



Q1 Report 2019

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GETINGE 

Key takeaways – performance

Q1 2019

- Sales growth continues
- Positive growth outlook
- Gross Margin improved sequentially
- Improved adj EBITA Margin Y-o-Y
- Positive development on Working Capital and stable Cash Flow



Key takeaways – events

Q1 2019

- Restructuring activities to reduce expenses and improve productivity
 - Restructuring cost of SEK 108 M in the quarter
 - Margin contribution is expected to start to show on P&L from H2 2019
- No new material information on Brazil, Mesh litigations and FDA Warning Letters
- FDA approval: Servo-u and Servo-n software, supporting continued growth in Critical Care

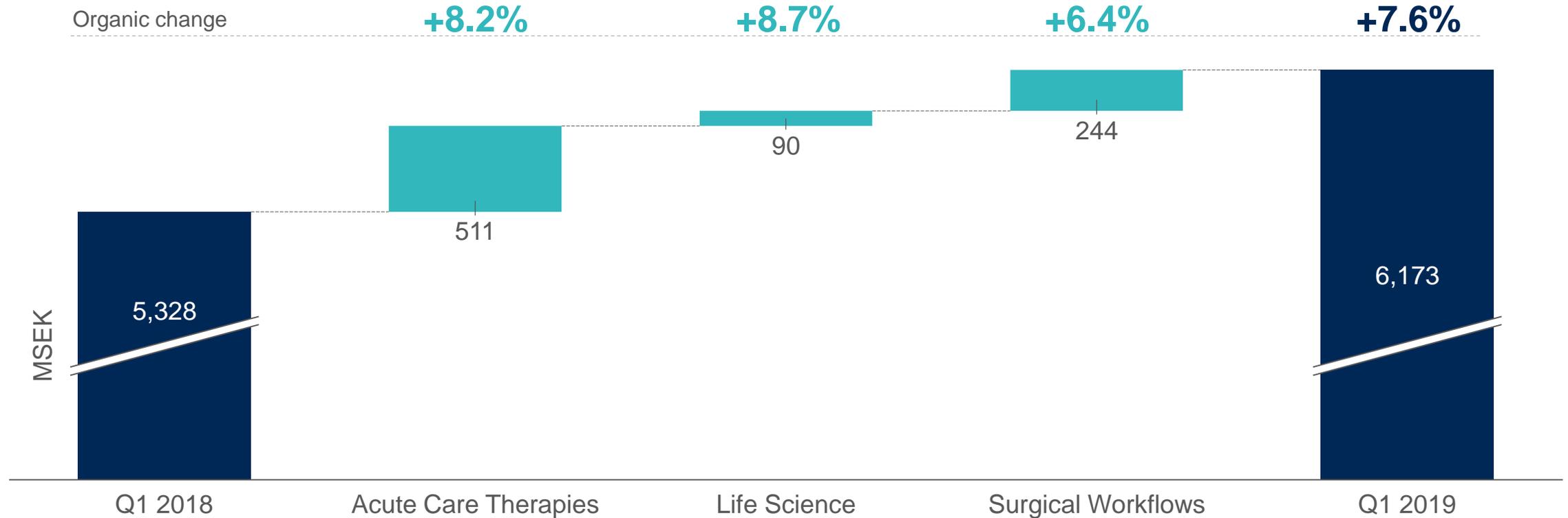
Organic growth continues

Order Intake and Net Sales growth in all regions and business areas



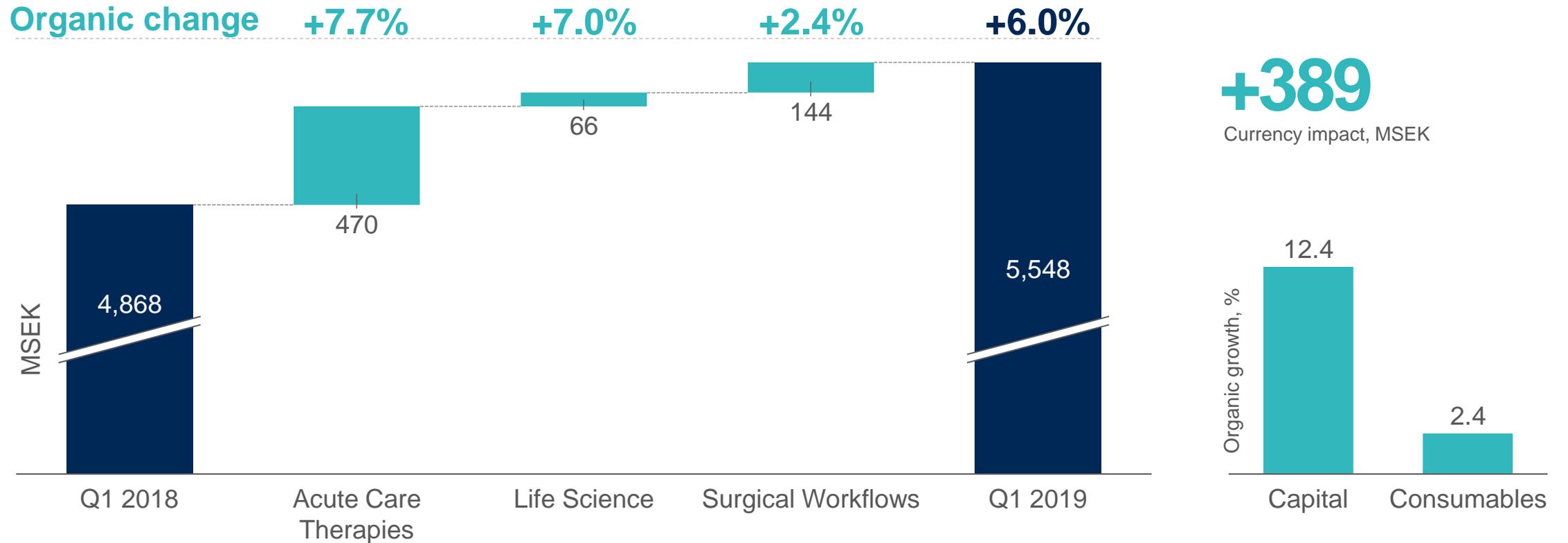
Contribution in Order Intake Q1 2019

Strong organic growth in all Business Areas



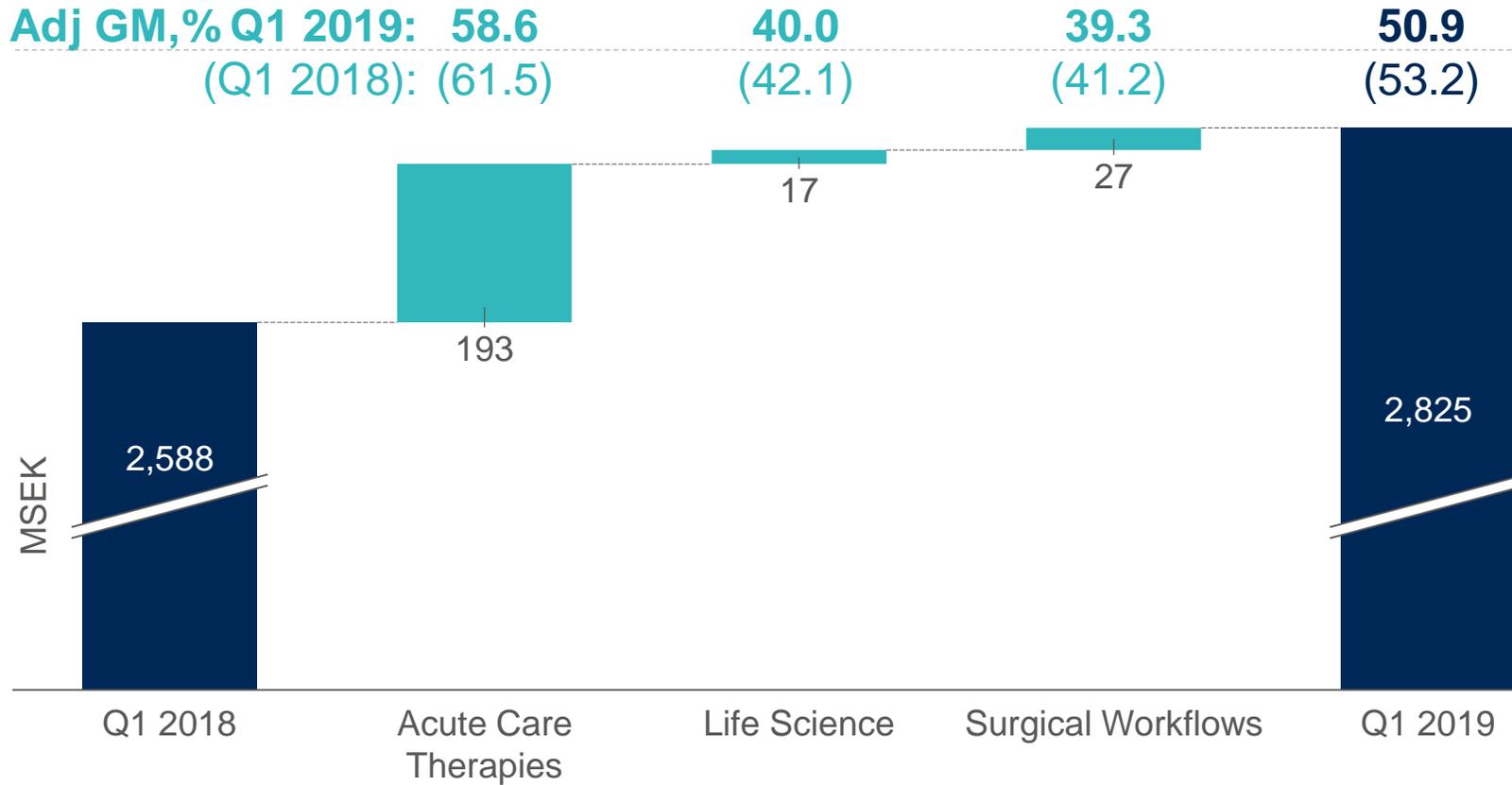
Contribution in Net Sales Q1 2019

Organic growth in all business areas – capital goods growing 10 pp faster than consumables



Gross Margin development Q1 2019

Margin supported by volume growth but negatively impacted by currency effects and product mix



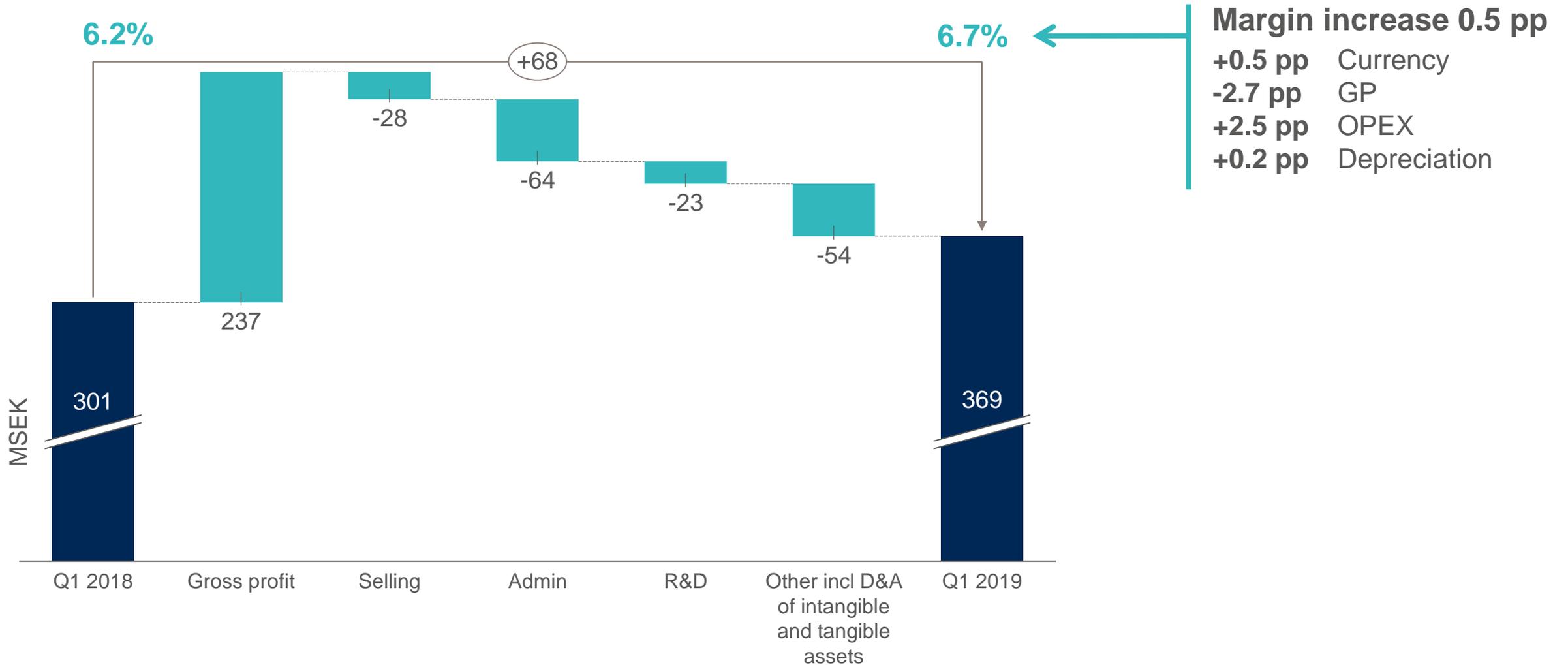
Gross Margin impact

- Volume →
- IFRS 16 →
- Currency →
- Product mix →
- Regional mix →

Financial development

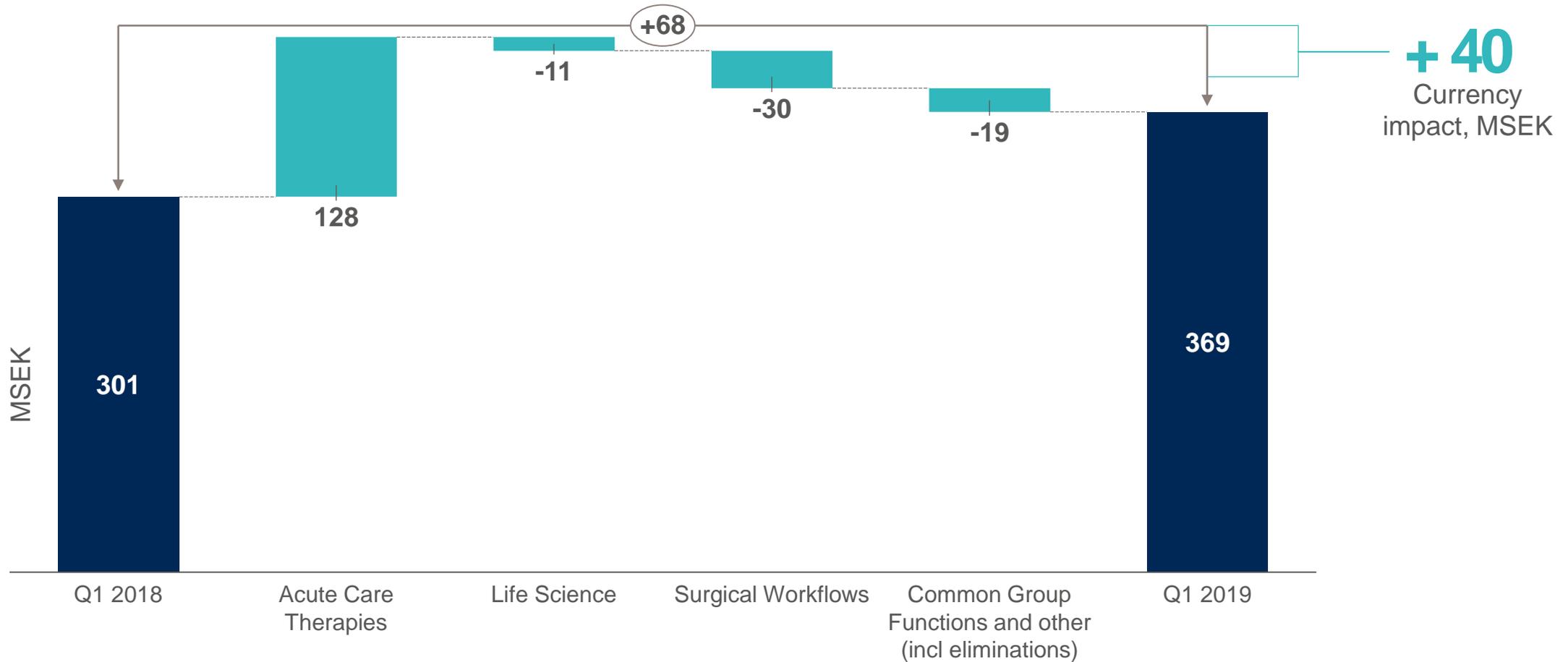
Adjusted EBITA

Bridge Q1 2018 – Q1 2019



Adjusted EBITA

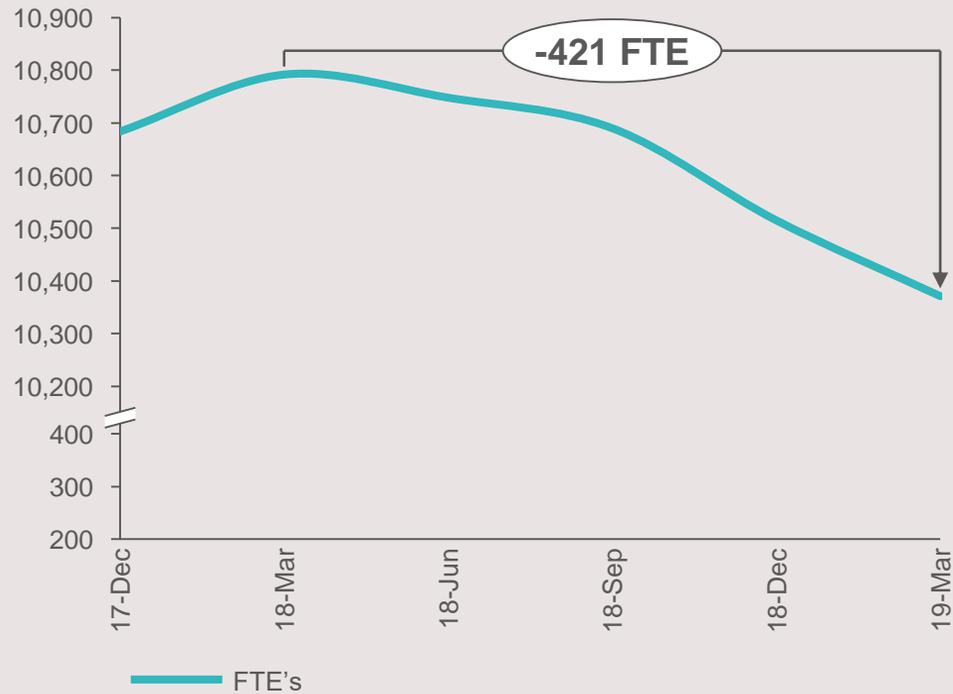
Bridge Q1 2018 – Q1 2019



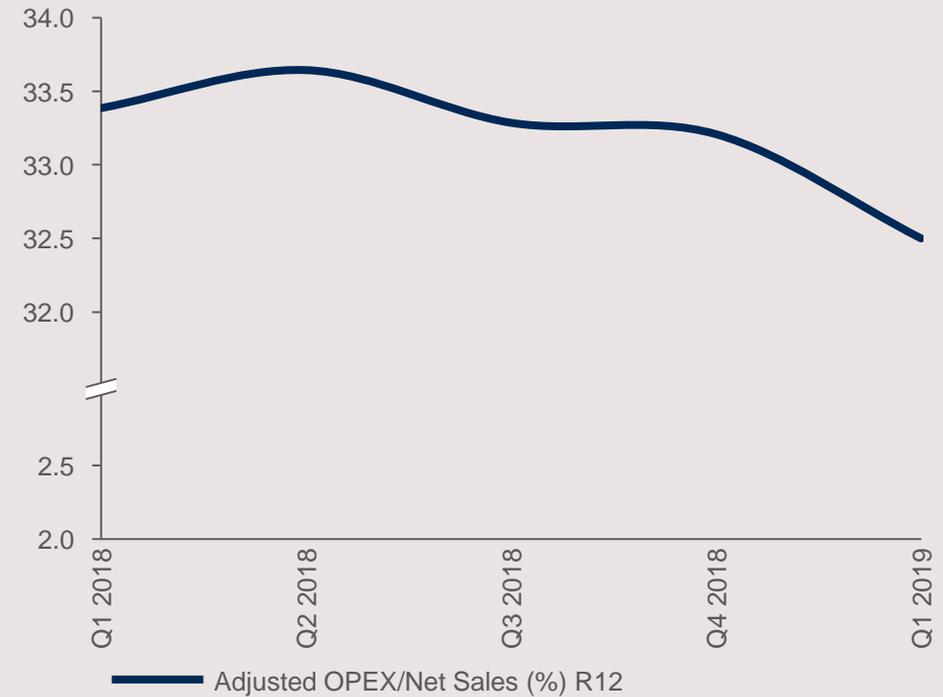
Control on OPEX

FTE's and OPEX in relation to Net Sales continue to move in a positive direction

Decreasing number of FTE's



Decreasing adj OPEX in relation to Net Sales



Stable cash flow development

Q1 2019

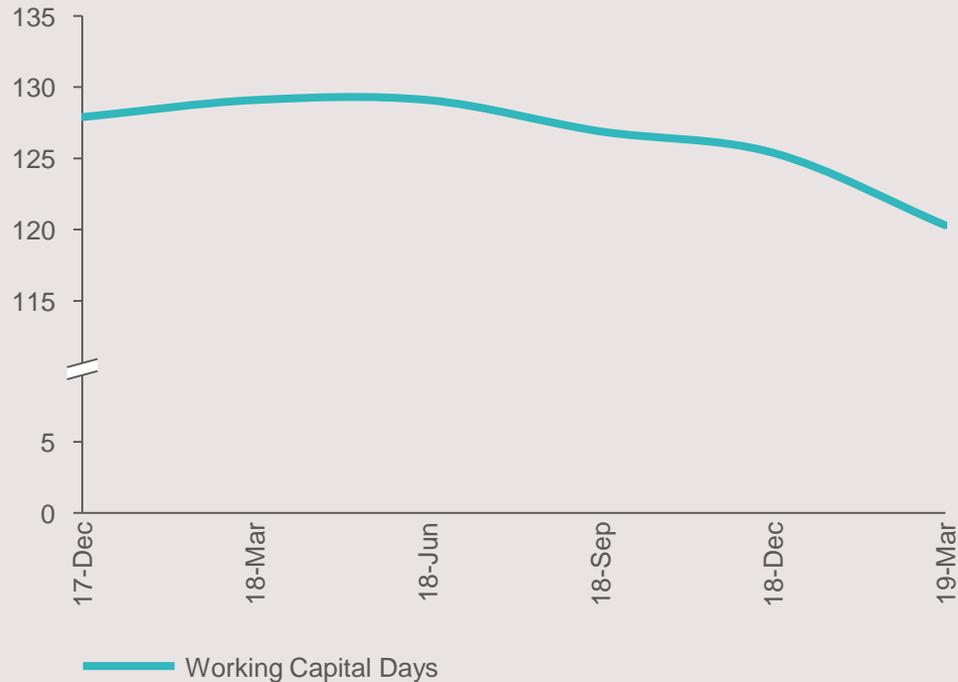
- Cash flow positively impacted by increasing profit
- Working Capital is stable vs. previous year despite strong growth in net sales
- Net debt is negatively impacted mainly by currency effects and IFRS 16-effects
- Leverage (Net debt/adj EBITDA R12M) is in line with Q4 2018 when adjusted for IFRS 16-effects

SEK M	Jan-Mar 2019	Jan-Mar 2018	Jan-Dec 2018
Cash flow before changes in working capital	356	272	2,641
Changes in working capital	31	26	-138
Net investments in non-current assets	-248	-299	-1,335
Cash flow after net investments	139	-1	1,168
<i>Whereof IFRS 16-effect</i>	86	-	-
Net interest-bearing debt at end of the period	13,953	13,079	12,591
<i>In relation to adj EBITDA R12, multiple</i>	3.4	3.2	3.2
Net interest-bearing debt at end of the period, excl IFRS 16 effect	12,947		
<i>In relation to adj EBITDA R12, excl IFRS 16 effect, multiple</i>	3.2		

Stable cash flow development

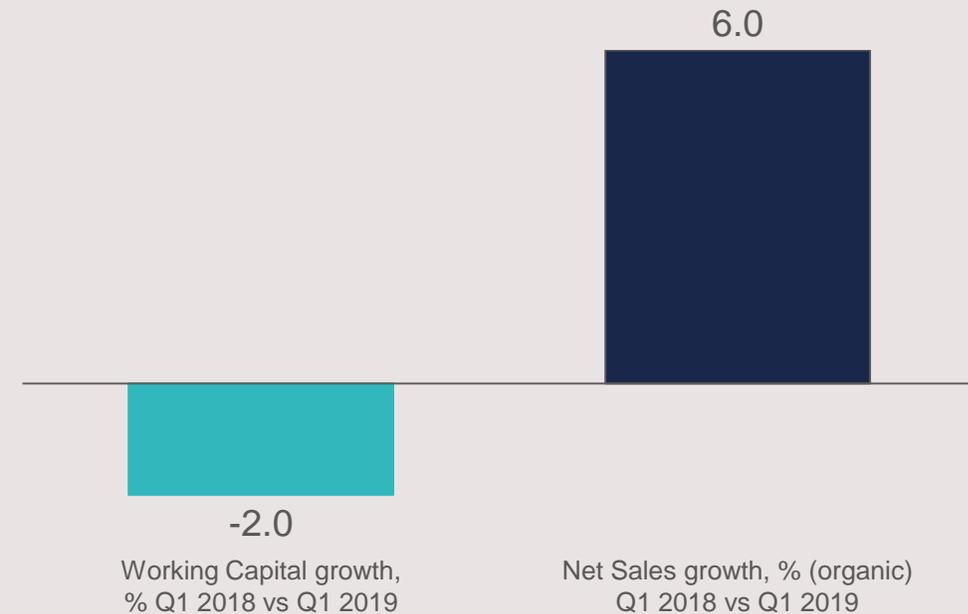
Working Capital is declining in days and in absolute terms

Working Capital Days continue to improve



Working Capital, as defined on this page, is including accounts receivables, accounts payables and inventory - adjusted for currency

Working Capital is decreasing despite strong sales growth



Outlook

Outlook 2019

2-4%
Organic Net Sales Growth

Summary

Key takeaways

Summary Q1 2019

- Sales growth continues
- Positive growth outlook
- Gross Margin improved sequentially
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- Positive development on Working Capital and stable Cash Flow
- Restructuring activities expected to start support margins from H2 2019

Q&A

Thank you

Forward looking information

This document contains forward-looking information based on the current expectations of the Getinge'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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