



GETINGE GROUP

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Interim report
January – March 2014
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Johan Malmquist, CEO
Ulf Grunander, CFO

Q1 2014

Trends in organic order intake

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	2014			
	Q1			
	MS	EC	IC	TOT
Europe	3.6 %	0.2 %	15.6 %	5.0 %
USA and Canada	-1.5 %	-0.9 %	11.9 %	1.0 %
Rest of the world	-10.1 %	8.3 %	-2.2 %	-6.1 %
Total	-3.4 %	0.9 %	8.9 %	0.3 %

Q1 2014

Consolidated results

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	2014	2013	
	Q1	Q1	Change %
Net sales, SEK M	5 632	5 664	-0.6%
Gross margin	49.3 %	50.3 %	-1.0 %
Operating cost, SEK M	-2 254	-2 210	2.0 %
EBITA before restructuring	670	792	-15.4 %
EBITA margin	11.9 %	14.0 %	-2.1 %
Restructuring expenses	-814	- 240	
Net financial items	-158	-148	
Profit before tax	-452	252	-279,4 %

Q1 2014 Medical Systems

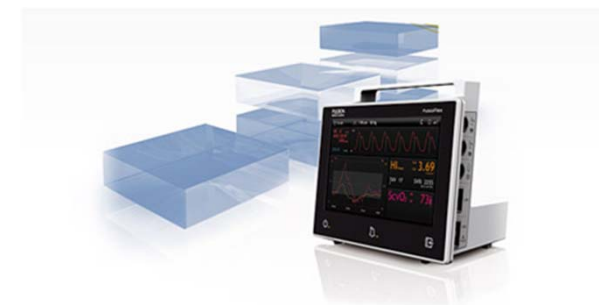
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	2014	2013	
	Q1	Q1	Change %
Net sales, SEK M	2 819	2 804	0.5 %
Gross margin %	55.1 %	57.1 %	-2.0 %
Operating cost, SEK M	-1 306	-1 288	1.4 %
EBITA before restructuring	360	429	-16.1 %
EBITA margin	12.8 %	15.3 %	-2.5 %

Q1 2014 - Medical Systems Highlights

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- Medical Systems strengthens its quality management systems
 - A provision of SEK 799 M has been accounted for in the quarter, of which SEK 81 M relates to expenses during the quarter
- Getinge secured 78.26% of the outstanding shares in Pulsion Medical Systems.
- Efficiency program within Critical Care division has been completed during the quarter and will lead to annual savings of SEK 60 M.
- Ongoing restructuring activities in the Cardiovascular division expected to be completed in H1 2015.



Q1 2014 Extended Care

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	2014	2013	
	Q1	Q1	Change %
Net sales, SEK M	1 695	1 721	-1.5 %
Gross margin %	48.8 %	47.8 %	1.0 %
Operating cost, SEK M	-616	-559	10.2 %
EBITA before restructuring	241	295	-18.3 %
EBITA margin	14.2 %	17.1 %	-2.9 %

Q1 2014 – Extended Care Highlights

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- Discontinuation of manufacturing facility in Eslöv, Sweden, was completed and production has been moved to Poznan, Poland.
- Integration of TSS is expected to be completed during H1 and cost synergies will be fully reflected in 2015.
- Innovative shower trolley, Carevo, has been awarded Red dot design award.



Q1 2014 Infection Control

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	2014	2013	
	Q1	Q1	Change %
Net sales, SEK M	1 117	1 139	-1.9 %
Gross margin %	35.5 %	37.7 %	-2.2 %
Operating cost, SEK M	-331	-364	-9.1 %
EBITA before restructuring	70	69	1.4 %
EBITA margin	6.3 %	6.1 %	0.2 %

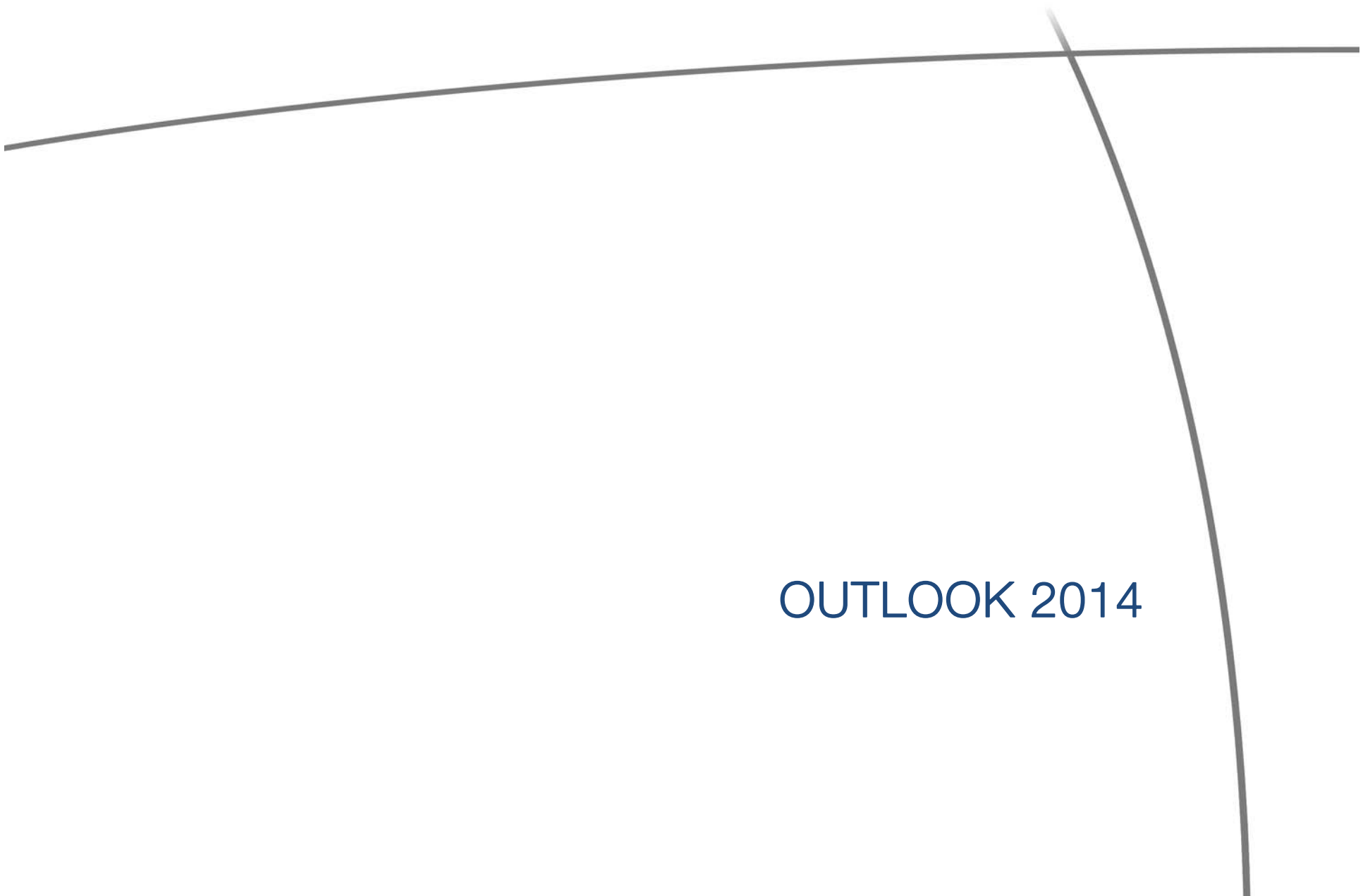
- The efficiency-enhancement program to improve the business area's profitability is proceeding as planned.
 - Negotiations initiated with trade unions to concentrate the production of Life Science sterilizers to Getinge, Sweden, and consequently discontinue the manufacturing facility in Mansfield, UK.
 - Closure of the production facility in Skärhamn, Sweden and transfer of production of small sterilizers to Suzhou, China, was completed during the quarter.
 - Decision made to establish a production facility for standardized sterilizers and a sourcing hub in Poznan, Poland.
- Newly developed washer-disinfector for the mid-segment in emerging markets was launched during the quarter, and will form Getinge's offering to the mid-segment together with the TRANS Medikal sterilizers



	2014	2013
	Q1	Q1
Cash flow from operation, SEK M	438	366
Cash conversion, %	44.0 %	42.5 %
Net Debt, SEK M	20 171	18 395
Equity, SEK M	15 404	15 052
Equity / assets ratio, %	34.0 %	35.1 %
Net debt / equity ratio, multiple	1.31	1.22

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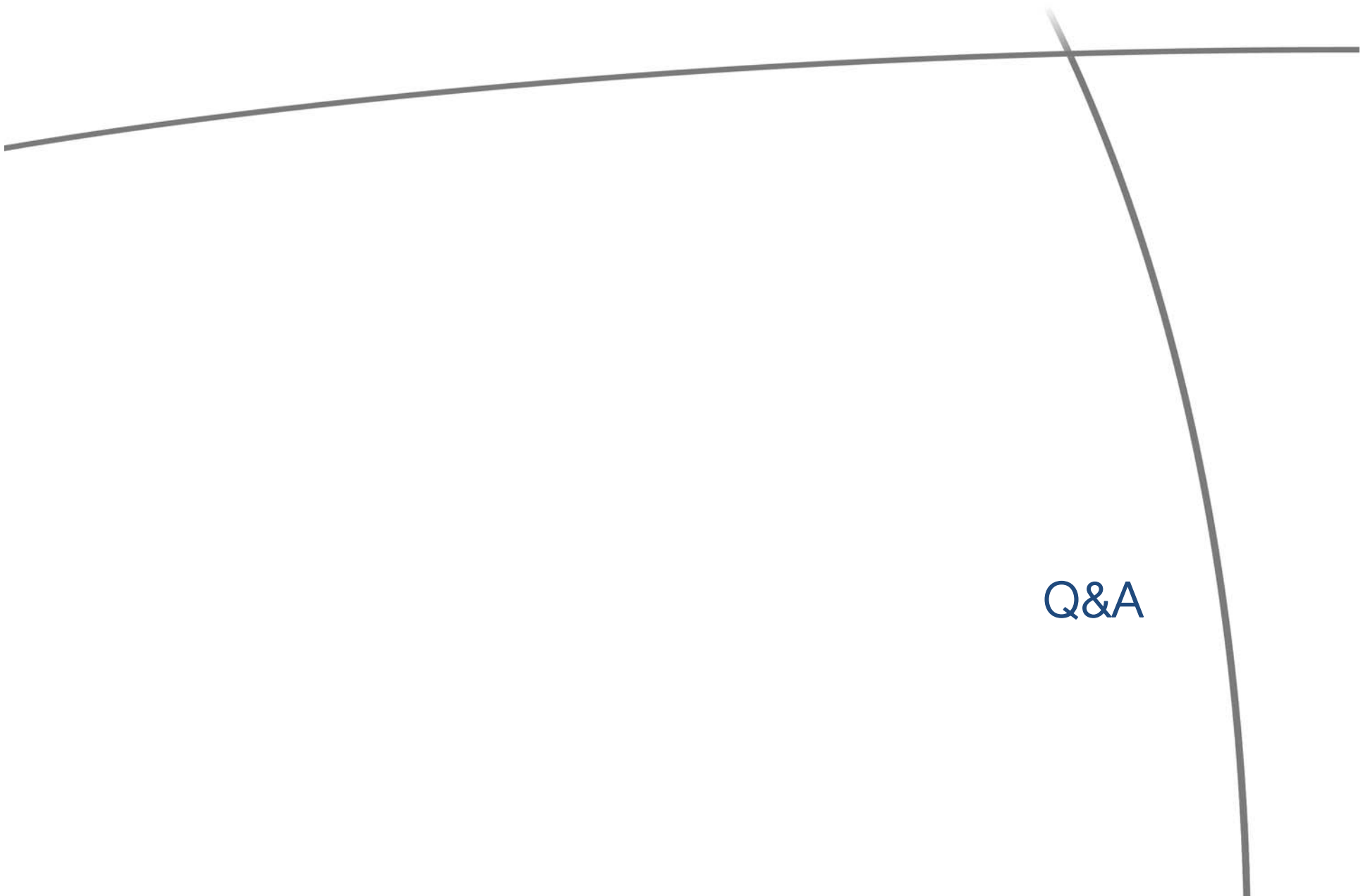
OUTLOOK 2014



- Organic revenue growth is expected to be comparable to 2013 levels at approximately 4 %.
- Restructuring costs are estimated to amount to approx. SEK 960 M for 2014, of which SEK 799 M is attributable to the costs of consultant support for enhancing the quality management system within Medical Systems
- The strengthening of the Swedish krona will result in negative currency transaction effects of approx. SEK 250 M
- As a result of a recently concluded strategy review, Getinge intends to leverage scale across its three business areas. The cost savings potential is expected to be substantial and will be reflected in the new financial targets that will be presented at the Capital Markets Day in Stockholm on May 27, 2014.

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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.