

William Demant



Capital Market Days 2016

Opening remarks

Niels Jacobsen

President & CEO, William Demant



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Curriculum

- Born in 1957
- M.Sc. in Economics from Aarhus University
- Part of the executive management in William Demant since 1992
- President & CEO of William Demant since 1998

Board positions

- LEGO (Chairman)
- KIRKBI (Deputy Chairman)
- Maersk Group (Deputy Chairman)
- Össur (Chairman)
- Directorships in a number of Group-owned subsidiaries



Our Capital Market Days

What to expect

- A thorough insight into
 - The hearing healthcare market
 - Our hearing healthcare ambition and strategy
 - Each of our key business areas presented by the responsible business owner
 - Selected technologies and products
- An active and constructive Q&A dialogue between participants and William Demant
- A continuation of our IR communication including
 - Unchanged outlook for 2016
 - We do not provide long-term financial targets

Disclaimer: The presentations contain a number of statements related to the future development of William Demant Holding (WDH) and the hearing healthcare market. These statements are based on both assumptions and estimates and may differ from actual figures. The reasons for such differences can be market fluctuations, movements in exchange rates, fundamental changes in the economic environment or WDH-specific circumstances. WDH does not intend or assume any obligation to update any forward-looking statements to reflect events or circumstances after the date of these materials.

Agenda

- 10:30 Opening remarks
 - *Niels Jacobsen*
- 11:00 Hearing healthcare
 - *Søren Nielsen*
- 12:00 Lunch
- 13:00 Hearing Devices (wholesale and retail)
 - *Søren Nielsen and Niels Wagner*
- 14:30 Coffee break
- 15:00 Diagnostic Instruments
 - *Arne Boye Nielsen*
- 15:45 Sennheiser Communications
 - *Jeppe Dalberg-Larsen*
- 16:30 Q&A
- 19:00 Drinks and dinner, restaurant Orangeriet

Q1 2016 key messages

Revenue growth in all business activities



- Strong unit growth and lower ASPs in the wholesale business
- Strong growth in the retail business
- Diagnostic Instruments and Hearing Implants impacted by oil-dependent countries

2016 EBIT skewed further than normal towards H2



- Timing of Oticon Opn™ launch
- Loss on forward exchange contracts in H1
- Seasonality in Hearing Implants

Q1 2016 key messages

2016 outlook maintained

- We expect to see a unit growth rate of 4-5% in the global hearing aid market, which will however be partly offset by a decline in the market's average selling price due to continued mix shifts and fierce competition. In terms of value, we expect to see a slightly positive market trend in 2016.
- We expect to generate growth in sales in all the Group's three business activities: Hearing Devices, Hearing Implants and Diagnostic Instruments.
- Based on exchange rates in early 2016 and including the impact of exchange rate hedging, we expect the exchange rate impact on revenue to be neutral in 2016. Acquisitions made in 2015 will impact consolidated revenue by approximately 6% in 2016.
- In 2016, EBIT is expected to be skewed further than normal towards the second half of the year due to, among other things, the timing of the Oticon Opn™ launch, losses on forward exchange contracts affecting H1 and seasonality in Hearing Implants.
- **We are guiding for an operating profit (EBIT) of DKK 2.0-2.3 billion**



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Thank you