



INTERIM REPORT

01/01/2011 to 09/30/2011

Summary of the interim report

The first nine months of the year (01/01/2011 – 09/30/2011)

- The result after financial items amounted to SEK -6,858,114 SEK (-3,437,575).
- Earnings per share before dilution* amounted to SEK -0.46 (-0.23)
- Earnings per share after dilution** amounted to SEK -0.45 (-0.23)
- The equity/assets ratio at 09/30/2011 amounted to 97 %.

Third quarter (07/01/2011 – 09/30/2011)

- The result after financial items amounted to SEK -2,373,812 SEK (-1,455,121).
- Earnings per share before dilution* amounted to SEK -0.16 (-0.10)
- Earnings per share after dilution** amounted to SEK -0.16 (-0.10)

* The result for the period divided by the number of shares before dilution at the end of the period – 14,942,857.

* The result for the period divided by the number of shares after dilution at the end of the period – 15,106,857.

Significant events during the third quarter 2011

- Maas Biolab, LLC, the largest shareholder in NeuroVive Pharmaceutical AB (publ.), decreased its ownership by 340,125 shares by means of a share trade directed to the Swedish and American shareowners in Maas Biolab. The share trade is in the framework of the lock-up agreement to which Maas Biolab (LLC) had previously agreed. Through the share trade, the main owner's ownership was reduced from 36.41% to 34.14% of NeuroVive.
- The American journal "Pharmaceutical Formulation & Quality" (issued to 20,000 managers in the pharmaceutical industry in the USA and Canada) published an article in its August/September edition 2011 making clear cyclosporine's potential as a drug in cases of traumatic brain injury, "Cyclosporine - TBI's Miracle Drug".
- In September 2011, Neurovive signed a collaboration agreement with the British research organization Selcia Limited for the development of new medicines and pharmaceutical substances. The collaboration aims to combine Selcia's leading expertise in medical and analytical chemistry with NeuroVive's research and development program on mitochondrial medicine.
- NeuroVive and to-BBB were awarded a grant from Eureka Eurostar of EUR 1 million (EUR 500,000 each) in September 2011 for the companies' joint preclinical development program for potential treatment methods for stroke and other acute neurological conditions.

Significant events after the end of the period

- No other events have been reported after the end of the period.

Coming financial reports

- Year-end report for 2011: 02/21/2012

CEO Mikael Brönnegård comments on the interim report

NeuroVive is at the very front line in the development of pharmaceuticals targeting mitochondria. The number of companies and research institutions working in this subject area is increasing, which shows that we are entering a very exciting period with mitochondria as the target for our pharmaceuticals. Knowledge about the importance of mitochondria in the development of illness is increasing all the time, and in addition is attracting increasingly wider attention. During fall 2011, the World Congress on Targeting Mitochondria will be held in Berlin.

As a part of our efforts to develop new medicines and pharmaceutical substances targeting mitochondria, during the third quarter we signed a collaboration agreement with British Selcia Limited intended to combine the companies' expertise in this subject area. The collaboration will focus on medicines for illnesses where it is presumed that defects in mitochondrial function are central, such as stroke, myocardial infarction and a number of metabolic illnesses in children – of which several have extensive market segments with significant burden of illness while others constitute smaller market segments with possibilities for so-called "Orphan Drug Status". In the company's R&D operations, an initial series of pharmaceutical substances have already been studied.

In September 2011, we received confirmation that, together with to-BBB, we had obtained Eureka Eurostar's grant totaling EUR 1 million for our joint development program for potential new treatment methods for stroke and other acute neurological conditions. In this program, cyclosporine A for the treatment of brain injury is combined with to-BBB's G-Technology® in order to increase the transport of the drug across the blood-brain barrier to the brain. The development of a pharmaceutical against stroke is NeuroVive's second generation of nerve cell protectant pharmaceuticals that could be given to patients when the blood-brain barrier is intact. The fact that the collaboration has been recognised by the Eurostar program, in which our program is ranked as number 20 of a total of 348 projects, demonstrates that NeuroVive is pursuing high quality and competitive pharmaceutical development. The long-term goal is to widen the collaboration and to develop new and better forms of therapy for stroke and other acute neurological conditions.

Regarding our clinical trials program, during the fall we have achieved the following.

- The French cardiac trial (phase III) as of October 31 included 148 patients and we are now planning, together with the responsible trial management in Lyon, to extend the trial to Belgium and Spain. The trial, which is a multicenter trial, includes around 1000 patients. NeuroVive is providing the clinical investigators with CicloMulsion®, placebo and pharmaceutical logistics.
- In collaboration with the EBIC Group, a protocol has been developed for the planned clinical phase 2 and phase 3 trials with NeuroSTAT in patients with traumatic brain injuries. Subsequently, we will seek support for the protocol from the European Medicines Agency, EMA, and in a later stage with the FDA in the USA. On the assumption that the regulatory requirements can be fulfilled it is estimated that the trial can start sometime next year.

The process of changing trading place from AktieTorget to NASDAQ OMX Small Cap has continued during the fall.

In summary, during the fall we have strengthened the company's position within the mitochondrial medicine subject area, laid the foundation for a continued exciting development of the products in our pipeline, taken a further step towards the start of the clinical trials in patients with traumatic brain injuries, and included a further large number of cardiac patients.

Mikael Brönnegård
CEO, NeuroVive Pharmaceutical AB (publ.)

NeuroVive

NeuroVive carries out research and development of cyclosporine based pharmaceuticals, so-called cyclophilin-D inhibitors. The business has its origins in fundamental research that was started back in 1993. The company owns the patent rights for a family of pharmaceuticals called cyclosporines.

NeuroVive has demonstrated that cyclosporine-A, which is a well-known active substance for other registered purposes, is a substance with powerful nerve cell protectant properties. NeuroVive has completed the development of a patented lipid emulsion in the shape of the NeuroSTAT® product, which consists of the active substance cyclosporine-A and a carrier medium that is free from cremophor and ethanol. NeuroSTAT® has successfully passed a clinical phase I trial and the next step is an adaptive phase II/III trial concerning patients with traumatic brain injuries.

The company's primary focus aims, through clinical trials, at being able to supply health care providers with mitochondria protectant pharmaceuticals that reduce nerve cell death in connection with traumatic brain injuries. In addition, NeuroVive is pursuing advanced research into clinical and preclinical development and assessment of new carrier media, administration paths and screening of new candidate pharmaceuticals with nerve cell protectant properties, which could potentially be used to treat prolonged epileptic seizures (status epilepticus), stroke and spinal cord injuries. Moreover, there is a possibility in the future to use the company's products for immunosuppressive purposes during organ transplantations and other already registered indications.

In October 2010, the European Commission granted Orphan Drug Designation status for NeuroSTAT® for the treatment of patients with moderate to severe traumatic brain injuries. The designation gives NeuroVive market exclusivity in the EU for ten (10) years after the marketing authorization is granted and access to regulatory help as well as reduced application fees from the European Medicines Agency (EMA) during the development phase.

In December 2010, the American Food and Drug Administration (FDA) granted Orphan Drug Designation for the treatment of patients with moderate to severe traumatic brain injury with the company's product NeuroSTAT® (cyclosporine-A). Receiving Orphan Drug Designation means market exclusivity for seven (7) years for the USA and access to regulatory support from the FDA during the development process. The designation does not mean that the product has demonstrated the effectiveness, safety and quality that is required for pharmaceutical registration in the USA or Europe. These criteria must be fulfilled in the pharmaceutical and clinical phase, which the Medicines Agency must then approve before a marketing authorization is given for the product.

Business model

NeuroVive pursues research and development of pharmaceuticals that protect nerve cells. The company is on the point of conducting clinical trials on patients with the NeuroSTAT® product, but the business also includes advanced research and development of other variants of cyclophilin-D inhibiting cyclosporines as well as examining new ways to administer and transport these drugs to the central nervous system. NeuroVive intends to license its products to major pharmaceutical companies for registration, marketing and sales. The company's income will consist of fixed payments for licenses and at milestones on the way to launch as well as ongoing royalty income, based on sales of licensed products.

With the additional capital from the rights issue carried out during 2010, a further dimension has been made possible in the business model. Through the acquisition of technologies and products in the nerve cell and mitochondria protection research areas as well as through building partnerships for technology and product development, NeuroVive can build a critical mass in the company's current research area. In the long term, the acquisition and partnership strategy promotes the company's opportunities to take new products for traumatic brain injuries, and other indications prioritized by the company, to the market quickly. Thus, the risk of long development cycles during the development of new products is reduced.

Shares

On October 3, 2008, shares in NeuroVive Pharmaceutical AB (publ.) were listed on AktieTorget, which is a brokerage firm under the Swedish Financial Supervisory Authority's supervision and which operates a trading platform called MTF (Multilateral Trading Facility). On 30 September 2011, the number of shares in the company amounted to 14,942,857. There is one share type. Each share gives the same right to a share in the company's assets and profit and the right to one vote at the general meeting.

Incentive scheme/subscription warrants

At the Annual General Meeting, June 10, 2011, the decision was taken on an incentive scheme for senior executives and/or other employees in the shape of an issue of no more than 164,000 subscription warrants. The following people chose to take up subscription warrants referable to the incentive scheme.

Name	Number of subscription warrants
Mikael Brönnegård	40 000
Gregory Batcheller	40 000
Eskil Elmér	40 000
Andreas Inghammar	16 000
Christian Svensson	16 000
Fredrik Sjövall	4 000
Eleonor Åsander	4 000
Magnus Hansson	4 000
Total	164 000

During the period April 10, 2014 to June 10, 2014, the holders of the subscription warrant have the right to subscribe, for each subscription warrant, for one new share in the company at an offer price of SEK 96.00 per share. In the event that all the subscription warrants are utilized, the company's share capital will increase by SEK 8200.

Auditor's review

This interim report has not been reviewed by the company's auditor.

Principles for drawing up the interim report

The interim report has been drawn up in accordance with the Annual Accounts Act and the Swedish Accounting Standards general advice. In the cases where there is no general principle, guidance has been obtained, where relevant, from the Swedish Financial Accounting Standards Council's recommendations.

Income statement in brief

(SEK)	Note	01/07/2011 09/30/2011	01/07/2010 09/30/2010	01/01/2011 09/30/2011	01/01/2010 09/30/2010
<i>Operating income</i>					
Net turnover		-	-	-	-
Capitalized development costs	1	869 808	1 702 676	4 999 535	2 524 755
Other operating income		1 330	14 385	2 688	31 148
Total Income		871 138	1 717 061	5 002 223	2 555 903
<i>Operating costs</i>					
Other external costs		-2 251 050	-2 520 074	-9 816 870	-4 235 326
Personnel costs		-1 047 889	-672 561	-2 195 072	-1 140 016
Depreciation of tangible and intangible fixed assets		-39 009	-18 236	-108 164	-49 198
Other operating costs		-21 123	-8 180	-84 322	-10 807
Operating costs		-3 359 071	-3 219 051	-12 204 428	-5 435 347
Operating profit/loss		-2 487 933	-1 501 990	-7 202 205	-2 879 444
<i>Profit/loss from financial items</i>					
Income from interest		114 121	46 869	344 859	46 869
Interest costs		-	-	-768	-605 000
Profit/loss after financial items		-2 373 812	-1 455 121	-6 858 114	-3 437 575
Profit/loss before tax		-2 373 812	-1 455 121	-6 858 114	-3 437 575
Taxes on the year's profit/loss	2	-	-	-	-
Profit for the period		-2 373 812	-1 455 121	-6 858 114	-3 437 575

Balance sheet in brief

(SEK)	09/30/2011	12/31/2010
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>		
Development costs	13 793 635	8 794 100
Patents & other intangible assets	5 399 877	4 680 641
<i>Total intangible fixed assets</i>	19 193 512	13 474 741
<i>Tangible fixed assets</i>		
Equipment	30 438	39 212
<i>Total tangible fixed assets</i>	30 438	39 212
Total fixed assets	19 223 950	13 513 953
Current assets		
<i>Short-term receivables</i>		
Other receivables	311 401	190 732
Prepayments and deferred income	531 166	701 791
<i>Total short-term receivables</i>	842 567	892 523
<i>Cash and bank balances</i>	15 818 525	27 753 285
Total current assets	16 661 092	28 645 808
TOTAL ASSETS	35 885 042	42 159 761

Balance sheet in brief cont.

(SEK)	09/30/2011	12/31/2010
EQUITY AND LIABILITIES		
Equity		
<i>Capital and reserves</i>		
Share capital	747 143	747 143
Reserve fund	1 856 231	1 856 231
<i>Total restricted equity</i>	2 603 374	2 603 374
<i>Non-restricted equity</i>		
Share premium reserve	35 694 364	35 694 364
Surplus brought forward	3 294 584	7 658 226
Profit for the period	-6 858 114	-4 773 642
<i>Total non-restricted equity</i>	32 130 834	38 578 948
Total equity	34 734 208	41 182 322
<i>Short term liabilities</i>		
Accounts receivable	533 718	430 500
Other liabilities	74 626	71 681
Deferred costs and advance income	542 490	475 258
<i>Total short-term liabilities</i>	1 150 834	977 439
Total liabilities	1 150 834	977 439
TOTAL EQUITY AND LIABILITIES	35 885 042	42 159 761
Commitments	None	None
Contingent liabilities	None	None

Cash flow analysis in brief

(SEK)	01/07/2011 09/30/2011	01/07/2010 09/30/2010	01/01/2011 09/30/2011	01/01/2010 09/30/2010
Current operations				
Operating profit/loss	-2 487 933	-1 501 990	-7 202 205	-2 879 444
Depreciation	39 009	18 236	108 164	49 198
Interest obtained	114 121	46 869	344 859	46 869
Interest paid	-	-	-768	-605 000
Cash flow from current operations before changes in operating capital	-2 334 803	-1 436 885	-6 749 950	-3 388 377
Changes in operating capital				
Increase/decrease receivables	415 100	1 356 397	49 957	-477 747
Increase/decrease in short-term liabilities	-1 545 347	-1 197 269	173 395	-401 972
Changes in operating capital	-1 130 247	159 128	223 352	-879 719
Cash flow from current operations	-3 465 050	-1 277 757	-6 526 598	-4 268 096
Investment operations				
Acquisition/disposal of fixed assets	-	-	-10 645	-38 392
Acquisition/disposal of subsidiaries	-	-	-	-
Acquisition/disposal of intangible assets	-1 023 571	-1 895 807	-5 807 517	-4 273 045
Cash flow from investments	-1 023 571	-1 895 807	-5 818 162	-4 311 437
Financial operations				
Rights issue	410 000	-	410 000	35 787 757
Unconditional shareholders' contribution	-	-	-	-
Increase/decrease long-term receivables	-	-	-	-
Increase/decrease long-term liabilities	-	-	-	-
Cash flow from financing operations	410 000	-	410 000	35 787 757
Change in cash resources	-4 078 621	-3 173 564	-11 934 760	27 208 224
Cash and cash equivalents at the start of the period	19 897 146	33 097 531	27 753 285	2 715 743
Cash and cash equivalents at the end of the period	15 818 525	29 923 967	15 818 525	29 923 967

Change in equity in brief

(SEK)	Share capital	Reserve fund	Share premium reserve	Surplus brought forward	Profit/loss for the year	Total
Opening equity 01/01/2010	653 750	1 856 231	-	9 186 726	-1 528 500	10 168 207
Rights issue	93 393	-	35 694 364	-	-	35 787 757
Share premium reserve	-	-	-	-	-	-
Carrying over of the previous year's profit	-	-	-	-1 528 500	1 528 500	-
Profit for the period	-	-	-	-	-4 773 642	-4 773 642
Equity on 12/31/2010	747 143	1 856 231	35 694 364	7 658 226	-4 773 642	41 182 322
	12/31/2010	2009-12-31				
Conditional shareholders' contribution	-	-				
Unconditional shareholders' contribution	600 000	600 000				
(SEK)	Share capital	Reserve fund	Share premium reserve	Surplus brought forward	Profit/loss for the year	Total
Opening equity 01/01/2011	747 143	1 856 231	35 694 364	7 658 226	-4 773 642	41 182 322
Rights issue	-	-	-	-	-	-
Issue subscription warrants	-	-	-	410 000	-	410 000
Share premium reserve	-	-	-	-	-	-
Carrying over of the previous year's profit	-	-	-	-4 773 642	4 773 642	-
Profit for the period	-	-	-	-	-6 858 114	-6 858 114
Equity on 09/30/2011	747 143	1 856 231	35 694 364	3 294 584	-6 858 114	34 734 208
	09/30/2011	12/31/2010				
Conditional shareholders' contribution	-	-				
Unconditional shareholders' contribution	600 000	600 000				

During 2008, pursuant to the license agreement between NeuroVive Pharmaceutical AB and Maas Biolab, LLC a remaining conditional shareholder contribution was transformed into an unconditional shareholder contribution in connection with an offset issue (as of January 2, 2008). In total, as of June 30, 2011, there was SEK 600,000 in unconditional shareholders' contributions and SEK 0 in conditional shareholder contribution.

In July 2011, 164,000 subscription warrants were subscribed for in the incentive program. On the assumption that all subscription warrants are converted to shares, the number of shares will increase by 164,000 to 15,106,857.

Note 1 - Capitalized development costs

During the first nine months, development costs have been capitalized by SEK 4,999,535 (2,524,755). The capitalized costs concern development of the NeuroSTAT® product and costs for clinical trials as well as registrations of the NeuroSTAT® product.

Note 2 - Taxes

The company's total deficit deduction as of September 30, 2011, amounts to SEK 23,145,469. Deferred tax claims have been valued at zero, since in the current situation it cannot be assessed when the fiscal deficit deduction can be utilized.

Submission of the interim report

Lund, November 22, 2011
NeuroVive Pharmaceutical AB (publ.)
The Board of Directors

Gregory Batcheller	Chairman of the Board
Eskil Elmér	Director
Arne Ferstad	Director
Marcus Keep	Director
Helmuth von Moltke	Director
Jan Nilsson	Director
Andreas Inghammar	Deputy Director
Michael Vickers	Deputy Director

For further information, contact:

Mikael Brönnegård, CEO

Telephone: +46 (0) 46-288 01 10 (direct) +46 (0) 70-299 62 64 (cell)
Email: mikael.bronnegard@neurovive.se
Website: www.neurovive.com
Address: Biomedical Center, BMC D10, SE-221 84 Lund, Sweden