



## Region Europe – Fuelling Coloplast's global growth

Coloplast Capital Market Day 2014  
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# Introducing Region Europe

## Region Europe

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## Region Europe at a glance

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- Operates in 13 countries
- Services 10.000+ hospitals
- 1250+ employees
- 40-50% market share
- Approximate business area split of Chronic Care in Region Europe (Wound Care managed separately):

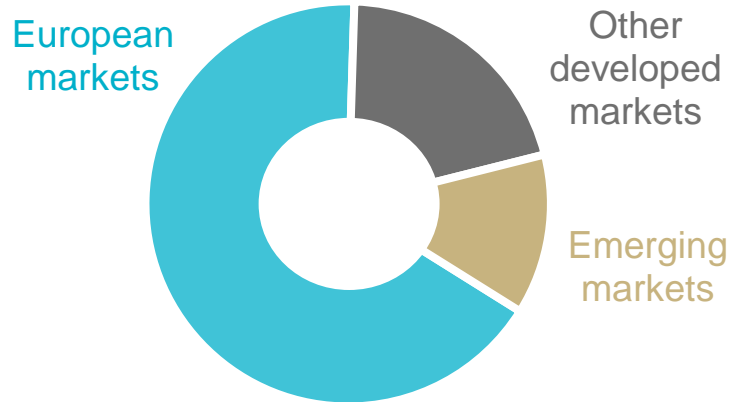


# Region Europe plays a pivotal role in the Coloplast portfolio

Region Europe is our **strategic foundation**...

...from which we are **fuelling our global growth**

- Revenue split of Coloplast Group -



- Key means -

- Key objective -

- 1 Maximising **commercial potential** by pursuing pockets of growth
- 2 Organising for maximum **operational leverage** while prudently managing cost inflation

Generate **incremental cash flow** to fuel growth globally

1

# European markets are mature, but hold commercial potential to Coloplast when addressed properly

## Key trends / characteristics...

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## ...and how we address them

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**1a** Reimbursement reforms leading to ~1% average pricing pressure

- Market Access
- Public Affairs

**1b** Distributor consolidation

- Strength of brand / portfolio
- Consumer marketing
- Home care / home distribution

**1c** Attractive markets with moderate growth

- Innovative product portfolio
- Exploiting pockets of growth

1a

# Reimbursement reforms are an inherent part of our business, but we have measures to maintain and improve our prices

## Examples of - pricing issues -

### France

Chronic care price cut Q4 2013

### Holland

OC price cut Q1 2014

### Denmark

No reimbursement for SpeediCath Compact Set

## Examples of - how we address pricing issues -

### Market Access

Health economics

Global pricing projects

Distributor setup

### Public Affairs

Awareness campaigns

Presence in industry association  
EUCOMED

Engaging with key policy makers

1b

# In recent years we have seen an increasing tendency for distributors to consolidate...

## Examples of - distributor consolidation -

Acquirer

Target



1b

...but we have measures to secure our distribution channels and capture our fair share of the value pool

Examples of  
- how we capture the value pool -

Unavoidable products



Consumer Marketing



Homecare Companies



1c

# European market growth is stable, and we are able to outgrow the market...

	Market growth*	Coloplast growth*
Ostomy Care	~ 3%	~ 5%
Continence Care	~ 4%	~ 6%
Total Europe	3 - 4%	5 - 6%

\*Value growth FY2012/2013

Ostomy Care  
Urology & Continence Care  
Wound & Skin Care



...using our innovative and superior product portfolio...

**New SenSura Mio**



**SpeediCath Compact Set**



**Brava**



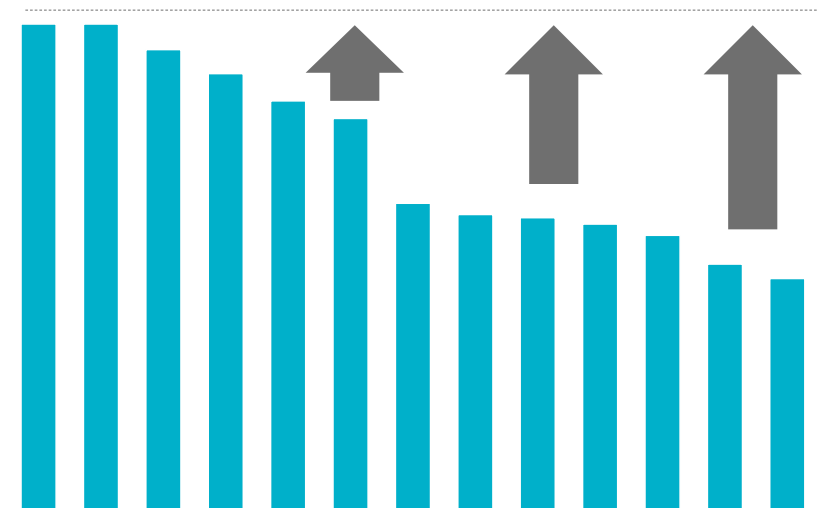
**Peristeen**



1c

...and by systematically identifying and exploiting pockets of growth across the region

Region Europe market shares by country



Region Europe  
holds significant  
**untapped  
potential**

# Our European setup is, lean, efficient and scalable – most of our growth therefore turns into investable cash flow

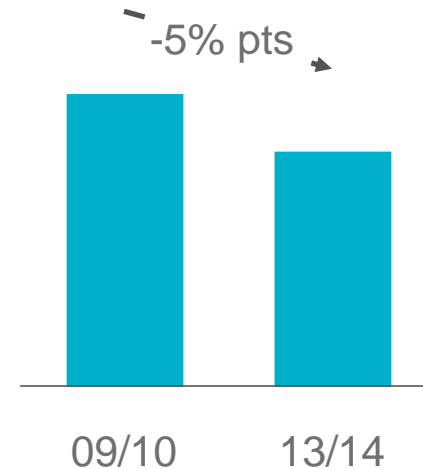
## Chronic Care Country model

for organizing sales subsidiaries

## Scalable back office

setup leveraging Coloplast's business support centre in Poland

## Region Europe Cap-cost-to-sales



Region Europe  
has the ability to  
generate significant  
**investable cash**  
flow

# In sum, Region Europe is the strategic foundation from which we are fuelling Coloplast's global growth agenda

- Region Europe holds significant **commercial potential** – and we have the means to exploit it
- Our setup is lean, **efficient and scalable** – and we continue to utilize and refine it
- Incremental growth and scale means that we generate significant investable **cash to fuel growth** across the Group

## Our mission

Making life easier for people  
with intimate healthcare needs

## Our values

Closeness... to better understand  
Passion... to make a difference  
Respect and responsibility... to guide us

## Our vision

Setting the global standard  
for listening and responding