



Continuous expansion into new markets

High rate of innovation for continued digitization of healthcare

Interim report

January-September 2016

Organic growth of around 50 percent in core business

July 1–September 30, 2016

- Net sales decreased by 8 % to SEK 68.3 million (74.5)
- Currency-adjusted growth for the quarter was -9% (47).
- Operating profit was SEK 19.5 million (30.3).
- The operating margin was 28.5% (40.6).
- Earnings per share were SEK 0.64 (1.02)
- Cash flow from operating activities was SEK 8.6 million (34.5)

January 1– September 30, 2016

- Net sales increased by 8 % to SEK 192.3 million (177.8).
- Currency-adjusted growth was 6.1% (13).
- Operating profit increased to SEK 52.5 million (49.0).
- The operating margin was 27.3 % (27.6).
- Earnings per share were SEK 1.76 (1.58)
- Cash flow from operating activities was SEK 41.6 million (75.7)

Significant events after the period close

- CellaVision signed an agreement with one more distribution partner in EMEA, Horiba

Net Sales, Q3
SEK 68.3 m (74.5)

Operating Profit, Q3
SEK 19.5 m (30.3)

Operating Margin, Q3
28.5 % (40.6)

Key Ratios

(MSEK)	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net sales	68.3	74.5	192.3	177.8	239.4
Gross profit	47.9	54.8	136.2	127.8	174.2
Operating profit	19.5	30.3	52.5	49.0	65.5
Operating margin, %	28.5	40.6	27.3	27.6	27.3
Profit/loss before tax	19.8	30.3	55.0	48.7	65.6
Cash flow for the period	7.4	32.4	-1.6	46.7	54.8
Equity ratio, %	79.9	80.5	79.9	80.5	83.3

CEO's comments



Very strong quarter for sales to human laboratories

Sales to laboratories in the human healthcare market grew at a very strong rate in the third quarter, with organic growth of around 50 percent. The net sales nonetheless fell by eight percent from SEK 74.5 million to SEK 68.3 million because we invoiced about SEK 30 million to laboratories for veterinary medicine in North America in the third quarter of 2015. Growth is eight percent for the three first quarters of the year, though we have not made any sales to the veterinary market. If we only look at sales to the human healthcare market, growth for the first three quarters of the year amounts to about 30 percent.

Exchange rate effects in the quarter were limited and had a positive impact on sales of about one percent. The operating profit was SEK 19.5 million (30.3), equivalent to an operating margin of 28.5 percent (40.6). The lower operating profit and lower operating margin are explained by the challenging comparative figures from the third quarter of 2015 reflecting the high invoicing to veterinary laboratories.

Continued positive development in the Americas and APAC

Sales to the human healthcare market in the Americas showed strong development in the quarter, with growth in excess of 80 percent. In the USA we noted a quarter with a record number of customer installations of CellaVision analyzers. The Americas' approximate invoicing total of SEK 30 million to the veterinary market in the third quarter of 2015 makes the aggregate comparative figures challenging and altogether sales decreased by 26 percent to SEK 35.3 million (47.8). Our perception is that the Americas will continue positive development.

APAC also reported strong sales in the third quarter of the year. Sales more than tripled to SEK 20.9 million (6.3) after strong development in the Chinese market. APAC has now reported sound growth for four quarters in a row, but sales in the region are still volatile and we

continue to expect major fluctuations between individual quarters.

In EMEA progress was weaker than in other regions. Sales in the quarter were SEK 12.2 million (20.4), representing a decrease of 40 percent. Our assessment of future development in the region continues to be positive, which is emphasized by the initiatives for a local presence we are now implementing.

Continued market initiatives

CellaVision is continuing the geographical expansion of local organizations for market support. Earlier in 2016 we established a direct presence in the Middle East and South Korea and in the year's third quarter expansion continued to Australia and France, where we see good growth opportunities. We are also planning for continued expansion of our support organization to other interesting markets next year. Local market support resources are a crucial factor in driving CellaVision's continued growth. Apart from this, Horiba has been added as a distribution partner in EMEA. The Horiba group is a worldwide company in several branches of which one is hematology within the in-vitro diagnostics division.

The veterinary market & Product development

CellaVision continues to address large reference laboratories in the veterinary market. We aim to sell our products to this market segment indirectly via distributors, just as in human healthcare.

Development of the new technology platform for small and mid-sized human and veterinary laboratories continued according to plan during the quarter. Launch of the new products is expected to be in markets that accept CE marking in 2018.

Cash flow was impacted by high trade receivables that were settled after the close of the period as well as by a slightly larger buffer inventory to secure customer demand.

Zlatko Rihter, President and Chief Executive Officer

Human market performed strongly, with organic growth of about 50%.

Strong growth in APAC and a record in number of customer installations in the Americas.

Weaker growth in EMEA but positive future.

CellaVision establishes local presence for marketing support in Australia and France.

Sales, earnings and investment

July 1 - September 30

Net sales for the Group were SEK 68.3 million (74.5) in the third quarter, a decrease of eight percent compared with the corresponding period in 2015.

The decrease compared with the previous year should be seen in the light of the major veterinary order that was delivered in the third quarter last year. Excluding the veterinary market, organic growth was about 50 percent.

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

The gross margin was 70 percent (74) for the quarter. CellaVision often has great variations in gross margins between individual quarters, which is due to the distribution of sales via distributors as against own sales companies, as well as the product mix. To date, CellaVision has sold directly to the veterinary market, which had a positive impact on the gross margin last year.

Total operating expenses in the third quarter were SEK 28.4 million (24.5). The increase is due to planned initiatives to broaden the product portfolio and increase market presence.

CellaVision is running several development projects aimed at strengthening the company's product offer to customers in the area of hematology. Capitalized expenditure for development projects was SEK 1.9 million (1.6) for the quarter.

Operating profit for the quarter was SEK 19.5 million (30.3) with an operating margin of 28.5 percent (40.6). The operating profit for the previous year was strongly impacted by the veterinary order of about SEK 30 million.

Cash flow was impacted negatively by high trade receivables settled in early October, as well as by an increase in the buffer inventory of finished goods increased slightly to meeting the growing demand. The strong cash flow of the previous year included effects of the large veterinary order delivered in the third quarter of that year. During the quarter the parent company's loss carry forwards were used up and in coming quarters tax payments will impact cash flow.

The Group's cash and cash equivalents at the close of the quarter amounted to SEK 105 million (98.6).

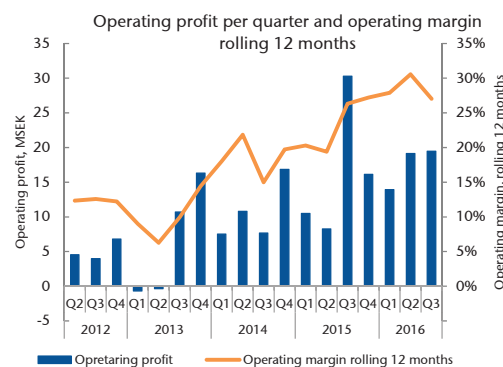
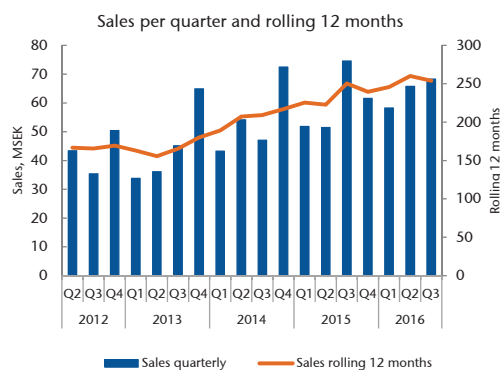
Cash flow from operating activities for the quarter was SEK 8.6 million (34.5).

Total cash flow for the quarter was SEK 7.4 million (32.4).

Strong sales in China and in the USA.

The core business, the human market, developed strongly.

Operating profit amounted to 19.5 million (30.3).



Development in geographical markets

Americas: 35.3 MSEK (47.8)

Sales in the Americas decreased in the third quarter by 26 percent to SEK 35.3 million (47.8) compared with the same quarter in the previous year. The decrease is entirely explained by the very high sales to veterinary laboratories in the corresponding quarter in 2015. The human healthcare market reported growth of about 80 percent in the third quarter and in all 30 percent to date in 2016. The company's perception is that the Americas will continue positive development.

The positive development in the human healthcare market is partly a result of CellaVision's new strategy of addressing in a structured way the areas of the USA and Canada where the company's penetration is relatively low. Market penetration will be achieved in close collaboration between CellaVision's local organization for market support and the company's various distribution partners.

CellaVision attended the AACC conference (68th AACC Annual Scientific Meeting & Clinical Lab Expo) in Philadelphia where the company launched a new web-based function, called User Club, through the CellaVision Academy. The aim is to establish an inspirational and educational forum online for the company's end users and associate them more closely with CellaVision.

EMEA: 12.2 MSEK (20.4)

EMEA had a weak quarter and decreased by SEK 8.2 million (40 percent) compared with the same quarter in 2015. In total, net sales were SEK 12.2 million (20.4). Future development for the region is expected to be good.

CellaVision's strategy of establishing a direct presence in the company's key markets with significant hematology market. During the quarter continued the establishment of a local organization for market support in France.

CellaVision already sees the advantage of the local presence in the Middle East, which was established in the first quarter of this year. Together with the company's various distribution partners, most customers are being addressed in the area.

APAC: 20.9 MSEK (6.3)

APAC again reported very strong growth in the third quarter of the year and sales increased threefold compared with the same quarter in 2015. Total sales were SEK 20.9 million (6.3). The positive development is mainly the result of good sales in China, where CellaVision's consistent marketing is now showing good results. The company notes that large differences in sales between individual quarters will continue to occur.

A central part of the strategy for CellaVision's expansion in China is the company's offer and implementation of training forums. During the quarter a popular training forum with 400 participants was held in Wenzhou, in the eastern part of the country.

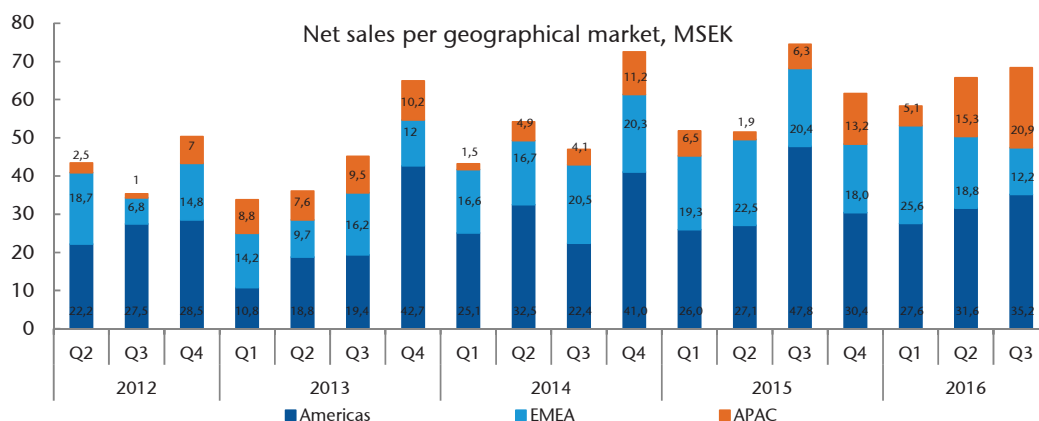
The company's expansion efforts in South Korea continued during the quarter. The initial focus is on establishing close cooperation locally with CellaVision's various distribution partners.

In line with CellaVision's strategy for geographical expansion, the company decided to establish a market support organization in Australia. To date CellaVision has had weak sales in the area, but now assesses that expansion opportunities are good throughout Oceania.

Sales amounted to SEK 35.3 million in the Americas.

EMEA had a weaker quarter with a decline in sales amounting to SEK 8.2 million.

Sales in APAC increased three times to SEK 20.9 million compared to the same quarter of 2015.



Other information

Innovation & Engineering

CellaVision is continually conducting a number of development projects, aimed at strengthening the offer to the company's customers in the field of hematology. The development of a technology platform for small and mid-size laboratories is continuing according to plan. The project is extensive and the launch is planned for 2018.

During the quarter CellaVision released the year's second planned update of the CellaVision® Proficiency Software, which meets priority customer requests from the growing number of customers.

CellaVision was awarded a new Swedish patent during the quarter. The patent is for a new invention that uses advanced image processing operations to enable presentation of cell images in consistent and high quality color regardless of the form of lighting used. The work of geographical extension of the invention's protection has been started. CellaVision's patent portfolio today consists of 24 patent families covering 58 registered patents.

The company continuously capitalizes expenditure on new development. Capitalized expenditure for development projects was SEK 1.9 million (1.6) for the quarter.

Personnel

The number of employees of the Group, restated as full-time equivalents, was 78 (74) at the close of the period. Of these, 55 were men (50) and 23 women (24).

During the quarter CellaVision's management team was augmented with Magnus Lindeberg who took up the position of VP Supply & Sourcing and Magnus Johnsson who took up the position VP Quality. Both Magnus Johnsson and Magnus Lindeberg were recruited internally and have extensive experience in their respective fields.

Significant post quarter events

CellaVision signed an agreement with one more distribution partner in EMEA; Horiba. The Horiba group is a worldwide company in several branches of which one is hematology within the in-vitro diagnostics division.

Parent company

Parent company sales in the quarter were SEK 66.3 million (73.5). Profit before tax was SEK 18.0 million (26.6).

The parent company's investments in property, plant and equipment and intangible assets during the quarter amounted to SEK 0 million (1.9). Cash flow was SEK -9.2 million (29.8). Investments in intangible assets were previously reported in the form of capitalized development expenditure in the parent company. Since January 1, 2016, this is capitalized in the Group. In other respects, please refer to the information for the Group.

Information concerning risks and uncertainties

Reduced demand and changes in exchange rates constitute uncertainties but not material risks. For a more detailed description of the risks and uncertainties facing CellaVision, please refer to the risk analysis in the Annual Report for 2015.

Seasonal variations

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

Group

On September 30, 2016 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 Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Nasdaq Stockholm Rule Book for Issuers. The parent company applies the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for Legal Entities. The accounting policies and calculation methods applied are consistent with those described in the annual report for 2015. New standards and interpretations that came into force on January 1, 2016 have not had any impact on CellaVision's financial reporting for the interim report period.

Financial instruments

Derivatives held for foreign currency hedging are valued at level 2, financial instruments where fair value is determined on the basis of valuation models based on other observable data for the asset or liability than listed prices included in level 1, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Currency forwards are measured on the basis of observable information referring to exchange rates on the balance sheet date and market rates for remaining maturities. The net value of currency forwards is recorded as Other receivables on the Group's balance sheet. The net value of CellaVision's derivatives amounted to SEK -3.3 million (-0.6) at September 30, 2016.

Segment reporting

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

Number of employees
78

Disposable funds
SEK 105 million

Cash flow from operating activities
SEK 8.6 million

The Nomination Committee for the Annual General Meeting in 2017

In accordance with a resolution of the 2016 Annual General Meeting the Nomination Committee shall consist of the Chairman of the Board and one representative for each of the four largest shareholders in terms of voting rights at the end of September 2016.

Ahead of the 2017 Annual General Meeting the Nomination Committee consists of, Christer Fåhraeus, (appointed by Christer Fåhraeus and companies), Bo Lundgren (appointed by Swedbank Robur Funds), Caroline Sjösten (appoin-

ted by Skandia Liv), Joel Eklund (appointed by Eklund & Peterson AB) and the Chairman of the Board Sören Mellstig.

Shareholders wishing to submit proposals to the Nomination Committee can send an email to ir@cellavision.com, or ordinary mail to: The Nomination Committee, CellaVision AB, Ideon Science Park, SE 223 70 Lund.

Annual General Meeting 2017

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

CellaVision AB, Ideon Science Park, SE 223 70 Lund. The request must have been received at the latest seven weeks before the Annual General Meeting in order to be included in the notice to attend and thus the agenda of the Annual General Meeting.

Statement

The Board of Directors and the President/Chief Executive Officer certify that the interim report provides a true and fair view of the parent company's and the Group's business, financial position and performance and describes material risks and uncertainties to which the parent company and the companies in the group are exposed.

Lund, October 27 2016

Sören Mellstig
Chairman of the Board

Christer Fåhraeus
Member of the Board

Åsa Hedin
Member of the Board

Roger Johanson
Member of the Board

Torbjörn Kronander
Member of the Board

Anna Malm Bernsten
Member of the Board

Niklas Prager
Member of the Board

Zlatko Rihter
President/CEO

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

Consolidated Income Statement in Summary

All amount in ' 000 SEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net sales	68,304	74,529	192,277	177,837	239,390
Cost of goods sold	-20,436	-19,701	-56,114	-50,032	-65,157
Gross profit	47,868	54,828	136,163	127,805	174,233
Sales and marketing expenses	-14,562	-10,965	-41,610	-34,135	-47,851
Administration expenses	-6,441	-7,714	-20,376	-24,879	-33,788
R&D expenses	-7,408	-5,858	-21,657	-19,747	-27,124
Operating profit	19,457	30,291	52,520	49,044	65,470
Interest income and financial exchange rate gains	445	484	3,275	942	2,008
Interest expense and financial exchange rate losses	-120	-520	-787	-1,248	-1,925
Profit/loss before tax	19,782	30,255	55,008	48,738	65,553
Tax	-4,621	-5,843	-13,032	-11,131	-12,731
Profit/loss for the period	15,161	24,412	41,976	37,607	52,822

Other comprehensive income:

Components not to be reclassified to net profit:	-	-	-	-	-
Components to be reclassified to net profit:					
<i>a) Financial assets at fair value</i>					
Reclassified to operating result	262	605	29	3,669	3,753
Revaluation of financial assets	-1,449	-1,354	-3,533	-533	249
Income tax relating to financial assets	269	165	777	-638	-828
<i>b) Translation difference</i>					
Translation difference in the group	12	-319	-555	155	78
Sum of Components to be reclassified to net profit:	-906	-903	-3,282	2,653	3,252
Sum of other comprehensive income:	-906	-903	-3,282	2,653	3,252
Comprehensive result for the period	14,255	23,509	38,694	40,260	56,074

Per share data	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Earnings per share, SEK */	0.64	1.02	1.76	1.58	2.22
Equity per share, SEK	7.82	7.03	7.82	7.03	7.69
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	93.00	44.50	93.00	44.50	69.75
Dividend per share	1.50	1.00	1.50	1.00	1.00

*/ Based on the profit/loss for the period divided by the average number of shares in issue

Quarterly earnings trend

All amount in ' 000 SEK	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014
Net sales	68,304	65,723	58,250	61,553	74,529	51,486	51,822	72,482
Gross profit	47,868	47,394	40,901	46,428	54,828	36,671	36,306	50,477
Gross margin in %	70	72	70	75	74	71	70	70
Expenses	-28,411	-28,253	-26,979	-30,002	-24,537	-28,410	-25,814	-33,642
Operating profit	19,457	19,141	13,922	16,426	30,291	8,261	10,492	16,835
Net profit	15,161	16,903	9,912	15,215	24,412	5,085	8,110	11,649
Cash flow	7,365	-22,035	13,024	8,070	32,365	-26,694	41,049	-6,592

Consolidated Balance Sheet in Summary

All amount in ' 000 SEK	9/30/2016	9/30/2015	6/30/2016	12/31/2015
Assets				
Intangible assets	30,407	27,116	30,233	29,400
Tangible assets	2,445	3,014	2,702	2,652
Deferred tax assets	-	11,256	2,162	9,902
Financial assets	1,859	114	1,856	1,195
Inventory	32,880	25,013	30,937	24,624
Trade receivables	48,139	32,979	37,776	35,498
Other receivables	12,571	10,334	13,696	10,462
Cash and bank	105,049	98,625	97,684	106,695
Total assets	233,350	208,451	217,046	220,428
Equity and liabilities				
Equity	186,407	167,704	172,180	183,518
Short term debt	30,859	25,498	26,953	28,462
Short term debt with interest	-	-	-	-
Trade payables	14,851	10,690	16,698	7,338
Other liabilities	1,233	4,559	1,215	1,110
Total equity and liabilities	233,350	208,451	217,046	220,428

Consolidated statements of changes in equity

All amount in ' 000 SEK	9/30/2016	9/30/2015	6/30/2016	12/31/2015
Balance at the beginning of the year	183,518	151,296	183,518	151,296
Dividend	-35,777	-23,852	-35,777	-23,852
Net profit for the year	41,976	37,607	26,815	52,822
Comprehensive result for the period	-3,310	2,653	-2,376	3,252
Balance at the end of the year	186,407	167,704	172,180	183,518

Cash Flow Analysis in Summary

All amount in ' 000 SEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Result before taxes	19,782	30,255	55,008	48,738	65,553
Adjustment for items not included in cash flow	6,853	2,359	4,839	2,067	4,080
Taxes	-	-2	-	-518	-957
Cash flow from operations before changes in working capital	26,635	32,612	59,847	50,287	68,676
Changes in working capital	-18,062	1,935	-18,296	25,425	19,321
Cash flow from operations	8,573	34,547	41,551	75,712	87,997
Capitalisation of development costs	-1,923	-1,553	-6,210	-5,217	-8,593
Aquisitions in financial non-current assets	692	-168	-642	733	-157
Aquisitions in tangible non-current assets	23	-461	-568	-656	-605
Cash flow from investment activities	-1,208	-2,182	-7,420	-5,140	-9,355
New loans and instalments of dept	-	-	-	-	-
Dividend	-	-	-35,777	-23,852	-23,852
Cash flow from financing activities	0	0	-35,777	-23,852	-23,852
Total cash flow	7,365	32,365	-1,646	46,720	54,790
Liquid funds at beginning of period	97,684	66,260	106,695	51,905	51,905
Liquid funds at end of period	105,049	98,625	105,049	98,625	106,695

Income Statement - Parent Company

All amount in ' 000 SEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net sales	66,310	73,513	186,837	170,709	227,839
Cost of goods sold	-24,914	-29,179	-65,950	-62,457	-81,303
Gross profit	41,396	44,334	120,887	108,252	146,536
Sales and marketing expenses	-7,917	-4,176	-21,878	-14,718	-22,033
Administration expenses	-6,441	-7,714	-20,376	-24,879	-33,783
R&D expenses	-9,331	-5,858	-27,797	-19,747	-27,124
Operating profit	17,707	26,586	50,836	48,908	63,596
Interest income and financial exchange gains	439	483	3,240	931	1,990
Interest expense and financial exchange losses	-118	-519	-753	-1,131	-1,804
Impairment loss on intra-group receivables and shares in subsidiary	-	-	-	-	-
Profit before income tax	18,028	26,550	53,323	48,708	63,782
Taxes	-4,197	-5,841	-11,731	-10,716	-11,775
Net profit	13,831	20,709	41,592	37,992	52,007

Statement of Comprehensive Income

All amount in ' 000 SEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net profit for the period	13,831	20,709	41,592	37,992	52,007
Other comprehensive income:	-	-	-	-	-
Sum of other comprehensive income:	0	0	0	0	0
Comprehensive profit for the period	13,831	20,709	41,592	37,992	52,007

Balance Sheet - Parent Company

All amount in ' 000 SEK	9/30/2016	9/30/2015	6/30/2016	12/31/2015
Assets				
Intangible assets	24,267	27,116	26,016	29,400
Tangible assets	1,147	1,944	1,349	1,756
Deferred tax assets	-	10,940	2,347	9,880
Financial assets	1,864	106	1,864	1,189
Inventory	28,410	20,716	27,007	21,352
Trade receivables	43,840	29,868	34,497	30,417
Receivables from group companies	4,398	11,983	2,409	2,478
Other receivables	11,265	8,804	11,506	8,772
Cash and bank	97,220	86,092	87,985	99,782
Total assets	212,411	197,569	194,980	205,026
Equity and liabilities				
Equity	172,786	152,956	158,954	166,971
Short term debt	22,869	19,623	18,507	23,056
Short term debt with interest	-	-	-	-
Trade payables	14,152	10,630	16,304	7,138
Liabilities to group companies	1,371	9,802	-	6,751
Other liabilities	1,233	4,558	1,215	1,110
Total equity and liabilities	212,411	197,569	194,980	205,026

Reconciliation tables KPIs, non-IFRS measures

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

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

Net earnings per share

KSEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Profit/loss for the period	15,161	24,412	41,976	37,607	52,822
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Net earnings per share	0.64	1.02	1.76	1.58	2.22

Equity per share

KSEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Equity	186,407	167,704	186,407	167,704	183,518
Number of shares	23,851,547	23,851,547	23,851,547	23,851,547	23,851,547
Equity per share	7.82	7.03	7.82	7.03	7.69

Equity-asset ratio

KSEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Equity	186,407	167,704	186,407	167,704	183,518
Balance sheet total	233,350	208,451	233,350	208,451	220,428
Equity ratio	79.9%	80.5%	79.9%	80.5%	83.3%

Gross margin

KSEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net sales	68,304	74,529	192,277	177,837	239,390
Gross profit	47,868	54,828	136,163	127,805	174,233
Gross margin	70.1%	73.6%	70.8%	71.9%	72.8%

Operating margin

KSEK	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net sales	68,304	74,529	192,277	177,837	239,390
Operating profit	19,457	30,291	52,520	49,044	65,470
Operating margin	28.5%	40.6%	27.3%	27.6%	27.3%

Net sales

KSEK	Jul-Sep 2016 (%)	Jul-Sep 2016 MSEK	Jul-Sep 2015 (%)	Jul-Sep 2015 MSEK
Last period		74,529		47,043
Organic growth	-9%	-6,970	47%	22,311
Currency effect	1%	745	11%	5,175
Current period	-8%	68,304	58%	74,529

Key performance indicators not defined according to IFRS

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

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

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

Gross profit. Net sales less cost of goods sold.

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

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

Operating profit (EBIT). Earnings before interest and tax

Review Report

To the Board of Directors of CellaVision AB

Corporate identity number 556500-0998

Introduction

We have performed a review of the interim report for CellaVision AB (publ.) as per September 30, 2016 and the nine-month period ending on that date. The Board of Directors and the President are 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 less in scope than an audit conducted in accordance with ISA and other generally accepted auditing standards. 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 accompanying interim report does not, in all material respects, accord with IAS 34 and the Annual Accounts Act and, for the parent company, with the Annual Accounts Act.

Lund, October 27, 2016

Deloitte AB

Maria Ekelund

Authorized public accountant

This is CellaVision

Vision

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

Business concept

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

CellaVision's core activities

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

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

Company culture

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

Offer to end customers

CellaVision offers digital solutions for medical microscopy in hematology. The end customers are large hospital laboratories and commercial laboratories. CellaVision's unique concept replaces manual microscopes and improves the blood analysis process. In that way more patients can receive faster care of better quality while healthcare services can use their resources better..

Strategic partnerships

To achieve scalability in manufacture and sales CellaVision works with strategic partners.

Suppliers

CellaVision's analyzers are manufactured in Sweden on contract by Kitron. The company has direct agreements with selected sub-contractors for key components.

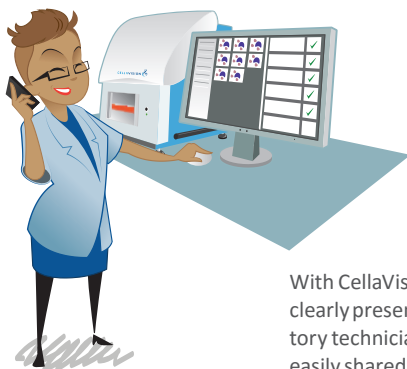
Distribution via suppliers of cell counters

CellaVision's solution is the last step in a blood analysis process, in which the cell counter is central. Agreements with the foremost suppliers of cell counters are therefore strategically important so as to reach end customers cost effectively. CellaVision partners have a broad range of products and global salesforces with local knowledge. CellaVision's own organization supports its partners in the sales process.

Financial targets

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

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



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

Questions concerning the report can be addressed to:



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Publication

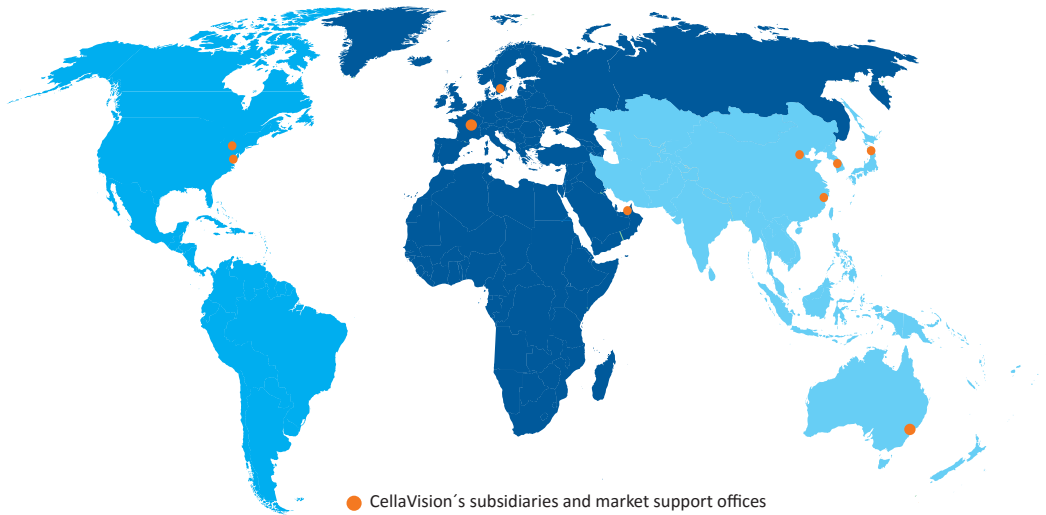
The information in this interim report is disclosed by CellaVision AB (publ) pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for public disclosure on October 27, 2016 at 08.20.

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

Financial calendar

Activity	Date
Year end bulletin 2016	February 7, 2017

CellaVision in the world



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