

- ◆ **Orders received** rose by 10.7% to SEK 8,667.7 million (7,831.6), while organic orders received increased by 6.7%
- ◆ **Net sales** rose by 7.8% to SEK 7,991.6 million (7,412.2)
- ◆ **Profit before tax** amounted to SEK 908.3 million (912.1)
- ◆ **Net profit** amounted to SEK 654.0 million (685.6)
- ◆ **EPS** was SEK 3.24 (3.40)
- ◆ **Continued favourable** cash flow
- ◆ **Acquisition** of Lancer UK

Q3 2005

Orders received

Orders received organically by the Group grew by 4.4% during the quarter. The organic growth of orders received during the first nine months of the year totalled 6.7%. Demand continued to be generally favourable in developing markets and North America, while remaining sluggish in Western Europe.

The trend of orders received for Medical Systems remained positive and organically increased by 11.5% during the quarter.

Orders received for Infection Control declined somewhat compared with the Q3 2004. The trend toward fewer but larger projects continues, which is leading to certain shifts in orders received and invoicing.

Organically, orders received for Extended Care were marginally better than in the preceding year. Demand in the European market remains weak.

Results

Consolidated profit before tax increased by 14% compared with the corresponding quarter last year, amounting to SEK 291.2 million (255.8). For the first nine months of the year, the Group's profit before tax remained in line with the preceding year. The improvement in profits during the period is mainly attributable to favourable growth in invoicing.

Medical Systems reported high profit growth during the period as a result of favourable volume growth, above all in the Critical Care division.

Infection Control's result for the period was somewhat lower compared with the corresponding quarter last year due to low volume growth. The reduced operating margin was attributable to exchange-rate effects and that La Calhène, a recent acquisition, currently has lower operating margins than existing operations.

Extended Care's operating profit was down somewhat on the preceding year, which is also an effect of a weak volume trend. Deliveries of patient-handling

equipment to the US from the business area's production unit in the UK remain subject to an embargo. It is estimated that this had a negative impact on earnings of SEK 35 million during the period.

The Group's cash flow continues to develop well. Operating cash flow for the period amounted to SEK 446 million (389).

Outlook

Demand for the Group's products remains positive, although certain geographical shifts occurred. Favourable demand in North America and in developing markets offset the continued weak European market.

Several of the major European markets are dominated by major changes and adaptations in the reimbursement systems, while there is also political uncertainty in the healthcare market.

Medical Systems anticipates continued favourable demand in all product areas. Growth in invoicing, which was weak at the beginning of the year, gathered momentum during the quarter and is expected to remain strong for the remainder of the year. The decline in gross margin that was forecast early in the year as a result of product-mix changes at Surgical Workplaces did not materialise to the expected extent.

Infection Control has had weak volume development to date during the year, but anticipates an improvement during the fourth quarter. It is expected that project delays, which have affected both orders received and invoicing during the year, will have less impact in the fourth quarter. The integration of newly acquired La Calhène is proceeding as planned, but the acquisition is not expected to contribute significantly to the Group's profit before tax during the current year.

Extended Care forecasts a continued positive level for orders received in North America for the rest of the year, as well as a slight improvement in the situation in Western Europe. There is uncertainty regarding the business area's possibilities of resuming deliveries from the Gloucester unit to the US prior to the end of the year due to the import embargo placed on the production unit by the FDA. If no deliveries to the US are possible during the current year, the effect on the Group's full-year profit before tax will amount to SEK 60 million. The business area is currently working with its customers to find alternative product solutions from other production units in the business area.

Apart from impacts on profit resulting from the FDA's embargo on Extended Care, the Group continues to take a positive view of the outlook for earnings for the year in accordance with the expectations expressed in conjunction with the most recent quarterly report.

Business area Medical Systems

Market development

Orders received per market	2005 Q 3	2004 Q 3	<i>Change adjusted for</i> <i>curr.flucs.&corp.acqs.</i>	2005 9 Mon	2004 9 Mon	<i>Change adjusted for</i> <i>curr.flucs.&corp.acqs.</i>
Western Europe	612.4	598.3	0.1%	1,934.5	1,889.7	1.8%
USA and Canada	265.8	211.9	19.3%	744.3	612.9	21.0%
Asia and Australia	239.3	220.9	5.9%	685.2	579.7	18.8%
Rest of the world	144.1	67.6	106.7%	322.4	191.6	66.0%
Business area total	1,261.6	1,098.7	11.5%	3,686.4	3,273.9	12.2%

Orders received by the business area continue to develop extremely well and, although Q3 2004 was strong, organic orders received during the period increased by 11.5%. All of the divisions within the business area reported favourable volume developments, but the trend for Critical Care was particularly positive. The volume trend in the Western European market remains moderate. Orders received in Southern Europe and the UK developed well, while there was a decline in orders received in the German-speaking markets and the Benelux region. The North American region continues to demonstrate favourable volume development. Orders received in developing markets were generally good, with favourable growth in most markets in the Middle and Far East, as well as Central Europe and Russia.

Results

	2005 Q 3	2004 Q 3	<i>Change</i>	2005 9 Mon	2004 9 Mon	<i>Change</i>	2004 FY
Net sales, SEK Million	1,256.5	993.5	26.5%	3,470.5	3,217.7	7.9%	4,619.5
<i>adjusted for currency flucs. & corp. acqs</i>			23.1%			7.5%	
Gross profit	606.4	499.0	21.5%	1,688.1	1,625.0	3.9%	2,244.5
Gross margin %	48.3%	50.2%	-1.9%	48.6%	50.5%	-1.9%	48.6%
Operating cost, SEK Million	-417.1	-371.2	12.4%	-1,236.0	-1,158.1	6.7%	-1,549.1
EBIT	189.3	127.8	48.1%	452.1	466.9	-3.2%	695.4
EBIT margin %	15.1%	12.9%	2.2%	13.0%	14.5%	-1.5%	15.1%

The trend for operating profit was extremely strong during the period, rising by 48.1%. The operating margin was 15.1% for the seasonally weak third quarter. The improved result is a direct effect of strong growth in invoicing, primarily by Surgical Workplaces and Critical Care. The gross margin, which is somewhat lower than the year-earlier level, developed well, considering the shift in product mix announced for Surgical Workplaces. The higher costs that can be noted are at a higher level in accordance with plan and are an effect of an expanded market organisation.

Activities

Product launches

The product launches that were announced earlier and will take place during the Medica trade fair in Germany in the fourth quarter are being developed according to plan and comprise surgical tables, surgical lights and ceiling service units. In a

longer perspective, the business area is working on a number of exciting development projects within Critical Care and Cardiopulmonary.

New production structure for Cardiopulmonary

As announced earlier, Medical Systems intends to enhance the efficiency of its production of consumable items within the Cardiopulmonary division. The production of capital-intensive products will be concentrated into a single unit in Germany from the current three units, while labour-intensive production will be transferred to Turkey. The project is expected to be completed by the end of 2007.

Business area Infection Control

Market development

Orders received per market	2005	2004	<i>Change adjusted for</i>	2005	2004	<i>Change adjusted for</i>
	Q 3	Q 3	<i>curr.flucs.&corp.acqs.</i>	9 Mon	9 Mon	<i>curr.flucs.&corp.acqs.</i>
Western Europe	446.6	399.7	-3.2%	1,288.5	1,204.6	2.3%
USA and Canada	350.8	312.3	-4.2%	951.4	886.0	3.4%
Asia and Australia	84.1	98.6	-22.6%	292.5	339.5	-15.4%
Rest of the world	75.1	46.6	56.5%	147.1	155.2	-8.1%
Business area total	956.6	857.2	-2.5%	2,679.5	2,585.3	-0.3%

Orders received declined during the period and organically fell by 2.5% compared with the corresponding quarter last year. Generally, a shift can be noted towards fewer but larger projects, meaning that lead times for orders and deliveries have become longer. An underlying factor is that increasing numbers of hospital customers in Europe are investigating the possibility of coordination with other hospitals regarding investment in infection control equipment. A trend in which customers procure infection control equipment as major projects is in line with the business area's expertise and focus, but results in longer lead times in the short term.

The market trend in Western Europe, which has generally been better during the year in Infection Control than in the other business areas, was weaker during the quarter. The positive trend in Scandinavia and in German-speaking markets could not offset the weaker development in Southern Europe, the UK and the Benelux countries.

The weaker trend in North America is mainly attributable to Canada and demand remains favourable in the North American market. In developing markets, the trend was mixed, with a decline in certain markets in the Far East, but favourable volume growth in Central Europe and Latin America.

Results

	2005	2004	Change	2005	2004	Change	2004
	Q 3	Q 3		9 Mon	9 Mon		FY
Net sales, SEK Million	804.7	726.2	10.8%	2,352.4	2,279.7	3.2%	3,524.6
<i>adjusted for currency flucs.& corp.acqs</i>			-2.4%			-0.3%	
Gross profit	285.3	272.6	4.7%	877.2	888.0	-1.2%	1,351.9
Gross margin %	35.5%	37.5%	-2.0%	37.3%	39.0%	-1.7%	38.4%
Operating cost, SEK Million	-219.3	-194.9	12.5%	-637.6	-609.4	4.6%	-818.3
EBIT	66.0	77.7	-15.1%	239.6	278.6	-14.0%	533.6
EBIT margin %	8.2%	10.7%	-2.5%	10.2%	12.2%	-2.0%	15.1%

Operating profit declined compared with the preceding year due to a weak volume trend and negative exchange-rate effects. The consolidation of the new acquisition, La Calhène, which will take place starting this quarter, will have a negative impact on the operating margin. The reduced gross margin and higher costs during the period are attributable to exchange-rate effects and the La Calhène acquisition.

Activities

Improved production structure for large washer disinfectors

The project in progress to concentrate the production of large disinfectors is proceeding according to plan. Production and product development will be concentrated at the business area's centre of excellence for hospital disinfectors in Växjö, Sweden, while some assembly work and customer adaptation for the American market will be conducted at the business area's unit in Rochester, USA. Deliveries to customers in North America will be made in full during the fourth quarter of the year.

Logistics project

The business area's logistics project for simplified orders and invoicing procedures and reduced tied-up capital is proceeding according to plan. An initial step, the centralisation of Infection Control's spare-parts handling in cooperation with an external logistics partner in Belgium, will be conducted in Q4. Subsequently, there will be a gradual implementation of the IT platform that will enable final implementation of the project. The project will be fully functional by the end of 2007 and will generate annual savings of approximately SEK 50 M.

La Calhène

La Calhène, which was acquired during the second quarter of the year and consolidated in the Group's income statement from the third quarter, is developing as planned. Work to establish the details of the company's integration into the Group is currently in progress and is expected to be concluded late in the fourth quarter. The integration costs announced, which are expected to amount to a maximum of SEK 25 million, will have a very minor impact on the current year's result. La Calhène is expected to contribute about SEK 30 million before tax in 2006, excluding the integration costs above.

Establishing in China

The business area's production unit for sterilisation equipment that was recently started up in China is now delivering the full capacity required to meet existing demand. A decision has been made to expand local production to include disinfection equipment. In parallel with this work, a planned expansion of the local market organisation is being conducted to cover a larger share of the local Chinese market.

Outsourcing of sterilisation units in the UK

As reported earlier, the UK National Health Service (NHS) has decided to outsource some sterile production from public sector hospitals to "super centres" that will supply multiple hospitals with sterile instruments on an outsourcing basis. There are currently some 20 active projects for implementation prior to 2008/2009. Of these projects, six are at a stage where final discussions are in progress between NHS and a reduced number of service providers. Infection Control remains well-positioned to assume an active role as equipment provider for the selected service providers. The equipment requirements for intended "super centres" have a cost of about SEK 15 to 25 million per centre.

Acquisition of Lancer UK

As announced in a separate press release after the end of Q3, Getinge has acquired its UK distributor Lancer UK Ltd. The company's customers operate within the medical care and life science sectors.

During its fiscal year (August 2004 – July 2005), the company's sales amounted to SEK 104 million and profit before tax was SEK 21 million. At 31 July 2005, the company's assets totalled SEK 85 million and liabilities were SEK 33 million.

The acquisition price of SEK 119 million corresponds to an EV/EBITDA (enterprise value in relation to profit before depreciation) multiple of about 5, based on the fiscal year that ended on 31 July 2005.

Getinge anticipates being able to consolidate Lancer UK from October of the current year. Lancer UK is expected to contribute to the Group's earnings per share from 2006.

Business area Extended Care

Market development

Orders received per market	2005	2004	<i>Change adjusted for</i>	2005	2004	<i>Change adjusted for</i>
	Q 3	Q 3	<i>curr.flucs.&corp.acqs.</i>	9 Mon	9 Mon	<i>curr.flucs.&corp.acqs.</i>
Western Europe	414.6	415.1	-3.9%	1,284.8	1,328.6	-5.2%
USA and Canada	230.2	167.6	13.0%	893.8	541.2	35.0%
Asia and Australia	23.4	19.7	3.9%	77.3	57.0	26.3%
Rest of the world	4.3	3.6	4.6%	12.6	13.2	-13.4%
Business area total	672.5	606.0	1.1%	2,268.5	1,940.0	6.9%

There was weak development in orders received during the quarter and organically these grew by 1.1%. The pattern of weak volume development in Western Europe that was noted during the first six months continued during Q3 and was confirmed by other market players. Both Scandinavian and German-speaking countries had declining volumes, while the UK and Benelux countries achieved the same level as in 2004. Southern Europe was the only European region to perform favourably during the quarter.

The positive volume trend continues in the North American market, but a certain slowdown can be noted in Canada following the major deliveries made to the province of Ontario during the first two quarters of the year. Despite the import embargo imposed by the FDA on parts of the business area's product range, the US market continues to perform highly favourably, also in terms of patient-handling products.

Results

	2005	2004	Change	2005	2004	Change	2004
	Q 3	Q 3		9 Mon	9 Mon		FY
Net sales, SEK Million	656.3	603.3	8.8%	2,136.6	1,882.9	13.5%	2,700.7
<i>adjusted for currency flucs.& corp.acqs</i>			-3.7%			3.3%	
Gross profit	295.0	284.6	3.7%	986.1	877.5	12.4%	1,286.1
Gross margin %	44.9%	47.2%	-2.3%	46.2%	46.6%	-0.4%	47.6%
Operating cost, SEK Million	-205.3	-185.7	10.6%	-618.1	-562.8	9.8%	-775.3
EBIT	89.7	98.9	-9.3%	368.0	314.7	16.9%	510.8
EBIT margin %	13.7%	16.4%	-2.7%	17.2%	16.7%	0.5%	18.9%

Extended Care's operating profit for the third quarter was somewhat lower than in the corresponding period in 2004 and is attributable to reduced invoiced sales that organically fell by approximately 3.7%. If supplies to the US had been at their normal level, earnings for the period would have been about SEK 35 million higher. The lower gross margin is attributable to reduced factory utilisation resulting from the FDA embargo, while cost increases are attributable to the BHM acquisition, which was not included in the corresponding quarter last year.

Activities

Product launches

During the quarter, the business area's new generation of passive hoists, Maxi Move and Maxi Twin, was launched. The new range replaces the products Opera, Tempo, Marisa and Trixie. The new range has a modular design, with each product tailored to the customer's requirements and functionality needs. In terms of cost, the products are more competitive than their predecessors and are expected to generate improved growth and profitability in 2006.

New business area vice president

As reported earlier, Albrecht Knauf has announced his intention to retire as head of the business area. Michael Berg has been appointed new head of operations with immediate effect. Michael Berg has a solid background in marketing from Tetra Pak, where he worked in Switzerland and the US. As marketing director, Michael was also a member of the Group management team of the Danish packaging company Superfos. Michael's most recent position was as president of the Danish company ALTO, active in industrial washers and floor care equipment. ALTO has a structure that closely resembles that of Extended Care, with several production units and dedicated market companies in most developed markets. Michael is 41 years old and an economics and business studies graduate from the Stockholm School of Economics. Albrecht Knauf will continue in a consultant position until the end of the year to assist Group Management.

FDA's import embargo

As announced earlier, the FDA has placed an import embargo on sales (import detention) to the US by Extended Care's production unit for patient-handling equipment in Gloucester since February this year. The embargo was imposed because the FDA does not perceive that the quality-assurance system in place in Gloucester met its requirements. As a result, the Gloucester unit conducted a comprehensive review and examination of its quality-assurance system during the spring in cooperation with external experts, while personnel changes were conducted among quality staff in Gloucester and at the business area level. At the end of July, the FDA conducted an audit of the Gloucester unit's quality system

aimed at clarifying whether the changes made were satisfactory. The FDA has provided verbal and written notification that further measures must be taken before the import embargo can be lifted. Extended Care's current assessment is that it is possible that the embargo will continue for the rest of this year.

The deliveries that cannot be made to American customers during the current year will be completed next year.

The impact on earnings of postponed deliveries to the US to date this year amounts to a loss of SEK 35 million. If no deliveries of the patient-handling products involved can be made, it is assessed that the impact on earnings for the full year will amount to SEK 60 million in terms of profit before tax.

Based on this, Extended Care has initiated a short-term action program to provide the US with alternative patient-handling products through the other patient-handling units in Belgium and Canada. The ambition is to be able to meet the customers' needs in a satisfactory manner to complete the invoicing that is currently in the business area's order book. The extent to which it will be possible to invoice products this year remains unclear.

New investment in Ontario, Canada

The medical care authorities in Ontario have announced their intention to conduct further procurement of patient-handling equipment similar to the major orders placed during the first quarter of the year. The new procurement program has an investment framework of CAD 30 million, compared with the earlier program that was conducted, which amounted to CAD 60 million.

The business area considers itself well-positioned to participate in these new procurements projects. Implementation and delivery of the program is expected to commence during Q1 2006.

Other information

Nomination Committee for AGM 2006 In accordance with a decision by Getinge AB's Annual General Meeting 2005, the Nomination Committee will comprise Getinge's Chairman and representatives of the five largest shareholders at 31 August, as well as one representative of the smaller shareholders. Prior to the Annual General Meeting 2006, this means that Getinge's Nomination Committee comprises: Carl Bennet, Carl Bennet AB; Marianne Nilsson, Robur; Björn Franzon, Fourth AP Fund; Joachim Spetz, Handelsbanken; Peter Rudman, Nordea and Olle Törnblom, representative of the smaller shareholders.

Shareholders who want to submit nominations to Getinge's Nomination Committee for 2006 can contact the Committee by e-mail valberedningen@getinge.com or by letter to; Getinge AB, Attention: Valberedningen, Box 69, SE-310 44 GETINGE, Sweden.

AGM Getinge AB's Annual General Meeting will be held on 20 April 2006, at 4:00 p.m. in Kongresshallen, Hotell Tylösand, Halmstad, Sweden. Shareholders who would like to have a proposal on the agenda at the Annual General Meeting on 20 April 2006 can submit their proposal to Getinge's Chairman by e-mail at arenden.bolagsstamma06@getinge.com or by letter to Getinge AB Att. Bolagsstämмоärende, Box 69, SE-310 44 GETINGE, Sweden. To ensure inclusion in the invitation and the agenda for the AGM, proposals must be received by the company not later than Thursday, 2 March 2006.

Accounting This report was prepared in accordance with the International Financial Reporting Standards – IFRS (the accounting principles applied are those described on pages 63-65 in the Annual Report for 2004 and on page 17-18 in this report). This interim report was prepared in accordance with IAS 34 Interim Financial Reporting.

Next report The next report from the Getinge Group (year-end 2005) will be published on 25 January 2006.

Tele-conference A tele-conference will be held today at 3:30 p.m. Swedish time. To take part, please call:
from Sweden 08-505 20110, password: Getinge
from outside Sweden +44 (0)20 7162 0082, password: Getinge

Getinge, 18 October 2005

Johan Malmquist
President

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Auditors' Review Report

We have reviewed this interim report in accordance with the recommendation issued by the Swedish Institute of Authorized Public Accountants (FAR).

A review is significantly limited in comparison with an audit.

Nothing has come to our attention that causes us to believe that the interim report does not meet the requirements of the Swedish Securities and Clearing Operations Act and the Annual Accounts Act.

Getinge 18 October 2005

Deloitte AB

Jan Nilsson
Authorized Public Accountant

Income statement

SEK Million	2005 Q 3	2004 Q 3	Change	2005 9 Mon	2004 9 Mon	Change	2004 FY
Net sales	2,727.4	2,332.5	16.9%	7,991.6	7,412.2	7.8%	10,888.8
Cost of goods sold	-1,537.4	-1,273.9	20.7%	-4,430.9	-4,013.4	10.4%	-5,994.5
Gross profit	1,190.0	1,058.6	12.4%	3,560.7	3,398.8	4.8%	4,894.3
Gross margin	43.6%	45.4%	-1.8%	44.6%	45.9%	-1.3%	44.9%
Selling expenses	-508.1	-482.6	5.3%	-1,558.4	-1,455.2	7.1%	-1,972.7
Administrative expenses	-270.0	-209.9	28.6%	-741.1	-664.2	11.6%	-896.7
Research & development costs ¹⁾	-59.8	-60.5	-1.2%	-193.4	-213.2	-9.3%	-278.1
Other operating income and expenses	-5.5	-0.8	587.5%	-5.2	-4.3	20.9%	-4.4
Operating profit²⁾	346.6	304.8	13.7%	1,062.6	1,061.9	0.1%	1,742.4
Operating margin	12.7%	13.1%	-0.4%	13.3%	14.3%	-1.0%	16.0%
Financial net	-55.4	-49.0		-154.3	-149.8		-196.7
Profit before tax	291.2	255.8	13.8%	908.3	912.1	-0.4%	1,545.7
Taxes	-81.5	-61.0		-254.3	-226.5		-396.9
Net profit	209.7	194.8	7.6%	654.0	685.6	-4.6%	1,148.8
Earnings per share, SEK ³⁾	1.04	0.96	7.6%	3.24	3.40	-4.6%	5.69
Attributable to:							
Parent company's shareholders	207.9	194.8		644.5	685.6		1,147.8
Minority interest	1.8	—		9.5	—		1.0
Net profit	209.7	194.8		654.0	685.6		1,148.8

1) Development costs totalling SEK 109.8 (83.6) million have been capitalised during the year, of which SEK 39.6 (37.7) million during the quarter.

2) Operating profit is charged with

— depr. intangibles	-15.2	-5.2		-37.2	-14.6		-21.6
— depr. on other fixed assets	-74.2	-63.8		-204.2	-193.8		-262.4
	-89.4	-69.0		-241.4	-208.4		-284.0

3) There are no dilutions

Quarterly results

SEK Million	2003 Q 3	2003 Q 4	2004 Q 1	2004 Q 2	2004 Q 3	2004 Q 4	2005 Q 1	2005 Q 2	2005 Q 3
Net sales	2,090.6	2,929.0	2,491.6	2,588.1	2,332.5	3,476.6	2,525.2	2,739.0	2,727.4
Cost of goods sold	-1,158.0	-1,606.0	-1,329.9	-1,409.5	-1,274.0	-1,981.1	-1,362.7	-1,530.8	-1,537.4
Gross profit	932.6	1,323.0	1,161.7	1,178.6	1,058.5	1,495.5	1,162.5	1,208.2	1,190.0
Operating cost	-677.3	-845.7	-811.4	-771.8	-753.7	-815.0	-800.1	-854.6	-843.4
Operating profit	255.3	477.3	350.3	406.8	304.8	680.5	362.4	353.6	346.6
Financial net	-39.1	-45.8	-52.0	-48.8	-49.0	-46.9	-49.5	-49.4	-55.4
Profit before tax	216.2	431.5	298.3	358.0	255.8	633.6	312.9	304.2	291.2
Taxes	-62.7	-125.2	-73.5	-92.0	-61.0	-170.4	-87.6	-85.2	-81.5
Profit after tax	153.5	306.3	224.8	266.0	194.8	463.2	225.3	219.0	209.7

Results for quarters prior to 2004 quarter 1 have not been revised in accordance with IFRS

Balance sheet

Assets	SEK Million	2005 30 September	2004 30 September	2004 31 Dec
Intangible fixed assets		5,355.3	4,433.2	4,705.1
Tangible fixed assets		1,488.3	1,384.5	1,402.9
Financial assets		666.9	762.3	605.4
Stock-in-trade		2,455.6	1,996.7	1,729.4
Current receivables		3,265.3	2,997.0	3,529.7
Liquid funds		849.7	590.2	484.9
Total assets		14,081.1	12,163.9	12,457.4
Shareholders' equity & Liabilities				
Shareholders' equity		4,807.4	3,885.6	4,269.6
Provisions for pensions, interest-bearing		1,567.9	1,507.6	1,491.3
Restructuring reserves		12.8	69.5	33.4
Other provisions		530.0	595.7	520.2
Long-term liabilities		4,439.6	3,880.9	3,766.1
Current liabilities		2,723.4	2,224.6	2,376.8
Total Equity & Liabilities		14,081.1	12,163.9	12,457.4

Cash flow statement

SEK Million	2005 Q 3	2004 Q 3	2005 9 Mon	2004 9 Mon	2004 FY
<i>Current activities</i>					
Operating profit	346.6	304.8	1,062.6	1,061.9	1,742.4
Adjustment for items not included in cash flow	93.8	62.4	248.1	203.9	284.0
Financial items	-55.4	-49.0	-154.3	-149.8	-191.5
Taxes paid	-123.5	-88.2	-360.1	-273.7	-360.7
Cash flow before changes in working capital	261.5	230.0	796.3	842.3	1,474.2
<i>Changes in working capital</i>					
Stock-in-trade	-144.0	-65.9	-464.6	-214.2	64.9
Rental equipment	-5.5	-7.4	-17.8	-19.9	-44.5
Current receivables	75.3	153.6	542.7	347.3	-301.6
Current operating liabilities	79.4	-58.9	-14.9	-77.5	40.9
Restructuring reserves, utilised	-0.8	-26.2	-21.5	-124.2	-141.7
Cash flow from operations	265.9	225.2	820.2	753.8	1,092.2
<i>Investments</i>					
Acquisition of subsidiaries	-0.8	-4.9	-127.2	-42.3	-393.4
Net investments in intangible fixed assets	-45.5	-38.8	-118.0	-83.6	-125.2
Net investments in tangible fixed assets	-58.2	-59.5	-164.6	-187.8	-270.0
Cash flow from investments	-104.5	-103.2	-409.8	-313.7	-788.6
<i>Financial activities</i>					
Change in interest-bearing debt	13.1	-167.8	403.6	-131.4	-261.6
Change in long-term receivables	7.6	55.9	116.1	44.9	76.4
Dividend paid			-333.1	-272.5	-272.5
Cash flow from financial activities	20.7	-111.9	186.6	-359.0	-457.7
Cash flow for the period	182.1	10.1	597.0	81.1	-154.1
Liquid funds at begin of the year	658.2	519.8	484.9	504.2	504.2
Translation differences	9.4	60.3	-232.2	4.9	134.8
Liquid funds at end of the period	849.7	590.2	849.7	590.2	484.9

Operating cash flow statement

M kr	2005 Q 3	2004 Q 3	2005 9 Mon	2004 9 Mon	2004 FY
Business activities					
Operating profit	346.6	304.8	1,062.6	1,061.9	1,742.4
Adjustment for items not included in cash flow	93.8	62.4	248.1	203.9	284.0
	440.4	367.2	1,310.7	1,265.8	2,026.4
Changes in operating capital					
Stock-in-trade	-144.0	-65.9	-464.6	-214.2	64.9
Rental equipment	-5.5	-7.4	-17.8	-19.9	-44.5
Current receivables	75.3	153.6	542.7	347.3	-301.6
Current liabilities	79.4	-58.9	-14.9	-77.5	40.9
Operating cash flow	445.6	388.6	1,356.1	1,301.5	1,786.1

Net interest-bearing debt

SEK Million	2005 30 September	2004 30 September	2004 31 Dec
Debt to credit institutions	4,365.3	3,880.1	3,698.3
Provisions for pensions, interest-bearing ¹⁾	1,567.9	1,507.6	1,491.3
Less liquid funds	-849.7	-590.3	-484.9
Net interest-bearing debt	5,083.5	4,797.4	4,704.7

1) Provision for pensions increased 2004 by 109.7 MSEK after adopting new accounting standards, IAS19 Employee Benefits

Changes to shareholder's equity

SEK million	2005	2004	2004
	30 September	30 September	31 Dec
Shareholders' equity – opening balance	4,269.6	3,530.4	3,530.4
Effect of adopting the accounting principle IAS 19 Employed Benefits	–	-76.8	-76.8
Effect of adopting to IFRS on opening balance	97.0	-11.2	37.0
Shareholders' equity - opening balance according to new principle	4,366.6	3,442.4	3,490.6
Dividend distributed	-333.1	-272.5	-272.5
Change of reserve hedge accounting	-190.4	–	–
Translation differences	310.3	30.1	-97.3
Net profit according to IFRS	654.0	685.6	1,148.8
Shareholders' equity – closing balance according to IFRS	4,807.4	3,885.6	4,269.6
Attributable to:			
Parent company's shareholders	4,746.8	3,885.6	4,218.7
Minority interest	60.6	0.0	50.9
Total shareholders' equity	4,807.4	3,885.6	4,269.6

Key figures

	2005	2004	Change	2005	2004	Change	2004
	Q 3	Q 3		9 Mon	9 Mon		FY
Orders received, SEK Million	2,900.9	2,571.0	12.8%	8,667.7	7,831.6	10.7%	10,812.4
adjusted for currency flucs.& corp.acqs			4.4%			6.7%	
Net sales, SEK Million	2,727.4	2,332.5	16.9%	7,991.6	7,412.2	7.8%	10,888.8
adjusted for currency flucs.& corp.acqs			8.2%			4.0%	
Earnings per share after full tax, SEK	1.04	0.96	7.6%	3.24	3.40	-4.6%	5.69
Nmb of shares, thousands	201,874	201,874		201,874	201,874		201,874
Operating capital, SEK Million				8,958.4	7,571.4	18.3%	8,546.6
Return on operating capital, per cent				18.6%	19.0%	-0.4%	20.4%
Return on equity, per cent				25.2%	28.7%	-3.5%	29.4%
Net debt/equity ratio, multiple				1.06	1.23	-0.17	1.10
Interest cover, multiple				8.0	7.6	0.4	8.2
Equity/assets ratio, per cent				34.1%	31.9%	2.2%	34.3%
Net investments in tangible fixed assets, SEK Million				164.6	187.8		270.0
Number of employees at the period's end				7,252	6,614		6,845

Companies acquired in 2005

La Calhène

The Getinge Group acquired all of the shares in the French La Calhène Group in June 2005. La Calhène is a world-leading supplier of isolators and accompanying consumable items, which account for most of the company's sales. La Calhène also develops and supplies technology for electron-beam sterilisation. The company's main customer group is in the life science industry and coincides well with the corresponding customer group in the Infection Control business area. A small portion of La Calhène's business comprises equipment for handling radioactive material.

The buyer and seller have agreed not to disclose the acquisition price, which represents an EV/EBITDA multiple of 7 in terms of anticipated profit for the current year.

La Calhène has annual sales of slightly more than SEK 380 million. Getinge expects La Calhène to contribute profit before tax, excluding integration costs, of about SEK 30 million in 2006 following full integration. The Group anticipates a modest contribution to profits for the current year.

The integration expenses announced, which are expected to total a maximum of SEK 25 million, will have a very limited effect on results for the year.

Distributors in Spain and Ireland

During the second quarter of 2005, the Getinge Group acquired Medical Systems' distributors in Spain and Ireland. As a result of these acquisitions, the business area has secured ownership of the distribution channels in two important markets to achieve optimal representation of its product range and access to the key aftermarket.

It is expected that total sales for both distributors will amount to about SEK 85 million on a full-year basis.

Lancer UK Ltd

The Getinge Group acquired all of the shares in Lancer UK Ltd on 4 October 2005. For the past two decades, the company has been Infection Control's distributor of disinfection equipment in the UK. Its customers are within the healthcare and life science sectors.

During the fiscal year (August 2004 – July 2005), the company's sales amounted to SEK 104 million and profit before tax was SEK 21 million. The company's assets amounted to SEK 85 million and liabilities were SEK 33 million at 31 July 2005.

The acquisition price of SEK 119 million corresponds to an EV/EBITDA multiple of about 5, based on the fiscal year that ended on 31 July 2005.

Getinge anticipates being able to consolidate Lancer UK from October this year. Lancer UK is expected to contribute to the Group's earnings per share as of 2006.

International Financial Reporting Standards (IFRS)

Conversion to International Financial Reporting Standards (IFRS)

As of 1 January 2005, Getinge will apply the EU-approved International Financial Reporting Standards (IFRS). Because the Getinge Group publishes financial information with a comparative year in the annual report, comparative figures have been converted as of 1 January 2004.

Below is an account of the material differences between IFRS and the accounting principles previously applied and the effect of these differences on the comparative figures for the 2004 period.

IFRS 1 First-time adoption of International Financial Reporting Standard

The standard contains transition rules for the introduction of IFRS. The principal rule is that IFRS rules in effect and approved by the EU as per 31 December 2005 are to apply retrospectively.

There are however certain exemptions to this rule and Getinge has opted to do the following:

- To adopt IFRS 3, *Business combinations*, as of transition date 1 January 2004. Items classified as goodwill but that meet the IAS 38 booking criteria for intangible assets are to be reclassified as per the date of acquisition and written off in accordance with the depreciation rules for intangible fixed assets with a pre-determined utilisation period. Of Getinge's goodwill on 1 January 2004, SEK 31.0 million net after accumulated depreciation have been reclassified to other intangible assets. In accordance with the transition rules, impairment tests for goodwill were carried out both at 1 January 2004 and 31 December 2004.
- According to IAS 21 *Effects of changes in foreign exchange rates*, accumulated translation differences are classified as a separate component in shareholders' equity. Consideration is given in the income statement to translation differences in connection with sales of foreign operations. The company has adopted the exemption which means that the accumulated translation differences are booked at zero on 1 January 2004.
- To not convert comparable financial information 2004 in accordance with the EU-adopted IAS 39, *Financial instruments, Recognition and Measurements* criteria. However, the effect on shareholders' equity at 1 January 2005 is disclosed below.

IFRS 3 Business Combination

The rules for booking business acquisitions and mergers entail major changes in how acquisitions are booked. For instance, a detailed acquisition analysis is carried out in which significantly more categories of acquired intangible assets are included in the valuation. The expected utilisation period of these assets is then predetermined and the assets are written off over this utilisation period. In accordance with the transition rules, Getinge has not adjusted for any acquisitions that took place before the change to IFRS (1 Jan 2004). With the introduction of IFRS 3, goodwill is no longer amortised and the goodwill amortisation cost that affected the result for 2004 has been written back in accordance with IFRS. Instead of goodwill amortisation, an annual impairment test will be carried out. If the test shows that the booked value is greater than the recovery value, goodwill is to be written down to the recovery value. In accordance with IAS 36 *Impairment of Assets*, if indications that an impairment may be necessary do exist, impairment testing will be carried out more frequently.

IAS 16 Property, plant and equipment

The application of component depreciation for tangible fixed assets means that the acquisition cost is divided between the separate components making up the asset. The components are then depreciated over their respective useful economic lives.

IAS 39 Financial instruments; recognition and measurement

Market-based valuation of commercial forward exchange contracts

In accordance with previous accounting principles, there was no market-based valuation of derivatives secured for hedging purposes and owned until maturity. Following the adoption of IFRS, all derivatives are now continuously revalued to the market value.

Hedging of commercial flow

Getinge applies hedge accounting for derivatives, primarily forward exchange contracts that are secured with the intent of guaranteeing the value of the forecasted currency flow. At the start of 2005, the market-based value of these derivatives was SEK 173 million, of which SEK 126 million (SEK 94 million after tax effect) was booked against shareholders' equity since the contracts were attributable to un-invoiced, forecast, flows. The remaining SEK 47 million was netted against the receivables accounts to which the contracts were attributable.

Other financial instruments

Changes in market-based value concerning other financial instruments for which accounting was regulated in IAS 39, including interest derivatives and loans that guarantee the value of net assets in foreign currencies, are accounted for within shareholder's equity since estimates indicate there is a hedging efficiency.

The following section describes and quantifies the areas that have affected Getinge's income statement, balance sheet and shareholders' equity in the conversion to IFRS. The information below has been prepared in accordance with the IFRS's recommendations expected to apply on 31 December 2005. IFRS is constantly subject to review and approval by the EU, which means that changes may still be made. Since the regulatory framework has only recently been implemented, further directives may be issued and, as common practice evolves, new explanations and clarifications may come to have an impact on the information below.

Income Statement 2004 Jan-Sep

Note		According to Swedish accounting standards 2004 Jan-Sep	Effect of adoption of IFRS	According to IFRS 2004 Jan-Sep
	Net sales	7,412.2		7,412.2
1	Cost of goods sold	-4,005.7	-7.7	-4,013.4
	Gross profit	3,406.5	-7.7	3,398.8
1,2	Selling expenses	-1,640.7	185.5	-1,455.2
1	Administrative expenses	-664.0	-0.2	-664.2
1	Research & development costs	-213.1	-0.1	-213.2
	Other operating income and expenses	-4.3		-4.3
	Operating profit	884.4	177.5	1,061.9
	Financial net	-149.8		-149.8
	Profit before tax	734.6	177.5	912.1
1,2,3	Taxes	-220.4	-6.1	-226.5
	Minority interest ²⁾			
	Net profit	514.2	171.4	685.6
	Attributable to:			
	Parent company's shareholders	514.2	171.4	685.6
	Minority interest ¹⁾	-	-	-

¹⁾ Minority interest according to IFRS

²⁾ Minority interest according to Swedish accounting standards

Notes to income statement adjustments

Note 1 The net effect of IAS 16, Component depreciation is SEK -5,8 million and can be split as follows (SEK million):

Cost of goods sold	-7.7
Selling expenses	-0.8
Administrative expenses	-0.2
Research & development costs	-0.1
Deferred tax	3.0
Net adjustment	-5.8

Note 2 The adjustment for goodwill amortisation for Jan-Jun 2004 amounts to SEK 186,3 million. The adjustment for deferred tax attributable to this elimination of goodwill amortisation is SEK -9,9 million.

Note 3 A portion of goodwill, amounting to SEK 31,0 million, has been reclassified to other intangible fixed assets in accordance with IFRS 1 and IAS 38. The deferred tax effect arising from this reclassification increases operating profit for the period Jan-Jun 2004 by SEK 0,8 million.

Income Statement 2004 Jun -Sep

Note		According to Swedish accounting standards 2004 Jun-Sep	Effect of adoption of IFRS	According to IFRS 2004 Jun-Sep
	Net sales	2,332.5		2,332.5
1	Cost of goods sold	-1,271.4	-2.5	-1,273.9
	Gross profit	1,061.1	-2.5	1,058.6
1,2	Selling expenses	-546.8	64.2	-482.6
1	Administrative expenses	-209.9	-0.1	-210.0
1	Research & development costs	-60.4		-60.4
	Other operating income and expenses	-0.8		-0.8
	Operating profit	243.2	61.6	304.8
	Financial net	-49.0		-49.0
	Profit before tax	194.2	61.6	255.8
1,2,3	Taxes	-58.3	-2.7	-61.0
	Minority interest ²⁾			
	Net profit	135.9	58.9	194.8
	Attributable to:			
	Parent company's shareholders	135.9	58.9	194.8
	Minority interest ¹⁾	-	-	-

¹⁾ Minority interest according to IFRS

²⁾ Minority interest according to Swedish accounting standards

Notes to income statement adjustments

Note 1 The net effect of IAS 16, Component depreciation is SEK -1,9 million and can be split as follows (SEK million):

Cost of goods sold	-2.5
Selling expenses	-0.2
Administrative expenses	-0.1
Research & development costs	-0.1
Deferred tax	1.0
Net adjustment	-1.9

Note 2 The adjustment for goodwill amortisation for the third quarter of 2004 amounts to SEK 64,4 million. The adjustment for deferred tax attributable to this elimination of goodwill amortisation is SEK -3,9 million.

Note 3 A portion of goodwill, amounting to SEK 31,0 million, has been reclassified to other intangible fixed assets in accordance with IFRS 1 and IAS 38. The deferred tax effect arising from this reclassification increases operating profit for the period Jun-Sep 2004 by SEK 0,3 million.

Balance Sheet 2004-09-30

Note		According to Swedish accounting standards 2004-09-30	Effect of adoption of IFRS	According to IFRS 2004-09-30
ASSETS				
1	Intangible fixed assets	4,252.1	181.2	4,433.3
2	Tangible fixed assets	1,395.3	-10.8	1,384.5
1,2,3	Financial assets	778.1	-15.9	762.3
	Stock-in-trade	1,996.7		1,996.7
	Current receivables	2,997.0		2,997.0
	Liquid funds	590.2		590.2
Total assets		12,009.4	154.5	12,163.9
SHAREHOLDERS' EQUITY & LIABILITIES				
4	Shareholders' equity	3,731.1	154.5	3,885.6
	Provisions for pensions, interest-bearing	1,507.6		1,507.6
	Restructuring reserves	69.5		69.5
	Other provisions	595.7		595.7
	Long-term liabilities	3,880.9		3,880.9
	Current liabilities	2,224.6		2,224.6
Total Equity & Liabilities		12,009.4	154.5	12,163.9

Notes to balance sheet adjustments

Note 1	The adjustment to intangible fixed assets for the write-back of goodwill amortisation at 2004-09-30 amounts to SEK 181,2 million. The adjustment for deferred tax attributable to this write-back of goodwill amortisation is SEK -9,5 million.	
Note 2	The IAS 16 component depreciation adjustment for tangible fixed assets at 2004-09-30 is SEK -10,8 million. The increase in financial assets being the deferred tax effect of the component depreciation is SEK 3,0 million.	
Note 3	A portion of goodwill, amounting to SEK 31,0 million, has been reclassified to intangible fixed assets in accordance with IFRS 1 and IAS 38. The resulting deferred tax liability from this reclassification totals SEK 9,4 million.	
Note 4	Write-back of goodwill amortisation (see note 1)	171.7
	Component depreciation, IAS 16 Property, Plant and Equipment (see note 2)	-7.8
	Reclassification of goodwill according to IFRS 1 and IAS 38 (see note 3)	-9.4
	Net effect on shareholders' equity	154.5

Change in shareholders' equity – Reconciliation between Swedish accounting standards and IFRS 2004-09-30

	Share capital	Other restricted and non-restricted shareholders' equity	Total shareholders' equity
Shareholders' equity 2004-09-30 according to Swedish accounting standards	100.9	3,630.2	3,731.1
Write-back of goodwill amortisation (see note 1 above)	-	171.7	171.7
Component depreciation, IAS 16 Property, Plant and Equipment (see note 2 above)	-	-7.8	-7.8
Reclassification of goodwill according to IFRS 1 and IAS 38 (see note 3)	-	-9.4	-9.4
Shareholders' equity 2004-09-30 according to IFRS	100.9	3,784.7	3,885.6