

## Press release

October 14, 2018  
Gothenburg, Sweden

### **Getinge makes a provision of SEK 1.8 billion related to Atrium Medical Corporation surgical mesh claims**

**Getinge makes a provision of SEK 1.8 billion for expected costs associated with Atrium Medical Corporation surgical mesh product liability claims filed in the U.S. and Canada. The suits consist of individual lawsuits, consolidated state cases and consolidated multi-district federal litigation. The first trials are expected late 2019 and early 2020. The provision will impact the operating result in the third quarter 2018 and will be reported as Items Affecting Comparability.**

The surgical mesh implants are manufactured by Getinge's subsidiary Atrium Medical, which was acquired by Getinge in 2011. Polypropylene mesh is the established standard for hernia repair.

The mesh product liability claims currently involve approximately 900 pending lawsuits in the U.S. and in Canada. Patients are claiming damages for complications and injuries allegedly sustained after receiving surgical mesh implants. The suits consist of individual lawsuits, consolidated state cases and consolidated multi-district federal litigation. A material uptick in the number of claims filed began in late 2017, following the consolidation of the mass tort litigation. The claims are being vigorously defended and there have been no adverse verdicts against Atrium Medical. The first trials are expected late 2019 and early 2020.

"The provision is based on the information available today and is intended to cover every sort of cost related to the claims, including defense and handling of claims", says Mattias Perjos, President & CEO Getinge.

Getinge predicts that future cashflows will be sufficient to cover the expenses related to the claims. Due to the uncertainty relating to loss reserve estimates, additional provisions may be required and actual costs may be materially higher or lower than the related provisions made. The company is simultaneously making a write-down mainly of its intangible assets, which brings a negative group impact of SEK 90 M on the result of the third quarter 2018. Atrium Medical is evaluating the future of the surgical mesh business.

The group holds related product liability insurance and is in continuing discussions with its insurance carriers regarding the scope of its insurance coverage. If those discussions are not productive, the group may commence litigation against its carriers.

### **Telephone conference**

Fund managers, analysts and the media are invited to participate in the conference call Monday October 15, 2018, at 09:00-09:30 CET. Please see dial in details below to join the conference:

SE: +46 8 566 426 97  
UK: +44 20 300 898 07  
US: +1 855 831 5947

During the telephone conference a presentation will be held. To access the presentation through webcast, please use this link: <https://tv.streamfabriken.com/2018-10-15-getinge-pressconference>

Alternatively, use the following link to download the presentation:  
<https://www.getinge.com/int/about-us/investors/reports-presentations/2018/>

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### **About Getinge**

Getinge is a global provider of innovative solutions for operating rooms, intensive-care units, sterilization departments and for life science companies and institutions. Based on our first-hand experience and close partnerships with clinical experts, healthcare professionals and medtech specialists, we are improving the everyday life for people, today and tomorrow.