
Sectra Imtec

Medical Systems



Specialization

Sectra is a dedicated niche player.

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

The “New Economy” does exist!

Sectra Imtec business concept:

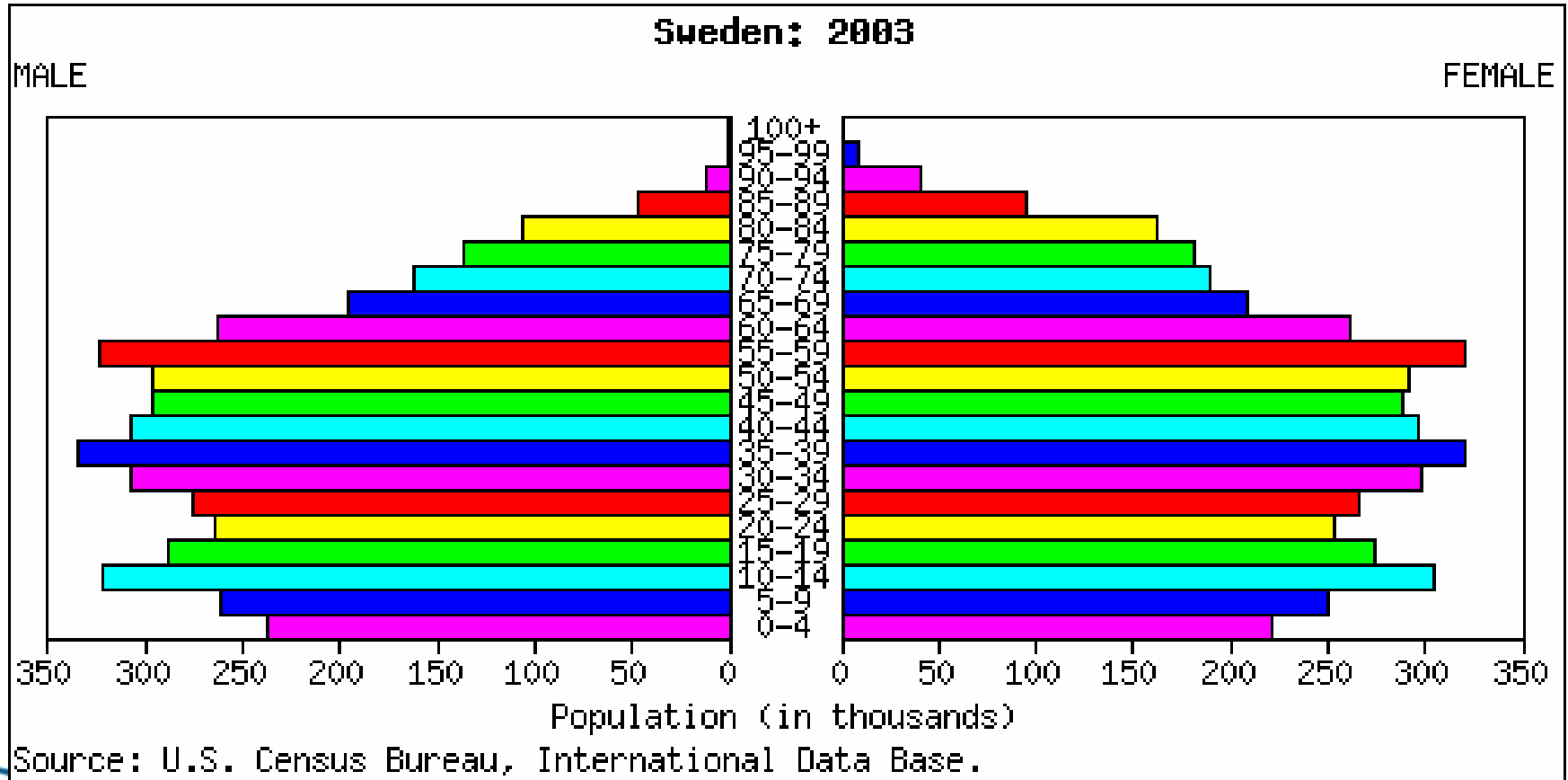
"Sectra Imtec shall increase effectiveness of health care, while maintaining or increasing quality in patient care"

The drive behind it all

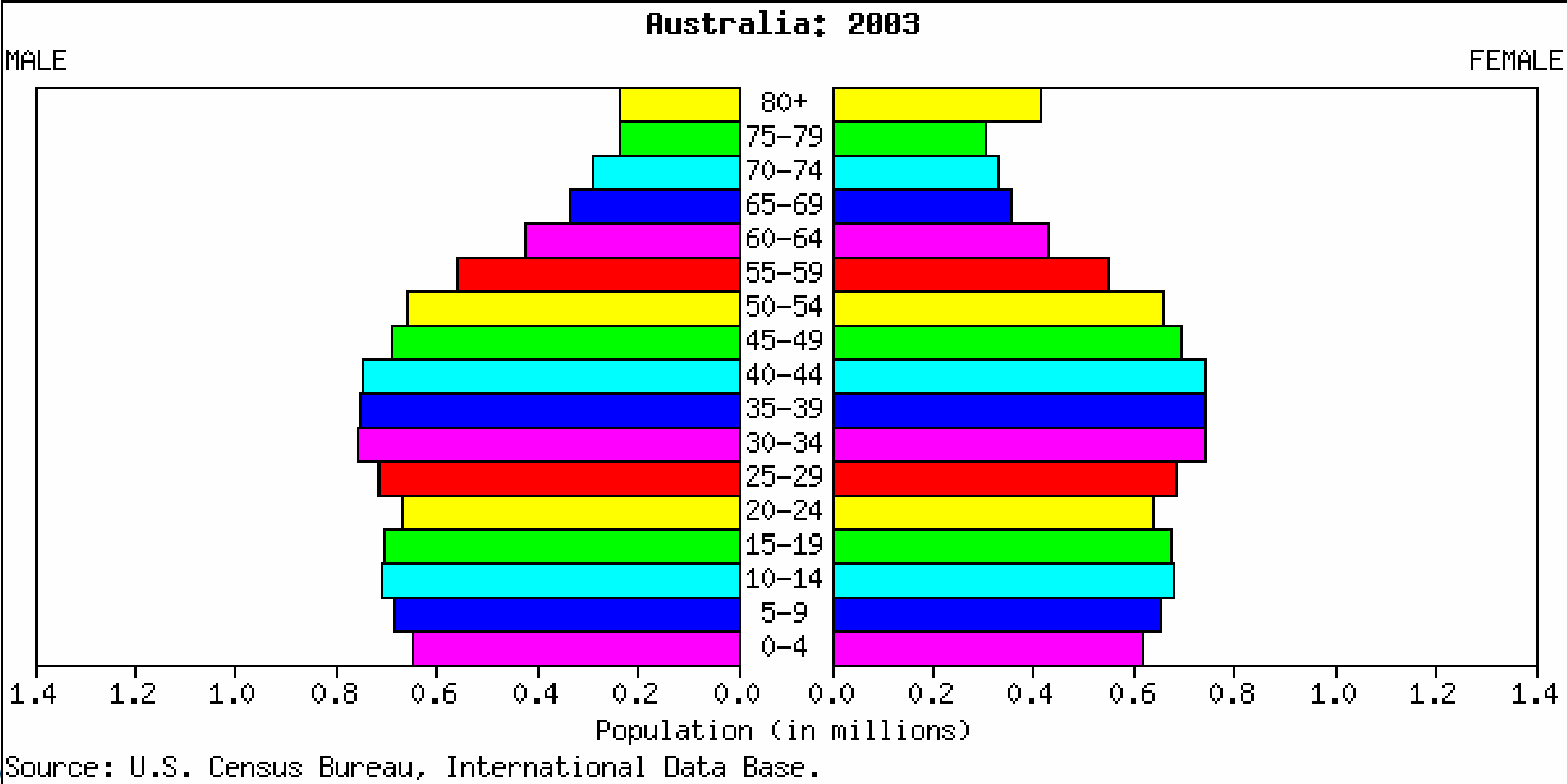
Demographics!



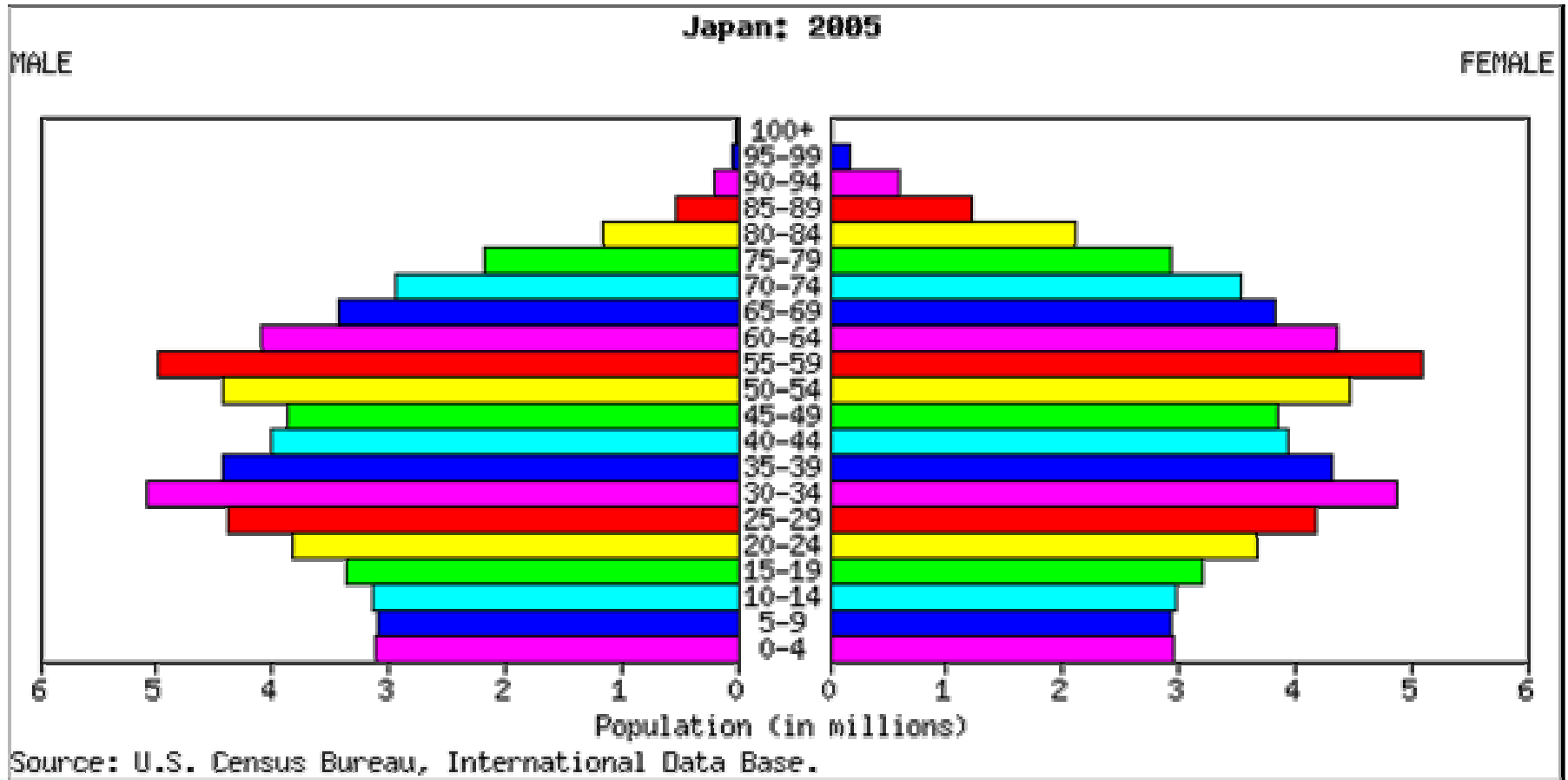
Population Pyramid of Sweden in 2003



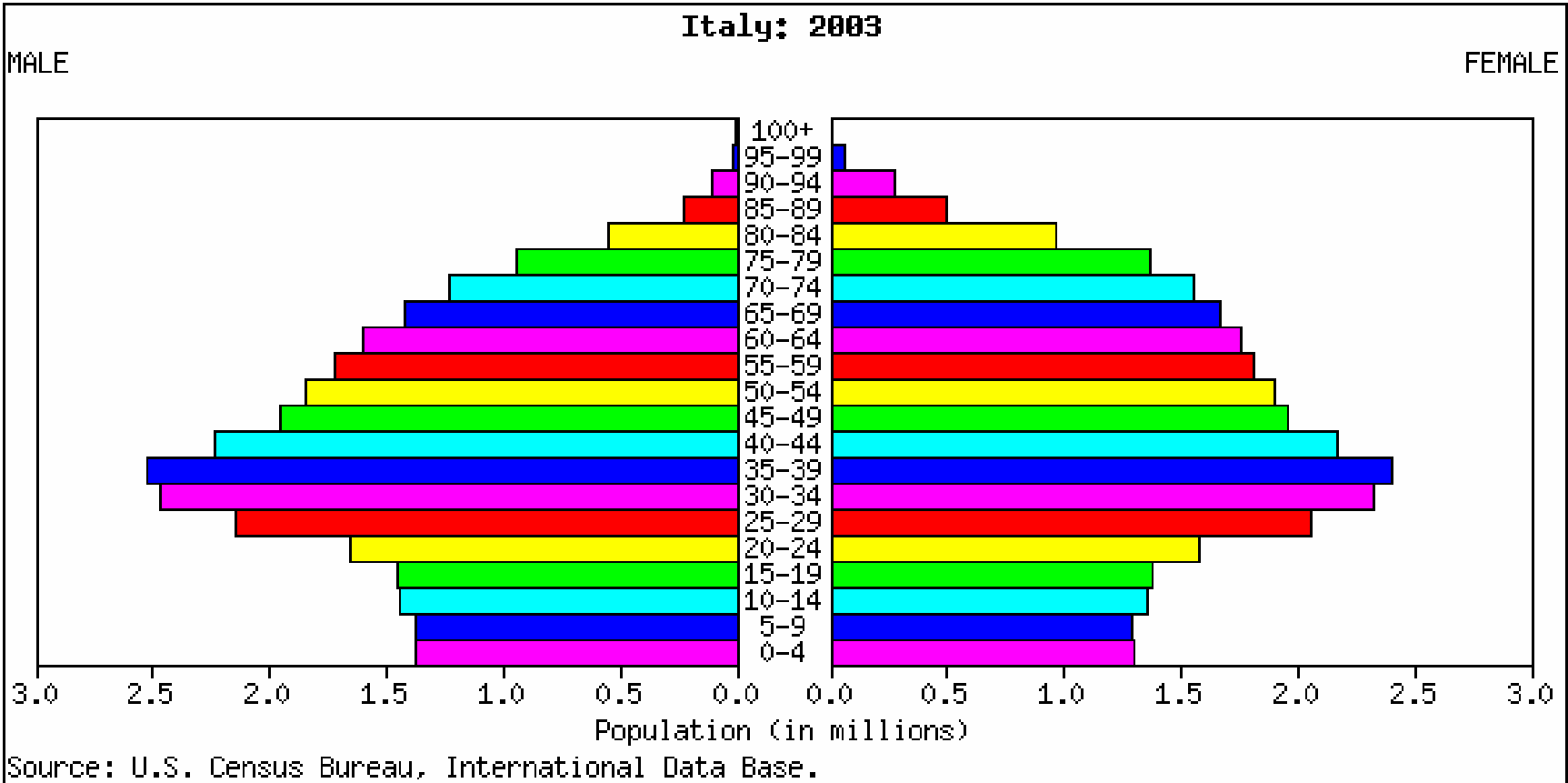
Population Pyramid of Australia in 2003



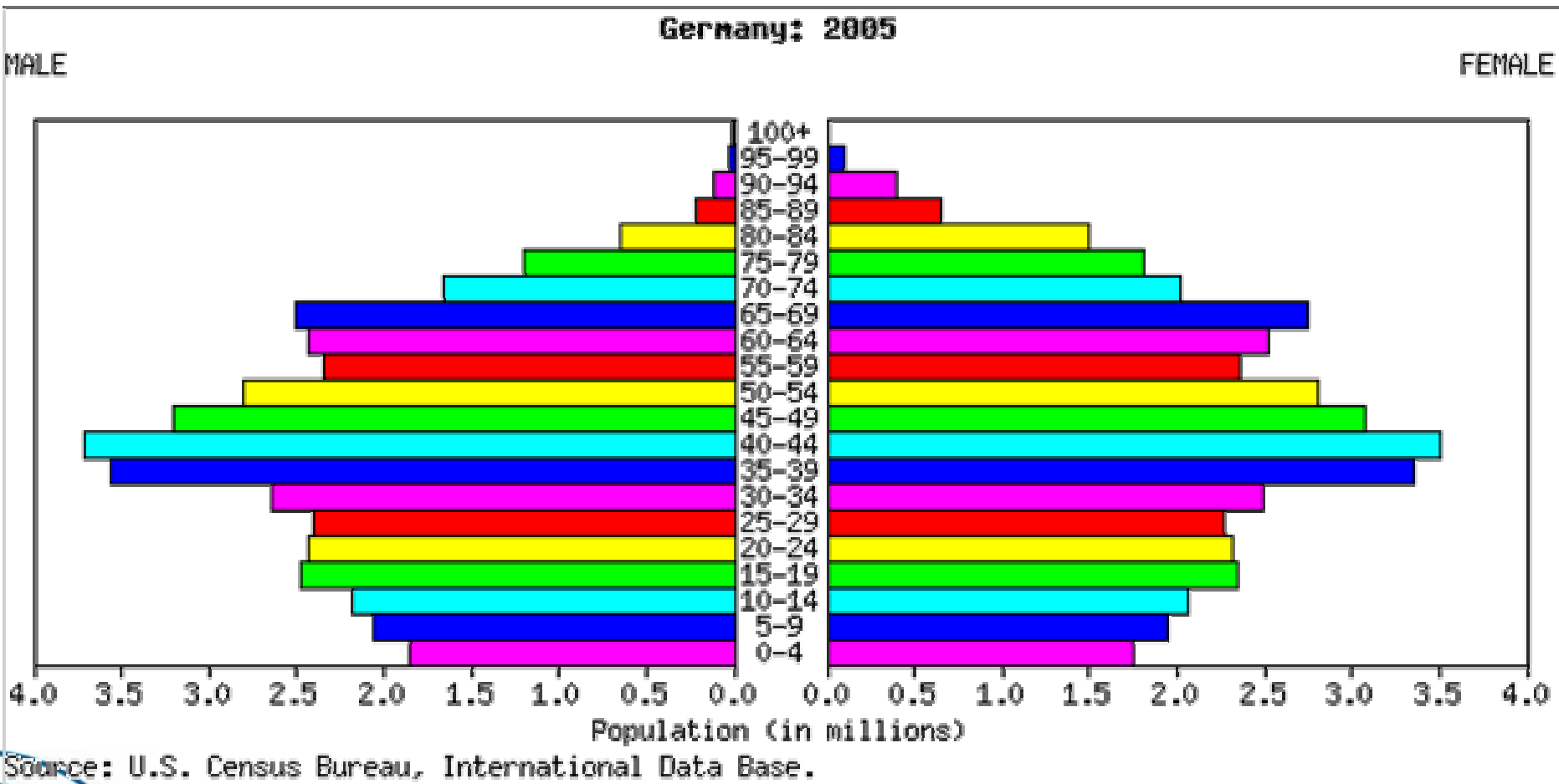
Population Pyramid of Japan in 2005



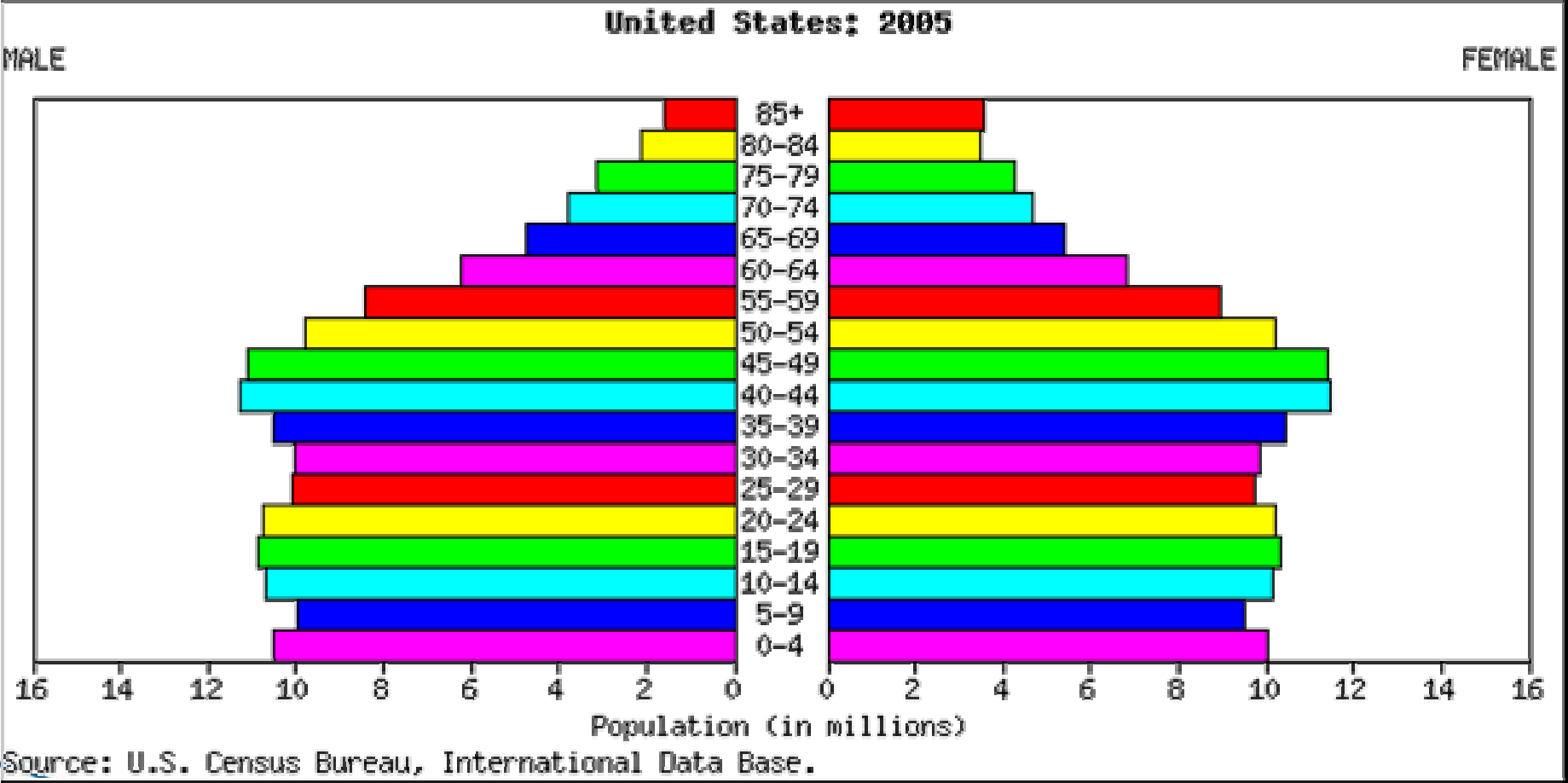
Population Pyramid of Italy in 2003



Germany



United States





Consequence of the population situation:

- The Health care 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 worlds resources will be redistributed

Sectra Imtec's Product Areas

- PD PACS (Linköping)
 - Film free radiology (PACS)
- PD MSA (Copenhagen)
(Musculo Skeletal Applications)
 - Orthopedic imaging
- PD Mammo (Stockholm)
 - Microdose Mammography
- CO Scandinavia (Örebro)
 - Administrative Radiology systems (RIS)

Drivers behind PACS

- Efficiency
- Cost of film, chemicals and labor
- Environment
- Sharing workload

Estimated PACS penetration

- Scandinavia: 100%
- Holland, Austria, Australia(big)...: 75%
- DE, CH, Can, Jap...: 50%
- US Big: 90%, Small: 30%, Ortho: 10%
- UK, Spain, Italy, France...: <15%
- Latin America, East Europe, ROW...: <5%

Philips

- Has been a partner to Sectra since 1997, has been a large account over the last 2-3 years
- Has recently acquired PACS company Stentor
- Has stated it will work to replace Sectra in the intermediate term.

Philips impact

- Will need to reallocate resources to increase sales, support and marketing.
- Will need to find new partners AND sell more direct in selected areas.
- Will effect us negatively for some time.
- But also opens opportunities long term.



Action plan

- Sectra has over the last two years built additional channels and direct sales.
- Today we have:
 - Direct sales in Scand, Germany, ANZ, Italy and USA (Ortho PACS)
 - Several other channel partners in the US
 - We can now let these "loose"
- We are working to increase these even further.

Action plan



- Increase direct sales and local partners in primary markets.
- Offer "per exam deals" (we have done this in Scandinavia before).
- Use knowledge of after market sales from Scandinavia to sell into the installed base.



Results since July 6

- Multimedica PACS in Italy
- Mammography PACS in New South Wales
- Arkansas University Hospital PACS in US
- Signed partnerships with Kurt&Kurt (Turkey) and R2 (US)

Sectra market strategy PACS

- Sell direct in Scandinavia and in selected markets and segments (increasing after Philips-Stentor)
- Sell indirect in other markets.

Summary

- We will have a negative impact for some time due to changes in the Philips relation.
- We have simultaneously a very good market position in some very key growth markets.



Sectra PACS - 700 installations...

More than 30,000,000 exams/year