

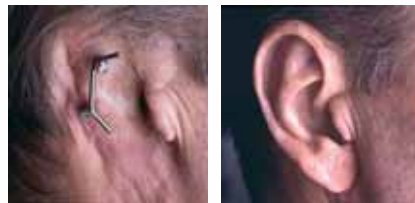


Dan Pitulia

CEO
Entific Medical Systems

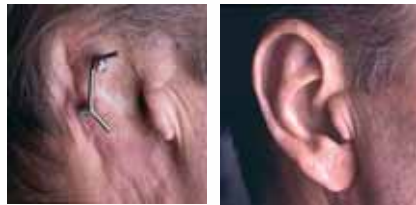
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- Spin-off from dental implant company Nobel Biocare in 1999 based on same technology
- Supplies a titanium implant system
 - The world's only direct bone conduction system (BAHA)
 - Anchoring system for facial prostheses (Face to Face)



Entific

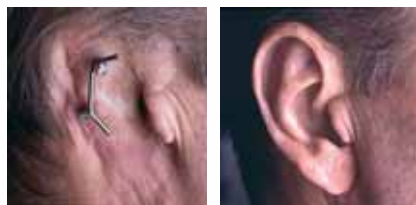
- Organic revenue growth of around 42 per cent per year on average 1999-2003
- LTM revenue Q3 2004 200 MSEK
- EBIT margin Q3 2004 18%



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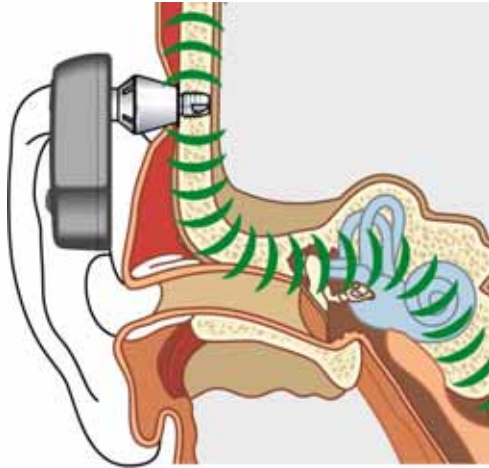
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- HQ and production in Gothenburg, Sweden
- Sales and marketing organisation in the USA, UK, Germany, France, the Netherlands and Canada – distributors in over 20 additional countries
- 104 employees, of which 63 within sales and marketing



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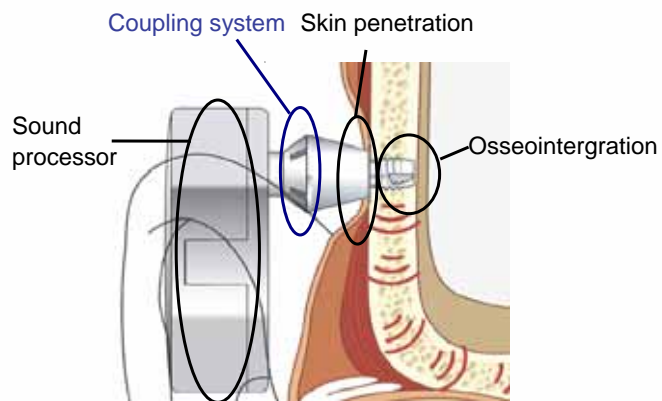
Unique technology - Direct bone conduction



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Unique core technologies



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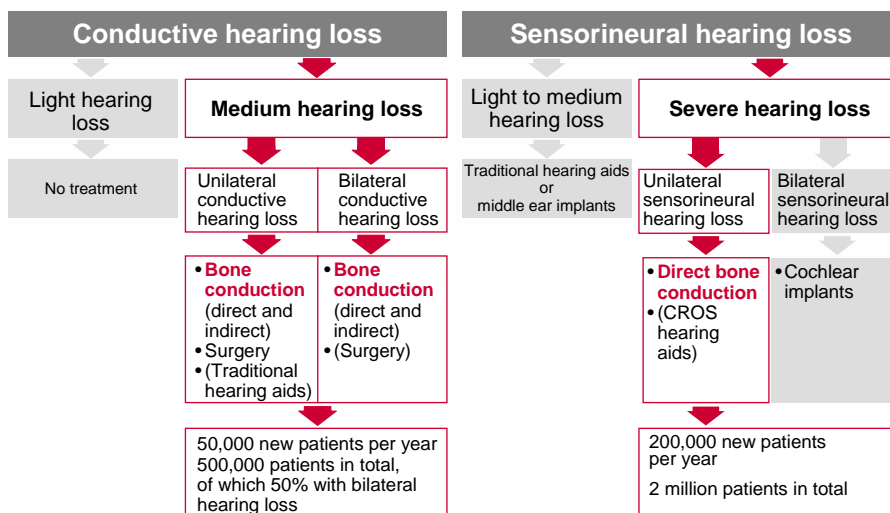
BAHA treatment - core advantages

- High sound quality and wearing comfort
- Pre-operative testing allows for predictive results
- Low risk surgery
 - Minimal invasive surgery with no risk of damage
 - Reversible
- No occlusion effect with BAHA
- MRI compatible



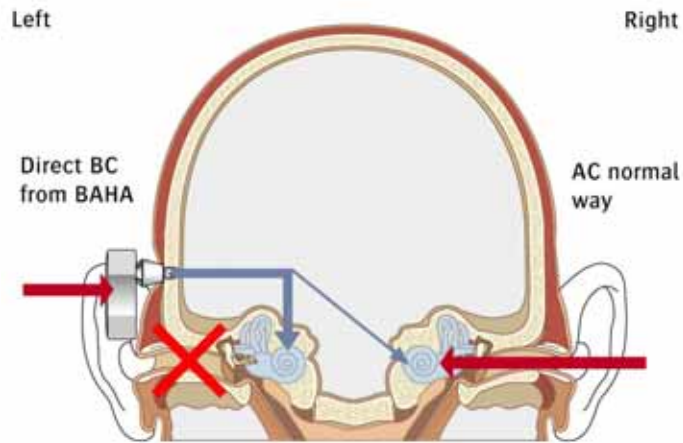
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Target group of >2.5 million patients



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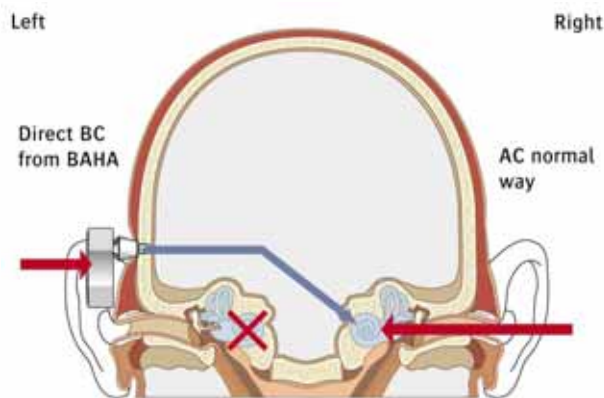
BAHA for Conductive hearing loss (“CHL”)



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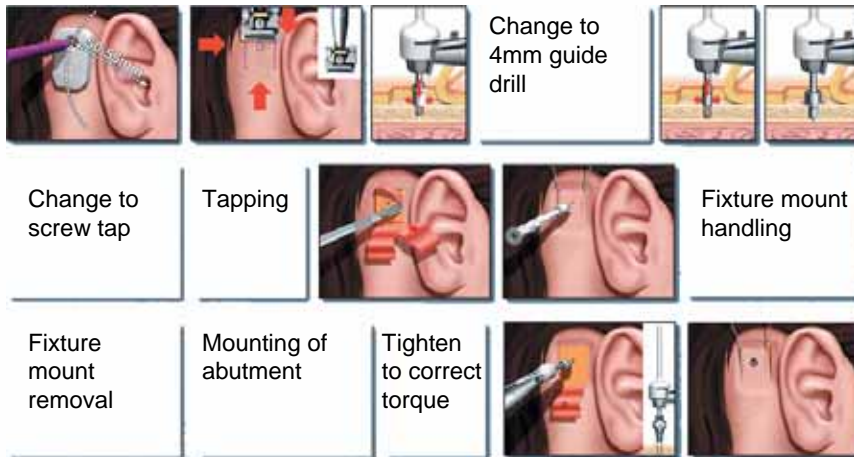
BAHA for Single-Sided Deafness (“SSD”)



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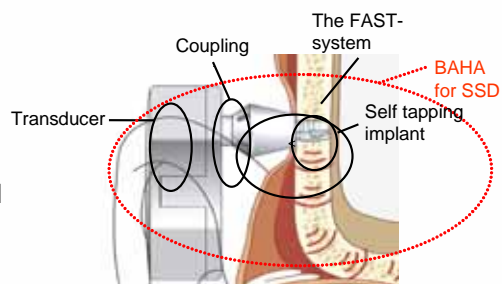
"Coffee break" surgery through continuous innovation



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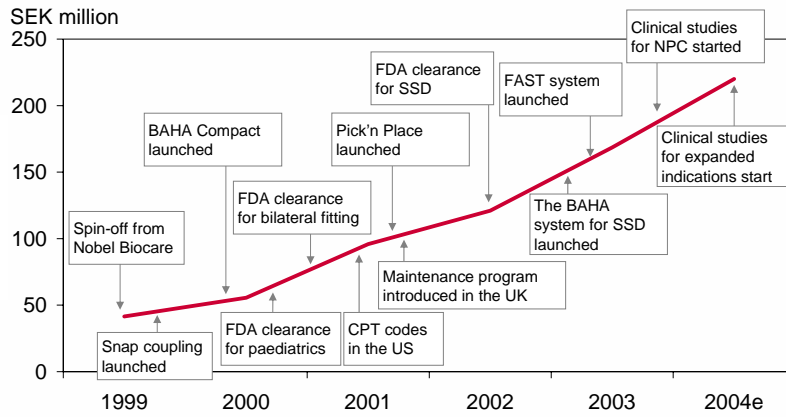
Strong IP protection

- Established patient base
 - Interface between processor and implant (snap coupling)
- Copy existing products
 - Key components
 - Patents for transducer and self-tapping implant
 - Special characteristics of the system (e.g. the FAST system)
- Covering entire indication
 - SSD



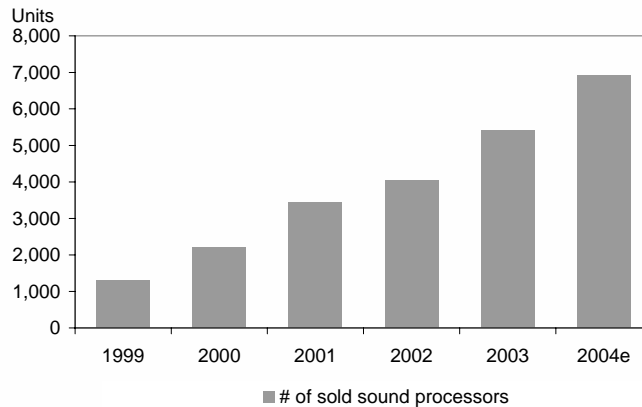
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Strong sales growth driven by expanded indications and innovative product launches



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Over 2/3 the patients treated since the spin-off



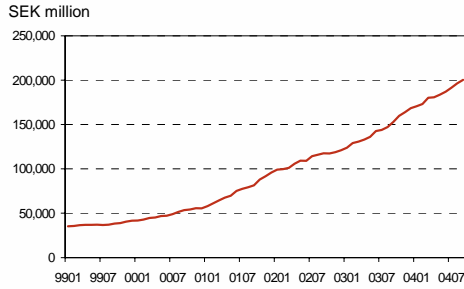
More than 20,000 treated BAHA patients worldwide – more than half of the patients treated during the period 2002–2004



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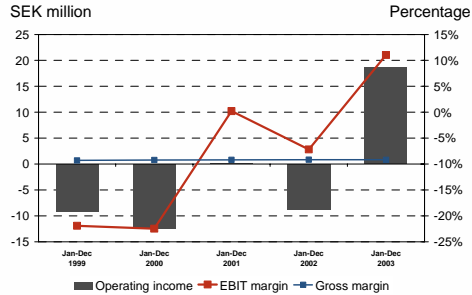
Summary financials last five years

LTM sales



- CAGR 42% since 1999
- Gross margins in excess of 80%
- EBIT of 19 MSEK (13%) in 2003 and 27 MSEK (18%) Q3 2004
- Unparalleled combination of growth and positive cash flow with 90 MSEK in cash Q3 2004

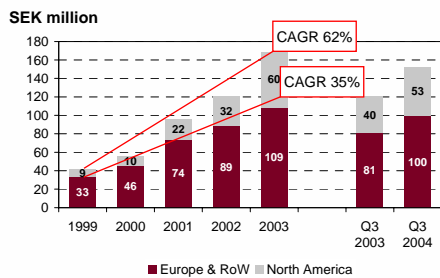
Operating income and margins



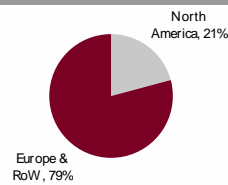
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Geographical breakdown of sales

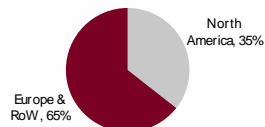
Revenue



Revenue 1999

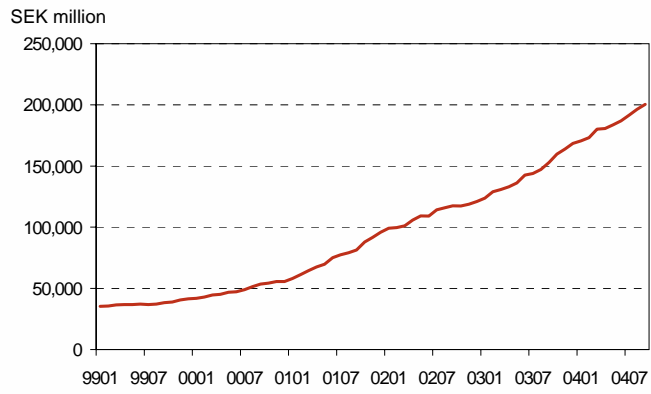


Revenue 2003



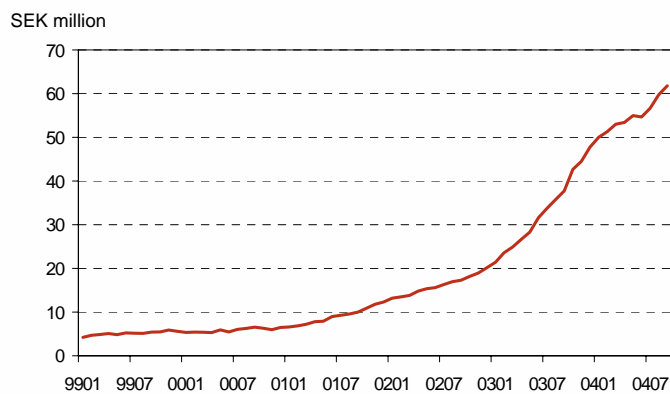
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LTM total sales



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LTM sales - USA



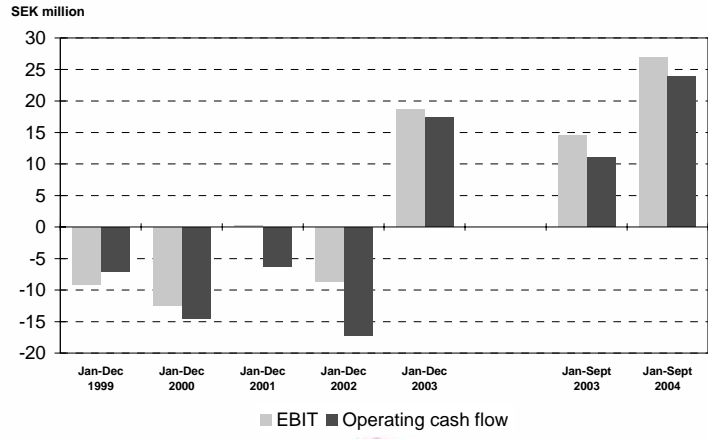
SEK/USD 7.07 during the whole period



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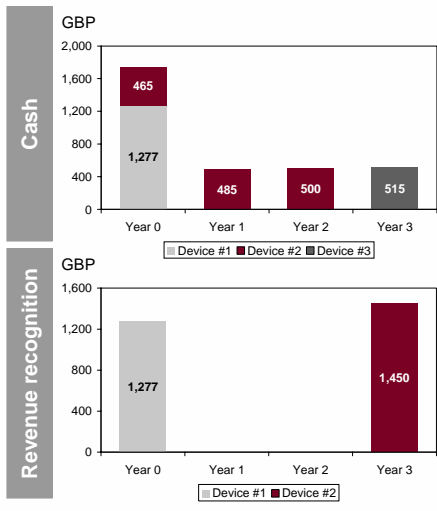
High cash conversion

EBIT and operating cash flow



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Maintenance program – Cash flow effect



- Advance payment scheme in the UK
- Includes
 - Replacement device every third year
 - Accident insurance
 - Servicing charges
 - Started 2001 - 2004 is the first year of delivery
- Will generate 10-12 MSEK cash 2004



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Coming five years

- Revenue growth exceeding 20 % per annum
 - Selective expanded geographical cover
 - Continue proving new indications for BAHA
- Maintain current gross margin and benefit from economies of scale
 - Long term EBIT margin to exceed 25%
- Strong cash conversion through pre-paid sales programs



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