



Elekta details comprehensive action program at Capital Markets Day

STOCKHOLM, June 11 – At the Capital Markets Day in Stockholm today, Elekta's CEO, Tomas Puusepp, and key members of the management team, outlined a comprehensive action program with the objectives to return to growth, improve profitability, reduce costs and focus on cash flow.

Tomas Puusepp, who succeeded Niklas Savander on May 13, reaffirmed the company's strategic agenda with its growth drivers: *Innovation Leadership, Commercial Transformation, Lifecycle Management* and *Expand Addressable Market*. He said that the action program to return to growth and improve profitability – including a reorganization as a means to drive commercial and operational excellence – will help Elekta to reach the strategic agenda faster. It will also strengthen Elekta's global sales and marketing activities, lead to enhanced customer services, improve customer focus and help capture the significant aftermarket and software opportunities. The action program entails company-wide cost reduction initiatives as well as efficiency programs to reduce cost of goods sold. The program aims at a total cost reduction of SEK 450 million to be realized in the next two years.

Puusepp said that his first priority is a return to growth during the second half of fiscal year 2015/16, with an improved EBITA margin. In the mid-term (fiscal years 2016/17 and 2017/18), Elekta aims at 3-5 percent net sales growth per year in local currency and to increase the EBITA margin by more than 6* percentage points. In the long-term, Elekta aims at net sales growth of more than 10 percent per year, EBITA growth to exceed sales growth in SEK, a return on capital employed of more than 20 percent and a net debt/equity ratio not to exceed 0.50.

Ian Alexander, Chief Commercial Officer (CCO) as of July 7, detailed how he will drive order intake and sales growth with a lean global organization built around customer needs for integrated solutions, software and services. His short-term focus will be on developing the service offering for Elekta customers and strengthening global sales and marketing activities.

Chief Operating Officer Johan Sedihn, explained how synergies in Elekta's Solutions area will help reduce costs and improve efficiencies, especially with a more streamlined end-to-end supply chain and clear prioritization within R&D, while the commitment to continued innovation remains firm. Sedihn said Elekta's software solutions are also a key part of the company's strategic R&D investments.

Håkan Bergström, Chief Financial Officer, gave insight into Elekta's backlog maturity, announced measures to lower working capital and explained how the margin improvement of 6 percentage points will be reached in the mid-term (fiscal years 2016/17 and 2017/18). Bergström underlined how the company significantly improved its ability to generate cash during last fiscal year, with continued focus during the coming years.

During the event, Elekta's Vice President Product Commercialization for Neuroscience, Veronica Byfield Sköld, presented Elekta's recently introduced system for cranial radiosurgery, Leksell Gamma Knife® Icon™, which is the most advanced system available for treating brain cancer and other disorders. This system, upgradeable from the current Perfexion platform, is the first major deliverable on Elekta's large, ongoing strategic R&D investment across the solution areas.

Kevin Brown, Global Vice President Scientific Research, updated investors on Elekta's MRI-guided radiation therapy system, Atlantic. He said that the consortium is making good



progress defining the clinical studies to demonstrate its clinical value. The project is on track for timely market introduction; Elekta confirmed the launch date of 2017 with delivery of the first systems in 2018. Atlantic will be a main contributor in reaching the long-term growth ambition.

**With FY 2014/15 as base, excluding currency effects.*

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About Elekta

Elekta is a human care company pioneering significant innovations and clinical solutions for treating cancer and brain disorders. The company develops sophisticated, state-of-the-art tools and treatment planning systems for radiation therapy, radiosurgery and brachytherapy, as well as workflow enhancing software systems across the spectrum of cancer care. Stretching the boundaries of science and technology, providing intelligent and resource-efficient solutions that offer confidence to both health care providers and patients, Elekta aims to improve, prolong and even save patient lives.

Today, Elekta solutions in oncology and neurosurgery are used in over 6,000 hospitals worldwide. Elekta employs around 3,800 employees globally. The corporate headquarters is located in Stockholm, Sweden, and the company is listed on NASDAQ Stockholm. Website: www.elekta.com.