

Six months interim report



**PRODUCTIVITY
WITHOUT LIMITS**



**HIGHEST IMAGE QUALITY
HALF THE DOSE**



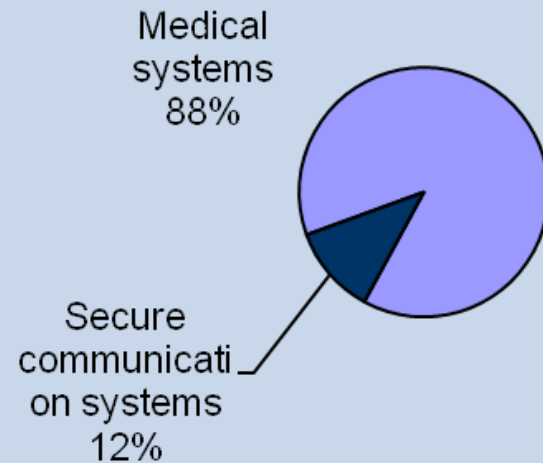
KEEPING YOUR SECRETS

Dr. Jan-Olof Brüer, President and CEO Sectra AB
December 7, 2010

SECTRA

Sectra in brief

- **30** years in business
- **2** expansive niche segments
- more than **600** employees
- offices in **12** countries
- some **20** partners on selected markets
- customers in **> 50** countries
- **> 5000** shareholders



Net sales by segment
Running 12 month October 31, 2010

Example of Sectra products

Sectra PACS™



Sectra MicroDose
Mammography®

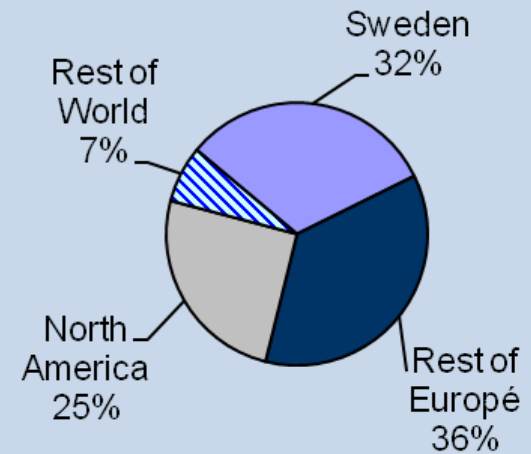


Sectra Tiger® XS



Market presence

- Largest markets:
 - Sweden (32%)
 - the US (25%)
- International market revenues 68%



Net sales by geographic market,
Running 12 month October 31, 2010

Sales strategy

- Direct sales in selected markets and segments.
- Strategic partnerships with companies having local or regional sales and service organizations.



Market presence

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Scandinavia

Denmark
Norway
Sweden

Rest of Europe

Belgium
Austria
Germany
Ireland
Netherlands
Luxembourg
Portugal
Spain
Switzerland
United Kingdom

North America

Canada
USA

Asia

Japan

Oceania

Australia
New Zealand

PARTNERS

North America

USA

Asia

Israel
Japan
Qatar
Saudi Arabia
United Arab Emirates

Rest of Europe

Austria
Czech republic
Estonia
Finland
France
Greece
Hungary
Italy
Poland
Slovakia
Spain
Turkey



Future proof solutions

Sectra utilize latest technology to simplify customers everyday work.

Close cooperation with for example the Swedish research center Center for Medical Image and Visualization.



Market Trends

Aging population
and
European cooperation

Market trends

Medical systems

- **Increased need for age-related medical care, e.g.**
 - cancer treatment
 - orthopedic surgery
 - treatment of bone fractures caused by osteoporosis

More old people,
older old people and
less young people to serve them and
pay taxes.



Market trends

Medical systems

- **Utilize synergies in coordinating image examination, administration and other functions driven by**
 - cost and patient inflow are rising.
 - political decisions to limit public spending for health and care services.

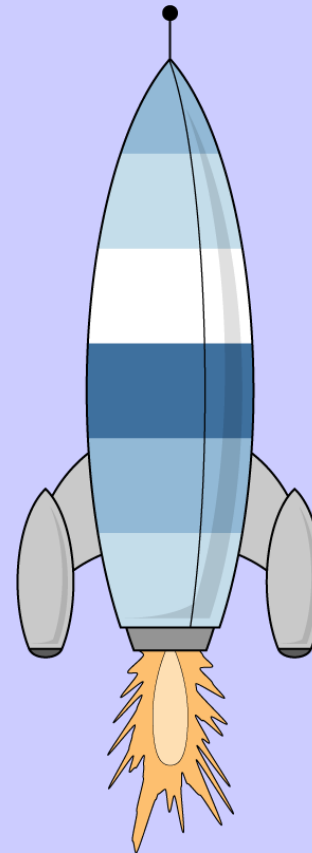
More patients
More images per exam
Less radiologists
Less funds



Market trends

Radiology IT market

- **Productivity → Workflow**
 - Higher production at lower cost
 - We must have a human, yet “industrial”, revolution in health care
- **Wide Area Radiology Departments**
 - Economies of scale over large networks
 - Facilitate radiologists working from other countries, other hospitals or from home
- **Data volumes**
 - Fast display times, also over slow networks
 - Visualization and Automation



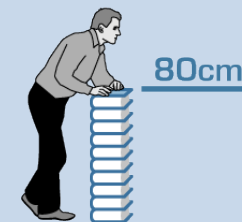
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Radiology IT market

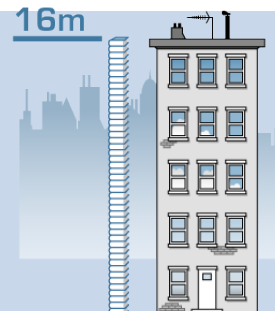
- **Data explosion**

new equipment produces an unprecedented volume of images that place an enormous burden on the systems that process and store data.

Standard
CT examination



Yesterday:
100 slices, 512^2 pixels
50 MB or 40 books



Today:
2000 slices, 512^2 pixels
1 GB or 800 books



Tomorrow:
 1024^3 voxels, 100 Hz, 5 s
1 TB or 800.000 books

Market trends

The European RIS/PACS market

“The European RIS/PACS market could reach \$1.35 billion in revenues in 2016, doubling the market's estimated value of \$679.4 million in sales in 2009.”

(AuntMinnie.com)

August 2010



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Market trends

Secure communication systems

- **More frequent cooperation increase demand for EU approved products**
 - between governments within the EU
 - between defense administrations in the EU
 - between Ministry for Foreign Affairs (State Departments) in the EU

Our goal is to provide easy-to-use products for secure telephony to customers in all EU Member States.



Q2 report

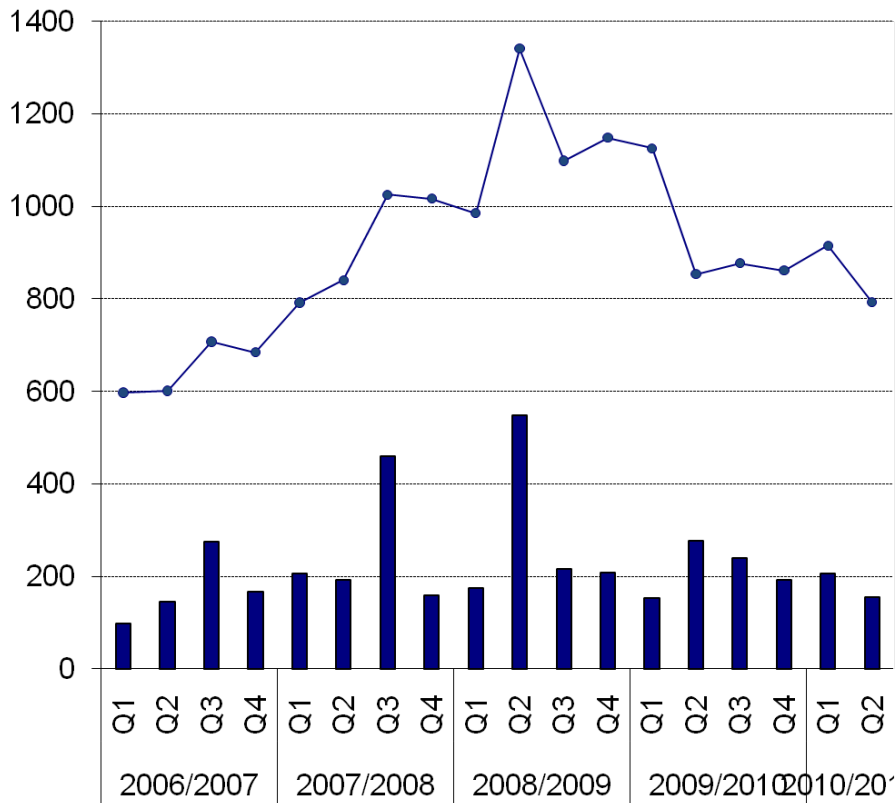
Sectra continued to double sales of mammography systems

Q2 report

Quarter and 12-month running

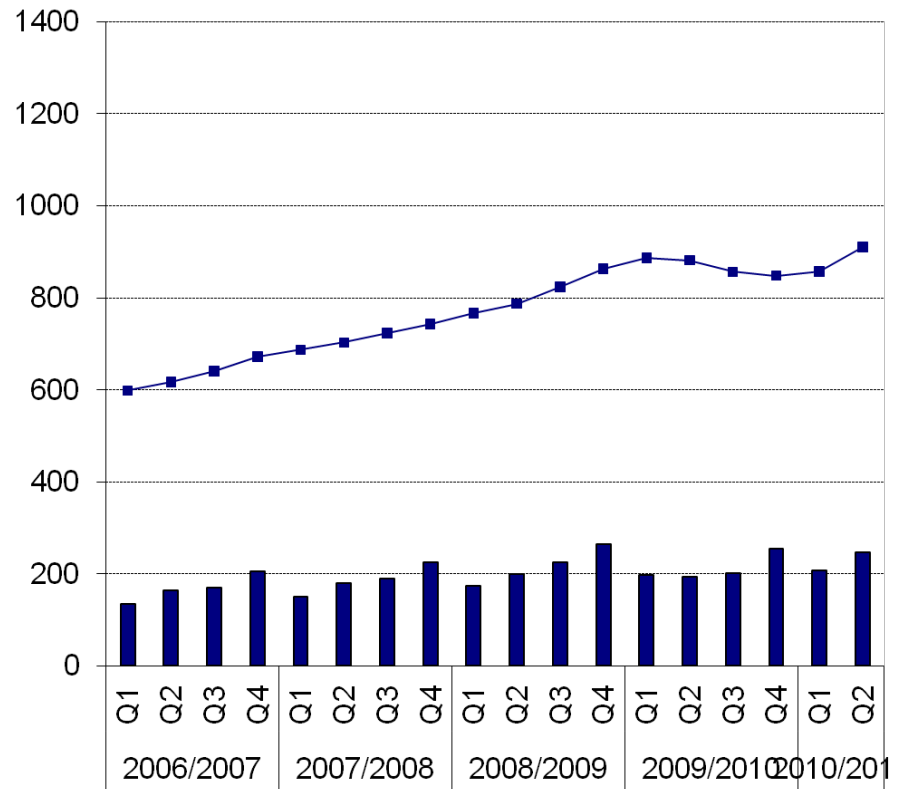
Order bookings

SEK million



Net sales

SEK million

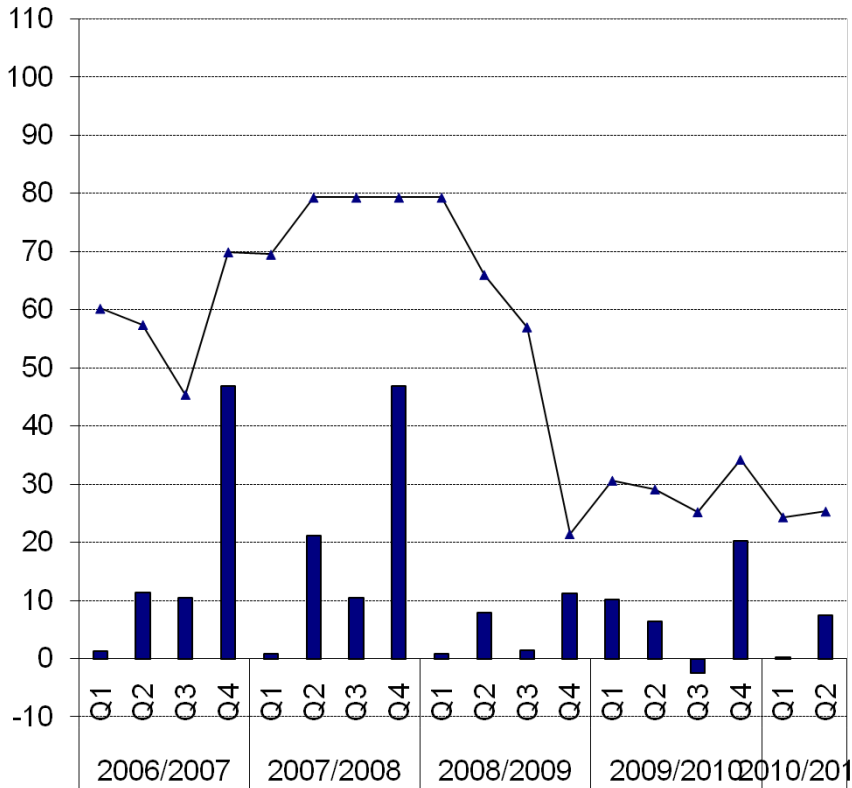


Q2 report

Quarter and 12-month running

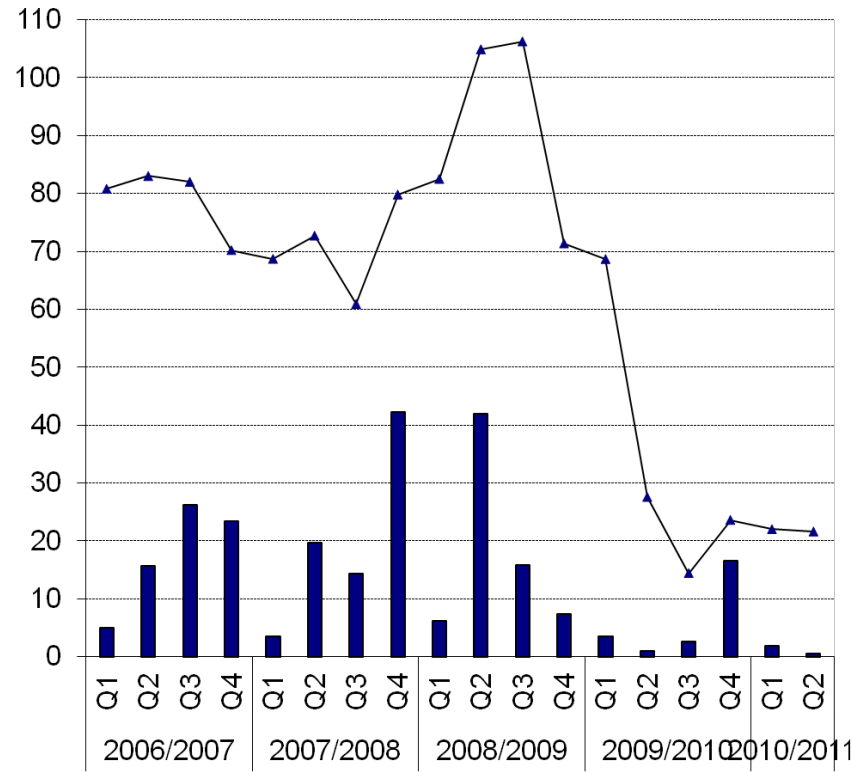
Operating earnings

SEK million



Earnings after financial items

SEK million

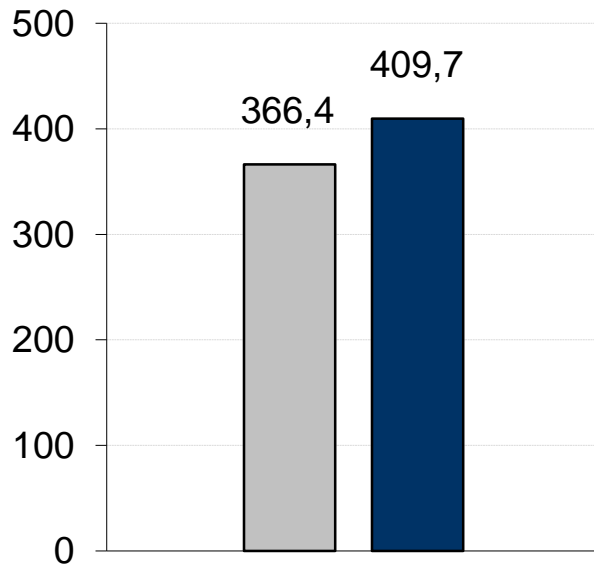


Q2 report 2010/2011

Medical systems

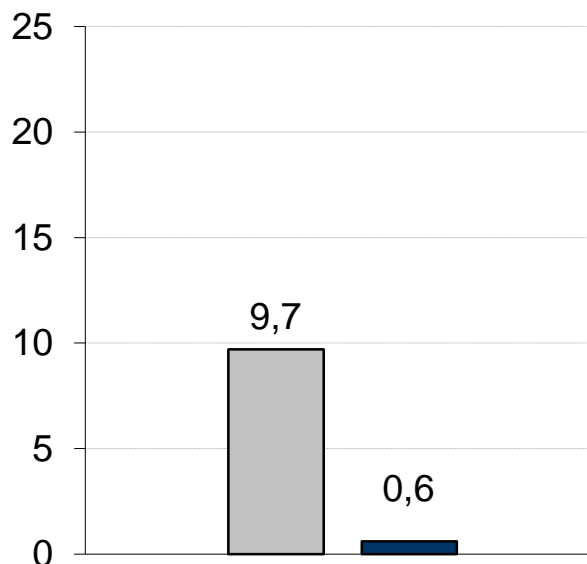
Net sales

SEK million



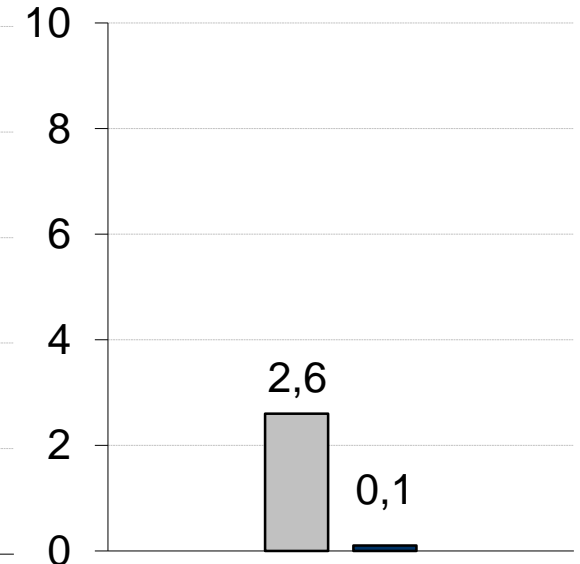
Operating profit

SEK million



Operating margin

%



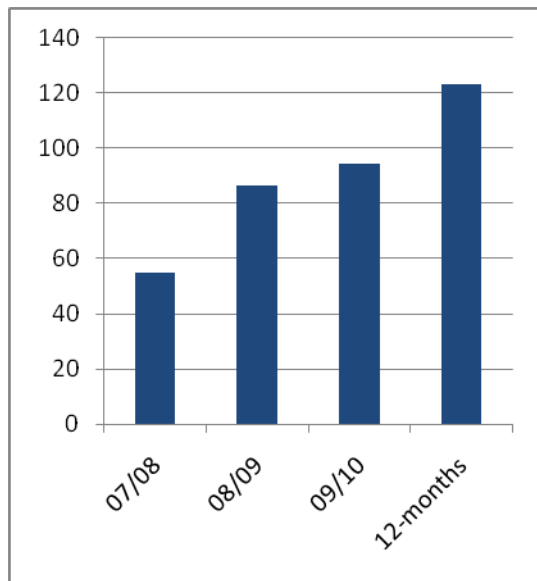
Six-months figures

Development of

Mammography product division

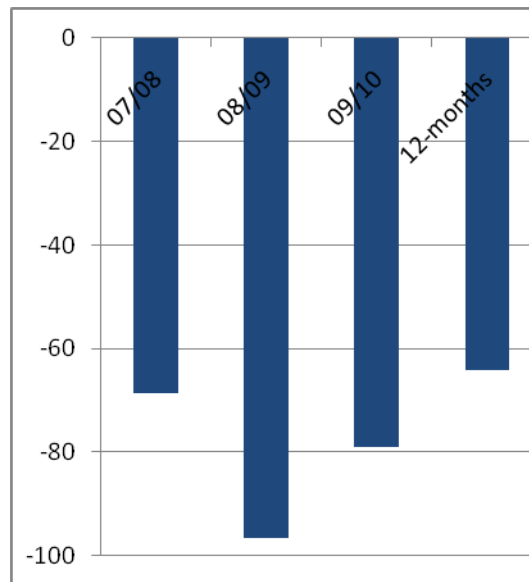
Net sales

SEK million



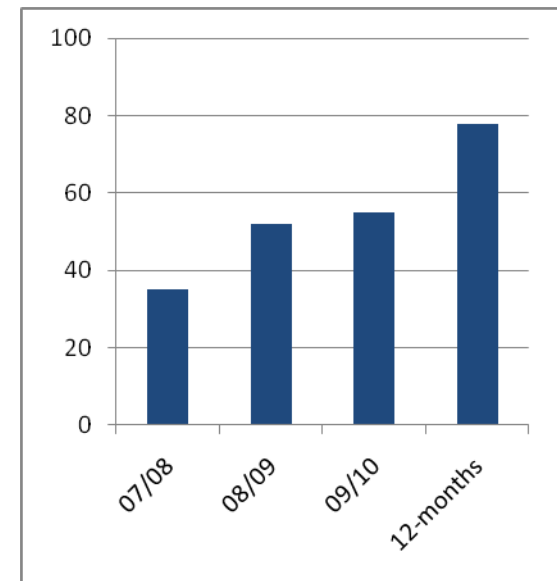
Operating profit

SEK million



MicroDose deliveries

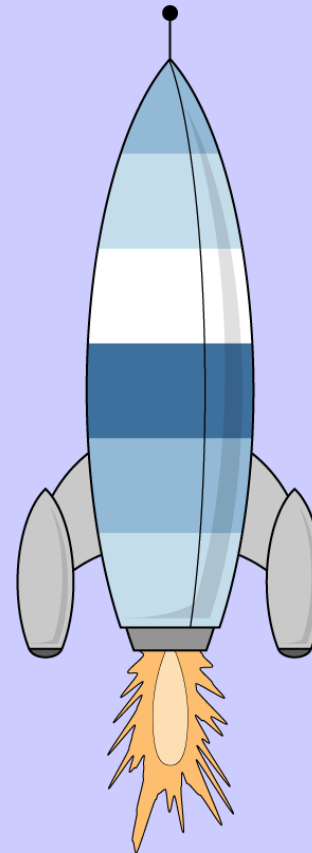
Number



200+ MicroDose Mammography installations in 20 countries.

A new generation Sectra PACS shipping

- Ultra fast display of very large data sets, also over slow networks.
- The most scalable PACS in the world. For all clinics in a country, or for a small clinic
Ex. Northern Ireland
- Made for collaboration and cooperation.
Ex. Telemedicine clinic, Spain, Solis Inc, USA
Curato, Norway and MRAB, Sweden
- Upgrade of existing installations will go on for approx.18 month.

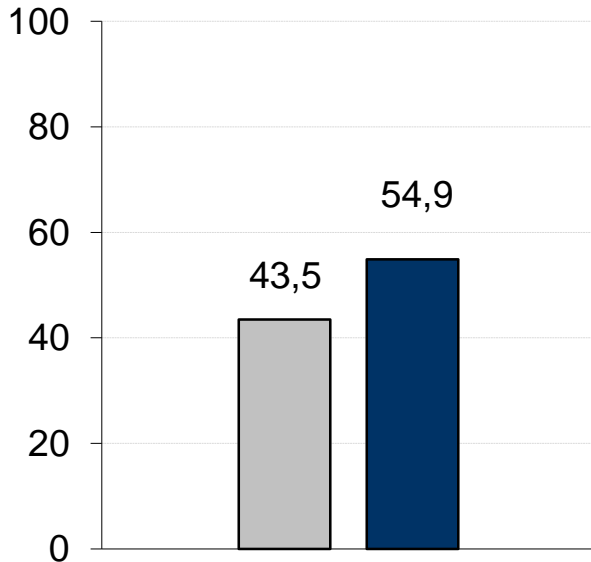


Q2 report 2010/2011

Secure communication systems

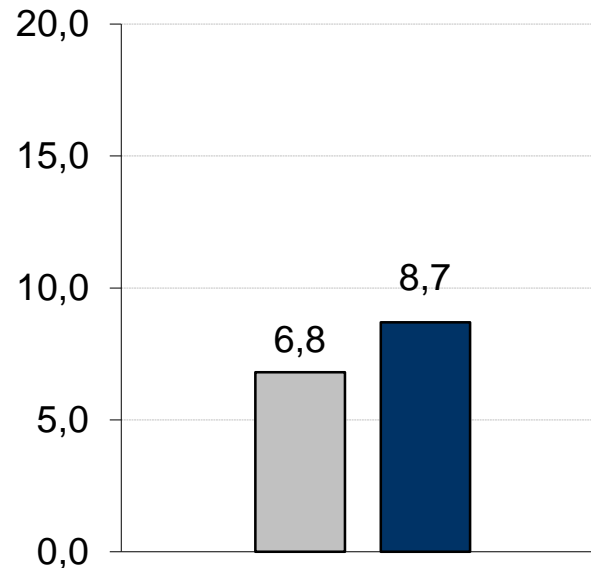
Net sales

SEK million



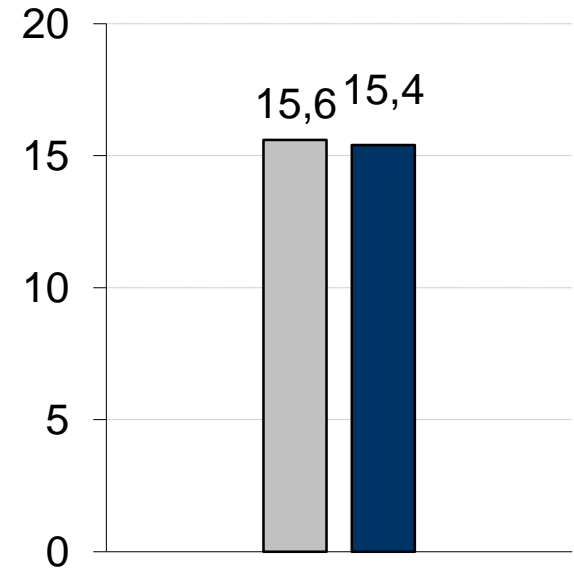
Operating profit

SEK million



Operating margin

%



Six-months figures

A selection of
Q2
highlights

Q2 Highlights

Mammography + osteoporosis screening

Mammography clinics in Europe interested in Sectras online service for osteoporosis detection

Holly House Hospital first in UK to offer osteoporosis detection and MicroDose mammography in a single examination.



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Q2 Highlights

EU selects Tiger XS

- 4-year framework agreement signed with the Council of the European Union in Brussels
- An initial order has been placed, scheduled for delivery during the autumn of 2010.

Our goal is to provide easy-to-use products for secure telephony to customers in all EU Member States.



Highlights after the end of Q2

Q3 Highlights

Simplified FDA approval process

Reduced risk in the process to get approval to sell Sectra MicroDose in the US market.

FDA has reclassified approval process for digital mammography equipment.



**Sectra MicroDose Mammography
HIGHEST IMAGE QUALITY
HALF THE DOSE**

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Q3 Highlights

Unique visualization table launched

Sectra Visualization table launched at the trade show RSNA in Chicago.

- set the care strategy in multi-trauma cases
- medical education
- clinical conferences
- virtual autopsies



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Easing the burden of hip fractures

New Karolinska Institute research study presented at 2010 RSNA congress:

- Historical images of low-density fractures.
- Patients who suffered from a hip fracture in subsequent years had low Bone Mineral Density when they got the first low-density fracture.
- Sectra's Digital X-ray Radiogrammetry method was used to identify the patients with risk for hip fractures.



Sectra dxr-online:
Internet service for
analyzing
Bone Mineral Density

Sectra launches new Tiger

**Sectra Tiger for secure telephony -
as simple and easy to use as a
commercial mobile phone**

- Under evaluation by Swedish and Dutch authorities for approval up to the highest classification level, SECRET



The Future

Growing,
future billion dollar
markets

The future

New financial goals

- EBIT margin > 15%
- Average growth > 15% over a 7-year period
- Equity/Assets ratio > 30%

Positioned in growing,
future billion dollar markets.



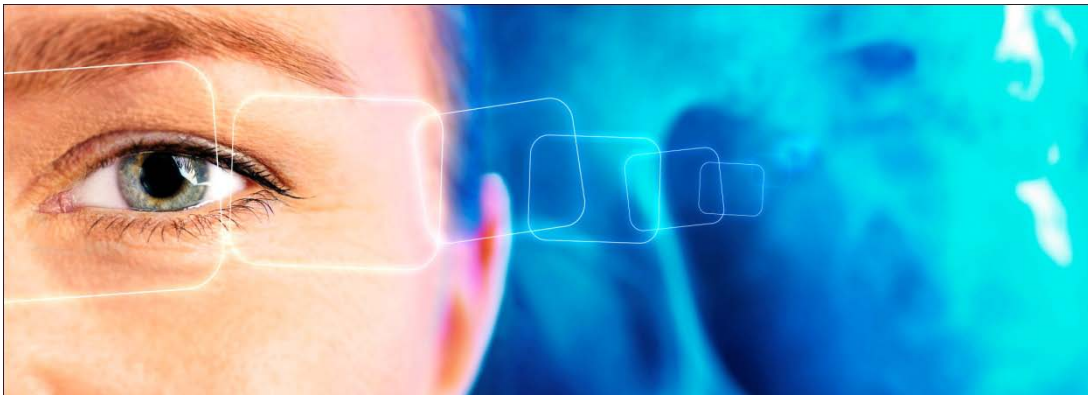
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The future

Medical systems

Focus 2010/2011

- Improve business within our product division for Mammography.
- Grow in areas where we already have customers.
- Become even more efficient when conducting new installations.



Increase effectiveness of healthcare, while maintaining or increasing quality in patient care

The future

Focus mammography operation

- Increase sales volumes in existing markets
- Partner sales in new markets
- FDA approval
- Get clinical "proof of concept" in Spectral X-ray



MicroDose Mammography

The best choice for Women
and the best for Your business

The future

Focus Medical IT operation

Delivery over the webb

- Sectra PreOp Online
 - Orthopedic preoperative planning increasing efficiency and precision in treatment planning
- Sectra DXR Online
 - osteoporosis assessment
 - predicts disease progress for RA patients



Sectra dxr-online:
Internet service for
analyzing
Bone Mineral Density

The future

Secure communication systems

Focus 2010/2011

- Increase sales volumes of Tiger XS and market coverage in the European authorities market.
- Continuing business development of Sectra's secure voice offering.

Our goal is to provide easy-to-use products for secure telephony to customers in all EU Member States.



The future

Security-conscious government authorities

Meeting growing demand with easy to use crypto products

Tiger XS



Panthon



Sectra Tiger



PROFITABILITY
FUTURE PROOF



PRODUCTIVITY
WITHOUT LIMITS



HIGHEST IMAGE QUALITY
HALF THE DOSE



KEEPING YOUR SECRETS

BEST PEOPLE LONG-TERM
JUST
SS
IT

SECTRA