

## Interim Report May-January 2016/17

### Third Quarter

- > Gross order intake amounted to SEK 3,653 M (2,616), an increase of 40 percent in SEK and 34 percent based on constant exchange rates.
- > Net sales was SEK 2,673 M (2,547), an increase of 5 percent in SEK and an increase of 1 percent based on constant exchange rates.
- > EBITA\* amounted to SEK 325 M (335) before items affecting comparability of SEK -58 M (-91) and bad debt losses of SEK -1 M (-72).
- > The effect from changes in exchange rates compared with last year was approximately SEK 30 M (-10) including hedges.
- > EBITA\* margin was 12 percent (13).
- > Operating result was SEK 144 M (56).
- > Net income amounted to SEK 42 M (7). Earnings per share was SEK 0.11 (0.01) before/after dilution.
- > Cash flow after continuous investments improved to SEK 223 M (150). Cash outflow related to the transformation program and legal processes was SEK -134 M (-79).
- > Two new MR-linac customers added, in line with local regulatory requirements.

### May-January 2016/17

- > Gross order intake amounted to SEK 9,698 M (8,583), an increase of 13 percent in SEK and 11 percent based on constant exchange rates.
- > Net sales was SEK 6,989 M (7,614), a decrease of 8 percent and 10 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 882 M (855) before items affecting comparability of SEK -264 M (-139) and bad debt losses of SEK -30 M (-107).
- > The effect from changes in exchange rates compared with last year was approximately SEK 240 M (20) including hedges.
- > EBITA\* margin increased to 13 percent (11).
- > Operating result was SEK 250 M (267).
- > Net income amounted to SEK 33 M (67). Earnings per share was SEK 0.08 (0.16) before/after dilution.
- > Cash flow after continuous investments improved by SEK 295 M to SEK 28 M (-267). Cash outflow related to the transformation program and legal processes was SEK -454 M (-96).

### Group summary

SEK M	Q3			May - Jan		
	2016/17	2015/16	Change	2016/17	2015/16	Change
Gross order intake	3,653	2,616	34% **	9,698	8,583	11% **
Net sales	2,673	2,547	1% **	6,989	7,614	-10% **
EBITA*	325	335	-3%	882	855	3%
Operating result	144	56	157%	250	267	-6%
Net income	42	7	500%	33	67	-51%
Cash flow after continuous investments	223	150	48%	28	-267	
Earnings per share before/after dilution, SEK	0.11	0.01	1000%	0.08	0.16	-50%

\*Adjusted for items affecting comparability (restructuring costs and costs for legal processes, see details on pages 18-19) and bad debt losses.

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



## President and CEO comments

*We delivered a strong order growth of 34 percent in the third quarter and 11 percent for the first nine months. MR-linac, the next generation of radiation therapy systems, continued to break new ground. Our activities related to the transformation program are progressing and delivering in line with defined targets for cost savings and margins. We are honored that our MOSAIQ® Oncology Information System has been recognized as Category Leader for the sixth time by KLAS, an independent research firm specializing in the performance of healthcare vendors.*

Order growth was strong during the quarter and we moved our positions forward in all product areas. Europe, Middle East and Africa showed very strong performance with significant order bookings such as two MR-linac systems and New Karolinska Solna, Sweden. The development in Asia Pacific was solid and we saw continued strong growth in China. Our activities to strengthen the operations in the US are showing progress, but I am not satisfied and have initiated additional measures for improved performance.

The interest in our paradigm shifting MR-linac continues to grow. We already have agreements for 12 systems. This is in accordance with our plan and I am convinced that we will reach our target of 75 orders before the end of the 2019 calendar year.

This was the first quarter after fully implementing our produce-to-order process. Net sales increased by 5 percent in SEK and by 1 percent based on constant exchange rates. Linear accelerator shipments were lower compared with last year and approximately SEK 100 M of planned linac revenues were shifted into the fourth quarter. This was due to our strict implementation of the produce-to-order process.

Gross margin increased slightly in the quarter. Currency effects were lower than expected as a result of the recent strengthening of SEK and GBP. The effect in the third quarter was SEK 30 M, which can be compared with SEK 95 M in the second quarter. We are well on our way to reaching our savings target and currently we have realized an annualized rate of SEK 535 M. On 12-month rolling, our EBITA-margin was 16 (14) percent and we reiterate the ambition to reach an EBITA-margin exceeding 20 percent for next fiscal year.

Our cash flow has improved further through activities for working capital reduction. Compared to last year cash flow has increased by SEK 650\* M and the net working capital to sales ratio is now at 1 percent.

We have a strong order backlog going into the fourth quarter and compared with the same period last year we plan to deliver substantially more from the backlog.

We continue to strengthen our management team and the organization. Karin Svenske Nyberg has joined us as Executive Vice President Human Resources and Ioannis Panagiotelis joined us as Chief Marketing Officer.

The transformation program is well under way and we do what we say by continuously improving our processes. Our global Elekta team is deeply committed to providing our customers with highly innovative radiation treatment solutions that help them improve the lives of people with cancer or brain diseases.

Richard Hausmann  
President and CEO

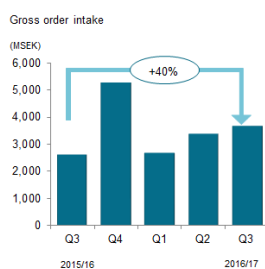
\*Cash flow after continuous investments. Adjusted for items affecting comparability of SEK 358 M (refer to page 4), related to cash outflow attributable to legal processes and the transformation program.

Presented amounts refer to the nine month period 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 13 percent to SEK 9,698 M (8,583) and by 11 percent based on constant exchange rates. In the third quarter order intake increased by 40 percent to SEK 3,653 M (2,616) and by 34 percent based on constant exchange rates.



### Gross order intake

SEK M	Q3 2016/17	Q3 2015/16	Change*	May - Jan 2016/17	May - Jan 2015/16	Change*	May - Apr 2015/16
North and South America	993	1,022	-6%	3,009	3,167	-6%	4,954
Europe, Middle East and Africa	1,809	818	116%	3,695	2,823	29%	4,824
Asia Pacific	851	776	2%	2,994	2,593	11%	4,043
Group	3,653	2,616	34%	9,698	8,583	11%	13,821

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

Order backlog was SEK 21,932 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 1,173 M. The positive translation difference decreased with SEK 650 M in Q3. According to current delivery plans, current order backlog is expected to be recognized as follows: 16 percent in the remaining three months of 2016/17, 30 percent in 2017/18 and 54 percent thereafter.

## Regional development

### North and South America

In the US, the 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 an increased demand for comprehensive solutions and large-scale projects as well as longer lead times for purchasing decisions.

Elekta continues to implement measures to strengthen operations. Elekta's gross order intake in the region decreased 3 percent in the third quarter, which is equivalent to 6 percent based on constant exchange rates. For the first nine months, order intake declined by 5 percent, which is equivalent to 6 percent based on constant exchange rates.

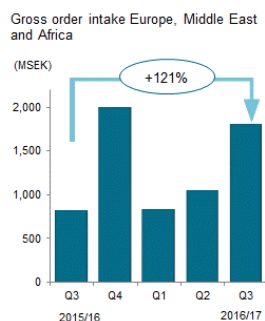
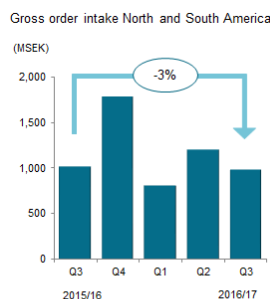
Demand for cancer care in South America is growing, mainly driven by a rapidly aging population and a significant lack of radiation therapy capacity. However, weak economic conditions throughout the region have slowed investments in new equipment.

### Europe, Middle East and Africa

Radiation therapy capacity in Western Europe is insufficient, evidenced by the long waiting times for treatment in many countries. This is being addressed through increased investments by public healthcare systems as well as an expansion of 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. Growth in Africa has been significant and represents an interesting long-term growth potential. The Russian market has however declined significantly due to weak economic conditions.

During the quarter, Elekta signed a significant order with the New Karolinska Solna in Stockholm, as well as MR-linac orders with Tübingen University Hospital and Odense University Hospital.



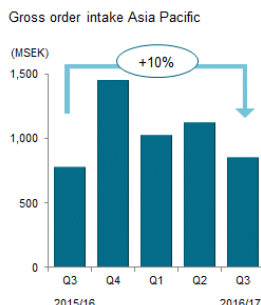
Order intake in the region increased 121 percent in the third quarter, which is equivalent to 116 percent based on constant exchange rates. For the first nine months, order intake increased by 31 percent, which is equivalent to 29 percent based on constant exchange rates.

### Asia Pacific

The region is home to almost 60 percent of the global population, but has less than 30 percent of the world's capacity of radiation therapy. 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 a growing need for investments in health care.

Market growth in the region was favorable during the period. High-growth markets include China, India and South East Asia. The Japanese market is currently weak.

Elekta's order intake increased 10 percent in the third quarter, which is equivalent to 2 percent based on constant exchange rates. Order growth in China was particularly strong. Furthermore, Elekta got a new customer for MR-linac; the Chinese University of Hong Kong. For the first nine months, order intake increased by 15 percent, which is equivalent to 11 percent based on constant exchange rates.



### Transformation program

The transformation program, announced in June 2015, is progressing according to plan. The objective is to create more efficient operations, with improved profitability and cash flow. The program includes measures to strengthen our customer services and support, our innovation capacity and activities for increased efficiency in supply chain and procurement processes.

The objectives of the transformation and status as of the third quarter:

Objective	Status
EBITA margin of >20 percent in fiscal year 2017/18	On track – rolling 12-month margin improved to 16 percent (14).
Cost savings of SEK 700* M with full effect from fiscal year 2017/18	Annualized savings rate increased to SEK 535 M. The efforts from reduction of procurement costs will be visible during fiscal year 2017/18
Net working capital to sales below 5 percent	Net working capital to net sales was 1 percent at the end of the third quarter
Implement a produce-to-order process	Completed in the second quarter fiscal year 2016/17

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

## Net sales and earnings

Net sales in the first nine months of the year amounted to SEK 6,989 M (7,614), a decrease of 10 percent based on constant exchange rates. This is mainly related to a one-off effect from the new produce-to-order process. In the third quarter net sales amounted to SEK 2,673 M (2,547), an increase by 5 percent or by 1 percent based on constant exchange rates. Shipments of linear accelerators were slightly lower compared with the same quarter last year.

### Net sales

SEK M	Q3 2016/17	Q3 2015/16	Change*	May - Jan 2016/17	May - Jan 2015/16	Change*	May - Apr 2015/16
North and South America	952	914	-2%	2,745	2,860	-6%	4,005
Europe, Middle East and Africa	917	850	8%	2,183	2,466	-11%	3,651
Asia Pacific	804	783	-4%	2,061	2,288	-15%	3,565
Group	2,673	2,547	1%	6,989	7,614	-10%	11,221

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

Gross margin was 41 percent (40). Operating expenses decreased 12 percent as a result of cost reduction activities and currency effects. R&D expenditure, before capitalization of development costs, amounted to SEK 873 M (1,053), equal to 12 percent (14) of net sales.

EBITA before items affecting comparability and bad debts losses increased to SEK 882 M (855) representing a margin of 13 percent (11). The effect from changes in exchange rates compared with last year was approximately SEK 240 M (20) including hedges.

In the third quarter gross margin was 40 percent (40). EBITA before items affecting comparability and bad debt losses decreased slightly to SEK 325 M (335) representing a margin of 12 percent (13). The currency effect in the third quarter was approximately SEK 30 M (-10) including hedges which is lower than previous quarters, mainly due to the strengthening of SEK and GBP.

Items affecting comparability amounted to SEK -264 M (-139), of which SEK -131 M (-31) were related to legal processes and SEK -133 M (-108) were costs related to the implementation of the ongoing transformation program. Bad debt losses amounted to SEK -30 M (-107). Operating result was SEK 250 M (267).

Net financial items amounted to SEK -207 M (-182). The increase is related to an impairment of participations in associates (Global Medical Investments GMI AB) while interest expenses decreased due to lower interest rates. Profit before tax amounted to SEK 44 M (86), tax amounted to SEK -10 M (-19) and net income amounted to SEK 33 M (67). Earnings per share amounted to SEK 0.08 (0.16) before/after dilution. Return on shareholders' equity amounted to 2 percent (6) and return on capital employed amounted to 4 percent (7).

### Capitalized development costs

SEK M	Q3 2016/17	Q3 2015/16	May - Jan 2016/17	May - Jan 2015/16	12 months rolling	May - Apr 2015/16
Capitalization of development costs	132	143	371	460	503	592
of which R&D	132	142	371	459	503	591
Amortization of capitalized development costs	-94	-85	-250	-246	-330	-326
of which R&D	-87	-79	-231	-228	-304	-301
Capitalized development costs, net	39	58	122	214	174	266
of which R&D	45	64	140	232	198	290

The net of capitalization and amortization of development costs in the R&D function decreased to SEK 140 M (232). Amortization of capitalized development costs amounted to SEK 250 M (246).

## Investments and depreciation

Continuous investments were SEK 476 M (696), including investments in intangible assets of SEK 376 M (553) and investments in other assets of SEK 100 M (143). Investments in intangible assets is related to ongoing R&D programs. The reduction was related to the MR-linac project coming to its final development phase and to an investment in licenses made during the comparative year. 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 455 M (466).

## Cash flow

Cash flow from operating activities improved to SEK 596 M (324). During the period, cash outflow related to the transformation program and legal processes amounted to approximately SEK -454 M (-96), of which SEK -134 M

(-79) was during the third quarter. Cash outflow relating to legal disputes amounted to SEK -212 M (-29), of which SEK -36 M (-25) was paid in the third quarter. The operational cash conversion for rolling 12 months was 140 percent (144). Cash flow after continuous investments was SEK 28 M (-267). The cash flow improvement was mainly due to positive effects from the transformation program with a reduction of working capital. Cash outflow to continuous investments included SEK -92 M relating to investments in intangible assets made in 2015/16.

#### Cash flow (extract)

SEK M	Q3 2016/17	Q3 2015/16	May - Jan 2016/17	May - Jan 2015/16	12 months rolling	May - Apr 2015/16
Operating cash flow	162	60	267	460	516	709
Change in working capital	232	267	329	-136	926	461
Cash flow from operating activities	394	327	596	324	1,442	1,170
Continuous investments	-171	-177	-568	-591	-751	-774
Cashflow after continuous investments	223	150	28	-267	691	396
Operational cash conversion*	129%	154%	85%	44%	140%	111%

\*Cash flow from operating activities / EBITDA

## Working capital

Net working capital decreased to SEK 83 M (957), which is corresponding to 1 percent (8) of net sales.

### Working capital

SEK M	Jan 31, 2017	Jan 31, 2016	Apr 30, 2016
<b>Working capital assets</b>			
Inventories	1,244	1,462	1,135
Accounts receivable	3,324	3,529	3,301
Accrued income	1,701	1,926	2,126
Other operating receivables	873	888	741
<b>Sum working capital assets</b>	<b>7,142</b>	<b>7,806</b>	<b>7,303</b>
<b>Working capital liabilities</b>			
Accounts payable	849	1,135	1,122
Advances from customers	2,550	2,074	1,943
Prepaid income	1,603	1,618	1,648
Accrued expenses	1,709	1,709	1,817
Short-term provisions	113	101	347
Other operating liabilities	234	211	157
<b>Sum working capital liabilities</b>	<b>7,059</b>	<b>6,848</b>	<b>7,035</b>
<b>Net working capital</b>	<b>83</b>	<b>957</b>	<b>268</b>
% of 12 months net sales rolling	1%	8%	2%

Inventory, accounts payable and accrued income decreased compared to the third 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 30 days (56) with all three regions showing improvements compared to last year.

### Days Sales Outstanding (DSO)

SEK M	Jan 31, 2017	Jan 31, 2016	Apr 30, 2016
North and South America	-54	-42	-46
Europe, Middle East and Africa	92	132	112
Asia Pacific	70	97	128
<b>Group</b>	<b>30</b>	<b>56</b>	<b>60</b>

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



## Net debt

SEK M	Jan 31, 2017	Jan 31, 2016	Apr 30, 2016
Long-term interest-bearing liabilities	3,234	5,031	3,065
Short-term interest-bearing liabilities	1,896	16	1,885
Cash and cash equivalents	-2,284	-1,683	-2,273
Net debt	2,846	3,364	2,677

## Financial position

Cash and cash equivalents amounted to SEK 2,284 M (2,273 on April 30, 2016) and interest-bearing liabilities amounted to SEK 5,130 M (4,950 on April 30, 2016). Net debt amounted to SEK 2,846 M (2,677 on April 30, 2016) and the net debt/equity ratio was 0.44 (0.42 on April 30, 2016).

The exchange rate effect from the translation of cash and cash equivalents amounted to SEK 125 M (4). The translation difference in long-term interest-bearing liabilities amounted to SEK 167 M (57). Other comprehensive income was affected by exchange rate differences from translation of foreign operations amounting to SEK 214 M (-107).

The change in unrealized exchange rate effects from effective cash flow hedges reported in other comprehensive income amounted to SEK -129 M (29). The closing balance of unrealized exchange rate effects from effective cash flow hedges amounted to SEK -124 M (-108) exclusive of tax.

To support the upcoming refinancing of the convertible bond maturing in April 2017, Elekta has, in the fourth quarter of 2015/16, entered into an eighteen month SEK 1,400 M Term Loan Facility with extension optionality.

## 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 joined Elekta as Executive Vice President Human Resources on January 16, 2017. 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 26 M relating to humediQ has been reported as items affecting comparability, of which SEK 1 M in the third 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. In 2015 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.

As announced in October 2016, Elekta received an Initial Determination (ID) by an Administrative Law Judge of the US International Trade Commission (USITC). The ID was then analyzed and Elekta identified several grounds for seeking review before the USITC. In January 2017 USITC requested the presiding judge to again review some of Elekta's key arguments and will thereby reconsider some of Elekta's invalidity arguments made against the patents initially determined to be violated by Elekta.

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.

## *Investigation in Italy*

As communicated in November 2015, Elekta's subsidiary in Italy and some former employees are suspected of interfering with public procurement processes. Elekta provided all requested information to the Italian authorities during the investigation which closed in August 2016. Elekta has zero tolerance for any deviation from the code of conduct and clear corporate policies and procedures in place. The Public Prosecutor of Milan, Italy, has announced that preliminary hearings involving individuals and Elekta's Italian subsidiary in connection with alleged bid-rigging allegations will commence in April, 2017.

## Events after the reporting period

### *Changes to Executive Management Team*

On February 13, 2017, Ioannis Panagiotelis joined Elekta and the Executive Management Team as Chief Marketing Officer.

Effective from the same date Maurits Wolleswinkel, former EVP Marketing and Strategy has assumed the position as Chief Strategy Officer in the Elekta Executive Management Team.

## Employees

The average number of employees during the period was 3,567 (3,677). 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 29 (27).

## Shares

During the period 388 new B-shares were subscribed through conversion of convertibles. Total number of registered shares on January 31, 2017 was 382,829,435, of which 14,250,000 were A-shares and 368,579,435 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.

Stockholm, March 1, 2017

Richard Hausmann  
CEO and President

*This report has not been reviewed by the Company's auditors.*

## 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 - Jan 2016/17	May - Jan 2015/16	Change *	Jan 31, 2017	Jan 31, 2016	Apr 30, 2016	Change * 12 months	Change **
Euroland	1 EUR	9.514	9.337	2%	9.446	9.294	9.176	2%	3%
Great Britain	1 GBP	11.366	12.907	-12%	11.031	12.239	11.782	-10%	-6%
Japan	1 JPY	0.080	0.070	15%	0.078	0.071	0.075	9%	3%
United States	1 USD	8.628	8.468	2%	8.827	8.528	8.059	4%	10%

\* January 31, 2017 vs January 31, 2016

\*\* January 31, 2017 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

	Q3 2016/17	Q3 2015/16	May - Jan 2016/17	May - Jan 2015/16	12 months rolling	May - Apr 2015/16
<b>INCOME STATEMENT</b>						
Net sales	2,673	2,547	6,989	7,614	10,596	11,221
Cost of products sold	-1,611	-1,540	-4,138	-4,541	-6,205	-6,608
Gross income	1,062	1,007	2,851	3,073	4,391	4,613
Selling expenses	-279	-333	-869	-1,009	-1,196	-1,336
Administrative expenses	-234	-241	-680	-763	-943	-1,026
R&D expenses	-261	-275	-733	-821	-977	-1,065
Exchange rate differences	-85	-10	-53	-73	-145	-165
Operating result before items affecting comparability	202	148	515	407	1,129	1,021
Items affecting comparability	-58	-91	-264	-139	-723	-598
Operating result	144	56	250	267	406	423
Result from participations in associates	-28	3	-23	6	-18	11
Interest income	6	8	17	19	35	37
Interest expenses and similar items	-64	-62	-196	-214	-267	-285
Exchange rate differences	-3	3	-5	7	-9	3
Profit before tax	56	9	44	86	146	189
Income taxes	-13	-2	-10	-19	-35	-44
Net income	42	7	33	67	111	145
<i>Net income attributable to:</i>						
Parent Company shareholders	42	4	32	61	108	137
Non-controlling interests	—	3	1	6	3	8
Earnings per share before dilution, SEK	0.11	0.01	0.08	0.16	0.28	0.36
Earnings per share after dilution, SEK	0.11	0.01	0.08	0.16	0.28	0.36
<b>STATEMENT OF COMPREHENSIVE INCOME</b>						
Net income	42	7	33	67	111	145
<i>Other comprehensive income:</i>						
<i>Items that will not be reclassified to the income statement</i>						
Remeasurements of defined benefit pension plans	—	—	—	—	8	8
Tax	—	—	—	—	-2	-2
Total items that will not be reclassified to the income statement	—	—	—	—	6	6
<i>Items that subsequently may be reclassified to the income statement</i>						
Revaluation of cash flow hedges	104	-33	-129	29	-41	117
Translation differences from foreign operations	-292	-196	214	-107	40	-281
Tax	-20	6	25	-7	7	-25
Total items that subsequently may be reclassified to the income statement	-208	-223	110	-85	6	-189
<i>Other comprehensive income for the period</i>	-208	-223	110	-85	12	-183
<b>Total comprehensive income for the period</b>	<b>-166</b>	<b>-216</b>	<b>143</b>	<b>-18</b>	<b>123</b>	<b>-38</b>
<i>Comprehensive income attributable to:</i>						
Parent Company shareholders	-166	-218	142	-23	120	-45
Non-controlling interests	—	2	1	5	3	7

## RESULT OVERVIEW

	Q3 2016/17	Q3 2015/16	May - Jan 2016/17	May - Jan 2015/16	12 months rolling	May - Apr 2015/16
<b>SEK M</b>						
Operating result/EBIT before items affecting comparability	202	148	515	407	1,129	1,021
Bad debt losses	1	72	30	107	72	149
<i>Amortization:</i>						
capitalized development costs	94	85	250	246	330	326
acquisitions	28	30	88	95	136	143
EBITA before items affecting comparability and bad debt losses	325	335	882	855	1,667	1,639
Depreciation	39	41	117	124	158	165
EBITDA before items affecting comparability and bad debt losses	364	376	999	979	1,824	1,805

## CONSOLIDATED BALANCE SHEET

SEK M	Jan 31, 2017	Jan 31, 2016	Apr 30, 2016
<b>Non-current assets</b>			
Intangible assets	8,577	8,378	8,210
Tangible fixed assets	776	825	803
Financial assets	285	385	365
Deferred tax assets	286	347	281
<b>Total non-current assets</b>	<b>9,924</b>	<b>9,935</b>	<b>9,658</b>
<b>Current assets</b>			
Inventories	1,244	1,462	1,135
Accounts receivable	3,324	3,529	3,301
Accrued income	1,701	1,926	2,126
Current tax assets	273	125	160
Derivative financial instruments	65	29	47
Other current receivables	873	888	741
Cash and cash equivalents	2,284	1,683	2,273
<b>Total current assets</b>	<b>9,764</b>	<b>9,644</b>	<b>9,783</b>
<b>Total assets</b>	<b>19,688</b>	<b>19,578</b>	<b>19,441</b>
Elekta's owners' equity	6,422	6,424	6,402
Non-controlling interests	-	8	10
<b>Total equity</b>	<b>6,422</b>	<b>6,432</b>	<b>6,412</b>
<b>Non-current liabilities</b>			
Long-term interest-bearing liabilities	3,234	5,031	3,065 *
Deferred tax liabilities	654	769	690
Long-term provisions	132	219	140
Other long-term liabilities	79	27	73
<b>Total non-current liabilities</b>	<b>4,099</b>	<b>6,046</b>	<b>3,967</b>
<b>Current liabilities</b>			
Short-term interest-bearing liabilities	1,896	16	1,885 *
Accounts payable	849	1,135	1,122
Advances from customers	2,550	2,074	1,943
Prepaid income	1,603	1,618	1,648
Accrued expenses	1,709	1,709	1,817
Current tax liabilities	57	98	93
Short-term provisions	113	101	347
Derivative financial instruments	154	139	50
Other current liabilities	234	211	157
<b>Total current liabilities</b>	<b>9,166</b>	<b>7,101</b>	<b>9,062</b>
<b>Total equity and liabilities</b>	<b>19,688</b>	<b>19,578</b>	<b>19,441</b>

\* 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	Q3 2016/17	Q3 2015/16	May - Jan 2016/17	May - Jan 2015/16	12 months rolling	May - Apr 2015/16
Profit before tax	55	9	44	86	146	189
Amortization and depreciation	161	157	455	466	623	634
Interest net	46	46	138	163	178	203
Other non-cash items	29	-28	-15	111	21	147
Interest received and paid	-48	-45	-151	-189	-158	-196
Income taxes paid	-81	-79	-203	-177	-294	-268
<i>Operating cash flow</i>	<i>162</i>	<i>60</i>	<i>267</i>	<i>460</i>	<i>516</i>	<i>709</i>
Increase (-)/decrease (+) in inventories	-14	-100	-107	-207	180	80
Increase (-)/decrease (+) in operating receivables	67	270 *)	403	432 *)	321 *)	350 *)
Increase (-)/decrease (+) in operating liabilities	179	97 *)	33 *)	-361 *)	425 *)	31 *)
<i>Change in working capital</i>	<i>232</i>	<i>267</i>	<i>329</i>	<i>-136</i>	<i>926</i>	<i>461</i>
<i>Cash flow from operating activities</i>	<i>394</i>	<i>327</i>	<i>596</i>	<i>324</i>	<i>1,442</i>	<i>1,170</i>
Investments intangible assets	-132	-143	-468	-462	-602	-596
Investments other assets	-39	-48	-100	-143	-149	-192
Sale of fixed assets	—	14	—	14	0	14
<i>Continuous investments</i>	<i>-171</i>	<i>-177</i>	<i>-568</i>	<i>-591</i>	<i>-751</i>	<i>-774</i>
<i>Cash flow after continuous investments</i>	<i>223</i>	<i>150</i>	<i>28</i>	<i>-267</i>	<i>691</i>	<i>396</i>
Business combinations and investments in other shares	—	-12	-13	-22	-3	-12
<i>Cash flow after investments</i>	<i>223</i>	<i>138</i>	<i>15</i>	<i>-289</i>	<i>688</i>	<i>384</i>
<i>Cash flow from financing activities</i>	<i>11</i>	<i>-14</i>	<i>-130</i>	<i>-1,297</i>	<i>-136</i>	<i>-1,303</i>
<i>Cash flow for the period</i>	<i>234</i>	<i>124</i>	<i>-114</i>	<i>-1,586</i>	<i>552</i>	<i>-920</i>
Exchange rate differences	-70	-27	125	4	49	-72
<i>Change in cash and cash equivalents for the period</i>	<i>164</i>	<i>97</i>	<i>11</i>	<i>-1,582</i>	<i>601</i>	<i>-992</i>

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

## CHANGES IN EQUITY

SEK M	May - Jan 2016/17	May - Jan 2015/16	May - Apr 2015/16
<i>Attributable to Eleka's owners</i>			
Opening balance	6,402	6,638	6,638
Comprehensive income for the period	142	-23	-45
Incentive programs including deferred tax	4	-	-
Conversion of convertible loan	0	0	0
Acquisition of non-controlling interest	-31	-	-
Dividend	-95	-191	-191
<i>Total</i>	<i>6,422</i>	<i>6,424</i>	<i>6,402</i>
<i>Attributable to non-controlling interests</i>			
Opening balance	10	8	8
Comprehensive income for the period	1	5	7
Acquisition of non-controlling interest	-1	-	-
Dividend	-10	-5	-5
<i>Total</i>	<i>-</i>	<i>8</i>	<i>10</i>
Closing balance	6,422	6,432	6,412



## Financial instruments

The table below shows the fair value of 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.

SEK M	Jan 31, 2017		Jan 31, 2016		Apr 30, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing liabilities	3,234	3,310	5,030	5,276	3,065	3,213
Short-term interest-bearing liabilities	1,896	1,915	16	16	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	Jan 31, 2017	Jan 31, 2016	Apr 30, 2016
<b>FINANCIAL ASSETS</b>				
<i>Financial assets measured at fair value through profit or loss:</i>				
Derivative financial instruments – non-hedge accounting	2	54	17	21
<i>Derivatives used for hedging purposes:</i>				
Derivative financial instruments – hedge accounting	2	15	16	27
<b>Total financial assets</b>		<b>69</b>	<b>33</b>	<b>48</b>
<b>FINANCIAL LIABILITIES</b>				
<i>Financial liabilities at fair value through profit or loss:</i>				
Derivative financial instruments – non-hedge accounting	2	22	40	17
Contingent consideration	3	101	118	104
<i>Derivatives used for hedging purposes:</i>				
Derivative financial instruments – hedge accounting	2	143	124	36
<b>Total financial liabilities</b>		<b>266</b>	<b>282</b>	<b>157</b>

## KEY FIGURES

	May - Apr 2011/12	May - Apr 2012/13	May - Apr 2013/14	May - Apr 2014/15	May - Apr 2015/16	May - Jan 2015/16	May - Jan 2016/17
Gross order intake, SEK M	n/a	n/a	n/a	12,825	13,821	8,583	9,698
Net sales, SEK M	9,048	10,339	10,694	10,839	11,221	7,614	6,989
Operating result, SEK M	1,849	2,012	1,727	937	423	267	250
Operating margin before items affecting comparability, %	20	20	18	9	9	5	7
Operating margin, %	20	19	16	9	4	4	4
Profit margin, %	19	17	14	7	2	1	1
Shareholders' equity, SEK M	5,010	5,560	6,257	6,646	6,412	6,432	6,422
Capital employed, SEK M	9,540	10,112	10,743	12,678	11,360	11,479	11,552
Equity/assets ratio, %	33	34	35	31	33	33	33
Net debt/equity ratio, multiple	0.53	0.36	0.36	0.42	0.42	0.52	0.44
Return on shareholders' equity, %	29	27	21	9	2	6	2
Return on capital employed, %	28	21	17	9	4	7	4

## DATA PER SHARE

	May - Apr 2011/12	May - Apr 2012/13	May - Apr 2013/14	May - Apr 2014/15	May - Apr 2015/16	May - Jan 2015/16	May - Jan 2016/17
<b>Earnings per share</b>							
before dilution, SEK	3.26	3.52	3.01	1.45	0.36	0.16	0.08
after dilution, SEK	3.23	3.52	3.00	1.45	0.36	0.16	0.08
<b>Cash flow per share</b>							
before dilution, SEK	-7.07	3.17	1.31	1.78	1.00	-0.79	0.04
after dilution, SEK	-7.01	3.17	1.24	1.78	1.00	-0.79	0.04
<b>Shareholders' equity per share</b>							
before dilution, SEK	13.19	14.55	16.39	17.41	16.79	16.78	16.84
after dilution, SEK	13.31	14.55	20.32	17.41	16.79	16.78	16.84
<b>Average number of shares</b>							
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
<b>Number of shares at closing</b>							
before dilution, 000s *	378,991	381,270	381,287	381,287	381,288	381,288	381,288
after dilution, 000s	384,284	381,270	400,696	381,287	381,288	381,288	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 January 31, 2017).

## Data per quarter

	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	Q3 2016/17
SEK M											
Gross order intake	n/a	n/a	n/a	n/a	2,569	3,398	2,616	5,238	2,662	3,383	3,653
Net sales	1,865	2,567	2,552	3,855	2,239	2,828	2,547	3,607	1,882	2,434	2,673
EBITA before items affecting comparability and bad debts losses	-38*	397*	350	739	68	451	335	785	166	391	325
Operating result	-122	310	250	499	-93	304	56	155	-34	140	144
Cash flow from operating activities	-478	436	200	1,665	-349	346	327	846	-139	342	394

\* 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	Q3 2016/17
North and South America, %	11	-2	-53	-31	13	-18	23	15	-16	4	-6
Europe, Middle East and Africa, %	31	-33	14	-27	-30	41	-43	38	14	-17	116
Asia Pacific, %	-5	2	-23	23	12	-6	0	-5	20	10	2
Group, %	12	-13	-22	-18	-5	3	-15	16	4	-2	34

\*) 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

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	2,745	2,183	2,061	6,989	
Regional expenses	-1,818	-1,473	-1,437	-4,728	68%
Contribution margin	927	710	624	2,261	32%
Contribution margin, %	34%	33%	30%		
Global costs				-1,745	25%
Operating result before items affecting comparability				515	7%
Items affecting comparability				-264	
Operating result				250	4%
Net financial items				-207	
Profit before tax				44	

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	2,860	2,466	2,288	7,614	
Regional expenses	-2,015	-1,864	-1,717	-5,596	73%
Contribution margin	845	602	571	2,018	27%
Contribution margin, %	30%	24%	25%		
Global costs				-1,611	21%
Operating result before items affecting comparability				407	5%
Items affecting comparability				-139	
Operating result				267	4%
Net financial items				-182	
Profit before tax				86	

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	

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Group total	% of net sales
Net sales	3,890	3,368	3,338	10,596	
Regional expenses	-2,516	-2,372	-2,310	-7,198	68%
Contribution margin	1,374	996	1,028	3,398	32%
Contribution margin, %	35%	30%	31%		
Global costs				-2,268	21%
Operating result before items affecting comparability				1,129	11%
Items affecting comparability				-723	
Operating result				406	4%
Net financial items				-259	
Profit before tax				146	

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 - Jan 2016/17	May - Jan 2015/16
Operating expenses	-130	-140
Financial net	91	139
Income after financial items	-39	-1
Tax	39	35
Net income	0	34
<u>Statement of comprehensive income</u>		
Net income	0	34
Other comprehensive income	—	—
Total comprehensive income	0	34

### BALANCE SHEET

SEK M	Jan 31, 2017	Apr 30, 2016
<u>Non-current assets</u>		
Intangible assets	79	83
Shares in subsidiaries	2,223	2,129
Receivables from subsidiaries	2,677	2,662
Other financial assets	21	73
Deferred tax assets	68	29
Total non-current assets	5,068	4,976
<u>Current assets</u>		
Receivables from subsidiaries	4,139	4,145
Other current receivables	55	35
Cash and cash equivalents	1,659	1,499
Total current assets	5,853	5,679
Total assets	10,920	10,655
Shareholders' equity	2,536	2,631
<u>Non-current liabilities</u>		
Long-term interest-bearing liabilities	3,232	3,063 <sup>)</sup>
Long-term liabilities to Group companies	39	39
Long-term provisions	55	53
Total non-current liabilities	3,326	3,155
<u>Current liabilities</u>		
Short-term interest-bearing liabilities	1,887	1,872 <sup>)</sup>
Short-term liabilities to Group companies	3,043	2,752
Short-term provisions	15	29
Other current liabilities	113	216
Total current liabilities	5,058	4,869
Total shareholders' equity and liabilities	10,920	10,655

<sup>)</sup> 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, 11 and 18 - 20. Definitions of key figures and other APMs can be found on [www.elekta.com/investors/financials/definitions.php](http://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:

### Q3 2016/17

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	2,673			2,673
Cost of products and services sold	-1,611	-12	-	-1,623
<b>Gross profit</b>	<b>1,062</b>	<b>-12</b>	<b>-</b>	<b>1,050</b>
Selling expenses	-279	-3	-	-282
Administrative expenses	-234	-6	-33	-273
R&D expenses	-261	-4	-	-265
Exchange rate differences	-85	-	-	-85
<b>Operating result</b>	<b>202</b>	<b>-25</b>	<b>-33</b>	<b>144</b>

### Q3 2015/16

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	2,547			2,547
Cost of products and services sold	-1,540	-	-	-1,540
<b>Gross profit</b>	<b>1,007</b>	<b>-</b>	<b>-</b>	<b>1,007</b>
Selling expenses	-333	-16	-	-349
Administrative expenses	-241	-33	-27	-301
R&D expenses	-275	-15	-	-290
Exchange rate differences	-10	-	-	-10
<b>Operating result</b>	<b>148</b>	<b>-64</b>	<b>-27</b>	<b>56</b>

### May - Jan 2016/17

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	6,989			6,989
Cost of products and services sold	-4,138	-22	-	-4,160
<b>Gross profit</b>	<b>2,851</b>	<b>-22</b>	<b>-</b>	<b>2,829</b>
Selling expenses	-869	-5	-	-874
Administrative expenses	-680	-84	-130	-895
R&D expenses	-733	-23	-	-756
Exchange rate differences	-53	-	-	-53
<b>Operating result</b>	<b>515</b>	<b>-134</b>	<b>-130</b>	<b>250</b>

### May - Jan 2015/16

SEK M	Before items affecting comparability	Restructuring costs	Legal fees	Including items affecting comparability
Net sales	7,614			7,614
Cost of products and services sold	-4,541	-2	-	-4,543
<b>Gross profit</b>	<b>3,073</b>	<b>-2</b>	<b>-</b>	<b>3,071</b>
Selling expenses	-1,009	-32	-	-1,041
Administrative expenses	-763	-50	-31	-844
R&D expenses	-821	-24	-	-845
Exchange rate differences	-73	-	-	-73
<b>Operating result</b>	<b>407</b>	<b>-108</b>	<b>-31</b>	<b>267</b>

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 11.



## 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

Q3 2016/17 vs. Q3 2015/16

SEK M	North and South		Europe, Middle		Asia Pacific		Group total	
	America		East, and Africa					
Change constant currency	-61	-6%	949	116%	16	2%	904	34%
Currency effects	32	3%	41	5%	59	8%	132	5%
Reported change	-29	-3%	991	121%	75	10%	1,037	40%

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

SEK M	North and South		Europe, Middle		Asia Pacific		Group total	
	America		East, and Africa					
Change constant currency	-190	-6%	819	29%	285	11%	914	11%
Currency effects	32	1%	53	2%	116	4%	201	2%
Reported change	-158	-5%	872	31%	401	15%	1,115	13%

### Change net sales

Q3 2016/17 vs. Q3 2015/16

SEK M	North and South		Europe, Middle		Asia Pacific		Group total	
	America		East, and Africa					
Change constant currency	-18	-2%	68	8%	-31	-4%	19	1%
Currency effects	57	6%	-1	0%	52	7%	108	4%
Reported change	38	4%	67	8%	21	3%	126	5%

Q3 2015/16 vs. Q3 2014/15

SEK M	North and South		Europe, Middle		Asia Pacific		Group total	
	America		East, and Africa					
Change constant currency	8	1%	-161	-16%	7	1%	-146	-6%
Currency effects	85	10%	3	0%	53	7%	141	6%
Reported change	93	11%	-158	-16%	60	8%	-5	0%

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

SEK M	North and South		Europe, Middle		Asia Pacific		Group total	
	America		East, and Africa					
Change constant currency	-172	-6%	-271	-11%	-343	-15%	-786	-10%
Currency effects	57	2%	-12	0%	116	5%	161	2%
Reported change	-115	-4%	-283	-11%	-227	-10%	-625	-8%

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

SEK M	North and South		Europe, Middle		Asia Pacific		Group total	
	America		East, and Africa					
Change constant currency	138	6%	-153	-6%	-85	-4%	-100	-2%
Currency effects	419	18%	66	3%	245	12%	730	10%
Reported change	557	24%	-87	-3%	160	8%	630	9%

## Shareholder information

### Conference call

Elekta will host a telephone conference at 10:00-11:00 CET on March 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=1359272&s=1&k=D733C45D47631CEF4632451586C25F7C>

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 March 1, 2017.

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### Financial calendar

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Year-end report May-April 2016/17	June 1, 2017
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Interim report May-July 2017/18	August 23, 2017
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Annual General Meeting 2017	August 23, 2017
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