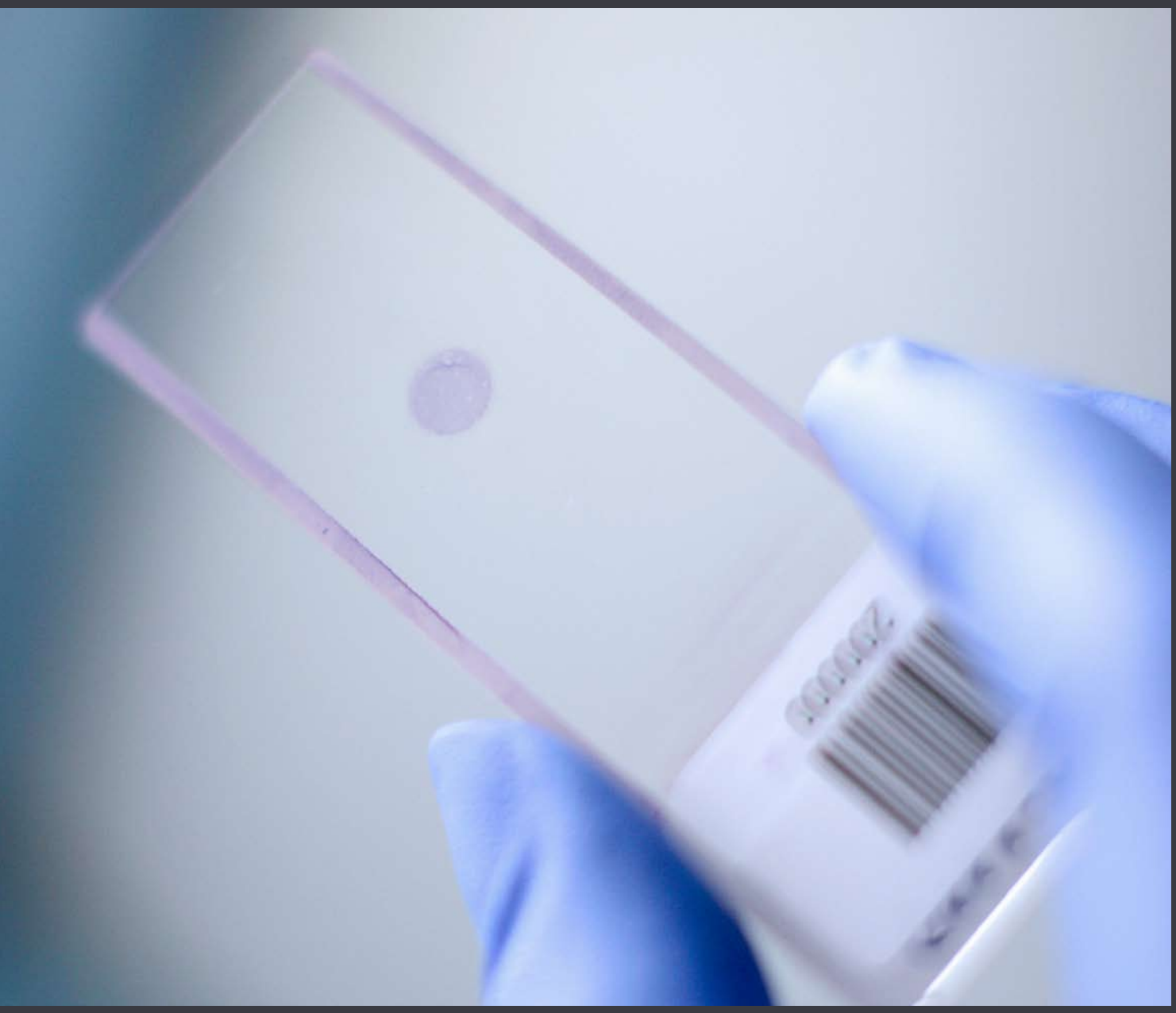
CELLAVISION AB (PUBL)

ANNUAL REPORT 2008



CELLAVISION

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Annual General Meeting (AGM)

The AGM will be held on April 27, 2009, at 16:00 CET at CellaVision HQ at Ideon in Lund, Delta 5, Scheelevägen 19A.

Shareowners that wish to attend the AGM need to sign up by April 21, 2009, 12:00. The complete invitation is available at www.cellavision.com.

Financial information 2009

Interim Report Jan – March	April 27, 2009
Interim Report Jan – June	July 15, 2009
Interim Report Jan – Sept	October 23, 2009
Year-end Bulletin 2009	February 12, 2010

The interim reports are available at www.cellavision.com.

THE PAST YEAR IN SHORT

Profitability and strong sales growth in 2008: Net sales exceeded SEK 100 million

The year in figures

- Net sales increased by 35% to SEK 100.4 million (74.6).
- The operating result increased to SEK 13.4 million (3.1).
- Profit before income tax increased to SEK 13.1 million (2.6).
- The net result per share amounted to SEK 1.05 (0.11).
- Cash and cash equivalents amounted to SEK 19.6 million (16.3) by the end of the year.

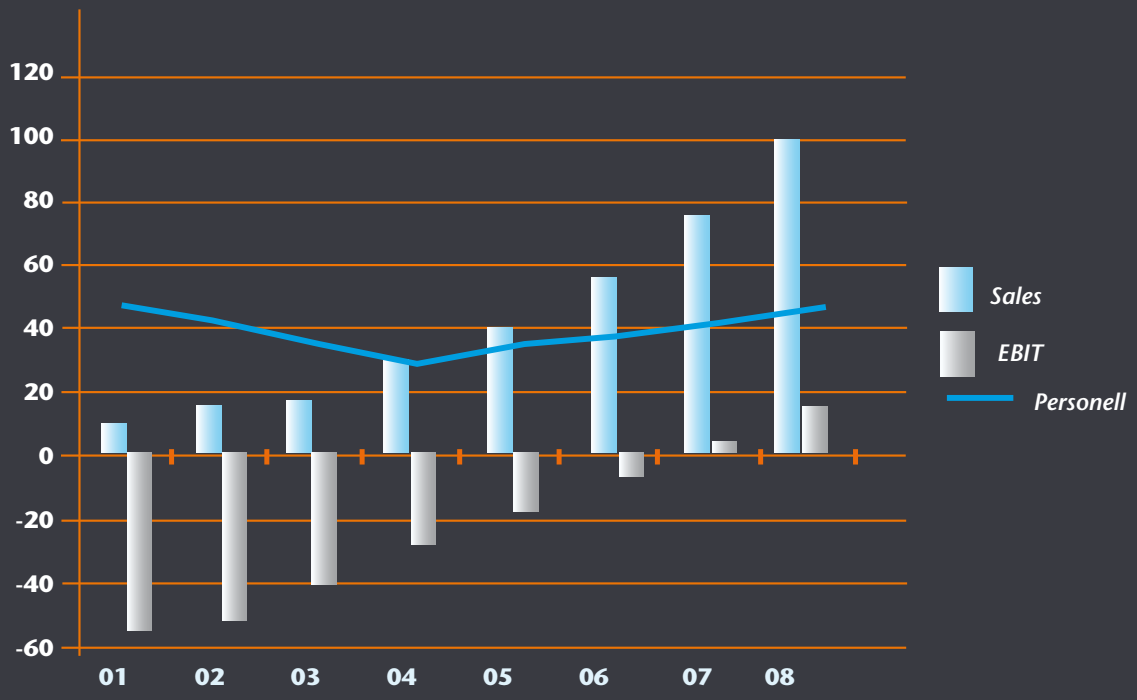
(MSEK)	2008	2007	2006	2005	2004	2003
Net result	100,4	74,6	54,8	39,0	29,8	15,0
Gross result	63,5	45,3	32,0	19,6	10,5	4,9
Operating result	13,4	3,1	-8,6	-16,5	-26,6	-39,4
Result	13,1	2,6	-8,8	-16,7	-24,9	-39,8
Cash flow	3,3	-0,4	-0,8	-1,6	14,1	-34,2

Important events

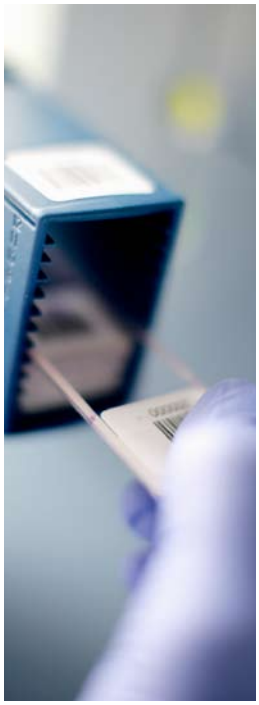
- Continued strong sales on the European market and an increase in North America.
- Establishment of own sales organization in the USA and subsidiary in Japan.
- Launch of application for body fluids in Europe and North America, with good initial sales results.

Important events after the reporting period

- CellaVision was placed on NASDAQ OMX First North Premier on February 16.



Profitability driven by increasing customer demand



Our products save time and money and are therefore still justifiable investments for laboratories, and I notice that customers have trust in CellaVision and what we offer them.

THE YEAR OF 2008 proved to be a turbulent year where the global financial crisis gained unexpected momentum, affecting both companies and the individual. Unfortunately there are many reasons to suggest that the recession will continue to affect us for quite some time to come.

It is therefore with some delight as well as pride that CellaVision reports both the highest sales and result figures in the history of the company. For the first time annual sales exceeded SEK 100 million, and the operating result increased to about SEK 13 million. Our products save time and money and are therefore still justifiable investments for laboratories, and I notice that customers have trust in CellaVision and what we are offering them.

The market for our products is global and CellaVision is already present in several countries, both through subsidiaries and strong partnerships. Most notably, we have had a very close and fruitful partnership with Sysmex for many years. At the same time we wish to continue to grow through our own efforts, and aim to establish our own marketing organizations on certain markets.

Our international expansion has proceeded according to plan and we have succeeded in investing alongside increasing sales. We are now operative in Japan with our own subsidiary and have established our own sales channel in the US. As a result of Sysmex America's and our own sales activities the North American sales proportion reached 43%. Europe saw a continued positive sales growth and accounted for 56% of CellaVision's sales.

Equally important to marketing is of course our technological advances that serve to develop and refine our products. During the beginning of the year both the new application for body fluids, CellaVision® Body Fluid Application, and the new software version of the blood application were completed. The new body fluids application was immediately made commercially available in Europe, and thereafter in Canada during the third quarter. At the end of the year the Food and Drug Administration (FDA) cleared the company for marketing and sales of the application in the USA.

During the year the company's software has gained increasing importance in the product range. Customers are more frequently purchasing complementary software for analyzers. In addition sales of software upgrades, including new functions that have been offered, have contributed to the year's increase in sales and gross margin growth. Judging from the positive response that we have received from customers, I am convinced that this trend will continue in the future.

I am very optimistic concerning CellaVision's continued development during 2009. Medical technology companies are generally considered relatively stable in fluctuating financial environments, and we should be able to further the market penetration which we have laid down a foundation for during the last couple of years. Despite the widespread pessimistic view of the global economy we have high hopes for the future and will continue to work towards establishing CellaVision as the world-leading company in hematological imaging analysis. Our goal for 2009 is continued steady growth with profit.

Lund, March 2009

CEO and President, Yvonne Mårtensson

On the survival of technology companies and her own drive

Many of the skills that Yvonne Mårtensson use in her private life spill over into her professional, not least those used to complete the Vansbro swim in 16 degree Celsius water, or in the cross country skiing tracks in Mora. These were two of the four events she completed in the demanding "Swedish Classic" for women, a multi-discipline endurance event.

"I tend to say that I am very enduring, but impatient at the same time. Doing a Swedish Classic is not an insane endeavor, but you need endurance," she says.

"How many times were you about to give up?" asks Thomas Frostberg, Rapidus

"I never give up! It's not in my nature. On the other hand, I don't get involved with projects that I don't believe in and have a reasonable chance to complete," says Yvonne Mårtensson.

Extract from Rapidus News Agency interview Nov 10, 2008

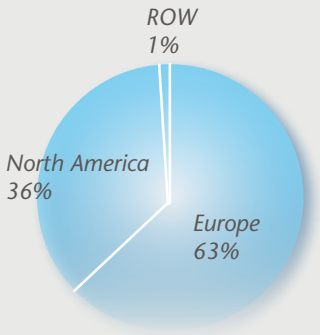
Image analysis based systems for laboratories in hematology

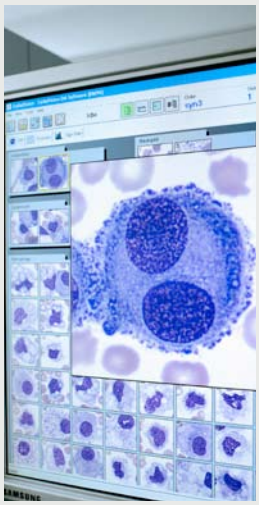
Business concept
CellaVision's business concept is to develop and market system solutions in medical microscopy. CellaVision's products contribute to increased efficiency and simplify routines at health care orientated laboratories. For the user, this implies substantial improvements in daily work.

Vision
CellaVision's vision is to create a global de facto standard in digital microscopy analysis and thereby contribute to improved quality of care and more cost-efficient health care.

Aim
CellaVision's aim is to become a world-leading supplier of digital imaging technology in cell and tissue analysis.

Net sales by geographical market





Sales are steadily increasing, from SEK 8 million in 2001 to SEK 74 million in 2007, when CellaVision presented positive results for the first time. In 2008 sales amounted to SEK 100 million.

Strategy
In order to position CellaVision according to set goals, the following is being worked towards:

- to secure the company's position as market leading in hematology
- to develop and make available software for more forms of analysis for both existing and potential customers in hematology
- to develop systems more suitable for smaller sized laboratories so as to widen the potential market
- to explore and commercialize more areas of analysis, such as cytology and pathology

History
CellaVision was founded in 1994 with the intention of developing automated microscopy analysis. The idea originates from Christer Fåhraeus, at the time a doctoral student of neurophysiology at Lunds University. Fåhraeus was the CEO of the company up until 1998, when the present CEO Yvonne Mårtensson took over the post. The first system of blood cell analysis, the DiffMaster®, predecessor to CellaVision® DM8, was launched in Europe the year of 2000.

The product was cleared by the FDA in 2001 and a subsidiary was subsequently established in the USA. During the following years distribution agreements were negotiated covering Europe and the USA, the second generation of products were developed and launched, and the client base expanded.

CellaVision presented positive results for the first time in 2007. That same year the company was listed on First North, and a subsidiary was established in Canada. The following year the Japanese subsidiary was set up, the range of products was expanded, and the number of analyzers sold amounted to over 500.

Customers
CellaVision's customers are hospital laboratories and commercial laboratories mainly in Europe and North America. The laboratories perform routine analyses in hematology, that is to say differential counts and assessment of cells in blood and other body fluids.

Business concept
CellaVision's business concept involves sales of instruments comprised of hardware platforms and included software for analysis and communication. In addition to this there is software for remote access, education and quality assurance, additional software upgrades, as well as various complementary products and consumables.

Products
CellaVision's products automate the work that is traditionally done by laboratory personnel using microscopes. Using technology for digital image analysis cells in blood and other body fluids can be classified automatically, which allows for both time reductions and more standardized analyses. Regardless of physical location laboratory personnel and doctors can assess results online, which increases sharing of expertise between units and makes them more productive and cost-effective.

- Analyzers: CellaVision® DM96 and CellaVision® DM8
- Optional application for body fluids analysis: CellaVision® Body Fluid Application
- Software for networking and remote work: CellaVision® Remote Review Software
- Software for proficiency testing and education: CellaVision® Competency Software

Distribution
All sales of the company's products are under the CellaVision trademark. The company distributes its products exclusively mainly through Sysmex, a global partner within laboratory equipment, in several European countries, the US, and parts of Asia. In the Nordic region CellaVision sells direct, and via subsidiaries in the USA, Canada, and Japan.

Competitive advantages
CellaVision has established itself as a leading player within system solutions for microscopic analysis in hematology. The products' advantages as compared to manual blood analysis, such as time efficiency and quality assurance, combined with the company's technical competence and experienced management is expected to continue to fortify CellaVision's position on the market.

Driving force: hospitals demand efficiency

Head, Division of Hematological Pathology, St. Michael's Hospital also a customer to CellaVision.

Every day, medical technologists and technicians perform thousands of different types of laboratory tests on patient samples such as – cells, tissues, blood, urine, spinal fluid, DNA, etc. These tests influence the majority of health care decisions. Tests performed in our laboratory are essential to the early detection and effective management of disease, which ultimately leads to Canadians living healthier and longer lives.

The market for microscopy

Laboratory analysis gives valuable information in diagnosing and following up on various conditions. One type of laboratory analysis is done using the microscope, referred to as microscopy.

The market for microscopy is global and has major potential for automation. Most microscopy analyses are carried out within the field of laboratory medicine, which involves subfields such as pathology, cytology, hematology, immunology, and microbiology. Within these subfields, manual microscopy is used to different extents as aids in making diagnoses.

CellaVision works within the field of hematology – microscopy of blood. The ratio between different types of white blood cells and their appearance are important criteria in diagnosis of a number of conditions such as infections and blood cancer. To count and classify them is therefore a very common routine analysis in hematology laboratories. This field is suitable for automation due to its large volumes of data and a relatively simple structure of testing.

The market for hematology

The total value of the market for hematological instruments annually expands by 2.8 percent and is estimated to amount to USD 1.6 billion in the year of 2010.[1] In the west 1.3 billion blood cell analyses are performed annually in cell counters (Complete Blood Counts, CBC), the first step in the analytic chain. The market for cell counters is indicating high maturity with major purchases and competitive pricing. In a purchase, agreements include instruments and reagents, in addition to necessary service. The two major players are Beckman Coulter (USA) and Sysmex (Japan). CellaVision has chosen to establish its products on the market through a close partnership with Sysmex.

CellaVision's products are used after the cell counters have analyzed the sample. The samples that show any kind of abnormality are sent on for further assessment, so-called differential counting. Without the automated process that CellaVision offers the sample must be analyzed using a manual microscope.

Abnormal samples comprise roughly 5–40 percent of completed CBCs. The average is around 15 percent, which is equivalent to almost 200 million samples. This amount depends on the hospital's type of patients and the cell counters used in the laboratory. The company estimates the cost of manual microscopy work to around USD 1 billion.

Due to more efficient cell counters, a 5 percent decrease in the amount of samples is expected by 2010. However, this is compensated by an average annual increase in CBCs of 1.1 percent. The more complicated abnormal samples will continue to require expert analysis. Much of this step can be automated using image analysis. CellaVision largely dominates this market today.

Market potential for the CellaVision products

The company estimates the world market for its current products to around 15000 laboratories, consisting of commercial laboratories and laboratories at hospitals with more than 200 beds. Roughly another 55 000 laboratories perform manual differential counts but in such minor quantities that purchasing CellaVision's products would be unjustifiable.[2]

The company estimates the total value of this potential market to at least SEK 5 billion. A future, more mature market is expected to allow for purchases of instruments in cycles of every third to fifth year.

CellaVision sees great opportunities of furthering its market penetration in countries where distribution has already been established. CellaVision's products are believed to increase the possibility of its distributors securing a purchase as a complete analytic chain is offered.

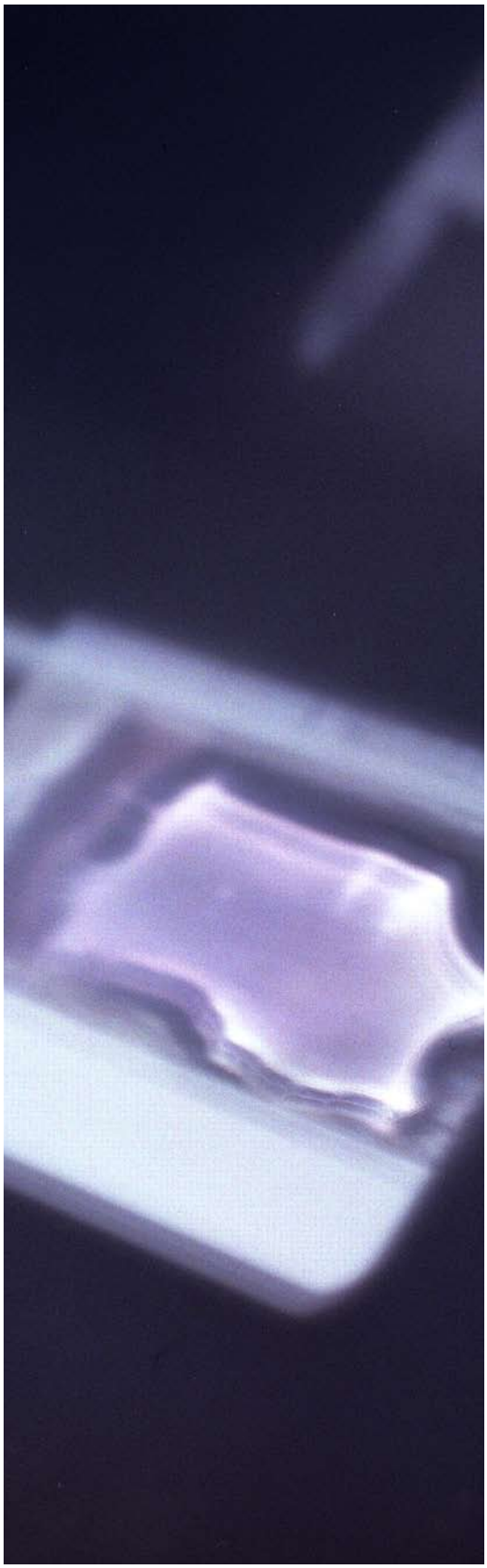
Trends

The laboratory market is characterized by increasingly competitive pricing as users and suppliers demand more efficiency and time-reduction. The market is continuously driven towards consolidations in the form of partnerships and fusions of hospitals, laboratories, and health centers.

In the USA and Europe fusions occur between both smaller, independent laboratories as well as larger ones. The need for technology that increases efficiency and lowers costs is considerable. Time

[1]Kalorama Information. Cell-Based Diagnostics. Technologies, Applications, and Markets. January (2005)

[2]Interviews, Survey of medical institutions (2004, MHLW). European Hospital Register, Walnut Technology Ltd (2001). AHA Hospital Blue Book. Atlanta, GA: Billian's HealthDATA Group, (2006).
Swedish Trade Council, Canada, Report. (2007).



demanding steps in the analytical process are rationalized through the use of robotics and automated technology. Laboratories avoid handling samples manually both during analysis and in the stages of moving between different analyses. Interest for digital imaging and scanning of slides is increasing rapidly. The market for digital microscopy is expected to become a substantial part of cell diagnostics during 2009-2010.1 The work behind scanning large areas or large quantities of cells is simplified and cells of particular interest can be studied further.

Driving forces

The market for automated microscopy is driven by the need of cutting costs and increase efficiency. Automating processes gives the Medical Technologist more time and increases the likelihood of objectivity, safety, and standardization in the analytical work.

Moreover, it is a fact that the number of Medical Technologists (MTs) is falling. In the long run, it is expected that laboratories will find it more difficult maintaining their level of competence. On average, expert MTs are getting older and are not being replaced by younger personnel at the same rate as they are retiring. Making sure that the volume of samples can still be managed using digital image analysis is becoming a practical and convenient solution. Digital image analysis also opens up to recruitment of new, younger employees. By removing parts of the monotonous, manual work, the position becomes more attractive.

The average age of Medical Technologists in Sweden and the US is around 50 years. Both Swedish and American laboratories report difficulties in recruiting qualified personnel, and more reports indicate that the lack of MTs will increase in the future due to the imbalance between recruitment and retirement. In the coming 10 years a lack of 5000 and 700 MTs is expected annually in the US and Canada, respectively. In Sweden the demand for MTs in 2020 is expected to remain at 12000, while a mere 8000 will be available.[3]

Interest for digital imaging and scanning of slides is increasing rapidly. The market for digital microscopy is expected to become a substantial part of cell diagnostics during 2009-2010.[1] The work behind scanning large areas or large quantities of cells is simplified and cells of particular interest can be studied further.

[3]Högskoleverket, Rapport 2006:6 R
American Society for Clinical Pathology's (ASCP) Wage & Vacancy Survey (2009).
Washington G-2 Reports; Laboratory Industry Report, MedTech Shortage Stifles Lab Growth (2007)
Canadian Society for Medical Laboratory Science (CSMLS), Lab tech shortage leaves public health vulnerable, (2006)
Canadian Journal of Medical Laboratory Science - 64: (2002), Medical Laboratory Technologists National Human Resources Review – (2002) Update, Kurt H. Davis

CELLAVISION INCREASES THE EFFICIENCY OF MEDICAL MICROSCOPIC ANALYSIS:

Sampling, analysis, diagnosis, and treatment

Dr. Warry van Gelder Albert Schweitzer Ziekenhuis, Medical Director, Klinisch Chemisch Laboratorium, Dordrecht, Holland:
Our laboratory serves a population of over 700.000 and not a day passes without discovering a thus far unknown haematological malignancy in our patient population. The DM96 has contributed to improving healthcare both through its systematic presentation of different cell categories, as well as a nearly 100% sensitivity in recognising blasts, even at low concentrations. As a result haematological malignancies are discovered at an earlier stage, enabling rapid treatment and improving patient healthcare.

1. A blood sample is taken from the patient which is collected in a bar-coded test tube (vaccutainer).
2. The sample is analysed in a cell counter, which looks at the three or five common classes of white blood cells and makes a judgement concerning red blood cells and parameters such as haemoglobin and haematocrit.
3. Samples that show any form of deviation are analysed further. An instrument prepares the blood on a slide with different stains so as to make the blood cells appear for analysis
4. The slides are loaded into a magazine which is then inserted into the CellaVision analyzer. The analyzer identifies the optimal area for analysis, collects and preclassifies the white blood cells into 17 classes, and assesses the red blood cells. Work that is traditionally done using microscopes is in this way automated.
5. Images and results are collected in a database. The Medical Technologist can now do the final assessment on his computer screen. After signing off the results, they are automatically sent to the laboratory data system (LIS), where it is archived together with the patient record.
6. The doctor in charge interprets the patient's collected test results and makes a diagnosis.
7. Treatment is initiated.

THE USE OF DIGITAL IMAGES and image analysis in health care has increased heavily during the last decade. Most laboratories have at least one setup consisting of a microscope with a camera connected to it for taking images of samples for use in education and consultation. There are many projects around the world, for example at universities and colleges, which aim to digitalize samples in order to classify and possibly diagnose cells and tissue samples. Most of these are unlikely to become commercialized. It is very challenging to develop a trustworthy image analysis system which is quick, takes high-quality images, correctly classifies cells, and has functions for integrating IT-solutions.

TEXAS CHILDREN'S HOSPITAL, HOUSTON, TX

"CellaVision® DM96 enabled us to break the cycle"

As a result of the strategic decision to invest in the North American market CellaVision established its own sales organizations within the American and Canadian subsidiaries. Since early 2008, CellaVision's products have been sold in the US by the company's own subsidiary, based in Florida, in parallel with Sysmex America. Adding the direct sales organization gives CellaVision an opportunity to increase the coverage of the important American market. As a result of the investments in CellaVision's own sales organization in the USA the subsidiary received two strategically important orders.

STARTING OUT AS AN EFFICIENCY issue forcing Lilian to save the staff she had, the CellaVision DM96 did not only solve the laboratory's issue but also helped improving training and getting consistency in results. With the CellaVision DM96 Lilian has been able to design an effective training process that will improve the quality of results. As a complement to the analyzer CellaVision Competency Software, a combined proficiency testing and educational tool designed to train, test and document proficiency, has been introduced at the lab. Lilian's long term goal is to standardize the manual differentials at the laboratory. In six months she is convinced that she will see the result of expertise at a higher level among all MTs.

Additionally, Lilian says that the particular labor benefit is that highly-skilled MTs are able to spend more time on difficult cases that require careful analysis and assessment. It is important to remember that these results are provided primarily to the operating rooms, emergency department and intensive care units where fast and accurate results are needed for acute care

Lilian Wolfe, Hematology Manager, Texas Children's Hospital

The Board and the CEO of CellaVision AB (publ), corporate ID 556500-0998, submit this report for the financial year 2008.

Proven technology and an established customer base

ANNUAL REPORT. CellaVision AB develops, markets, and sells market leading image analysis based systems for routine analysis of blood and body fluids. The company has a core competence in development of software and hardware for automatic image analysis of cells and cell changes for applications in health and medical care. The company offers cutting-edge expertise in advanced imaging analysis, artificial intelligence, and automated microscopy in hematology.

Business concept

CellaVision's business concept is to develop and market system solutions in medical microscopy. CellaVision's products contribute to increased efficiency and simplify routines at health care orientated laboratories. For the user, this implies substantial improvements in daily work.

Customers

So-far CellaVision has sold more than 500 analyzers to around the same number of customers. They include hospital and commercial laboratories, principally in Europe and the US. The laboratories perform routine analyses in hematology. Occasionally more than one analyzer is purchased by the same customer, most often commercial laboratory chains and large hospital laboratories.

Products

CellaVision aims at developing products with focus on quality, functionality, and user friendliness. Development is driven by customers' needs and wishes.

CellaVision's focus is on the following products: the analyzers CellaVision® DM96 and CellaVision® DM8, as well as the software for remote work, CellaVision® Remote Review Software. Software for education and proficiency testing of laboratory personnel's expertise in cell morphology is also available – CellaVision® Competency Software.

CellaVision's products automate the work that is traditionally done by laboratory personnel using microscopes. Using technology for digital image analysis cells in blood and other body fluids can be classified automatically, which allows for both time reductions and more standardized analyses. Regardless of physical location laboratory personnel and doctors can assess results online, which increases sharing of expertise between units and makes them more productive and cost-effective.

CellaVision DM96 and CellaVision DM8

CellaVision DM96 is intended for larger laboratories where more than 50 samples are handled per day. Not only does the instrument analyze blood, but also other body fluids such as cerebrospinal, synovial, and pleural fluid. A function for digitizing the entire sample is available. CellaVision DM8 is aimed at laboratories with less demand on automated technology. Normally these laboratories handle less than 50 samples per day.

CellaVision Remote Review Software

CellaVision® Remote Review Software is additional software for remote access which makes possible transfer of digital images and results within and between laboratories. Using the software, external units can access test results and cell images. Specialists outside the laboratory can connect and view exactly the same samples. The software allows for competence assurance, qualified assessment, and faster diagnoses of complicated patient cases.

CellaVision Competency Software

The program CellaVision® Competency Software is software for education and quality assurance. The program contains digital test cases for the staff to test and confirm their expertise. It provides reports which document the quality assurance process and make comparison of test results possible.

Other products

CellaVision markets other products that include barcode printers and HemaPrep®, a product for preparation of blood smears on slides. In addition to this CellaVision offers its customers and distributors reserves, technical service and support, as well as software upgrades. Consumables offered include immersion oil (for the instrument's optical system), barcode labels and slide magazines.

Competitive advantages

CellaVision has established itself as a leading player within system solutions for microscopic analysis in hematology. For more than 10 years CellaVision has developed user-friendly systems that can easily be adapted to and integrated with other systems in hospital environments. The products' advantages as compared to manual blood analysis, such as time efficiency and quality assurance, combined with the company's technical competence and experienced management is expected to continue to fortify CellaVision's position on the market.

CellaVision Products

Analyzers:
CellaVision® DM96 and CellaVision® DM8

Optional application for body fluids analysis:
CellaVision® Body Fluid Application

Software for remote access and networking:
CellaVision® Remote Review Software

Software for proficiency testing and education:
CellaVision® Competency Software

Geographic presence

Nordic Region

Several hospitals in the Nordic region replaced their first CellaVision analyzers with the next generation of products also in 2008, indicating that current customers appreciate the level of automation that CellaVision's products offer. This includes the hospitals in Roskilde (Denmark), Kristianstad (Sweden) and Stavanger (Norway). Several hospitals have become new users of the DM analyzers, amongst others the University Hospital in Reykjavik, Halmstad Hospital, and Varberg Hospital. Also, during the second half-year CellaVision was chosen to supply the region of Västra Götaland with automated image analyzers. The company now has medium and large sized hospital customers in all five Nordic countries. 75% of Sweden and Denmark's university hospitals are amongst the customers.

Europe, the Middle East, and Africa (EMEA)

In 2008 CellaVision extended its exclusive distribution agreement with Sysmex Europe. The partnership has developed successfully during the past years and has resulted in a steady market penetration and continuous sales growth. The agreement gives Sysmex Europe the right to continue selling CellaVision's products in EMEA for another two years. Sysmex Europe is the leading distributor of hematological instruments in Europe with over 50 percent of the market. Countries that have shown the greatest interest in digital morphology include Germany, Belgium, the Netherlands, and France.

During the second quarter of 2008 the application for body fluids became commercially available in Europe, and CellaVision received its first orders from the Charité University Hospital in Berlin and from hospitals in Mont-Godinne, Belgium and Wiener Neustadt, Austria, amongst others.

North America

As a result of the strategic decision to invest in the North American market CellaVision established its own sales organizations within the American and Canadian subsidiaries. Since early 2008, CellaVision's products have been sold in the US by the company's own subsidiary, based in Florida, in parallel with Sysmex America. Adding the direct sales organization gives CellaVision an opportunity to increase the coverage of the important American market.

During the year a considerable part of sales in the USA were orders received by Sysmex America, amongst others from a leading reference laboratory chain which now have 14 of its laboratories equipped with CellaVision DM96 analyzers. As a

For more than ten years CellaVision has developed user-friendly systems that can easily be adapted to and integrated with other systems in hospital environments. Customers are now replacing their first CellaVision analyzers with the next generation of products, which indicates that current customers appreciate the degree of automation that the products offer.

result of the investments in CellaVision's own sales organization in the USA the subsidiary received two strategically important orders. The orders comprise installation of CellaVision's DM96 analyzers as well as licenses for software at one of the USA's largest public hospitals and a regional laboratory chain. At the end of the year the company gained clearance from the Food and Drug Administration (FDA) to market and sell the body fluids application in the USA, which directly resulted in orders.

During the year the subsidiary in Canada increased personnel resources and received an important order of several CellaVision® DM96 analyzers and software licenses for CellaVision® Remote Review Software from one of Canada's leading reference laboratories. The application for body fluids was cleared for sales during the third quarter, and the first orders were received from hospital laboratories in the Ontario, British Colombia, and Nova Scotia provinces.

Japan

At the beginning of the year CellaVision established the subsidiary CellaVision K.K. with primary focus on the approximately 1000 larger hospital and commercial laboratories that would benefit most from automating their processes. CellaVision's product concept was evaluated at a Japanese laboratory, and by the end of the year all the necessary licenses have had been obtained to make the company fully operational. CellaVision chose to establish a subsidiary in Japan in order to own the product registrations required to sell on the Japanese market.

China

Following the clearance of CellaVision's products for sale in China in the middle of the year, the distributor Vastec Medical received its first order from Xi Jing Hospital in Xi'an, part of the Fourth Military Medical University.

Distribution

In most countries sales of CellaVision's products are coordinated through distributors. During the year CellaVision has marketed and sold direct on the Canadian and Japanese markets. In the USA and the Nordic region direct sales are done in parallel with distributors.

The distributor Sysmex offers customers a complete line of laboratory instruments, that is to say instruments that are required for every step of the analytical process, from preparation of samples to cell counters and final assessment in CellaVision's analyzers. Sysmex generates sales for CellaVision from their own customer base and through larger tender processes.

Product Development

During 2008 CellaVision widened its range of products and continued to develop its software with intentions of improving and adapting products for the growing client base. Both the new version of the blood application and the CellaVision® Body Fluid Application, the new application for body fluids, were completed.

New product: CellaVision Body Fluid Application

The CellaVision® Body Fluid Application runs on the analyzer CellaVision® DM96. Most laboratories already using the analyzer for blood differentials are also analyzing other body fluids, such as cerebrospinal fluid and pleural fluid. The benefits are similar to the company's blood application, namely quicker and more standardized results, digital archiving of test results with cell images, as well as sharing of digital images with experts outside the laboratory.

Software development

CellaVision has expanded the utility of the application for peripheral blood in the software version 2.0 as it is now possible to create digital images of entire samples, or a desired sample area, so-called Digital Slides. The function gives an overview of the sample and allows for discussions between doctors, regardless of physical location. The function is primarily an additional service for new and existing customers in the field of hematology, but is also expected to give the company more information on market needs for other imaging segments, such as pathology and cytology.

As a response to customer requests for more efficient network functions in the software, the company released software with increased support for network communication and functions for incorporated cell counter data.

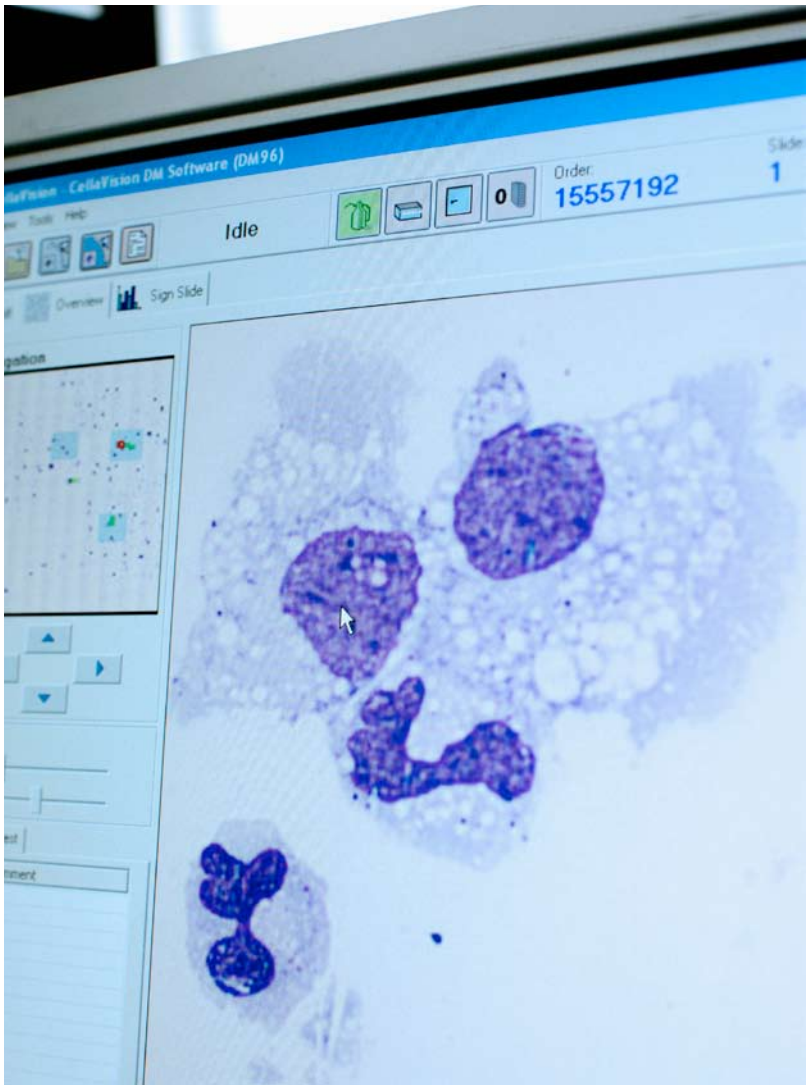
Patents

During the year CellaVision obtained two new American patents: One invention is a positioning method using overlapping images to very precisely position a test slide during analysis and the other describes a quick and accurate method of differentiating white blood cell plasma from the rest of a test image. At the end of the year a total of 18 patented inventions had generated 27 patents.

Japanese laboratories look to automate their work flow and increase productivity, while high demands are put on service and availability. CellaVision DM96 can achieve hands on time reductions by up to 50%.*

The Japanese subsidiary is located in the Yokohama Landmark Tower.

*Source: H Ceelie, B Dinkelaar, W Ivan Gelder. Examination of peripheral blood films using automated microscopy; evaluation of Diffmaster Octavia and CellaVision DM96. Journal of Clinical Pathology 2007;60:72-79



The new application for body fluids, CellaVision Body Fluid Application, was made commercially available in Europe during the first quarter, and thereafter in Canada during the third quarter. At the end of the year the Food and Drug Administration (FDA) cleared the company for marketing and sales of the application in the USA.

Product approvals
The new application for body fluids, CellaVision® Body Fluid Application, was made commercially available in Europe during the first quarter, and thereafter in Canada during the third quarter. At the end of the year the Food and Drug Administration (FDA) cleared the company for marketing and sales of the application in the USA.

Production
In 2008 CellaVision DM96 was produced by Kitron AB in Karlskoga. CellaVision DM8 was produced internally.

Environment
The company does not conduct activities that are subject to licensing or reporting under Chapter 9, Section 6 of the Environmental Code (1998:808).

FINANCIAL DEVELOPMENT

Net sales for the Group amounted to SEK 100.4 million (74.6) during the year, an increase of 35% compared to the same period the previous year.

Sales on international markets are mainly conducted in USD and EUR, which entails that the company's sales and results are affected by fluctuations in these currencies. To compensate for possible fluctuations in 2009 the company has hedged 50-70% of its anticipated currency flow.

Gross profit was 63% (61) during the year.

The Group's operating result for the year increased to SEK 13.4 million (3.1). Total operating expenses amounted to SEK 50.1 million (42.1).

The net profit of the Group amounted to SEK 25.1 million (2.6). The Group has unused carry forward taxable losses of SEK 255.7 million. The tax effect amounts to SEK 67.2 million of which SEK 12 million are included in the balance sheet as a financial asset and in the P&L as a forward tax income.

Research and development costs were SEK 20,7 million (17,5) whereof SEK 8,8 million (6,4) have been activated. The remaining SEK 11,9 million (11,1) have been charged to the P&L (see note 8).

Liquidity and financing
The Group's cash and cash equivalents at the end of the year amounted to SEK 19.6 million (16.3). The cash flow from operating activities for the year was SEK 1.3 million (6.7).

Parent company
The parent company's net sales during the year amounted to SEK 100.8 million (74.8). Before taxation the net result amounted to SEK 15.8 million (4.4) during the year.

During the year, parent company gross investments amounted to SEK 11.7 million (7.7) and the net cash flow was SEK 1.3 million (-0.7).

For further information refer to the Group figures.

RISKS AND RISK MANAGEMENT

CellaVision's operations are exposed to several risks, both operational and financial.

The operational risk can be broken down into:
- Suppliers
- Dependence on key personnel
- Cost savings in health care
- Product development
- Competition
- Product liability
- Patents and rights
- Legislation and regulatory framework

The financial risks can be broken down into:
- Currency and credit risks
- Liquidity risk

For more detailed information please refer to note 2.

Important events after the close of the financial year

On 16 February CellaVision was listed on the NASDAQ OMX new market segment First North Premier. First North Premier has stricter disclosure and accounting policies than the regular First North rules. The higher transparency requirement increases investors' opportunities to evaluate and compare Nordic growth companies. As of 2005 the Group reports under the International Financial Reporting Standards, IFRS, in accordance with the requirements adopted by the European Commission.

Outlook for 2009

CellaVision is planning further market expansion and continued product development in 2009. The global financial and liquidity crisis that accelerated in autumn 2008 has not yet had a negative effect on the company. CellaVision's products, that save time and consequently money, target markets with high growth potential and stand up well in competition for laboratory investments.

The CellaVision Share

The registered share capital in the parent company was distributed, as at 31 December 2008, among 23,851,547 shares with a quotient value of SEK 0.15 (0.15) each. The number of shares in issue is unchanged compared with the previous year. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented by her or him without limit to the voting right. All shares confer an equal right to share in the company's assets and profits. No shares are held by the company itself.

Competition

CellaVision's greatest competitor is still manual microscopy.

There is limited commercial competition in the market in the form of HEG, marketed by Sysmex in Japan, a German product developed by the Fraunhofer Institute, and an American product developed by Media Corp. that will probably be introduced in 2009. CellaVision's assessment is that it still has a considerable lead, both in product and in market penetration, which has been built up since sales started in 2001. CellaVision's over 500 installed analysis instruments currently have thousands of users.

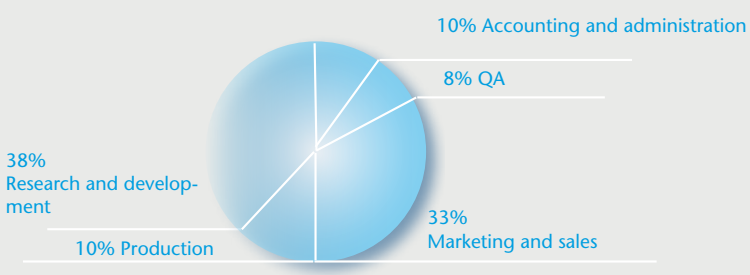
Employees

CellaVision develops and sells world-leading systems in medical technology – every employee's input makes a great difference. CellaVision imposes high requirements in terms of commitment, quality and responsibility, but in return offers a corporate climate coloured by team spirit, innovative thinking and participation. The company aims to uphold an atmosphere in which employee's initiative is encouraged, where employees feel that they can contribute to driving the company towards communicated goals and where open dialogue is possible throughout the company.

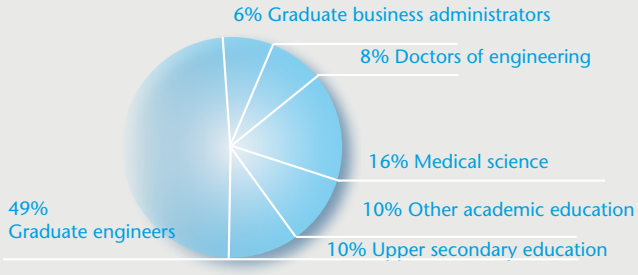
Recruiting, developing and retaining employees are important tasks for leaders and area managers. To sustain commitment and participation among its employees, CellaVision offers continuing education, joint training programmes in several areas, preventive health care and social activities.

At the end of the year the Group had 47 (40) employees of whom 18 (14) were women. Staff turnover during the year was 13% and sickness absence 1.8%. The average age at the head office in Sweden is 39 years.

Distribution of areas of responsibility



Educational distribution



CORPORATE GOVERNANCE

Governance of the CellaVision Group is via the Annual General Meeting, the Board of Directors and CEO and the Executive Group Management in accordance with the Swedish Companies Act, Articles of Association, the Board's rules of procedure and the decisions made by the above forums and authorities. One or more representatives of the Executive Group Management are in turn chair and members of the subsidiaries' boards.

Annual General Meeting and extraordinary general meetings

The highest decision-making body is the general meeting of shareholders, which is the forum through which shareholders exercise their influence over the company. The Annual General Meeting elects the Board of Directors and chair of CellaVision AB (publ).

A Nomination Committee representing the largest shareholders and including the chair of the company, proposes to the Annual General Meeting of shareholders the names of Board representatives. The Annual General Meeting also adopts the income statements and balance sheets, discharges the Board of Directors from liability and, in the years when necessary, elects an auditor for four years. Decisions on dividends are made by the Annual General Meeting on the basis of a proposal by the Board.

Board of Directors

The Board of Directors consists of five members elected for one year by the Annual General Meeting. Under the Articles of Association the Board of Directors must consist of a minimum of three and a maximum of nine members with a maximum of two alternates. The Board holds an inaugural meeting directly after the Annual General Meeting. A list is given below of the members with their respective shareholdings, attendance and independence/dependence in relation to owners and the company.

Chairman of the Board

Besides leading the Board meetings, the Chairman of the Board is responsible for ongoing contacts with the CEO and for following the development of the Group and consulting with the CEO on strategic matters. The Chairman of the Board, in consultation with the CEO, must be in charge of notices to attend and agendas for meetings of the Board and ensure that treatment of items does not contravene the rules. Once a year the Chairman will evaluate the work of the Board with each of its members.

Committees

The company does not have specific committees for audit and remuneration matters. The Board as a whole deals with these matters.

Board meetings

During the year a total of eleven meetings were held, one of which was a telephone meeting, dealing only with interim reports and year-end report. The Board dealt with strategic issues and adopting the budget etc at the other meetings. The company's CEO and CFO participate regularly in the Board meetings. Other executives participate in the Board meetings as necessary. The company's auditor participates in at least one of the ordinary meetings during the year.

Audit

Deloitte AB was elected in 2008 as auditor of the parent company for the period up to and including the Annual General Meeting in 2012. Besides the annual audit, the auditor examines at least one quarterly report per year.

CEO and Group Management

The CEO is appointed by the Board and leads the company in accordance with the guidelines and instructions determined by the Board. The CEO has appointed a company or group management team. During the year this consisted of 6 members (See page 51).

Internal control

The company's internal control follows the procedures and principles established in the company by means of various systems, controls and current reporting. The Board is responsible for ensuring compliance. Each individual unit of the company is followed up and reported in accordance with a set frequency and scope. Test routines and rules of procedure regulate who makes decisions and how they are made, as regards length of contract, cost or risk to the company and Group.

Signing for the parent company and subsidiaries and cash management is entrusted to several individuals jointly in order to ensure sound control. CellaVision does not have any internal audit function as the scope and risk exposure of the company do not warrant such a function.

Other facts concerning the respective members as regards age and other commitments are given on page 52.

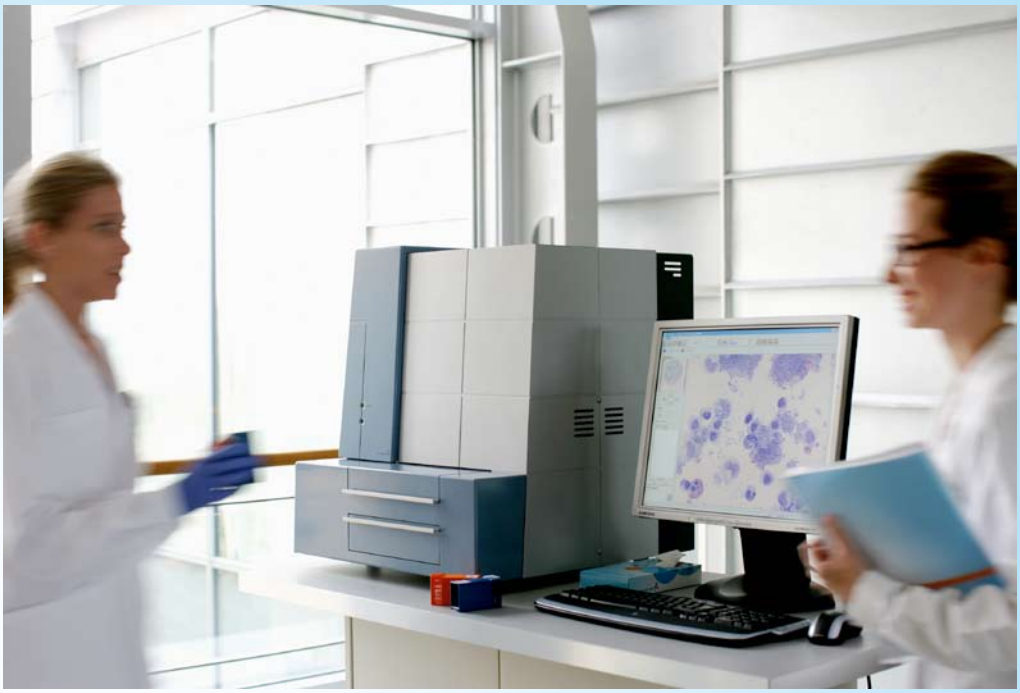
Name	Number of shares	Attendance % Board meetings out of 11	Dependent/ independent
Lars Gatenbeck	-	100	Dependent
Christer Fåhraeaus	2 400 000	100	Dependent
Sven-Åke Henningsson	70 000	91	Independent
Niels Freiesleben	-	73	Independent
Torbjörn Kronander	200 000	100	Independent

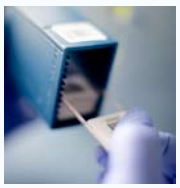
Proposed appropriation of profits

PARENT COMPANY	(SEK)
The following profits are at the disposal of the Annual General Meeting:	
Profit brought forward	4 433 980
Net profit/loss for the year	27 814 623

The Board of Directors and CEO propose that the profits at the disposal of the Meeting of SEK 32,248,603 be carried forward.

Imagine a lab full of experts





CellaVision® DM96 digital cell morphology system improves the consistency of your lab's manual differential results while allowing you to save labor you don't have.

It automatically locates and pre-classifies blood cells in peripheral blood and body fluids — and it allows slides to be reviewed from any location on your network.

SEE IT IN ACTION AT

www.cellavision.com/video

CELLAVISION

CELLAVISION AB (PUBL)

Financial reports 2008

INCOME STATEMENTS Group

SEK THOUSANDS	Note	2008	2007
	1		
OPERATING INCOME			
Net sales	3	100 444	74 565
Cost of goods sold	12	-36 941	-29 312
Gross profit		**63 503**	**45 253**
Selling expenses		-21 748	-15 135
Administrative expenses		-16 461	-16 066
Research and development expenditure		-20 669	-17 532
Other operating income		0	384
Other operating expenses		-12	-157
Capitalised development expenditure		8 771	6 395
Operating profit/loss	5,6,7,8,9,12	**13 384**	**3 142**
PROFIT/LOSS FROM FINANCIAL ITEMS			
Interest income		363	260
Interest expense		-693	-777
Profit/loss before tax		**13 054**	**2 625**
Tax on profit for the year	13	12 000	-
Net profit/loss for the year		**25 054**	**2 625**
Of which attributable to the parent company's shareholders		25 054	2 625
Earnings per share (SEK)		1,05	0,11
Earnings per share after dilution (SEK)		1,05	0,11
Number of shares in issue (thousands)		23 852	23 852
Average number of shares in issue (thousands)		23 852	23 852

BALANCE SHEETS Group

SEK THOUSANDS	Note	2008	2007
ASSETS	1		
Non-current assets			
Capitalised expenditure for development	8	14 910	7 354
Equipment	9	2 824	1 257
Deferred tax assets	13	12 000	-
Other non-current receivables	10	95	24
Total non-current assets		**29 829**	**8 635**
Current assets			
Inventories			
Finished goods and goods for resale		8 351	3 952
Total inventories		8 351	3 952
Current receivables			
Trade receivables	21	32 620	11 565
Other receivables		5 011	2 277
Accrued income and prepaid expenses	15	1 024	1 344
Total current receivables		38 655	15 186
Cash and cash equivalents 1		19 638	16 347
Total current assets		**66 644**	**35 485**
TOTAL ASSETS		**96 473**	**44 120**
EQUITY AND LIABILITIES	1		
Shareholders' equity	22		
Share capital 2		3 577	3 577
Other contributed capital		10 779	13 971
Other reserves		1 039	180
Accumulated profit/loss including profit/loss for the year		30 590	2 344
Total equity attributable to the parent company's shareholders		**45 985**	**20 072**
Current liabilities			
Current liabilities, non-interest-bearing		1 990	1 981
Liabilities to credit institutions, interest-bearing	17	20 801	7 453
Trade payables		17 224	6 084
Provisions	16	1 896	2 800
Accrued expenses and deferred income	18	8 577	5 730
Total current liabilities		**50 488**	**24 048**
TOTAL EQUITY AND LIABLITIES		**96 473**	**44 120**
Pledged assets	19	24 457	9 133
Contingent liabilities	19	none	none

1 Cash and cash equivalents comprise cash and bank balances.

2 The registered share capital in the parent company was distributed, as at 31 December 2008, among 23,851,547 shares with a quotient value of SEK 0.15 (0.15) each. The number of shares in issue is unchanged compared with the same period in the previous year. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented by her or him without limit to the voting right. All shares confer an equal right to share in the company's assets and profits. No shares are held by the company itself.

CASH FLOW STATEMENTS-GROUP

SEK THOUSANDS	Note	2008	2007
Operating activities	1		
Profit/loss before tax		13 054	2 625
Adjustments for non-cash items	4	5 255	1 777
Cash flow from operating activities before changes in working capital		**18 309**	**4 402**
Change in inventories		-4 399	3 471
Change in operating receivables		-23 789	-151
Change in operating liabilities		11 149	-1 056
Cash flow from changes in working capital		**-17 039**	**2 264**
Cash flow from operating activities		**1 270**	**6 666**
Investing activities			
Capitalisation of development expenditure		-8 771	-6 394
Purchases of property, plant and equipment		-2 488	-1 296
Acquisition of non-current financial assets		-67	-24
Sale ofproperty, plant and equipment		-	348
Cash flow from investing activities		**-11 326**	**-7 366**
Financing activities			
Loans raised/repaid		13 347	295
Cash flow from financing activities		**13 347**	**295**
CASH FLOW FOR THE YEAR		**3 291**	**-405**
Cash and cash equivalents (opening balance)		16 347	16 752
Cash and cash equivalents (closing balance)		19 638	16 347
Supplementary disclosures, cash flow statement			
Interest received during the year		81	27
Interest paid during the year		-693	-777

CHANGE IN EQUITY Group

SEK thousands, Note 1	Share capital	Other contributed capital	Reserves	Profit/loss brought forward	Total s' equity
Opening amount, 2007	3 577	23 331	466	-9 641	17 733
Appropriation of profit/loss	-	-9 360	-	9 360	0
Translation difference	-	-	-286	-	-286
Net profit/loss for the year	-	-	-	2 625	2 625
Closing amount, 2007	**3 577**	**13 971**	**180**	**2 344**	**20 072**
Opening amount, 2008	3 577	13 971	180	2 344	20 072
Reposting	-	-3 192	-	3 192	0
Translation difference	-	-	859	-	859
Net profit/loss for the year	-	-	-	25 054	25 054
Closing amount, 2008	**3 577**	**10 779**	**1 039**	**30 590**	**45 985**

INCOME STATEMENTS Parent Company

SEK THOUSANDS	Note	2008	2007
	1		
OPERATING INCOME			
Net sales	3, 11	100 793	74 766
Cost of goods sold	12	-45 812	-33 150
Gross profit		**54 981**	**41 616**
Selling expenses		-10 461	-9 690
Administrative expenses		-16 461	-16 066
Research and development expenditure		-20 669	-17 532
Other operating income		0	384
Other operating expenses		-12	-157
Capitalised development expenditure		8 771	6 395
Operating profit/loss	5,6,7,8,9,12	**16 149**	**4 950**
PROFIT/LOSS FROM FINANCIAL ITEMS			
Interest income		358	256
Interest expense		-692	-772
Profit/loss before tax		**15 815**	**4 434**
Tax on profit for the year	13	12 000	-
Net profit/loss for the year		**27 815**	**4 434**

BALANCE SHEETS Parent Company

SEK THOUSANDS	Note	2008	2007
ASSETS	1		
Non-current assets			
Capitalised expenditure for development	8	14 910	7 354
Equipment	9	2 695	1 226
Shares in subsidiaries	14	704	106
Deferred tax assets	13	12 000	-
Total non-current assets		**30 309**	**8 686**
Current assets			
Inventories			
Finished goods and goods for resale		5 736	3 568
Total inventories		**5 736**	**3 568**
Current receivables			
Trade receivables	21	27 302	9 427
Receivables from group companies		11 958	4 290
Other receivables		4 897	2 279
Accrued income and prepaid expenses	15, 20	888	1 337
Total current receivables		45 045	17 333
Cash and cash equivalents 1		17 113	15 845
Total current assets		**67 894**	**36 746**
TOTAL ASSETS		**98 203**	**45 432**
EQUITY AND LIABILITIES	1		
Shareholders' equity			
Restricted equity			
Share capital 2		3 577	3 577
Statutory reserve		10 779	10 779
Non-restricted equity			
Profit brought forward		4 434	-
Net profit/loss for the year		27 815	4 434
Total shareholders' equity		**46 605**	**18 790**
Current liabilities			
Current liabilities, non-interest-bearing		1 520	1 402
Liabilities to credit institutions, interest-bearing	17	20 801	7 453
Trade payables		17 167	6 507
Liabilities to group companies		1 817	2 842
Provisions	16	1 896	2 800
Accrued expenses and deferred income	18	8 397	5 638
Total current liabilities		**51 598**	**26 642**
TOTAL EQUITY AND LIABLITIES		**98 203**	**45 432**
Pledged assets	19	24 457	9 133
Contingent liabilities	19	none	none

1. Cash and cash equivalents comprise cash and bank balances.
2. The registered share capital in the parent company was distributed, as at 31 December 2008, among 23,851,547 shares with a quotient value of SEK 0.15 (0.15) each. The number of shares in issue is unchanged compared with the same period in the previous year. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented by her or him without limit to the voting right. All shares confer an equal right to share in the company's assets and profits. No shares are held by the company itself.

CASH FLOW STATEMENTS Parent Company

SEK THOUSANDS	Note	2008	2007
Operating activities	1		
Profit/loss before tax		15 815	4 434
Adjustments for non-cash items	4	4 423	1 959
Cash flow from operating activities before changes in working capital		**20 238**	**6 393**
Change in inventories		-2 168	3 855
Change in operating receivables		-28 161	-2 530
Change in operating liabilities		9 753	-1 602
Cash flow from changes in working capital		**-20 576**	**-277**
Cash flow from operating activities		**-338**	**6 116**
Investing activities			
Acquisition of subsidiaries	14	-598	-6
Capitalisation of development expenditure		-8 771	-6 394
Purchases of property, plant and equipment		-2 373	-1 068
Sale of property, plant and equipment		-	348
Cash flow from investing activities		**-11 742**	**-7 120**
Financing activities			
New issues		-	-
Loans raised/repaid		13 348	296
Cash flow from financing activities		**13 348**	**296**
CASH FLOW FOR THE YEAR		**1 268**	**-708**
Cash and cash equivalents (opening balance)		15 845	16 553
Cash and cash equivalents (closing balance)		17 113	15 845
Supplementary disclosures, cash flow statement			
Interest received during the year		81	23
Interest paid during the year		-693	-772

CHANGE IN EQUITY Parent Company

SEK thousands, Note 1	Share capital	Statutory reserve	Profit/loss brought forward	Total shareholder s' equity
Opening amount, 2007	3 577	23 311	-12 532	14 356
Appropriation of profit/loss	-	-12 532	12 532	0
Net profit/loss for the year	-	-	4 434	4 434
Closing amount, 2007	**3 577**	**10 779**	**4 434**	**18 790**
Opening amount, 2008	3 577	10 779	4 434	18 790
Appropriation of profit/loss	-	-	-	-
Net profit/loss for the year	-	-	27 815	27 815
Closing amount, 2008	**3 577**	**10 779**	**32 249**	**46 605**

NOTE 1 General information, accounting policies and valuation principles

ACCOUNTING PRINCIPLES

General

Cellavision AB's consolidated accounts were prepared in accordance with the Annual Accounts Act (ÅRL), International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations from the International Financial Reporting Interpretations Committee (IFRIC) approved by the European Commission for use within the EU. The Swedish Financial Accounting Standards Council rekommendation 30:06 (RR 30) "Supplementary accounting rules for groups" has also been applied. The parent company annual report was prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 32:06 (RR 32) "Accounting for legal entities". The consolidated and annual accounts are stated in SEK thousands and refer to the period 1 January-31 December for income statement-related items and 31 December for balance sheet related items.

The introduction of IFRS 7, Financial Instruments; Disclosures and the related amendment to IAS 1 – Presentation of Financial Statements, Capital Disclosures, entails increased disclosure requirements. IFRS 7 has no impact on classification and valuation of the Group's financial instruments.

Other amendments and interpretations of IFRS have no impact on the Group's financial reporting.

GROUP ACCOUNTING PRINCIPLES

Consolidated accounts

The consolidated accounts include the parent company CellaVision AB and the wholly owned subsidiaries CellaVision Inc., USA, CellaVision Inc., Canada, CellaVision Japan K.K. and CellaVision International AB. The consolidated accounts were prepared in accordance with the acquisition accounting method. This means that consolidated subsidiaries' identifiable assets, liabilities and contingent liabilities are recognised at fair value. If the cost of acquisition exceeds net assets recorded as above, the difference constitutes goodwill.

Internal invoicing and internal financial dealings within the Group are eliminated in the consolidated accounts. The functional currency is determined for each foreign operation. The foreign subsidiaries which have a functional currency different from CellaVision's function currency, which is Swedish kronor, are translated at the closing day rate for all balance sheet items and at the average rate for income statement items. The translation differences thereby arising are an effect partly of the net profit/loss being translated at different rates in the income statement and balance sheet respectively, and partly of the net assets being translated at a different rate at the end of the year than at the beginning of the year. The translation differences in the net profit/loss are charged directly to equity. For other translation differences please refer to the text under the heading "Exchange rate gains and losses."

Revenue recognition

For sales of instruments and/or software the revenue includes both the instrument and/or the software, and the right to future software updates. The entire revenue referring to the system, instrument plus updates, is recognised when the significant risks and rewards associated with the instrument are transferred to the customer.

For services to end consumers the revenue constitutes payment for servicing the instrument. This revenue is accrued over the period of the service agreement. This may refer to one occasion or run for a longer period of time.

For software upgrades (new functions, technology or applications) to end consumers the revenue constitutes payment for software upgrades. This revenue is accrued over the period of the upgrade agreement. This may refer to one occasion or run for a longer period of time.

Expenditure on research and development

Research expenditure is expensed as it is incurred. Expenditure for development of future products is expensed up to and including the prototype stage. Expenditure thereafter and until commercialisation is capitalised, to the extent it is probable that the product will be commercially viable. Expenditure for developing already existing applications and hardware platforms is expensed as it arises. In order to handle this effectively, the company applies a project accounting system in which all research and development expenditure is allocated to projects. Examples of such expenditure are:

- Goods and materials
- Consultant fees for conception and design
- Salaries and payroll overheads

Depreciation on equipment and computer equipment is not capitalised. A depreciation plan, for capitalised development expenditure, based on a useful life of five years is started on market introduction of developed products.

Exchange rate gains and losses

Realised and unrealised exchange rate differences and translation differences attributable to operating costs and transactions are reported among other operating expenses. Translation differences referring to current financial transactions are reported as interest income or interest expense.

Intangible assets

Intangible assets, consisting of capitalised expenditure for development and a database of acquired customers and prospective customers, are reported at cost of acquisition less accumulated amortisation according to plan.

Property, plant and equipment

Property, plant and equipment, consisting of instruments, equipment and computer equipment, is reported at cost of acquisition less accumulated depreciation according to plan.

Depriciation/amortisation according to plan

Depreciation/amortisation according to plan is based on the historical cost and estimated useful life of the assets. Depreciation/amortisation according to plan:

- Development projects 5 years
- Instruments 5 years
- Equipment 5 years
- Customer database 3 years
- Computer equipment 3 years

Leases

The Group has both financial and operating leases. Operating leases refer mainly to offices, computer equipment and vehicles. The finance leases are recorded as non-current assets with the corresponding amount as a liability in the balance sheet.

Receivables and liabilities

Receivables are recorded in the amounts at which they are expected to be received. Liabilities are recorded at nominal amounts. Receivables and liabilities in foreign currency have been translated at the closing day rate, at which time unrealised exchange rate effects are recognised in revenue.

All external invoices are included in invoice factoring. They are accounted for as trade receivables. The loans received by the company in the respective invoicing currency are reported as liabilities translated at the closing day rate. These invoices have been provided as loan collateral and are reported under pledged assets.

Inventories

Inventories are recorded at the lower of cost according to the first-in, first-out method (FIFO) and net realisable value (lower of cost or market). The inventories contain finished products and input components for additional instruments.

Cash flow statement

The cash flow statement is prepared in accordance with the indirect method. Cash and bank balances are counted as cash and cash equivalents.

Pensions

All employees of the Parent Company are covered by the ITP plan administered by Alecta, apart from staff employed before 1 May 1999. These employees are covered by "alternative ITP", where the employees themselves may choose the insurer. These have the same amounts at their disposal as though they had been part of the ITP plan. Employees with an income in excess of 10 price base amounts are offered "tenfold earners" solutions. This means that they can choose the insurer for a part of the ITP contribution. Both these solutions are classified and reported as defined contribution plans.

The ITP plan administered by Alecta is a defined benefit pension plan. However, in accordance with a statement by the Swedish Financial Accounting Standards Council's Emerging Issues Task Force, URA 42, this plan is reported as a defined contribution plan as Alecta cannot produce sufficient information for reporting it as a defined benefit plan.

The Group's American employees are covered by a 410K plan, which is a defined contribution plan.

All pension commitments have been taken over by insurance companies and thus all pension plans are reported as defined contribution plans and pension premiums are recognised as expenses in the period in which the employees render the related services.

Classification of assets and liabilities

Non-current assets and liabilities consist in all essentials only of amounts expected to be recovered or paid more than twelve months after the balance sheet date. Current assets and liabilities consist in all essentials only of amounts expected to be recovered or paid within twelve months of the balance sheet date.

Provisions

A provision is reported when an obligation exists as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount.

Warranty provisions are made for products sold. The warranty period is one year. Warranty costs are reported under "Cost of goods sold".

Income taxes

Reported income tax covers tax to be paid or received for the current year, adjustments of previous years' actual tax and changes in deferred tax.

The valuation of all tax liabilities/assets is at nominal amounts and is done in accordance with the tax regulations and tax rates that have been adopted.

For items reported in the income statement, related tax effects are also reported in the income statement. Tax effects for items reported directly against equity are reported against equity.

Deferred tax is estimated in accordance with the balance sheet method on all temporary differences existing between the reported and tax base values for assets and liabilities. Deferred tax assets referring to loss carry forwards or other future tax-related deductions are only reported to the extent that it is probable that the deduction can be applied in the foreseeable future.

Impairment of non-financial assets

If within the group there is an indication that the value of an asset is impaired, its recoverable amount is determined. The recoverable amount is defined as the higher of an asset's net realisable value and value in use. When establishing value in use, a calculation is made of the present value of expected future cash flows from the asset during its useful life. An impairment loss is recognised in the income statement when the carrying amount in the consolidated accounts exceeds the recoverable amount.

Financial instruments

The Group's financial instruments mainly comprise trade receivables, cash and cash equivalents, trade payables and financial derivatives in the form of currency forwards.

Trade receivables

Trade receivables are reported net after any provision for doubtful receivables. Provisions for doubtful receivables are based on individual assessment of trade receivables made with reference to expected bad debt losses. Historically the company has had very few bad debt losses as its customers are established hematology companies and distributors with good credit status and in the Nordic area the customers are publicly financed hospitals.

Cash and cash equivalents

Cash and cash equivalents comprise cash, bank and current investments. A current investment is classified as a cash equivalent if it can easily be cashed for a known amount and if it is only exposed to an insignificant risk of value fluctuation.

Trade payables

Trade payables are recorded at the value the company intends to pay the supplier to settle the debt.

Currency forwards and hedge accounting

The Group uses currency forwards to hedge contracted inflows in foreign currency. These inflows are 100% hedged. Forward cover refers mainly to EUR, USD and DKK. The exchange hedging does not fulfil the requirements of IAS 39 "Financial Instruments: Recognition and Measurement" for hedge accounting. Accordingly, all currency forwards are recorded at fair value. Changes in value are recorded in the income statement as financial income or financial expense.

Operating segments

CellaVision's operations only comprise one segment; automated microscopy systems in the field of hematology, and therefore reference is made to the income statement and balance sheet regarding primary segment reporting. The geographical areas Europe and North America are reported as the secondary segment.

Realated party transactions

As regards the Company's Board members there are no transactions apart from those reported in note 5. CellaVision AB and CellaVision Inc entered into a service agreement on 1 January 2004, under which CellaVision Inc performs services on behalf of CellaVision AB in relation to the American distributor Sysmex America Inc. CellaVision Inc receives remuneration for this at cost price plus 5%; a "cost plus" agreement. When the Canadian subsidiary was established a distribution agreement was signed based on external distributors' terms and conditions. Elimination of these internal transactions is in accordance with the principles described under the section "Consolidated Accounts".

Parent company's accounting policies

For a more detailed description of accounting policies, please refer to the section above "Group Accounting Policies". Only divergences in the parent company's policies compared with those of the Group are described below.

Investments in subsidiaries and associated companies

Investments in subsidiaries are recorded on the basis of cost of acquisition. In cases where the carrying amount exceeds the recoverable amount (see the section above on impairment losses) a write-down is made.

Important accounting estimates and assumptions

Preparation of reports and application of various accounting policies are often based on the management's judgements or on assumptions and estimates considered to be reasonable under the circumstances. These assumptions and estimates are usually based on experience but also on other factors, including expectations of future events. The following two areas are worth noting specifically for CellaVision.

Capitalised development expenditure

The recoverable amount for capitalised development expenditure is determined on the basis of estimated economic life and volume. This calculation is based on estimated future cash flows using financial forecasts approved by the management and covering product life cycles.

Tax loss carry forwards

The part of CellaVision's deferred tax asset referring to tax loss carry forwards that has been recognised as a financial asset during the year corresponds to the management's assessment with reference to financial forecasts for the near future.

NOTE 2 Financial risk management and capital risk

FINANCIAL RISK FACTORS

Through its operations, the Group is exposed to various financial risks such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management policy is to aim for minimum unfavourable impact on financial result and position.

MARKET RISK

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will vary due to changes in market interest rates. The Group's financial assets consist of deposits. The asset value is so insignificant that a very low risk is considered to exist. The Group's interest-bearing financial liabilities refer to liabilities to credit institutions. The major part of this liability refers to the invoice factoring used by the Group.

All liabilities have a floating rate. Calculated on the basis of financial interest-bearing liabilities as at 31 December 2008 a change of one percentage point in the market rate would affect the Group's earnings by SEK 208 thousand (75). The corresponding figure for the parent company is SEK 208 thousand (75).

Currency risk

The Group operates internationally and is exposed to currency risk from various currency exposures, mainly in USD and EUR. The company's purchases are in SEK. Sales are predominantly in USD and EUR. The currency risk arises through future business transactions, reported assets and liabilities and net investments in foreign operations. At present the net exposure in each respective currency is limited, as the Group uses currency forwards to hedge contracted inflows of foreign currency. SEK 12 thousand of the Group's total exchange rate difference for the year has been reported as "Other operating income".

Price risk

The Group is not exposed to any price risk referring to shares classified as financial instruments at fair value through profit or loss or financial assets available for sale.

Credit risk

Credit risk is the risk that a party to a transaction with a financial instrument cannot fulfil its obligations. The maximum exposure for credit risks referring to financial assets as at 31 December 2008 was SEK 32,620 thousand (11 565). However, at present the existing provision is deemed to be sufficient, see note 21. In other respects there is no significant concentration of credit risk, geographically or in relation to any particular customer segment. The percentage of receivables more than 120 days overdue was 0% of total trade receivables as at the balance sheet date, see note 21. There are no other financial assets due for payment.

Liquidity risk

Prudence in management of liquidity risk entails holding sufficient liquid assets and realisable securities or agreed lines of credit to be able to fulfil obligations. At present the liquidity risk is deemed to be reasonably low, mainly due to the Group's liquidity.

Fair value

The carrying amount corresponds to fair value for all of the Group's and the parent company's financial assets and liabilities. The financial assets in the Group and parent company all belong to the category "Trade and loan receivables" and the financial liabilities in the Group and parent company belong to the category "Financial liabilities recognised at amortised cost." Specification of the respective categories:

	2008		2007	
Financial assets	Group	Parent company	Group	Parent company
Non-current receivables	95	-	24	-
Trade receivables	32 620	32 320	11 565	9 427
Other receivables	6 035	12 725	2 277	2 279
Cash and cash equivalents	19 638	17 113	16 347	15 845
Total	**58 388**	**62 158**	**30 213**	**27 551**

	2008		2007	
Financial liabilities	Group	Parent company	Group	Parent company
Liabilities to credit institutions	20 801	20 801	7 453	7 453
Trade payables	17 224	17 167	6 084	6 507
Total	**38 025**	**37 968**	**13 537**	**13 960**

Impact on income per category – financial instruments in the group

	2008	2007
Anticipated bad debt losses	0	507
Confirmed bad debt losses	53	0
Other	0	0
Total	**53**	**507**

Management of capital risk

The Group's targets with regard to capital structure are to ensure the Group's capacity to continue operations in order to generate a return for the shareholders and benefit to other stakeholders and to ensure that the capital structure is optimal with regard to the cost of capital. Dividends to shareholders, redemption of shares, issuing new shares or selling assets are examples of measures that the Group can use to adjust the capital structure.

OPERATIONAL RISK FACTORS

Distributors

CellaVision's strategy is to establish strategic alliances with global players in medical technology. CellaVision operates through distributors in markets outside the Nordic countries. This means that CellaVision's future expansion depends on successful distributors. The company mainly distributes its products via Sysmex, a global partner in laboratory equipment, in most countries in Europe, the USA and parts of Asia. The company is dependent on Sysmex' successes in the field of hematology, where CellaVision's products are marketed. Sysmex accounted for 85 (87) per cent of total sales in 2008. Despite the fact that CellaVision has well-functioning and extensive contractual relationships with the most important distributors, these partnerships can be terminated. There is no guarantee that the distributor will sign a new agreement with CellaVision. Discontinued cooperation with a major distributor like Sysmex would have a negative impact on CellaVision's sales and earnings.

Suppliers

The company's strategy is to enter into strategic partnerships, in which the partners handle the manufacturing of the products. This means that CellaVision will be dependent on a number of suppliers of key components such as cameras, microscopes and control equipment as well as companies that manage the assembly and final inspection of the systems. CellaVision's future supply of products is dependent on subcontractors who can manufacture the company's products. The company has long-term cooperation and contracts with its most important subcontractors. Despite this, contracts can be terminated. There is no guarantee that the suppliers will subsequently decide to sign a new agreement with the company. Suspension of deliveries due to terminated contracts or discontinued cooperation with a subcontractor may have a negative impact on CellaVision's sales and earnings.

Dependence on key personnel

CellaVision has a distinct high-tech specialisation and is therefore dependent on being able to recruit and retain highly-qualified employees.

Cost savings in health care

For economic and political reasons, measures are being taken to reduce costs in the health care sector in Western Europe and the US, for example. Ongoing changes and rationalisation, despite CellaVision's efforts at developing cost-effective solutions, may have a negative impact on the company's future sales and earnings.

Product development

Continued development of existing and new products and solutions is of great importance to CellaVision. If the company's ability to develop products ceases, or if products cannot be introduced in accordance with established schedules, or if the market reception is worse than expected, this may result in a negative impact on CellaVision's sales and earnings.

Competition

There is a risk that new competitors with a greater resource base in terms of skills and capital may establish themselves in CellaVision's market and offer better methods and more effective products than CellaVision.

Product liability

Testing, marketing and selling medical devices and solutions entails a risk of claims for damages and there is no guarantee that claims for compensation linked to product liability will not be made against CellaVision. The company has extensive insurance coverage for such claims.

Patents and rights

CellaVision's success is partly dependent on receiving and retaining patent protection for the company's products and solutions and on being able to conduct its operations without encroaching on a technological area that has been patented by another party. Patent and trademark protection are continually sought for the products and solutions developed by the company. At the close of 2008 the company had a patent portfolio containing a total of 18 patented inventions, which have generated 27 patents to date. The earliest patent expires in 2016 and the latest in 2024. However, it cannot be guaranteed that current or future patent applications will lead to patents or that approved patents will offer sufficient protection against competitors. In addition, there is always a risk that disputes referring to patent infringement and other intellectual property rights may be started against or by CellaVision.

Legislation and regulatory framework

Manufacture, marketing and distribution of medical devices and equipment takes place on a regulated market where such bodies as the FDA (US Food and Drug Administration) and the EU have rules for clinical evaluation, approval and quality testing. CellaVision meets the current requirements in Europe and has FDA approval for CellaVision DM, DiffMaster and MICRO21. If CellaVision's operations were to be subject to restrictions by government agencies or if the company did not receive necessary future official approval, it could have a negative impact on CellaVision commercially and financially.

NOTE 3 Information by geographical area

CellaVision's operations comprise only one segment; automated microscopy systems in the field of hematology, and therefore reference is made to the income statement and balance sheet regarding primary segment reporting. The geographical areas Europe and North America are reported as the secondary segment.

3.1 Income by geographical segment

Group	2008	2007
Europe (including rest of the world) 1	57 207	47 222
North America	43 237	27 343
Total 3	**100 444**	**74 565**

1. Of which 68 (212) is rental income.
2. Of which 100,012 (74,241) refers to sale of goods and 432 (324) to sale of services.

3.2 Assets by geographical segment

Group	2008	2007
Europe (including rest of the world)	99 536	45 562
North America	9 851	6 608
Group eliminations	-12 914	-8 050
Total	**96 473**	**44 120**

3.3 Investments by geographical segment

Group	2008	2007
Europe (including rest of the world)	11 161	7 114
North America	98	252
Total	**11 259**	**7 366**

NOTE 4 Non-cash items

Group	**2008**	**2007**
Depreciation/amortisation	2 133	1 384
Translation differences	859	-53
Change in accruals and provisions	2 263	446
Total	**5 255**	**1 777**

Parent company	**2008**	**2007**
Depreciation/amortisation	2 120	1 114
Change in accruals and provisions	2 303	845
Total	**4 423**	**1 959**

NOTE 5 Staff

5.1 Employees

Average number of employees	2008 Number employees	2008 Of whom men	2007 Number employees	2007 Of whom men
Parent company, Sweden	35	22	33	23
Subsidiaries, USA	5	3	4	2
Subsidiaries, Kanada	1	0	1	0
Subsidiaries, Japan	1	1	-	-
Total	**42**	**26**	**38**	**25**

Number of women in senior management:	2008 Board of Directors	2008 Other positions	2007 Board of Directors	2007 Other positions
Parent company	-	2	-	2
Subsidiaries	-	-	-	-
Total	**0**	**2**	**0**	**2**

5.2 Salaries and other remuneration

Salaries and other remuneration:	2008 Board, CEO	2008 Others	2007 Board, CEO	2007 Others
Board of Directors	420	-	420	-
Parent company	1 298	16 029	1 262	14 398
Subsidiaries	-	4 532	-	2 107
Total	**1 718**	**20 561**	**1 682**	**16 505**

5.3 Social security and pension costs

Social security and pension costs:	2008 Social security costs	2008 Of which pension costs	2007 Social security costs	2007 Of which pension costs
Parent company	8 384	2 129	7 742	2 158
Subsidiaries	433	112	517	64
Total	**8 817**	**2 241**	**8 259**	**2 222**

5.4 Remuneration to senior management

Salaries, remuneration and other benefits:	2008 Salary	2008 Pension	2007 Salary	2007 Pension
Board of Directors	420	-	420	-
CEO	1 298	444	1 262	403
Other senior management	5 134	552	3 584	463
Total	**6 852**	**996**	**5 266**	**866**

In accordance with a resolution of the Annual General Meeting, remuneration to the Board of Directors of SEK 420 thousand (420), of which SEK 140 thousand (140) to the Chairman of the Board, is payable for the period until the next Annual General Meeting. This amount has not yet been paid. The President/Chief Executive Officer's period of notice is twelve months for termination by the company and six months for termination by the President/Chief Executive Officer. For termination by the company, or by the President/Chief Executive Officer for material breach of contract by the company, the President/Chief Executive Officer is entitled to severance pay equivalent to twelve months' salary. No further severance pay is payable.

Other senior management consists of six persons.

The Board of Directors in its entirety prepares questions of remuneration and other conditions of employment for the company management.

5.5 Sickness absence

In the period 1 January 2008 – 31 December 2008 the total sickness absence was 1.75% (3.62). Sickness absence for men was 1.50% (1.91) and for women 2.17% (7.67). For the age group up to 29 years, sickness absence was 1.28% (3.43). For the age group from 30 to 49 years, sickness absence was 2.02% (3.88). In the age group of 50 years and over, CellaVision has fewer than 11 employees and therefore no sickness absence is reported for this group.

Of the total of 1,199 sickness absence hours, long-term sickness absence hours accounted for 15.68% (48.40).

NOTE 6 Audit fees

	2008		2007	
Fees to the company's auditors, Deloitte	Group	Parent company	Group	Parent company
Audit	148	148	110	110
Other engagements	50	50	947	947
Total	**198**	**198**	**1 057**	**1 057**

Audit assignments refer to auditing of the annual accounts, the accounting records and the administration by the Board of Directors and President/CEO, other duties incumbent on the company's auditor, as well as advisory services or other assistance occasioned by observations made in the course of such audit or the performance of such other duties. Everything else is classed as other engagements.

NOTE 7 Rental contracts and leases

	2008		2007	
Contracted future rental and lease charges	Group	Parent company	Group	Parent company
- Within one year	2 481	2 481	2 257	2 257
- Later than one but within five years	7 677	7 677	3 201	3 201
- Later than within five years	-	-	-	-
Total	**10 158**	**10 158**	**5 458**	**5 458**

Rental and lease payments for all rental contracts and leases during the year amounted to SEK 2,995 thousand (2,791).

The parent company's rental and lease payments for the year were SEK 2,552 thousand (2,513). During the year the parent company entered into a finance lease for IT equipment.
Leased assets that CellaVision has under finance leases are included in the "Equipment" item (note 9) in the following amounts:

	2008	2007
Cost of acquisition:	1 567	-
Depreciation/amortisation:	-103	-
Net value	**1 464**	**-**

Gross liabilities referring to finance leases:

Minimum lease payments	2008	2007
Maturity date:		
Within one year	348	-
Between one and five years	1 116	-
Net value	**1 464**	-
Future financial expenses	-161	-
Present value of liabilities referring to finance lease	1 303	-
Maturity date:		
Within one year	306	-
Between one and five years	997	-
Net value	**1 303**	-

NOTE 8 Intangible assets

8.1 Captalised expenditure for development

	2008		2007	
	Group	Parent company	Group	Parent company
Opening cost of acquisition	25 931	25 931	19 537	19 537
Year's acquisitions	8 771	8 771	6 394	6 394
Closing accumulated cost of acquisition	**34 702**	**34 702**	**25 931**	**25 931**
Opening amortisation	-18 577	-18 577	-18 257	-18 257
Amortisation for the year	-1 215	-1 215	-320	-320
Expenditure on research and development wa	**-19 792**	**-19 792**	**-18 577**	**-18 577**
Closing carrying amount	**14 910**	**14 910**	**7 354**	**7 354**

Expenditure on research and development was SEK 20,669 thousand (17,532), which is 21% (24) of net sales. Of this expenditure SEK 8,771 thousand has been capitalised (6 394) and the remaining SEK 11,898 thousand (11,138) has been charged to earnings for the period.

The year's development work refers partly to hardware development, and partly to development of a new software application for bodily fluids that was introduced in the spring.

Information on impairment testing

If there is an indication that carrying amounts exceed the recoverable amount the difference is charged to the result for the period as it arises. The recoverable amount for capitalised development expenditure is determined on the basis of estimated economic life and volume. This calculation is based on estimated future cash flows using financial forecasts approved by the management and covering product life cycles.

The company management has set budgeted gross margins based on its expectations of market developments. The weighted average rate of growth used is in line with forecasts in industry reports.

NOTE 9 Property, plant and equipment

	2008		2007	
	Group	Parent company	Group	Parent company
Opening cost of acquisition	8 838	8 542	11 042	8 547
Year's acquisitions	2 497	2 373	1 363	1 068
Disposals/ retirements	-	-	-3 567	-1 073
Closing accumulated cost of acquisition	**11 335**	**10 915**	**8 838**	**8 542**
Opening depreciation	-7 531	-7 316	-9 420	-7 246
Depreciation for the year	-918	-905	-1 064	-794
Reversal of acc. depreciation on disposals/retirements	-		2 953	724
Closing accumulated depreciation	**-8 449**	**-8 221**	**-7 531**	**-7 316**
Translation difference	**-62**		**-50**	
Closing carrying amount	**2 824**	**2 694**	**1 257**	**1 226**

NOTE 10 Non-current financial assets

Group	2008	2007
Opening cost of acquisition	24	0
Office rent, deposit	66	24
Exchange rate differences for the year	5	-
Closing carrying amount	**95**	**24**

NOTE 11 Intra-Group transactions

SEK 9,536 thousand of the parent company's invoicing refers to subsidiaries.

Invoicing from subsidiaries to the parent company amounted to SEK 6,742 thousand.

NOTE 12 Depreciation distribution

12.1 Group

	2008		2007	
	Capitalised development	Equipment	Capitalised development	Equipment
Cost of goods sold	-1 215	-99	-320	-216
Selling expenses	-	-225	-	-377
Administrative expenses	-	-170	-	-180
Research and development expenses	-	-424	-	-291
Total	**-1 215**	**-918**	**-320**	**-1 064**

12.2 Parent company

	2008		2007	
	Capitalised development	Equipment	Capitalised development	Equipment
Cost of goods sold	-1 215	-99	-320	-216
Selling expenses	-	-212	-	-107
Administrative expenses	-	-170	-	-180
Research and development expenses	-	-424	-	-291
Total	**-1 215**	**-905**	**-320**	**-794**

NOTE 13 Taxes

	2008		2007	
	Group	Parent company	Group	Parent company
Opening tax liability	-	-	-	-
Accrued tax	-	-	-	
Income tax paid	-	-	-	-
Closing tax liability	**-**	**-**	**-**	**-**
Loss carry forwards	255 698	241 024	267 587	256 758
Capitalised tax asset	-12 000	-12 000		
Unrecognised deferred tax assets	55 248	51 389	72 891	71 892

All companies in the Group have accumulated loss carry-forwards. In Sweden these are not subject to any time limit and can therefore reduce taxes on future profits. In the USA the time limit is 20 years. In Canada and Japan it is 7 years.

At year-end the Group capitalised part of the tax asset as a non-current financial asset. A deferred tax income of an equivalent amount has been reported.

	2008		2007	
Tax on profit for the year	Group	Parent company	Group	Parent company
Accounting profit/loss before tax	13 057	15 815	2 625	4 434
Tax at current tax rate	-3 656	-4 428	-735	-1 242
Tax effect of:				
-Non-deductible expenses	23	23	-318	-318
-Tax losses where deferred tax asset is not reported	3 633	4 406	1 053	1 560
Revaluation of tax losses	12 000	12 000	-	-
Tax on profit for the year	**12 000**	**12 000**	**0**	**0**

NOTE 14 Shares and participations in subsidiaries

Parent company	2008	2007
Opening book value	106	100
Acquisitions	598	6
Closing carrying amount	**704**	**106**

Shares owned by the parent company, 2008

Company	Corporate identity number	Registered office	No of participations	Share of equity (%)	Book value
CellaVision International AB	556573-4299	Lund, Sweden	1 000	100	SEK 100 thousand
CellaVision Inc., Canada	1724445	Toronto, Canada	1 000	100	SEK 6 thousand
CellaVision Inc., USA	06-1624895	Delaware, USA	10	100	SEK 1
CellaVision Japan K.K.	0104-01-074862	Yokohama, Japan	800	100	SEK 598 thousand

The year's acquisition refers to capital investment in the newly started subsidiary in Japan.

NOTE 15 Prepaid expenses and accrued income

	2008		2007	
	Group	Parent company	Group	Parent company
Office rent	607	607	540	533
Pension premiums	-	-	115	115
Accrued income	417	281	233	233
Other	-	-	456	456
TOTAL	**1 024**	**888**	**1 344**	**1 337**

NOTE 16 Provisions

	2008		2007	
Provisions for warranty	Group	Parent company	Group	Parent company
Opening amount	2 800	2 800	1 280	1 280
Allocated during year	1 896	1 896	2 800	2 800
Reversed provisions	-2 121	-2 121	-1 280	-1 280
Utilised	-679	-679	-	-
TOTAL	**1 896**	**1 896**	**2 800**	**2 800**
Provisions fall due for payment				
- Within one year	1 896	1 896	2 800	2 800
- Later than one but within five years	-	-	-	-
TOTAL	**1 896**	**1 896**	**2 800**	**2 800**

NOTE 17 Liabilities to credit institutions

	2008		2007	
Current liabilities	Group	Parent company	Group	Parent company
Nordea Bank AB	2 345	2 345	1 320	1 320
Nordea Finans Sverige AB	18 456	18 456	6 133	6 133
TOTAL	**20 801**	**20 801**	**7 453**	**7 453**

The liability to Nordea Finans Sverige AB (publ) refers to invoice factoring. The company pledges 80% of the value of external customer invoices at the time of invoicing. The limit for invoice factoring was SEK 28 million as at 31 December 2008.

NOTE 18 Accrued expenses and deferred income

	2008		2007	
	Group	Parent company	Group	Parent company
Holiday liability	2 236	2 064	2 113	2 052
Board fee	420	420	420	420
Social security contributions	1 259	1 259	900	900
Staff costs	1 447	1 447	304	304
Customer obligations	1 105	1 105	458	458
Other	2 110	2 102	1 535	1 504
TOTAL	**8 577**	**8 397**	**5 730**	**5 638**

NOTE 19 Pledged assets and contingent liabilities

	2008		2007	
	Group	Parent company	Group	Parent company
Pledged trade receivables	18 457	18 457	6 133	6 133
Floating charge	6 000	6 000	3 000	3 000
Total	**24 457**	**24 457**	**9 133**	**9 133**
Contingent liabilities	None	None	None	None

The floating charge applies to invoice factoring and overdraft facilities and covers all CellaVision AB's property. The overdraft facility is for SEK 5 million and had not been utilised as at 31 December.

NOTE 20 Events after the balance sheet date

On 16 February CellaVision was listed on the NASDAQ OMX new market segment First North Premier. First North Premier has stricter disclosure requirements and accounting policies than the regular First North rules. The higher transparency requirement increases investors' opportunities to evaluate and compare Nordic growth companies.

NOTE 21 Trade receivables

As at 31 December 2008 trade receivables of SEK 6,204 thousand (219) were due for payment in the Group, but no impairment loss was identified. These trade receivables are from customers who have not previously had any payment difficulties. The age analysis for the Group relating to these trade receivables is shown below.

NOTE 21 Trade receivables, cont.

Trade receivables overdue but not written down

	2008	2007
1–30 days overdue	5 996	204
31–60 days overdue	145	-
61–90 days overdue	4	15
91–120 days overdue	113	-
More than 121 days overdue	-	-
Total	**6 258**	**219**

As at 31 December 2008 the Group reports a loss referring to provision for anticipated bad debt losses of SEK 0 thousand (507). The provision for doubtful trade receivables was SEK 0 thousand (507) as at 31 December 2008. The individually assessed impairment losses mainly refer to customers who have unexpectedly experienced a difficult financial situation.

Provision for doubtful trade receivables and their age distribution:

Reserve for doubtful trade receivables

	2008	2007
Provision at beginning of year	507	-
Anticipated bad debt losses		507
Confirmed bad debt losses	-53	-
Reversal of anticipated bad debt losses	-454	-
Provision at end of year	0	507

Provision for doubtful trade receivables broken down by

	2008	2007
1–30 days overdue	-	-
31–60 days overdue	-	-
61–90 days overdue	-	-
91–120 days overdue	-	-
More than 121 days overdue	-	507
Total	-	507

The maximum exposure for credit risk as at the balance sheet date is the fair value for each category of receivables stated above. There are no pledges as collateral for receivables. The Group uses invoice factoring. The borrowing level is a maximum of 80% per customer. As at 31 December 2008 the borrowing level was 57% (80).

NOTE 22 Dividend per share

The Board of Directors proposes to the Annual General Meeting that no dividend be distributed for 2008.

NOTE 23 Disputes in the Group

There are no disputes in the Group with external parties.

Annual General Meeting

The Annual General meeting will be held on April 27, 2009 at 16:00 at CellaVision's premises at Ideon in Lund. Delta 5, Scheelevägen 19A.

Signing of the annual accounts

The annual accounts and consolidated accounts were approved by the Board of Directors on March 26, 2009. The consolidated income statement and balance sheet and the parent company's income statement and balance sheet will be submitted for adoption by the Annual General Meeting on April 27, 2009.

The Board of Directors and CEO hereby certify that the annual accounts have been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation, RFR 2.1 and give a true and fair view of the company's financial position and performance and that the administration report gives a fair review of the development of the company's business, financial position and performance and describes material risks and uncertainties to which the company is exposed.

The Board of Directors and CEO hereby certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and give a true and fair view of the Group's financial position and performance and that the administration report for the Group gives a fair review of the development of the Group's business, financial position and performance and describes material risks and uncertainties to which the companies in the Group are exposed.

Lund, March 26, 2009

Lars Gatenbeck
Chairman of the Board

Christer Fåhraeus

Torbjörn Kronander

Sven-Åke Henningsson

Niels Freiesleben

Yvonne Mårtensson
President and CEO

Our audit report was submitted
March 26, 2009

Per-Arne Pettersson
Authorised public accountant

AUDIT REPORT

To the annual general meeting of shareholders in CellaVision AB (publ)
Corporate identity number 556500-0998

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the Board of Directors and the President of CellaVision AB (publ) for the financial year ended 31 December 2008. The Company's annual accounts are included in the printed version of this document on pages 4-32. The Board of Directors and President are responsible for the accounting records and administration as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of international financial reporting standards, IFRS, as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the Board of Directors and the President/CEO and significant estimates made by the Board of Directors and the President/CEO when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any Board member or the President/CEO. We also examined whether any Board member or the President/CEO has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with international financial reporting standards IFRS as adopted by the EU and the Annual Accounts Act and give a true and fair view of the Group's financial position and results of operations. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the Annual General Meeting of shareholders that the income statements and balance sheets of the parent company and the Group be adopted, that the profit of the parent company be dealt with in accordance with the proposals in the administration report and that the members of the Board of Directors and the President/CEO be discharged from liability for the financial year.

Malmö, March 26, 2009

Deloitte AB

Per-Arne Pettersson
Authorised public accountant

FIVE YEAR SUMMARY

For 2005–2008 the summary below was prepared in accordance with International Financial Reporting Standards (IFRS), while the summary for the years before was prepared in accordance with the Swedish Financial Accounting Standards Council's recommendations. The transition to IFRS as at 1 January 2006, with comparative year 2005, does not, however, imply any adjustment of the figures for 2005 compared with previously submitted annual accounts.

Income statement

Amounts in SEK '000	2008	2007	2006	2005	2004
Revenues	100 444	74 565	54 777	39 017	29 843
Cost of goods sold	-36 941	-29 312	-22 764	-19 390	-19 338
Gross profit	**63 503**	**45 253**	**32 013**	**19 627**	**10 505**
Selling expenses	-21 748	-15 135	-13 352	-13 556	-11 432
Administrative expenses	-16 461	-16 066	-12 705	-10 795	-11 274
Research and development costs	-20 669	-17 532	-15 081	-11 470	-14 305
Other operating income	0	384	133	0	0
Other operating expenses	-12	-157	-333	-295	-91
Capitalised development expenditure	8 771	6 395	719	0	0
Operating profit/loss	**13 384**	**3 142**	**-8 606**	**-16 489**	**-26 597**
Profit/loss from financial items	-330	-517	-175	-244	1 704
Tax	12 000	0	0	0	0
Net profit/loss for the year	**25 054**	**2 625**	**-8 782**	**-16 733**	**-24 893**

Balance sheet

Amounts in SEK '000	2008	2007	2006	2005	2004
Assets					
Intangible assets	14 910	7 354	1 280	2 147	4 645
Property, plant and equipment	2 824	1 257	1 373	1 302	2 398
Non-current financial assets	12 095	24			
Current assets	66 644	35 485	38 676	42 791	38 073
Total assets	**96 473**	**44 120**	**41 329**	**46 240**	**45 116**
Equity and liabilities					
Shareholders' equity	45 985	20 072	17 735	26 561	18 148
Long-term liabilities	0	0	0	0	10 000
Current liabilities and current provisions	50 488	24 048	23 594	19 679	15 948
Total equity and liabilities	**96 473**	**44 120**	**41 329**	**46 240**	**45 116**

Key ratios

	2008	2007	2006	2005	2004
Equity, SEK '000	45 985	20 072	17 735	26 561	18 148
Capital employed, SEK '000	66 786	27 525	39 459	35 354	35 045
Liabilities to credit institutions, SEK '000	20 801	7 453	7 158	8 793	16 897
Net investments, SEK '000	11 326	7 366	1 316	-133	-642
Cash flow for the year, SEK '000	3 291	-405	-836	-1 569	14 089
Interest coverage ratio	19,8	4,4	Neg.	Neg.	Neg.
Net debt/equity ratio	0,03	-0,44	-0,54	-0,33	-0,68
Equity-assets ratio, %	48	45	43	57	40
Return on equity, %	76	14	Neg.	Neg.	Neg.
Return on capital employed, %	29	12	Neg.	Neg.	Neg.
Average number of employees	42	38	34	32	31
Number of employees at close of period	47	40	37	32	30

Data per share

	2008	2007	2006	2005	2004
Net profit/loss before and after dilution, SEK	1,05	0,11	-0,37	-0,81	-1,31
Equity before dilution, SEK	1,93	0,84	0,74	1,29	0,95
Equity after dilution, SEK	1,93	0,84	0,74	1,29	1,84
Average weighted number of shares before dilution, thousands	23 852	23 852	23 852	20 578	19 043
Average weighted number of shares after dilution, thousands	23 852	23 852	23 852	20 578	19 643
Number of shares at end of period before dilution	23 852	23 852	23 852	23 579	20 151
Number of shares at end of period after dilution	23 852	23 852	23 852	23 579	20 751

Definitions of key ratios

Average number of employees. The number of employees at the end of each month, divided by twelve.

Equity per share. Equity divided by the number of shares at the end of the year. Splits and issues effected have been taken into account.

Equity per share after full dilution. Equity after dilution divided by the number of shares at year-end, as though full dilution had taken place. Splits and issues effected have been taken into account.

Net investments. Investments in property, plant and equipment and intangible assets adjusted for disposals.

Net earnings per share. Net earnings divided by the average weighted number of shares plus the additional number for full dilution. Splits and issues effected have been taken into account.

Net earnings per share after full dilution. Net earnings divided by the average weighted number of shares plus the additional number for full dilution. Splits and issues effected have been taken into account.

Net debt/equity ratio. Net loan liability in relation to equity. (Net loan liability is calculated as loan liability minus cash at the end of the period.)

Return on equity. Net earnings in relation to average equity.

Return on capital employed. Profit/loss after financial items, plus financial expenses as a percentage of average capital employed.

Interest coverage ratio. Profit/loss after financial items plus financial expenses divided by financial expenses.

Capital employed. Balance sheet total less deferred tax liabilities and non-interest bearing liabilities.

Equity-assets ratio. Equity as a percentage of the balance sheet total.

Cash flow for the year. Profit/loss after financial items plus amortisation/depreciation, less tax paid, adjusted for decrease/increase in working capital excluding cash and cash equivalents and less net investment in non-current assets and change in loans raised/repaid.

Share capital and ownership structure

Share capital

Share capital in CellaVision as at 31 December 2008 amounted to SEK 3,577,000, distributed among 23,851,547 shares worth SEK 0.15 each. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented by the holder without limit to the voting right. Each share has equal entitlement to the company's assets and profits. As at 31 December 2008 CellaVision AB had about 760 shareholders.

Share capital development

Year	Transaction new shares	Number of shares	Acc. number share capital	Increase in capital (SEK '000)	Acc. share issue (SEK '000)	Proceeds from issue (SEK '000)	Acc. issue proceeds (SEK '000)
1994	New issue	500	500	50	50	50	50
1996	New issue	150	650	15	65	1 500	1 550
1996	New issue	110	760	11	76	1 500	3 050
1997	Bonus issue	760	1 520	76	152	-	3 050
1997	Split 1000:1	1 518 480	1 520 000	0	152	-	3 050
1997	New issue	122 000	1 642 000	12	164	4 066	7 116
1997	New issue	75 000	1 717 000	8	172	1 500	8 616
1998	New issue	100 000	1 817 000	10	182	4 500	13 116
1998	New issue	158 000	1 975 000	16	198	8 690	21 806
1999	New issue	1 296 750	3 271 750	130	327	25 935	47 741
1999	New issue	333 332	3 605 082	33	361	10 000	57 741
2000	Fonus issue	0	3 605 082	180	541	-	57 741
2000	New issue	1 354 454	4 959 536	203	744	74 495	132 236
2000	Options	2 500	4 962 036	0	744	150	132 386
2000	Options	1 000	4 963 036	0	744	40	132 426
2000	Options	2 000	4 965 036	0	745	80	132 506
2000	Options	22 000	4 987 036	3	748	1 100	133 606
2000	Options	88 000	5 075 036	13	761	4 400	138 006
2000	Options	3 000	5 078 036	0	762	120	138 126
2000	Options	11 500	5 089 536	2	763	690	138 816
2001	Options	15 000	5 104 536	2	766	900	139 716
2001	Bonus issue	5 104 536	10 209 072	766	1 531	-	139 716
2001	New issue	2 656 070	12 865 142	399	1 930	73 042	212 758
2002	Options	94 610	12 959 752	14	1 944	1 892	214 650
2002	New issue	545 455	13 505 207	82	2 026	15 000	229 650
2003	-	-	13 505 207	-	2 026	-	229 650
2004	New issue	6 645 504	20 150 711	997	3 023	33 227	262 877
2005	New issue	3 428 571	23 579 282	514	3 537	24 000	286 877
2006	New issue	272 265	23 851 547	41	3 577	1 906	288 783
2007	-		23 851 547	-	3 577	-	288 783
2008	-		23 851 547	-	3 577	-	288 783

Trade in the CellaVision share on First North

CellaVision's share is traded on First North, which is an alternative marketplace operated by the various stock exchanges within NASDAQ OMX. As of 16 February 2009 CellaVision is placed in the Premier segment, which has stricter disclosure requirements and accounting policies than the regular First North rules. CellaVision is traded under the ticker symbol CEVI and the ISIN code SE0000683484. Shares listed on First North are traded in the NASDAQ OMX trading system SAXESS. Trading is electronic and continual in the same way as for listed companies. Information concerning prices, volume and depth of trading interest are published in real time through the same channels as listed shares.

All First North companies have an agreement with a Certified Adviser. CellaVision's Certified Adviser at First North is Remium, which is a member of and contracted to NASDAQ OMX. As Certified Adviser Remium is responsible for ensuring that the company both initially and in the future complies with the First North regulatory framework and reports immediately to NASDAQ OMX if any rule is broken. NASDAQ OMX oversees trading continuously and also ensures that Certified Advisers live up to their obligations.

Price trend

The figure below shows the price trend for the CellaVision share. The last price paid on 30 December 2008 was SEK 5.05, giving a total market value for CellaVision of about SEK 120 million. In the period from 1 January 2008 to 31 December 2008 a total of 4.86 million shares were traded at a value of about SEK 25.2 million.

Authorisation

The 2008 Annual General Meeting authorised the Board, with or without deviation from the shareholders' preferential rights, for the period until the next Annual General Meeting, to decide on a new issue of a maximum of 3,000,000 shares. If the authorisation is fully utilised, this means a maximum of 11.2 per cent dilution of the share capital.

Employee options programme

The company had no outstanding options programmes on 31 December 2008.

Ownership structure

The ownership structure of CellaVision on 31 December 2008 is shown in the table below. The number of shareholders as at 31 December 2008 was about 760.

Shareholder	Number of shares	Ownership in %
H & B Capital LP	4 073 139	17.08
Stiftelsen Industrifonden	3 587 257	15.04
Metallica Förvaltnings AB	2 738 967	11.48
Christer Fåhraeus and companies	2 400 000	10.06
Life Equity Sweden KB	1 606 783	6.74
Unionen	1 090 000	4.57
Anders Althin	476 893	2.00
Madelaine Lilliehöök	476 893	2.00
Magnus Ryde	300 000	1.26
Andante Investment Ltd	228 000	0.96
Teknoseed AB	220 000	0.92
Martin Gren and companies	212 500	0.89
Torbjörn Kronander	200 000	0.84
Övriga	6 241 115	26.17
Total	23 851 547	**100**

Share prices in 2008

Management

Yvonne Mårtensson
President and Chief Executive Officer, employed in 1998.
Year of birth 1953
Previous experience: Has more than 25 years experience of international marketing and sales in fast-growing companies in various phases. Her most recent previous employer was HemoCue AB, where in her final two years she was head of marketing and sales in the USA.
Other directorships: Member of the Board of CellaVision International AB, CellaVision Inc., CellaVision Canada Inc. and Biolin AB
Education: M.Sc. Industrial Engineering and Management
Shareholding as at 31 December 2008: 90 000

Lars Juliusson
Sales Director, employed in 2000.
Year of birth 1964.
Previous experience: Has extensive experience in sales of various optical, medtech equipment. Was previously sales director of the Microscopy division at Zeiss.
Education: B.Sc. Engineering
Shareholding as at 31 December 2008: 6 000

Hans-Inge Bengtsson
QA Manager, employed in 2001.
Year of birth 1958.
Previous experience: Has more than 15 years experience of blood analysis and clinical laboratories. His most recent previous employer was PolyPeptide Laboratories AB where he worked as QC manager.
Education: M.Sc. Chemical engineering
Shareholding as at 31 December 2008: 45 000

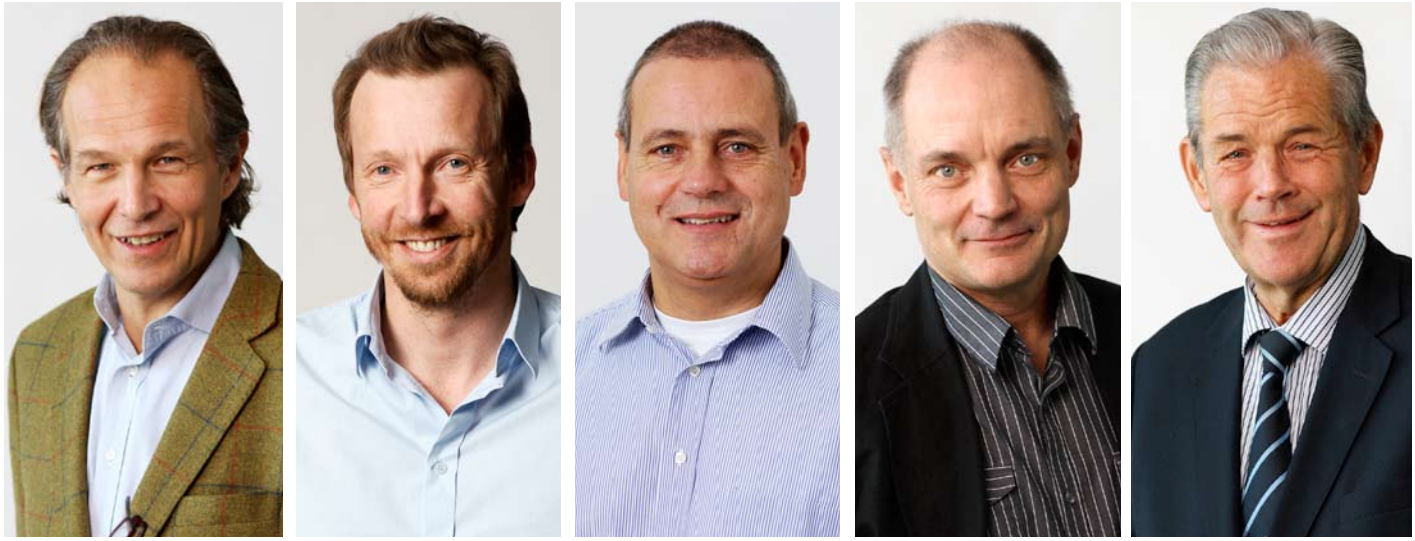
Johan Wennerholm
CFO, employed in 2007.
Year of birth 1968.
Previous experience: Has many years experience of growing technology companies and relations with the capital market.
His most recent previous employers were Nextlink AB and the Doro Group.
Education: B.Sc. Economics and Business Administration, technical college graduate
Shareholding as at 31 December 2008: 46 000

Jeanette Bengtsson
Operations Manager, employed in 2006.
Year of birth 1967.
Previous experience: Has broad experience in Operations, QA and Regulatory Affairs from several medtech companies. Her most recent previous employers were Cresco Ti Systems and AstraTech.
Education: Technical college graduate
Shareholding as at 31 December 2008: 8 334

Adam Morell
Development Manager, employed in 2001–2003 and then in 2006.
Year of birth 1976
Previous experience: His most recent previous employer was the Agellis Group AB.
Education: M.Sc. Engineering Physics, Licentiate of Engineering Mathematics, Bachelor of Medicine.
Shareholding as at 31 December 2008: 39 000

Peter Wilson
Marketing Manager, employed in 2000.
Year of birth 1967.
Previous experience: Several years experience of global launching of new technologies and new products. His most recent previous employer was Foss.
Education: M.Sc. Chemical engineering
Shareholding as at 31 December 2008: 6 000

Board of Directors and Auditors



Lars Gatenbeck, Christer Fåhraeus, Niels P. Freiesleben, Torbjörn Kronander, Sven-Åke Henningsson

Lars Gatenbeck
Chairman of the Board since 2002. Member of the Board since 2000.
Year of birth 1956

Other directorships: Chairman of the Board and partner of GZ Group, which manages H&B Capital and Life Equity Sweden. Chairman of the Board of Swecare AB , Stiftelsen Swecare and Life Medical Sweden AB. Member of the Board of Aerocrine AB, Cancerföreningen and Rektorsakademien. Principal in Gustav V:s Jubileumsfond. President and Chairman of the Board of GZ&Partners AB and H&B Capital Advisors AB

Education: M.D, Ph.D.
Shareholding as at 31 December 2008: 0

The funds H&B Capital LP and Life Equity Sweden KB together own 5,699,922 shares in CellaVision

Christer Fåhraeus
Founder and member of the Board since 1994.
Year of birth 1965

Other directorships: CellaVision's founder and CEO until June 1998. President of EQL Pharma AB and President of FlatFrog Laboratories AB. Chairman of the Board of Agellis Group AB, Respiratorius AB and Flatfrog Laboratories. Member of the Board of EQL Pharma AB, Anoto Group AB, Monkfish Laboratories, Phi Holographic Imaging and Fårö Capital AB.

Education: M.Sc. Bioengineering, B.Sc. Mathematics, Ph.D. (hc) Lund University
Shareholding as at 31 December 2008: 2 400 000 shares (with company)

Niels P. Freiesleben
Member of the Board since 2004.
Year of birth 1951

Other directorships: President of Solar-CAP A/S, President of General Solar Systems GmbH, President and chairman of the Board of Freiesleben Management ApS and member of the Board of Energi Brachen, Denmark.

Education: Officer
Shareholding as at 31 December 2008: 0

Torbjörn Kronander
Member of the Board since 2007.
Year of birth 1957

Other directorships: President of Sectra Imtec AB and Deputy President and member of the Board of Sectra AB.

Education: Doctor of Technology, MBA
Shareholding as at 31 December 2008: 200 000

Sven-Åke Henningsson
Member of the Board since 2006.
Year of birth 1940

Other directorships: Chairman of the Board of ACAP invest AB and Rittal Scandinavian AB. Member of the Board of Gant Company AB and DIAB International AB.

Education: B.Sc. Economics and Business Administration
Shareholding as at 31 December 2008: 70 000

Auditor
Per-Arne Pettersson
Authorised Public Accountant, Deloitte AB
Auditor of CellaVision since 2000

GLOSSARY

Artificial intelligence / Artificial neural networks. Mathematical model that mimics the brain's method of learning.

Blood cell. Blood cells are the cells that are normally present in the blood. They are classified into red and white blood cells, as well as thrombocytes or platelets. (Wikipedia)

MT. A Medical Technologist (MT) is a healthcare professional who performs diagnostic analytic tests on body fluids such as blood, urine, CSF, and synovial fluid, as well as other specimens. Medical Technologists work in clinical laboratories at hospitals, doctor's offices, reference labs, and within the biotechnology industry.

CBC. CComplete Blood Count. A measurement of the amounts of the three types of blood cells present in the blood: white and red blood cells as well as thrombocytes, or platelets. The count is performed by cell counters.

Cell morphology. The science that studies cell structure.

Differential count. Morphological investigation to classify white blood cells.

FDA. Food and Drug Administration. An American supervisory authority.

Pre-classification. The classification of cells that CellaVision's systems suggest using artificial neural networks. The pre-classification is confirmed or altered by the operator before finally verifying the result.

Hematology. The science that studies blood, its contents, function and diseases.

LIS. Laboratory Information System. Collective term for the various information systems used at laboratories.

Morphology. The science that studies the structure of the body, organs, tissues and cells.

Telemedicin. Remote assessment of medical data.

Hematological malignities include lymphoma, myeloma, acute and chronic leukemias and other chronic myeloproliferative diseases.

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