Coloplast Earnings Conference Call 9M 2018/19

14 August 2019

Coloplast Group - Ostomy Care / Continence Care / Wound & Skin Care / Interventional Urology

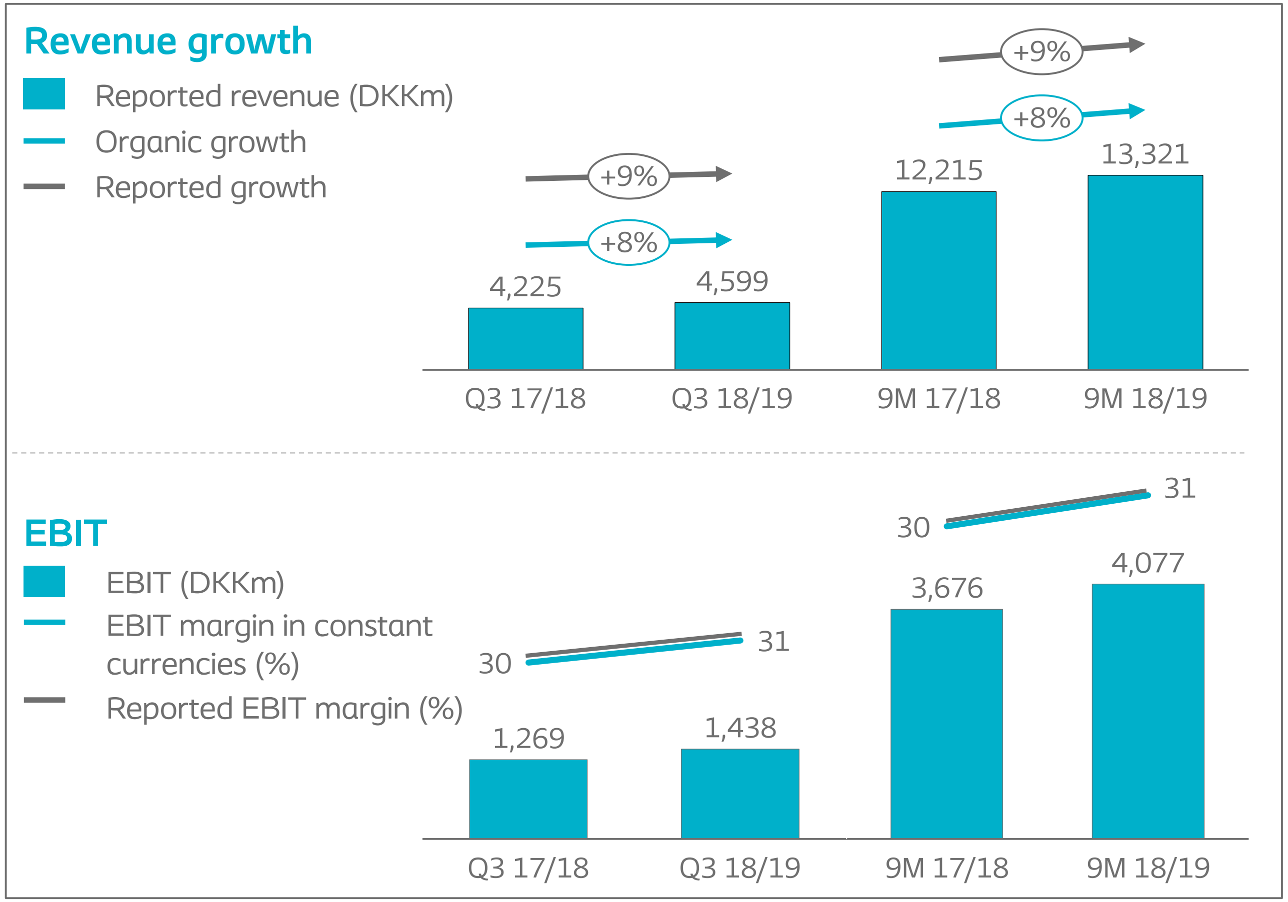
Coloplast

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 delivered Q3 organic growth of 8% and an EBIT margin of 31%



Q3 Highlights

- Organic growth of 8% and 9% in DKK
- Continued strong momentum in Europe across all business areas and double digit growth in Chronic Care in the US
- French price reform within OC, CC and WC announced
  - ~9% price cut in OC & CC as of 1 July 2019
  - ~2% price cut in WC as of 1 June 2019
  - Mitigation activities implemented
- Interventional Urology under unconditional strategic review
- EBIT grew 13% to DKK 1,438m and a reported EBIT margin of 31% vs. 30% last year
- ROIC after tax before special items(1) of 46%
- Unchanged financial guidance for 2018/19:
  - Organic revenue growth of ~8% and ~9% reported growth in DKK
  - EBIT margin of 30-31% in constant exchange rates and ~31% in DKK
  - Capex of DKK 700m

(1) Special items: Balance sheet items related to the provision in connection with settlements in lawsuits in the USA alleging injury resulting from the use of trans-vaginal surgical mesh products.

Solid growth across all business areas in Europe, US and China

9M 18/19 revenue by business area

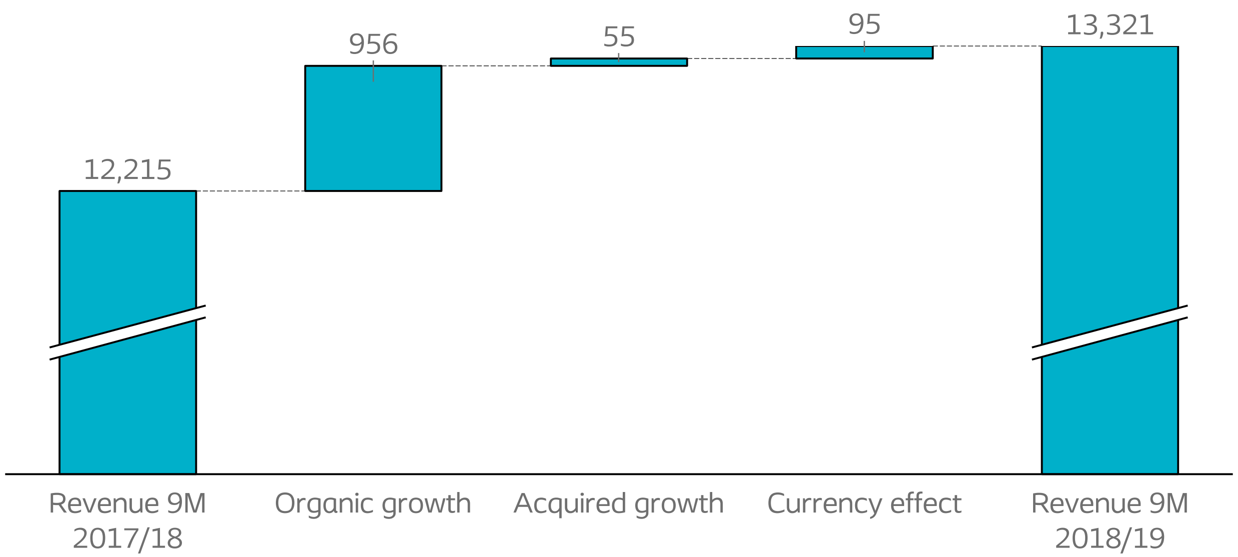
Business area	Reported revenue DKKm	Organic growth	Share of organic growth
Ostomy Care	5,317	7%	38%
Continence Care	4,811	8%	35%
Interventional Urology	1,476	10%	13%
Wound & Skin Care	1,717	9%	14%
Coloplast Group	**13,321**	**8%**	**100%**

9M 18/19 revenue by geography

Geographic area	Reported revenue DKKm	Organic growth	Share of organic growth
European markets	7,911	6%	44%
Other developed markets	3,206	11%	30%
Emerging markets	2,204	13%	26%
Coloplast Group	**13,321**	**8%**	**100%**

9M 18/19 reported revenue grew 9% driven by solid organic growth of 8%

Revenue development (DKKm)



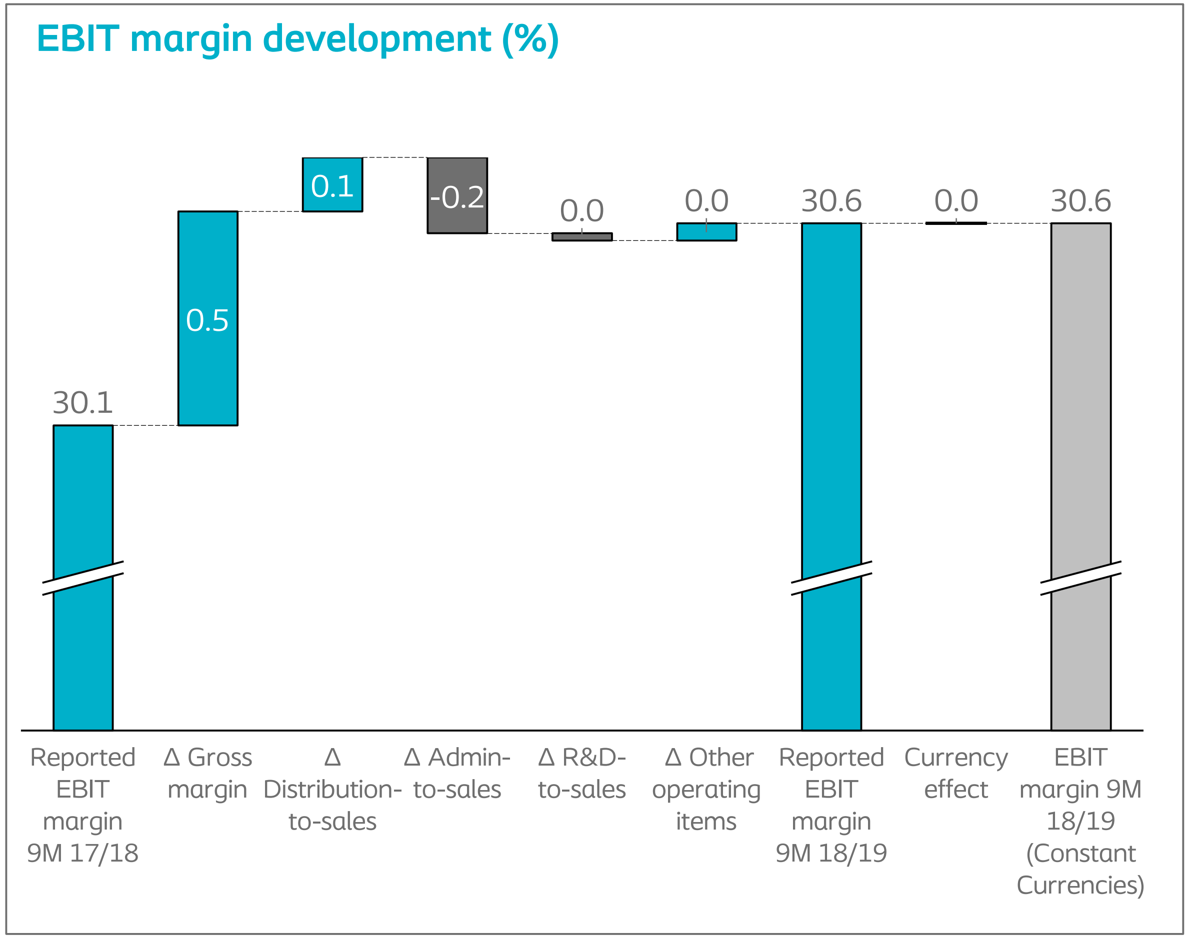
Growth	7.9%	0.5%	0.7%	9.1%

Comments

- 9M 2018/19 reported revenue increased by DKK 1,106m or 9% compared to 9M 2017/18
- The majority of growth was driven by organic growth contributing DKK 956m or 8% to reported revenue
- Revenue from acquisitions contributed DKK 55m or 1%, resulting from the acquisition of distribution companies Lilial and IncoCare in Q2 2017/18
- Foreign exchange rates had a positive impact of DKK 95m or 0.7% on reported revenue primarily due to the appreciation of the USD against the Danish kroner. The positive development was partly offset by a depreciation of the ARS[1] against DKK

1) As a result of the Argentinian peso now being defined as hyperinflationary, revenues from Argentina are adjusted for inflation and translated to DKK using the spot rate as of the balance sheet date.

Solid growth in EBIT of 11% in 9M and 13% in Q3



Comments

- EBIT increased 11% to DKK 4,077m with a reported margin of 31% compared to 30% last year
- Gross margin of 67% in DKK compared to 67% same period last year
  - Positive impact from operational leverage driven by revenue growth as well as ongoing efficiency improvements
  - Negative impact from product mix, salary inflation in Hungary, acquisitions and DKK 43m in restructuring costs (vs. DKK 29m in 9M 17/18) related to reduction of production employees in DK. Closure of Thisted factory completed in June
  - Neutral impact from FX
- Distribution-to-sales of 29% on par with last year
  - Incremental investments of up to 2% of revenue were made in Q1 into innovation as well as sales and marketing initiatives across multiple markets and business areas
- Administrative expenses grew DKK 70m (14%), mainly relating to an increase in costs within IT and legal
- R&D costs increased 10% vs. 9M 2017/18 due to increased activity
- Other operating income/expenses of DKK 44m vs. DKK 35m last year
  - Increase due to a non-recurring income in Q2 (DKK 16m) from the sale of a former production facility in Denmark

Unchanged guidance for FY 2018/19

	Guidance 2018/19	Guidance 2018/19 (DKK)*	Key assumptions
Sales growth	~8% (organic)	~9%	• Up to 1% negative price pressure from Switzerland, Holland and the French price reform • DKK guidance includes growth from Lilial and IncoCare
EBIT margin	30-31% (constant exchange rates)	~31%	• Incremental investments of 1-2% of revenue • Restructuring costs of DKK 43m from reduction of production employees in Denmark • Includes impact from acquisitions of Lilial and IncoCare • Includes additional investments in MDR
CAPEX (DKKm)		~700	• New machines for new and existing products • New distribution centre in UK • IT investments
Tax rate		~23%	

*DKK guidance is based on spot rates as of August 13th 2019

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