Full-Year 2014/15 Results

Continued solid growth and margin expansion – Strong cash flow

Stäfa, 19 May 2015, Lukas Braunschweiler, CEO & Hartwig Grevener, CFO

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Agenda

1. **Business review – Sonova Group**
2. **Business review – Hearing instruments**
3. **Business review – Cochlear implants**
4. **Financial review 2014/15**
5. **Outlook FY 2015/16**
6. **Upcoming events**

Clear and focused strategy – Customer driven innovation – Strong cash conversion

Broadest product and service offering	- Phonak, Unitron, Hansaton: Leading position in hearing instruments - Advanced Bionics: Strong contender on cochlear implants
Significant market share gain potential	- High R&D spend – fast product introduction - Differentiated multi-brand strategy - Optimized multi-channel approach
Strong and expanding global sales & distribution network	- Phonak, Unitron, Hansaton, Advanced Bionics: over 50 wholesale group companies and more than 100 independent distributors - Connect Hearing: over 2’000 POS retail clinics in 10 key markets
Strong new product pipelines	- High innovation rate and rapid new product introduction
Productivity / efficiency gains	- Leverage existing global infrastructure to expand margins
Mid-term financial targets (excluding FX impact)	- EBITA margin: expand to mid-twenties at constant FX - ROCE: expand to low-thirties

1. Business Review – Sonova Group

Business highlights FY 2014/15

- **Sales surpassing CHF 2 billion, despite currency headwinds**
  - Sales of CHF 2,035.1 million – up 4.3% in Swiss francs and 6.2% in LC
  - Organic sales growth of 5.1% – EMEA and APAC region driving growth
- **Further EBITA growth and margin expansion**
  - EBITA of CHF 455.6 million – up 5.9% in Swiss francs and 9.8% in LC
  - EBITA margin of 22.4% – expanding by 40 bps as reported and by 80 bps in LC
- **Solid performance in hearing instruments – Successful product introductions**
  - Solid growth of 6.9% in LC – EBITA margin expanding by 70 bps in LC
  - Successful introduction of Phonak Venture adding to acceleration in 2H
- **Stable development in cochlear implants – Business remains on long-term growth trajectory**
  - Stable sales level – 2H held back by lower than expected performance in US
  - R&D programs proceed as planned – diligent SG&A cost control
- **Strong cash flows – Solid balance sheet – Increase in dividend proposed**
  - Strong operating free cash flow of CHF 366.4 million – up 15.1%
  - Net cash position of CHF 382.3 million – dividend increase of 7.9% to CHF 2.05 proposed
  - ROCE of 29.1%, up from a 27.7%

Major initiatives and moves in FY 14/15 – Executing well on strategic plans

Sales & distribution	– US: Entry into Costco channel – commercial market transition impacts 1H – US: New VA contract – single contract – higher cap – stable pricing – DE: Acquisition of wholesaler Hansaton – Sonova new technology supplier – DE: Long-term strategic positioning of own retail business – 100 POS
New products	– HI: 3rd generation technology – successful launch of first product platforms – Build on leading market position in wireless – acquisition of Comfort Audio
Productivity & efficiency	– Global resources allocation strategy –100 positions moved to UK and CN – Supply chain integration in EU and US

Sales & distribution

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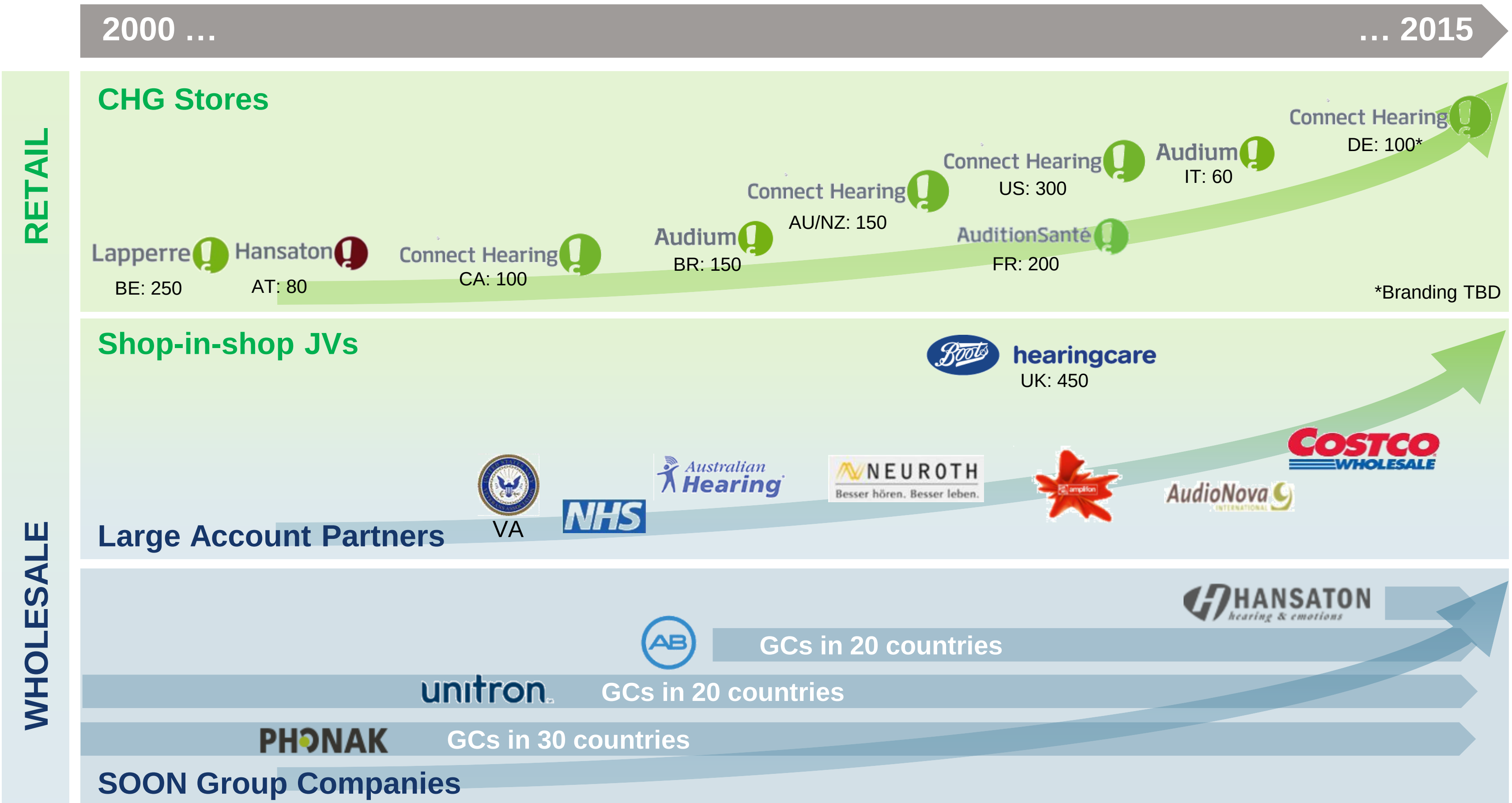
Retail: Strong expansion – Secure access to distribution and consumer



Wholesale: Largest global coverage – Support and service HCP partners worldwide

New products

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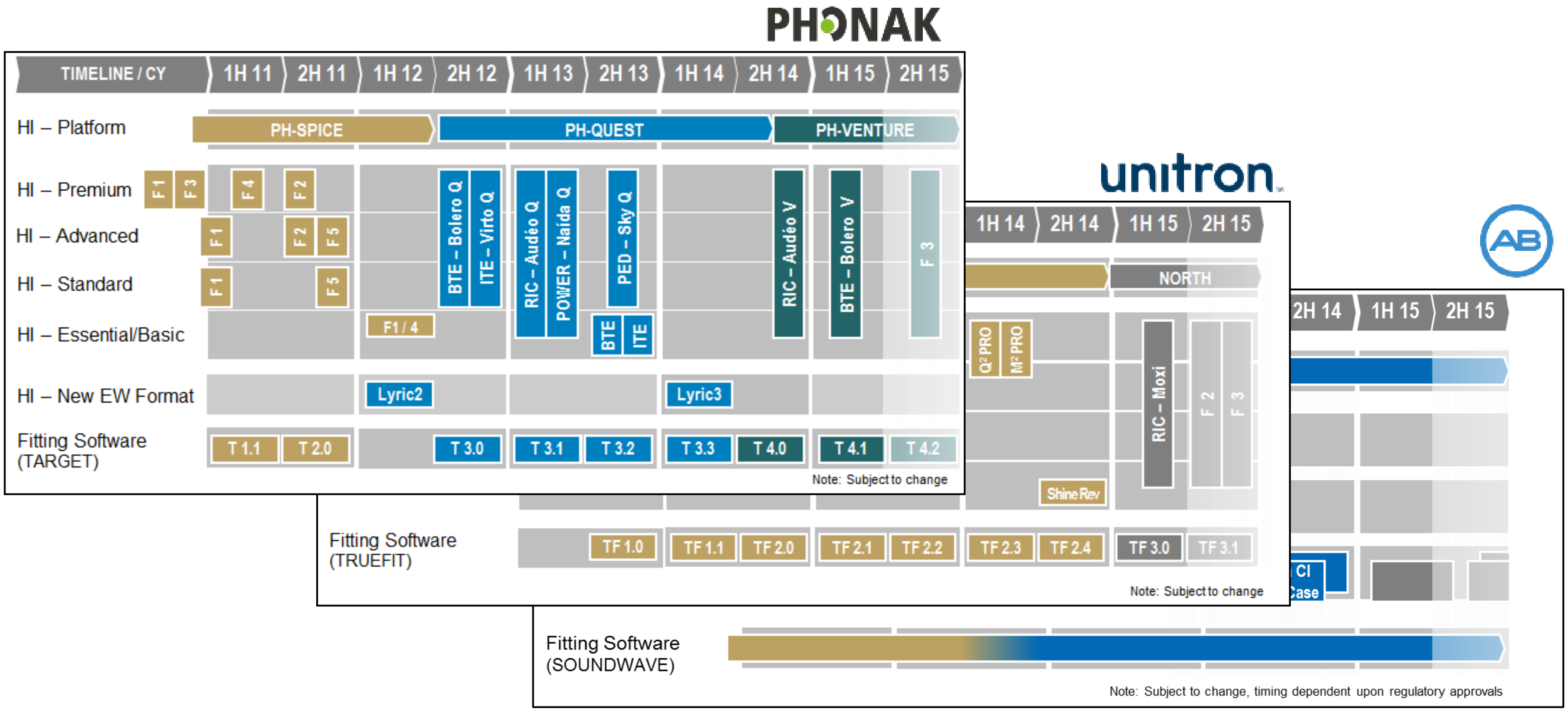
Leverage platform approach to offer complete range of products



Product pipelines: Consistently meeting product development targets

Key Financials

in CHF million	FY 2013/14	FY 2014/15	Δ % in CHF	Δ % in LC
Sales	**1,951.3**	**2,035.1**	4.3%	6.2%
Gross profit	**1,340.4**	**1,387.5**	3.5%	5.8%
- Gross profit margin	**68.7%**	**68.2%**		
OPEX	**-910.3**	**-932.0**	2.4%	3.9%
EBITA	**430.1**	**455.6**	5.9%	9.8%
- EBITA margin	**22.0%**	**22.4%**		
Operating free cash flow	**318.4**	**366.4**	15.1%	
EPS (in CHF)	**5.08**	**5.37**	5.7%	
ROCE	**27.7%**	**29.1%**		

Continuous operating leverage and margin extension – Strong cash conversion

Key Financials – YoY variances in CHF

in CHF million	1H 2014/15	Δ %	2H 2014/15	Δ %	FY 2014/15	Δ %
Sales	**990.2**	4.5%	**1,044.9**	4.1%	**2,035.1**	4.3%
Gross profit	**680.9**	4.9%	**706.6**	2.2%	**1,387.5**	3.5%(A)
- Gross profit margin	**68.8%**		**67.6%**		**68.2%**(B)	
OPEX	**-465.0**	5.0%	**-466.9**	-0.1%	**-932.0**	2.4%(C)
EBITA	**215.9**	4.7%	**239.7**	7.1%	**455.6**	5.9%
- EBITA margin	**21.8%**	±0bps	**22.9%**	+60bps	**22.4%**	+40bps

(A) Normalized for non-recurring items 4.0%
(B) Normalized for non-recurring items 68.5%
(C) Normalized for non-recurring items 3.3%

Sequential EBITA margin expansion by 110 bps from 1H to 2H

Key Financials – YoY variances in LC

in CHF million	1H 2014/15	Δ % in LC	2H 2014/15	Δ % in LC	FY 2014/15	Δ % in LC
Sales	**990.2**	7.7%	**1,044.9**	4.8%	**2,035.1**	6.2%
Gross profit	**680.9**	8.9%	**706.6**	2.8%	**1,387.5**	5.8%(A)
- Gross profit margin	**68.8%**		**67.6%**		**68.2%**(B)	
OPEX	**-465.0**	7.4%	**-466.9**	0.5%	**-932.0**	3.9%(C)
EBITA	**215.9**	12.1%	**239.7**	7.6%	**455.6**	9.8%
- EBITA margin	**21.8%**	+90bps	**22.9%**	+60bps	**22.4%**	+80bps

(A) Normalized for non-recurring items 6.3%
(B) Normalized for non-recurring items 68.5%
(C) Normalized for non-recurring items 4.8%

Solid gross profit margins and OPEX control driving operating leverage

Growth components

in CHF million	FY 2013/14 as reported	Growth contribution		FY 2014/15 @ const. FX	FX impact	FY 2014/15 as reported
		Organic	Acquisitions			
Sales	**1,951.3**	98.7	22.1	**2,072.1**	**-37.0**	**2,035.1**
- Δ % to prior year		+5.1%	+1.1%	+6.2%	-1.9%	+4.3%
EBITA	**430.1**	**+42.0**		**472.1**	**-16.5**	**455.6**
- EBITA margin	22.0%	+80 bps		22.8%	-40 bps	22.4%

Underlying EBITA margin improvement of 80 bps – Partly offset by FX headwind

Growth components – YoY variances

in CHF million	1H 2014/15	Growth Contribution	2H 2014/15	Growth Contribution	FY 2014/15	Growth Contribution
Growth in LC	**72.6**	**7.7%**	**48.2**	**4.8%**	**120.8**	**6.2%**
- Thereof organic	64.9	6.9%	33.8	3.4%	98.7	5.1%
- Thereof acquisitions	7.7	0.8%	14.4	1.4%	22.1	1.1%
Currency effect	-30.2	-3.2%	-6.8	-0.7%	-37.0	-1.9%
Growth in CHF	**42.4**	**4.5%**	**41.4**	**4.1%**	**83.8**	**4.3%**

HI business acceleration in 2H – Offset by slower 2H performance in CI business

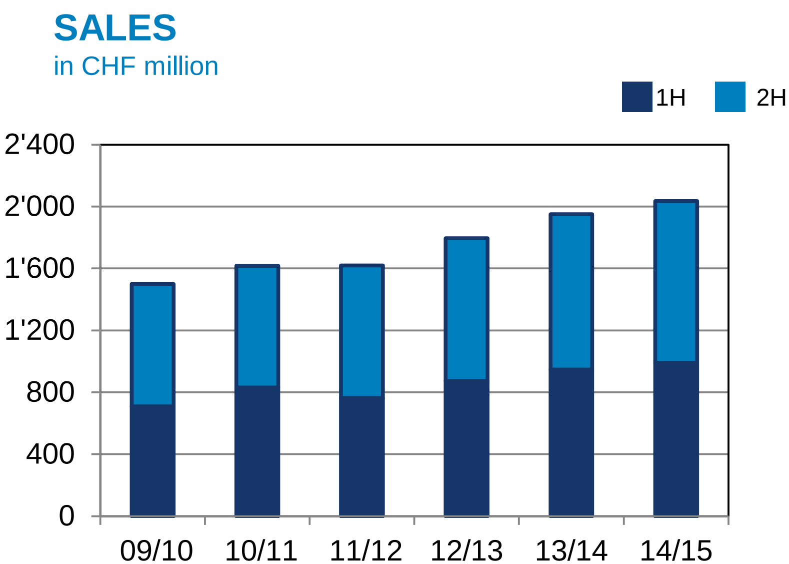
Sales – Regions and key markets – YoY variances

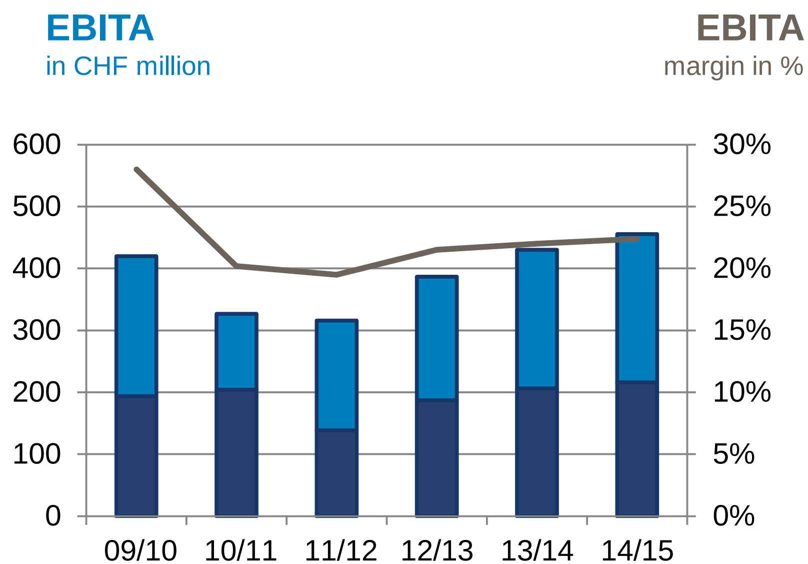
	1H 2014/15		2H 2014/15		FY 2014/15	
in CHF million	**Sales**	Δ % in LC	**Sales**	Δ % in LC	**Sales**	Δ % in LC
EMEA	**427.3**	19.3%	**459.2**	11.8%	**886.6**	15.1%
USA	**348.7**	-1.7%	**372.9**	-2.6%	**721.6**	-2.1%
Americas (excl. USA)	**108.3**	0.3%	**107.7**	4.8%	**216.1**	2.4%
Asia / Pacific	**105.9**	9.4%	**105.0**	1.2%	**210.9**	5.2%
Total SONOVA	**990.2**	7.7%	**1,044.9**	4.8%	**2,035.1**	6.2%

EMEA	– Double-digit growth in both HI and CI – expanding market position
US	– HI returning to growth in 2H – offset by pressure in CI business
APAC	– Strong performance in HI – CI held back by lack of China tender sales

HI business, EMEA and APAC driving FY growth – Held back by US (HI in 1H, CI in 2H)

Strong financial track record





	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	CAGR 5-y
Sales growth reported	+20.1%	+7.8%	+0.2%	+10.8%	+8.7%	+4.3%	+6.3%
Sales growth in LC	+23.8%	+13.3%	+11.6%	+7.4%	+11.7%	+6.2%	+10.0%
Organic sales growth in LC	+18.4%	+5.8%	+6.7%	+5.2%	+11.0%	+5.1%	+6.7%
EBITA margin	+28.0%	+20.2%	+19.5%	+21.5%	+22.0%	+22.4%	n/a
Basic EPS	3.32	3.50	3.71	4.60	5.08	5.37	10.1%

Notes: FY 2009/10 Restated based on finalization of the acquisition accounting of Advanced Bionics
FY 2012/13 Excluding one-off cost for AB Vendor B provision increase, AB Rixheim restructuring and settlement with a group of investors

2. Business review – Hearing instruments

Hearing instruments

Business summary FY 2014/15

- **Outpacing estimated market growth**
  - Sales up by 6.9% in LC to CHF 1,840.9 million – sequential acceleration 2H over 1H
  - Growth supported by solid organic growth of 5.6%
  - Very strong market response to the new Phonak Venture and Unitron North product platforms
  - Double-digit growth in Premium segment driven by new products in 2H
  - Roger and Comfort Audio acquisition drive growth in wireless communication

- **Solid margin improvement**
  - Normalized EBITA up by 10.0% in LC, representing a 70 bps margin expansion in LC
  - FX headwind reduces normalized EBITA by CHF 15.6 million or normalized EBITA margin by 40 bps
  - Reported result includes non-recurring cost of CHF 8.8 million mainly related to move of assembly capacity from CH to UK and CN and distributor restructuring in MEA and Latin America

Hearing instruments

Key financials – YoY variances

in CHF million	1H 2014/15	Δ % in CHF	2H 2014/15	Δ % in CHF	FY 2014/15	Δ % in CHF	Δ % in LC
Sales	**892.2**	**3.0%**	**948.7**	**6.6%**	**1,840.9**	**4.8%**	**6.9%**
- Δ organic	*46.0*	*5.3%*	*52.8*	*5.9%*	*98.8*	*5.6%*	
- Δ acquisitions	*7.7*	*0.9%*	*14.4*	*1.6%*	*22.1*	*1.3%*	
- Δ FX	*-27.3*	*-3.2%*	*-8.6*	*-1.0%*	*36.0*	*-2.0%*	
EBITA*	**208.1**	**0.9%**	**235.4**	**11.5%**	**443.5**	**6.3%**	**10.0%**
- EBITA margin	**23.3%**		**24.8%**		**24.1%**		

*Note: FY 2014/15 normalized for non-recurring cost mainly related to move of CH assembly capacity and distributor restructuring

EMEA	– Double-digit growth – expanding market position
US	– Returning to sound growth and share gain in 2H after pressure from Costco entry in 1H
APAC	– Strong performance in China and Australia – held back partly by Japan

Significant operating leverage in 2H – FY sales up 6.9% and EBITA up 10.0% in LC

Hearing instruments

Growth components – YoY variances

in CHF million	FY 2013/14	Growth contribution		FY 2014/15 @ const. FX	FX impact	FY 2014/15
		Organic	Acquisitions			
Sales	**1,756.0**	98.8	22.1	**1,876.9**	**-36.0**	**1,840.9**
- Δ % to prior year		+5.6%	+1.3%	+6.9%	-2.0%	+4.8%
EBITA*	**417.1**	**+42.0**		**459.1**	**-15.6**	**443.5**
- EBITA margin	23.8%	+70 bps		24.5%	-40 bps	24.1%

*Note: FY 2014/15 normalized for non-recurring cost mainly related to move of CH assembly capacity and distributor restructuring

Underlying EBITA margin improvement of 70 bps – Partly offset by FX headwind

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Sales – Product groups – YoY variances

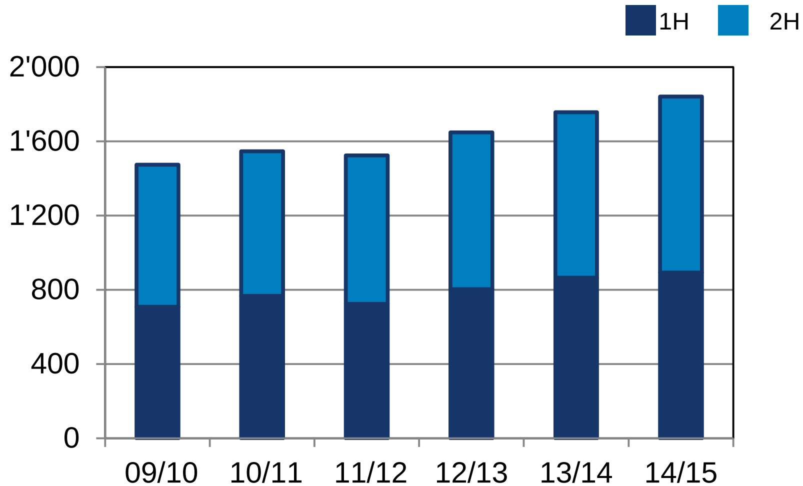
in CHF million	1H 2014/15	Δ % in LC	2H 2014/15	Δ % in LC	FY 2014/15	Δ % in LC
HI Premium	**226.7**	5.6%	**257.6**	19.3%	**484.3**	12.3%
HI Advanced	**204.4**	-2.3%	**210.2**	-4.1%	**414.5**	-3.2%
HI Standard	**286.8**	9.8%	**299.2**	6.3%	**586.0**	8.0%
Wireless communication	**38.8**	30.3%	**47.5**	29.8%	**86.3**	30.0%
Miscellaneous	**135.8**	9.9%	**134.2**	4.5%	**269.8**	6.2%
Total HI segment	**892.2**	6.2%	**948.7**	7.5%	**1,840.9**	6.9%

Double-digit growth in Premium segment – Strong wireless communication business

Hearing instruments

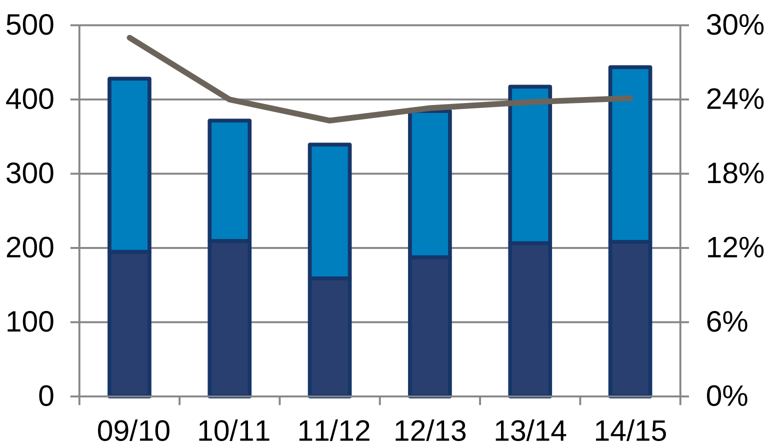
Strong financial track record

SALES
in CHF million



EBITA
in CHF million

EBITA
margin in %



	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	CAGR 5-y
Sales growth reported	+18.1%	+4.8%	-1.4%	+8.2%	+6.5%	+4.8%	+4.5%
Sales growth in LC	+21.7%	+10.1%	+9.7%	+4.9%	+9.5%	+6.9%	+8.2%
Organic sales growth in LC	+18.4%	+5.8%	+4.5%	+2.6%	+8.8%	+5.6%	+5.4%
EBITA margin*	+29.0%	+24.1%	+22.3%	+23.3%	+23.8%	+24.1%	n/a

*Note: FY 2014/15 normalized for non-recurring cost mainly related to move of CH assembly capacity and distributor restructuring

3. Business review – Cochlear implants

Cochlear implants

Business summary FY 2014/15

- **Stable sales from prior year**
  - Sales of CHF 194.2 million – Roughly unchanged versus extraordinarily strong prior year 2H
  - Solid growth in EU, MEA and LA – Lack of China tender in 2H
  - Very challenging 2H comps in US – Compounded by increased competitive pressure
  - CI business remains on its expected long-term growth trajectory

- **Focused cost management**
  - Normalized EBITA of CHF 10.4 million, representing an EBITA margin of 5.4%
  - Better than expected development in product liability claims – CHF 13.2 million provision release
  - Reported EBITA of CHF 20.9 million – Net benefit from non-recurring items of CHF 10.5 million

Cochlear implants

Key financials – YoY variances

in CHF million	1H 2014/15	Δ % in CHF	2H 2014/15	Δ % in CHF	FY 2014/15	Δ % in CHF	Δ % in LC
Sales	**98.0**	**19.6%**	**96.2**	**-15.2%**	**194.2**	**-0.6%**	**0.0%**
- Δ organic	*18.9*	*23.0%*	*-19.0*	*-16.7%*	*-0.1*	*0.0%*	
- Δ FX	*-2.9*	*-3.4%*	*+1.8*	*+1.6%*	*-1.1*	*-0.6%*	
EBITA*	**7.8**	n/m	**2.6**	-79.3%	**10.4**	-18.9%	-11.6%
- EBITA margin	**7.9%**		**2.8%**		**5.4%**		

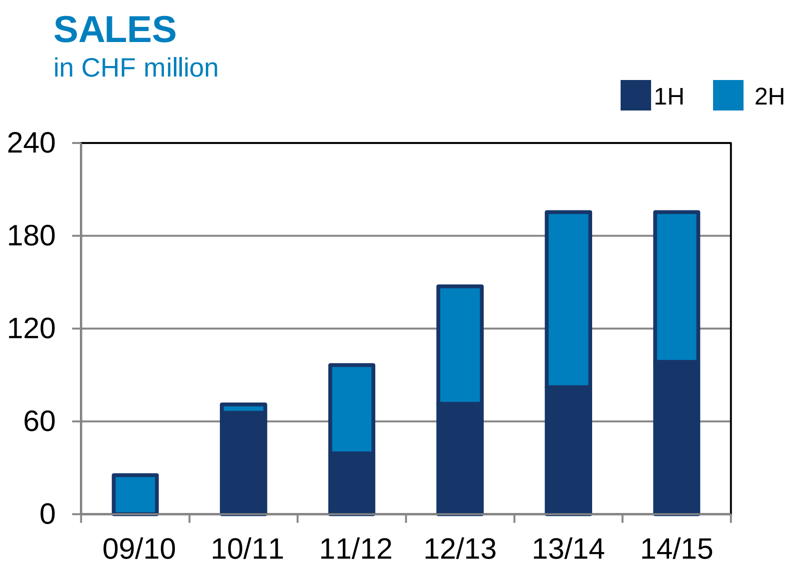
* Note: FY14/15 normalized for non-recurring items mainly related to indirect tax and partial release of AB Vendor B provision

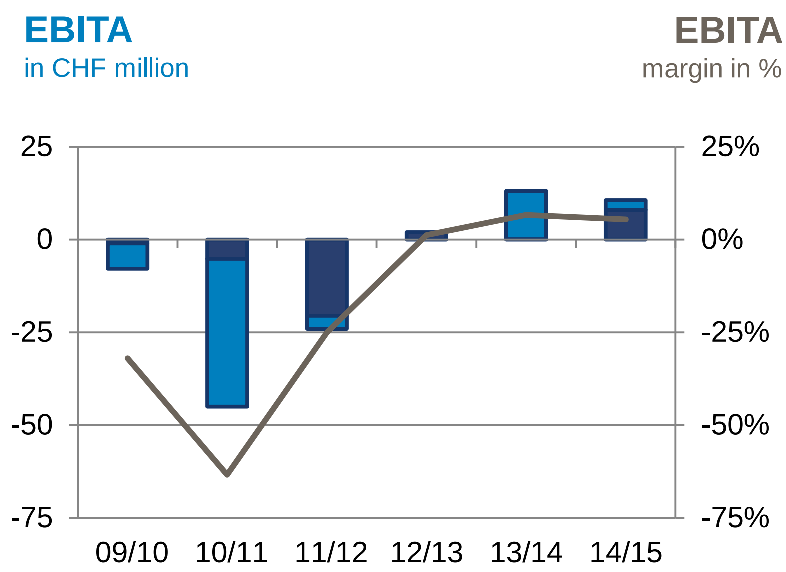
EMEA	– Double-digit growth – expanding market position in key markets
US	– Challenging base effect and increased competitive pressure in 2H
APAC	– Held back by lack of China tender sales in 2H

Facing challenging comparison base in 2H – More than 50% growth in previous year

Cochlear implants

Performance history



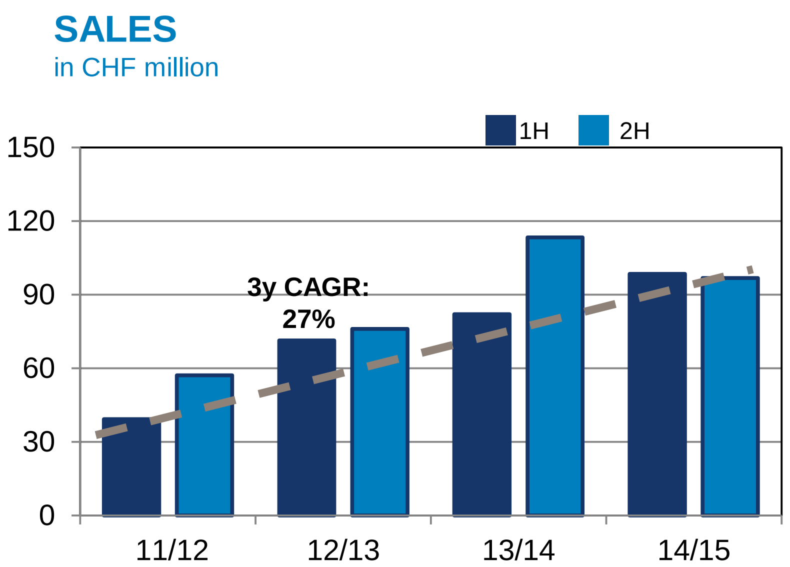


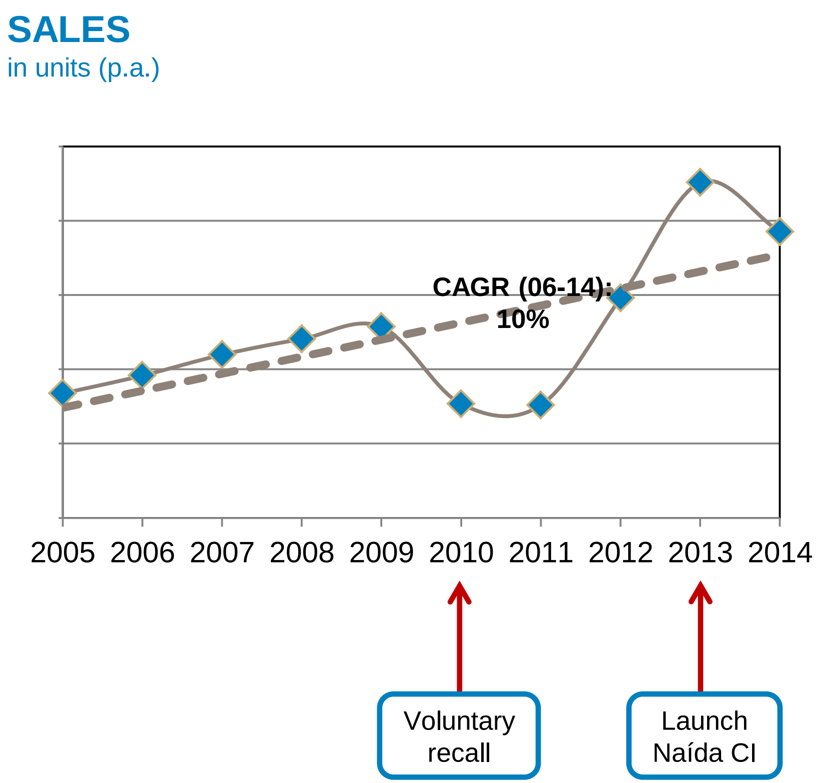
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	CAGR 5-y
Sales growth reported	--	+180.5%	+36.0%	+52.3%	+33.1%	-0.6%	+50.4%
Sales growth in LC	--	+202.1%	+53.5%	+47.1%	+36.0%	+0.0%	+56.1%
EBITA margin*	-31.0%	-63.4%	-25.0%	+1.2%	+6.6%	+5.4%	n/a

Notes: FY 2012/13 Excluding one-off cost for AB Vendor B provision increase, AB Rixheim restructuring and settlement with a group of investors
FY 2014/15 normalized for non-recurring items mainly related to indirect tax and partial release of AB Vendor B provision

Cochlear implants

Sales history – Convincing trend despite short-term volatility





CI business remains on long-term growth trajectory – Above market sales CAGR

4. Financial review

Financial highlights FY 2014/15

- **Sales** of CHF 2,035.1 million – driven by solid sales growth in the hearing instruments segment
- Normalized **gross profit** of CHF 1,394.7 million or 68.5% of sales – Stable excluding FX impact
- Reported **EBITA margin** of 22.4% – up 80 bps in LC
  - FX headwind – reduces reported EBITA margin by 40 bps
  - Good OPEX control – driving underlying margin improvement
  - Continued investment in R&D – Gross R&D spending of CHF 150.3 million or 7.4% of sales
- **ROCE** of 29.1% – staying on track towards our mid-term financial targets
- **Basic EPS** of CHF 5.37, up by 5.7% – roughly in line with growth in operating profit
- **Operating free cash flow** up 15.1% to 366.4 million – reflecting strong cash conversion
- **Cash out** of CHF 57.7 million for acquisitions – and CHF 73.6 million for share buyback
- **Net cash** increased to CHF 382.3 million – up CHF 70.8 million from March 2014

Continuous operating leverage and margin extension – Strong cash conversion

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Solid financial performance

in CHF million	FY 2013/14	FY 2014/15	Δ % in CHF	Δ % in LC
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Gross profit	**1,340.4**	**1,387.5**	3.5%	5.8%
- Gross profit margin	68.7%	68.2%		
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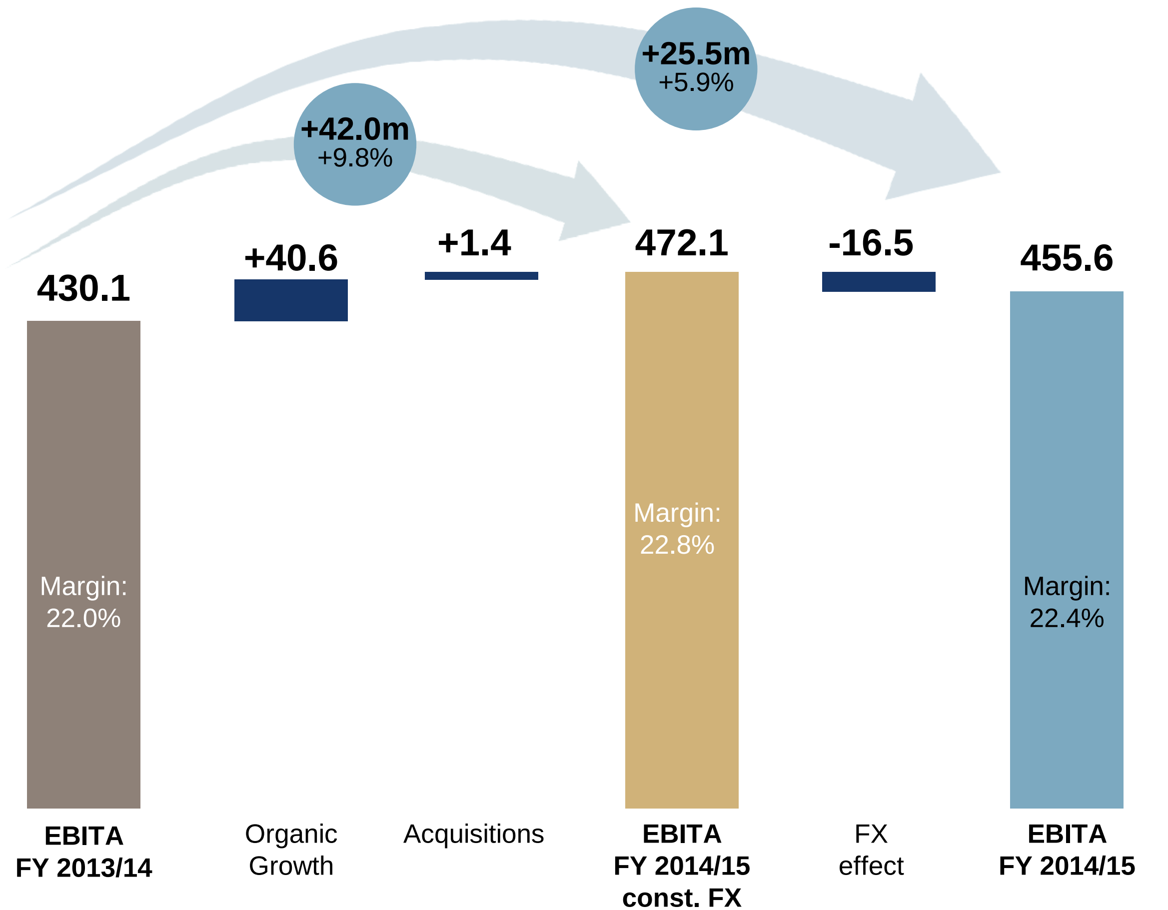
Continuous operating leverage and margin extension – Strong cash conversion

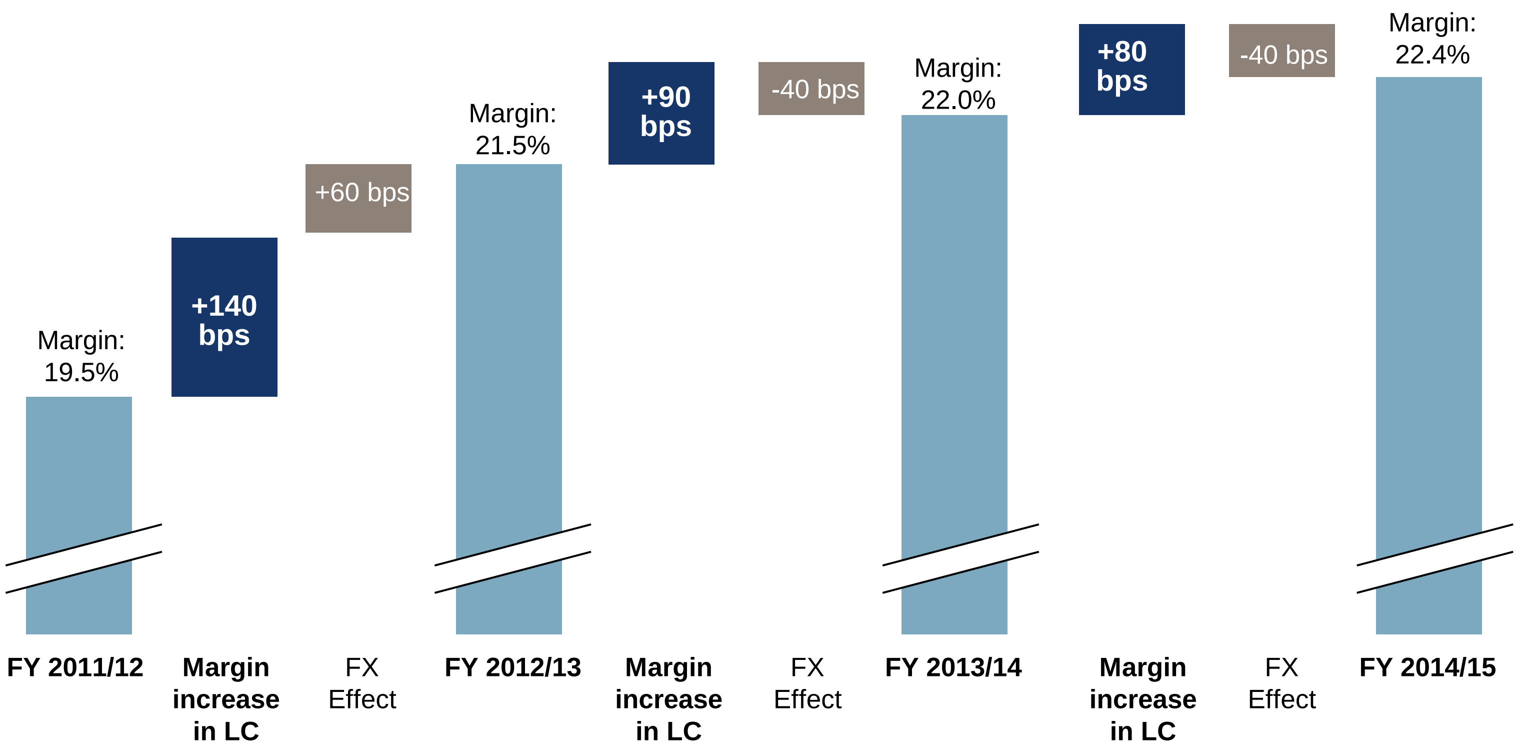
Group EBITA development – YoY



Avg FX Rates	FY 2013/14	FY 2014/15
USD	0.92	0.93
EUR	1.23	1.18
GBP	1.46	1.50
JPY (100)	0.92	0.85
BRL	0.41	0.38
AUD	0.86	0.81
CAD	0.87	0.82

Solid margin improvement – Driven by strong HI segment performance

Group EBITA margin development – Mid-term



Note: FY 2012/13 numbers and variances consider normalizations for FY 2012/13 one-off costs

Continuous margin improvement – Partly offset by FX development

Operating expenses

in CHF million	FY 2013/14	FY 2014/15	Δ % in CHF	Δ % in LC
Research & Development	**-125.7**	**-130.9**	4.2%	4.4%
in % of sales	6.4%	6.4%		
Sales & Marketing	**-589.6**	**-613.2**	4.0%	5.9%
in % of sales	30.2%	30.1%		
General & Administration	**-195.2**	**-201.0**	3.0%	3.9%
in % of sales	10.0%	9.9%		
Other income / (expenses), net	**0.2**	**13.2**		
Total OPEX	**-910.3**	**-932.0**	**2.4%**	**3.9%**
in % of sales	46.7%	45.8%		

Underlying OPEX growth below top-line increase – Solid operating leverage

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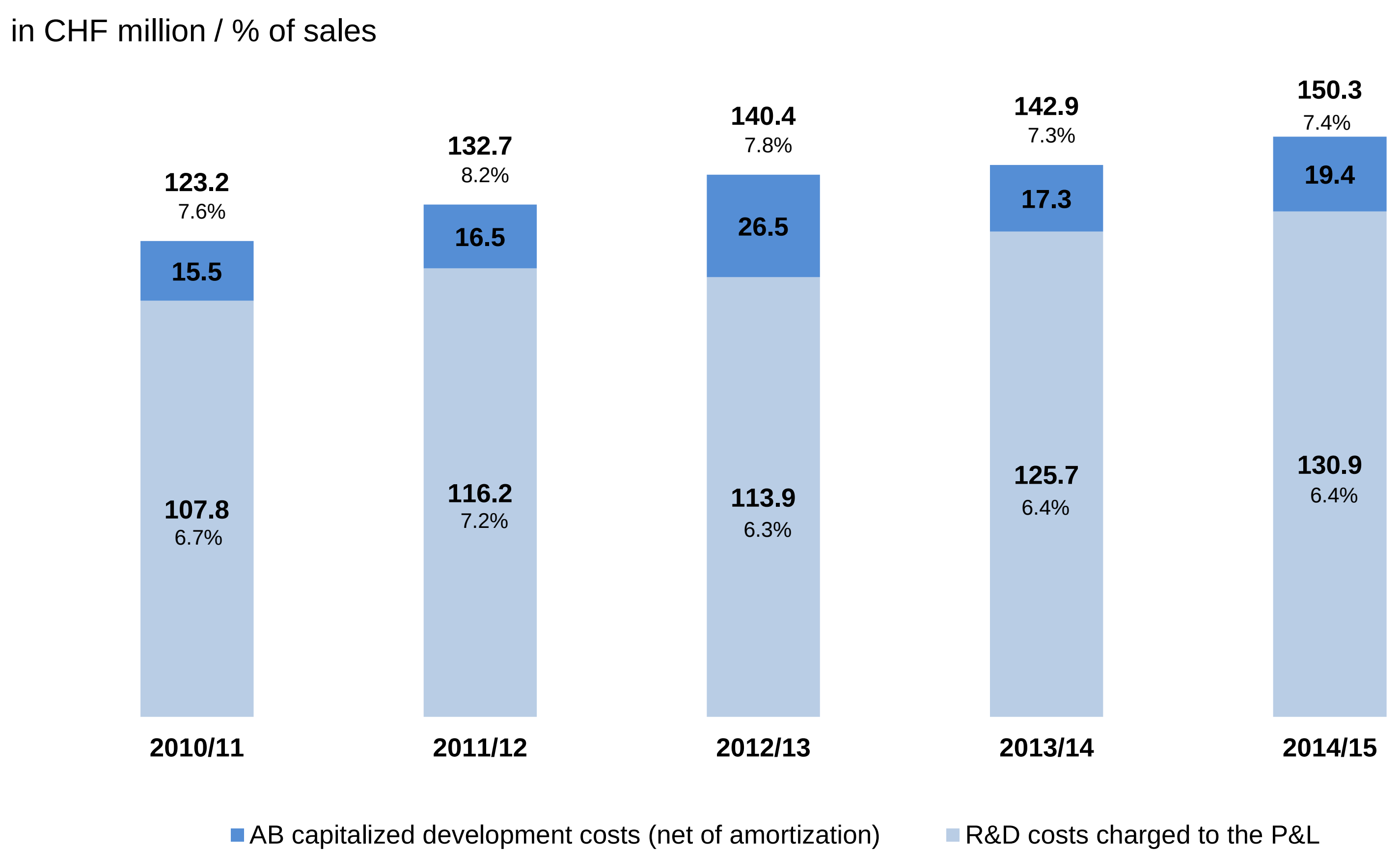
Costs – Reconciliation of non-recurring items

in CHF million	**FY 2014/15 Reported**	**Non-recurring items**	**FY 2014/15 Normalized**	Δ % in CHF Normalized	Δ % in LC Normalized
Cost of sales	**-647.6**	**-7.1**	**-640.4**	**4.8%**	**6.0%**
- Gross profit margin	68.2%		68.5%		
− Research & Development	**-130.9**	**+/- 0.0**	**-130.9**	4.2%	4.4%
− Sales & Marketing	**-613.2**	**-1.0**	**-612.2**	3.8%	5.7%
− General & Administration	**-201.0**	**-3.4**	**197.6**	1.2%	2.1%
− Other income	**13.1**	**+13.2**	-0.1	n/m	n/m
Total OPEX	**-932.0**	**+8.8**	**-940.7**	3.3%	4.8%
in % of sales	45.8%		46.2%		

Non-recurring cost of CHF 11.5 million – Offset by CHF 13.2 million provision release

Costs – R&D spending



Continuing strong R&D investments driving innovation – Gross 7.4% of sales

Reported results and income taxes

in CHF million	FY 2013/14	FY 2014/15	Δ % in CHF
EBITA	**430.1**	**455.6**	5.9%
Acquisition-related amortization	**-26.1**	**-26.5**	
Operating profit (EBIT) in % of sales	**404.0** 20.7%	**429.1** 21.1%	6.2%
Financial result (incl. result from associates)	**-9.4**	**-8.8**	
Income before taxes	**394.6**	**420.3**	6.5%
Income taxes	**-47.2**	**-52.0**	
- Income tax rate	**12.0%**	**12.4%**	
Income after taxes in % of sales	**347.4** 17.8%	**368.3** 18.1%	6.0%
EPS	**5.08**	**5.37**	5.7%

Income after taxes and EPS tracking well with EBITA growth

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Cash flow

in CHF million	FY 2013/14	FY 2014/15	Δ % in CHF
Cash flow before changes in NWC (incl. taxes paid)	**452.1**	**504.7**	11.6%
Changes in net working capital	**-41.1**	**-45.2**	
Cash flow from operating activities in % of sales	**411.0** 21.1%	**459.5** 22.6%	11.8%
Cash flow from investing activities (excl. acquisitions)	**-92.6**	**-93.1**	0.5%
Operating free cash flow in % of sales	**318.4** 16.3%	**366.4** 18.0%	15.1%
Cash consideration for acquisitions	**-29.8**	**-57.7**	93.5%
Free cash flow	**288.6**	**308.7**	7.0%
Cash flow from financing activities	**-309.1**	**-327.3**	5.9%
Changes in cash and cash equivalents	**-24.8**	**-19.5**	
Cash outflow from provisions for product liability claims (included in Cash flow from operating activities)	**-43.4**	**-5.0**	

Significant free cash flow – Strong cash conversion

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Key balance sheet numbers

in CHF million	FY 2013/14	FY 2014/15	Δ % in CHF
Net working capital	**190.6**	**181.4**	-4.8%
Days sales outstanding (DSO)	**69**	**67**	
Days inventory outstanding (DIO)	**140**	**143**	
Capital employed	**1,462.9**	**1,489.5**	1.8%
Net cash	**311.5**	**382.3**	22.7%
Equity	**1,774.4**	**1,871.8**	5.5%
Equity in % of total assets	**68.4%**	**69.5%**	

Solid balance sheet – Strong net cash position

Total shareholder return

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Cash deployment strategy - Achievements in FY 14/15

Total shareholder return strategy

1. Acquisitions

- CHF 58 million spent, including Comfort Audio

2. Dividend

- Increase of 8% proposed
- Payout ratio up to 38%

3. Solid cash position

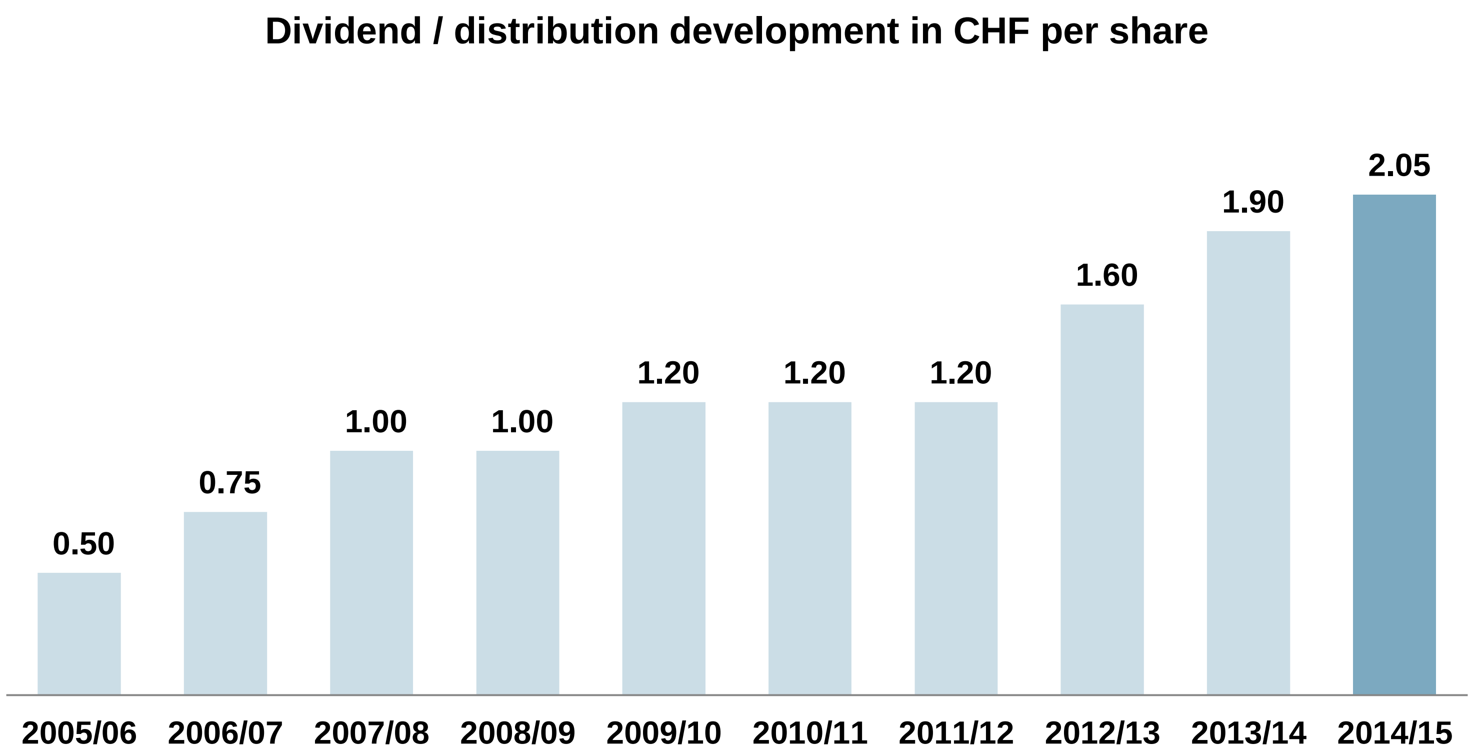
- Ending the year with a net cash position of CHF 382 million

4. Share buyback

- Buy back program started in Dec 2014
- CHF 74 million spent in FY 14/15

Secure funding of business growth – Return excess cash to shareholders

Dividend – Proposed increase by 8% to CHF 2.05

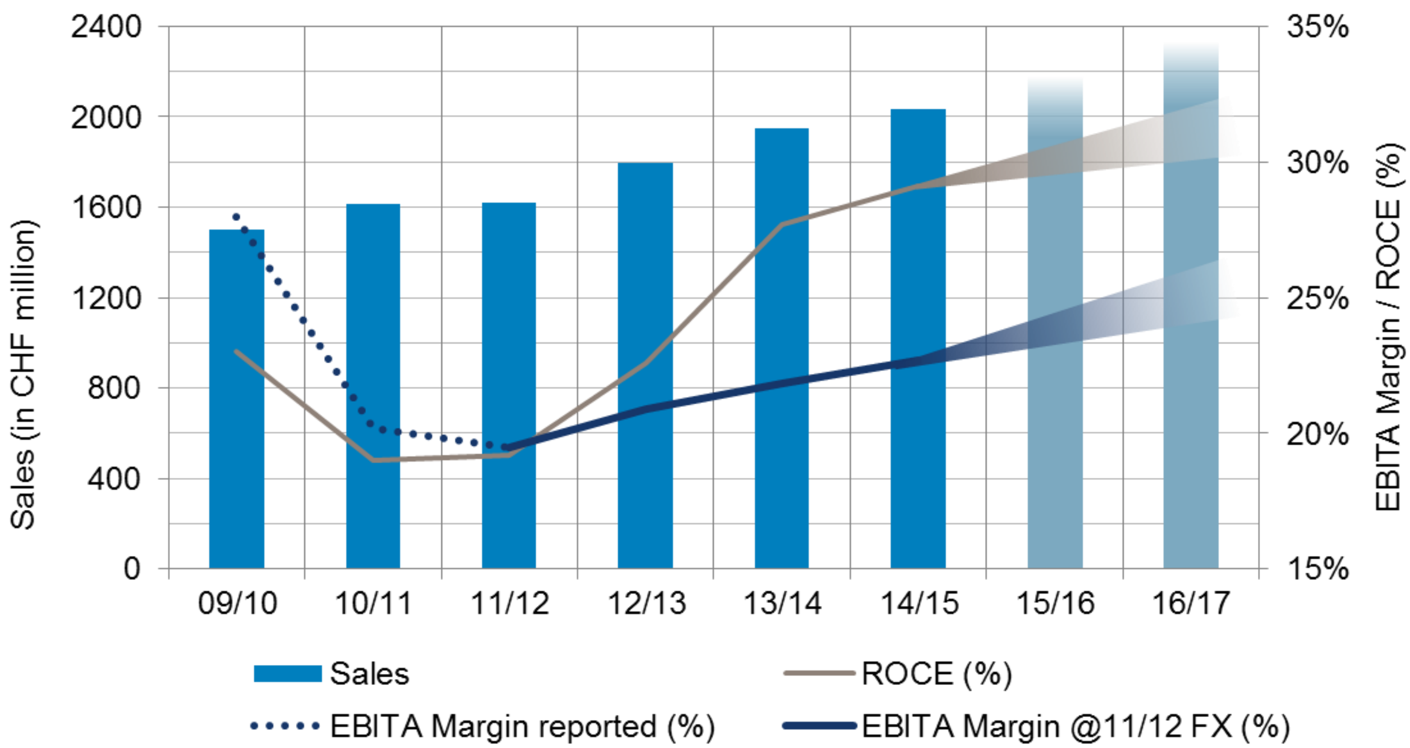


Proposed dividend represents a payout ratio of 38.2% – Up from 37.4% in prior year

5. Outlook FY 2015/16

Outlook FY 2015/16

On course for mid term financial targets



Notes: Chart for illustration purposes only and does not reflect impact of currency movements in future years
FY 2007/08 Excluding one-off cost for the prohibited acquisition of the GN ReSound Group
FY 2009/10 Restated based on finalization of the acquisition accounting of Advanced Bionics
FY 2012/13 Excluding one-off cost for AB Vendor B provision at AB, AB Rixheim restructuring and settlement with a group of investors

Outlook FY 2015/16

Considerations and expectations related to the FY 2015/16 outlook

Market	– Healthy worldwide market growth expected in line with long-term trends – Negative market growth expected in Germany following extraordinary growth in 2014 (reimbursement change November 2013) – FX headwind expected to continue based on current exchange rates
Hearing instruments	– Good sales momentum from new platforms expected to continue – Growth expected from continued new product introductions – Stronger sales contribution from acquisitions (Hansaton etc.), however slight dilutive margin impact in the first year – Initial push-back from German private market customers expected after disclosure of local retail presence and strategy – US commercial market growth starting from a relatively low comparison base in 1H – Challenge from comparison base in VA market expected short-term to ease over year and supported by positive market share trend
Cochlear implants	– Continued good sales momentum in Europe and APAC (excl. China tender) – Growth expected to rebound towards 2H – New product introductions combined with improved reliability under intensive wear conditions

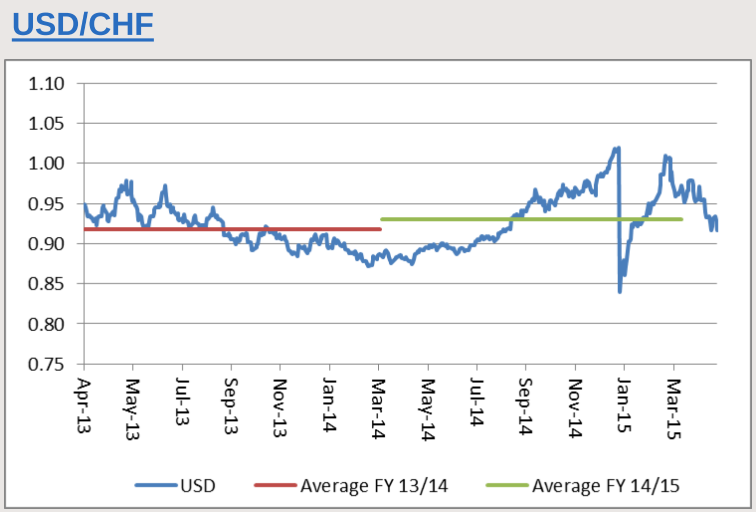
Outlook FY 2015/16

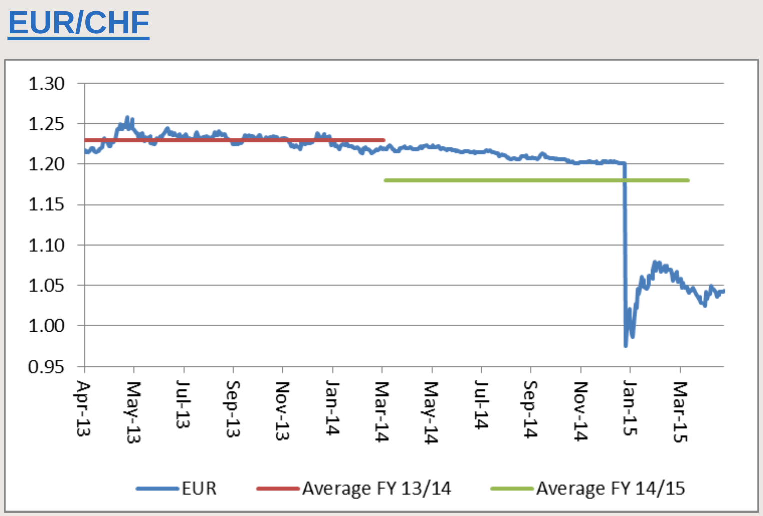
FY 2015/16 guidance

		Actual FY 2014/15	Guidance FY 2015/16
Sales	Sales growth in LC	6.2%	7%-9%
	thereof acquisition related growth	1.1%	~ 3%
	FX-impact	-1.9%	
	Total sales growth in CHF	4.3%	
EBITA	EBITA growth in LC	9.8%	9%-13%
	FX-impact	-3.9%	
	Total EBITA growth in CHF	5.9%	

Outlook FY 2015/16

FX impact on sales and margins



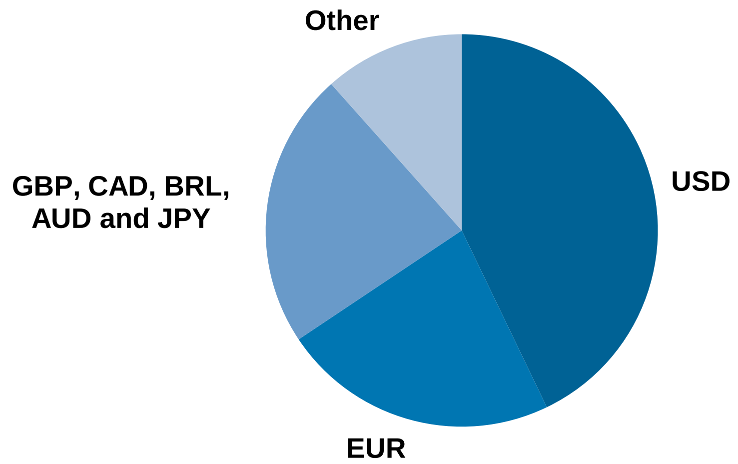


	Rate	Sales	EBITA
USD/CHF	+/- 5%	+/- CHF 42 million	+/- CHF 14 million
EUR/CHF	+/- 5%	+/- CHF 25 million	+/- CHF 13 million

USD and EUR account for roughly two thirds of the overall FX exposure

Outlook FY 2015/16

FX rates – Main currencies accounted for around 90% of Group sales



	FY-13/14	1H-14/15	2H-14/15	FY-14/15	Effect	Spot May 2015
USD	0.92	0.90	0.96	0.93	±	0.92
EUR	1.23	1.22	1.14	1.18	-	1.04
GBP	1.46	1.51	1.49	1.50	-	1.44
CAD	0.87	0.83	0.81	0.82	-	0.77
AUD	0.86	0.84	0.79	0.81	-	0.74
BRL	0.41	0.40	0.35	0.38	-	0.30
JPY 100	0.92	0.88	0.82	0.85	-	0.77

6. Upcoming events

Upcoming events

Important dates

20-28 May	Roadshow Full-Year Results 2014/15	
16 June	Annual General Meeting	Zürich
13 October	4. Sonova Investor & Analyst Day	Stäfa
14-16 October	EUHA Congress	Nürnberg
16 November	1H 2015/16 Results	Stäfa

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