Continued strong organic growth

Q2 Report 2018

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July 17, 2018

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Q2 2018 in brief

Strong organic growth – both in orders and net sales

Takeaways from Q2 2018

- Order intake increased by 10.2% organically
- Net sales increased by 6.0% organically
- Strong growth in capital goods and emerging markets, which is natural in an intense growth phase, expected to support recurring revenue later on
- Adjusted EBITA amounted to SEK 538M (702)
- Adjusted EBITA impacted by SEK -69 M in currency effects
- Adjusted earnings per share amounted to SEK 1.21 (1.62)

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Continued progress according to plan

Key activities in Q2

Growth
Systematic sales approach to support growth in all Business Areas and regions

Innovation
Updates and launches in products, services and solutions within all Business Areas

Quality
Continued roll out of the QMS and remediation related to the FDA consent decree continues according to plan – US sites expected to be remediated by the end of 2018

Cost efficiency
Productivity focus while making necessary investment – OPEX increase flattening out vs Q1 2018

Other
Agreement with authority in Brazil – SEK 276 M in fine, covered by provision made in Q1 2018, and SEK 64 M in tax provision related to ongoing investigations and negotiations in Brazil

Strong sales growth in all regions and Business Areas

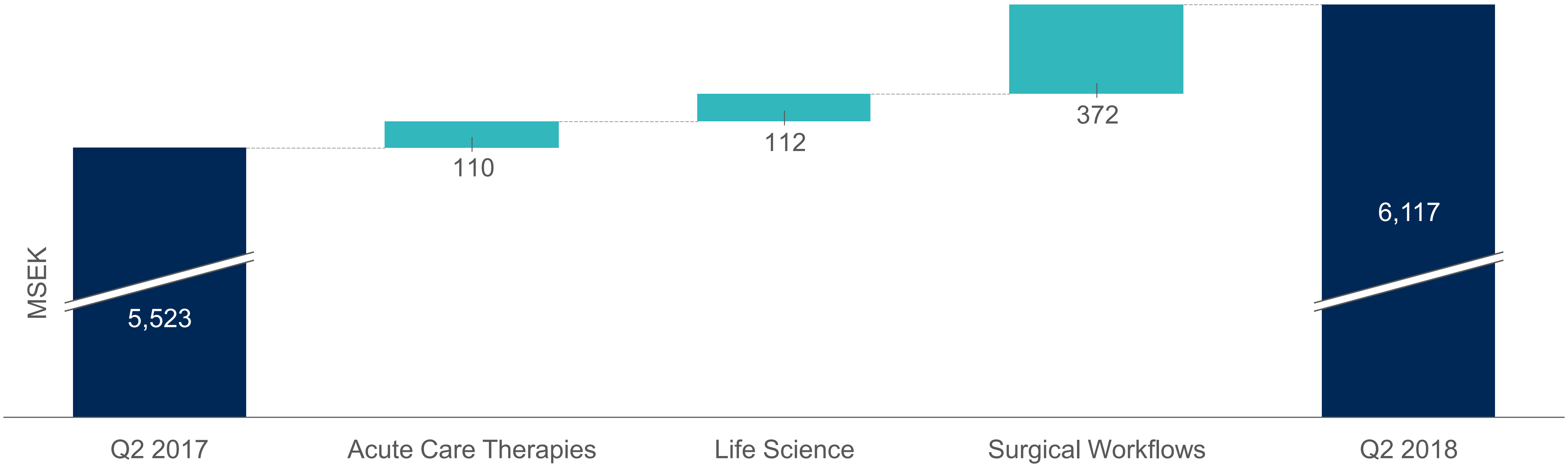
Continued positive momentum in capital goods and emerging markets

- Emerging markets and capital goods is driving growth
- Life Science and Surgical Workflows growing faster than Acute Care Therapies
- No general changes in pricing, like for like

	Americas	EMEA	APAC	Global
Organic OI, %	+5.6	+15.0	+10.6	+10.2
Organic NS, %	+0.0	+7.2	+17.3	+6.0

Contribution in order intake Q2 2018

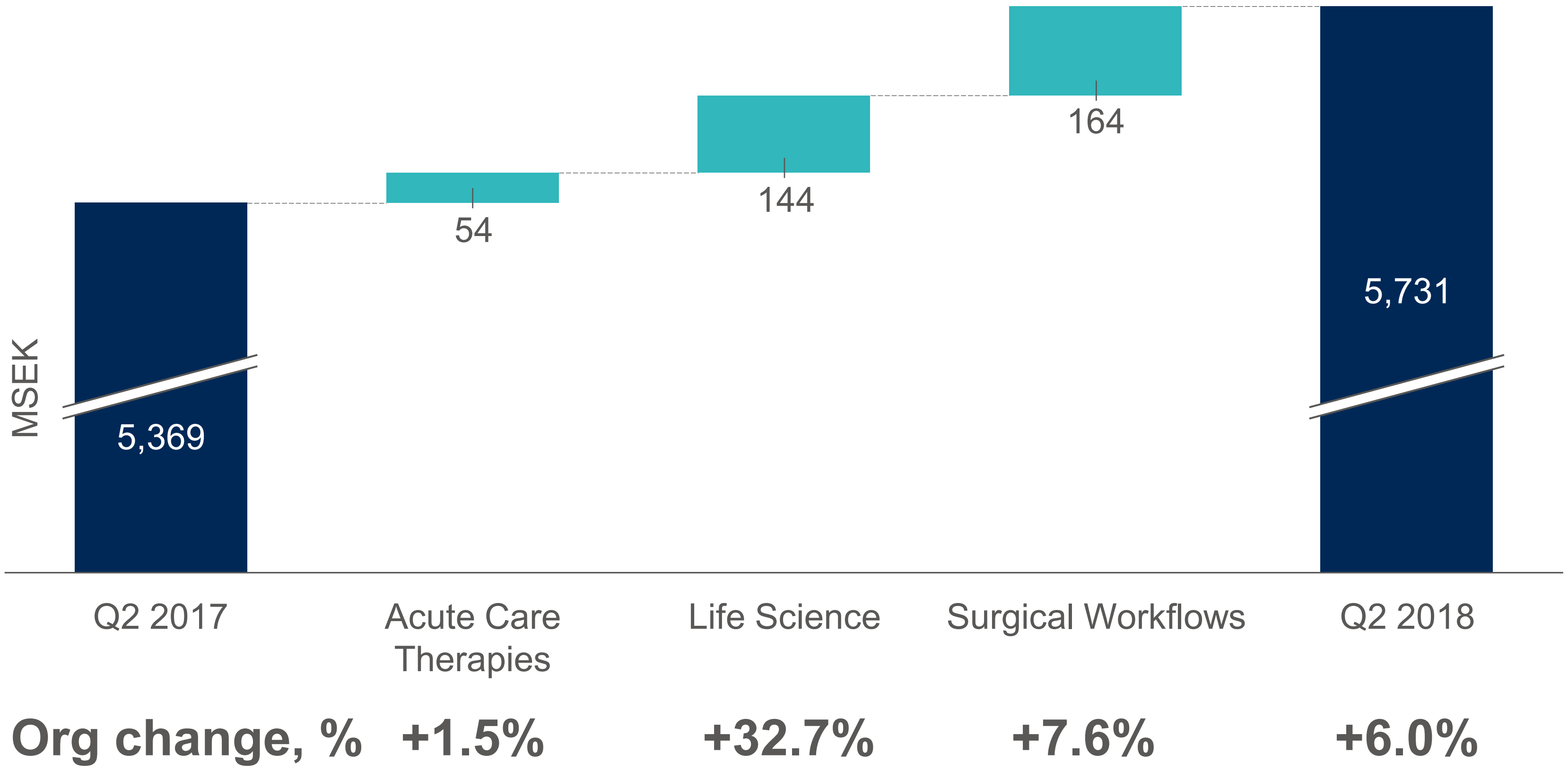
Organic growth in all Business Areas



Org change, %	+ 3.5%	+ 20.3%	+ 18.5%	+ 10.2%

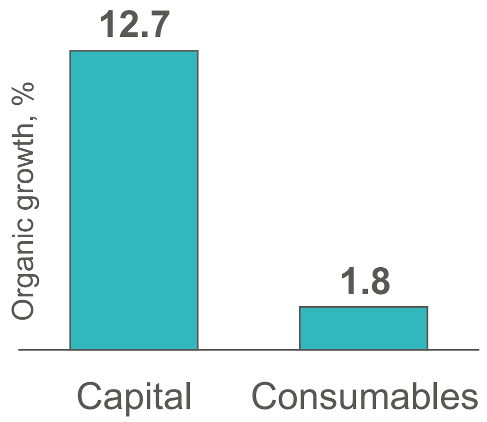
Contribution in net sales Q2 2018

Strong organic growth in both Life Science and Surgical Workflows



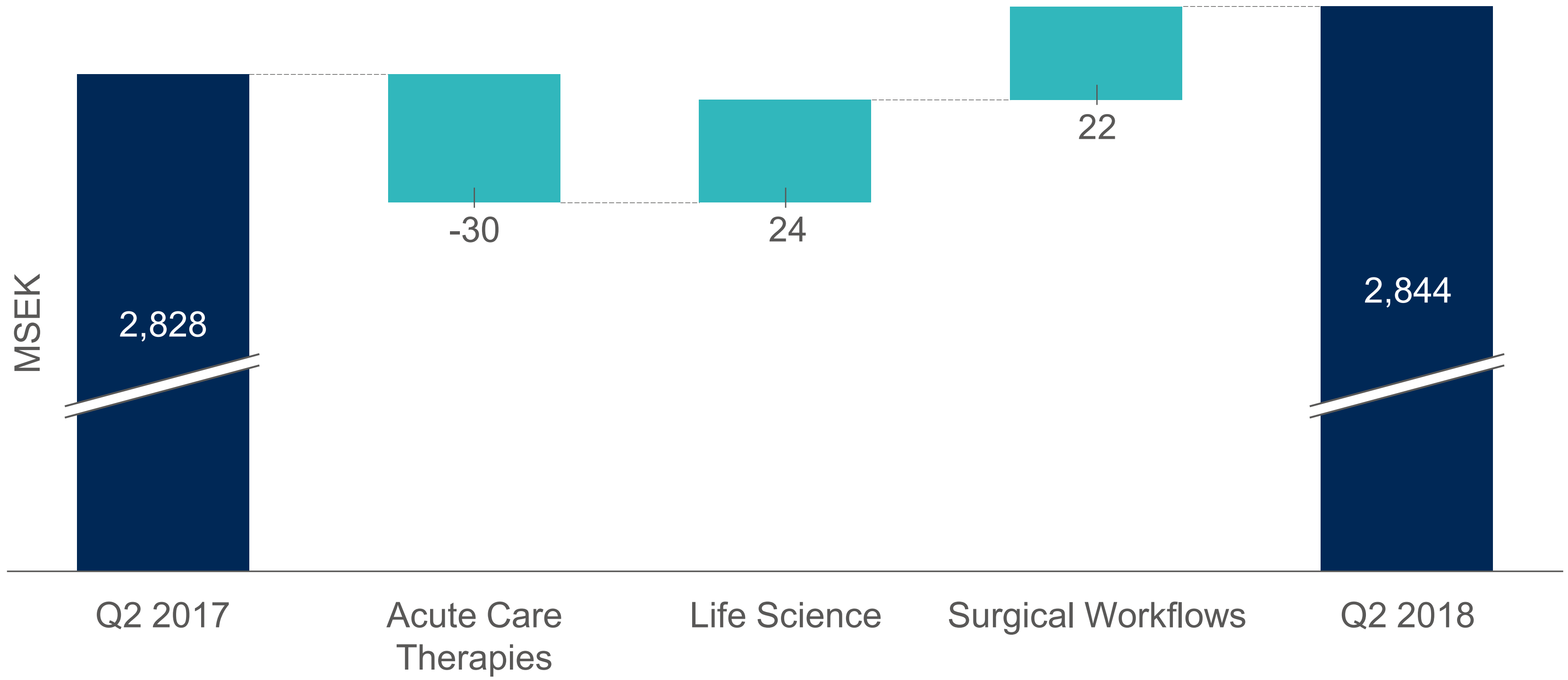
+40

Currency impact, MSEK



Gross Margin development Q2 2018

Product and market mix and currency impacting negatively

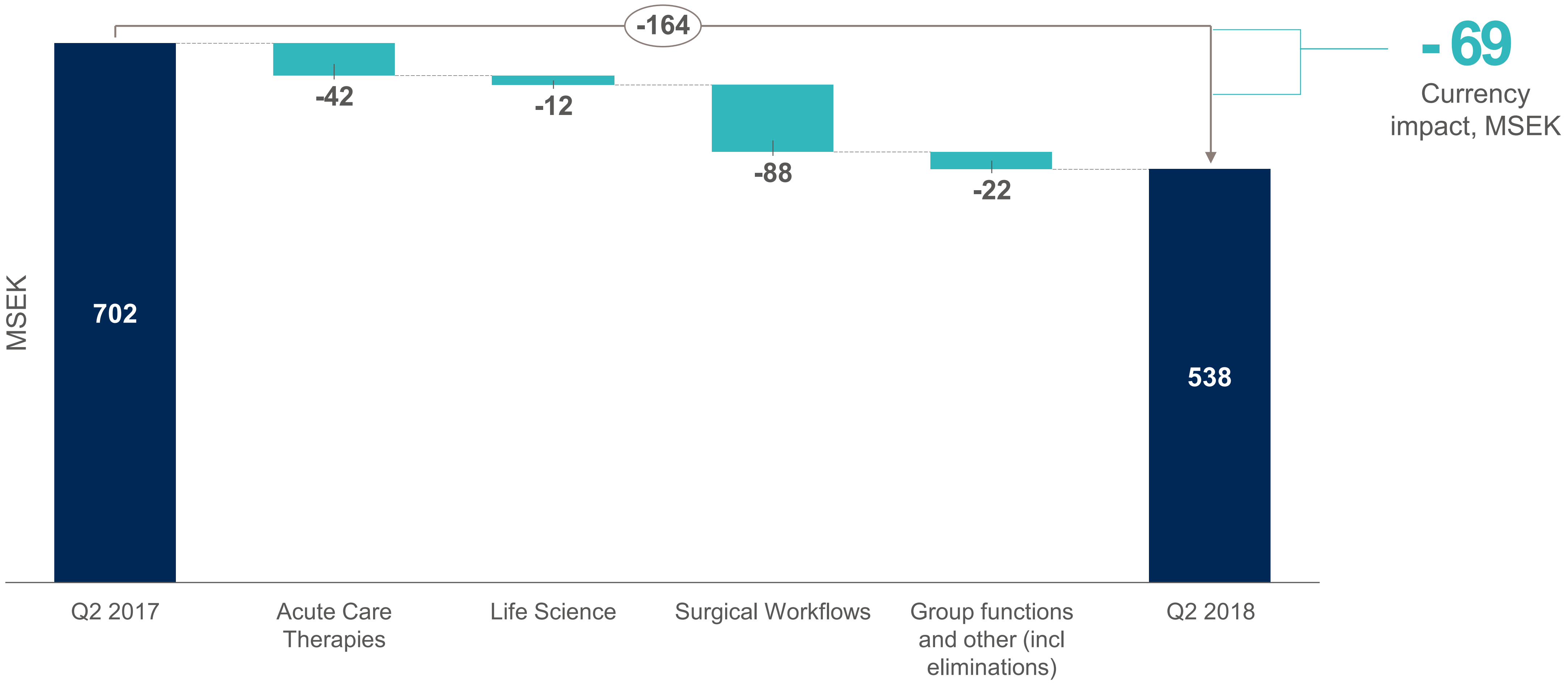


Adj. Gross margin,% (Q2 2017)	Acute Care Therapies	Life Science	Surgical Workflows	Q2 2018
	59.0 (61.0)	**35.6** (42.4)	**39.0** (41.2)	**49.6** (52.7)

Financial development

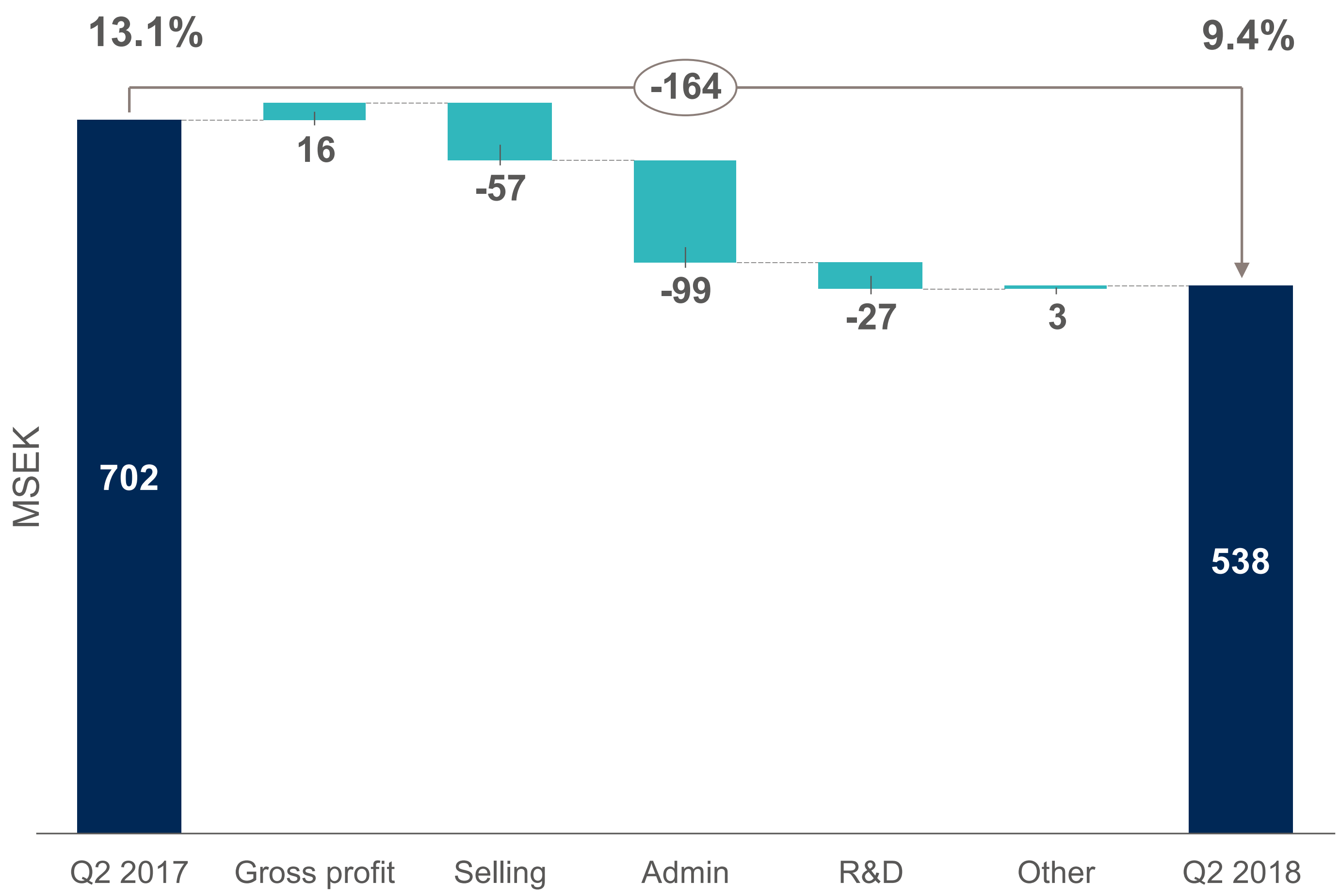
Adjusted EBITA

Bridge Q2 2017 – Q2 2018



Adjusted EBITA

Bridge Q2 2017 – Q2 2018



Margin decrease 3.7%

-1.3pp	Currency
-2.1pp	GP Margin
-0.6pp	OpEx
+0.3pp	Depreciation

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Financial Position

Currency impacting net debt

- Working Capital impacted by building inventory due to growth in top-line
- The fine of SEK 276 M related to investigations in Brazil is expected to be paid out in Q4
- Currency effects and dividend explains the change in net debt

SEK M	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Cash flow before changes in working capital	440	925	712	1,719	3,653
Changes in working capital	-39	-702	-13	-628	-890
Net investments in non-current assets	-354	-390	-653	-756	-1,633
Cash flow after Net investments	**47**	**-167**	**46**	**335**	**1,130**
Net interest-bearing debt at end of the period			**13,845**	**22,666**	**12,792**
In relation to adjusted EBITDA R12M, multiple			*3.5*	*N/A*	*3.0*

Outlook

Outlook 2018

Earlier outlook within brackets

- Organic sales growth is expected to be well within 2-4% *(slightly positive)* in 2018
- Currency transaction effects FY 2018 are expected to have a negative impact of approximately SEK -175 M *(-150)* on EBIT

Summary

Summary – key takeaways

2nd Quarter 2018

- Strong organic growth
- Gross margin adversely impacted by product and regional mix and currency
- OPEX flattening out vs Q1
- SEK -69 M currency impact on EBITA adjusted
- Agreement with Brazilian authority
- Product launches, such as Flow-c in Acute Care Therapies and Getinge Steam Sterilizer in Life Science

Q&A

Thank you

Appendix – Business Information

Leading positions in well defined segments

Enabling better healthcare to more patients with the same resources

170 BSEK
Addressable market

2-4%
Organic growth in addressable market

90%
Hospitals represent 90 % of sales, 10% goes to Pharma, Lab & Medtech

Hospital products used in

CSSD*
Cath Lab
Operating Room
ICU
Endo suite

Offering leading therapies, infrastructure and IT-solutions towards hospitals

The value we contribute with

- Improving outcomes and reducing length of stay
- Improving efficiency and minimizing HAI**
- Compliant and contamination free production and research processes

150
Sales in 150 countries

22.5 BSEK
Net sales***

*Central Sterile Supply Department. ** Hospital Acquired Infections *** 2017

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Three business areas in brief

And key financials for 2017

Acute Care Therapies

Advanced life supporting therapies in acute care hospitals

Value offering: Contributing to a better clinical outcome in a cost efficient way in Critical Care and Cardiac Surgery

Products: Advanced Ventilators and Anesthesia machines, Heart-Lung machines and devices for Open heart surgery, Cardiac Assist, Vascular disease and Thorax drainage

12,201 Net Sales, MSEK	**54%** Share of Group's net sales	**27/73** Capital/consumables (incl service)
2,500 Adj EBITA*, MSEK	**75.5%** Share of Group's Adj EBITA*	**20.5%** Adj EBITA margin

Addressable market: 85 BSEK.
2-4 % organic growth

Main competitors: Medtronic, Hamilton, Gore, Terumo

Position: Among the global leaders in all product segments

Life Science

Solutions for sterile R&D and production (BioPharma, Labs & Medical Device)

Value offering: Contributing to a compliant and contamination free production and research process

Products: Sterilizers, Disinfector-washers, products for Aseptic handling and Isolators.

1,947 Net Sales, MSEK	**9%** Share of Group's net sales	**61/39** Capital/Consumables (incl service)
369 Adj EBITA*, MSEK	**11.3%** Share of Group's Adj EBITA*	**19.0%** Adj EBITA margin

Addressable market: 23 BSEK.
3-5 % organic growth

Main competitors: Steris, Stryker, HillRom/Trumpf

Position: Among the global leaders in all product segments

Surgical Workflows

Leading technology for operating rooms and sterile supply

Value offering: Contributing to higher productivity and less risk for Hospital Acquired Infections

Products: Tables, Lights and Pendants, Sterilizers, Disinfectors and software systems for efficient workflows

8,347 Net Sales, MSEK	**37%** Share of Group's net sales	**61/39** Capital/Consumables (incl service)
445 Adj EBITA*, MSEK	**13.2%** Share of Group's Adj EBITA*	**5.3%** Adj EBITA margin

Addressable market: 62 BSEK.
2-4 % organic growth

Main competitors: Steris, Belimed, Miele/Steelco

Position: Among the global leaders in all product segments

**Adjusted for cost for Group functions (SEK -206 M in 2017)*

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RECAP

Recap – the building blocks of our turn around

Effective and sustainable change should follow Strategy-Structure-Systems-Skills wave iteration

Strategy

Internal creation = Internal buy in.
Simple, focused, and fact based.
Build on strengths.
5% creation and 95% implementation.

Structure

BA's with full P&L visibility and accountability

BA-combined functions for synergies.
Align KPI's and incentive systems with strategy.

Systems

Simplify KPI's – fewer and KEY
Adjustment of SAP-ERP system to drive the right actions.
Quality Mgmt system to ensure compliance and drive productivity.

Paced deployment of other tools.

Skills

General upgrade, with focus on key collaborators. Leadership based on competence and skills
Customer and quality as first priorities.

Done ✓
Q2 2017

Done ✓
1st October 2017

KPI's: Done ✓
Q4 2017
SAP adjustments: Ongoing ✓
Quality system: Ongoing ✓

Ongoing ✓
(continuous improvement)

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RECAP

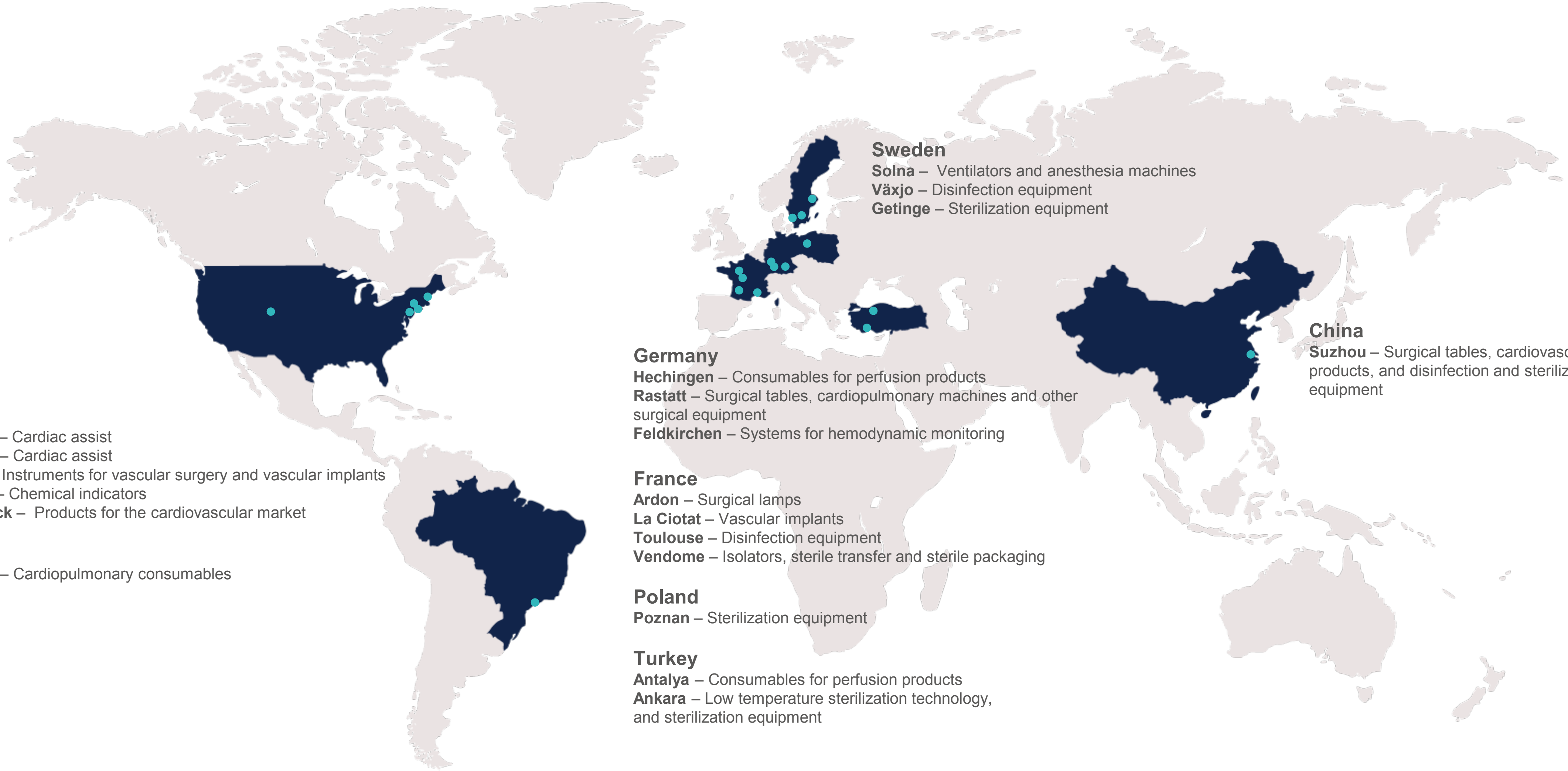
Recap - Turn around towards sustainable profitable growth

10+1 Key steps in order of priority (and pace dictated by management bandwidth)

1. Culture (and strategy). Culture more important than strategy long term. Needs to start day 1. Aligned with strategy, which was updated in 2017.	Focus 2017	Continues
2. Do not compromise on quality/remediation. License to operate. Functional organization in 2016 disturbed the remediation process.	Focus 2017	Continues
3. Speed up spin-off to enable proper turnaround activities. Done 2017, ahead of plan.	Focus 2017	
4. Rights Issue to strengthen the balance sheet. Room to move and act on opportunities. Done 2017.	Focus 2017	
5. Re-ignite organic growth. Other challenges are easier to deal with when growing. Positive momentum helps positive culture shaping.	Focus 2017	Continues
6. Build a global Quality Mgmt System in parallel with remediation. Will enhance efficiency and ensure compliance. Build up 2018. Full implementation will take longer.	Focus 2018	Continues
7. High ethical standards. Needed swift action in 2017. Finished in 2018.	Focus 2018	Continues
8. Innovation and portfolio management. Part of strategy update. Pruning and selective allocation started. High activity 2018 and then continuous improvement.	Focus 2018	Continues
9. Simplify the supply chain. Over-complicated setup, which was discontinued in 2017. Still suffering from some of the errors in the setup. Improvement journey starting 2018.	Focus 2018	Continues
10. Factory efficiency and foot print structure. Foot print analysis done. Lean program structure decided, implementation 2018 and onwards.	Focus 2018	Continues
11 Other activities to strengthen the company and the offering, such as scouting for bolt on M&A's, partnerships etc	From 2018	and onwards

Production

20 production units in 8 countries



USA
Fairfield – Cardiac assist
Mahwah – Cardiac assist
Wayne – Instruments for vascular surgery and vascular implants
Denver – Chemical indicators
Merrimack – Products for the cardiovascular market

Brazil
Cajamar – Cardiopulmonary consumables

Sweden
Solna – Ventilators and anesthesia machines
Växjo – Disinfection equipment
Getinge – Sterilization equipment

Germany
Hechingen – Consumables for perfusion products
Rastatt – Surgical tables, cardiopulmonary machines and other surgical equipment
Feldkirchen – Systems for hemodynamic monitoring

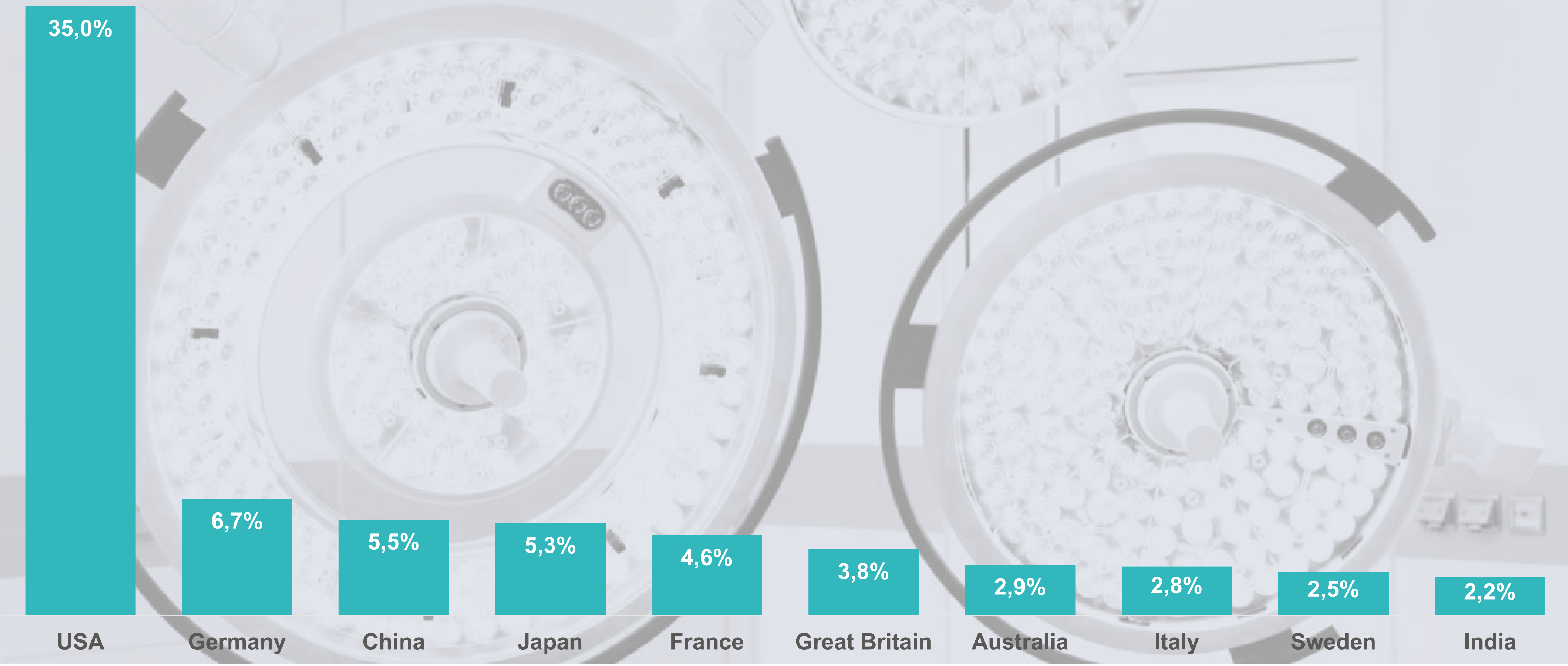
France
Ardon – Surgical lamps
La Ciotat – Vascular implants
Toulouse – Disinfection equipment
Vendome – Isolators, sterile transfer and sterile packaging

Poland
Poznan – Sterilization equipment

Turkey
Antalya – Consumables for perfusion products
Ankara – Low temperature sterilization technology, and sterilization equipment

China
Suzhou – Surgical tables, cardiovascular products, and disinfection and sterilization equipment

Our 10 largest markets 2017



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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.

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