

Interim report January-June 2018

Organic sales growth
Q2, 2018: 15%

Operating margin
Q2, 2018: 34.4% (31.3)
Rolling 12 months: 28.2%

(MSEK)	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net sales	91.9	78.7	169.5	171.8	309.3
Gross profit	69.0	56.6	126.7	124.7	223.2
EBITDA	33.4	26.7	58.6	63.1	99.3
Operating profit	31.6	24.6	54.8	59.0	90.9
Operating margin, %	34.4	31.3	32.3	34.3	29.4
Profit/loss before tax	31.8	24.2	55.4	58.7	90.3
Total cash flow	-9.7	-24.6	-12.1	-9.0	22.4
Equity ratio, %	77.4	82.2	77.4	82.2	80.1

Good sales growth in all regions

April 1-June 30, 2018

- Net sales increased by 17% to SEK 91.9 million (78.7).
- Organic growth was 15%.
- Operating profit was SEK 31.6 million (24.6).
- Operating margin was 34.4% (31.3).
- Earnings before tax were SEK 31.8 million (24.2).
- Earnings per share were SEK 0.98 (0.81).
- Cash flow before dividend was SEK 26.1 million (11.2).

January 1-June 30, 2018

- Net sales decreased by 1% to SEK 169.5 million (171.8).
- Organic sales decreased with 3% (+37).
- Operating profit was SEK 54.8 million (59.0).
- Operating margin was 32.3% (34.3).
- Earnings before tax were SEK 55.4 million (58.7).
- Earnings per share were SEK 1.78 (1.87).
- Cash flow before dividend was SEK 23.7 million (26.7).



CEO's comments



The second quarter of 2018 is CellaVision's second best quarter ever, with sales of SEK 91.9 million (78.7). Compared with the same period of 2017, the sales increased organically by 15 percent and we had stable sales growth in all our regions. Profitability developed well during the quarter, with an operating profit of SEK 31.6 million (24.6), corresponding to an operating margin of 34.4 percent (31.3). The positive profitability trend is a result of CellaVision's effective indirect sales model that enables geographical expansion with continued sound cost control. Cash flow before dividend for the quarter increased to SEK 26.1 million (11.2). The increase is primarily a result of the higher sales.

Market development

The Americas reported strong growth in the quarter. Sales grew by 14 percent to SEK 47.0 million (41.2). The number of end customer installations continues to increase and market penetration is developing according to plan.

EMEA reported a stable quarter, with sales amounting to SEK 26.6 million (25.1), corresponding to a growth of six percent. It is particularly gratifying to be able to state that the markets in France, European German-speaking countries and the Middle East, where we recently established a local organization for market support, have performed well during the quarter. However, our continued assessment is that it will take another few quarters before we will see the full benefit from our market investments in these countries.

CellaVision is conducting intensive marketing in APAC and is continually strengthening its position in all key markets in the region and we are now seeing the results. In the second quarter of 2018 our long-term efforts resulted in strong growth, with sales that increased by 48 percent to SEK 18.3 million (12.4).

Geographical expansion

Geographical expansion is crucial to CellaVision's growth. During the quarter we established our own organization for local market support in Mumbai, India as part of our establishment in new interesting markets. This means that CellaVision is directly represented in 14 markets and we can offer market support in more than 25 countries.

Distribution expansion

During the quarter CellaVision signed supplementary agreements with Nihon Kohden for the Middle East and Horiba globally for small and mid-size laboratories. The new agreements are an important part of the commercialization plan for our new technology platform.

Innovation

Development of a new technology platform, aimed at broadening our offer to include small and mid-size laboratories in both human healthcare and the veterinary market, is progressing according to plan. The project is in an intensive phase, with careful market preparations ahead of the launch in late 2018. The system, which will be called CellaVision® DC-1, is currently undergoing preparations for external clinical studies, which are a central part of the coming CE registration.

Geographical expansion and innovation are key strategies for CellaVision's future growth. In 2018 we will add a number of new geographical markets with their own local organization for market support, while putting major focus on innovation and product development. We will continue to strengthen our organization and we are actively recruiting more leading-edge expertise to ensure our future innovative power and growth.

Zlatko Rihter,
President and CEO

Sales, performance and investments

Sales and exchange rate effects

Net sales for the Group in the second quarter was SEK 91.9 million (78.7), an organic increase of 15 percent compared with the corresponding period in 2017. CellaVision's sales often fluctuate between different quarters, both for individual regions and for the Group as a whole.

CellaVision invoices more than 90 percent of its net sales in euro or US dollars, which means that exchange rate fluctuations have an impact on the company's reported net sales and earnings. Adjusted for positive exchange rate effects of two percent, the net sales increased by 15 percent compared with the corresponding quarter in 2017.

Operating expenses

Total operating expenses in the second quarter increased to SEK 37.4 million (32.0). The increase is due to planned initiatives to broaden the product portfolio and increase market presence.

CellaVision is running several development projects aimed at strengthening the company's product offer. Total research and development spending increased to SEK 13.5 million (13.4), of which SEK 4.7 million (7.0) has been capitalized. The main part of the capitalized spending is related to the new technology platform for analyzers intended for small and mid-size laboratories.

Operating profit and operating margin

Operating profit for the quarter was SEK 31.6 million (24.6), with an operating margin of 34.4 percent (31.3).

Net financial income

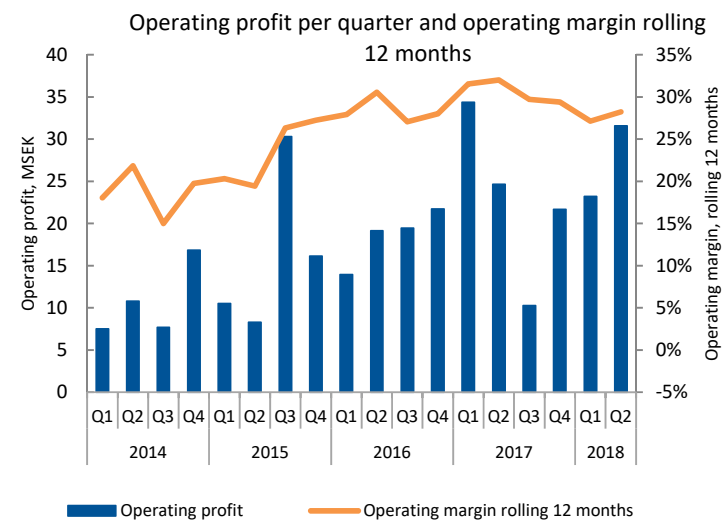
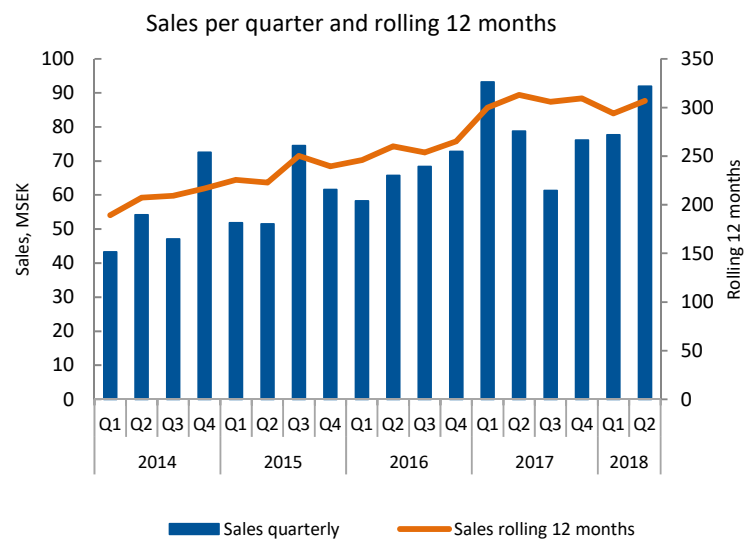
CellaVision has no interest-bearing liabilities. Net financial income is mainly attributable to exchange rate gains/losses on intra-group transactions.

Cash flow

The Group's cash and cash equivalents at the end of the quarter amounted to SEK 142.8 million (123.4).

Total cash flow for the quarter, prior to dividend to shareholders of SEK 35.8 million, amounted to SEK 26.1 million (11.2). The strengthened cash flow is primarily driven by profit growth.

Changes in working capital affected cash flow negatively by SEK 2.6 million, mainly due to increased inventory.



Development in geographical markets

Americas: SEK 47.0 million (41.2)

Sales in the Americas increased in the quarter by 14 percent, to SEK 47.0 million (41.2), compared with performance in the same period of the previous year. The American market continues to perform well and the company's penetration of the market continues.

The North American organization for market support is systematically working according to the penetration strategy and addressing the laboratories that have not yet converted to CellaVision's solution.

APAC: SEK 18.3 million (12.4)

Sales in APAC increased by 48 percent to SEK 18.3 million (12.4), compared with the same period in the previous year. Sales growth in China and Japan were particularly strong and the market penetration increased accordingly. Last quarter the company announced that Mindray had been added as a distributor and during the second quarter, the first product training was held at Mindray's headquarters in Shenzhen, China.

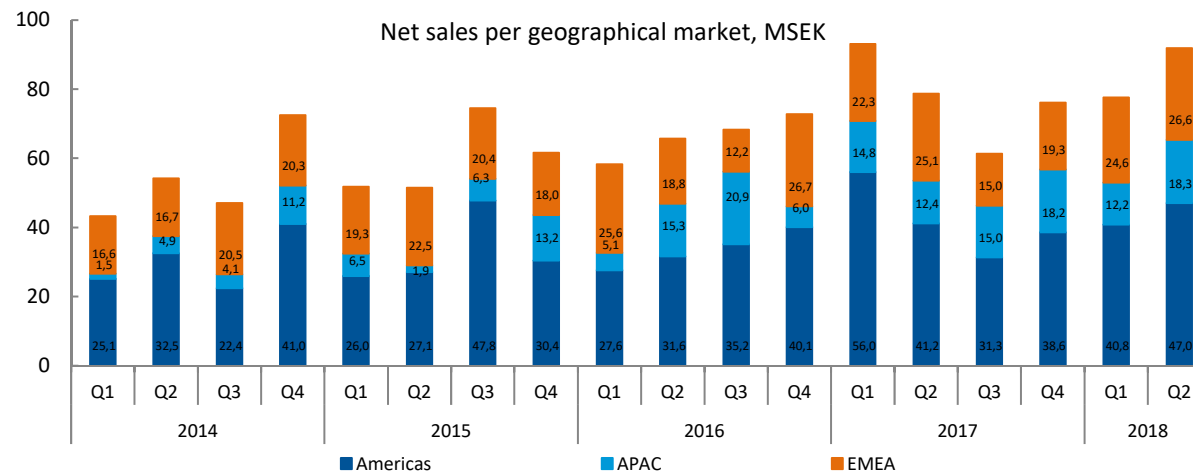
During the quarter CellaVision established a local presence for market support in India, based in Mumbai. Thus the work of addressing the strategically important Indian market can be started.

EMEA: SEK 26.6 million (25.1)

Sales in EMEA increased in the quarter by six percent to SEK 26.6 million (25.1), compared with the same period in the previous year. Western Europe has been the main contributor to growth, and investments in local market support are now paying off.

During the quarter CellaVision exhibited at the symposium arranged by the International Society for Laboratory Hematology (ISLH) in Belgium. The ISLH symposium is a meeting place for hematology specialists from all over the world and interest in the company's solutions was great. All of the company's distribution partners attended the symposium.

An established organization for market support in the largest markets in Europe increases the company's insight and thus its ability to influence the rate of penetration and growth in EMEA.



Other information

Research and development

CellaVision is conducting several development projects, aimed at strengthening the offer to the company's customers in the field of hematology. The work of developing a technology platform for small and mid-size laboratories has now entered its final phase and clinical studies will be started at the end of the summer. The launch of the CellaVision® DC-1 is planned for the end of 2018.

CellaVision works continually to develop its patent families and during the quarter work continued on several patent applications referring both to yet unpatented inventions and to extended geographical protection for inventions already patented. At the close of the second quarter CellaVision's patent portfolio contained 22 patented inventions and 60 registered patents.

The Group continuously capitalizes expenditure on new development. Capitalized costs for development projects during the quarter amounted to SEK 4.7 million (7.0). Total research and development spending, before capitalization, amounted to SEK 13.5 million (13.4).

Staff

The number of employees of the Group, restated as full-time equivalents, was 102 (89) at the close of the quarter. Of these, 69 were men (61) and 33 women (28).

During the quarter a new manager responsible for EMEA was recruited, whose solid background in the medical technology industry, and specifically in hematology, will drive commercialization in the region further.

Information concerning risks and uncertainties

Reduced demand and changes in exchange rates constitute uncertainties but not material risks. For a more detailed description of the risks and uncertainties facing CellaVision, please refer to the risk analysis and Notes 2 and 5 in the Annual Report for 2017.

Seasonal variations

CellaVision has an unevenly distributed order flow over the year and the variation in order volumes in individual quarters may be great in the different geographical regions.

Accounting policies

The Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Nasdaq Stockholm Rule Book for Issuers. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities. The accounting policies and calculation methods applied are consistent with those described in the annual report for 2017.

New standards applied as of January 1, 2018

As of January 1, 2018 CellaVision applies IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with customers.

IFRS 9 means changes in how financial assets are classified and measured, the introduction of an impairment model based on expected credit losses instead of incurred losses and changes in principles for hedge accounting, for example to simplify and increase consistency with companies' internal risk management strategies. Implementation of IFRS 9 has not had any impact on the Group's financial statements.

IFRS 15 introduces a new model for revenue recognition based on when control of a good or service is transferred to the customer. The new standard has replaced all previous standards, statements and interpretations relating to revenue recognition. In 2017 the Group completed its analysis regarding the effects of introducing IFRS 15 with the conclusion that implementation of the new standard will not have any material impact on the Group's financial statements.

Financial instruments

Derivatives held for foreign currency hedging are valued at level 2, financial instruments where fair value is determined on the basis of valuation models based on other observable data for the asset or liability than listed prices included in level 1, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Currency forwards are measured on the basis of observable information referring to exchange rates on the balance sheet date and market rates for remaining maturities. The value of currency forwards is recorded as Short term debt on the Group's balance sheet. The value of CellaVision's derivatives was SEK -13.0 million (3.3) as per June 30, 2018.

Segment reporting

CellaVision's operations only comprise one operating segment; automated microscopy systems in the field of hematology, and therefore reference is made to the income statement and balance sheet regarding operating segment reporting.

Review

This report has not been reviewed by the company's auditors.

Declaration by the board of directors and president and CEO

The Board of Directors and the President/Chief Executive Officer certify that the interim report provides a true and fair view of the parent company's and the Group's business, financial position and performance and describes material risks and uncertainties to which the parent company and the companies in the group are exposed.

Lund 17 July 2018

Sören Mellstig
Chairman of the Board

Christer Fåhraeus
Member of the Board

Åsa Hedin
Member of the Board

Torbjörn Kronander
Member of the Board

Anna Malm Bernsten
Member of the Board

Niklas Prager
Member of the Board

Jurgen Riedl
Member of the Board

Stefan Wolf
Member of the Board

Zlatko Rihter
President/CEO

The information is such that CellaVision AB (publ) is obligated to disclose pursuant to the Swedish Securities Market Act and the Financial Instruments Trading Act.

Consolidated Income Statement in Summary

All amount in ' 000 SEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net sales	91,899	78,686	169,510	171,834	309,312
Cost of goods sold	-22,918	-22,039	-42,806	-47,183	-86,092
Gross profit	68,981	56,647	126,704	124,651	223,220
Sales and marketing expenses	-19,745	-17,023	-38,176	-34,751	-69,977
Administration expenses	-8,841	-8,632	-17,376	-17,549	-35,565
R&D expenses	-8,823	-6,365	-16,394	-13,382	-26,786
Operating profit	31,572	24,627	54,758	58,969	90,892
Interest income and financial exchange rate gains	651	415	1,308	881	1,859
Interest expense and financial exchange rate losses	-427	-889	-668	-1,168	-2,408
Profit/loss before tax	31,796	24,153	55,398	58,682	90,343
Tax	-8,475	-4,761	-13,057	-14,000	-20,620
Profit/loss for the period	23,321	19,392	42,341	44,682	69,723
<i>Other comprehensive income:</i>					
Components not to be reclassified to net profit:	0	0	0	0	0
<i>Components to be reclassified to net profit:</i>					
a) Financial assets at fair value					
Reclassified to operating result	7	0	-564	2,398	3,240
Revaluation of financial assets	-5,381	3,502	-12,221	3,664	-751
<i>Income tax relating to financial assets</i>	1,182	-771	2,813	-1,334	-549
b) Translation difference					
Translation difference in the group	751	-431	545	-903	-1,210
Sum of Components to be reclassified to net profit:	-3,441	2,300	-9,427	3,825	730
Sum of other comprehensive income:	-3,441	2,300	-9,427	3,825	730
Comprehensive result for the period	19,880	21,692	32,914	48,507	70,453

Per share data

Per share data	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Earnings per share, SEK */	0.98	0.81	1.78	1.87	2.92
Equity per share, SEK	9.98	9.18	9.98	9.18	10.10
Number of shares outstanding	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Average number of shares outstanding	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Stock exchange rate, SEK	179.00	152.00	179.00	152.00	143.75
Dividend per share	1.50	1.50	1.50	1.50	1.50

* Based on the profit/loss for the period divided by the average number of shares in issue

Quarterly earnings trend

All amount in '000 SEK	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Net sales	91,899	77,611	76,130	61,348	78,686	93,148
Gross profit	68,981	57,723	55,404	43,165	56,647	68,004
Gross margin in %	75.1	74.4	72.8	70.4	72.0	73.0
Expenses	-37,409	-34,537	-33,728	-32,918	-32,020	-33,662
Operating profit	31,572	23,186	21,676	10,247	24,627	34,342
Net profit	23,321	19,020	17,328	7,713	19,392	25,290
Cash flow	-9,660	-2,415	25,518	5,613	-24,607	15,568

Consolidated Balance Sheet in Summary

All amount in ' 000 SEK	6/30/2018	6/30/2017	3/31/2018	12/31/2017
Assets				
Intangible assets	61,865	44,607	58,519	53,731
Tangible assets	4,350	4,859	4,707	4,814
Deferred tax assets	0	0	0	0
Financial assets	2,627	2,240	4,645	2,617
Inventory	32,576	31,868	27,578	28,754
Trade receivables	49,265	47,029	51,527	43,157
Other receivables	13,867	12,138	13,173	12,978
Cash and bank	142,822	123,415	152,072	154,546
Total assets	307,372	266,156	312,221	300,597
Equity and liabilities				
Equity	237,988	218,905	253,885	240,851
Deferred tax liability	6,376	5,133	6,294	6,219
Other provisions	2,826	0	2,609	2,401
Short term debt	38,726	23,701	30,821	28,208
Trade payables	20,088	16,938	17,304	21,490
Warranty provisions	1,368	1,479	1,308	1,428
Total equity and liabilities	307,372	266,156	312,221	300,597

Consolidated statements of changes in equity

All amount in ' 000 SEK	6/30/2018	6/30/2017	3/31/2018	12/31/2017
Balance at the beginning of the year	240,851	206,175	240,851	206,175
Dividend	-35,777	-35,777	0	-35,777
Net profit for the year	42,341	44,682	19,020	69,723
Comprehensive result for the period	-9,427	3,825	-5,986	730
Balance at the end of the year	237,988	218,905	253,885	240,851

Cash Flow Analysis in Summary

All amount in ' 000 SEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Result before taxes	31,796	24,153	55,398	58,682	90,343
Adjustment for items not included in cash flow	7,740	2,008	4,290	-615	9,122
Taxes	-8,105	-1,923	-11,850	-4,326	-14,176
Cash flow from operations before changes in working capital	31,431	24,238	47,838	53,741	85,289
Changes in working capital	-2,553	-2,926	-12,600	-7,327	2,609
Cash flow from operations	28,878	21,312	35,238	46,414	87,898
Capitalisation of development costs	-4,732	-7,021	-11,198	-13,380	-26,003
Aquisitions in financial non-current assets	2,018	-2,207	-10	-4,096	-592
Aquisitions in tangible non-current assets	-47	-914	-328	-2,200	-3,098
Cash flow from investment activities	-2,761	-10,142	-11,536	-19,676	-29,693
New loans and instalments of dept	0	0	0	0	0
Dividend	-35,777	-35,777	-35,777	-35,777	-35,777
Cash flow from financing activities	-35,777	-35,777	-35,777	-35,777	-35,777
Total cash flow	-9,660	-24,607	-12,075	-9,039	22,428
Liquid funds at beginning of period	152,072	148,022	154,546	132,454	132,454
Exchange rate fluctuations in liquid funds	410	0	351	0	-336
Liquid funds at end of period	142,822	123,415	142,822	123,415	154,546

Income Statement - Parent Company

All amount in ' 000 SEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net sales	89,444	76,852	164,634	169,670	302,975
Cost of goods sold	-29,561	-29,690	-48,647	-54,294	-108,230
Gross profit	59,883	47,162	115,987	115,376	194,745
Sales and marketing expenses	-13,127	-9,714	-24,951	-18,790	-41,730
Administration expenses	-8,841	-8,632	-17,376	-17,549	-35,563
R&D expenses	-13,490	-13,386	-27,527	-26,762	-52,789
Operating profit	24,425	15,430	46,133	52,275	64,663
Interest income and financial exchange gains	646	400	1,302	808	1,784
Interest expense and financial exchange losses	-416	-755	-649	-1,025	-2,086
Profit before income tax	24,655	15,075	46,786	52,058	64,361
Taxes	-5,424	-3,317	-10,293	-11,453	-14,245
Net profit	19,231	11,758	36,493	40,605	50,116

Statement of Comprehensive Income

All amount in ' 000 SEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net profit for the period	19,231	11,758	36,493	40,605	50,116
Other comprehensive income:	0	0	0	0	0
Sum of other comprehensive income:	0	0	0	0	0
Comprehensive profit for the period	19,231	11,758	36,493	40,605	50,116

Balance Sheet - Parent Company

All amount in ' 000 SEK	6/30/2018	6/30/2017	3/31/2018	12/31/2017
Assets				
Intangible assets	12,457	19,019	13,843	15,521
Tangible assets	3,648	3,744	3,951	4,006
Deferred tax assets	2,078	1,248	2,078	2,078
Financial assets	2,629	2,253	2,629	2,629
Inventory	27,238	27,648	22,487	23,862
Trade receivables	38,772	43,606	49,303	38,689
Receivables from group companies	13,922	10,246	8,793	6,918
Other receivables	12,822	11,068	12,153	12,152
Cash and bank	129,951	110,411	138,574	145,398
Total assets	243,517	229,243	253,811	251,253
Equity and liabilities				
Equity	192,464	182,237	209,012	191,748
Other provisions	2,826	0	2,609	2,401
Short term debt	21,855	22,210	18,989	22,466
Trade payables	19,692	16,817	16,485	20,904
Liabilities to group companies	5,312	6,500	5,408	12,306
Warranty provisions	1,368	1,479	1,308	1,428
Total equity and liabilities	243,517	229,243	253,811	251,253

Reconciliation tables KPIs, non-IFRS measures

The company presents certain financial measures in the interim report which are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. CellaVision's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented below. Reconciliation of these measures is shown in the tables below.

Key performance indicators not defined according to IFRS

Currency effect. Exchange rate effects on sales growth for the period.

Equity/assets ratio. Shareholders' equity including non-controlling interests as a percentage of total assets.

Gross margin. Gross profit as a percentage of net sales.

Gross profit. Net sales less cost of goods sold.

Shareholders' equity per share. Shareholders' equity attributable to Parent Company shareholders divided by the number of outstanding shares at the end of the period.

Operating margin (EBIT), %. Operating profit (EBIT) as a percentage of net sales for the period.

Operating profit (EBIT). Earnings before interest and tax

Net earnings per share

KSEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Profit/loss for the period	23,321	19,392	42,341	44,682	69,723
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Net earnings per share	0.98	0.81	1.78	1.87	2.92

Equity per share

KSEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Equity	237,988	218,905	237,988	218,905	240,851
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Equity per share	9.98	9.18	9.98	9.18	10.10

Equity-asset ratio

KSEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Equity	237,988	218,905	237,988	218,905	240,851
Balance sheet total	307,372	266,156	307,372	266,156	300,597
Equity ratio	77.4%	82.2%	77.4%	82.2%	80.1%

Gross margin

KSEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net sales	91,899	78,686	169,510	171,834	309,312
Gross profit	68,981	56,647	126,704	124,651	223,220
Gross margin	75.1%	72.0%	74.7%	72.5%	72.2%

Reconciliation tables KPIs, non-IFRS measures, cont'd

Operating margin

KSEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net sales	91,899	78,686	169,510	171,834	309,312
Operating profit	31,572	24,627	54,758	58,969	90,892
Operating margin	34.4%	31.3%	32.3%	34.3%	29.4%

EBITDA

KSEK	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Operating profit	31,572	24,627	54,758	58,969	90,892
Depreciation	1,790	2,043	3,856	4,109	8,450
EBITDA	33,362	26,670	58,614	63,078	99,342

Net sales

KSEK	Apr-Jun 2018 (%)	Apr-Jun 2018 MSEK	Apr-Jun 2017 (%)	Apr-Jun 2017 MSEK
Last period		78,686		65,723
Organic growth	15%	11,803	16%	10,334
Currency effect	2%	1,410	4%	2,629
Current period	17%	91,899	20%	78,686

This is CellaVision

Vision

Our vision is global digitization and automation of blood analyses for both the human and veterinary segments. Our method contributes to improved patient diagnostics, streamlining and reduced healthcare costs.

Business concept

CellaVision develops and sells digital solutions for medical microscopy. We replace manual microscopes with analyzers based on digital image analysis technology, artificial intelligence and IT. Our systems contribute to more effective workflows and higher quality in laboratory medicine, an important part of the health care sector.

CellaVision's core activities

CellaVision's core activities are digital image analysis of blood and other body fluids. Innovation is an important part of CellaVision's mission and its employees are the company's main resource. The company's coordinated competence transforms customers' needs into effective solutions for healthcare services.

CellaVision's employees have a high level of education and sound experience of the biomedical sector. Our employees' broad competence in product development, quality assurance, market establishment and market support is crucial to the company's development. The company has core technological expertise in image analysis, artificial intelligence and automated microscopy.

Company culture

CellaVision's corporate culture is characterized by understanding of the customer, quality awareness and ability to take action with responsibility, which is reflected in CellaVision's value-creating core values: Customer in focus, Initiative and Responsibility and Simplicity and Quality. Along with objectives, vision and guidelines, the core values inform the daily work and form a profitable corporate culture.

Offer to end customers

CellaVision offers digital solutions for medical microscopy in hematology. The end customers are large hospital laboratories and commercial laboratories. CellaVision's unique concept replaces manual microscopes and improves the blood analysis process. In that way more patients can receive faster care of better quality while healthcare services can use their resources better.

Strategic partnerships

CellaVision collaborates with strategic partners in order to gain scalability in manufacturing and sales.

Suppliers & distribution via suppliers of cell counters

CellaVision's analyzers are manufactured in Sweden by contract manufacturers. The company has direct agreements with selected sub-contractors for key components.

CellaVision's solution is the last step in a blood analysis process, in which the cell counter is central. Agreements with the foremost suppliers of cell counters are therefore strategically important so as to reach end customers cost effectively. CellaVision partners have a broad range of products and global salesforces with local knowledge. CellaVision's own organization supports its partners in the sales process.

Financial targets

Our objective is to create a global standard for digital microscopy in the sub-field hematology, aiming in the long term to be a world leading supplier in several sub-fields of laboratory medicine. The objective is broken down into important financial targets.

- Sales growth
≥15% Increase sales over an economic cycle by an average of at least 15 percent per year.
- Operating margin
>20 % The operating margin is to exceed 20 percent over an economic cycle



With CellaVision's system, the result from the automated differential analysis is clearly presented on the computer screen, checked and signed off by the laboratory technician. All steps in the analysis chain are digitally documented, stored, easily shared and fully searchable. That's what we call work flow.

Questions concerning the report can be addressed to:



Zlatko Rihter, VD
Tel: +46 46 460 16 71
zlatko.rihter@cellavision.com



Magnus Blixt, CFO
Tel: +46 46 460 16 46
magnus.blixt@cellavision.com

Publication

The information in this interim report is disclosed by CellaVision AB (publ) pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for public disclosure on 17 July 2018 at 08.20.

CellaVision is listed on the Nasdaq Stockholm, Mid Cap list. The company is traded under the ticker symbol CEVI and ISIN code SE0000683484.

Financial calendar

Activity	Date
Interim report Jan-Sept:	23 October
Year-end bulletin 2018	7 February 2019

CellaVision in the world

Head office In Sweden

CellaVision AB (publ)
Mobilvägen 12
22362 Lund
Established 1998

Visiting address:
Mobilvägen 12
Tel: +46 46 460 16 00
www.cellavision.se
Org.nr. 556500-0998

USA

CellaVision Inc.
2530 Meridian Pkwy,
Suite 300
Durham, NC 27713
E-mail: us.info@cellavision.com
Established 2001

CANADA

CellaVision Canada Inc.
2 Bloor St West, Suite 2120 Toronto,
ON M4W 3E2
E-mail: ca.info@cellavision.com
Established 2007

JAPAN

CellaVision Japan K.K.
9th Floor Sotestu KS Building 1-1-5
Kitasaiwai, Nishi-ku,
Kanagawa 220-0004 Japan Email:
info@cellavision.jp
Established 2008

CHINA

Shanghai (Market Support office)
Email: cn.info@cellavision.com
Established 2012

Beijing , (Market Support office)
Email: cn.info@cellavision.com
Established 2013

SOUTH KOREA

Seoul (Market Support office)
Email: hoju@cellavision.com
Established 2016

MIDDLE EAST

Dubai (Market Support office)
Email: hohe@cellavision.com
Established 2016

AUSTRALIA

Sydney (Market Support office)
Email: josn@cellavision.com
Established 2016

FRANCE

Paris (Market Support office)
Email: sybe@cellavision.com
Established 2016

GERMANY

Berlin (Market Support office)
Email: suma@cellavision.com
Established 2017

BRAZIL

São Paulo (Market Support office)
Email: kech@cellavision.com
Established 2017

UK

London (Market Support office)
Email: sawa@cellavision.com
Established 2017

MEXICO

Mexico City (Market Support office)
Email: roji@cellavision.com
Established 2018

INDIA

Mumbai (Market Support office)
Email: yveth@cellavision.com
Established 2018

