

Nine-month report 2014/2015:

Increase in order bookings paves way for stable future

Telephone Conference March 10, 2015

Torbjörn Kronander, CEO and President

Simo Pykälistö, CFO and Executive Vice President

Q3 Highlights

Torbjörn Kronander, CEO and President Sectra AB

High customer satisfaction

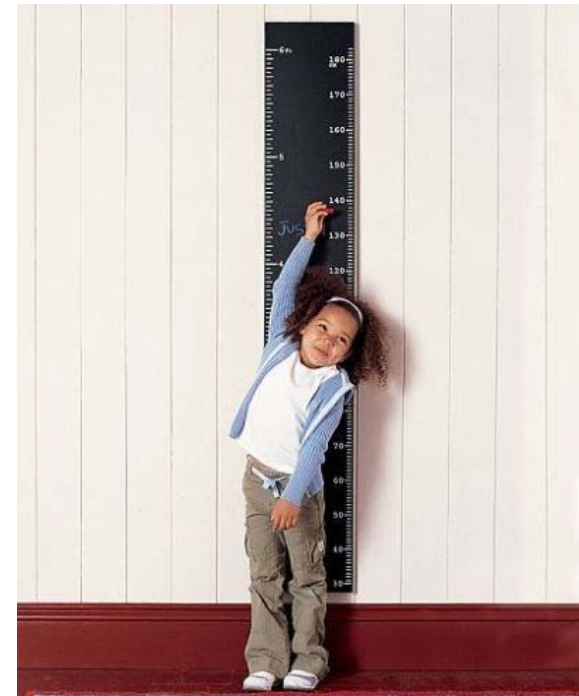


Best in KLAS - Sectra PACS ranked #1 in customer satisfaction both in the US and globally.

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Growth in the UK and US markets

- Quarter 3 order bookings doubled year-on-year to SEK 549.3 million.
- New large long-term medical IT contracts in UK, USA and Scandinavia.
- UK and US are currently Sectra's fastest growing markets.
- UK sales likely to decrease as many UK hospitals were forced to buy before summer 2015.



Software As a Service & Cloud deliveries

- Sectra selected to archive all radiology images within Sweden's capital region.
- Cloud-based VNA solution as a service.
- Sectra's first example in Sweden of software sold as a service.



Expanding markets for medical education

- First order from university in South America.
- Distribution partners in Brazil, Ecuador and Peru,
- Seeking to add more high growth markets as interest is high.



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Secure Communications - slightly better Q3

- Launch of Tiger/R – creating an Tiger eco system of secure calls in various security classes.
- Positive business sentiment in Netherlands and other parts of Europe.
- Still troublesome Swedish market for crypto products.



Highlights after the report period

Torbjörn Kronander, CEO and President Sectra AB

Long-term PACS & RIS contract with Karolinska University Hospital

- Sectra takes total responsibility for technology, administration and service of the customers radiology IT systems.
- Order value SEK 207 million (approx. EUR 21.8 million).

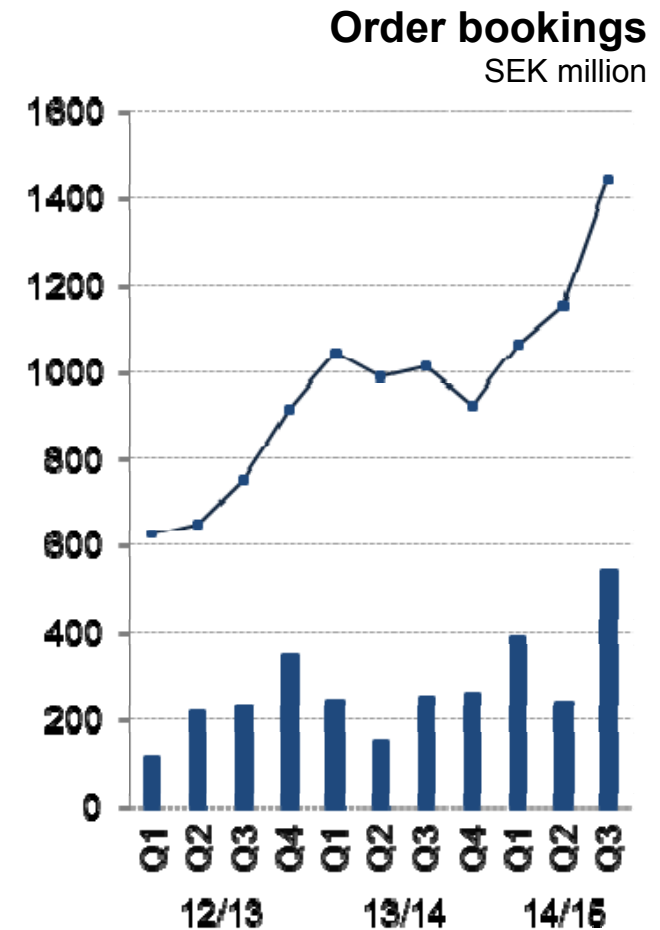


Financial figures for Sectra's nine-month period

Simo Pykälistö, CFO & Executive Vice President Sectra AB

Strong nine-months order bookings

- Rose 78.8% to SEK 1181 million.
- Many new large multi-year contracts.
- UK accounts for the largest increase, but this is a transient in the UK market
- Large variations between quarters.



Cash flow impact

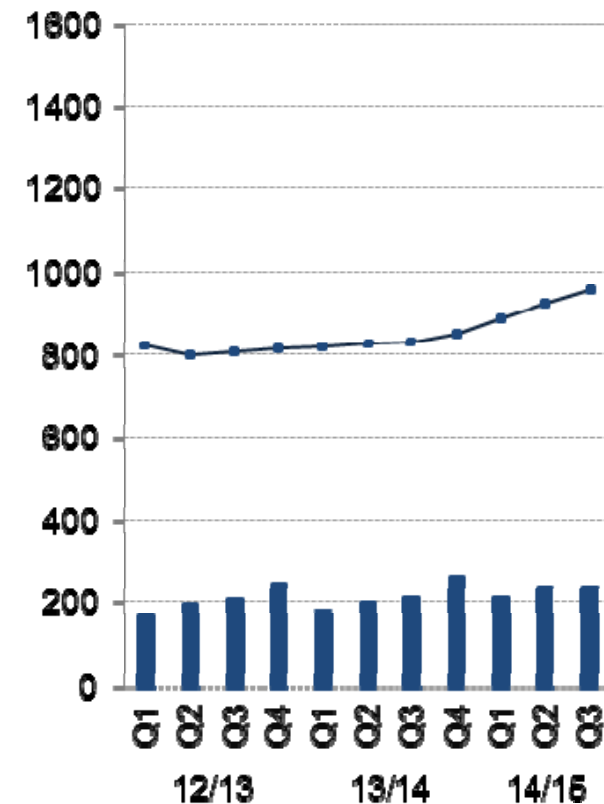
| | 2014/2015 Q 1-3 | 2013/2014 Q 1-3 |
|--|--------------------|--------------------|
| Cash flow after changes in working capital | SEK 32.1 M | SEK104.3 M |
| Cash flow/share | SEK 1.38 | SEK 3.33 |

- Cash flow impacted by ongoing deployment of the new large long-term customer contracts.
- Long-term the contracts will contribute to a solid future for the Sectra Group.

Long-term contracts support solid growth

- Net sales up 18.8% to SEK 693 million
 - excluding Q1 one time item of SEK16 M from sale and licensing of patents, the sales was up 16.0%.
 - temporarily increased portion of hardware due to explicit customer demands in some contracts.

Net sales for the Group
SEK million

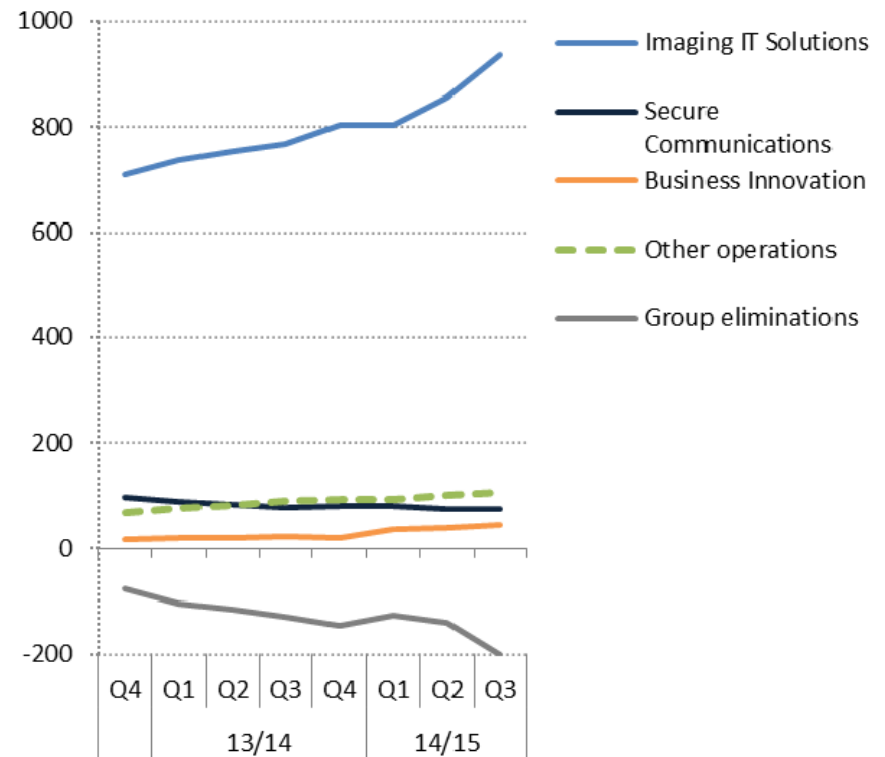


Sales growth

- Imaging IT up 24.7%.
- Secure Communication down 12.7%.
- Business Innovation up 140.6%
 - excl. one time item up 44.7%.
 - not comparable between years due to org. changes.
- Other operations up 19.7%.

Net sales by business segment

SEK million 12 month rolling



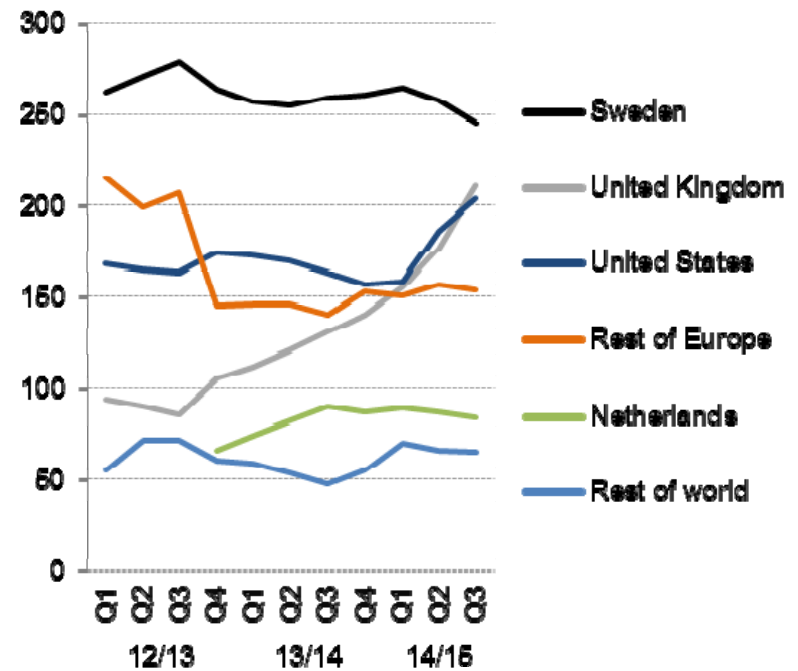
Sales growth by market

Sales growth:

- Sweden down 8.2%.
- UK up 70.7%.
- USA up 43.5%.
- Rest of World up 29.8%.

Net sales by geographic market

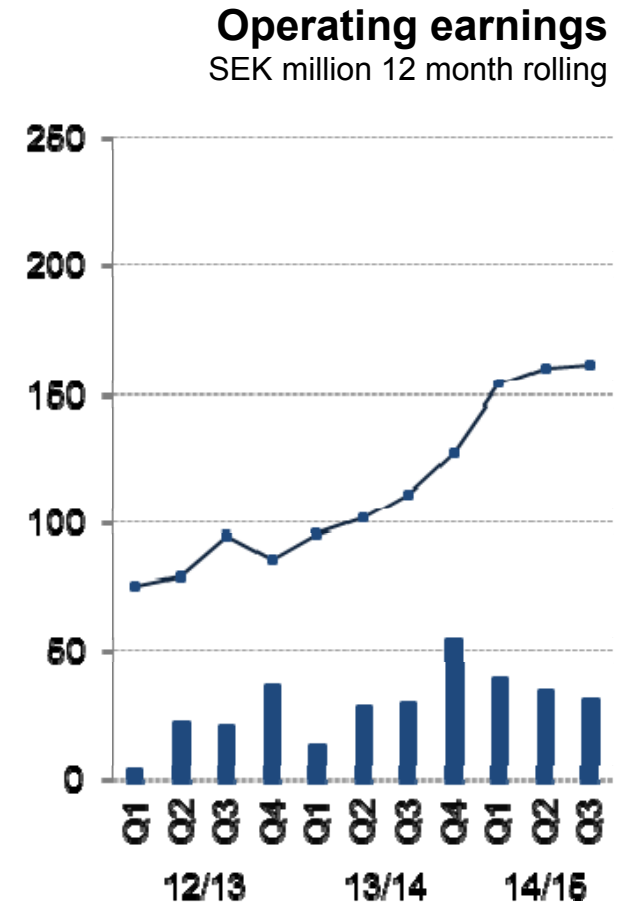
SEK million 12 month rolling



Prior to Q4 12/13, the Netherlands is included in Rest of Europe.

Growth of operating profits

- Operating profit up 46.0% to SEK 107 million
 - excluding one time items operating profit was up by 24.0%.
- Operating margin 15.6%,
 - excluding one time items operating margin was 13.5%.



Financial goals

| Goal | | 12-months Jan 31, 2015 | 12-months May 31, 2014 |
|--|-------|------------------------------|------------------------------|
| Equity/Assets ratio | > 30% | 56.7% | 60.7% |
| Operating margin | > 15% | 16.8% | 15.0% |
| Average growth, EBIT/share 5-year period | > 10% | 10.9% | 7.0% |



Excl. Q1 one time patent deal, operating margin is 15.4% and average EBIT/share growth 8.0%.

Sectra's way forward

Torbjörn Kronander, CEO and President Sectra AB

Secure Communication

- Swedish situation needs to be solved, or resources refocused on other markets.
- Continue to grow sales in rest of Europe.
- Opportunities:
 - Leverage knowledge and brand for a broader market.
- Very conservative market so change is slow.



Imaging IT Solutions

- Maintain top customer satisfaction.
- Increase internal effectiveness.
- Opportunities:
 - Broaden product offering to new, related segments.
 - Expand offering to existing customers.
E.g. Pathology, Other image types, DoseTrack.
 - Focus on market share in a few selected markets.
 - Evaluate one or two new direct sales markets.
 - Cloud services/hosted solutions.



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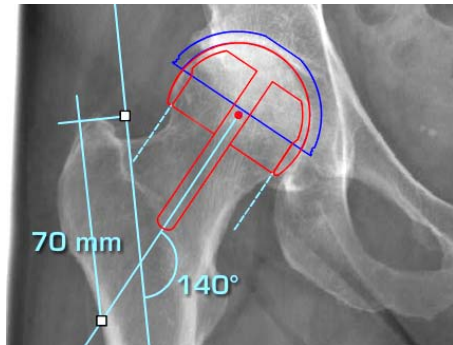
Business Innovation



Online services for analyzing osteoporosis and other analyses



Medical education



Online services for planning orthopedic surgery



Research

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Business innovation growth

- Orthopedics
 - Collaboration with prosthesis companies.
- Osteoporosis
 - Grow with mammography clinics and chains.
 - Host other companies' image analyses
- Medical education
 - Sales through partners.
 - Large interest from growing economies.
 - Sell content through Internet.
- Research
 - Work in areas that can give profit 3-5 years out.
 - Several research projects ongoing.



Growth areas in medical

Areas related to the 'old people's disease':

Medical imaging

Neurological

Cardiac

Cancer

Skeletal

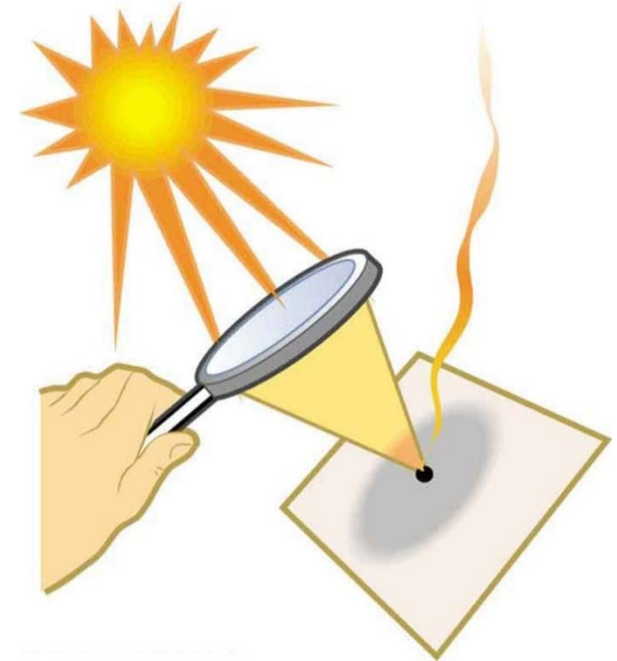
- Osteoporosis/Fractures

- Orthopedics/Joint replacement



Focus forward

- Maintain high customer satisfaction ratings.
- Keep fulfilling financial targets.
- Focused expansion, select new markets carefully.
- Prioritize large market share in a few markets.
- Controlled expansion to selected new markets
- Internal effectiveness.
Prioritize hosted solutions if possible.
Be fast!



Being a shareholder in Sectra

Torbjörn Kronander, CEO and President Sectra AB

Why Sectra?

- High customer satisfaction.
- Positioned in growing niche markets.
- A strong brand in markets where Trust is critical.
- Management owns shares.
- Substantial recurring revenue.
- Profitable, strong cash flow and a solid balance sheet.
- - yet with sustainable investments in R&D and exciting future opportunities.



Our vision

Beneficial for humanity

- Help healthcare become more effective.
- Facilitate a more secure world.



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Your feedback is important!

Please let us know what you think at

sectra.com/2014Q3

Questions?

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Knowledge and passion

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