



Ambu
Ideas that work for life

Full-year report & 2013/14 outlook

October 1 2012 - September 30 2013

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Agenda

- Q4 Highlights
- 2012/13 in brief
- Integration
- Financials
- Outlook
- New strategy
- Q&A

Disclaimer

Forward-looking statements, especially such relating to future sales and operating profit, are subject to risks and uncertainties. Various factors, many of which are outside Ambu's control, may cause the actual development of the company to differ materially from the expectations contained in this presentation. Factors that might affect such expectations include, among others, changes in healthcare, in the world economy and in exchange rates.

Q4 Highlights

- Best quarter ever and a strong finish of the year
- 42% revenue increase; 8% organic growth
- Momentum regained in the US with an organic growth rate of 9%
- Economies of scale from King Systems acquisition start to materialize
- 31% increase of EBIT to DKK 59m before special items
- Net working capital reduced from 34% to 27% of 12 months' revenue and approaching long-term targets



2012/13 in brief

- Acquisition of King Systems
 - US main market – revenues doubled
 - Strong anaesthesia product offering
 - Foundation for cross selling opportunities
 - Organizational efficiencies and scale effects

Kingsystems

- Launches in visualisation market
 - aScope 3 in Europe & US FDA clearance
 - King Vision single-use blade



- One-stop shopping in PMD
 - Full electrode portfolio implemented
 - Optimized production in UK

BlueSensor
+
WhiteSensor

Growth above market in all business areas

Anaesthesia

- 5% organic growth
- Growth regained after integration
- Largest-ever contract with HPG

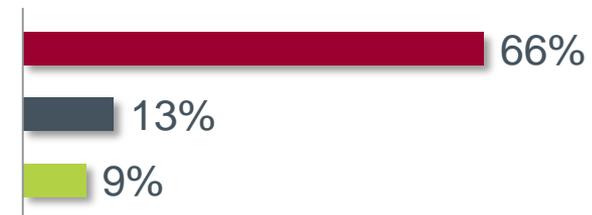
Patient Monitoring & Diagnostics

- 6% organic growth
- Effect from full electrode portfolio
- Double-digit growth in Neurology

Emergency Care

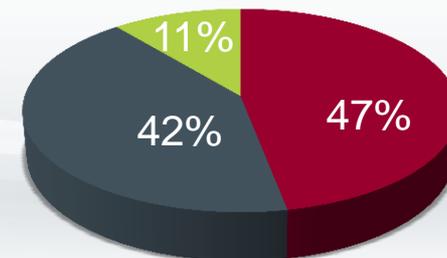
- 9% organic growth driven by neck collars and manikins
- Large one time order in Q1

Growth rates



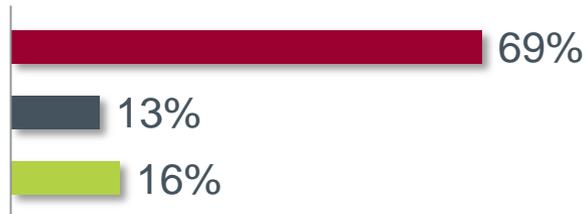
■ Anaesthesia ■ PMD ■ Emergency Care

FY revenue split



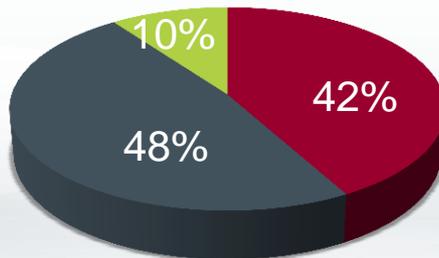
Strong growth in all markets

Growth rates



■ USA ■ Europe ■ Rest of World

Revenue split



USA

- 3% organic growth
- Integration of King Systems
- Dedicated sales forces

Europe

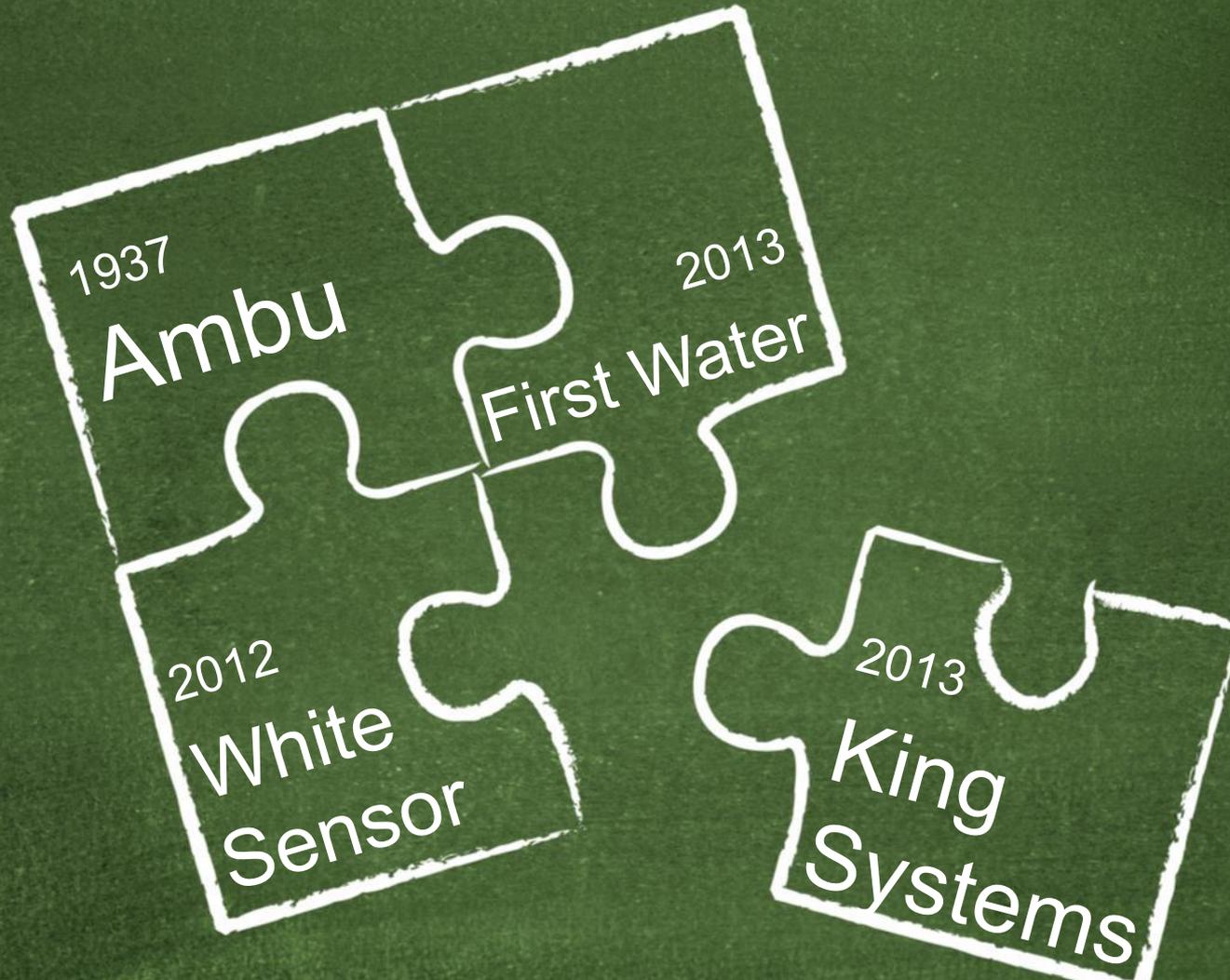
- 8% organic growth
- Ambu winning market shares
- Challenging markets

Rest of World

- 11% organic growth
- Sales efforts paying off in Asia
- Foothold in South America

Organic growth rates stated in local currency

Strong focus on integration in 2013



Financials and full-year outlook

Financial results

DKKm	2011/12	2012/13
Revenue	1,045	1,383
Gross profit	570	679
Gross Margin (%)	54.5	49.1
Capacity costs	(419)	(518)
EBIT before special items	151	161
EBIT-margin before special items (%)	14.4	11.6
Special items	(6)	(61)
Financials, net	(1)	(30)
Net result	110	48

King Systems contribution
242m
(7.5 mth.)

Rate of costs
37.5%
(vs. 40.1%)

Dividend
1.25
(31% of net result)

DKKm	2011/12	2012/13
Cash flow from operations	158	122
Cash flow from investments	(47)	(54)
Free cash flow before acquisitions	111	68
Cash flow from acquisitions	(31)	(704)

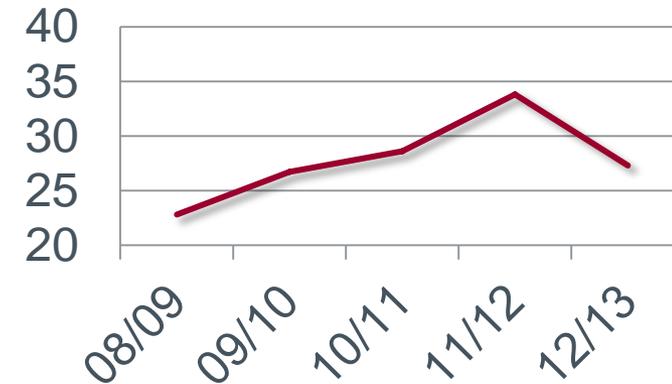
Free cash flow before special items
114m

Balance sheet

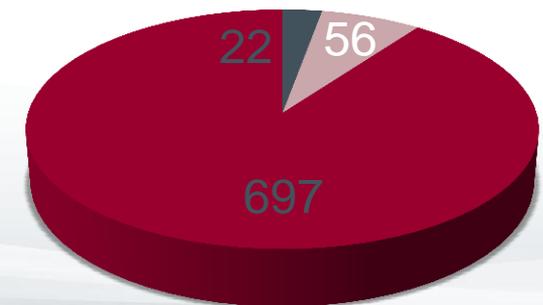
DKKm	2011/12	2012/13
Total assets	949	1,891
Working capital	354	417
Net Interest Bearing Debt (NIBD)	57	721
Gearing (NIBD/EBITDA b.s.i.)	0.3	3.1
Equity ratio (%)	70	35

- Improved working capital ratio
- Solid financing at attractive interest rates and listing of corporate bonds before year-end
- Sufficient credit facilities to cover current plans

**Working capital ratio
(% & annualized)**



Debt structure (DKKm)



- Short-term bank debt
- Long-term bank debt
- Corporate bonds

Full-year 2013/14 outlook

	Guidance	Assumptions
Revenue	~DKK1.6bn	<ul style="list-style-type: none"> • Continue to gain market shares • Cross sales King Systems-Ambu products • Launching new and higher-margin products
Organic growth	~5-7%	<ul style="list-style-type: none"> • Ambu will continue to outgrow markets
EBIT-margin	~12-14%	<ul style="list-style-type: none"> • Global efficiencies • Price pressure • DKK 40m synergies from King Systems
FCF before acquisitions	DKK 100-120m	<ul style="list-style-type: none"> • Before payment of special items accrued in 12/13 • Strong focus on managing working capital
Gearing (NIBD/EBITDA)	~2.5	<ul style="list-style-type: none"> • Continued reduction of working capital and improved EBITDA

DKK ~ 40m of synergies in 2013/14

- Is measured gross i.e. before overall impact from price pressure
- Is based on expansion of EBIT-margin where King Systems contributes 12 full months
- Synergies will be achieved by;
 - Synergies from manufacturing
 - Cross sales and higher margin business
 - Lower cost ratios from scale effects

New strategy launched

CLIMBING
2017 
NEW HEIGHTS

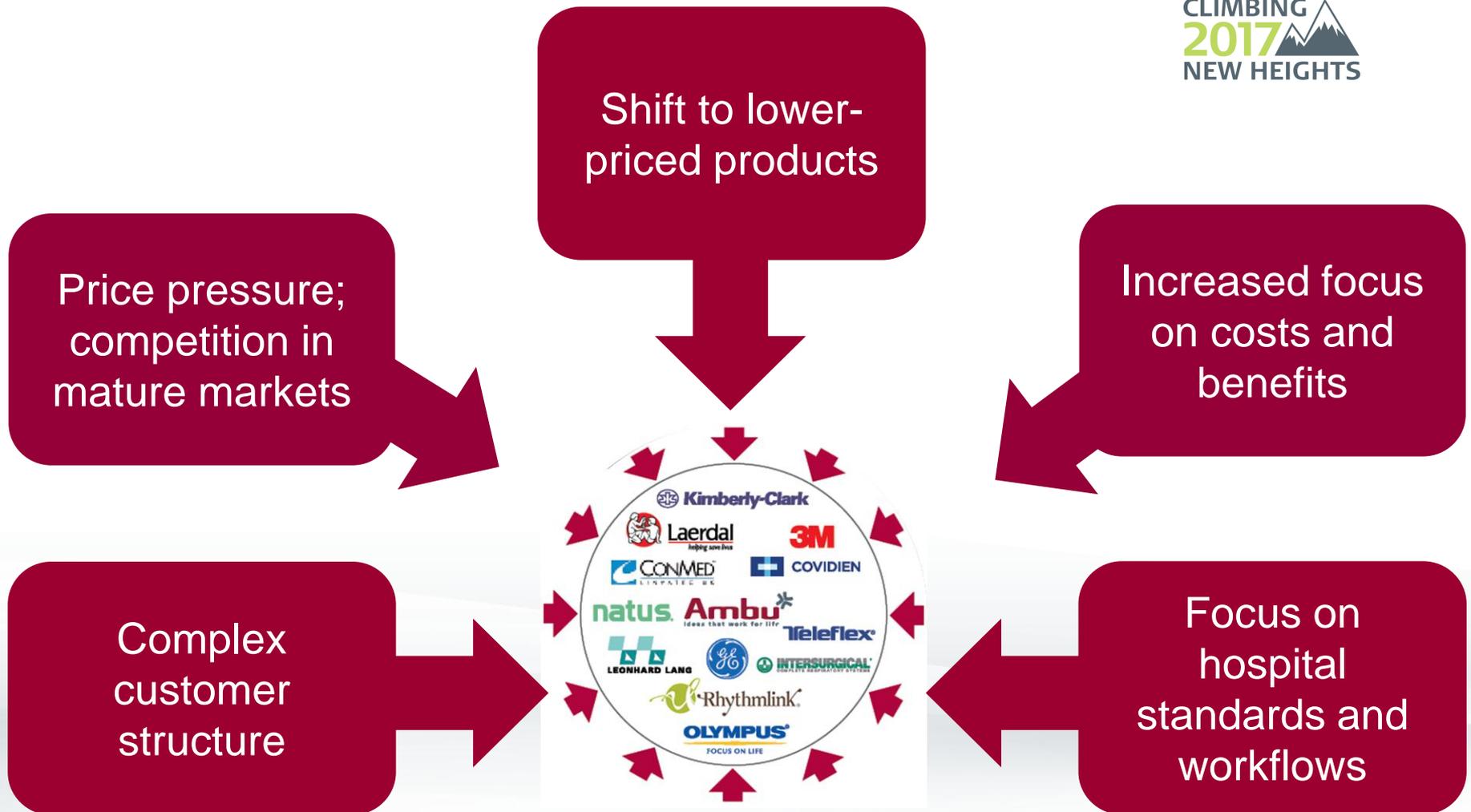
GPS Four successfully completed



<p>A truly global company</p>	<p>✓ Global manufacturing, logistics, IT and R&D Cost ratio down from 40% to 37%</p>
<p>Unique market position</p>	<p>✓ Sales in EMEA, USA and Asia increased 20%, 300% and 100% respectively</p>
<p>Profitable growth</p>	<p>✓ DKK 1.4bn revenue 15% EBIT in “old” Ambu ahead of time</p>
<p>Real innovation</p>	<p>÷ 15% of revenue from new products (should have been 30%)</p>
<p>A great place to work</p>	<p>✓ An attractive place to work; focus on performance and fun 1,000 new colleagues</p>
<p>A better home</p>	<p>✓ Three acquisitions in four years</p>

Market challenges going forward

CLIMBING
2017
NEW HEIGHTS



2ND PEAK

FROM DEFENCE TO OFFENCE IN PMD

3RD PEAK

GAME CHANGERS

5TH PEAK

ONE MORE MOUNTAIN

1ST PEAK

ANAESTHESIA - THAT'S US

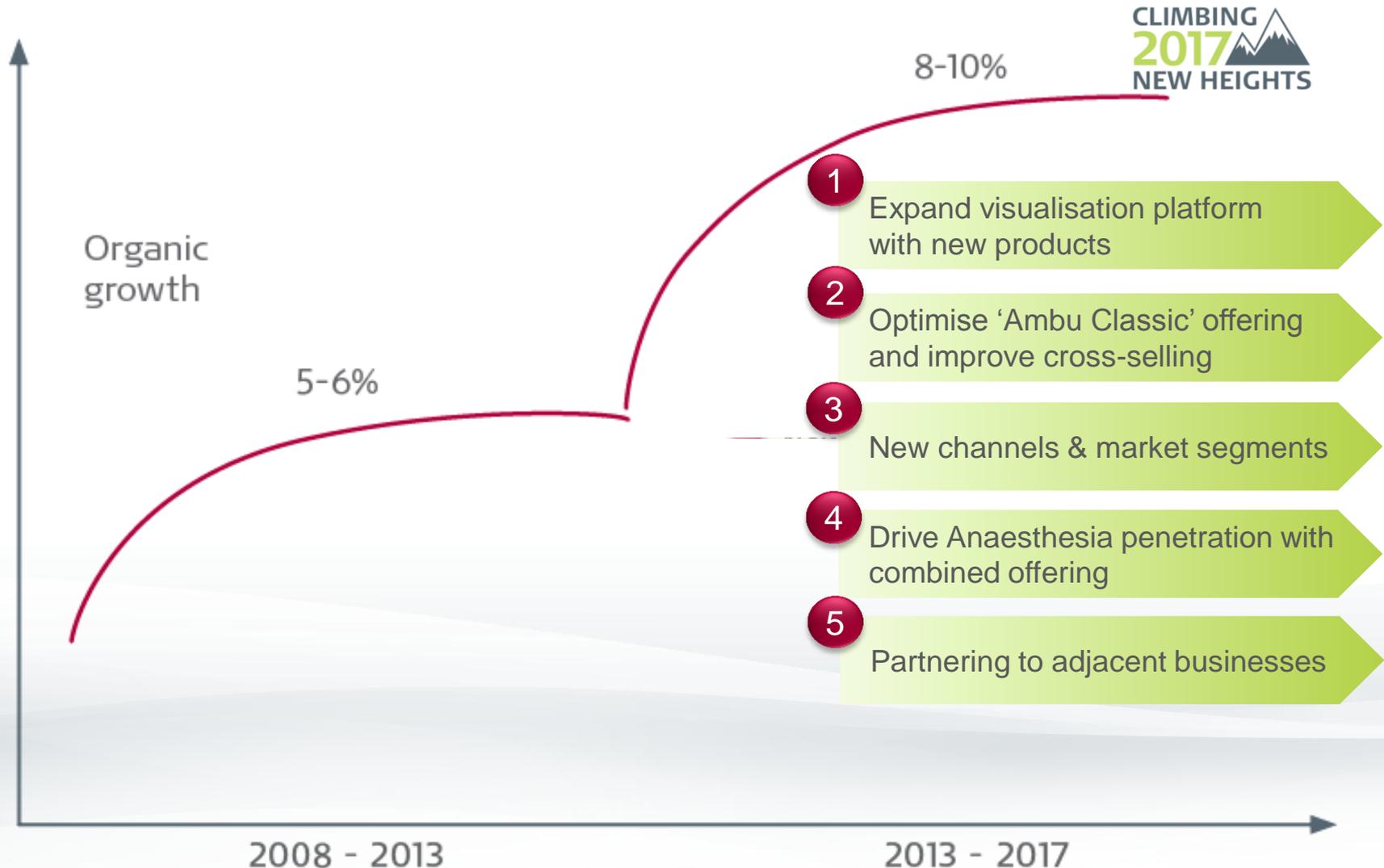
4TH PEAK

PEOPLE, PEOPLE, PEOPLE

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2017 
NEW HEIGHTS



Climbing to revenues of DKK 2bn



Improving profitability

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2017 
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Operational
optimisation:
Lowest costs in
industry

Innovation for
premium price
products

Pricing
optimisation

Synergy effects
and economies
of scale

From 11.6% to 17-18% EBIT margins within four years;



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Q&A



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