

**ASX / MEDIA RELEASE**  
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**COCHLEAR TO EXPAND GLOBAL CAPACITY  
WITH CHINA MANUFACTURING FACILITY**

- Estimated AUD\$50 million investment in state-of-the-art facility in China for the manufacturing of cochlear implants and sound processors for China and emerging markets
- Strengthens presence in a fast growing market for Cochlear and boosts future global manufacturing capacity

**SYDNEY** – Cochlear Limited (ASX: COH), the worldwide leader in implantable hearing solutions, today announced plans to expand its global manufacturing capacity with a new facility in China for the manufacture of cochlear implants and sound processors for an estimated AUD\$50 million.

Products to be manufactured at the facility in Chengdu, Sichuan province, are intended for China and emerging markets, with production expected to commence within four years, subject to the timing of regulatory and other approvals.

The investment is part of a broader plan to increase production capacity across Cochlear's product portfolio. In 2010, Cochlear opened its state-of-the-art global headquarters and manufacturing facility on the Macquarie University campus in Sydney, Australia. Earlier this year, Cochlear acquired its Lane Cove, Australia, manufacturing facility, which it had leased for over 30 years. Cochlear is also currently upgrading and adding capacity to its Brisbane, Australia, manufacturing facility.

Cochlear's Chief Executive Officer and President, Chris Smith, said, "Today's announcement recognises the growing importance of building global capacity for our global growth.

"Cochlear has been building its presence in China for more than 20 years and this investment recognises the importance of our business in China and will support the future growth of our emerging markets business. Today, China has a highly skilled and growing audiology profession, and increasing levels of research into the treatment of hearing loss. Together with high levels of government support for cochlear implantation in children, China has become a Top 5 market for Cochlear and one of our fastest growing markets, with significant potential for ongoing growth.

"We believe that this investment should allow us to further extend our market position and deepen our commitment to China. The new facility will have the capacity to increase our global cochlear implant production by around 50 percent."

In addition, the Sichuan Innovation and Entrepreneurship Promotion Association (SIEPA) is proposing to develop a Chengdu Hearing Hub, next to Cochlear's planned manufacturing facility. Similar to the Australian Hearing Hub in Sydney, the concept for the Chengdu Hearing Hub is to co-locate a range of hearing health related organisations to facilitate collaboration and to assist in improving local hearing healthcare access and delivery. In collaboration with SIEPA, Cochlear will support awareness of the Chengdu Hearing Hub and its services, including solutions for hearing loss.

Cochlear has today entered into an Investment Cooperation Agreement with the Management Committee of the Chengdu Tianfu New Area, exercising the authority of the People's Government of Chengdu City. This agreement facilitates the acquisition of rights to the land in Chengdu for the construction of the manufacturing facility. Finalisation of the process for this acquisition is anticipated within six months.

## **Ends**

### **About Cochlear**

Cochlear is the global leader in implantable hearing solutions. The company has a global workforce of over 3,000 people and invests more than AUD\$120 million a year in research and development. Products include hearing systems for cochlear, bone conduction and acoustic implants.

Over 450,000 people of all ages, across more than 100 countries, now hear because of Cochlear.

For further information, please contact:

### **Analysts**

Kristina Devon  
Head of Investor Relations  
Email: [kdevon@cochlear.com](mailto:kdevon@cochlear.com)  
Ph: + 61 2 9611 6691

### **Media**

Piers Shervington  
Senior Manager Corporate Affairs  
Email: [pshervington@cochlear.com](mailto:pshervington@cochlear.com)  
Ph: +61 2 9425 5416