

Press release

Gothenburg, Sweden, January 30, 2020

Getinge Full Year Report 2019: Continued growth, higher margins and strengthened cash flow

“Our organic sales growth continued in the fourth quarter and it was particularly good to see the strong performance of our three largest markets – the US, China and Germany,” says Mattias Perjos, President & CEO at Getinge. “We improved the margins and the cash flow both in the quarter and for the full year, and the balance sheet was strengthened.”

The order intake for the business area Surgical Workflows was slightly lower than Q4 2018, mainly related to the weak start to the quarter in Americas and APAC. The quarter ended on a strong note for Getinge and total order bookings were better than at the end of 2018. In 2020 net sales is expected to increase organically by 2-4%.

The gross margin for the quarter was positively impacted by a favorable sales mix, higher productivity and currency effects.

“This has contributed to a strengthened operating margin year-on-year. It is positive that we are starting to see the results of our focused efforts and we are now entering 2020 with continuous focus on strengthening the business and on creating increased value for our customers”, says Mattias Perjos.

October – December 2019 in brief

- Net sales increased by 1.8% organically and the order intake rose by 0.9% organically.
- Adjusted gross profit amounted to SEK 4,304 M (3,790) and the margin was 50.6% (48.0). IFRS 16 had a positive effect of SEK 31 M on adjusted gross profit.
- Adjusted EBITA amounted to SEK 1,673 M (1,412) and the adjusted EBITA margin was 19.7% (17.9). IFRS 16 had a positive effect of SEK 4 M on adjusted EBITA.
- Adjusted earnings per share amounted to SEK 3.84 (3.47). The effect of IFRS 16 was SEK - 0.01 per share.
- The acquisition of Applikon Biotechnology B.V. – a leading company in advanced bioreactor systems for biopharmaceutical research and production – was completed after the end of the reporting period (January 3, 2020).

January – December 2019 in brief

- Net sales increased by 3.9% organically and the order intake rose by 4.1% organically.
- Adjusted gross profit amounted to SEK 13,401 M (11,943) and the margin was 50.5% (49.4). IFRS 16 had a positive effect of SEK 116 M on adjusted gross profit.
- Adjusted EBITA amounted to SEK 3,310 M (2,689) and the adjusted EBITA margin was 12.5% (11.1). IFRS 16 had a positive effect of SEK 13 M on adjusted EBITA.
- Adjusted earnings per share amounted to SEK 7.02 (5.91). The effect of IFRS 16 was SEK - 0.03 per share.
- A dividend per share of SEK 1.50 (1.00) is proposed, which amounts to SEK 409 M (272).

Teleconference

A conference call will be held on January 30, 2020 at 10.00-11.00 a.m. CET hosted by Mattias Perjos, President & CEO and Lars Sandström, CFO. Please see dial in details below to join the conference:

SE: +46850558359

UK: +443333009267

US: +18335268381

A presentation will be held during the telephone conference. To access the presentation, please use this link: <https://tv.streamfabriken.com/getinge-q4-2019>

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

A recording of the teleconference will be available for three years via the following link:
<https://tv.streamfabriken.com/getinge-q4-2019>

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About Getinge

With a firm belief that every person and community should have access to the best possible care, Getinge provides hospitals and life science institutions with products and solutions that aim to improve clinical results and optimize workflows. The offering includes products and solutions for intensive care, cardiovascular procedures, operating rooms, sterile reprocessing and life science. Getinge employs over 10,000 people worldwide and the products are sold in more than 135 countries.