



Second quarter

- Gross order intake amounted to SEK 4,036 M (3,670), corresponding to a 5 percent organic growth
- Net sales were SEK 3,709 M (3,330), corresponding to a 7 percent organic growth
- Gross margin amounted to 41.0 (41.4) percent
- EBITA decreased by 10 percent to SEK 539 M (601), corresponding to an EBITA margin of 14.5 percent (18.0)
- Earnings per share was SEK 0.58 (0.75) before/after dilution
- Cash flow after continuous investments was SEK 234 M (367)
- 6 Elekta Unity orders booked in the quarter.

First six months

- Gross order intake amounted to SEK 8,426 M (6,844), corresponding to a 17 percent organic growth
- Net sales were SEK 6,937 M (6,149), corresponding to an 8 percent organic growth
- Gross margin amounted to 41.7 (40.3) percent
- EBITA amounted to SEK 987 M (987), corresponding to an EBITA margin of 14.2 percent (16.0)
- Earnings per share was SEK 0.96 (1.18) before/after dilution
- Cash flow after continuous investments was SEK -550 M (-175)
- 19 Elekta Unity orders booked in the period.

Significant events after the quarter

- On November 15, Elekta published preliminary results for the second quarter and updated outlook of EBITA margin from around 19 percent, to around 18 percent, for fiscal year 2019/20.

Group summary

SEK M	Q2			First six months		
	2019/20	2018/19	Δ	19/20	18/19	Δ
Gross order intake	4,036	3,670	5%	8,426	6,844	17%
Net sales	3,709	3,330	7%	6,937	6,149	8%
Gross margin	41.0%	41.4%	-0,4 ppts	41.7%	40.3%	1,4 ppts
EBITA	539	601	-10%	987	987	0%
EBITA margin	14.5%	18.0%	-3,5 ppts	14.2%	16.0%	-1,8 ppts
EBIT	321	393	-18%	556	631	-12%
Cash flow ¹	234	367	-36%	-550	-175	-214%
Earnings per share, SEK ²	0.58	0.75	-23%	0.96	1.18	-18%

¹ After continuous investments

² Before / after dilution

³ Compared to last fiscal year based on constant exchange rates

Outlook for fiscal year 2019/20 (updated on November 15)

- Net sales growth of 8-10 percent, based on constant exchange rates.
- EBITA margin of around 18 percent.

This information is such that Elekta AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by the below mentioned contact persons at 07:30 CET on November 28, 2019. (REGMAR)

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

CEO comment

Good overall growth with fx and delayed installations affecting profitability

We delivered mixed outcomes in the second quarter. Order growth was very strong in emerging markets and North America. Some delayed installations hampered our revenue growth and profitability, although the largest negative impact on profitability came from exchange rate differences.

Strong quarterly order growth except in Europe

The order intake in the second quarter was very strong in North & South America as well as in Asia Pacific. Other emerging markets – such as the Middle East & Africa – also reported strong order growth. Europe had a weak quarter. Looking at the half-year growth rates we had double-digit growth numbers in all regions, reflecting the fluctuations between quarters.

Elekta Unity as well as brachytherapy supported the strong development in our order books.

Growing installed base and Elekta Unity going clinical

Overall our installed base of treatment solutions was growing by 8 percent, which ensures good recurrent business in the future. Five Unity systems went clinical in the quarter. The high attractiveness of Elekta Unity was confirmed at ASTRO, with very strong interest from customers and Elekta Unity being subject to many studies presented throughout the conference. MOSAIQ® Plaza got very positive feedback with customers stating that it is adding intelligence to value based health care.

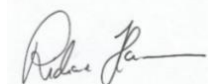
Fx and delayed installations impacting profitability

Our profitability in the quarter decreased due to a substantial headwind from currency changes and delayed start of installations. Foreign exchange had a negative impact on the EBITA margin of around 200 basis points. Our EBITA was also affected by a shortfall of Leksell Gamma Knife installations, which had in total a negative impact of approximately 150 basis points. With an already strong installation plan for the coming six months we do not expect to be able to fully recover the delayed installation this fiscal year and therefore lowered our EBITA guidance for 2019/20 earlier in November.

Our Brexit mitigation stock at the end of October increased inventory. With a reduced risk of a hard Brexit we will work this down over the next two quarters.

Paradigm shift in radiation therapy

We continued to take steps in Precision Radiation Medicine in the quarter, e.g. by strengthening our cloud-based software offerings through the acquisition of ProKnow. We are focused on driving the MR-linac paradigm shift in radiation therapy to ensure broad market adoption for the benefit of patients, customers, and Elekta.



Richard Hausmann
President and CEO



6
new Elekta Unity
orders

**UMC Utrecht
has installed a
second MR-Linac
solely dedicated to
prostate cancer
treatments**

Second quarter

Order intake and order backlog

Gross order intake increased by 10 percent to SEK 4,036 M (3,670) and 5 percent based on constant exchange rates.

Order backlog was SEK 33,581 M, compared to SEK 32,003 M on April 30, 2019. Order backlog is converted at closing exchange rates, which resulted in a positive translation difference of SEK 334 M.

Gross order intake

SEK M	Q2		Δ ¹	Δ	First six months		Δ ¹	Δ
	2019/20	2018/19			2019/20	2018/19		
North and South America	1,202	875	29%	37%	2,265	1,865	13%	21%
Europe, Middle East and Africa	1,256	1,594	-21%	-21%	2,965	2,598	12%	14%
Asia Pacific	1,579	1,202	23%	31%	3,196	2,382	26%	34%
Group	4,036	3,670	5%	10%	8,426	6,844	17%	23%

¹ Compared to last fiscal year based on constant exchange rates

North and South America

With an organic growth rate of 29 percent in the second quarter North and South America had a very good development of its order book. Canada contributed to the order growth as did South American, with new systems demanded from clinics in e.g. Mexico and Colombia.

Two Elekta Unity orders were booked during the quarter, both ordered by UT Southwestern Medical Center in the US.

Europe, Middle East and Africa (EMEA)

In the second quarter order intake in Europe, Middle East and Africa decreased as region by -21 percent. The mature markets had some softness and a few, but large bundled deals were lost in the quarter. The development in emerging markets was very good, e.g. in countries such as Saudi Arabia, Morocco, South Africa and Bulgaria.

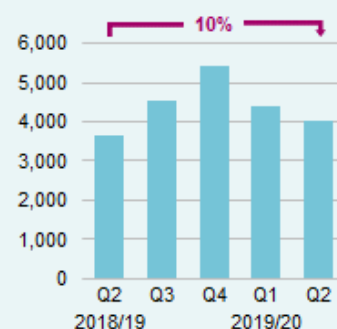
In this region one order was booked for Elekta Unity during the quarter in Turkey.

Asia Pacific

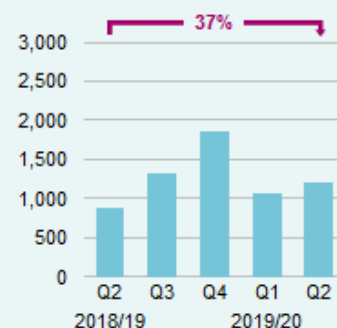
Asia Pacific order intake continued the strong growth from the first quarter and reported 23 percent organic growth in the second quarter. India, Singapore and Malaysia had very good growth rates. Also Taiwan showed good order growth throughout the product portfolio, with an extra boost by two Elekta Unity orders. China continued to grow and based on the latest IPSOS data the Chinese market share strengthened further.

Three Elekta Unity systems were ordered in Asia Pacific in the second quarter. In addition to the two Taiwanese orders, Gangnam Severance Hospital in Korea ordered one Elekta Unity.

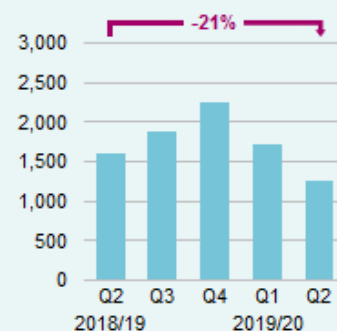
Gross order intake



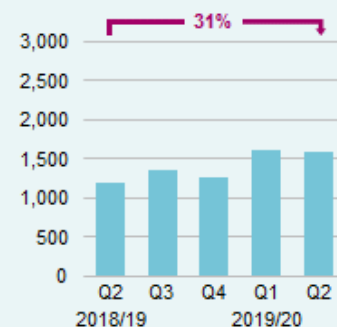
Gross order intake North and South America



Gross order intake Europe, Middle East and Africa



Gross order intake Asia Pacific



Second quarter

Net sales

Net sales increased to SEK 3,709 M (3,330) in the second quarter, representing a growth of 11 percent or 7 percent based on constant exchange rates. The organic net sales showed good growth in Europe, Middle East and Africa as well as in Asia Pacific, whereas the development in North and South America was stable.

Net sales per region

SEK M	Q2			Δ	First six months			Δ
	2019/20	2018/19	Δ ¹		2019/20	2018/19	Δ ¹	
North and South America	1,208	1,115	1%	8%	2,218	2,052	1%	8%
East and Africa	1,390	1,290	8%	8%	2,548	2,292	10%	11%
Asia Pacific	1,111	925	13%	20%	2,171	1,804	14%	20%
Group	3,709	3,330	7%	11%	6,937	6,149	8%	13%

¹ Compared to last fiscal year based on constant exchange rates

North and South America

In the second quarter net sales had a stable development in North and South America in local currencies. However, the US showed good growth as well as Mexico and Brazil in the South American market.

Europe, Middle East and Africa (EMEA)

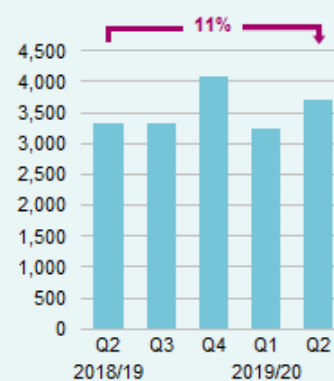
In Europe, Middle East and Africa sales growth at constant exchange rates reached 8 percent in the second quarter. A good pace of installations in countries such as Turkey, South Africa and Egypt led to a strong sales development in emerging markets, whereas the business in mature European markets were modest.

Asia Pacific

The Asia Pacific region had a good development in the second quarter with 13 percent growth rate based on constant currencies. Strong double-digit sales growth came from among others India, Indonesia, Korea and Taiwan. China also reported a strong growth rate of 20 percent.

7%
organic net sales growth

Net sales



Emerging markets showed strong growth rates

First six months

Net sales

Solutions and service sales

In the first six months net sales grew by 8 percent in constant currencies. Solutions had a good development with an organic growth rate of 9 percent, driven by the linac business. In the second quarter delayed installations of Leksell Gamma Knife units had a negative impact on net sales of Solutions. Services grew by 7 percent resulting from ongoing focus on customer relations and service excellence.

Net sales per product

SEK M	Q2				First six months			
	2019/20	2018/19	Δ ¹	Δ	2019/20	2018/19	Δ ¹	Δ
Solutions	2,249	2,054	6%	9%	4,107	3,636	9%	13%
Service	1,460	1,276	8%	14%	2,831	2,513	7%	13%
Total	3,709	3,330	7%	11%	6,937	6,149	8%	13%

¹ Compared to last fiscal year based on constant exchange rates

Solutions grew
by 9%

Improved
gross margin
to 41.7%

Earnings

Gross margin was 41.7 percent (40.3) in the period. The increase compared to last year was due to strong software sales and improved project mix in North and South America.

Operating expenses increased by 6 percent in constant currencies, related to investments in the sales organization to capture market growth and investments in new IT platforms and operational excellence. R&D expenditure, adjusted for the net of capitalization and amortization of R&D costs described below, amounted to SEK 715 M (712), equal to 10 percent (12) of net sales. On a rolling twelve months basis the R&D expenditure to net sales were 10 percent (11).

EBITA was SEK 987 M (987) representing a margin of 14.2 percent (16.0). The decrease in EBITA margin was explained by a negative impact from foreign exchange of SEK -90 M and by one-off gain in the comparing period due to the divestment of the MEG business amounted to SEK 70 M. Operating result (EBIT) was SEK 556 M (631).

Net financial items amounted to SEK -81 M (-53). Interest on lease liabilities under IFRS 16 amounted to SEK -25 M and was the key driver of the change. Profit before tax amounted to SEK 475 M (577) and tax amounted to SEK -107 M (-127), representing a tax rate of 22.5 percent (22.0).

Net income amounted to SEK 368 M (450) and earnings per share amounted to SEK 0.96 (1.18) before/after dilution. Return on shareholders' equity amounted to 15 percent (20) and return on capital employed was 13 percent (16).

Flat EBITA
explained by
negative fx impact
and one-off gain in
comparing period

First six months

Investments and amortization/depreciation

The net of capitalized development costs in the R&D function decreased to SEK -132 M (-64). This was explained by higher amortization of Elekta Unity post the CE mark. In the second quarter the capitalization increased due to progress of the R&D projects.

SEK M	Q2		First six months	
	2019/20	2018/19	2019/20	2018/19
R&D, net	-51	-72	-132	-64
Capitalization	135	104	236	232
Amortization	-185	-176	-368	-296
Other, net	-1	0	-2	1
Capitalization	0	0	0	1
Amortization	-1	0	-2	-1
Total, net	-52	-72	-134	-64
Capitalization	135	104	236	233
Amortization	-187	-176	-370	-297

Investments in intangible assets were SEK 238 M (235) and investments in tangible assets were SEK 102 M (70). Amortization of intangible assets and depreciation of tangible fixed assets amounted to a total of SEK 620 M (435). The increase was mainly due to the implementation of IFRS 16, SEK 105 M, and higher amortization of R&D.

Cash flow

Cash flow from operating activities was SEK -210 M (130). Continuous investments increased mainly due to the progress of the R&D projects in the second quarter. Cash flow after continuous investments was SEK -550 M (-175). The decline in cash flow was mainly due to increased levels of net working capital, see Working capital section below.

Cash flow (extract)

SEK M	Q2		First six months	
	2019/20	2018/19	2019/20	2018/19
Operating cash flow	614	592	1,008	910
Change in working capital	-194	-81	-1,218	-780
Cash flow from operating activities	419	512	-210	130
Continuous investments	-185	-145	-340	-305
Cashflow after continuous investments	234	367	-550	-175
Operational cash conversion	66%	80%	-18%	12%

First six months

Working capital

Net working capital was SEK -971 M (-1,628) corresponding to SEK -7 (-13) percent of net sales. Inventory increased mainly due to Brexit mitigation measures and the commercialization of Elekta Unity. The increase in other operating receivables came mostly from customer projects. For more information, see page 28.

Days Sales Outstanding (DSO)

SEK M	Oct 31 2019	Oct 31 2018	Apr 30 2019
North and South America	-73	-114	-74
Europe, Middle East and Africa	28	16	2
Asia Pacific	-114	-107	-113
Group	-50	-64	-59

Days Sales Outstanding (DSO) was negative 50 days. The negative change came from Europe, Middle East and Africa, mainly due to lower prepaid income.

Measures
in place to improve
cash flow

Financial position

Cash and cash equivalents and short-term investments amounted to SEK 3,090 M (3,669) and interest-bearing liabilities amounted to SEK 4,599 M (4,958). Net debt amounted to SEK 1,510 M (1,290). Net debt in relation to EBITDA was 0.55 (0.17 per April 30, 2019).

Net debt

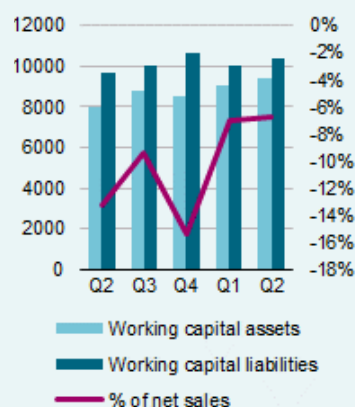
SEK M	Oct 31 2019	Oct 31 2018	Apr 30 2019
Long-term interest-bearing liabilities	3,137	4,422	3,558
Short-term interest-bearing liabilities	1,462	536	1,000
Cash and cash equivalents and short-term investments	-3,090	-3,669	-4,119
Net debt	1,510	1,290	439
Long-term leasing liabilities ¹	1,038	-	-
Short-term leasing liabilities ¹	217	-	-
Net debt including leasing liabilities	2,764	n/a	n/a

¹ For more information regarding leasing effects, see balance sheet on page 14 and accounting principles on page 18

The exchange rate effect from the translation of cash and cash equivalents amounted to SEK 17 M (53). The translation difference in interest-bearing liabilities amounted to SEK 25 M (47). Other comprehensive income was affected by exchange rate differences from translation of foreign operations amounting to SEK 82 M (-26).

The change in unrealized exchange rate effects from effective cash flow hedges reported in other comprehensive income amounted to SEK 14 M (-187). The closing balance of unrealized exchange rate effects from effective cash flow hedges amounted to SEK -56 M (-154) exclusive of tax.

Working capital



0.55
Net debt / EBITDA
ratio

First six months

Risk 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. For more details, please see Annual Report 2018/19, page 55.

Significant events

Second quarter

Extended executive management

During the second quarter the executive management team have been extended with two new members. Verena Schiller has been appointed President Neuro Solutions to further develop the neuro business. Lionel Hadjadjeba has been hired and appointed President MR-Linac Solutions to drive the commercialization of Elekta Unity.

Exclusive distribution agreement with DOSisoft

On September 5, 2019, Elekta closed an exclusive distribution agreement with DOSisoft for distribution of key patient-specific QA solutions. DOSisoft's three QA products completes Elekta's QA portfolio - a comprehensive suite of easy-to-use, web-based tools - positioning Elekta as a single-source provider of QA software.

Sole source agreement with Premier

On September 16, 2019 Elekta signed a sole source agreement with Premier, a leading US healthcare improvement company uniting approximately 4,000 hospitals in the US. The agreement allows Premier's members to take advantage of pre-negotiated special pricing and terms for linacs, Elekta Unity MR-linacs, oncology informatics and services.

First quarter¹

- Extended executive management (Sukhveer Sing, Habib Nehme)
- Sales and distribution agreement with C-RAD
- Elekta Unity received approval in Brazil.

Acquisitions

Acquisition of ProKnow to fortify treatment planning

During the second quarter Elekta acquired ProKnow Systems, LLC, to expand the offering of cloud-based solutions for advanced radiation therapy. ProKnow's product portfolio enable clinics to standardize their treatment planning analytics by supporting oncology teams with analysis of collective, big data from patient groups. This solution can also streamline workflow challenges and improve contouring accuracy and treatment plan quality.

¹ For more details about the previous significant events please see respective quarterly report.

Find more detailed information about our policies in the Annual Report 2018/19

Awards won in the second quarter:



First six months

Legal disputes²

Italian case to court

As communicated in November 2015 Elekta's subsidiary in Italy and some former employees are suspected of interfering with public procurement processes. The case has been referred to trial, which is expected to start in February 2020.

humediQ

As earlier reported humediQ GmbH initiated a new arbitration against Elekta group companies arising out of the same agreement as the previous arbitration in 2016. The hearing in the arbitration took place in October 2019 and the award is expected in the coming months.

Employees

The average number of employees during the period was 3,988 (3,696). The average number of employees in the Parent Company was 40 (35).

Shares

Total number of registered shares on October 31, 2019 was 383,568,409 of which 14,980,769 were A-shares and 368,587,640 B-shares. On October 31, 2019 1,485,289 shares were treasury shares held by Elekta.

² The material legal disputes reported here are either new cases or previous cases with changes in the interim period. For previous reported cases please see Elekta's Annual reports.

First six months

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

Stockholm, November 28, 2019

Laurent Leksell
Chairman of the board

Wolfgang Reim
Member of the board

Caroline Leksell Cooke
Member of the board

Johan Malmquist
Member of the board

Jan Secher
Member of the board

Birgitta Stymne Göransson
Member of the board

Tomas Puusepp
Member of the board

Cecilia Wikström
Member of the board

Richard Hausmann
CEO and President



Review report

Elekta AB (publ), corporate identity number 556170-4015

Box 7593
103 93 STOCKHOLM

Introduction

We have reviewed the condensed interim report for Elekta AB (publ) as at October 31, 2019 and for the six-months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

Conclusion

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

Stockholm, November 28 2019

Ernst & Young AB

Rickard Andersson
Authorized Public Accountant

Second quarter and first six months

Consolidated income statement

SEK M	Q2		6 months		12 months	May - Apr
	2019/20	2018/19	2019/20	2018/19	rolling	2018/19
Net sales	3,709	3,330	6,937	6,149	14,343	13,555
Cost of products sold	-2,188	-1,953	-4,041	-3,669	-8,248	-7,875
Gross income	1,520	1,377	2,896	2,480	6,095	5,680
Selling expenses	-360	-320	-725	-644	-1,377	-1,296
Administrative expenses	-291	-237	-561	-501	-1,099	-1,039
R&D expenses	-416	-411	-847	-776	-1,664	-1,592
Other operating income and expenses	-16	-8	-27	57	-60	23
Exchange rate differences	-117	-9	-179	14	-273	-80
Operating result	321	393	556	631	1,622	1,696
Result from participations in associates	3	3	4	6	1	3
Interest income	18	15	41	33	74	66
Interest expenses and similar items	-50	-47	-108	-92	-202	-186
Interest expenses leasing liabilities	-13	-	-25	-	-25	-
Exchange rate differences	6	0	7	0	8	2
Profit before tax	285	365	475	577	1,478	1,580
Income taxes	-64	-80	-107	-127	-362	-382
Net income	221	284	368	450	1,116	1,198
<i>Net income attributable to:</i>						
Parent Company shareholders	221	285	368	451	1,115	1,198
Non-controlling interests	0	0	0	0	1	0
Earnings per share before dilution, SEK	0.58	0.75	0.96	1.18	2.92	3.14
Earnings per share after dilution, SEK	0.58	0.75	0.96	1.18	2.92	3.14

Second quarter and first six months

Consolidated statement of comprehensive income

SEK M	Q2		6 months		12 months	May - Apr
	2019/20	2018/19	2019/20	2018/19	rolling	2018/19
Net income	221	284	368	450	1,116	1,198
Other comprehensive income:						
Items that will not be reclassified to the income statement:						
Remeasurements of defined benefit pension plans	-	-	-	-	-1	-1
Tax	-	-	1	-	1	1
Total items that will not be reclassified to the income statement	-	-	-1	-	-1	-1
Items that subsequently may be reclassified to the income statement:						
Revaluation of cash flow hedges	115	-109	14	-187	100	-101
Translation differences from foreign operations	78	188	82	-26	351	243
Tax	-21	22	-3	36	-20	19
Total items that subsequently may be reclassified to the income statement	172	100	93	-177	431	161
Other comprehensive income for the period	172	100	93	-177	430	160
Total comprehensive income for the period	393	384	462	274	1,546	1,358
<i>Comprehensive income attributable to:</i>						
Parent Company shareholders	393	384	461	274	1,545	1,358
Non-controlling interests	0	0	0	0	1	0

Result overview

SEK M	Q2		6 months		12 months	May - Apr
	2019/20	2018/19	2019/20	2018/19	rolling	2018/19
Operating result/EBIT	321	393	556	631	1,622	1,696
<i>Amortization:</i>						
Capitalized development costs	187	176	370	297	738	664
Assets relating to business combinations	32	32	60	59	118	117
EBITA	539	601	987	987	2,477	2,477

Second quarter and first six months

Consolidated balance sheet - condensed

SEK M	Oct 31 2019	Oct 31 2018	Apr 30 2019
Non-current assets			
Intangible assets	9,333	9,224	9,301
Right-of-use assets	1,198	-	-
Other tangible fixed assets	979	873	957
Financial assets	606	296	508
Deferred tax assets	388	356	402
Total non-current assets	12,504	10,749	11,167
Current assets			
Inventories	3,048	2,463	2,634
Accounts receivable	3,529	2,982	3,455
Accrued income	1,356	1,420	1,401
Current tax assets	191	178	158
Derivative financial instruments	76	18	72
Other current receivables	1,447	1,166	1,059
Short-term investments	46	47	45
Cash and cash equivalents	3,044	3,622	4,073
Total current assets	12,736	11,895	12,897
Total assets	25,239	22,645	24,064
Elekta's owners' equity	7,897	6,970	7,778
Non-controlling interests	1	0	1
Total equity	7,898	6,970	7,779
Non-current liabilities			
Long-term interest-bearing liabilities	3,137	4,422	3,558
Long-term leasing liabilities	1,038	-	-
Deferred tax liabilities	584	537	587
Long-term provisions	211	172	188
Other long-term liabilities	55	84	55
Total non-current liabilities	5,025	5,215	4,388
Current liabilities			
Short-term interest-bearing liabilities	1,462	536	1,000
Short-term leasing liabilities	217	-	-
Accounts payable	1,270	1,111	1,427
Advances from customers	4,777	4,652	4,883
Prepaid income	2,065	1,910	2,170
Accrued expenses	1,732	1,570	1,661
Current tax liabilities	184	112	166
Short-term provisions	185	157	188
Derivative financial instruments	108	153	94
Other current liabilities	316	258	308
Total current liabilities	12,315	10,460	11,897
Total equity and liabilities	25,239	22,645	24,064

Changes in equity – condensed statement

SEK M	May - Oct		May - Apr
	2019/20	2018/19	2018/19
Attributable to Elekta's owners			
Opening balance	7,778	6,987	6,987
Opening balance adjustment due to IFRS 15 and IFRS 9	-	-39	-39
Comprehensive income for the period	461	274	1,358
Incentive programs	1	14	6
Dividend	-344	-267	-535
Total	7,897	6,970	7,778
Attributable to non-controlling interests			
Opening balance	1	0	0
Comprehensive income for the period	0	0	0
Total	1	0	1
Closing balance	7,898	6,970	7,779

Second quarter and first six months

Cash flow – condensed

SEK M	Q2		6 months		12 months	May - Apr
	2019/20	2018/19	2019/20	2018/19	rolling	2018/19
Profit before tax	285	365	475	577	1,478	1,580
Amortization and depreciation	314	246	620	435	1,128	943
Interest net	31	22	56	39	108	91
Other non-cash items	81	14	24	-29	74	21
Interest received and paid	-23	-7	-52	-44	-117	-110
Income taxes paid	-75	-47	-116	-69	-316	-269
Operating cash flow	614	592	1,008	910	2,354	2,256
Changes in inventories	-150	72	-383	30	-433	-20
Changes in operating receivables	-101	-270	-500	-2	-864	-367
Changes in operating liabilities	57	118	-334	-807	224	-249
Change in working capital	-194	-81	-1,218	-780	-1,074	-636
Cash flow from operating activities	419	512	-210	130	1,281	1,621
Investments intangible assets	-136	-106	-238	-235	-460	-458
Investments other assets	-49	-39	-102	-70	-233	-201
Sale of fixed assets	0	0	0	0	0	0
Continuous investments	-185	-145	-340	-305	-693	-658
Cash flow after continuous investments	234	367	-550	-175	587	962
Changes in short-term investments	1	37	-1	36	1	38
Business combinations, divestments and investments in other shares	-79	-57	-79	-47	-86	-54
Cash flow after investments	156	347	-630	-186	502	946
Dividends	-344	-267	-344	-267	-611	-535
Cash flow from other financing activities	-42	13	-72	-436	-575	-938
Cash flow for the period	-230	93	-1,046	-889	-684	-527
Change in cash and cash equivalents during the period						
Cash and cash equivalents at the beginning of the period	3,302	3,463	4,073	4,458	3,621	4,458
Cash flow for the period	-230	93	-1,046	-889	-684	-527
Exchange rate differences	-28	66	17	53	106	142
Cash and cash equivalents at the end of the period	3,044	3,622	3,044	3,622	3,044	4,073

Second quarter and first six months

Parent company

Income statement and statement of comprehensive income - condensed

SEK M	May - Oct	
	2019/20	2018/19
Operating expenses	-102	-91
Financial net	239	522
Income after financial items	136	430
Tax	-1	12
Net income	135	442
Statement of comprehensive income		
Net income	135	442
Other comprehensive income	-	-
Total comprehensive income	135	442

Balance sheet - condensed

SEK M	Oct 31	Apr 30
	2019	2019
Non-current assets		
Intangible assets	57	60
Tangible assets	0	-
Shares in subsidiaries	2,471	2,439
Receivables from subsidiaries	2,398	2,393
Other financial assets	89	87
Deferred tax assets	1	3
Total non-current assets	5,017	4,983
Current assets		
Receivables from subsidiaries	3,888	3,436
Other current receivables	68	102
Other short-term investments	46	45
Cash and cash equivalents	1,928	2,941
Total current assets	5,930	6,524
Total assets	10,947	11,507
Shareholders' equity	2,689	2,898
Untaxed reserves	14	14
Non-current liabilities		
Long-term interest-bearing liabilities	3,131	3,553
Long-term liabilities to Group companies	-	0
Long-term provisions	12	12
Total non-current liabilities	3,143	3,565
Current liabilities		
Short-term interest-bearing liabilities	1,448	1,000
Short-term liabilities to Group companies	3,575	3,934
Short-term provisions	0	0
Other current liabilities	77	95
Total current liabilities	5,100	5,029
Total shareholders' equity and liabilities	10,947	11,507

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 2018/19, with exception for the accounting policies described below.

New accounting principles

IFRS 16 is a new standard on accounting for leases which replaces IAS 17 and the associated interpretation statements IFRIC 4, SIC-15 and SIC-27. The new standard has affected the accounting for leases in the books of a lessee, whereas the accounting is in all material aspects remain unchanged for lessors. For Elekta, the major effect from implementing the new standard relates to leases for premises. IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019 and Elekta has applied the new standard from 1 May 2019.

The standard requires all lease arrangement to be recognized in the balance sheet with a few exceptions for short-time leases and low-value leases.

Elekta has decided to apply IFRS 16 with the modified retrospective approach and as permitted by the standard the comparative period has not been restated. Instead an adjustment on the opening balance has shown the cumulative effect. The lease liabilities are measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate at transition date. The weighted average incremental borrowing rate used at transition date was 3.85 %. Right-of-use assets are recognized based on the amount equal to the related lease liability.

IFRS 16 permits to use some practical expedients. Elekta has applied the following practical expedients when applying IFRS 16 at transition date:

- Operating leases with a remaining lease term of less than 12 months as at May 1, 2019, have been accounted for as short-term leases. Short-term leases and operating leases of low-value have not been recognized on the balance sheet at transition date.
- Initial direct costs have been excluded from the measurement of the right-to-use asset at the date of initial recognition.
- Hindsight has been used in determining the lease term for contracts containing options to extend or terminate the lease.

Under the new standard the present value of lease obligations has been measured and reported as a non-current asset and interest-bearing liability in the Balance Sheet. The asset has been adjusted with prepaid rents and received incentives. In the Income Statement, lease payments previously reported as an operating expense within operating result have been replaced with depreciation and interest expenses. This change means that total assets and operating profit have increased, which has affected various key indicators. The cash flow from operations has increased related to the amortization of the lease liability, the amortization has instead been shown in the cash flow from financing activities.

According to the previous standard, IAS 17, there was a distinction between operating and finance lease arrangement, where operating leases were not recognized in the Balance Sheet. The value of undiscounted future lease fees is disclosed in note 9 in the Annual Report 2018/19, amounted to SEK 1459 M. The lease liability recognized in the Balance Sheet 1 May 2019 amounts to SEK 1220 M. The difference is mainly related to the discounting effect of the liability as the liability is calculated as the net present value for future payments, while the amount disclosed in note 9 is not discounted in accordance to IAS 17. Increases of the payments due to index and extension- and terminate options included in the lease liability does also explain the difference, together with the exclusion of lease payments related to low-value assets and short-term leases from the Balance Sheet. Those payments are expensed on a straight-line basis in the income statement.

Second quarter and first six months

Effects from IFRS 16 on consolidated balance sheet

SEK M	Reported Apr 30, 2019	Adjustment IFRS 16	Adjusted May 1, 2019
Right-of-use asset	0	1,180	1,180
Other assets	24,064	-20	24,044
Total assets	24,064	1,160	25,224
Total equity	7,779	0	7,779
Long term lease liability	0	1,020	1,020
Short term lease liability	0	200	200
Other liabilities	16,285	-60	16,225
Total equity and liabilities	24,064	1,160	25,224

Other new or revised standards and interpretations, not yet applied, are not considered to have a material impact on the Elekta Group's financial statements.

Related-party transactions

Significant related-party transactions are described in note 35 in the Annual Report for 2018/19. No material changes have taken place in relations or transactions with related parties companies compared with the description in the Annual report 2018/19.

Exchange rates

Country	Currency	Average rate			Closing rate				
		May - Oct			Oct 31,		Apr 30,		
		2019/20	2018/19	Δ^1	2019	2018	2019	Δ^1	Δ^2
Euroland	1 EUR	10.691	10.374	3%	10.752	10.410	10.640	3%	1%
Great Britain	1 GBP	12.013	11.710	3%	12.447	11.666	12.306	7%	1%
Japan	1 JPY	0.089	0.080	11%	0.089	0.081	0.085	9%	4%
United States	1 USD	9.592	8.907	8%	9.633	9.178	9.510	5%	1%

¹ October 31, 2019 vs October 31, 2018

² October 31, 2019 vs Apr 30, 2019

For Group companies with a 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 the respective regions are reported to Elekta's CFO and CEO (chief operating decision makers). The regions' expenses are directly attributable to the respective regions' reported figures including cost of products sold. Global costs for R&D, marketing, management of product supply centres and Parent Company are not allocated per region. Currency exposure is concentrated to product supply centres. The majority of exchange differences in operations are reported in global costs.

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. Revenues from solutions are recognized at a point in time and revenues from services are recognized over time.

Second quarter and first six months

Segment reporting 6 months 2019/20

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total	% of net sales
Net sales	2,218	2,548	2,171	-	6,937	
Regional expenses	-1,359	-1,725	-1,524	-	-4,608	66%
Contribution margin	860	823	647	-	2,330	34%
Contribution margin, %	39%	32%	30%			
Global costs				-1,773	-1,773	26%
Operating result	860	823	647	-1,773	556	8%
Net financial items				-81	-81	
Profit before tax	860	823	647	-1,854	475	

6 months 2018/19

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total	% of net sales
Net sales	2,052	2,292	1,804	-	6,149	
Regional expenses	-1,373	-1,425	-1,267	-	-4,065	66%
Contribution margin	680	867	537	-	2,084	34%
Contribution margin, %	33%	38%	30%			
Global costs				-1,454	-1,454	24%
Operating result	680	867	537	-1,454	631	10%
Net financial items				-53	-53	
Profit before tax	680	867	537	-1,507	577	

May - Apr 2018/19

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total	% of net sales
Net sales	4,501	4,956	4,098	-	13,555	
Regional expenses	-2,793	-3,207	-2,807	-	-8,807	65%
Contribution margin	1,707	1,749	1,291	-	4,748	35%
Contribution margin, %	38%	35%	32%			
Global costs				-3,052	-3,052	23%
Operating result	1,707	1,749	1,291	-3,052	1,696	13%
Net financial items				-116	-116	
Profit before tax	1,707	1,749	1,291	-3,167	1,580	

12 months rolling

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total	% of net sales
Net sales	4,667	5,211	4,465	-	14,343	
Regional expenses	-2,779	-3,507	-3,064	-	-9,350	65%
Contribution margin	1,888	1,704	1,402	-	4,993	35%
Contribution margin, %	40%	33%	31%			
Global costs				-3,372	-3,372	24%
Operating result	1,888	1,704	1,402	-3,372	1,622	11%
Net financial items				-144	-144	
Profit before tax	1,888	1,704	1,402	-3,515	1,478	

Second quarter and first six months

Net sales by product type

6 months 2019/20

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total
Solutions	952	1,596	1,558	-	4,107
Service	1,267	951	613	-	2,831
Total	2,218	2,548	2,171	-	6,937

6 months 2018/19

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total
Solutions	925	1,457	1,254	-	3,636
Service	1,127	836	550	-	2,513
Total	2,052	2,292	1,804	-	6,149

May-Apr 2018/19

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total
Solutions	2,192	3,224	2,977	-	8,394
Service	2,308	1,731	1,122	-	5,161
Total	4,501	4,956	4,098	-	13,555

12 months rolling

SEK M	North and South America	Europe, Middle East and Africa	Asia Pacific	Other / Group-wide	Group total
Solutions	2,219	3,364	3,281	-	8,864
Service	2,448	1,847	1,184	-	5,479
Total	4,667	5,211	4,465	-	14,343

Second quarter and first six months

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	Oct 31, 2019		Oct 31, 2018		Apr 30, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Long-term interest-bearing liabilities	3,137	3,309	4,422	4,416	3,558	3,573
Long-term leasing liabilities	1,038	1,038	-	-	-	-
Short-term interest-bearing liabilities	1,462	1,472	536	536	1,000	1,000
Short-term leasing liabilities	217	217	-	-	-	-

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

Level 1: Quoted prices on an active market for identical assets or liabilities

Level 2: Other observable data than quoted prices included in Level 1, either directly (that is, price quotations) or indirectly (that is, obtained from price quotations)

Level 3: Data not based on observable market data

Financial instruments measured at fair value

SEK M	Level	Oct 31, 2019	Oct 31, 2018	Apr 30, 2019
Financial assets				
<i>Financial assets measured at fair value through profit or loss:</i>				
Derivative financial instruments – non-hedge accounting	2	49	17	70
Short-term investments	1	46	47	45
Current investments classified as cash equivalents	1	1,354	-	1,716
Equity instruments	1	58	-	58
Equity instruments	3	2	-	2
<i>Derivatives used for hedging purposes:</i>				
Derivative financial instruments – hedge accounting	2	27	1	2
Total financial assets		1,537	65	1,893
Financial liabilities				
<i>Financial liabilities at fair value through profit or loss:</i>				
Derivative financial instruments – non-hedge accounting	2	25	30	25
Contingent consideration	3	53	3	2
<i>Derivatives used for hedging purposes:</i>				
Derivative financial instruments – hedge accounting	2	83	155	72
Total financial liabilities		162	188	99

Second quarter and first six months

Key figures and data

Key figures

	May - Apr ¹			May - Apr		May - Oct	May - Oct
	2014/15	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20
Gross order intake, SEK M	12,825	13,821	14,064	14,493	16,796	6,844	8,426
Net sales, SEK M	10,839	11,221	10,704	11,573	13,555	6,149	6,937
Order backlog, SEK M	17,087	18,239	22,459	27,974	32,003	29,126	33,581
Operating result, SEK M	937	423	598	1,845	1,696	631	556
Operating margin, %	8.6	3.8	5.6	15.9	12.5	10.3	8.0
Profit margin, %	6.6	1.7	3.2	14.5	11.7	9.4	6.9
Shareholders' equity, SEK M	6,646	6,412	6,774	6,987	7,779	6,970	7,898
Return on shareholders' equity, %	9	2	2	22	17	21	15
Net debt, SEK M	2,768	2,677	1,889	803	439	1,290	1,510
Operational cash conversion, %	126	111	145	95	61	12	-18
Average number of employees	3,679	3,677	3,581	3,702	3,798	3,696	3,988

¹ Calculation based on IAS18

Data per share

	May - Apr ¹			May - Apr		May - Oct	May - Oct
	2014/15	2015/16	2016/17	2017/18	2018/19	2018/19	2019/20
Earnings per share							
before dilution, SEK	1.45	0.36	0.33	3.53	3.14	1.18	0.96
after dilution, SEK	1.45	0.36	0.33	3.53	3.14	1.18	0.96
Cash flow per share							
before dilution, SEK	1.78	1.00	2.69	3.79	2.48	-0.49	-1.65
after dilution, SEK	1.78	1.00	2.69	3.79	2.48	-0.49	-1.65
Shareholders' equity per share							
before dilution, SEK	17.41	16.79	17.73	18.29	20.36	18.24	20.67
after dilution, SEK	17.41	16.79	17.73	18.29	20.36	18.24	20.67
Average number of shares							
before dilution, 000s	381,287	381,288	381,306	382,027	382,027	382,027	382,042
after dilution, 000s	381,287	381,288	381,306	382,027	382,027	382,027	382,042
Number of shares at closing							
before dilution, 000s ²	381,287	381,288	382,027	382,027	382,027	382,027	382,083
after dilution, 000s	381,287	381,288	382,027	382,027	382,027	382,027	382,083

¹ Calculation based on IAS18

² Number of registered shares at closing excluding treasury shares (1,485,289 per October 31, 2019).

Second quarter and first six months

Data per quarter

SEK M	2017/18			2018/19				2019/20	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Gross order intake	3,267	3,833	4,656	3,174	3,670	4,551	5,401	4,390	4,036
Net sales	2,903	2,756	3,409	2,819	3,330	3,320	4,086	3,228	3,709
EBITA	566	534	848	386	601	505	985	448	539
Operating result	440	409	714	238	393	311	755	236	321
Cash flow from operating activities	403	691	1,235	-381	512	-57	1,547	-629	419

Order intake growth based on constant exchange rates

	2017/18			2018/19				2019/20	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
North and South America, %	14	15	10	23	-41	16	9	0	29
Europe, Middle East and Africa, %	-5	-5	28	15	43	5	18	64	-21
Asia Pacific, %	-11	33	-9	2	18	20	-8	31	23
Group, %	0	9	10	12	2	12	8	32	5

Alternative performance measures

Alternative Performance Measures (APMs) are measures and key figures that Elekta's management and other stakeholders use when managing and analysing 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. Definitions and additional information on APMs can also be found on pages 122-124 in the Annual Report 2018/19.

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
Q2 2019/20 vs. Q2 2018/19								
Change based on constant exchange rates	29	250	-21	-337	23	271	5	184
Currency effects	9	77	0	-1	9	107	5	183
Reported change	37	327	-21	-338	31	378	10	366
Q2 2018/19 vs. Q2 2017/18								
Change based on constant exchange rates	-41	-536	43	434	18	166	2	64
Currency effects	7	90	15	151	10	97	10	338
Reported change	-34	-445	58	585	28	263	12	403
May - Oct 2019/20 vs. May - Oct 2018/19								
Change based on constant exchange rates	13	248	12	309	26	631	17	1,188
Currency effects	8	153	2	58	8	183	6	394
Reported change	21	401	14	367	34	814	23	1,582
May - Oct 2018/19 vs. May - Oct 2017/18								
Change based on constant exchange rates	-17	-353	30	548	9	183	6	378
Currency effects	5	107	12	216	7	138	8	461
Reported change	-12	-246	42	765	16	320	14	839

Second quarter and first six months

Change net sales

	North and South America		Europe, Middle East, and Africa		Asia Pacific		Group total	
	%	SEK M	%	SEK M	%	SEK M	%	SEK M
Q2 2019/20 vs. Q2 2018/19								
Change based on constant exchange rates	1	13	8	102	13	121	7	236
Currency effects	7	80	0	-2	7	65	4	143
Reported change	8	93	8	100	20	186	11	379
Q2 2018/19 vs. Q2 2017/18								
Change based on constant exchange rates	5	46	6	73	6	46	6	165
Currency effects	10	100	9	96	8	65	9	262
Reported change	15	146	15	169	14	111	15	427
May - Oct 2019/20 vs. May - Oct 2018/19								
Change based on constant exchange rates	1	10	10	233	14	247	8	490
Currency effects	8	156	1	22	7	120	5	299
Reported change	8	166	11	255	20	367	13	789
May - Oct 2018/19 vs. May - Oct 2017/18								
Change based on constant exchange rates	1	28	8	168	14	207	7	404
Currency effects	6	115	7	142	5	81	6	338
Reported change	7	143	16	310	19	288	14	742

EBITDA

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

SEK M	Q2 2018/19	Q3 2018/19	Q4 2018/19	Q1 2019/20	Q2 2019/20
Operating result/EBIT	393	311	755	236	321
<i>Amortization:</i>					
Capitalized development costs	176	167	200	184	187
Assets relating business combinations	32	27	30	28	32
Depreciation	38	40	42	95	95
EBITDA	639	545	1,028	542	634

Return of 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.

Second quarter and first six months

Return on capital employed

SEK M	Oct 31, 2018	Jan 31, 2019	Apr 30, 2019	Jul 31, 2019	Oct 31, 2019
Profit before tax (12 months rolling)	1,609	1,504	1,580	1,558	1,478
Financial expenses (12 months rolling)	220	211	186	211	227
Profit before tax plus financial expenses	1,829	1,715	1,766	1,769	1,705
Total assets	22,645	22,685	24,064	24,855	25,239
Deferred tax liabilities	-537	-537	-587	-574	-584
Long-term provisions	-172	-165	-188	-194	-211
Other long-term liabilities	-84	-57	-55	-10	-55
Accounts payable	-1,111	-1,082	-1,427	-1,226	-1,270
Advances from customers	-4,652	-4,850	-4,883	-4,652	-4,777
Prepaid income	-1,910	-2,010	-2,170	-2,108	-2,065
Accrued expenses	-1,570	-1,596	-1,661	-1,539	-1,732
Current tax liabilities	-112	-93	-166	-143	-184
Short-term provisions	-157	-148	-188	-184	-185
Derivative financial instruments	-153	-57	-94	-243	-108
Other current liabilities	-258	-333	-308	-354	-316
Capital employed	11,928	11,756	12,337	13,629	13,752
Average capital employed (last five quarters)	11,628	11,786	12,010	12,269	12,680
Return on capital employed	16%	15%	15%	14%	13%

Return on shareholder equity

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

SEK M	Q2 2018/19	Q3 2018/19	Q4 2018/19	Q1 2019/20	Q2 2019/20
Net income (12 months rolling)	1,294	1,164	1,198	1,180	1,116
Average shareholders' equity excluding non-controlling interests (last five quarters)	6,554	6,842	7,167	7,339	7,549
Return on shareholders' equity	20%	17%	17%	16%	15%

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.

SEK M	Q2 2018/19	Q3 2018/19	Q4 2018/19	Q1 2019/20	Q2 2019/20
Cash flow from operating activities	512	-57	1,547	-629	419
EBITDA	639	545	1,028	542	634
Operational cash conversion	80%	-10%	151%	-116%	66%

Second quarter and first six months

Working capital

In Order to optimize cash generation, management focuses on working capital and reducing lead times between orders booked and cash received.

SEK M	Oct 31 2019	Oct 31 2018	Apr 30 2019
Working capital assets			
Inventories	3,048	2,463	2,634
Accounts receivable	3,529	2,982	3,455
Accrued income	1,356	1,420	1,401
Other operating receivables	1,442	1,166	1,059
Sum working capital assets	9,374	8,031	8,548
Working capital liabilities			
Accounts payable	1,270	1,111	1,427
Advances from customers	4,777	4,652	4,883
Prepaid income	2,065	1,910	2,170
Accrued expenses	1,732	1,570	1,661
Short-term provisions	185	157	188
Other current liabilities	316	258	308
Sum working capital liabilities	10,345	9,659	10,638
Net working capital	-971	-1,628	-2,089
% of 12 months net sales	-7%	-13%	-15%

Net debt and net debt/EBITDA ratio

Net debt is important for understanding 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	Oct 31, 2018	Jan 31, 2019	Apr 30, 2019	Jul 31, 2019	Oct 31, 2019
Long-term interest-bearing liabilities	4,422	4,463	3,558	3,504	3,137
Short-term interest-bearing liabilities	536	38	1,000	1,015	1,462
Cash and cash equivalents and short-term investments	-3,669	-2,980	-4,119	-3,349	-3,090
Net debt	1,290	1,521	439	1,170	1,510
EBITDA (12 months rolling)	2,522	2,499	2,639	2,754	2,750
Net debt/EBITDA ratio	0.51	0.61	0.17	0.42	0.55

Significant events after the quarter

On November 15, Elektta published preliminary results for the second quarter and updated outlook of EBITA margin from around 19 percent, to around 18 percent, for fiscal year 2019/20.

Shareholder information

Conference call

Elekta will host a live presentation and a web/telephone conference at 10:00-11:00 CET on November 28 with president and CEO Dr Richard Hausmann, and CFO Gustaf Salford. To take part of the presentation please welcome to the HQ, dial the numbers below or watch via the web link below.

Swedish dial-in-no.: +46 8 505 583 58
UK dial-in no.: +44 33 330 090 34
US dial-in no.: +1 833 823 05 89

https://elekta-qreports.creo.se/191128/elekta_q2_bpresentation_and_conference_call

Financial calendar

Interim report, Q3, May-Jan 2019/20	February 20, 2020
Year-end report 2019/20	May 29, 2020

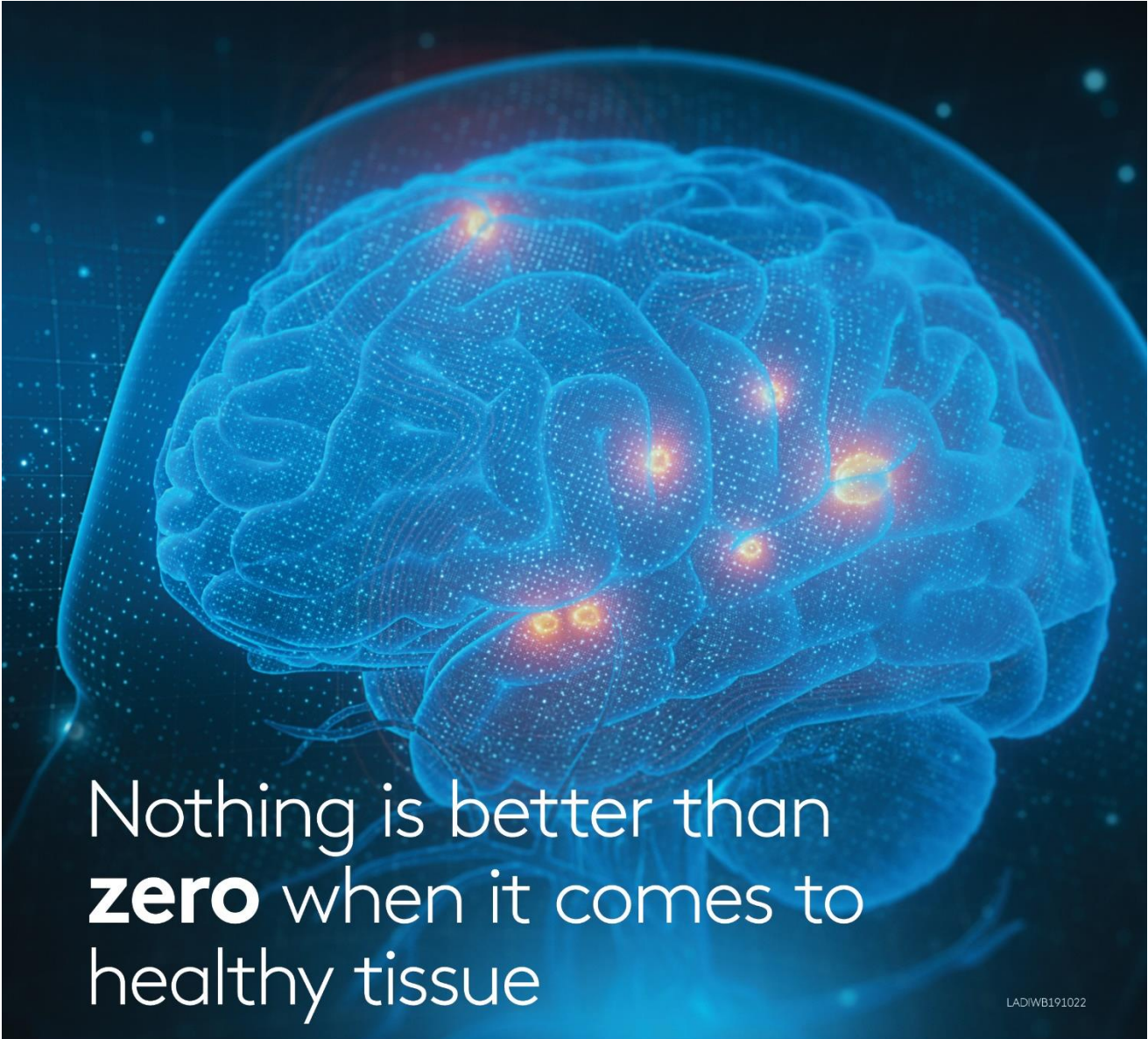
About Elekta

For almost five decades, Elekta has been a leader in precision radiation medicine. Our nearly 4,000 employees worldwide are committed to ensuring everyone in the world with cancer has access to – and benefits from – more precise, personalized radiotherapy treatments. Headquartered in Stockholm, Sweden, Elekta is listed on NASDAQ Stockholm Exchange. Visit elekta.com or follow @Elekta on Twitter.

For further information, please contact:

Gustaf Salford
CFO
Elekta AB (publ)
+46 702 16 17 50
gustaf.salford@elekta.com

Cecilia Ketels
Head of Investor Relations
Elekta AB (publ)
+46 76 611 76 25
cecilia.ketels@elekta.com



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