

Sorin Group

May 2007

Sorin FY 2006 results by Business Area

	FY 06 (€ Mn)	FY 06 vs FY 05 as reported	FY 06 vs FY 05 on comparable FX
NET REVENUES	791.7	+5.1%	+5.5%
Cardiac Surgery	434.9	+3.4%	+3.8%
Cardiac Rhythm Management	217.7	+16.3%	+16.7%
Vascular Therapy	32.7	-14.4%	-13.9%
Renal Care	104.6	-3.4%	-3.4%
EBITDA	85.8	+15.3%	+17.4%
<i>EBITDA margin</i>	<i>10.9%</i>		
EBIT	30.6	+73.0%	+79.4%
NET INCOME	3.4	n.s.*	n.s.

* Net Loss of €15.2 mn in 2005

FY 2006 Key Accomplishments

- First time revenues exceeding 1 billion USD
- First time positive net income
- CRM fast-growing, profitable and cash positive
- Outstanding commercial success of Ovatio family (CRT-Ds, ICDs)
- Record-breaking commercial launch of S5 HLM
- Successful roll-out of PrimOx launch
- Saluggia site FDA-approved
- First Sutureless HV implant
- Tracking on the “One Sorin Group” cultural change

FY 2006 Take-Aways

REVENUES up 5.5% *

Thanks to solid growth in Cardiopulmonary, Cardiac Rhythm Management and Tissue Heart Valves

EBITDA up 17.4% *

Thanks to higher gross margin and reduction in SG&A as % of revenue

Lower NET DEBT

Despite significant cash-out for restructuring

NET PROFIT

* On a comparable FX basis

Cardiac Rhythm Management

“SORIN Group is the fastest-growing
CRM company in the market”

CRM: Vision and Strategy

Vision

Become the leader in Hemodynamic Management of Heart Failure with an emphasis on Europe, US and Japan

Key Strategic Pillars

1. Tachy and CRT growth
2. US expansion
3. Profitability and Cash Flow

CRM: Strengths and Achievements in 2006

1. Solid sales growth: +16.7%*
2. Improved Profitability and Cash Flow
3. A stronger team (Sales, R&D, Operations,...)
4. Disciplined investment in R&D and Clinical Research to support long-term growth

* On a comparable FX basis

CRM: Priorities for Top Line Growth in 2007

Team Aspirations:

“Become the N°3 player in Brady in Europe in 2007”

“Achieve Tachy share = Brady share by 2010”

1. Overall sales growth 10-15%
 - Brady growth: >4%
 - Tachy growth: >25%
2. New product launches
 - **Reply™** (at premium price)
 - Brady Leads
 - **Ovatio™** in Japan
3. US expansion
 - CRT approval
 - Sales force deployment
4. Global talent acquisition and development

CRM: Priorities for Margin Improvement in 2007

Team Aspirations:
"Increase Gross Margin by 100 bp"

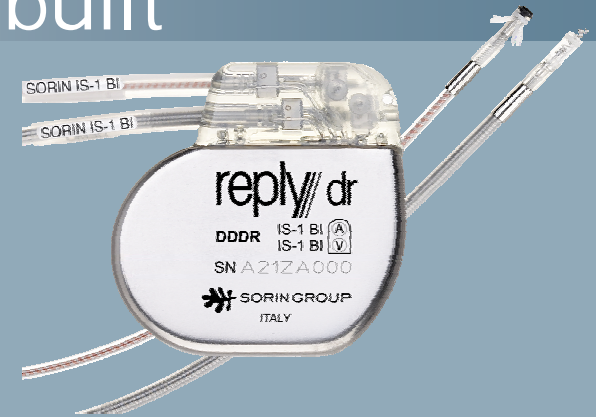
1. Launch of new products with lower manufacturing costs
2. Premium price on new products
3. Better market segmentation thanks to the overlap of new advanced products (ReplyTM and ParadymTM) and existing state-of-the-art product line (SymphonyTM and OvatioTM)
4. Manufacturing efficiencies achieved with the implementation of the new manufacturing network

CRM: Key Programs and Product launches

- 1 Reply TM
- 2 Paradym TM
- 3 Remote monitoring
- 4 Leads
- 5 U.S. expansion

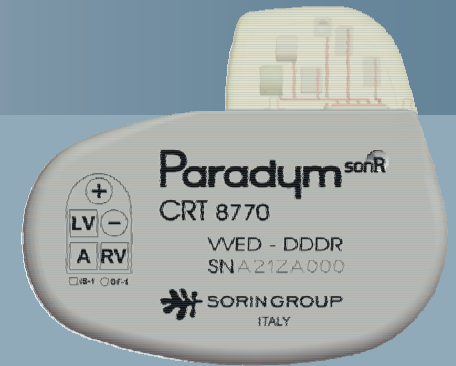
CRM: Reply™, the smallest pacemaker ever built

- Small size (8 cc) for better patient comfort and fewer infection risks
- No compromise on longevity: 9 years = Best-in-class
- SafeR™ mode to avoid potentially harmful pacing and promote the patient's natural conduction
- Intuitive, automatic patient follow-up
- Just launched in Europe



CRM: Paradym™

▶ Paradym^{sonR}



sonR

- Hemodynamic-sensor-based CRT Auto-Optimization

PhD^{inside}
PREDICT HF DEVELOPMENT

- Acute Decompensation Prediction and Warning

BTO^{inside}
BRADY TACHY OVERLAP

- Brady-Tachy Overlap

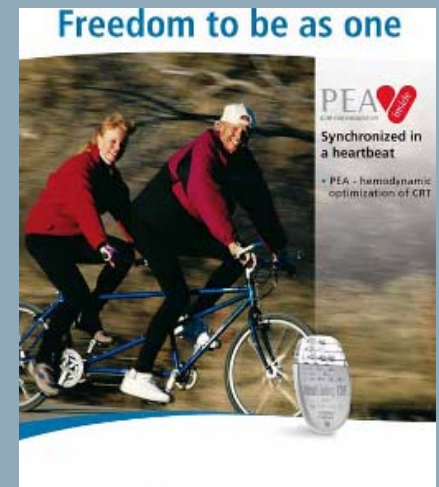
- High Output (42J)

- LV Bipolar Pacing/Sensing Capabilities

CRM: A Natural Response for an Automatic Resynchronization of the Ventricles

For the Hemodynamic Management of HF patients

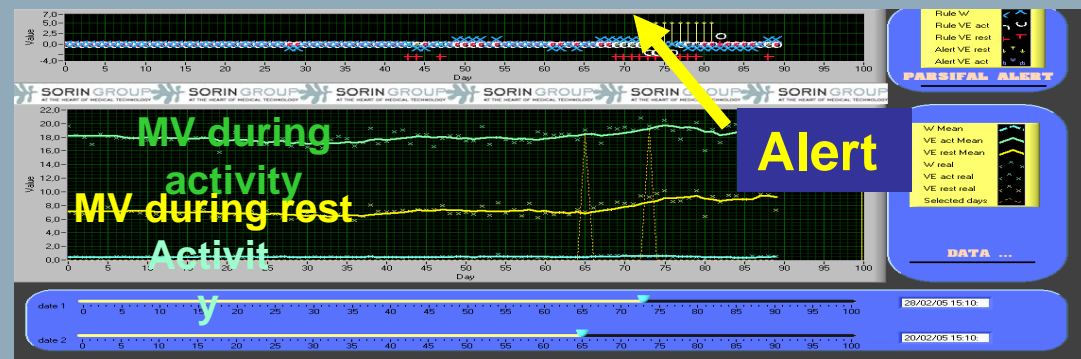
- The sensor is placed at the lead tip;
 - The device automatically determines optimal AV/VV delay and adjusts programming;
 - Eliminates hospital visits for CRT optimization.
-
- 150 pts included in CLEAR clinical trial to date;
 - End of Enrollment expected in Q3 2007.



CRM: Predict Heart Failure Development

To predict and prevent acute decompensation and hospitalization: 13 days pre-warning

- Alert algorithm based on Accelerometer and Minute Ventilation;
- Retrospective Analysis of 40 pts;
- Very promising Specificity.



CRM: Leads - X fine, the safe & efficient easy choice

- Small size (4,8 F) to increase ease of use and patient comfort
- Based on 20 years experience in Leads design: no compromise between Size and Safety
- Full range of leads including the Premium line
- Allows share capture to re-gain 100% penetration of SG leads on SG devices by 2010

CRM: Remote Monitoring, from devices to “patients’ management”

Our vision:

- Leverage Sorin Group’s expertise in device management and encompass lessons learned from other industry players
- Provide caregivers a solution for a patient’s disease management in an efficient manner
- Offer complete remote monitoring functionality allowing routine remote follow-up as well as data check on patient’s well being
 - ✓ **Close monitoring of patients health status**
 - ✓ **Extend the Sorin Group’s exclusive and proprietary sensor capabilities into the patient’s home**

CRM: U.S. Expansion

- Leveraging the existing Sorin Group U.S. infrastructure
- Stronger Management Team with solid CRM experience
- Enlarged sales organization focused on large metropolitan areas
- Research partnership with leading teaching institutions
- Faster time to market thanks to a new FDA-driven Product Development Process

CRM: Key priorities in 2007

- **Sales growth** fueled by:
 - Aggressive Tachy and CRT market share gains
 - US Expansion with Sales Force deployment and CRT-D approval
- **Profitability and Cash Flow**
- **Innovation:**
 - Reply™
 - Paradym™
 - Remote Monitoring
 - Leads
 - Hemodynamic management of HF patients

Cardiac Surgery

“Heart Valves”

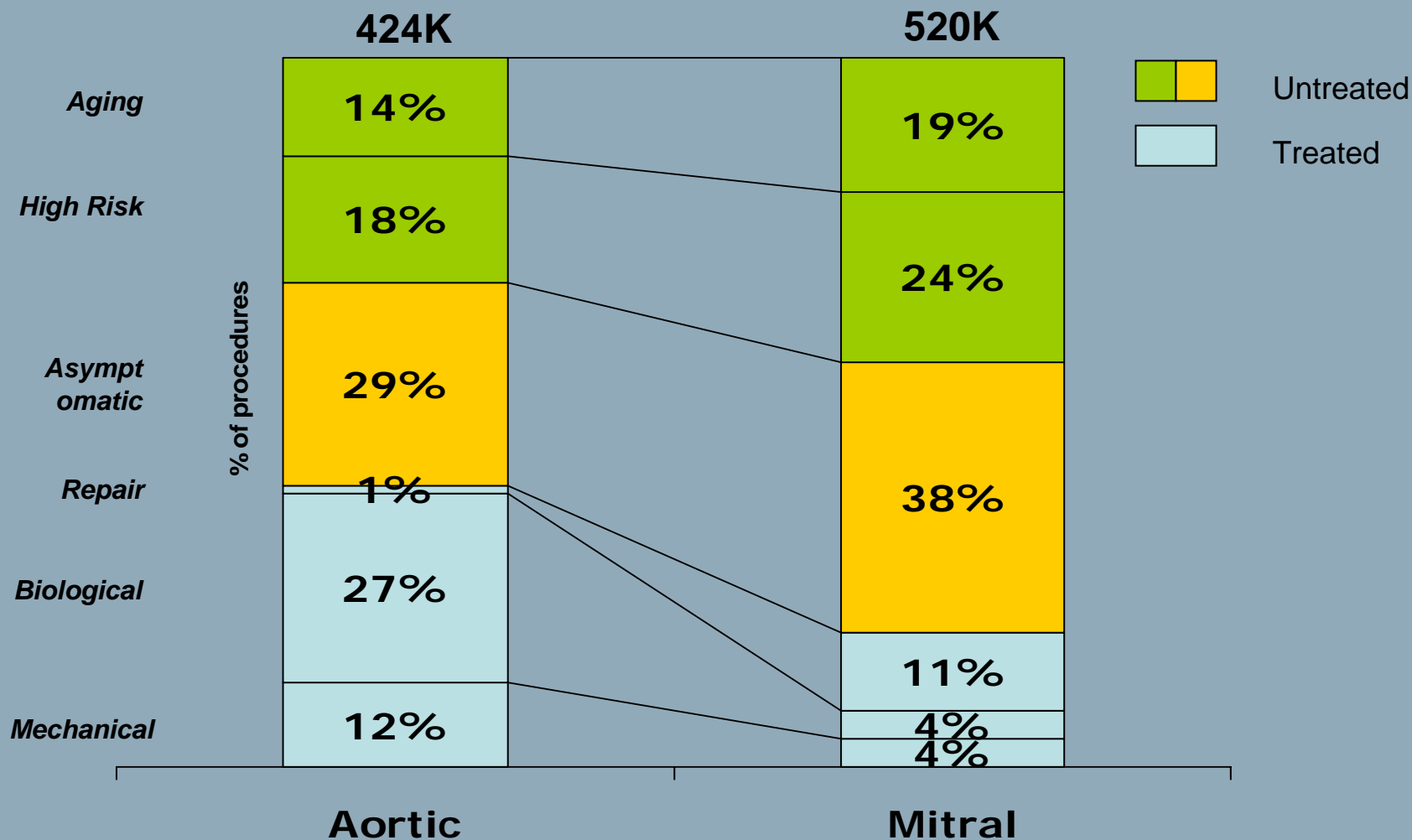
“Perfusion and Blood Management”

Heart Valves: Market Opportunity

Very attractive Heart Valve market with stream of real opportunities

- Positive impact of demographic trends combined with growth from higher penetration of surgical treatment
- Very large, growing and profitable markets under- penetrated for Sorin: Biological Valves in US, Repair segment
- Future market shaping developments through disruptive technologies

Heart Valves: 2006 Market – Valve Disease is Underserved



Heart Valves: Strong Platform

Significant achievements in Heart Valves

- Leader in Europe and second Worldwide in Mechanical Valves
- First Worldwide in terms of share of total heart valve replacements
- Distinctive technologies, history of innovation
- Leading edge integrated manufacturing sites

Heart Valves: Strategies in place to capture significant upside

Vision

Shift Heart Valves paradigm from a “European Mechanical Valve” player to a “Global Heart Valve Therapy” player

Key Strategic Pillars

1. Consolidate / extend our strong mechanical position
2. Aggressively pursue large US opportunity in Biological Valves and Repair through Mitroflow and Memo 3D launches
3. Leverage Memo 3D launch and execute new business model in repair to gain significant share on global level
4. Build and manage a portfolio of options in disruptive technologies to ensure a platform for long-term growth

Perfusion and Blood Management: Market Opportunity

Solid and stable Perfusion and Blood Management market still offers growth

- Positive impact of demographic trends
- Opportunity to innovate to improve performance of ECC
- Specific opportunities for Sorin in product/geography/segment niches where share is below “natural” level

Perfusion and Blood Management: Strong Platform

Undisputed market leadership in Cardiac Surgery Perfusion and Blood Management

- First in Cardiac Surgery, leader in all segments (Cardiopulmonary Disposables, HLM and ATS)
- Unparalleled product offering in terms of specific customer need coverage and rate of innovation
- Strong equity in customer relationships and reputation
- Economies of scale and scope translating into superior cost position

Perfusion and Blood Management: Strategies in place to capture significant upside

Vision

Deliver bottom line growth in Perfusion and Blood Management

Key
Strategic
Pillars

1. Continue successful trend of innovation to consolidate and grow profitable competitive position (\$5, new Neonatal Oxy line, new generation ATS...)
2. Drive positive market development through technology based improvements in patient outcomes
3. Consolidate scale advantages and further improve cost leadership

CS: Key Programs and Product Launches

- 1 Mitroflow tissue valve in U.S.
- 2 Percutaneous valve program
- 3 S5 full US roll-out
- 4 Patient-oriented ECC

Mitroflow launch in US in 2007



Key Features

- Ease of use
- Implant versatility
- Superior haemodynamics
- Long and proven clinical history
- Ideal choice for difficult cases (small annuli; narrowed aortic roots)

Haemodynamics, durability, ease of implant in one valve

Filing with FDA completed on December 2006

US launch expected within 2007

New HLM S5

- 5th generation of heart-lung machine
- The latest innovation based on 30 years of experience
- The highest modularity and flexibility: configuration from “basic” to “delux”, ergonomic designs, TFT display
- Successfully launched worldwide
- US roll-out to be fully completed in 2007

The logo consists of a large, stylized blue 'S' followed by a blue '5'. The 'S' is a thick, rounded shape, and the '5' is a simple, blocky numeral.

Innovation

Percutaneous valve program – First human implant successfully completed

In January 2007 Prof. Haverick and his team at Medizinische Hochschule in Hannover, Germany, successfully implanted, sutureless, on a 78-year old patient, Sorin's uniquely-designed heart valve suitable for percutaneous procedures.



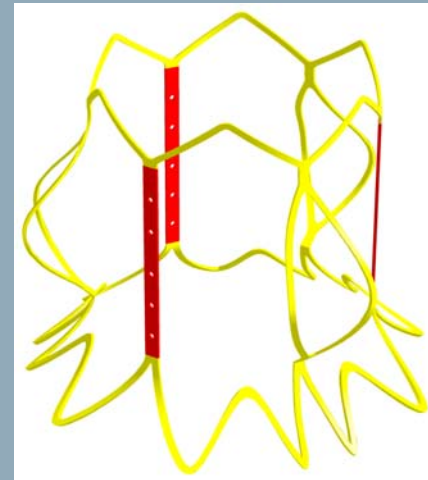
Valve characteristics

- Same valve for Surgical (MIS) and Percutaneous implant techniques
- Use of a proven and well known biological stentless valve (Sorin PericardialStentless, in clinical use since 1985 with 30K implants and zero structural failures)
- All non-biological surfaces coated with *Carbofilm*
- Securing structures made by super-elastic alloys for self securing
- Double tissue structure allows optimal sealing

Percutaneous valve program

Double structure armature

SECURING STRUCTURE INDEPENDENT FROM VALVE SUPPORTING SYSTEM



The valve consists of two functionally independent structures (patent pending):

- Expandable securing structure matching the anatomy of the aortic root and Valsalva sinuses
- Valve support (non expandable)

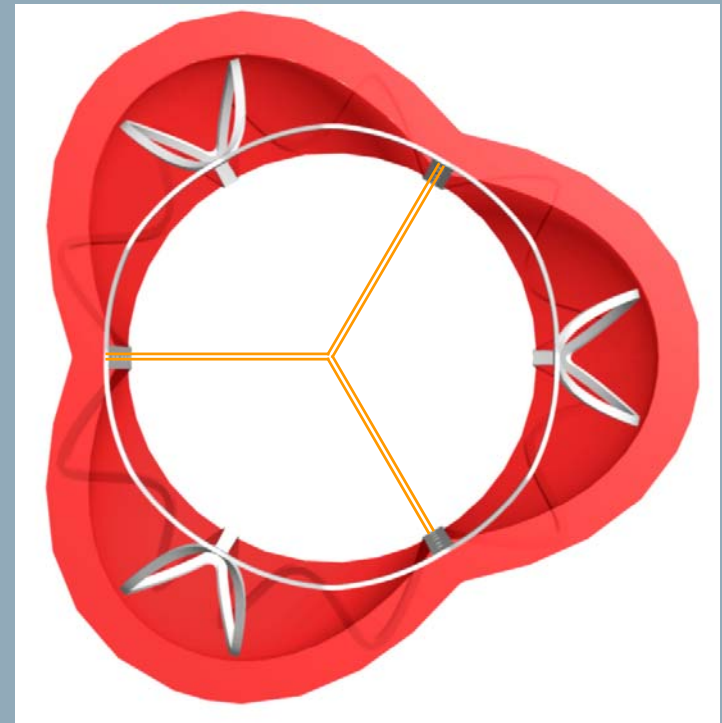
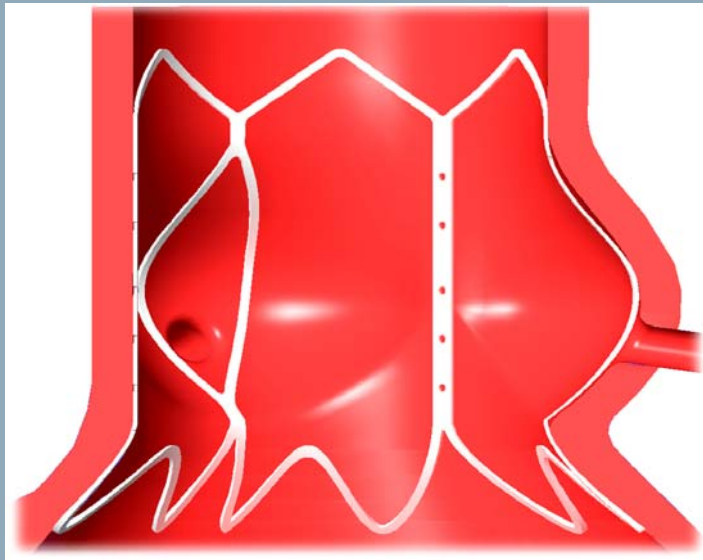
Strength of securing stent and flexibility of valve support can be controlled independently.

Percutaneous valve program

Double structure armature

OPTIMAL POSITIONING IN THE ANATOMICAL GEOMETRY

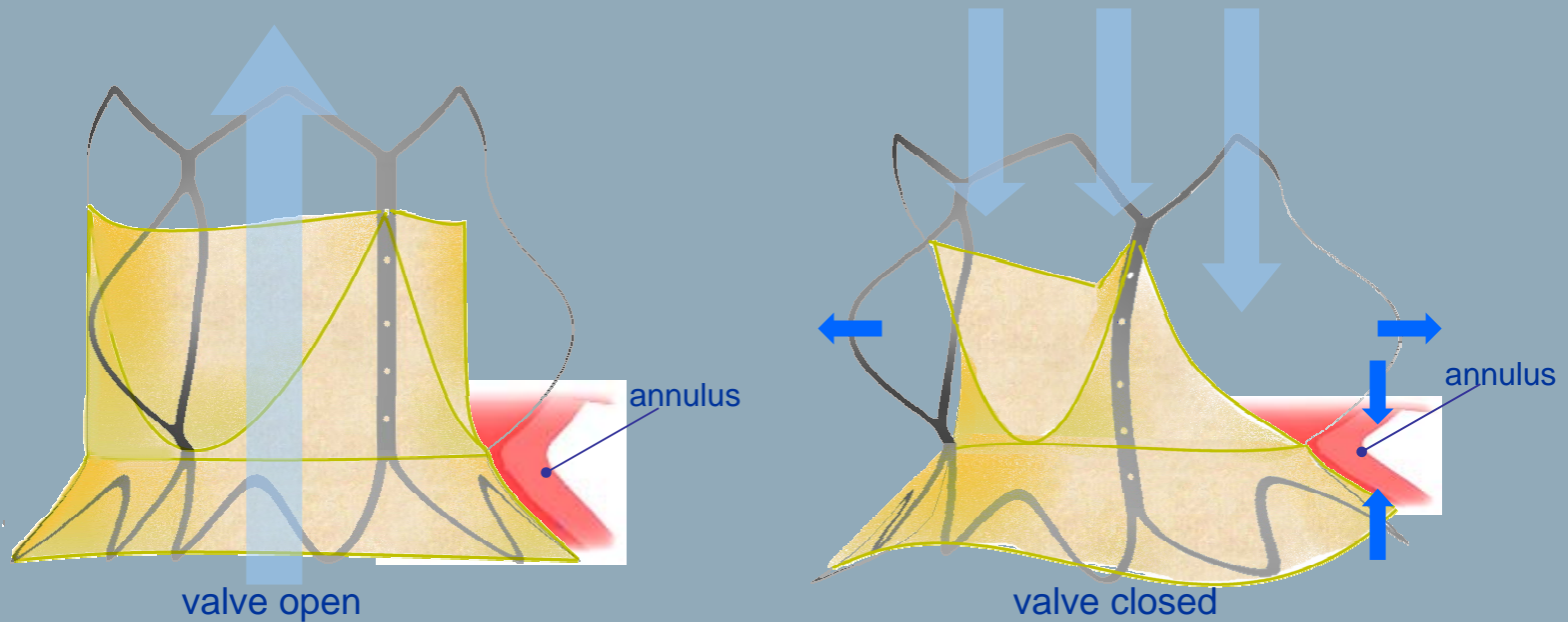
The shape of the stent matches the aortic root annulus and Valsalva sinuses:



Percutaneous valve program

Double structure armature

SELF SECURING WITHOUT STRESSING THE VALVE

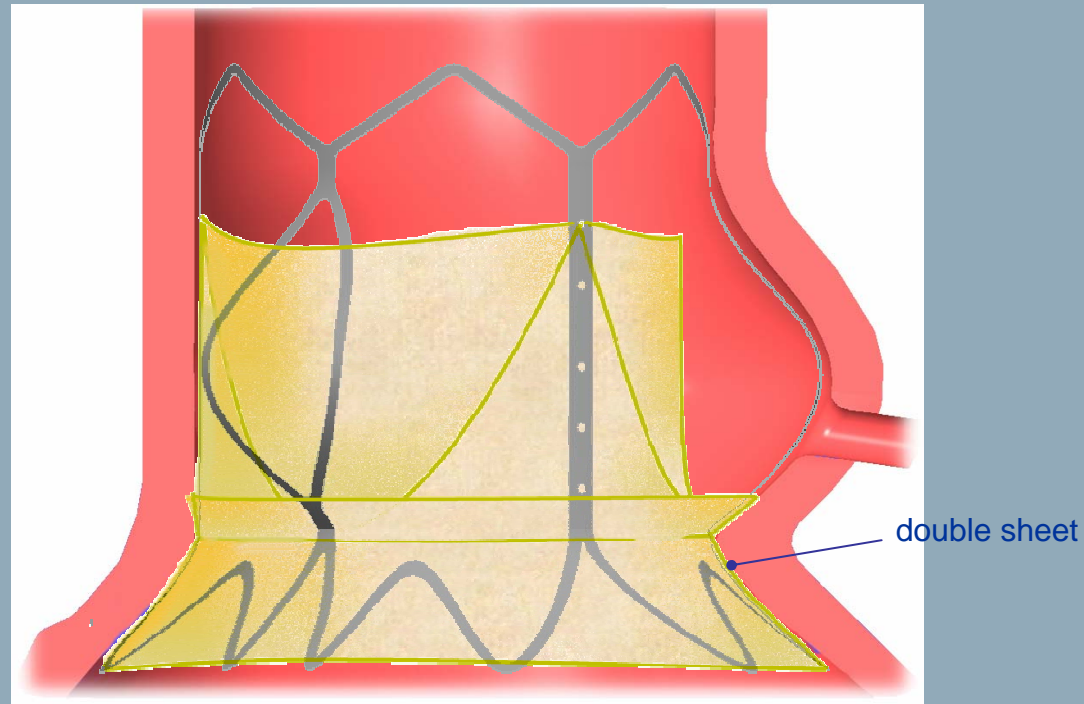


The valve reacts actively to the closing pressure by increasing the securing force and the sealing.

Percutaneous valve program

Double structure armature

SELF SEALING

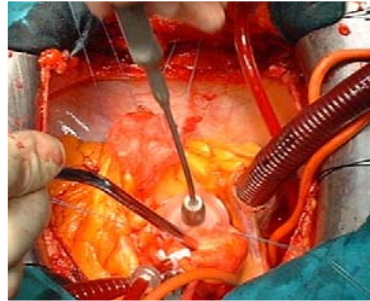


The double pericardium sheet gives a number of solutions for enhanced sealing to the native annulus

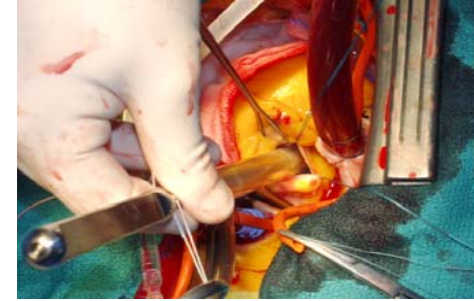
Percutaneous valve program strategy

**SURGICAL
SUTURELESS**

**OPEN
HEART**

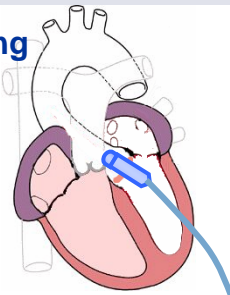


MIS

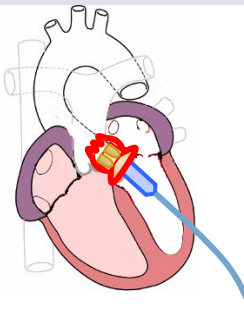


**BEATING
HEART**

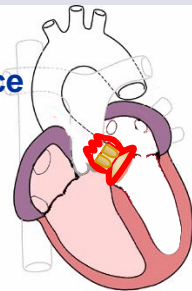
**Crossing
native
valve**



**Valve
deployment**

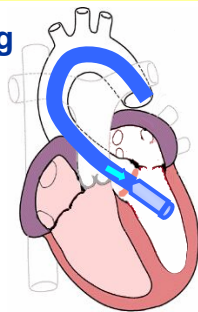


**Valve
in place**

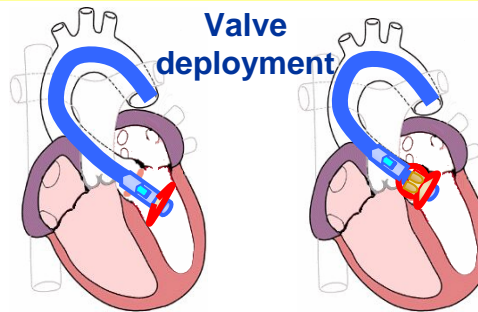


ENDOLUMINAL

**Crossing
native
valve**



**Valve
deployment**



**Valve
in place**



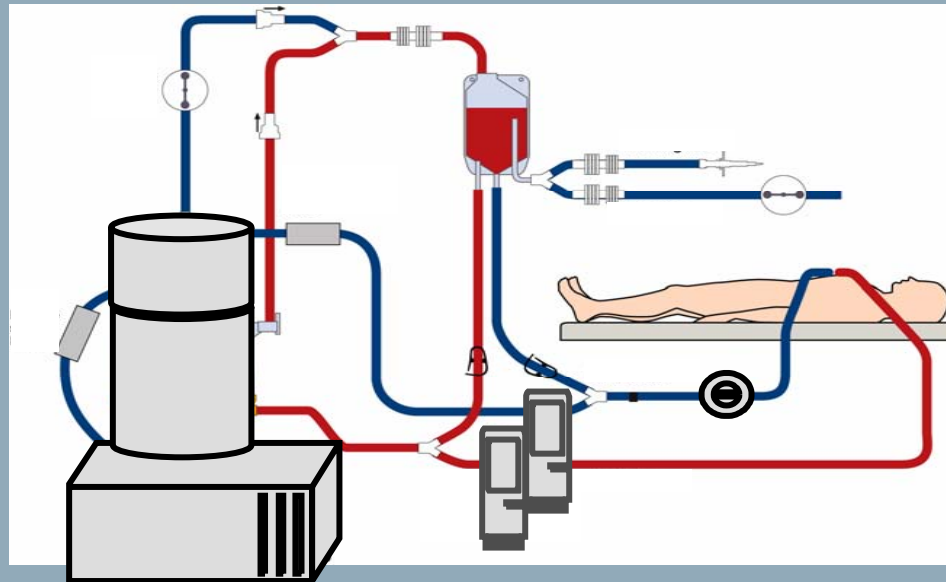
APOPS - move ahead the standard of care in perfusion

Objective

Move ahead the standard of care in perfusion by addressing all the limitations of the current ECC technologies.

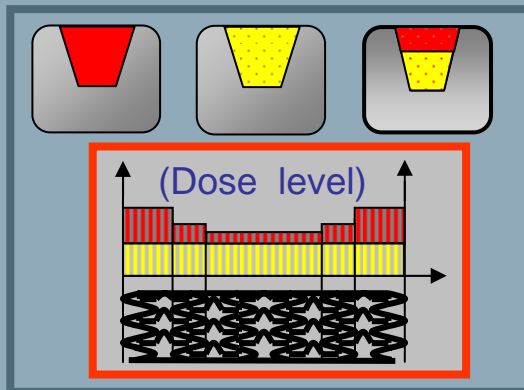
What is it

APOPS (Advanced Patient Oriented Perfusion System) is **Sorin's unique project to design a new automated and integrated ECC system** aimed at providing **superior clinical outcomes** and **improved patient safety**, through new and improved technologies individually marketable.

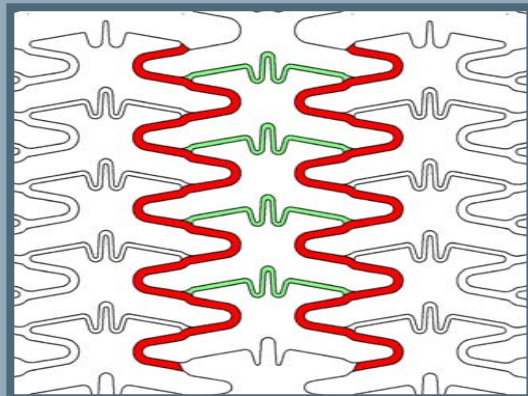


Drug Eluting Stents - next generations

Next generations of Drug Eluting Stents, leveraging Sorin Technology platform:



+



- Versatility of drug releasing machine
 - Possibility of multiple drug loading (anti-inflammatory + anti-proliferative effect)
 - Possibility of dose modulation
 - Thromboresistant Carbofilm coating
- Proven, superior Carbofilm-coated Co-Cr stent platform (same as **Chrono**, fast growing non-eluting stent by Sorin)
 - Reduced strut thickness → reduced crossing profile, less impact on vessel wall
 - Optimized design (link geometry) → superior conformability and flexibility

Financial Targets

FY 2007 Outlook

Expectations for the full year 2007 confirm growth in top line and profitability as well as a stable level of debt

- **Revenues** **4-6%* growth**
- **EBITDA** **10-15%* growth**
- **Net Debt** **stable**

Our priorities are CRM (CRT-D US launch; Reply launch) and CS (Mitroflow US launch), with a strong focus on, investment in and commitment to the US and innovation.

* On a comparable basis

Sorin Group measures of success for the future

1. Sustain mid-single digit sales growth
2. Sustain mid-teens EBITDA growth
3. Grow in strategic markets → CRM and tissue valves
4. Grow in strategic geographies → USA and Europe

Thank You