

## X-RAY PRODUCTS



Varian X-Ray Products is the world's premier independent supplier of X-ray tubes and flat panel detectors, serving manufacturers of imaging equipment for medical diagnostics and industrial inspection and security products.

### 2003 HIGHLIGHTS

- Sales hit an all time high of \$153 million.
- Developed more than a dozen new X-ray tubes, including several for faster CT scanning, in record time.
- Filled commercial orders for PaxScan™ flat panel imagers with a major manufacturer of radiographic and fluoroscopic imaging equipment.
- The business saved more than \$5 million through a cost reduction program and several successful "Six Sigma" quality initiatives.
- Inventory turns and factory productivity hit record highs.

### 2004 OBJECTIVES

- Expand the line of high-performance, high-power, anode-grounded tubes for CT scanners.
- Win new customers for existing PaxScan flat panel radiographic and fluoroscopic imaging products.
- Introduce new PaxScan imaging panels specifically designed for use in cardiac and in mobile C-arm imaging systems.
- Develop new X-ray tubes for baggage screening and other security applications.
- Continue quality and productivity initiatives.



One model of Varian's patented anode-grounded X-ray tube for CT scanners.

### PRODUCTS AND SERVICES

*X-ray tubes for:*

- All major segments of the CT scanning market
- Radiographic and fluoroscopic imaging
- Mammography
- Angiographic imaging
- Scientific instrumentation
- Airport baggage screening systems

*PaxScan® amorphous silicon flat-panel image detectors for:*

- Industrial inspection
- Medical diagnostic subsystems

### FACILITIES

- Charleston, South Carolina
- Salt Lake City, Utah (headquarters)
- Willich, Germany

### X-RAY PRODUCTS

(Dollars in Millions)

	03	02	01
Net Orders	\$ 142	\$ 123	\$ 134
Sales	\$ 153	\$ 122	\$ 139
Operating Earnings	\$ 29	\$ 12	\$ 18
Operating Earnings as % of Sales	18.7%	10.2%	13.0%
Backlog	\$ 25	\$ 36	\$ 36
Capital Expenditures	\$ 3	\$ 4	\$ 4
Depreciation and Amortization	\$ 7	\$ 7	\$ 7



A water-cooled, high-voltage industrial X-ray tube for explosive detection systems