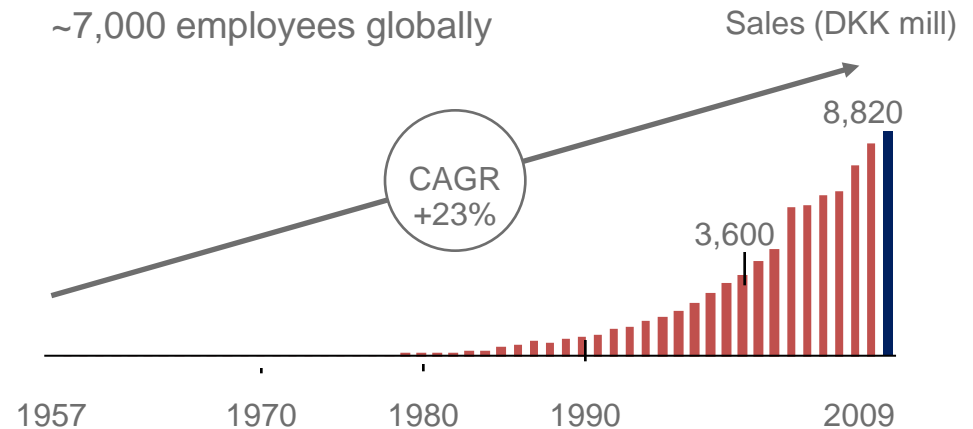
50 years of innovation and growth:

- Global no. 1 in Ostomy Care
- Global no. 1 in Urology & Continence Care
- Global no. 4 in Advanced Wound & Skin Care

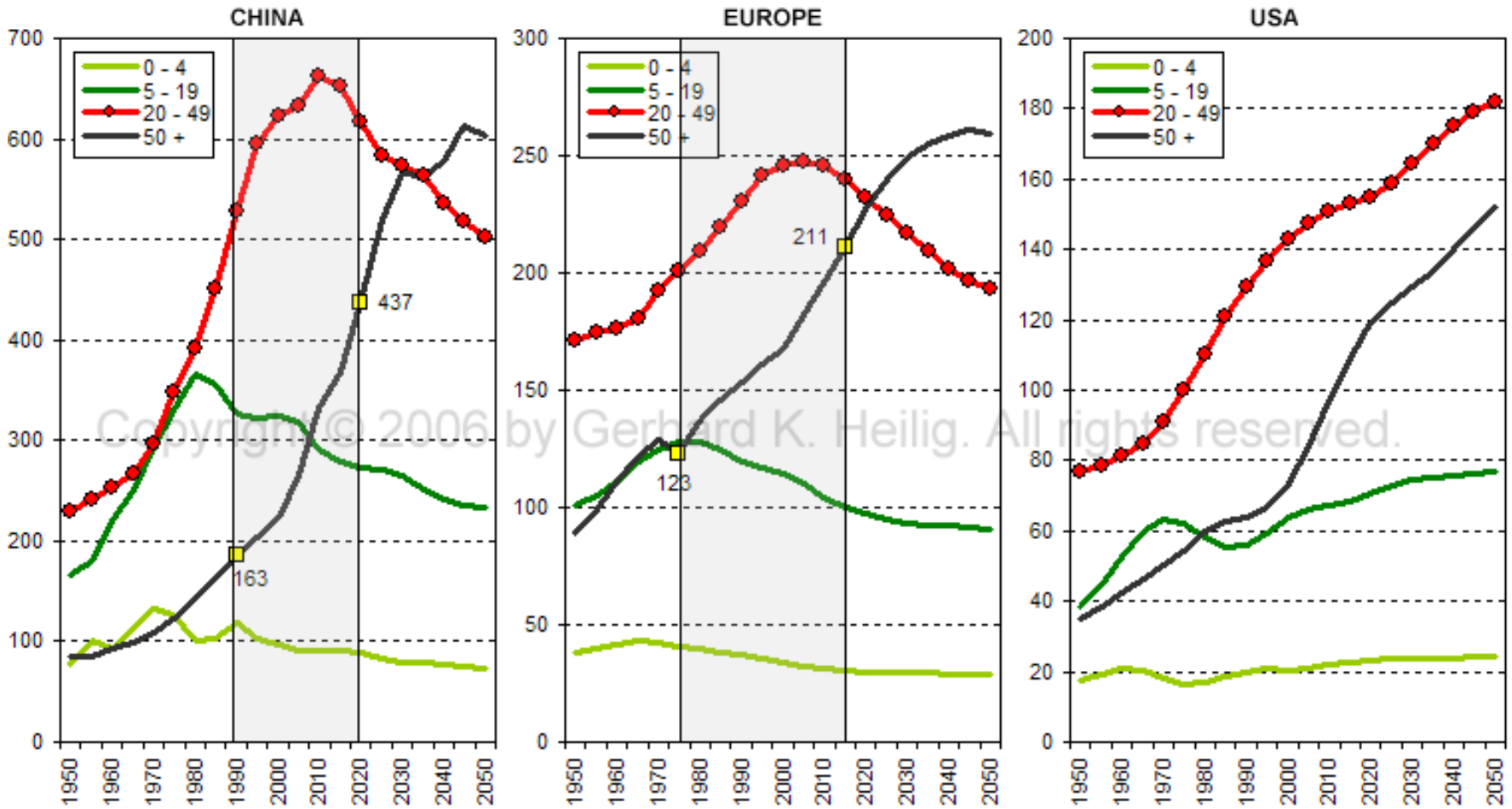
Headquartered in Denmark

Production in Denmark, Hungary, China, US and France

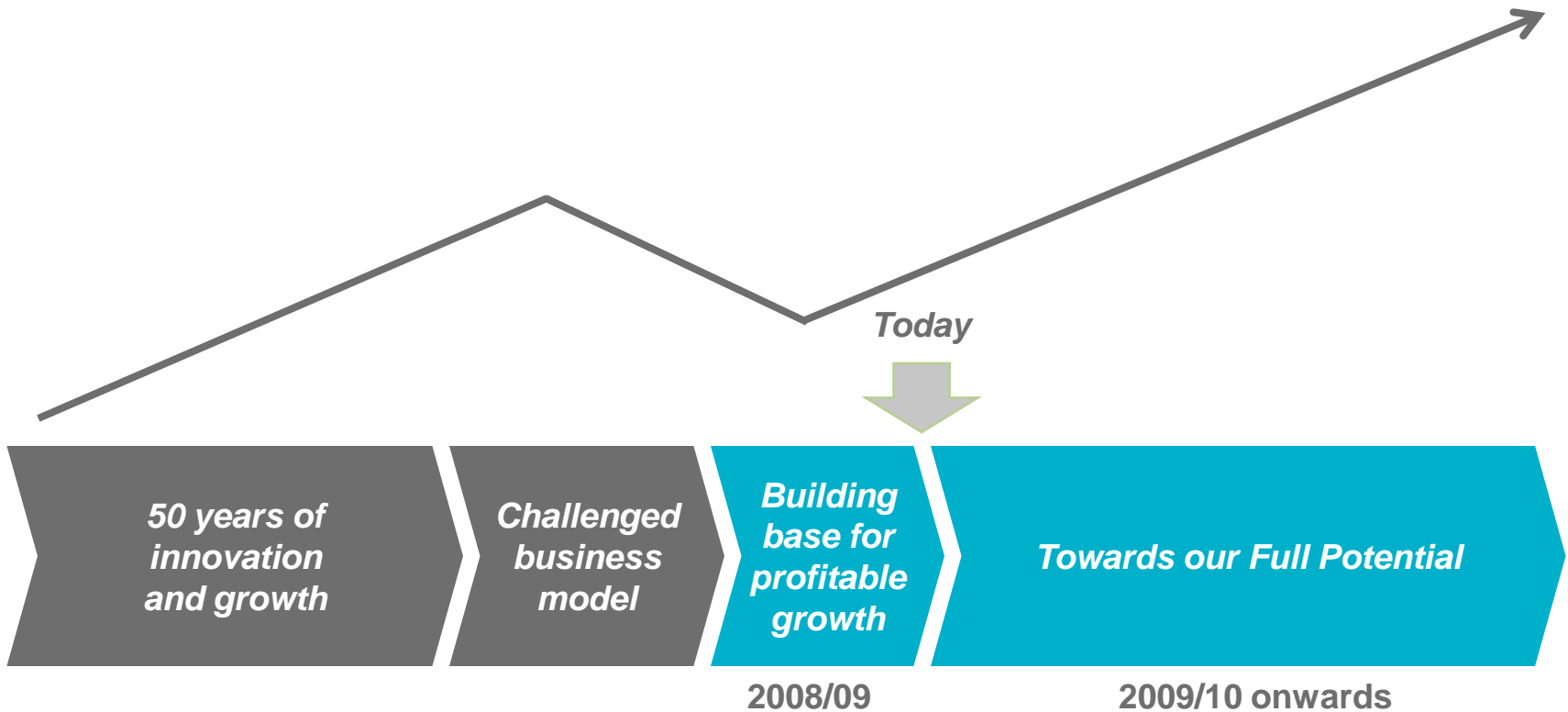
~7,000 employees globally



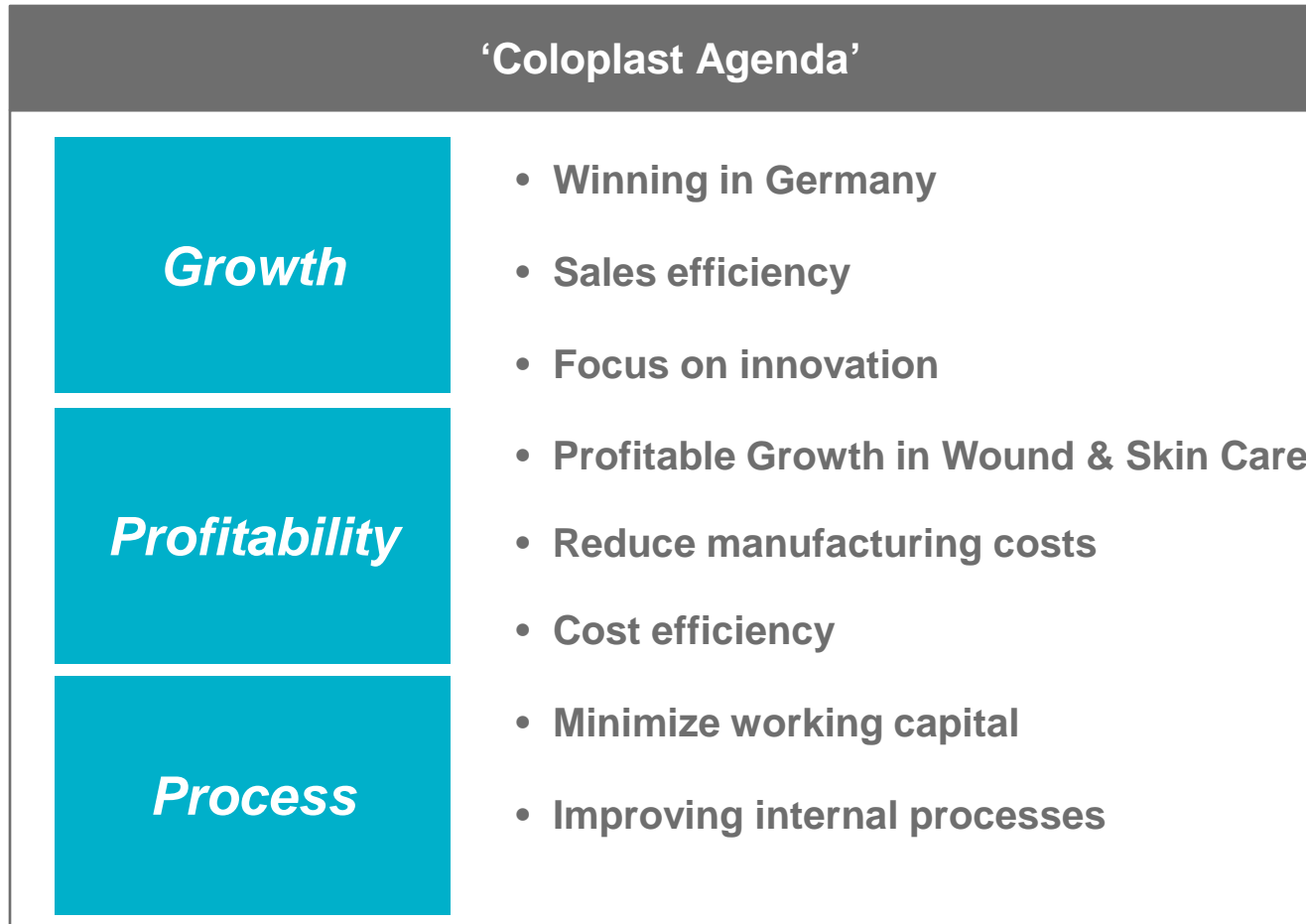
# Underlying demographic development supports future growth



# We have set out on our journey - Towards our Full Potential



# Over the past year the entire organisation has been executing on the **'Coloplast Agenda'**



## Winning in Germany progressing as planned – “actions have been taken and results are showing”

- Hostile attacks, changes in reimbursement and an unclear business model brought us to a critical situation
- All sections of the company have been evaluated and both structure and strategies have been revised
- We see signs of stability
- This year’s plan is to complete the turnaround and gradually return to positive growth



# Implementation of **Sales Force Efficiency** on target with execution in more than 15 countries by now

## We have been suffering from lack of structure in the sales approach

- Thousands of customers
- Account potential unclear
- Conflicting data available
- Sales force not used to working with these tools
- Necessary to comply with the call plans to get impact



## New approach has been implemented in top markets

1. Segmentation and targeting = Finding and visiting the right customers (ABCD)
2. Global Sales Dashboard = One language for sales
3. Customer Relationship Mgt = One set of data – available to reps and mgrs
4. Commercial Academy = A way of teaching all of this to our employees

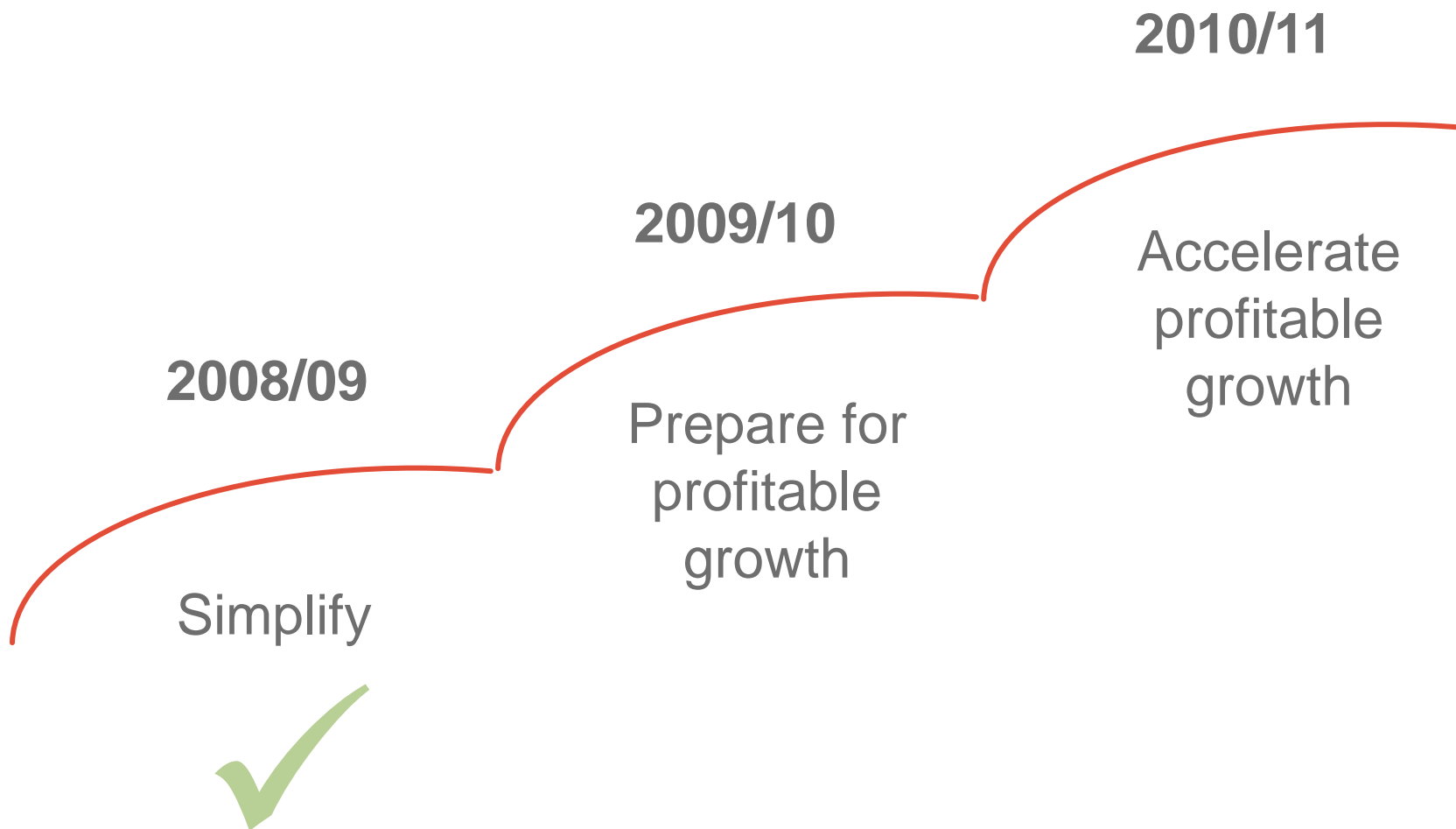
# Focus on Innovation – increasing number of product launches

## Better solutions to our customers in 08/09

- SenSura® 2-piece product extensions
- SenSura® Urostomy assortment
- Peristeen® anal irrigation for children
- SpeediCath® Control
- SpeediCath® Compact – girl
- SpeediCath® Compact – bag
- Virtue™ male sling
- Exair™ pelvic floor repair



# Three steps to establish Profitable Growth in Wound & Skin Care

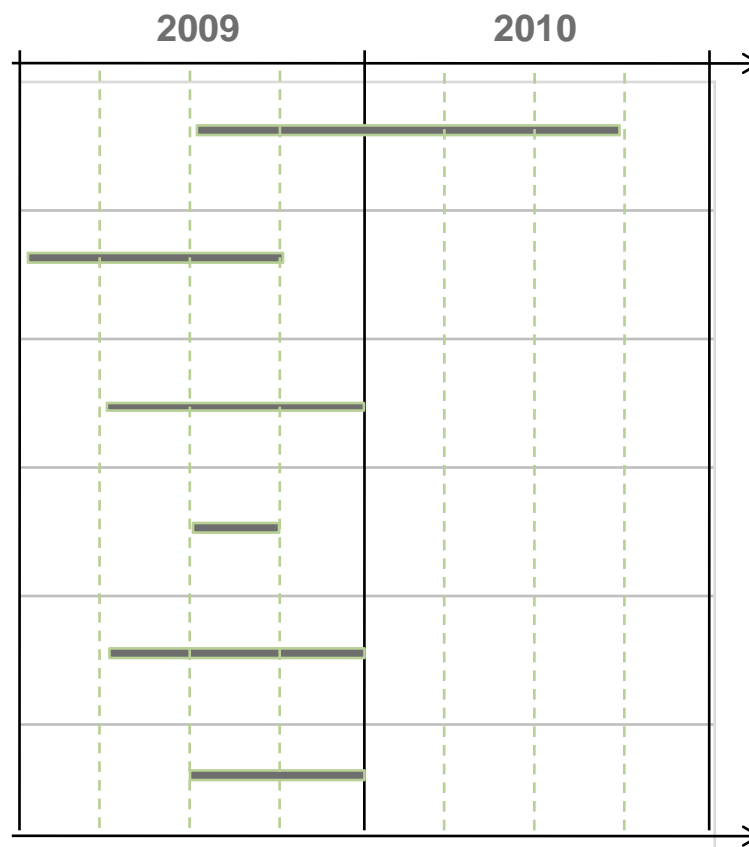


# Simplification initiatives being implemented

– full impact expected in 09/10

Simplify

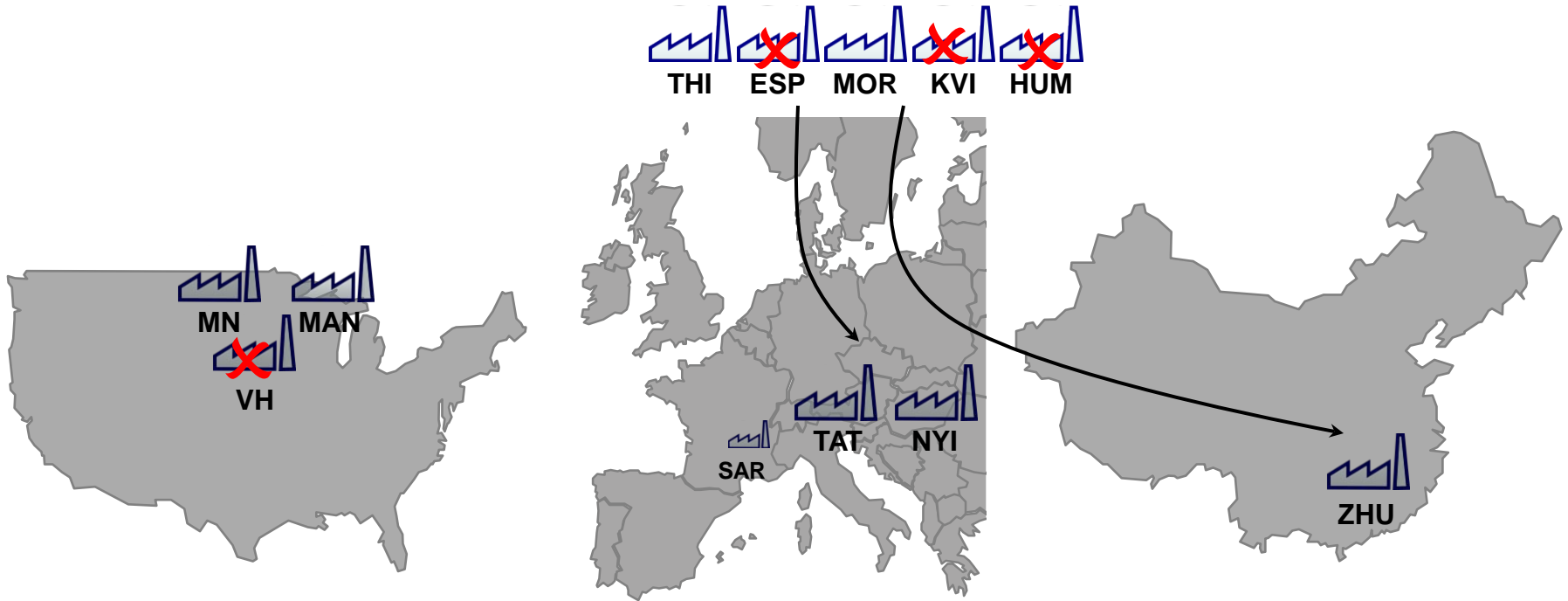
- Improving production efficiency
- Optimize sales force structure
- Adjust marketing support
- Simplify product portfolio
- Optimize pipeline
- Exit or transfer business to distributor in smaller markets



# A new Global Operations plan has been developed to **Reduce Manufacturing Costs**



# COGS improvement from production transfer of volume to Hungary and China

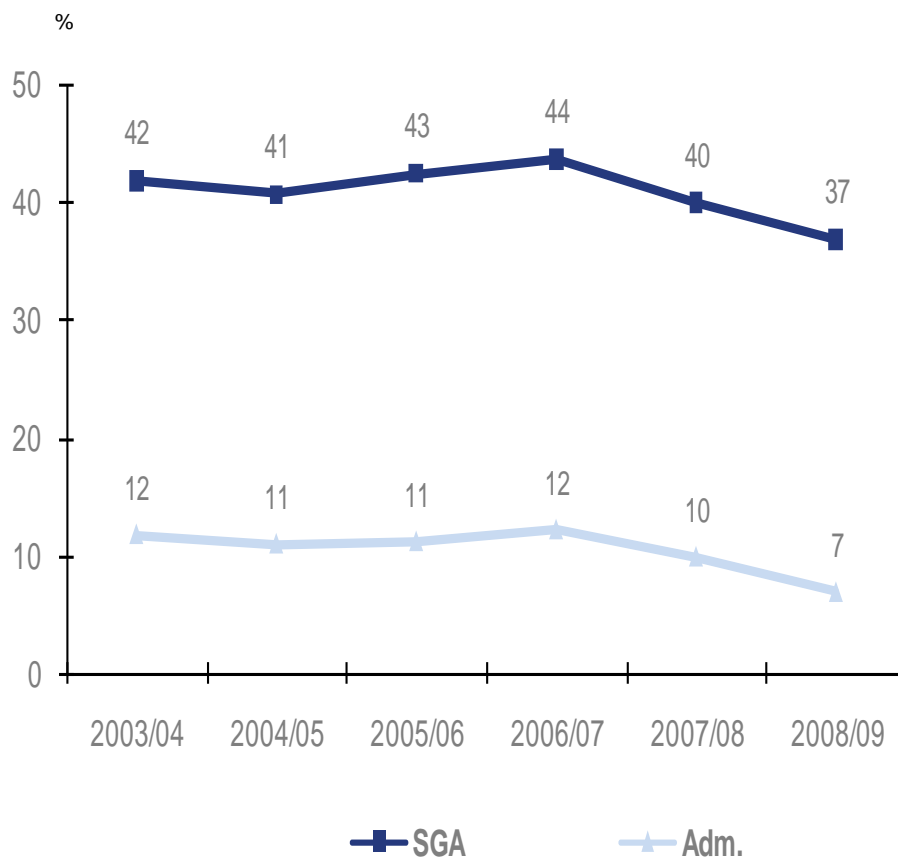


 Innovation & Competency Centre

 High Volume Production

# A targeted set of **cost efficiency** initiatives have significantly reduced the cost base

- Reduced complexity within organisation
- Execution on staff reductions
- Cost reduction programme with more than 25 projects implemented so far

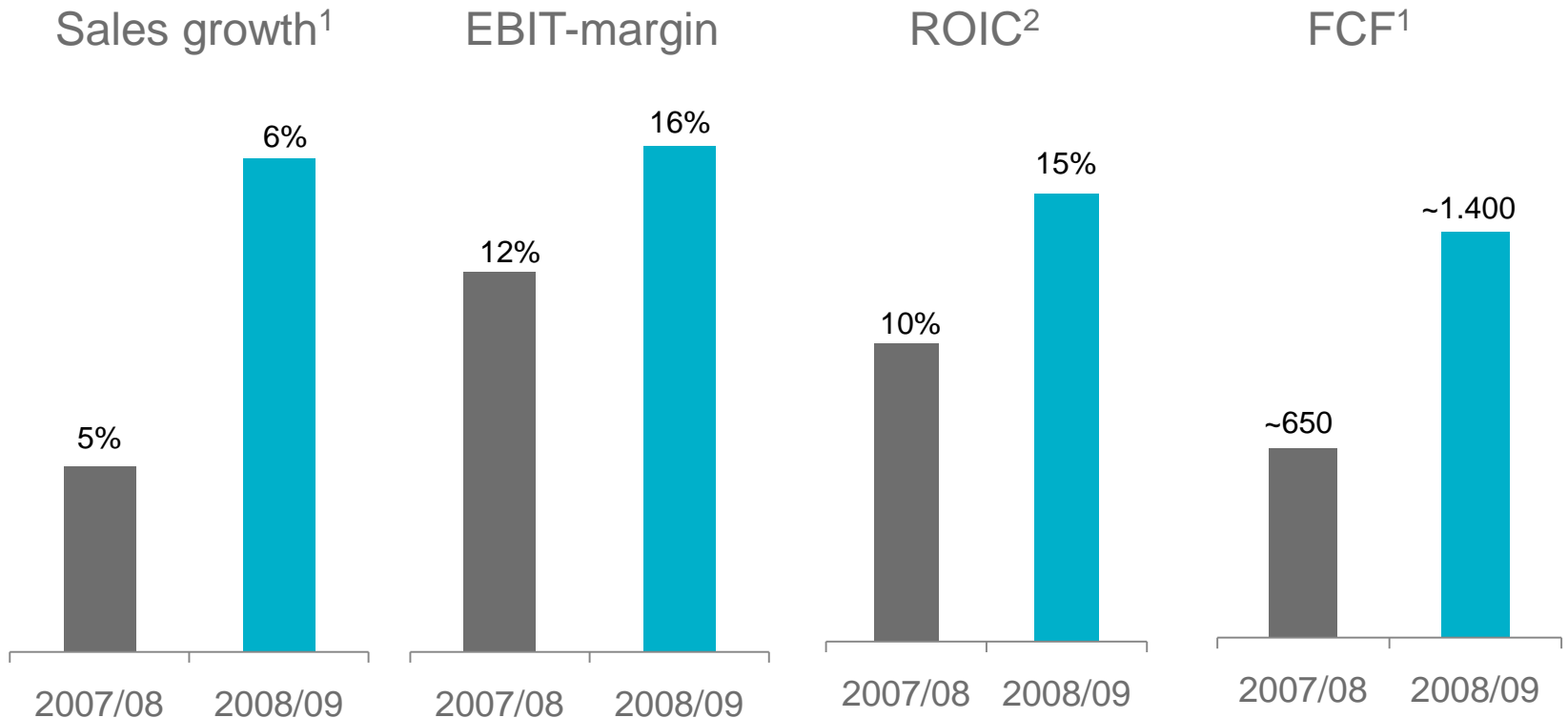


## Furthermore we minimize working capital

- Reducing number of production sites
- Reducing SKU's
- Streamlining European Distribution
- Standardising collection process



# As a result, we have delivered **significant performance improvement** over the past 12 months



1) DKK  
2) After tax

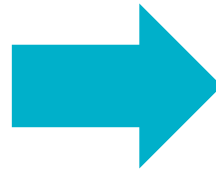
# Agenda

- A base for profitable growth
- **Towards our Full Potential**



# The overall target of the Towards our Full Potential strategy is **Profitable Growth**

## *Old Strategy*

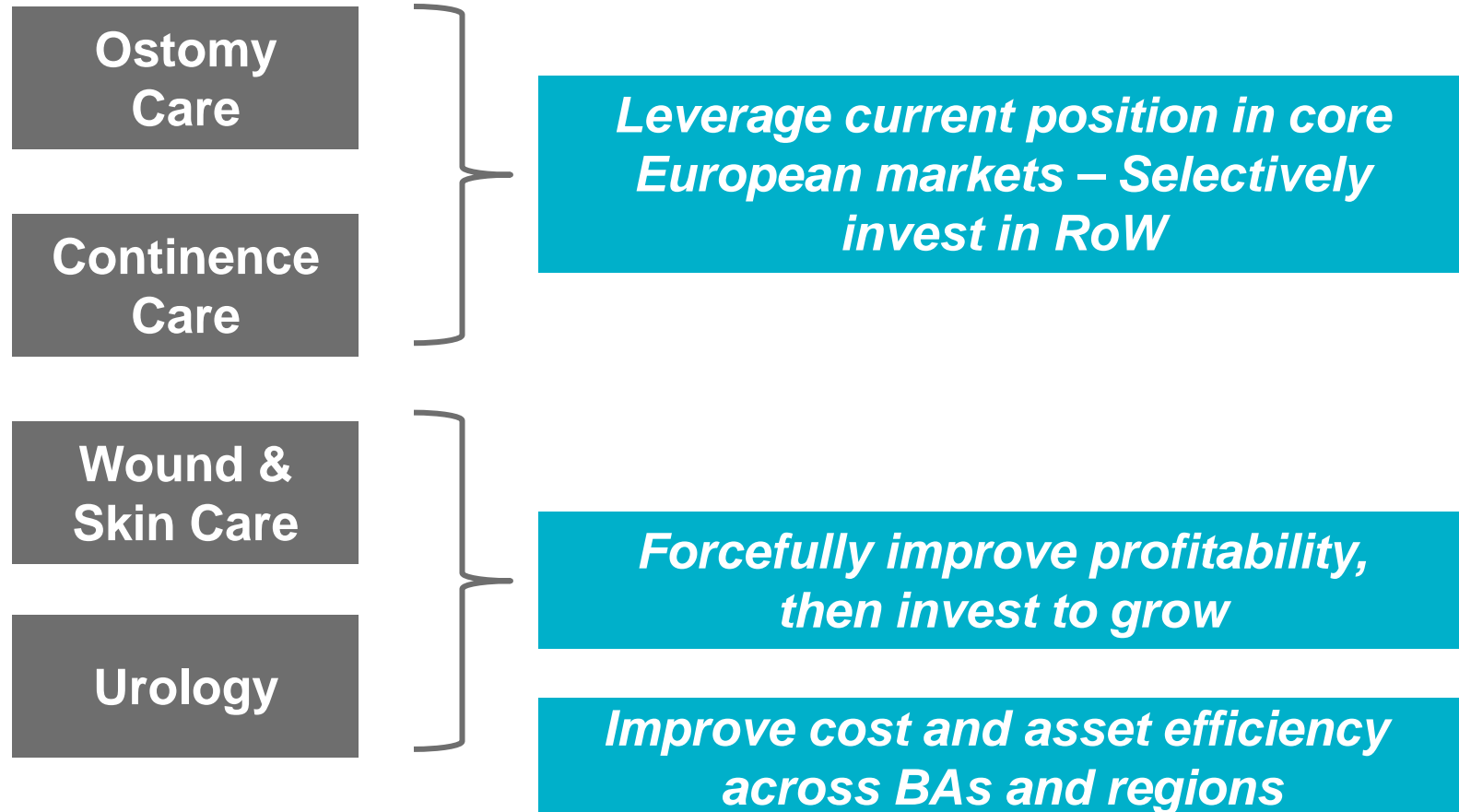


## *Towards our Full Potential*



- Focus on balanced, profitable growth across all business areas and regions
- Profit as a prerequisite for growth

# We have identified **significant upside within all business areas and regions**



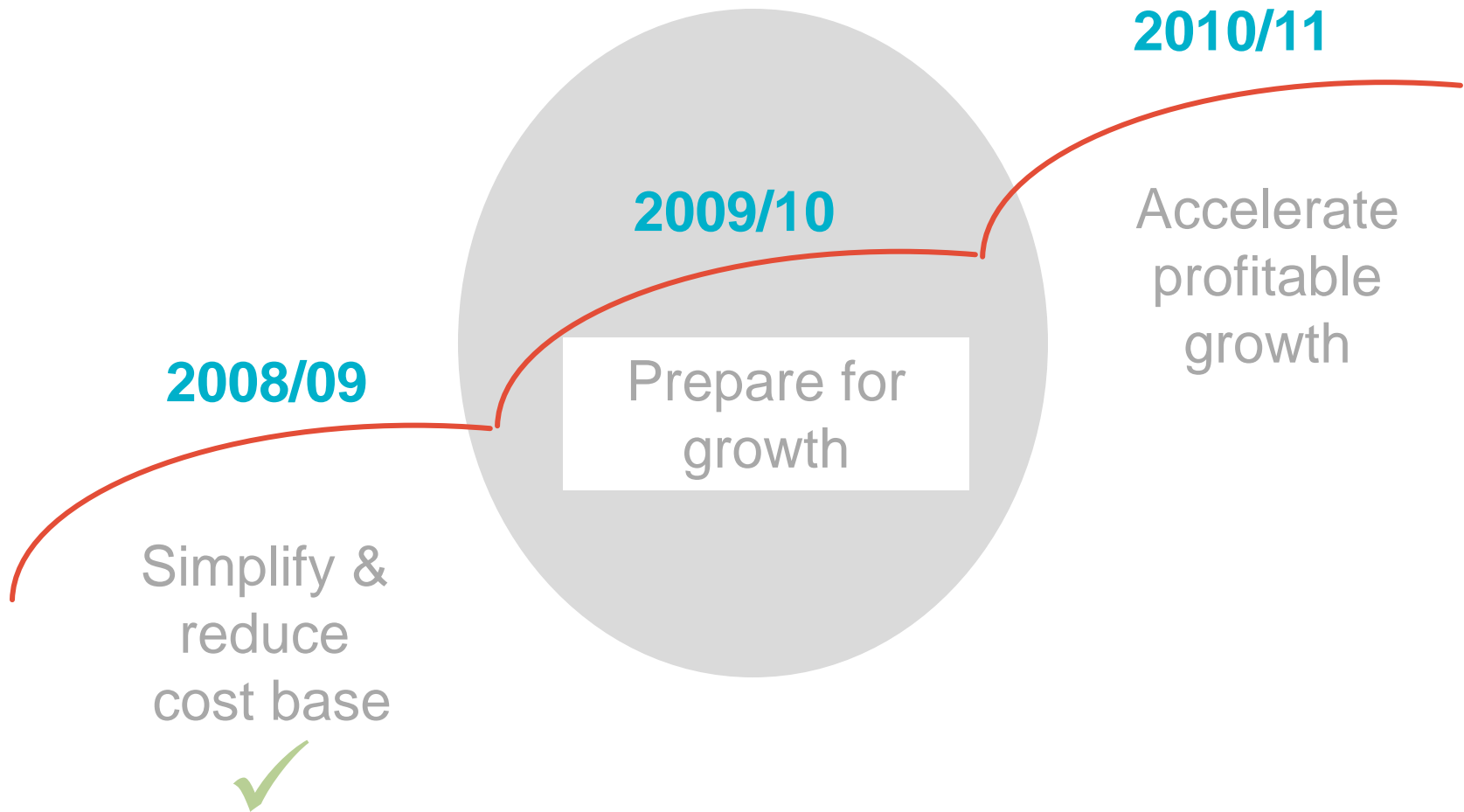
# In **Surgical Urology** growth will continue to come from the US



# In **Wound Care** we will focus our growth initiatives in key markets to drive profitable growth

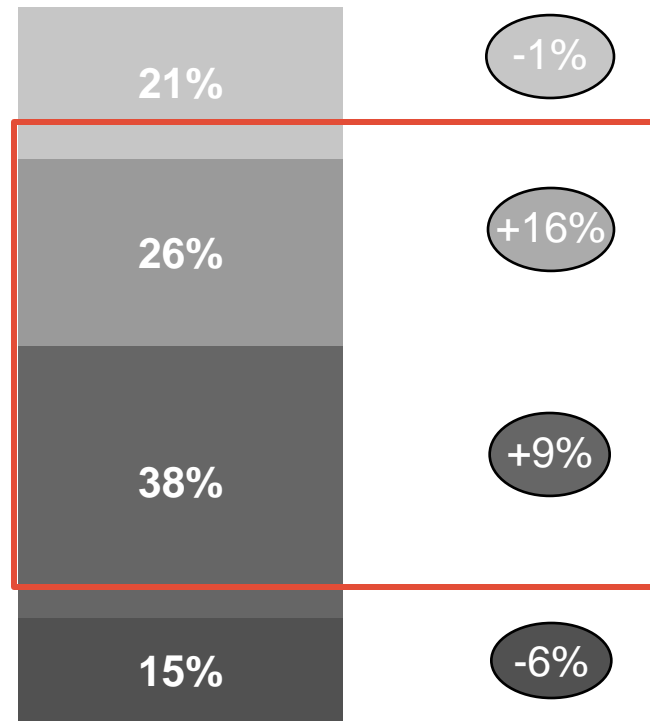


We have optimised our cost structure during the past year  
- focus is now on regaining growth



# Strengthening Biatain® offerings within foam and silver will drive growth the next 24 months

Market value split      Market growth



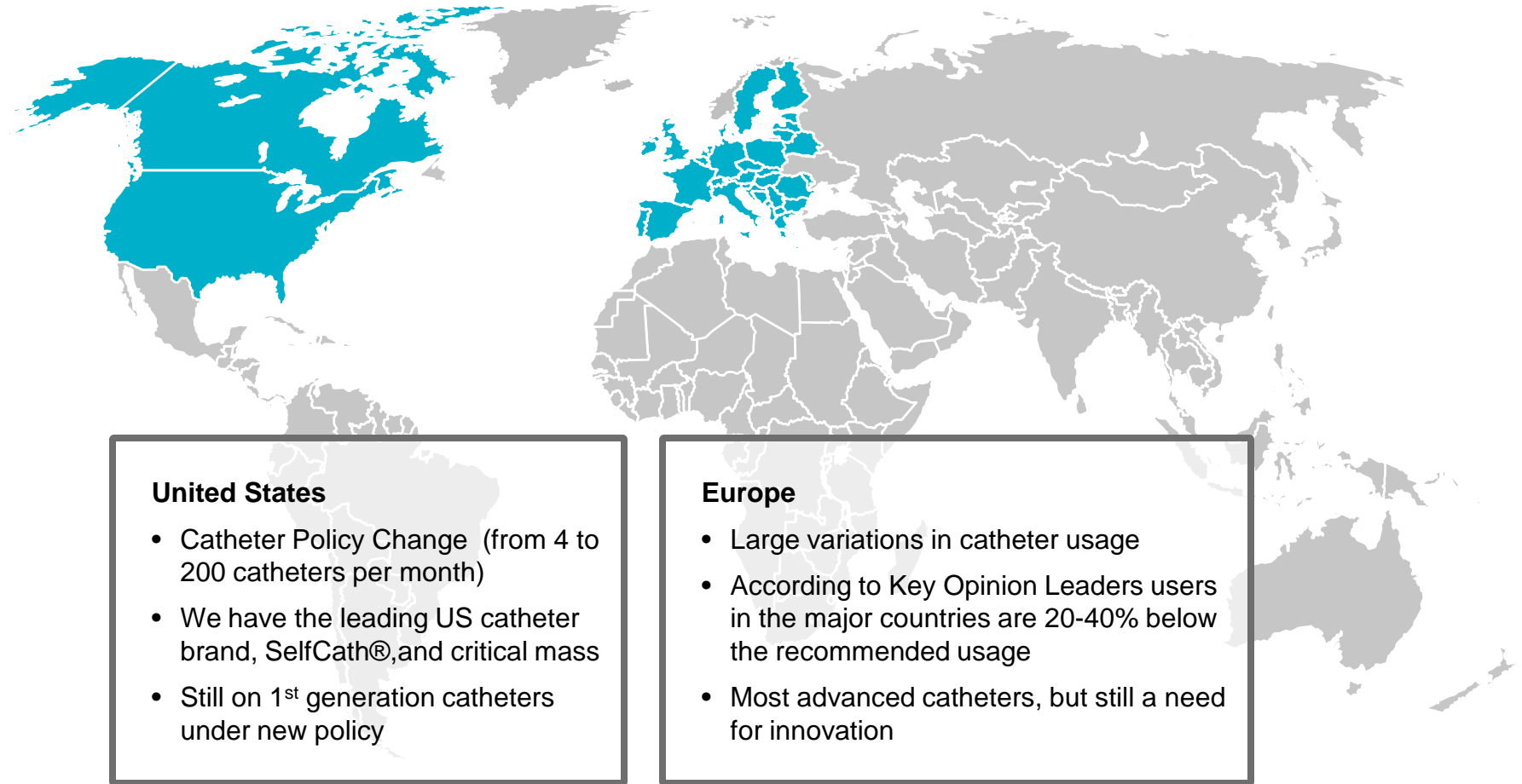
Market

+5-7%

■ HCD   ■ Foam   ■ Silver   ■ Other



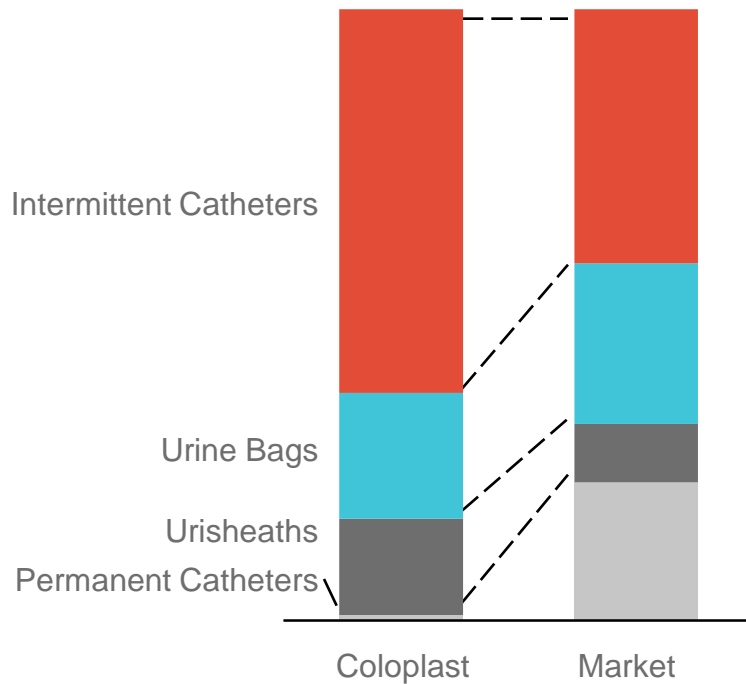
# In **Continence Care** growth will come from Europe and the United States



# We will increase the positive mix effect from intermittent catheters and outperform market growth

...if market share is maintained at minimum

Value split on product segments (DKK) FY0809



Market CAGR  
FY08/09-12/13

+10%

+3%

+4%

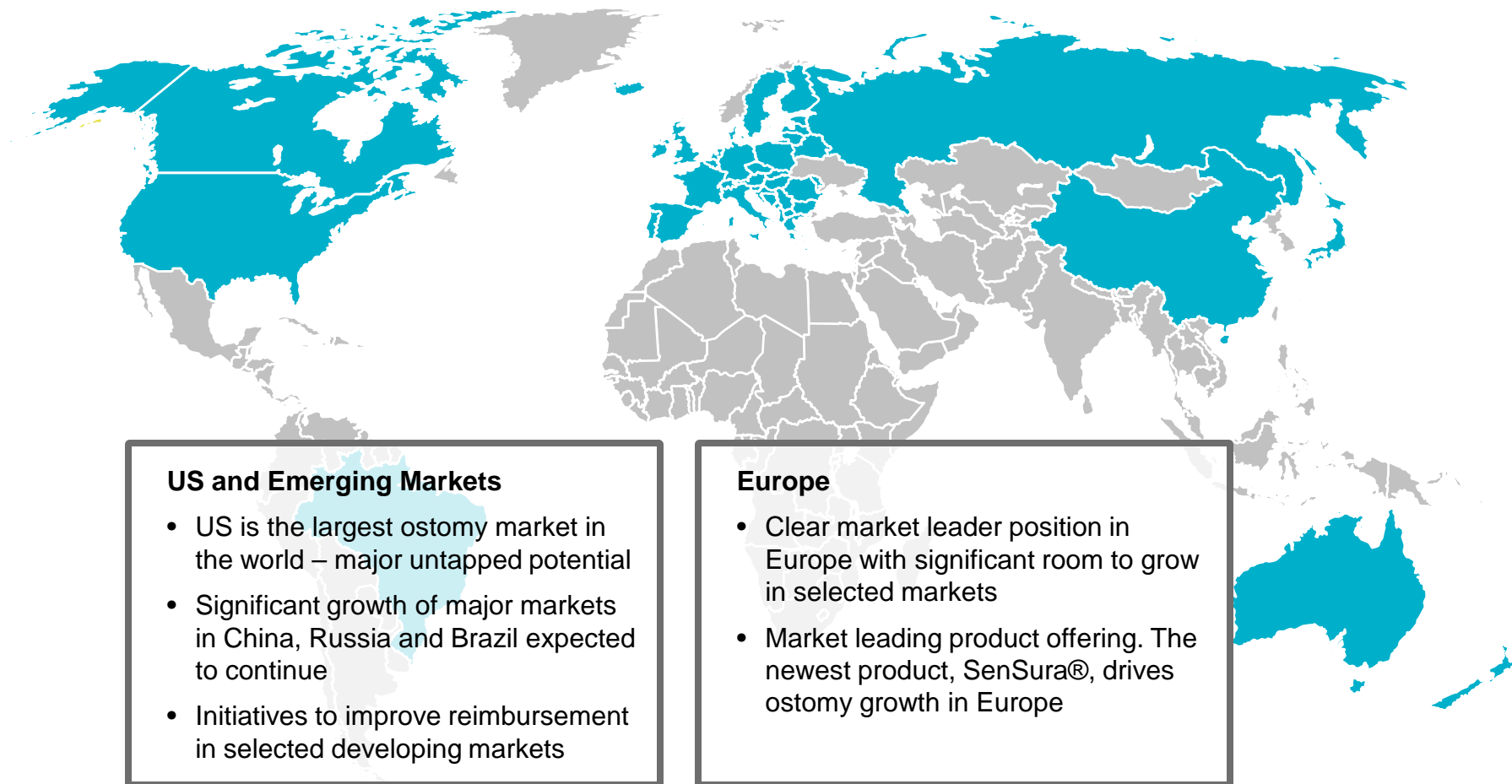
+2%

+5-7%

To enhance our market leader position in intermittent catheters, we will...

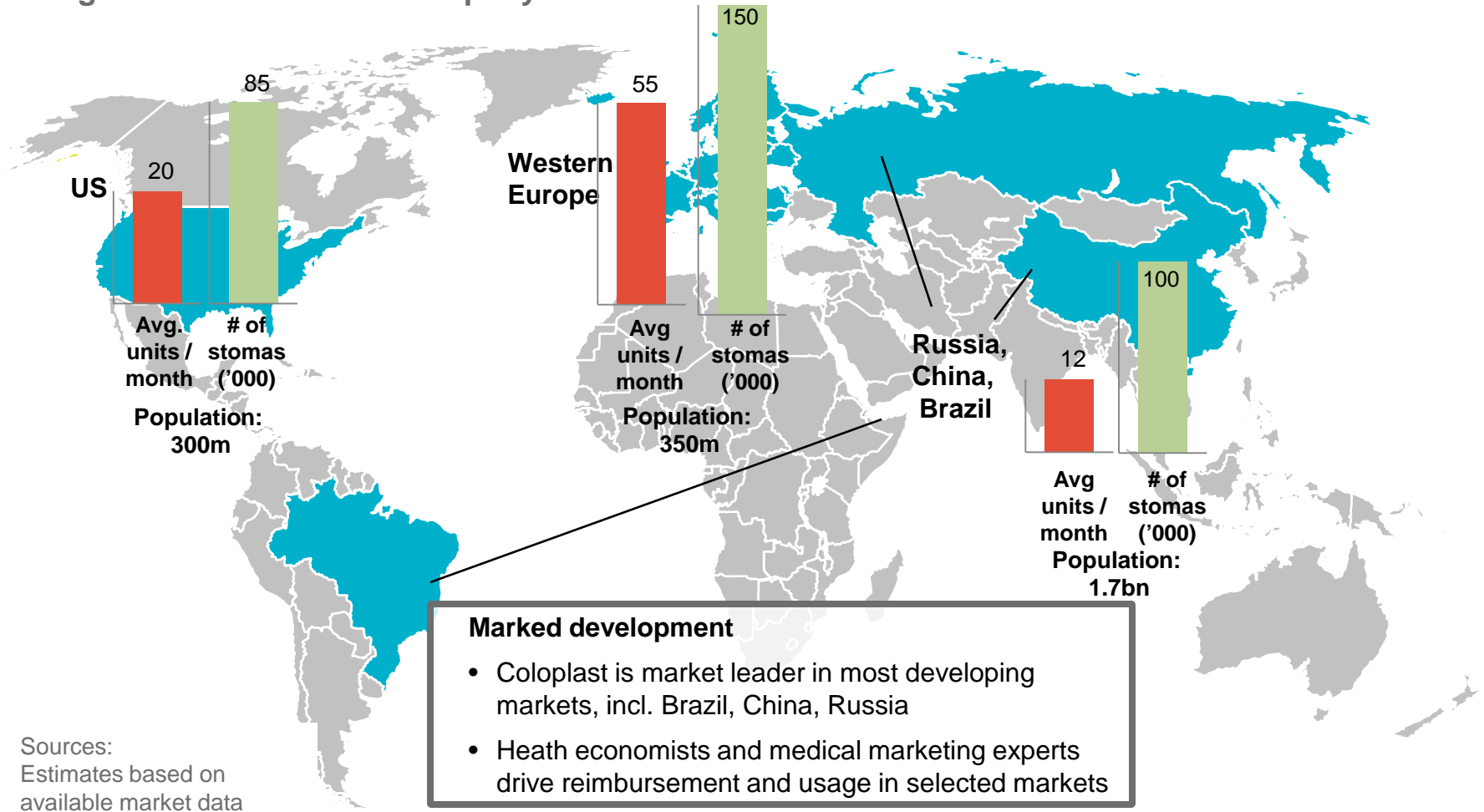
- Accelerate innovation
- Invest in education to remain preferred supplier and improve catheter usage

# In Ostomy Care Coloplast will drive growth with focus on Europe



# Opportunity to drive standard of care outside Europe

## Usage and number of stomas per year



Sources:  
Estimates based on  
available market data

## In summary:

*We have focused on building  
a base for Profitable Growth*

*We have set out on our journey -  
Towards our Full Potential*

*Our strategy reconfirms our  
Financial Targets*