

### Q1 2018/19:

- Gross order intake amounted to SEK 3,174 M (2,738), an increase of 16 percent in SEK and 12 percent based on constant exchange rates.
- Net sales was SEK 2,819 M (2,504), an increase of 13 percent in SEK and 10 percent based on constant exchange rates.
- EBITA amounted to SEK 386 M (420), including a positive effect of SEK 76 M related to a divestment during the period.
- EBITA margin was 13.7 percent (16.7).
- Operating result was SEK 238 M (281).
- Net income amounted to SEK 166 M (199). Earnings per share was SEK 0.43 (0.52) before/after dilution.
- Cash flow after continuous investments was SEK -542 M (-95).
- Net debt amounted to SEK 1,307 M (1,912).
- Four Elekta Unity orders were added to the order backlog.

#### GROUP SUMMARY

| SEK M   | Q1<br>2018/19 | Q1<br>2017/18 | Change |
|---|---------------|---------------|--------|
| Gross order intake                            | 3,174         | 2,738         | 12% *  |
| Net sales                                     | 2,819         | 2,504         | 10% *  |
| EBITA   | 386           | 420           | -8%    |
| Operating result                              | 238           | 281           | -15%   |
| Net income                                    | 166           | 199           | -16%   |
| Cash flow after continuous investments        | -542          | -95           | n/a    |
| Earnings per share before/after dilution, SEK | 0.43          | 0.52          | -17%   |

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

### Outlook for fiscal year 2018/19 reiterated:

- Net sales growth of around 7 percent, based on constant exchange rates.
- EBITA margin of around 20 percent.



## President and CEO comments

I am pleased to report that we in many aspects delivered a good first quarter of the year. It was characterized by solid market development, Elekta Unity orders and a number of competitive wins, resulting in order intake growth of 12 percent compared with last year and based on unchanged exchange rates. In regions North and South America and Europe, Middle East and Africa, order intake rose by 23 and 15 percent, respectively. Asia Pacific returned to growth during the quarter, with an increase of 8 percent in China and twice that in Japan. We estimate global market growth for the past 12 months to be 7 percent and we maintain a positive view for all regions.

Our net sales grew by 10 percent in the first quarter. Linear accelerator sales were strong, particularly in emerging markets, as well as growth in all software segments and our service revenue grew by 8 percent. We continue to invest in long-term profitable growth. This includes an expansion of our commercial organization and marketing as well as activities to strengthen our role as the leader in precision radiation medicine.

We reported an EBITA margin of approximately 20 percent for the rolling 12-month period. However, gross margin in the quarter was 39.1 percent, a decline compared with the preceding year, primarily a result of higher volumes to emerging markets and an unfavorable project mix. We are confident that the gross margin will increase during the remainder of the year, primarily related to improved geographic and project mix and Elekta Unity revenues.

The cash conversion rate for the rolling 12-month period was 78 percent. In the first quarter cash flow was affected by a decrease in customer advances as well as higher inventory levels. This is a temporary effect related to the high revenue growth in the quarter as well as lower shipments and associated invoicing following that we now are focusing our operations on project installation starts and further shortening of lead times. We have also built our inventory for upcoming Unity installations.

Elekta Unity has recently reached three milestones: CE mark in Europe, the first patients treated using the clinically approved system and submission to the FDA for approval and market clearance in the U.S. I remain convinced that Elekta Unity is the future of radiation therapy and an unrivaled device for delivering precision radiation medicine. This is confirmed by the very high interest that customers show. One clear example is the recent seminar on MR radiation therapy, held by UMC Utrecht, which attracted more than 300 participants from universities and hospitals all around the world.

During the quarter, we booked four new Unity orders, which means that we have sold a total of 32 systems. Feedback from our customers confirms that Unity has the potential to offer each patient the possibility of more personalized radiation therapy with the highest level of precision and reduced risk for complications.

To strengthen our portfolio, we recently acquired two companies: Acumyn, with its integrated quality management system, AQUA; and PalabraApps, which helps to improve the clinical workflow using Elekta's MOSAIQ® oncology information system. During the quarter we also divested our MEG business.

We see a continually increasing demand for advanced cancer care and our outlook for the full year is positive and unchanged: we estimate that net sales will grow around 7 percent and that we will achieve an EBITA margin of around 20 percent for our current fiscal year.

Richard Hausmann  
President and CEO

Presented amounts refer to the fiscal year 2018/19 and amounts within parentheses indicate comparative values for the equivalent period last fiscal year restated to IFRS 15 unless otherwise stated.

## Order intake and order backlog

Gross order intake increased 16 percent to SEK 3,174 M (2,738) and increased 12 percent based on constant exchange rates.

### GROSS ORDER INTAKE

| SEK M                          | Q1<br>2018/19 | Q1<br>2017/18 | Change* | Change | 12 months<br>rolling | Change* | May - Apr<br>2017/18 |
|--------------------------------|---------------|---------------|---------|--------|----------------------|---------|----------------------|
| North and South America        | 990           | 791           | 23%     | 25%    | 4,920                | 15%     | 4,720                |
| Europe, Middle East and Africa | 1,004         | 826           | 15%     | 22%    | 5,568                | 7%      | 5,389                |
| Asia Pacific                   | 1,180         | 1,121         | 2%      | 5%     | 4,443                | 1%      | 4,384                |
| Group                          | 3,174         | 2,738         | 12%     | 16%    | 14,929               | 8%      | 14,493               |

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

Order backlog was SEK 28,092 M, compared to SEK 27,974 M on April 30, 2018. Order backlog is converted at closing exchange rates which resulted in a negative translation difference of SEK -155 M.

## Regional development

### North and South America

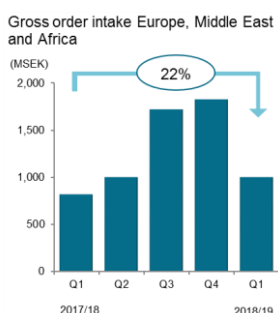
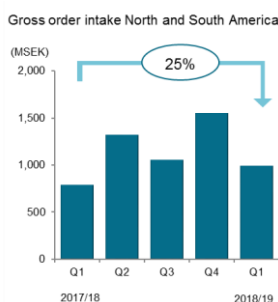
The U.S. is the world's largest market for radiation therapy. Market growth is primarily driven by service and software as well as upgrading the installed base of treatment systems. In the first quarter, new proposals for radiation therapy reimbursement were presented in the U.S. If the proposals are implemented, levels will increase slightly next year. South America has a significant need for high-quality, cost-effective cancer care. At the same time, weak economic conditions throughout the region have slowed investments in new equipment.

Elekta's performance in the region continued to strengthen and we advanced our market positions during the quarter. Growth was particularly favorable for software and service. For the region in total, order intake grew by 25 percent, corresponding to an increase of 23 percent based on unchanged exchange rates. We booked one order for an Elekta Unity research system from Allegheny Health Network in Pittsburgh, USA.

### Europe, Middle East and Africa

We have seen stable growth in the established markets, driven mainly by upgrading the installed base to new systems and aftermarket services, but also investment to expand radiation therapy capacity. The region's emerging markets are characterized by a significant need for radiation therapy and a substantial capacity gap.

Elekta's order intake increased by 22 percent compared to last year, corresponding to 15 percent based on unchanged exchange rates. Our performance was particularly favorable in Italy, Poland, Slovakia and the Middle East. During the quarter, we signed two orders for Elekta Unity, one to L'Hôpital Riviera-Chablais (Vevey Providence) in Switzerland and one to Centre Sidi Abdellah Cancérologie in Algeria. Interest in Unity is strong and has further increased since it received CE mark and the first patients were successfully treated.





## Asia Pacific

The region has a significant long-term need for expanding cancer care and the markets are generally underserved in terms of radiation therapy capacity.

Elekta's order intake rose 5 percent in the quarter, corresponding to 2 percent when calculated on unchanged exchange rates. China is our largest market in the region and we strengthened our position in the country, increasing our order intake by 8 percent. Reimbursement levels in China have increased and growth in the private market is favorable. It is also satisfying that we have returned to growth in Japan. In Australia, we sold an Elekta Unity system to Genesis Care.

## Net sales and earnings

Growth in the first quarter was strong in Asia Pacific and Europe, Middle East and Africa, and net sales increased to SEK 2,819 M (2,504) representing a growth of 13 percent or 10 percent based on constant exchange rates.

### NET SALES

| SEK M                          | Q1<br>2018/19 | Q1<br>2017/18 | Change* | Change | 12 months<br>rolling | Change* | May-Apr<br>2017/18 |
|--------------------------------|---------------|---------------|---------|--------|----------------------|---------|--------------------|
| North and South America        | 937           | 940           | -2%     | 0%     | 3,884                | e/t     | 3,888              |
| Europe, Middle East and Africa | 1,003         | 862           | 11%     | 16%    | 4,486                | e/t     | 4,345              |
| Asia Pacific                   | 879           | 702           | 23%     | 25%    | 3,517                | e/t     | 3,340              |
| Group                          | 2,819         | 2,504         | 10%     | 13%    | 11,887               | e/t     | 11,573             |

\*Compared to last fiscal year based on constant exchange rates. Comparable data for 12 months rolling not available due to IFRS15 restatement on quarterly basis starting Q1 2017/18.

Gross margin was 39.1 percent (46.4). The decrease is to a large extent related to unfavorable geographic and project mix. Operating expenses increased, mainly related to investments in the commercialization of Elekta Unity, Elekta Digital and the commercial organization. R&D expenditure, adjusted for the net of capitalization and amortization of development costs, amounted to SEK 373 M (338), equal to 13 percent (14) of net sales or 12 percent on a 12 months rolling basis. EBITA decreased to SEK 386 M (420) representing a margin of 13.7 percent (16.7). The decrease is a result of lower gross margin and higher operating costs. The rolling 12 month EBITA margin was 19.6 percent.

The effect from changes in exchange rates compared with last year was approximately SEK 25 M including hedges. Operating result was SEK 238 M (281). The operating result includes a positive effect of SEK 76 M related to a divestment, reported as part of other operating income and expenses.

Net financial items amounted to SEK -25 M (-39). Profit before tax amounted to SEK 213 M (243) and tax amounted to SEK -47 M (-44), representing a tax rate of 22 percent (18).

Net income amounted to SEK 166 M (199) and earnings per share amounted to SEK 0.43 (0.52) before/after dilution. Return on shareholders' equity amounted to 21 percent (3\*\*) and return on capital employed amounted to 17 percent (6\*\*).

\*\* Calculation based on IAS18

### CAPITALIZED DEVELOPMENT COSTS

| SEK M   | Q1<br>2018/19 | Q1<br>2017/18 | 12 months<br>rolling | May - Apr<br>2017/18 |
|---|---------------|---------------|----------------------|----------------------|
| Capitalization of development costs           | 129           | 127           | 639                  | 637                  |
| of which R&D                                  | 128           | 127           | 637                  | 637                  |
| Amortization of capitalized development costs | -120          | -110          | -418                 | -408                 |
| of which R&D                                  | -120          | -105          | -400                 | -385                 |
| Capitalized development costs, net            | 9             | 17            | 221                  | 229                  |
| of which R&D                                  | 8             | 23            | 237                  | 252                  |

The net of capitalization and amortization of development costs in the R&D function decreased to SEK 8 M (23). Amortization of capitalized development costs amounted to SEK 120 M (110). The increase is related to the start of amortization following the CE marking of Elekta Unity.

## Investments and depreciation

Investments in intangible assets were SEK 129 M (128) and investments in tangible assets were SEK 31 M (43). Amortization of intangible assets and depreciation of tangible fixed assets amounted to a total of SEK 189 M (177).

## Cash flow

Cash flow from operating activities was SEK -381 M (76). The operational cash conversion for rolling 12 months was 78 percent. Cash flow after continuous investments was SEK -542 M (-95). The decline in cash flow was due to increased levels of net working capital.

### CASH FLOW (EXTRACT)

| SEK M                                 | Q1<br>2018/19 | Q1<br>2017/18 | 12 months<br>rolling | May - Apr<br>2017/18 |
|---------------------------------------|---------------|---------------|----------------------|----------------------|
| Operating cash flow                   | 318           | 307           | 2,368                | 2,357                |
| Change in working capital             | -699          | -232          | -421                 | 47                   |
| Cash flow from operating activities   | -381          | 76            | 1,947                | 2,404                |
| Continuous investments                | -160          | -171          | -805                 | -816                 |
| Cashflow after continuous investments | -542          | -95           | 1,142                | 1,589                |
| Operational cash conversion           | -89%          | 16%           | 78%                  | 95%                  |

## Working capital

Net working capital was SEK -1,622 M corresponding to -14 (-20 per April 30, 2018) percent of net sales. We are continuing to reduce project lead times between shipments and start of installations. In the first quarter net working capital levels were impacted by a reduction of customer advances linked to high level of installations of already paid projects. In addition, the number of shipped projects in the quarter was lower than in the first quarter last year. The shipment levels are expected to increase in the coming quarters. In the quarter, we also built inventory for coming Elekta Unity installations.

### Working capital

| SEK M                                  | Jul 31<br>2018 | Jul 31<br>2017 | Apr 30<br>2018 |
|--|----------------|----------------|----------------|
| <b>Working capital assets</b>          |                |                |                |
| Inventories                            | 2,485          | 2,240          | 2,560          |
| Accounts receivable                    | 3,061          | 3,032          | 3,402          |
| Accrued income                         | 1,004          | 897            | 1,160          |
| Other operating receivables            | 1,103          | 1,026          | 1,068          |
| <b>Sum working capital assets</b>      | <b>7,654</b>   | <b>7,195</b>   | <b>8,191</b>   |
| <b>Working capital liabilities</b>     |                |                |                |
| Accounts payable                       | 841            | 806            | 1,132          |
| Advances from customers                | 4,608          | 4,861          | 5,316          |
| Prepaid income                         | 1,899          | 1,653          | 1,990          |
| Accrued expenses                       | 1,508          | 1,314          | 1,662          |
| Short-term provisions                  | 165            | 175            | 186            |
| Other current liabilities              | 255            | 212            | 257            |
| <b>Sum working capital liabilities</b> | <b>9,276</b>   | <b>9,022</b>   | <b>10,543</b>  |
| <b>Net working capital</b>             | <b>-1,622</b>  | <b>-1,827</b>  | <b>-2,352</b>  |
| % of 12 months net sales               | -14%           | n/a            | -20%           |

Days Sales Outstanding (DSO) was negative 75 days (negative 87 per April 30, 2018). North and South America was unchanged in the quarter while increases were seen in Europe, Middle East and Africa, and Asia Pacific regions.

## DAYS SALES OUTSTANDING (DSO)

| SEK M                          | Jul 31<br>2018 | Apr 30<br>2018 |
|--------------------------------|----------------|----------------|
| North and South America        | -123           | -122           |
| Europe, Middle East and Africa | -9             | -30            |
| Asia Pacific                   | -106           | -122           |
| Group                          | -75            | -87            |

## Financial position

Cash and cash equivalents and short-term investments amounted to SEK 3,547 M (3,158) and interest-bearing liabilities amounted to SEK 4,854 M (5,071). Net debt amounted to SEK 1,307 M (1,912). Net debt in relation to EBITDA was 0.53 (0.32 per April 30, 2018).

### NET DEBT

| SEK M  | Jul 31<br>2018 | Jul 31<br>2017 | Apr 30<br>2018 |
|--|----------------|----------------|----------------|
| Long-term interest-bearing liabilities               | 4,341          | 4,650          | 4,369          |
| Short-term interest-bearing liabilities              | 513            | 421            | 975            |
| Cash and cash equivalents and short-term investments | -3,547         | -3,158         | -4,541         |
| Net debt   | 1,307          | 1,912          | 803            |

The exchange rate effect from the translation of cash and cash equivalents amounted to SEK -13 M (-119). The translation difference in interest-bearing liabilities amounted to SEK -41 M (-216). Other comprehensive income was affected by exchange rate differences from translation of foreign operations amounting to SEK -214 M (-244).

The change in unrealized exchange rate effects from effective cash flow hedges reported in other comprehensive income amounted to SEK -77 M (46). The closing balance of unrealized exchange rate effects from effective cash flow hedges amounted to SEK -44 M (79) exclusive of tax.

## Legal disputes

### *humediQ*

During fiscal year 2017/18, humediQ GmbH initiated a new arbitration against Elekta group companies and arising out of the agreement as the previous arbitration in 2016. Elekta believes that the claims are meritless and will vigorously defend itself.

## Significant events during the reporting period

### *Elekta Unity receives CE mark*

On June 18, 2018, Elekta Unity received CE mark, clearing the technology for commercial sales and clinical use in Europe.

### *Sale of MEG business to York Instruments*

On July 19, 2018, Elekta announced that it has sold its MEG business to York Instruments, a subsidiary of Croton Healthcare, LLC. This divestment follows Elekta's strategic decision to prioritize its treatment solutions and oncology informatics portfolio.

### *Acquisition of quality assurance expert Acumyn*

Elekta announced on July 27, 2018, that it has acquired the Canadian quality assurance expert Acumyn, a stand-alone commercial spin-off of University Health Network, Toronto. This follows an exclusive agreement between Elekta and Acumyn, signed in 2014, to commercialize its integrated Quality Management System, AQUA.

### *Changes to Executive Management Team*

As of June 1, 2018, Caroline Mofors, Senior Vice President, Chief Compliance and Integrity Officer, is a member of the Executive Management team.

Renato Leite joined Elekta on June 1, 2018, as Executive Vice President Region Europe and member of the Executive Management team.

## Events after the reporting period

### *Pending 510(k) for Elekta Unity with the U.S. FDA*

On August 7, 2018, Elekta announced that it submitted a 510(k) application for its Elekta Unity magnetic resonance radiation therapy system to the U.S. FDA, where the submission is in the review process. Upon receiving FDA 510(k) pre-market clearance, U.S. healthcare providers will then be able to offer Unity's distinctive real time imaging, planning and treatment to their patients.

## Employees

The average number of employees during the period was 3,694 (3,680).

The average number of employees in the Parent Company was 33 (31).

## Shares

Total number of registered shares on July 31, 2018 was 383,568,409 of which 14,980,769 were A-shares and 368,587,640 B-shares. On July 31, 2018 1,541,368 shares were treasury shares held by Elekta.

## 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.

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.

Elekta's operations within research and development, production, distribution, marketing and administration depend on a large number of advanced IT systems and IT solutions. Routines and procedures are applied in order to protect the hardware, software and information against damages, manipulations, loss or incorrect use. If these systems and solutions should be affected by any interference resulting in loss of information it might have a negative impact on Elekta's operations, result and financial position.

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 2017/18.

Stockholm, August 30, 2018

Richard Hausmann  
CEO and President

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

## CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

| INCOME STATEMENT<br>SEK M   | Q1<br>2018/19 | Q1<br>2017/18 | 12 months<br>rolling | May - Apr<br>2017/18 |
|---|---------------|---------------|----------------------|----------------------|
| Net sales   | 2,819         | 2,504         | 11,887               | 11,573               |
| Cost of products sold   | -1,716        | -1,343        | -6,890               | -6,517               |
| <b>Gross income</b>   | <b>1,103</b>  | <b>1,162</b>  | <b>4,997</b>         | <b>5,056</b>         |
| Selling expenses  | -324          | -305          | -1,228               | -1,208               |
| Administrative expenses   | -265          | -243          | -970                 | -949                 |
| R&D expenses  | -365          | -316          | -1,145               | -1,095               |
| Other operating income and expenses   | 65            | -5            | 70                   | 0                    |
| Exchange rate differences   | 24            | -12           | 78                   | 42                   |
| <b>Operating result</b>   | <b>238</b>    | <b>281</b>    | <b>1,802</b>         | <b>1,845</b>         |
| Result from participations in associates                                    | 2             | 2             | -7                   | -7                   |
| Interest income   | 18            | 7             | 78                   | 67                   |
| Interest expenses and similar items   | -45           | -44           | -225                 | -225                 |
| Exchange rate differences   | 0             | -3            | 4                    | 1                    |
| <b>Profit before tax</b>  | <b>213</b>    | <b>243</b>    | <b>1,651</b>         | <b>1,681</b>         |
| Income taxes  | -47           | -44           | -336                 | -333                 |
| <b>Net income</b>   | <b>166</b>    | <b>199</b>    | <b>1,315</b>         | <b>1,348</b>         |
| <i>Net income attributable to:</i>  |               |               |                      |                      |
| Parent Company shareholders   | 166           | 199           | 1,315                | 1,348                |
| Non-controlling interests   | 0             | -             | 0                    | 0                    |
| Earnings per share before dilution, SEK                                     | 0.43          | 0.52          | 3.44                 | 3.53                 |
| Earnings per share after dilution, SEK                                      | 0.43          | 0.52          | 3.44                 | 3.53                 |
| <b>STATEMENT OF COMPREHENSIVE INCOME</b>                                    |               |               |                      |                      |
| SEK M   |               |               |                      |                      |
| Net income  | 166           | 199           | 1,315                | 1,348                |
| Other comprehensive income:   |               |               |                      |                      |
| <i>Items that will not be reclassified to the income statement:</i>         |               |               |                      |                      |
| Remeasurements of defined benefit pension plans                             | -             | -             | -19                  | -19                  |
| Tax   | -             | -             | 5                    | 5                    |
| Total items that will not be reclassified to the income statement           | -             | -             | -14                  | -14                  |
| <i>Items that subsequently may be reclassified to the income statement:</i> |               |               |                      |                      |
| Revaluation of cash flow hedges   | -77           | 46            | -128                 | -5                   |
| Translation differences from foreign operations                             | -214          | -244          | 505                  | 475                  |
| Tax   | 15            | -9            | 26                   | 2                    |
| Total items that subsequently may be reclassified to the income statement   | -277          | -207          | 402                  | 472                  |
| Other comprehensive income for the period                                   | -277          | -207          | 389                  | 458                  |
| <b>Total comprehensive income for the period</b>                            | <b>-110</b>   | <b>-9</b>     | <b>1,704</b>         | <b>1,806</b>         |
| <i>Comprehensive income attributable to:</i>                                |               |               |                      |                      |
| Parent Company shareholders   | -110          | -9            | 1,704                | 1,806                |
| Non-controlling interests   | 0             | -             | 0                    | 0                    |

## RESULT OVERVIEW

| SEK M                                    | Q1<br>2018/19 | Q1<br>2017/18 | 12 months<br>rolling | May - Apr<br>2017/18 |
|--|---------------|---------------|----------------------|----------------------|
| <b>Operating result/EBIT</b>             | <b>238</b>    | <b>281</b>    | <b>1,802</b>         | <b>1,845</b>         |
| <i>Amortization:</i>                     |               |               |                      |                      |
| Capitalized development costs            | 120           | 110           | 418                  | 408                  |
| Assets relating to business combinations | 27            | 29            | 115                  | 116                  |
| <b>EBITA</b>                             | <b>386</b>    | <b>420</b>    | <b>2,335</b>         | <b>2,369</b>         |

## CONSOLIDATED BALANCE SHEET

| SEK M                                   | Jul 31<br>2018 | Jul 31<br>2017 | Apr 30<br>2018 |
|---|----------------|----------------|----------------|
| <b>Non-current assets</b>               |                |                |                |
| Intangible assets                       | 9,078          | 8,343          | 9,175          |
| Tangible fixed assets                   | 856            | 760            | 895            |
| Financial assets                        | 250            | 287            | 261            |
| Deferred tax assets                     | 356            | 415            | 350            |
| <b>Total non-current assets</b>         | <b>10,541</b>  | <b>9,805</b>   | <b>10,681</b>  |
| <b>Current assets</b>                   |                |                |                |
| Inventories                             | 2,485          | 2,240          | 2,560          |
| Accounts receivable                     | 3,061          | 3,032          | 3,402          |
| Accrued income                          | 1,004          | 897            | 1,160          |
| Current tax assets                      | 160            | 248            | 177            |
| Derivative financial instruments        | 20             | 119            | 170            |
| Other current receivables               | 1,103          | 1,026          | 1,068          |
| Short-term investments                  | 84             | -              | 83             |
| Cash and cash equivalents               | 3,463          | 3,158          | 4,458          |
| <b>Total current assets</b>             | <b>11,381</b>  | <b>10,720</b>  | <b>13,080</b>  |
| <b>Total assets</b>                     | <b>21,921</b>  | <b>20,525</b>  | <b>23,760</b>  |
| Elekta's owners' equity                 | 6,843          | 5,555          | 6,987          |
| Non-controlling interests               | 0              | 0              | 0              |
| <b>Total equity</b>                     | <b>6,843</b>   | <b>5,555</b>   | <b>6,987</b>   |
| <b>Non-current liabilities</b>          |                |                |                |
| Long-term interest-bearing liabilities  | 4,341          | 4,650          | 4,369          |
| Deferred tax liabilities                | 504            | 534            | 511            |
| Long-term provisions                    | 169            | 159            | 158            |
| Other long-term liabilities             | 59             | 15             | 63             |
| <b>Total non-current liabilities</b>    | <b>5,073</b>   | <b>5,358</b>   | <b>5,102</b>   |
| <b>Current liabilities</b>              |                |                |                |
| Short-term interest-bearing liabilities | 513            | 421            | 975            |
| Accounts payable                        | 841            | 806            | 1,132          |
| Advances from customers                 | 4,608          | 4,861          | 5,316          |
| Prepaid income                          | 1,899          | 1,653          | 1,990          |
| Accrued expenses                        | 1,508          | 1,314          | 1,662          |
| Current tax liabilities                 | 111            | 96             | 107            |
| Short-term provisions                   | 165            | 175            | 186            |
| Derivative financial instruments        | 105            | 74             | 46             |
| Other current liabilities               | 255            | 212            | 257            |
| <b>Total current liabilities</b>        | <b>10,005</b>  | <b>9,612</b>   | <b>11,671</b>  |
| <b>Total equity and liabilities</b>     | <b>21,921</b>  | <b>20,525</b>  | <b>23,760</b>  |

## CASH FLOW

| SEK M  | Q1<br>2018/19 | Q1<br>2017/18 | 12 months<br>rolling | May - Apr<br>2017/18 |
|--|---------------|---------------|----------------------|----------------------|
| Profit before tax  | 213           | 243           | 1,651                | 1,681                |
| Amortization and depreciation                                      | 189           | 177           | 687                  | 675                  |
| Interest net   | 18            | 28            | 86                   | 96                   |
| Other non-cash items   | -43           | -17           | 228                  | 254                  |
| Interest received and paid   | -37           | -46           | -89                  | -98                  |
| Income taxes paid  | -21           | -77           | -195                 | -250                 |
| <i>Operating cash flow</i>   | <i>318</i>    | <i>307</i>    | <i>2,368</i>         | <i>2,357</i>         |
| Increase (-)/decrease (+) in inventories                           | -42           | -55           | -111                 | -125                 |
| Increase (-)/decrease (+) in operating receivables                 | 268           | 313           | -66 *                | -21 *                |
| Increase (+)/decrease (-) in operating liabilities                 | -925          | -490          | -243                 | 192                  |
| <i>Change in working capital</i>                                   | <i>- 699</i>  | <i>-232</i>   | <i>-421</i>          | <i>47</i>            |
| <i>Cash flow from operating activities</i>                         | <i>-381</i>   | <i>76</i>     | <i>1,947</i>         | <i>2,404</i>         |
| Investments intangible assets                                      | -129          | -128          | -644                 | -642                 |
| Investments other assets   | -31           | -43           | -200                 | -212                 |
| Sale of fixed assets   | 0             | 0             | 38 *                 | 38 *                 |
| <i>Continuous investments</i>                                      | <i>- 160</i>  | <i>-171</i>   | <i>- 805</i>         | <i>-816</i>          |
| <i>Cash flow after continuous investments</i>                      | <i>-542</i>   | <i>-95</i>    | <i>1,142</i>         | <i>1,589</i>         |
| Increase(-)/decrease(+) in short-term investments                  | -1            | -             | -84                  | -83                  |
| Business combinations, divestments and investments in other shares | 9             | -24           | -25                  | -58                  |
| <i>Cash flow after investments</i>                                 | <i>-533</i>   | <i>-120</i>   | <i>1,034</i>         | <i>1,447</i>         |
| Cash flow from financing activities                                | -449          | 14            | -831                 | -367                 |
| <i>Cash flow for the period</i>                                    | <i>-982</i>   | <i>-105</i>   | <i>203</i>           | <i>1,080</i>         |
| <i>Change in cash and cash equivalents during the period</i>       |               |               |                      |                      |
| Cash and cash equivalents at the beginning of the period           | 4,458         | 3,383         | 3,158                | 3,383                |
| Cash flow for the period   | -982          | -105          | 203                  | 1,080                |
| Exchange rate differences  | -13           | -119          | 102                  | -4                   |
| <i>Cash and cash equivalents at the end of the period</i>          | <i>3,463</i>  | <i>3,158</i>  | <i>3,463</i>         | <i>4,458</i>         |

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

## CHANGES IN EQUITY

| SEK M  | May - Jul<br>2018/19 | May - Jul<br>2017/18 | May - Apr<br>2017/18 |
|--|----------------------|----------------------|----------------------|
| <i>Attributable to Elektas owners</i>                |                      |                      |                      |
| Opening balance                                      | 6,987                | 6,774                | 6,774                |
| Opening balance adjustment due to IFRS 15 and IFRS 9 | -39                  | -1,212               | -1,212               |
| Comprehensive income for the period                  | -110                 | -9                   | 1,806                |
| Incentive programs including deferred tax            | 5                    | 2                    | 2                    |
| Dividend   | -                    | -                    | -382                 |
| <i>Total</i>   | <i>6,843</i>         | <i>5,555</i>         | <i>6,987</i>         |
| <i>Attributable to non-controlling interests</i>     |                      |                      |                      |
| Opening balance                                      | 0                    | 0                    | 0                    |
| Comprehensive income for the period                  | 0                    | -                    | 0                    |
| <i>Total</i>   | <i>0</i>             | <i>0</i>             | <i>0</i>             |
| <i>Closing balance</i>                               | <i>6,843</i>         | <i>5,555</i>         | <i>6,987</i>         |

## 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 are consistent with those presented in Note 1 of the Annual Report 2017/18, with exception for the accounting policies described below.

### *New accounting principles*

Two new IFRS standards are effective as from January 1, 2018; IFRS 15 *Revenue from Customer Contracts* and IFRS 9 *Financial instruments*, and both these standards are applied since May 1, 2018. For IFRS 15 Elekta applies the full retrospective method and thus the prior year comparative period has been restated. IFRS 9 is applied retrospectively and the comparative period has not been restated.

### *IFRS 15 Revenue from contracts with customers - revenue recognition*

Elekta's revenue is primarily derived from the sales of treatment solutions and oncology informatics including equipment used for radiation therapy, radiosurgery and brachytherapy as well as software products and related services.

Many of Elekta's products and services are sold on a stand-alone basis but are often included in bundled deals, which are arrangements where equipment, software and services may be included in the same contract. A bundled deal is treated as a project which is supported by a project team that coordinates the production, delivery and installation, which can occur at different stages.

In most contracts the transaction price consists of a fixed consideration which is clearly stated in the contract and the products are usually sold without a right of return. In rare cases contracts can include variable consideration for which the value is estimated for revenue allocation purposes.

The allocation of the transaction price, including any discount, to the various goods and services (performance obligations) in a contract is performed based on the estimated stand-alone selling prices for the goods and services identified as performance obligations. As many items included in a bundled deal are also sold on a stand-alone basis, the stand-alone selling prices are based on observable prices in most cases. For items not sold on a stand-alone basis the stand-alone selling prices have been estimated using the best available market and internal data relating to those items.

Costs incurred to obtain a contract consist mainly of commissions, which are recognized at the time when the related revenue is recognized.

The timing for revenue recognition of the goods and services included in a bundle deal depends on their characteristics and when the control of each good or service is transferred to the customer.

### ***Treatment solutions***

Elekta sells treatment solutions including devices, software and service. Main devices are Leksell Gamma Knives, Linear accelerators, MR linacs and Afterloaders. Software licenses consist mainly of Oncology informatics systems (OIS) and Treatment planning systems (TPS). Services include maintenance and support relating to equipment, software, training and installation services. Most bundled deals include at least one device, software licenses, installation, service and training. Revenue recognition for these deals is linked to when control for each identified performance obligation is transferred to the customer, which for a standard contract happens at different stages over a longer period, usually up to six months depending on the geographical market.

### ***Devices***

In a standard contract, the control is considered to be transferred when the device is delivered to the customer's site and installation is started. At this time, risk and rewards are transferred, the customer has physical possession of the unit and Elekta has the right to payment for the equipment delivered.

### ***Software***

For software licenses control is considered to be transferred and revenue is recognized when the licenses are made available to the customer, which is usually at the time of acceptance of the software.

### ***Service***

For service agreements, control is considered to be transferred over time and revenue is recognized on a straight-line basis over the contractual term of the arrangement or the expected period during which the specified services will be performed. Maintenance and support agreements relating to software products are generally renewed on an annual basis. Installation services and training with low values and which span over a limited time are

considered non-material and revenue is recognized when the related device reaches the stage of technical acceptance.

Changes to the goods and services included in an arrangement and the amounts allocated to each item could affect the timing and amount of revenue recognition. Revenue recognition also depends on the timing of shipment, readiness of the customer's site, availability of products and for some contracts, customer acceptance terms. If shipments or installations are not made on scheduled timelines or if the products are not accepted by the customer in a timely manner, revenues may differ from expectations.

Revenue recognition does often not coincide with invoicing to, and payments from, customers. Payment terms or conditions for projects may differ between contracts and regions, but in a standard Elekta contract partial payments will be due upon certain events, such as order receipt, shipment and acceptance. In a standard project, amounts invoiced in accordance with an invoicing plan are reported as accounts receivable and as a contract liability included in advances from customers if performance obligations are not yet satisfied and revenue cannot be recognized. Amounts that have been recognized as revenue, but for which Elekta has not yet the right to invoice according to the invoicing plan agreed, are reported as contract assets and included in accrued income. For service contracts the agreed consideration is invoiced and paid in advance in most markets. When there is a contract agreed and invoiced to the customer, Elekta usually has the right to payment even if the performance obligations are still to be satisfied. Therefore a receivable is accounted for with a corresponding contract liability reported as deferred income.

### *IFRS 9 - Financial instruments*

IFRS 9 comprises classification, measurement and impairment of financial instruments as well as hedge accounting. The financial effects for Elekta from the transition to IFRS 9 are limited, and relate to the introduction of an expected credit loss model for impairment of financial assets that replaces the previously used incurred loss model. An expected credit loss is calculated for all outstanding amounts based on historical experiences and expectations about the future. The main effect relates to the calculation of bad debt losses, as the provision for expected losses comprises all financial receivables, including those that are not yet due. Applying the expected loss model, the provision for bad debt will increase or decrease based on the outstanding value of financial assets. The financial effect from the application of expected credit loss model for mainly affects the value of trade receivables and accrued project income and is presented in the schedule below.

IFRS 9 also introduces a new model for classification and related measurement of financial instruments. Elekta has reviewed all financial instruments in order to classify these according to the new standard and the following main categories have been identified:

*Excess liquidity investments* such as money market funds and tradeable securities are held in a portfolio managed on a fair value basis and are classified as financial assets at Fair Value through Profit and Loss.

*Trade receivables* are in general held with the objective to collect contractual cash flows and therefore fulfill the requirements for being classified into the Hold To Collect business model with valuation at amortized cost. In some countries Elekta holds trade receivables that may be sold and are managed within a business model with the objective to realize cash flows through both collection of contractual cash flows and sale of the asset. These trade receivables are valued at Fair Value through Other Comprehensive Income.

The reclassification of assets does not result in any material changes in valuation of assets at the transition date.

Hedge accounting is applied in accordance with IFRS 9 and hedging relationships existing at the transition date qualified for hedge accounting under IFRS 9 as well as under the previous standard, IAS 39. In general, IFRS 9, more closely than the previous standard, aligns the hedge accounting rules to the risk management objectives of a company. Elekta applies hedge accounting for the hedging of foreign currency risks and from time to time also for hedging interest rate risks. The application of hedge accounting according to IFRS 9 has no financial effects at the transition date.

## Effects from the implementation of IFRS 15 and IFRS 9

The net balance effect from the transition to IFRS 15 was reported in equity with SEK - 987 M as per May 1, 2018 and SEK -1,212 M at the beginning of the comparative year. The transition to IFRS 9 has affected the opening balance of fiscal year 2018/19 and the impact on equity is SEK - 39 M.

The one-time effect reported in equity from the implementation of the standards is mainly relating to IFRS 15 and the timing for revenue recognition of treatment solutions. According to IFRS 15 revenue recognition should occur at the time of transfer of control to the customer, which according to Elekta's assessment is when the treatment solution is ready for installation at the customer's site. Prior to the implementation of IFRS 15, revenue recognition for treatment solutions occurred when risks and rewards were transferred to the customer, which is normally at the time of shipment. The financial impact reported in equity on transition primarily depended on the number of treatment solutions that was shipped but not yet being installed at the customer's site at this point in time. Other less significant financial effects from the transition relate to changes in the allocation of the transaction price to various performance obligations. The effects from the implementation of IFRS 15 and IFRS 9 are further described below.

### EFFECTS FROM IFRS 15 AND IFRS 9 ON CONSOLIDATED BALANCE SHEET

| SEK M                               | Opening balance 2017/18 |                 |                             | Closing balance 2017/18 |                 |                             | Opening balance 2018/19 |            |                            |
|-------------------------------------|-------------------------|-----------------|-----------------------------|-------------------------|-----------------|-----------------------------|-------------------------|------------|----------------------------|
|                                     | Reported                |                 | Restated<br>Apr 30,<br>2017 | Reported                |                 | Restated<br>Apr 30,<br>2018 | Restated                |            | Adjusted<br>May 1,<br>2018 |
|                                     | Apr 30,<br>2017         | Adj.<br>IFRS 15 |                             | Apr 30,<br>2018         | Adj.<br>IFRS 15 |                             | Apr 30,<br>2018         | IFRS 9     |                            |
| <b>Non-current assets</b>           |                         |                 |                             |                         |                 |                             |                         |            |                            |
| Deferred tax assets                 | 375                     | 91              | 466                         | 267                     | 83              | 350                         | 350                     | 10         | 360                        |
| Financial assets                    | 308                     | -               | 308                         | 261                     | -               | 261                         | 261                     | -          | 261                        |
| <b>Current assets</b>               |                         |                 |                             |                         |                 |                             |                         |            |                            |
| Inventories                         | 936                     | 1,384           | 2,320                       | 1,121                   | 1,439           | 2,560                       | 2,560                   | -          | 2,560                      |
| Accounts receivable                 | 3,726                   | -               | 3,726                       | 3,402                   | -               | 3,402                       | 3,402                   | -25        | 3,377                      |
| Accrued income                      | 1,640                   | -789            | 851                         | 1,601                   | -441            | 1,160                       | 1,160                   | -24        | 1,136                      |
| Other current receivables           | 802                     | 134             | 936                         | 846                     | 222             | 1,068                       | 1,068                   | -          | 1,068                      |
| <b>Total assets</b>                 | <b>20,950</b>           | <b>820</b>      | <b>21,770</b>               | <b>22,457</b>           | <b>1,303</b>    | <b>23,760</b>               | <b>23,760</b>           | <b>-39</b> | <b>23,721</b>              |
| <b>Total equity</b>                 | <b>6,774</b>            | <b>-1,212</b>   | <b>5,562</b>                | <b>7,975</b>            | <b>-987</b>     | <b>6,987</b>                | <b>6,987</b>            | <b>-39</b> | <b>6,948</b>               |
| <b>Non-current liabilities</b>      |                         |                 |                             |                         |                 |                             |                         |            |                            |
| Deferred tax liabilities            | 778                     | -225            | 553                         | 693                     | -182            | 511                         | 511                     | -          | 511                        |
| <b>Current liabilities</b>          |                         |                 |                             |                         |                 |                             |                         |            |                            |
| Advances from customers             | 2,531                   | 2,680           | 5,211                       | 2,575                   | 2,741           | 5,316                       | 5,316                   | -          | 5,316                      |
| Prepaid income                      | 1,874                   | 1               | 1,875                       | 2,053                   | -63             | 1,990                       | 1,990                   | -          | 1,990                      |
| Accrued expenses                    | 1,875                   | -398            | 1,477                       | 1,854                   | -192            | 1,662                       | 1,662                   | -          | 1,662                      |
| Short-term provisions               | 231                     | -26             | 205                         | 201                     | -15             | 186                         | 186                     | -          | 186                        |
| <b>Total equity and liabilities</b> | <b>20,950</b>           | <b>820</b>      | <b>21,770</b>               | <b>22,457</b>           | <b>1,303</b>    | <b>23,760</b>               | <b>23,760</b>           | <b>-39</b> | <b>23,721</b>              |

## EFFECTS FROM IFRS 15 RESTATEMENT ON CONSOLIDATED BALANCE SHEET

| SEK M                               | Q1 2017/18    |             |               | Q2 2017/18    |              |               | Q3 2017/18    |              |               | Q4 2017/18    |              |               |
|-------------------------------------|---------------|-------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|
|                                     | Reported      | Adj.        | Restated      | Reported      | Adj.         | Restated      | Reported      | Adj.         | Restated      | Reported      | Adj.         | Restated      |
| <b>Non-current assets</b>           |               |             |               |               |              |               |               |              |               |               |              |               |
| Deferred tax assets                 | 290           | 124         | 415           | 310           | 131          | 441           | 260           | 98           | 358           | 267           | 83           | 350           |
| <b>Current assets</b>               |               |             |               |               |              |               |               |              |               |               |              |               |
| Inventories                         | 1,076         | 1,164       | 2,240         | 1,102         | 1,253        | 2,355         | 1,243         | 1,265        | 2,508         | 1,121         | 1,439        | 2,560         |
| Accounts receivable                 | 3,032         | -           | 3,032         | 3,120         | -            | 3,120         | 3,505         | -            | 3,505         | 3,402         | -            | 3,402         |
| Accrued income                      | 1,467         | -570        | 897           | 1,545         | -533         | 1,012         | 1,177         | -408         | 769           | 1,601         | -441         | 1,160         |
| Other current receivables           | 878           | 148         | 1,026         | 917           | 155          | 1,072         | 926           | 184          | 1,110         | 846           | 222          | 1,068         |
| <b>Total assets</b>                 | <b>19,659</b> | <b>866</b>  | <b>20,525</b> | <b>20,152</b> | <b>1,006</b> | <b>21,158</b> | <b>20,617</b> | <b>1,139</b> | <b>21,756</b> | <b>22,457</b> | <b>1,303</b> | <b>23,760</b> |
| <b>Total equity</b>                 | <b>6,511</b>  | <b>-956</b> | <b>5,555</b>  | <b>6,734</b>  | <b>-919</b>  | <b>5,815</b>  | <b>7,040</b>  | <b>-886</b>  | <b>6,154</b>  | <b>7,975</b>  | <b>-987</b>  | <b>6,987</b>  |
| <b>Non-current liabilities</b>      |               |             |               |               |              |               |               |              |               |               |              |               |
| Deferred tax liabilities            | 668           | -134        | 534           | 669           | -115         | 554           | 593           | -138         | 455           | 693           | -182         | 511           |
| <b>Current liabilities</b>          |               |             |               |               |              |               |               |              |               |               |              |               |
| Advances from customers             | 2,537         | 2,324       | 4,861         | 2,440         | 2,280        | 4,720         | 2,643         | 2,382        | 5,025         | 2,575         | 2,741        | 5,316         |
| Prepaid income                      | 1,704         | -50         | 1,653         | 1,764         | 10           | 1,774         | 1,830         | -7           | 1,823         | 2,053         | -63          | 1,990         |
| Accrued expenses                    | 1,611         | -297        | 1,314         | 1,742         | -232         | 1,510         | 1,688         | -197         | 1,491         | 1,854         | -192         | 1,662         |
| Short-term provisions               | 196           | -21         | 175           | 172           | -18          | 154           | 140           | -15          | 125           | 201           | -15          | 186           |
| <b>Total equity and liabilities</b> | <b>19,659</b> | <b>866</b>  | <b>20,525</b> | <b>20,152</b> | <b>1,006</b> | <b>21,158</b> | <b>20,617</b> | <b>1,139</b> | <b>21,756</b> | <b>22,457</b> | <b>1,303</b> | <b>23,760</b> |

## EFFECTS FROM IFRS 15 RESTATEMENT ON CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

| SEK M  | Q1 2017/18  |            |              | Q2 2017/18   |           |              | Q3 2017/18   |           |              | Q4 2017/18   |             |              | May - Apr 2017/18 |            |              |
|--|-------------|------------|--------------|--------------|-----------|--------------|--------------|-----------|--------------|--------------|-------------|--------------|-------------------|------------|--------------|
|  | Reported    | Adj.       | Restated     | Reported     | Adj.      | Restated     | Reported     | Adj.      | Restated     | Reported     | Adj.        | Restated     | Reported          | Adj.       | Restated     |
| Net sales  | 2,169       | 335        | 2,504        | 2,802        | 101       | 2,903        | 2,747        | 9         | 2,756        | 3,614        | -205        | 3,409        | 11,333            | 240        | 11,573       |
| Cost of products sold                            | -1,250      | -92        | -1,343       | -1,620       | -25       | -1,645       | -1,595       | 34        | -1,561       | -2,120       | 150         | -1,970       | -6,584            | 67         | -6,517       |
| <b>Gross income</b>                              | <b>919</b>  | <b>243</b> | <b>1,162</b> | <b>1,183</b> | <b>76</b> | <b>1,259</b> | <b>1,153</b> | <b>43</b> | <b>1,196</b> | <b>1,494</b> | <b>-55</b>  | <b>1,439</b> | <b>4,748</b>      | <b>307</b> | <b>5,056</b> |
| Operating result                                 | 38          | 243        | 281          | 365          | 76        | 441          | 366          | 43        | 409          | 769          | -55         | 714          | 1,538             | 307        | 1,845        |
| Operating margin                                 | 2%          | -          | 11%          | 13%          | -         | 15%          | 13%          | -         | 15%          | 21%          | -           | 21%          | 14%               | -          | 16%          |
| Income taxes                                     | 0           | -44        | -44          | -84          | -18       | -102         | -25          | -9        | -34          | -166         | 13          | -153         | -276              | -57        | -333         |
| <b>Net income</b>                                | <b>-1</b>   | <b>199</b> | <b>199</b>   | <b>247</b>   | <b>58</b> | <b>305</b>   | <b>308</b>   | <b>34</b> | <b>342</b>   | <b>544</b>   | <b>-42</b>  | <b>502</b>   | <b>1,099</b>      | <b>249</b> | <b>1,348</b> |
| <b>Total comprehensive income for the period</b> | <b>-265</b> | <b>256</b> | <b>-9</b>    | <b>410</b>   | <b>37</b> | <b>447</b>   | <b>312</b>   | <b>32</b> | <b>345</b>   | <b>1,123</b> | <b>-101</b> | <b>1,023</b> | <b>1,581</b>      | <b>225</b> | <b>1,806</b> |
| Earnings per share before/after dilution, SEK    | 0.00        | 0.52       | 0.52         | 0.65         | 0.15      | 0.80         | 0.81         | 0.09      | 0.90         | 1.42         | -0.11       | 1.31         | 2.88              | 0.65       | 3.53         |
| EBITA  | 177         | 243        | 420          | 491          | 76        | 566          | 491          | 43        | 534          | 903          | -55         | 848          | 2,062             | 307        | 2,369        |
| EBITA margin                                     | 8%          |            | 17%          | 18%          |           | 20%          | 18%          |           | 19%          | 25%          |             | 25%          | 18%               |            | 20%          |

## Exchange rates

| Country       | Currency | Average rate      |                   |          | Closing rate |              |              |                    |           |
|---------------|----------|-------------------|-------------------|----------|--------------|--------------|--------------|--------------------|-----------|
|               |          | May - Jul 2018/19 | May - Jul 2017/18 | Change * | Jul 31, 2018 | Jul 31, 2017 | Apr 30, 2018 | Change * 12 months | Change ** |
| Euroland      | 1 EUR    | 10.319            | 9.681             | 7%       | 10.250       | 9.535        | 10.509       | 8%                 | -2%       |
| Great Britain | 1 GBP    | 11.711            | 11.102            | 5%       | 11.489       | 10.668       | 11.942       | 8%                 | -4%       |
| Japan         | 1 JPY    | 0.080             | 0.077             | 4%       | 0.079        | 0.074        | 0.079        | 6%                 | 0%        |
| United States | 1 USD    | 8.794             | 8.605             | 2%       | 8.749        | 8.131        | 8.664        | 8%                 | 1%        |

\* July 31, 2018 vs July 31, 2017

\*\* July 31, 2018 vs April 30, 2018

For Group companies with functional currency other than Swedish kronor, 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.



## 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.

### May - Jul 2018/19

| SEK M                  | North and<br>South America | Europe,<br>Middle East<br>and Africa | Asia Pacific | Other/<br>Group-wide | Group total | % of<br>net sales |
|------------------------|----------------------------|--------------------------------------|--------------|----------------------|-------------|-------------------|
| Net sales              | 937                        | 1,003                                | 879          | -                    | 2,819       |                   |
| Regional expenses      | -631                       | -680                                 | -616         | -                    | -1,926      | 68%               |
| Contribution margin    | 306                        | 323                                  | 263          | -                    | 892         | 32%               |
| Contribution margin, % | 33%                        | 32%                                  | 30%          |                      |             |                   |
| Global costs           |                            |                                      |              | -654                 | -654        | 23%               |
| Operating result       | 306                        | 323                                  | 263          | -654                 | 238         | 8%                |
| Net financial items    |                            |                                      |              | -25                  | -25         |                   |
| Profit before tax      | 306                        | 323                                  | 263          | -680                 | 213         |                   |

### May - Jul 2017/18

| SEK M                  | North and<br>South America | Europe,<br>Middle East<br>and Africa | Asia Pacific | Other/<br>Group-wide | Group total | % of<br>net sales |
|------------------------|----------------------------|--------------------------------------|--------------|----------------------|-------------|-------------------|
| Net sales              | 940                        | 862                                  | 702          | -                    | 2,504       |                   |
| Regional expenses      | -553                       | -564                                 | -481         | -                    | -1,598      | 64%               |
| Contribution margin    | 388                        | 297                                  | 221          | -                    | 906         | 36%               |
| Contribution margin, % | 41%                        | 35%                                  | 31%          |                      |             |                   |
| Global costs           |                            |                                      |              | -625                 | -625        | 25%               |
| Operating result       | 388                        | 297                                  | 221          | -625                 | 281         | 11%               |
| Net financial items    |                            |                                      |              | -39                  | -39         |                   |
| Profit before tax      | 388                        | 297                                  | 221          | -663                 | 243         |                   |

### May - Apr 2017/18

| SEK M                  | North and<br>South America | Europe,<br>Middle East<br>and Africa | Asia Pacific | Other/<br>Group-wide | Group total | % of<br>net sales |
|------------------------|----------------------------|--------------------------------------|--------------|----------------------|-------------|-------------------|
| Net sales              | 3,888                      | 4,345                                | 3,340        | -                    | 11,573      |                   |
| Regional expenses      | -2,375                     | -2,783                               | -2,294       | -                    | -7,452      | 64%               |
| Contribution margin    | 1,513                      | 1,562                                | 1,046        | -                    | 4,121       | 36%               |
| Contribution margin, % | 39%                        | 36%                                  | 31%          |                      |             |                   |
| Global costs           |                            |                                      |              | -2,276               | -2,276      | 20%               |
| Operating result       | 1,513                      | 1,562                                | 1,046        | -2,276               | 1,845       | 16%               |
| Net financial items    |                            |                                      |              | -164                 | -164        |                   |
| Profit before tax      | 1,513                      | 1,562                                | 1,046        | -2,440               | 1,681       |                   |

### 12 months rolling

| SEK M                  | North and<br>South America | Europe,<br>Middle East<br>and Africa | Asia Pacific | Other/<br>Group-wide | Group total | % of<br>net sales |
|------------------------|----------------------------|--------------------------------------|--------------|----------------------|-------------|-------------------|
| Net sales              | 3,884                      | 4,486                                | 3,517        | -                    | 11,887      |                   |
| Regional expenses      | -2,453                     | -2,898                               | -2,429       | -                    | -7,780      | 65%               |
| Contribution margin    | 1,431                      | 1,588                                | 1,088        | -                    | 4,107       | 35%               |
| Contribution margin, % | 37%                        | 35%                                  | 31%          |                      |             |                   |
| Global costs           |                            |                                      |              | -2,306               | -2,306      | 19%               |
| Operating result       | 1,431                      | 1,588                                | 1,088        | -2,306               | 1,802       | 15%               |
| Net financial items    |                            |                                      |              | -150                 | -150        |                   |
| Profit before tax      | 1,431                      | 1,588                                | 1,088        | -2,456               | 1,651       |                   |

Elekta's operations are characterized by significant quarterly variations in 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.

## Net sales by product type

| SEK M        | Q1<br>2018/19 | Q1<br>2017/18 | 12 months<br>rolling | May - Apr<br>2017/18 |
|--------------|---------------|---------------|----------------------|----------------------|
| Solutions    | 1,582         | 1,392         | 7,244                | 7,054                |
| Services     | 1,237         | 1,112         | 4,644                | 4,519                |
| <b>Total</b> | <b>2,819</b>  | <b>2,504</b>  | <b>11,887</b>        | <b>11,573</b>        |

## 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                                   | Jul 31, 2018       |               | Jul 31, 2017       |            | Apr 30, 2018       |            |
|---|--------------------|---------------|--------------------|------------|--------------------|------------|
|   | Carrying<br>amount | Fair<br>value | Carrying<br>amount | Fair value | Carrying<br>amount | Fair value |
| Long-term interest-bearing liabilities  | 4,341              | 4,346         | 4,650              | 4,700      | 4,369              | 4,372      |
| Short-term interest-bearing liabilities | 513                | 513           | 421                | 424        | 975                | 975        |

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 | Jul 31,<br>2018 | Jul 31,<br>2017 | Apr 30,<br>2018 |
|--|-------|-----------------|-----------------|-----------------|
| <b>FINANCIAL ASSETS</b>  |       |                 |                 |                 |
| <i>Financial assets measured at fair value through profit or loss:</i> |       |                 |                 |                 |
| Derivative financial instruments – non-hedge accounting                | 2     | 10              | 40              | 111             |
| Short-term investments   | 1     | 84              | -               | 83              |
| <i>Derivatives used for hedging purposes:</i>                          |       |                 |                 |                 |
| Derivative financial instruments – hedge accounting                    | 2     | 12              | 89              | 59              |
| <b>Total financial assets</b>  |       | <b>106</b>      | <b>129</b>      | <b>253</b>      |
| <b>FINANCIAL LIABILITIES</b>   |       |                 |                 |                 |
| <i>Financial liabilities at fair value through profit or loss:</i>     |       |                 |                 |                 |
| Derivative financial instruments – non-hedge accounting                | 2     | 54              | 64              | 27              |
| Contingent consideration   | 3     | 6               | 50              | 20              |
| <i>Derivatives used for hedging purposes:</i>                          |       |                 |                 |                 |
| Derivative financial instruments – hedge accounting                    | 2     | 56              | 10              | 26              |
| <b>Total financial liabilities</b>                                     |       | <b>116</b>      | <b>124</b>      | <b>73</b>       |

## KEY FIGURES

|                                | May - Apr * | May - Apr * | May - Apr * | May - Apr * | May - Apr | May - Jul | May - Jul |
|--------------------------------|-------------|-------------|-------------|-------------|-----------|-----------|-----------|
|                                | 2013/14     | 2014/15     | 2015/16     | 2016/17     | 2017/18   | 2017/18   | 2018/19   |
| Gross order intake, SEK M      | n/a         | 12,825      | 13,821      | 14,064      | 14,493    | 2,738     | 3,174     |
| Net sales, SEK M               | 10,694      | 10,839      | 11,221      | 10,704      | 11,573    | 2,504     | 2,819     |
| Order backlog, SEK M           | 13,609      | 17,087      | 18,239      | 22,459      | 27,974    | 24,736    | 28,092    |
| Operating result, SEK M        | 1,727       | 937         | 423         | 598         | 1,845     | 281       | 238       |
| Operating margin, %            | 16          | 9           | 4           | 6           | 16        | 11        | 8         |
| Profit margin, %               | 14          | 7           | 2           | 3           | 15        | 10        | 8         |
| Shareholders' equity, SEK M    | 6,257       | 6,646       | 6,412       | 6,774       | 6,987     | 5,555     | 6,843     |
| Capital employed, SEK M        | 10,743      | 12,678      | 11,360      | 12,046      | 12,331    | 10,626    | 11,697    |
| Net debt, SEK M                | 2,239       | 2,768       | 2,677       | 1,889       | 803       | 1,912     | 1,307     |
| Operational cash conversion, % | 60          | 126         | 111         | 145         | 95        | 16        | -89       |
| Average number of employees    | 3,631       | 3,679       | 3,677       | 3,581       | 3,702     | 3,680     | 3,694     |

|                                   | May - Apr * | May - Apr * | May - Apr * | May - Apr * | May - Apr | May - Jul * | May - Jul |
|-----------------------------------|-------------|-------------|-------------|-------------|-----------|-------------|-----------|
|                                   | 2013/14     | 2014/15     | 2015/16     | 2016/17     | 2017/18   | 2017/18     | 2018/19   |
| Return on shareholders' equity, % | 21          | 9           | 2           | 2           | 22        | 3           | 21        |
| Return on capital employed, %     | 17          | 9           | 4           | 5           | 17        | 6           | 17        |

\* Calculation based on IAS18

## DATA PER SHARE

|                                       | May - Apr * | May - Apr * | May - Apr * | May - Apr * | May - Apr | May - Jul | May - Jul |
|---------------------------------------|-------------|-------------|-------------|-------------|-----------|-----------|-----------|
|                                       | 2013/14     | 2014/15     | 2015/16     | 2016/17     | 2017/18   | 2017/18   | 2018/19   |
| <b>Earnings per share</b>             |             |             |             |             |           |           |           |
| before dilution, SEK                  | 3.01        | 1.45        | 0.36        | 0.33        | 3.53      | 0.52      | 0.43      |
| after dilution, SEK                   | 3.00        | 1.45        | 0.36        | 0.33        | 3.53      | 0.52      | 0.43      |
| <b>Cash flow per share</b>            |             |             |             |             |           |           |           |
| before dilution, SEK                  | 1.31        | 1.78        | 1.00        | 2.69        | 3.79      | -0.31     | -1.39     |
| after dilution, SEK                   | 1.24        | 1.78        | 1.00        | 2.69        | 3.79      | -0.31     | -1.39     |
| <b>Shareholders' equity per share</b> |             |             |             |             |           |           |           |
| before dilution, SEK                  | 16.39       | 17.41       | 16.79       | 17.73       | 18.29     | 14.54     | 17.91     |
| after dilution, SEK                   | 20.32       | 17.41       | 16.79       | 17.73       | 18.29     | 14.54     | 17.91     |
| <b>Average number of shares</b>       |             |             |             |             |           |           |           |
| before dilution, 000s                 | 381,277     | 381,287     | 381,288     | 381,306     | 382,027   | 382,027   | 382,027   |
| after dilution, 000s                  | 400,686     | 381,287     | 381,288     | 381,306     | 382,027   | 382,027   | 382,027   |
| <b>Number of shares at closing</b>    |             |             |             |             |           |           |           |
| before dilution, 000s **              | 381,287     | 381,287     | 381,288     | 382,027     | 382,027   | 382,027   | 382,027   |
| after dilution, 000s                  | 400,696     | 381,287     | 381,288     | 382,027     | 382,027   | 382,027   | 382,027   |

\* Calculation based on IAS18.

\*\*Number of registered shares at closing excluding treasury shares (1,541,368 per July 31, 2018).

## DATA PER QUARTER

| SEK M                               | 2016/17 * |       |       |       | 2017/18 |       |       |       | 2018/19 |
|-------------------------------------|-----------|-------|-------|-------|---------|-------|-------|-------|---------|
|                                     | Q1        | Q2    | Q3    | Q4    | Q1      | Q2    | Q3    | Q4    | Q1      |
| Gross order intake                  | 2,662     | 3,383 | 3,653 | 4,366 | 2,738   | 3,267 | 3,833 | 4,654 | 3,174   |
| Net sales                           | 1,882     | 2,434 | 2,673 | 3,715 | 2,504   | 2,903 | 2,757 | 3,409 | 2,819   |
| EBITA                               | 71        | 251   | 266   | 509   | 420     | 566   | 534   | 848   | 386     |
| Operating result                    | -34       | 140   | 144   | 347   | 281     | 440   | 409   | 714   | 238     |
| Cash flow from operating activities | -139      | 342   | 394   | 1,222 | 76      | 403   | 691   | 1,235 | -381    |

\* Calculation based on IAS18

## ORDER INTAKE GROWTH BASED ON CONSTANT EXCHANGE RATES

|                                   | 2016/17 |     |     |     | 2017/18 |     |    |    | 2018/19 |
|-----------------------------------|---------|-----|-----|-----|---------|-----|----|----|---------|
|                                   | Q1      | Q2  | Q3  | Q4  | Q1      | Q2  | Q3 | Q4 | Q1      |
| North and South America, %        | -16     | 4   | -6  | -19 | -6      | 14  | 15 | 10 | 23      |
| Europe, Middle East and Africa, % | 14      | -17 | 116 | -32 | -4      | -5  | -5 | 28 | 15      |
| Asia Pacific, %                   | 20      | 10  | 2   | -5  | 7       | -11 | 33 | -9 | 2       |
| Group, %                          | 4       | -2  | 34  | -20 | 0       | 0   | 9  | 10 | 12      |

## PARENT COMPANY

### INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

| SEK M                                    | May - Jul<br>2018/19 | May - Jul<br>2017/18 |
|--|----------------------|----------------------|
| Operating expenses                       | -48                  | -56                  |
| Financial net                            | 89                   | 16                   |
| Income after financial items             | 41                   | -40                  |
| Tax                                      | 8                    | 0                    |
| Net income                               | 49                   | -40                  |
| <u>Statement of comprehensive income</u> |                      |                      |
| Net income                               | 49                   | -40                  |
| Other comprehensive income               | -                    | -                    |
| Total comprehensive income               | 49                   | -40                  |

### BALANCE SHEET

| SEK M                                      | Jul 31,<br>2018 | Apr 30,<br>2018 |
|--|-----------------|-----------------|
| <u>Non-current assets</u>                  |                 |                 |
| Intangible assets                          | 68              | 68              |
| Shares in subsidiaries                     | 2,195           | 2,239           |
| Receivables from subsidiaries              | 2,388           | 2,411           |
| Other financial assets                     | 14              | 14              |
| Deferred tax assets                        | 8               | 0               |
| Total non-current assets                   | 4,672           | 4,731           |
| <u>Current assets</u>                      |                 |                 |
| Receivables from subsidiaries              | 3,010           | 3,468           |
| Other current receivables                  | 59              | 137             |
| Other short-term investments               | 84              | 83              |
| Cash and cash equivalents                  | 2,881           | 3,625           |
| Total current assets                       | 6,035           | 7,312           |
| Total assets                               | 10,707          | 12,044          |
| Shareholders' equity                       | 2,854           | 2,823           |
| <u>Non-current liabilities</u>             |                 |                 |
| Long-term interest-bearing liabilities     | 4,339           | 4,366           |
| Long-term liabilities to Group companies   | 39              | 39              |
| Long-term provisions                       | 9               | 9               |
| Total non-current liabilities              | 4,387           | 4,414           |
| <u>Current liabilities</u>                 |                 |                 |
| Short-term interest-bearing liabilities    | 513             | 959             |
| Short-term liabilities to Group companies  | 2,869           | 3,754           |
| Short-term provisions                      | 0               | 0               |
| Other current liabilities                  | 84              | 94              |
| Total current liabilities                  | 3,466           | 4,807           |
| Total shareholders' equity and liabilities | 10,707          | 12,044          |

## Alternative performance 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. Key figures and other APMs used by Elekta are defined on [www.elekta.com/investors/financials/definitions.php](http://www.elekta.com/investors/financials/definitions.php). Definitions and additional information on APMs can also be found on pages 120-122 in the Annual Report 2017/18.

Starting the first quarter of the fiscal year 2018/2019, no items in the income statement are reported as items affecting comparability. Thus, the definition is no longer included in the definitions presented below.

### 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               | North and South America |            | Europe, Middle East, and Africa |            | Asia Pacific |            | Group total |            |
|---|-------------------------|------------|---------------------------------|------------|--------------|------------|-------------|------------|
|   | %                       | SEK M      | %                               | SEK M      | %            | SEK M      | %           | SEK M      |
| Q1 2018/19 vs. Q1, 2017/18              |                         |            |                                 |            |              |            |             |            |
| Change based on constant exchange rates | 23                      | 183        | 15                              | 126        | 2            | 17         | 12          | 326        |
| Currency effects                        | 2                       | 16         | 6                               | 52         | 4            | 42         | 4           | 110        |
| <b>Reported change</b>                  | <b>25</b>               | <b>199</b> | <b>22</b>                       | <b>178</b> | <b>5</b>     | <b>59</b>  | <b>16</b>   | <b>436</b> |
| Q1 2017/18 vs. Q1 2016/17               |                         |            |                                 |            |              |            |             |            |
| Change based on constant exchange rates | -6                      | -47        | -4                              | -35        | 7            | 74         | 0           | -8         |
| Currency effects                        | 4                       | 27         | 4                               | 31         | 3            | 26         | 3           | 84         |
| <b>Reported change</b>                  | <b>-2</b>               | <b>-20</b> | <b>0</b>                        | <b>-4</b>  | <b>10</b>    | <b>100</b> | <b>3</b>    | <b>76</b>  |

| CHANGE NET SALES                        | North and South America |           | Europe, Middle East, and Africa |            | Asia Pacific |            | Group total |            |
|---|-------------------------|-----------|---------------------------------|------------|--------------|------------|-------------|------------|
|   | %                       | SEK M     | %                               | SEK M      | %            | SEK M      | %           | SEK M      |
| Q1 2018/19 vs. Q1, 2017/18              |                         |           |                                 |            |              |            |             |            |
| Change based on constant exchange rates | -2                      | -18       | 11                              | 95         | 23           | 162        | 10          | 239        |
| Currency effects                        | 2                       | 15        | 5                               | 46         | 2            | 15         | 3           | 76         |
| <b>Reported change</b>                  | <b>0</b>                | <b>-3</b> | <b>16</b>                       | <b>141</b> | <b>25</b>    | <b>177</b> | <b>13</b>   | <b>315</b> |
| Q1 2017/18 vs. Q1 2016/17 *             |                         |           |                                 |            |              |            |             |            |
| Change based on constant exchange rates | -3                      | -21       | 33                              | 185        | 13           | 65         | 12          | 229        |
| Currency effects                        | 4                       | 26        | 4                               | 19         | 3            | 14         | 3           | 59         |
| <b>Reported change</b>                  | <b>1</b>                | <b>5</b>  | <b>37</b>                       | <b>204</b> | <b>16</b>    | <b>79</b>  | <b>15</b>   | <b>288</b> |

\* Calculation based on IAS18

## EBITDA

EBITDA is used for the calculation of operational cash conversion and the net debt/EBITDA ratio.

| SEK M                                 | Q1 2017/18 | Q2 2017/18 | Q3 2017/18 | Q4 2017/18 | Q1 2018/19 |
|---------------------------------------|------------|------------|------------|------------|------------|
| Operating result/EBIT                 | 281        | 440        | 409        | 714        | 238        |
| <i>Amortization:</i>                  |            |            |            |            |            |
| Capitalized development costs         | 110        | 96         | 98         | 103        | 120        |
| Assets relating business combinations | 29         | 30         | 27         | 30         | 27         |
| Depreciation                          | 38         | 36         | 37         | 40         | 41         |
| <b>EBITDA</b>                         | <b>458</b> | <b>603</b> | <b>571</b> | <b>888</b> | <b>427</b> |

## Return on capital employed

Return on capital employed is a measure of the profitability after taking into account the amount of total capital used unrelated to type of financing. A higher return on capital employed indicates a more efficient use of capital. Capital employed represents the value of the balance sheet net assets that is the key driver of cash flow and capital required to run the business. It is also used in the calculation of return on capital employed.

| SEK M   | Jul 31,<br>2017 * | Okt 31,<br>2017 * | Jan 31,<br>2018 * | Apr 30,<br>2018 | Jul 31,<br>2018 |
|---|-------------------|-------------------|-------------------|-----------------|-----------------|
| Profit before tax (12 months rolling)         | 424               | 683               | 960               | 1,681           | 1,651           |
| Financial expenses (12 months rolling)        | 253               | 232               | 231               | 225             | 225             |
| Profit before tax plus financial expenses     | 677               | 915               | 1,191             | 1,905           | 1,877           |
| Total assets                                  | 19,659            | 20,152            | 20,617            | 23,760          | 21,921          |
| Deferred tax liabilities                      | -668              | -669              | -593              | -511            | -504            |
| Long-term provisions                          | -159              | -165              | -159              | -158            | -169            |
| Other long-term liabilities                   | -15               | -5                | -57               | -63             | -59             |
| Accounts payable                              | -806              | -970              | -962              | -1,132          | -841            |
| Advances from customers                       | -2,537            | -2,440            | -2,643            | -5,316          | -4,608          |
| Prepaid income                                | -1,704            | -1,764            | -1,830            | -1,990          | -1,899          |
| Accrued expenses                              | -1,611            | -1,742            | -1,688            | -1,662          | -1,508          |
| Current tax liabilities                       | -96               | -89               | -93               | -107            | -111            |
| Short-term provisions                         | -196              | -172              | -140              | -186            | -165            |
| Derivative financial instruments              | -74               | -21               | -49               | -46             | -105            |
| Other current liabilities                     | -212              | -230              | -300              | -257            | -255            |
| Capital employed                              | 11,582            | 11,885            | 12,103            | 12,331          | 11,697          |
| Average capital employed (last five quarters) | 11,712            | 11,765            | 11,833            | 11,194          | 11,367          |
| Return on capital employed                    | 6%                | 8%                | 10%               | 17%             | 17%             |

\* Calculation based on IAS18

## Return on shareholders' equity

Return on shareholders' equity measures the return generated on shareholders' capital invested in the company.

| SEK M   | Q1 2017/18 * | Q2 2017/18 * | Q3 2017/18 * | Q4 2017/18 | Q1 2018/19 |
|---|--------------|--------------|--------------|------------|------------|
| Net income (12 months rolling)  | 189          | 382          | 648          | 1,348      | 1,315      |
| Average shareholders' equity excluding non-controlling interests (last five quarters) | 6,563        | 6,604        | 6,696        | 6,015      | 6,271      |
| Return on shareholders' equity  | 3%           | 6%           | 10%          | 22%        | 21%        |

\* Calculation based on IAS18

## Operational cash conversion

Cash flow is a focus area for management. The operational cash conversion shows the relation between cash flow from operating activities and EBITDA.

### Operational cash conversion

| SEK M                               | Q1 2017/18 | Q2 2017/18 | Q3 2017/18 | Q4 2017/18 | Q1 2018/19 |
|-------------------------------------|------------|------------|------------|------------|------------|
| Cash flow from operating activities | 76         | 403        | 691        | 1 235      | -381       |
| EBITDA                              | 458        | 603        | 571        | 888        | 427        |
| Operational cash conversion         | 16%        | 67%        | 121%       | 139%       | -89%       |

## Working capital

In order to optimize cash generation, management focuses on working capital and reducing lead times between orders booked and cash received. A reconciliation of working capital to items in the balance sheet is presented on page 5.

## Days sales outstanding (DSO)

DSO is used by management to follow the development of overall payment terms to customers, which have significant impact on working capital and cash flow.

### Days sales outstanding (DSO)

| SEK M                         | Jul 31,<br>2017 * | Okt 31,<br>2017 * | Jan 31,<br>2018 * | Apr 30,<br>2018 | Jul 31,<br>2018 |
|-------------------------------|-------------------|-------------------|-------------------|-----------------|-----------------|
| Accounts receivable           | 3,032             | 3,120             | 3,505             | 3,402           | 3,061           |
| Accrued income                | 1,467             | 1,545             | 1,177             | 1,160           | 1,004           |
| Advances from customers       | -2,537            | -2,440            | -2,643            | -5,316          | -4,608          |
| Prepaid income                | -1,704            | -1,764            | -1,830            | -1,990          | -1,899          |
| Net receivable from customers | 258               | 461               | 209               | -2,744          | -2,441          |
| Net sales (12 months rolling) | 10,991            | 11,359            | 11,434            | 11,573          | 11,887          |
| Number of days                | 365               | 365               | 365               | 365             | 365             |
| Net sales per day             | 30                | 31                | 31                | 32              | 33              |
| Days sales outstanding (DSO)  | 9                 | 15                | 7                 | -87             | -75             |

\* Calculation based on IAS18

## Net debt and net debt/EBITDA ratio

Net debt is important to understand the financial stability of the company. Net debt and net debt/EBITDA ratio are used by management to track the debt evolution, the refinancing need and the leverage for the Group.

| SEK M  | Apr 30, 2018 | Jul 31, 2018 |
|--|--------------|--------------|
| Long-term interest-bearing liabilities               | 4,369        | 4,341        |
| Short-term interest-bearing liabilities              | 975          | 513          |
| Cash and cash equivalents and short-term investments | -4,541       | -3,547       |
| Net debt   | 803          | 1,307        |
| EBITDA (12 months rolling)                           | 2,520        | 2,489        |
| Net debt/EBITDA ratio                                | 0.32         | 0.53         |

## Shareholder information

### Conference call

Elekta will host a telephone conference at 10:00-11:00 CET on August 30, with president and CEO Richard Hausmann, and CFO Gustaf Salford.

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

Swedish dial-in number: +46 (0)8 506 395 49  
UK dial-in number: +44 (0) 203 008 98 06  
US dial-in number: +1 855 831 59 45

The webcast will be through the following link:

<http://event.on24.com/wcc/r/1807516-1/790408DFD99CE816C3295E2628474B6>

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 August 30, 2018.

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## Financial calendar

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|                        |                 |
|------------------------|-----------------|
| Annual General Meeting | August 30, 2018 |
|------------------------|-----------------|

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|---------------------------------------|-------------------|
| Interim report<br>May-October 2018/19 | November 29, 2018 |
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| Interim report<br>May-January 2018/19 | February 22, 2019 |
|---------------------------------------|-------------------|

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