Interim Report January - June 2014

XVIVO Perfusion AB (publ)

XVIVO Perfusion is a medical technology company which develops solutions and systems for assessing the usability of organs, allowing for treatment of organs and maintaining organs in good condition outside the body pending transplantation. Currently, the company's product Perfadex® has a market share of more than 90 percent in the traditional preservation of lungs for transplantation.

XVIVO Perfusion employs 12 people at its headquarters in Gothenburg, Sweden, and five at its office for North & South America in Denver, USA. The XVIVO share is listed on NASDAQ OMX First North and has the ticker symbol XVIVO. The Certified Adviser is Redeye, www.redeye.se.

XVIVO PERFUSION

Continued strong sales growth and SEK 73 million private placement

SECOND QUARTER 2014 (APR – JUN)

- Net sales in the quarter amounted to SEK 18.5 (15.8) million, corresponding to an increase of 17 percent in SEK. Sales increased by 15 percent in local currency.
- Operating income before depreciation and amortization (EBITDA) amounted to SEK 1.8 (2.4) million, corresponding to an EBITDA margin of 10 percent.
- Net income amounted to SEK 0.8 (1.7) million, resulting in earnings per share of SEK 0.04 (0.09).
- Cash flow from operating activities was SEK 0.8 (3.9) million.
- STEEN Solution™ and related products accounted for 23 (13) percent of total sales.
- Investment in future sales growth is done through research and development of new indications for STEEN Solution ™
- The board of directors resolved to issue new shares through a SEK 73 million private placement directed to a group of qualified Swedish and international investors in order to facilitate a faster build-up of the company's working capital for the US and European launch of XPS™ and STEEN Solution™ and also for investment in new indications.

THE PERIOD 2014 (JAN – JUN)

- Net sales in the period amounted to SEK 36.7 (32.1) million, corresponding to an increase of 14 percent in SEK. Sales increased by 12 percent in local currency.
- Operating income before depreciation and amortization (EBITDA) amounted to SEK 4.9 (6.1) million, corresponding to an EBITDA margin of 13 percent.
- Net income amounted to SEK 2.6 (4.1) million, resulting in earnings per share of SEK 0.13 (0.21).
- Cash flow from operating activities was SEK -2.6 (7.9) million due to changes in trade payables that amounted to SEK -3.3 million and paid taxes that amounted to SEK -3.6 million.
- STEEN Solution™ and related products accounted for 24 (14) percent of total sales.
- The Advisory Panel convened by the FDA voted unanimously, by 10 votes to 0, that the XPS™ System with STEEN Solution™ meets the requirements for HDE (Humanitarian Device Exemption) approval.
- XPS™ (Xvivo Perfusion System) received a CE mark, allowing XPS™ and the accompanying single-use products to be sold in Europe.
- The first lung transplant in Turkey using a lung treated with the STEEN Solution™ method was performed at Sureyyapasa Teaching Hospital.
- The board of directors resolved to issue new shares through a SEK 73 million private placement directed to a group of qualified Swedish and international investors in order to facilitate a faster build-up of the company's working capital for the US and European launch of XPS™ and STEEN Solution™ and also for investment in new indications.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- XVIVO has received market approval from the FDA for STEEN Solution™ and XPS™.
- XVIVO Perfusion's share warrant program 2014/2016, offered to employees, was fully subscribed.
- The private placement increased the number of shares and votes in XVIVO Perfusion by 1,950,000 from 19,562,769 to 21,512,769.

CONFERENCE CALL

CEO Magnus Nilsson will present the report in a conference call at 2 p.m. CET on Wednesday, August 13, 2014.
Telephone: +44 (0) 1452 558567, enter code 67955875

CEO'S COMMENTS

XVIVO Perfusion has completed a successful first half of 2014, with continued strong sales growth and with profit. This comes at the same time as the company has made the largest investment in its history in product development, preclinical development within new indications for STEEN Solution™ and clinical development of XPS™ and STEEN Solution™ in the US and Europe. A great deal of effort and resources have been invested into becoming the first company to get a product approved in the US for warm perfusion of organs. A preparatory prelaunch of XVIVO Perfusion's products for lung evaluation has been carried out in the US during the quarter. Interest in the company's products remains high in the US. In this context it is pleasing that the continued sales growth, even before US approval, is almost entirely due to the successes of the products in the revolutionary organ evaluation technique involving warm organ perfusion in a closed system that XVIVO Perfusion is the first to offer. These products account for around 25 percent of sales and with the continued growth are expected to shift the company's sales focus even faster onto the patented STEEN Solution™ and related products.

It is worth noting that all this development of the company has taken place despite the fact that only minimal resources have been needed or will need to be invested in infrastructure, since the company's business concept and organization are well suited to efficient scaling up.

The great potential within new indications for STEEN Solution™, primarily for liver transplantation and local treatment of certain types of lung cancer with significantly reduced side effects, as well as the great interest in XVIVO Perfusion's newly developed organ perfusion system XPS™, meant that the time was right to secure access to capital through a new share issue. This was successfully completed at the end of June and it was pleasing to note the great interest in the company's shares among investors, resulting in an issue price of just a few percent below the market price.

Strengthened by our successes during the first half of the year, we can look forward to a very interesting second half with the expectation of continued rapid development of the company – not only within product development and regulatory approval, but also in regards market penetration of key products and the build-up of top level expertise within the organization.

Magnus Nilsson
CEO

SECOND QUARTER 2014 (APRIL – JUNE)

NET SALES

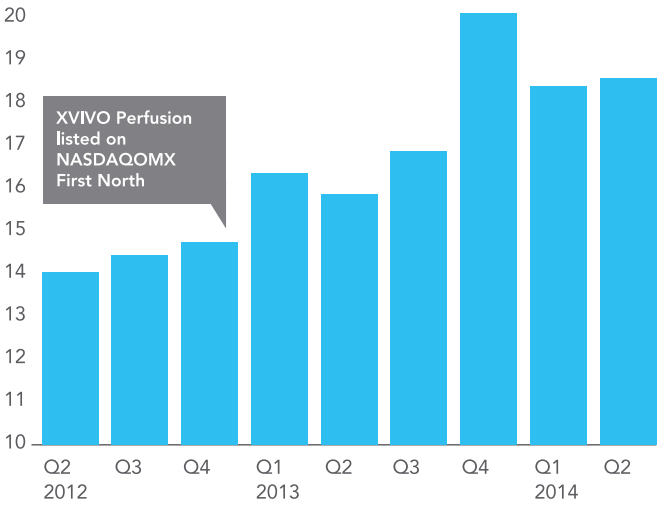
XVIVO Perfusion's net sales in the quarter amounted to SEK 18.5 (15.8) million, corresponding to an increase of 17 percent in SEK. Sales increased by 15 percent in local currency. STEEN Solution™ and related products accounted for 23 (13) percent of total sales.

INCOME

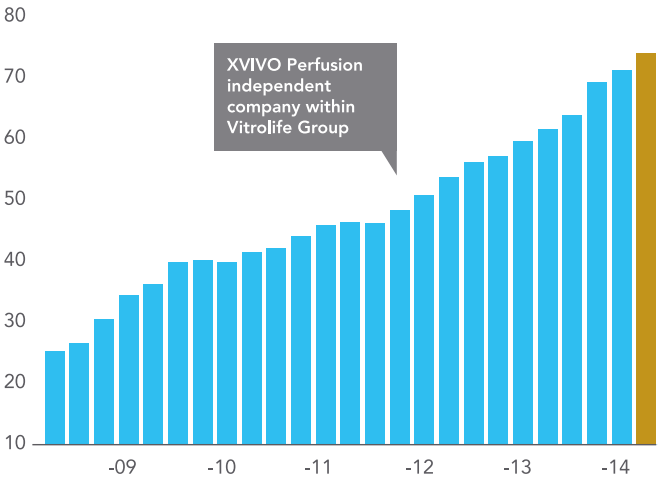
Operating income before depreciation and amortization (EBITDA) amounted to SEK 1.8 (2.4) million, corresponding to an EBITDA margin of 10 percent.

The gross margin during the quarter was 79 (79) percent. Selling expenses in relation to sales were 34 (30) percent. The increase is due to additional resources supporting the continued establishment of STEEN Solution™ and pre-launch activities in the US. R&D costs were 22 (18) percent of sales. The increase is mainly due to expenses related to research in new indications and expenses for defending intellectual property rights. The latter refers primarily to ongoing legal expenses for the action against Vivoline. Administrative expenses decreased to 16 (19) percent, mainly due to economies of scale. Net other operating revenues and expenses during the quarter was SEK 0.1 (0.1) million. During the period, SEK 4.7 million (2.0) of the development costs for STEEN Solution™ were capitalized as an intangible asset. The increase is mainly coming from the expansion of the NOVEL study and expenses related to the FDA expert panel meeting. Depreciation and amortization for the period amounted to SEK 0.4 million (0.3).

NET SALES (SEK MILLIONS) *



NET SALES ROLLING 12 MONTHS (SEK MILLIONS) *



CASH FLOW

Cash flow from operating activities amounted to SEK 0.8 (3.9). Investments amounted to SEK 4.8 (4.1) million, of which SEK 4.7 (2.0) million was invested in the STEEN Solution™ study in the US. The cash flow from financing activities was SEK 4.3 (0.0) million and consisted of increased use of the overdraft facility. Cash and cash equivalents at the end of the quarter amounted to SEK 2.5 (1.2) million.

FINANCING

XVIVO Perfusion's total credit facilities consist of an overdraft facility that at the end of the quarter amounted to SEK 20 (15) million, of which SEK 15.9 (0.1) million was utilized. The equity/assets ratio was 81 (83) percent at the end of the quarter.

PRIVATE PLACEMENT

The board of directors resolved to issue new shares through a SEK 73 million private placement directed to a group of qualified Swedish and international investors in order to facilitate a faster build-up of the company's working capital for the US and European launch of XPS™ and STEEN Solution™ and also for investment in new indications. The private placement will increase the number of shares and votes in XVIVO Perfusion by 1,950,000 from 19,562,769 to 21,512,769. The share capital will increase by around SEK 49,840 to SEK 549,840.

SHARE WARRANT PROGRAM 2014/2016

On April 29, 2014 the annual meeting of shareholders in XVIVO Perfusion AB resolved to issue 195,000 warrants (corresponding to 195,000 shares) to the company's employees. If fully subscribed a total of 195,000 warrants will be issued, with subsequent rights to subscribe for new shares. In June 2016 each warrant will entitle the holder to subscribe for one new share at a price of SEK 58.60. If all the warrants are exercised the share capital will increase by around SEK 5,000, corresponding to dilution of approximately 1 percent of the total number of shares and votes.

THE PERIOD 2014 (JANUARY – JUNE)

NET SALES

XVIVO Perfusion's net sales in the quarter amounted to SEK 36.7 (32.1) million, corresponding to an increase of 14 percent in SEK. Sales increased by 12 percent in local currency. STEEN Solution™ and related products accounted for 24 (14) percent of total sales.

INCOME

Operating income before depreciation and amortization (EBITDA) amounted to SEK 4.9 (6.1) million, corresponding to an EBITDA margin of 13 percent.

The gross margin during the quarter was 78 (80) percent. Selling expenses in relation to sales were 31 (25) percent. The increase is due to additional resources supporting the continued establishment of STEEN Solution™ and XPS™ in Europe and pre-launch in the US as well as the recruitment of three individuals to strengthen the sales organization. R&D costs were 21 (18) percent of sales. The increase is mainly due to expenses related to CE marking of XPS™ ahead of the European launch, expenses related to research in new indications and expenses for defending intellectual property rights. The latter refers primarily to ongoing legal expenses for the action against Vivoline. Administrative expenses decreased to 15 (20) percent. Net other operating revenues and expenses during the quarter was SEK 0.1 (-0.1) million. During the period, SEK 8.4 million (3.4) of the development costs for STEEN Solution™ were capitalized as an intangible asset. The increase is mainly coming from the expansion of the NOVEL study and costs related to the FDA expert panel meeting. Depreciation and amortization for the period amounted to SEK 0.7 million (0.7).

* Q4 2012 and 2013 are XVIVO Perfusion's sales. All previous quarters derive from Vitrolife's Transplantation segment, as reported in Vitrolife's reporting.

CASH FLOW
Cash flow from operating activities amounted to SEK -2.6 (7.9) million during the quarter and was mainly affected by changes in trade payables that amounted to SEK -3.3 million and paid taxes that amounted to SEK -3.6 million. Investments amounted to SEK 8.6 (5.7) million, of which SEK 8.4 (3.4) million was invested in the STEEN Solution™ study in the US. The cash flow from financing activities was SEK 9.5 (-9.0) million and consisted of increased use of the overdraft facility. Cash and cash equivalents at the end of the quarter amounted to SEK 2.5 (1.2) million.

REGULATORY APPROVAL OF XPS™ IN EUROPE
During the quarter the company obtained a CE mark for XPS™ (Xvivo Perfusion System), its newly developed system for lung perfusion. This allows XPS™ and the accompanying single-use products to be sold in Europe. XPS™ has been used with good clinical results at leading centers in the US within the context of the NOVEL trial. Ex vivo lung perfusion (EVLP) with STEEN Solution™ has been used in more than 300 lung transplants at almost 30 centers, including Vienna, Paris, Toronto and others.

FDA ADVISORY PANEL VOTES UNANIMOUSLY THAT XPS™ WITH STEEN SOLUTION MEETS REQUIREMENTS FOR HDE APPROVAL IN THE US
The Advisory Panel convened by the FDA voted unanimously, by 10 votes to 0, that the XPS™ system with STEEN Solution™ meets the requirements for HDE (Humanitarian Device Exemption) approval. On March 20, 2014 an Advisory Panel meeting was held in Maryland, USA at which the Advisory Panel gave its opinion on XVIVO Perfusion's HDE application for the XPS™ system with STEEN Solution™. The Advisory Panel's findings were mainly based on the clinical data accumulated in the NOVEL trial. The NOVEL trial is subject to a protocol that includes XPS™ and STEEN Solution™. The Advisory Panel was convened by the FDA and its role is to advise and make recommendations to the FDA on regulatory matters. A decision on the matter of marketing approval will be taken by the FDA. HDE approval allows XVIVO Perfusion to market and sell STEEN Solution™, XPS™ and the accompanying single-use products in the US.

OUTLOOK FOR 2014

Since the number of lungs that can be transplanted using traditional cold perfusion is not expected to increase more than the number of donated lungs, growth is expected to come primarily from warm perfusion using the STEEN Solution™ method. Therefore, the focus during 2014 will be on establishing the STEEN Solution™ method as the standard treatment in lung transplantation. In Europe and Australia there is an increased interest in the XPS™ system. The focus during the year will be on launching the XPS™ and establishing the STEEN Solution™ method at more clinics by using the good clinical results that have been demonstrated to date. At present, Asia, Middle East and Eastern Europe account for around five percent of the total number of lung transplants carried out in the world, but with increased economic opportunities, the number of lung transplants will increase. Establishing the STEEN Solution™ method early on in these markets will allow this development to take place faster than would otherwise be possible. In the US, the main focus is the HDE approval process for STEEN Solution™ and the XPS™ until approval and the launch of STEEN Solution™ and the XPS™ after approval. Before approval, the focus will be to increase the use of STEEN Solution™, within the framework of the clinical study, in order to be able to utilize lungs that would not otherwise have been used for transplantation.

When marketing approval has been granted in the USA, resources for sales and marketing will be increased in the USA to establish the use of the STEEN Solution™ technology. Additionally, upon approval, the company will begin to amortize the capitalized expenditure for STEEN Solution™, which will affect operating income. The capitalized assets for STEEN Solution™ amounted to SEK 93 million at the end of the reporting period and it is estimated that straight line amortization will be carried out over a period of ten years.

The availability of organs is the limiting factor when it comes to increasing the number of transplants of organs other than lungs. Therefore, our research and development focus will be on developing the use of the STEEN Solution™ method for other indications.

THE COMPANY IN BRIEF

OPERATIONS
XVIVO Perfusion AB is a medical technology company which develops solutions and systems for selecting usable organs and maintaining them in optimal condition pending transplantation. Today, the company's product Perfadex® has a market share of more than 90 percent in the traditional preservation of lungs for transplantation.

A great problem in transplantation healthcare is the lack of available lungs. Currently in the USA, only around 20 percent of the available donated lungs are transplanted as it is considered far too risky to transplant the remaining majority. By using XVIVO's product STEEN Solution™, the organ is cleared of harmful substances from the donor, thus creating a better environment for the organ's cells. The technology thereby allows the organ to "recover" when possible. It also allows for functional testing to be performed outside the body. In clinical use in Europe, Australia and Canada, and in a clinical trial in the USA, it has emerged that once STEEN Solution™ perfusion has been carried out, many of the organs that were initially "refused" are assessed as being usable and have been successfully transplanted into patients with end stage lung

disease. Therefore the use of STEEN Solution™ has the potential to increase the total number of lung transplants.

Over the years, XVIVO has established close relationships with most of the world's lung transplant centers and has made Perfadex® a completely dominant product in its niche. XVIVO intends to make STEEN Solution™ available all over the world with the firm conviction that the number of transplants will increase as healthcare systems gain knowledge of and access to STEEN Solution™. The objective of the company is to create value for both patients and shareholders by providing a unique product in a market with great growth potential.

BUSINESS CONCEPT
XVIVO Perfusion's business concept is to increase the survival rate of patients in need of an organ transplant by providing effective products that increase the availability and survival potential of organs once transplanted.

VISION
The company's vision is that no one should have to die waiting for a new organ.

OBJECTIVE
The company's objective is to establish the warm perfusion of organs with STEEN Solution™ as the standard treatment in the transplantation of lungs and other organs.

STRATEGY
XVIVO Perfusion's strategy focuses on getting lung evaluation outside the body using the STEEN Solution™ method accepted as a standard procedure. A basic precondition of the strategy is to obtain regulatory approval for STEEN Solution™ in all important markets. XVIVO Perfusion has demonstrated through published preclinical and clinical studies that warm perfusion of organs using the STEEN Solution™ method results in more available organs, thereby giving more patients the potential to have a life-saving treatment, better quality of life, socioeconomic gains, and lower morbidity and mortality. Furthermore, the company will strive to increase awareness of the STEEN Solution™ method in important groups of stakeholders and will work with key opinion leaders in the area.

OTHER INFORMATION

ORGANIZATION AND PERSONNEL
At the end of quarter the number of employees was seventeen, of whom seven were women and ten were men. Of these, twelve people were employed in Sweden and five in the USA. In addition, the company uses five consultants.

INFORMATION ON TRANSACTIONS WITH RELATED PARTIES
No transactions that have substantially affected the company's results and financial position have been carried out with related parties during the quarter.

RISK MANAGEMENT
XVIVO Perfusion is constantly working to identify, evaluate, and manage risks in different systems and processes. Risk analyses are performed continually with regard to the company's normal business activities and also in connection with activities that are outside XVIVO Perfusion's regular quality system. The most important strategic and operative risks affecting the company are described in the 2013 annual report.

SEASONAL EFFECTS
XVIVO Perfusion's sales are marginally affected by seasonal effects. There is slightly less activity during the summer months.

EVENTS AFTER THE END OF THE REPORTING PERIOD
No events have occurred after the end of the reporting period that significantly affect the assessment of the financial information in this report.

August 13, 2014
Gothenburg

The Board

THIS REPORT HAS NOT BEEN REVIEWED BY THE COMPANY'S AUDITORS.

FINANCIAL REPORTS
XVIVO Perfusion's interim reports are published on the company's website, www.xvivoperfusion.com.

Interim report July-September: Friday October 24

FOR FURTHER INFORMATION, PLEASE CONTACT
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The Certified Adviser is Redeye, www.redeye.se
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XVIVO Perfusion is required to publish the information in this report in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on August 13, 2014 at 8.30 am.

This is a translation of the Swedish version of the report. When in doubt, the Swedish wording prevails.

CONSOLIDATED INCOME STATEMENTS

	January – June		April – June		Whole year
SEK THOUSANDS	2014	2013	2014	2013	2013
Net sales	36 732	32 106	18 474	15 777	68 922
Cost of goods sold	-8 245	-6 577	-3 863	-3 327	-14 785
Gross income	**28 487**	**25 529**	**14 611**	**12 450**	**54 137**
Selling expenses	-11 289	-7 992	-6 313	-4 719	-17 051
Administrative expenses	-5 573	-6 286	-3 023	-2 942	-12 019
Research and development costs	-7 585	-5 684	-4 012	-2 887	-15 194
Other operating revenues and expenses	86	-102	125	101	901
Operating income	**4 126**	**5 465**	**1 388**	**2 003**	**10 774**
Financial income and expenses	-174	111	-81	275	-56
Income after financial items	**3 952**	**5 576**	**1 307**	**2 278**	**10 718**
Taxes	-1 379	-1 463	-555	-565	-2 664
Net income	**2 573**	**4 113**	**752**	**1 713**	**8 054**
Attributable to					
Parent Company's shareholders	2 573	4 113	752	1 713	8 054
Earnings per share, SEK	0,13	0,21	0,04	0,09	0,41
Earnings per share, SEK*	0,13	0,21	0,04	0,09	0,41
Average number of outstanding shares	19 562 769	19 562 769	19 562 769	19 562 769	19 562 769
Average number of outstanding shares*	19 757 769	19 562 769	19 757 769	19 562 769	19 562 769
Number of shares at closing day	19 562 769	19 562 769	19 562 769	19 562 769	19 562 769
Number of shares at closing day*	19 757 769	19 562 769	19 757 769	19 562 769	19 757 769

Depreciation and amortization has reduced income for the period by SEK 735 thousand (682), of which SEK 368 thousand (349) for the quarter.
* After dilution. 19 562 769 + 195 000 = 19 757 769. See note 2 for information on warrant programs
The net present value of the issue price of 195 000 warrants in the 2013/2015 warrant program is lower than the share price at closing day and than the average share price for the period.

CONSOLIDATED BALANCE SHEETS

SEK THOUSANDS	140630	130630	131231
ASSETS			
Goodwill	2 607	3 410	3 008
Other intangible fixed assets	94 409	78 412	86 214
Tangible fixed assets	798	854	917
Financial fixed assets	5 475	5 728	4 405
Inventories	19 300	13 631	17 990
Accounts receivable	7 838	8 782	7 518
Other current receivables	76 217	1 061	3 382
Liquid funds	2 520	1 156	4 131
Total assets	**209 164**	**113 034**	**127 565**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity, attributable to the Parent Company's shareholders	169 720	93 466	96 635
Provisions	5 516	4 599	5 272
Accounts payable	4 696	4 202	8 419
Overdraft	15 898	79	6 659
Current tax liabilities	1 651	4 346	3 212
Other short-term liabilities	4 579	537	458
Accrued expenses and prepaid income	7 104	5 805	6 910
Total shareholders' equity and liabilities	**209 164**	**113 034**	**127 565**
Pledged assets for own liabilities	20 250	15 250	15 250
Contingent liabilities	-	-	-

CONSOLIDATED KEY RATIOS

	January – June		April – June		Whole year
SEK THOUSANDS	2014	2013	2014	2013	2013
Gross margin, %	78	80	79	79	79
Operating margin before R&D costs, %	32	35	29	31	38
EBITDA, %	13	19	10	15	19
Operating margin, %	11	17	8	13	16
Net margin, %	7	13	4	11	12
Equity/assets ratio, %	81	83	81	83	76
Return on equity, %	2	5	1	2	9
Income per share, SEK	0,13	0,21	0,04	0,09	0,41
Shareholders' equity per share, SEK	8,68	4,78	8,68	4,78	4,94
Share price on closing day, SEK	41,00	23,80	41,00	23,80	33,50

CONSOLIDATED CASH FLOW STATEMENTS

	January – June		April – June		Whole year
SEK THOUSANDS	2014	2013	2014	2013	2013
Income after financial items	3 952	5 576	1 307	2 278	10 718
Adjustment for items not affecting cash flow	763	435	396	76	1 992
Paid taxes	-3 576	-453	-966	-250	-978
Change in inventories	-826	293	-2 410	-1 427	-4 636
Change in trade receivables	375	1 401	2 130	2 349	473
Change in trade payables	-3 274	628	306	896	5 895
Cash flow from operating activities	**-2 586**	**7 880**	**763**	**3 922**	**13 464**
Cash flow from investing activities	-8 610	-5 691	-4 802	-4 123	-14 852
Cash flow from financing activities	9 456	-9 010	4 304	-27	-2 303
Cash flow for the period	**-1 740**	**-6 821**	**265**	**-228**	**-3 691**
Liquid funds at beginning of period	4 131	7 776	2 127	1 124	7 776
Exchange rate difference in liquid funds	129	201	128	260	46
Liquid funds at end of period	**2 520**	**1 156**	**2 520**	**1 156**	**4 131**

CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to Parent Company's shareholders				
TSEK	Share capital	Reserves	Other paid in capital	Retained earnings incl. profit for the year	Sum shareholders' equity
Opening balance January 1, 2013	**500**	**4 925**	**84 141**	**-801**	**88 765**
Total net income				8 054	8 054
Tax allocation reserve		1 521		-1 521	0
Share warrant program			127		127
Change in currency diff. subsidiary				-311	-311
Closing balance December 31, 2013	**500**	**6 446**	**84 268**	**5 421**	**96 635**
Opening balance January 1, 2014	**500**	**6 446**	**84 268**	**5 421**	**96 635**
Total net income				2 573	2 573
Share warrent program			216		216
New issue of shares in registration	50		69 139		69 189
Change in currency diff. subsidiary				1 107	1 107
Closing balance June 30, 2014	**550**	**6 446**	**153 623**	**9 101**	**169 720**

INCOME STATEMENTS FOR THE PARENT COMPANY

SEK THOUSANDS	January – June 2014	2013	April – June 2014	2013	Whole year 2013
Net sales	34 853	34 762	7 833	17 288	61 154
Cost of goods sold	-7 449	-7 012	-3 697	-2 843	-16 810
Gross income	**27 404**	**27 750**	**4 136**	**14 445**	**44 344**
Selling expenses	-8 316	-6 171	-4 760	-3 717	-12 597
Administrative expenses	-4 410	-5 432	-2 430	-2 478	-10 017
Research and development costs	-7 183	-5 222	-3 810	-2 784	-14 391
Other operating revenues and expenses	86	-102	125	101	901
Operating income	**7 581**	**10 823**	**-6 739**	**5 567**	**8 240**
Financial income and expenses	364	111	568	275	-363
Income after financial items	**7 945**	**10 934**	**-6 171**	**5 842**	**7 877**
Year end dispositions	-	-	-	-	-1 950
Taxes	-1 735	-2 305	1 106	-1 185	-1 314
Net income	**6 210**	**8 629**	**-5 065**	**4 657**	**4 613**

Depreciation and amortization has reduced income for the period by SEK 278 thousand (236), of which SEK 139 thousand (121) for the quarter.

BALANCE SHEETS FOR THE PARENT COMPANY

SEK THOUSANDS	140630	130630	131231
ASSETS			
Balanced expenditures for development	93 174	77 096	84 904
Patents and licencies	1 204	1 266	1 270
Trademarks	27	32	30
Tangible fixed assets	334	290	419
Participation in affiliated companies	14 475	14 475	14 475
Other financial fixed assets	2 980	2 587	2 784
Inventories	5 572	3 998	5 315
Accounts receivable	3 413	3 862	3 641
Receivables from affiliated companies	11 713	13 071	6 883
Other current receivables	76 125	1 003	3 162
Liquid funds	1 064	439	2 568
Total assets	**210 081**	**118 119**	**125 451**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	167 235	95 644	91 627
Untaxed reserves	8 238	6 288	8 238
Provisions	3 703	3 215	3 459
Overdraft	15 898	79	6 659
Accounts payable	2 575	3 757	6 899
Liabilities to affiliated companies	-	-	-
Current tax liabilities	1 702	3 693	2 490
Other short-term liabilities	10 730	5 443	6 079
Total shareholders' equity and liabilities	**210 081**	**118 119**	**125 451**
Pledged assets for own liabilities	20 250	15 250	15 250
Contingent liabilities	-	-	-

NOTE 1. ACCOUNTING PRINCIPLES

This interim report was prepared pursuant to the Swedish Annual Accounts Act. Effective January 1, the company applies framework BFNAR 2012-1 from the Swedish Accounting Standards Board (K3). The transition to K3 has had no impact on the financial statements.

NOTE 2. WARRANT PROGRAM

Share warrant program 2013/2015 consists of 195,000 warrants with subsequent rights to subscribe for new shares (corresponding to 195,000 shares). If all the warrants are exercised the share capital will increase by around SEK 5,000, corresponding to dilution of approximately 1 percent of the total number of shares and votes. In June 2015 each warrant will entitle the holder to subscribe for one new share at a price of SEK 32.40.

On April 29, 2014 the annual meeting of shareholders in XVIVO Perfusion AB resolved to issue 195,000 warrants (corresponding to 195,000 shares) to the company's employees. If fully subscribed a total of 195,000 warrants will be issued, with subsequent rights to subscribe for new shares. In June 2016 each warrant will entitle the holder to subscribe for one new share at a price of SEK 58.60. If all the warrants are exercised the share capital will increase by around SEK 5,000, corresponding to dilution of approximately 1 percent of the total number of shares and votes.

If share option program 2014/2016 is fully subscribed, there will be 390,000 outstanding warrants in two programs. If all the warrants are exercised to subscribe for shares, the share capital will increase by around SEK 10,000 and the number of shares will increase by 390,000 shares in total, corresponding to dilution of approximately 2 percent of the total number of shares and votes.

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