

ASX / MEDIA RELEASE

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26 March 2020

Cochlear Limited announces successful completion of A\$880 million Institutional Placement

Cochlear Limited (ASX:COH) (“**Cochlear**” or the “**Company**”) has successfully completed a A\$880 million fully underwritten Institutional Placement (“**Placement**”) of approximately 6.3 million new fully paid ordinary shares (“**New Shares**”) to institutional investors at a price of A\$140.00 per New Share (“**Placement Price**”). The Placement attracted such strong demand that it was able to be fully allocated to existing institutional shareholders.

Due to significant demand received from domestic and global investors, the size of the Placement was increased to A\$880 million (from the expected A\$800 million announced to the market at launch, on 25 March 2020).

The proceeds of the Placement will be used to:

- enhance balance sheet and financial flexibility;
- support the business during the current macro-economic uncertainty; and
- materially increase liquidity and reduce future net debt.

Cochlear Chairman Rick Holliday-Smith said, “*We are grateful and delighted with the strong support for the Placement shown by our shareholders, with many having been shareholders for many years. We now have a fortified balance sheet and are well positioned to emerge from this global health pandemic in a strong competitive position.*”

Settlement of the Placement is expected to occur on Monday 30 March 2020. New Shares are expected to be issued on 31 March 2020 and commence trading on the ASX on a normal settlement basis on the same day.

Cochlear shares are expected to resume normal trading on the ASX from market open today, 26 March 2020.

Share Purchase Plan

Cochlear will also offer eligible shareholders, being shareholders with a registered address in Australia or New Zealand on Cochlear’s register as at 7:00pm (Sydney time) on Tuesday, 24

March 2020, the opportunity to apply for up to A\$30,000 of New Shares without incurring brokerage or transaction costs in accordance with a Share Purchase Plan (“SPP”). The SPP will be priced at the lesser of the Placement Price and a 2% discount to the 5-day VWAP of Cochlear shares up to, and including, the closing date of the SPP (currently scheduled for Thursday, 23 April 2020).

New Shares issued under the SPP will rank equally with existing Cochlear shares from the date of issue. Cochlear may decide to accept applications (in whole or in part) that result in the SPP raising more or less than A\$50 million in its absolute discretion. Full details of the SPP will be set out in the SPP offer booklet, which is expected to be released to ASX and dispatched to eligible shareholders on Wednesday, 1 April 2020.

Key dates

Event	Date ¹
Record date for SPP	7:00pm (Sydney time), 24 March 2020
SPP offer opens and SPP offer booklet is dispatched	1 April 2020
SPP offer closes	5:00pm (Sydney time), 23 April 2020
SPP allotment date	30 April 2020
Normal trading of New Shares issued under the SPP	1 May 2020
Dispatch of holding statements	5 May 2020

Additional information

Further details about the Placement and the SPP are set out in the Investor Presentation released to the ASX on 25 March 2020.

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This announcement is authorised by the Board of Directors.

¹ The above timetable is indicative only and subject to change. The commencement and quotation of New Shares is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Cochlear, reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice.

Important Notice

FORWARD-LOOKING STATEMENTS

This announcement contains certain “forward-looking statements”. The words “expect”, “anticipate”, “estimate”, “intend”, “believe”, “guidance”, “should”, “could”, “may”, “will”, “predict”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Cochlear, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Cochlear’s business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Cochlear, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Cochlear as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Cochlear, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

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