



Coloplast

- Value creation through growth

Investor presentation

FY 2004/05

November 2005

Highlights FY 2004/05

The year's performance confirms our expectations

- Revenue was DKK 6,528m, which represents an increase of 8% in local currencies
- Operating profit increased by 2% to DKK 1,005m
- The profit margin was 15%
- Free cash flow was DKK 919m, the highest ever
- Economic profit (EP) increased by 30% to DKK 287m
- The continence-, wound- and skin care businesses achieved two-digit sales growth
- The German healthcare reform cut the reimbursement prices for ostomy products by 13%, which had a downward effect on revenue and operating profit
- For 2005/06 an organic revenue growth of around 10% in local currencies and a profit margin of approx. 16% are expected

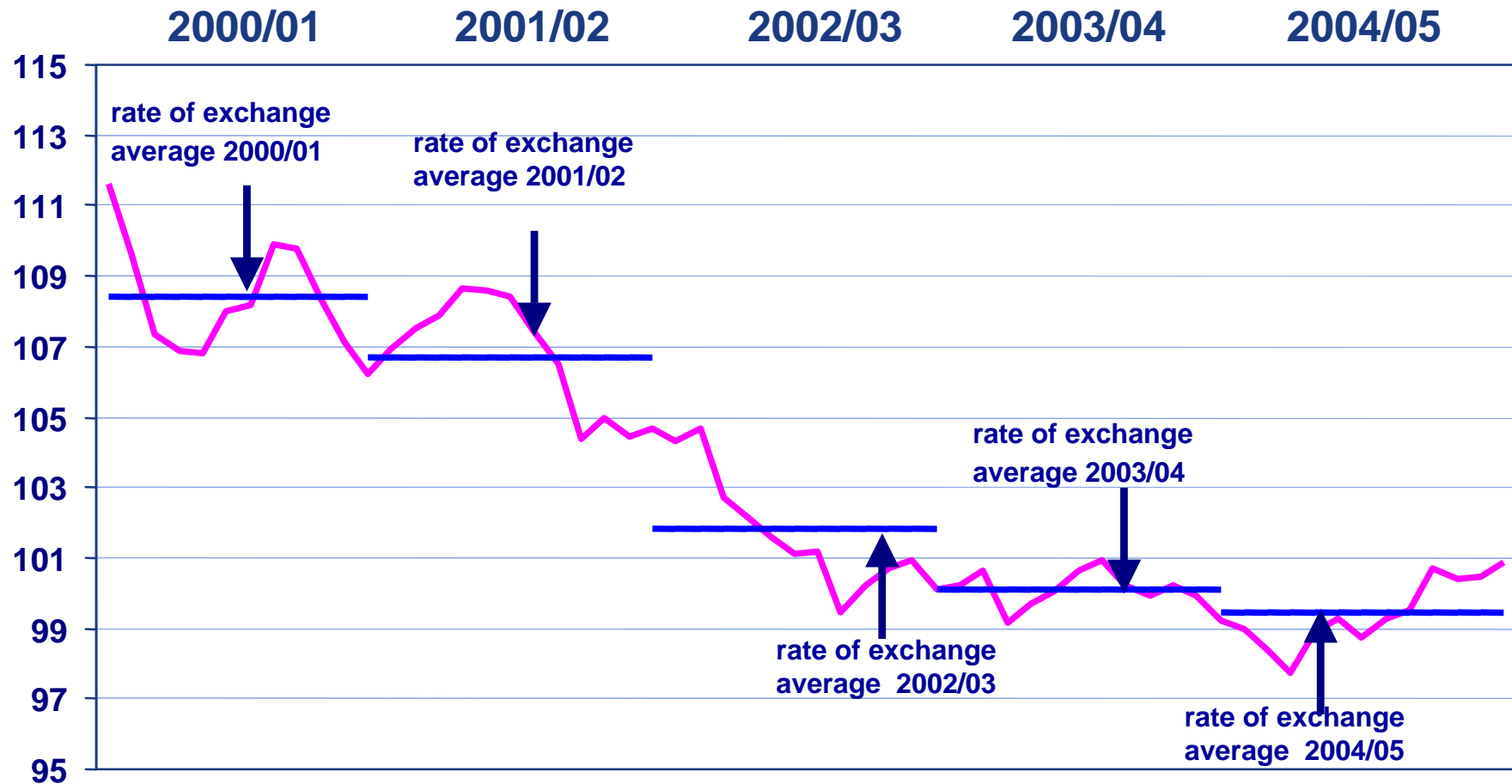
Strategy and objectives towards 2012 – "Investment in growth"

- At least a doubling of economic profit (EP) every five years towards 2012, based on the 2004/05 figures
- A revenue of DKK 13bn through organic growth
- A profit margin (EBIT margin) of at least 18%

Key figures FY 2004/05

mDKK	2004/05	2003/04	Index
Revenue	6,528	6,069	108
EBIT	1,005	988	102
Financial items	-120	-89	135
Profit before tax	885	899	98
Group profit	593	577	103
Profit margin	15%	16%	
Economic Profit (EP)	287	221	
EPS	13	12	

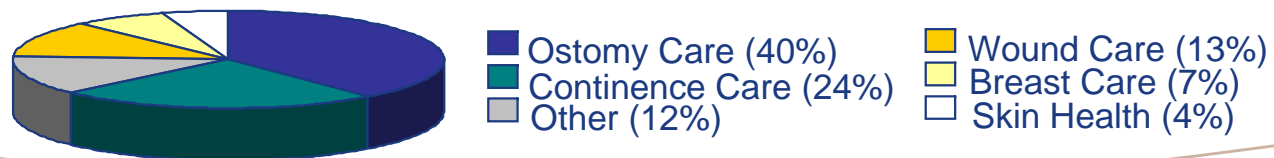
Exchange rate development 2000-2005



Growth FY 2004/05

- local currencies

	Growth FY 2004/05	Growth Q3 2004/05	Growth FY 2003/04	Est. market growth**
Ostomy Care	9%	9%	14%	4-7%
Contenance Care	10%	10%	10%	4-6%
Chronic Care segment*	8%	9%	10%	
Wound Care	12%	9%	12%	9-10%
Skin Health	11%	8%	21%	9-11%
Breast Care	6%	4%	0%	(3)-(1)%
SBU segment	9%	7%	10%	
Coloplast total	8%	8%	10%	
Europe	7%	7%	10%	
Americas	13%	11%	9%	
ROW	12%	22%	13%	



* Includes homecare

** Updated. Global market growth, Skin Health US only

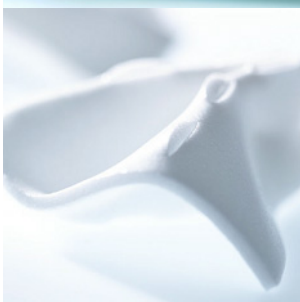
Highlights business areas



Ostomy Care European market share approaching 40%
- **Corsinel** sales exceeding expectations



Continenace Care growth by 10%
- New market definition on catheters, market share 36%

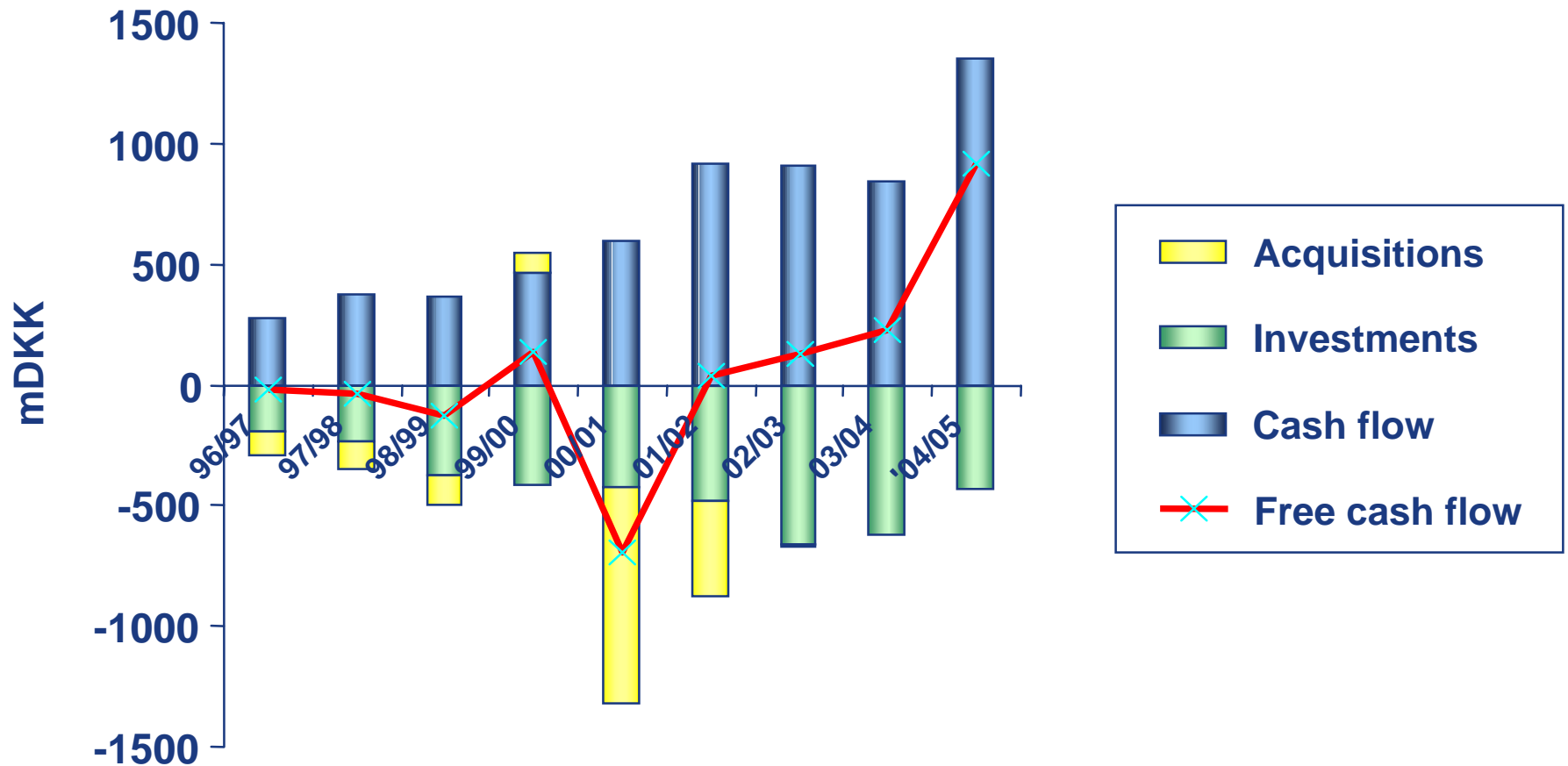


Wound Care sales increase of 12%, exceeding market growth
- Launch of **Biatain** Soft-hold and new silver dressings

11% sales growth within **Skin Care**
- Growth in US sales of both skin care and wound care products

Breast Care sales at 6% growth
- Growth in both US and Europe, new products well accepted

Cash flow



UK Department of Health Consultation

- Main elements of the proposal
 1. Implement changes to existing reimbursement and remuneration
 2. Consider how to set future reimbursement prices
- Proposed reduction of reimbursement prices
 - Ostomy Care and Continence Care products -15%
 - Wound Care dressings -5%
- Proposed reduction of remuneration of services
- Too early to conclude on financial impact from proposal on Coloplast
- Feedback on the Consultation Document must be received by DH by 23 January 2006

Expectations 2005/06

2005/06

- Sales growth of 10% in local currencies
- Profit margin of 16%

- CAPEX DKK 400mn
- Corporate tax rate of 28%

All figures are approximate figures

Analysts' estimates 2004/05

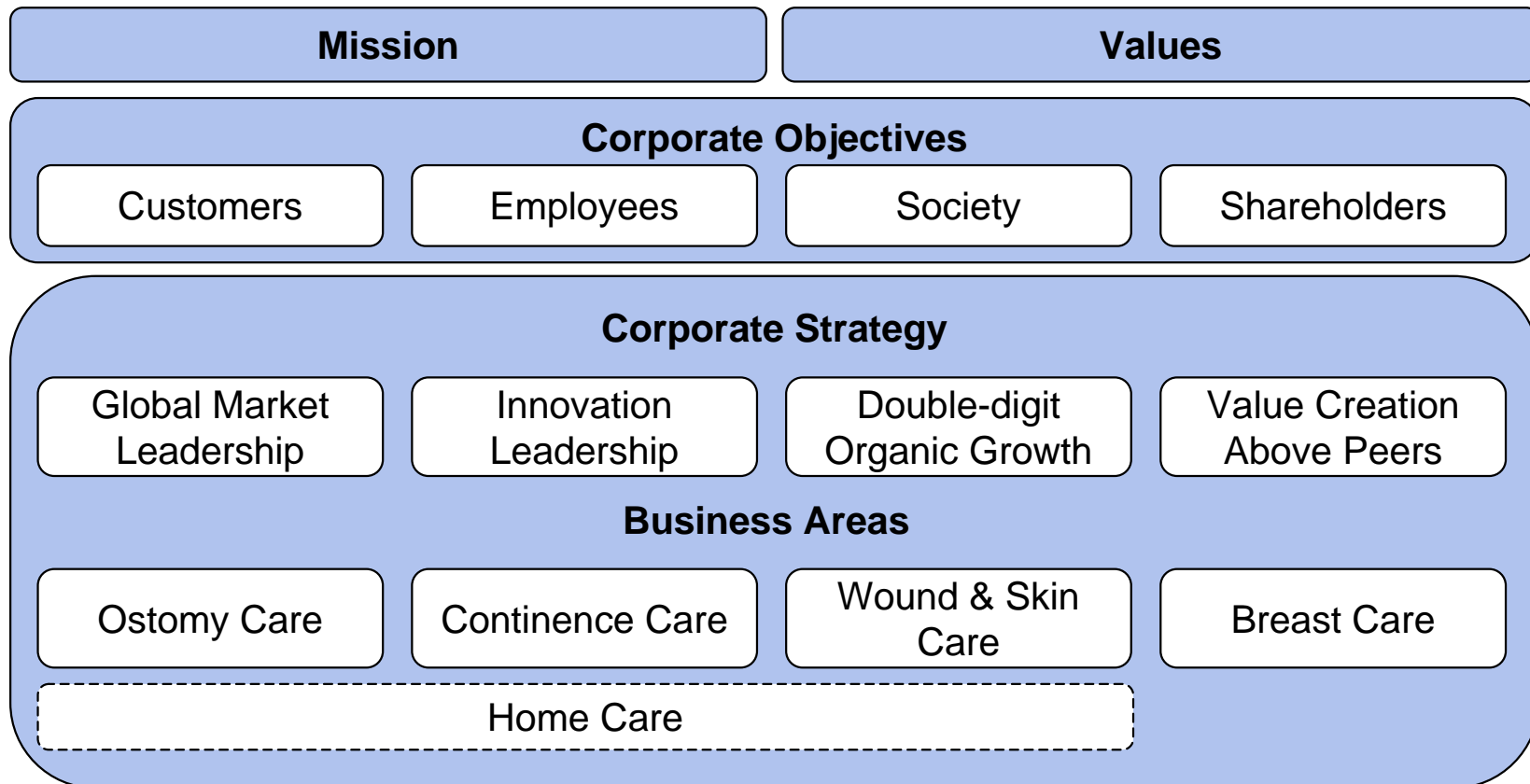
mDKK	Net sales	Operating profit	Profit margin	PBT
High	6,574	1036	15.8%	947
Mean	6,533	998	15.3%	890
Low	6,469	981	15.0%	833
Coloplast actual	6,528	1005	15.4%	885
Index to mean	100%	101%	100.8%	99%

Coloplast's Corporate Strategy to 2012

“Investing in Growth”



Strategic framework towards 2012

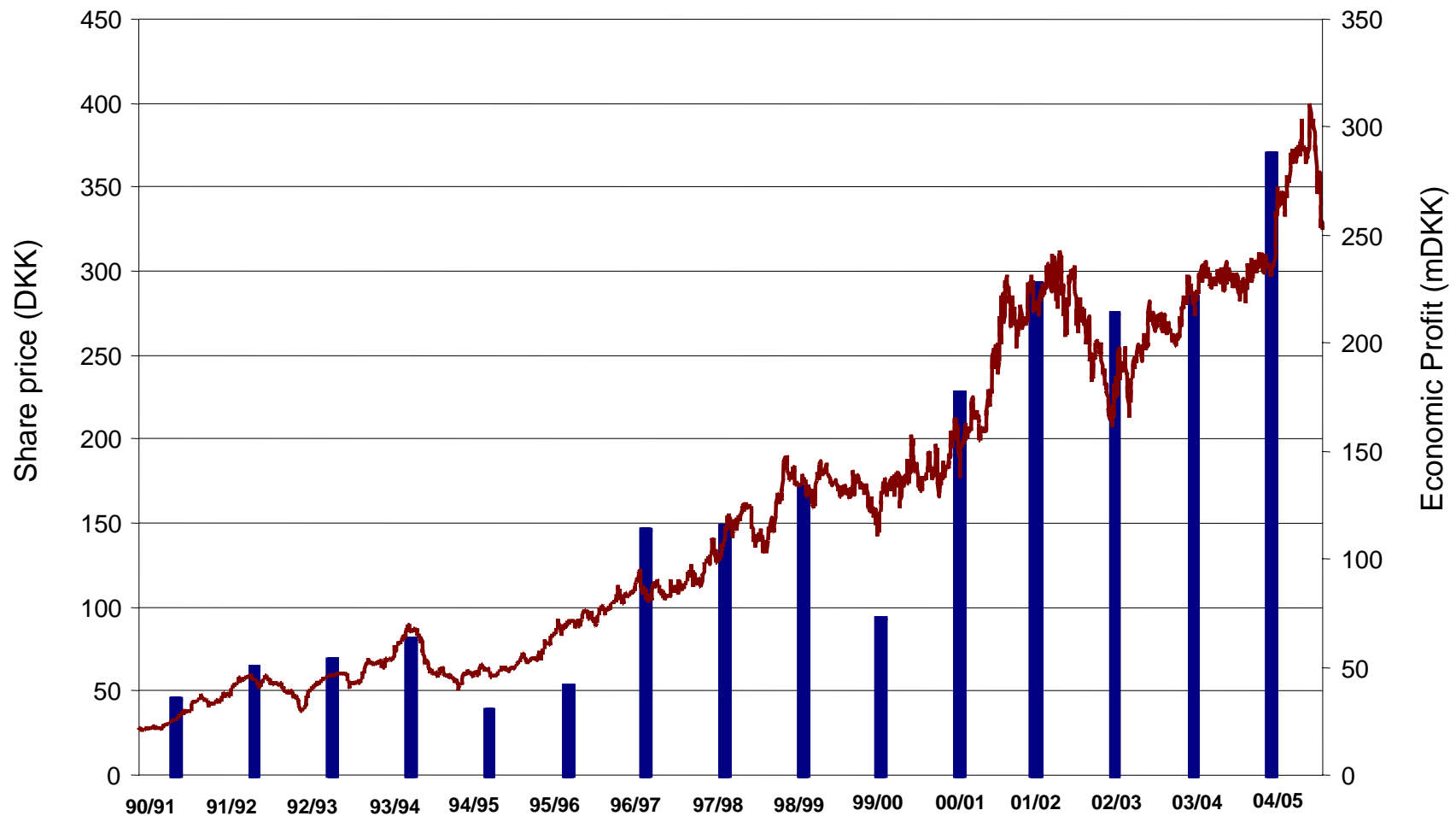


Coloplast's financial objectives towards 2012

- At least a doubling of economic profit (EP) every five years towards 2012, based on the 2004/05 figures
- Organic growth of Coloplast's revenue to DKK 13bn
- A profit margin (EBIT margin) to exceed 18%

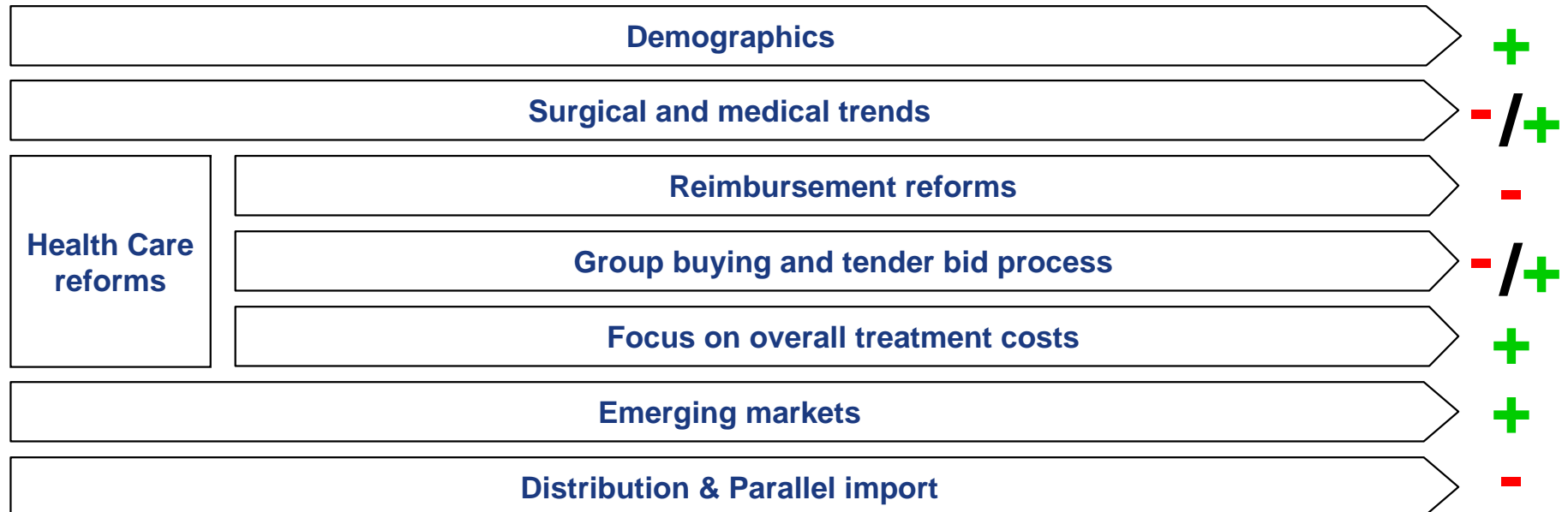
- Aspiring for market leadership within all business areas
- Innovation leadership
- Operational excellence
- Acquisitions to provide economic profit after three full years

Share price and EP



EP in 2001/02 is shown without special items. EP incl. special items is 657 mDKK

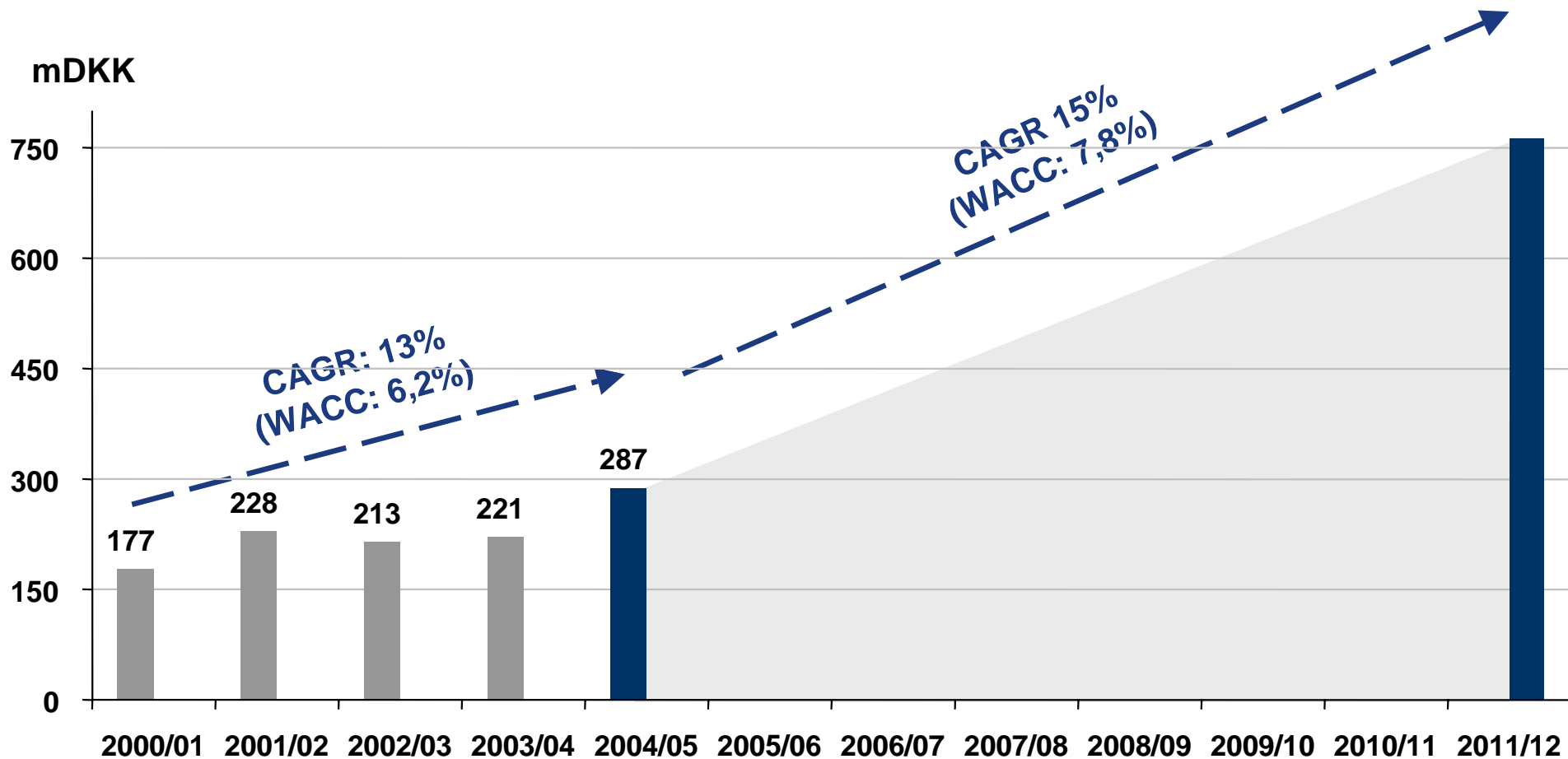
External factors - Demand outlook



The demand for products and services will continue to grow towards 2012 in terms of volume, but pressure on prices and margins will continue

Market growth within Coloplast's business areas estimated at 5-7%

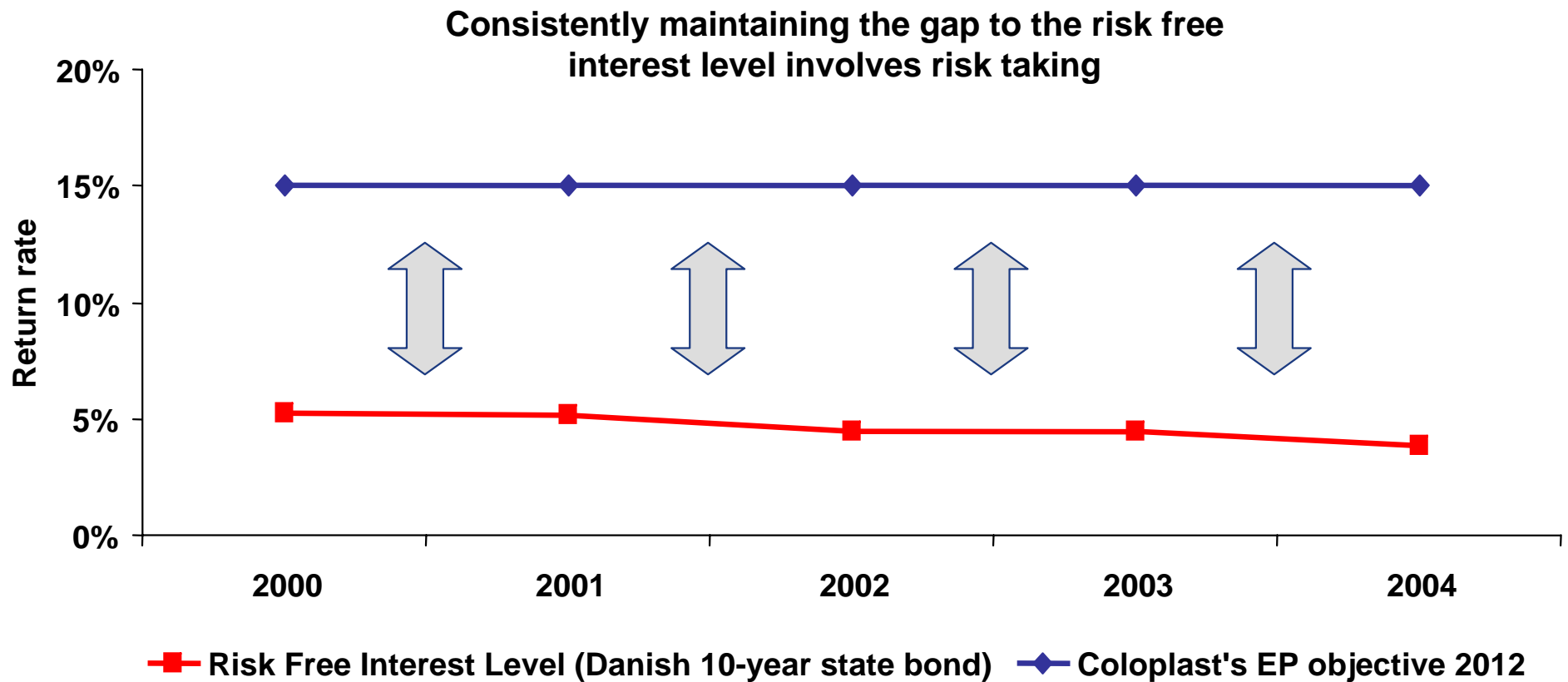
At least doubling economic profit (EP) every five years



■ Economic profit (EP)

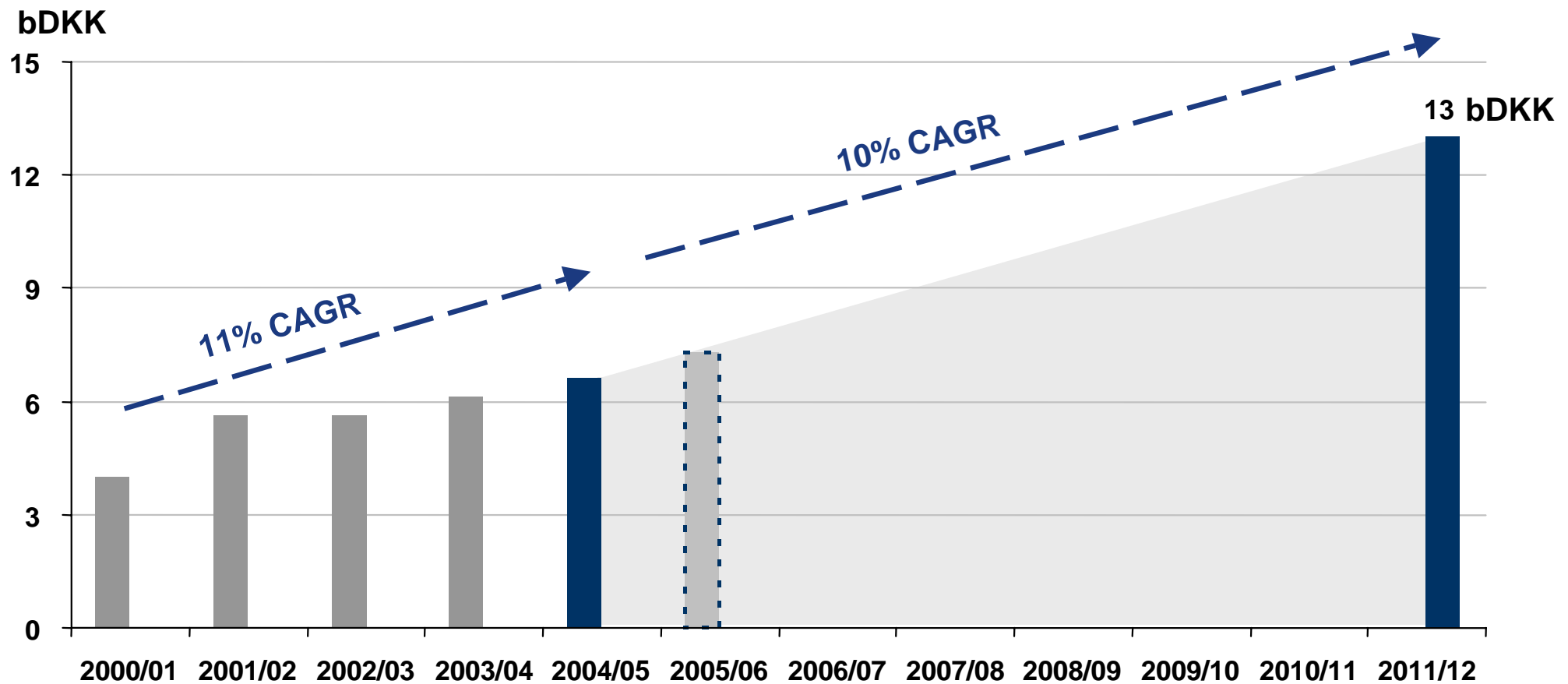
EP objective 2012

- Compared to risk free interest level



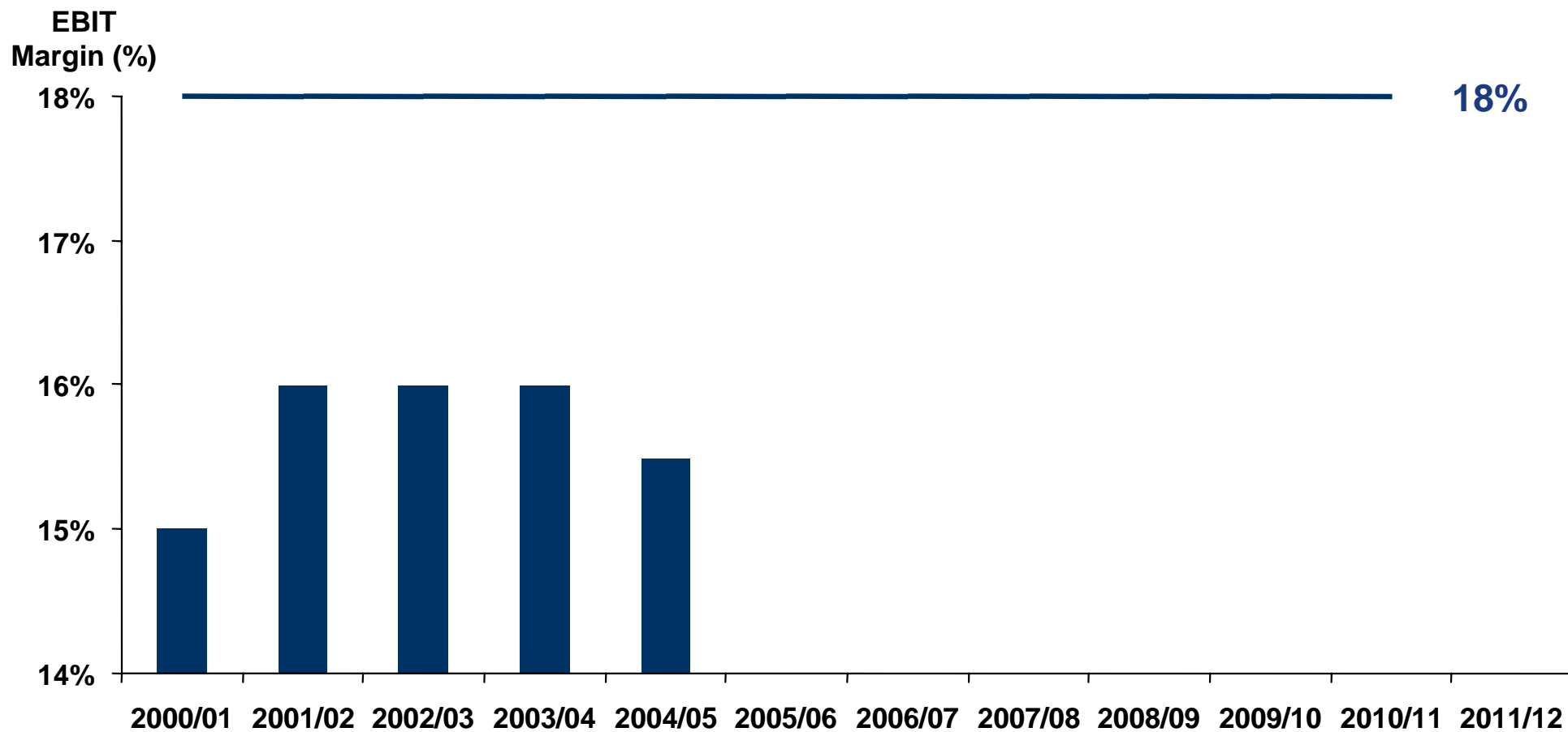
Revenue of DKK 13bn in 2012

- Requires double digit organic growth



■ Net revenue (DKKbn)

EBIT margin at least 18%



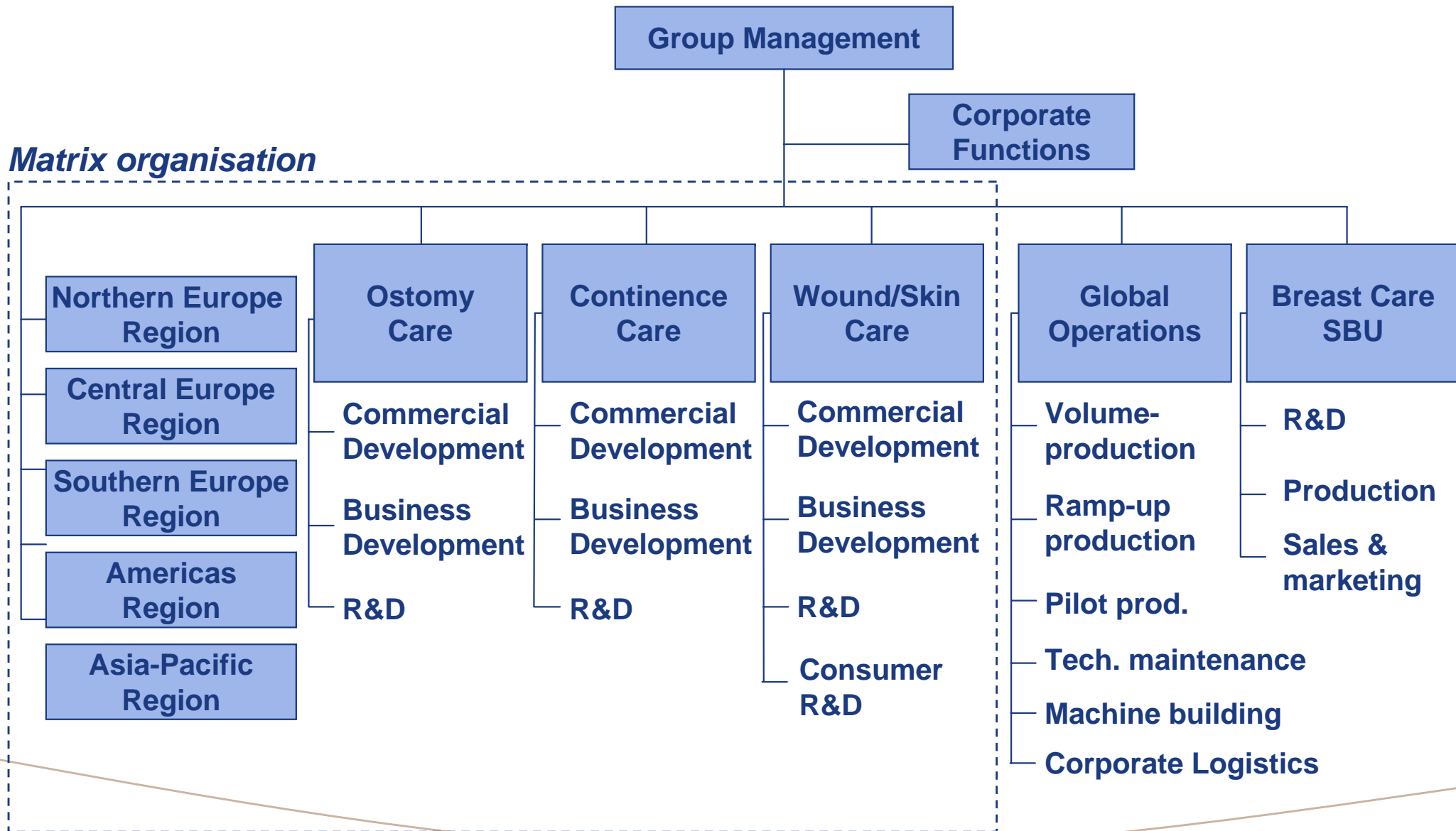
Long term value creation through growth and innovation

- Investing in growth influences profit margin

- Up-scaling investments in research and development
- Faster market roll-out of new products
- Specialised sales forces
- Investing in new geographical markets
- Investing in new technology and product areas
- Moving into regions with lower gross margins

- Manufacturing
 - Establishment of Global Operations
 - Relocation to Hungary and China
 - Scale advantage
- Corporate procurement
- Productivity improvements in all parts of the organisation through abc/Lean

A new matrix organisation



Strategic objectives 2012

2012

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- Aspiring for market leadership within all business areas
- Operational excellence
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