



Welcome to Ambu's annual general meeting 2012/13

Thursday, 12 December 2013
IDA Mødecener

Agenda

1. Management's review
2. Annual report and consolidated financial statements
3. Appropriation of the net profit for the year
4. Remuneration for the Board of Directors 2013/14
5. Election of members to the Board of Directors
6. Appointment of auditors
7. Proposals from the Board of Directors
 1. Authorisation to issue warrants
 2. Amendment of Articles of Association as regards voting by Board of Directors
 3. Authorisation to acquire treasury shares

Management's review
by Chairman of the Board Jens Bager



Highlights in 2012/13

- Acquisition of King Systems
 - USA main market – doubling of revenue
 - Larger product portfolio in Anaesthesia
 - Integration according to plan

Kingsystems

- Attractive financing
 - Corporate bonds for just over DKK 700m
 - Greater strategic latitude

NASDAQ OMX

- Largest contract ever
 - Three-year exclusive agreement
 - Potential value of over DKK 350m


HEALTHTRUST
PURCHASING GROUP

Highlights in 2012/13

- New growth engine in Anaesthesia
 - aScope 3 and aView in Europe
 - Approved by FDA for launch in the USA



- PMD acquisition with considerable potential
 - Adhesive gels are critical components
 - Restructuring of production

BlueSensor
+
WhiteSensor

- Climbing New Heights
 - Strategy for the period up until 2017

CLIMBING
2017 
NEW HEIGHTS

Management's review
by President & CEO Lars Marcher



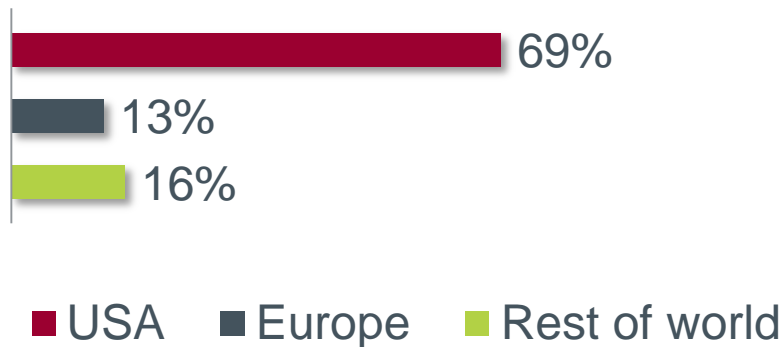
Highlights from Q4

- Best quarter ever
- Revenue up 42%
- Momentum regained in the USA
- Economies of scale from King Systems
- Rate of cost down
- Primary operating income (before special items) up at DKK 59m

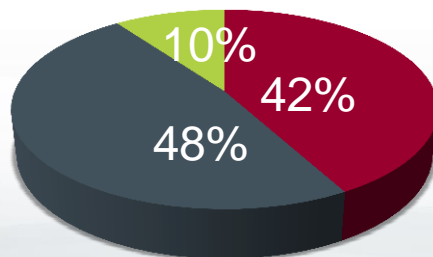


Double-digit growth in all regions in 2012/13

Growth rates



Breakdown of revenue



USA

- Organic growth 3%
- Dedicated sales forces

Europe

- Organic growth 8%
- Market share won

Rest of the world

- Organic growth 11%
- Growth in Asia 16%

*Organic growth is calculated in local currencies

Increasing growth for product areas in 2012/13

Anaesthesia

- Organic growth 5%
- Integration completed



Patient Monitoring & Diagnostics

- Organic growth 6%
- Full range of electrodes

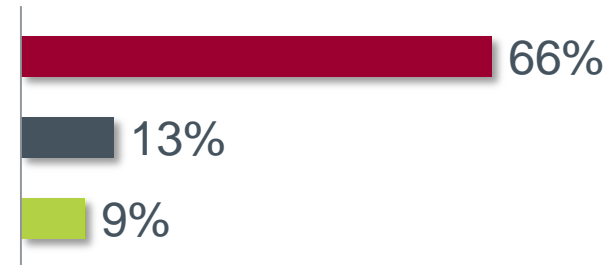


Emergency Care

- Organic growth 9%
- Growth for neck collars and manikins

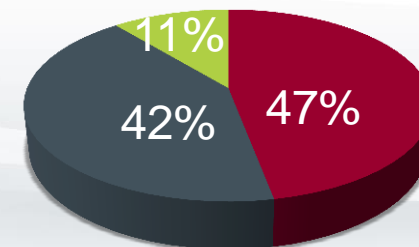


Growth rates



- Anaesthesia
- PMD
- Emergency Care

Breakdown of revenue



*Organic growth is calculated in local currencies

Key figures

DKKm	2011/12	2012/13
Revenue	1,045	1,383
Gross profit	570	679
Capacity costs	(416)	(518)
EBITDA before special items	204	235
EBIT before special items	151	161
Special items	(6)	(61)
Net financials	(1)	(30)
Net profit	110	48

Contribution from
King Systems

DKK 242m

(7.5 months)

Gross margin

49.1%

(54.5%)

Rate of cost

37.5%

(40.1%)

Successful implementation of GPS Four strategy

GPS

Global

- From local to global – in production, development, IT, logistics, sales, systems etc.



GPS

Position

- From niche position to dominant position
- From 'follower' to leader
- From internal focus to customer focus



GPSFOUR

Products | Markets | Efficiency | Acquisitions







GPS Systems

- From a few isolated systems to a number of global systems
- From investments to daily use
- From product sales to selling solutions



Results of GPS Four



Global company	 <ul style="list-style-type: none"> Global production, logistics, development and sales Lower rate of cost
Unique market position	 <ul style="list-style-type: none"> Triple-digit growth in the USA and Asia 20% growth in EMEA
Profitable growth	 <ul style="list-style-type: none"> Revenue up 60% 15% profit margin in 'old Ambu' before time
Innovation	 <ul style="list-style-type: none"> New products account for 15% of revenue (target 30%)
Attractive workplace	 <ul style="list-style-type: none"> Attractive and focused workplace 1,000 new colleagues
Good home	 <ul style="list-style-type: none"> Three acquisitions integrated



2ND PEAK

FROM DEFENCE TO OFFENCE IN PMD

3RD PEAK

GAME CHANGERS

5TH PEAK

ONE MORE MOUNTAIN

1ST PEAK

ANAESTHESIA - THAT'S US

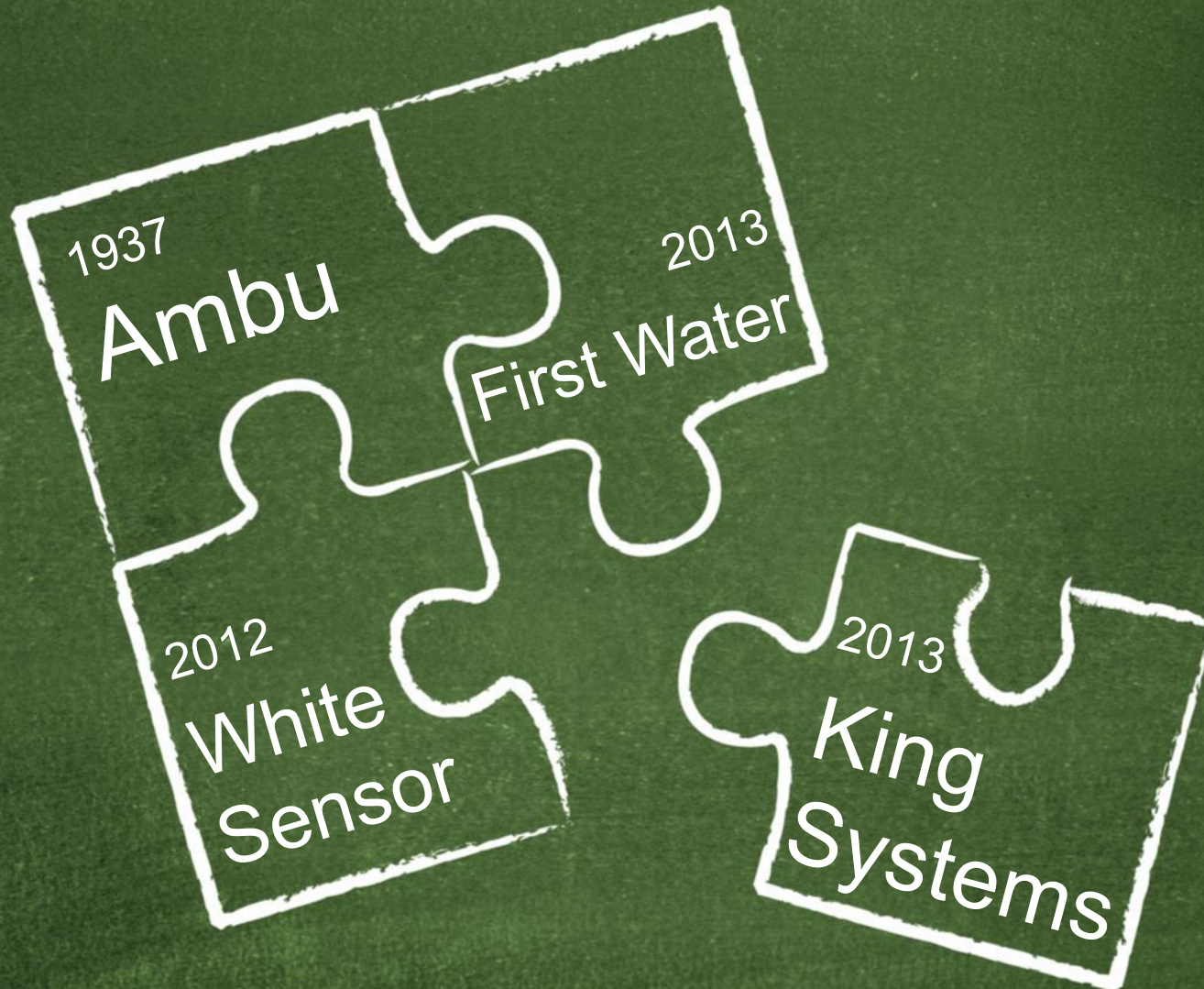
4TH PEAK

PEOPLE, PEOPLE, PEOPLE

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Strategic acquisitions



Strong business areas

Anaesthesia

Ambu^{*} King systems



PMD

BlueSensor

WhiteSensor



From products to strong solutions

Anaesthesia

Position

Circuits



1

Face masks



1

Laryngeal masks



2

Resuscitators



1

Flexible single-use intubation



1

Anaesthesia/PMD

Position

King Vision



1

Cardiology



1

Neck collars



1

Neurophysiology



2

IOM



2

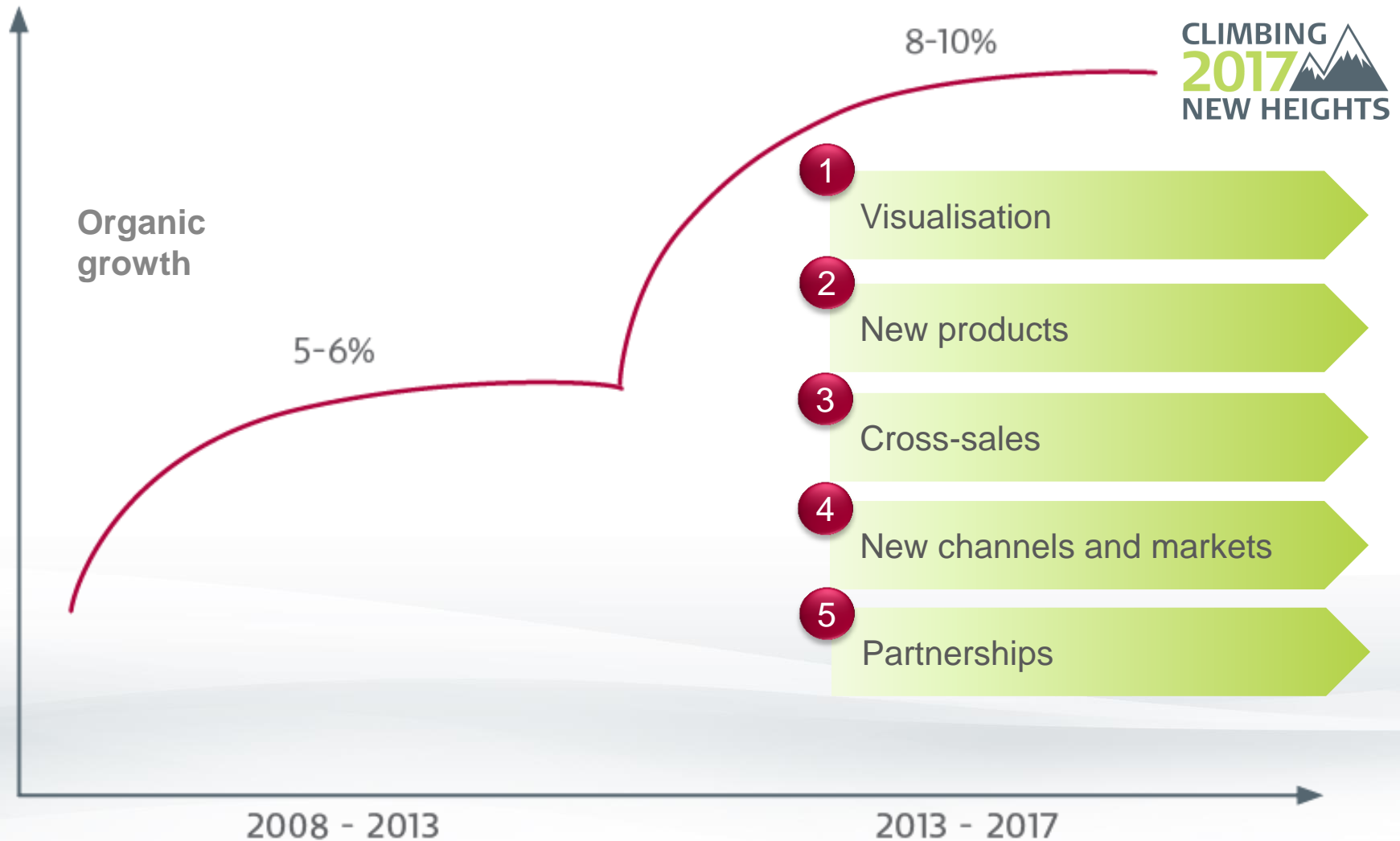
Launch of exciting new products

Platform/product Ambu's market share

aScope3		<1%
King Vision		2%
Aura		12%
Pain pumps		<1%

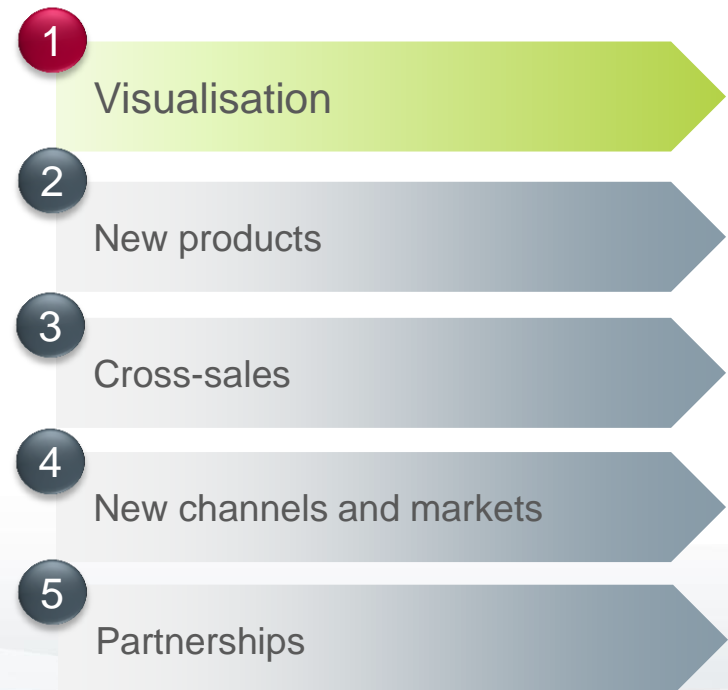
Considerable new market potential

Good potential for increasing growth



Visualisation

- aScope3 has doubled sales of single-use videoscopes
- We now address a potential 3 million procedures annually
- Good potential for King Vision laryngoscope
- New version with single-use blades for hospitals



New products

- Portfolio optimisation of classic products
- New products within Anaesthesia, PMD and Emergency Care
- More effective sales
- Focus on product economy and benefits



Cross-sales

- Generally – and especially Anaesthesia
- King Systems products to be sold by Ambu's own sales forces in Europe and Asia



New channels and markets

- Direct representation in Russia, Brazil and Mexico
- New channels and market segments in Eastern Europe, Latin America and Asia

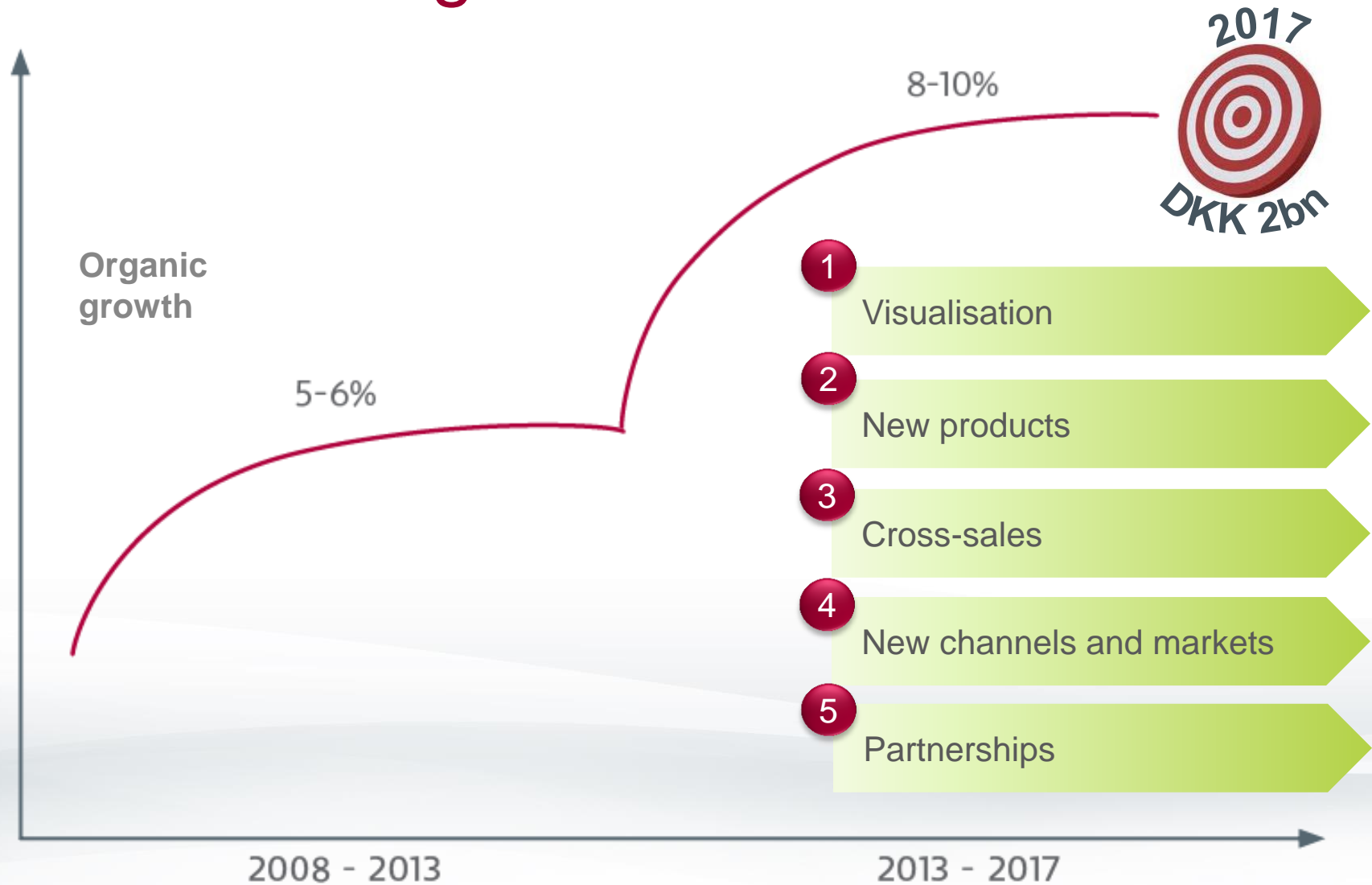


Partnerships

- Cooperation on development
- Licensing of products such as SmartInfuser Pain Pump
- Ambu technology for partners
- aScope in the veterinary market – obvious candidate for other markets

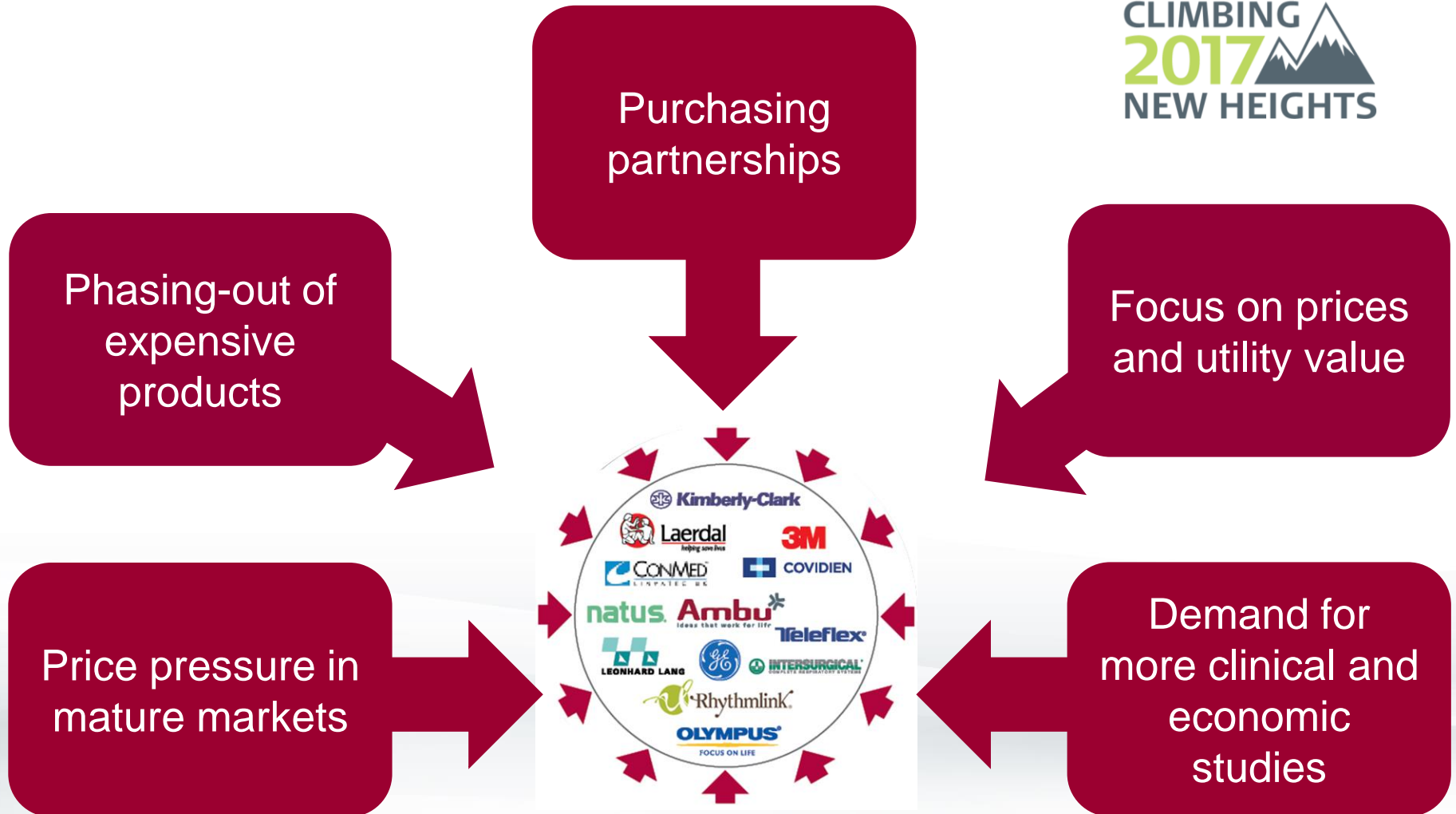


Revenue to grow



Challenges

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2017
NEW HEIGHTS



Higher margins

CLIMBING
2017
NEW HEIGHTS

Profit margin of 17-18% in 2017

Streamlining
of factories and
supply chain

New products
and higher
margins

Optimisation of
prices and
products

Synergies and
economies
of scale

Ambu stronger in 2017

“To save lives and improve patient care”

In 2017 Ambu will be ...

- an acknowledged global market leader within innovative single-use solutions for hospitals
- financially stronger and creating more value
- more efficient in daily operations
- a focused player within Anaesthesia and PMD

... and perhaps still small, but still flexible, customer-focused and quick!



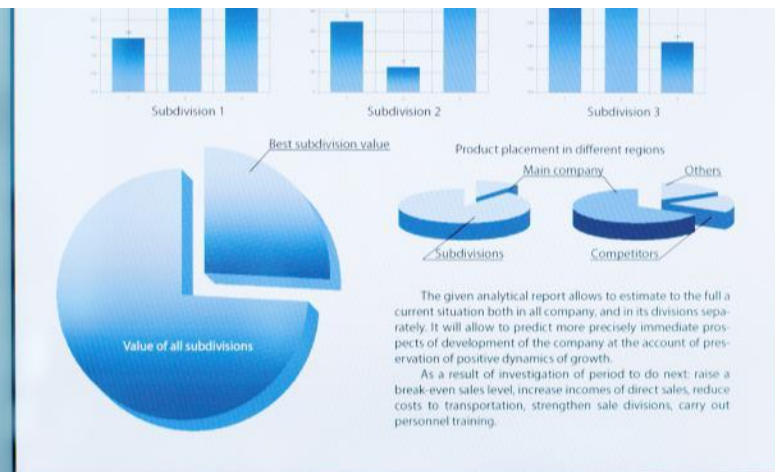
CLIMBING
2017 
NEW HEIGHTS

Management's review
by Chairman of the Board Jens Bager



Appropriation of the net profit for the year

- Net profit for the year: DKK 48m for the group
 - Dividend of DKK 15m is proposed
 - The rest to be transferred to reserves
- Policy is to distribute 'in the level of 30% of the Group's annual net profit'
- Dividend corresponds to 31% of net profit for the year



Share price development

- Return of 52% in financial year
- More international investors
- Greater interest from institutional investors
- Daily trading in share doubled since last year
- High level of information for share market



Return on the Ambu share

Share price 30 Sep. 2013	224.0
Share price 1 Oct. 2012	149.0
Increase	75.0
Dividend received	3.0
Total	78.0
Return	52%

Outlook for 2013/14

Revenue	~ DKK 1.6bn	<ul style="list-style-type: none"> • Low market growth in Europe and the USA • Strong growth in Asia and South America • Cross-sales within Anaesthesia • Growth within high-margin products
Organic growth	~ 5-7%	<ul style="list-style-type: none"> • Ambu will continue to win market share
Profit margin	~ 12-14%	<ul style="list-style-type: none"> • Synergies of DKK 40m from King Systems • Higher margins generally • Pressure on sales prices
Free cash flows before acquisitions and special items	DKK 100-120m	<ul style="list-style-type: none"> • Strict working capital management • Lowest possible level of funds tied up in inventories
Net debt / EBITDA	~2.5	<ul style="list-style-type: none"> • Lower working capital • Increasing operating income

Duties of the Board of Directors

- High level of activity
 - 8 meetings of the Board of Directors – 1 member absent for one meeting
 - 7 Audit Committee meetings
 - 4 Nomination and Remuneration Committee meetings
- Policy on diversity
- Corporate governance
- Evaluation by Board of Directors



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Remuneration for the Board of Directors 2013/14

- Total remuneration of DKK 3,025,000 in 2013/14
- Basic remuneration of DKK 225,000
 - Three times basic remuneration for the Chairman
 - Two times basic remuneration for the Vice-Chairman
- Basic remuneration for committee members: DKK 75,000
 - Remuneration for committee chairmen: DKK 125,000

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5. Election of members to the Board of Directors

- The Board of Directors proposes that all current members of the Board of Directors be re-elected:
 - Jens Bager
 - Mikael Worning
 - Jesper Funding Andersen
 - Allan Søgaard Larsen
 - Christian Sagild
 - John Stær
- *CVs of the candidates and their managerial positions can be seen on page 21 of the annual report.*



Welcome to new employee-elected members of the Board of Directors



Pernille Bartholdy
Portfolio Management
Coordinator



**Anita Krarup
Rasmussen**
Corporate Legal &
IP Affairs Manager



**Jakob Bønnelykke
Kristensen**
R&D Senior
Project Manager

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6. Appointment of auditors

- The Board of Directors proposes that PriceWaterhouseCoopers Statsautoriseret Revisionspartnerselskab be re-appointed.



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Authorisation to issue warrants

- *It is proposed that the following authorisation be inserted in Article 9d of the Articles of Association:*
- “The Board of Directors is authorised in the period until 11 December 2018 to issue warrants in one or more stages to employees within the Ambu group with a right to subscribe for up to a nominal amount of DKK 3,000,000 Class B shares, corresponding to 300,000 Class B shares in the company, without any pre-emption rights for the company’s existing shareholders at a price to be determined by the Board of Directors, but not, however, at a price lower than the market price at the time of the fixing of the price. The Board of Directors is at the same time authorised to effect the resulting capital increase in one or more stages by up to a nominal amount of DKK 3,000,000 without any pre-emption rights for the company’s existing shareholders and to determine the terms of allocation and issuance as well as to fix the subscription period during which the warrants may be exercised.”

Authorisation to issue warrants

- *It is proposed that the following authorisation be inserted in Article 9d of the Articles of Association (continued):*
- The new Class B shares are otherwise subject to the same rules as the existing Class B shares of the company. The shares must be issued in the name of the holder, recorded in the name of the holder in the company's register of shareholders and must be negotiable instruments. The shares must be subject to the same rules on pre-emption rights, voting rights and redeemability as the existing Class B shares. The new Class B shares must entitle the shareholder to dividend and other rights in the company as of the date of registration with the Danish Business Authority.”
- Article 9d of the Articles of Association becomes Article 9e.
- The Board of Directors proposes that it should no longer be possible to exercise the authorisation to issue 30,000 warrants pursuant to Article 9c which have not been exercised.

Authorisation to issue warrants

- Coherent several-year programme associated with Climbing New Heights strategy
- Warrants and options cement the shared interests of owners and employees
- Authorisation to issue up to 130,000 warrants last year – 100,000 exercised
- Similar authorisation today:
 - Maximum increased to 300,000 warrants
 - Authorisation valid until 2018



7.2 Amendment of Articles of Association

- *The Board of Directors proposes that a new Article 18 be inserted in the Articles of Association:*
- “The Board of Directors adopts resolutions by a simple majority of votes. In the event of a parity of votes, the Chairman, or in his absence the Vice-Chairman, has the casting vote.

7.3 Acquisition of treasury shares

- The Board of Directors proposes that it be authorised by the general meeting in accordance with Section 198 of the Danish Companies Act (*Selskabsloven*), in the period until 11 December 2018 and in one or more stages, to acquire treasury shares with a nominal value of up to 10% of the company's share capital and on condition that the price does not deviate by more than 10% from the price most recently quoted on the stock exchange for the company's Class B shares.

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Thank you!