

Estimation of Coronavirus's impact on Vitrolife's sales

Vitrolife estimates that sales in the Asia region will decrease by approximately 30 percent in the first quarter and that the vast majority of patients scheduled to undergo IVF treatments in the first quarter will complete these at a later date.

In conjunction with the report on operations, Vitrolife informed that the Corona virus was considered to have a negative impact on sales to China during the first quarter as a result of reduced demand. Vitrolife can now assess the effect of the Corona virus on the company's sales in the first quarter and estimates that sales in the Asia region will decrease by approximately 30 percent in local currency compared to the same quarter last year and that other regions are not materially affected. Sales in the Asia region amounted to approximately 25% of the Group's sales in 2019.

"The IVF clinics in China, which have basically been closed since the Chinese New Year, have now started to receive patients, but the intake of patients is very low, which is why Vitrolife estimates that sales in China will be significantly lower than normal also in the remaining part of the quarter.", says Thomas Axelsson, CEO of Vitrolife. Demand has also been lower than normal in neighboring markets outside China, which is partly due to a significant reduction in Chinese patients to IVF clinics in these countries.

Based on available information today, it is difficult to estimate how long the virus outbreak will affect the demand for IVF treatments in and outside China. Vitrolife estimates that there will be a pent-up need for IVF treatments after the virus outbreak is over, as most people who plan to have children through IVF will complete the treatment at a later date. It is difficult to estimate how many of these patients the IVF clinics will be able to treat during the year, due to available capacity.

The company estimates that the long-term market outlook is essentially unchanged and Vitrolife therefore expects a continuously expanding market, which in monetary terms is expected to grow by 5-10 per cent per year for the foreseeable future.

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Vitrolife is an international medical device Group. Vitrolife develops, produces and markets products for assisted reproduction.

Vitrolife has approximately 400 employees and the company's products are sold in approximately 110 markets. The company is headquartered in Gothenburg, Sweden, and there are also offices in Australia, Belgium, China, Denmark, France, Germany, Italy, Japan, United Kingdom and USA. The Vitrolife share is listed on NASDAQ Stockholm.

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