

INTERIM REPORT

January-March 2015

Continued Growth and Doubled Profit

| SEK Million | Q1 2015 | Q1 2014 |
|-----------------------------|------------|------------|
| Total income | 57.2 | 44.1 |
| Gross profit | 32.3 | 18.9 |
| Gross margin (%) | 56.4 | 42.9 |
| EBITDA | 15.0 | 7.8 |
| Operating Profit/Loss | 14.2 | 6.5 |
| Profit/Loss after tax | 13.9 | 5.1 |
| Profit/Loss per share (SEK) | 0.33 | 0.12 |

Important Events January – March

- Received a new order from the American military program TCAPS worth SEK 14.6 million.
- Initiated the process of listing the Company on Nasdaq Stockholm's main list. The listing is estimated to take place during the third quarter of 2015 at the latest.
- Outgoing backlog amounted per March 31st to SEK 42.9 million.

Important Events after the Period

- Received an order of SEK 56.7 million from the American military program TCAPS.

About INVISIO Communications

INVISIO Communications AB is a public company listed on the NASDAQ OMX First North Premier Segment (ticker code: IVSO) an alternative market on NASDAQ OMX Stockholm. INVISIO specializes in voice communications in difficult conditions. The company develops, manufactures, markets and sells communication solutions such as advanced headsets control units and accessories for use with two-way radio, primarily for professional users who often work in difficult environments. The customers are for example found in the military and military Special Forces, police and SWAT teams, emergency services, the security sector, and various industries throughout the world. Additional information is available on the company's web site at www.invisio.com. Mangold Fondkommission AB is Certified Adviser for INVISIO Communications AB.

CEO's Comments

INVISIO continued to grow during the first quarter. Revenue is up by 29.7 percent in comparison to the corresponding period of the previous year, from SEK 44.1 million to SEK 57.2 million. After currency adjustment, growth was 9.5 percent. During the quarter we have successfully delivered according to our customers' needs based on the the outgoing backlog from the end of 2014.

Gross margin improved significantly, from 42.9 percent to 56.4 percent. This is partially due to currency effects but also due to the product mix and that increased volumes can enable us to obtain more effective production.

This quarter, our operating expenses were slightly higher than the corresponding period of 2014. During the quarter, we capitalized expenses of SEK 2.7 million in regards to the on-going listing process. This amount constitutes the majority of the expected costs in regards to the listing process. Except for these non-recurring costs, the operating expenses for this quarter amounted to the same level as the fourth quarter of 2014.

Operating profit more than doubled from SEK 6.5 million to SEK 14.2 million.

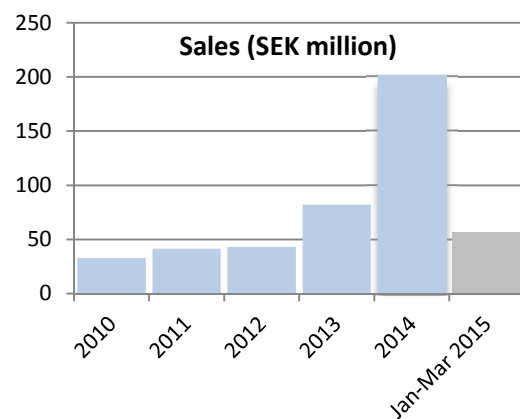
During the quarter we received a new order worth SEK 14.6 million from the US military program TCAPS. After the quarter we received yet another order from the same program worth SEK 56.7 million. TCAPS, Tactical Communication and Protective System, is administered by the organization PEO Soldier as a part of the US Army. The objective is to provide US soldiers with effective hearing protection that allows them to maintain normal hearing during usage as well as trust its communication equipment when being in demanding environments.

CONTINUED LARGE POTENTIAL WITHIN MILITARY PROGRAMS

The most important growth factor for INVISIO at present time is the military modernization programs that are currently taking place in many countries. In these programs, existing equipment is tested and replaced with more modern equipment that gives the soldiers better protection against permanent hearing loss while making them more effective during their missions in the field.

The modernization programs represent a global volume market that includes thousands of users. Our world leading technology and solutions within the area are very well suited for the demands in the hearing- and communication areas, and we are benefiting strongly from the seal of quality that comes from the US Army and several NATO-countries having chosen our solutions.

Our customers are found within the police, SWAT teams, fire departments and heavy industries. However, our focus is currently on the large business opportunities within the military modernization programs.



MARKET LEADER IN A GROWING GLOBAL NICHE

We have now reached a position as an established and profitable company that is a market leader in the growing global niche for advanced hearing protection and communication solutions for very demanding users. We experience that our customers are very satisfied with INVISIO's products which results in INVISIO not only being perceived as a short term supplier, but continuously building long term partnerships with the ability and wish to help the customers solve their specific needs regarding communication solutions.

The first quarter of 2015 has proven INVISIO's ability to consolidate its position in the market.

As previously announced, the board of INVISIO, considering the positive development, has initiated the process of listing the Company on Nasdaq Stockholm's Main List. The process is on-going and a listing is estimated to take place during the third quarter of 2015 at the latest.

Lars Højgård Hansen, CEO

Total Income and Results January – March 2015

Total income for the first quarter amounted to SEK 57.2 million, an increase of 29.7 percent. After currency adjustment growth was 9.5 percent. Re-valuation of accounts receivable in foreign currency resulted in positive effect on revenue with SEK 4.1 million.

Gross profit amounted to SEK 32.3 million (18.9) and gross margin to 56.4 percent (42.9). The positive currency development has influenced gross margin positively. Gross margin may vary between the quarters depending on the product mix and the share of direct sales to end-customers with higher margins compared to the share of sales through distributors.

The order backlog amounted to SEK 42.9 million (38.8) by the end of the quarter.

Operating expenses for the first quarter amounted to SEK 18.1 million (12.4). This includes accrued expenses of SEK 2.7 million in regards to the listing process. Excluding this expense, operating expenses for the quarter amounted to SEK 15.4 million.

Research and development costs of SEK 1.0 million (1.0) has been activated during the quarter. Operating expenses include depreciation of capitalized development expenditures of SEK 0.8 million (1.3).

Operating profit for the first quarter amounted to SEK 14.2 million (6.5).

Net financial items for the first quarter amounted to SEK -0.3 million (-1.5).

Profit before tax for the first quarter amounted to SEK 13.9 million (5.1).

Results for the first quarter amounted to SEK 13.9 million (5.1).

Profit per share for the first quarter amounted to SEK 0.33 SEK (0.12).

Capital Expenditure, Cash Flow and Liquidity, Financing, and Shareholders' Equity

CAPITAL EXPENDITURE

During January – March, capital expenditures amounted to SEK 1.0 million (1.0), of which 1.0 (1.0) was activated development costs.

CASH FLOW AND LIQUIDITY

Cash flow from the operating activities during January – March amounted to SEK 14.3 million (3.5). Cash flow from the investment activities amounted to SEK -1.0 million (-1.0). Cash flow from the financing activities amounted to SEK -9.9 million (-6.6) and raising/amortization of loans to SEK -9.9 million (-6.6). Cash flow during the period thus amounted to SEK 3.4 million (-4.1).

By the end of the period, the Group's liquid assets amounted to SEK 31.1 million (5.0).

FINANCING

The Company's Management and Board concludes that INVISIO currently has a balanced financing.

The Company's total debt of SEK 13.2 million per March 31st regards to: factoring of SEK 4.2 million and loans of SEK 9 million in total. The Company has unutilized overdraft facility with a limit of SEK 10 million.

EQUITY

The Group's equity by the end of the period amounted to SEK 64.1 million (9.1), which resulted in an equity ratio of 61 percent (16).

During 2014, deferred tax assets of SEK 15.3 million was recognized. Deferred taxes are accounted as tax deductions if it is likely that they can be used against future taxable profits. An individual assessment will be conducted for each subsidiary with regards to historic results and possibilities to utilize deductions. Deductions exists mainly in the Danish subsidiary. Danish regulation limits the yearly amounts deductible, which implies that the Danish subsidiary will likely pay taxes for the full year of 2015. There is no time limit on all tax deductions that amounts to a total of SEK 282 million per December 2014, of which SEK 66 million is activated.

Parent Company

Net income for the parent company during the period January – March amounted to SEK 15 thousand (15). Operating results amounted to SEK -4.2 million (-1.1). Accrued expenses of SEK 2.7 million in regards to the listing process is included in the results after taxes. The results after taxes for the period amounted to SEK -4.4 million (-1.5).

The liquid assets of the parent company by the end of the period January – March amounted to SEK 5.8 million (0). Shareholder's equity amounted to SEK 62.2 million (62.5), which resulted in equity ratio of 70.1 percent (73.9). The number of employees in the parent company amounted to 1 (1).

Accounting Principles

The interim report for the Group has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The Parent Company's accounts have been prepared in accordance with RFR2, Accounting for Legal Entities and the Swedish Annual Accounts Act. The accounting principles that are described in the 2014 Annual Report have been applied.

Significant Risks and Uncertainties

INVISIO's business and earnings are affected by a number of external and internal factors. A continuous process is conducted to identify all anticipated risks and to assess how each respective risk shall be managed.

The risks that the Company is mainly exposed to are market-related risks (including legislation and political decisions, global economic situations, competition, technological risks and market acceptance of new products and dependency of suppliers), operational risks (including the ability to manage growth, customers and cooperation agreements, product liability, intellectual property, dependence on key persons and employees, as well as risks related to financial reporting) and financial risks (including interest rate risk, currency risk, financing risks and liquidity risks).

The Company estimates that no additional significant risks or uncertainties have arisen during the year, beyond those reported in this Interim Report and on the pages 43-45 and 57-58 in the annual Report for 2014.

Related Party Transactions

Lage Jonason, with related parties, is one of the Company's largest individual shareholders. For part of the commitment towards suppliers, Lage Jonason has personally stood guarantee until February 2015. Lage Jonason was entitled to 1.5 percent annual reimbursement concerning his guarantee. Yggdrasil AB provides guarantee for the Company's loans of SEK 9 million and overdraft facility (limit SEK 10 million) in exchange for an annual guarantee commission of 3.5 percent of utilized values up to SEK 15 million.

Future Events and Reporting Dates

- Interim Report April – June 2015: 13th August
- Interim Report July – September 2015: 4th November
- Interim Report October – December 2015: 23rd February 2016

This Interim Report has not been reviewed by the Company's auditor.

Stockholm April 23rd 2015

Lars Højgård Hansen
CEO

For further information, please contact:

Lars Højgård Hansen, CEO
+ 45 5372 7722
Lars.HojgaardHansen@invisiocommunications.com

Thomas Larsson, CFO
+45 5372 7735
Thomas.Larsson@invisiocommunications.com

INVISIO Communications AB (publ.)
Box 151
201 21 Malmö
Sweden
Registered number: 556651-0987

Financial Reports

Consolidated Income Statement

| SEK 000s | Jan-Mar 2015 | Jan-Mar 2014 | Full year 2014 |
|-------------------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|
| Sales | 57 212 | 44 114 | 201 635 |
| Cost of goods sold | -24 941 | -25 180 | -110 362 |
| Gross Profit | 32 271 | 18 934 | 91 273 |
| Operating expenses* | -18 051 | -12 407 | -56 622 |
| Operating profit/loss | 14 220 | 6 527 | 34 651 |
| Net financial items | -327 | -1 459 | -2 930 |
| Profit/loss before tax | 13 893 | 5 068 | 31 721 |
| Income tax | - | - | 12 556 |
| Profit/loss for the period | 13 893 | 5 068 | 44 277 |
| Other comprehensive income | | | |
| Translation differences | -2 276 | -10 | 3 751 |
| Comprehensive income for the period (Entirely attributable to equity holders of the parent) | 11 617 | 5 058 | 48 028 |
| *Depreciation incl. in operating expenses | -828 | -1 314 | -5 034 |

| Per-share data | Jan-Mar 2015 | Jan-Mar 2014 | Full year 2014 |
|----------------------------------------------------|-----------------|-----------------|-------------------|
| Earnings per share, SEK | 0,33 | 0,12 | 1,05 |
| Earnings per share after dilution, SEK | 0,33 | 0,12 | 1,02 |
| Shareholders' equity per share, SEK | 1,52 | 0,22 | 1,24 |
| Shareholders' equity per share after dilution, SEK | 1,52 | 0,22 | 1,20 |
| Equity ratio | 61% | 16% | 50% |
| Number of shares, thousand | 42 240 | 42 240 | 42 240 |
| Average number of shares, thousand | 42 240 | 42 240 | 42 240 |
| Average number of shares after dilution, thousand | 42 240 | 42 240 | 43 573 |
| Share price, SEK | 13,90 | 7,30 | 12,80 |

Consolidated Balance Sheet

SEK 000s

| Assets | 2015-03-31 | 2014-03-31 | 2014-12-31 |
|-------------------------------|-------------------|-------------------|-------------------|
| Intangible assets | 18 647 | 17 159 | 18 979 |
| Property, plant and equipment | 136 | 66 | 154 |
| Financial assets | 760 | 693 | 747 |
| Deferred tax assets | 15 330 | - | 15 794 |
| Inventories | 18 484 | 7 843 | 16 391 |
| Accounts receivable - trade | 15 503 | 16 829 | 18 845 |
| Other receivables | 5 414 | 9 344 | 6 339 |
| Cash and cash equivalents | 31 124 | 5 049 | 28 444 |
| Total assets | 105 398 | 56 983 | 105 693 |

| Shareholders' equity and liabilities | 2015-03-31 | 2014-03-31 | 2014-12-31 |
|---------------------------------------------------|-------------------|-------------------|-------------------|
| Shareholders' equity | 64 128 | 9 118 | 52 375 |
| Liabilities to credit institutions | 13 208 | 26 955 | 23 280 |
| Accounts payable - trade | 12 612 | 13 006 | 14 949 |
| Other liabilities | 15 450 | 7 904 | 15 089 |
| Total shareholders' equity and liabilities | 105 398 | 56 983 | 105 693 |

| Changes in shareholders' equity | Jan-Mar 2015 | Jan-Mar 2014 | Full year 2014 |
|----------------------------------------|-------------------------|-------------------------|---------------------------|
| Opening balance | 52 375 | 3 894 | 3 894 |
| Employee stock option program | 136 | 166 | 453 |
| Comprehensive income for the period | 11 617 | 5 058 | 48 028 |
| Closing balance | 64 128 | 9 118 | 52 375 |

Statement of cash flows – Group

SEK 000s

| Cash flow | Q1 2015 | Jan-Mar 2014 | Full year 2014 |
|----------------------------------------------------------------------------------|--------------------|-------------------------|---------------------------|
| Operating activities | | | |
| Profit/loss before tax | 13 893 | 5 068 | 31 721 |
| Adjustments for non-cash items | 590 | 1 398 | 6 515 |
| Cash flow from operating activities before changes in working capital | 14 483 | 6 466 | 38 236 |
| Cash flow from changes in working capital | -217 | -2 991 | -3 926 |
| Cash flow from operating activities | 14 266 | 3 475 | 34 310 |
| Investing activities | | | |
| Capitalization of non-current assets | -1 001 | -970 | -5 259 |
| Acquisition of property, plant and equipment | - | - | -153 |
| Cash flow from investing activities | -1 001 | -970 | -5 412 |
| Financing activities | | | |
| Change in financial assets | -9 856 | -6 595 | -10 887 |
| Cash flow from financing activities | -9 856 | -6 595 | -10 887 |
| Cash flow for the period | 3 409 | -4 090 | 18 011 |
| Cash and cash equivalents at start of period | 28 444 | 9 126 | 9 126 |
| Translation differences in cash and cash equivalents | -729 | 13 | 1 307 |
| Cash and cash equivalents at end of period | 31 124 | 5 049 | 28 444 |

Parent Company Income Statement

| SEK 000s | Jan-Mar 2015 | Jan-Mar 2014 | Full year 2014 |
|----------------------------------------------------------------------|-----------------|-----------------|-------------------|
| Operating income | 15 | 15 | 60 |
| Operating expenses | -4 244 | -1 158 | -5 569 |
| Operating loss | -4 229 | -1 143 | -5 509 |
| Net financial items** | -194 | -332 | 7 679 |
| Profit/loss before tax | -4 423 | -1 475 | 2 170 |
| Income tax | - | - | - |
| Profit/loss for the period | -4 423 | -1 475 | 2 170 |
| **Of w hich, dividend from/ shareholder contribution to subsidiaries | - | - | 9 000 |

Parent Company Balance Sheet

SEK 000s

| Assets | 2015-03-31 | 2014-03-31 | 2014-12-31 |
|----------------------------------------------------------------------|-------------------|-------------------|-------------------|
| Financial assets/shares in subsidiaries | 82 546 | 82 123 | 82 411 |
| Receivables from Group companies | - | 2 187 | - |
| Other receivables | 381 | 260 | 395 |
| Cash and cash equivalents | 5 759 | - | 1 069 |
| Total assets | 88 686 | 84 570 | 83 875 |
| Shareholders' equity and liabilities | 2015-03-31 | 2014-03-31 | 2014-12-31 |
| Shareholders' equity | 62 175 | 62 530 | 66 462 |
| Liabilities to credit institutions | 9 000 | 19 853 | 12 333 |
| Accounts payable - trade | 473 | 49 | 793 |
| Liabilities to Group companies | 13 204 | 111 | 2 704 |
| Other liabilities | 3 834 | 2 027 | 1 583 |
| Total shareholders' equity and liabilities | 88 686 | 84 570 | 83 875 |
| Changes in shareholders' equity | 2015-03-31 | 2014-03-31 | 2014-12-31 |
| Opening balance | 66 462 | 63 839 | 63 839 |
| New issues | - | - | - |
| Employee stock option program | 136 | 166 | 453 |
| Profit/loss for the period** | -4 423 | -1 475 | 2 170 |
| Closing balance | 62 175 | 62 530 | 66 462 |
| **Of w hich, dividend from/ shareholder contribution to subsidiaries | - | - | 9 000 |