



Press release from Getinge Industrier

Getinge acquires Maquet – global leader in surgical tables – as platform for a new business area with significant growth potential

- **New business area – Surgical Systems – with interesting growth potential**
- **Maquet – market leader with a strong brand name**
- **High degree of know-how and competence in Surgical Systems**
- **Significant synergies – improved EPS**
- **Getinge in strong position for continued expansion through acquisitions**
- **Maquet's sales for 1999/2000 were EUR 156 million**

Getinge has today signed a conditional agreement for the acquisition of all shares in Maquet AG Germany, a subsidiary of RWE AG, (Rheinisch Westfälisches Elektrizitätswerk, a German Multi Energy Group) . Maquet is the world leader in surgical tables with a 30% share of the world market and with a well established brand name synonymous with innovative strength and quality for more than a century. Maquet will make up the foundation of Getinge's new business area **Surgical Systems**.

Surgical Systems – a natural complement

Equipment for operating theatres is a natural complement to Getinge's existing activities within infection control. By the increased use of minimally invasive surgical procedures, there is also an increased need - mainly regarding expensive and delicate instruments such as endoscopes – to be able to disinfect and sterilize those instruments safely and quickly between operations. Surgical tables and equipment for infection control make up the equipment infrastructure equipment within healthcare, and managers in both areas are often one and the same.

Getinge is already active on a small scale in the field of **Surgical Systems** which includes the manufacture of surgical tables and surgical lamps for the US market.

”Through the acquisition of Maquet, Getinge increases its ability to be an attractive supplier to healthcare, this is especially important in the US where customers are mainly organised in large chains or purchasing organisations. This is a trend that can be expected to breakthrough in Europe as well,” says Getinge's President and CEO Johan Malmquist. Surgical Systems has been noted as a strategically interesting growth area for the Getinge Group. I am very pleased and cannot imagine a more solid base than that of Maquet to expand Getinge's new business area.”

Maquet AG has its head office in Rastatt, Germany and has sales of around EUR 155 million and employs 1,300

Production is run from Rastatt and Peiting, Germany. The product range consists of surgical tables, around 72% of sales, and infection control equipment, around 5% of sales. Service makes up around 17% of sales. “Caspar” has been marketed for three years and is Maquet’s self-developed operation robot for orthopedic implants. The product makes up around 6% of sales.

Maquet is divided into those two divisions – Surgical Systems and Computer Surgery (robotic activities).

Maquet’s products are marketed through the company’s subsidiaries in Germany, France, UK, Belgium, Italy, USA and Japan. Around 90 agents and distributors carry out distribution.

Synergies

The combination of Getinge and Maquet creates a very strong marketing and sales organisation with great synergy in distribution and marketing. Getinge’s marketing organisation in the US, in combination with Maquet’s strong product range, will offer a great deal of growth potential. In Germany, where Getinge’s position in infection control has been historically weak, Maquet’s strong presence will create a powerful infrastructure for further expansion. The opportunities to distribute Getinge’s newly developed operating lamp (Castle® FiberLux™) through Maquet’s global sales organisation are considered to be very good.

Continued expansion

The global market for surgical tables and operating lamps as well as related products is around SEK 8 billion. The market is unstructured to a large degree with many small, local manufacturers. It is Getinge’s ambition to take an active part in the future structuring and consolidation of this market.

Sales and profit

During the last financial year (July 99 – June 00) Maquet’s sales were EUR 156.4 million, EBITDA was EUR 14.6 million and EBIT EUR 6.3 million. Surgical Systems’ achieved sales of EUR 147.8 million, EBITDA of EUR 19.8 million and EBIT of EUR 13.7 million. Computer Surgery achieved sales of EUR 8.6 million and reported an operating loss of EUR 7.4 million due to high development spending.

Approximately 80% of sales were generated in Europe, while North America and Asia/Pacific represented 7% and 9% respectively. The remaining sales were attributable to Africa and the Middle East.

Financial effects

The acquisition is expected to have a positive impact on the Group’s earnings per share during 2001. Maquet will be part of the Getinge Group from 1 January 2001. The cost of the shares will be EUR 91 million.

At the time of the acquisition there were no outstanding bank liabilities in the Maquet Group. The consolidated group accounts include pension provisions of around EUR 125 million reflecting Maquet’s future pension commitments.

Financing the acquisition

The acquisition of Maquet will be financed by external loans of which 25% will be re-financed by a new share issue with preferential rights for Getinge shareholders during spring 2001.

Terms and conditions

The acquisition is conditional upon approval by the German competition authorities and formal approval by RWE's board of directors at the board meeting planned for 23 November 2000.

Getinge, 17 November 2000

Johan Malmquist
President and CEO

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You may also visit our web site: <http://www.getinge.com>

Getinge Industrier

Getinge is a medical-technical Group and a world leader in the fields of infection control for healthcare, the pharmaceutical industry and laboratories, as well as hygiene and lifting systems for hospitals and geriatric care. The Group had sales of SEK 4,885 million in 1999 and 3,800 employees.

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