



Stable sales following a strong first quarter, restructuring expenses burden profitability

Quarter April–June 2017

- Net sales amounted to SEK 104.3 million (102.0), up 2.3 percent. Adjusted for the change in the USD and EUR exchange rates, this corresponds to a decrease of -1.4 percent.
- Number of instruments sold in the quarter was 1,092 (1,143), a decrease of 4 percent.
- Cash flow from operating activities amounted to SEK 5.0 million (-1.1).
- Operating profit, including non-recurring costs for efficiency improvements, was SEK -0.7 million (12.6) which corresponds to an operating margin of -0.7 percent (12.3).
- Net profit amounted to SEK -1.1 million (9.0).
- Earnings per share before dilution amounted to SEK -0.24 (1.91) and after dilution to SEK -0.24 (1.89).

Significant events during the quarter

ACTIONS TO INCREASE EFFICIENCY AND PROFITABILITY

During the quarter, the company has completed several actions to increase efficiency and future profitability. These actions, including the shutdown of the Chinese production facility, affects several functions and divisions and have been costly, but is expected to yield improvements in efficiency and profitability already by the third quarter of 2017. The company has reserved a total of around SEK 4 million for these actions.

NON-RECURRING COSTS

The quarter has been affected by other non-recurring costs, in addition to the aforementioned costs associated with the profitability improvements, of about SEK 8 million. These costs include the final costs for the CEO succession, costs for the employee option programs and write-downs of accounts receivable.

Interim period January–June 2017

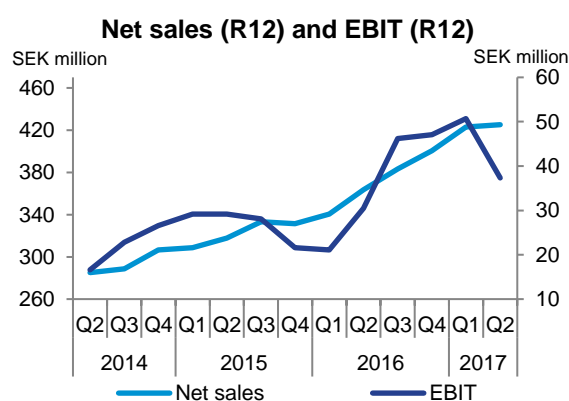
- Net sales amounted to SEK 210.9 million (186.4), up 13.2 percent. Adjusted for the change in the USD and EUR exchange rates, this corresponds to an increase 9.0 percent.
- Number of instruments sold in the period was 2,235 (1,838) an increase of 22 percent.
- Cash flow from operating activities amounted to SEK 23.5 million (5.0).
- Operating profit, including non-recurring costs for efficiency improvements, was SEK 11.2 (21.0) which corresponds to an operating margin of 5.3 percent (11.2).
- Net profit amounted to SEK 7.5 million (15.2).
- Earnings per share before dilution amounted to SEK 1.60 (3.24) and after dilution to SEK 1.56 (3.20).

Significant events after the quarter

BOULE'S CFO IS LEAVING THE COMPANY

Fredrik Alpsten, who has served for six years as the CFO of the company, has informed the company that he wishes to resign from his post and leave the company. He will leave his post at the latest during early 2018 for a position at a new employer. We would like to thank Fredrik Alpsten for his valuable contribution and wish him all the best in his future endeavors. The process to recruit a new CFO has been initiated.

Key figures	Apr-Jun 2017	Apr-Jun 2016	Jul 16-Jun 17 (R12)	Jul 15-Jun 16 (R12)
Growth in sales, %	2.3	13.2	24.4	14.4
Net sales, SEK million	104.3	102.0	425.2	363.6
Gross margin, %	41.8	46.8	46.8	46.3
Operating profit/loss, SEK million	-0.7	12.6	37.3	25.3
Operating margin, %	-0.7	12.3	8.8	6.9
Net debt, SEK million	-71.4	-20.0	-71.4	-20.0
Return on equity, %	-0.5	4.5	13.3	7.9
Net debt/EBIT (R12), times	-1.9	-0.8	-1.9	-0.8
Earnings per share, after dilution, SEK	-0.24	1.89	5.35	3.77



Comments from CEO Fredrik Dalborg

During my first quarter at Boule, the focus has been on both developing an understanding of customer needs and market developments as well as on reviewing how the company operates, its efficiency and profitability. All companies must continuously develop and become more efficient and this is also the case for us at Boule. We have chosen to take action and incur costs in this quarter to increase our efficiency and profitability in the future. Our growth and profitability targets remain, even though quarterly variations may occur as a consequence of tenders etc.

EARNINGS AND SALES

In the first quarter of 2017, we saw sales at SEK 106.6 million, a sales growth of 26%, and a 65% increase in number of instruments sold. Second quarter sales that amounted to SEK 104.3 million (102.0) are approximately in line with the previous quarter. However, compared to quarter 2, 2016, when we won major tenders in Mexico, for instance, sales growth was 2%. The underlying trend is still strong, and for the first six months of the year the increase in sales was 13%, and 17% on a rolling 12-month basis.

In 2017, we have put a greater focus on India and Asia where there is strong growth and good market potential. According to our assessment India is now the world's largest hematology market. During the quarter, we won another public procurement in the Indian state of Assam. The procurement is for 140 instruments that will be used in mobile units. To build our position in these markets we accept selling instruments at a somewhat lower price, which reduces our gross margin. However, in our assessment, higher sales of consumables will gradually compensate for this and eventually deliver better gross margins. During the month of July, we raised our reagent prices in India and it was encouraging to note that growth in consumables in Asia was over 50% in the quarter. At the same time, we are reviewing our structure in these countries to improve growth and margins.

We made an operating loss for the second quarter 2017 of SEK 0.7 million (12.6). This fall in earnings was due in part to the company implementing a number of measures in the second quarter of 2017 to increase future efficiency and profitability. A total of SEK 4 million has been reserved for these measures in the second quarter and the positive effects will be visible in the third quarter of 2017. The measures affect several offices and departments.

The operating profit was also affected by the final costs for the change of CEO, costs related to the employee options program and the write down of possible bad debts, for a total of SEK 8 million.

LOOKING FORWARDS

Our business is based on having a large installed base of instruments at our customers' sites, ensuring long term sales of consumables with good margins. Having increased our activities in growth markets with relatively low prices, gross margins will be a challenge in the short term. This is something we are working continuously on and giving high priority to. In addition to the closure of the factory in China, the work to improve gross margin

includes: improving production processes, measures to increase sales on markets with higher prices, reviewing costs on markets with low prices and price analysis in general.

We will now continue the work to strengthen the company and take it to the next level. As previously communicated, our priorities are:

1. Further measures to support and strengthen the company's sales and profitability growth.
2. To continue to improve current products and develop new ones.
3. To strengthen and expand our product portfolio via distribution agreements, OEM contracts and possible acquisitions.



Fredrik Dalborg
CEO and President

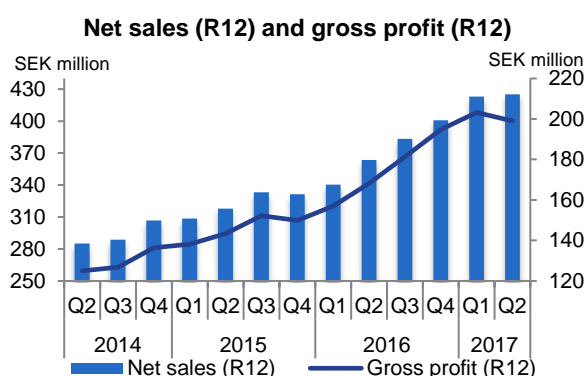
Group performance January-June 2017

NET SALES

During the quarter net sales amounted to SEK 210.9 million (186.4), up 13.2 percent. Adjusted for the change in the USD and EUR exchange rates, this corresponds to an increase of 9.0 percent.

GROSS PROFIT

Gross profit during the period amounted to SEK 94.4 million (90.1). The gross margin was 44.7 percent (48.3). The lowered gross margin can in part be explained by the drop in averaged selling price of instruments that has occurred as an increased share of sales has taken place in countries with lower price levels. The unused capacity of the Chinese production facility, that was discontinued during the end of the quarter, also affects the gross margin.



EXPENSES

Operating expenses during the period amounted to SEK 75.7 million (70.1). Operating expenses include reserves which are assessed as possibly arising in association with a review of the company's OEM agreements, loss reserve, costs that arose with the CEO succession and costs for the efficiency improvements.

Research and development expenditures charged to earnings amounted to SEK 18.9 million (18.3), which represents 9 percent (10) of net sales. Research and

development expenditures of SEK 2.5 million (0.0) were capitalized. A veterinary version of the company's updated instrument platform is being developed for activation in 2017.

The net of operating revenues and other operating expenses amounted during the period to a total of SEK -7.5 million (1.0). To facilitate comparison with previous and future periods, the social fees of SEK 3.0 million from Boule's option programs are included in other operating expenses.

PROFIT

Operating profit during the period amounted to SEK 11.2 million (21.0). This corresponds to an operating margin of 5.3 percent respectively 11.2 percent.

NET FINANCIAL ITEMS

Net financial items amounted to SEK -0.0 million (-0.1). Profit before tax was SEK 11.2 million (20.8). Profit for the period was 7.5 million (15.2).

FINANCING AND CASH FLOW

Cash flow from operating activities after changes in working capital amounted to SEK 23.5 million (5.0). The company has reported accounts receivable for which guarantees have been obtained from the Swedish National Export Credits Guarantee Board (EKN). EKN guarantees 75-95 percent of the total amount of accounts receivable. Receivables can be pledged and liabilities are recognized as interest-bearing liabilities. The change in accounts receivable guaranteed by EKN is included in the cash flow from operating activities, whilst the change in all interest-bearing liabilities is reported in the cash flow under financing activities.

Cash flow for the period amounted to SEK 22.9 million (-33.9) and cash and cash equivalents at the end of the period were SEK 66.6 million (16.6).

Cash and cash equivalents available to the Group, including unutilized credit facilities, amounted to SEK 105.1 million (52.9) at the end of the period.

INVESTMENTS

Total investments amounted to SEK 3.8 million (3.2).

NET SALES BY REGION AND PRODUCT

Net sales by region SEK million	Apr-Jun 2017	Apr-Jun 2016	Change	Jul 16- Jun 17 (R12)	Jul 15- Jun 16 (R12)	Change (R12)
USA	32.6	31.3	4%	132.1	122.7	8%
Asia	30.8	20.3	52%	106.8	80.4	33%
Eastern Europe	16.7	11.2	50%	64.2	43.8	46%
Latin America	6.1	22.7	-73%	35.7	49.3	-28%
Western Europe	8.8	9.3	-5%	35.8	34.6	3%
Africa/Middle East	9.4	7.4	28%	50.7	32.6	56%
Total	104.3	102.0	2%	425.2	363.6	17%

Net sales by product SEK million	Apr-Jun 2017	Apr-Jun 2016	Change	Jul 16- Jun 17 (R12)	Jul 15- Jun 16 (R12)	Change (R12)
Instruments	36.3	40.6	-10%	164.4	136.0	21%
Consumables own instruments	40.8	37.6	9%	159.3	135.3	18%
Consumables OEM and CDS-brand	17.5	15.1	16%	67.7	60.8	11%
Other	9.7	8.8	15%	33.8	31.5	13%
Total	104.3	102.0	2%	425.2	363.6	17%

EQUITY AND LIABILITIES

Group equity on June 30, 2017 totaled SEK 223.9 million (202.3) and equity/asset ratio was 59 percent (66).

Interest bearing liabilities, that are primarily accounts receivable financing and a bank loan at the US subsidiary company, amounted to SEK 67.1 million (47.9) on 30 June 2017. SEK 29.1 million (20.3) of the interest-bearing liabilities were non-current and SEK 37.9 million (27.6) were current. At June 30, 2017, other non-interest-bearing current liabilities and accounts payable totaled to SEK 78.9 million (54.8).

The net debt on June 30, 2017 amounted to SEK -71.4 million (-20.0).

At the end of the period deferred tax assets and deferred tax liabilities totaled SEK 0.2 million (5.4) and SEK 6.6 million (3.5) respectively.

MARKET

Boule markets its products to hospitals, clinics, laboratories and companies within blood diagnostics in both the human and veterinary areas. Blood diagnostics means that only blood is analyzed via e.g. clinical chemical analysis or blood cell counting concerning changes in different blood components. The global market of decentralized hematology diagnostics is valued at around SEK 5 billion of which Boule has a market share of around 8 percent.

SIGNIFICANT RISKS AND UNCERTAINTIES

The Group's operations are subjected 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.

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. The company is also exposed to customers who are unable to pay and the possibility of the company being unable to finance its operations.

Boule is currently exposed to currency exchange risks. +/- 10% of the exchange rate USD/SEK affects the net sales by +/- SEK 20 million and net profit by +/- SEK 4 million. We are continuously working on operationally reducing our exchange rate exposure.

For a more detailed description of the risks, see the Annual Report for 2016. Compared with the Annual Report, the risks are deemed to remain unchanged.

TRANSACTIONS WITH RELATED PARTIES

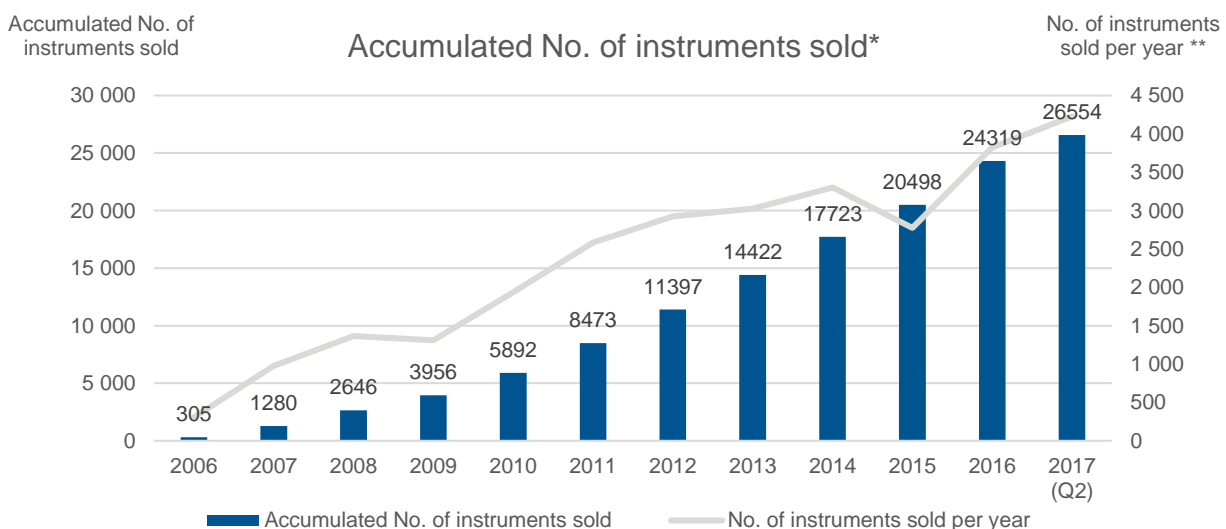
There were no transactions with related parties in this period.

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.

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.



*Boule tied instruments.

** Number of instruments sold are accumulated for the last twelve months.

NUMBER OF SHARES

The number of shares and voting rights in Boule Diagnostics AB amount to 4,739,138. The company has also issued 30,000 warrants and 146,750 employee options (see the section on Options below).

Shareholders June 30, 2017 (and thereafter known changes)	Number of shares	Proportion of capital/votes
Svolder AB	515,000	10.87%
AB Grens specialisten	493,317	10.41%
Thomas Eklund incl. bolag	461,577	9.74%
Swedbank Robur Fonder AB	414,896	8.75%
SEB Asset Management	414,086	8.74%
Tredje AP-fonden	381,707	8.05%
Handelsbanken Fonder	286,098	6.04%
Linc Invest AB	265,291	5.60%
Humle Kapitalförvaltning	167,155	3.53%
Länsförsäkringar Småbolag Sverige	144,770	3.05%
Société Générale	129,548	2.73%
Other shareholders (1,616)	1,065,693	22.49%
Total number of shares	4,739,138	100.00%
No. of options outstanding	103,000	
Total number of shares incl. options	4,842,138	

OPTIONS

At August 25, 2017, a total of 146,750 options (including hedging) have been issued to management and key individuals in the Group. Senior executives, a total of five, have 11,000 options each and other key employees have 6,000 options each. There were no changes in outstanding options in this quarter.

When fully exercised, the options generate dilution of 2.9 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 aspects, 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 174 (170) including 9 (9) at the Parent Company. By country the average number in Sweden was 72 (71), USA 84 (85), China 17 (13), Mexico 1 (1). The average number of women in the Group was 72 (67) the average number of men was 102 (103).

The Board of Directors and the President certify that this interim 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 August 25, 2017
Boule Diagnostics AB

Peter Ehrenheim
Chairman of the Board

Thomas Eklund
Board member

Fredrik Dalborg
President and CEO

Karin Dahllöf
Board member

Jon Risfelt
Board member

AUDIT REVIEW

This report has not been reviewed by the company's auditors.

Consolidated statement of comprehensive income and other comprehensive income

SEK million	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016
Net sales	104.3	102.0	210.9	186.4
Cost of goods sold	-60.7	-54.3	-116.5	-96.4
Gross profit	43.6	47.7	94.4	90.1
<i>Gross margin</i>	<i>41.8%</i>	<i>46.8%</i>	<i>44.7%</i>	<i>48.3%</i>
Other operating revenues	1.0	1.3	1.3	1.9
Selling and marketing expenses	-20.3	-18.5	-42.7	-37.2
Administrative expenses	-7.4	-7.9	-14.0	-14.6
Research and development expenses	-9.5	-9.9	-18.9	-18.3
Other operating expenses	-8.1	-0.2	-8.8	-1.0
Operating profit/loss	-0.7	12.6	11.2	21.0
<i>Operating margin</i>	<i>-0.7%</i>	<i>12.3%</i>	<i>5.3%</i>	<i>11.2%</i>
Financial income	0.9	0.0	1.1	0.0
Financial expenses	-0.5	-0.2	-0.7	-0.5
Exchange rate differences	0.0	0.5	-0.4	0.3
Net financial items	0.4	0.3	0.0	-0.1
Profit/loss before tax	-0.3	12.9	11.2	20.8
Current tax	0.6	-0.6	0.0	-2.0
Deferred tax	-1.4	-3.4	-3.7	-3.6
Net profit/loss	-1.1	9.0	7.5	15.2
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	-5.1	3.6	-7.1	1.3
Other comprehensive income/loss for the period	-5.1	3.6	-7.1	1.3
Total comprehensive income/loss for the period	-6.2	12.6	0.4	16.5
Earnings per share, before dilution, SEK	-0.24	1.91	1.60	3.24
Earnings per share, after dilution, SEK	-0.24	1.89	1.56	3.20

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

Consolidated statement of financial position

SEK million	30 Jun 2017	30 Jun 2016	31 Dec 2016
Assets			
Fixed assets			
Intangible assets			
Capitalized development expenses	25.3	26.2	24.6
Goodwill	74.8	74.9	79.1
Total intangible assets	100.1	101.1	103.7
Tangible fixed assets			
Plant and machinery	3.3	6.3	4.2
Equipment, tools, fixtures and fittings	10.6	10.9	12.0
Leasehold improvements	4.9	3.7	4.3
Total tangible fixed assets	18.8	20.9	20.5
Financial fixed assets			
Long-term accounts receivables (guaranteed 75-95 % by EKN)	28.5	20.0	28.1
Deferred tax assets	0.2	5.4	0.5
Total financial fixed assets	28.7	25.4	28.6
Total fixed assets	147.6	147.3	152.8
Current assets			
Inventory			
Raw materials and supplies	33.1	35.1	36.1
Intermediate goods	3.8	4.3	5.5
Finished goods and goods for resale	18.3	12.8	17.6
Total inventory	55.2	52.2	59.2
Current receivables			
Tax assets	2.3	2.1	1.9
Accounts receivable	45.8	48.3	53.9
Accounts receivable (guaranteed 75-95 % by EKN)	43.4	31.4	40.5
Other receivables	3.7	3.1	5.0
Prepaid expenses and accrued income	12.0	7.5	6.6
Total current receivables	107.2	92.4	107.8
Cash and cash equivalents	66.6	16.6	44.6
Total current assets	228.9	161.2	211.6
Total assets	376.5	308.5	364.3

Consolidated statement of financial position (cont.)

SEK million	30 Jun 2017	30 Jun 2016	31 Dec 2016
EQUITY			
Share capital	4.7	4.7	4.7
Other contributed capital	190.6	190.6	190.6
Translation reserve	10.7	11.3	17.8
Retained earnings including net profit/loss for the period	17.8	-4.4	16.6
Total equity	223.9	202.3	229.8
LIABILITIES			
Long-term liabilities			
Long-term interest-bearing liabilities	1.6	4.8	4.7
Long-term interest-bearing liabilities (of EKN guaranteed receivables)	27.5	15.6	22.3
Deferred tax liabilities	6.7	3.5	3.5
Total long-term liabilities	35.8	23.8	30.4
Current liabilities			
Current interest-bearing liabilities	1.0	13.5	2.1
Current interest-bearing liabilities (of EKN guaranteed receivables)	36.9	14.1	28.3
Accounts payable	21.8	3.1	21.9
Tax liabilities	0.0	1.7	3.8
Other liabilities	11.6	23.8	8.6
Accrued liabilities and deferred income	44.6	25.7	38.5
Provisions	1.0	0.5	1.0
Total current liabilities	116.9	82.4	104.2
Total liabilities	152.7	106.2	134.6
Total equity and liabilities	376.5	308.5	364.3

Consolidated statement of changes of equity

SEK million	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. profit/loss for period	Total equity capital
Equity, opening balance, Jan. 1, 2016	4.7	190.6	10.0	-16.8	188.5
Total comprehensive income/loss for the period					
Net profit/loss for the period				15.2	15.2
Other comprehensive income for the period			1.3		1.3
Total comprehensive income/loss for the period			1.3	15.2	16.5
Transactions with shareholders					
Option programs					0.0
Dividends				-2.8	-2.8
Equity, closing balance, Jun. 30, 2016	4.7	190.6	11.3	-4.4	202.3
Equity, opening balance, Jan. 1, 2017	4.7	190.6	17.8	16.6	229.8
Total comprehensive income/loss for the period					
Net profit/loss for the period				7.5	7.5
Other comprehensive income for the period			-7.1		-7.1
Total comprehensive income/loss for the period			-7.1	7.5	0.4
Transactions with shareholders					
Option programs				0.3	0.3
Dividends				-6.6	-6.6
Equity, closing balance, Jun. 30, 2017	4.7	190.6	10.7	17.8	223.9

Consolidated cash flow statement

SEK million	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016
Operating activities				
Operating profit/loss	-0.7	12.6	11.2	21.0
Adjustments for non-cash items	2.6	1.4	4.7	4.4
Interest received	0.4	0.0	1.1	0.0
Dividend received	0.0	-0.3	0.0	-0.3
Interest paid	0.0	-0.2	-0.7	-0.5
Income tax paid	-3.3	-0.2	-3.7	-0.4
Cash flow from operating activities before changes in working capital	-1.0	13.6	12.5	24.5
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in inventory	7.6	-4.2	2.6	2.7
Increase (-)/Decrease (+) in operating receivables	-15.1	-20.7	1.8	-17.9
Increase (-)/Decrease (+) in operating receivables (guaranteed by EKN)	2.9	-2.7	-5.0	-15.1
Increase (+)/Decrease (-) in operating liabilities	10.6	12.9	11.5	10.8
Cash flow from operating activities	5.0	-1.1	23.5	5.0
Investing activities				
Acquisition of tangible fixed assets	-1.2	-1.2	-1.4	-3.2
Investments in other financial assets	0.0	0.0	0.0	0.0
Divestment of tangible assets	0.0	0.0	0.0	0.0
Investments in capitalized development expenses	-1.9	0.0	-2.5	0.0
Cash flow from investing activities	-3.0	-1.2	-3.8	-3.2
Financing activities				
Loans raised	0.0	4.6	0.0	11.1
Amortization of loans	-0.3	-0.6	-3.0	-2.6
Increase (+)/Decrease (-) in current financial liabilities (EKN financing)	6.3	3.2	13.9	16.4
Increase (+)/Decrease (-) in current financial liabilities	-0.1	-4.9	-1.1	-57.7
Dividends	-6.6	-2.8	-6.6	-2.8
Cash flow from financing activities	-0.7	-0.5	3.2	-35.8
Cash flow for the period	1.3	-2.9	22.9	-33.9
Cash and cash equivalents at the beginning of the period	65.9	19.1	44.6	50.4
Exchange rate differences in cash and cash equivalents	-0.6	0.4	-0.9	0.1
Cash and cash equivalents at the end of the period	66.6	16.6	66.6	16.6

Parent Company income statement

SEK million	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016
Net sales	5.7	5.8	11.5	11.6
Administrative expenses	-4.4	-4.3	-18.2	-11.0
Other operating income	0.0	0.0	0.0	0.0
Other operating expenses	-1.4	0.0	0.0	0.0
Operating profit/loss	-0.1	1.5	-6.7	0.5
Profit/loss from financial items	0.0	0.0	0.0	0.0
Loss after financial items	-0.1	1.5	-6.7	0.5
Group contribution	0.0	0.0	0.0	0.0
Profit/loss before tax	-0.1	1.5	-6.7	0.5
Tax	0.0	0.0	4.7	0.0
Net profit/loss	-0.1	1.5	-2.0	0.5

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

Parent Company balance sheet

SEK million	30 Jun 2017	30 Jun 2016	31 Dec 2016
Assets			
Financial fixed assets			
Shares in Group companies	157.3	157.3	157.3
Deferred tax asset	4.7	0.0	4.7
Total financial fixed assets	162.0	157.3	162.0
Total fixed assets	162.0	157.3	162.0
Current assets			
Receivables from Group companies	39.6	26.9	52.0
Other receivables	2.1	1.1	2.0
Total current receivables	41.7	28.0	54.0
Cash and bank balances	3.8	1.1	0.4
Total current assets	45.6	29.1	54.4
Total assets	207.6	186.4	216.4
Equity and liabilities			
Total equity	183.5	175.2	196.7
Long-term liabilities			
Long-term interest-bearing liabilities	-	0.3	-
Current liabilities			
Current interest-bearing liabilities	0.0	1.3	0.0
Liabilities to Group companies	0.6	0.6	0.6
Other liabilities	23.5	9.1	19.1
Total current liabilities	24.1	10.9	19.7
Total liabilities	24.1	11.2	19.7
Total equity and liabilities	207.6	186.4	216.4

NOTE 1 ACCOUNTING POLICYS

Boule Diagnostics AB (publ.) applies IFRS (International Financial 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, 2016. 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 interim information found on page 1-15 is an integrated part of this financial report.

A number of new or revised IFRS Standards, as well as statements of interpretation of these, will come in to effect only in the coming financial years and have not been applied in the preparation of these financial statements. Preparations for the implementation of IFRS 15 are ongoing.

NOTE 2

30 June, SEK million	Group		Parent company	
	2017	2016	2017	2016
Pledged assets	119.5	108.0	85.8	83.3
Contingent liabilities	1.8	1.8	68.1	36.8

Quarterly overview

	2017		Oct-Dec	2016		Oct-Dec	2015		
	Apr-Jun	Jan-Mar		Jul-Sep	Apr-Jun		Jan-Mar	Jul-Sep	Apr-Jun
Net sales, SEK million	104.3	106.6	105.8	108.5	102.0	84.4	88.4	88.8	78.9
Gross profit, SEK million	43.6	50.8	50.1	54.5	47.7	42.3	36.8	41.3	35.5
Gross margin, %	41.8	47.6	47.4	50.2	46.8	50.1	41.6	46.6	46.2
EBITDA, SEK million	1.4	14.1	5.7	25.5	13.3	10.4	2.7	10.5	5.1
EBITDA margin, %	1.3	13.2	5.4	23.5	13.0	12.3	3.1	11.9	6.5
EBIT, SEK million	-0.7	12.0	1.3	24.8	12.6	8.4	0.6	8.9	3.2
EBIT margin, %	-0.7	11.2	1.2	22.9	12.4	9.9	0.7	10.0	4.1
Profit after tax, SEK million	-1.1	8.7	1.5	19.3	9.0	6.3	1.3	5.1	2.4
Earnings per share, before dilution, SEK	-0.24	1.84	0.32	4.11	1.91	1.33	0.28	1.07	0.51
Earnings per share, after dilution, SEK	-0.24	1.79	0.31	4.02	1.89	1.33	0.27	1.07	0.51
Cash flow from operating activities per share, SEK	4.96	3.93	2.53	2.70	-0.24	1.30	2.59	2.25	0.02
Return on equity, %	-0.5	3.7	0.6	9.1	4.5	3.3	0.7	2.7	1.3
Net debt/EBIT (R12)	-1.9	-1.6	-1.2	-0.6	-0.8	-0.9	-0.7	-0.5	0.6
Equity/assets ratio, %	59	63	63	65	66	68	60	64	63

Definitions (boule.se)

USE OF KEY PERFORMANCE INDICATORS NOT DEFINED IN IFRS

The Boule Group report is prepared in accordance with IFRS. IFRS only defines a few key performance indicators. Boule applies the ESMA (European Securities and Market Authority) guidelines for alternative key performance indicators (Alternative Performance Measures). In brief, an alternative performance measure is a financial measure of historical or future earnings development, financial position, or cash flow that is not defined or specified in IFRS. In order to support management's and other stakeholders' analysis of the Group's development, Boule reports some key performance indicators that are not defined in IFRS. Management believes that this information will facilitate an analysis of the Group's development. This additional data acts as a complement to IFRS and does not replace the key performance indicators defined in IFRS. Boule's definitions of metrics not defined in IFRS shown on page 13 may differ from those of other companies. Calculations of all key performance indicators may be reconciled against items in the income statement and balance sheet.

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

Working capital is inventories, accounts receivable (non-current and current) 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 period after tax divided by average equity

About Boule Diagnostics

Boule Diagnostics AB (publ) is one of the few companies on the global diagnostics market that develops, manufactures and markets instruments and consumable products for blood diagnostics under its own direction. The company serves hospitals, clinics, laboratories and companies within blood diagnostics in both the human and veterinary areas. The group has an annual sale of a little over SEK 400 million and around 170 employees. Sales are made via distributors in over 100 countries and directly in Sweden and the USA. The company operates via subsidiary operating companies in Sweden and USA. Since 2011, Boule shares have been listed on the Nasdaq Stockholm.

VISION

Boule is to establish a global position as one of the three leading companies within decentralized blood diagnostics.

MISSION

Boule is to help its customers obtain better blood test results to enable more effective treatment of patients.

BUSINESS CONCEPT

Boule develops, manufactures and markets high quality and user-friendly systems for automated blood cell count analysis on the global human and veterinarian markets.

FINANCIAL TARGETS

Boule should achieve:

- An annual operating margin (EBIT-margin) above 15 percent.
- Average long term growth in sales above 10 percent per year.
- Net debt (interest bearing debts minus cash and cash equivalents) no greater than three times operating profit (EBIT) on an annualized basis.

STRATEGIES

- To commercialize high quality systems for the decentralized market for blood cell count analysis.
- To tie consumables to our proprietary instruments to assure quality and ensure added sales.
- Global presence and parallel distribution channels to quickly meet local demand. Actively work to broaden our product offer via acquisition and partnerships.

Boule as an investment

BUSINESS MODEL

The model entails selling consumables of high quality and good profitability that are tied to Boule's own instruments, to a continuously increasing installed base of instruments.

GROWTH

Over the past five years, Boule has enjoyed average annual growth and the company envisages continued good growth potential at global level. Boule has long experience of both organic growth and growth by acquisition.

DIVIDEND

The general goal of the Boule board is to give shareholders a dividend that reflects both a good direct return and dividend growth. The annual dividend should correspond to 25-50 percent of profit for the period, after taking due consideration to company liquidity.

Our hematology systems



Medonic



Swelab



Quintus



Exigo

Financial information

CALENDER

Interim report third quarter November 8, 2017

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This information is information that Boule Diagnostics AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08.45 CET on August 25, 2017.