

Sonova announces agreement to acquire AudioNova

Stäfa (Switzerland), May 4, 2016 – Sonova Holding AG, the world's leading provider of hearing solutions, and AudioNova International B.V. (AudioNova), one of Europe's largest hearing aid retailers, today announced their intention to join forces. Sonova has reached an agreement to acquire AudioNova from HAL Investments B.V. (HAL). AudioNova operates over 1,300 stores in 8 countries. The purchase consideration will be paid in cash and values AudioNova at EUR 830 million. The closing of the transaction is subject to regulatory approval and expected in the second half of 2016.

Highlights of the transaction:

The transaction is an excellent fit with Sonova's strategy towards professional service and retail, which is a cornerstone of the overall Group strategy.

Adding the strong AudioNova retail platform to the Sonova Group will create one of the broadest hearing aid retail service networks in Europe with over 2,580 stores in 12 countries and over 3,300 stores worldwide.

In 2016, the acquired group is expected to generate sales of approximately EUR 360 million and an EBITDA margin of around 16%.

This transaction will be financed with cash and debt resulting in a pro forma Net debt/EBITA ratio of around 1.2x.

The combination is expected to generate sustainable and substantial synergies after some initial integration costs.

Sonova expects the transaction to make a positive contribution to the earnings per share from financial year 2017/18 onwards.

Lukas Braunschweiler, CEO of Sonova, says: "The acquisition of AudioNova is a significant step in further advancing our strategy of offering a full range of hearing solutions along with the professional audiological services which are instrumental to achieve the optimal result for our customers. I am convinced that the combination of our well established and complementary retail networks represents a strong base for future growth."

With the acquisition announced today, Sonova takes the unique opportunity to significantly expand its business in the European hearing aid retail market. The combination of AudioNova and Sonova will create one of the broadest hearing aid retail service networks in Europe with attractive market positions and critical mass. Both companies have a complementary footprint which creates an optimal basis to further leverage the strengths of the combined business. Furthermore, the high quality retail platform of AudioNova is an excellent fit with Sonova's professional service and retail go-to-market strategy.

Frank van der Vis, CEO of AudioNova, says: "Becoming part of a financially strong and very well established player in the hearing aid market will help us to achieve our goals. It provides us with both the knowledge of and access to state-of-the-art technologies and the financial strength to realize our potential. This move makes sense for our customers, our people and our partners – I'm therefore looking very much forward to complete this transaction."

Sonova expects multi-fold synergies on top and bottom line from leveraging best practices, best brands, and product sourcing. By adding AudioNova's over 1,300 stores in 8 countries to the Group's retail business, Sonova is moreover able to gain closer proximity to its end customers and at the same time optimize its products to customers' needs.

This transaction values AudioNova at EUR 830 million on a cash and debt free basis, or CHF 913 million. The transaction is expected to result in a double digit EPS accretion once synergies are fully realized. Debt financing is secured by UBS and will lead to a pro forma Net debt/EBITA ratio of around 1.2x. Sonova expects the transaction to close in the second half of 2016 after obtaining the relevant regulatory approvals.

With the announcement today, Sonova suspends the share buyback program announced on November 17, 2014, until further notice.

Sonova was advised by Credit Suisse (M&A advisor), Fieldfisher and Stibbe (legal advisor), Homburger (tax and legal advisor) as well as Ernst & Young (financial and tax advisor).

About AudioNova

AudioNova, headquartered in Rotterdam, the Netherlands, is one of Europe's leading hearing aid retailers and service providers. With its highly qualified staff, including 1600 acousticians, the company assists its clients with the selection of the best hearing solution for their needs, ensuring actual use through continuous support, thus improving quality of life through better hearing. With its history dating back to 1926, when Mr. Schoonenberg established his first optic, photographic and hearing aid store in the Netherlands, AudioNova today is the number 2 specialized hearing aid retailer in Europe. The company has grown strongly in recent years, expanding its store base by some 30 percent over the past 5 years. It now has a network of more than 1,300 stores in 8 countries: Germany, The Netherlands, Italy, Belgium, Poland, Denmark, France and Portugal and runs a portfolio of established local and international brands: Geers, Schoonenberg, Minisom and AudioNova. It holds top positions in all of its key markets. In 2015 AudioNova generated net sales of ca. EUR 360 million

About HAL

HAL Investments B.V. is the European investment subsidiary of HAL Holding N.V., an international investment company based in Curaçao. All shares of HAL Holding are held by HAL Trust, which is listed on Euronext Amsterdam (Ticker symbol: HAL NA). The history of HAL dates back to April 18, 1873, when the Nederlandsch-Amerikaansche Stoomvaart-Maatschappij (N.A.S.M.) was founded in Rotterdam, the Netherlands. The company continued its activities under various names and is now operating as HAL Holding N.V. HAL's strategy is focused on acquiring significant shareholdings in companies with the objective of increasing long-term shareholder value.

Conference calls

Sonova will host a conference call for media and investors, today, May 4, 2016, at 08.30 AM CET to discuss today's announcement.

The conference call can be accessed at: A replay will be available for 48 hours at:

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+41 (0)91 612 4330 (Europe)

+44 (0)203 059 58 62 (UK)

+44 (0)207 108 6233 (UK)

+1 (1)631 570 56 13 (USA)

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Access code: 13377#

Supplemental slides will be accessible from the Investor Relations page of the company's website at:

<http://www.sonova.com/en/investors/presentations>

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