

> **PRESS RELEASE / SEPTEMBER 22, 2015**

Coloplast increases provision for litigation in the USA by DKK 3bn and revises the financial expectations for 2014/15

Today, Coloplast has decided to take a further provision of DKK 3bn to cover potential settlements and costs in relation to litigation in the USA involving the use of transvaginal surgical mesh products.

In May 2014, Coloplast made a DKK 1bn provision for litigation in the USA. In addition to the provision, Coloplast had a product liability insurance of DKK 500m. Today's increased provision raises the total expected costs in relation to litigation in the USA to DKK 4.5bn before tax.

"We have been ordered by the judicial system in the US to take preliminary steps towards actual litigation on 200 specific cases. This means that our costs in relation to the litigation will increase. As a consequence, we have found it necessary to increase our provision" says Coloplast President and CEO, Lars Rasmussen.

Since 2011, Coloplast has been named as a defendant in individual lawsuits in various federal and state courts around the United States, alleging injury resulting from use of transvaginal surgical mesh products designed to treat pelvic organ prolapsed and stress urinary incontinence

"Going forward we do not wish to disclose the number of claims against Coloplast because of the confidentiality of the current settlement negotiations. But with the knowledge available to us today it is our best estimate that the DKK 4,5bn will cover the total costs of all claims", says Lars Rasmussen.

The latest development does not change Coloplast's commitment to the Female Pelvic Health business and Coloplast remain confident that our products are safe and effective.

As a consequence of the increased provision Coloplast lowers expectations to the EBIT margin for the financial year 2014/15 from around 32% at constant exchange rates and in DKK to around 10% at constant exchange rates and 11% in DKK.

Further information:

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