

PRESS RELEASE FROM GETINGE INDUSTRIER AB**INTERIM REPORT JANUARY – SEPTEMBER 2000**

- ◆ **Orders received totalled SEK 3,782.6 million (3,663.9 m)**
- ◆ **Net sales totalled SEK 3,620.2 million (3,455.8 m)**
- ◆ **The operating profit was SEK 419.3 million (451.6 m)**
- ◆ **The profit before tax was SEK 352.2 million (408.5 m)**
- ◆ **A strong Q3 for the Geriatrics business area**
- ◆ **The acquisition of Parker Bath underpins Getinge's world leading position**

Comments on the quarter and outlook

The level of demand from the European market for the Infection Control business area continues to be difficult to judge in the short-term. The upturn in orders that was expected in Q3 failed to materialize and projects continued to be put on hold. The American market registered increased demand and there were grounds for believing that both the hospital and life science markets can continue to perform well. The underlying volume trend in the developing markets is good and a number of major projects are underway. The US with somewhat lower operating margins was responsible for a large part of the volume growth.

The Geriatrics business area continues to progress well in the US. The American geriatric care chains have gradually adapted themselves to the new Medicare regulations. In the UK the market improved significantly during Q3 for the Hygiene system and Patient handling product lines. The pressure sore business also improved compared to the first six months, but certain industry-specific problems remain. Western Europe has also seen considerable progress, even if Germany has been negatively affected by exchange rates. The business area's current problems are totally related to the pressure sore business in the UK, which is expected to see a gradual improvement starting next year.

We estimate that the Infection Control business area's results will be at a similar level to last year's as a consequence of the US being responsible for a growing part of the volumes. The assessment for the Geriatrics business area is that its full-year results will be closer to last year's levels given the prevailing market outlook.

Net financial items for Q4 are expected to be at Q3's level.

Infection Control business area

Market developments	2000	1999	Change	2000	1999	Change
Orders received per market	Q3	Q3		9 Mon.	9 Mon.	
Western Europe	266.7	302.8	-11.9%	919.4	980.4	-6.2%
USA and Canada	332.6	256.0	29.9%	945.1	814.6	16.0%
Asia/Australia	83.1	143.0	-41.9%	205.5	242.6	-15.3%
Rest of the world	49.5	48.5	2.1%	158.0	91.5	72.7%
Business area total	731.9	750.2	-2.5%	2,228.0	2,129.1	4.6%
<i>adjusted for currency flucs.& corp.acqs</i>			-5.0%			2.4%

The North American market continued its dynamic progress during Q3. The number of inquiries increased in the medical care segment and the market in the US is judged to be developing positively. Research in the bio-technology sector means that the life science market is progressing well and is expected to continue to do so over the next two years. The pharmaceutical industry is characterized by restraint, which is particularly noticeable in North America and Western Europe.

Orders received in Western Europe have been weaker than expected during Q3. As previously, project delays are one of the main reasons. The activity level is still high however and the business area's positive opinion about the inflow of orders in the longer term remains in place.

The underlying market conditions for the developing markets continue to be good. When making a comparison with Q3 last year, there was a major one-off order from Thailand worth around SEK 70 million. Sales to the developing markets are often in project form, and the business area is currently working on a number of large deals. For this quarter an order from Iraq for 200 hospital sterilizers should be mentioned, worth a combined total of USD 12 million. A condition for the order is approval from the UN. While waiting for approval, the order has not been included in orders received.

Results	2000	1999	Change	2000	1999	Change	1999
	Q3	Q3		9 Mon.	9 Mon.		FY
Net sales, SEK Million	687.5	620.6	10.8%	2,097.4	1,916.4	9.4%	2,811.1
<i>adjusted for currency flucs.& corp.acqs</i>			7.8%			7.2%	
Gross profit	233.0	228.2	2.1%	755.7	732.5	3.2%	1,084.6
Gross margin %	33.9%	36.8%	-2.9%	36.0%	38.2%	-2.2%	38.6%
Operating cost, SEK Million	-183.7	-166.8	10.1%	-549.1	-517.0	6.2%	-719.3
Operating profit	49.3	61.4	-19.7%	206.6	215.5	-4.1%	365.4
Operating margin %	7.2%	9.9%	-2.7%	9.9%	11.2%	-1.3%	13.0%

The decline in the quarter's results is an effect of the changing market mix. The US, where operating margins are lower as a consequence of higher marketing costs and lower gross margins, was responsible for a greater amount of sales.

Important activities

The Group is continually involved with projects and programs aimed at improving competitive strength and gross margins. Projects that can be mentioned include cost optimization of the new equipment for automated goods handling in the life science sector. Future deliveries will be made at better margins. This will not be seen in the results before next year because of the long lead times.

Another project, the next generation of sterilizers known as "world sterilizers", will be introduced at the trade fair Medica in Germany in November. The project concerns reducing production costs for standard sterilizers and it is estimated that annual savings of SEK 50–60 million will be achieved from 2002.

Getinge's new systems for the automatic handling of large amounts of instruments (AGS) have now been installed on all the important markets and sales have been greater than expected. The system means making work in sterile

centers more effective and also contributes to the working environment. Customer interest has led to further development and implementation of the system for sterilizers.

Interest in the Group's newly-developed operating lamps continues to be high. Delivery of the product will start at the beginning of next year.

Outlook

The North American business will continue to progress well for the rest of the year, while lower net sales in Western Europe will mean a decline in results there. Taken together it is judged that the results for the business area will be at last year's level.

Geriatrics business area

Market developments	2000	1999	Change	2000	1999	Change
<i>Orders received per market</i>	Q3	Q3		9 Mon.	9 Mon.	
USA and Canada	187.6	169.8	10.5%	556.3	576.7	-3.5%
Great Britain	137.2	109.3	25.5%	397.7	379.2	4.9%
Germany	58.7	58.8	-0.2%	176.8	177.4	-0.3%
Other Western Europe	106.6	99.0	7.7%	318.5	299.1	6.5%
Rest of the world	26.9	15.5	73.5%	60.6	56.4	7.4%
Business area total	517.0	452.4	14.3%	1,509.9	1,488.8	1.4%
<i>adjusted for currency flucs.& corp.acqs</i>			8.1%			-2.0%

The turbulence that has characterized the geriatric care market in the US ever since the introduction of the new benefits system in 1998 (PPS) has started to settle and a certain optimism can be seen among the geriatric care chains. In the UK the market for geriatric care equipment improved in Q3 as new contributions were provided from the authorities. This was seen clearly in the Patient Handling and Hygiene Systems product lines. The negative effects of changes in customers' purchasing patterns in the pressure sore business remain, even if they are reduced. Other markets in Western Europe are showing a stable, positive trend.

Results	2000	1999	Change	2000	1999	Change	1999
	Q3	Q3		9 Mon.	9 Mon.		FY
Net sales, SEK Million	498.6	440.9	13.1%	1,477.4	1,492.9	-1.1%	2,007.7
<i>adjusted for currency flucs.& corp.acqs</i>			5.6%			-4.9%	
Gross profit	241.7	220.2	9.8%	728.7	780.9	-6.7%	1,051.6
Gross margin %	48.5%	49.9%	-1.4%	49.3%	52.3%	-3.0%	52.4%
Operating cost, SEK Million	-174.4	-172.6	1.0%	-520.7	-549.1	-5.2%	-731.2
Operating profit	67.3	47.6	41.4%	208.0	231.8	-10.3%	320.4
Operating margin %	13.5%	10.8%	2.7%	14.1%	15.5%	-1.4%	16.0%

Q3's major profit improvement is mainly related to a strong volume rise in the Patient Handling and Hygiene Systems product lines. The deteriorated gross margin is attributable to the pressure sore business.

Important activities

During Q3 the business area carried out a further corporate acquisition – Parker Bath Ltd. of England. The acquisition represents an important part of the Group's strategy to complement its own product development by acquiring companies with a strong product range. The company develops and manufactures bathing systems, mainly for the semi-institutional market where growth potential is considered to be very good. Parker Bath has annual sales of SEK 150 million and 140 employees mainly in the UK, France and the US. The acquisition is expected to have a positive impact on profits from 2001.

Techno-Médic of Canada, acquired in June, is currently trying to get its unique ceiling-mounted hoist approved for distribution in the US and Europe. It is calculated that the product will be ready for delivery in the US during Q1 2001 and during Q4 2001 in Europe.

The Encore patient hoist that was launched in late autumn 1999, has continued to progress very well. Sunbeam, which will replace the Maxi – a patient lift that has been a big seller in the product range for 10 years – will be launched and available for delivery in Q1 2001.

Outlook

Following Q3 it is assessed that the business area has a more positive outlook. Results for the full year are expected to be close to last year's level.

Medical

The independent Medical product line that includes the companies LIC Audio and NeuroMédica reported invoiced sales of SEK 45.5 million (46.4 m). The operating profit was SEK 4.7 million (4.4 m).

Next report

The next report from the Getinge Group (full year) will be published on 25 January 2001.

Getinge 19 October 2000

Johan Malmquist
President and CEO

Tel.no. +46 (0) 3515 55 00

The Group: Income Statements	2000	1999	Change	2000	1999	Change	1999
SEK Million	Q3	Q3		9 Mon.	9 Mon.		FY
Net sales ¹⁾	1,200.7	1,074.8	11.7%	3,620.2	3,455.8	4.8%	4,884.7
Cost of goods sold ²⁾	-721.2	-622.2	15.9%	-2,121.4	-1,927.4	10.1%	-2,727.0
Gross profit	479.5	452.6	5.9%	1,498.8	1,528.4	-1.9%	2,157.7
Gross margin	39.9%	42.1%	-2.2%	41.4%	44.2%	-2.8%	44.2%
Operating cost ²⁾	-361.5	-342.7	5.5%	-1,079.5	-1,076.8	0.3%	-1,465.5
Operating profit ³⁾	118.0	109.9	7.4%	419.3	451.6	-7.2%	692.2
Operating margin	9.8%	10.2%	-0.4%	11.6%	13.1%	-1.5%	14.2%
Interest income	4.5	4.5		12.9	21.6		25.9
Interest expense	-28.9	-19.8		-76.4	-59.7		-77.6
Other financial items	-2.1	-2.5		-3.6	-4.1		-3.3
Ass.companies' profit/loss	0.0	-0.3		0.0	-0.9		-1.0
Profit before tax	91.5	91.8	-0.3%	352.2	408.5	-13.8%	636.2
Tax ⁴⁾	-22.8	-23.0		-88.0	-102.2		-158.5
Net profit	68.7	68.8	-0.1%	264.2	306.3	-13.7%	477.7

1) Adjusted for currency fluctuations and company acquisitions
the net sales' change is

6.9%

1.8%

2) Due to the reclassification of certain costs, some minor transfers
have been made in the comparison from operating cost to cost of goods sold.

3) Operating profit is charged with

— amortisation on goodwill

-16.7 -15.2

-47.8 -45.7

-60.7

— depr. on other fixed assets

-33.6 -29.2

-95.6 -95.6

-127.5

-50.3 -44.4

-143.4 -141.3

-188.2

4) For fiscal 2000, tax is estimated at 25% of the profit before tax. For 1999 the Group's full tax cost was 24.9% of the profit before tax.

Quarterly results	1998	1998	1999	1999	1999	1999	2000	2000	2000
SEK Million	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net sales	978.3	1,427.6	1,183.1	1,197.9	1,074.8	1,428.9	1,167.9	1,251.6	1,200.7
Cost of goods sold	-542.2	-807.2	-644.5	-660.7	-622.2	-799.4	-654.5	-745.7	-721.2
Gross profit	436.1	620.4	538.6	537.2	452.6	629.5	513.4	505.9	479.5
Operating cost	-314.5	-401.5	-361.2	-372.9	-342.7	-388.9	-361.4	-356.6	-361.5
Operating profit	121.6	218.9	177.4	164.3	109.9	240.6	152.0	149.3	118.0
Financial net	-17.4	-18.5	-16.0	-8.4	-17.8	-12.8	-16.4	-24.2	-26.5
Ass.comp.s' profit/loss	-0.1	-0.5	-0.3	-0.3	-0.3	-0.1	0.0	0.0	0.0
Profit before tax	104.1	199.9	161.1	155.6	91.8	227.7	135.6	125.1	91.5
Tax	-22.6	-40.7	-40.2	-39.0	-23.0	-56.3	-33.9	-31.3	-22.8
Net profit	81.5	159.2	120.9	116.6	68.8	171.4	101.7	93.8	68.7

The Group: Balance Sheets

Assets SEK Million	30 Sept 2000	30 Sept 1999	31 Dec 1999
Goodwill	1,102.5	999.3	1,012.7
Fixed assets	1,036.0	718.7	815.6
Stock-in-trade	907.4	824.5	765.3
Receivables	1,695.4	1,516.2	1,625.1
Liquid assets	268.4	203.8	158.8
Total assets	5,009.6	4,262.5	4,377.5
Shareholders' equity & Liabilities			
Shareholders' equity	1,713.8	1,372.4	1,560.8
Interest bearing liabilities	2,218.0	1,807.4	1,673.7
Non-interest bearing liabilities	1,077.8	1,082.7	1,143.0
Total Equity & Liabilities	5,009.6	4,262.5	4,377.5

The Group: Cash flow SEK Million	2000 Q3	1999 Q3	2000 9 Mon.	1999 9 Mon.	1999 FY
Operations					
Operating profit	118.0	109.9	419.3	451.6	692.2
Depreciation	50.2	44.4	143.3	141.3	188.2
Financial items	-26.5	-17.8	-67.1	-42.2	-55.0
Share in ass. companies' profit/loss	0.0	-0.3	0.0	-0.9	-1.0
Taxes paid	-26.2	-27.5	-83.9	-78.7	-100.3
Cash flow before changes in working capital	115.5	108.7	411.6	471.1	724.1
Changes in working capital					
Stock-in-trade	-7.6	3.1	-133.7	-52.7	7.8
Rental equipment	-12.8	-4.5	-20.7	-13.5	-15.7
Current receivables	-54.6	63.6	-54.4	190.9	40.7
Current operating liabilities	39.1	-45.7	-68.8	-121.4	-33.6
Restructuring reserves, utilised	-5.9	-34.6	-38.4	-74.5	-118.8
Cash flow before investments	73.7	90.6	95.6	399.9	604.5
Direct net investments in machinery, equipment and buildings	-19.2	-33.0	-80.1	-114.6	-167.4
Operating cash flow	54.5	57.6	15.5	285.3	437.1
Net impact of company acquisitions and disposal of operations	-102.2	-2.6	-117.8	-20.9	-35.4
Change in long-term receivables	-96.8	1.1	-154.2	2.2	15.8
Change in deferred tax	-5.0	5.5	-12.3	-2.0	-43.2
Dividend paid			-159.0	-147.6	-147.6
Translation differences	-8.7	8.4	-6.9	1.8	-19.2
Decrease +/Increase - in net debt	-158.2	70.0	-434.7	118.8	207.5

Orders received per product line	2000 Q3	1999 Q3	Change	Adj f acq's & curr.fluct's	2000 9 Mon.	1999 9 Mon.	Change	Adj f acq's & curr.fluct's	1999 FY
Sterilization	499.4	522.1	-4.3%	-7.8%	1,538.6	1,459.7	5.4%	2.1%	1,942.6
Disinfection	232.6	228.2	1.9%	1.3%	689.4	669.4	3.0%	3.0%	941.9
<i>Infection Control total</i>	<i>731.9</i>	<i>750.2</i>	<i>-2.5%</i>	<i>-5.0%</i>	<i>2,228.0</i>	<i>2,129.1</i>	<i>4.6%</i>	<i>2.4%</i>	<i>2,884.5</i>
Hygiene Systems	207.2	180.6	14.7%	11.1%	623.9	574.3	8.6%	7.0%	790.3
Patient Handling	205.9	160.2	28.6%	17.6%	571.8	561.2	1.9%	-2.6%	745.1
Antidecubitus	103.9	111.7	-7.0%	-11.2%	314.2	353.3	-11.1%	-16.1%	446.2
<i>Geriatrics total</i>	<i>517.0</i>	<i>452.4</i>	<i>14.3%</i>	<i>8.1%</i>	<i>1,509.9</i>	<i>1,488.8</i>	<i>1.4%</i>	<i>-2.0%</i>	<i>1,981.6</i>
Medical	15.0	13.8	8.7%	10.1%	44.7	46.0	-2.8%	-1.1%	66.1
	1,263.9	1,216.4	3.9%	0.0%	3,782.6	3,663.9	3.2%	0.6%	4,932.2

Net sales per product line	2000 Q3	1999 Q3	Change	Adj f acq's & curr.fluct's	2000 9 Mon.	1999 9 Mon.	Change	Adj f acq's & curr.fluct's	1999 FY
Sterilization	485.1	418.5	15.9%	11.7%	1,445.9	1,300.1	11.2%	8.0%	1,902.7
Disinfection	202.4	202.1	0.1%	-0.3%	651.5	616.3	5.7%	5.5%	908.4
<i>Infection Control total</i>	<i>687.5</i>	<i>620.6</i>	<i>10.8%</i>	<i>7.8%</i>	<i>2,097.4</i>	<i>1,916.4</i>	<i>9.4%</i>	<i>7.2%</i>	<i>2,811.1</i>
Hygiene Systems	203.0	184.6	10.0%	6.2%	603.9	589.2	2.5%	0.6%	814.4
Patient Handling	191.4	156.2	22.5%	13.5%	554.8	568.2	-2.4%	-6.2%	749.1
Antidecubitus	104.2	100.1	4.1%	-7.9%	318.7	335.5	-5.0%	-12.5%	444.2
<i>Geriatrics total</i>	<i>498.6</i>	<i>440.9</i>	<i>13.1%</i>	<i>5.6%</i>	<i>1,477.4</i>	<i>1,492.9</i>	<i>-1.1%</i>	<i>-4.9%</i>	<i>2,007.7</i>
Medical	14.6	13.3	9.9%	10.5%	45.5	46.4	-2.1%	-0.5%	65.9
	1,200.7	1,074.8	11.7%	6.9%	3,620.2	3,455.8	4.8%	1.8%	4,884.7

Key figures	9 Mon.	9 Mon.	Change	1999
Orders received, SEK Million	3,782.6	3,663.9	3.2%	4,932.2
<i>adjusted for currency flucs.& corp.acqs</i>			0.6%	
Net sales, SEK Million	3,620.2	3,455.8	4.8%	4,884.7
<i>adjusted for currency flucs.& corp.acqs</i>			1.8%	
Financial net	-67.1	-42.2	59.0%	-55.0
Profit before tax, SEK Million	352.2	408.5	-13.8%	636.2
Net profit, SEK Million	264.2	306.3	-13.6%	477.7
Earnings per share after full tax, SEK	5.82	6.74	-13.6%	10.52
Capital employed, SEK Million	3,250.9	2,895.0	12.4%	2,988.2
Return on capital employed, per cent	20.9%	23.2%	-2.3%	23.2%
Net debt/equity ratio, multiple	1.14	1.17	-0.03	0.97
Equity/assets ratio, per cent	34.2%	32.2%	2.0%	35.7%
Equity per share, SEK	37.73	30.22	24.9%	34.36
Cash flow before investments, SEK Million	95.6	399.9		604.5
Net investments in fixed assets, SEK Million	80.1	114.6		167.4
Number of employees at the period's end	3,866	3,781		3,812

This report has not been subject to an official audit.