

PRESS RELEASE

Elekta's Annual General Meeting 2001

Stockholm 27 September 2001

Chief Executive Officer Laurent Leksell reported on the performance of the Company during the 2000/2001 fiscal year and presented Elekta's mission, vision and strategy.

Elekta's mission is to help people fight serious diseases.

Elekta's vision is to always be the first choice.

Elekta's strategy is to provide...

...clinically effective and cost-efficient solutions and services for improved management of cancer and brain disorders, aimed at enhanced quality of life.

...progressive and pioneering technology for precise radiation and minimally invasive techniques.

...excellence in customer service and support.

...operational proficiency based on Elekta Values.

As a result of a concerted team effort and successfully implemented restructuring program, has Elekta during fiscal year 2000/01:

- advanced from an operating loss of SEK 37 M to an operating profit of SEK 92 M, an improvement of SEK 129 M.
- increased order bookings by 33 percent to SEK 2,402 M.
- reached an all-time high order backlog of SEK 2,112 M.
- increased net sales by 21 percent to SEK 2,160 M.
- attained a strong balance sheet.
- posted a positive cash flow of SEK 226 M.
- tripled its market capitalization during the fiscal year.

The prioritized goals for the past fiscal year 2000/2001 were achieved. These were to:

- increase growth, market share and earnings in the US market
- increase demand for the Leksell Gamma Knife[®] in European region
- increase service and aftermarket sales. Increased 40 percent
- improve productivity and cost efficiency.

Development in various geographic markets was reported.

- Development in Europe is highly positive, particularly within cancer care. Order bookings rose by 43 percent and market share within oncology is more than 50 percent. Penetration of Leksell Gamma Knife[®] is, however, low. Productivity within the service and market organization has increased.
- The US is Elekta's largest market for Leksell Gamma Knife[®]. Elekta is the third largest supplier of oncology systems and the goal is to increase market share in oncology. Strengthening of

management and the sales and service organization in the US is beginning to yield results. Order bookings increased by 18 percent.

- Japan is a stable and profitable market for neurosurgery products. Leksell Gamma Knife® is well represented. Radiotherapy equipment for cancer has received approved product registration and the focus on sales and service of oncology products is also continuing in 2001/2002.
- Asia has developed strongly, particularly in oncology. Order bookings rose by 261 percent. China, Korea, Taiwan and Australia are the most important markets. Manufacturing, distribution and service as well as Group purchasing is carried out in a new majority owned company in Shanghai. Continued expansion of this company will continue during 2001/2002.

Results for the first quarter, May-July, of fiscal year 2001/2002 were presented:

- operating profit improved SEK 50 M to SEK 33 M and was SEK 142 M on a rolling 12-month basis
- operating margin rose to 6 percent and was also 6 percent on a rolling 12-month basis
- order bookings increased 105 percent to SEK 703 M. On a rolling 12-month basis, order bookings amounted to SEK 2,763 M, an increase of 48 percent
- net sales were up 38 percent to SEK 544 M. Net sales on a rolling 12-month basis amounted to SEK 2,310 M, up 26 percent
- equity/assets ratio was strengthened to 52 percent. Shareholders' equity at July 31, 2001 increased to SEK 1,158 M due, among other factors, to the positive earnings, the Swedish Financial Accounting Standards Council's new accounting principle for taxes, which has an equity effect of SEK 209 M as of April 30, 2001, and conversion of debenture loans totaling SEK 229 M.

New bank and finance market relations have been established. A combination of banks, insurance companies and other financial institutions provide greater flexibility, lower pledged collateral, broader range of financial services and lower costs. This supports and secures the financing needs of operations.

Elekta is now prioritizing profitable growth.

Elekta's financial goals for the period 2001-2004:

- sales growth of 10-15 percent
- return on capital employed exceeding 15 percent
- operating margin of 6-8 percent
- equity/assets ratio of 40 percent

During fiscal year 2001/2002, the priorities are:

- strengthening market positions in the US, particularly within oncology
- increasing market penetration in neurosurgical products in Europe
- building up sales and service in China and Japan
- improving profitability within service
- investing long term in R&D.

In concluding, the Chief Executive presented the following future prospects.

Despite the prevailing political and economic uncertainty in the world, the assessment remains that net sales and operating profit for fiscal year 2001/02 as a whole are expected to be substantially better than in 2000/01. Net sales during the second quarter are expected to be on a level with the first quarter.

Investments in research and development and the strengthening of the marketing and service organization, particularly in the US and Asia, will continue.

The Chief Executive also commented that, taking into account the strong order bookings in the first quarter and the Group's good order backlog, there were favorable prospects that the Group would be able to fulfill its sales growth and operating margin goals as early as the current fiscal year. At the same time it was noted that variations in sales and operating result could occur depending on the delivery volume and product mix reported each quarter.

Thereafter, the Meeting approved the year-end financial statements and discharged the members of the Board and the President from liability for the fiscal year.

The Meeting resolved that no dividend would be paid to the shareholders. The lack of unrestricted shareholders' equity in the Group does not permit a dividend or repurchase of shares at this time.

The Board was re-elected, with the following members:

Akbar Seddigh, Laurent Leksell, Carl Palmstierna and Magnus Schmidt.

Tommy H Karlsson was elected a new member of the Board. Born in 1946, Tommy Karlsson has served as an Executive Vice President at SKF and is currently Board Chairman in a number of international companies.

The Meeting also approved the decision to float a debenture loan in a nominal amount of not more than SEK 100,000 through issuing debentures linked to not more than 900,000 detachable warrants for subscription of new Series B shares in the Company without preferential rights to the shareholders.

Subscription entitlement is assigned to the wholly owned subsidiary Elekta Instrument AB, with the aim that after subscription this company will be entitled to detach the warrants and transfer them to managers and specialists currently employed and managers employed later within the Elekta Group and foreign subsidiaries within the Elekta Group, for subsequent transfer to managers currently employed or employed later outside Sweden.

The transfer of warrants to employees outside Sweden can serve to fulfill obligations in accordance with a stock option plan adopted by the Board of Directors.

The debenture in a nominal amount of SEK 100,000, linked to 900,000 warrants for subscription of 900,000 new Series B shares, shall be issued at a price corresponding to the value of the warrant, calculated in accordance with the Black & Scholes model, based on the share price in accordance with the statements made below about the subscription price, with the addition of SEK 100,000 relating to the nominal amount of the debenture.

The share price at which the new subscription for Series B shares can occur shall correspond to a sum amounting to 225% at subscription of the shares during the period from and including January 1, 2002 to and including September 30, 2003, and 175% at subscription of shares during the period from and including October 1, 2003 to and including September 30, 2004, of the average last paid price quoted for the shares in the Company on the official list of the Stockholm Exchange on each trading day during the period from and including October 8, 2001 to and including October 19, 2001. Days on which prices are not quoted shall not be included in the calculation. The subscription price calculated as above shall be rounded off to the nearest whole number, whereby SEK 0.50 shall be rounded downward.

Subscription of Series B shares through exercise of the warrants, whereby one (1) warrant carries the right to subscribe for one (1) share, can be carried out during the period from and including January 1, 2002 to and including September 30, 2004.

Normal adjustment terms, etc. apply for the issue.

The purpose is to promote the long-term financial development of the Elekta Group through providing the Group's current and future employees a well-conceived incentive program which gives them the opportunity to participate in the a positive further development of the Company and to increase employee involvement in the Elekta Group. Some 87 percent of the Company's employees work outside Sweden.

Documentation provided at the Meeting can be requested from Corporate Relations, telephone +46 8 587 254 00

Elekta is a world-leading supplier of advanced and innovative radiation oncology and neurosurgery solutions and services for precise treatment of cancer and brain disorders. Elekta's solutions are clinically effective and cost efficient and gentle to the patient.

For further information, please contact:

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