



*Human Care Makes  
the Future Possible*

# Elekta

Q1 report 2013/14

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# Outlook for fiscal year 2013/14 unchanged in local currency

- Demand in line with expectations
  - Good growth in Europe and Asia
  - Tough comparison in North- and South America
- Net sales +21%\*
  - Strong deliveries in all regions
- EBITA of SEK 148\*\* M (131)
- Significantly stronger cash flow anticipated for the remainder of the year
- Good progress in R&D program
- Business outlook remains unchanged



\*Based on unchanged exchange rates

\*\*Before non-recurring items

# Regional overview

## North and South America

- North America
  - Still uncertainty in US on health care reform and reimbursement for free-standing hospitals which is causing some delays
  - Also trend towards larger orders driven by ACOs
  - Good momentum on Versa HD™
- South America – tender for 80 linear accelerators ongoing in Brazil
- Contribution margin: 34% (31)



SEK M	Change	May – July 2013/14	May – July 2012/13
Order bookings	-30%	<b>623</b>	895
Net sales	+9%	<b>770</b>	708

\*Based on unchanged exchange rates

## Regional overview

# Europe, Middle East and Africa

- Order bookings increased by 18%\*
- Good order growth and solid pipeline in established markets
- Strong momentum in Eastern Europe and Middle East past 6 months
- Contribution margin: 28% (29)



SEK M	Change	May – July 2013/14	May – July 2012/13
Order bookings	+14%	<b>712</b>	624
Net sales	+20%	<b>582</b>	484

\*Based on unchanged exchange rates

# Regional overview

## Asia Pacific

- Order bookings up 8%\* in Q1
  - Significant negative currency effect
- Further strengthening the market-leading position in China. Investment in "state of the art" education & training facility.
- Positive trend in Japan – continue to leverage the Toshiba collaboration
- Contribution margin: 21% (25)

SEK M	Change	May – July 2013/14	May – July 2012/13
Order bookings	-6%	<b>692</b>	733
Net sales	+11%	<b>560</b>	503



\*Based on unchanged exchange rates

# Good deliveries, order activity in line with expectations

- Net sales grew by 21%\*
- Gross margin at 42% (44)
  - Impact from currency, product mix and US medical device tax
- EBITA\*\* of SEK 148 M (131)
  - R&D expenditures, before capitalization, increased to SEK 286 M (217)
- One-off costs of SEK 34 M
  - Mainly legal costs
- Taxes expected to trend down to 23% during coming years

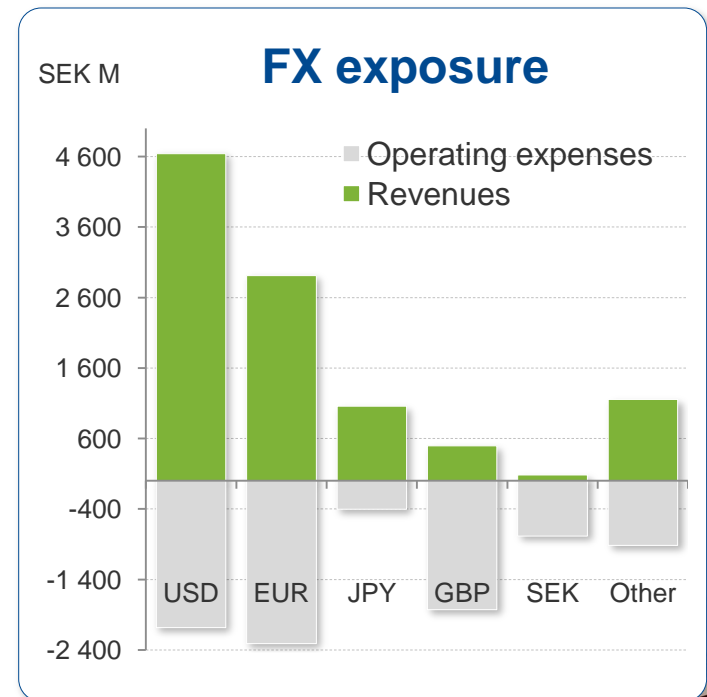


\*Based on constant exchange rates

\*\* Excluding non-recurring items

# Volatility on currency markets

- Estimated currency effect for 2013/14
  - Net sales: -4 percentage points
  - EBITA: -5 percentage points
- Volatility on currency markets. End of July changes (Y/Y)
  - **USD: -6%**      - **GBP: -8%**
  - **JPY: -25%**    - **EUR: -2%**
  - **AUD: -11%**
- Negative currency effect in Q1 SEK -65



# Strong cash flow for the remainder of the year

- **Cash flow after continuous investments**  
**SEK -584 M (-175)**
  - Large share of annual tax payments in Q1
  - Support future growth
  - **Seasonal increase of working capital**
    - Inventory build up for planned deliveries
    - Lower accounts payable due to lower activity
  - **Higher investments**
    - MR linac project – bunkers
    - R&D, training and education centers





# Elekta's strategy for sustainable profitable growth

- Technology leadership – increased activity within product development
  - Versa HD™
  - MR linac
- Emerging markets
  - Availability, training and education
- Cancer incidence is growing



# Outlook in local currency unchanged

- For the fiscal year 2013/14, net sales is expected to grow by more than 10%\*
- EBITA is expected to grow by approximately 10%\*
- Currency is estimated to have a negative impact of about 5 percentage points on EBITA growth



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