

# Stock Exchange Announcement no 2007-05

29 March 2007

## Annual general meeting and election of Directors

Today, William Demant Holding A/S held its annual general meeting at the Company's premises, Kongebakken 9, 2765 Smørum, Denmark. The Board's proposals were approved in full by the general meeting, implying among others the following decisions:

- The year's profits, DKK 901 million, will be transferred to the Company's reserves.
- Mr Lars Nørby Johansen and Mr Michael Pram Rasmussen were re-elected as Directors of the Company and Mr Peter Foss, President (CEO) of FOSS A/S, was elected new Director of the Company.
- The Company's auditors, Deloitte Statsautoriseret Revisionsaktieselskab and KPMG C.Jespersen Statsautoriseret Revisionsinteressentskab, were re-elected.
- The Company's registered office was changed from Ledøje-Smørum municipality to Egedal municipality (as provided in Article 2.1 of the Articles of Association) and the venue of the Company's general meetings was changed from *Storkøbenhavn* (Greater Copenhagen) to *Region Hovedstaden* (as provided in Article 7.2 of the Articles of Association).
- The Company's share capital was reduced by nominally DKK 2,336,675 through the cancellation of the Company's holding of own shares. After the reduction, the Company's share capital amounts to DKK 60,986,527.
- As provided in Article 6.2 of the Articles of Association, the Board's authorisation to increase the share capital by up to a total nominal amount of DKK 6,664,384 was prolonged until 1 January 2012.
- As a result of new statutory requirements, annual general meeting convening notices will in future also be registered with the Danish Commerce and Companies Agency (Erhvervs- og Selskabsstyrelsen) as provided in Article 7.4, first sentence, of the Articles of Association.
- As provided in Article 11.2 of the Articles of Association, the term of office of Directors elected by the general meeting was changed from alternating two-year terms to one-year terms.
- The Board was until the next ordinary general meeting authorised to let the Company acquire own shares with a nominal value of up to 10% of the share capital.

At the general meeting, the Company's Chairman, Mr Niels Boserup, gave an account of the market conditions and the Company's expectations for the future. He said among other things:

*"The Directors can look back on the past year with great satisfaction, a year of growth throughout the William Demant Holding Group. 2006 was another banner year with market shares, revenues and profitability reaching record levels.*

*In 2007, we expect revenues to the tune of DKK 5.45-5.60 billion, an improvement of 9-12%. The gross margin is thus expected to increase. We expect consolidated research and development costs to outmatch sales growth in 2007 and we estimate a general increase in costs. This will dilute the favourable development in gross margin, but will not affect the consolidated profit margin of about 26%."*

After the general meeting, the Board of Directors elected Mr Lars Nørby Johansen Chairman and Mr Niels Boserup Deputy Chairman of the Board.

Also today, the following employee representatives were elected to the Company's Board of Directors: Ole Lundsgaard and Ivan Jørgensen were re-elected and Susanne Kold was elected new Director.



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