

Coloplast

Financial results
H1 2004/05

Conference call
18 May 2005



Highlights H1 2004/05

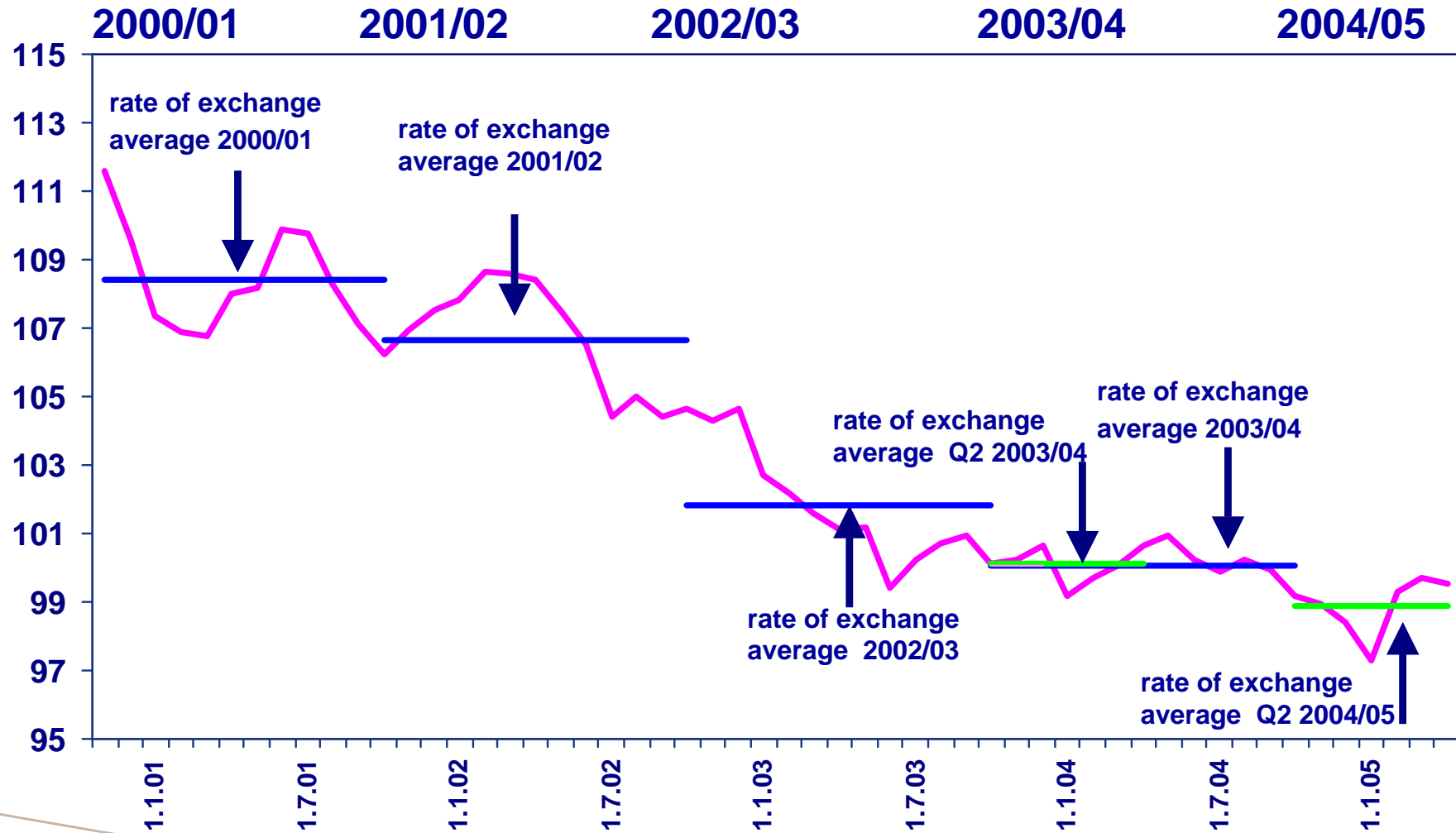
- During the first six months, sales grew by 7% in local currencies, 6% in Danish kroner, as the second quarter saw the expected positive development of revenue and profit
- The profit margin was 14% and operating profit came to DKK 430m
- Inventories were reduced by DKK 106m
- Free cash flow was DKK 366m compared with a negative balance of DKK 115m last year
- Sales of ostomy products increased by 12%, making this business area the strongest performer
- Expectations for the full year 2004/05 remain an organic revenue growth of 8-9% and a profit margin of 15-16%



Key figures H1 2004/05

mDKK	6 months 2004/05	6 months 2003/04	Index vs 2003/04
Revenue	3,099	2,924	106
EBIT	430	477	90
Special items	-17	0	-
Financial items	-52	-48	108
Profit before tax	361	429	84
Tax	-119	-152	78
Minority interests	-2	-2	100
Group profit	240	275	87
Profit margin	14%	16%	-

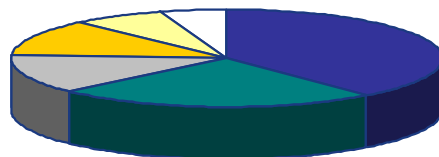
Exchange rate development 2000-2005



Growth H1 2004/05 - local currencies

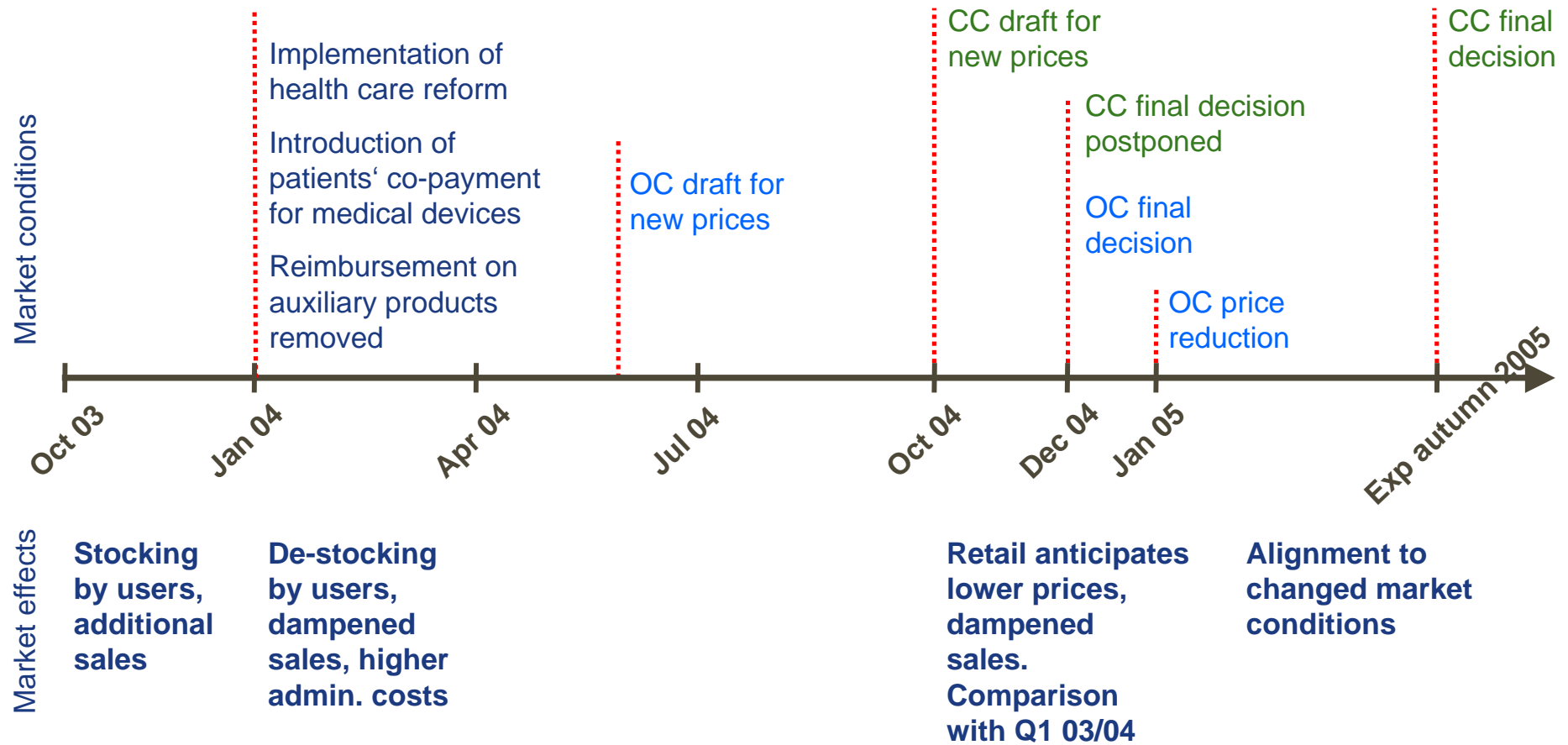
	Growth H1 2004/05	Growth H1 2003/04	Est. market growth
Ostomy care	12%	17%	2-6%
Continence care	9%	11%	5-8%
Chronic care segment*	8%	12%	
Wound care	8%	14%	9-11%
Skin health	7%	24%	9-12%
Breast care	(1)%	3%	(3)-(-1)%
SBU segment	5%	12%	
Coloplast total	7%	12%	
Europe	5%	12%	
Americas	10%	10%	
ROW	23%	19%	

*Includes
homecare



■ Ostomy care (39%)
■ Continence care (24%)
■ Other (13%)
■ Wound care (12%)
■ Breast care (7%)
■ Skin health (5%)

Effects of changing market conditions in Germany





Effects of reduced inventories

- Inventories built up during 2003/04
 - Relocation to Hungary
 - ERP system rollout in manufacturing
 - Inventories reduced faster than expected in H1 2004/05 and Q4 2003/04
 - Low revenue growth compared with last year
- ⇒ Financial effects on profit margin
- Stock reduction ⇒ -3 percentage point on EBIT
 - Low revenue growth ⇒ -1/2 percentage point on EBIT
- ⇒ Financial effects on cash flow
- Free cash flow was DKK 366m, up DKK 481m on last year's figure

Highlights markets



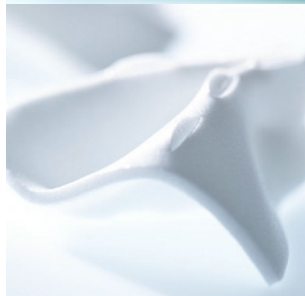
Continuous market share gains within **ostomy care**

- Sustainable US and RoW growth, restructuring in Germany
- **Corsinel** well accepted, introduced in Denmark, Australia



Continance care growth by 9%

- **SpeediCath Compact** exceeding expectations
- New reimbursement prices in Germany expected by the end of 2004/05



Wound care sales increase of 8%

- **Contreet, Biatain, Alione** performing well
- Silver dressing showing strong growth, introduced in France

Breast care sales stabilised at -1% compared to strong H1 03/04

- Growth in US/Europe, Germany affected by healthcare reform

Expectations and targets

MAINTAINED

2004/05

- Sales growth of 8-9% in local currencies
- Profit margin 15-16%

2008

- Sales exceeding DKK 9 billion through organic growth
- Profit margin (EBIT) reaching 18%
- ROAIC of 20%
- Acquisitions and divestments

Analysts' estimates

H1 2004/05

MDKK	Net sales	Operating profit	Profit margin	PBT
High	3,185	464	14.8%	425
Mean	3,113	429	13.8%	379
Low	3,072	385	12.5%	327
Coloplast actual	3,099	430	13.9%	361
Index to mean	100%	100%	101%	95%



Coloplast