

Ambu® Anesthesia

A history of innovative products in anesthesia based on close cooperation with anesthesiologists and unique insights into their needs.

As trusted advisors, we can now address your needs with one of the most comprehensive ranges of clinically driven anesthesia solutions on the market.



Laryngeal Masks - Aura-1M

In addition to the anatomical curve that allows for quick insertion and superior seal, Aura-1M builds in the back up plan of intubation capability.¹



Video laryngoscope - King Vision®

The portable King Vision® offers affordable access to a video laryngoscope and provides an immediate and clear view of the vocal cords.



Mask - King Mask

The exceptional quality design of the King Mask, has resulted in it becoming the market leading mask design. The cushion is extremely pliable and tacky to the touch for an excellent face seal on the patient, and the top of the cushion is ribbed for a no-slip grip for the clinician.



Breathing circuits - King Flex™

The innovative design of the King F Family of circuits warm and humidify the gas delivered to the patient, and can reduce the number of SKUs a hospital must stock. The King Flexa (and F Flex) are the only single-limb circuits to utilize flex tubing, which can be expanded to multiple lengths, further reducing the hospital's SKU count.



Supraglottic airway - King-LT®

The King-LT® allows clinicians to quickly establish an airway. It is simple to use and seals in the esophagus and oropharynx to provide positive pressure ventilation.



Resuscitators - SPUR II®

Ever since the invention of the world's first resuscitator in 1956 - the now iconic Ambu bag - Ambu has become the epitome of superior reliability and convenience in every situation.



Disposable intubation scope - aScope®

The need to have a readily available flexible scopes is often overlooked. Studies like the NARig² have proved the need for having more scopes available. aScope is the first single patient use flexible scope allowing for availability, sterility and ease of use.

Pain management - ACTION Pump

The advanced regulation technology of the ACTION disposable infusion pump provides consistent pain relief for the patient and allows anesthesia providers to address multiple clinical needs with one pump reducing cost and inventory.



Interim report Q2 2012/13

January 1 - March 31 2013

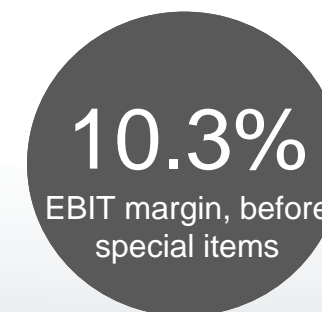
By CEO Lars Marcher and CFO Michael Højgaard

Agenda

- Development in Q2 2012/13
- Status on the King Systems acquisition
- Outlook for 2012/13

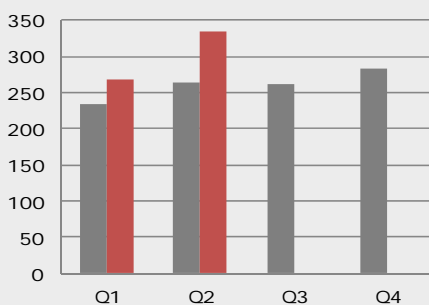
Highlights for Q2 2012/13

- Reported revenue growth of 26% and organic growth of 3%
- Busy quarter with high focus on integration of King Systems and with overall good performance in US
- Lower gross margin due to inclusion of King Systems and Unomedical electrode business, as well as extraordinary inventory write off
- EBIT before special items reduced compared to last year due to lower GM and effects from purchase price allocation of King Systems
- Successful issue of Corporate Bonds
- Revenue outlook for the year unchanged but EBIT margin before special items reduced to approx.12%



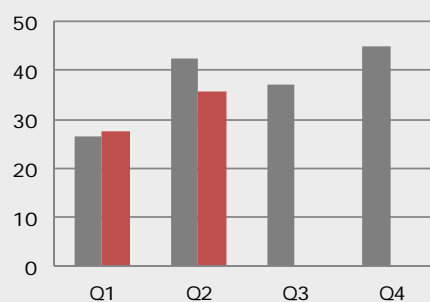
Financial information for Q2 2012/13

Revenue, DKKm



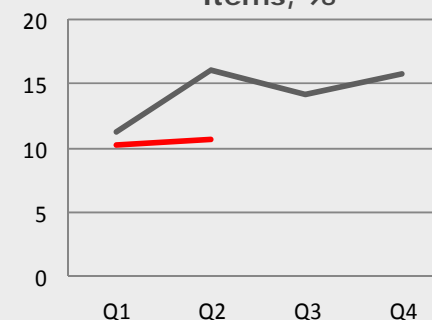
- Revenue of DKK 335m – up 26%
- Organic growth of 3%
- Minor effect of changes in exchange rates

EBIT before special items, DKKm



- EBIT before special items of DKK 35,7m – down DKK 6,8m
- Lower margin from acquired business, inventory write off and non-cash items is reducing EBIT

EBIT margin before special items, %

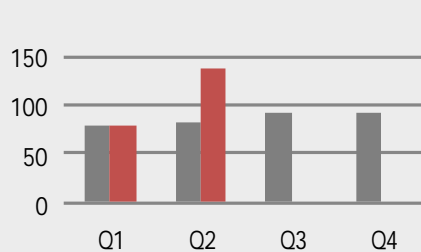


- EBIT margin before special items of 10.7%, down 5.4 percentage point
- Special items of DKK 32.9m for Q2 YTD

 2011/12
 2012/13

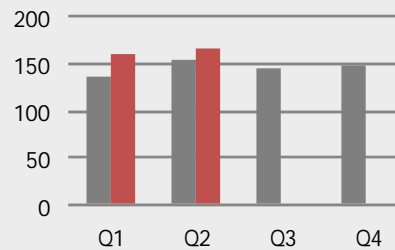
Development in revenue for the quarter, by region

USA, DKKm



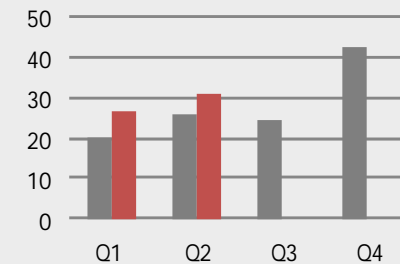
- Revenue growth of 63% and 4% organically
- Negative impact from restructuring of sales force
- US contributes with 41% of total revenue

Europe, DKKm



- Growth in revenue of 9% and 1% organically
- Variation in growth rates – growth in sales region UK of 10%, Scandinavia 2%, Central flat, West -6% and South -6%
- Only King Vision is expected to be introduced this year

Rest of the world, DKKm

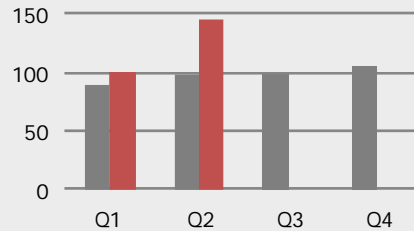


- Increase in revenue of 17% and 10% organically
- Still strong growth in Asia with 16%
- Ongoing strengthening of efforts in emerging markets – increased sales and marketing efforts and the outlook remains positive

■ 2011/12
■ 2012/13

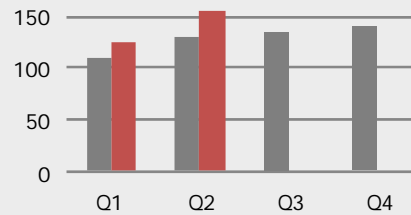
Development in revenue for the quarter, by business area

Anaesthesia, DKKm



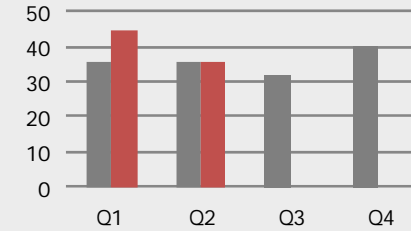
- Growth in revenue of 48%, 2% organically
- Sales of ventilation bags declined due to fluctuation in sales. Market growth still strong
- aScope 3 and aView launched in Q2
- Strong growth in laryngeal masks

Patient Monitoring & Diagnostics, DKKm



- Growth in revenue of 18% and 4% organically
- The growth in the Unilect range of products above expectations
- New cardiology branding campaign launched
- Neurology continues good growth

Emergency Care, DKKm



- Decline in growth of 1%, both reported and organically
- Emergency impacted by periodically large project orders

 2011/12
 2012/13

Special Items, first half 2012/13

DKKm	1H 2012/13
Transaction costs to advisors in relation to the acquisition of King Systems	-12.2
Provision for redundancies	-14.0
Integrations costs, hereunder implementation of common ERP system	-6.7
Total special Items	-32.9

Positive free cash flow

DKKm	Q2 2011/12	Q2 2012/13
Cash flow from operating activities	33	44
Cash flow from investing activities, net & before acquisitions	-10	-17
Free cash flow, before acquisitions	-23	27
Acquisitions	n/a	-702

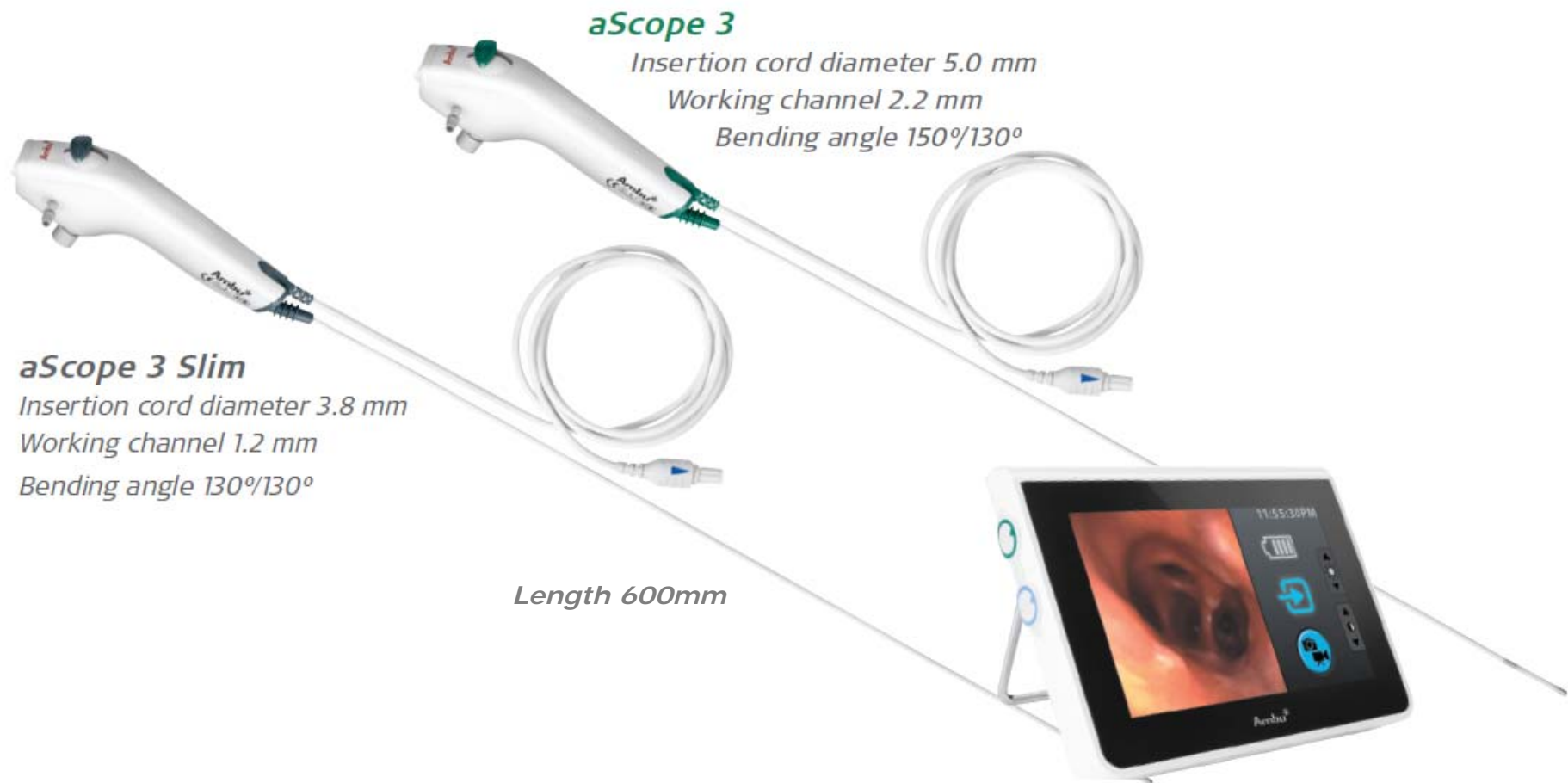
- Cash flow from operating activities improved to DKK 44m due to the lower level of working capital compared with the prior-year period
- For the first half, free cash flow before acquisitions, positive with DKK 14m

Successful Corporate Bond issue

- A total issue size of DKK 700.5m, net DKK 697m
- Distributed by 934 bonds, each with a nominal value of DKK 750,000
- Five year duration
- Final maturity date on the 15th of March 2018
- Fixed rate, priced at mid-swap +218bps with a yearly coupon of 3.375%
- Due to the considerable interest and attractive terms offered by the market – the size was changed from DKK 500m to DKK 700.5m



Launch of new improved version of aScope and monitor



“This is all my customers asked for”

- Efficient suction channel – aScope 3
- Smaller OD for Thoracic Anaesthesia – aScope 3 Slim
- Enhanced picture quality
- New ergonomic handle
- Improved bending ability
- One monitor for all scopes
- Recording of pictures & videos
- USB port

“I had a meeting with a key customer one year ago. He presented me with a list of requirements he had for an improvement to aScope 2. With aScope 3, I can tick off all the requirements” – ST Central sales rep



Status on the King Systems acquisition

Acquisitions process on track

- Major restructuring of the combined US business has been conducted
- Two focused sales forces. 50 sales representatives in Anaesthesia and 30 sales representatives in Cardiology, Neurology and Emergency Sales
- Redundancies of approx. 30 employees
- Steven Block appointed as new President, in North America
- Common ERP system for the sales force, ready in Q3 2012/13
- Expected integration costs for 2012/13 unchanged
- Expected synergies in 2013/14 unchanged
- King Vision's "single use blade" planned for launch within the financial year, implying milestones of USD 10m to be paid within the year

New King Vision (single use blades), status



Timing and impact

- Launch expected within the financial year
- Milestone payment of USD 10m

What we want by year end 2012/13

A much stronger US presence

A much leaner organisation

A much more global operation

A more focused business approach
(Anaesthesia & PMD&E)

Massive leverage and achievement
of synergies

A strong leadership in single use “day
to day” products combined with high
level technology leadership in
visualisation

Outlook 2012/13



The outlook for 2012/13 slightly revised

	2012/13	Comments
Revenue	Approx. 1,400 million DKK	Strong focus on implementation of new sales organization in US. Based on USD/DKK 575 and GBP/DKK 900
EBITDA-margin, % (before special items)	Approx. 17.5% (previous approx. 18.5%)	Reduction is driven by some PPA adjustments, incentive programme and inventory write-downs.
EBIT-margin, % (before special items)	Approx. 12% (previous approx. 14%)	Impacted by PPA adjustments.
Integration costs	45 million DKK	Transaction- and integration costs.
Capex before acquisitions	Approx. 7%	Ordinary investments in innovation, tools and machinery as well as completion of the King Systems transformation programme.
Free cash flow	~120 million DKK	Estimated before acquisitions, special items and potential milestones payments. Will require continued focus on optimizing working capital.
Gearing NIBD / EBITDA	~3	Gearing-level measured as net interest-bearing debt relative to EBITDA before special items.

GPS Four – Strategy 2017 in process





Questions



READ MORE AT WWW.AMBU.COM

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