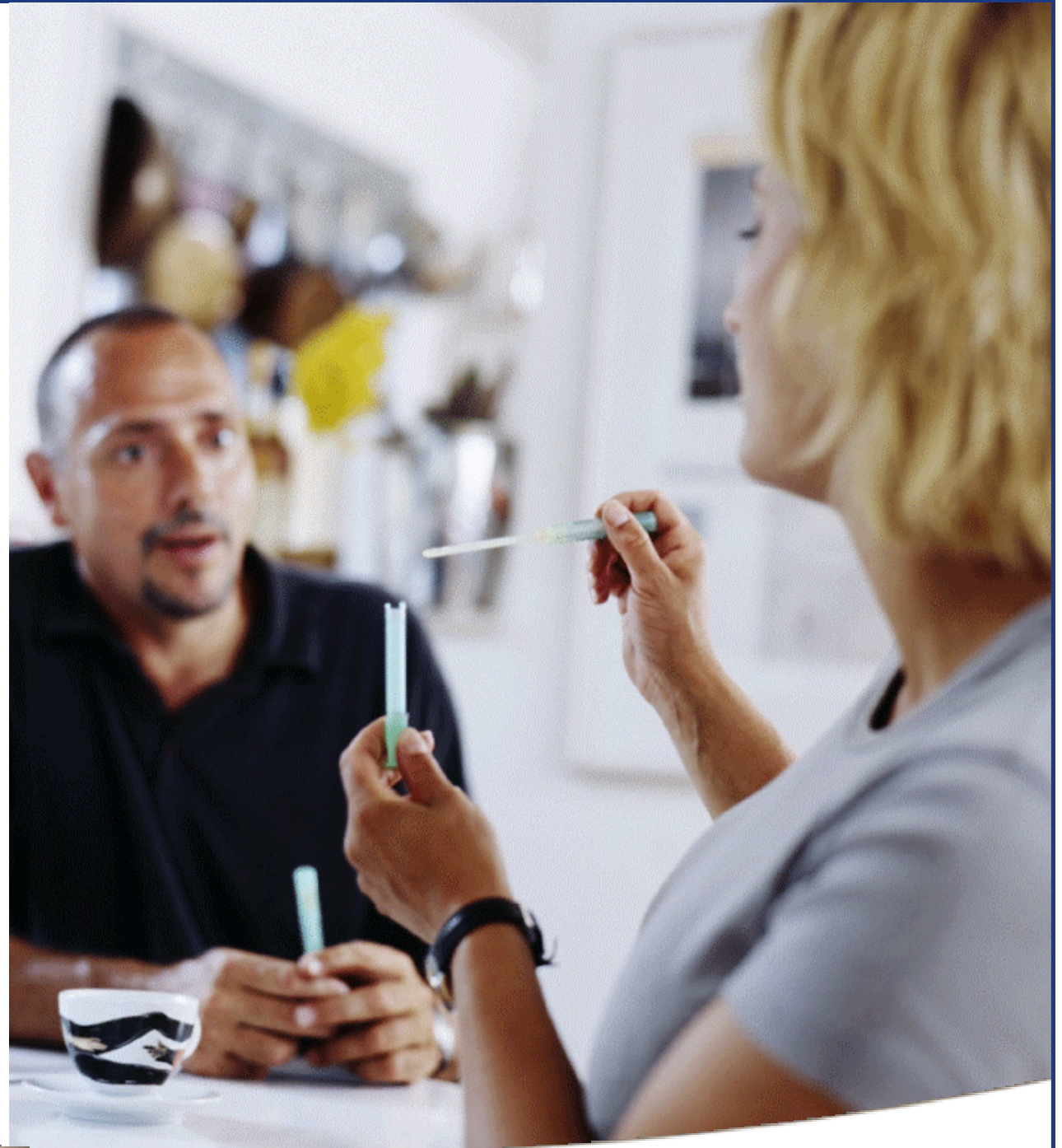


# Coloplast

Financial results  
H1 2004/05



## Highlights H1 2004/05

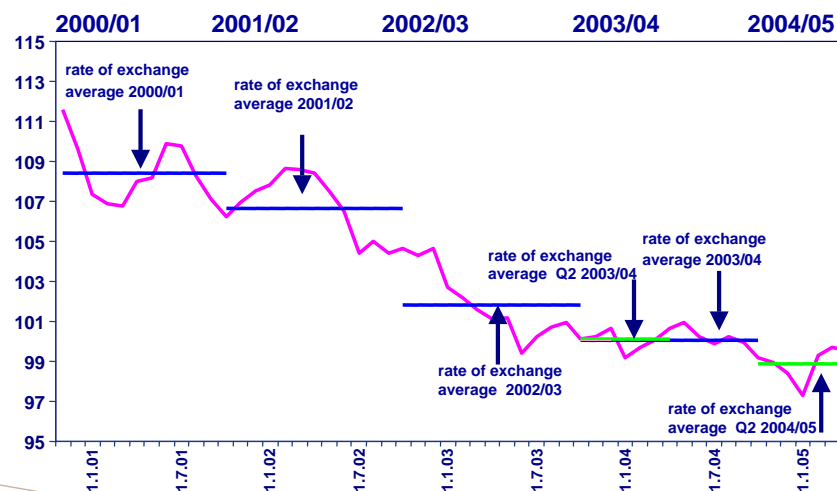
- During the first six months, sales grew by 7% in local currencies, 6% in Danish kroner, as the second quarter saw the expected positive development of revenue and profit
- The profit margin was 14% and operating profit came to DKK 430m
- Inventories were reduced by DKK 106m
- Free cash flow was DKK 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

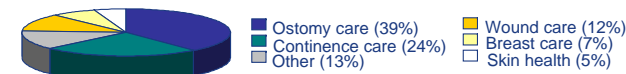


## Growth H1 2004/05

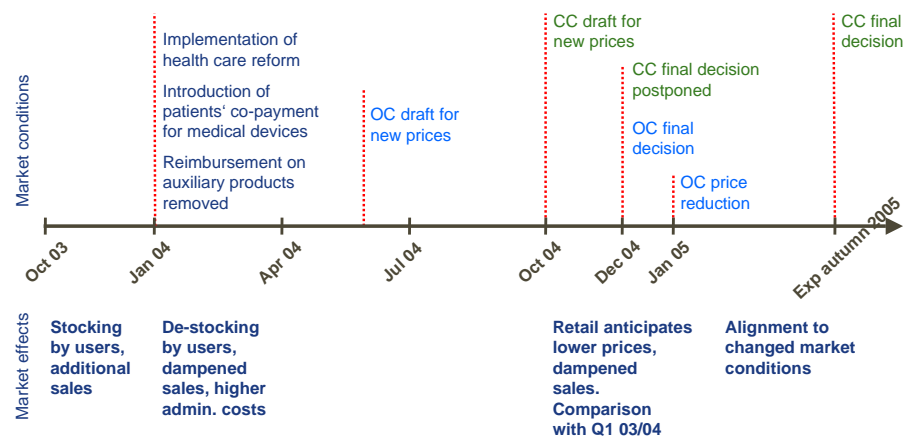
- local currencies

	Growth H1 2004/05	Growth Q1 2004/05	Growth FY 2003/04	Est. market growth
Ostomy care	12%	13%	14%	2-6%
Continence care	9%	8%	10%	5-8%
<b>Chronic care segment*</b>	<b>8%</b>	<b>6%</b>	<b>10%</b>	
Wound care	8%	4%	12%	9-11%
Skin health	7%	12%	21%	9-12%
Breast care	(1)%	(3)%	0%	(3)-(1)%
<b>SBU segment</b>	<b>5%</b>	<b>4%</b>	<b>10%</b>	
<b>Coloplast total</b>	<b>7%</b>	<b>5%</b>	<b>10%</b>	
Europe	5%	4%	10%	
Americas	10%	8%	9%	
ROW	23%	18%	13%	

\*Includes  
homecare



## 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 ⇒ -½ 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



- Continence 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
<b>Mean</b>	<b>3,113</b>	<b>429</b>	<b>13.8%</b>	<b>379</b>
Low	3,072	385	12.5%	327
<b>Coloplast actual</b>	<b>3,099</b>	<b>430</b>	<b>13.9%</b>	<b>361</b>
Index to mean	100%	100%	101%	95%

