



INTERIM REPORT JANUARY–MARCH 2017 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 of 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 for warm perfusion, XPS™ and STEEN Solution™, have regulatory approval in all major markets, and are the only products to date to have received regulatory approval from the FDA for warm perfusion of lungs. XVIVO Perfusion employs approximately 30 people at its headquarters in Gothenburg, Sweden, its office in Lund, Sweden, and its office for North & South America in Denver, CO, USA. The XVIVO share is listed on NASDAQ Stockholm and has the ticker symbol XVIVO.



CONTINUED GROWTH AND DIRECTED ISSUE OF 181 MSEK

FIRST QUARTER 2017 (JAN - MAR)

- Net sales of non-Durable goods in the quarter amounted to SEK 33.6 (29.1) million, corresponding to an increase of 16 percent in SEK. Sales of non-Durable goods increased by 11 percent in local currency. Net sales in the quarter amounted to SEK 37.5 (33.5) million, corresponding to an increase of 12 percent. The increase corresponds to 7 percent in local currency. The acquisition of Vivoline had a positive impact of SEK 0.9 million on sales.
- Operating income before depreciation and amortization (EBITDA), excluding items affecting comparability, amounted to SEK 5.0 (7.3) million, corresponding to an EBITDA margin of 13 percent. Items affecting comparability of SEK 1.4 (2.4) million, related to the acquisition and integration of Vivoline, have been charged against the quarter. EBITDA amounted to SEK 3.7 (4.9) million, corresponding to an EBITDA margin of 10 percent.
- Operating income amounted to SEK 0.0 (1.8) million, after amortization and depreciation of SEK 3.7 (3.1) million was charged against the quarter.
- Net income amounted to SEK 0.0 (1.1) million, resulting in earnings per share of SEK 0.00 (0.05).
- Cash flow from operating activities was SEK -2.0 (5.3) million, mainly affected by change in trade payables of SEK -5.9 (1.8).
- Total sales from warm perfusion (STEEN Solution™, XPS™, LS™*, and products and services related to the use of the XPS™ and LS™) accounted for 42 (40) percent of the total sales.
- Two XPS™ were sold during the quarter; one XPS™ to Australia and one XPS™ to the Netherlands. Both countries are new countries with an XPS™. At the end of the quarter 45 clinics had access to the XPS™ or LS™.
- The board of directors has resolved upon a new issue of up to 181 MSEK directed to institutional investors. The Private Placement was fully subscribed by the Third Swedish National Pension Fund (AP3), the Fourth Swedish National Pension Fund (AP4), Norron and Swedbank Robur. The Private Placement was subject to approval by an extraordinary general meeting held on 10 April 2017.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- Extraordinary general meeting was held on 10 April 2017 and it was decided to approve the board proposal of a new issue of up to 2 361 408 new shares, which will raise up to approximately SEK 181 million before issue costs.

MILESTONES REACHED DURING THE QUARTER

Australia new country with XPS™. Around 170 lung transplants are performed every year in Australia.

The Netherlands new country with XPS™. Around 100 lung transplants are performed every year in the Netherlands.

Private placement of SEK 181 million with the aim of being able to take XVIVO's heart transplant project faster to the market.

Development team for the heart transplant project established in Lund.

CEO'S COMMENTS



The development of XVIVO Perfusion is progressing at a rapid pace. Use of the products in the field of lung transplantation is continuing to grow strongly – growth excluding capital goods was +16 percent in the first quarter – and is spreading to new markets. In this quarter Australia and the Netherlands were added to countries with access to XPS™. The sales organization was strengthened in Europe towards the end of the previous year and we are delighted that this reinforcement showed positive results as early as the beginning of this year, with a sales increase of 50 percent for single-use products for warm perfusion outside the American region. In the US the lung study for the strategically important PMA application is in its final phase and now only 6 patients remain to be included. In parallel, upgrades of the XPS system have been launched, making it easier to use, which the company judges will have a positive long-term effect on sales. Finally, it can be noted that the entire lung transplantation area is developing well and is profitable.

As part of the long-term goal of becoming the global leader in the field of organ perfusion, with the aim of ensuring growth and profitability in the longer term, the company is investing in development work for four new indications: heart transplantation, liver transplantation, isolated organ therapy and priming solutions for heart-lung machines. This work is progressing according to plan and the R&D organization

was strengthened during the quarter to carry out this development.

The company assessed that an injection of capital was necessary in order to capitalize as quickly as possible on the potential offered by the development of the new indications. The main reason for issuing new shares was to be able to take XVIVO's heart transplant project to the market more quickly through global market approval and market launch. Furthermore, XVIVO Perfusion will also develop other indications and products more quickly. It was therefore pleasing to note that the new share issue, which was communicated during the first quarter and completed in April, rapidly became fully subscribed and that this was due to well-reputed investors: The Fourth Swedish National Pension Fund, Norron, The Third Swedish National Pension Fund and Swedbank Robur.

The focus in the lung transplantation area is to expand the installation base of the XPS™ and LS™ in the world and in parallel to increase the resources regarding training and service so as to support the transplantation clinics in their efforts to increase the percentage of transplantations of donated organs. The focus of XVIVO's research is to continue to lead the development of innovative solutions within thorax surgery, and to develop and extend the use of perfusion of more organs for transplantation. The company is also conducting research to treat isolated organs and tissue, one example of which is the indication of cancer.

Magnus Nilsson
CEO

CONFERENCE CALL

CEO Magnus Nilsson will present the report in a conference call at 2 p.m. CET on Tuesday, April 25, 2017. Telephone UK: +44 (0) 203 139 4830 or USA: +1 718 873 9077, enter code 60628234#.

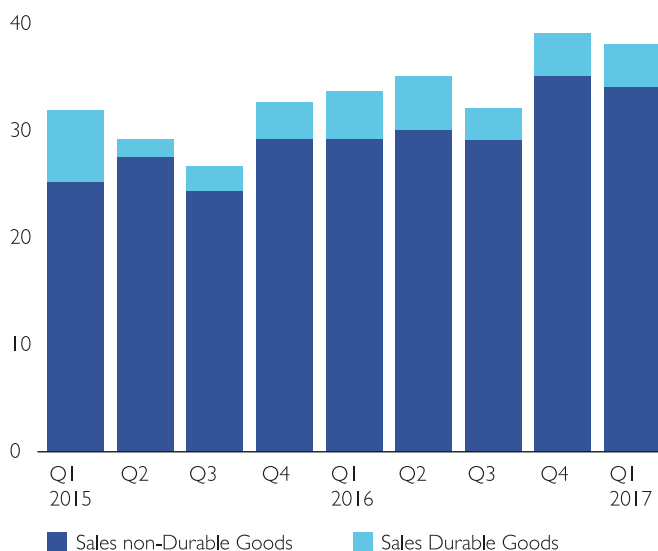
FIRST QUARTER 2017 (JANUARY - MARCH)

Net Sales

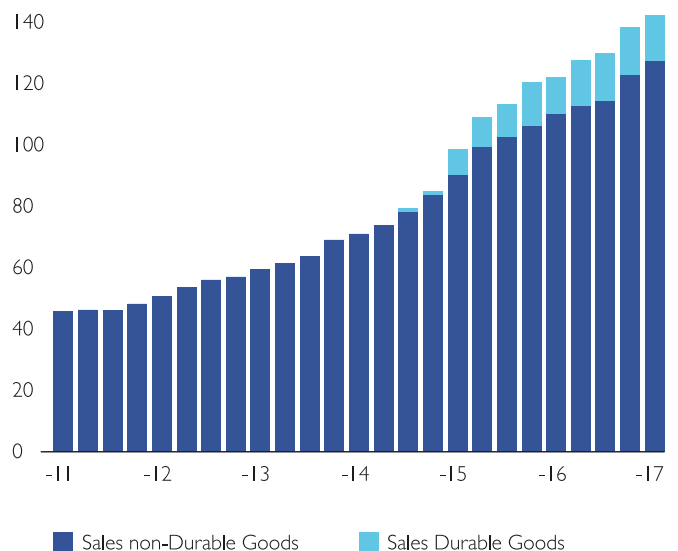
XVIVO Perfusion's net sales of non-Durable goods* in the quarter amounted to SEK 33.6 (29.1) million, corresponding to

an increase of 16 percent in SEK and 11 percent in local currency. The acquisition of Vivoline had a positive impact of SEK 0.6 million on sales of non-Durable goods. Total net sales in the quarter amounted to SEK 37.5 (33.5) million, corresponding to an increase of 12 percent in SEK and 7 percent in local currency. The acquisition of Vivoline had a positive impact of SEK 0.9 million on total sales during the quarter since one LS™ for

NET SALES PER QUARTER (SEK MILLIONS)*



NET SALES ROLLING 12 MONTHS (SEK MILLIONS)*



COMPILATION OF NET SALES AND EBITDA

SEK THOUSANDS	January - March		Whole year 2016
	2017	2016	
Net Sales non-Durable Goods	33 577	29 054	122 527
Net Sales Durable Goods	3 900	4 477	15 650
Net Sales Total	37 477	33 531	138 177
Cost of Goods non-Durable Goods	-6 669	-5 916	-24 798
Cost of Goods Durable goods	-3 719	-3 363	-11 144
Cost of Goods Total	-10 388	-9 279	-35 942
Gross income non-Durable Goods	26 908	23 138	97 729
Gross margin non-Durable Goods, %	80%	80%	80%
Gross income Durable Goods	181	1 114	4 506
Gross income Total	27 089	24 252	102 235
Gross margin Total, %	72%	72%	74%
Selling expenses	-11 371	-7 521	-35 708
Administrative expenses	-5 057	-6 437	-24 489
Research and development costs	-9 928	-7 958	-36 670
Other operating revenues and expenses	-720	-560	-2 634
Operating Income	13	1 776	2 734
amortization and depreciation cost of goods sold	-87	-	-297
depreciation administrative expenses	-195	-111	-484
amortization of research and development expenses	-2 646	-2 553	-10 346
depreciation other operative expenses	-735	-430	-2 091
EBITDA	3 676	4 870	15 952
EBITDA, %	10%	15%	12%
Items affecting comparability	-1 353	-2 430	-10 399
EBITDA excluding items affecting comparability	5 029	7 300	26 351
EBITDA excluding items affecting comparability, %	13%	22%	19%

R&D purposes where sold during the quarter.

Warm perfusion sales from non-durable goods (STEEN Solution™, products and services related to the use of the XPS™ and LS™) accounted for 36 (31) percent of the total sales of non-Durable goods. Total sales from warm perfusion (STEEN Solution™, XPS™, LS™, and products and services related to the use of the XPS™ and LS™) accounted for 42 (40) percent of the total sales.

Income

Operating income before depreciation and amortization (EBITDA), excluding items affecting comparability, amounted to SEK 5.0 (7.3) million, corresponding to an EBITDA margin of 13 percent. The main reason for the decrease is that increased investments in Sales and Marketing were made during the quarter, which is deemed to be positive in the long term. Items affecting comparability of SEK 1.4 (2.4) million have been charged against the quarter, whereof SEK 0.4 million are transaction costs related to the Vivoline acquisition, and SEK 1.0 million are integration costs related to the integration of Vivoline. EBITDA amounted to SEK 3.7 (4.9) million, corresponding to an EBITDA margin of 10 percent.

Operating income amounted to SEK 0.0 (1.8) million, after amortization and depreciation of SEK 3.7 (3.1) million was charged against the quarter.

The gross margin for non-Durable goods during the quarter was 80 (80) percent. The total gross margin during the quarter was 72 (72) percent.

Selling expenses in relation to sales increased during the quarter to 30 (22) percent, mainly due to three more employees and increased resources on service and marketing. R&D expenses amounted to 26 (24) percent of sales. The increase is mainly attributable to two new employees and items affecting comparability amounting to SEK 0.9 million charged against the quarter. Administrative expenses decreased to 13 (19) percent of sales, mainly due to less items affecting comparability. Excluding items affecting comparability the administration costs were 12 (12) percent of sales. The administration department has one more head count and higher costs due to the listing on Nasdaq Stockholm main list. Net other operating revenues and expenses during the quarter were SEK -0.7 (-0.6) million.

During the quarter, SEK 6.0 (1.6) million of the development costs were capitalized as an intangible asset. SEK 2.8 (1.4) million was attributable to the continued NOVEL study with STEEN Solution™ with the aim of PMA approval, SEK 2.7 (0.0) million was attributable to investments in the Heart transplant project with aim of marketing approval in the USA and Europe, and SEK 0.5 (0.2) million was attributable to product development of the product portfolio. Depreciation and amortization for the period amounted to SEK 3.7 (3.1) million, 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 -2.0 (5.3) million, mainly affected by change in trade payables of SEK -5.9 (1.8) million. Investments amounted to SEK 6.2 (3.6) million, of which SEK 6.0 (1.6) million was invested in intangible assets and SEK 0.2 (2.0) million was invested in tangible assets. The cash flow from financing activities was SEK 0.0 (0.0) million. Cash and cash equivalents at the end of the quarter amounted to SEK 16.5 (42.7) 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 (91) percent at the end of the period.

181 million share issue directed to four institutional investors

On March 16, 2017, the board of directors of XVIVO Perfusion AB has resolved, with deviation from the shareholders preferential right, upon a new issue of up to 2,361,408 new shares directed to institutional investors. The private placement was fully subscribed by the Third Swedish National Pension Fund (AP3), the Fourth Swedish National Pension Fund (AP4), Norron and Swedbank Robur. The private placement and subscription were subject to approval by an extraordinary general meeting held on 10 April 2017.

The subscription price per new share in the private placement was set to SEK 76.50 and has been established through a book-building process. Through the Private Placement, XVIVO Perfusion raised up to approximately SEK 181 million before issue costs. Compared to the past five trading days' volume-weighted average price (5 day VWAP) for XVIVO Perfusion's share on Nasdaq Stockholm during the period 10 to 16 March 2017, the subscription price constituted a discount of 4.5 percent. Compared to the closing price on 16 March 2017, the subscription price constituted a discount of 4.7 percent.

The rationale for carrying out the private placement is to accelerate the company's clinical product development projects, primarily the heart transplant project, with the aim of market registration globally. The board of directors of XVIVO Perfusion assesses that the proceeds from the Private Placement will be sufficient to finance the heart transplant project until market launch. The capital contribution improves the possibility of more rapidly reaching global market approval for the heart transplant products and hence being able to market these products. Furthermore, XVIVO Perfusion will be able to more rapidly take advantage of the potential that exists in the development of new indications e.g. Liver transplantation, PrimECC and Cancer.

OUTLOOK FOR 2017

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 this year 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. Expenses attributable to cardiac transplantation will be capitalized on an ongoing basis. Remaining transaction costs and integration costs related to the acquisition of Vivoline are estimated to be around SEK 2 million, which will be charged against 2017.

Organ availability is also the limiting factor for increasing the number of transplantations of organs other 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. 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 for warm perfusion, XPS™ and STEEN Solution™, have regulatory approval in all major markets, and are the only products to date to have received regulatory approval from the FDA for warm perfusion of lungs.

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 on the organ 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 "rejected" 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 organs other 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 31, of whom 13 were women and 18 were men. Of these, 17 people were employed in Sweden and 14 outside Sweden. In addition, the company uses around ten consultants.

Information on transactions with related parties

No transactions 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 2016 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.

Annual General meeting 2017 and Annual Report

The Annual General Meeting of XVIVO Perfusion AB (publ) will be held on April 26, 2017 in Gothenburg.

Events after the end of the reporting period

Extraordinary general meeting was held on 10 April 2017 and it was decided to approve the board proposal of a new issue of up to 2 361 408 new shares, which will raise up to approximately SEK 181 million before issue costs.. No other events have occurred after the end of the reporting period that significantly affect the assessment of the financial information in this report.

April 25, 2017
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 January-June 2017: Friday, July 14 2017
Interim Report January-September 2017:
Friday, October 27 2017
Report on Operations 2017: Friday, February 9, 2018

For further information, please contact

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This information is information that Xvivo Perfusion AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above on April 25, 2017 at 8.30 am.

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

CONDENSED CONSOLIDATED STATEMENT OF NET INCOME

SEK THOUSANDS	January - March 2017	2016	Whole year 2016
Net sales	37 477	33 531	138 177
Cost of goods sold	-10 388	-9 279	-35 942
Gross income	27 089	24 252	102 235
Selling expenses	-11 371	-7 521	-35 708
Administrative expenses	-5 057	-6 437	-24 489
Research and development costs	-9 928	-7 958	-36 670
Other operating revenues and expenses	-720	-560	-2 634
Operating income	13	1 776	2 734
Financial income and expenses	-51	-72	259
Income after financial items	-38	1 704	2 993
Taxes	-7	-590	-1 492
Net income	-45	1 114	1 501
Attributable to			
Parent Company's shareholders	-45	1 114	1 501
Non-controlling interests	-	-	-
	-45	1 114	1 501
Earnings per share, SEK	0,00	0,05	0,07
Earnings per share, SEK*	0,00	0,05	0,07
Average number of outstanding shares	23 614 088	21 512 769	22 567 807
Average number of outstanding shares*	23 829 088	21 512 769	22 782 807
Number of shares at closing day	23 614 088	21 512 769	23 614 088
Number of shares at closing day*	23 829 088	21 512 769	23 829 088
EBITDA	3 676	4 870	15 952
Amortization	-2 646	-2 553	-10 357
Depreciation	-1 017	-541	-2 861
Operating income	13	1 776	2 734

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

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

SEK THOUSANDS	January - March 2017	2016	Whole year 2016
Net income	-45	1 114	1 501
Other comprehensive income			
<i>Items that may be reclassified to the income statement</i>			
Exchange rate differences	-735	-1 060	4 658
Tax attributable to items that have been transferred, or can be transferred to net income	36	69	-457
Total other comprehensive income, net after tax	-699	-991	4 201
Total comprehensive income	-744	123	5 702
Attributable to			
Parent Company's shareholders	-744	123	5 702
Non-controlling interests	-	-	-
	-744	123	5 702

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK THOUSANDS	March 31, 2017	March 31, 2016	Dec 31, 2016
ASSETS			
Goodwill	65 596	3 755	65 672
Other intangible fixed assets	161 451	92 109	158 073
Property, plant and equipment	14 314	8 663	15 166
Financial assets	13 943	3 430	12 281
Total non-current assets	255 304	107 957	251 192
Inventories	35 442	25 006	34 551
Current receivables	33 652	30 259	38 684
Liquid funds	16 515	42 722	24 871
Total current assets	85 609	97 987	98 106
Total assets	340 913	205 944	349 298
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity, attributable to the Parent Company's shareholders	315 670	184 997	316 414
Long-term non-interest-bearing liabilities	3 133	3 791	3 044
Short-term non-interest-bearing liabilities	22 110	17 156	29 840
Total shareholders' equity and liabilities	340 913	205 944	349 298

CONSOLIDATED KEY RATIOS

	January - March 2017	2016	Whole year 2016
Gross margin non-Durable goods, %	80	80	80
Gross margin, %	72	72	74
EBITDA, %	10	15	12
Operating margin, %	0	5	2
Net margin, %	0	3	1
Equity/assets ratio, %	93	90	91
Income per share, SEK	0,00	0,05	0,07
Shareholders' equity per share, SEK	13,37	8,60	13,40
Share price on closing day, SEK	88,25	50,25	88,00

See page 13-14 for key ratios definition and reconciliation of alternative key figures.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

SEK THOUSANDS	January - March		Whole year
	2017	2016	2016
Income after financial items	-38	1 704	2 993
Adjustment for items not affecting cash flow	3 623	3 913	14 727
Paid taxes	-898	-2 897	-4 528
Change in inventories	-1 345	3 065	-2 379
Change in trade receivables	2 581	-2 257	-8 219
Change in trade payables	-5 943	1 766	9 956
Cash flow from operating activities	-2 020	5 294	12 550
Cash flow from investing activities	-6 215	-3 639	-29 725
Cash flow from financing activities	-	-	244
Cash flow for the period	-8 235	1 655	-16 931
Liquid funds at beginning of period	24 871	41 234	41 234
Exchange rate difference in liquid funds	-121	-167	568
Liquid funds at end of period	16 515	42 722	24 871

CONSOLIDATED CHANGES IN SHAREHOLDERS EQUITY

SEK THOUSANDS	Attributable to Parent Company's shareholders				Non-controlling interests	Sum shareholders' equity
	Share capital	Other paid in capital	Reserves	Retained earnings incl. profit for the year		
Shareholders' equity as of 1 January, 2016	550	154 567	9 140	20 617	0	184 874
Total comprehensive income Jan - March, 2016			-991	1 114		123
Shareholders' equity as of 31 March, 2016	550	154 567	8 149	21 731	0	184 997
Total comprehensive income April - December, 2016			5 192	387		5 579
Share warrant program		244				244
Acquisition of subsidiary	51	121 099			7 426	128 576
Acquisition from non-controlling interest	3	5 543		-539	-7 426	-2 419
Deduction of incremental costs directly related to issuing new shares net of tax		-563				-563
Shareholders' equity as of 31 December, 2016	604	280 890	13 341	21 579	0	316 414
Total comprehensive income Jan - March, 2017			-699	-45		-744
Shareholders' equity as of 31 March, 2017	604	280 890	12 642	21 534	0	315 670

CONDENSED CONSOLIDATED STATEMENT OF NET INCOME PER QUARTER

SEK THOUSANDS	Jan - Mar 2017	Oct - Dec 2016	Jul - Sep 2016	Apr - Jun 2016	Jan - Mar 2016	Oct - Dec 2015	Jul - Sep 2015	Apr - Jun 2015
Net sales	37 477	38 418	31 730	34 498	33 531	32 680	26 618	29 127
Cost of goods sold	-10 388	-9 530	-7 494	-9 639	-9 279	-8 055	-7 528	-7 397
Gross income	27 089	28 888	24 236	24 859	24 252	24 625	19 090	21 730
Selling expenses	-11 371	-10 312	-9 770	-8 105	-7 521	-9 095	-6 878	-8 707
Administrative expenses	-5 057	-6 751	-5 418	-5 883	-6 437	-3 384	-3 035	-3 495
Research and development costs	-9 928	-11 028	-9 033	-8 651	-7 958	-7 877	-7 513	-7 433
Other operating revenues and expenses	-720	-771	-747	-556	-560	-475	-129	-396
Operating income	13	26	-732	1 664	1 776	3 794	1 535	1 699
Financial income and expenses	-51	-131	97	365	-72	-122	381	-127
Income after financial items	-38	-105	-635	2 029	1 704	3 672	1 916	1 572
Taxes	-7	-475	82	-509	-590	-874	-579	-526
Net income	-45	-580	-553	1 520	1 114	2 798	1 337	1 046
Attributable to								
Parent Company's shareholders	-45	-580	-535	1 520	1 114	2 798	1 337	1 046
Non-controlling interests	-	-	-18	-	-	-	-	-
	-45	-580	-553	1 520	1 114	2 798	1 337	1 046
Earnings per share, SEK	0,00	-0,02	-0,02	0,07	0,05	0,13	0,06	0,05
Earnings per share, SEK*	0,00	-0,02	-0,02	0,07	0,05	0,13	0,06	0,05
Average number of outstanding shares	23 614 088	23 614 088	23 609 412	21 534 958	21 512 769	21 512 769	21 512 769	21 512 769
Average number of outstanding shares*	23 829 089	23 829 089	23 824 412	21 534 958	21 512 769	21 512 769	21 512 769	21 512 769
Number of shares at closing day	23 614 088	23 614 088	23 614 088	23 531 941	21 512 769	21 512 769	21 512 769	21 512 769
Number of shares at closing day*	23 829 089	23 829 089	23 829 089	23 531 941	21 512 769	21 512 769	21 512 769	21 512 769
EBITDA	3 676	3 586	2 737	4 759	4 870	6 881	4 440	4 597
Amortization	-2 646	-2 618	-2 628	-2 558	-2 553	-2 504	-2 557	-2 547
Depreciation	-1 017	-942	-841	-537	-541	-583	-348	-351
Operating income	13	26	-732	1 664	1 776	3 794	1 535	1 699

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

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME PER QUARTER

SEK THOUSANDS	Jan - Mar 2017	Oct - Dec 2016	Jul - Sep 2016	Apr - Jun 2016	Jan - Mar 2016	Oct - Dec 2015	Jul - Sep 2015	Apr - Jun 2015
Net income	-45	-580	-553	1 520	1 114	2 798	1 337	1 046
Other comprehensive income								
<i>Items that may be reclassified to the income statement</i>								
Exchange rate differences	-735	2 586	847	2 285	-1 060	-182	549	-2 201
Tax attributable to items that have been transferred, or can be transferred to net income	36	-230	-71	-225	69	19	-11	207
Total other comprehensive income, net after tax	-699	2 356	776	2 060	-991	-163	538	-1 994
Total comprehensive income	-744	1 776	223	3 580	123	2 635	1 875	-948
Attributable to								
Parent Company's shareholders	-744	1 776	241	3 580	123	2 635	1 875	-948
Non-controlling interests	-	-	-18	-	-	-	-	-
	-744	1 776	223	3 580	123	2 635	1 875	-948

CONDENSED INCOME STATEMENT FOR THE PARENT COMPANY

SEK THOUSANDS	January - March		Whole year
	2017	2016	2016
Net sales	32 402	19 254	85 719
Cost of goods sold	-9 390	-6 855	-20 648
Gross income	23 012	12 399	65 071
Selling expenses	-6 961	-4 053	-17 996
Administrative expenses	-3 150	-4 677	-17 514
Research and development costs	-9 916	-7 958	-35 144
Other operating revenues and expenses	-822	-560	-3 174
Operating income	2 163	-4 849	-8 757
Financial income and expenses	31	-388	2 839
Income after financial items	2 194	-5 237	-5 918
Year end dispositions	-	-	4 025
Taxes	-483	958	101
Net income	1 711	-4 279	-1 792

The Parent Company has no items to report as other comprehensive income, therefore a statement of comprehensive income is not presented.

Depreciation and amortization has reduced income for the period by SEK 3 303 (3 012) thousand.

CONDENSED BALANCE SHEET FOR THE PARENT COMPANY

SEK THOUSANDS	March 31, 2017	March 31, 2016	Dec 31, 2016
ASSETS			
Intangible fixed assets	96 191	92 108	92 827
Property, plant and equipment	10 805	7 460	11 501
Financial assets	180 772	15 654	161 592
Total non-current assets	287 768	115 222	265 920
Inventories	10 132	6 582	13 521
Current receivables	19 301	37 974	33 331
Cash and bank	6 315	34 297	13 730
Total current assets	35 748	78 853	60 582
Total assets	323 516	194 075	326 502
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	299 137	168 868	297 426
Untaxed reserves	8 213	12 238	8 213
Provisions	1 327	1 099	1 237
Short-term non-interest-bearing liabilities	14 839	11 870	19 626
Total shareholders' equity and liabilities	323 516	194 075	326 502

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.

IFRS 9 "Financial instruments" will replace the current IAS 39 "Financial instruments: Recognition and Measurement" as of 2018. The implementation project is ongoing during 2017. To judge from the information that is today known or estimated, IFRS 9 will not have a material impact on XVIVO Perfusion's results and financial position.

IFRS 15 "Revenue from Contracts with Customers" will as of 2018 replace existing IFRS related to revenue recognition, such as IAS 18 "Revenue", IAS 11 "Construction Contracts" and IFRIC 13 "Customer Loyalty Programmes". XVIVO Perfusion has been able to ascertain that the company's financial reports will be impacted when IFRS 15 begins to be applied. An implementation project is ongoing but it has not yet been possible to estimate the impact in terms of figures.

IFRS 16 "Leases" will as of 2019 replace existing IFRS related to the recognition of leasing agreements, such as IAS 17 "Leases" and IFRIC 4 "Determining Whether an Arrangement Contains a Lease". XVIVO Perfusion has not yet decided whether IFRS 16 will be applied in advance as from 2018, at the same time as IFRS 9 and IFRS 15 change the financial reporting, or whether it will be applied as of 2019. As an operational lessee, XVIVO Perfusion will be impacted by the introduction of IFRS 16. Estimates of the impact of IFRS 16 in terms of figures and the choice of transition methods have not yet been made.

No new or revised accounting policies that became effective in 2017 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

SEK THOUSANDS	January - March					
	Net sales of non-Durable goods		Durable goods		Total consolidated	
	2017	2016	2017	2016	2017	2016
Net sales	33 577	29 054	3 900	4 477	37 477	33 531
Cost of goods sold	-6 669	-5 916	-3 719	-3 363	-10 388	-9 279
Gross income	26 908	23 138	181	1 114	27 089	24 252

Note 4. Financial instruments

The Group's financial assets and liabilities valued at acquisition value amount to SEK 44 (68) million and SEK 22 (17) million respectively. Fair value of the Group's financial assets and liabilities is assessed to correspond to the book value.

RECONCILIATION OF ALTERNATIVE KEY FIGURES

This report includes certain key ratios not defined in IFRS, but they are included in the report as company management considers that this information makes it easier for investors to analyze the Group's financial performance and position. Investors should regard these alternative key ratios as complementing rather than replacing financial information in accordance with IFRS.

EBITDA

SEK THOUSANDS	January - March		Whole year
	2017	2016	2016
Operating income	13	1 776	2 734
Amortization	2 646	2 553	10 357
Depreciation	1 017	541	2 861
EBITDA	3 676	4 870	15 952

Gross margin

SEK THOUSANDS	January - March		Whole year
	2017	2016	2016
Operating income			
Net sales	37 477	33 531	138 177
Operating expenses			
Cost of goods sold	-10 388	-9 279	-35 942
Gross income	27 089	24 252	102 235
Gross margin %	72	72	74

Gross margin non-Durable goods

SEK THOUSANDS	January - March		Whole year
	2017	2016	2016
Operating income			
Net sales of non-Durable goods	33 577	29 054	122 527
Operating expenses			
Cost of non-Durable goods sold	-6 669	-5 916	-24 798
Gross income, non-Durable goods	26 908	23 138	97 729
Gross margin, non-Durable goods %	80	80	80

To calculate the gross profit margin, gross profit is first calculated by subtracting the cost of goods for resale from net sales. Gross profit is then divided by net sales to obtain the performance measure of "gross profit margin." Gross profit margin states the percentage of net sales that are converted into profit after cost of goods sold, and is impacted by such factors as pricing, the cost of raw materials and manufacturing, inventory impairment and trends in exchange rates.

Equity/assets ratio

SEK THOUSANDS	March 31, 2017	March 31, 2016	Dec 31, 2016
Shareholders' equity	315 670	184 997	316 414
Total assets	340 913	205 944	349 298
Equity/assets ratio %	93	90	91

Equity consists of share capital, other contributed capital, reserves and retained earnings, including the Group's profit for the year and non-controlling interests. Equity/assets ratio is calculated by dividing equity by total assets and is thus a measure of the percentage of assets that are financed by equity.

GLOSSARY

The following explanations are intended to help the reader understand certain specific terms and expressions in XVIVO Perfusion's reports:

Preclinical study

Research performed before a drug or method of treatment is sufficiently documented to be studied in humans, for example the testing of substances in tissue samples and subsequent testing in experimental animals.

Clinical study/trial

An investigation in healthy or sick people to study the effect of a drug or method of treatment.

Medical device

Comprises devices used to diagnose a disease or treat a disease and as rehabilitation.

Obstructive lung disease

Disease where there is airway obstruction.

Perfusion

Passage of a fluid through an organ's blood vessels.

Evaluation

Evaluation of the function of an organ.

Preservation

Storage and maintenance of an organ outside the body before transplantation.

Ex vivo (Latin for "outside a living organism")

Biological processes in living cells and tissues when they are in an artificial environment outside the body. "Opposite" of in vivo.

In vivo

Biological processes in living cells and tissues when they are in their natural place in intact organisms.

FDA or US Food and Drug Administration

The FDA is the USA's food and drug authority with responsibility for food, dietary supplements, drugs, cosmetics, medical equipment, radiology equipment, and blood products. FDA approval is required to market a medical device on the American market.

PMA or Premarket Approval

Premarket approval (PMA) is the FDA process of scientific and regulatory review to evaluate the safety and efficacy of Class III medical devices. Class III devices support or sustain human life, are of substantial importance in preventing impairment of human health, or potentially present an unreasonable risk of illness or injury.


HDE or Humanitarian Device Exemption

A humanitarian device exemption (HDE) application can be submitted to the FDA for a device that is intended to benefit patients by treating or diagnosing a disease or condition that affects or is manifested in fewer than 4,000 individuals in the United States per year. An HDE is similar in both form and content to a Premarket Approval (PMA) application, but is exempt from the efficacy requirements of a PMA.

KEY RATIOS DEFINITION

KEY RATIO	DEFINITION
Gross margin non-Durable goods, %	Gross income segment non-Durable goods as a percentage of the net sales of segment non-Durable goods.
Gross margin, %	Gross income as a percentage of the net sales for the period.
EBITDA margin, %	Operating income before depreciation and amortization as a percentage of net sales for the period.
Operating margin, %	Operating income as a percentage of net sales for the period.
Net margin, %	Income for the period as a percentage of net sales for the period.
Equity/assets ratio, %	Shareholders' equity and non-controlling interests as a percentage of total assets.
Shareholders' equity per share, SEK	Shareholders' equity in relation to the number of shares outstanding at closing day.
Earnings per share, SEK	Income for the period in relation to the average number of outstanding shares for the period.
Earnings per share after dilution, SEK	Income for the period in relation to the average number of outstanding shares after dilution for the period.

XVIVO PERFUSIONS PRODUCTS

WARM PERFUSION	WARM PERFUSION	ACCESSORIES	COLD PERFUSION
 <p>XPST™, Durable goods</p>  <p>XPS Disposable Kit™</p>	 <p>LS™, Durable goods</p>  <p>LS Disposable Kit™</p>	 <p>STEEN Solution™</p>  <p>XVIVO Organ Chamber™</p>  <p>XVIVO Lung Cannula Set™</p>	 <p>PERFADEX®</p>  <p>Silicone Tubing Set™</p>



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