

Cutting-edge solutions in expansive niche segments

Continued strength in order bookings

Nine month interim report

March 8, 2005

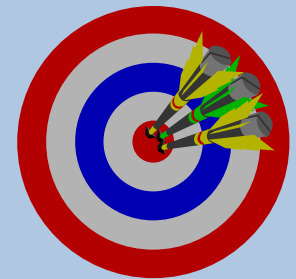
Dr. Jan-Olof Brüer, President and CEO Sectra AB



What is Sectra?

- We develop and sell high tech products,
- in niche segments with a large global potential,
- and where we can obtain and maintain a very strong position in our home market
- in order to use this base to obtain global leadership in our niches..

Doing a few things at world class is better than doing a lot of things less well.



Expansive niche segments

Medical systems

- The population pyramid

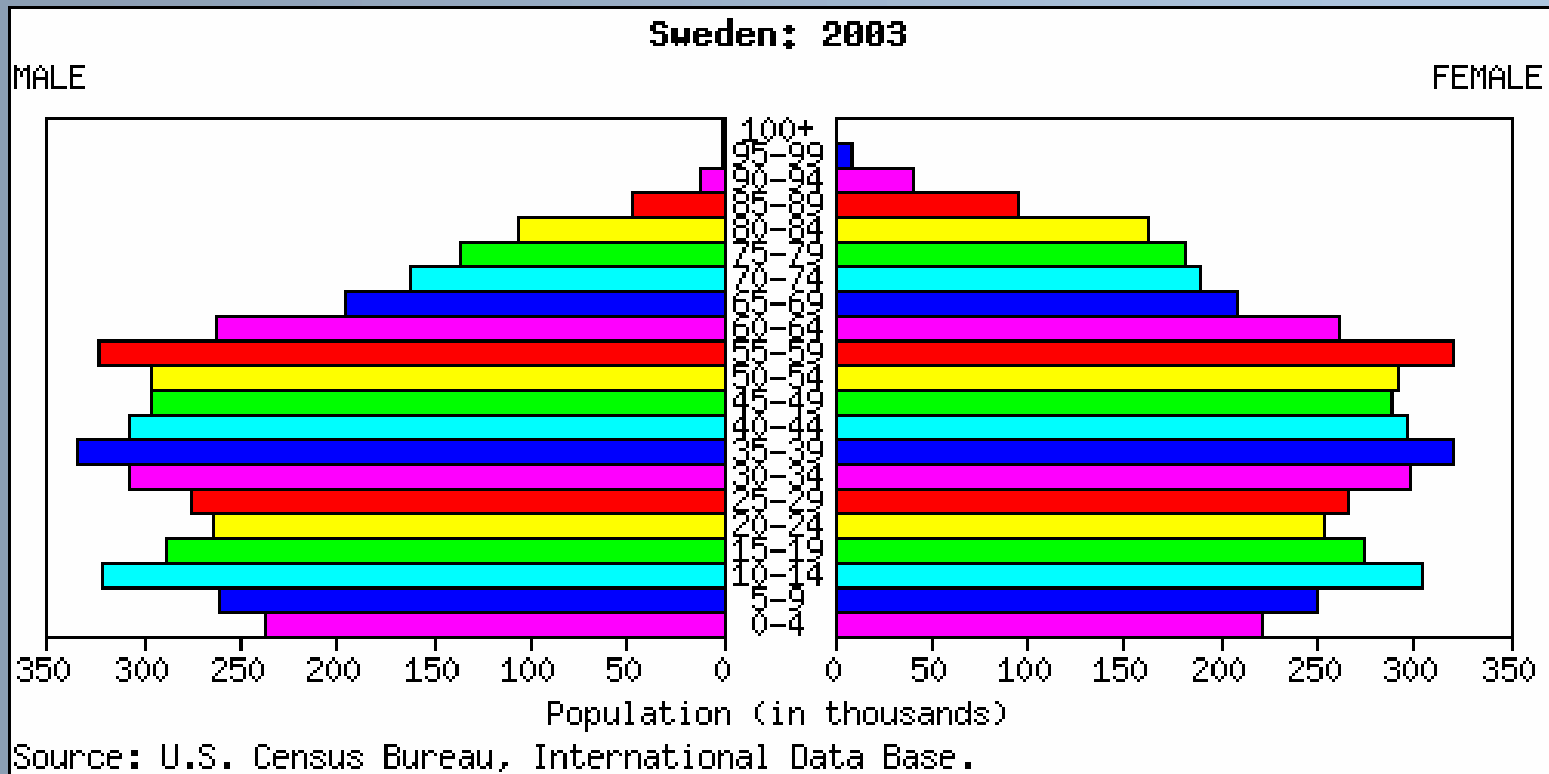
Secure communication systems

- Vulnerability of the IT community

Business in expanding markets that will multiply in volume during the next 10 years.

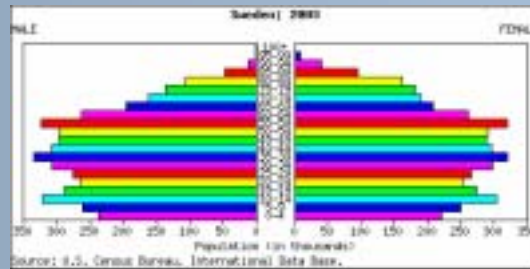


Population pyramid Sweden 2003

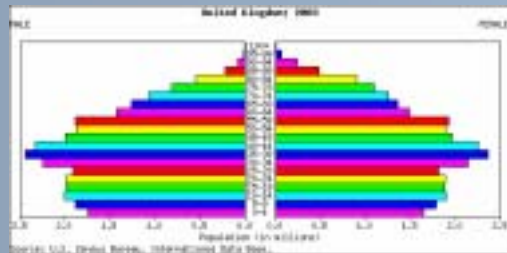


Population pyramids 2003

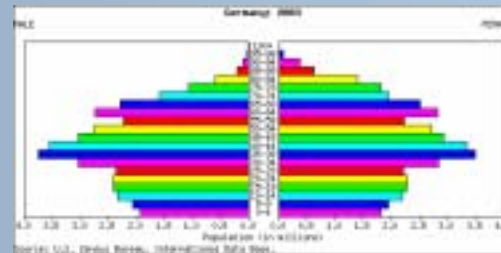
Sweden



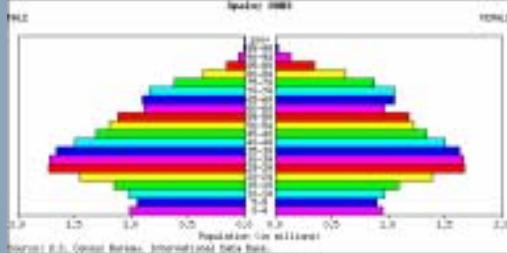
UK



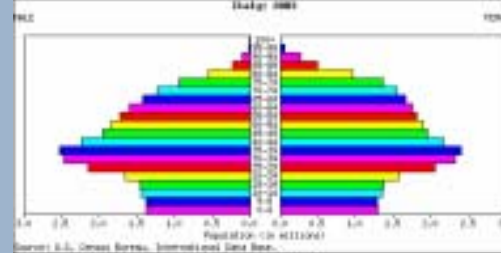
Germany



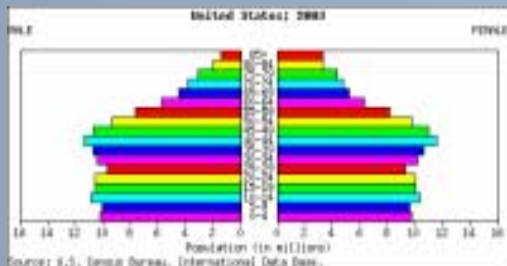
Spain



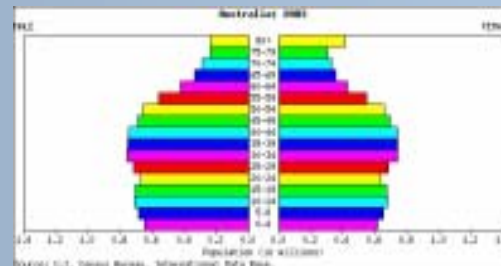
Italy



USA



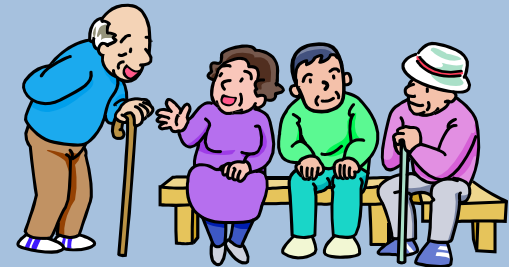
Australia



Consequence of the population situation

- The healthcare sector will grow.
- Efficiency per employee must grow a factor of 3-4. Thus IT!
- Some areas will grow faster than others.
 - E.g. Cancer treatment, Orthopedics, Cardiology, Neurology

The porportion of elderly people is increasing, thus resulting in rising healthcare costs.



Examples of Sectra products



Sectra PACS™



Sectra Tiger® XS

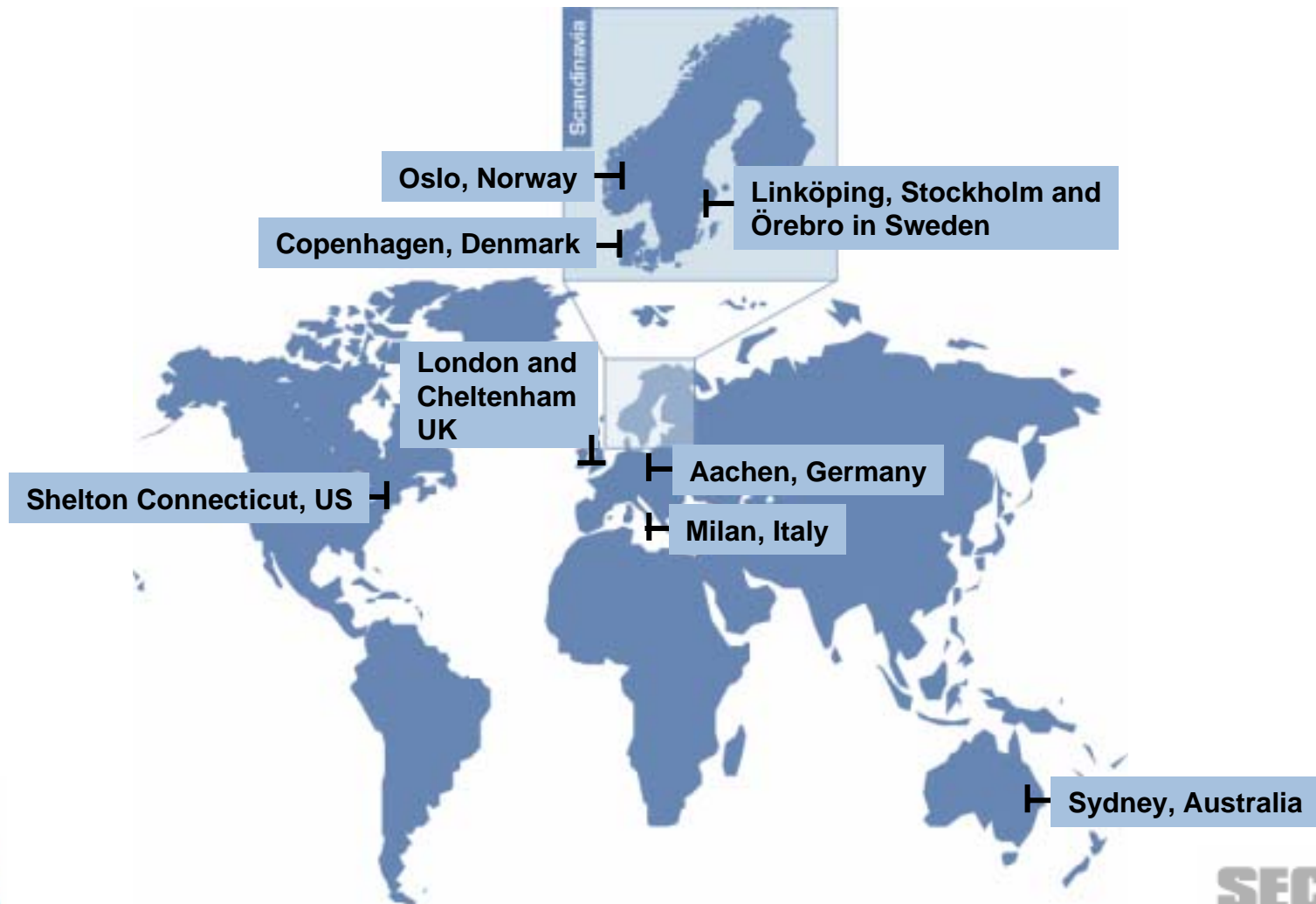


Sectra in brief

- 362 employees in eight countries.
- High intellectual capital:
 - 90% of the employees have academic education.
 - Operations benefit from 20 Ph.D:s and 4 professors.
- Large market shares in Sweden, 50 - 80%.
- Ongoing internationalization.



Sectra offices around the world



Sales strategy

- Direct sales in Scandinavia and in other selected markets and segments.
- Strategic partnerships with companies having world-wide or national sales organizations.
- Local establishment of offices, mainly to support sales through partners.

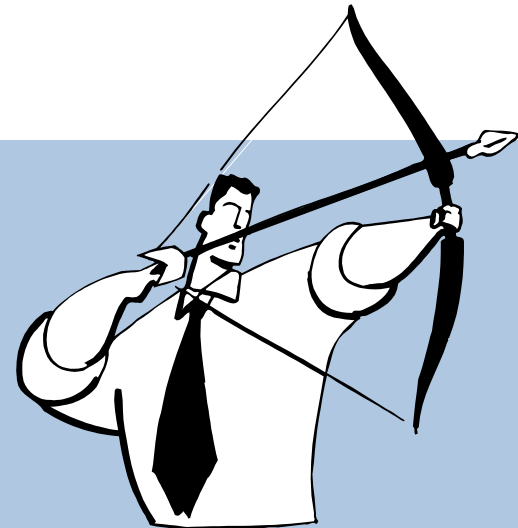
*Sectras systems are used
by more than 600 customers
all over the world.*



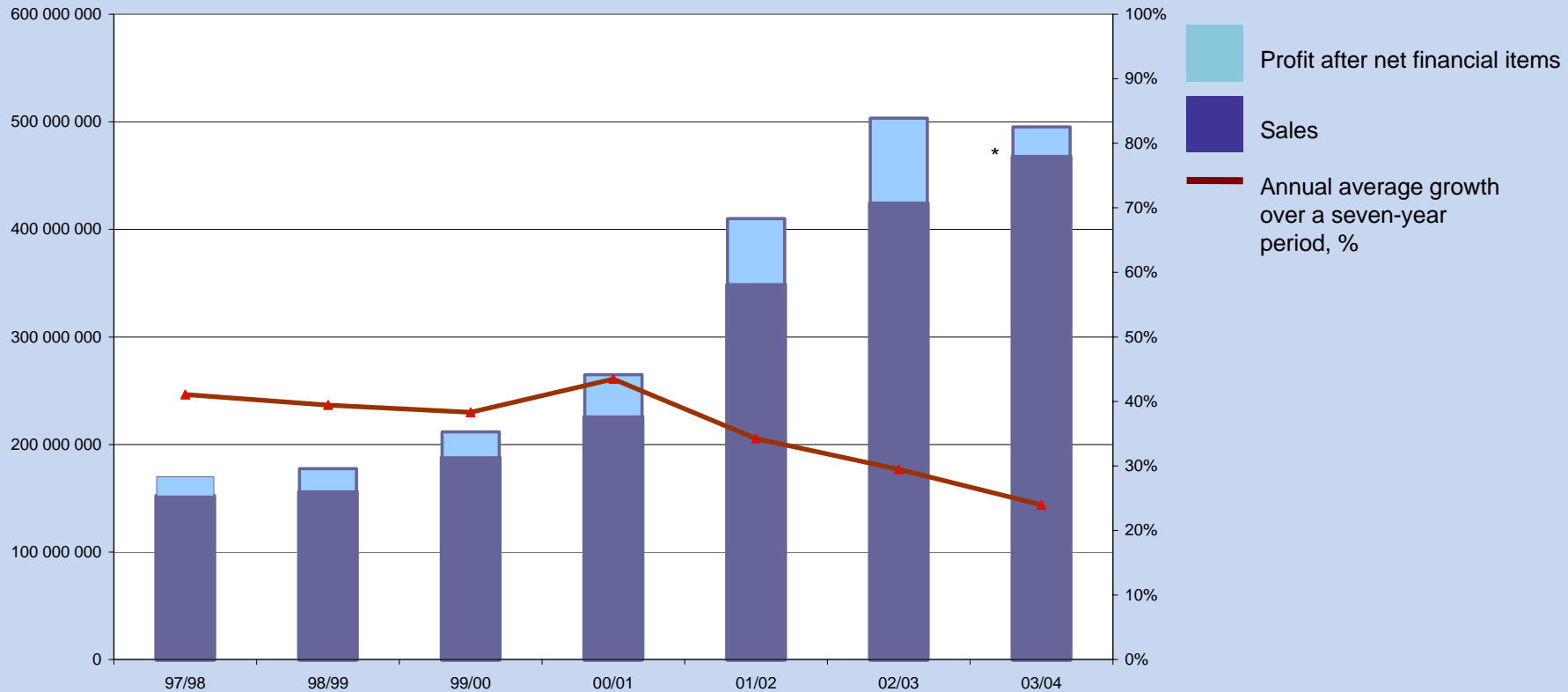
Economic objectives

- To have an average annual growth of more than 30% over a seven-year period.
- To achieve a profit margin of 10%.
- To have a solid financial position.

Profitable growth



Sectra AB is among the 2% of Swedish companies that command Dun & Bradstreet's highest credit rating.



*) The financial figures for 2003/2004 includes a nonrecurring write-down of SEK 70,9 million of capitalized development costs in Mamea Imaging AB.

Continued strong order bookings

Third quarter:

- Order bookings up 63%.
- Net sales for in line with the corresponding period prior year.
- Profit margin 19.7% (20.5).
- Comparable profit after financial items 33.0 M (24.4).

SEK million	3 month Nov 2004 - Oct 2005	3 month Nov 2003 - Oct 2004	9 month May 2004 - Jan 2005	9 month May 2003 - Jan 2004	12 month Feb 2004 - Jan 2005	Full year May - Apr 2003/2004
Order bookings	184,3	113,1	389,6	265,6	499,2	375,1
Net sales	117,7	119,1	316,4	332,4	479,3	495,3
Earnings after financial items	23,2	24,4	56,3	60,7	23,3	27,6

Continued strong order bookings

Nine month period:

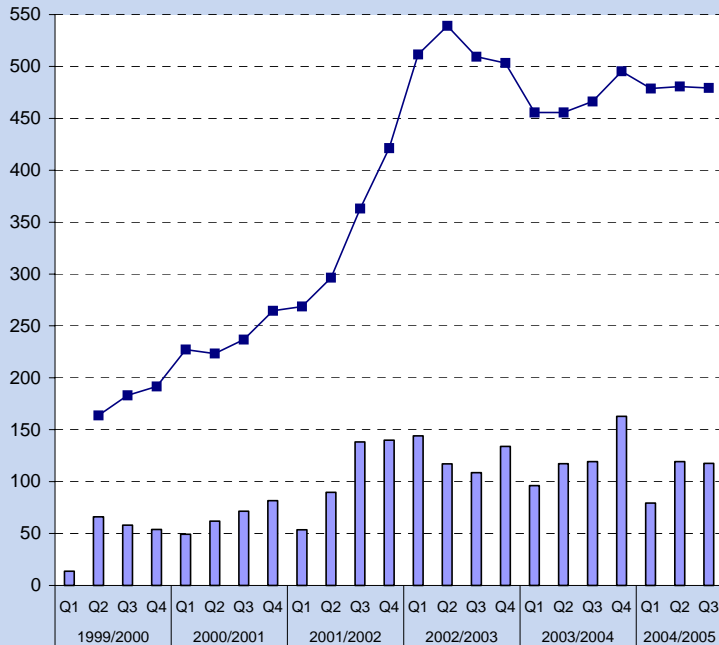
- Order bookings rose 47%.
- Net sales some what lower than the year-earlier period due to weak Q1.
- Profit margin 17.8% (18.3).
- Comparable profit after financial items amounted to SEK 81.5 M (60.7).

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Interim report nine month ended January 31, 2005

Net sales and earnings

Net sales



The bars show quarterly net sales and the line 12 month net sales.

Earnings after financial items



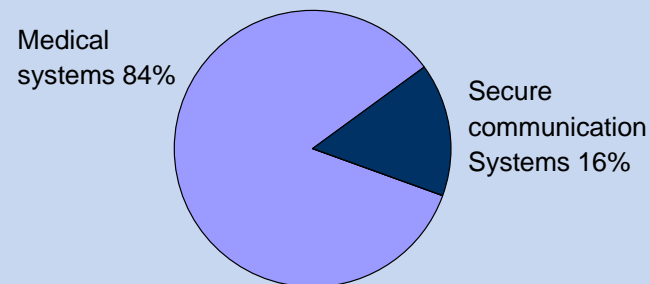
The bars show quarterly earnings and the line 12 month earnings after financial items.

Net sales by segment

- Net sales strengthened within the secure communications segment after weak start Q1.

Net sales by business segment

(SEK million)	3 month	9 month	12 month	Full-year
	Nov 2004	May 2004	Feb 2004	May - Apr
	- Jan 2005	- Jan 2005	- Jan 2005	2003/04
Medical systems	95.2	268.4	404.3	418.4
Secure communication systems	22.5	47.6	74.4	72.5
Other	14.7	41.2	77.8	57.5
Group eliminations	-14.7	-40.8	-77.2	-53.1
Total	117.7	316.4	479.3	495.3



Net sales by business segment, 12 month rolling

Operating profit by segment

- Medical systems earnings affected by investments in the mammography division.
- Secure communication systems negative earnings is attributable to investments for international growth.

Operating profit by business segment

(SEK million)	3 month	9 month	Full year
	Nov 2004	May 2004	May-Apr
	- Jan 2005	- Jan 2005	2003/04
Medical systems ¹⁾	11.1	36.2	0.0
Secure communication systems	0.6	-7.8	0.2
Other	8.3	22.1	19.4
Group eliminations	-0.5	-1.3	0.0
Total	19.5	49.2	19.6

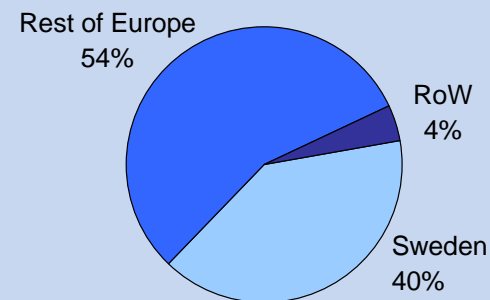
1) A non-recurring write-down of capitalized development costs within Mamea Imaging AB had a negative effect of SEK 70.9 million on operating profit for full-year 2003/2004.

Net sales by geographic market

- 70% of net sales from markets outside Sweden in Q3.
- The increasing proportion of sales accounted for by markets outside Scandinavia entails a change in the character of transactions.

Net sales by geographic market				
(SEK million)	3 month	9 month	12 month	Full-year
	Nov 2004	May 2004	Feb 2004	May-Apr
	- Jan 2005	- Jan 2005	- Jan 2005	2003/04
Sweden	36.6	109.6	192.2	201.7
Rest of Europe ¹⁾	77.4	191.2	267.6	271.0
Rest of world	3.7	15.6	19.5	22.6
Total	117.7	316.4	479.3	495.3

1) Philips Medical Systems' deliveries of Sectra's digital radiology systems on a global basis are invoiced Philips in the Netherlands and are reported under sales in the Rest of Europe.



Net sales by geographic market, 12 month rolling

Secure Communication Systems

- Internationally, Dutch government authorities has extended the existing framework agreement with Sectra to also include the new secure desktop telephone Tiger XS Office.

Continued focus to increase sales on international markets.



Secure Communication Systems

- In Sweden, the long awaited defense decision was taken in December. It strengthens the long-term market potential for secure communications products.

Sectra Tiger®

A family of products for protection of speech and data against eavesdropping.



Medical Systems

- New contracts for digital radiology systems to 5 hospitals in Scandinavia.
- Several service and upgrade agreements signed with Scandinavian customers.

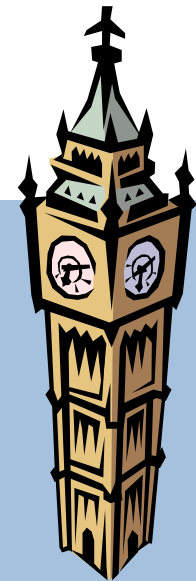
*More images, more patients,
and less time....*



Medical Systems

- 10-year contract with Philips Medical Systems for deliveries to NHS hospitals in the London region.

British government committed to increasing the use of IT in healthcare.



Medical Systems - Mammography

- Irelands national breast screening program has ordered Sectra's digital mammography system.
- Two orders for Sectra MicroDose Mammography from private clinics in Germany.

Investments to strengthen marketing and sales in the mammography area are starting to bear fruit in Northern Europe.



Medical Systems - Mammography

- New product offering for women's health:
Osteoporosis testing integrated with Sectra MicroDose Mammography.

*Osteoporosis 100% curable –
if you find it in time.*



+



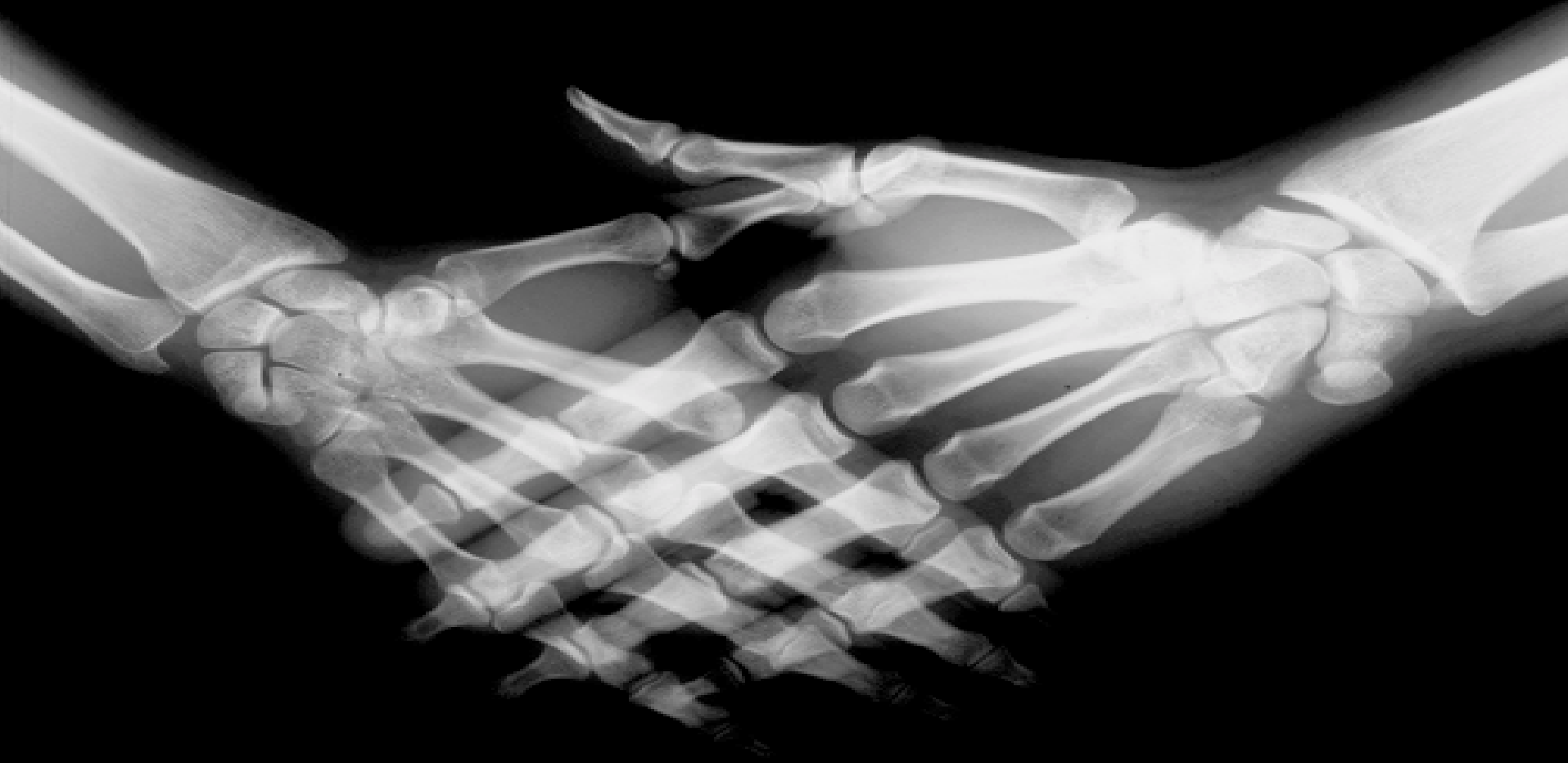
The Future

- Something must be done in the exploding cost of health care. Efficient data management provides a key!
- The worlds' governments, defense forces and large corporations invest in efficiency-enhancing and secure IT systems!

*Sectra is positioned
in growing,
future billion dollar markets.*



SECTRA



More than just a handshake