

60
years of care

Forward
together

Value creation through profitable growth

Danske Bank Winter Seminar 2017, Copenhagen

Lars Rasmussen, President & CEO

Coloplast A/S - Ostomy Care / Continence Care / Wound & Skin Care / Urology Care



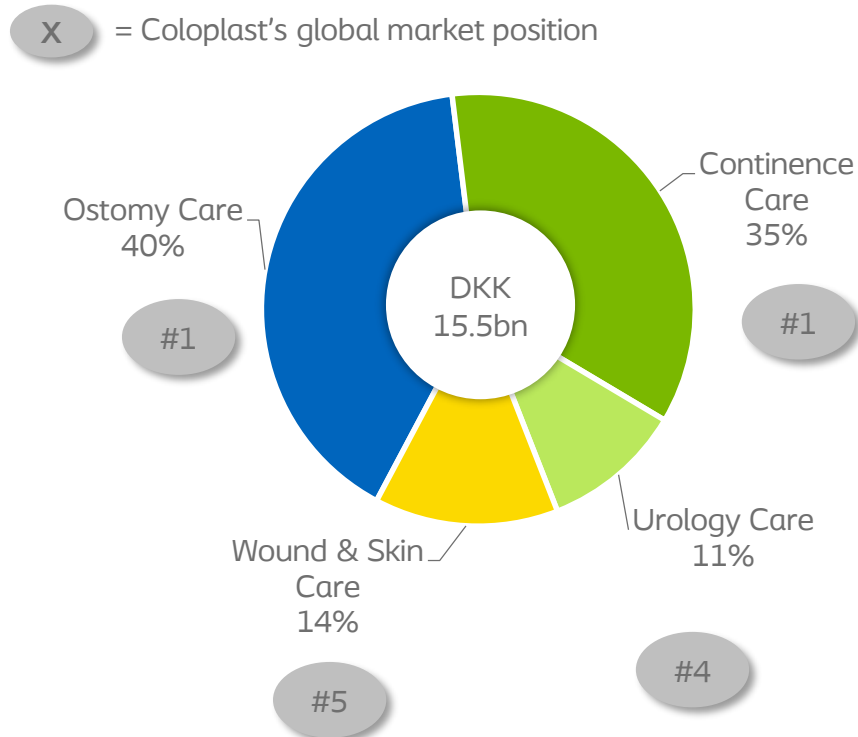
Forward-looking statements

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.

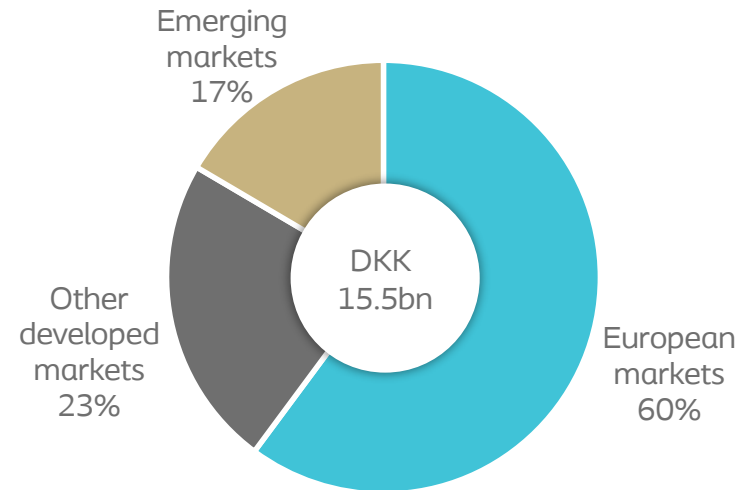
Heavy fluctuations in the exchange rates of important currencies, significant changes in the healthcare sector or major changes in the world economy may impact Coloplast's possibilities of achieving the long-term objectives set as well as for fulfilling expectations and may affect the company's financial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

Coloplast has four business areas all with global sales presence

Group revenue 2016/17 by segment



Group revenue 2016/17 by geography



Coloplast specializes in intimate healthcare needs

Who are our typical users

How do we help them?

Ostomy Care

People who have had their intestine redirected to an opening in the abdominal wall

SenSura® Mio
Ostomy bag



Continence Care

People in need of bladder or bowel management

SpeediCath®
Flexible male
urinary catheter



Urology Care

People with dysfunctional urinary and reproductive systems

Titan® OTR
Penile implant



Wound Care

People with difficult-to-heal wounds

Biatain® Silicone
Foam wound dressing



Intimate healthcare is characterized by stable industry trends

Drivers

1

Demographics

Growing **elderly population** increases customer base for Coloplast products

2

Emerging markets

Expanding healthcare coverage for populations in emerging markets **increases addressable market**

Limiters

1

Surgical and medical trends

Earlier detection and cure, eventually reduces addressable market for Coloplast treatment products

2

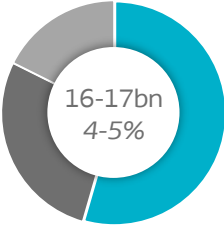
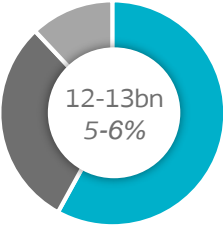
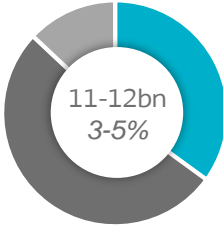
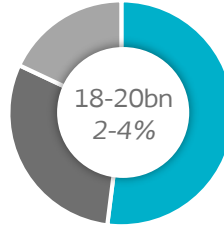




Healthcare reforms

Economic restraints drive reimbursement reforms, **introduction of tenders**, and lower treatment cost

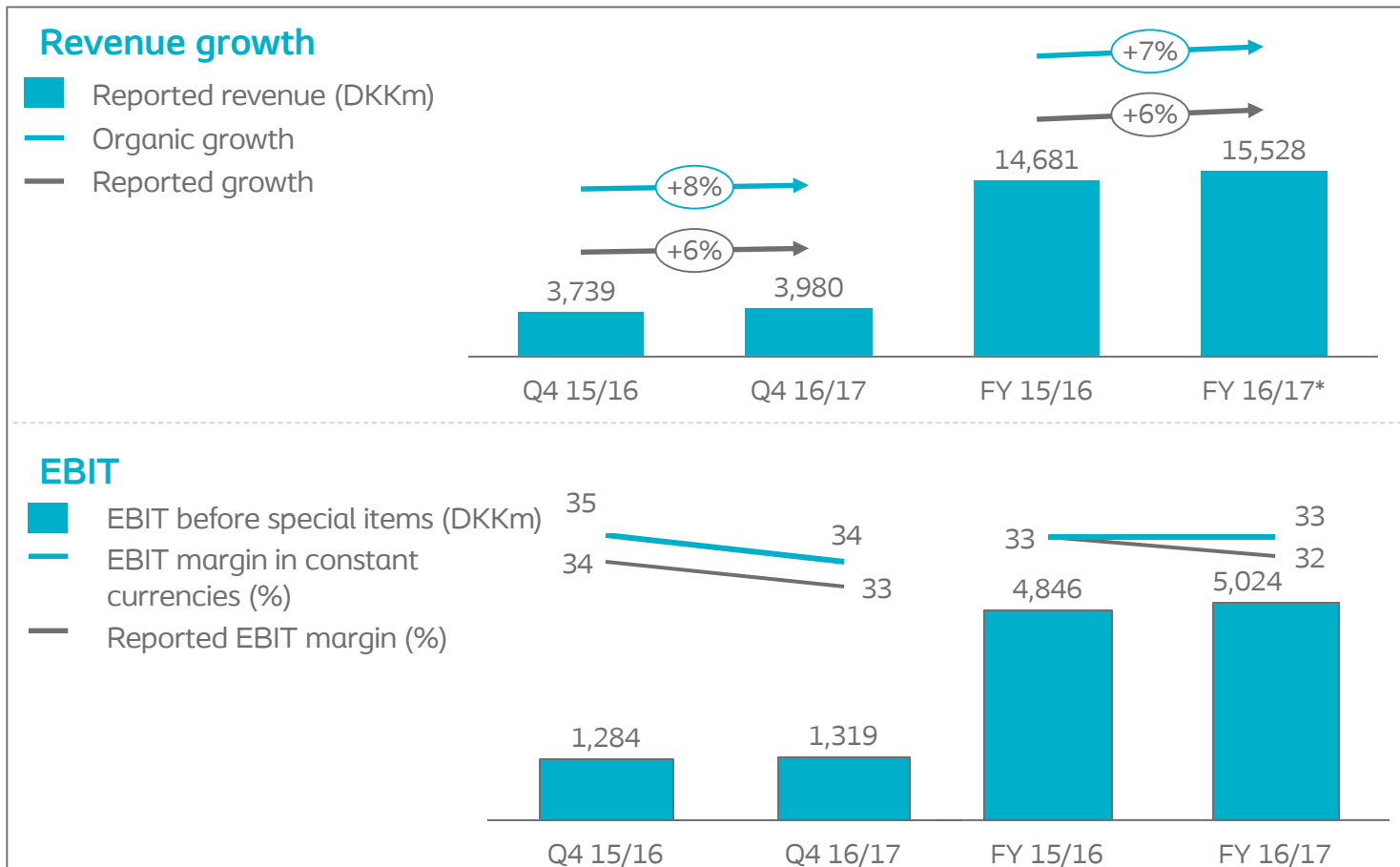
Coloplast addressable market growth is 4-5%

Coloplast has strong market positions in Europe and great commercial potential outside Europe

■ Europe
■ Developed
■ Emerging

	Ostomy	Continence	Urology	Wound Care
Addressable market Size in DKK Growth in %				
Coloplast regional market shares	40 - 50% 15 - 25% 35 - 45%	45 - 55% 20 - 30% 20 - 30%	10 - 20% 5 - 15% 5 - 10%	5 - 15% 0 - 10% 10 - 20%
Coloplast total market share	35-40%	~40%	~15%	7-9%
Key competitors				
Key drivers and limiters	<ul style="list-style-type: none"> • Ageing population • Increasing access to healthcare • Health care reforms • Re-use of products outside Europe 	<ul style="list-style-type: none"> • Ageing population • IC penetration potential • Up-selling • Health care reforms • Commoditization 	<ul style="list-style-type: none"> • Ageing, obesity • Underpenetration • Cost consciousness • Clinical requirements • Less invasive/office procedures 	<ul style="list-style-type: none"> • Ageing, obesity, diabetes • New technologies • Healthcare reforms • Competition • Community treatment

Coloplast delivered full year organic growth of 7% and an EBIT margin of 33% in constant exchange rates



* Coloplast has identified the incorrect management of a 2009 agreement with the U.S. Veterans Affairs. The matter relates to Continence Care products and is treated as a one-off adjustment of DKK 90m recognized directly in the Q3 revenue. The matter has not affected the organic growth rate for the reporting period.

Full year highlights

- FY organic growth of 7% (6% reported growth). Q4 organic growth of 8% (6% reported growth)
- FY Gross margin of 68% in constant exchange rates and 68% in DKK
- FY EBIT margin of 33% in constant exchange rates and 32% in DKK
- Total dividend of DKK 15.0 per share for 2016/17 (DKK 10.5 per share to be proposed at 2017 AGM)
- ROIC after tax before special items of 47%
- Financial guidance for 2017/18:
 - Organic revenue growth of ~7% and 5-6% in reported growth
 - Assumes DKK 100m negative impact from patent expiry and pricing pressure of more than 1% due to DKK 100m negative impact from healthcare reforms in Greece
 - EBIT margin of 31-32% in constant currencies and ~31% in reported EBIT

New long-term guidance for the LEAD20 strategy period aimed at accelerating growth and long-term value creation

Revenue growth
annual organic

7–9%

EBIT margin
constant currencies

>30%

Growth acceleration to be driven through two key pillars and GOP4 will continue to drive unparalleled efficiency



Two pillars to drive growth

- I. Accelerated organic investments
 - I. Invest up to 2% of topline p.a. in new incremental investment cases
 - II. Emerging markets, US, selected countries in Europe
- II. Active pursuit of inorganic opportunities to strengthen our service offering towards consumers

Unparalleled efficiency

- I. Global Operations Plan 4 to improve EBIT margin by 150bp with full effect from 2020/21

For 17/18 we are committing up to 2% of revenue in incremental commercial investments



Innovation
R&D 3-4% of sales

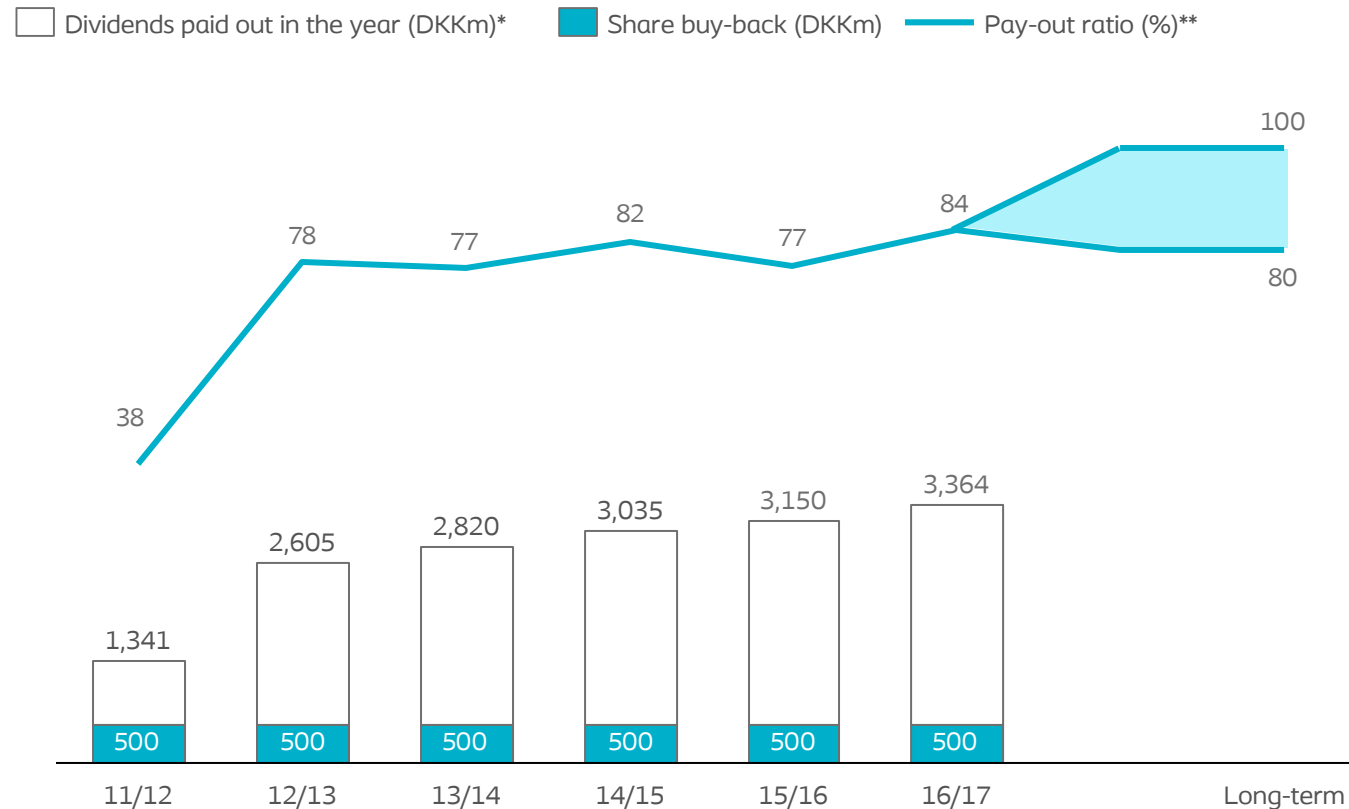


Consumer



We will continue to provide attractive cash returns despite large investments in commercial and expansion activities

Coloplast cash distribution to investors



* Dividends paid out in the year are the actual cash payments of which the majority relates to dividend proposed in the previous financial year

** Pay-out ratio calculated as dividend proposed in the financial year/Net profit for the financial year. Pay-out ratio for 2013/14, 2014/15 and 2015/16 is before special items related to Mesh litigation

Comments

- Coloplast returns excess liquidity to shareholders in the form of dividends and share buy-backs
- Dividend is paid twice a year – after the half-year and full-year financial reporting
- Total dividend of DKK 15.0 per share for 2016/17 (DKK 10.5 per share to be proposed at 2017 AGM)
- DKK 1bn share buy-back was completed in 2016/17

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