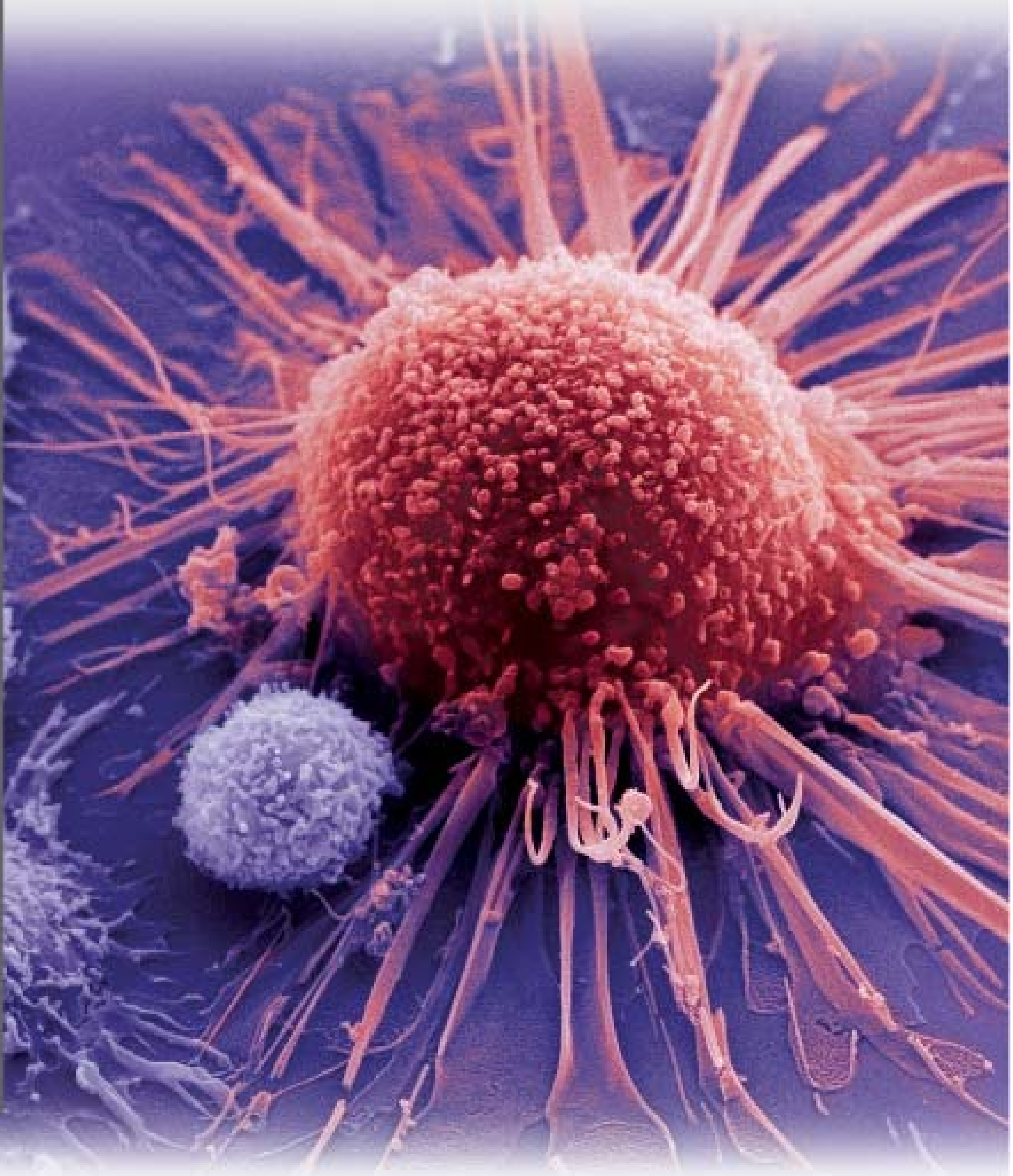
ELEKTA AB (publ)
Corporate organization number 556170-4015
Kungstensgatan 18 – Box 7593 – SE 103 93 Stockholm

Three-month interim report May – July 2006/07



- **Order bookings rose 4 percent to SEK 987 M (952). The order backlog amounted to SEK 3,806 M.**
- **Net sales increased 15 percent to SEK 996 M (869).**
- **Operating profit amounted to SEK 85 M (35) and the operating margin was 9 percent (4). On a rolling 12-month basis, the operating margin was 11 percent.**
- **Profit after taxes amounted to SEK 60 M (20). Earnings per share after dilution amounted to SEK 0.63 (0.21).**
- **Cash flow after investments was negative SEK 142 M (neg. 153).**

ELEKTA

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Elekta's operations

Elekta is an international medical technology Group, providing advanced clinical solutions, comprehensive information systems and services for efficient and high precision treatment of cancer and brain disorders, used at over 4,000 hospitals around the world. Elekta is the world leader in image guided and stereotactic clinical solutions for radiosurgery and radiation therapy, methods for treating tumors and functional targets with ultrahigh precision while sparing healthy tissue. All of Elekta's solutions employ non-invasive or minimally invasive techniques. This means that in addition to being clinically effective, these solutions are also cost-effective and gentle on the patient. Together with its wholly owned subsidiary IMPAC Medical Systems, Elekta is the world's largest supplier of oncology software.

Market outlook

The total market for Elekta's clinical solutions, IT systems and services is expected to grow by 5-10 percent annually, and demand for Elekta's clinical solutions remains strong. However, the high value of individual orders and order coordination within the framework of health care investment programs often lead to significant quarterly variations in business volume.

The market development is driven by an increased incidence of cancer and by the shortage of treatment capacity that is prevailing in most countries. The number of newly diagnosed cancer cases per year, is expected to increase by 50 percent during the next 20 years, primarily as a result of a higher average age. The number of cancer patients receiving radiation treatment, often in combination with other treatment methods, is steadily increasing and is at around 50 percent in developed countries. New advanced, more precise and accurate methods are expected to increase the role of radiation therapy in the future.

Important events

- Elekta continues to install systems for image guided radiation therapy around the world in a rapid pace and continues to strengthen its leading position in this new method for treating cancer with higher precision and accuracy.
- In May 2006, Elekta introduced Leksell Gamma Knife® Perfexion™, a brand new system for stereotactic radiosurgery with outstanding patient and staff comfort and better dosimetry performance than any other radiosurgical system on the market. In June/July, the first unit was installed in Marseille, France, and the first patients were successfully treated in mid July. In August, the US Food and Drug Administration (FDA) issued a 510(k) pre-market clearance for Leksell Gamma Knife Perfexion, allowing Elekta to also market this system to the US market. In July, Elekta booked an order from Cromwell Hospital in London, UK, and in August the first US order was received from the University of Virginia Health System.
- In August, Elekta signed a 3 year agreement with US Oncology, the largest network of cancer centers in the US with over 110 radiation therapy clinics in 32 states. This agreement opens up the possibility for members of US Oncology to acquire advanced digital linear accelerators from Elekta, and these centers can now include Elekta as a vendor for consideration when evaluating clinical strategies and equipment needs.
- In June, the Board mandated management to repurchase shares for SEK 100 M, which was carried out in June and July. It will be proposed to the AGM that these shares be cancelled without any repayment.

- In August, Elekta received the necessary governmental approvals for finalizing the acquisition of 80 percent of Beijing Medical Equipment Institute (BMEI). This strategic acquisition will considerably strengthen Elekta's position on the fast growing Chinese market for radiation therapy solutions and bring to Elekta the ability to fully meet the needs of the Chinese and other emerging markets for affordable and lower cost radiation therapy solutions.

Report structure

IMPAC, acquired in April 2005, is now included in all comparison numbers and will thus no longer be reported separately.

Elekta supplies products, systems and services in six clinical solutions areas to a multitude of medical specialties. The rapid development in radiation therapy and radiosurgery and the increased cooperation between oncologists and neurosurgeons, makes the division of Elekta's market in 'oncology' and 'neurosurgery' less relevant and more artificial. Subsequently, Elekta will from fiscal year 2006/07, no longer report order bookings and net sales according to this separation of neurosurgery and oncology customers.

From this quarter, Elekta will no longer separate Japan from the Asia region.

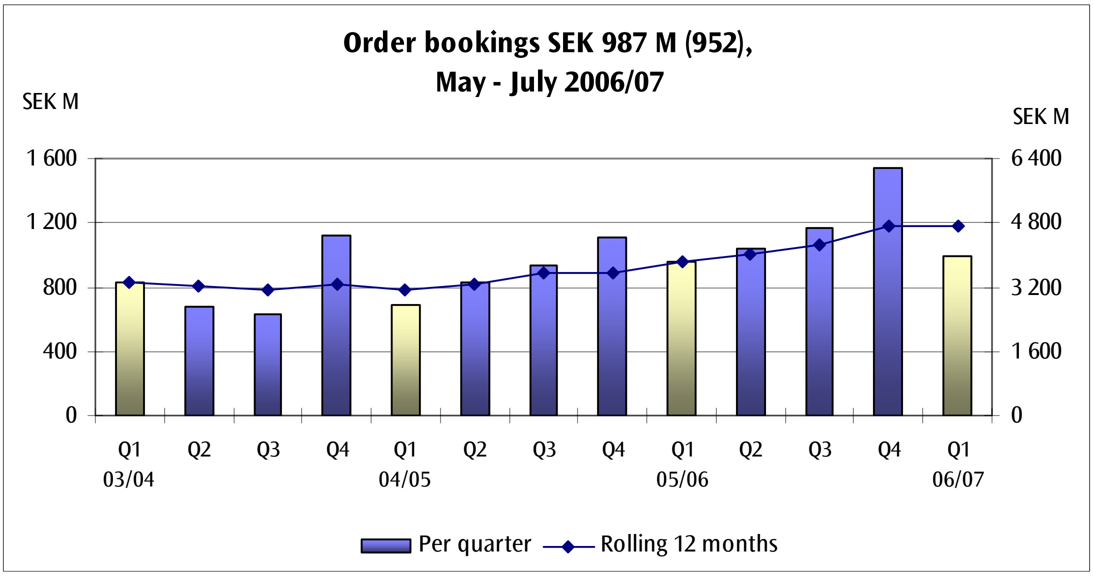
Order bookings and order backlog

Order bookings increased by 4 percent to SEK 987 M (952). Based on unchanged exchange rates, order bookings rose 7 percent.

Based on unchanged exchange rates order bookings in North and South America rose 6 percent, region Europe, including Middle East and Africa, declined by 5 percent and Asia rose 43 percent.

Order bookings for the rolling 12 months increased by 24 percent.

On July 31, 2006 the order backlog was SEK 3,806 M, compared with SEK 3,875 M on April 30, 2006.



Order bookings	3 months	3 months	Change	Rolling	Change
SEK M	2006/07	2005/06		12 months	
Europe, Middle East, Africa	371	400	-7%	1,682	2%
North and South America	401	394	2%	2,176	42%
Asia	215	158	36%	882	38%
Group	**987**	**952**	**4%**	**4,740**	**24%**

Market comments

North and South America

North America is around half of the total market for Elekta's clinical solutions, IT-systems and services. The North American market is primarily driven by the increased cancer incidence and by the rapid acceptance of new and refined treatment methods such as image guided radiation therapy (IGRT) and stereotactic radiation therapy (SRT). The strong interest for these methods is triggered by the expected improvements in clinical efficacy, but is also affected by positive changes in the reimbursement system for Medicare/Medicaid.

Elekta's leading position in image guided radiation therapy, together with Elekta's ability to supply treatment equipment and information management systems as one comprehensive and integrated offer, have substantially strengthened Elekta's position on the North American market.

The agreement signed in August with US Oncology is further proof of Elekta's strengthened position in the US, and opens up a segment of the market which Elekta previously has been unable to address.

In the US market, efficiency in patient flows and processing of clinical data are often decisive sales arguments. Software systems that handle both the entire treatment process and administration and resource allocation are therefore required in most sales situations. Elekta's IMPAC systems is now included in most linear accelerator orders.

The ongoing market introduction of Leksell Gamma Knife® Perfexion™, has been met with a substantial interest both from current Gamma Knife® users and from new potential customers.

Europe

Elekta's position in the European market is strong. The European market for radiation therapy is driven primarily by the lack of care capacity and therapeutic equipment. In many European countries, the number of linear accelerators per capita is less than half that of the US. Several countries, including the UK, France and Ireland, have national investment programs for increasing treatment capacity in cancer care.

The economic growth and the increasing need for advanced care in Eastern Europe, primarily the new EU member states, is expected to increase the total European market in the future.

There is a substantial demand in Europe for information systems for cancer care, particularly for the purpose of improving productivity, streamlining operations and multi-site connectivity. Elekta therefore continues to introduce IMPAC systems on more markets in Europe, with consideration taken to installation and service resources.

The ongoing market introduction of Leksell Gamma Knife® Perfexion™, has been met with a substantial interest both from current Gamma Knife® users and from new potential customers.

Asia

In China, Elekta is the market leader in advanced radiation therapy solutions. The acquisition of 80 percent of Beijing Medical Equipment Institute (BMEI) will further strengthen Elekta's position on the Chinese market, making Elekta a comprehensive provider of linear accelerators across the spectrum of price and performance specifications. BMEI brings to Elekta the ability to fully meet the needs of the Chinese and other emerging markets for affordable radiation therapy solutions.

In June, Elekta received regulatory approval in Japan for Elekta Synergy® and a number of important reference centers can now be established. Building on these, Elekta expects to be able to increase the market share in radiation therapy systems. There is a substantial potential in Japan for upgrades to Leksell Gamma Knife® Perfexion™, but the long process for regulatory approval, means that Elekta expects to be able to introduce this new system in mid 2007.

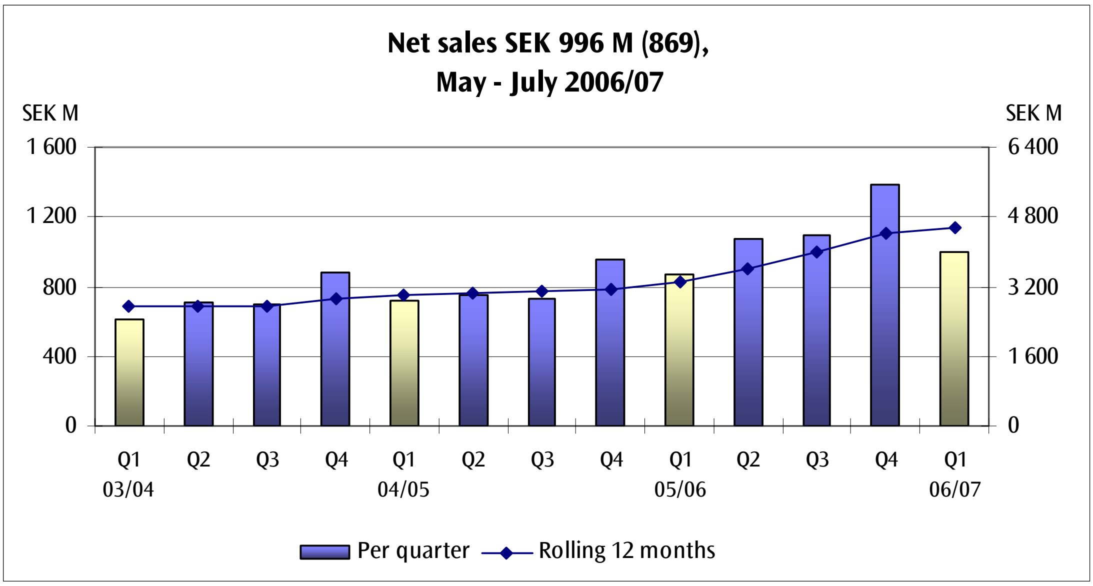
Aftermarket

Elekta's aftermarket is continuing to show favorable development, partly as a result of a growing installed base. The shift towards more advanced, newly launched systems, is resulting in more customers choosing comprehensive service agreements.

Elekta continues to focus on the further development of the support and lifecycle business and on providing value based services to the expanding customer base.

Net sales

Net sales rose 15 percent to SEK 996 M (869). Based on unchanged exchange rates net sales increased by 18 percent.



Net sales	3 months	3 months	Change	12 months
SEK M	2006/07	2005/06		2005/06
Europe, Middle East, Africa	356	305	17%	1,608
North and South America	448	417	7%	1,971
Asia	192	147	31%	842
Group	**996**	**869**	**15%**	**4,421**

Earnings

Operating profit rose to SEK 85 M (35), mainly as a result of increased delivery volumes.

Gross margin amounted to 42 percent (40). Operating margin was 9 percent (4). On a rolling 12-month basis, operating margin was 11 percent.

According to IFRS 2 (Share-based payment) costs for Elekta's outstanding option program must be reported. In the first quarter, these costs amounted to SEK 2 M (12).

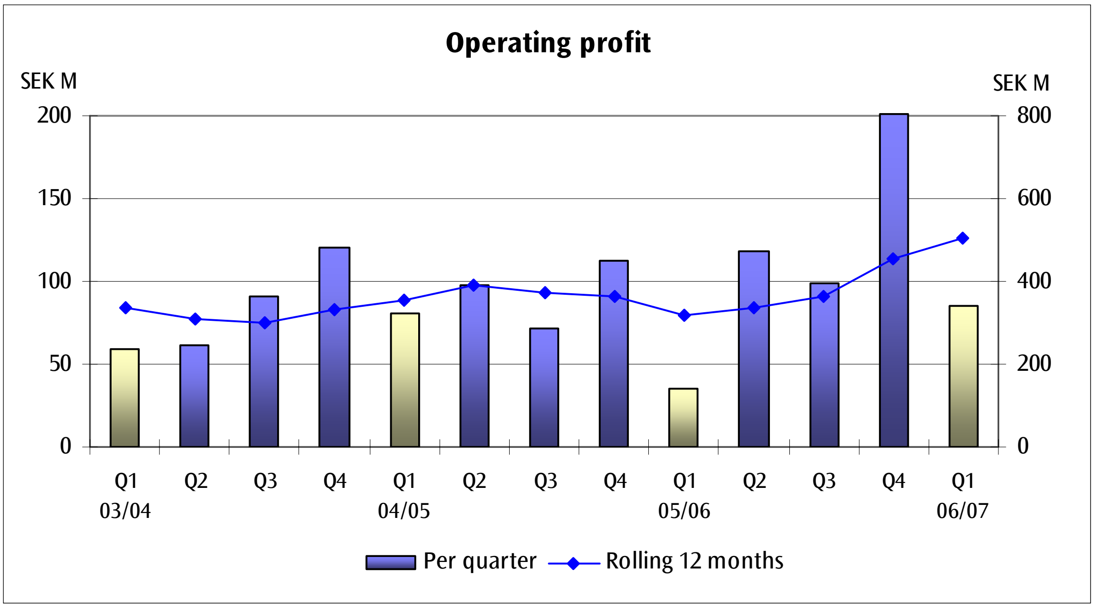
Investments in research and development rose 3 percent to SEK 84 M (81) equal to 8 percent (9) of net sales. Capitalization of development costs and amortization of capitalized development costs affected earnings in the amount of SEK 4 M (3). Capitalization amounted to SEK 7 M (6) and amortization to SEK 3 M (3).

Exchange rate effects on operating profit compared to preceding year:

- Exchange rate movements affected operating profit before recorded exchange differences, negatively by about SEK 10 M.
- Recorded exchange losses in operation amounted to SEK 2 M.
- Recorded exchange gains in operation preceding year was SEK 3 M.

In total, exchange rate fluctuations compared the preceding year affected operating profit for the first quarter negatively by SEK 15 M.

Currency hedging is done on the basis of anticipated sales in foreign currency over a period of up to 24 months. The scope is determined by the Company's currency risk assessment. Exchange rate gains from forward contracts in operating profit amounted to SEK 12 M (loss: 11). Unrealized exchange rate gains from cash flow hedges amounted to SEK 17 M and are reported in shareholders' equity, taking into account the tax effect.



Net financial items amounted to an income of SEK 3 M (loss: 5). Net interest expenses amounted to SEK 4 M (6). Shares in the earnings of associated companies amounted to SEK 5 M (4) and financial exchange rate gains to SEK 2 M (loss: 3).

Profit after financial items rose to SEK 88 M (30). Calculated tax expense was SEK 28 M, or 32 percent. Profit after taxes amounted to SEK 60 M (20).

Earnings per share amounted to SEK 0.64 (0.21) before dilution and SEK 0.63 (0.21) after dilution.

Return on shareholders' equity amounted to 19 percent (13) and return on capital employed was 21 percent (17).

Investments and depreciation

Investments in intangible and tangible assets amounted to SEK 31 M (31). Depreciation of tangible and amortization of intangible assets amounted to SEK 32 M (41).

Liquidity and financial position

Cash flow from operating activities was negative SEK 112 M (neg. 130) during the period, in principal due to the seasonal build up of working capital. Cash flow after investments was negative SEK 142 M (neg. 153).

Liquid funds amounted to SEK 695 M compared to SEK 981 M on April 30, 2006. SEK 180 M of bank balances were pledged, USD 20 M for the acquisition of BMEI that was paid out in August and the remainder primarily for commercial guarantees.

Interest-bearing liabilities amounted to SEK 1,043 M compared to SEK 1,091 M on April 30, 2006. Net debt was SEK 348 M compared to SEK 110 M on April 30, 2006.

Net debt/equity ratio was 0.19 and equity/assets ratio was 36 percent.

During the first quarter 18,072 new Series B shares were subscribed through the exercise of warrants distributed within the framework of the established option program.

Elekta holds 801 700 Series B shares repurchased during June-July 2006 as part of the change in Elekta's capital structure. The intention is that repurchased shares will be cancelled following a decision by the Annual General Meeting to be held in September 2006.

On September 4, 2006, the total number of shares was 94,379,804.

Employees

The average number of employees was 1,792 (1,670).

The number of employees on July 31, 2006 was 1,804, compared with 1,812 on April 30, 2006.

Parent Company

The operations of the Parent Company include Group management and Group-wide functions, as well as financial administration. The Parent Company's loss after net financial items amounted to SEK 9 M (loss: 28). The average number of employees was 20 (19).

Events after the end of the fist quarter

Elekta's acquisition of 80 percent of the equity of the Chinese provider of radiation therapy equipment, Beijing Medical Equipment Institute (BMEI) and the transformation of the company into a Joint Venture (JV) is finalized, after the business license has been granted on August 18 by the Beijing Administration for Industry and Commerce.

An audit of BMEI in accordance with Chinese GAAP is in process. The opening balance in the new company will thereafter be audited in accordance with IFRS. The IFRS 3 disclosure requirements will be met when the audits and the valuation of intangible assets have been finalized.

Future prospects for fiscal year 2006/07 – remains unchanged

Demand for Elekta's clinical solutions, products and services are strong, At the same time, Elekta is operating in a competitive environment. The order backlog remains on a high level. The product portfolio is today stronger and more competitive than ever before. Elekta's leading position in IGRT together with the newly launched systems for stereotactic radiation therapy and stereotactic radiosurgery is shifting the product mix towards more advanced systems.

The acquisitions carried out during 2005 – with the intent to become a more comprehensive partner to the healthcare providers throughout the entire treatment process – continues to develop favorably.

- *For fiscal year 2006/07, Elekta expects a sales growth in line with the Group's objective of 10-15 percent in local currency.*

Elekta's operations are each year subject to substantial seasonal variations in delivery volumes, directly affecting net sales and profit. For current year, these variations are enhanced by the introduction of new advanced systems.

For the recently launched Leksell Gamma Knife® Perfexion™, the vast majority of deliveries during the fiscal year are expected to be carried in the fourth quarter. This is expected to result in substantial quarterly variations in net sales and operating margin during the year, with relatively weak second and third quarters.

In 2006/07, Elekta is projecting a significant improvement in operating profit. However, ramp-up of production capacity as well as customer preference and ability to accept delivery, entail uncertainties.

- *Operating margin for full year 2006/07 is expected to be in the range of 11-14 percent, with large quarterly variations.*

Financial information

The interim report for May-October 2006/07 will be published on December 12, 2006.

Stockholm September 20, 2006

Elekta AB (publ)

Tomas Puusepp
President and CEO

The Company's auditors have not reviewed this interim report.

For further information, please contact:
Peter Ejemyr, Group Vice President Corporate Communications, Elekta AB (publ)
Tel: +46 733-611 000 (mobile), e-mail: peter.ejemyr@elekta.com

For more information on Elekta, please visit www.elekta.com

Teleconference

Due to the Annual General Meeting being held on September 20, 2006, the teleconference will be held on Thursday, September 21, at 3pm, Swedish time (GMT+1).

Telephone number for conference call:

Sweden:	+46 (0)8 5052 0110
UK:	+44 (0)20 7162 0025
US:	+1 334 323 6201
Paris:	+33 (0)1 7099 3208
Frankfurt:	+49 (0)695 8999 0507
Amsterdam:	+31 (0)20 7965 008
Geneva:	+41 (0)2 2592 7007

(Please note: for Local Connect dial-in numbers – you might have to dial the area code to enter the conference.)

Please connect to the conference call five minutes prior to the scheduled time. Participants will be placed in a ”waiting room” until the operator declares the meeting opened.

The teleconference will be available on instant replay for 7 days. To obtain the service, please dial: Sweden: +46 8 50 520 333, UK (Europe): +44 (0) 20 7031 4064, USA: +1 954 334 0342. Access code: 716771

The teleconference on September 21 will also be available live over Internet (audio only). Follow the link from http://www.elekta.com/investors or use the direct link http://events.webeventservices.com/elekta/2006/09/21

Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Financial Accounting Standards Council's recommendation RR 31 Interim Reporting for Groups and, with regard to the Parent Company, RR 32 Accounting for legal entities. Applied accounting principles and calculation methods are in accordance with the Annual Report for 2005/06.

Exchange rates		**Average rate**			**Closing rate**		
Country	Currency	May-Jul. 2006/07	May-Jul. 2005/06	Change	Jul. 31 2006	Apr. 30, 2006	Change
Euro	1 EUR	9.262	9.294	0%	9.234	9.299	-1%
Great Britain	1 GBP	13.501	13.665	-1%	13.488	13.363	1%
Japan	100 JPY	6.399	6.928	-8%	6.325	6.485	-2%
United States	1 USD	7.289	7.561	-4%	7.235	7.413	-2%

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INCOME STATEMENT

SEK M	3 months May - July 2006/07	3 months May - July 2005/06	12 months Aug.-July 2005/06	12 months May - Apr. 2005/06
Net sales	996	869	4,548	4,421
Cost of products sold	-580	-519	-2,640	-2,579
Gross income	416	350	1,908	1,842
Selling expenses	-144	-146	-638	-640
Administrative expenses	-105	-94	-408	-397
R&D expenses	-80	-78	-319	-317
Exchange differences in operation	-2	3	-40	-35
Operating profit	**85**	**35**	**503**	**453**
Result from participations in associated companies	5	4	16	15
Interest income	13	2	39	28
Interest expenses	-17	-8	-68	-59
Financial exchange differences	2	-3	12	7
Income after financial items	**88**	**30**	**502**	**444**
Taxes	-28	-10	-158	-140
Net income	**60**	**20**	**344**	**304**
Attributable to Parent Company shareholders	60	20	344	304
Earnings per share before dilution	0.64	0.21	3.66	3.23
Earnings per share after dilution	0.63	0.21	3.63	3.21

CASH FLOW

Operating cash flow	72	65	464	457
Change in working capital	-184	-195	52	41
Cash flow from operating activities	**-112**	**-130**	**516**	**498**
Investments and disposals	-30	-23	-347	-340
Cash flow after investments	**-142**	**-153**	**169**	**158**
External financing	-147	-156	76	67
Change in liquid funds	-286	-331	282	237

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BALANCE SHEET

SEK M	July 31, 2006	July 31, 2005	April 30, 2006
Intangible assets	2,149	2,048	2,182
Tangible fixed assets	225	194	230
Financial fixed assets	28	27	26
Inventories	386	458	364
Receivables	1,564	1,451	1,501
Liquid assets	695	413	981
Total assets	**5,047**	**4,591**	**5,284**
Shareholders' equity	1,811	1,802	1,868
Provisions	329	332	322
Interest-bearing liabilities	1,043	693	1,091
Interest-free liabilities	1,864	1,764	2,003
Total shareholders' equity, provisions and liabilities	**5,047**	**4,591**	**5,284**
Assets pledged	180	41	35
Contingent liabilities	118	146	127

CHANGES IN SHAREHOLDERS' EQUITY

SEK M	July 31, 2006	July 31, 2005	April 30, 2006
Opening balance	1,868	1,694	1,694
Changed accounting principle		11	11
IFRS 2 cost and deferred tax	0	15	25
IAS 39 unrealized cash flow hedges	5	-24	-3
Option premiums and warrants exercised	1		19
Dividend			-207
Repurchase of shares	-100		
Translation differences	-23	86	25
Net income	60	20	304
Closing balance	1,811	1,802	1,868

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KEY FIGURES	12 months May - Apr. 2003/04	12 months May - Apr. 2004/05	12 months May - Apr. 2004/05*	12 months May - Apr. 2005/06	3 months May - July 2005/06	3 months May - July 2006/07
Order bookings, SEK M	3,262	3,558	3,558	4,705	952	987
Net sales, SEK M	2,900	3,152	3,152	4,421	869	996
Operating result, SEK M	306	349	364	453	35	85
Operating margin	11%	11%	12%	10%	4%	9%
Profit margin	11%	12%	12%	10%	3%	9%
Shareholders' equity, SEK M	1,413	1,674	1,694	1,868	1,802	1,811
Capital employed, SEK M	1,644	2,507	2,527	2,959	2,495	2,854
Equity/assets ratio	46%	37%	38%	35%	39%	36%
Net debt/equity ratio	-0.65	0.05	0.05	0,06	0,16	0,19
Return on shareholders' equity **	17%	16%	16%	17%	13%	19%
Return on capital employed **	20%	20%	21%	18%	17%	21%

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

DATA PER SHARE	12 months May - Apr. 2003/04	12 months May - Apr. 2004/05	12 months May - Apr. 2004/05*	12 months May - Apr. 2005/06	3 months May - July 2005/06	3 months May - July 2006/07
Earnings per share						
before dilution, SEK	2.54	2.56	2.69	3.23	0.21	0.64
after dilution, SEK	2.54	2.56	2.69	3.21	0.21	0.63
Cash flow per share						
before dilution, SEK	3.71	-11.09	-11,09	1.68	-1.63	-1.51
after dilution, SEK	3.71	-11.06	-11,06	1.67	-1.62	-1.50
Shareholders' equity per share						
before dilution, SEK	15.16	17.80	18.02	19.80	19.16	19.36
after dilution, SEK	15.44	18.63	18.84	20.45	19.97	20.01
Average number of shares						
before dilution, 000s	97,756	93,991	93,991	94,136	94,028	94,083
after dilution, 000s	97,756	94,182	94,182	94,785	94,689	94,711
Number of shares at closing						
before dilution, 000s	93,199	94,028	94,028	94,332	94,028	93,548
after dilution, 000s	93,199	95,703	95,703	95,703	95,703	94,887

* Restated according to IFRS.
Dilution in 2003/04 refers to warrants program 2000/2003.
Dilution in 2004/05-2005/06 refers to warrants program 2004/2008.
All historical data restated for split 3:1 October 2005.