



XTL Biopharmaceuticals Provides Financial and Operational Update for the Full Year Ended December 31, 2014

HERZLIYA, Israel, April 28, 2015 /PRNewswire/ -- [XTL Biopharmaceuticals Ltd.](http://www.xtlbio.com) (NASDAQ: XTLB, TASE: XTL) ("XTL" or the "Company"), a clinical-stage biopharmaceutical company focused on the acquisition, development and commercialization of pharmaceutical products for the treatment of unmet clinical needs, today announced its financial and operational results for the full year ended December 31, 2014.

Josh Levine, Chief Executive Officer of XTL, commented, "With the recent closing of a \$4 million registered direct offering from a US based healthcare-dedicated investor and our existing shareholders, the Company is well positioned to become a leader in drug development as we focus on advancing our core assets for lupus and multiple myeloma. We continue to make great strides in order to initiate a Phase II clinical trial with hCDR1 for lupus. Our discussions with the FDA remain constructive. Furthermore, a leading pharmaceutical company's discontinuation of their Phase III trial for lupus in conjunction with the encouraging results we have from the PRELUDE trial will uncover a myriad of opportunities for our hCDR1 asset. We are also equally excited about rHuEPO for multiple myeloma and remain on track to bring both assets into Phase II clinical trials."

"In tandem with the progression of our assets, we continue to build on the knowledge base from which we can draw to lead the company forward. The six new members appointed to our Board of Directors come with extensive drug development and capital markets experience. The Clinical Advisory Board's expertise on lupus adds immeasurable value to the company as we focus on developing the hCDR1 asset. With the guidance of the preeminent team that we have assembled, I am excited about the prospects that lie ahead of us," continued Mr. Levine.

"We also had Mr. Alex Rabinovitch, our largest shareholder and a prominent Israeli biotech investor, take an increased interest and stake in the company with his participation in our latest round of financing, his investment in InterCure and purchases of Company shares on the market. Our divestiture of InterCure simultaneously streamlines our operations, allows us to focus on our core assets and provides investors with a transparent look at the Company's financials," concluded Mr. Levine.

Financial Overview

Following the Company's divestiture of InterCure, results from the investment in InterCure are presented separately as results from discontinued operations. Consequently, results from continuing operations as presented in the Company's 2014 financial statements, for each of the three years in the period ended December 31, 2014, reflect the drug development activity of XTL only.

XTL reported \$2.2 million in cash, cash equivalents and bank deposits as of December 31, 2014. The additional funds added from the fundraise announced on March 31, 2015, will allow the Company to advance its hCDR1 program for the treatment of SLE and initiate a clinical trial on its rHuEPO for multiple myeloma asset.

The Company reported research and development expenses for the year ended December 31, 2014 of \$278,000 compared with \$82,000 for 2013 reflecting increased investment behind our clinical programs and preparations for clinical trials. General and administrative expenses for the year ended December 31, 2014 were \$1.7 million compared with \$1.3 million in 2013.

XTL reported an operating loss for the year ended December 31, 2014 of \$2.0 million compared with \$0.3 million for the same period last year. Operating losses in 2013 included a gain on sale of the Company's investment in Proteologics of \$1.1 million. The Company reported a net loss from continuing operations for the year ended December 31, 2014 of \$2.1 million, compared to \$1.1 million in the same period last year.

In addition to the results from our drug development activities, our 2014 results include a loss from discontinued operations relating to InterCure of \$0.7 million, compared to \$2.6 million in the corresponding period.

About XTL Biopharmaceuticals Ltd. ("XTL")

XTL Biopharmaceuticals Ltd., a biopharmaceutical company, focuses on the acquisition, development, and commercialization of pharmaceutical products for the treatment of unmet clinical needs. XTL is focused on late stage clinical development of drugs for the treatment of lupus, multiple myeloma and schizophrenia.

XTL is a public company traded on the Nasdaq Capital Market (NASDAQ: XTLB) and the Tel Aviv Stock Exchange (TASE: XTL). XTL shares are included in the following indices: Tel-Aviv Biomed, Tel-Aviv MidCap, and Tel-Aviv Tech Index.

Cautionary Statement

Some of the statements included in this press release may be forward-looking statements that involve a number of risks and uncertainties. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Please see the risk factors associated with an investment in our ADSs or ordinary shares which are included in our Annual Report on Form 20-F as filed with the U.S. Securities and Exchange Commission on April 2, 2014.

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XTL Biopharmaceuticals, Ltd. and Subsidiaries *(in thousands, except share and per share amounts)*

Consolidated Statements of Financial Position - Selected Data

As of

<u>December 31,</u>	<u>December 31,</u>
<u>2014</u>	<u>2013</u>

Cash, Cash Equivalents and bank deposits	\$	2,159	\$	4,165
Working Capital		2,102		3,870
Total assets		5,644		8,015
Long term liabilities	\$	-	\$	11
Total shareholders' equity		4,660		6,265
Non-controlling interests		19		520

XTL Biopharmaceuticals, Ltd. and Subsidiaries
(USD in thousands, except share and per share amounts)

Consolidated Statements of Comprehensive Income

	For the year ended		For the three months ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Research and Development expenses	(278)	(82)	(157)	(35)
General and administrative expenses	(1,744)	(1,329)	(519)	(316)
Other gains, net	-	1,059	-	3
Operating Loss	<u>\$ (2,022)</u>	<u>\$ (352)</u>	<u>\$ (676)</u>	<u>\$ (348)</u>
Finance income	41	114	17	7
Finance expenses	(138)	(55)	(129)	(10)
Finance income (expenses), net	<u>\$ (97)</u>	<u>\$ 59</u>	<u>\$ (112)</u>	<u>\$ (3)</u>
Losses from investment in associate	-	(845)	-	-
Total loss from continuing operations	<u>\$ (2,119)</u>	<u>\$ (1,138)</u>	<u>\$ (788)</u>	<u>\$ (351)</u>
Total loss from discontinued operations	<u>\$ (746)</u>	<u>\$ (2,575)</u>	<u>\$ (126)</u>	<u>\$ (1,133)</u>
Total loss for the period	<u>\$ (2,865)</u>	<u>\$ (3,713)</u>	<u>\$ (914)</u>	<u>\$ (1,484)</u>
Other comprehensive income (expenses):				
Items that might be classified to profit or loss:				
Foreign currency transaction adjustments	-	108	-	-
Reclassification of foreign currency transaction adjustments to Other gains, net	-	(221)	-	-
Total other comprehensive expenses	<u>\$ -</u>	<u>\$ (113)</u>	<u>\$ -</u>	<u>\$ -</u>
Total comprehensive loss for the period	<u>\$ (2,865)</u>	<u>\$ (3,826)</u>	<u>\$ (914)</u>	<u>\$ (1,484)</u>

Total loss for the period attributable to:

Equity holders of the Company	\$ (2,527)	\$ (2,476)	\$ (857)	\$ (971)
Non-controlling interests	(338)	(1,237)	(57)	(513)
	<u>\$ (2,865)</u>	<u>\$ (3,713)</u>	<u>\$ (914)</u>	<u>\$ (1,484)</u>

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Non-controlling interests	(338)	(1,237)	(57)	(513)
	<u>\$ (2,865)</u>	<u>\$ (3,826)</u>	<u>\$ (914)</u>	<u>\$ (1,484)</u>

Basic and diluted loss per share (in U.S. dollars):

From continuing operations	(0.009)	(0.005)	(0.003)	(0.001)
From discontinued operations	(0.002)	(0.006)	-	(0.003)
Total basic and diluted loss per share (in U.S. dollars)	<u>\$ (0.011)</u>	<u>\$ (0.011)</u>	<u>\$ (0.003)</u>	<u>\$ (0.004)</u>

Weighted average number of issued ordinary shares

	<u>231,224,512</u>	<u>223,605,181</u>	<u>232,812,446</u>	<u>226,477,137</u>
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