FY2018 Results & Strategic Update

Milan, March 5th, 2019

amplifon

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IFRS 15 & IFRS 9

From January 1st, 2018 the Group has adopted the principle IFRS 15 "Revenue from contracts with customers" and IFRS 9 "Financial instruments", which have led to changes in accounting policies and in some cases adjustments to the amounts recognized in the financial statements. The comparative data for 2017 have not been restated, while the data for 2018 is also presented without the application of IFRS 15. Thus the comparative analysis in the Section "FY 2018 Results" of this presentation refers, unless otherwise specified, to 2018 data without the application of IFRS 15, since the impact of IFRS 9 is negligible.

Statement

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

Speakers on today's call

Enrico Vita
Chief Executive Officer

Gabriele Galli
Chief Financial Officer

Alessandro Bonacina
Chief Marketing Officer

Lorenzo Fiorani
General Manager, Spain

Contents

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2018 Key milestones

Beyond financials, a very special year

May 2018

Successful launch of Amplifon Product Line in Italy

Excellent response from customers
- ~90% adoption rate[1]
- >15% APP penetration[2]

Strong ADV effectiveness & CRM redemption

July 2018

GAES, largest acquisition ever

A new dimension for the Group
- 29 countries, ~16,000 people, 11% global market share

Perfect fit with Amplifon's strategy
- Absolute leader in Spain, entry in LATAM
- Unique assets: brand, network & highly recognized organization
- Tremendous synergy & value creation potential

November 2018

First JV in China

Entry in the attractive and fast-growing Chinese market

Joint Venture with the leading retailer in the Beijing area

Sizeable opportunity for the medium-long term

December 2018

Entry in the FTSE MIB

Italian primary benchmark equity index – 40 most liquid and capitalized stocks

1. Private and paid-up market
2. On Amplifon product line compatible hearing aids

FY2018: a truly outstanding year

Fourth year in a row of record results

- Outpacing the global hearing care retail market (>2x market growth)
  - Leadership consolidation and market share gains in core markets
  - Positive market dynamics, growing ~5%[1]
- Record revenues delivering double-digit top-line growth (FY 2018: +10.6% in LC; Q4 2018: +11.2% in LC)
  - Very strong organic growth
  - Robust contribution from M&A
  - Challenging comparable basis (+11.7% in FY2017 vs FY2016; +10.7% in Q4 2017 vs Q4 2016)
- Continued profitability improvement with EBITDA recurring margin up ~40 bps, while continuing to invest for long-term sustainable growth
  - Strong marketing investments (~+20%)
- All-time high of Net Profit recurring, €113.4 million, driven by operating leverage, financial expenses optimization and lower tax rate
- Ongoing network expansion: 271 shops & 86 SiS[2]
  - Acquisition of 226 shops and 33 SiS[2] primarily in France, Germany, Canada and China
    - Net cash-out totaled ~€90 million
  - Openings of 45 shops & 53 SiS

1. Refers to Amplifon reference markets and private segment
2. Net of Brazil divesture and of GAES acquisition

Commentary refers to FY 2018, if not stated differently

For comparability purpose commentary and figures refers to data prepared without the adoption of IFRS 15 ("@'17 IFRS") being the impact of IFRS 9 totally irrelevant, if not stated differently

FY2018 Financial highlights

Another year of excellent top-line growth and profitability expansion

	FY 2018		FY 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	1,362.2	1,372.7	1,266.0	+8.4%
Organic growth				+7.0%
Acquisitions				+3.6%
FX				-2.2%
EBITDA Rec.	233.9	241.3	217.5	+11.0%
Margin %	**17.2%**	**17.6%**	**17.2%**	

- Strong top-line growth of +10.6% in LC
  - Outstanding organic growth at +7.0%
  - Currency headwind for both USD/EUR and AUD/EUR, although reducing throughout the year
  - Remarkable comparable basis
- Solid operating leverage
  - EBITDA recurring of €241.3 million, up 11.0% or EBITDA recurring margin up ~40 bps over FY2017
    - Marketing: ~+20%
  - Net Profit recurring of €113.4 million, +19.3% vs FY2017
- Net Profit as reported of €106.7 million
  - Dividend proposal increased by 27.3% to 14 euro cents vs 11 euro cents of last year
- Strong cash generation with FCF recurring at ~€118 million
- Net debt at €840.9 million, corresponding to 3.11x Net debt/EBITDA[1], mainly reflecting cash-out for GAES acquisition
- IFRS 15 impact on revenues and EBITDA of respectively, -€10.5m and -€7.4m; no cash impact

1. Ratio Net Debt/EBITDA calculated as per definition of covenant in the GAES financing facility contract and applying frozen GAAP (as per contract)

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Continued delivery on our promises

Key financial targets

	2020 Targets	FY2018 Actual
SALES GROWTH in local currency	High-single digit CAGR[1] 2017-2020	+10.6% ✓
EBITDA Margin recurring[2]	~18.5% in 2020	17.6% ✓
CUMULATED OPERATING CASH FLOW	~€600 million 2018 - 2020	€186 million ✓

1. Compound Annual Growth Rate
2. Excludes IFRS 15 & 16

Note: Financial targets announced at CMD on March 2018. For comparability purpose FY2018 data is prepared without the adoption of IFRS 15 ("@'17 IFRS")

Q4 2018 Financial highlights

An outstanding year-end: excellent organic growth and continued strong profitability expansion

	Q4 2018		Q4 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	399.5	405.1	364.2	+11.2%
Organic growth				+7.4%
Acquisitions				+3.8%
FX				0.0%
EBITDA Rec.	83.4	87.0	76.7	+13.4%
Margin %	**20.9%**	**21.5%**	**21.1%**	

- Another quarter of strong double-digit top-line growth in LC (+11.2%)
  - Outstanding organic growth at +7.4%
  - Robust M&A contribution
  - Remarkable Q4 2017 comparable basis (+10.7% vs. Q4 2016)
- Strong profitability improvement
  - EBITDA recurring margin up by ~40 bps
    - Marketing: ~+10%
  - Net Profit recurring of €48.1 million, +9.1% vs Q4 2017, which benefited by an exceptionally low tax rate
- Ongoing network expansion with M&A in core countries: Germany, France, Canada and China
- Strong free cash flow generation
- IFRS 15 impact on revenues and EBITDA of respectively, -€5.6m and -€3.6m; no cash impact

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Financial results by Region

EMEA: outstanding execution delivering excellent profitable growth

	FY 2018		FY 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	952.3	960.4	855.6	+12.2%
Organic growth				+7.9%
Acquisitions				+4.8%
FX				-0.5%
EBITDA Rec.	179.2	185.9	150.4	+23.6%
Margin %	**18.8%**	**19.4%**	**17.6%**	-

	Q4 2018		Q4 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	290.9	295.5	260.5	+13.4%
Organic growth				+9.4%
Acquisitions				+4.1%
FX				-0.1%
EBITDA Rec.	70.3	74.0	60.2	+23.0%
Margin %	**24.2%**	**25.1%**	**23.1%**	-

- Performance well-above market reference (2x market growth)
- Outstanding revenue growth of +12.7% in LC
  - Excellent organic growth at ~+8%, reaching all-time high of +9.4% in Q4
  - Significant contribution from M&A
  - Very challenging comparable basis (+13.5% in FY 2017 vs FY 2016)
- Strong performance in Italy also fostered by the ongoing successful roll-out of Amplifon product line and ecosystem
- Excellent performance in France and Germany fostered by strong organic growth and acquisitions
- Outstanding growth of over 30% for Spain, primarily organic
- Excellent EBITDA margin improvement of 180 bps, after higher marketing investments (~+20% vs. FY 2017)
  - Top-line growth, operational efficiency and scale-reach in core countries

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Financial results by Region

AMERICAS: strong performance & continued profitability improvement, progressively accelerating throughout the year

	FY 2018		FY 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	231.8	234.4	228.9	+2.4%
Organic growth				+5.7%
Acquisitions[2]				+1.3%
FX				-4.6%
EBITDA Rec.	46.2	47.0	45.2	+4.1%
Margin %	**19.9%**	**20.1%**	**19.7%**	-

	Q4 2018		Q4 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	63.8	65.0	57.3	+13.3%
Organic growth				+7.4%
Acquisitions[2]				+3.4%
FX				+2.5%
EBITDA Rec.	13.9	13.9	11.6	+19.2%
Margin %	**21.8%**	**21.3%**	**20.3%**	-

- Solid performance in a structurally growing market (~+5%[1])
- Strong revenue growth at +7.0% in LC, progressively accelerating throughout the year
  - Robust organic growth, consistently improving since beginning of the year and closing with a strong +7.4% in Q4
  - Currency headwind, although reversing in H2
- Growth driven by very strong performance of both Miracle-Ear and AHHC
- Solid growth in Canada, fostered by M&A
- EBITDA margin improvement by 40bps, with a strong end-of-year (+100bps in Q4)
  - Operational efficiency
  - Challenging comparison basis (170bps EBITDA margin improvement in FY 2017 vs FY 2016)

1. Refers to US private market
2. Net of Brazil divesture

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Financial results by Region

APAC: solid sales performance in LC despite market softness in H2; profitability reflecting significant marketing investments and negative FX translative effect

	FY 2018		FY 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	174.5	174.4	179.0	-2.6%
Organic growth				+3.9%
Acquisitions				+0.7%
FX				-7.2%
EBITDA Rec.	43.8	43.6	51.5	-15.3%
Margin %	**25.1%**	**25.0%**	**28.8%**	-

	Q4 2018		Q4 2017	Δ%
Data in €m	@'18 IFRS	@'17 IFRS		@'17 IFRS
REVENUES	42.9	42.9	45.0	-4.7%
Organic growth				-5.0%
Acquisitions				+2.8%
FX				-2.5%
EBITDA Rec.	8.8	8.8	13.2	-33.4%
Margin %	**20.6%**	**20.5%**	**29.3%**	-

- Performance above market reference
  - Australian market growth at ~+2%, though softening to flattish in H2
  - New Zealand market growth at ~+2%, softening in H2 due to anniversary of regulatory change in 2013
- Solid revenue growth of ~+5% in LC, mostly organic
  - Very challenging comparison base (+9.9% in FY 2017 vs FY 2016; organic growth in Q4 2017 of +9.9% vs Q4 2016)
- Positive organic growth in Australia, despite softer performance at year-end in a flattish market environment
- Robust organic growth in New Zealand
- Back to solid growth at the beginning of the year (January and February)
- EBITDA at €43.6 million
  - Adverse FX translative effect
  - Strong marketing investments, to support NHC new brand image and positioning (~+40% in FY 2018 vs FY 2017)
  - Impact of weaker market environment on fixed cost absorption in Australia in H2

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Q4 2018 Financial results

Delivering excellent results across the whole P&L

Data in €m (unless specified)	Q4 2018 @'18 IFRS		Q4 2018 @'17 IFRS		Q4 2017		Δ% Rec. @'17 IFRS
	Recurring	Reported	Recurring	Reported	Recurring	Reported	
REVENUES	**399.5**	**399.5**	**405.1**	**405.1**	**364.2**	**364.2**	**+11.2%**
EBITDA[1]	**83.4**	**80.9**	**87.0**	**84.5**	**76.7**	**75.6**	**+13.4%**
Margin %	*20.9%*	*20.3%*	*21.5%*	*20.9%*	*21.1%*	*20.8%*	-
D&A	(20.4)	(20.4)	(20.4)	(20.4)	(17.1)	(17.3)	+19.4%
EBIT[2]	**63.0**	**60.5**	**66.6**	**64.1**	**59.6**	**58.3**	**+11.7%**
Margin %	*15.8%*	*15.1%*	*16.4%*	*15.8%*	*16 .4%*	*16.0%*	-
NET FINANCIAL EXPENSES[3]	(2.0)	(2.6)	(2.0)	(2.6)	(5.0)	(5.0)	+59.0%
PBT[4]	**60.9**	**57.9**	**64.5**	**61.5**	**54.6**	**53.3**	**+18.2%**
TAXES	(15.8)	(15.0)	(16.4)	(15.7)	(10.6)	(1.0)	-54.6%
% on PBT	*25.9%*	*26.0%*	*25.4%*	*25.5%*	*19.4%*	*1.8%*	-
MINORITY	0.1	0.1	0.1	0.1	(0.1)	(0.1)	-
NET PROFIT[5]	**45.1**	**42.8**	**48.1**	**45.8**	**44.1**	**52.4**	**+9.1%**
Margin %	*11.3%*	*10.7%*	*11.9%*	*11.3%*	*12.1%*	*14.4%*	-
EPS (Euro)	**0.205**	**0.194**	**0.218**	**0.208**	**0.201**	**0.239**	**+8.6%**

1. Negative one-off in Q4 2018 of €2.5 million for GAES acquisition. Negative one-off in Q4 2017 of €1.1 million for restructuring charges related to AudioNova and MiniSom acquisitions
2. Negative one-off in Q4 2017 of €2.5 million for item in Note 1. Negative one-offs in Q4 2017 of €1.1 million for item in Note 1 and €0.2 million write-down following the closing of Audionova stores in Portugal
3. Negative one-off in Q4 2018 of €0.6 million for financial expenses related to GAES acquisition
4. Negative one-off in Q4 2018 of €3.0 million for items in Notes above. Negative one-off in Q4 2017 of €1.3 million for items in Notes above
5. Negative one-off in Q4 2018 of €2.3 million related to items in Notes above net of taxes. Positive one-off in Q4 2017 of €8.3 million (for the impact of items in Notes above net of taxes and for positive one-off of €9.6 million due to change in deferred taxation in the US due to tax reform)

FY 2018 Financial results

Sharp improvement in all profitability lines, leading to an increase of ~+20% in Net Profit recurring

Data in €m (unless specified)	FY 2018 @'18 IFRS		FY 2018 @'17 IFRS		FY 2017		Δ% Rec. @'17 IFRS
	Recurring	Reported	Recurring	Reported	Recurring	Reported	
REVENUES	**1,362.2**	**1,362.2**	**1,372.7**	**1,372.7**	**1,266.0**	**1,266.0**	**+8.4%**
EBITDA[1]	**233.9**	**225.5**	**241.3**	**232.9**	**217.5**	**212.5**	**+11.0%**
Margin %	*17.2%*	*16.6%*	*17.6%*	*17.0%*	*17.2%*	*16.8%*	-
D&A	(72.2)	(72.2)	(72.2)	(72.2)	(62.6)	(62.8)	+15.3%
EBIT[2]	**161.8**	**153.3**	**169.2**	**160.7**	**154.9**	**149.7**	**+9.2%**
Margin %	*11.9%*	*11.3%*	*12.3%*	*11.7%*	*12.2%*	*11.8%*	-
NET FINANCIAL EXPENSES[3]	(14.1)	(14.7)	(14.1)	(14.7)	(19.3)	(19.3)	+27.1%
PBT[4]	**147.7**	**138.6**	**155.1**	**146.0**	**135.6**	**130.3**	**+14.4%**
TAXES	(40.6)	(38.2)	(41.8)	(39.3)	(40.6)	(29.9)	-2.8%
% on PBT	*27.5%*	*27.5%*	*26.9%*	*26.9%*	*30.0%*	*22.9%*	-
MINORITY	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	-
NET PROFIT[5]	**107.1**	**100.4**	**113.4**	**106.7**	**95.0**	**100.6**	**+19.3%**
Margin %	*7.9%*	*7.4%*	*8.3%*	*7.8%*	*7.5%*	*7.9%*	-
EPS (Euro)	**0.487**	**0.457**	**0.516**	**0.485**	**0.434**	**0.459**	**+18.9%**

1. Negative one-off in FY 2018 of €8.5 million for GAES acquisition. Negative one-off in FY 2017 of €5.0 million for restructuring charges related to AudioNova and MiniSom acquisitions
2. Negative one-off in FY 2017 of €8.5 million for item in Note 1. Negative one-offs in FY 2017 of €5.0 million for item in Note 1 and €0.2 million write-down following the closing of Audionova stores in Portugal
3. Negative one-off in FY 2018 of €0.6 million for financial expenses related to GAES acquisition
4. Negative one-off in FY 2018 of €9.1 million for items in Notes above. Negative one-off in FY 2017 of €5.2 million for items in Notes above
5. Negative one-off in FY 2018 of €6.7 million related to items in Notes above net of taxes. Positive one-off in FY 2017 of €5.6 million (for the impact of items in Notes above net of taxes and for positive one-off of €9.6 million due to change in deferred taxation in the US due to tax reform)

FY 2018 Financial results

Strong cash flow generation supporting Capex and M&A to foster Company's growth

Data in €m	FY 2018[1]	FY 2017[2]	Δ
Operating cash flow (a)	**186.5**	**168.6**	**17.8**
Capex (net) (b)	(76.1)	(70.7)	(5.5)
Free cash flow (a+b)	**110.3**	**98.0**	**12.3**
Acquisitions (net) (c)	(620.2)	(111.5)	(508.7)
Cash provided by (used in) operating and investing activities	**(509.9)**	**(13.5)**	**(496.4)**
Cash flow provided by (used in) investing activities (b+c)	**(696.3)**	**(182.2)**	**(514.2)**
Cash provided by (used) financing activities	(35.6)	(52.8)	17.2
Net cash flow for the period	**(545.5)**	**(66.3)**	**(479.2)**

Net financial position (opening date)	**(296.3)**	**(224.4)**	**(71.8)**
Change in net financial position	(545.5)	(66.3)	(479.2)
Effect of FX & discontinued operation on financial position	0.9	(5.5)	6.4
Net financial position (closing date)	**(840.9)**	**(296.3)**	**(544.6)**

1. Non recurring cash-out of €7.7 million in FY 2018 (of which €6.7 million for GAES acquisition and €1.0 million for payout related to AudioNova France and MiniSom Portugal acquisitions completed in 2017)
2. Non recurring cash-out of €2.0 million in FY 2017 for restructuring charges related to AudioNova France and MiniSom Portugal acquisitions

No impact on Cash Flow from IFRS 15

FY 2018 Financial results

Increase in Net Debt reflecting GAES acquisition

Data in €m	31/12/2018		31/12/2017
	@'18 IFRS	@'17 IFRS	
Cash	(89.9)	(89.9)	(124.1)
Short-term debt	53.1	53.1	301.1
Medium/long-term debt	877.7	877.7	119.2
Net debt	**840.9**	**840.9**	**296.3**
Equity[1]	**596.1**	**679.0**	**588.4**
Net debt/EBITDA	--	3.11x[2]	1.35x[3]
Net debt/total equity	1.41x	1.24x	0.50x

1. Change in Equity as at 31/12/2018 @'18 IFRS vs as at 31/12/2017 also includes IFRS impact (€61.2m) and FX (€11.5m)
2. Ratio Net Debt/EBITDA calculated as per definition of covenant in the GAES financing facility contract and applying frozen GAAP (as per contract) According to the definition of covenant contracts for other facilities the ratio Net Debt/EBITDA is equal to 3.37x
3. Ratio NFP/EBITDA calculated as per definition of covenant contract for existing financing facilities as of 31/12/2017

Contents

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Strategic Pillars to 2020

Re-affirming our strategic direction

We will focus	We will lead	We will build
on core Markets	in Customer Experience innovation	an effective & attractive Organization

Strategic pillars unchanged,

growth potential further accelerated by GAES

2020 key financial targets

Accelerating on our ambitions

Data in € million

	2018	2020[1]
SALES in local currency[2]	1,373	1,800-1,860
EBITDA recurring[2]	240	330-345
OPERATING CASH FLOW	~186	~260

1. Excludes IFRS 15 & 16 impact
2. Main FX assumptions used for 2019-2020: €/USD at 1.18; €/AUD at 1.58
2020 target is presented in line to previous guidance communicated in March 2018 and prepared without the adoption of IFRS 15

Contents

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Reshaping the hearing care retail around the customer

Accelerating on our pillars to deliver our growth ambitions

BRAND

Effective branding & advertising

'Top of mind' brand in all key markets & accelerate digital agenda

CUSTOMER

Long lasting customer loyalty

Offer personalized customer experience and CRM, powered by big data

DATA

Superior customer knowledge

Leverage unmatched quantity of data

INNOVATION

Innovation in product and customer experience

Accelerate innovation, rolling-out Amplifon product line and multichannel ecosystem

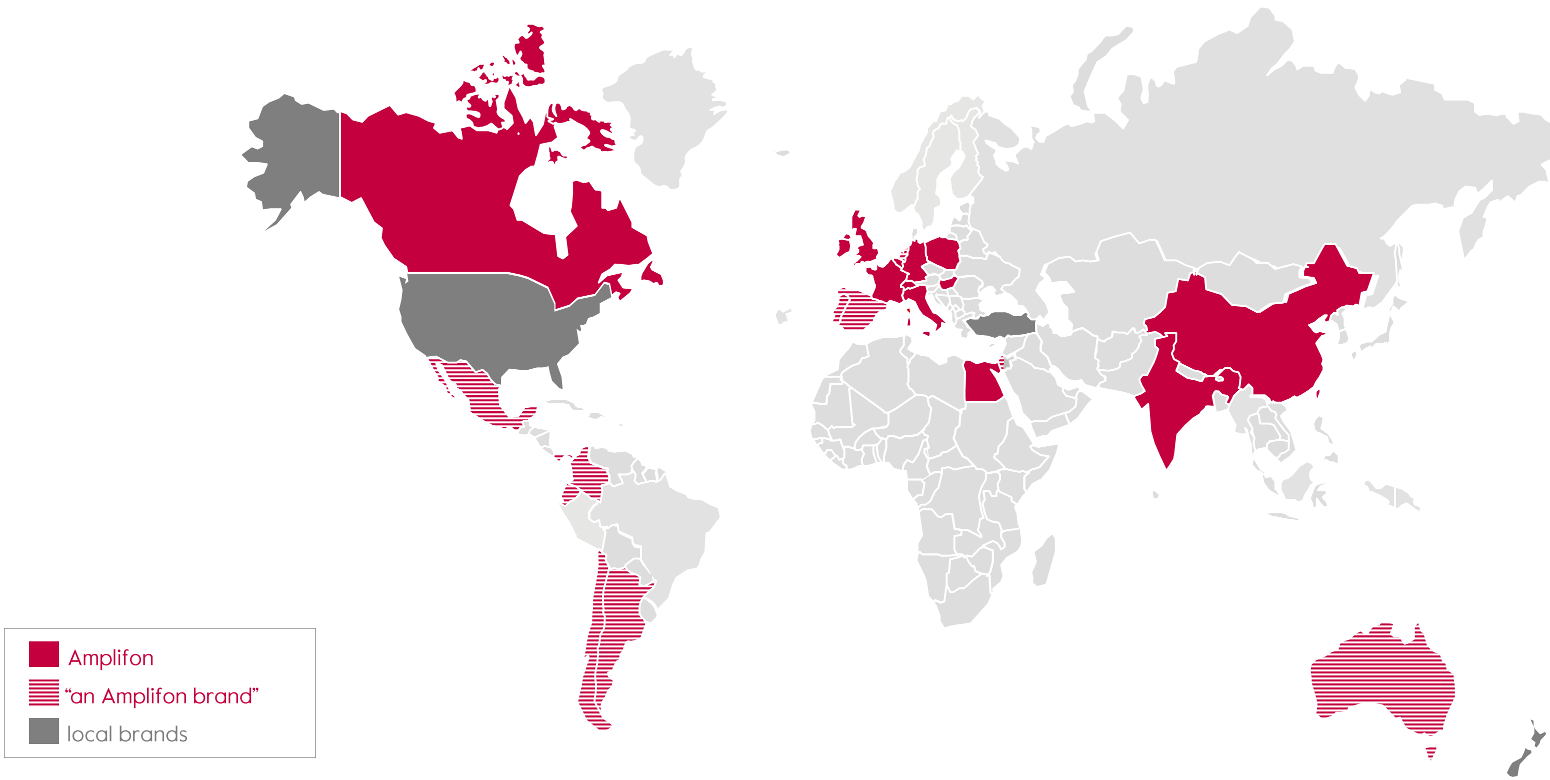
Amplifon "Top of mind" brand to increase penetration & share

Increasing media investment, with improved effectiveness & efficiency thanks to global scale & unique capabilities

	2018 Achievements	2019-2020 Initiatives
Effective media scale-up	▪ **Increased investments** in media ▪ **Effectiveness and efficiencies** leveraging regional media agency partnerships ▪ Launch of **Amplifon global brand** visual identity	▪ Amplifon **global brand expansion** ▪ Roll-out of **Amplifon product line** leveraging on innovation as point of difference
Content revolution	▪ Highly successful first **EU regional campaign** ▪ **Global efficiencies** in digital content production	▪ Launch of **new wave of EU regional campaign** and **extension to US** ▪ Continue step-change in **content quantity and quality**
Digital acceleration	▪ **New websites** in 4 countries, more than doubling conversion rates ▪ SEO strategy leading to organic **traffic leadership** ▪ Strong contribution to revenues	▪ Increase investment and boost productivity leveraging **global buying approach** ▪ New websites in **70%** of countries

Amplifon "Top of mind" brand to increase penetration & share

Enlarging the footprint of the strongest global brand in retail hearing care



Global brand expansion
Awareness leadership via effective investment
Consideration leadership via innovative points of difference

Unique personalized relationship with customers through data & technology

New customer lifecycle reducing repurchase cycle and increasing organic growth

	2018 Achievements	2019-2020 Initiatives
Unique lifecycle management	▪ **New customer lifecycle management,** leveraging new systems, big data and customer insights ▪ **Roll-out to all key EU countries**	▪ **Scale globally** new customer lifecycle
Advanced statistical modeling	▪ First models **more than doubling redemption**	▪ **Apply to all lifecycle** and develop new models
Global customer operations	▪ **Sized opportunity and piloted** new approaches leveraging scale and expertise	▪ Roll-out of **new customer call center operations**

Leveraging big data to provide a distinctive customer experience

The biggest database in hearing care industry supported by top-notch technology

	2018 Achievements	2019-2020 Initiatives
Big data collection	▪ Unmatched data asset of **10 million customers** ▪ Data **optimization** and **enrichment** in EU ▪ Collection of **hearing aids usage data**	▪ **Data optimization and enrichment** roll-out globally
Best-in-class infrastructure & capabilities	▪ **New CRM platform** in Italy, the Netherlands and the US, fully automated and real-time capable ▪ **Data scientist team** in place	▪ Roll-out of **new CRM platforms in all core countries**
Big data usage	▪ CRM personalization: **Amplifon One CRM** ▪ **Store experience personalization**	▪ **Amplifon 360 personalization**

Successful launch of Amplifon Product Experience in Italy

Exciting response from customers and hearing care professionals

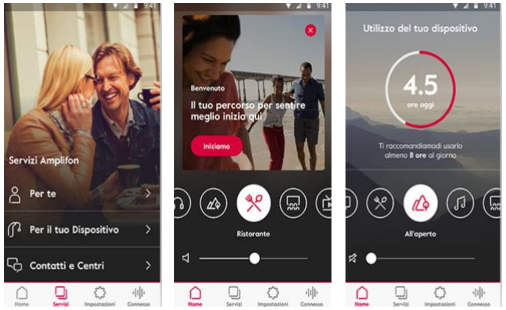
The launch in a nutshell

Launch of the Amplifon product line & ecosystem last May

Outstanding response from customers and HCP

Continuous features release of Amplifon APP

Multichannel advertising campaign



Outstanding results

~90%
Adoption rate of APL in the private and paid-up market

15%
Customers' Penetration[1] of Amplifon APP

7 h/day
Avg APL usage
3 times/day
Avg APP usage

+5p.p.
CRM conversion

+35%
ADV ROI

1. On Amplifon product line compatible hearing aids

Accelerating APE global roll-out: 5 countries in 2019

Targeting a customer base of more than one million branded units by 2021

Strategic objectives

Further strengthen **brand awareness**

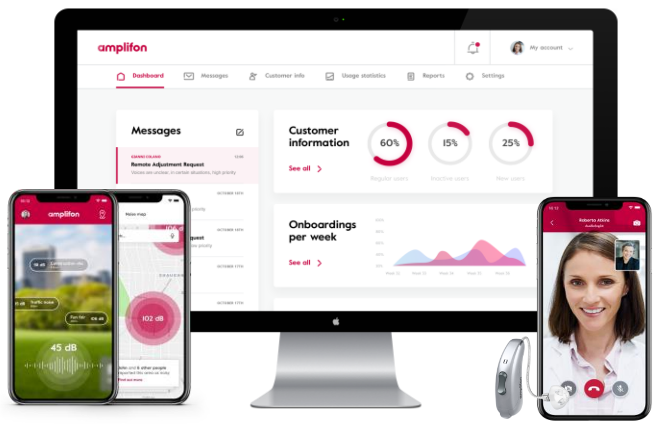
Differentiate from competition through a unique value proposition

Deepen **long-term customer relationship** via the innovative Amplifon ecosystem

Amplifon multichannel ecosystem: keep on innovating

New services to offer a unique customer experience everywhere and every time

The Multichannel Ecosystem Pillars



- Engage the client & hearing care professionals
- Create seamless experience
- Personalize the service

Launch of Amplifon Remote Care & Ecosystem Control Center

Two distinctive innovations for customers & HCP to enhance experience, usage & repurchase

Remote care

Enhance customers' life, providing services via:

- Chat bot
- Tutorials
- Call center
- Store

Ecosystem control center

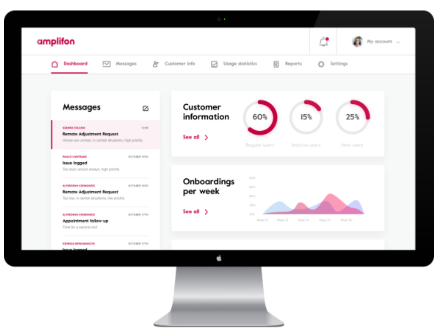
Provide hearing care professionals with a single tool to:

- access useful customers' insights
- receive alerts on clients usage anytime and anywhere
- activate different services
- message/chat/video-chat with customers

Data from Hearing Aid

Data from Amplifon APP

Data from Ecosystem & Amplifon Platforms



5th March 2019

Amplifon 2020: fast forward in the age of the customer

“Top of mind” global brand

Long lasting customer loyalty

Own & leverage big data

Industry innovation leader

Solid and proven plans to deliver our 2020 ambitions

Successful step-change in innovation and R&D to support the next wave of growth

Contents

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Our vision in Spain

Creating the undisputed leader in the highly attractive Spanish market

GAES

"Over 65 years of leadership leveraging unique assets: brand, network and reputation"

amplifon

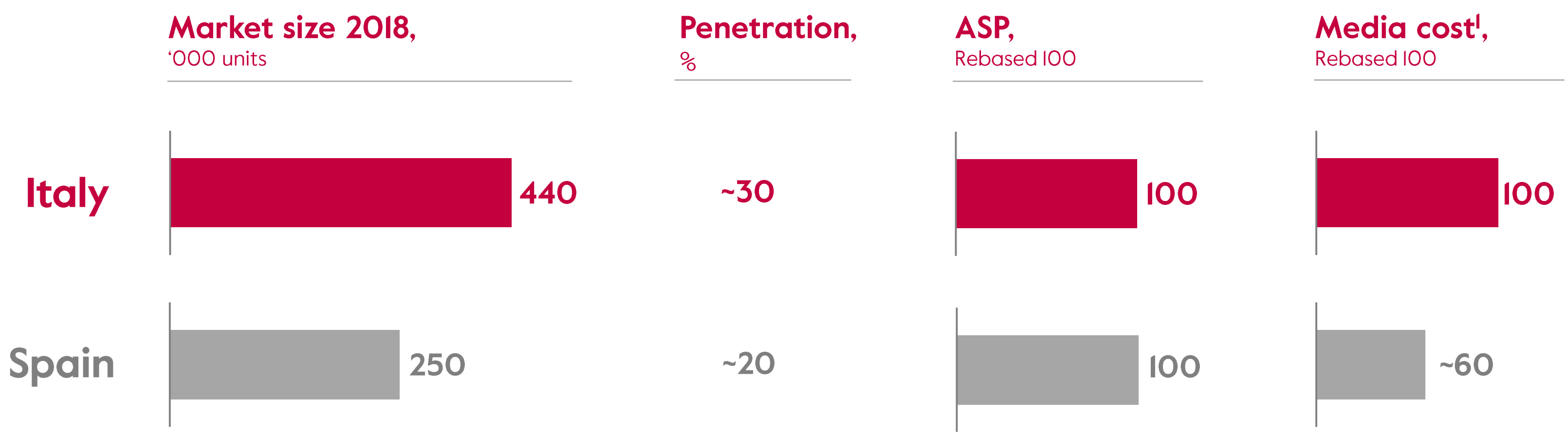
"The fastest growing player in Spain, leveraging Group's scale, best-practices and distinctive competences"

Two leading organizations

combining strong complementary structures to achieve even greater success in the high-potential Spanish market

Spain: an attractive and high-potential market

Italy vs. Spain: market data



Opportunity to create another superb Amplifon stronghold

1 Cost per Gross Rating Point

GAES unique assets

The hardest to build

Employees

~1,300 people in Spain[1]

of which **~930 HCP**

Highly trained & motivated team with strong customer orientation

Brand

Highest brand value & recognition

96% brand awareness

>**90%** brand consideration

~70 years of leadership

Reputation with ENTs

«One-stop shop» for hearing solutions

Wholesale distribution of hearing aids, implants & medical devices

GAES Research & Study

a specialized partner for the medical & academic communities

Network

Largest footprint in the country

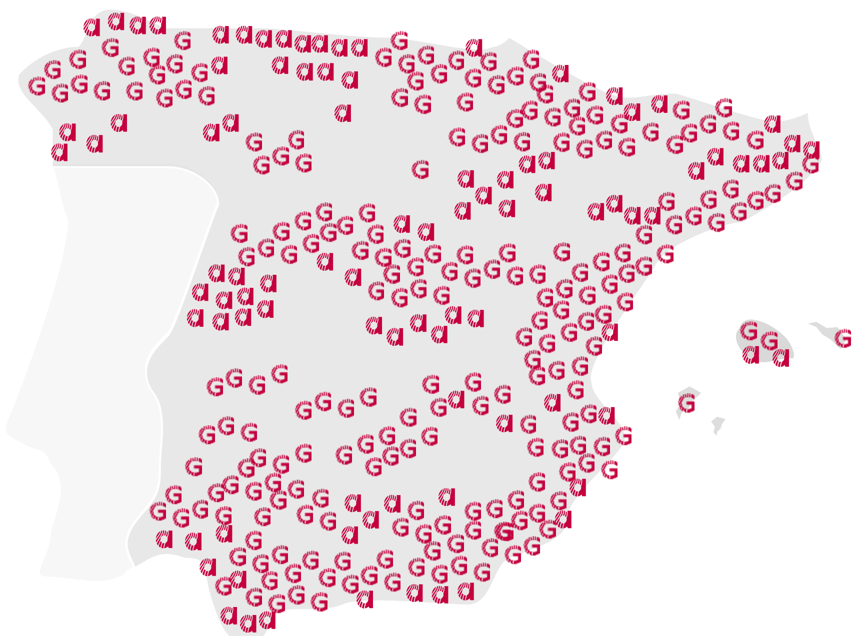
> **500** shops

Well located and well invested PoS

1. Excludes Microson personnel

GAES & Amplifon together in Spain

Absolute leadership in a highly promising market



#1 player
~6x larger than #2

96%
Brand awareness

700+ PoS
Largest footprint

~1,810 people
~1,160 hearing care professionals

Tremendous opportunity

leveraging GAES unique assets & Amplifon Group's best practices

GAES integration: Key value creation levers

One Brand, One Organization, One Network, One Customer Experience

- Early and thorough integration planning, supported by **rigorous execution and continuous monitoring**
- **Dedicated integration team accountable** for project management, delivery of synergies, identification of all future growth and productivity opportunities
- Direct **involvement and sponsorship of the Executive Leadership Team**

Value Creation Levers

Marketing effectiveness

One Brand

Integrated CRM

Media investment optimization

Amplifon Product Experience

Commercial excellence

One Customer experience

Global customer operations

Retail excellence

Scale economies

One Network, by far the largest footprint in the country

Procurement cost optimization

Organization

One effective, lean & aligned organization

Culture and capabilities integration

Integrated systems and processes

Contents

amplifon

2020 key financial targets

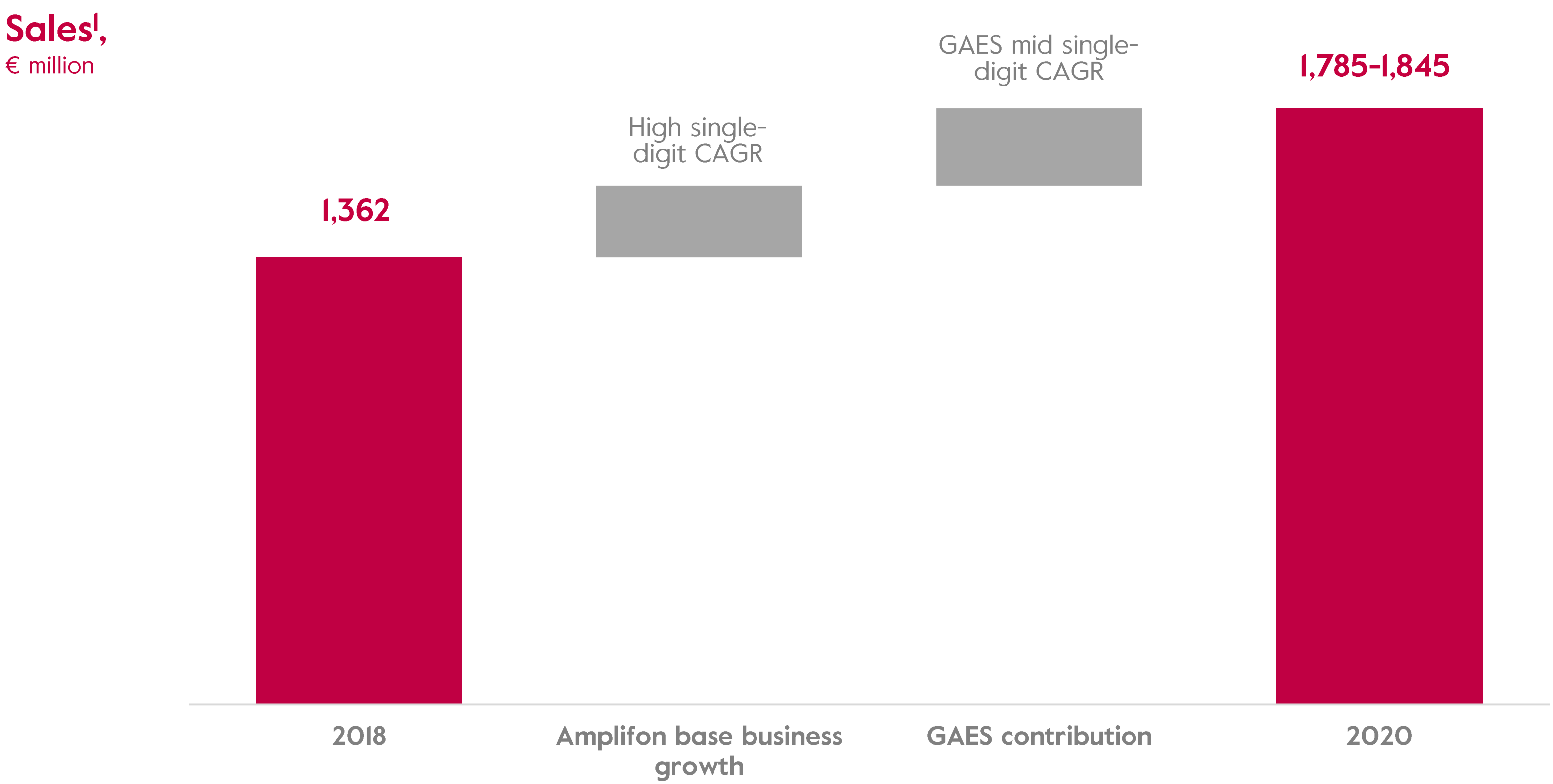
Accelerating on our ambitions

Data in € million	2020[1]	IFRS 15 application	2020[1] with IFRS15
SALES in local currency[2]	1,800-1,860	~(15)	1,785-1,845
EBITDA recurring[2]	330-345	~(10)	320-335
OPERATING CASH FLOW	~260	--	~260

1. Excludes IFRS 16 impact
2. Main FX assumptions used for 2019-2020: €/USD at 1.18; €/AUD at 1.58

2020 Sales growth target

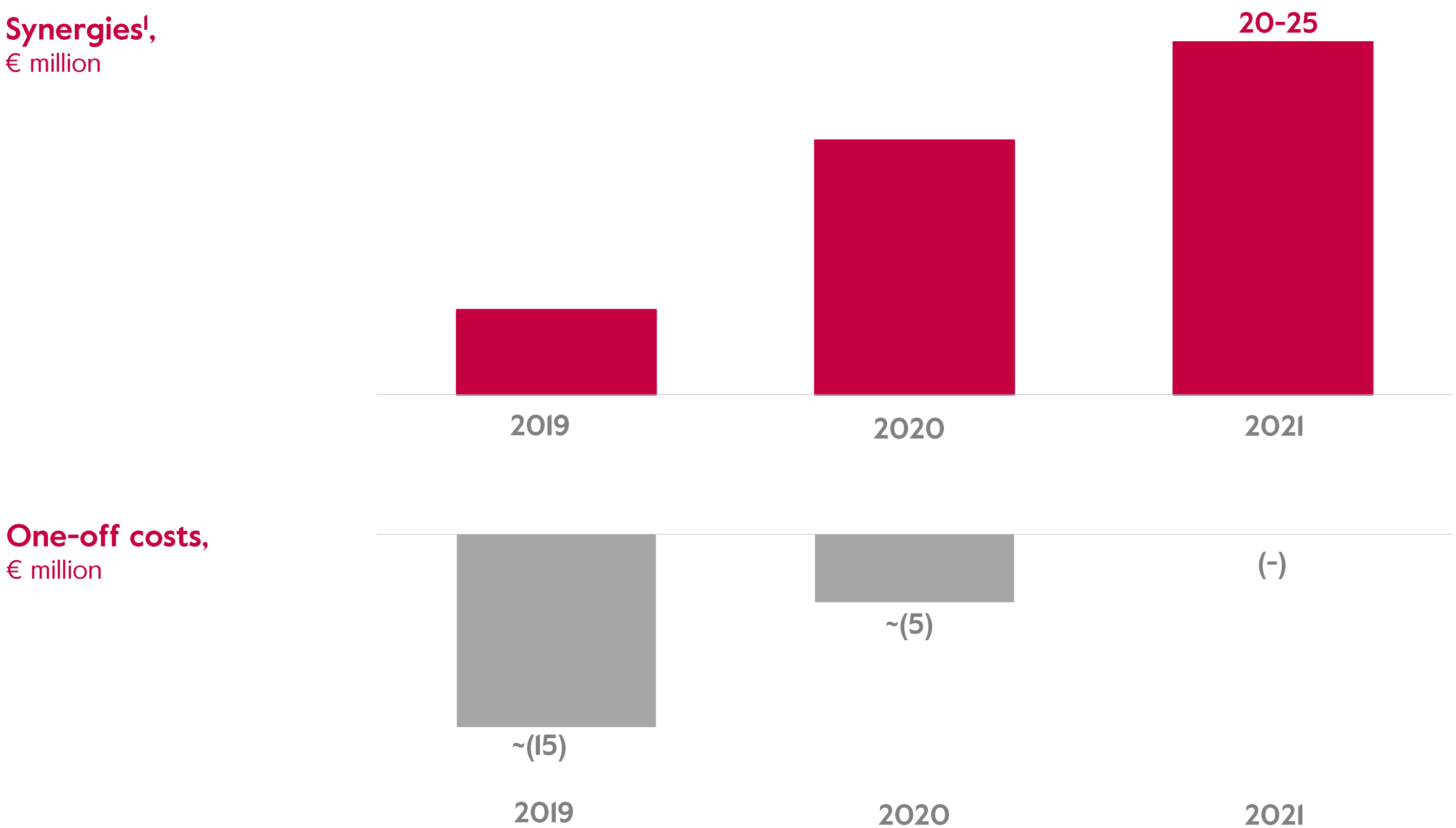
Steady organic growth, piecemeal M&A and GAES contribution to boost top-line



1. Sales at constant exchange rates, all data with application of IFRS15

2021 Synergies target increased

Synergies further expanding to €20-25 million run-rate per year by 2021



1. Synergies at EBITDA level

Continued steady EPS growth, despite accounting impact coming from PPA

Purchase Price Allocation (PPA) for GAES acquisition

- The provisional allocation of the purchase price will arise indicative **~€15 million** yearly D&A for GAES mainly related to customer file & brand value
- The final analysis of the PPA at the fair values of the net assets acquired will be carried out within 12 months from the closing date

Net Financial Expenses

Existing facilities pre-GAES acquisition

- Successful refinancing of Bond in July 2018
- Average cost of debt: ~2%

New €530 million 5-year facility for GAES acquisition

- Successful closing and syndication
- Average cost of debt: <2%

< €20 million annual financial expenses

Tax Rate

Utilization of non-accrued tax assets following improved financial performance in selected markets

Tax benefit related to Patent Box in Italy for Amplifon trademark until 2019

Positive impact from tax reforms in the US, France and Belgium

Expected **tax rate < 30%** in 2019-2020

Note: All data with application of IFRS15

Strong cash flow generation sustains clear deleverage path also after Capex & piecemeal M&A

Operating Cash Flow

High Cash Flow Conversion[1]

- >80% in 2018

Improvement of NWC via ad-hoc initiatives

~€480 million
Cumulated 2019 & 2020

Capex

Network expansion and upgrade (including GAES rebranding and refurbishments)

Investments for customer experience innovation and customer data infrastructure

Backbone transformation

~€170 million
Cumulated 2019 & 2020

Cash-Out for M&A

Continued sustained pace of piecemeal acquisitions in selected core countries

- France
- Germany
- Canada

>300 corporate stores in 2019-20

~€160 million
Cumulated 2019 & 2020

Deleverage from 3.1x[2] Net Debt/EBITDA ratio at year-end 2018 to ~2.2x[2] at year-end 2020

1. Calculated as Operating Cash Flow/EBITDA as reported at IFRS 2018 (with application of IFRS15)
2. Ratio Net Debt/EBITDA calculated as per definition of covenant in the GAES financing facility contract and applying frozen GAAP (as per contract). Ratio at 2020 excludes IFRS 16

Changes in IFRS – IFRS 16 in a snapshot

IFRS 16[1] - Main Changes

IFRS 16 establishes that operating leases >12 months (if fall under IFRS 16 definition) should be recognized on Balance Sheet

Main changes:

- Recognition on Balance Sheet of Assets (Right of Use) and Liabilities arising from a lease
- Replacement in the P&L of rents with Depreciation (Right of Use) and Interest (Lease Liability)

Impact on Key Metrics

For Amplifon the change will imply

- Estimated increase in EBITDA as the portion of the lease expense that falls under IFRS 16 is eliminated from EBITDA: ~€100m[2]
- Increase in EBIT as the depreciation added is lower than the lease expense eliminated from operating income
- In a growing contest, Profit before Tax will be slightly lower due to the interest higher in early years than in later years as the interest expense decreases in the Balance Sheet
- Estimated increase in financial liabilities: ~€460-500m[3]

No change at all in total cash flow

1 Effective from January 1st 2019

2. Indicative estimate at 2020. This estimate will be a function of different factors, including, *inter alia:* acquisitions, new openings, length of contracts, rents adjustment for inflation indices and potential early contract terminations

3. Indicative estimate at 2020 is also based on the opening Balance Sheet figure as at 1/1/2019 of ~€430 million. The estimate at 2020 will be a function of different factors, including all factors indicated in Note 2 and interest rates impacting the NPV of future payments

A long way to grow

Unique growth opportunities ahead, further accelerated by 2018 key milestones

- Successful track record of strong profitable growth
- GAES unique opportunity to boost growth and profitability
- Continuous focus on innovation in the customer experience
- Ambitious financial targets
- Talented, motivated, ambitious team

Investor Relations Contacts

FRANCESCA RAMBAUDI
Director
Tel: +39 02 5747 2261
francesca.rambaudi@amplifon.com

AMANDA HART GIRALDI
Specialist
Tel: +39 02 5747 2317
amanda.giraldi@amplifon.com

PAOLA BEZZI
Junior specialist
Tel: +39 02 5747 2310
paola.bezzi@amplifon.com

OLGA LEPECHKINA
Assistant
Tel: +39 02 5747 2542
olga.lepechkina@amplifon.com