ELEKTA AB (publ)
Corporate organization number 556170-4015
Kungstensgatan 18 – Box 7593 – SE 103 93 Stockholm

Three month interim report May – July 2007/08

- **Order bookings rose 15 percent to SEK 1,136 M (987). Based on unchanged exchange rates order bookings rose 20 percent. Order backlog on July 31, 2007 was at an all time high level of SEK 4,419 M.**
- **Net sales declined 2 percent to SEK 975 M (996). Based on unchanged exchange rates net sales rose 2 percent.**
- **Operating profit amounted to SEK 36 M (85) and operating margin was 4 percent (9).**
- **Profit after taxes amounted to SEK 20 M (60). Earnings per share after dilution was SEK 0.22 (0.63).**
- **Cash flow from operating activities improved by SEK 84 M to negative SEK 28 M (neg. 112). Cash flow after investments was negative SEK 145 M (neg. 142). Acquisition was included with SEK 95 M (-).**
- **As a result of high delivery volumes in the second quarter, operating profit for the first half of the year is expected to be significantly higher compared with the corresponding period last year. For full year 2007/08, Elekta reiterates the outlook of a net sales growth of over 10 percent in local currency and an operating profit growth of over 30 percent.**

ELEKTA

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President & CEO Tomas Puusepp comments:

"During the first part of fiscal year 2007/08, we continue to see strong demand, not least in North and South America, where Elekta is further strengthening its position despite hard competition. Order bookings for Q1 increased by 46 percent in local currency and on a rolling 12-month basis, order bookings have increased by 13 percent in SEK terms, despite a considerable impact from a declining US dollar. More and more customers carry out serious evaluation of different suppliers, which is positive for us.

Looking at Europe, we have signed significant orders in Greece, Italy and Austria during the summer and fall, where we equip new hospitals or replace systems from other suppliers.

In Asia, we get positive signals from the Chinese market, which should result in improved order bookings from the second quarter.

Also this year, delivery volumes during the summer months were low, resulting as expected in a start of the year with a weak quarter in terms of profitability.

The increase of selling, administrative and R&D expenses in the first quarter compared to the same period last year is SEK 49 M. Cost is on the level of the third and fourth quarter last year and in line with our plan.

To a large extent, the increase over last year is explained by the integration of new entities into the Group such as BMEI, 3D Line and a new sales company.

During the second quarter, delivery volumes will be considerably higher and subsequently, the operating result for the first half of the year is expected to be significantly higher compared with last year.

Also during the second half of the year, we expect considerably higher delivery volumes compared to Q1 and as an effect, I expect gross margin to improve, while fixed cost will only increase marginally.

For the fiscal year in total, I therefore expect that we will be able to reach our targets of net sales growth exceeding 10 percent in local currency and an operating result growth exceeding 30 percent.

Since we set the targets for this fiscal year, currency has developed in a way that is negative for Elekta. However, this will be compensated for by continued efficiency improvements. Within the Elekta Group, we have a program ongoing to change the currency profile of our cost structure, by transferring more of our sourcing and production to countries where the currency is connected to the US dollar.

Cash flow after investments but before acquisitions for the first quarter was SEK 92 M better than the corresponding period last year, primarily as a result of our ability to reduce accounts receivable by SEK 160 M during the quarter."

Elekta's operations

Elekta is an international medical technology group, providing oncologists, radiation therapists, neurosurgeons and many other medical specialists with state of the art tools to fight serious disease. Elekta's solutions are used at over 4,500 hospitals globally to treat cancer with radiation therapy, to diagnose and treat brain disorders as well as to run efficient and effective clinical practices. Elekta is the world leader in image guided and stereotactic clinical solutions for radiosurgery and radiation therapy, methods for aggressively treating tumors and functional targets with ultrahigh precision while sparing healthy tissue. Through ambitious Research & Development programs and close collaborations with clinical partners, Elekta continues to launch groundbreaking new technology at a rapid pace. All of Elekta's solutions employ non-invasive or minimally invasive techniques, which are clinically effective, yet cost-effective and gentle to the patient.

Market outlook

The total market for Elekta's clinical solutions, IT systems and services is expected to grow by 5-10 percent annually and the demand remains strong. However, the high value of individual orders and order coordination within the framework of health care investment programs often lead to significant quarterly variations in business volume, product mix and geographical mix.

The market development is driven by an increased incidence of cancer and by the shortage of treatment capacity that is prevailing in most countries. New advanced, more precise and accurate methods are expected to increase the role of radiation therapy in the future. The rapid development of new technology is resulting in higher average order values. An increasing number of customers are requesting more comprehensive and long-term relationships with suppliers.

Significant events

- In May 2007, Elekta finalized the acquisition of the Italian company 3D Line Research and Development S.r.l., adding to Elekta a highly qualified R&D group specialized in stereotactic radiosurgery and dynamic IMRT treatments as well as a product portfolio of advanced equipment and treatment planning software systems for performing advanced radiation therapy. 3D Line's technologies and expertise will have immediate positive effects on products and functionality under development within the Elekta group.
- In July 2007, Elekta received an order for Elekta Synergy® S from the highly prestigious Sidney Kimmel Comprehensive Cancer Center at Johns Hopkins Medicine in Maryland, US. Elekta Synergy S is an image-guided robotic linear accelerator that combines integrated software-driven imaging abilities with powerful high-resolution radiation delivery. The system will be used side by side with the hospital's existing Leksell Gamma Knife to perform stereotactic radiation therapy and radiosurgery to any part in the body.
- In July 2007, Elekta received an order from Diagnostic and Therapeutical Center of Athens (HYGEIA S.A.), the largest private hospital in Greece. The order is valued at over SEK 70 M and includes three linear accelerator systems, one being Elekta Axesse™, combined with a comprehensive IMPAC network solution. This is the largest radiation therapy order ever from Greece and Elekta will replace systems from another supplier.

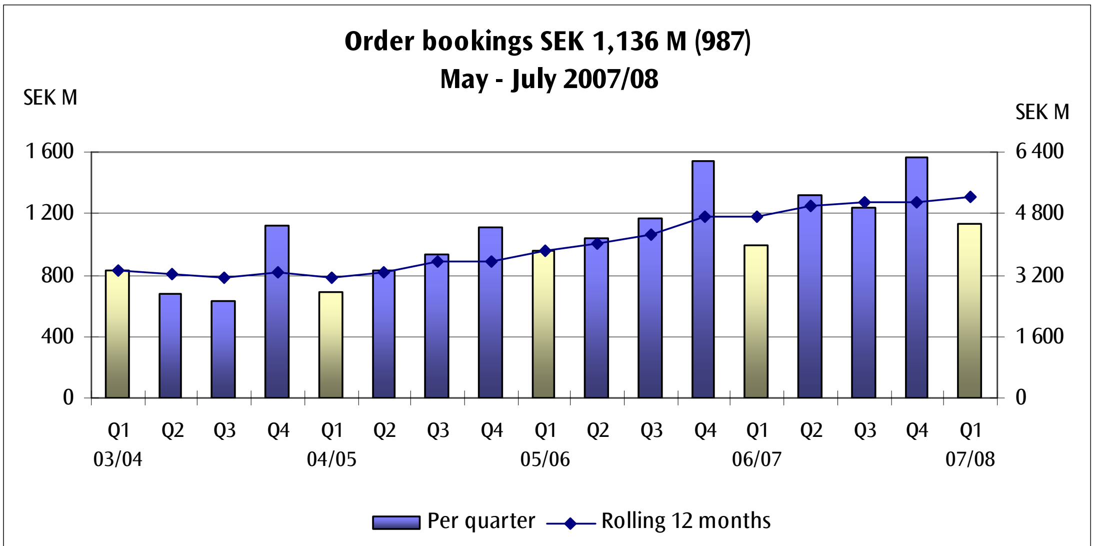
- In September, at ESTRO 2007 (European Society for Therapeutic Radiology and Oncology), Elekta Compact™ was presented, a new system for radiation therapy, specifically adapted for small treatment rooms and to meet the demand from countries in need of a rapid increase in treatment capacity. Its efficient design makes it more accessible to a wider range of health care providers who want to give their patients the optimal care in radiation therapy. With the addition of Elekta Compact in the product portfolio, Elekta can offer linear accelerator systems across the full spectrum of price and performance specifications.

Order bookings and order backlog

Order bookings rose 15 percent to 1,136 M (987). Based on unchanged exchange rates order bookings rose 20 percent.

Based on unchanged exchange rates order bookings in North and South America rose 46 percent, region Europe including Middle East and Africa rose 3 percent and Asia declined 1 percent.

Order backlog on July 31, 2007 was at an all time high level of SEK 4,419 M compared to SEK 4,247 M on April 30, 2007. 65 percent of the order backlog is expected to be delivered within 9 months.



Order bookings SEK M	3 months 2007/08	3 months 2006/07	Change	Rolling 12 months	Change
Europe, Middle East, Africa	382	371	3%	2,008	19%
North and South America	556	401	39%	2,462	13%
Asia	198	215	-8%	781	-11%
Group	**1,136**	**987**	**15%**	**5,251**	**11%**

Market comments

North and South America

The North American market continues to show healthy growth, primarily driven by the rising cancer incidence and by the rapid acceptance of new and refined treatment methods such as image guided radiation therapy (IGRT) and stereotactic radiation therapy (SRT).

Elekta is leading the development in IGRT and is the market leader in the segment for stereotactic radiosurgery and radiation therapy (SRS/SRT). The market introduction of Leksell Gamma Knife® Perfexion™ has been met with high interest from both current Gamma Knife users and new potential customers.

In the US market, efficiency in patient flows and processing of clinical data are often decisive sales arguments. Software systems that handle both the entire treatment process and administration and resource allocation are therefore in most cases an integrated part of the delivery of treatment systems. MOSAIQ™, the new system from Elekta for EMR, workflow and information management, are now being installed at new and old customers at a rapid pace.

Europe including Middle East and Africa

Elekta's position in the European market for radiation therapy is strong. The European market is driven primarily by the lack of care capacity and therapeutic equipment. In many European countries, the number of linear accelerators per capita is less than half that of the US.

Elekta's ability to provide comprehensive and integrated solutions, yet based on industry standards and open connectivity, makes the company an attractive partner in tenders involving comprehensive long-term commitments.

There is a substantial demand in Europe for information systems for cancer care, particularly for the purpose of improving productivity, streamlining operations and multi-site connectivity. Elekta continues therefore to introduce MOSAIQ™ on more markets in Europe.

Asia

Long-term, there is a solid rationale for a continued rapid economic growth in Asia. The number of linear accelerators per capita is low, in an international comparison. Elekta is well positioned to meet continued strong demand in the region and to support health care providers in these countries in their quest to develop cancer care.

In China, the healthcare system is currently undergoing reform and restructuring, in order to meet the growing need for advanced care and to make these services more accessible to a larger share of the population. Elekta is the market leader in China in the segment for advanced radiation therapy solutions and the launch of Elekta Compact™ is expected to further strengthen Elekta's position.

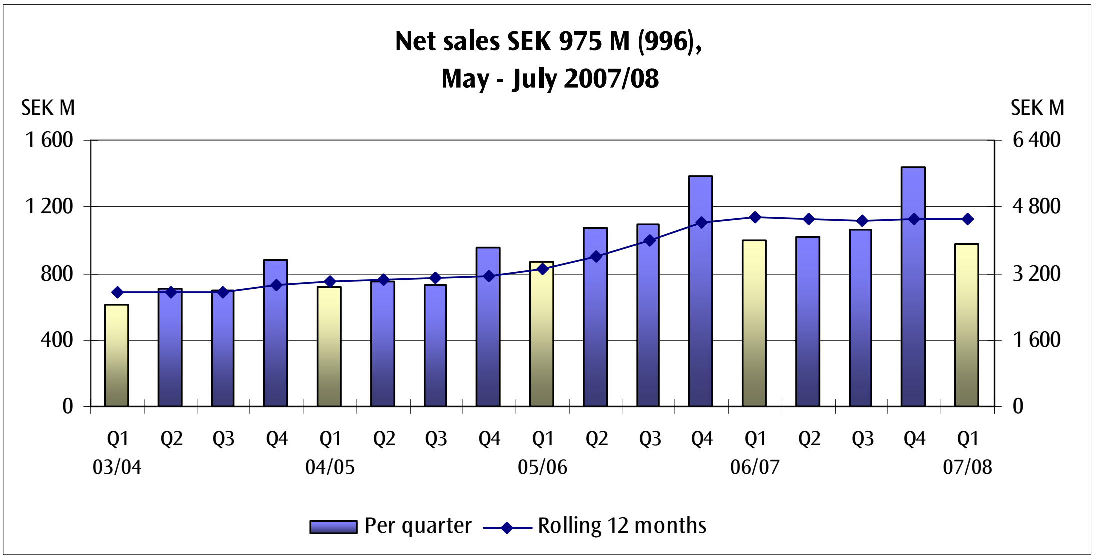
In Japan, there is a large installed base of Leksell Gamma Knife and subsequently, there is substantial potential for upgrades to Leksell Gamma Knife Perfexion. Due to the long process for regulatory approval in Japan, Elekta does not expect to be able to introduce this new system until late in the fiscal year 2007/08. During fiscal year 2006/07, Elekta has established radiation therapy reference centers in Japan and the company expects to be able to increase market share on the linear accelerator market.

After-market
Elekta's aftermarket is continuing to show favorable development, partly as a result of a growing installed base. The shift towards more advanced, newly launched systems is resulting in more customers choosing comprehensive and long term service agreements.

Elekta continues to focus on further development of support and lifecycle business and on providing value-based services to the expanding customer base.

Net sales

Net sales declined 2 percent to SEK 975 M (996). Based on unchanged exchange rates net sales increased by 2 percent.



Net sales SEK M	3 months 2007/08	3 months 2006/07	Change	12 months 2006/07
Europe, Middle East, Africa	376	356	6%	1,840
North and South America	408	448	-9%	1,933
Asia	191	192	-1%	752
Group	**975**	**996**	**-2%**	**4,525**

Earnings

Operating profit amounted to SEK 36 M (85), negatively impacted by lower delivery volumes, currency impacts and higher expenses. A large part of the cost increase is attributable to new entities. Some of the increase is explained by the fact that the ERP project is no longer capitalized, but instead amortized, and also by higher IFRS 2 cost. Expenses are in line with cost levels in Q3 and Q4 2006/07.

Gross margin amounted to 42 percent (42). Operating margin was 4 percent (9).

Calculated IFRS 2 costs for Elekta's outstanding option program amounted to SEK 6 M (2).

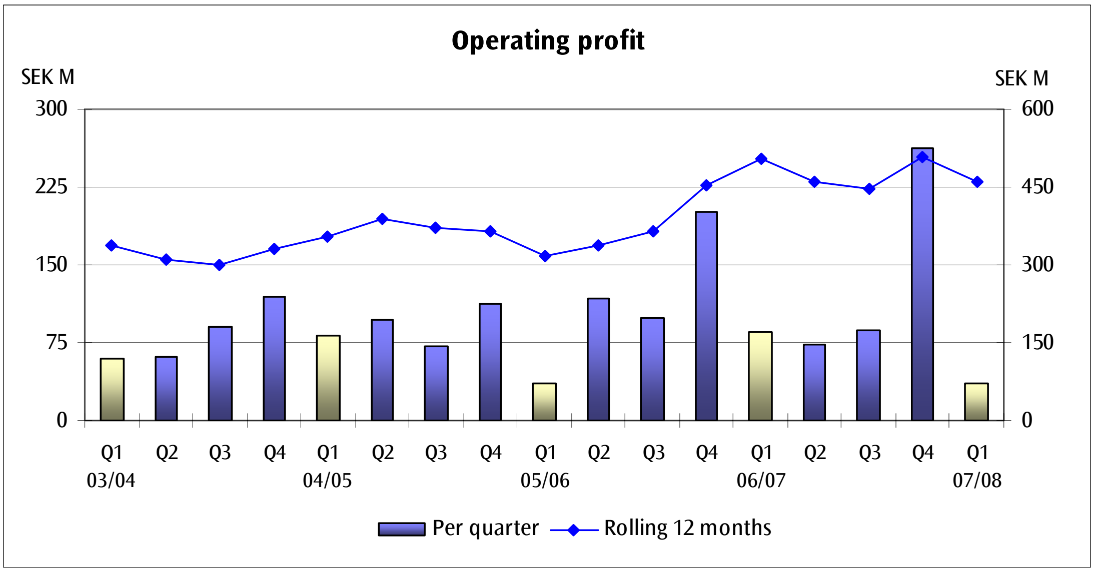
Investments in research and development rose 21 percent to SEK 101 M (84) equal to 10 percent (8) of net sales. Capitalization of development costs and amortization of capitalized development costs affected earnings by SEK 4 M (4). Capitalization amounted to SEK 9 M (7) and amortization to SEK 5 M (3).

Exchange rate effects on operating profit compared with preceding year:

- Exchange rate movements affected operating profit before recorded exchange differences negatively by SEK 23 M.
- Recorded exchange gains in operations amounted to SEK 6 M.
- Recorded exchange losses in operations preceding year was SEK 2 M.

In total, exchange rate fluctuations 2007/08 compared with the preceding year affected operations negatively by SEK 15 M.

Currency hedging is done on the basis of anticipated sales in foreign currency over a period of up to 24 months. Exchange rate gains from forward contracts in operating profit amounted to SEK 13 M (12). Unrealized exchange rate gains from cash flow hedges amounted to SEK 18 M and are reported in shareholders' equity taking into account the tax impact.



Net financial items amounted to an expense of SEK 7 M (income 3). Net interest expenses amounted to SEK 7 M (expense 4). Income from participations in associated companies amounted to SEK 0 M (5) and financial currency exchange differences was SEK 0 M (gain 2).

Profit after financial items amounted to SEK 29 M (88). Calculated tax expense amounted to SEK 9 M or 32 percent. Profit after taxes amounted to SEK 20 M (60).

Earnings per share amounted to SEK 0.22 (0.64) before dilution and SEK 0.22 (0.63) after dilution.

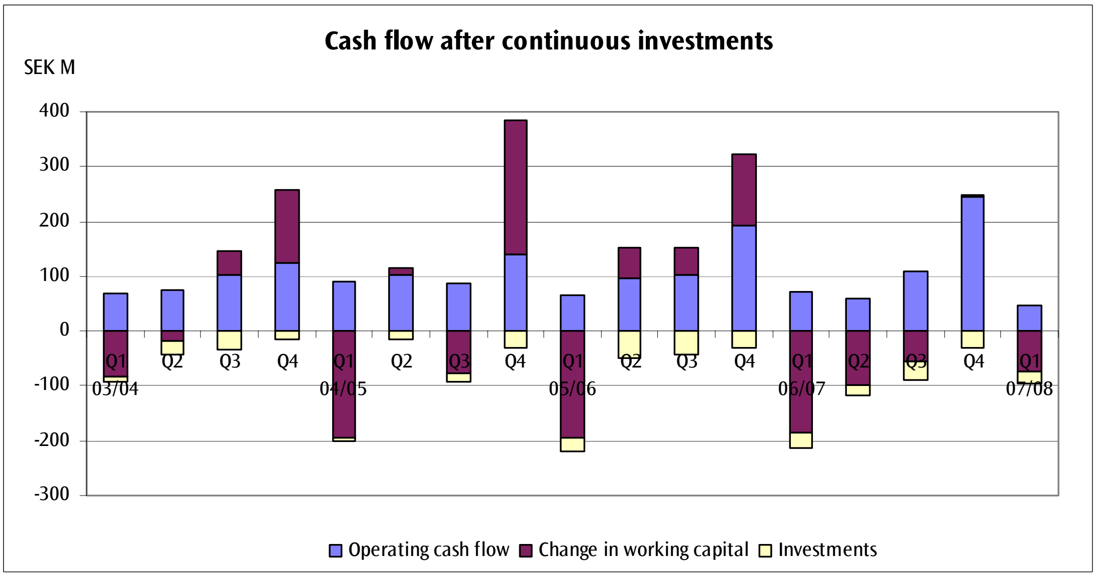
Return on shareholders' equity was 17 percent (19) and return on capital employed totaled 18 percent (21).

Investments and depreciation

Acquisition of 3D Line resulted in an increase of intangible and tangible fixed assets of SEK 150 M. Other investments in intangible and tangible fixed assets amounted to SEK 26 M (31). Amortization of intangible and depreciation of tangible fixed assets amounted to SEK 44 M (32).

Liquidity and financial position

Cash flow from operating activities was negative SEK 28 M (neg. 112). The improvement is primarily related to reduced trade receivables. Cash flow after investments was negative SEK 145 M (neg. 142). Acquisitions were included with SEK 95 M (-).



Liquid funds amounted to SEK 212 M compared to SEK 484 M April 30, 2007. Of total bank balances SEK 9 M were pledged, primarily for commercial guarantees.

Interest-bearing liabilities totaled SEK 956 M compared with SEK 987 M on April 30, 2007. Net debt amounted to SEK 744 M compared with SEK 503 M on April 30, 2007.

Net debt/equity ratio was 0.41 and equity/assets ratio was 34 percent.

During May-July 2007/08, 33,723 new Series B shares were subscribed through exercise of warrants distributed within the framework of the established option programs.

During the period July 4, through July 12, 2007, Elekta has repurchased 871,600 Series B shares at an average price of SEK 114.73 totaling SEK 100 M. Elekta's current holding of own shares amounts to 1,630,871 Series B shares, which Elekta's Board intends to propose to the AGM to be cancelled.

Total number of shares on August 31, 2007 was 93,853,018.

Employees

The average number of employees was 2,034 (1,792), of which BMEI and 3D Line 168 (-).

The number of employees on July 31, 2007 totaled 2,055 compared with 2,031 on April 30, 2007.

Parent Company

The operations of the Parent Company include Group management, joint Group functions and financial management. The Parent Company's loss after financial items amounted to SEK 18 M (loss 9). The average number of employees was 20 (20).

Acquisition of 3D Line

On May 3, 2007, Elekta acquired 3D Line Research and Development S.r.l. (3D Line), adding to Elekta a highly qualified R&D group specialized in stereotactic radiosurgery and dynamic IMRT treatments as well as a product portfolio of advanced equipment and treatment planning software systems for performing radiation therapy with high precision and optimized dose distribution.

3D Line's registered office is in Milan, Italy and at time of acquisition 3D Line had 20 employees.

In May, Elekta paid 10 million Euro in cash for 3D Line. The purchase agreement contains also an earn-out maximized to 8 million Euro, dependent on the company's performance during the coming 3 years. Acquisition cost amounts to SEK 3 M.

The initial accounting for the fair values to be assigned to the acquired unit's identifiable assets and liabilities has been provisionally established. Intangible assets and goodwill have been valued at SEK 150 M. The intangible assets consist of technology and the amortization period is 6 years. Goodwill refers primarily to future synergy effects.

The transaction structure is to fully integrate 3D Line's organization as well as products and service into those of the Elekta group. The revenue directly attributable to the company's current products was marginal during the reported period and as planned, leading to an operating loss. The positive financial effects of the acquisition will therefore start to emerge over time and the acquisition is forecasted to be financially neutral during Elekta's current fiscal year and accretive thereafter. In addition to the direct financial effects from its existing products, 3D Line's technologies and expertise will have immediate positive effects on products under development within the Elekta group.

Risks and uncertainties

Description of risks and uncertainties in Elekta's business can be found in the annual report 2006/07 on page 38-39 and in note 2. Nothing essential has happened to change the risks described therein.

Future prospects for fiscal year 2007/08

Demand for Elekta's clinical solutions, products and services remains strong. The order backlog is on a record high level. The product portfolio is broader and more competitive than ever before.

During the second quarter of fiscal year 2007/08, delivery volumes will be considerably higher compared with the first quarter. Consequently, the operating result for the first half of the year is expected to be significantly higher compared with the first half last year.

For the full fiscal year 2007/08, Elekta reiterates the outlook of a net sales growth exceeding 10 percent, in local currency, and an operating profit growth exceeding 30 percent.

Net sales and operating profit is expected to be significantly higher in the second half of the fiscal year, compared with the first half.

Changes in currency exchange rates may affect Elekta's ability to reach its objectives.

Financial information

The interim report for May-October 2007/08 will be published not later than December 12, 2007.

Stockholm, September 25, 2007

Elekta AB (publ)

Tomas Puusepp
President and CEO

The Company's auditors have not reviewed this interim report.

For further information, please contact:

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For more information on Elekta, please visit www.elekta.com

Teleconference

Due to the Annual General Meeting being held on September 25, 2007, the teleconference will be held on Wednesday, September 26, at 3 pm, Swedish time (GMT+1).

Telephone number for conference call:

Sweden:	+46 (0)8 5052 0114
UK:	+44 (0)20 7162 0125
US:	+1 334 420 4950
France:	+33 (0)1 7099 3212
Germany:	+49 (0)695 8999 0509
Netherlands:	+31 (0)20 7965 012
Switzerland:	+41 (0)434 569263
Denmark:	+45 3271 4611

(Please note: for Local Connect dial-in numbers – you might have to dial the area code to enter the conference.)

Please connect to the conference call five minutes prior to the scheduled time. Participants will be placed in a "waiting room" until the operator declares the meeting opened.

The teleconference will be available on instant replay for 7 days. To obtain the service, please dial: Sweden: +46 8 50 520 333, UK (Europe): +44 (0) 20 7031 4064,
USA: +1 954 334 0342. Access code: 763526.

The teleconference on September 26 will also be available live over Internet (audio only). Follow the link from http://www.elekta.com/investors or use the direct link
http://wcc.webeventservices.com/view/wl/r.htm?e=92855&s=1&k=F41791075A7A5EF2688F0AD8539FF3FA&cb=genesys

Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act, IAS 34 Interim Financial Reporting and the Swedish Financial Accounting Standards Council's recommendation RR 31 Interim Reporting for Groups and, with regard to the Parent Company, RR 32 Accounting for legal entities. Applied accounting principles and calculation methods are in accordance with the Annual Report for 2006/07.

Exchange rates		**Average rate**			**Closing rate**		
Country	Currency	May-July 2007/08	May-July 2006/07	Change	Jul. 31, 2007	Apr. 30, 2007	Change
Euro	1 EUR	9.242	9.262	0%	9.187	9.159	0%
Great Britain	1 GBP	13.653	13.501	1%	13.595	13.423	1%
Japan	100 JPY	5.612	6.399	-12%	5.635	5.635	0%
United States	1 USD	6.825	7.289	-6%	6.705	6.738	0%

CONSOLIDATED INCOME STATEMENT

SEK M	3 months May - July 2007/08	3 months May - July 2006/07	12 months Aug. - July 2006/07	12 months May - Apr. 2006/07
Net sales	975	996	4,504	4,525
Cost of products sold	-567	-580	-2,635	-2,648
Gross income	408	416	1,869	1,877
Selling expenses	-159	-144	-628	-613
Administrative expenses	-122	-105	-447	-430
R&D expenses	-97	-80	-377	-360
Exchange differences in operation	6	-2	43	35
Operating profit	**36**	**85**	**460**	**509**
Result from participations in associated companies	0	5	12	17
Interest income	11	13	44	46
Interest expenses	-18	-17	-72	-71
Financial exchange differences	0	2	4	6
Income after financial items	**29**	**88**	**448**	**507**
Taxes	-9	-28	-142	-161
Net income	**20**	**60**	**306**	**346**
Attributable to				
Parent Company shareholders	21	60	309	348
Minority shareholders	- 1	0	- 3	- 2
Earnings per share before dilution	0.22	0.64	3.30	3.72
Earnings per share after dilution	0.22	0.63	3.29	3.70

CASH FLOW

Operating cash flow	47	72	460	485
Change in working capital	-75	-184	-226	-335
Cash flow from operating activities	**-28**	**-112**	**234**	**150**
Investments and disposals	-117	-30	-344	-257
Cash flow after investments	**-145**	**-142**	**-110**	**-107**
External financing	-130	-147	-356	-373
Change in liquid funds	-272	-286	-483	-497

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CONSOLIDATED BALANCE SHEET

SEK M	July 31, 2007	July 31, 2006	April 30, 2007
Intangible assets	2,326	2,149	2,198
Tangible fixed assets	247	225	252
Shares and long-term receivables	35	28	32
Deferred tax assets	14	31	14
Inventories	500	386	423
Receivables	1,917	1,533	1,953
Liquid funds	212	695	484
Total assets	**5,251**	**5,047**	**5,356**
Shareholders' equity	1,793	1,811	1,863
Interest-bearing liabilities	956	1,043	987
Interest-free liabilities	2,502	2,193	2,506
Total shareholders' equity and liabilities	**5,251**	**5,047**	**5,356**
Assets pledged	9	180	9
Contingent liabilities	91	118	89

CHANGES IN SHAREHOLDERS' EQUITY

SEK M	July 31, 2007	July 31, 2006	April 30, 2007
Opening balance	1,863	1,868	1,868
IFRS 2 cost and deferred tax	5	0	18
IAS 39 unrealized cash flow hedges	0	5	6
Translation differences	3	-23	-106
Net income	20	60	346
Option premiums and warrants exercised	2	1	16
Repurchase of shares	-100	-100	-200
Dividend			-93
Minority's capital contribution			8
Closing balance	1,793	1,811	1,863

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KEY FIGURES

	12 months May - Apr. 2004/05*	12 months May - Apr. 2005/06	12 months May - Apr. 2006/07	3 months May - July 2006/07	3 months May - July 2007/08
Order bookings, SEK M	3,558	4,705	5,102	987	1,136
Net sales, SEK M	3,152	4,421	4,525	996	975
Operating result, SEK M	364	453	509	85	36
Operating margin	12%	10%	11%	9%	4%
Profit margin	12%	10%	11%	9%	3%
Shareholders' equity, SEK M	1,694	1,868	1,863	1,811	1,793
Capital employed, SEK M	2,527	2,959	2,850	2,854	2,749
Equity/assets ratio	38%	35%	35%	36%	34%
Net debt/equity ratio	0.05	0.06	0.27	0.19	0.41
Return on shareholders' equity **	16%	17%	19%	19%	17%
Return on capital employed **	21%	18%	20%	21%	18%

* Restated according to IFRS.
** Based on rolling 12 months.

DATA PER SHARE

	12 months May - Apr. 2004/05*	12 months May - Apr. 2005/06	12 months May - Apr. 2006/07	3 months May - July 2006/07	3 months May - July 2007/08
Earnings per share					
before dilution, SEK	2.69	3.23	3.72	0.64	0.22
after dilution, SEK	2.69	3.21	3.70	0.63	0.22
Cash flow per share					
before dilution, SEK	-11.09	1.68	-1.14	-1.51	-1.56
after dilution, SEK	-11.06	1.67	-1.14	-1.50	-1.55
Shareholders' equity per share					
before dilution, SEK	18.02	19.80	19.96	19.36	19.39
after dilution, SEK	18.84	20.45	20.46	20.01	20.01
Average number of shares					
before dilution, 000s	93,991	94,136	93,698	94,083	92,808
after dilution, 000s	94,182	94,785	94,249	94,711	93,383
Number of shares at closing					
before dilution, 000s	94,028	94,332	93,036	93,548	92,198
after dilution, 000s	95,703	95,703	94,072	94,887	93,465

* Restated according to IFRS.
Dilution in 2004/05-2007/08 refers to warrants program 2004/2008.
All historical data restated for split 3:1 October 2005.

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INCOME STATEMENT PARENT COMPANY

SEK M	May - July 2007/08	May - July 2006/07
Administrative expenses	-15	-16
Financial items	-3	7
Income after financial items	**-18**	**-9**
Taxes	5	3
Net income	**-13**	**-6**

BALANCE SHEET PARENT COMPANY

SEK M	July 31, 2007	April 30, 2007
Financial fixed assets	2,211	2,146
Current assets	62	250
Total assets	**2,273**	**2,396**
Shareholders' equity	641	752
Untaxed reserve	26	26
Long-term liabilities	836	846
Short-term liabilities	770	772
Total shareholders' equity and liabilities	**2,273**	**2,396**