



Q1 Interim report 2013/2014

October 1 2013 - December 31 2013

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Agenda

- Q1 Highlights
- Business trends
- Financials
- Outlook
- 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.

Q1 Highlights

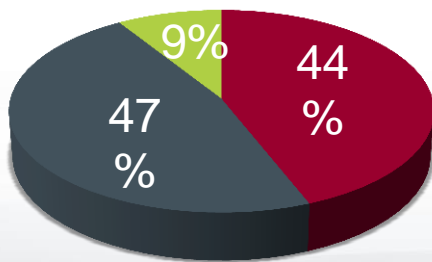
- 27% revenue increase but lower organic growth due to periodical shift in sales
- Underlying organic growth of 4% which supports FY revenue target
- Strong market acceptance of aScope 3
- Gross Margin increasing due to synergies and overall productivity gains
- Cost ratio higher due to seasonality
- Net working capital reduced to 25% of 12 months' revenue.
- Climbing New Heights launched globally
- Full-year outlook maintained



Q1 underlying growth supports FY target

Reported organic growth affected by a structural change in sales to a few large US distributors. End sales to customers unaffected and shows solid growth.

Q1 revenue split



- North America
- Europe
- Rest of world

North America

- Underlying organic growth of 5%
- Improved competitiveness due to scale and stronger product portfolio
- Integrated and focused sales organization

Europe

- Underlying growth of 6% but impacted by large one time order in EC in Q1 last year.
- Improved market conditions and a brighter horizon

Asia

- Continued strong momentum
- Significant growth in China
- Organic growth in Asia of 8%

Anaesthesia and PMD as a platform for growth

Anaesthesia

- Solid underlying growth in Q1
- Stronger market position
- Strong development in sales of aScope 3

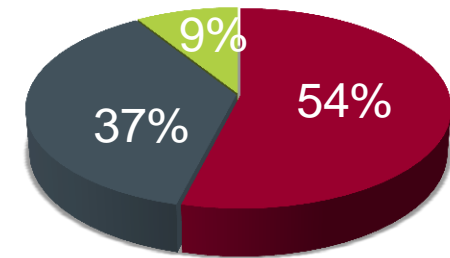
Patient Monitoring & Diagnostics

- 5% organic growth in Q1
- Stronger market position
- Building platform to enhance growth

Emergency Care

- -30% organic growth driven by large one time order in Q1 last year
- Large fluctuations between quarters

Q1 revenue split



- Anaesthesia
- PMD
- Emergency Care

Growth drivers

aScope 3

- Strong uptake of aScope 3 in current markets
- Introduction in USA in Q2
- Investment in additional production capacity

King Vision

- Launch of aBlade in Q2 opening up the hospital market in addition to emergency care
- Introduction of pediatric sizes later this year

Laryngeal masks

- 19% growth in US Q1 and increasing market share
- Introduction of new ground breaking products later this year

Pain pumps

- Superior product in high growth market
- Recently selected as supplier by two GPO's

GPO contracts

- Access to GPO's demonstrates our stronger US position
- Multiple opportunities due to strong product offering

Profit drivers

Operational optimization:
Lowest costs in industry

- Further optimization and cost reductions on production sites in China and Malaysia

Synergy effects and economies of scale

- King Systems' manufacturing site in USA fully integrated
- Moving of production to Asia where relevant
- Aggregation of English production sites and partnering

Innovation for premium price products

- Visualization platform is highly accretive to overall margin
- Introduction of new family members in Laryngeal masks

Pricing optimization

- Change of sales policy to distributors in North America to eliminate rebates

Market trends and our response

Increased focus on costs and benefits from single use products

Price pressure in mature markets

Focus on hospital standards and workflows

Complex customer structure and decision process

Ambu

Innovation: Continuous investment and launch of products which set new standards

Value selling: Building sales organizations which understand complex products and hospital processes

Partnering: Building scale, product offering and competences to be a relevant partner for GPO's

Manufacturing capabilities: Competitive and flexible production units which support sales and innovation

Financial results

| DKKm | Q1 12/13 | Q1 13/14 |
|---|-------------|------------|
| Revenue | 269 | 342 |
| Gross profit | 140 | 175 |
| Gross Margin (%) | 52.0 | 51.2 |
| Capacity costs | (115) | (158) |
| EBIT before special items | 27 | 16 |
| EBIT-margin before special items (%) | 10.0 | 4.7 |
| Special items | (6) | 0 |
| Financials, net | (3) | (12) |
| Net result | 11 | 3 |

| DKKm | Q1 12/13 | Q1 13/14 |
|----------------------------|----------|----------|
| Cash flow from operations | (6) | 17 |
| Cash flow from investments | (7) | (17) |
| Free cash flow | (13) | 0 |

- Q1 is difficult to compare year over year due to acquisitions
- Underlying growth about 4%
- Solid gross margin improvement from previous quarters
- Cost ratio impacted by seasonality
- EBIT affected by the Medical Device Tax and property gain in Q1 LY
- No more special items
- Free cash flow includes 4 DKKm for special items

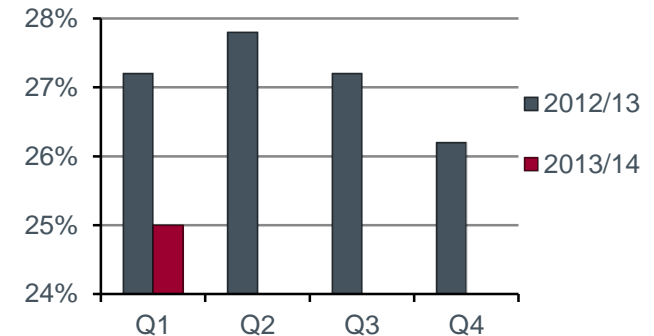
Balance sheet

| DKKm | Q4 12/13 | Q1 13/14 |
|----------------------------------|----------|----------|
| Total assets | 1,891 | 1,902 |
| Working capital | 393 | 375 |
| Net Interest Bearing Debt (NIBD) | 721 | 732 |
| Gearing (NIBD/EBITDA b.s.i.) * | 2.9 | 3.1 |

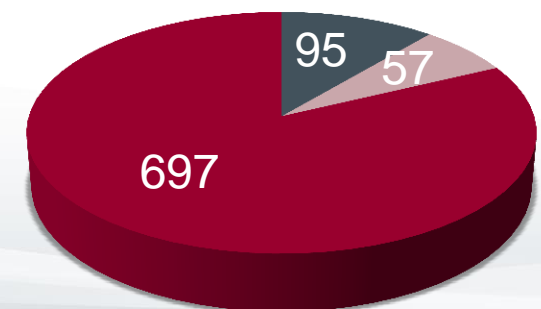
* Pro forma adjusted for King Systems

- Improved working capital ratio to 25% versus 26% in last quarter
- Solid financing at attractive interest rates
- Sufficient credit facilities to cover current plans
- Gearing expected to be 2.5 at end of fiscal year

NWC to 12 months Revenue*



Debt structure (DKKm)



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

Full-year 2013/14 outlook is maintained

| | 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 |

Ambu is now ready to deliver on growth and profit targets

- Q1 is traditionally a low quarter for Ambu
- We have the products to secure our growth aspirations
 - aScope, aBlade, Pain Pump & Laryngeal Masks
- Sales synergies from King Systems will kick-in
- The US sales organization is in place and fully integrated
- Our capacity costs are under control and at a run rate below Q1 actual



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Q&A



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