



Chronic Care Update

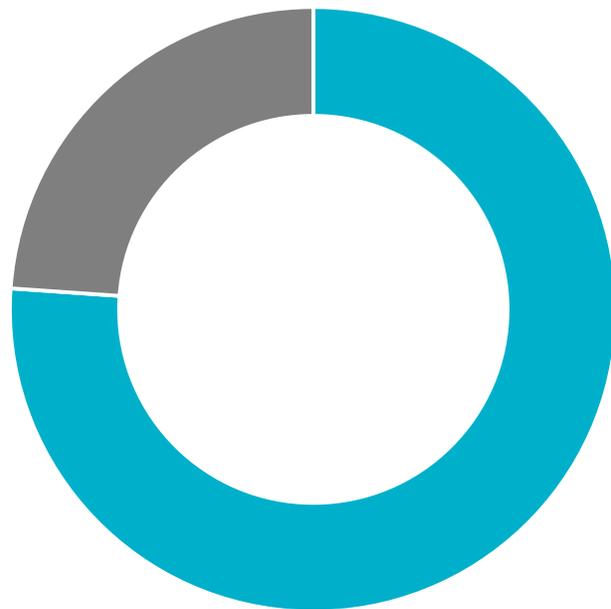
Coloplast Capital Markets Day 2016
Kristian Villumsen, EVP Chronic Care

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



Chronic Care represents the majority of Coloplast sales and has a #1 global position

Chronic Care sales, in DKK
FY 14/15



■ Chronic Care
■ Rest of Coloplast business

>75%

of Coloplast sales

10.6

billion of DKK annual sales

#1

global position

Chronic Care sales in DKK by business area
FY 14/15



■ Ostomy Care
■ Continence Care

Chronic Care sales in DKK by region
FY 14/15



■ Europe
■ Other Developed
■ Emerging Markets

We deliver consistent and winning growth rates across our regions

Chronic Care sales growth vs. market by region, %

FY 12/13 – FY 14/15

Region Europe

Market growth Coloplast growth

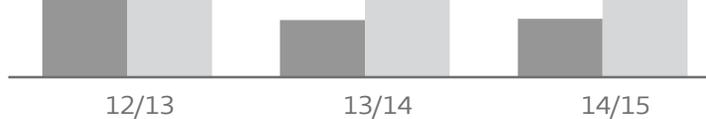


Region Europe – Market growth drivers

- + Product innovation
- + Growing elderly population
- Cost pressure and demand for value from payers
- Earlier detection and cure

Other Developed Markets

Market growth Coloplast growth



Other Developed Markets – Market growth drivers

- + Consumption patterns change towards more advanced product solutions
- + Growing elderly population
- Cost pressure and demand for value from payers
- Earlier detection and cure

Emerging Markets

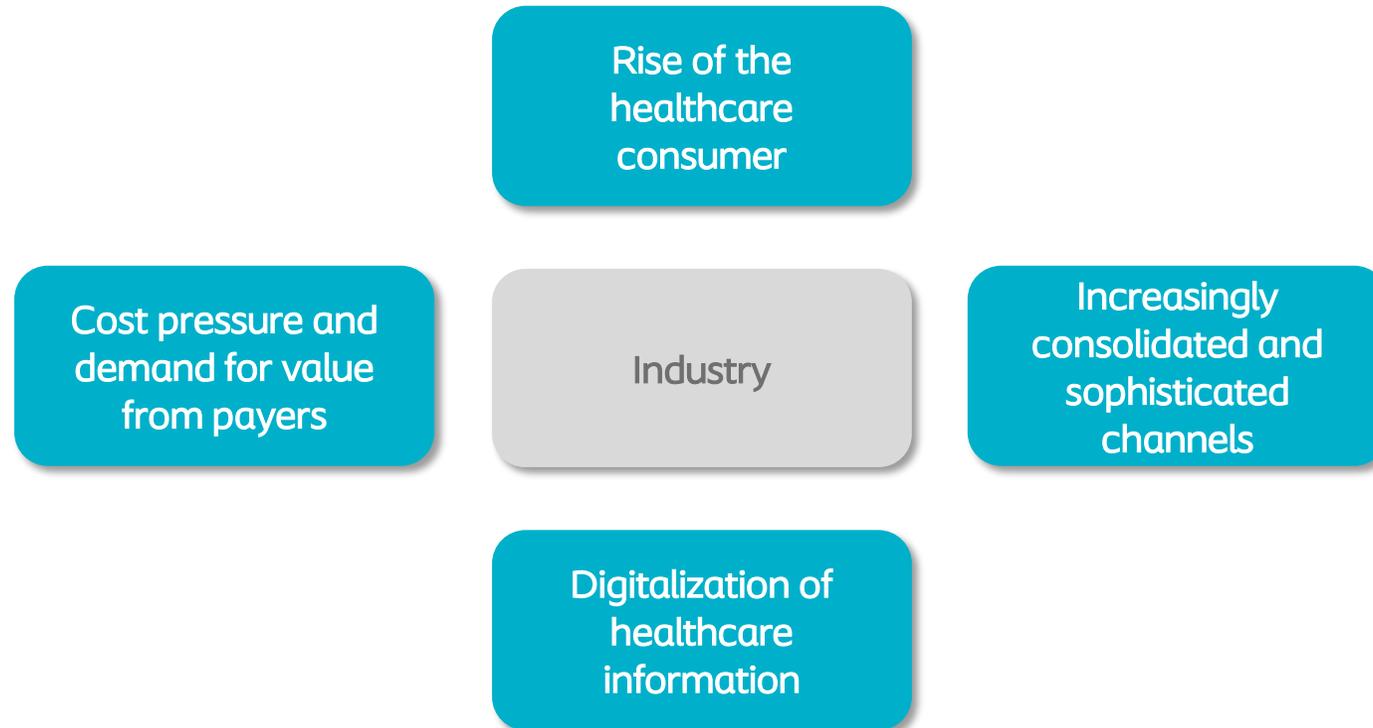
Market growth Coloplast growth



Emerging Markets – Market growth drivers

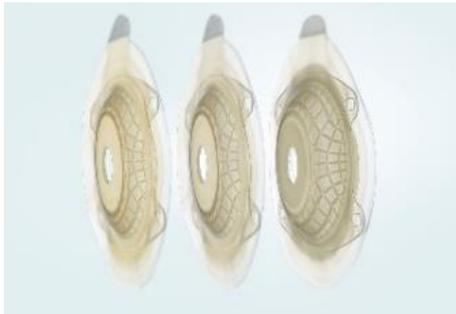
- + Expanding healthcare coverage and increased access to healthcare services
- + Consumption patterns change towards more advanced product solutions
- Macroeconomic challenges in larger markets

We see four major trends affecting our industry



In this space, we're building a consumer healthcare company, which is all about clinical and consumer preference

Superior and clinically differentiated products



SenSura® Mio Convex



SpeediCath® Compact Eve

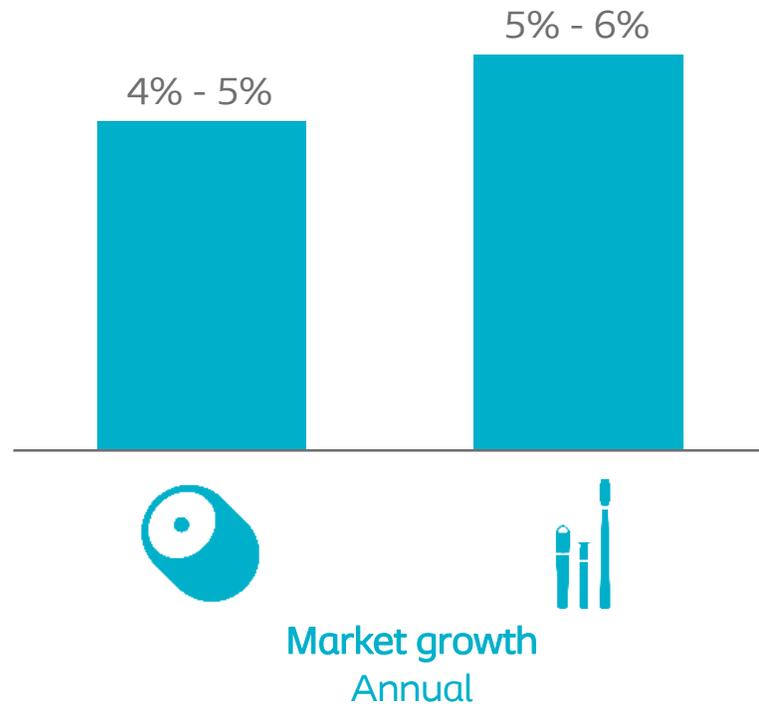


A unique commercial model



Our ambition is to outgrow the market through three initiatives

Our revenue ambition is to outgrow the market



Our strategic themes



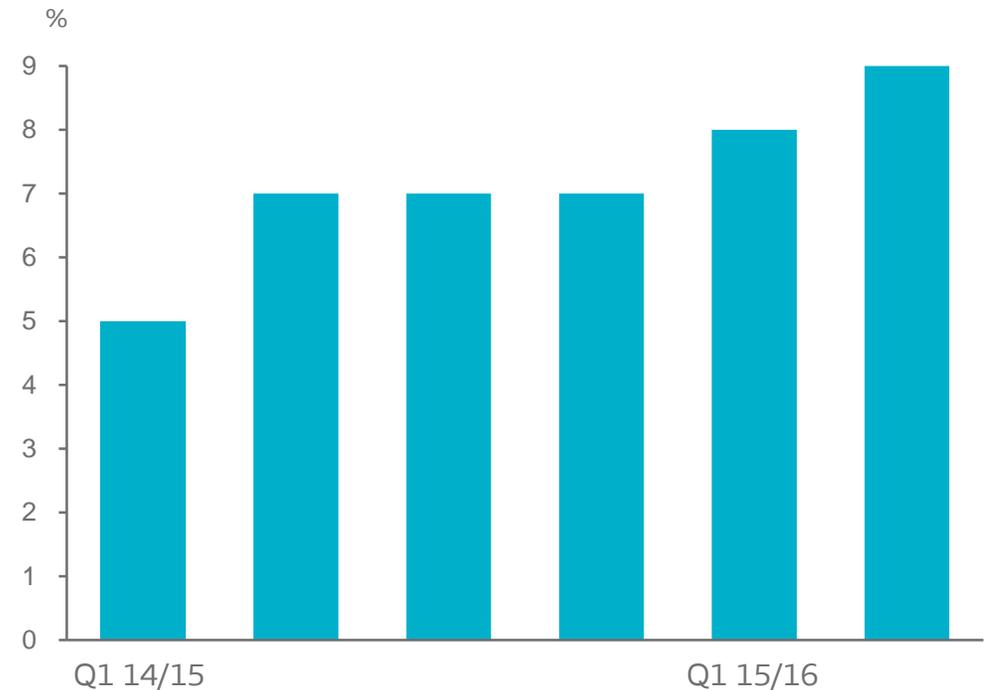
Our new SenSura® Mio and Brava® platform has increased our Ostomy Care growth momentum over the past 6 quarters

We are rolling out our new SenSura® Mio and Brava® platform



Building a strong BodyFit® position that redefines security

Ostomy Care sales growth, %
Q1 14/15 - Q2 15/16



We have a strong portfolio of continence products and a clear value proposition – growth impacted by US and Saudi Arabia

Innovative product portfolio



SpeediCath®
Compact Eve



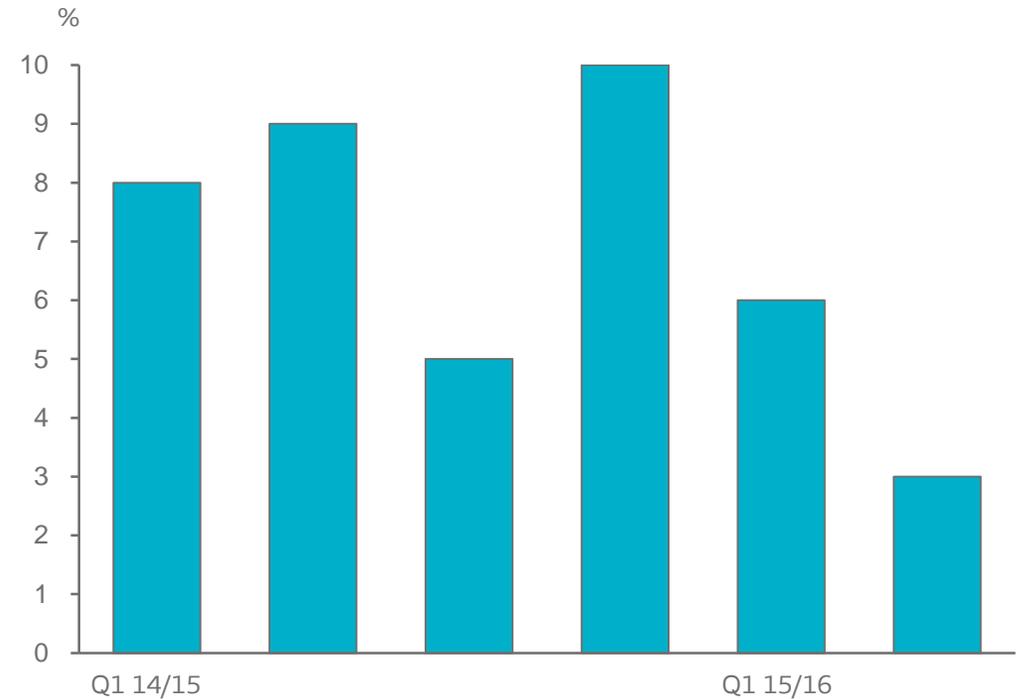
SpeediCath®
Compact Set



SpeediCath®
Compact Male

Continence Care sales growth, %

Q1 14/15 – Q2 15/16



We are focusing on three initiatives to drive Continenace Care growth and mitigate SpeediCath® patent expiration

We drive growth through three initiatives

Invest in
new innovation



Product portfolio upgrade to
Compact



Focus on growth in
new markets



We believe patent exposure is limited

Patent expiry September 2017

Exposure in tender markets:



DK



SE



FI

Exposure in insurance based markets:



NL

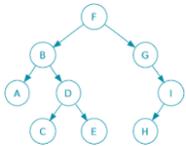


DE

~10-15% of Continenace Care revenue at risk

CARE helps us increase retention and improve product compliance for more than 400,000 enrolled consumers

We co-develop Care content with local clinicians



Clinically validated content and call protocol



Self-assessments to identify struggling users



Data shared with clinicians

Care is a personal and “high-touch” program



Advisors available on phone



Website with reliable advice and useful self assessment tools 24/7



News, tips and inspiration directly in email or mailbox



Free product and accessories samples

Global program with shared infrastructure

1

- ERP

- CRM

- CMS



With our DtC marketing program we reach into the community

We operate in numerous channels to expose our service and product offering...



...and with the reach we get several benefits

Expose innovative products



Ensure product accessibility



Ensure successful experience



We invest to pursue growth opportunities and monitor previous investments, recalibrating if needed

We are executing on our mature markets investments



- Ostomy Care expansion
- Consumer investments
- Key Account Management



- Sales force expansion
- Consumer investments
- National accounts

We are recalibrating some investments to new realities



- Organisation adapted to changed macro-environment



- Organisation restructured as a result of economic crisis



- Organisation adapted to smaller government tenders



- Paused investments due to healthcare market slow-down

Expansion in China is a unique growth opportunity

- we are currently facing challenges and mitigating them

Original investment thesis



- Increasing coverage to top 100 cities
- Upgrading product portfolio
- Opening of new business area: Continenace Care

Original growth expectation: +30%

Challenges and how we are mitigating them

Challenge

Slowdown in market



Mitigation

Paused investments and focusing on optimizing current sales presence

Anti-corruption campaign



Increased focus on existing accounts instead of opening new

High people turnover



Change in regional leadership and new salary structure with larger base pay

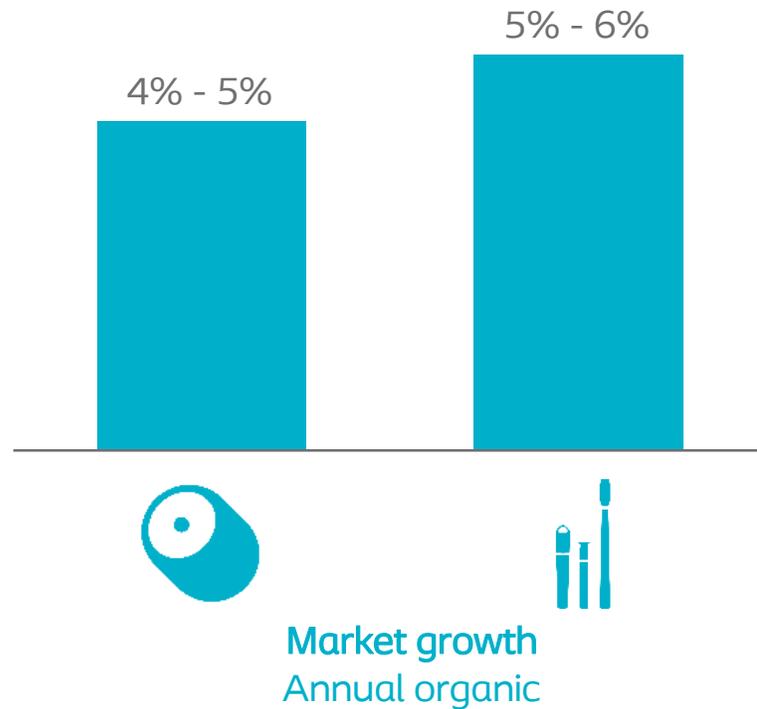
Growth expectation this year: 20-25%

We have been able to open up new intermittent catheter opportunities in Japan and Australia

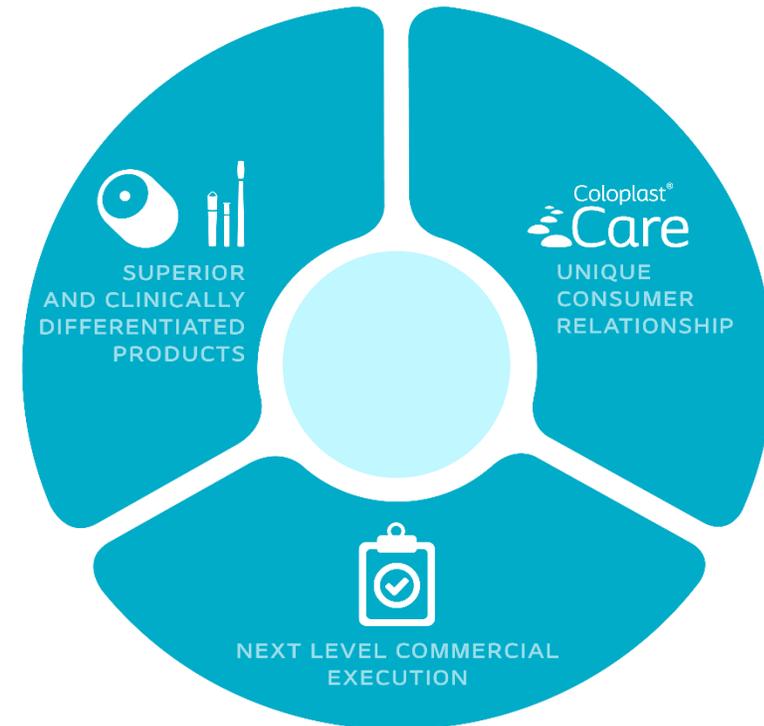
Opportunity	Improved Continence Care reimbursement	Continence Care patients impacted	When
 1 Japan	<p>From: Partly coverage of reusable/some disposable products</p> <p>To: Increased coverage + opening of new hydrophilic category</p>	 = 100,000	Q3 15/16
 2 Australia	<p>From: Very limited funding primarily state based</p> <p>To: Fully funded products nationally</p>	 = 45,000	Q4 15/16

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Our revenue ambition is to outgrow the market



Our strategic themes



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