

Strong sales and doubled profit for the first half of 2012

January 1 – June 30, 2012

- Net sales increased by 16 % to SEK 83.8 million (72.5)
- The operating profit increased to SEK 9.9 million (7.1)
- Profit before tax increased to SEK 9.4 million (4.8)
- Earnings per share were SEK 0.24 (0.10)
- Cash and cash equivalents increased to SEK 47.5 million (42.7) at the end of the period
- Launch of CellaVision® DM96 Vet for veterinary medicine in North America

April 1 – June 30, 2012

- Net sales increased by 4 % to SEK 43.4 million (41.9)
- The operating result was SEK 4.5 million (4.7)
- Profit before tax was SEK 5.0 million (4.5)
- Earnings per share were SEK 0.13 (0.09)
- Launch of CellaVision® Image Capture System for small laboratories in networks
- Management team reinforced with VP Sales & Business Development
- New head of subsidiaries in North America appointed

Key ratios

| (SEK million) | April-June 2012 | April-June 2011 | Jan-June 2012 | Jan-June 2011 | Full year 2011 |
|------------------------|--------------------|--------------------|------------------|------------------|-------------------|
| Net sales | 43.4 | 41.9 | 83.8 | 72.5 | 155.4 |
| Gross profit | 28.7 | 25.7 | 55.8 | 46.5 | 101.4 |
| Operating profit/loss | 4.5 | 4.7 | 9.9 | 7.1 | 17.8 |
| Operating margin, % | 10.5 | 11.1 | 11.8 | 9.8 | 11.5 |
| Profit/loss before tax | 5.0 | 4.5 | 9.4 | 4.8 | 18.5 |
| Total cash flow | -9.0 | 2.5 | -9.3 | 6.9 | 21.0 |

Comments by CellaVision's CEO Yvonne Mårtensson:

"All in all sales growth for the first six months of the year is in line with our expectations. For the third quarter in a row we have sales of more than SEK 40 million and in the six-month period CellaVision has grown 16 % and almost doubled its profit before tax.

During the period we continued to build the company and prepare for continued geographical expansion and growth. At the moment the focus is on increasing our visibility in the market through new products and support to our partners and marketing offices. This year we have strengthened the organization on several levels, from the management team and marketing offices to specialist services in marketing and support.

On the product front this year we have launched two new products that strengthen our position in hematology; a veterinary analyzer and a supplementary product for hospitals in networks. We expect the first sales to be made before the end of the year. At the AACC Annual Meeting in Los Angeles we will also give a preview of a new web-based training tool adapted to customers with many users. All three products were positively received when presented to prospective customers.

During the quarter we employed two people located in Shanghai to provide support and help our distributors' sales in China. There is a delay in reregistration of the DM96 that may affect our deliveries in the latter part of 2012. However, the delay is expected to have a marginal impact on CellaVision's total sales for 2012 and has no effect on long term."

Net sales (6mths)

+ 16 %

EBIT (6mths)

SEK 9.9 million

Operating margin (6mths)

11.8 %

Net sales (Q2)

+ 4 %

EBIT (Q2)

SEK 4.5 million

"Preparing for continued geographical expansion and growth"



Yvonne Mårtensson,
President & CEO
CellaVision

Sales, earnings and investment

January 1 – June 30

Net sales for the Group rose in the first half of 2012 to SEK 83.8 million (72.5), an increase of 16 % compared with the same period in 2011. Sales in local currencies increased by 12 %.

Sales in international markets are mainly in USD and EUR, which means that the company's sales and results are impacted by changes in these currencies.

The gross margin for the period was 67 % (64). CellaVision usually has large gross margin variations from quarter to quarter. This is dependent on the share of sales via distributors or via CellaVision's own sales companies, the product mix sold and exchange rates.

The Group's operating profit for the period rose to SEK 9.9 million (7.1). At last year's average exchange rate the operating profit would have been SEK 7.4 million. Total operating expenses for the half year were SEK 45.9 million (39.4).

Capitalized expenditure for development projects amounted to SEK 4.0 million (2.8). Investments in property, plant and equipment during the period amounted to SEK 0.6 million (0.6).

Net sales
SEK 83.8 million

April 1 – June 30

Net sales for the Group rose during the second quarter of 2012 by 4 % to SEK 43.4 million (41.9) compared with the same period in 2011. Sales in local currencies decreased by 3 %.

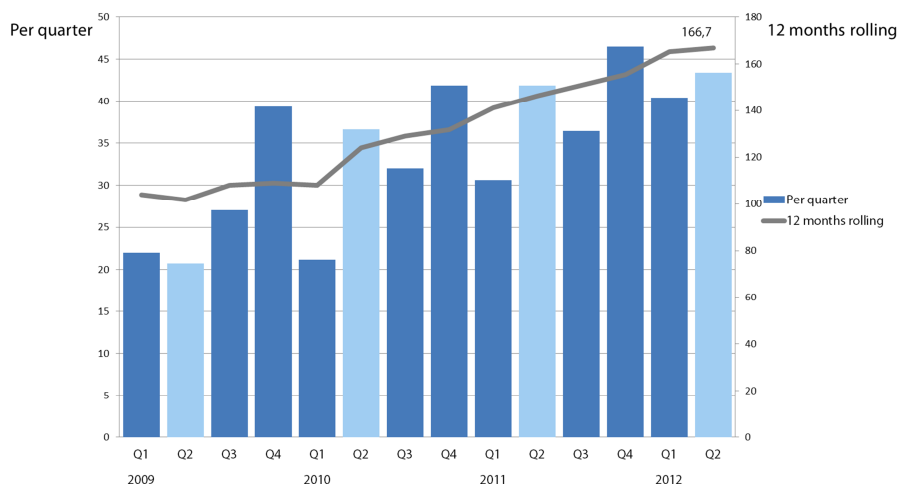
The gross margin for the quarter was 66 % (61).

The Group's operating profit for the second quarter was SEK 4.5 million (4.7). Total operating expenses for the quarter were SEK 24.2 million (21.1).

Capitalized expenditure for development projects in the second quarter amounted to SEK 2.6 million (1.2). Investments in property, plant and equipment during the quarter amounted to SEK 0.2 million (0.5).

Net sales
SEK 43.4 million

Sales per quarter and rolling 12 months (SEK million)



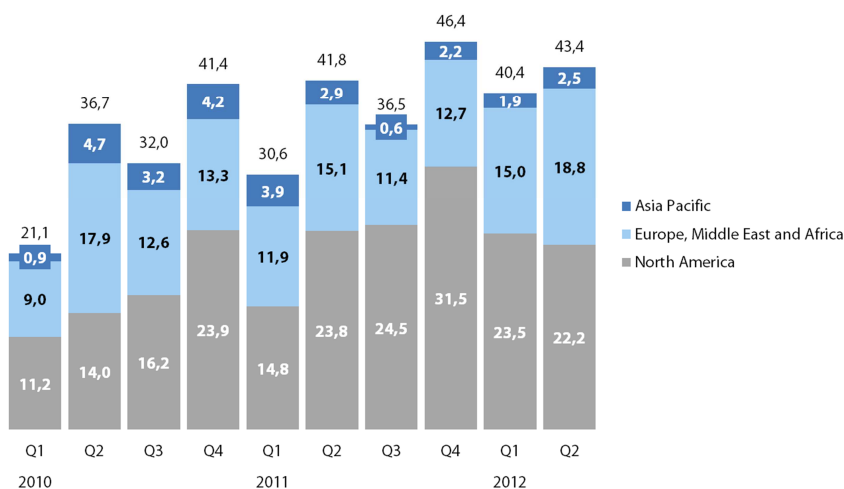
Development in the geographical markets

During the period North America accounted for 55 % (53) of sales, Europe for 40 % (37), and Asia and the Pacific region for 5 % (10). The greatest sales growth in the six-month period was in the European market, which up to now has not shown signs of being affected by the economic unrest in southern Europe.

In the second quarter North America accounted for 51 % (57) of sales, Europe for 43 % (36), and Asia and the Pacific region for 6 % (7).

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

Net sales per geographical market, SEK million



North America

The markets in the USA and Canada developed well in the first six months of the year and sales reached SEK 45.7 million (38.6). In US dollars the increase was 10 %.

The increase in sales in the USA is continuing and our visibility in the market is increasing with the help of the distributors Sysmex and Beckman Coulter. In general, demand for the larger analyzer, the CellaVision DM96, is great, since capacity requirements are high at the US laboratories. In Canada direct sales were positive in the second quarter.

In February 2012 CellaVision decided to launch an analysis system for the veterinary market in North America. The product, the CellaVision® DM96 Vet, is primarily marketed to a hundred or so large veterinary laboratories in the USA and Canada, where the volume of samples is high and the need for an effective method of analysis is great. The product is an adapted version of the company's analyzer for humans and gives CellaVision further growth potential in the hematology segment. CellaVision sells the product directly to the end customer.

Europe, the Middle East and Africa (EMEA)

Sales in the region continue positive and increased in the first six months of the year to SEK 33.7 million (27.0). In euros the increase was 23 %.

In EMEA the distributor Sysmex Europe is continuing to drive the concept of automated production lines with great success. In Western Europe sales are primarily related to the continuing strong demand for the analyzer for mid-sized test sample volumes, the CellaVision DM1200, which since 2011 has accounted for more than half of the number of analyzers sold in the region. In the Middle East interest in the company's digital solution is gradually rising.

Positive trend in the USA and Canada

Strong sales in Europe

Generally speaking, the European laboratory market is not as consolidated as the American, but more fragmented with mid-size laboratories and lower sample volumes.

In connection with the ISLH International Symposium in Nice at the end of May CellaVision presented its new product for collaborating laboratories, CellaVision® Image Capture System. There is interest in the product among hospital groups that want to improve efficiency of collaboration in assessing samples and give local laboratories fast access to expertise. The local laboratories use the product in combination with existing microscopes and within their network they can send digital images of the blood sample for examination where there are more resources and a CellaVision DM analyzer. The product helps hospital groups to work faster and achieve more consistent laboratory results. The first sales in Europe are expected to be in the latter part of the year.

New product for small labs gives more consistent laboratory results

To increase opportunities of participating with the company's products in procurements of laboratory equipment in the Nordic countries, in the first quarter CellaVision entered into a cooperation agreement with Abbott, the hematology company. An agreement was signed in the second quarter for Denmark with Siemens Diagnostics. CellaVision already sells its products in the Nordic countries via Sysmex and its own sales organization. Sysmex, Abbott and Siemens are three of the four major suppliers of cell counters in the Nordic market.

Cooperation agreements with Abbott Nordic and Siemens Denmark

Asia and the Pacific region

Marketing in the region is in process of being built up and so far the region accounts for a limited part of CellaVision's total sales; about 6% for the full year in 2011. During the period sales decreased to SEK 4.4 million (6.8). CellaVision assesses that in the long term mainly the markets in China, South East Asia and Japan will have the potential for vigorous development.

In 2012 CellaVision increased its activities in China by establishing a market office in collaboration with the Swedish Trade Council in Shanghai. Through increased local presence the company can gain knowledge of the Chinese market and increase its visibility. Two people have been employed and will support the company's three distributors in their marketing and sales work. Initially CellaVision's technology will be marketed to hospitals with more than 500 beds that conduct training and research.

CellaVision's re-registration of the CellaVision® DM96 analyzer in China has been delayed, which may impact sales in the region in Q4 2012 and Q1 2013. However, the delay is expected to have a marginal impact on CellaVision's total sales for 2012.

Japan's growth was slowed by the natural disaster in 2011. The demand trend continues to be subdued, but some improvement could be seen in the first six months of 2012 with a number of analyzer sales ensuing.

Research and development

At CellaVision there are several development projects in progress with the objective of strengthening the product portfolio to customers in the field of hematology.

Two new products completed

During the period two products were completed; the new product for laboratories in networks, CellaVision® Image Capture System, and the veterinary application CellaVision® DM96 Vet.

With the CellaVision® Image Capture System, CellaVision can also offer smaller laboratories in hospital groups a digital solution for blood analysis. The clinical studies in Europe are in progress and are expected to be completed in the third quarter. In the rest of the world the introduction will take place as the company obtains the relevant product approvals.

Capitalized expenditure for development projects in the six-month period amounted to SEK 4.0 million (2.8). The company estimates that capitalized expenditure for new development will amount to approximately seven million kronor during the 2012 financial year.

Financing

In May SEK 9.5 million was distributed as dividends to shareholders. The funds at the Group's disposal at the close of the period amounted to SEK 52.5 million (47.7), of which SEK 47.5 million (42.7) was cash and cash equivalents. These funds include unutilized credit of SEK 5.0 million.

Unappropriated funds
SEK 52.5 million

The cash flow from operating activities for the period was SEK 14.4 million (13.0). The cash flow from operating activities for the second quarter was SEK 4.4 million (-0.2). The total cash flow for the period was SEK -9.3 million (6.9), which is due to the dividends of SEK 9.5 million distributed by the company in the second quarter and to repayment of debt of SEK 9.7 million.

Cash flow (6mths)
-SEK 9.3 million

Parent company

Parent company sales for the period amounted to SEK 77.3 million (69.1) and pre-tax profit was SEK 13.8 million (9.5). Parent company sales for the second quarter were SEK 40.2 million (40.7). Pre-tax profit for the second quarter was SEK 7.2 million (8.1).

The parent company's investments in property, plant and equipment and intangible assets during the period amounted to SEK 4.3 million (3.4) and the cash flow was SEK -6.9 million (6.5). 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 65 (60) at the close of the period. Of these, 37 (38) were men and 28 (22) women.

Number of employees
65

Johan Wennerholm, who has been CellaVision's CFO since 2007, will leave his post at the end of September for new challenges outside the Group. Sven-Åke Henningsson, member of the CellaVision Board of Directors since 2006 and chairman of the company's Audit Committee, will step in as acting CFO from September 1 until a permanent successor has been appointed. The recruitment process for a new CFO has been started.

Other information

Group

On 30 June 2012 the Group consisted of the parent company and the wholly-owned subsidiaries CellaVision Inc. (USA), CellaVision Canada Inc. (Canada), CellaVision Japan K.K. (Japan) and CellaVision International AB.

Accounting policies

The consolidated accounts are prepared in accordance with International Financial Reporting Standards, IFRS. The interim report for the Group was prepared in accordance with IAS 34, Interim Financial Reporting, the Annual Accounts Act and in accordance with the Stockholm Stock Exchange rules and regulations for companies listed on Nasdaq OMX Stockholm. The interim report for the parent company was prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2, Accounting for Legal Entities. The interim report was prepared in accordance with the accounting policies and valuation methods presented in the annual report for 2011. New standards and interpretations that came into force on January 1, 2012 have had no impact on CellaVision's financial reporting for the interim report period.

Segment reporting

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

Information concerning risks and uncertainties

Reduced demand and changes in exchange rates constitute uncertainties but not material risks. For a more detailed description of the risks and uncertainties facing CellaVision, please refer to the risk and sensitivity analysis in the Annual Report for 2011.

Review

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

Future reports

Interim report January – September: October 26, 2012
 Year-end bulletin 2012: February 14, 2013

The interim reports for 2012 and the annual report for 2011 are available at www.cellavision.com.

The Board of Directors and CEO certify that the year-end 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, July 18, 2012

| | | |
|--|---|--|
| Lars Gatenbeck <i>Chairman of the Board</i> | Christer Fåhraeus <i>Member of the Board</i> | Sven-Åke Henningsson <i>Member of the Board</i> |
| Lars Henriksson <i>Member of the Board</i> | Roger Johanson <i>Member of the Board</i> | Torbjörn Kronander <i>Member of the Board</i> |
| Anna Malm Bernsten <i>Member of the Board</i> | Yvonne Mårtensson <i>President/CEO</i> | |

Questions concerning the report can be addressed to:

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Publication

The information in this interim report is disclosed by CellaVision AB (publ) pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for public disclosure on July 18, 2012 at 08.30.

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

Consolidated Income Statement in Summary

| All amount in ' 000 SEK | Apr-Jun 2012 | Apr-Jun 2011 | Jan-Jun 2012 | Jan-Jun 2011 | Jan-Dec 2011 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net sales | 43 360 | 41 887 | 83 775 | 72 503 | 155 402 |
| Cost of goods sold | -14 662 | -16 160 | -28 006 | -25 967 | -53 991 |
| Gross profit | 28 698 | 25 727 | 55 769 | 46 536 | 101 411 |
| Sales and marketing expenses | -9 800 | -7 597 | -18 994 | -15 720 | -35 281 |
| Administration expenses | -8 651 | -7 589 | -15 231 | -13 500 | -27 013 |
| R&D expenses | -5 701 | -5 890 | -11 638 | -10 189 | -21 407 |
| Other operating income | - | - | - | - | 90 |
| Operating result | 4 546 | 4 651 | 9 906 | 7 127 | 17 800 |
| Interest income and financial exchange rate gains | 591 | 30 | 92 | 31 | 1 113 |
| Interest expense and financial exchange rate losses | -121 | -143 | -607 | -2 367 | -399 |
| Result before income tax | 5 016 | 4 538 | 9 391 | 4 791 | 18 514 |
| Tax | -1 906 | -2 346 | -3 638 | -2 498 | -3 881 |
| Net result | 3 110 | 2 192 | 5 753 | 2 293 | 14 633 |
| Other comprehensive income: | | | | | |
| a) <u>Financial assets at fair value</u> | | | | | |
| Reclassified to operating result | 8 | -750 | 260 | -1 442 | -1 947 |
| Revaluation of financial assets | -85 | -751 | 1 122 | 102 | -99 |
| Income tax relating to financial assets | 20 | 395 | -364 | 353 | 538 |
| b) <u>Translation difference</u> | | | | | |
| Translation difference in the group | -79 | -246 | -76 | 449 | -480 |
| Sum of other comprehensive income: | -136 | -1 352 | 942 | -538 | -1 988 |
| Comprehensive result for the period | 2 974 | 840 | 6 695 | 1 755 | 12 645 |
| Per share data | | | | | |
| | Apr-Jun 2012 | Apr-Jun 2011 | Jan-Jun 2012 | Jan-Jun 2011 | Jan-Dec 2011 |
| Earnings per share, SEK */ | 0,13 | 0,09 | 0,24 | 0,10 | 0,61 |
| Equity per share, SEK | 5,17 | 4,83 | 5,17 | 4,83 | 5,29 |
| Equity ratio, % | 76% | 70% | 76% | 70% | 71% |
| Number of shares outstanding | 23 851 547 | 23 851 547 | 23 851 547 | 23 851 547 | 23 851 547 |
| Average number of shares outstanding | 23 851 547 | 23 851 547 | 23 851 547 | 23 851 547 | 23 851 547 |
| Stock exchange rate, SEK | 16,60 | 12,00 | 16,60 | 12,00 | 13,25 |

*/ In relation to net profit and average outstanding shares

Quarterly Results

| All amount in ' 000 SEK | Q2 2012 | Q1 2012 | Q4 2011 | Q3 2011 | Q2 2011 | Q1 2011 |
|-------------------------|---------|---------|---------|---------|---------|---------|
| Net sales | 43 360 | 40 415 | 46 444 | 36 455 | 41 887 | 30 616 |
| Gross profit | 28 698 | 27 071 | 32 242 | 22 633 | 25 727 | 20 809 |
| Gross margin in % | 66 | 67 | 69 | 62 | 61 | 68 |
| Overhead cost | -24 152 | -21 711 | -25 296 | -18 906 | -21 076 | -18 333 |
| Operating result | 4 546 | 5 360 | 6 946 | 3 727 | 4 651 | 2 476 |
| Net result | 3 110 | 2 643 | 7 349 | 4 991 | 2 192 | 101 |
| Cashflow | -8 996 | -347 | 13 775 | 361 | 2 483 | 4 388 |

Consolidated Balance Sheet in Summary

| All amount in ' 000 SEK | 2012-06-30 | 2011-06-30 | 2012-03-31 | 2011-12-31 |
|-------------------------------------|----------------|----------------|----------------|----------------|
| Assets | | | | |
| Intangible assets | 22 433 | 22 347 | 21 396 | 21 329 |
| Tangible assets | 2 085 | 1 803 | 2 177 | 2 015 |
| Financial assets | 45 664 | 50 686 | 47 572 | 49 304 |
| Deferred tax | 105 | 101 | 97 | 114 |
| Inventory | 16 944 | 9 120 | 16 409 | 14 450 |
| Trade receivables | 19 501 | 29 686 | 17 716 | 26 653 |
| Other receivables | 7 713 | 7 497 | 7 768 | 8 045 |
| Cash and bank | 47 475 | 42 682 | 56 471 | 56 818 |
| Total assets | 161 920 | 163 922 | 169 606 | 178 728 |
| Equity and liabilities | | | | |
| Equity | 123 221 | 115 177 | 129 788 | 126 067 |
| Short term debt | 18 925 | 15 083 | 17 142 | 18 425 |
| Short term debt with interest | 6 058 | 18 173 | 7 212 | 15 719 |
| Trade payables | 11 724 | 13 665 | 13 264 | 16 549 |
| Other liabilities | 1 992 | 1 824 | 2 200 | 1 968 |
| Total equity and liabilities | 161 920 | 163 922 | 169 606 | 178 728 |

Consolidated statement of changes in equity

| All amount in ' 000 SEK | 2012-06-30 | 2011-06-30 | 2012-03-31 | 2011-12-31 |
|---------------------------------------|----------------|----------------|----------------|----------------|
| Balance at the beginning of the year | 126 067 | 113 422 | 126 067 | 113 422 |
| Dividend | -9 541 | - | - | - |
| Net profit for the year | 5 753 | 2 293 | 2 643 | 14 633 |
| Comprehensive result for the period | 942 | -538 | 1 078 | -1 988 |
| Balance at the end of the year | 123 221 | 115 177 | 129 788 | 126 067 |

Cash Flow Analysis in Summary in Summary

| All amount in ' 000 SEK | Apr-Jun 2012 | Apr-Jun 2011 | Jan-Jun 2012 | Jan-Jun 2011 | Jan-Dec 2011 |
|--|----------------|---------------|----------------|---------------|---------------|
| Result before taxes | 5 016 | 4 538 | 9 391 | 4 791 | 18 514 |
| Adjustment for items not included in cash flow | 8 138 | 5 207 | 3 390 | 6 261 | 8 266 |
| Taxes | - | - | - | - | - |
| Cash flow from operations before changes in working capital | 13 154 | 9 745 | 12 781 | 11 052 | 26 780 |
| Changes in working capital | -8 717 | -9 944 | 1 664 | 1 916 | 5 235 |
| Cash flow from operations | 4 437 | -199 | 14 445 | 12 968 | 32 015 |
| Capitalisation of development costs | -2 567 | -1 225 | -4 011 | -2 800 | -4 537 |
| Aquisitions in financial non-current assets | -8 | - | 9 | - | 19 |
| Aquisitions in tangible non-current assets | -164 | -470 | -585 | -635 | -1 373 |
| Cash flow from investment activities | -2 739 | -1 695 | -4 587 | -3 435 | -5 891 |
| New loans and instalments of dept | -1 154 | 4 377 | -9 661 | -2 662 | -5 117 |
| Dividend | -9 540 | - | -9 540 | - | - |
| Cash flow from financing activities | -10 694 | 4 377 | -19 201 | -2 662 | -5 117 |
| Total cash flow | -8 996 | 2 483 | -9 343 | 6 871 | 21 007 |
| Liquid funds at beginning of period | 56 471 | 40 199 | 56 818 | 35 811 | 35 811 |
| Liquid funds at end of period | 47 475 | 42 682 | 47 475 | 42 682 | 56 818 |

Income Statement - Parent Company

| All amount in ' 000 SEK | Apr-Jun 2012 | Apr-Jun 2011 | Jan-Jun 2012 | Jan-Jun 2011 | Jan-Dec 2011 |
|---|---------------|---------------|---------------|---------------|---------------|
| Net sales | 40 222 | 40 728 | 77 265 | 69 133 | 146 640 |
| Cost of goods sold | -15 346 | -16 367 | -28 682 | -28 501 | -71 567 |
| Gross profit | 24 876 | 24 361 | 48 583 | 40 632 | 75 073 |
| Sales and marketing expenses | -4 005 | -2 664 | -7 624 | -5 106 | -11 276 |
| Administration expenses | -8 651 | -7 589 | -15 231 | -13 500 | -27 014 |
| R&D expenses | -5 701 | -5 890 | -11 638 | -10 189 | -21 407 |
| Other operating income | - | - | - | - | 90 |
| Operating result | 6 519 | 8 218 | 14 090 | 11 837 | 15 466 |
| Write-downs of shares in group companies | - | - | - | - | -2 400 |
| Interest income and financial exchange rate gains | 870 | 29 | 85 | 29 | 1 103 |
| Interest expense and financial exchange rate losses | -141 | -143 | -342 | -2 367 | -360 |
| Result before income tax | 7 248 | 8 104 | 13 833 | 9 499 | 13 809 |
| Tax | -1 906 | -2 346 | -3 638 | -2 498 | -4 224 |
| Net result | 5 342 | 5 758 | 10 195 | 7 001 | 9 585 |

Statement of Comprehensive Income

| All amount in ' 000 SEK | Apr-Jun 2012 | Apr-Jun 2011 | Jan-Jun 2012 | Jan-Jun 2011 | Jan-Dec 2011 |
|--|--------------|--------------|---------------|--------------|--------------|
| Net result for the period | 5 342 | 5 758 | 10 195 | 7 001 | 9 585 |
| Other comprehensive income: | - | - | - | - | - |
| Sum of other comprehensive income: | 0 | 0 | 0 | 0 | 0 |
| Comprehensive result for the period | 5 342 | 5 758 | 10 195 | 7 001 | 9 585 |

Balance Sheet - Parent Company

| All amount in ' 000 SEK | 2012-06-30 | 2011-06-30 | 2012-03-31 | 2011-12-31 |
|-------------------------------------|----------------|----------------|----------------|----------------|
| Assets | | | | |
| Intangible assets | 22 433 | 22 347 | 21 396 | 21 329 |
| Tangible assets | 1 539 | 1 550 | 1 743 | 1 737 |
| Deferred tax | 44 862 | 50 225 | 46 768 | 48 500 |
| Financial assets | 9 852 | 704 | 9 852 | 9 852 |
| Inventory | 11 924 | 6 295 | 13 725 | 10 457 |
| Trade receivables | 10 238 | 26 890 | 9 963 | 19 462 |
| Receivables from group companies | 22 273 | 28 259 | 20 086 | 16 499 |
| Other receivables | 5 778 | 6 640 | 5 640 | 7 260 |
| Cash and bank | 42 055 | 39 656 | 48 138 | 48 919 |
| Total assets | 170 954 | 182 566 | 177 311 | 184 015 |
| Equity and liabilities | | | | |
| Equity | 137 475 | 134 235 | 141 673 | 136 820 |
| Short term debt | 14 008 | 12 366 | 12 594 | 13 104 |
| Short term debt with interest | 6 058 | 18 173 | 7 212 | 15 719 |
| Liabilities to group companies | - | 2 556 | - | - |
| Trade payables | 11 421 | 13 412 | 13 632 | 16 404 |
| Other liabilities | 1 992 | 1 824 | 2 200 | 1 968 |
| Total equity and liabilities | 170 954 | 182 566 | 177 311 | 184 015 |

This is CellaVision

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

CellaVision’s analyzers rationalize manual laboratory work, and secure and support effective workflows and competency development within and between hospitals. In 2011 sales were SEK 155 million, an increase of 18%. Our long-term financial targets are to continue increasing sales on average by at least 15 % per year over an economic cycle.

CellaVision’s products replace manual microscopy in laboratories for blood analyses.

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

What is driving growth?

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

Five foundations for growth

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

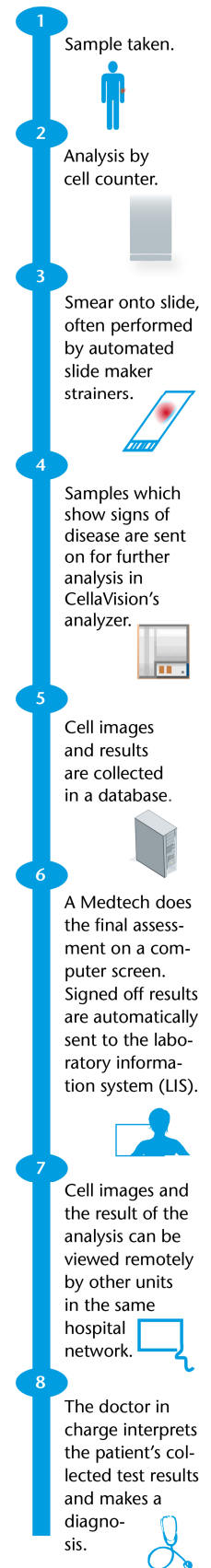
1. *Target group/end customer/user:* We currently target clinical laboratories in hematology with a growing need for automation. These are mainly found in Europe, North America and selected markets in Asia, including Japan, China and South East Asia.

2. *Customer relations:* Customers’ purchasing behavior and needs direct our business. Only through satisfied customers can CellaVision continue to grow and develop. We work close to partners and end customers to ensure that our products meet market requirements for quality, function and user-friendliness. In customer surveys in the last two years the average score for reliability and user-friendliness of the product has been just over four, on a scale 1-5.

3. *Sales channels:* CellaVision reaches a broad geographical market by cooperating with strong, strategic and complementary partners with a local presence. We sell our products through the largest hematology companies in the world; the Japanese company Sysmex and the American company Beckman Coulter, with a presence in more than 150 countries. Our own sales organizations in the Nordic area, the USA, Canada and Japan give continuous support and training to our partners during the sales process. We are constantly looking at new opportunities and forms of cooperation.

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

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



About CellaVision's geographical markets*North America*

North America is CellaVision's most important growth market. Automation has long been the most important driver for meeting greater effectiveness requirements in North American laboratories. The growing staff shortages that exist in laboratory operations in the western world are particularly evident in the US and Canada. Laboratories are therefore seeking solutions that ensure effective and secure management of large and growing sample volumes. On top of the requirements for reduced labor costs and shorter response times, sample volumes are growing due to the ageing population. The distributors Sysmex America och Beckman Coulter sell CellaVision's products in the US in parallel with CellaVision's own sales organization. In Canada, CellaVision sells directly.

Europe, Middle East and Africa

Europe is CellaVision's largest market by far in terms of the number of analyzers sold to date. The transition from manual microscopy to CellaVision's method has been in progress for a couple of years in the European countries. The laboratories are seeking solutions that can increase productivity and offset the coming years' shortage of medical technologists. Sysmex Europe is driving the automation concept with success and for a couple of years small laboratories have also been investing in automated solutions. Marketing in the Middle East region is in process of being built up.

Asia Pacific

Japanese health care is facing several challenges with funding problems as expenditure increases for an ageing population that at the same time demands better quality. Products that are well able to solve quality and efficiency problems are consequently highly interesting to the Japanese health care sector. Since the start in 2008 CellaVision's subsidiary has marketed the company's technology to the thousand or so largest clinical laboratories in Japan. The distributor Sysmex has been selling CellaVision's products since 2010.

CellaVision products are also appreciated in the rest of Asia for their timesaving and quality assurance potential. China, Hong Kong and South East Asia are markets with great long-term potential. Here, investments in products are often not associated with reduced staff costs – demand is more driven by shortage of skilled staff and/or increased quality requirements for test results.