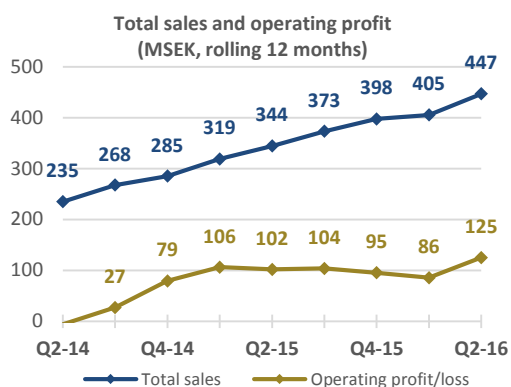


“Revenues from RayStation® rose 100 percent to SEK 107.8 M [53.9] and prospects are favorable for the rest of the year. The development of RayCare® is progressing as planned and we will demonstrate the system at the 2016 ASTRO radiation therapy conference in Boston at the end of September,” says Johan Löf, President and CEO of RaySearch.

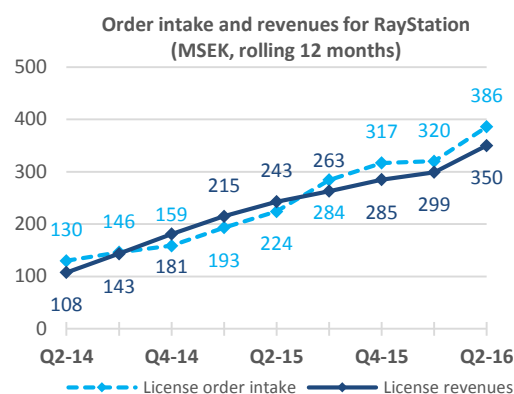
SECOND QUARTER (APRIL - JUNE 2016)

- Net sales SEK 119.0 M [77.3], of which RayStation SEK 107.8 M [53.9]
- Profit after tax SEK 28.8 M (loss: 2.6) and earnings per share were SEK 0.84 (loss: 0.08)
- Operating profit SEK 37.5 M (loss: 2.1)
- Cash flow negative SEK 21.0 M (neg: 10.1)
- Order intake excl. service agreements SEK 129.1 M [72.0], of which RayStation SEK 120.8 M [55.3]
- Order backlog for RayStation was SEK 65.2 M [40.2] at the end of the period



HALF-YEAR (JANUARY - JUNE, 2016)

- Net sales SEK 214.4 M [165.1], of which RayStation SEK 188.6 M [116.6]
- Profit after tax SEK 46.6 M [22.4], and earnings per share SEK 1.36 [0.65]
- Operating profit SEK 60.8 M [31.0]
- Cash flow negative SEK 26.3 M (neg: 2.3)
- Order intake excluding service agreements SEK 211.0 M [158.3], of which RayStation SEK 193.4 M [124.4]



SIGNIFICANT EVENTS DURING THE SECOND QUARTER

- RaySearch has continued to secure more major orders from some of the world’s largest and most respected cancer clinics, including the University of California San Francisco and the Miami Cancer Institute in the US, a number of proton clinics in Japan, and the Holland Particle Therapy Centre in the Netherlands.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- Victoria Sörving, General Counsel, has decided to leave the company effective September.

FINANCIAL SUMMARY

AMOUNTS IN SEK 000S	APR-JUN		JAN-JUN		JUL 2015-	FULL-YEAR
	2016	2015	2016	2015	JUN 2016	2015
Net sales	118,982	77,342	214,383	165,073	446,910	397,600
Operating profit/loss	37,493	-2,114	60,845	30,957	125,232	95,344
Operating margin, %	31.5	-2.7	28.4	18.8	28.0	24.0
Profit/loss for the period	28,837	-2,605	46,597	22,418	94,388	70,209
Earnings/loss per share, SEK	0.84	-0.08	1.36	0.65	2.75	2.05
Cash flow from operating activities	14,908	18,458	36,771	57,109	91,088	111,426
Cash flow before financing activities	-11,439	-9,088	-15,651	-603	-7,477	7,571
Return on equity, %	9.2	-1.1	14.8	9.5	30.0	24.6
Closing equity/assets ratio, %	64.3	63.4	64.3	63.4	64.3	65.9
Closing share price, SEK	119.00	108.00	119.00	108.00	119.00	122.50



CEO COMMENTS

STRONG SALES IN THE SECOND QUARTER

The long-term positive trend set by RayStation continues. In the second quarter, order intake for RayStation rose a full 118 percent to SEK 121 M (55) driven by a very robust order intake in North America in conjunction with continued strong demand in Europe.

RayStation is well established in all major markets worldwide as the most advanced treatment planning system for radiation therapy, with support for, among other things, adaptive radiation therapy, automated workflows and unique multi-criteria optimization. No other treatment planning system supports such a wide range of treatment delivery machines. RayStation helps to improve the radiation therapy process and extends the lifetime of therapy machines, which means they can be used more efficiently. This means that clinics that want to improve and develop their care are no longer dependent on buying the latest hardware. Instead they can achieve similar, positive outcomes by choosing RayStation as their treatment planning system.

We are continuing to expand our global marketing organization and now have subsidiaries in the US, Germany, France, Belgium, the UK, Singapore and Japan, and several additional subsidiaries are being formed.

RECORD RESULTS

During the quarter, revenues from RayStation rose 100 percent to SEK 108 M (54), while sales via partners decreased to SEK 11 M (23). Overall, revenues rose 54 percent to SEK 119 M (77) in the second quarter and the operating profit increased sharply to SEK 37 M (loss: 2).

In the first half of the year, revenues were up 30 percent to SEK 214 M (165) and the operating profit increased to SEK 61 M (31), corresponding to an operating margin of 28.4 (18.8) percent. These figures represent the highest-ever sales and the best results by far posted for the first half-year.

DEVELOPMENT OF RAYCARE CONTINUES AS PLANNED

RayCare is the next-generation oncology information system. When the system is launched in 2017, cancer clinics worldwide will gain access to a comprehensive information system for all major methods used for cancer treatments – radiation therapy, chemotherapy and surgery. RayCare will be able to automate workflows and store information about a patient's complete cancer treatment plan, thus offering new possibilities for data analysis and the evaluation of treatment outcomes. To ensure that we meet the needs of these clinics, our development activities are taking place in close collaboration with leading cancer clinics. Our present partners include the University of California San Francisco in the US, University Medical Center Groningen in the Netherlands and Iridium Kankernetwerk in Belgium. Additional world-leading business partners will be joining us during the year, and we are planning to demonstrate RayCare at the 2016 ASTRO Annual Meeting in Boston in late September.

CLEAR PLAN AND SOLID BASE FOR CONTINUED FOCUS

Our sales and earnings will continue to vary from quarter to quarter, since order intake and deliveries remain subject to relatively large fluctuations. However, I take great pleasure in confirming that our sales have now reached record year-on-year levels for eleven consecutive quarters. We also expect this growth to continue and that our recurring support revenues from RayStation will grow steadily. This provides a stable base for continued investments in both RayStation and RayCare.

To date, some 330 cancer clinics in some 24 countries have purchased RayStation. At the same time, there are more than 8,000 radiation therapy clinics worldwide and that number will undoubtedly grow over the next decade. The driving forces include rising cancer rates, growing awareness of the benefits of radiation therapy and major healthcare reforms in Asia. The market is therefore growing steadily. But we will continue to grow considerably faster than the market. We are aiming for a global market share of a minimum of 30 percent in the not too distant future.

Leading a company like RaySearch is a privilege. The drive and innovative spirit in this company is exceptional, and we have excellent prospects for succeeding with our joint mission – to continue the advancement of cancer care by developing innovative software solutions that save lives and improve the quality of life for cancer patients.

Stockholm, August 25, 2016

Johan Löf

President and CEO of RaySearch Laboratories AB (publ)

FINANCIAL INFORMATION

ORDER INTAKE

In the second quarter of 2016, order intake, excluding service agreements, increased 79.3 percent to SEK 129.1 M [72.0], of which order intake for RayStation rose 118.4 percent and amounted to SEK 120.8 M [55.3]. This was primarily attributable to a higher order intake in North America contributing to raising the quarter's order intake and the continued strength in Europe.

Order intake (amounts in MSEK)	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16	Rolling 12 months	Full-year 2015
License order intake – RayStation	55.3	89.6	102.9	72.6	120.8	385.9	316.9
License order intake – Partners	16.7	19.4	15.0	9.3	8.3	52.0	68.3
Total order intake	72.0	109.0	117.9	81.9	129.1	437.9	385.2
Closing order backlog for RayStation	40.2	59.3	49.1	47.1	65.2	65.2	49.1

In the first half of 2016, order intake, excluding service agreements, rose 33.3 percent to SEK 211.0 M [158.3], of which order intake for RayStation increased 55.5 percent and amounted to SEK 193.4 M [124.4]. At June 30, 2016, the order backlog for RayStation was SEK 65.2 M [40.2].

REVENUES

In the second quarter of 2016, sales rose 53.8 percent to SEK 119.0 M [77.3]. Sales consist of license revenues from sales of the RayStation treatment planning system, sales of software modules via partners, and support revenues. The sales increase was largely due to considerably increased revenues from RayStation, which rose 100.0 percent to SEK 107.8 M [53.9]. In the second quarter, sales had the following geographic distribution: North America, 56 percent [44]; Asia, 12 percent [16]; Europe and the rest of the world, 32 percent [40].

Revenues (amounts in MSEK)	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16	Rolling 12 months	Full-year 2015
License revenues – RayStation	49.5	70.5	105.0	74.0	100.7	350.3	285.0
License revenues – Partners	16.7	19.4	15.0	9.3	8.3	52.0	68.3
Support revenues – RayStation	3.0	3.1	4.1	6.7	6.9	20.8	12.6
Support revenues – Partners	6.7	6.9	7.5	5.4	2.8	22.5	28.9
Training and other revenues – RayStation	1.3	0.6	0.4	0.1	0.3	1.4	2.8
Total sales	77.3	100.6	132.0	95.4	119.0	446.9	397.6
Sales growth, %, corresponding period	49.1	40.5	22.4	8.7	53.6	29.8	39.5
Organic sales growth, %, corresponding period	27.3	18.6	14.5	8.7	55.4	23.0	32.9

In the first half of 2016, sales rose 29.9 percent to SEK 214.4 M [165.1], of which revenues from RayStation increased 61.7 percent and amounted to SEK 188.6 M [116.6]. In the first half of the year, sales had the following geographic distribution: North America, 43 percent [42]; Asia, 14 percent [16]; Europe and the rest of the world, 43 percent [42].

OPERATING PROFIT

In the second quarter of 2016, operating profit increased to SEK 37.5 M [loss: 2.1], corresponding to an operating margin of 32.2 percent [neg: 2.7]. The earnings increase was primarily due to a substantial rise in sales of RayStation.

Other operating income and expenses pertained to exchange-rate gains and losses with the net of these, in the second quarter of 2016, amounting to a gain of SEK 3.8 M [loss: 4.1]. The increase was mainly due to the major portion of accounts receivable being denominated in USD, which strengthened in the second quarter compared with the end of the first quarter.

In the first half of the year, operating profit rose to SEK 60.8 M [31.0], corresponding to an operating margin of 28.4 percent [18.8]. RaySearch is continuing to expand its global marketing organization, which has led to higher costs for marketing and for personnel in sales, service and administration, however this cost increase has been more than offset by increased sales in 2016.

Currency effects

The company is dependent on exchange-rate trends in the USD and EUR against the SEK, since invoicing is mainly denominated in USD and EUR, while most of the costs are in SEK. At unchanged exchange rates, sales would have increased 55.4 percent in the second quarter and posted a year-on-year rise of 30.4 percent in the first half of the year. Accordingly, currency effects had a slight negative impact on sales in 2016.

A sensitivity analysis of currency exposure indicates that the impact of a +/-10 percent change in the average USD exchange rate on operating profit for the first half of 2016 would be about +/- SEK 23.4 M, and that the corresponding effect of a +/-10 percent change in the average EUR exchange rate would be about +/- SEK 6.9 M. The company pursues the financial policy established by the Board of Directors, whereby exchange-rate changes are not hedged.

Capitalization of development expenses

At June 30, 2016, some 103 [92] employees were engaged in research and development. Research and development expenses include payroll costs, consulting fees, computer equipment and premises. As of 2016, costs related to the quality department, patents, internal IT support and so forth, have been reallocated from the development department to central administration. Increased capitalization of development expenses pertained mainly to RayCare, which has its planned launch in 2017.

Capitalization of development expenses	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16	Rolling 12 months	Full-year 2015
Research and development expenses	34.5	32.6	37.0	30.6	35.5	135.7	132.5
Capitalization of development expenses	-18.6	-17.4	-28.6	-24.8	-25.7	-96.5	-81.0
Amortization of capitalized development expenses	12.6	12.6	12.0	13.7	14.8	53.1	50.0
Research and development expenses after adjustments for capitalization and amortization of development expenses	28.5	27.8	20.4	19.5	24.6	92.3	101.5

In the first half of the year, before capitalization and amortization of development expenditure, research and development expenses totaled SEK 66.1 M [62.9]. Capitalized development expenditure amounted to SEK 50.5 M [35.0] and in the first six months, amortization of capitalized development expenditure amounted to SEK 28.5 M [25.3]. After adjustments for capitalization and amortization of development expenses, research and development costs totaled SEK 44.1 M [53.2].

Amortization and depreciation

In the second quarter of 2016, total amortization and depreciation was SEK 17.5 M [14.1], of which amortization of intangible fixed assets totaled SEK 14.8 M [12.5], primarily attributable to capitalized development expenditure, and depreciation of tangible fixed assets amounted to SEK 2.7 M [1.6].

Total amortization and depreciation in the first half of 2016 was SEK 34.0 M [27.7], of which amortization of intangible fixed assets totaled SEK 28.5 M [25.3], primarily attributable to capitalized development expenditure, and depreciation of tangible fixed assets amounted to SEK 5.5 M [2.4].

PROFIT FOR THE PERIOD AND EARNINGS PER SHARE

Profit after tax for the second quarter of 2016 amounted to SEK 28.8 M [loss: 2.6], corresponding to earnings per share before and after dilution of SEK 0.84 [loss: 0.08] For the first half of 2016, profit after tax was SEK 46.6 M [22.4], corresponding to earnings per share before and after dilution of SEK 1.36 [0.65]

For the first half of the year, the tax expense was SEK 13.3 M [expense: 7.4], corresponding to an effective tax rate of 22.2 percent [24.9].

CASH FLOW AND LIQUIDITY

In the second quarter of 2016, cash flow from operating activities amounted to SEK 14.9 M [18.5]. Improved earnings were offset by an increase in working capital, primarily an increase in accounts receivable, as a result of the high sales growth during the quarter. Cash flow from operating activities during the first half of the year totaled SEK 36.8 M [57.1].

Cash flow from investing activities was a negative SEK 26.3 M (neg: 27.5) in the second quarter. Investments in intangible fixed assets amounted to SEK 25.8 M (18.6) and comprised capitalized development expenditure attributable to RayStation and RayCare. Excluding financial leasing expenses, investments in tangible fixed assets amounted to SEK 0.5 M (8.9).

In the first six months, cash flow from investing activities was a negative SEK 52.4 M (neg: 57.7). Investments in intangible fixed assets amounted to SEK 50.6 M (35.1) and comprised capitalized development expenditure. Excluding financial leasing expenses, investments in tangible fixed assets amounted to SEK 1.8 M (22.6). Cash flow before financing activities was a negative SEK 11.4 M (neg: 9.1) in the second quarter of 2016 and a negative SEK 15.7 M (neg: 0.6) in the first half of 2016.

Cash flow from financing activities was a negative SEK 9.6 M (neg: 1.0) in the second quarter of 2016 and included finance lease payments as well as a dividend of SEK 8.6 M as resolved by RaySearch's 2016 Annual General Meeting. In the first six months of 2016, cash flow from financing activities was a negative SEK 10.6 M (neg: 1.7).

Cash flow for the period amounted to a negative SEK 26.3 M (neg: 2.3) and at June 30, 2016, consolidated cash and cash equivalents amounted to SEK 33.5 M (53.9).

FINANCIAL POSITION

RaySearch's total assets amounted to SEK 555 M (430) at June 30, 2016, and the equity/assets ratio was 64.3% (63.4) at the same date.

At June 30, 2016, current receivables totaled SEK 266.2 M (156.8). The receivables mainly comprise accounts receivable and the increase was largely due to substantial sales growth. The size of accounts receivable in relation to sales has increased slightly in the second quarter due to a considerable portion of sales being completed at the end of the period.

In November 2014, the company's credit facility was expanded from SEK 30 M to SEK 50 M, whereby chattel mortgages were increased to SEK 50 M. The credit facility comprises an overdraft facility of SEK 25 M and a revolving loan of up to SEK 25 M, which expire on November 4, 2017. Within the terms of the revolving loan, an amount of SEK 25 M has been borrowed until February 2017. Of the company's overdraft facility of SEK 25 M, SEK 4.0 M has been blocked as collateral for bank guarantees, of which EUR 0.4 M has been issued to MedAustron.

The provision pertaining to the settlement with Prowess was reclassified as a liability during 2014, as a result of the signed settlement agreement. The remaining liability of USD 1.6 M is in USD and discounted, since it does not carry any interest until final payment falls due in October 2016. During the year, currency and discounting effects had a negative impact of SEK 0.7 M on profit from financial items.

FINANCIAL INSTRUMENTS

RaySearch's financial assets and liabilities comprise accounts receivable, cash and cash equivalents, accrued income, accrued expenses, bank loans, accounts payable and a liability attributable to the settlement agreement signed with Prowess in April 2014. The liability pertaining to the settlement is discounted, while other financial assets and liabilities have short terms. Accordingly, the fair values of all financial instruments are deemed to correspond approximately to their carrying amounts. RaySearch has not applied net accounting to any financial assets or liabilities, and has no agreements that permit offsetting.

EMPLOYEES

At the end of the first half of the year, the Group had 182 (153) employees, of whom 152 were based in Sweden and 30 in foreign subsidiaries. The average number of employees during the January-June period of 2016 was 179 (144).

PARENT COMPANY

RaySearch Laboratories AB (publ) is the Parent Company of the RaySearch Group. Since the Parent Company's operations match the Group's operations in all material respects, the comments for the Group are also largely relevant for the Parent Company. However, capitalization of development expenditure and adjustments related to finance leases are recognized in the Group, but not in the Parent Company. The Parent Company's current receivables mainly comprise receivables from Group companies and accounts receivable.

SIGNIFICANT EVENTS DURING THE PERIOD

RaySearch transferred to Mid Cap on Nasdaq Stockholm

On January 4, 2016, the Class B RaySearch share (RAY B) was transferred from the Small Cap to the Mid Cap segment of Nasdaq Stockholm, following Nasdaq's annual review of Nordic market capitalization segments.

RayStation 5 launched, with support for carbon-ion treatment planning and more

In February, it was announced that version 5 of the RayStation treatment planning system had been launched for clinical use in the UK, Australia and New Zealand, and will be launched in most major markets during the first half of 2016. RayStation 5 is the only commercially available treatment planning system that offers support for carbon-ion therapy – the most advanced form of radiation therapy. RayStation 5 also offers several new features, such as robust optimization based on 4D-CT scans, and Plan Explorer – a treatment planning tool that combines automated treatment planning and high-performance algorithms with the ability to generate a range of delivery techniques in a manner that presents completely new opportunities for determining the most effective treatment for each patient.

Long-term collaboration agreement with the University of California San Francisco regarding RayCare

In February, it was announced that RaySearch had signed a long-term collaboration agreement with the University of California San Francisco (UCSF) regarding the RayCare oncology information system that RaySearch is developing. "UCSF is the perfect partner for this development. The university is a world-leading institution for cancer treatment, and also offers an extensive and diverse set of treatment machines and other systems, providing a challenging and ideal environment for the development of RayCare," says Johan Löf.

RayStation has continued to secure more major orders

In the second quarter, it was announced that RaySearch and RayStation had secured several major orders from some of the world's largest and most respected cancer clinics, including:

- The University of California San Francisco (UCSF), which is substantially expanding its RayStation platform and is making a transition to using RayStation as its sole treatment planning system for all linac-based treatment;
- The Miami Cancer Institute, which is the first proton therapy center in South Florida;
- The Holland Particle Therapy Centre (Holland PTC), which is the first proton therapy center in the Netherlands; and
- Several new proton therapy centers in Japan together with Mitsubishi Electric's proton therapy system.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

Changes to the executive management team

Victoria Sörving, General Counsel, has decided to leave the company effective September. Recruitment of her successor is ongoing.

THE COMPANY'S SHARE

In March 2016, 750 Class A shares were converted to Class B shares at the request of a shareholder. At June 30, 2016, the total number of registered shares in RaySearch was 34,282,773, of which 10,262,064 are Class A and 24,020,709 are Class B shares. The quotient value is SEK 0.50 per share and the company's share capital amounted to SEK 17,141,386.50. Each Class A share carries 10 votes and each Class B share carries one vote at shareholders' general meetings. The total number of voting rights in RaySearch amounted to 126,641,349 at June 30, 2016.

SHARE OWNERSHIP

At June 30, 2016, the total number of shareholders in RaySearch was 5,400 and the largest shareholders, according to Euroclear:

Name	Class A shares	Class B shares	Total shareholding	Share capital %	Votes %
Johan Löf	6,243,084	618,393	6,861,477	20.0	49.8
Lannebo Funds	0	5,157,676	5,157,676	15.0	4.1
Montanaro funds	0	2,895,000	2,895,000	8.4	2.3
Second AP Fund	0	1,891,775	1,891,775	5.5	1.5
Erik Hedlund	1,567,089	128,699	1,695,788	5.0	12.5
Anders Brahme	1,390,161	20,000	1,410,161	4.1	11.0
JPMorgan Chase (UK)	0	1,359,437	1,359,437	4.0	1.1
Carl Filip Bergendal	1,061,577	144,920	1,206,497	3.5	8.5
Swedbank Robur Funds	0	776,148	776,148	2.3	0.6
Fourth AP Fund	0	750,573	750,573	2.2	0.6
Total, 10 largest shareholders	10,261,911	13,742,621	24,004,532	70.0	91.9
Others	153	10,278,088	10,278,241	30.0	8.1
Total	10,262,064	24,020,709	34,282,773	100	100

OTHER INFORMATION

RAYSEARCH'S AGM RESOLVED TO PAY DIVIDEND

At RaySearch's AGM, which was held May 17, 2016, Carl Filip Bergendal, Erik Hedlund, Johan Löf and Hans Wigzell were re-elected as Board members. Erik Hedlund was re-elected as Chairman of the Board.

Furthermore, the AGM resolved to pay a dividend amounting to SEK 0.25 per share, corresponding to SEK 8.6 M, which was duly distributed on May 24, 2016. The AGM also resolved to authorize the Board to resolve, on one or several occasions, on new issues of shares up to a maximum of 10 percent of the total number of shares outstanding. The authorization expires in conjunction with the 2017 AGM.

ACCOUNTING POLICIES IN ACCORDANCE WITH IFRS

This condensed interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Swedish Annual Accounts Act. The Parent Company's financial statements have been prepared pursuant to Chapter 9 of the Swedish Annual Accounts Act, Interim Financial Reporting. The same accounting policies and measurement bases applied in the most recent Annual Report have been used to prepare the Group and Parent Company accounts. New or revised IFRS reporting requirements for 2016 have not impacted RaySearch during the period.

RISKS AND UNCERTAINTIES

As a Group operating globally in multiple jurisdictions, RaySearch is exposed to various risks and uncertainties, such as market risks, operational and legal risks, as well as financial risks related to changes in foreign exchange rates, liquidity and financing capability. Risk management at RaySearch is focused on identifying, evaluating and reducing risks related to the Group's business and operations. No significant changes have been made to the risk assessment compared with the 2015 Annual Report. For a more detailed description of RaySearch's risks and risk management, refer to pages 31-32 of RaySearch's 2015 Annual Report.

SEASONAL VARIATIONS

Revenues from RaySearch are subject to seasonal variations that are typical of the industry, whereby the fourth quarter is normally the strongest, while the second quarter is usually slightly weaker.

ENVIRONMENT AND SUSTAINABILITY

RaySearch works actively to reduce its negative environmental impact and to become a sustainable company. The company's products, comprising software to improve radiation therapy for cancer treatment, have a limited negative impact on the environment. RaySearch's environmental impact is mainly related to the purchase of goods and services, energy use and transportation. RaySearch aims to contribute to sustainable development and therefore works actively to improve its environmental performance wherever this is financially viable. RaySearch has an established environmental policy, and promotes social responsibility and long-term sustainable development based on sound ethical, social and environmental principles.

RELATED PARTY TRANSACTIONS

No transactions between RaySearch and related parties materially affected the company's position and earnings during the period.

ESTIMATES

Preparation of the interim report requires that company management makes estimates that affect the carrying amounts of assets, liabilities, revenues and expenses. The actual outcome could deviate from these estimates. The critical sources of uncertainty in the estimates are the same as those in the most recent Annual Report.

REVIEW

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

The Board of Directors and President give their assurance that the six-month report provides a true and fair view of the Group's and the Parent Company's operations, positions and earnings, and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, August 25, 2016

The Board of Directors of RaySearch Laboratories AB (publ)

Erik Hedlund
Chairman of the Board

Johan Löf
President and Board member

Carl Filip Bergendal
Board member

Hans Wigzell
Board member

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The information contained in the interim report is such that RaySearch Laboratories AB (publ) is obliged to disclose under the EU's Market Abuse Regulation and the Securities Market Act. The information was submitted for publication on August 25, 2016, at 7.45 a.m. CET.

FORTHCOMING FINANCIAL INFORMATION

Interim report for the third quarter, 2016

November 18, 2016

Year-end report 2016

February 17, 2017

Interim report for the first quarter 2017

May 12, 2017

2017 Annual General Meeting

May 24, 2017

Interim report for the first six months of 2017

August 25, 2017

Interim report for the third quarter, 2017

November 24, 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

AMOUNTS IN SEK 000S	APR-JUN		JAN-JUN		JUL 2015-	FULL-YEAR
	2016	2015	2016	2015	JUN 2016	2015
Net sales	118,982	77,342	214,383	165,073	446,910	397,600
Cost of goods sold ¹⁾	-5,654	-2,173	-10,907	-6,706	-27,891	-23,690
Gross profit	113,328	75,169	203,476	158,367	419,019	373,910
Other operating income	3,775	-	6,406	11,699	8,389	13,682
Selling expenses	-39,888	-33,737	-71,390	-58,088	-151,662	-138,360
Administrative expenses	-15,128	-10,962	-28,388	-19,867	-51,761	-43,240
Research and development expenditure	-24,594	-28,500	-44,054	-53,228	-92,340	-101,514
Other operating expenses	-	-4,084	-5,205	-7,926	-6,413	-9,134
Operating profit/loss	37,493	-2,114	60,845	30,957	125,232	95,344
Result from financial items	-557	-606	-986	-1,095	-1,745	-1,854
Profit/loss before tax	36,936	-2,720	59,859	29,862	123,487	93,490
Tax	-8,099	115	-13,262	-7,444	-29,099	-23,281
Profit/loss for the period²⁾	28,837	-2,605	46,597	22,418	94,388	70,209
Other comprehensive income						
Items to be reclassified to profit or loss						
Translation difference of foreign operations for the period	-1,393	1,279	-906	-1,555	-1,591	-2,240
Items not to be reclassified to profit or loss	-	-	-	-	-	-
Comprehensive income for the period²⁾	27,444	-1,326	45,691	20,863	92,797	67,969
Earnings/loss per share before and after dilution (SEK)	0.84	-0.08	1.36	0.65	2.75	2.05

¹⁾ Does not include amortization of capitalized development costs, which is included in research and development expenses.

²⁾ 100 percent attributable to Parent Company shareholders.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

AMOUNTS IN SEK 000S	APR-JUN		JAN-JUN		FULL-YEAR
	2016	2015	2016	2015	2015
Opening balance	337,764	273,737	319,517	251,548	251,548
Profit/loss for the period	28,837	-2,605	46,597	22,418	70,209
Translation difference for the period	-1,393	1,279	-906	-1,555	-2,240
Dividend paid	-8,570	-	-8,570	-	-
Closing balance	356,638	272,411	356,638	272,411	319,517

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK 000S	JUNE 30, 2016	JUNE 30, 2015	DEC 31, 2015
ASSETS			
Intangible fixed assets	217,127	173,801	195,114
Tangible fixed assets	38,198	45,482	41,760
Deferred tax assets	57	-	57
Total fixed assets	255,382	219,283	236,931
Current receivables	266,164	156,805	187,854
Cash and cash equivalents	33,526	53,906	59,705
Total current assets	299,690	210,711	247,559
TOTAL ASSETS	555,072	429,994	484,490
EQUITY AND LIABILITIES			
Equity	356,638	272,411	319,517
Deferred tax liabilities	56,192	42,863	51,349
Long-term liabilities	36,129	53,086	38,164
Accounts payable	20,467	7,904	9,514
Other current liabilities	85,646	53,730	65,946
TOTAL EQUITY AND LIABILITIES	555,072	429,994	484,490
Pledged assets	54,000	53,800	54,000

CONSOLIDATED STATEMENT OF CASH FLOW IN SUMMARY

AMOUNTS IN SEK 000S	APR-JUN		JAN-JUN		FULL-YEAR
	2016	2015	2016	2015	2015
Profit/loss before tax	36,936	-2,720	59,859	29,862	93,490
Adjusted for non-cash items ¹⁾	22,334	18,726	34,347	25,744	46,857
Taxes paid	-4,827	-3,519	-11,574	-5,327	-13,595
Cash flow from operating activities before changes in working capital	54,443	12,487	82,632	50,279	126,752
Cash flow from changes in working capital	-39,535	5,971	-45,861	6,830	-15,326
Cash flow from operating activities	14,908	18,458	36,771	57,109	111,426
Cash flow from investing activities	-26,347	-27,546	-52,422	-57,712	-103,855
Cash flow from financing activities	-9,591	-1,004	-10,604	-1,700	-3,946
Cash flow for the period	-21,030	-10,092	-26,255	-2,303	3,625
Cash and cash equivalents at the beginning of the period	54,644	64,540	59,705	56,085	56,085
Exchange-rate difference in cash and cash equivalents	-88	-542	76	124	-5
Cash and cash equivalents at the end of the period	33,526	53,906	33,526	53,906	59,705

1) These amounts primarily include amortization of capitalized development expenses.

PARENT COMPANY INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK 000S	APR-JUN		JAN-JUN		FULL-YEAR
	2016	2015	2016	2015	2015
Net sales	102,750	64,064	182,300	138,906	337,060
Cost of goods sold ¹⁾	-2,628	-891	-5,227	-4,084	-12,040
Gross profit	100,122	63,173	177,073	134,822	325,020
Other operating income	3,775	-	6,406	11,699	13,682
Selling expenses	-29,518	-22,879	-49,276	-36,783	-94,992
Administrative expenses	-15,373	-11,208	-28,876	-20,298	-44,166
Research and development expenses	-35,481	-34,515	-66,067	-62,948	-132,547
Other operating expenses	-	-4,084	-5,205	-7,926	-9,134
Operating profit/loss	23,525	-9,513	34,055	18,566	57,863
Result from financial items	-414	-408	-692	-795	1,470
Profit/loss after financial items	23,111	-9,921	33,363	17,771	59,333
Appropriations	-	-	-	-	-16,521
Profit/loss before tax	23,111	-9,921	33,363	17,771	42,812
Tax	-5,564	1,904	-7,925	-4,336	-10,217
Profit/loss for the period	17,547	-8,017	25,438	13,435	32,595

¹⁾ Does not include amortization of capitalized development costs, which is included in research and development expenses.

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN SEK 000S	APR-JUN		JAN-JUN		FULL-YEAR
	2016	2015	2016	2015	2015
Profit/loss for the period	17,547	-8,017	25,438	13,435	32,595
Other comprehensive income	-	-	-	-	-
Comprehensive income/loss for the period	17,547	-8,017	25,438	13,435	32,595

PARENT COMPANY BALANCE SHEET IN SUMMARY

AMOUNTS IN SEK 000S	JUNE 30, 2016	JUNE 30, 2015	DEC 31, 2015
ASSETS			
Tangible fixed assets	24,330	27,839	26,272
Financial fixed assets	639	2,493	485
Deferred tax assets	57	-	57
Total fixed assets	25,026	30,332	26,814
Current receivables	277,802	187,952	241,528
Cash and cash equivalents	23,945	42,533	25,831
Total current assets	301,747	230,485	267,359
TOTAL ASSETS	326,773	260,817	294,173
EQUITY AND LIABILITIES			
Equity	186,171	149,647	169,302
Untaxed reserves	37,551	21,029	37,551
Deferred tax liabilities	163	-	163
Long-term liabilities	25,000	37,676	25,000
Accounts payable	22,502	9,126	9,929
Other current liabilities	55,386	43,339	52,228
TOTAL EQUITY AND LIABILITIES	326,773	260,817	294,173
Pledged assets	54,000	53,800	54,000

GROUP QUARTERLY OVERVIEW

AMOUNTS IN SEK 000s	2016		2015				2014	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Income statement								
Net sales	118,982	95,401	131,957	100,570	77,342	95,401	107,782	71,601
Operating profit/loss	37,493	23,352	44,302	20,085	-2,114	23,352	52,767	18,225
Operating margin, %	31.5	24.5	33.6	20.0	-2.7	24.5	49.0	25.5
Profit/loss for the period	28,837	17,760	33,311	14,480	-2,605	17,760	40,696	13,201
Net margin, %	24.2	18.6	25.2	14.4	-3.4	18.6	37.8	18.4
Cash flow								
Operating activities	14,908	21,863	41,224	13,093	18,458	21,863	22,478	8,761
Investing activities	-26,347	-26,075	-27,564	-18,579	-27,546	-26,075	-16,071	-11,457
Cash flow before financing activities	-11,439	-4,212	13,660	-5,486	-9,088	-4,212	6,407	-2,696
Financing activities	-9,591	-1,013	-1,234	-1,012	-1,004	-1,013	24,345	-
Cash flow for the period	-21,030	-5,225	12,426	-6,498	-10,092	-5,225	30,752	-2,696
Capital structure								
Equity/assets ratio, %	64.3	66.5	65.9	62.3	63.4	66.5	64.5	70.1
Per share data, SEK								
Earnings per share before dilution	0.83	0.52	0.97	0.42	-0.08	0.52	1.19	0.39
Earnings per share after dilution	0.83	0.52	0.97	0.42	-0.08	0.52	1.19	0.39
Equity per share	10.40	9.85	9.32	8.36	7.95	9.85	7.34	6.22
Cash flow from operating activities	0.43	0.64	1.20	0.38	0.54	0.64	0.66	0.26
Closing share price	119.00	120.50	122.50	119.00	108.00	120.50	53.00	41.70
Other								
Number of shares before and after dilution, 000s	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8
Average number of employees	181	177	175	164	150	177	136	129

GROUP, ROLLING 12 MONTHS

AMOUNTS IN SEK 000s	Jul 2015- Jun 2016	Apr 2015- Mar 2016	Jan 2015- Dec 2015	Oct 2014- Sep 2015	Jul 2014- Jun 2015	Apr 2014- Mar 2015	Jan 2014- Dec 2014	Oct 2013- Sep 2014
Income statement								
Net sales	446,909	405,268	397,600	373,423	344,455	318,971	285,217	267,548
Operating profit	125,232	85,625	95,344	103,809	101,949	106,205	79,360	26,999
Operating margin, %	28.0	21.1	24.0	27.8	29.6	33.3	27.8	10.1

DEFINITIONS OF KEY RATIOS

Guidelines on alternative performance measures for companies whose securities are listed on a regulated market in the EU have been published by the ESMA (The European Securities and Markets Authority). These guidelines are to be applied for any alternative performance measures used from July 3, 2016.

The interim report refers to a number of non-IFRS performance measures, which are used to help investors and the company management with analysis of RaySearch's operations. Below is a description of the of non-IFRS performance measures that have been used to complement the financial information reported in line with IFRS.

Non-IFRS performance measure	Definition	Motivation for using the measure
Order intake excluding service agreements	The value of orders received and changes to existing orders during the current period excluding the value of service agreements.	Order intake is an indicator of future revenues and, thus comprises a key performance measure for RaySearch's operations.
Order backlog	The closing value of the orders that the company has yet to deliver and recognize as revenue.	The order backlog shows the value of orders already booked by RaySearch under operating activities that will be converted to revenues in the future.
Organic sales growth	Sales growth excluding currency effects.	This measure is used to follow the underlying sales growth driven by changes in volume, pricing and mix for comparable units between different periods.
Gross profit	Net sales minus cost of goods sold.	Gross profit is used to illustrate the margin before sales, research, development and administration expenses.
Operating profit	This is calculated as earnings before financial items and tax.	The operating profit provides a compiled picture of the total generation of earnings in operating activities.
Operating margin	Operating profit expressed as a percentage of net sales.	Together with sales growth, the operating margin is a key element for monitoring value creation.
Net margin	Profit for the period as percentage of the net sales for the period.	The net margin illustrates the proportion of net sales that remains after deducting the company's expenses.
Rolling 12 months' sales, operating profit or other results	Sales, operating profit or other results measured over the last 12-month period (LTM).	This measure is used to more clearly illustrate the trends for sales, operating profit and other results, and is relevant since RaySearch's revenues are subject to variations from one month to another.
Working capital	The Group's working capital is calculated as current operating receivables less current operating liabilities.	This measure shows how much working capital is tied up in operations and can be shown in relation to net sales to demonstrate the efficiency with which working capital has been used.
Return on equity	Calculated as profit for the period as percentage of average equity. Average equity is calculated as the sum of closing equity at the end of the period plus closing equity at the end of the corresponding year-earlier period, which is then divided by two.	This illustrates from a shareholder perspective the return generated on the owners' invested capital.
Equity/assets ratio	Equity expressed as a percentage of total assets.	This is a standard measure to show financial risk, and is expressed as the percentage of the total restricted equity that has been financed by the owners.

Other performance measures	Definition
Earnings per share	Net earnings divided by the average number of shares during year.
Cash flow from operating activities per share	Cash flow from operating activities divided by the average number of shares.
Equity per share	Equity divided by the number of shares at year-end.

CALCULATION OF FINANCIAL MEASURES NOT INCLUDED IN THE IFRS REGULATORY FRAMEWORK

AMOUNTS IN SEK 000s	June 30, 2016	June 30, 2015	Dec 31, 2015
Working capital			
Accounts receivable	207,946	142,321	168,973
Other current receivables	58,218	14,484	18,881
Accounts payable	-20,467	-7,904	-9,514
Other current liabilities	-85,646	-53,731	-65,946
Working capital	160,051	95,170	112,394

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ABOUT RAYSEARCH

RaySearch Laboratories is a medical technology company that develops advanced software solutions for improved radiation therapy of cancer. RaySearch develops and markets the RayStation treatment planning system to clinics all over the world and distributes products through licensing agreements with leading medical technology companies. The company is also developing the next-generation oncology information system, RayCare, which comprises a new product area for RaySearch, and which will be launched in 2017. RaySearch's software is currently used by over 2,600 clinics in more than 65 countries. The company was founded in 2000 as a spin-off from the Karolinska Institute in Stockholm and the share has been listed on Nasdaq Stockholm since November 2003. More information about RaySearch is available at www.raysearchlabs.com.

BUSINESS CONCEPT

RaySearch's business concept is to contribute to the advancement of cancer care by developing innovative software solutions that improve the quality of life for cancer patients and save lives.

BUSINESS MODEL

RaySearch's revenue is generated as customers pay an initial license fee for the right to use RaySearch's software and an annual service fee for access to updates and support. The RayStation treatment planning system is being developed at RaySearch's head office in Stockholm, and is distributed and supported by the company's global marketing organization.

STRATEGIES

RaySearch's strategy is to offer innovative software solutions for improved cancer care. Essentially, a radiation therapy clinic needs two software platforms for its operations: an information system and a treatment planning system. Through RayStation and the planned launch of RayCare in 2017, RaySearch will further strengthen its position and continue to grow with high profitability. The strategy is based on strong focus on software development, leading functionality, broad support for different types of treatment techniques and radiation therapy machines, as well as high-level investment in research and development.