Ostomy Care
Urology & Continence Care
Wound & Skin Care

Coloplast

Announcement no. 5/2013
30 April 2013

H1 2012/13

Interim financial report, H1 2012/13

(1 October 2012 - 31 March 2013)

Highlights

- Organic revenue growth was 6%. Revenue in DKK was up by 7% to DKK 5,707m.
- Organic growth rates by business area: Ostomy Care 6%, Continence Care 6%, Urology Care 9% and Wound & Skin Care 3%.
- Gross profit was up by 9% to DKK 3,824m, and the gross margin improved to 67% from 66% in the same period of last year.
- EBIT was up by 20% to DKK 1,756m. The EBIT margin was 31% against 27% in H1 2011/12. At constant exchange rates, the EBIT margin was also 31%.
- The net profit for the reporting period was up by 25% to DKK 1,252m, while earnings per share also improved by 25% to DKK 5.83.
- The free cash flow amounted to DKK 872m, a DKK 204m increase on the same period of last year.
- ROIC after tax was 40%, compared with 33% in H1 2011/12.
- The Board of Directors has resolved that Coloplast will pay an extraordinary dividend of DKK 3 per share for a total dividend payout of DKK 634m.

Financial guidance for 2012/13

Our financial guidance for the 2012/13 financial year is unchanged:

- Organic revenue growth of 6-7% and growth of 5-6% in DKK.
- Expected EBIT margin of 31–32%, both at constant exchange rates and in DKK.
- Capital expenditure is expected to be around DKK 400m.
- The effective tax rate is expected to be 25–26%.

Conference call

Coloplast will host a conference call on 30 April 2013 at 15.00 CEST. 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.

Financial highlights and key ratios

1 October - 31 March

	Consolidated DKK million		Change	Consolidated DKK million		Change
	2012/13 6 mths	2011/12 6 mths		2012/13 Q2	2011/12 Q2	
Income statement						
Revenue	5,707	5,346	7%	2,842	2,692	6%
Research and development costs	-195	-177	10%	-103	-82	26%
Operating profit before interest, tax, depreciation and amortisation (EBITDA)	2,012	1,715	17%	993	898	11%
Operating profit (EBIT)	1,756	1,463	20%	859	770	12%
Net financial income and expenses	-68	-123	-45%	-3	-80	-96%
Profit before tax	1,687	1,340	26%	855	690	24%
Profit for the period	1,252	998	25%	635	514	24%
Revenue growth						
Period growth in revenue, %	7	7		6	9	
Growth break down:						
Organic growth, %	6	6		7	8	
Currency effect, %	1	1		-1	1	
Balance sheet						
Total assets	10,066	9,300	8%	10,066	9,300	8%
Invested capital	6,551	6,641	-1%	6,551	6,641	-1%
Net interest-bearing debt	-995	377	<-100%	-995	377	<-100%
Equity end of period	6,350	4,942	28%	6,350	4,942	28%
Cash flow and investments						
Cash flow from operating activities	1,059	801	32%	591	578	2%
Cash flow from investing activities	-187	-133	41%	-104	-72	44%
Investments in property, plant and equipment, gross	-170	-137	24%	-83	-73	14%
Free cash flow	872	668	31%	487	506	-4%
Cash flow from financing activities	-1,436	-508	>100%	7	211	-97%
Key figures ratios						
Operating margin, EBIT, %	31	27		30	29	
Operating margin, EBITDA, %	35	32		35	33	
Return on average invested capital before tax (ROIC), %	54	45		52	46	
Return on average invested capital after tax (ROIC), %	40	33		39	35	
Return on equity, %	40	42		41	44	
Ratio of net debt to EBITDA	-0.2	0.1		-0.3	0.1	
Interest cover	39	64		38	100	
Equity ratio, %	63	53		63	53	
Rate of debt to enterprise value, %	-1	1		-1	1	
Net asset value per share, DKK[1)]	29	22	32%	29	22	32%
Per share data						
Share price, DKK[1)]	313	192	63%	313	192	63%
Share price/net asset value per share[1)]	11.0	8.7	26%	11.0	8.7	26%
Average number of outstanding shares, millions[1)]	210.7	209.9	0%	211.2	210.4	0%
PE, price/earnings ratio	26.3	20.2	30%	26.0	19.7	32%
Earnings per share (EPS), diluted[1)]	5.83	4.67	25%	2.95	2.40	23%
Free cash flow per share[1)]	4.1	3.2	29%	2.3	2.4	-5%

1) Comparative figures have been restated to reflect a 1-to-5 split of the company's A and B shares.

Management's report

Sales performance

Revenue in DKK was up by 7% to DKK 5,707m. The organic growth rate was 6%.

Sales performance by business area

	DKK million		Growth composition			DKK million	Organic growth
	2012/13 6 mths	2011/12 6 mths	Organic growth	Exchange rates	Reported growth	2012/13 Q2	Q2
Ostomy Care	2,385	2,242	6%	0%	6%	1,173	7%
Continence Care	1,990	1,852	6%	1%	7%	974	6%
Urology Care	556	507	9%	1%	10%	282	7%
Wound & Skin Care	776	745	3%	1%	4%	413	7%
Net revenue	5,707	5,346	6%	1%	7%	2,842	7%

Ostomy Care

Sales of ostomy care products amounted to DKK 2,385m, which translated into reported growth of 6%. The organic growth rate was also 6%. Growth in the H1 reporting period was driven geographically by the UK, the USA, the Nordic markets, China and Brazil and product-wise by the portfolio of SenSura® products.

Q2 organic growth was 7%. Growth in the second quarter was mainly driven by Emerging Markets, with most markets in this segment reporting satisfactory growth following a weak first quarter. On the other hand, sales in Spain continued the sharp decline due to challenging market conditions. The Brava™ series of accessories for stoma patients continued to make a substantial contribution to overall growth in the second quarter.

Continence Care

Continence Care revenue was DKK 1,990m, a 7% improvement in DKK and 6% organically. Growth remained driven by sales of SpeediCath® intermittent catheters. The weaker growth rate relative to the FY 2011/12 rate was mainly due to the US market where slowing growth in sales of Self-Cath® catheters was only partly offset by improving sales of the more advanced SpeediCath® catheters. With the SpeediCath Compact Set now launched in the US market, this product is expected to contribute strongly to growth from the next financial year.

The Q2 organic growth was also 6%, constrained by consolidation in the US distribution chain which caused reduced inventories for the distributors involved. Sales growth of urisheaths and urine bags remained unsatisfactory, whereas sales of the Peristeen® anal irrigation system grew at a satisfactory rate, albeit at lower growth rates than in the preceding 12 months.

Urology Care

Urology Care revenue was up by 10% to DKK 556m on 9% organic growth. Satisfactory growth in all product areas with the exception of slings for treating female stress incontinence, where sales declined.

Organic growth, at 7% in the second quarter, was mainly driven by sales of Restorelle® for pelvic organ prolapse repair and endourology products. While also making a positive contribution, sales of penile implants recorded a lower growth rate than in the first quarter which had low comparative prior-year figures. Sales of slings for treating female stress incontinence also declined in the second quarter, although the newly launched single incision sling, Altis® helped to reduce the decline.

Wound & Skin Care

Sales of wound and skin care products amounted to DKK 776m, equal to a 4% increase in DKK and 3% organic growth in H1 2012/13. Wound Care sales improved by 1% in H1 2012/13, driven mainly by growth in the Chinese market. Greece also contributed, although the improvement there was supported by inventory reductions in the first quarter of last year. Lastly, the European Wound

Care business improved its performance slightly although still reporting negative growth.
The Q2 organic growth rate was 7% with the Wound Care business reporting 6% growth. The improvement over previous quarters was explained by a better performance in Europe driven by highly satisfactory growth in Germany following a weak first quarter. China and Brazil also reported fair sales improvements in the second quarter. In addition, Coloplast began delivering under a major contract in the US market. The North American Skin Care business and the contract production of Compeed® once again reported satisfactory growth rates.
Starting in June 2013, Premier, a US-based group purchasing organisation, will add Coloplast wound and skin care products to its portfolio.

especially due to highly satisfactory sales of the Brava™ series of accessories, whereas growth in Continence Care declined. Wound & Skin Care growth was highly satisfactory. Sales of penile implants and synthetic mesh products for pelvic organ prolapse also contributed to the region's overall growth performance.
Organic growth was 6% in the second quarter, marking a drop compared to the first-quarter rate caused by the performance in Japan, Australia and Canada. Sales growth in the USA was in line with the first quarter, even though sales growth in the continence care business was impacted by inventory reductions caused by consolidation among distributors.

Sales performance by region

	DKK million		*Growth composition*			*DKK million*	*Organic growth*
	2012/13 6 mths	*2011/12 6 mths*	*Organic growth*	*Exchange rates*	*Reported growth*	*2012/13 Q2*	*Q2*
European markets	3,792	3,600	4%	1%	5%	1,892	5%
Other developed markets	1,188	1,100	7%	1%	8%	562	6%
Emerging markets	727	646	14%	(2%)	12%	388	18%
Net revenue	**5,707**	**5,346**	**6%**	**1%**	**7%**	**2,842**	**7%**

European markets

Revenue amounted to DKK 3,792m, which translated into reported growth of 5%. The organic growth rate in the European business was 4%, which was in line with FY 2011/12. Ostomy Care and Continence Care both reported satisfactory growth rates, driven by the UK, the Nordic countries, Germany and France. In southern Europe, Italy recovered, whereas the market situation in Spain remains impacted by reform and cuts in public spending. The Wound Care business continued to be a negative contributor to growth.
The Q2 growth rate of 5% was mainly due to the improvement in the sale of wound care products relative to the first quarter.

Other established markets

Revenue was up by 8% to DKK 1,188m. Organic growth was 7%, driven by satisfactory growth in the US. Sales growth in the US Ostomy Care business was substantially higher than last year,

Other markets

Revenue increased by 12% to DKK 727m, while organic growth was 14%. Growth for the first six months was driven by China, Brazil, Argentina and Greece. The improvement in the Greek market should be seen relative to inventory reductions in the first quarter of last year.
The Q2 growth rate was 18%, supporting factors being the shift of large tenders in Russia from the first to the second quarter and satisfactory growth in China, as compared to a first quarter marked by distributors reducing their inventories. Brazil also reported substantial improvements in the second quarter.

Gross profit

Gross profit was up by 9% to DKK 3,824m from DKK 3,513m in H1 2011/12. The H1 gross margin was 67%, against 66% in the same period of last year. The change was the result of improvements in production efficiency and higher revenue. At

constant exchange rates, the gross margin was also 67%.
The Q2 gross margin was 67% when measured in DKK. At constant exchange rates, the gross margin was also 67%, in line with the Q1 figure.

Capacity costs

Distribution costs amounted to DKK 1,614m, equal to 28% of revenue, which was in line with H1 2011/12 when adjusted for non-recurring items in the first quarter of last year.
The Q2 distribution costs also made up 28% of revenue.

Administrative expenses were DKK 274m against DKK 321m in the same period of last year. Administrative expenses accounted for 5% of revenue, which was in line with the same period of last year when adjusted for last year's DKK 32m provision for losses on trade receivables in southern Europe.
Administrative expenses also made up 5% of revenue in the second quarter.

R&D costs were DKK 195m and accounted for 3% of revenue, which was in line with the same period of last year.
The Q2 R&D costs made up 4% of revenue and included DKK 9m for restructuring.

Other operating income and other operating expenses net amounted to an income of DKK 15m, against an income of DKK 1m in H1 2011/12.

Operating profit (EBIT)

EBIT was DKK 1,756m, a 20% improvement from DKK 1,463m in H1 2011/12, for an EBIT margin of 31% against 27% in the same period of last year. Adjusted for non-recurring items totalling DKK 65m and a total of DKK 32m in provisions for losses on trade receivables in southern Europe, last year's H1 EBIT margin was 29%. At constant exchange rates, the H1 2012/13 EBIT margin was also 31%.
The Q2 EBIT margin was 30% in DKK and 31% at constant exchange rates.

Financial items and tax

Financial items amounted to a net expense of DKK 68m, against DKK 123m in the same period of last year, the difference being mainly due to a relatively large realised net loss on forward currency contracts last year and a small net gain in the current year.

Financial items

	DKK million		*DKK million*	
	2012/13	*2011/12*	*2012/13*	*2011/12*
	6 mths	*6 mths*	*Q2*	*Q2*
Interest, net	(24)	(27)	(12)	(5)
Fair value adjustment of options	(18)	(19)	(6)	(15)
Net exchange adjustments	(15)	(64)	19	(53)
Other financial items	(11)	(13)	(4)	(7)
Total financial items	(68)	(123)	(3)	(80)

The effective tax rate was 26%, in line with last year, for a tax expense of DKK 435m, as compared with DKK 342m in H1 2011/12.

Net profit for the period

The net profit for the reporting period was up by 25% to DKK 1,252m, while earnings per share also improved by 25% relative to H1 2011/12 to DKK 5.83.

Cash flows and investments

Cash flows from operating activities

Cash flows from operating activities were up by 32% to DKK 1,059m from DKK 801m in H1 2011/12. Most of the improvement was due to a DKK 297m EBITDA increase and a total DKK 140m of less realised losses on currency forward contracts relative to H1 of last year and other foreign exchange adjustments. An increase in income tax paid reduced the cash flows for the period by DKK 172m.

Investments (CAPEX)

Coloplast made gross investments of DKK 187m in H1 2012/13 compared with DKK 133m in H1 2011/12. The increase was due to a larger amount invested in machinery to be used for new products. Gross investments in property, plant and equipment and in intangible assets (CAPEX) amounted to DKK 183m, against DKK 144m in 2011/12, corresponding to 3% of revenue, which was similar to the level last year.

Free cash flow

The free cash flow amounted to DKK 872m against DKK 668m in the same period of last year.

Capital reserves

The confirmed credit facilities expire during the third quarter of 2012/13 and are therefore not included in the long-term capital reserves. Instead of confirmed facilities, Coloplast will maintain cash reserves of around DKK 1bn. At the balance sheet date, the gross interest-bearing debt amounted to DKK 1,570m. Coloplast repaid most of the remaining debt in April 2013.

Balance sheet and equity

Balance sheet

At DKK 10,066m, total assets were DKK 110m lower than at 30 September 2012.

Intangible assets amounted to DKK 1,635m, which was DKK 70m less than at 30 September 2012. The reduction was mainly due to the amortisation of acquired patents and trademarks as well as the depreciation of USD against DKK since the beginning of the financial year.

Current assets increased by DKK 6m relative to 30 September 2012 to stand at DKK 5,975m.

Relative to 30 September 2012, trade receivables were up by 2% to DKK 1,961m and inventories were up by DKK 52m to DKK 1,060m. Trade payables were reduced by DKK 59m relative to 30 September 2012 to stand at DKK 419m.
Working capital made up 23% of revenue, which was 1 percentage point higher than at 30 September 2012.

Equity

Equity was up by DKK 308m to DKK 6,350m. The comprehensive income for the period of DKK 1,224m was partly offset by dividend payments of DKK 844m. The net effect of treasury shares acquired, employees' exercise of share options and the sale of employee shares reduced equity by DKK 88m.

Dividends and share buy-backs

The Board of Directors resolved today to exercise the authorisation, provided by the shareholders at the annual general meeting held on 11 December 2012, to pay extraordinary dividends. Based on the half-year interim report, Coloplast will pay DKK 3 per share for a total dividend payout of DKK 634m.
The dividend will be paid on the basis of shareholdings registered in shareholders' custody accounts on 8 May 2013, which means that transactions made up to 3 May 2013 inclusive will be eligible for dividends. Dividends will be at shareholders' disposal on 13 May 2013.

The shareholders in general meeting also authorised Coloplast to establish a share buy-back programme totalling up to DKK 1bn until the end of the 2012/13 financial year. The second half of the programme, for DKK 500m, was launched in February 2013 (see Announcement No. 4/2013) and it is expected to close by the end of the current financial year. At 31 March 2013, Coloplast had bought back shares for a total of DKK 94m.

Treasury shares

At 31 March 2013, Coloplast's holding of treasury shares consisted of 8,731,149 B shares, which was DKK 6,016,311 fewer than at 30 September 2012. The reduction is explained by 5 million shares being cancelled and the fact that the number of share options exercised by employees and the number of employee shares sold during the period exceeded the number of shares bought back.

Financial guidance for 2012/13

Our financial guidance for the 2012/13 financial year is unchanged:

- Organic revenue growth of 6-7% and growth of 5-6% in DKK.
- Expected EBIT margin of 31–32%, both at constant exchange rates and in DKK.
- Capital expenditure is expected to be around DKK 400m.
- The effective tax rate is expected to be 25–26%.

Our financial guidance is inherently subject to some degree of uncertainty. Achieving the financial guidance will specifically depend on our ability to execute the revised growth strategy announced in March 2012.

The financial guidance assumes sustained stable growth in the European business. In addition, emerging markets are expected to grow by at least the same rates as last year, while the mature markets outside Europe, especially the USA, are expected to see higher growth rates than in 2011/12.
Price pressures in 2012/13 are expected to be in line with those of the previous year. Our financial guidance takes account of reforms with known effects.

The EBIT margin guidance assumes that Coloplast, in addition to delivering on the sales growth, can successfully deliver results consistent with the previously estimated productivity-enhancement potential of a 0.5–1.0% improvement of the overall gross margin.

Finally, the guidance also includes sales investment expectations under the revised strategy.

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[1].

The overall weighted market growth in Coloplast's current markets is expected to be 4–5% and was last revised at the release of the full-year financial results for 2011/12.

Other matters

Update on mesh litigation

Since 2011, Coloplast has been named as a defendant in individual lawsuits in various federal and state courts around the United States, alleging injury resulting from use of transvaginal surgical mesh products designed to treat pelvic organ prolapse and stress incontinence.
On August 6, 2012, a multidistrict litigation (MDL) was formed to consolidate federal court cases in which Coloplast is the first named defendant in the Southern District of West Virginia as part of MDL No. 2387. The cases are consolidated for purposes of pre-trial discovery and motion practice only. Separate MDLs have also been formed to manage litigation against other major mesh manufacturers in the same venue. A date has not yet been set for the hearing of cases against Coloplast. Coloplast cannot predict the timing or outcome of any such litigation, or whether any additional litigation will be brought against the company or its subsidiaries. Based on the current information available to Coloplast, we do not expect this to have a significant financial impact on the company.

[1] 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.

Exchange rate exposure

Our financial guidance for the 2012/13 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 2011/12*	904	574	2.53	744
Spot rate, 22 April 2013	870	572	2.50	745
Estimated average exchange rate 2012/2013	886	571	2.54	746
Change in estimated average exchange rates compared with last year**	-2%	0%	0%	0%

*) Average exchange rates from 1 October 2011 to 30 September 2012.

**) Estimated average exchange rate is calculated as the average exchange rate year to date combined with the spot rates at 22 April 2013.

Revenue is particularly exposed to developments in USD and GBP relative to DKK. Fluctuations in HUF against DKK have an effect on the operating profit, because a substantial part of our production, and thus of our costs, are in Hungary, whereas our sales there are moderate.

In DKK millions over 12 months on a 10% drop in exchange rates (Average exchange rates 2011/12)	Revenue	EBIT
USD	-160	-45
GBP	-180	-105
HUF	0	35

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 the Executive Board

The Board of Directors and the Executive Management today considered and approved the interim report of Coloplast A/S for the period 1 October 2012 – 31 March 2013. 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 2013 and of the results of the Group's operations and cash flows for the period 1 October 2012 – 31 March 2013.

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, 30 April 2013

Executive Management:

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

Board of Directors:

Michael Pram Rasmussen Chairman	Niels Peter Louis-Hansen Deputy Chairman	Per Magid
Brian Petersen	Jørgen Tang-Jensen	Sven Håkan Björklund
Thomas Barfod Elected by the employees	Jane Lichtenberg Elected by the employees	Torben Rasmussen Elected by the employees

Tables

Financial figures are unaudited

Statement of comprehensive income

1 October - 31 March

(Unaudited)

Note		Consolidated DKK million 2012/13 6 mths	Consolidated DKK million 2011/12 6 mths	Index	Consolidated DKK million 2012/13 Q2	Consolidated DKK million 2011/12 Q2	Index
1	Revenue	5,707	5,346	107	2,842	2,692	106
	Cost of sales	-1,883	-1,833	103	-948	-917	103
	Gross profit	**3,824**	**3,513**	**109**	**1,894**	**1,775**	**107**
	Distribution costs	-1,614	-1,553	104	-802	-771	104
	Administrative expenses	-274	-321	85	-137	-158	87
	Research and development costs	-195	-177	110	-103	-82	126
	Other operating income	20	19	105	10	11	91
	Other operating expenses	-5	-18	28	-3	-5	60
1	**Operating profit (EBIT)**	**1,756**	**1,463**	**120**	**859**	**770**	**112**
	Profit/loss after tax on investment in associates	-1	0		-1	0	
2	Financial income	16	30	53	9	14	64
3	Financial expenses	-84	-153	55	-12	-94	13
	Profit before tax	**1,687**	**1,340**	**126**	**855**	**690**	**124**
	Tax on profit for the period	-435	-342	127	-220	-176	125
	Net profit for the period	**1,252**	**998**	**125**	**635**	**514**	**124**
	Other comprehensive income						
	Items that will not be reclassified to profit or loss:						
	Actuarial gains/losses	-7	0		-2	0	
	Tax on actuarial gains/losses	2	0		1	0	
		-5	0		-1	0	
	Items that may be reclassified subsequently to profit or loss:						
	Value adjustment of currency and interest hedging	90	-92		9	17	
	Of which transferred to financial items	-2	50		-20	31	
	Tax effect of hedging	-22	11		3	-12	
	Currency adjustment, assets in foreign currency	7	13		32	-36	
	Tax effect of currency adjustment, assets in foreign currency	0	0		0	0	
	Currency adjustment of opening balances and other adjustments relating to subsidiaries	-96	16		-57	37	
		-23	-2		-33	37	
	Total other comprehensive income	**-28**	**-2**		**-34**	**37**	
	Total comprehensive income	**1,224**	**996**		**601**	**551**	
	Earnings per Share (EPS)	5.94	4.76		3.01	2.44	
	Earnings per Share (EPS), diluted	5.83	4.68		2.95	2.40	
	Profit distribution:						
	Retained earnings	618	998				
	Interim dividend	634	0				
	Total	**1,252**	**998**				

Balance sheet

At 30 March

Note		Consolidated DKK million 31.03.13	31.03.12	30.09.12
	Assets			
	Acquired patents and trademarks etc.	772	882	837
	Goodwill	768	743	767
	Software	78	91	79
	Prepayments and intangible assets in progress	17	16	22
	Intangible assets	**1,635**	**1,732**	**1,705**
	Land and buildings	1,036	1,106	1,107
	Plant and machinery	776	841	826
	Other fixtures and fittings, tools and equipment	126	135	121
	Prepayments and property, plant and equipment under construction	280	158	232
	Property, plant and equipment	**2,218**	**2,240**	**2,286**
	Investment in associates	14	6	7
	Other securities and investments	0	0	0
	Deferred tax asset	205	178	193
	Other receivables	19	16	16
	Investments	**238**	**200**	**216**
	Non-current assets	**4,091**	**4,172**	**4,207**
	Inventories	**1,060**	**945**	**1,008**
	Trade receivables	1,961	1,900	1,922
	Income tax	24	11	55
	Other receivables	265	256	282
	Prepayments	99	64	84
	Receivables	**2,349**	**2,231**	**2,343**
	Marketable securities	**1,149**	**456**	**645**
	Cash and cash equivalents	**1,417**	**1,496**	**1,973**
	Current assets	**5,975**	**5,128**	**5,969**
	Assets	**10,066**	**9,300**	**10,176**

Balance sheet

At 30 March

Note		Consolidated DKK million 31.03.13	31.03.12	30.09.12
	Equity and liabilities			
	Share capital	220	225	225
	Reserve for currency and interest hedging	26	-63	-40
	Proposed dividend for the year	634	0	841
	Retained earnings	5,470	4,780	5,016
	Total equity	**6,350**	**4,942**	**6,042**
	Provisions for pensions and similar liabilities	162	117	157
	Provision for deferred tax	202	180	176
	Other provisions	6	4	5
	Mortgage debt	0	352	0
	Other credit institutions	0	1,552	0
	Other payables	16	321	16
	Deferred income	67	81	72
	Non-current liabilities	**453**	**2,607**	**426**
	Provisions for pensions and similar liabilities	12	6	13
	Other provisions	10	18	14
	Mortgage debt	0	0	0
	Other credit institutions	1,311	108	1,296
	Trade payables	419	379	478
	Income tax	396	322	671
	Other payables	1,101	891	1,208
	Deferred income	14	27	28
	Current liabilities	**3,263**	**1,751**	**3,708**
	Current and non-current liabilities	**3,716**	**4,358**	**4,134**
	Equity and liabilities	**10,066**	**9,300**	**10,176**
7	Contingent liabilities			

Statement of changes in equity

Consolidated DKK million	Share capital A shares	Share capital B shares	Reserve for currency and interest rate hedging	Proposed dividend	Retained earnings	Total equity
2012/13						
Restated balance at 1.10.	18	207	-40	841	5,016	6,042
Comprehensive income:						
Net profit for the period				634	618	1,252
Other comprehensive income			66		-94	-28
Total comprehensive income for the period	*0*	*0*	*66*	*634*	*524*	*1,224*
Transactions with shareholders:						
Transfers				3	-3	0
Investment in treasury shares and loss on exercised options					-204	-204
Sale of treasury shares					116	116
Share-based payment					16	16
Tax on equity entries					0	0
Capital reduction		-5			5	0
Dividend paid out in respect of 2011/12				-844		-844
Total transactions with shareholders:	*0*	*-5*	*0*	*-841*	*-70*	*-916*
Balance at 31.03	**18**	**202**	**26**	**634**	**5,470**	**6,350**
2011/12						
Balance at 1.10 as per annual report	18	207	-32	585	3,674	4,452
Comprehensive income:						
Net profit 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 shareholders:						
Transfers				2	-2	0
Investment in treasury shares					-160	-160
Sale of treasury shares					232	232
Share-based payment					13	13
Tax on equity entries					-4	-4
Dividend paid out in respect of 2010/11				-587		-587
Total transactions with shareholders:	*0*	*0*	*0*	*-585*	*79*	*-506*
Restated balance at 31.03	**18**	**207**	**-63**	**0**	**4,780**	**4,942**

Cash flow statement

1 October - 31 March

Note		Consolidated DKK million 2012/13 6 mths	2011/12 6 mths
	Operating profit	1,756	1,463
	Depreciation, amortisation and impairment	256	252
4	Adjustment for other non-cash operating items	-2	-16
5	Changes in working capital	-226	-207
	Ingoing interest payments, etc.	14	30
	Outgoing interest payments, etc.	-46	-200
	Income tax paid	-693	-521
	Cash flows from operating activities	**1,059**	**801**
	Investments in intangible assets	-13	-7
	Investments in land and buildings	-4	-2
	Investments in plant and machinery	-27	-49
	Investments in property, plant and equipment under construction	-139	-86
	Property, plant and equipment sold	4	11
	Acquisition of associate	-8	0
	Cash flow from investing activities	**-187**	**-133**
	Free cash flow	**872**	**668**
	Dividend to shareholders	-844	-587
	Net investment in treasury shares and exercise of share options	-88	71
	Financing from shareholders	-932	-516
	Acquisition of bonds	-504	112
	Financing through long-term borrowing, debt funding	0	0
	Financing through long-term borrowing, instalments	0	-104
	Cash flows from financing activities	**-1,436**	**-508**
	Net cash flows for the period	**-564**	**160**
	Cash, cash equivalents and short-term debt at 1.10.	1,830	1,220
	Value adjustment of cash and bank balances	12	8
	Net cash flows for the period	-564	160
6	**Cash, cash equivalents and short-term debt at 31.03**	**1,278**	**1,388**

The cash flow statement cannot be derived using only the published financial data.

Notes

1. Segment information

Consolidated, 2012/13

Operating segments

The operating segments are defined on the basis of the monthly reporting to the Executive Management, which is considered the senior operational management. Reporting to Management is based on two global operating segments, Sales Regions and Production Units, as well as three smaller operating segments: Wound and Skin Care, Porgès 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 production from each of our three business areas, Ostomy Care, Urology Care, Continence Care and Wound and Skin Care. Inter-segment trading consists of the Sales Regions procuring goods from the Production Units. Trading takes place 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 separate from the other business areas. The sale of wound and skin care products in other markets is included in the Wound and Skin Care business area of the Sales Regions operating segment. Porgès covers the production and sale of disposable urology products, while SU covers the sale of urology products. The segmentation reflects the structure of reporting to the Executive Management.

The Wound and Skin Care, Porgès and SU operating segments are included in the reporting segment Sales Regions as they meet the criteria for combination. Accordingly, the operating segments Wound and Skin Care, Porgès and SU are non-reporting segments. The shared/non-allocated segment comprises support functions (Global marketing, Global R&D and Staff) 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 immaterial 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[1)]		Production units[1)]		Shared/ Non-allocated		Total	
DKK million	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
External revenue	5,703	5,347	0	0	4	-1	5,707	5,346
Segment operating profit (EBIT)	327	251	2,167	2,063	-738	-851	1,756	1,463
Net financials	0	0	0	0	-68	-123	-68	-123

[1)] Due to a change in segment reporting taking effect from the second quarter a part of the contract production will henceforth be reported under the sales regions. The changes exclusively reflect a reclassification from the reporting segment 'Production units' to the reporting segment 'Sales regions'. Due to the change, the external revenue between the segments has changed by DKK 108m (2011/12: DKK 99m) and EBIT has changed by DKK 44m (2011/12: DKK 33m).

Notes

	Consolidated DKK million	
	2012/13	2011/12
2. Financial income		
Interest income	14	30
Fair value adjustments on forward contracts transferred from equity	2	0
Total	**16**	**30**
3. Financial expenses		
Interest expense	38	57
Fair value adjustments, share options	18	19
Fair value adjustments on forward contracts transferred from equity	0	50
Net exchange adjustments	17	14
Other financial expenses and fees	11	13
Total	**84**	**153**
4. Adjustment for other non-cash operating items		
Net gain/loss on divestment of non-current assets	0	-1
Change in other provisions	-2	-15
Total	**-2**	**-16**
5. Changes in working capital		
Inventories	-77	16
Trade receivables	-74	-59
Other receivables	-2	-16
Trade and other payables etc.	-73	-148
Total	**-226**	**-207**
6. Cash and short-term debt		
Cash	1	1
Bank balances	1,416	1,495
Cash and bank balances	**1,417**	**1,496**
Short-term debt	-1,311	-108
Of which bullet loans transferred during the year from non-current liabilities	1,172	0
Total	**1,278**	**1,388**

7. Contingent liabilities

In addition to a few minor legal proceedings, the Coloplast Group is a party to individual lawsuits in various federal and state courts around the United States, alleging injury resulting from use of transvaginal surgical mesh products designed to treat pelvic organ prolapse and stress urinary incontinence. Based on the current information available to Coloplast, we do not expect this to have a significant financial impact on the Group's financial position.

Income statement, quarterly

(Unaudited)

		Consolidated					
DKK million							
		2011/12				2012/13	
Note		Q1	Q2	Q3	Q4	Q1	Q2
1	Revenue	2,654	2,692	2,828	2,849	2,865	2,842
	Cost of sales	-916	-917	-908	-937	-935	-948
	Gross profit	**1,738**	**1,775**	**1,920**	**1,912**	**1,930**	**1,894**
	Distribution costs	-782	-771	-780	-839	-812	-802
	Administrative expenses	-163	-158	-163	-138	-137	-137
	Research and development costs	-95	-82	-80	-85	-92	-103
	Other operating income	8	11	7	42	10	10
	Other operating expenses	-13	-5	-3	-1	-2	-3
1	**Operating profit (EBIT)**	**693**	**770**	**901**	**891**	**897**	**859**
	Profit/loss after tax on investment in associates	0	0	0	-1	0	-1
2	Financial income	16	14	17	-5	7	9
3	Financial expenses	-59	-94	-120	-69	-72	-12
	Profit before tax	**650**	**690**	**798**	**816**	**832**	**855**
	Tax on profit for the period	-166	-176	-210	-208	-215	-220
	Net profit for the period	**484**	**514**	**588**	**608**	**617**	**635**
	Earnings per Share (EPS)	2.32	2.43	2.79	2.89	2.93	3.01
	Earnings per Share (EPS), diluted	2.27	2.40	2.76	2.86	2.88	2.95

For further information, please contact

Investors and analysts

Lene Skole
Executive Vice President, CFO
Tel. +45 4911 1700

Ian S.E. Christensen
Vice President, Investor Relations
Tel. +45 4911 1800/+45 4911 1301
Email: dkisec@coloplast.com

Henrik Nord
Senior Manager, Investor Relations
Tel. +45 4911 1800/+45 4911 3108
Email: dkhno@coloplast.com

Press and the media

Ulla Lundhus
Head of Media and Positioning
Tel. +45 4911 1929
Email: dkul@coloplast.com

Website

www.coloplast.com

Address

Coloplast A/S
Holtedam 1
3050 Humlebæk
Denmark

CVR NR. 69749917

This announcement is available in a Danish and an English-language version.
In the event of discrepancies, the Danish version shall prevail.

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 8,000 people.