

Interim Report January – September 2014

Telephone conference

October 24, 2014

Magnus Nilsson, CEO

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XVIVO product range



Product name	Sales type	Repeated sales / One-time sale	Sales area
XPS™	Capital Goods	One-time (low margin)	Machine for Warm Perfusion
STEEN Solution™	Consumable	Repeated (high margin)	Warm Perfusion
XPS Disposable Lung Perfusion Circuit™	Consumable	Repeated (high margin)	Warm Perfusion
XPS Disposable Lung Kit™	Consumable	Repeated (high margin)	Warm Perfusion
Organ Chamber™	Consumable	Repeated (high margin)	Warm Perfusion
XPS PGM Disposable Sensors™	Consumable	Repeated (high margin)	Warm Perfusion
Perfadex® & Silicon tubing	Consumable	Repeated (high margin)	Cold Perfusion

Sales value
~40k SEK per month incl. service

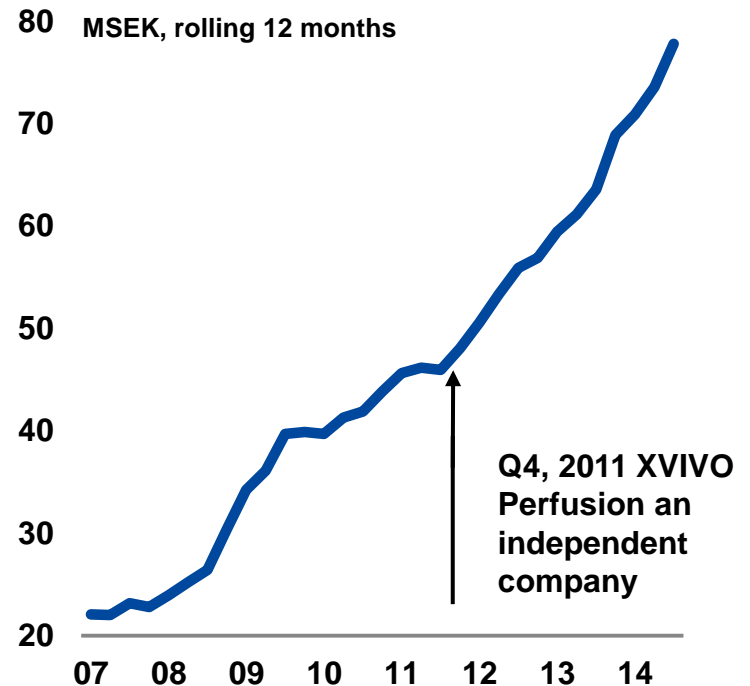
XPS™ consumables kit
Sales value
~135k SEK per EVLP

Sales value
~12k SEK per preservation

Highlights Q3, 2014

- ❑ **Growth consumables +25%**
Total growth +34%
- ❑ **EBITDA / Sales consumables 16%**
EBITDA / Total sales 15%
- ❑ **US FDA HDE approval for XPS™, XPS™ consumables kit and STEEN Solution™**
- ❑ **First XPS™ consumables kits sold in the US**
- ❑ **First XPS™ sold to Asia**

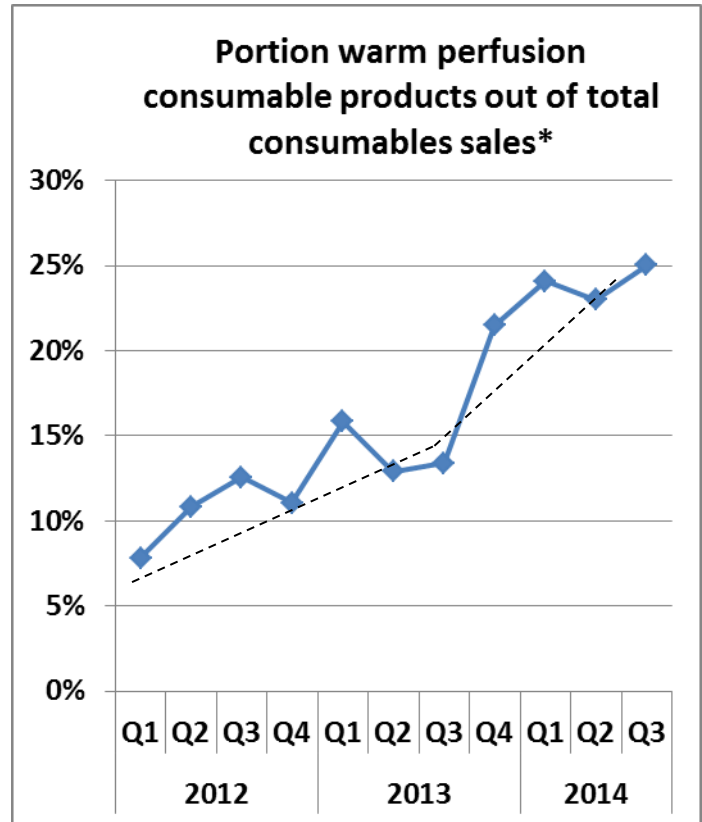
Net sales consumable products



Growth driven by warm perfusion consumables

- 80% of the consumables growth in Jan-Sep 2014 from warm perfusion consumables *

	Revenue share warm perfusion*	
	2014	2013
Q3	25%	13%
YTD	24%	14%



* Warm perfusion products are STEEN Solution™ and XPS™ related consumable products. Revenue portion warm perfusion is warm perfusion products as a portion of total consumables product sales.

EBITDA stable, even with investment in US XPS™ launch

(SEK millions)	July- September		January - September		Rolling 12 months
	2014	2013	2014	2013	
Net sales	22.4	16.8	59.2	48.9	79.2
Net sales consumables	21.0	16.8	57.7	48.9	77.7
Gross Margin %	71%	80%	75%	80%	75%
Gross Margin consumables %	76%	80%	77%	80%	77%
Selling expenses %	25%	26%	29%	25%	27%
Administrative expenses %	11%	16%	14%	18%	14%
R&D %*	25%	27%	22%	21%	23%
Operating Result %	10%	16%	11%	17%	11%
EBITDA	3.4	3.8	8.3	10.0	11.3
EBITDA %	15%	23%	14%	20%	14%
EBITDA compared to net sales consumables %	16%	23%	14%	20%	15%

* Amortization on the US STEEN Solution asset began in September 2014, with SEK 0.8 million. The total US STEEN asset amounts to SEK 98 million and will be amortized during ten years..

XVIVO Business model has economies of scale

Sales scalability

XVIVO sales per lung transplant if:

Cold Preservation ~ SEK 12k

Manual STEEN Solution™ method ~ SEK 50k

XPS™ consumables kit ~ SEK 135k

Cost scalability

	Cost type	
	Variable	Fixed
COGS	XXX	
Sales	XX	X
Admin		XXX
R&D	XX	X

USA: XPS™ and STEEN Solution™ launch

- ❑ First sales of XPS™ consumables in Q3
- ❑ Support clinics with paperwork (IRB, Reimbursement, PMA-protocol)
- ❑ Building the market – more XPS™ installations
- ❑ Study continue with aim of PMA approval
 - Clinics will pay for XPS™ disposables
 - Trial costs for PMA study will be capitalized



Europe: XPS™ focus

- ❑ **STEEN Solution™ manual method used in ~20 European clinics**
- ❑ **Increased interest for XPS™ after US clinical trial results and FDA approval**
- ❑ **Focus on XPS™ easier to use**
 - **Standardized procedure**
 - **ease to use - lower bar to EVLP**
 - **higher sales value**



Asia: Build market with XPS™

- ❑ **First XPS™ sold to Asia in Q3**
- ❑ **XVIVO invest to build the Asian warm perfusion market**



Investment into new indications for STEEN Solution™

- ❑ **Cancer treatment In Vivo Lung Perfusion (IVLP) with STEEN Solution™**
 - **IVLP similar to current EVLP Technology**
 - **Regulatory route estimated to be shorter since EVLP approved**
 - **Aim to reach clinical phase early 2015**

- ❑ **STEEN Solution™ Ex Vivo Organ Perfusion**
 - **Liver and Heart STEEN Solution™ Ex Vivo Perfusion projects in pre-clinical phase.**

XVIVO

PERFUSION

