



*Human Care Makes  
the Future Possible*

## Acquisition of Nucletron

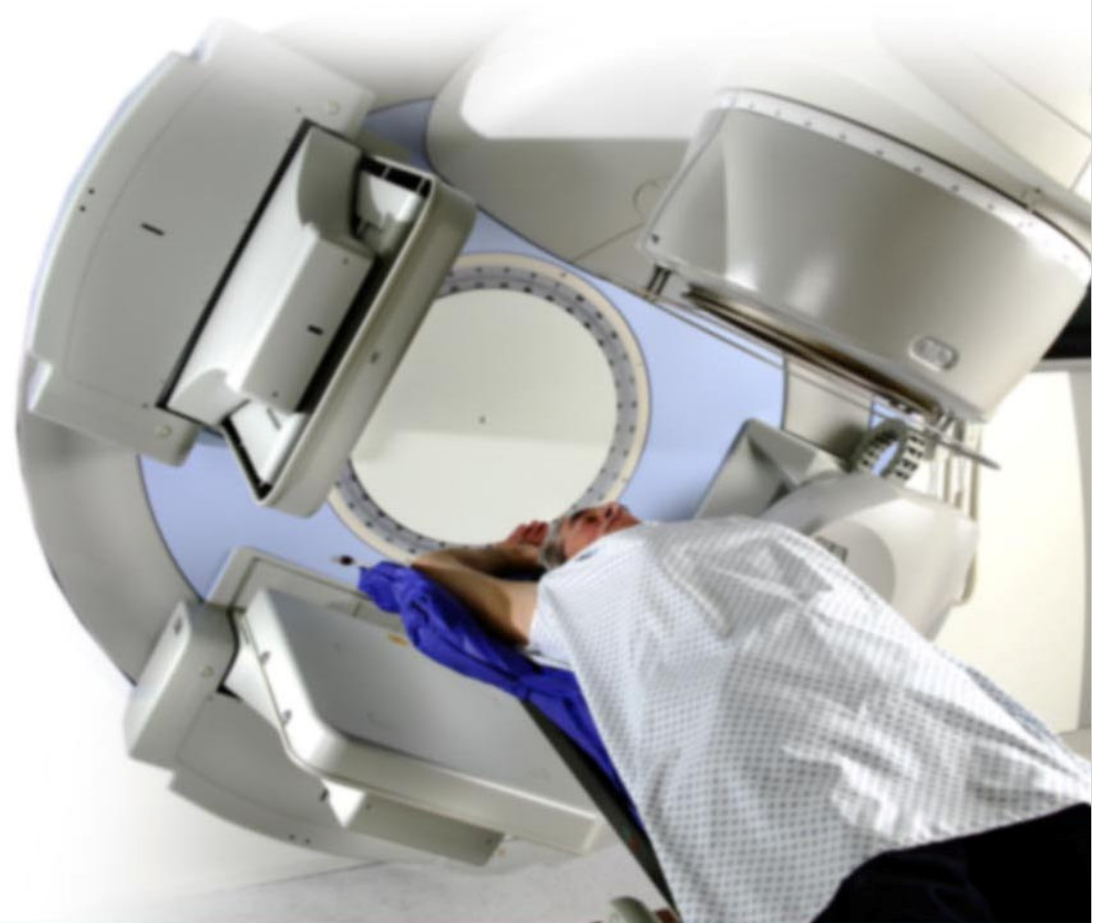
Building a stronger position in the  
cancer care market

June 2011



# Agenda

- 1. Transaction Overview**
- 2. Overview of Nucletron**
- 3. Strategic Rationale**
- 4. Financial Considerations**
- 5. Summary**
- 5. Q&A**





*Human Care Makes  
the Future Possible*

## Transaction overview



# Transaction overview

- Elekta has signed a definitive agreement to acquire Nucletron, the worldwide leader in brachytherapy treatment planning and delivery
- Key transaction details:
  - Value: €365m in cash
  - Financing: Existing cash + available credit facilities
  - Closing conditions: Subject to customary regulatory approvals
  - Date of expected close: Early Autumn 2011
- Deal approved by both companies' Board of Directors
- Elekta already has a longstanding partnership with Nucletron via several worldwide distribution and marketing agreements since 1998







*Human Care Makes  
the Future Possible*

## Overview of Nucletron



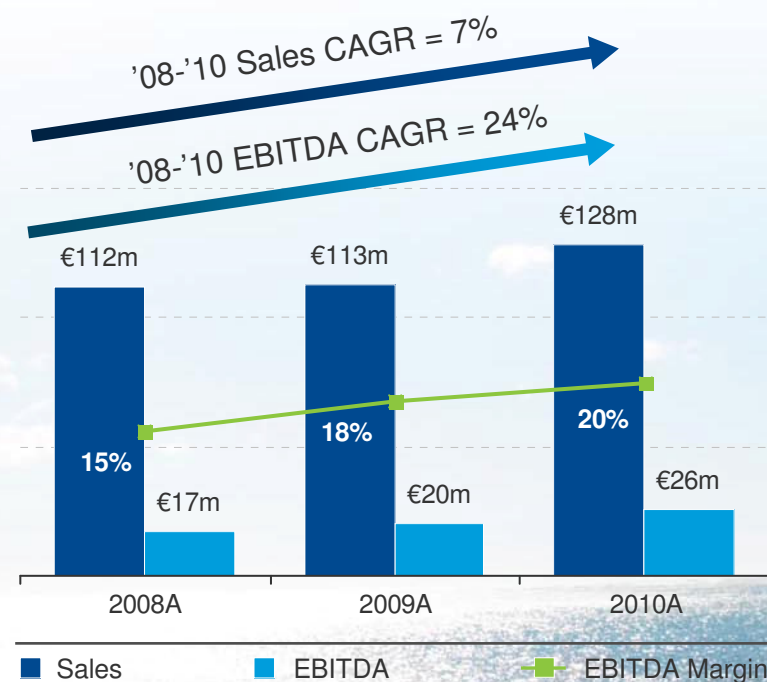
# Company snapshot

## Company overview

- Headquartered in Veenendaal, Netherlands; Founded in 1975; ~500 employees
- Highly successful radiotherapy company specialised in Brachytherapy treatment solutions, treatment planning and related products
- #1 in Brachytherapy globally
- Global presence
  - Direct sales in 27 countries
  - Offers services and solutions to more than 3,000 institutions worldwide with high recurring revenue from the installed base
- Experienced management team with medical / radiation therapy background

## Financial profile

- Solid financial performance
  - 2010 sales growth of 14%
  - 2010 EBITDA growth of 29%



Source: Company website

# State of the art product portfolio

## Brachytherapy

- Brachytherapy involves precisely placing a radiation source internally, either into or immediately next to the cancerous tumour
- Able to reach sites not typically accessible via external beam
- Prevalent in gynaecological, prostate and breast cancers
- Key brachytherapy products include Flexitron, MicroSelectron and Oncentra Brachy

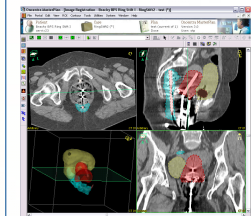
### Afterloaders



### Applicators

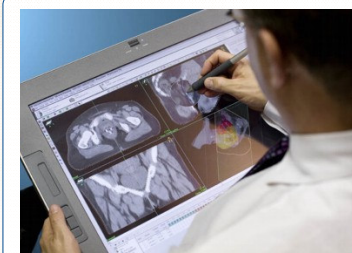


### Software



## Treatment planning

- Offers a full spectrum of treatment planning software, including those for the key modalities within external beam



## Treatment simulation and imaging

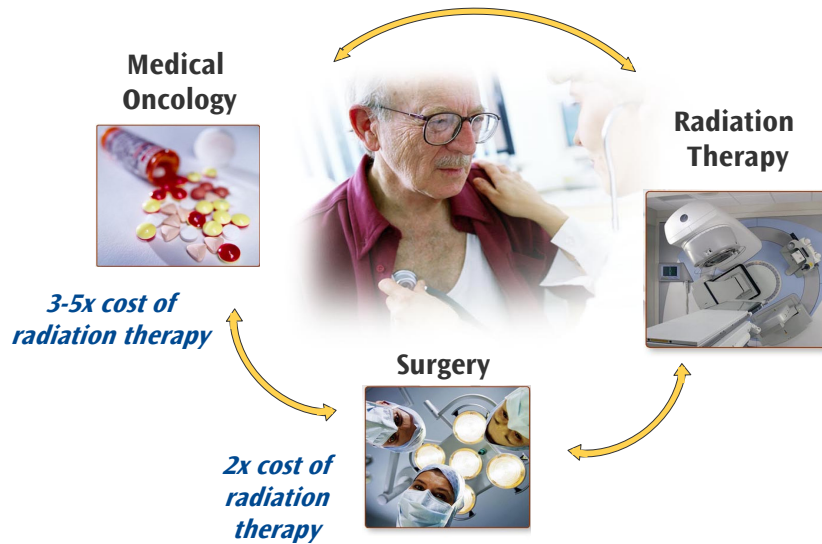
- Radiation therapy simulator solutions - complementary to brachytherapy and external beam offering
- Key products include: IBU-Digital and Simulix Evolution



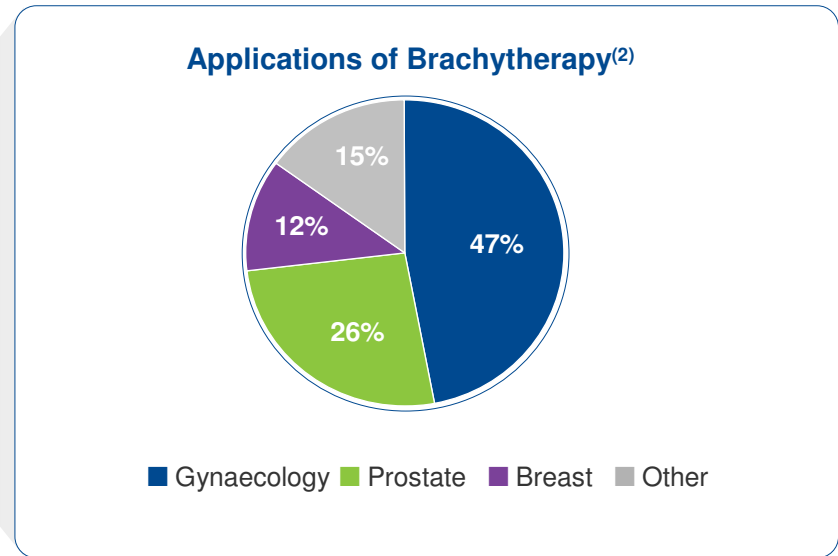


# Brachytherapy's important role in cancer care

Radiation therapy (RT) is an integral part of cancer care



Brachytherapy accounts for ~5-10% <sup>(1)</sup> of the RT market

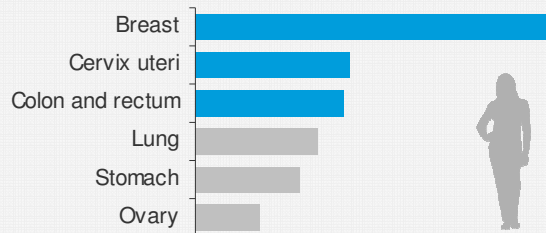


## Brachytherapy treats most major cancer types

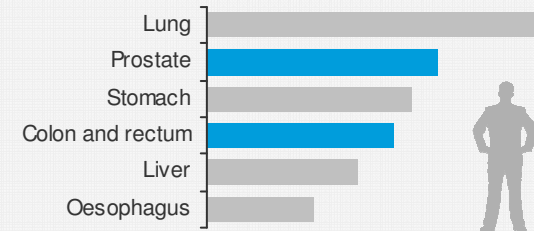
- Breast cancer incidence is the fastest growing in females<sup>(3)</sup>
- Prostate cancer incidence is the fastest growing in males<sup>(3)</sup>

■ Cancer types treated with brachytherapy

### Most common cancers in women



### Most common cancers in men



Source: WHO, Cancer Atlas 2002, Global data

(1) Elekta and Nucletron estimates

(2) GEC ESTRO Patterns of Care Study

(3) CA Cancer J Clin 2006; 56:106-130





*Human Care Makes  
the Future Possible*

## Strategic rationale



# Consistent with Elekta's acquisition criteria

## Strategic fit of technology

- Highly complementary product and technology portfolio
- Enhances ability to develop new oncology solutions

## Geographic expansion

- Further expands Elekta's reach and product offering in fast growing emerging markets and Asia Pacific



## Strong fit with customer base

- Core focus on oncology and cancer care markets
- Radiation therapy market customer focused

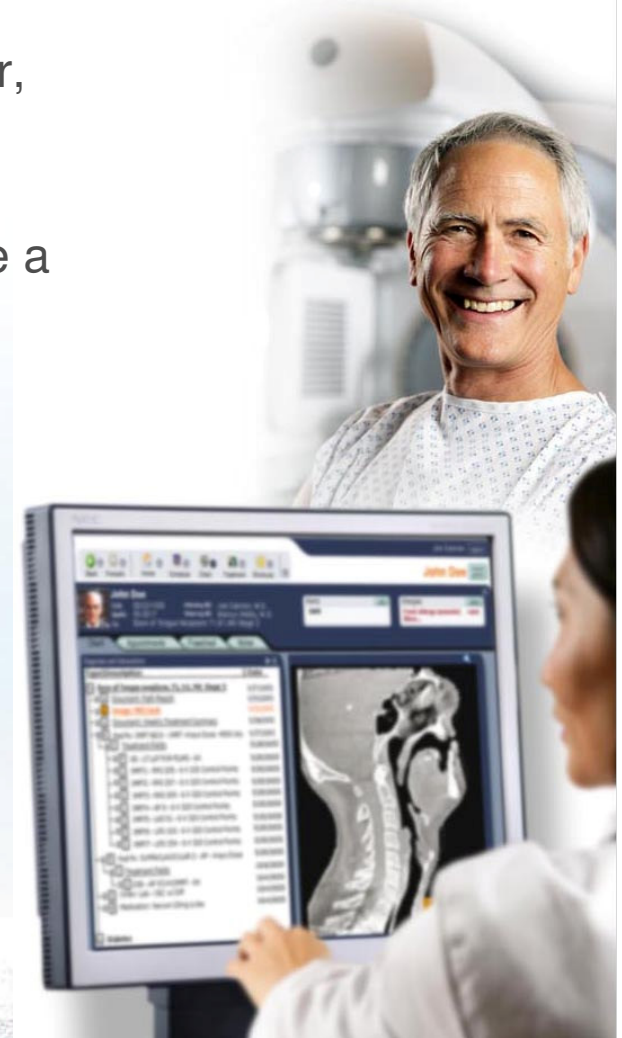
## Strong distribution capacity

- Highly regarded direct sales force in 27 countries including Brazil, China and India
- Network of distributors in 75 countries worldwide

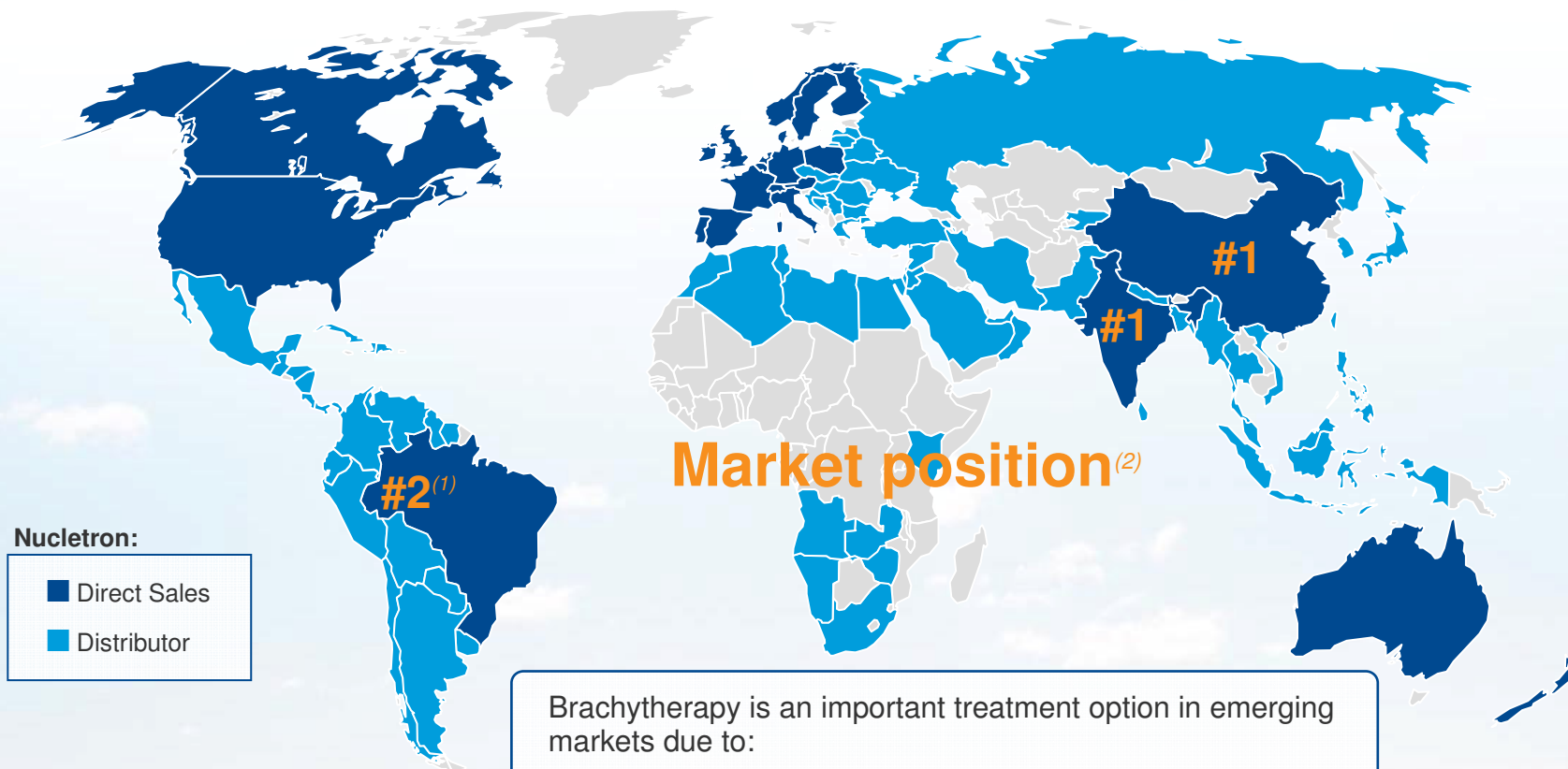
The acquisition is in line with Elekta's ambition of building a leading position in the cancer care market

# Customers and patients will benefit from improved service offerings and reduced treatment times

- c.250,000 patients are treated by Nucletron each year, while Elekta treats c.650,000 annually
- Today's complex cancer types and treatments require a high degree of multimodality and flexibility
- The combined company will be able to offer:
  - Precise and complete treatment options
  - Improved cancer cure rates
  - Reduced side effects
  - Reduced total treatment and recovery time
  - Lower costs and...
  - ...Most importantly, improved patient outcomes



# Elekta will have better access to oncology care in fast-growing emerging markets



Source: Company information and estimates

(1) Includes Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru, Venezuela, Bahamas, Barbados, Cuba, Puerto Rico and Trinidad and Tobago.

(2) Market position based on afterloader installed base; source: Nucletron





*Human Care Makes  
the Future Possible*

## Financial considerations



# Financial considerations

- Transaction valued at €365m on a cash and debt free basis
- Acquisition will add c.15% percent to Elekta's sales
- Expected to yield good growth with attractive revenue opportunities by taking mutual advantage of Nucletron's presence in Asia and Elekta's global footprint and enhanced customer solutions
- Accretive to cash earnings within 12 months
- Conservative leverage ratios post transaction
- Strong pro forma cash flow generation



*Human Care Makes  
the Future Possible*

## Summary



# Summary

- Strong technologic fit and opportunities
- Broadens product and service offerings
- Expands presence in emerging markets
- Accretive to cash earnings within 12 months







*Human Care Makes  
the Future Possible*

## Q&A

