

Varian Medical Systems, Inc., of Palo Alto, California, is the world's leading supplier of radiotherapy equipment and software for treating cancer. The company is also a premier supplier of components including X-ray tubes and digital image detectors for medical, scientific, and industrial imaging. Varian Medical Systems employs approximately 3,600 people who are located at manufacturing sites in North America and Europe and in its 56 sales and support offices around the world. Additional information is available on the company's Web site at [www.varian.com](http://www.varian.com).



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**Total Company**

*(Dollars in millions)*

	<i>Fiscal Years</i>		
	<i>2005</i>	<i>2004</i>	<i>2003</i>
Revenues	<b>\$1,383</b>	\$1,236	\$1,042
Gross margin	<b>\$593</b>	\$518	\$421
Operating earnings	<b>\$305</b>	\$257	\$198
Operating earnings as percentage of revenues	<b>22.1%</b>	20.8%	19.0%
Net earnings	<b>\$207</b>	\$168	\$130
Net earnings per diluted share	<b>\$1.50</b>	\$1.18	\$0.92
Net orders	<b>\$1,591</b>	\$1,398	\$1,152
Backlog	<b>\$1,179</b>	\$970	\$808

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