

Press release

Gothenburg, September 2, 2015

Getinge to strengthen competitiveness with a comprehensive transformation program focused on growth, efficiency and a new organization

At Getinge's Capital Markets Day today, President and CEO Alex Myers will present a comprehensive transformation program aimed at increasing competitiveness. The program will lead to a significantly higher degree of customer focus and improved cost efficiency, while reigniting the Group's organic growth.

"The transformation program will ensure a customer-focused organization, while we position Getinge for improved profitability and increased growth," says Alex Myers, President and CEO of Getinge.

The transformation program comprises three components aimed at:

1. Creating growth through alignment of the product portfolio, and a sales organization that offers Getinge's complete product portfolio and is more clearly tailored to the needs and value chain of the healthcare sector. The focus is on structuring the organization to deliver increased clinical and financial value to the customer, thereby responding to the challenges and changes facing the healthcare industry.
2. Improving profit by leveraging the Group's economies of scale to a greater degree, and moving from three independent business areas to a joint organizational structure. Five focus areas have been identified to effectively drive the cost agenda. Examples of these areas are direct and indirect purchasing and shared services.
3. Establishing a new functional organizational structure that will enable a timely and smooth implementation of the program.

Overall, the program is expected to achieve an EBITA improvement of SEK 2.5-3 billion by 2019.

A functional organization focused on customer value

The current organizational structure, comprising three independent business areas, will be replaced with a functional structure. This will entail better opportunities for focusing on the needs of each individual customer, the harmonization of processes, and a significantly more efficient and focused management of the Group.

The new organization will consist of a Group-wide Supply Chain function to deliver a high level of customer service and simultaneously drive cost synergies, and three Business Category Units structured to further develop world-class technologies and products that offer solutions to healthcare challenges throughout the continuum of care. The composition of the new Business Category Units – Surgical Workflows, Acute CareTherapies and Patient & Post-Acute Care – will create new, unique and more focused customer offerings. To strengthen our market positions and better reflect customer needs and requirements, a new sales organization will also be established to promote the joint product range. The Maquet, ArjoHuntleigh and Getinge product brands will be retained.

“The new functional organizational structure that we are now establishing creates completely new opportunities to support our customers, drive change and leverage the synergies identified,” says Alex Myers.

New financial targets

The Getinge Group’s new financial targets will also be presented at the Capital Markets Day. The targets are related to the change program and the development process that Getinge will undergo over the next three to four years. The targets for the 2016-2019 period are:

- Annual organic sales growth of 2-4%*
- Annual EBITA improvement of >10%*
- >15%* return on shareholders’ equity
- Cash conversion >70%*

(* excluding acquisitions)

New dividend policy

Getinge’s Board of Directors has adopted a dividend policy based on the principle that future dividends will be adjusted in line with Getinge’s profit level, financial position and future development opportunities. The aim is for the dividend to correspond to 30-50% of net income.

New Group management

A new Group management will also be announced when information about the new organizational structure is presented. The new Group management consists of the following people:

- Alex Myers, President & CEO
- Ulf Grunander, CFO
- Reinhard Mayer, President Supply Chain
- Joacim Lindoff, President Surgical Workflows
- Heinz Jacqui, President Acute Care Therapies
- Felix Lara, President Patient & Post-Acute Care
- Carsten Blecker, President Europe, Middle East and Africa (EMEA)
- Raoul Quintero, President Americas
- Paul Lyon, President Asia/Pacific (APAC)
- Andreas Quist, Executive Vice President HR & Sustainability
- Kornelia Rasmussen, Executive Vice President Communications
- Lena Hagman, Executive Vice President Quality & Regulatory Compliance

The new organization will be effective January 1, 2016.

In light of the new organization structure, Harald Stock, currently President & CEO ArjoHuntleigh and Executive Vice President Extended Care, has decided to leave Getinge to pursue a career outside the Group. Paul Lyon, currently President International Emerging Markets at Extended Care, has been appointed interim Executive Vice President Extended Care for the remainder of 2015.

Outlook 2015

The outlook for the full-year 2015 remains unchanged. Accordingly, the outlook communicated in connection with the second quarter report for 2015 remains firm.

Analysts, investors and the media are welcome to call in and listen to presentations by President and CEO Alex Myers and CFO Ulf Grunander at 12.30-16.00 CET. Please make a note of the details below.

Global call-in numbers:

<https://mediatec.webex.com/mediatec/globalcallin.php?serviceType=EC&ED=409349937&tollFree=1>

Toll-free dialing restrictions: http://www.webex.com/pdf/tollfree_restrictions.pdf

Access code: 844 398 210

View presentation material: <https://mediatec.webex.com/mediatec/onstage/g.php?d=844398210&t=a>

Please note that you may need to install a Cisco WebEx plug-in to connect to the system and follow the presentation.

Presentation material and a webcast from today's Capital Markets Day will be available at www.getingegroup.com from September 3, 2015.

For further information, please contact:

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Getinge is a globally leading medical technology company that operates in the areas of surgery, intensive care, infection control, care ergonomics and wound care. Getinge has nearly 16,000 employees in over 40 countries and generates sales of about SEK 27 billion (2014). The Group is divided into three business areas: Medical Systems, Extended Care and Infection Control, and operates under the brands of Maquet, ArjoHuntleigh and Getinge.

This information is such that Getinge AB must disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act.