

Summary Report 2015/16



Highlights 2015/16

5.8 % sales growth for the Sonova Group in local currencies

Consolidated sales for the Sonova Group were CHF 2,072 million, an increase of 5.8 % in local currencies. Adverse exchange rate developments reduced reported sales by CHF 80.5 million, resulting in 1.8 % growth in Swiss francs.

6.6 % sales growth for hearing instruments in local currencies

Sales in the hearing instruments segment reached CHF 1,885.0 million, an increase of 6.6 % in local currencies and 2.4 % in Swiss francs. EBITA increased by 5.8 % in local currencies.

CHF 187.0 million in sales for cochlear implants, break-even result

Sales in the cochlear implants segment were CHF 187.0 million, a slight decline of 2.4 % in local currencies and resulting in a break-even result at the EBITA level.

CHF 430.6 million EBITA + 1.4 % in local currencies

Group EBITA reached CHF 430.6 million, up 1.4 % in local currencies but declining by 5.5 % as reported due to the persistent strength of the Swiss franc. This corresponds to an EBITA margin of 20.8 %.

Solid cash flow supports healthy balance sheet

Thanks to continued strong cash generation, operating free cash flow reached CHF 344.2 million, resulting in a healthy balance sheet.

Proposed dividend implies payout ratio of 41 %

The Board of Directors proposes to the 2016 Annual General Shareholders' Meeting a dividend of CHF 2.10, representing a payout ratio of 41 %.

SONOVA GROUP KEY FIGURES

in CHF millions unless otherwise specified	2015/16	2014/15	Change in Swiss francs	Change in local currencies
Sales	2,071.9	2,035.1	1.8 %	5.8 %
EBITA ¹⁾	430.6	455.6	(5.5 %)	1.4 %
EBITA margin	20.8 %	22.4 %		
EPS (CHF)	5.11	5.37	(4.8 %)	
Operating free cash flow	344.2	366.4	(6.1 %)	
ROCE ²⁾	26.0 %	29.1 %		
ROE ³⁾	18.3 %	20.2 %		

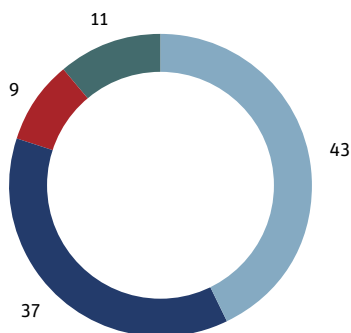
¹⁾ EBITA: Earnings before financial result, share of profit/(loss) in associates/joint ventures, taxes and acquisition-related amortization.

²⁾ ROCE (Return on capital employed): EBIT in % of capital employed (average).

³⁾ ROE (Return on equity): Income after taxes in % of equity (average).

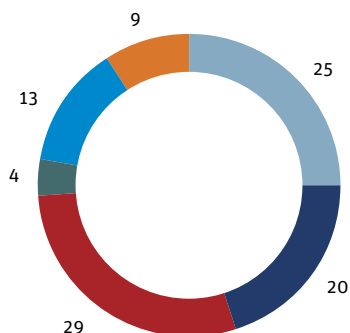
Key figures 2015/16

Sales by regions in 2015/16 in %



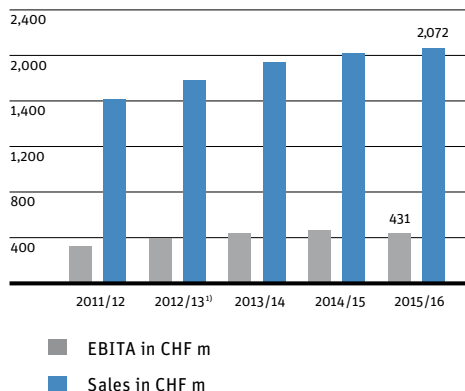
- EMEA
- USA
- Americas (excl. USA)
- Asia/Pacific

Sales by product groups in 2015/16 in %

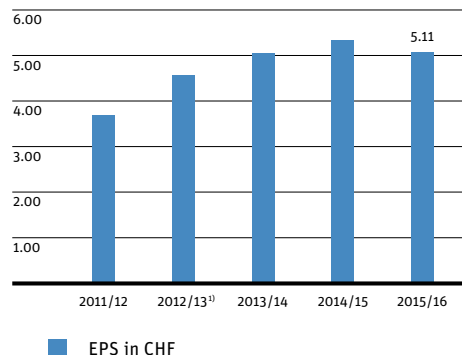


- Premium Hearing Instruments
- Advanced Hearing Instruments
- Standard Hearing Instruments
- Wireless Communication System
- Miscellaneous
- Cochlear Implants and Accessories

Sales and EBITA development in CHF m



EPS development in CHF



¹⁾ Restated following the implementation of IAS 19 (revised). Excluding one-off cost, mainly related to the increase of the product liability provision within the cochlear implants business.

May 18, 2016

Dear shareholders,

The Sonova Group achieved a solid performance in the 2015/16 financial year, reaching a record sales level despite the persistent strength of the Swiss franc. We also made excellent progress in delivering on our strategy of providing the industry's broadest and most innovative offering of hearing care products, solutions, and services.

Our strategy focuses on three areas:

New products: The market offers exciting opportunities for new customer groups and new solution formats. Our consistent platform approach to product development in hearing instruments and cochlear implants – along with our continued high investment in research and development – has allowed us to expand our product offering over the year to exploit these opportunities.

Go-to-market: Innovation is not limited to products – it also drives the way we approach the market, both through our wholesale companies and our retail audiological service network. The industry is seeing a rise in lower-cost retailers, but also an increased emphasis on personalized care from dedicated audiologists. We address both these trends through channel partnership, vertical integration, services that generate increased customer demand, and an expanded presence in underdeveloped growth markets, such as China.

E-solutions: The lives of our customers are increasingly digital. More and more healthcare services are being offered through the channels opened by internet-enabled personal technology. We therefore continue to expand our technology platform by introducing complete digital solutions and services that connect Sonova with its consumers and their hearing care providers.

As an illustration of how we are implementing our strategy and how the Sonova Group generates value for its customers through all of its brands, we will be taking a closer look in this year's report at the world's second-largest market for hearing aids: Germany.

Hearing instruments segment

Sonova's hearing instruments business continued on its path of profitable growth throughout the 2015/16 financial year, thanks to sustained expansion in both the wholesale and the audiological service businesses. Hearing instruments sales rose 6.6 % in local currencies, driven by organic growth and by the contribution from recent acquisitions, particularly Hansaton.

Building on the successful launch of Sonova's third-generation technology platform last year, we introduced a number of new product families across all our brands. In September 2015, Phonak extended its latest generation Venture product offering with the Phonak Virto™ V In-The-Ear product family, which offers significantly better speech understanding in a smaller package. Phonak rounded out its Venture portfolio by launching dedicated solutions for two customer groups most affected by the loss of hearing. The Phonak Naída™ V power instrument for severe to profound hearing loss helps to further improve speech understanding, yet is up to 25 % thinner than its predecessor. Phonak Sky™ V builds on our 40 years' experience of pediatric hearing care, offering child-specific features and technologies optimized to help kids and teens stay connected in difficult hearing situations.

Unitron continued its transition onto the North technology platform, which started with the introduction of the popular Moxi™ Receiver-In-Canal products in April 2015; this was followed by the Stride™ Behind-The-Ear and In-The-Ear families, launched at the International Congress of Hearing Aid Acousticians (EUHA) in October 2015. Unitron also extended its unique Flex:trial™ and upgrade concept with Patient Ratings, which allows hearing aid wearers to share their experiences online with their hearing care professional.

The acquisition of Hansaton at the start of the 2015/16 financial year added another respected name to our range of hearing aid brands and further extended our leadership position in the global hearing instrument market. During the course of the financial year, Hansaton's product portfolio was brought onto the Sonova technology platform.

Sonova's audiological service business expanded substantially, both through organic growth and through further acquisitions. Since March 2015, when we named Germany as one of our ten key strategic markets for retail, our network in the country has grown nicely: from around 100 stores at the start of the 2015/16 financial year to nearly 150 at its end, providing a solid basis for future growth in this important market. We also optimized our country portfolio by selling our Italian network of around 70 stores while simultaneously reinforcing our existing position in Hungary by adding around 30 stores.

On May 4, 2016, Sonova announced that it has agreed to acquire AudioNova, one of Europe's leading hearing aid retailers. AudioNova operates over 1,300 stores in eight countries and generated net sales of around EUR 360 million in 2015. AudioNova is an excellent fit with Sonova's strategy for professional audiological service and retail. The combination of AudioNova and Sonova will create one of the broadest hearing aid retail service networks in Europe, providing critical mass with many complementary market positions. The closing of the transaction is subject to regulatory approval.

Cochlear implants segment

The cochlear implants segment had a challenging year, with sales slightly down by 2.4 % in local currencies; it showed clear signs of improvement, however, by returning to growth in the second half and re-accelerating quarter by quarter. We remain convinced in the attractive growth prospects of the cochlear implant market, and are confident that the business will continue on its long-term growth path through diligently executing its strategy, supported by recent and upcoming product introductions.

The highlight of 2015/16 was the addition of the Naída CI Q90 and Q30 to Advanced Bionics' range of Q-series sound processors: building on the unique innovations introduced with the Naída CI Q70 in 2013, these confirm the benefits of bringing together the innovation DNA of Advanced Bionics and Phonak. The close collaboration of Advanced Bionics and Phonak gives us a unique advantage, both in seamlessly combining the best of hearing instrument and cochlear implant technology, and in reaching and serving the large and as yet underpenetrated adult market segment. With the upcoming launch of Phonak Naída Link, bimodal recipients – those who have a cochlear implant in one ear but a hearing aid in the other – can now benefit of many advanced features where the two devices function as an integrated system to provide even better hearing.

Financial highlights

The Group built on its previous year's achievements with another solid performance. The reported results were negatively affected, however, by the significant and sudden strengthening of the Swiss franc. Despite these currency headwinds, consolidated sales for the year reached CHF 2,072 million, up 1.8 % in Swiss francs and 5.8 % in local currencies: a new record level. Operating profit before acquisition-related amortization (EBITA) was CHF 430.6 million, a rise of 1.4 % in local currencies. The strength of the Swiss franc reduced reported EBITA by CHF 31.5 million, resulting in an operating margin of 20.8 %. Helped by a strong cash flow, the Group ended the year with a solid balance sheet, including a net cash position of CHF 298.3 million and strong equity ratio of 69.3 %

Use of cash

We continue to invest cash flow into value creating acquisitions. In 2015/16, we spent CHF 121 million on acquisitions, including the Hansaton hearing aid brand and the further expansion of our audiological service network, with a focus on Germany. Over the course of the financial year, Sonova bought back 1,203,500 shares for CHF 156 million. These shares will be proposed for cancelation at the 2016 Annual General Shareholders' Meeting. With the announcement of the acquisition of AudioNova, Sonova has suspended the share buyback program until further notice. The Board of Directors also proposes a dividend of CHF 2.10 per share, an increase of 2.4 %, representing a payout ratio of 41 %.

Changes to the Board of Directors

John J. Zei, who has been a member of the Board of Directors since 2010, will not stand for re-election at the upcoming Annual General Shareholders' Meeting, in accordance with the age limitations stipulated in the Organizational Regulations. Over his terms of office we have had many occasions to be grateful for his vast experience, his deep understanding of the hearing aid industry, and his dedication to Sonova. We all wish him well for the future.

The Board of Directors has nominated Lynn Dorsey Bleil as a new Board member for election at the 2016 Annual General Shareholders' Meeting. Ms. Bleil recently retired as Senior Partner from McKinsey & Company in the US after more than 25 years of advising senior management and boards of leading healthcare companies. Her impressive track record makes her a valuable addition to the Board of Directors.

Committed to corporate social responsibility

This year, the Hear the World Foundation, a main pillar of the Sonova Group's corporate social responsibility commitment, continued to make a significant contribution by supporting 23 projects worldwide, with a focus on helping children with hearing loss in low-income countries. By providing state-of-the-art equipment and hearing aids and by developing the necessary expertise on site, these projects ensure that these children have significantly better chances in education and personal development. For further information, please visit www.hear-the-world.com.

You can read more about our CSR activities in our separate Corporate Social Responsibility Report, prepared in accordance with the Global Reporting Initiative G4 guidelines.

Our thanks

Innovation is a function of people. Their dedication to the millions of people who deserve better hearing – and a life without limitations – is the motivation that drives our success. We rely ever more on close partnerships with hearing care professionals. Our customers inspire and challenge us every day; their needs point the way to new discoveries. And it is our shareholders whose continuing trust lets us develop the company for the future. Our thanks go to all of you.

Outlook 2016/17

Ours is an expanding market, with dynamics that favor our business model: an expanding customer base that demands ever more innovative solutions provides all the right conditions for further growth. We anticipate that our hearing instruments and our cochlear implants businesses will both contribute to positive future development. In 2016/17, we expect to increase consolidated sales by 4 % – 6 % in local currencies.



Robert Spoerry

Chairman of the Board of Directors



Lukas Braunschweiler

CEO

Financial review

Continuous organic growth

Sonova Group sales in 2015 / 16 grew by 5.8 % in local currencies to CHF 2,071.9 million. A less favorable currency environment reduced sales by CHF 80.5 million, resulting in growth of 1.8 % in reported Swiss francs. Organic growth was 2.2 %, driven by the hearing instruments segment. Acquisitions added another 3.5 % to growth.

Strong growth in the EMEA and APAC regions

The Europe, Middle East, and Africa region (EMEA), which accounted for 43 % of Group sales, reported a 7.2 % sales increase in local currencies. This was achieved despite a decline in our German hearing instruments wholesale business, due to an expected headwind in the independent channel after the Group's announcement of its new German retail strategy in March 2015. The Group's business in the United States, representing 37 % of total sales, showed a modest increase of 1.8 % in local currency. Positive development in the private market was partly offset by Costco's shift from branded to private-label products, and by unchanged sales volume with the US Department of Veterans Affairs (VA). The rest of the Americas (excluding the US), which represented 9 % of total sales, reported sales growth of 6.1 % in local currencies, with strong contributions from Canada partly offset by Brazil. The Asia / Pacific region represented 11 % of Group sales and achieved exceptional sales growth of 13.3 % in local currencies.

Margin affected by currency environment and cochlear implants business

Reported gross profit reached CHF 1,375.5 million (gross margin of 66.4 %), an increase of 3.7 % in local currencies but down 0.9 % in reported Swiss francs. Normalized for non-recurring items for both the 2014 / 15 and 2015 / 16 financial years, gross profit in local currencies rose 4.6 % over the prior year to CHF 1,449.3 million (2014 / 15: CHF 1,385.3 million), corresponding to a gross margin of 67.3 % compared to 68.1 % in the previous year. The normalized gross profit for the 2014 / 15 financial year excludes currency gains on working capital of CHF 9.3 million and CHF 7.1 million in non-recurring costs, mainly related to the move of certain manufacturing activities out of Switzerland. For the 2015 / 16 financial year, the gross profit has been normalized to exclude currency losses on working capital of CHF 2.3 million and the establishment of a specific warranty provision for our cochlear implant business, booked in the first half, of CHF 8.6 million.

Reported operating expenses reached CHF 944.8 million, an increase of 4.8 % in local currencies and 1.4 % in reported Swiss francs. Normalized operating expenses in local currencies rose by 5.6 % to CHF 993.5 million (2014 / 15: CHF 940.7 million). Normalized operating expenses for the 2014 / 15 financial year exclude a non-recurring net benefit of CHF 8.8 million, mainly related to the release of a provision for cochlear implant product liabilities. For the 2015 / 16 financial year, normalized operating expenses exclude the benefit from a capital gain of CHF 8.7 million from the divestment of the Italian retail and South African wholesale business, and a CHF 8.8 million provision release for cochlear implant product liabilities.

Reported operating profit before acquisition-related amortization (EBITA) was CHF 430.6 million (2014 / 15: CHF 455.6 million), an increase of 1.4 % in local currencies or a decline of 5.5 % in Swiss francs from the prior year. Reported EBITA margin reached 20.8 % (2014 / 15: 22.4 %). Unfavorable exchange rate development reduced reported EBITA by CHF 31.5 million and the EBITA margin by 70 basis points. Normalized for non-recurring items for both the 2014 / 15 and 2015 / 16 financial years, the EBITA in local currencies increased by 2.5 % to CHF 455.8 million (2014 / 15: CHF 444.6 million). Reported operating profit (EBIT) reached CHF 403.4 million, compared to CHF 429.1 million for the prior year, down by 6.0 %, in line with the development of the reported EBITA.

Reported income after taxes was CHF 345.8 million, down 6.1 % from the previous year. Basic earnings per share (EPS) therefore reached CHF 5.11 (2014 / 15: CHF 5.37).

Hearing instruments segment – Solid growth supported by acquisitions

Sales in the hearing instruments segment reached CHF 1,885.0 million, representing an increase of 6.6 % in local currencies and 2.4 % in reported Swiss francs. Organic growth was 2.8 % in local currencies, supplemented by 3.8 % or CHF 70.8 million from acquisitions, net of disposals. The bulk of this came from the acquisition of Hansaton, partly offset by the disposal of the Italian retail business.

Reported EBITA amounted to CHF 430.8 million, corresponding to an EBITA margin of 22.9 %. The normalized EBITA for the hearing instruments segment increased by 4.4 % in local currencies. Stringent cost discipline in our legacy business allowed for a modest normalized margin expansion of 20 basis points, which was more than offset by the lower profitability of the acquired sales. This resulted in a drop in the normalized EBITA margin by 50 basis points.

Cochlear implants segment – Returning to growth in the second half

After a slow start to the year the cochlear implants business picked up momentum and returned to growth in the second half of the financial year supported by the successful launch of the new Naída CI Q90 in November 2015. Total sales were CHF 187.0 million, a decline of 2.4 % in local currencies and 3.7 % in reported Swiss francs.

Lower sales and the adverse sales and product mix reduced the gross profit margin; combined with slightly higher operating costs, this led to a break-even operating profit. The abovementioned one-time increase in warranty provision negatively affected gross margin, but was largely offset by a non-recurring gain from the release of the product liability provision at EBITA level. The normalized EBITA in local currencies decreased by CHF 8.0 million.

Significant free cash flow

The operating free cash flow reached CHF 344.2 million versus CHF 366.4 million in the prior year. The cash consideration for acquisitions, including earn-out payments for prior period acquisitions, amounted to CHF 121.3 million in 2015/16, compared to CHF 57.7 million in the prior year; this increase was largely due to the acquisition of Hansaton, along with further expansion of the Group's retail network. The cash inflow from divestments amounted to CHF 29.6 million. In summary, this resulted in a significant free cash flow of CHF 252.6 million compared to CHF 308.7 million in the prior year.

Maintaining a solid balance sheet

Reported net working capital was CHF 185.5 million, compared to CHF 181.4 million at the end of the prior year. Capital employed was CHF 1,608.0 million, compared to CHF 1,489.5 million in the prior year; this was mainly due to acquisitions. Reflecting its strong free cash flow, increased acquisition spend, and a higher return of cash to shareholders, the Group ended the period with a net cash position of CHF 298.3 million, down CHF 84.1 million from CHF 382.3 million at the end of the prior year. The return on capital employed (ROCE) was 26.0 %, compared to 29.1 % in the prior year, reflecting the balance sheet effect of acquisitions and the lower EBITA in reported Swiss francs.

Consolidated financial statements

Consolidated income statements

CHF millions	2015 / 16	2014 / 15
Sales	2,071.9	2,035.1
Cost of sales	(696.4)	(647.6)
Gross profit	1,375.5	1,387.5
Research and development	(130.3)	(130.9)
Sales and marketing	(638.2)	(613.2)
General and administration	(194.3)	(201.0)
Other income / (expenses), net	17.9	13.2
Operating profit before acquisition-related amortization (EBITA)¹⁾	430.6	455.6
Acquisition-related amortization	(27.2)	(26.5)
Operating profit (EBIT)²⁾	403.4	429.1
Financial income	4.3	1.1
Financial expenses	(12.2)	(11.6)
Share of profit / (loss) in associates / joint ventures	1.6	1.7
Income before taxes	397.1	420.3
Income taxes	(51.3)	(52.0)
Income after taxes	345.8	368.3
Attributable to:		
Equity holders of the parent	337.0	360.0
Non-controlling interests	8.8	8.3
Basic earnings per share (CHF)	5.11	5.37
Diluted earnings per share (CHF)	5.10	5.35

¹⁾ Earnings before financial result, share of profit / (loss) in associates / joint ventures, taxes and acquisition-related amortization (EBITA).

²⁾ Earnings before financial result, share of profit / (loss) in associates / joint ventures and taxes (EBIT).

Consolidated Statements of Comprehensive Income

CHF millions	2015 / 16	2014 / 15
Income after taxes	345.8	368.3
Other comprehensive income		
Actuarial (loss) / gain from defined benefit plans, net	(6.6)	(33.2)
Tax effect on actuarial (loss) / gain from defined benefit plans	0.9	4.6
Put options granted to non-controlling interests		7.8
Total items not to be reclassified to income statement in subsequent periods	(5.7)	(20.8)
Fair value adjustment on cash flow hedges		0.9
Currency translation differences	(2.5)	(30.6)
Tax effect on currency translation items	0.7	(1.4)
Total items to be reclassified to income statement in subsequent periods	(1.8)	(31.1)
Other comprehensive income, net of tax	(7.5)	(51.9)
Total comprehensive income	338.3	316.4
Attributable to:		
Equity holders of the parent	330.3	308.7
Non-controlling interests	8.0	7.7

Consolidated Balance Sheets

Assets CHF millions	31.3.2016	31.3.2015
Cash and cash equivalents	317.3	390.5
Other current financial assets	6.7	5.5
Trade receivables	354.6	349.4
Current income tax receivables	7.8	6.3
Other receivables and prepaid expenses	69.6	66.3
Inventories	240.5	240.8
Total current assets	996.5	1,058.8
Property, plant and equipment	267.9	270.0
Intangible assets	1,349.6	1,219.6
Investments in associates / joint ventures	9.3	9.6
Other non-current financial assets	19.9	22.5
Deferred tax assets	108.4	111.1
Total non-current assets	1,755.1	1,632.8
Total assets	2,751.6	2,691.6

Liabilities and equity CHF millions	31.3.2016	31.3.2015
Current financial liabilities	6.5	3.1
Trade payables	77.8	72.9
Current income tax liabilities	93.8	95.6
Other short-term liabilities	214.2	206.6
Short-term provisions	105.2	111.9
Total current liabilities	497.5	490.1
Non-current financial liabilities	15.2	5.1
Long-term provisions	191.9	205.1
Other long-term liabilities	94.8	86.9
Deferred tax liabilities	45.9	32.6
Total non-current liabilities	347.8	329.7
Total liabilities	845.3	819.8
Share capital	3.3	3.4
Treasury shares	(155.6)	(71.5)
Retained earnings and reserves	2,034.7	1,912.6
Equity attributable to equity holders of the parent	1,882.4	1,844.5
Non-controlling interests	23.9	27.3
Equity	1,906.3	1,871.8
Total liabilities and equity	2,751.6	2,691.6

Consolidated Cash Flow Statements

CHF millions	2015 / 16	2014 / 15
Income before taxes	397.1	420.3
Depreciation and amortization of tangible and intangible assets	88.7	85.0
Loss on sale of tangible and intangible assets, net	0.8	0.5
Share of gain in associates / joint ventures	(1.6)	(1.7)
Decrease in long-term provisions	(7.4)	(6.0)
Financial income / expenses, net	7.9	10.5
Share based payments and other non-cash items	4.0	19.2
Income taxes paid	(40.5)	(23.1)
Cash flow before changes in net working capital	449.0	504.7
Decrease / (increase) in trade receivables	0.3	(12.8)
Decrease / (increase) in other receivables and prepaid expenses	4.4	(4.4)
Decrease / (increase) in inventories	5.0	(31.1)
Decrease in trade payables	(11.3)	(4.5)
(Decrease) / increase in other payables, accruals and short-term provisions	(19.0)	7.6
Cash flow from operating activities	428.4	459.5
Purchase of tangible and intangible assets	(83.1)	(89.0)
Cash consideration for acquisitions, net of cash acquired	(121.3)	(57.7)
Cash consideration from divestments, net of cash divested	29.6	
Other, net	(1.0)	(4.1)
Cash flow from investing activities	(175.8)	(150.8)
Repayment of borrowings	(0.5)	(87.6)
(Purchase) / sale of treasury shares, net	(175.4)	(92.6)
Dividends paid by Sonova Holding AG	(136.0)	(127.6)
Other, net	(13.7)	(19.5)
Cash flow from financing activities	(325.6)	(327.3)
Exchange losses on cash and cash equivalents	(0.2)	(0.9)
Decrease in cash and cash equivalents	(73.2)	(19.5)
Cash and cash equivalents at the beginning of the financial year	390.5	410.0
Cash and cash equivalents at the end of the financial year	317.3	390.5

Consolidated Changes in Equity

CHF millions

	Attributable to equity holders of Sonova Holding AG					
	Share capital	Reserves ¹⁾	Translation adjustment	Treasury shares ²⁾	Non- controlling interests	Total equity
Balance April 1, 2014	3.4	2,000.8	(263.6)	4.3	29.5	1,774.4
Total comprehensive income		340.1	(31.4)		7.7	316.4
Changes in non-controlling interests		(7.3)			(1.0)	(8.3)
Share-based payments		7.6				7.6
Sale of treasury shares		(6.0)		68.2		62.2
Purchase of treasury shares				(144.0)		(144.0)
Dividend paid		(127.6)			(8.9)	(136.5)
Balance March 31, 2015	3.4	2,207.6	(295.0)	(71.5)	27.3	1,871.8
Balance April 1, 2015	3.4	2,207.6	(295.0)	(71.5)	27.3	1,871.8
Total comprehensive income		331.3	(1.0)		8.0	338.3
Capital decrease – share buy-back program	(0.1)	(73.6)		73.7		
Share-based payments		7.6				7.6
Sale of treasury shares		(6.2)		22.7		16.5
Purchase of treasury shares				(180.5)		(180.5)
Dividend paid		(136.0)			(11.4)	(147.4)
Balance March 31, 2016	3.3	2,330.7	(296.0)	(155.6)	23.9	1,906.3

¹⁾ Reserves includes retained earnings, other reserves and hedge reserve.

²⁾ Includes derivative financial instruments on treasury shares.

Financial statements of Sonova Holding AG

Income Statements

CHF millions	2015/16	2014/15 ¹⁾
Income		
Investment income	279.2	262.6
License income	16.9	22.4
Financial income	39.6	26.1
Total income	335.7	311.1
Expenses		
Administration expenses	(7.6)	(8.2)
Other expenses	(1.0)	(1.0)
Financial expenses	(33.6)	(41.5)
Direct taxes	(1.5)	(0.2)
Total expenses	(43.7)	(50.9)
Net profit for the year	292.0	260.2

¹⁾ Financial statements 2014/15 have been adjusted to ensure comparability with the 2015/16 presentation.

Balance sheets

Assets CHF millions	31.3.2016	31.3.2015¹⁾
Cash and cash equivalents	71.4	68.3
Other receivables to third parties	2.8	3.0
Other receivables to group companies	9.3	54.6
Total current assets	83.5	125.9
Loans to third parties	0.4	
Loans to group Companies	1,386.1	1,340.8
Investments	321.4	314.6
Total non-current assets	1,707.9	1,655.4
Total assets	1,791.4	1,781.3

Liabilities and shareholders' equity CHF millions	31.3.2016	31.3.2015¹⁾
Short-term liabilities to group companies	2.1	
Short-term interest-bearing liabilities to Group companies	10.6	
Other short-term liabilities to third parties	4.2	8.6
Accrued liabilities	3.8	1.6
Total short-term liabilities	20.7	10.2
Total liabilities	20.7	10.2
Share capital	3.3	3.4
Legal reserves	20.4	20.3
Profit brought forward	1,611.4	1,560.8
Net profit for the year	292.0	260.2
Treasury shares	(156.4)	(73.6)
Total shareholders' equity	1,770.7	1,771.1
Total liabilities and shareholders' equity	1,791.4	1,781.3

¹⁾ Financial statements 2014/15 have been adjusted to ensure comparability with the 2015/16 presentation.

Appropriation of available earnings

As proposed by the Board of Directors to the Annual General Shareholders' Meeting of June 14, 2016:

CHF millions	31.3.2016	31.3.2015¹⁾
Balance carried forward from previous year	1,611.4	1,560.8
Net profit for the year	292.0	260.2
Treasury shares	(156.4)	(73.6)
Available earnings	1,747.0	1,747.4
Dividend distribution ²⁾	(137.4)	(136.0)
Balance to be carried forward	1,609.6	1,611.4

¹⁾ Approved by the Annual General Shareholders' Meeting of June 16, 2015.

²⁾ If the Annual Shareholders' Meeting approves the proposed appropriation of available earnings, a gross dividend of CHF 2.10 per registered share of CHF 0.05 will be paid out (previous year distribution of CHF 2.05).

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Financial calendar

June 14, 2016

General Shareholders' Meeting of
Sonova Holding AG at
Messe Zurich, Halle 7, Zurich-Oerlikon

November 14, 2016

Publication of Semi-Annual Report
as of September 30, 2016
Media and Analyst Conference Call

May 16, 2017

Publication of Annual Report
as of March 31, 2017
Media and Analyst Conference

June 13, 2017

General Shareholders' Meeting of
Sonova Holding AG

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Information on the General Shareholders' Meeting

Invitation and agenda

General Shareholders' Meeting
presentations

General Shareholders' Meeting minutes

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