



Q1
2017

REVENIO GROUP CORPORATION
INTERIM REPORT
JANUARY-MARCH 2017

Due to an amendment to the Securities Market Act, which came into force on November 26, 2015, the descriptive sections of Revenio's interim reports Q1/2017 and Q1-Q3/2017 will be shorter and more concise. The table sections will be reported in accordance with previous practices. The figures are unaudited.

Strong start to 2017 – a clear growth in net sales and operating profit

January–March 2017 in brief, continuing Group operations

- Net sales totaled EUR 6.0 (5.2) million; up by 16.3%
- Operating profit was EUR 1.7 (1.3) million; up by 27.3%
- Probe sales developed as expected; sales grew 25.0% from last year
- Timo Hildén has been the Group President and CEO since January 1, 2017
- The Icare HOME tonometer was granted a sales permit in the United States in March
- Revenio's asthma product Ventica® was given a CE marking in January
- Earnings per share, undiluted EUR 0.18 (0.12)

Key figures, continuing functions, MEUR

	1.1.-31.3.2017	1.1.-31.3.2016	Change-%
Net sales, Group	6.0	5.2	16.3
Operating profit, Group	1.7	1.3	27.3
Net sales, Health Tech	6.0	5.2	16.3
Operating profit, Health Tech	2.3	1.6	40.6
Undiluted earnings per share	0.18	0.12	
Cash flow from operating activities	1.7	0.5	
	31 March 2017	31 March 2016	Change, %-point
Equity ratio-%	66.6	74.1	-7.5
Gearing-%	-31.7	-24.9	-6.8

Financial guidance for 2017

Net sales growth is expected to remain strong. Profitability is expected to remain at a healthy level despite growth investments.

Business review, January 1 - March 31, 2017, continuing operations

Revenio Group's net sales amounted to EUR 6.0 (5.2) million, up by 16.3%. Sales performance in the review period was in line with expectations, especially in key markets such as the UK, Australia and the United States.

In March, the United States Food and Drug Administration FDA approved the sales permit application for the Icare HOME tonometer, thereby providing the Icare HOME tonometer with access to the US markets. Preparations for the product's launch in the United States are under way.

Probe sales developed as expected; sales grew 25.0% from last year.

Timo Hildén has been the Revenio Group's President and CEO since January 1, 2017. Before taking up his position as Group CEO, he had been the CEO of Icare Finland Oy since 2012.

Revenio Research Oy's development projects for skin cancer and asthma-related products are progressing as planned. A CE marking was granted for Revenio's asthma product Ventica® in January, which will enable clinical studies of broader scope in Finland and elsewhere in Europe, as well as in Australia.

Revenio Group's operating profit in the review period was EUR 1.7 (1.3) million, showing a year-on-year increase of 27.3%. Strong performance was supported by the good sales development and the fact that personnel expenses remained almost unchanged year-on-year. Other operating expenses increased due to planned investments in product development.

By a decision made at the Annual General Meeting, Deloitte&Touche was appointed company auditor, with Elina Reilander, Authorized Public Accountant, as the principal auditor.

Timo Hildén, President and CEO, comments on the first quarter of 2017:

Our performance in the first quarter of 2017 was as expected. We have enjoyed brisk sales in Europe, especially in the United Kingdom, Switzerland, and the Netherlands. In the Far East, our sales performance was strong in Korea, Thailand, Malaysia and Singapore, as well as in Australia. The investments we made in resources last year in the Middle East clearly translated into a positive sales trend.

During the review period, we were granted sales permits that are crucial to our future sales development. The most important of these included the sales permit granted by the United States Food and Drug Administration FDA for the Icare HOME tonometer. In Russia, we received sales permits for the Icare HOME and Icare ic100, which was also granted a sales permit in Taiwan

during the review period. Our asthma product Ventica® was granted a CE marking in January. In addition, product registrations for the Icare ic100 are currently under way in Japan and Korea.

Oscare Medical's sales in the period under review remained at a low level. The test results and customer feedback has been good, but the market has proven to be challenging.

We estimate that the sales permit we received in March for the Icare HOME tonometer in the United States markets will have a positive effect on US sales towards the year-end. The product launch has begun and the first deliveries from Finland to Icare USA Inc.'s warehouse will be made in April. Several ophtalmology conferences will be held in the United States this spring, where our products will be showcased. We expect this visibility to boost sales. In January, Seth Rogers joined our US team as its National Accounts Manager. He will strengthen our organization by bringing significant knowledge and experience of the sector.

During the review period, we launched a tabletop holder for tonometers, for easier storage of the device on a table or wall. This will also increase the visibility of the Icare brand.

In the United States, we decided to make probes available online in order to further enhance probe sales in an extensive market area.

Research results on 24-hour intraocular pressure measurement relevant to the Icare HOME tonometer are being published on continuous basis, with the results consistently supporting the introduction of home measurement in patient care. We are particularly keen to hear the results of a study involving 100 patients in Australia, since the preliminary information has been very positive. In Finland, several medical centers are about to introduce the Icare HOME tonometer to clinical use. Furthermore, leading ophthalmologists and opinion leaders in the United States have indicated their intention to launch further studies using the Icare HOME tonometer.

In North America, sales of the Icare TONOVET, a device for measuring intraocular pressure in animals, were very strong, in contrast to a very quiet start in Europe. We have used the Icare ic100 tonometer to develop the new Tonovet Plus, which will be launched during 2017. Clinical trials of the new product were conducted in the United States. In most countries, no sales permit is required for products used to measure intraocular pressure in animals.

Revenio Research Oy's development projects for skin cancer and asthma-related products are progressing as planned. A CE marking was granted for Revenio's asthma product Ventica® in January, which will enable sales and marketing of the product, as well as more extensive clinical studies. Two clinical studies on Ventica® are under way in Europe, and a new one will be launched in Australia during Q2. In addition, an agreement has been signed with a Finnish medical center to use Ventica® for the monitoring of pediatric patients.

Financial review January 1 – March 31, 2017

Group key figures and ratios (MEUR)	1-3/2017	1-3/2016	1-12/2016
Net sales, continuing operations	6.0	5.2	23.4
Ebitda, continuing operations	1.9	1.5	7.7
Ebitda-%, continuing operations	30.9	28.8	32.9
Operating profit, continuing operations	1.7	1.3	7.1
Operating profit-%, continuing operations	28.1	25.7	30.1
Pre-tax profit, continuing operations	1.7	1.3	7.1
Pre-tax profit-%, continuing operations	27.8	25.4	30.4
Net profit from discontinued operations	0.0	0.0	0.0
Net profit, continuing operations	1.4	1.0	5.6
Net profit-%, continuing operations	22.6	18.4	23.8
Gross capital expenditure	0.1	0.3	1.1
Gross capital expenditure-%	1.5	5.8	4.7
R&D costs	0.5	0.4	1.5
R&D costs-% from net sales	8.6	8.0	6.3
Gearing-%	-31.7	-24.9	-43.8
Equity ratio-%	66.6	74.1	78.9
Return on investment-% (ROI)	50.7	39.4	45.6
Return on equity-% (ROE)	42.8	30.1	37.2
Undiluted earnings per share, EUR, continuing operations	0.18	0.12	0.70
Diluted Earnings per share, EUR, continuing operations	0.18	0.12	0.70
Average no. of employees, continuing operations	39	41	41
Cash flow from operating activities	1.7	0.5	6.0
Cash flow from discontinued activities	0.0	0.0	0.0
Cash flow from investing activities	-0.1	-0.3	-1.4
Net cash used in financing activities	-4.9	-5.0	-5.9
Total cash flow	-3.3	-4.8	-1.2

Consolidated comprehensive income statement (MEUR)	1-3/2017	1-3/2016	1-12/2016
NET SALES	6.0	5.2	23.4
Other operating income	0.0	0.0	0.1
Materials and services	-1.6	-1.3	-6.8
Employee benefits	-1.2	-1.2	-4.5
Depreciation/amortization	-0.2	-0.2	-0.7
Other operating expenses	-1.4	-1.2	-4.5
OPERATING PROFIT, CONTINUING OPERATIONS	1.7	1.3	7.1
Financial income and expenses (net)	0.0	0.0	0.1
PRE-TAX PROFIT, CONTINUING OPERATIONS	1.7	1.3	7.1
Income tax expense	-0.3	-0.4	-1.5

Net profit from continuing operations	1.4	1.0	5.6
Net profit from discontinued operations	0.0	0.0	0.0
NET PROFIT	1.4	1.0	5.6
Other comprehensive income items	0.0	0.0	0.0
Other comprehensive income items after taxes	0.0	1.0	0.0
TOTAL COMPREHENSIVE INCOME	1.4	1.0	5.6
Net profit attributable to:			
Parent company shareholders	1.4	1.0	5.8
Non-controlling interests	0.0	-0.1	-0.3
Total comprehensive income attributable to:			
Parent company shareholders	1.4	1.0	5.8
Non-controlling interests	0.0	-0.1	-0.3
Earnings per share, undiluted, EUR, continuing operations	0.18	0.12	0.70
Earnings per share, diluted, EUR, continuing operations	0.18	0.12	0.70

Consolidated balance sheet (MEUR)

31 Mar 2017 31 Mar 2016 31 Dec 2016

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	0.9	0.7	0.9
Goodwill	1.2	1.2	1.2
Intangible assets	4.2	3.8	4.2
Deferred tax assets	0.5	0.1	0.3
TOTAL NON-CURRENT ASSETS	6.8	5.8	6.6

CURRENT ASSETS

Inventories	2.2	1.9	2.3
Trade and other receivables	2.9	2.5	3.1
Cash and cash equivalents	3.8	3.5	7.1
TOTAL CURRENT ASSETS	8.9	8.0	12.4

Non-current assets held
for sale

0.0	0.0	0.0
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TOTAL ASSETS	15.7	13.8	19.0
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LIABILITIES AND SHAREHOLDERS' EQUITY

SHAREHOLDERS' EQUITY

Share capital	5.3	5.3	5.3
Share premium	2.4	2.4	2.4
Fair value reserve	0.3	0.3	0.3
Invested unrestricted capital reserve	4.6	4.5	4.6
Retained earnings/loss	-1.4	-1.7	3.1
TOTAL EQUITY, attributable to holders of parent company equity	11.3	10.8	15.7
Non-controlling interests	-0.8	-0.6	-0.8
TOTAL SHAREHOLDERS' EQUITY	10.4	10.3	15.0

LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax liabilities	0.0	0.0	0.0
Financial liabilities	0.8	0.5	0.7
TOTAL LONG-TERM LIABILITIES	0.8	0.5	0.7
CURRENT LIABILITIES			
Trade and other payables	4.4	2.7	3.2
Financial liabilities	0.0	0.3	0.0
TOTAL SHORT-TERM LIABILITIES	4.4	3.0	3.3
TOTAL LIABILITIES	5.2	3.6	4.0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	15.7	13.8	19.0

Consolidated statement of change in equity (MEUR)

	Share capital	Share Premium	Other Reserves	Retained Earnings	Total	Non-controlling interests	Total Equity
Balance 1 Jan 2017	5.3	2.4	4.9	3.1	15.7	-0.8	15.0
Dividend distribution	0.0	0.0	0.0	-5.9	-5.9	0.0	-5.9
Other direct entries to retained earnings	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income	0.0	0.0	0.0	1.4	1.4	0.0	1.4
Balance 31 March 2017	5.3	2.4	4.9	-1.4	11.3	-0.8	10.4

	Share capital	Share Premium	Other Reserves	Retained Earnings	Total	Non-controlling interests	Total Equity
Balance 1 Jan 2016	5.3	2.4	4.9	2.8	15.5	-0.5	15.0
Dividend distribution	0.0	0.0	0.0	-5.6	-5.6	0.0	-5.6
Acquisition of own shares	0.0	0.0	-0.2	0.0	-0.2	0.0	-0.2
Used option rights	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income	0.0	0.0	0.0	1.0	1.0	-0.1	1.0
Balance 31 Dec 2016	5.3	2.4	4.8	-1.7	10.8	-0.6	10.3

Consolidated cash flow statement (MEUR)	1-3/2017	1-3/2016	1-12/2016
Net profit	1.4	1.0	5.6
Adjustments to net profit	0.1	0.2	0.7
Taxes	0.3	0.4	1.5
Change in working capital	0.2	-0.9	-1.0
Interest paid	0.0	0.0	0.0
Interest received	0.0	0.0	0.0
Taxes paid	-0.3	-0.1	-0.8
CASH FLOW FROM OPERATING ACTIVITIES	1.7	0.5	6.0
Cash flow from discontinued operations	0.0	0.0	0.0
Sales of subsidiaries and associates' shares (net)	0.0	0.0	0.0
Purchase of PPE	0.0	-0.3	-0.6
Purchase of Intangible assets	-0.1	-0.1	-0.8
NET CASH USED IN INVESTING ACTIVITIES	-0.1	-0.3	-1.4
Cash flow from discontinued operations	0.0	0.0	0.0
Used options rights	0.0	0.0	0.0
Buyback of own shares	0.0	-0.2	-0.2
Paid dividends and repayments of capital	-5.0	-4.7	-5.6
Repayments of long-term borrowings	0.0	-0.1	-0.3
Long-term loans received	0.0	0.0	0.1
Finance lease principal payment	0.0	0.0	0.0
NET CASH USED IN FINANCING ACTIVITIES	-4.9	-5.0	-5.9
Cash flow from discontinued operations	0.0	0.0	0.0
Net change in cash and equivalents	-3.3	-4.8	-1.2
Cash and equivalents period-start	7.1	8.3	8.3
Cash and equivalents period-end	3.8	3.5	7.1

Net sales and segment operating profit (MEUR), continuing operations

	Health Tech	Parent company	Group
Net sales 1-3/2017	6.0	0.0	6.0
Net sales 1-3/2016	5.2	0.0	5.2
Change (%)	16	0	16
Segment operating profit 1-3/2017	2.3	-0.6	1.7
Segment operating profit 1-3/2016	1.6	-0.3	1.3
Change (%)	41	104	29

Major shareholders 31 March 2017

	No. of shares	%
1. Joensuun Kauppa ja Kone Oy	596,309	7 %
2. Gerako Oy	340,000	4 %
3. Sijoitusrahasto Evli Suomi Pienyhtiöt	282,546	4 %
4. Keskinäinen Eläkevakuutusyhtiö Etera	265,000	3 %
5. Merivirta Jyri	250,000	3 %
6. Alpisalo Mia	165,021	2 %
7. Eyemakers Finland Oy	155,000	2 %
8. Sijoitusrahasto Evli Suomi Select	107,818	1 %
9. Siik Rauni	101,200	1 %
10. Keskinäinen Vakuutusyhtiö Fennia	89,822	1 %

Alternative performance measures used in financial reporting

Revenio has adopted the guidelines of the European Securities and Market Authority (ESMA) on Alternative Performance Measures. In addition to the IFRS-based key figures, the company will publish certain other generally used key figures that may, as a rule, be derived from the profit and loss statement and balance sheet. The calculation of these figures is presented below. According to the company's view, these key figures supplement the profit and loss statement and balance sheet, providing a better picture of the company's financial performance and position.

Formulas

Earnings per share:	=	$\frac{\text{net profit for the period}}{\text{average number of shares during period - repurchased own shares}}$
Average share price:	=	$\frac{\text{total EUR value of shares traded}}{\text{total number of shares traded during period}}$
Pre-tax profit-%:	=	operating profit + financing income – financing expenses
Return on equity-% (ROE):	=	$\frac{100 \times \text{profit for the financial period}}{\text{shareholders' equity + non-controlling interest (average during period)}}$
Return on investment-% (ROI):	=	$\frac{100 \times \text{profit before taxes + interest and other financial expenses}}{\text{balance sheet total – non-interest-bearing debt (average during period)}}$
Equity ratio-%:	=	$\frac{100 \times \text{balance sheet equity + non-controlling interest}}{\text{balance sheet total – advance payments received}}$
Net gearing-%:	=	$\frac{100 \times \text{interest-bearing debt – cash \& equivalents}}{\text{total equity}}$
Gearing-%:	=	$\frac{100 \times \text{interest-bearing net debt}}{\text{equity total}}$

General statement

This report contains certain statements that are estimates based on the management's best knowledge at the time they were made. For this reason, they involve a certain amount of inherent risk and uncertainty. The estimates may change in the event of significant changes in general economic conditions.

Revenio Group Corporation
Board of Directors

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The Revenio Group in brief

Revenio is a Finnish, globally operating health technology corporation whose worldwide success is based on a strongly patented intraocular pressure measurement technology. The Revenio Group consists of Icare Finland Oy, Revenio Research Oy and Oscare Medical Oy, in which Revenio holds a 53.5% interest. The common denominators of Revenio's business operations include screening, follow-up and the global need to make cost savings through preventive health care. Revenio seeks vigorous growth in health technology. Revenio aims to develop even more efficient and easily adopted methods for the early-stage detection of diseases with significance for public health. The focus of Revenio's screening technology is on the early detection of glaucoma, osteoporosis, skin cancer and asthma, and the monitoring of these during the treatment process.

In 2016, Revenio Group's net sales totaled MEUR 23.4, with its operating profit for continuing operations standing at 30.1%. Revenio Group Corporation is listed on Nasdaq Helsinki.