

C-RAD AB - INTERIM REPORT

JANUARY - JUNE 2018

Press release August 17, 2018

PROFITABLE QUARTER, REVENUE INCREASED BY 61 PERCENT

SECOND QUARTER 2018

- Order intake: 56.4 (49.3) MSEK, 14%.
- Revenues: 51.9 (32.2) MSEK, 61%.
- Operating profit: 2.0 (-4.1) MSEK.
- Net results after tax: 1.6 (-4.3) MSEK.
- Result per share: 0.05 (-0.14) SEK.

INTERIM PERIOD JAN-JUN 2018

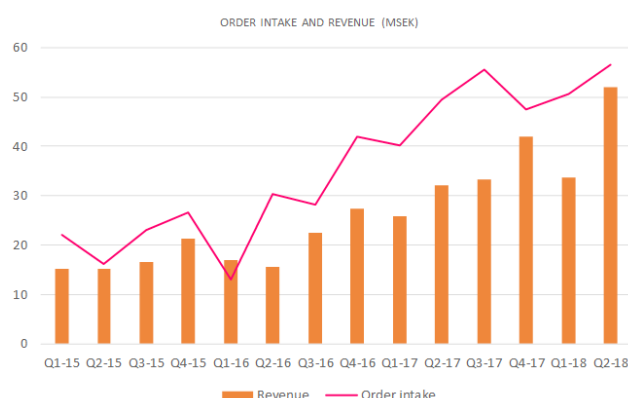
- Order intake: 107.0 (89.5) MSEK, 20%.
- Revenues: 85.7 (58.0) MSEK, 48%.
- Operating profit: -2.7 (-9.7) MSEK.
- Net results after tax: -3.3 (-10.1) MSEK.
- Result per share: -0.11 (-0.33) SEK.

SIGNIFICANT EVENTS DURING THE QUARTER

- Warrant program 2018/2021 fully subscribed.

SIGNIFICANT EVENTS AFTER THE QUARTER

- Cecilia Danckwardt-Lillieström appointed CFO.



SUMMARY FINANCIAL RESULT

	Q2, APR-JUN			INTERIM PERIOD JAN-JUN			FULL YEAR
MSEK	2018	2017	Change	2018	2017	Change	2017
Order intake	56,4	49,3	14%	107,0	89,5	20%	192,5
Revenues	51,9	32,2	61%	85,7	58,0	48%	133,1
Gross profit	27,3	18,6	47%	47,0	34,0	38%	78,6
Gross profit margin (%)	53%	58%		55%	59%		59%
Operating profit	2,0	-4,1	149%	-2,7	-9,7	72%	-10,0
Net results after tax	1,6	-4,3	137%	-3,3	-10,1	67%	-10,9
Cash	6,3	9,1	-31%				14,6
Share price balance sheet day, SEK	31,20	22,60	38%				28,30
Order backlog	156,6	118,4	32%				99,9
out of which Products	105,0	80,9	30%				74,4
out of which Service contracts	51,5	37,5	37%				25,5

COMMENTS FROM THE CEO

■ SIGNIFICANT GROWTH IN REVENUE

We are closing the second quarter with significant growth in revenue, an operating profit and a considerable increase in order intake. The result is proving the continuously increasing demand from the market for C-RAD's technology and the consequent execution of our growth strategy.

We closed the second quarter with 51.9 MSEK in revenue, an increase of 61 percent compared to the same period 2017 and an increase of 54 percent compared to the first quarter 2018. Order intake increased with 14 percent to 56.4 MSEK across all product categories in the second quarter. Order intake of our Laser products grew with 103 % and our largest category – Positioning products – with 33%, which is positive as this is the basis for near term revenue and it provides the opportunity to up-sale service contracts. In the same period operating profit increased from -4.1 MSEK in 2017 to 2.0 MSEK 2018. This is a very encouraging result and underlines the positive development we have seen in the last quarters.

A large part of the order for NKS Stockholm which C-RAD booked partly in the third quarter 2017 and partly in the first quarter was delivered and installed during the second quarter. About 12 MSEK are related to products that C-RAD is distributing for other manufacturers of equipment for radiation therapy in the Nordic countries. The gross margin for the distribution products is significantly less than for sales of the C-RAD's own products. Gross margin on C-RAD products remains at around 60 percent. Therefore, we close the quarter with a gross margin of 53 percent.

In line with the fundamentals of our growth strategy, we have continued to increase our R&D efforts to strengthen our value proposition by adding compelling new products that complement our existing offer and to ensure that we will stay ahead of the competition also going forward.

Looking at the period from January to June, order intake in the region APAC and EMEA grew with 191 percent and 52 percent respectively compared to the same period previous year. Whereas in the North American market we see a decline in order intake of 50 percent. This is below our expectations, but we don't believe this is a structural change and we have taken measures to improve the performance in the region moving forward.

With order intake exceeding revenues repeatedly, we continue to increase our order stock, by 32 percent to 157 MSEK (118 M) by the end of June compared to the previous year. This provides us with a solid backlog for future revenues.

I am very pleased with the consistent, positive development of our sales activities. The interest from customers during the recent exhibitions underscores our previous assessment of the constantly increasing demand for C-RAD products. I have great confidence, as we have previously proven, this will drive sustained growth however I want to point out that individual quarters might be volatile. We will continue to supply increasing number of customers with our cutting-edge technology and by this help to improve cancer care globally, says Tim Thurn, CEO of C-RAD.



FINANCIAL DEVELOPMENT, GROUP

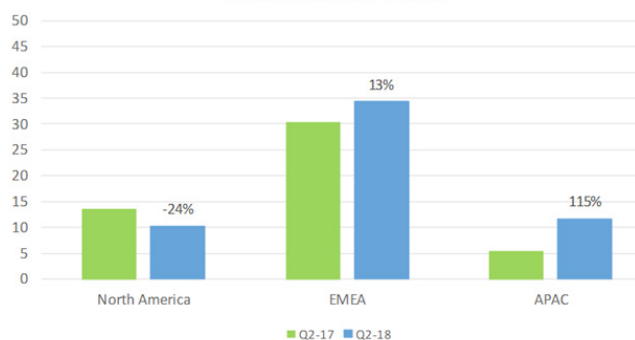
ORDER INTAKE

Order intake during the second quarter amounted to 56.4 MSEK compared to 49.3 MSEK in the previous year, an increase of 14 percent. The order intake growth compared to 2017 was primarily driven by the APAC-region, with medium-sized orders from China and Japan. Order intake for North America decreased by 24 percent compared to 2017. It should be noted that in the previous year, the region received a large order of 7.5 MSEK from Miami Cancer Institute. The order intake in the North American region has not been satisfying during the first half of the year but we do not believe that this is a structural change. Improvement measures have been identified and are being executed.

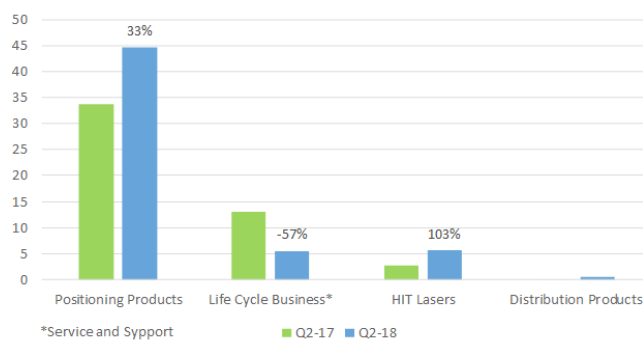
Order intake for the positioning products increased by 33 percent compared to the second quarter in the previous year, while Life Cycle Business, sales of service contracts, decreased by 57 percent compared to 2017. The order intake for Life Cycle Business was extra ordinary high during the second quarter last year and this decrease was to be expected. This is also an example of the volatility between quarters. Order intake for the HIT Laser Business increased by over 100 percent compared to the same quarter last year, primarily due to increased sales in the APAC region.

Order intake during January - June of the year amounted to 107.0 MSEK, an increase of 20 percent.

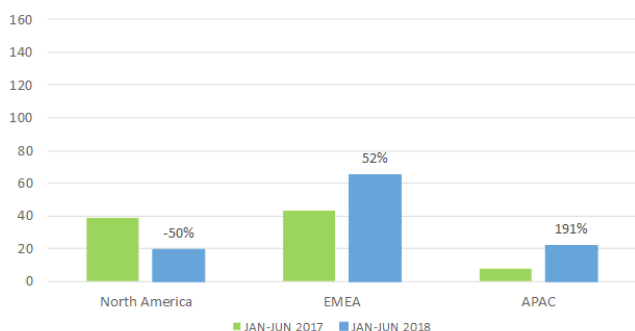
Q2 ORDER INTAKE (MSEK) - BY MARKET



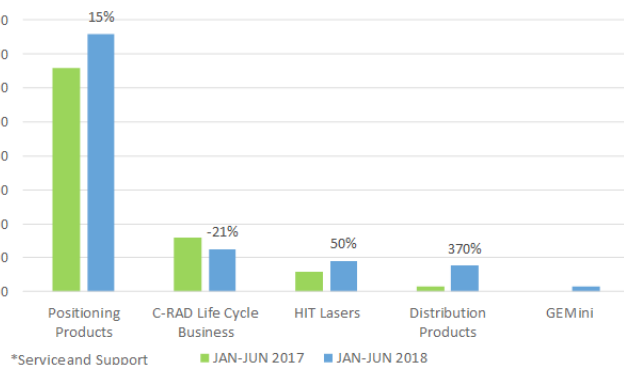
Q2 ORDER INTAKE (MSEK) - BY PRODUCT CATEGORY



ORDER INTAKE (MSEK) - BY MARKET



ORDER INTAKE (MSEK) - BY PRODUCT CATEGORY



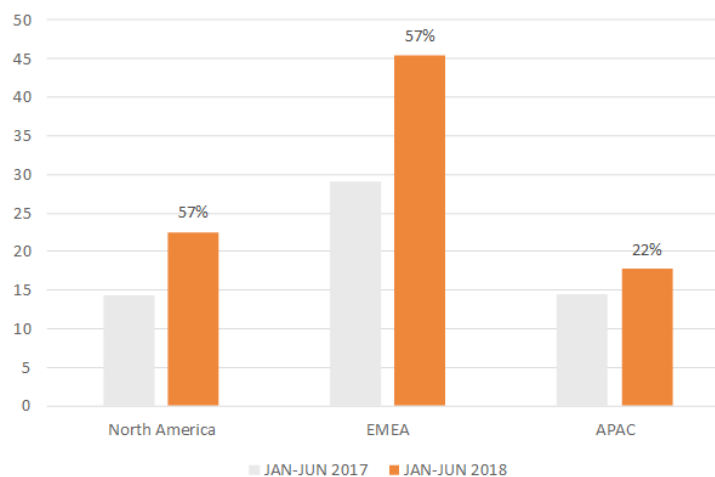
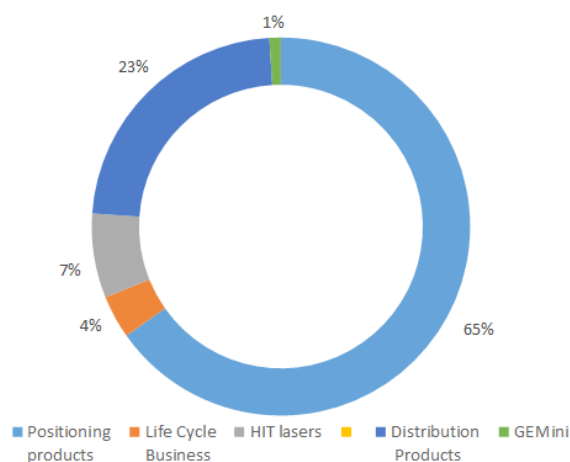
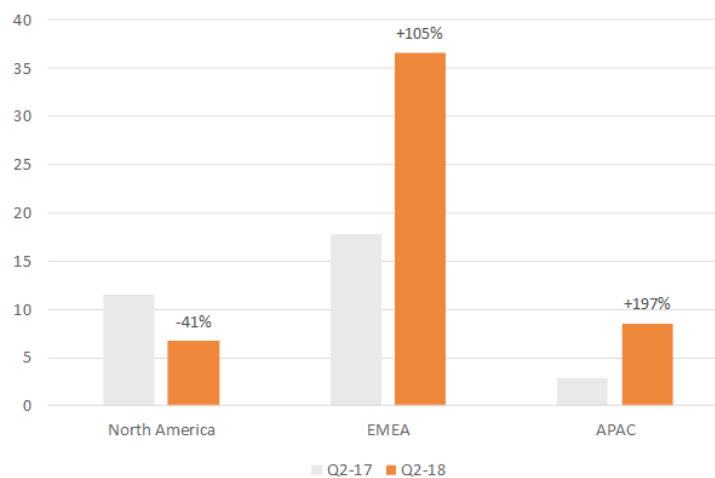
REVENUES

Revenues increased from 32.2 MSEK during the second quarter 2017 to 51.9 MSEK during the second quarter 2018, an increase of 61 percent. The increase is primarily related to deliveries in the Nordic region. The main part of the deliveries to NKS has been done during the quarter. Revenues in the APAC region increased by 197% compared to the same quarter last year. The largest deliveries there were made to Japan and Malaysia. Revenues in the US region decreased by 31 percent compared to the same quarter in 2017, which was exceptionally strong. This is a direct result from the lower order intake in the first quarter in 2018.

During the quarter, a first partial delivery of the order from Beijing HGPT Technology & Trade Ltd of the GEMini Portal Imaging Detector was done.

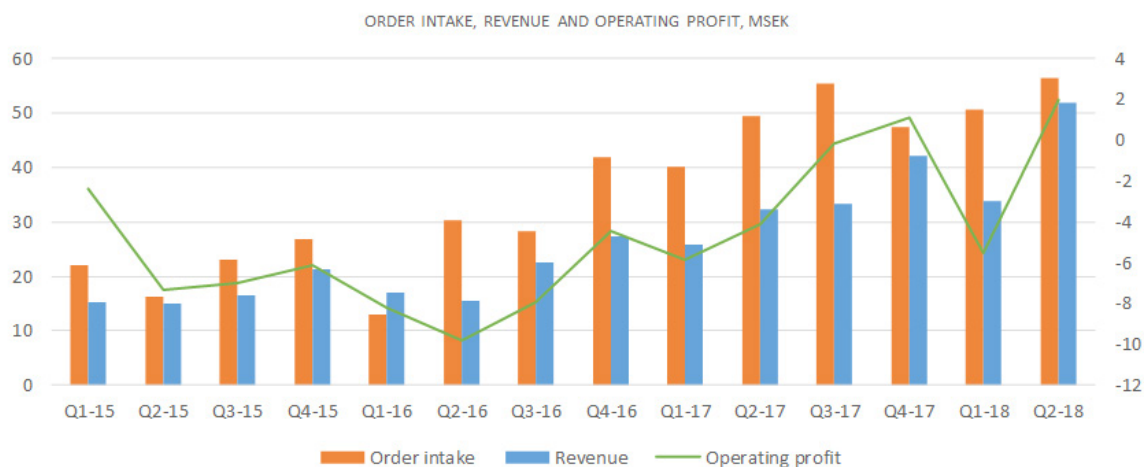
A significant part, 23 percent, of the revenues in the second quarter refer to sale of Distribution products. This is to be compared to 4 percent for the full year 2017. The higher figure for the second quarter relates both to the NKS deliveries but also another large delivery in the Nordic region.

Revenues increased from 89.5 MSEK during the first six months 2017 to 107.0 MSEK in 2018, an increase of 20 percent.



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 has 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 156.6 MSEK at the end of second quarter of 2018 compared to 118.4 MSEK in the same period of 2017, an increase of 32 percent. From the total order backlog, 105 (80.9) MSEK involves products and 51.5 (37.5) MSEK refer to Life Cycle Business (service contracts).

The weighted average delivery time for products recognized as revenue in the second quarter was just above five months. This is the time from receiving an order until the order is delivered and revenue recognized, based on deliveries of C-RADs own products.

8.5 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 7.3 MSEK for the last 12 months. The service contract can be up to eight years while the average duration is around five years. In the graph below the development of the order backlog is presented.



GROSS PROFIT

Gross profit margin was 53 percent during the second quarter 2018, compared to 58 percent in the corresponding period in 2017. The lower gross profit margin in the second quarter is primarily due to the larger percentage of revenue from Distribution products, where the gross profit is lower than for our C-RAD products. The gross profit on our own products has been stable during the last quarters as a result of C-RAD's focus on improving the supply chain. 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.

OPERATIONAL EXPENSES

Operational expenses for the second quarter 2018 amounted to 11.0 MSEK compared to 8.9 MSEK in the previous year.

PERSONNEL EXPENSES

Personnel expenses for the second quarter 2018 amounted to 14.5 (13.2) 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 46 in the first quarter 2017 to 53 in the corresponding period in 2018. At the end of June 2018, the number of employees in the Group amounted to 54 (46).

CAPITALIZED DEVELOPMENT COSTS

Capitalized development costs amounted to 24.3 (22.0) MSEK at the end of June. Capitalizations during the second quarter of 2018 of 0.8 (0.9) MSEK are related to GEMini and continued development of the Positioning products.

RESULTS BEFORE TAX

Net results before tax during the quarter amounted to 1.6 MSEK compared to -3.3 MSEK in 2017.

FINANCING AND CASH FLOW

By June 30, C-RADs total available funds amounted to 18.6 MSEK. Cash balance was 6.3 MSEK, and the invoice discounting solution was utilized with 19.7 MSEK. Remaining available funds of 12.3 MSEK refer to unutilized credit facilities. The higher level of invoice discounting solution credit was during the quarter extended until further notice.

Cash flow during the second quarter amounted to 0.6 (-6.1) MSEK. Operating cash flow was -3.7 (-10) MSEK. Cash flow from financing activities amounted to 5.2 (5.1) MSEK. This is due to increased usage of the invoice discounting solution in line with higher revenue and invoicing.

During the quarter, the stock levels went down to a more normal level of 11.3, compared to 19.3 on March 31st.

NET FINANCIAL INCOME

Net financial income for the quarter amounts to -0.4 (-0.2) MSEK, corresponding to 0.05 (-0.14) SEK per share.

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

The Annual General Meeting on May 31st, 2018, approved an incentive program program for the employees of C-RAD by issuing in total 100 000 warrants, out of which 90 000 warrants can be subscribed for by the employees of C-RAD, and 10,000 warrants can be subscribed for by the subsidiary C-RAD Positioning AB.

The current employees subscribed for 90 000 warrants, or 100 percent of the allotted amount. 72 000 of the subscribed warrants were subscribed for by management and key employees.

SHARES

As of June 30, 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.

OTHER SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On August 14, it was announced that Cecilia Danckwardt-Lillieström has been appointed Chief Financial Officer effective October 15, 2018. Therése Björklund decided to step down from the position as CFO for personal reasons and will stay in the company in another position.

PARENT COMPANY

No operations are carried in the Parent Company except for Group Management and administration. For the full period January – June 2018, revenues for the Parent Company amounted to 10.8 (8.9) MSEK and operating profit amounted to 1.0 (-0.1) MSEK. During the quarter, shareholder's contributions were made to C-RAD Imaging AB (1.0 MSEK) and C-RAD Innovation AB (0.1 MSEK). These contributions were also written-down in the same quarter.

UPCOMING EVENTS

October 26, 2018	Report January - September 2018.
January 31, 2019	Consolidated Year End Report, 2018.

PRESENTATION OF THE INTERIM REPORT

CEO Tim Thurn and CFO Therése Björklund will present the interim report by Webcast on Friday August 17th at 11:00 CEST. 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://register.gotowebinar.com/register/8557976579609596163>.

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, August 16 2018

Lars Nyberg
Chairman of the board

Tim Thurn
CEO

Kicki Wallje-Lund
Board member

Peter Hamberg
Board member

Åsa Hedin
Board member

Peter Eidensjö
Board member

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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 August 17, 2018 at 8:30 am.

Consolidated Income Statement in brief	Q2	Q2	Jan-Jun	Jan-Jun	Jan-Dec
Mkr	2018	2017	2018	2017	2017
Revenues	51,9	32,2	85,7	58,0	133,1
Raw material and consumables	-24,6	-13,6	-38,7	-24,0	-54,5
Gross profit	27,3	18,6	47,0	34,0	78,6
Gross profit margin	53%	58%	55%	59%	59%
Other external expenses	-11,0	-8,9	-20,7	-17,7	-36,5
Personnel expenses	-14,5	-13,2	-28,8	-25,4	-51,6
Capitalized development costs	0,8	0,9	1,7	2,0	4,4
Depreciation	-1,1	-1,4	-2,2	-3,0	-4,5
Other operating income/ expenses	0,4	-0,1	0,2	0,4	-0,4
Total operating expenses	-25,4	-22,7	-49,8	-43,7	-88,6
Operating income	2,0	-4,1	-2,7	-9,7	-10,0
Financial income	0,0	0,0	0,0	0,0	0,0
Financial costs	-0,4	-0,2	-0,6	-0,4	-0,9
Income before tax	1,6	-4,3	-3,3	-10,1	-10,9
Tax	0,0	0,0	0,0	0,0	0,0
Net income	1,6	-4,3	-3,3	-10,1	-10,9
(Attributable to Parent company's shareholders)					
Results per share before dilution	0,05	-0,14	-0,11	-0,33	-0,37
Results per share after dilution	0,05	-0,14	-0,11	-0,33	-0,37
Consolidated Statement of Comprehensive Income	Q2	Q2	Jan-Jun	Jan-Jun	Jan-Dec
MSEK	2018	2017	2018	2017	2017
Net income	1,6	-4,3	-3,3	-10,1	-10,9
Other comprehensive income					
Income/expenses recognized in equity					
Exchange differences on translating foreign operations	-0,3	0,4	-0,4	0,0	-0,9
Other comprehensive income of the period (after tax)	1,2	-3,9	-3,8	-10,1	-11,8
Total comprehensive income for the period	1,2	-3,9	-3,8	-10,1	-11,8
(Attributable to Parent company's shareholders)					

Segment Reporting MSEK	Q2 2018	Q2 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Revenues by segment					
Positioning	51,4	32,0	85,1	57,5	132,5
Imaging	0,5	0,2	0,6	0,5	0,6
Total revenues	51,9	32,2	85,7	58,0	133,1
Income by segment					
Positioning	2,6	-4,1	-1,4	-8,8	-8,7
Imaging	-0,6	0,0	-1,3	-0,9	-1,3
Operating income	2,0	-4,1	-2,7	-9,7	-10,0

Revenue per geographical market

North America	6,7	11,5	22,5	14,4	30,7
EMEA	36,6	17,8	45,4	29,1	71,4
APAC	8,6	2,9	17,8	14,5	31,0
Total	51,9	32,2	85,7	58,0	133,1

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

**Consolidated Balance Sheet in brief
MSEK**

	30-06-2018	30-06-2017	31-12-2017
Intangible assets			
Intangible assets	28,7	27,5	28,3
Tangible assets	1,6	2,7	2,1
Long-term receivables	0,1	0,1	0,1
Deferred tax receivables	7,1	7,1	7,1
Total non-current assets	37,5	37,4	37,6
Inventory	11,3	6,2	20,1
Current receivables	68,9	54,6	45,7
Cash and liquid assets	6,3	9,1	14,6
Total current assets	86,5	69,9	80,4
Total assets	124,0	107,3	118,1
Equity	68,4	61,3	71,4
Total non-current liabilities	0,0	12,3	0,0
Current liabilities	55,6	33,7	46,7
Total current liabilities	55,6	33,7	46,7
Total equity and liabilities	124,0	107,3	118,1

Consolidated Cash Flow Statement in brief	Q2	Q2	Jan-Jun	Jan-Jun	Jan-Dec
MSEK	2018	2017	2018	2017	2017
Operating income	2,0	(4,3)	(2,7)	(9,8)	(10,0)
Adjustment for non-cash items	1,2	1,4	2,1	3,0	6,7
Interests received	0,0	0,0	0,0	0,0	0,0
Interests paid	(0,4)	(0,2)	(0,6)	(0,4)	(0,9)
Cash flow from operating activities before working capital changes	2,8	(3,1)	(1,2)	(7,2)	(4,2)
Changes in working capital	(6,5)	(6,9)	(14,6)	(6,2)	0,2
Cash flow from operating activities	(3,7)	(10,0)	(15,8)	(13,4)	(4,0)
Investments	(0,8)	(1,2)	(1,7)	(2,8)	(5,5)
Cash flow from investing activities	(0,8)	(1,2)	(1,7)	(2,8)	(5,5)
Share issue	0,0	0,0	0,0	0,0	0,0
Premiums received for warrants	0,3	1,0	0,3	1,0	0,9
New borrowings	4,9	4,1	9,3	11,7	10,7
Amortization of loans	0,0	0,0	(0,3)	0,0	(0,3)
Cash flow from financing activities	5,2	5,1	9,3	12,7	11,3
Net increase (decrease) in cash and cash equivalents	0,6	(6,1)	(8,2)	(3,5)	1,8
Cash and liquid assets at beginning of period	5,5	15,2	14,6	12,7	12,7
Exchange rate differences	0,1	0,0	(0,1)	(0,1)	0,1
Cash and liquid assets at end of period	6,3	9,1	6,3	9,1	14,6

Change in Group Equity	Q2	Q2	Jan-Jun	Jan-Jun	Jan-Dec
MSEK	2018	2017	2018	2017	2017
Opening balance	66,3	64,8	71,4	70,6	70,6
Share issue	0,3	0,9	0,3	1,0	12,7
Cost of Share Issue	0,0	0,0	0,0	(5,3)	(5,4)
Equity part of convertible loan	0,0	0,0	0,0	0,0	(0,1)
Changes in the period	0,9	0,5	0,8	(4,5)	7,2
Total comprehensive income for the period	1,2	(3,9)	(3,8)	(10,1)	(11,8)
Closing balance at end of period	68,4	61,3	68,4	61,3	71,4

Parent Company Income Statement in brief	Jan-Jun	Jan-Jun	Full Year
MSEK	2018	2017	2017
Revenues	10,8	8,9	18,7
Operating expenses	-10,3	-8,1	-17,9
Operating income	0,5	0,8	0,8
Financial items	-1,3	-0,7	-3,3
Income before tax	-0,7	0,1	-2,5
Tax	0,0	0,0	0,0
Net income	-0,7	0,1	-2,5

Parent Company Balance Sheet in brief	30-06-2017	30-06-2017	31-12-2017
MSEK			
Intangible assets	4,0	4,8	4,4
Tangible assets	0,0	0,1	0,1
Financial assets	168,6	166,8	167,4
Total non-current assets	172,6	171,7	171,9
Current receivables	1,3	1,8	1,2
Cash and liquid assets	0,2	0,7	0,4
Total assets	174,1	174,2	173,4
Restricted equity	4,6	4,4	4,6
Unrestricted equity	163,6	155,3	164,1
Total equity	168,2	159,7	168,7
Other non-current liabilities	0,0	0,6	0,0
Total non-current liabilities	0,0	0,6	0,0
Convertible bonds	0,0	11,7	0,0
Other current liabilities	5,8	2,2	4,7
Total current liabilities	5,8	13,9	4,7
Total equity and liabilities	174,1	174,2	173,4

Group Review per quarter

Income Statement (MSEK)	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	FY 2017	FY 2016	FY 2015
Revenues	51,9	33,8	42,0	33,2	32,2	25,8	27,3	22,5	15,6	17,3	133,1	82,7	66,2
Cost of Sale	-24,6	-14,1	-16,8	-13,7	-13,6	-10,4	-10,6	-10,1	-7,2	-8,0	-54,5	-35,9	-32,1
Gross Profit	27,3	19,7	25,2	19,5	18,6	15,4	16,7	12,4	8,4	9,3	78,6	46,8	34,1
Other external expenses	-11,0	-9,7	-10,8	-8,0	-8,9	-8,8	-9,4	-9,0	-8,3	-7,0	-36,5	-33,7	-26,6
Personnel expenses	-14,5	-14,3	-13,9	-12,4	-13,2	-12,2	-12,1	-10,3	-9,3	-9,8	-51,7	-41,5	-31,1
Capitalized development costs	0,8	0,9	1,3	1,1	0,9	1,1	1,6	0,3	0,9	0,7	4,4	3,5	4,3
Depreciation	-1,1	-1,1	-0,9	-1,1	-1,4	-1,6	-1,3	-1,5	-1,5	-1,6	-5,0	-5,9	-5,6
Other operating income/expenses	0,4	-0,2	0,1	-0,4	-0,1	0,5	0,1	0,2	0,1	0,2	0,1	0,5	4,5
Operating expenses	-25,4	-24,4	-24,2	-20,8	-22,7	-21,0	-21,1	-20,3	-18,1	-17,5	-88,7	-77,1	-54,5
Operating income	2,0	-4,7	1,1	-1,4	-4,1	-5,6	-4,4	-7,9	-9,7	-8,2	-10,0	-30,4	-20,4
Financial items, net	-0,4	-0,2	-0,3	-0,3	-0,2	-0,2	-0,2	-0,1	-0,3	-0,3	-0,9	-0,9	-0,8
Income before tax	1,6	-4,9	0,8	-1,7	-4,3	-5,8	-4,6	-8,0	-10,0	-8,5	-10,9	-31,2	-21,2
Tax	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Net income	1,6	-4,9	0,8	-1,7	-4,3	-5,8	-4,6	-8,0	-10,0	-8,5	-10,9	-31,2	-21,2

Balance Sheet (MSEK)	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	FY 2017	FY 2016	FY 2015
Non-current assets	37,5	37,8	37,6	37,3	37,3	37,5	37,5	38,6	38,9	38,9	37,6	37,5	39,7
Current assets	86,5	73,5	80,4	72,7	69,9	62,3	64,6	53,3	47,9	41,5	80,4	64,6	33,9
Total assets	124,0	111,3	118,0	110,0	107,2	99,8	102,1	91,9	86,8	80,4	118,0	102,1	73,6
Equity	68,4	66,3	71,4	58,3	61,3	64,8	70,6	54,0	61,6	30,5	71,4	70,6	40,0
Non-current liabilities	0,0	0,0	0,3	0,3	12,3	12,4	12,5	12,6	12,7	28,2	0,3	12,5	12,8
Current liabilities	55,6	45,0	46,4	51,4	33,6	22,6	19,0	25,3	12,5	21,7	46,4	19,0	20,8
Total equity and liabilities	124,0	111,3	118,1	110,0	107,2	99,8	102,1	91,9	86,8	80,4	118,1	102,1	73,6
Cash Flow Statement (MSEK)	Q2 2018	Q4 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	FY 2017	FY 2016	FY 2015
Operating cashflow	-3,7	-12,1	-0,7	10,0	-9,8	-3,5	-8,2	-13,9	-11,4	-11,0	-4,0	-44,6	-22,9
Cashflow from investing activities	-0,8	-0,9	-1,4	-1,5	-1,2	-1,6	-0,8	-0,4	-1,7	-0,7	-5,5	-4,0	-6,0
Cashflow from financing activities	5,2	4,1	-1,5	0,6	5,1	7,6	15,9	4,5	22,0	13,8	11,3	56,7	25,7
Totals	0,6	-8,9	-3,6	9,1	-5,9	2,5	6,9	-9,8	8,9	2,1	1,8	8,1	-3,2

Key Ratios	Q2 2018	Q4 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	FY 2017	FY 2016	FY 2015
Total order intake (MSEK)	56,4	50,6	47,5	55,5	49,3	40,2	41,9	28,2	30,4	13,0	192,5	113,5	88,1
Quarterly change (%)	11%	7%	-14%	13%	23%	-4%	49%	-7%	134%	-51%	0%	n/a	n/a
Change compared to same period last year (%)	14%	26%	13%	97%	62%	208%	57%	23%	87%	-41%	70%	29%	29%
Total Revenues (MSEK)	51,9	33,8	42,0	33,2	32,2	25,8	27,3	22,5	15,6	17,3	133,2	82,7	66,2
Quarterly change (%)	54%	-20%	27%	3%	25%	-5%	21%	44%	-10%	-16%	n/a	n/a	n/a
Change compared to same period last year (%)	101%	31%	54%	48%	106%	49%	33%	46%	3%	14%	61%	25%	24%
Gross Margin (percent of Revenues)	53%	0%	60%	59%	59%	60%	57%	55%	54%	54%	59%	57%	52%
EBIT-margin (percent of Revenues)	4%	-14%	3%	-4%	-13%	-22%	-16%	-35%	-62%	-47%	-8%	-37%	-31%
Profit margin (percent of Revenues)	3%	-14%	2%	-5%	-13%	-22%	-17%	-36%	-64%	-49%	-8%	-38%	-32%
Earnings per share before dilution (SEK)	0,05	-0,16	0,03	-0,05	-0,14	-0,20	-0,16	-0,29	-0,44	-0,39	-0,11	-1,21	-0,99
Equity per share before dilution (SEK)	2,30	2,23	2,40	1,98	2,08	2,20	2,75	2,18	2,65	1,38	2,31	2,39	1,82
Equity per share after dilution (SEK)	2,16	2,10	2,27	1,87	1,97	2,07	2,59	2,05	2,49	1,29	2,19	2,26	1,70
Last paid share price (SEK)	31,20	30,40	28,30	33,90	22,60	14,80	12,10	10,90	9,10	8,60	28,30	12,10	15,10
Equity/asset ratio (percent)	55%	60%	60%	53%	57%	65%	69%	59%	71%	38%	60%	69%	54%
Cash Balance (MSEK)	6,3	5,5	14,6	17,9	9,1	2,4	12,7	5,7	11,0	6,7	14,6	12,7	4,4
Number of employees at end of period	54	50	49	47	46	46	46	46	41	41	49	46	41
Average number of outstanding shares (millions)	30,8	30,8	29,8	29,5	29,5	29,5	25,7	24,7	23,3	22,0	29,6	25,7	21,3
Average number of diluted shares (millions)	31,3	31,3	31,2	31,2	31,1	31,3	27,3	26,3	24,8	23,6	31,3	25,5	22,5
Number of outstanding shares at end of period (millions)	30,8	30,8	30,8	29,5	29,5	29,5	29,5	27,5	27,5	22,0	30,8	29,5	22,0
Number of outstanding warrants at end of period (millions)	0,5	0,5	0,5	1,7	1,8	1,8	1,8	1,6	1,5	1,5	1,7	1,8	1,5

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. Credit 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 therefore 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.

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 first quarter of 2018 was 10.0 (9.5), while the average USD rate in the period was 8.1 (8.9). Closing rate for EUR was 10.3 (9.5) och USD 8.4 (8.9).

Related party transactions

During the second quarter of 2018, C-RAD has purchased printing material from Thurn Transmedia Com to an amount of 4 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. At least annually an impairment test is performed. 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 a chattel mortgage for the Company's 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.