

# Year-end bulletin 2014



## Strongest quarter in CellaVision's history and first major veterinary order.

### October 1–December 31, 2014

- Net sales increased by 12 % to SEK 72.5 million (64.9).
- Operating profit was SEK 16.8 million (16.3).
- Operating margin was 23.2 percent (25.1).
- Profit before tax was SEK 16.6 million (16.2).
- Earnings per share were SEK 0.49 (0.54).
- CellaVision's first major order in the veterinary market valued at more than SEK 12 million.
- Sysmex DI-60 and CellaVision® DM1200 approved for sale in China.

### January 1–December 31, 2014

- Net sales increased by 21 % to SEK 216.9 million (179.9).
- Operating profit increased to SEK 42.8 million (25.9).
- Operating margin increased to 19.7 percent (14.4).
- Profit before tax increased to SEK 43.4 million (24.7).
- Earnings per share increased to SEK 1.32 (0.79).
- The board of directors proposes a dividend increase to SEK 1 per share for 2014 (0.50).

Net Sales, Q4  
**+12 %**

Operating profit, Q4  
**16.8 MSEK**

Operating Margin, Q4  
**23.2 %**

### CEO's comments

After being in place for a few weeks I can verify that my first impression of CellaVision as a well-run and flourishing company is correct. I would like to thank Yvonne Mårtensson who, together with all the competent employees, built up the company to what it is today.

We have a strong core business and it will be an inspiring challenge to take CellaVision to the next level. It is gratifying that the positive sales trend has been maintained for the sixth quarter in a row. Sales in the quarter were SEK 72.5 million, with sales growth of 12 percent and an operating margin of more than 23 percent. This means that the historically strong fourth quarter of 2013 has now been surpassed. Strong sales growth in EMEA and our first veterinary business are some of the factors behind the sales increase. We also had an advantageous change in the exchange rate for both euro and dollars, which together had a positive impact on earnings for the quarter of more than SEK 5 million.

For the full year 2014 growth of 21 percent and an operating margin of 20 percent were achieved, with a positive exchange rate impact on sales of 3 percent. Our sales trend was good, at the same time as work on sound cost control continued to bear fruit. This contributes to our generating a strong cash flow from operating activities of SEK 40 million during the year.

CellaVision maintained a high pace of innovation during the year, with the launch of new software for advanced analysis of red blood cells, the CellaVision® Advanced RBC Application and CellaVision® DM9600, which after a somewhat slow start accelerated in terms of sales.

We also increased expansion potential in China through the registration approval from the CFDA for the Sysmex DI-60 and CellaVision® DM1200. We assess that the veterinary segment as limited but see opportunities of more potential business in the future. CellaVision has the potential to add substantial customer value in the veterinary segment by adapting the product portfolio to the needs of the veterinary market. CellaVision's primary focus in this segment lies in the North American market, as it is relatively consolidated, with large veterinary laboratories where sample volumes are high and the need for an effective analysis method great.

We have completed the initial pre-study, in collaboration with Clear Lake Medical Foundation, regarding the previously communicated technology acquisition. The objective of expanding our current product portfolio with a platform for small laboratories remains and we are continuing an internal development project.

In 2014 a financial outcome was achieved that is the best in the company's history and in acknowledgement of this the Board proposes that the dividend be increased to one krona. CellaVision must have the ambition and curiosity to continually improve patient diagnoses, but also to be more effective, cut costs and remove sources of error in health care. We will achieve continued success by utilizing our core competency in digital image analysis, focusing on hematology. This is a fantastically exciting starting point for me as the new CEO.

Zlatko Rihter, President and Chief Executive Officer

**"The best financial outcome in the company's history was achieved in 2014"**



### Key Ratios (MSEK)

	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Net sales	72.5	64.9	216.9	179.9
Gross profit	50.5	39.8	145.1	112.6
Operating profit	16.8	16.3	42.8	25.9
Operating margin, %	23.2	25.1	19.7	14.4
Profit/loss before tax	16.6	16.2	43.4	24.7
Return on operating capital %	-	-	62.0	45.0
Cash flow for the period	-6.6	15.3	-6.0	11.6

## Sales, earnings and investment

### October 1–December 31

Net sales for the Group in the fourth quarter were SEK 72.5 million (64.9), an increase of 12 percent compared with the corresponding period in 2013. CellaVision invoices more than 90 percent of its sales in EUR or USD, which is why exchange rate changes have an impact on the company's sales. Total exchange rate impact including forward cover meant a positive effect of four percent for EUR and 11 percent for USD compared with the same quarter in 2013.

The gross margin for the quarter was 70 percent (61). CellaVision usually has great variations in gross margins between individual quarters, which is due to the distribution of sales via distributors as against own sales companies, as well as the product mix. Gross profit in the fourth quarter was reduced by SEK 1.8 million for an extra impairment loss on intangible assets.

Total operating expenses in the fourth quarter were SEK 33.6 million, which is an increase compared with the same quarter of the previous year (23.5). This increase is partly due to provision for an incentive program of SEK 5 million and a larger proportion of R&D costs that are not capitalized.

CellaVision is conducting several development projects, aimed at strengthening the company's product portfolio in relation to customers in the field of

hematology. Capitalized expenditure for development projects was SEK 0.7 million (2.9) for the quarter.

Investments in property, plant and equipment during the quarter amounted to SEK 0.3 million (0.5).

### Seasonal variations

Like others in the medical devices industry selling capital equipment, CellaVision's inflow of orders is unevenly distributed over the year, with a strong fourth quarter historically. This is due to the distributors' sales, inventory levels and agreed volumes, as well as the fact that the health care investment budget is released late in the year. Consequently, the variation in order volume in individual quarters may be great in the different geographical regions.

Net sales, Q4

**72.5 MSEK**

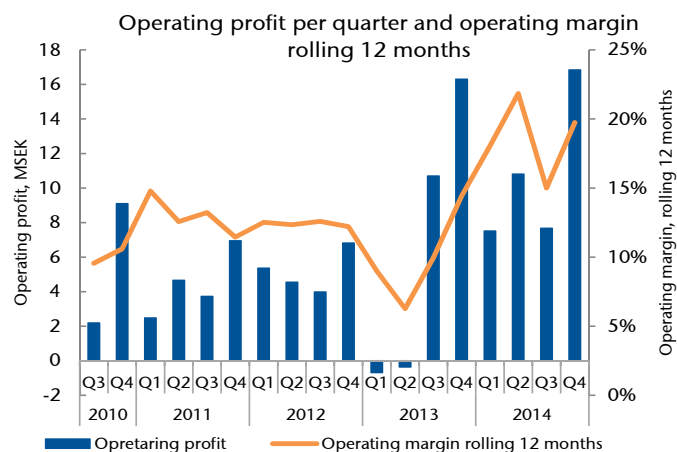
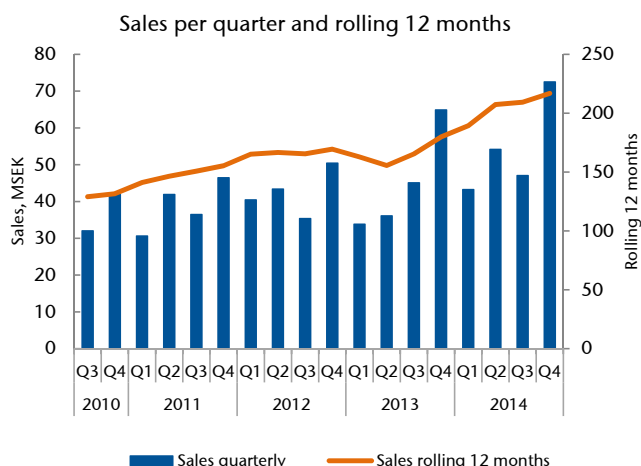
Operating margin,

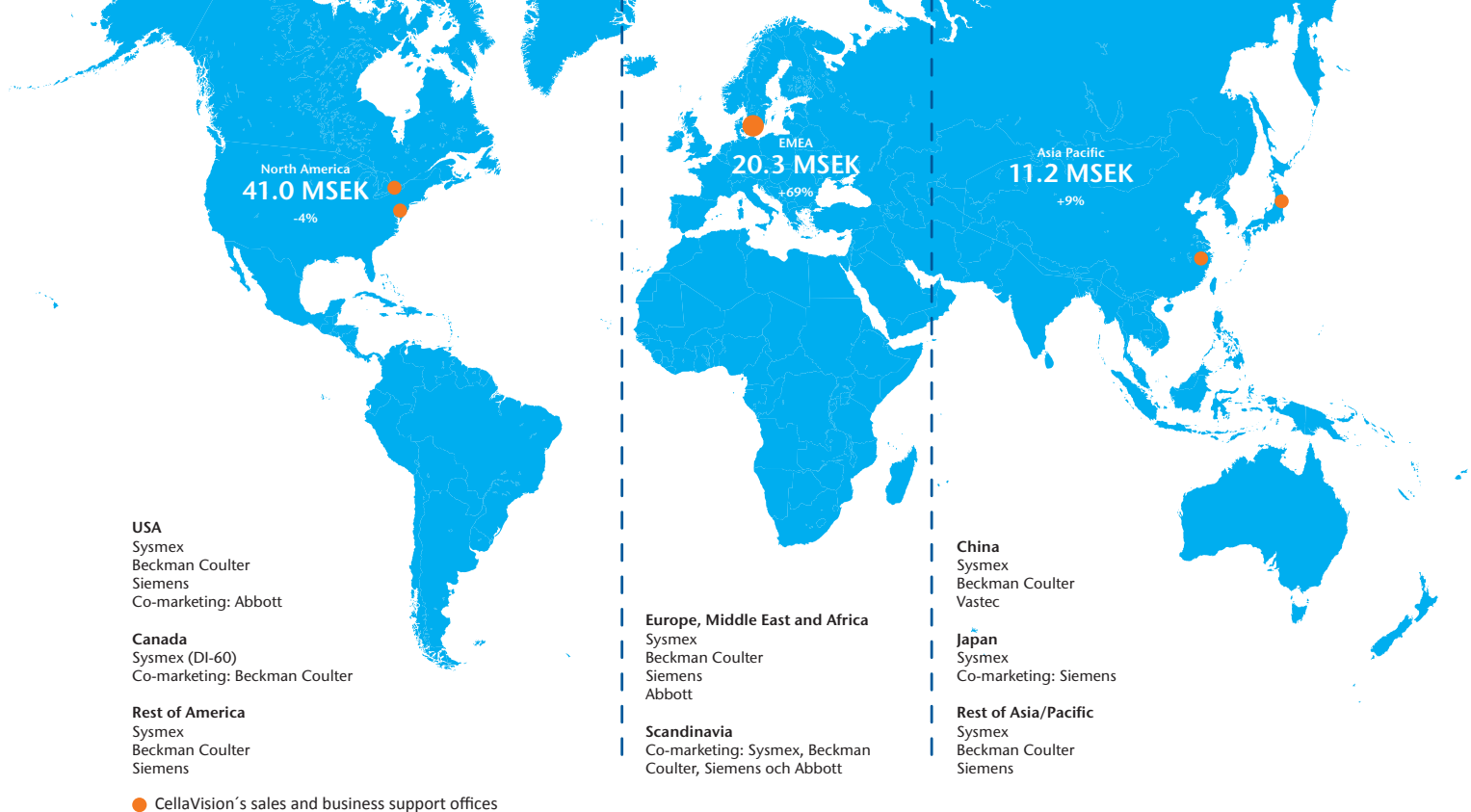
**19.7 %**

### Financial targets

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

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





## Development in geographical markets

### North America

Sales in North America amounted to SEK 41 million, a decrease of just under four percent (14 percent in local currency) compared with the corresponding quarter in 2013, which was the company's strongest quarter ever. Total sales for 2014 increased by 32 percent compared with the previous year, which is partly explained by the new CellaVision® DM9600 which is now available via all distribution partners and the delivery of instruments to the veterinary market.

During the third quarter the new software application for advanced analysis of red blood cells, the CellaVision® Advanced RBC Application, was approved for sale in Canada. The application was well-received by customers in the Canadian market and further orders were registered during the fourth quarter. The product has not yet been approved for sale in the USA. At the end of the quarter a co-marketing agreement was signed with Siemens Canada, giving them the right to market and sell CellaVision's products. There is already a similar agreement with Beckman Coulter Canada.

During the quarter CellaVision received its first major order for a veterinary customer. The order is for the

CellaVision® DM9600 Vet plus software for the largest laboratories of a laboratory chain in the North American market with an order value of more than SEK 12 million. Since the veterinary market is still relatively small and characterized by few but large customers, the order is regarded as being of a non-recurring nature. CellaVision's analyzers for the veterinary market, the DM9600 Vet and CellaVision® DM1200 Vet have been adapted for analysis of blood from dogs or cats as well as the ability to identify special thrombocyte and parasite deviations.

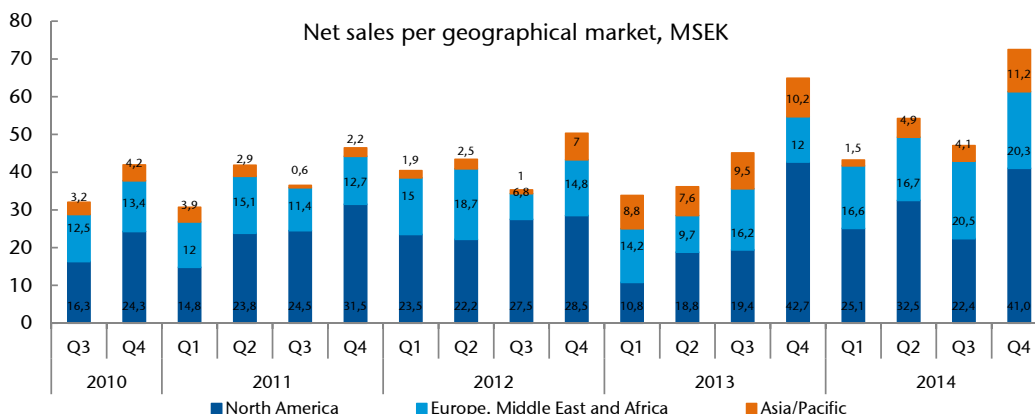
### Europe

The European market has shown steady growth during the year and sales in the fourth quarter were SEK 20.3 million, an increase of 69 percent (62 percent in local currencies) compared with the corresponding quarter in 2013. Sales in Europe on a full-year basis increased by 42 percent compared with 2013. CellaVision is seeing continued strong sales of the Sysmex integrated system DI-60 and during the quarter most other partners have got under way with sales of the DM9600.

In mature markets such as the Nordics older CellaVision systems started to be replaced by later models

During the quarter CellaVision received its first major order for a veterinary customer.

The European market has shown steady growth and an increase in sales of 69 percent in the fourth quarter.



during the year. The first European orders for the Advanced RBC Application were also received during the quarter. There is wide interest in the Nordics for the CellaVision® Proficiency Testing software, not only from laboratories, but also from higher education institutions that teach bioanalysts.

### Asia and the Pacific region

Sales in the fourth quarter were SEK 11.2 million, which is an increase of nine percent (five percent in local currencies) compared with the corresponding quarter in 2013 and considerably higher than the previous quarter. However, sales for the full year 2014 decreased by 40 percent compared with the previous year, mainly due to phasing out the CellaVision® DM96 and the market awaiting sales approval for the DI-60.

The registration of the DI-60 with subsequent sales approval came in October and a large first order for the DI-60-system from Sysmex is the main reason for the positive results for the quarter. During the quarter the DM1200 was also approved for sale after successful registration. The registration process for the DM9600 has been initiated and the sales start is expected to be at the beginning of 2016. Sales in Japan continue to be weak which had a negative impact on the quarterly results in the Asia and Pacific region.

### Research and Development

CellaVision is continually conducting a number of development projects, aimed at strengthening the product portfolio in relation to the company's customers in the field of hematology. Linked to the order for veterinary analyzers, development resources were also focused on meeting requirements on the veterinary market, including the further development of CellaVision's solutions for larger centralized networks. The network solutions being developed are also thought to be able to benefit other CellaVision systems and customers in the clinical market.

The initial pre-study, in collaboration with Clear Lake Medical Foundation, regarding the previously communicated technology acquisition, has been completed. CellaVision will be conducting the next step of the pre-study independently, with the aim of extending the product portfolio with products for small laboratories.

CellaVision was granted three new patents during the quarter. In Japan CellaVision has been granted a patent for the robot used to transport microscope slides in CellaVision's system and in China the company has been granted a patent for CellaVision's microscope developed in-house. In Sweden the company received a first patent covering the graphical user interface used in the Advanced RBC Application, the software application for advanced analysis of red blood cells. CellaVision currently holds 52 patents linked to 23 unique inventions.

CellaVision continuously capitalizes expenditure on new development. Capitalized expenditure for development projects was SEK 0.7 million (2.9) for the quarter. The decrease compared with the corresponding quarter in the previous year is because two major development projects were completed in the second quarter of 2014. Pre-studies for new projects are in

progress but they have not yet reached the development phase that allows capitalization.

### Financing

The Group's cash and cash equivalents at the close of the quarter amounted to SEK 51.9 million (57.9).

Cash flow from operating activities for the quarter was SEK -5.4 million (14.3).

Total cash flow for the quarter was SEK -6.6 million (15.3).

Total cash flow for the year was -6.0 (11.6). The change versus last year is related to repaid loans and high accounts receivables in December.

### Parent company

Parent company sales in the quarter were SEK 69.0 million (61.4). Profit before tax was SEK 18.5 million (-4.7). The improvement compared with the previous year is partially due to the parent company recognizing an impairment loss on intra-group receivables and shares in the Japanese subsidiary of SEK 14.5 million in the corresponding quarter of the previous year.

The parent company's investments in property, plant and equipment and intangible assets during the quarter amounted to SEK 1.0 million (3.4) and the cash flow to SEK -6.7 million (14.3). In other respects please refer to the information for the Group.

### Personnel

The number of employees of the Group, restated as full-time equivalents, was 72 (69) at the close of the period. Of these, 44 were men (40) and 28 women (28).

Zlatko Rihter was appointed as President/CEO and started on January 1, 2015.

Karin Dahllöf will leave her position as VP Sales & Marketing, effective April 12, 2015.

### Information concerning risks and uncertainties

Reduced demand and changes in exchange rates constitute uncertainties but not material risks. For a more detailed description of the risks and uncertainties facing CellaVision, please refer to the risk and sensitivity analysis in the Annual Report for 2013.

### Significant events after the first quarter

There are no significant post quarter events to report.

### Other information

#### Group

On December 31, 2014 the Group consisted of the parent company and the wholly-owned subsidiaries CellaVision Inc. (USA), CellaVision Canada Inc. (Canada), CellaVision Japan K.K. (Japan) and CellaVision International AB. In other respects please refer to the information for the Group.

Disposable funds

**51.9 MSEK**

Cash flow from operation activities

**-5.4 MSEK**

**Cash flow from operating activities for the full year 2014 was 39.7 MSEK**

Number of employees

**72**

**CellaVision was granted three new patents during the quarter**

## Dividend

The board of directors proposes a dividend increase to SEK 1 per share for 2014 (0.50). CellaVision has decided not to announce a dividend policy for coming years yet, since the company is undergoing strong growth and still requires operational investments. A decision on share dividend will instead be made from year to year, based on the company's development and capital requirements for financing the company's intended growth.

## Accounting policies

The Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Nasdaq OMX Stockholm Rule Book for Issuers. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities. The accounting policies and calculation methods applied are consistent with those described in the annual report for 2013. New standards and interpretations that came into force on January 1, 2014 have not had any impact on CellaVision's financial reporting for the interim report period.

### Financial instruments

Derivatives held for foreign currency hedging are valued at level 2, financial instruments where fair value is determined on the basis of valuation models based on other observable data for the asset or liability than listed prices included in level 1, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Currency forwards are valued on the basis of observable information referring to exchange rates on the balance sheet date and market rates for remaining maturities.

The value of CellaVision's derivatives was SEK -3.8 million at December 31, 2014.

The carrying amount of financial instruments measured at amortized cost was consistent with fair value at December 31, 2014.

### Segment reporting

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

### Review

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

## The Nomination Committee for the Annual General Meeting in 2015

In accordance with a resolution of the 2014 Annual General Meeting the Nomination Committee shall consist of the Chairman of the Board and one representative of each of the four largest shareholders in terms of voting rights at the end of September 2014.

For the 2015 Annual General Meeting the Nomination Committee consists of Lennart Hansson, Chairman (Stiftelsen Industrifonden), Christer Fåhraeus (Christer Fåhraeus and companies), Caroline af Ugglas (Skandia), Martin Gren (Grenspecialisten Förvaltning AB) who replaced Ulrica Slåne (Third National Swedish Pension Fund) from January 1, 2015, and Chairman of the Board Lars Gatenbeck.

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

## Annual General Meeting 2015

CellaVision's Annual General Meeting in 2015 will be held in Lund on May 6, 2015. Shareholders wishing to have matters considered at the Annual General Meeting can send a written request by email to [bolagsstamma@cellavision.se](mailto:bolagsstamma@cellavision.se) or ordinary mail to: The Board of Directors, CellaVision AB, Ideon Science Park, SE 223 70 Lund. The request must have been received at the latest seven weeks before the Annual General Meeting in order to be included in the notice to attend and thus the agenda of the Annual General Meeting.

The board of directors purposes a dividend increase to SEK 1 per share for 2014

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

Lund, February 12, 2015

Lars Gatenbeck  
*Chairman of the Board*

Roger Johanson  
*Member of the Board*

Anna Malm Bernsten  
*Member of the Board*

Christer Fåhraeus  
*Member of the Board*

Torbjörn Kronander  
*Member of the Board*

Niklas Prager  
*Member of the Board*

Zlatko Rihter  
*President/CEO*

## Consolidated Income Statement in Summary

All amount in ' 000 SEK	Oct-Dec 2014	Oct-Dec 2013	Jan-Dec 2014	Jan-Dec 2013
Net sales	72,482	64,885	216,916	179,851
Cost of goods sold	-22,005	-25,100	-71,814	-67,225
<b>Gross profit</b>	<b>50,477</b>	<b>39,785</b>	<b>145,102</b>	<b>112,626</b>
Sales and marketing expenses	-13,852	-10,018	-42,691	-39,344
Administration expenses	-10,728	-8,153	-36,833	-26,653
R&D expenses	-9,062	-5,317	-22,765	-20,683
<b>Operating profit</b>	<b>16,835</b>	<b>16,297</b>	<b>42,813</b>	<b>25,946</b>
Interest income and financial exchange rate gains	39	221	1,090	594
Interest expense and financial exchange rate losses	-289	-271	-534	-1,850
<b>Profit/loss before tax</b>	<b>16,585</b>	<b>16,247</b>	<b>43,369</b>	<b>24,690</b>
Tax	-4,936	-3,416	-11,904	-5,758
<b>Profit/loss for the period</b>	<b>11,649</b>	<b>12,831</b>	<b>31,465</b>	<b>18,932</b>
<b>Other comprehensive income:</b>				
Components not to be reclassified to net profit:	-	-	-	-
Components to be reclassified to net profit:				
<u>a) Financial assets at fair value</u>				
Reclassified to operating result	38	-75	207	-2,493
Revaluation of financial assets	-2,194	-414	-3,726	-204
Income tax relating to financial assets	474	91	774	560
<u>b) Translation difference</u>				
Translation difference in the group	790	123	1,986	350
Sum of Components to be reclassified to net profit:	-892	-275	-759	-1,787
Sum of other comprehensive income:	-892	-275	-759	-1,787
<b>Comprehensive result for the period</b>	<b>10,757</b>	<b>12,556</b>	<b>30,706</b>	<b>17,145</b>
<b>Per share data</b>				
	<b>Oct-Dec 2014</b>	<b>Oct-Dec 2013</b>	<b>Jan-Dec 2014</b>	<b>Jan-Dec 2013</b>
Earnings per share, SEK */	0.49	0.54	1.32	0.79
Equity per share, SEK	6.34	5.56	6.34	5.56
Equity ratio, %	75%	70%	75%	70%
Number of shares outstanding	23,851,547	23,851,547	23,851,547	23,851,547
Average number of shares outstanding	23,851,547	23,851,547	23,851,547	23,851,547
Stock exchange rate, SEK	39.30	15.40	39.30	15.40

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

## Quarterly earnings trend

All amount in ' 000 SEK	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
Net sales	72,482	47,043	54,154	43,237	64,885	45,076
Gross profit	50,477	30,362	36,273	27,990	39,785	27,465
Gross margin in %	70	65	67	65	61	61
Expenses	-33,642	-22,693	-25,472	-20,482	-23,488	-16,774
Operating profit	16,835	7,669	10,801	7,508	16,297	10,691
Net profit	11,649	4,828	9,094	5,894	12,831	7,913
Cash flow	-6,592	12,286	-29,962	18,291	15,257	1,513

## Consolidated Balance Sheet in Summary

All amount in ' 000 SEK	12/31/2014	12/31/2013
<b>Assets</b>		
Intangible assets	27,224	26,466
Tangible assets	3,203	3,195
Deferred tax assets	22,507	33,078
Financial assets	208	83
Inventory	25,129	16,797
Trade receivables	60,531	43,338
Other receivables	11,542	7,734
Cash and bank	51,905	57,882
<b>Total assets</b>	<b>202,249</b>	<b>188,573</b>
<b>Equity and liabilities</b>		
Equity	151,296	132,516
Short term debt	34,408	22,990
Short term debt with interest	-	19,978
Trade payables	12,297	10,641
Other liabilities	4,248	2,448
<b>Total equity and liabilities</b>	<b>202,249</b>	<b>188,573</b>

## Consolidated statement of changes in equity

All amount in ' 000 SEK	12/31/2014	12/31/2013
Balance at the beginning of the year	132,516	124,912
Dividend	-11,926	-9,541
Net profit for the year	31,465	18,932
Comprehensive result for the period	-759	-1,787
<b>Balance at the end of the year</b>	<b>151,296</b>	<b>132,516</b>

## Cash Flow Analysis in Summary

All amount in ' 000 SEK	Oct-Dec 2014	Oct-Dec 2013	Jan-Dec 2014	Jan-Dec 2013
<b>Result before taxes</b>	<b>16,585</b>	<b>16,247</b>	<b>43,369</b>	<b>24,690</b>
Adjustment for items not included in cash flow	8,058	10,051	18,942	13,309
Taxes	813	-842	-559	-842
<b>Cash flow from operations before changes in working capital</b>	<b>25,456</b>	<b>25,456</b>	<b>61,752</b>	<b>37,157</b>
Changes in working capital	-30,828	-11,140	-21,962	-9,885
<b>Cash flow from operations</b>	<b>-5,372</b>	<b>14,316</b>	<b>39,790</b>	<b>27,272</b>
Capitalisation of development costs	-702	-2,937	-12,292	-10,196
Aquisitions in financial non-current assets	-103	-5	-125	0
Aquisitions in tangible non-current assets	-415	-543	-1,446	-1,597
<b>Cash flow from investment activities</b>	<b>-1,220</b>	<b>-3,485</b>	<b>-13,863</b>	<b>-11,793</b>
New loans and instalments of dept	-	4,426	-19,978	5,708
Dividend	-	-	-11,926	-9,541
<b>Cash flow from financing activities</b>	<b>0</b>	<b>4,426</b>	<b>-31,904</b>	<b>-3,833</b>
<b>Total cash flow</b>	<b>-6,592</b>	<b>15,257</b>	<b>-5,977</b>	<b>11,646</b>
Liquid funds at beginning of period	58,497	42,625	57,882	46,236
Liquid funds at end of period	51,905	57,882	51,905	57,882

## Income Statement - Parent Company

All amount in ' 000 SEK	Oct-Dec 2014	Oct-Dec 2013	Jan-Dec 2014	Jan-Dec 2013
Net sales	69,020	61,415	207,041	166,757
Cost of goods sold	-20,558	-33,289	-81,184	-83,619
<b>Gross profit</b>	<b>48,462</b>	<b>28,126</b>	<b>125,857</b>	<b>83,138</b>
Sales and marketing expenses	-11,657	-5,786	-24,745	-18,293
Administration expenses	-9,027	-4,350	-35,133	-23,923
R&D expenses	-9,062	-8,000	-22,765	-22,766
<b>Operating profit</b>	<b>18,716</b>	<b>9,990</b>	<b>43,214</b>	<b>18,156</b>
Interest income and financial exchange gains	11	46	998	225
Interest expense and financial exchange losses	-248	-212	-355	-1,684
Impairment loss on intra-group receivables and shares in subsidiary	-	-14,546	-1,700	-14,546
<b>Profit before income tax</b>	<b>18,479</b>	<b>-4,722</b>	<b>42,157</b>	<b>2,151</b>
Taxes	-5,725	-2,616	-11,308	-4,128
<b>Net profit</b>	<b>12,754</b>	<b>-7,338</b>	<b>30,849</b>	<b>-1,977</b>

## Statement of Comprehensive Income

All amount in ' 000 SEK	Okt-Dec 2014	Okt-Dec 2013	Jan-Dec 2014	Jan-Dec 2013
Net profit for the period	12,754	-7,338	30,849	-1,977
Other comprehensive income:	-	-	-	-
Sum of other comprehensive income:	0	0	0	0
<b>Comprehensive profit for the period</b>	<b>12,754</b>	<b>-7,338</b>	<b>30,849</b>	<b>-1,977</b>

## Balance Sheet - Parent Company

All amount in ' 000 SEK	12/31/2014	12/31/2013
<b>Assets</b>		
Intangible assets	27,224	26,466
Tangible assets	1,829	1,685
Deferred tax assets	21,655	32,963
Financial assets	106	106
Inventory	21,748	14,370
Trade receivables	56,219	39,593
Receivables from group companies	9,241	5,356
Other receivables	9,722	7,186
Cash and bank	41,028	50,785
<b>Total assets</b>	<b>188,772</b>	<b>178,510</b>
<b>Equity and liabilities</b>		
Equity	138,816	119,892
Short term debt	24,040	17,876
Short term debt with interest	-	19,978
Trade payables	12,246	7,905
Liabilities to group companies	9,422	10,412
Other liabilities	4,248	2,447
<b>Total equity and liabilities</b>	<b>188,772</b>	<b>178,510</b>



## This is CellaVision

*CellaVision creates value by improving processes for blood analysis, enabling more patients to receive better and faster care at a lower cost to healthcare services.*

### CellaVision's core activities

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

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

### Corporate culture

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

### Offer to end customers

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

### Strategic partnerships

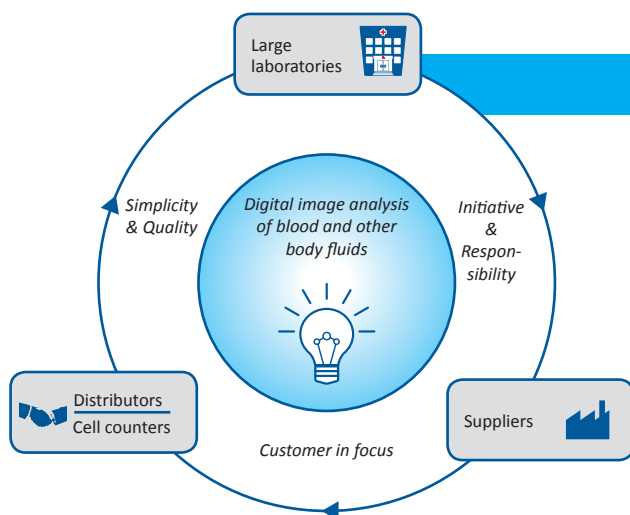
To achieve scalability in manufacture and sales CellaVision works with strategic partners.

#### Suppliers

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

#### Distribution via suppliers of cell counters

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



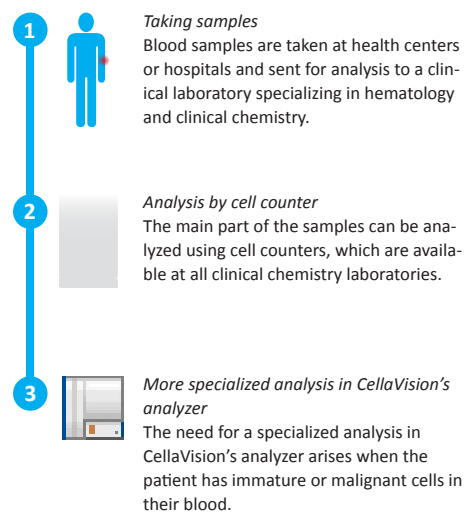
### Vision

Our vision is to create a global standard for digital microscopy in the field of laboratory medicine. Our method provides the laboratory with competency and quality as well as freeing up time, which together imply cost-effectiveness and improved patient care.

### Business concept

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

### Automated analysis chain



## BUSINESS MODEL

#### CellaVision's value creation

- Faster and better care for patients
- Better utilization of resources in healthcare services
- More effective tools for partnerships and quality assurance

#### Market drivers

- Ageing population and increased prosperity
- Reduced health care resources
- Consolidation of health care resources

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#### Financial calendar

Interim report Jan-Mar	May 5, 2015
Annual general meeting::	May 6, 2015
Interim report Jan-June:	July 17, 2015
Interim report Jan-Sept:	November 7, 2015
Year-end bulletin 2015	February 12, 2016

## Definitions of key figures and ratios

**Equity per share.** Equity divided by the number of shares at the end of the period.

**Earnings per share.** Profit/loss for the period in relation to average weighted number of shares.

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

**Return on operating capital.** Result after financial items as a percentage of average operating capital.

**Operating capital.** Balance sheet total less financial liabilities, deferred tax liabilities and not-interest bearing liabilities.

### Publication

The information in this interim report is disclosed by CellaVision AB (publ) pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for public disclosure on February 12, 2015 at 08.20.

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

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