INTERIM REPORT JANUARY–JUNE 2016 XVIVO PERFUSION AB (PUBL)

XVIVO Perfusion is a medical technology company which develops and markets solutions and systems for assessing the usability of organs, enabling the 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. The company's products XPS™ and STEEN Solution™ for warm perfusion have regulatory approval in all major markets, and are the only products today to have received regulatory approval from the FDA for warm perfusion of lungs. XVIVO Perfusion employs around 30 people at its headquarters in Gothenburg, Sweden, its office in Lund, Sweden, and its office for North & South America in Denver, USA. The XVIVO share is listed on NASDAQ First North Premier and has the ticker symbol XVIVO. The Certified Adviser is Redeye, www.redeye.se.

XVIVO PERFUSION

ACQUISITION OF VIVOLINE STRENGTHENS XVIVO'S PRODUCT AND R&D PORTFOLIO

SECOND QUARTER 2016 (APR – JUN)

- Net sales in the quarter amounted to SEK 34.5 (29.1) million, corresponding to an increase of 18 percent. Net sales of non-Durable goods* in the quarter amounted to SEK 29.8 (27.4) million, corresponding to an increase of 9 percent in SEK and 11 percent in local currency.
- Operating income before depreciation and amortization (EBITDA) excluding one-time expenses increased by 51 percent and amounted to SEK 6.9 (4.6) million, corresponding to an EBITDA margin of 20 percent. One-time expenses of SEK 2.2 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline have been charged against the quarter. EBITDA amounted to SEK 4.8 (4.6) million, corresponding to an EBITDA margin of 14 percent.
- Net income amounted to SEK 1.5 (1.0) million, resulting in earnings per share of SEK 0.07 (0.05), affected by amortization and depreciation of SEK 3.1 (2.9) million.
- Cash flow from operating activities was SEK 8.1 (8.8) million.
- Total sales from warm perfusion (STEEN Solution™, products and services related to the use of the XPS™ and XPS™) accounted for 42 (39) percent of the total sales.
- 3 XPS™ contracts were signed in the USA during the quarter, whereof 2 were shipped.
- During the quarter XVIVO Perfusion acquired 97 percent of the shares and 99 percent of the 2015/2016 warrants in the listed company Vivoline Medical AB. The combined company creates more resources and competence to take Professor Stig Steen's world-leading research in the field of heart transplantation to a commercial phase. The acquisition also strengthens XVIVO Perfusion's market position in the field of lung transplantation.
- The first patient in the clinical study with PrimECC® was included. PrimECC® is a CE marked and patent-protected product, developed to prime the heart-lung machine before open heart surgery.
- STEEN Solution™ was used for the first time to give localized delivery of a chemotherapy agent to a patient suffering from metastatic lung sarcoma through In-Vivo Lung Perfusion (IVLP).
- XVIVO Perfusion's share warrant program 2016/2018, which was offered to employees, was fully subscribed.

THE PERIOD 2016 (JAN – JUN)

- Net sales in the period amounted to SEK 68.0 (60.9) million, corresponding to an increase of 12 percent. Net sales of non-Durable goods* in the period amounted to SEK 58.8 (52.5) million, corresponding to an increase of 12 percent in SEK and 13 percent in local currency.
- Operating income before depreciation and amortization (EBITDA) excluding one-time expenses increased by 56 percent and amounted to SEK 14.2 (9.1) million, corresponding to an EBITDA margin of 21 percent. One-time expenses of SEK 4.6 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline have been charged against the period. EBITDA amounted to SEK 9.6 (7.5) million, corresponding to an EBITDA margin of 14 percent.
- Net income amounted to SEK 2.6 (1.0) million, resulting in earnings per share of SEK 0.12 (0.05), affected by amortization and depreciation of SEK 6.2 (5.6) million.
- Cash flow from operating activities was SEK 13.3 (2.9) million. Cash at bank increased by SEK 0.6 million to SEK 41.8 million during the period, even though the Vivoline acquisition affected cash with SEK -7.6 million.
- Total sales from warm perfusion (STEEN Solution™, products and services related to the use of the XPS™ and XPS™) accounted for 41 (42) percent of the total sales.
- During the period 5 XPS™ were sold, of which 2 to Europe and 3 to the US. France and Switzerland were new countries that got access to the XPS™ during the period.
- XVIVO Perfusion AB's shares were admitted for trading on Nasdaq First North Premier 8 February 2016. The company's shares will continue trading with the same short name and ISIN code.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- On July 14 the extended acceptance period for the offer for the shares and warrants of series 2015/2016 in Vivoline Medical AB was closed. During the extended acceptance period further 179,097 shares and 28,155 warrants were accepted, whereby XVIVO Perfusion became the owner of 98.6 percent of the shares and 99.6 percent of the warrants. Therefore, the Board decided to issue 30,065 new shares in XVIVO Perfusion as payment for the acquired shares and warrants.
- At the time of publication of this report, 39 clinics have access to the XPS™ and LS-1**, including 20 clinics in the US and 19 clinics in Europe and the rest of the world.

* See note 3 for revenue per segment. ** LS-1 is the Vivoline EVLP machine.

MILESTONES PASSED DURING THE QUARTER

Acquisition of Vivoline and integration of Stig Steen's research in the heart transplant field into XVIVO Perfusion's research portfolio.

With Vivoline's LS-1 installation base, XVIVO Perfusion now has 19 clinics that have EVLP machines outside the USA and 20 clinics in the USA, and is thereby the market leader in the field of EVLP in both Europe and America.

Clinical study on PrimECC® started.

Clinical study on STEEN Solution™ In-Vivo Lung Perfusion for cancer patients started.

First results from liver transplant study using STEEN Solution™ published with good clinical results.

CEO'S COMMENTS

The first half of 2016 was successful in terms of sales and entailed rapid development of the company, which contributed to strong EBITDA growth and an expanding operative cash flow. The acquisition of Vivoline gives the company a larger product catalogue and more customers in the field of lung evaluation, which improves the company's market position in Europe.

In research and development, the acquisition resulted in a broader portfolio of product development projects as well as renewed cooperation with Professor Stig Steen and his world leading transplant research institute, Igelösa. This collaboration and the acquired cleanroom facility that enables solution development and prototype production, provides an improved opportunity for both product idea generation and a faster testing of product ideas coming from research collaborations. Taken together, this means an instantaneous increase in sales potential, more product candidates closer to market launch and a greatly enhanced product development capability. In the assessment of the company, it means increased opportunities for both short-term and long-term development of sales and profitability.

We are also delighted that two product development projects have now reached the clinical phase: the cancer study on STEEN Solution™ and the PrimECC® study. The former aims to avoid adverse effects on tissue not to be treated, and to optimize the dosage of cytostatic. In the study, patients with cancer metastases in the lungs are treated by isolating the lungs (still in the body) from the blood circulation and subsequently perfusing them with STEEN Solution™ spiked with cytostatic. The other project is a study being performed at Sahlgrenska University Hospital using the company's new proprietary CE marked product PrimECC®. The product aims to avoid commonly occurring adverse effects in patients undergoing heart surgery procedures through the use of a heart-lung machine, for example in bypass operations and valve replacement surgery. Both of these studies are interesting as they aim to help large groups of patients.

The overall goal is to become the leader in the entire field of thoracic transplantation. Therefore, a continued strong focus of our business is to globally establish warm perfusion with STEEN Solution™ in organ transplantation as the standard treatment, and with the new product development projects continue to lead the development of innovative technologies in thoracic transplantation.

Magnus Nilsson
CEO

CONFERENCE CALL

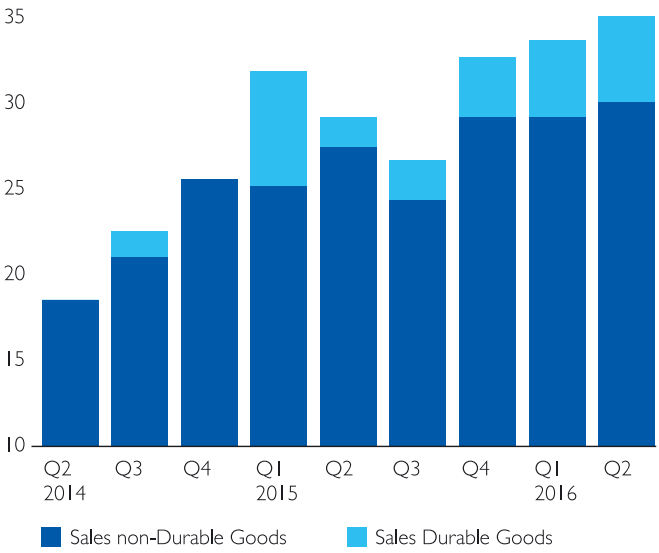
CEO Magnus Nilsson will present the report in a conference call at 2 p.m. CET on Friday, July 15, 2016.
Telephone: +44 (0) 1452 555566, enter code 41101325.

SECOND QUARTER 2016 (APRIL - JUNE)

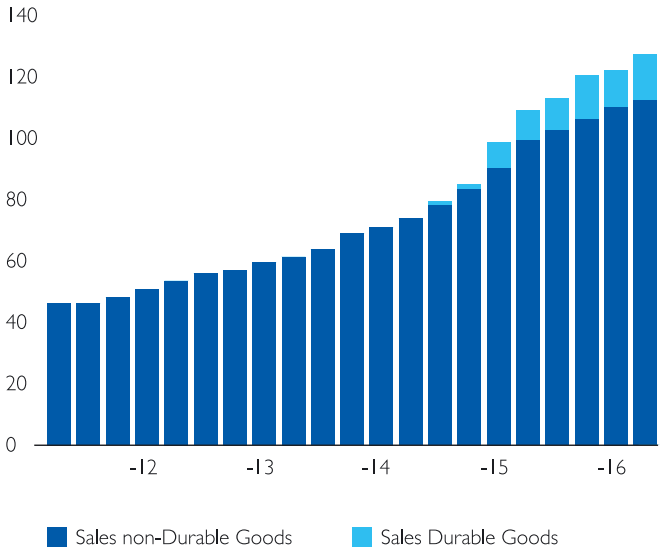
NET SALES

XVIVO Perfusion's net sales of non-Durable goods* in the quarter amounted to SEK 29.8 (27.4) million, corresponding to an increase of 9 percent in SEK and an increase of 11 percent in local currency. Total net sales in the quarter amounted to SEK 34.5 (29.1) million, corresponding to an increase of 18 percent in SEK and 20 percent in local currency. Warm perfusion sales from non-durable goods (STEEN Solution™, products and services related to the use of the XPS™) accounted for 32 (35) percent of the total sales of non-Durable goods. Total sales from warm perfusion (STEEN Solution™, products and services related to the use of the XPS™ and XPS™) accounted for 42 (39) percent of the total sales.

NET SALES PER QUARTER (SEK MILLIONS)*



NET SALES ROLLING 12 MONTHS (SEK MILLIONS)*



COMPILATION OF NET SALES AND EBITDA

TSEK	January - June 2016	January - June 2015	April - June 2016	April - June 2015	Whole year 2015
Net Sales non-Durable Goods	**58 835**	**52 542**	**29 781**	**27 420**	**105 977**
Net Sales Durable Goods	9 194	8 405	4 717	1 707	14 268
Net Sales Total	68 029	60 947	34 498	29 127	120 245
Cost of Goods non-Durable Goods	**-12 124**	**-12 177**	**-6 208**	**-6 178**	**-23 826**
Cost of Goods Durable goods	-6 794	-7 525	-3 431	-1 219	-11 459
Cost of Goods Total	-18 918	-19 702	-9 639	-7 397	-35 285
Gross income non-Durable Goods	**46 711**	**40 365**	**23 573**	**21 242**	**82 151**
Gross margin non-Durable Goods, %	**79%**	**77%**	**79%**	**77%**	**78%**
Gross income Durable Goods	2 400	880	1 286	488	2 809
Gross income Total	49 111	41 245	24 859	21 730	84 960
Gross margin Total, %	72%	68%	75%	77%	71%
Costs before depreciation and amortization					
Selling expenses	-15 626	-16 079	-8 105	-8 707	-32 052
Administrative expenses	-12 102	-6 548	-5 776	-3 404	-12 638
Research and development costs	-11 498	-10 603	-6 093	-4 886	-20 931
Other operating revenues and expenses	-256	-536	-126	-136	-538
EBITDA	**9 629**	**7 479**	**4 759**	**4 597**	**18 801**
EBITDA, %	**14%**	**12%**	**14%**	**16%**	**16%**
Amortization and Depreciation	-6 189	-5 595	-3 095	-2 898	-11 589
Operating income	3 440	1 884	1 664	1 699	7 212
One-time expenses	-4 620	-1 652	-2 190	0	-1 963
EBITDA excluding one-time expenses	**14 249**	**9 131**	**6 949**	**4 597**	**20 764**
EBITDA excluding one-time expenses, %	**21%**	**15%**	**20%**	**16%**	**17%**

* See note 3 for revenue per segment.

INCOME

Operating income before depreciation and amortization (EBITDA) amounted to SEK 4.8 (4.6) million, corresponding to an EBITDA margin of 14 percent. One-time expenses of SEK 2.2 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline have been charged against the quarter. EBITDA excluding one-time expenses amounted to SEK 6.9 (4.6) million, corresponding to an EBITDA margin of 20 percent.

The gross margin for non-Durable goods during the quarter was 79 (77) percent and the increase is mainly attributable to improved price position on strategic products. The total gross margin during the quarter was 72 (75) percent, the change is due to higher portion of XPS™ sales.

Economies of scale from increased sales has resulted in lower selling expenses in relation to sales to 23 (30) percent and R&D costs to 25 (26) percent of sales. The one-time expenses of SEK 2.2 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline that have been charged against the quarter is the main reason administrative expenses increased to 17 (12) percent. Excluding these one-time expenses the administration expenses decreased to 11 (12) percent during the quarter. Net other operating revenues and expenses during the quarter were SEK -0.5 (-0.4) million. During the quarter, SEK 1.3 million (1.5) of the development costs for STEEN Solution™ were capitalized as an intangible asset. The whole sum is attributable to the continued NOVEL study with the aim of PMA approval. Depreciation and amortization for the period amounted to SEK 3.1 million (2.9), of which SEK 2.4 (2.4) million was amortization of the FDA HDE approval.

CASH FLOW

Cash flow from operating activities amounted to SEK 8.1 (8.8) million. Investments amounted to SEK 9.1 (5.1) million, of which SEK 1.3 (1.5) million was invested in the continued NOVEL study with the aim of PMA approval. The cash flow effect of the Vivoline Acquisition was SEK 7.6 million and was charged against investments. The cash flow from financing activities was SEK 0.2 (-1.5) million. Cash and cash equivalents at the end of the quarter amounted to SEK 41.8 (41.6) million.

ACQUISITION OF VIVOLINE

During the quarter XVIVO Perfusion acquired 97 percent of the shares and 99 percent of the serie 2015/2016 warrants in the listed company Vivoline Medical AB for SEK 141 million. The acquisition was paid for through the company's own shares in the amount of SEK 124 million and through a cash payment of SEK 17 million. XVIVO Perfusion has initiated a compulsory redemption process of the remaining shares and warrants. Acquisition expenses attributable to the acquisition amounted to SEK 3.2 million and have been charged to "Administrative expenses" in the consolidated income statement during the year. Vivoline Medical AB operates in the field of lung transplantation and has research collaboration with Professor Stig Steen and Igelösa in the field of heart transplantation. The combined company creates more resources and competence to take Professor Stig Steen's world-leading research in the field of heart transplantation to a commercial phase. Furthermore, when market approval has been obtained, there will be opportunities for a rapid introduction on to the market thanks to XVIVO Perfusion's existing well-developed global sales and market organization. The acquisition also strengthens XVIVO Perfusion's market position in the field of lung transplantation in Europe and Australia, and enables synergies in clean room production, product development, regulatory issues and marketing. Through the acquisition XVIVO Perfusion gets access to a clean room with production capacity as well as 7 employees in Lund, Sweden. The acquisition is in line with XVIVO Perfusion's strategic objective of becoming the leader in thorax transplantation.

FIRST PATIENT IN PRIMECC® STUDY INCLUDED

PrimECC® is a CE-marked and patent-protected product, developed to prime the heart-lung machine before open heart surgery. The study that has now been started is intended to expand the clinical documentation for PrimECC® and will include a total of 80 patients. Several hundred thousand heart operations are performed in the world each year using a heart-lung machine and the 'proof of concept' study earlier performed using PrimECC® indicates that the patient has an improved fluid balance after the operation if the heart-lung machine is primed with PrimECC® rather than the simpler solutions that are often used. The company does not plan any extensive launch of the product before this study is complete. XVIVO Perfusion has applied for a patent for PrimECC® in important markets and has so far been granted a patent in the USA and the EU.

LUNG CANCER PATIENT GIVEN CHEMOTHERAPY THROUGH IN VIVO LUNG PERFUSION WITH STEEN SOLUTION™

STEEN Solution™ was used for the first time to give localized delivery of a chemotherapy agent to a patient suffering from metastatic lung sarcoma through In-Vivo Lung Perfusion (IVLP). This was also the first time STEEN Solution was used to perfuse a lung on In-Vivo i.e. on a living patient. The aim of the study is to prove safety and evaluate the ability to use STEEN Solution™ to improve isolated tissue therapy. The use of systemic chemotherapy has not been used due to the significant side effects with unproven benefit. With the use of in-vivo lung perfusion the surgeon can shut off the lung from the systemic circulation and give the chemotherapy only to the lung so as not to affect the rest of the body.

THE PERIOD 2016 (JANUARY - JUNE)

NET SALES

XVIVO Perfusion's net sales of non-Durable goods* in the period amounted to SEK 58.8 (52.5) million, corresponding to an increase

* See note 3 for revenue per segment.

of 12 percent in SEK and an increase of 13 percent in local currency. Total net sales in the period amounted to SEK 68.0 (60.9) million, corresponding to an increase of 12 percent both in SEK in local currency. Warm perfusion sales from non-durable goods (STEEN Solution™, products and services related to the use of the XPS™) accounted for 31 (33) percent of the total sales of non-Durable goods. Total sales from warm perfusion (STEEN Solution™, products and services related to the use of the XPS™ and XPS™) accounted for 41 (42) percent of the total sales.

INCOME
Operating income before depreciation and amortization (EBITDA) amounted to SEK 9.6 (7.5) million, corresponding to an EBITDA margin of 14 percent. One-time expenses of SEK 4.6 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline have been charged against the period. EBITDA excluding one-time expenses amounted to SEK 14.2 (9.1) million, corresponding to an EBITDA margin of 21 percent.

The gross margin for non-Durable goods during the period was 79 (77) percent and the increase is mainly attributable to improved price position on strategic products. The total gross margin during the period was 72 (68) percent.

Economies of scale from increased sales has resulted in lower selling expenses in relation to sales to 23 (26) percent and R&D costs to 24 (26) percent of sales. During the period increased resources has been invested in two additional service technicians in the USA. The one-time expenses of SEK 4.6 million related to the Nasdaq Stockholm main market listing and the public offer for Vivoline that have been charged against the period is the main reason administrative expenses increased to 18 (11) percent. Excluding these one-time expenses the administration expenses was 11 (11) percent during the period. The Administration department has been strengthened with one employee in the USA compared to the same period last year. Net other operating revenues and expenses during the period were SEK -1.1 (-0.9) million. During the period, SEK 2.7 million (2.5) of the development costs for STEEN Solution™ were capitalized as an intangible asset. The whole sum is attributable to the continued NOVEL study with the aim of PMA approval. Depreciation and amortization for the period amounted to SEK 6.2 million (5.6), of which SEK 4.9 (4.9) million was amortization of the FDA HDE approval.

CASH FLOW
Cash flow from operating activities amounted to SEK 13.3 (2.9) million. Investments amounted to SEK 12.8 (8.1) million, of which SEK 2.7 (2.5) million was invested in the continued NOVEL study with the aim of PMA approval. The cash flow effect of the Vivoline Acquisition was SEK 7.6 million and was charged against investments during the period. The cash flow from financing activities was SEK 0.2 (-1.5) million. Cash and cash equivalents at the end of the period amounted to SEK 41.8 (41.6) million.

FINANCING
XVIVO Perfusion's total credit facilities consist of an overdraft facility that at the end of the period amounted to SEK 22 (20) million, of which SEK 0.0 (0.0) million was utilized. The equity/assets ratio was 93 (90) percent at the end of the period.

XVIVO PERFUSION AB ADMITTED TO TRADING ON NASDAQ FIRST NORTH PREMIER
XVIVO Perfusion applied for listing of XVIVO Perfusion's shares on Nasdaq First North Premier as part of preparing the company for listing on the Nasdaq Stockholm's main list. Nasdaq approved the Company's application and the first day of trading in XVIVO Perfusion's shares on Nasdaq First North Premier was 8 February 2016. The company's shares will continue trading with the same short name and ISIN code

OUTLOOK FOR 2016

As the number of lungs that can be transplanted using traditional cold perfusion cannot be predicted to increase more than the number of lungs donated, it is expected that growth will come primarily from warm perfusion using the STEEN Solution™ method. The focus during 2016 is therefore to establish the STEEN Solution™ method as the standard treatment for lung transplantation. Since the acquisition of Vivoline the company will intensify research and development in cardiac transplantation. Development expenses attributable to cardiac transplantation will be capitalized on an ongoing basis. One-time expenses resulting from integration of Vivoline is estimated at around SEK 9 million and will occur in the second half of 2016.

Organ availability is also the limiting factor for increasing the number of transplantations of other organs than lungs. The focus of research and development is therefore on developing the use of the STEEN Solution™ method for more indications and on developing other similar areas of use such as the warm perfusion of organs still in the body.

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. The company's products XPS™ and STEEN Solution™ for warm perfusion are the only products on the market that have FDA approval for warm perfusion of lungs in the US.

LUNG 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 the US, Europe, Australia and Canada 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.

NEW INDICATIONS
The company conducts preclinical and clinical research in transplantation of other organs than lungs as well as drug delivery to an isolated organ.

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 XPS™ and 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 XPS™ and STEEN Solution™ 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 29, of whom 14 were women and 15 were men. Of these, 17 people were employed in Sweden and 12 in the USA. Out of the 29 employees 7 are employed by Vivoline Medical AB in Lund, Sweden. In addition, the company uses around 5 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 market risks that are determined to have particular importance for the future development of XVIVO Perfusion are access to financial funds and medical resources at clinics around the world. Operational risks primarily comprise risks that limit or prevent XVIVO Perfusion from developing, manufacturing and selling quality, effective and safe products. Legal and regulatory risks may arise from changes in legislation and other regulations. Changes in legislation or political decisions may affect the company's ability to run or develop the business. Due to the nature of the business, there is a risk of claims for damages and liability. Including financial risks are the currency risk for the business.

The most important strategic and operative risks affecting the company are described in the 2015 annual report.

SEASONAL EFFECTS
XVIVO Perfusion's sales are marginally affected by seasonal effects. Mainly in new treatments such as EVLP or warm perfusion of the lungs there are slightly less activity during the summer months.

EVENTS AFTER THE END OF THE REPORTING PERIOD
On July 14 the extended acceptance period for the offer for the shares and warrants of series 2015/2016 in Vivoline Medical AB was closed. During the extended acceptance period further 179,097 shares and 28,155 warrants were accepted, whereby XVIVO Perfusion became the owner of 98.6 percent of the shares and 99.6 percent of the warrants. Therefore, the Board decided to issue 30,065 new shares in XVIVO Perfusion as payment for the acquired shares and warrants.

July 15, 2016
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.

Following reports are planned to be submitted:
Interim report July-September 2016: Thursday, Oct 27, 2016
Report on operations 2016: Thursday, Feb 8, 2017

FOR FURTHER INFORMATION, PLEASE CONTACT

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The Certified Adviser is Redeye, www.redeye.se

The information was submitted for publication on July 15, 2016 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 IN SUMMARY

SEK THOUSANDS	January - June 2016	January - June 2015	April - June 2016	April - June 2015	Whole year 2015
Net sales	68 029	60 947	34 498	29 127	120 245
Cost of goods sold	-18 918	-19 702	-9 639	-7 397	-35 285
Gross income	**49 111**	**41 245**	**24 859**	**21 730**	**84 960**
Selling expenses	-15 626	-16 079	-8 105	-8 707	-32 052
Administrative expenses	-12 320	-6 735	-5 883	-3 495	-13 154
Research and development costs	-16 609	-15 695	-8 651	-7 433	-31 086
Other operating revenues and expenses	-1 116	-852	-556	-396	-1 456
Operating income	**3 440**	**1 884**	**1 664**	**1 699**	**7 212**
Financial income and expenses	293	-72	365	-127	186
Income after financial items	**3 733**	**1 812**	**2 029**	**1 572**	**7 398**
Taxes	-1 099	-815	-509	-526	-2 267
Net income	**2 634**	**997**	**1 520**	**1 046**	**5 131**
Attributable to					
Parent Company's shareholders	2 634	997	1 520	1 046	5 131
Earnings per share, SEK	0,12	0,05	0,07	0,05	0,24
Earnings per share, SEK*	0,12	0,05	0,07	0,05	0,24
Average number of outstanding shares	21 523 864	21 512 769	21 534 958	21 512 769	21 512 769
Average number of outstanding shares*	21 523 864	21 610 269	21 534 958	21 512 769	21 561 519
Number of shares at closing day	23 531 941	21 512 769	21 512 769	21 512 769	21 512 769
Number of shares at closing day*	23 531 941	21 512 769	21 512 769	21 512 769	21 512 769
EBITDA	**9 629**	**7 479**	**4 759**	**4 597**	**18 801**
Amortization	-5 111	-5 092	-2 558	-2 547	-10 155
Depreciation	-1 078	-503	-537	-351	-1 434
Operating income	**3 440**	**1 884**	**1 664**	**1 699**	**7 212**

* After dilution. See note 2 for information on warrant programs.

STATEMENT OF COMPREHENSIVE INCOME

SEK THOUSANDS	January - June 2016	January - June 2015	April - June 2016	April - June 2015	Whole year 2015
Net income	**2 634**	**997**	**1 520**	**1 046**	**5 131**
Other comprehensive income					
Items that may be reclassified to the income statement					
Exchange rate differences	1 225	2 779	2 285	-2 201	3 119
Tax attributable to items that have been transferred, or can be transferred to net income	-156	-336	-225	207	-328
Total other comprehensive income, net after tax	**1 069**	**2 443**	**2 060**	**-1 994**	**2 791**
Total comprehensive income	**3 703**	**3 440**	**3 580**	**-948**	**7 922**
Attributable to					
Parent Company's shareholders	3 703	3 440	3 580	-948	7 922

CONSOLIDATED BALANCE SHEETS IN SUMMARY

SEK THOUSANDS	June 30, 2016	June 30, 2015	Dec 31, 2015
ASSETS			
Goodwill	65 388	3 797	3 849
Other intangible fixed assets	154 513	94 659	93 086
Tangible fixed assets	10 726	5 956	7 123
Financial fixed assets	12 993	2 924	4 487
Inventories	27 092	29 134	28 598
Accounts receivable	19 667	16 746	19 513
Other current receivables	8 763	6 606	6 290
Liquid funds	41 779	41 637	41 234
Total assets	**340 921**	**201 459**	**204 180**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity, attributable to the Parent Company's shareholders	313 096	180 392	184 874
Shareholders' equity, attributible to non-controlling interests	3 865	-	-
Provisions	3 815	3 631	3 725
Accounts payable	6 843	6 154	3 650
Current tax liabilities	65	1 062	1 574
Other short-term liabilities	864	752	729
Accrued expenses and prepaid income	12 373	9 468	9 628
Total shareholders' equity and liabilities	**340 921**	**201 459**	**204 180**

CONSOLIDATED KEY RATIOS

	January - June		April - June		Whole year
	2016	2015	2016	2015	2015
Gross Margin non Capital goods, %	79	77	79	77	78
Gross margin, %	72	68	72	75	71
Operating margin before R&D costs, %	29	29	30	31	32
EBITDA, %	14	12	14	16	16
Operating margin, %	5	3	5	6	6
Net margin, %	4	2	4	4	4
Equity/assets ratio, %	93	90	93	90	91
Return on equity, %	1	1	1	1	3
Income per share, SEK	0.12	0.05	0.07	0.05	0.24
Shareholders' equity per share, SEK	14.72	8.39	14,72	8.39	8.59
Share price on closing day, SEK	59.00	37.80	59.00	37.80	58.50

CONSOLIDATED CASH FLOW STATEMENTS IN SUMMARY

SEK THOUSANDS	January - June 2016	January - June 2015	April - June 2016	April - June 2015	Whole year 2015
Income after financial items	3 734	1 812	2 030	1 572	7 398
Adjustment for items not affecting cash flow	5 653	5 556	1 740	2 906	11 510
Paid taxes	-2 499	-1 694	398	-1 174	-3 438
Change in inventories	2 453	-1 825	-612	-3 205	-1 130
Change in trade receivables	1 578	-2 565	3 835	5 771	-6 025
Change in trade payables	2 428	1 570	662	2 915	263
Cash flow from operating activities	**13 347**	**2 854**	**8 053**	**8 785**	**8 578**
Cash flow from investing activities	-12 758	-8 119	-9 119	-5 125	-14 290
Cash flow from financing activities	244	-1 468	244	-1 468	-1 468
Cash flow for the period	**833**	**-6 733**	**-822**	**2 192**	**-7 180**
Liquid funds at beginning of period	41 234	48 203	42 722	39 663	48 203
Exchange rate difference in liquid funds	-288	167	-121	-218	211
Liquid funds at end of period	**41 779**	**41 637**	**41 779**	**41 637**	**41 234**

CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to Parent Company's shareholders					
SEK THOUSANDS	Share capital	Other paid in capital	Reserves	Retained earnings incl. profit for the year	Non-controlling interests	Sum shareholders' equity
Shareholders' equity as of 1 January, 2015	**550**	**154 466**	**6 349**	**17 055**	**0**	**178 420**
Total comprehensive income Jan - June, 2015			2 443	997		3 440
Paid in capital for share warrant program		101				101
Repurchase of warrants				-1 569		-1 569
Shareholders' equity as of 30 June, 2015	**550**	**154 567**	**8 792**	**16 483**	**0**	**180 392**
Total comprehensive income July - Dec, 2015			348	4 134		4 482
Shareholders' equity as of 31 December, 2015	**550**	**154 567**	**9 140**	**20 617**	**0**	**184 874**
Total comprehensive income Jan - June, 2016			1 069	2 634		3 703
Paid in capital for share warrant program		244				244
Acquisition of subsidiary	51	121 099			7 426	128 576
Acquisition from non-controlling interest		2 968		157	-3 561	-436
Shareholders' equity as of 30 June, 2016	**601**	**278 878**	**10 209**	**23 408**	**3 865**	**316 961**

CONSOLIDATED INCOME STATEMENTS PER QUARTER

SEK THOUSANDS	Apr - Jun 2016	Jan-Mar 2016	Oct - Dec 2015	Jul - Sep 2015	Apr - Jun 2015	Jan - Mar 2015	Oct - Dec 2014	Jul - Sep 2014
Net sales	34 498	33 531	32 680	26 618	29 127	31 820	25 543	22 427
Cost of goods sold	-9 639	-9 279	-8 055	-7 528	-7 397	-12 305	-5 937	-6 474
Gross income	**24 859**	**24 252**	**24 625**	**19 090**	**21 730**	**19 515**	**19 606**	**15 953**
Selling expenses	-8 105	-7 521	-9 095	-6 878	-8 707	-7 372	-5 794	-5 586
Administrative expenses	-5 883	-6 437	-3 384	-3 035	-3 495	-3 240	-3 034	-2 495
Research and development costs	-8 651	-7 958	-7 877	-7 513	-7 433	-8 262	-10 474	-5 461
Other operating revenues and expenses	-556	-560	-475	-129	-396	-456	196	52
Operating income	**1 664**	**1 776**	**3 794**	**1 535**	**1 699**	**185**	**500**	**2 463**
Financial income and expenses	365	-72	-122	381	-127	55	166	36
Income after financial items	**2 029**	**1 704**	**3 672**	**1 916**	**1 572**	**240**	**666**	**2 499**
Taxes	-509	-590	-874	-579	-526	-289	-382	-659
Net income	**1 520**	**1 114**	**2 798**	**1 337**	**1 046**	**-49**	**284**	**1 840**
Attributable to								
Parent Company's shareholders	1 520	1 114	2 798	1 337	1 046	-49	284	1 840
Earnings per share, SEK	0,07	0,05	0,13	0,06	0,05	0,00	0,01	0,09
Earnings per share, SEK*	0,07	0,05	0,13	0,06	0,05	0,00	0,01	0,08
Average number of outstanding shares	21 534 958	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769
Average number of outstanding shares*	21 534 958	21 512 769	21 512 769	21 512 769	21 512 769	21 707 769	21 707 769	21 707 769
Number of shares at closing day	23 531 941	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769	21 512 769
Number of shares at closing day*	23 531 941	21 512 769	21 512 769	21 512 769	21 512 769	21 707 769	21 707 769	21 707 769
EBITDA	**4 759**	**4 870**	**6 881**	**4 440**	**4 597**	**2 883**	**3 107**	**3 445**
Amortization	-2 558	-2 553	-2 504	-2 557	-2 547	-2 546	-2 543	-916
Depreciation	-537	-541	-583	-348	-351	-152	-64	-66
Operating income	**1 664**	**1 776**	**3 794**	**1 535**	**1 699**	**185**	**500**	**2 463**

* After dilution. See note 2 for information on warrant programs.

STATEMENTS OF COMPREHENSIVE INCOME

SEK THOUSANDS	Apr - Jun 2016	Jan-Mar 2016	Oct - Dec 2015	Jul - Sep 2015	Apr - Jun 2015	Jan - Mar 2015	Oct - Dec 2014	Jul - Sep 2014
Net income	**1 520**	**1 114**	**2 798**	**1 337**	**1 046**	**-49**	**284**	**1 840**
Other comprehensive income								
Items that may be reclassified to the income statement								
Exchange rate differences	2 285	-1 060	-182	549	-2 201	4 980	3 577	2 205
Tax attributable to items that have been transferred, or can be transferred to net income	-225	69	19	-11	207	-543	-395	-163
Total other comprehensive income, net after tax	2 060	-991	-163	538	-1 994	4 437	3 182	2 042
Total comprehensive income	**3 580**	**123**	**2 635**	**1 875**	**-948**	**4 388**	**3 466**	**3 882**
Attributable to								
Parent Company's shareholders	**3 580**	**123**	**2 635**	**1 875**	**-948**	**4 388**	**3 466**	**3 882**

INCOME STATEMENTS FOR THE PARENT COMPANY IN SUMMARY

	January - June		April - June		Whole year
SEK THOUSANDS	2016	2015	2016	2015	2015
Net sales	40 013	30 658	20 759	13 805	80 761
Cost of goods sold	-10 261	-10 921	-3 406	-5 397	-19 065
Gross income	**29 752**	**19 737**	**17 353**	**8 408**	**61 696**
Selling expenses	-8 750	-9 710	-4 697	-5 549	-19 804
Administrative expenses	-9 076	-5 258	-4 399	-2 894	-9 431
Research and development costs	-16 609	-15 341	-8 651	-7 429	-31 090
Other operating revenues and expenses	-1 076	-857	-516	-397	-1 540
Operating income	**-5 759**	**-11 429**	**-910**	**-7 861**	**-169**
Financial income and expenses	1 012	1 454	1 400	-1 067	1 661
Income after financial items	**-4 747**	**-9 975**	**490**	**-8 928**	**1 492**
Year end dispositions	-	-	-	-	-
Taxes	203	1 768	-755	1 768	-464
Net income	**-4 544**	**-8 207**	**-265**	**-7 160**	**1 028**

Depreciation and amortization has reduced income for the period by SEK 6 028 thousand (5 169), of which SEK 3 016 thousand (2 584) for the quarter.

BALANCE SHEETS FOR THE PARENT COMPANY IN SUMMARY

SEK THOUSANDS	June 30, 2016	June 30, 2015	Dec 31, 2015
ASSETS			
Balanced expenditures for development	89 493	93 385	91 797
Patents and licencies	1 556	1 252	1 268
Trademarks	18	22	21
Tangible fixed assets	7 001	5 150	6 127
Participation in affiliated companies	155 938	14 475	14 475
Other financial fixed assets	1 179	4 296	1 179
Inventories	7 660	10 638	7 129
Accounts receivable	4 950	4 687	4 338
Receivables from affiliated companies	19 091	14 593	32 924
Other current receivables	6 749	6 429	5 721
Cash and bank	24 258	37 512	32 111
Total assets	**317 893**	**192 439**	**197 090**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	292 967	163 070	173 147
Untaxed reserves	12 238	12 238	12 238
Provisions	1 123	4 312	1 033
Accounts payable	3 313	3 726	1 956
Liabilities to affiliated companies	-	14	-
Current tax liabilities	-	1 010	746
Other short-term liabilities	8 252	8 069	7 970
Total shareholders' equity and liabilities	**317 893**	**192 439**	**197 090**

Disclosures in accordance with IAS 34.16A occur in the financial statements and the related notes, as well as elsewhere in parts of the interim report.

NOTE 1. ACCOUNTING PRINCIPLES

For the Group, the report is presented pursuant to the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting, and for the Parent Company pursuant to the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

Accounting principles applied for the Group and the parent company correspond, unless otherwise stated below, with the accounting policies used for the preparation of the latest annual report. No new or revised accounting policies that became effective in 2016 have had any significant impact on the Group.

NOTE 2. SHARE WARRANT PROGRAMS

In total there are 427,000 outstanding warrants in two programs. If all the warrants are exercised to subscribe for shares, the share capital will increase by around SEK 11,000 and the number of shares will increase by 427,000 shares in total, corresponding to dilution of approximately 1.8 percent of the total number of shares and votes. Share warrant program 2015/2017 consists of 215,000 warrants and in June 2017 each warrant will entitle the holder to subscribe for one new share at a price of SEK 60.92. Share warrant program 2016/2018 consists of 212,000 warrants and in June 2018 each warrant will entitle the holder to subscribe for one new share at a price of SEK 90.22.

NOTE 3. FINANCIAL DATA PER SEGMENT, GROUP

	January-June					
	Net sales of non-Durable goods		Durable goods		Total consolidated	
SEK Thousands	2016	2015	2016	2015	2016	2015
Net sales	58 835	52 542	9 194	8 405	68 029	60 947
Cost of goods sold	-12 124	-12 177	-6 794	-7 525	-18 918	-19 702
Gross income	**46 711**	**40 365**	**2 400**	**880**	**49 111**	**41 245**

	April - June					
	Net sales of non-Durable goods		Durable goods		Total consolidated	
SEK Thousands	2016	2015	2016	2015	2016	2015
Net sales	29 781	27 420	4 717	1 707	34 498	29 127
Cost of goods sold	-6 208	-6 178	-3 431	-1 219	-9 639	-7 397
Gross income	**23 573**	**21 242**	**1 286**	**488**	**24 859**	**21 730**

NOTE 4. FINANCIAL INSTRUMENTS

The Group's financial assets and liabilities valuated at acquisition value amount to SEK 66 (61) million and SEK 20 (17) million respectively. Fair value of the Group's financial assets and liabilities is assessed to correspond to the book value.

NOTE 5. BUSINESS COMBINATIONS

On June 7, 2016 XVIVO Perfusion acquired 94.7 percent of the shares and 96.8 percent of the series 2015/2016 warrants in the listed company Vivoline Medical AB for SEK 138.1 million. The acquisition was paid for through the company's own shares in the amount of SEK 121.2 million and through a cash payment of SEK 16.9 million. On June 20, XVIVO Perfusion acquired a further 2.5 percent of the shares and 2.1 percent of the series 2015/2016 warrants in the listed company Vivoline Medical AB for SEK 3.4 million. The acquisition on June 20 was paid for through the company's own shares in the amount of SEK 2.9 million and through a cash payment of SEK 0.4 million. Acquisition expenses attributable to the acquisition amounted to SEK 3.2 million and have been charged to "Administrative expenses" in the consolidated income statement during the year.

Vivoline Medical AB operates in the field of lung transplantation and has research collaboration with Professor Stig Steen and Igelösa in the field of heart transplantation. The combined company creates more resources and competence to take Professor Stig Steen's world-leading research in the field of heart transplantation to a commercial phase. Furthermore, when market approval has been obtained, there will be opportunities for a rapid introduction on to the market thanks to XVIVO Perfusion's well-developed global sales and market organization. The acquisition also strengthens XVIVO Perfusion's market position in the field of lung transplantation in Europe and Australia, and enables synergies in clean room production, product development, regulatory issues and marketing. The acquisition is in line with XVIVO Perfusion's strategic objective of becoming the leader in thorax transplantation.

The acquisition date is 7 June, 2016, but result and cash flow is included in the consolidated accounts from 30 June, 2016, since transactions up to this date are deemed to be immaterial to the consolidated accounts. Hence, the acquisition did not contribute to the company's revenues and EBITDA during the second quarter. The table below shows the preliminary purchase price analysis.

Acquired intangible assets	Fair Value (TSEK)
Paid purchase price as at 7 June, 2016	138 058
Fair value of non-controlling interests	7 426
Total	145 484
Capitalised development expenditure	62 423
Patent, licences and trademarks	1 023
Tangible fixed assets	2 553
Deferred tax assets	9 470
Inventories	616
Accounts receivable and other receivables	1 895
Liquid funds	9 776
Accounts payable and other liabilities	-3 752
Fair value of acquired net assets	84 004
Goodwill	61 480
Total	145 484

Impact on the Group's cash flow

Purchase price, paid in cash	17 344
Less: Cash and cash equivalents in acquired company	-9 776
Impact on the Group's cash and cash equivalents	7 569

PRODUCTS

XPS™

SALES TYPE
Warm Perfusion

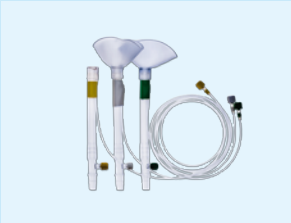
Durable Goods

STEEN Solution™

SALES TYPE
Warm Perfusion

XPS Disposable Kit™

SALES TYPE
Warm Perfusion

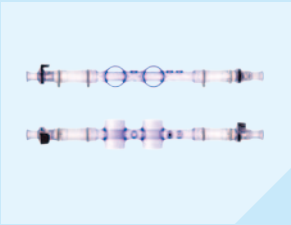


XVIVO Lung Cannula Set™

SALES TYPE
Warm Perfusion

XVIVO Organ Chamber™

SALES TYPE
Warm Perfusion



XPS PGM Disposable Sensors™

SALES TYPE
Warm Perfusion

PERFADEX®

SALES TYPE
Cold Perfusion

Silicone Tubing Set™

SALES TYPE
Cold Perfusion

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