
Interim Report

January - September 2014

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Q3 2014

Trends in organic order intake

GETINGE GROUP

	2014				2014			
	Q3				YTD			
	MS	EC	IC	TOT	MS	EC	IC	TOT
Western Europe	-5.7%	-3.8 %	3.3 %	-3.1%	0.2 %	-1.3 %	5.8 %	1.0 %
USA and Canada	5.0%	-6.7 %	-0.6 %	0.3 %	1.9 %	-1.3 %	3.6 %	1.2 %
Rest of the world	4.4%	0.9 %	-1.2 %	2.7 %	-6.0 %	9.8 %	-2.0 %	-3.0 %
Total	1.6%	-4.1 %	0.8 %	-0.2 %	-1.6 %	0.4 %	2.7 %	-0.2 %

Q3 2014

Consolidated Results

GETINGE GROUP

	2014	2013		2014	2013	
	Q3	Q3	Change %	YTD	YTD	Change %
Net sales, SEK million	6 225	5 850	6.4 %	18 184	17 530	3.7 %
Gross margin	48.9 %	49.0%	-0.1 %	49.0 %	49.9 %	-0.9 %
Operating cost, SEK million	-2 303	-2 109	9.2 %	-6 894	-6 506	6.0 %
EBITA before restructuring	920	907	1.4 %	2 496	2 704	-7.7 %
EBITA margin	14.8 %	15.5 %	-0.7 %	13.7 %	15.4 %	-1.7 %
Net financial items	-170	-147	15.6 %	-492	-445	10.6 %
Profit before tax	505	568	-11.1 %	602	1 445	-58.3 %

Q3 2014

Medical Systems

GETINGE GROUP

	2014	2013	Change %	2014	2013	Change %
	Q3	Q3		YTD	YTD	
Net sales, SEK million	3 258	3 053	6.7 %	9 376	9 010	4.1 %
Gross margin %	55.2 %	54.6 %	0.6 %	55.2 %	56.1 %	-0.9 %
Operating cost, SEK million	-1 340	-1 268	5.7 %	-3 995	-3 858	3.6 %
EBITA before restructuring	589	513	14.8 %	1 549	1 541	0.5 %
EBITA margin	18.1 %	16.8 %	1.3 %	16.5 %	17.1 %	-0.6 %

Medical Systems - Highlights

- Medical Systems strengthens its quality management systems
 - Remediation cost for quality management system is estimated at approximately SEK 820 M, including a SEK 20 M negative currency translation effect. During the first nine months, SEK 343 M was utilized, of which SEK 116 M pertains to the third quarter.
- Further development of the anesthesia device FLOW-i
 - Additional functionality - Automatic Gas Control (AGC)
 - Benchmark study suggests 30% reduction in anesthetic agent consumption relative to comparable anesthesia devices.
- Ongoing restructuring activities in the Cardiovascular division expected to be completed in Q2 2015



Q3 2014

Extended Care

GETINGE GROUP

	2014	2013		2014	2013	
	Q3	Q3	Change %	YTD	YTD	Change %
Net sales, SEK million	1 758	1 650	6.5 %	5 162	5 031	2.6 %
Gross margin %	46.0 %	47.1 %	-1.1 %	46.8 %	47.6 %	-0.8 %
Operating cost, SEK million	-622	-529	17.6 %	- 1 878	-1 649	13.9 %
EBITA before restructuring	227	280	-18.9 %	638	844	-24.4 %
EBITA margin	12.9 %	17.0 %	-4.1 %	12.4 %	16.8 %	-4.4 %

Q3 2014

Extended Care - Highlights

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- Strengthening of the Flowtron product family for effective Deep Vein Thrombosis (DVT) prevention with applications for:
 - obese patients
 - sequential treatment



Q3 2014

Infection Control

GETINGE GROUP

	2014	2013		2014	2013	
	Q3	Q3	Change %	YTD	YTD	Change %
Net sales, SEK million	1 209	1 147	5.4 %	3 646	3 489	4.5 %
Gross margin %	36.3 %	36.7 %	-0.4 %	36.1 %	37.5 %	-1.4 %
Operating cost, SEK million	-339	-310	9.4 %	-1 019	-995	2.4 %
EBITA before restructuring	104	114	-8.8 %	309	321	-3.7 %
EBITA margin	8.6 %	9.9 %	-1.3 %	8.5 %	9.2 %	-0.7 %

Q3 2014

Infection Control - Highlights

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- The efficiency-enhancement program to improve the business area's profitability is progressing as planned
- Acquisition of Austmel Pty Ltd., market leader in Australia of quality assurance systems for sterilization and disinfection
- The new innovative user-interface CENTRIC has received the Red Dot Design Award



	2014	2013	2014	2013
	Q3	Q3	YTD	YTD
Cash flow from operation, SEK million	742	923	2 081	2 134
Cash conversion, %	60.7 %	78.4 %	78.5 %	65.0 %
Net Debt, SEK million			21 360	18 640
Equity, SEK million			16 787	15 314
Equity / assets ratio, %			34.5 %	35.4 %
Net debt / equity ratio, multiple			1.27	1.22

Outlook **2014**

Outlook 2014

- Demand for capital equipment in developing economies slower than anticipated. Organic invoicing growth is expected to fall somewhat short of previous forecast of 4%
- Acquisition and restructuring costs are estimated to amount to approx. SEK 1 billion for 2014, of which SEK 820 M is attributable to the costs of consultant support for enhancing the quality management system within Medical Systems
- The outcome of the ongoing discussions with the US FDA remains a short-term earnings risk
- Negative currency transaction effects are expected to have an adverse impact of about SEK 250 M on earnings for the current year.
- The potential for improving the Group's profitability in the medium term remains favorable. Getinge's intention, as soon as there is greater clarity regarding Medical Systems' regulatory status, is to communicate revised financial targets at a future capital markets day for which the date is not yet set.

Q&A

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.

Thank you!

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Getinge Group is a global leading medical technology company that operates in the areas of surgery, intensive care, infection control, care ergonomics and wound care. Getinge Group has more than 15,000 employees in over 40 countries and generates sales exceeding SEK 25 billion (2013). The Group is divided into three business areas: Medical Systems, Extended Care and Infection Control and operates under the brands of Maquet, ArjoHuntleigh and Getinge.