



Amplifon FY 2014

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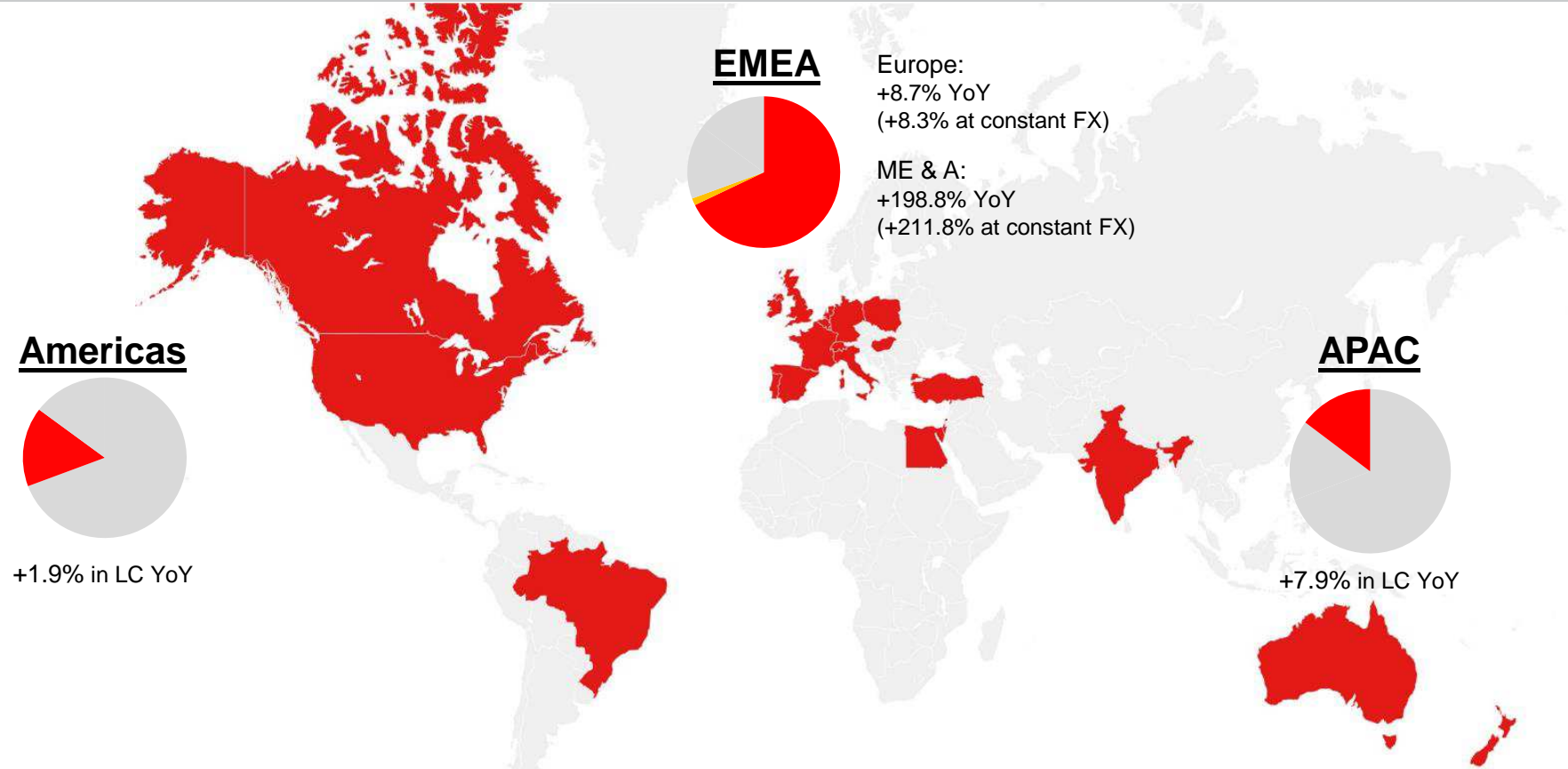
Statement

In compliance with Article 154 bis of the “Uniform Financial Services Act” (Legislative Decree 58/1998), the Financial Reporting Officer, Ugo Giorcelli, declares that the accounting information reported in this presentation corresponds to the underlying documentary reports, books of account and accounting entries.



FY 2014 Financial Results

Global leader outperforming the steady growth hearing solutions market



Hearing aid users growing steadily, but represent only ca. 20% of hearing impaired



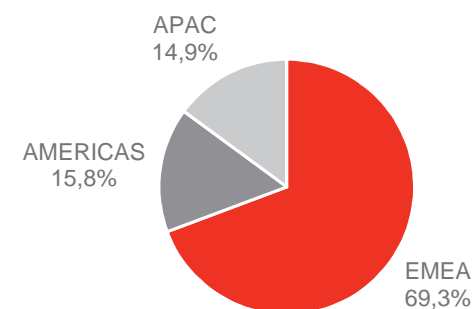
FY-2014 Financial Results: strong sales & profitability recovery

€ millions	FY 2014					FY 2013* Restated					Δ % on Recurring
	Recurring	% on Recurring	Non-Recurring	Total	% on Total	Recurring	% on Recurring	Non-Recurring	Total	% on Total	
REVENUE	890.9	100.0%	-	890.9	100.0%	827.4	100.0%	-	827.4	100.0%	7.7%
EBITDA	137.7	15.5%	-	137.7	15.5%	122.9	14.8%	(5.8)	117.0	14.1%	12.1%
EBIT	90.6	10.2%	-	90.6	10.2%	75.4	9.1%	(7.1)	68.3	8.3%	20.1%
PBT	66.6	7.5%	-	66.6	7.5%	51.6	6.2%	(14.8)	36.8	4.5%	28.9%
Group Net Income	35.8	4.0%	10.7	46.5	5.2%	23.4	2.8%	(10.6)	12.8	1.6%	53.0%

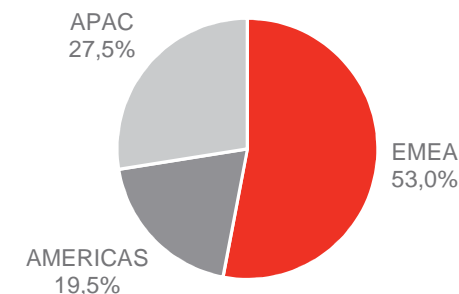
€ millions	Q4 2014					Q4 2013* Restated					Δ % on Recurring
	Recurring	% on Recurring	Non-Recurring	Total	% on Total	Recurring	% on Recurring	Non-Recurring	Total	% on Total	
REVENUE	267.6	100.0%	-	267.6	100.0%	241.0	100.0%	-	241.0	100.0%	11.0%
EBITDA	54.4	20.3%	-	54.4	20.3%	50.5	21.0%	(3.8)	46.8	19.4%	7.8%
EBIT	41.7	15.6%	-	41.7	15.6%	37.7	15.6%	(4.3)	33.4	13.9%	10.6%
PBT	34.6	12.9%	-	34.6	12.9%	31.7	13.1%	(5.2)	26.5	11.0%	9.1%
Group Net Income	20.4	7.6%	-	20.4	7.6%	17.5	7.3%	(3.4)	14.1	5.9%	16.4%

€ millions	31/12/2014	31/12/2013* Restated
NFP	248.4	275.4
FCF	78.4	51.0
Net Debt/Group Equity	0.56	0.72
Net Debt/EBITDA	1.77	2.23

SALES by Region



EBITDA by Region



* 2013 restated according to IFRS11, impacting the affiliated Comfoor B.V.



EMEA: robust organic growth supporting ongoing margin recovery

€ millions	FY 2014		FY 2013*		Δ %	€ millions	Q4 2014		Q4 2013*		Δ %
REVENUE	617.7	100.0%	560.8	100.0%	10.2%	REVENUE	193.1	100.0%	175.4	100.0%	10.1%
EBITDA	73.0	11.8%	58.0	10.3%	26.0%	EBITDA	35.1	18.2%	32.0	18.2%	9.6%
EBIT	41.1	6.6%	26.0	4.6%	57.8%	EBIT	26.4	13.7%	23.4	13.3%	13.0%
EBITDA adj**	73.0	11.8%	62.0	11.1%	17.7%	EBITDA adj**	35.1	18.2%	34.3	19.6%	2.2%

* 2013 restated according to IFRS11

** EBITDA adj. excludes non recurring costs

- **Significant improvement in Europe** (+8.3% y-o-y at constant FX of which organic +6.0%) and **strong growth rates across EMEA region** (10.2% of which 6.3% OG, 3.6% Acq., 0.3% FX):
 - Resilient sales trend in **Italy** (-0.1% OG, +1.6% contribution from the acquired Audika network) and healthy growth rates in **France** (+4.4% OG, +3.3% Acq.);
 - Ongoing recovery in **The Netherlands** (+12%) driven by increase in volumes and normalized ASP comparison;
 - Strong sales momentum in **Germany** (+34.9% of which +25.7% organic) boosted by operational & network optimization and the improved Government's funding;
 - Double digit growth in **Iberia** (+19%), **Switzerland** (+10.8% in CHF), and **Hungary** (+37.6% in HUF);
 - Sales in line with PY in **Belux** (+0,4%) and **UK** (-0.3% in GBP), which benefitted from positive FX impact;
 - Positive contribution from the consolidation of **Poland** and **Israel** (+1.5% of EMEA growth);
 - Strong growth in **Turkey** (+91.8% in TRY) and **Egypt** (+20.9% in EGP);
- **FY-2014 EBITDA up 18.2% y-o-y** ex FX & non recurring costs, driven by the ongoing recovery in Europe;
- **Acceleration of footprint expansion** and ongoing network optimization:
 - Entrance in the Israeli market by acquiring 60% of the sector leader Medtechnica Orthophone;
 - Acquisition of the retail chain **Audika Italia Srl** (55 shops)
 - >100 new stores acquired/opened in Italy, France, Germany, Iberia, Hungary, Poland, Turkey, and Egypt;
 - Strategic partnership with the Italian leading retail optical chain S&V (+450 stores).



AMERICAS: business performance remains solid & profitable

€ millions	FY 2014		FY 2013		Δ %	€ millions	Q4 2014		Q4 2013		Δ %
REVENUE	140.9	100.0%	138.7	100.0%	1.6%	REVENUE	39.5	100.0%	33.3	100.0%	18.6%
EBITDA	26.8	19.0%	25.6	18.5%	4.7%	EBITDA	8.6	21.7%	4.8	14.4%	79.0%
EBIT	23.1	16.4%	21.1	15.2%	9.1%	EBIT	7.5	19.1%	3.3	9.9%	128.1%
EBITDA adj**	26.8	19.0%	27.1	19.5%	-0.9%	EBITDA adj**	8.6	21.7%	6.2	18.7%	37.2%

\$ millions	FY 2014		FY 2013		Δ %	\$ millions	Q4 2014		Q4 2013		Δ %
REVENUE	187.2	100.0%	184.2	100.0%	1.7%	REVENUE	49.8	100.0%	45.4	100.0%	9.7%
EBITDA	35.6	19.0%	34.0	18.5%	4.8%	EBITDA	10.9	21.9%	6.6	14.5%	65.5%
EBIT	30.7	16.4%	28.1	15.2%	9.2%	EBIT	9.6	19.3%	4.6	10.1%	109.4%
EBITDA adj**	35.6	19.0%	35.9	19.5%	-0.9%	EBITDA adj**	10.9	21.9%	8.5	18.8%	27.9%

** EBITDA adj. excludes non recurring costs

- Roll-out of new initiatives and sales rebound in H2 across all the business units, turned FY-14 revenue growth into a positive performance (+1.9% in local currencies on strong 2013 comps); business remains solid and profitable;
- Forex tailwinds in Q4 (+8.4%) mitigated overall YTD adverse effect of -0.3%;
- Market disruption due to changes in a manufacturer go-to-market strategy impacted the Elite business in Q2; Manufacturers' offer swift change implemented to minimize the negative impact; temporary issues fixed and business fully back to normality;
- Stable FY-14 EBITDA margin despite the change in product mix and higher marketing investments to support new initiatives;
- The extension of **MEMSI contract** with Sivantos (formerly Siemens Audiology) through December 2016 with improved conditions will help enhance Miracle Ear's performance on both the American and Canadian markets.
- New agreement with Insurer **CIGNA** boosted Hear PO sales (now rebranded **Amplifon Hearing Health Care**) anticipating promising results for the next quarters.
- In **Canada**, all clinics rebranded as Miracle-Ear; organizational focus on network expansion;
- Entered **Brazil** with the acquisition of 51% of Direito de Ouvir (most extensive distribution network in the country), laying the foundation for growth throughout South America.



APAC: continuing to outperform the market growth and deliver top level profitability

€ millions	FY 2014		FY 2013		Δ %	€ millions	Q4 2014		Q4 2013		Δ %
REVENUE	132.3	100.0%	128.0	100.0%	3.4%	REVENUE	35.0	100.0%	32.3	100.0%	8.2%
EBITDA	37.8	28.6%	33.5	26.2%	13.0%	EBITDA	10.8	30.9%	10.0	30.9%	8.3%
EBIT	26.5	20.0%	21.2	16.6%	25.0%	EBIT	7.7	22.1%	6.7	20.8%	15.2%
EBITDA adj**	37.8	28.6%	33.8	26.4%	12.0%	EBITDA adj**	10.8	30.9%	9.9	30.8%	8.7%

AUD\$ millions	FY 2014		FY 2013		Δ %	AUD\$ millions	Q4 2014		Q4 2013		Δ %
REVENUE	194.7	100.0%	176.3	100.0%	10.4%	REVENUE	51.1	100.0%	47.3	100.0%	7.8%
EBITDA	56.1	28.8%	46.1	26.1%	21.8%	EBITDA	15.9	31.1%	14.4	30.5%	10.0%
EBIT	39.4	20.2%	29.1	16.5%	35.2%	EBIT	11.4	22.3%	9.7	20.4%	17.7%
EBITDA adj**	56.1	28.8%	46.5	26.4%	20.7%	EBITDA adj**	15.9	31.1%	14.4	30.4%	10.3%

** EBITDA adj. excludes non recurring costs

- In FY-14 **ongoing strong and profitable growth**, up 10.4% in AUD – of which 2.5% cross currency impact NZD/AUD – has driven to significant margin expansion;
 - **Australia** business continues growing: FY14 AUD revenue up +7.3% y-o-y owing to strong client acquisition model and growth in repeat customers, 360° marketing diversification and refining customer post-sale lifecycle, continuing network expansion (5 new openings);
 - Strong bounce-back in **New Zealand** business (up +7.6% in NZD on FY basis and +17.6% in Q4) driven by effective marketing campaigns, operational improvement and the new scheme with improved ACC funding effective from July 1st, 2014;
 - **India** (FY14 up +34.6% in INR): ramp-up of new stores and network expansion (6 new openings); in October reached an agreement with Starkey Hearing Technologies for the takeover of the operation of 12 ENT service centers inside doctors' offices and hospital-based clinics;
 - Easing Forex impact (+1.7% in Q4; -4.5% in FY14).
- **FY-2014 EBITDA** margin adj. improved by 220 bps:
 - Solid and profitable growth in Australia;
 - Sales rebound and streamlined cost structure in New Zealand, benefitting from past restructuring actions;
 - Operational improvement in the Indian business, still characterized by start-up dynamics.



Solid balance sheet & cash flow continue to sustain our growth strategy

- **Accelerating international and footprint expansion** - over 300 shops:
 - Entrance in the Israeli market by acquiring 60% of **Medtechnica Orthophone Ltd.**
 - Market leader with 30% share
 - Acquisition of the retail chain **Audika Italia Srl** (55 shops)
 - Increased the stake in **Amplifon Poland** from 49% to 63%
 - Acquired 51% of Brazil's **Direito de Ouvir**
 - >100 shops opened/acquired in key markets, including Germany, France & Spain
 - Acquisitions amounted to € 35.9 mln:
- **Steady cash generation:**
 - **Free Cash Flow:** positive of € 78.4 mln (€ 51.0 mln at 12/31/2013*) after net CAPEX of € 37.7 mln
- **Solid capital structure:**
 - **NFP** of € 248.4 mln **improved** vs. € 275.4 mln y-o-y despite higher net CAPEX and acquisitions
- **Financial ratios** are **well within covenants** and improved further, confirming strong deleveraging profile:
 - **Net Debt/EBITDA** at 1.77x
 - **Net Debt/Group Equity** at 0.56x

* 2013 restated according to IFRS11, impacting the affiliated Comfoor B.V.



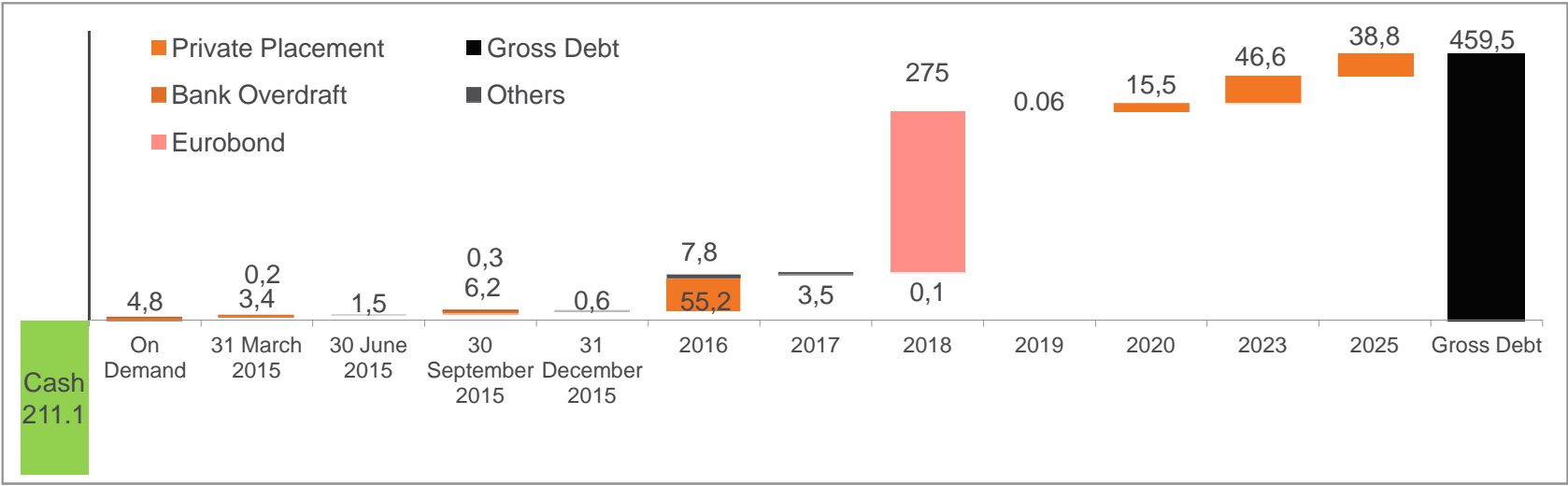
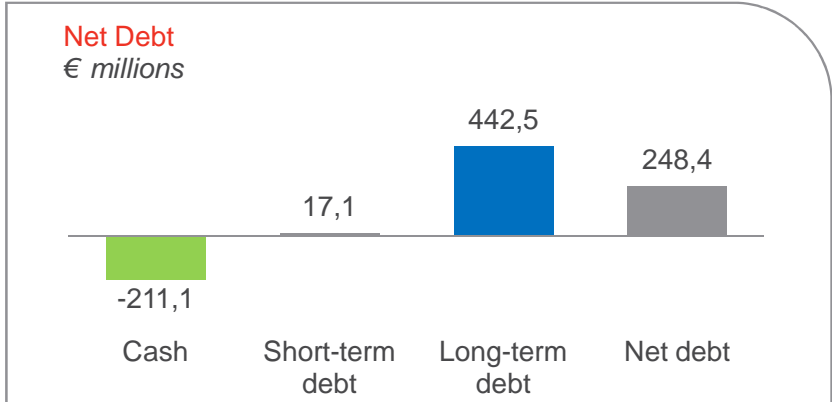
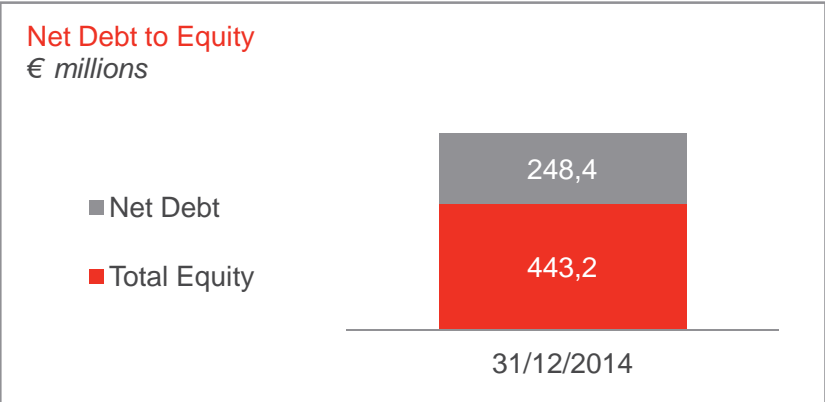
Strong operational cash flow & renewed focus on external growth

€ thousands	FY 2014	FY 2013 Restated*	FY 2013 Reported
EBIT	90,616	68,349	68,518
D&A	47,052	48,694	48,896
Other non cash adjustments and gains/losses on sale	18,887	16,346	16,348
Net financials	-21,118	-21,860	-21,874
Taxes paid	¹ -11,284	-37,697	-37,825
Changes in working capital	-8,076	6,695	6,567
Operating Cash Flow (A)	116,077	80,528	80,630
Net capital expenditures (B) comprising:	² -37,685	-29,491	-29,712
- Softwares and other intangible fixed assets	-11,701	-7,961	-8,110
- Property, plant and equipment	-31,229	-25,216	-25,288
- Disposals	5,245	3,686	3,686
Free cash flow (A+B)	78,392	51,037	50,918
Acquisitions (C)	³ -35,883	-4,817	-4,817
Other acquisitions/disposals (D)	-146	768	768
Cash flow provided by (used in) investing activities (B+C+D)	-73,714	-33,540	-33,761
Total cash used / provided	42,363	46,988	46,869
Dividends	-9,350	-9,330	-9,330
Long term loan commissions and fees	-2,456	⁴ -4,604	-4,604
Share capital increase and third party contributions	1,955	1,671	1,671
Other non financial long term assets and derivatives	-5,656	-8,036	-8,036
Total net cash flow	26,856	26,689	26,570
Net debt at the beginning of the period	-275,367	-305,978	-305,835
Discontinued and forex	94	3,922	3,922
Total net cash flow	26,856	26,689	26,570
Net debt at the end of the period	-248,417	-275,367	-275,343

1. TAX refund of € 8.0 mln in Australia; lower payment in US due to the tax write-off of the Sonus brand.
2. Net Capex on tangible and intangible assets due to new openings, ongoing store refurbishment and IT investments.
3. Acquisition of Medtechnica Orthophone (Israel) and Direito de Ouviair (Brazil); Audika's Italian branch; minor acquisitions in Germany, France, Turkey and Poland.
4. Set up costs of USPP & Eurobond.

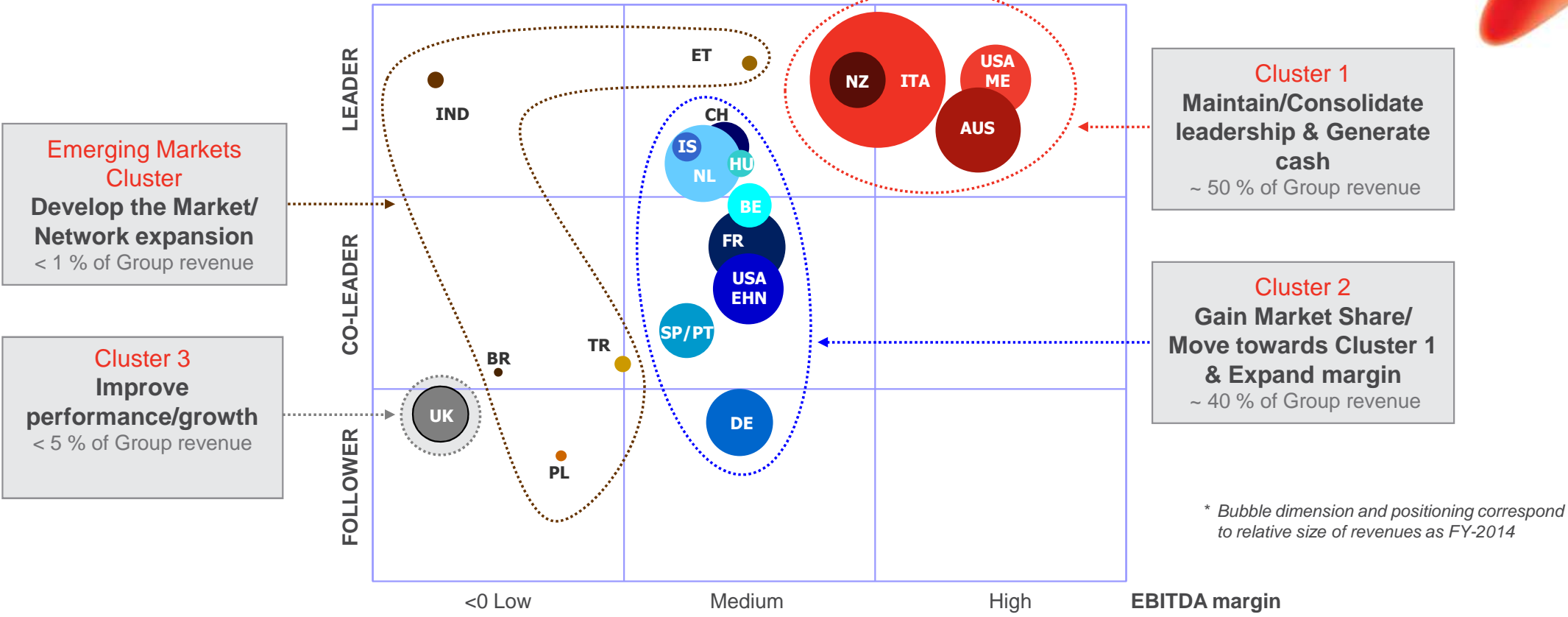
* 2013 restated according to IFRS11, impacting the affiliated Comfoor B.V.

Solid capital structure sustains steady profitable growth



- €211 mln, a war chest ready to support strong M&A activity
- As at 31/12/2014 the Company had approx. €100 mln of undrawn credit lines
- Financial ratios well within covenants:
 - Net Debt/EBITDA: 1.77x
 - Net Debt/Group Equity: 0.56x

Amplifon Group's strategy advances its business' performance profile



All markets have stigma reduction/elimination upside



Annexes



FY-2014 Amplifon Revenue Breakdown

Amplifon Revenue Breakdown

€ millions	FY 2014		FY 2013		Δ %	Δ FX	OG%	Q4 2014		Q4 2013		Δ %	Δ FX	OG%
Italy	229.0	25.7%	225.5	27.3%	1.5%		-0.1%	76.5	75.2	1.7%		0.1%		
France	105.9	11.9%	98.3	11.9%	7.7%		4.4%	32.3	29.2	10.6%		5.5%		
The Netherlands*	73.4	8.2%	65.5	7.9%	12.0%		12.0%	25.5	23.4	9.0%		9.0%		
Germany	55.6	6.2%	41.2	5.0%	34.9%		25.7%	14.8	11.2	32.0%		21.8%		
UK & Ireland	38.2	4.3%	36.3	4.4%	5.0%	1.9	-0.2%	9.4	8.9	5.3%	0.6	-1.0%		
Iberica	37.5	4.2%	31.5	3.8%	19.0%		19.0%	12.1	10.0	21.4%		21.4%		
Switzerland	30.6	3.4%	27.3	3.3%	12.3%	0.4	10.5%	8.5	6.8	25.7%	0.2	22.6%		
BeLux	24.2	2.7%	24.1	2.9%	0.4%		0.3%	6.5	6.3	2.8%	0.0	2.6%		
Hungary	9.0	1.0%	6.8	0.8%	32.3%	-0.4	32.4%	2.5	3.2	-21.7%	-0.1	-21.6%		
Poland	1.5	0.2%	0.0	0.0%	N/A	N/A	N/A	0.5	0.0	N/A		0.0%		
Europe	604.6	67.9%	556.5	67.3%	8.7%	1.9	6.0%	188.6	174.1	8.3%	0.6	5.3%		
Turkey	3.4	0.4%	2.0	0.2%	67.2%	-0.5	66.6%	1.0	0.7	49.2%	0.0	31.4%		
Israel	7.1	0.8%	0.0	0.0%	N/A	N/A	N/A	2.8	0.0	N/A	N/A	N/A		
Egypt	2.9	0.3%	2.4	0.3%	17.4%	-0.1	20.9%	0.8	0.6	29.1%	0.0	24.1%		
MEA	13.3	1.5%	4.4	0.5%	198.8%	-0.6	41.6%	4.6	1.3	258.0%	0.0	27.9%		
EMEA	617.7	69.3%	560.8	67.8%	10.2%	1.4	6.3%	193.1	175.4	10.1%	0.7	5.5%		
United States	136.6	15.3%	134.5	16.3%	1.6%	0.0	1.3%	38.3	32.3	18.6%	3.1	10.0%		
Canada	4.2	0.5%	4.2	0.5%	-0.1%	-0.3	7.0%	1.1	1.0	3.7%	0.0	2.8%		
Brazil	0.2	0.0%	0.0	0.0%	N/A	N/A	N/A	0.2	0.0	N/A	N/A	N/A		
AMERICAS	140.9	15.8%	138.7	16.8%	1.6%	-0.3	1.5%	39.5	33.3	18.6%	3.2	9.8%		
Australia	90.0	10.1%	89.6	10.8%	0.4%	-6.1	7.3%	23.1	22.6	2.1%	0.1	1.2%		
New Zealand	39.1	4.4%	35.8	4.3%	9.0%	0.5	7.6%	11.0	9.1	21.0%	0.3	17.8%		
India	3.3	0.4%	2.5	0.3%	29.5%	-0.1	34.6%	1.0	0.7	40.1%	0.1	29.9%		
APAC	132.3	14.9%	128.0	15.5%	3.4%	-5.8	7.9%	35.0	32.3	8.2%	0.5	6.5%		
Total Group	890.9	100.0%	827.4	100.0%	7.7%	-4.7	5.8%	267.6	241.0	11.0%	4.3	6.2%		

* 2013 restated according to IFRS11, impacting the affiliated Comfoor B.V.



FY-2014 Income Statement

€ millions	FY 2014				FY 2013* Restated				Δ % on Recurring
	Recurring	Non recurring	Total	% on Recurring	Recurring	Non recurring	Total	% on Recurring	
REVENUE	890.9	-	890.9	100.0%	827.4	-	827.4	100.0%	7.7%
Operating costs	(752.1)	-	(752.1)	-84.4%	(707.6)	(4.5)	(712.1)	-85.5%	6.3%
Other operating revenue/costs	(1.1)	-	(1.1)	-0.1%	3.1	(1.4)	1.7	0.4%	-136.9%
EBITDA	137.7	-	137.7	15.5%	122.9	(5.8)	117.0	14.8%	12.1%
Depreciation and write-downs of non-current assets	(31.9)	-	(31.9)	-3.6%	(32.0)	(1.2)	(33.2)	-3.9%	-0.2%
EBITA	105.8	-	105.8	11.9%	90.9	(7.0)	83.9	11.0%	16.4%
Customer lists, trademarks, non-compete agr. & loc. rights amortization	(15.1)	-	(15.1)	-1.7%	(15.5)	(0.1)	(15.5)	-1.9%	-2.0%
EBIT	90.6	-	90.6	10.2%	75.4	(7.1)	68.3	9.1%	20.1%
Net Interest, exchange differences & other financial income/expenses	(24.1)	-	(24.1)	-2.7%	(23.8)	(7.7) ¹	(31.5)	-2.9%	1.1%
PBT	66.6	-	66.6	7.5%	51.6	(14.8)	36.8	6.2%	28.9%
Current/deferred taxes	(30.8)	10.7	(20.1)	-3.5%	(28.1)	4.2	(23.9)	-3.4%	9.4%
Net Income Group and Minorities	35.8	10.7 ²	46.4	4.0%	23.5	(10.6)	12.9	2.8%	52.4%
Minority interests	(0.0)	(0.0)	(0.0)	0.0%	0.1	-	0.1	0.0%	-140.6%
Net Income	35.8	10.7	46.5	4.0%	23.4	(10.6)	12.8	2.8%	53.0%

1. Including € 6.8 mln financial expenses due to the commissions and derivatives settlement on SFA pre-paid in 2013 with the Eurobond proceeds;
2. Tax benefit of € 10.7 mln as a results of the recognized fiscal deductibility of the amortization of several intangible assets in Australia.

* 2013 restated according to IFRS11, impacting the affiliated Comfoor B.V.



Q4-2014 Income Statement

€ millions	Q4 2014				Q4 2013* Restated				Δ % on Recurring
	Recurring	Non recurring	Total	% on Recurring	Recurring	Non recurring	Total	% on Recurring	
REVENUE	267.6	-	267.6	100.0%	241.0	-	241.0	100.0%	11.0%
Operating costs	(212.4)	-	(212.4)	-79.4%	(192.6)	(1.9) ¹	(194.5)	-79.9%	10.3%
Other operating revenue/costs	(0.8)	-	(0.8)	-0.3%	2.1	(1.8)	0.2	0.9%	-136.3%
EBITDA	54.4	-	54.4	20.3%	50.5	(3.8)	46.8	21.0%	7.8%
Depreciation and write-downs of non-current assets	(8.9)	-	(8.9)	-3.3%	(9.1)	(0.4)	(9.6)	-3.8%	-3.1%
EBITA	45.6	-	45.6	17.0%	41.4	(4.2)	37.2	17.2%	10.2%
Customer lists, trademarks, non-compete agr. & loc. rights amortization	(3.9)	-	(3.9)	-1.5%	(3.7)	(0.1)	(3.8)	-1.5%	5.6%
EBIT	41.7	-	41.7	15.6%	37.7	(4.3)	33.4	15.6%	10.6%
Net Interest, exchange differences & other financial income/expenses	(7.1)	-	(7.1)	-2.6%	(6.0)	(0.9) ²	(6.9)	-2.5%	18.4%
PBT	34.6	-	34.6	12.9%	31.7	(5.2)	26.5	13.1%	9.1%
Current/deferred taxes	(14.2)	-	(14.2)	-5.3%	(14.1)	1.8	(12.3)	-5.9%	0.9%
Net Income Group and Minorities	20.3	-	20.3	7.6%	17.6	(3.4)	14.2	7.3%	15.8%
Minority interests	(0.0)	-	(0.0)	0.0%	0.1	-	0.1	0.0%	-163.3%
Net Income	20.4	-	20.4	7.6%	17.5	(3.4)	14.1	7.3%	16.4%

1. Including € 3,8 million related to brand simplification, closing/disposal of non-productive shops and back office activities optimization.
2. Including € 0,9 million financial costs due to the restructuring of the Sonus business in US.

* 2013 restated according to IFRS11, impacting the affiliated Comfoor B.V.



Balance Sheet: perimeter growth and favorable currency evolution

€ thousands	31/12/2014	31/12/2013 restated*	31/12/2013 reported
Goodwill	534,822	500,680	500,680
Cust. lists, non-compet. agreem., trademarks and location rights	98,650	92,875	92,875
Software charges, licenses, other int.assets, WIP and advances	36,458	27,228	27,425
Tangible assets	96,188	87,690	88,119
Fixed financial assets	48,583	41,490	40,295
Other intangible assets	3,691	2,744	2,744
Total fixed assets	818,392	752,707	752,138
Inventories	28,690	29,832	30,147
Trade receivables	109,355	103,687	104,018
Other receivables	33,059	28,822	28,940
Current assets	171,104	162,341	163,105
Total assets	989,496	915,048	915,243

€ thousands	31/12/2014	31/12/2013 restated*	31/12/2013 restated*
Trade payables	-101,788	-96,241	-96,297
Other payables	-124,418	-117,111	-115,690
Provisions for contingency and obligations (current portion)	-978	-411	-411
Short term liabilities	-227,184	-213,763	-212,398
Working capital	-56,080	-51,422	-49,293
Derivative instruments	-9,820	-3,376	-3,376
Deferred tax assets	44,653	46,088	46,088
Deferred tax liabilities	-51,998	-46,671	-46,671
Provision for risks and charges (non-current portion)	-40,569	-33,076	-33,101
Loan commissions and fees	3,023	4,089	4,089
Liabilities for employees' benefits & other non-current payables	-15,962	-11,896	-11,896
NET INVESTED CAPITAL	691,639	656,443	657,978
Total net equity	443,222	381,076	382,635
Net M/LT indebtedness	442,484	435,426	435,426
Net ST financial indebtedness	-194,067	-160,059	-160,083
Total NFP	248,417	275,367	275,343
OWN FUNDS AND NFP	691,639	656,443	657,978

* 2013 restated according to IFRS11, impacting the affiliated Comfoor B.V.



Amplifon: Seizing the Global Hearing Solutions Opportunity



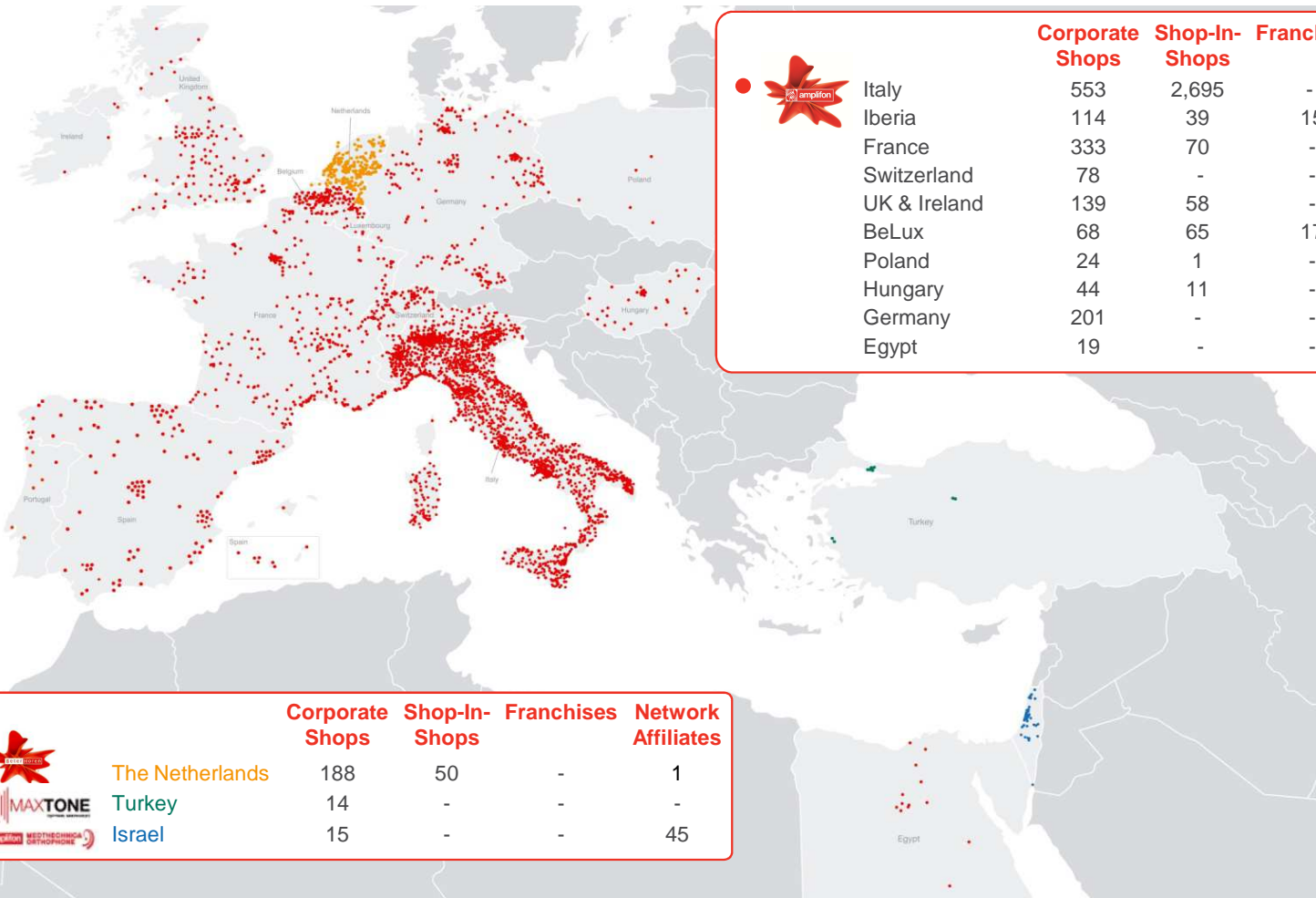
A leadership position and right-sized for profitable growth



- The only global player in a highly fragmented market
- 9% of worldwide market share
- 22 countries
- 2,100 corporate shops
- 3,200 shop-in-shop & corners
- 1,200 Miracle Ear franchised shops
- 2,000 Elite Hearing Network affiliate shops in US
- >11,000 professionals globally
- €891 mln revenue in 2014

Building on 65 years of success

EMEA: regional growth from our Italian roots



	Corporate Shops	Shop-In-Shops	Franchises	Network Affiliates
Italy	553	2,695	-	-
Iberia	114	39	15	-
France	333	70	-	-
Switzerland	78	-	-	-
UK & Ireland	139	58	-	-
BeLux	68	65	17	-
Poland	24	1	-	-
Hungary	44	11	-	-
Germany	201	-	-	-
Egypt	19	-	-	-

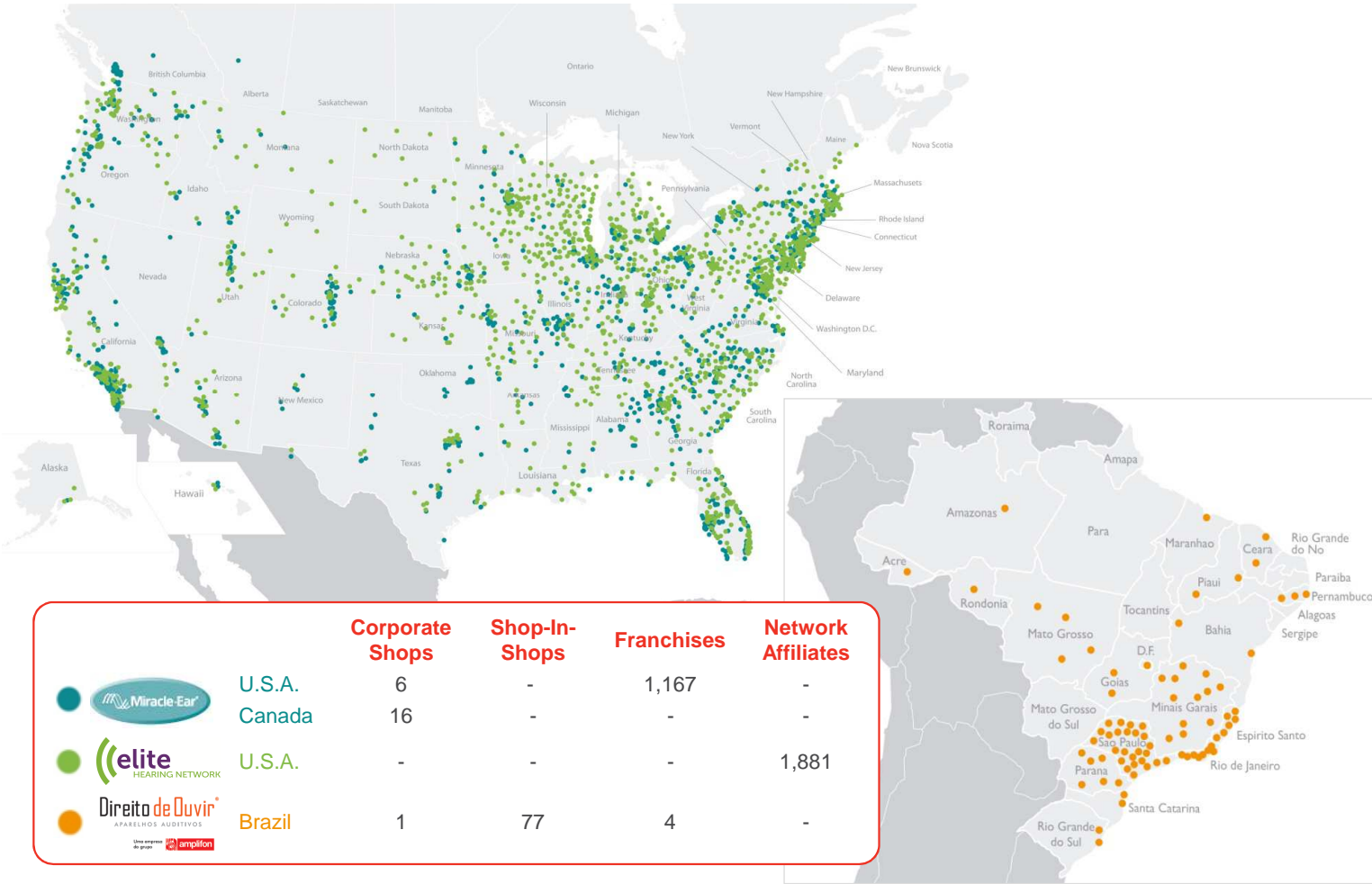
	Corporate Shops	Shop-In-Shops	Franchises	Network Affiliates
The Netherlands	188	50	-	1
Turkey	14	-	-	-
Israel	15	-	-	45

Europe:
Undisputed leader, growing in highly fragmented but mature core markets

MEA:
Developing market with strong growth prospects

EU penetration rate: ca. **20%**
MEA penetration rate: **<5%**

US leadership: incisive approach to a high potential market



US:
Largest branded franchise network in highly fragmented market

Brazil:
Platform for further expansion in South America

US penetration rate: ca. **25%**
Brazil penetration rate: **<5%**

Disciplined global expansion: seizing the best opportunities



Australia:
25% market share in relatively young business with in-built growth

New Zealand:
Undisputed leader with over 50% market share

India:
Established early leadership and developing the country's highly underpenetrated market

AU/NZ penetration rate: <30%
India penetration rate: ca. 5%



Solid balance sheet and cash flow bolster growth strategy

Accelerating international and footprint expansion :

- Over 300 shops opened/acquired in 2014
- Entrance in the Israeli market by acquiring 60% of **Medtechnica Orthophone Ltd.**
 - Market leader with 30% share
- Acquisition of the retail chain **Audika Italia Srl** (55 shops)
- Increased the stake in **Amplifon Poland** from 49% to 63%
- Acquired 51% of Brazil's **Direito de Ouvir**
- Over 100 shops opened/acquired in key markets, including Germany, France & Spain

Acquisitions a key component of growth plans

- Disciplined approach underpinned by organic growth

Building on track record of steady global expansion and market consolidation



Amplifon's strategy: create shareholder value from its optimal position on the manufacturer-to-consumer value chain

Creating value...

- Long-term profitable growth, outperforming the global hearing solutions market

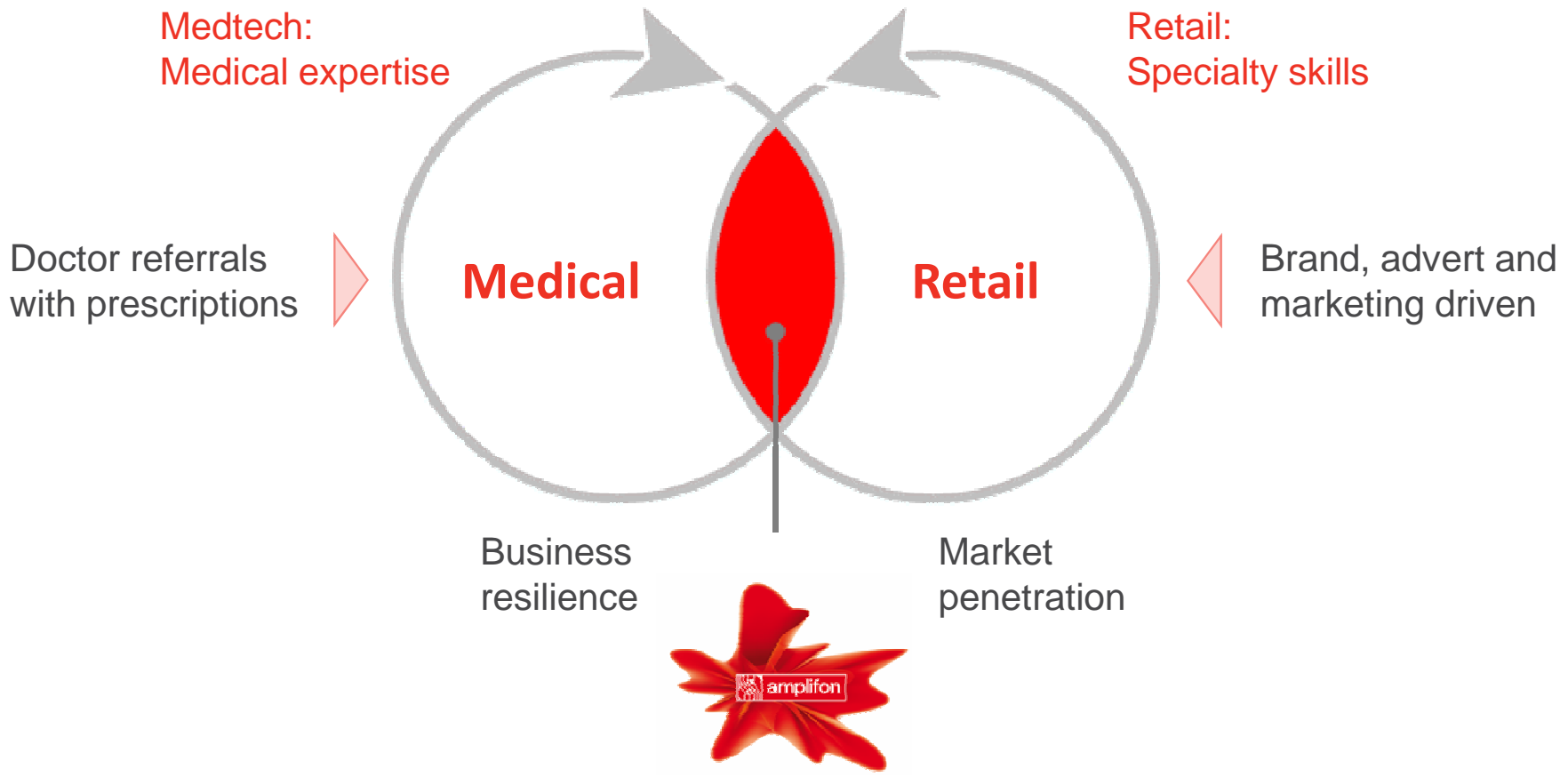
...Implementing a successful strategy

- Seize opportunities leveraging Amplifon's complementary Best Practice medtech/retail skill sets
- Broaden and deepen "Routes to hearing solutions" leveraging Amplifon's regional business models and complementary Best Practice medtech/retail skill sets
- Continuously improve efficiency and management systems
- Manage capital structure and drive cash generation to support growth and lead consolidation in Amplifon's core markets

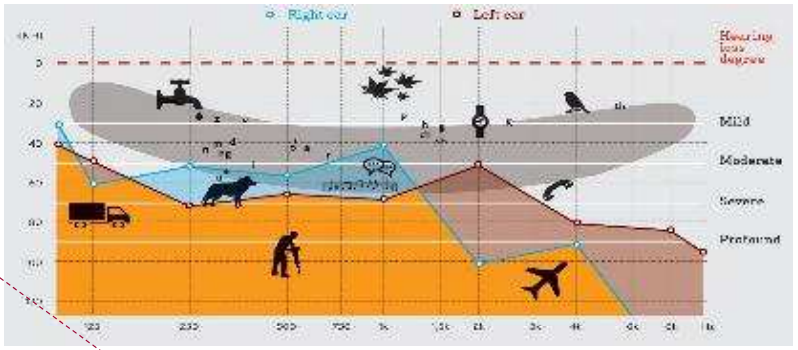


Seize opportunities leveraging Amplifon's complementary
Best Practice medtech/retail skill sets

Uniquely positioned with proven medtech and retail skills



Best outcomes in customer hearing solutions depend on professional expertise and personalization




A long-lasting relationship based on Expertise & Trust



Investing in our Expertise and Best Practice

Building on our service leadership to establish long-lasting professional relationships with customers

Ongoing priorities:

- Learning & development as **business performance enhancer**, deploy the **Amplifon Expertise Model** 
Passion for Superior Customer Experience
- Highlight **distinctions versus competitors** in service and innovation
- Attract and retain **Top Performing Audiologists**

Intensifying investment in **Employer Branding** and audiologist recruitment pipelines
(Universities, audiologist communities,...)
at **Country** level

Leverage the **superior learning & development, engagement and recognition opportunities** offered by the **Group**

Exclusive **retention** programs for the **top performing audiologists**



Broaden and deepen “Routes to hearing solutions”
leveraging Amplifon’s regional business models and
complementary Best Practice medtech/retail skill sets



Outperforming in a sizeable, untapped and growing market

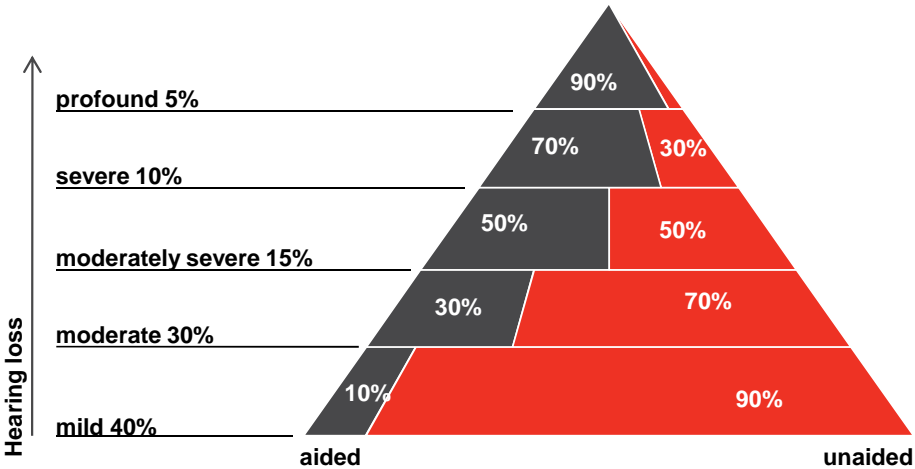
A sizeable market...

- Over 650 million people in the world suffer with some degree of hearing impairment (source: WHO)
- 10-15% of population in industrialized countries
- Estimated global market size → 11 mln units
- Estimated global market growth → 3-5% in units

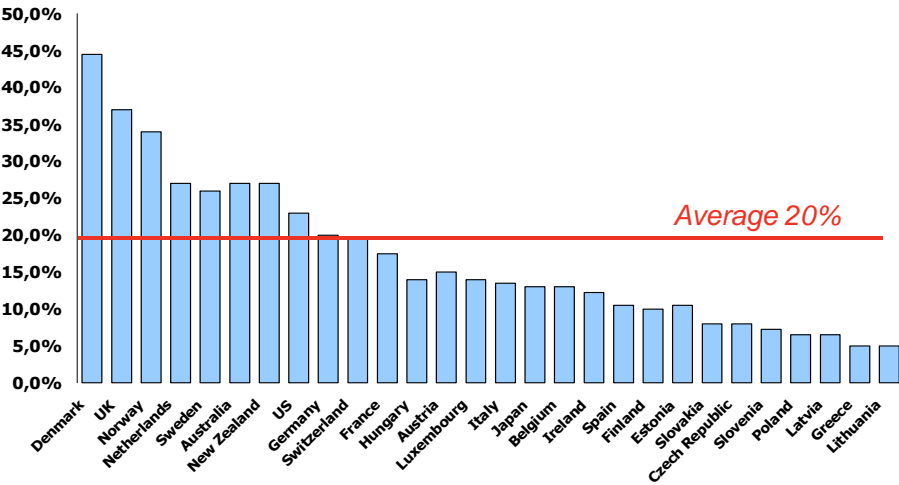
...under-penetrated

- Only 20% average penetration rate in mature markets
- Under-educated hearing-aid users both in mature and in emerging markets
- Early stage of industry development in emerging market, but enjoying rapid growth
- Moderate and mild losses still a major opportunity

Adoption rate by degree of hearing loss



Penetration rate by market





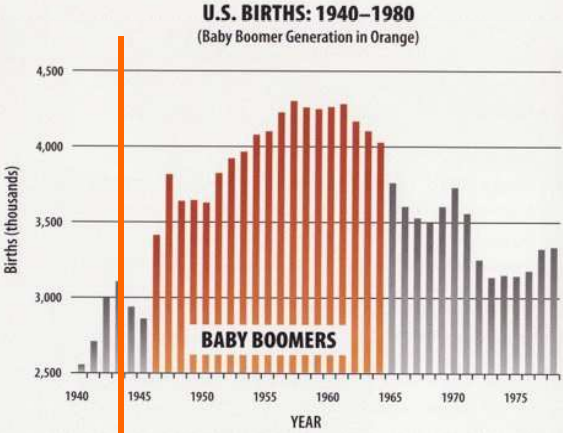
Assessing the untapped potential

Current average customer age is 72 years old

- Demographic trends expand potential market
 - Population growth
 - Longer life expectancy
 - Increasing noise pollution (youngsters – iPods)
- Increasing penetration of hearing solutions
 - Technology innovation and connectivity
 - Better performance and increasing miniaturization
 - Increasing awareness and acceptance
 - Improvements in retail experience and DTC marketing
- Increasing wealth and health awareness in emerging markets

Baby boomers

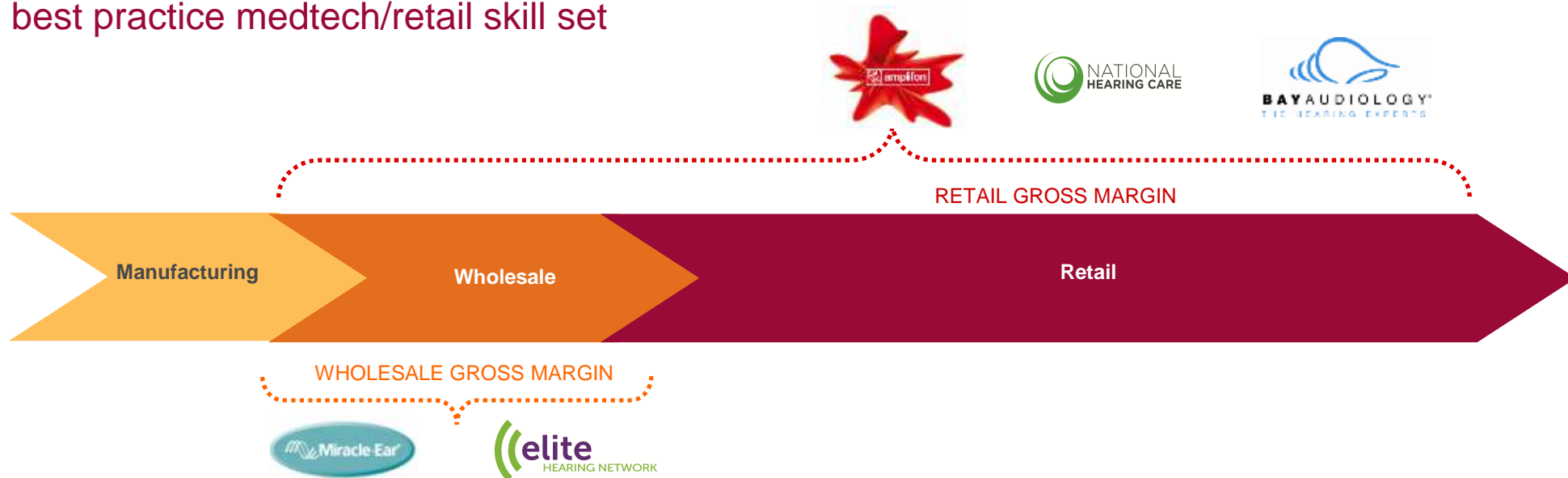
- **BB** → lower first buy age: 55 years old
- **BB** → new customers' expectations:
 - Technology savvy
 - Expert on info data-mining
 - Health aware
 - Active ageing



Strongly positioned to seize the global opportunity with market specific approaches

Leader in the largest segment of the global hearing solutions value chain

Seizing global opportunities with Amplifon's regional retail/wholesale business model built on best practice medtech/retail skill set



MANUFACTURER

- ✓ Concentrated market with six main players
- ✓ Low manufacturer brand awareness among users: interchangeable products

RETAIL

- ✓ Highly fragmented market : >50% independents
- ✓ Two-thirds of the industry's added-value happens at retail and service level

Global player and market consolidator succeeding in diverse end user environments

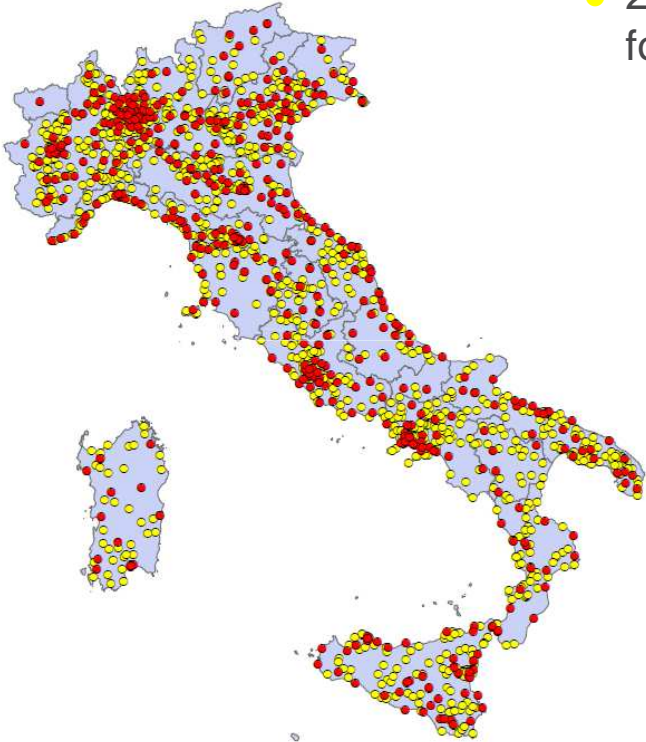


Broad and deep consumer coverage through our unrivalled & flexible network: the Italian example

The Broadest and Deepest Amplifon Experience

- 553 corporate shops

- 2,695 shop-in-shop & corners allowing for more efficient geographical coverage



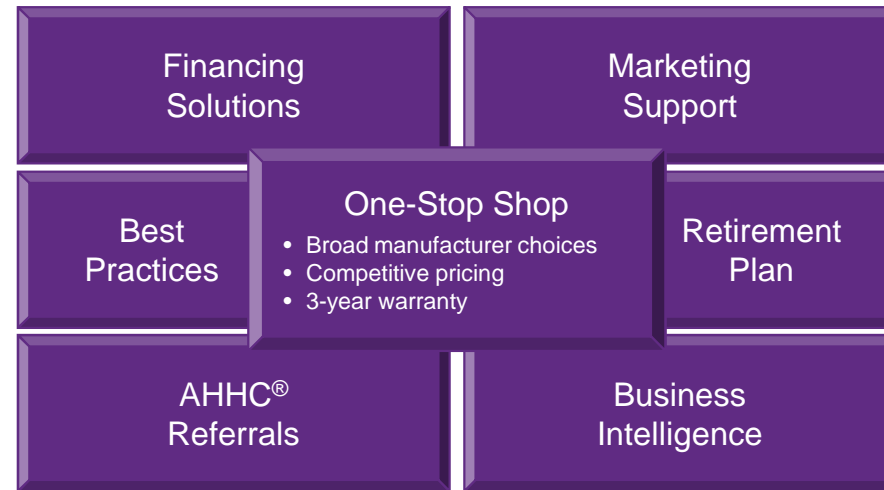
Leveraging different store concepts depending on density and maturity of market

Incisive US approach: Franchise & Wholesale

Franchise

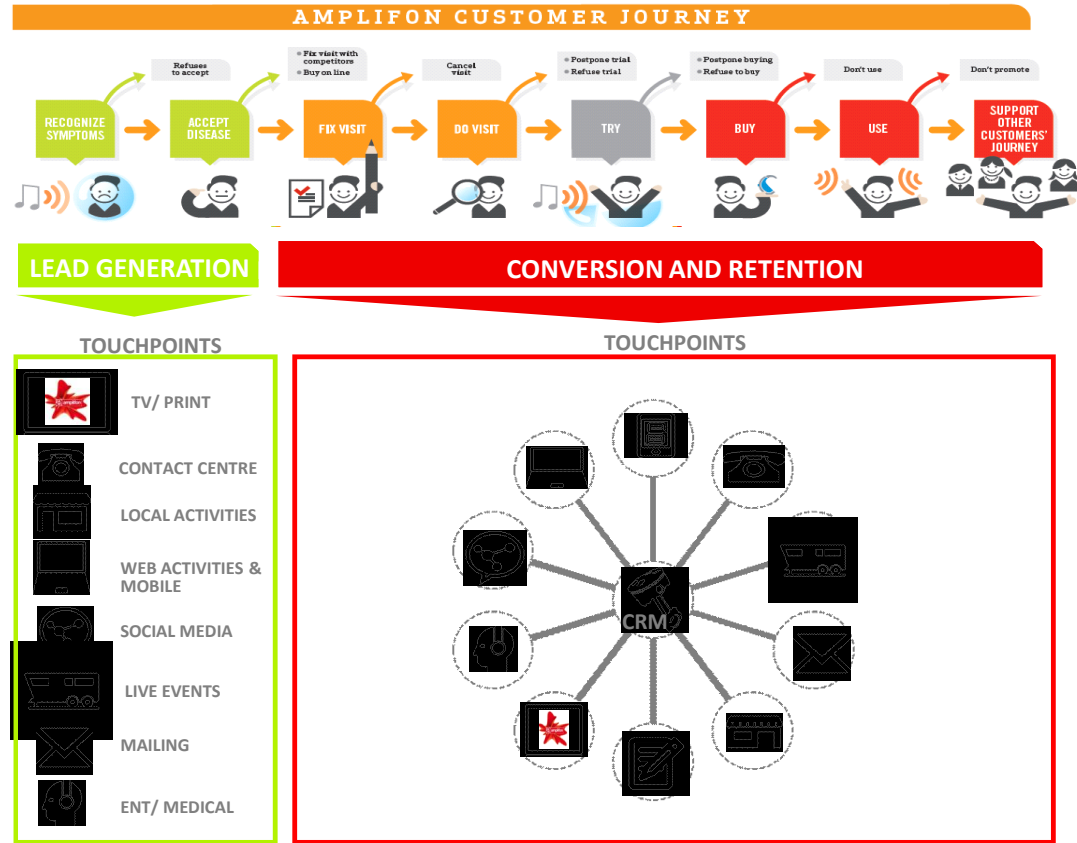


Wholesale



Anticipating the new end-user behaviors fosters organic growth

- Leveraging strong know-how and deep consumer knowledge through different touch points
- Lead generation campaigns adapted to specific country characteristics
- Effective marketing programs/educational campaigns to increase brand recognition and reduce stigma
- CRM and rebuy programs to maximise customer loyalty



Increasing the productivity, effectiveness and conversion rate of the existing networks





Continuously improve efficiency and management systems



Group management: driving continuous improvement

1. Realizing our competitive advantages through our HR strategy

- Education & training as business performance enhancers
- Capitalize on international best practices to highlight distinctions versus competitors
- Attract & retain Top Performing Audiologists
- Achieve excellence in executing all of our front & back office activities
- Leverage on talents to boost productivity and efficiency



2. Maximize performance benefitting from IT investments and digital transformation

- Measuring productivity and driving business performance: data mining, CRM analytics and KPIs
- Harmonization and standardization of IT systems
- Increase productivity in performing business processes

3. Leverage position as single largest customer of the manufacturers

- Global purchasing increases bargaining power
- Lowering cost of goods sold
- Continuous improvements in the supply chain

Systematic benchmarking to maximize efficiency and profitability



Manage capital structure and drive cash generation to support growth and lead consolidation in the hearing aid industry

In a highly fragmented hearing solutions market, Amplifon is well positioned to lead consolidation and market growth



Amplifon is the only global retailer

- ✓ Unrivalled leadership position in terms of volumes, revenues & geographic coverage
- ✓ Strong purchasing power
- ✓ High brand recognition & awareness
- ✓ High level customer service
- ✓ Experienced management team
- ✓ Established relationship with ENT doctors
- ✓ Employer of choice in the hearing care retail industry

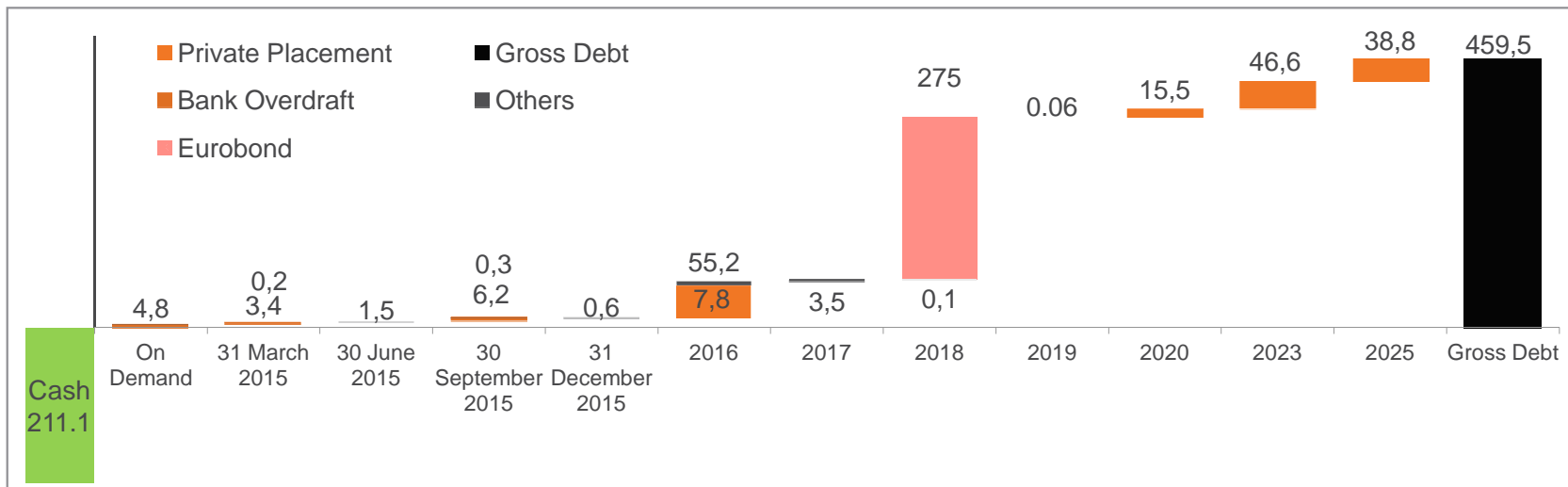
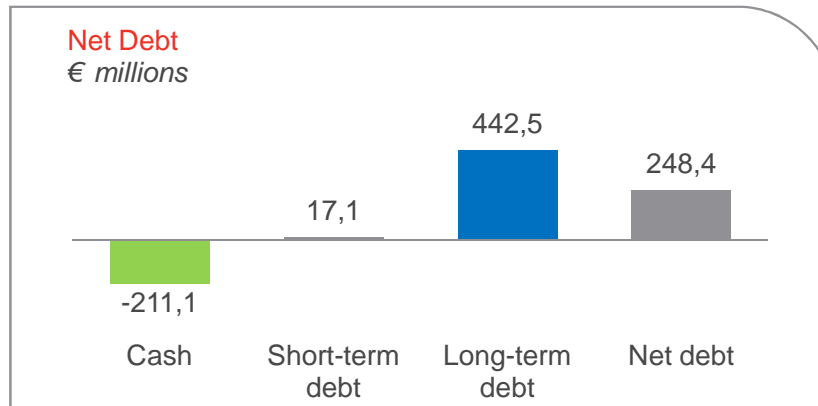
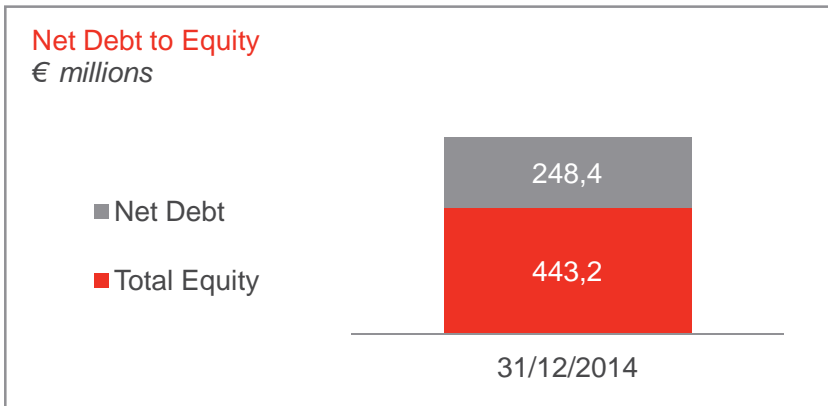
MANUFACTURERS
Six major players

SERVICE PROVIDERS
*Thousands of small shops;
Few regional chains*

ENT doctors • G.P. doctors •
Governments/Ministry of Health •
Hearing aid specialists • Hospitals •
Clinics • Universities • Insurance companies

POTENTIAL MARKET
10-15% of world population

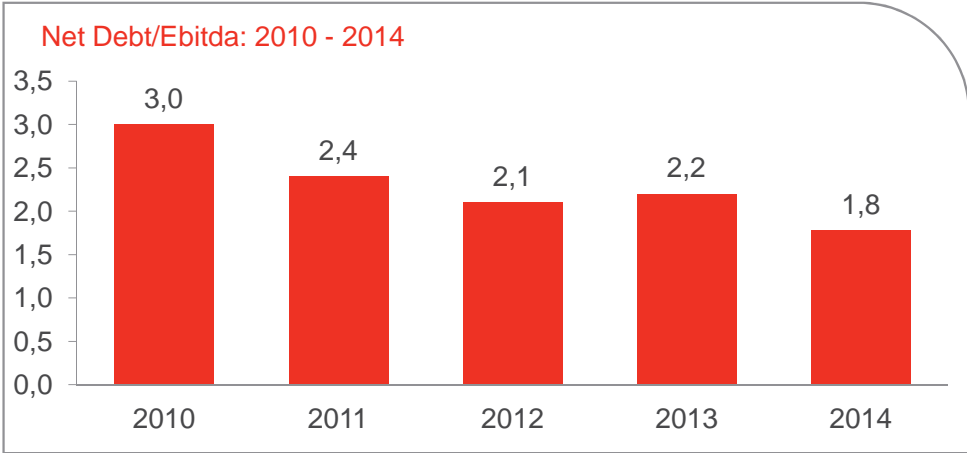
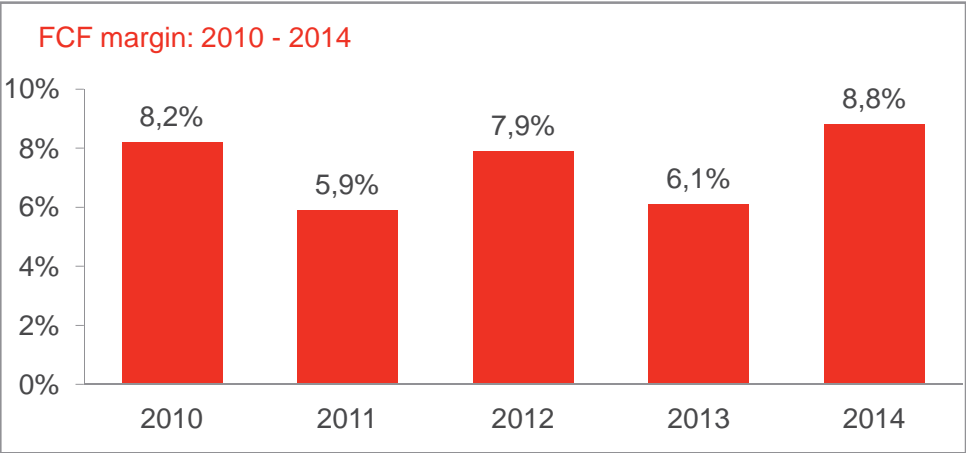
Solid capital structure sustains steady profitable growth



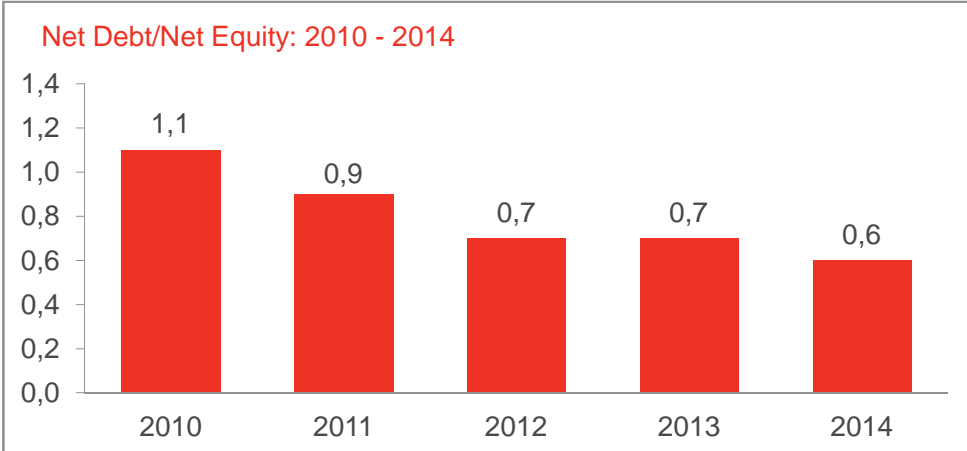
- €211 mln, a war chest ready to support strong M&A activity
- As at 12/31/2014 the Company had approx. €100 mln of undrawn credit lines
- Financial ratios well within covenants:
 - Net Debt/EBITDA: 1.77x
 - Net Debt/Group Equity: 0.56x



Consistent cash generation supports strategic use of leverage



- **Strong balance sheet**
- **Consistent cash flow generation:**
 - Allows financial deleveraging
 - Sustained expansion plans
- **Conservative financial profile**
 - Leverage has been considerably reduced since the NHC acquisition in 2010 for €333 mln
 - Operating well within covenants through the economic downturn





Amplifon: Long-term profitable growth outperforming the global hearing solutions market

- **Strong upside potential**

- Seizing profitable growth opportunities driven by demographics and reducing stigma
- Positioned at the optimal point on the hearing solutions value chain
- Global leadership, Best Practice skill set and portfolio of regional retail/wholesale business models represent unique opportunity
- Driving market consolidation

- **Solid downside protection**

- Diversified geographically and by customer channel within global hearing solutions market
- Fragmented competition along hearing solution customer channels
- Long-term track record of success and strong barriers to entry
- Capital structure robust to sustain steady expansion

A pure play in medtech/retail in a long-term global growth market



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