Announcement no. 4/2012
26 April 2012

H1 2011/12

Interim financial report, H1 2011/12

(1 October 2011 - 31 March 2012)

Highlights

- Organic revenue growth was 6%. Revenue in DKK was up by 7% to DKK 5,346m.
- Organic growth rates by business area: Ostomy Care 6%, Continence Care 9% and Urology 6%. In Wound & Skin Care, sales fell by 1% relative to H1 2010/11.
- Gross profit was up by 10% to DKK 3,513m, bringing the gross margin to 66% from 64% in H1 2010/11.
- EBIT was up by 23% over H1 2010/11, at DKK 1,463m. The EBIT margin was 27%, against 24% in H1 2010/11. At constant exchange rates, the EBIT margin was also 27%.
- Relative to H1 2010/11, the free cash flow improved by DKK 489m to DKK 668m.
- ROIC after tax was 33%, compared with 26% for H1 2010/11.
- The first half of the share buy-back programme was commenced in the second quarter of 2011/12.
- The Coloplast strategy has been updated with focus on organic growth and strengthened focus on markets outside Europe.

Financial guidance for 2011/12

- We continue to expect organic revenue growth of about 6% and of about 8% in DKK based on current exchange rates.
- We raise our EBIT margin guidance from about 27% to about 28% at constant exchange rates, and from about 28% to about 29% in DKK based on current exchange rates.
- Capital expenditure is still expected to be around DKK 300m.
- We continue to expect an effective tax rate of 25–26%.

Conference call
Coloplast will host a conference call on 26 April 2012 at 15.00 CET. The call is expected to last about one hour. To attend the conference call, call +45 3271 4607, +44 (0)20 7162 0077 or +1 334 323 6201. A webcast will be posted on www.coloplast.com shortly after the conclusion of the conference call.

Ostomy Care
Urology & Continence Care
Wound & Skin Care

Financial highlights and key ratios

1 October - 31 March

	Group		Change	Group		Change
	DKK million			DKK million		
	2011/12	2010/11		2011/12	2010/11	
	6 mths	6 mths		Q2	Q2	
Income statement						
Revenue	5,346	5,004	7%	2,692	2,463	9%
Research and development costs	(177)	(223)	(21%)	(82)	(111)	(26%)
Operating profit before interest, tax, depreciation and amortisation (EBITDA)	1,715	1,452	18%	898	705	27%
Operating profit (EBIT)	1,463	1,188	23%	770	575	34%
Net financial income and expenses	(123)	(103)	19%	(80)	(40)	>100%
Profit before tax	1,340	1,085	24%	690	535	29%
Profit for the period	998	803	24%	514	396	30%
Revenue growth						
Period growth in revenue, %	7	10		9	8	
Growth break down:						
Organic growth, %	6	6		8	6	
Currency effect, %	1	4		1	2	
Balance sheet						
Total assets	9,300	8,228	13%	9,300	8,228	13%
Invested capital	6,641	6,994	(5%)	6,641	6,994	(5%)
Net interest-bearing debt	377	1,924	(80%)	377	1,924	(80%)
Equity end of period	4,968	3,774	32%	4,968	3,774	32%
Cash flow and investments						
Cash flow from operating activities	801	455	76%	578	461	25%
Cash flow from investing activities	(133)	(276)	(52%)	(72)	(49)	47%
Investments in property, plant and equipment, gross	(137)	(125)	10%	(73)	(58)	26%
Free cash flow	668	179	>100%	506	412	23%
Cash flow from financing activities	(508)	(275)	85%	211	(351)	<(100%)
Key figures ratios						
Operating margin, EBIT, %	27	24		29	23	
Operating margin, EBITDA, %	32	29		33	29	
Return on average invested capital before tax (ROIC), %	45	35		46	33	
Return on average invested capital after tax (ROIC), %	33	26		35	24	
Return on equity, %	42	44		44	43	
Ratio of net debt to EBITDA	0.1	0.7		0.1	0.7	
Interest cover	64	28		100	27	
Equity ratio, %	53	46		53	46	
Rate of debt to enterprise value, %	1	5		1	5	
Net asset value per share, DKK	110	84	31%	110	84	31%
Per share data						
Share price, DKK	961	762	26%	961	762	26%
Share price/net asset value per share	8.7	9.0	(3%)	8.7	9.0	(3%)
Average number of outstanding shares, millions	42.0	42.1	(0%)	42.0	42.1	(0%)
PE, price/earnings ratio	20.2	20.0	1%	19.7	20.3	(3%)
Earnings per share (EPS), diluted	23.4	18.7	25%	12.0	9.2	30%
Free cash flow per share	15.9	4.3	>100%	12.0	9.9	21%

Management's review

Sales performance

Revenue in DKK was up by 7% to DKK 5,346m. The organic growth rate was 6%. The Q2 growth performance was highly satisfactory, and organic growth was 8%.

Sales performance by business area

	DKK million		Growth composition				DKK million	Organic growth
	2011/12 6 mth	2010/11 6 mth	Organic growth	Acquired operations	Exchange rates	Reported growth	2011/12 Q2	Q2
Ostomy	2,242	2,092	6%		1%	7%	1,115	6%
Continence	1,852	1,692	9%		0%	9%	924	13%
Urology	507	471	6%	1%	1%	8%	265	8%
Wound & Skin Care	745	749	(1%)		0%	(1%)	388	1%
Net revenue	**5,346**	**5,004**	**6%**	**0%**	**1%**	**7%**	**2,692**	**8%**

Ostomy Care
Sales of ostomy care products amounted to DKK 2,242m, an increase of 7%. The 6% organic growth was driven by satisfactory growth in the established European markets as well as the USA, China and Russia. Q2 organic growth was also 6%. Most of the established European markets improved in the second quarter, in particular Germany and France. Emerging markets reported a lower growth rate compared to the first quarter, as we had several large tender wins in Russia. Growth in ostomy accessories remained satisfactory. In April, we launched a new product series, Brava®, which consists of a number of different ostomy accessories. The series will be launched on a number of our major markets during the period from April to July.

Continence Care
Continence Care revenue was DKK 1,852m, a 9% improvement both in DKK and organically. The performance marks a recovery to a satisfactory level for the Continence Care business after the reduced growth in the first quarter. Q2 organic growth was 13%. All regions contributed to growth within intermittent catheters, with satisfactory contributions from the major European markets and the USA in particular. The SpeediCath® product portfolio continued to be the main growth driver in Europe, while in the USA, the performance was mainly driven by SelfCath®. Peristeen® for anal irrigation continued its high growth rates.
Sales of urisheaths and urine bags returned to a satisfactory level after a weak first quarter adversely impacted by changes in the French reimbursement rules.

Urology Care
Urology Care revenue increased by 8% to DKK 507m on 6% organic growth. Acquired growth accounted for 1% as did the appreciation of USD against DKK. Q2 organic growth was 8%. Growth in the sale of penile implants improved for the second quarter in a row, and there are indications that the number of implant operations are beginning to normalise. The sale of slings for treating female stress urine incontinence continued to fall, while the fair growth in sales of Restorelle® for pelvic organ prolapse repair continued. Endourology sales growth recovered after the product recalls in the first quarter, restoring overall sales growth of disposable surgical products at a satisfactory level.

Wound & Skin Care
Sales of wound and skin care products amounted to DKK 745m, equal to a 1% decline both in DKK and organically. Q2 organic growth was 1%. The Wound Care business reported 4% negative growth due to the still challenging market conditions, especially in France, Spain and Greece. Outside Europe, China and Brazil contributed satisfactorily. The North American Skin Care business and the contract production of Compeed had very satisfactory growth in the second quarter.

Sales performance by region

	DKK million		*Growth composition*				*DKK million*	*Organic growth*
	2011/12 6 mth	*2010/11 6 mth*	*Organic growth*	*Acquired operations*	*Exchange rates*	*Reported growth*	*2011/12 Q2*	*Q2*
Europe	3,856	3,670	5%		0%	5%	1,944	7%
Americas	956	860	9%	0%	2%	11%	475	9%
Rest of the world	534	474	8%		5%	13%	273	12%
Net revenue	**5,346**	**5,004**	**6%**	**0%**	**1%**	**7%**	**2,692**	**8%**

Europe
Revenue was DKK 3,856m, which translates into reported and organic growth of 5%. Q2 organic growth was 7%. The UK market again reported highly satisfactory growth, and developments in the Chronic Care business were satisfactory, especially in France and Germany. The Wound Care business continued to have a negative effect on overall European sales growth.

The Americas
Revenue in the Americas increased by 11% to DKK 956m with the appreciation of USD and CAD against DKK adding 2%. The organic growth rate was 9%. The US market continued the satisfactory developments in all business areas with the exception of Wound Care. Growth in Brazil was below last year's level, and in Argentina the performance was adversely affected by a large tender win in the second quarter of last year. Q2 organic growth was also 9%.

Rest of the World
In the Rest of the World, revenue increased by 13% to DKK 534m on 8% organic growth. In particular, the appreciation of JPY and AUD against DKK lifted the reported growth. Organic growth for the quarter was 12%. China continued the very satisfactory revenue performance, and in Australia, revenue growth improved compared to the first quarter. In Japan, revenue growth was adversely affected by inventory build-up in Q2 2010/11 following the earthquake in March 2011.

Gross profit

Gross profit was up by 10% to DKK 3,513m from DKK 3,189m in H1 2010/11.

The gross margin was 66%, against 64% in H1 2010/11. In addition to the higher revenue, the improvement was due to improvements in production efficiency.
The Q2 gross margin was also 66% in DKK and 65% at constant exchange rates, which was in line with Q1.

Capacity costs

Distribution costs amounted to DKK 1,553m, equal to 29% of H1 revenue, which was in line with last year. Disregarding the non-recurring items of the first quarter, distribution costs accounted for 28% of H1 revenue.

The H1 administrative expenses amounted to DKK 321m. Administrative expenses accounted for 6% of revenue, which was in line with last year. The administrative expenses included provisions for losses on trade receivables in southern Europe for a total of DKK 32m for H1 2011/12.

R&D costs were DKK 177m and accounted for 3% of revenue, which was less than the percentage of the same period of last year. In addition to the lower level of activity in the first half of the current financial year, the lower level of R&D costs was due to the changes implemented in the R&D organisation towards the end of the 2010/11 financial year.

Other operating income and other operating expenses amounted net to an income of DKK 1m, against an income of DKK 15m last year.

Operating profit (EBIT)

EBIT was up by 23% to DKK 1,463m, against DKK 1,188m last year. The EBIT margin was 27%, against 24% in the same period of last year. Non-recurring costs of DKK 65m in the first quarter impacted the H1 EBIT margin. The Q2 EBIT margin was 29% in DKK and 28% at constant exchange rates.

Financial items and tax

Financial items amounted to a net expense of DKK 123m, against DKK 103m in H1 2010/11. Realised losses on currency forward contracts, which were mainly due to the depreciation of HUF against DKK and the appreciation of USD and GBP against DKK, were partly offset by reduced net interest expenses and a lower value adjustment of share options relative to last year.

Financial items

	DKK million		*DKK million*	
	2011/12	*2010/11*	*2011/12*	*2010/11*
	6 mths	*6 mths*	*Q2*	*Q2*
Interest, net	(27)	(51)	(5)	(26)
Fair value adjustment of options	(19)	(30)	(15)	(2)
Exchange rate adjustments	(64)	(13)	(53)	(6)
Other financial items	(13)	(9)	(7)	(6)
Total financial items	**(123)**	**(103)**	**(80)**	**(40)**

The effective tax rate of 26% was unchanged relative to last year, for a tax expense of DKK 342m, as compared with DKK 282m in the same period of last year.

Net profit for the period

The H1 net profit was up by 24% to DKK 998m. Diluted earnings per share (EPS) were DKK 23.4, against DKK 18.7 in the same period of last year.

Cash flows and investments

Cash flow from operating activities
The cash flow from operating activities was DKK 801m, against DKK 455m in H1 2010/11. Improved earnings, a smaller increase in working capital compared with the same period of last year and lower tax payments were the main reasons for the improvement. These items were partly offset by an increased loss on forward contracts.

Investments (CAPEX)
The cash flow from investing activities was DKK 133m, against DKK 276m last year. Last year's larger amount was due to the DKK 160m acquisition of Mpathy. Investments accounted for 3% of revenue, against 6% last year. Gross investments in property, plant and equipment amounted to DKK 137m, against DKK 125m in H1 2010/11.

Free cash flow
The free cash flow was DKK 668m, against DKK 179m in H1 2010/11.

Capital reserves
We have confirmed long-term credit facilities of over DKK 5bn, of which almost half was utilised. Most of the credit facilities expire in the third quarter of 2012/13.

Statement of financial position and equity

Balance sheet
At DKK 9,300m, total assets increased by DKK 82m relative to 30 September 2011. Non-current assets fell by DKK 81m to DKK 4,172m, while current assets were up by DKK 163m, mainly due to an increase in cash and bank balances.

Trade receivables were up by DKK 80m relative to 30 September 2011, an increase of 4%, i.e. at a lower rate than the sales growth of 7% in DKK. The share of trade receivables more than 90 days overdue continued to increase in the second quarter as a result of the debt crisis in southern Europe.

Trade payables amounted to DKK 379m, against DKK 420m at 30 September 2011, whereas inventories were unchanged.

Working capital made up 23% of revenue, unchanged from 30 September 2011.

Equity
Equity increased by DKK 490m relative to 30 September 2011 ended at DKK 4,968m. Payment of dividends of DKK 587m and share buy-backs of DKK 160m were offset by the comprehensive income for the period of DKK 996m and by employees' exercise of share options and the sale of employee shares for a total of DKK 245m.

Net interest-bearing debt and capital structure
Net interest-bearing debt fell by DKK 162m relative to 30 September 2011 to DKK 377m. The ratio of interest-bearing debt to EBITDA was 0.1, as compared with 0.2 at 30 September 2011. About 60% of our total debt carries a fixed rate, which was unchanged from the beginning of the year.

At 31 March 2012, we had mortgage loans totalling DKK 352m, which was DKK 113m less than at 30 September 2011.

Share buy-backs and dividends
In December 2011, the shareholders in general meeting authorised Coloplast to establish a share buy-back programme totalling up to DKK 1bn until the end of the 2012/13 financial year. We launched the first half of the programme, for DKK 500m, in the second quarter and expect to complete it by the end of the current financial year. At 31 March 2012, we had bought back shares for a total of DKK 160m.

Treasury shares
At 31 March 2012, Coloplast’s holding of treasury shares consisted of 2,835,626 B shares, which was DKK 353,241 less than at 30 September 2011.

Financial guidance for 2011/12

- We continue to expect organic revenue growth of about 6% and of about 8% in DKK based on current exchange rates.
- We raise our EBIT margin guidance from about 27% to about 28% at constant exchange rates, and from about 28% to about 29% in DKK based on current exchange rates.
- Capital expenditure is still expected to be around DKK 300m.
- We continue to expect an effective tax rate of 25–26%.

Achieving the financial guidance will still depend on our ability to execute the business plan devised for the US business including both the Chronic Care and the Urology businesses. Revenue growth will continue to be affected by the performance of the Wound Care business, as the effects of the changes implemented in the business have not yet materialised.

Our financial guidance is inherently subject to some degree of uncertainty. Significant changes in currency, business or macroeconomic conditions, including changes within healthcare, are examples of factors that may impact the company's financial condition.

Other matters

Strategy revised
Earlier today, the Board of Directors approved an updated strategy for Coloplast. The strategic priorities centre on increasing investments in:

- Continued growth in the core developed markets in Europe
- Increased growth in the developed markets outside Europe (US, Canada, Japan and Australia)
- Further expansion and growth in Emerging Markets
- Stabilization of the European Wound Care business
- Globalization of Urology Care

The strategy is supported by:
- A strong new product pipeline
- Continued cost optimizations

It is our ambition for the Chronic Care business to continue to outgrow the market, despite our high market share. In the Urology business, the ambition is also to outgrow the market, while for the Wound Care business, it is to grow in line with the market in the short and intermediate term.

The Board of Directors has confirmed Coloplast's existing long-term ambition. We continue to expect market growth of 4–5%[1] in Coloplast's markets. Coloplast's current long-term financial ambition is to outgrow the market while achieving earnings margins that are in line with the best performing med-tech companies[2]. Coloplast's new growth-orientated strategy at the same time supports strong value creation and a high return on invested capital.

The ambitions and the strategy cover a 3–5 year time horizon.

Changes to the sales organisation
In order to ensure optimal execution of the new strategy, Coloplast today announced a number of organisational changes intended to strengthen the focus on markets other than the mature European markets. The main components of the changes are:

- A restructuring of the global sales organisation into the following new regions:
  - Region Europe
  - Region North America, Japan and Australia
  - Region Emerging Markets
  - Region China
- The former EU3 and EU11 regions will become a single Region Europe headed up by Alain Morvan, our current SVP of EU3.
- Japan, Australia and Canada will be carved out of the old EAC Region and grouped with the USA in a new region: Region North America, Japan and Australia, bringing together the mature core markets outside Europe. The Region will be headed up by SVP Claus Bjerre who will also stay on as head of Coloplast US.
- The Emerging Markets Region will group all emerging markets excluding China and will be headed up by SVP Kristian Villumsen, our current SVP of EU11.
- China will henceforth be an independent region. Region China will be headed up by SVP Vagn Heiberg, who is currently SVP of Coloplast China.

[1]Last revision of market growth estimate was in connection with our Annual Report November 2011.

[2]Coloplast's current peer group consists of the following listed med-tech companies: Medtronic Inc., Baxter International Inc., Covidien PLC, Stryker Corp., St. Jude Medical Inc., Boston Scientific Corp., Sonova Holding AG, Smith&Nephew PLC, CR Bard Inc., Getinge AB, WDH A/S, Shandon Weigao Group Medical.

Revised capital structure and dividend policy

Due to Coloplast's revised strategy, the Board of Directors has resolved that the company should no longer accumulate cash earmarked for material acquisitions. Any major acquisition will be financed separately. Accordingly, a smaller amount of cash resources will be required, covering operational cash flow fluctuations. For that purpose, we will maintain minimum cash reserve of DKK 1 billion.

The target of a net interest-bearing debt of 1.5–2.5 times EBITDA will be abandoned. We will continue to have a goal of optimising our weighted average cost of capital (WACC), but only to the extent that debt will not be raised for the sole purpose of distributing funds to shareholders.
The existing dividend policy will also be maintained. Accordingly, the Board of Directors generally intends to distribute excess liquidity to the shareholders in the form of dividend and share buy-backs and to distribute about 30% of the profit for the year as dividends. However, share buy-backs and distribution of dividends will always take into account the Group's growth plans and liquidity requirements. In order to avoid building unnecessary cash resources, it may become necessary to declare extraordinary dividends.

Capital Market Day 2012

Coloplast will be hosting a Capital Market Day in London on Wednesday, 13 June 2012 from 15:00–22:00. At the event, we will provide an update to the market with a special emphasis on these current topics: an update on Coloplast's revised corporate strategy, a presentation of the strategy for the Urology business and an update on the market strategy for the USA.

The event will include presentations by CEO Lars Rasmussen, CFO Lene Skole as well as Claus Bjerre, SVP Chronic Care USA, and Steffen Hovard, SVP Urology Care. In addition, a number of Coloplast's key employees will be on hand. On 13 June, CEO Lars Rasmussen will host a dinner event.

Exchange rate exposure

Our financial guidance for the 2011/12 financial year has been prepared on the basis of the following assumptions for the company's main currencies:

DKK	*GBP*	*USD*	*HUF*	*EUR*
Average exchange rate 2010/11*	858	535	2.74	745
Spot rate at April 18 2012	903	567	2.51	744
Estimated average exchange rate 2011/2012	891	563	2.50	744
Change in estimated average exchange rates compared with last year**	4%	5%	-9%	0%

*) Average exchange rates from 1 October 2010 to 30 September 2011.

**) Estimated average exchange rate is calculated as the average exchange rate year to date combined with the spot rate for the remainder of the year.

As the bulk of our revenue is in EUR, changes in the EUR/DKK exchange rate will also affect revenue. Considering Denmark's fixed-rate policy against EUR, however, such risk is considered to be minimal. In addition to EUR, our revenue and EBIT are also exposed to developments in USD and GBP relative to DKK. Fluctuations in HUF against DKK also affect EBIT, because a substantial part of our production, and thus of our costs, are in Hungary, whereas our sales there are moderate.

In DKKm over 12 months on a 10% initial drop in exchange rates (Average exchange rates 2010/11)	**Revenue**	**EBIT**
USD	-140	-35
GBP	-160	-100
HUF	0	40

Forward-looking statements

The forward-looking statements in this announcement, including revenue and earnings guidance, do not constitute a guarantee of future results and are subject to risk, uncertainty and assumptions, the consequences of which are difficult to predict. The forward-looking statements are based on our current expectations, estimates and assumptions and are provided on the basis of information available to us at the present time.

Major fluctuations in the exchange rates of key currencies, significant changes in the healthcare sector or major developments in the global economy may impact our ability to achieve the defined long-term targets and meet our guidance. This may impact our company's financial results.

Statement by the Board of Directors and Executive Management

The Board of Directors and the Executive Management today considered and approved the interim report of Coloplast A/S for the period 1 October 2011 – 31 March 2012. The interim report, which is unaudited, is presented in accordance with IAS 34 “Interim financial reporting” as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim report gives a true and fair view of the Group’s assets, equity, liabilities and financial position at 31 March 2012 and of the results of the Group’s operations and cash flows for the period 1 October 2011 – 31 March 2012.

Also, in our opinion, the management’s review includes a fair account of the development and performance of the Group, the results for the period and of the financial position of the Group, together with a description of the principal risks and uncertainties that the Group faces.

Humlebæk, 26 April 2012

Executive Management:

Lars Rasmussen President, CEO	Lene Skole Executive Vice President, CFO

Board of Directors:

Michael Pram Rasmussen	Niels Peter Louis-Hansen		
Per Magid	Brian Petersen	Jørgen Tang-Jensen	Sven Håkan Björklund
Thomas Barfod Controller	Gitte Böse Andersen Senior Market Manager	Torben Julle Rasmussen Worker	

List of tables

Unaudited

Statement of comprehensive income

1 October - 31 March

(Unaudited)

Note		Group		Index	Group		Index
		DKK million			DKK million		
		2011/12	2010/11		2011/12	2010/11	
		6 mths	6 mths		Q2	Q2	
1	Revenue	5,346	5,004	107	2,692	2,463	109
	Cost of sales	(1,833)	(1,815)	101	(917)	(886)	103
	Gross profit	**3,513**	**3,189**	**110**	**1,775**	**1,577**	**113**
	Distribution costs	(1,553)	(1,508)	103	(771)	(748)	103
	Administrative expenses	(321)	(285)	113	(158)	(149)	106
	Research and development costs	(177)	(223)	79	(82)	(111)	74
	Other operating income	19	20	95	11	10	110
	Other operating expenses	(18)	(5)	360	(5)	(4)	125
1	**Operating profit (EBIT)**	**1,463**	**1,188**	**123**	**770**	**575**	**134**
2	Financial income	30	16	188	14	3	467
3	Financial expenses	(153)	(119)	129	(94)	(43)	219
	Profit before tax	**1,340**	**1,085**	**124**	**690**	**535**	**129**
	Tax on profit for the period	(342)	(282)	121	(176)	(139)	127
	Net profit for the period	**998**	**803**	**124**	**514**	**396**	**130**
	Other comprehensive income						
	Value adjustment of currency and interest hedging	(92)	51		17	99	
	Of which transferred to financial items	50	22		31	5	
	Tax effect of hedging	11	(18)		(12)	(26)	
	Exchange rate adjustment, assets in foreign currency	13	(39)		(36)	(75)	
	Exchange rate adjustment of opening balances and other adjustments relating to subsidiaries	16	25		37	17	
	Total other comprehensive income	**(2)**	**41**		**37**	**20**	
	Total comprehensive income	**996**	**844**		**551**	**416**	
	Earnings per Share (EPS)	23.8	19.0		12.2	9.4	
	Earnings per Share (EPS), diluted	23.4	18.7		12.0	9.2	
	Profit distribution:						
	Retained earnings	998	803		998	803	
	Total	**998**	**803**		**998**	**803**	

Balance sheet

At 31 March

Note		Group DKK million 31.03.12	31.03.11	30.09.11
	Assets			
	Acquired patents and trademarks	882	973	941
	Goodwill	743	746	737
	Software	91	112	115
	Prepayments and assets under development	16	29	9
	Intangible assets	**1,732**	**1,860**	**1,802**
	Land and buildings	1,106	1,149	1,133
	Plant and machinery	841	894	886
	Other fixtures and fittings, tools and equipment	135	162	154
	Prepayments and assets under construction	158	187	93
	Property, plant and equipment	**2,240**	**2,392**	**2,266**
	Investment in associates	6	2	6
	Other investments	0	4	0
	Deferred tax asset	178	180	163
	Other receivables	16	15	16
	Investments	**200**	**201**	**185**
	Non-current assets	**4,172**	**4,453**	**4,253**
	Inventories	**945**	**1,032**	**946**
	Trade receivables	1,900	1,861	1,820
	Income tax	11	23	11
	Other receivables	256	224	231
	Prepayments	64	74	71
	Receivables	**2,231**	**2,182**	**2,133**
	Marketable securities	**456**	**180**	**568**
	Cash and bank balances	**1,496**	**381**	**1,318**
	Current assets	**5,128**	**3,775**	**4,965**
	Assets	**9,300**	**8,228**	**9,218**

Balance sheet

At 31 March

Note		Group DKK million 31.03.12	31.03.11	30.09.11
	Equity and liabilities			
	Share capital	225	225	225
	Reserve for currency and interest rate hedging	(63)	34	(32)
	Proposed dividend for the year	0	0	585
	Retained earnings	4,806	3,515	3,700
	Total equity	**4,968**	**3,774**	**4,478**
	Provision for pensions and similar liabilities	79	83	75
	Provision for deferred tax	192	220	167
	Other provisions	4	7	4
	Mortgage debt	352	456	459
	Other credit institutions	1,552	1,489	1,537
	Other payables	321	404	334
	Deferred income	81	125	77
	Non-current liabilities	**2,581**	**2,784**	**2,653**
	Provision for pensions and similar liabilities	6	8	8
	Other provisions	18	15	35
	Mortgage debt	0	7	6
	Other credit institutions	108	167	92
	Trade payables	379	428	420
	Income tax	322	221	516
	Other payables	891	822	983
	Deferred income	27	2	27
	Current liabilities	**1,751**	**1,670**	**2,087**
	Current and non-current liabilities	**4,332**	**4,454**	**4,740**
	Equity and liabilities	**9,300**	**8,228**	**9,218**
7	Contingent items			
8	Acquired operations			

Statement of changes in equity

Group DKK million	Share capital A shares	 B shares	Reserve for currency and nterest rate hedging	Proposed dividend	Retained earnings	Total equity
2010/11						
Balance at 1.10 as reported in annual report	18	207	(21)	422	2,826	3,452
Comprehensive income:						
Result for the period					803	803
Other comprehensive income			55		(14)	41
Total comprehensive income for the period	*0*	*0*	*55*	*0*	*789*	*844*
Transactions with owners:						
Treasury shares purchased					(211)	(211)
Treasury shares sold					99	99
Share-based payments					12	12
Dividend paid out in respect of 2009/10				(422)		(422)
Total transactions with owners	*0*	*0*	*0*	*(422)*	*(100)*	*(522)*
Balance at 31.03	**18**	**207**	**34**	**0**	**3,515**	**3,774**
2011/12						
Balance at 1.10 as reported in annual report	18	207	(32)	585	3,700	4,478
Comprehensive income:						
Result for the period					998	998
Other comprehensive income			(31)		29	(2)
Total comprehensive income for the period	*0*	*0*	*(31)*	*0*	*1,027*	*996*
Transactions with owners:						
Transfers				2	(2)	0
Treasury shares purchased					(160)	(160)
Treasury shares sold					232	232
Share-based payments					13	13
Tax on equity entries					(4)	(4)
Dividend paid out in respect of 2010/11				(587)		(587)
Total transactions with owners	*0*	*0*	*0*	*(585)*	*79*	*(506)*
Balance at 31.03	**18**	**207**	**(63)**	**0**	**4,806**	**4,968**

Statement of cash flows

1 October - 31 March

Note		Group DKK million 2011/12 6 mths	Group DKK million 2010/11 6 mths
	Operating profit	1,463	1,188
	Depreciation and amortisation	252	264
4	Adjustment for other non-cash operating items	(16)	(5)
5	Changes in working capital	(207)	(360)
	Ingoing interest payments, etc.	30	7
	Outgoing interest payments, etc.	(200)	(66)
	Income tax paid	(521)	(573)
	Cash flow from operating activities	**801**	**455**
	Investments in intangible assets	(7)	(10)
	Investments in land and buildings	(2)	(2)
	Investments in plant and machinery	(49)	(17)
	Investments in non-current assets under constructions	(86)	(106)
	Property, plant and equipment sold	11	19
	Acquired operations	0	(160)
	Cash flow from investing activities	**(133)**	**(276)**
	Free cash flow	**668**	**179**
	Dividend to shareholders	(587)	(422)
	Net investment in treasury shares	71	(112)
	Financing from shareholders	**(516)**	**(534)**
	Acquisition of mortgage bonds	112	(181)
	Financing through long-term borrowing, debt funding	0	440
	Financing through long-term borrowing, instalments	(104)	0
	Cash flow from financing activities	**(508)**	**(275)**
	Net cash flow for the period	**160**	**(96)**
	Cash, cash equivalents and short term debt at 1.10.	1,220	303
	Value adjustments of cash and balances	8	0
	Net cash flow for the period	160	(96)
6	**Cash, cash equivalents and short term debt at 31.03**	**1,388**	**207**

The cash flow statement cannot be extracted directly from the financial statements.

Notes

1. Segment information

Group, 2011/12

Operating segments

The operating segments are defined on the basis of the monthly reporting to the Executive Management, which is considered to be the senior operational management. Reporting to management is based on two global operating segments: Sales Regions and Production Units as well as three small operating segments; Wound and Skin Care; Disposable Surgical Urology (DSU) and Surgical Urology (SU). The segments Global Marketing, Global R&D and Staff are not operating segments, as they do not aim to generate revenue. This breakdown also reflects our global organisational structure.

The operating segments Sales Regions and Production Units segments comprise sales and/or production from each of our three business areas, Ostomy Care, Urology and Continence Care and Wound and Skin Care. Inter-segment trading consists of the Sales Regions procuring goods from the Production Units. Inter-segment trading is made on an arm's length basis.

The operating segment Wound and Skin Care exclusively covers the sale of wound and skin care products in selected European markets, where the Wound and Skin Care segment is separated from the other business areas. In this way, the segmentation reflects the structure of reporting to Executive Management. The sale of wound and skin care products in other markets is included in the Wound and Skin Care business area. DSU covers the production and sale of disposable urology products, while SU covers the sale of urology products.

The operating segments Wound and Skin Care, DSU, SU, Global Marketing, Global Research and Development and Staff are non-reporting segments. The Wound and Skin Care, DSU and SU segments are included in the operating segment Sales Regions as they meet the criteria for combination. The Shared/Non-allocated segment includes support functions and eliminations, as these segments do not generate revenue. The segments listed (with the exception of SU) each represent less than 10% of total segment revenue, segment profit/loss and segment assets. The SU operating segment represents more than 10% of total assets, but as the assets are exclusively allocated to the segments in connection with impairment tests and are not reported by segment to management, the segment is not considered a reporting segment.
Financial items and income tax are not allocated to the operating segments.

Management reviews each operating segment separately based on EBIT and allocates resources on that background. The performance targets are calculated the same way as in the consolidated financial statements.
Costs are allocated directly to segments. Certain indirect costs are allocated systematically to the Shared/Non-allocated segment and the reporting segments Sales Regions and Production Units.

Management does not receive reporting on asset and liabilities by the reporting segments Sales Regions and Production Units. Accordingly, the reporting segments are not measured in this respect, nor do we allocate resources on this background. No single customer accounts for more than 10% of revenue.

Operating segments	**Sales Regions**		**Production units**		**Shared/ Not allocated**		**Total**	
DKK million	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11
External revenue	5,248	4,913	99	91	(1)	0	5,346	5,004
Operating profit (EBIT) by segment	218	163	2,096	1,858	(851)	(833)	1,463	1,188
Financial items	0	0	0	0	(123)	(103)	(123)	(103)

Notes

	Group DKK million 2011/12	2010/11
2. Financial income		
Interest income	30	6
Exchange rate adjustments	0	9
Other financial income and fees	0	1
Total	**30**	**16**
3. Financial expenses		
Interest expense	57	57
Fair value adjustments, share options	19	30
Fair value adjustments on forward contracts transferred from equity	50	22
Exchange rate adjustments	14	0
Other financial expenses and fees	13	10
Total	**153**	**119**
4. Adjustment for other non-cash operating items		
Net gain/loss on non-current assets	(1)	0
Change in other provisions	(15)	(5)
Total	**(16)**	**(5)**
5. Changes in working capital		
Inventories	16	(70)
Trade receivables	(59)	(160)
Other receivables	(16)	(95)
Trade and other payables etc.	(148)	(35)
Total	**(207)**	**(360)**
6. Liquid resources and short term debt		
Cash	1	1
Bank balances	1,495	380
Liquid resources	1,496	381
Short-term debt	(108)	(174)
Total	**1,388**	**207**

7. Contingent items

Contingent liabilities

The Coloplast Group is a party to a number of legal proceedings, which are not expected to influence material the Group's future earnings.

Notes

8. Acquired operations

On 29 October 2010, Coloplast signed an agreement to acquire 100% of the shares and voting rights of Mpathy Medical Devices Limited (UK) and Gyne Ideas Limited (UK). Mpathy Medical Devices Limited develops products within the Urology Care business area which are sold in the US market, whilst Gyne Ideas Limited owns intellectual property rights also within the Urology Care business area. Detailed information about the acquisition is set out in the Annual Report 2010/11.

Income statement, quarterly

(Unaudited)

		Group					
	DKK million						
		2010/11				2011/12	
Note		Q1	Q2	Q3	Q4	Q1	Q2
1	Revenue	2,541	2,463	2,597	2,571	2,654	2,692
	Cost of sales	(929)	(886)	(926)	(863)	(916)	(917)
	Gross profit	**1,612**	**1,577**	**1,671**	**1,708**	**1,738**	**1,775**
	Distribution costs	(760)	(748)	(756)	(724)	(782)	(771)
	Administrative expenses	(136)	(149)	(159)	(160)	(163)	(158)
	Research and development costs	(112)	(111)	(104)	(88)	(95)	(82)
	Other operating income	10	10	7	25	8	11
	Other operating expenses	(1)	(4)	(8)	(19)	(13)	(5)
1	**Operating profit (EBIT)**	**613**	**575**	**651**	**742**	**693**	**770**
	Profit/loss after tax on investment in associates	0	0	0	(1)	0	0
2	Financial income	13	3	22	9	16	14
3	Financial expenses	(76)	(43)	(18)	(34)	(59)	(94)
	Profit before tax	**550**	**535**	**655**	**716**	**650**	**690**
	Tax on profit for the period	(143)	(139)	(170)	(185)	(166)	(176)
	Profit for the period	**407**	**396**	**485**	**531**	**484**	**514**
	Earnings per Share (EPS)	9.6	9.4	11.6	12.7	11.6	12.2
	Earnings per Share (EPS), diluted	9.5	9.2	11.4	12.5	11.4	12.0

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In the event of discrepancies, the Danish version shall prevail.

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Coloplast develops products and services that make life easier for people with very personal and private medical conditions. Working closely with the people who use our products, we create solutions that are sensitive to their special needs. We call this intimate healthcare.

Our business includes Ostomy Care, Urology Care, Continence Care and Wound and Skin Care. We operate globally and employ around 7,500 people.