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GN's perspectives on current patent litigations

During the last month, the ongoing patent claims filed by Oticon against GN ReSound have been the subject of an unusually high level of attention in the investment community and the media. This has created discussions about the potential financial impact on GN ReSound. GN ReSound therefore reiterates a number of important facts and clarify its perspectives on the patent cases:

- Patent cases are part of normal business in an R&D focused industry like the hearing aid industry. A number of cases are ongoing at any point in time with manufacturers sometimes being the claimant and sometimes being the defendant. The high level of publicity on the specific current patent cases is, however, unusual.
- GN ReSound's firm view continues to be that GN ReSound has a strong legal position in the patent cases against Oticon. This is the case both in terms of a) GN ReSound's claim of non-infringement – as the antenna design solutions used by GN ReSound are not covered by the scope of Oticon's patents – as well as in terms of b) GN ReSound's claim of invalidity of Oticon's patents since, in light of prior art, the technical solutions in the patents are not new and are obvious. It should be noted that litigations are, of course, always associated with some risk.
- Consequently, it is GN ReSound's firm view that the relevant authorities will rule in favor of GN ReSound's non-infringement and invalidity claims. In this regard, it should also be noted that antenna designs, like other parts of a hearing aid, are continuously optimized and amended as part of normal R&D activities. In addition, a specific antenna design is not a critical part of a hearing aid. It is therefore unlikely that the financial impact of the patent cases will be material.

In relation to the annual EUHA congress in Germany, GN ReSound will during a meeting on October 14, 2015 present its perspectives, reflecting the above, on the current patent litigations filed by Oticon. During the meeting, a brief presentation will be reviewed (see attached).

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