
Year-End Report

January - December 2014

Johan Malmquist, CEO and Ulf Grunander, CFO

January 28, 2015

Q4 2014

GETINGE GROUP

Trends in organic order intake

	2014				2014			
	Q4				YTD			
	MS	EC	IC	TOT	MS	EC	IC	TOT
Western Europe	1,0 %	-3,7 %	9,3 %	1,1 %	0,4 %	-1,9 %	6,7 %	1,0 %
USA and Canada	8,6 %	-2,3 %	3,7 %	4,4 %	3,6 %	-1,6 %	3,6 %	2,0 %
Rest of the world	3,2 %	0,6 %	7,8 %	3,7 %	-3,3 %	7,5 %	0,4 %	-1,1 %
Total	4,2 %	-2,6 %	7,1%	3,0 %	0,0 %	-0,4 %	3,9 %	0,7 %

Q4 2014

Consolidated Results

GETINGE GROUP

	2014	2013		2014	2013	
	Q4	Q4	Change %	YTD	YTD	Change %
Net sales, SEK million	8 458	7 757	9,0 %	26 669	25 287	5,5 %
Gross margin	49,4 %	51,5 %	-2,1 %	49,2 %	50,4 %	-1,2 %
Operating cost, SEK million	-2 360	-2 080	13,5 %	-9 264	-8 585	7,9 %
EBITA before restructuring	1 994	2 060	-3,2 %	4 501	4 766	-5,6 %
EBITA margin	23,6 %	26,6 %	-3,0 %	16,9 %	18,8 %	-1,9 %
Restructuring and integration costs	-259	-53		-1 162	-401	
Profit before tax	1 371	1 709	-19,8 %	1 987	3 153	-37,0%

Q4 2014

Medical Systems

GETINGE GROUP

	2014	2013	Change %	2014	2013	Change %
	Q4	Q4		YTD	YTD	
Net sales, SEK million	4 702	4 312	9,0 %	14 105	13 322	5,9 %
Gross margin %	54,4 %	56,4 %	-2,0%	55,0 %	56,2 %	-1,2 %
Operating cost, SEK million	-1 386	-1 191	16,4 %	-5 390	-5 051	6,7 %
EBITA before restructuring	1 309	1 353	-3,3 %	2 868	2 894	-0,9 %
EBITA margin	27,8 %	31,4 %	-3,6 %	20,3 %	21,7 %	-1,4 %

Medical Systems - Highlights

- Likely outcome of the ongoing dialogue with the US FDA:
 - Getinge committed an additional SEK 175 M in the period to complete the quality management system remediation program
 - Although no definitive agreement has been concluded, Getinge estimates that the likely outcome of a final agreement with FDA will have a negative financial impact of approximately SEK 500 M on 2015 operating profit
- Launch of new LUCEA DF surgical light
- Consolidation of cardiovascular manufacturing to be completed in Q2 2015



Q4 2014

Extended Care

GETINGE GROUP

	2014	2013		2014	2013	
	Q4	Q4	Change %	YTD	YTD	Change %
Net sales, SEK million	2 002	1 840	8,8 %	7 164	6 870	4,3 %
Gross margin %	49,1 %	50,7 %	-1,6 %	47,4 %	48,4 %	-1,0 %
Operating cost, SEK million	-615	-511	20,4 %	- 2 494	-2 161	15,4 %
EBITA before restructuring	403	452	-10,8 %	1 041	1 296	-19,7%
EBITA margin	20,1 %	24,6 %	-4,5 %	14,5 %	18,9 %	-4,4 %

Extended Care - Highlights

- Launch of SafeSet - a visual alerts system for medical beds
- Further measures to improve commercial operations
The quarter was charged with restructuring costs amounting to SEK 55 M.
The measures are expected to generate annual savings of about SEK 60 M from 2015.
- Activity program to improve the rental business has been initiated



Q4 2014

Infection Control

GETINGE GROUP

	2014	2013		2014	2013	
	Q4	Q4	Change %	YTD	YTD	Change %
Net sales, SEK million	1 754	1 606	9,2 %	5 400	5 095	6,0 %
Gross margin %	36,4 %	39,2 %	-2,8 %	36,2 %	38,0 %	-1,8 %
Operating cost, SEK million	-361	-380	-5,0%	-1 380	-1 377	0,2%
EBITA before restructuring	283	254	11,4%	592	575	3,0%
EBITA margin	16,1 %	15,8 %	0,3 %	11,0 %	11,3 %	-0,3 %

- Joacim Lindoff appointed new Executive Vice President
- The efficiency-enhancement program to improve the business area's profitability progresses
 - Closure of Mansfield, UK, and transfer of sterilizer to Getinge, Sweden, concluded during the period
 - Union negotiations initiated with the aim of relocating production of flushers from Växjö, Sweden, to Poznan, Poland. About 40-50 employees will be affected by the proposed relocation



	2014	2013	2014	2013
	Q4	Q4	YTD	YTD
Cash flow from operations, SEK million	1 376	1 410	3 473	3 544
Cash conversion, %	65,6 %	60,4 %	72,9 %	63,1 %
Net Debt, SEK million			22 541	18 319
Equity, SEK million			18 694	16 560
Equity / assets ratio, %			35,4 %	37,4%
Net debt / equity ratio, multiple			1,21	1,10

Outlook **2015**

Outlook 2015

- Organic revenue growth is expected to improve in 2015
- The outcome of the ongoing discussions with the US FDA is expected to have a negative financial impact of approx. SEK 500 M on operating profit for 2015.
- FX effects are expected to positively impact 2015 pre-tax earnings in the amount of SEK 40 M (transaction effects minus SEK 250 M and translations effects approx. SEK 290 M based on current exchange rates)
- The potential for improving the Group's profitability in the medium term remains favorable. Details of initiatives to strengthen the Group's profitability and growth profile will be communicated at the capital markets day during the second quarter of 2015.

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!

GETINGE GROUP

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.