

**Continued marginal improvements and strengthened market position through the addition of a new distribution partner**

**January 1 – September 30, 2012**

- Net sales increased by 9 % to SEK 119.1 million (109.0).
- The operating profit increased to SEK 13.9 million (10.9).
- Profit before tax increased to SEK 12.4 million (11.2).
- Earnings per share were SEK 0.40 (0.31).
- Cash and cash equivalents increased to SEK 52.6 million (43.0) at the end of the period.

**July 1 – September 30, 2012**

- Net sales were SEK 35.3 million (36.5).
- The operating profit was SEK 4.0 million (3.7).
- The result before tax was SEK 3.0 million (6.4).
- Earnings per share were SEK 0.16 (0.21).
- CellaVision received its first order from the veterinary market in North America.

**Significant events after the period close**

- CellaVision signed a global distribution agreement with Siemens Healthcare Diagnostics.

**Key ratios**

(SEK million)	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Full year 2011
Net sales	35.3	36.5	119.1	109.0	155.4
Gross profit	22.6	22.6	78.4	69.2	101.4
Operating profit/loss	4.0	3.7	13.9	10.9	17.8
Operating margin, %	11.3	10.2	11.7	10.0	11.5
Profit/loss before tax	3.0	6.4	12.4	11.2	18.5
Cash flow for the period	5.2	0.4	-4.2	7.2	21.0

**Comments by CellaVision's CEO Yvonne Mårtensson:**

"Quarterly variations continue and the strong krona had a negative impact on us in the third quarter. In Europe we report lower sales and we believe this can be explained by the weaker economy. It is gratifying that our growth in the American market is strong; 19 per cent in dollars.

All in all, the first nine months of the year show a growth in sales of 9 per cent and improved profitability. The operating margin for the period was 11.7 per cent.

As planned, CellaVision is continuing to build the company for continued geographical expansion and growth in both existing and new markets. During the quarter we received our first order from the veterinary market in North America and we believe we are now making other laboratories aware of the value of our systems and solutions. At the same time we are continuing with our efforts in China, which will reward us in the long term.

As part of our long-term expansion strategy we have signed a distribution agreement with Siemens, effective from January 1, 2013. This continues to extend our sales channels globally, including Europe, where to date we have worked with an exclusive partner. The fact that our company is associated with three of the world's five largest hematology companies confirms that our product is becoming a global standard for digital microscopy. Through our partners we now reach approximately 75 per cent of the world market and together with them we will drive our future growth."

Net sales (9mths)

**+ 9 %**

EBIT (9mths)

**13,9 MSEK**

Operating margin (9mths)

**11,7 %**

Net sales (Q3)

**- 3 %**

EBIT (Q3)

**4,0 MSEK**

*"With three of the world's five largest hematology companies associated with CellaVision we reach out on a broad front."*



Yvonne Mårtensson,  
President & CEO  
CellaVision

## Sales, earnings and investment

### January 1 – September 30

Net sales for the Group rose in the first nine months of 2012 to SEK 119.1 million (109.0), an increase of 9 % compared with the same period in 2011. In local currencies, sales increased by 10 %.

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 company hedges 50-75 per cent of planned currency flows to compensate for any foreign exchange fluctuations.

The gross margin for the period was 66 % (64).

The Group's operating profit for the period rose to SEK 13.9 million (10.9). Total operating expenses for the period were SEK 64.5 million (58.3).

Capitalized expenditure for development projects during the period was SEK 6.5 million (3.1).

Investments in property, plant and equipment during the period amounted to SEK 1.2 million (0.7).

Net sales

**119,1 MSEK**

### July 1 – September 30

Net sales for the Group in the third quarter of 2012 were SEK 35.3 million (36.5), a decrease of 3 % compared with the same period in 2011. In local currencies, sales increased by 9 %.

The gross margin for the quarter was 64 % (62). CellaVision usually has large gross margin variations from quarter to quarter. This is due to the ratio of distributor sales to those of CellaVision's own sales companies, as well as the product mix and exchange rates.

The Group's operating profit for the third quarter rose to SEK 4.0 million (3.7).

Total operating expenses for the quarter were SEK 18.6 million (18.9).

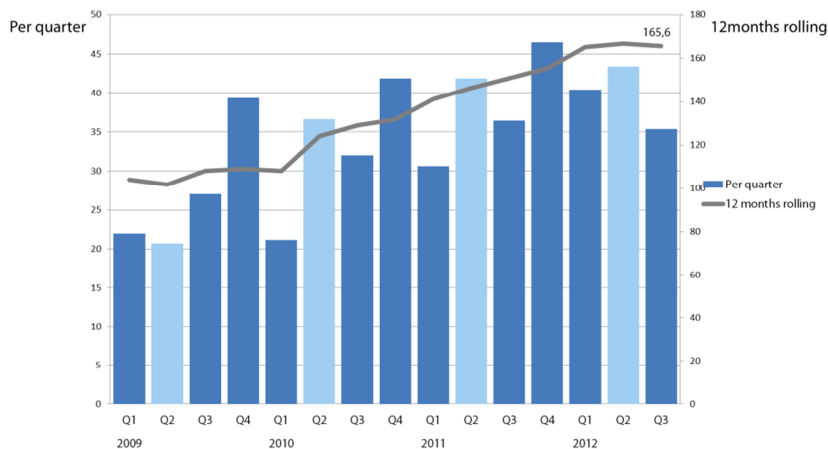
Several development projects are under way at CellaVision, aimed at strengthening the product portfolio in relation to customers in the field of hematology. Capitalized expenditure for development projects in the quarter amounted to SEK 2.5 million (0.3).

Investments in property, plant and equipment during the quarter amounted to SEK 0.6 million (0.1).

Net sales

**35,3 MSEK**

### Sales per quarter and rolling 12 months (SEK million)



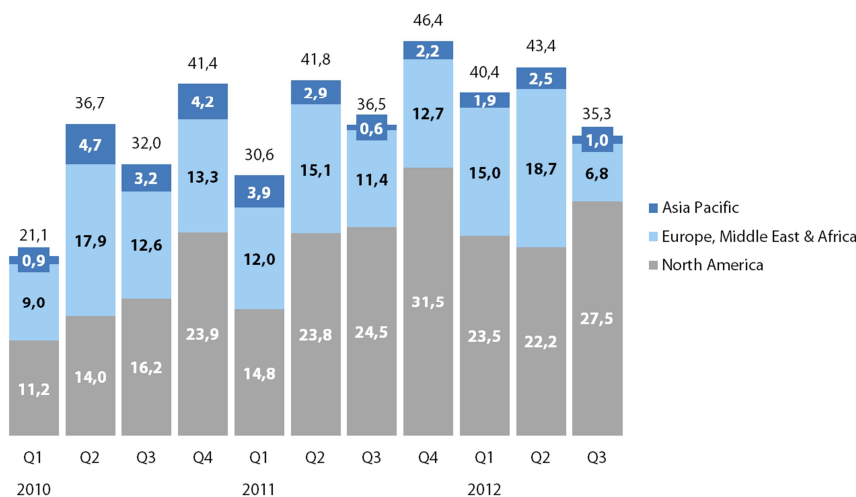
## Development in the geographical markets

In the period January–September North America accounted for the largest percentage of sales, 61 % (58), Europe accounted for 34 % (35), and Asia and the Pacific region for 5 % (7).

In the third quarter North America accounted for 78 % (67) of sales, Europe for 19 % (31), and Asia and the Pacific region for 3 % (2). The largest sales growth in the quarter was in the North American market. The majority of sales were via CellaVision’s distributors.

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 nine months of the year and sales reached SEK 73.2 million (63.1), an increase of 16 %. In dollars the increase was 13 %.

In the third quarter sales in the region increased to SEK 27.5 million (24.5), an increase of 12 %. In dollars the increase was 19 %. The lower growth in SEK is due to hedging referring to the previous year.

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 2012 interest in the analyzer for mid-size hospitals, the CellaVision® DM1200, also rose. In Canada sales in the quarter were affected by uncertainty concerning economic developments.

In August CellaVision received its first order for the analyzer that was introduced to the veterinary market in North America at the start of the year. The order was for the installation of the CellaVision® DM96 Vet at a major laboratory chain with operations at multiple sites throughout the USA and Canada. The volume of samples at these laboratories is high and the need for an effective method of analysis is great. The product is a veterinary adapted version of the instrument for human samples and makes a contribution to CellaVision’s growth opportunities in hematology. The total number of veterinary reference laboratories in North America is approximately 100.

*Positive quarter  
in the USA*

**Europe, the Middle East and Africa (EMEA)**

The region's sales in the first nine months of the year continue to be positive and increased to SEK 40.5 million (38.5), an increase of 5 %. In euros the increase was 10 %.

In the third quarter investments in medical devices were affected by the generally tough economic climate in Europe and uncertainty about health care budgets and investment decisions. Sales were SEK 6.8 million (11.4), a decrease of 40 %. In euros, sales decreased by 25 %.

*Weak quarter in Europe*

In EMEA the distributor Sysmex Europe is continuing to drive the concept of automated production lines. In 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. Generally speaking, the European laboratory market is not as consolidated as the American market, but is more fragmented with mid-size laboratories and lower sample volumes.

CellaVision's new product for collaborating laboratories, the CellaVision® Image Capture System, continues to arouse interest at trade fairs and seminars in Europe. There is interest in the product among hospital groups that want to improve efficiency of collaboration in assessing samples and provide local laboratories with real-time access to expert opinion. 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.

In order to have its products included in procurements of laboratory equipment in the Nordic countries in the second and third quarters of 2012 CellaVision associated itself with more distributors. Already working with Sysmex in the Nordic countries, CellaVision has now added Siemens Healthcare Diagnostics, Beckman Coulter and Abbott. These agreements differ from the global agreements in that CellaVision is responsible for installation and support. These distributors are the four major suppliers of cell counters in the Nordic market.

**Asia and the Pacific region**

Marketing in Asia and the Pacific 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 first nine months sales decreased in the region to SEK 5.4 million (7.4). However, CellaVision believes that in the long term markets in China, South East Asia and Japan in particular 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, besides giving support to its distributors, the company can gain knowledge of the Chinese market and increase its visibility. Two people have been employed and are now supporting the company's three distributors in their marketing and sales activities. In the third quarter CellaVision was very active in the market and among other things gave presentations at two important trade fairs in Suzhou and Beijing. Our employees are now looking for key opinion leaders among our customers to build awareness of CellaVision's technology and brand. Initially CellaVision's solution will be marketed to top tier hospitals with more than 500 beds.

*High activity in China*

The delay in the Chinese product registration of the CellaVision DM96, which the company learned of in the second quarter, does not prevent the products from being marketed or from continuing to be demonstrated. However, the delay may affect sales in China in Q4 2012 and Q1 2013 but are expected to have a marginal impact on CellaVision's total sales in 2012.

Development of demand in Japan continues to be subdued in 2012 but some improvement could be seen in the second and third quarters of the year, with a number of analyzer sales via the distributor Sysmex as a consequence. In parallel with Sysmex, CellaVision's own sales organization is continuing to increase awareness and interest in CellaVision's products, e.g. through presentations of customers' study results at seminars and industry fairs.

## Research and development

Several development projects are under way at CellaVision, aimed at strengthening the product portfolio in relation to customers in the field of hematology.

The company's new product for laboratories in networks, the CellaVision® Image Capture System, was introduced to the market in Europe in mid-October after the clinical studies were completed. The product is intended for small laboratories in a hospital network and will be introduced in other markets as the company is given the relevant product approvals.

At the same time, a new version of the CellaVision® DM Software 3.2.1, was completed. The release includes functions to work together with the Image Capture product.

In October the CellaVision® Remote Review Software was approved for installation in a Citrix environment. The product is intended for organizations that use Citrix for software distribution and IT administration.

CellaVision continuously capitalizes costs for new development. During the nine-month period capitalized expenditure for development projects amounted to SEK 6.5 million (3.1). The company estimates that capitalized expenditure for new development will amount to eight to nine million kronor in total during the 2012 financial year, which is somewhat higher than previous estimates.

## Significant events after the period close

As part of the company's long-term expansion strategy, at the beginning of October CellaVision signed a distribution agreement with Siemens Healthcare Diagnostics. The agreement comes into force on January 1, 2013 and gives Siemens the right to sell CellaVision's market leading products for digital microscopy globally, with the exception of the Nordic countries, Canada, China and Japan. CellaVision's products broaden the Siemens product portfolio in relation to hematology laboratories and supplement the company's offer to customers with high sample volumes.

Separate agreements have been signed for Sweden, Norway and Denmark; please see the section on the Nordic countries on the previous page.

## Financing

The funds at the Group's disposal at the close of the period consisted of SEK 57.6 million (48.0), of which SEK 52.6 million (43.0) was cash and cash equivalents. These funds include unutilized credit of SEK 5.0 million.

The period's cash flow from operating activities was SEK 13.3 million (19.1). Cash flow from operating activities for the third quarter was SEK -1.1 million (6.1).

Total cash flow for the period was SEK -4.2 (7.2), which is due to the dividend of SEK 9.5 million distributed by the company in the second quarter.

*Unappropriated funds*  
**57,6 MSEK**

*Total cash flow (9mths)*  
**-4,2 MSEK**

## Parent company

Parent company sales for the period were SEK 110.4 million (103.2). The pre-tax profit was SEK 10.9 million (15.4). The parent company's sales for the third quarter amounted to SEK 33.1 million (34.1). The pre-tax profit for the quarter was SEK -3.0 million (5.9).

The parent company's investments in property, plant and equipment and intangible assets during the period amounted to SEK 7.2 million (3.7) and the cash flow was SEK -1.3 million (6.1).

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 66 (58) at the close of the period. Of these, 37 (35) were men and 29 (23) women.

*Number of employees*

**65**

## Other information

### **Group**

On September 30, 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.

### **The Nomination Committee for the Annual General Meeting in 2013**

According to a resolution of the Annual General Meeting in 2012 the Nomination Committee is to consist of the Chairman of the Board and one representative for each of the four largest shareholders in terms of voting rights at the end of September 2012. For the 2013 Annual General Meeting the Nomination Committee consists of Lennart Hansson, Chairman (Stiftelsen Industrifonden), Aleksandar Zuzza (Metallica Förvaltnings AB), Christer Fåhraeus (Christer Fåhraeus and companies), Caroline af Ugglas (Skandia) and Chairman of the Board Lars Gatenbeck.

Shareholders who wish to submit proposals to the Nomination Committee can email to [ir@cellavision.com](mailto:ir@cellavision.com), or send a letter by post to: The Nomination Committee, CellaVision AB, Ideon Science Park, SE 223 70 Lund

### **Annual General Meeting in 2013**

CellaVision's Annual General Meeting in 2013 will be held in Lund on April 24, 2013 at 16.00.

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 by ordinary letter 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.

### **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.

**Financial calendar**

Year-end bulletin 2012:	February 14, 2013
Interim report January – March:	April 24, 2013
Annual General Meeting 2013:	April 24, 2013
Interim report January – July:	July 17, 2013
Interim report January – September:	October 24, 2013
Year-end bulletin 2013:	February 13, 2014

The interim reports for 2012 and the annual report for 2011 are available at [www.cellavision.com](http://www.cellavision.com).

The Board of Directors and CEO 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, October 26, 2012

Lars Gatenbeck  
*Chairman of the Board*

Christer Fåhraeus  
*Member of the Board*

Sven-Åke Henningsson  
*Member of the Board*

Lars Henriksson  
*Member of the Board*

Roger Johanson  
*Member of the Board*

Torbjörn Kronander  
*Member of the Board*

Anna Malm Bernsten  
*Member of the Board*

Yvonne Mårtensson  
*President/CEO*

**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 October 26, 2012 at 08.20.

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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.



## Review report

To the Board of Directors of CellaVision AB

Corporate identity number 556500-0998

### Introduction

We have performed review of the interim report for CellaVision AB (publ.) as at September 30, 2012 and the nine-month period ending on that date. The Board of Directors and the President/CEO is responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Emphasis and scope of the review

We conducted our review in accordance with the Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially more limited in scope than an audit that is conducted in accordance with International Standards on Auditing (ISAs) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion that is expressed on the basis of a review does not give the same level of assurance as a conclusion based on an audit.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report does not, in all material respects, accord with IAS 34 and the Annual Accounts Act for the Group and, for the parent company, with the Annual Accounts Act.

Lund, October 26, 2012

Deloitte AB

Per-Arne Pettersson

*Authorized public accountant*



**Consolidated Income Statement in Summary**

All amount in ' 000 SEK	Jul-Sept 2012	Jul-Sept 2011	Jan-Sept 2012	Jan-Sept 2011	Jan-Dec 2011
Net sales	35 332	36 455	119 107	108 598	155 402
Cost of goods sold	-12 741	-13 822	-40 747	-39 789	-53 991
<b>Gross profit</b>	<b>22 591</b>	<b>22 633</b>	<b>78 360</b>	<b>69 169</b>	<b>101 411</b>
Sales and marketing expenses	-8 334	-8 970	-27 328	-24 690	-35 281
Administration expenses	-6 370	-5 480	-21 601	-18 980	-27 013
R&D expenses	-3 905	-4 546	-15 543	-14 735	-21 407
Other operating income	-	90	-	90	90
<b>Operating result</b>	<b>3 982</b>	<b>3 727</b>	<b>13 888</b>	<b>10 854</b>	<b>17 800</b>
Interest income and financial exchange rate gains	80	2 775	172	810	1 113
Interest expense and financial exchange rate losses	-1 033	-141	-1 640	-512	-399
<b>Result before income tax</b>	<b>3 029</b>	<b>6 361</b>	<b>12 420</b>	<b>11 152</b>	<b>18 514</b>
Tax	863	-1 370	-2 775	-3 868	-3 881
<b>Net result</b>	<b>3 892</b>	<b>4 991</b>	<b>9 645</b>	<b>7 284</b>	<b>14 633</b>
Other comprehensive income:					
<u>a) Financial assets at fair value</u>					
Reclassified to operating result	-135	-125	125	-1 567	-1 947
Revaluation of financial assets	2 729	-1 539	3 851	-1 437	-99
Income tax relating to financial assets	-682	437	-1 046	790	538
<u>b) Translation difference</u>					
Translation difference in the group	-5	-1 423	-81	-974	-480
Sum of other comprehensive income:	1 907	-2 650	2 849	-3 188	-1 988
<b>Comprehensive result for the period</b>	<b>5 799</b>	<b>2 341</b>	<b>12 494</b>	<b>4 096</b>	<b>12 645</b>
<b>Per share data</b>					
Earnings per share, SEK */	0,16	0,21	0,40	0,31	0,61
Equity per share, SEK	5,41	4,93	5,41	4,93	5,29
Equity ratio, %	71%	75%	71%	75%	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	15,20	10,35	15,20	10,35	13,25

\*/ In relation to net profit and average outstanding shares

**Quarterly Results**

All amount in ' 000 SEK	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Net sales	35 332	43 360	40 415	46 444	36 455	41 887
Gross profit	22 591	28 698	27 071	32 242	22 633	25 727
Gross margin in %	64	66	67	69	62	61
Overhead cost	-18 609	-24 152	-21 711	-25 296	-18 906	-21 076
Operating result	3 982	4 546	5 360	6 946	3 727	4 651
Net result	3 892	3 110	2 643	7 349	4 991	2 192
Cashflow	5150	-8 996	-347	13 775	361	2 483

## Consolidated Balance Sheet in Summary

All amount in '000 SEK	2012-09-30	2011-09-30	2012-06-30	2011-12-31
<b>Assets</b>				
Intangible assets	23 201	21 232	22 433	21 329
Tangible assets	2 343	1 660	2 085	2 015
Financial assets	46 529	49 317	45 664	49 304
Deferred tax	101	115	105	114
Inventory	16 936	8 384	16 944	14 450
Trade receivables	28 372	28 053	19 501	26 653
Other receivables	11 252	4 728	7 713	8 045
Cash and bank	52 625	43 043	47 475	56 818
<b>Total assets</b>	<b>181 359</b>	<b>156 532</b>	<b>161 920</b>	<b>178 728</b>
<b>Equity and liabilities</b>				
Equity	129 020	117 518	123 221	126 067
Short term debt	18 055	12 607	18 925	18 425
Short term debt with interest	15 402	12 771	6 058	15 719
Trade payables	16 834	11 740	11 724	16 549
Other liabilities	2 048	1 896	1 992	1 968
<b>Total equity and liabilities</b>	<b>181 359</b>	<b>156 532</b>	<b>161 920</b>	<b>178 728</b>

## Consolidated statement of changes in equity

All amount in '000 SEK	2012-09-30	2011-09-30	2012-06-30	2011-12-31
Balance at the beginning of the year	126 067	113 422	126 067	113 422
Dividend	-9 541	-	-9 541	-
Net profit for the year	9 645	7 284	5 753	14 633
Comprehensive result for the period	2 849	-3 188	942	-1 988
<b>Balance at the end of the year</b>	<b>129 020</b>	<b>117 518</b>	<b>123 221</b>	<b>126 067</b>

## Cash Flow Analysis in Summary in Summary

All amount in '000 SEK	Jul-Sept 2012	Jul-Sept 2011	Jan-Sept 2012	Jan-Sept 2011	Jan-Dec 2011
<b>Result before taxes</b>	3 029	6 361	12 420	11 152	18 514
Adjustment for items not included in cash flow	746	-4 984	4 136	1 277	8 266
Taxes	-	-	-	-	-
<b>Cash flow from operations before changes in working capital</b>	<b>3 775</b>	<b>1 377</b>	<b>16 556</b>	<b>12 429</b>	<b>26 780</b>
Changes in working capital	-4 885	4 772	-3 221	6 688	5 235
<b>Cash flow from operations</b>	<b>-1 110</b>	<b>6 149</b>	<b>13 335</b>	<b>19 117</b>	<b>32 015</b>
Capitalisation of development costs	-2 521	-304	-6 532	-3 104	-4 537
Aquisitions in financial non-current assets	4	18	13	18	19
Aquisitions in tangible non-current assets	-566	-100	-1 151	-735	-1 373
<b>Cash flow from investment activities</b>	<b>-3 083</b>	<b>-386</b>	<b>-7 670</b>	<b>-3 821</b>	<b>-5 891</b>
New loans and instalments of dept	9 343	-5 402	-317	-8 064	-5 117
Dividend	0	-	-9 541	-	-
<b>Cash flow from financing activities</b>	<b>9 343</b>	<b>-5 402</b>	<b>-9 858</b>	<b>-8 064</b>	<b>-5 117</b>
<b>Total cash flow</b>	<b>5 150</b>	<b>361</b>	<b>-4 193</b>	<b>7 232</b>	<b>21 007</b>
Liquid funds at beginning of period	47 475	42 682	56 818	35 811	35 811
Liquid funds at end of period	52 625	43 043	52 625	43 043	56 818

**Income Statement - Parent Company**

All amount in '000 SEK	Jul-Sept 2012	Jul-Sept 2011	Jan-Sept2012	Jan-Sept2011	Jan-Dec 2011
Net sales	33 123	34 084	110 388	103 217	146 640
Cost of goods sold	-22 047	-18 588	-50 729	-47 089	-71 567
<b>Gross profit</b>	<b>11 076</b>	<b>15 496</b>	<b>59 659</b>	<b>56 128</b>	<b>75 073</b>
Sales and marketing expenses	-2 847	-2 313	-10 471	-7 419	-11 276
Administration expenses	-6 370	-5 480	-21 601	-18 980	-27 014
R&D expenses	-3 905	-4 546	-15 543	-14 735	-21 407
Other operating income	-	90	-	90	90
<b>Operating result</b>	<b>-2 046</b>	<b>3 247</b>	<b>12 044</b>	<b>15 084</b>	<b>15 466</b>
Write-downs of shares in group companies	-	-	-	-	-2 400
Interest income and financial exchange rate gain	80	2 766	165	804	1 103
Interest expense and financial exchange rate loss	-1 011	-136	-1 353	-512	-360
<b>Result before income tax</b>	<b>-2 977</b>	<b>5 877</b>	<b>10 856</b>	<b>15 376</b>	<b>13 809</b>
Tax	783	-1 546	-2 855	-4 044	-4 224
<b>Net result</b>	<b>-2 194</b>	<b>4 331</b>	<b>8 001</b>	<b>11 332</b>	<b>9 585</b>

**Statement of Comprehensive Income**

All amount in '000 SEK	Jul-Sept 2012	Jul-Sept 2011	Jan-Sept2012	Jan-Sept2011	Jan-Dec 2011
Net result for the period	-2 194	4 331	8 001	11 332	9 585
Other comprehensive income:	-	-	-	-	-
Sum of other comprehensive income:	0	0	0	0	0
<b>Comprehensive result for the period</b>	<b>-2 194</b>	<b>4 331</b>	<b>8 001</b>	<b>11 332</b>	<b>9 585</b>

**Balance Sheet - Parent Company**

All amount in '000 SEK	2012-09-30	2011-09-30	2012-06-30	2011-12-31
<b>Assets</b>				
Intangible assets	23 201	21 232	22 433	21 329
Tangible assets	1 651	1 359	1 539	1 737
Deferred tax	45 645	48 679	44 862	48 500
Financial assets	9 852	704	9 852	9 852
Inventory	12 204	4 529	11 924	10 457
Trade receivables	19 808	24 244	10 238	19 462
Receivables from group companies	15 369	29 415	22 273	16 499
Other receivables	7 084	4 303	5 778	7 260
Cash and bank	47 578	39 256	42 055	48 919
<b>Total assets</b>	<b>182 392</b>	<b>173 721</b>	<b>170 954</b>	<b>184 015</b>
<b>Equity and liabilities</b>				
Equity	135 280	138 567	137 475	136 820
Short term debt	13 049	8 955	14 008	13 104
Short term debt with interest	15 402	12 771	6 058	15 719
Liabilities to group companies	-	-	-	-
Trade payables	16 613	11 532	11 421	16 404
Other liabilities	2 048	1 896	1 992	1 968
<b>Total equity and liabilities</b>	<b>182 392</b>	<b>173 721</b>	<b>170 954</b>	<b>184 015</b>

## This is CellaVision

CellaVision’s customers are large and mid-sized hospital laboratories and commercial laboratories, mainly in Europe and North America. In most countries 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, corresponding to an increase of 18 %. The target is for sales to continue to increase by at least 15 % annually over an economic cycle.

### The products replace manual microscopy in laboratories for blood analyses

After taking the sample, most blood tests are first 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.

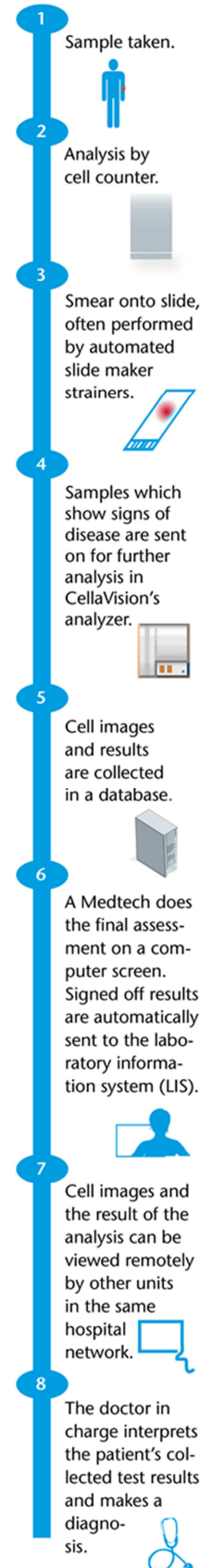
1. *Target group/end customer/user.* We currently target clinical laboratories in hematology with a growing need for automation. These are mainly found in Europe, North America and selected markets in Asia, mainly Japan, China and South East Asia.

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 from one to five.

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 to our customers.

### **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 USA 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 and Beckman Coulter sell CellaVision's products in the USA in parallel with CellaVision's own sales organization. In Canada CellaVision sells directly to the end customer.

#### *Europe, the Middle East and Africa*

Europe is CellaVision's largest market in terms of the number of analyzers sold to date. The transition from manual microscopy to CellaVision's method has been in full swing 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 biomedical analysts. 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 work has just started in the Middle East and Africa.

#### *Asia and the Pacific region*

Japan is a market with important growth potential for CellaVision. 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. Consequently, products that are well able to solve quality and efficiency problems are highly interesting to the Japanese health care sector. Since the start in 2008 CellaVision's subsidiaries have marketed the company's technology to the thousand or so major clinical laboratories in Japan. Since 2010 the distributor Sysmex also sells CellaVision's products.

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 and demand is gradually starting to take off. Here, investments in products are usually not associated with reduced staff costs - demand is more driven by shortage of skilled staff and/or increased quality requirements for test results.