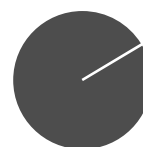




# 9 Interim report

Nine months  
May 1 - January 31

2000/01



ELEKTA

# Interim report Nine months May 1 – January 31, 2000/01

- Order bookings increased 46 percent to SEK 1,566 M (1,076).
- Net sales amounted to SEK 1,452 M (1,248).
- Profit before taxes amounted to SEK 7 M (loss: 56), an improvement of SEK 63 M.
- Cash flow was positive and amounted to SEK 50 M (neg: 37).
- Net debt was reduced to SEK 23 M.

Elekta is a world-leading supplier of innovative clinical solutions for precision radiation treatment of cancer and minimally invasive neurosurgical treatment of brain diseases, such as tumors and cardiovascular disorders as well as Parkinson's disease and epilepsy.

## ORDER BOOKINGS AND ORDER BACKLOG

Group order bookings, adjusted for the divestment of IGS operations in November 1999, amounted to SEK 1,566 M (1,076), up 46 percent. Neurosurgical products accounted for SEK 453 M (348) of order bookings and oncology products for SEK 1,113 M (728). Order bookings in the third quarter amounted to SEK 571 M (397), an increase of 44 percent.

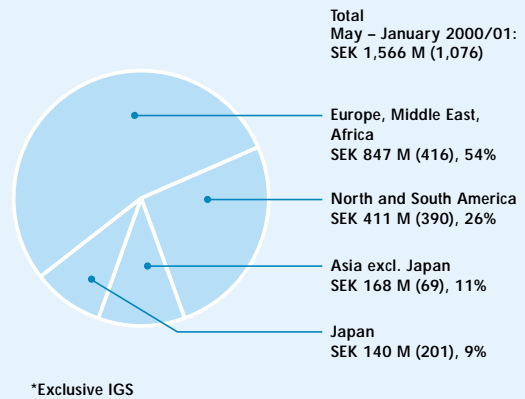
Order bookings in the European market continued to develop favorably in the third quarter with preserved margins. The strong development is attributable mainly to the fact that in a number of European countries, particularly in Great Britain, there is a strong expansion and modernization under way in oncology care. During the year, Elekta has been highly successful in these negotiations and strengthened its leading role on the European market. Elekta's order bookings in **Europe, the Middle East and Africa** rose 104 percent to SEK 847 M (416).

Order bookings in **North and South America** amounted to SEK 411 M (390), an increase of 5 percent. Reorganization and strengthening of the sales and service organization have been accomplished. These measures are beginning to show effect and are expected to result in improved order bookings during the fourth quarter.

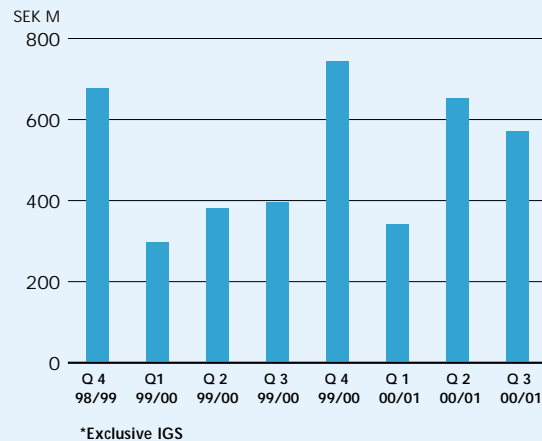
Order bookings in **Japan** were lower than in the preceding year, SEK 140 M (201), due to lower order bookings for magnetic encephalographs. Sales in Japan are predominantly neurosurgical products. Approval of Elekta's oncology products was received from the Japanese authorities.

Order bookings in **Asia** developed positively and rose 143 percent to SEK 168 M (69). The health-care markets in Asia are improving successively in pace with economic recovery in the region. A joint-venture company, with Elekta as the majority owner, was established in China. The company will manufacture and distribute Elekta's products in China. Part of production will be exported. Establishment of these operations strengthens Elekta's

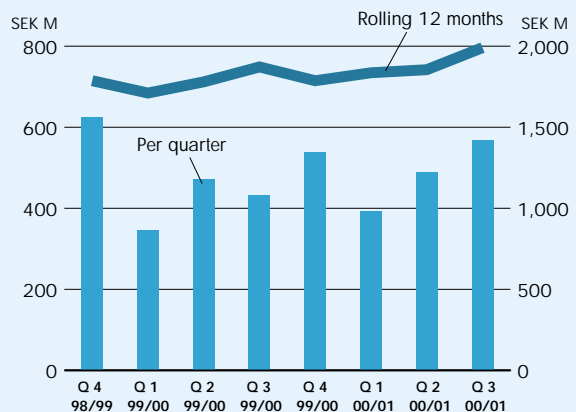
## ORDER BOOKINGS PER GEOGRAPHICAL MARKET\*



## ORDER BOOKINGS\* PER QUARTER



## NET SALES PER QUARTER AND ROLLING 12 MONTHS



market position in China and creates conditions for more cost-efficient production.

The Group's order backlog as of January 31, 2001 amounted to SEK 1,908 M, compared with SEK 1,714 M on April 30, 2000.

#### NET SALES

The Group's net sales rose 16 percent to SEK 1,452 M (1,248). Excluding the divested operations of IGS, sales increased by SEK 273 M, or 23 percent. Net sales of neurosurgical products rose to SEK 543 M (443), and net sales of oncology product rose to SEK 909 M (805).

Net sales of services rose 17 percent. Service includes Leksell Gamma Knife® reloading. Reloading occurs normally within 5-8 years after an installation and is more irregular over each quarter than other types of service. Excluding reloading, service increased 14 percent.

Net sales during the third quarter amounted to SEK 568 M (432), of which neurosurgical products accounted for SEK 230 M (142) and oncology products for SEK 338 M (290).

#### RESULT

Operating profit improved to SEK 25 M (loss: SEK 26). The divested IGS operations resulted in a charge against result in the preceding year of SEK 14 M. The improvement is mainly due to higher net sales.

Operating profit for the third quarter amounted to SEK 47 M (11), an improvement of SEK 36 M. Excluding items affecting comparability, the improvement was SEK 55 M. The improvement is mainly due to higher net sales.

Strategically important investments in research and development amounted to SEK 83 M (SEK 87 M in the preceding year, excluding IGS). These investments, which are expensed as incurred, corresponded to 6 percent (7) of net sales.

Net financial expense amounted to SEK 18 M (30), of which net interest expenses accounted for SEK 23 M (43). The convertible debenture loan accounted for SEK 18 M (36) of net financial expenses. Income from participations in associated companies amounted to SEK 2 M (4), and foreign exchange differences totaled SEK 3 M (9).

The profit before taxes amounted to SEK 7 M (loss: 56). The profit after taxes was SEK 8 M (loss: 62).

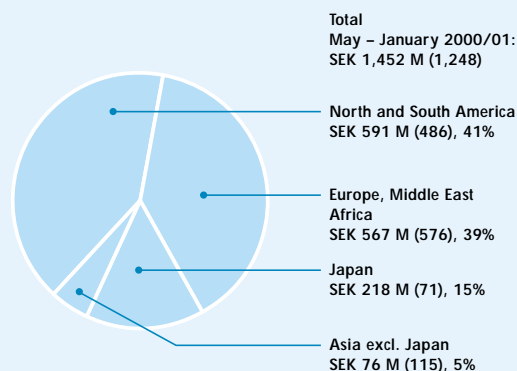
Net profit per share amounted to SEK 0.28 (loss: 3.86).

#### INVESTMENTS AND DEPRECIATION

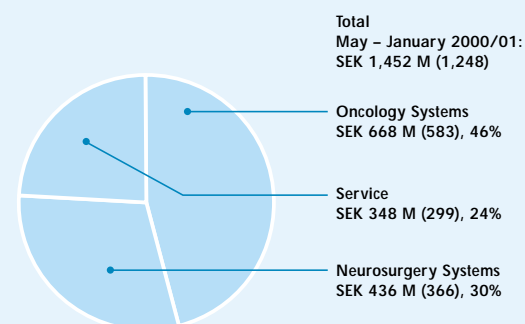
Investments in intangible and tangible fixed assets amounted to SEK 0 M (0) and SEK 30 M (21), respectively.

Amortization/depreciation of intangible and tangible fixed assets amounted to SEK 26 M (25), and SEK 22 M (30), respectively.

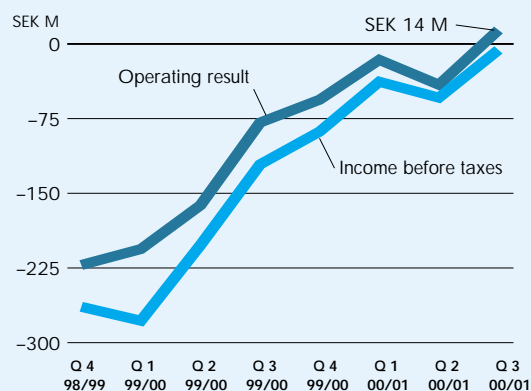
#### NET SALES PER GEOGRAPHICAL MARKET



#### NET SALES PER BUSINESS ACTIVITY



#### OPERATING RESULT AND INCOME BEFORE TAXES\* ROLLING 12 MONTHS



\*Exclusive comparative distorting items

**LIQUIDITY AND FINANCIAL POSITION**

As of January 31, 2001, the Group's liquid assets amounted to SEK 304 M, compared with SEK 249 M as of April 30, 2000.

Cash flow before investments was positive SEK 73 M (neg: 104), as a result of positive earnings and decreases in working capital. Cash flow after investments and divestments was a positive SEK 50 M (neg: 37).

Net debt, defined as interest-bearing liabilities less liquid assets, amounted to SEK 23 M as of January 31, 2001, compared with SEK 80 M as of April 30, 2000. The net debt includes a convertible debenture loan of SEK 224 M. Liquid assets plus overdraft facilities granted but not utilized amounted at January 31, 2001 to SEK 312 M, compared with SEK 283 M as of April 30, 2000. Bank balances included SEK 166 M (April 30, 2000: 119) that was pledged mainly to guarantee advances received from customers.

Outstanding convertible debenture loans in a nominal amount of SEK 233 M shall, if conversion does not occur prior to June 30, 2001, be refinanced not later than December 31, 2001. The conversion price is SEK 60.20. Full conversion results in 3,875,139 new B shares, corresponding to 12 percent of capital.

Shareholders' equity, as a result of the profit in the period of SEK 8 M and translation differences of SEK 14 M, increased from SEK 576 M at April 30, 2000 to SEK 598 M at January 31, 2001.

The debt/equity ratio declined from a multiple of 0.14 as of April 30, 2000 to 0.04 as of January 31, 2001. The equity/assets ratio was 33 percent, an improvement of two percentage points compared with April 30, 2000.

**EMPLOYEES**

The average number of employees in the Group was 790 (801). The number of employees at the close of the period was 824, compared with 796 as of April 30, 2000.

The Annual General Meeting on September 29, 2000 resolved to assume a debenture loan in the nominal amount of SEK 100,000 through the issue of debentures with not more than 1,100,000 detachable warrants for new subscription of Series B shares in Elekta AB (publ).

**PARENT COMPANY**

Parent Company operations comprise Group management, joint Group functions and financial management. Parent Company result before taxes was a loss of SEK 25 M (loss: 2). The figure for the preceding year

**Key Figures**

	9 months May - Jan 1999/2000	12 months May - April 1999/2000	3 months May - July 2000/01	6 months May - Oct 2000/01	9 months May - Jan 2000/01
Net sales, SEK M	1,248	1,789	394	884	1 452
Items affecting comparability, SEK M	19	19	—	—	—
Operating loss, SEK M	-26	-37	-17	-22	25
Operating margin, %	-2	-2	-4	-2	2
Profit margin, %	-4	-4	-5	-3	0
Shareholders' equity, SEK M	396	576	557	574	598
Capital employed, SEK M	927	905	887	935	934
Net debt, SEK M	361	80	70	103	23
Equity/assets ratio, %	21	31	31	32	33
Net debt/equity ratio, times	0.91	0.14	0.13	0.18	0.04
Return on shareholders' equity, % <sup>1)</sup>	-47	-22	-6	-9	-1
Return on capital employed, % <sup>1)</sup>	-9	-3	4	2	4

**Per share data**

	Q 3 2000/01	Q 3 1999/2000	9 months 2000/01	9 months 1999/2000	Full year 1999/2000
Net income, SEK	1.17	0.22	0.28	-3.86	-4.24
Shareholders' equity, SEK	—	—	21.47	18.84	20.68
Average number of shares, (000s)	27,854	17,573	27,854	15,829	18,263
Number of shares at closing, (000s)	—	—	27,854	20,995	27,854

1) Based on rolling 12 months.

Potential ordinary shares from convertible debentures and warrants will not dilute the per share data.

included gain on the divestment of the IGS operations. The average number of employees was 13 (14).

#### THIS YEAR'S RESULT

The restructuring of Group operations has been completed, and Elekta is now focusing on creating growth with continuing stringent cost control. As announced earlier, these efforts are expected to generate satisfactory profitability for the last quarter.

#### FINANCIAL INFORMATION

The year-end report will be issued on June 19, 2001.

STOCKHOLM, MARCH 23, 2001

ELEKTA AB (PUBL)

LAURENT LEKSELL  
President

*This interim report is unaudited.*

### Income Statement

SEK M	3 months Nov - Jan 2000/01	3 months Nov - Jan 1999/2000	9 months May - Jan 2000/01	9 months May - Jan 1999/2000	12 months Feb - Jan 2000/01	12 months May - April 1999/2000
Net sales	568	432	1,452	1,248	1,993	1,789
Operating expenses	-493	-415	-1,344	-1,196	-1,864	-1,716
R&D expenses	-28	-25	-83	-97	-115	-129
Items affecting comparability	—	19	—	19	—	19
<b>Operating result</b>	<b>47</b>	<b>11</b>	<b>25</b>	<b>-26</b>	<b>14</b>	<b>-37</b>
Financial net	-16	-9	-18	-30	-20	-32
<b>Income before taxes</b>	<b>31</b>	<b>2</b>	<b>7</b>	<b>-56</b>	<b>-6</b>	<b>-69</b>
Taxes	2	-3	0	-6	-2	-8
Minority	0	0	1	—	1	—
<b>Net income</b>	<b>33</b>	<b>-1</b>	<b>8</b>	<b>-62</b>	<b>-7</b>	<b>-77</b>
Net income per share	1.17	0.22	0.28	-3.86	-0.10	-4.24

### Cash Flow

Operating cash flow	44	2	57	-14	64	-7
Change in working capital	36	-150	16	-90	124	18
<b>Cash flow before investments</b>	<b>80</b>	<b>-148</b>	<b>73</b>	<b>-104</b>	<b>188</b>	<b>11</b>
Investments and disposals	-1	81	-23	67	-59	31
<b>Cash flow after investments and disposals</b>	<b>79</b>	<b>-67</b>	<b>50</b>	<b>-37</b>	<b>129</b>	<b>42</b>

### Balance Sheet

SEK M	Jan. 31, 2001	Jan. 31, 2000	April 30, 2000
Intangible fixed assets	412	449	437
Tangible fixed assets	90	62	81
Financial fixed assets	15	14	17
Inventories	256	307	255
Other current assets	751	840	797
Liquid assets	304	170	249
<b>Total assets</b>	<b>1,828</b>	<b>1,842</b>	<b>1,836</b>
Shareholders' equity	598	396	576
Minority	9		
Provisions	76	105	79
Convertible debenture loan	224	427	216
Other interest-bearing liabilities	103	104	113
Interest-free liabilities	818	810	852
<b>Total shareholders' equity, provisions and liabilities</b>	<b>1,828</b>	<b>1,842</b>	<b>1,836</b>



E L E K T A

**Elekta AB (publ)**

Box 7593 • SE-103 93 Stockholm, Sweden  
Tel +46 8 587 254 00 • Fax +46 8 587 255 00 • E-mail: [info@elekta.se](mailto:info@elekta.se)

*For additional information, please contact:*

Lars Jonsteg, Vice President Corporate Relations, Elekta AB (publ), Tel +46 8 587 254 82

Additional information is available at: [www.elekta.com](http://www.elekta.com)

