10 March 2010

ELEKTA

Nine-month interim report May – January 2009/10

- Order bookings increased 20* percent.
- Net sales rose 9* percent to SEK 4,835 M (4,156).
- Operating profit increased to SEK 553 M (309).
- Profit after taxes rose to SEK 358 M (184).
- Earnings per share after dilution improved to SEK 3.91 (2.03).
- Postitive cash flow from operating activities, improved to SEK 589 M (neg. 93). Cash flow after investments was positive SEK 527 M (neg. 207).
- Elekta's financial outlook remains unchanged with an increase in net sales by more than 8 percent in local currency, and operating profit increase in SEK of more than 35 percent for 2009/10.

Summary	Nov. - Jan.	Nov. - Jan.	May - Jan.	May - Jan.	Change
SEK M	2009/10	2008/09	2009/10	2008/09	
Order bookings	1,897	1,661	5,705	4,484	20%*
Net sales	1,704	1,664	4,835	4,156	9%*
Operating profit	232	191	553	309	79%
Net profit	147	125	358	184	95%
Cash flow from operating activities	439	2	589	-93	
Earnings per share, after dilution, SEK	1.59	1.36	3.91	2.03	93%

* Compared to the first nine months last fiscal year at unchanged exchange rates.

President and CEO Tomas Puusepp comments

I am very pleased with Elekta's strong performance during the first nine months of the fiscal year 2009/10 with excellent growth in earnings and cash flow. We continued to gain market share as demand remained strong for Elekta's clinical solutions and services. Order bookings rose by 20 percent in local currency, with increases in all product areas.

Elekta's success is based on close customer relations, our innovative capabilities and comprehensive solutions for treating cancer and brain disorders. We continue to grow the installed base, which is now including over 5,000 customers – an important source of Elekta's sustained profitable growth. We continue to improve availability of cancer care by investing in selected markets and in services and software resources.

We are a world leader in clinical solutions for image-guided radiation therapy, stereotactic radiosurgery as well as oncology software. These solutions make it possible for oncologists and neurosurgeons to effectively treat tumors, vascular malformations and functional diseases with the highest precision without harming healthy tissue.

During the fiscal year, Elekta has introduced advanced image-guidance solutions for increased clinical accuracy and conformance as well as enhanced software for more effective treatment planning.

The advantage of stereotactic radiosurgery in the treatment of brain metastases has recently been highlighted in studies and also in US user guidelines, endorsed by professional societies. The need for effective solutions in this area, and an increased awareness of the clinical results from the use of this technology, are contributing to a greater interest in Leksell Gamma Knife ® Perfexion ™.

Cash flow has improved significantly during the year. The main drivers were strong earnings and a reduction in working capital. We believe that the cash conversion will be about 75 percent for fiscal 2009/10.

For the fiscal year 2009/10 Elekta's financial outlook remains unchanged with an increase in net sales by more than 8 percent in local currency, and operating profit increase in SEK of more than 35 percent. Currency is estimated to have a positive effect for the fiscal year 2009/10 on earnings of about SEK 225 M at prevailing exchange rates and hedging effects.

Tomas Puusepp
President and CEO

Order bookings and order backlog

Demand for Elekta's clinical solutions, products and services was strong across all regions during the first nine months of 2009/10. Order bookings rose by 27 percent to SEK 5,705 M (4,484). Based on unchanged exchange rates, order bookings increased by 20 percent.

Order bookings during the third quarter amounted to SEK 1,897 M (1,661). Rolling 12 months order bookings rose 33 percent to SEK 8,877 M.

Order backlog on January 31, 2010 was SEK 7,823 M, compared to SEK 7,267 M on April 30, 2009. Order backlog is converted at closing exchange rates, which resulted in a negative translation difference of SEK 294 M.

Order bookings SEK M	Quarter 3 2009/10	Quarter 3 2008/09	Change	May - Jan. 2009/10	May - Jan. 2008/09	Change	Rolling 12 months	Change	May-April 2008/09
North and South America	487	651	-25%	1,898	1,829	4%	3,304	18%	3,235
Europe, Middle East, Africa	906	683	33%	2,411	1,619	49%	3,434	40%	2,642
Asia Pacific	504	327	54%	1,396	1,036	35%	2,139	52%	1,779
Group	**1,897**	**1,661**	**14%**	**5,705**	**4,484**	**27%**	**8,877**	**33%**	**7,656**

Market development

North and South America

The North American market is primarily driven by rising cancer incidence and rapid acceptance of new and refined radiation treatment methods. In the US, the largest market for Elekta, sales cycles have become longer in an uncertain business environment following the financial crisis and economic downturn.

The South American market is driven by large un-met demand for treatment of cancer and brain disorders. Elekta's investment in an increased presence in the area has been very successful. We continue to strengthen our organization in line with market growth.

Order bookings for the region were flat based on unchanged currency rates compared to the corresponding period of previous year.

The contribution margin for the region amounted to 32 percent (33).

Europe including Middle East and Africa

The European market including Middle East and Africa was characterized by solid demand in the first nine months of 2009/10. Demand was strong in the entire region.

Market development in Western Europe is driven by replacements, as well as national and regional initiatives to solve the shortage of radiotherapy capacity. A majority of the treatment systems are procured through public tenders with relatively long sales processes. Elekta's ability to provide comprehensive and integrated solutions, based on open interfaces, makes the company an attractive partner.

In Eastern Europe, Russia, Middle East and Africa, there is a large un-met demand for cancer care and treatment of brain disorders.

Order bookings for region Europe including Middle East and Africa rose 41 percent based on unchanged exchange rates compared to the same period previous year. Bookings were particularly strong in Germany, Italy, France and Russia.

The contribution margin for the region increased to 35 percent (32).

Asia Pacific

Prospects are good for long-term strong market development in Asia. There is a significant shortage of capacity for cancer treatment in an international comparison. Elekta is well positioned in the region to support healthcare providers in their efforts to develop and improve cancer care.

Order bookings in the region increased by 24 percent based on unchanged exchange rates compared to previous year. China accounted for the strongest growth and Elekta is the market leader for advanced radiation therapy solutions in this market. The overall improvement of the Chinese economy with continuous investments in healthcare infrastructure is leading to increased opportunities for people to gain access to cancer treatment.

In Asia Pacific, contribution margin improved to 24 percent (20).

Net sales

Net sales rose 16 percent to SEK 4,835 M (4,156). Based on unchanged exchange rates, net sales increased by 9 percent.

Net sales during the third quarter amounted to SEK 1,704 M (1,664).

Net sales SEK M	Quarter 3 2009/10	Quarter 3 2008/09	Change	May - Jan. 2009/10	May - Jan. 2008/09	Change	Rolling 12 months	Change	May-April 2008/09
North and South America	607	725	-16%	1,899	1,823	4%	2,785	8%	2,709
Europe, Middle East, Africa	675	578	17%	1,817	1,479	23%	2,856	26%	2,518
Asia Pacific	422	361	17%	1,119	854	31%	1,727	55%	1,462
Group	**1,704**	**1,664**	**2%**	**4,835**	**4,156**	**16%**	**7,368**	**24%**	**6,689**

Earnings

Operating profit rose 79 percent to SEK 553 M (309), positively impacted by higher volume, efficiency improvements and positive currency effects.

Gross margin amounted to 45 percent (43). Operating margin was 11 percent (7).

Research and development expenditures rose 17 percent to SEK 421 M (360) equal to 9 percent (9) of net sales.

The first nine months expenses rose with 5 percent compared to last fiscal year at unchanged exchange rates. The ongoing efficiency program continues as planned with restructuring charges of SEK 28 M in the first nine months. Annual savings from the program is estimated at SEK 100 M with full effect during next fiscal year.

Calculated IFRS 2 costs for Elekta's outstanding option programs amounted to SEK 32 M (20).

Currency exchange rate effects on operating profit compared with previous year

In total, exchange fluctuations affected operating profit compared with previous year positively with approximately SEK 141 M.

- Exchange rate movements affected operating profit positively by approximately SEK 127 M excluding recorded exchange differences.
- Recorded exchange losses in operations amounted to SEK 3 M.
- The preceding year recorded exchange losses in operations were SEK 17 M.

Exchange rate gains from forward contracts in operating profit were SEK 49 M (losses 237). Unrealized exchange rate gains from cash flow hedges amounted to SEK 123 M and are reported in shareholders' equity taking into account the tax impact. According to Elekta's currency hedging policy, anticipated sales in foreign currency can be hedged up to 24 months.

Net financial items amounted to an expense of SEK 27 M (expense 38). Net interest expenses improved to SEK 34 M (62), impacted by a decreased average interest rate and a lower net debt.

Profit after financial items amounted to SEK 526 M (271). Tax expense amounted to SEK 168 M or 32 percent. Profit after taxes amounted to SEK 358 M (184).

Earnings per share amounted to SEK 3.92 (2.03) before dilution and SEK 3.91 (2.03) after dilution.

Return on shareholders' equity amounted to 28 percent (22) and return on capital employed amounted to 28 percent (23).

Investments and depreciation

Capitalization of development costs and amortization of capitalized development costs affected earnings positively by SEK 31 M (22). Capitalization amounted to SEK 70 M (43) and amortization to SEK 39 M (21).

Investments in intangible and tangible fixed assets amounted to SEK 141 M (95). Amortization of intangible and depreciation of tangible fixed assets amounted to SEK 168 M (151).

Liquidity and financial position

Strong earnings and a reduction in working capital resulted in positive cash flow from operating activities of SEK 589 (neg. 93). Cash flow after investments amounted to SEK 527 M (neg. 207).

Although cash flow was positive, payment of dividend and debt repayment resulted in decreased liquid funds to SEK 787 M compared to SEK 828 M on April 30, 2009. Interest bearing liabilities decreased to SEK 1,147 M compared with SEK 1,627 M on April 30, 2009. Net debt amounted to SEK 360 M compared with SEK 799 M on April 30, 2009.
Net debt/equity ratio was 0.13.

Shares

During May-January 2009/10, 125,281 new Series B shares were subscribed through exercise of warrants distributed within the framework of the established option programs.

Total number of shares on February 28, 2010 was 92,335,437 divided between 3,562,500 A-shares and 88,772,937 B-shares.

Employees

The average number of employees was 2,468 (2,413). The average number of employees in the Parent Company was 23 (22).

The number of employees on January 31, 2010 totaled 2,547 compared with 2,509 on April 30, 2009.

Risks and uncertainties

The global financial crisis and economic downturn constitute a risk. The worldwide recession might mean less availability of financing for private customers and reduced future health care spending. Elekta's ability to deliver treatment equipment is, to a large extent, dependent on customers being able to accept delivery and pay in the agreed timeframe, which results in a risk of delayed deliveries and corresponding delayed revenue recognition. In its operations, Elekta is subject to a number of financial risks, primarily related to exchange rate fluctuations.

Description of risks and uncertainties in Elekta's business can be found in the annual report 2008/09 on page 36 and in note 2. Nothing essential has happened to change the risks described therein.

Outlook for fiscal year 2009/10

Elekta's financial outlook remains unchanged with an increase in net sales by more than 8 percent in local currency, and operating profit increase in SEK of more than 35 percent.

Stockholm March 10, 2010

Tomas Puusepp
President and CEO

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

Financial information

Fiscal year-end report 2009/10	June 10, 2010
Three months report 2010/11	September 21, 2010

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Accounting principles

This interim report is prepared according to IAS 34 and RFR 1.2 of the Swedish Financial Reporting Board, and with regard to the Parent Company, also according to RFR 2.2. The accounting principles applied correspond to those presented in the 2008/09 Annual Report. These include:

- Introduction of changes in IAS 1 Presentation of financial statements. Format and design of the financial statements have been changed.
- IFRS 8 Operating segments that replaces IAS 14. According to IFRS 8 segment information must be reported on the basis of how management internally follows up operations.

Exchange rates		**Average rate**			**Closing rate**		
		May-Jan.	May-Jan.	Change	Jan. 31,	Apr. 30,	Change
Country	Currency	2009/10	2008/09		2010	2009	
Euro	1 EUR	10.440	9.837	6%	10.242	10.663	-4%
Great Britain	1 GBP	11.823	11.967	-1%	11.850	11.880	0%
Japan	100 JPY	7.857	6.929	13%	8.130	8.175	-1%
United States	1 USD	7.282	6.934	5%	7.333	7.985	-8%

Order bookings and income statement are accounted at average exchange rates for the reporting period while order backlog and balance sheet items are accounted at closing exchange rates.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	3 months Nov. - Jan. 2009/10	3 months Nov. - Jan. 2008/09	9 months May - Jan. 2009/10	9 months May - Jan. 2008/09	12 months Feb. - Jan. 2009/10	12 months May - Apr. 2008/09
Net sales	1,704	1,664	4,835	4,156	7,368	6,689
Cost of products sold	-930	-894	-2,672	-2,352	-3,978	-3,658
Gross income	774	770	2,163	1,804	3,390	3,031
Selling expenses	-224	-250	-698	-690	-941	-933
Administrative expenses	-173	-162	-519	-450	-711	-642
R&D expenses	-140	-125	-390	-338	-537	-485
Exchange differences in operations	-5	-42	-3	-17	-127	-141
Operating profit	**232**	**191**	**553**	**309**	**1,074**	**830**
Result from participations in associated companies	1	0	9	1	9	1
Interest income	1	7	4	17	10	23
Interest expenses	- 11	- 26	-38	-79	-66	-107
Financial exchange differences	- 7	12	-2	23	2	27
Income after financial items	**216**	**184**	**526**	**271**	**1,029**	**774**
Taxes	- 69	- 59	- 168	-87	-309	-228
Net income	**147**	**125**	**358**	**184**	**720**	**546**
Attributable to						
Parent Company shareholders	148	126	362	187	727	552
Minority shareholders	- 1	- 1	- 4	- 3	- 7	- 6
Earnings per share before dilution	1.60	1.36	3.92	2.03	7.89	6.00
Earnings per share after dilution	1.59	1.36	3.91	2.03	7.88	6.00
Other comprehensive income						
IFRS 2 cost	- 2	6	12	19	18	25
IAS 39 unrealized cash flow hedges	- 47	- 154	123	- 280	352	- 51
Translation of foreign operations	56	56	- 82	419	- 202	299
Translation of loans for equity hedge	5	- 5	5	- 27	91	59
Income tax relating to components of other comprehensive income	31	46	- 17	53	- 79	- 9
Other comprehensive income for the period	**43**	**- 51**	**41**	**184**	**180**	**323**
Comprehensive income for the period	**190**	**74**	**399**	**368**	**900**	**869**
Attributable to						
Parent Company shareholders	190	75	403	369	906	872
Minority shareholders	0	- 1	- 4	- 1	- 6	- 3

CASH FLOW

Operating cash flow	184	184	410	212	935	737
Change in working capital	255	-182	179	-305	487	3
Cash flow from operating activities	**439**	**2**	**589**	**-93**	**1,422**	**740**
Investments and disposals	-16	-29	-62	-114	-108	-160
Cash flow after investments	**423**	**-27**	**527**	**-207**	**1,314**	**580**
External financing	-226	-170	-541	-174	-606	-239
Change in liquid funds	195	-212	-41	-349	734	426

CONSOLIDATED BALANCE SHEET

SEK M	Jan. 31, 2010	Jan. 31, 2009	April 30, 2009
Intangible assets	2,939	3,238	3,150
Tangible fixed assets	250	262	265
Shares and long-term receivables	67	51	59
Deferred tax assets	80	22	34
Inventories	699	697	553
Receivables	3,160	3,058	3,062
Liquid funds	787	53	828
Total assets	**7,982**	**7,381**	**7,951**
Elekta's owners' equity	2,783	2,046	2,549
Minority interest	2	8	6
Shareholders' equity	**2,785**	**2,054**	**2,555**
Interest-bearing liabilities	1,147	1,708	1,627
Interest-free liabilities	4,050	3,619	3,769
Total shareholders' equity and liabilities	**7,982**	**7,381**	**7,951**
Assets pledged	2	1	1
Contingent liabilities	42	87	75

CHANGES IN SHAREHOLDERS' EQUITY

SEK M	Jan. 31, 2010	Jan. 31, 2009	April 30, 2009
Attributable to Elekta's owners			
Opening balance	2,549	1,804	1,804
Comprehensive income for the period	403	369	872
Exercise of warrants	15	34	34
Dividend	-184	-161	-161
Closing balance	2,783	2,046	2,549
Minority interest			
Opening balance	6	9	9
Comprehensive income for the period	-4	-1	-3
Closing balance	2	8	6
Closing balance	**2,785**	**2,054**	**2,555**

KEY FIGURES

	12 months May - Apr. 2004/05*	12 months May - Apr. 2005/06	12 months May - Apr. 2006/07	12 months May - Apr. 2007/08	12 months May - Apr. 2008/09	9 months May - Jan. 2008/09	9 months May - Jan. 2009/10
Order bookings, SEK M	3,558	4,705	5,102	5,882	7,656	4,484	5,705
Net sales, SEK M	3,152	4,421	4,525	5,081	6,689	4,156	4,835
Operating result, SEK M	364	453	509	650	830	309	553
Operating margin	12%	10%	11%	13%	12%	7%	11%
Profit margin	12%	10%	11%	12%	12%	7%	11%
Shareholders' equity, SEK M	1,694	1,868	1,863	1,813	2,555	2,054	2,785
Capital employed, SEK M	2,527	2,959	2,850	3,262	4,182	3,762	3,932
Equity/assets ratio	38%	35%	35%	29%	32%	28%	35%
Net debt/equity ratio	0.05	0.06	0.27	0.58	0.31	0.81	0.13
Return on shareholders' equity **	16%	17%	19%	23%	27%	22%	28%
Return on capital employed **	21%	18%	20%	24%	24%	23%	28%

* Restated according to IFRS.
** Based on rolling 12 months.

DATA PER SHARE

	12 months May - Apr. 2004/05*	12 months May - Apr. 2005/06	12 months May - Apr. 2006/07	12 months May - Apr. 2007/08	12 months May - Apr. 2008/09	9 months May - Jan. 2008/09	9 months May - Jan. 2009/10
Earnings per share							
before dilution, SEK	2.69	3.23	3.72	4.46	6.00	2.03	3.92
after dilution, SEK	2.69	3.21	3.70	4.44	6.00	2.03	3.91
Cash flow per share							
before dilution, SEK	-11.09	1.68	-1.14	-3.04	6.30	-2.25	5.72
after dilution, SEK	-11.06	1.67	-1.14	-3.03	6.30	-2.25	5.70
Shareholders' equity per share							
before dilution, SEK	18.02	19.80	19.96	19.70	27.67	22.21	30.17
after dilution, SEK	18.84	20.45	20.46	20.03	27.67	22.21	33.68
Average number of shares							
before dilution, 000s	93,991	94,136	93,698	92,199	92,029	91,998	92,153
after dilution, 000s	94,182	94,785	94,249	92,479	92,029	91,998	92,402
Number of shares at closing							
before dilution, 000s	94,028	94,332	93,036	91,570	92,125	92,125	92,250
after dilution, 000s	95,703	95,703	94,072	92,245	92,125	92,125	96,274

* Restated according to IFRS.
Dilution in 2004/05-2007/08 refers to warrants program 2004/2008. Dilution in 2009/10 refers to warrants program 2008/2012.
All historical data restated for split 3:1 October 2005.

Data per quarter SEK M	Q1 2007/08	Q2 2007/08	Q3 2007/08	Q4 2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	Q4 2008/09	Q1 2009/10	Q2 2009/10	Q3 2009/10
Order bookings	1,136	1,336	1,229	2,181	1,151	1,672	1,661	3,172	1,658	2,150	1,897
Net sales	975	1,213	1,097	1,796	1,025	1,467	1,664	2,533	1,440	1,691	1,704
Operating profit	36	159	72	383	13	105	191	521	89	232	232
Cash flow from operating activities	-28	168	-51	230	-163	68	2	833	-138	288	439

Elekta applies geographical segmentation. Order bookings, net sales and contribution margin for respective region are reported to Elekta's CEO and CFO (chief operating decision makers). In the regions operating expenses are cost of products sold and expenses directly attributable to the respective region reported. 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 currency exchange differences are reported in global costs.

Segment reporting May-January 2009/10

SEK M	North and South America	Europe, Africa and Middle East	Asia Pacific	Total	% of net sales
Net sales	1,899	1,817	1,119	4,835	
Operating expenses	-1,288	-1,186	-851	-3,325	69%
Contribution margin	611	631	268	1,510	31%
Global costs				-957	20%
Operating result				**553**	11%
Contribution margin	32%	35%	24%		

Segment reporting May-January 2008/09

SEK M	North and South America	Europe, Africa and Middle East	Asia Pacific	Total	% of net sales
Net sales	1,823	1,479	854	4,156	
Operating expenses	-1,218	-1,002	-683	-2,903	70%
Contribution margin	605	477	171	1,253	30%
Global costs				-944	23%
Operating result				**309**	7%
Contribution margin	33%	32%	20%		

Segment reporting May-April 2008/09

SEK M	North and South America	Europe, Africa and Middle East	Asia Pacific	Total	% of net sales
Net sales	2,709	2,518	1,462	6,689	
Operating expenses	-1,749	-1,590	-1,069	-4,408	66%
Contribution margin	960	928	393	2,281	34%
Global costs				-1,451	22%
Operating result				**830**	12%
Contribution margin	35%	37%	27%		

Segment reporting rolling 12 months February-January 2009/10

SEK M	North and South America	Europe, Africa and Middle East	Asia Pacific	Total	% of net sales
Net sales	2,785	2,856	1,727	7,368	
Operating expenses	-1,819	-1,774	-1,237	-4,830	66%
Contribution margin	966	1,082	490	2,538	34%
Global costs				-1,464	20%
Operating result				**1,074**	15%
Contribution margin	35%	38%	28%		

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

Contribution margin during the first nine months in region North and South America showed a marginal reduction. For region Europe, Middle East and Africa the improvement is mainly a result of higher volume. In Asia Pacific contribution margin improved, also driven by higher volume.

INCOME STATEMENT PARENT COMPANY

SEK M	May - Jan 2009/10	May - Jan 2008/09
Operating expenses	-68	-63
Financial items	54	-11
Income after financial items	**-14**	**-74**
Taxes	21	26
Net income	**7**	**-48**

BALANCE SHEET PARENT COMPANY

SEK M	Jan 31, 2010	April 30, 2009
Financial fixed assets	1,552	1,541
Current assets	1,529	1,840
Total assets	**3,081**	**3,381**
Shareholders' equity	1,044	1,205
Untaxed reserve	37	37
Long-term liabilities	1,073	1,530
Short-term liabilities	927	609
Total shareholders' equity and liabilities	**3,081**	**3,381**