SpeediCath® Navi

Coloplast Earnings Conference Call Q1 2018/19

5 February 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.

Getting started and initial priorities by CEO Kristian Villumsen

LEAD 20 strategy

Long-term guidance

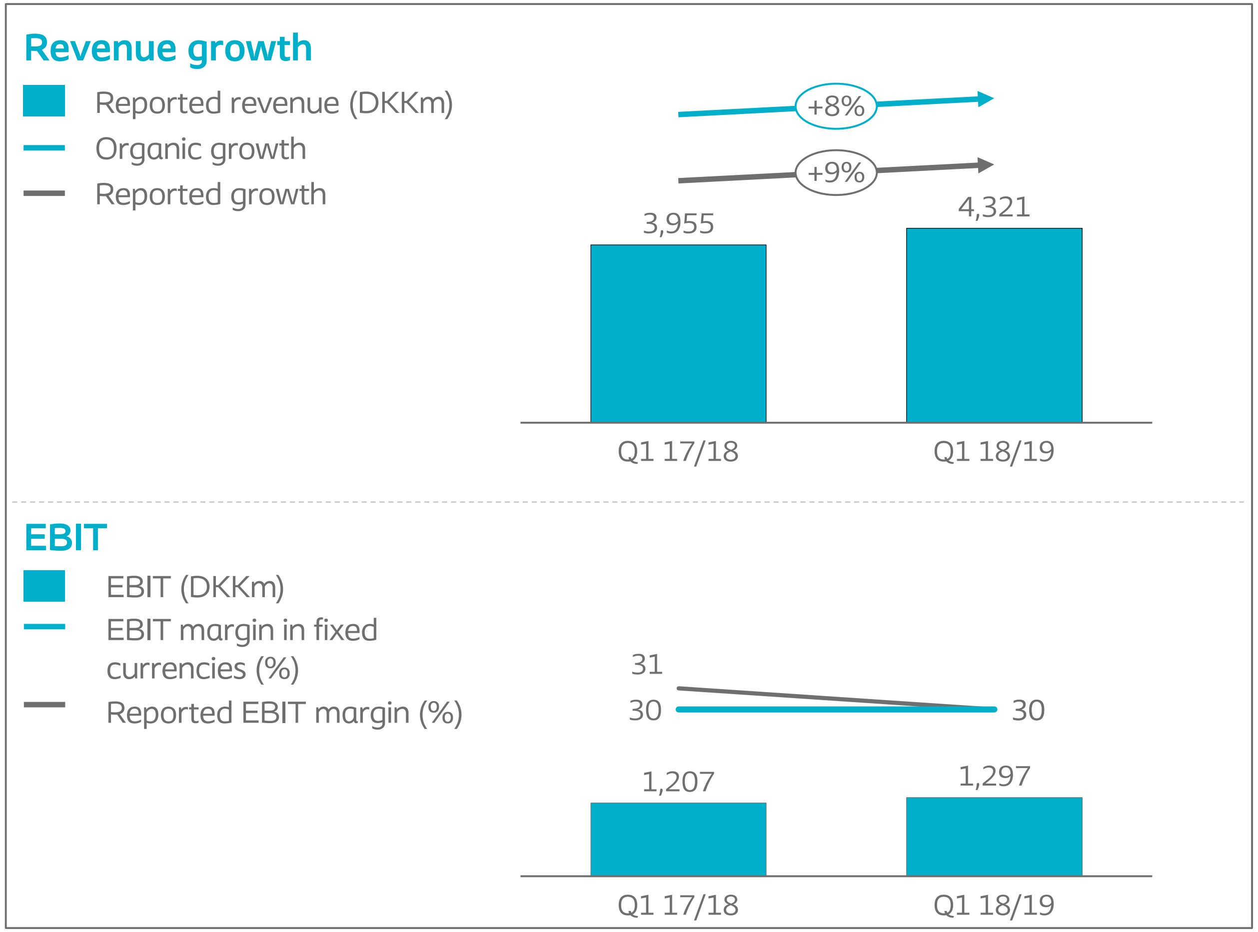
Revenue growth
annual organic

7–9%

EBIT margin
constant currencies

>30%

Solid start to the year with 8% organic growth in Q1 and guidance for 2018/19 maintained



(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.

Q1 2018/19 Highlights

- Organic growth of 8% (9% reported growth in DKK) driven by strong momentum across all business areas and geographies
  - Acquisitions contributed 1% to growth and FX had a negative impact of less than 1%
- EBIT grew 8% to DKK 1,297m and an EBIT margin of 30% in DKK. The EBIT margin was negatively impacted by less than 1%-point from FX
  - Incremental investments of up to 2% of revenue in innovation and sales and marketing initiatives across all business areas
  - Restructuring costs of DKK 17m in Q1 (Estimated DKK 35m full-year impact)
- ROIC after tax before special items(1) in Q1 was 44%
- Coloplast introduces SpeediCath® Navi, a hydrophilic catheter specifically designed for Emerging markets
- Unchanged financial guidance for 2018/19:
  - Organic revenue growth of ~8% and 8-9% reported growth in DKK, assuming negative price pressure of up to -1%
  - EBIT margin of 30-31% in constant exchange rates and ~31% in DKK

Solid growth across all business areas and geographical regions

Q1 18/19 revenue by business area

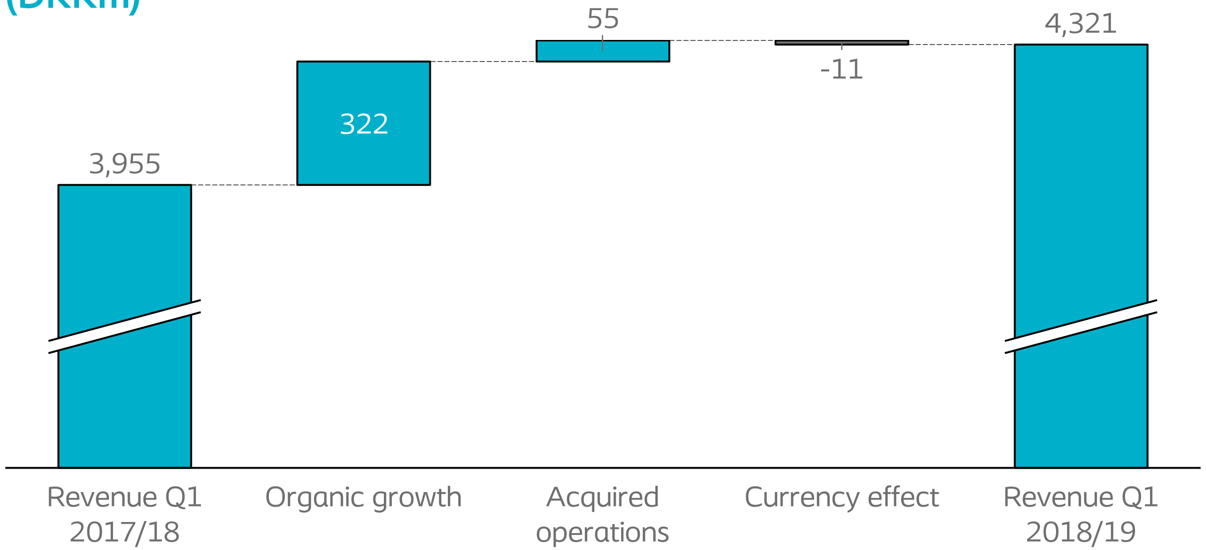
Business area	Reported revenue DKKm	Organic growth	Share of organic growth
Ostomy Care	1,736	8%	40%
Continence Care	1,579	8%	33%
Interventional Urology	479	9%	11%
Wound & Skin Care	527	11%	16%
Coloplast Group	**4,321**	**8%**	**100%**

Q1 18/19 revenue by geography

Geographic area	Reported revenue DKKm	Organic growth	Share of organic growth
European markets	2,605	6%	46%
Other developed markets	1,041	10%	28%
Emerging markets	675	14%	26%
Coloplast Group	**4,321**	**8%**	**100%**

Q1 18/19 reported revenue grew 9% driven by solid organic growth of 8%

Revenue development (DKKm)



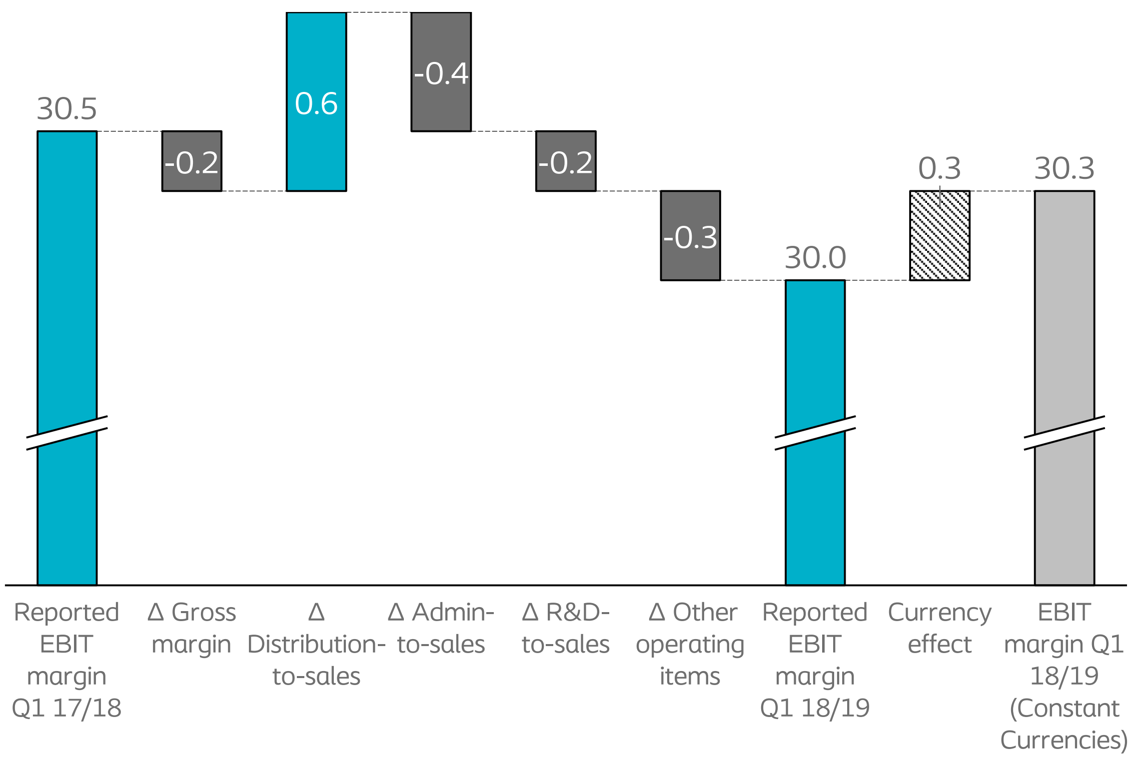
Growth	8.3%	1.4%	-0.4%	9.3%

Comments

- Q1 2018/19 reported revenue increased by DKK 366m or 9% compared to Q1 2017/18
- The majority of growth was driven by organic growth contributing DKK 322m or 8% to reported revenue
- Revenue from acquisitions contributed DKK 55m or 1%, resulting from the acquisitions of distribution companies Lilial and IncoCare in Q2 2017/18
- Foreign exchange rates had a negative impact of DKK 11m or -0.4% on reported revenue primarily due to the depreciation of the ARS and the BRL against the Danish kroner. This negative development was partly offset by a favorable development in USD against DKK
    - 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. The resulting correction is reflected in the impact from foreign exchange rates and is immaterial

EBIT grew 8% in Q1 corresponding to an EBIT margin of 30%, negatively impacted by higher admin and restructuring costs

EBIT margin development (%)



Comments

- EBIT increased 8% to DKK 1,297m with a reported margin of 30% compared to 31% last year
- Gross margin of 67% in DKK compared to 67% same period last year
  - Positive impact from operational leverage, continued efficiency gains and relocation of manufacturing
  - Negatively impacted by product mix, salary inflation in Hungary, acquisitions and DKK 17m in restructuring costs (vs. DKK 3m in Q1 17/18) related to reduction of production employees in DK
  - Negative impact of 30 basis points from FX
  - Distribution-to-sales of 29% (30% in Q1 2017/18)
    - 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 31m (21%), mainly relating to timing of expenses within IT and legal
- R&D costs increased 15% vs. Q1 2017/18 due to increased activity
- Other operating income/expenses of DKK 13m vs. DKK 24m last year due to a non-recurring income in Q1 last year (DKK 15m) from a settlement related to Interventional Urology patent rights

Unchanged guidance for FY 2018/19

	Guidance 2018/19	Guidance 2018/19 (DKK)*	Key assumptions
Sales growth	~8% (organic)	8-9%	• Up to 1% negative price pressure • DKK guidance includes growth from Lilial and IncoCare
EBIT margin	30-31% (constant exchange rates)	~31%	• Incremental investments of up to 2% of revenue • Restructuring costs of DKK 35m from reduction of production employees in Denmark • Includes impact from acquisitions of Lilial and IncoCare • Includes additional investments in MDR
CAPEX (DKKm)		~750	• Factory expansion in Costa Rica • 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 January 31st 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