Elekta

Q2
2016/17
December 1, 2016

Interim Report May-October 2016/17

Second Quarter

- Gross order intake amounted to SEK 3,383 M (3,398). Growth was flat in SEK and decreased by 2 percent based on constant exchange rates.
- Net sales was SEK 2,434 M (2,828), a decrease of 16 percent based on constant exchange rates. The decline is mainly related to one-off effects from implementing the produce-to-order process.
- EBITA* amounted to SEK 391 M (451) before items affecting comparability of SEK -117 M (-18) and bad debt losses of SEK -23 M (-7). The effect from changes in exchange rates compared with last year was SEK 95 M (50) including hedges.
- EBITA* margin was 16 percent (16).
- Operating result was SEK 140 M (304).
- Net income amounted to SEK 55 M (189). Earnings per share was SEK 0.14 (0.49) before and after dilution.
- Cash flow after continuous investments amounted to SEK 114 M (147). Cash outflow related to the transformation program and legal processes was SEK -150 M.
- Two orders for MR-linac were signed after the end of the second quarter, in line with local regulatory requirements.

May-October 2016/17

- Gross order intake increased 1 percent to SEK 6,044 M (5,967) and was flat based on constant exchange rates. This is in line with general market development.
- Net sales was SEK 4,316 M (5,067), a decrease of 15 percent based on constant exchange rates. The decline is mainly related to one-off effects from implementing the produce-to-order process.
- EBITA* amounted to SEK 558 M (519) before items affecting comparability of SEK -206 M (-48) and bad debt losses of SEK -29 M (-34). The effect from changes in exchange rates compared with last year was SEK 210 M (30) including hedges.
- EBITA* margin increased to 13 percent (10).
- Operating result was SEK 106 M (211).
- Net income amounted to SEK -9 M (60). Earnings per share was SEK -0.03 (0.15) before and after dilution.
- Cash flow after continuous investments improved by SEK 223 M to SEK -194 M (-417). Cash outflow related to the transformation program and legal processes was SEK -320 M.
- Richard Hausmann assumed the role as President and CEO effective June 10, 2016.

Group summary

SEK M	Q2 2016/17	Q2 2015/16	Change	May - Oct 2016/17	May - Oct 2015/16	Change
Gross order intake	3,383	3,398	-2% **	6,044	5,967	0% **
Net sales	2,434	2,828	-16% **	4,316	5,067	-15% **
EBITA*	391	451	-13%	558	519	8%
Operating result	140	304	-54%	106	211	-50%
Net income	55	189	-71%	-9	60	
Cash flow after continuous investments	114	147	-22%	-194	-417	
Earnings per share after dilution, SEK	0.14	0.49	-71%	-0.03	0.15	

Adjusted for items affecting comparability (restructuring costs and costs for legal processes, see details on pages 19-20) and bad debt losses.
***Compared to last fiscal year based on constant exchange rates.*

Forward-looking information. This report includes forward-looking statements including, but not limited to, statements relating to operational and financial performance, market conditions, and other similar matters. These forward-looking statements are based on current expectations about future events. Although the expectations described in these statements are assumed to be reasonable, there is no guarantee that such forward-looking statements will materialize or are accurate. Since these statements involve assumptions and estimates that are subject to risks and uncertainties, results could differ materially from those set out in the statement. Some of these risks and uncertainties are described further in the section "Risks and uncertainties". Elekta undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or stock exchange regulations.

President and CEO comments

We continue our transformation program to reduce costs, strengthen margins and cash flow, and drive operational excellence. We see strong interest in our innovations and have started to receive orders for our coming MR-linac system.

The global market for radiation therapy is in essence stable, although we continue to see quarterly fluctuations. Our gross orders for the first half year are flat compared with last year. We strengthened our market leadership in emerging markets with strong order intake in China, India, Southeast Asia, Latin America and the Middle East.

The measures for improvement in region North and South America are slowly yielding results and we continue to strengthen our organization. Gross orders returned to growth in the second quarter mainly driven by strong performance in our Latin American operations.

In region Europe, Middle East and Africa, the underlying market remained stable, but we had a challenging comparison to the second quarter last year.

My confidence in the potential of our MR-linac is reinforced and prior to CE mark we signed two orders just after the closing of the second quarter, in line with local regulatory requirements. Our activities towards launch and CE-mark in the second half of the 2017 calendar year are advancing as planned. I really look forward to bringing this groundbreaking technology to our customers and their patients. It's less than a year away!

As part of our transformation program, we are increasing efficiency and reducing our cost base. At the end of the second quarter, we had reached an annual savings run rate of SEK 500 M out of the SEK 700 M target. The cost savings in combination with favorable currency movements and product mix, strengthened our EBITA margin to 13 percent (10) for the first half of the fiscal year.

Our change of the supply chain process to produce-to-order is now completed and had a negative one-off effect on net sales of SEK 650 M for the first half year. We have increased the efficiency in our supply chain, shortened lead times and reduced working capital. Accordingly, our underlying cash flow has improved by about SEK 530* M adjusted for cash outflow for legal processes and the transformation program.

In the quarter, we launched our new strategy and brand platform. Further, the organization has been aligned with our three core processes, Product Lifecycle Management, Supply Chain Management and Customer Relationship Management. Accompanied by the support and management processes, this change will lead to clearer and more effective processes and workflows. These measures are an essential part of our transformation towards sustainable profitable growth and operational efficiency.

Richard Hausmann,
President and CEO

**Cash flow after continuous investments. Adjusted for items affecting comparability of SEK 303 M (refer to page 4), related to cash outflow attributable to legal processes and the transformation program.*

Transformation program

The transformation program, announced in June 2015, is progressing according to plan. The aim is to create a more efficient operation, with improved profitability and a greater focus on cash flow. The program includes measures to strengthen our customer services and innovation capacity. In addition, activities for increased efficiency in the supply chain and procurement processes are being implemented.

The objectives of the transformation program are to:

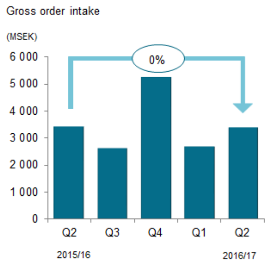
- Reach an EBITA margin of >20 percent in the 2017/18 fiscal year (current rolling 12-month margin was 16 percent (14)).
- Implement cost savings of SEK 700* M with full effect from 2017/18 (at the end of the second quarter 2016/17, the annualized savings rate was SEK 500 M).
- Maintain net working capital to sales below 5 percent (was at 4 percent at the end of the second quarter 2016/17).
- Implement a produce-to-order process (completed).

**Base year 2014/15, excluding currency effects.*

Presented amounts refer to the fiscal year 2016/17 and amounts within parentheses indicate comparative values for the equivalent period last fiscal year unless otherwise stated.

Order intake and order backlog

From fiscal year 2016/17, Elekta reports gross order intake instead of net order intake. This is in line with industry peers.



Gross order intake increased 1 percent to SEK 6,044 M (5,967) and was flat based on constant exchange rates.

Gross order intake

SEK M	Q2 2016/17	Q2 2015/16	Change*	May - Oct 2016/17	May - Oct 2015/16	Change*	May - Apr 2015/16
North and South America	1,205	1,153	4%	2,016	2,145	-5%	4,954
Europe, Middle East and Africa	1,056	1,269	-17%	1,886	2,005	-6%	4,824
Asia Pacific	1,122	976	10%	2,143	1,817	14%	4,043
Group	3,383	3,398	-2%	6,044	5,967	0%	13,821

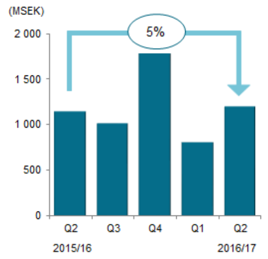
**Compared to last fiscal year based on constant exchange rates.*

Order backlog was SEK 21,673 M, compared to SEK 18,239 M on April 30, 2016. Order backlog is converted at closing exchange rates which resulted in a positive translation difference of SEK 1,823 M. According to current delivery plan, current order backlog is expected to be recognized as follows: 25 percent in the remaining six months of 2016/17, 27 percent in 2017/18 and 48 percent thereafter.

Regional development

North and South America

Gross order intake North and South America



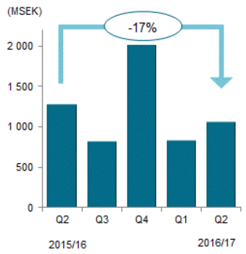
In the US, the replacement market remained stable and investments in replacing the installed base of radiation therapy equipment continued. Market growth is primarily related to services. Consolidation of the hospital industry continues, resulting in increasingly comprehensive solutions and large-scale projects as well as longer lead times for purchasing decisions. In November Medicare confirmed new reimbursement rates which were in line with previous levels for both hospitals and independent clinics. Levels rose slightly for brachytherapy, SRS and SBRT.

Demand for cancer care in South America is growing, mainly driven by a rapidly aging population and there is a significant lack of radiation therapy capacity. However, weak economic conditions throughout the region have slowed investments in new equipment.

Our measures for strengthen our business in region North and South America are starting to show some results. Elekta's gross order bookings in the region increased 5 percent in the second quarter, and 4 percent based on constant exchange rates. The increase was mainly related to improved performance in Latin America, although business performance in the US improved compared to the first quarter. For the first half year, order bookings declined by 6 percent in the region and 5 percent based on constant exchange rates.

Europe, Middle East and Africa

Gross order intake Europe, Middle East and Africa



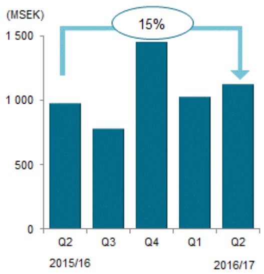
Radiation therapy capacity in Western Europe is insufficient, evidenced by the long waiting times for treatment in some countries. This is being addressed by increased investments by public health care systems as well as investment initiatives by private care providers.

Emerging markets across the region performed favorably. The Middle East has begun to grow, partly due to the recently opened market in Iran. The need for cancer care in Africa is significant, representing long-term growth potential. The Russian market is down significantly, due to weak economic conditions.

In the second quarter last year Elekta's order intake grew by 41 percent based on constant exchange rates. This makes the comparison challenging. Gross order bookings declined 17 percent in the second quarter this year, and 17 percent based on constant exchange rates. During the quarter, Elekta won a large order in Spain. For the first half year, order bookings declined by 6 percent in the region and 6 percent based on constant exchange rates.

Asia Pacific

Gross order intake Asia Pacific



The region comprises almost 60 percent of the global population, but less than 30 percent of the world's linear accelerators. Accordingly, there is a large unmet need for cancer care. The main market drivers are longer life expectancy and greater economic prosperity, which are leading to investments in health care.

Market growth was favorable throughout the region in the first half year. High-growth markets include China, India and South East Asia. The Japanese market is currently at low levels.

Elekta's gross order bookings increased by 15 percent in the second quarter, and 10 percent based on constant exchange rates. Order growth in India and Southeast Asia was particularly strong in the second quarter. In India, Elekta signed an important order with All India Institute of Medical Science. For the first half year, order bookings increased by 18 percent and 14 percent based on constant exchange rates.

Net sales and earnings

Net sales amounted to SEK 4,316 M (5,067), a decrease of 15 percent based on constant exchange rates. This is mainly related to a one-off effect from the implemented produce-to-order process. Service sales increased by 6 percent based on constant exchange rates.

Net sales

SEK M	Q2 2016/17	Q2 2015/16	Change*	May - Oct 2016/17	May - Oct 2015/16	Change*	May - Apr 2015/16
North and South America	971	1,032	-7%	1,793	1,946	-7%	4,005
Europe, Middle East and Africa	713	871	-17%	1,266	1,616	-20%	3,651
Asia Pacific	750	925	-24%	1,257	1,505	-20%	3,565
Group	2,434	2,828	-16%	4,316	5,067	-15%	11,221

**Compared to last fiscal year based on constant exchange rates.*

Gross margin was 41.5 percent (40.8). Operating expenses decreased 14 percent as a result of cost reduction activities and currency effects. R&D expenditure, before capitalization of development costs, amounted to SEK 567 M (714), equal to 13 percent (14) of net sales.

EBITA before items affecting comparability and bad debts losses increased to SEK 558 M (519) representing a margin of 13 percent (10). The effect from changes in exchange rates compared with last year was approximately SEK 210 M (30) including hedges. Items affecting comparability amounted to SEK -206 M (-48), of which SEK -97 M (-4) were related to legal disputes and SEK -109 M (-44) were costs related to the implementation of the ongoing transformation program. Operating result was SEK 106 M (211).

Net financial items amounted to SEK -118 M (-134). Interest expenses decreased due to lower interest rates. Profit before tax amounted to SEK -12 M (77), tax amounted to SEK 3 M (-17) and net income amounted to SEK -9 M (60). Earnings per share amounted to SEK -0.03 (0.15) before and after dilution. Return on shareholders' equity amounted to 1 percent (9) and return on capital employed amounted to 3 percent (8).

Capitalized development costs

SEK M	Q2 2016/17	Q2 2015/16	May - Oct 2016/17	May - Oct 2015/16	12 months rolling	May - Apr 2015/16
Capitalization of development costs	134	161	239	317	514	592
of which R&D	134	161	239	317	513	591
Amortization of capitalized development costs	-78	-89	-156	-161	-321	-326
of which R&D	-72	-83	-144	-149	-296	-301
Capitalized development costs, net	56	72	83	156	193	266
of which R&D	62	78	95	168	217	290

The net of capitalization and amortization of development costs in the R&D function decreased to SEK 95 M (168). Amortization of capitalized development costs amounted to SEK 156 M (161).

Investments and depreciation

Continuous investments were SEK 304 M (414), including investments in intangible assets of SEK 244 M (319) and investments in other assets of SEK 61 M (95). Investments in intangible assets is related to ongoing R&D programs and the lower level reflects the reduction in R&D expenses. The reduced investment in other assets was also R&D related. Amortization of intangible assets and depreciation of tangible fixed assets amounted to a total of SEK 294 M (309).

Cash flow

Cash flow from operating activities improved to SEK 202 M (-3). During the period, cash outflow related to the transformation program and legal processes amounted to approximately SEK -320 M (-17), of which SEK -150 M (-14) was during the second quarter. Cash outflow relating to legal disputes amounted to SEK -176 M (-4), of which SEK -51 M (-4) was paid in the second quarter. The operational cash conversion for rolling 12 months was 147 percent (121). Cash flow after continuous investments was SEK -194 M (-417). Cash outflow to continuous investments included SEK -92 M relating to investments in intangible assets made in 2015/16.

Cash flow (extract)

SEK M	Q2 2016/17	Q2 2015/16	May - Oct 2016/17	May - Oct 2015/16	12 months rolling	May - Apr 2015/16
Operating cash flow	142	408	105	400	414	709
Change in working capital	*200*	*-62*	*97*	*-403*	*961*	*461*
Cash flow from operating activities	342	346	202	-3	1,375	1,170
Continuous investments	*-228*	*-199*	*-396*	*-414*	*-756*	*-774*
Cashflow after continuous investments	114	147	-194	-417	619	396
*Operational cash conversion**	*118%*	*74%*	*51%*		*147%*	*111%*

**Cash flow from operating activities / EBITDA*

Working capital

Net working capital decreased to SEK 377 M (1,242), which is corresponding to 4 percent (11) of net sales.

Working capital

SEK M	Oct 31, 2016	Oct 31, 2015	Apr 30, 2016
Working capital assets			
Inventories	1,259	1,417	1,135
Accounts receivable	3,320	3,831	3,301
Accrued income	2,041	1,994	2,126
Other operating receivables	796 *)	823	741
Sum working capital assets	7,416	8,065	7,303
Working capital liabilities			
Accounts payable	835	1,023	1,122
Advances from customers	2,439	2,053	1,943
Prepaid income	1,561	1,668	1,648
Accrued expenses	1,813	1,796	1,817
Short-term provisions	218	103	347
Other current liabilities	173	180	157
Sum working capital liabilities	7,039	6,823	7,035
Net working capital	377	1,242	268
% of 12 months net sales rolling	4%	11%	2%

**) Adjusted for interest-bearing receivables of SEK -4 M.*

Inventory and accounts payable decreased compared to the second quarter last year, which mainly is a result of the produce-to-order process. Inventory increased in the quarter, mostly from a buildup of MR-linac related inventory.

The Days Sales Outstanding (DSO) has been reduced to 47 days (67) with all three regions showing improvements compared to last year.

Days Sales Outstanding (DSO)

SEK M	Oct 31, 2016	Oct 31, 2015	Apr 30, 2016
North and South America	-41	-37	-46
Europe, Middle East and Africa	112	155	112
Asia Pacific	83	103	128
Group	47	67	60

Days Sales Outstanding (DSO) is calculated as (Accounts receivable + Accrued income - Advances from customers - Prepaid income)/(12 months rolling net sales/365).

Financial position

Cash and cash equivalents amounted to SEK 2,121 M (2,273 on April 30, 2016) and interest-bearing liabilities amounted to SEK 5,180 M (4,950 on April 30, 2016). Net debt amounted to SEK 3,060 M (2,677 on April 30, 2016) and the net debt/equity ratio was 0.46 (0.42 on April 30, 2016).

Net debt

SEK M	Oct 31, 2016	Oct 31, 2015	Apr 30, 2016
Long-term interest-bearing liabilities	3,290	5,024	3,065
Short-term interest-bearing liabilities	1,890	17	1,885
Cash and cash equivalents	-2,121	-1,586	-2,273
Net debt	3,060	3,455	2,677

The exchange rate effect from the translation of cash and cash equivalents amounted to SEK 195 M (31). The translation difference in long-term interest-bearing liabilities amounted to SEK 225 M (56). Other comprehensive income was affected by exchange rate differences from translation of foreign operations amounting to SEK 506 M (89).

The change in unrealized exchange rate effects from effective cash flow hedges amounted to SEK -233 M (62) and is reported in other comprehensive income. The closing balance of unrealized exchange rate effects from effective cash flow hedges amounted to SEK -224 M (-62) exclusive of tax.

Significant events during the reporting period

Change of President and CEO

Richard Hausmann was appointed as the new President and CEO effective June 10, 2016. He succeeded Tomas Puusepp.

Richard Hausmann joined Elekta with nearly three decades of experience in the medical device industry. He led GE's Magnetic Resonance (MR) division as President and CEO, served as President and CEO of Siemens computed tomography (CT) and worked at Siemens in leading positions in its MR business. He also acted as President and CEO of Siemens Ltd. China, responsible for the company's entire portfolio in its core emerging market. Richard has a solid track record of bringing clinical innovations to the global health care market and is known for his deep insights into customer and patient needs, with a strong workflow and outcome orientation.

Richard Hausmann has a doctorate in physics from the University of Regensburg.

Changes to Executive Management Team

Karin Svenske Nyberg will join Elekta as Executive Vice President Human Resources at the beginning of next calendar year. Valerie Binner, former Executive Vice President Human Resources, left the company with effective date June 10, 2016.

Todd Powell, Executive Vice President Global Engineering, left the company with effective date October 31, 2016.

humediQ legal dispute

On May 23, 2016, an arbitration tribunal in London issued an award in the dispute between two Elekta group companies and humediQ GmbH. The award concluded an arbitration with humediQ arising out of an agreement for the exclusive supply of Identify™ under the Elekta label, which was entered into in 2011. The tribunal determined that the Elekta companies did not validly terminate the 2011 agreement and that, as a result, they must pay humediQ EUR 8.9 M for Identify systems the Elekta companies did not order according to minimum volume commitments in the contract. This amount is less than half of the EUR 19 M that humediQ claimed in the arbitration. The tribunal also held that the respective success of each party was comparable and that each party should bear its own legal costs. The Elekta companies do not have any further obligation to purchase any systems from humediQ. In addition to the damages ordered in the arbitration award, Elekta has written off approximately EUR 5 M in receivables related to the agreement with humediQ. An amount of SEK 25 M relating to humediQ has been reported as items affecting comparability, of which SEK 2 M in the second quarter: this amount is in addition to SEK 128 M, which was reported as items affecting comparability in the fourth quarter of 2015/16.

Processes regarding intellectual property rights

Elekta is committed to protecting its intellectual property rights and those of its partnering customers. Last year, Elekta therefore acted against Varian's infringement of patents using cone beam CT with a flat panel imager. Since then, both parties have filed patent infringement suits both in Europe and in the US.

During the second quarter, Elekta received an Initial Determination (ID) by an Administrative Law Judge of the US International Trade Commission (USITC). The judge dismissed Varian's infringement claims on patents related to cone beam CT with a flat panel imager, and declared them not infringed by Elekta or invalid due to prior art incorporated in patents exclusively licensed by Elekta. The judge's ID also stated that certain Elekta radiotherapy solutions are violating patents owned by Varian, predominantly related to algorithms used in treatment planning software. The ID is being analyzed and several grounds have been identified on which Elekta is seeking review before the USITC. The matter is subject to procedural reviews within the USITC before any final determination or order is reached, which likely will last until the end of Elekta's fiscal year 2016/17. In addition, Elekta has filed proceedings at the US Patent and Trademark Office (USPTO) against all of the Varian patents addressed by the ID. The USPTO has since found a likelihood of success in declaring these patents invalid. The USPTO expects to complete all of these proceedings before October 2017.

Also, for the Varian patents relating to algorithms used in treatment planning software, Elekta had a successful first outcome in a court case in Germany where Varian's infringement claims were dismissed.

Significant events after the reporting period

Orders of MR-linac

Princess Margaret Cancer Centre (Toronto, Canada) and Odense University Hospital (Odense, Denmark), two well reputable hospitals, have placed orders of Elekta´s MR-linac, all in line with local regulatory requirements.

Employees

The average number of employees during the period was 3,550 (3,702). The number of employees on October 31, 2016 totaled 3,611 (3,753) compared to 3,617 on April 30, 2016. The decrease compared to previous year is related to the ongoing transformation program and mainly from streamlining of the manufacturing organization and efficiency programs in administration.

The average number of employees in the Parent Company was 27 (25).

Shares

During the period no new B-shares were subscribed through conversion of convertibles. Total number of registered shares on October 31, 2016 was 382,829,047, of which 14,250,000 were A-shares and 368,579,047 B-shares. Fully diluted shares amounted to 400,696,012, including dilution related to the Elekta 2012/17 convertible bond.

Risks and uncertainties

Elekta's presence in a large number of geographical markets exposes the Group to political and economic risks on a global scale and/or in individual countries. United Kingdom's decision to leave the European Union, as an example, might lead to economic uncertainty that may impact Elekta since an important part of the business is located in the United Kingdom.

The competitive landscape for Elekta is continuously changing. The medical equipment industry is characterized by technological developments and continuous improvements of industrial know-how, resulting in companies launching new products and improved methods for treatment. Elekta strives to be the leader in innovation and offer the most competitive product portfolio, developed in close collaboration with key research leaders in the field. To secure the proceeds of research investments, it is of importance that such new products and new technology are protected from the risk of improper use by competitors. When possible and deemed appropriate, Elekta protects its intellectual property rights by way of patents, copyrights and trademark registrations. Elekta carefully monitors intellectual property rights of third parties, but third parties may still direct infringement claims against Elekta which may lead to time-consuming and costly legal disputes as well as business interruption and other limitations in operations.

Elekta sells solutions through its direct sales force and through an external network of agents and distributors. The Company's continued success is dependent on the ability to establish and maintain successful relationships with customers. Elekta is continuously evaluating how to enter new markets, considering both the opportunities and the risks involved. There are regulatory registration requirements with each new market that potentially could delay product introductions and certifications. The stability of the political system in certain countries and the security situation for employees traveling to exposed areas are constantly evaluated. Corruption is a risk and an obstacle for development and growth in some countries. Elekta has implemented a specific anti-corruption policy to guide the business as it aims to be in line with national and international regulations and best practices against corruption as well as third party risk management processes.

Elekta's operations comprise several markets that expose the Group to a vast number of laws, regulations, policies and guidelines regarding, for example, health, security, environmental matters, trade restrictions, competition and delivery of products. Elekta's quality systems describe these requirements, which are reviewed and certified by external supervisory bodies and are regularly inspected by authorities in applicable countries, for example, the US FDA. Noncompliance of, for example, safety regulations can result in delayed or stopped deliveries of products. Changes in regulations and rules might also increase Elekta's costs and delay the development and introduction of new products.

Elekta depends also on the capability of producing advanced medical equipment, which requires highly qualified personnel. The Company's ability to attract and retain qualified personnel and management has a significant impact on the future success of the Group.

Weak economic development and high levels of public debt might, in some markets, mean less availability of financing for private customers and reduced future healthcare spending by governments. Political decisions that could impact the healthcare reimbursement systems also constitute a risk factor. Elekta's ability to commercialize products is dependent on the reimbursement level that hospitals and clinics can obtain for different types of treatments. Alterations in the existing reimbursement systems related to medical products, or implementation of new regulations, might impact future product mix in specific markets.

Elekta's delivery of treatment equipment relies largely on customers' readiness to receive the delivery at site. Depending on contractual payment terms, a delay can result in postponed invoicing and also affect timing of revenue recognition. The Group's credit risks are normally limited since customer operations are, to a large extent, financed either directly or indirectly by public funds. Due to the recent macroeconomic development, a number of emerging market currencies have depreciated significantly and, as a consequence Elekta has experienced an increased credit risk related to receivables from these regions.

Elekta depends on a number of suppliers for components. There is a risk that delivery difficulties might occur due to circumstances beyond Elekta's control. Critical suppliers are regularly followed up regarding delivery precision and quality of components.

In its operations, Elekta is subject to a number of financial risks primarily related to exchange rate fluctuations. In the short term, the effect of currency movements is reduced through forward contracts. Hedging is conducted on the basis of expected net sales over a period of up to 24 months. The scope of the hedging is determined by the Company's assessment of currency risks. Risk exposure is regulated through a financial policy established by the Board of Directors. The overall responsibility for handling the Group's financial risks, and developing methods and guidelines for dealing with financial risks, rests with the executive management and the finance function. For more detailed information regarding these risks, see Note 2 in the Annual Report 2015/16.

The Board of Directors and CEO declare that the undersigned interim report provides a fair overview of the parent company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the parent company and other companies in the Group.

Stockholm, December 1, 2016

Laurent Leksell Chairman of the Board	Annika Espander Jansson Member of the Board	Luciano Cattani Member of the Board
Siaou-Sze Lien Member of the Board	Wolfgang Reim Member of the Board	Johan Malmquist Member of the Board
Birgitta Stymne Göransson Member of the Board	Jan Secher Member of the Board	Tomas Puusepp Member of the Board

Richard Hausmann
CEO and President

Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of Elekta AB (publ) as of 31 October 2016 and the six-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity.* A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, December 1, 2016

PricewaterhouseCoopers AB

Johan Engstam
Authorized Public Accountant
Auditor in charge

Camilla Samuelsson
Authorized Public Accountant

Accounting principles

This interim report is prepared, with regard to the Group, according to IAS 34 and the Swedish Annual Accounts Act and, with regard to the Parent Company, according to the Swedish Annual Accounts Act and RFR 2. The accounting principles applied correspond to those presented in Note 1 of the Annual Report 2015/16.

Exchange rates

Country	Currency	Average rate			Closing rate				
		May - Oct 2016/17	May - Oct 2015/16	Change *)	Oct 31, 2016	Oct 31, 2015	Apr 30, 2016	Change *) 12 months	Change **)
Euroland	1 EUR	9.437	9.363	1%	9.869	9.370	9.176	5%	8%
Great Britain	1 GBP	11.401	12.977	-12%	10.972	13.041	11.782	-16%	-7%
Japan	1 JPY	0.080	0.069	17%	0.086	0.071	0.075	21%	14%
United States	1 USD	8.427	8.427	0%	9.010	8.505	8.059	6%	12%

**) October 31, 2016 vs October 31, 2015*

***) October 31, 2016 vs April 30, 2016*

Regarding foreign Group companies, order intake and income statements are translated at average exchange rates for the reporting period, while order backlog and balance sheets are translated at closing exchange rates.

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK M

INCOME STATEMENT	Q2 2016/17	Q2 2015/16	May - Oct 2016/17	May - Oct 2015/16	12 months rolling	May - Apr 2015/16
Net sales	2,434	2,828	4,316	5,067	10,470	11,221
Cost of products sold	-1,409	-1,647	-2,527	-3,001	-6,134	-6,608
Gross income	1,025	1,181	1,789	2,066	4,336	4,613
Selling expenses	-314	-333	-590	-676	-1,250	-1,336
Administrative expenses	-231	-250	-446	-522	-949	-1,026
R&D expenses	-222	-274	-472	-546	-991	-1,065
Exchange rate differences	-1	-2	32	-63	-70	-165
Operating result before items affecting comparability	257	322	313	259	1,075	1,021
Items affecting comparability	-117	-18	-206	-48	-757	-598
Operating result	140	304	106	211	318	423
Result from participations in associates	2	1	5	3	13	11
Interest income	7	6	11	11	38	37
Interest expenses and similar items	-74	-73	-136	-152	-269	-285
Exchange rate differences	-1	4	2	4	0	3
Profit before tax	73	242	-12	77	100	189
Income taxes	-18	-53	3	-17	-24	-44
Net income	55	189	-9	60	76	145
Net income attributable to:						
Parent Company shareholders	55	188	-10	57	70	137
Non-controlling interests	0	1	1	3	6	8
Earnings per share before dilution, SEK	0.14	0.49	-0.03	0.15	0.18	0.36
Earnings per share after dilution, SEK	0.14	0.49	-0.03	0.15	0.18	0.36

STATEMENT OF COMPREHENSIVE INCOME	Q2 2016/17	Q2 2015/16	May - Oct 2016/17	May - Oct 2015/16	12 months rolling	May - Apr 2015/16
Net income	55	189	-9	60	76	145
Other comprehensive income:						
Items that will not be reclassified to the income statement						
Remeasurements of defined benefit pension plans	0	—	0	—	8	8
Tax	0	—	0	—	-2	-2
Total items that will not be reclassified to the income statement	0	—	0	—	6	6
Items that subsequently may be reclassified to the income statement						
Revaluation of cash flow hedges	-92	-46	-233	62	-178	117
Translation differences from foreign operations	202	-143	506	89	136	-281
Tax	18	9	45	-13	33	-25
Total items that subsequently may be reclassified to the income statement	128	-180	318	138	-9	-189
Other comprehensive income for the period	128	-180	318	138	-3	-183
Total comprehensive income for the period	183	9	309	198	73	-38
Comprehensive income attributable to:						
Parent Company shareholders	182	7	308	195	68	-45
Non-controlling interests	1	2	1	3	5	7

RESULT OVERVIEW

SEK M	Q2 2016/17	Q2 2015/16	May - Oct 2016/17	May - Oct 2015/16	12 months rolling	May - Apr 2015/16
Operating result/EBIT before items affecting comparability	257	322	313	259	1,075	1,021
Bad debt losses	23	7	29	34	144	149
Amortization:						
capitalized development costs	78	89	156	161	321	326
acquisitions	33	33	60	65	138	143
EBITA before items affecting comparability and bad debt losses	391	451	558	519	1,678	1,639
Depreciation	39	41	78	83	160	165
EBITDA before items affecting comparability and bad debt losses	430	492	635	602	1,837	1,805

CONSOLIDATED BALANCE SHEET

SEK M	Oct 31, 2016	Oct 31, 2015	Apr 30, 2016
Non-current assets			
Intangible assets	8,797	8,375	8,210
Tangible fixed assets	785	904	803
Financial assets	369	396	365
Deferred tax assets	300	288	281
Total non-current assets	10,251	9,963	9,658
Current assets			
Inventories	1,259	1,417	1,135
Accounts receivable	3,320	3,831	3,301
Accrued income	2,041	1,994	2,126
Current tax assets	234	104	160
Derivative financial instruments	43	64	47
Other current receivables	800	823	741
Cash and cash equivalents	2,121	1,586	2,273
Total current assets	9,817	9,819	9,783
Total assets	20,068	19,782	19,441
Elekta's owners' equity	6,581	6,645	6,402
Non-controlling interests	-	5	10
Total equity	6,581	6,650	6,412
Non-current liabilities			
Long-term interest-bearing liabilities	3,290	5,024	3,065 *
Deferred tax liabilities	679	786	690
Long-term provisions	139	147	140
Other long-term liabilities	107	122	73
Total non-current liabilities	4,215	6,079	3,967
Current liabilities			
Short-term interest-bearing liabilities	1,890	17	1,885 *
Accounts payable	835	1,023	1,122
Advances from customers	2,439	2,053	1,943
Prepaid income	1,561	1,668	1,648
Accrued expenses	1,813	1,796	1,817
Current tax liabilities	66	93	93
Short-term provisions	218	103	347
Derivative financial instruments	277	120	50
Other current liabilities	173	180	157
Total current liabilities	9,272	7,053	9,062
Total equity and liabilities	20,068	19,782	19,441

* *The convertible loan amounting to SEK 1,872 M, maturing April 25, 2017, was reclassified to a short-term interest-bearing liability in the annual report 2015/16. In the year-end report May - April 2015/16 the loan was presented as long-term.*

CASH FLOW

SEK M	Q2 2016/17	Q2 2015/16	May - Oct 2016/17	May - Oct 2015/16	12 months rolling	May - Apr 2015/16
Profit before tax	73	242	-12	77	100	189
Amortization and depreciation	150	163	294	309	619	634
Interest net	46	54	92	117	178	203
Other non-cash items	-29	93	-44	139	-36	147
Interest received and paid	-57	-94	-103	-144	-155	-196
Income taxes paid	-41	-50	-122	-98	-292	-268
Operating cash flow	*142*	*408*	*105*	*400*	*414*	*709*
Increase (-)/decrease (+) in inventories	-71	25	-93	-107	94	80
Increase (-)/decrease (+) in operating receivables	-112	-13	336	162	524	350 *)
Increase (-)/decrease (+) in operating liabilities	383 *)	-74	-146 *)	-458	343	31 *)
Change in working capital	*200*	*-62*	*97*	*- 403*	*961*	*461*
Cash flow from operating activities	342	346	202	-3	1,375	1,170
Investments intangible assets	-193	-161	-336	-319	-613	-596
Investments other assets	-34	-38	-61	-95	-158	-192
Sale of fixed assets	—	—	—	—	14	14
Continuous investments	*- 228*	*-199*	*- 396*	*- 414*	*-756*	*-774*
Cash flow after continuous investments	114	147	-194	-417	619	396
Business combinations and investments in other shares	-26	2	-42	-10	-44	-12
Cash flow after investments	89	149	-236	-427	575	384
Cash flow from financing activities	-103	-1,256	-112	-1,283	-132	-1,303
Cash flow for the period	-14	-1,107	-347	-1,710	443	-920
Exchange rate differences	75	-55	195	31	92	-72
Change in cash and cash equivalents for the period	61	-1,162	-152	-1,679	535	-992

** Adjusted for receivables/liabilities relating to investments/sale of fixed assets.*

CHANGES IN EQUITY

SEK M	May - Oct 2016/17	May - Oct 2015/16	May - Apr 2015/16
Attributable to Elekta's owners			
Opening balance	6,402	6,638	6,638
Comprehensive income for the period	308	198	-45
Conversion of convertible loan	-	-	0
Acquisition of non-controlling interest	- 34	-	-
Dividend	-95	-191	-191
Total	6,581	6,645	6,402
Attributable to non-controlling interests			
Opening balance	10	8	8
Comprehensive income for the period	1	3	7
Acquisition of non-controlling interest	- 1	-	-
Dividend	-10	-5	-5
Total	-	5	10
Closing balance	6,581	6,650	6,412

Financial instruments

The table below shows the Group's financial instruments, for which fair value is different than carrying value. The fair value of all other financial instruments is assumed to correspond to the carrying value.

	Oct 31, 2016		Oct 31, 2015		Apr 30, 2016	
SEK M	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing liabilities	3,290	3,354	5,024	5,288	3,065	3,213
Short-term interest-bearing liabilities	1,890	1,932	17	17	1,885	1,984

The Group's financial assets and financial liabilities, which have been measured at fair value, have been categorized in the fair value hierarchy. The different levels are defined as follows:

- Level 1: Quoted prices on an active market for identical assets or liabilities
- Level 2: Other observable data than quoted prices included in Level 1, either directly (that is, price quotations) or indirectly (that is, obtained from price quotations)
- Level 3: Data not based on observable market data

Financial instruments measured at fair value

SEK M	Level	Oct 31, 2016	Oct 31, 2015	Apr 30, 2016
FINANCIAL ASSETS				
Financial assets measured at fair value through profit or loss:				
Derivative financial instruments – non-hedge accounting	2	41	40	21
Derivatives used for hedging purposes:				
Derivative financial instruments – hedge accounting	2	2	31	27
Total financial assets		43	71	48
FINANCIAL LIABILITIES				
Financial liabilities at fair value through profit or loss:				
Derivative financial instruments – non-hedge accounting	2	83	40	17
Contingent consideration	3	98	129	104
Derivatives used for hedging purposes:				
Derivative financial instruments – hedge accounting	2	232	93	36
Total financial liabilities		413	262	157

KEY FIGURES

	May - Apr 2011/12	May - Apr 2012/13	May - Apr 2013/14	May - Apr 2014/15	May - Apr 2015/16	May - Oct 2015/16	May - Oct 2016/17
Gross order intake, SEK M	n/a	n/a	n/a	12,825	13,821	5,827	6,044
Net sales, SEK M	9,048	10,339	10,694	10,839	11,221	5,067	4,316
Operating result, SEK M	1,849	2,012	1,727	937	423	211	106
Operating margin before items affecting comparability, %	20	20	18	9	9	5	7
Operating margin, %	20	19	16	9	4	4	2
Profit margin, %	19	17	14	7	2	2	0
Shareholders' equity, SEK M	5,010	5,560	6,257	6,646	6,412	6,650	6,581
Capital employed, SEK M	9,540	10,112	10,743	12,678	11,360	11,691	11,761
Equity/assets ratio, %	33	34	35	31	33	34	33
Net debt/equity ratio, multiple	0.53	0.36	0.36	0.42	0.42	0.52	0.46
Return on shareholders' equity, %	29	27	21	9	2	9	1
Return on capital employed, %	28	21	17	9	4	8	3

DATA PER SHARE

	May - Apr 2011/12	May - Apr 2012/13	May - Apr 2013/14	May - Apr 2014/15	May - Apr 2015/16	May - Oct 2015/16	May - Oct 2016/17
Earnings per share							
before dilution, SEK	3.26	3.52	3.01	1.45	0.36	0.15	-0.03
after dilution, SEK	3.23	3.52	3.00	1.45	0.36	0.15	-0.03
Cash flow per share							
before dilution, SEK	-7.07	3.17	1.31	1.78	1.00	-1.12	-0.62
after dilution, SEK	-7.01	3.17	1.24	1.78	1.00	-1.12	-0.59
Shareholders' equity per share							
before dilution, SEK	13.19	14.55	16.39	17.41	16.79	17.43	17.26
after dilution, SEK	13.31	14.55	20.32	17.41	16.79	17.43	17.26
Average number of shares							
before dilution, 000s	376,431	380,672	381,277	381,287	381,288	381,287	381,288
after dilution, 000s	380,125	380,672	400,686	381,287	381,288	381,287	381,288
Number of shares at closing							
before dilution, 000s *)	378,991	381,270	381,287	381,287	381,288	381,287	381,288
after dilution, 000s	384,284	381,270	400,696	381,287	381,288	381,287	381,288

In September 2012 a 4:1 share split was conducted. The data per share and number of shares has been restated pro forma.
**) Number of registered shares at closing excluding treasury shares (1,541,368 per October 31, 2016).*

Data per quarter

SEK M	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Q2 2015/16	Q3 2015/16	Q4 2015/16	Q1 2016/17	Q2 2016/17
Gross order intake	n/a	n/a	n/a	n/a	2,569	3,398	2,616	5,238	2,662	3,383
Net sales	1,865	2,567	2,552	3,855	2,239	2,828	2,547	3,607	1,882	2,434
EBITA before items affecting comparability and bad debts losses	-38*	397*	350	739	68	451	335	785	166	391
Operating result	-122	310	250	499	-93	304	56	155	-34	140
Cash flow from operating activities	-478	436	200	1,665	-349	346	327	846	-139	342

*) EBITA for Q1 2014/15 and Q2 2014/15 is not adjusted for bad debt losses.

Order intake*) growth based on constant exchange rates

	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Q2 2015/16	Q3 2015/16	Q4 2015/16	Q1 2016/17	Q2 2016/17
North and South America, %	11	-2	-53	-31	13	-18	23	15	-16	4
Europe, Middle East and Africa, %	31	-33	14	-27	-30	41	-43	38	14	-17
Asia Pacific, %	-5	2	-23	23	12	-6	0	-5	20	10
Group, %	12	-13	-22	-18	-5	3	-15	16	4	-2

**) From Q1 2016/17 the numbers are based on gross order intake.*

Segment reporting

Elekta applies geographical segmentation. Order intake, net sales and contribution margin for respective regions are reported to Elekta's CFO and CEO (chief operating decision makers). The regions' expenses are directly attributable to the respective region reported including cost of products sold. Global costs for R&D, marketing, management of product supply centers and Parent Company are not allocated per region. Currency exposure is concentrated to product supply centers. The majority of exchange differences in operations are reported in global costs.

Segment reporting

May - Oct 2016/17

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	1,793	1,266	1,257	4,316	
Regional expenses	-1,179	-875	-868	-2,923	68%
Contribution margin	614	391	389	1,394	32%
Contribution margin, %	34%	31%	31%		
Global costs				-1,081	25%
Operating result before items affecting comparability				313	7%
Items affecting comparability				-206	
Operating result				106	2%
Net financial items				-118	
Profit before tax				-12	

May - Oct 2015/16

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	1,946	1,616	1,505	5,067	
Regional expenses	-1,358	-1,192	-1,139	-3,689	73%
Contribution margin	588	424	366	1,378	27%
Contribution margin, %	30%	26%	24%		
Global costs				-1,119	22%
Operating result before items affecting comparability				259	5%
Items affecting comparability				-48	
Operating result				211	4%
Net financial items				-134	
Profit before tax				77	

May - Apr 2015/16

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	4,005	3,651	3,565	11,221	
Regional expenses	-2,713	-2,763	-2,590	-8,066	72%
Contribution margin	1,292	888	975	3,155	28%
Contribution margin, %	32%	24%	27%		
Global costs				-2,134	19%
Operating result before items affecting comparability				1,021	9%
Items affecting comparability				-598	
Operating result				423	4%
Net financial items				-234	
Profit before tax				189	

12 months rolling

SEK M	North and South America	Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	3,852	3,301	3,317	10,470	
Regional expenses	-2,534	-2,446	-2,319	-7,300	70%
Contribution margin	1,318	855	998	3,171	30%
Contribution margin, %	34%	26%	30%		
Global costs				-2,096	20%
Operating result before items affecting comparability				1,075	10%
Items affecting comparability				-756	
Operating result				318	3%
Net financial items				-218	
Profit before tax				100	

Elekta's operations are characterized by significant quarterly variations in delivery volumes and product mix, which have a direct impact on net sales and profits. This is accentuated when the operation is split into segments, as is the impact of currency fluctuations between the years.

PARENT COMPANY

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK M	May - Oct 2016/17	May - Oct 2015/16
Operating expenses	-79	-90
Financial net	134	101
Income after financial items	55	11
Tax	28	24
Net income	83	35
Statement of comprehensive income		
Net income	83	35
Other comprehensive income	—	—
Total comprehensive income	83	35

BALANCE SHEET

SEK M	Oct 31, 2016	Apr 30, 2016
Non-current assets		
Intangible assets	79	83
Shares in subsidiaries	2,209	2,129
Receivables from subsidaries	2,670	2,662
Other financial assets	75	73
Deferred tax assets	57	29
Total non-current assets	5,091	4,976
Current assets		
Receivables from subsidaries	4,205	4,145
Other current receivables	99	35
Cash and cash equivalents	1,451	1,499
Total current assets	5,755	5,679
Total assets	10,846	10,655
Shareholders' equity	2,620	2,631
Non-current liabilities		
Long-term interest-bearing liabilities	3,290	3,063 *)
Long-term liabilities to Group companies	39	39
Long-term provisions	57	53
Total non-current liabilities	3,385	3,155
Current liabilities		
Short-term interest-bearing liabilities	1,882	1,872 *)
Short-term liabilities to Group companies	2 852	2,752
Short-term provisions	17	29
Other current liabilities	89	216
Total current liabilities	4,840	4,869
Total shareholders' equity and liabilities	10,846	10,655

*) *The convertible loan amounting to SEK 1,872 M, maturing April 25, 2017, was reclassified to a short-term interest-bearing liability in the annual report 2015/16. In the year-end report May - April 2015/16 the loan was presented as long-term.*

Alternative performance measures (Reconciliation of non-IFRS measures)

Alternative performance measures (APMs) are measures and key figures that Elekta's management and other stakeholders use when managing and analyzing Elekta's business performance. These measures are not substitutes, but rather supplements to financial reporting measures prepared in accordance with IFRS. APMs used in this interim report are reconciled to IFRS measures with tabular presentations on pages 5, 6, 12 and 19 - 21. Definitions of key figures and other APMs can be found on www.elekta.com/investors/financials/definitions.php or on page 31 in the Annual Report 2015/16.

As from the first quarter 2016/17 the previously used term "non-recurring items" has been replaced by the term "items affecting comparability". Elekta's definition of items affecting comparability is:

Material amounts of revenue and expenses which are reported separately in order to facilitate the analysis of the development of the Group's core business over time. Examples of items affecting comparability are expenses for restructuring programs, items relating to major legal disputes and revenue or expenses relating to the acquisition or disposal of subsidiaries.

Items affecting comparability reported for the period are specified in the schedule below:

Q2 2016/17

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	2,434			2,434
Cost of products and services sold	-1,409	-6	-	-1,415
Gross profit	1,025	-6	-	1,019
Selling expenses	-314	0	-	-314
Administrative expenses	-231	-65	-37	-333
R&D expenses	-222	-9	-	-231
Exchange rate differences	-1	-	-	-1
Operating result	257	-80	-37	140

Q2 2015/16

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	2,828			2,828
Cost of products and services sold	-1,647	-1	-	-1,648
Gross profit	1,181	-1	-	1,180
Selling expenses	-333	-4	-	-337
Administrative expenses	-250	-5	-3	-258
R&D expenses	-274	-5	-	-279
Exchange rate differences	-2	-	-	-2
Operating result	322	-15	-3	304

May - Oct 2016/17

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	4,316			4,316
Cost of products and services sold	-2,527	-9	-	-2,536
Gross profit	1,789	-9	-	1,780
Selling expenses	-590	-3	-	-593
Administrative expenses	-446	-78	-97	-622
R&D expenses	-472	-19	-	-491
Exchange rate differences	32	-	-	32
Operating result	313	-109	-97	106

May - Oct 2015/16

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	5,067			5,067
Cost of products and services sold	-3,001	-2	-	-3,003
Gross profit	2,066	-2	-	2,064
Selling expenses	-676	-16	-	-692
Administrative expenses	-522	-17	-4	-543
R&D expenses	-546	-9	-	-555
Exchange rate differences	-63	-	-	-63
Operating result	259	-44	-4	211

EBITA and EBITDA adjusted for items affecting comparability and bad debt losses are measures presented in this interim report. These measures are APMs used by management to evaluate the business and are considered to assist management and investors in comparing the performance across reporting periods on a consistent basis. Bad debt losses have been excluded as these relate to turbulence in the market that is not expected to occur on a regular basis.

For a reconciliation of EBITA and EBITDA, adjusted for items affecting comparability and bad debt losses, to operating result (EBIT) as presented in the IFRS income statement, see page 12.

Order and sales growth based on constant exchange rates

Elekta's order intake and sales are, to a large extent, reported in subsidiaries with other functional currencies than SEK, which is the group reporting currency. In order to present order and sales growth on a more comparable basis and to show the impact of currency fluctuations, order and sales growth based on constant exchange rates are presented. The schedules below present growth based on constant exchange rates reconciled to the total growth reported in accordance with IFRS.

Change gross order intake

Q2 2016/17 vs. Q2 2015/16

SEK M	North and South America		Europe, Middle East, and Africa		Asia Pacific		Group total	
Change constant currency	43	4%	-219	-17%	95	10%	-81	-2%
Currency effects	9	1%	6	0%	51	5%	66	2%
Reported change	52	5%	-213	-17%	146	15%	-15	0%

May - Oct 2016/17 vs. May - Oct 2015/16

SEK M	North and South America		Europe, Middle East, and Africa		Asia Pacific		Group total	
Change constant currency	-116	-5%	-116	-6%	262	14%	30	0%
Currency effects	-13	-1%	-3	0%	63	4%	47	1%
Reported change	-129	-6%	-119	-6%	325	18%	77	1%

Change net sales

Q2 2016/17 vs. Q2 2015/16

SEK M	North and South America		Europe, Middle East, and Africa		Asia Pacific		Group total	
Change constant currency	-72	-7%	-149	-17%	-220	-24%	-441	-16%
Currency effects	11	1%	-9	-1%	45	5%	47	2%
Reported change	-61	-6%	-158	-18%	-175	-19%	-394	-14%

Q2 2015/16 vs. Q2 2014/15

SEK M	North and South America		Europe, Middle East, and Africa		Asia Pacific		Group total	
Change constant currency	50	6%	-44	-5%	-34	-4%	-28	-1%
Currency effects	148	18%	27	3%	114	13%	289	11%
Reported change	198	24%	-17	-2%	80	9%	261	10%

May - Oct 2016/17 vs. May - Oct 2015/16

SEK M	North and South America		Europe, Middle East, and Africa		Asia Pacific		Group total	
Change constant currency	-144	-7%	-328	-20%	-300	-20%	-772	-15%
Currency effects	-9	0%	-22	-1%	51	3%	20	0%
Reported change	-153	-7%	-350	-21%	-249	-17%	-752	-15%

May - Oct 2015/16 vs. May - Oct 2014/15

SEK M	North and South America		Europe, Middle East, and Africa		Asia Pacific		Group total	
Change constant currency	133	9%	0	0%	-98	-7%	35	1%
Currency effects	331	22%	71	5%	198	14%	600	14%
Reported change	464	31%	71	5%	100	7%	635	15%

Shareholder information

Conference call

Elekta will host a telephone conference at 10:00-11:00 CET on December 1, with president and CEO Richard Hausmann and CFO Håkan Bergström.

To take part in the conference call, please dial in about five minutes in advance.

Swedish dial-in number: +46 (0) 2 00 88 38 17
UK dial-in number: +44 (0) 203 008 98 01
US dial-in number: +1 646 502 51 18

The telephone conference will also be broadcasted live online (listen only). Please use the link:

http://event.onlineseminarsolutions.com/r.htm?e=1304981&s=1&k=E3404F72CB10AABEE6D468FAD6E086E1

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 07:30 CET on December 1, 2016.

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Financial calendar

Interim Report May-January 2016/17	March 1, 2017
Year-end-report	June 1, 2017