

## With strong order momentum into the new year

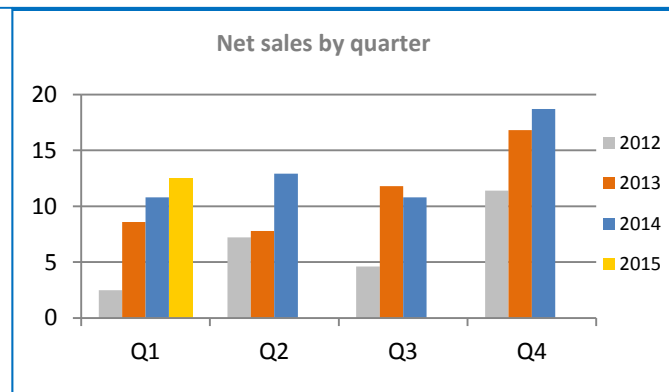
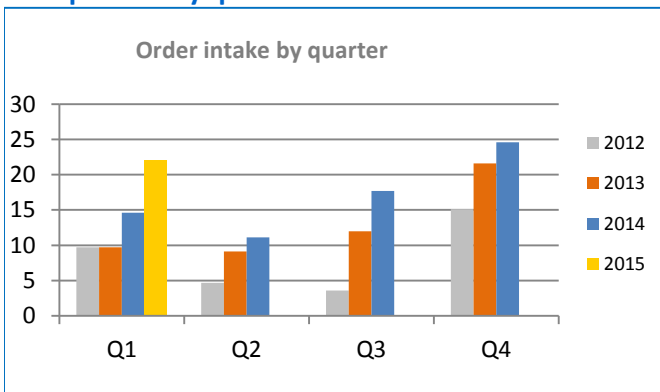
### Key events in the period January-March 2015

- Net sales:  
Jan-March 15.2 (11.1) MSEK, +37%
  - Order intake:  
Jan-March 22.1 (14.7) MSEK, +51%
  - Operating loss:  
Jan-March -1.2 (-1.6) MSEK
  - Result per share  
Jan-March -0.09 (-0.10) SEK
- Large order for seven C-RAD systems from Germany and Estonia
  - C-RAD further strengthening its global sales organization
  - C-RAD signs sales and service agreement for Switzerland
  - Tender for surface tracking solution at Skandionkliniken has been redone due to an appeal by a competitor
  - 127% growth order intake with Positioning products

### Key events after the reporting period

- Order for three C-RAD systems from Italy
- C-RAD validates its respiratory gating interface for IBA proton and particle therapy
- C-RAD grows sales organization in the United States
- Employee Warrant Program Oversubscribed
- AGM elects Kicki Wallje-Lund in the Board of Directors

### Comparison by quarter



### Summary financial results

| Amounts in KSEK       | Jan - March |         |
|-----------------------|-------------|---------|
|                       | Q1 2015     | Q1 2014 |
| Net sales             | 15 247      | 11 132  |
| Operating loss        | -1 172      | -1 585  |
| Net results after tax | -1 800      | -1 903  |
| Cash 1)               | 2 364       | 15 356  |
| Share price 1)        | 15.2        | 19.0    |
| Order intake          | 22 100      | 14 718  |
| Order backlog         | 43 700      | 24 525  |

1) in SEK, at the closing date 31 March

## Comments from Tim Thurn, CEO:



After a strong order intake for FY 2014, the first quarter of 2015 shows a record in both orders and revenues. Order intake totaled 22.1 MSEK during Q1 2015, up 51% from Q1 2014. Orders for Positioning Products (which includes Sentinel, Catalyst and Cyrpa lasers) and related service products increased by 127%. Revenues for the entire group amounted to 15.2 MSEK in Q1 2015. This is an improvement of 37% compared to Q1 2014.

It should be noted that in Q1 2015 production activities for the German company IBA Dosimetry did not contribute to orders and revenue, since C-RAD phased out production activities in Q4 2014.

These results confirm that we are on track for achieving our ambitious financial targets: increasing sales by 50% a year through 2017, with a profit margin of 60%. They also indicate that our major investment in expanding our sales force has yielded results, and shall continue. The growing interest in the market must be addressed by competent and experienced people who can get C-RAD's message out to decision-makers in radiation therapy centers.

Recruiting has been proceeding very well: The US, which is expected to be a main sales driver, has five sales/service staff, with two more under recruitment; France started direct sales this January, and has its two people in place; two sales and service staff in Germany will be complemented by an additional sales person; and China will also add one salesperson. In addition, we have opened up the Swiss market through an agreement with MedTech Consulting Cossman that cover sales, service and clinical training. The financing of our expansion has been addressed.

This quarter's new sales include four systems to Estonia – the first sale in the Baltic region – and three systems to Dresden, Germany. Deliveries are phased over Q2-Q3.

Cash flow at the end of the quarter was low and we need to use our bank overdraft with 2.9 MSEK. This can be attributed to the fact that many deliveries took place in March, with payments due in April.

Recent successful appearances at exhibitions include the International Technical Exhibition of Medical Imaging (ITEM) in Japan, where we provided demonstrations of high-end treatments together with our partner Elekta. Our presence at the European Society for Radiotherapy & Oncology (ESTRO), the largest European radiation therapy group, was also marked by positive meetings with clinical customers and a good deal of traffic through our booth.

The Skandionkliniken Uppsala tender that we won in Q3 was appealed by a competitor, resulting in a new tender process. C-RAD has submitted its quotation under the new tender process. A decision is expected soon, but no schedule has been communicated by the customer.

With regard to our joint development with the Franco-Belgian company Cyrpa – in which we hold a minority stake of 29 percent – our joint product demonstrations have been well received in sales discussions with customers. Our current plan calls for integration of Cyrpa in 2016, but overall positive market developments continue to reinforce the benefits of an earlier integration, so we are investigating our options for accelerating this integration.

Overall, we are very pleased with this quarter's performance, and look forward to increased sales activity and a strong order flow due to our expanded sales force, presence and visibility on the international stage.

## Key events during the period Jan-March 2015

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### **Large order for seven C-RAD systems from Germany and Estonia**

C-RAD secured an order for two Catalyst™ systems as well as a Sentinel™ system from Städtisches Klinikum Dresden-Friedrichstadt, which operates in the eastern part of Germany, and was awarded with an order of two Catalyst™ systems as well as two Sentinel™ systems from Tartu University Hospital in Estonia.

The delivery and installation in Germany is expected to occur in Q2 2015. The order includes a service contract for 8 years.

Catalyst™ systems in Estonia will be installed together with Varian TrueBeam linear accelerators.

### **C-RAD further strengthening its global sales organization**

C-RAD has released its strategy for further growth, including a measure to strengthen the sales force in key markets. It has appointed a new sales manager for France and five more persons will be added to the sales organization over the next 12 months.

### **C-RAD signs sales and service agreement for Switzerland**

C-RAD has signed a distribution agreement with MedTech Consulting Cossmann GmbH to market the C-RAD product portfolio to Swiss customers. The new partner will also provide service and clinical training.

### **Tender for surface tracking solution at Skandionkliniken has been redone, due to an appeal by a competitor**

As the result of a public tender, Skandionkliniken had chosen C-RAD to deliver surface tracking solutions for Patient Positioning, Motion Monitoring and Respiratory Gating. A competitor, however, filed an appeal in September 2014. The Administrative Court in Uppsala has decided that for the procurement of the surface tracking solution a new public tender procedure needs to be started.

## Key events after the reporting period

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### **Order for three C-RAD systems from Italy**

C-RAD's Italian distributor – TecnoSan S.a.s. – secured an order for two Catalyst™ systems as well as one Sentinel™ 4DCT system from the Ospedale del Mare cancer clinic in Naples.

### **C-RAD validates its respiratory gating interface for IBA proton and particle therapy**

C-RAD has successfully validated the interface for its Catalyst™ product line, which controls the radiation beam for proton and particle treatment systems. The IBA gating interface validation was performed at Westdeutsches Protonentherapiezentrum Essen, in Germany.

### **C-RAD grows sales organization in the United States**

C-RAD released its strategy for further growth in February, including the expansion of the direct sales and service force in key markets. C-RAD has now further increased its presence in the US by hiring two new regional sales manager for the Midwest and Southeast region.

### **Employee Warrant Program Oversubscribed**

C-RAD has launched a warrant program for its employees, which has generate a great interest. Employees have signed up for a total of 284,330 options, which is 42% more than the initial volume offered.

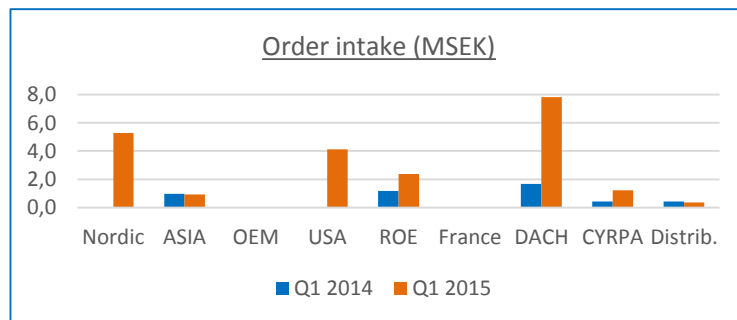
### **AGM elects Kicki Wallje-Lund in the Board of Directors**

C-RAD's AGM elected Kicki Wallje-Lund as a new board member. She has long experience in business development and board of directors in various international companies and currently has the position as CEO in the Stockholm based company Wellnet AB. Among other board assignments, Kicki is a member of the board for Betsson AB since 2007.

## Financial development

### Order intake

Order intake during Q1 2015 amounted to 22.1 MSEK compared to 14.7 MSEK in Q1 2014. It should be noted that during the previous year frame order of 3.8 MSEK related to the production for the German company IBA Dosimetry was booked in the first quarter 2014. Orders with positioning products incl. related service products has increased by 127% compared to Q1 2014.



Note: orders related to the production for the German company IBA Dosimetry are not included on the graphic.

### Revenues

Revenues for Q1 2015 amounted to 15.2 MSEK and increased by 37% from Q1 2014.

|                  | Q1 2015     | Q1 2014     |
|------------------|-------------|-------------|
| Positioning      | 13.9        | 9.1         |
| CYRPA production | 0.9         | 0.1         |
| IBA production   | 0.0         | 1.2         |
| IBA distribution | 0.4         | 0.7         |
|                  | <b>15.2</b> | <b>11.1</b> |

## Financial development

### Gross profit

The gross profit margin was 57% in Q1 2015 compared to 55% in the last quarter of the fiscal year 2014. Changes in gross profit can be expected in shorter periods due to the limited volume of systems and the respective configuration of each system.

Gross profit margin throughout the entire fiscal year 2014 was 60%.

### Cost of goods sold

COGS for Q1 2015 amounted to 6.6 MSEK compared to 3.0 MSEK in Q1 2014. COGS related to revenues during Q1 2014 have been recognized in Q3 and Q4 2014.

### Operational expenses

Operational expenses for Q1 2015 amounted to 6.0 MSEK compared to 8.3 MSEK in the previous quarter.

### Personnel expenses

Personnel expenses amounted to 6.2 MSEK, compared to 6.0 MSEK in Q1 2014.

### Net results after tax

Net results after tax Q1 2015 was negative by 1.8 MSEK, compared to net loss of 1.9 MSEK in Q1 2014.

### Capitalized development costs

Capitalized development costs amounted to 11.6 MSEK. Capitalization in Q1 2015 was related to the Gemini project, IBA gating interface and MMI2 Truebeam interface.

| Capitalized development costs |                 |                     |
|-------------------------------|-----------------|---------------------|
| Project                       | Carrying amount | Status              |
| Catalyst/Sentinel             | 3.6             | Launched            |
| Catalyst HD                   | 1.0             | Launched            |
| Gemini                        | 6.4             | Ongoing development |
| IBA and TrueBeam              |                 |                     |
| MMI 2 Interface               | 0.6             | Ongoing development |
|                               | <u>11.6</u>     |                     |

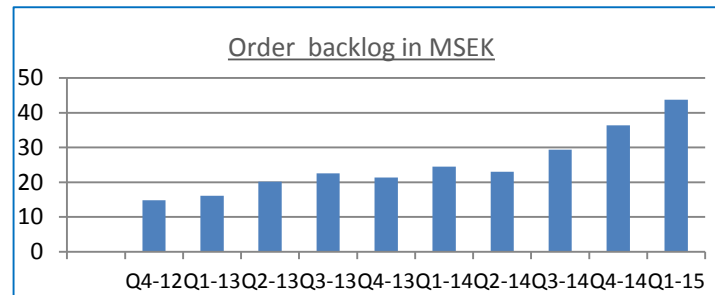
# Financial development

## Seasonality

There is a seasonal pattern in C-RAD's operations. The second half of the year and mainly the fourth quarter that are usually the strongest periods, both in terms of order intake and revenues. This is due to the fact that a large number of customers are hospitals and clinics which have annual budgets per calendar year, and they tend to wait until the end of the year to place orders.

## Order backlog

Order backlog represents orders that have been placed but not delivered and invoiced. The backlog amounted to 43.7 MSEK at the end of Q1 2015, compared to 36.4 MSEK at end of 2014.



## Order conversion rate - positioning products

Weighted average of the outstanding orders is around 7 months in 2015. This is the time from receiving an order until the order is delivered. The order backlog for positioning products amounted to 37.5 MSEK.

## Personnel

At the end of the period the number of employees in the Group amounted to 28 (29) persons.

## Exchange rate

The financial statements are presented in SEK, the functional currency of C-RAD. Changes in foreign currencies have an impact on the results. Sales and orders are largely generated in foreign currency, mainly EUR and USD and, in addition, foreign subsidiaries and associates are included in the consolidation. The average EUR rate in Q1 2015 was 9.4 (8.9), while the average USD rate in the period was 8.3 (6.5). This has a positive on the comparison of revenues and order intake (between Q1 2015 and Q1 2014) generated in these currencies.

Salary for the employees and other expenses in the European and American subsidiary are booked in the local currency. Even purchase of material and service from foreign countries have a negative impact on the result.

## Bank overdraft

Bank overdraft exercised at the closing day by 2.9 MSEK. The total amount of the bank overdraft is 5 MSEK.

## Segment reporting

Group Management has analyzed the Group's internal reporting and established that the Group's operations are managed and evaluated based on the following segments:

- **Positioning:** Development and sales activities for products in the field of patient positioning during radiotherapy, including Catalyst, Sentinel and HIT lasers.
- **Imaging:** Development of imaging devices and detectors for cancer treatments and dosimetry.

Assets and liabilities are not analyzed on segment level by the chief decision maker. Such analysis is therefore excluded from this segment reporting.

Activities between segments: Some of the personnel employed within the Imaging segment have conducted work for the Positioning segment. Internal sales covers the direct cost of these cross-segment services.

| <i>Amounts in KSEK</i>               | Segment revenues |               | Segment operating profit |                |
|--------------------------------------|------------------|---------------|--------------------------|----------------|
|                                      | Q1 2015          | Q1 2014       | Q1 2015                  | Q1 2014        |
| Positioning external customers ..... | 15 072           | 9 900         | -1 125                   | -1 569         |
| Imaging external sales .....         | 175              | 1 232         | -46                      | -16            |
| Imaging internal sales .....         | 0                | 591           | 0                        | 0              |
| Elimination internal sales .....     | 0                | -591          | 0                        | 0              |
| Total .....                          | <u>15 247</u>    | <u>11 132</u> | <u>(1 171)</u>           | <u>(1 585)</u> |
| Share in results of associates ..... |                  |               | -387                     | -157           |
| Financial items .....                |                  |               | -242                     | -161           |
| Profit/loss before tax .....         |                  |               | <u>(1 800)</u>           | <u>(1 903)</u> |

Segment reporting is based on the same accounting principles as applied in the consolidated financial statements 2014. No impairment has been made. Sales by geographical market are based on sales to customers in each country. Two customers each represent over 10 percent of sales from January to March 2015.

| <i>Amounts in KSEK</i> | Revenue by geographical market |               |
|------------------------|--------------------------------|---------------|
|                        | Q1 2015                        | Q1 2014       |
| Nordic .....           | 5 066                          | 4 168         |
| DACH .....             | 3 231                          | 1 428         |
| RoE .....              | 458                            | 1 288         |
| America .....          | 4 870                          | 809           |
| Asia .....             | 1 622                          | 3 439         |
|                        | <u>15 247</u>                  | <u>11 132</u> |



## Condensed consolidated statement of comprehensive income

| (Amounts in SEK)  | 2015<br>Jan-Mar    | 2014<br>Jan-Mar    | 2014<br>Jan-Dec    |
|---|--------------------|--------------------|--------------------|
| <b>Operating income</b>   |                    |                    |                    |
| Net sales .....   | 15 247 333         | 11 131 518         | 53 191 612         |
| Work performed by the company for its own use and capitalized ..... | 1 107 195          | 1 054 708          | 3 460 326          |
| Other operating income .....  | 2 330 562          | 129 801            | 4 031 971          |
| <b>Total operating income</b>                                       | <u>18 685 090</u>  | <u>12 316 027</u>  | <u>60 683 909</u>  |
| <b>Operating expenses</b>   |                    |                    |                    |
| Raw material and consumables .....                                  | -6 560 995         | -3 047 337         | -21 289 961        |
| Other external costs .....  | -5 994 555         | -3 957 616         | -22 361 312        |
| Personnel costs .....   | -6 202 180         | -5 952 379         | -25 009 391        |
| Depreciations .....   | -1 099 047         | -944 080           | -5 028 650         |
| Other operating expenses .....                                      | 0                  | 0                  | 0                  |
| <b>Total operating expenses</b>                                     | <u>-19 856 778</u> | <u>-13 901 412</u> | <u>-73 689 314</u> |
| <b>Operating profits/loss</b>                                       | -1 171 687         | -1 585 385         | -13 005 405        |
| Result from participation in associated companies .....             | -387 031           | -157 162           | -260 889           |
| Financial income .....  | 5 475              | 0                  | 153 375            |
| Financial costs .....   | -246 323           | -160 914           | -279 767           |
| <b>Profit (loss) before tax</b>                                     | -1 799 566         | -1 903 461         | -13 392 686        |
| Income tax .....  | 0                  | 0                  | 7 094 209          |
| <b>Net results for the period</b>                                   | -1 799 566         | -1 903 461         | -6 298 477         |
| Translation difference from foreign operations .....                | -33 195            | -6 606             | -623 365           |
| <b>Comprehensive results for the period (1)</b>                     | <u>-1 832 761</u>  | <u>-1 910 067</u>  | <u>-6 921 842</u>  |
| Results per share before dilution .....                             | 0,09               | -0,10              | -0,31              |
| Results per share after dilution .....                              | 0,08               | -0,09              | -0,29              |

(1) 100% attributable to shareholders in the Parent Company

## Condensed consolidated statement of financial position

(Amounts in SEK)

| <b>Assets</b>                              | <b>31-03-2015</b> | <b>31-03-2014</b> | <b>31-12-2014</b> |
|--|-------------------|-------------------|-------------------|
| <b>Assets</b>                              |                   |                   |                   |
| <b>Intangible assets</b>                   |                   |                   |                   |
| Capitalized development expenditure .....  | 11 597 301        | 10 888 883        | 10 901 443        |
| Patents, licenses and similar rights ..... | 993 179           | 1 821 560         | 1 342 029         |
|  | <u>12 590 480</u> | <u>12 710 443</u> | <u>12 243 472</u> |
| <b>Tangible assets</b>                     |                   |                   |                   |
| Equipment .....                            | 3 752 153         | 3 033 174         | 4 057 105         |
| <b>Financial assets</b>                    |                   |                   |                   |
| Shares of associates .....                 | 7 912 793         | 8 403 551         | 8 299 824         |
| Long-term receivables .....                | 4 964 255         | 4 688 523         | 4 964 254         |
| <b>Total financial assets</b>              | <u>12 877 047</u> | <u>13 092 074</u> | <u>13 264 078</u> |
| <b>Other non-current assets</b>            |                   |                   |                   |
| Deferred tax asset .....                   | 7 094 209         | 0                 | 7 094 209         |
| <b>Total non-current assets</b>            | <u>36 313 890</u> | <u>28 835 691</u> | <u>36 658 864</u> |
| <b>Current assets</b>                      |                   |                   |                   |
| Inventory .....                            | 10 224 124        | 6 385 946         | 8 032 454         |
| Trade receivables .....                    | 15 800 691        | 13 416 189        | 15 241 464        |
| Other receivables .....                    | 2 935 085         | 1 020 699         | 4 690 063         |
| Prepayments and accrued income .....       | 946 544           | 1 207 279         | 417 372           |
| Cash and bank .....                        | 2 364 271         | 15 356 372        | 7 623 091         |
| <b>Total current assets</b>                | <u>32 270 715</u> | <u>37 386 485</u> | <u>36 004 443</u> |
| <b>Total assets</b>                        | <u>68 584 605</u> | <u>66 222 176</u> | <u>72 663 309</u> |

## Condensed consolidated statement of financial position

(Amounts in SEK)

| Equity and liabilities                     | 31-03-2015               | 31-03-2014               | 31-12-2014               |
|--|--------------------------|--------------------------|--------------------------|
| <b>Equity</b>                              |                          |                          |                          |
| Share capital .....                        | 3 041 639                | 3 041 639                | 3 041 639                |
| Additional paid in capital .....           | 171 952 413              | 171 992 821              | 171 331 689              |
| Retained earnings .....                    | -136 724 999             | -126 557 105             | -128 037 092             |
| Translation difference .....               | -33 195                  |                          |                          |
| Profit (loss) for the period .....         | -1 799 566               | -1 910 067               | -6 298 477               |
| <b>Total equity</b>                        | <u>36 436 291</u>        | <u>46 567 288</u>        | <u>40 037 759</u>        |
| <b>Long term liabilities</b>               |                          |                          |                          |
| Convertible bonds .....                    | 11 758 850               | 11 678 034               | 11 667 483               |
| Other long term liabilities .....          | 5 000 000                | 0                        | 5 000 000                |
|  | <u>16 758 850</u>        | <u>11 678 034</u>        | <u>16 667 483</u>        |
| <b>Current liabilities</b>                 |                          |                          |                          |
| Accounts payable .....                     | 6 393 978                | 4 006 854                | 6 635 323                |
| Warranty provisions .....                  | 900 000                  | 680 000                  | 900 000                  |
| Bank overdraft .....                       | 2 892 205                |                          |                          |
| Other current liabilities .....            | 1 540 036                | 166 924                  | 3 617 915                |
| Accrued expenses and deferred income ..... | 3 663 245                | 3 123 076                | 4 804 830                |
| <b>Total current liabilities</b>           | <u>15 389 464</u>        | <u>7 976 854</u>         | <u>15 958 067</u>        |
| <b>Total liabilities</b>                   | <u>32 148 314</u>        | <u>19 654 888</u>        | <u>32 625 551</u>        |
| <b>Total equity and liabilities</b>        | <u><u>68 584 605</u></u> | <u><u>66 222 176</u></u> | <u><u>72 663 309</u></u> |
| Pledges                                    | 13 620 000               | 7 670 000                | 13 620 000               |
| Contingent liability                       | -                        | -                        | -                        |

## Condensed consolidated statement of cash flow

(Amounts in SEK)

| Statement of cash flow  | 2015<br>Jan-Mar    | 2014<br>Jan-Mar    | 2014<br>Jan-Dec     |
|---|--------------------|--------------------|---------------------|
| <b>Operating activities</b>   |                    |                    |                     |
| Profit (loss) before financial items .....                                | (1 171 687)        | (1 903 461)        | (13 005 405)        |
| Adjustment for non-cash items, etc .....                                  | (1 657 998)        | 46 534             | (953 483)           |
| Interests received .....  | 5 475              | 0                  | 0                   |
| Interests paid .....  | (246 323)          | (160 914)          | (279 767)           |
| <b>Cash flow from operating activities before working capital changes</b> | <b>(3 070 533)</b> | <b>(2 017 841)</b> | <b>(14 238 654)</b> |
| Working Capital Changes .....   | (4 985 901)        | (3 705 053)        | (2 373 180)         |
| <b>Cash flow from operating activities</b>                                | <b>(8 056 434)</b> | <b>(5 722 894)</b> | <b>(16 611 834)</b> |
| <b>Cash flow from investing activities</b> .....                          |                    | 0                  | (2 070 836)         |
| <b>Cash flow from financing activities</b> .....                          | 2 892 205          | 10 834 688         | 15 834 687          |
| Net increase (decrease) in cash and cash equivalents .....                | (5 164 229)        | 5 111 794          | (2 847 983)         |
| Cash and cash equivalents at beginning of period .....                    | 7 623 092          | 10 261 549         | 10 261 549          |
| Exchange rate differences .....   | (94 592)           | (16 971)           | 209 527             |
| Cash and cash equivalents at end of period .....                          | <u>2 364 271</u>   | <u>15 356 372</u>  | <u>7 623 093</u>    |

## Condensed consolidated statement of changes in equity

(Amounts in SEK)

| Statement of changes in equity                | 2015               | 2014               | 2014               |
|---|--------------------|--------------------|--------------------|
|   | Jan-Mar            | Jan-Mar            | Jan-Dec            |
| <b>At beginning of period</b> .....           | 40 037 759         | 38 027 839         | 38 027 838         |
| Share increase .....                          | 0                  | 11 375 000         | 11 375 000         |
| Issue expense .....                           | 0                  | (540 313)          | (540 313)          |
| Equity part of convertible loan .....         | (40 408)           | 40 409             | (161 632)          |
| Translation difference .....                  | (1 761 494)        | (425 579)          | (2 364 658)        |
| <b>Changes in the period</b> .....            | <u>(1 801 902)</u> | <u>10 449 517</u>  | <u>8 308 397</u>   |
| Loss for the period .....                     | <u>(1 799 566)</u> | <u>(1 910 067)</u> | <u>(6 298 477)</u> |
| <b>Closing balance at end of period</b> ..... | <b>36 436 291</b>  | <b>46 567 289</b>  | <b>40 037 759</b>  |

# Parent company Financial Statements

(Amounts in SEK)

| Income statement  | 2015<br>Jan-Mar         | 2014<br>Jan-Mar         | Statement of Financial Position               | 2015<br>Jan-Mar         | 2014<br>Jan-Mar         |
|---|-------------------------|-------------------------|---|-------------------------|-------------------------|
| Total income .....  | 5 810 981               | 3 267                   | <b>Assets</b>                                 |                         |                         |
| Personnel costs .....   | -1 711 346              | -1 385 328              | Tangible assets .....                         | 76 809                  | 104 864                 |
| Other costs .....   | -2 290 396              | -1 582 755              | Shares in group companies .....               | 68 874 000              | 57 124 000              |
| <b>Total operating expenses</b>   | <b>-4 001 742</b>       | <b>-2 968 083</b>       | Investments in associates .....               | 8 986 293               | 8 986 293               |
| Result from financial items .....   | -133 794                | -55 511                 | Receivables in Group companies .....          | 38 790 845              | 33 844 367              |
| Result before tax .....   | 1 675 445               | -3 023 594              | Other receivables .....                       | 6 608 065               | 5 494 280               |
| Tax .....   | 0                       | 0                       | Cash and bank .....                           | 169 962                 | 9 716 937               |
| <b>Net results</b> .....  | <b>1 675 445</b>        | <b>-3 023 594</b>       | <b>Total assets</b>                           | <b>123 505 973</b>      | <b>115 270 741</b>      |
| <b>Statement of comprehensive results</b>                                 |                         |                         | <b>Equity and liabilities</b>                 |                         |                         |
| Net results   | 1 675 445               | -3 023 594              | Share capital .....                           | 3 041 639               | 3 041 639               |
| Translation difference from foreign operations                            |                         |                         | Other equity .....                            | 100 491 879             | 94 176 759              |
| Total comprehensive results   | 1 675 445               | -3 023 594              | Total equity .....                            | 103 533 518             | 97 218 398              |
| <b>Statement of cash flow</b>   | <b>2015<br/>Jan-Mar</b> | <b>2014<br/>Jan-Mar</b> | Convertible bonds .....                       | 11 718 442              | 11 718 442              |
| <b>Operating activities</b>   |                         |                         | Long term liabilities .....                   | 5 000 000               |                         |
| Profit (loss) before tax .....  | 1 675 445               | -3 023 594              | Other liabilities .....                       | 3 254 013               | 6 333 901               |
| Adjustment for non-cash items .....                                       | 5 611                   |                         | Total liabilities .....                       | 19 972 455              | 18 052 343              |
| <b>Cash flow from operating activities before working capital changes</b> | <b>1 681 056</b>        | <b>-3 023 594</b>       | <b>Total equity and liabilities</b>           | <b>123 505 973</b>      | <b>115 270 741</b>      |
| Working Capital Changes .....   | -4 523 855              | -308 604                | <b>Statement of changes in equity</b>         | <b>2015<br/>Jan-Mar</b> | <b>2014<br/>Jan-Mar</b> |
| <b>Cash flow from operating activities</b>                                | <b>-2 842 799</b>       | <b>-3 332 198</b>       | At beginning of period .....                  | 101 858 072             | 89 404 037              |
| <b>Cash flow from investment activities</b>                               |                         | 10 834 688              | Share increase .....                          |                         | 10 834 688              |
| <b>Cash flow from financing activities</b>                                |                         |                         | Other .....                                   | 1                       | 3 267                   |
| Net change in cash and cash equivalents .....                             | -2 842 799              | 7 502 490               | Net results for the period .....              | 1 675 445               | -3 023 594              |
| Cash and cash equivalents at beginning of period .....                    | 3 012 761               | 2 214 448               | <b>Closing balance at end of period</b> ..... | <b>103 533 518</b>      | <b>97 218 398</b>       |
| Cash and cash equivalents at end of period .....                          | 169 962                 | 9 716 938               |   |                         |                         |

## Ratios

|  | 2015<br>31-mar | 2014<br>31-mar | 2014<br>31-dec |
|--|----------------|----------------|----------------|
| Number of shares .....                 | 20 275 323     | 20 275 323     | 20 275 323     |
| Average number of shares .....         | 20 275 323     | 19 878 656     | 20 176 156     |
| Average number of diluted shares ..... | 21 500 739     | 21 104 072     | 21 401 572     |
| Number of options outstanding .....    | 1 225 416      | 1 225 416      | 1 225 416      |
| Solvency .....                         | 53%            | 70%            | 55%            |
| Result per share before dilution ..... | (0,09)         | (0,10)         | (0,31)         |
| Result per shares after dilution ..... | (0,08)         | (0,09)         | (0,29)         |
| Equity per share before dilution ..... | 1,80           | 2,34           | 1,97           |
| Equity per share after dilution .....  | 1,69           | 2,21           | 1,86           |
| Operating margin .....                 | Neg.           | Neg.           | Neg.           |

## Accounting principles

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### **Accounting principles**

This interim report is prepared, for the Group, in accordance with IAS 34, RFR1 "Redovisning för koncerner" and the Annual Accounts Act and, for the Parent company, the Annual Accounts Act and RFR 2.

Applied accounting principles are consistent with what is stated in note 1 in the Financial Statements for 2014.

Updated IFRS standards and interpretations from IFRIC have no impact on the Group or the Parent Company's results or financial position.

### **Exchange rates**

Orders and income statement are translated at the period-average exchange rate while order backlog and balance sheet items are translated at the closing rate.

### **Capitalized development costs**

Development expenses that fulfil the recognition criteria in IAS38 are capitalized. At least annually an impairment test is performed. The progress of current development projects is reviewed on a regular basis.

### **Deferred tax**

Deferred tax asset is reviewed at the end of each reporting period and adjusted in line with the probable future taxable result.



## Other information

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This interim report provides a true and fair view of the Group's operations, financial position and earnings. If there should be any deviation between the reports in English and Swedish, the Swedish version is valid. This interim report has not been reviewed by the company auditors.

Uppsala, 8 May 2015

Börje Bengtsson  
Chairman of the Board

Tim Thurn  
CEO

Peter Hamberg  
Board member

Bengt Rolén  
Board member

Frank Lohr  
Board member

Brian Holch Kristensen  
Board member

Kicki Wallje-Lund  
Board member

### Financial information, publication dates:

|                   |                  |
|-------------------|------------------|
| Half year report  | August 14, 2015  |
| Interim report Q3 | November 6, 2015 |
| Year end report   | February 5, 2016 |

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Since December 2014 C-RAD AB is listed on Nasdaq Stockholm Small Cap.

The information in the interim report is such that C-RAD is required to disclose publicly in accordance with the Swedish Securities and Clearing Operations Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication on May 8, 2015 at 3.00 pm.