



Continuous expansion into new markets

High rate of innovation for continued digitization of healthcare

Year-end bulletin

January-December 2016

Strong close to 2016 and a very strong start of 2017

October 1 – December 31, 2016

- Net sales increased by 18% to SEK 72.8 million (61.6).
- Currency-adjusted growth for the quarter was 14% (-25).
- Operating profit increased to SEK 21.6 million (16.4).
- The operating margin increased to 29.8% (26.7).
- Earnings per share were SEK 0.75 (0.64)
- Cash flow from operating activities was SEK 35.0 million (12.3).

Significant events after the periods close

- The company reports a very strong increase of net sales for the first quarter compared with the same quarter in the previous year.

January 1 – December 31, 2016

- Net sales increased by 11 % to SEK 265.0 million (239.4).
- Currency-adjusted growth was 9% (0%).
- Operating profit increased to SEK 74.2 million (65.5).
- The operating margin increased to 28.0% (27.3).
- Earnings per share increased to SEK 2.51 (2.22).
- Cash flow from operating activities was SEK 76.6 million (88.0).
- The Board of Directors proposes a dividend of SEK 1.50 per share for 2016 (1.50).

Net sales, Q4:
72,8 MSEK (61,6)

Operating profit, Q4:
21,6 MSEK (16,4)

Operating margin,
Q4: 29,8 % (26,7)

Key Ratios

(MSEK)	Oct-Dec 2016	Oct-Dec 2015	Full year 2016	Full year 2015
Net sales	72.8	61.6	265.0	239.4
Gross profit	52.8	46.4	188.9	174.2
EBITDA	23.9	17.8	82.4	73.0
Operating profit	21.6	16.4	74.2	65.5
Operating margin, %	29.8	26.7	28.0	27.3
Profit/loss before tax	20.8	16.8	75.8	65.6
Cash flow for the period	27.4	8.1	25.8	54.8
Equity ratio, %	80.4	83.0	80.4	83.0

CEO's comment



A strong quarter in the human healthcare market

2016 closed with a strong quarter for CellaVision. Sales were SEK 72.8 million (61.6), corresponding to growth of 18 percent with a positive exchange rate impact of about four percent. This was achieved despite the fact that the comparative quarter in 2015 included a sale to the veterinary market of about SEK 4 million that was not repeated in 2016. Growth for the human healthcare market was 24 percent. The operating profit increased by 32 percent to SEK 21.6 million (16.4), corresponding to an operating margin of 29.8 percent (26.7) and the cash flow was SEK 27.4 million (8.1).

CellaVision's largest regions, the Americas and EMEA, performed well in the quarter. Sales in EMEA increased to SEK 26.7 million (18.0) and during the quarter we established an organization for market support in France. The Americas continues to perform well and CellaVision grew by 46 percent in the human health care market in the quarter. Net sales were SEK 40.1 million (30.4) and growth was 32 percent including both human healthcare as well as the veterinary market.

After a period of growth, APAC reported a weaker fourth quarter, with a decrease in sales of 54 percent to SEK 6.0 million (13.2). During the quarter we signed an agreement with a new distribution partner, Semacare and a market support organization was established in Oceania.

Full year 2016: Breakthrough in APAC and 27 percent global growth in the human healthcare market

2016 was a successful year for CellaVision, with sales of SEK 265.0 million (239.4), corresponding to growth of eleven percent. The favorable development is a result of our breakthrough in APAC, which grew by 70 percent and accounted for 18 percent of our sales and the strong performance in the human healthcare market, which grew globally by 27 percent. The Americas reported strong performance in the human healthcare market, which increased by 34 percent and including the veterinary market, the total increase was two percent in the Americas.

Growth in EMEA was four percent.

Continued investment in market penetration

2016 showed clearly the crucial importance of a direct presence in the form of own organizations for market support. During the year we continued our establishment in the Middle East, South Korea, Australia and France. In the first quarter of 2017 we will establish a direct presence in Europe's German-speaking markets and we are planning for further establishments during the year.

New strategy for the veterinary market and stronger cooperation with distributors

During the year we adjusted our strategy for the veterinary market and will use an indirect business model with sales via distribution partners for that market as well. The distribution agreement for Oceania with Semacare, covering both the veterinary - and human healthcare market, is the first example of this. The veterinary market continues to be fragmented and our activities must be seen as long-term investments.

Innovation

The project for a new technology platform for small and mid-size laboratories is in an intensive phase, covering both product development and launch preparations. The launch, as previously communicated, is planned for 2018. During the year we launched upgraded veterinary software and a major upgrade of CellaVision® Remote Review with even better network potential. In 2016 the CellaVision® DM9600 was approved by the Chinese authorities, making all CellaVision's analyzers approved for sale in all relevant markets.

The order inflow at the start of the first quarter of 2017 has been exceptionally good and we expect substantially increased sales in the Americas, APAC and EMEA. The result of all three of our regions performing well sum up to a very strong organic sales growth for the first quarter compared with the same period last year.

Zlatko Rihter, President and Chief Executive Officer

Growth in the human healthcare market was 24% in the quarter.

Sales in EMEA increased to SEK 26.7 million (18.0).

The Americas achieved sales growth of 32% and net sales of SEK 40.1 million (30.4).

The breakthrough in APAC means that CellaVision has three strong regions.

We see a very strong start to 2017 compared to the same period last year.

Sales, earnings and investment

October 1- December 31

Net sales for the Group in the fourth quarter were SEK 72.8 million (61.6), an increase of 18 percent compared with the corresponding period in 2015.

CellaVision invoices more than 90 percent of its net sales in euro or US dollars, which means that exchange rate fluctuations have a major impact on the company's reported net sales and earnings. Adjusted for positive exchange rate effects of four percent, net sales increased by 14 percent compared with the corresponding quarter in 2015.

The gross margin was 72.5 percent (75.4) for the quarter. CellaVision often has large variations in gross margins between individual quarters, which is due to the distribution of sales via distribution partners, as well as the product mix. In the fourth quarter in the previous year the gross margin was impacted positively in that a guarantee reserve was reduced by SEK 3.5 million.

Total operating expenses in the fourth quarter were SEK 31.1 million (30.0). The increase is due to planned initiatives to broaden the product portfolio and increase market presence.

CellaVision is running several development projects aimed at strengthening the company's product offer to customers in the area of hematology. Capitalized expenditure for development projects was SEK 6.1 million (3.4) for the quarter.

Operating profit for the quarter was SEK 21.6 million (16.4) with an operating margin of 29.8 percent (26.7).

CellaVision has no interest-bearing liabilities. Net financial income is mainly attributable to exchange gain / losses on intercompany balances.

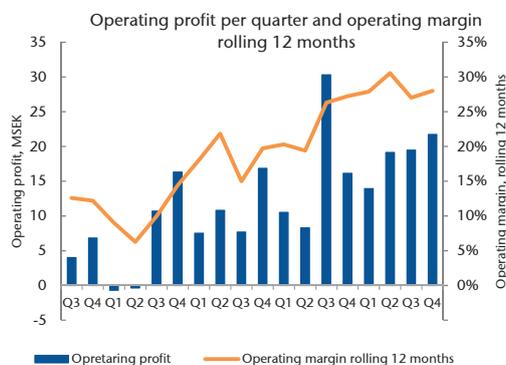
The Group's cash and cash equivalents at the close of the quarter increased to SEK 132.5 million (106.7).

The quarter's total cash flow increased to SEK 27.4 million (8.1). A large customer payment, referring to the third quarter, was booked at the beginning of October and contributed to an improved cash flow compared with the previous year. CellaVision has since the operation start-up phase had tax loss carryforwards in the Parent Company. During the third quarter of this year the carry forwards were consumed and in future periods tax payments will reduce cash flow.

Cash equivalents
SEK 132.5 million

Cash flow
SEK 24.7 million

Operating profit
21.6 MSEK (16,4)



Development in geographical markets

Americas: SEK 40.1 million (30.4)

Sales in the Americas increased in the fourth quarter by 32 percent to SEK 40.1 million (30.4) compared with the same quarter in the previous year. The growth is only from the human healthcare market and is thus adjusted from the previous year's transaction in the veterinary market. Sales increased by 46 percent in the quarter and for the full year the region reported growth of two percent.

The positive trend in the human healthcare market derives in part from a more structured way of addressing the areas in North America that previously had a low level of penetration. The market is addressed in close collaboration with CellaVision's local organization for market support and the company's various distribution partners. Apart from this, the replacement market in the Americas is gradually taking off.

CellaVision is now looking towards the next growth market and intends to establish a local presence in Brazil, where the company sees good prospects of expansion.

EMEA: 26.7 MSEK (18.0)

Sales in EMEA increased in the fourth quarter by 48 percent to SEK 26.7 million (18) compared with the same quarter in the previous year. The favorable close of the year means that the region achieved growth of four percent for the full year. The strong performance was above all in Western Europe, but the Middle East has also seen positive development.

CellaVision has a clear strategy of establishing a local presence with market support in key markets with a significant hematology market. This enables the company to conduct a structured penetration strategy corresponding to the way it works in the USA and Canada. During the quarter CellaVision initiated establishment in Europe's German language markets and establishment in France is continuing according to plan.

During the quarter an agreement was signed with a new global distribution partner, Horiba, for EMEA. Horiba is a Japanese company with its head office for its hematology business in France. The partnership will initially focus on a number of key markets in Western Europe.

APAC: 6.0 MSEK (13.2)

APAC sales decreased in the fourth quarter to SEK 6.0 million (-54%) compared with the same quarter in the previous year.

The pace of sales in China slowed somewhat after a period of very strong growth. For the full year the region reports growth of 70 percent, SEK 47.3 million (27.8).

In line with CellaVision's strategy for geographical expansion, during the quarter the company established a market support organization in Australia. To date CellaVision has had a weak presence in the area, but now assesses that expansion opportunities are good throughout Oceania. In connection with the establishment CellaVision signed an agreement with a local distribution partner, Semacare. Semacare will sell in the human healthcare market as well as in the veterinary market, and Semacare will thereby become the company's first distribution partner in the veterinary market.

The company addresses and evaluates new markets in the region on a continuous basis. CellaVision has received its first orders from Indonesia and India, which will be interesting markets for the company in the long term.

Sales amounted to SEK 40.1 million in Americas.

Sales increased in EMEA by 48%, to SEK 26,7 million (18).

APAC sales decreased in the quarter to SEK 6.0 million.



Other Information

Research and Development

CellaVision is continually conducting a number of development projects, aimed at strengthening the offer to the company's customers in the field of hematology.

The work of developing a technology platform for small and mid-size laboratories intensified during the quarter. The project, which is very extensive, is continuing according to plan, with the launch scheduled for 2018.

During the quarter CellaVision continued to conduct several patent cases regarding extended technical and geographical protection for already patented inventions. CellaVision's patent portfolio today consists of 24 patent families covering 58 registered patents.

The Group continuously capitalizes expenditure on new development. Capitalized expenditure for development projects was SEK 6.1 million (3.4) for the quarter.

Personnel

The number of employees of the Group, restated as full-time equivalents, was 84 (73) at the close of the period. Of these, 58 were men (49) and 26 women (24).

Personnel covering the establishment of market support organization in France and Oceania amounted to a total of two people.

Significant events after the periods close

The order inflow at the start of the first quarter of 2017 has been exceptionally good and the company expects substantially increased sales in the Americas, APAC and EMEA. The result of all three regions performing well sum up to a very strong organic sales growth for the first quarter compared with the same period last year.

The CellaVision head office in Lund moved to new premises in January, and the address is now Mobilvägen 12, SE 224 71 Lund

Parent company

Parent company sales in the quarter increased to SEK 67,6 million (57.1). Profit before tax was SEK 5.6 million (15.1).

The parent company's investments in property, plant and equipment and intangible assets during the quarter amounted to SEK 1.1 million (3.4). Investments in intangible assets were previously reported in the form of capitalized development expenditure in the parent company. These are now recognized as expenses in the parent company and capitalized in the Group. In other respects, please refer to the information for the Group.

Information concerning risks and uncertainties

Reduced demand and changes in exchange rates constitute uncertainties but not material risks. For a more

detailed description of the risks and uncertainties facing CellaVision, please refer to the risk analysis in the Annual Report for 2015.

Dividend

CellaVision's Board of Directors proposes the Annual General Meeting a dividend of SEK 1.50 per share for 2016 (1.50)

CellaVision's Board of Directors proposes the Annual General Meeting to adopt a dividend policy, that dividend should correspond to 30 to 50 percent of the net income, but also to always take into account the company's capital structure, acquisitions and long-term financing needs.

Seasonal variations

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

Accounting policies

The Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Nasdaq Stockholm Rule Book for Issuers. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities. The accounting policies and calculation methods applied are consistent with those described in the annual report for 2015. New standards and interpretations that came into force on January 1, 2016 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 measured on the basis of observable information referring to exchange rates on the balance sheet date and market rates for remaining maturities. The net value of currency forwards is recorded as Other receivables on the Group's balance sheet. The net value of CellaVision's derivatives was SEK -2.7 million (0.2) at December 31, 2016.

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.

The work of developing a technology platform for small and mid-size laboratories intensified during the quarter

Number of employees
84

Nomination Committee for the 2017 Annual General Meeting

In accordance with a resolution of the 2016 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 2016.

Ahead of the 2017 Annual General Meeting the Nomination Committee consists of: Christer Fåhraeus, (appointed by Christer Fåhraeus and companies), Bo Lundgren (appointed by Swedbank Robur fonder), Caroline Sjösten (appointed by Skandia), Joel Eklund

(appointed by Eklund & Peterson AB) and the Chairman of the Board Sören Mellstig.

The Nomination Committee purposes re-election of Christer Fåhraeus, Åsa Hedin, Roger Johanson, Torbjörn Kronander, Anna Malm Bernsten, Soren Mellstig and Niklas Prager. The Nomination Committee proposes re-election of Soren Mellstig as Chairman of the Board of CellaVision AB.

Press release with the proposal was published on the 27 of January 2017.

Annual General Meeting 2017

CellaVision's Annual General Meeting in 2017 will be held in Lund at three o'clock CET, on May 5, 2017. Shareholders wishing to have matters considered at the Annual General Meeting can send a written request by email to bolagsstamma@cellavision.se or ordinary mail addressed 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.

Statement

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 the 7, 2017

Sören Mellstig
Chairman of the Board

Christer Fåhraeus
Member of the Board

Åsa Hedin
Member of the Board

Roger Johanson
Member of the Board

Torbjörn Kronander
Member of the Board

Anna Malm Bernsten
Member of the Board

Niklas Prager
Member of the Board

Zlatko Rihter
President/CEO

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

Consolidated Income Statement in Summary

All amount in '000 SEK	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net sales	72,761	61,553	265,038	239,390
Cost of goods sold	-19,988	-15,125	-76,102	-65,157
Gross profit	52,773	46,428	188,936	174,233
Sales and marketing expenses	-15,249	-13,716	-56,859	-47,851
Administration expenses	-8,294	-8,909	-28,670	-33,788
R&D expenses	-7,582	-7,377	-29,239	-27,124
Operating profit	21,648	16,426	74,168	65,470
Interest income and financial exchange rate gains	357	1,066	3,632	2,008
Interest expense and financial exchange rate losses	-1,238	-677	-2,025	-1,925
Profit/loss before tax	20,767	16,815	75,775	65,553
Tax	-2,943	-1,600	-15,975	-12,731
Profit/loss for the period	17,824	15,215	59,800	52,822

Other comprehensive income:

Components not to be reclassified to net profit:

Components to be reclassified to net profit:

a) Financial assets at fair value

Reclassified to operating result	-278	84	-249	3,753
Revaluation of financial assets	812	782	-2,721	249
Income tax relating to financial assets	-124	-190	653	-828

b) Translation difference

Translation difference in the group	1,506	-77	951	78
Sum of Components to be reclassified to net profit:	1,916	599	-1,366	3,252

Sum of other comprehensive income:	1,916	599	-1,366	3,252
Comprehensive result for the period	19,740	15,814	58,434	56,074

Per share data

Earnings per share, SEK */	0.75	0.64	2.51	2.21
Equity per share, SEK	8.64	7.69	8.64	7.69
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	86.00	69.75	86.00	69.75

* 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 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Net sales	72,761	68,304	65,723	58,250	61,553	74,529
Gross profit	52,773	47,868	47,394	40,901	46,428	54,828
Gross margin in %	72.5	70.1	72.1	70.2	75.4	73.6
Expenses	-31,125	-28,411	-28,253	-26,979	-30,002	-24,537
Operating profit	21,648	19,457	19,141	13,922	16,426	30,291
Net profit	17,824	15,161	16,903	9,912	15,215	24,412
Cash flow	27,405	7,365	-22,035	13,024	8,070	32,365

Consolidated Balance Sheet in Summary

	12/31/2016	12/31/2015
Assets		
Intangible assets	34,724	29,400
Tangible assets	3,270	2,652
Deferred tax assets	0	9,902
Financial assets	2,025	1,195
Inventory	36,275	24,624
Trade receivables	33,238	35,498
Other receivables	14,459	10,462
Cash and bank	132,454	106,695
Total assets	256,445	220,428
Equity and liabilities		
Equity	206,175	183,518
Short term debt	32,571	28,462
Short term debt with interest	0	0
Trade payables	16,451	7,338
Other liabilities	1,248	1,110
Total equity and liabilities	256,445	220,428

Consolidated statements of changes in equity

All amount in '000 SEK	12/31/2016	12/31/2015
Balance at the beginning of the year	183,518	151,296
Dividend	-35,777	-23,852
Net profit for the year	59,800	52,822
Comprehensive result for the period	-1,366	3,252
Balance at the end of the year	206,175	183,518

Cash Flow Analysis in Summary

All amount in '000 SEK	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Result before taxes	20,767	16,815	75,775	65,553
Adjustment for items not included in cash flow	2,483	2,012	7,322	4,080
Taxes	-6,225	-438	-6,225	-957
Cash flow from operations before changes in working capital	17,025	18,389	76,872	68,676
Changes in working capital	17,991	-6,105	-305	19,321
Cash flow from operations	35,016	12,284	76,567	87,997
Capitalisation of development costs	-6,066	-3,376	-12,276	-8,593
Aquisitions in financial non-current assets	-188	-890	-830	-157
Aquisitions in tangible non-current assets	-1,357	52	-1,925	-605
Cash flow from investment activities	-7,611	-4,214	-15,031	-9,355
New loans and instalments of dept	0	0	0	0
Dividend	0	0	-35,777	-23,852
Cash flow from financing activities	0	0	-35,777	-23,852
Total cash flow	27,405	8,070	25,759	54,790
Liquid funds at beginning of period	105,049	98,625	106,695	51,905
Liquid funds at end of period	132,454	106,695	132,454	106,695

Income Statement - Parent Company

All amount in '000 SEK	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net sales	67,558	57,130	254,395	227,839
Cost of goods sold	-30,398	-18,846	-96,348	-81,303
Gross profit	37,160	38,284	158,047	146,536
Sales and marketing expenses	-8,830	-7,315	-30,708	-22,033
Administration expenses	-8,292	-8,904	-28,668	-33,783
R&D expenses	-13,648	-7,377	-41,445	-27,124
Operating profit	6,390	14,688	57,226	63,596
Interest income and financial exchange gains	354	1,059	3,594	1,990
Interest expense and financial exchange losses	-1,118	-673	-1,871	-1,804
Impairment loss on intra-group receivables and shares in subsidiary	0			
Profit before income tax	5,626	15,074	58,949	63,782
Taxes	-1,002	-1,059	-12,733	-11,775
Net profit	4,624	14,015	46,216	52,007

Statement of Comprehensive Income

All amount in '000 SEK				
Net profit for the period	4,624	14,015	46,216	52,007
Other comprehensive income:				
Sum of other comprehensive income:				
Comprehensive profit for the period	4,624	14,015	46,216	52,007

Balance Sheet - Parent Company

All amount in '000 SEK	12/31/2016	12/31/2015
Assets		
Intangible assets	22,518	29,400
Tangible assets	2,047	1,756
Deferred tax assets	1,248	9,880
Financial assets	2,035	1,189
Inventory	32,167	21,352
Trade receivables	25,894	30,417
Receivables from group companies	5,693	2,478
Other receivables	12,914	8,772
Cash and bank	123,924	99,782
Total assets	228,440	205,026
Equity and liabilities		
Equity	177,410	166,971
Short term debt	22,241	23,056
Short term debt with interest		
Trade payables	16,076	7,138
Liabilities to group companies	11,465	6,751
Other liabilities	1,248	1,110
Total equity and liabilities	228,440	205,026

Reconciliation tables KPIs, non-IFRS measures

The company presents certain financial measures in the interim report which are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. CellaVision's definitions of these measures may differ from other companies's definitions of the same terms. These financial

measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented below. Reconciliation of these measures is shown in the tables below.

Net earnings per share

KSEK	Okt-Dec 2016	Okt-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Profit/loss for the period	17,824	15,215	59,800	52,822
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547
Net earnings per share	0.75	0.64	2.51	2.21

Equity per share

KSEK	Okt-Dec 2016	Okt-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Equity	206,175	183,518	206,175	183,518
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547
Equity per share	8.64	7.69	8.64	7.69

Equity-asset ratio

KSEK	Okt-Dec 2016	Okt-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Equity	206,175	183,518	206,175	183,518
Balance sheet total	256,445	220,428	256,445	220,428
Equity ratio	80.4%	83.3%	80.4%	83.3%

Gross margin

KSEK	Okt-Dec 2016	Okt-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net sales	72,761	61,553	265,038	239,390
Gross profit	52,773	46,428	188,936	174,233
Gross margin	72.5%	75.4%	71.3%	72.8%

Operating margin

KSEK	Okt-Dec 2016	Okt-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net sales	72,761	61,553	265,038	239,390
Operating profit	21,648	16,426	74,168	65,470
Operating margin	29.8%	26.7%	28.0%	27.3%

EBITDA

KSEK	Okt-Dec 2016	Okt-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Operating profit	21,648	16,426	74,168	65,470
Depreciation	2,280	1,402	8,261	7,572
EBITDA	23,928	17,828	82,429	73,042

Net sales

KSEK	Oct-Dec 2016 (%)	Oct-Dec 2016 MSEK	Oct-Dec 2015 (%)	Oct-Dec 2015 MSEK
Last period		61,553		72,482
Organic growth	14%	8,746	-25%	-18,121
Currency effect	4%	2,462	10%	7,191
Current period	18%	72,761	-15%	61,553

Key performance indicators not defined according to IFRS

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

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

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

Gross profit. Net sales less cost of goods sold.

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

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

Operating profit (EBIT). Earnings before interest and tax

This is CellaVision

Vision

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

Business concept

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

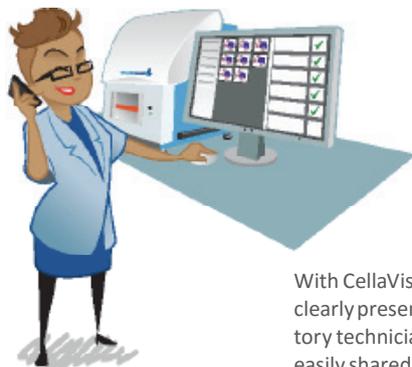
CellaVision's core activities

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

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

Company culture

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



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

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 the foremost suppliers of cell counters are therefore strategically important so as to reach end customers cost effectively. CellaVision partners have a broad range of products and global salesforces with local knowledge. CellaVision's own organization supports its partners in the sales process.

Financial targets

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

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

Questions concerning the report can be addressed to:



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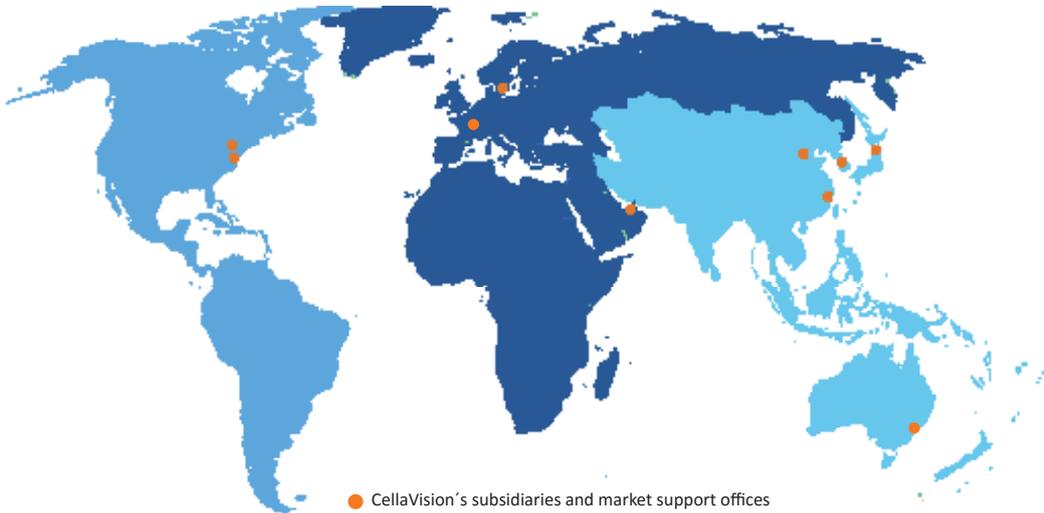
The information in this interim report is disclosed by CellaVision AB (publ) pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for public disclosure on February 7, 2017 at 08.20.

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

Financial calendar

Activity	Date
Interim report Jan-Mar:	May 4
Annual general meeting:	May 5
Interim report Jan-June:	July 18
Interim report Jan-Sept:	October 25
Year-end bulletin	February 9, 2018

CellaVision in the world



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