



CELLAVISION AB (publ)

Interim report for the period January 1 – March 31, 2009

Continued strong sales trend during the first quarter of 2009

- Net sales for the quarter rose by 19% to SEK 22.0 million (18.5).
- The operating profit for the period was SEK 0.9 million (1.3).
- Earnings per share for the period amounted to SEK 0.02 (0.05).
- Cash and cash equivalents amounted to SEK 14.5 million (16.1) by the end of the quarter.
- CellaVision qualified for trade on NASDAQ OMX First North Premier on February 16, 2009.

Important events after the reporting period

- The Japanese subsidiary received its first order.
- David Autry was appointed President of CellaVision North America.
- CellaVision was nominated for the SwedenBIO Award for its successes during 2008.

CellaVision in summary

(MSEK)	Jan-March 2009	Jan-March 2008	Full year 2008
Net sales	22.0	18.5	100.4
Gross profit	14.1	11.9	63.5
Operating result	0.9	1.3	13.4
Net result	0.5	1.2	13.1
Cash flow	-5.2	-0.3	3.3

CEO's comment

"The first quarter indicates a continued strong sales growth, and we are still dedicated to our aim of furthering growth and profit in 2009," says Yvonne Mårtensson, CEO of CellaVision. "As yet, the financial crisis has not translated into a loss of orders; however, the purchasing processes tend to take longer for hospital customers. North America accounted for the majority of sales during this quarter, and Dave Autry has now been appointed President of our North American operations."

"It is also satisfying to report that our Japanese subsidiary received its first order in April from the hospital laboratory in Tokyo that has been evaluating the product for some time. The laboratory at Tokyo Medical Center is a good reference to have in our future penetration of the important Japanese market."

"Our growth is also owing to technological development. The development of a new hardware platform has reached an intense phase of prototype assembling and testing. This has resulted in increased costs, which in turn has an effect on results despite the fact the SEK 4.8 million was capitalized as expenditure for development. The main parts of these costs are now taken. A new product based on the new hardware platform will be launched in the second half of this year."

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CELLAVISION IN BRIEF

CellaVision AB develops, markets, and sells the market leading image analysis based systems for routine analysis of blood and other 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.

Currently the company focuses on the following three products: CellaVision® DM8, CellaVision® DM96, and CellaVision® Competency Software. The CellaVision DM product family includes analyzers which automate manual differential counts of white blood cells and characterization of red blood cells. The products provide an unprecedented level of efficiency, consistency and collaboration between laboratory staff and sites. CellaVision Competency Software is a combined proficiency testing and educational software for manual blood cell differential in laboratories. Additional software applications are under development.

The CellaVision customers are large and medium sized hospital-laboratories and independent commercial laboratories in mainly Europe and the US. In most countries the products are sold through distributors. In the Nordic countries and through subsidiaries in the US, Canada and Japan, CellaVision sells direct.

SUMMARY OF THE PERIOD JANUARY – MARCH

Market and sales

The positive sales trend continued during the reporting period. Sales increased by 19% to SEK 22.0 million (18.5) in comparison with the same period the previous year. During the period North America accounted for 78% (65) of sales, Europe for 22% (34), and the rest of the world for 0% (1). A substantial part of sales is accounted for by the subsidiary in the US, Sysmex America.

Traditionally, CellaVision has an uneven flow of orders, which is true for the industry as a whole, and is largely due to the distributors' sales successes and inventory levels. There can be significant variations in the order volumes for individual quarters.

Studies of the industry that have been presented the last months have been indicating that the medical systems market is being affected by the global recession. Although there is still a strong demand for CellaVision's products on the main markets, there are signs to suggest that the purchasing processes are taking longer for hospital customers. However, as yet no orders have been lost due to the current recession.

CellaVision Products

Analyzers:

CellaVision® DM96
CellaVision® DM8

Optional application for body fluids analysis:

CellaVision® Body Fluid
Application

Software for networking and remote access:

CellaVision® Remote
Review Software

Software for proficiency testing and education:

CellaVision® Competency
Software



Research and development

During the period a project focusing on developing a new hardware platform entered an intense phase, demanding large resources. Currently comprehensive testing of prototypes and pre-production is under way, which will result in a new product during the second half of the year. The new product will replace the CellaVision® DM8 analyzer, making CellaVision even more competitive in the future.

Capitalized costs for development projects of hardware during the quarter amounted to SEK 4.8 million (2.1), of which a significant part refers to non-recurring external costs.

During the quarter the company obtained three new patents in Europe (Great Britain, Germany, and France). The patents describe a positioning method using overlapping images to very precisely position a test slide during analysis. At the end of the quarter a total of 18 patented inventions had generated 30 patents.

Important events after the reporting period

In the beginning of April the subsidiary in Japan received its first order. The order involves installation of the company's analyzer CellaVision® DM96 at a laboratory owned by one of Japan's largest laboratory chains, the National Hospital Organization Tokyo Medical Center Medience Laboratory. The Medience laboratory has been evaluating the analyzer and has now chosen to use it in routine analysis. The order is an indication that CellaVision's technology is beneficial for clinical laboratories in Japan.

In accordance with the strategy of investing in CellaVision's own sales organization in North America, David Autry was appointed President of CellaVision North America from May 4, 2009, onwards. David Autry will oversee operations in North America. He has more than 20 years of line management experience from large international diagnostic and medical device companies and start-up companies in the industry.

The company signed an agreement with the product development company Scalae AB concerning design of product prototypes for testing and clinical studies, and manufacturing of zero series units. The cooperation with the contract manufacturer Kitron AB has been prolonged and will include also the manufacturing of the new product planned for launch later on this year.

On April 20, CellaVision was nominated for the SwedenBIO Award for its successes during 2008. This is the third year that SwedenBIO is awarding prominent companies and leaders that have been particularly successful in research or business during the past year and therefore serve as role models for other companies. The winner of the prize will be announced in Stockholm on May 27.



SALES, INCOME, AND INVESTMENTS

Net sales for the Group amounted to SEK 22.0 million (18.5), an increase of 19% in comparison with the same period last year.

The gross margin amounted to 64% (64).

The Group's operating profit for the quarter was SEK 0.9 million (1.3). The total operating expenses amounted to SEK 13.2 million (10.6).

Capitalized costs for development projects amounted to SEK 4.8 million (2.1). Investments in property, plant, and equipment during the quarter amounted to SEK 0.2 million (0.1).

FINANCING

The Group's cash and cash equivalents at the end of the period amounted to SEK 14.5 million (16.1). The cash flow from operating activities amounted to SEK 10.7 million (-2.3). Total cash flow amounted to SEK -5.2 million (-0.3). The increased direct sales to end users affect payment time in comparison to factoring, which is used for sales through distributors. In combination with the hardware development project this has contributed to the negative cash flow.

PARENT COMPANY

Parent company sales for the parent company amounted to SEK 23.6 million (19.2) during the period. Pre-tax earnings amounted to SEK 5.9 million (2.2).

The parent company's gross investments amounted to SEK 4.9 million (0.1) and net cash flow was SEK -7.7 million (-10.0).

For more please refer to the financial information concerning the Group.

PERSONNEL

The number of employees of the Group, restated as full-time positions, was 49 (40) at the close of the period. Of these, 31 (25) were men and 18 (15) women.

FIRST NORTH PREMIER

On February 16, CellaVision was placed in the NASDAQ OMX new special segment, First North Premier. The listing on First North Premier requires the company to comply with stricter disclosure and accounting standards than the regular First North rules. This imposes higher demands on transparency which brings benefits to both listed companies and investors.



OTHER INFORMATION

Group

On March 31, 2009, the Group consisted of the parent company and the wholly-owned subsidiaries CellaVision Inc. (USA), CellaVision Canada Inc. (Canada), CellaVision Japan K.K. (Japan) and CellaVision International AB.

Accounting policies

The consolidated accounts are prepared in accordance with International Financial Reporting Standards, IFRS. The interim report of the group is prepared in accordance with IAS 34, Interim Financial Reporting and the interim report of the parent company in accordance with the Annual Accounts Act. As of 1 January 2009 changes in IAS 23 Borrowing Costs came into force. For CellaVision this implies that borrowing costs related to new development projects will be capitalized. During the first quarter no new development projects have been initiated. Changes in IAS 1 Presentation of Financial Statements imply that only transactions with shareholders are recorded in change in equity. Other items, which previously were posted directly to equity, are included in the total profit/loss of the group. The interim report has in other respects been prepared in accordance with accounting policies and methods of calculation appearing in the annual accounts for 2008.

Information about risks and uncertainties

Reduced demand and currency instabilities contribute to a level of uncertainty, although not necessarily 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 2008.

Reviews

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

Financial Calendar

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

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



The Board and CEO assure that the interim report reflects a fair overview of the parent company's and Group's operations, current status, and results and describes possible risks and uncertainties that the parent company and the Group may encounter.

Lund, April 27, 2009

Lars Gatenbeck
Chairman of the Board

Christer Fåhraeus
Member of the Board

Torbjörn Kronander
Member of the Board

Sven-Åke Henningsson
Member of the Board

Niels Freiesleben
Member of the Board

Yvonne Mårtensson
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Corporate ID: 556500-0998

CellaVision's share is listed on First North Premier at the OMX Stockholm Stock Exchange. The company's Certified Advisor is Remium AB.



Consolidated Income Statement

All amount in ' 000 SEK	Jan- Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Revenue	21 959	18 510	100 444
Cost of goods sold	-7 841	-6 655	-36 941
Gross Profit	14 118	11 855	63 503
Sales and Marketing expenses	-7 229	-3 498	-21 748
Administration expense	-4 025	-4 087	-16 461
R&D expenses	-6 751	-4 620	-20 669
Other operating expenses	-	-473	-12
Capitalized development expenditures	4 752	2 082	8 771
Operating result	865	1 259	13 384
Financial income	13	94	363
Financial expense	-360	-167	-693
Profit before income tax	518	1 186	13 054
Tax	-	-	12 000
Net profit	518	1 186	25 054

Consolidated Comprehensive Income Statement

All amount in ' 000 SEK	Jan- Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Net profit for the period	518	1 186	25 054
Other comprehensive income:			
Translation difference	1 102	274	859
Sum of other comprehensive income:	1 102	274	859
Comprehensive profit for the period	1 620	1 460	25 913

Per share data

	Jan- Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Earnings per share, SEK */	0,02	0,05	1,05
Equity per share SEK	2,00	0,90	1,93
Equity ratio, %	58%	43%	48%
Number of shares outstanding	23 851 547	23 851 547	23 851 547
Average number of shares outstanding	23 851 547	23 851 547	23 851 547
Stock exchange rate SEK	6,10	4,75	5,05

*/ In relation to net profit and outstanding shares

Quarterly results

All amount in ' 000 SEK	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007
Revenue	21 959	38 326	20 799	22 809	18 510	19 424
Gross Profit	14 118	21 143	16 570	13 935	11 855	14 094
Gross Margin in %	64	55	80	61	64	73
Overhead cost	-13 253	-14 087	-13 019	-12 417	-10 596	-11 044
Operating result	865	7 056	3 551	1 518	1 259	3 050
Net profit	518	19 049	3 395	1 424	1 186	2 836
Cashflow	-5 178	3 340	-5 618	864	-272	124



Consolidated Balance sheet

All amount in ' 000 SEK

	2009-03-31	2008-03-31	2008-12-31
Assets			
Intangible assets	19 382	9 222	14 910
Tangible assets	2 774	1 126	2 824
Financial assets	12 104	76	12 095
Inventory	11 636	5 527	8 351
Trade receivables	17 399	15 114	32 620
Other receivables	4 436	3 355	6 035
Cash and bank	14 460	16 075	19 638
Total assets	82 191	50 495	96 473

Equity and liabilities

Equity	47 605	21 532	45 985
Short term debt	6 656	7 584	10 567
Short term debt with interest	9 865	11 749	20 801
Trade payables	16 193	7 174	17 224
Other liabilities	1 872	2 456	1 896
Total equity and liabilities	82 191	50 495	96 473

Consolidated statement of changes in equity

	2009-03-31	2008-03-31	2008-12-31
Balance at the beginning of the year	45 985	20 072	20 072
New issues	-	-	-
Net profit for the year	1 620	1 460	25 913
Balance at the end of the year	47 605	21 532	45 985

Cash flow analysis

All amount in ' 000 SEK

	Jan- Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Result before taxes	518	1 186	13 054
Adjustment for items not included in cash flow	-2 775	928	5 255
Taxes	-	-	-
Cash flow from operations before changes in working capital	-2 257	2 114	18 309
Changes in working capital	12 953	-4 456	-17 039
Cash flow from operations	10 696	-2 342	1 270
Capitalisation of development costs	-4 752	-2 082	-8 771
Aquisitions in financial non-current assets	-	-54	-67
Aquisitions in tangible non-current assets	-185	-90	-2 488
Cash flow from investment activities	-4 937	-2 226	-11 326
New loans and instalments of dept	-10 937	4 296	13 347
Cash flow from financing activities	-10 937	4 296	13 347
		0	
Total cash flow	-5 178	-272	3 291
Liquid funds at beginning of period	19 638	16 347	16 347
Liquid funds at end of period	14 460	16 075	19 638



Income Statement - Parent Company

All amount in ' 000 SEK	Jan-Mar 2009	Jan-Mar 2008	2008
Revenue	23 588	19 171	100 793
Cost of goods sold	-8 941	-7 289	-45 812
Gross Profit	14 647	11 882	54 981
Sales and Marketing expenses	-2 492	-2 020	-10 461
Administration expense	-4 025	-4 560	-16 461
R&D expenses	-6 751	-4 620	-20 669
Other operating expenses		-473	-12
Capitalized development expenditures	4 752	2 082	8 771
Operating result	6 131	2 291	16 149
Financial income	12	94	358
Financial expense	-289	-167	-692
Profit before income tax	5 854	2 218	15 815
Tax		-	12 000
Net profit	5 854	2 218	27 815

Balance sheet - Parent Company

All amount in ' 000 SEK	2009-03-31	2008-03-31	2008-12-31
Assets			
Intangible assets	19 382	9 222	14 910
Tangible assets	2 617	1 056	2 695
Financial assets	12 704	704	12 704
Inventory	7 238	4 762	5 736
Trade receivables	28 334	14 127	32 320
Other receivables	3 786	8 432	12 725
Cash and bank	9 408	13 723	17 113
Total assets	83 469	52 026	98 203
Equity and liabilities			
Equity	52 460	20 922	46 606
Short term debt	8 196	9 806	11 733
Short term debt with interest	9 864	11 749	20 801
Trade payables	11 077	7 093	17 167
Other liabilities	1 872	2 456	1 896
Total equity and liabilities	83 469	52 026	98 203