Q4 report

June 1, 2018

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President and CEO

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CFO

Elekta

Important information

This presentation includes forward-looking statements including, but not limited to, statements relating to operational and financial performance, market conditions, and other similar matters. These forward-looking statements are based on current expectations about future events. Although the expectations described in these statements are assumed to be reasonable, there is no guarantee that such forward-looking statements will materialize or are accurate. Since these statements involve assumptions and estimates that are subject to risks and uncertainties, results could differ materially from those set out in the statement. Certain of these risks and uncertainties are described further in the Annual Report in section “Risks and uncertainties”. Elekta undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or stock exchange regulations.

This presentation is intended for investors and analysts only. Some products are still in research and/or not cleared/approved in all markets. Cancer statistics are given to show the potential market in the respective area and does not mean that Elekta currently has products to treat these indications

Richard Hausmann

President and CEO

2017/18 – a successful year

Good growth in orders and net sales

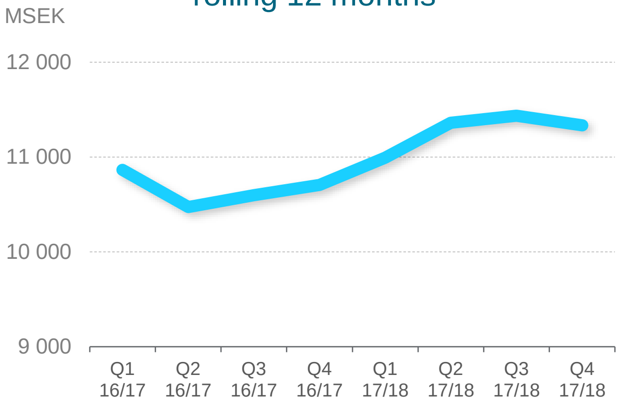
Strengthened organization and improved processes

Higher EBITA-margin

Elekta Unity on track – 16 new orders (for the year)

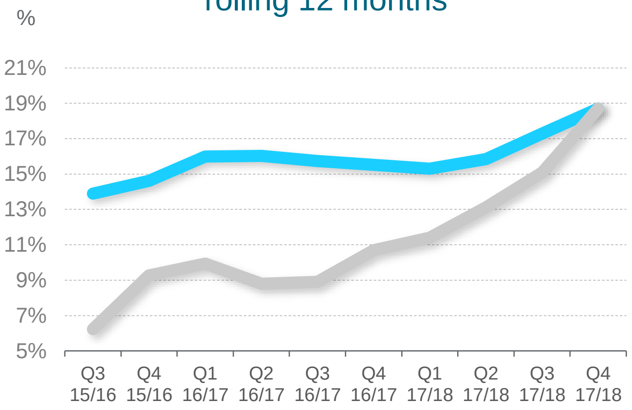
Net sales

rolling 12 months



EBITA-margin

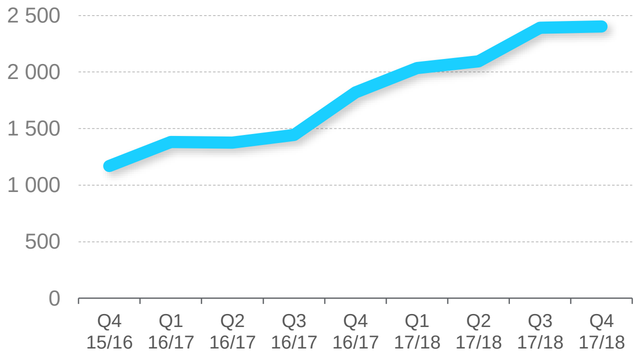
rolling 12 months



Including one-off items

Cash flow

from operating activities rolling 12 months



Communicated targets for 2017/18 reached

Growth ✓

Reach
~19%
EBITA margin ✓

Net working capital
<5%
to net sales ✓

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Strong performance in Q4

- **Order intake +10% in Q4 (+5% YTD)**
- **Net sales flat in Q4 (+8% YTD)**
  - Good growth in Linacs, Monaco® TPS and Leksell Gamma Knife®
  - Unchanged revenues in Q4 - in line with efforts to have more even quarters throughout the year
- **EBITA margin improved 4 ppts to 25% in Q4 and by 3 ppts to 19% YTD**
  - Higher volumes, cost control and currency
- **EBIT grew by 157% for the year**
- **Strong cash flow +30% for the year**
  - Operating cash flow SEK 2.4 bn YTD
  - Net working capital to net sales - 10%

Q4

Good growth in order intake

NORTH AND SOUTH AMERICA

+10% in Q4
(YTD +9%)

- Turnaround in US on a good track.
  - strengthened market share
- Solid performance in South America - major orders in Bolivia, Peru and Brazil

EUROPE, MIDDLE EAST AND AFRICA

+28% in Q4
(YTD +4%)

- Strong ending of the year
- 5 Elekta Unity systems to Proton Partners International
- Favorable market development

ASIA PACIFIC

-9% in Q4
(YTD +2%)

- Challenging market conditions in Japan
- 2 Elekta Unity systems to China
- Good momentum in India, South Korea and Australia

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Growing our installed base of treatment solutions

- Total installed base grew by +6% Y/Y.
- Services grew by +6% and accounted for 41% of revenues
- Solid demand and growth in linac business
- Successful year for Leksell Gamma Knife®
- Growing share for treatment planning software Monaco®
- ESTRO - innovation and thought leader

Elekta Unity – 8 new systems booked in Q4

- 28 systems sold and 10 installed to date
- CE-mark process on track for June 2018
- Target installation pace of 1 per month for FY 2018/19
- China: 5 systems to be installed in FY 2018/19 – revenue recognized after regulatory approval

28 systems sold out of the target of 75 until H1 2020

Financial update

Gustaf Salford, CFO

Q4 2017/18 – EBITA improvement

(SEK M)	**Q4 2017/18**	Q4 2016/17
Net sales	3,614	**3,715**
COGS	-2,120	-2,139
Gross margin (%)	**41.3%**	**42.4%**
Expenses	-636	-650
Exchange rate diff.	60	-147
EBITA*	**918**	**779**
EBITA margin (%)	**25.4%**	**21.0%**
Amortization & bad debt	-149	-178
EBIT*	**769**	**601**
Items affecting comp.	0	-253
Net financial items	-59	-51
Income taxes	-166	-204
Net profit	**544**	**93**
EPS	**1.42**	**0.24**

*Before items affecting comparability and bad debt losses; **In local currency*

- Net sales flat in Q4
- Gross margin; higher 3rd party revenues with low margin. Lower than expected COGS savings
- No items affecting comparability
- EBITA grew 18%

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Continued cost control

	2017/18			2016/17	
SEK M	Q4	Q3	FY	Q4	FY
Selling expenses	-326	-277	-1,208	-296	-1,165
Administrative expenses	-224	-244	-948	-248	-928
R&D expenses	-234	-264	-1,095	-285	-1,018
TOTAL	**-784**	**-785**	**-3,252**	**-828**	**-3,111**

- ESTRO trade show in Q4
- Elekta Unity towards finalization, lower expenses, but higher capitalization of R&D costs
- Low admin expenses in Q4

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2017/18 - growth and operating leverage

(SEK M)	Full year 2017/18	Full year 2016/17
Net sales	11,333	10,704
COGS	-6,584	-6,277
Gross margin (%)	**41.9%**	**41.4%**
Expenses	-2,675	-2,565
Exchange rate diff.	42	-201
EBITA*	**2,116**	**1,661**
EBITA margin (%)	**18.7%**	15.5%
Amortization & bad debt	-578	-546
EBIT*	**1,538**	**1,115**
Items affecting comp.	0	-518
Net financial items	-163	-257
Income taxes	-276	-214
Net profit	**1,099**	**126**
EPS	**2.88**	**0.33**

*Before items affecting comparability and bad debt losses; **In local currency

- Net sales +8% for the year in constant currency
- Gross margin improved 0.5 ppts; volumes and cost control
- EBITA margin at 19% for the year
- Lower net financial items; refinancing
- Tax rate at 20%
- Good bottom line leverage

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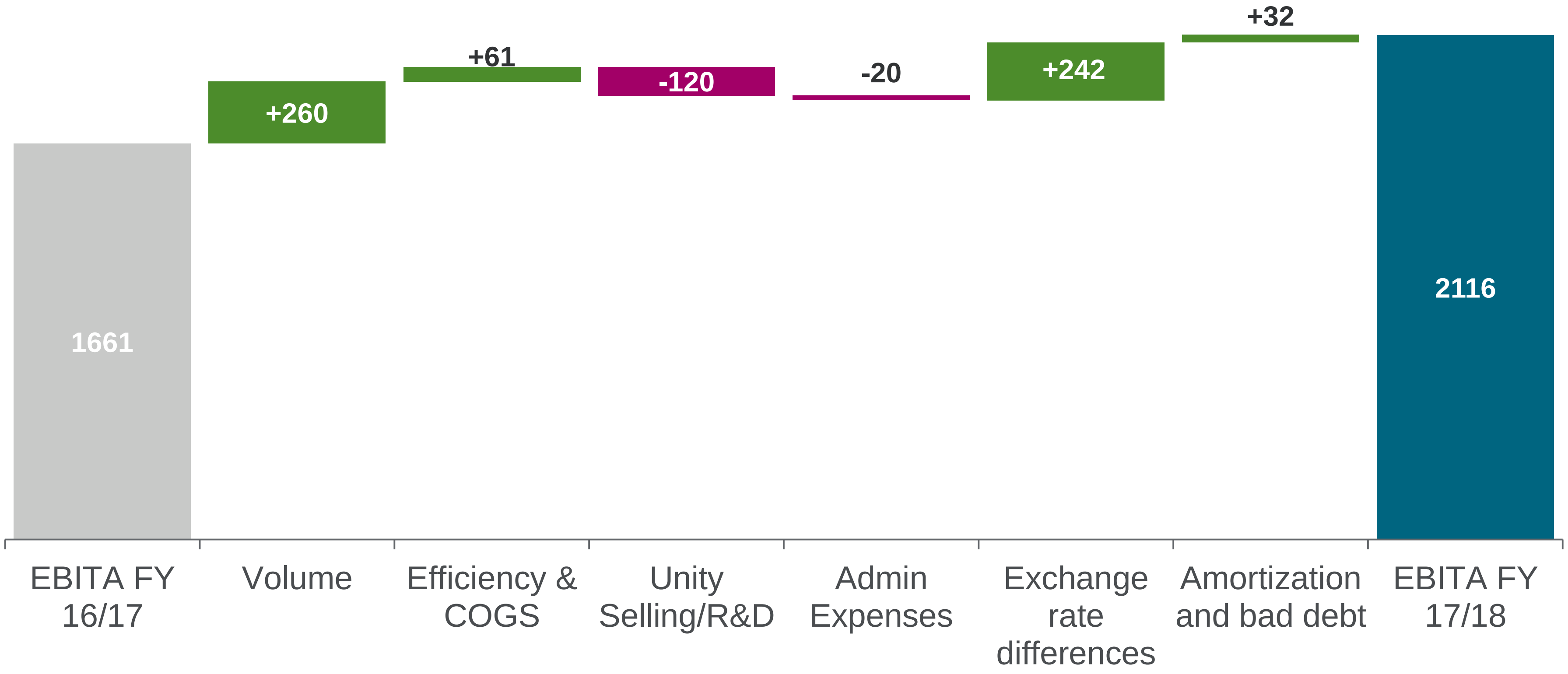
EBITA* bridge compared with last year

(MSEK)



Currency effect 2017/18 *(SEK M, Y/Y)*	
• Effect on net sales:	-230
• Effect on expenses	+148
• Exchange rate differences:	+242
Effect on EBITA	**+160**

Estimated currency effect 2018/19	*(SEK M, Y/Y))*
Effect on EBITA	**+150**

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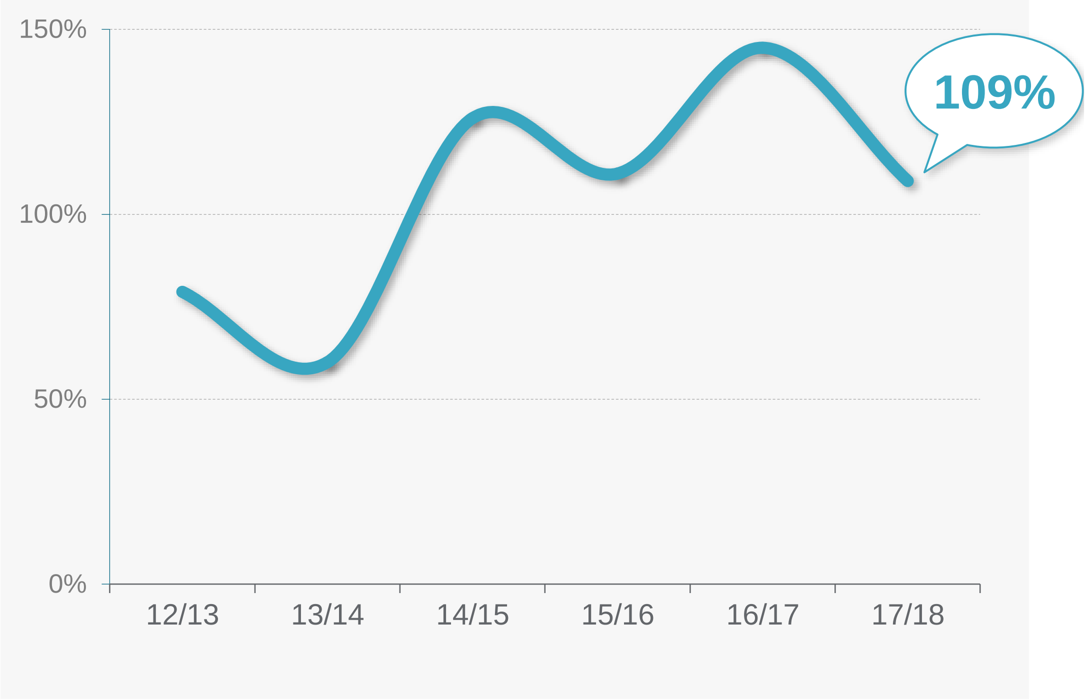
**Before items affecting comparability and bad debt losses*

Continued strong working capital management freeing up capital

Net working capital as % of net sales

Operational cash conversion



Note: *Cash flow from operating activities / EBITDA*

Increased cash flow driven by operating result and working capital improvements

Cash flow	2017/18	2016/17	2015/16
EBITDA	**2 213**	**1 253**	**1,058**
Working capital	351	1 051	461
Financial net	-164	-258	-228
Paid tax	-250	-268	-268
Other	257	50	147
Cash flow from operating activities	**2 404**	**1 819**	**1 170**
Cash conversion	109%	145%	111%

- Improved supply-chain and order fulfillment processes
- DSO at 12 days (33)
- Expect to continue operate with negative net working capital
- Decreased financial net due to refinancing

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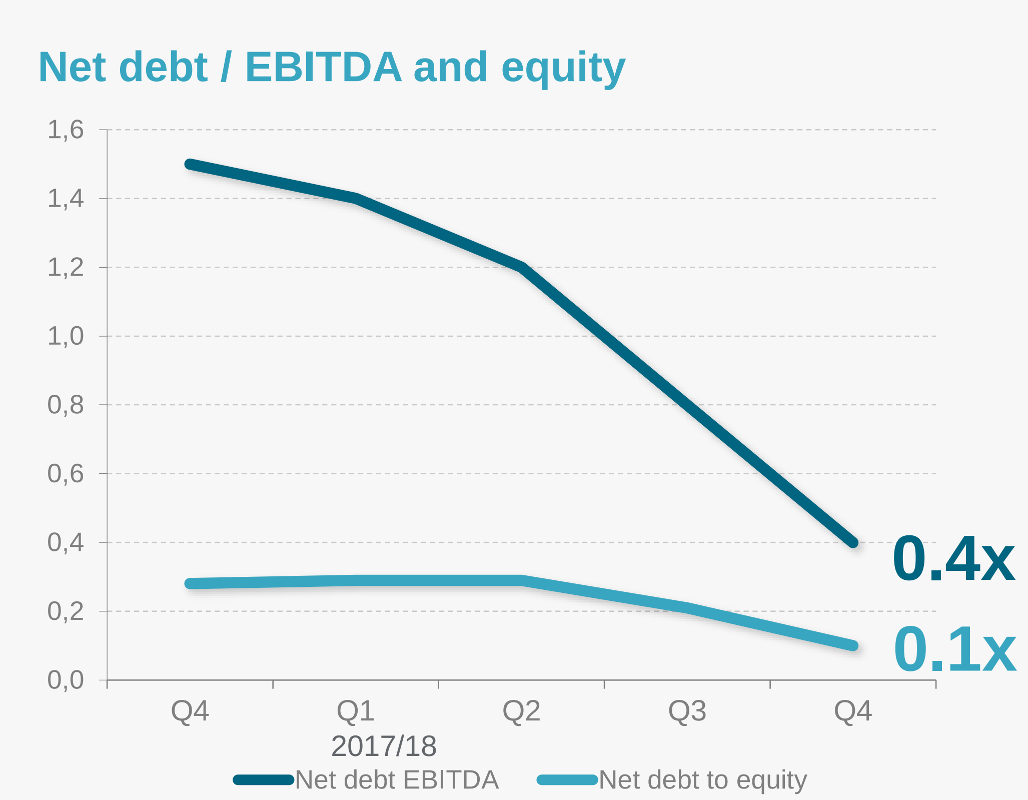
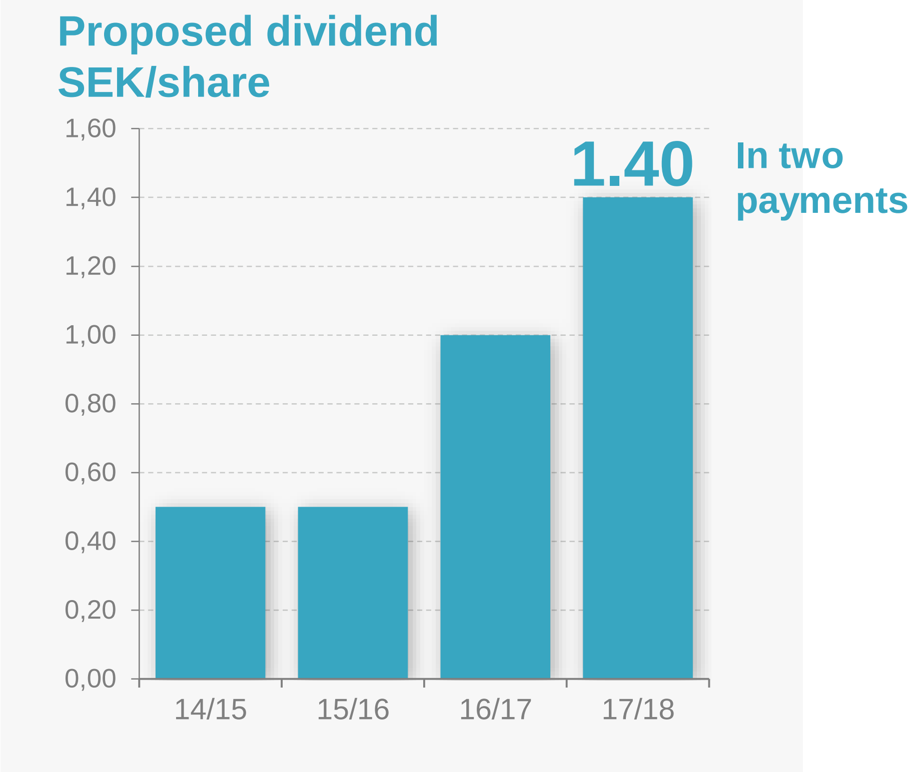
Decreasing net debt / EBITDA and higher dividend proposed





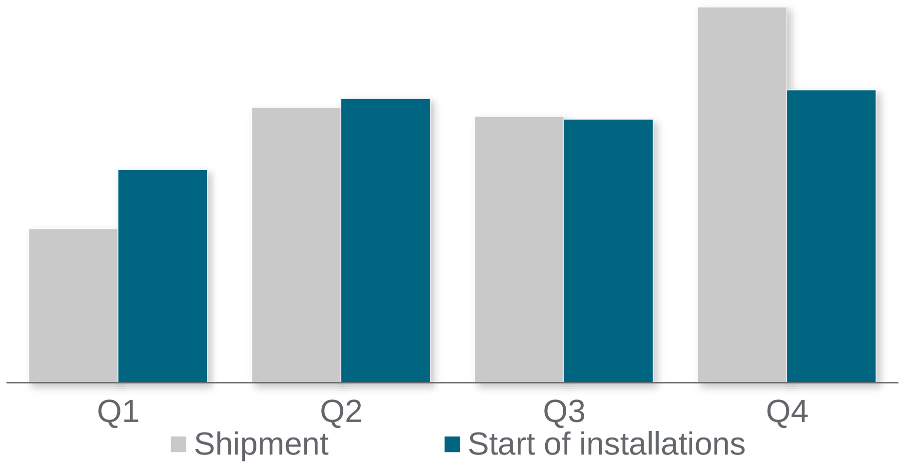
IFRS15 restatement

New accounting principles from current year (2018/19)

Main IFRS15 impact on Elekta

- Revenue recognition on start of installation instead of at shipment (devices)
- Installations more evenly spread across quarters
- Resulting in more stable revenue and EBITA distribution
- Restated revenue +2% higher and EBITA-margin +2 percentage points for FY17/18

Device project volumes FY17/18



Similar volume of shipments and start of installs in FY17/18, but with different distribution

Restated FY17/18 revenue is the basis for the guidance of FY18/19

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Balance sheet effects

IFRS15 Main balance sheet effects, SEK bn

Accrued Income	Equity
-0.4	-1.0
Inventories	**Customer advances**
+1.5	+2,7

Comments

- Accrued income: decrease as revenue is better matched with invoicing plans
- Inventory: increased with projects between shipment and start of installation
- Customer advances: Increase (consist of both invoiced and paid projects)
- Equity: reduced from lower retained earnings
- Accounts receivables: no adjustment – linked to payment terms

IFRS15 restatement in the Q4 report

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Q4

2017/18

June 1, 2018

Year-end report May-April 2017/18

Fourth quarter

- Gross order intake amounted to SEK 4,656 M (4,366), an increase of 10 percent based on constant exchange rates and 7 percent in SEK.
- Net sales was SEK 3,614 M (3,715), unchanged based on constant exchange rates and a decrease of 3 percent in SEK.
- Adjusted EBITA* amounted to SEK 918 M (779). Items affecting comparability was SEK 0 M (-253). Bad debt losses amounted to SEK -15 M (-16).
- Adjusted EBITA* margin was 25 percent (21).
- Operating result was SEK 769 M (347).
- Net income amounted to SEK 544 M (93). Earnings per share was SEK 1.42 (0.24) before/after dilution.
- Cash flow after continuous investments was SEK 979 M (1,016).
- Eight Elekta Unity orders were booked in the quarter.

May – April 2017/18

- Gross order intake amounted to SEK 14,493 M (14,064), an increase of 5 percent based on constant exchange rates and 3 percent in SEK.
- Net sales was SEK 11,333 M (10,704), an increase of 8 percent based on constant exchange rates and 6 percent in SEK.
- Adjusted EBITA* amounted to SEK 2,116 M (1,661). Items affecting comparability was SEK 0 M (-518). Bad debt losses amounted to SEK -53 M (-46).
- Adjusted EBITA* margin was 19 percent (16).
- Operating result was SEK 1,538 M (598).
- Net income amounted to SEK 1,099 M (126). Earnings per share was SEK 2.88 (0.33) before/after dilution.
- Cash flow after continuous investments improved to SEK 1,589 M (1,045).
- The Board of Directors proposed a dividend of SEK 1.40 (1.00) per share for the fiscal year 2017/18.

Outlook for fiscal year 2018/19

- Based on IFRS15 restatement (see pages 9-12).
- Net sales growth of around 7 percent, based on constant exchange rates.
- EBITA margin of around 20 percent (Changed from >20 percent).

Group summary

SEK M	Q4 2017/18	Q4 2016/17	Change	May - Apr 2017/18	May - Apr 2016/17	Change
Gross order intake	4,656	4,366	10% **	14,493	14,064	5% **
Net sales	3,614	3,715	0% **	11,333	10,704	8% **
Adjusted EBITA*	918	779	18%	2,116	1,661	27%
Operating result	769	347	122%	1,538	598	157%
Net income	544	93	485%	1,099	126	772%
Cash flow after continuous investments	979	1,016	-4%	1,589	1,045	52%
Earnings per share before/after dilution, SEK	1.42	0.24	492%	2.88	0.33	773%

*Adjusted for items affecting comparability and bad debt losses, for a reconciliation to operating result, see page 13. The split between restructuring costs and costs for legal processes is presented on page 21. **Compared to last fiscal year based on constant exchange rates.

Effects from IFRS 15 restatement on consolidated income statement and statement of comprehensive income

	Q1 2017/18			Q2 2017/18			Q3 2017/18			Q4 2017/18			May - Apr 2017/18		
SEK M	Reported	Adj.	Restated	Reported	Adj.	Restated	Reported	Adj.	Restated	Reported	Adj.	Restated	Reported	Adj.	Restated
Net sales	2,169	335	2,504	2,802	101	2,903	2,747	9	2,756	3,614	-205	3,409	11,333	240	11,573
Cost of products sold	-1,250	-92	-1,342	-1,620	-25	-1,645	-1,595	34	-1,561	-2,120	150	-1,970	-6,584	67	-6,517
Gross income	919	243	1,162	1,183	76	1,259	1,153	43	1,196	1,494	-55	1,439	4,748	307	5,055
Operating result	38	243	281	365	76	441	366	43	409	769	-55	714	1,538	307	1,845
Operating margin	*2%*		*11%*	*13%*		*15%*	*13%*		*15%*	*21%*		*21%*	*14%*		*16%*
Income taxes	0	-44	-44	-84	-18	-102	-25	-9	-34	-166	13	-153	-276	-62	-338
Net income	-1	199	198	247	58	305	308	34	342	544	-42	502	1,099	249	1,348
Total comprehensive income for the period	-265	199	-66	409	58	467	312	34	346	1,124	-42	1,082	1,581	249	1,830
Earnings per share before/after dilution, SEK	0.00	0.52	0.52	0.65	0.15	0.80	0.81	0.09	0.89	1.42	-0.11	1.31	2.88	0.65	3.53
Adjusted EBITA	187	243	431	509	76	585	502	43	545	918	-55	863	2,116	307	2,423
Adjusted EBITA margin	*9%*		*17%*	*18%*		*20%*	*18%*		*20%*	*25%*		*25%*	*19%*		*21%*

Effects from IFRS 15 restatement on consolidated balance sheet

	Q1 2017/18			Q2 2017/18			Q3 2017/18			Q4 2017/18		
SEK M	Reported	Adj.	Restated	Reported	Adj.	Restated	Reported	Adj.	Restated	Reported	Adj.	Restated
Non-current assets												
Deferred tax assets	290	124	414	310	131	441	260	98	358	267	83	350
Current assets												
Inventories	1,076	1,164	2,240	1,102	1,253	2,355	1,243	1,265	2,508	1,121	1,455	2,576
Accounts receivable	3,032	-	3,032	3,120	-	3,120	3,505	-	3,505	3,402	-	3,402
Accrued income	1,467	-570	897	1,545	-533	1,012	1,177	-408	769	1,601	-441	1,160
Other current receivables	878	148	1,026	917	155	1,072	926	184	1,110	846	222	1,068
Total assets	19,659	866	20,525	20,152	1,006	21,158	20,617	1,139	21,756	22,457	1,319	23,776
Total equity	6,511	-956	5,555	6,734	-919	5,815	7,040	-886	6,154	7,975	-987	6,988
Non-current liabilities												
Deferred tax liabilities	668	-134	534	669	-115	554	593	-138	455	693	-182	511
Current liabilities												
Advances from customers	2,537	2,324	4,861	2,440	2,280	4,720	2,643	2,382	5,025	2,575	2,741	5,316
Prepaid income	1,704	-50	1,654	1,764	10	1,774	1,830	-7	1,823	2,053	-46	2,007
Accrued expenses	1,611	-297	1,314	1,742	-232	1,510	1,688	-197	1,491	1,854	-192	1,662
Short-term provisions	196	-21	175	172	-18	154	140	-15	125	201	-15	186
Total equity and liabilities	19,659	866	20,525	20,152	1,006	21,158	20,617	1,139	21,756	22,457	1,319	23,776

Elekta

Richard Hausmann

President and CEO

Priorities for 2018/19

- Establish Elekta Unity as next generation treatment solution and capture growth
- Grow our installed base of treatment solutions and expand our services business
- Further develop our position as thought leader in precision radiation medicine
- Continue to invest in innovation and prioritized growth regions

…while reducing complexity, improving processes and controlling costs

Targets for 2018/19 – based on IFRS15 restatement

Net sales growth

~7%

EBITA margin

~20%

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Welcome to

Elekta Capital Markets Day 2018

27 September in Stockholm