

Improved earnings for the quarter and interim period

Quarter, July–September 2014

- Net sales totaled SEK 73.6 million (69.9), up 5.3 percent. Changes in the USD and EUR exchange rates had a positive impact of SEK 2.0 million on net sales.
- Operating profit was SEK 10.0 million (loss: 91.7).
- Net profit amounted to SEK 9.5 million (loss: 72.4).
- Earnings per share before and after dilution amounted to SEK 2.02 (loss: 15.38).

Key events during the quarter

Continued efficiency enhancement

The efficiency-enhancement program, called the P20 project, which was launched in the first quarter of 2014 continued and was intensified.

Relocation of Swedish operations

In July, the head office and instrument manufacturing operations were relocated from Västberga in southern Stockholm to newly renovated premises in Spånga in northern Stockholm. Despite an increase in the number of square meters, the total rental charge is unchanged. The new premises will lead to more efficient production, enable cost-efficient customer training and facilitate the future expansion of the operations.

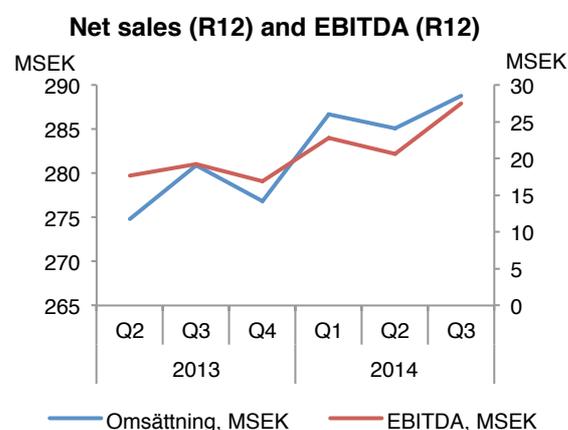
Interim period January–September 2014

- Net sales totaled SEK 216.6 million (204.6), up 5.9 percent. Changes in the USD and EUR exchange rates had a positive impact of SEK 3.7 million on net sales.
- Operating profit totaled SEK 19.5 million (loss: 85.6).
- Net profit was SEK 15.5 million (loss: 68.2).
- Earnings per share before and after dilution amounted to SEK 3.29 (loss: 14.49).

Key events after the period

No key events occurred after the period

Key data	Jan-Sep	Jan-Sep	Jan-Dec
	2014	2013	2013
Net sales, SEK million	216.6	204.6	276.8
EBITDA margin, %	10.5	6.0	6.1
Operating profit/loss, SEK million	19.5	-85.6	-82.4
Operating margin, %	9.0	-41.8	-29.8
Profit after tax, SEK million	15.5	-68.2	-70.1
Earnings per share, SEK	3.29	-14.49	-14.90
Return on equity, %	11.2	Neg.	Neg.
Equity per share, SEK	31.6	27.3	27.1



Comments from the CEO

During the third quarter, our markets performed in line with our earlier reports in 2014. Sales for the quarter rose 5.3 percent year-on-year and sales during the interim period by 5.9 percent year-on-year. The gross margin remained unchanged at 44.9 percent and the ratio between instrument sales and consumables was also largely unchanged.

We can confirm that the market efforts implemented in Latin America, the Middle East and Africa contributed to the favorable trend, particularly system sales to the human market. In the interim period, sales increased 13 percent in Latin America, 46 percent in Africa and 10 percent in the Middle East, year-on-year.

Asia is still a challenge although there are bright spots. The two largest potential markets for our products are China and India. In China, the challenges were primarily slow registration processes, which impeded our sales. Most of the issues have been resolved and the most important products have now been approved in China. Accordingly, we will now increase our activity and presence in the Chinese market. With respect to India, we previously reported on a significant reorganization of our distribution network, which had an impact on sales earlier this year. We can now report an increase in sales in India, corresponding so far to the level of sales in the year-earlier period.

In the North American market, sales of consumables to proprietary instruments increased during the January-September 2014 period. North American instrument sales, both to human and veterinary customers, are lower than in the year-earlier period. During the third quarter of 2014, instrument sales rose slightly. OEM sales remained unchanged, year-on-year, but continue to be an area offering potential future growth.

The efficiency-enhancement program that was launched in early 2014 continued to generate results, which we believe will continue throughout 2014. This is particularly evident in operating profit for the third quarter of 2014, which rose to SEK 10 million compared with SEK 4 million in the year-earlier period (before impairment charges for the POC project in 2013). For the January-September 2014 period, operating profit was SEK 19 million compared with SEK 10 million in the year-earlier period (before impairment charges for the POC project).

Finally, we have moved into modern, customized premises and I am particularly pleased that the move was implemented without disrupting instrument production. We now have a cost-efficient platform with expansion potential.

A handwritten signature in black ink, appearing to read "Ernst Westman".

Ernst Westman
President and CEO



Group performance January–September 2014

Net sales

Net sales during the first nine months of 2014 amounted to SEK 216.6 million (204.6), up 5.9 percent. Changes in the USD and EUR exchange rates had a positive impact of SEK 3.7 million on net sales.

Instrument sales accounted for 40 percent (41) of total net sales, consumables for 52 percent (49) and other sales (service, spare parts and freight) for 8 percent (10).

Consumables' share of total sales is expected to continue to increase.

Net sales by region

SEK million	Jan-Sep 2014	Jan-Sep 2013	Jan-Dec 2013
Western Europe	29.5	21.5	30.7
Eastern Europe	34.2	28.2	46.7
North America	72.9	76.0	106.3
Latin America	21.4	18.9	21.3
Asia	35.5	41.6	48.6
Africa	11.7	8.0	10.6
Middle East	11.4	10.4	12.6
Total	216.6	204.6	276.8

Net sales by product

SEK million	Jan-Sep 2014	Jan-Sep 2013	Jan-Dec 2013
Instruments	87.1	84.3	118.8
Consumables	111.6	100.7	131.8
Other	17.9	19.6	26.2
Total	216.6	204.6	276.8

Gross margin

The gross margin during the first nine months of the year was 44.9 percent, unchanged compared with the year-earlier period.

Expenses

Operating expenses for the first nine months of the year amounted to SEK 80.0 million (81.3 excluding last year's impairment charges for the POC project). The decline was attributable to the launch of the P20 project during the year, which reduced total expenses despite higher marketing efforts.

Research and development expenses charged to earnings totaled SEK 19.8 million (19.7 excluding impairment charges for the POC project), corresponding to 9 percent (9) of net sales.

Research and development expenses of SEK 10.2 million (15.5) were capitalized. Capitalization in 2014 pertains to the development of an updated product

platform that will be launched at the end of 2014, while capitalization in 2013 primarily referred to the development of the POC project.

The net of other operating revenues and other operating expenses was revenue of SEK 2.3 million (expense: 0.6). This item primarily comprised realized and unrealized exchange-rate losses from operations.

Profit

Gross profit during the first nine months of the year rose SEK 5.4 million, from SEK 91.8 million to SEK 97.2 million. The reason main was increased sales of consumables.

Operating profit for the period was SEK 19.5 million (loss: 85.6 including impairment charges for the POC project totaling SEK 95.5 million).

Net financial items amounted to an expense of SEK 1.5 million (expense: 1.4).

Profit before tax was SEK 18.0 million (loss: 87.1).

Net profit for the period was SEK 15.5 million (loss: 68.2).

Investments and cash flow

Cash flow from operating activities, after changes in working capital, totaled SEK 18.8 million (18.1).

Net investments totaled SEK 8.9 million (28.6). The decline mainly comprises lower capitalized development expenses.

During the first nine months of the year, the use of the company's overdraft facility increased by SEK 10.8 million (17.2).

Cash flow for the period amounted to SEK 13.0 million (4.4) and cash and cash equivalents at period-end to SEK 24.8 million (20.3).

Cash and cash equivalents available to the Group, including unutilized credit facilities, amounted to SEK 38.4 million (30.5) at the end of the period.

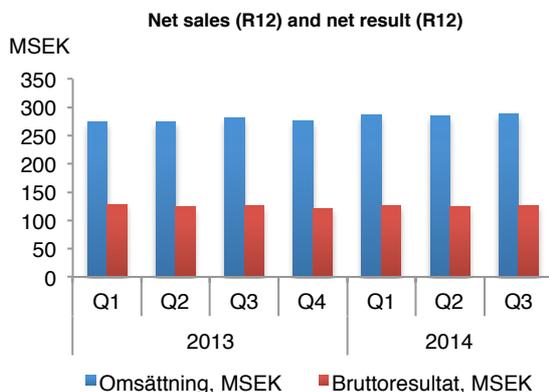
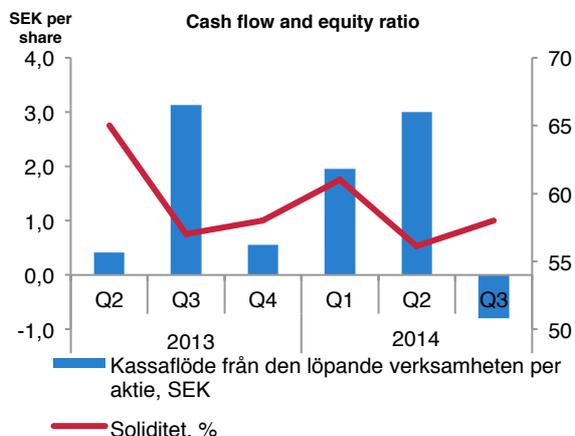
Equity and liabilities

Group equity on September 30, 2014 totaled SEK 148.5 million (128.5) and the equity/assets ratio was 58 percent (57).

Interest-bearing liabilities, which primarily comprise bank overdraft facilities and a loan in the Parent Company, amounted to SEK 57.7 million (48.8) on September 30, 2014. Of interest-bearing liabilities, SEK 7.8 million (4.9) are non-current and SEK 49.9 million (43.9) current. At September 30, 2014, other non-interest-bearing current liabilities and accounts payable totaled SEK 43.6 million (43.5).

At the end of the quarter, deferred tax assets and deferred tax liabilities totaled SEK 10.2 million (12.2) and SEK 7.9 million (3.2), respectively. Loss carryforwards

that have not previously been recognized as assets were recognized as assets during the period, which is why the effective tax rate is below the standard tax rate.



Significant risks and uncertainties

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

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

There is no guarantee that the company's operations will not be subjected to restrictions by government agencies or that it will obtain requisite regulatory approval 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 according to schedule or that the market reception is poorer than expected. These risks could result in lower sales and thus adversely affect the company's earnings. For a detailed description of risks and uncertainties, refer to the 2013 Annual Report.

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, Stockholm, Sweden.

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

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

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

Number of shares

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

Shareholder	Number of shares	Prop. of capital/votes
Siem Capital AB	1,570,084	33.36%
Nortal Investments AB	620,402	13.18%
Linc AB	470,715	10.00%
Thomas Eklund incl.	444,638	9.45%
Ernst Westman incl. family	127,892	2.72%
Leif Ek	100,395	2.13%
Avanza	76,200	1.62%
Société Générale	75,000	1.59%
Other shareholders	1,221,812	25.96%
Total	4,707,138	100.00%

Options

The Annual General Meeting in May 2014 resolved on a new employee share option program. A total of 178,750 options (including hedging) were issued to management and key individuals in the Group. The President received 32,000 options, other senior executives, a total of five, received 11,000 options each and other key employees received 6,000 options each.

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

The calculated market value in accordance with the Black & Scholes method (based on the share price at the time of allocation and a volatility of 30 percent) was SEK 7.81 per option at the date of allotment, which will

be expensed during the period of service. The Group will also have to pay social security fees on the benefit received by the employee. As a result of the employee share option program, Boule Diagnostics AB has, through a subsidiary, a holding of 43,750 warrants for hedging purposes. The underlying warrants have conditions that, in all material respects, match the employee options relating to the respective hedge. These warrants will ensure share delivery should all the employee share stock 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 at full exercise of the employee share stock options will not, as such, be eliminated by this hedge.

Some 30,000 warrants have already been issued to three key individuals in the Group. The warrants 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 price of SEK 54.46 per share.

Personnel

The average number of employees in the Group during the period was 176 (175), with the Parent Company accounting for 8 (5). By country, the average number in Sweden was 77 (75), the US 79 (76), China 17 (19), Switzerland 3 (3), Mexico 1 (1) and Poland 0 (1).

The average number of women in the Group was 61 (59) and men 115 (116).

Accounting policies

Boule Diagnostics AB (publ) applies IFRS (International Reporting Standards) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report for the

Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, Chapter 9 and RFR 2 Accounting for Legal Entities. The interim report should be read together with the Annual Report for the fiscal year that ended on December 31, 2013. 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.

Annual General Meeting 2015

The Annual General Meeting (AGM) of the company will be held at Boule, Domnarsgatan 4, Stockholm, at 6:00 p.m. on May 12, 2015.

Notice convening the AGM will be published on www.boule.se.

Nomination Committee ahead of the 2015 AGM

The Nomination Committee represents the company's shareholders. The Nomination Committee is tasked with preparing as good supporting documentation as possible for the AGM and with submitting proposals for resolutions on the election of Board members and auditors as well as their remuneration. The company's Nomination Committee comprises four members: one member appointed by each of the three largest shareholders and the Chairman of the Board. Unless the members agree otherwise, the Chairman of the Nomination Committee is the member appointed by the largest shareholder. The Nomination Committee for the 2015 appointment comprises:

- Lars-Olof Gustavsson
- Bengt Julander
- Staffan Persson
- Hans Wesslau

Nominations of Board members may be submitted to the Nomination Committee at www.boule.se/contact-us. Write "Nomination Committee" in the subject line.

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, November 4, 2014
Boule Diagnostics AB

Lars-Olof Gustavsson
Chairman of the Board

Eva-Lotta Kraft
Board member

Ernst Westman
President and CEO

Gösta Oscarsson
Board member

Thomas Eklund
Board member

Britta Dalunde
Board member

Tord Lendau
Board member

Audit review

This report has been reviewed by the company's auditors. Please find the auditors' review report below.

Consolidated statement of other comprehensive income

SEK million	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Jan-Dec 2013
Net sales	73.6	69.9	216.6	204.6	276.8
Cost of goods sold	-41.1	-39.2	-119.4	-112.8	-155.3
Gross profit	32.5	30.7	97.2	91.8	121.5
Other operating revenues	2.9	-0.8	3.6	0.2	0.9
Selling and marketing expenses	-14.0	-14.2	-44.0	-42.7	-59.1
Administrative expenses	-4.5	-4.2	-16.2	-18.9	-25.1
Research and development expenses ¹⁾	-6.0	-102.4	-19.8	-115.2	-119.6
Other operating expenses	-0.9	-0.8	-1.3	-0.8	-1.0
Operating profit/loss	10.0	-91.7	19.5	-85.6	-82.4
Financial income	0.0	0.0	0.0	0.1	0.0
Financial expenses	-0.7	-0.3	-1.3	-0.9	-1.2
Exchange rate differences	-0.2	-0.3	-0.2	-0.6	-0.6
Net financial items	-0.9	-0.6	-1.5	-1.4	-1.8
Profit/loss before tax	9.1	-92.3	18.0	-87.1	-84.2
Current tax	0.9	-0.4	-0.6	-0.4	-0.7
Deferred tax	-0.5	20.3	-1.9	19.3	14.8
Net profit/loss	9.5	-72.4	15.5	-68.2	-70.1
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	5.5	-2.8	7.7	-0.6	0.3
Other comprehensive income/loss for the period	5.5	-2.8	7.7	-0.6	0.3
Total comprehensive income/loss for the period	15.0	-75.2	23.2	-68.8	-69.8
Earnings/loss per share before and after dilution (SEK)	2.02	-15.38	3.29	-14.49	-14.90

¹⁾ Including SEK 95.5 million for impairment of the POC project in Jan–Dec 2013, Jan-Sep 2013 and Jul-Sep 2013.

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

Consolidated statement of financial position

SEK million	Sep 30, 2014	Sep 30, 2013	Dec 31, 2013
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Capitalized development expenses	22.2	4.7	12.1
Goodwill	66.5	61.0	61.6
<i>Total intangible assets</i>	<i>88.7</i>	<i>65.7</i>	<i>73.7</i>
<i>Tangible fixed assets</i>			
Plant and machinery	4.4	1.8	2.1
Equipment, tools, fixtures and fittings	10.3	11.1	11.6
Leasehold improvements	2.7	2.0	2.1
<i>Total tangible fixed assets</i>	<i>17.4</i>	<i>14.9</i>	<i>15.8</i>
<i>Financial fixed assets</i>			
Long-term non-interest-bearing receivables	0.2	0.0	0.2
Deferred tax assets	10.2	12.2	10.0
<i>Total financial fixed assets</i>	<i>10.4</i>	<i>12.2</i>	<i>10.2</i>
Total fixed assets	116.5	92.8	99.7
Current assets			
<i>Inventory</i>			
Raw materials and supplies	32.9	32.9	26.8
Intermediate goods	1.9	2.2	2.7
Finished goods and goods for resale	13.7	17.0	18.3
<i>Total inventory</i>	<i>48.5</i>	<i>52.1</i>	<i>47.8</i>
<i>Current receivables</i>			
Tax assets	2.0	1.4	2.1
Accounts receivable	57.8	47.4	50.1
Other receivables	3.2	5.0	6.4
Prepaid expenses and accrued income	4.8	5.0	3.5
<i>Total current receivables</i>	<i>67.8</i>	<i>58.8</i>	<i>62.1</i>
<i>Cash and cash equivalents</i>	<i>24.8</i>	<i>20.3</i>	<i>11.1</i>
Total current assets	141.1	131.1	121.0
TOTAL ASSETS	257.6	224.0	220.7

Consolidated statement of financial position (cont.)

SEK million	Sep 30, 2014	Sep 30, 2013	Dec 31, 2013
EQUITY			
Share capital	4.7	4.7	4.7
Other contributed capital	188.3	190.6	190.6
Translation reserve	-2.1	-10.8	-9.8
Retained earnings including net profit/loss for the period	-42.4	56.0	-58.0
TOTAL EQUITY	148.5	128.5	127.5
LIABILITIES			
<i>Long-term liabilities</i>			
Long-term interest-bearing liabilities	7.8	4.9	8.5
Deferred tax liabilities	7.9	3.2	5.6
<i>Total long-term liabilities</i>	<i>15.7</i>	<i>8.1</i>	<i>14.1</i>
<i>Current liabilities</i>			
Current interest-bearing liabilities	49.9	43.9	37.9
Accounts payable	10.6	13.8	14.7
Tax liabilities	0.0	0.1	0.0
Other liabilities	1.8	5.5	4.5
Accrued liabilities and deferred income	30.6	23.7	21.5
Provisions	0.5	0.5	0.5
<i>Total current liabilities</i>	<i>93.4</i>	<i>87.4</i>	<i>79.1</i>
TOTAL LIABILITIES	109.1	95.5	93.2
TOTAL EQUITY AND LIABILITIES	257.6	224.0	220.7
Pledged assets and contingent liabilities			
Pledged assets	55.8	40.0	48.5
Contingent liabilities	None	None	None

Consolidated statement of changes of equity

SEK million	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. net profit/loss for period	Total equity
Equity, opening balance, Jan. 1, 2013	4.7	191.2	-10.1	13.9	199
Total comprehensive income/loss for the period					
Net loss for the period	-	-	-	-70.1	-70
Other comprehensive income for the period	-	-	0.3	-	0
Total comprehensive income/loss for the period	-	-	0.3	-70.1	-69
Transactions with shareholders					
Dividends	-	-0.6	-	-1.8	-2
Equity, closing balance, Dec. 31, 2013	4.7	190.6	-9.8	-58.0	127
Equity, opening balance, Jan. 1, 2014	4.7	190.6	-9.8	-58.0	127
Total comprehensive income/loss for the period					
Net profit for the period	-	-	-	15.5	16
Employee share option program	-	0.1	-	-	0
Other comprehensive income for the period	-	-	7.7	-	7
Total comprehensive income for the period	-	-	7.7	15.5	24
Transactions with shareholders					
Dividends	-	-2.4	-	-	-2
Equity, closing balance, Sep. 30, 2014	4.7	188.3	-2.1	-42.4	148

Consolidated cash flow statement

SEK million	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Jan-Dec 2013
Operating activities					
Operating profit/loss	10.0	-91.7	19.5	-85.6	-82.4
Adjustments for non-cash items ¹⁾	0.3	106.7	2.4	108.6	104.5
Interest received	0.0	0.0	0.1	0.1	0.0
Interest paid	-0.7	-0.4	-1.4	-1.2	-1.6
Income tax paid	-0.4	0.0	-0.4	-0.3	-0.3
Cash flow from operating activities before changes in working capital	9.2	14.5	20.2	21.4	20.2
Cash flow from changes in working capital					
Increase (-)/Decrease (+) in inventory	0.6	0.2	1.3	-5.9	-1.9
Increase (-)/Decrease (+) in operating receivables	-7.0	13.8	-4.4	2.6	-0.3
Increase (+)/Decrease (-) in operating liabilities	-6.7	-13.7	1.7	0.0	-2.3
Cash flow from changes in working capital	-13.1	0.2	-1.4	-3.3	-4.5
Cash flow from operating activities	-3.9	14.7	18.8	18.1	15.7
Investing activities					
Acquisition of tangible fixed assets	-2.3	-10.5	-4.4	-13.2	-9.9
Disposal of tangible fixed assets	-	0.1	-	0.1	0.1
Capitalized development expenses	-3.2	-2.6	-10.3	-15.5	-23.3
Cash flow from investing activities	-5.5	-13.0	-14.7	-28.6	-33.1
Financing activities					
Loans raised	2.0	0.0	2.0	0.0	5.0
Amortization of loans	-0.4	0.0	-1.5	0.0	-5.5
Increase (+)/Decrease (-) in current financial liabilities	8.4	-1.0	10.8	17.2	15.8
Dividends	-	0.0	-2.4	-2.4	-2.4
Cash flow from financing activities	10.00	-1.0	8.9	14.8	12.9
Cash flow for the period	0.5	0.8	13.1	4.4	-4.5
Cash and cash equivalents at the beginning of the period	23.4	19.3	11.1	15.9	15.9
Exchange rate differences in cash and cash equivalents	0.9	0.2	0.7	0.0	-0.3
Cash and cash equivalents at the end of the period	24.8	20.3	24.8	20.3	11.1
¹⁾ Of which, depreciation and amortization	1.2	96.1	3.3	98.0	99.3

Parent Company income statement

SEK million	Jan-Sep 2014	Jan-Sep 2013	Jan-Dec 2013
Net sales	13.9	7.3	9.8
Administrative expenses	-18.7	-17.0	-22.5
Other operating revenues	0.0	0.0	0.0
Other operating expenses	0.0	-0.0	0.0
Operating profit/loss	-4.9	-9.7	-12.7
Profit/loss from financial items:			
Other interest income and similar income items	0.0	0.0	0.0
Interest expenses and similar expense items	-0.1	0.0	0.0
Loss before tax	-5.0	-9.7	-12.7
Tax	0.0	0.0	0.0
Net loss	-5.0	-9.7	-12.7

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

Parent Company balance sheet

SEK million	Sep 30, 2014	Sep 30, 2013	Dec 31, 2013
ASSETS			
Fixed assets			
<i>Tangible fixed assets</i>			
Equipment	0.0	0.1	0.1
<i>Total tangible fixed assets</i>	<i>0.0</i>	<i>0.1</i>	<i>0.1</i>
<i>Financial fixed assets</i>			
Shares in Group companies	157.3	157.3	157.3
<i>Total financial fixed assets</i>	<i>157.3</i>	<i>157.3</i>	<i>157.3</i>
Total fixed assets	157.3	157.4	157.4
Current assets			
<i>Current receivables</i>			
Receivables from Group companies	19.7	33.1	35.1
Tax assets	0.4	0.0	0.4
Other receivables	0.3	0.7	0.8
Prepaid expenses and accrued income	8.5	0.4	0.6
<i>Total current receivables</i>	<i>28.9</i>	<i>34.3</i>	<i>36.9</i>
<i>Cash and bank balances</i>	<i>0.3</i>	<i>0.0</i>	<i>0.1</i>
Total current assets	29.2	34.3	37.0
TOTAL ASSETS	186.5	191.7	194.4
EQUITY AND LIABILITIES			
EQUITY			
<i>Restricted equity</i>			
Share capital (4,707,138 shares)	4.7	4.7	4.7
Statutory reserve	141.9	141.9	141.9
<i>Unrestricted equity</i>			
Share premium reserve	46.3	48.7	48.7
Retained earnings	-12.7	0	-
Net profit for the period	-5.0	-9.7	-12.7
Total equity	175.3	185.6	182.6
Liabilities			
<i>Long-term liabilities</i>			
Long-term interest-bearing liabilities	2.5	0.0	3.4
<i>Current liabilities</i>			
Current interest-bearing liabilities	1.3	0.0	1.3
Accounts payable	0.5	0.7	1.9
Liabilities to Group companies	0.5	0.5	0.5
Other liabilities	0.5	0.5	0.4
Accrued expenses and deferred income	4.9	4.4	4.3
<i>Total current liabilities</i>	<i>7.7</i>	<i>6.2</i>	<i>8.4</i>
Total liabilities	10.2	6.2	11.8
TOTAL EQUITY AND LIABILITIES	186.5	191.7	194.4
Pledged assets and contingent liabilities for the Parent Company			
Pledged assets	88.3	83.3	83.3
Contingent liabilities	40.4	None	None

Introducing Boule

Boule Diagnostics AB is active in the field of hematology, a branch of medicine concerned with the study of the blood, blood diseases and other diseases that can be diagnosed based on a complete blood count (CBC). Today, the CBC is one of the world's most common diagnostic tests performed at clinical laboratories and analyses are conducted in both human and veterinary diagnostics.

Operations

The company's core operations comprise proprietary development, manufacturing and marketing of CBC systems (instruments, reagents, calibrators and controls). The company's products are sold through distributors in more than 100 countries via subsidiaries in Sweden, the US, Mexico and China. The company focuses on the decentralized market segment, meaning near-patient testing at, for example, small and midsize hospitals, clinics and laboratories in out-patient care.

Boule is one of the few players in the world to develop, produce and market all strategically important components for automated CBC based on proprietary expertise and technology.

In addition to development, manufacturing and sales of consumables for the Group's proprietary systems, the company also develops reagents, calibrators and controls for other manufacturers' instruments for sales under the Group's own brand or to OEM customers.

Vision

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

Business concept

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

Financial objectives

Boule aims to achieve:

- annual average sales growth exceeding 10 percent over a five-year period,
- an annual EBITDA margin that exceeds 15 percent,
- an equity/assets ratio of 30-50 percent.

Business model

The company's business model is based on sales of cell-counting instruments in the global hematology market and then sharing the recurring revenue streams through sales of reagents, controls, calibrators and service/support for the instruments. The company's instruments are locked to its proprietary reagents, thus providing more accurate analysis results and recurring revenue over the life of the instruments.

Another key component of the business model is to sell reagents, calibrators and controls to OEM customers, meaning customers that sell the products under their own brand.

Market

Boule's target group comprises small and midsize clinical laboratories responsible for the world's most common laboratory test, the Complete Blood Count (CBC). The products are marketed in more than one hundred countries via selected and trained distributors. In certain strategic markets, proprietary sales are conducted. To date, more than 20,000 instruments have been installed and several hundred million patient samples have been analyzed using Boule's systems.

Products

The company's product portfolio comprises a number of product families/brands, of which CDS, Medonic, Swelab and Exigo are the most important. The instruments come in a range of designs and primarily target the human diagnostics market but are also sold to the veterinary market. The products are currently marketed via a well-developed distribution network in more than 100 countries, and directly in a few key markets.

Boule's business model



Quarterly overview

	2014				2013			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec
Net sales, SEK million	73.6	69.7	73.3	72.2	69.9	71.3	63.4	76.3
Gross profit, SEK million	32.5	31.1	33.4	29.6	30.7	33.2	27.9	34.9
Gross margin, %	44.2	44.9	45.5	41.0	43.9	46.6	44.0	45.7
EBITDA, SEK million	11.1	4.3	7.3	4.6	4.4	6.5	1.4	6.9
EBITDA margin, %	15.1	6.2	10.0	6.2	6.3	9.1	2.2	9.0
EBIT, SEK million	10.0	3.2	6.3	3.3	-91.7	5.6	0.5	6.0
EBIT margin, %	13.6	4.6	8.6	4.4	-131.2	7.8	0.8	7.9
Profit after tax, SEK million	9.5	1.7	4.3	-1.9	-72.4	5.9	-1.7	3.3
Earnings/loss per share, SEK	2.02	0.36	0.91	-0.41	-15.38	1.25	-0.36	0.69
Cash flow from operating activities per share, SEK	-0.85	2.89	1.95	0.55	3.13	0.41	0.31	-0.75
Return on equity, %	6.7	1.3	-38.9	-42.9	-40.0	4.2	3.7	5.6
Equity per share, SEK	31.6	28.4	27.9	27.1	27.3	43.3	42.1	42.4
Equity/assets ratio, %	58	56	61	58	57	65	70	73

Definitions

Gross profit is net sales less costs for goods sold

Gross margin is gross profit divided by net sales

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

EBITDA margin is EBITDA divided by net sales

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

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

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

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

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

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

Net debt/equity ratio is net debt divided by equity

Equity/assets ratio is equity divided by total assets

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

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

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

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Financial calendar

Year-end report 2014	February 13, 2015
Interim report, first quarter	May 12, 2015
Annual General Meeting	May 12, 2015

The information in this interim 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 November 5 at 08:00 a.m. (CET).

Auditor's report of the review of the summary of the financial information (interim report) in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act

Introduction

We have reviewed the summary of the financial information (interim report) of Boule Diagnostics AB (publ), as of September 30, 2014 and for the nine-month period then ended on that date. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

Scope and focus of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with the Standards on Auditing in Sweden (ISA) and other generally accepted auditing standards. The procedures performed in a review do not enable us to obtain such assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, a conclusion expressed on the basis of a review does not provide the same level of assurance as an opinion expressed on the basis of an audit.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not been prepared, in all material respects, in accordance with IAS 34 for the Group and in accordance with the Swedish Annual Accounts Act for the Parent Company.

Stockholm, November 4, 2014

Öhrlings PricewaterhouseCoopers AB

Leonard Daun
Authorized Public Accountant