



6 Interim Report

Six months
May 1 - October 31

2000/01



ELEKTA

Interim Report

Six months May 1 – October 31, 2000/01

- Order bookings, excluding divested IGS operations, increased 46 percent to SEK 995 M (679).
- Loss before taxes amounted to SEK 24 M (loss: 58), an improvement of SEK 34 M.
- Net sales amounted to SEK 884 M (816).

Elekta is a leading international medical technology company that offers systems and clinical solutions for precision radiation treatment of cancer and minimally invasive neuro-surgical treatment of brain diseases, such as tumors and cardiovascular disorders as well as Parkinson's disease and epilepsy.

ORDER BOOKINGS AND ORDER BACKLOG

Group order bookings, adjusted for the divestment of IGS operations in November 1999, amounted to SEK 995 M (679), up 46 percent. Neurosurgical products accounted for SEK 339 M (221) of order bookings and oncology products for SEK 656 M (458). Order bookings in the second quarter amounted to SEK 652 M (382), an increase of 71 percent.

Order bookings in the European market developed favorably. In many European countries, particularly in Great Britain, there is a strong expansion and modernization under way in oncology care. Elekta's order bookings in **Europe, the Middle East and Africa** amounted to SEK 526 M (241), an increase of 118 percent.

Order bookings in the **US** amounted to SEK 246 M (266), a decline of SEK 20 M. A reorganization and strengthening of the sales and service organization are currently under way. These measures are expected to result in improved order bookings.

Order bookings in **Japan** were somewhat lower than in the preceding year due to lower order bookings for magnetic encephalographs. Sales in Japan are predominantly neurosurgical products. An application for registration of oncology products has been submitted to the supervisory authorities.

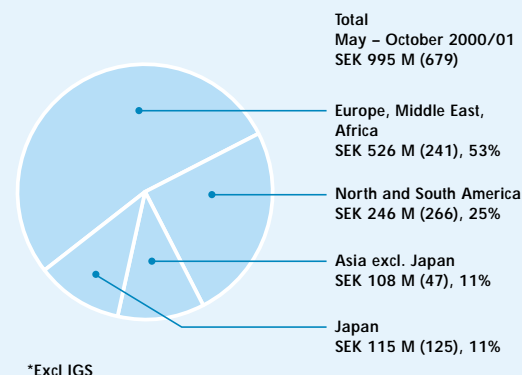
Order bookings in **Asia** developed positively and rose 129 percent. The health-care markets in Asia is improving successively in pace with economic recovery in the region. Elekta strengthened its presence in China. A joint venture company, with Elekta as the majority owner, was established in Shanghai. The company will manufacture and distribute Elekta's products in China and is expected to commence operations in early 2001. This new venture will consolidate Elekta's market position in China.

The Group's order backlog as of October 31, 2000 amounted to SEK 1,982 M, compared with SEK 1,714 M on April 30, 2000.

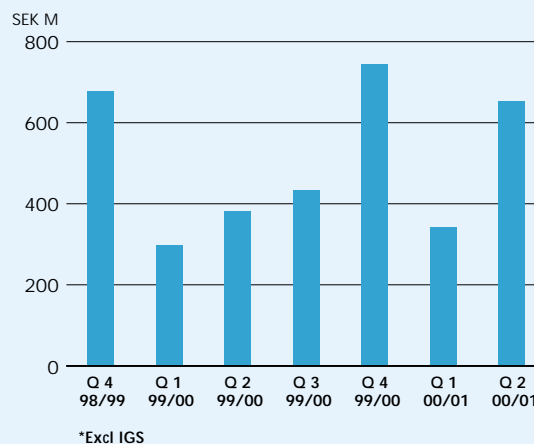
NET SALES

The Group's net sales amounted to SEK 884 M (816), an increase of 8 percent. Excluding the divested operations of IGS, sales increased by SEK 112 M, or 15 percent. Net sales of neurosurgical products rose to SEK 313 M (301), and net sales of oncology product rose to SEK 571 M (515).

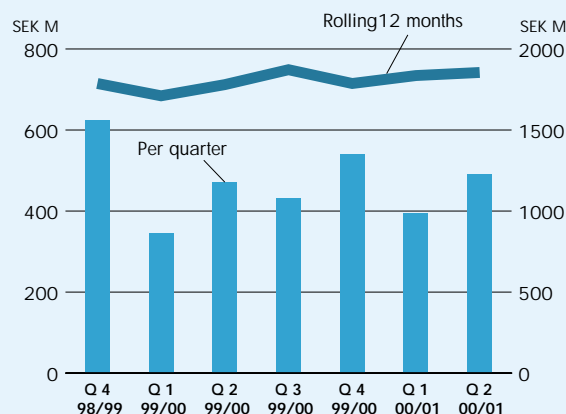
ORDER BOOKINGS PER GEOGRAPHICAL MARKET*



ORDER BOOKINGS* PER QUARTER



NET SALES PER QUARTER AND ROLLING 12 MONTHS



Net sales of services rose 7 percent. Service includes Leksell Gamma Knife, reloading. Reloading occurs normally within 5-8 years after an installation and is more irregular over each quarter than other types of service. Excluding reloading, service increased 14 percent.

Net sales during the second quarter amounted to SEK 490 M (471), of which neurosurgical products accounted for SEK 176 M (172) and oncology products for SEK 314 M (299).

RESULT

The operating result improved to a loss of SEK 22 M (loss: 37). The divested IGS operations resulted in a charge against earnings in the preceding year of SEK 25 M.

The operating result for the second quarter amounted to a loss of SEK 5 M (profit: 20). The result in separate quarters are affected to a great extent by the volume and product mix during the period. Compared with the preceding year, the second quarter was affected adversely by the product mix, with lower net sales with regard to own products and higher net sales from products that are only distributed by Elekta.

Strategically important investments in research and development amounted to SEK 55 M (SEK 64 M in preceding year, excluding IGS). These investments, which are expensed as incurred, corresponded to 6 percent (8) of net sales.

Net financial expense amounted to SEK 2 M (21), of which net interest expenses accounted for SEK 17 M (28). The convertible debenture loan accounted for SEK 12 M (24) of net interest expenses. Income from participations in associated companies amounted to SEK 0 M (2), and foreign exchange gains totaled SEK 15 M (5).

The loss before taxes amounted to SEK 24 M (58). The loss after taxes was SEK 25 M (61).

The loss per share amounted to SEK 0.89 (loss: 4.08) for the first six months.

INVESTMENTS AND DEPRECIATION

Investments in intangible and tangible fixed assets amounted to SEK 0 M (0) and SEK 24 M (15), respectively.

Amortization/depreciation of intangible and tangible fixed assets amounted to SEK 17 M (16), and SEK 15 M (19), respectively.

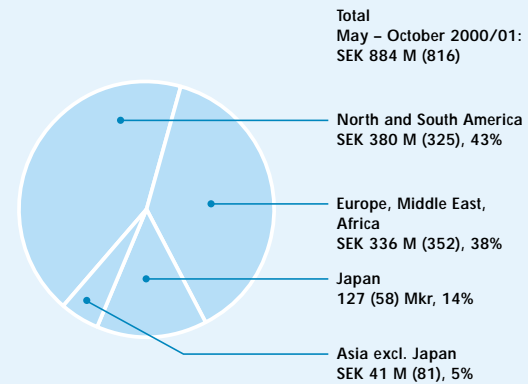
LIQUIDITY AND FINANCIAL POSITION

As of October 31, 2000, the Group's liquid assets amounted to SEK 249 M, the same figure as of April 30, 2000.

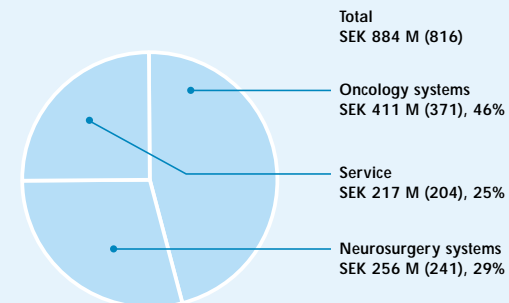
Cash flow before investments was negative SEK 7 M (surplus: 44) mainly because of a reduction in accounts payable. Cash flow after investment and divestments was a deficit of SEK 29 M (surplus: 30).

Net debt, defined as interest-bearing liabilities less liquid assets, amounted to SEK 103 M as of October 31, 2000, compared with SEK 80 M as of April 30, 2000. The reported amount of SEK 103 M includes a convertible debenture loan of SEK 221 M. Liquid assets plus overdraft facilities granted but not utilized amounted at October 31, 2000 to

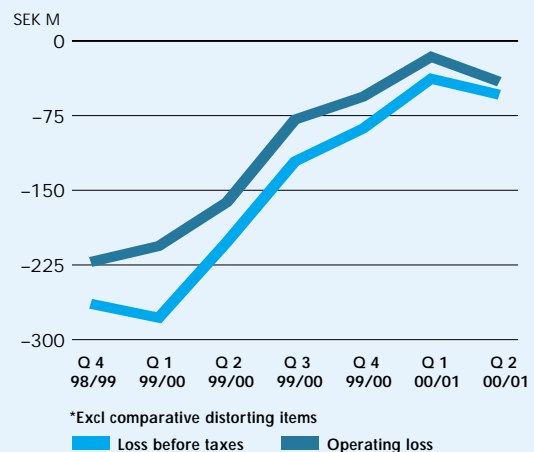
NET SALES PER GEOGRAPHICAL MARKET



NET SALES PER BUSINESS ACTIVITY



OPERATING LOSS AND LOSS BEFORE TAXES* ROLLING 12 MONTHS



SEK 257 M, compared with SEK 283 M as of April 30, 2000. Bank balances included SEK 119 M (April 30: 119) that was pledged mainly to guarantee advances received from customers.

The net debt/equity ratio increased from a multiple of 0.14 as of April 30, 2000 to 0.18 as of October 31, 2000. The equity/assets ratio was 32 percent, an improvement of one percentage point compared with April 30, 2000.

EMPLOYEES

The average number of employees in the Group was 787 (808). The number of employees at the close of the period was 800, compared with 778 as of April 30, 2000.

The Annual General Meeting on September 29, 2000 resolved to assume a debenture loan in the nominal amount of SEK 100,000 through the issue of debentures with not

more than 1,100,000 detachable warrants for new subscription of Series B shares in Elekta AB (publ).

PARENT COMPANY

Parent Company operations comprise Group management, joint Group functions and financial management. Lower interest expenses and higher currency gains contributed to an improvement in Parent Company income before taxes to SEK 0 M (loss: 31). The average number of employees was 13 (14).

FUTURE PROSPECTS

The earlier decided restructuring of Group operations has been completed, and Elekta is now focusing on creating growth with continuing stringent cost control. As announced earlier, these efforts are expected to generate satisfactory profitability toward fiscal year-end. Operating results for the full fiscal year are expected to be better than 1999/2000.

Key Figures

	6 months May - Oct 1999/2000	9 months May - Jan 1999/2000	12 months May - Apr 1999/2000	3 months May - Jul 2000/01	6 months May - Oct 2000/01
Net sales, SEK M	816	1,248	1,789	394	884
Items affecting comparability, SEK M	—	19	19	—	—
Operating loss, SEK M	-37	-26	-37	-17	-22
Operating margin, %	-5	-2	-2	-4	-2
Profit margin, %	-7	-4	-4	-5	-3
Shareholders' equity, SEK M	241	396	576	557	574
Capital employed, SEK M	835	927	905	887	935
Net debt, SEK M	432	361	80	70	103
Equity/assets ratio, %	14	21	31	31	32
Net debt/equity ratio, times	1.79	0.91	0.14	0.13	0.18
Return on shareholders' equity, % ¹⁾	-74	-47	-22	-6	-9
Return on capital employed, % ¹⁾	-19	-9	-3	4	2

Per share data

	Q 2 2000/01	Q 2 1999/2000	6 months 2000/01	6 months 1999/2000	Full year 1999/2000
Net income					
before conversion, SEK	-0.26	0.54	-0.89	-4.08	-4.24
after full conversion, SEK	-0.03	0.78	-0.39	-1.44	-1.15
Shareholders' equity					
before conversion, SEK	20.60	16.09	20.60	16.09	20.68
after full conversion, SEK	25.05	25.80	25.05	25.80	24.96
Average number of shares					
before conversion (000s)	27,854	14,957	27,854	14,957	18,263
after full conversion (000s)	31,729	25,690	31,729	25,690	27,854
Number of shares at closing					
before conversion (000s)	27,854	14,957	27,854	14,957	27,854
after full conversion (000s)	31,729	25,690	31,729	25,690	31,729

1) Based on rolling 12 months.

FINANCIAL INFORMATION

The nine-month interim report will be issued on March 23, 2001.

STOCKHOLM DECEMBER 14, 2000

ELEKTA AB (PUBL)

LAURENT LEKSELL
President

REVIEW REPORT

We have reviewed this six-month report in accordance with the recommendation issued by the Swedish Institute of Authorized Public Accountants (FAR). A review is considerably limited in scope compared with an audit. Nothing has come to our attention that causes us to believe that the six-month report does not comply with the requirements of the Securities and Clearing Operations Act and the Annual Accounts Act.

STOCKHOLM DECEMBER 14, 2000

ARTHUR ANDERSEN AB

LARS SVANTEMARK
Authorized Public Accountant

Income Statement

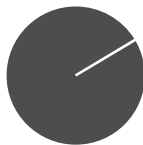
SEK M	3 months Aug - Oct 2000/01	3 months Aug - Oct 1999/2000	6 months Maj - Oct 2000/01	6 months May - Oct 1999/2000	12 months Nov - Oct 1999/2000	12 months May - April 1999/2000
Net sales	490	471	884	816	1,857	1,789
Operating expenses	-465	-412	-851	-781	-1,786	-1,716
R&D expenses	-30	-39	-55	-72	-112	-129
Items affecting comparability	—	—	—	—	19	19
Operating result	- 5	20	- 22	- 37	- 22	- 37
Financial net	-1	-10	-2	-21	-13	-32
Income before taxes	-6	10	-24	-58	-35	-69
Taxes	-2	-2	-2	-3	-7	-8
Minority	1	—	1	—	1	—
Net income	-7	8	-25	-61	-41	-77

Cash Flow

Operating cash flow	16	37	13	-16	22	-7
Change in working capital	-39	-26	-20	60	-62	18
Cash flow before investments	-23	11	-7	44	-40	11
Investments and disposals	-16	-10	-22	-14	23	31
Cash flow after investments and disposals	-39	1	-29	30	-17	42

Balance Sheet

SEK M	Oct 31 2000	Oct 31 1999	April 30 2000
Intangible fixed assets	429	448	437
Tangible fixed assets	90	82	81
Financial fixed assets	19	11	17
Inventories	248	292	255
Other current assets	787	724	797
Liquid assets	249	162	249
Total assets	1,822	1,719	1,836
Shareholders' equity	574	241	576
Minority	9	—	—
Provisions	73	77	79
Convertible debenture loan	221	422	216
Other interest-bearing liabilities	131	172	113
Interest-free liabilities	814	807	852
Total shareholders' equity, provisions and liabilities	1,822	1,719	1,836



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