

GETINGE GROUP



# GETINGE GROUP

## Interim Report

January – March 2011

27 April, 2011

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## Q1 2011 – Summary

- Improving demand situation
- Strengthened product portfolio
- Additional steps to improve manufacturing footprint

## Q1 2011 - Trends in organic order intake

	2011			
	Q1			
	MS	EC	IC	TOT
Western Europe	4.6%	-8.7%	5.1%	<b>0.0%</b>
USA and Canada	5.9%	17.9%	2.5%	<b>8.5%</b>
Rest of the world	-13.5%	10.7%	18.9%	<b>-5.0%</b>
<b>Total</b>	<b>-2.0%</b>	<b>1.6%</b>	<b>7.5%</b>	<b>1.1%</b>

## Q1 2011 - Consolidated results

	2011	2010	Change	2010
	Q1	Q1	%	FY
Net sales, SEK million	<b>4 671</b>	4 863	-3.9%	22 172
Gross margin	53.2%	51.6%	1.6%	51.3%
Operating cost, SEK million	-1 794	-1 809	0.8%	-7 502
EBITA before restructuring	801	836	-4.2%	4 371
EBITA margin	17.2%	17.2%	0.0%	19.7%
Restructuring costs	0	-11		-180
Net financial items	<b>-122</b>	-150		-573
Profit before tax	<b>568</b>	551	3.1%	3 116

## Q1 2011 - Medical Systems' results

	2011	2010	Change	2010
	Q1	Q1		YTD
Net sales , SEK million	<b>2 315</b>	2 451	-5.5%	11 195
Gross margin %	<b>58.1%</b>	57.7%	0.4%	58.0%
Operating cost, SEK million	<b>-1 040</b>	-1 023	1.7%	-4 372
EBITA before restructuring	<b>388</b>	485	-20.0%	2 502
EBITA margin	<b>16.8%</b>	19.8%	-3.0%	22.3%
Restructuring costs	<b>0</b>	-8		-130
EBIT	<b>304</b>	382	-20.4%	1 990
EBIT margin	<b>13.1%</b>	15.6%	-2.5%	17.8%

## Q1 2011 - Medical Systems' highlights

- Restructuring of perfusion production
- Cardiohelp and FLOW-i market introduction continues to progress well
- Approval of Fusion Bioline vascular graft (CE and FDA)
- Hybrid OR cooperation with Toshiba
- Product launches:
  - Acrobat-i stabilizer positioner
  - Cardioroot aortic graft
  - OR table Yuno Otn



## Q1 2011 - Extended Care's results

	2011	2010	Change	2010
	Q1	Q1		YTD
Net sales , SEK million	<b>1 373</b>	1 447	-5.1%	6 033
Gross margin %	<b>52.9%</b>	50.4%	2.5%	49.3%
Operating cost, SEK million	<b>-440</b>	-468	-6.0%	-1 904
EBITA before restructuring	<b>311</b>	287	8.4%	1 178
EBITA margin	<b>22.7%</b>	19.8%	2.9%	19.5%
Restructuring costs	<b>0</b>	-3		-25
EBIT	<b>287</b>	258	11.2%	1 048
EBIT margin	<b>20.9%</b>	17.8%	3.1%	17.4%

## Q1 2011 - Extended Care's highlights

- Launch of Sara Steady active lift and Maxi slide flites
- Parker Bath with integrated disinfection and Sound & Vision
- Improving manufacturing footprint



## Q1 2011 - Infection Control's Results

	2011	2010	Change	2010
	Q1	Q1		YTD
Net sales , SEK million	<b>983</b>	965	1.9%	4 944
Gross margin %	<b>42.0%</b>	38.0%	4.0%	38.5%
Operating cost, SEK million	<b>-314</b>	-307	2.3%	-1 225
EBITA before restructuring	<b>102</b>	64	59.4%	691
EBITA margin	<b>10.4%</b>	6.6%	3.8%	14.0%
Restructuring costs	<b>0</b>	0		-25
EBIT	<b>99</b>	60	65.0%	652
EBIT margin	<b>10.1%</b>	6.2%	3.9%	13.2%

## Q1 2011 - Infection Control's highlights

- Relocation of production from Peiting, Germany to Växjö, Sweden completed
- Getinge Clean, new range of detergents and disinfectants
- Acquisition of Turkish distributor



## Consolidated cash flow statement

	2011	2010	2010
<i>SEK million</i>	Q1	Q1	YTD
EBITDA	1 030	1 037	5 111
Restructuring cost expenses	0	11	180
Restructuring costs paid	-86	-59	-163
Adjustments for items not included in cash flow	11	21	38
Currency gain	0	1	0
Financial items	-122	-150	-573
Taxes paid	-251	-16	-596
<b>Cash flow before changes in working capital</b>	<b>582</b>	<b>845</b>	<b>3 997</b>
Changes in working capital			
Stock-in-trade	-305	-191	-244
Current receivables	474	632	-473
Current operating liabilities	-123	-157	356
<b>Cash flow from operations</b>	<b>628</b>	<b>1 129</b>	<b>4 124</b>

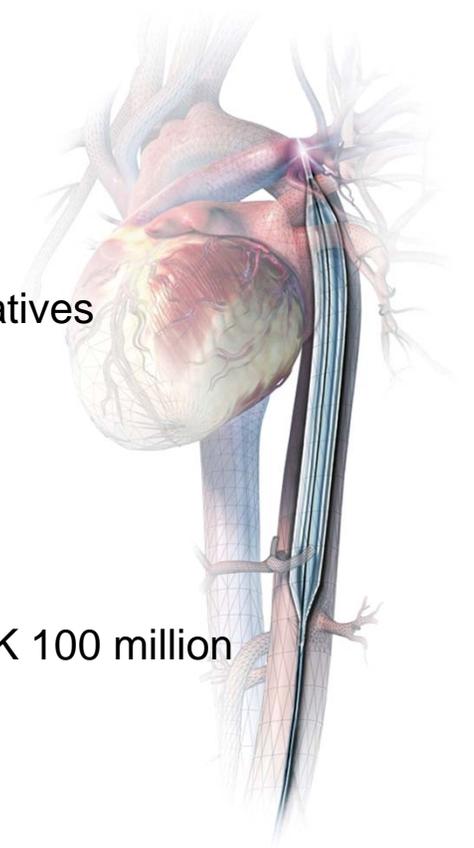
## Financials

	2011	2010	2010
	Q1	Q1	YTD
Cash conversion, %	60.9%	108.0%	80.7%
Net Debt	12 563	15 074	13 376
Equity	13 255	12 800	13 248
Equity/assets ratio, %	39.8%	35.2%	38.3%
Net debt/equity ratio, multiple	94.8%	117.8%	101.0%

## Outlook 2011

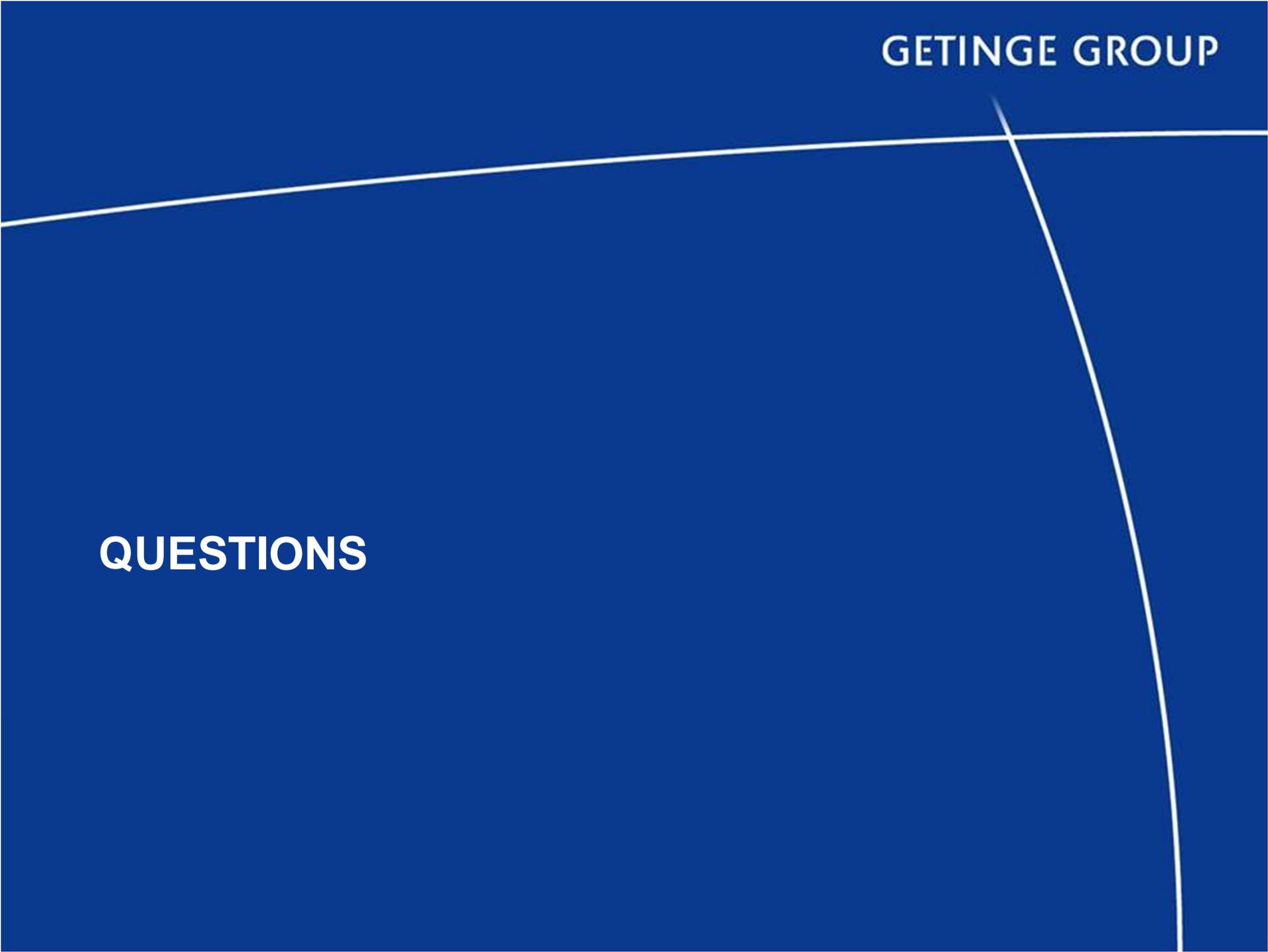
### Continued good earnings growth

- Organic revenue growth 3 – 5 %
- Contribution from ongoing plant consolidation and efficiency initiatives
- Favourable currency hedges compared with 2010
- Declining restructuring costs
- Lower cost of debt
- Product launch costs will impact EBITA negatively by approx SEK 100 million



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**QUESTIONS**



## **Forward looking information**

This document contains forward-looking information based on the current expectations of the Getinge Group's management. Although management deems that the expectations presented by such forward-looking information are reasonable, no guarantee can be given that these expectations will prove correct. Accordingly, the actual future outcome could vary considerably compared with what is stated in the forward-looking information, due to such factors as changed conditions regarding business cycles, market and competition, changes in legal requirements and other political measures, and fluctuations in exchange rates.