

Elekta announces preliminary third quarter results

STOCKHOLM – Elekta (EKTA-B.ST) today published preliminary financial results for the third quarter 2021/22.

The demand for Elekta's precision radiation medicine solutions continued to be strong in the quarter, driven by Europe and recovery in several emerging markets such as Egypt and India. Orders grew with 8 percent, the fifth consecutive quarter with underlying order growth, resulting in Elekta's strongest order backlog ever.

Elekta has maintained its strong commitment to customers and their patients by continued focus on installing new devices and servicing the installed base. As stated in the last interim report, supply chain challenges remained, and total revenue came in at -3 percent in the quarter. Solution revenues declined by 9 percent due to the longer supply chain lead times. The service revenue increased by 7 percent, growing faster than the installed base.

EBIT¹ margin was approximately 10.4 percent (13.1). Increased costs for logistics and components continued to put pressure on margins of additional around 300 bps compared to the third quarter last year. Margins were also affected by lower installation volumes compared to plan.

Gustaf Salford, President and CEO of Elekta, said: "I am pleased to report healthy order growth in our third quarter, and we see an ongoing strong demand, with multiple large-tender activities. However, current global supply chain challenges continued to impact our revenue and margins negatively. We expect the high component and logistics costs to normalize towards the second half of 2022. I remain convinced that the growing need for cancer care globally will support the continued growth and investment in precision radiation medicine."

Preliminary third quarter results in summary (growth rates compared to last year's third quarter):

- Gross order intake amounted to approximately SEK 4,440 M (3,954), corresponding to an 8 percent growth in constant currency.
- Net sales were around SEK 3,600 M (3,581), corresponding to a decline of 3 percent in constant currency.
- Gross margin amounted to approximately 36.7 (38.7) percent.
- EBIT¹ was approximately SEK 375 M (468), corresponding to an EBIT margin of 10.4 percent (13.1).
- Cash flow after continuous investments was around SEK 190 M (496).

Elekta will hold an analyst conference call at 2:30 pm CET today with Gustaf Salford, President and CEO, and Tobias Hägglov, CFO. A full interim report for the third quarter will be released on February 24, 2022, as previously announced.

¹ Excluding contribution to the Elekta Foundation of SEK 35 M decided by AGM 2021 and reported in the income statement in Q3.



To take part in the call please dial the numbers or listen via the web link below:

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This is information that Elekta AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 13:30 CET on February 14, 2022. (REGMAR)

About Elekta

As a leader in precision radiation therapy, Elekta is committed to ensuring every patient has access to the best cancer care possible. We openly collaborate with customers to advance sustainable, outcome-driven and cost-efficient solutions to meet evolving patient needs, improve lives and bring hope to everyone dealing with cancer. To us, it's personal, and our global team of 4,700 employees combine passion, science, and imagination to profoundly change cancer care. We don't just build technology, we build hope. Elekta is headquartered in Stockholm, Sweden, with offices in more than 120 countries and listed on Nasdaq Stockholm. For more information, visit elekta.com or follow [@Elekta](https://twitter.com/Elekta) on Twitter.