Full Year 2018/19

Arnd Kaldowski, CEO
Hartwig Grevener, CFO
Thomas Bernhardsgrütter, IR

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1 Sonova Group

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Key highlights

Sales

+4.1% in LC

CHF 2,763.2 million

EPS (adj.)

+11.7% in CHF

CHF 7.11 per share

Sales outlook

+6-8%

growth in LC
in FY 2019/20

EBITA (adj.)

+6.7% in LC

CHF 594.0 million

Innovation

Phonak Marvel

successful launch
& market share gains

EBITA outlook

+9-13%*

growth in LC
in FY 2019/20

* excluding restructuring costs in FY 2018/19 and potential larger restructuring costs going forward

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Strategic pillars

Lead innovation in audiological & consumer experience

Expand and optimize **differentiated audiological care network**

Extend reach through **multi-channel partnerships & commercial excellence**

Invest in **high growth developing markets**

Continuous **process improvement & structural optimization**

Leverage **M&A** to accelerate growth strategically

► Leadership in hearing care through innovation and consumer access, leveraging emerging digitization

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Our most recent product launches

PHONAK

3Q-18/19 **Audéo™ Marvel**

Love at first sound
It's not just a great hearing aid
It's a multifunctional marvel

PHONAK

eSolutions **3Q-18/19**

Connect directly with consumers through Remote Support and Apps

ADVANCED BIONICS

2Q-18/19 **HiRes™ Ultra 3D**

Hassle free MRI cochlear implant technology

unitron

Moxi™ Jump R **1Q-19/20**

MFA hearing aids with freedom of rechargeability

ADVANCED BIONICS

Naída™ CI Connect & Chorus™ **4Q-18/19**

SWORD functionalities for CI recipients & new sound processor for 1st generation patients

► Sonova continues the expansion of its innovative product range

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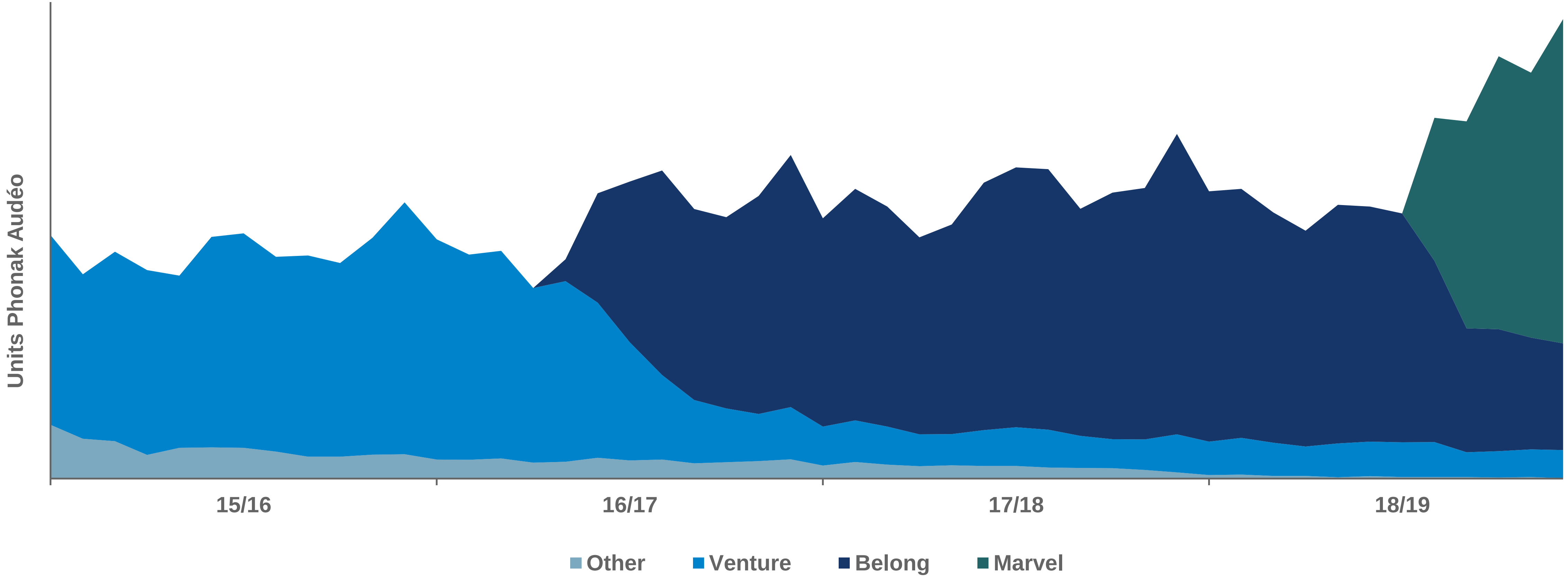
Launch of Phonak Marvel



▶ Strong uptake of Phonak Marvel – High share of rechargeable

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Summary

Group

- Sales of CHF 2,763.2 million – up +4.4% in CHF, +4.1% in LC and organic +4.9%
- EBITA (adj.) of CHF 594.0 million – up +7.7% in CHF, +6.7% in LC
- EBITA margin (adj.) increasing from 20.8% to 21.5%

Hearing Instruments

- Sales up +4.2% in CHF, +3.9% in LC and organic +4.8% - strong acceleration in 2H and 4Q
- +8.1% organic growth in the hearing instruments business in 2H – driven by the launch of Phonak Marvel
- Audiological care business showing +5.2% organic growth after successful AudioNova integration

Cochlear Implants

- Sales up +7.0% in CHF, +6.3% in LC, +8.7% in LC excluding CN tender
- Successful introduction of the HiRes™ Ultra 3D implant
- EBITA margin of 8.2% – up +290 bps driven by pricing, supply chain improvements and OPEX management

EPS, Cash Flow, Balance sheet

- EPS (adj.) up +11.7% to CHF 7.11
- Stable operating free cash flow – impacted by higher receivables from Marvel-driven 4Q sales acceleration
- Share buyback on track – 933k shares worth CHF 157.8 Mio. bought back in FY 2018/19

Note: adj. refers to figures adjusted for integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19)

► Solid full year performance driven by sales acceleration in 2H after successful product introductions

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Major developments and initiatives in FY 2018/19

HI segment

HI business

- Very positive market response to Phonak Marvel driving acceleration in last 4 months
- HSD volume growth driven by Europe and Asia Pacific – held back by US
- Commercial segment in US improving in 2H – held back by VA ahead of Marvel launch
- Rechargeable share of Phonak Marvel exceeding 50% – increasing productivity gains
- New basic product range – strong market reception of Vitus™ launched in 1H
- Successful introduction of expanded product range in Costco in 2Q 2018/19

AC business

- HSD/DD growth across several key markets, including DE, CA, BR, NZ and IT
- Strategic repositioning of US and NL networks completed – accelerating same store growth
- Positive consumer response to Phonak Marvel driving sales towards the end of the year
- Continued business model innovation – launch of World of Hearing concept store in NL

CI segment

CI business

- Growth supported by the successful launch of the HiRes™ Ultra 3D implant – positive ASP effect
- HSD growth in US and Europe – lower sales from CN tender
- Launch of Naída™ CI Connect and Chorus™ sound processor in March

Note: LSD: low single-digit; MSD: mid-single-digit; HSD: high single-digit; DD: double-digit, HT: high-teens

► Significant progress achieved in all businesses in FY 2018/19

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Key financials – As reported and adjusted

	FY 2017/18		FY 2018/19			
	CHF m	Margin	CHF m	Margin	∆ % in CHF	∆ % in LC
Sales	2,645.9		2,763.2		+4.4%	+4.1%
Gross profit (adj.)	1,868.2	70.6%	1,975.1	71.5%	+5.7%	+5.3%
OPEX (adj.)	1,316.6		1,381.1		+4.9%	+4.7%
EBITA (adj.)	551.6	20.8%	594.0	21.5%	+7.7%	+6.7%
Adjustments	19.2		11.5			
EBITA (reported)	532.5	20.1%	582.5	21.1%	+9.4%	+8.4%
EPS (adj. in CHF)	6.36		7.11		+11.7%	
EPS (reported in CHF)	6.13		6.98		+13.9%	
Operating free cash flow (reported)	419.2		411.8		-1.8%	
ROCE (reported)	18.4%		20.6%		+2.2%	

Note: adj. refers to figures adjusted for integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19)

► Strong carry through of top line growth to the bottom line – DD EPS growth

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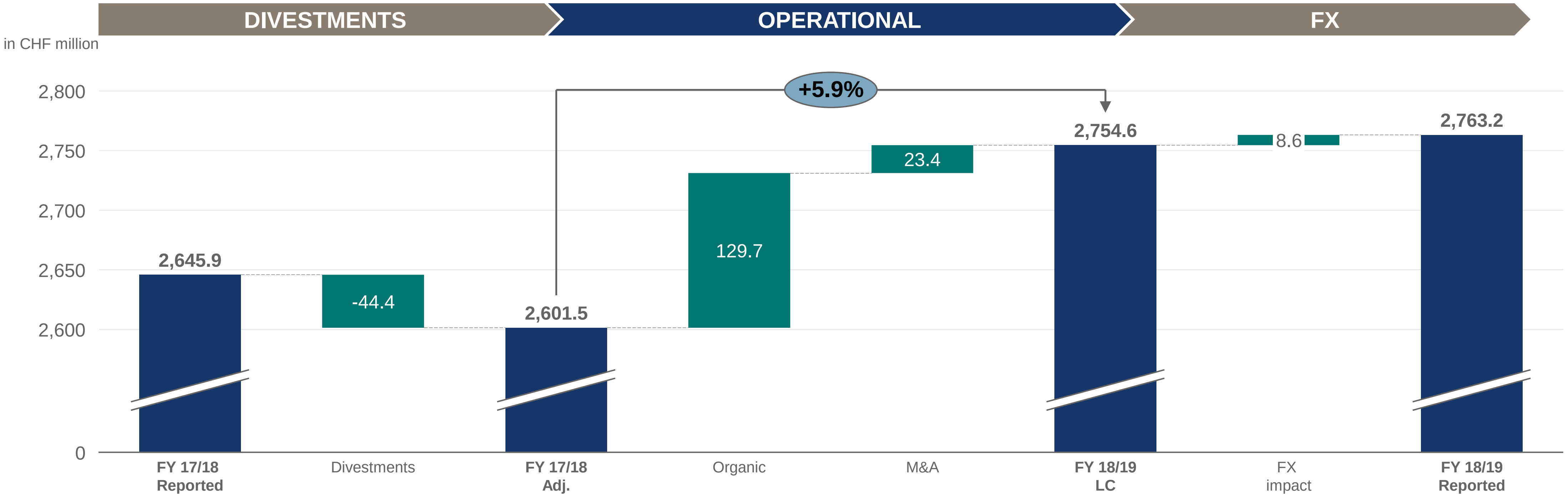
Sales components



Growth components	-1.7%	**-1.7%**	+4.9%	+0.9%	**+4.1%**	+0.3%	**+4.4%**

► Organic growth at the upper end of the guidance range of 3%-5%

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Sales components – Half-year view

	1H 2018/19			2H 2018/19			FY 2018/19		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	**1,303.3**	**+4.0%**	**+2.1%**	**1,459.9**	**+4.8%**	**+5.9%**	**2,763.2**	**+4.4%**	**+4.1%**
Δ organic	32.8		+2.6%	96.9		+7.0%	129.7		+4.9%
Δ acquisitions	13.9		+1.1%	9.6		+0.7%	23.4		+0.9%
Δ disposals	-20.2		-1.6%	-24.3		-1.7%	-44.4		-1.7%
Δ FX	23.8	+1.9%		-15.2	-1.1%		8.6	+0.3%	

► Strong acceleration in 2H, organic growth reaching 7.0%

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Sales by regions and key markets – Half-year view

	1H 2018/19		2H 2018/19		FY 2018/19	
	CHF m	Δ % in LC	CHF m	Δ % in LC	CHF m	Δ % in LC
EMEA	701.2	+6.9%	819.8	+9.5%	**1,521.0**	+8.3%
USA	355.0	-8.8%	391.7	+1.7%	**746.7**	-3.7%
Americas (excl. USA)	112.2	+6.2%	116.3	-0.5%	**228.5**	+2.7%
Asia / Pacific	134.9	+8.0%	132.1	+2.9%	**267.0**	+5.4%
Total Sonova	**1,303.3**	**+2.1%**	**1,459.9**	**+5.9%**	**2,763.2**	**+4.1%**

EMEA

- HI business: DD growth on the back of the Phonak Marvel launch
- AC business: DD growth, driven by DE and IT
- CI business: HSD growth driven by upgrades

US

- 2.3% growth excluding divestments (hearing service plan business and AC network restructuring)
- HI business: Strong acceleration in commercial segment and Costco, VA pressure pre Marvel launch
- AC business: LSD increase despite of store network streamlining – DD same store growth
- CI business: HSD growth driven by system growth with strong acceleration in 2H

OTHER

- HI business: Slow-down in APAC driven by CN and JP ahead of product launch
- AC business: DD growth – market share gains in NZ, pressure in AU
- CI business: HT growth excluding CN tenders in APAC, Americas affected by lower EM tenders in 2H

► Improved momentum in EMEA and US in 2H, accounting for >80% of group sales

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Sales by segment – Half-year view

	1H 2018/19		2H 2018/19		FY 2018/19	
	CHF m	Δ % in LC	CHF m	Δ % in LC	CHF m	Δ % in LC
HI segment	1,194.0	+1.7%	1,330.8	+5.9%	2,524.8	+3.9%
CI segment	109.3	+6.7%	129.1	+6.0%	238.4	+6.3%
Total Sonova	**1,303.3**	**+2.1%**	**1,459.9**	**+5.9%**	**2,763.2**	**+4.1%**

HI segment

- 1.8% divestment effect (US: hearing service plan business and AC network restructuring)
- AC business: Broad based organic growth supplemented by acquisitions
- HI business: 2H acceleration driven by successful introduction of Phonak Marvel

CI segment

- System sales: Successful product launch resulting in HT growth in 2H adjusted for fluctuations in EM tender sales
- Upgrade sales: Improving momentum held back by US performance against a difficult comparison base

► Significant growth acceleration in 2H driven by HI product launch

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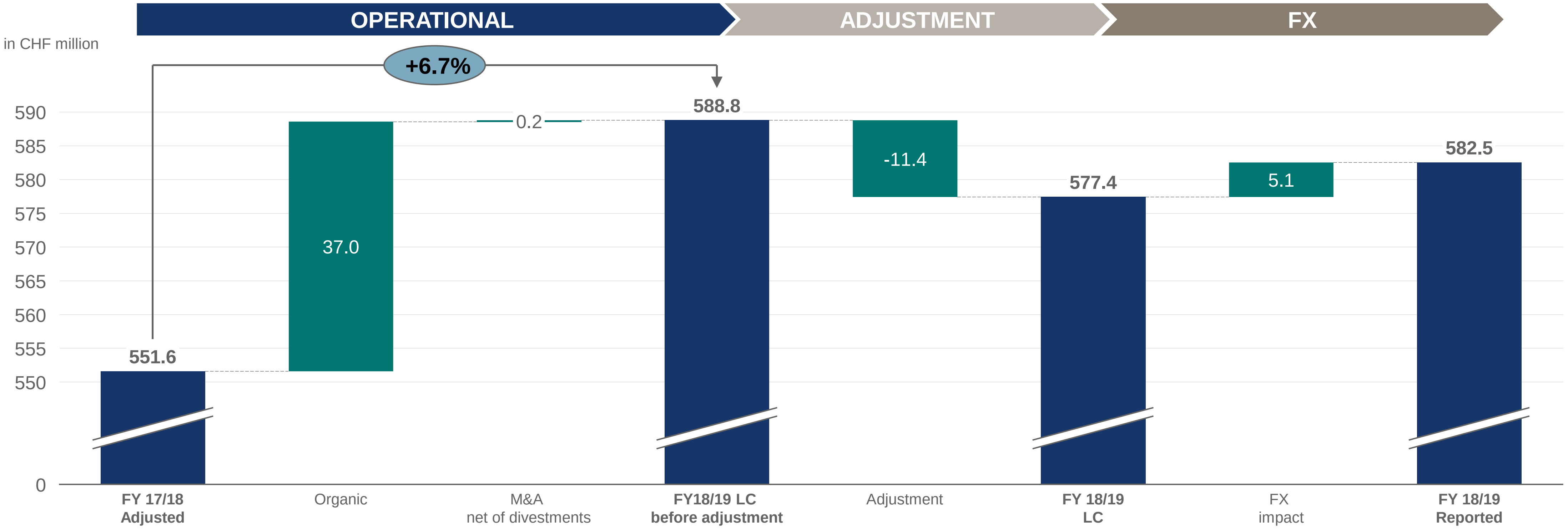
EBITA components



Margin	**20.8%**	+0.4%	+0.2%	**21.4%**	-0.4%	**21.0%**	+0.1%	**21.1%**

Note: Adjustments refer to figures adjusted for integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19)

▶ Organic growth driving improvement in adjusted EBITA margin

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Key financials – Half-year view

CHF m	1H 2018/19	Δ % in LC	2H 2018/19	Δ % in LC	FY 2018/19	Δ % in LC
Sales	1,303.3	+2.1%	1,459.9	+5.9%	2,763.2	+4.1%
Gross profit (adj.)	919.4	+1.7%	1,055.6	+8.6%	1,975.1	+5.3%
- Gross profit margin (adj.)	70.5%		72.3%		71.5%	
OPEX (adj.)	668.1	+2.1%	712.9	+7.1%	1,381.1	+4.7%
EBITA (adj.)	251.3	+0.3%	342.7	+11.7%	594.0	+6.7%
- EBITA margin (adj.)	19.3%		23.5%		21.5%	
- Δ EBITA margin (adj.)	+10bps		+110bps		+70bps	

Note: adj. refers to figures adjusted for integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19)

► Growth, positive ASP development and COGS savings driving margin improvements in 2H and FY 2018/19

2 *Hearing instruments segment*

Hearing instruments segment

Business summary

Sales
+3.9% in LC

- Sales of CHF 2,524.8 million – up +4.2% in CHF, +3.9% in LC, organic growth +4.8%
- Significant acceleration in 2H, driven by successful introduction of Phonak Marvel
- Audiological care business with 5.2% organic growth, improvements in lead generation and store execution
- US: PY divestment of hearing service plan business and AC network restructuring reducing growth by 1.8%

EBITA (adj.)
+5.4% in LC

- EBITA (adj.) of CHF 574.6 million – up +6.5% in CHF, +5.4% in LC
- Go-to-market investments exceeding top-line growth
- EBITA margin (adj.) of 22.8%, up +50bps – 2H ASP improvement and thoughtful cost management

New products

- Phonak Marvel – rechargeable share over 50% (launched in 3Q)
- Successful introduction of expanded product range in Costco (launched in 2Q)
- New basic product range – strong market reception of Vitus™ (launched in 1Q)

► Strong 2H product launches driving growth and margin

Hearing instruments segment

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Key financials – Half-year view

	1H 2018/19			2H 2018/19			FY 2018/19		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	**1,194.0**	**+3.7%**	**+1.7%**	**1,330.8**	**+4.7%**	**+5.9%**	**2,524.8**	**+4.2%**	**+3.9%**
Δ organic	26.0		+2.3%	89.6		+7.0%	115.6		+4.8%
Δ acquisitions	13.9		+1.2%	9.5		+0.8%	23.4		+1.0%
Δ disposals	-20.2		-1.8%	-24.2		-1.9%	-44.4		-1.8%
Δ FX	22.6	+2.0%		-15.4	-1.2%		7.2	+0.3%	
EBITA (adj.)	**243.9**	**+1.1%**	**-2.6%**	**330.6**	**+10.8%**	**+12.0%**	**574.6**	**+6.5%**	**+5.4%**
EBITA margin (adj.)	20.4%	-50bps		24.8%	+130bps		22.8%	+50bps	

Note: adj. refers to figures adjusted for integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19)

► Acceleration to +7.0% organic growth in 2H following a successful Marvel launch – strong momentum in AC

Hearing instruments segment

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Hearing instruments business – Half-year view

	1H 2018/19			2H 2018/19			FY 2018/19		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	**696.8**	**-0.5%**	**-1.7%**	**777.9**	**+5.0%**	**+5.5%**	**1,474.7**	**+2.3%**	**+2.0%**
Δ organic	3.8		+0.5%	60.4		+8.1%	64.3		+4.5%
Δ acquisitions	-		-	0.6		+0.1%	0.6		-
Δ disposals	-15.9		-2.3%	-20.6		-2.8%	-36.5		-2.5%
Δ FX	8.5	+1.2%		-3.7	-0.5%		4.8	+0.3%	

- Very strong Phonak Marvel launch in November across key markets and channels driving 2H growth with improved ASP and unit volume
- Competitive pressure in the VA ahead of Phonak Marvel introduction in May 2019
- Growth reduced by PY disposal of US hearing service plan business relating to a long-term partnership with a leading health insurer

► Organic growth accelerating to 8.1% in 2H – double-digit growth post Phonak Marvel launch

Hearing instruments segment

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Audiological care business – Half-year view

	1H 2018/19			2H 2018/19			FY 2018/19		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	**497.2**	**+10.2%**	**+7.0%**	**552.9**	**+4.3%**	**+6.5%**	**1,050.1**	**+7.0%**	**+6.7%**
Δ organic	22.1		+4.9%	29.2		+5.5%	51.3		+5.2%
Δ acquisitions	13.8		+3.1%	9.0		+1.7%	22.9		+2.3%
Δ disposals	-4.2		-0.9%	-3.7		-0.7%	-7.9		-0.8%
Δ FX	14.0	+3.2%		-11.6	-2.2%		2.4	+0.2%	

- Improving organic momentum in 2H, in particular in DE and US – held back by temporary slowdown in FR after reimbursement change
- Positive consumer response to Phonak Marvel and related DTC campaigns driving sales towards the end of the year
- Strategic repositioning of US and NL store networks completed – returning to above market same store growth
- Continued business model innovation – launch of World of Hearing concept store in NL

► Improving organic momentum on a stable operating base

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3 *Cochlear implants segment*

Cochlear implants segment

Summary

Sales
+6.3% in LC

- Sales of CHF 238.4 million – up +6.3% in LC, +8.7% in LC excluding CN tender
- HSD systems sales growth – HT growth in 2H (excl. emerging market (EM) tenders), helped by HiRes Ultra 3D
- Upgrade revenue improving in 2H

EBITA
CHF 19.7m

- EBITA up 65.2% in LC to CHF 19.7 – EBITA margin of 8.2%, up +290bps
- Margin step-up due to new products and improved business mix – investments in sales & marketing
- Structural and productivity improvements on track

New products

- Successful introduction of HiRes Ultra 3D implant in the US in September and Europe in November
- Improved position in CN private market driven by the roll-out of the Naída CI sound processor
- Launch of Naída CI Connect, based on SWORD™ technology and Chorus sound processor in March 2019

► Solid growth and productivity improvements driving good margin improvement

Cochlear implants segment

Key financials – Half-year view

	1H 2018/19			2H 2018/19			FY 2018/19		
	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC	CHF m	Δ % in CHF	Δ % in LC
Sales	**109.4**	**+7.9%**	**+6.7%**	**129.1**	**+6.2%**	**+6.0%**	**238.4**	**+7.0%**	**+6.3%**
Δ organic	6.8		+6.7%	7.3		+6.0%	14.1		+6.3%
Δ FX	1.2	+1.2%		0.2	+0.2%		1.4	+0.6%	
EBITA	**7.7**	**NM**	**NM**	**12.0**	**-6.1%**	**+4.8%**	**19.7**	**+65.2%**	**+67.6%**
EBITA margin	7.1%	+790bps		9.2%	-120bps		8.2%	+290bps	

– Product liability provision release benefitting margin in 1H – offset by patent litigation costs in 2H

► EBITA up 67.6% to CHF 19.7 million – implying a margin improvement of +290 bps

Cochlear implants segment

Sales by product groups

	1H 2018/19		2H 2018/19		FY 2018/19	
	CHF m	Δ % in LC	CHF m	Δ % in LC	CHF m	Δ % in LC
Cochlear implant systems	81.0	+8.8%	98.0	+6.9%	178.9	+7.7%
Upgrades and accessories	28.4	+1.2%	31.1	+3.5%	59.5	+2.4%
Total CI segment	**109.4**	**+6.7%**	**129.1**	**+6.0%**	**238.4**	**+6.3%**

System sales:

- Growth of 7.7% in LC driven by new product introductions and improved pricing
- Successful introduction of HiRes Ultra 3D implant resulting in HT growth in 2H adjusted for fluctuations in EM tender sales
- Introduction of the Naída CI sound processor in CN supporting market position in the private market

Upgrade sales:

- Slower development after strong growth in PY
- Improving momentum in 2H driven by EMEA

► Good market traction of HiRes Ultra 3D supporting system sales – partly offset by lower EM tender sales

4 Financial information

Financial information

Highlights

Sales

- Sales of CHF 2,763.2 million
- Growth of +4.4% in CHF, +4.1% in LC and organic +4.9%
- Good organic growth in all businesses (Audiological Care, HI Wholesale and Cochlear Implants)

Profitability & EPS

- Adjusted gross margin of 71.5%, margin up +90bps
- EBITA (adj.) of CHF 594.0 million, up +6.7% in LC, margin up +70bps
- EPS (adj.) of CHF 7.11, up +11.7% reflecting EBITA growth, lower tax rate and share buyback

Cash Flow

- Operating free cash flow (OpFCF) at CHF 411.8 million, stable vs PY
- Marvel driven sales acceleration in 4Q impacting working capital at year-end
- Site acquisition, expansion in HI business and store improvements in AC business affecting Capex

TSR & Balance Sheet

- Dividend of CHF 2.90 proposed – up 11.5% with unchanged payout ratio of 41% (adj.)
- Share buyback on track – 933k shares worth CHF 157.8 million bought back in FY 2018/19
- Solid balance sheet – Net debt / EBITDA ratio of 0.4x

Note: adjusted/adj. refers to figures adjusted for integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19)

Financial information

Key financials – As reported and adjusted

	FY 2017/18		FY 2018/19			
	CHF m	Margin	CHF m	Margin	∆ % in CHF	∆ % in LC
Sales	2,645.9		2,763.2		+4.4%	+4.1%
Gross profit (adj.)	1,868.2	70.6%	1,975.1	71.5%	+5.7%	+5.3%
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Operating free cash flow (reported)	419.2		411.8		-1.8%	
ROCE (reported)	18.4%		20.6%		+2.2%	

Note: adj. refers to figures adjusted for integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19)

► Strong carry through of top line growth to the bottom line – DD EPS growth

Financial information

Operating expenses excluding acquisition-related amortization

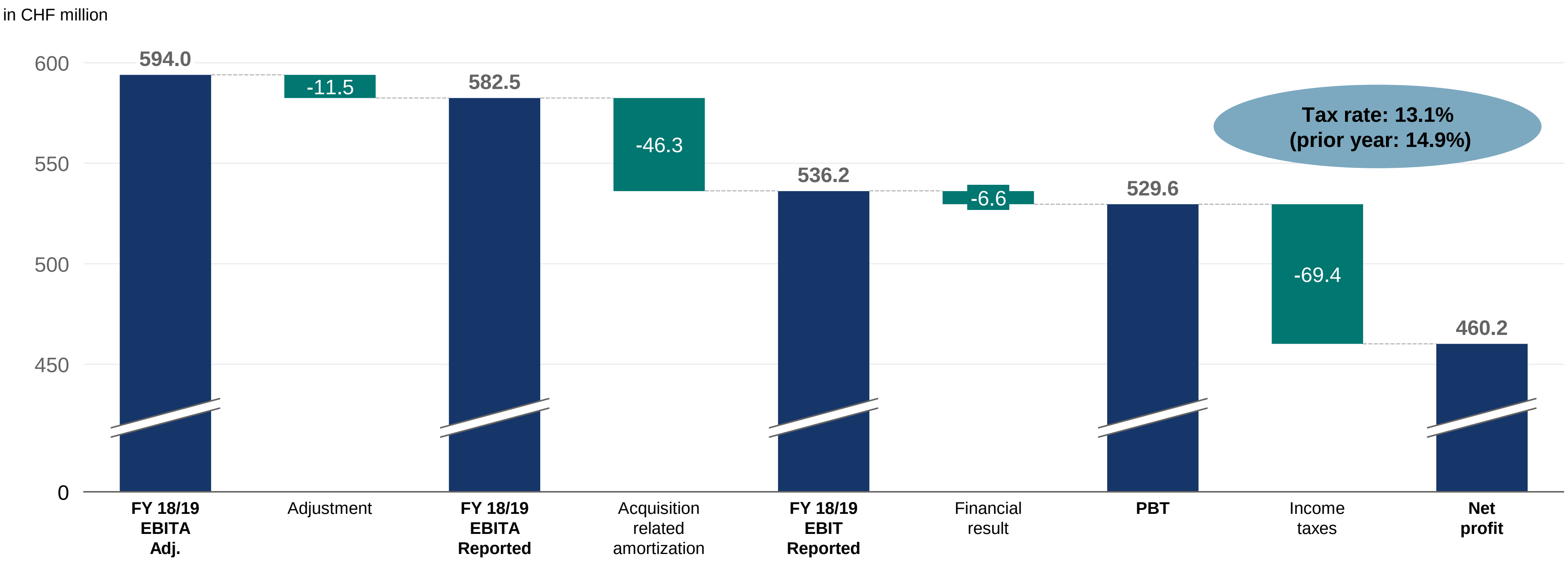
	FY 2017/18	FY 2018/19			
	CHF m	CHF m	Δ % in CHF	Δ % in LC	Comments
Research & Development (adj.) - in % of sales	-142.9 5.4%	-147.8 5.4%	+3.5%	+3.2%	– Continued investment in innovation
Sales & Marketing (adj.) - in % of sales	-928.2 35.1%	-969.1 35.1%	+4.4%	+4.2%	– Investments in marketing and sales resources – Expanding store network
General & Administration (adj.) - in % of sales	-252.6 9.5%	-268.6 9.7%	+6.3%	+6.0%	– +2.6% in LC excl. YOY effects of integrated IT platform spend in AC and CI patent litigation
Other income/expenses	7.2	4.4	n/a	n/a	– 2017/18: incl. CHF 5.4 million capital gain and CHF 1.8 million CI provision release – 2018/19: incl. CHF 4.1 million CI provision release
Total OPEX (adj.) - in % of sales	**-1,316.6** 49.8%	**-1,381.1** 50.0%	**+4.9%**	**+4.7%**	– +4.0% in LC excl. YOY effects of IT spend in AC and CI patent litigation, lagging top-line growth
Adjustments	-19.2	-2.6			– 2017/18: AudioNova integration costs – 2018/19: supply chain restructuring in UK and DE
Total OPEX (reported) - in % of sales	**-1,335.7** 50.4%	**-1,383.7** 50.1%	**+3.6%**	**+3.4%**	

Note: adj. refers to figures adjusted integration costs related to the AudioNova acquisition (FY 2017/18) and restructuring costs (FY 2018/19); functional OPEX lines exclude acquisition-related amortization

► Continued go-to-market investments – underlying OPEX growing slower than sales

Financial information

Reported results and income taxes

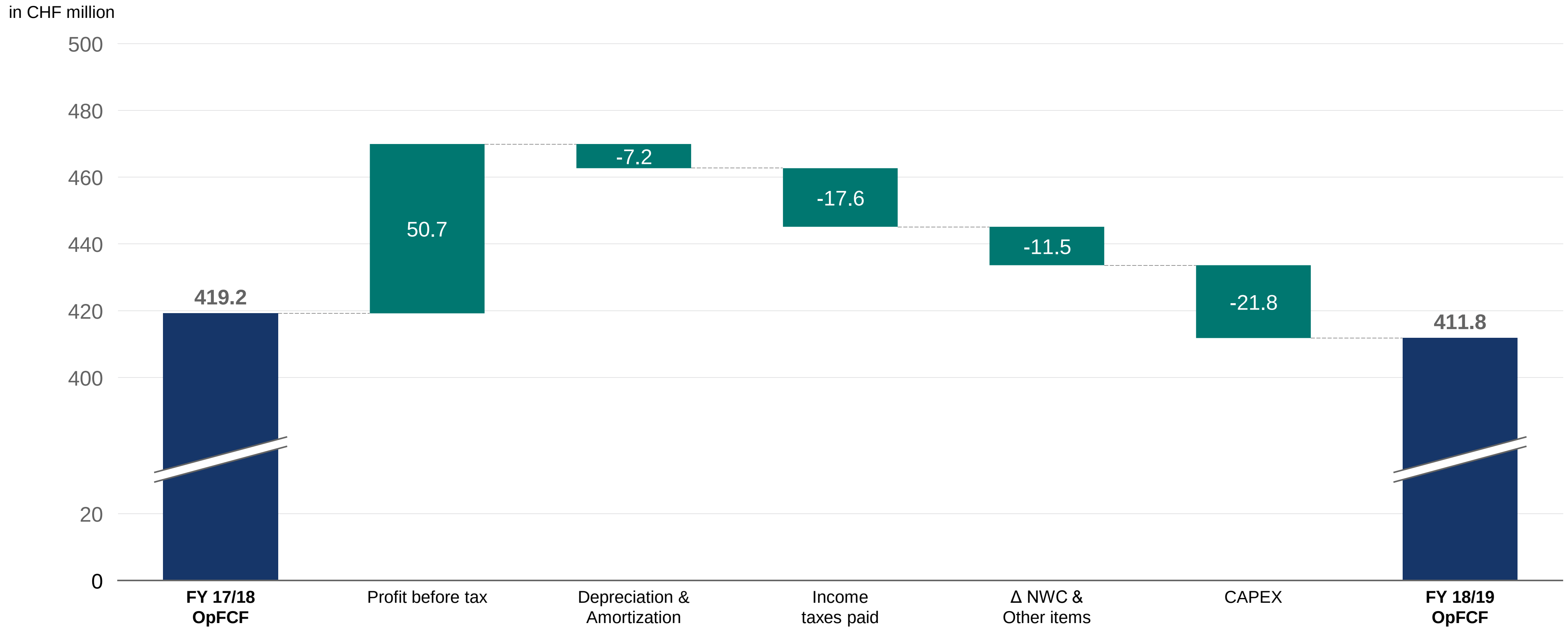


Margin	**21.5%**	**21.1%**	**19.4%**	**19.2%**	**16.7%**
Δ YOY	+70 bps	+100 bps	+110bps	+110 bps	+130 bps

► Strong EBITA carry-through, lower acquisition-related amortization and tax rate driving net margin expansion

Financial information

Operating free cash flow (OpFCF)



Growth components	+12.1%	-1.7%	-4.2%	-2.7%	-5.2%	**-1.8%**

► Marvel driven acceleration in 4Q impacting working capital, higher Capex for sites and AC store network

Financial information

Balance sheet

CHF m	31 Mar 2018	31 Mar 2019	Comments
Days sales outstanding (DSO)	63	**66**	– Significant sales acceleration at year-end
Days inventory outstanding (DIO)	132	**128**	– Ongoing improvement program – Reduction of working capital business exposure
Capital employed	2,702.9	**2,630.0**	– Driven by higher net contract liabilities under IFRS 15 (adopted in FY2018/19)
ROCE	18.4%	**20.6%**	– Higher profitability and higher net contract liabilities under IFRS 15 (adopted in FY2018/19)
Net debt	228.0	**253.9**	– Stable OpFCF, higher acquisition spend, share buyback program, leverage on plan
Net debt/EBITDA	0.4x	**0.4x**	– Cash outflow from share buyback program resulting in unchanged ratio

► Year-end sales acceleration leading to higher receivables and inventory balances

5 *Outlook*

Outlook FY 2019/20

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Guidance and mid-term target

		Actual FY 2018/19	Guidance FY 2019/20*	Mid-term Target
Sales	Organic sales growth in LC	+4.9%	+5%-7%	+4%-6% p.a.
	Net M&A	-0.8%	ca. +1%	ca. +1% p.a.
	Sales growth in LC	**+4.1%**	**+6%-8%**	**+5%-7% p.a.**
EBITA	**EBITA growth in LC**	**+6.7%**	**+9%-13%**	**+7%-11% p.a.**

* EBITA guidance refers to LC EBITA growth excluding restructuring costs in FY 2018/19 and potential larger restructuring costs in going forward; includes expected impact of IFRS 16

Growth target by business (CAGR):

HI business: 3-5%

Audiological Care: 6-8%
(incl. M&A ~2-3%)

CI business: 6-10%

Outlook FY 2019/20

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Estimated impact of IFRS 16 on FY 2019/20

in CHF million	FY 2018/19 reported	IFRS 16 Impact
P&L		
EBITDA	664	+70
EBITA	583	minor positive
EBIT	536	minor positive
Profit before tax	530	-
Cash flow		
Operating free cash flow	412	+70
Cash flow from financing activities	-522	-70
Balance sheet		
Capital employed	2,630	+282
Net debt	254	+282
Financial ratios		
Net debt / EBITDA	0.4x	+0.3x
ROCE	20.6%	~-200bps

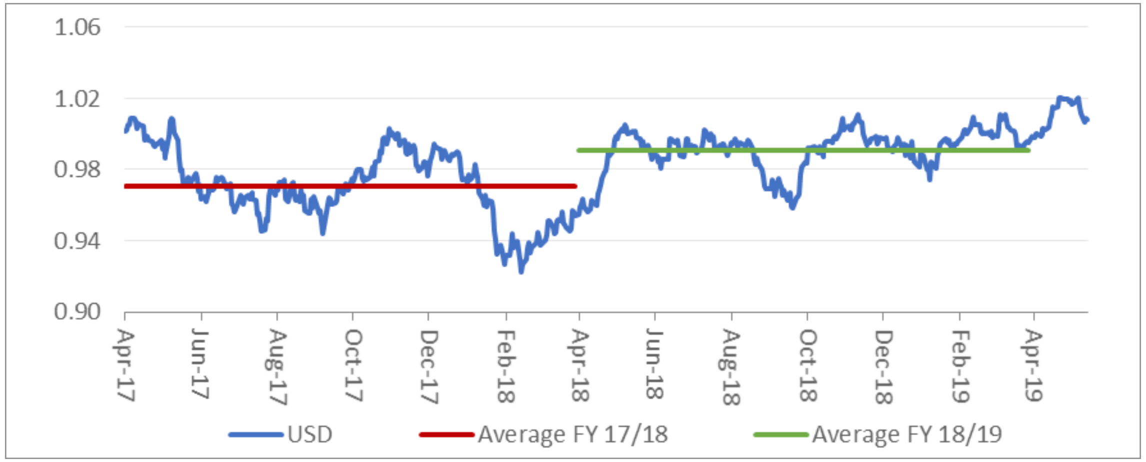
– The effects are based on lease agreements as of March 31, 2019

– The table to the left shows estimated impacts on FY 2019/20 numbers

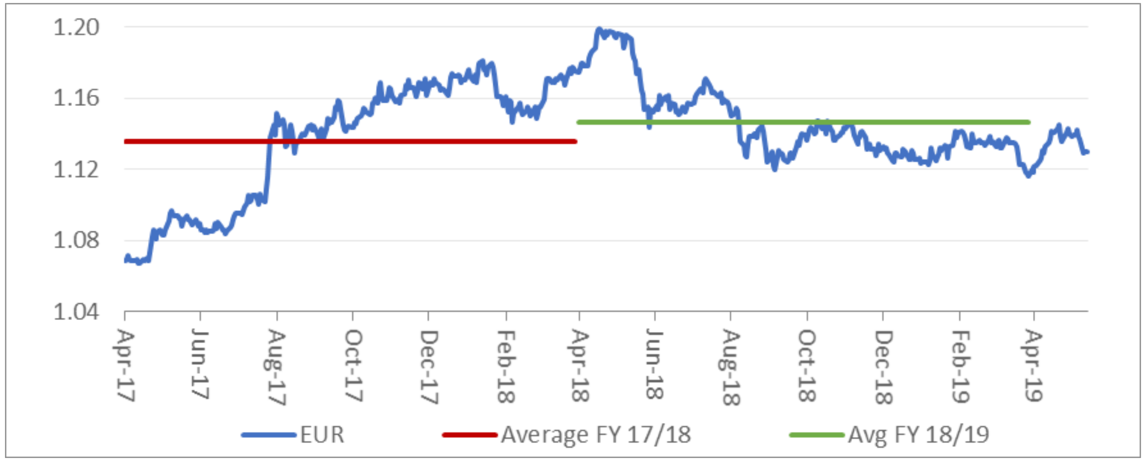
Outlook FY 2019/20

FX impact on sales and margins

USD/CHF



EUR/CHF

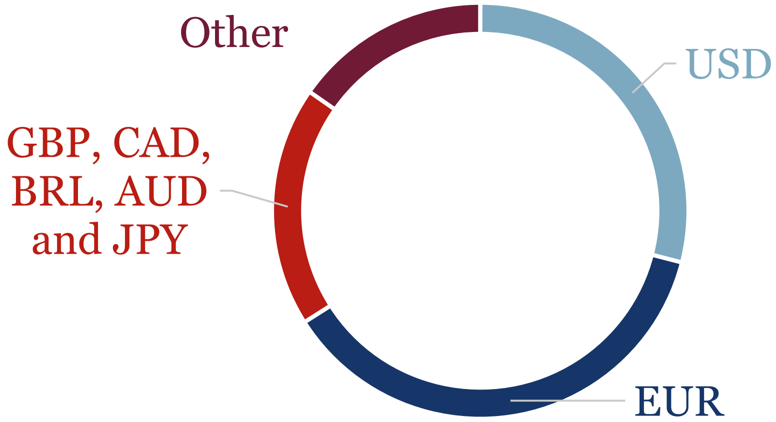


	Rate	Sales	EBITA
USD/CHF	+/- 5%	+/- CHF 44 million	+/- CHF 12 million
EUR/CHF	+/- 5%	+/- CHF 58 million	+/- CHF 26 million

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

Outlook FY 2019/20

Sales by currency and FX rates



	FY-17/18	1H-18/19	2H-18/19	FY-18/19	Effect FY-18/19	Spot May-2019
USD	0.97	0.98	1.00	0.99	+	1.01
EUR	1.14	1.16	1.13	1.15	+	1.13
GBP	1.29	1.31	1.29	1.30	+	1.30
CAD	0.76	0.76	0.75	0.75	-	0.75
AUD	0.75	0.73	0.71	0.72	-	0.70
BRL	0.30	0.26	0.26	0.26	-	0.25
JPY 100	0.88	0.89	0.89	0.89	+	0.92

► Seven main currencies account for around 85% of Group sales

6 Q&A