

# GETINGE GROUP

## Interim Report

January – September 2010

19 October, 2010

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## Q3 2010 – Summary

- Improving demand for medical capital equipment in the US
- Strong demand in developing economies
- Softer demand in Western Europe
- Challenging year on year comparison in Medical Systems due to the swine flu epidemic
- Continued good earnings growth and cash flow

## Q3 2010 - Trends in organic order intake

	2010				2010			
	Q3				YTD			
	MS	EC	IC	TOT	MS	EC	IC	TOT
Europe	-15.1%	-3.9%	-4.0%	-9.2%	-4.5%	-3.6%	1.5%	-2.8%
USA and Canada	-13.1%	-7.3%	3.7%	-7.8%	-2.1%	1.0%	5.3%	0.4%
Asia and Australia	24.1%	20.2%	66.8%	31.4%	9.7%	4.5%	41.4%	15.2%
Rest of the world	-15.3%	-52.4%	-120.0%	-29.0%	73.8%	-8.2%	1.4%	57.0%
<b>Total</b>	<b>-7.5%</b>	<b>-4.1%</b>	<b>6.3%</b>	<b>-3.7%</b>	<b>4.0%</b>	<b>-1.5%</b>	<b>8.2%</b>	<b>3.3%</b>

## Q3 2010 - Consolidated results

- Good earnings growth
- Expanding EBITA margin + 1.8%

	2010	2009	Change	2010	2009	Change
	Q3	Q3	%	YTD	YTD	%
Net sales, SEK million	<b>5 019</b>	5 294	-5.2%	<b>15 531</b>	15 971	-2.8%
Gross margin	<b>52.3%</b>	50.8%	1.5%	<b>51.2%</b>	49.3%	1.9%
Operating cost, SEK million	<b>-1 779</b>	-1 886	-5.7%	<b>-5 537</b>	-5 874	-5.8%
EBITA before restructuring	<b>974</b>	933	4.4%	<b>2 793</b>	2 400	16.4%
EBITA margin	<b>19.4%</b>	17.6%	1.8%	<b>18.0%</b>	15.0%	3.0%
Restructuring	<b>-22</b>	-68		<b>-63</b>	-143	
Net financial items	<b>-141</b>	-164		<b>-435</b>	-290	
Profit before tax	<b>685</b>	572	19.8%	<b>1 912</b>	1 564	22.3%

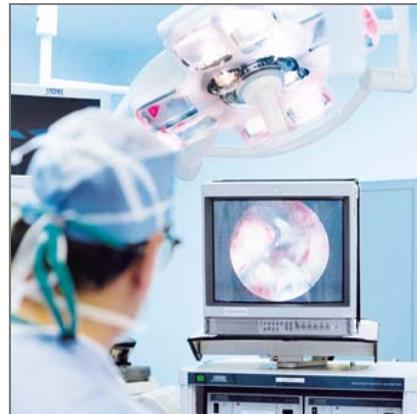
## Q3 2010 - Medical Systems' results

- Solid EBITA margin
- Challenging year on year comparison due to the swine flu epidemic in preceding year

	2010	2009	Change	2010	2009	Change
	Q3	Q3	%	YTD	YTD	%
Net sales, SEK million	<b>2 469</b>	2 630	-6.1%	<b>7 816</b>	7 706	1.4%
Gross margin %	<b>59.7%</b>	59.1%	0.6%	<b>57.7%</b>	56.9%	0.8%
Operating cost, SEK million	<b>-1 065</b>	-1 070	-0.5%	<b>-3 242</b>	-3 336	-2.8%
EBITA before restructuring	<b>504</b>	581	-13.3%	<b>1 561</b>	1 350	15.6%
EBITA margin	<b>20.4%</b>	22.1%	-1.7%	<b>20.0%</b>	17.5%	2.5%
Restructuring	<b>-2</b>	-65		<b>-18</b>	-113	

## Q3 2010 - Medical Systems' highlights

- Datascope integration near completion
- Sales of Cardiohelp and FLOW-i started in several markets
- Launch of Hemopro 2 – advanced Vasioview technology for Endoscopic Vessel Harvesting (EVH)



## Q3 2010 - Extended Care's results

- Good earnings growth
- Continued EBITA margin expansion

	2010	2009	Change %	2010	2009	Change %
	Q3	Q3		YTD	YTD	
Net sales , SEK million	<b>1 438</b>	1 509	-4.7%	<b>4 449</b>	4 795	-7.2%
Gross margin %	<b>51.0%</b>	46.1%	4.9%	<b>49.7%</b>	45.5%	4.2%
Operating cost, SEK million	<b>-461</b>	-513	-10.1%	<b>-1 419</b>	-1 590	-10.8%
EBITA before restructuring	<b>298</b>	211	41.2%	<b>873</b>	678	28.8%
EBITA margin	<b>20.7%</b>	14.0%	6.7%	<b>19.6%</b>	14.1%	5.5%
Restructuring	<b>0</b>	-3		<b>-25</b>	-30	

## Q3 2010 - Extended Care's highlights

- Merger of sales companies in France on track
- Launch of Flowtron AES (Anti-Embolic Stockings) to complement the Business Areas' existing range of DVT prevention products



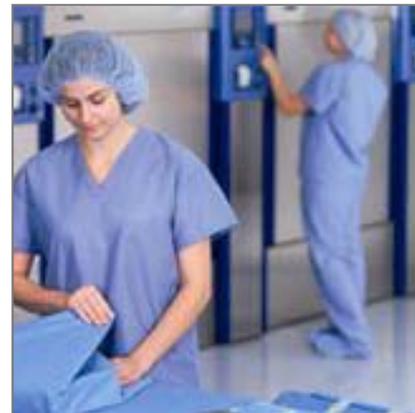
## Q3 2010 - Infection Control's Results

- EBITA margin 2010 YTD ahead of 2009
- Additional restructuring costs of SEK 20 million relating to closure of Peiting plant in Germany

	2010	2009	Change	2010	2009	Change
	Q3	Q3	%	YTD	YTD	%
Net sales, SEK million	<b>1 112</b>	1 155	-3.7%	<b>3 266</b>	3 470	-5.9%
Gross margin %	<b>37.9%</b>	38.0%	-0.1%	<b>37.4%</b>	37.7%	-0.3%
Operating cost, SEK million	<b>-254</b>	-303	-16.1%	<b>-875</b>	-948	-7.7%
EBITA before restructuring	<b>171</b>	140	22.1%	<b>359</b>	372	-3.5%
EBITA margin	<b>15.4%</b>	12.1%	3.2%	<b>11.0%</b>	10.7%	0.3%
Restructuring	<b>-20</b>	0		<b>-20</b>	0	

## Q3 2010 - Infection Control's highlights

- Relocation of production from Lyngø, Denmark to Getinge, Sweden on track
- Relocation of production from Peiting, Germany to Växjö, Sweden to be completed Q1, 2011



## Consolidated cash flow statement

	2010	2009	2010	2009
<i>SEK million</i>	Q3	Q3	YTD	YTD
EBITDA	1 179	1 072	3 396	2 896
Restructuring cost expenses	22	68	63	143
Restructuring costs paid	-22	-64	-110	-117
Adjustments for items not included in cash flow		11		
Currency gain	0	0	0	228
Financial items	-141	-164	-435	-518
Taxes paid	-167	-104	-433	-342
<b>Cash flow before changes in working capital</b>	<b>874</b>	<b>819</b>	<b>2 508</b>	<b>2 307</b>
Changes in working capital				
Stock-in-trade	10	-51	-206	-598
Current receivables	-35	45	799	1 212
Current operating liabilities	-127	-194	-61	-591
<b>Cash flow from operations</b>	<b>722</b>	<b>619</b>	<b>3 040</b>	<b>2 330</b>

## Financials

	2010	2009	2010	2009
	Q3	Q3	YTD	YTD
Cash conversion, %	61.2%	57.6%	89.5%	80.5%
Net Debt			13 653	16 849
Equity			12 445	11 738
Equity/assets ratio, %			36.0%	31.5%
Net debt/equity ratio, multiple			109.7%	143.5%

## Outlook

### 2010

- We expect organic revenue growth of 3% for full-year 2010
- We expect full year profit before tax to be approximately 3,100 Mkr (based on prevailing exchange rates)

### 2011

- We expect organic revenue growth to improve compared to 2010
- We expect continued good growth in earnings



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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.