

Strong sales and substantial improvement in earnings in the third quarter

January 1 – September 30, 2013

- Net sales were SEK 115.0 million (119.1).
- Operating profit was SEK 9.6 million (13.9).
- Result before tax was SEK 8.4 million (12.4).
- Earnings per share were SEK 0.26 (0.40).
- Cash and cash equivalents were SEK 42.6 million (52.6) at the end of the period.

Net sales (9 months)
-3 %

Operating profit (9 mths)
9.6 MSEK

Operating margin (9 mths)
8.4 %

July 1 – September 30, 2013

- Net sales increased by 28 % to 45.1 million (35.3).
- Operating profit increased to SEK 10.7 million (4.0).
- Profit before tax increased to SEK 10.4 million (3.0).
- Earnings per share increased to SEK 0.33 (0.16).

Net sales (Q3)
+28 %

Operating profit (Q3)
10.7 MSEK

Significant events during the third quarter

- The first major orders of the new DI-60 were delivered to Sysmex Europe and Japan.

Significant events after the period close

- CellaVision signs a Term Sheet with the Chinese company Mindray for distribution of CellaVision's products above all in China but also on other emerging markets.

Key ratios

(SEK million)	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Full year 2012
Net sales	45.1	35.3	115.0	119.1	169.5
Gross profit or loss	27.5	22.6	72.8	78.4	110.1
Operating profit	10.7	4.0	9.6	13.9	20.7
Operating margin. %	23.7	11.3	8.4	11.7	12.2
Profit/loss before tax	10.4	3.0	8.4	12.4	18.6
Total cash flow for the period	1.5	5.2	-3.6	-4.2	-10.6

Comments by CellaVision's CEO Yvonne Mårtensson:

"It is satisfying to see a strong growth in our sales for the third quarter. Sales rose by 28 % compared with the same period in 2012 and operating profit increased to SEK 10.7 million. Thus we are winning back most of the sales we lost earlier this year.

During the quarter we delivered the first major orders of the new integrated product DI-60 to Sysmex in Europe and Japan. The sale indicates a need for fully automated product lines at large laboratories and confirms our technology investments. We estimate that sales of the product will also get under way in the USA before the end of the year.

Our sales in China are driving the continued positive development in the Asia Pacific region. In accordance with our geographical expansion strategy we are currently evaluating the Chinese company Mindray as a potential distribution partner, above all in China but also on other emerging markets. Our ambition is to have an agreement ready before the end of the year.

In Europe sales improved during the quarter and in the USA we assess that the downturn in demand for our products is approaching a turning point. Through our partnership initiatives and product development we will stand strong when the market turns fully. The interest in our products continues to be strong and our future growth will be driven by growing rationalization requirements in health care."

"We are winning back most of the sales we lost earlier this year."



Yvonne Mårtensson,
CEO of CellaVision AB

Sales, earnings and investment

January 1 – September 30

Net sales for the Group were SEK 115.0 million (119.1) for the first nine months of 2013, a decrease of 3 % compared with the same period in 2012.

Sales in international markets are mainly in USD and EUR, which means that the company's sales and results are impacted by changes in these currencies. The company hedges 50-90 per cent of planned currency flows to compensate for any foreign exchange fluctuations.

The gross margin for the period was 63 % (66).

The Group's operating profit for the period was SEK 9.6 million (13.9). Total operating expenses for the period were SEK 63.2 million (64.5).

Capitalized expenditure for development projects during the period was SEK 7.3 million (6.5).

Investments in property, plant and equipment during the period amounted to SEK 1.1 million (1.2).

July 1 – September 30

Net sales for the Group in the third quarter of 2013 were SEK 45.1 million (35.3), an increase of 28 % compared with the same period in 2012.

The gross margin for the quarter was 61 % (64). CellaVision usually has large gross margin variations from quarter to quarter. This is dependent on the share of sales via distributors or via CellaVision's own sales companies, the product mix and exchange rates. During the quarter the gross margin was negatively impacted by non-recurrent inventory adjustments of SEK 0.8 million.

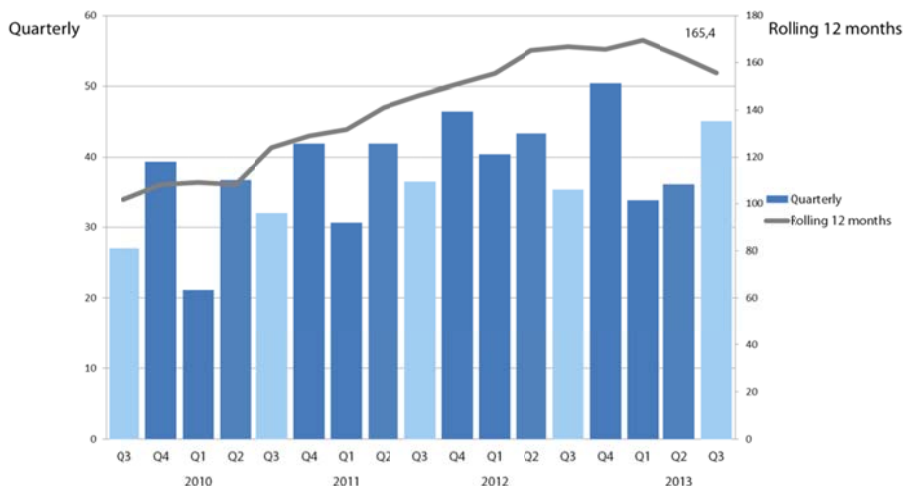
The Group's operating profit for the third quarter rose to SEK 10.7 million (4.0). During the quarter a provision for incentive programs of SEK 2.5 million was dissolved, which improved earnings.

Total operating expenses for the quarter were SEK 16.8 million (18.6).

CellaVision is conducting several development projects, aimed at strengthening the product portfolio in relation to customers in the field of hematology. Capitalized expenditure for development projects was SEK 1.3 million (2.5) for the quarter.

Investments in property, plant and equipment during the quarter amounted to SEK 0 million (0.6).

Sales per quarter and rolling 12 months (SEK million)



Net sales

115.0 MSEK

Net sales

45.1 MSEK

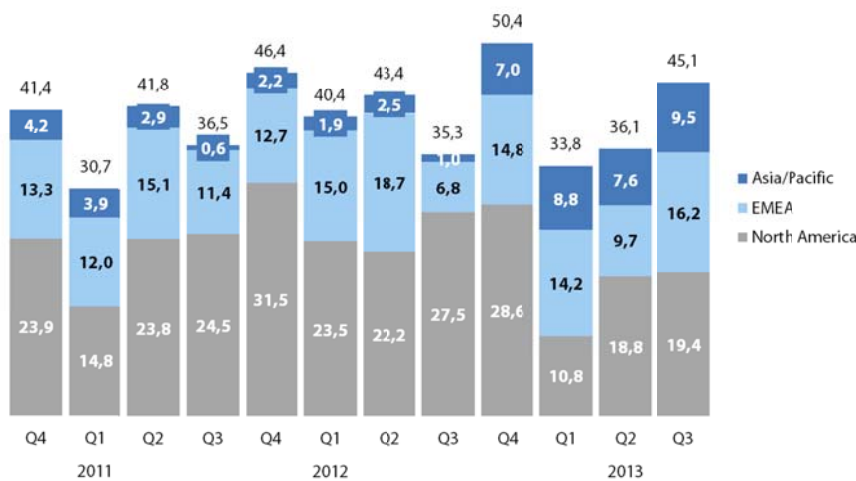
Development in geographical markets

In the period January–September North America accounted for the largest percentage of sales, 43 % (61), Europe accounted for 35 % (34), and Asia and the Pacific region for 23 % (5).

In the third quarter North America accounted for 43 % (78) of sales, Europe for 36 % (19), and Asia and the Pacific region for 21% (3). In Europe sales increased due to both Sysmex' market introduction of the new integrated DI-60 analyzer and to our three new partners in the region. Growth in the Asia & Pacific region is attributable to sales in China and Japan.

Like others in the medical devices industry selling capital equipment, CellaVision's inflow of orders is unevenly distributed over the year, depending on the distributors' sales and inventory levels. Consequently, the variation in order volume in individual quarters may be great in the different geographical markets.

Net sales per geographical market, SEK million



North America

Sales in the USA and Canada in the first nine months of the year were SEK 49.0 million (73.2), a decrease of 33 %. In local currencies the decrease was 30 %.

In the third quarter, sales in the region were SEK 19.4 million (27.5), a decrease of 30 %. In local currencies the decrease was 27 %.

North American health care continues to find it difficult to finance capital equipment but market prospects are brightening somewhat. When uncertainties as to the effects of the impending health care reform and financial austerity have subsided in the USA, the region should again have good prospects of positive development. In the USA CellaVision collaborates with the four largest distributors of hematology analyzers. Together with Sysmex, Beckman Coulter and Siemens and support from our own company CellaVision Inc., CellaVision is highly visible in the market. By means of a co-marketing agreement, the company also works closely with the fourth largest player, Abbott.

In the third quarter the activity level of the company's three distributors in the USA continued to be high. In July CellaVision's products were presented in the Sysmex, Siemens and Beckman Coulter booths at the AACC trade fair in Houston, Texas. The Sysmex booth also presented the new integrated DI-60 product as part of our partner's automated product line for blood analysis. The product concept is unique for the hematology market and attracted

The new integrated product was launched at an international trade fair in the USA

much attention from the industry in general. This trade fair is considered to be one of the hematology industry's most important international gatherings.

Sales of the new Citrix-adapted software for remote access continued to increase among North American customers that use Citrix in their IT administration solution. The product, the CellaVision® Remote Review Software Citrix Ready, enables these customers to have staff located outside the laboratory examine test results and give an opinion.

Europe, the Middle East and Africa (EMEA)

In the third quarter sales lost in the first six months of 2013 were regained. Despite a weak economic climate, sales more than doubled, both in SEK and local currencies, compared with the corresponding period of 2012 and amounted to SEK 16.2 million (6.8). Growth derives both from our sales of the new integrated DI-60 product to Sysmex Europe, and from our three new partners' efforts in the region.

The region's sales in the first nine months of the year were on a par with the corresponding period of 2012, both in SEK and local currencies. Sales were SEK 40.1 million (40.5).

In the third quarter the first DI-60 was installed. The product is adapted to the needs of medium and large laboratories for an effective and standardized analysis process. By integrating CellaVision's image analysis technology with the Sysmex cell counter and sample preparation module, customers can be offered an automated product line without manual handling of samples during the analysis process. The concept meets the challenges of an ageing population, with higher demands on welfare services and growing staff shortages in health care. Like CellaVision's other analyzers, the concept brings faster test results, better use of resources and more uniform results.

In Europe CellaVision's products are sold largely via procurements in which laboratories increasingly require that purchases of hematology analyzers and equipment for image analysis are made via one and the same supplier. In 2013 CellaVision increased its ability to offer its products in competitive tenders by signing agreements with another three distribution partners. CellaVision now sells its products in EMEA via the four large suppliers of hematology analyzers: Sysmex, Siemens, Beckman Coulter and Abbott. In the third quarter the European agreement with Abbott was extended to cover all of EMEA.

Asia and the Pacific region

The region developed substantially in the first nine months of the year and sales more than quadrupled in both SEK and local currencies. Sales were SEK 25.9 million (5.4).

In the third quarter sales increased to SEK 9.5 million (1.0). The growth is attributable to sales in China and Japan.

CellaVision assesses that in the long term, above all the markets in China, Japan and countries in South East Asia have the potential for strong growth.

In China CellaVision's solution will be marketed to training and research hospitals with more than 500 beds. CellaVision's main focus is to support the work of the three distributors, Sysmex, Beckman Coulter and Vastec, in building awareness and acceptance for the company's products in the Chinese market. Determined market penetration has resulted in most of the sales during the year, particularly in the second and third quarters.

To increase market exposure for our products in China and other emerging markets CellaVision is currently evaluating the Chinese company Mindray as a potential distribution partner. Early in the fourth quarter a Term Sheet was signed between the companies with the objective of agreeing on a contract before the year end.

Sales of CellaVision's products have increased on the Japanese market and the company sees a potential in the DI-60 that is integrated into the Sysmex automated product line. The first major order was delivered to Japan in the third quarter. In parallel with Sysmex, CellaVision's own sales organization is continuing to address the market and increase interest in CellaVision's product offer, for example through presentations together with important opinion-formers.

Strong quarter in Europe due to DI-60 sales and strong partners

Continued positive trend in China and Japan

Research and development

CellaVision is conducting several development projects, aimed at strengthening the product portfolio in relation to customers in the field of hematology.

In July the new DI-60 was completed, which was developed together with our partner Sysmex. The new product integrates CellaVision's image analysis technology with the Sysmex XN series for automated blood analysis. It was developed on CellaVision's latest hardware platform.

One of the company's ongoing software projects is a new application for more advanced analysis of the red blood cells.

CellaVision continuously capitalizes costs for new development. During the nine-month period capitalized expenditure for development projects amounted to SEK 7.3 million (6.5).

Significant events after the period close

On 9 October CellaVision signed a letter of intent with the Chinese company Mindray for distribution of CellaVision's products, mainly in China but also on other growth markets. Ongoing discussions with Mindray support CellaVision's strategy of geographical expansion with the help of local distribution partners. More information will be provided when a binding agreement is signed. The aim is to agree on the terms and conditions of an agreement before the end of 2013.

Financing

Funds at the Group's disposal at the close of the period consisted of SEK 47.6 million (57.6), of which SEK 42.6 million (52.6) was cash and cash equivalents. These funds include unutilized credit of SEK 5.0 million.

The period's cash flow from operating activities was SEK 11.5 million (13.3). The cash flow from operating activities for the third quarter was SEK -0.3 million (-1.1).

Total cash flow for the period was SEK -3.6 million (-4.2), which is due to the dividend of SEK 9.5 million distributed by the company in the second quarter.

Parent company

Parent company sales for the period were SEK 105.3 million (110.4). Result before tax was SEK 6.9 million (10.9). Parent company sales for the third quarter were SEK 42.5 million (33.1). The result before tax for the quarter was SEK 8.4 million (-3.0).

The parent company's investments in property, plant and equipment and intangible assets during the period amounted to SEK 7.9 million (7.2) and the cash flow was SEK -5.8 million (-1.3).

In other respects please refer to the information for the Group.

Personnel

The number of employees of the Group, restated as full-time equivalents, was 68 (66) at the close of the period. Of these, 40 (37) were men and 28 (29) women.

Unappropriated funds

47.6 MSEK

Cash flow (9 mths)

-3.6 MSEK

Number of employees

68

Other information

Group

On September 30, 2013 the Group consisted of the parent company and the wholly-owned subsidiaries CellaVision Inc. (USA), CellaVision Canada Inc. (Canada), CellaVision Japan K.K. (Japan) and CellaVision International AB.

Accounting policies

The consolidated accounts are prepared in accordance with International Financial Reporting Standards, IFRS. The interim report for the Group was prepared in accordance with IAS 34, Interim Financial Reporting, the Annual Accounts Act and in accordance with the Stockholm Stock Exchange rules and regulations for companies listed on NASDAQ OMX Stockholm. The interim report for the parent company was prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2, Accounting for Legal Entities. The interim report has been prepared in accordance with the accounting policies and valuation methods presented in the Annual Report for 2012, with the exception of the changes presented below.

IFRS 13 Fair value measurement

The new International Financial Reporting Standard IFRS 13 applies to fair value measurement of both financial and non-financial items and replaces previous guidance contained in individual standards referring to fair value measurement. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the "exit price"). IFRS 13 has been applied prospectively from January 1, 2013. The application of IFRS 13 has not had any impact on the Group's results and financial position regarding the valuation of the Group's financial instruments.

IFRS 13 requires that several quantitative and qualitative disclosures should be presented in the financial statements in respect of fair value. As a result of these disclosure requirements in IFRS 13, IAS 34 Interim Financial Reporting was also updated.

IAS 1 Presentation of financial statements

As of 2013, an amendment to IAS 1 has been introduced which involves regrouping items presented in other comprehensive income into items that will be reclassified to profit or loss and items that will not be reclassified to profit or loss. CellaVision's application of the amendments to IAS 1 is presented in the Group statement of comprehensive income.

Other new standards and interpretations that came into force on January 1, 2013 have not had any impact on CellaVision's financial reporting for the interim report period.

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 valued on the basis of observable information referring to exchange rates on the balance sheet date and market rates for remaining maturities. The value of CellaVision's derivatives amount to SEK 0.2 million at September 30, 2013.

The carrying amount of financial instruments measured at amortized cost is consistent with fair value at September 30, 2013.

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.

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 and sensitivity analysis in the Annual Report for 2012.

The Nomination Committee for the Annual General Meeting in 2014

In accordance with a resolution of the 2013 Annual General Meeting the Nomination Committee shall consist of the Chairman of the Board and one representative of each of the four largest shareholders in terms of voting rights at the end of September 2013. For the 2014 Annual General Meeting the Nomination Committee consists of Lennart Hansson, Chairman (Stiftelsen Industrifonden), Aleksandar Zuza (Metallica Förvaltnings AB), Christer Fåhraeus (Christer Fåhraeus and companies), Caroline af Ugglas (Skandia) and Chairman of the Board Lars Gatenbeck.

Shareholders wishing to submit proposals to the Nomination Committee can send an email to ir@cellavision.com, or ordinary mail to: The Nomination Committee, CellaVision AB, Ideon Science Park, SE 223 70 Lund

Annual General Meeting 2014

CellaVision’s Annual General Meeting in 2014 will be held in Lund on May 7, 2014.

Shareholders wishing to have matters considered at the Annual General Meeting can send a written request by email to bolagsstamma@cellavision.se or ordinary mail to: The Board of Directors, CellaVision AB, Ideon Science Park, SE 223 70 Lund. The request must have been received at the latest seven weeks before the Annual General Meeting in order to be included in the notice to attend and thus the agenda of the Annual General Meeting.

Financial calendar

Year-end bulletin 2013:	February 13, 2014
Interim report January – March:	May 6, 2014
Annual General Meeting 2014:	May 7, 2014

The interim reports for 2013 and annual report for 2012 are available at www.cellavision.com.

The Board of Directors and the President certify that the interim report fairly presents 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, October 24, 2013

Lars Gatenbeck
Chairman of the Board

Christer Fåhraeus
Member of the Board

Sven-Åke Henningsson
Member of the Board

Lars Henriksson
Member of the Board

Roger Johanson
Member of the Board

Torbjörn Kronander
Member of the Board

Anna Malm Bernsten
Member of the Board

Yvonne Mårtensson
President/CEO

Questions concerning the report can be addressed to:

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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 submitted for publication on October 24, 2013 at 8.20 am.

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Corporate identity number: 556500-0998

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Blog: <http://blog.cellavision.com>

App: CellAtlas

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

Review report

To the Board of Directors of CellaVision AB

Corporate identity number 556500-0998

Introduction

We have performed review of the interim report for CellaVision AB (publ.) as at September 30, 2013 and the nine-month period ending on that date. The Board of Directors and the President are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing standards. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion that is expressed on the basis of a review does not give the same level of assurance as a conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report does not, in all material respects, accord with IAS 34 and the Annual Accounts Act for the Group and, for the parent company, with the Annual Accounts Act.

Lund, October 24, 2013

Deloitte AB

Maria Ekelund

Authorized public accountant

Consolidated Income Statement in Summary

All amount in '000 SEK	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Jan-Dec 2012
Net sales	45 076	35 332	114 966	119 107	169 512
Cost of goods sold	-17 611	-12 741	-42 125	-40 747	-59 456
Gross profit	27 465	22 591	72 841	78 360	110 056
Sales and marketing expenses	-8 980	-8 334	-29 326	-27 328	-38 859
Administration expenses	-4 893	-6 370	-18 500	-21 601	-29 060
R&D expenses	-2 901	-3 905	-15 366	-15 543	-21 435
Operating result	10 691	3 982	9 649	13 888	20 702
Interest income and financial exchange rate gains	264	80	373	172	225
Interest expense and financial exchange rate losses	-531	-1 033	-1 579	-1 640	-2 376
Result before income tax	10 424	3 029	8 443	12 420	18 551
Tax	-2 511	863	-2 342	-2 775	-12 100
Net result	7 913	3 892	6 101	9 645	6 451
Other comprehensive income:					
Components not to be reclassified to net profit:	-	-	-	-	-
Components to be reclassified to net profit:					
<u>a) Financial assets at fair value</u>					
Reclassified to operating result	-163	-135	-2 418	125	99
Revaluation of financial assets	2 304	2 729	210	3 851	2 342
Income tax relating to financial assets	-488	-682	469	-1 046	-537
<u>b) Translation difference</u>					
Translation difference in the group	-163	-5	227	-81	31
Sum of Components to be reclassified to net profit:	1 490	1 907	-1 512	2 849	1 935
Sum of other comprehensive income:	1 490	1 907	-1 512	2 849	1 935
Comprehensive result for the period	9 403	5 799	4 589	12 494	8 386
Per share data					
	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Jan-Dec 2012
Earnings per share, SEK */	0,33	0,16	0,26	0,40	0,27
Equity per share, SEK	5,03	5,41	5,03	5,41	5,24
Equity ratio, %	70%	71%	70%	71%	70%
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	12,90	15,20	12,90	15,20	14,70

*/ In relation to net profit and average outstanding shares

Quarterly Results

All amount in '000 SEK	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
Net sales	45 076	36 095	33 795	50 405	35 332	43 360
Gross profit	27 465	23 398	21 978	31 696	22 591	28 698
Gross margin in %	61	65	65	63	64	66
Overhead cost	-16 774	-23 755	-22 663	-24 882	-18 609	-24 152
Operating result	10 691	-357	-685	6 814	3 982	4 546
Net result	7 913	-314	-1 498	-3 194	3 892	3 110
Cashflow	1 513	-11 420	6 296	-6 389	5 150	-8 996

Consolidated Balance Sheet in Summary

All amount in ' 000 SEK	2013-09-30	2012-09-30	2013-06-30	2012-12-31
Assets				
Intangible assets	25 687	23 201	26 573	24 152
Tangible assets	2 809	2 343	3 101	2 693
Deferred tax	35 877	46 529	38 189	37 994
Financial assets	87	101	82	91
Inventory	20 546	16 936	23 369	16 356
Trade receivables	35 319	28 372	26 288	40 632
Other receivables	8 324	11 252	7 579	10 402
Cash and bank	42 625	52 625	41 112	46 236
Total assets	171 274	181 359	166 293	178 556
Equity and liabilities				
Equity	119 960	129 020	110 556	124 912
Short term debt	17 504	18 055	22 315	20 802
Short term debt with interest	15 554	15 402	13 993	14 272
Trade payables	16 464	16 834	17 581	16 458
Other liabilities	1 792	2 048	1 848	2 112
Total equity and liabilities	171 274	181 359	166 293	178 556

Consolidated statement of changes in equity

All amount in ' 000 SEK	2013-09-30	2012-09-30	2013-06-30	2012-12-31
Balance at the beginning of the year	124 912	126 067	124 912	126 067
Dividend	-9 541	-9 541	-9 541	-9 541
Net profit for the year	6 101	9 645	-1 812	6 451
Comprehensive result for the period	-1 512	2 849	-3 002	1 935
Balance at the end of the year	119 960	129 020	110 557	124 912

Cash Flow Analysis in Summary in Summary

All amount in ' 000 SEK	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Jan-Dec 2012
Result before taxes	10 424	3 029	8 443	12 420	18 551
Adjustment for items not included in cash flow	-2 733	746	3 258	4 136	7 668
Taxes	26	-	-	-	-790
Cash flow from operations before changes in working capital	7 717	3 775	11 701	16 556	25 429
Changes in working capital	-6 481	-4 885	1 255	-3 221	-13 936
Cash flow from operations	1 236	-1 110	12 956	13 335	11 493
Capitalisation of development costs	-1 280	-2 521	-7 259	-6 532	-9 256
Aquisitions in financial non-current assets	-4	4	5	13	23
Aquisitions in tangible non-current assets	0	-566	-1 054	-1 151	-1 854
Cash flow from investment activities	-1 284	-3 083	-8 308	-7 670	-11 087
New loans and instalments of dept	1 561	9 343	1 282	-317	-1 447
Dividend	0	-	-9 541	-9 541	-9 541
Cash flow from financing activities	1 561	9 343	-8 259	-9 858	-10 988
Total cash flow	1 513	5 150	-3 611	-4 193	-10 582
Liquid funds at beginning of period	41 112	47 475	46 236	56 818	56 818
Liquid funds at end of period	42 625	52 625	42 625	52 625	46 236

Income Statement - Parent Company

All amount in '000 SEK	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Jan-Dec 2012
Net sales	42 544	33 123	105 342	110 388	161 949
Cost of goods sold	-22 604	-22 047	-50 330	-50 729	-78 322
Gross profit	19 940	11 076	55 012	59 659	83 627
Sales and marketing expenses	-2 808	-2 847	-12 507	-10 471	-15 705
Administration expenses	-5 965	-6 370	-19 572	-21 601	-29 060
R&D expenses	-2 302	-3 905	-14 767	-15 543	-21 435
Operating result	8 865	-2 046	8 166	12 044	17 427
Interest income and financial exchange rate gain	72	80	179	165	217
Interest expense and financial exchange rate loss	-526	-1 011	-1 472	-1 353	-2 106
Result before income tax	8 411	-2 977	6 873	10 856	15 538
Tax	-1 512	783	-1 512	-2 855	-11 408
Net result	6 899	-2 194	5 361	8 001	4 130

Statement of Comprehensive Income

All amount in '000 SEK	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Jan-Dec 2012
Net result for the period	6 899	-2 194	5 361	8 001	4 130
Other comprehensive income:	-	-	-	-	-
Sum of other comprehensive income:	0	0	0	0	0
Comprehensive result for the period	6 899	-2 194	5 361	8 001	4 130

Balance Sheet - Parent Company

All amount in '000 SEK	2013-09-30	2012-09-30	2013-06-30	2012-12-31
Assets				
Intangible assets	25 687	23 201	26 573	24 152
Tangible assets	1 882	1 651	2 106	2 126
Deferred tax	35 579	45 645	37 092	37 092
Financial assets	9 852	9 852	9 852	9 852
Inventory	17 518	12 204	19 823	12 286
Trade receivables	33 407	19 808	23 800	31 840
Receivables from group companies	6 713	15 369	9 908	12 642
Other receivables	7 304	7 084	8 161	7 762
Cash and bank	36 508	47 578	34 545	42 301
Total assets	174 450	182 392	171 860	180 053
Equity and liabilities				
Equity	127 231	135 280	120 330	131 410
Short term debt	13 520	13 049	3 000	16 086
Short term debt with interest	15 554	15 402	13 993	14 272
Liabilities to group companies	-	-	-	-
Trade payables	16 353	16 613	17 361	16 173
Other liabilities	1 792	2 048	17 176	2 112
Total equity and liabilities	174 450	182 392	171 860	180 053

This is CellaVision

CellaVision’s customers are large and mid-sized hospital laboratories and commercial laboratories, mainly in Europe and North America. In most countries sales are via global hematology companies. Products are sold directly in the Nordic countries and via subsidiaries in the US, Canada and Japan.

CellaVision’s analyzers rationalize manual laboratory work and secure and support effective workflows and competency development within and between hospitals. In 2012 sales were SEK 170 million, corresponding to an increase of 9 %. The target is for sales to continue to increase by at least 15 % annually over an economic cycle.

The products replace manual microscopy in laboratories for blood analyses

After taking the sample, most blood tests are first analyzed using cell counters. If the sample shows signs of disease it is examined further to enable it to be used as a basis for diagnosis. This analysis is carried out automatically by CellaVision’s analyzer. Without CellaVision’s analyzer it must be done manually in a microscope.

What is driving growth?

The demand for CellaVision’s products is strong and is due to increased efficiency and quality assurance requirements in the healthcare market, particularly in Europe and North America. Growing staff shortages in laboratory operations make CellaVision’s automated products a highly interesting solution. The trend is for more hospitals to join together and collaborate in county council or hospital groups and seek tools to help them work more effectively and coordinate geographically spread services.

Five foundations for growth

CellaVision’s overall growth strategy is based on global expansion, partnership and product development. Growth takes place through focusing on customers and the market. Our goal is for our analytical method to be standard at clinical laboratories throughout the world.

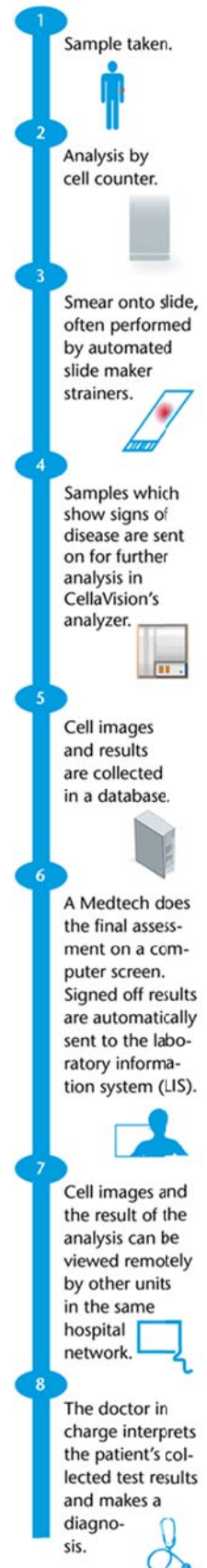
1. Target group and positioning. We currently target clinical laboratories in hematology with a growing need for automation. These are mainly found in Europe, North America and selected markets in Asia, mainly Japan, China and South East Asia.

2. Customer relations. Customers’ purchasing behavior and needs direct our business. Only through satisfied customers can CellaVision continue to grow and develop. We work close to partners and end customers to ensure that our products meet market requirements for quality, function and user-friendliness. In customer surveys in the last two years the average score for reliability and user-friendliness of the product has been just over four, on a scale from one to five.

3. Sales channels. CellaVision reaches a broad geographical market by cooperating with strong, strategic and complementary partners with a local presence. We sell our products through the largest hematology companies in the world: Sysmex, Beckman Coulter, Siemens and Abbott. Our own sales organizations in the Nordic area, the USA, Canada and Japan give continuous support and training to our partners during the sales process. We are constantly looking at new opportunities and forms of cooperation.

4. Product development. We will grow by broadening our product range for existing customer groups and by examining the possibility of commercializing new areas of analysis. We seek the best solution and preferably develop it ourselves, but the strategy also includes development through cooperation with partners. The emergence of competing companies in the market puts further demands on our future product development.

5. Company culture. Satisfied employees create the conditions for satisfied customers. It is important to us that our employees enjoy their work, feel involved and motivated. Innovative ideas are an important factor behind our positive development. With leading-edge expertise in image analysis, artificial intelligence and automated microscopy, as well as a great quantity of IT knowledge, we can develop solutions that bring considerable gains to customers.



About CellaVision’s geographical markets

North America

North America is CellaVision’s largest market. Automation has long been the most important driver for meeting greater effectiveness requirements in North American laboratories. The growing staff shortages that exist in laboratory operations in the western world are particularly evident in the USA and Canada. Laboratories are therefore seeking solutions that ensure effective and secure management of large and growing sample volumes. On top of the requirements for reduced labor costs and shorter response times, sample volumes are growing due to the ageing population. The distributors Sysmex America, Beckman Coulter and Siemens sell CellaVision’s products in the USA in parallel with CellaVision’s own sales organization. By means of a co-marketing agreement, we also work closely with the fourth largest player, Abbott. In Canada, CellaVision sells directly to the end customer.

Europe, the Middle East and Africa

Europe is CellaVision’s largest market in terms of the number of analyzers sold to date. The transition from manual microscopy to CellaVision's method has been in full swing for a couple of years in the European countries. The laboratories are seeking solutions that can increase productivity and offset the coming years' shortage of biomedical analysts. In Europe the distributors Sysmex, Siemens, Beckman Coulter and Abbott sell CellaVision’s products. Marketing work has just started in the Middle East and Africa.

Asia and the Pacific region

CellaVision products are also appreciated in Asia and the Pacific region for their time-saving and quality assurance potential. China, Japan and South East Asia are markets with long-term potential and demand is gradually starting to take off. In most markets CellaVision sells via the distributors Sysmex, Beckman Coulter and Siemens.

There are more than 20,000 hospitals in China. The target group for CellaVision’s products consists of about 800 of China's largest hospitals. In 2012 CellaVision established a market office in China with two employees who support the region's distributors.

Japan is a market with important growth potential for CellaVision. Japanese health care is facing several challenges with funding problems as expenditure increases for an ageing population that at the same time demands better quality. Consequently, products that are well able to solve quality and efficiency problems are highly interesting to the Japanese health care sector. Since the start in 2008 CellaVision’s subsidiaries have marketed the company’s technology to the thousand or so major clinical laboratories in Japan. Since 2010 the distributor Sysmex also sells CellaVision’s products.