

C-RAD AB - YEAR-END REPORT

JANUARY - DECEMBER 2018

Press release February 8, 2019

STRONG FOURTH QUARTER RESULTS IN FULL YEAR PROFIT

FOURTH QUARTER 2018

- Order intake: 75.6 (47.5) MSEK, +59%.
- Revenues: 57.7 (42.0) MSEK, +37%.
- Operating profit: 3.3 (1.1) MSEK, +200%.
- Net results after tax: 24.3 (0.8) MSEK.
- Result per share: 0.79 (0.03) SEK.

FULL YEAR JAN-SEP 2018

- Order intake: 246.8 (192.5) MSEK, +28%.
- Revenues: 190.1 (133.1) MSEK, +43%.
- Operating profit: 0.8 (-10.0) MSEK.
- Net results after tax: 21.2 (-10.9) MSEK.
- Result per share: 0.69 (-0.37) SEK.

SIGNIFICANT EVENTS DURING THE QUARTER

- Cecilia Danckwardt-Lillieström was appointed new CFO for the Group on October 15th, 2018.

SIGNIFICANT EVENTS AFTER THE QUARTER END

- C-RAD and XECAN announce strategic development and sales cooperation regarding a new product.



SUMMARY FINANCIAL RESULT

MSEK	Q4, OCT-DEC			FULL YEAR		
	2018	2017	Change	2018	2017	Change
Order intake	75,6	47,5	59%	246,8	192,5	28%
Revenues	57,7	42,0	37%	190,1	133,1	43%
Gross profit	34,6	25,2	37%	110,1	78,6	40%
Gross profit margin (%)	60%	60%		58%	59%	
Operating profit	3,3	1,1	200%	0,8	-10,0	
Net results after tax	24,3	0,8	2938%	21,2	-10,9	
Cash	9,3	14,6	-36%			
Share price balance sheet day, SEK	25,80	28,30	-9%			
Order backlog	194,0	139,8	39%			
out of which Products	120,2	97,5	23%			
out of which Service contracts	73,8	42,3	74%			

COMMENTS FROM THE CEO

THE FIRST PROFITABLE YEAR IN OUR HISTORY

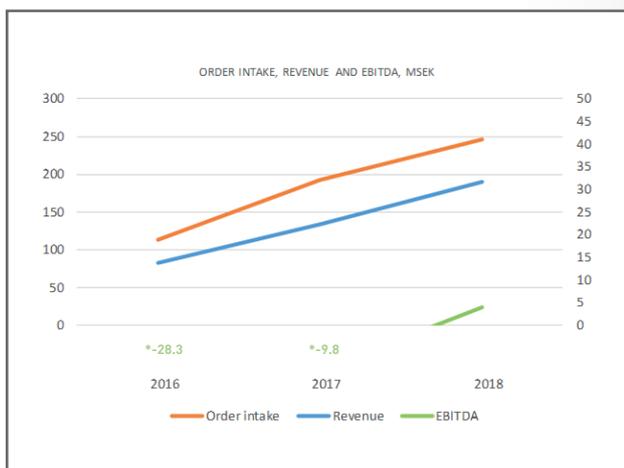
Significant growth in order intake across all segments during the fourth quarter lead to record order intake in C-RAD's history. At the same time revenue and profit both grew healthy in its fourth quarter and helped to close 2018 with a profit, a first for the company.

The total order intake during the fourth quarter was 75.6 MSEK, an increase of 59 percent compared to the same period in 2017. It should be noted that the EMEA region grew with 170 percent. North America is still behind expectations; however, we see that order inflow is improving again. The strong backlog in the beginning of the 2018 and the strong growth of order intake during 2018 led to an impressive growth in revenue from 42.0 MSEK to 57.7 MSEK, an increase of 37 percent over fourth quarter 2017 and 43 percent over the full year. The revenue growth with a stable gross profit margin led to an operating profit of 3.3 MSEK for the quarter and 0.8 MSEK for the full year 2018. The order back log amounts to 194 MSEK compared to 140 MSEK at the end of December 2017.

LOOKING BACK; A SOLID TRACK-RECORD

The end of the year is always a good time for reflection. As we look back at the last three years, I feel really proud on what we have achieved. We nearly tripled the revenues and reach profitability for 2018. Every year the order back log has been around 100 percent of the revenue in the same year, which has led to significant growth in the following year. Order back log end of 2018 was also 100 percent of 2018 revenue.

Our significant growth was driven by a market realizing the importance of surface tracking technology for optimal treatment. The fact that we during this period of time, made substantial investments in sales and service personnel, allowed us to benefit from this trend.



INNOVATIONS THAT MATTER; C-RAD'S TECHNOLOGY BECOMING A STANDARD

During these years, we have built trust and our customers developed confidence in our cutting-edge products. Powerful customer testimonials underline the clinical benefit of our technology. That has resulted in a broader market acceptance and an increasing demand for our products and solutions. Our earlier assessment that C-RAD's technology is rapidly on its way to become the standard of care in radiation therapy, has been proven to be right. In our sales project funnel we see a substantially increased number of smaller orders from primarily new customers, and also existing customers that are upgrading their department with our solution. We strongly believe that this development continues, and we see huge opportunities for further growth.

SUSTAINABLE CANCER CARE; GOOD FOR SOCIETY

In 2018 we saw considerable advances in the way cancer is diagnosed and treated. The Nobel prize for medicine went to a team of researchers in the field of cancer therapy. Going forward it will be of vital importance for innovative technologies, like C-RAD's, to offer the potential to save, improve and extend the lives of millions of people diagnosed with cancer each year all over the world.

"C-RAD is truly dedicated and committed to help to cure even more cancer patients in a sustainable way and improve their quality of life."

Achieving long-term efficiency in cancer care is a complex task and C-RAD has a key-role to play here. C-RAD is truly dedicated and committed to help to cure even more cancer patients in a sustainable way and improve their quality of life.

CANCER NEVER RESTS — and neither do we in our battle to find new ways to make treatments more efficient and safer for the patients. C-RAD is the expert in the niche of patient positioning and that will continue to be our main driver for the future. But we also have the ambition to expand into the new segment of workflow management for radiation therapy. That means we will expand our value proposition to new customers, but also utilize the opportunities in our installed base and thereby be able to sell upgrades. The focus will be to provide cancer centers with the technology to actively monitor their performance, benchmark their workflow and help to identify opportunities to improve efficiency and at the same time make the treatment more personalized and safer for the

patients. This will be achieved by automation in areas where manual steps are not essential and by streamlining processes to allow clinical personnel to spend more time with their patients.

LOOKING AHEAD; WE CONTINUE TO GROW THE COMPANY

Learning from the past, gives us a perspective to look ahead...

- **We are now** having a long track record of steadily increasing order intake year over year, with order intake exceeding revenue. That means we are growing the company. It also provides the means to measure potential growth rates and it indicates sales will continue to grow significantly going forward.
- **We are now** having evidence that we achieved market acceptance and I am convinced that every linear accelerator to be delivered on a worldwide basis in the future, will be equipped with positioning products. This is opening doors onto a huge market.
- **We are now** witnessing more governments around the globe, for example China and Japan, investing significant amounts to empower cancer care systems. Globally, about 42 million people across the world suffers from any form of cancer and the number continues to increase dramatically. That means a huge global potential for us to contribute to a better treatment for more cancer patients by installing our products in an increasing number of cancer clinics around the world.

We are excited to capitalize on the growth potential we see in front of us. We believe in the strengths of our products, the continued strong growth of the industry and the actions that we are taking to uniquely position C-RAD for growth in 2019 and beyond. We remain committed to our growth strategy, and at the same time build a new pillar to our portfolio. I am looking forward to establishing C-RAD even further in proven and new markets and help to make cancer treatment more efficient for health care providers, better in quality and safer for patients and medical personal. That, in a nutshell, is pretty much the game plan.



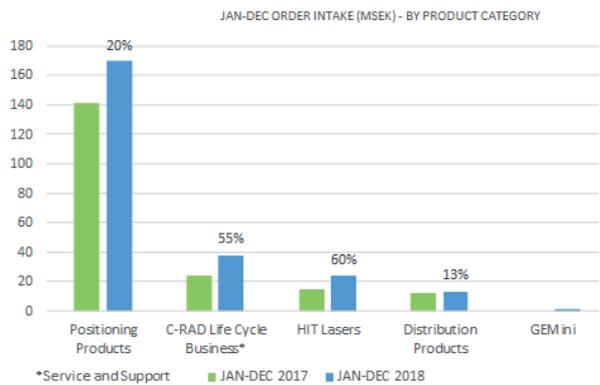
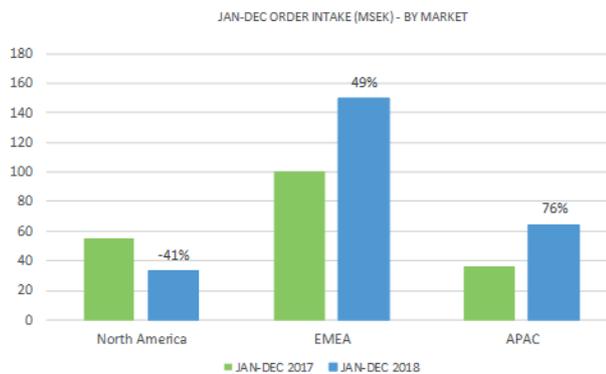
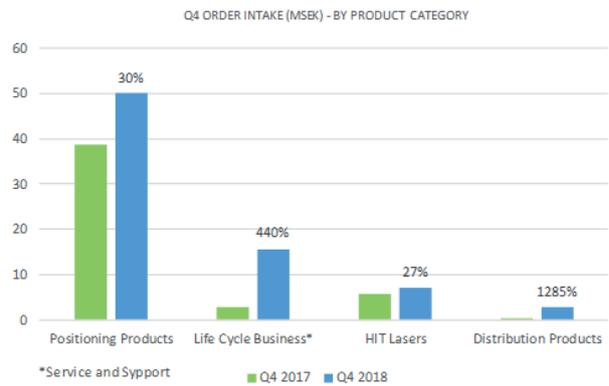
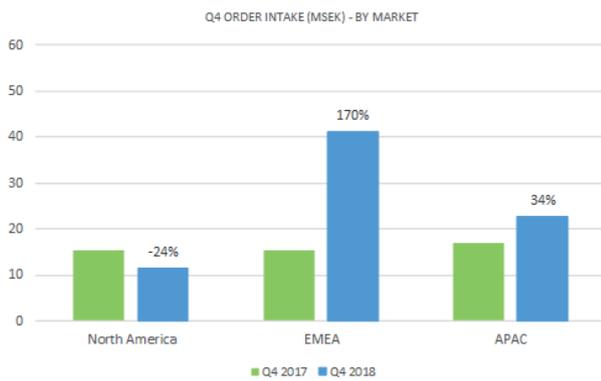
FINANCIAL DEVELOPMENT, GROUP

ORDER INTAKE

Order intake during the fourth quarter amounted to 75.6 MSEK compared to 47.5 MSEK in the previous year, an increase of 59 percent. The order intake growth compared to 2017 was primarily driven by the EMEA-region, with an increase of 170 percent compared to the same quarter in 2017 and with the largest volumes from Italy and Spain. Order intake for the APAC-region increased by 34 percent compared to 2017 while order intake in Americas was weaker than in 2017.

The order intake increased across all product categories during the quarter.

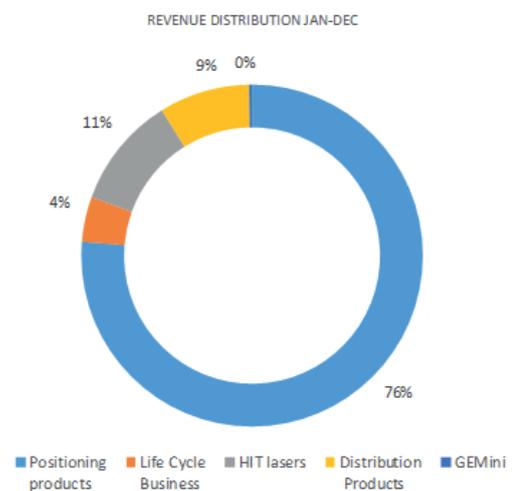
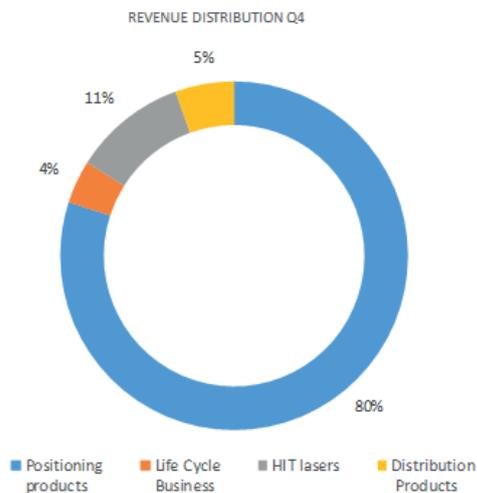
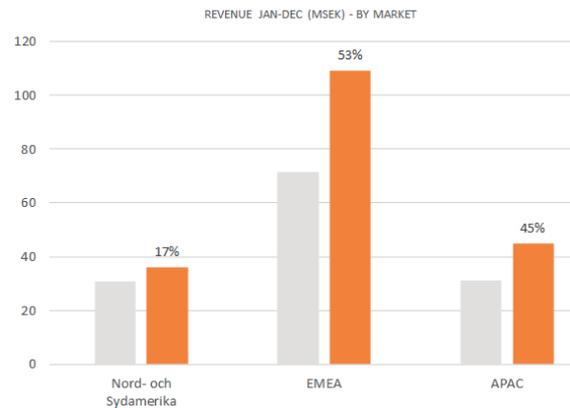
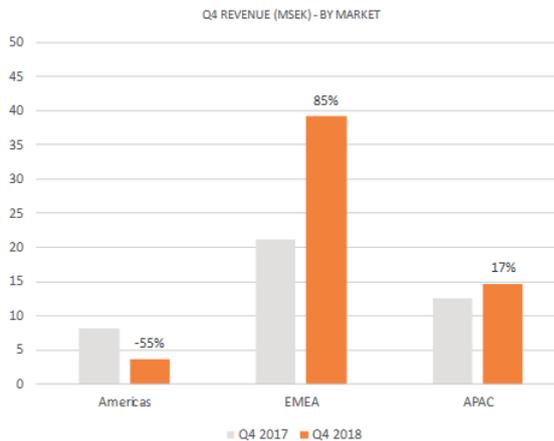
Order intake during January - December amounted to 246.8 MSEK, an increase of 28 percent.



REVENUES

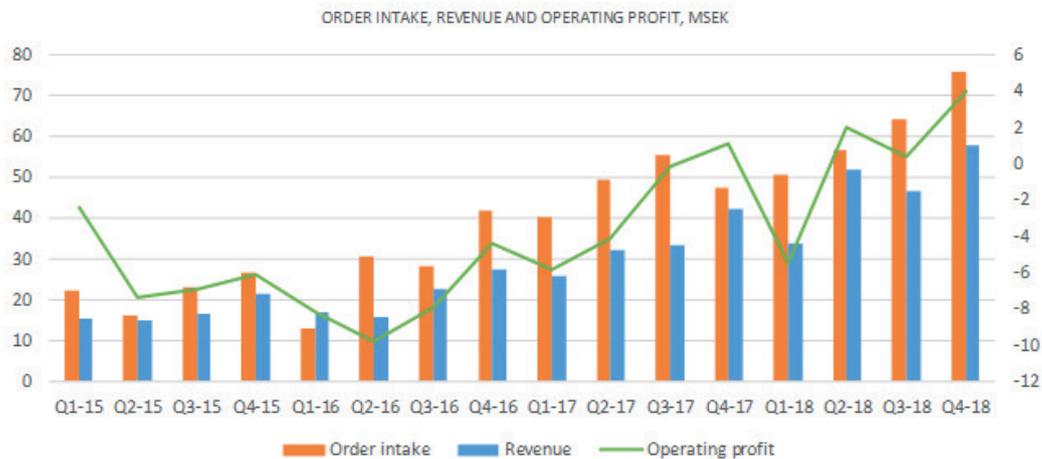
Revenues increased from 42.0 MSEK during the fourth quarter 2017 to 57.7 MSEK during the fourth quarter 2018, an increase of 37 percent. The increase is primarily related to deliveries in the EMEA region, where the largest parts refer to revenue from the DACH and Nordic regions. Revenues in the APAC region increased by 17 percent compared to the same quarter in 2017. Revenues for North America decreased by 55 percent compared to the same quarter in the previous year.

Revenues increased from 133.1 MSEK during the full year 2017 to 190.1 MSEK in 2018, an increase of 43 percent. All regions have developed well looking at the full period January to December in comparison to the previous full year.



SEASONALITY

There is a seasonal pattern in C-RAD's operations. The second half of the year and the fourth quarter in particular are usually the strongest periods, both in terms of order intake and revenues. This is due to the fact that a large number of customers are hospitals and clinics, which have annual budgets per calendar year. As the larger part of C-RAD's cost base is fixed, fluctuations in revenue have a direct impact on the quarterly operating profit. Volatility in order intake between quarters and markets is to be expected in our business.

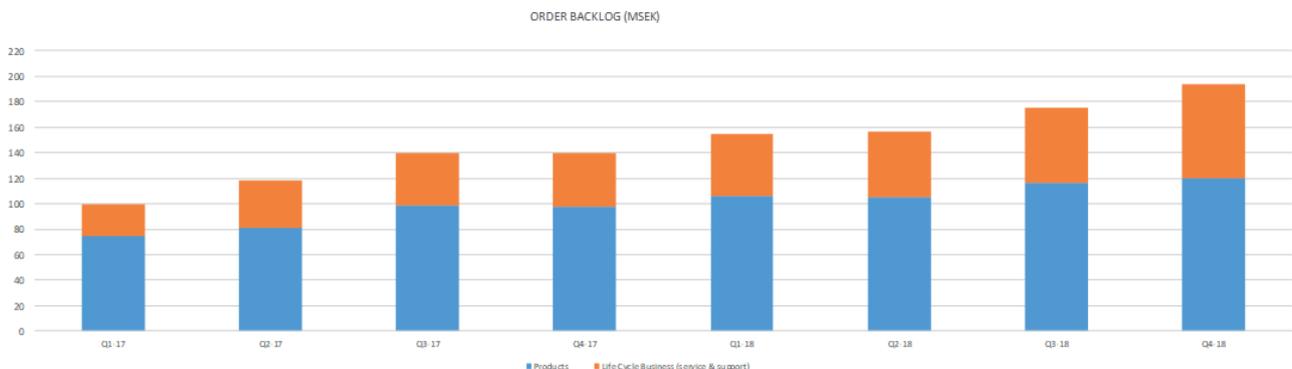


ORDER BACKLOG AND ORDER CONVERSION RATE

The order backlog represents orders that have been received but not delivered and invoiced. The backlog amounted to 194.0 MSEK at the end of fourth quarter of 2018 compared to 139.8 MSEK in the same period of 2017, an increase of 39 percent. From the total order backlog, 120.2 (97.5) MSEK involves products and 73.8 (42.3) MSEK refer to Life Cycle Business (service contracts).

The weighted average delivery time for products recognized as revenue in the third quarter was just above four months (unchanged compared to the same quarter 2017). For the full year 2018, the weighted average was five months, also unchanged from previous year. This is the time from receiving an order until the order is delivered and revenue recognized, based on deliveries of C-RADs own products.

11.9 MSEK of the order backlog for Life Cycle Business will be recognized as revenue within 12 months, as service contracts are recognized as revenue over the contract period. This can be compared to revenues of 8.1 MSEK for the last 12 months. The service contract can be up to eight years while the average duration is around five years.



GROSS PROFIT

Gross profit margin was 60 percent during the fourth quarter 2018, unchanged the corresponding period in 2017. The gross profit on our own products has been relatively stable during the last year. Fluctuations in gross profit can be expected in shorter periods as it is dependent on the product mix and market as well as the exchange rate fluctuations. Gross profit margin for the full period January – December was 58 percent, compared to 59 percent during 2017. The reason for this is that the percentage of distribution products with lower margin was higher in 2018 than in 2017.

OPERATIONAL EXPENSES

Operational expenses for the fourth quarter 2018 amounted to 12.5 MSEK compared to 10.8 MSEK in the previous year. The increase is primarily related to higher marketing expenses in conjunction with an expanded participation at the ASTRO event in the US in the end of the year.

Operational expenses for January – December amounted to 45.6 (36.5).

PERSONNEL EXPENSES

Personnel expenses for the fourth quarter 2018 amounted to 16.3 (13.9) MSEK. The increase compared to last year is mainly related to the expansion of operations, which entails sales- service and development resources being enhanced, but also to remuneration related to order intake and revenue in line with the improved sales and deliveries of purchased systems.

The average number of employees increased from 49 in Q4 2017 to 54 in the corresponding period in 2018. At the end of December 2018, the number of employees in the Group amounted to 52 (49).

Personnel expenses for January to December amounted to 59.3 (51.6) MSEK.

CAPITALIZED DEVELOPMENT COSTS

Capitalizations during the fourth quarter of 2018 of 0.8 (1.1) MSEK are related to continued development of the Positioning products. Amortization of capitalized development expenditures amounted to 1.5 (0.6) MSEK during the quarter. A write-down of 0.5 MSEK was also done on capitalizations made during the second and third quarter related to development of HIT Laser.

Capitalizations during January to December amounted to 3.4 (4.4) MSEK. Amortization and write-downs for the full year amounted to 3.9 (2.2) MSEK. The increase amortization compared to 2017 is due to that amortization on the GEMini development began in July 2018.

Total capitalized development costs amounted to 22.7 (23.4) MSEK at the end of December.

NET FINANCIAL INCOME

Net financial income for the quarter amounted to -0.2 (-0.3) MSEK.

Net financial income for January – December amounted to -0.5 (-0.9) MSEK.

RESULTS

Net results before tax during the quarter amounted to 3.3 MSEK compared to 0.8 MSEK in 2017. Net result after tax amounted to 24.0 (0.8) MSEK, corresponding to 0.79 (0.03) SEK per share. As the group reports a profit for the first time in 2018, with expectations of profit also in the coming years, a deferred tax asset was booked on the accrued taxable loss for the Swedish entities. The tax revenue on deferred tax amounted to 21 MSEK during 2018 and the total value of the deferred tax asset was 28.1 MSEK by the end of December, 2018. The accrued loss in the foreign subsidiaries amounts to 74.6 MSEK.

Net results before tax during January – December amounted to 0.2 (-10.9) MSEK. Net results after tax during January – December amounted to 21,2 (-10.9) MSEK, corresponding to SEK 0,69 (-0.37) per share.

FINANCING AND CASH FLOW

Cash flow during October to December amounted to 1.4 (-3.6) MSEK. Operating cash flow was -2.7 (-0.7) MSEK. Cash flow from financing activities amounted to 5.4 MSEK due to increased usage of the invoice discounting solution in line with higher invoicing.

Cash flow during January – December amounted to -4.4 (1.8) Mkr. Operating cash flow was -9.7 (-4.0) Mkr. Cash flow from financing activities amounted to 9.2 (11.3) MSEK.

By December 31, C-RADs total available funds amounted to 21.4 MSEK, out of which cash balance amounted to 9.3 MSEK and unutilized credit facilities amounted to 12.1 MSEK. Utilized credit facilities as of balance sheet day amounted to 19.9 MSEK.

SIGNIFICANT RISKS AND UNCERTAINTIES

Reference is made to the Annual Report for 2017 page 49-52, regarding significant risks and uncertainties, and how these are managed.

OTHER SIGNIFICANT EVENTS DURING THE QUARTER

Cecilia Danckwardt-Lillieström was appointed Chief Financial Officer on October 15, 2018. There have been no other significant events after the reporting period.

OTHER SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On February 7th, 2019, C-RAD informed that a partnership agreement has been signed with the US based company myRFIDspace to develop new products to advance patient positioning and resource management within radiation therapy. The development work will start immediately with a team from both companies and a first version of the product is expected to be presented in the second quarter 2019.

There have been no other significant events after the reporting period.

SHARES

As of December 31, 2018, the total number of shares in C-RAD were 30 757 036, out of which 862 887 A-shares and 29 894 149 B-shares. Total number of voting rights amounted to 38 523 019, out of which for A-shares 8 628 870 voting rights and for B-shares 29 894 149 voting rights. The Company's registered share capital was 4.6 MSEK. The total number of outstanding shares has been unchanged during the quarter.

INCENTIVE PROGRAM

In order to strengthen the company's possibilities to keep competent personnel and key employees, the company has introduced incentive programs to achieve a long-term owner perspective. The incentive program consists of warrants, sold at market price based on the Black & Scholes valuation model. The following incentive programs are active as per the balance sheet day:

	Number of subscribed warrants	Start date	Earliest date for exercise	Latest date for exercise	Exercise price (kr/aktie)	Average warrant price (SEK/warrant)	Total capital increase as per balance sheet day (SEK)	Total capital increase upon exercise 100% (SEK)
Incentive program 2016/2019	264 000	2016-04-30	2019-02-01	2019-05-01	11,80	1,1	297 000	3 412 200
Incentive program 2017/2020	232 618	2017-05-16	2020-02-01	2020-04-30	21,21	3,4	790 901	5 724 729
Incentive program 2018/2021	100 000	2019-06-15	2021-02-01	2021-04-30	40,54	4,7	466 000	4 520 000

PARENT COMPANY

No operations are carried in the Parent Company except for Group Management and administration. For the full period January – December 2018, revenues for the Parent Company amounted to 18.9 (18.7) MSEK and the result before tax amounted to -5.6 (-2.5) MSEK. Result after tax amounted to -3.4 (-2.5) MSEK as a deferred tax asset of 2.2 MSEK was booked during the period.

During the quarter, a shareholder's contribution was made to C-RAD Imaging AB of 1.3 MSEK. Write-down on shares in subsidiaries was made on the corresponding amount. There was also a write-down made on share in the subsidiary Cyrpa International of 2.3 MSEK.

APPROPRIATION OF THE COMPANY'S PROFIT OR LOSS

The board will propose to the Annual General Meeting that all available funds be carried forward.

NOMINATION COMMITTEE

C-RAD's Nomination Committee ahead of the 2019 Annual General Meeting comprises:

- Per Hamberg
- Lennart Ågren
- Lars Nyberg

The Nomination Committee has appointed Per Hamberg as Chairman of the Committee.

The Nomination Committee is tasked ahead of the 2019 Annual General Meeting with preparing proposals pertaining to the number of Board members, Board fees, the composition of the Board, election of the Chairman of the Board, election of the Chairman of the Annual General Meeting, auditors' fees and the election of auditors as well as guidelines for appointing the Nomination Committee.

Proposal to the nomination committee can be delivered via email: info@c-rad.com no later than February 15, 2019.

UPCOMING EVENTS

February 8, 2019	Webcast, Consolidated Year End Report, 2018. 13.00 CET.
May 8th, 2019	Interim report for January – March, 2019. Webcast.
May 8th, 2019	Annual General Meeting 2019. Location will be presented later.

PRESENTATION OF THE INTERIM REPORT

CEO Tim Thurn and CFO Cecilia Danckwardt-Lillieström will present the interim report by Webcast on Friday February 8 at 13:00 CET. After the presentation, there will be room for questions and answers. The presentation will be held in English. To participate in the presentation live, please register your cooperation at: <https://attendee.gotowebinar.com/register/9056807416721220353>.

FUTURE OUTLOOK

We are excited to capitalize on the growth potential we see in front of us. We believe in the strengths of our products, the continued strong growth of the industry and the actions that we are taking to uniquely position C-RAD for growth in 2019 and beyond. C-RAD will be even further established, both in proven and new markets, and help to make cancer treatment more efficient for health care providers, better in quality and safer for patients and medical personal.

OTHER INFORMATION

This interim report provides a true and fair view of the Group's operations, financial position and earnings. If there are any deviations between the reports in English and Swedish, the Swedish version is valid. This interim report has not been reviewed by the company auditors.

Uppsala, February 8, 2019



Tim Thurn
CEO

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The information in this interim report is such that C-RAD is required to disclose pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act.

The information was submitted for publication, through the agency of the contact person set out above, on February 8, 2019 at 8:30 am.

Consolidated Income Statement in brief Mkr	Q4 2018	Q4 2017	Full Year 2018	Full Year 2017
Revenues	57,7	42,0	190,1	133,1
Raw material and consumables	-23,1	-16,8	-80,0	-54,5
Gross profit	34,6	25,2	110,1	78,7
Gross profit margin	60%	60%	58%	59%
Other external expenses	-12,5	-10,8	-45,6	-36,5
Personnel expenses	-16,3	-13,9	-59,3	-51,6
Capitalized development costs	0,8	1,3	3,4	4,4
Depreciation	-2,6	-0,9	-6,6	-4,5
Other operating income/expenses	-0,8	0,1	-1,3	-0,4
Total operating expenses	-31,3	-24,2	-109,3	-88,6
Operating income	3,3	0,9	0,8	-9,9
Financial income	0,0	0,0	0,4	0,0
Financial costs	0,0	-0,3	-1,0	-0,9
Income before tax	3,3	0,6	0,2	-10,8
Tax	21,0	0,0	21,0	0,0
Net income (Attributable to Parent company's shareholders)	24,3	0,6	21,2	-10,8
Results per share before dilution	0,79	0,03	0,69	-0,37
Results per share after dilution	0,78	0,03	0,68	-0,37

Consolidated Statement of Comprehensive Income MSEK	Q4 2018	Q4 2017	Full Year 2018	Full Year 2017
Net income	24,3	0,8	21,2	-10,9
Other comprehensive income				
Income/expenses recognized in equity				
Exchange differences on translating foreign operations	0,1	0,6	0,5	-0,9
Other comprehensive income of the period (after tax)	24,4	1,4	21,7	-11,8
Total comprehensive income for the period (Attributable to Parent company's shareholders)	24,4	1,4	21,7	-11,8

Segment Reporting	Q4	Q4	Full Year	Full Year
MSEK	2018	2017	2018	2017
Revenues by segment				
Positioning	57,7	41,9	189,5	132,5
Imaging	0,0	0,1	0,6	0,6
Total revenues	57,7	42,0	190,1	133,1
Income by segment				
Positioning	5,0	2,0	4,6	-8,7
Imaging	-1,7	-0,9	-3,8	-1,3
Operating income	3,3	1,1	0,8	-10,0

Segment reporting is based on the same accounting principles as applied in the consolidated financial statement for 2017.

	Q4	Q4	Full Year	Full Year
<u>Revenue per geographical market</u>	2018	2017	2018	2017
North America	3,7	8,2	36,1	30,7
EMEA	39,3	21,1	109,2	71,4
APAC	14,7	12,7	44,8	31,0
Total	57,7	42,0	190,1	133,1

	Q4	Q4	Full Year	Full Year
<u>Revenue per product group</u>	2018	2017	2018	2017
Positioning products	46,1	34,3	145,1	109,8
HIT Laser	6,1	3,6	20,1	12,3
Life Cycle Business	2,3	2,3	8,1	5,8
Distribution	3,2	1,8	16,3	5,2
GEMini	0,0	0,0	0,5	0,0
Summa	57,7	42,0	190,1	133,1

Consolidated Balance Sheet in brief MSEK	31-12-2018	31-12-2017
Intangible assets		
Intangible assets	26,9	28,3
Tangible assets	1,3	2,1
Long-term receivables	0,1	0,1
Deferred tax receivables	28,1	7,1
Total non-current assets	56,3	37,6
Inventory	11,7	20,1
Current receivables	69,3	45,7
Cash and liquid assets	9,3	14,6
Total current assets	90,3	80,4
Total assets	146,6	118,0
Equity	93,6	71,4
Current liabilities	53,0	46,7
Total equity and liabilities	146,6	118,1

Consolidated Cash Flow Statement in brief MSEK	Q4 2018	Q4 2017	Full Year 2018	Full Year 2017
Operating income	3,3	1,1	0,8	(10,0)
Adjustment for non-cash items	2,7	2,2	8,0	6,7
Interests paid	0,0	(0,3)	(1,0)	(0,9)
Cash flow from operating activities before working capital changes	6,0	3,0	7,9	(4,2)
Changes in working capital	(8,7)	(3,8)	(17,6)	0,2
Cash flow from operating activities	(2,6)	(0,8)	(9,7)	(4,0)
Investments	(1,4)	(1,4)	(4,0)	(5,5)
Cash flow from investing activities	(1,4)	(1,4)	(4,0)	(5,5)
Premiums received for warrants	0,0	0,0	0,5	0,9
New borrowings	5,4	0,0	9,1	10,7
Amortization of loans	0,0	(1,5)	(0,4)	(0,3)
Cash flow from financing activities	5,4	(1,5)	9,2	11,3
Net increase (decrease) in cash and cash equivalents	1,4	(3,6)	(4,4)	1,8
Cash and liquid assets at beginning of period	8,0	17,9	14,6	12,7
Exchange rate differences	(0,1)	0,3	(0,8)	0,1
Cash and liquid assets at end of period	9,3	14,6	9,3	14,6

Change in Group Equity MSEK	Q3 2018	Q3 2017	Full Year 2018	Full Year 2017
Opening balance	69,2	58,3	71,4	70,6
Share issue	0,0	11,7	0,5	12,7
Cost of Share Issue	0,0	0,0	0,0	0,0
Equity part of convertible loan	0,0	0,0	0,0	(0,1)
Changes in the period	0,0	11,7	0,5	12,6
Total comprehensive income for the period	24,4	1,4	21,7	(11,8)
Closing balance at end of period	93,6	71,4	93,6	71,4

Parent Company Income Statement in brief	Full Year	Full Year
MSEK	2018	2017
Revenues	19,0	12,6
Operating expenses	-17,1	-14,1
Operating income	1,8	-1,5
Financial items	-7,4	-1,3
Income before tax	-5,6	-2,8
Tax	2,2	0,0
Net income	-3,4	-2,8

Parent Company Balance Sheet in brief	31-12-2018	31-12-2017
MSEK		
Intangible assets	3,5	4,4
Tangible assets	0,0	0,1
Financial assets	161,5	167,4
Deferred tax asset	2,2	0,0
Total non-current assets	167,3	171,9
Current receivables	1,2	1,2
Cash and liquid assets	0,5	0,4
Total assets	168,9	173,4
Restricted equity	4,6	4,6
Unrestricted equity	161,1	164,1
Total equity	165,8	168,7
Convertible bonds	0,0	0,0
Other non-current liabilities	0,0	0,0
Total non-current liabilities	0,0	0,0
Total current liabilities	3,2	4,7
Total equity and liabilities	168,9	173,4

Group Review per quarter

Income Statement (MSEK)	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2018	FY 2017
Revenues	57,7	46,7	51,9	33,8	42,0	33,2	32,2	25,8	190,1	133,1
Cost of Sale	-23,1	-18,2	-24,6	-14,1	-16,8	-13,7	-13,6	-10,4	-80,0	-54,5
Gross Profit	34,6	28,5	27,3	19,7	25,2	19,5	18,6	15,4	110,1	78,6
Other external expenses	-12,5	-12,4	-11,0	-9,7	-10,8	-8,0	-8,9	-8,8	-45,6	-36,5
Personnel expenses	-16,3	-14,2	-14,5	-14,3	-13,9	-12,4	-13,2	-12,2	-59,3	-51,7
Capitalized development costs	0,8	0,9	0,8	0,9	1,3	1,1	0,9	1,1	3,4	4,4
Depreciation	-2,6	-1,8	-1,1	-1,1	-0,9	-1,1	-1,4	-1,6	-6,6	-5,0
Other operating income/expenses	-0,8	-0,7	0,4	-0,2	0,1	-0,4	-0,1	0,5	-1,3	0,1
Operating expenses	-31,3	-28,2	-25,4	-24,4	-24,2	-20,8	-22,7	-21,0	-109,3	-88,7
Operating income	3,3	0,3	1,9	-4,7	1,1	-1,4	-4,1	-5,6	0,8	-10,0
Financial items, net	0,0	0,0	-0,4	-0,2	-0,3	-0,3	-0,2	-0,2	-0,6	-0,9
Income before tax	3,3	0,3	1,5	-4,9	0,8	-1,7	-4,3	-5,8	0,2	-10,9
Tax	21,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	21,0	0,0
Net income	24,3	0,3	1,5	-4,9	0,8	-1,7	-4,3	-5,8	21,2	-10,9
Balance Sheet (MSEK)	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2017	FY 2017
Non-current assets	56,3	36,6	37,5	37,8	37,6	37,3	37,3	37,5	56,3	37,6
Current assets	90,3	80,7	86,5	73,5	80,4	72,7	69,9	62,3	90,3	80,4
Total assets	146,6	117,3	124,0	111,3	118,1	110,0	107,2	99,8	146,6	118,1
Equity	93,6	69,2	68,4	66,3	71,4	58,3	61,3	64,8	93,6	71,4
Non-current liabilities	0,0	0,0	0,0	0,0	0,3	0,3	12,3	12,4	0,0	0,3
Current liabilities	53,0	48,1	55,6	45,0	46,4	51,4	33,6	22,6	53,0	46,4
Total equity and liabilities	146,6	117,3	124,0	111,3	118,1	110,0	107,2	99,8	146,6	118,1
Cash Flow Statement (MSEK)	Q4 2018	Q4 2017	Q4 2017	Q4 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2017	FY 2017
Operating cashflow	-2,6	8,4	-3,7	-12,1	-0,7	10,0	-9,8	-3,5	-9,7	-4,0
Cashflow from investing activities	-1,4	-0,9	-0,8	-0,9	-1,4	-1,5	-1,2	-1,6	-4,0	-5,5
Cashflow from financing activities	5,4	-5,5	5,2	4,1	-1,5	0,6	5,1	7,6	9,2	11,3
Totals	1,4	2,0	0,7	-8,9	-3,6	9,1	-5,9	2,5	-4,4	1,8
Key Ratios	Q3 2018	Q4 2017	Q4 2017	Q4 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2017	FY 2017
Total order intake (MSEK)	75,6	64,2	56,4	50,6	47,5	55,5	49,3	40,2	246,8	192,5
Quarterly change (%)	18%	14%	11%	7%	-14%	13%	23%	-4%	n/a	n/a
Change compared to same period last year (%)	59%	16%	14%	26%	13%	97%	62%	208%	28%	70%
Total Revenues (MSEK)	57,7	46,7	51,9	33,8	42,0	33,2	32,2	25,8	190,1	133,2
Quarterly change (%)	24%	-10%	54%	-20%	27%	3%	25%	-5%	n/a	n/a
Change compared to same period last year (%)	37%	41%	61%	31%	54%	48%	106%	49%	43%	61%
Gross Margin (percent of Revenues)	60%	61%	53%	58%	60%	59%	58%	60%	58%	59%
EBIT-margin (percent of Revenues)	6%	1%	4%	-14%	3%	-4%	-13%	-22%	0%	-8%
Profit margin (percent of Revenues)	42%	1%	3%	-14%	2%	-5%	-13%	-22%	11%	-8%
Earnings per share before dilution (SEK)	0,79	0,01	0,05	-0,16	0,03	-0,05	-0,14	-0,20	0,69	0,69
Equity per share before dilution (SEK)	3,04	2,25	2,30	2,23	2,40	1,98	2,08	2,20	3,04	3,16
Equity per share after dilution (SEK)	3,02	2,21	2,16	2,10	2,27	1,87	1,97	2,07	3,02	3,00
Last paid share price (SEK)	25,80	27,50	31,20	30,40	28,30	33,90	22,60	14,80	25,80	28,30
Equity/asset ratio (percent)	64%	59%	55%	60%	60%	53%	57%	65%	64%	60%
Cash Balance (MSEK)	9,3	8,0	6,3	5,5	14,6	17,9	9,1	2,4	9,3	14,6
Number of employees at end of period	52	56	54	50	49	47	46	46	52	49
Average number of outstanding shares (millions)	30,8	30,8	30,8	30,8	29,8	29,5	29,5	29,5	30,8	29,6
Average number of diluted shares (millions)	31,0	31,3	31,3	31,3	31,2	31,2	31,1	31,3	31,0	31,3
Number of outstanding shares at end of period (millions)	30,8	30,8	30,8	30,8	30,8	29,5	29,5	29,5	30,8	30,8
Number of outstanding warrants at end of period (millions)	0,5	0,5	0,5	0,5	0,5	1,7	1,8	1,8	0,5	1,7

NOTES

Accounting principles

This interim report is prepared, for the Group, in accordance with IAS 34, RFR1 "Redovisning för koncerner" and the Annual Accounts Act and, for the Parent company, the Annual Accounts Act and RFR 2. The Group is applying IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with as of January 1, 2018, which is described here below. The applied accounting principles are in all other aspects consistent with what is stated in note 1 in the Financial Statements for 2017.

New standards as of January 1st, 2018

The Group is applying IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with as of January 1, 2018.

IFRS 9 Financial Instruments has replaced IAS 39 Financial Instruments: Recognition and Measurement. The new standard introduces changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new expected credit loss model for the impairment of financial assets. IFRS 9 has been implemented from January 1, 2018 onwards. The company does not have any derivatives and all financing is done at market rate. Client loss for the Group has been, and is expected to be, very moderate why no credit loss reserve has been booked.

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 Revenue, IAS 11 Construction Contracts, and several revenue-related interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 has been implemented from January 1st, 2018 onwards. The effect of the new standard has not been considered to be substantial and recalculation of the comparable year 2017 has therefor not been presented. The effect would have amounted to 0,4 MSEK for 2017.

Other updated IFRS standards and interpretations from IFRIC have no impact on the Group or the Parent Company's results or financial position.

New IFRS that have not yet come into force

IFRS 16 Leasing replaces IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease and related rules, and will be effective as of 2019. Under the new standard, the lessee is required to recognise all contracts that meet the definition of a lease (except leases of 12 months or less and leases of low-value assets) as a right-of-use asset and liability in the statement of financial position. Leases that currently comprise operating leases will subsequently be recognised in the balance sheet, which entails that the current operating expense, corresponding to the leasing charges for the period, will be replaced by amortisation and interest expense in the income statement. C-RAD is applying the simplified transition method and will not recalculate the comparable figures. The main effect on C-RADs financial statements refer to the accounting of rental contracts and leasing contracts for cars. The effect on the starting balance as per January 1st, 2019, will be that a right-of-use asset and corresponding liability of approximately 3,4 Mkr will be booked as well as deferred tax. EBITDA for 2019 is expected to be approximately 2 MSEK better than what would have been the case with the previous standard. Other effects will be that the cash flow from leasing contracts will be moved from cash flow from operating activities to cash flow from financing activities (depreciation and interest paid).

Exchange rates

The financial statements are presented in SEK, the functional currency of C-RAD. Sales and orders are largely generated in foreign currency, mainly EUR and USD and, in addition, foreign subsidiaries and associates are included in the consolidation. Orders, order back-log and income statement are translated at the period-average exchange rate while balance sheet items are translated at the closing rate. The average EUR rate during the fourth quarter of 2018 was 10.3 (9.6), while the average USD rate in the period was 8.7 (8.5). Closing rate for EUR was 10.3 (9.8) och USD 9.0 (8.2).

Related party transactions

During the fourth quarter of 2018, C-RAD has purchased printing material from Thurn Transmedia Com to an amount of 7 KSEK. The owner of Thurn TransmediaCom is related to the CEO of C-RAD, Tim Thurn.

Capitalized development costs

Development expenses that fulfil the recognition criteria in IAS38 are capitalized. Impairment test are performed quarterly. The progress of current development projects is reviewed on a regular basis.

Deferred tax

Deferred tax assets are reviewed at the end of each reporting period and adjusted in line with the probable future taxable result.

Contingent liabilities

Contingent liability of SEK 2 000 000 in the Parent company refer to guarantee commitment for subsidiary.

Pledges

The pledges refer to to a chattle mortgage for the Companys credit line with Nordea and Erik Penser Bank AB (security of 12.150.000 SEK) and a bank guarantee of 500 000 with one of the Company's suppliers as beneficiary.