

SEPTEMBER 4, 2017

WIDEX CONTINUES TO DELIVER SOLID GROWTH AND EARNINGS

COPENHAGEN, Denmark – Widex A/S, one of the world's leading hearing aid manufacturers, today announced its results for the financial year 2016/17. The privately-owned company delivered Net Turnover of DKK 4,346 million, an increase of 12.7% compared to the previous year. EBITA rose DKK 108 million to DKK 790 million, corresponding to 18.2% of net turnover.

Highlights

- Record net turnover of DKK 4,346 million – up 12.7% compared to the previous year
- Normalised EBITA of DKK 790 million or 18.2% of net turnover – up 15.7% compared to the previous year
- Results after tax of DKK 372 million – up 31.1% compared to previous year
- Successful launch of BEYOND™ hearing aids in all major markets
- Continued organic growth above market rates

“This is the second year in a row that we have seen double digit growth rates and a record-high turnover,” said Widex CEO Jørgen Jensen. “The effect of our IMPACT strategy plan is clear. Through a combination of increasing customer focus, streamlining of production and ensuring a continuous flow of high quality products for our customers, we have managed to increase growth and deliver higher profitability. We have proven the stability of our business model and are now ready for further growth.”

The launch and global roll-out of the made-for-iPhone BEYOND hearing aid that began in December 2016 has helped drive results with record sales in many markets. The hearing aid, which can be personalised using an iPhone or Android app, was also the first to introduce remote firmware updating. Also notable was the introduction of an app to help tinnitus sufferers manage their condition.

“Innovation is a key part of our agenda and the number of new products we will bring to the market will continue to increase,” said Jørgen Jensen. “As a privately-owned company, we can invest a higher proportion of our profits in new product development - in 2016/17 that amounted to almost 10% of net turnover. We have also strengthened our Research and Development department to maintain our position as a pioneer within the hearing aid industry.”

Widex's strong product portfolio and a stronger marketing approach – exemplified by its BEYOND launch - has helped it maintain its average sales price in a market with changing purchasing patterns that are moving volumes towards larger buying groups and retail chains.

“The IMPACT strategy plan has brought us a long way in three years and will continue to run until the end of the financial year,” added Jørgen Jensen. “We will continue to grow and strengthen the company on the success of the last three years, while in parallel setting the direction for the next five years.”



Key Financial highlights

Million DKK	2016/17	2015/16
Net turnover	4,346	3,855
Gross results	3,015	2,623
Normalised EBITA	790	682
EBITA margin	18.2	17.7
Net results	372	283

Equity	1,936	1,521
Return on equity	21.0	19.3
Solvency ratio	43.6	43.0
Net Working Capital	693	623
Cash flow from operating activities	522	686
Cash flow from investment activities	-832	-613