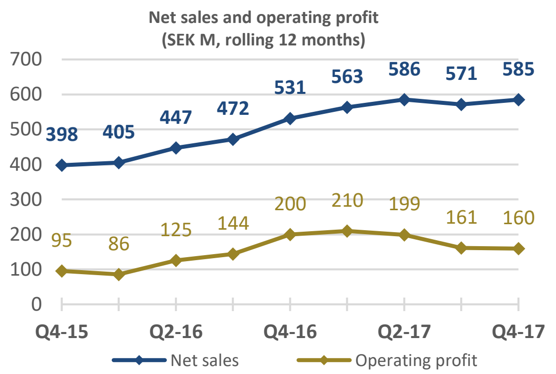
"In 2017, net sales rose 10 percent to SEK 585 M (531). The operating margin declined to 27 percent (38) due to lower growth for RayStation®, negative currency effects due to the weakening of the USD and higher costs due to the company's investments in the global marketing organization and in research and development. RayStation 7 and RayCare® 1 were launched as planned and we have already secured the first order for RayCare," says Johan Löf, President and CEO of RaySearch.

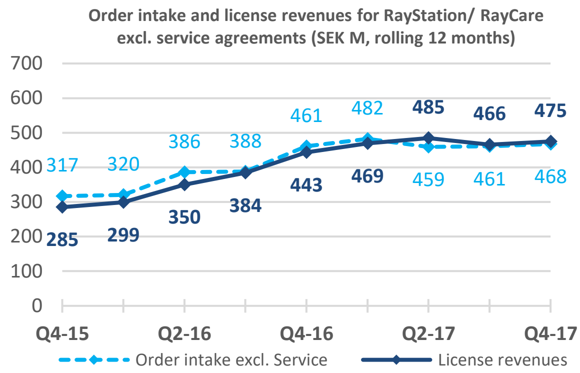
FOURTH QUARTER (OCTOBER-DECEMBER 2017)

- Net sales SEK 204.9 M (191.4), of which revenues from RayStation/RayCare SEK 192.6 M (174.8)
- Profit after tax SEK 72.3 M (75.9) and earnings per share before/after dilution SEK 2.11 (2.21)
- Operating profit SEK 98.7 M (100.2)
- Cash flow SEK 34.6 M (56.6)
- Order intake excl. service agreements SEK 192.6 M (189.0), of which RayStation/RayCare SEK 183.2 M (176.3)
- Order backlog for RayStation/RayCare was SEK 50.0 M (67.6) at the end of the period

TWELVE MONTHS (JANUARY-DECEMBER 2017)

- Net sales SEK 585.1 M (531.5), of which revenues from RayStation/RayCare SEK 531.7 M (476.0)
- Profit after tax SEK 117.6 M (151.4) and earnings per share SEK 3.43 (4.42)
- Operating profit SEK 159.7 M (200.0)
- Cash flow SEK 19.1 M (26.2)
- Order intake excl. service agreements SEK 508.4 M (501.1), of which RayStation/RayCare SEK 467.8 M (461.0)
- The Board of Directors proposes that no dividend be paid for 2017





SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- RayStation was selected by a number of leading cancer clinics, for example, Sharp Grossmont Hospital, Anderson Regional Cancer Center and Erlanger Hospital in the US, Hôtel-Dieu de Lévis in Canada, Lausanne University Hospital (CHUV) in Switzerland, Centre Francois Baclesse in Luxemburg, Charing Cross Hospital and Hammersmith Hospital in the UK, and Maria Sklodowska-Curie Memorial Cancer Center in Poland. In addition, RayStation was also selected for a new carbon ion center at the Yamagata University Hospital in Japan and for the Apollo Proton Cancer Center in Chennai, which is the first proton therapy center in India.
- RayStation 7* was released with support for Mevion HYPERSCAN and integration with RayCare. RaySearch also launched µ-RayStation, a new version of the treatment planning system, which is specially adapted for pre-clinical research on small animals.
- RayCare 1, the next-generation oncology information system (OIS), was released as planned and the company has secured the first order for RayCare from Anderson Regional Cancer Center in the US.

NO SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

FINANCIAL SUMMARY

AMOUNTS IN SEK 000S	OCT-DEC		JAN-DEC	
	2017	**2016**	**2017**	**2016**
Net sales	204,961	191,355	585,086	531,468
Operating profit	98,698	100,249	159,669	199,559
Operating margin, %	48.2	52.4	27.3	37.5
Profit for the period	72,289	75,924	117,627	151,408
Earnings per share before/after dilution, SEK	2.11	2.21	3.43	4.42
Cash flow from operating activities	46,785	73,866	147,481	120,848
Cash flow before financing activities	578	42,659	-651	13,899
Return on equity, %	13.9	19.5	22.6	38.8
Equity/assets ratio at the end of the period, %	63.4	64.2	63.4	64.2
Share price at the end of the period, SEK	171.00	184.50	171.00	184.50

* Regulatory clearance is required in some markets.

CEO COMMENTS

RAYCARE 1 WAS RELEASED AND WE HAVE ALREADY SECURED THE FIRST ORDER

In December, we released as planned the first version of RayCare, the next-generation oncology information system (OIS), which we have developed over the past five years. We then immediately secured the first order for the system from Anderson Regional Cancer Center in the US, which reflects the substantial need and demand for the system. RayCare will constitute a new product area for RaySearch and the launch is an important milestone, both for RaySearch and hospital oncology units. RayCare differs fundamentally from other OIS and we have invested a great deal of time and energy into creating something that can fundamentally improve cancer treatment. Our goal is to further develop cancer treatment with powerful tools that combine treatment planning, workflows and data management, resource optimization, machine learning and efficient follow-up.

> *"The launch of RayCare is an important milestone, both for RaySearch and for hospital oncology units"*

INVESTING IN FUTURE GROWTH

Ever since RayStation was first launched, we have focused on and achieved major sales success in several of the world's most advanced and renowned radiation therapy clinics. In 2017, revenues from RayStation increased by 10 percent, which is a lower rate of growth than we have previously noted. This is largely due to the fact that we are operating in markets with uneven order flows where several major procurements have been delayed. However, we continue to see increased global demand for our innovative software and we feel secure in our long-term strategy.

In 2017, we have continued to expand our global marketing organization by adding more employees and more subsidiaries to more systematically address the entire market, accelerate sales of both RayStation and RayCare, and ensure the best possible customer service. This initiative will continue, which may reduce the company's operating margin in the short term, but will lead to high growth with healthy margins in the future.

RayStation is already well established in all major global markets as the most advanced treatment planning system for radiation therapy. One of RayStation's strengths is that the system can support more types of radiation therapy devices than any other treatment planning system, and RayStation is, for example, the only treatment planning system that can create plans for both Accuray's TomoTherapyTM treatment system and conventional linear accelerators.

> *"We feel secure in our long-term strategy. We are making large investments in our research and development organization and we are driving the operations forward at full force"*

RayStation helps to improve radiation therapy and extend the lifetime of therapy devices, which means they can be used more efficiently. Clinics that want to improve and develop their treatment are no longer dependent on buying the latest hardware – they can achieve similar, positive outcomes by choosing RayStation as their treatment planning system.

Particle therapy (protons/carbon ions/BNCT) is a key area of focus for RaySearch. The 17 new orders we received during the year brought our total number of particle therapy clinics to 44, representing a market share of over 50 percent. Today, less than 1 percent of all radiation therapy patients receive proton therapy, but 20 percent* could receive better treatment through proton therapy. This means that there is great potential in this area.

LOWER OPERATING MARGIN

In 2017, net sales rose 10 percent to SEK 585 M (531). Operating profit totaled SEK 160 M (200), representing an operating margin of 27 percent (38). The lower operating margin was attributable to lower growth for RayStation, the USD weakening against the SEK and higher costs due to investments in our global marketing organization and in research and development. Exchange-rate changes, primarily a weaker USD, had a negative impact of SEK 18 M on earnings in 2017.

*Source: MEDRays Intell Proton Therapy World Market Report 2015

NEXT-GENERATION ONCOLOGY SOFTWARE

RaySearch's business concept is to improve cancer treatment through innovative software. Improving care outcomes and quality of life for cancer patients worldwide is the underlying driver of everything we create, and all decisions we make. RayCare brings integrated cancer treatment within reach of many cancer clinics, and will create clinical opportunities that existing systems simply cannot do. The response from the clinical community to date has been overwhelmingly positive, and shows how badly this system is needed.

To ensure that we meet clinical needs, our development activities are conducted in close collaboration with leading cancer clinics, such as the University of California San Francisco, MD Anderson, the University of Wisconsin-Madison and Provision Healthcare in the US, the University Medical Center Groningen in the Netherlands and Iridium Kankernetwerk in Belgium. Solving the coordination, safety and efficiency needs of the world's largest cancer care clinics is one of our most exciting challenges to date. Our development model is based on partnerships with leading clinics and provides ideal conditions for success by combining their extensive clinical knowledge and resources with RaySearch's ability to develop innovative software solutions.

To accelerate the pace of RayCare's development, we expanded our development department in 2017 and decided to set up development offices in two strategic cities: San Francisco and Toronto. Both these regions are home to many of our business partners and offer good access to talented people, which will increase our ability to recruit personnel with the right knowledge.

CLEAR PLAN AND SOLID BASE FOR CONTINUED INVESTMENT

Our sales and earnings will continue to vary by quarter, since the order intake remains subject to relatively large fluctuations. However, we are seeing continued sales growth and a steady rise in our recurring support revenues from RayStation. Combined with a clear strategic plan, this provides a stable base for continued investment in both RayStation and RayCare.

To date, 470 cancer clinics in 30 countries have purchased RayStation. At the same time, there are more than 8,000 radiation therapy clinics worldwide, and that number is expected to grow sharply over the next decade. The driving forces include rising cancer rates, growing awareness of the advantages of radiation therapy and major investment in cancer therapies in Asia. The market is therefore growing steadily and we will continue to grow considerably faster than the market. Our aim is that at least 3,000 clinics will have purchased RayStation within ten years, representing a market share of about 30 percent.

Software is driving many of the advances in cancer treatment today. RaySearch is uniquely positioned to contribute to this trend and we have excellent prospects for succeeding with our joint mission – to continue the advancement of cancer treatment by developing innovative software solutions that save lives and improve quality of life for cancer patients.

Stockholm, February 15, 2018

Johan Löf
President and CEO of RaySearch Laboratories AB (publ)

FINANCIAL INFORMATION

ORDER INTAKE

In the fourth quarter of 2017, order intake excluding service agreements rose 1.9 percent to SEK 192.6 M (189.0), of which order intake for RayStation/RayCare excluding service agreements rose 3.9 percent and amounted to SEK 183.2 M (176.3).

Order intake (amounts in SEK M)	Q4-17	Q3-17	Q2-17	Q1-17	Q4-16	Full-year 2017	Full-year 2016
Order intake excl. service agreements – RayStation/RayCare	183.2	92.8	98.0	93.8	176.3	467.8	461.0
Order intake excl. service agreements – Partners	9.4	9.3	10.8	11.1	12.7	40.5	40.1
Total order intake excl. service agreements	**192.6**	**102.0**	**108.8**	**104.9**	**189.0**	**508.4**	**501.1**
Order backlog for RayStation/RayCare, at the end of the period	50.0	39.1	36.0	58.1	67.6	50.0	67.6

For the full-year 2017, order intake excluding service agreements increased 1.5 percent to SEK 508.4 M (501.1), of which order intake for RayStation/RayCare amounted to SEK 467.8 M (461.0). At December 31, 2017, the order backlog for RayStation/RayCare was SEK 50.0 M (67.6).

REVENUES

In the fourth quarter of 2017, net sales rose 7.1 percent to SEK 204.9 M (191.4). Net sales consist of license revenues from sales of the RayStation treatment planning system, the oncology information system RayCare, sales of software modules via partners, and support revenues. The growth in net sales was largely attributable to increased revenues from RayStation/RayCare, which rose 10.2 percent to SEK 192.6 M (174.8).

In the fourth quarter, net sales had the following geographic distribution: North America 52 percent (50), Asia 16 percent (24), Europe and the rest of the world 32 percent (26).

Revenues (amounts in SEK M)	Q4-17	Q3-17	Q2-17	Q1-17	Q4-16	Full-year 2017	Full-year 2016
License revenues – RayStation/RayCare	162.1	81.9	106.9	87.7	160.8	438.5	437.1
Hardware revenues – RayStation/RayCare	11.2	3.9	9.0	12.1	3.5	36.2	6.3
License revenues – Partners	9.4	9.3	10.8	11.1	12.7	40.5	40.1
Support revenues – RayStation	18.9	13.1	11.1	11.5	9.5	54.6	31.1
Support revenues – Partners	2.9	3.3	3.2	3.4	3.9	12.8	15.4
Training and other revenues – RayStation	0.5	0.3	0.6	1.0	1.0	2.3	1.5
Net sales	**205.0**	**111.7**	**141.6**	**126.8**	**191.4**	**585.1**	**531.5**
Sales growth, corresp. period, %	7.1%	-11.2%	19.0%	32.9%	45.0%	10.1%	33.7%
Organic sales growth, corresp. period, %	12.2%	-7.8%	13.8%	28.1%	39.2%	10.4%	31.6%

For the full-year 2017, net sales rose 10.1 percent to SEK 585.1 M (531.5), of which revenues from RayStation/RayCare increased 11.7 percent and amounted to SEK 531.7 M (476.0).

For the full-year 2017, net sales had the following geographic distribution: North America 45 percent (42), Asia 17 percent (15), Europe and the rest of the world 38 percent (43).

Recurring support revenues from RayStation rose 76 percent to SEK 54.6 M (31.1), representing 10.3 percent (6.5) of total revenues from RayStation in 2017.

Revenues from sales of software modules via partners declined 3.8 percent to SEK 53.4 M (55.5), representing 9.1 percent (10.4) of net sales.

OPERATING PROFIT

In the fourth quarter of 2017, operating profit declined to SEK 98.7 M (100.2), representing an operating margin of 48.2 percent (52.4). The weaker earnings were primarily attributable to increased operating expenses, given that the company in 2017 increased the number of employees by approximately 35 percent, mainly within the global marketing organization and in research and development, which has not yet generated higher order intake.

Other operating income and expenses refers to exchange-rate gains and losses, with the net of these amounting to SEK 7.0 M (7.9) in the fourth quarter of 2017. This was mainly due to the major portion of accounts receivable denominated in USD, which strengthened against the SEK in the fourth quarter compared with the end of the third quarter.

For the full-year 2017, operating profit decreased to SEK 159.7 M (199.6), representing an operating margin of 27.3 percent (37.5).

Currency effects

The company is impacted by exchange-rate trends in the USD and EUR against the SEK, since invoicing is mainly denominated in USD and EUR, while most costs are in SEK. At unchanged exchange rates, organic sales growth was 12.2 percent in the fourth quarter and 10.4 percent for the full-year 2017, compared with the year-earlier period. Currency effects thus had a negative impact on sales in the fourth quarter and a slightly negative impact on sales for the full-year 2017.

A sensitivity analysis of the company's currency exposure shows that a 1-percentage point change in the USD exchange rate against the SEK would have impacted consolidated operating profit by approximately +/- SEK 5.2 M in the full-year of 2017, while a corresponding change in the EUR exchange rate would have impacted consolidated operating profit by approximately +/- SEK 2.0 M.

The company follows the financial policy established by the Board of Directors, whereby exchange-rate changes are not hedged. Exchange-rate changes, primarily a weaker USD, had a negative impact of SEK 3 M on operating profit for the fourth quarter and a negative impact of SEK 18 M for the full-year 2017.

Capitalization of development expenditure

At December 31, 2017, some 142 (111) employees were engaged in research and development.

For the full-year 2017, research and development expenditure amounted to SEK 183.7 M (141.3), of which development expenditure of SEK 137.8 M (104.4) was capitalized. The increase mainly pertained to RayCare, which was launched in December 2017. Amortization of capitalized development expenditure amounted to SEK 58.4 M (56.3) in 2017. After adjustments for capitalization and amortization of development expenditure, research and development expenditure totaled SEK 104.3 M (93.3).

Capitalization of development expenditure	**Q4-17**	**Q3-17**	**Q2-17**	**Q1-17**	**Q4-16**	**Full-year 2017**	**Full-year 2016**
Research and development expenditure	59.7	41.7	42.7	39.6	42.3	183.7	141.3
Capitalization of development expenditure	-46.2	-30.7	-31.1	-29.8	-31.0	-137.8	-104.4
Amortization of capitalized development expenditure	13.7	14.8	15.2	14.7	13.7	58.4	56.3
Research and development expenditure after adjustments for capitalization and amortization of development expenditure	27.2	25.8	26.8	24.5	25.0	104.3	93.3

Amortization and depreciation

In the fourth quarter of 2017, total amortization and depreciation was SEK 16.9 M (16.5), of which amortization of intangible fixed assets accounted for SEK 13.7 M (13.7), primarily related to capitalized development expenditure, and depreciation of tangible fixed assets accounted for SEK 3.2 M (2.7).

Total amortization and depreciation in 2017 was SEK 70.8 M (67.3), of which amortization of intangible fixed assets accounted for SEK 58.4 M (56.3), primarily attributable to capitalized development expenditure, and depreciation of tangible fixed assets accounted for SEK 12.4 M (11.0).

PROFIT AND EARNINGS PER SHARE

In the fourth quarter of 2017, profit after tax totaled SEK 72.3 M (profit: 75.9), representing earnings per share before and after dilution of SEK 2.11 (2.21). Profit after tax for the full-year 2017 totaled SEK 117.6 M (151.4), representing earnings per share before and after dilution of SEK 3.43 (4.42).

Tax expense for the year amounted to SEK 38.3 M (expense: 46.7), corresponding to an effective tax rate of 24.6 percent (23.6).

CASH FLOW AND LIQUIDITY

In the fourth quarter of 2017, cash flow from operating activities amounted to SEK 46.8 M (73.9), and the reduction is attributable to an increase in working capital. Working capital primarily comprises accounts receivable and accrued income. At the end of the period, accounts receivable represented 57 percent (53) of net sales over the past 12 months and accrued income for 15 percent (9) of net sales over the past 12 months.

For the full-year 2017, cash flow from operating activities was SEK 147.5 M (120.8).

In the fourth quarter, cash flow from investing activities amounted to a negative SEK 46.2 M (neg: 31.2), and a finance lease was used to fund an additional SEK 0.2 M. Investments in intangible fixed assets amounted to a negative SEK 46.1 M (neg: 31.0) and comprised capitalized development expenditure for RayStation and RayCare. Investments in tangible fixed assets amounted to a negative SEK 0.3 M (neg: 1.2).

In full-year 2017, cash flow from investing activities was a negative SEK 148.1 M (neg: 106.9), and a finance lease was used to fund an additional SEK 2.5 M (2.5). Investments in intangible fixed assets amounted to a negative SEK 137.8 M (neg: 104.4) and comprised capitalized development expenditure. Investments in intangible fixed assets amounted to a negative SEK 12.8 M (neg: 5.0).

Cash flow before financing activities was SEK 0.6 M (42.7) in the fourth quarter, and a negative SEK 0.7 M (pos: 13.9) for the full-year 2017.

In the fourth quarter, cash flow from financing activities was SEK 34.0 M (13.9), due to the company's increased utilization of its revolving credit facility by SEK 35 M. For the full-year 2017, cash flow from financing activities was SEK 19.8 M (12.3).

Cash flow for the period was SEK 34.6 M (56.6) in the fourth quarter, and SEK 19.2 M (26.2) for the full-year 2017. At December 31, 2017, consolidated cash and cash equivalents was SEK 104.2 M (87.7).

FINANCIAL POSITION

RaySearch's total assets amounted to SEK 915 M (717) at December 31, 2017, and the equity/assets ratio was 63.4 percent (64.2).

Current receivables amounted to SEK 440 M (348). The receivables mainly comprised accounts receivable and accrued income, and the increase was primarily the result of longer payment terms and sales growth.

During the fourth quarter, the company entered into a six-year lease for new office premises in San Francisco and a ten-year lease for new office premises in New York.

In May 2017, the company's credit facility was increased from SEK 100 M to SEK 350 M. The credit facility runs until May 2020 and comprises a revolving loan facility of up to SEK 300 M and an overdraft facility of SEK 50 M.

Chattel mortgages amount to SEK 100 M.

At December 31, 2017, a short-term loan totaling SEK 75 M had been utilized within the framework of the company's revolving loan facility. At December 31, 2017, the Group had negative net debt of SEK 20.4 M (neg: 26.2).

EMPLOYEES

The average number of employees in the Group was 253 (192) for the fourth quarter of 2017 and 228 (184) for the January-December period of 2017. At the end of the fourth quarter, the Group had 256 (193) employees, of whom 200 (158) were based in Sweden, and 56 (35) in foreign subsidiaries.

PARENT COMPANY

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

SIGNIFICANT EVENTS DURING THE FULL-YEAR 2017

RayStation 6 was launched

In January, it was announced that the latest version of RayStation had been launched, making RayStation the only treatment planning system that can create plans for Accuray's TomoTherapy™ treatment system as well as conventional linear accelerators. RayStation 6 also includes other significant new functionality, including a Monte Carlo Pencil Beam Scanning (PBS) model for dose computation, PBS planning with block aperture computation, simultaneous optimization of multiple beamsets, MRI-based planning and automatic reset.

In the second quarter, it was announced that all functionality in RayStation 6 for Pencil Beam Scanning (PBS) proton therapy could now also be used for Mitsubishi Electric's PBS system.

RayStation was selected by several leading cancer clinics

In 2017, several of the world's largest and most respected cancer clinics selected RayStation as their treatment planning system, including, the Johns Hopkins/Sibley Memorial Hospital, the University of Wisconsin-Madison, MedStar Georgetown University Hospital, Kennestone Hospital (part of WellStar Health System), Sharp Grossmont and Sharp Memorial Hospital (part of Sharp HealthCare) in the US, Hôtel-Dieu de Lévis in Canada, Nottingham City Hospital, Charing Cross Hospital and Hammersmith Hospital in the UK, Academic Medical Center (AMC) in the Netherlands, OLVZ Aalst in Belgium, Centre Francois Baclesse in Luxembourg, Salzburger Landeskliniken (SALK) in Austria, Maria Sklodowska-Curie Memorial Cancer Center in Poland, Zhuozhou Proton Therapy Center in China, the University of Tsukuba in Japan and Tata Memorial Centre in India. In addition, the Princess Margaret Cancer Center, MD Anderson Cancer Center and Maryland Proton Treatment Center, in partnership with the University of Maryland, and others have expanded their RayStation installations. RayStation was also chosen for a new carbon ion center at the Yamagata University Hospital in Japan, the first proton therapy center in India, the Apollo Proton Cancer Center in Chennai, and by the Provision CARES proton center in Nashville in the US, which will be the first clinical ProNova proton system in the world.

New AI technology for automated treatment planning

In February, it was announced that University Health Network (UHN) in Canada had licensed a new artificial intelligence (AI) technology for automated radiation therapy treatment planning (AutoPlanning) with exclusive rights to RaySearch.

Johan Löf named Sweden's most successful entrepreneur

In February, RaySearch's CEO and founder, Johan Löf, was named Sweden's most successful entrepreneur in the Swedish final of the 2016 EY Entrepreneur of the Year program.

The jury citation was: "Johan Löf has created a company that brings benefits to both individuals and society. Advanced products, combined with personal and commercial drive, distinguish his business. Continued expansion is on the agenda for this entrepreneur who improves quality of life for millions of people."

Long-term collaborative agreement for RayCare with MD Anderson

In March, it was announced that RaySearch had entered into a long-term collaborative agreement with the University of Texas MD Anderson Cancer Center in Houston, Texas for RayCare, the next-generation oncology information system (OIS) developed by RaySearch. Johan Löf says: "By combining MD Anderson's extensive clinical knowledge and resources with RaySearch's capacity for innovative development, this partnership has all the prerequisites for success."

Increased credit facility

In May 2017, the company's credit facility was increased from SEK 100 M to SEK 350 M. The credit facility runs until May 2020 and comprises a revolving loan facility of up to SEK 300 M and an overdraft facility of SEK 50 M. Chattel mortgages amount to SEK 100 M.

Long-term collaborative agreement for RayCare with the University of Wisconsin-Madison

In June, it was announced that RaySearch had signed a long-term collaborative agreement for RayCare with the University of Wisconsin-Madison. John Bayouth, Chief of Radiation Oncology Physics at the University of Wisconsin Department of Human Oncology, says: "RayCare has been designed to coordinate our various oncological disciplines and we are hoping to develop the full potential of our multifaceted clinical resources."

Continued sales success for RayStation's particle planning

In 2017, another 17 particle therapy clinics (protons / carbon ions / BNCT) opted for RayStation as their treatment planning system, bringing the total number of particle therapy clinics that have chosen RayStation to 44, representing more than half of all global particle centers.

Long-term collaborative agreement for RayCare with Provision Healthcare

In September, it was announced that RaySearch had signed a long-term collaborative agreement for RayCare with Provision Healthcare in the US. Niek Schreuder, Vice President and Chief Medical Physicist for Provision Healthcare, says: "For Provision, it is of great strategic importance for our Cancer CARE Network to have an integrated and efficient solution for patient treatment and care. RaySearch has the competence and innovative focus that Provision needs, and we share a vision of the future of cancer care."

RaySearch develops support for boron neutron capture therapy (BNCT)

RaySearch entered into a partnership with Neutron Therapeutics, Inc. in the US and Sumitomo Heavy Industries in Japan regarding treatment planning for boron neutron capture therapy (BNCT), which is a type of radiation therapy that enables targeting of cancer at the cellular level. BNCT will be an additional treatment modality in RayStation and users of BNCT will have access to the full range of advanced functionality in RayStation.

Release of RayStation 7

In December, the latest version of RaySearch's treatment planning system, RayStation 7, was launched, and now includes support for Mevion HYPERSCAN, uniform scanning for Mitsubishi Electric's proton therapy system, and integration with RayCare. Johan Löf, President and CEO of RaySearch, says: "We are endeavoring to facilitate an integrated strategy in cancer care. RayCare is moving us toward our goal to link together the main oncological disciplines. By adding support for Mevion's HYPERSCAN technology and uniform scanning for Mitsubishi's therapy devices, we have taken another step toward harmonizing all treatment planning. We are planning to add support for more systems in the near future."

µ-RayStation launched for pre-clinical research

In December, RaySearch announced the launch of µ-RayStation, a new version of the treatment planning system, which is specially adapted for pre-clinical research on small animals.

Release of RayCare 1 and the company secures first order

The first version of RayCare was released in December. RayCare is a new and innovative oncology information system (OIS), which supports workflows and activity management in cancer treatment, and offers an integrated planning environment in combination with RayStation 7. In future versions, RayCare will develop into an OIS with machine learning and a unique capacity to link together and coordinate workflows for radiation therapy, chemotherapy and surgery, which will enhance efficiency and ensure the optimal use of all resources. Johan Löf, President and CEO of RaySearch, says: "RayCare differs fundamentally from other OIS and we have invested a great deal of time and energy into creating something that can seriously improve cancer treatment. Our goal is to further develop cancer treatment with powerful tools that combine treatment planning, workflows and data management, resource optimization, machine learning and efficient follow-up."

In December, RaySearch also secured the first order for RayCare from Anderson Regional Cancer Center in the US.

THE COMPANY'S SHARE

At December 31, 2017, the total number of registered shares in RaySearch was 34,282,773, of which 8,654,975 were Class A and 25,627,798 Class B shares. The quotient value is SEK 0.50 and the company's share capital amounts to SEK 17,141,386.50. Each Class A share entitles the holder to ten votes, and each Class B share to one vote, at a general meeting. At December 31, 2017, the total number of voting rights in RaySearch was 112,177,548.

SHARE OWNERSHIP

At December 31, 2017, the total number of shareholders in RaySearch was 6,893 and, according to Euroclear, the largest shareholders were as follows:

Name	Class A shares	Class B shares	Total shares	Share capital, %	Votes, %
Johan Löf	6,243,084	618,393	6,861,477	20.0	56.2
Lannebo Funds	0	3,258,708	3,258,708	9.5	2.9
Swedbank Robur Funds	0	3,014,145	3,014,145	8.8	2.7
First AP Fund	0	2,364,138	2,364,138	6.9	2.1
Second AP Fund	0	1,929,651	1,929,651	5.6	1.7
Montanaro funds	0	1,415,000	1,415,000	4.1	1.3
State Street Bank & Trust	0	1,405,938	1,405,938	4.1	1.3
Anders Brahme	1,350,161	0	1,350,161	3.9	12.0
Carl Filip Bergendal	1,061,577	144,920	1,206,497	3.5	9.6
Fourth AP Fund	0	541,266	541,266	1.6	0.5
Total, 10 largest shareholders	**8,654,822**	**14,692,159**	**23,346,981**	**68.1**	**90.3**
Others	153	10,935,639	10,935,792	31.9	9.7
Total	**8,654,975**	**25,627,798**	**34,282,773**	**100.0**	**100.0**

OTHER INFORMATION

2018 ANNUAL GENERAL MEETING

The 2018 Annual General Meeting of RaySearch Laboratories AB (publ) will be held at the company's office, Sveavägen 44 in Stockholm, Sweden, on Wednesday, May 30, 2018 at 6:00 p.m. Light refreshments will be served from 5:00 p.m. when registration begins. Shareholders are entitled to have a matter addressed at the Annual General Meeting by submitting a written request to the Board of Directors by April 11, 2018, or after this date but within such a time that the matter can be included in the Notice of the Annual General Meeting.

Further information about registration for the Annual General Meeting and the Board's proposed decision items will also be posted on the company's website when notice of the Annual General Meeting is given. Notice of the 2018 Annual General Meeting is expected to be published on the company's website around April 24, 2018. RaySearch's 2017 Annual Report, including the Sustainability Report, is expected to be published on the company's website around April 27, 2018. A printed version of the Annual Report can be ordered from ir@raysearchlabs.com.

Proposed dividend

Since the company is in an expansive and capital-intensive phase, the Board of Director's for RaySearch proposes that no dividend be paid for 2017. No dividend was paid in 2016.

RISKS AND UNCERTAINTIES

As a global Group with operations in different parts of the world, RaySearch is exposed to various risks and uncertainties, such as market risk, operational risk and financial risk. Risk management at RaySearch aims to identify, measure and reduce risks related to the Group's transactions and operations. No significant changes have been made to the risk assessment compared with the 2016 Annual Report. For more information about risks and risk management, see pages 7-9 and 31-32 of RaySearch's 2016 Annual Report.

SEASONAL VARIATIONS

RaySearch's operations are somewhat characterized by seasonal variations that are typical for the industry, whereby the fourth quarter is normally the strongest – mainly because many customers have budgets that follow the calendar year – and the second quarter is normally the weakest.

ENVIRONMENT AND SUSTAINABILITY

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

REVIEW

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

Stockholm, February 15, 2018
The Board of Directors of RaySearch Laboratories AB (publ)

Carl Filip Bergendal *Chairman of the Board*	Johan Löf *President and Board member*
Hans Wigzell *Board member*	Johanna Öberg *Board member*

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The information contained in the interim report is such that RaySearch Laboratories AB (publ) is obliged to disclose under the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication on February 15, 2018 at 7:45 a.m. CET.

FINANCIAL CALENDAR

Interim report for the first quarter, 2018	May 9, 2018
2018 Annual General Meeting	May 30, 2018
Interim report for the first six months of 2018	August 23, 2018
Interim report for the third quarter, 2018	November 15, 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

AMOUNTS IN SEK 000S	OCT-DEC		JAN-DEC	
	2017	**2016**	**2017**	**2016**
Net sales	204,961	191,355	585,086	531,468
Cost of goods sold[1]	-9,773	-13,725	-36,650	-26,872
Gross profit	**195,188**	**177,630**	**548,436**	**504,596**
Other operating income	7,012	8,615	7,012	17,369
Selling expenses	-56,053	-43,218	-204,852	-156,841
Administrative expenses	-20,198	-17,047	-63,247	-66,291
Research and development expenditure	-27,251	-25,047	-104,304	-93,207
Other operating expenses	0	-684	-23,376	-6,067
Operating profit	**98,698**	**100,249**	**159,669**	**199,559**
Result from financial items	-1,232	-94	-3,768	-1,474
Profit before tax	**97,466**	**100,155**	**155,901**	**198,085**
Tax	-25,177	-24,231	-38,274	-46,677
Profit for the period[2]	**72,289**	**75,924**	**117,627**	**151,408**
Other comprehensive income				
Items to be reclassified to profit or loss				
Translation difference of foreign operations for the period	9	-1,672	2,610	-2,167
Items not to be reclassified to profit or loss	-	-	-	-
Comprehensive income for the period[2]	**72,298**	**74,252**	**120,237**	**149,241**
Earnings per share before and after dilution (SEK)	2.11	2.21	3.43	4.42

[1] Does not include amortization of capitalized development expenditure, which is included in research and development expenditure.
[2] 100 percent attributable to Parent Company shareholders.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

AMOUNTS IN SEK 000S	OCT-DEC		JAN-DEC	
	2017	**2016**	**2017**	**2016**
Opening balance	508,127	385,936	460,188	319,517
Profit for the period	72,289	75,924	117,627	151,408
Translation difference for the period	9	-1,672	2,610	-2,167
Dividend paid	-	-	-	-8,570
Closing balance	580,425	460,188	580,425	460,188

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK 000S	DEC 31, 2017	DEC 31, 2016
ASSETS		
Intangible fixed assets	322,598	243,219
Tangible fixed assets	36,114	35,667
Deferred tax assets	780	512
Other long-term receivables	11,684	2,267
Total fixed assets	**371,176**	**281,665**
Inventory	33	-
Current receivables	439,699	347,869
Cash and cash equivalents	104,156	87,720
Total current assets	**543,888**	**435,589**
TOTAL ASSETS	**915,064**	**717,254**
EQUITY AND LIABILITIES		
Equity	580,425	460,188
Deferred tax liabilities	92,424	70,601
Long-term interest-bearing liabilities	9,751	61,527
Accounts payable	27,403	11,943
Current interest-bearing liabilities	74,033	-
Other current liabilities	131,028	112,995
TOTAL EQUITY AND LIABILITIES	**915,064**	**717,254**

CONSOLIDATED STATEMENT OF CASH FLOW IN SUMMARY

AMOUNTS IN SEK 000S	OCT-DEC		JAN-DEC	
	2017	**2016**	**2017**	**2016**
Profit before tax	97,466	100,155	155,901	198,085
Adjusted for non-cash items[1)]	24,306	19,780	56,181	75,238
Taxes paid	1,469	-4,063	-11,724	-19,218
Cash flow from operating activities before changes in working capital	**123,241**	**115,872**	**200,358**	**254,105**
Cash flow from changes in working capital	-76,456	-42,006	-52,877	-133,257
Cash flow from operating activities	**46,785**	**73,866**	**147,481**	**120,848**
Cash flow from investing activities	-46,207	-31,207	-148,132	-106,949
Cash flow from financing activities	34,028	13,940	19,773	12,291
Cash flow for the period	**34,606**	**56,599**	**19,122**	**26,190**
Cash and cash equivalents at the beginning of the period	69,591	29,837	87,720	59,705
Exchange-rate difference in cash and cash equivalents	-41	1,284	-2,686	1,825
Cash and cash equivalents at the end of the period	**104,156**	**87,720**	**104,156**	**87,720**

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

PARENT COMPANY INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK 000S	OCT-DEC		JAN-DEC	
	2017	**2016**	**2017**	**2016**
Net sales	172,077	166,563	480,774	460,728
Cost of goods sold[1)]	-6,680	-9,345	-19,548	-15,418
Gross profit	**165,397**	**157,218**	**461,226**	**445,310**
Other operating income	7,012	8,615	7,012	17,369
Selling expenses	-31,999	-25,953	-133,066	-106,745
Administrative expenses	-20,442	-17,263	-64,065	-67,178
Research and development expenditure	-59,648	-42,355	-183,683	-141,312
Other operating expenses	-	-684	-23,376	-6,067
Operating profit	**60,320**	**79,578**	**64,048**	**141,377**
Result from financial items	4,972	2,955	2,887	2,012
Profit after financial items	**65,292**	**82,533**	**66,935**	**143,389**
Appropriations	-19,815	-40,144	-19,815	-40,144
Profit before tax	**45,477**	**42,389**	**47,120**	**103,245**
Tax	-10,986	-10,655	-13,227	-25,817
Profit for the period	**34,491**	**31,734**	**33,893**	**77,428**

[1)] Does not include amortization of capitalized development expenditure, which is included in research and development expenditure.

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN SEK 000S	OCT-DEC		JAN-DEC	
	2017	**2016**	**2017**	**2016**
Profit for the period	34,491	31,734	33,893	77,428
Other comprehensive income	-	-	-	-
Comprehensive income for the period	**34,491**	**31,734**	**33,893**	**77,428**

PARENT COMPANY BALANCE SHEET IN SUMMARY

AMOUNTS IN SEK 000S	DEC 31, 2017	DEC 31, 2016
ASSETS		
Tangible fixed assets	23,686	21,316
Shares and participations	1,046	640
Deferred tax assets	780	512
Other long-term receivables	10,405	2,267
Total fixed assets	**35,917**	**24,735**
Inventory	33	-
Current receivables	458,270	350,149
Cash and cash equivalents	42,857	66,984
Total current assets	**501,160**	**417,133**
TOTAL ASSETS	**537,077**	**441,868**
EQUITY AND LIABILITIES		
Equity	272,054	238,161
Untaxed reserves	97,510	77,695
Deferred tax liabilities	-	-
Long-term liabilities	-	50,000
Accounts payable	30,168	16,249
Other current liabilities	137,345	59,763
TOTAL EQUITY AND LIABILITIES	**537,077**	**441,868**

NOTES, GROUP

NOTE 1 ACCOUNTING PRINCIPLES

The RaySearch Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Swedish Financial Reporting Board's recommendation, RFR 1 Supplementary Accounting Rules for Corporate Groups, has also been applied. The accounting policies applied are consistent with those described in the 2016 Annual Report for RaySearch Laboratories AB (publ), which is available on www.raysearchlabs.com. No new accounting policies for 2017 had a material impact on the RaySearch Group during the period. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Swedish Annual Accounts Act.

The Parent Company applies the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, Chapter 9, Interim report.

The introduction of new accounting standards not yet effective but will apply during the forthcoming periods

As of the fiscal year commencing January 1, 2018, RaySearch applies IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*.

IFRS 9 *Financial Instruments* replaces IAS 39 *Financial Instruments: Recognition and Measurement.* RaySearch's analysis of the new standards has been completed and the new principles for classifying financial assets will not impact the Group's earnings and position. The new model for calculating credit losses will impact the impairment loss process, but is not expected to have a significant impact on the Group's earnings and position.

The company follows the financial policy established by the Board of Directors, whereby exchange-rate changes are not hedged, and is therefore not impacted by the new principles for hedge accounting.

IFRS 15, *Revenue from Contracts with Customers* replaces previously issued standards and interpretations addressing revenue with an integrated model for revenue recognition. According to IFRS 15, revenue shall be recognized when promised goods or services are transferred to the customer, which can take place over time or at a point in time. Revenue shall constitute the amount the company expects to receive as payment for the transferred goods or services.

IFRS 15 will apply from January 1, 2018. The transition to the standard will be achieved through forward-looking retroactive application, meaning that any transitional effects will be recognized against shareholders' equity on January 1, 2018 and that the income statement will be presented in accordance with IFRS 15 as of 2018. As no contracts are in effect at the end of the year, according to previously applicable accounting policies, no transitional effects will arise as per January 1, 2018.

The transition to IFRS 15 will impact license and support revenues from RayStation and RayCare, primarily attributable to the warranty period offered by the company. According to IFRS 15, recognized license revenue shall be reduced by an amount corresponding to the value of the support included during the agreed warranty period, and this amount shall thereafter be taken up as income on an ongoing basis during the warranty period. The transition to IFRS 15 is expected to reduce the company's license revenues from RayStation and RayCare by approximately 12 percent compared to previously applied accounting policies, at the same time as the company's support revenues are expected to increase by a corresponding amount, though with an average delay of about nine months.

Overall, the transition to IFRS 15 is expected to result in a temporary reduction in revenue of approximately 6-8 percent in 2018 compared to previously applied accounting policies.

IFRS 16 *Leases* will come into effect on January 1, 2019. RaySearch has begun work to evaluate the impact of the new standard. The initial assessment is that the new standard will impact RaySearch with respect to rental leases for premises, vehicles and other large leased assets as these will be recognized in the balance sheet.

NOTE 2 ESTIMATES

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

NOTE 3 FINANCIAL INSTRUMENTS

RaySearch's financial assets and liabilities comprise accounts receivable, cash and cash equivalents, accrued income, accrued expenses, accounts payable, bank loans and a finance lease. Long-term accounts receivable and accrued income are discounted, while other financial assets and liabilities have short-term maturities. Accordingly, the fair values of all financial instruments are deemed to correspond approximately to their carrying amounts. RaySearch has not applied net accounting to any financial assets or liabilities, and has no agreements that permit offsetting.

NOTE 4 RELATED-PARTY TRANSACTIONS

There were no transactions between RaySearch and related parties that materially affected the company's position and earnings during the period.

NOTE 5 CURRENT RECEIVABLES

AMOUNTS IN SEK 000S	DEC 31, 2017	DEC 31, 2016
Accounts receivable	335,125	282,535
Prepaid expenses	20,674	14,167
Accrued income	78,482	47,576
Other current receivables	5,418	3,591
Total current receivables	**439,699**	**347,869**

NOTE 6 LONG-TERM RECEIVABLES

AMOUNTS IN SEK 000S	DEC 31, 2017	DEC 31, 2016
Accrued income	11,648	2,267
Total long-term receivables	**11,648**	**2,267**

NOTE 7 CURRENT LIABILITIES

AMOUNTS IN SEK 000S	DEC 31, 2017	DEC 31, 2016
Tax liabilities	15,945	11,148
Accounts payable	27,403	11,943
Accrued expenses and prepaid income	106,059	89,616
Bank borrowings	74,033	0
Other current liabilities	9,025	12,231
Total current liabilities	**232,465**	**124,938**

NOTE 8 PLEDGED ASSETS IN THE GROUP AND PARENT COMPANY

AMOUNTS IN SEK 000S	DEC 31, 2017	DEC 31, 2016
Chattel mortgages	100,000	100,000
Guarantees	4,199	17,700

NOTE 9 LONG-TERM LIABILITIES

AMOUNTS IN SEK 000S	DEC 31, 2017	DEC 31, 2016
Bank borrowings	-	50,000
Other long-term liabilities (finance lease)	9,751	11,527
Total long-term liabilities	**9,751**	**61,527**

GROUP QUARTERLY OVERVIEW

	2017				2016			
AMOUNTS IN SEK 000s	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Income statement								
Net sales	204,961	111,703	141,634	126,788	191,355	125,730	118,982	95,401
Sales growth, %	7.1	-11.2	19.0	32.9	45.0	25.0	53.8	8.7
Operating profit	98,698	666	26,839	33,466	100,249	38,465	37,493	23,352
Operating margin, %	48.2	0.6	18.9	26.4	52.4	30.6	31.5	24.5
Profit for the period	72,289	-1,028	20,092	26,274	75,924	28,887	28,837	17,760
Net margin, %	35.3	-0.9	14.2	20.7	39.7	23.0	24.2	18.6
Cash flow								
Operating activities	46,785	35,669	25,640	39,387	73,866	10,211	14,908	21,863
Investing activities	-46,207	-33,412	-37,111	-31,402	-31,207	-23,320	-26,347	-26,075
Cash flow before financing activities	578	2,257	-11,471	7,985	42,659	-13,109	-11,439	-4,212
Financing activities	34,028	-1,025	-2,239	-10,991	13,940	8,955	-9,591	-1,013
Cash flow for the period	34,606	1,232	-13,710	-3,006	56,599	-4,154	-21,030	-5,225
Capital structure								
Equity/assets ratio, %	63.4	67.2	67.1	66.2	64.2	65.8	64.3	66.5
Net debt	-20,372	-20,062	-20,841	-32,869	-26,193	30,420	16,018	-4,784
Debt/equity ratio	0.0	0.0	-0.0	-0.1	-0.1	0.1	0.0	0.0
Net debt/EBITDA	-0.1	-0.1	-0.1	-0.1	-0.1	0.1	0.1	0.0
Per share data, SEK								
Earnings per share before dilution	2.11	-0.03	0.59	0.77	2.21	0.84	0.83	0.52
Earnings per share after dilution	2.11	-0.03	0.59	0.77	2.21	0.84	0.83	0.52
Equity per share	16.93	14.82	14.83	14.20	13.42	11.26	10.40	9.85
Share price at the end of the period	171.0	173.5	235.5	235.0	184.5	198.50	119.00	120.50
Other								
No. of shares before and after dilution, 000s	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8	34,282.8
Average no. of employees	253	240	219	201	192	185	181	177

GROUP, ROLLING 12 MONTHS

AMOUNTS IN SEK 000s	Jan 2017-Dec 2017	Oct 2016-Sep 2017	Jul 2016-Jun 2017	Apr 2016-Mar 2017	Jan 2016-Dec 2016	Oct 2015-Sep 2016	Jul 2015-Jun 2016	Apr 2015-Mar 2016
Income statement								
Net sales	585,086	571,480	585,507	562,855	531,468	472,070	446,909	405,268
Operating profit	159,669	161,220	199,019	209,673	199,559	143,612	125,232	85,625
Operating margin, %	27.3	28.2	34.0	37.3	37.5	30.4	28.0	21.1

DEFINITIONS OF KEY RATIOS

The interim report refers to non-IFRS financial measures that are used to provide investors and company management with additional information to assess the company's operations. The various non-IFRS financial measures that are used to complement the financial information reported in accordance with IFRS are described below.

Non-IFRS financial measures	Definition	Reason for using the measure
Order intake excluding service agreements	The value of all orders received and changes to existing orders during the current period excluding the value of service agreements.	Order intake is an indicator of future revenues and is thus a key figure for the management of RaySearch's operations.
Order intake for RayStation excluding service agreements	The value of orders received and changes to existing orders for RayStation during the current period, excluding the value of service agreements.	Order intake is an indicator of future revenues and is thus a key figure for the management of RaySearch's main operational areas.
Order backlog for RayStation	The value of orders for RayStation at the end of the period that the company has yet to deliver and recognize as revenue.	The order backlog shows the value of orders already booked by RaySearch that will be converted to revenues in the future.
Sales growth	The change in net sales compared with the year-earlier period expressed as a percentage	The measure is used to track the performance of the company's operations between periods
Organic sales growth	Sales growth excluding currency effects	This measure is used to monitor underlying sales growth driven by changes in volume, pricing and mix for comparable units between different periods
Gross profit	Net sales minus cost of goods sold	Gross profit is used to illustrate the margin before sales, research, development and administrative expenses
Operating profit	Calculated as earnings before financial items and tax	Operating profit/loss provides an overall picture of the total generation of earnings in operating activities
Operating margin	Operating profit/loss expressed as a percentage of net sales	Together with sales growth, the operating margin is a key element for monitoring value creation
Net margin	Profit for the period as a percentage of net sales for the period	The net margin illustrates the percentage of net sales remaining after the company's expenses have been deducted
Equity per share	Equity divided by number of shares at the end of the period	Illustrates the return generated on the owners' invested capital per share from a shareholder perspective
Rolling 12 months' sales, operating profit/loss or other results	Sales, operating profit/loss or other results measured over the last 12-month period	This measure is used to more clearly illustrate the trends for sales, operating profit/loss and other results, which is relevant because RaySearch's revenues are subject to monthly variations
Working capital	The Group's working capital is calculated as current operating receivables less operating liabilities	This measure shows how much working capital is tied up in operations and can be shown in relation to net sales to demonstrate the efficiency with which working capital has been used
Return on equity	Calculated as profit/loss for the period as a percentage of average equity Average equity is calculated as the sum of equity at the end of the period plus equity at the end of the year-earlier period, divided by two	Illustrates the return generated on the owners' invested capital from a shareholder perspective
Equity/assets ratio	Equity expressed as a percentage of total assets	This is a standard measure to show financial risk, and is expressed as the percentage of the total restricted equity financed by the owners
Net debt	Interest-bearing liabilities less cash and cash equivalents and interest-bearing current and long-term receivables	The measure shows the Group's total indebtedness
Debt/equity ratio	Net debt in relation to equity	The measure shows financial risk and is used by management to monitor the Group's indebtedness
Net debt/EBITDA	Net debt in relation to operating profit before depreciation over the past 12-month period	A relevant measure from a credit perspective that shows the company's ability to repay its debts

CALCULATION OF FINANCIAL MEASURES NOT INCLUDED IN THE IFRS REGULATORY FRAMEWORK

AMOUNTS IN SEK 000s	Dec 31, 2017	Dec 31, 2016
Working capital		
Accounts receivable	335,125	282,535
Inventory	33	-
Accrued income	89,950	49,843
Other current receivables	5,418	17,758
Accounts payable	-27,403	-11,943
Other current liabilities	-131,029	-112,995
Working capital	**272,094**	**225,198**

AMOUNTS IN SEK 000s	Dec 31, 2017	Dec 31, 2016
Net debt		
Current interest-bearing liabilities	74,033	-
Long-term interest-bearing liabilities	9,751	61,527
Cash and cash equivalents	-104,156	-87,720
Interest-bearing receivables	-	-
Net debt	**-20,372**	**-26,193**

AMOUNTS IN SEK 000s	Full-year 2017	Full-year 2016
EBITDA		
Operating profit	159,669	199,559
Amortization and depreciation	70,757	67,339
EBITDA	**230,426**	**266,898**

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ABOUT RAYSEARCH

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

BUSINESS CONCEPT

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

BUSINESS MODEL

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

STRATEGY

A radiation therapy clinic essentially needs two software platforms for its operations: an information system, and a treatment planning system. With RayStation and RayCare, RaySearch will strengthen its position and continue to grow with high profitability. The strategy rests on a strong focus on software development, leading functionality, broad support for many different types of treatment techniques and radiation therapy devices, as well as extensive investments in research and development.