



INTERIM REPORT JANUARY–MARCH 2018 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, XPST™ 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 40 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.



SALES RECORD FOR THE QUARTER AND GOOD EBITDA

FIRST QUARTER 2018 (JANUARY - MARCH)

- Net sales of non-durable goods in the quarter amounted to SEK 37.9 (33.6) million, corresponding to an increase of 13 percent in SEK. Sales of non-durable goods increased by 17 percent in local currency. Net sales in the quarter amounted to SEK 42.5 (37.5) million, corresponding to an increase of 13 percent. The increase corresponds to 18 percent in local currency.
- Operating income before depreciation and amortization (EBITDA) amounted to SEK 7.2 million, corresponding to an EBITDA margin of 17 percent. In comparison the operating income before depreciation and amortization (EBITDA) for the first quarter 2017, excluding items affecting comparability, amounted to SEK 5.0 million, corresponding to an EBITDA margin, excluding items affecting comparability, of 13 percent.
- Operating income amounted to SEK 3.1 (0.0) million, after amortization and depreciation of SEK 4.0 (3.7) million.
- Net income amounted to SEK 3.8 (0.0) million, resulting in earnings per share of SEK 0.15 (0.0).
- Cash flow from operating activities was SEK 9.2 (-2.0) million.
- Sales from warm perfusion (STEEN Solution™ and products and services related to the use of XPS™ or LS™) represented 35 percent (36) of sales of non durable goods.
- Reimbursement codes (so called CPT codes) have been valid in the USA since 1 January, 2018. The new codes simplify the reimbursement process for hospitals on the American market.
- 2 XPS™ was delivered during the quarter. At the end of the quarter 47 hospitals had access to either XPS™ or LS™.

MILESTONES PASSED UNTIL PUBLICATION OF THE INTERIM REPORT

Net sales exceeded 150 SEK million per rolling 12 months for the first time.

Reimbursement codes (so called CPT codes) have been valid in the USA since 1 January, 2018.

XVIVO's prototype of a machine for heart transplantation has been completed.

CEO'S COMMENTS



XVIVO Perfusion's rapid development continued in the first quarter of the year. Sales increased by +18% in local currency to SEK 42 million, which is yet another record quarter for the company. We are delighted that two new clinics gained access to the XPS™ during the quarter, that the use of the machines is

increasing and that the interest in the XPS™ continues to be high in all markets. In order to further strengthen the company's position, XVIVO Perfusion this year launches upgrades of the XPS™. The upgrades make EVLP (Ex Vivo Lung Perfusion) simpler and give the surgeon even better information when evaluating the lungs. The market organization and customer support were strengthened during the quarter in order to support the increased number of clinics performing EVLP.

ISHLT, which is the largest and most important congress in the field of heart and lung transplantation, has just been held. The further developed XPS™, with several new valuable functionalities, such as automatically being able to follow changes in weight of the lungs during an ongoing perfusion, drew much attention and appreciation at ISHLT. Clinics from all over the world showed great interest in and paid much attention to the presentation of the results from the first transplantation using the new heart preservation technology developed by Professor Steen.

The company continues to invest, with the goal of becoming the global leader in the perfusion of organs, initially in the thorax field, but later in liver and kidney transplantation as well. In addition to the transplantation of lungs, where the company is the global leader; investments are primarily being made in

four new indications: heart transplantation, priming solution for heart-lung machines (PrimECC), liver transplantation and isolated organ therapy. In the field of heart transplantation the team in Lund has been strengthened with two more development engineers and a clinical trial manager. An important milestone in the heart project was passed during the quarter when the team completed a prototype, which after tests and validation is to be used in clinical trials internationally. The results from the clinical study on PrimECC have been compiled and the most important findings will be studied in greater detail in the planned follow-up studies, which it is estimated will be able to start by the third quarter.

After a strong start to the year, the company looks forward with confidence to an intense period in the coming quarters. The focus in the lung transplantation field is to increase the installation base of the XPS™ and LS™ in the world, installing updates with new functionality in the XPS™ machines already installed, and in parallel increasing the resources for training and service. The aim of these actions is to support the transplantation clinics in their efforts to increase the usage of donated organs. In the heart transplantation field the aim is to complete and validate the machine and solution production in order to allow multicenter studies at the end of the year. In the other research projects support continues to be given to clinical development. XVIVO's research focuses on continuing to lead the development of innovative solutions within the field of thorax surgery, and on developing the use of perfusion of more organs for transplantation. We are therefore delighted to note that both the gross margin and the EBITDA margin continue to be good despite the continued investments in the business.

Magnus Nilsson

CEO

CONFERENCE CALL

CEO Magnus Nilsson will present the report in a conference call at 2 p.m. CET on Thursday, April 26, 2018. Telephone UK: +44 (0) 203 139 4830 or USA: +1 718 873 9077, enter code 17299565#.

FIRST QUARTER 2018 (JANUARY - MARCH)

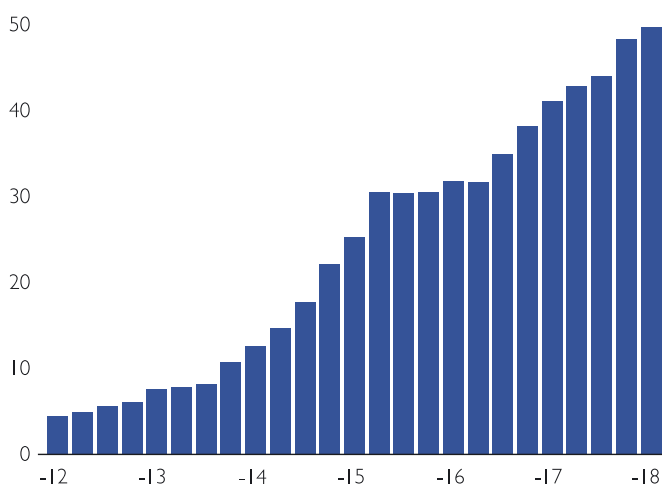
Net Sales

XVIVO Perfusion's net sales of non-durable goods* in the quarter amounted to SEK 37.9 (33.6) million, corresponding to an

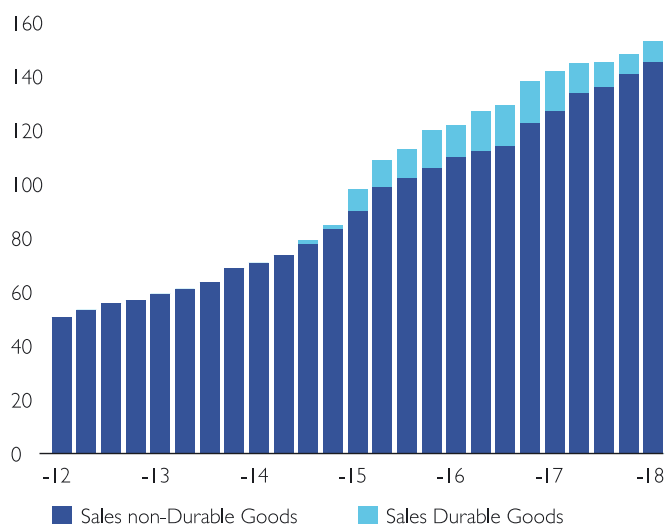
increase of 13 percent in SEK and 17 percent in local currency. Total net sales in the quarter amounted to SEK 42.5 (37.5) million, corresponding to an increase of 13 percent in SEK and 18 percent in local currency.

Warm perfusion sales from non-durable goods (STEEN Solution™, products and services related to the use of the

**NET SALES WARM PERFUSION EXCL. DURABLE GOODS
ROLLING 12-MONTHS (SEK MILLIONS)**



**NET SALES
ROLLING 12 MONTHS (SEK MILLIONS)***



COMPILATION OF NET SALES AND EBITDA

SEK THOUSANDS	January - March		Whole year
	2018	2017	2017
Net Sales non-Durable Goods	37 865	33 577	140 994
Net Sales Durable Goods	4 610	3 900	7 348
Net Sales Total	42 475	37 477	148 342
Cost of Goods non-Durable Goods	-8 699	-6 669	-30 362
Cost of Goods Durable goods	-3 664	-3 719	-4 584
Cost of Goods Total	-12 363	-10 388	-34 946
Gross income non-Durable Goods	29 166	26 908	110 632
Gross margin non-Durable Goods, %	77%	80%	78%
Gross income Durable Goods	946	181	2 764
Gross income Total	30 112	27 089	113 396
Gross margin Total, %	71%	72%	76%
Selling expenses	-10 387	-11 371	-43 702
Administrative expenses	-4 514	-5 057	-20 045
Research and development costs	-11 537	-9 928	-39 469
Other operating revenues and expenses	-525	-720	-3 074
Operating Income	3 149	13	7 106
amortization and depreciation cost of goods sold	-58	-87	-385
depreciation administrative expenses	-307	-195	-985
amortization of research and development expenses	-2 708	-2 646	-10 559
depreciation other operative expenses	-934	-735	-2 987
EBITDA	7 156	3 676	22 022
EBITDA, %	17%	10%	15%
Items affecting comparability**	-	-1 353	-2 802
EBITDA excluding items affecting comparability	7 156	5 029	24 824
EBITDA excluding items affecting comparability, %	17%	13%	17%

* See note 3 for revenue per segment. ** 2017: Integration costs from acquisition 2016.

XPS™ and LS™) accounted for 35 (36) 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 (42) percent of the total sales.

Income

Operating income before depreciation and amortization (EBITDA) amounted to SEK 7.2 million, corresponding to an EBITDA margin of 17 percent. In comparison the operating income before depreciation and amortization (EBITDA) for the first quarter 2017, excluding items affecting comparability, amounted to SEK 5.0 million, corresponding to an EBITDA margin, excluding items affecting comparability, of 13 percent.

Operating income amounted to SEK 3.1 (0.0) million, after amortization and depreciation of SEK 4.0 (3.7) million was charged against the quarter.

The gross margin for non-Durable goods during the quarter was 77 (80) percent. The decrease is mainly attributable to product mix. When looking at the whole year 2017 the gross margin for non-Durable goods was 77 (78) percent. The total gross margin during the quarter was 71 (72) percent. The decrease is attributable to segment mix.

Selling expenses in relation to sales decreased during the quarter to 24 (30) percent. The decrease is primarily attributable to temporary vacancies in the sales organization at the beginning of the quarter. R&D expenses amounted to 27 (26) percent of sales. Administrative expenses decreased to 11 (13) percent of sales, mainly due to less items affecting comparability. Net other operating revenues and expenses during the quarter were SEK -0.5 (-0.7) million.

During the quarter, SEK 8.5 (6.0) million of the development costs were capitalized as an intangible asset. SEK 4.2 (2.8) million was attributable to the continued NOVEL study with STEEN Solution™ and XPS™ with the aim of PMA approval. SEK 4.2 (2.7) million was attributable to investments in the Heart transplant project with aim of marketing approval in the USA and Europe, and SEK 0.1 (0.5) million was attributable to product development of the product portfolio. Depreciation and amortization for the period amounted to SEK 4.0 (3.7) million, of which SEK 2.5 (2.4) million was amortization of the HDE approval.

Cash flow

Cash flow from operating activities amounted to SEK 9.2 (-2.0). Investments amounted to SEK 10.9 (6.2) million, of which SEK 8.7 (6.0) million was invested in intangible assets and SEK 2.2 (0.2) 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 193.5 (16.5) million.

Financing

XVIVO Perfusion's total credit facilities consist of an overdraft facility that at the end of the period amounted to SEK 30 (30) million, of which SEK 0.0 (0.0) million was utilized. The equity/assets ratio was 94 (93) percent at the end of the period.

OUTLOOK FOR 2018

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 is therefore, to continue to develop the method with the aim of establishing the STEEN Solution™ method as the standard treatment for lung transplantation. The company will intensify clinical research and product development in cardiac transplantation. Expenses attributable to cardiac transplantation will be capitalized on an ongoing basis.

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.

Heart transplantation

The center in Lund (Sweden) develops a machine and products for heart preservation. The products are designed to help increase the availability of donated hearts so that more heart transplants can be performed and more patients can be given a last chance of a longer life with better quality of life. The products are in the phase of pre-clinical studies and clinical proof of concept. Future focus is to take the products into the phase of clinical research and to reach regulatory approval for the products.

Other indications

The company conducts preclinical and clinical research in transplantation of organs other than lungs as well as and in perfusion of organs remaining in the body, for example, drug administration to isolated organs and priming solutions for heart-lung machines.

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 is focused on increasing the number of available transplants for patients. Through published clinical trials, XVIVO Perfusion shows that the warm perfusion of organs with the STEEN Solution™ method gives more available organs and thus a larger number of patients a life-saving treatment and better quality of life, socio-economic profit and lower morbidity and mortality.

OTHER INFORMATION

Organization and personnel

At the end of quarter, the number of employees was 36, of whom 17 were women and 19 were men. Of these, 22 people were employed in Sweden and 14 outside Sweden. In addition, the company uses around 10 consultants.

Information on transactions with related parties

During the quarter, no transaction with a related party has been conducted.

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. Including financial risks are the currency risk for the business.

The most important strategic and operative risks affecting the company are described in the 2017 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 2018

The Annual General Meeting of XVIVO Perfusion AB (publ) will be held on April 27, 2018 in Gothenburg.

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.

Gothenburg
April 26, 2018

Magnus Nilsson
CEO

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 2018: Friday, July 13, 2018

Interim Report January-September 2018: Friday, October 26, 2018

Report on Operations 2018: Thursday, February 8, 2019

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 26, 2018 at 7.00 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 2018	2017	Whole year 2017
Net sales	42 475	37 477	148 342
Cost of goods sold	-12 363	-10 388	-34 946
Gross income	30 112	27 089	113 396
Selling expenses	-10 387	-11 371	-43 702
Administrative expenses	-4 514	-5 057	-20 045
Research and development costs	-11 537	-9 928	-39 469
Other operating revenues and expenses	-525	-720	-3 074
Operating income	3 149	13	7 106
Financial income and expenses	1 778	-51	346
Income after financial items	4 927	-38	7 452
Taxes	-1 120	-7	-1 192
Net income	3 807	-45	6 260
Attributable to			
Parent Company's shareholders	3 807	-45	6 260
Non-controlling interests	-	-	-
	3 807	-45	6 260
Earnings per share, SEK	0,15	0,00	0,25
Earnings per share, SEK*	0,15	0,00	0,24
Average number of outstanding shares	26 190 496	23 614 088	25 440 188
Average number of outstanding shares*	26 190 496	23 829 088	25 693 549
Number of shares at closing day	26 190 496	23 614 088	26 190 496
Number of shares at closing day*	26 190 496	23 829 088	26 402 496
EBITDA	7 156	3 676	22 023
Amortization	-2 701	-2 646	-10 542
Depreciation	-1 306	-1 017	-4 375
Operating income	3 149	13	7 106

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

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

SEK THOUSANDS	January – March 2018	2017	Whole year 2017
Net income	3 807	-45	6 260
Other comprehensive income			
<i>Items that may be reclassified to the income statement</i>			
Exchange rate differences	137	-735	-5 187
Tax attributable to items that have been transferred, or can be transferred to net income	76	36	464
Total other comprehensive income, net after tax	213	-699	-4 723
Total comprehensive income	4 020	-744	1 537
Attributable to			
Parent Company's shareholders	4 020	-744	1 537
Non-controlling interests	-	-	-
	4 020	-744	1 537

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK THOUSANDS	March 31, 2018	March 31, 2017	Dec 31, 2017
ASSETS			
Goodwill	65 332	65 596	65 273
Other intangible fixed assets	182 851	161 451	176 902
Property, plant and equipment	17 257	14 314	16 277
Financial assets	14 692	13 943	15 466
Total non-current assets	280 132	255 304	273 918
Inventories	27 722	35 442	30 703
Current receivables	40 506	33 652	38 597
Liquid funds	193 507	16 515	195 322
Total current assets	261 735	85 609	264 622
Total assets	541 867	340 913	538 540
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity, attributable to the Parent Company's shareholders	508 206	315 670	504 332
Long-term non-interest-bearing liabilities	3 302	3 133	3 312
Short-term non-interest-bearing liabilities	30 359	22 110	30 896
Total shareholders' equity and liabilities	541 867	340 913	538 540

CONSOLIDATED KEY RATIOS

	January – March 2018	January – March 2017	Whole year 2017
Gross margin non-Durable goods, %	77	80	78
Gross margin, %	71	72	76
EBITDA, %	17	10	15
Operating margin, %	7	0	5
Net margin, %	9	0	4
Equity/assets ratio, %	94	93	94
Income per share, SEK	0,15	0,00	0,25
Shareholders' equity per share, SEK	19,40	13,37	19,25
Share price on closing day, SEK	86,00	88,25	94,00

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
	2018	2017	2017
Income after financial items	4 927	-38	7 452
Adjustment for items not affecting cash flow	3 695	3 623	13 183
Paid taxes	-582	-898	-2 657
Change in inventories	3 190	-1 345	822
Change in trade receivables	-1 219	2 581	-1 013
Change in trade payables	-855	-5 943	4 404
Cash flow from operating activities	9 156	-2 020	22 191
Cash flow from investing activities	-10 869	-6 215	-35 523
Cash flow from financing activities	-	-	184 798
Cash flow for the period	-1 713	-8 235	171 466
Liquid funds at beginning of period	195 322	24 871	24 871
Exchange rate difference in liquid funds	-102	-121	-1 015
Liquid funds at end of period	193 507	16 515	195 322

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, 2017	604	280 890	13 341	21 641	0	316 476
Total comprehensive income Jan - March, 2017			-699	-45		-744
Shareholders' equity as of 31 March, 2017	604	280 890	12 642	21 596	0	315 732
Total comprehensive income April - December, 2017			-4 024	6 305		2 281
Share warrant program		347				347
Acquisition from non-controlling interest				-518		-518
Issuing of new shares after deduction of incremental costs directly related to issuing new shares net of tax	66	186 424				186 490
Shareholders' equity as of 31 December, 2017	670	467 661	8 618	27 383	0	504 332
Retrospective adjustment*				-146		-146
Adjusted Shareholders Equity as of 31 december 2017	670	467 661	8 618	27 237	0	504 186
Total comprehensive income Jan - March, 2018				4 020		4 020
Shareholders' equity as of 31 March, 2018	670	467 661	8 618	31 257	0	508 206

*Effect of the introduction of IFRS 15 "Revenue from contracts with costumers"

CONDENSED CONSOLIDATED STATEMENT OF NET INCOME PER QUARTER

SEK THOUSANDS	Jan - Mar 2018	Oct - Dec 2017	Jul - Sep 2017	Apr - Jun 2017	Jan - Mar 2017	Oct - Dec 2016	Jul - Sep 2016	Apr - Jun 2016
Net sales	42 475	41 568	32 263	37 034	37 477	38 418	31 730	34 498
Cost of goods sold	-12 363	-9 731	-7 004	-7 823	-10 388	-9 530	-7 494	-9 639
Gross income	30 112	31 837	25 259	29 211	27 089	28 888	24 236	24 859
Selling expenses	-10 387	-10 819	-10 384	-11 128	-11 371	-10 312	-9 770	-8 105
Administrative expenses	-4 514	-5 391	-4 662	-4 935	-5 057	-6 751	-5 418	-5 883
Research and development costs	-11 537	-10 121	-8 883	-10 537	-9 928	-11 028	-9 033	-8 651
Other operating revenues and expenses	-525	-767	-941	-646	-720	-771	-747	-556
Operating income	3 149	4 739	389	1 965	13	26	-732	1 664
Financial income and expenses	1 778	763	-287	-79	-51	-131	97	365
Income after financial items	4 927	5 502	102	1 886	-38	-105	-635	2 029
Taxes	-1 120	64	-453	-796	-7	-475	82	-509
Net income	3 807	5 566	-351	1 090	-45	-580	-553	1 520
Attributable to								
Parent Company's shareholders	3 807	5 566	-351	1 090	-45	-580	-535	1 520
Non-controlling interests	-	-	-	-	-	-	-18	-
	3 807	5 566	-351	1 090	-45	-580	-553	1 520
Earnings per share, SEK	0,15	0,21	-0,01	0,04	0,00	-0,02	-0,02	0,07
Earnings per share, SEK*	0,15	0,21	-0,01	0,04	0,00	-0,02	-0,02	0,07
Average number of outstanding shares	26 190 496	26 190 496	26 190 496	25 765 673	23 614 088	23 614 088	23 609 412	21 534 958
Average number of outstanding shares*	26 190 496	26 402 496	26 402 496	26 140 117	23 829 089	23 829 089	23 824 412	21 534 958
Number of shares at closing day	26 190 496	26 190 496	26 190 496	26 190 496	23 614 088	23 614 088	23 614 088	23 531 941
Number of shares at closing day*	26 190 496	26 402 496	26 402 496	26 402 496	23 829 089	23 829 089	23 829 089	23 531 941
EBITDA	7 156	8 585	4 077	5 685	3 676	3 586	2 737	4 759
Amortization	-2 701	-2 639	-2 631	-2 626	-2 646	-2 618	-2 628	-2 558
Depreciation	-1 306	-1 207	-1 057	-1 094	-1 017	-942	-841	-537
Operating income	3 149	4 739	389	1 965	13	26	-732	1 664

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

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME PER QUARTER

SEK THOUSANDS	Jan - Mar 2018	Oct - Dec 2017	Jul - Sep 2017	Apr - Jun 2017	Jan - Mar 2017	Oct - Dec 2016	Jul - Sep 2016	Apr - Jun 2016
Net income	3 807	5 566	-351	1 090	-45	-580	-553	1 520
Other comprehensive income								
<i>Items that may be reclassified to the income statement</i>								
Exchange rate differences	137	509	-2 276	-2 686	-735	2 586	847	2 285
Tax attributable to items that have been transferred, or can be transferred to net income	76	-27	210	245	36	-230	-71	-225
Total other comprehensive income, net after tax	213	482	-2 066	-2 441	-699	2 356	776	2 060
Total comprehensive income	4 020	6 048	-2 417	-1 351	-744	1 776	223	3 580
Attributable to								
Parent Company's shareholders	4 020	6 048	-2 417	-1 351	-744	1 776	241	3 580
Non-controlling interests	-	-	-	-	-	-	-18	-
	4 020	6 048	-2 417	-1 351	-744	1 776	223	3 580

CONDENSED INCOME STATEMENT FOR THE PARENT COMPANY

SEK THOUSANDS	January – March		Whole year
	2018	2017	2017
Net sales	26 171	32 402	123 345
Cost of goods sold	-8 474	-9 390	-28 462
Gross income	17 697	23 012	94 883
Selling expenses	-7 059	-6 961	-27 175
Administrative expenses	-2 218	-3 150	-9 736
Research and development costs	-9 131	-9 916	-38 955
Other operating revenues and expenses	-655	-822	-3 899
Operating income	-1 366	2 163	15 118
Financial income and expenses	1 586	31	-890
Income after financial items	220	2 194	14 228
Year end dispositions	-	-	-3 900
Taxes	-84	-483	-2 486
Net income	136	1 711	7 842

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 3 459 (3 303) thousand.

CONDENSED BALANCE SHEET FOR THE PARENT COMPANY

SEK THOUSANDS	March 31, 2018	March 31, 2017	Dec 31, 2017
ASSETS			
Intangible fixed assets	117 715	96 191	111 697
Property, plant and equipment	10 381	10 805	10 713
Financial assets	184 258	180 772	203 474
Total non-current assets	312 354	287 768	325 884
Inventories	8 785	10 132	7 304
Current receivables	19 469	19 301	23 422
Cash and bank	185 522	6 315	173 421
Total current assets	213 776	35 748	204 147
Total assets	526 130	323 516	530 031
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	492 381	299 137	492 245
Untaxed reserves	8 913	8 213	8 913
Provisions	1 342	1 327	1 351
Short-term non-interest-bearing liabilities	23 494	14 839	27 522
Total shareholders' equity and liabilities	526 130	323 516	530 031

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.

During 2018 the Group has started to apply IFRS 9 Financial instruments and IFRS 15 Revenue from contracts with customers. The effects of the transition is presented below.

Effects of the transition to IFRS 9 and IFRS 15

The introduction of IFRS 9 Financial Instruments means a change of accounting principles but the need of a retrospective adjustment for the accounting of financial instruments during prior periods is not considered material, hence the change of accounting principles has not resulted in any adjustments of opening balances as of January 1, 2018.

The Group has applied IFRS 15 retrospectively with the aggregated effect presented in equity as of January 1, 2018, the so called "cumulative effect". Comparing figures have not been recalculated. The aggregated effect (after tax) on opening balances in group equity as of January 1, 2018, amounts to -0,1 MSEK. The effect relates to the postponement of revenue due to a customer contract entered in 2017 where the final performance obligations were not fulfilled until first quarter 2018.

IFRS 9 Financial instruments

IFRS 9 Financial instruments has replaced IAS 39: Financial Instruments: Recognition and Measurement from January 1, 2018. The change of accounting principle have not had a significant effect on the groups' result and financial position. According to IFRS 9 a new impairment model, the "expected credit loss model", replaces the model used in prior periods – the "incurred loss model". The new model has been implemented during 2018 without a need for extra impairment of the assets of the Group.

IFRS 15 Revenue from contracts with customers

As per 1 January, 2018, IFRS 15 Revenue from contracts with customers has replaced earlier existing accounting standards such as IAS 18 Revenue, IAS 11 Construction contracts and IFRIC 13 Customer loyalty programs.

The company's net sales are divided into three categories: sale of goods excluding capital goods, revenues from sale and rental of capital goods and finally revenues from freight, service and other sales (see note 2 in the company's most recent Annual Report). Sale of goods excluding capital goods and revenues from freight, service and other sales comprise products and services that clearly represent separate performance obligations. It is therefore assessed that for these there are not any significant differences between current accounting and accounting pursuant to IFRS 15.

For revenues from sale and rental of capital goods there may be several distinct performance obligations in one and the same contract. IFRS 15 means that revenue related to some of these obligations (such as installation of capital goods and education and learning) will be postponed in comparison with earlier accounting principles.

The group present figures in the financial statements of this quarter that have been affected by the application of IFRS 15. Opening balances in equity have decreased with 146 KSEK (net tax) due to the postponement of revenue of 188 KSEK. This revenue was related to performance obligations in a customer contract that was entered during 2017. The revenue was recognized during the first quarter of 2018 in connection with the fulfillment of the obligations. Similar to the period end of 2017, also at the end of the first quarter of 2018 a contract existed containing outstanding performance obligations. The revenue related to these obligations, 191 KSEK, have also been postponed accordingly. The revenue is expected to be recognized during the second quarter, 2018.

Since the adjustment in opening balances and the adjustment of closing balances are more or less equal in size, the impact on affected figures, such as Revenue, is not significant compared with if older accounting standards still would have been applied.

IFRS 16 Leases

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 will apply IFRS 16 as per January 1, 2019. As an operational lessee, the company will be impacted by the introduction of IFRS 16. Estimates in terms of figures of the effect of IFRS 16 and the choice of transitional methods have not yet been made. However, the information given in Note 10 of the company's most recent Annual Report gives an indication of the type and scope of the agreements that existed at 31 March 2018.

Note 2. Share warrant programs

The 2017 annual shareholder meeting in XVIVO Perfusion AB approved the warrant program of a maximum of 243,000 warrants (2017/2019) to be offered to employees in XVIVO Perfusion group. As of March 31, 2018, a total of 198,000 warrants were subscribed and paid for by employees.

In total there are 455,000 outstanding warrants in two programs. If all the warrants are exercised to subscribe for shares, the share capital will increase by around SEK 12,000 and the number of shares will increase by 455,000 shares in total, corresponding to dilution of approximately 1.7 percent of the total number of shares and votes. 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. Share warrant program 2017/2019 consists of 243,000 warrants and in the period May-June 2019 each warrant will entitle the holder to subscribe for one new share at a price of SEK 138.51.

During the first quarter of 2018 neither the average share price nor the closing share price as of 31 March exceeded the strike price for each of the warrant programs. Hence no dilution effect has been calculated for the existing shares.

Note 3. Financial data per segment, group

	January - March					
	Net sales of non-Durable goods		Durable goods		Total consolidated	
SEK THOUSANDS	2018	2017	2018	2017	2018	2017
Net sales	37 865	33 577	4 610	3 900	42 475	37 477
Cost of goods sold	-8 699	-6 669	-3 664	-3 719	-12 363	-10 388
Gross income	29 166	26 908	946	181	30 112	27 089

Note 4. Financial instruments

The Group's financial assets and liabilities valued at acquisition value amount to SEK 226 (44) million and SEK 30 (22) 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	Jan - Mar 2018	Mar 2017	Whole year 2017
Operating income	3 149	13	7 106
Amortization	2 701	2 646	10 542
Depreciation	1 306	1 017	4 375
EBITDA	7 156	3 676	22 023

Gross margin

SEK THOUSANDS	Jan - Mar 2018	Mar 2017	Whole year 2017
<i>Operating income</i>			
Net sales	42 475	37 477	148 342
Operating expenses			
Cost of goods sold	-12 363	-10 388	-34 946
Gross income	30 112	27 089	113 396
Gross margin %	71	72	76

Gross margin non-Durable goods

SEK THOUSANDS	Jan - Mar 2018	Mar 2017	Whole year 2017
<i>Operating income</i>			
Net sales of non-Durable goods	37 865	33 577	140 994
Operating expenses			
Cost of non-Durable goods sold	-8 699	-6 669	-30 362
Gross income, non-Durable goods	29 166	26 908	110 632
Gross margin, non-Durable goods %	77	80	78

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, 2018	March 31, 2017	Dec 31, 2017
Shareholders' equity	508 206	315 670	504 332
Total assets	541 867	340 913	538 540
Equity/assets ratio %	94	93	94

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.

KEY RATIOS DEFINITION

KEY RATIO	DEFINITION	JUSTIFICATION TO USE OF KEY RATIO
Gross margin non-Durable goods, %	Gross income segment non-Durable goods as a percentage of the net sales of segment non-Durable goods.	The company believes that the key ratio provides an in-depth understanding of the company's profitability for operations for non-Durable goods. Since the pricing strategy for durable goods differs from the pricing strategy from all other operations, the gross margin is excluded separately from durable goods.
Gross margin, %	Gross income as a percentage of the net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
EBITDA margin, %	Operating income before depreciation and amortization as a percentage of net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
Operating margin, %	Operating income as a percentage of net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
Net margin, %	Income for the period as a percentage of net sales for the period.	The company believes that the key ratio provides an in-depth understanding of the company's profitability.
Equity/assets ratio, %	Shareholders' equity and non-controlling interests as a percentage of total assets.	The company believes that the equity to asset ratio provides an in-depth understanding of the company's capital structure.
Shareholders' equity per share, SEK	Shareholders' equity in relation to the number of shares outstanding at closing day.	The key ratio has been included to give investors an overview of how the company's equity per share has evolved.
Earnings per share, SEK	Income for the period in relation to the average number of outstanding shares for the period.	The key ratio has been included to give investors an overview of how the company's earnings per share has evolved.
Earnings per share after dilution, SEK	Income for the period in relation to the average number of outstanding shares after dilution for the period.	The key ratio has been included to give investors an overview of how the company's equity per share after dilution has evolved.

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.

EVLP or Ex Vivo Lung Perfusion

Perfusion of a lung outside the body. The procedure is normally done to evaluate a lung before transplantation.

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.


OPO or Organ Procurement Organization

In the United States, an organ procurement organization (OPO) is a non-profit organization that is responsible for the evaluation and procurement of deceased-donor organs for organ transplantation. There are approximately 58 such organizations in the United States.

Reimbursement

Reimbursement is relevant within the health insurance system for healthcare providers to be paid faster and more easily for accrued expenses from a private or public insurance company (in the United States, e.g. Medicare).

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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