

Elekta London road show

Richard Hausmann, President and CEO

April 25, 2017

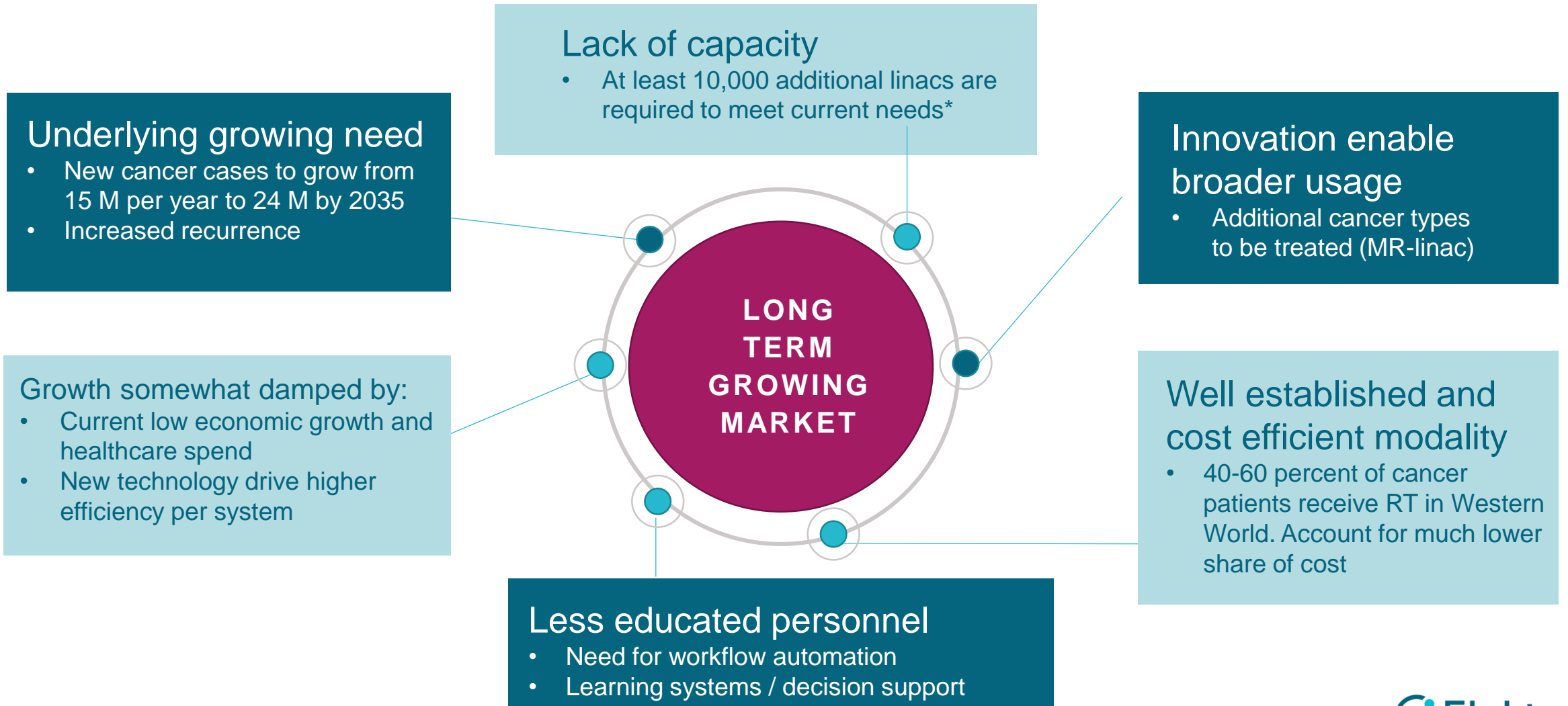




Elekta – global leader in radiation therapy

- One of the two major global companies in radiation therapy
- Active on 120 markets globally
- ~40% global market share; leader in Asia Pacific and Europe
- Over 1 M treatments per year
- 3,700 installed systems
- 3,600 employees worldwide
- Net sales SEK 10.6 bn
- Listed on the Nasdaq OMX Nordic Exchange since 1994

Radiation therapy – underlying growth potential



ONCOLOGY INFORMATICS

Treatment pathway centric
Vendor & therapy agnostic
Localized to markets

SURGERY

RADIATION & MEDICAL ONCOLOGY

EMR

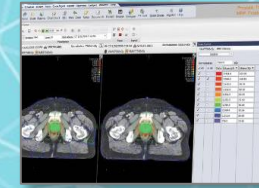
PARTIAL THERAPY



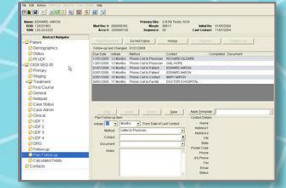
MOSAIQ
Oncology specific EMR



MOSAIQ
Oncology Analytics



MOSAIQ
Image & Plan Review



METRIC/LGK
Cancer Registries

Oncology Informatics Portfolio

TREATMENT SOLUTIONS

Precise & Efficient
Imaging centric
Adaptive workflows



Linacs
Portfolio



Neuro
Portfolio

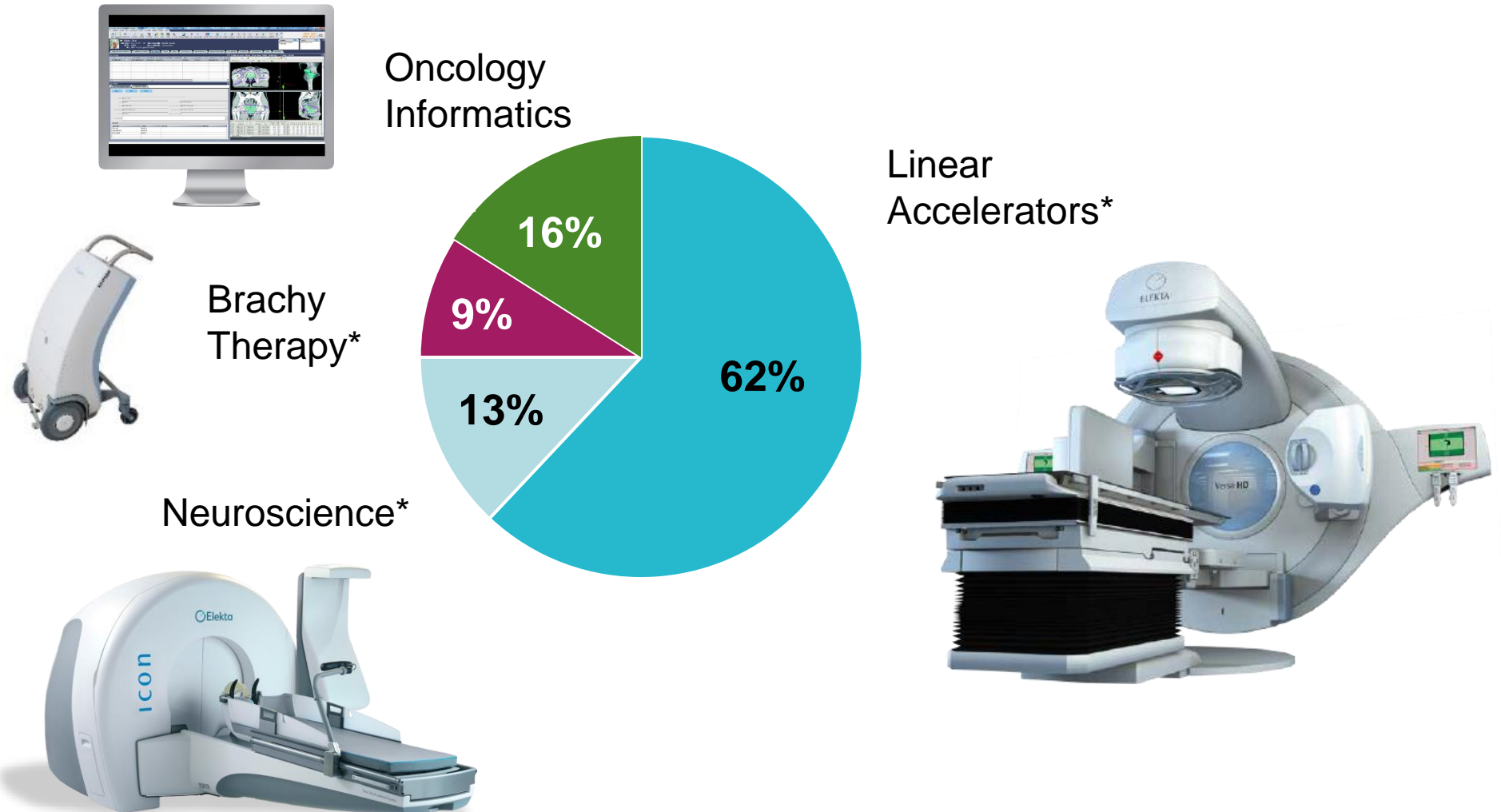


Brachy
Portfolio



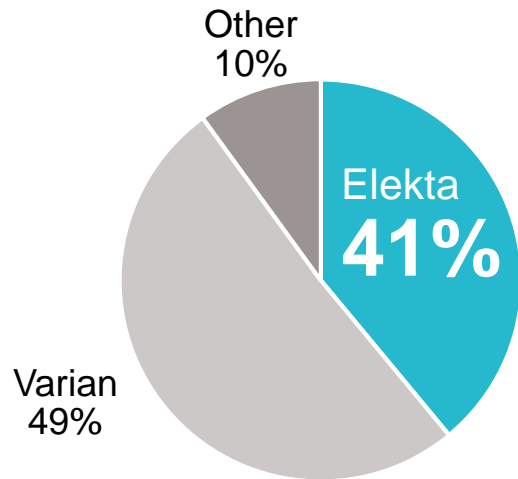
MR-Linac
(Research)

Elekta's revenue base (Q3 rolling 12 months)

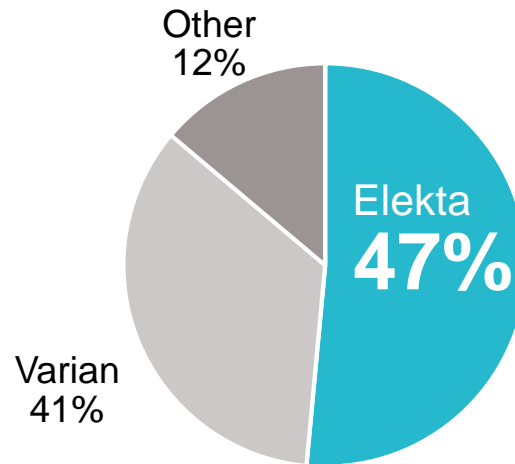


Market position in linear accelerators

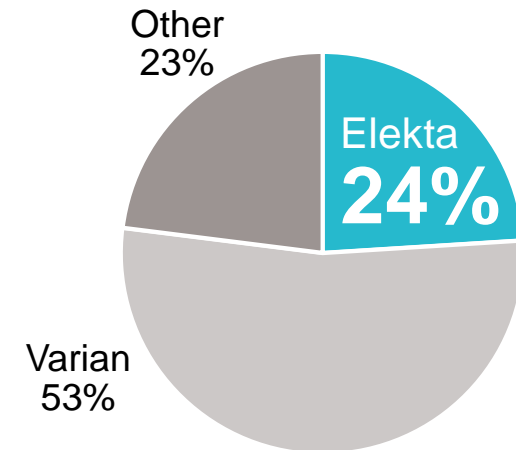
NEW ORDERS*



NEW SOCKETS**



INSTALLED BASE



*Order intake of linear accelerators last twelve months

**New radiation therapy departments or expansion by new bunker

Focus areas:

1. Innovation

2. Transformation



Focus areas:

1. Innovation

2. Transformation



“To create the possible we have to constantly try the impossible”

Hermann Hesse

The innovation opportunities for radiotherapy

More outcome and focus where it matters

Image guidance

- High field MR as the ultimate soft tissue imaging tool
- Adaptive workflows to save healthy tissue by reducing margins!

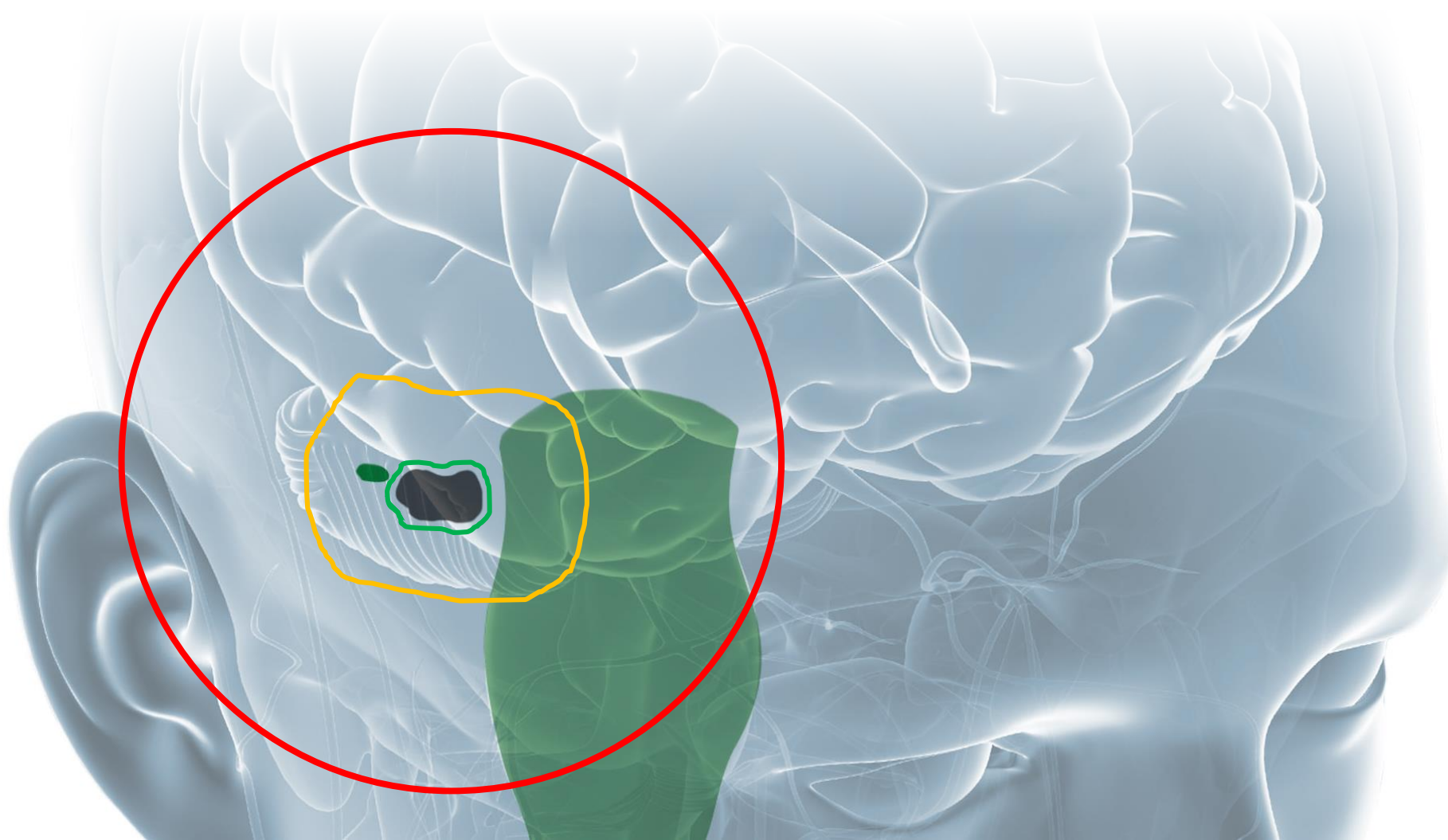
Workflow

- Integrated and automated workflows on treatment units
- Seamless integration of alternative treatments on OIS level

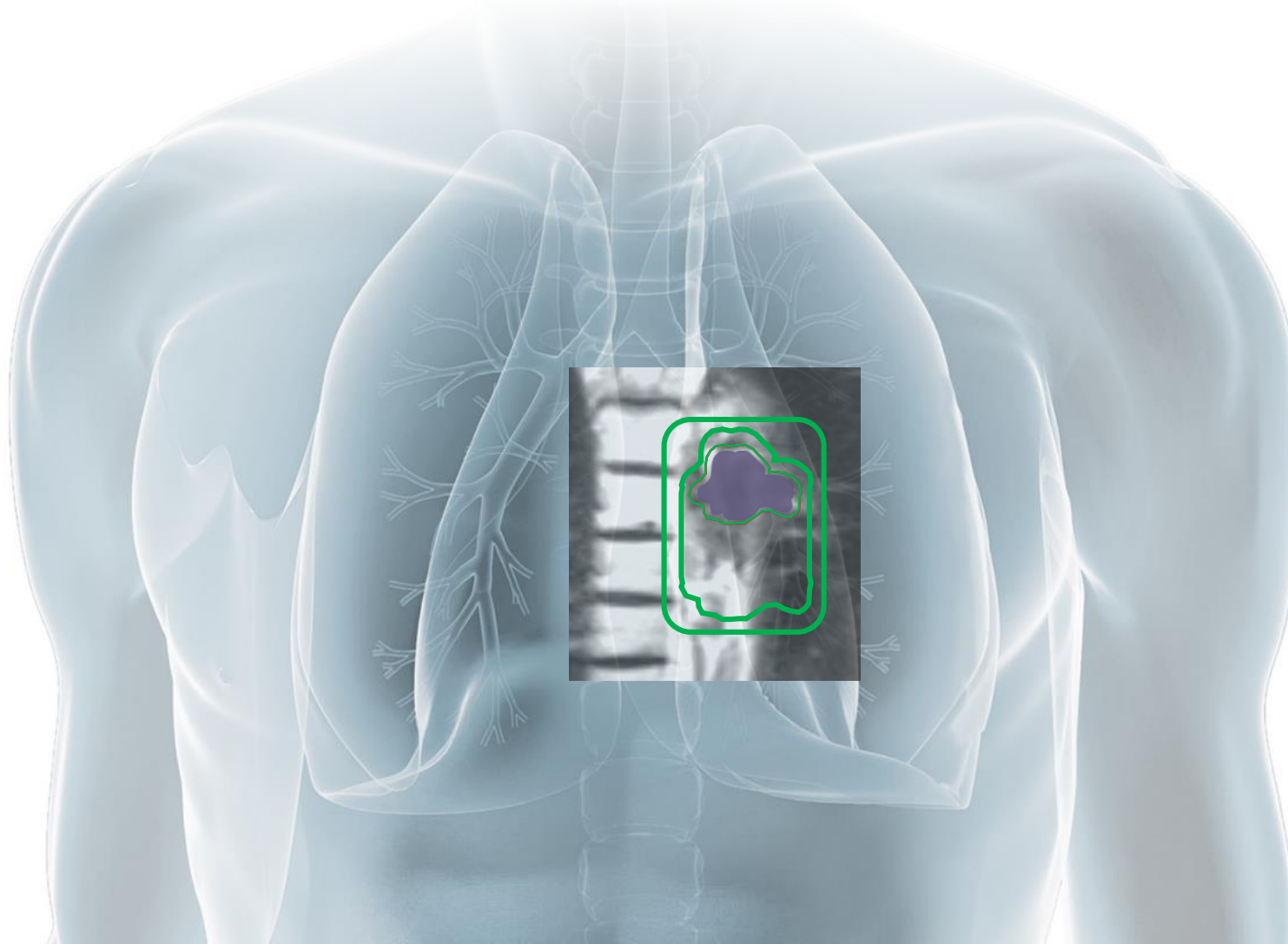
Automation

- Big data applications
- Decision support with self learning
- Analytics for efficiency improvements and patient outcomes

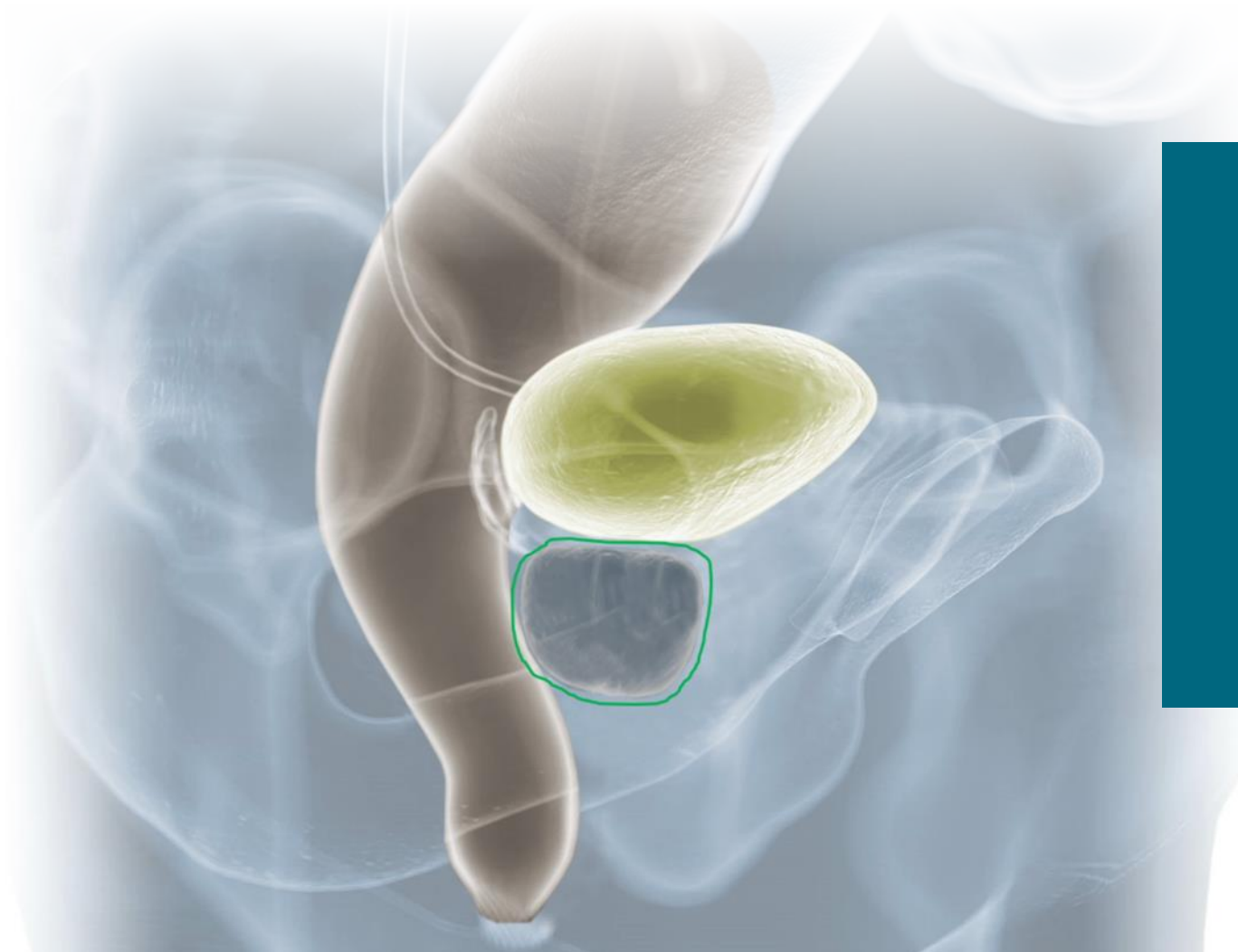
Wrapping high dose as tight as possible to a target is sufficient in static situations...



...but targets often move and only advanced imaging helps reduce margins and further limit dose to healthy tissue...



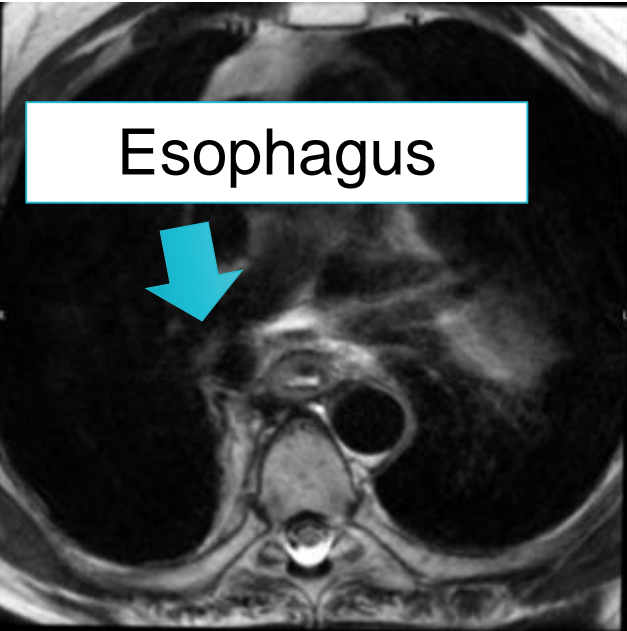
...and for day-to-day changes of shape and position, seamless and on-line plan adaptation is vital.



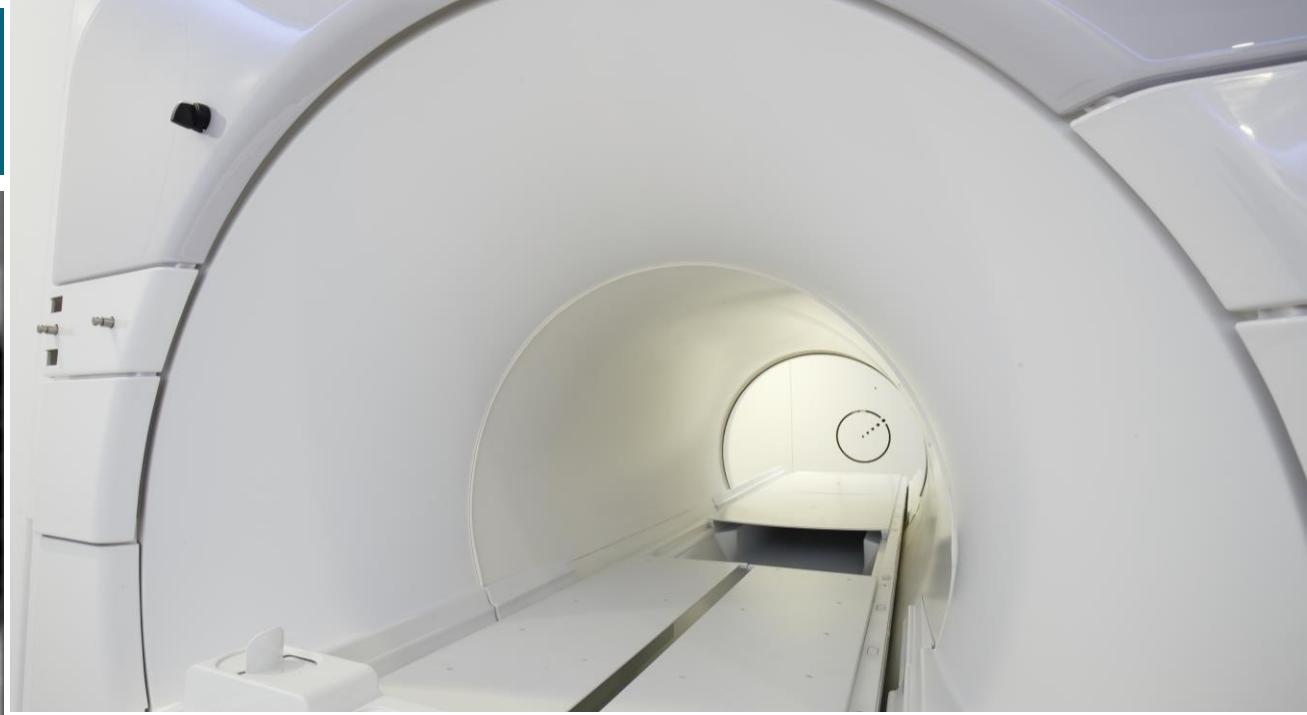
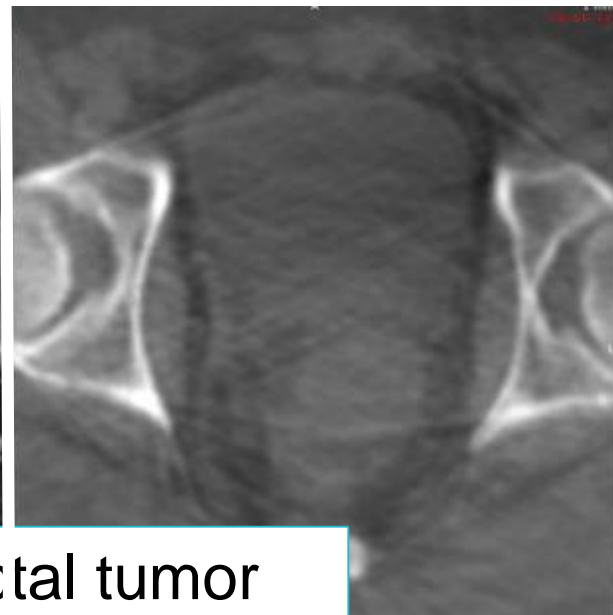
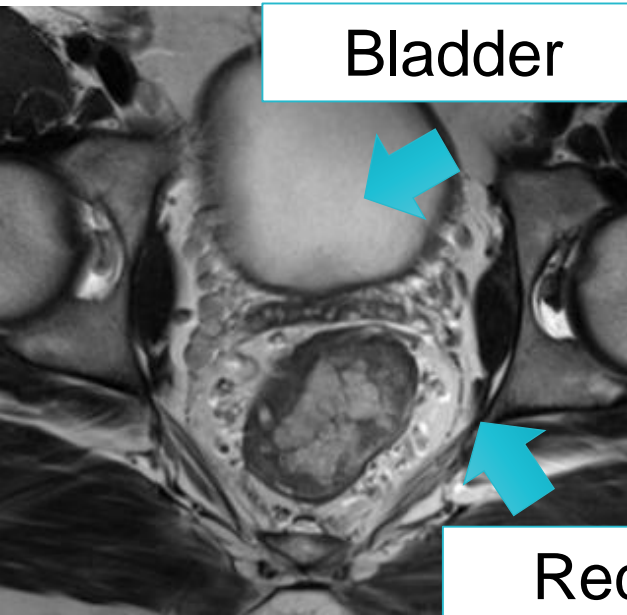
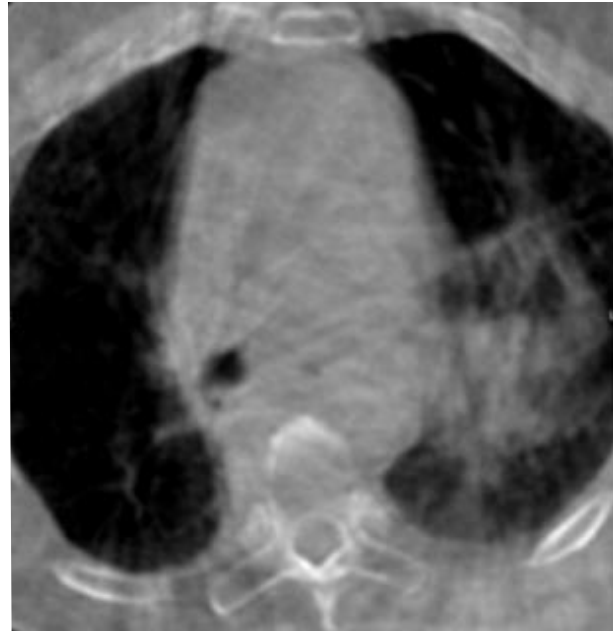
ONLINE ADAPTIVE

- Diagnostic Imaging
- Dose Calculation
- Dose Adjustment
- Repositioning
- Plan Adaptation

MR-Linac
(New)



Cone Beam IGRT
(Today)



MR-Linac

Brings together the capability of high-field diagnostic MR imaging, the highest standard of precision radiation therapy delivery and sophisticated adaptive workflow software **for the first time.**

How to navigate in today's RT-world

Plan dose



Anatomical changes



Patient moves

Arrive at actual delivered dose



Adaptive navigation provides *actual* information to decide how to best reach destination

No harm to healthy tissue



IGRT added navigation



Faster cars

7 consortium sites



The Christie
School of Oncology



5 commercial systems



香港中文大學
The Chinese University of Hong Kong



12 MR-linac customers to date

**Ambition:
75 orders
until 2019**

**Launch in
H2 calendar
year 2017**

Focus areas:

1. Innovation

2. Transformation



Transformation for profitable growth on track

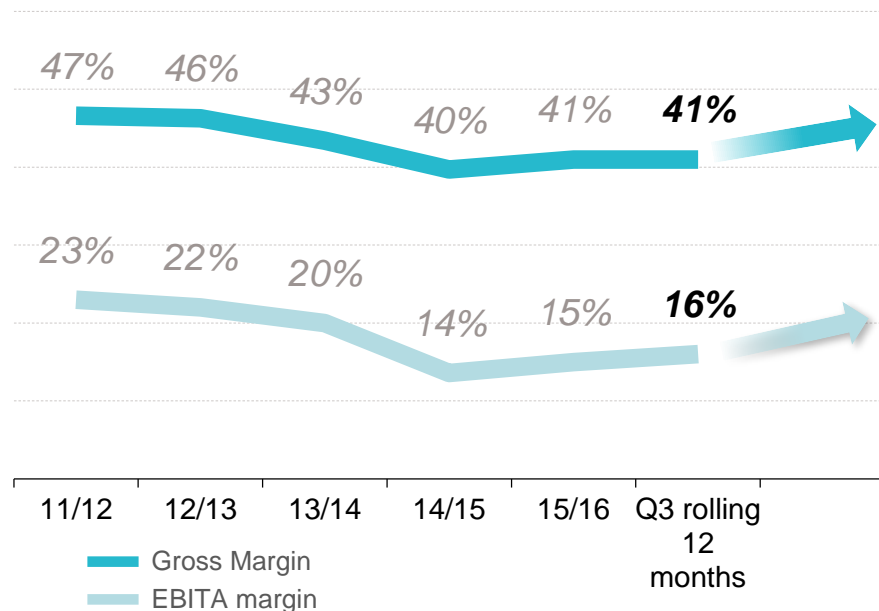
Objectives

- Improve processes and structure
- Reduce cost and restore profitability
- Strengthen cash flow and reduce working capital
- Improve customer experience and drive excellence in product development



Ambition is to improve EBITA margin to >20%

Margin development* (illustrative)



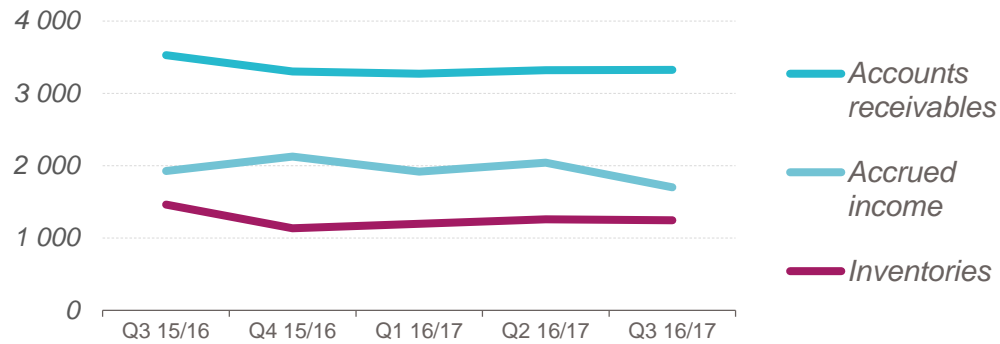
Transformation program targets

EBITA margin of >20% by 2017/18		
Cost reductions of SEK 700** M with full effect 2017/18	Net working capital to sales below 5% by 2016/17	Produce-to-order process. One-off revenue effect was SEK 650 in H1 2016/17
Realized SEK 535 M as of Q3 ✓	Net working capital to sales at 1% ✓	Implemented ✓

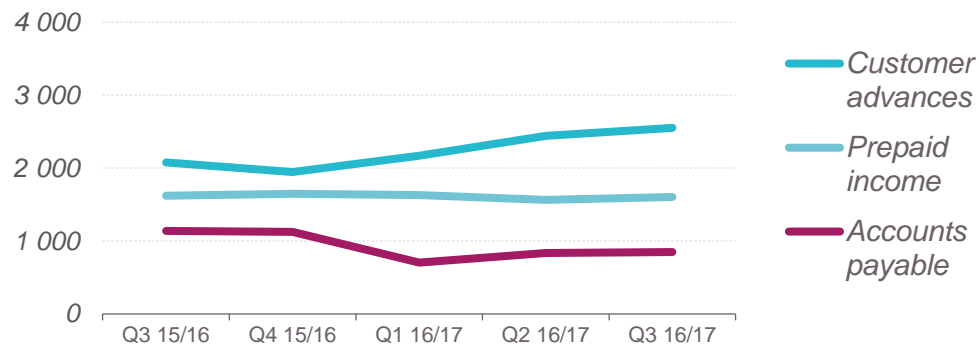
* EBITA-margin for 2014/15 and onwards is adjusted for items affecting comparability and bad debt losses
 ** Base year 2014/15, excluding currency effect and bad debt

Net working capital at 1% of net sales*

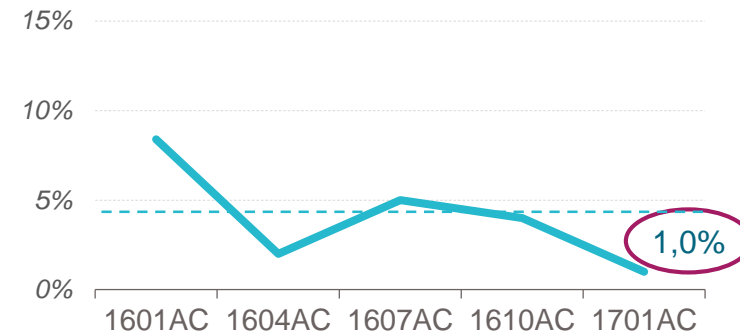
KEY WORKING CAPITAL ASSETS



KEY WORKING CAPITAL LIABILITIES



NET WORKING CAPITAL as % of SALES



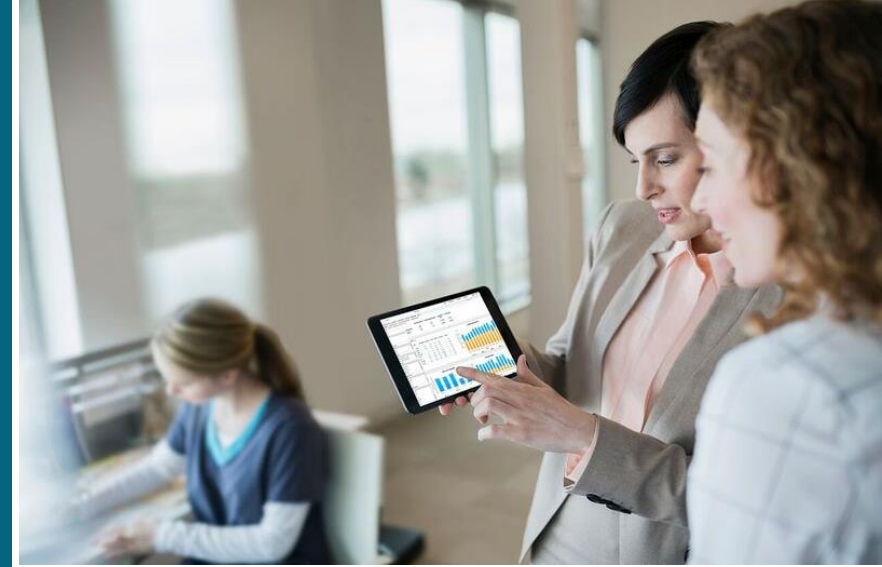
- DSO at 30 days (56)
- Lower accrued income
- Target to reduce inventories



UNIQUE POSITION
in long-term growing market

STRONG PRODUCT OFFERING
and leading R&D portfolio

TRANSFORMATION ON TRACK
for operational excellence and profitable growth



Focus where
it matters.

