



ELEKTA NEGOTIATES TO ACQUIRE CMS

Acquisition of leading treatment planning software developer would strengthen Elekta's offering and accelerate the company's expansion into high growth oncology informatics

PRESS RELEASE

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Elekta AB (publ) (STO:EKTab) a world leader in clinical solutions for radiation therapy and radiosurgery, today announced that it is in exclusive negotiations based on a Letter of Intent to acquire CMS Inc. for a total cash consideration representing an enterprise value of USD 75 M. CMS is a worldwide leader in the development, sales and support of advanced radiation therapy planning solutions, supporting over 1,500 sites in clinical operation throughout the world. The transaction is subject to successful conclusion of final transaction documentation, satisfactory completion of due diligence, receipt of relevant regulatory approvals and other conditions. The negotiations are expected to be finalized by mid February 2008 and closing is estimated to take place by mid March 2008.

CMS has been a pioneer in the development and delivery of radiation treatment planning (RTP) systems for over 25 years and continues to be a leader in treatment planning and oncology workflow management. Successful completion of the acquisition process would benefit Elekta by adding a suite of advanced RTP systems, a large and growing installed base, and a well-established RTP operational infrastructure to Elekta's current oncology business. CMS's worldwide sales and support infrastructure and large, experienced engineering organization have the potential to accelerate Elekta's ability to develop, implement, and support new, sophisticated radiation planning, delivery, and management solutions worldwide.

CMS is also the market leader in treatment planning for proton therapy with 8 installations in clinical use. Integrating these solutions with the MOSAIQ™ information management system would reinforce Elekta's leadership in software systems for proton therapy facilities and strengthen the collaboration between Elekta and its current partners in this area.

"The products and market position of CMS are highly complementary to Elekta's corporate structure, technology portfolio, and R&D roadmap. Both Elekta's and CMS customers will benefit from our combined strength in product development and support. With CMS in the Elekta Group, we will also gain relationships with a large number of customers who do not use Elekta's products today", explains Tomas Puusepp, President & CEO of Elekta. "Elekta and CMS share a common belief in open systems, and a vision that radiation treatment planning is a critical piece of the technology required for emerging radiation therapy treatment capabilities such as VMAT and adaptive therapy. Together, CMS and Elekta can offer and further develop solutions that optimize clinical workflow while also providing well-defined interfaces that allow clinicians to choose systems that best fit their specific needs."



New trends in radiation therapy planning

"The radiation therapy discipline continues to advance and radiation therapy planning, along with treatment delivery and management technology, enables clinicians to develop and deliver regimens that hopefully will result in improved treatment outcomes", explains James P. Hoey, EVP Product Creation at Elekta and CEO of IMPAC Medical Systems, an Elekta company. "Elekta recognizes that treatment planning is rapidly evolving from an event that typically occurred in an isolated area one or two times during the therapy process to becoming a more iterative process that evolves throughout the course of therapy with various steps taking place in different areas of the department. Our aggressive development of MOSAIQ™ RTP as the world's first distributed toolset for advanced radiation therapy is targeted to meet this growing demand. CMS, with several leading solutions already in clinical use, and a strong pipeline of advanced functionality in development, could significantly contribute to our MOSAIQ RTP strategy going forward. CMS's large, highly competent product creation and support organizations would enable us to accelerate our development and bring these solutions to our customers more quickly and effectively."

"At CMS, we are excited about the opportunity of joining the Elekta Group and are fully committed to the timely completion of all necessary steps in the transaction. Combined, Elekta and CMS will strengthen its market position and the transformation of CMS into a center of excellence in treatment planning technology will be of great value for the combined organization and our customers", comments Andrew C. Cowen, President and CEO of CMS.

Financial effects of the transaction

CMS is based in St Louis, Missouri and is owned by a private equity fund, managed by the US investment bank Brown Brothers Harriman. The company has 290 employees worldwide. In fiscal year 2007 (ending September), the company grew its order intake by 21 percent to USD 61 M.

Management expects a successful completion of the acquisition process to result in:

- Accretion to earnings on a cash basis already from fiscal year 2008/09
- Mildly dilution to reported earnings in fiscal year 2008/09 as a result of expected amortization of intangibles associated with the acquisition and 'fair value' adjustments of certain balance sheet items under IFRS accounting standards
- Accelerated revenue growth, but with modest group effect given the size of the acquired business
- Preserved balance sheet strength and financial flexibility

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About CMS

CMS is a worldwide leader in the development and support of radiation treatment planning and workflow management solutions. With treatment planning systems installed in more than 1,500 sites worldwide, CMS is a global resource to the radiation oncology community. A privately held corporation, CMS employs 290 professionals in its headquarters located in St. Louis, MO and regional offices in Tampa, Florida; Freiburg, Germany; Tokyo, Japan; Sydney, Australia; and Shanghai, China. More information about CMS can be found at www.cmsrtp.com.

About Elekta

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 provides advanced clinical solutions, comprehensive management and information systems as well as services for improved cancer care and management of brain disorders.

Elekta's systems and solutions are used in over 4,500 hospitals around the world. Clinical and information management solutions include, among others, Leksell Gamma Knife® for non-invasive treatment of brain disorders, Elekta Axesse™ and Elekta Synergy® for stereotactic and image guided radiation therapy and radiosurgery, PrecisePLAN and ERGO++ treatment planning systems as well as the MOSAIQ™ suite of software for image-enabled EMR and efficient management of clinical and patient data.

With over 2,000 employees globally, the corporate headquarter is located in Stockholm, Sweden and the company is listed on the Nordic Exchange under the ticker EKTA. More information about Elekta is available at www.elekta.com.

Forward-Looking Statements

Statements contained in this release, which are not historical facts, may be considered "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations and the current economic environment. We caution the reader that such forward-looking statements are not guarantees of future performance. Unknown risk, uncertainties as well as other uncontrollable or unknown factors could cause actual results to materially differ from the results, performance or expectations expressed or implied by such forward-looking statements.