



Announcement NO. 58

September 25, 2016

Divestment of GN Otometrics and strategic partnership with Natus Medical Inc.

Today, GN Hearing and Natus Medical Incorporated (hereafter "Natus") have entered into an agreement whereby ownership of GN Otometrics is transferred from GN Hearing to Natus.

The divestment will further strengthen GN Hearing's focus and strategic direction as a dedicated hearing instrument company, with GN Hearing being in a unique position to continue to deliver industry leading growth and profitability.

As part of the transfer of ownership of GN Otometrics, GN Hearing and Natus have entered into a strategic partnership to collaborate on future technology, product development and commercialization. Additionally, the world's first complete digital ear scanning solution, OTOSCAN, will be fully commercialized by Natus with future royalties to GN Hearing.

Anders Hedegaard, CEO of GN Hearing: *"The agreement with Natus underlines GN's dedicated hearing instrument strategy as well as GN Hearing's focus on strategic partnerships, as most recently seen in the agreement with Audigy Group in North America. The strategic partnership will benefit GN Hearing and Natus in general, specifically in connection with the innovative OTOSCAN technology to be launched next year. Also, I am certain that GN Otometrics and its employees will benefit from being part of the large Natus group and from Natus' proven ability to successfully integrate acquired companies."*

Natus (USD 376 million revenue in 2015, North America Nasdaq: BABY) is a leading provider of healthcare products and services used for the screening, detection, treatment, monitoring and tracking of common medical ailments in neurological dysfunction, epilepsy, sleep disorders, newborn care, hearing impairment and balance and mobility disorders.

Jim Hawkins, President and Chief Executive Officer of Natus: *"The combination of Natus and Otometrics creates a global leader in hearing assessment, hearing screening and balance assessment. The Otometrics brand will complement our current portfolio and will further increase our combined growth potential."*

The total consideration payable by Natus is USD 145 million and will be settled in cash on a debt and cash free basis. Closing of the transaction is subject to regulatory approval and is targeted by end of 2016.



Updated 2016 financial guidance:

As of Q3 2016, GN Otometrics will be treated as an asset held for sale with a separate line in the Profit and loss statement called “Results from discontinuing activities” below net income.

Accordingly, GN Hearing’s EBITA guidance for 2016 excluding GN Otometrics is updated to around DKK 1,100 million before transaction related costs during the year. Transaction related costs for full year 2016 are estimated DKK 20 million related to the divestment of GN Otometrics and DKK 22 million related to the acquisition of Audigy Group. The previous EBITA guidance of DKK 1,200 million was including GN Otometrics.

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