

Boule Diagnostics AB (publ)

Year-end report January–December 2011

Continued positive growth in Asia – Record delivery to India

Quarter October – December 2011*

- Net sales amounted to SEK 67.7 (67.0) million, corresponding to an increase of 1.0 percent. Changes in USD and EUR exchange rates affected net sales negatively by SEK 1.3 million.
- Operating profit amounted to SEK 4.2 (3.5) million
- Net profit amounted to SEK 2.1 (2.6) million
- Earnings per share amounted to SEK 0.45 (0.74)

Full year: January – December 2011*

- Net sales amounted to SEK 246.2 (229.4) million, corresponding to an increase of 7.3 percent. Changes in USD and EUR exchange rates affected net sales negatively by SEK 16.9 million
- Operating profit amounted to SEK 17.2 (20.3) million. Listing costs affected the operating profit negatively by SEK 1.8 million
- Net profit amounted to SEK 10.1 (18.9) million
- Earnings per share amounted to SEK 2.48 (5.35)

Key events during the fourth quarter 2011

Record delivery to India

In December, Boule delivered its largest order of instruments, a total of 94 instruments to a distributor in India.

Divestment of holdings in associated company

Boule reached an agreement to divest holdings of associated company, Nordic Biolabs AB. The divestment generated a capital gain of SEK 1,1 million and had a positive impact on cash flow of SEK 5,0 million, of which SEK 4.0 million impacted the 2011 outcome. The divestment was implemented on December 28, 2011.

Key events following the end of the reporting period

Completion of new production facility

During the end of 2011 and beginning of 2012, a new production facility for the manufacture of reagents in Sweden was installed. The first products from the facility are expected to be ready for shipment by the end of the first quarter.

Financial summary

Key financial ratios	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2011	2010	2011	2010
Net sales in SEK million	67.7	67.0	246.2	229.4
Gross margin, %	41	42	44	45
Operating profit in SEK million	4.2	3.5	17.2	20.3
Operating margin, %	6.3	5.2	7.0	8.8
Net profit in SEK million	2.1	2.6	10.1	18.9
Earnings per share, SEK	0.45	0.74	2.48	5.35

* Figures in parenthesis indicate the corresponding year-earlier period.

Comments by the CEO

Sales in 2011 amounted to SEK 246.2 million, which is an increase of slightly more than 7 percent compared with the preceding year, despite the changes in USD and EUR exchange rates affecting net sales negatively by SEK 16.9 million. As usual, the sales indicate periodic variations based on the irregular purchasing patterns of customers. However, this is offset to a certain extent by us having customers in more than 100 countries.

Sales of instruments—which form the basis of our systems—remained robust and grew by 19 percent for full-year 2011. Sales of consumables increased somewhat during the year, but we are expecting a higher rate of increase resulting from an expanding base of installed instruments.

Sales of systems on the human market developed well in our key markets, despite a year that has been characterized by continued worries about the economy. Sales results were especially pleasing in Asia and the US market, where we are continuing to show positive growth and capture market share despite intense competition. Our new five-part system, Quintus, has also been well-received, with keen demand in certain geographical market territories.

Sales of systems to the veterinary market dropped off slightly in the US in 2011, but the underlying market continues to be stable. In Europe we are experiencing slow but steady growth, with such developments as a new distributor in the French market contributing to an increase in sales.

In November 2011, Boule participated in the Medica Trade Fair in Düsseldorf, one of the largest international medical-technology trade fairs. We met with a large number of current and potential distributors. The trend of increasing interest in the leasing of systems continues, which is resulting in an advantage for our reliable, closed systems in the midst of the intense competition that prevails.

We have also strengthened our top-executive functions through Fredrik Alpsten, who took over as the new CFO, and Claes Blanche, who took over as the new President and CEO of our Swedish subsidiary, Boule Medical AB. Fredrik Alpsten has many years of experience in senior positions within listed and private companies, and Claes Blanche's vast experience includes medical technology and sales through distributors in our vital markets in Europe, the Middle East and Asia. The strengthened leadership will make us well-equipped to meet the challenges that will come with Boule's continuing growth.

At year-end, we divested our remaining holdings of associated company, Nordic Biolabs AB. The divestment created a capital gain of SEK 1,1 million and affected cash flow positively by SEK 5,0 million, of which SEK 4,0 million had an impact on the 2011 results. With the sale, Boule Diagnostics AB is being streamlined into an international diagnostics company with a focus on human and veterinary blood analysis.

Ernst Westman, CEO, Boule Diagnostics AB (publ)

Operations

Boule's operations comprise the proprietary development, manufacture and marketing of blood-analysis systems (instruments, reagents, calibrators and controls). Boule's primary market comprises small and medium-sized hospitals, clinics and laboratories in outpatient care and other diagnostics companies in the form of OEM customers¹ in both human and veterinary hematology. The Group comprises the Swedish parent company and three operating subsidiaries based in Sweden, the US and China.

Sales and market

In recent years Boule's sales have trended higher thanks to a detailed marketing strategy and a well-established global dealer network with nearly 200 distributors in more than 100 countries. The primary sales goal is to establish new end customers for complete systems comprising instruments as well as consumables (reagents, calibrators and controls).

Consumables to our proprietary instruments have strong growth potential and with their relatively high margins they are contributing in ever greater scope to improve the company's profitability.

Efforts at aggressive pricing in certain markets have been successful, particularly in India, where the trend continues to be positive. In December, we delivered our largest order so far, of 94 instruments to India. Together with our distributors this year, we have succeeded in penetrating the major market for regional procurement, which we had previously deemed to be inaccessible.

Success has also been achieved by cultivating other emerging markets. The company targets countries that are investing heavily to expand or modernize their healthcare systems. Aside from the BRIC countries (Brazil, Russia, India and China), there are a number of countries that have also maintained high GDP growth for an extended period and that are investing in improved health care. Boule is focusing its efforts on establishing new distributors in markets such as the Middle East, Africa and parts of Eastern Europe.

Another important aspect of the marketing strategy is to develop collaborations with companies that manufacture products that complement Boule's hematology systems, in order to offer a broader, more attractive product portfolio to key customer segments.

Boule will also continue to investigate opportunities for OEM distribution of systems, reagents, controls, and calibrators. To enhance sales, Boule primarily targets companies with well-established, complementary market channels.

Product development and production

Product development is integral to Boule's operations. Boule develops instruments, reagents, calibrators and controllers for sale under its different product brands and on an OEM basis.

Boule's overall product-development strategy is focused on the development of user-friendly, reliable, high-quality systems, including instruments, reagents calibrators and controllers. One R&D priority is to finalize development of a Point-of-Care (POC) system with the aim of launching it in the veterinary market by 2013 and then gradually introducing the system in the Scandinavian, European and US human markets in 2014.

To facilitate the phase-in of new product models, the production facilities in Sweden and the US are located adjacent to Boule's development units.

The production of reagents is currently divided between a small production unit in Sweden and a considerably larger unit in the US. The manufacture of instruments takes place both in Sweden and China.

¹ Customers for whom Boule manufactures products, which then receive the customer's brands.

The Group's development

REVENUE

Net sales during the period January – December 2011 amounted to SEK 246.2 (229.4) million, which corresponds to an increase of 7.3 percent. Changes in USD and EUR exchange rates affected net sales negatively by SEK 16.9 million.

Instrument sales accounted for SEK 113.7 million (95.2) of net sales, consumables for SEK 114.5 million (112.5) and other sales for SEK 18.0 million (21.7).

In January – December 2011, North and South America accounted for 49 percent (52) of net sales, Europe for 22 percent (22) and the rest of the world for 29 percent (26).

Net sales in October - December 2011 amounted to SEK 67.7 million (67.0), an increase of 1.0 percent. Changes in USD and EUR exchange rates affected net sales negatively by SEK 1.3 million.

Sales, by region and product

Sales by region SEK in million	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Europe	14.0	16.1	54.9	51.5
North America	21.5	24.5	98.3	99.5
South America	8.3	7.0	21.3	20.4
Asia	19.2	14.4	55.5	40.3
Africa / Middle East	4.7	5.0	16.2	17.7
Total	67.7	67.0	246.2	229.4

Revenue by product SEK in million	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Instruments	36.3	34.1	113.7	95.2
Consumables	28.7	26.4	114.5	112.5
Other	2.7	6.5	18.0	21.7
Total	67.7	67.0	246.2	229.4

EXPENSES

Operating expenses amounted to SEK 91.5 million (79.8) in January–December 2011. The increase is primarily due to costs for scheduled marketing and sales activities, and increased administrative costs. Administrative costs increased SEK 4.1 million due to an increase in the number of consultants and employees for managing increased structural demands in connection with the stock-exchange listing. Direct costs to prepare the company for listing on NASDAQ OMX Stockholm amounted to SEK 1.8 million.

During October – December 2011, operating costs for the group amounted to SEK 24.3 million (25.0), of which administrative costs amounted to MSEK 5.7 (9.1).

The research-and-development expenses charged against earnings amounted to SEK 22.5 (19.6) in January - December 2011, corresponding to 9.1 percent (8.5) of net sales. R&D expenses of SEK 21.6 million (11.8) were capitalized during that period.

Capitalized expenses are related to the development of the POC system, while the development expenses charged against earnings are attributable to the improvement of existing products.

During October – December 2011, costs for R&D charged against earnings amounted to SEK 6.3 million (3.5).

The net of other operating income and other operating expenses during January – December 2011 amounted to SEK 0.6 million (-2.1). During October – December 2011, corresponding net amounted to SEK 0.5 million (0.3). Exchange-rate losses impacting profits were lower in 2011, which is the primary reason for the difference between 2011 and 2010.

PROFIT

Gross profit for January–December 2011 increased to SEK 108.0 million (102.2) and for October–December, amounted to SEK 28.1 million (28.3). Operating profit during January–December 2011 amounted to SEK 17.2 million (20.3). The decrease in operating profit is foremost attributable to increased expenditures of SEK 11.7 million, of which costs for the listing process amounted to SEK 1.8 million.

Operating profit for October–December 2011 amounted to SEK 4.2 million (3.5) – an increase of SEK 0.7 million.

Net financial items amounted to SEK -1.3 million (-2.0) during the January–December 2011 period. During 2011, interest charges increased due to increased utilization of overdraft facilities. During October–December 2011, net financial items amounted to SEK -0.1 million (-1.1). An improved liquidity during the fourth quarter has led to positive net interest earnings while the exchange-rate difference was less negatively impacted than the corresponding period in 2010.

The profit before tax for January–December 2011 amounted to SEK 17.5 million (18.7) and during October–December 2011, to SEK 5.1 million (2.4).

The profit after tax for January–December 2011 amounted to SEK 10.1 million (18.9) and during October–December 2011, to SEK 2.1 million (2.6).

Investments and cash flow

Cash flow from operating activities amounted to SEK 5.4 million (16.2) for the January–December 2011 period. Changes in working capital amounted to SEK -13.0 million (-5.9) primarily as a consequence of the increased sales, and as a result, higher working capital requirements. Accounts receivable and inventory increased during the period by SEK 13.8 million.

Accounts payable decreased SEK 0.9 million due to major purchases from suppliers during the fourth quarter 2010 being paid for during the first quarter of 2011. Other operating liabilities increased by SEK 1.2 million during the period, while other operating receivables decreased by SEK 0.5 million.

Available liquidity for the group, including unused credit facility, amounted to SEK 65.7 million as of December 31, 2011 (40.3).

Total net investments amounted to SEK 24.4 million (15.6) during the January–December 2011 period. Investments during the period have increased mainly due to an intensification of development activities in the POC project. Payments for the POC project amounted to SEK 21.6 million in 2011. During the year, SEK 4.8 million was invested in a new production facility for consumables.

Capital requirements during the period were financed through a SEK 10.9 million increase in current financial liabilities.

Cash flow for the January–December 2011 period amounted to SEK 35.8 million (6.2). As of December 31, 2011, cash and cash equivalents amounted to SEK 53.7 million (17.7).

Equity and liabilities

The Group's equity amounted to SEK 192.9 million (130.6) as of December 31, 2011. The increase is a result of the new share issue implemented during the year, and the profit for the year.

The Group's equity/assets ratio was 71 percent (65) as of December 31, 2011.

Interest-bearing liabilities amounted to SEK 31.4 million (27.1) as of December 31, 2011. Interest-bearing liabilities are divided between SEK 0.6 million (6.9) in long-term liabilities and SEK 30.8 million (20.2) in short-term liabilities.

Increased financing needs are primarily related to increased investments in the POC project during January–December 2011. Investments in operations have impacted financing needs by SEK 8.0 million during the period. The divestment of holdings in associated companies has provided a cash injection of SEK 4.0 million in 2011. Working capital increased and impacted funds negatively by SEK 13.0 million during the period January–December 2011. A loan has been amortized with SEK 6.7 million.

As of December 31, 2011, other non-interest-bearing short-term liabilities and accounts payable amounted to SEK 43.3 million (42.7).

Tax expenses are primarily attributable to the company's subsidiary in the US and to capitalized development expenditures. During January–December 2011, the company's subsidiary in the US has paid a tax on income for 2010 of SEK 1.0 million. The amount includes a correction of the income tax return for 2010.

As of December 31, 2011, deferred tax receivables and deferred tax liabilities amounted to SEK 1.1 million (1.0) and SEK 4.3 million (0.3), respectively. The increase in tax receivables and liabilities are due to increased capitalization of deductible deficiencies and increased capitalization of development expenses.

Significant risks and uncertainties

There are a number of risks and uncertainties associated with the Group's operations. For a detailed description of risks and uncertainties, refer to the 2010 annual report. No significant changes in the risks faced by the Group or the Parent Company have occurred during the financial year. The company does not foresee any apparent risks in the short-term.

There is always a risk of competitors will offering more efficient products than Boule and the customer base shrinking as a result. Moreover, faulty or delayed deliveries or non-deliveries from the company's suppliers can in turn lead to delayed, defective or faulty deliveries by the company.

There is no guarantee that the company's operations will not be subjected to restrictions by government authorities or that it will obtain requisite approvals from authorities in the future. There is also a risk that the company will lose its ability to develop products, or that its products cannot be launched according to schedule or that market reception is poorer than expected. These risks could result in lower sales and adversely affect the company's earnings.

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 Västberga Allé 32, Box 42056, SE-126 13 Stockholm, Sweden.

The Parent Company's revenues are attributable to Group-wide services. Risks and uncertainties in the Parent Company indirectly correspond with those of the Group. Administrative costs increased SEK 4.4 million due to an increase in the number of consultants and employees for managing increased structural demands in connection with the stock-exchange listing. Received dividends of SEK 0.75 million are included under the item, "Other interest income and similar profit items." The new share issue implemented during 2011 increased equity by SEK 50.852 million.

Number of shares

The number of shares and votes of Boule Diagnostics AB was changed in July 2011, as a result of the new share issue of 1,243,391 shares in conjunction with Boule Diagnostics AB's listing on NASDAQ OMX Stockholm. Following the increase, the company's share capital amounted to SEK 4,707,138 and the number of shares to 4,707,138

Financial goals

Boule's goal in the next five years is to achieve an average sales growth in excess of 10 percent per year, with an EBITDA margin of 15 percent and an equity/asset ratio of 30–50 percent.

Personnel

In 2011, the average number of employees in the Group was 159 (147), of which the Parent Company had 4 (4) employees. Fredrik Alpsten was employed as the new CFO. He took over his post in December 2011. Claes Blanche has been employed as the new President of the Swedish subsidiary Boule Medical AB. He took over the position in January 2012.

Important estimates and assumptions

The sources of uncertainty in the estimates below are those that entail a significant risk that the value of assets or liabilities may need to be sharply adjusted during the upcoming financial year.

Boule has capitalized development expenses consolidated at the Group level that were incurred by the subsidiary, Boule Medical AB, during 2011 and 2010, in accordance with IFRS, IAS 38. In calculating the unit's recoverable amount to determine whether capitalized development charges have been impaired, several assumptions have been made regarding future conditions and estimates of parameters. Boule has conducted a sensitivity analysis of key assumptions, where management has not found any impairment requirements as of December 31, 2011.

As needed or at least once a year, the Boule Group test goodwill for impairment, in accordance with the accounting principle described in Note 1 of the 2010 annual report. Boule has carried out impairment testing and used the same assumptions during the tests for January–December 2011, as well as 2010. Management has subsequently found no reason to call into question the carrying amount of goodwill.

Accounting principles

The interim report in summary for the Group, has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Annual Accounts Act on interim financial reporting. For information on the accounting principles applied, refer to the 2010 annual report. The accounting principles for the Group and the Parent Company are unchanged compared with those applied in the 2010 annual report.

The bridge on page 7 indicates the items that have directly affected the income statement and balance sheet for the fourth quarter 2010 and full-year 2010. The most important effects stem from goodwill that is no longer amortized and financial leasing and tax deferred thereof.

Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend be issued.

Effect of the application of IFRS on the Boule Group's income statement and balance sheet

	Jan-Dec 2010				Oct-Dec 2010			
	Before translation to IFRS	1) Translation to IFRS	2) Translation to IFRS	After translation to IFRS	Before translation to IFRS	1) Translation to IFRS	2) Translation to IFRS	After translation to IFRS
SEK in thousand								
Net sales	229 253	-	168	229 421	66 842	-	114	66 956
Cost of goods sold	-127 352	145	-	-127 207	-38 698	36	-	-38 698
Gross profit	101 901	145	168	102 214	28 108	36	114	28 258
Other operating revenue	58	-	2	60	-1 506	-	-15	-1 521
Selling and marketing expenses	-41 127	1 434	-	-39 692	-12 817	359	-	-12 458
Administrative expenses	-20 780	145	179	-20 456	-9 063	36	-63	-9 090
Research and development expenses	-23 145	3 504	-	-19 641	-4 337	876	-	-3 461
Other operating expenses	-1 977	-	-175	-2 152	1 887	-	-104	1 783
Operating profit	14 930	5 229	174	20 333	2 271	1 307	-68	3 511
Financial items	-1 889	-	-141	-2 030	-1 085	-	-42	-1 127
Share of profit of associated companies	372	-	-	372	1	-	-	1
Profit before tax	13 413	5 229	33	18 675	1 187	1 307	-110	2 385
Taxes	235	-	-19	216	175	-	19	194
Net profit for the period	13 648	5 229	14	18 891	1 362	1 307	-91	2 579

	Jan-Dec 2010	Oct-Dec 2010
Net profit for the period according to previous accounting principles	13 648	1 362
1) Change in goodwill amortization	5 229	1 307
2) Embedded derivatives	-5	-5
2) Financial leasing	19	-86
Net profit for the period according to IFRS	18 891	2 579

Net sales for the period January-December include an adjustment of SEK 168 thousand related to embedded derivatives. For the period October-December the adjustment was SEK 114 thousand. The embedded derivatives have effected earnings by SEK -5 thousand.

	Jan-Dec 2010				Okt-Dec 2010			
		1)	2)			1)	2)	
Assets								
Tangible/intangible fixed assets	88 214	5 229	-	93 443	92 136	1 307	-	93 443
Deferred tax assets	681	-	328	1 009	681	-	328	1 009
Liabilities								
Deferred tax liabilities	0	-	280	280	0	-	280	280
Interest-bearing liabilities	25 912	-	1 169	27 081	25 912	-	1 169	27 081
Equity	125 322	5 229	14	130 565	129 349	1 307	-91	130 565

Consolidated statement of comprehensive income

SEK in thousand	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales	67 670	66 956	246 155	229 421
Cost of goods sold	-39 616	-38 698	-138 116	-127 207
Gross profit	28 054	28 258	108 039	102 214
Other operating revenue	-958	-1 521	1 082	60
Selling and marketing expenses	-12 240	-12 458	-44 457	-39 692
Administrative expenses	-5 705	-9 090	-24 554	-20 456
Research and development expenses	-6 342	-3 461	-22 507	-19 641
Other operating expenses	1 432	1 783	-436	-2 152
Operating profit	4 241	3 511	17 167	20 333
Financial income	445	-11	450	13
Financial expenses	-143	-274	-1 419	-904
Exchange rate differences	-366	-842	-348	-1 139
Net financial items	-64	-1 127	-1 317	-2 030
Share of profit of associated company	-205	1	529	372
Capital gains from divestment of associated company	1 113	-	1 113	-
Profit before taxes	5 085	2 385	17 492	18 675
Taxes	-2 977	194	-7 405	216
Net profit for the period	2 108	2 579	10 087	18 891
Other comprehensive income				
Translation differences for the period from the translation of foreign operations	849	1 241	1 624	-3 660
Total comprehensive income for the period	2 957	3 820	11 711	15 231

Consolidated statement of financial position

SEK in thousand	Dec 2011	Dec 2010
Assets		
Fixed assets		
Intangible assets		
Capitalized development expenses	42 592	20 944
Goodwill	64 344	63 526
Total intangible assets	106 936	84 470
Tangible fixed assets		
Plant and machinery	2 246	2 084
Equipment, tools and fixtures	8 888	5 587
Leasehold improvements	1 091	1 302
Total tangible fixed assets	12 225	8 973
Financial fixed assets		
Shares in associated companies	-	4 108
Deferred tax assets	1 139	1 009
Total fixed assets	120 300	98 560
Current assets		
Inventory		
Raw materials and supplies	31 409	27 979
Intermediate goods	2 492	3 114
Finished goods and goods for resale	9 478	7 191
Total inventory	43 379	38 284
Current receivables		
Tax assets	1 009	2 731
Accounts receivable	42 607	32 950
Other receivables	6 543	8 007
Prepaid expenses and accrued income	4 308	2 384
Total current receivables	54 467	46 072
Liquid assets	53 701	17 689
Total current assets	151 547	102 045
Total assets	271 847	200 605

Consolidated statement of financial position (cont.)

SEK in thousand	Dec 2011	Dec 2010
Equity		
Share capital	4 707	3 464
Other paid-in capital	191 198	141 859
Translation reserve	-5 995	-7 619
Retained earnings including net profit for the period	2 948	-7 139
Total equity attributable to the Parent Company's shareholders	192 858	130 565
Liabilities		
Long-term liabilities		
Long-term interest-bearing liabilities	618	6 901
Deferred tax liabilities	4 308	280
Total long-term liabilities	4 926	7 181
Current liabilities		
Current interest-bearing liabilities	30 780	20 180
Accounts payable	15 133	15 463
Tax liabilities	924	1 101
Other liabilities	4 826	6 512
Accrued liabilities and prepaid income	21 900	19 103
Provisions	500	500
Total current liabilities	74 063	62 859
Total liabilities	78 989	70 040
Total equity and liabilities	271 847	200 605

Consolidated statement of changes of equity

SEK in thousand	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. net profit for the period	Total equity
Equity, opening balance 2010-01-01	3 464	141 859	-3 959	-26 031	115 333
Total comprehensive income for the period					
Net profit for the period				18 892	18 892
Other comprehensive income for the period			-3 660	-	-3 660
Total comprehensive income for the period			-3 660	18 892	15 232
Equity, closing balance, 2010-12-31	3 464	141 859	-7 619	-7 139	130 565
Equity, opening balance, 2011-01-01	3 464	141 859	-7 619	-7 139	130 565
Total comprehensive income for the period					
Net profit for the period				10 087	10 087
Other comprehensive income for the period			1 624	-	1 624
Total comprehensive income for the period			1 624	10 087	11 711
Transactions with the Group's owners					
New share issue, including issue expenses of SEK 10.3 million	1 243	49 339			50 582
Equity, closing balance, 2011-12-31	4 707	191 198	-5 995	2 948	192 858

Consolidated cash flow statement

SEK in thousand	Jan-Dec 2011	Jan-Dec 2010
Operating activities		
Operating profit	17 167	20 333
Adjustments for items not included in cash flow	3 761	2 826
Interest received	450	14
Dividend received	750	-
Interest paid	-2 067	-1 156
Income tax paid	-1 629	-
Cash flow from operating activities before changes in working capital	18 432	22 017
Cash flow from changes in working capital		
Increase (-)/Decrease (+) in inventory	-4 294	-1 677
Increase (-)/Decrease (+) in operating receivables	-8 874	-18 717
Increase (+)/Decrease (-) in operating liabilities	180	14 536
Cash flow from operating activities	5 444	16 159
Investing activities		
Acquisition of tangible fixed assets	-7 985	-3 869
Disposal of tangible fixed assets	1 220	-
Divestment of associated companies	4 000	-
Retained development expenses	-21 647	-11 726
Cash flow from investing activities	-24 412	-15 595
Financing activities		
New share issues/after listing expenses	50 582	-
Loan proceeds	-	6 701
Amortization of loans	-6 741	-200
Increase (+)/Decrease (-) of current financial liabilities	10 924	-878
Cash flow from financing activities	54 765	5 623
Cash flow for the period	35 797	6 187
Liquid assets at the beginning of the year	17 689	12 056
Exchange rate differences in liquid assets	215	-554
Liquid assets at the end of the period	53 701	17 689

Condensed Parent Company income statement

SEK in thousand	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales	2 322	2 054	8 476	8 208
Administrative expenses	-4 430	-5 734	-17 990	-13 623
Other operating revenues	294	-	294	-
Other operating expenses	0	-3	-6	-102
Operating profit	-1 814	-3 683	-9 226	-5 517
Result from financial items:				
Other interest income and similar income items	444	2	1 194	2
Interest expenses and similar expense items	-3	-103	-11	-107
Capital gain from divestment of associated company	3 213	-	3 213	-
Profit before taxes	1 840	-3 784	-4 830	-5 622
Taxes	-	-	-	-
Net profit for the period	1 840	-3 784	-4 830	-5 622

Parent Company statement of comprehensive income

SEK in thousand	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net profit for the period	1 840	-3 784	-4 830	-5 622
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	1 840	-3 784	-4 830	-5 622

Condensed Parent Company balance sheet

SEK in thousand	Dec 2011	Dec 2010
Assets		
Fixed assets		
Tangible fixed assets		
Inventory	301	285
Total tangible fixed assets	301	285
Financial fixed assets		
Shares in Group companies	157 291	157 291
Shares in associated companies	-	1 787
Total financial fixed assets	157 291	159 078
Total fixed assets	157 592	159 363
Current assets		
Short-term receivables		
Receivables from Group companies	16 231	8 295
Tax assets	319	175
Other receivables	1 083	980
Prepaid expenses and accrued income	449	365
Total current receivables	18 082	9 815
Cash and bank balances	36 902	38
Total current assets	54 984	9 853
Total assets	212 576	169 216
Equity and liabilities		
Equity		
Restricted equity		
Share capital (4,707,138 shares)	4 707	3 464
Statutory reserve	191 198	141 859
Unrestricted equity		
Retained earnings	15 519	21 141
Net profit for the year	-4 830	-5 622
Total equity	206 594	160 842
Current liabilities		
Accounts payable	1 154	2 862
Accounts payable to Group companies	490	1 114
Other liabilities	43	536
Accrued expenses and prepaid income	4 295	3 862
Total current liabilities	5 982	8 374
Total liabilities	5 982	8 374
Total equity and liabilities	212 576	169 216
Pledged assets and contingent liabilities		
	Dec 2011	Dec 2010
Pledged assets	-	-
Contingent liabilities	-	-

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Stockholm, February 21, 2012
Boule Diagnostics AB

Lars-Olof Gustavsson
Chairman of the Board

Ernst Westman
President & CEO

Britta Dalunde
Board member

Eva-Lotta Kraft
Board member

Åke Nygren
Board member

Gösta Oscarsson
Board member

Auditor's review

This report has not been subject to review by the Company's auditors.

Financial calendar

Interim report first quarter 2012	April 26, 2012
Interim report second quarter 2012	August 30, 2012
Interim report third quarter 2012	November 9, 2012
Year-end report 2012	February, 2013

The annual general meeting will be held at Nalen, Regeringsgatan 74, Stockholm, at 6:00 p.m. on May 3, 2012. The annual report will be available at www.boule.se from the week commencing April 9, 2012

The information in this year-end report is such that Boule Diagnostics AB (publ) is obligated to publish under the Swedish Securities Market Act. The information was submitted for publication on February 21, 2012 at 08:00 a.m. (CET)

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