

GINZTON TECHNOLOGY CENTER



The Ginzton Technology Center (GTC) serves as Varian Medical Systems' incubator for technologies that

can provide new or enhanced products. It conducts research in support of product development for the company's business units and for government or industry sponsored contracts.

2003 HIGHLIGHTS

- Led Varian's development of a specialized X-ray tube, a flat panel imager, and software for cone-beam CT imaging on the Acuity™ planning and patient positioning system and Clinac® linear accelerator for radiation therapy.
- Developed imaging software for tracking implanted marker seeds during Dynamic Targeting™ image-guided radiation therapy (IGRT).
- Engineered new flat panel imagers for fluoroscopic cardiac imaging and for portable imaging systems.
- Contributed bearing cooling technology that resulted in quieter, longer-lasting X-ray tubes.
- Received a federal grant to help develop flat-panel imagers for cargo screening systems.

BRACHYTHERAPY

Varian's BrachyTherapy operation supplies products used by radiation oncologists for treating cancer patients by planning and placing small radiation sources within tumors.

2003 HIGHLIGHTS

- Increased sales of BrachyTherapy products by nearly \$10 million to \$31 million, including revenue from Varian's acquisition, in July 2002, of GammaMed products for high-dose-rate (HDR) brachytherapy.
- Filled a large order for HDR brachytherapy systems in Brazil.
- The U.S. Food and Drug Administration granted 510(k) clearance for a new version of the VariSeed™ software that supports faster intra-operative treatment planning for low-dose-rate (LDR) brachytherapy seed implants.

2004 OBJECTIVES

- Expand sales, particularly in international markets supported by new, higher reimbursement rates.
- Integrate brachytherapy products more closely with imaging networks and external beam radiation.
- Develop and introduce products for new brachytherapy treatments.
- Improve operating efficiency through productivity initiatives.

2004 OBJECTIVES

- Develop new technology, devices, and software for cone-beam CT imaging in systems for radiation therapy.
- Enhance motion-tracking tools for monitoring tumor movement during Dynamic Targeting IGRT.
- Improve manufacturability of flat panel imagers.
- Investigate new technologies and sponsor research and development programs involving pharmaceutical and biological agents that can add to the effectiveness of medical imaging and radiation therapy.

FACILITIES

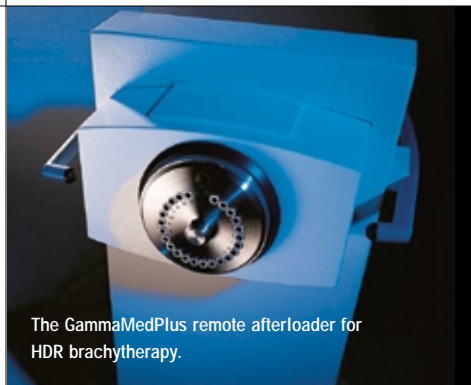
- Mountain View, California (headquarters)

BRACHYTHERAPY PRODUCTS AND SERVICES:

- GammaMedPlus™ and VariSource™ high-dose-rate brachytherapy delivery systems
- VariSeed™ brachytherapy treatment planning software for prostate seed implants
- BrachyVision™ treatment planning software for high- and low-dose-rate brachytherapy

FACILITIES

- Charlottesville, Virginia
- Crawley, England
- Haan, Germany
- Mountain View, California (headquarters)



The GammaMedPlus remote afterloader for HDR brachytherapy.

GINZTON TECHNOLOGY CENTER AND BRACHYTHERAPY BUSINESS

(Dollars in Millions)

	03	02	01
Net Orders	\$ 33	\$ 26	\$ 25
Sales	\$ 33	\$ 26	\$ 21
Operating Losses	\$ (2)	\$ (2)	\$ (3)
Backlog	\$ 12	\$ 12	\$ 12
Capital Expenditures	\$ 1	\$ 1	\$ -
Depreciation and Amortization	\$ 1	\$ 1	\$ 2