

Boule Diagnostics AB (publ)

Interim report January–March 2015



Substantially improved earnings and a new product area

Quarter, January–March 2015

- Net sales amounted to SEK 75.3 million (73.3), up 2.7 percent. Adjusted for changes in the USD and EUR exchange rates, this represents a decrease of 10.9 percent.
- Cash flow from operating activities amounted to SEK -0.7 million (9.1).
- Operating profit was SEK 8.9 million (6.3).
- Net profit amounted to SEK 6.6 million (4.3).
- Earnings per share before dilution amounted to SEK 1.40 (0.91) and after dilution to SEK 1.39 (0.91).

Significant events during the quarter

STRATEGIC SALE TO REGION ÖSTERGÖTLAND

As already communicated, Boule beat off fierce international competition to win a contract for the procurement of blood cell counting instruments within primary care in Östergötland. The procurement comprised 35 instruments of the recently launched Swelab Alpha Plus generation of instruments. Installation will begin during the second quarter of 2015.

Significant events after the period

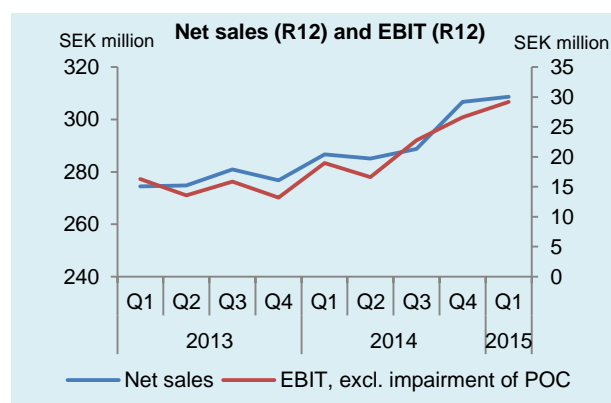
INITIAL DELIVERY OF THE NEW GENERATION OF INSTRUMENTS

The new generation of instruments, a total of 20, were delivered according to plan at the beginning of May. Sales will gradually extend to more markets as registration approvals are obtained.

NEW PRODUCT AREA

At the beginning of the second quarter, Boule started to develop a new product area – clinical chemistry – to be sold alongside Boule's current products in the company's global distribution network. It is anticipated that the sale of these products could begin during 2015.

Key data	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Net sales, SEK million	75.3	73.3	306.7
EBITDA margin, %	13.0	10.0	10.1
Operating profit/loss, SEK million	8.9	6.3	26.6
Operating margin, %	11.8	8.6	8.7
Profit after tax, SEK million	6.6	4.3	30.3
EBIT (R12)/ Net debt	0.9	-2.6	0.9
Return on equity, %	3.7	3.3	20.4
Equity per share, before dilution, SEK	39.49	27.94	36.10
Earnings per share, before dilution, SEK	1.40	0.91	6.44
Earnings per share, after dilution, SEK	1.39	0.91	6.44



Comments from the CEO – stability and new initiatives

TURNOVER AND EARNINGS

Turnover for the first quarter rose 2.7 percent compared to the corresponding quarter in 2014, amounting to SEK 75.3 million. Adjusted for exchange rate fluctuations, this represents a decrease of 10.9 percent.

Short-term variations in our customers' demand for instruments can be ascribed to the fact that investments and procurements are not evenly distributed over time. The strength of our business model is that fluctuations in instrument sales become less noticeable as the proportion of sales of consumables increases. During the first quarter of 2015, consumables constituted just under 59 percent of Boule's sales, compared to 52 percent during the first quarter of 2014. The increase in gross margin from 45.6 percent to 46.8 percent reflects both the increased proportion of consumables sold and a stronger US dollar.

DELIVERY OF NEW PRODUCTS ACCORDING TO PLAN

It is pleasing to note that the new product generation is progressing as planned. It will gradually contribute to increased sales as the products are approved and rolled out in our distribution network over the course of the next few quarters.

EFFICIENCY PROJECT P20

Profitability lies at the heart of our P20 efficiency project that was initiated in 2014 and will continue to run throughout 2015. The project covers all functions, from development to production and sales. The programme has contributed greatly to us increasing our operating income from SEK 6.3 million to SEK 8.9 million.

BROADENED OFFERING SUPPORTS GROWTH STRATEGY

Our growth target is that sales shall grow by at least 10 percent per year over a five-year period. We continuously evaluate opportunities to expand our offering within hematology with complementary products within and without the field of hematology. After the end of the reporting period, we started small scale development and marketing of new products in the area of clinical chemistry. The ambition is that these shall supplement our range of hematology products. It is expected that the first products will go on sale during 2015.

FUTURE

Boule continues to work on a broad front with strategies to achieve its financial targets, using efficiency programme P20 and new initiatives to broaden the company's offering and strengthen our market position. The development during the first quarter has given us every reason to feel confident about our business model and our ability to implement our strategies.



Ernst Westman
President and CEO



Group performance January–March 2015

NET SALES

During the quarter net sales amounted to SEK 75.3 million (73.3), up 2.7 percent. Adjusted for changes in the USD and EUR exchange rates, this represents a decrease of 10.9 percent.

Instrument sales accounted for 32 percent (41) of total net sales, consumables for 59 percent (52) and other sales (primarily service, spare parts and freight) for 9 percent (7).

Net sales by region SEK million	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Western Europe	9.4	14.9	38.2
Eastern Europe	10.3	11.7	50.6
North America	26.4	23.0	104.5
Latin America	8.6	6.1	28.0
Asia	11.6	10.3	53.8
Africa	3.5	3.1	15.5
Middle East	5.5	4.4	16.1
Total	75.3	73.3	306.7

Net sales by product SEK million	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Instrument	23.9	29.9	125.2
Consumables own instruments	30.3	25.4	105.2
Consumables OEM and CDS-brand	13.8	12.4	50.6
Other	7.3	5.6	25.7
Total	75.3	73.3	306.7

GROSS MARGIN

During the quarter the gross margin was 46.8 percent (45.6). The increase on the previous year was mostly due to higher sales of consumables and the higher dollar rate.

EXPENSES

Operating expenses during the quarter amounted to SEK 27.8 million (26.8). This increase is primarily due to higher market investments

Research and development expenses charged to earnings amounted to SEK 6.4 million (6.6), which represents 8 percent (9) of net sales.

Research and development expenses of SEK 3.7 million (3.1) were capitalized. Capitalization in 2015 relates to the development of an updated generation of instruments, which will be launched at the start of the second quarter of 2015.

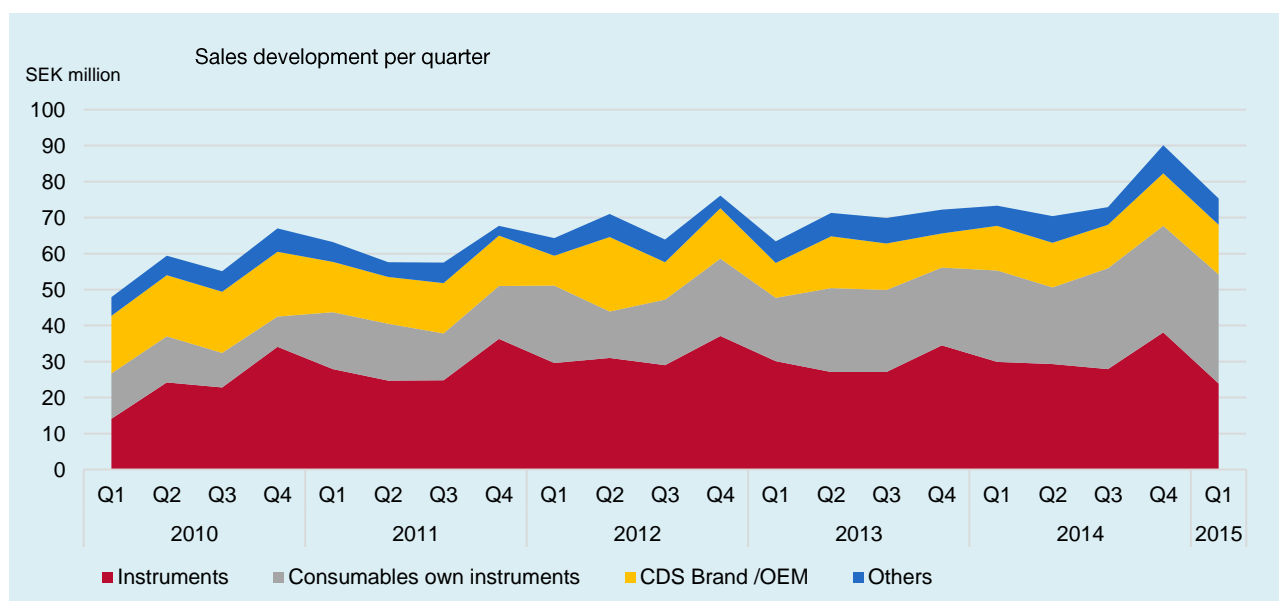
The net of other operating revenues and other operating expenses amounted to a total of SEK 1.4 million (-0.2) for the year. This item primarily comprised realized and unrealized exchange rate losses from operations.

PROFIT

Gross profit during the quarter rose SEK 1.8 million, from SEK 33.4 million to SEK 35.2 million. This was due to an increase in the sales of instruments and consumables combined with a stronger dollar.

Operating profit was SEK 8.9 million (6.3).

Net financial items amounted to SEK -0.4 million (-0.8). Profit before tax was SEK 8.5 million (5.5). Profit for the quarter was SEK 6.6 million (4.3).



INVESTMENTS AND CASH FLOW

Cash flow from operating activities, after changes in working capital, amounted to SEK -0.7 million (9.1).

Net investment totaled SEK 4.0 million (4.7). This reduction is a result of lower investments in tangible assets.

At the end of the period, net cash flow amounted to SEK -4.2 million (0.2), with cash and cash equivalents amounting to SEK 19.5 million (11.6). This decrease is due to increased operating capital tie-up.

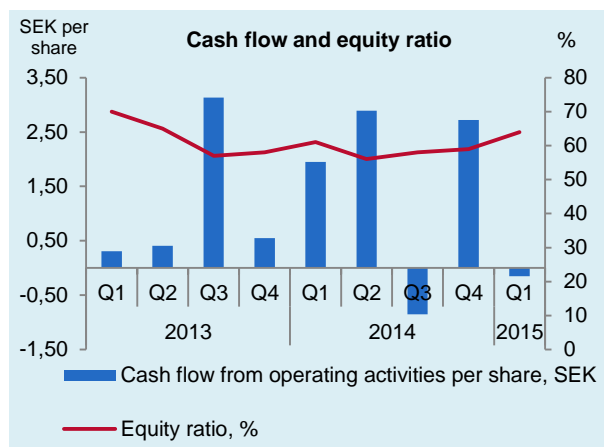
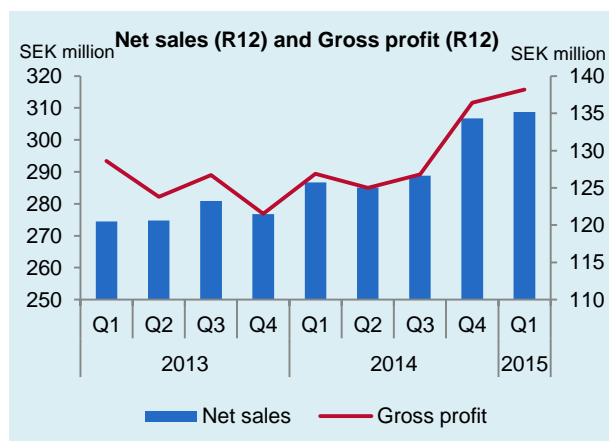
Cash and cash equivalents available to the Group, including unutilized credit facilities, amounted to SEK 53.1 million (39.8) at the end of the year.

EQUITY AND LIABILITIES

Group equity on March 31, 2015 totaled SEK 185.9 million (131.5) and the equity/asset ratio was 64 percent (61).

Interest-bearing liabilities, which primarily comprise bank overdraft facilities and a loan in the Parent Company, amounted to SEK 50.7 million (41.4) on March 31, 2015. SEK 7.4 million (7.4) of the interest-bearing liabilities were non-current and SEK 43.3 million (34.0) were current. As at March 31, 2015 other non-interest-bearing current liabilities and accounts payable totaled SEK 49.5 million (37.9).

At the end of the quarter deferred tax assets and deferred tax liabilities totaled SEK 12.5 million (10.1) and SEK 3.2 million (6.3) respectively.



SIGNIFICANT RISKS AND UNCERTAINTIES

The Group's operations are subject to a number of risks and uncertainties.

There is always a risk of competitors offering more efficient and better products than Boule and that the customer base will shrink as a result. Faulty and delayed deliveries or non-deliveries from the company's suppliers could in turn result in delayed, defective or faulty deliveries by the company. The company is also always exposed to exchange rate fluctuations.

There is no guarantee that the company's operations will not be subjected to restrictions by government agencies or that they will obtain the regulatory approval they need in the future.

There is also the risk that the company could lose its ability to develop products, or that its products cannot be launched on schedule or that market reception is poorer than expected. These risks could result in lower sales, which would then have a negative impact on the company's earnings. For a detailed description of risks and uncertainties refer to the 2014 Annual Report.

TRANSACTIONS WITH RELATED PARTIES

There were no significant transactions with related parties in this period.

PARENT COMPANY

Boule Diagnostics AB (publ.), Corporate Registration Number 556535-0252 is a Swedish corporation with its registered address in Stockholm. The address of its headquarters is Domnarvsgatan 4, SE-163 53 Spånga, Sweden.

The Parent Company's revenues derive from Group-wide services. The Parent Company's administrative costs were higher year-on-year. This was mostly due to a number of employees transferring from the Boule Medical AB subsidiary during the period.

Receivables from Group companies mainly relate to receivables from the Swedish subsidiary Boule Medical AB.

Risks and uncertainties in the Parent Company indirectly match those of the Group.

NUMBER OF SHARES

The number of shares and voting rights in Boule Diagnostics AB amount to 4,707,138. The company has also issued 30,000 warrants and 178,740 employee options (see the section on Options below).

Shareholders December 31, 2014	Number of shares	Proportion of capital/vote
Siem Capital AB	1,570,084	33.36 %
Nortal Investments AB	620,402	13.18 %
Linc Invest AB	470,715	10.00 %
Thomas Eklund inkl. company	444,638	9.45 %
Ernst Westman inkl. family and company	127,892	2.72 %
Société Générale	114,919	2.44 %
Leif Ek	100,583	2.13 %
Daniel Rammeskov	98,833	2.10 %
Avanza Pension	70,587	1.50 %
Other shareholders (527)	1,088,485	23.12 %
Total	4,707,138	100.00 %

OPTIONS

The Annual General Meeting in May 2014 resolved on a new employee share option program. A total of 178,750 options (including hedging) were issued to management and key individuals in the Group. The President received 32,000 options, other senior executives, a total of five, received 11,000 options each and other key employees received 6,000 options each. There were no changes in outstanding options in this quarter.

When fully exercised, the options generate dilution of 3.8 percent (including hedging). Each option entitles the holder to subscribe for new shares in the company during the second half of 2017 at a rate of SEK 68.18 per share, provided that the employee is still employed in the Group.

As a result of the employee share option program, Boule Diagnostics AB has, through a subsidiary, a holding of

43,750 warrants for hedging purposes. The underlying warrants have conditions that, in all material respects, match the employee options relating to the respective hedge. These warrants will ensure share delivery should all the employee options be fully exercised, and, if fully exercised, the surplus number of warrants is also expected to cover the potential charge against the company's equity and liquidity resulting from the employer's contributions caused by the tax imposed on fringe benefits. The recognized impact on earnings if the employee share options are fully exercised, will not, as such, be eliminated by this hedge.

30,000 warrants have already been issued to three key individuals in the Group. These options were issued on market-based conditions. When fully exercised the options result in dilution of 0.6 percent. Each option entitles the holder to subscribe for new shares in the company during the second half of 2017 at a rate of SEK 54.46 per share.

PERSONNEL

The average number of employees in the Group during the period was 180 (175), including 7 (5) at the Parent Company. By country the average number in Sweden was 77 (77), USA 83 (74), China 16 (19), Switzerland 3 (3), Mexico 1 (1) and Poland 0 (1). The average number of women in the Group was 66 (61) and the average number of men was 114 (114).

ACCOUNTING POLICIES

Boule Diagnostics AB (publ) applies IFRS (International Reporting Standards) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, Chapter 9 and RFR 2 Accounting for Legal Entities. The interim report should be read together with the Annual Report for the fiscal year that ended on December 31, 2014. The accounting policies match the policies applied in the preceding fiscal year. For all financial assets and liabilities, carrying amount is a good approximation of fair value.

The Board of Directors and the President certify that this year-end report provides a fair and accurate review of the operations, financial position and earnings of the Parent Company and the Group and that it describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm May 12, 2015
Boule Diagnostics AB

Lars-Olof Gustavsson
Chairman of the board

Britta Dalunde
Board member

Thomas Eklund
Board member

Eva-Lotta Kraft
Board member

Tord Lendau
Board member

Gösta Oscarsson
Board member

Ernst Westman
President and CEO

AUDIT REVIEW

This report was not reviewed by the company's auditors.

Consolidated statement of other comprehensive income

SEK million	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Net sales	75.3	73.3	306.7
Cost of goods sold	-40.1	-39.9	-170.2
Gross profit	35.2	33.4	136.4
Other operating revenues	2.4	0.0	5.9
Selling and marketing expenses	-15.6	-14.5	-62.6
Administrative expenses	-5.8	-5.8	-25.0
Research and development expenses	-6.4	-6.6	-23.6
Other operating expenses	-1.0	-0.2	-4.6
Operating profit/loss	8.9	6.3	26.5
Financial income	0.0	0.0	0.0
Financial expenses	-0.3	-0.4	-1.3
Exchange rate differences	-0.1	-0.4	-0.4
Net financial items	-0.4	-0.8	-1.6
Profit/loss before tax	8.5	5.5	24.9
Current tax	0.0	-0.6	-1.2
Deferred tax	-1.9	-0.6	6.5
Net profit/loss	6.6	4.3	30.3
Other comprehensive income			
Items that may be allocated to net profit/loss for the period			
Translation differences for the period from the translation of foreign operations	9.3	-0.3	14.4
Other comprehensive income/loss for the period	9.3	0.0	14.4
Total comprehensive income/loss for the period	15.9	4.0	44.7
Earnings per share, before dilution, SEK	1.40	0.91	6.44
Earnings per share, after dilution, SEK	1.39	0.91	6.44
Average number of shares outstanding before dilution	4,707,138	4,707,138	4,707,138
Average number of shares outstanding after dilution	4,755,339	4,707,138	4,707,138

Since the Group has no controlling influence, the entire earnings accrue to the Parent Company.

Consolidated statement of financial position

SEK million	Mar 31 2015	Mar 31 2014	Dec 31 2014
ASSETS			
Fixed assets			
Intangible assets			
Capitalized development expenses			
Goodwill	32.4	15.1	28.3
Total intangible assets	75.8	61.6	70.4
	108.3	76.7	98.7
Tangible fixed assets			
Plant and machinery			
Equipment, tools, fixtures and fittings	4.3	2.1	4.0
Leasehold improvements	10.6	11.4	10.7
Total tangible fixed assets	2.8	2.2	2.8
	17.7	15.7	17.6
Financial fixed assets			
Long-term non-interest-bearing receivables	0.0	0.2	0.1
Deferred tax assets	12.5	10.1	13.1
Total fixed assets	138.5	102.7	129.5
Current assets			
Inventory			
Raw materials and supplies	33.5	25.2	31.6
Intermediate goods	2.9	2.5	2.6
Finished goods and goods for resale	12.0	18.4	11.9
Total inventory	48.4	46.1	46.2
Current receivables			
Tax assets	1.6	1.3	2.3
Accounts receivable	70.9	45.4	68.9
Other receivables	2.2	5.1	4.9
Prepaid expenses and accrued income	8.3	4.9	5.5
Total current receivables	83.0	56.7	81.6
Cash and cash equivalents	19.5	11.6	22.7
Total current assets	150.9	114.4	150.5
TOTAL ASSETS	289.4	217.1	279.9

Consolidated statement of financial position (cont.)

SEK million	Mar 31 2015	Mar 31 2014	Dec 31 2014
EQUITY			
Share capital	4.7	4.7	4.7
Other contributed capital	188.2	190.6	188.2
Translation reserve	13.8	-10.1	4.5
Retained earnings including net profit/loss for the period	-20.9	-53.7	-27.5
TOTAL EQUITY	185.9	131.5	170.0
LIABILITIES			
Long-term liabilities			
Long-term interest-bearing liabilities	7.4	7.4	9.0
Deferred tax liabilities	3.2	6.3	1.4
Total long-term liabilities	10.6	13.7	10.4
Current liabilities			
Current interest-bearing liabilities	43.3	34.0	41.8
Accounts payable	15.9	13.7	21.0
Tax liabilities	0.8	0.4	0.4
Other liabilities	6.1	1.8	6.2
Accrued liabilities and deferred income	26.3	21.5	29.7
Provisions	0.5	0.5	0.5
Total current liabilities	92.9	71.9	99.6
TOTAL LIABILITIES	103.6	85.6	110.0
TOTAL EQUITY AND LIABILITIES	289.4	217.1	279.9
Pledged assets and contingent liabilities			
Pledged assets	71.4	48.5	71.4
Contingent liabilities	1.8	None	1.8

Consolidated statement of changes of equity

SEK million	Share capital	Other contributed capital	Translation reserv	Retained earnings incl. profit/loss for period	Total equity capital
Equity, opening balance, Jan. 1, 2014	4.7	190.6	-9.8	-58.0	127.5
Total comprehensive income/loss for the period					
Net profit/loss for the period			-	30.3	30.3
Other comprehensive income for the period			14.4	-	14.4
Total comprehensive income/loss for the period			14.4	30.3	44.6
Transactions with shareholders					
Share-based payments				0.2	0.2
Dividends		-2.4			-2.4
Equity, closing balance, Dec. 31, 2014	4.7	188.2	4.5	-27.5	170.0
Equity, opening balance, Jan. 1, 2015	4.7	188.2	4.5	-27.5	170.0
Total comprehensive income/loss for the period					
Net profit/loss for the period			-	6.6	6.6
Other comprehensive income for the period			9.3	-	9.3
Total comprehensive income/loss for the period			9.3	6.6	15.9
Equity, closing balance, Mar. 31, 2015	4.7	188.2	13.8	-20.9	185.9

Consolidated cash flow statement

SEK million	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Operating activities			
Operating profit/loss	8.9	6.3	26.7
Adjustments for non-cash items ¹⁾	0.8	0.4	3.7
Interest received	0.0	0.0	0.0
Interest paid	-0.3	-0.4	-1.3
Income tax paid	-0.1	0.0	-1.2
Cash flow from operating activities before changes in working capital	9.3	6.3	27.8
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventory	-0.2	1.4	6.4
Increase (-)/Decrease (+) in operating receivables	-0.1	5.0	-16.2
Increase (+)/Decrease (-) in operating liabilities	-9.8	-3.6	13.0
Cash flow from operating activities	-0.7	9.1	31.0
Investing activities			
Acquisition of tangible fixed assets	-0.3	-1.6	-5.9
Investments in other financial fixed assets	-	0.0	0.0
Disposal of tangible fixed assets	0.0	0.0	0.0
Capitalized development expenses	-3.7	-3.1	-16.8
Cash flow from investing activities	-4.0	-4.7	-22.8
Financing activities			
Loans raised	0.0	0.0	2.4
Amortization of loans	-0.5	-0.3	-1.4
Increase (+)/Decrease (-) in current financial liabilities	1.1	-3.9	3.3
Dividends	0.0	0.0	-2.4
Cash flow from financing activities	0.6	-4.2	1.9
Cash flow for the period	-4.2	0.2	10.2
Cash and cash equivalents at the beginning of the period	22.7	11.1	11.1
Exchange rate differences in cash and cash equivalents	1.0	0.3	1.4
Cash and cash equivalents at the end of the period	19.5	11.6	22.7
1) Of which, depreciation and amortization	0.9	1.0	4.4

Parent Company income statement

SEK million	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Net sales	2.3	1.1	16.1
Administrative expenses	-6.4	-6.1	-26.7
Other operating revenues	0.0	0.0	0.0
Other operating expenses	0.0	0.0	0.0
Operating profit/loss	-4.1	-5.0	-10.6
Profit/loss from financial items:	0.0	0.0	0.0
Other interest income and similar income items	0.0	0.0	0.0
Interest expenses and similar expense items	0.0	-0.1	-0.1
Loss after financial items	-4.1	-5.1	-10.7
Group contribution	0.0	0.0	10.7
Profit/loss before tax	-4.1	-5.1	-0.1
Tax	0.0	0.0	0.0
Net profit/loss	-4.1	-5.1	-0.1

Since no items are recognized in Other comprehensive income, the Parent Company's results correspond to comprehensive income.

Parent Company balance sheet

SEK million	Mar 31 2015	Mar 31 2014	Dec 31 2014
Assets			
Fixed assets			
Tangible fixed assets			
Equipment	0	0.1	0.1
Total tangible fixed assets	0	0.1	0.1
Financial fixed assets			
Shares in Group companies	157.3	157.3	157.3
Total financial fixed assets	157.3	157.3	157.3
Total fixed assets	157.3	157.4	157.4
Current assets			
Current receivables	0.0	0.0	0.0
Receivables from Group companies	29.1	29.3	31.1
Tax assets	0.4	0.2	0.5
Other receivables	0.2	0.6	0.5
Prepaid expenses and accrued income	0.9	0.7	0.9
Total current receivables	30.7	30.8	33.0
Cash and bank balances	0.4	0.3	3.3
Total current assets	31.1	31.1	36.3
TOTAL ASSETS	188.3	188.5	193.6
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (4,707,138 shares)	4.7	4.7	4.7
Statutory reserve	141.9	141.9	141.9
Unrestricted equity			
Share premium reserve	46.4	48.7	46.3
Retained earnings	-12.7	-12.7	-12.6
Net profit for the period	-4.1	-5.1	-0.1
Total equity	176.2	177.5	180.3
Long-term liabilities			
Long-term interest-bearing liabilities	1.9	3.1	2.2
Current liabilities			
Current interest-bearing liabilities	1.3	1.3	1.3
Accounts payable	1.3	0.7	1.5
Liabilities to Group companies	0.5	0.5	0.5
Tax liabilities	-0.2	0.0	0.0
Other liabilities	1.8	0.6	0.6
Accrued expenses and deferred income	5.8	4.8	7.3
Total current liabilities	10.3	7.9	11.2
Total liabilities	12.2	11.0	13.4
TOTAL EQUITY AND LIABILITIES	188.3	188.5	193.6
Pledged assets and contingent liabilities for the Parent Company			
Pledged assets	83.3	83.3	83.3
Contingent liabilities	35.9	None	35.9

Introducing Boule Diagnostics

Boule Diagnostics AB is active within the field of hematology, a branch of medicine that deals with blood, its function and its diseases. Blood cell counting is currently the most widely used diagnostic test in clinical laboratories throughout the world and analyses are carried out in both human and veterinary diagnostics. Boule is one of the few players in the world that develop, manufacture and market all strategically important components for automated blood cell counting based on their own expertise and technology.

VISION

Boule will establish a global position as one of the three main companies in its market segment.

MISSION

Boule will help its customers to make better diagnostic decisions for a more effective treatment of patients.

BUSINESS CONCEPT

Boule develops, manufactures and markets high-quality and user-friendly automated blood cell counting systems for both the global human and veterinary market to achieve high profitability.

FINANCIAL OBJECTIVES

Boule aims to achieve:

- An average sales growth over 5 years to exceed 10 percent a year,
- An annual operating margin (EBIT margin) in excess of 13 percent,
- A net debt (interest-bearing liabilities less cash and cash equivalents) should not exceed three times operating profit on a full year basis.

STRATEGIES

- Commercialize high quality systems for the decentralized market for laboratory diagnostics
- Lock the instruments to proprietary consumables to ensure quality
- Sell products with their own brand in parallel distribution channels
- Focus on big and growing markets suitable for our products
- Sell consumables and systems to OEM customers
- Sell generic consumables under their own brand to open systems
- Active acquisition strategy to broaden the product offering

BUSINESS MODEL

Boule's business model seeks to develop, manufacture and sell complete blood cell counting systems. The company grows by selling cell counting instrumentation on the global haematology market and then generates recurrent revenue by selling reagents, controls, calibration services and service/support agreements. The instruments are locked to Boule's own reagents, creating more reliable analysis results and generating recurrent revenue streams during the service life of the instrument. Boule also sells consumables to OEM customers, who put their own branding on the products they buy.



BOULE AS AN INVESTMENT Growth

In the last five years Boule has had an average growth in turnover of 12 percent. Boule has continued great global growth potential and has experience of growing both organically and through acquisitions.

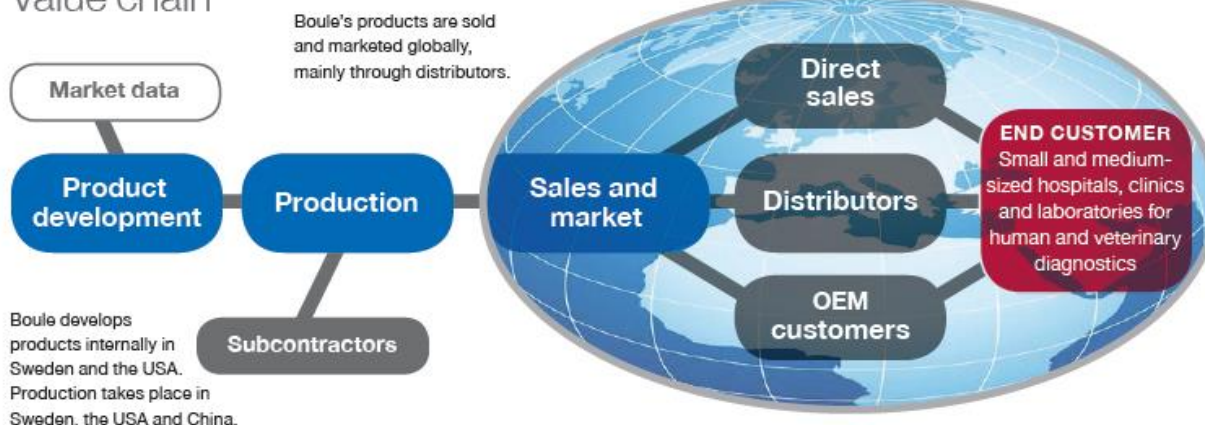
Increasing margins

Boule has an increasing installed base of proprietary systems that generates sales of consumables with good profitability.

Dividends

The Board aims to provide shareholders a favorable dividend yield and dividend growth. The annual dividend will in the long-term be the equivalent of 15-50 percent of the profits

Value chain



Quarterly overview

	2015		2014			2013			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales, SEK million	75.3	90.1	73.6	69.7	73.3	72.2	69.9	71.3	63.4
Gross profit, SEK million	35.2	39.2	32.5	31.1	33.4	29.6	30.7	33.2	27.9
Gross margin, %	46.8	43.6	44.2	44.9	45.6	41.0	43.9	46.6	44.0
EBITDA, SEK million	9.8	9.3	11.1	4.3	7.3	4.6	4.4	6.5	1.4
EBITDA margin, %	13.0	10.3	15.1	6.2	10.0	6.2	6.3	9.1	2.2
EBIT, SEK million	8.9	7.1	10.0	3.2	6.3	3.3	-91.7	5.6	0.5
EBIT margin, %	11.8	7.9	13.6	4.6	8.6	4.4	-131.2	7.8	0.8
Profit after tax, SEK million	6.6	14.8	9.5	1.7	4.3	-1.9	-72.4	5.9	-1.7
Earnings per share, before dilution, SEK	1.40	3.14	2.02	0.36	0.91	-0.41	-15.38	1.25	-0.36
Earnings per share, after dilution, SEK	1.34	3.14	2.02	0.36	0.91	-0.41	-15.38	1.25	-0.36
Cash flow from operating activities per share, SEK	-0.15	2.72	-0.85	2.89	1.95	0.55	3.13	0.41	0.31
Return on equity, %	3.7	9.2	6.7	1.3	3.3	Neg	Neg	4.2	3.7
EBIT (R12)/ Net debt	0.9	0.9	0.7	-3.3	-2.6	-2.3	-2.8	0.7	1.3
Equity/assets ratio, %	64	59	58	56	61	58	57	65	70

Definitions

Gross profit is net sales less costs for goods sold

Gross margin is gross profit divided by net sales

EBITDA (Earnings before interest, taxes, depreciation and amortization) is profit before net financial items, taxes and depreciation/amortization of tangible and intangible assets

EBITDA margin is EBITDA divided by net sales

EBIT (Earnings Before Interest and Taxes) is operating profit before net financial items and taxes

EBIT margin (operating margin) is EBIT divided by net sales

Capital employed is total assets less deferred tax liabilities and non-interest-bearing liabilities

Working capital is inventories, accounts receivable and cash less accounts payable

Interest coverage ratio is operating profit plus financial income divided by financial expenses

Net debt is interest-bearing assets less interest-bearing liabilities

Net debt/equity ratio is net debt divided by equity

Equity/assets ratio is equity divided by total assets

Return on equity is profit for the year after tax divided by average equity

Return on capital employed is profit after net financial items plus financial expenses divided by the average capital employed

Return on total capital is operating profit plus financial income divided by average total capital

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CALENDAR

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