

**GETINGE GROUP**

Carnegie Nordic Health Care Seminar

Johan Malmquist, CEO

24 March, 2010

# A rapidly expanding medical technology company

## Medical Systems



**MAQUET**  
GETINGE GROUP

## Extended Care



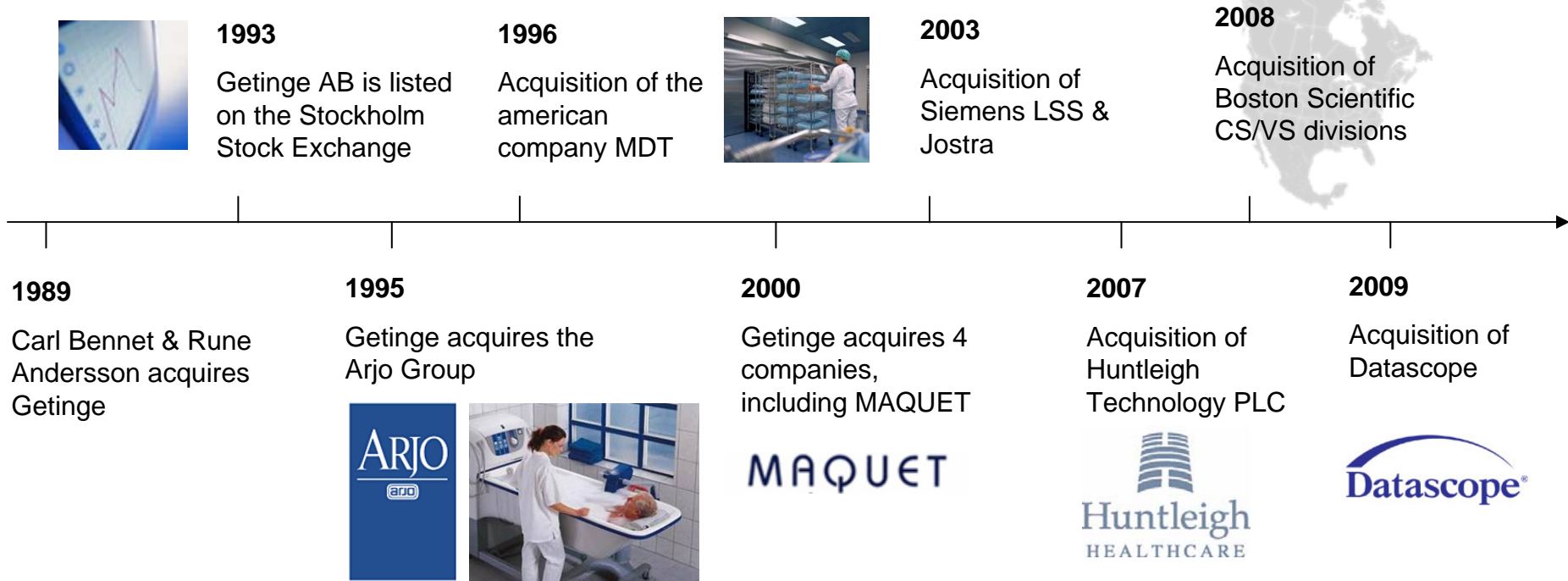
**ARJOHUNTLEIGH**  
GETINGE GROUP

## Infection Control



**GETINGE**  
GETINGE GROUP

## A rapidly expanding medical technology company

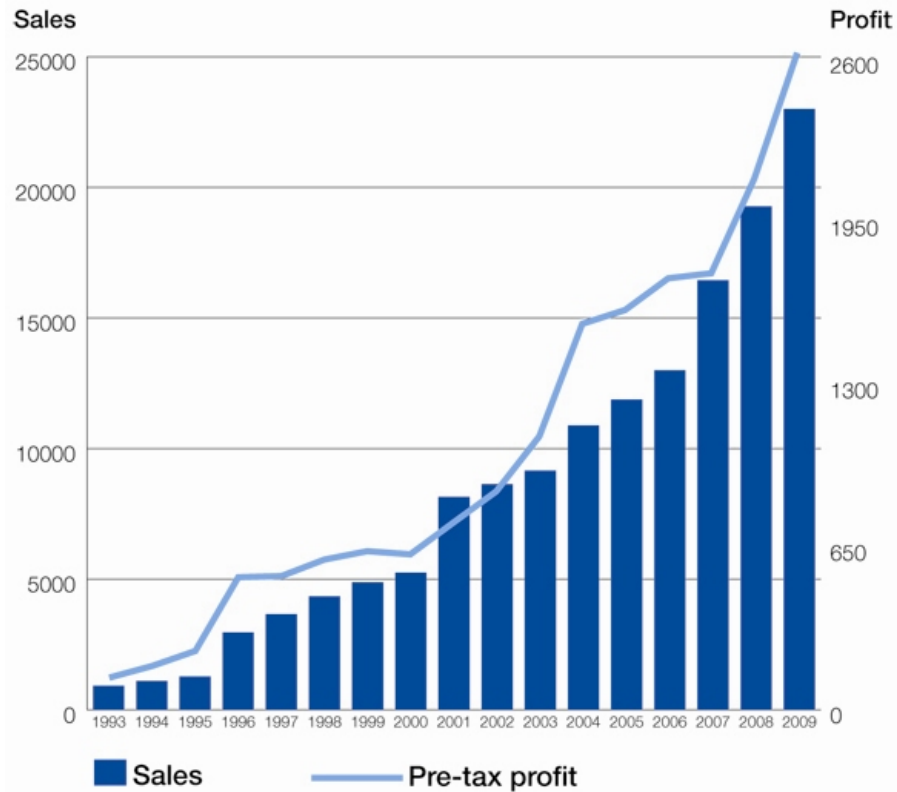


**Infection Control**

**Extended Care**

**Medical Systems**

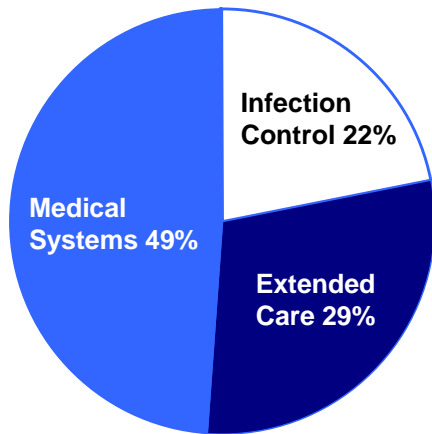
## Continuous growth 1993 – 2009



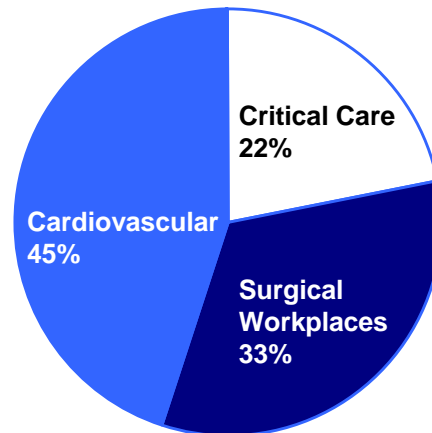
CAGR Revenue: 22 %  
 CAGR Profit before tax: 21 %  
 CAGR Organic growth: 6 - 7 %

## Getinge Group 2009

Revenue: SEK 23 billion  
Associates: 12 100



Revenue by Business Area



Revenue by division in Medical Systems



**GETINGE GROUP**



**STRATEGIC DIRECTION**

## Well positioned

Getinge has gained a competitive position in its markets that will be further strengthened by current trends:

- Market testing/privatization
- Activity based reimbursement
- Focus on core competencies



## Getinge has built a competitive business supported by a robust strategy:

### **Global leadership**

We strive to be a global No 1 or No 2 in the product areas focused. Market leadership will help us attain cost leadership through scale.

### **Solution provider**

We strive to combine the strength of our leading product positions and the depth of our know-how to offer innovative solutions that lead to process improvements for our customers.

### **Customer relationships**

A direct approach to our customers is crucial to our success. Getinge will strive to establish own distribution channels whenever justifiable.



## Strategic direction

### Global leadership

### Integrated solutions

**Sterilization**  
**Disinfection**

no 1  
no 1

**Patient Handling**  
**Hygiene Systems**  
**Wound Care/TS**  
**IPC / DVT**

no 1  
no 1  
no 2  
no 1

**Surgical Tables**  
**Surgical Lights**  
**Ceiling Pendants**

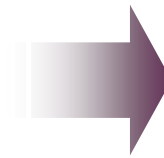
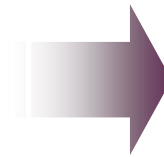
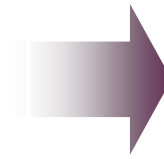
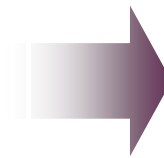
no 1  
no 1  
no 2

**EVH**  
**Beating heart surgery**  
**Anastomosis CABG**  
**Vascular grafts AAA, TAA**  
**Cardiac Assist IABP**

no 1  
no 2  
no 1  
no 1  
no 1

**Ventilation**  
**Anaesthesia**

no 1  
-



**Integrated  
Infection Control  
solutions**

**Integrated solutions  
for health care  
ergonomics**

**Integrated solutions  
for surgical  
procedures**

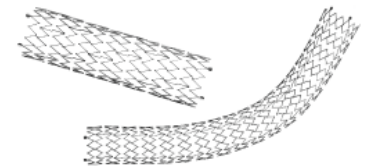
**Integrated solutions  
for cardiac and  
vascular surgery**

**Integrated  
solutions for  
critical care**

**NEW FINANCIAL TARGETS  
AND HOW WE REACH THEM**

## Getinge Group financial targets

- Pre-tax earnings: Average growth of 15% per year
- Long-term organic revenue growth: 5% (next 3-5 years 2% above market, i.e 7%)
- EBITA margin: ~ 20% (MS: 22%, EC: 19%, IC: 16%)
- Cash conversion: 60-70% of EBITDA



## We expect to outgrow the markets we serve by 2 % over the next 3-5 years

- Revenue synergies from recent major acquisitions
- R&D investments in recent years have significantly increased our available markets
- We will continue to invest in proprietary sales channels in emerging economies

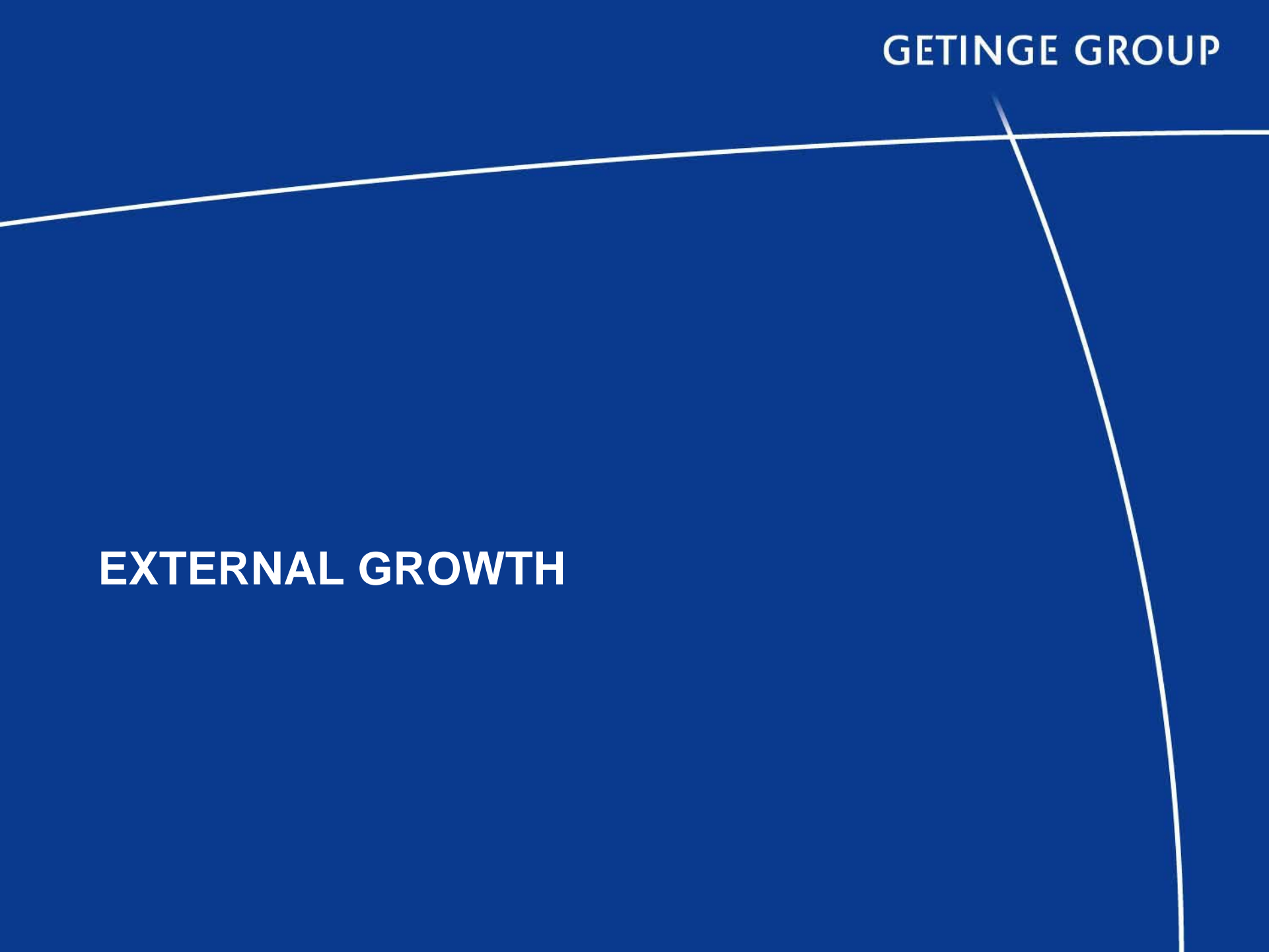


## **We expect EBITA margins to continue to improve in future years**

- The acquisitions of Huntleigh, Datascope and the Cardiac and Vascular surgery divisions of Boston Scientific represents SEK 600 – 700 M in annual cost synergies
- New and pending product introductions are associated with higher gross margins
- Faster growing recurring revenue base
- Significant scope for further cost improvements in our supply chain

**GETINGE GROUP**

**EXTERNAL GROWTH**



## External Growth

### Reinforcing existing leadership positions

- We expect bolt-on acquisitions to add approximately. 2% growth per year.

Focus: New technology and geographic expansion

### Strengthening our capabilities as a solution provider

- We expect acquisitions of new and leading product lines that will strengthen our capacities as a solution provider to add 6-8% growth per year.

Focus: Increased exposure to therapeutic devices and recurring revenue streams, build on *Surgical Workplaces* platform, broaden *Cardiovascular* franchise.

**OUTLOOK 2010**



## Outlook 2010

- We expect good improvements in organic revenue growth
  - Improving demand situation in USA and emerging markets
  - Stable or somewhat declining demand situation in Europe
- Continued good growth in pre-tax profit
- Restructuring costs will drop significantly in 2010
- Earnings will benefit from favorable currency hedges



## A different Getinge

**Getinge Recent structural changes have improved our earnings quality**

- Enhanced exposure to therapeutic disciplines
- Reduced dependence on capital equipment sales
- Systematic investments in the Group's sales organisation in emerging economies



**QUESTIONS & ANSWERS**