

ASX Announcement

15 December 2020

Denial of Appeal in US patent infringement case

Cochlear Limited today announced that the United States Supreme Court has denied Cochlear’s petition for review of the US Federal Circuit’s decision upholding a Judgment of USD 280 million in patent infringement damages against Cochlear in the lawsuit by the Alfred E. Mann Foundation for Scientific Research (“AMF”) and Advanced Bionics LLC (“AB”).

This was the final appeal that could be taken by Cochlear against the Judgment. Cochlear paid the full amount of the USD 280 million Judgment to AMF and AB in FY20. As the patent at issue in the litigation has expired, no further infringement damages can accrue, and this judgment will not disrupt Cochlear’s business or customers in the United States.

On 17 August 2020, Cochlear reached an agreement with AMF and AB regarding the settlement of the two remaining issues in this case – AMF’s and AB’s request for prejudgment interest and attorney’s fees - for USD 75 million. The settlement of those claims was contingent upon the outcome of Cochlear’s Supreme Court appeal. Since Cochlear’s Supreme Court appeal is now finished, the agreed settlement amount that was placed into escrow will be paid to AMF and AB and the settlement will be final.

The payment of this settlement liability was provided for in Cochlear’s FY20 financial statements.

For further information, please contact:

Analysts

Kristina Devon
Head of Investor Relations
Email: kdevon@cochlear.com
Ph: + 61 2 9611 6691

Media

Jennifer Stevenson
Head of Corporate Communications
Email: jstevenson@cochlear.com
Ph: +61 2 9611 6959

This announcement is authorised by the Disclosure Committee.